

GLADITOO

CROWDFUNDING PLAYBOOK





“The most affordable, efficient, and effective way for nonprofits to raise money online”

www.gladitood.com

CROWDFUNDING PLAYBOOK

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What is Crowdfunding?

Over the past few years, the Internet and social media have disrupted the traditional idea of fundraising and have helped open the door to online giving and the concept of crowdfunding.

Crowdfunding is the practice of funding a specific goal by raising small amounts of money from a large group of people, typically on the internet. With the power of technology at your fingertips, you can now utilize these tools to spread your message and raise needed funds.

Gladitood's unique approach to nonprofit crowdfunding is simple – do it on your terms! You pick the project, timeline, and fundraising goal.

Crowdfunding can be an extremely successful way to raise donations, but it's important to be prepared. If you think you're ready to get started on your campaign, click "get started" below, or read on to find out if crowdfunding is right for your nonprofit.

As you read through this playbook, you might come across some crowdfunding jargon, so we've put together a small crowdfunding dictionary below.



Crowdfunding Dictionary:

As you create your fundraiser, we'll offer helpful tips on how to make your campaign a success. Get familiar with the jargon below.

-  **Creator** – The nonprofit or charitable organization coordinating the fundraising project.
-  **Project** – A campaign that is raising donations to cover the costs of a creator's specific needs to complete their mission, such as volunteer expenses, land, building materials, educational programs, medical supplies, etc.
-  **Backer** – Someone who donated to or volunteered for a project.
-  **Goal** – The minimum amount of funding needed to guarantee that a project will happen.
-  **Donation Level** – Tiers of monetary values representing different rewards available for supporters who back the project at that amount or more.
-  **Donor Limit** – When a creator only has a limited number of volunteer spaces or rewards available they can place a limit to the number of backers at that level, often times this creates a sense of urgency to donate to the project.
-  **Project Card** – Gladitood creates a project card summarizing every project. These are used throughout the site in places such as the homepage and in searches to make it easy for backers to find new projects to support.

[Get Started Creating Your Campaign](#)



Is Crowdfunding Right for My Nonprofit?

With the explosion of crowdfunding as a viable option for nonprofits, and successful crowdfunding campaigns being written about in the media, it seems every nonprofit is wondering if this fundraising phenomenon is right for them.

Crowdfunding can be a new exciting way to engage your donors, spread the word about your organization, and raise crucial funding fast, but first you'll need to ask yourself a few questions to make sure it's the right fit.



Does crowdfunding fit into my organization's philosophy toward fundraising?

This is the most important question to ask when looking into any new opportunity for your organization. It's important to make sure it fits with your organization. The nature of crowdfunding is to create a campaign with a focused and measurable goal. Here are a few ways to make crowdfunding work for you, regardless of your standard operating procedure for fundraising.

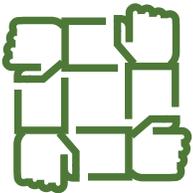
- ◀ **Build crowdfunding into your capital campaign.** If you traditionally put on Galas and send out a snail mail campaign, you're likely missing out on a TON of new donors who would like to be invested in your mission. Create a crowdfunding campaign to show your fundraising momentum and give your champion donors an easy way to share your mission with their friends and family.
- ◀ **Crowdfund for a specific project or program.** These specific projects lend themselves perfectly to a crowdfunding campaign because they show your donors exactly how their support makes an impact. Most nonprofits' biggest concern is how a crowdfunding campaign could negatively affect donor fatigue. Specific projects take donor fatigue out of the equation. Different donors will care about different projects, and you'll see the donors who care about this project step up in a big way.
- ◀ **Use peer-to-peer fundraising for an event.** Have a fun-run in your future? or how about a big volunteer day? Use [Team Crowdfunding](#) to turn the participants into fundraisers for you. Blow your goal out of the water by turning it into a contest with a fun prize for whoever raises the most. That prize could be something as simple as the opportunity to throw a pie in the ED's face.



Have you evaluated the costs against the benefits?

