

The Art of Rallying the Crowd: How Creating an Online Community Helps Crowdfunding Campaigns Succeed

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Crowdfunding has become an increasingly popular method to raise money, for businesses and individuals alike. According to a study by [Massolution](#), in 2012 alone, crowdfunding raised about US \$2.7 billion and funded more than a million projects across the world. This is nearly double the estimated US \$1.48 billion that was raised in 2011. Crowdfunding campaigns are becoming more diverse as well, as we see more and more platforms developing across all four of Massolution's categories of crowdfunding platforms (CFP): equity-based, lending-based, reward-based and donation-based. They're not just used to fund non-profits and individual products, but also to start small businesses and improve existing ones.

At the same time, the use of social media has also been on the rise. According to a [webinar hosted by Aaron Strout](#), there are more than a billion users on Facebook, 60% of whom log in daily and more than 80% of whom reside outside of the US. Twitter was the fastest growing social network in 2012 with more than 200 million users. 20% of adult internet users in the US are on Twitter. LinkedIn has 2 new users sign up per second, and more than 200 million users in 200 different countries. As we move our social lives online, our other habits change as well. Social media isn't just for keeping updated with friends anymore; we track our favorite TV shows, stores, restaurants, news and more.

Many crowdfunding campaigns have used social media to create a network of supporters of the project. Building this community of donors helps draw in the crowd and rally even more support. Not all campaigns succeed in raising enough money to get funded. Indiegogo saw that in 2012, 64% of campaigns had pitch videos, and of those, the ones with videos that were under 5 minutes were 25% more likely to succeed. People stop watching pitch videos at 2:20 minutes, according to Emily Best, CEO and Founder of [Seed & Spark](#) and one of Indiewire's 2013 Influencers for Independent Film. This means that any information past that is lost and exemplifies the importance of conciseness. Keep in mind that not all campaigns are able to raise the funds needed, but a consistent social media presence can make or break a successful campaign.

The key is to build a relationship with the audience early on. "We believe that in order to compete in a world of increasing fragmentation, creators' success will depend on their connection to and relationship with their audience," stated said Best. The Seed&Spark platform was created on the premise that filmmakers start building a relationship with their audience from the production to premiere and thereby increase their reach. Having a steady stream of updates will keep you in the back of your followers' minds, rather than sporadic floods of posts. Content creativity also encourages followers to participate in the network.

An example of a well-built crowd-funding campaign for an independent movie is [Rez](#). Its director Dominique DeLeon decided to use the Seed&Spark platform to get funds for his movie about the struggles of a Native American boy and his younger sister. The team was able to reach their initial crowdfunding goal within three days of starting their campaign by consistently engaging with its community.

The Rez team was able to utilize the different aspects of their project to create compelling [Facebook](#) posts to not only keep their followers updated on the team's progress, but give them behind-the-scenes information on the movie. Posts in the form of pictures, director's notes and videos gave supporters a better understanding of the story behind the movie and more knowledge on the cast and

crew. These deep updates along with profound gratitude from the team show the whole-hearted passion behind the production of Rez, compelling more donations. They were able to raise nearly double their original goal.

Another example of a successful crowd-funding campaign is [Aquafarm](#), the home aquaponics garden by [Back to the Roots \(BTTR\)](#). They took an innovative way to produce local and fresh food to Kickstarter, reached their goal in 12 days, and in the end, raised almost 150% more than their goal. Back to the Roots already had a strong backing from their first product, a starter kit to home-grow mushrooms out of the kit's packaging. Throughout the Kickstarter campaign, BTTR utilized both [Facebook](#) and [Twitter](#) to promote. Through Twitter, BTTR would distribute a daily newsletter compilation of articles related to sustainability, health, and the green movement. Not only are the BTTR products related to these topics, the founders of BTTR are major proponents of sustainable farming and education. Their Twitter account was also used to show appreciation for those who supported their cause.

The BTTR Facebook page had more of a variety of posts, with many pictures of both the Aquafarm and the mushroom kit. During their campaign for the Aquaponics Garden, BTTR promoted their Kickstarter page frequently, as well as sharing articles about the project, the founders, their mission and the industry in general. Followers were kept up to date about the founders' activities, including their meeting with President Obama and other prominent figures. To encourage their supporters to interact with the Facebook page, BTTR asked their followers to post pictures of their own mushroom gardens, and share and comment on certain posts. One of their most popular updates asked supporters to comment and share, and upon reaching a certain number of shares, BTTR would donate aquaponics gardens to 5 elementary schools chosen from the comments. This was a great way to get interaction from the backers, and show that they are working toward a good cause.

Both Rez and the Aquafarm campaigns were rewards-based campaigns. Let's take a look at their incentives. Both campaigns offered their final product as an incentive. Rez offered invitations to screenings of the film, with various added bonuses at different levels of donation. BTTR gave donors a discounted price on the finished aquaponics garden, and the option for color customization for a higher donation tier. Both the Rez and the BTTR rewards focused on bringing donors into their communities. The first level of donation for Rez would earn supporters a special thank you on their Facebook page, while BTTR had more creative lower-level rewards. The lowest amount would get donors private updates from their campaign, and the next level would give backers the opportunity to add their own picture to a photo mural and their name to the BTTR website. The level of personal involvement increased as the value of the donation did. A very popular high-level reward for both campaigns was to permanently add the donors' names to their final product. Rez offered a spot in their credits, while BTTR would engrave names into the bottom of each Aquafarm they sold. Besides allowing backers to pre-order products, incentives that allow backers to become a part of the campaign helps to get more funding.

Social media allows a crowdfunding campaign to connect and interact with those who support it. Establishing a connection is important with crowdfunding because the backers are everyday people who get behind project, causes and businesses based on their personal interests. These connections build a community which can, in turn, be the tipping point in raising awareness and funds for a campaign. We can see from the above cases that a campaign that shows passion for their project and gratitude for their supporters will be able to build a larger, more engaged community. Backers also want to leave their mark when they donate; allowing them to put their names or pictures on the project's

website or product is a compelling way to bring in bigger donations. More community involvement yields higher crowdfunding success.

Additional Reading:

Webinar: Creating Content and Engagement for Facebook, LinkedIn and Twitter

<http://blog.wcgworld.com/2013/05/creating-content-and-engagement-for-facebook-linkedin-and-twitter>

Crowdfunding Industry Report: May 2012, Abridged Version

<http://www.crowdfunding.nl/wp-content/uploads/2012/05/92834651-Massolution-abridged-Crowd-Funding-Industry-Report1.pdf>

Crowdfunding Industry Report: 2013, Highlights

<http://www.crowdsourcing.org/editorial/2013cf-the-crowdfunding-industry-report/25107>