

**Why Crowdfunding Is Horrible**  
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A mere 7 years ago I thought that Crowdfunding was the next worst thing to hit higher education, second only to text-to-give campaigns. At institution after institution I saw it eroding the annual giving program and turning prospective donors off as a result of appeal after appeal from different departments requesting support for different projects/programs on nearly a weekly basis – in fact often daily. I totally got how Crowdfunding might work in response to a specific disaster or unified initiative. But what I saw was Crowdfunding being used in excess, destroying the relationship building efforts that institutional advancement offices had worked so hard to create.

And then I figured it out.

Crowdfunding was not to blame. Institutional leadership was. While I blamed Crowdfunding for eroding support to the annual fund, I realized that Crowdfunding was simply offering another annual fund giving vehicle – the problem simply was that institutional advancement had not gotten out in front of the Crowdfunding initiative and saw it instead as a competitor – not a partner!

In higher education, I believe that the key to operating a successful and cooperative Crowdfunding initiative is for it to be initiated *through* institutional advancement. “Issues” arise in higher education when you have no coordinated approach to Crowdfunding. You have 14 different department heads and 27 different researchers simultaneously trying to raise money for their pet projects – and, oh, they also go out and retain their own Crowdfunding vendor and do not even consider implementation of an interface with the fundraising CRM. And then the annual giving office issues their spring appeal not knowing that these 41 other initiatives are going on and alumni ask, “Why are you bothering me? I have already given!”

We need to get our collective act together. Advancement must embrace Crowdfunding as a viable mechanism for many of our constituents. Times are changing. Gone are the days when donors are willing to make unrestricted gifts to a school for us to do as we wish. Project-oriented fundraising is clearly the way to go and Crowdfunding platforms make this easy as pie. What is critical, though, are a few key factors:

- Coordination by the Advancement Office. General appeals for annual gifts are still effective, especially for the older generations. We need to coordinate marketing of the various campaigns to ensure we are not inundating our alumni with appeal after appeal.
- There needs to be an internal vetting and approval process for a Crowdfunding campaign. It is one thing to raise money for a new research initiative. It is another to solicit funds to replace a department’s microwave. Institutional Advancement needs to be involved in identifying and approving the Crowdfunding activity, ensuring it is aligned with institutional priorities.

- Advancement needs to secure a *single* Crowdfunding vendor to ensure a standard approach – and thus realize reduced institutional costs. Of course that vendor platform should also allow for each unit conducting a campaign to customize their giving site – although Advancement must ensure that each conforms to the institutional branding standards.
- With the common platform, Advancement must develop an automated interface, to the extent possible, with their Advancement CRM in order to reduce duplication of manual data entry.

In higher education, we must embrace Crowdfunding as simply an additional mechanism to solicit funds for philanthropic endeavors/activities. In doing so, we also must respect our donors' solicitation preferences and frequency of requests for funding. Some will prefer a focused project approach. Others might only respond to direct mail or email. Others might prefer the occasional phone call. We must respect those preferences. The best, and perhaps only, way of doing this is to let Institutional Advancement coordinate *all* fundraising activities and track *all* donor preferences in the fundraising CRM. Doing this will ensure an overall successful fundraising program, and an outstanding Crowdfunding campaign.