

Crowdfunding for Congregations and Faith-related Non-profits

exploring digital ministry | towards innovation in the church

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Available for download: http://www.adamjcopeland.com/crowdfunding



Aims and scope

Why a guidebook on crowdfunding and the church? Why now? Why me?

We all have multiple positions and identities. Here's a few of mine. I write this paper as a scholar of new media and religion, an inquisitive researcher of many things digital and Christian. I also write this paper as a Christian leader, and ordained Presbyterian pastor, called to serve on the faculty at Luther Seminary. As director of the Center for Stewardship Leaders, I study trends in religious giving and financial stewardship. I teach the course *Money and the Mission of the Church*. I also work with congregations and church leaders as they consider how they might better approach stewardship, or the management of resources financial and otherwise.

Guidebooks and reports like these (sometimes called "White Papers") are often written by experts seeking to fully explain a field or issue. They sometimes seek to establish that wily modern phrase, "thought leadership." like crowdfunding, as well as the shifts in the contemporary church, make any claims at expert status untenable—and missing the point. Instead, as a practitioner, and as a Christian leader, the perplexing questions that stir me consist of queries like this: might God be doing a new thing through the power of the Internet? If crowdfunding invites us into the joy of giving in new ways, what should the church be learning from it? How might we join in the fun? As I see it, a spirit of inquiry and curious faith invites such investigation.

Crowdfunding—in its mainstream Internet form, at least—has existed since 2008. But the church has always funded its ministry through small gifts from a large number of people. While the initial shine of the "crowdfunding revolution" has dulled, it has gained a respectable status among the many ways to fund new ventures, whether business-related or charitable. Crowdfunding is no savior for religious giving. I would hesitate even to label it a "game changer." But it does present a clear opportunity for church-related giving to expand its focus, audience, vision, and reach.

What is crowdfunding?

Setting the scene

When I first began working in the area of digital giving, defining crowdfunding was a relatively simple task. I would describe a few particular websites, usually Kickstarter and Indiegogo, and explain that crowdfunding ventures use these websites to fund proposed projects. Project creators ask for small gifts from a large number of people towards a named project goal. In turn, those who fund (or "back") a project receive rewards (sometimes called "perks") in return. Typically, campaigns were set up with a clear end date. Most projects were all-or-nothing. If the project failed to reach its goal by that date, the project would not move forward and the backers' credit cards would not be charged. Such an all-or-nothing approach makes sense for projects that can't move forward if they fall short of their funding goals. If the project is successfully funded, Kickstarter charges a 5% fee, plus payment process fees (between 3% and 5%). Perhaps I am looking back at these early years of crowdfunding with rose-colored glasses, but it did feel then that crowdfunding was more simple and easy to describe than it is today. More recently, the types and approach to crowdfunding has expanded, as I explain below. Hundreds of websites vie for space in what has become a multi-billion dollar industry.



"Group" by Mark Dries / CC BY

Indiegogo launched in 2008 and Kickstarter followed soon after in April 2009. Measured in dollars, these platforms remain among the leaders in the field. Indiegogo has raised \$800 million from 9 million people supporting more than 600,000 projects. Kickstarter's metrics include a total of \$2.3 billion dollars pledged, from 29 million

¹ Indiegogo, "How It Works | Indiegogo."

people, supporting 104,000 projects.² While the origin stories of these sites differ, they share a desire for funding art—and supporting artists—as part of their roots. In fact, Boston musician and computer programmer Brian Camelio launched ArtistShare way back in 2003, an early crowdfunding site musicians used to seek funds from fans.³ In Internet culture, much was happening around funding, sharing, and connecting in the 2000s—Mark Zuckerberg launched Facebook in 2004—but in time, Kickstarter and Indiegogo proved the concept that large amounts of people would give money to help projects become successful.

Due to the continued development of digital giving, a precise definition of crowdfunding is difficult to pin down. In this guide, I define **crowdfunding as goal-based fundraising ventures, conducted by groups or individuals using the Internet, that seek small contributions from a large number of people.** Next, I describe particular types of crowdfunding.

