



Crowdfunding

Can make big things happen

Crowdfunding is the practice of funding a project or venture by raising small amounts of money from a large number of people, typically online. Crowdfunding is a form of crowdsourcing and alternative finance for those seeking a large amount of financial backing.

This modern crowdfunding model is generally based on three types of actors:

1. The project initiator who proposes the idea or project to be funded.
2. Individuals or groups who support the idea.
3. And a moderating organization (the "platform") that brings the parties together to launch the idea.

Crowdfunding has been used to fund a wide range of proposals:

- For-profit endeavors
- Entrepreneurial ventures such as artistic and creative projects
- Medical expenses
- Travel
- And community-oriented social entrepreneurship projects.

Even though crowdfunding has been suggested to be highly linked to sustainability, empirical validation has shown that sustainability plays only a fractional role in crowdfunding.

Kauffman Sketchbook 25 Slava Rubin, founder and chief executive of Indiegogo, offers advice for running a successful online crowdfunding campaign at this link:

<https://www.youtube.com/watch?v=-vNhNRaRPC8>

In addition to Indiegogo, some of the larger platforms include: KIVA, <https://www.kiva.org/>; GoFundme, <https://www.gofundme.com/>; and KickStarter, <https://www.kickstarter.com/>.

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