



Fundraising & Crowdfunding

Handbook



LIVE LOVE



What is Crowdfunding ?

The global financial crisis in 2008 led to a significant push for the crowdfunding industry because it caused a fall in trust in the financial system, especially in the banking sector. Since then, crowdfunding has proliferated all over the world. Crowdfunding is an emerging alternative form of financing that connects those who can invest money directly with those who need financing for a specific project.

Crowdfunding is done online, often with social networks, which makes it easy for supporters to share a cause or project cause with their social networks. But crowdfunding is more than just fundraising. This module will introduce general aspects of crowdfunding such as crowdfunding models, crowdfunding platforms, crowdfunding attitudes, and inspire you with examples of successful crowdfunding.

Fundraisers are usually charged a fee by crowdfunding platforms if the fundraising campaign has been successful. In return, crowdfunding platforms are expected to provide a secure and easy-to-use service. This guide provides advice to help you understand the common types of crowdfunding. Crowdfunding is a way to raise funds for a specific cause or project by asking a large number of people to donate money, usually in small amounts, and usually during a relatively short period of time.



What are the advantages?

-It's a very accessible process, open to everyone, and on your terms, you decide how much you want to raise and the time frame in which to raise money.

-Controlled by you promoting and selling projects is your team's responsibility.

-Funds raised through crowdfunding are unlimited and can be used for any element of your project.

-It can be fast, because you are in control, you can start raising money quickly. If you run a campaign, you will also create a very valuable asset for yourself or your organization, and this crowd asset can be a very useful and lasting resource.

- The people who support your project may also support your team and cause.

What are the disadvantages?

-It's not easy - it takes a lot of time and effort to consistently promote your event to be successful.

-Many activities are unsuccessful, and successful activities require work, preparation, and effort to complete. There is no guarantee of success, but work, preparation, and effort can increase the chances of success.

-This is also a very public process so you must be prepared to be open and honest and expect to be in public.

Crowdfunding Types

1

REWARDS-BASED CROWDFUNDING

Individuals donate to a project or business with expectations of receiving in return a non-financial reward, such as goods or services, at a later stage in exchange of their contribution.

2

DONATION-BASED CROWDFUNDING

Individuals donate small amounts to meet the larger funding aim of a specific charitable project while receiving no financial or material return.

3

EQUITY CROWDFUNDING

Sale of a stake in a business to a number of investors in return for investment. The idea is similar to how common stock is bought or sold on a stock exchange, or to a venture capital.



Before launching your campaign

When raising crowdfunding capital, it's the initiator's (Municipality in this case) job to answer the audience's questions and build their confidence, persuading them to support and share the campaign.

It's up to the initiator to identify some of the specific needs and questions that the audience will have, but there are several universal components to any successful campaign.

Compelling pitch :

The pitch should be a lean, well-rehearsed narrative about where the initiator and initiative came from, what the municipality does, and what the municipality needs in order to change the world with the product, service or initiative.

While the goal is to tell a story that resonates with the specific audience, every successful pitch does three things:

1.State the problem: The first and most important part of a great pitch is to identify a painful problem. The more severe the problem or need that the municipality addresses is, the more valuable the proposed solution will be.

2.Introduce the solution: Once the audience understands the problem on an intellectual and emotional level, the initiator can present the product or service as the best solution. It's important to be clear and concise and to focus on the solution's big picture, not every last feature.

3.Define the market size: Once the audience understands the problem and how this municipality is uniquely equipped to solve it, the initiator needs to put the opportunity in perspective. The bigger the market, the greater the potential value of the company is, and the more enticing the opportunity becomes for backers.

Strategies for your campaign

All you need to know before the launch of your campaign :

Create a community ready to commit to the cause you defend and your project more specifically.

While the role of community stakeholders in traditional venture funding is arguably less critical, they have a much more important role to play in crowdfunding.

The characteristics of the community in which crowdfunded ventures operate likely play a critical role in funding success.

Whether defined geographically or virtually, the community of stakeholders on which the crowdfunding venture relies represents its primary source of funding. Certainly, this dynamic embodies the fundamental uniqueness of crowdfunding that funding is obtained from the community of individuals or organizations that have or desire some role in the viability of the crowdfunding organization.



How to build up a crowd ?

Many people find it difficult to think about how to build a crowd. It's better to try to divide your crowd into several groups, each with a different purpose for your event. This will help you identify, locate and connect with them. Usually we divide the crowd into three groups: Friends and followers, influencers and communicators :

1) Friends and followers: Friends and followers are individuals and groups whom you already have some connection with or know of you. This might include (mailing lists, contact lists, volunteers, client or customer lists, social media followers)

2) Communicators: Communicators are individuals or groups who help you to get the message of your campaign out to a new network. This might be, for example, via a press release and media outlets

3) Influencers: Influencers are very important parts of the crowd for a crowdfunding campaign. An influencer is someone who carries weight, influence or trust in a sector or topic. They can encourage others who have not heard of you to trust and take an interest in your project



Diaspora Fundraising

The term "diaspora" can have many meanings, but at its core it refers to a group of people with common experiences and common identities. This shared identity is often associated with a definable location on a map, as diaspora groups tend to be organized around a country or nationality. While this is a return to fundamentals, it is important to note that those who often see themselves as members of a country's diaspora also tend to support that country through philanthropic giving.

