How to Use Crowdfunding in Extension: A Relationship Education Example

Abstract

Crowdfunding is a resource that allows individuals or groups to raise funds while simultaneously engaging relevant communities and, thus, is an important tool for Extension specialists. We provide recommended steps for successful crowdfunding, including tips for identifying a website, developing or refining a proposal, and crafting a marketing and campaign strategy. We use the successful crowdfunding of a relationship education program as an example.

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Introduction

Many higher education institutions are facing budget challenges and declines in financial support, a circumstance that creates considerable constraints for Extension, along with the need for creativity in addressing those constraints (e.g., Page & Kern, 2018). Budget cuts can greatly reduce specialists' abilities to provide education and other resources to the communities they serve. Crowdfunding is a viable tool Extension specialists can use to offset some of the deficits in traditional funding sources (Hill, Swadley, & Esplin, 2017). Crowdfunding platforms, such as gofundme.com and kickstarter.com, have grown in popularity and provide people with the opportunity to raise funds for a project or initiative one with support from established websites.

How to Engage in Crowdfunding

Although Hill et al. (2017) encouraged the pursuit of crowdfunding in Extension by articulating what it is and why it might benefit the organization, specialists may not know how to undertake the process. We provide a seven-step procedure for conducting crowdfunding (Table 1) and an example of a successfully crowdfunded project to help Extension specialists use crowdfunding as a tool. Additionally, the appendix comprises a list of example crowdfunding sites and their stated foci.

Table 1.

Suggested Steps for Conducting Crowdfunding

Step	Question(s)	Advice
1. Decide whether crowdfunding is the best funding option for your project.	Does your project benefit from engaging community stakeholders (e.g., to build or strengthen community partnerships, raise awareness about your project, align with a community engaged research philosophy)?	Cultivating relationships with stakeholders spans from months before the crowdfunding campaign (to raise hype for the project) to after funds have been collected (to foster an ongoing relationship and ongoing support).
2. Identify contextual challenges and resources.	Does your university currently have mechanisms for supporting crowdfunding (e.g., there is an in-house crowdfunding platform or a person who handles crowdfunded projects)? What university office(s) can provide resources or best fit the purposes of your project? Would the university see crowdfunding as conflicting with existing foundation, fundraising, or advancement initiatives?	How money is channeled through the university (or whether it is) may depend on project goals (e.g., research, service) and the crowdfunding site used (some sites do not allow universities to collect "overhead"). If the project represents research or program evaluation, offices that handle sponsored programs may be supportive. Fundraising for applied work may be best routed through Extension or the nonprofit branch of the university (i.e., the university's foundation). Some crowdfunding sites are tailored to universities and have a "frequently asked questions" section to answer administrator questions.
3. Identify stakeholders.	Who are the potential stakeholders who also care about this project (e.g., community organizations with similar goals; businesses that serve a similar population, address a related need, or are affected by the issue; community members affected by the issue)? Who is your intended audience or crowd for your fundraising campaign?	Stakeholders with particularly strong interest can form an advisory committee that provides diverse resources to your project, such as knowledge about the issue and/or community, social networks to help spread the word or donate, feedback on the cultural appropriateness of your messaging and advertising pitch, passion to keep the team motivated, etc. In addition to relying on your community-connected advisors, it may be helpful to look at successful crowdfunding campaigns on similar issues and investigate who the intended audiences

were.

4. Identify the appropriate crowdfunding website.

Thinking in grant application terms, what is the "funding call or agency" (i.e., crowdfunding website) that best fits your proposal or end goal?

What is the crowdfunding source's focus, and does it align with your needs and goals?

There are numerous crowdfunding websites with different purposes and features (see appendix for examples). Look at the rules, target audiences, and formats of potential sites (e.g., find out what content they want you to have in your profile, whether they allow you to keep what you earn or the money is returned if you do not make your goal).

5. Develop or refine your "proposal."

How will you convince "grant reviewers" (i.e., donors in this case) that the problem is important and you can address it? If there is a question that needs to be answered, why and how will your research answer that question? If there is a need in the community you serve, how will your program address that need?

How can you most effectively communicate the importance of your project to the people who would care about it?

