

Interreg
Mediterranean



**BLUE
CROWDFUNDING**

MODULE 2: PRE-CAMPAIGNING
GEORGE KARAMANOLIS, CO-FOUNDER & CTO/CIO AT
CROWDPOLICY (CP)



**CROWD
POLICY**

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Chapter 1: IDENTIFY

(Goals, budget, milestones, business plan, crowdfunding models, crowdfunding platforms)

Chapter 2: PREPARE

(fulfilment process, tasks for team, communication plan, campaign video, campaign texts, legal issues)

Chapter 3: BUILD

(profile on platform, campaign title, description, texts, graphics, rewards, test and publish a campaign)

Module 2: PRE-CAMPAIGNING

In Module 2 we dive deeper into the organisation of a Crowdfunding campaign and explain the different phases of the pre-campaigning process. The module has the following sub-chapters:

- IDENTIFY
- PREPARE
- BUILD

In this module you will learn how to prepare a Crowdfunding campaign and which things are important to know before starting a campaign.

Module 2: PRE-CAMPAIGNING

Organise your Crowdfunding campaign: successful Crowdfunding campaign needs more than just publishing your project on a Crowdfunding platform.

Identify!

- Define your goal
- Define your budget
- Define your milestones
- Define your brand
- Write a business plan*
- Start a company*
- Build your team
- Explore Crowdfunding
- Choose the model
- Choose the platform
- Imagine different scenarios

Prepare!

- Set up project & communication plan
- Assign tasks to team
- Start a pre-launch page
- Produce campaign video
- Produce graphics/pics
- Write campaign texts
- Write FAQs
- Clarify legal issues

Build!

- Open account & add profile
- Set up payment
- Add campaign title
- Add thumbnail & short text
- Add description texts
- Add graphics & pictures
- Add rewards
- Add your team
- Upload campaign video
- Upload businessplan*
- Test your campaign & adjust it
- Publish your campaign

Module 2: PRE-CAMPAIGNING

IDENTIFY!

Define your goal

Make sure that your Crowdfunding goal aligns with the campaign - identify your goal first, then plan your campaign

LUMA User Group

Our LUMA user group consists of more than 130 people who offered their support during this project and had a huge impact on the final result. By taking part in several surveys and by testing LUMA ACTIVE prototypes and providing feedback, they were highly involved in the development process and the definition of product details such as colors and lighting modes.

THANKS FOR YOUR SUPPORT – You really made a difference!



Module 2: PRE-CAMPAIGNING

IDENTIFY!

Define your budget

Consider the following costs when calculating your budget

Budget for the Crowdfunding project (external budget) which determines your project goal

- project costs
 - production of your product
 - material etc.
- campaign costs
 - platform fees
 - production of video and photos
 - shipping and fulfillment
 - rewards
 - external service providers
 - ads
 - payment fees
 - etc.
- taxes



Source: SnapJet on Kickstarter, https://www.kickstarter.com/projects/snapjet/snapjet-a-slim-portable-open-source-instant-film-p/description?ref=handbook_story

Module 2: PRE-CAMPAIGNING

IDENTIFY!

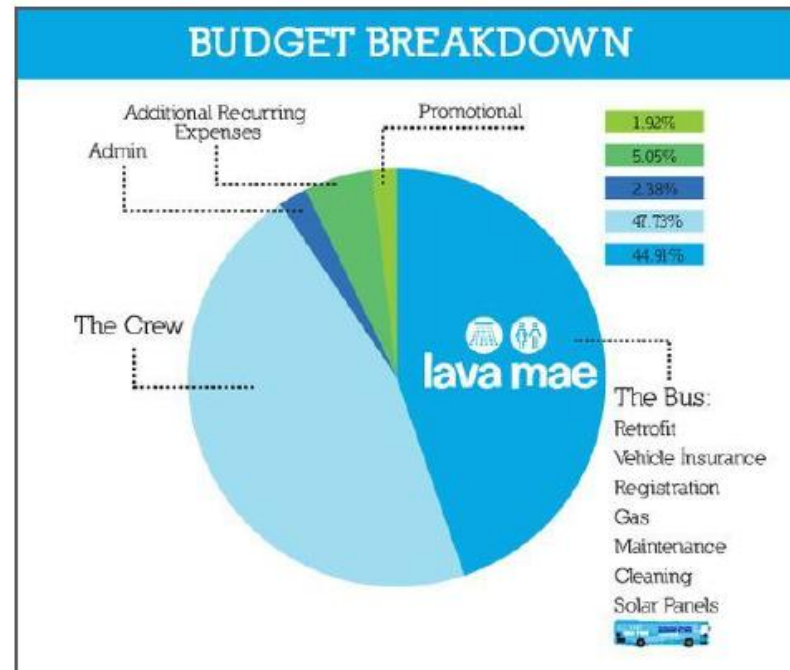
Define your budget

It is important to be transparent about the budget - the budget can really help the crowd to understand what the money is needed for.

Internal budget:

- Your own time
- Preparation costs

Sometimes your internal budget will be higher than the funding goal.



