

Exploring the Seattle museum community's perceptions toward crowdfunding

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A thesis

submitted in partial fulfillment of the
requirements for the degree of

Master of Arts

University of Washington

2013

Committee:

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Program Authorized to Offer Degree:

Museology

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Abstract

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The goal of this study is to understand how Seattle's emerging museum professionals of the Millennial generation think crowdfunding may affect a museum's relationship and standing with its stakeholders. The inclusion criteria of age and location focus this study on a generation familiar with online technologies in a city ranked highest in the nation for total online giving. Yet, Seattle museums rarely use crowdfunding to raise funds. By identifying Seattle emerging professionals' perceptions toward crowdfunding, this study seeks to offer insight into the present and future status and viability of crowdfunding in the Seattle museum community.

Study participants were recruited using a combination of convenience and snowball sampling methods. Fourteen semi-structured interviews were conducted with participants from the University of Washington Museology Graduate Program and four Seattle museums. These interviews were transcribed and coded for emergent themes, patterns, and anomalies. Participant attitudes toward crowdfunding were generally positive, citing features and benefits like the ease of implementation and use for museums and contributors and improved public engagement and visibility for museum projects and needs. However, many participants were also concerned about crowdfunding's potential negative impacts. Some wondered if crowdfunding might detract from a museum's current development efforts, making existing donors feel less recognized or valued. Others thought a museum

crowdfunding campaign might imply that a museum is desperate for funding, thus hurting the museum's image and standing in the community.

Although the study sample's small size and potential biases mean that results cannot be generalized across the population, the overall positive attitudes toward crowdfunding suggest that some emerging museum professionals do find crowdfunding a viable form of fundraising worthy of further exploration. The features, benefits, and concerns cited by study participants offer a useful starting point for further investigation.

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Chapter One: Introduction

In the United States, the ongoing financial crisis may soon lead to a significant shift in museum fundraising. The percentage of American museums that receive federal funding is decreasing (American Alliance of Museums [AAM], 2012a), and some of these funds' sources might also face shrinking budgets. In 2012, the House of Representatives Budget Committee argued against federal funding for the National Endowment for the Arts [NEA] and the National Endowment for the Humanities [NEH]—agencies that constitute an important source of financial awards and grants for museums. Instead, the House Budget Committee has suggested that these organizations raise funds from the private sector.

Yet, legislative measures may also hinder a museum's attempt to increase its contributed income from private sources. As of December 2012, The White House budget proposal (2012) for fiscal year 2013 would reduce the maximum value of tax savings for donors with annual incomes over \$250,000 from 35 percent to 28 percent. It is likely that this decrease in tax benefits may discourage many affluent donors from giving, since two-thirds of all individual contributions to nonprofit organizations in 2009 came from the wealthiest four percent of donors (Hope Consulting, 2011). In turn, this would make it more difficult for the NEA, NEH, and museums to secure contributions from individual supporters to make up for the suggested federal funding cuts. Indeed, the AAM (2012b) estimates that charitable giving would decrease by \$7 billion per year if the White House budget proposal were approved.

It is in this difficult economic climate that museums are working to develop creative means of fundraising. Merritt & Katz (2012) of the AAM's Center for the Future of Museum have identified "alt funding" (p. 14), or non-traditional forms of philanthropy, as an emerging trend in the museum field. The authors observed that nonprofits are successfully harnessing alt funding via the internet, social media, and mobile technologies to recruit donors and facilitate giving. One such nontraditional form of fundraising is crowdfunding.

Crowdfunding Overview

Crowdfunding is a method of fundraising that includes “a variety of different efforts by entrepreneurs – cultural, social, and for-profit – to fund their efforts by drawing on relatively small contributions from a relatively large number of individuals using the internet, without standard financial intermediaries” (Mollick, 2012, p. 3). Rather than hiring financial consultants and seeking funding from lenders, venture capitalists, or angel investors, the fundraiser appeals directly to the public. The crowdfunding platform, an internet-based organization and website dedicated to facilitating crowdfunded campaigns, hosts the campaign webpage and handles the financial transactions. Examples of crowdfunding platforms include Kickstarter, StartSomeGood, Indiegogo, RocketHub, Pozible, Causes, Razoo, and Crowdrise (listed as “Eight Crowdfunding Sites for Social Entrepreneurs” by Thorpe, 2012). In exchange for crowdfunding services, the platform usually charges fundraisers a percentage fee of total funds contributed to the crowdfunded campaign (Mansfield, 2012).

Like Mollick’s (2012) definition, Merritt & Katz (2012) have described crowdfunding as a combination of microgiving—donations of “small amounts that add up through large numbers of donors” (p. 14)—and crowdsourcing—the act of “soliciting content, solutions and suggestions from an undefined set of participants via the Internet” (p. 6). Merritt & Katz have noted that nonprofits have long relied on various forms of microgiving (e.g. the donation collection jar). However, they also proposed that amplifying microgiving with the wide-reaching potential of crowdsourcing may significantly increase its fundraising impact.

Why Should Museums Crowdfund?

Though crowdfunding was first developed to facilitate for-profit ventures (The Wharton School of the University of Pennsylvania, 2010), it is no longer exclusive to business-model entrepreneurs. As an online fundraising method, crowdfunding may have important implications for the nonprofit sector and for museums. Crowdfunding platforms have several practical features that benefit users. For example, crowdfunding campaign

pages are typically free to set up, design, and maintain. Platforms also offer customization options, which give the campaign creator the opportunity to incorporate branding, custom images or video, and any text necessary to convey the campaign's messages and needs (Barrett, 2011). To further assist campaign creators, platforms offer free resources and guides for campaign creation and maintenance. For example, Kickstarter's "Kickstarter School" section on its website and Indiegogo's "Indiegogo Field Guide for Campaign Owners" both provide users with crowdfunding instructions and tips.

The benefits of crowdfunding may also extend beyond its ease of use. Since crowdfunding platforms are fully integrated with social media sharing, crowdfunding has the potential to attract new audiences—specifically, those who rely on online/social media research or word of mouth to determine the viability and reliability of a cause or project before making a contribution or investment (McKinney, 2012; Merritt & Katz, 2012). McKinney (2012) has also observed that crowdfunding provides the campaign creator a way to find and build relationships with supporters who may later become advocates for the campaign on social media.

For museums, extending the target audience for a fundraising campaign may shift the concentration of power and influence in arts and culture away from a few wealthy donors and towards a greater majority (Merritt & Katz, 2012). Barrette's (2011) observation that crowdfunding "put[s] the control in the hands of small business owners and ordinary people, not bank executives" (p. 32) supports this notion of balancing art and cultural influence. It is possible, then, that museums may help expand cultural influence beyond the upper class by implementing crowdfunding campaigns.

Are Museums Crowdfunding?

Given crowdfunding's purported features and benefits, its widespread popularity is not surprising. On the platform Kickstarter alone, over 90,000 projects in categories like art, music, or technology have been launched since 2009. These projects have raised a total of \$544 million (statistics accessed March 28, 2013). Crowdfunding's impact was recognized

by the U.S. Government in 2012, when the Jumpstart Our Business Startups [JOBS] Act was signed into law; provisions in this act allowed small businesses to raise up to \$1 million per year via crowdfunding (The White House, 2012).

A few museum-related crowdfunding campaigns have also demonstrated significant successes. In 2011, the Museum of Art and Digital Entertainment used Kickstarter to secure rent and utilities funds for its first months of operation; today, the museum is up and running in Oakland, California. An anonymous donor to the Rock and Roll Hall of Fame and Museum in Cleveland, Ohio funded half of a \$24,000 collections acquisition and preservation campaign, on the condition that institution raises the other half using Kickstarter. Most recently, Webcomic artist Matthew Inman's "Let's Build a Goddamn Tesla Museum" campaign on crowdfunding platform Indiegogo (2012) raised over \$1.3 million for the Tesla Science Center at Wardenclyffe to purchase the former laboratory of Nikola Tesla and convert it into a museum. Even in France, where many museums are publicly funded, institutions like the Louvre and the Lyon Museum are using crowdfunding to raise art acquisitions funds; the two institutions have raised \$654,000 and \$91,000, respectively (Carvajal, 2012).

Crowdfunding's features, benefits, and successes both in and outside the museum field make it a compelling area of inquiry and exploration. Yet, there is a surprising lack of research surrounding crowdfunding, particularly as it pertains to museums. While news outlets, blogs, and other media have addressed and praised the positive impact that crowdfunding may have for museums (e.g. Carvajal, 2012; Kelly, 2013; Merritt, 2011; Novak, 2012), this topic remains untested and understudied in academic settings. As crowdfunding and other online fundraising methods and technologies continue to grow in popularity and credibility, an investigation of the viability of crowdfunding in a museum context is both timely and germane to deepening the field's understanding of emerging trends.

Defining the Research Goal

This study focuses on members of the Millennial generation. The Millennials, defined as anyone between age 20-35 (Pew Research Center, 2010; Achieve & Johnson, Grossnickle, & Associates, 2012), are the first generation of digital natives. This group was “born in an era in which digitally provided services were commonplace” (Sweeney, 2005, p. 170), unlike earlier generations who learned to use the internet and its associated services at a later age (Sweeney, 2005). Today, Millennials are part of the museum field as young professionals or professionals-in-training. This generation’s advanced level of familiarity and comfort with the internet suggests that they (and future generations) do not have difficulty conceptualizing or implementing an online fundraising method like crowdfunding. By focusing on Millennial museum trainees and professionals, this study seeks to explore the concept of crowdfunding without issues of logistics and internet use.

