



GUIDE FOR implementing **CROWDFUNDING** campaigns



Publisher:
**Association Leaders for Education,
Activism and Development**

Author:
Ivana Krstevska

Design:
**Ilija Stankovski
Ivan Jovanov
Natasha Shopova Tomovska**

Translation to English
Marija Dimeska

Copies:
350

This project is supported by Foundation for Internet and Society Metamorphosis within the project Building accountability through citizens engagement, with the support of the British Embassy Skopje. Views expressed in this product do not necessarily reflect the positions of the British Embassy.

Table of contents:

Introduction

What is "Crowdfunding"?.....4

Advantages and disadvantages of "Crowdfunding".....6

Is the "Crowdfunding" model a real choice for you?.....9

"Crowdfunding" preparation of the campaign.....16

- Before the campaign starts.....17

- Planning before starting.....17

- Preparation and evaluation of your project.....17

- Creating an effective terrain.....19

- Video pitch.....19

- The project's front page.....20

- Creating effective prizes.....21

- Simple prizes.....22

- Levels of prizes.....23

- Last check.....23

During the campaign.....24

- Marketing and advertising25

- After the campaign ends.....26

Examples of successful campaigns.....28

"Crowdfunding" projects in Macedonia.....31

Conclusion.....33

Bibliography.....35



What is “Crowdfunding”?

Group funding or Crowdfunding”, stands for an alternative approach to finances about different types of projects helped by specialized internet pages. The group financing is a process with which a donation is requested by internet users and is used as a seed money for new business investments. Using different techniques, young entrepreneurs can circumvent the capitalistic undertakings and with presenting their own idea to the everyday internet users they can approach to the fullest the investors who offer the mentioned financial help. By using platforms as “Kickstarter” and “Indiegogo”, founders (project initiators) develop a special page within the framework of the platform which include information, pictures, and promotional video materials about the product, the project or the service for which joint finances are wanted. In exchange for financial support, certain awards are offered to the visitors of the eponymous platforms.

The group financing offers different benefits from the wide circle of users, which can be explained thanks to flexibility, community effort and the different types of financing that are offered.

In the table are listed best known and common used platforms designed for group financing:

Platform	Short description	Available at:
Crowdrise	Is based on money donations without payback award.	http://www.crowdrise.com
Kickstarter M	oney donations with an award.	https://www.kickstarter.com
Zopa	Borrowing financial assets which are returned after the end of the campaign with proper interest.	http://www.zopa.com
Crowdfunder	Is based on proprietary shares (particularly for Europe).	https://www.crowdfunder.com
Go Fund Me	Web-page through which last year most of resources were collected.	www.gofundme.com
Indigogo		www.indiegogo.com

The “Crowdfunding” model not only helps financing the project, but it also measures the public interest before presenting the product or useless spending large amounts of money on goods intended to collect dust at stockrooms. More important is to point out that you don’t have to have big, successful business to use its strength and that by using it everyone can have benefits.

Yet, this strategy not only allows the wide-ranging interest of the consumers to be measured and to examine the importance of the new concepts, but represents a direct relation with customers, including those who are prepared to pay earlier and those who want to spend more on filling up and on new publications. As additional benefit, the group financing allows to make strong relations with dedicated clients, who will become project’s top critics after its publishment.

From entrepreneur’s point of view, it is hard to discuss the results. According a typical scenario, business owners assume that costumers would be interested in their products and arrange how much they would be prepared to pay for them. Instead, using crowdfunding, thy can test their ideas with low expenses, and then to invest properly. What is more important, the group financing allows a better way to generate the interest in the project and pre-order. Not only the buyers are more emotionally involved in publishing process, but also they are more emotionally involved in the final result. Buying in advance also contributes the working capital to empower the fabrication and the awards offered in exchange for support of the fans and to provide a positive mean for “repayment”. Best of all is that the group financing allows placing big ideas without additional expenses, and the whole process to be monitored from home or any other place that has internet access, via computer, tablet, even a telephone.



Advantages and disadvantages of "Crowdfunding"

One of the most important advantages of the group financing is that you don't quit and you don't share the ownership and the capital of your own business, that most often is a case with the typical sources of investments and donations, where investors expect you to give up a portion of the business in exchange for their support and count on return of investments.

In continuation are presented some of the group financing advantages, contrary to traditional investment:

- The control is in your hands.

You alone take control over expenses, the time, the delivery, the creative visions and their realization, the marketing and the interaction with the customers.

- You keep the capital: The projects and the business are 100% yours.

- A chance for testing your product

You have an opportunity to test and prove the importance of your model, using prototypes or materials for preproduction.

- An opportunity for marketing access

You have an opportunity to test the elements of the marketing access for your product as well as how individual aspects of promotion or comprehensive campaign affect the target group.

- Sometimes you can do much more than what you have planned or intended to do.

With traditional investments, entrepreneurs must provide a detailed business plan and budgets which will validate the requests for financing, to negotiate for the transfer of the shares and to deal with the company evaluation. Some companies or projects need multiple financing, and each requires additional negotiations and compromises, with additional risk and stress to prove the value of the project. With the group financing, if your product meet with a favorable reaction with the audience, you can easily surpass the required financing target. The campaigns that are successful achieved 4-8 times more than preliminary financing target.

- There is a chance for a second try

If you don't succeed the first time, you lose anything and you can try again, with improved plan and presentation. Despite this, with the traditional financing, if you don't impress the investors, you can find yourself lucky if they give you a second chance.

- Pre-order possibility for your product

Pre-ordering your product or service and depending on related expenses, you can take more of the current selling price from the people who support your project.

- Sponsors become your supporters

Unexpected benefit from the crowdfunding campaign is that you will receive many useful advices, and even offers from the supporters, who after all want you to succeed and will do everything for you to achieve your goal.

- The sponsors become your consultants

By helping you to promote your project to their friends and contacts, your supporters become your marketing team.

Although there are much more advantages and gains, also the group financing has its *disadvantages*:

- *The group financing is stressful. If you ask those who performed a crowdfunding campaign, they will tell you that it isn't an easy process and that it is commonly followed by unexpected rises and collapses, even when they are successful.*