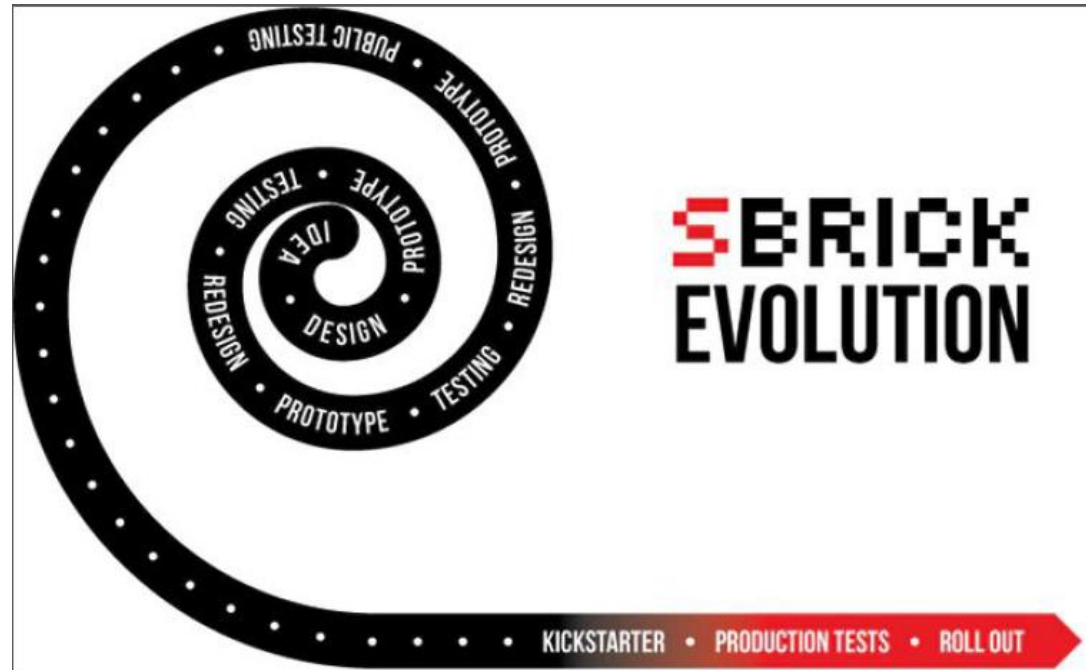
Source: LavaMae on Indiegogo: <https://www.indiegogo.com/projects/lavamae-mobile-showers-2013#/>

Module 2: PRE-CAMPAIGNING

IDENTIFY!

Define your milestones

A rough timetable is useful to successfully finish a Crowdfunding campaign, but also to create a sustainable business.

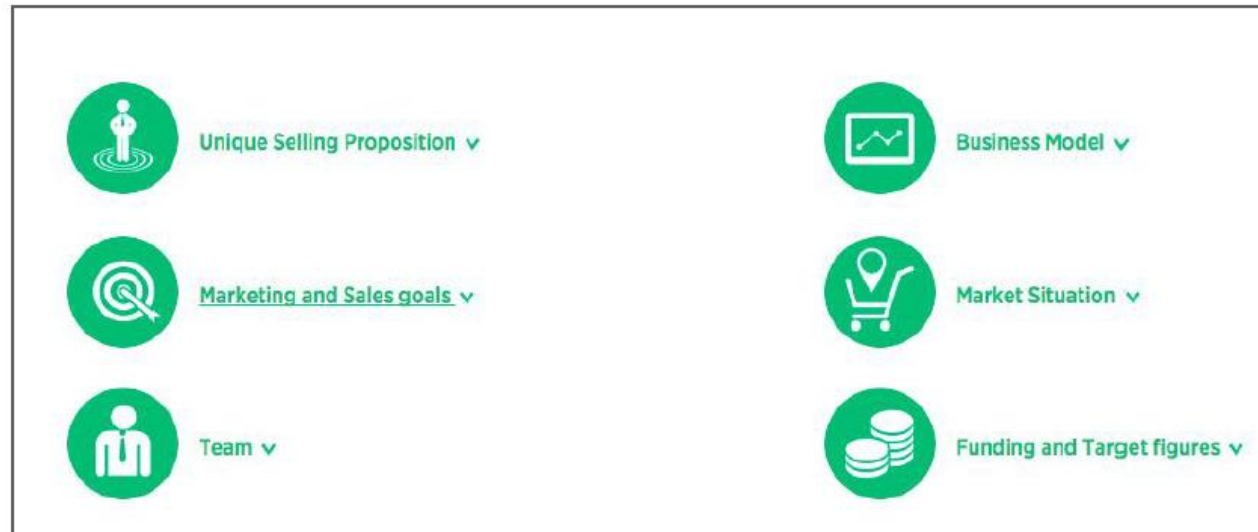


Module 2: PRE-CAMPAIGNING

IDENTIFY!

Prepare a business plan!

In Equity-based Crowdfunding, a business plan is needed to by most platforms.

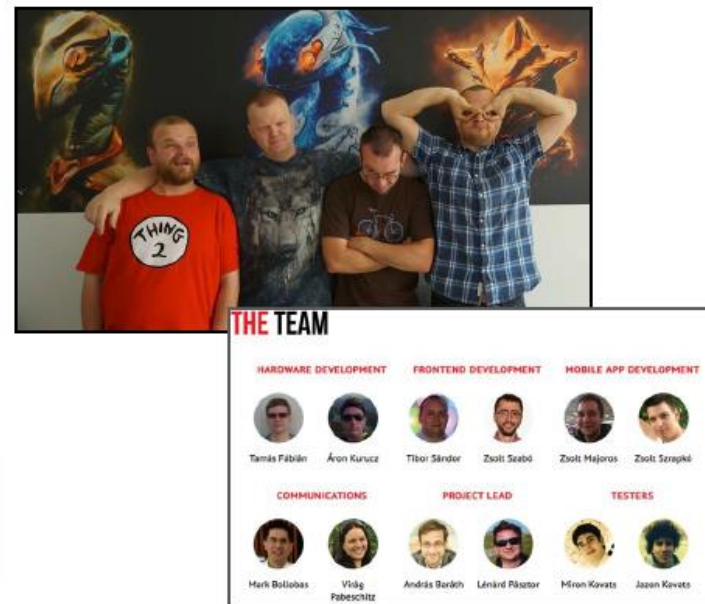


Module 2: PRE-CAMPAIGNING

IDENTIFY!

Build your team

Starting a Crowdfunding campaign as a team increases the chance of success.



Module 2: PRE-CAMPAIGNING

IDENTIFY!

Explore Crowdfunding READINESS & GOOD CHOICE OF PLATFORM/MODEL
Ask as many people as possible about Crowdfunding and learn as much as possible about Crowdfunding before starting your campaign.

