

Crowdfunding 101: Tips and Tricks for Running a Successful Campaign

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AUTODESK UNIVERSITY 2015

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Class summary

Less than 44% of Kickstarter campaigns succeed in getting funded.

This session aims to help navigate the highs and avoid the lows that can accompany fast-paced crowdfunding campaigns. We'll discuss everything from start (*which funding platform should I choose?*) to finish (*uh oh, I never thought about the cost of shipping to Japan*), and everything in between.

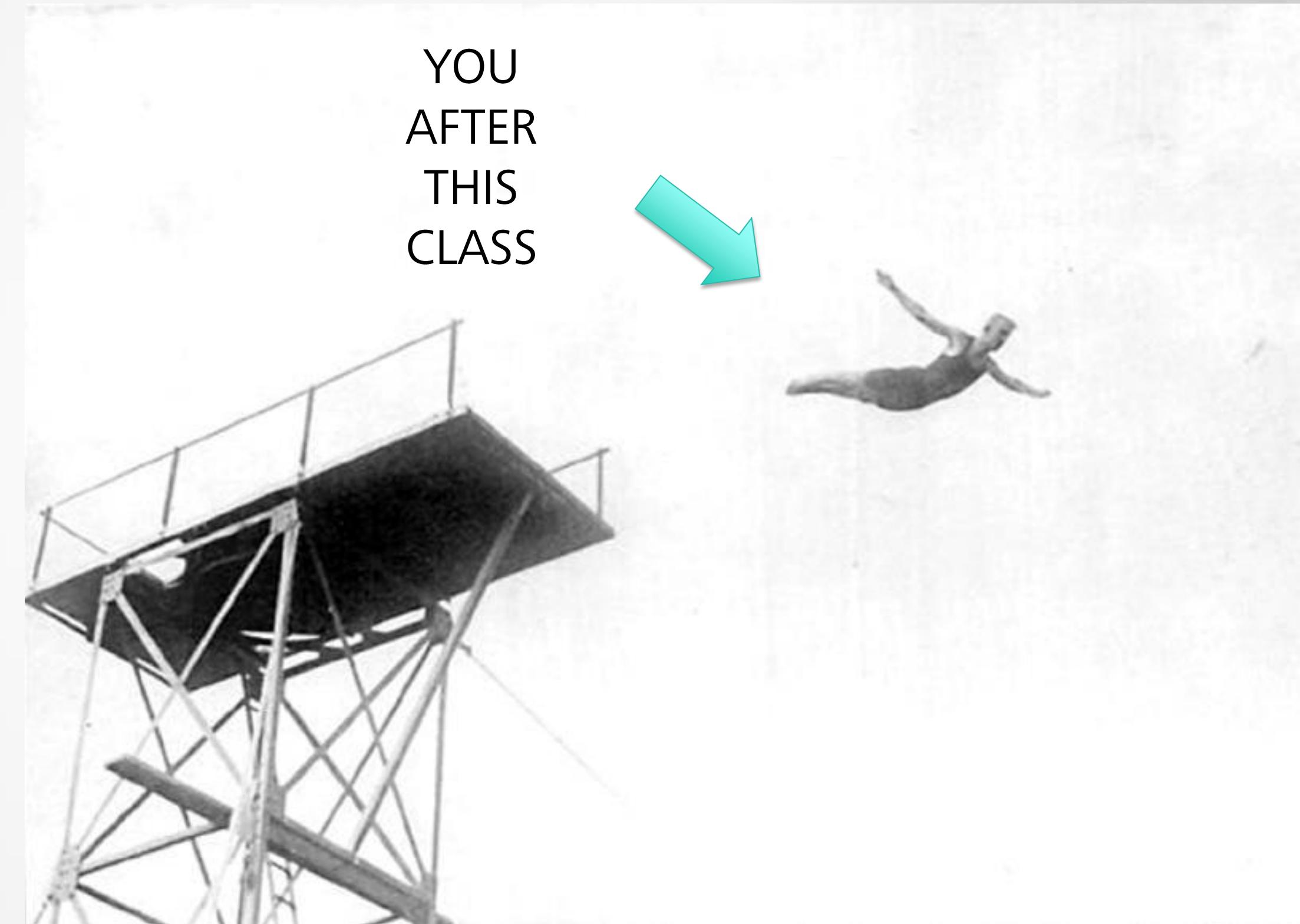
Setting expectations - this class will be:

- ✓ Informal and conversational – ask questions!
✗ PhD lecture
- ✓ Based on first-hand experience
✗ Not a full research study
- ✓ Honest about the good, bad, and ugly
✗ Sugar coated sales pitch