Rewards-based crowdfunding

Many crowdfunding campaigns include gifts (also, "perks" or "rewards") for backing the project at certain levels. For instance, a common reward for a \$25 contribution towards a campaign to record a new record is a CD. A \$10 contribution to the same campaign might come with a digital download of

the songs, while a \$100 gift might include two CDs and a signed poster from the artist. Other campaigns will include rewards less connected to the aims of the campaign. For example, a 2013 Indiegogo campaign, "App Camp for Girls," sought to connect girls with women tech developers and designers. A \$50 contributor was rewarded with a T-Shirt, digital wallpaper for their smartphone, and a thank-you card. While the rewards may incentivize gifts, many backers pledge small amounts below reward thresholds. Depending on the project, rewards may range from small showings of gratitude, to private house parties

Campaign Types

Flexible Campaigns | Keep What You Raise,

Project creators keep the contributions, even if the campaign goal is not met.

Pros: less risk, aligns with usual giving

Cons: lower success rates

Fixed Campaigns | All or Nothing

Project creators only receive contributions if the goal is met.

Pros: builds trust, pressure, and incentives **Cons:** "failure" is anything short of 100%+

² Kickstarter, "Stats."

³ Freedman and Nutting, "A Brief History of Crowdfunding," 2.

⁴ MacDonald, "App Camp for Girls."

with an artist. Like non-Internet based philanthropy, rewards suggest that even those giving to a project out of the goodness of their hearts sometimes appreciate something in return. Kickstarter emphasizes that the rewards *aren't the point*, rather it's the *vision* or *dream* of bringing the project to life, of bringing "creativity into the world," that's fundamental to what the site's about. They sell dreams, not products. But even dreamers like something tangible, now and again.

Several common challenges face rewards-based crowdfunding projects. First, there's the question of meeting the project goal in the first place. A surprising number of projects (15%) finish having received no backers at all. The quality of these projects tends to be very low (e.g., they rarely include a video). Indeed, many of them are never shared on social media platforms, even by the project creator. Of the projects that do raise 20% towards their goal, 78% successfully reach their goal.⁵ Ethan Mollick's research suggests, "that crowdfunding projects mostly succeed by narrow margins, or else fail by large amounts."⁶ Second, after reaching funding, project creators often encounter delays—in project creation and in sending rewards. Indeed, Indiegogo's "After Campaign Checklist" includes the heading, "How to Communicate a Delay."⁷ Similarly, Kickstarter advises campaigners, "It's not uncommon for things to take longer than expected," and encourages open communication: "Creators who are honest and transparent will usually find backers to be understanding."⁸ Finally, it's worth noting that rewards-based projects have a relatively low rate of fraud. Since project creators invite their networks, fans, and supporters to back their projects, it is unusual for the community—the crowd—to support a fraudulent project.⁹ In sum, rewards may be slow to arrive, but chances are very good that, eventually, they will.

Donation-based crowdfunding

For decades, the non-profit National Public Radio has used a largely donation-based model of "crowdfunding" to support its broadcasts by asking for a small amount of from a large number of people. While one can give to NPR using the Internet these days, early campaigns emphasized radio, mail, and telephone technologies. Similarly, understood very broadly, congregations have used a sort of "crowdfunding" for centuries. But a more specific type of crowdfunding exists using websites such as GoFundMe, CrowdRise, and Generosity (by Indiegogo). The sites allow individuals to create fundraising campaigns for a variety of charitable means. As Indiegogo puts it, "We built Generosity to give

⁵ Kickstarter, "Stats."

⁶ Mollick, "The Dynamics of Crowdfunding," 2.

⁷ Yeh, "Following Up."

⁸ Kickstarter, "Basics."

⁹ For more on this phenomenon, see Surowiecki, *The Wisdom of Crowds*.

