



## Lessons from the Data Rescue Crowdfunding Campaign

The Caledon Institute was pleased to announce last week that we exceeded the \$20,000 target to support the production of *Welfare Incomes*. It was our first foray into the crowdfunding world and we had no idea how well – or not – this method of financing would work. Our inexperience was made all the more intimidating by two factors.

First, we were informed that this method of financing had never been employed to solicit funds for a piece of social research. It typically is used for raising money for causes that are more concrete and well defined. These include scholarships or special treatment for an individual with a disability; support for a health-based charity; bike rides or other community events to raise awareness about a problem like hunger or homelessness; and international development projects, such as digging a well for a village in Africa.

So our campaign to raise money for *Welfare Incomes*, a national publication about which many people had never heard, was a big question mark from the get-go. Would it work?

The second concern related to the very public nature of a crowdfunding campaign. Many groups approach funders or governments with requests for support. But if their application is refused, the disappointment is shared solely or primarily with Board members and the staff of the organization. There is no visible tally of your progress and no audience checking the status of the fundraising effort.

Donor psychology also presents a real challenge in any public campaign. If the race gets off to a slow start and appears to have few supporters, then the proverbial self-fulfilling prophecy kicks in. Few people will bet on a horse that can't make the finish line.

If, by contrast, contributions come in on a regular and substantial basis, then prospective donors are encouraged to get on board and support the project. After all, so many donors can't be wrong if they are willing to bank on – and bankroll – a given cause.

There are many lessons that we learned from this recent effort but here are just a few highlights.

### ***Lesson #1: Trust your instincts***

Our cause of saving *Welfare Incomes* was actually part of a larger mission to rescue various sources of data that had been dismantled in recent years by the federal government. The bigger story is a complex one and not easily explained in a two-minute video.

It is possible that this focus would not interest many viewers. It would have been easier to focus on the poverty story linked to an inadequate welfare system in this country. But we decided to take a chance on the more difficult message. The loss of vital national data is a story that must be told. In fact, we are now working on a larger project called the *Canada Social Report*, which will present a range of socioeconomic and program data as well as major social policy developments at all orders of government.

### ***Lesson #2: Have faith in your supporters***

Because we were focusing on a national concern that does not easily arouse passion, our story needed to be powerful in its telling. We considered a wide range of formats for our video presentation. At the end of the day, we resisted the temptation to convey an angry or overly dramatic message. We had faith that our current and future supporters would understand the significance of the identified problem.

### ***Lesson #3: Choose your battles***

We learned that crowdfunding is a financing method that must be carefully and sparingly used. We will not be able to go back to supporters on a regular basis with a plea for our next product. We are conscious of donor fatigue and will have to pick and choose very carefully any subsequent issues. (Note to self: Remind readers that they can still make donations to Caledon for the *Canada Social Report* through Canada Helps or cheques to the office.)

Donor fatigue is not the only concern. Tremendous time and effort go into launching and maintaining a crowdfunding campaign – even though it may appear that you just sit back and watch a running tabulation. It is essential to stoke the fire on a regular basis and keep alive the flames of the effort right up to the finish line. (Another self-worthy note: Keep an up-to-date mailing list.)

### ***Lesson #4: Respect donor preferences***

We learned that not all donors want to become part of a social network. The crowdfunding platform that we employed for the Data Rescue campaign is predicated upon the creation of a community of donors and their engagement as active contributors to a range of worthy causes. Many of our supporters did not want to sign up for anything. They just wanted a simple way to make a financial contribution to the campaign and chose instead the ‘old-fashioned’ route of writing a cheque and placing it in the mailbox.

*Lesson #5: Say thank you*

We heard from many of our long-time supporters and we reached many new people throughout the duration of this 30-day campaign. We very much appreciate every single contribution. No donation was too small. Equally important to the financial contributions we received were the many messages of encouragement and support for our work on behalf of the public good.

Thank you.

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