Pedaling Hard for Funding—Riding a Successful Kickstarter Campaign

Washington bikes
Growing bicycling statewide

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#bikenomics // #crowdfunding

What We'll Cover

- What is crowdfunding & who backs projects?
- WA Bikes successful Kickstarter campaign
- What kinds of projects can succeed?
- Is this a fit for you?
- Social media: Do this first
- Reward structure & fulfillment headaches
- Brand new platform to consider: Crowdswell

What Is Crowdfunding & Who Backs Projects?

Crowdfunding:
You Work Hard for the Money

In the modern era of crowdfunding, micro startups, and indie think tanks, good ideas are no longer a rare commodity – they are an expectation. –CrowdLifted.com
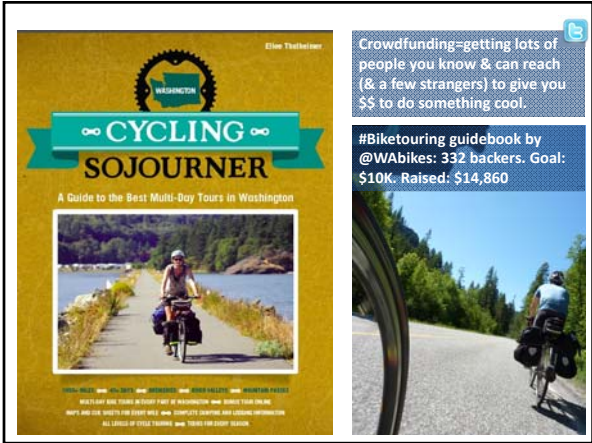

A Few Platforms to Check Out

Kickstarter Backer Demographics

- Young, male, educated, willing to spend
- Gender: 76% male; overall Web 49% male/51% female
- Age: 47% = 18-34, another 32% aged 35-54
- Education: 48% college or above
- Income: 52% $0-$50K, another 30% make up to $100K

A Successful Campaign:
Cycling Sojourner WA

Crowdfunding=getting lots of people you know & can reach (& a few strangers) to give you $$ to do something cool.

#Biketouring guidebook by @WAbikes: 332 backers. Goal: $10K. Raised: $14,860

What Types of Projects Succeed?

Get Creative

Kickstarter Category Choices

- Art
- Comics
- Dance
- Design
- Fashion
- Film & Video
- Food
- Games
- Music
- Photography
- Publishing
- Technology
- Theater

Top Project Categories

1) Film & Video: >30,000 campaigns, <40% success rate.

2) Music: >25,000 campaigns, 55% success. Most likely to succeed campaign among the most popular categories

3) Publishing: 14,000 campaigns, 32% success

4) Art: >10,000 campaigns, 48% success. 2nd most likely to succeed among top categories

5) Games: >7,000 campaigns, 35% success. Highest funded category; >$160M raised.

6) Design: ~5,000 campaigns, <40% success rate. $102M raised—2nd highest after games.

Kickstarter # Tags

- Arctic
- Bikes
- Burning Man
- Cats
- Civic
- Cthulhu
- Library
- Maps
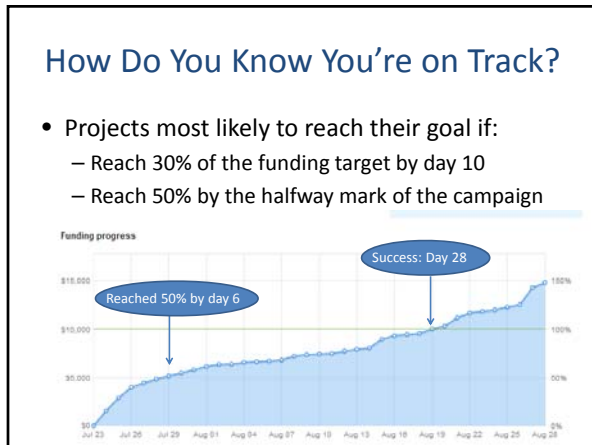- Museums
- Open source
- Science
- Zombies

Indiegogo Category Choices

- Animals
- Art
- Comics
- Community
- Dance
- Design
- Education
- Environment
- Fashion
- Film
- Food
- Gaming
- Health
- Music
- Photography
- Politics
- Religion
- Small Business
- Sports
- Technology
- Theater
- Transmedia
- Video/Web
- Writing

Don't Get Greedy

- Majority of successful Kickstarter campaigns ask for $10K or less
  - Bigger goals feel less attainable to backers; they want to back winners
  - Majority of funds raised will come from small-dollar backers; how many would you need to reach your goal if that's all you got?
- You can always add a stretch goal if you hit the mark early

People Want Real Stuff

Bike Tours in Central Coast Wine Country
by Jacob Whereabout

Home   Updates   Backers   Comments   San Luis Obispo, CA   Tent

Whereabout — authentic central co...