The cost structure of crowdfunding with Gladitood is very simple. We apply a small 5% fee to all donations, and there's an additional 2.9% credit card fee. There is absolutely no upfront setup cost, and over 50% of donors choose to cover those fees for your nonprofit. Now that you understand the basic costs, you need to consider the resources it will take your organization to run a successful crowdfunding campaign.

Crowdfunding is definitely a cost-efficient way to fundraise - 92% of the money raised goes directly to the project you're fundraising for. In addition to being cost-efficient, crowdfunding is the only fundraiser that knows no bounds. With the right preparation and a compelling story, your fundraiser can reach donors in all corners of the world, which brings us to the next question you should ask yourself.



Can you promote the crowdfunding campaign to your network?

The biggest myth in crowdfunding is "If you build it, they will come." You'll need to make sure you have the resources to push your campaign out to your network and garner support for your campaign. You should also make sure you have the resources to properly follow up with donors after your crowdfunding campaign ends and include them in your long term fundraising strategy.

Crowdfunding is an incredible tool to engage your current donors and capture new donors online. The best campaigns will spread your mission and encourage supporters to invest in the success of your organization.

[Get Started Capturing New Donors](#)

Sometimes crowdfunding can seem like magic. Let us assure you, there's a method to the madness. Here are the steps you'll need to make your campaign a wild success.



Steps to a Successful Crowdfunding Campaign

Step 1 - Pick Your Project & Set your goal

You'll need a specific project or event with a distinct fundraising goal to get started. These concrete items make your fundraiser tangible for your donors, and they help rally everyone around a definitive outcome.

Step 2 - Tell Your Story

Your story is the single most powerful asset you have. How you tell your story will drive the success of your campaign. Your story needs to grab your audience's attention, engage them with a personal and relatable story, and inspire them to take action.

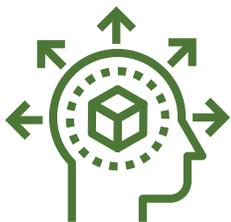
Step 3 - Engage Your Donors

Now that you've picked your project and told your story in an engaging way, it's time to engage your donors. This is where things get fun. Put out the call to your community and watch them show up to help. Using email and social media will be your go-to here, but there's no substitute for recruiting a team of supporters to help you raise money with our Team Crowdfunding feature (we'll tell you more about that on the next page). Ask your board members to share the campaign with their networks. Ask your volunteers to share it with everyone they know. Enlist the support of your family and friends. Even those who can't afford to donate can take 5 minutes to spread the word. This is the time to call on all of your supporters because the more people who know about the campaign, the higher the chances of the spread effect bringing in new donors.

Step 4 - Update Your Donors

I cannot stress the importance of this enough. You should view your donor relationships like a new romantic relationship. Can you imagine taking someone out on a date, asking them to pay, and then never talking to them again - just to show up the same time next year to ask them to take you out again? I hope the answer is no, you can't imagine doing something so horrible. So why do it to your donors? They've helped you succeed and are invested in your success. An email once every couple weeks is enough to make them feel like they're part of the team. Gladitood makes it easy for you to post updates on your page that will notify all of the donors! There you have it. Four simple steps to follow to ensure your crowdfunding campaign is a success. Nonprofits putting these tips to use on Gladitood are raising an average of \$8,000 per campaign!

Get Started Raising Money With Gladitood



Planning Your Fundraiser

Being prepared is the key to success for any nonprofit crowdfunding project. Fundraisers that accelerate rapidly early on and attain 20% of their funding goal in their first couple weeks are much more likely to reach their overall fundraising goal. Additionally, about 25 to 40 percent of initial funding for successful projects typically comes from people you know. So, the earlier you can start generating buzz within your inner circle, the better! There are four stages to a nonprofit crowdfunding project that you need to plan for – Creating Your Project, Soft Launch, External Engagement and Update. Because Gladitood does not restrict your project to a 30- or 45-day deadline, these four stages may vary in length.

