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Student Startup Support System (S4)



"Mind to Market Through Crowd Funding"

## CROWD-FUNDING INITIATOR (CFI)

**What:** Crowd-funding initiator, a summer boot camp, being organized with the support of Start51, an indigenous crowd-funding platform.

**Where:** S4 Co-Creation Center (S4-C3), room no 126, GTU Ahmedabad Campus, 2<sup>nd</sup> Floor, ACPC Building, LDCE complex

**When:** 16th June- 11th July (4 weeks)

**Why:** Crowd-funding is the practice of funding a project or venture by raising small amounts of money from a large number of people. More than 90% of student start-ups, based on good ideas and prototypes, die a premature death despite having a huge potential. Most of them also suffer from incomplete market research. Crowd-funding permits the use of the connected world as a market research tool for innovative ventures, which want to find their target consumers. By using crowd-funding a budding entrepreneur can market the concept to numerous stakeholders, can get insightful inputs from them and can obtain help in product validation. In addition, of course, Crowd-funding can help raise funds during the crucial phase of product development.

Crowd Funding Initiator (CFI) is an effort to make the potential entrepreneurs & innovators funding-ready through use of this internationally successful tool called "Crowd".

**How:** The month long module will include focused sessions with industry experts, case studies, mentor session and hands-on-exercise on different aspects of crowd-funding with selected finalists. At the end of the programme, all the selected finalists will go live on a dedicated crowd-funding platforms and not only learn how to get funded but "do-it themselves". Also a mega public launch of crowd-funding projects in Gujarat will be attempted.

**How to participate:** Interested students, alumni and faculty members can **apply online at:** <http://crowdfundinginitiator.com/register/> **on or before Thursday, 12<sup>th</sup> June 2014.** Those teams, which have startups or those planning an



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innovative initiative/ enterprise (both for profit and not for profit) or those projects which are ready for crowd funding will be invited to the workshop through e-mail on Friday, 13<sup>th</sup> June 2014.

For detailed about the program: <http://crowdfundinginitiator.com/>

Facebook: <https://www.facebook.com/CrowdfundingInitiator>,

<https://www.facebook.com/gtu.innovationcouncil>

Twitter: <https://twitter.com/CFInitiator>

Chief Mentor of the program: **Mr. Ateet Bajaj**, Founder, Start51

For any suggestion kindly connect to: Mr. Hiranmay Mahanta, Hon' Director, GTU Innovation Council

[hiranmay@techpedia.in](mailto:hiranmay@techpedia.in) , [gtu\\_innovation\\_council@gtu.edu.in](mailto:gtu_innovation_council@gtu.edu.in)

For any query about the summer program kindly write to:

[S4@gtu.edu.in](mailto:S4@gtu.edu.in)

[info@crowdfundinginitiator.com](mailto:info@crowdfundinginitiator.com)

Call +91 – 9428242636, 079-26300599

N.B. An expert jury will review all the nominations and the best teams will be given final confirmation in mail and call. The expert team may telephonically interview and wish to have a physical interview with the teams before choosing the final list for this one-of-its-kind summer boot camp.



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<http://crowdfundinginitiator.com/>

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**GUJARAT TECHNOLOGICAL UNIVERSITY (GTU)**



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**Crowd-Funding Initiator (CFI)**

**India's First Residential Boot camp on crowd-funding for start-ups**

**Week 1:** Starting your start-up

Day 1 – Panel Discussion + Introduction to projects and building crowd-funding vision for them.

Day 2 – Identify Stakeholder, what stakeholder want and how to achieve

Day 3 – Build Empathy Map, Journey Map, Mind Map and other design strategy

Day 4 – Build Workflow Model and Future Team Building after fixing early plans

Day 5 – Current available solutions (comparison of your product with it and benchmarking).

Day 6-7 – PPT. Industry Mentor and stakeholder validation, Prototype finalization

**Week 2:** Incentive design strategy (faculty from Product Design will be involved)

Day 1 – PPT presentation. User experience to types of users and introduction to incentive frame work.

Day 2 – Strategic sourcing\manufacturing strategy

Day 3 – Costing and Legal aspects and ways to build it better

Day 4 – Design Prototype of Rewards making strategy (on paper).

Day 5 – Real world development of incentives (prototype – physical + graphic model).

Day 6-7 – Prototype\Incentive validation online without price.

