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Crowdfunding platforms for creative projects

Implementation of crowdfunding model in curatorial practice

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CONTENTS

<i>Abstract</i>	4
<i>Introduction</i>	5
<i>Theoretical framework</i>	
• <i>Previous research</i>	8
• <i>Relevance of research</i>	10
• <i>Crowdfunding</i>	12
• <i>Crowdfunding in creative industries</i>	14
• <i>Crowdfunding platforms for creative projects</i>	16
• <i>How crowdfunding platforms function (main characteristics)</i>	18
<i>Methodology</i>	25
<i>Creating social landscape</i>	29
<i>Crowdfunding and new audiences</i>	32
<i>Curators</i>	35
• <i>21st century curators</i>	35
• <i>Implication of crowdfunding and curation</i>	40
<i>Case studies</i>	44
• <i>Support is important. Kickstarter curated pages</i>	44
• <i>Crowdfunding raw season</i>	46
• <i>Platform or stick and string.dizalica.rs</i>	48
<i>Crowdfunding in Serbia</i>	50
• <i>Examples of crowdfudning in Serbia</i>	53
<i>What is the future of crowdfunding?</i>	56
<i>Concluding thoughts</i>	59
<i>Bibliography</i>	63

"Artistic expression is fundamental to human development"

Viloa Davis, American actress

Abstract

Crowdfunding as a novel method of financing different kinds of projects, appear all over the creative world with the great impact. It's rapid growth has made it interesting subject for professionals in various fields, especially arts, crafts and entrepreneurship. Positive experiences of using crowdfunding in many fields of art, culture, science, health care, social causes and lot more has been the main motive for this research as well.

This research aims to identify, examine, and evaluate overall phenomenon of Crowdfunding, with the overview on crowdfunding practices in Serbia. It suggests an exploratory study of crowdfunding with aims to discover new information about the phenomenon. The focus is to discover, analyze, compare and discuss possible and existing uses of crowdfunding in culture and the arts as well as to explore the process of crowdfunding and to recognize its benefits. Further this paper will explore potential of using crowdfunding in cultural institutions, museums and galleries with a focus on curatorial practice. Also this paper will provide a new insight on the profession of curator and how his role is evolving. The research involved a thorough desk research of the theoretical background, case study analysis and a field research in form of analyzing existing data on subject and for the purpose of understanding position of crowdfunding practices in Serbia research used semi-structured interviews. Possible future of crowdfunding and concluding thoughts with set of recommendations for artists and curators concluded the research

This important, and growing, area is understudied, even as both practice and policy continue to rapidly advance. Thus this paper seeks to make a first few steps towards an analytical understanding of crowdfunding.

INTRODUCTION

Not so long ago new phenomenon was introduced on the Web2.0. It was year 2006 when the word *crowdfunding* was mentioned for the first time by Michael Sullivan in his failed attempt to create an incubator for videoblog-related projects and events including a simple funding functionality. This scheme was “*based on reciprocity, transparency, shared interests and, above all, funding from the crowd*”. It was the same year that Jeff Howe wrote his iconic article *The Rise of Crowdsourcing*. Crowdfunding sounds like crowdsourcing¹ but is not. It is reversed process or let say, that instead of appealing to a large number of people to use their creative potential to solve the problem you appeal to large number of people to support the idea with small monetary donations.

Although recognized as a contemporary one, the concept of collecting small donations from crowd is not a completely new kind of concept. It was around for some centuries already and if we look back through history, we can notice the examples of such practice in recent history, only at that time there was no a common name for this phenomenon. One of the first examples is the Statue of Liberty in New York that was funded by small donations from the American and the French people. As the Statue of Liberty was shipped from France, efforts to raise funds for its pedestal stalled. But thanks to a newspaper campaign and the small donations of hundreds of residents, the base was eventually built. A somewhat more recent example is the British rock band Marillion which raised US\$60,000 in donations by means of a fan-based Internet campaign. What is different is that today the novelty lies in the use of new technologies and internet and mindset that are giving the whole concept a new creative impulse.

Today thousands of small or large projects have been funded this way and crowdfunding has become widely accepted by the public worldwide. Along with establishing the term hundreds

¹ Crowdsourcing is described as a process of outsourcing tasks to a large, often anonymous number of individuals, a "crowd of people" (here: the Internet community) and drawing on their assets, resources, knowledge or expertise.

of intermediary services, called "crowdfundng platforms" have emerged to act as bridge between creators and audience.

In 2008, the first crowdfunding platform for creative projects *IndieGoGo* was co-founded by Danae Ringelmann and Slava Rubin to “*democratise fundraising*” and “*to empower creative entrepreneurs*”. In 2009, *Kickstarter* was initiated as a “*new way to fund creativity.*” These platforms are today the two of the most popular crowdfunding platforms for creative projects in the world. The working principle is the same: a large group of people can pool their money to help fund an idea. The real novelty that they brought in was that when one contributes to these projects, they should not expect to get money back.² Those platforms introduced completely new universum of possibilities to creative community around the globe. They democratized funding and enable everyone with an idea good or bad to test its relevance by launching a crowdfunding campaign.

From my point of view crowdfudning is one of the most creative and dynamic way to finance project while at the same time you don't lose the feeling of the seriousness of the project. It is about exploring your own boundaries and establishing new connections. It is about turning to your audience on the very beginning of the project thus making the audience part of it, instead of waiting for project to be finished and then present to audience. It is about creating communities, involving them, awarding them and following them.

Crowdfunding is social phenomenon and thus is just one of many that possess the ability to actively engage audiences and the creator in the creative process. It challenges artists and cultural organizations to open themselves to the audiences, their experiences and create lively and vibrant communities. People engaged in crowdfunding projects shown to have the ability to create, participate, fund and stand up for the arts. For development of any cultural sector this is the crucial point and especially for cultural scene in Serbia. This is why in this thesis, I argue that artists and their representatives/curators should work together and develop and modify various funding techniques, crowdfunding or not, in order to reposition themselves on the overall social map.

² Peer to peer lending - a method of debt financing that enables individuals to borrow and lend money - without the use of an official financial institution as an intermediary

When I started to write my theses I didn't know much about crowdfunding or how does it function. The difficulty, however, is that this phenomenon is so new that development of popular and academic crowdfunding literature is still in its infancy stage. The number of scientific papers is growing, but this number is still limited. On the other hand, thousands of web based articles and blogs have been posted and the online newspapers have also begun to take up this subject in popular articles, but these do not provide sufficient information to obtain a clear picture of what crowdfunding really is.

This paper suggests an exploratory study of crowdfunding with the aim to discover new information about the phenomenon. The focus is to discover, analyze, compare and discuss possible and existing uses of crowdfunding in culture and arts, as well as to explore the process of crowdfunding and recognize its benefits. Furthermore, this paper will explore potential of using crowdfunding in cultural institutions, museums and galleries with a focus on curatorial practice. For the better understanding of this thesis I have involved artists and cultural practitioners in the discussion to find out what they think and feel about the topic from their own personal perspectives. Thus, this work is an attempt to make a humble contribution to expanding academic discussion

THEORETICAL FRAMEWORK

Previous researches

The theoretical framework for this thesis is based on the thorough research of several areas related to arts and culture, on the one hand, and crowdfunding, on the other. Sources are diverse and include:

1. Science papers

I have collected most of the data for this thesis online. There are small number of papers and research studies on the topic of crowdfunding besides the fact that not much is written on the topic of crowdfunding and art and culture, especially not about the relationship with curating. This type of literature exploring the use of crowdfunding in museums, galleries and cultural centers is still developing. *Tapping the Right Crowd* by Belleflamme, Thomas Lambert, Armin Schwienbacher, 2010

2. A range of books

While conducting this research I have read a lot of books on the topic of curating, art engagement, creative praxis, new models of financing, community engagement, social relationship, audience participation, sociology, finance...

3. Student papers and thesis. Harms, 2007, Tomka 2011,

4. Popular articles and blogs. Although there is an evident lack of scientific papers on the topic, there are numerous blogs that post the crowdfunding. *Socialmediaweek blog*, Patrick Hussey (<http://patrickhussey.net/>)

5. Commissioned reports. There were few relevant and up to date commissioned reports which were very helpful for this research. *Crowdfunding Schemes in Europe*

by David Röthler and Karsten Wenzlaff , *Placing the art at the heart of creative campus* by Alan S. Brown and Steven J. Tepper, Ph.D, *EENC Report*, September 2011, *Unleashing the potential of Crowdfunding in the European Union*, European Commission, Brussels 2014

6. Online magazines

A lot of online magazines cover the topic of crowdfunding. Magazines such as Forbes, Wired, Guardian, have been very helpful as they follow emerging trends.

7. Lectures and presentations. Ted conference. C2MTL. The B.I.G. summit, Brian Mece on Crowdfunding. Stephanie Pereira, “Bring your creative idea to life”

Relevance of research

Crowdfunding has so far proven in practice a powerful method for financing the projects for people who might not otherwise have access to traditional channels of finance. According to the Report adopted by the European Commission³ (Brussels, 2014), the crowdfunding is an important source of finance to some half million European projects each year. Furthermore, the report suggests that otherwise these projects may not obtain the necessary funds for their realization. Crowdfunding operates on several levels, as a funding tool, marketing tool, especially for research, promotion and engagement of the community. There are numerous examples that show the success of this method in every sector. Culture is evolving and the use of new approaches finds great application in practice in the creative sector.

On a global level, crowdfunding is embraced among cultural institutions as a supplement to more traditional means of raising funds for creative projects. Museums, such as the Smithsonian in Washington, D.C. and the Currie Dinosaur Museum in Grand Prairie, Alta., have turned to crowdfunding to raise money for their programs, acquisitions and new construction. The French have turned to crowdfunding, which they refer to as “*participatory financing*,” to help the Louvre purchase a pair of 13th century ivory figurines and the Center for National Monuments have raised euros to restore the Panthéon Dome. At the same time, most of cultural organizations in Serbia are facing problems: low interest of media for their work and weak penetration to nationwide media channels, low engagement and interest of the general public in culture and art, closed circles of beneficiaries and audience members, all leading to low overall visibility of activities carried out by cultural organizations. Low visibility of activities and their impact leads further to narrowed funding options (e.g. individual and corporate donations are a true rarity in Serbian cultural realm).