Diaspora communities want to support their home nations, but your cause must also compel people to donate. Even though diaspora giving is not new nor emergent, thanks to social media platforms it is now simpler than ever for donors to aid groups and local authorities back home.

Here are some quick observations and advice to think about:

- Online methods, such as social networking platforms, email, targeted ads, virtual events, and crowdfunding websites, are economical and effective ways to connect with these communities.
- Use the Diaspora Foundations and Associations that are relevant to your cause; they have the contacts and knowledge of your target market. Use organizations for professionals, cultural or religious communities, or other groups that can serve as connectors.
- Giving from the diaspora has evolved far beyond the modest donations made by first generation migrants, and with the emerging trends of generations, who are now working and benefit from a global perspective and mobility, the potential to raise support will increase. However, you must think carefully about how to engage them and win their support.





Prior to marketing your business, you must identify your target audience and the actions you want them to take.

- What is their age or gender?
- What is their income level?
- Do people believe particular news sources?
- What platforms do they utilize for social media?
- How can I get in touch with them the best?
- Which topics are most likely to get their attention?
- Do you want them to contribute money, volunteer, join your cause, or spread the word?

Assessment needed to identify projects for crowdfunding



Setting quantifiable objectives enables you to assess what is working and what needs to be changed.

Your goals should be appropriate for your organization's mission and your assessment should include the following:

- Previous experiences
- Previous partners and networks
- Mapping of new contributors/members/partners
- Annual goals you'd like to accomplish

The quantity of individuals you can assist, activities you can host, or any other services your campaign may offer.

After you've established your objectives, brainstorm with your team to decide how you'll track your progress toward achieving them.

