

More sustainable, resilient, and competitive food systems through the development of intermediate food value chains



PRACTICE ABSTRACT No: 51

Choosing the Right Crowdfunding Strategy for Farmers

Crowdfunding offers a unique opportunity for farmers to secure funding without relying on traditional loans or financial institutions. It allows direct engagement with the community and potential consumers, creating a strong support network and increasing visibility for the farm. Various crowdfunding models could be chosen, each with distinct advantages: donation-based, reward-based, equity-based, and debt-based crowdfunding.

Assess Your Needs: Determine the purpose of the funding. Are you looking to expand, launch a new product, or invest in sustainable practices?

Evaluate Resources: Consider what you can offer backers. Do you have unique products, services, or equity to provide?

Understand Your Audience: Know who your potential backers are. Community members might prefer donation-based campaigns, while consumers might be interested in rewards. Investors looking for equity will have different expectations.

Legislative Considerations: Be aware of regional and national regulations, especially for equity-based crowdfunding. Compliance with these laws is crucial to avoid legal issues.

Sustainability and Market Impact: Highlight how your farm practices sustainability compared to conventional approaches. Crowdfunding can enhance market visibility and position your farm as an innovative and responsible business.

Transferring your crowdfunding strategy into practice can be time-consuming. It involves planning, creating engaging content, and maintaining communication with backers. Costs vary by model but include platform fees, marketing expenses, and potential repayment obligations.

Authors

Rémy Leclercq

Affiliation

Make.org Foundation

Contact

rl@foundation.make.org

End Users

Farmer & Cooperative

Country

France, Worldwide



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www.fairchain-h2020.eu

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ABOUT FAIRCHAIN

The FAIRCHAIN project launched in 2020 and coordinated by INRAE, is developing intermediate food value chains in the fruits and vegetable and dairy sectors. Through technological, organizational and social innovations and by developing business models FAIRCHAIN will enable small and mid-size stakeholders to scale up to supply fresh, sustainable and high-quality food products to consumers at a regional level.

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