# Matching the crowd - combining crowdfunding and institutional funding to get great ideas off the ground

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## Why did we select this research?

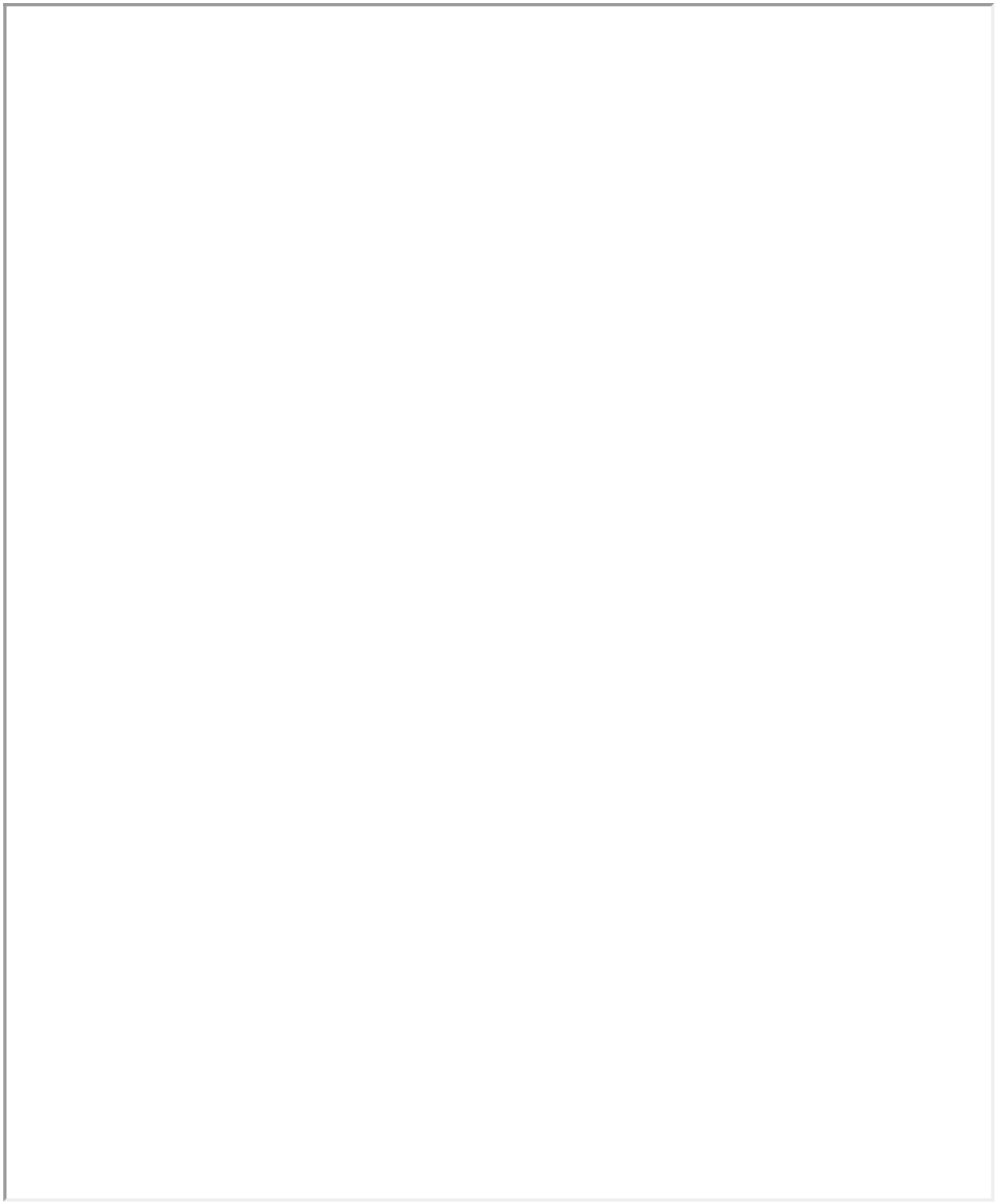
Matched crowdfunding has emerged over the past few years as a new way to leverage support to get ideas and projects off the ground. The rise of matched crowdfunding has spread quickly among crowdfunding platforms, with many dedicating part of their business model to securing these institutional funds to distribute There are now examples of matched crowdfunding being used by a diverse range of funders - including local and national governments, trusts and foundations, businesses with a focus on corporate social responsibility and universities and schools

## Key Findings

- Crowdfunding can help arts and heritage projects achieve significant financial and non-financial benefits. Match funding can help increase the uptake of crowdfunding within those sectors.
- The real value in matched crowdfunding is in the opportunity to leverage more than money. 85% of fundraisers reported receiving non-financial contributions such as voluntary work offers and campaign design advice.
- Crowdfunding is often heralded as a tool that can help fundraisers easily attract a global audience. However, as demonstrated in this arts and heritage

pilot, crowdfunding is primarily a way for fundraisers to connect with local people and their money

- Marketing and capacity building are a requirement to increase the uptake of specifically targeted match funds
- While matched crowdfunding attracts a diverse mix of backers it risks being dominated by a few large donors
- Crowdfunding works best as one of a number of tools to fund and develop projects
- While this study showed that matched crowdfunding in general encreases the average size of backer contributions and helps projects reach their fundraising targets, the impact of the bridging versus the top-up matching method was inconclusive



Reference

Baeck, P., Bone, J. & Mitchell, S. (2017) Matching the crowd - combining crowdfunding and institutional funding to get great ideas off the ground. NESTA.

https://www.nesta.org.uk/report/matching-the-crowd-combining-crowdfunding-and-institutional-funding-to-get-great-ideas-off-the-ground/