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Innovative Fundraising: Crowdfunding Implementation Guide & Evaluation

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PICO International
Unlocking the Power of People™

Innovative Fundraising
Crowdfunding Implementation Guide & Evaluation

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EXECUTIVE SUMMARY

PICO Rwanda envisions a future where Rwandans are equipped with the skills to solve any and all problems they face.

PICO cooperatives have expressed interest in starting community enterprises, but lack the capital necessary to bring these dreams to life. In coordination with Faith in Action International, PICO Rwanda seeks to develop a funding strategy on a platform that showcases written cooperative business plans to raise start up funding for the community-serving social enterprises.

We collaborated with PICO Rwanda and Faith in Action International leaders to identify funding needs and pinpoint an appropriate funding strategy. Our efforts led to the development of two crowdfunding campaigns on the platform, CrowdRise by GoFundMe. These two campaigns showcase key points from PICO Mumeya and PICO Nyange cooperative business plans. The campaigns have been promoted through social media networks outside of PICO Rwanda's and FIA International's usual donor network, and both have been successful in raising donations.

Showcasing cooperative business plan projects via crowdfunding campaigns will enable PICO Rwanda to access increased funds without tapping into an existing and loyal annual donor network. Crowdfunding campaigns will capitalize on an untapped donor network by providing a place for all who interact with PICO Rwanda to support specific cooperative enterprise projects that aim to lift PICO communities out of poverty.

The crowdfunding campaigns also showcase the media content developed by 2018 Miller Center Fellows.

Campaigns were created on CrowdRise by GoFundMe which will likely undergo a name change to GoFundMe Charity.

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Table of Contents

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Introduction

PICO Rwanda relies on monetary support from loyal donors to make transformative community organizing a reality. From local religious, government, and community leaders, to donors around the world, PICO Rwanda and its affiliate, Faith in Action International, leverage deep donor networks to support PICO Rwanda operations. New sources of funding, supplemental to the yearly operating budget support, are crucial as PICO looks to expand its impact.

Problem

PICO Rwanda and Faith in Action International have reached maximum capacity in regard to their existing donor network, which supports PICO Rwanda's operations through annual donations. New funding streams are necessary in order to respect the contributions of these donors and reach an untapped donor network made up of people who have engaged with PICO communities.

Opportunity

Each year, hundreds of people engage with PICO Rwanda through community visits. They are fortunate to gain insight into the incredible work of community organizing in five Rwandan communities. Currently, these groups and their networks are an untapped donor network. Creative financing strategies will stimulate funding by welcoming these groups to help kickstart PICO cooperative enterprise development projects. In regard to funding cooperative enterprise projects, crowdfunding addresses PICO

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Rwanda and Faith in Action International's need to diversify funding streams. Instead of reaching out to existing donors who already support PICO's operating budget, untapped donors who have engaged with PICO, but maybe have not donated, will have the chance to support specific PICO cooperative projects.

Crowdfunding offers a platform for 21st century funding opportunities. Crowdfunding platforms are used by all different organizations. They allow these groups to share a story. The story may be personal, say someone's home was damaged by extreme heavy rain and flooding, or it may relate to an entrepreneurial idea that someone would like to develop into a product. For PICO Rwanda and Faith in Action International, these stories are about the growth of incredible cooperatives. Crowdfunding allows people to share informative stories, projects, and a clear ask on a platform that gives potential donors the option to consider supporting a good cause. Individuals contribute small donations that, when brought together, will add up to the total campaign ask. In the long-term, we see cooperatives pursuing micro-finance solutions for early capital needs. At the early stages of community enterprise development, however, donations through a crowdfunding platform will help advance cooperatives to the point where MFIs are a feasible means of capital.

> Micro-financing is difficult to secure during the early stages of PICO community enterprise development.

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Successes

- $3,000 raised for two cooperative start-ups
- Expanded to new funding streams
- Modernized funding platforms
- Provided a new means for visitors impacted by PICO to give back

Areas for Improvement

- *Regular tracking of names & contact info of groups/individuals who have had first-hand experiences with PICO*
- *Integrated email / social media campaign*
- *Exploring new ways to share the story in a compelling way*
  - *E.g. "a $50 donation provides the cooperative with X" or "a $50 donation allows the cooperative to Y"*

Recommendations

This was a pilot and thus serves as a learning opportunity for how future crowdfunding campaigns can be adjusted. There is no monetary expenditure necessary for executing a crowdfunding campaign, and the time cost is marginal. Therefore, experimenting with crowdfunding is low-cost and should continue after the completion of the pilot campaign. Future campaigns should be built around the lessons learned through this pilot.