STAGE 1: CREATING YOUR PROJECT

Start preparing as soon as possible! There are many components that go together to form a successful crowdfunding project. By planning early you ensure that your entire team is on the same page prior to the project's launch and that your marketing pieces are developed, approved and ready to go. Deliverables include:

- ✓ Set the Project Deadline and Fundraising Goals
- ✓ Collect High Resolution Photos
- ✓ Craft Your Story
- ✓ Create a Video
- ✓ Draft Emails, Newsletters, and Social Media Posts
- ✓ Develop a Press Strategy

STEP 2: SOFT LAUNCH

Rally the troops! The soft launch is a very personal phase in which you recruit your core supporters. It is a chance to socialize your crowdfunding project with your inner circle and secure the initial 20 percent of donations before promoting it to the general public. Use tactics such as personal emails and phone calls to reach your family, friends, board, past donors and partner organizations. Use targeted messaging to make each person feel a part of and invested in your project, and encourage them to join your crowdfunding team. This will help transform these supporters into promoters.

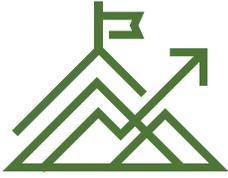
STEP 3: EXTERNAL ENGAGEMENT

Once your organization reaches 20 percent of its funding goal, it is time to officially launch the project to the masses and put all of those marketing materials that you created in the planning stage to use. Media exposure, social media, newsletters and direct mail campaigns are just a few examples of ways to get the word out about your project. There's no reason to wait until the end of your time frame to intensify your efforts, so continue to actively promote the campaign during its entire duration. You can always raise more than your goal if you reach it early. A couple things to remember:

- ⚠ Stay clear of holidays that may disrupt your momentum. Align the launch with a special day that can bring an added incentive to give, such as World Water Day, Giving Tuesday or Earth Day.
- ⚡ Donations typically peak on Tuesdays and Wednesdays.

STEP 3: EXTERNAL ENGAGEMENT

Start updating your donors on day one! And don't limit yourself to just those who have donated to your crowdfunding campaign. While your fundraiser is still underway, share updates with your entire network on the momentum your campaign is seeing. This will give skeptical donors the social proof they need to support your campaign. Everyone loves betting on a winner! Once you've reached your goal, pat yourself on the back! Now the real fun begins. Send your supporters regular updates on the progress of your project using stories about people who have been helped, and plans for the future. Doing so will mean those donors will be waiting anxiously to support your next campaign; so don't wait a whole year to start your next project. Keep engaging your community, and they'll keep donating.



Setting Your Fundraising Goal

Gladitood provides nonprofits with the option to host “flexible funding” projects, which means your organization keeps everything it raises. While hearing this may be enticing for you to become ambitious in your goals, it is still very important to be realistic. Supporters are more likely to donate to a project if it looks like it will succeed. Yes, there are those trendsetters who will support an awesome cause based on its merits, but more often than not everybody wants to jump on the bandwagon! Set your goal high enough to finance your project while at the same time keeping it attainable.

What does it mean to set a realistic goal? A recent study showed that approximately 75 percent of successful crowdfunding projects raise less than \$10,000. Further, less than 2 percent of crowdfunding campaigns successfully raise \$100,000 or more. It is certainly possible to fundraise for a large amount if you have a proven track record, a large network of support and a powerful cause. If not, consider splitting your fundraising in to multiple stages of your project and raise a small amount for each stage! This can help grow your base of supporters, build credibility at each successful stage and create a feeling of responsibility for donors to see the project through completion.



Formulate Your Budget

There is a big difference between the amount a nonprofit WANTS to raise and the amount a nonprofit NEEDS to raise to complete their crowdfunding project. Start by itemizing your expenses to determine the minimum viable amount that your organization needs to complete the project. The last thing you want is to raise your goal amount and then not have enough funding to put your idea into action.