Ultimate Goal Of This Class:



YOU
TODAY



YOU
AFTER
THIS
CLASS

About Me:



MBA in Innovation Management
Graduate Fellow for NCIIA

(National Collegiate Inventors and Innovators Alliance)



Patents + Trademarks
Commercialized through licensing and manufacturing



Product Manager @ Autodesk

About Me:



MBA in Innovation Management
Graduate Fellow for NCIIA

(National Graduate Inventor and Innovator Alliance)

Nice, but not necessary.

d manufacturing

Product Manager @ Autodesk



Wild West: Product Design and Manufacturing





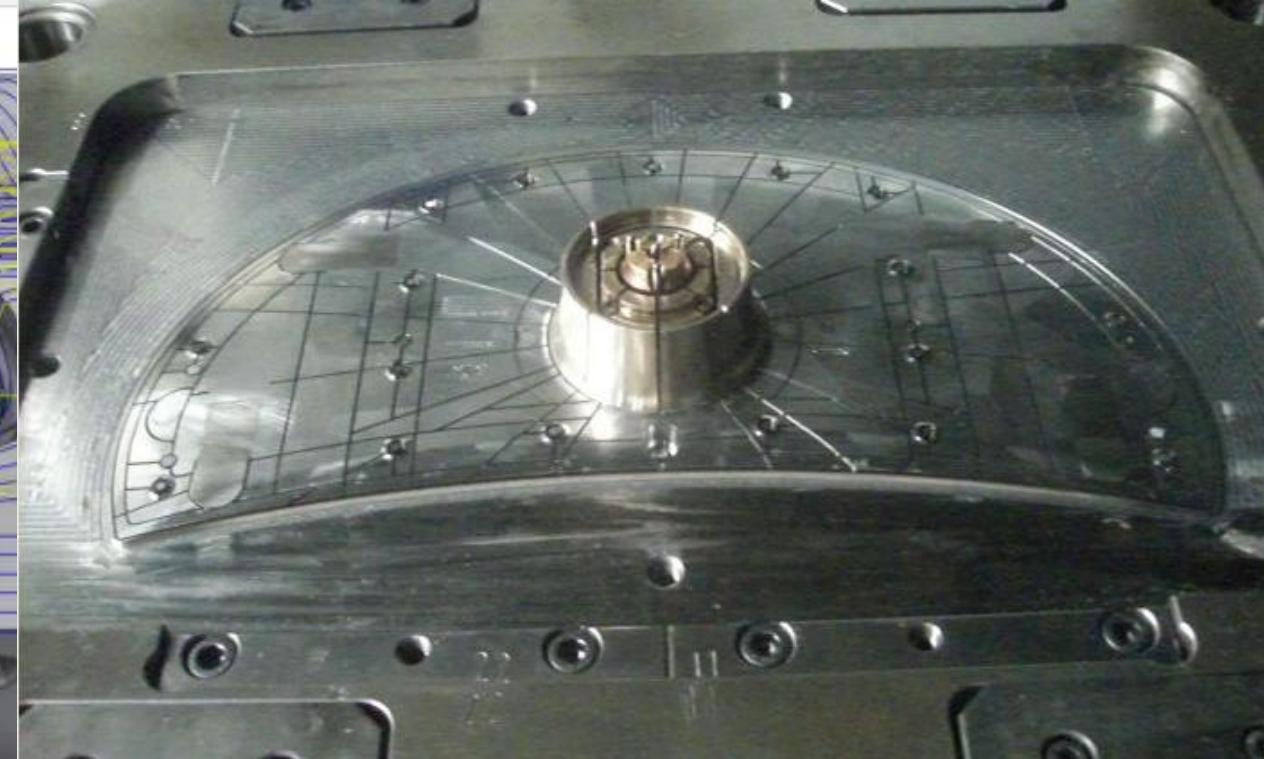
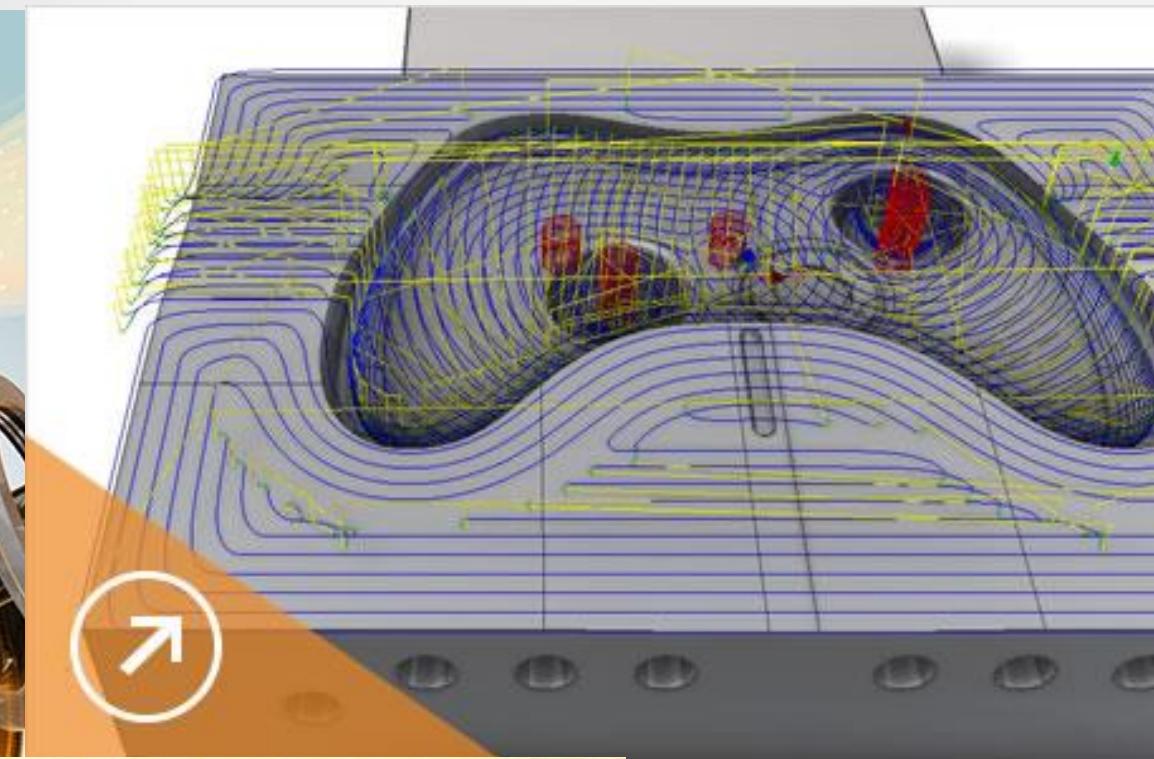
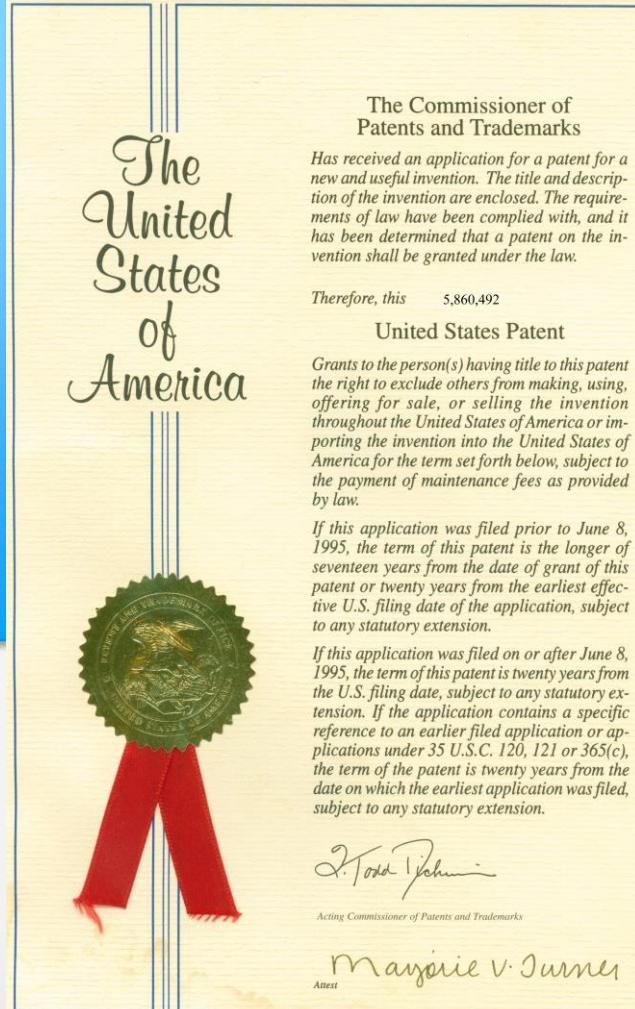
AUTODESK®
FUSION 360



MICRO ENTITY

SMALL ENTITY

Google
Patents



SQUARESPACE

THE GROMMET®

ROCKETHUB

The world's crowdfunding machine.

