

Crowdfunding in Extension: Leveraging Relationships to Offset Declines in Traditional Funding

Abstract

Crowdfunding is a new tool available for Extension professionals and their clients to use to creatively offset the abatement of traditional funding sources. A fund-raising campaign can be set up in minutes, as demonstrated by the work of the 4-H members profiled in this article. Whether there is a need for new equipment or added help for a special event or some other financial requirement, crowdfunding can be a proactive way to ask people for financial assistance. Moreover, crowdfunding can provide validation for ideas; on the other hand, if funds fail to come in, it may be time to conclude an endeavor.

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Introduction

Extension professionals are no longer reliant on traditional sources of funding for innovative projects and ongoing programs. Crowdfunding is a new tool individuals and organizations can use to creatively offset the abatement of established funding sources. Moreover, crowdfunding provides validation for ideas—even for those implemented in existing programs. If you are stumbling to keep an Extension program running, try crowdfunding it. If you are unable to acquire funding, it is probably time to consider closing the program and moving on.

What Is Crowdfunding?

Crowdfunding is the practice of funding a project or venture by raising many small amounts of money from a large number of people, typically via the Internet. What started as a means for funding individual projects primarily in the arts has now evolved into a powerful fund-raising tool (Agrawal, Catalini, & Goldfarb, 2013). In recent years, global crowdfunding has experienced rapid growth, with total moneys raised annually expected to be in the tens of billions (Hobey, 2015).

This accelerated growth has led to the creation of numerous websites or "platforms" that have made crowdfunding accessible and convenient for the masses. The numerous platforms available online include

- gofundme.com,
- kickstarter.com,

- indiegogo.com,
- rockethub.com, and
- crowdrise.com.

Each of these platforms has the capacity to assist a wide range of causes, projects, and ideas. This scenario makes crowdfunding an ideal resource for Extension's diverse educational programs and outreach.

Examples of Extension Crowdfunding

After advancing from the First Tech Challenge State Championships in Utah to the Super Regionals in Oakland, California, the 4-H PrestidigiTaters robotics club required financial assistance to cover the associated unexpected travel costs and registration fees. They created a GoFundMe campaign in minutes (Figure 1), allowing donors to easily contribute to their cause. By sharing this campaign page via social media, the 4-H robotics club raised \$3,000 within the first 2 days and a total of \$4,000 within a month.

Figure 1.

Screenshot of the GoFundMe Page Created by the Utah 4-H PrestidigiTaters Robotics Club

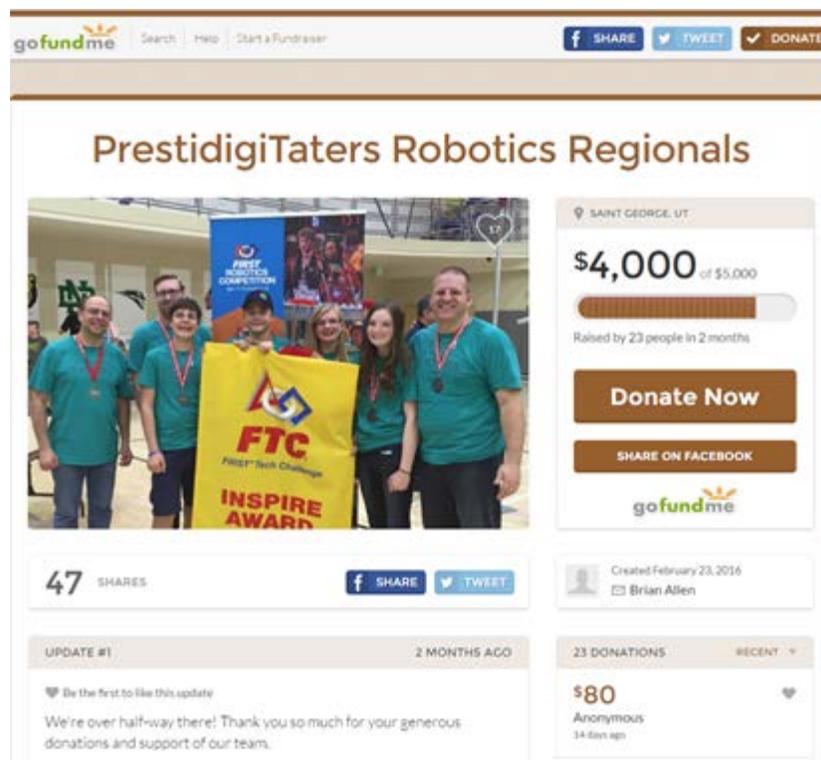
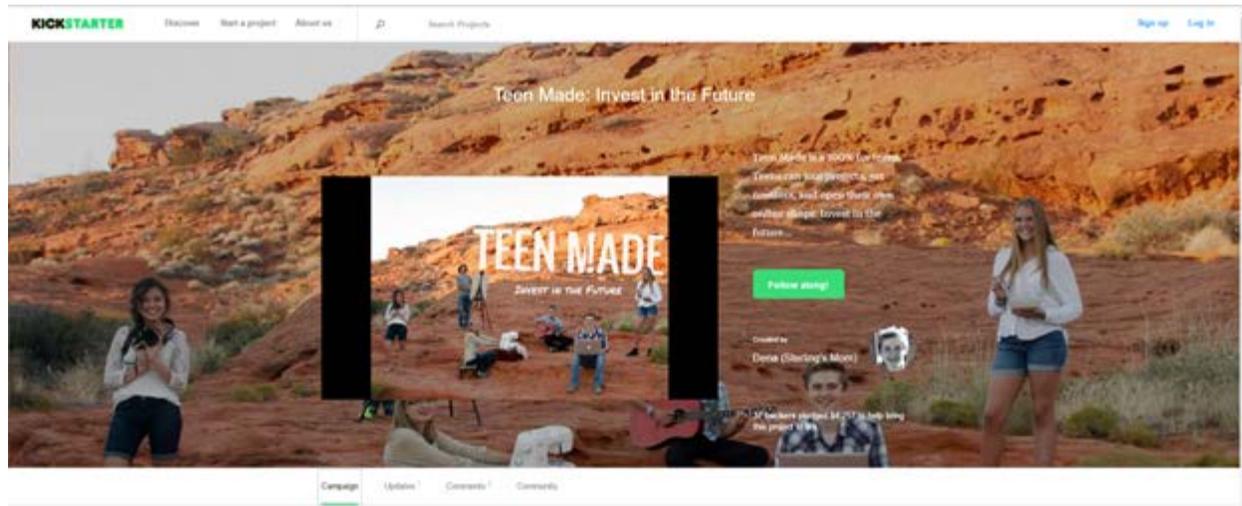


