

# Crowdfunding and higher education: A review of the UK landscape

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IEEC 2014  
Education + Engagement = Impact  
Newcastle University  
3-5<sup>th</sup> September 2014



The headlines:

700

Crowdfunding platforms in the world (and growing)

2bn \$US

raised (and growing)

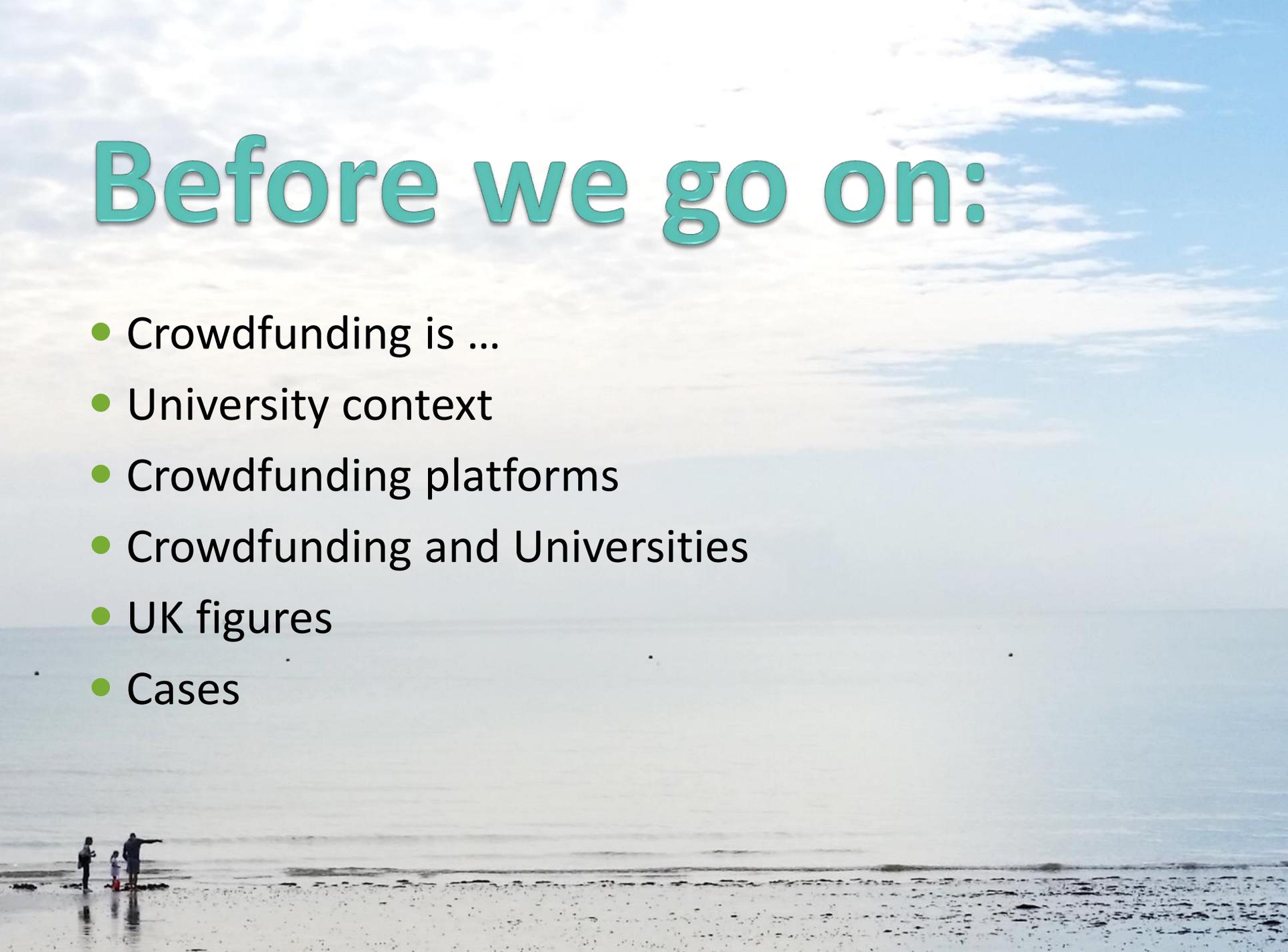
44

HE institutions world wide have bespoke sites \*



# Before we go on:

- Crowdfunding is ...
- University context
- Crowdfunding platforms
- Crowdfunding and Universities
- UK figures
- Cases