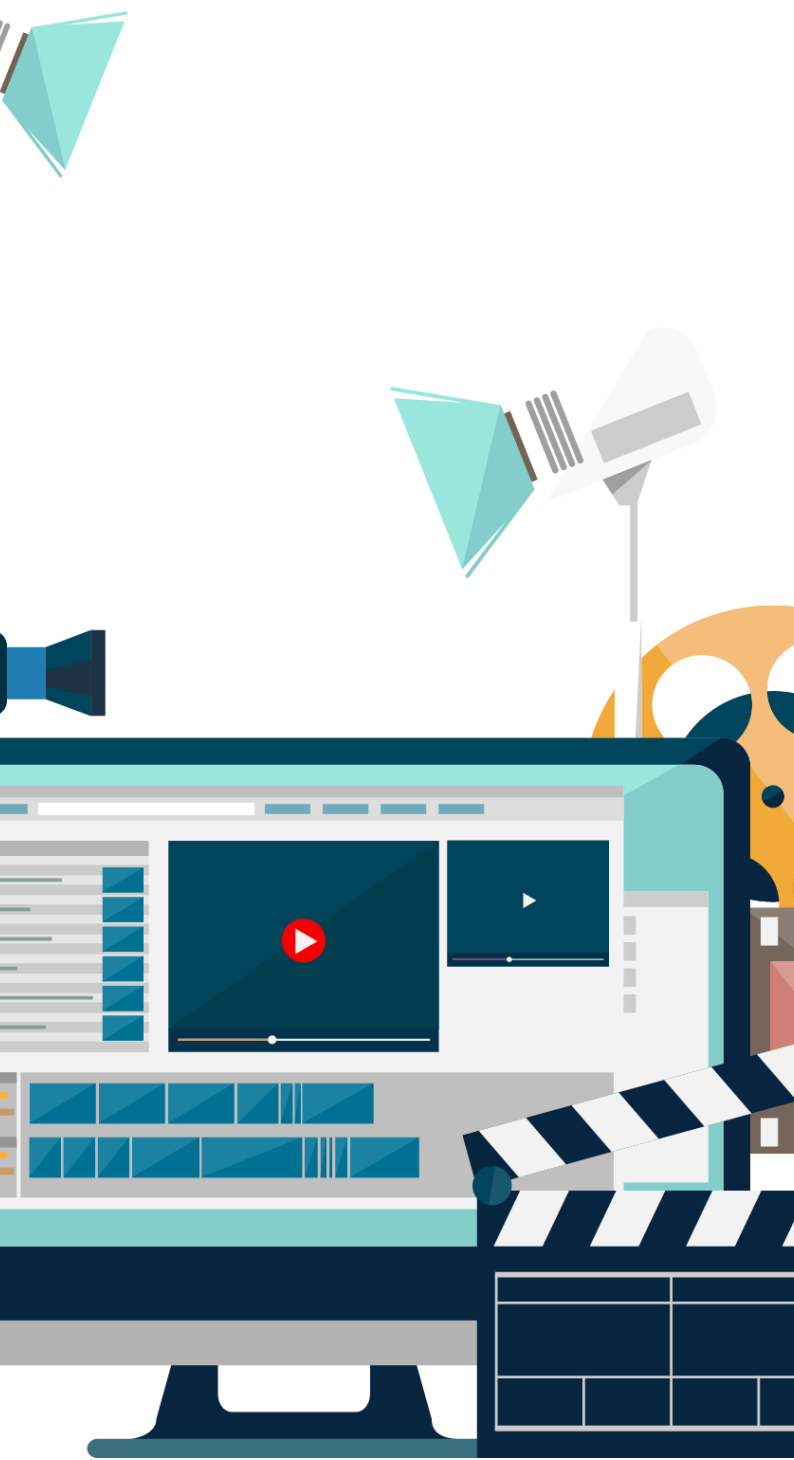
How much you need for your campaign

You must not be vague about this. Work out in detail how much you need and factor in all of the costs of running a campaign. It is important that you have properly costed this and worked out all of the precise financial requirements. Badly costed projects run the risk of hitting their targets and not having enough to deliver the project.

It is also worth considering stretch targets at this point. A stretch target is an additional target beyond your original one which can be introduced if the campaign is going well. Do you want them and if so what are they? It is best to consider this now as it is hard to cost them,



Key factors for successful crowdfunding



1) Know Your Cause Audience to Maximize Crowdfunding Potential

In order to do that you need to first segment your audience to gather insights better and easier. They could be categorized as first time donors, recurring donors, major donors, and event participants.

Then, to help get the message in front of the right people at the right time, you need this segmentation strategy, which will help grow giving.

Finally, you should consider soft launching the crowdfunding campaign to your most devoted contributors once the donation base is determined. This step will build social proof for your campaign and the audience will respond to a targeted appeal, before it is released to the general public.

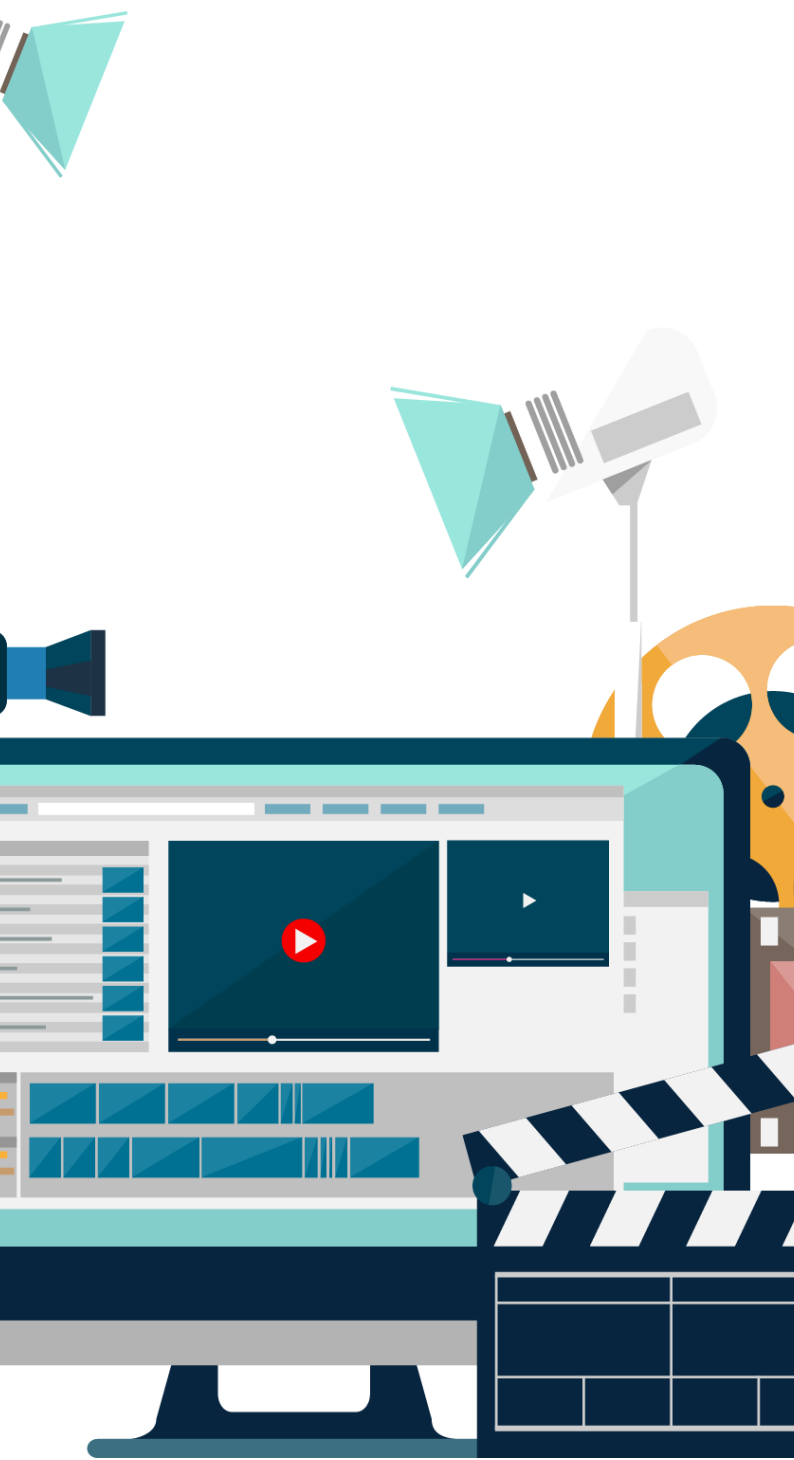
2) Choose the Right Crowdfunding Platform

To ensure the best experience, the campaign should be hosted on a site that is appropriate to your non-profit.

