

# Build Your *Fashion* Brand

A DIGITAL COURSE FOR EMERGING DESIGNERS

## Top Ten Tips for a Successful Fashion Crowdfunding Campaign

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Hey everyone, I want to share a personal note before I share my tips. I'm a bit nervous. In our first venture, Nadav- my partner- and I launched the largest crowdfunding platform in Israel.

To date we are working on our second venture, in the US, and thinking (well, more than thinking) about crowdfunding for our own company in order to grow with customers.

Think about it, I own a crowdfunding platform, I have experience and I'm here to give tips because I have the knowledge.

But if I do not raise the amount I'm looking for, do you know how embarrassing it would be?! I'll tell you, it will be extremely embarrassing. And still we are doing it because crowdfunding is an amazing phenomenon, which has enabled people to raise roughly \$5.1 billion in 2013.

Sure, many have failed, but that is not a good reason not to try.

The fashion industry has unique characteristics and I think that tips for a successful crowdfunding campaign should be adjusted to the needs of this fascinating industry. This is what I will try to do here.

### #1. Defining a Successful Crowdfunding Campaign:

When you are wondering whether to go for a crowdfunding campaign or not, you are usually assessing your chances to successfully raise the money; that's natural. If you have doubts, you might decide not to go for it, but I think that's a mistake. Go live with the campaign, because the benefits of having a campaign are not just the money, especially for fashion designers.

It is a market research and market validation. You can post different designs as different campaigns (or the same design in different colors) and test the demand for your garments before you spend time and money on production. This way, even if you don't reach the desired goal, you get real value from the campaign.

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## #2. Creating Your Goal Amount:

You will need to set up a goal amount of money in any crowdfunding campaign that you launch. People often tend to set up a high goal amount, and that is understandable. You want to raise a lot of money for your brand. However, it actually has the opposite effect.

Think about two fashion boutiques, an empty one and a busy one. Most customers will go for the busy boutique because for them, the crowd is a validation for the quality of the products in that boutique.

It is exactly the same with crowdfunding campaigns. Your potential backers want to be part of something successful, a campaign that already has backers and looks like it has a real chance to meet the goal amount of money. Set a reasonable amount, one that makes sense in light of your goal (e.g. funding your next collection, buying materials etc.), but make sure it is the minimum you need. And yes, you can go over your goal amount, it happens a lot.

## #3 Your Video:

Your crowdfunding campaign is a story, remember that. The best way to tell it is through a short video (not more than 3 minutes, aim for less than that).

People are not only interested in your garments, but also in your vision, and most importantly in you. Give them a look into who you are and why you're doing this.

How? There are many ways to tell a story, but I would like to refer to one of them. Please take 18 minutes of your time (you'll thank me, that's a promise!) to see Nancy Duarte's [mini-lecture](#) on how to pitch your story. She did all the hard work researching and analyzing the greatest speeches (Dr. King's, Steve Jobs' and more), and turned it to a simple, clear method anyone can use to tell your story and connect with people. Once they are connected, you have done most of the work.

## #4 The Perks:

The support you'll get originates from two alternative places: the heart and the brain.

Some people will feel connected to you and your brand and won't necessarily expect to get material return for their money (in some cases, material return can actually be a turn off).

Others will expect to get something in return.

Fashion designers looking to raise money for their upcoming collection or any other business goal should offer perks in return. Unlike other industries, it is easy to offer your garments as perks. You can offer several perks, each one in with its own monetary value.

You can offer exclusive perks such as a garment with the backer initials, name a garment after a significant backer, or have a select group of backers receive a custom made garment.

At the end of the day, you should ask yourself and others one question, *"Would I have spent money to get one of these perks?"*

## **#5 The Visuals:**

You are creating a fashion-related crowdfunding campaign. It is all about the look. You can upload photos to your campaign page.

Do that, as many photos as you can, from different angles in different colors.

Make sure the photos look very professional, that people can almost feel these garments and make a decision to buy them online.

Show details like stitching and trims and close ups of prints and patterns. Show the garments on people and as product shots.

## **#6 Help with Fit:**

People who buy online obviously don't have a chance to fit the garment. Help them understand what size they should buy.

You can ask them to measure themselves and create a size table that indicates what size they are.

Some crowdfunding software companies offer integration of online fitting systems that easily tell the customer what size he or she is specifically with respect your garments.

## **#7 Refund Policy:**

One of the main reasons that 11% of fashion is sold online (in the US) is because of great refund policies.

Offer fair refund or return policies that you can live with and that the customer feels comfortable with.

Yes, you'll get some refunds or return requests (about 15-25%), but you'll raise the money, acquire new customers and expose your brand to the world. At the end of the day, most people will be happy with what they got.

## **#8 Start Marketing with Friends and Family:**

No one wants to be the first to back your campaign, they don't know you.

As I mentioned before, they want to join a success story. Your family and friends know you, and for them it is not as big of a risk to back you.

After they chip in, people who don't know you will simply join a success story created by you, your friends and family.

## **#9 Use Email, Social Media, and Updates Like Crazy:**

After getting your friends and family on board it is time to reach larger circles. There are a few ways to do that. First of all, ask your friends and family to spread the word.

Some crowdfunding software companies actually give you an option to write the email for them, enabling them to send the email to all their mailing list from your campaign page, without even getting into their email account. It's super easy and efficient.

In addition, you should update people via email once every few days throughout the campaign. It is important to keep a live campaign active and create a community around it.

Updating every four or five days on the campaign page (you have an option to do that), helps create that community as well.

Facebook is a great tool. You can create ads and target them to specific demographics whom you know are your target market, and even to a specific person.

Feel free to ask me how (I'd love to give some tips, free of charge). When posting about your campaign on Facebook, use pictures (of a garment for example) and not more than 250 characters, research shows these are the most effective posts.

## **#10 Offer an Affiliate Program:**

Some crowdfunding software companies offer great marketing tools, enabling you to incentivize other people to be your ambassadors and bring customers to your campaign page.

I'll use an example of one of our customers. He offered a \$235 garment for free to anyone who brings 5 customers who pre-order the garment on its crowdfunding campaign.

Both our customer and their "new ambassadors" can track how many people came following the ambassadors' efforts and how many actually backed the campaign.

Our customer got more than 15 sales and new customers, all from people he didn't know. Now he will connect with them because they are real influencers.

That's it guys, I hope I helped. Feel free to connect with any questions and follow us on twitter for more tips, really.

~ Arik

Arik Marmorstein is a co-founder of MIMOONA, a crowdfunding platform that enables fashion designers and brands to test the demand of their garments before production.

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