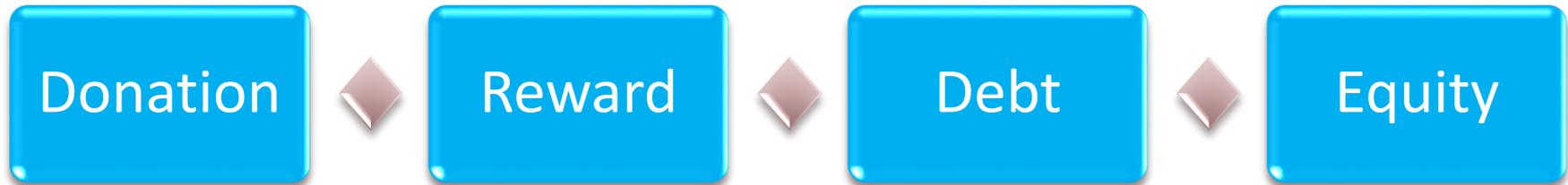


# Crowdfunding

**An alternative source of finance for start-up and growing businesses**

“method of getting finance by sourcing small amounts from a relatively large number of people rather than getting large amounts from one or a few. ...increasingly popular ... in its modern form of **online crowdfunding**. This allows individuals or organisations to source funds from anyone via a website or crowdfunding ‘platform’”. NESTA

# Types of crowdfunding



Fun (or frightening) stats

- NESTA estimates that although only £200 million of funding went through UK crowdfunding in 2012 it has the potential to grow significantly in the future.
- Kickstarter has generated \$1 billion funding since it launched
- 5.7 million people from 224 countries have donated to support Kickstarter projects

# UK Crowdfunding platforms\*

<b>Platforms</b>	<b>Donation</b>	<b>Reward</b>	<b>Lending</b>	<b>Equity</b>	<b>Other</b>
94	34	38	24	27	5
<b>Funds for</b>	<b>Business</b>	<b>Social Good</b>	<b>Arts- Creative</b>	<b>Other</b>	
	46	38	28	2	

Source: NESTA (excludes University sites)

<http://crowdingin.com/platforms/all/all>

# University context

- Big picture: Growing interest in fundraising in current financial climate
- University level: Create a visible way to showcase their enterprise culture
- Student level: Great way to “bootstrap” student businesses
- Community: engage Alumni in broader giving programmes (US)
- Academic: Fund academic research

# One UK HE perspective...

There's a huge opportunity in the UK higher education fundraising space. Just 1 in 50 UK alumni (former university students) give back to their universities in any given year, but between them they give over £750m. We believe that by leveraging the power of crowdfunding as a means to sourcing inspirational campaigns and providing the key reasons to give, we can increase this participation rate, as well as lower the fundraising costs for the existing market and other sectors such as the charity sector.

Globally, the market is staggeringly large – over \$8bn is given to US universities by their alumni every year. Whilst engagement rates are higher – around 11.4% – online fundraising still represents less than 10% of total giving.

Jonathan May, CEO of Hubbub



Education + Engagement =  
Impact

Opportunities for educators



300 +

students funded \*\*

144

UK Universities represented

4



Universities have crowdfunding sites \*\*



### TURF Graduate Show

by TURF

TURF is the Arts University Bournemouth's BA (Hons) Photography graduation show, taking place on the 18th-20th July at the Bargehouse.

📍 London, UK

**Successfully funded!**

**195%** funded  
**£3,899** pledged  
**Funded** Apr 24, 2014



### Caged - A Marvel Universe Short.

by Sneaky Zebra

Caged: An action packed and tense fan film set in the Marvel universe following the escape of Luke Cage.

📍 London, UK

**Successfully funded!**

**117%** funded  
**£3,652** pledged  
**Funded** Jun 21, 2013



### UH Fine Art BA Degree Show 2014

by UH Fine Art BA Degree Show 20...

University of Hertfordshire Fine Art students raising money for their 2014 degree show, 'Departure' in London's Brick Lane.