- + read tutorials on crowdfunding platforms
- + talk to other project-owners
- + support at least one project
- + go to specific events
- + listen to interviews



Source: Crowdfunding-Talk with Vello Bike on ununi.TV, <https://www.youtube.com/watch?v=SejgCBgYFI&index=4&list=PL9NVYzxXit91PpxoznkNaUJvcGpMYMhV3>; The Essential Guide to Crowdfunding, Indiegogo.com, <https://learn.indiegogo.com/the-essential-guide-to-crowdfunding>; Zagreb Crowdfunding Convention, <http://www.crowdfundingconvention.eu/>; Crowd-Fund-Port, <http://www.interreg-central.eu/Content.Node/CROWD-FUND-PORT.html>; Conda Investment Guide, <https://www.conda.at/en/crowdinvesting/investment-guide/>

Module 2: PRE-CAMPAIGNING

IDENTIFY!

Choose the Crowdfunding model

There are different Crowdfunding models

	Reward	Lending	Equity
Types of Project: purpose	Non-governmental and non-profit initiatives, small and medium sized enterprises, commercial pre-sales of products and services, creative and cultural projects: initial funding	Small business loans, project finance: increasing working capital, small acquisitions, purchasing equipment	Small and medium sized enterprises: expansion, production or marketing
Offer	Pre-orders, tangible rewards	Repayment with or without interest	Ownership stake in the company
Average Funding Amount Sought	€ 10,000 - 20,000	€ 0.3 - 1 mill.	€ 0.5 - 2 mill.
Funders	Anyone, Mostly individuals	Individuals, institutional investors	Mostly individuals, high net worth investors and increasingly professional investors

Module 2: PRE-CAMPAIGNING

IDENTIFY!

Choose the Crowdfunding model

...and each Crowdfunding model follows a slightly different approach

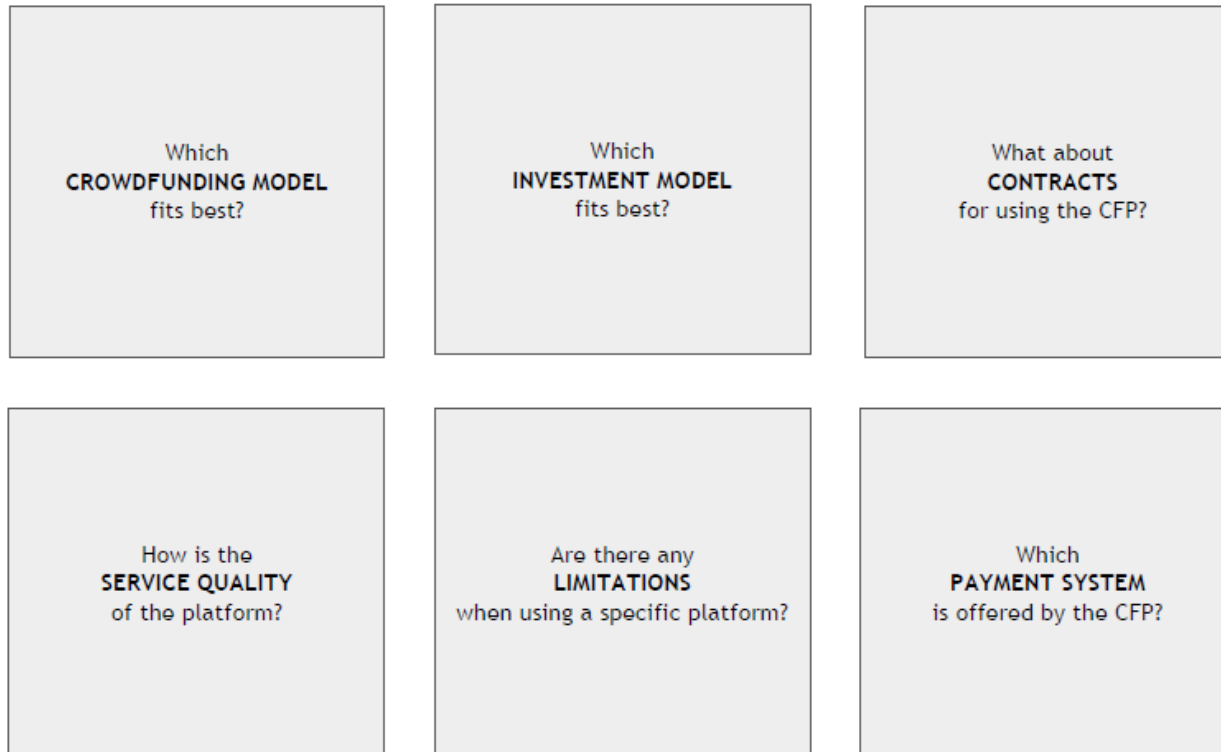
	Reward	Lending	Equity
Average Duration	Campaign: around 30 days; timeframe for delivery of reward: up to 1 year	Campaign: depending of platform; Loans: will run for months to years (varies according to loan structure and platform)	Campaign: usually up to 30 days, Investment: until sale of business
Fees	+/- 3-5% plus payment fees via third party operators	+/- 3-5% (plus interest)	+/- 5% listing fees, +/- 3-5% transaction fees, due diligence fees
Success Rate	+/- 50% for raising funds	+/- 50%	+/- 40%
Financial Consequence	Booked as revenue in Profit and Loss account	Debt on balance sheet	Asset on balance sheet

Module 2: PRE-CAMPAIGNING

IDENTIFY!

Choose the Crowdfunding platform

There are many variables to consider when choosing the Crowdfunding platform that fits your purpose.



Module 2: PRE-CAMPAIGNING

IDENTIFY!

Choose the Crowdfunding platform

Try to answer most of these questions to find the best CFP for your project.

What
FEATURES
does the platform offer?

Does the platform offer
MULTILINGUAL INTERFACES?

How is the
USABILITY/DESIGN
of the platform?

How much are the
**PLATFORM FEES
AND COSTS?**

Are there
SIMILAR PROJECTS
on the CFP?

What is the
**SIZE OF THE PLATFORM-
COMMUNITY?**

Module 2: PRE-CAMPAIGNING

PREPARE!

