

CROWDFUNDING

THE AUSTRALIAN ARTS scene is changing. Arts funding is hard to get. Applications for government funding are extremely competitive, and the old model of the rich keeping starving artists fed by commissioning their art has all but died out completely. Crowdfunding is the silver lining – artists can ask their family, friends and peers to invest money in their project. Although funding is not guaranteed, the success rate is pretty good - 45% compared to only 10-20% for government grants.

Crowdfunding has been around for over ten years but has only become common in Australia more recently. It is a way of raising money online and involves asking the people who will benefit from the project to invest some of their money to help make it happen. Investors are offered

a series of rewards (decided by the project creator) that can be selected in return for their pledge. Pledges are only processed if the project reaches the funding target. If the target isn't reached, everyone keeps their money.

Rick Chen and Adam Crabb co-founded the Australian crowdfunding platform Pozible two years ago because they wanted to find a way for struggling Australian artists to be able to afford to create their projects. They realised creating the opportunity for artists to presale their artwork was the answer. Typical projects include raising funds to record an album, run an event, cover exhibition costs, present a theatre production, and film a short film. Projects only have two restrictions – that they are not raising money for charity, and that they are not a financial investment scheme. Chen says that unlike other funding options, crowdfunding is a democratic way of deciding what creative



The silver lining for Australian artists

projects go ahead. If people don't support it, the project won't be funded.

It's taken Pozible a while to convince people Australians that crowdfunding is real and credible, and they continue to work hard to raise awareness about the opportunities it can create. The Australian Securities and Investment Commission's release of guidance on crowdfunding in August has probably helped. Two years in, Pozible has processed over \$5 million in pledges across more than 1,000 successful projects. Chen says people want to get involved in creative projects in the early stages but there aren't many other options to do this. "The creative process is what excites people and crowdfunding opens the door to that."

A well-organised crowdfunding campaign can lend legitimacy to a project, leading to unique opportunities.

When Fiona Dalwood and Jonno Katz partnered with Pozible and Arts Hub (an Australian website dedicated to arts news, reviews and opportunities) to crowdfund their project "Good Grief", it was featured on the Arts Hub website and the ABC news, resulting in counselling organisations and a funeral house contacting them to ask if they could screen the documentary.

Artists can find it uncomfortable asking people for money. Visual artist Deb Mostert likes to be independent and found herself overcompensating people for their support, giving away paintings as rewards – paintings that were worth a lot more than the pledge amounts paid. Sam Buckingham (a singer-songwriter who crowdfunded to record a new album) says this is common – "artists have this misconception with crowdfunding that they're asking for something, instead of offering



by ROSE WINTERGREEN

something. It's not a donation and it's not charity. It's about giving something to people and getting something back."

Crowdfunding works in favour of artists who already have an audience and are comfortable using social media. This can be difficult for visual artists and writers, because they're not trained to embrace it.

Dalwood says "It's not just a case of jumping onto social media and saying 'like our stuff'. You've really got to understand how that works on a social level to do it without alienating people."

Daniel Donahoo (the Geek in Residence for The Emerging Writers Festival) suggests writers collaborate with other writers to create projects together like anthologies, because then they can tap into a larger number of networks, and have a greater chance of meeting their funding goal.

Donahoo has run several unsuccessful crowdfunding campaigns in the past, and says that the choice of project can play a big part.

He worked with Lisa Dempster (Director of The Emerging Writers Festival) earlier this year to successfully crowdfund a digital writing event in Brisbane. "The crowdfunding campaign was a ticket presale, so in effect we were testing if people would be interested in going."

Ironically, artists are finding that when they demonstrate they have run a successful crowdfunding campaign they are more likely to be successful in subsequent applications for government grants.

Multidisciplinary artist Malia Walsh tried three times to get a government grant for her theatrical production "Arabella" without success. Since her successful crowdfunding campaign, she's been told her fourth application has been successful. "Putting together a Pozible campaign proved my dedication to the project and made them see how supported the project was."

Pozible recently announced the first matched crowdfunding initiative in Australia, where selected artists who successfully meet their crowdfunding target will receive \$3 from Screen West (Western Australia's screen funding and



development agency) for every \$1 they raise through Pozible. Screen West's Digital Manager, Michelle Glaser, says "the hope is that artists will take the people who have pledged and grow that audience, taking them through the entire life of the project."

Pozible has also begun partnering with corporate sponsors, looking at ways to reduce red tape and risk to make it easier for them to invest in artists' projects. Artists will be given the power to choose if they will accept each sponsor contribution (for example, an artist committed to sustainability might choose to reject funding from a multinational fast food corporation). If artists don't deliver on their project commitments, Pozible will provide the sponsor with a credit they can use to support a different project.

What would Walsh have done if crowdfunding

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didn't exist? "I would have kept applying for grants... and found a way to do the project anyway, but it wouldn't be true to the vision." She urges artists to continue applying for government grants despite the low chance of success (so the government gets a real indication of how much need there is for money in the arts) but to also

consider crowdfunding.

Dalwood and Katz agreed that "if there had been crowdfunding back in the day of Vincent Van Gogh, he wouldn't have lost his ear."

Crowdfunding is giving artists the choice to take back some power, to make art happen when government grants and philanthropists fail to materialise — art for which there is a demonstrated demand.



CROWDFUNDING SUCCESS



Arabella, Malia Walsh – Multidisciplinary Artist

Goal: Raising \$9,500 (raised \$9,825) to present a live performance piece revolving around a giant inhabitable puppet involving shadow puppetry, dance, circus and inflatables at the 2012 Melbourne Fringe Festival.

Insight: “Thank god crowdfunding is here. There’s a new way to do art, a new way to be supported. I was very surprised at the array of people who supported the project.”

A new album! Sam Buckingham – Singer-Songwriter

Goal: Raising \$10,000 (raised \$11,515) to record a new album.

Insight: “I’ve learned that all your fans want from you is really good music, communication and something to experience with you, and if you’re offering that then it’s incredible how supportive they’ll be. Crowdfunding is the future.”

EWB Digital Writers, Daniel Donahoo – Emerging Writers’ Festival Geek in Residence

Goal: Raising \$4,000 (raised \$4,055) to run a mini-conference in Brisbane called “Digital Writers: taking your words online”.

Insight: “We were surprised at how much work it was. I thought we would meet the target without too much marketing effort, but we had to work very hard, doing things like directly calling journalists and scheduling a variety of interesting tweets for each day. Ultimately it comes down to your ability to sell the idea and access your crowd.”





Recovery – The Flood Objects Project, Deb Mostert – Visual Artist

Goal: Raising \$2,000 (raised \$3,025) to present a series of paintings of valuable objects redeemed from the Queensland flood waters at an exhibition at the Ipswich Art Gallery.

Insight: “Finding support from people who you didn’t even know liked your work and from people you don’t know at all is very gratifying.”

Good Grief, Fiona Dalwood – Director/Animator, Jonno Katz – Creative Producer

Goal: Raising \$3,500 (raised \$4,452) to produce a short charming, honest, funny and poignant animated documentary about people’s experiences of grief.

Insight: “A lot of people see it as a way to just get some instant cash but it’s so much more sophisticated than that. It’s a way of getting involved with your audience, expanding your audience, establishing yourself as a serious artist with a serious project.”

