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REPORT

Mapping of existing crowdfunding platforms as input for the GrowthFundMe platform

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1. Introduction

Crowdfunding has emerged as a powerful tool for raising funds for various initiatives, including community-based projects and entrepreneurship endeavours. Crowdfunding has become increasingly popular due to its potential to democratise funding opportunities. It allows individuals, organisations, and communities to raise capital for their projects from various supporters. Understanding the existing crowdfunding ecosystem is essential to creating a platform that addresses community-based entrepreneurs' needs and challenges. The GrowthFundMe project aims to create an e-learning and civic crowdfunding platform (GrowthFundMe Platform) to support community-based entrepreneurship through crowdfunding. As part of this initiative, a comprehensive mapping of existing crowdfunding platforms in partner countries is conducted to gather insights and recommendations for developing the GrowthFundMe Platform. This report is undertaken under work package 4, which encompasses various activities, such as mapping existing crowdfunding platforms on one hand, and the technical development, pre-testing, and creation of a digital academy for community-based entrepreneurship on the other hand.

In this specific report, we will focus on our partner countries and produce guidelines for the specific features, structure, and functionalities of the GrowthFundMe Platform. The insights gained from mapping existing platforms will determine the platform's design and development, ensuring it aligns with the needs and expectations of the target groups. Under the guidance of Odisee, all project partners conducted a comprehensive mapping of crowdfunding platforms in their respective countries. The platforms identified are distributed across partner countries, and the geographical focus of each platform varies. This diversity is essential to tailor the GrowthFundMe Platform to accommodate local and global initiatives.

2. Keywords

The keywords used to find crowdfunding platforms are:

Crowdfunding platforms	Startup crowdfunding	Healthcare crowdfunding
Reward-based crowdfunding	Social impact crowdfunding	Arts crowdfunding
Donation-based crowdfunding,	Local crowdfunding	Project crowdfunding
Lending-based crowdfunding,	International crowdfunding	Fundraising platforms
Community crowdfunding,	Nonprofit crowdfunding	Small business crowdfunding
Creative project's crowdfunding	Civic crowdfunding	Mobile crowdfunding platforms or apps
Social project crowdfunding	Education Crowdfunding	

Table 1 - Keywords used to find crowdfunding platforms



3. Evaluation criteria

During the mapping process, partners used a set of predefined criteria to assess each platform. These criteria include, but are not limited to:

<p>Type of Crowdfunding Model: Determine whether the platform operates on a reward-based, donation-based, equity-based, or lending-based crowdfunding model.</p> <p>Geographical Focus: Consider whether the platform focuses on local, national, or international campaigns.</p> <p>Country location: Mention in which country this crowdfunding platform operates.</p> <p>Project Categories: Evaluate the range of project categories supported by the platform.</p> <p>Success Stories: Review the platform's history of successful campaigns. Analyse what made those campaigns successful, such as marketing strategies, project quality, or community engagement.</p> <p>Design & User-Friendliness: Assess the platform's user interface (UI) and user experience (UX), on a scale from 1 to 10.</p> <p>Fees and Costs: Examine the platform's fee structure, including any fees charged to project creators and backers.</p> <p>Community Engagement: Investigate the platform's level of community engagement. Evaluate it ranging from high, to medium or low. Platforms with active communities and support mechanisms can provide valuable insights.</p> <p>Technical Features: Explore the technical features offered by the platform, such as campaign creation tools, payment processing, and reporting/analytics.</p> <p>Campaign Promotion: Look into the platform's methods for promoting campaigns. Analyse the effectiveness of their marketing strategies and tools.</p>	<p>Trust and Reputation: Research the platform's reputation within the crowdfunding community and among project creators and backers.</p> <p>Mobile Accessibility: Assess whether the platform offers mobile accessibility through responsive design or dedicated mobile apps, as mobile usage is prevalent.</p> <p>Language Support: Consider whether the platform supports multiple languages, which can broaden your project's reach.</p> <p>Data Security and Privacy: Ensure the platform has robust data security and privacy measures to protect user information.</p> <p>Innovative Features: Identify any unique or innovative features offered by the platform that could inspire your own platform's development.</p> <p>Funding Models: Evaluate the platform's approach to funding models, such as all-or-nothing funding, flexible funding, or hybrid models.</p> <p>Impact and Social Responsibility: Assess whether the platform emphasises projects with a social or environmental impact, which may align with your project's mission.</p> <p>Support and Resources: Determine whether the platform provides resources, guides, or support to project creators. This can facilitate the success of campaigns on your platform.</p> <p>User Reviews and Feedback: Read user reviews and feedback on the platform to gain insights into user experiences and satisfaction.</p>
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Table 2 - Evaluation criteria used to assess crowdfunding platforms