**Week 3:** Graphic/Video making (Ad Agency and others will mentor in need)

Day 1 – Logo and branding (what does your logo signify)

Day 2 – Story telling and Graphic representation of story.

Day 3 – Description write-up and Scripting.

Day 4 – Video Making and Editing and Video Presentation

Day 5 – Revision of Video.



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Day 6-7 – Show pitch video to 20 people and mentors, 15+ Positive Feedback and key insights from it, note all user feedback and analysis of the process to better build the value proposition.

**Week 4: Go Live for FUNDING**

Day 1 – Project live and Social Media Marketing strategy inculcation

Day 2 – Offline marketing and fund drop box at GTU & college presentation.

Day 3 – PR and Media (theoretical and practical aspects)

Day 4 – 10 personal meeting with industry relevant persons for feedback and final touch

Day 5 – selection of Winner ( on basis of Number of supporters of idea , Number of Visitors, Total Amount and Target achieved (percentage of goal targeted) before 12pm In mock try) Closing ceremony with live media, prize distribution by VC, GTU and other experts including investors, mentors etc.



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# Crowdfunding Initiator

India's First Residential Bootcamp

Initiative by



WEEK

1

Starting your Startup



WEEK

2

Incentive Model



WEEK

3

Graphic and Video presentation



WEEK

4

Get Funding



for more details, contact on

[gic\\_admin@gtu.edu.in](mailto:gic_admin@gtu.edu.in) / [info@start51.com](mailto:info@start51.com)



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## Appendix-1 (Basic know how about Crowd funding process)

### What is Crowd-Funding?

Crowd funding is a process in which a 'crowd' (or backers) funds an initiative or a project for its completion and makes it possible for that initiative to actually take place in the market. This is usually an online process.

The initiative could be a non-profit campaign (e.g. to raise funds for a school or social service organization), a political campaign (to support a candidate or political party), a charitable campaign (e.g. emergency funds for an ill person or to fund a critical operation), a commercial campaign (e.g. to create and sell a new product) or a financing campaign for a startup company.

### **Process:**

The Crowd Funding is an easy process. It takes place in following order:

1. The person has an idea and he/she is very much clear about it.
2. The person may have a prototype or he/she has done a series of experiments so that he/she is sure about the initiative to be a success.
3. The person then sets a targeted amount which will help the initiative to be reality
4. Person sets some Rewards/Incentives through which the backer(the one who does funding or backing up the project) will get the value for his/her money
5. The person then makes a video presentation for a greater impact on public and to totally explain the product. (After all, people usually see the video before reading the description!)
6. Person then submits his/her project to a crowd funding website (e.g. [Start51](#)) which will help the initiative to reach out the world.
7. Person then collects the money from the humble and angel like contributors
8. And finally, after the success of the initiative, the contributors should get their rewards!!



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Most of the impact is created by Rewards and Video only. So, one must be very careful in selecting these two things.

First, let us tell you what impact is created by a reward.

### Reward:

A reward is some gift given to the backers or the contributors to give them the value for their money. This is very much important. A backer will always want that he/she should be given a satisfactory value for the contribution. Thus, by seeing rewards only, a person may be interested in the initiative and will decide to contribute and thus, will read about the product.

Rewards should be selected in such a manner that the backer will feel something special. The backer shall feel that his/her money is truly valued and his/her contribution is not in vain.

This is a list of some basic rewards that should be included in every initiative. These are selected taking care that they can be used in all the projects and will be most likely affect the crowd to do funding, making the crowd funding!



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- 1. A Thank You Note or a small creative gift:** This will make the backer feel that he/she has done some good job and their money is respected. This kind of reward should be done up to contribution of `150.
- 2. Special printed T-shirt:** This is a better option to make backers feel like they are a part of the team. This way, they will look at the product as their own and feel a kind of personal attachment with the product. This reward should be given up to backing of `500.
- 3. Access to limited group of Facebook/ a special email address to keep in touch:** This way you can keep the backer alive in the product. They will be constantly updated about the product and will be in touch with the creators. They can also boast around that they are special members of the company. You can set this for any price range up to around `750.
- 4. An Early Bird package with a lot of discount [Limited]:** This should be compulsory for any product and should be given for a limited number of persons (around 50 to 100). This will make the interested person back the project very early in order to get a very huge discount. This also plays an important role in raising the funds of product. Didn't get it? This will make the funds rise quickly, so the percentage of raised funds will go up quickly and thus the annoying low % of funding will be removed. Thus, it will make the most perfect impact in the process of fund raising. The discount should be around 20 to 25% of cost reduction thus, appealing to a larger mass.
- 5. Secondary early bird packages....:** This should be given as soon as the above one is completely filled. The number of persons for this reward should be less than the above one. And the discount should also be less. This will attract all those who were late for above reward and also those who were less interested in the product. This is a better option and will attract a lot of backers.
- 6. Special customized product [Limited]:** This is just to recover the loss of early bird packages. These should be given by small customizations or creative work on product and should be given in such a way that the discounts given in above rewards are covered. This will attract backers who always want something special for themselves. So this is also a good option.