- *The planning of successful “crowdfunding” ventures requires a different preparation than the traditional promotion of the products. Your aim are the final customers, and not the professional investors, which is completely different target. This can require knowledge improvements in the field of consumer marketing, social networks and social marketing techniques in the direction of communication with the customers.*
- *This places you and your ideas directly in front of the audience and potentially under fire. Group funding is not for those with weak heart and shy ones. There is no place here for sneaky actions, meaning that the opponents can use the public knowledge about your company or product.*
- *The success asks for tireless effort in social marketing campaigns, as well as constant self-promotion during the campaign for collecting finances. If you are shy or quiet and if you want a successful campaign, you will have to get over those characteristics or to find someone else to be your spokesman.*
- *The group funding from you requires to be very creative in attracting interest about the project, and that means to be in constant pursuit of new ways of promotion and other ways with which you will attract notice to your campaign.*
- *This isn't always working. This doesn't mean that you should be discouraged from the chances for succeeding of your project, but you have to be realistic and prepared for the potential failure. This often means a need of plan B, C, D, etc.*
- *Regarding the subject, the range or the content, the group funding requires to be something that will make sufficiently large number of people interested enough to share their hardly earned money. A part of the process of evaluation if you should start a project for group funding is to carefully, critically examine your project and to evaluate the extent of the potential audience. When you put the campaign into effect, you must aim towards this market and to make strategy how to include and to find the channels through which they consume the news.*
- *Throughout the group funding you take responsibility in dealing with larger and potentially various group of supporters, despite the traditional scenario of investments from which everyone can have different expectations and demands. Also you have to take some project examples into consideration that besides being financed, the products weren't produced and promoted, or totally different product was promoted instead of the one that has been financed. This always concerns the potential sponsors.*
- *Eventually, no matter how much is your product interesting, now when you compete with other projects, maybe many of them stand for the same targeted audience. Moreover, as the group funding popularity grows, also the competitiveness grows.*



**Is the “Crowdfunding”
model a real choice for you?**

To answer this question, the best is firstly to look at the most important characteristics of the successful “crowdfunding” campaigns, and then to help you decide if your business or organization is on the right place:

- A story which instigate an action is told

One of the best parts at the group funding is its power to tell its business story. Therefore, check if you have a complete story to tell: why is your product/service/idea designed, from where your team originates, how will your trial start-up change the world one day. Do not ask for money only. Make your sponsors to be thrilled and willing to be a part from your story.

- The founders have mastered their area

Your customers and potential investors are variable, there are many things that fight for their attention and they don't have the whole time in the world to read the history of your company, to go throughh your brochures or to click throughout your platform. Smart founders who have launched the best campaigns knows it and they keep that in mind when they come to their crusade. It means reaching the points that are important for their specific audience, producing it in easily understandable form as: short videos, graphics of the market size or a list of the main facts for the industry.

- Founders are active on the social media

One of the most powerful things with the group funding is the opportunity to enter the social networks and to spread faster and deeper compared to the traditional methods throughout direct contact with the investors. This fastened expanding is possible owing to the networks as Facebook and Twitter, and that is why your business must be active on this networks and to gain followers before launching the campaign.

- Founders have a large personal network of sponsors

The wider and closer the working network is before the campaign starts, the more likely is to accomplish or to exceed the financial aim that is wanted. A successful collecting funds begins at this base of supporters (you inform your friends, family and existing buyers about your campaign even before you start). It is recommended to start with so called quiet launch and in doing so you use social networks, email marketing and the old fashioned “mouth-to-mouth” ways of marketing at least one month before the campaign starts, without asking for money at all. This will help the people to hear about you and later to support you.

- Attractive awards are offered

Maybe if you think about a campaign based on awards this looks obvious, but it is important to think about it thoroughly. More of the sponsors won't support your campaign just because of altruism or good will. Although some of them will invest money only to see your success, more of them will be under influence of what they are about to get. The awards come in every shapes and sizes, but most common are pre-orders or discounts for early buying the product that you collect money for. Think twice about the amount of your prizes and provide higher level of prepaid with awards of higher worth that will go with it.

- Videos and other contents that can be shared are included

As previously mentioned, there is a high importance in telling the story about your business, but there isn't a better way to do that than a well-produced video. Working with a short-term attention audience, short videos that last less than 5 minutes can give life to your story and to remain imprinted in your supporters' memory better than any other media. As additional bonus, they are the best alternative for fast sharing content.

There are few conditions that should be taken into consideration when you think about the group funding model for your business, product, project, service or event:

1. Is your idea really good? Are you sure that people will be interested in it?
2. Why your product, service or undertaking is intended for sale and what price for?
3. What's the difference between your product and the opponent's one or the ones similar to both of you? Do you use an existing brand or person who already have a base of fans and customers?

4. Can you tell your idea in a simple manner while making the people amazed and excited about it? If not, maybe the idea isn't attractive that much or you are not the one for its presentation.
5. Have you got something obvious to show during the presentation, some visual aspects of your project that could help people visualize it?
6. How well do you know and you understand your target group?
7. Do you have self-confidence in your skills to rise and connect with your potential sponsors?
8. Have you calculated how much money will be actually needed to realize your idea?
9. Have you taken into consideration all financial varieties, including delivery expenses, taxes and provisions of the "Crowdfunding" platform?
10. Have you built your budget rationally enough to let you freedom in some actions?
11. Are you sure that you can fulfill all your promises, including the realization of the project in the calculated time frame and the delivery of the all elements which cover your project? Did you take into consideration the influence on your product brand or your personal brand in case of campaign failure?
12. Do you have in mind how you will award your sponsors and fans that will donate? Have you set more awarding levels? How you will offer those awards and for what price?
13. Can you offer significant awards at different donation levels?
14. What specific and unique awards will you use to make people speak up? Can you create unique ideas that would be used for social media only or media exposure?
15. Do you understand all personal and professional conditions which the leading of "Crowdfunding" campaign process demands from the creators? Are you prepared to invest 110% effort to make a successful campaign?
16. Have you got some kind of marketing agents, PRs or interaction on social media?
17. What activities of promotion are you planning to perform before and during the campaign? How will you maintain the rumors for your project's debut?
18. Are you ready to take a large personal risk?
19. Do you, and at least few other people who can support you, completely have faith in the project?
20. To whom can you turn for help, no matter if it's about creating, financial support or to help spreading the rumors?

The most important: Have you analyzed other "Crowdfunding" projects - successful and unsuccessful - to understand their approaches, techniques and working strategies?

If you can answer these questions with complete self-confidence and certainty, and completely believe that you can perform it to the end, than you have great chances for success.

When you think about starting a "Crowdfunding" campaign, it is recommended the few models to be examined. One simpler and not that much outspreaded division, defines four main models for group funding:

1. **Sponsorship model;**
2. **Loaning model;**
3. **Model based on rewards;**
4. **Model based on proprietary deposits.**

Artistic and humanitarian projects have so called sponsorship model, which put investors into position of philanthropists, who don't expect any equal return favor for their donations. The second model is the loaning model, in which funds are offered as loan with anticipated interest on return of the invested capital. In case of microfinancing loan, the creditor can be more interested in social wellbeing that is promoted by the venture, than in the recovery generated by the credit, so that also include specific elements for the loaning model.

The third approach, a group funding based on prizes, is most widened and popular at the moment. With this approach, investors get a prize for supporting the project. That includes certificate of gratitude or participation in the creating growth of the product or to get a chance for meeting the creators. As an alternative, the model based on prizes treat the sponsors as pre-buyers, allowing them an access to the

products that resulted from the campaign much earlier than the official sale, with a better price or with some other additional value.