The success of the campaign depends on consistent branding, effective ways to demonstrate impact, and the best donor experience.

That's why a research to discover a crowdfunding platform that supports the non profit's goals should be done. From there, fantastic content, stories, photos, and videos can be created to fill the page and encourage donations.

Key factors for successful crowdfunding



3) Empower Your Donors With Helpful Tools and Insights

One way to encourage donations is to showcase just how much their gift will impact your beneficiaries.

Demonstrating the impact the donors' donations will have on the non-profit's beneficiaries is one way to promote donations. When someone contributes to a crowdfunding campaign, they are expressing their support for their cause. Make it simple for the donors to tell others about their impact and to rejoice in their accomplishments that they're making a difference.

It's crucial that the non-profit provides people with reasons to be proud of their contribution so they may encourage their friends, family, coworkers, and various networks to think about joining the community as well. This greatly improves donor stewardship, raising the likelihood that they will contribute again to future campaigns.



The Campaign Video

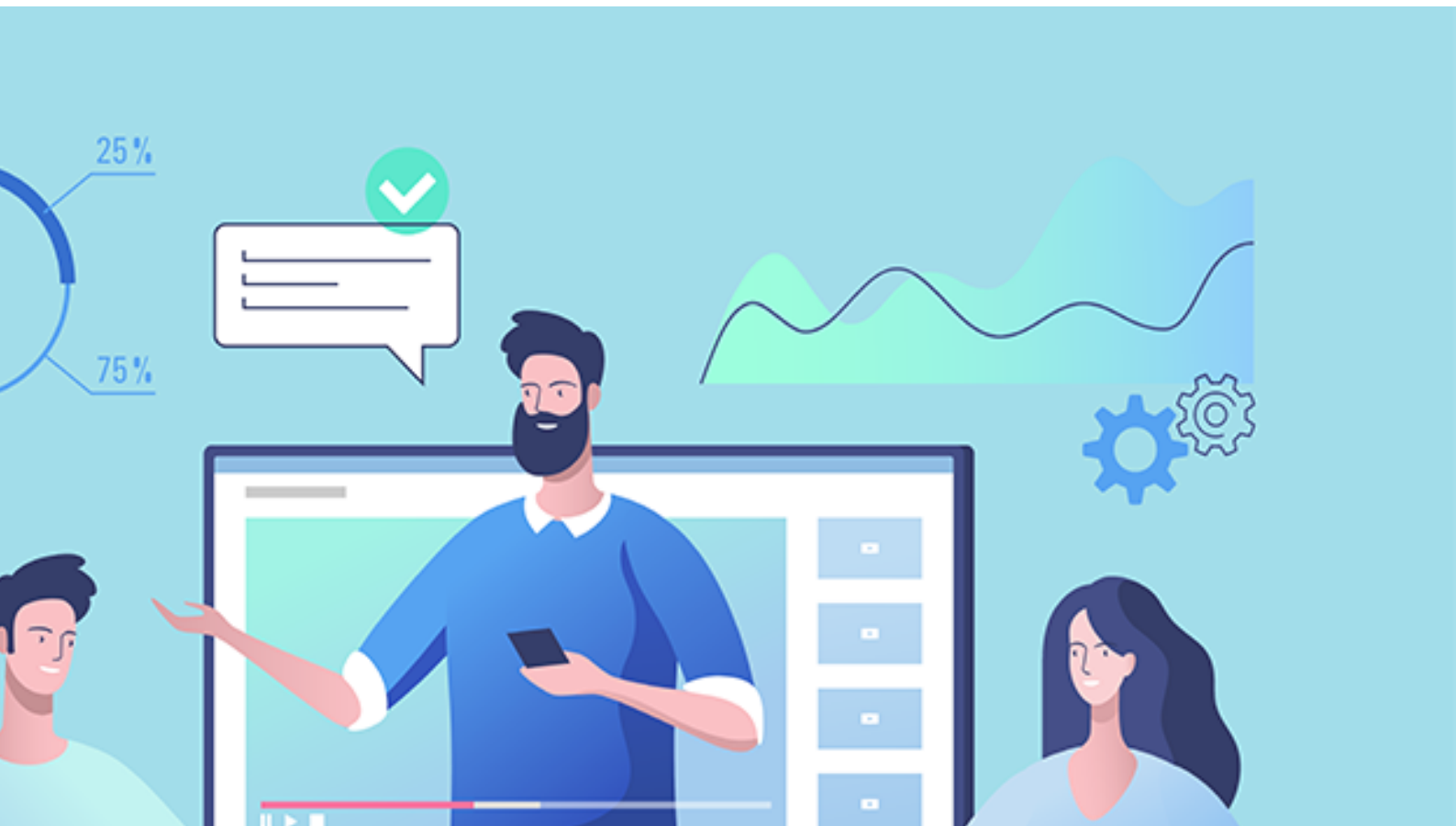
Campaigns that include an overview video have been shown to perform better, and the reason why is understandable: The average user would rather watch a short, well produced video than take the time to read the same content.

