



**1 Silverline:** Highly successful campaign (above and below) from Singapore which specially designs apps for seniors which raised US\$48,575 of its US\$50,000 goal, ending today at 3pm



**2 India Rickshaw Run:** (Left) Renyung So-Desbaillets and her husband had 44 supporters, mainly friends and family, for documenting their journey from Jaisalmer to Cochin, raising \$21,708 of their \$20,000 target on Pozible.com by Feb 5, 2013

**3 Between Earth & Void:** (Below) About 60 per cent of artist Ren Zi's backers were from his personal network, helping him raise US\$4,324, double the target, from Jan 31 to March 2, 2013



Crowdfunding sites, both local and international, are increasingly helping the public click with start-ups with good ideas, but old-fashioned hard work still applies, reports CHEAH UI-HOON

# Would you give money to these projects?

**H**AVE a great idea but don't have the money? Post it on the Internet, on a crowdfunding site, and wait for the money to come in.

That was the appeal of crowdfunding when it burst onto the scene about four to five years ago, and appears to be the poor man's solution to angel investing. If you're still asking what crowdfunding is, here's the condensed definition: "The practice of funding a project or venture by raising small amounts of money from a large number of people, typically via the Internet."

Crowdfunding success stories abound and are celebrated almost daily in the media. In the US especially, where crowdfunding has seemingly exploded upon first impact in 2010, social projects ranging from dry compost toilets in Haiti to sock monkeys (Sock Monkeys Against Cancer) have been able to pull in individual amounts from US\$2,000 to US\$35,000.

The top 25 crowdfunding success stories also include projects to make wristbands and watches, music records and even to build museums, apart from art projects, games, films and affordable sous vide machines. The usual modus operandi is: Individual project creators set a funding goal and a deadline. They create a video about their idea, and "market" it on the crowdfunding site. They also offer rewards to donors in different tiers. If people like a project, they give money.

Some crowdfunding sites have a rule where it's all or nothing, meaning project creators must raise their target amount; and then other sites allow the project creators to take what they managed to raise.

In Singapore, crowdfunding is just picking up but mainly on US sites like Indiegogo and Kickstarter. Some four to five new local crowdfunding sites have been launched these last two years. But a quick browse will show either little activity or that the projects listed haven't succeeded in their fund-raising efforts.

So just how easy is it to crowdfund from Singapore and why take that route instead of approaching the likes of Spring Singapore with a proposal for some start-up money?

The romantic myth is that if you have a great idea, it should be able to sell on its own. There has been much hype over a couple of success stories in Singapore, most notably the US\$29,000 raised by filmmaker Kenny Gee for his short film, *The Body*, on Indiegogo.

On local Singapore platforms like Crowdfunder, a mobile game idea managed to raise US\$3,000 – the highest for a local platform so far, according to SGE, an Internet technology media and research firm.

It was because of *The Body's* success story that Singapore-based American filmmaker Tony Kerns listed his movie, *Afterimages*, on the Indiegogo.com platform, he says. *Afterimages* features four short stories inspired by South-east Asian urban legends and superstitions.

His target is a lofty one, he admits, as he aims to raise US\$120,000. So far, he's drawn about 15 per cent, and doubts he will hit his target. His video also hasn't gone viral the way *The Body* has, even though he's built up a large fanbase from his two previous horror documentary/feature films. But it's a young fan base, and not the right demographic for crowdfunding.

## Crowdfunding is a lot more work than one thinks

Mr Kerns chalked up some 250,000 fans on *Haunted Changi's* Facebook page, his second film shown in 2010, but because of Facebook's current money-making structure, he only accesses about 200 at a time through his posts. Even then, these fans are more likely to buy pirated copies of his work than invest in it, he reckons. "Social media marketing and crowdfunding just hasn't been as easy as it should be," he shares in frustration.

"We've already started making the film so we'll finish it regardless, but the funding would have been useful for higher quality post-production work," he explains.

There are some kinks in the Indiegogo site which make it less user-friendly, and also he finds it hard to track how many people are actually going to the campaign site. He needs to market it more aggressively but at the same time, he admits, he also needs to actually work on the film which is slated for a cinema release in August.

Renyung So-Desbaillets found that simply posting a project on crowdfunding site Pozible.com was not enough, as she and her husband still had to get the word out themselves and do their own fund-raising.

The proposal was to drive from Jaisalmer to Cochin, document the entire journey in photos, video and writing, and also raise funds for four Indian charities – which they completed earlier this year.

"In the end, I think more than 90 per cent of our funds came from friends and family, and friends of friends," she says. Because the Australia-based Pozible.com runs on the basis that you either hit your target, or nothing, they picked a more realistic goal of \$20,000 although they would have liked to raise \$35,000.

"We really had to network hard, and our barrier was that the crowdfunding concept is still quite new in Singapore, and there's an aversion to online pay-

ment," she explains. Crowdfunding sites have taken off much better in Indonesia and China, she thinks – especially for niche industries and entrepreneurial ideas.

Artist Ren Zi notes that in the end, personal relationships do count for more. About 60 per cent of his backers were from his network, and those who contributed to the higher tier of funds were people who knew him and were familiar with his work, he notes.

Crowdfunding sites encourage funding tiers – from \$1, \$10, \$100 to \$1,000 and so on – which come with rewards. For example, for a pledge of US\$500, Ren Zi promised a signed limited-edition original artwork from the exhibition, an invitation to the Opening Night and a signed souvenir postcard.