Pre-order of the products for pre-buyers is common feature for the group funding projects which is like a traditional entrepreneurial venture, as well as in a manner of speaking about the projects for producing new software, hardware or consumer's products. This model, which is legalized in USA in 2012, and previously in the other countries, offers an opportunity for project creditors to become investors, who acquire proprietary shares in exchange for their investment. However, since 2014th this group funding model is prohibited in USA, and in 2013 comprised only 5% of all group funding investments. That model is a subject for the higher levels of regulation. Because of shortage, this model can take on other models. For example, investors can agree on a following profits or a part of the recovery from following public offers or acquisitions, a part of real estate investments.

There are hundreds of available platforms for group funding, and new ones come out every day, with new shapes of advantages for investor seekers, and also for supporters. We will pay attention on some of the most successful specific types of platforms which are good examples:

"Kickstarter"

The biggest group funding platform, with more than 13 million visitors every month, "Kickstarter" which is collecting all types of group funding campaigns, from comics and technology to theatre. This platform doesn't allow social objectives, but a product or event is needed to be brought out on this page. More than 330 000 projects are published on the platform, from which 118 000 were successful. There are more than 12 million supporters from who almost 4 million return again and again to donate. The biggest Kickstarter's drawback is the implementation of the funding model "all or nothing", meaning that in case not reaching the desired investment target, the creator don't obtain the collected amount. Another Kickstarter's disadvantage is that it has a specific list of countries from where the project and collected resources can be placed. But still, "Kickstarter" has a reputation as one of the best platforms for international investing campaigns. The Kickstarter's commission stands at 5% for the successfully funded projects.

"Indiegogo"

"Indiegogo" is a platform similar to "Kickstarter", with a difference that here funds can be collected for every project, including charity donations. The flexibility and simplicity of international group funding via "Indiegogo" helped its popularity and that is why the campaign success is better than "Kickstarter's". The platform has around 9 million visitors monthly. Concerning the commission, the flexible funding model "Indiegogo" charges 9% from the collected funds. If the aim is achieved, 5% are returned, meaning that the commission stands at 4% in total. The commission for all or nothing model is 4% of the payment. "Indiegogo" also offers a discount of 25% of the commission for using their platform in any campaign about collecting funds for unprofitable organizations in USA, and also the contributions from this campaign are deducted from the taxes.

"AngelList"

"AngelList" isn't just a web-page about group financing, but it is also a platform for startups that want to be introduced in front of the investors and entrepreneurial incubators. In the recent past, one of the best forms of starting a business were so called business angels, as they were the first circle for funding, right after friends and family. "AngelList" is a type of group funding with proprietary share which means a place where companies offer proprietary share in exchange for funding. On this platform so called trade unions are established. The business angel or the fund establish a trade union and choose what investments they like and they want to support. After, the private investors support a trade union for investments, directly or indirectly, in separated projects. Concerning the allowance, for developing businesses there isn't a commission for collecting deposits from the trade unions, for supporters is 5-20% from profit share according to agreed work of the trade union and 5% from the profit share that goes to

“AngelList”. The expense that investors are paying is 10% from the profit share of “AngelList” and fixed price for starting the campaign.

“Appbackr”

“Appbackr” is one of the two popular group funding web-pages which is designed only for development of applications. The point is to increase the number of applications worldwide, because here the programmers in development can collect the funds that are needed very easily and to turn their attention to their applications and their own ideas for applications. The programmers can apply and set their applications, no matter if they are still in development or if they are on disposal at the moment. Supporters, when they support the application, they buy more applications for profit of 26%. If the application isn't launched yet, the funds will be available when it is ready to be put on sale. In case the application is selling, “Appbackr” counts the sales and pays the shares to the developing programmer and supporters after stores for mobile applications distribute the money. “Appbackr” has three main products: “Appscore”, “Xchange” and “Marketplace”. “Appscore” offers a stimulus and prizes for the programmers on the bases of correlation between “Appscore” and the market situation at the moment. “XChange” offers to the programmers a platform for receiving offers from online stores. The platform “Marketplace” helps the programmers by a process of group funding to make a million dollars profit for market development and promotion with their new application.

“Rockethub”

“Rockethub” is another popular platform for group funding similar with “Kickstarter” and “Indiegogo” and has excellent support with its system throughout the group funding page “Success School series”. The platform offers a flexible financing model, which means that no matter if the campaign manage to collect the required amount of funds or not, that part of the funds that is collected remains to the campaign founders. “RocketHub” allied with “A&E Project Start-up” in order to get a huge potential for growth of the campaign visibility. In that way, campaign owners have an opportunity to show their projects on television and on the “A&E” web-page, as well as published in their half-year magazine. If you realize your ambitions, the provision is 4%. The allowances for flexible financing, in case to come to nothing, are a little higher than 8%.

“CrowdRise”

“CrowdRise” allows collecting funds for charities on the Internet. For collecting funds on this platform is used the flexible financing model, where you can keep all collected donations. The page is one of the biggest, of those whose purpose is to collect funds for charities. It is used by some of the biggest nonprofit organizations also including Red Cross, UNICEF and Boston Marathon. “CrowdRise” offers a simple composition of scoring points that helps following the influence of the collected money which are used by charity organizations. “CrowdRise” offers three models for maintaining the prices for group funding. The basic model doesn't have an annual provision, but for every transaction charges 5%. The plan with choosing the functions, includes a monthly provision of 49%, but lowers the provision for donations to 4%. “The Royal Plan” charges 199 dollars a month, but decrease the provision for donations to 3%.

“Fundable”

“Fundable” is one of the rare group funding platforms that gives both, a group funding model with proprietary shares, but also a group funding model based on prizes. One of the best characteristics of this platform is that provisions connected with the fact how much funds has the campaign collected are not charged, as the case with “Kickstarter”. That means keeping the collected money and that makes the page more attractive for those who want to collect higher amount. “Fundable” charges 179 dollars a month plus processing expenses of 3,5% + 0,30 dollars a transaction for group funding based on prizes.

“SeedInvest”

“SeedInvest” is a platform that allows funding based on proprietary shares and it is available to accredited investors in start-ups. The group funding campaigns must reach their funding target in order to take the funds. The businesses should expect at least 60, and the most 90 days for the model based on proprietary shares to end. This group funding platform doesn’t charge a provision, and allows the investors to invest together with institutional investors. A provision of 5% for the disposal is calculated, and is charged from the collected fund’s value after finishing the campaign successfully.

“Wefunder”

“Wefunder” is another group funding model based on proprietary shares, but it offers low minimums for investing. Also, as with “SeedInvest”, the investors must be accredited, but they can invest minimum 100 dollars for every individual company. The developing companies get the biggest part of the collected funds, excluding the provision for administration. Investors also pay an administrative provision from 10 to 75 dollars, despite their investments. “WeFunder” charges 10% of the profit share after ending the campaign successfully, and the nominal administrative interest is between 2000 and 2000 dollars.