Indiegogo users a new community for showing and sharing their compassion through personal fundraising."¹⁰

Common campaigns include fundraisers for expenses related to medical concerns, educational costs, emergencies, memorials, and towards existing non-profits. Donation-based crowdfunding usually includes goals, but exceptions exist. These projects tend not to run on all-or-nothing models of funding, so donation-based projects receive funds regardless of whether the goal is met. Platform fees vary, but



"Money" by GotCredit / CC BY

most hover around 5% plus payment process fees. Generosity invites users to donate to cover fees, but they do not charge for running the fundraiser. ¹¹ It's important to note that, like donation-based crowdfunding, the aims of many rewards-based crowdfunding campaigns may also include social good. Donation-based campaigns, however, do not include rewards for backers.

In this brave new world of crowdfunding, the question of how to categorize **peer-to-peer fundraising** is particularly puzzling. Historically, peer-to-peer fundraising occurred when a non-profit invited their supporters to fundraise on their behalf—think charity run sponsorships, bowl-a-thons, and even coupon book sales. When I was a child, I dutifully sought sponsors for the annual <u>CROP Hunger Walk</u> by speaking to prospective donors in person, and putting their gifts of cash and checks into a postage-paid envelope supplied by the non-profit. Today, crowdfunding sites simplify the method of collecting money and the social sharing features make it easy to invite others to give, electronically at least. But this is no holy grail, as Heather Mansfield advises non-profits: "setting up your [digital] peer-to-peer fundraising campaign is the easy part; maintaining and inspiring your fundraisers is the greater challenge." If rewards-based, goal-driven crowdfunding with a clear end-date is on one end of

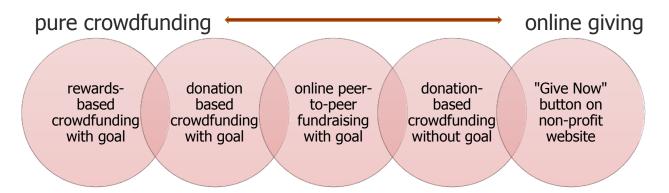
¹⁰ Indiegogo, "Generosity."

¹¹ For a chart comparing platforms and fees (last updated Sept 2014), see Razoo, "Raise Money for Anything."

¹² Mansfield, Social Media for Social Good, 37.

spectrum which might be deemed "pure crowdfunding," on the other end sits non-profit-driven, peer-to-peer fundraising and basic online giving options.

Crowdfunding Spectrum



Other types of crowdfunding

Categorizing crowdfunding is an ever-developing challenge. Hundreds of platforms exist; many more are on the way. Generally, though, researchers have described the following categories of crowdfunding, in addition to those above.

- **Debt-based crowdfunding**: offers loans to individuals; also called "peer-to-peer lending" or "lending-based crowdfunding" (e.g., <u>Kiva</u> and <u>Zidisha</u>)
- **Equity crowdfunding**: online funding allowing individuals to fund business ventures in return for a small piece of ownership (e.g., <u>Early Shares</u>, <u>wefunder</u>, and <u>CircleUp</u>)

Specifically faith-related crowdfunding sites exist as well, though they at this time they are small enough in number not to be categorized separately (e.g., WeRaise, Giveforward, and FaithLauncher). Other niche sites exist, such as the LGBT crowdfunding site Pinkstart, or experiment, a site for crowdfunding new scientific research.

Religious giving

What is Christian stewardship?

Many Christians use the concept "stewardship" to describe their approach to managing resources, financial and otherwise. Rooted in Christian theology, stewardship rests on the claims that life itself comes from God, and that everything relates to God. As Rolf Jacobson puts it, "Because we belong to God, everything about us belongs to God: our selves, our bodies, our families, our time, our relationships—even our possessions."¹³ While stewardship has to do with holistic claims, the word is most often used in contexts concerning money.¹⁴

In many—perhaps most—congregations in the United States, church leaders seldom address the power of money with much specificity or regularity. Exceptions exist, like the prosperity gospel movement, but on the whole, church leaders struggle to conduct ongoing public conversations about money in their congregations. Research by Robert Wuthnow has found "a striking tendency for Americans to deny that they ever talked about money with anyone—not their friends or neighbors, not their children, and certainly not their pastors or anyone else at church." Too often, churchgoers repeat the old line: giving is between me and God. Despite the fact that the gospel accounts of Jesus show a person eager to speak about money and possessions, few seminaries offer courses in stewardship and financial leadership.