KICKSTARTER



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About my project

KICKSTARTER Discover Start a project About us diy floral

The screenshot shows the Kickstarter search results for 'diy floral'. There are four projects displayed:

- New innovation in the floral industry by Carola** by Caroline M Cartagena. Located in Waterbury, CT. 0% funded, \$0 pledged, 24 days to go.
- Pin-Me-Not: The Magnetic Wedding Boutonniere Holder** by Kenny Yu. Located in Toronto, Canada. 16% funded, \$844 pledged, 11 days to go.
- Don't Forget Mother's Day** DIY FLORAL™. Located in Manchester, NH. by Adam Smith & DIY Floral, LLC and 226 backers. Funding Unsuccessful. Project ended on Mar 22 2015.
- Casey's Floral Creations Collection** by Casey Voisine. Located in Manchester, NH. A beautiful collection of plants & florals to create a digital brochure/calendar to share the look & feel of Spring in full bloom.

Yellow squares are overlaid on the first two projects, a green checkmark is over the third, and a red X is over the fourth.

See all results for **diy floral**

What made this project succeed in funding when very similar projects failed?

Don't Forget Mother's Day



DIY FLORAL™

Save \$100 next time you give flowers. Save thousands on wedding flowers. Florist quality arrangements in minutes!

Created by

Adam Smith & DIY
Floral, LLC



226 backers pledged \$12,728 to help bring this project to life.

The 7 P's of Crowdfunding:

Special thanks to Lauren Wallace for creating and authorizing the use of the 'Seven P's of Crowdfunding' framework that we will reference in this class.

Lauren is an attorney who focuses on privacy, technology and intellectual property law. Lauren is extremely active in Portland's start-up community. She serves on the advisory board of the Oregon Entrepreneurs Network and previously chaired OEN's Angel Oregon, the Northwest's premier annual angel investment conference.

Lauren Wallace: lauren.wallace@tonkon.com | Tonkon Torp LLP www.tonkon.com

1: Pitch

This is the whole package, the website and video, the thing that you hit the “Go” button on and hold your breath. It better be good, because you are competing for eyeballs even before you start competing for money, and there are a lot of other worthy projects out there at the same time. And that doesn’t take into account competition from Reddit, Buzzfeed, and whatever championship game is on that day.

What makes a good pitch?

1: Solves a problem



With the DIY Floral Grid, anyone can create florist quality arrangements in minutes. Create amazing designs with this **removable** and **reusable** gadget, **made from recycled materials!**

This 36 rose centerpiece cost just \$24 to make,



instead of \$150 or more from a florist.

What makes a good pitch?

2: Is offered at the right place and time



Don't Forget Mother's Day

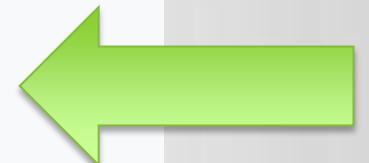


A photograph of a bouquet of vibrant red roses arranged in a simple white ceramic bowl. The bowl sits on a light-colored wooden surface against a plain white background. At the bottom of the image, the text "DIY FLORAL™" is displayed in a white, sans-serif font.

Save \$100 next time you give flowers. Save thousands on wedding flowers. Florist quality arrangements in minutes!

Created by

Adam Smith & DIY
Floral, LLC



226 backers pledged \$12,728 to help bring this project to life.

COOLEST COOLER: 21st Century Cooler that's Actually Cooler



The COOLEST is a portable party disguised as a cooler, bringing blended drinks, music and fun to any outdoor occasion.

[Stay updated!](#)

Created by

Ryan Grepper



62,642 backers pledged \$13,285,226 to help bring this project to life.

Timing really is everything for seasonal items:

2nd attempt – Memorial Day

Relevant timing for press coverage & easier to get mindshare of target audience

1st attempt in November



COOLEST COOLER: 21st Century Cooler that's Actually Cooler

The COOLEST is a portable party disguised as a cooler, bringing blended drinks, music and fun to any outdoor occasion.



by Ryan Grepper and 62,642 backers



The Coolest: Cooler with Blender, Music and So Much More

by Ryan Grepper

Why can't my cooler blend DRINKS, play MUSIC, carry GEAR, and GRILL food?! Here's the perfect tool for all your tailgate & outdoor fun!

279
backers

\$102,188
pledged of \$125,000 goal

0
seconds to go

Product Design Portland, OR

Funding Unsuccessful
Project ended on 12/26/2013

What makes a good pitch?

3: Appears to be likely to succeed – that is, shows signs of being a quality project

New innovation in the floral industry by Carola
by Caroline M Cartagena

I created unique floral arrangements and crafts using citrus peels and other eco-friendly/recycled items.

