

Crowd Funding Q&A

Question: What is Crowd Funding?

Answer:

- Raisings small amounts of money
- From a large number of people
- For various rewards

FYI: It Doesn't Matter What You Need the Money for Crowd Funding Can Make It Happen

(If you follow the proper process)

Question: What is the difference between Crowd Funding and Crowd Sourcing?

Answer: **Crowd Funding** is Raising Money. **Crowd Sourcing** is sourcing for "Ideas" "Contractors" "Tasks" "Volunteers"

Example:

<http://mystarbucksidea.force.com> (Sourcing Product Ideas)

<http://www.springwise.com/> (Sourcing Business Ideas)

Question: What are the benefits of Crowd Funding?

Answer: There is more to Crowd Funding than just "MONEY"

- Public awareness
- Additional traffic to Website
- It's free PR. Reporters pick up success story
- Followers
- New Clients
- Validation
- Marketing Tool! Example: <http://www.indiegogo.com/projects/monkeybrains-satellite>
(Look at his campaign)

Different Types of Campaigns:

- Small Business.....Turned her apartment into a Holiday Apartment

- <http://www.wofunding.com/campaign.php?campaign=139>
- Business.... Selling toilet paper <http://www.whogivesacrap.org/indiegogo>
-

Question: What are the 3 reasons a person will contribute to your campaign?

Answer:

1. People know you (**Family, Friends, Associates**)
2. People believe in your cause/project
3. For the rewards (**The most popular**)

Question: What do I need to Crowd Fund?

Answer:

- A Cause-Project-Venture
- Platform (Indiegogo.com)
- Rewards
- Video
- Images
- Blog/Website (For updates & to communicate with your donors)
- Domain Name
- Press Release (PrWeb)
- A Marketing Plan (This is the most important one)

Question: What is a Cause-Project-Venture?

Answer:

A **“Cause”** is helping something or someone else.

- Saving an animal, Support a sick child, Personal Needs

A **“Project”** is something that is contemplated.

- Creative ideas, Developing a program, Write a book

A **“Venture”** is an undertaking with an uncertain outcome. Walkathon, climbing a mountain,

Remember when choosing, keep in mind your cause/project/venture should benefit others not just yourself.

Question: What are the different types of funding?

Answer: There are only two type of funding you can choose from.

- **Fixed Funding:** Only keep the money if your campaign reaches its goal.
- **Flexible Funding:** Keep all funds raised no matter what your goals are in exchange for a small fee.

Note: If your Crowd Funding Campaign is just a marketing strategy then choose “Fixed Funding”.

Question: How much do I pay for using Crowd Funding platforms?

Answer: **Fixed Funding** -4% if you reach your goal 0% if you do not reach your goal.

Flexible Funding -4% if you reach your goal 9% if you do not reach your goal.

(This is in reference to Indiegogo.com and Kickstarter.com)

Breakdown on Cost (example)

- Goal \$2,000
 1. Final Funding: \$2025
 2. IndieGoGo fees: \$141.75
 3. PayPal Fees: \$78.03
 4. Reward Expenses: \$683.90 -Shirts, Flash Drives, shipping,
- Net Total : \$1222.02
- For every dollar raised here cost 46.6 cents (Don't let this happen to you)
- Try to keep your expenses down by eliminating shipping via digital download
- If you need to ship outside of your country ask for additional shipping fee.
- Offer rewards that cost you labor and not money

Question: What are some ideas for rewards?

Answer: (Not all of these rewards will be suitable for all campaigns. This is just a suggested list.)

- Exclusive updates and bonuses on your seminars, webinars or your product
- Will post to our social media any campaign of your choice. **\$2.00 or \$3.00**
- Offer discounts or coupons
- Offer early access to products/service
- Offer unique, limited edition items
- Free entry or membership discounts

- Offer valued gifts. (Deluxe Personal thank you note or phone call
- Digital Download)
- Recognition on your “donors page” on your site/blog
- Doodle Video (<http://youtu.be/0ME17iNaz-g>)
- Engage your donor with using their name on something
- Choose any three rewards above for \$50.00 donation
- A Gift certificate to your online store (for \$10.00 donation get 30.00 certificate towards any purchase on your online store)
- Do a urgency with a reward (Reward good for today only)

Note: If possible: Update: (On the last day of your campaign) With the below offer.

Our IndieGoGo campaign is over, but you can still receive our product. Head over to www.yourdomainname.com to purchase the product for the campaign reward price.

Question: Where can I buy rewards wholesale?

Answer: Alibaba.com

Question: How do I write a request letter?

Answer: **Sample Letter**

Hello Mr Zhany

Our company is crowd funding a campaign project and is in need of 100 bamboo men/ladies t-shirts.

I am looking for bamboo fiber, various colors in a size large.

Can you provide me with a sample “Bamboo T-shirt” and cost, I will pay by PayPal.

Also kindly provide:
 FOB price per piece
 Minimum order

My Best Regards

June Hollister

jhollister@crowdfundingbc.com

www.crowdfundingbc.com

.....End.....

Question: What types of video programs are available to help campaign my project.

Answer:

- Powtoon.com (Is a PowerPoint type of video)
- [Doodle a video](#) (Animated video)
- Animoto.com (slideshow type video)

Question: What do I need to Doodle a video like this? <http://youtu.be/XFj9DIgeSTE>

Answer: Go to (http://youtu.be/Xo_dnbZtZAE)

Question: Why do I need images of my rewards?

Answer: People are very visual; they need to see the reward as they cannot always imagine what the reward looks like.

Question: Why do I need a blog and a website for my campaign?

Answer: You need to have a place to send people for your pre-launch and to answer any questions they may have. Having a Website will give you more exposure.

Question: Why do I need a professional domain name?

Answer: You need to look professional in everything you do when campaigning. Even though your campaign is short live buy a domain name. You can cut the cost of a .com domain by typing in the Google search "GoDaddy Coupons" You can sometimes get a coupon code number that will give you up to 75% off.

Question: Can I use a free online Press Release for my crowd funding campaign.

Answer: Yes you can use a free Press Release but your exposure will be minimal. Using a paid Press Release your traffic is astronomical. PrWeb is one of the best out there and all the free papers come and pick up the stories and print them for nothing.

Question: What are things I need to do online to help promote my Crowd Funding campaign?

Answer:

- Contribute to others,
- Comment on other Rewards
- Support each other Blog/Website
- Do a pre-launch for your project on your website and via social media at least 14 days before you start.
- Register with <http://www.prefundia.com> Start collecting email addresses of people interested in your campaign launch.

Question: What are things I need to do offline to help promote my Crowd Funding campaign?

Answer:

- Industry Meet-ups I wish you all success
- Book Marking
- Business Cards, Flyers, Postcards (Leave in public places)
- Be Prepared for Unexpected Volume of Pledges (Can you deliver)
- Choose Products For Deadline (No deadline, no urgency) **“Reward good for today only”**
- Before your pre-launch build up a network of interested investors. Make out your visual plan and follow it. Free Download Book <http://www.crowdfundingbc.com/p/visual-plan.html>

I wish you all success ...Smiles...June Hollister