As crowdfunding grows into common practice for artists, musicians, and other entrepreneurs, the relative scarcity of crowdfunded museum projects becomes increasingly clear. This is particularly noticeable in Seattle, Washington, the location of this study. Seattle is a city well known for its tech and online industries, and it is no stranger to online philanthropy. In 2011, Seattle ranked number one in the country for total dollars contributed online (Bauman, 2012). The Seattle Foundation also offers to help donors “grow your gift” once a year during its one-day GiveBIG event, when the Foundation matches portions of donations made online to over 1,300 nonprofit organizations in the city (Seattle Foundation, 2013). Of the twenty-five museums listed on Seattle.gov, the City of Seattle’s official website (2013; two listed sites are part of Seattle Parks and Recreation and were excluded from this count), all but two offer online donation options.

Still, Seattle museums do not seem to be crowdfunding. Preliminary research through online searches and personal conversations with museum professionals have yielded just five past and zero current museum-related crowdfunding campaigns in Seattle. Furthermore, only two of these were undertaken by museum professionals. On the other

hand, Kickstarter lists 981 crowdfunding projects based in Seattle (search conducted March 29, 2013). Several questions emerged from the discrepancy between the popularity of online fundraising and the lack of museum crowdfunding in Seattle: Why are so few museums in Seattle crowdfunding, when online fundraising is so prevalent? Why are museum professionals not joining the tens of thousands of artists, musicians, and entrepreneurs who are crowdfunding?

To better understand the museum professional's point of view, this study focuses on one of fundraising's most important principles: creating and cultivating stakeholder relationships. Current best practices in fundraising suggest that creating and cultivating relationships is a critical part of any institution's development strategy. Building value-based connections with potential and current donors will likely improve donor-institution relationships and create long-term donor development opportunities (Grace, 1997; Johnson, 2011; Sargeant & Jay, 2010). Given the importance of relationships in philanthropy, museum professionals are unlikely to implement a fundraising method they perceive as detrimental to museum-stakeholder relationships. Therefore, this study focused on museum professionals' perceptions about crowdfunding and these relationships.

Research Goal and Significance

The goal of this study is to understand how Seattle's emerging museum professionals of the Millennial generation think crowdfunding may affect a museum's relationship and standing with its stakeholders. Investigating crowdfunding's perceived impact on museum-stakeholder relationships may prompt further investigation of crowdfunding's viability in the museum field. For example, future research might seek to test the perceptions identified in this study to confirm or deny the impact crowdfunding has on a museum's relationship with its stakeholders. Enriching the museum field's understanding of crowdfunding can help professionals better harness this growing trend or seek out other, more viable forms of alt funding.

Chapter Two: Literature Review

The goal of this study is to understand how Seattle's emerging museum professionals of the Millennial generation think crowdfunding may affect a museum's relationship and standing with its stakeholders. The underlying assumptions of this study, then, are that crowdfunding creates a link between a museum and its stakeholders and that crowdfunding may have a positive or negative impact on museum-stakeholder relationships. The four main areas of investigation that shaped the development of this study and its assumptions are: online democracy, philanthropy today, the internet as a fundraising tool, and fundraiser-funder relations in crowdfunding.

Online Democracy

Gimmler (2001) observed that many theories concerning modern democracy share an emphasis on the same three key characteristics: "[T]he role of open discussion, the importance of citizen participation, and the existence of a well-functioning public sphere" (p. 23). The internet's nonhierarchical and pluralistic nature, continued Gimmler, may strengthen societal democracy in a way that other media do not. Like Gimmler, Kenix (2007) defined the internet democratic ideal as a theory embodying an inclusive public sphere and participation through activism. Since Kenix's work focused on nonprofit organizations, her definition also included the following: "a space for marginalized voices; interconnected, instantaneous information; advertising and fundraising revenue; and accountability" (p. 72). These components of an online democratic ideal align with several *Characteristics of Excellence for U.S. Museums* (AAM, n.d.). In particular, the AAM calls for museums to provide opportunities for inclusion, diverse participation, and physical and intellectual access to the museum and its resources while being transparent and publicly accountable.

However, some studies seem to indicate that nonprofits are not harnessing the full potential of these ideals online. Kenix (2007) examined 70 nonprofit organizations' websites to establish how these sites were being used to fulfill the above definition of the ideal online

democracy. She found that, among the webpages examined, few met any of the six characteristics defined. Kenix summarized her study results in the following statement:

None of the variables used to determine a deliberative public sphere was found to any meaningful degree and activism through non-profit websites was found to be almost nonexistent. There was little space for marginalized voices on non-profit Web pages and while information certainly was in abundant supply, it remained static and disconnected from the rest of the World Wide Web. There was also very little accountability for the content found on the websites of non-profit organizations. Taken in sum, it does not appear that the Internet has fulfilled many earlier hopes of a democratic and deliberative utopia (p. 86).

In a similar study, Saxton, Guo, & Brown (2007) confirmed Kenix's results. Saxton et al. examined community foundations' websites to understand how these organizations were meeting their stakeholders' needs online. While the researchers concluded that many foundations engaged donors in transparent, participatory, two-way communication (e.g. through an online suggestion box or comment system), they found that the opposite tended to be true between foundations and other, nondonor stakeholder groups. According to Saxton et al., "The typical community foundation has intense interactivity in the content directed at donors, midlevel transactional content targeted at grantseekers, and only informational brochureware directed at the community at large" (p. 165).

A later study by Kenix (2008) also found that the nonprofit sector's attitudes toward the internet's ability to fulfill these ideals seem to be mixed. In her study of 52 professionals responsible for developing internet strategy and content on nonprofit organizations' websites, Kenix concluded that these professionals did not believe in the internet's democratizing power. According to Kenix, the participants in her study reported that their work in online communications tended to be static, with few opportunities for participation or interactivity. At the same time, these participants stated that having a web presence gave their organizations credibility and legitimacy. As one participant argued, "It [the internet] is absolutely indispensable to the area I'm in. [...] The only place where the message that we have to give can get out to the public without being filtered through the media is the internet" (p. 421).

Philanthropy Today

In the early 1980s, fundraising practice was based on a transaction-based approach (Sargeant & Jay, 2010). Johnson (2011) defined this as a method that “depend[s] upon a transaction and exchange of some material value to yield residual income for the charitable undertaking” (para. 2). With transaction-based fundraising, donors are motivated by the thought, “What’s in it for me?” (Grace, 1997, p. 8). Sargeant & Jay and Johnson have argued that this approach generates small gift, one-time gifts and results in short-lived relationships with donors. In contrast, the more recently established value-based approach (also known as strategic fund development or relationship fundraising) relies on recognizing donors’ and institutions’ shared values and building value-based connections. This results in strengthened donor-institution relationships and the opportunity for long-term donor development (Grace, 1997; Johnson, 2011; Sargeant & Jay, 2010).

Individual donations are a critical component of the nonprofit organization’s contributed income. Hope Consulting (2011) found that approximately 80 to 85 million individuals donated \$235 billion to American nonprofit organizations in 2009, or 80 percent of total contributions to nonprofits that year. For museums, individual donors may represent one of the most reliable sources of contributed income compared to government, corporate, and foundation support.

The AAM’s “Museums and the American Economy in 2011” (2012c) study reported that 35.5% of the study’s 443 participants reported an increase in private individual donations from 2007 to 2008; from 2010 to 2011, this percentage rose to 41.3 percent. In contrast, only 11.9 percent of respondents noted an increase in government support and 24.6 percent an increase in corporate donations from 2010 to 2011. This data suggests that fundraising campaigns targeting individual donors may yield better returns for the museum than ones targeting other groups of donors. Despite the recession beginning in 2008, museums still saw an increase in individual donations. Thus, it is possible that these

contributions will remain a steady source of unearned income for museums—even when faced with challenges presented by current and future legislation.

The Internet as a Fundraising Tool

One significant challenge of targeting potential individual donors for a fundraising campaign is the sheer number of potential donors. Hope Consulting's (2011) "Money for Good II" study found that many nonprofits struggle to address the needs of this large and fragmented group when fundraising. However, the internet may help organizations find and develop relationships with a large number of supporters. According to Ciconte & Jacob (2009), web tools save time and money when communicating with stakeholders, compared to direct mail and telemarketing.

Using the internet as a communication tool may also help an organization address their constituents' preferences. Iniarra Iraegui & Botti (2008) proposed that the internet has created a new point of type of nonprofit supporter. Normally, an individual becomes a recognized supporter only after making a one-time, monthly, annual, major, or legacy donation—the donation types that create the typical fundraising pyramid. However, the authors suggested that "social trysumers" (p.12) are a new group of individuals who are still critical to an institution's success but enter its fundraising pyramid at no financial cost. Social trysumers use the internet to research an institution and become a digital supporter (e.g. subscribing to a newsletter or email list), which are necessary prerequisites for them to make a financial contribution. According to Iniarra Iraegui & Botti, social trysumers now constitute a new base level of support in the fundraising pyramid. To address the needs of the social trysumer, then, an organization must have an online presence.