Many crowdfunding sites recommend that you begin planning well in advance of launching your campaign (e.g., designing your campaign page, making a pitch video, raising hype, and building a following). Similar to writing a grant proposal, you likely will write on your crowdfunding web page about a compelling need that your project will address, and this should fit the goal of the crowdfunding site used.

Crowdfunding sites have usually done research on what information and delivery methods are most effective for reaching their audiences, so you should read their guides, recommendations, and required web page elements before you start developing your page content.

Many sites also offer consultants or "coaches" who can help you in your efforts by providing suggestions and feedback regarding your crowdfunding page before you launch.

6. Craft your marketing and campaign strategy.

What are strategies that will encourage potential stakeholders to donate?

Where should you disseminate "calls" for donations?

Some crowdfunding sites encourage incentive structures that provide larger incentives for larger donations. The incentives need to match the interests and priorities of your stakeholders.

Incentives can be items, opportunities, public acknowledgments, or services. For

example, for smaller donations, you might offer a t-shirt or mug with your program's logo on it, and for larger donations, funders may be listed in the acknowledgments of a publication, training manual, or presentation. It is helpful to pilot test ideas with potential stakeholders (e.g., colleagues, community members, council members) already in your network to get their feedback on your proposal and incentives before you launch your campaign.

It is critical to have diverse mechanisms for disseminating awareness of your project. Although fliers, announcements, and social media are helpful, mapping the personal and professional networks of your team members and talking to people face-to-face is invaluable and will require "all hands on deck" once your campaign has launched. Some crowdfunding sites provide workbooks and guides to help you develop a comprehensive fundraising strategy that reaches deep into your existing networks.

7. Keep going!

How can you continue the momentum of your crowdfunding campaign?

Once you launch (and even complete) your initial campaign, it is not over! The campaign builds a group of stakeholders who are invested, to varying degrees, in the project. Continued engagement can lead to more momentum (i.e., referral of additional donors from stakeholder networks) and repeat donations of time, money, and talent or additional connections.

Providing updates on the project to donors allows them to stay engaged with their investment. Give stakeholders a "behind the scenes" look at the research or program development and implementation process, and let them know you are

"making good on your promises" and having an impact (a communication strategy that may lead to repeat donations, attraction of new donors, or future funding partnerships).

Ongoing engagement mechanisms are built into many crowdfunding sites (e.g., update posts or mass emails to your donors) but also can be done through social media or in-person meetings or events.

Example: Funding a Relationship Education Mobile Platform

Relevate is a transdisciplinary team of researchers and practitioners on a mission to make research-based information about interpersonal relationships accessible to all. Relevate was developed by Amber V. Vennum (second author), who also serves as the executive director. J. Kale Monk (first author) serves as the director of outreach and engagement, and Jeremy B. Kanter (third author) serves as a content development specialist for Relevate. Although social scientists have been researching what makes relationships thrive for decades (e.g., Reis, Aron, Clark, & Finkel, 2013), there is a gap between what researchers know about healthy relationships and what is accessible to the general public (Futris, Adler-Baeder, & Dean, 2004; Small, Cooney, & O'Connor, 2009). Relevate is addressing that gap. A website, MyRelevate, is being refined through beta testing and content creation, and an associated mobile application is being developed. Through the MyRelevate platform, scholars, clinicians, and relationship educators can share (via uploading or linking) research-based content written for the public (e.g., infographics, online articles, blogs, videos). Public users can then tailor newsfeeds of trustworthy research-based information about relationships according to their unique interests and circumstances.

We applied Steps 1–4 outlined in Table 1 to make initial determinations about using crowdfunding in developing MyRelevate. We chose to crowdfund because of our focus on engaging stakeholders to improve the program—MyRelevate is continually improved on the basis of feedback from professional and public stakeholders (Step 1). A previous mechanism for crowdfunding did not exist at the second author's university; thus, several meetings with preaward services personnel, department administrators, university accountants, and foundation representatives were needed to arrange appropriate university mechanisms for supporting the project (Step 2). We determined that in addition to professionals, the crowdfunding campaign would target (a) young adults, due to their prolific use of social media (Smith & Anderson, 2018) and smartphones across demographic groups (94% own a smartphone [Pew Research Center, 2018]), and (b) people who care about young adult relationships, such as parents and youth leaders (Step 3). We chose to use Indiegogo because we were focused on promoting an educational product, a relationship education tool (Step 4; see the appendix for information on diverse crowdfunding sites).