“GoFundMe”

“GoFundMe” is one of the most successful group funding platforms which is specific about collecting funds for personal purposes. The platform offers a little more personalization in the campaign and three models for collecting funds: Personal campaigns, charitable collecting funds and “all or nothing” campaign model. According the personal campaign model, you start a campaign and donations request. That is a good choice for those who want to fund their medical expenses, monuments and trips because you don’t have to offer a prize. For personal campaigns, there is no need to determine a date or the purpose for financing. The group financing model for charities enable an option from one of the nonprofit organizations enlisted on the page and presentation on the social media. Because the presentation is one of the most important parts of the group funding campaign, it is recommended for you to have an alternative option. The “all or nothing” model is similar to “Kickstarter” where a group funding campaign is started and it offers prizes in return. In USA, “GoFundMe” takes a commission of 5%, plus processing commission of about 3% and 0,30 dollars from every donation. International commissions ranges between 6,9% and 7,9% depending on the country. Charities pay 5% commission.

“Patreon”

“Patreon is a platform for group funding which is designed to enable the supporters to donate for their favorite creators and its direction is towards projects in the music sphere, videos and other creative projects. The platform shows a really unique model that will help the fans to support creators on permanent basis, usually for every project until they want it. Mainly the funds are in smaller amounts, and not one-off payments like with the others group funding platforms, although as time goes by, that amount can get higher, as well as the number of the projects that are supported by the fans is escalating. “Patreon” can be a great way of collecting funds for creative people who have need of funding the ongoing projects, without a need for constant care about collecting monetary funds for every single campaign. Prizes are offered, but they are usually one-off payments. The expenses that are calculated by this platform are 5% of invested funds. Additional commissions are paid by creators to the transaction services and account for between 2 and 5% of the amount

“AlumniFunder”

“AlumniFunder” has its purpose to help the strengthening of the present and former students’ relations, offering innovative and creative projects throughout a platform within the frame of the academic community. People who register on “AlumniFunder” are divided in two groups: students and alumni who

want to develop a project, and alumni and the public who are out for funding projects. A group funding campaign is performed once in a while (30-60 days) and is based on the "all or nothing" model.



**“Crowdfunding”
preparation of
the campaign**

Before the campaign starts

First of all, the group funding looks easy - create a project on a platform and watch as the supporters come by. But generally speaking, the successful campaigns don't happen by coincidence. If you look at the projects of triumph, you will notice that many of them share mutual characteristics, including the following:

- Strong idea and vision that sales the product or the service;
- Careful planning and preparation;
- Powerful presentation, perfectly connected with the value of the product;
- Constitution of prizes that will make the public interested;
- Active approach to the supporters;
- Effective marketing and PR strategies, as well as strategies for social media;
- Presence of a popular existing brand or person that is connected with the product or the existing audience.

For starting a successful group funding campaign, you will need some of the aforementioned bases, and in addition, a very close prediction for the expenses which would be included and a means for refreshing the project, and with that to increase the public awareness during the campaign.

Another critical idea is which platform or service you will use. Supposing that you won't increase your funds yourself, you surely will utilize some of the options that are offered, minding that not all platforms have same conditions for starting projects, range of audience, credibility with the users and high achievements.

Planning before starting

No matter of what kind is your campaign, the preparation is the most important. Your project depends on the decisions you will make, so take your time for their resolution. Give yourself enough time for researching and putting things right. Make your campaign carefully and exhaustively planned.

Most important things that you must have in mind while planning your group funding project are:

- Do your homework - Be sure that you have done a detailed research of the competitive products and campaigns, and you know exactly with who and with what you will compete. Also, monitor how your project will be positioned, compared with the other different ones, and how to make better chances for success.
- Define and share your common purpose - Everyone in the team should share a mutual vision for the project, to be in position to provide a short description about their plans and ideas, to know the project's target audience and to know how to communicate with this audience.
- Make yourself familiar with the deposits - If you are developing a new concept or product, you must know where the competitive products and campaigns are placed regarding costumers' expectations and the value of the product. If you examine an existing fan base or market, explore how much fans or consumers are there within the framework of your field, where to connect with them and how they can reach the information that is needed.

Now when you are on the right place regarding your project's definition and focus, let's see what is necessary for building and execution of a successful group funding campaign.

Preparation and evaluation of your project

Your campaign will be consisted of few phases: A preparation before starting, starting, managing after it ends and monitoring after it ends. Each of this phases could have a need of considerable amount of work, especially if the campaign is successful. In fact, the better the campaign is, the more work you should expect.

The phase before starting is critical. Plan when you will execute or pause the project, so take your time. Select enough time to do your homework and to work the things out.

- Examine the other projects.**

This is essential. Look at the campaigns that succeeded, but also those that failed. What are the similarities and differences with your project? What information you can accept from them and how to avoid falling in the same traps as they did? Use this time to assume if your project will function well in group funding area and what levels of funding, prizes and marketing, and internet marketing campaigns are the most suitable

- Prepare your evaluations in advance.**

Have you got enough samples of your product or project and promotional materials for short illustrating what exactly is your idea to the potential supporters? Do you have videos and pictures that will quickly, clearly and compactly bring forward the key points and will present the good sides of your project? If not, invest enough time to develop suitable pictures and/or videos that show clear impressions for what your project is consisted of. The picture is a thousand words worth, and twice more when you have just a few seconds to catch the audience's attention.

- Master your field.**

Point your overall vision and appropriate terrain, including all audiovisual and written documents. Can you clearly and precisely explain your project and its worth in order to be understandable and acceptable by your audience? Have you tried to evaluate friends' and strangers' reaction and have you interfered appropriately in the direction of enhancement? Is your project in progress or is it just starting, have you prepared something to present to the supporters? Have you got representative pictures and videos which will show off your project and the means for support? What else audiovisual and written elements have prepared as support? You probably own relevant separate references or other kind of support that you can share. Underline everything that is possible and that you can do, when and where you will use those materials. Assure yourself that you will plan a promotive campaign that contains all the elements. These elements will help you not only to define the project in front of the world, but also as a munition in the promotion battle.

- Plan the prizes**

You must know what goods and services you should offer, how much they cost and how you will provide production and distribution. Assure yourself that you have created an option that include all price levels and you have constructed useful and attractive elements and opportunities, which would be an object for discussion.

- Budgeting and completing the project.**

Determine how much time would be needed for you to complete the project, leaving room to quit. Generate the budget and determine the minimal funding level needed to accomplish your project and calculate all expenses you would make. Be sure that you have marked the service expenses, expenses connected to the prizes, even taxes. If needed, consult an accountant or some other expert who completely understands the potential legal and financial consequences. Make sure if certain cancelations would make important indirect effect on the project, determine the time limits and the funding targets.

- Funding targets**

Don't aim very high with your funding targets. Instead, ask for the minimum needed for the project to work, and in the explanation of the project describe the elements, characteristics, services or events which will be offered only if certain aims are achieved, from the lowest to the highest. If you are successful you will get to the highest. It is very important for you to check all funding regulations of every single platform or service before you decide which one you will use, because they are different. After all, the less you seek, it is highly probable that you will stimulate the potential supporters, making them more interested to believe that they will meet a success.