The internet can help an organization address another group's needs: the Millennials, for whom the internet has long been ubiquitous. In Sweeney's (2005) study on the Millennial generation, he described Millennials as the first generation of *digital natives* growing up in an era when the internet was commonplace. Fundraising consultant firms Achieve & Johnson, Grossnickle & Associates (2012), who define a Millennial as anyone aged

20-35, studied this age group's habits and preferences when engaging with a nonprofit organization. The researchers found that a majority of participants prefer to learn about a nonprofit organization through the organization's website or through social media (65 percent and 55 percent, respectively), while only 17 to 18 percent of participants prefer to learn about a nonprofit through print media or through conversation. The same study found that Millennial giving preferences and habits are similar: 70 percent of participants who gave to a nonprofit organization in 2011 used the nonprofit's webpage to donate. Study participants also ranked online giving as their most preferred donation method.

The Association of Fundraising Professionals' annual *State of Fundraising* reports suggest that nonprofit organizations have been using the internet for effective fundraising. The "2009 State of Fundraising U. S. Fact Sheet" (2009) reported that more than half of institutional respondents said that they raised more funds online compared to the previous year for every year from 2001 to 2009 (reports from 2010 to present were not available through the Association). More recently, *The Chronicle of Philanthropy* has aggregated online giving data from Blackbaud, Network for Good, and PayPal, three major online donation processors for nonprofit organizations. The data suggests that online giving continues to grow in the nonprofit sector. In 2012, 20 percent more organizations were using the internet to raise money than in 2011. Organizations who have been fundraising online reported collecting between 8.9 to 10.9 percent (with quarterly fluctuations) more in 2012 than in 2011, despite the fact that average gift size remained at around \$77 from one year to the next (Flandez & Gipple, 2012).

According to Katya Andresen of Network for Good, the growth in overall funds collected online in combination with the flat gift size from 2011 to 2012 seems to indicate that more people were using the internet to give. But, they were also making smaller donations. "It shows that online giving is going mainstream. It's not just wealthy people who have computers giving online," said Andresen. (quoted in Flandez & Gipple, 2012). This group of online donors making smaller gifts likely includes the Millennials. The Achieve &

Johnson, Grossnickle & Associates (2012) study mentioned above found that a majority of participants gave \$100 or less per donation in 2011.

Fundraising literature seems to indicate that online fundraising is a recommended practice; with the changing needs of the public, particularly in the Millennial generation, online fundraising may even become essential for the nonprofit organization. The apparent mainstreaming of online donation supports the notion of equal participation and democracy suggested in the first section of this review, though studies in that area have revealed discrepancies between the theoretical ideal and actual perceptions and practice. Despite positive indications from fundraising literature, then, it is possible that professionals in the nonprofit sector may still question the purported benefits and impacts of online fundraising.

Fundraiser-Funder Relations in Crowdfunding

Crowdfunding research, to date, appears to be a narrow field of inquiry. Lehner (2013) observed that many studies focus on specific crowdfunding cases, which are often limited to anecdotal accounts. Little is known about the practice, dynamics, and implications of crowdfunding in a broader context (Lehner, 2013; Mollick, 2012). However, recent works have begun to fill this gap.

In 2001, Brian Camelio founded the crowdfunding platform ArtistShare. His goal was “to give fans a more engaged relationship with the artist—in hopes they would be willing to finance the music” (quoted in The Wharton School of the University of Pennsylvania, 2010). Though crowdfunding is no longer exclusive to musical ventures as they were in 2001, Camelio’s sentiment of public engagement continues in crowdfunding. In particular, Merritt & Katz (2012) proposed that crowdfunding may shift the concentration of power and influence in arts and culture away from a few wealthy donors and towards a greater majority. Lehner (2013) framed a similar concept in a fundraiser-funder relations context by suggesting that the public may perceive crowdfunding as a democratic process. According to Lehner, the perceived democracy of crowdfunding may help legitimize ventures with a social mission as their primary goal. For example, when a social mission or related project is

crowdfunded, the public considers the project (and the fundraiser) worthy of support because it has been democratically vetted.

Belleflamme, Lambert, & Schweinbacher's (2013) observed crowdfunding's positive effect on fundraiser-funder relations during their study on the characteristics of successful crowdfunding campaigns. According to their findings, funders saw a nonprofit crowdfunding campaign's "reduced focus on profits [...] as a credible commitment to provide larger community benefits" (p. 28). Thus, crowdfunding campaigns seem to promote the public's positive assumptions and perceptions about nonprofit organizations.

At the same time, some question the positive impact of crowdfunding on fundraiser-funder relations. By definition, crowdfunding necessitates engaging a large number of potential and actual funders. Schwienbacher & Larralde (2010) have observed that effective and clear communication with a wide and diverse audience is a challenge, particularly when both nonspecialist and specialist needs must both be addressed. Furthermore, Lehner (2013) suggested that crowdfunding may result in a "dispersion of control" (p. 13) from the fundraiser to the many funders. This, in turn, may complicate the management and maintenance of positive public opinion.

This Study

This review of the available literature suggests that the nonprofit sector has not reached a consensus about the internet's impact on communication or fundraising practices. The museum field and the ideal online democracy share values of inclusion, equal opportunities for participation, transparency, and public accountability. In theory, the internet can help the nonprofit sector advance these values. However, the difference between theory and actual perception and practice points toward a need for further consideration and research to better understand the internet's democratization ideal in a nonprofit setting. Now that social media and other inherently participatory online tools are part of the nonprofit sector's communication or fundraising repertoire, this study seeks to

revisit professional perceptions about the utility and impact of crowdfunding, a social online communication and fundraising platform.

Chapter Three: Methods

The goal of this study is to describe how Seattle's emerging museum professionals of the Millennial generation think crowdfunding may affect a museum's relationship and standing with its stakeholders. After identifying a small, focused sample of participants, this study used a qualitative approach to explore perceptions about crowdfunding and museum-stakeholder relationships through semi-structured interviews.

Inclusion Criteria

The study population consisted of Seattle's emerging museum professionals of the Millennial generation. Today, individuals aged 20-35 are part of the museum field as young professionals or professionals-in-training. As digital natives, this generation's advanced level of familiarity and comfort with the internet suggests that they (and future generations) do not have difficulty conceptualizing or implementing an online fundraising method like crowdfunding.

The study sample was drawn from two groups: students currently enrolled in the University of Washington Museology Graduate Program and professionals working in a Seattle museum or similar institution. The University of Washington Museology Graduate Program is the only graduate training program in museology and museum studies in Seattle. Students in this program aspire to become museum professionals through graduate study; many students also currently intern and work part-time in Seattle museums. Thus, the Museology Graduate Program's 74 students constituted part of the population.

The second part of the population consisted of individuals currently employed at a Seattle museum. Fundraising campaigns normally fall within a development or advancement professional's domain. However, because crowdfunding is a type of fundraising designed for anyone to use, museum professionals in other specialty areas may consider implementing such a campaign themselves. For example, the director of a small institution with no development staff might try crowdfunding because of its zero-cost, wide-reaching appeal.

Thus, a museum professional's area of specialty was not one of the inclusion criteria for this study.

Sampling and Recruitment

To recruit participants, emails were sent to the University of Washington Museology Graduate Program listserv and the Seattle Emerging Museum Professionals listserv. The email message briefly described the study and listed the study's inclusion criteria, leading respondents to self-select if they identified as a Millennial and a museum professional. Recruitment emails were also sent to individuals known to meet the inclusion criteria of age range, location, and professional status (see Appendix A for email texts).

As the interview process began, participants were asked to recommend additional individuals who meet the study's inclusion criteria. Because the Seattle Emerging Museum Professionals listserv is not an all-inclusive directory of potential participants, this process of snowball sampling (Morgan, 2008) allowed more potential participants to be identified and recruited.

The recruitment process yielded 19 total responses, with 13 respondents from the University of Washington Museology Program and 6 respondents from 4 different Seattle institutions. A follow up email (Appendix A) to these 19 potential participants included an informed consent document (Appendix B), which provided further details about the study, the data collection process via interview and audio recording, and measures to protect confidentiality.

Data Collection and Initial Analysis

Of the 19 recruitment email respondents, 14 were interviewed between April 30 and May 11, 2013. The remaining 5 respondents were not interviewed, due to scheduling conflicts. Interview meetings began by providing the participant with general crowdfunding information, including basic definitions and features, examples from the museum field, and purported benefits of crowdfunding. The following excerpt from the interview script was

adapted from Mollick's (2012) definition of crowdfunding and features listed on both Kickstarter (n.d.) and Indiegogo's (n.d.) websites.

You may have heard of websites like Kickstarter or Indiegogo, which allow any user to create a crowdfunded campaign. Crowdfunding is a method of fundraising online originally designed for musicians, artists, and small business ventures. It allows the user to create a campaign and raise money from the general public, without hiring consultants or another intermediary. The crowdfunding site hosts the campaign webpage and handles the financial transactions.

Two successful museum crowdfunding campaigns, listed in the AAM's TrendsWatch 2012: Museums and the Pulse of the Future publication (Merritt & Katz, 2012), were described to participants. Two quotes from this document were also included in this part of the interview:

According to the AAM, crowdfunding has several benefits. It can "reach people who may never have heard of your museum and invite them to support projects ranging from acquisitions to exhibits to building expansions" (p. 14). It is also possible that crowdfunding may "help counterbalance the disproportionate influence on culture and the arts wielded by the most affluent Americans" (p. 15).

This portion of the interview was intended to provide all participants with the same basic information, because each person may have had different levels of knowledge and experience with crowdfunding. The websites and publications cited in this section were selected because they represent likely sources from which a museum student or professional might learn about crowdfunding. (See Appendix C for the full interview script.)