Keep in mind the following costs:

 **Hard Costs**

 **Travel Expenses**

 **Supplies and Materials**

 **Licenses**

 **Marketing the Gladitood Project**

 **Donor Rewards - Including Postage**

 **Gladitood Fee: 5% of donations raised**

 **Credit Card Fee: 2.9% of donations raised**



Consider Your Network

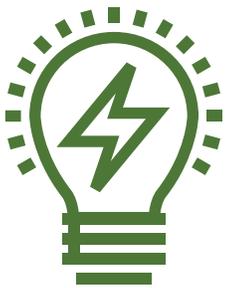
Rally the troops! It is time to call on your supporters, including your email list, social following, active donors and fundraisers, and core supporters and evangelists. On average, 25 to 40 percent of initial funding will come from first-, second- and third-degree connections. Think about how far your network can reach and the rate of conversion for each tactic.



Create Stretch Goals

Reach for the stars! When budgeting for your cause, keep it as simple as possible without losing the usefulness of your idea. Once you raise that goal amount you can then add extra features and functionalities called "stretch goals." Stretch goals are your wish list of items that won't affect the completion of your project, but rather help you go above and beyond in your mission to improve this world. For example, you might only need \$7,500 to build a new community playground, but if you raise an extra \$1,000 above the goal you can add a swing set to the plan!

Get Started Creating Your Campaign



How To Tell Your Crowdfunding Story

As a charitable organization you spend each day making this world a better place. Your story is the translation of that impact into words, photographs and video. It is an opportunity to inspire others to take action and support your nonprofit crowdfunding project. Throughout the process you will be prompted to provide the following details. It is important to fill out each section in its entirety to better inform your audience about your mission and have the best chance of success.

BASICS – MAKE A GREAT FIRST IMPRESSION!

- ⚡ **Title** – Your title is the first thing people will see. Make it easy for the onlooker to understand exactly what you are doing and whose life you are impacting. Keep it short and highlight the keywords that you feel will best draw attention to your project.
- ⚡ **Category** – Select only the categories that apply to your project. One to three categories are recommended. For example, if you are raising funds to save a habitat for wolves, you could select conservation, environment and wildlife.
- ⚡ **URL** – This is your project's custom URL to use in your marketing pieces. It leads supporters directly to your project page.
- ⚡ **Tagline** – A one-sentence summary of your project. Gladitood uses this tagline as the description on your project card and for social media shares.
- ⚡ **Location** – Select the geographic location where the project will take place.
- ⚡ **Duration** – There is no limit to the amount of time a charitable organization can raise funds on Gladitood. However, it is preferred that all funding campaigns be around a specific project, so choose a duration deadline based on when donations are needed to complete the project on time.
- ⚡ **Goal** – Your goal is the total amount of funding and volunteers needed to bring your idea to life. One key choice you have to make is between fixed funding, which means you only collect your money if the goal is met, and flexible funding, which means you collect all of the donations as they happen. Learn more about setting donor and volunteer levels here.

MEDIA – USE IMAGERY TO GET NOTICED!

- ⚡ **Photo** – Try to use a high-resolution photo that visually depicts your project, and crop the photo to draw attention to critical elements such as a child, animal or location. While more photos can be manually added to the long description, this is your main photo and will be used on your project page, project card and social shares.
- ⚡ **Video** – Videos are the most effective tool you can use to connect with a new audience and illustrate the impact you can have on the world. Learn more about the importance of creating a video [here](#)

STORY – CONVERT VIEWERS INTO BACKERS!

- ⚡ **Description** – Now that you have the attention of a potential backer it is time to introduce your organization as well as dive into the specific details and importance of your project. Demonstrate your charitable organization’s ability by including things such as hurdles you’ve already overcome, breakdown of the budget, completion timeline, success stories from past work, or the motivation behind the idea. Remember to keep your audience in mind and use an appropriate tone.
- ⚡ **Risks and Challenges** - Build trust with your supporters through transparency. Are there special licenses that you need to get before the project can begin? Is transportation dependent on an uncontrollable factor? Can weather create dangerous conditions? Let your supporters know about things that may alter or delay the outcome!
- ⚡ **Frequently Asked Questions** – Backers commonly want to know what your organization will do with the funding if you surpass your goal or if you don’t meet it. Share the answers to these questions and anything else you think people might want to know.



