[7 Tips for Getting the Most Out of your Crowdfunding Giving Levels](http://feedproxy.google.com/~r/fracturedatlas/~3/wGnKBwWeXv0/?utm_source=feedburner&utm_medium=email" \t "_blank)

Posted: 10 Sep 2014 01:15 PM PDT / Fractured Atlas

by Nathan Zebedeo

With the passing of Labor Day comes the unofficial beginning of autumn, when many nonprofits kick their fundraising into gear. It’s the year 2014, so most of you should already know what crowdfunding is and likely have supported campaigns run by your friends and family. Our fiscally sponsored projects have raised millions of dollars through our partnerships with crowdfunding platforms [Indiegogo](https://www.indiegogo.com/) and [RocketHub](http://www.rockethub.com/). We see new campaigns being launched on an almost daily basis and here are some of the best tips we offer to budding crowdfunders about their perks or giving levels - the rewards that they are offering to their donors.

**1. Budget the cost of your rewards into your campaign goal.**
Try not to let the cost of your perks get away from you and make sure it’s proportional to the total amount that you want to raise. If you raise $3,000 but ultimately spend $1,000 to fulfill the obligations to your donors, then you’ve only got $2,000 left to spend on your project. Consider not only the cost of creating or purchasing the rewards that you’re offering, but also the cost of shipping it to your donors, who might not live right down the street from you. When thinking about how much you need to raise, if you decide you need $10,000 to fund your project and another $1,000 to create perks to send to your donors, it would behoove you to set your campaign goal at $11,000.

**2. Find many different ways to say “thank you” for free.**

Keeping cost in mind, how many different ways can you thank your donors that don’t involve a lot of time or money? For example, at your $5 giving level you can offer to list donors on your website, for $25 you’ll send them a handwritten thank you postcard, for $50 you’ll record a thank you video for them on your YouTube channel. One thing you can also potentially offer your donors is prestige. How much would it cost someone for them to be named an “Executive Producer” on your project’s promotional materials?

**3. Keep in mind the amount of time it will take you to fulfill your perk obligations.**

Let’s say you set up a $100 giving level where you offer to bake donors a batch of chocolate chip cookies. Imagine then that 200 people donate $100. That’s quite a good problem to have - but you’ll probably be kicking yourself when you end up spending more of your time baking cookies for your donors and less time creating your art.

**4. Don’t give away the store for only $5.**

To that end, don’t give away the store to lower level donors. It’s great and encouraged to have smaller giving levels, of maybe $1, $5, or $10, for donors who aren’t able to contribute too much but still want to show their support. But don’t use up your coolest perks on smaller donations. Incentivize your donors to consider higher giving levels by saving up your more exciting rewards for donations of larger sizes. I typically recommend that your best rewards only kick in at giving levels of around $100 or more. For less than $100, you should try to offer something that you can give for free, like your “heartfelt thanks.”

**5. Make your rewards relevant to your project.**

If you’re producing a play, by all means give donors free tickets to your play as a reward! Unless that play is a murder mystery set at a bakery, it’s kind of random to offer your donors a cake. There are still lots of ways to be creative with your perks so that you’re not offering the usual swag - T-shirt, coffee mug, etc. Invite donors to be an extra in your movie, or attend the premiere after-party, or send them a link to a recording of your music students singing a song just for them.

**6. Think up some cool names for your giving levels.**

It’s nice to name your perks things like “Friend” or “Patron” or “Benefactor,” but it’s also a little blah. I’ve come across an awesome campaign for a Shakespeare company that named their giving levels after classic characters, so instead we had perks named “Juliet,” “Ophelia,” and “Desdemona.”

**7. Remember partial-deductibility!**
This is extremely important for campaigns that are run as nonprofits (which would be true for all campaigns run through our fiscal sponsorship program). Whenever your offer rewards to a donor in exchange for their contribution, their donation is partially deductible above and beyond the fair market value of the rewards that they are receiving. So for example, if for a donation of $100 you give a donor a ticket to your show that normally costs $10, the tax-deductible value of that donation is $90 (the amount above the value of the reward that they received). We need to issue tax receipts stating non-deductible values, so when we review your Indiegogo or RocketHub campaign, we will be looking for you to provide info about the fair market values of your rewards.

For more advice on running a successful crowdfunding campaign, I would encourage you to check out the book Crowdfunding for Filmmakers by John Trigonis - [which I featured in our blog last year](http://www.fracturedatlas.org/site/blog/2013/11/15/november-book-club-pick-crowdfunding-for-filmmakers/). It’s a great resources for artists of all disciplines and has many more helpful hints about how to create amazing perks.