

An introduction to the TFN live crowd funding model

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Thursday May 28 2020



Session 1 (today)

- Introducing The Funding Network
- How TFN's live crowd funding model works

Session 2 (next week)

- Selecting charities / community groups
- Preparing charities/ community groups
- How to get an audience to come!
- Covering your costs

What is live crowd funding?

- Also known as an *giving circle* or *donor circle*
- A form of participatory philanthropy
- People contribute small amounts to a big total
- Donors hear directly from charities / community groups / social enterprises
- Increases people's understanding of and engagement in issues
- Also encourages donation of time and skills
- **Democratic and empowering**

About The Funding Network (TFN)

- Small London based charity that pioneered live crowd funding
- Established in 2002 by four friends
- Organises live crowd funding events to raise money for small to medium sized charities working for social change
- Events are open to everyone but aimed at the “mass affluent” (i.e. professionals with disposable income)
- No minimum wealth requirement, no pressure to give
- Raised £13.5 million for 2000+ charities from over 10,000 individuals and businesses
- Amounts as small as £10 right up to £5000 and everything in between
- TFN groups in 20+ countries worldwide

How a TFN event works

- Guests arrive for networking and hospitality, receive a pack with all the information they will need – agenda, applications, pledge form.
- 3-4 charities each have six minutes to make a “pitch” to an audience of 80-100 people
- Each pitch is followed by a further six minutes for questions from the audience after which charity presenters leave the room
- After the pitches and the questions from the audience, there is a “pledging” session – people raise their hands and “pledge” amounts towards the total. These are recorded on an excel spreadsheet

How a TFN event works (continued)

- Each charity has a sponsor/ advocate who makes a short statement and the first pledge
- Same funding target for each charity
- Fixed minimum pledge amount (e.g. £50)
- “Match funding” is a regular feature
- Two rounds of pledging for each project
- At the end, totals announced – focus on the collective achievement
- Impact report sent to donors 12 months later

TFN / Host organisation's role

- Transparent selection process involving donors
- Due diligence (accounts, governance, management etc)
- Pitch coaching
- Event organisation (catering, venue etc)
- Building the audience
- Processing funds (i.e. collecting pledges from donors and paying grants to charities)
- Monitoring impact

Scenes from TFN live crowd funding events around the world



Informal networking over drinks and canapes. A chance for guests to talk to the charity representatives one to one



EPSILON Cerc & Donatori Cluj

In Cluj Napoca (Romania), the TFN event format is explained to the audience by the event “host” – in this case, a local TV journalist



The charities make timed 6 minute "pitches". A warning bell at 5 minutes and at 6 minutes they must finish!



The audience then has 6 minutes to ask questions. Beneficiaries often join the presenters to answer questions



In Brussels, the presenter takes a question from the audience about her project to enable Roma children to go to school a village in Romania



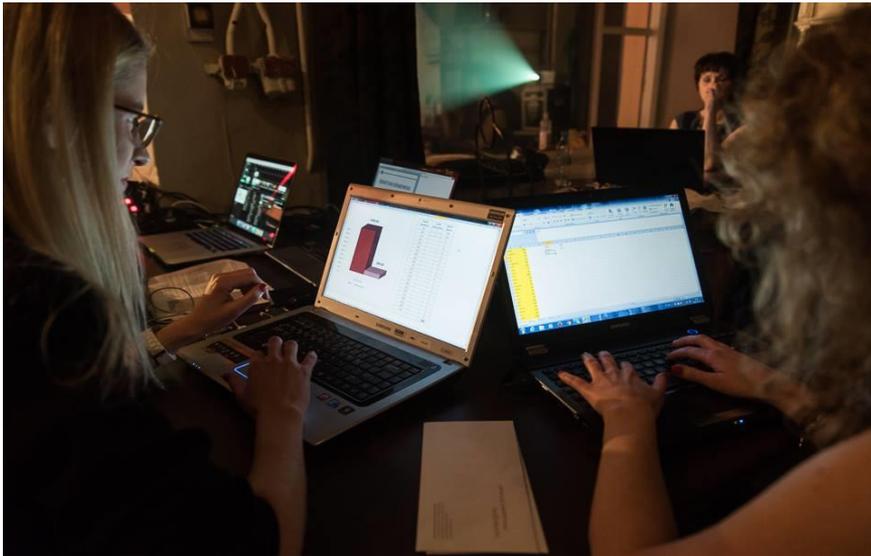
In Poland, the project's sponsor gives his project a 1 minute endorsement and makes the first pledge, building the audience's confidence



In New York, audience members are invited to raise their hands before the pledging begins to show how easy it is to do!