Crowdfunding has real potential to finance different types of projects, such as innovative, creative and cultural projects, or activities of social entrepreneurs that have difficulties in accessing other forms of financing. By implementing crowdfunding in practice by providing cultural scene with relevant information and experts in the field, individuals and cultural

³ http://ec.europa.eu/internal_market/finances/docs/crowdfunding/140327-communication_en.pdf

institutions in Serbia could obtain their funds, as well as new audience in more engaging and meaningful ways, creating a lively community of supporters and collaborators and, most of all, raising their visibility.

This is why this thesis is relevant to an artistic decision-maker, cultural institutions, galleries museums and artists.

Crowdfunding

*"Crowdfunding involves an open call, essentially through the Internet, for the provision of financial resources either in form of donations (without rewards) or in exchange for some form of reward and/or voting rights in order to support initiatives for specific purposes "*⁴

Armin Schwienbacher

When architect from Germany appeal for sponsors on the Internet to finance printing of his book of abandoned and weathered buildings in Berlin it is crowdfunding. The designer Eric Migicovsky designed *smartwach* that could display messages from a smartphone and select android devices receive US \$ 10 million from over 60,000 fans from Internet community to finance their production and distribution that is also crowdfunding. Many independent film productions have been financed through the donations of backers from the Internet, many music and art ventures as well. One of the most known examples of crowdfunding is President Barack Obama's election campaign in 2008 which raised much of its cash via small donations over the Web 2.0. These are just a random selection of thousands existing examples which can be sum up in one word *crowdfunding- a specific form of microfinancing of projects or ventures by a large number of funders*. As we can see diversity of crowdfunding projects is great. They range from small art projects to entrepreneurs seeking hundreds of thousands of dollars as an alternative to traditional venture capital investment.

If we define crowdfunding as a system that use internet as an essential operating tool and words crowd and fund as two elements that describe this activity, the very first examples could be observed in the late '90, when some Internet campaign funded projects and charity fundraising platforms started to appear. These projects, unlike the earlier examples of crowdfunding, used the possibility of web and its social aspect. In the nineties first social services appear like The Globe.com, Geocities or Tripod.com. Many of these early communities focused on bringing people together to interact with each other through chat rooms, and encouraged users to share personal information and ideas via personal webpages

⁴ Armin Schwienbacher is a permanent professor of finance at the Université Lille 2 and SKEMA Business School (France). He has presented his research on crowdfunding, venture capital and various other topics in corporate finance at many universities, financial institutions and international conferences, and his work has been published in several international academic journals.

by providing easy-to-use publishing tools and free or inexpensive webspace. This new way of communication allowed people from all over the world to correspond with each other much faster based and built relationship based on the similar interest. Many creative people saw a potential of the web and crowds. However, whilst these examples tapped into the web, passion and the innate generosity of human beings, what was still missing was the right technical “social” infrastructure tools, and- most importantly- the mindset that underpins their use.

In the past 20 years, crowdfunding has been developing within the Internet community, mostly in the creative sector including music, film and video, independent writers, journalists, publishers, creators of performing and visual arts, games, theatres etc. Some researchers claim that in this scene crowdfunding remained largely unnoticed by the *outside world* and was *more of a closed shop phenomenon with a somewhat anarchistic character*. It was just a matter of time when someone came up with the idea to popularize this way of funding projects. The real step forward was emerging of first crowdfunding platforms. These platforms replaced traditional intermediators such as record labels, printing house etc. and actually linked artist directly with supporters. That is why today, the most common way to introduce a project is through *crowdfunding platforms*. These platforms serve as a facilitator for crowdfunding projects. There are hundreds, if not thousands, of crowdfunding platforms worldwide used to raise money for a variety of project- movies, theater, art, design, science research, inventions even for travels, charity.....the possibilities are great.

Crowdfunding in creative industries

Crowdfunding is a new and rather appealing model growing rapidly every year. Because of its fast growth and huge number of successful campaigns, it is becoming attractive for professionals in various fields, especially arts, crafts and entrepreneurship. The number of crowdfunding initiatives in the cultural sector is significantly higher than among other economic activities. The interest in crowdfunding platforms has exploded, most likely because traditional investment from banks, foundations, angel groups and venture capitalists is not accessible to everyone. So, instead of asking one person or organization to loan you money, you ask from a lot of people to invest just a little bit, basically you ask the crowd to fund you meaning that each person only needs to invest a small amount. In creative industries, crowdfunding is used to finance films, music, performances, art projects, product, all kind of design projects, book publishing, actually it can be used for any kind of creative projects.

In creative industries crowdfunding first emerged from music (band Marillion was one of first to use benefits of crowdfunding) and publishing. In culture and arts entrepreneurship is not very prominent and actors in that field tends to stay in very small business, mostly self-employed without staff and are used to making their living on a subsistence basis, often from project to project. The fact is that this sector, particularly the private part of it, notoriously suffers from a dramatic shortage of financing. Apart from few extraordinary cases, living out of selling any kind of artwork remains low and may not even allow a sufficient income to ensure decent living. Public funds exist on annual level but only for limited number of art projects. Despite all that production in this scene remains quite wide and artist-players continue to be creative and produce innovations. In turbulent times (war, crisis...) people tend to produce more works than in time of peace, but if the turbulent is only reality than at least we should not be worry for production. So it is no surprise that crowdfunding emerged from this sector.

As for the development of creative industries, crowdfunding is a smart tool for financing innovative projects and startup companies since it allows good ideas which do not fit the pattern required by conventional financiers, breaking through and attracting cash through the

“*wisdom of the crowd*”. Rothler and Wenzlaff ⁵ suggest possible use of crowdfunding in creative industries, they say that besides for creators, there is also a potential benefit for the traditional mediators since they can use crowdfunding to find innovative ideas and use the crowd to estimate the success of a start-up or a project in the creative industries. In April 2014, the Money lab introduced a Crowdfunding visual toolkit. The toolkit consists of a web-based platform and an interactive data visualization that is aimed at assisting people working in creative industries, specifically artists, cultural practitioners, designers, programmers, freelancers in the creative space, and entrepreneurs, in identifying the most suitable online crowdfunding platforms according to their project’s needs. ⁶

⁵ Crowdfunding Schemes in Europe by David Röthler and Karsten Wenzlaff EENC Report, September 201

⁶ <http://networkcultures.org/wpmu/moneylab/2014/04/04/visualizing-crowdfunding-and-beyond/>

Crowdfunding platforms for creative projects

“CF is online event”

Brian Meecee, founder of Rocket Hub

Crowdfunding has strong connections with the reach, empowerment and engagement of social media. The rapid evolution of social media is giving free rein to our social nature without limits of any borders. For some time ‘Crowds’ have been forming affinities around interests and missions, creating new products and services, feeding innovation and, one of the results has been a new mindset built on trust and participation, ready to embrace diversity, capable of reinventing itself, and empowered to change the world. Our need to support and get involved in projects we care about is deeply rooted in our humanity as much as our tendency to improve things and innovate in order to live better. Crowdfunding can be seen as a natural response to fill the gap left in capital formation and funding models in the modern society.⁷

The crowdfunding industry has grown exponentially over the last five years, helping people raise billions in funding for everything from donations for personal art projects to equity financing for businesses. Specialized sites have emerged for a variety of crowdfunding niches: unique experiences, charity, social impact, creative projects, gaming, real estate, startups, and more.

While crowdfunding is an umbrella term used to describe the request of funding from many individuals through an online platform, four types of crowdfunding models can be identified:

⁷ <http://socialmediaweek.org/blog/2011/12/a-social-history-of-crowdfunding/>

- 1. Donations** - where individuals give money to a given project and are not promised anything in return. Like Indiegogo and Kickstarter, Rocket Hub and others collect money from the crowd for something that tickles their fancy and, in return, they are given small rewards.
- 2. Profit sharing model** - profit-sharing model is a particular form of crowdfunding model in which contributors receive a share in the profits of the business or royalties of the artist. The latter model may also take the label of “equity crowdfunding”, meaning that it implies investments into securities: shares or bonds Likewise, the CircleUp collects money in return for shares. Today, only accredited SEC investors (those with at least \$1M of extra money) can buy shares from equity platforms. The Jumpstart Our Business Startups (JOBS) Act was passed to allow small unaccredited investors the opportunity to buy small numbers of shares in interesting startups or projects. However, while the Act was passed a year ago, the legislation exactly defining how it will be implemented has not been approved. So, it means that nothing has changed and small investors are still waiting in the wings for an opportunity to purchase shares from crowdfunding platforms. They can put their money into a fund which is then used to invest, but it’s not quite the same as picking a company and buying 10 shares.
- 3. Lending based model** - offers the possibility for entrepreneurs to act as borrowers, while contributors take the position of lenders Like the Lending Club and SoMoLend, lender provides funding through a loan. The borrower will have to pay back the loan plus interest.
- 4. Reward Based Crowdfunding** -offers the contributors a non-financial benefit in return for their funding. In many cases, reward models offer the possibility to pre-order the product that the entrepreneur is making. Like Kickstarter and Indie GoGo, the investors receive a tangible item or service in return for their funds.

How crowdfunding platforms function

In general, almost every crowdfunding platform functions according to the same principle: platform gives you online space for the presentation of your project. You are the one who is choosing a way of presentation, while the only requirement is that all projects are obliged to have a video that follows presentation. Every platform has a section with its own guidelines on how to present the project. The next thing to do is to choose a timeframe or deadline and a target funding goal. Creators of projects design *non-monetary* rewards for their backers generally linked to their project. Depending on the project, you can choose whether it is going to be a material reward or a thank you note or something else. It is by selling these rewards to their social network and beyond that creators raise the funds they need to make their project happen.

Backers or supporters are the ones that you attract with your project. This means you have your audience, people that support your project. Backers usually stay with you till the end of your project and actively follow every step of the project. They show their support by donations and you create rewards in return. Reward-based crowdfunding platforms allow entrepreneurs to raise funds from the community in exchange for simply giving their tangible products or other relative gifts. Type of reward depends on amount of money donated to owners of projects.

For the purpose of this research, I have chosen to present and analyze biggest crowdfunding platforms for creative projects in the USA and Europe. Currently, these very platforms attract most creative projects. There are still a huge number of platforms around the globe and I will provide a list in the appendix of this paper. Herein, five platforms will be presented: Kickstarter, Indie Go Go, Rocket Hub, Start next, and Sponsume for Europe. On all platforms, creators own intellectual property and funders receive a “reward” in return for their donations. Here is a brief review of every platform.