Waterbury, CT

0% \$0 24 funded pledged days to go

Pin-Me-Not: The Magnetic Wedding Boutonniere Holder
by Kenny Yu

Pin-Me-Not (PinMeNot) is a magnetic floral pin for wedding and prom boutonnieres and corsages - A simpler, easier way to pin.

Toronto, Canada

16% \$844 11 funded pledged days to go

35% Funded Day 1

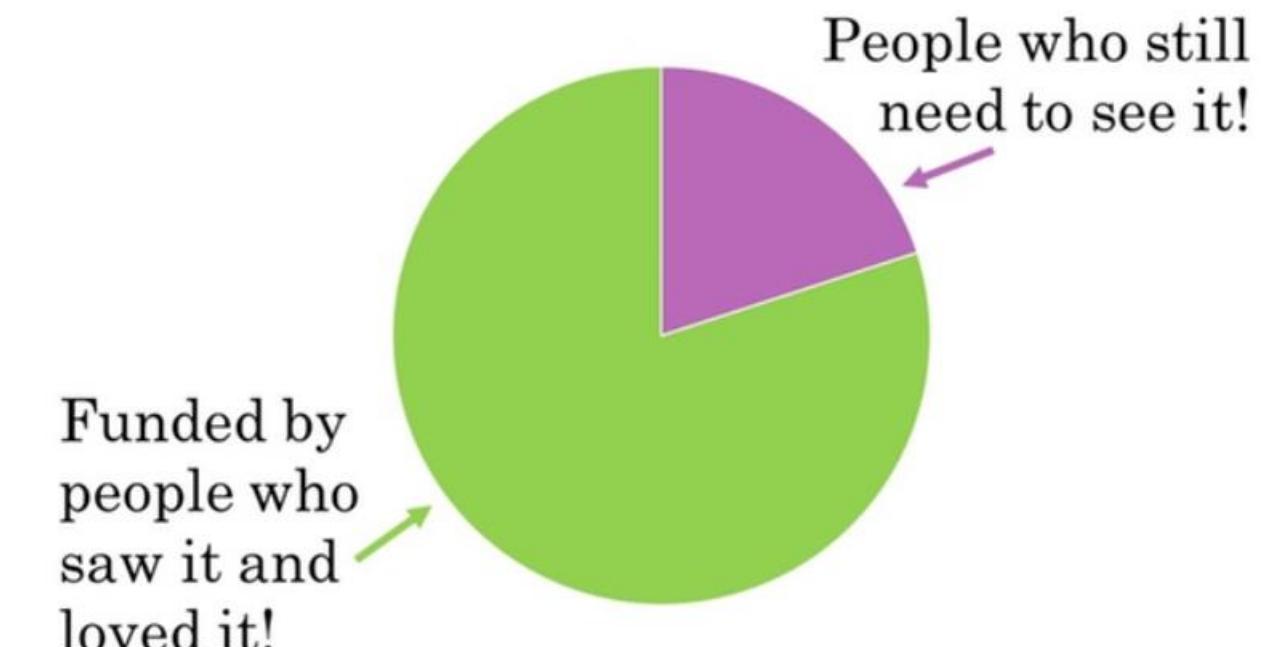
April 8, 2014

Project launched

WOW - what an amazing group of backers! With just under two weeks left to go, **DIY Floral** is already 78% funded! I'm gearing up for a trip to the flower market soon...I can't wait to finish the DIY Floral Design Templates, and DIY VIP Rewards.

We're getting so close to reaching our goal. With a bit of help spreading the word, I know we'll be there before long!

Please share **DIY Floral** with some friends you think will love it! Email our link, post to Facebook, or submit a tip to your favorite blogger. <http://kck.st/1hoiZis>



Most important element of pitch: Video

- High quality production
- Easy and compelling to share
- Authentic & true to the project