Plan fulfillment process + INCLUDE DELIVERY COSTS ETC.

Make sure to pre-check logistics for shipping your product before launching your campaign.

1. QUESTIONS 2. ADD-ONS 3. SHIPPING 4. CONFIRM

Answer a few questions about your campaign

Let backers make a selection
Ask backers for item selections, variation preferences, or even ask marketing questions.

1. Choose BackerKit T-Shirt #1

Color
Yellow

Small
✓ Medium
Large
XL
2XL
3XL

Next: Add-ons

1. Choose BackerKit T-Shirt #1
Yellow - Medium

Next: Add-ons
or Go Back

STATUS

- ✓ Survey is Answered
- ✓ Rewards and Add-ons are Locked
- ✓ Shipping Info is Locked
- ✓ Rewards are Shipped

BALANCE

Your Pledge Amount	\$25.00
Pledge Level	-\$22.00
Pledge Level Shipping - Austria	-\$3.00
Add-ons Subtotal	-\$0.00
CREDIT REMAINING	\$0.00

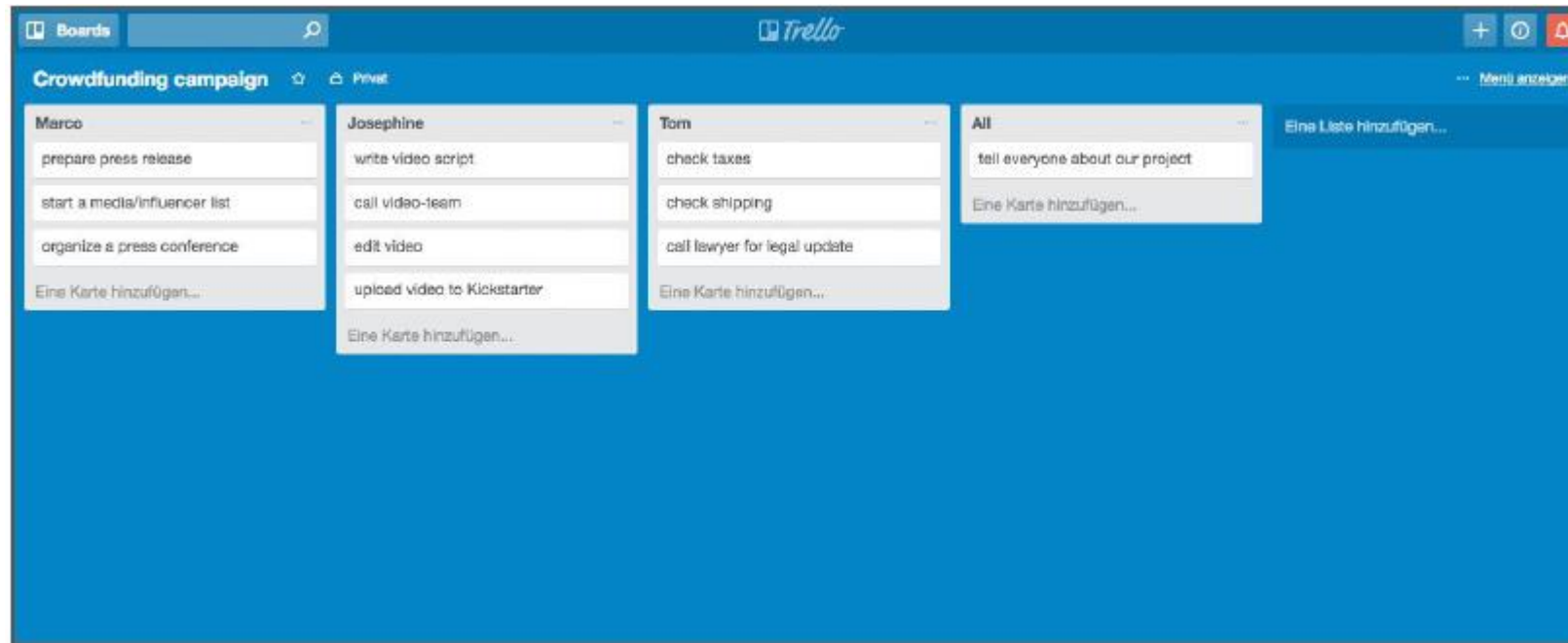
Source: Backerkit Dashboard, https://www.backerkit.com/backer_accounts/sign_in

Module 2: PRE-CAMPAIGNING

PREPARE!

Assign tasks to team

You should also clearly define the responsibilities within your team and assign certain tasks to each team member

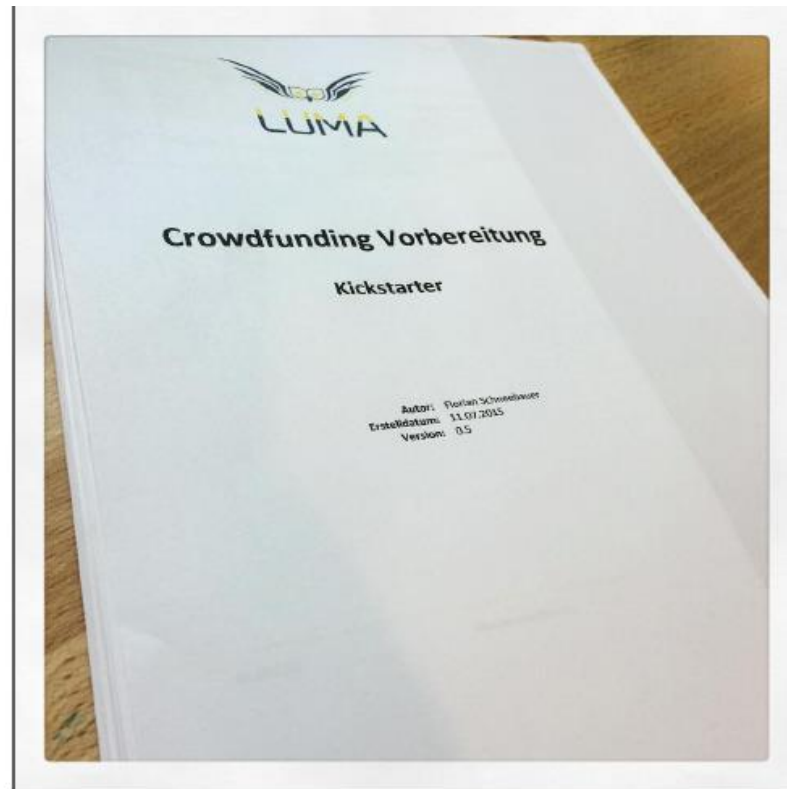


Module 2: PRE-CAMPAIGNING

PREPARE!