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7. **Special product scrambled with your name [Limited]:** This is one very good way to attract backers. Who will not want a special product when the company is giving the product with your name inscribed on it? This small customization will get large backers and a lot of funding. This will quickly raise the percentages of the product. Get a considerable amount for this reward.
8. **Modifiable product [Limited]:** This will attract the creative people and techies. Give the product without some parts and allow them to put the parts the way they want. A considerable amount of funding can be raised from this. People are surely going to come and back this up!
9. **A set of raw materials and DIY book [Limited]:** This will attract those who want things their own way and would like to open up things to study and then reconnect them to learn. Put this very limited up to 5 to 8 persons and get your percentage go up quickly. This would surely bring in large funds.
10. **Limited access to the company/ meeting with team members [Limited]:** Why not allow your special backers to visit your production place and get familiar with the product and its creation team? This is a very good idea for rewards as some backers will be really feeling special when they are watching the product being created in front of them. Who then would not like to invest a lot of money when they are given a real deal value for that?
11. **Power to modify a part/ product itself [Limited]:** How would you feel if someone tells you that a part of his/her product will be designed or structured or painted according to your wish? That's the impact. Put a very high amount for this reward. You will definitely get this full!
12. **The privilege to be a part of the advertising or description video:** You are making your backers famous by taking the min your next promotional video. People will pay you for getting a role in the going to be famous product. Isn't this cool?
13. **Partnership!! [Highly limited]:** Make your backer your partner. Give him real powers for limited period of time. You can give this for around `50,000 to `100,000, can't you? This will surely attract the uncommon backers and your percentage will go up at a superfast speed.



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So basically, by providing these kinds of rewards will get you a lot of contributors in no time. These rewards can be modified and reset according to the product. You may also set a special retailer reward and offer 20 to 30 pieces by giving the m net 80-90% discount.

This way, rewards play an important role in crowd funding. Hence, one must choose the rewards by thinking all necessary criteria.

Similar to rewards, Videos also play an important role in Crowd Funding Market. Videos make a decent impact on one's mindset and are the foremost things that an interested person will look at. Thus, your whole product is quickly explained by the video itself. There are certain things that a video should have. These basic qualities will quickly explain your idea and your determination towards your project. You will also plead to back the project in the video itself.

Below is a list of basic qualities that a video should have:

- 1. Inspiration or Introduction to problem:** Show from where you were inspired to create such a nice product. Introduce the problem that the current world is facing and for which you have designed the product as a solution. This will generate interest in people and they will eagerly watch the whole video. This thing is the foremost necessary in the video. Mind well to have it.
- 2. Thinking process chronically:** Show in video your full thinking process. Show from which idea you started, and then step by step modification of the prototypes. You can show it by representing the pictures one by one in the video or by short clips of the prototype creation. This will generate a trust in people that you have genuinely done a lot of hard work for them and thus, they will back your project.
- 3. Solution to the problem:** Show your product has solved all the above problems! This is where people will think the product is much useful for them and will start backing. Show all the applications of the product and please, describe in an understandable and simple way.
- 4. Unique product quality:** This is the best thing about your product. This unique thing will be present only in your product. You can show this anywhere in the video or you can show off in the beginning! This will also attract a lot of people to review your product.



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- 5. Reviews:** Show your product or idea to many people and let them use it. Record their videos and then show these reviews. You can show these reviews in a different review section of your product. But I strongly recommend that you should show the review between your prototype chronologies.
- 6. Ask for Support (backup):** This is where you will tell that you need funds to complete the product/initiative successful and for that you will need crowd funding. You can also show the method by which one can back the project on that site.

