

CD BABY PRESENTS:

Crowdfunding for Musicians

How to harness the financial power of your fans.

by Brian Meece, CEO of RocketHub



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Crowdfunding [*kroud-fuhnd-ing*] *noun*, the act of many people contributing money to a project in exchange for a good or service.

Concept origin: *historical practice of public patronage of arts and science (e.g., Medici funded da Vinci). Today, via the Internet, artists and musicians receive smaller amounts from many public patrons, who get something they value in return.*



ROCKETHUB
The world's crowdfunding machine.

With the advent of modern social networking sites like Facebook, Twitter, LinkedIn, etc. and a habit of building an active mailing list, musicians are more connected to an extended network of friends and supporters than ever before.

“Crowdfunding platforms can offer bands the credibility and infrastructure necessary to successfully harness the financial power of their fans.”

As a Co-Founder of RocketHub, one of the world's largest crowdfunding platforms, I have seen thousands of projects raise funds and awareness via this newly established form of micro-patronage.

These projects have included:

- Raising money to record, mix, master, manufacture, distribute, and/or promote an album.
- Funding a national tour.
- Creating a professional music video.
- Publishing a companion book in conjunction with an album release.
- Launching a new line of band merch.
- And many more.

When undertaking a crowdfunding project of your own, be sure to avoid these common pitfalls:

Setting unrealistic fundraising goals: “Internet Angels” (wealthy strangers trolling the internet looking to give away large sums of money) are the exception, not the rule.

Underestimating the importance of marketing your project: The assumption that “If You Build It, They Will Come” (simply posting to a crowdfunding platform and expecting contributions) is a conviction best left to Kevin Costner movies.

Crowdfunding is **WORK**, but it is smart work.

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The crowdfunding overview

1. Post info about the project: Describe the project in words and visuals. Set the funding goal and fundraising timeframe. Explain what you will give or do (goods or services) in exchange for funds.
2. Tell everyone you know, and keep up the communication to create buzz and momentum.
3. Raise your funds.
4. Complete your project and communicate with your funders on how it is going.
5. Deliver those goods/services to your funders as promised.



How to build a compelling project description

- Introduce yourself.
- Keep it to 3 to 5 paragraphs.
- Have a tone that is reflective of who you are.
- Tell the back-story of your project and your journey until this point.
- Touch on “why this project matters.”
- Include high-level details on where the money is going and what you are trying to accomplish, i.e. an album, concert, or music video.
- Make your call to action (i.e., what you want people to do [fund] and why) clear and compelling.
- Convey that they’re vital to the project’s completion — “I need you to make this happen.”
- Be authentic; be confident; show passion for your project, and passion for adding value to others.
- Talk about the unique goods each funder will get in return for their contribution.

Video is key!

Video should be considered mandatory. Artists who make videos to support their crowdfunding campaigns have a much higher likelihood of funding. Videos show you are a real person who is credible and trustworthy. Videos engage supporters in a more dynamic way than your project description. Plus, a good video gives viewers a reason to stay on your project page. And, most importantly, with a video, your project has a higher probability of “going viral.”

Update your videos. You can make new videos to keep your audience coming back for fresh and dynamic material during your campaign.

Be creative. You don’t have to have a traditional video with the “talking head.” You can use finger puppets, product demos, voice-over techniques, stop animations, etc.

Yet, keep it simple. Videos that work best are often shot with a smartphone or webcam.

Make your call-to-action clear. Again, it’s about making the viewer know they’re vital to the creative process, and about communicating exactly how and why they should help.

Tips for crowdfunding success:

Identify your allies

Crowdfunding is a team sport. Success will require help from your friends, family and wider network. Make a list of your teammates, including direct collaborators, high impact financial contributors, and broadcasters (press contacts and social leaders) who can spread your project to wider circles.

Create a great project

Make sure that your project is worthy of your time and other people's attention. Why is your project important to you? If your answer is powerful enough it will resonate with others.

Be creative with the goods you offer to funders

These rewards serve as the foundation for the exchange – so be creative when putting the rewards together. Having various price-points is key to effectively monetizing your network. The different levels of rewards let all those who wish to be involved participate in your crowdfunding campaign – based on their financial means. \$20 is the most popular price-point, \$75 is the average, and the \$100 level is often the 3rd most popular. Every reward should be fun to read and must contribute to your brand as a musician. Think of what you can offer beyond the obvious – i.e. if you are a musician that can bake cookies you can tap into your culinary skills to develop original rewards.

“No one wants to be first on the dance floor – it’s equally true in crowdfunding as it was in Jr. High School.”

Prime the pump

No one wants to be first on the dance floor – it’s equally true in crowdfunding as it was in Jr. High School. Your first wave of contributions will demonstrate that your project has the momentum necessary to reach your fundraising goal. Before your project goes live, ask your closest friends and supporters to contribute early.

Spiral outward

After securing your first wave of contributions, reach out to wider circles of friends. Thank supporters publicly, via social media, and celebrate the milestones you pass. Keep your connections talking about your progress and encourage them to spread the news through their respective networks.

Meet the press

Once your project has momentum, follow up with the broadcasters mentioned above. With the social proof of your network's support, your project is ready to meet a larger audience.

About the Author: Brian Meece

Brian Meece plays a mean ukulele and is the CEO of RocketHub, one of the world's top crowdfunding platforms that has recently partnered with A&E Networks. He has lectured on crowdfunding at SXSW, TEDxBrooklyn, Columbia University, Makers Faire, Fulbright, among other colleges, conferences and institutions. His goal? To teach everybody how to leverage the crowd for funding their endeavors.



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