Your script needs to include some fundamental information: who you are, where the idea came from, how far along in development you are, and how you feel about it. Next, make sure you ask for the viewer's support. Explain why you need it, and what you'll do with the money.



Marketing Plan

Your nonprofit requires marketing materials for every interaction with the public. The information in these brochures should highlight the benefits of your work as well as provide details on how or where to donate. As for Live Love, we created the cotton stripe bracelets to further market the NGO especially for the youth.



Social Media Strategy

A social media marketing plan is an affordable approach to find new donors and increase visibility. Social networking sites like Twitter, Facebook, and Instagram can give you a way to connect with plenty of people who are interested in your business.

Choose the two or three social media channels where your target market is most likely to be located rather than attempting to be active on every available platform. Then concentrate your efforts on promoting there.

Social media's lack of geographical restrictions is the best feature of this sort of marketing. Expanding the reach of your nonprofit is possible by connecting with people nearby or halfway around the world.

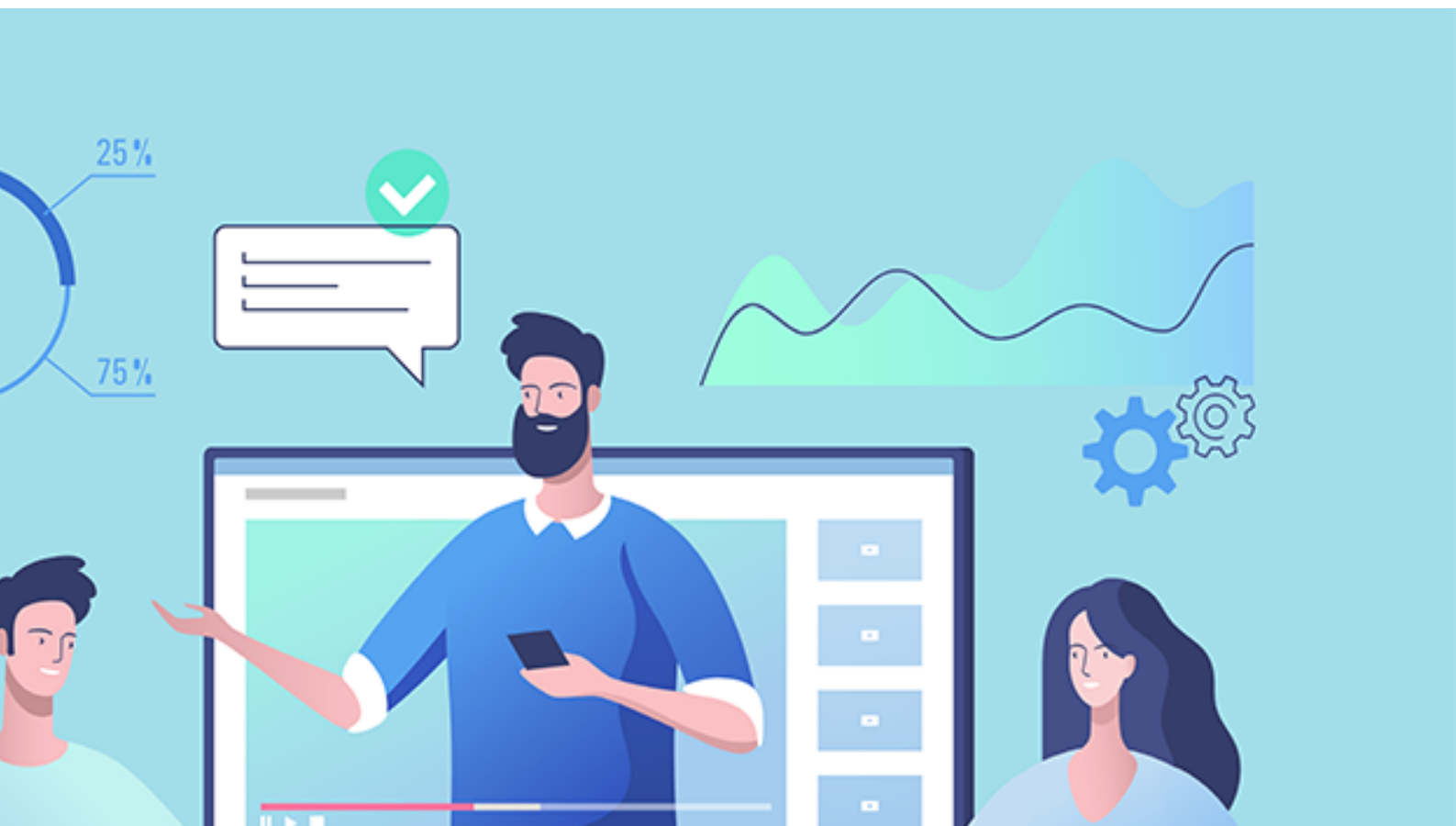


Update or Create a Website

Making a professional looking website and keeping it updated frequently are essential components of your nonprofit's online marketing strategy. You'll need to spend some time and money on your website if it doesn't already exist or if it hasn't been updated in a while in order to open up a channel for internet marketing.