Kerry Alys Robinson suggests an interesting broadening of the term when she expands stewardship beyond simply the proper care of what one has been entrusted, but also "the recognition and response to the potential at hand."¹⁶ For Robinson, stewardship becomes an active, visionary, ongoing process of discovery. Given the proliferation of crowdfunding, might faithful stewardship—or, at least, innovative stewardship—explore the "potential at hand" offered by crowdfunding? As shown below, many congregations and faith-related organizations have begun to explore these possibilities, stewarding the power of crowdfunding sites to serve God and neighbor.

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¹³ Jacobson, "Rethinking Stewardship: An Introduction."

¹⁴ For a fuller understanding, see the Center for Stewardship Leaders' newsletter tag, "What Is Stewardship."

¹⁵ Wuthnow, "Faith and Giving: From Christian Charity to Spiritual Practice," 14–15.

¹⁶ Robinson, *Imagining Abundance*, 34.

Shifts in faith and giving

We live in an era of **shifting giving trends**, both religious and charitable. After the devastating 2010 earthquake in Haiti, the American Red Cross raised more than \$30 million through a text-to-give campaign. Ten years ago, most Americans did not send text messages. Today, dozens of companies help non-profits collect money by way of text messages.¹⁷ As the means people use to support their charitable giving shifts, so too does the culture that supports it.

Scholars from the Lake Institute on Faith and Giving suggest we live in a time of shifting paradigms in religious giving. The challenge for most congregations is that they are made up of members who adhere to both paradigms. When

Quick Facts: Religious and Charitable Giving

(Source: Giving USA 2015)

- Over **1.1 million** 501(c)3 organizations in the U.S.
- **53% to 32%** from 1987 to 2014, the drop of religious giving as a portion of charitable giving
- \$1,050 average per capita giving
- \$2,030 average household giving
- 2.0% average donations to charities measured as portion of disposable income

addressing money in their congregations, church leaders face significant rhetorical decisions: How should they ask for gifts? In what paradigm should they function?

For example, an older paradigm mindset approaches giving out of **moral obligation or duty**. For these people, giving is simply the right thing to do. The newer paradigm approaches giving from a **donor cultivation** model. Giving, for these people, cannot be assumed. Savvy pastors have shared with me that many of their new members seek direction about giving. They want to show generosity and give wisely, but they do not give to church simply because they attend. Instead, they must be invited to give. Often they do give—generously so—but they first desire to understand how the congregation will spend the money.

Along these lines, members in the older paradigm may bristle if money is discussed publically, or if a pastor makes a specific appeal for gifts. For them, **giving is a private act**. For those operating under the emerging paradigm, **giving is more public, even communal**. If they decide that an organization aligns with their values, they may invite others in their networks to give to it. Note how crowdfunding aligns with this emerging paradigm. When a backer supports a project, they are invited to share it with their networks on Facebook, Twitter, and other social media. Supporters can—and often do—share

¹⁷ See Mansfield, Social Media for Social Good, 226–229.

links to crowdfunding campaigns even if they did not give. Sharing the project with their networks says that the project is something they support, and they invite others to give to it.