Kickstarter

The first platform which will be presented in this study is Kickstarter, actually one of the first platforms in crowdfunding that is today the leading one. A leading rewards-based crowdfunding site where project owners have raised over \$1 Billion in funding for their projects. In the company's own words, "Kickstarter is a new way to fund creative projects. We're a home for films, games, and music to art, design, and technology." Also know that the platform is not for charities or personal financing needs, and they do not offer equity crowdfunding. In 2014 they have raised the largest rewards-based crowdfunding campaign to date with Coolest Cooler at over \$13M.

Kickstarter is open to any kind of art project anywhere in the world – but although anyone can be a funder, to create a campaign, you must have a U.S. or UK presence and, theoretically, tax ID. Approval from art directors is required to launch a campaign. The site offers plenty of useful information to those who wish their projects to be crowdfunded. Kickstarter provides many levels of support from the time you begin developing your campaign until after it is completed.

Fees: 5% if you meet the goal. None if you don't. Processing fees vary from 3-5% via Amazon.

Goals: Meet the goal or get nothing. You can keep anything over your goal, though fees still apply.

The site offers smooth integration into social media and individual websites, great online help, an analytics dashboard that helps you track your project progress and see where your pledges are coming from, and a post-campaign survey tool.

IndieGogo

Whereas Kickstarter is somewhat curated as to the projects it approves, Indiegogo is open to almost any kind of project), and the company has a larger international presence than Kickstarter. They only offer rewards-based crowdfunding. The site was initially founded to

fund indie film and theater projects, but has since expanded to almost anything and everything from charitable causes to pet projects, but does not offer equity crowdfunding for investors.

Fees:

IndieGogo features two funding plans:

- Flexible. 4% if you meet the goal, 9% if you don't, but you keep your money in either case.
- Fixed. 4% if you meet the goal, no fees if you don't, and you get nothing in the latter case – donations are returned to contributors.

Goals: Flexible or fixed plan. In flexible plan, you get whatever you earn. Fixed, meet the goal or nothing, but you can keep anything you earn past the goal.

RocketHub

Open to any kind of project. It includes more social concepts beyond funding (fueling) projects, including options to vote for projects and also to earn badges on the site. Creators can apply for RocketHub's "LaunchPad Opportunities" separately from their projects.

LaunchPad Opportunities are awarded to certain project builders based on the popularity of their creations and evaluation of expert judges, and can be quite valuable. Examples include the services of a publicist to help promote your project, or the opportunity for five winning photographers to exhibit their work in a prestigious New York gallery.

Fees: There appear to be no fees for projects. LaunchPad Opportunities are free to people who have run a successful project, \$5 for anyone else who wants to enter.

Goals: You keep any money raised.

Sponsume

Sponsume is an online multicurrency platform founded by French entrepreneur Gregory Vincent in 2010. Its headquarters are in London, United Kingdom. Creative individuals and organizations use Sponsume to raise awareness and funds for their projects. The site uses the

power of social networks and the wisdom of crowds⁸ to help fund a variety of projects ranging from films and documentaries, to music, theatre, photography, fashion, technology, scientific research, green and social enterprise. As of 2012, Sponsume has since inception helped crowd fund over 1000 campaigns.

Sponsume has received praise from a number of publications, including Wired, TechCrunch Europe, The Times, The Guardian, the BBC website, the British Journal of Photography, The Stage, and Le Figaro. Unlike US-based crowdfunding sites, Sponsume allows its users to raise funds in a variety of currencies.

Fees: 4% fee for successful campaigns and 9% for campaigns that fail to reach their target amount.

Goals: You keep any money raised.

Start Next

Start next is the biggest crowdfunding platform for artist, inventor and creative people in German speaking countries.

It allows artist, creative people and inventors to combine crowd donations, funding and investing. It is a non-profit platform founded in 2010 by Denis Bartlet and Tino Kresner. The goal of Startnext is to combine crowdfunding with public funding.

Your project must fit into one of the following categories: movie/video, games, music, events, literature, design, audio, drama/audio books, cultural education, inventions, theatre, journalism, photography, comics, art, fashion, technology, or information service.

It is only possible for projects to start a Startnext campaign. A project always has a beginning and end it

⁸ *The Wisdom of Crowds: Why the Many Are Smarter Than the Few and How Collective Wisdom Shapes Business, Economies, Societies and Nations*, published in 2004, is a book written by James Surowiecki about the aggregation of information in groups, resulting in decisions that, as he argues, are often better than could have been made by any single member of the group.

It needs to have a clear goal, and something new always needs to be created. Examples of projects are: creating a new product, making a film or an album, or organizing a public event. Currently, projects can only be started by person who have residency in Germany or Austria. In addition it is also possible for companies, associations, foundations or other organizations to use Startnext to fund their projects.

Each project starter needs to be verified by them. As German starter, you need to create a Fidor Pay bank account. And the ypu can connect the account with your startnext profile. Startnext offers the possibility to combine crowdfunding and crowdfunding for certain startups and social enterprise from cultural and creative industries.

Fees: It seems that there are no fees for projects

Goals: You keep any money raised

Comparative analysis

Crowdfunding platforms for creative projects employ two different funding models:

All or Nothing (AoN) – When the fund-raising period is over, the pledged money is only collected from the contributors if the fundraising goal is met. If the goal is not met, no money is collected.

Keep it All (KiA) – Regardless of whether the project goal is met or not, all collected funds (minus commission) are handed over to the entrepreneur. If he or she has insufficient funds to meet the objectives, then it is up to the recipient to refund them to the contributors.

Name	Funding model	Focus	Country	Notes
Indie GoGo	KiA or AoN	Allows a broad range of projects	Any country	One of top sites
KickStarer	AoN	Creative projects	UK,US and Canada	Provide one of the best crowdfunding services
RocketHub	KiA	Allows a broad range of projects	Any country	Partnership with A&E TV channel. Fuel Pad. Launch Pad.
Sponsume	KiA	Allows a broad range of projects	Any country	Allows its users to raise funds in a variety of currencies.
Start Next	KiA	Creative projects	Germany	The possibility to combine crowdfunding and crowdinvesting for certain startups and social enterprises from cultural and creative industries.

9

- This table shows *crowdfunding platforms* mentioned above and their main characteristics.

⁹ For this table I used data from web site <http://crowdsunite.com/>

CrowdsUnite is gradually cataloging and categorizing each of the hundreds of funding sites out there so users can filter, sort and compare them. CrowdsUnite bring order and transparency to the crowdfunding industry. There are over 800 funding websites globally and every week new ones are created for specific demographic, region or category. They categorize all of the websites and allow users to filter, sort and compare them. Each profile page has reviews and articles which help validate the funding sites.

All platforms from the list allow users to start creative projects. Nevertheless, KickStarter and Start Next are the only ones here dedicated only to creative projects, and because of that this two platforms, in most of the cases, will be first choice for someone who wants to launch creative project. This means that if you apply with a creative project you have more opportunities for your project to be funded since they have established network of supporters who actively follow art scene. KickStarter is the leading platform for funding creative projects. It has the biggest community and network of funders and project creators. IndieGoGo is the most popular platform today and most of the people will start to look for interesting projects on these two platforms. On the other side, Sponsume allows starting projects from all over the world. This means that you can apply from any country without limitation of possessing an account in particular country. Its main characteristic is that it allows its users to raise funds in a variety of currencies. Rockethub powers donation-based funding for a wide variety of creative projects. What's unique about RocketHub is their FuelPad and LaunchPad programs that help campaign owners and potential promotion and marketing partners connect and collaborate for the success of a campaign. However, some reviews shows that the site didn't do a great job at generating funds from strangers. Users thought that gaining the right amount of publicity to receive funding was very difficult.

Whatever approach to crowdfunding we choose for our work first order of business is to take a hard, analytical look at projects that have succeeded, as well as ventures that have failed. The goal is to observe and learn how successful projects work, and to understand the subtle nuances and tactics that determine why some triumph while others don't.

Methodology

Aim of research

Aim of research is to present and analyse term crowdfunding to explain its main characteristic and use in the field of art and culture. To draw a parallel between crowdfunding practices worldwide and in Serbia, to explore potential of using crowdfunding in cultural institutions, museums and galleries with a focus on curatorial practice and to offer recommendations that will eventually lead to possible implementation of crowdfunding practise in the Serbian cultural scene.

Considering aim main research questions are:

Q1: What are the benefits of using crowdfunding practice in art and culture?

Q2: What are the actions, models and ways which can initiate implementation of crowdfunding model in museums, galleries and cultural institutions in Serbia?

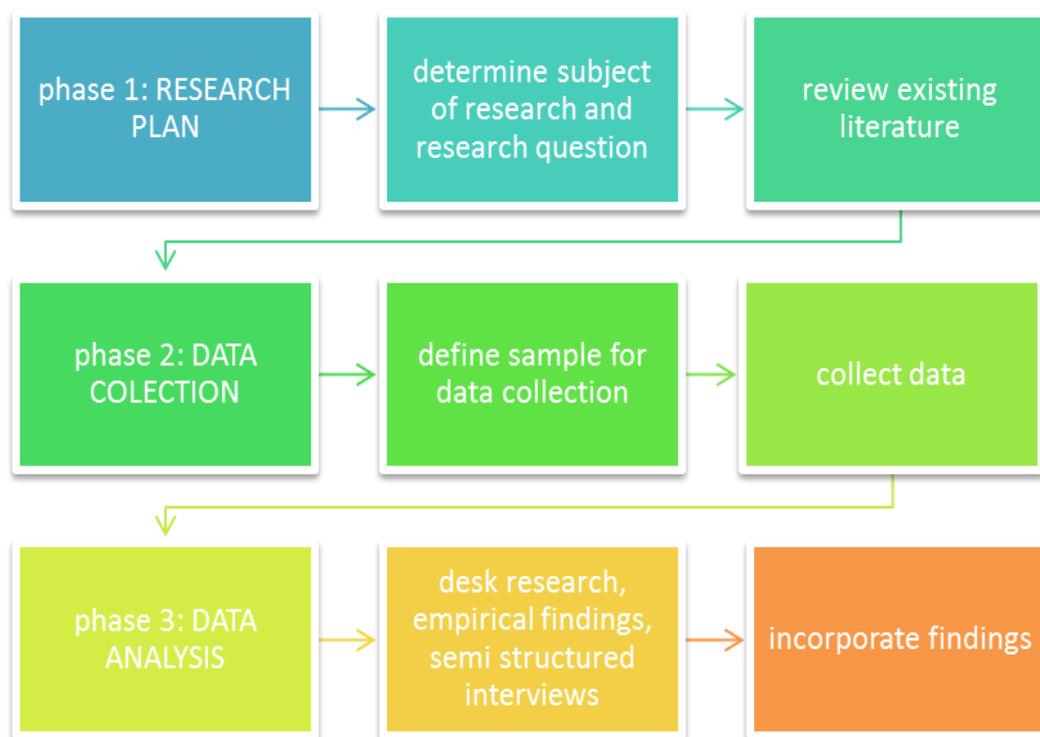
Q3: What are the current trends in curatorial practices?