📍 London, UK

**Successfully funded!**

**106%** funded  
**£2,122** pledged  
**Funded** Apr 20, 2014



### Two Box Productions Presents: Timeline

by James Hastings: Fundraising M...

A brand new piece of verbatim theatre taken from Social Media, telling the stories of five university friends. Edinburgh Fringe 2013!

📍 Edinburgh, UK

**Successfully funded!**

**113%** funded  
**£2,255** pledged  
**Funded** Jul 1, 2013



### Car Park Show

by Car Park Show

A celebration of the University of Brighton's 2013 Graphic Design and Illustration graduates, based in a converted London car park.

📍 Fulham, UK

**Successfully funded!**

**103%** funded  
**£2,051** pledged  
**Funded** Jun 23, 2013



### Kingston University London // Internal Fashion Show 2014

by Kingston Fashion

This is a project to help up and coming Kingston University Fashion Design undergraduates to showcase their final collections.

📍 Kingston upon Thames, UK

**Successfully funded!**

**126%** funded  
**£1,889** pledged  
**Funded** Jan 31, 2014



### Portraits of the Future

by Bonnie Kate Wolf

A collection of portraits from around the world, digitally painted into a science fiction universe, crafted into a handmade book.

📍 London, UK

**Successfully funded!**

**118%** funded  
**\$2,953** pledged  
**Funded** May 22, 2013



### Garden of Earden

by Reading University Art Students

Group of volunteer students need funds to add a much needed burst of excitement for the hospital's waiting room.

📍 Reading, UK

**Successfully funded!**

**100%** funded  
**£1,702** pledged  
**Funded** Aug 29, 2013

# A snap shot

- from Beat Delete, Hubbub, Indiegogo, Kickstarter, Crowdcube, Crowdfunder
- Over 500 students posting projects
- Many were asking for funding to pay fees and living expenses (not included in this study)
- 250 project pitches were examined
- 42% funded (either successful, or part funded depending on site rules)

# Key points

- £428 184 pledged for student projects
  - Average (mean) £3660. Smallest £150 (part funded of £500) – largest £35,877
- 30% of projects were to fund degree shows
  - 85% of these were successful
- 6% of projects were launched by SU or BUCS
  - 67% of these were successful
- 30 backers on average per project
  - Most backed project n=359

Let's sit back and look at one  
or two ...



# SetYourChattersToHum

by Emma Byrne

Home Updates **6** Backers **41** Comments **6**

Birmingham, UK Art

**Funded!** This project was successfully funded on July 22.



## 41

backers

## £1,023

pledged of £500 goal

## 0

seconds to go



Project by

**Emma Byrne**

[Birmingham, UK](#)

First created · 0 backed

Has not connected Facebook

[emmabyrneart.wix.com](#)

[See full bio](#)

[Contact me](#)

[Share](#) 196 [Tweet](#) [Embed](#)



Fundraising for the Arts Based Masters Final and Interim Show 2014 at The School Of Art, Margaret Street, Birmingham City University.

Pledge £5 or more

5 backers

Limited (95 left of 100)



# Racing wheelchairs and training

📍 Royal Leamington Spa by [robsmithwcracer](#)

[Project home](#)

[Updates 0](#)

[Comments 0](#)

[Backers](#)



Successfully funded on  
Oct 23, 2013

**£2,820**

RAISED OF £2,820 TARGET

FROM  
**44**  
BACKERS

IN  
**70**  
DAYS

PLEDGE £10 OR MORE

 **15 backers so far**

A warm feeling and the knowledge you have helped someone trying to achieve their goals after sustaining a serious disability.

PLEDGE £20 OR MORE

 **13 backers so far**

A warm feeling. A motion on



0 items

# The Warwick Rowers

Proudly getting naked for club and community since 2009

UK Charity Calendar of the Year 2014

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[Blog](#)

[Shop](#)

[Crowdfunder 2015](#)

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## Warwick Rowers Crowdfunder 2015

**WARWICKROWERS.ORG/CROWDFUNDER**



01:31

||||| HD

# Education + Engagement = Impact

- **Use crowdfunding campaigns as an opportunity to engage across departments**
- **Plan workshops on planning, finance and social marketing**
- **Encourage crowdfunding as a way to “bootstrap” student businesses**
- **Community: engage Alumni to support those following them and leverage these people of mentors and speakers.**