Creating Your Campaign's Rewards

Share the awesomeness! While rewards are optional, offering them can provide an opportunity to make people feel connected to your project. Your supporters want to see you change the world, so it is oftentimes helpful to think about how these rewards will reflect the project. Don't make your supporters feel less charitable by offering them rewards that detract from the cause, like a cheesy waterbottle or ugly t-shirt. Do make your donors feel proud of their contribution by offering rewards that are directly tied to the impact their donation has, like a short video saying thanks or a handwritten note. Whether you are building a community playground at home or saving an endangered species abroad, there are always creative ways to thank those who have helped you achieve your goal and even inspire them to become a long-term advocate.

Try A Combination

- 🌟 **Keepsakes** – Don't waste your funds on branded organization material, but rather on mementos and keepsakes that reflect the direct impact of your work. Examples include a piece of jewelry made by a woman who started her business as a result of your loan program; a handwritten note from a child enjoying his or her new classroom; or a beautiful photograph of the fruits, vegetables and flowers that grew in your new urban garden.

 **Inclusion** – Include your supporters in the project. This can be as simple as listing donors in a newsletter or as elaborate as allowing donors to name an animal in a conservation area they helped save. Displaying the names of supporters on a plaque can also be effective for a local community project.

 **Experiences** – Volunteers receive the ultimate experience – they get to help first hand! However, financial donors can also play a role in celebrating your success. Offer a ticket to your organization’s annual gala. Include high-level donors in the ribbon cutting ceremony. You can even host a pre-opening tour of a new facility, or a post-trip event to share stories and photos. Limiting the quantity of some rewards also creates a sense of urgency.

 **Direct Impact**– Focusing on the direct impact that a donation will make can help supporters understand how their financial donation contributes to the cause. Make needed items different tiers and describe exactly what can be purchased with just one donation. For example a hairdressing school in Africa might need \$25 to purchase ten hairbrushes, or a medical mission trip might be able to help one patient with \$150. Stretch goals that include additions to the project are also a great incentive to continue donating and exceed the funding goal.

Pricing Your Rewards

Studies have suggested that the average donation on a crowdfunding site is \$25, while other research shows that the average donation to a nonprofit organization is around \$85. When planning your rewards, try to keep these price points in mind while at the same time providing a donation level for all donors – from new supporters who might only have \$10 to spare, to your annual donors who want to make a BIG impact! Most importantly, the reward should be in tune with the funding level.

[Start Your Fundraiser Now!](#)



Promoting Your Campaign

When people get pumped about something they want to share it with their friends! It does not make a difference if it is an awesome experience, a funny video, or a chance to change the world. But in order to inspire others to get behind your online fundraising project it is up to you and your organization to promote it. You are passionate and excited about your project, right? Well then shout it from the mountaintops!

Most, if not all, initial donations for your project will come from your own inner circle. Think about it – if those who know you and most believe in your nonprofit don’t buy in to your project, then why would a complete stranger? A large pool of donations early on serves as social proof of an organization’s value, helping to more quickly recruit new contributors from those who trust your donors’ decisions. An ideal goal is to secure 20 percent of your funding via your existing network in the first 48 hours. From there you can confidently reach out to a broader network of new donors.

How to Promote Your Crowdfunding Project



E-mails – Email is the most effective tool for driving donations, and typically, the more people you can email the more money you'll raise for your charity. Personal messages from each of your team and board members sent to family and friends are a great way to spread the word about the project and secure donations with your current network before it launches. After your project launches it is time to reach out to your general mailing list, volunteers and past donors. Consistent reminders will make sure that the project doesn't slip through the cracks or get overlooked.



Press – Utilizing the press can drastically help your cause reach a large audience of new supporters. Depending on the scope of your project the outreach potential ranges from a story in your local newspaper to hiring a firm that specializes in pitching national and international media outlets. Create your press assets in advance of launching the project: a press release, high-resolution photos, and key talking points — don't forget to include the link to your project page! The trick is to send a personalized message or call relevant contacts and provide them with enough compelling information that fits their beat and sparks their interest. Try to focus on who you are, what your project is going to improve, and how your idea fits in with the broader context of your community.