Next, participants were asked if he/she thought a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with a particular stakeholder group. For example, the first question was: "Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its board of trustees?" (See Appendix C for a list of interview questions.) This question was repeated for the following stakeholder groups:

- Current donors
- One-time donors
- Members and/or regular visitors
- One-time visitors

- Volunteers
- Online followers
- General public

After participants discussed their thoughts and opinions about these eight groups, they were asked if any other stakeholder groups not yet addressed might be positively or negatively affected by a crowdfunding campaign. Participants were also asked to comment on a crowdfunding campaign's potential effects on relationships among any of the stakeholder groups (rather than between a museum and a stakeholder group). Participants were given the option to speak from professional or personal experience or knowledge of crowdfunding and were also encouraged to draw from the information provided at the beginning of the meeting. Probes were sometimes used to ask participants for clarification, or to guide the participant toward decide if his /her response might result in a positive, negative, or no impact on a particular relationship.

Each interview was recorded using a digital audio device. All 14 interviews were transcribed to facilitate line-by-line review and analysis. The qualitative data analysis software NVIVO was used to identify and track emergent patterns and themes among interview responses. This process of coding interview transcripts was twofold: first, a list of *a priori* codes was developed in order to track the stakeholder groups discussed and type of effect on a stakeholder relationship. Figure 1 lists the full set of *a priori* codes used.

Each interview transcript was coded using this list, with unusual or exceptional statements flagged for later categorization. During this process, a second set of codes emerged from the participants' responses. These emergent themes expanded the existing codes with new subcategories and added new themes to be addressed with further analysis.

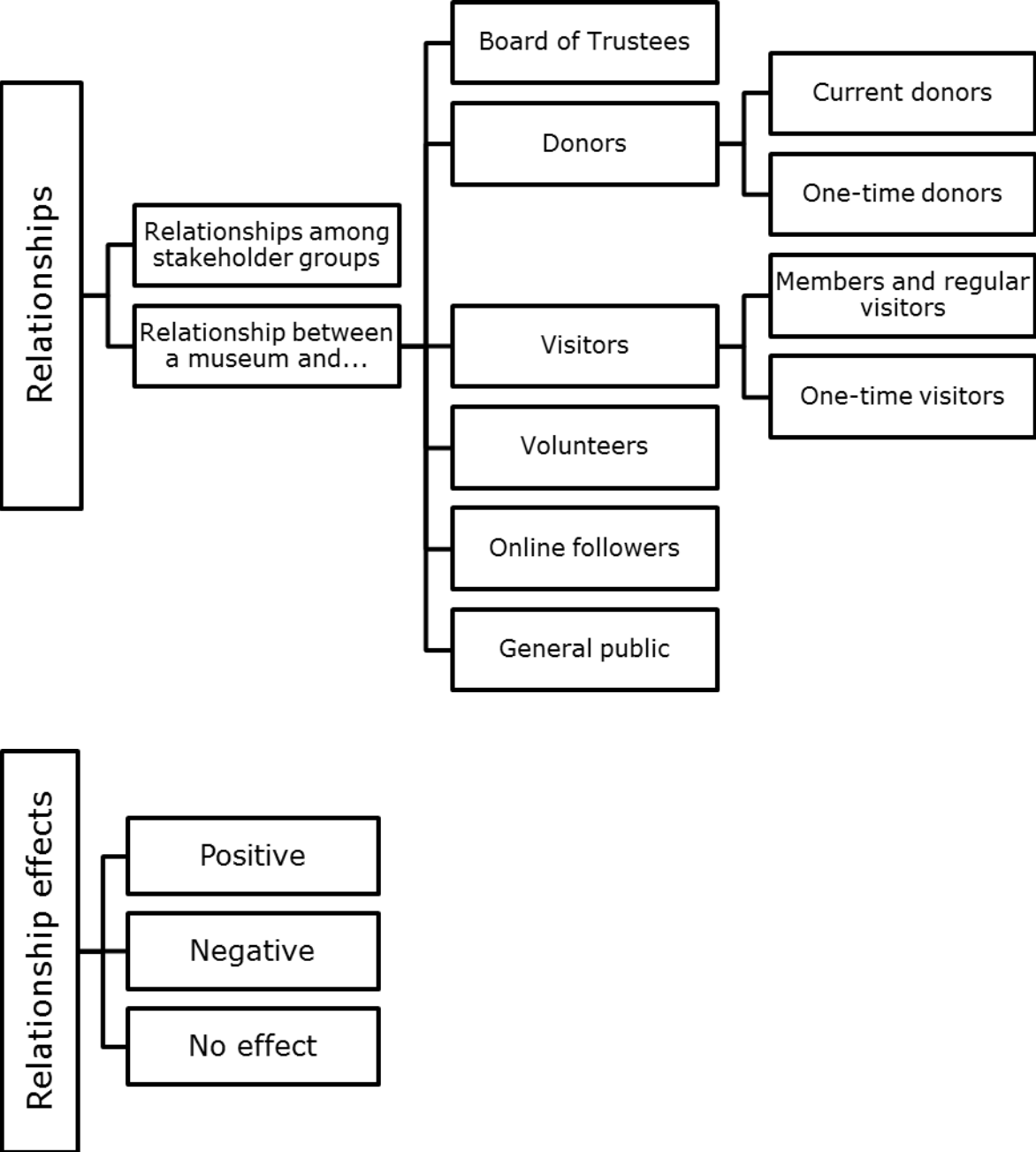


Figure 1. Diagram of *a priori* codes and hierarchies used in interview transcript analysis.

Chapter Four: Results and Discussion

Initial Results

Based on the interview responses, the *a priori* framework was expanded to include an “it depends” category of responses under the three existing relationship effect options and four new stakeholder relationships. Figure 2 illustrates the full set of codes related to the relationship effect and relationship categories.

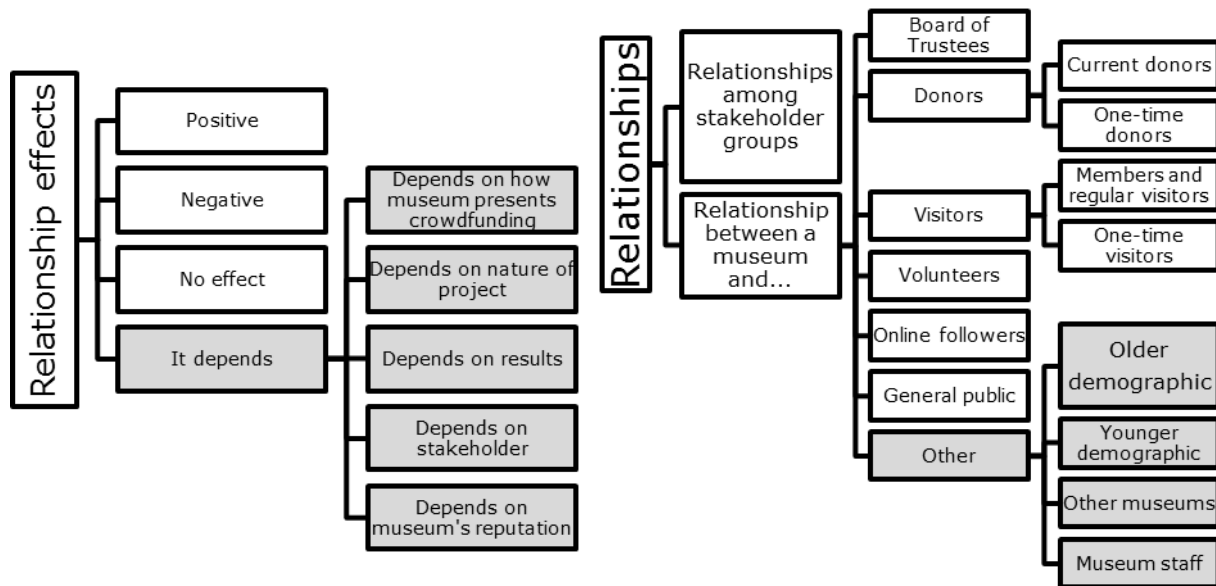


Figure 2. *A priori* codes, expanded by emergent codes shown in shaded gray boxes.

In general, participants thought that crowdfunding might have a positive effect on many museum-stakeholder relationships. Participants seemed to believe that the majority (8 out of 12) of relationships would be affected positively. A museum’s relationships with its online followers and the general public were most often associated with positive changes resulting from crowdfunding. The one-time donors, one-time visitors, and the younger demographic groups are also notable in that no negative references were associated with these stakeholders.

On the other hand, participants seemed to be less optimistic about the board of trustees, current donors, and museum staff. Of these, the current donor and staff groups are exceptional in that they are the only groups associated with more negative statements than positive ones.

Overview of Crowdfunding Considerations

During the interview, participants were asked to explain why they thought crowdfunding might have a particular effect on a museum-stakeholder relationship. These explanations were grouped into three categories: considerations that mainly affect (1) the crowdfunding contributor, (2) the museum, and (3) both the stakeholder and the museum. No-effect references were omitted, since a separate theme emerged from these responses (explained in “No Effect: Take It or Leave It” below).

Considerations for contributors and for the museum are largely positive, with a few it-depends statements and zero negative statements associated with this category. While the majority of responses in the considerations for museums category were also positive, participants also made many statements pointing to negative changes resulting from crowdfunding. In contrast, considerations affecting both the museum and stakeholders were mostly negative.