- Duration of the campaign**

Determine the optimal project duration. Some platforms recommend a few weeks duration, while others

advise less than 30 days. However, the real time frames should be decided on the basis of individual projects' needs, including how much time will be needed to raise the consciousness, how long can you maintain the promotive programs and how important it is while creating the sense for emergency (act now before the funding is closed).

- Do a system check

Besides the preparations of the means and the tactics of the campaign, ask yourself: Have you found your target audience and do you know where are they getting their information from? Have you planned your strategy for the prizes? Are you sure that your target is reasonable and oriented to the lowest level possible for increasing the chances for success without compromising your budget? Have you determined the PR and marketing strategies, as well as the strategies on the social networks that you will create in order to reach your audience?

- Make a starting communication with the public.

Try to put your friends, family or coworkers to good account and make sure that they will participate when the campaign starts. Their support and participation can create a feeling of successful dynamic progress, which will attract the others to join the campaign. Work hard to maintain the progress of the project yet in the early phase.

- Involve the fans earlier.

If you have an existing base or a strong group of potential supporters, engage them earlier, even few weeks before the campaign starts. The only way to do that is to ask for their opinion while deciding about the prizes that you will offer.

- Prepare to begin

Allow yourself a moment for break and think if you considered the time, the means and the resources needed for you to plunge in and to make your campaign successful, and to assure yourself that you are mentally and physically ready to take the risk. If so, it's about time to set your plans into motion.

Creating an effective terrain

Your pitch is your first contact with the potential funders and your most influential tool for getting their sympathies and interests, and you know how important the first impression is, don't you?

Think that the effective pitch impose an exhaustive period of preparation and realization. Do not take that for granted, plan it and prepare it well. Try it in front of your friends before you present it in public and ask for opinion about it. Be thorough and predict everything that could go wrong. You have a single opportunity for successful debut. Assure yourself that you have the best pitch possible.

Your pitch mainly is consisted of two components, video and written description of your project.

Video pitch

Your video pitch could be most effective tool to persuade your potential fund supporters. Here are few main rules for creating an effective video pitch:

1. As a beginning, go through at least 10 other video pitches before you start creating yours. Compare the successful and unsuccessful video pitches. Analyze and estimate why the ones are successful and others are not, and in terms of that plan your video.
2. Next, prepare yourself and prepare yourself a little more. Be sure that your video will contain something that would be noticeable in the eyes of the viewers, and that will take their attention and will increase the interest about the project.
3. Make the video content short, simple and attractive. Try to gain the attention of the viewers in the first 10 seconds and to increase their interest for your campaign in the additional 2 minutes, regarding the fact that the viewers' attention is low and it is difficult to hold.

4. Take care your pitch to demonstrate your project and the key points completely, giving an accent to what makes it special. The video should clearly represent every element of your project that is important and what makes it original and relevant. Get the audience to notice your passion for your project and try to expand the same passion within themselves.
5. The videos don't have to be professionally produced. Still, you must be sure that the video isn't partially produced, with low brightness or blurry and that the sound is clear and understandable.
6. Be yourself, be natural, honest and positive. The aim is to make people believe you, to be on your side and to wish success for the project same as you do. Remember, you are selling yourself as much as you sell your idea. Feel free to strike a note of humor in the video. Everything is acceptable, as long as you are original and you clearly represent yourself and with sincere enthusiasm.
7. Practice your pitch until it sounds naturally. Learn how to express with concise and positive manner, and enthusiastic attitude. Remember, you are the biggest representative of your project. If people don't feel that you believe in your idea, neither will they.
8. Describe your project, your goal, why you need the money, how you will use them and in what time-frame the potential fund supporters can invest in your project. Answer the following questions:
 - Who are you?
 - What is your background that is relevant to the project? Why should they trust you?
 - What is your project?
 - What is specific about it?
 - How does your product look like?
 - How much time you need to realize the project?
 - How much financial assets you need to realize the project?
 - How you will use the money?
 - What prizes do you offer?
 - What would you do if you get more money than you need?
 - Why does the project deserve their money?
 - How will you maintain the communication with the potential supporters while developing and realizing of the project?

Be reasonable. Make promises only about the content, characteristics and possibilities that you know you will be able to deliver when the aims are completed. Save the unnecessary and risky annexes and the additional aims that spread through the campaign (stretch goals) which you can add after you meet the preliminary financial target. Before you start, it is important to check the funding regulations of the service that you like to use. Some allow you to add and keep everything you make, even if it exceeds your goal, but others don't.

The project's front page

Your video is important, but before the potential supporters see it, they will stop on your campaign's front page in order to gather more information about the project itself. A part of what will make the traffic flow, here will also instigate the interested supporters to find more motives and to consider themselves as financing participant. This is a short introduction and a picture that people will see when they open the platform/page where your project is placed.

By having this on your mind, be sure that you can explain your vision about your project concisely and you have a good brief overview.

After the potential supporters reach your project's front page, surely you would like to keep their attention and briefly explain them what is the purpose of your project, what makes it unique and why would they want to invest in it. Surely, you should think carefully about all things that you place on the page. Here are some suggestions:

- Make a research.

•Same as collecting videos from the campaign on one place, it is very important to see other successful and unsuccessful projects, and how they created their pages. Notice what you like about them and what elements held your attention. From repulsive aesthetic designs to exhaustive textual explanations, notice what you think about which aspects of these pages aren't working very well. According to what you notice, create your front page.

•Highlight the directions that should attract and hold the attention. Like this not only you will present the idea for the project, but also make the descriptions more available, and with it you will relieve the monotony. For online reading it is important for you to remember: Briefly, simply written, with longer, but more effective extracts, which also complement the benefit of attracting more attention of the viewers.

•Use images with focus. The attractive images that will represent your project will prompt a great deal of interest about your page. Try to find attractive photos that will represent your project, if possible with people behind it. Think about that in every possible way you should provoke a discussion about one or more out of the three key ideas and messages which you intend to send. Actually, by using images it can be faster, more effective and more useful to get across these points, and also it will spare your words.

•Use important people from that field. If you can, find people out of the project who will give you support, especially the ones that have loyal supporters and fans who believe in them, and still will address your target audience. Use their comments on every possible manner in order to strengthen your message. Best of all, if possible, require or insert a video in which highly influential people will explain why they believe in your project.

•Write an attractive description. It is very important what and how will you write about your project. The people will read it and they will want to find the answers to all their questions. Here is shortly what you should tell them:

- Who are you?
- What is your background that is connected with this project?
- Why should they trust you?
- What is your project about?
- What's so special about it?
- How it will look like at the end?
- How much you will need to come to realization?
- How much supporters will be needed to end your project?
- How you will use the money?
- What prizes do you offer?
- What will you do if you make more money than you need?
- Why is your project worth for the supporters' money?
- How will you maintain the communication with the community during the process and after the product is on the market?

Creating effective prizes

If you try to start a group funding project only by asking for donations, and not offering anything worth in return, very soon you will find out that the group funding is not like a political campaign or charitable collecting funds. Some of them will give you support only because they like your project. Maybe some generous, but more of the people that you want to attract will expect something in return. From here emerges also the need to instigate the potential supporters through offering goods or services in exchange for their participation.