Set up project and communication plan

It is crucial for the success of a campaign to plan your communication in advance.



Source: Gumpelmaier on Instagram, <https://www.instagram.com/p/8IE2HWzcz0/>

Module 2: PRE-CAMPAIGNING

PREPARE!

Set-up project and communication plan

According to your story, define what you tell whom and where to tell it and write it down.

What?

- Project details
- Team introduction
- Reward presentation
- Crowdfunding status
- Referral contest
- Press coverage
- etc.

Who?

- Family
- Friends
- Colleagues
- Journalists
- Influencers
- Other stakeholder
- etc.

Where?

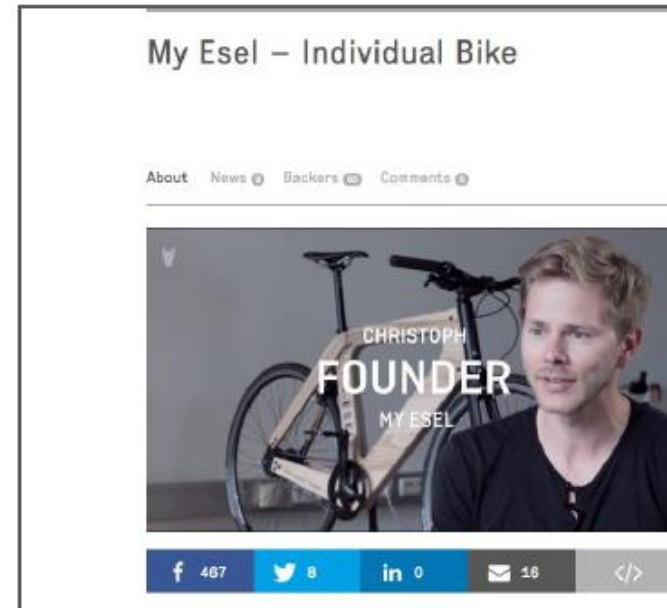
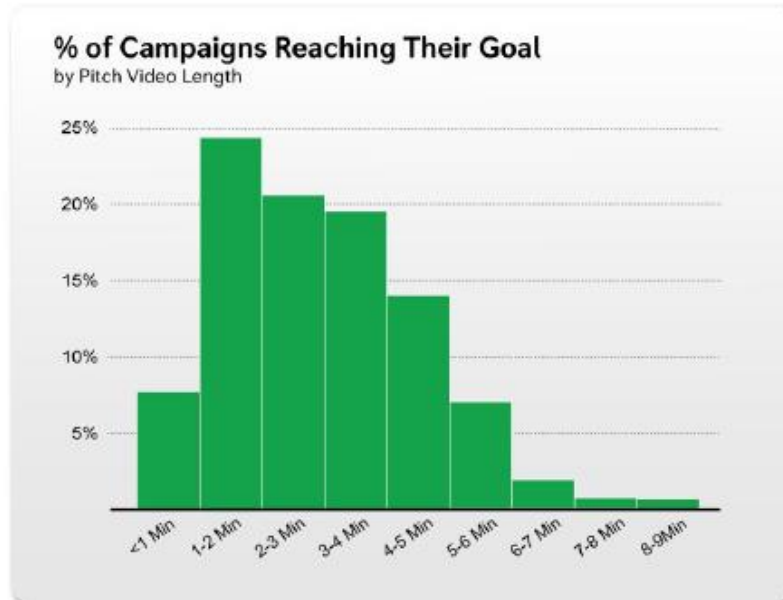
- Email-Newsletter
- Personal emails
- (Kickoff)-Events
- Updates on CFP
- Direct Messages
- Social Media updates
- etc.

Module 2: PRE-CAMPAIGNING

PREPARE!

Produce a campaign video pitch

When scripting and producing a pitch video, keep in mind that the attention span online is really short!



Module 2: PRE-CAMPAIGNING

PREPARE!

Write campaign texts

In your campaign text you should answer important questions about the project and the team.

- Who are you?
- What's your product?
- Where does the idea come from?
- When do you plan to realize the project?
- What is your budget/goal?
- Why do you care?
- What do you expect from supporters?

Module 2: PRE-CAMPAIGNING

PREPARE!

Clarify legal issues with your lawyer and tax consultant in advance.

Review of Crowdfunding Regulation ▶ 2017



Review of Crowdfunding Regulation

Interpretations of existing regulation
concerning crowdfunding in Europe, North
America and Israel

A Publication of the Tax & Legal Work Group
of the European Crowdfunding Network

Identifying market and regulatory obstacles to cross- border development of crowdfunding in the EU

*Final report
December 2017*

Source: European Crowdfunding Network, Review of Crowdfunding Regulation,
<http://eurocrowd.org/wp-content/blogs.dir/sites/85/2016/12/ECN-Review-of-Crowdfunding-Regulation-2013.pdf>;