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For the next round of crowdfunding, we recommend that Faith in Action International and PICO Rwanda test the implementation of smaller, more frequent campaigns that align directly with group visits to PICO communities. These visitors describe the deep way the interactions with the communities have touched them, and upon their return home, they seek ways to share the experience with their loved ones. Aligning the campaigns with group visits to PICO communities will allow Faith in Action International and PICO to capitalize on the visitors' impactful experiences and the generosity of the family and friends that they share their stories with.

Implementation Guide

New cooperative project?
Looking for capital?

Does the cooperative have and up-to-date business plan?

What are some of the cooperative's objectives?

Is there a new product?
Customer profile?
SWOT update?
Financial costs?

Develop a story that will paint a clear picture of the project.

Imagine that people you ask for donations know about the cooperative's project.

Formulate a clear ask.
How much capital is needed?

What are donors funding?

How will $10 or $50 impact the cooperative?
E.g. $50, is 10% of a cooperative's annual profit.

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8

PART II

Gather material to showcase on the campaign page.
→ Photos
Videos
Testimonials
Business Plans
Financials
→ Identify the people in charge of gathering this material.

Choose the crowdfunding platform.
→ For non-profit work one option is CrowdRise by GoFundMe.
→ Coordinate point person for campaign management.

Design crowdfunding campaign.
→ Create sections for the
Story
Ask
Media

Review campaign with internal stakeholders.
→ Does the ask align with what the cooperative needs?
→ Solidify a timeline for the campaign.
When will you launch the campaign and share the link?

Outline a list of contacts who will share the cooperative's story and spread the campaign.
→ Do you have a social network that is supportive and willing to share the campaign?
Who will the campaign be shared with?
→ Share on social media, websites, by email, and get the campaign link out to friends, family, coworkers +

Inform this list of contacts before sending out the campaign link.
→ You can launch the campaign at any time. It is only when the link is shared that people can find it!

Launch campaign!!
→ Develop a custom email to thank donors.
→ Keep looking for ways to spread the word!

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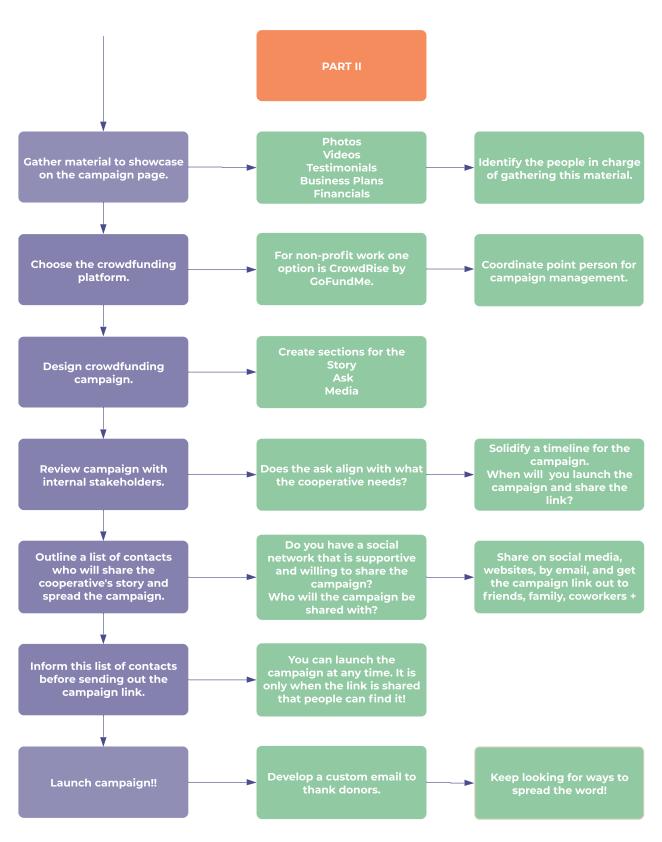
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Implementation Detail

Platform

Different crowdfunding platforms benefit different users. For example, Indiegogo might be best suited for groundbreaking products. Other platforms such as GoFundMe, Global Giving, and CrowdRise will work better for social-good organizations and nonprofits supporting specific causes.