In case it is about physical good, the pre-order or paying in advance by the stores, instead of booking, adding an exclusive prize is well developed and successful practice.

The type of the prizes depends on the same project which you will lead. In case of special event, you

can offer, for example, free entrance, better seats, backstage access or even a chance to get on the stage. About the physical products, the first and most obvious prize should be a digital or physical copy of the item which will be given ahead of all and for lower cost than the real selling price after the campaign ends.

Hence, you can separate or combine the other awards. Remember that the creativity sales and that all prizes shouldn't include an exchange of physical goods. Some of the most popular prizes for the participants often insert personal or unique elements, or are based on simple opportunities, as for example, a lunch with a famous musician, personal appearance on their album or an opportunity to play with the band on the stage or while recording.

Simple prizes

When you decide the awards, be sure that you conducted a research on similar projects in order to find out what kind of prizes were given in previous campaigns, what strategies functioned and what didn't, were there individual items or packages offered. According the examples, you can think about offering the following prizes:

- The product itself. Be sure that you calculate the expenses connected with this type of prizes and that they are included in the price and in the financial target. If you work with distributors, be aware that you will have additional expenses for delivery or some limitations which your partners impose depending on the number and varieties of the item that you discount and use it as a prizes.

- An early access to the product or to the pre-production segments.

- Advanced version of the product. For example, with autograph, a collector's or luxurious version.

- Materials for promotion and souvenirs. Besides materials with autograph and special elements, you can offer posters, stickers, shirts, hats and other items that are connected with your project.

- "Backstage" photos, videos and little books. Items that show the concept or how the project was making.

- Opportunities for participating and influence on the project. Some movies, books, videogames and similar projects let the supporters a certain extent to give suggestions while developing, what to include in the final product and all that.

- Another way how supporters participate in the product. Some creative projects to a certain measure let the supporters to participate in the product as characters, narrators and so on.

- Give an additional importance to the supporters. It is always a good idea to thank the sponsors in public, and that gratitude to be somehow included in the product. You can do that with registering their names in the instruction manuals, back pages of the books, album covers etc.

- Combined prizes. Prizes which combine few more other prizes in one or link few price levels can be a stimulus for supporting your product. Many successful campaigns use the principle "including the aforementioned", offering simple low level prizes and adding new offers, in order to achieve "all previous prizes, plus..."

- Exclusive approach. An opportunity to get to know the people who are part of the creative team behind the project or important people connected with the project (actors, directors, musicians, famous persons etc.) whom the audience would like to meet.

- Private parties, events or happenings. Some projects offer special events as a prize for the sponsors, those in highest levels in general. Prizes can include invitations for exclusive lunches, parties, private

events or gala events. There are many options for creating unique, attractive and impressive prizes. Select those which best correspond with your project.

Levels of prizes

Every prize you create should be correspondent with specific sum of money donation, depending on the provided level. For example, in exchange for 15 dollars price level, you can offer a digital copy of your game or PDF version of your book. For 30 dollars, you can offer a copy of the game or printed version of the book. The trick is to create prizes that will give the supporters an option to donate a level which covers all prizes, without a significant difference among them. For example, if one level is 10 dollars, the next shouldn't be 1000 dollars.

Think that it's completely all right to create low donation levels which don't include physical prizes and that it's always the best for you to have materialistic benefits connected with every level. Also, have in mind that supporters often donate without expecting a prize in return. For example, Kickstarter's supporters can activate the option which says that they want nothing in return for their donation.

Last check

Before you press the start button, carefully go through everything and review everything you have created. Double-check the videos and be sure that they are posted properly, have tone and they catch the point. Be sure that the prizes are serious and they make sense, that they are attractive and with proper price, as well as if the front page contains all elements.

Don't accept "good enough". Your video and the project's front page speak about your dedication and according to what you will be evaluated. Spare no effort on the presentation and be sure that they clearly and effectively describe the message that you want to put across.

Ask another people for an opinion. Not only your friends and family, but also (if possible) other people who you believe that will give you an objective, and if necessary harsher opinion. Some platforms allow you to share a link of your campaign's page even before it starts.

Once again, take your time to review the prizes. Make sure that they contain attractive options, offer different price levels and options for every budget and that they don't include hidden expenses.

Also, be sure that you meet the conditions of the platform you use and all appropriate professional and financial obligations. Have in mind that using copyright protected and unauthorized materials is prohibited. Check if you have written all information that are important for your company or organization, as well as the ownership and the rights.

Be sure that you have gathered a fan group, friends and partners who will participate right after the campaign begins and who will spread the idea on the social media. Check your fan pages on social media like "Facebook", "Twitter", "YouTube" etc. Create a content for the social media and with it announce the start, and also use well the popular "hashtags" for your field.

Ask yourself: Is the marketing plan posted? Do you have a web-page for your project besides the platform you will use? Have you assured the support from the family and friends? Do you need a media support?

The moment when you press the start button, you are connected!



**During the
campaign**

At the moment when you start the campaign, the clock starts counting. If previously you have prepared well, now you should own a little, or maybe bigger army of friends and supporters, who are in hurry to react first and in the same time to help you spreading the rumors on the social network about your campaign.

But, these activities are just a beginning. Now, the real preparation process begins for all the campaigns, because the project's start is just an opening of the "race". You still have "a marathon to run". Now, your basic principal isn't only to keep the rumors about your project, but also additionally to stimulate and nurture it in the direction of increasing. You shouldn't dare to pass a day without giving additional information, making statuses on the social networks, calling for new supporters, sharing promotional cards, or some combination of the previous in the direction of project's bigger promotion.

Immediately answer all the questions and address the worries and the potential problems caused by your supporters. If needed make changes and always, just always be present and keep track of things in communications with the supporters.

Some people have blog where they share information and news about the project. No matter which method you prefer for keeping the relation with the fans, the condition is simple: Firmly hold them beside you. If you can, continue to entertain your public with "behind the scene" moments, stories and compliments, throughout statuses and videos or whatever inspires you at the moment.

Marketing and advertising

One thing that is very important for you to have in mind is that every group funding campaign is in fact the biggest marketing consumer. If people don't know about your project, there is no way for them to participate. The best way how the project creators should increase the awareness to a bigger group of people is over the marketing, no matter if it will be through the social media, PR or some more traditional promotive channels.

Until now, the traditional ways like paid advertisements, weren't the main marketing element for group funding. But, it is highly probable that soon they could be taken as an element in the strategy of one successful campaign.

Eventually, a key in the marketing of the group funding projects is constant dialogue flow which helps spreading the rumor.

Twitter and Facebook are especially effective tools for promotion of news and statuses connected with group funding campaigns. The information and ideas can be spread with the speed of light, only by using them appropriately. If you know people that are influent in your field, follow them and join in some of their dialogues, searching for an opportunity to mention your project. Or better, include them and ask them to share the details of your project where they were incorporated. Get involved in groups, blogs, forums appropriate to your field is always a good way to begin with spreading the news and information about your project.