Next, we concentrated on refining our pitch and creating our marketing and campaign strategy (Steps 5 and

6). Following the recommendations of the Indiegogo crowdfunding site for effective communication and marketing of a project, we developed a video that articulated (a) the need the project would address (i.e., relationship concerns affect young adults, but there is inaccurate and maladaptive information online, and accessing relevant, evidence-based content is difficult), (b) how our product would address the need (i.e., by providing research-based information to diverse users according to their profiles), (c) who the product would serve (i.e., intended to serve mostly young adults but open to individuals of all ages regardless of race, gender, sexual orientation, or relationship status), and (d) how the product would be used in the future to help individuals, clinicians, educators, and researchers (i.e., by providing a platform for sharing resources and connecting) (see Figure 1; video available at https://www.indiegogo.com/projects/relevate-health-relationships#/). In addition to presenting the mission of the project and describing how the platform would operate, we included infographics to show who we are and what we do to connect with the public as part of our proposal and campaign (see Figure 2).

Figure 1.

Screenshot of the Relevate Crowdfunding Campaign Video on the Indiegogo Website
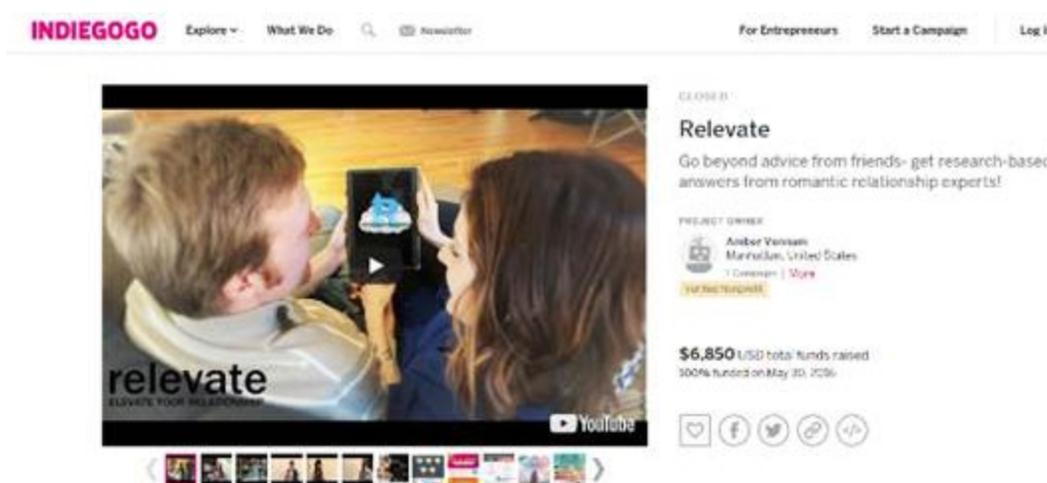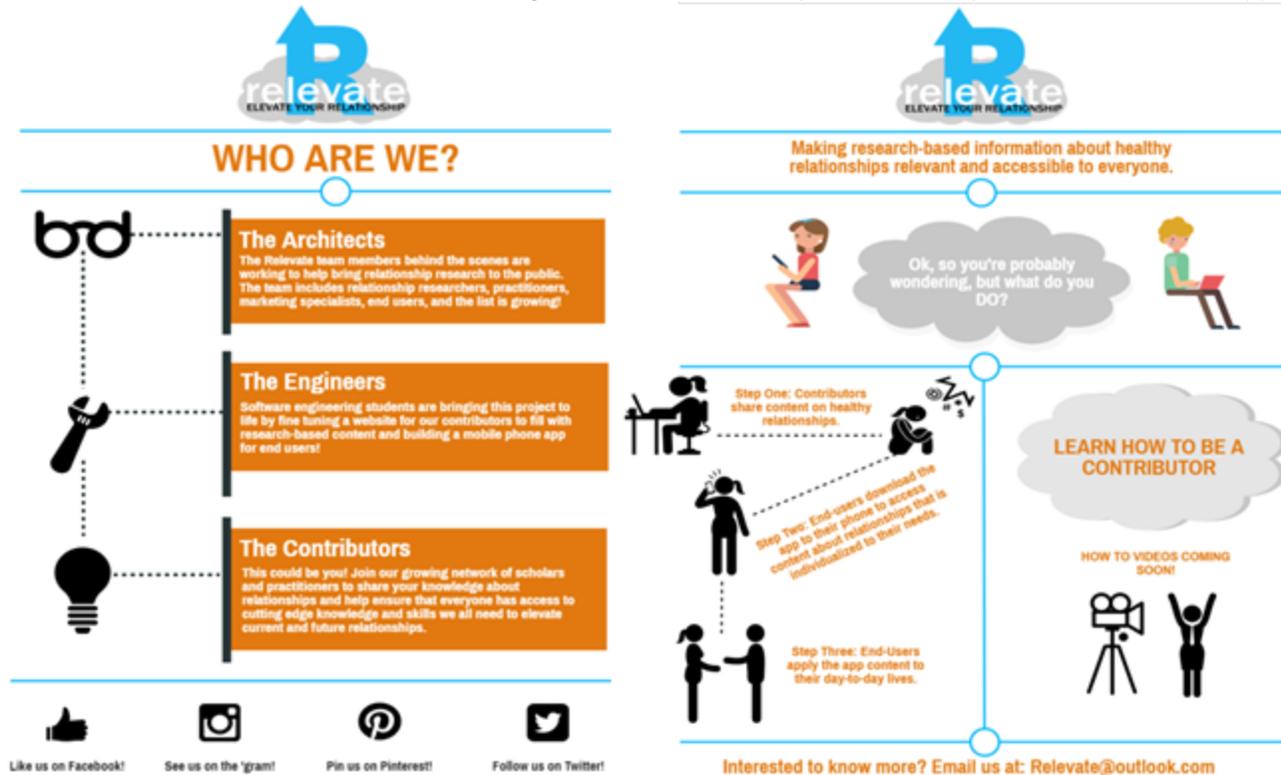