▶ PLAY

32
backers

$1,913
pledged of $12,000 goal

14
days to go

Back This Project

This project will only be funded if at least $12,000 is pledged by Sun, May 20 2014 4:30 PM PDT.

Share   Tweet   Embed   Remind me   Project by Whereabout

$10 (1): Thanks
$25 (6): Reflective patch
$45 (5): T-shirt
$75 (7): Bike rack cutting board (attaches to rack for travel)
$150 (6): Backer Appreciation Dinner + all lower rewards
$300 (0): Credit toward future tour
$950 (0): 2-night tour for 2 in a tour of 10
$4,995 (0): Overnight tour for 10

This project is not on track for success.

People Want Exclusive Experiences & Expertise

Modern Times Beer: Building a Fermentorium
by Jacob McKean

Home   Updates   Backers   Comments   San Diego, CA   Tent

Funded! This project was successfully funded on Apr 18, 2015.

Modern Times Beer (×4 cans)

▶ PLAY

645
backers

$65,471
pledged of $40,000 goal

0
seconds to go

Project by Jacob McKean, San Diego, CA

ISO: Backers with devastatingly good taste in beer & a profound sense of generosity. FT: A plethora of hella dank rewards.

Selected Rewards
$20 (16): Critique of home brew
$30 (9): Baking with Spent Grain class
$45 (18): Picnic w/brewers
$50 (47): Webinar on how they started brewery
$100 (13): Brewing day experience
$175 (Limited to 25): Membership in Modern Times League of Partygoers & Elegant People
$189 (25 more): League member
$205 (25 more): League member
$285 (7): League + stuff
$345 (12): League + extra stuff
More experiences various $$
$1,000 (8): League founding member; includes your portrait on black velvet hung in HQ

This project reached 164%

Cycling Sojourner Results

CYCLING SOJOURNER
A Guide to the Best Multi-Day Tours in Washington

$5 (1): Thanks
$15 (4): Coffee mug
$20 (6): Set of 8 notecards (ADDED for stretch goal)
$25 (205): The book
$35 (0): "Just because" WA Bikes membership, no book
$45 (9): 2 copies of book
$50 (43): Book + membership
$70 (3): 2 copies book + membership
$75 (17): "100% WA"; copy of book + bike maps from around WA
$75 (18): "Bike NW": WA & OR books
$100 (6): Book, T-shirt & membership
$125 (1): Book, mug, coffee, membership
$150 (5): Book, jersey, membership
$200 (1): Book & interpretive dance video by author with bike
$250 (2): Book, jersey, mug, membership
$500 (1): Book, original sketch of your bike
$750, $1,000, $3,000, $5,000, $10,000: ZERO backers

Reward Popularity

Top reward @WAbikes #biketouring book Kickstarter:
Getting the book. Blindingly obvious does work.

Reward popularity

Just give me the book

Book + membership

How Do You Know You're on Track?

- Projects most likely to reach their goal if:
  - Reach 30% of the funding target by day 10
  - Reach 50% by the halfway mark of the campaign

Funding progress

Success: Day 28

Reached 50% by day 6

Is Crowdfunding a Good Fit?

Who's the Creator, What's the Brand?

- Be honest about who you are—not for the stodgy at heart
- Chance to connect with a demographic you may not have strong link to and thus expand your brand identity
- Partner to acquire cool factor if you don't have it yourself

> If your demographic doesn't match Kickstarter's, can a project help you connect w/them? @WAbikes #biketouring book

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What's the Project?

- "Everything on Kickstarter must be a project. A project is something with a clear end, like making an album, a film, or a new game. A project will eventually be completed, and something will be produced as a result."
- Off-limits: NO alcohol, tobacco, drugs, regulated products as rewards; self-help materials; Web/e-commerce, & more. READ THIS LIST FIRST.
- Hardware/software projects: Additional requirements

Social Media: DO THIS FIRST

> "Kickstarter is the *last* step, not the first one."
> Seth Godin, author of *Unleashing the Idea Virus* & other books, who hit his $40K goal for *The Icarus Project* in 3 hours and raised a total of $287,342 w/4,242 backers

Some of the Success Factors

- **Facebook Friends of Founders**: For $10K campaign
  - 10 Facebook friends = 9% chance of success
  - 100 friends = 20% chance
  - 1,000 friends = 40% chance
- **Get featured on Kickstarter:** Featured = 89% chance of being successful, compared to 30% without
- **Have a video:** With video = 37% chance of success, compared to 15% without
- **Set your campaign for 30 days:** 35% chance of success, compared with 29% for 60-day campaign

More FB friends=greater success #crowdfunding campaign. Get friendly! @WAbikes #biketouring book