4. Survey results

a. Descriptives

Thanks to the collaborative efforts of all project partners, we were able to map out different types of CF platforms that could be relevant to our project. In total, 32 platforms were identified, with ARTeria identifying 5, BICC (5), Growfunding 3, Inova Aspire 5, and Odisee 14. The majority of these platforms (the full list of platforms is to be found in the appendix) are focused on the local or national level (21), while only 5 of the identified platforms are situated at the international level. More than half of the identified platforms (21 out of 32) have a medium to high level of community engagement and were considered to be very highly or highly successful (19 out of 32). These platforms focused on projects that deal with a variety of humanitarian, social, and environmental initiatives. A non-exhaustive list, as an illustration, is listed underneath:

1. Social and humanitarian causes: projects related to arts, heritage, activism, community support, and aid for vulnerable groups like children, youth, refugees, migrants, the elderly, the homeless, prisoners/ex-prisoners, and those affected by illnesses, accidents, or conflicts.
2. Environmental and sustainability causes: these involve initiatives in renewable energy, sustainable agriculture, and energy-efficient real estate. There is also a focus on funding small and medium-sized enterprises (SMEs) that aim for sustainability.
3. Cultural and educational causes: this includes projects related to music, literature, film, theatre, education, and science.
4. Health and rehabilitation: support is extended to health-related projects, including treatment and rehabilitation for various groups, with an emphasis on individual support campaigns.
5. Diverse business and innovative causes: fund innovative and sustainable projects across various sectors, including healthcare, culture, community work, and hospitality.

Regarding the typologies of the platforms analysed, our findings are as follows: out of the 32 platforms studied, four utilise a donation-based approach. Eight platforms employ a reward-based model, while five combine both reward and donation-based approaches. Two platforms adopt an equity-based approach. Five platforms operate on a lending-based model, and another five use a combined lending and equity-based approach. Additionally, the two platforms utilise crowdfunding strategies (CFs) to facilitate shares, loans, or sales. This is a typical representation of the two mainstream camps of CF platforms, to be either driven from a more philanthropic or market-driven approach. An overview of these is to be found underneath:

Philanthropic approach

Market approach

Donation-based approach	Donation and reward-based approach	Reward-based approach	Sales-driven approach	Equity-based approach	Equity and lending-based approach	Lending-based approach
17			2	12		

Table 3 - Types of analysed crowdfunding platforms



b. Technical features

The main technical features that are relevant to our project, based on all CF platforms identified can be categorised and summarised as follows:

- i) project description
- ii) CF entrepreneurs
- iii) platform features

For instance, in terms of project description, there are clear financial goals, deadlines, and KPIs mentioned on the project landing pages. These projects also highlight clearly that project managers take on full responsibility if they fail with their project, and expectations are managed in terms of goals or deliverables (what happens if targets are not reached). The projects should be validated within a maximum time (more or less, 7 working days), and also last for a limited amount of time (more or less, two months).