"Most of my backers were Singaporeans with a handful from the States, but there were still quite a number of people I didn't know," he recalls.

He emailed his campaign to friends, and asked them to forward it to other friends, to get the numbers to the Kickstarter crowdfunding site. He managed to get on the Kickstarter platform because his curator is US-based.

As for local funding from bodies like the National Arts Council, the copywriter who was putting on his first art exhibition says that they weren't sure if the NAC would have funded a first-time artist, and there was also the issue of timing.

But another reason to go to Kickstarter was to expose his art to a bigger global audience overseas because Kickstarter is a well-known crowdfunding site.

As for why he stated only US\$2,000 as his target, he says the point isn't to make a profit, but to cover the cost of the exhibition. His advice to other artists? "Be very prepared to put in a lot of effort into how you sell your product and then build up your network of friends and supporters to help pass the word around. You have to work at it and think about how to position it in order to promote yourself," he says.

Apart from the fundraising, exposing one's project to a wider and global audience is another reason – or even sometimes the main motive – of crowdfunding.

"My bamboo bicycle already appeals to a niche audience, so I couldn't afford to crowdfund on a Singapore site," explains Chuah Sun Soon, a Singapore Management University student who started up Bamboo Bee bicycles two years ago



## bamboo bee Revolution

**4 Bamboo Bee bike:** (Above) SMU student Chuah Sun Soon raised US\$40,268, for his bamboo bicycle through Kickstarter because of its extensive reach, being one of the leading crowdfunding sites



**5 Clicking from beyond the grave:** American filmmaker Tony Kerns listed his movie, *Afterimages* (right), onto the Indiegogo.com platform and aims to raise US\$120,000. So far, he's drawn about 15 per cent, but he doubts he'll hit his target



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– Chuah Sun Soon, a Singapore Management University student who started up Bamboo Bee bicycles two years ago

Management University student who started up Bamboo Bee bicycles a couple of years ago.

The platform itself is important, so he went to Kickstarter because of its extensive exposure. He could potentially find start-up money locally, but the whole idea of crowdfunding is to go beyond one's own immediate network.

"It's so that more people can see your project," Mr Chuah adds. "Although payment through Amazon was really very difficult for the Singapore or Asia-based supporters."

For him, the crucial bit was getting the first US\$10,000, which got the ball rolling. "You have to get the first funds in for the initial push, and then unknown supporters will come in," he thinks. About 60 per cent of his US\$40,000 plus originated from his network, Mr Chuah reckons.

Even he was surprised at the constant marketing, promoting and responding to queries that he had to do, and the social media marketing – constantly updating his blog and so on. "The initial phase was the hardest," he adds.

"And then there's another lull after the "external" market comes in after the initial phase, so you've to push again."

## Global reach of crowdfunding

The crowdfunding market is getting more crowded now, and there are a lot of creative projects out there, says Mr Chuah. "So one's project would probably be pitted against 80 per cent of the projects out there unless it's super-cool." So far, he's had pledges for about 22 whole bicycles.

But the global reach of crowdfunding is worth it, he thinks. "If I started this project five, 10 years ago, it would have taken me two years or more to get the same reach and exposure," he acknowledges.

Another highly successful crowdfunding campaign from Singapore is Silverline, which specially designs apps for seniors and also aims at distributing refurbished secondhand smartphones to older citizens for whom top-of-the-line, expensive hardware is beyond their budgets.

Just about two weeks ago, they also managed to find a dollar-for-dollar matching donor, says Loring Harkness, project director at Newton Circus which created the Silverline program with Singtel. Newton Circus is a sustainable business incubator. They raised just over \$52,000 of their \$50,000 target with

24 hours to go before their deadline.

But as a business platform, they still have to dig deep into their contact list to get the word out. "I think that's true across all platforms regardless of what people are pitching," says Mr Harkness.

With a larger scale campaign, there was more media attention both in Singapore and internationally, and these have helped with the contributions, for sure.

"About a third of our funds were raised from friends and people we know, but after it reached a critical mass, we saw random people contributing." The fund-matching scheme came from someone they knew, but that inspired a lot of other people to give.

Echoing Mr Chuah's sentiments, Mr Harkness sees the crowdfunding platform as a marketing tool since the app will be available worldwide.

"The media attention that we've garnered in the US shows that we do have a compelling message," he adds.

For all the hype that comes with crowdfunding, the reality is that there is no such thing as easy money. A strong network, savvy marketing skills and old-fashioned begging are still the pre-requisites needed for potential investors to make that crucial click with their mouse.

But crowdfunding isn't dying out any time soon, for the simple reason that it offers not just money but validation that creative types crave – that there are people out there who share their vision and are willing to put their money into it. For many, that validation could well be priceless.

**1. Afterimages:** Raised US\$14,021 of US\$120,000, 14 days left, ends May 1;

**2. Between earth & void by Ren Zi:** Had 53 backers and raised US\$4,324, double its target, from Jan 31-March 2, 2013;

**3. Silverline:** US\$48,575 of US\$50,000 goal, ends today 3pm, 2013;

**4. India Rickshaw Run 2013:** Had 44 supporters and raised \$21,708 of their \$20,000 target by Feb 5, 2013;

**5. Bamboo Bee,** raised US\$40,268, 11 days to go.

(Figures correct at the time of publication)