The Old Paradigm ¹⁸	The Emerging Paradigm		
Moral obligation	Donor cultivation		
Institutional priorities lead	Donor's priorities key		
Giving is private act	Giving is public, even communal		
Budgets are need-driven	Giving is value-driven		
Giving is a contribution	Giving is creating change		
Gifts fund the budget	Money follows mission		

Stewardship + crowdfunding

Crowdfunding presents a great opportunity for congregations and faith-related non-profits to explore, even lean into, shifts in religious giving. Though it may push some congregations to new ways of addressing money, Theodore Wardlaw encourages preachers to build what he calls, "a rhetorical universe." A rhetorical universe, Wardlaw explains, is a large, broad, open-minded approach to money in congregations, enabling multiple entry points for members whose attitudes towards money are as diverse as their pieties, ethics, theologies, and practices. Crowdfunding may even serve as fun, low-anxiety invitation to broader discussions of money and its power in church life.

¹⁸ Modified from the Lake Institute on Faith & Giving, "ECRF Handbook."

¹⁹ Wardlaw, "Preaching on Generosity," 38.

Crowdfunding as a discernment tool

In Christian contexts, the concept of **discernment** means the careful, prayerful, seeking of God's guidance, usually about a particular question. For example, discernment is a process that candidates undergo as they consider ordination to church leadership. But what does crowdfunding have to do with discernment?

In their book *Ministry and Money*, Janet and Philip Jamieson describe an ongoing practice of discernment related to money and finances for congregations. They advocate a three-step cycle practiced repeatedly, and in which the minister serves as spiritual guide for discernment. "If your church has never embarked upon a process to discern God's mission for the congregation, consider asking the congregation to do so before any budget setting takes place," they write.²⁰ The other steps of planning and budgeting, then, occur in conversation with what the congregation has discerned.



Crowdfunding can be used as a discernment tool when it's approached as a way to determine if others share passion

and vision for the project. For years, Kickstarter has emphasized that backing a project is more than monetary exchange. When backers pledge, they are, "supporting their dream to create something that they want to see exist in the world."²¹ In its Field Guide, Indiegogo emphasizes listening as an important tool, even during a campaign: "be ready to incorporate feedback and make changes" after advice from friends, family, and supporters.²² Engaging the community helps spread the word and builds support. Indiegogo calls this "collaborative dynamic" one of the important benefits of crowdfunding.

Considering the Jamiesons' three-step cycle of congregational finances, crowdfunding does **not** fit well in the budgeting area. But, many congregations and non-profits would benefit from employing crowdfunding as a tool for discernment. In essence, they might say, "*This project is our vision, our dream for bringing something new into the world.*" The crowdfunding campaign asks, "Are we onto something? Who's with us?"

²⁰ Jamieson and Jamieson, *Ministry and Money*, 103.

²¹ Kickstarter, "Press — Kickstarter."

²² "Indiegogo Field Guide," 11.

Audience

For congregations and non-profits, crowdfunding offers the potential of **expanding the audience** beyond their usual giving network. The trick, though, is to create a project that actually appeals to others. (Note also, that in some congregations, a surprising number of members do not regularly give, so there may be an opportunity for expanding internal audience as well.) When designing a project, congregations face the rhetorical challenge of describing their goals in a way that those of different faith traditions and backgrounds might support. As I have argued previously, a successful approach may be to emphasize shared values, as in the case of the Radical Hospitality and the Rooster Soup Co. Kickstarter campaign. The church leaders behind the campaign mentioned the fact that they were a congregation, but to appeal to a larger audience than their congregation, they elected to use, "very little churchy language, no mentioning the J word [Jesus]" and instead, "focus on shared values and a compelling civic vision."²³

In my experience working with congregations, the question of audience is a vexing one. Stewardship committees are experienced in focusing their message on their own church. Some have explored splitting that audience, using different language and approaches for older givers and younger givers, but few have conducted robust campaigns beyond their core crowd. But might we welcome this fact as opportunity, not limitation? For congregations and faith-related non-profits, crowdfunding campaigns can't be the "same old" ideas, so stopping to consider a new vision along with a new audience is essential.