For Contributors: Simple, Impactful Giving

According to many study participants, crowdfunding seems to make the decision and process of donating simple and clear. More than half of the participants observed that, because crowdfunding campaigns are created around a single, specific project, contributors can see what their giving will accomplish. Some participants suggested that crowdfunding campaigns more clearly articulate donor impact than traditional fundraising appeals. As one participant remarked,

I think crowdsourcing fundraising really focuses on the cause, like “we need to get this amount of money for this direct purpose.” So I think it’s a little more appealing than just donating to an endowment or an annual appeal if you’re not very familiar with the organization or you don’t have a long history with the organization.

(Participant G)¹

Other participants made similar comments, praising the specificity a crowdfunding project over what they considered more general-purpose forms of giving like museum lobby drop boxes or memberships fees.

Another way of comparing of crowdfunding and traditional philanthropic support emerged from participant responses. More than half of the participants saw crowdfunding as a more affordable alternative to what they considered a typical donation. Again, crowdfunding's perceived ability to clearly articulate impact was important—particularly with a small donation amount. As one observed, "I feel like there's no pressure to donate a huge amount when you're doing crowdfunding. You can donate \$10 and feel like you still helped in some way" (Participant I).

Of the 12 stakeholder groups, members and visitors were most commonly referenced with positive contributor considerations. Some participants proposed giving museum visitors access to a crowdfunding campaign on site as a way of reinforcing the impact of a crowdfunded dollar. One suggestion was to incorporate a collections-based crowdfunding campaign pitch with a behind-the-scenes collections tour. Another participant suggested having a kiosk or QR codes linking an exhibit object to a related crowdfunding object:

People like to know what they're giving to, they like to see it. So if you connect a visual on your campus with the internet part of it, I think that is only a benefit. You can only win from that. It's right there, you can do it on your cell phone. That would be awesome! (Participant N)

This example links the ease of anticipating the impact of a gift with the ease of donating—another prevalent theme in the considerations for contributors category.

To some participants, crowdfunding is an easy form of donation because it is fast and accessible via computer or smartphone in a variety of locations. In other interpretations of the easy donation, crowdfunding's low minimum donation makes giving more manageable

¹ To protect participant identities, this study uses the letters A-N to identify each of the 14 participants.

or possible. A few participants included both facets of the easy donation in their responses. For example, one participant gave the following reason to support her belief that museum-online follower relations would improve from crowdfunding:

I think it could be very valuable because people who get regular email updates from the museum [...] see this easily accessible way to participate and it's like, "Oh, I only have to give five dollars? Okay, then I can do that." (Participant C)

This concept was often associated with the one-time donors group, which was the second most commonly referenced group in the contributors category. In Participant D's response about one-time donors, she said,

If they've only donated one time, it could be that it's inconvenient for them, or they didn't have a large amount of money. So this could give them other options. And it's something you could do really quick online. I think it's a positive.

Other Benefits for Contributors

Less commonly cited themes included the fact that crowdfunding seems to be an exciting form of giving and allows supporters to be recognized in another way. Some participants also stated that crowdfunding can impart a sense of ownership for contributors and create a sense of connection or camaraderie between people who support a project, perhaps by showing that a project was vetted and funded by a large community. A table of codes, reference counts (the total number of unique statements associated with a code), and source counts (the number of participants whose responses were coded to a particular theme) for this and all other categories can be found in Appendix E.

For the Museum: Raising Awareness and Engagement—At What Cost?

Two main themes emerged from participant responses that seem to positively affect the museum. Crowdfunding was cited as an effective way to increase various groups' awareness about various aspects of museum work. Crowdfunding was also perceived as an additional or supplemental way for a museum to engage groups it already has a connection with. On the other hand, some participants also believed that negative perceptions and reactions might arise from a museum's decision to implement crowdfunding.

Raising awareness. Participants saw crowdfunding as a way for museums to communicate their projects, activities, and needs. One participant thought that crowdfunding can be “an expression of values for the museum” (Participant G). Participants’ responses seem to indicate that communicating via crowdfunding may reach a wide variety of stakeholder groups. For example, one participant said that museums could reach a community by “get[ting] them excited about something that’s going on that they might not [have] heard about before” (Participant H). Another thought that crowdfunding could be a way for museums to educate young people about philanthropy.

To some participants, a museum can reap certain benefits from raising awareness about its projects and issues. Some participants commented on the fact that a museum could attract new supporters with crowdfunding. According to one participant, some people might feel compelled to volunteer at a museum because they were drawn to a project in need described in a crowdfunding campaign. Two other participants suggested that social media platforms like Facebook or StumbleUpon could help a museum crowdfunding campaign reach new audiences. Another proposed that crowdfunding could show current donors about specific museum departments in need, which could redirect or even increase their donation amount.

Engagement. Using crowdfunding as an additional way of engaging supporters was an even more commonly cited benefit for museums than raising awareness about museum projects and needs, with 9 participants referencing this concept. One participant felt that a museum’s nonfinancial supporters, such as regular visitors, volunteers, and online followers, might see a crowdfunding campaign as an additional way to contribute to an institution they already invest their time in. Involvement, ownership, appreciation, and recognition were concepts that other participants associated with engaging groups already affiliated with the museum.

Many responses related to engaging museum supporters were specific to the online followers group. One participant considers crowdfunding a way for museums to reach online

followers through their chosen form of communication. Another participant, who spoke from her personal experience as an online follower of museums, noted that online visitors might not ever visit a museum but may still contribute:

So I follow a museum in Indianapolis, and if they were doing a Kickstarter, I'd probably give them a couple of bucks. I might not ever go to the museum, so it doesn't really make a difference to me as a visitor, but I like them. And that's one way I would know they were doing it—through Twitter, since I don't live there. I haven't been to their website at all... only their Facebook and Twitter. (Participant M)

In another example of engaging online followers, Participant E saw crowdfunding as a way of converting online followers to visitors:

If the museum said, "This week was a record high!" on a newsletter [... or,] "We had the most amount of donors, we're now at blah percent of our goal" or just some special piece about what [the project] would be used for in the museum, I think all of that would bring them a lot closer. Might actually get them out of the internet and into the museum.

In Participant E's example, updates about a crowdfunding campaign serve as a marketing tool to generate excitement among online followers. A different participant noted, "[Crowdfunding is] like a renewal of interest, of support, and understanding of what we're doing. Even if someone chooses not to support a particular cause, it is a form of marketing as well." Participant K provides another example, citing her institution's involvement with the Seattle Foundation's GiveBIG one-day-a-year online donation drive as a parallel to crowdfunding:

Some of our board members made their big planned gifts on GiveBIG to stretch it. But we also got a lot of 5, 20 dollar donations. They don't really do much to put a dent in your goal, but it's great to have people engage.

Participant G provides one possible explanation for why crowdfunding seems to positively impact museum-online follower relationships:

I think it's bringing fundraising to that person's—it's reaching them through their chosen [form of] communication. They already have this virtual or online relationship with the museum. And maybe they have that and they're not visitors—that may be where they learn more about the museum than when they visit. So it's acknowledging them and reaching out to them in how they've chosen—it's reaching them at their level.

Other positive effects. Crowdfunding was sometimes cited as a research opportunity for museums. Participant K saw crowdfunding as a way to learn who their supporters are and how much they would give. Participant I and Participant J both observed that crowdfunding campaigns allow museums to better understand which types of projects attract more public interest. Two other participants thought that this process of learning about the community through crowdfunding would reflect positively on the museum:

And to me as a community member, it shows that the museum cares about the community and they're availing this service to them because they want their feedback. (Participant C)

I think it would have a very positive influence in showing that the museum is trying to stay relevant and is trying to adopt different fundraising practices and being involved in the community. (Participant G)

Participant L saw crowdfunding campaigns as a way for museums to embody values of transparency and accountability:

As opposed to just putting money in the box at the museum, if you're saying you're going to spend it on this project, you're also more accountable. You're probably more connected to some sort of deliverable on a Kickstarter campaign. If you say you're going to do project X, you better do the project and make it clear that you've done it. Otherwise people will start questioning, when they would just put the money in the box and forget about it.

Negative perceptions. While some participants thought that crowdfunding would help a museum position itself as a caring, relevant, and involved community institution, others were concerned about how crowdfunding might attract negative perceptions and reactions from various groups. For example, participants thought that stakeholders—particularly a board of trustees and the general public—may think crowdfunding was “not classy enough” (Participant A), a “downgrade” (Participant D), or “twenty-first century begging” (Participant N).

As Participant D explained, the public might “wonder why [the crowdfunding museum is] not getting money, why they haven't gotten funding, what happened to their funding.” Similarly, Participant N thought that the public might question, “Why do you have

to solicit from the public, why can't you make it any other way? It's aligning museums with this group of people, artists, musicians, who can't get funding any other way."