Project co-financed by the European
Regional Development Fund

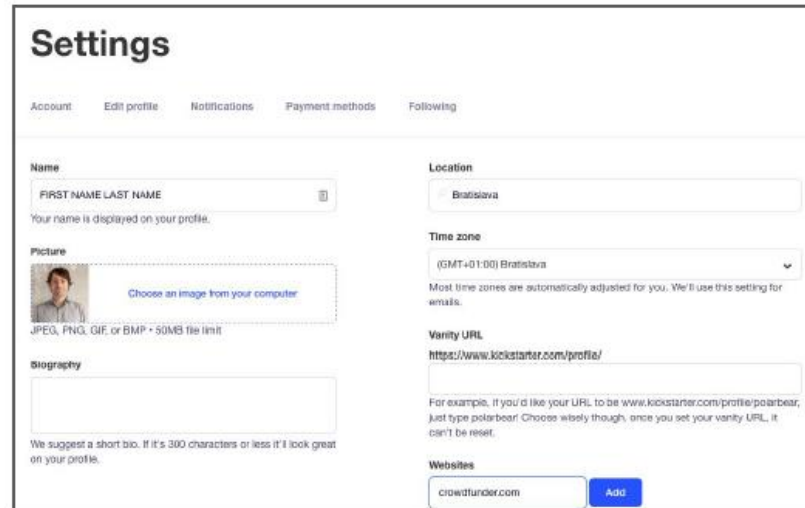
Module 2: PRE-CAMPAIGNING

BUILD!

Open account on platform & add profile

To launch a project on a specific platform you need to register first and some basic information about you/your company.

- add profile name
- add profile pic
- add profile description

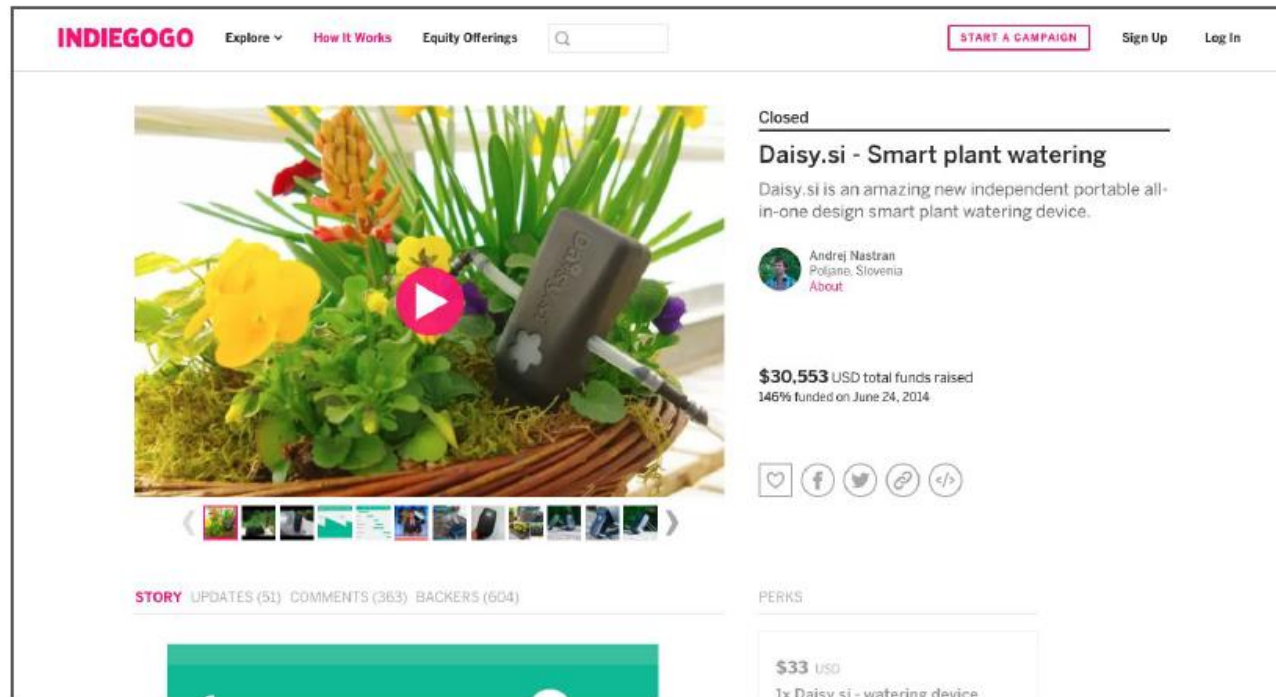
A screenshot of a 'Settings' page. The page has tabs for 'Account', 'Edit profile', 'Notifications', 'Payment methods', and 'Following'. The 'Edit profile' tab is active. The settings are organized into two columns. The left column includes: 'Name' (input field with placeholder 'FIRST NAME LAST NAME'), 'Picture' (input field with a placeholder image and text 'Choose an image from your computer'), and 'Biography' (text area). The right column includes: 'Location' (input field with 'Bratislava'), 'Time zone' (dropdown menu with '(GMT+01:00) Bratislava'), 'Vanity URL' (input field with 'https://www.kickstarter.com/profile/'), and 'Websites' (input field with 'crowdfunder.com' and an 'Add' button). There are also small informational notes for the name, time zone, and biography fields.

Module 2: PRE-CAMPAIGNING

BUILD!

Add a campaign title

A short and noteworthy title is important to help platform-visitors remember your project and/or topic.



Source: Daisy.si on Indiegogo, <https://www.indiegogo.com/projects/daisy-si-smart-plant-watering#/>

Module 2: PRE-CAMPAIGNING

BUILD!

Add a thumbnail and short description

Choose a meaningful thumbnail picture and a short description (lead-text) that gets your project to the point.

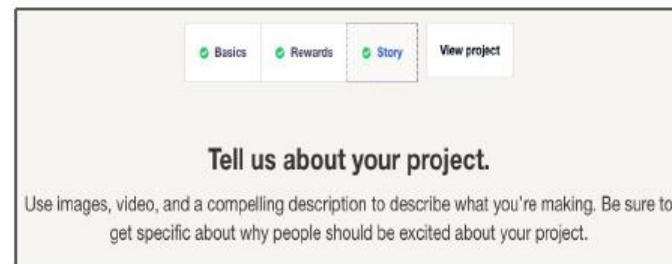


Module 2: PRE-CAMPAIGNING

BUILD!

Add description texts

Describe your idea and your story as detailed and emotional as possible to convince potential supporters.