Voice and Tone

Let's face it, mainline congregations often use fairly formal language, dry tone, and unusual words for non-church goers—narthex, Eucharist, sacristy, homily—I could go on. Language used in successful crowdfunding campaigns tends to be informal. Even more important than tone, however, is an **authentic voice**. When they peruse a crowdfunding page, potential backers are essentially wondering, "Are these people I trust? Am I inspired by their vision? Do I want to be associated with their campaign?" Many campaigns employ a playful approach, using humor as they seek to explain their campaign as well as build a positive relationship with the potential backer.

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²³ Copeland, "Analyzing the Spiritual Rhetoric of Kickstarter," 125.

Networks

Campaigns that draw beyond the usual network of an organization have a much greater potential to find success. Generosity reports that, "most campaigns that hit their goals raise about 30% of their funds from their community."²⁴ Most crowdfunding platforms make it easy to share campaigns on platforms like Facebook and Twitter. For many congregations, inviting members to share a giving



'Voice from on high (b+w)" by Tim Haynes / CC BY

opportunity with their social networks will be unusual, so it's wise to devise various ways of inviting social network sharing. Consider announcements in newsletters and emails. A campaign may also be a great time to invite members to use their phones to share the campaign during announcements in worship. Tagging friends on Facebook who may be

particularly drawn to the campaign also increases the likelihood of people seeing the campaign. Finally, not everyone who shares the campaign online will support it financially, and that's just fine. Using one's network to help get the word out is support in itself.

Contextual realities

In the seven years since the advent of the largest platforms, crowdfunding has grown from a marginal aspect of charitable giving and fundraising to commonplace. Its popularity has soared. For example, GoFundMe reports that its business has grown 300% per year since its founding in 2010.²⁵ The site

²⁴ Generosity, "How To Choose Your Fundraiser Goal."

²⁵ Hurst, "GoFundMe Reportedly Brings in \$470M in 2014; Claims to Top Kickstarter."

claims it helped raise \$1.09 billion in 2015, ranking it in among America's top ten charities.²⁶ This proliferation suggests how easy it is to set up a campaign page. Indeed, the very appeal of many peer-to-peer fundraising sites is their ease of use. But beware: the simplicity of setting up a campaign has led to a huge rise in campaigns, and lowered the average quality. From a campaign manager point of view, it's much better to take one's time and set up a quality campaign than to push one out only to get lost in the noise of hundreds of other campaigns. Strangely, then, the ubiquity of crowdfunding has become part of its context in the culture. Savvy campaigners must develop content that explains their **unique story** and helps their project **stand out** from the, well.... crowd.

Given this context, for those who can stomach the risk, I have come to believe that congregations and non-profits would be best launching **fixed**, **all-or-nothing campaigns** rather than flexible, get-what-you-raise campaigns. My reasons for this position are twofold. First, all-or-nothing campaigns develop a sense of momentum as they move towards their goal. Since, if the goal is not met, the whole campaign fails, the stakes are higher and the community more on edge. This energy aids campaigns. Indeed, data from a Canadian non-profit crowdfunding site shows that although over 98% of charities ran keep-what-you-raise (flexible) campaigns, all-or-nothing campaigns had two times higher success rates than flexible campaigns.²⁷ All-or-nothing campaigns are also more likely to see repeat gifts.

Vision

Content is king. A campaign can have a delightful, relational video, the best social media support, and a clear press release accompanying it, but if the core idea of the campaign isn't compelling, the campaign will run into trouble early and often. TechSoup recommends employing SMART principles to crowdfunding pitch ideas. These objectives include ideas that are Specific, Measurable, Attainable, Relevant, and Time-bound.

While business-minded campaigns may be moving crowdfunding somewhat away from its original connection to art, I am still drawn to Kickstarter's

Where there is no vision, the campaigns perish.

language of vision and dreaming. Perry Chen, a Kickstarter co-founder, explains that the aim of projects is less business-based thinking than altruistic thinking. Potential backers see a pitch and think,

²⁶ GoFundMe, "Announcements | The GoFundMe Blog."