Participants were concerned about another type of negative feedback—that a museum's existing supporters might find crowdfunding redundant or pointless. Two participants thought that members might feel that they have already contributed to the museum and have already received perks similar to those offered by crowdfunding. For institutions already equipped with online giving technologies, another participant thought that implementing a crowdfunding campaign might generate negative feedback. She explains:

We're not a huge museum, but we're one of the bigger nonprofits in the area. We do have those logistical things in place already, so I can see people kind of wondering "Why do you need to do that?" It's a great tool for your gallery or your nonprofit that doesn't have a building, something with less resources, I think that's a great tool. But I think we would get some questions. (Participant K)

For Contributors and the Museum: Crowdfunding Versus Development

The third category of considerations contains themes that suggest crowdfunding may be detrimental to both stakeholders and museums involved. In particular, some participants perceived crowdfunding as damaging to existing development and relationship-building efforts. Participants noted that crowdfunding seems to be a less personal, blanket approach to fundraising. One participant thought that the less personal aspect of crowdfunding would deter people from supporting an institution, especially those less familiar or comfortable with making financial transactions online. Another participant commented on what she believed to be crowdfunding's negative impact on a board of trustees' responsibilities:

A lot of times the board reaches out to their personal circles, people who are in the direct community of the museum. And I imagine telling them that, "Here's this crowdsourcing and it's just going to be to the people in the ether-world." And so how does this step on the toes of the board who are on the board for their status, how would they interact with something so anonymous? (Participant N)

Like the two participants referenced above, Participant G thought that crowdfunding could be detrimental to established museum-stakeholder relationships. She was particularly concerned about the effect on a museum's relationship with its current donors:

I wonder if they would feel the organization didn't need them, or if the organization has moved past them [...] if it appears that [the museum is] kind of pushing [crowdfunding] over the traditional, more personal relationship—that [donors] might feel like they aren't as highly valued. That the organization kind of moved on without them.

Others were concerned that current donors would feel like their contributions were not good enough for the museum or feel less appreciated and recognized for their gifts, particularly if the museum had a highly publicized crowdfunding campaign.

No Effect: Take It or Leave It?

For the participants cited in the preceding section, crowdfunding's indirect approach to soliciting donations is less personal and less effective than a direct ask associated with a museum-potential donor relationship developed over time. These participants thought crowdfunding could damage these relationships. Other participants, however, did not consider the indirect ask detrimental to museum-stakeholder relationships.

Several participants thought that stakeholders would have a "take it or leave it" attitude toward crowdfunding. At worst, said these participants, crowdfunding would have no effect on a museum's relationship with stakeholders; if they were not interested in using crowdfunding to give, they would simply ignore it. At best, crowdfunding would positively affect these relationships for reasons covered earlier in the considerations for contributors and considerations for museums sections. Two participants saw crowdfunding's indirect nature as a positive feature of crowdfunding, since the museum is presenting potential donors with an opportunity to give without the pressures of a direct ask.

Use and Implementation

More than half of the interview participants commented on whether certain stakeholder groups would give to a crowdfunding campaign. The board of trustees, one-time donors, and older individuals were all thought to be unlikely crowdfunding contributors. Regular visitors and younger individuals were referenced as most likely to give using crowdfunding, though only a few interview participants made these types of statements.

Several participants felt that crowdfunding alone would not have a positive impact on museum-stakeholder relationships—that crowdfunding had prerequisites for success. These include:

- that participants first visit the museum (Participant B);
- advertising (Participant F and M);
- “an online presence not geared towards fundraising, but towards public relations for the museum” (Participant G);
- “a really great fan base for the museum” (Participant H);
- or having crowdfunding occur on-site (Participant I).

On the other hand, a few participants felt that crowdfunding could make a positive difference in museum-stakeholder relationships without any prerequisites. One participant called crowdfunding “an interesting hook for pulling people in” (Participant I), and another thought that the project content presented by a crowdfunding campaign alone could help a museum attract new audiences (Participant E).

Discussion

Fundraising literature has presented online fundraising as an easy and efficient method for nonprofit organizations to reach a large number of stakeholders and to address many of their needs (e.g. Iniarra Iraegui & Botti, 2008; Ciconte & Jacob, 2009; Achieve & Johnson, Grossnickle & Associates, 2012). According to participant perceptions, crowdfunding’s features and benefits seem to match those of online fundraising established in the literature. Participants believed that a crowdfunding campaign provides the public a simple way to learn about a museum’s project, support it with a small financial contribution, and understand how their gift will make the project succeed. The public, in turn, perceives the museum as an institution that cares about the community and its interests.

Crowdfunding was thought to have a particularly positive impact on the relationship between a museum and its online followers. Since crowdfunding is an online-only form of fundraising, this correlation is not surprising. Again, participants believed that a museum

crowdfunding campaign gave people already invested in the museum and familiar with online tools an easy way to further engage with and support a project or cause.

Many of crowdfunding's perceived negative relationship effects, however, may also be due to its online nature. Participants thought that crowdfunding was less personal than traditional development methods, which could then lead to confusing or even offending stakeholders. It is possible, however, that clear and effective communication from the museum to its stakeholders might mitigate many participants' concerns about crowdfunding. In fact, several participants stated that crowdfunding's effect on museum-stakeholder relationships depends on how the museum explains crowdfunding to its stakeholders. These findings suggest that museums may need to pay particular attention to how they communicate crowdfunding to various groups, in order to minimize the risk of negative reactions and perceptions.

Limitations

Access and convenience played a significant role in the process of recruiting study participants, making the study sample susceptible to certain biases. For example, snowball sampling carries the risk of excluding all potential participants outside of the professional network accessed for recruitment (Morgan, 2008). Additionally, participants associated with the University of Washington Museology Graduate Program dominated the recruitment pool, possibly because the Seattle Emerging Museum Professionals group is administered by two graduate students currently in the program. Of the 14 participants, 13 were either currently enrolled or alumni of the Museology Graduate Program. This may have restricted the diversity of educational background and professional training in the sample and affected participant responses.

Other attributes associated with this study sample suggest that the sample is not representative of the population. With only 4 Seattle museums associated with participants, the total range of Seattle museums was not represented in this study. Notably, none of the participants were employed at an art museum. Furthermore, some professional areas

common to museums, such as administration, facilities/operations, and visitor services, were not represented in this sample.

My role as the researcher may also impose some limitations on this study. During the interview process, my existing professional and academic association with most of the participants may have influenced their responses. As the sole researcher, the coding process was likely shaped by my personal interpretation of the participant responses.

Chapter Five: Conclusion

This study sought to offer insight into the status and viability of crowdfunding in the Seattle museum community, by collecting and interpreting Seattle emerging museum professionals' perceptions toward this form of fundraising. Study results indicated that attitudes toward crowdfunding were generally positive. Participants believed that crowdfunding had several features and benefits, such as the ease of implementation and use for museums and contributors and improved public engagement and visibility for museum projects and needs. However, participants were also concerned about the crowdfunding's negative effect on a museum's relationship with its existing donors and a museum's public image.

Although the study sample's small size and potential biases mean that results cannot be generalized across the population, the generally positive attitudes toward crowdfunding may indicate that some emerging museum professionals do find crowdfunding a viable form of fundraising worthy of exploration. The features, benefits, and concerns cited by study participants may present useful considerations for practitioners. For example, an institution planning to implement a crowdfunding campaign may wish to pay special attention to communicating with current donors and the general public when considering a crowdfunding campaign.

Still, a deeper understanding of how crowdfunding is and will be perceived requires further investigation. Rather than focusing on museum professionals' thoughts and opinions of crowdfunding, future research could consider stakeholder or public points of view in order to understand how crowdfunding is perceived by all parties involved. Other research possibilities include: confirming crowdfunding's features and benefits as proposed in this study; clarifying some of the concerns raised by participants in this study; communicating crowdfunding to groups perceived as mostly likely to ignore or resist it; using crowdfunding as a form of stakeholder research; or whether successful crowdfunding depends upon a museum's size or access to resources.

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Appendix A: Recruitment Emails

Email to University of Washington Museology Graduate Program Listserv

For my thesis research, **I am looking for Museology students to participate in a study about fundraising using a crowdfunding platform like Kickstarter or Indiegogo.**

My goal is to better understand how local museum professionals think crowdfunding campaigns may affect a museum's relationships with its stakeholders. **No fundraising or crowdfunding experience is necessary!** However, you do need to be between the ages of 18-35.

Participation involves a **one-on-one, 45-60 minute conversational interview.** Your responses will be recorded but your identity kept confidential. If you are interested, or if you have any questions, **please email me at caleja@uw.edu.**

Thank you very much in advance!

Email to Seattle Emerging Museum Professionals Listserv

I am looking for volunteers to contribute approximately one hour to participate in a study exploring the potential for museums to raise funds using a crowdfunding platform like Kickstarter or Indiegogo.

My goal is to better understand how local museum professionals (particularly emerging professionals) think crowdfunding campaigns may affect a museum's relationships with its stakeholders. **No fundraising or crowdfunding experience is necessary!** However, participants should meet the following requirements:

- Currently employed at a Seattle museum
- Between the ages of 18-35

Participation involves a **one-on-one, 45-60 minute conversational interview.** Your responses will be recorded but your identity kept confidential. If you are interested, or if you have any questions, **please email me at caleja@uw.edu.**

Thank you very much in advance!

Email to a Museum Professional Known to Meet Study Requirements

For my Museology thesis, I am looking for volunteers for a study about fundraising using a crowdfunding platform like Kickstarter or Indiegogo. Would you be interested in participating?

My goal is to better understand how local museum professionals think crowdfunding campaigns may affect a museum's relationships with its stakeholders. No fundraising or crowdfunding experience is necessary! Participation involves a **one-on-one, 45-60 minute conversational interview**. Your responses will be recorded but your identity kept confidential.