Figure 2.

Images Created for the Relevate Crowdfunding Campaign

As for incentive structures (see Step 6), we devised a system whereby donation amounts were matched to different levels of "perks," some that were promotional (e.g., t-shirts and stickers) and others that were engagement-based incentives specific to both professional audiences who might become future "contributors" of MyRelevate content (e.g., an infographic developed on their research) and public audiences who might use MyRelevate in the future (e.g., opportunities to beta test early versions of the mobile app). We determined that all donors would be listed on the MyRelevate website. To market the campaign, we shared our project via social media and other academic outlets (e.g., professional electronic mailing lists). The campaign resulted in our surpassing our goal to raise $6,850 in 1 month.

Finally, we have continued to update stakeholders about new developments within MyRelevate (Step 7).

Conclusion

An advantage of crowdfunding over traditional funding sources is the opportunity to build community awareness and support for a project. In addition to the ideas proposed by Hill et al. (2017), we would add that this tool can be used to purchase or develop curricula or programs, build community teams and resources, or provide incentives that increase public participation in programs. For example, crowdfunding could be used for developing a nutrition class or for providing grocery cards to participants in a nutrition class to facilitate their buying the fruits and vegetables discussed in the class. Crowdfunding is an important resource Extension specialists can use to offset declines in traditional funding sources and support the communities they serve.

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Appendix

Exemplar Crowdfunding Websites and Their Descriptions

Platform	Main target	Example features	Payouts	Fees
Causes https://www.causes.com/	Nonprofit and political organizations or individuals	- Users can create an organizational profile with multiple campaigns for petition signatures, funds, or pledges. - Supporters of a campaign have the option to create personal campaigns to advocate for the cause. - User campaigns can continue even after the goal has been met.	- Payments are processed through Stripe which has a direct deposit option. - Individuals can donate $2 or more and receive automated donation receipts.	- Setting up a campaign is free. - There is a 4% donation processing fee.

- Users can upload personal stories, photos, videos, or article links.

| CrowdRise (by gofundme)
https://www.crowdrise.com/ | Nonprofits | - Specific fundraising types are featured, including online social fundraising; nonprofit event fundraising; nonprofit walk, run, and cycle fundraising, and peer-to-peer fundraising.

- The "essential" plan includes the ability to sell tickets online, run text-to-donate campaigns, and offer tax deductible receipts to donors.

- The peer-to-peer option allows supporters to create personal fundraising pages for the user's cause with the branding the user chooses.