Prepare your campaign ^

- Describe your product or service as well as your business model in a short, thrilling way, which is easy to understand.
- Create a short introductory video.
- Provide expressive photos and video-footage of high quality.
- Prepare infographics and diagrams to give your project description an interesting aspect.

Source: ZEIO - the most simple time tracking solution on Kickstarter, <https://www.kickstarter.com/projects/timeular/zeio-the-most-simple-time-tracking-solution>; Kickstarter Campaign Dashboard; Conda, <https://www.conda.at/en/crowdfunding/>

Module 2: PRE-CAMPAIGNING

BUILD!

Add graphics, pictures & videos

Use videos, infographics, photographs and other multimedia material to improve your written presentation.

HIGHLIGHTED FEATURES	
	LEARNING AND EDUCATION Supports Swift Playgrounds, Scratch and JavaScript. Ideal for parents home schooling their children and a perfect complement to any tech-oriented classroom.
	WIRELESS FREEDOM Radio controlled, compatible with Bluetooth Smart 4.0, 4.1 and 4.2. You can use it indoors or outdoors with low latency, from up to 50m away. You also can control multiple SBricks at the same time.
	LARGE COVERAGE OF DEVICES Apple iPhones, iPads and MacBooks, Android smartphones and tablets, Google Chromebooks, Notebooks, PCs, single board computers with Windows or Linux, Wireless and USB Gamepads.
	MAXIMUM COMPATIBILITY Entire Power Functions™ range, Medo 1.0™, and NXT/EV3 devices are supported. You can control sensors, motors and LEDs.
	CHIP TUNING Juice up your creations with our Chip Tuning feature and have more power fed to your motors. Your creations will be stronger and go faster!
	BUILT-IN SENSORS Your SBrick will tell you the temperature and voltage input, so it can warn you if your batteries are low, or it can automatically protect itself if something goes wrong if it detects overheating.
	SMALL SIZE Easy to hide, you can create more realistic models while using one or more SBricks at the same time.
* Sensors available using SBrick Plus * An adapter is needed to connect the SBrick to NXT/EV3 devices, due to their different connector formats. * Chip tuning only available with SBrick	



Module 2: PRE-CAMPAIGNING

BUILD!

Add rewards

Add at least five rewards to your project and make sure to offer a few for small, some for medium and one or two for bigger purses.

PLEDGES

Please include 3 GBP shipping cost ♥

	COFFE PLEDGE	STICKER PLEDGE	EARLY BIRD PLEDGE	SBRICK PLEDGE	COLOUR SBRICK	CRANE SET	F1 SET	VOLVO SET	TRANS EDITION	PROTOTYPE TESTER
	5	15	29	40	55	70	120	180	280	300
# OF BRICKS			1 SBrick	1 SBrick	1 SBrick	2 SBricks	3 SBricks	1 SBrick	8 SBricks	3 SBricks
SPECIAL ELEMENTS	Thank you	Sticker	Special Discount	The real deal	Collectors edition	MOC Instruction	MOC Instruction	Full set of 42030	Instructions for our track switch and semaphore designs	(one is a prototype out of the 3 SBricks)
VALUE FACTOR		★	★★★	★	★	★★	★	★★★	★★★	★★
HELP FACTOR	★★	★★	★	★★	★★	★★	★★★	★★	★★	★★★

Source: SBrick - Smart way to control all your LEGO® Creations on Kickstarter, <https://www.kickstarter.com/projects/sbrick/sbrick-smart-way-to-control-all-your-lego-creation>

Module 2: PRE-CAMPAIGNING

BUILD!

Add rewards

Awards can also be used to attract retail partners.



<p>3 WATCHES <small>(Any 3 watches of your choice)</small></p>		<p>Estimated Retail \$300 Indiegogo \$180 Early-Bird \$162 <small>(Limited Quantity)</small></p>
<p>5 WATCHES <small>(Any 5 watches of your choice)</small></p>		<p>Estimated Retail \$500 Indiegogo \$300 Early-Bird \$215 <small>(Limited Quantity)</small></p>
<p>10 WATCHES <small>(Any 10 watches of your choice)</small></p>		<p>Estimated Retail \$1,000 Indiegogo \$600 Early-Bird \$415 <small>(Limited Quantity)</small></p>

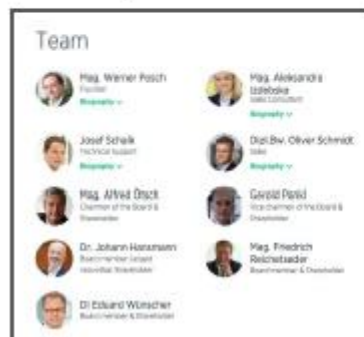
Source: <https://www.indiegogo.com/projects/grandfather-launches-lunowear-watch-with-grandson-watches-wood--2#/>

Module 2: PRE-CAMPAIGNING

BUILD!

Add experience team members

Some CFPs offer a direct assignment of team-members to your project. Adding them shows that you are not alone and helps building trust.



Source: Synbiotec on

http://www.nextequity.it/http://www.nextequity.it/?context=main&class=C_NQ_startups&task=C_NQ_startups_content_item&id=3; nuapua on

Startnext,

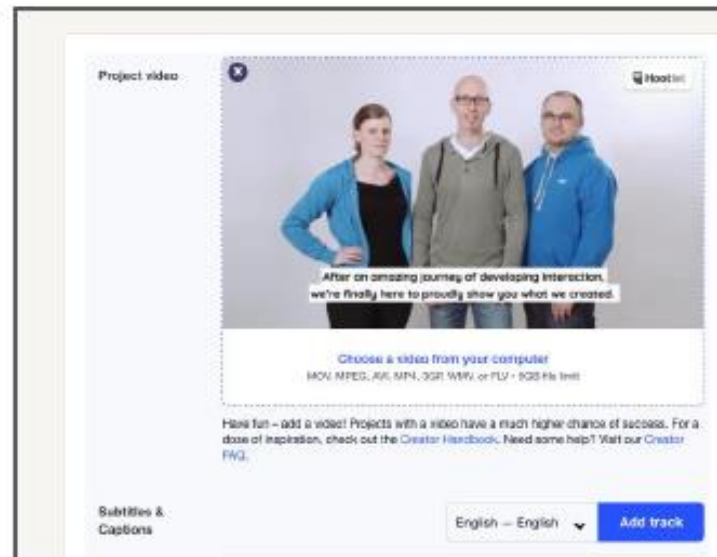
<https://www.startnext.com/nuapua>; neovoltaic on CONDA, <https://www.conda.at/en/startup/neovoltaic/>

Module 2: PRE-CAMPAIGNING

BUILD!