Please let me know if you're interested, or if you have any questions for me. Also, if you know any other museum professionals currently working in a Seattle museum between the ages of 18-35, would you be willing to put me in touch with them? I have sent a message to the members of the Seattle Emerging Museum Professionals listserv, but I am still looking for more potential participants who meet these requirements.

Thank you very much for your time and help in advance!

Follow Up Email

Thank you for your interest in this study! I have attached an informed consent form to this email, which describes your participation in greater detail. If you have any questions, please do not hesitate to contact me.

If you agree with the terms of the study as described on the attached form, please use the calendar in the following link to choose a one-hour appointment time:

[URL]

Thank you again and I look forward to hearing from you soon!

[Attachment]

**Appendix B: Informed Consent Form
UNIVERSITY OF WASHINGTON
CONSENT FORM**

**Master's Thesis Research Study
"Exploring the Seattle museum community's perceptions toward crowdfunding"**

Researcher: Crista Alejandre
Graduate student, University of Washington Museology Program
caleja@uw.edu | 206-641-0115

Thesis advisor: Kris Morrissey
University of Washington Museology Program

Faculty advisor: Nick Visscher
University of Washington Museology Program

Researcher's statement

I am asking you to be in a research study. The purpose of this consent form is to give you the information you will need to help you decide whether to be in the study or not. Please read the form carefully. You may ask questions about the purpose of the research, what I would ask you to do, the possible risks and benefits, your rights as a volunteer, and anything else about the research or this form that is not clear. When I have answered all your questions, you can decide if you want to be in the study or not. This process is called "informed consent." I will give you a copy of this form for your records.

PURPOSE OF THE STUDY

This study will describe how current and future museum professionals of the Millennial generation think crowdfunding may affect a museum's relationship and standing with its stakeholders.

STUDY PROCEDURES

I will be conducting a one-on-one interview with you. The entire process will take 45-60 minutes. First, I will provide you with a definition and examples of crowdfunding. Then, I will ask you to give your opinion on whether a crowdfunding campaign will have a positive, negative, or no impact on relationships between a museum and its stakeholders.

For example, I may ask, "Do you think a crowdfunding campaign will have a positive, negative, or no impact on a museum's relationship with its existing donors?"

Your responses will be recorded on a digital audio recording device.

This study includes a total of 18-24 participants. The study will conclude by June 2013.

This process is completely voluntary. You may refuse to answer any question, and you may choose to end the interview at any time.

RISKS, STRESS, OR DISCOMFORT

You may experience mild stress during the interview process, since your responses will be recorded. You may also feel uncomfortable if you find that it is difficult to elaborate on your interview responses. Again, please remember that you may refuse to answer any question in the interview. Please also note that recordings will be deleted once the study is complete. Further details about confidentiality can be found below.

BENEFITS OF THE STUDY

Although you may not personally benefit from taking part in this study, the museum field may benefit from the results of this research. Better understanding of perceived benefits and barriers to crowdfunding resulting from this study may inform the field about the usefulness and viability of crowdfunding as a form of museum fundraising.

CONFIDENTIALITY OF RESEARCH INFORMATION

In the data analysis and report, you will be identified by your professional status (student or professional) and, if professional, the type of museum work you do (e.g. collections, exhibitions, development). Only I will have access to identifying information.

Recorded data will be stored in a locked file on my personal computer. Recordings will be transcribed without any identifying information. Recordings will not be published or presented publicly and will be destroyed after the study is complete.

A copy of your consent form will be kept in a locked file cabinet.

OTHER INFORMATION

You may refuse to participate and you are free to withdraw from this study at any time without penalty or loss of benefits to which you are otherwise entitled.

Crista Alejandre

Printed name of researcher

Signature

Date

Participant's statement

This study has been explained to me. I volunteer to take part in this research. I have had a chance to ask questions. If I have questions later about the research, I can ask one of the researchers listed above. If I have questions about my rights as a research participant, I can call the Human Subjects Division at (206) 543-0098. I will receive a copy of this consent form.

Printed name of participant

Signature

Date

Copies to: Researcher
 Participant

Appendix C: Interview Guide

Introduction

Thank you again for volunteering to participate in this study. The goal of this study is to describe how current and future museum professionals of the Millennial generation think crowdfunding may affect a museum's relationship and standing with its stakeholders. I'll begin with a description of what crowdfunding is, and some examples of museum crowdfunding campaigns.

At this point, I will begin recording the interview. I will then ask you if, how, and/or why you think crowdfunding campaign will affect the relationships a museum may have with various stakeholder groups. Please remember that your participation is voluntary, and that you may choose to not answer any questions or to end the interview at any point. Also, in the data analysis and report, you will only be identified by the fact that...

For Group 1: ... you are a student in the UW Museology Program.

For Groups 2 & 3: ... you are a museum professional in Seattle who works in _____ (e.g. collections, exhibitions, development).

Do you have any questions for me before we begin?

Description and definition

Are you familiar with the term crowdfunding?

(The following information is adapted from AAM's *Trendswatch 2012* report.)

If the participant answers yes: For the purposes of this study, let me give you some background information on crowdfunding from AAM, to better frame our interview questions.

If the participant answers no: Let me give you some background information about crowdfunding.

You may have heard of websites like Kickstarter or Indiegogo, which allow any user to create a crowdfunded campaign. Crowdfunding is a method of fundraising online originally designed for musicians, artists, and small business ventures. It allows the user to

create a campaign and raise money from the general public, without hiring consultants or another intermediary. The crowdfunding site hosts the campaign webpage and handles the financial transactions.

Typically, a crowdfunding campaign requests a range of donation amounts (sometimes beginning at just \$1) and offers some incentive in return. Here's how the AAM describes crowdfunding: "By pooling small contributions of money from groups of people who share common interests, everyone has the power to achieve financial goals!" (p. 15)

For example, the Museum of Art and Digital Entertainment in San Francisco raised over \$20,000 to fund the museum's first six months of rent and utilities. The Rock and Roll Hall of Fame raised \$12,000 to acquire and preserve a historic sign from the site of the Woodstock festival. Some of their incentives included admission tickets, recognition online, t-shirts, or dinner with the museum CEO.

According to the AAM, crowdfunding has several benefits. It can "reach people who may never have heard of your museum and invite them to support projects ranging from acquisitions to exhibits to building expansions" (p. 14). It is also possible that crowdfunding may "help counterbalance the disproportionate influence on culture and the arts wielded by the most affluent Americans" (p. 15).

Now, let's pause for a few moments to think while I begin recording this interview.

Interview questions

Based on your prior knowledge of crowdfunding (if applicable) and the information I have just provided, please answer the following questions. If you are not sure, feel free to say "next question" or "not sure" and I will move on to the next question.

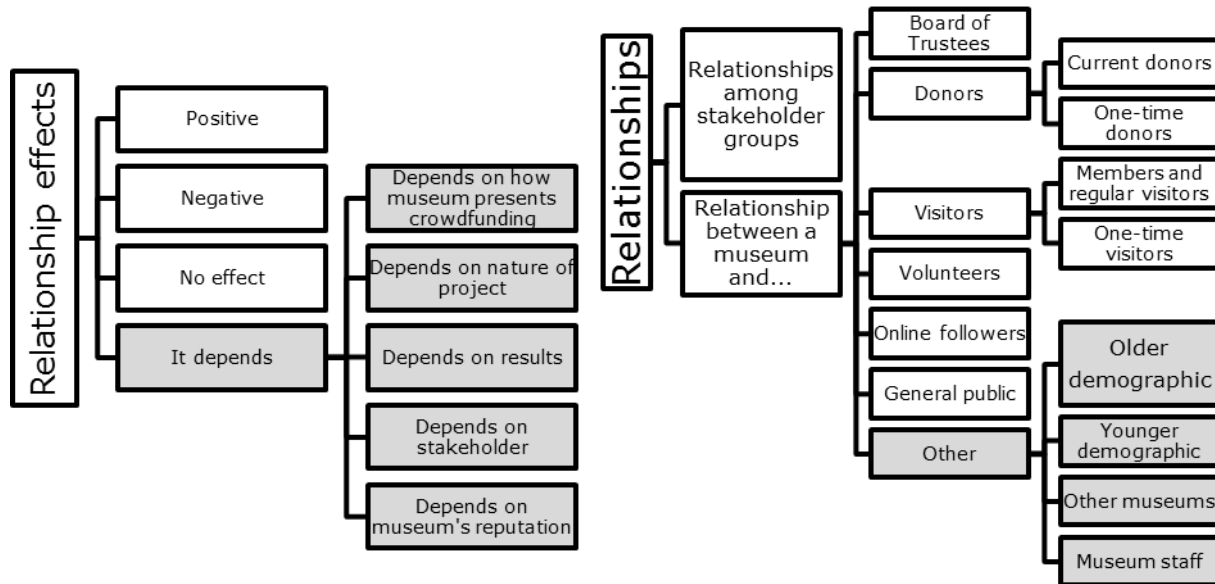
1. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its board of trustees?
2. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its donors?

3. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its volunteers?
4. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its members & visitors?
5. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its online followers?
6. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with its inactive, one-time visitors and supporters?
7. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on a museum's relationship with the general public?
8. Do you think a crowdfunding campaign would have a positive, negative, and/or no effect on relationships between any of the groups we have talked about?