We worked closely with Faith in Action International leadership to understand previous connections to Global Giving and different factors that would shape choosing the best platform. We researched different platform options and CrowdRise by GoFundMe was the most appropriate for non-

Sharing the Campaign

A successful campaign will have an informative story, visuals, a clear ask, and supporting media. This will help to paint a full picture of what the campaign is all about. With all of this in place, PICO Rwanda and Faith in Action International will need to prepare a list of contacts who will first receive information about the crowdfunding campaign. These contacts should begin with and stem from groups that have interacted with PICO. From here, contacts can extend to friends, colleagues, family members, and anyone who would be willing to share the crowdfunding campaign by social media, email, websites, and other internet-based avenues. Capitalizing on all possible sharing methods is crucial to crowdfunding campaign success. Without a clear understanding of who will receive access to the

campaign via a web page link, the message will not spread, and there may not be enough people who donate to the crowdfunding campaign. It is up to the asking organization to ensure that as many people hear about and know how to access the crowdfunding campaign as possible.

Reminder

Implementing any new system is a process. This requires collaboration between the involved parties. Communication between PICO Rwanda and Faith in Action International is key for the successful implementation of the crowdfunding campaign. Information regarding the projects is constantly changing, and it is important that all information shared on the campaigns stays up-to-date.

PICO Rwanda and Faith in Action International stakeholders live over 9,000 miles away from one another. No matter the distance, a successful crowdfunding campaign will link the donor with the project. It will tell a story and paint a clear picture of what the donor is supporting. For this to happen, the on-the-ground and remote stakeholders, in this case PICO Rwanda and FIA International, must be on the same page.

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Benefits of Crowdfunding

Independence	**Accessibility**
Rapidity of Results	**Wide Reach**

Independence

Adding crowdfunding to PICO Rwanda and Faith in Action International's funding portfolio will not stress the dedication of current donors. Because crowdfunding platforms are online, they are accessible to anyone who hears about the campaign and has the necessary link to access the campaign webpage. The campaign webpage affords people the opportunity to consider donating. This promotes funding as an engaging method to supporting a good cause.

Accessibility

Crowdfunding campaigns can be added on a rolling basis and support the dynamic nature of community organizing. Donations do not need to be large and everyone can help. Because crowdfunding platforms are online, once a campaign is set-up with a story, ask, media, and other specifics, then PICO Rwanda or Faith in Action International can easily share the campaign with

stakeholders. It is easy to share campaigns with groups that engage with PICO Rwanda. All it takes is sharing the crowdfunding page url via a simple internet search, email, or social media post. Groups can easily donate to support projects of cooperatives they have just interacted with! People can then share the crowdfunding campaigns with their family and friends thanks to integrated social media connections. The crowdfunding campaign can be shared by email, over social media, and on websites with the simple inclusion of a link to the campaign page.

Rapidity of Results

The wide reach of crowdfunding campaigns serves another purpose. These initiatives target a wide audience. Asking more people to consider making small donations add up. Rather than wait for donors to commit to large donations, crowdfunding provides an opportunity for support of smaller projects on a more flexible schedule. Because the campaign is online, the organization will be able to access funds without delay.

Wide Reach

As people continue to share the crowdfunding campaign on social media, websites, and by email, world should spread quickly. Think of all the people who you could call, text, email, or meet and tell about the crowdfunding campaign. Make sure that they know how to access the campaign and they can tell their friends about it too! If the ask is reasonable for someone to consider donating and the story is painted well, then word will spread quickly and positively!

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Donations brought in from a crowdfunding campaign will support specific projects outlined on the respective campaign. Additionally, as PICO Rwanda's story resonates with more and more people, Faith in Action International can use crowdfunding as a marketing opportunity. Pursuing crowdfunding campaign donors with the goal of expanding its current donor network.

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1. https://faithinaction.org/federation/rwanda/
2. https://www.globalsocialbenefit.institute/pdf/PICO.Strategic.Initiatives.pdf
3. https://www.globalsocialbenefit.institute/pdf/PICO.Report.Oct31.pdf
4. https://cb-tools.org/
5. https://www.gofundme.com/start/charity-fundraising

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