Don't Forget Mother's Day

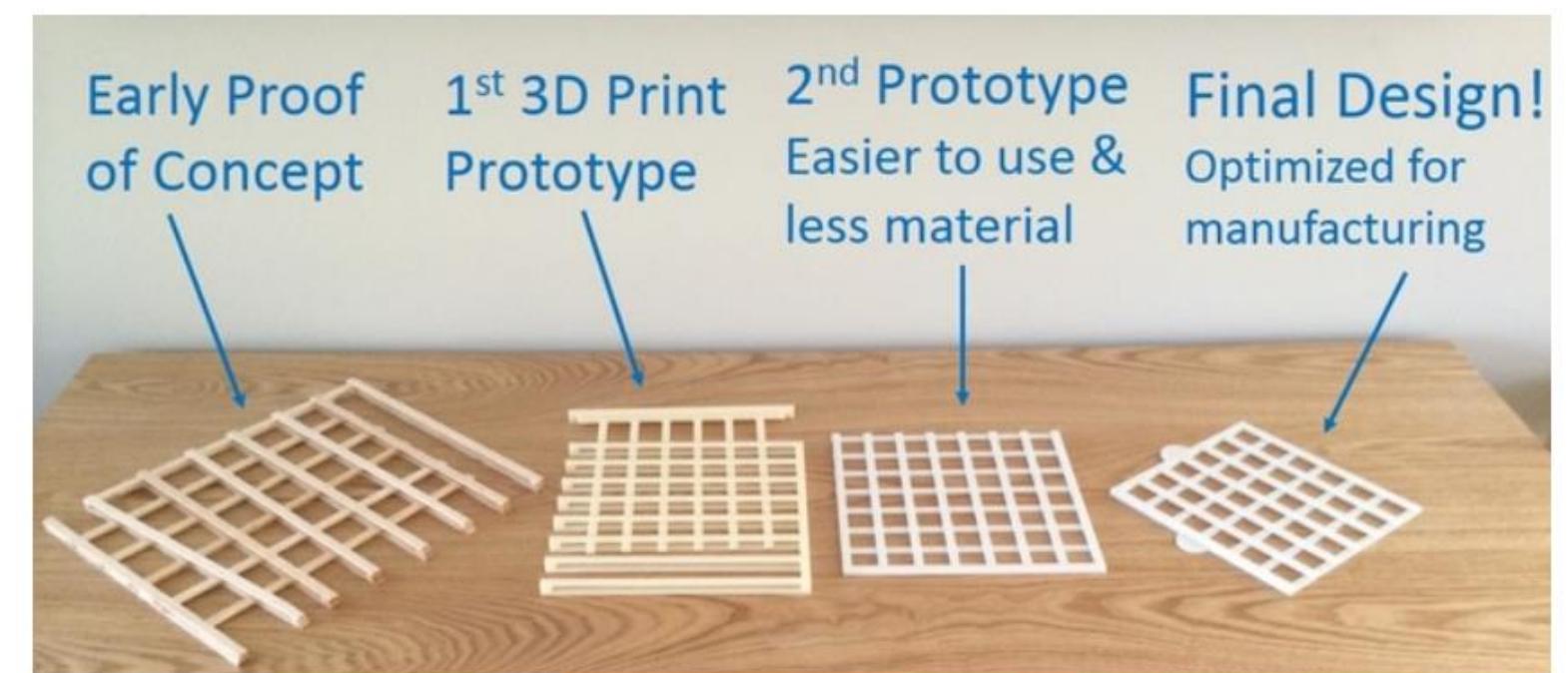


2. Promise

Unlike other ventures, in a crowdfunding campaign the learning about what it takes to deliver follows, rather than precedes, the promise to deliver. And since you don't know what you don't know, how can you tell if your promise is grounded in the real world? Do you know the cost to manufacture/create/deliver the goods? How quickly can you pull the production trigger, and what are the upfront costs to do so? Can you handle storage and shipment of the goods? Can you scale your process if your campaign blows up? (This can be significant, as we'll see in a later section).

It's about more than just the final product:

- What will backers get?
- How long will it take?
- How will you keep backers informed?
- Set expectations as best as possible



Project timeline once this project is funded:

4 Weeks for Tooling &
Final Mold Creation

2 Weeks for
Production

1 Week for
Shipping!



3: PR – Press and Social

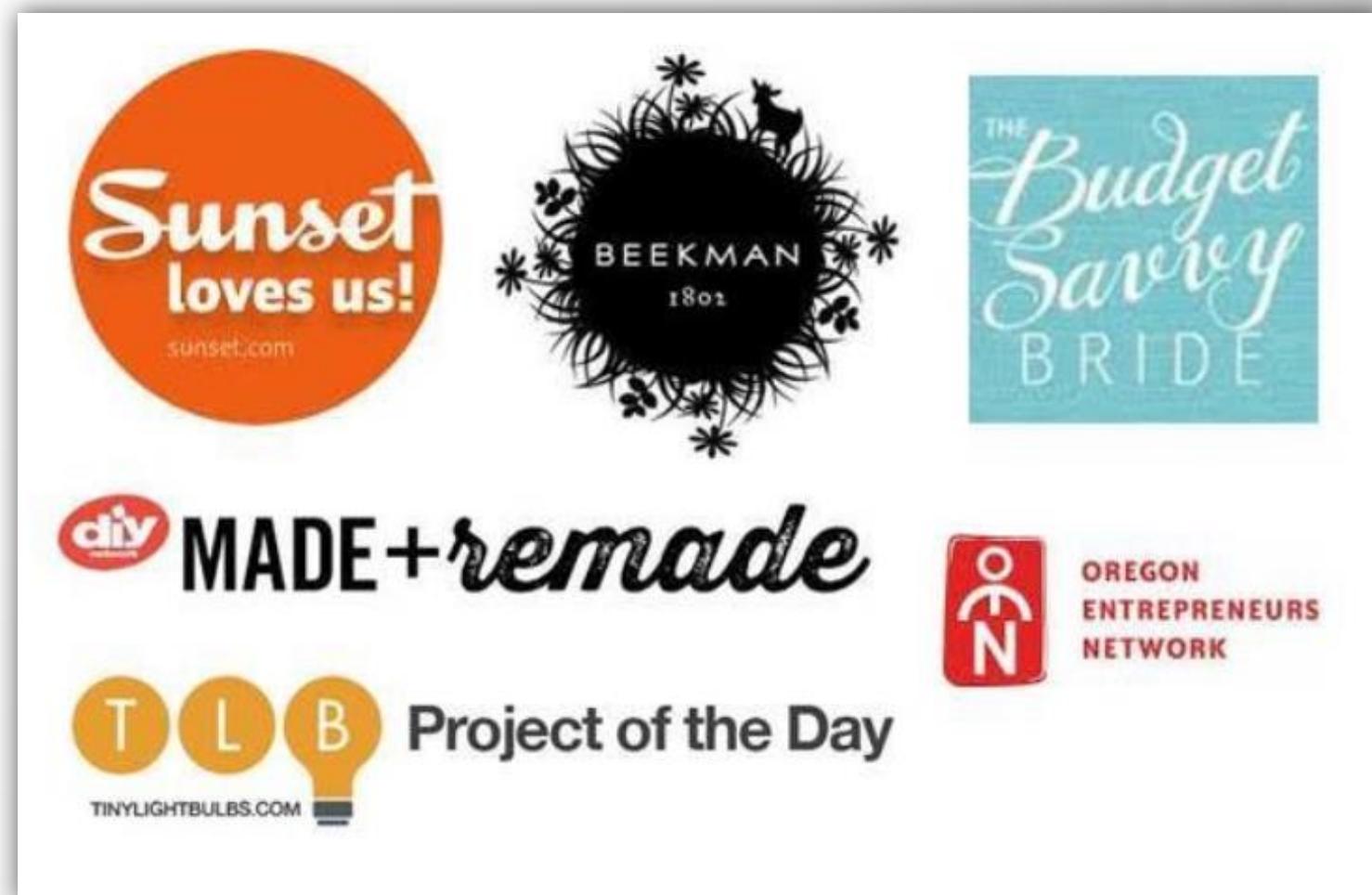
When you see the amount of press that a hot crowdfunding campaign generates, it's easy to think that "if you build it, they will come." But in reality, the process of pre-loading press has to start months before the campaign launches. Bloggers and mainstream writers in every domain are completely inundated with press releases every day, and it can take multiple contacts and inside networking to get their attention. And once you have their attention, you have to fit in their editorial schedule, which may be planned well in advance. Then once you launch, you have to keep the ball in the air so they will write about you again. All this takes so much more time than you ever think it will, and can be white-knuckle to the finish.

Securing Press

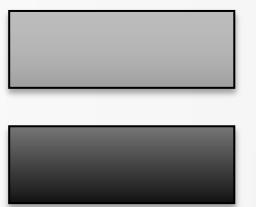
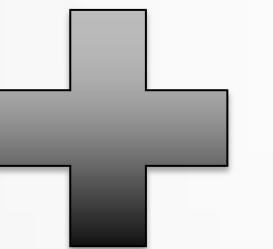
- Relevant target audience
- Planned months in advance
 - Committed in writing
 - Pre-packed content
 - Give media an easy button!

Required Reading:

Hacking Kickstarter: How to Raise \$100,000 in 10 Days ...
[fourhourworkweek.com/.../hacking-kickstarter-how-to-raise-100000-in-... ▾](http://fourhourworkweek.com/.../hacking-kickstarter-how-to-raise-100000-in-...)
Dec 18, 2012 - Written by Tim Ferriss Topics: 4-Hour Case Studies, ... To launch Soma on Kickstarter (and raise \$100,000+ in just nine days), Mike and his ...