Upload your campaign video

You can link your YouTube or Vimeo-URL to integrate your pitch video into the campaign-page, although some platforms want you to upload it from your computer.



Source: Kickstarter Campaign Dashboard; Indiegogo Campaign Dashboard;

Module 2: PRE-CAMPAIGNING

BUILD!

Upload business plan and other documents

Most equity- and lending-based CFPs offer a simple PDF upload to make your business plan and other financial documents accessible to investors.



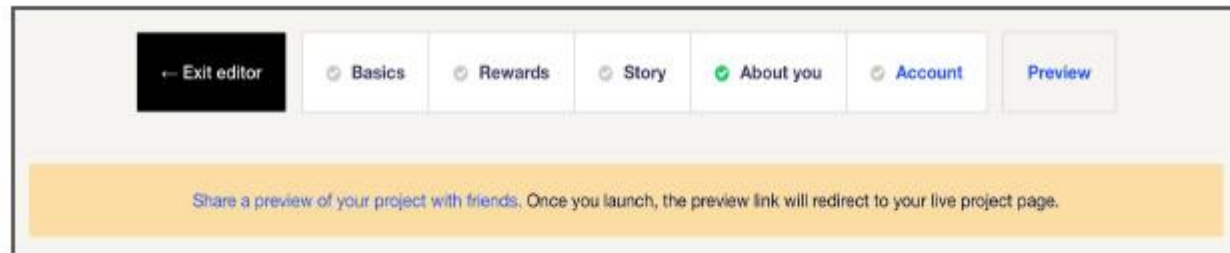
The screenshot displays the Cynny crowdfunding campaign interface. At the top left, there is a video player titled 'Cynny | The Insulare Video - Features'. To its right, the campaign progress is shown as 'CINQUE' with a count of 4492. Below this, the status is 'PRESENTE' and the number of backers is '€ 108'. On the far right, the financial goals are listed: 'CAPITALE RICHIESTO' (€116.829) and 'CAPITALE RACCOLTO' (€116.829). The main content area is divided into two columns. The left column, titled 'IL PROGETTO', includes a 'BUSINESS PLAN' document icon and a description: 'I dettagli relativi al progetto Cynny sono riportati nel documento sopra con una descrizione anche del mercato di riferimento e delle dinamiche di crescita di valore per gli investitori.' The right column, titled 'PROGETTI SOTTO LA LENTE', lists several projects with their dates and titles, such as 'ALPHABET ENTRA NELLA COMPETIZIONE PER IL MERCATO DEI VIDEO ONLINE' and 'STARTUP BILLBOARD, NEL 2018 SONO 668 85'.

Module 2: PRE-CAMPAIGNING

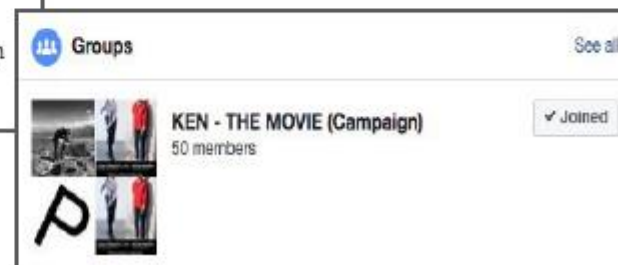
BUILD!

Test your campaign and adjust it

Send a preview of your campaign page to friends and colleagues to get feedback. If necessary, adjust your campaign.



Share your campaign with as many people as possible using the Kickstarter preview link to gain feedback to make sure your campaign is clear. Be prepared to make your video more than once if feedback says to make it again. I received advice to remake the video halfway through my campaign but didn't have access to the friend who helped make the first video. :)

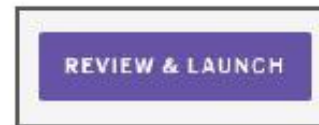
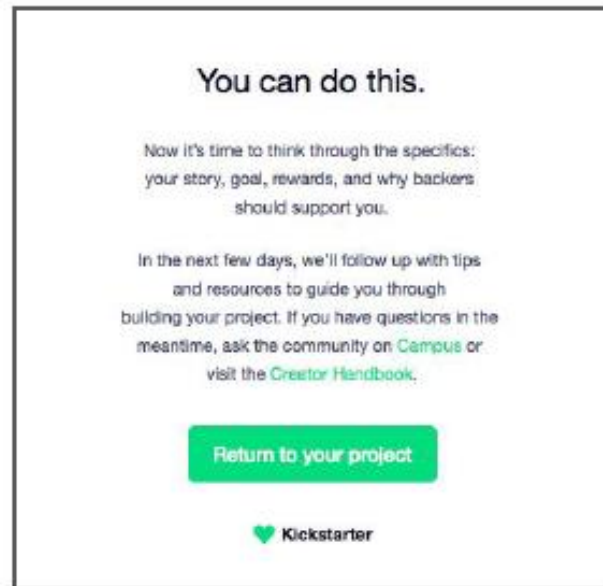


Module 2: PRE-CAMPAIGNING

BUILD!

Publish your campaign

Once everything is set up and you passed the CFP's review process, you can launch your campaign by one simple click!



Module 2: PRE-CAMPAIGNING

End of Module 2

At the end of this module, you should be able to...

- ...understand the different steps necessary to prepare a campaign
- ...select a platform which is suitable for you.
- ...build up the internal structures for your team.