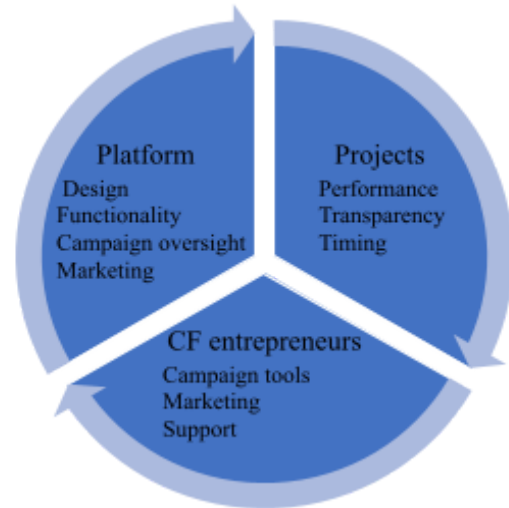


Image 1 - Technical features of CF platforms

Project managers benefit from other technical features, such as supportive campaign management tools, marketing tools, and direct support from the platform. For instance, project managers find it easy to manage their projects (descriptions and illustrations) and their rewards, and can easily track their campaign statistics and goals. Also, thanks to an easy-to-use back-end dashboard, they not only have a quick overview of their campaign's most relevant data but can easily download statistics, progress, or KPIs such as financial reports and project outputs. For marketing tools, thanks to referral links and downloadable widgets, project managers can easily share their projects on social media, websites, or personal blogs, which can increase their direct traffic. Project managers also benefit from technical features in terms of platform support, such as detailed instructions for setting up campaigns, a live chatbot to ask their most pressing Q&A questions, and other options such as e-subscriptions to newsletters.

Finally, technical features related to the platform itself were highlighted, such as the platform design and functionality, the campaign management and oversight, and platform marketing in its own means. For instance, solid crowdfunding platforms are designed based on the User Experience (UX) process, and provide an overview of modern tools and suggestions (for instance secure payment sites or other resources. They also should offer different modules as options, such as an “all or nothing” approach, “donation” approach, or “reward” approach. In terms of campaign management and oversight, good platforms require preliminary approval of campaigns before launch and give options for companies to track campaigns (useful for CSR). Finally, the platform marketing itself should periodically make referrals and promotions for projects (spotlighting) as well as for itself by doing so.



c. Innovative features

The array of innovative features introduced by crowdfunding platforms presents significant opportunities to augment user engagement, bolster educational resources, and fortify security measures. Notably, the integration of comprehensive educational materials such as blogs, instructional videos, podcasts, and e-books provides project managers with vital knowledge, potentially elevating their success rates.

For example, the incorporation of YouTube verification enhances platform credibility and fosters a dynamic community of engaged supporters. The implementation of a meticulous screening process, with well-defined criteria for project admission, reinforces the platform's integrity by meticulously assessing and categorising risks. The provision of personalised advice for project managers on crafting and managing crowdfunding campaigns deepens their connection to the platform, allowing for a nuanced evaluation of project viability and authenticity. Moreover, gaining recognition from esteemed bodies like the European Commission not only amplifies the platform's stature but also bolsters the standing of its project managers.

Next to that, innovative platforms are exploring membership-based models, potentially unlocking new benefits for users. The ability for project owners to orchestrate short-term events with integrated ticket management capabilities can seamlessly combine crowdfunding with sales initiatives, magnifying both visibility and reputation.

Integral to these platforms is the presence of user-friendly campaign creation and management tools that not only facilitate the exhibition and dissemination of campaigns but also ensure their transparency and observability. Such an ecosystem, supported directly by the platform without the need for third-party intervention, can significantly streamline the crowdfunding experience for all stakeholders involved.