#### Special Effects:

- 1. Special background music theme:** Keep audience attracted by giving a background music related to the product. If no music is related, then set one according to your video. This will hold the concentration of the viewers. Keep them attracted to the video by simple background music.
- 2. Background voice, avoid talking in video (except for review):** Show a person thinking and give a background voice. Or instead of explaining the product, give a demonstration and a background voice to give a more impact of your product.
- 3. Using text to highlight qualities:** With the voice, display text so that one may not lack behind in getting the information. This will easily explain the main qualities of your video.

Thus, by providing these two aspects and then giving a detailed and beautiful description of your product will make it a successful crowd funding.

So basically, crowd funding is not a tough job. This is the best way by which one can earn money simultaneously marketing the product. Isn't that great?

We think you have now completely understood the process of crowd funding. If you have any great idea and want to make it success, just go for crowd funding.



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## Appendix-2 (Recent developments in crowd funding)

### Reference media articles on Generic CF (crowd funding)

Hindustan Times: <http://tinyurl.com/lfjirxt>

The Economic Times: <http://ecoti.ms/Mwefqa>

The Economic Times: <http://goo.gl/5WV3zK>

The Telegraph: <http://epaper.telegraphindia.com/details/82170-183815609.html>

The Times of India: <http://timesofindia.indiatimes.com/city/ahmedabad/Money-for-nothing-dreams-for-free/articleshow/27859580.cms>

### Global prospective:

<http://www.forbes.com/sites/wilschroter/2014/04/16/top-10-business-crowdfunding-campaigns-of-all-time/>

### Success Cases from India

Gecko: <http://www.nextbigwhat.com/gecko-crowd-funding-297/>

<http://tech.firstpost.com/news-analysis/indian-swiss-knife-for-your-smartphone-seeks-crowdfunding-on-indiegogo-106548.html>

Fin: <http://www.nextbigwhat.com/fin-crowdfunding-297/>

<http://www.newindianexpress.com/cities/kochi/Startup-Venture-Garners-Rs-77-lakh-through-Crowdfunding/2014/02/20/article2066456.ece>

XS Powercard: <https://www.indiegogo.com/projects/xs-powercard-your-smartphone-deserves-a-smart-charger>

<http://innovation.uk.msn.com/personal/best-new-inventions-for-may?page=12>



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## **Ahmedabad crowd funding ecosystem**

GTU INNOVATION COUNCIL S4 Workshops:

- 30<sup>th</sup> January 2014: One day workshop on Crowd funding:  
Invitation at [http://www.gtu.ac.in/circulars/14Jan/S4\\_24012014.pdf](http://www.gtu.ac.in/circulars/14Jan/S4_24012014.pdf)

Report at <http://www.gtu.ac.in/circulars/14March/12032014.pdf>

--5th-6th April 2014: Boot Camp on Crowd-Funding for Student Start-ups at  
<http://www.gtu.ac.in/circulars/14Apr/04042014.pdf>

- 19<sup>th</sup> -20<sup>th</sup> April 2014: Crowdfunding workshop

-Start51 - QnA : <http://www.start51.com/help>

Start51 - t&c : <http://www.start51.com/term-of-use>

Success Cases from Ahmedabad - Menstrupedia (<http://menstrupedia.com/>)

<http://www.hindustantimes.com/lifestyle/wellness/menstrupedia-a-novel-handbook-for-that-time-of-the-month/article1-1119089.aspx>

## **Link of success case associated with S4 co-creation space (GTU), media link**

Himanshu Singh: <http://www.pahiyaa.in/>

Ahmedabad Mirror - <http://bit.ly/1i5F2dq>

## **Printajoy:**

<http://yourstory.com/2014/02/printajoy/>

<http://thetechpanda.com/2014/01/04/printajoy-indias-first-cheap-instagram-printing-goes-crowdfunding/>

*N.B. Thanks to the interns at start 51, fellows at GIC and S4, Team GIC and other mentors e.g Kumar Manish, Aditi Gupta, Kunal Gupta, Yash Saxena and others for designing the brief content about crowd funding as given in the appendix .*

*Thanks to numerous faculty members, students, startups, policy makers for conceiving such a program for the 1<sup>st</sup> time and taking it to reality.*

*Thanks to Dr. Akshai Aggarwal, Hon'ble VC, GTU, for his leadership.*