It is worth to note that: There are lots of tools that can help you sharing on the social networks and to make the job easier. Applications, programs and services that send messages to all social medias at once, including Twitter and Facebook, and allow you to schedule notifications that you want to post at a certain moments.

Events and conventions connected with your field, which correlate with your campaign are also ideal places for promotion and increasing the supporters. Print cards for promotion containing information about your project, provide gifts, use all chances to speak in public, to participate in panel discussion, etc.

If you want your campaign to be successful, take the shame aside and act like every other businessman. Talk big about your project, in order to give it higher value, to be present and everything it takes to turn the attention to your project. In case you really don't consider yourself for a person who will give the best picture about your project, then find someone who will do that instead of you.

After the campaign ends

Regardless of the final result, it is wrong to think that everything is over in the moment when the campaign ends. It is safe to take your breath, to feel relieved that you made it, but now definitively isn't a time to go away from your supporters and your campaign. First of all, some of the interactions fans-creator are just about to happen.

Say thank you.

It isn't a surprise. First and most important is to give a wealth of thankfulness to your supporters. The more individual you do that, the better. Updating (project update) for the project is one way. A personal message to everyone separately is even a better way. If meanwhile with comments and private messages you maintained them, you have already established a connection with your supporters, which promotes both - gratitude and trust. You know how much they wish you succeeded, therefore respond to them for their enthusiasm in this manner that you show them how grateful and enthusiastic you are about their support.

Collect the information

Next, you should evaluate the prizes that you offered and assure that you can deliver them. What you need to know about your supporters in the direction of delivering their investments? In many cases you need their addresses for the prizes that need delivery. Probably you still have their names and e-mails, which in general are on the list of people who donated.

We highly recommend to create a personal base which will contain all your supporters' details, including how much they donated and what prizes they choose. This is especially important if you can't provide immediate delivery, as the case when you create a product or an event which won't be finished in certain time. In the event of a big undertaking, as developing a book, movie or game, the final delivery can take few months, even a year. For luck, some platforms offer the possibility to give you a document, that can be downloaded only by you, and that will have all these data. Many of the platforms will offer to create the way of collecting data by yourself and also what will the document consist. You like only to acquire their basic information, to get answers to questions connected with the product or whatever you additionally need.

Stay connected

Finally, keep the contact with your supporters. They are enthusiastic about your product. Keep them online. Some start blogs for frequent updates, even more to look closer what's behind the project. That not only shows respect and gratitude, but will show the unique backstage preview which is secret and mysterious for your fans. Many enjoy "behind the scene" moments by watching how much planning and effort you have invested. For your supporters, that can mean an additional prize and will keep your project fresh in their thoughts, even more it can attract new fans.

As long as your campaign ends, a main principal is that your community should start migrating on particular web-pages, blogs or other permanent online solutions where your project will live forever. Not only this locations serve as stable, secure and centralized homes for all the news and notifications connected with their product, without fear from possible vanishing or deleting of the page, but they also let you to emphasize the important notes and to create better tools for maintaining better communication on the long run with the fans than the group funding web-pages themselves.

How will you stay connected depends on the project you are working on, your personal style and how much effort you can invest. Eventually, it can be a high rated experience and can lead to some suggestions and proposals by the fans.

At the end, pay the taxes

Be aware of the potential taxes which you should pay about the funds you raised through the campaign. Consult an experts and split your funds appropriately.



Examples of successful campaigns

Project: "Star Citizen"

Category: Videogame

Platform: "Kickstarter" and a private platform

End of the campaign: In progress

Starting financial target: 500 000 dollars

Raised funds: + 142 000 000 dollars

A video game designed by Chris Robert, a designer in "Wing Commander". Until April 19, 2013 he managed to raise 9,062 million dollars collected via "Kickstarter" and his own web-page. Until March, 2014 the amount grew up to 39,7 million dollars only from his own web-page, and with that he set the new Guinness record. To January 6, 2017, the funds reached more than 142 million dollars. A part of the sum comes from pre-ordering the game as a part of their price levels on the web-page.

Project: "Elio Motors"

Category: Low budget vehicles with high distance of kilometers

Platform: Independent

End of the campaign: In progress

Starting financial target: 12 600 000 dollars

Raised funds: 102 000 000 dollars

"Elio Motors" is a designer's vehicle on three wheels. In October, 2016, the company raised more than 60 000 reservations. Their target is to reach 65 000 reservations and until they do that, the early buyers can reserve their vehicle for 7300 dollars price.

Project: "Pebble Time"

Category: Technology, smart watches

Platform: "Kickstarter"

End of the campaign: March 27, 2015

Starting financial target: 500 000 dollars

Raised funds: 20 338 986 dollars

The "Pebble Time" project is actually an attachment and updated version of the previous project called "Pebble", also for smart watches, and is one of "Kickstarters" highest ranged projects according to raised funds.

Project: "Prison Architect"

Category: Videogame

Platform: Independent: "Steam Early Access"

End of the campaign: October 6, 2015

Starting financial target: - No information

Raised funds: 19 000 000 dollars

The game created by "Introversion Software", which include building a prison and dealing with situations, was available for pre-orders from September 25, 2012, and was one of the first games installed on the "Steam Early Access" programme.

Project: "Coolest Cooler"

Category: Product design

Platform: "Kickstarter"

End of the campaign: August 29, 2014

Starting financial target: 50 000 dollars

Raised funds: 13 285 226 dollars

Transportable picnic cooler, that contains a blender with rechargeable battery, waterproof "Bluetooth" speakers, a charger with USB, a cutting board, dishes and many other elements.

Project: “Exploding Kittens”

Category: Card game

Platform: “Kickstarter”

End of the campaign: February 19, 2015

Starting financial target: 10 000 dollars

Raised funds: 8 782 571 dollars

A card game designed by Elan Li, Mathew Inman and Shayne Small, a project that achieved the starting target only 8 minutes from the beginning. For less than an hour the funds increased to 100 000, for less than 8 hours to 1 million and for 24 hours they got to 2 million dollars. Until January 28, 2015, the project reached a number of 107 000 supporters, which made it the most supported Kickstarter’s project.

Project: “Restore King Chapel Now” “Every Day & Dollar Counts”

Category: Charitable action

Platform: “Indiegogo”

End of the campaign: March 22, 2015

Starting financial target: 8 000 000 dollars

Raised funds: 5 048 213 dollars

The restoration of the Martin Luther King’s church, the only religious building named by Dr. King, located in Morehouse College.

Project: “Kingdom Death” “Monster”

Category: Social game

Platform: “Kickstarter”

End of the campaign: January 8, 2013

Starting financial target: 35 000 dollars

Raised funds: 2 049 721 dollars

Cooperative social game placed in the world of horror.

Project: “Canary home security”

Category: Home provider

Platform: “Indiegogo”

End of the campaign: August 26, 2013

Starting financial target: 1 000 000 dollars

Raised funds: 1 961 464 dollars

“Canary” is a gadget packed with smart sensors that provides to the users to keep their homes secured and protected, and is controlled via mobile device.