Figure 2.

Screenshot of the TeenMade.com Project on Kickstarter

Another successful crowdfunding project was accomplished by Sterling Jones, an entrepreneurial 4-H member. Jones was able to raise \$4,257 using Kickstarter to launch an online marketplace of teen-made products and services called TeenMade.com (Figure 2).



Crowdfunding Ideas for Extension

When asked why they do not donate, a primary reason individuals give is "I was not asked to contribute" (Taylor & Anderson, 2008). Whether there is a need for new equipment or extra help during busy summer months or some other financial requirement, crowdfunding offers a proactive way for Extension professionals to ask others for assistance in reaching goals and objectives. Here are some ideas for ways in which Extension might use crowdfunding to support projects and programs:

- Buy new equipment for teaching science, technology, engineering, and math concepts (e.g., laptops, soldering irons, microcontrollers, LEGO robotics kits, tablets).
- Upgrade equipment.
- Host an event or workshop; procure funds for a speaker, refreshments, tools.
- Pay for youths to travel to a conference, event, or competition.
- Build a new website.
- Hire an intern.
- Garner validation—find out whether clients are willing to support a program before shutting it down.

Crowdfunding Benefits for Extension

Crowdfunding has much to offer in terms of benefits to Extension, as indicated by the following examples:

- Clients stay up-to-date on equipment (funding comes quicker than with a grant).
- Funding can be supplemental, as compared to the all-or-nothing nature of grants.
- Community involvement, awareness, and collaboration are increased.
- Crowdfunding is a less direct approach for asking.

- Funds recipients have more flexibility regarding how and when to use funds (i.e., there are no statistical reports or allocation requirements).

Author and entrepreneur Seth Godin (2014) explains why crowdfunding works: "Most Kickstarter campaigns work because a tribe of followers, people who already trust you, know you, and are engaging with you, show up to fund it" (Video 4).

Individuals' donating funds to an Extension project or program not only is a sign of trust but also indicates their desire to have what is being offered. Crowdfunding is an effective way to gauge whether a program is still worthy of the time, effort, and resources needed to keep it operational. Again, crowdfunding can also be used to obtain validation and feedback. If the funding goal fails, it may be time to retire the program. Receiving this type of community and public feedback allows Extension personnel a glimpse into the priorities, needs, and wants of clients.

Conclusion

Crowdfunding is a tool that can provide great benefits to Extension. In addition to using crowdfunding to increase community involvement and receive validation for ideas, Extension personnel can rely on the indirect approach of online crowdfunding to alleviate some of the pressures of asking while still creating awareness of a need within Extension. When individuals become aware of a need, they can help determine the future of the relevant project or program on the basis of their actions or lack thereof. Ultimately, crowdfunding gives everyday people the opportunity to make something happen because of a shared belief.

References

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