If I could do it over again



4. Premiums

Rewards should offer some kind of value or connection to the project, be cheap and simple to source and fulfill, and offer an opportunity for multiple contacts between the campaign and its backers. Wacky rewards may even lead to additional press, which can drive traffic to your campaign. But beware of complicated rewards or too many premium levels. Keep your rewards simple, relevant to your project, and make sure you can deliver all of them in a timely manner. This is super critical.

Cover your bases, but don't make it too complicated.

Pledge \$15 or more

99 backers Limited (1 left of 100)

DIY Floral Grid - EARLY BIRD -

Create amazing arrangements with your own DIY Floral Grid. You'll be one of the first in the world to own one!

Shipping included.

Estimated delivery:
Jun 2014

Pledge \$25 or more

87 backers Limited (13 left of 100)

DIY Floral Grid + Design Templates - EARLY BIRD - Create amazing arrangements with your own DIY Floral Grid, plus stem by stem photo instructions for re-creating 5 unique arrangements! Shipping included.

Estimated delivery: Ships to:
Jun 2014 Anywhere in the world

Pledge \$35 or more

14 backers

Mother's Day Special -

We'll email you an electronic greeting that spells out 'Happy Mother's Day' in flowers - created with the DIY Floral Grid - and tells someone you love that they'll be getting their own DIY Floral Grid + 5 Professional Design Templates!

Video will be sent to you by May 9, 2014.
Mother's Day is May 11, 2014.

Shipping included.

DIY Floral Grid estimated to send in June, 2014.

Estimated delivery: Ships to:
Jun 2014 Anywhere in the world

Pledge \$199 or more

6 backers Limited (44 left of 50)

DIY VIP - DIY Floral Grid + Personalized Arrangement - We'll create and dedicate a one of a kind arrangement for you or someone you love with stem by stem instructions on how to re-create your completely unique arrangement. We'll also include 5 Professional Design Templates, and dedicate a page on our website to your special arrangement!

Estimated delivery: Ships to:
Jun 2014 Anywhere in the world

Target Audience

Adjacent Audience

Super Fans



5. Process

So what are those 30 days really like? Do you just sit around and boggle at the dollars rolling in to your Kickstarter account? There's a story about one company that rigged an air horn to sound every time they received a pledge – can you imagine a worse price to pay for each incremental success? I guess they dropped that after a little while.

Point is – the anticipation and reality of what the experience is like are most likely not the same.

If I could do it over again



6: Performance

This ties back to Pitch and Promise – did you have real visibility into what it would take to deliver the goods when you launched your campaign? Did you raise enough money to fulfill your premiums as well as perform whatever you promised in your pitch (see how that all ties together?). Keep in mind that your platform plus your billing processor will take a chunk of the proceeds, do you have enough left to perform and still turn a profit?

Responsibility to backers

- Delays might be unavoidable
- Transparency is key to managing backer frustration
- Fulfillment of premiums sets the tone for your business' reputation

Google coolest cooler 

Web Shopping Videos Images News More ▾ Search tools

About 41,100 results (0.46 seconds)



[Coolest Cooler update: Shutting down sales via Coolest t...](#)
GeekWire - Nov 24, 2015
Coolest Coolers will be shutting down direct sales through its site to focus on finishing delivery of coolers to Kickstarter backers. "We are ...
[Not Cool -- the Unlucky Kickstarter Investors Behind the Coolest ...](#)
In-Depth - Huffington Post - Nov 24, 2015
[Explore in depth](#) (4 more articles)



['Coolest Cooler' owner apologizes for shipping delays](#)
KATU - Nov 23, 2015
'Coolest Cooler' owner apologizes for shipping delays ... Within a couple months, more than 62,000 Coolest Cooler backers raised more than ...
[Coolest Cooler is just another Kickstarter nightmare come true](#)
Highly Cited - The Next Web - Nov 23, 2015
[Explore in depth](#) (8 more articles)



[The Coolest Cooler Is Turning Into One of Kickstarter's B...](#)
Yahoo Tech - Nov 19, 2015
Coolest, the company behind a popular Kickstarter-funded cooler, is now selling its product for \$499 on Amazon in an effort to raise enough ...
[Trouble on Kickstarter as two massive projects hit the rocks](#)
In-Depth - The Guardian - Nov 19, 2015
[Explore in depth](#) (112 more articles)



[Creator of 'Coolest Cooler' getting uncool reviews from b...](#)
KOTV.com - Nov 20, 2015

7. Passion

The most important element of your crowdfunding campaign!! Why is passion, genuine passion, so important? Because you're not just asking people to give your product a try, or support your cause, or help your company make its next payroll – you're asking them to have faith in you, and that requires authentic devotion to your cause and the kind of powerful communication that can only come from the heart.