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Top Referral Sources for Us

Referrer	Type	# of Pledgers	% of Pledged	Pledged
Direct traffic (no referrer information)	External	129	44.39%	$6,697
Facebook	External	50	14.43%	$2,145
Twitter	External	31	10.26%	$1,525
seattlebiketing.com	External	26	6.73%	$1,000
Search	Kickstarter	24	6.09%	$905
bicyclealliance.org	External	19	5.79%	$880
google.com	External	10	2.46%	$365
Seattle, WA (Discover)	Kickstarter	7	1.41%	$210
cloud feedly.com	External	8	1.55%	$230
Home location	Kickstarter	5	1.01%	$150
Publishing (Discover)	Kickstarter	3	0.50%	$75
mail.yahoo.com	External	2	1.01%	$152
newsblur.com	External	1	0.17%	$25

Top #crowdfunding referrals @WAbikes #biketouring book: 1/direct, 2/FB, 3/Kickstarter search, 4/Twitter, 5/@seabikeblog, 6/WAbikes.org

1: Direct traffic: OUR HARD WORK (129)
2: Facebook (50)
3: Kickstarter Search, various options (43)
4: Twitter (31)
5: Seattle Bike Blog (26)
6: Our own Web site (19)
7: Google search (10)

Social Media Work
LONG Before Kickstarter//1

- Twitter:
  - Targeted following & tweet content focused on a new strategic direction for us
  - Followed by geography: city account, destination marketing organization, Chamber of Commerce, local media, individuals who tweet our topic
  - Increased direct @ message interaction & content frequency/value led to increased retweets by our followers
  - Hashtag use, e.g., #biketravel #biketouring
  - Chat participation

Social Media Work
LONG Before Kickstarter//2

- Facebook:
  - Staff asked our personal FB friends to become fans of our page
  - Likes & interaction on relevant pages to be visible to their fans
  - Posted regularly (but not TOO often)
- LinkedIn:
  - As an individual, active in relevant groups

BOTTOM LINE: Build relationship & trust before you need it. **Put some social capital in the bank—it earns interest.**

Our Communications: Media & Blogs

- Traditional media: News release on launch to media in state
- Blogs: WA bike blogs, women's bike blogs
  - What niche media will be interested?
  - Compile lists
  - Connect with them via Twitter & other means before the campaign
- News release included prewritten tweets w/link

Our Communications: Web & Blog

- Highlight page on the book created on site
  - This becomes your ongoing point of entry after Kickstarter campaign ends – not a throwaway
- Blog post at launch and selected benchmarks
- Home page feature
- Links to Kickstarter & posts on other posts as they went up
- Comments on relevant blogs/sites as we had time with link (you don't have to wait for them to cover you)

Our Communications: Social Media

- Twitter:
  - Regular repetition of general messages
  - Geo-targeted @ messages with request to retweet
  - Targeted blog writers, niche media, our active followers
  - RT anyone who mentioned it
- Facebook: Regular updates
- LinkedIn: Updates in selected relevant groups
- Use all your accounts: YouTube, Instagram, Pinterest

Our Communications: Email

- Email to all members
- Sample email to staff, board, key volunteers with request to send to friends
- Email signature block: Brief blurb with link used by all staff
- Kickstarter updates: Ask your backers to help, give them news to share

Our Communications: Other

- Print flyer with QR code & simple bit.ly link at all events & posted in our storefront window
- Tell people in real life!

> Overlooked comm tool: Talking to people IRL. For #crowdfunding use small print piece w/catchy URL, QR. @WAbikes #biketouring book
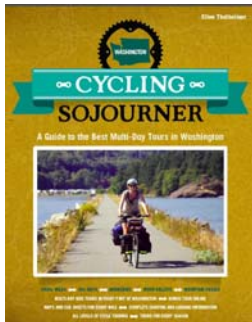

Reward Structure & Fulfillment Headaches

> #Crowdfunding: Keep it simple to avoid (some of the) fulfillment headaches. Advice from @Wabikes #biketouring book

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Cycling Sojourner Results

$5 (1): Thanks
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$500 (1): Book, original sketch of your bike
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If I Had It to Do Over

- Longer timeline to ramp up other funding sources
- Plan fulfillment with the staff who will actually handle it before ever starting
- Fewer levels
- No two rewards at same $$ amount
- Less worry about defining high-dollar rewards
- Less worry about clever copy (but still some)
- Send backer survey the second the campaign ends
- Definitely do the backer party, which we did

New Platform: Crowdswell

CROWD(/)WELL   *Power to the people.*

Final Advice

- Look at what succeeds there, see if you fit
- Get your social media rolling and ramp it up
- Build your contact lists of all kinds, including email
- Have a PROJECT plan including financials and a CAMPAIGN plan for promoting it
- Partner to pick up expertise and/or right vibe
- Keep your structure simple so you survive

#Crowdfunding=hard work but can work for you if you plan/execute/GET SOCiAL FIRST