Important information is shared on your website, such as:

- Your municipality's history and mission
- Breaking news
- Upcoming events and initiatives
- Success stories
- Press coverage
- How to donate money or volunteer



Create a Database

To persuade individuals to give money or get active, communication needs to be frequent and carefully designed.

Your database can be used to organize marketing campaigns like:

- Special mailings
- Follow-up phone calls
- Event invitations
- Newsletters
- Media outreach
- Yearly donation drives

Using a database, you may categorize your audience into different groups based on things like whether they've donated before, their income level, or if they prefer email or traditional mail communication.



Showcase Your Results

Success stories encourage current participants to stay active, draw in new participants, and provide a compelling viewpoint for media coverage.

Display your accomplishments by:

- Sending donors mail or emails
- Press reports
- Updating websites
- National or local events
- Editorials in regional or national news sources
- Share data on the amount of money raised, the individuals or groups who benefited from your nonprofit's efforts, the projects you've finished, the laws you've changed, or other measurable success factors.

Planning is very important for crowdfunding campaigns. The crowdfunding campaign consists of three phases You will do different types of activities for each stage. The stage before the activity starts - The duration when the event starts - The time after the event ends.

1 **Before the campaign is live :**

- Preparing a press release
- Recording a project video
- Setting up social media pages
- Setting up a page on your website
- Taking and sharing photographs

2 **During the campaign :**

- Newsletter articles
- Emails to supporters
- Social media updates and activity
- Crowdfund updates
- Taking and sharing photographs

3 **Afterwards:**

- Preparing a press release
- Saying thank you!
- Inviting supporters to open days
- Celebrating success with photographs and videos

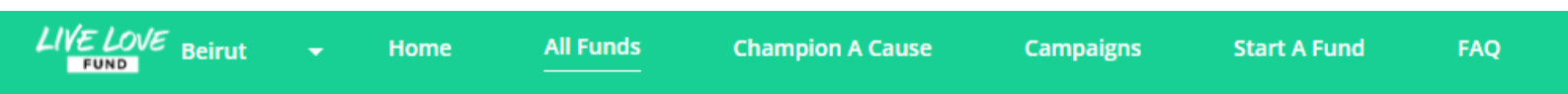
Crowdfunding Ecosystem

(Platforms in Lebanon)

<https://livebeirut.com/funds/all>

Live Lebanon plays the role of crowdfunding agency for pre-selected projects to be implemented in several regions in Lebanon. Crowdfunding, which falls under the donation based scheme is done through main streams:

- The live Lebanon website (<http://livelebanon.org/>); a “donate” tab is available on the website through which interested donors can chose the project to which they would like to place their contribution. Once the target budget has been raised, the website indicates so, and still interested donors would be asked to select a different project.
- Bank Account; a bank account is available at the BBAC bank to which donors can directly place their contributions. Contributions cannot exceed 1,000\$ due to bank regulations - Goodwill ambassador; celebrities, immigrants and interested people give donations of certain amounts as a way of giving back to the communities



Search by name ...



Beirut Reconstruction Relief Fund My Education, My Future Made in Lebanon Gift A Better Future for FUTURE Children



