



# USING CROWD FUNDING

B I T E S I Z E   L E A R N I N G   S E R I E S

# CROWD FUNDING?!

Crowdfunding is a type of fundraising that encourages people to donate to a project via a specific campaign.

Often done through dedicated online platforms, community organisations can use crowdfunding to help them raise money for projects of all sizes from refurbishing facilities to buying new equipment or covering running costs for specific events.





# How Does Crowd Funding Work?

There are several ways of raising crowdfunding, the two most relevant to sports clubs and groups are:

- **Donation-based crowdfunding.** This is where large numbers of people are encouraged to contribute to a project, even if it's just a small amount, without expecting anything in return. For this approach to work, your contributors will need to really believe in your project and/or your organisation.
- **Rewards-based crowdfunding.** This is where people are encouraged to contribute in return for a reward. Rewards usually reflect the amount donated, so 'better' rewards go to those who contribute more money. For sports organisations, rewards could range from tickets to training sessions, wall plaques, named seats, certificates or free merchandise.

Alternatively, you can ask members to contribute skills or services as rewards, or get local businesses or sponsors to donate things like free meals out, experiences or tickets to events and more. This can encourage the wider community to get involved, not just those who might have an interest in your organisation or sport.

# Crowd Funding Benefits

- **Strengthening community links.** Crowdfunding campaigns are always public facing, which can raise awareness of your organisation. They give people within your organisation and your wider community clear goals that can be achieved by working together and can boost morale. Having the backing of your community can have lasting benefits, such as creating new partnerships and being able to demonstrate local support to investors and funders.
- **It is usually free to get started.** In the first instance, it is usually free to set up your campaign on a crowdfunding platform. Many platforms will offer you support to help you manage your project through access to things like free webinars, guides etc.
- **It is faster than some other fundraising methods.** If your campaign is successful, the money will be released after the campaign deadline. Other methods, like applying for grants, can take much longer.



# Crowd Funding Downsides

**Some platforms take a fee.** Although it is usually free to set up a campaign, some platforms take a percentage of the total funds raised. This is often fixed, so research this beforehand and factor it into your final target.

**Some platforms are 'All or Nothing'.** Some platforms return all donations to contributors if you don't reach your target. This can make it easier to encourage people to donate because of the urgency, but may mean you end up with nothing so make sure you set realistic targets. Some platforms offer flexible funding where you can keep what you raise if you don't reach your targets but the average amounts donated tend to be lower.

**Marketing can make or break your campaign.** People will want to find out more about an organisation before donating, so not having effective marketing tools like an easy-to-use website or social media presence may limit your campaign's success.

# Where Can I Learn More?

There are a number of crowdfunding platforms available online, some of which also have guidance and support on setting up and running your campaign.

Platforms we have worked with include:

- [Crowdfunder](#)
- [Just Giving](#)
- [GoGetFunding](#)

*Top Tip: Be sure to do some research into the platforms available, to compare factors like the percentage of total donations they might take, the support available, how easy it is to use the platform, whether they offer rewards-based crowdfunding, and if they provide access to funding from other partners as well.*





We hope this short guidance is helpful. If we can help to support your work please do get in touch!

Thank you.

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