Based on that research is composed of following elements : *Desk research, Empirical findings, Case studies, Field research and Concluding thoughts*

Research methods and tools

Due to the present lack of literatur focused on intersection of crowdfunding and curatorial pracices working I developed research methodology that allowed me to adress research questions. Phase one consisted of research plan. First thing was to determine subject of research and research question. For beter understanding of thesis it was esential to provide backgorund and general overview of term crowdfundin and the academic work on the subject to date. As an initial research of the topic, the research used various methods of both theoretical and empirical nature in many related fields. The research begins with colecting viable data related to research questions focused on use of crowdfunding method in creative sector in general and its use in musseums, galleries and among freelance curators in particular. Research used method of case studies of crowdfunding cases and practices in art and culture in order to ilustrate both successful and unsucessful examples of crowdfunfing practices in Serbia and worldwide.

The following section describes approach to data collection and process for data analysis



Main part of thesis is focused on presence of *crowdfunding* in curatorial practices with in-depth analyses on changing role of the curators in 21st century and possible use of crowdfunding in galleries, museums, cultural institutions and among cultural practitioners. In this part research used both empirical and desk research and semi structured interviews.

Last part of research comprised of thoughts about possible future of crowdfunding and, concluding thoughts with set of recommendations for cultural practitioners to help them improve existing art and cultural practices.

Research sample

For my research I used two samples for data collection. First sample was *desk research* of existing literature, scientific papers, blogs, talks by prominent experts in field of art and culture, various articles from magazines and news papers. For investigating crowdfunding practices research used internet as main source of information. Mainly because every written

paper on this subject is published online and there is still lack of printing material. This approach was very challenging because it demanded to double check every collected information. There were lots of data which were repeating from research to research, sometimes it was difficult to find original source.

Second sample was *semi structured interviews* with cultural practitioners and experts working in the field of art and culture. Main purpose of interviews was to help me understand the position of crowdfunding and art in Serbia with focus on work of curator inside or outside, cultural institutions, museums or galleries. For my interviews I choose cultural experts and artist, members of academic community, people working in cultural institutions, museums or galleries, faculties and research institutions for culture, media or arts in Serbia.

The list of participating interviewees:

Cultural practitioners:

Dr.Dijana Milasinovic Maric, professor at the University of Kosovska Mitrovica,

Jelena Piljic, project manager, G12HUB, Belgrade

Miroslav Karic, curator, Remont gallery, Belgrade

Milica Novkovic, International Communication Manager, Belgrade Design Week

Miljan Peljevic, Designers Lab Manager, Nova Iskra

Ljubica Jelisavac, curator, ULUPUDS, Belgrade

Artists :

Nemanja Knezevic, photographer, RAW colective, Belgrade

Katarina Markovic, student of Media and Comunication, Belgrade

Katarina Pavlovic, sculptor, Belgrade

Arhinaut studio, architecture studio, Belgrade

Expectations

This research is expected to give answers to the following questions:

- What is *crowdfunding* and what are the benefits for artist and to the supporters-beckers?
- Why is crowdfunding better source of funding projects than some other?
- How can curators use crowdfunding and why?
- How does this intersection of crowdfunding and curation benefit to the artist?
- What are the experience of crowdfunding in Serbia
- What are the obstacles for crowdfunding in Serbia to became reality?
- What are *new generations* of curators like?
- What is the near future of crowdfunding?
- What are the action that cultural practitioners needs to take that would led to better usage of crowdfunding in Serbia

Creating social landscape

The focus of this Chapter will be on describing a tactic on how to attract as many people as possible to see and support one crowdfunding campaign. Whether you decide to use platform or to start a personal campaign the process is the same. I have collected these data while researching the existing crowdfunding platforms and they are based mostly on recommendations from platforms and from personal experience of people that used this model of alternative funding. It is all about engaging with the existing network and creating a new one. The first and most important intention should be to reach beyond immediate network of friends and tap into individuals and groups that you may not be aware of and, perhaps, before your campaign begins, are unaware of you. This process is possible through the viral referral and reach of social networks where you seek to make first touch contacts into advocates and ambassadors to use their connections to jump the six degrees of separation to a global investor community. This means we must embrace diversity and accommodate emergent views, and accept that motivations to get involved are many and varied and not necessarily the ones we immediately imagine.

Network

The idea is only as good as the action that follows it.

C2mtl team

Launching a successful donation crowdfunding program is not as simple as setting it up and waiting for the money to pour in. You have to be engaged and actively promote your project. First is of importance to making project visible to as many people as possible. For that you'll need the "crowd". This is everyone you know, everyone your friends know, and everyone else you can think of. Email them or phone, let them know about your campaign and ask them to spread the word. Something like 10 percent of the crowd provides 100 percent of the money. However, 100 percent of the crowd now knows about your project. This can be the basis for future marketing efforts. Make more people more interested in the thing that you do or create, show enthusiasm and your campaign is more likely to succeed.

- **Family and close friend**

The first step is, of course, to firstly introduce your project to all your family and friends. They are the first circle of connections that you have. Showing enthusiasm in this first stage is really important. Your friends and family will spread the word to their friends, and so on.

- **Social networks/networking**

A nice, personal message is the most effective way to let someone know about your project. Send an email to your close friends and family so they can be first to pledge, and then use your personal blog, or some of your social network account to tune in everyone who is paying attention. Don't overwhelm with e-mails and group messages, but be sure to remind your networks about your projects a few times throughout the course of its duration. Take the time to contact people individually. It makes a big difference.

“We have to remember that there are people behind the tweets, behind the likes and the sharing of social media content...” –

Viviana de Loera, Social Media architect at C2MTL

Everyone knows other people, and thus has a network. But "networking" implies movement beyond one's immediate network and involves tapping into other people's networks, perhaps far removed from one's own.

- **Generate a site for your project** and also initiate crowdfunding action

In addition to presenting project on the platform, there is also possibility to start your own presentation through which you will crowdfund your project. Many projects presented on platforms already have their own presentations through which they collect money.

- **Promote your project outside Internet**

Don't be afraid to take your project out into the *real world*. Nothing connects people to an idea like seeing the twinkle in your eye when you talk about it. Host pledge parties, print posters or flyers to distribute around your community, and organize meetups to educate people about your endeavor. Make presentation in some cultural institution. Spread the word. Be creative!

- **Stopping the presses**

Contact local newspaper, TV and radio stations and tell them about your project. Seek out like-minded blogs and online media outlets to request coverage. Writers are always looking for stories to write about, and the media has a big soft spot for creative and self initiated success stories.

- **Large donors**

Making a personal appeal to large donors is a good idea and can boost your balance. You might get two or three big ones, but keep in mind that the majority of donations are in the range of \$25 to \$100. Thus the rewards for this group should be especially appealing.

- **Keeping it real**

Whatever channel you use to tell your project's story, don't spam. Messaging people to beg for money on social networks, and generally nagging people you don't already know. Over-posting can alienate your friends and fans, and it makes every other project look bad too.

Do not make financial goals too high. Instead, ask for what you need at bare minimum to make a project work – and, in your project's description, describe added content, features, services or events that will be offered only if specific higher target goals are met. If you are successful, you may reach them. Ultimately though, the less you are asking for, the likelier you are to incentivize potential backers into taking the plunge, as they will be more willing to commit to goals that they believe are achievable.

Crowdfunding and new audiences

Artistic creator does not exist without audience, and, audience cannot satisfy its cultural needs without the production of the creators, Claude Mollard, French philosopher

In this Chapter I will try to give a picture on who are the people that support projects, what are new audiences like, why and how do they participate in and engage with artistic and creative contents. New audiences appear with new modes of presentation. The use of new technologies, Internet and social media has reshaped, to a large extent, the way we perceive creative work. In his speech *What Can We Expect from the Future* (2013), Luis Blackler explained:

In a little more than three decades, digital technology has reshaped human communication, causing a profound impact in all aspects of culture, where new modes of creation, dissemination and consumption of cultural value have already created and erased whole industries. Digital media and technologies present both opportunities and challenges to artist communities.

In his 2010 study, Lambert and Schwienbacher analyzed results from a questionnaire taken by 21 entrepreneurs, only 3 of whom used an online platform to seek funding (Lambert and Schwienbacher 2010). The remaining 18 entrepreneurs used personal websites and other online social media tools to crowdfund. Lambert and Schwienbacher concluded that entrepreneurs were motivated to raise money, get public attention, and obtain feedback. Through one interview with the company founder and a survey questionnaire taken by company supporters, Schwienbacher and Lambert concluded that the creator participated in crowdfunding not only to raise funds, but also to expand his network, while supporters expressed the desire to partake in the “exciting adventure of building a startup” and also to expand their network with other supporters.

Based on reviewing the research (Lambert and Schwienbacher 2010, Gerber 2012, Hui 2013), the following are the main reasons for participation in crowdfunding campaigns. Since

crowdfunding is a two-way process between creators and backers here it will be displayed both motives for the participation of creators and backers. Here is a brief description.

Motives for creators:

- **Raise funds.** Whatever approach they use (platform or personal campaign), the motivation is clear. Creators use crowdfunding because it provides an easy, efficient, organized way to solicit and collect financial support from many people in a distributed network.
- **Establish relationship.** Building a relationship with people that are engaged around project. Creators are motivated to engage in crowdfunding to connect with people through a long-term interaction that extends well beyond a single financial transaction. This is especially expressed through crowdfunding platforms because crowdfunding platforms store supporter contacts and provide online messaging services in which way creators are able to easily communicate with supporters in answering questions and giving project updates.
- **Receive validation.** Work on campaign can be an indicator of validation of a project. The number of supporters and amount of money raised is often seen as a quantification of the value of one's project.
- **Replicate successful experience of others.** People participate in crowdfunding because they want to replicate the success of others.