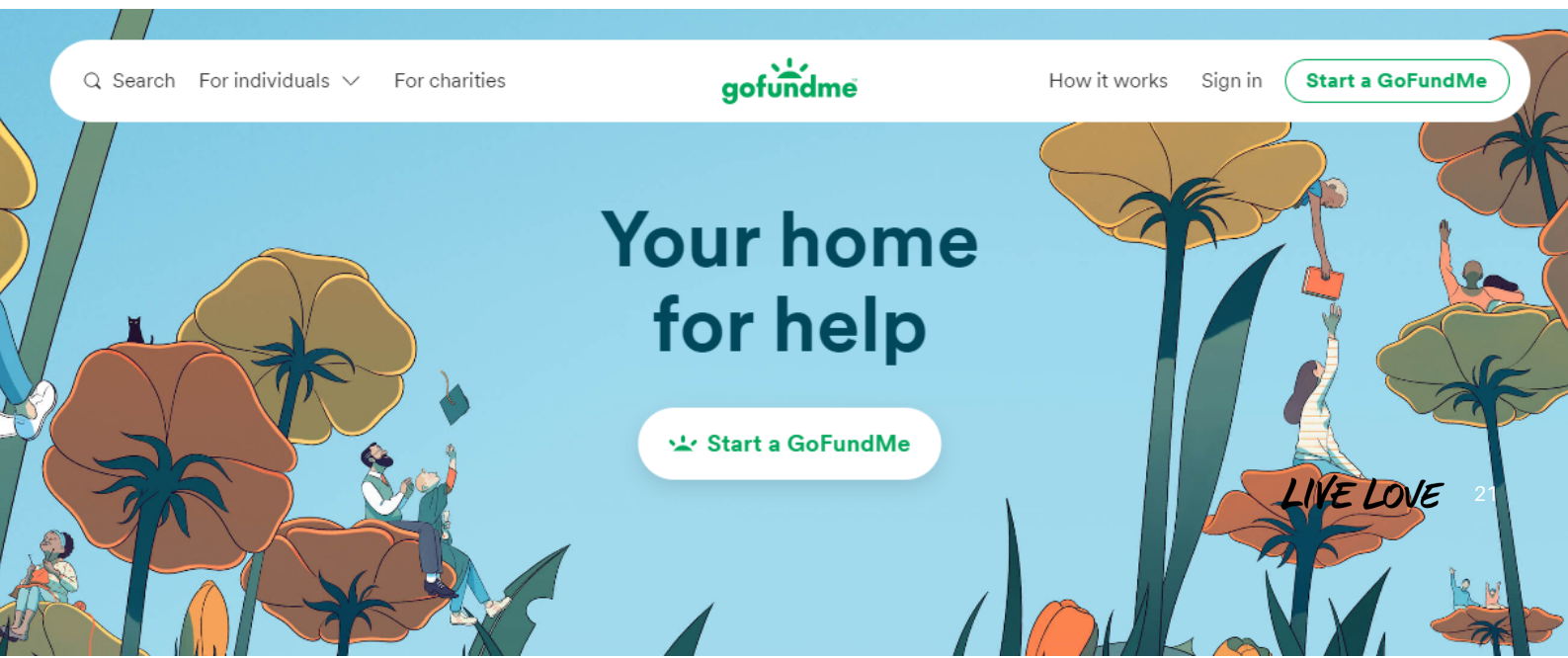
Crowdfunding Ecosystem

(International Platforms)

<https://www.gofundme.com/>

GoFundMe is the best place to fundraise, whether you are an individual, group, or organization.

GoFundMe helps you easily share your story far and wide over email, text, and social media to rally support for your cause.



1

CHRISTMAS FROM THE HEART

DONOR/PARTNER: RENÉ MOAWAD FOUNDATION & MANY MORE

Status: Completed

Budget: 15,000 USD

Date: Dec 2020

In partnership with RMF, Live Love raised more than 8,000\$ and organized a Christmas shopping experience for the vulnerable community of Beirut by rehabilitating a store in Beirut Souks into a Toy Store.

Live Love collaborated with 11 other NGOs to invite 2400 children.

These children were given vouchers to fulfill part of the Christmas experience, receiving toys and shoes .

Video link : https://www.instagram.com/p/CKMycvBjmwq/?utm_medium=copy_link



2

LIVE LOVE RECYCLE

Status: Completed

Budget: 50,000 USD

Date: May 2019

The Live Love Recycle team launched a Kickstarter campaign to gather contributions from citizens willing to fund their project and support recycling in Lebanon. More than \$50,000 were collected.

The funding will allow them to offer 20,000 free collections in Beirut, saving up to 100 tons of recyclable waste from going to landfills and the sea. Live Love Recycle also plans on expanding their network outside of Beirut, currently in the process of recruiting new drivers to help them run their operations more efficiently, in addition to updating their mobile application to improve their service.



2

LIVE LOVE RECYCLE

Status: Completed

Budget: 50,000 USD

Date: May 2019

To participate, users must separate their garbage in two bags (one for recyclable waste and one for non-recyclable) and order a driver, who takes a maximum of just 30 minutes to arrive. The application provides full details on how to separate waste. For the moment, only specific waste is permitted within the service.

Pickups can be scheduled ahead of time. Users can reserve two pickups per month within the Beirut area. "We started Live Love Recycle within Beirut exclusively, but we've already been contacted by numerous municipalities, and have attended meetings to talk about expanding our services beyond the capital. We are looking forward to working with the Beirut municipality, the government and their new contractors so they endorse our campaign and solution as a nationwide plan for recycling." - Georges Bitar



3

ENSA JOURA

UNDP - Live Lebanon - 5 Lebanese expats

Status: Completed

Budget: 300,000 USD

Date: 2017

UNDP - Live Lebanon in collaboration with the Ministry of Public Works and Transportation, the National Council for Road Safety and MTV (media partner), introduced a new pothole patching technology called "Velocity" and launched a campaign called "Ensa Joura". whereby citizens can pinpoint potholes using a mobile application. The state of the art truck will go to the reported locations and instantly fix the potholes.