²⁷ Ania, Charlesworth, and HiveWire, "Crowdfunding Guide for Nonprofits, Charities and Social Impact Projects," 22.

"That's really cool. I want to see it exist in the world."²⁸ The backers' support then helps bring that vision to life. When they support a project, backers become co-creators with the original designers, joining a team that is working together to bring a beautiful idea, vision, or thing into existence.

Since this co-creation mindset typifies the emerging paradigm of religious giving (above), it may make some in the older paradigm uncomfortable. After all, if a traditional donation transaction ends with a check dropped into an offering plate or envelope, a gift to a crowdfunding project becomes so much more than a transactional donation. Instead, the best crowdfunding invites the backers into the process—into relationship, even. Together, they bring to fruition something that would not have been possible otherwise. In sum, **crowdfunding supporters don't give away money, they midwife dreams.**



²⁸ "Aspen Ideas Festival."

Examples of faith-related campaigns

I've selected the campaigns below for ways they exemplify various attributes suggested above. They certainly aren't a representative sample, but they do show the potential of the crowdfunding genre. A "typical" campaign is probably some sort of mission trip funding request, but for reasons both theological and crowdfunding-related, I have elected not to include those below. A quick search on any platform mentioned above will reveal other campaigns, faith-related and beyond.

Name	Purpose	Location	Goal	Total Raised	Total Backers
Building the Bridge	New church construction	Wilmington, NC	\$20,000	\$20,551	106
Radical Hospitality & The Rooster Soup Co.	New ministry & restaurant	Philadelphia, PA	\$150,000	\$179,380	1587
Community Brick Oven in SE MN	Church-based brick oven for community use	Racine, MN	\$5,000	\$3,750 (ongoing)	20
Green Light Project	Humanist community public art	New Haven, CT	\$40,000	\$5,493 (ongoing)	65
Seminary Match Fund	Seminary scholarship matching funds	Rochford, WA	\$1,000	\$1,100	17
She Shall be an Ensign	Authoring a history of the LDS church	Salt Lake City, UT	\$30,000	\$38,124	558
Maybe All is Not Lost	Worship album	Mansfield, TX	\$4,400	\$5,005	86
The 2014 New Mexico Church Calendar	Printed calendar	Santa Fe, NM	\$1,000	\$1,025	12
More Slides at Southern Hills!	Playground equipment	Sioux Falls, SD	\$6,500	\$6,710	62
Abundant LifeTogether!	Alt year non-profit	Melbourne, FL	\$8,920	\$12,970	68

Common questions and answers

Q: I want more details, like a general "how to" guide for crowdfunding. Where should I look?

A: Most crowdfunding sites have substantial aid available for those launching campaigns in the form of guidebooks, field guides, and playbooks. They all emphasize the fact that carrying out a crowdfunding campaign takes careful work. Crowdfunding may feel like magic, but behind every successful campaign is a story of pre-planning, thoughtful messaging, and, once the project is launched, hours spent engaging networks and spreading the word. Several of these guidebooks are referenced below. They are sometimes a bit hidden on websites, because the platforms want to emphasize how easy it is to launch campaigns. Indeed, it's possible to overthink and over research, so I recommend reading a few "How To" posts and the site's suggestions for best practices, and then focus your attention on developing the quality of your project.

Q: What platform is best?

A: I don't think there's a "best," but some platforms may fit projects better than others. For example, the big players, Kickstarter and Indiegogo, emphasize *creative projects* (broadly defined), while a site like GoFundMe is closer to peer-to-peer fundraising on the Crowdfunding Spectrum (above). Kickstarter only has all-or-nothing campaigns, but Generosity is solely keep-what-you-raise. Check out a variety of sites and see if they offer the functionality you seek. Some sites even offer to give feedback on campaigns prior to launch.

Q: Do we really need a video?

A: Probably, yes. Videos significantly increase a campaign's chance of success. It doesn't have to be fancy or long—three minutes or shorter is best, actually—but I do recommend including a video. Videos help build relationships and engage our emotions. People give to an idea, but they also give to those whose idea will be made possible by the gift.