Motives for backers:

- **Seek rewards.** While creators seek funds, funders seek rewards, often in the form of tangible products and/or services. These products and services are always related to projects.
- **Reasons for support and creators.** In addition to awards, lots of participants want to see some product in reality. Like a video game or a new gadget, or some cause. Supporters also express a strong desire to help creators with whom they have a personal or extended connection. Supporters are motivated to connect and support others in their social network by helping them meet their goals. Everyone who

contributes to a crowdfunding campaign owns a little bit of mindshare, and gets the ear of the project creator—even if they do not actually own the product.

- **Engage and support creative community.** In addition to supporting individual creators, crowdfunding also provides a way to feel part of a community of like-minded people. Supporters express the desire to see evidence of being part of a select group. Crowdfunding platforms have the option of listing a project supporters option on the *project supporter page*.
- **Make a change.** Lots of people believe that by being a part of the project they can bring something new to life.

Good, transparent and sincere communication with artist and its audience is vital. As Claude Molard¹⁰ said, the artist and his audience form the unbreakable unity, one cannot create or consume without the impact of others. It is of great importance that projects communicate with their audiences. Especially because this new audience is engaged and interested in collaborating in various creative activities, they understand and know how to use new technology (Web 2.0), they know how to read new modes of presentation. Understanding this new audience is important because it explains their nature. The need for active engagement together with the rising creative needs could lead to rising interests in collaborative and participative artistic experiences. (Tomka, 2011). And finally, crowdfunding is about realizing that every idea needs a community to live and grow.

¹⁰ Claude Molard is French philosopher, cultural expert and writer.

CURATORS

21st Century Curators

*Changing role of the curator*¹¹

“...administrator, amateur, author of introductions, librarian, manager and accountant, animator, conservator, financier, and diplomat.” Harold Szeeman, ausstellungsmacher

Who are curators? What is their job? What do we mean when we say curator in modern day language. Today, the word curator is over used for a wide range of professions. There are museum curators, content curators, digital curators, business curators, curators of new media, etc.

Curators have many different career paths, so there is not one clear model to follow. To succeed in curating you have to be highly committed to working with art and artists, be driven and motivated, but also flexible to new ideas and opportunities. The role of a curator has its roots in museum practice, concerned with the selection of objects for an exhibition presentation and acquisition to collections. By definition, the curator is a well educated professional who possesses the profound knowledge from different areas of art and culture. He is analyst, observer and theoretician. He is a promoter of art and its protector. The curator observes work of art, analyzes visual elements that make the whole. He is a person who follows contemporary trends and changes in art, culture and society. Most importantly, by his choice, the curator asks questions, gives answers and makes fertile land for new ideas.

¹¹ In this paper, the term “curator” is used to refer to any artistic decision-maker within a nonprofit arts organization. In performing arts presenting organization, this would typically refer to the programming director (in a larger organization) or executive director (in a smaller organization) or art director (in theater).

In his text *The Bias of the World: Curating After Szeemann & Hopps*, David Levi Strauss explained:

Under the Roman Empire the title of curator (“caretaker”) was given to officials in charge of various departments of public works: sanitation, transportation, policing. The curatores annonae were in charge of the public supplies of oil and corn. The curatores regionum were responsible for maintaining order in the 14 regions of Rome. And the curatores aquarum took care of the aqueducts. In the Middle Ages, the role of the curator shifted to the ecclesiastical, as clergy having a spiritual cure or charge. So, one could say that the split within curating -between the management and control of public works (law) and the cure of souls (faith)- was there from the beginning. Curators have always been a curious mixture of bureaucrat and priest.¹²

In the traditional sense, curator is a well educated professional with refined taste and great knowledge of art and culture. Curator is a content specialist responsible for collections of an institution and involved in the interpretation of heritage material. The object of a traditional curator's concern necessarily involves tangible objects of some sort, whether it is artwork, collectibles, historic items or scientific collections. Today, however, curators are expected not only to select and organize programs, but to be an artistic leader with different skills, to seek out new and unusual settings for their work, to be open-minded to new ventures, to seek for new models of funding projects, to forge partnerships with a wide array of disparate stakeholders. The role of the curator is changing and is likely to change in the future. New voices, new narratives, new modes of presentation are evolving, and the level of skills and knowledge required of curators is also changing. These changes will continue, as for now curators are and will continue to be affected by changes in technology, new computerized applications and competition for funding.

Xandra Eden Curator at Weatherspoon Art Museum said in her talk for the round table *Unspoken Assumptions: Visual Art Curators in Context* that when identity politics of the 1980s, coupled with an increased need for curators to play a role in fundraising, following budget cuts to arts funding, paved the way for more transparency within art institutions and

¹² *The Bias of the World: Curating After Szeemann & Hopps*, David Levi Strauss

museum. She actually pointed that 21st century curators must be open to new ideas, new networks, new technologies and new aesthetics. They must seek out critical feedback in order to continuously revise and update their programs, to account for new artistic influences, changing community needs, and evolving ideas about what is working and what is not.

When we say „curator“, we mainly think of a job related to institutions. We have asked ourselves a question of who are curators today and concluded that they are definitely not only people who work in museums and deal with some collection. At the beginning of the project, we were oriented towards students of the Department of Art History, but later we gave realized that this was a too narrow circle. We included people who were involved in management in culture, architecture, etc., and we got an interesting idea.

Srdjan Tunic, independent curator of his project “Kustosiranje” (About and Around Curating), (source b92, Serbia and Curating in 21st century)

In recent years, practice of art has shifted towards new modes of collaborative production, while digital platforms continually offer new ways to distribute and engage with the arts. As visual arts organizations and practitioners develop connectivity with artists and audiences, more varied roles have emerged for curators beyond exhibition making and collections management; the curatorship has also evolved to embrace audience-generated content. Many curators see their role more as a producer than a curator. Curators need to be open, curious, communicative and collaborative.

A way that some current and aspiring curators are proactively learning in order to change how they do their work is through educational programs designed to train curators to look differently at program development. One example of the good practice in Serbia is the project *Kustosiranje*, initiated by Srdjan Tunic and Andrej Bereta. For the most part, this project is aimed at young professionals and students who see themselves as future curators such as art historians, artists, art managers, even journalists, professors, or art professionals. This program is designed not only to provide the participants with strong theoretic and academic knowledge, but also to spark innovation and collaboration, and challenge them to think about their role beyond the confines of their institutions:

Through our individual practice and the “Kustosiranje” project, we are mostly oriented towards the contemporary production from purely practical reasons, but we are not

exclusivist towards epochs, media, etc. We are trying to find possible answers to the question of who are curators today, what falls in the domain of the profession, but also which is the position of the curator today. The “Kustosiranje” project began as a way to offer an example which is not negatively minded (the so-called blues in culture), but to encourage a productive attitude of professionals towards reality. Srdjan Tunic, independent curator (source b92, Serbia and Curating in 21st century)

Other curators are learning on the job through necessity. This can be seen in the way that many new exhibitions include audience engagement tools, collaborate with other institutions and community members, and address topics of contemporary concern. This is just the natural progression for curators – as the caretakers of our cultural past and present, they need to evolve in order to communicate their knowledge and connect with our ever-changing society.

By collaborating and connecting with other organizations and community leaders, these institutions can push boundaries, create dialogue and fertilize new ideas. As the content creators that communicate to and with audiences, it falls to the curator to be the liaison with these outside groups. Through these conversations, a curator can uncover what topics are most important in the community and help address and support these ideas through the institution. Not only will this help build audiences, but also it will break down silos in the community and revolutionize the way curators select and produce shows so that they will have a greater impact.¹³

Being curator is an intellectual and aesthetic challenge. But being only well educated or talented is not enough, a long and constant practice is required to gain expert knowledge and experience which will help curators to recognize (differentiate) art that is exceptional by some mean from the one that is not.

¹³ *Animating Democracy*, a program of Americans for the Arts, published a study that revealed how important the role of cultural institutions is in finding solutions to challenges facing communities. This paragraph is an interpretation from their study: “*Animating Democracy: The Artistic Imagination as a Force in Civic Dialogue*,” *Animating Democracy*,

What kind of artist will draw curator's attention? It is impossible to say, or even to define, what a very specific concept of *good art* is. For curators of contemporary art, that can be finding and supporting artists who, as Flusser¹⁴ writes:

"...have attempted, at the risk of their lives, to utter that which is unutterable, to render audible that which is ineffable, to render visible that which is hidden."

For this paper, I conducted interviews with cultural practitioners from various cultural institutions. The main purpose of interviews was to see how the officials from these institutions think. What are their criteria in choosing artists and projects which will they support.

The first group was made up of artist of different ages who stood out for their originality either in terms of aesthetics or contents, i.e. concepts.

The second group was made up of artists with important careers, those who have many years of work in certain fields behind them.

The third group was made up of young artists whose careers were gaining momentum.

As we can see is pretty much hard to define parameters of good art. For many curators there is no strict definition of good art. If we summed up all the opinions it's impossible to define. Best way to explain is to say that that great work has a resonance with its audience that is very powerful, and it transforms people around it in some way. Role of a curator is to find that work and bring it to a greater public so that they can share in what he/she have been moved by. That's the basis of curating—it starts from the heart, not the head.

¹⁴ Vilém Flusser (May 12, 1920 – November 27, 1991), Czech-born philosopher, writer and journalist. His early work was marked by discussion of the thought of Martin Heidegger, and by the influence of existentialism and phenomenology. Phenomenology would play a major role in the transition to the later phase of his work, in which he turned his attention to the philosophy of communication and artistic production.

Crowdfunding and curators

The role of curator has changed throughout history from tasks of cultural heritage conservation and presentation and has been ever more complex, gaining new functions and characteristics. Given that this is still an ongoing process, it is necessary to be in the state of permanent openness in order for curatorial activity to be the most productive way of activating potentials of the existing art system and scene.

Maida Gruden (taken from Galleries and Exhibition Venues of Contemporary Visual Art in Serbia Instruments of Support of the Ministry of Culture, 2012)

Why should curator consider crowdfunding as an option? Why should museums and cultural institutions implement crowdfunding in practice?

Galleries and museums often function as sites for critical inquiry, where the activities of artists, writers, researchers and other cultural practitioners are supported by curators to shape and share debate and new ideas. Curators add to the development of reflexive practice, art theory and new models of production and presentation. The contemporary curating communicates arts locally, nationally and internationally. It is a decisive factor in the mediation of artistic practice worldwide. Curators are often holders of the whole project, thus it is on them to be at the same time managers, person responsible for public relations, administrator and theoretician.