- The service provides numerous tutorials. | - There are no goal requirements or deadlines.

- Users can choose to process donations through Paypal Giving Fund or WePay.

- Paypal can direct deposit funds monthly or send checks.

- WePay has payment schedule options for direct deposit or a check. | - There is a free platform plan or an "essential" plan with a 5% platform fee and advanced features.

- Payment processing is about 3%. |
| Experiment.com
https://experiment.com/ | Researchers and individuals who want a question answered and support science | - Funders get to stay updated on the research through lab notes, and results must be published in an open access journal.

- To start a project, users must submit an application for project approval (i.e., users need institutional review board approval first) and do a short video interview with the staff scientists about a project.

- Once users' project pages are developed, staff review them and | - User funding goals must be reached to receive any funds.

- No overhead costs are allowed in the proposed budget.

- The payout can be made by direct deposit | - There is an 8% platform fee.

- The payment processor charges 2.9% + $0.30 on each successful charge. |

		provide feedback to help increase clarity of communication and increase feasibility.	to an institution of higher education or research organization or by check (for an additional fee).	
		- If the funding goal is reached, the user can increase it.		
		- There are lots of step-by-step guidelines for optimally creating each part of a user's project page and planning campaigns.		
Fundly https://fundly.com/	Individuals and nonprofits	- Unique features include an app, the ability to design and sell promotional t-shirts through a campaign site, an incentive structure for engaging donors, and robust integration with multiple social media platforms with settings to automatically post updates to social media.	- Users can keep any money that is raised with no minimum amount required.	- Fundly deducts a 4.9% platform fee from each donation and 3% fee for credit card processing (discounts exist for larger campaigns).
		- The site provides step-by-step emails throughout a campaign, resource guides, and a fundraising idea database, including steps for getting news coverage for a campaign and in-person fundraising ideas to boost revenue.	- Funds can be directly deposited into bank accounts at any time once users start receiving online donations.	
		- Campaign pages include lots of images and videos from social media.		
		- There are peer-to-peer and team fundraising options for others to raise money on the user's behalf.		
HandUp https://handup.org/	Individuals and nonprofit human service organizations serving homeless	- Nonprofits can raise money as an organization or set up individual campaign pages for people in poverty (called "members")	- Funds raised by individual member pages can be directly	- There is an 8% fee for donations to general nonprofit campaigns.

	persons and those in poverty	whom they serve to raise funds for services or items they need.	transferred to the partner organization to pay for services or items.	- For individual member campaigns, 100% goes directly to person chosen (i.e., member profiles for individuals experiencing poverty are free of charge).
		- Users have the ability to set up monthly pledges (donations).		
		- Users can share to social media directly from the campaign pages, and people can "follow" user campaigns through tailored websites.	- Donors are emailed receipts for tax deductions.	
		- Users can set specific giving levels.	- Users may have to create an account to access information payout options for organizations.	
		- Donors can create fundraisers on the user's/organization's behalf.		
iFundWomen https://ifundwomen.com/	Females interesting in starting a business or small start-up company	- In addition to online how-to guides, this site uses a one-on-one coaching model to help entrepreneurs design effective campaigns.	- Entrepreneurs can keep whatever is raised and adjust campaign dates.	- There is a 5% fee on funds raised (20% is paid forward to live campaigns) plus an additional credit card processor charge of 2.9%+ $0.30 per transaction (may be subject to taxes).
		- A pay-it-forward model means 20% of profits from fees are reinvested into live campaigns.		
		- There are options for paying for help in building a website, creating a professional video, etc.	- Money is automatically deposited into the designated bank account as funds are raised.	
		- There are "local cohorts" to join and network with based on shared location.		
		- There is an option to donate to an "accelerator pool," which grants money to high-performing entrepreneur campaigns.		

| Indiegogo https://www.indiegogo.com/ | Innovators (with features for educators and nonprofits) and funders interesting in innovative items before they are publicly available | - There is nonprofit verification, so donations are tax deductible.

- Users can balance multiple campaigns.

- Campaigns can set donation levels and perks.

- There are mobile capabilities.

- Analytics are provided to broaden the reach of campaigns.

- There is flexibility in how to set funding goals.

- Users can embed brochures for campaigns in a web page and share on social media directly.

- There are options to continue collecting funds and engaging investors after meeting campaign goals. | - Payouts are disbursed weekly to nonprofits.