Q: What's the ideal goal length?

A: Campaigns with goals around 30 to 40 days tend to do the best.

Q: How do we come up with an idea?

A: Let's be honest, honing in on that great idea that invites others into the joy of giving is a big challenge. If it were simple, everyone would do it. For congregations and non-profits, finding that campaign idea may be particularly tricky because crowdfunding, ideally, invites people beyond your usual networks to give. There are probably a lot of things your church or ministry wants to do that won't match the passion of the community beyond its walls. Stained glass windows are delightful, but unless you can tell a truly inspiring story about stained glass, an inward focused campaign like that may be challenging. Consider the following questions in your discernment process:

- What vision do we have for creative change in our community?
- What passion and gifts do we have to share with the world?
- How might we use our existing assets in a new, but reconfigured, way?
- What, beyond our walls, might God be calling us to?
- What networks might we draw on beyond our usual givers?

As you workshop ideas, don't forget to consider the SMART principles noted above.

Q: Should we include rewards?

A: For some campaigns—like recording an album—rewards make themselves. Once the project is funded, those who gave at certain levels receive copies of the music. Other campaigns have less clear connections to their rewards, but nevertheless, the presence of rewards increases the chance of campaign success. Research by HiveWire found that campaigns that include rewards had 2.8 times increase in average number of backers, 22% increase in success, and over three times increase in the amount raised, as compared to campaigns without rewards.²⁹ Don't forget, rewards can be intangible, as well as tangible—thank-yous on social media, or another sort of public recognition often make sense for small gifts. As with all fundraising, handwritten thank-you notes go a long way. Look at other successful campaigns for ideas, but remember that your campaign is unique. Rewards should strategically align to your idea.

²⁹ Ania, Charlesworth, and HiveWire, "Crowdfunding Guide for Nonprofits, Charities and Social Impact Projects,"23. In addition to statistical data, this crowdfunding guide includes several pages of helpful suggestions concerning reward types, reward strategies, reward levels, and reward fulfillment.

Q: When am I ready to launch?

A: You may never feel fully ready, but here are some of the main indicators your campaign is ready to go:

- You have a group or committee supporting the project
- You've tested your idea with people in your network and beyond it
- You have a communication plan to help spread the word
- Your campaign includes quality video(s) and images
- You have a campaign calendar with planned updates
- If you have rewards, you have a plan in place to send them out

Good luck, and may the crowd be with you!

About the Center for Stewardship Leaders

Luther Seminary's Center for Stewardship Leaders seeks to shape a faithful, multidimensional culture of stewardship in congregations, households, and society. The center strives to consider the full spectrum of stewardship practice and theology, including financial stewardship, holistic stewardship, and leadership.

The center publishes a popular weekly newsletter, hosts stewardship conferences, and conducts research for the church and academy. Luthersem.edu/stewardship

About **Adam J. Copeland**

Adam Copeland serves as Director of Stewardship Leadership at Luther Seminary in St. Paul, Minnesota where he teaches and directs the work of the Center for

Stewardship Leaders. An ordained pastor in the Presbyterian Church (USA), he is editor of *Kissing in the Chapel, Praying in the Frat House: Wrestling with Faith and College* (2014). He regularly teaches the course, "Money and Mission of the Church." He is pursuing a Ph.D. in rhetoric at North Dakota State University where his dissertation will analyze how congregations and non-profits use crowdfunding.

Before coming to Luther in 2015, Copeland served as a church planter, college professor, and rural pastor. His articles have appeared in *Journal for Preachers, Hybrid Pedagogy*, and *Word*



and World. Previous articles on crowdfunding have been published in *The Christian Century* magazine, the *Journal of Religion and Popular Culture*, and *online: Heidelberg Journal of Religions on the Internet.* He is a regular conference speaker and guest preacher. His next book, *Making Stewardship Whole* will be published by Westminster John Knox Press in 2017.

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