Innovation Summary

Innovation Overview

Out of the many problems Lebanon is facing, road safety is a major one. The roads bad infrastructure especially the existence of many dangerous potholes is causing a lot of accidents resulting in losses in lives and money. According to WHO, the yearly death toll is around 1,088 due to car accidents in Lebanon. The Lebanese Red Cross estimates over 10,000 accidents per year and over 14,000 injuries other than the fatalities. According to the Ministry of Public Works and Transport, traffic accidents in Lebanon are estimated to cost the national economy about 1.5 per cent of its GDP. Potholes are a major cause for those accidents.

The government traditional way of fixing potholes required two to seven working days using a cutting machine, which caused more damage to the asphalt, a truck full of hot asphalt, a bulldozer and many workers. It left waste on the sideways and caused a lot of traffic. The work is usually guaranteed for 3 months only.

UNDP Live Lebanon launched Ensa Joura campaign with its media partner MTV (Ensa meaning forget - Joura meaning pothole) in collaboration with the Ministry of Public Works and the National Council for Road Safety in Lebanon by introducing a new technology to fix potholes: Velocity Machine.



3

ENSA JOURA

UNDP - Live Lebanon - 5 Lebanese expats

Status: Completed

Budget: 300,000 USD USD

Date: 2017

The campaign engaged the civil society where citizens could pinpoint potholes and send us coordinates using a mobile application with one click.

Within days of its launching, people started reporting potholes on their way home, to work, or any other destination. We received over 17,000 unique requests from different citizens in less than a week. The data was gathered and published on a map on livelebanon.org. The branded truck roamed the streets fixing potholes prioritizing the heavily reported areas. A weekly news report, which was aired on Friday prime time, morning, afternoon and midnight news showcased the work with before and after pictures.

Ensa Joura hashtag trended on social media and the campaign went viral and lasted 8 months. In total 86 news reports were aired.

Originally the campaign was funded by 5 Lebanese expats for the amount of 300,000 USD and it was supposed to last for three months. Due to its success, around 30 municipalities and union of municipalities joined the campaign and provided additional funds through a 70/30 % cost sharing agreement with Live Lebanon.



3

ENSA JOURA

UNDP - Live Lebanon - 5 Lebanese expats

Innovation Description

What Makes The Project Innovative?

- 1- The Velocity Truck is new and innovative technology used for the first time in Lebanon, whereby the government and municipalities adopted it after the project was completed. It was a solution to a long lasting problem.
- 2- Engagement of civil society by pinning the location of the potholes that need repair on the application, with pre and post pictures of the same pothole. An online map showed the reported potholes and b4/after pics were published.
- 3- The response to the public was rapid and efficient, reaching more than 92 areas in Lebanon
- 4- The technology used is eco-friendly, fast, efficient and durable. The pothole takes up to a maximum of 2 minutes to be closed, there is no waste produced and it doesn't cause traffic unlike the traditional way used.

Innovation Development

Results, Outcomes & Impacts:

Ensa Joura project was a breakthrough introducing a new technology that was used for the first time in Lebanon. The government now uses this technology which is considered easier and more efficient than the traditional way it used to work.

Citizens are more involved in the solution that was implemented for a problem that all Lebanese people face on the roads every day.

Our initiative is now more interested in finding more innovative ways to solve problems facing Lebanon.

The project won the WARC award for MENA strategy which is a world media award for the media coverage of "Ensa Joura", the application, citizen engagement and the videos and news reports that were created throughout the campaign.

Although we don't have accurate data but the campaign helped reduce the number of accidents.

Lessons Learned

This project helped us realize that Innovative solutions for problems facing a developing country like Lebanon are very important and relatively easy when the right entities work together.

Citizens, NGOs, public entities, local authorities and private sector are more interested in being involved in innovative projects since its impact is visible and reaches out to the biggest number of people and lives.



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-Crowdfunding Examples :

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https://www.instagram.com/p/CKMycvBjmwq/?utm_medium=copy_link

<https://www.lebanontraveler.com/en/magazine/talking-trash-with-live-love-recycle/>



Municipality of:

Campaign Title:

CROWDFUNDING CAMPAIGN MODEL CANVAS

1 Problem/Cause

What is the problem, purpose or cause you have identified in your community?

4 Budget

What is the projected budget? What will this budget cover?

7 Key Activities/Plan

What are the key activities planned in order to reach your overall goal? Activities need to be clearly linked to the main objective of the campaign. Plan your activities within a clear schedule and workplan.

9 Channels/Platforms

What are the available channels and platforms for your campaign? Which one will be the most efficient for your specific campaign?

2 Solution

What is the solution you are proposing? (briefly describe your intended project)

5 Key Resources

What are your available resources? Will you be providing a technical contribution, financial contribution or other?

10 Funding Audience

Who are you talking to and why do they care about your cause?

3 Value Proposition

What makes your contribution valuable above all else?

6 Key Partners

Who are your key partners? Key stakeholders in the project?

8 Key Metrics

Quantifiable targets that can determine campaign success. Remember to set reasonable targets within the proposed budget and timeframe.

11 Donor Relations

What kind of relationship do your individual donors expect? How will you report and showcase the work that was done using their funds in a transparent manner?