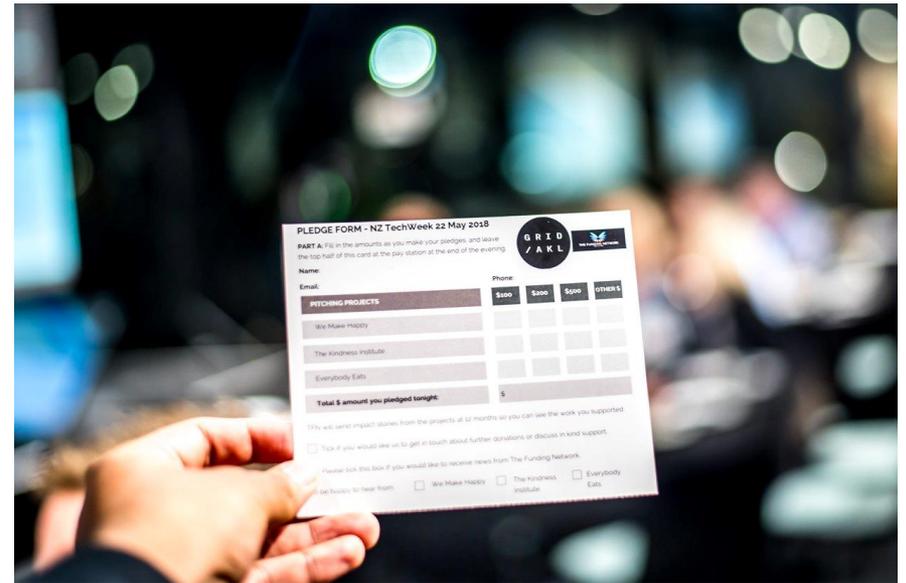
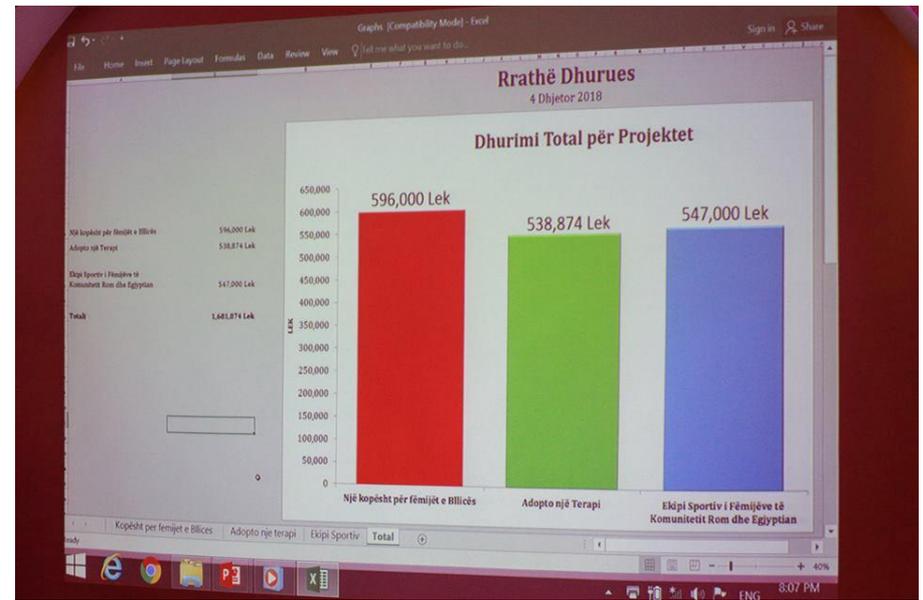
|Scenes from pledging session around the world!



Call out your name & the amount when the “pledge master” (or mistress!) points to you. Pledges are tracked on an excel spreadsheet and projected for all to see!



Once all the pledges are made, the charity presenters are invited back for the announcement of the totals. Emotions run high!



Hurray! We did it! Everyone leaves feeling uplifted, inspired and optimistic!

The value of live crowd funding

- Raises money!
- For donors - low risk / high impact
- Builds trust, particularly in local settings
- Builds capacity of charities and raises awareness of their work and the issue they address
- Introduces people to philanthropy, good way to develop a “pipeline” of major donors
- Engages local community
- Creates social capital
- **Strengthens communities**
- **Introduce people to the concept of community philanthropy**

Thank you

Further information

www.thefundingnetwork.org.uk

<https://www.youtube.com/user/TheFundingNetwork/featured>