Project: “Greek Bailout Fund”

Category: Financial injection

Platform: “Indiegogo”

End of the campaign: July 6, 2015

Starting financial target: 1 600 000 000 euros

Raised funds: 1 930 577 euros

A campaign for rescue from the Greek financial help.

Project: “Tesla Museum”

Category: Museum

Platform: “Indiegogo”

End of the campaign: September 29, 2012

Starting financial target: 850 000 dollars

Raised funds: 1 370,46 dollars

A campaign for raising funds about turning the old Tesla’s laboratory into a museum.



“Crowdfunding” projects in Macedonia

Somewhere about ten campaigns from Macedonia are started on the group funding platforms, but only the "Small Star Empires" from "Archona Games" and "Cavern Tavern" projects from "Final Frontier Games", both posted on the "Kickstarter" platform are successfully funded. From both campaigns, which come under social games category, highly noted is "Cavern Tavern" from "Final Frontier Games" with raised almost 108 000 dollars, and that made it the best group funding campaign in Macedonia..

The first campaign that ended as successful on "Kickstarter" platform was the project "Small Star Empires" - "Archona Games" company's social game, started by a representative from Macedonia. The campaign for this project started on March 12, and ended on April 12, 2016, whereas the wanted 14 000 Australian dollars starting sum eventually reached to around 40 000 Australian dollars. This campaign's success mainly is due to the company's presence with their product on the world famous social games fare in Germany, "Essen Spiel 2015", as well as the promotional activities of the social networks. After the Kickstarter's campaign expiry, the game "Small Star Empires" ended up on the German platform "Spieleschmiede" in order to conciliate the German market and the German social games players. In both cases, it was about a group funding campaign based on prizes.

The campaign for the "Cavern Tavern" project, started on April 20, 2016 by the studio for design and production of social games "Final Frontier Games" and lasted to May 20, 2016. The starting financial target was 18 000 dollars, for after 30 days lasting of the campaign, the sum to grow to almost 108 000 dollars. The goal of the campaign was developing a social game, a physical example, produced and printed in China. The project was supported by 1973 supporters, and the donations could be given on 4 price levels. The campaign went according to the principle of funding based on prize, or on certain prize levels the supporters received a physical example of the game. The analyze of campaign's activities shows that for its success the most credited is the intensive marketing campaign few months before posting the product on the platform, as well as its duration. Here is included the marketing on the social networks (Facebook, Twitter, Instagram), posts on specialized web-pages, videos recorded by famous reviewer from that field, etc. Next key activity and a factor for success was also the constant communication with the supporters and continuous updates during the project. After expiration of the 30 days on "Kickstarter", the sale and the fund raising continued on the platform "IndieGogo", where people still can buy it. January, 2017 including, this project throughout the group funding platforms have raised around 119 000 dollars.

In terms of platforms themselves, in Macedonia there is only one platform on which Macedonian internet users can post a project or donate funds for a certain project. It is about the "Let's Fund It", created by the nongovernmental organization "Summer Work and Travel Alumni Macedonia (SWTA)", founded on January 19, 2013, in order to set a new dimension of the entrepreneurship in Macedonia. "Let's Fund It" allows unconventional way for raising assets for funding an innovative ideas. A main supporter in this concept is the general public which helps their realization throughout investing a small amount of money. The main principal is to stimulate the entrepreneurial character of the Macedonian youth and to allow them an access to financial assets for realization of their innovative ideas. This will increase the percentage of self-employment in our country, and will lower the rate of unemployment amongst young population, what is nowadays one of the biggest challenges for Macedonia. Although there can't be noticed many successful projects, still this manner is a stimulus for advancement the project funding.



Conclusion

Now, after you have read this guide, it should be perfectly clear that: Although the group funding is one of the most exciting things that can happen to the people who develop their own ideas, this method won't make you rich. In any case, it offers a financial support enough to develop the idea and to build it along. Yes, there are huge risks, as well as there are risks for every method used for obtaining a financial support. But the acquirements completely exceed the potential consequences.

In addition, for individual creators, the group funding in the last decade is one of the most exciting ways of providing financial support for their ideas and most promising way of meet the peoples' need to be witnesses and directly involved in the development of ideas which could be a part of the history. This method of group funding ideas enable the people who develop their ideas, including those who were refused for financial support by donors and investors even few times in a row, to connect directly with individual funding supporters who will want to invest these decisions.

But, adapt your expectations. This method for group funding ideas is still increasing. There still are challenges in realizing legitimacy, recognition and attracting fund supporters and moreover we can't count on it as the best way for financing ideas, but as another opportunity to do it.

We must see the process of financing ideas through crowdfunding as a marathon, and not as a sprint. As well as all the others financing possibilities, success requires detailed planning and forecasting, executive skills, and flexibility and adaptation for incoming changes. In order to succeed by using this way of financing, you must completely understand your target group, to find a way to reach and communicate with it, to develop ability to clearly present your idea and to create strong arguments to defend it. You must be able to persuade, mobilize and stimulate a circle of partners, fans, friends and supporters and to hold their conscience and passion towards your work.

You mustn't forget all those who contributed your success even after your campaign ends. To maintain their enthusiasm and their trust, as well as to ensure that they would help you fund your next idea, is crucial to keep the communication and to continuously build relations with them. The good news is that every day this funding method becomes more and more recognized. Even more important is that new internet platforms appear every day and offer this opportunity for all who want to fund their ideas with their help.

Of course, this means that the competition rises, but if you are ready and you really have something to offer, your effort will pay off. At the end of the day, you don't have much to lose, but you can make your dreams come true by this way of financing ideas.

Are you ready to start your campaign? Honestly we hope that this guide will serve and help you to realize your ideas. Now, roll up your sleeves and do your job. A long and turbulent, but really exciting crowdfunding adventure is waiting for you.

We wish you good luck with yor campaigns!

Bibliography:

1. The Crowdfunding Bible, Scot Steinberg, Russel DeMaria, 2012
2. Crowdfunding Entrepreneurial Venture, Mihovil Starovečki, 2016

Used articles from web pages:

1. Crowdfunding Guide - <https://www.fundable.com>
2. Privredni Vjesnik - <https://www.privredni.hr>
3. Indigogo - <https://www.indigogo.com>
4. Hongkiat - <http://www.hongkiat.com>
5. Kickstarter - <https://www.kickstarter.com/>

CIP - Каталогизација во публикација
Национална и универзитетска библиотека "Св. Климент Охридски", Скопје

334.722-053.6:[339.726:004.738.5(036)

КРСТЕВСКА, Ивана
Водич за групно финансирање - "Crowdfunding" / [автор Ивана
Крстевска]. - Скопје : Здружение Лидери за едукација, активизам и
развој, 2017. - 35 стр. ; 21 см

ISBN 978-608-66048-0-6

а) Млади претприемачи - Интернет донации - Водичи б) Групно
финансирање - Претприемништво - Водичи
COBISS.MK-ID 102812170