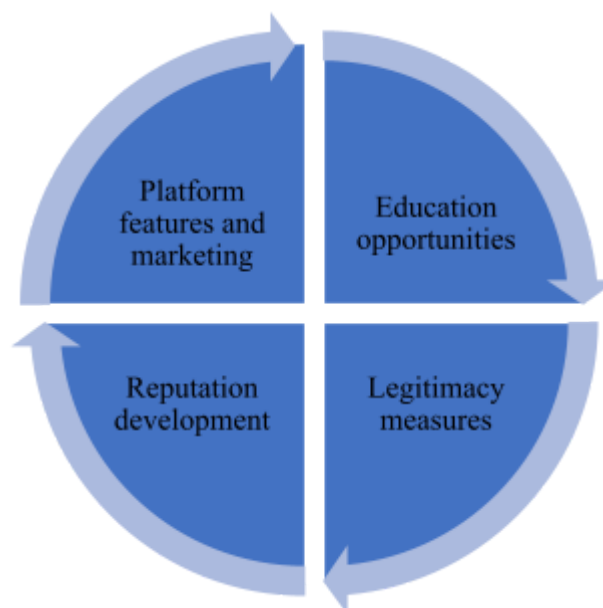


Image 2 - Opportunities of innovative features on CF platforms



d. Project managers and campaign promotions

There are various ways crowdfunding platforms can support project managers and campaigns. For instance, coordinators and trainers could offer advice in every step of the process of developing and launching a crowdfunding project. It is through the easily available knowledge and expertise (for instance on the crowdfunding platform), that managers can effectively promote and disseminate their project. Through training on not only entrepreneurial aspects but also communication strategies and content creation, project managers could be more effective with their campaigns. The platform in itself could also offer different tools or templates, to support their entrepreneurs. Periodic surveys and interviews help furthermore to understand the actual needs of project managers, as well as their progress and behaviours.

The platform in itself needs to not only offer a broad range of social media sharing options, including Facebook, Twitter, LinkedIn, and Instagram...with personalised QR codes, but also actively promote campaigns on their social media channels with significant outreach, or through their digital newsletter. Spotlighting well-managed projects on the portal's homepage could also boost furthermore the promotion of certain campaigns.

Crowdfunding platform owners need to reach out to potentially interested or relevant stakeholders, such as competitors, local governments but also investors. At the same time, they also could build proper bridges and connections between investors and CF entrepreneurs themselves. Organising events, workshops, or conferences for project owners and potential investors may also help to further promote the platform and its project owners.

e. Mobile accessibility

Based on the platforms collected, we can highlight the significance of mobile accessibility and ease of use for crowdfunding platforms. The majority of platforms listed have embraced mobile accessibility. Considering the growing trend in mobile internet usage and the importance of allowing users to engage with campaigns through smartphones and tablets, it comes as no surprise that platforms are in the middle of optimising their mobile user experience, some more quickly than others. Platforms with responsive web design (RWD) tend to offer a better mobile experience, evidenced by the 'Very High' ease of use ratings. RWD allows for a seamless transition between devices, which is crucial for users who switch between desktop and mobile devices. High mobile accessibility and ease of use can significantly enhance user engagement, as it allows for convenient support and sharing of campaigns, which is vital for the success of crowdfunding initiatives. On a side note, issues like non-private connections that prevent website access also negatively affect mobile user experience.



f. Type of support and resources provided

According to the survey, different types of resources have indicated a comprehensive ecosystem designed to support project creators throughout the lifecycle of their crowdfunding campaigns, from its submission, conceptualization and launch, to its completion and post-campaign engagement.

1. Submission	<ul style="list-style-type: none">- Legitimacy, legal and regulatory oversight- Pre-check and expert assistance (vetting process)
2. Conceptualization	<ul style="list-style-type: none">- Educational and crowdfunding guidance material or workshops
3. Launching	<ul style="list-style-type: none">- Platform staff guidance: technical and promotional support
4. Completion	<ul style="list-style-type: none">- Access to mentors and experts: follow-ups for one-two months- Community engagement programs
5. Post-campaign	<ul style="list-style-type: none">- Follow-up guidance- Reflective learning- Referral programs

Table 4 - Support and resources provided throughout a crowdfunding campaign



5. Recommendations

The mapping process yielded valuable insights and recommendations for developing the GrowthFundMe Platform. These recommendations cover various aspects of the platforms design and functionality:

- Overall structure of the platform: the GrowthFundMe Platform should have a clear and intuitive structure that effectively guides users to their desired actions.
- Navigational flow: the platform should offer a smooth navigational experience, ensuring users can access relevant sections and features easily.
- UI/UX considerations: user interface and user experience design should be prioritised to make the platform visually appealing and user-friendly.
- Modular vs. fixed layout: consider adopting a modular layout that allows for flexibility in organising content and features.
- Content & functionalities: include essential features for crowdfunding, such as campaign guidelines, alternative donation types, and an efficient payment gateway.

Other recommendations relate to:

- Essential features & desired additional features
- User account management & profiles
- Structuring the campaigns
- Campaign creation process
- Campaign display & user interaction
- Features for campaign promoters
- Back-end organisation
- Database management
- User data protection & security
- Reporting & analytics tools
- Unified display of projects/campaigns
- Viewing options (list/grid/map)
- Filtering & sorting features
- Featured campaigns highlight



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