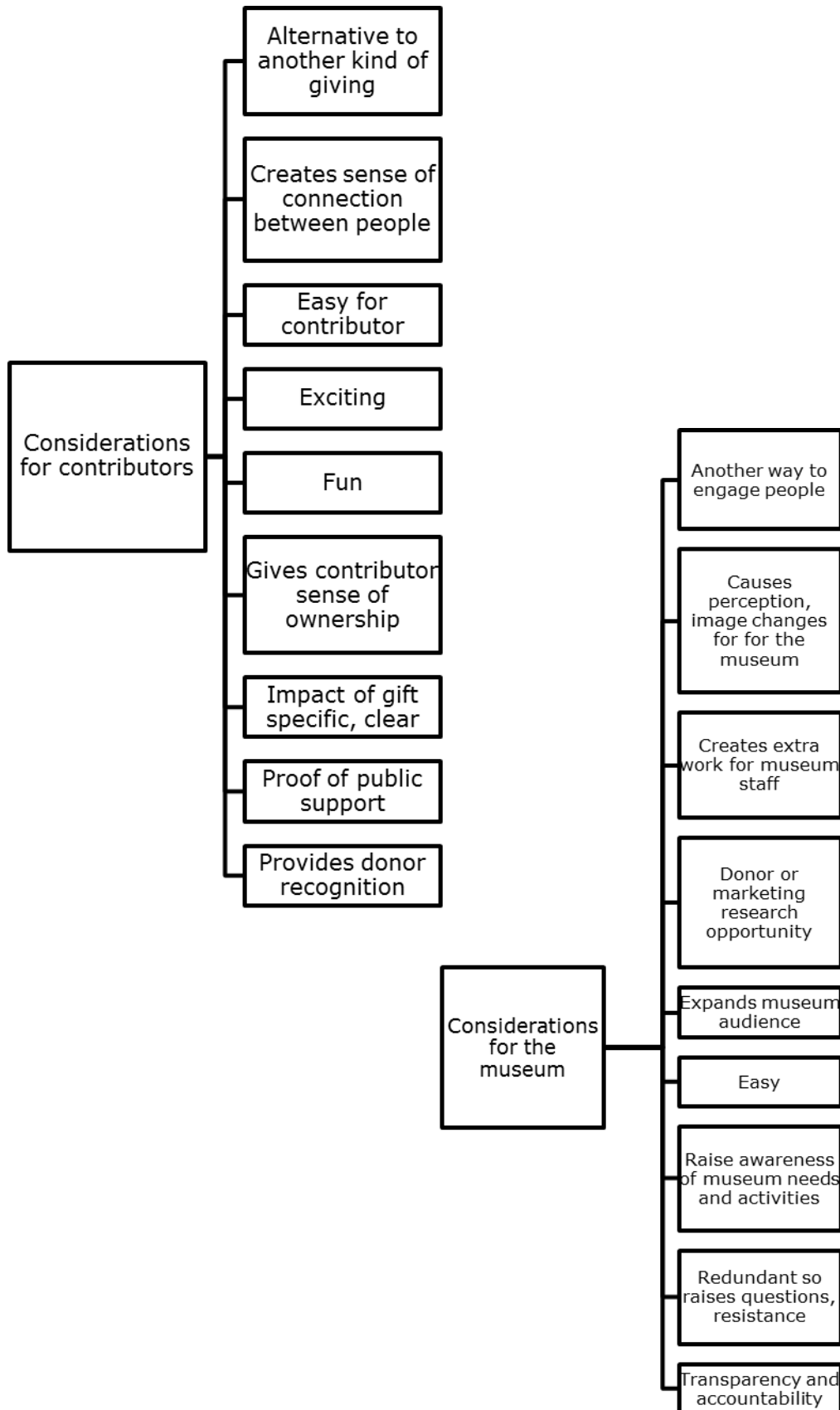
Conclusion

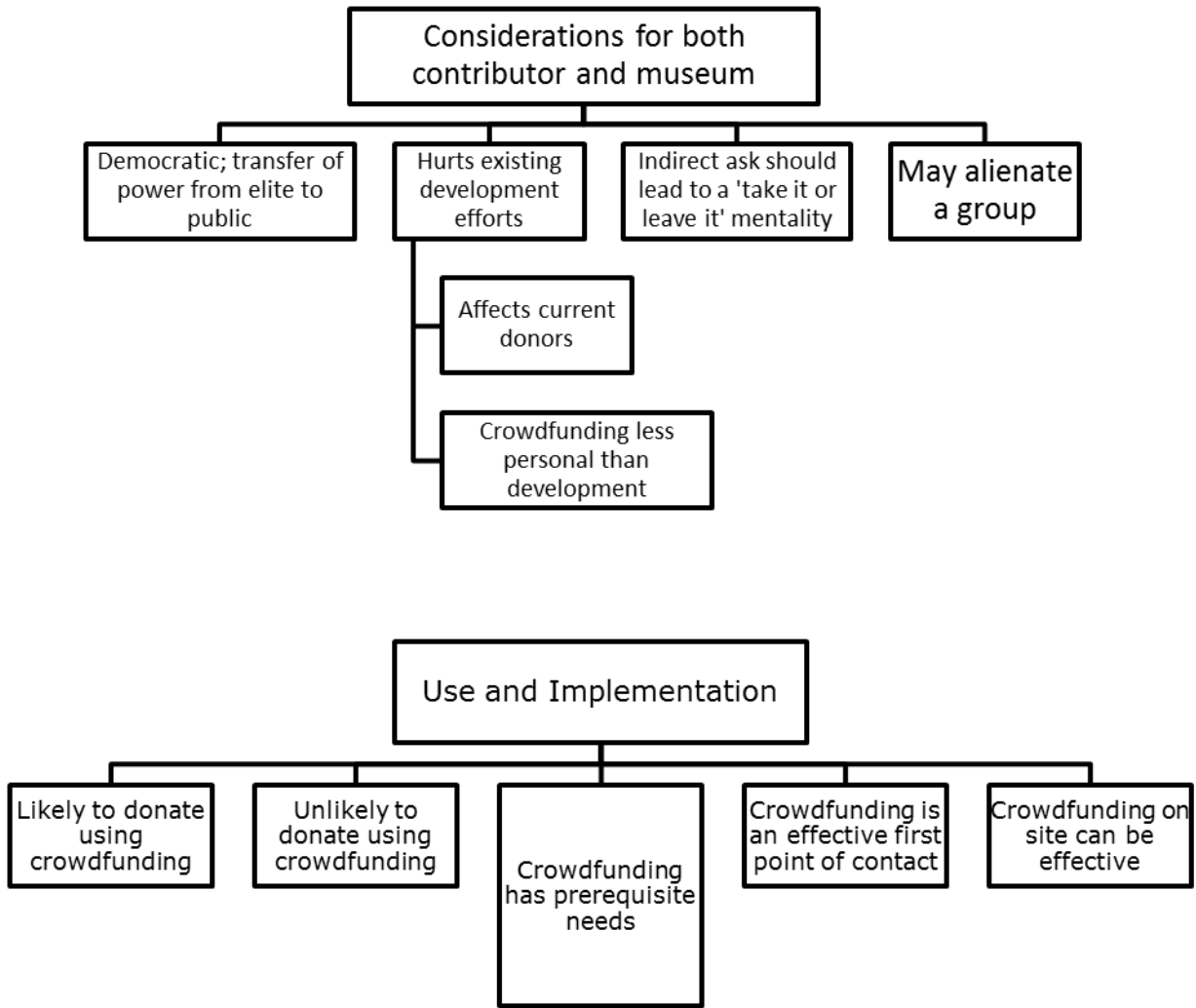
This concludes our interview. If you are interested in the results of this research, I will be sending all participants an executive summary of my study and findings. Thank you very much for your participation!

Appendix D: A Priori and Emergent Codes



On this page, boxes with a white background represent *a priori* codes created prior to coding and analysis. Codes in gray were added to this existing structure during the interview transcript review and coding process. The four main groups of emergent categories and codes are listed on the next two pages.





Appendix E: Code List with Reference and Source Counts

Name	References	Sources
Relationships	180	14
Relationship between a museum and...	172	14
Relationship among stakeholder groups	8	8
Relationship effect	169	14
Positive	84	14
No Effect	24	12
Negative	33	13
It depends	28	12
Considerations	162	14
Considerations for the museum	77	22
Implementation	17	11
Crowdfunding has prerequisite needs	7	6
Crowdfunding is an effective first point of contact	2	2
Crowdfunding on site can be effective	5	3
Easy for museum	3	3
Transparency and accountability	1	1
Redundant so generates questions, resistance	6	4
Raises awareness of museum needs and activities	11	4
Expands museum audience	8	6
Donor or marketing research opportunity	5	5
Creates extra work for museum staff	2	2
Causes perception and image changes for museum	12	6
Another way to engage people	15	9
Considerations for contributors	62	13
Provides donor recognition	3	1
Proof of public support	2	2
Impact of gift specific and clear	16	9
Gives participants sense of ownership	2	2
Fun	4	4
Exciting	6	2
Easy for contributor	10	8
Creates sense of connection between people	5	4
Alternative to another kind of giving	14	8
Considerations for both contributor and museum	37	11
May alienate a group	2	2
Indirect ask should lead to a 'take it or leave it' mentality	9	6

Hurts existing development efforts and relationships	22	7
Crowdfunding less personal than development	6	4
Affects current donors	8	4
Democratic; transfer of power from elite to public	4	3
Likelihood to use	11	6
Unlikely to donate using crowdfunding	8	5
Likely to donate using crowdfunding	3	3