Though crowdfunding was first developed to facilitate for-profit ventures, it is no longer exclusive to business-model entrepreneurs. As an online fundraising method, crowdfunding may have important implications for the nonprofit sector. Crowdfunding platforms have several practical features that benefit users. For example, crowdfunding is 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.

The benefits of crowdfunding may also extend beyond its ease of use. Today we are faced with Internet, social media and other new technologies which, to some extent change our perception of art, and now art field must embrace them and integrate them into work. Not to replace it, but to extend it (Landesman, 2011). Since crowdfunding platforms are fully integrated with the 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). 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. (see chapter *Crowdfunding and new audience*)

Through the presentations, contextualization and creative debate of artistic practices, galleries and exhibition venues highlight the significance of artistic phenomena, and more often than not, raise social and even political questions about their importance to a wider community and society in general. These functions are performed through realizing the annual exhibition programs, but also through projects, publishing, editions, etc. Galleries and exhibition venues are public meeting places, thus providing space for communication (Tadic, 2012). They are able to gather large numbers of different audiences, so that these places become rich with creative potential. As these meeting points are of big importance, they represent central spaces for establishing the art-artist-audience relation. For curators, any artistic decision maker extending the target audience for a crowdfunding campaign may shift the concentration of power and influence in arts and culture away from a few wealthy donors towards a greater majority. The Barrette's (2011) observation that crowdfunding "*put the control in the hands of small business owners and ordinary people, not bank executives*" supports this notion of balancing art and cultural influence. It is then possible that museums and cultural institutions may help expand cultural influence beyond the upper class by implementing crowdfunding campaigns. For Chrissie Iles, curator at the *Whitney Museum of American Art* in New York, the trend of CF could actually democratize the universe of art. "*It's crucial that smaller galleries, curators and artists have the capacity to be ambitious,*" she said. "*Crowdfunding could grant many artists a voice.*" And professional curators are here to help them find that voice.

In this context, we should draw attention to the difference in work between curators who work within cultural institutions and activities of other kind of curators who work outside the museums and galleries, today called “freelance curators”. While museum curators mainly work within rigid structure, the work of freelance curators is related to managerial and organizational activities, as they work outside well-established system of galleries thus establishing new types of linkages and relationships. These independent actors acting outside museums emerged on the art scene in the second half of the twentieth century. The emergence of powerful curators has, through their activities in a flexible link with the system of galleries, primarily through the work of art historian Harold Szeeman, contributed to the introduction of the profession of freelance curator. Although a curator became a dominant the team work was stimulated and encouraged. The artist and the curator decided through common work on the final out-come of the exhibited works or performed actions and this cast light on possibilities of corporate sponsorship, their engagement in realization of additional programs and enabled extension of cooperation with other curators.

It is of great importance to develop international cooperation. One of the main characteristics of every artistic work is its ability to communicate with the general public, so that creative work is internationalized through projects of international cooperation, raising visibility of artworks and strengthening partnership capacity, thus contributing to further affirming and building of successful careers of artists. The networking of domestic and international artists, galleries and exhibition spaces has a far-reaching effects which have a positive influence on the development of art scene, thus also of the society.

One of the most frequent problems in the process of the realization of projects lies in the lack of financial resources for their realization. There are few galleries and cultural institutions that provide financial support to the production of works, while the State, on the other hand, has a limited budget that could cover all projects. Financing of artwork production and exhibition display is not necessarily an indicator of success and professionalism of a cultural institution (particularly if we take into consideration that many foreign institutions are facing similar problems). However, artwork production financing is important for the quality of art scene development, particularly in countries with relatively poor economic conditions, such as those in Serbia. Domestic galleries have financial difficulties which are the consequence of a wider socio-economic crisis, so they hardly manage to cover their basic expenses. Some

domestic galleries, such as recently opened G12Hub or *Zvono* gallery with a long tradition, cover their exhibition productions, while some other galleries cover their exhibition productions only occasionally depending on the complexity of the exhibition, financial position of the artist, importance of the project, etc.

To overcome this situation, the artists, galleries and curators must apply to different parties to get money for the realization of projects. Excluding the state support, this includes foreign funds, banks or private sponsors. As I already mentioned before, in Serbia the crowdfunding model is not in use in its full capacity, or rather, it is not in use at all. Problem lies in fact that people working in the creative sector, who are mostly responsible for mediation and providing means for projects like managers, curators or gallerists are partially aware of its existence. But, although this is not a reality now it will be in years to come and, in the meantime, we can learn, adopt and implement crowdfunding in cultural practice in Serbia.

CASE STUDIES

In this Chapter presents case studies of crowdfunding practice worldwide. The objective is to analyze and show examples of both successful and unsuccessful campaigns. For example, Kickstarter reports in its annual report 45% of successful campaigns. This means that less than a half of projects are successful. But, on the other hand, if a project receives at least 20%, it has 80% chance to succeed. Given that I could not locate any project where actual curator supported the project, I present projects which have been curated by some initiative or a web service, as well as one attempt to build a crowdfunding platform in Serbia.

Support is important. Kickstarter Curated pages

Curated pages were firstly introduced in February 2014. A great part of Kickstarter's success is due to the quality control it maintains. Only a small number of projects submitted are chosen and an even smaller number are featured. In order to grow at scale, Kickstarter surprised its audience by inventing this new feature. Today, curated pages surface a far greater number of ongoing projects while maintaining the curatorial aesthetics that has helped Kickstarter succeed. Kickstarter staff wrote on their blog:

“Today we're excited to unveil a new feature on Kickstarter called Curated Pages. Curated Pages are a way for organizations, institutions, and (soon) individuals to share projects they love on Kickstarter”.

Curated pages allow organizations and individuals to highlight the projects they are supporting. This new feature drives the attention to worthy individual projects, increasing their ability to achieve their funding goals, allowing another level of community involvement and social interaction. It exploded with pages from big name organizations like Ted Fellows, Sundance Festival, Creative Commons, and much more.

Some pages — like those for Pitchfork, Creative Commons, Rhizome (an organization dedicated to new media art), and the City of Portland, Oregon — simply highlight the projects that they want to support. Other pages, including those for the Rhode Island School of Design, the School of Visual Arts and the Interactive Telecommunications Program at the New York University, feature projects by students who are looking for financing. The projects promoted by such groups like Kill Screen (a video game arts and culture company) and the Brooklyn Flea range from a baking company raising money in order to open a new store to a law student designing a video game that takes place “on an exotic alien world, complete with rocket boots and rocket gloves.”

This is smart as it makes searching for worthwhile projects easier and less overwhelming. Selected organization drives their fans to support projects in various stages of funding. Every non-governmental institution should consider this way of funding projects. They should provide their artists with the possibility to raise money with their support, if not through some external platform than through their existing network. These curated pages are a perfect example of how support is of great importance.

Crowdfunding Raw Season

Over the past twenty years, the practice of the ArtGet gallery of the Cultural Center of Belgrade has been to elect every year an art director, expert in the field of photography and visual arts, to present his/her views of the world of photography in the exhibition season in which he/she was elected. Precisely such concept has enabled a great variety of approaches to domestic and world photography, both of historical and topical production.

In 2013, the Cultural Center of Belgrade entrusted to the Belgrade Raw Collective, a group of young photographers, to lead art-direction/curation of whole annual program for the ArtGet gallery, Belgrade's only photography-focused gallery. What was new that year was that, unlike previous seasons when there was only one art director, a group of authors were engaged in leading the program. This decision can be understood as a need to present something new and expression of generations to come, on the one side, and to avoid academic approach, on the other. They wanted for the season to be vibrant, thus the program included a lot of artists from the country and from abroad. Such a large organization requires a certain amount of money for production to be made, but funds received from the City of Belgrade and Ministry of Culture were just enough for printing the catalogue for 14 planned exhibition. Therefore, they have very optimistically approached the project, but with a dose of skepticism to how will everything turn out. During the season, more than once they invested their own money to the production of exhibitions. Sometimes the authors covered a part of production by themselves. The collective approached the whole project in an open and transparent way without promising authors a full financial support in the realization of the exhibition. Precisely such an open approach and honest communication with authors was the reason for a successful realization of all planned exhibitions. In addition to the main program, photography fair was also planned, as well as a series of accompanying lectures. Faced with all this, they decided to try crowdfunding in order to complete all scheduled exhibitions and to present work of three significant photographers from abroad.

In order to offer you as an audience the maximum, we lack money for three authors to arrive in Belgrade who are significant not only for their own art projects, but also for their influence on the position of photography in society as authors of texts, speakers and specific backbone of photographic scene: Donald Weber, Pete Brook and Blake Andrews. All three of

*them are ready to come with their exhibition projects, hold workshops and lectures and spend some time in Belgrade, and all we have to provide are air tickets from the USA.*¹⁵

A micro-site of *Art Season* was launched containing all information related to the season and collective, all existing and future exhibitions, biographies of authors, photographs and descriptions. Notwithstanding that they were aware of the fact that they would not be able to collect enough money – 3000 euros, it was important for the events to take place, as well as to create awareness that it is possible to make such model of financing even in Serbia which is still not familiar with the notion of crowdfunding.

The project was unsuccessful, but, on the other hand, as something that makes sense in a long run, it was good that it happened. It is necessary to launch more such initiatives in order for them to become common practice, and in order for people to hear about crowdfunding and to know what it is about.

Nemanja Knezevic, Raw Colective

They initiated the campaign independently through their web page according to the Kickstarter model. Hence, description of the project and why they collect money with offered awards which were, like on CF platforms, different depending on the amount of donations received. At the end, the envisaged money was not collected, and the money that was collected was invested in the production of exhibitions until the end of the season.

The project has not accomplished the desired goal. However, in a long run such pioneer venture has its value which goes beyond the monetary dimension, actually the creation of awareness about the existence of such model of financing on domestic cultural scene.

¹⁵ <http://artget.belgraderaw.com/doniraj/>

Platform or stick and string. dizalica.rs

“Dizalica” (crane) is the first attempt to initiate a crowdfunding platform for creative projects in Serbia. It was initiated by three young women managers in culture and producers Milica Novkovic, Jelena Piljic and Jovana Rajcic.