Partnerships - If you are fundraising for a medical mission trip, it's not a bad idea to reach out to nursing organizations and local medical practices to tell them about your project and ask them to share with their network. The power of nonprofit crowdfunding uses connections to mobilize a larger network of support. Start by making a list of your existing organizational stakeholders as well as new parties and thought leaders that have an interest in seeing the project succeed. Reach out to them to develop strategic partnerships and to cross promote with these partner organizations. For example, share digital space on others websites, promote each other on social channels or include blurbs in e-newsletters.



Social Media - Social media should be employed to get the word out to new donors and backers through your existing following. You need to first build relationships with your supporters that reach beyond your nonprofit and your project. Make it a two-way communication. Try not to restrict yourself to your immediate personal (or business) networks or your existing supporters. If you plan on sending a press release or reaching out to subject bloggers, try following and engaging with those contacts on social media as well. You have to do more than simply post weekly reminders to check out the project and make a contribution. First, update all your social media profiles to include a link to your campaign. Then, keep the energy high and people informed by posting updates about your fundraising page at least every other day while mixing in relevant news articles.

Every fundraising project is different and will require a variety of tactics to get the word out. Below are just a few more ideas!

- ▲▲ Place an announcement or campaign banner on the homepage of your organization's website that links to the campaign
- ▲▲ Write about the campaign in your blog
- ▲▲ Create a direct mail piece
- ▲▲ Start a phone call campaign
- ▲▲ Host a kickoff event
- ▲▲ Online advertising with Facebook or banner ads
- ▲▲ Add the campaign link to your email signature.

[Learn how to triple your donor list with Team Crowdfunding!](#)



Updating Your Donors

Sending regular updates to your backers can turn a one-time supporter into a lifetime advocate. Crowdfunding is a great way to increase your nonprofit's donor base. And, it can be as simple as just letting them know what your organization is up to, both during and after the project. Gladitood makes it easy to keep backers informed. Once a project has launched, charitable organizations can log in to their profiles and post updates, which are then emailed to current backers and posted in the public-facing section of their project for visitors to see.



Updates During The Project

It is estimated that organizations with regular updates raise 126 percent more than those with no updates. Why? Updates keep your mission top of mind! Take the time each week to cultivate these relationships and backers will remain vested in your success. As your project nears its funding goals they are more likely to donate again or share the project with their friends to help push the funding over the edge.

Examples:

- ◆ **Progress of Goal** – an image of a progress bar or thermometer can be a fun way to visually depict your ongoing need.
- ◆ **Backer Rewards** – a unique experience or special keepsake might be just the thing to inspire more donations.
- ◆ **Stories** – anecdotes about someone (or animal or place) who will be impacted by the success of your project is extremely powerful.

- ★ **Media Coverage** – stories about your project in the news validates what you are doing and is an easy thing for others to share with their network as well.
- ★ **Deadline Reminder** –friendly reminders about the end of the project creates a sense of urgency.

Use Crowdfunding to Increase Transparency With Donors



Updates After The Project

Don't pull a fadeaway – if you dated somebody for two months, disappeared with no explanation, and then came back a year later, it would be very difficult to rekindle that relationship! The same principle applies when raising money for nonprofits. Gladitood's update feature remains available after the conclusion of the project and allows you to continue to send your backers regular updates on your status. Doing so builds your reputation for following through with commitments and achieving results – further increasing the likelihood that they will support you in round two.

Examples:

- ★ **Final Results** – an overview of the campaign with funding results is a great way to cap off the end of the project! Donors want to know how much was raised and how it will be used. Don't forget to thank backers for their donation.
- ★ **Milestones** – details about where your organization is in the process, such as photos of construction or new necessities, keeps backers in anticipation for the next update!
- ★ **Success Stories** – ongoing narratives about how their donation changed the life of a person or animal is one of the most rewarding things a backer can hear.
- ★ **Future Plans** – what is next for your organization?

There you have it! Everything you need to run a successful crowdfunding campaign in one playbook. You've got all the knowledge; now put it to use and do your part to improve the world.

We've got your back along the way.

GET STARTED IMPROVING THE WORLD