

10 Tips and Considerations for Launching a Crowdfunding Campaign

1. Protect your brand: go online and see where your nonprofit organization is already represented on crowdfunding platforms and charity directories.

- Decide whether or not to participate on platforms that have claimed or listed your organization. If not, contact the platform and ask to be removed.
- For those you choose to participate in, make sure your organization's information is accurate and that you have the ability to cause updates to be made, as needed.

2. Develop a Crowdfunding Campaign Strategy.

- Determine your goals for the campaign: fundraising, cause awareness, expanding base of supporters? Who are you seeking to reach?
- Make sure you have organizational buy-in and that the relevant stakeholders are on-board: Leadership, Development, Communications and Legal.
- Determine what organizational project, event or campaign is best suited to crowdfunding.

3. Have a good crowdfunding story to tell.

- Develop a campaign around a story that incorporates emotion and engagement with your organization. What will motivate the peer-to-peer fundraisers you want to engage?
- Quantify the impact of the changes you will be able to make with the additional funds you're seeking.
- Consider what "rewards"—either tangible or intangible—you can offer that will engage supporters.

4. Choose the right platform for your campaign.

Engage in appropriate due diligence before settling on a platform (or deciding to build your own platform). Consider:

- Non-profit friendliness: Is platform itself a 501(c)(3) or for-profit? Does it have the right features for your campaign?
- Transaction Fees (set up, monthly and commission fee in addition to credit card processing fee)
 - Are these deducted from the gift or added as an additional charge to you?
- How quickly funds will be transmitted to you
- Ease of use and customization
- Platform's track record and credibility
- Work with your legal advisors to review agreements with the platform and, as applicable, agreements between the individual donor (user) and the platform

5. Know what your donors' experience is going to be.

- Do a test run of the platform as a donor. Closely review all of the click-through rates and user agreements.
- Who will be listed on their credit card statement?
- Understand upfront how donor data will be used. What is the platform's Privacy Policy? Will the platform share the donor data (e.g., name and contact information) with you?

6. Know whether your organization is responsible for issuing a tax receipt / acknowledgement letter.

- Is it you or the platform?
- If your organization, the platform or a volunteer fundraiser is offering a "reward" or other form of acknowledgement in the form of goods or services, be aware of quid pro quo contribution rules, which require you to disclose the value of the non-token goods or services the donors receive.

7. Provide guidance to your volunteer peer-to-peer fundraisers.

- Create guidelines and best practices for donors to prevent misrepresentations and unfulfilled expectations.
- Provide rules of engagement, tips, success stories, approved logos, digital downloads, printed materials and an organizational fact sheet.
- Don't overpromise (or permit your fundraisers to overpromise) on rewards.
- Are you seeking restricted or unrestricted funds? Make sure funds do not become inadvertently restricted through volunteer promises on how funds will be used. (e.g., "Projects listed are just some examples of how funds may be used to fulfill _____ goal.")
- Even if you are seeking funds for a specific purpose, include language about what will happen to funds if you can no longer pursue the project or raise funds in excess of your goal, or reserve variance power to your organization.
 - Work with legal advisors to make sure appropriate language is incorporated into your contracts with the platform and in the contracts between the platform and the user.

8. Make sure your organization is registered for charitable solicitation in the appropriate jurisdictions; consider whether your crowdfunding platform should be registered as a "professional fundraiser," "fundraising counsel" or similar.

- Consider the Charleston Principles: (<http://www.nasconet.org/wp-content/uploads/2011/05/Charleston-Principles-Final.pdf>)
- Look into the Unified Registration Form (<http://multistatefiling.org>); check for updates into the Single-Portal Project: (<http://mrfpinc.org/about.html>)

9. Be ready to promote the crowdfunding campaign to your existing network.

- Develop a marketing campaign that begins with your existing network of supporters, donors and members. Design an email campaign to let your current mailing list know about it and link to your crowdfunding effort to encourage participation.
- Share your campaign on Facebook, Twitter, LinkedIn, Instagram, blogs, newsletters and on other social media platforms.
- Consider pitching your campaign to media outlets, journalists, nonprofit influencers and bloggers or other organizations related to your cause.

10. Stay in touch with old and new supporters after the campaign!

Ideally, the crowdfunding campaign has been not just about raising funds but an opportunity to expand your community. Use every means possible to connect with the people you have engaged both during and after the campaign.

- Provide regular updates and reports to your contributors on your progress both during and after the campaign to let them know how their support has made a difference.
- Fulfill your “rewards” as efficiently as possible to express your gratitude for their support.
- Ask your supporters to sign-up for your newsletter and social media channels after the campaign, and offer them opportunities to volunteer.
- Respect donor privacy – include opt-out links in further communications.
- Ask questions – what would your backers like to see you do next?