According to them, “Dizalica” was created as a response to the *problem of a general lack of money for the realization of programs and projects in the field of culture, education and social activism*. The main objective of “Dizalica” is to establish a mechanism based on principles of accessibility and democracy by which the citizens will be able to independently initiate and collect money for their projects so that everyone will have the possibility to present own ideas in the form of project and seek a financial support. The platform functions under the crowdfunding model enabling the presentation of own projects to wider public and seek financial support for their realization. *“Dizalica” offers to you an opportunity to present your ideas and projects to the public and to seek in financing in the way done by creators all over the world using Kickstarter, Indiegogo or Boosted. It depends on you how much your project will be attractive and interesting, and it is in your interest to promote it as much as possible through social networks, persuading friends and relatives, but also through small stimulus and awards for donors. Thereby, it is very important to precisely identify your target group and address them as directly as possible.*

The young authors have presented their project to the Stari Grad Municipality. The Municipality has provided them with money necessary to initiate the project, as well as support of programmers who designed a site for them and created a program to regulate online payments. However, the site could not be used immediately because legal framework which regulates online payments does not yet exist in Serbia:

Given that, unfortunately, in Serbia adequate legal regulations for online payments do not exist, we are not able to activate financial transactions via our web site.

In order for the site to start functioning until the legal framework is established, the authors have decided to give presentations of existing projects on their page.

While we are waiting for the software through which we would receive payments to be approved in Serbia (which is currently tested), we would like to present your projects and to lobby for speeding up legal procedures which would enable a true crowdfunding, as this is a purpose of the existence of in such site.

This example shows that in Serbia there is a need to introduce novelties in the way of financing and presenting artistic contents, while I see the decision of these three young authors to engage in such a venture as the first step to establish crowdfunding on the domestic cultural scene.

I would like to emphasize that such a way of presenting art projects contributes to better transparency and openness of communication between authors and audience. The current examples prove that crowdfunding is dependent on transparency and accessibility of information. This is also a key of everything related to money because nobody wants to donate money for something about which he/she does not know anything.

From this example we can conclude that it is necessary to solve the issue of online payments as fast as possible meaning that it is necessary to also define a legal framework for crowdfunding model in Serbia.

CROWDFUNDING IN SERBIA

When it comes to the case of Serbia, the situation is not so good. In this research and in contact with several institutions and individuals I have got a picture of what crowdfund is to Serbian artists and cultural institutions. Although many of the interviewees were familiar with the concept of crowdfunding, just a few of them will consider this way of alternative funding. Another problem is that in our region this way of funding through donations is not developed yet, and even though there were some attempts to create a CF platform, people here are very skeptical about this model. Other problem lies in the fact that there is a limited number of crowdfunding platforms where people from Serbia and region can apply with their project. The case of crowdfunding in Serbia is very rare and my research shows that there is none at the institutional level. But there are few attempts to start and end crowdfund campaign at the personal level (see Chapter...). By now, the review of the existing platforms shows only few applications from Serbia. Why is that so? Well, the reasons are various. Firstly, people are mostly afraid that audience is not willing to donate money. Why would anyone give money to an artist who has only the initial idea? Well, every good project starts with the idea and need money to realize it, but, on the other hand, a lot of projects on platforms are using this model in later stages of the project. Secondly, for most people who would be interested to help, I am telling that from my own experience the price of 5-15 euros for some cultural event is usually high.

If most of the people balance not to fall into the poverty completely, it is unlikely that they will be willing to set aside funds for cultural events: not only that people cannot separate money, but has neither the time nor the will to follow the cultural contents. (Marko Miletic, for magazine Manek, issue No. 2)

Thirdly, most artist and cultural organizations and institutions expect to be funded by the State. Unfortunately, the State cannot fund every project and even if some project receives funds, that amount of money is usually not enough to finish that very project. Fourth is worry that project is not suitable for this method. While it is true that massively, out-of-this-world

successful projects tend to be things like video games or technology products, many different kinds of campaigns have the potential to be successful, and there are crowdfunding platforms for all different kinds of art projects. It is about choosing proper platform for starting the project. One of the interviewees said:

“My friends started campaign on Kickstarter, with nice art project. They didn’t get enough funds till the end of campaign. And they tried really hard I don’t want to start cause starting and later maintain campaign require lot of work, it is like you have another job and I already have one”

And yes, it requires some additional effort. However, the underlying fear here is not the amount of work, but rather the possibility of wasted effort. Even if the project is unsuccessful you will be able to message your backers (supporters) through the platform. In many cases, some backers are still willing to donate to project even if the campaign has not been successful. In other cases, you can use the support for your campaign in things like grant applications as evidence of the demand for your project. No matter what, you will have a new group of people who like your project enough to back it and who can get involved in your work in the future. On the other hand, there is a possibility just to use the model on your own, through your own website and not through the platform.

Besides all the above mentioned, there are problems of, let’s say, technical nature. Use of E-banking and PayPal, or better say, not-using, makes thing harder for Serbian citizens. If someone from Serbia decides to start a campaign through some platform, for example Kickstarter, he/she needs to have an open account in either the USA, Canada or Great Britain. Even though, from the last year Serbia has the possibility to use PayPal for payments through the Internet, the possibility of receiving money is not reality yet. That can be a significant obstacle if someone decides to start a CF platform here in Serbia.

But, there are also advantages. Firstly, the connectivity with Europe and the region is ever greater, in his report to the Ministry of Culture Tadic said that the *quality of civil society organizations in Serbia lies in compatibility of initiatives and often good communication with the audience at the international level*. There are a lot of projects which stimulate international cooperation. These are most frequently the workshops or group exhibitions. No

matter what it is about, the domestic art scene turned to the world can be considered favorable for its future progress.

Although I have mentioned online payment as a problem, I consider the introduction of online payment as positive. It is important that we have this option too, and although it is not yet developed, it will be developed in future.

As every story has two sides, this one also has its good side. This year in March (27.03.2014) the first crowdfunding platform in the territory of B&H *Katapult.ba* was presented. The aim of the platform is to *encourage entrepreneurship, securing initial funding to launch various startup companies or business ideas, as well as an opportunity for investors big and small to invest*. Also, the Catapult will support initiatives of community character, including cultural, sports and scientific projects. Offering opportunities for the implementation of various business ideas and social initiatives, the *Katapult.ba* has become a meeting place for young enthusiasts, experienced and less experienced entrepreneurs, investment partners and socially responsible citizens.

There is also a recently launched platform in Croatia "Doniratica"¹⁶ for civil society organizations and other non-profit sector initiatives, which is modeled after the world platform. The site slogan "You choose - you donate" sums up the very essence of crowdfunding. The system works under the principle of collective cooperation of people who are networked together and invest money to support initiatives that recognize specific value and quality. In addition, this model actively involves the audience and makes financing transparent, public and open. In Croatia, donations encouraged by tax incentives, tax refunds at the end of the year and electronic commerce facilitates the PayPal system, which enables people from the region. Europe could support the idea of Croatian authors and vice versa.

¹⁶ <http://www.doniratica.hr/>

Examples of crowdfunding in Serbia

Several attempts of alternative funding of arts and cultural production were noted in Serbia. In 2011, Belgrade's audience supported in that manner the printing of photographs for the "Norwegian Wood" exhibition in the Cultural Centre *Grad*. On that occasion, 570 EUR were collected out of planned 500 EUR. Exhibition authors personally collected funds and rewarded the donors with the reproductions of photographs. The importance of this type of funding lies in providing the audience with an opportunity to support and develop the art scene in Serbia. Recently, young Serbian director started a two-month crowdfunding campaign for the film *Unbaptised Day*. The author is hoping to finish the production of her film with the help of this campaign.

Most successful example of crowdfunding is a campaign for movie *Ozone* by two young man Branko Sujic and Mirko Milosevic. The authors received initial funds for the film production by winning a competition of the Secretariat for Culture (Belgrade City Administration) and from the Ministry of Culture and Information of the Republic of Serbia, but they also managed to collect additional 8.566 USD through Kickstarter for the postproduction. Since one member of the film crew had American visa, they posted the project on Kickstarter and 192 people around the world has supported their idea with donations ranging from 7 to 250 USD, which surpassed the planned 8000 USD. Mirko Milosevic, one of the authors, stated that over 6000 people had seen the promotional video, out of which 200 had decided to support the project.

"That percentage varies from one project to another, which says a lot about your target group and its willingness to be directly involved. Also, a broad impression would be that approximately half of project supporters are our acquaintances and the people we managed to attract with our campaign, which is usual for this type of projects. Second half consists of people who supported the project over Kickstarter – through various sections like recently launched, short film, ending soon." Mirko Milosevic author of movie Ozon (source VFX Serbia)

Commenting on the question of whether this model of financing can in general be practiced in Serbia, Milosevic pointed that not so many people possess the credit card to purchase via the Internet and that difficult financial situation prevents people from helping others.

“In addition, large number of people is unfamiliar with the concept of crowdfunding, they lack patience to familiarize themselves with the details and they are afraid that by spreading that kind of message they might be perceived as spammers. Nevertheless, there were people who had the credit card, who understood the concept of crowdfunding, who felt the urge to support creative projects and who, in case of our project, were willing to do that.” Mirko Milosevic author of movie Ozon (source VFX Serbia)

Another personal effort to start and finish the crowdfunding campaign is *Norwegian wood* (already mentioned above) photo exhibition by authors Luka Knezevic Strika and Jelena Mijic. Gallery CC Grad gave the space for exhibition, but no money to realize it. They were writing both to the state and private donors, but there was no answer from either side. Following the practice of many before them, they decided to crowdfund the exhibition. They made a brief description of the exhibition and how much money they needed for its realization and finally what you get for your donation. Awards ranged from postcards to printed photographs and actual works from the exhibition. Then they put all this into a circular mail and send it to all their friends appealing to all their friends to forward the same mail.

*“This way of funding art projects is already established worldwide, the best example could be the website www.kickstarter.com. As far as we know, this is the first project of that kind in Serbia. By investing in the production of our exhibition, besides facilitating to make it happen, you are also sending a message that this type of financing art projects is possible. If this project turns out to be a success, it could be a start of a new model of financing the art production in Serbia, one that is not overly dependent on institutions, but primarily depends on audience, which through investing in projects gets a chance to develop the art scene, but also to curate it, by choosing which of the projects to finance.”*¹⁷

Numerous examples show how crowdfunding has replaced the classic models of funding, for example, sponsorships or relying on public institutions, and simultaneously changed business

¹⁷ www.lukaknezevistrik.com

and culture in general. The interest of audience in a project is tested by publicly presenting the product to a large audience, while crowdfunding improves the cultural scene and encourages production.

