

Thinking about raising money for your small business or non-profit organization? Crowdfunding is a great tool that can give you newfound access to capital. It's also a commitment of time and effort. Is it worth it?



Rewards-based crowdfunding is an important part of the funding ecosystem for small businesses and entrepreneurs. TLC's Rewards-based crowdfunding campaigns celebrate a high return on investment—including a lot more benefits than the money raised! Your crowdfunding campaign can also help you:

- Create business focus & clarity
- Prove your concept in marketplace
- Pre-sell your products and services
- Generates buzz & expands your client list
- Ramp up for additional funding opportunities
- Identify potential partners and collaborators

Campaign success is not guaranteed, as worldwide statistics tell us that just about one in five campaigns succeed. Some of the national platforms perform better with up to 36% success rate. The Local Crowd has a 50% success rate.

THINK ABOUT THE FOLLOWING QUESTIONS WHEN DETERMINING IF CROWDFUNDING IS RIGHT FOR YOU:



Have you run a crowdfunding or fundraising campaign before? Experience is a great teacher. If you have already run a campaign, you have some awesome experience under your belt! If you are a newbie to crowdfunding, then TLC's learning center is the perfect place to start.



What does your personal network look like? Do you have personal contacts, email lists, customer lists, and/or social networks that can be rallied to support you?



Do you know three or more people who will be willing to roll up their sleeves to help? List all of your potential team members and the skills they bring. Invite them to join. Teams of four or more can raise up to four times more funds than individuals, so you won't want to miss this step.



What is your anticipated launch date? Does that give you enough time to learn best practices and prepare? Recommended prep time is 90 days.



Is your funding goal more than \$10,000? The average raise for first time crowdfunders is around \$9,000. You want to set an initial goal that you know you can reach. If you have a bigger number in mind, think about doing it in stages. Set a lower initial goal and identify "stretch goals" that you can add to your campaign once you meet your initial goal.



Are you aware of any grants or other matches that can help you reach your goal? Matching monies aren't necessary for you to have a successful campaign; but they sure can help! Check with your local TLC host or economic development office to see what is available in your area.