- Users keep what is earned from campaigns. | - 5% Indiegogo fee + 3% transaction fee + $0.30 per transaction.

- "Generosity by Indiegogo" allows nonprofits and socially minded campaigns to enjoy a 0% platform fee. |
| LivingTree Give (formerly EdBacker) http://learn.livingtree.com/products/give/ | Teachers, school-associated organizations, schools, and school districts | - Teachers and school-associated organizations can use this platform to fundraise; recruit and manage volunteers; communicate through emails, social media, and newsletters; and create reports.

- Schools and districts can also organize multiple fundraisers within a school or whole district, create a district-level approval process for all proposed fundraisers.

- Multiple fundraising event types are supported: campaigns, membership drives, drawings, | - Users can choose to deposit funds electronically through PayPal or with a paper check through America's Charities.

- Funds can be routed to and from district accounts in real time.

- Unique district accounting | - Teachers and school-associated organizations can create individual accounts for free.

- There is a 5% + $0.30 per transaction processing fee through PayPal. |

		events, and fund-a-thons. - Optional prebuilt templates are available for creating quick campaigns.		codes can be attached to each fundraising campaign.	
Mightycause (formally Razoo) https://www.mightycause.com/	Nonprofit organizations, community groups, and individuals	- There are templates for multiple fundraising strategies available: nonprofit pages, individual pages campaigning for a nonprofit, giving days, and team and event fundraising competitions. - Widgets can be embedded in Facebook and other websites to enable direct donations. - Individuals and teams can develop fundraisers for any charity they choose. - There are options for customizable donation levels, fiscal sponsorship, and recurring donations. - Users can display social media feeds on a campaign page.	- Users can keep what they raise with no minimums or maximums. - The email donation confirmations can be used as tax-deductible receipts. - Users can choose to have funds directly deposited into their bank account twice a month or have a check mailed once a month.	- Setting up a campaign is free with a $99 premium account option for nonprofits that want to add branding, text-based giving; manage donors; or get fundraising analytics. - There is a 4% processing fee for each donation that donors can choose to cover. - For personal fundraisers, there is a 2.9% + $0.30 per transaction fee.
Pledgecents https://www.pledgecents.com/	Community organizations, schools, nonprofits, church/faith-based organizations, volunteer efforts, youth sports teams	- Fundraising campaigns can be active for 5–90 days. - One-on-one assistance with maximizing fundraising opportunities is available. - Users can automatically email investors (donors) with updates on fundraisers. - Users can keep funds raised, so each fundraiser has a backup plan for how the money will be used if the goal is not met.	- Checks are sent directly to the organization 48 hr after fundraising pages are completed.	- There are no platform fees, but there is a 3% fee for payment processing. - Nonprofit donations are tax deductible and tax receipts are automatically sent to donors.

Rally https://rally.org/	Individuals, groups, social causes, political campaigns, nonprofits	- Integrated social network sharing features can help donors and supporters spread the word for users. - "Fans" (supporters) can raise money on behalf of an organization through their own personalized page. - Online dashboard and analytics help users stay in touch with donors and supporters. - Widgets allow for easy donations straight from organization websites and blogs.	- The withdrawal minimum is $5 (no maximum). - Users can withdraw money at any time during the fundraising. - Users can specify the withdrawal amount to be deposited into specific bank accounts.	- There is no charge to set up a fundraising page, but there is a charge of 5% plus credit card fees (2.9% + $0.30) for each donation processed.
StartSome Good http://startsomegood.com/	Social entrepreneurs (not exclusive to nonprofits)	- Users must submit a description of their projects focused on creating social change and receive approval before they can create a project page. - Users can continue fundraising after the minimum goal is met. - The service offers many support options, including a 4-week group coaching class, how-to guides, online courses, and a project-specific point person to answer questions and provide personal feedback on a page. - The service promotes user projects through various platforms.	- The all-or-nothing model means no donations are collected until the minimum fundraising goal is met. - There is no upper fundraising goal amount. - Users can receive payouts through direct deposit.	- A 5% platform fee is charged once the minimum goal is reached. - Stripe charges 2.9% to process donations. - Nonprofits can offer tax receipts to their donors.

Note. Organizations can change policies over time, so check for updated information via the crowdfunding websites of interest.