WHAT IS THE FUTURE OF CROWDFUNDING

Crowdfunding is now on the stage for some time. What started out of a couple cases worldwide is now spreading as an epidemic through various crowdfunding platforms and personal efforts. ArtistShare was one of the earliest on the scene, offering to let fans fund production costs for albums sold online. More than a decade on from launch, ArtistShare is still going strong and many others are created since then. Today, there are thousands of online crowdfunding services which are hosting more than billions of projects making this model more and more popular, especially in creative communities. In 2014, crowdfunding is an acceptable, viable and increasingly popular means of getting an idea off the ground. In the USA where it all started, there is already an enormous CF market, while in Europe legal frameworks on CF still need to be defined. Despite that, crowdfunding is safe for now.

There is a lot of discussion on what the future of crowdfunding will be. Will it be multiplication by the time of domination, like some other social networks? Will it lead to contracting of the crowdfunding space? Or something else? Here are just some possible views of the crowdfunding future.

Platform/social network. First and foremost, looking at the present scenario, it does appear that crowdfunding will become more social in the days to come. At present, most of the crowdfunding platforms do lots of things to facilitate funding. However, they would be expected to create more of a social experience in the near future. To some extent, at present, funding of crowdfunding projects happens in isolation. Different crowdfunding platforms would surely look to find ways to facilitate discussions and allow campaign sharing on their own. This will certainly enhance the efficiency of crowdfunding campaigns because the central idea of crowdfunding revolves around social interaction. Moreover, project owners will be able to drive more backers to their projects by building social networks or syndicates.

Market validation. Now a lot of small early stage startups use crowdfunding not only as a way to raise funds, but also as a good marketing strategy to build a group of loyal followers

and early adopters¹⁸. To investors, crowdfunding is no longer perceived as a competitive platform, but a much-needed validation test with regard to target audience and addressable markets.

Lambert and Schweinbacher suggest that future work could also explore ‘entrepreneurs information motivations’. They further say that although the primary goal of crowdfunding is to raise money, it can also help firms test, promote and market their products; gain a better knowledge of their consumers’ tastes; or create new products or services altogether. In this sense, crowdfunding can be used as a promotion device, as a means to support mass customization or user-based innovation, or as a way for the producer to gain better knowledge of its consumers’ preferences. It is a unique way to validate original ideas in front of a specifically targeted audience. In turn, crowdfunding can provide insights into the market potential of product or service. In other words, crowdfunding can be a great way of showing that an idea or project is viable if the public are putting up money to support something, then this data can be shown to bigger (traditional) financiers and used as a leverage to garner more funds.

The rise of niche platforms. There are specialized problems that arise with projects in certain sectors, and platforms catering to a specific sector can augment their user experiences and business models to better match these problem sets. Therefore, more and more researchers have agreed that in the future niche platforms will come to the fore. But why the need for niche when someone could just as easily launch a campaign on Kickstarter? Because in the future it will be important “*to identify who your audience is, and know you’re going to a platform that specializes in attracting that specific audience*” says Amanda Barbara vice president of niche platform Pubslush¹⁹, “*Kickstarter and Indiegogo are both amazing platforms, and they’re obviously doing something right. But I really do find that the struggles with these types of platforms will always be that they have so many projects going on at one time, that some will be overlooked.*”

¹⁸ An early adopter or Lighthouse Customer is an early customer of a given company, product, or technology; in politics, fashion, art, and other fields, this person would be referred to as a trendsetter. The term originates from Everett M. Rogers' *Diffusion of Innovations*

¹⁹ Focus of Pubslush is on book publishing, targeting emerging authors.

Whole **new markets** of crowdfunding related services are built around this relatively new phenomenon. Web platforms such as *Swish.com* aggregate crowdfunding campaigns from across the web, and host campaigns as well. Entrepreneurs are not always ready to handle big sales bumps. For a fee, Swish manages sales and shipping for projects it hosts and even ones from other sites. When for example some campaign collects a thousand of orders but then comes to the problem of how to ship all those orders, then Swish do that for them. There are also platforms that help entrepreneurs reach a large but targeted audience of early adopters. *Grand St.* provides companies with software solutions to help them market new products, process sales and track analytics. Cofounder of *Grand ST.* Amanda Peyton discovered the SideKIC, an immersion circulation cooker. Usually, these cost thousands, but the inventor had created one for \$200. He was selling two or three a week out of his studio. When his product debuted on Grand St., he began to sell hundreds.

Crowdfund space will contract. At present, the crowdfunding space has hundreds of players of different capacities. In the very new future, this space may contract significantly. The more experienced players will continue to prosper in this changing market. However, the lack of successful projects will force the closure of many smaller platforms.

The last few years have seen an explosion of growth and experimentation for the crowdfunding community. We can expect to see even more innovations in the years that follow as these platforms mature into a viable financial platform for entrepreneurs and small business around world. It is to believe that crowdfunding will only become more popular, and see far more money invested in the near future, but with that the crowdfunding space will get more competitive and crowded as more projects and startups enter the play.

CONCLUDING THOUGHTS

Crowdfunding is the new path to creative, entrepreneurial and academic empowerment

Rocket Hub Team

Crowdfunding is widely developed in western countries. There are numerous platforms that foster thousands of projects. Millions of people already use its possibilities. Creative and community projects turn to crowdfunding as a promising model of financing. Museums and galleries inspired by success stories also use its benefits and art community is currently one of the hottest areas of crowdfunding. The hype around this movement is generated by success stories of projects raising hundreds of thousands of euros. Far beyond just funding, this model has shown as a very good way to raise a voice on a project beyond already established communities of supporters. And this is very important especially if we take into account that projects that do not include components of audience development have a higher probability that they will gather only people with the same attitudes and a more or less existing audience (Tadic 2012). This research shed light on implications of crowdfunding in curatorial practices. It stresses the need to expand the field of curatorial practice from theory to practice.

Creating communities around project. So far through this research we can see that key to crowdfunding is not just asking for money. This phenomenon opens much more possibilities than just funding. From a managerial perspective, the creators, in setting up their crowdfunding campaign, should build the “right” community of crowdfunders according to their financing and operating needs. True value of crowdfunding model is that it creates community gathered around one idea. In this process, the creators are not alone, now they have a group of supporters who are different than regular audience because they are actively involved in the process. Many artists discovered that the secret of crowdfunding lies in the relationship between creators and funders.

There are two specific benefits of creating a community when you do crowdfunding or online fundraising. First community gives you a smarter decision. When you have community, you

will be able to harvest their knowledge for campaign. Second community gives you deeper reach. It allows leverage their personal networks to get story shared. This can help raise awareness outside your own network, as well as makes your story trustworthy and credible to a new audience.

In other words, to ensure a viable crowdfunding campaign, creators must provide an appropriate environment for the crowdfunders to enjoy sufficient community benefits from their participation (Lambert, Schwienbacher 2013). The form and extent of community benefits will determine the type of crowdfunding mechanism that the creators should use. Building a community that supports the entrepreneur is a critical ingredient to make crowdfunding more profitable than traditional funding.

Education of curators. Of course, to be familiar with some phenomenon in itself is not enough. For crowdfunding as a model to become a part of the domestic art scene it is necessary for audience, artists and curators to be adequately informed. Precisely the inquisitive nature of a curator is in the forefront here, but also his/her desire to expand knowledge and experience. In addition to self initiative, the state should also provide training programs for curators. It should be emphasized that subjects in the field of museology and heritology are studied within undergraduate, master's and doctoral degree programs at the Department of Art History of the Faculty of Philosophy of Belgrade, but the working methodology is still based on obsolete principles, while practical classes as mandatory at the Faculty do not exist. However, the students of Cultural Policy and Management at the University of Arts in Belgrade can get acquainted with subjects related to cultural heritage, cultural tourism and museum management, as well as festivals and performing arts management, and they have practice in some cultural institution as a mandatory subject. Nevertheless, in spite of this, there is a need to establish specialized custodial university study programs, as those already existing in the world, with the possibility of applying custodial knowledge acquired within the curriculum, through the realization of projects in cooperation with cultural institutions. Financing professional training for curators and other cultural professionals is of great importance from the aspect of program improvement and functioning of gallery/exhibition spaces. Newly acquired knowledge and experiences are of great value for their future work, and they can convey it in a formal or informal way to their environment and partners. Consequently, in addition to specialized university study programs, the

advanced professional training should also be carried out through relevant seminars, conferences and programs.

Artist-curator relation. One of the crucial factors for the development of artists is seeking a curator who shall cooperate with. This can be a long-term cooperation that would contribute to better artist-curator relation and professional development of an artist and curator together with him/her. When an artist finds his/her representative, he/she can focus on his work without any pressure because the curator takes over the role of representative and protector of artist's works. Therefore, curators should direct their efforts so as to achieve a full level of openness towards and understanding of artists. According to Renaud Proch, independent curator, ideal curators are those who *form a close relationship with (their) artists, who fully respect their creative process, who would not intrude on this process. On the other hand, artists sometimes benefit both when under challenge and when encouraged by someone..... in this process, the personality of artist is important. Artists are persons without whom curators do not exist. An artist can exist without a curator, but a curator cannot exist without the artist, or, without artwork.*

Project transparency. Project transparency is emphasized as one of the main characteristics of crowdfunding. It is important that, in addition to creators, the project supporters are also included in the creative process. Many of the dilemmas related to a project arising from the lack of information are avoided in this way. Often as not, project transparency leads to better communication between creators and the audience, particularly in the case of crowdfunding where the communication is a drive and that what makes the whole process alive.

And finally, let's take a look at the importance of **team work between curators, artist and art managers.** Projects that combine knowledge of curators and managers in culture are usually focused on the questions of art production, which is one of the greatest problems facing the domestic art scene. Curatorial work on projects contributes to more professional and quality project concepts, which considerably increase their chance for getting financial support and vice versa. The role of art managers can contribute to the substantially easier and better quality project realization. For artists it is important to have a proper support and guidance at the very beginning, but also someone with a voice who can stand behind his work and who can share his ideas outside his established circles.

Crowdfunding might not be the answer to all art fundings, but it is an exciting democratic addition to more traditional options and one that exists beyond national model. It is important because it draws attention on the importance of creative process and relationship between artist and his audience. For Serbian cultural scene adopting this new practice will not be easy way. There are new rules to be learned and many question to be answered. Artists, but especially practitioners (galleries, museums and their representators – curators) will have to open themselves to this new practice, and with every experience they will become better in it. Nevertheless, this will not be an easy way and for many artists and curators it will be a challenge.

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