#4 - Reputational damages due to unfulfillment

Definition

There might be many reasons that prevent a campaign to be successful: limitations of technical nature, market- or business-unreadiness, unstable internal management.
Failing to satisfy the initial promises might happen, but it is even worse if the crowd of supporters is not kept informed about the campaign development. This will make the entire firm look non-trustable and hinder the future business initiatives.

Mitigation strategy

Setting **realistic and reachable goals** (in terms of requested amount, timing and production capacity) is essential for a successful crowdfunding campaign.
In parallel, regular exchange information and updates with the crowd about the project developments are key in order to build a trustworthy identity.
Always keep the crowd in the loop about the initiative's state of art, both on the social media and on the crowdfunding platform!

Focus on: Communication with the crowd

One of the main elements of a crowdfunding campaign are the supporters, the financial contributors to the product or initiative developments – also defined as "crowd".
Understanding who these supporters are, their degree of affection to the product / initiative and a careful mapping of their presence on the territory will make the strategy more precise in terms of communication, timing and location.

Such an identification allows for understanding their needs and drawing a product that is respondent to the market but also cohesive with the firm's identity! Aditionally, it is also to remember that even the platform itself might have a crowd of reference and its network in which to create synergies and carry out ad hoc dissemination activities, in order to spread the voice about projects with high potential of success.

- Define the crowd, i.e. the target audience, stakeholders and market
- Benchmark the network of reference
- Frame the channels and tools to deploy for a fruitful communication and constant support
- Mainstream the presence and responsiveness on social media

The communication with followers enables to generate the promo momentum and builds up trust within the community of reference. Replying to questions, comments and suggestions from supporters does also count for confirmation of reliability. The possibility to organize events and offline / 'live' activities is also to be considered as to make the broader group of stakeholders know about the project and make hands-on experience of its strength points.