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Crowdfunding: Threat or opportunity for social economy? Third sector organisations and social enterprises facing the challenge of ICT funding strategies

Andrea Bassi
Alessandro Fabbri
Italy



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Crowdfunding: Threat or Opportunity for Social Economy?
Third Sector organizations and Social Enterprises
facing the challenge of ICT funding strategies
by Andrea Bassi and Alessandro Fabbri
University of Bologna

The wide diffusion of ICT based tools at a global level creates a new institutional environment for Third Sector Organizations (TSOs) and Social Enterprises (SEs) that cannot be ignored. A growing number of web platforms and social media are established in order to stimulate donations and financing tools – potentially to a worldwide audience/constituency – dedicated to sustain social oriented projects, environmental start up, and wide array of activities and programs of TSOs and SEs.

The above mentioned new ecosystem for TSOs and SEs introduce deep and irreversible changes in the meanings and uses of money for solidarity causes. The boundaries between “gift relationship” and “business relationship” are more and more fade.

What does it mean for the actors (a. citizens/donors; b. TSOs/SEs; c. beneficiaries of the services; d. traditional credit/financial institutions) involved in the process?

The paper tries to answer to the above research question through a focus on the Italian crowdfunding system and two case studies of successful crowdfunding campaigns. It is organized in five sections. In the first one we will illustrate the main typologies of crowdfunding platforms. The second section is dedicated to analyse the first two typologies that are those generally used by TSOs and SEs. In the third section we comment about the available data on the crowdfunding phenomenon in Italy. In the fourth section we present the aforementioned case studies of successful crowdfunding campaigns by TSOs in Emilia-Romagna Region (in further detail, in Romagna). Finally in the last and fifth section some conclusive remarks are based on a SWOT analysis of the crowdfunding tool for TSOs and SEs.

The methodology of this brief research is mixed: the authors firstly consulted the existing scientific literature in Italian, then carried out the analysis of some quantitative data on the crowdfunding phenomenon, and finally performed unstructured interviews with some privileged witnesses involved in the two case studies.

The aim is therefore to describe the functioning of crowdfunding campaigns, through the analysis of concrete cases, identifying those factors that may prove critical to their success or failure. These factors could be the starting point for a possible analytical modeling of successful cases (best practices), in order to transfer them to other territorial and socio-economic contexts.

1. Definition and typologies of the phenomenon

The first step to be taken, in order to understand the extent and development of the crowdfunding phenomenon, is to define it in its general lines. Crowdfunding, or collective financing, is a digital fundraising model that takes place “from the bottom”, since, through the indispensable contribution of websites that act as a platform, “many people (a crowd, indeed) give different kinds of contributions in order to foster the development of a project, an initiative that, for some reason, they consider appropriate to support, often regardless of an economic return” (Piattelli¹ 2013: 1). The platforms, by their very nature, allow fundraisers to submit their proposal to an almost unlimited number of potential financiers, and vice versa the financiers can choose which project to finance and with what sum of money.

¹ This and all the following quotations are translated from Italian into English by the authors of the paper.

In further detail, five types of crowdfunding can be detected²:

1. *reward based*: these are the fundraisings which, in exchange for cash donations, provide a reward, such as the product for which persons are financing, or an acknowledgment, such as public thanks on the website of the new company;
2. *donation based*: it is a crowdfunding model used mainly by non-profit organizations to finance non-profit initiatives. It is also called *social crowdfunding* or *civic crowdfunding* (ibid: 10; Esposito De Falco, Volpe, Cucari 2015: 186);
3. *lending based*: these are micro-loans to people or companies. It is also called *social lending* (Pais et al. 2014 : 11);
4. *equity based*: this is a specific crowdfunding model, in Italy regulated by the Consob, the Italian public authority for the supervision of financial markets (Piattelli 2013: 55-105; Pavan 2018: 32-33): in exchange for the loan paid, the lender becomes a full member of the company, taking part in its share capital;
5. *hybrid*: fundraisings based on multiple financing methods³.

Of course, as Ugo Piattelli points out, the lowest common denominator of all these types is that “the success of the fundraising is decreed by the number of individuals who consider appropriate to support it, whatever the reason they do it” (Piattelli 2013: 1).

The first crowdfunding site belonged to one of these types: but which was, and where was it born? The place of birth of the crowdfunding is identified commonly with the USA, where “Between 2008 and 2009 were born, in order, the Californian Indiegogo and the New Yorker Kickstarter, both leaders in the international scene” (Pais et al. 2014 : 36). Yet, as Ivana Pais, Paola Peretti and Chiara Spinelli show, it is up to Italy to play the unfortunate *first mover* role: the first platform in the world dedicated to online fundraising was, *ante litteram*, Produzioni dal basso (www.produzionidalbasso.com), established in 2005 and still existing⁴ (ibid.: 58). According to them, in Italy the crowdfunding phenomenon did not take root, despite this early and encouraging origin, because of a number of factors: partly the initial underestimation of the importance of economic sustainability, but partly also the unfavorable Italian socio-economic environment, characterized by a limited entrepreneurial system, a “high rate of digital illiteracy” and a “poor diffusion of electronic payment systems” (ibid.: 57).

“Produzioni dal basso” was, and still is, an hybrid platform, because it is devoted both to reward based and donation based crowdfundings⁵: these are the two most famous types of crowdfunding, therefore it is necessary to deepen the analysis about them.

2. On the reward based and the donation based crowdfunding platforms

All the scientific publications consulted state that the reward based and the donation based crowdfunding platforms are the most known and popular, both worldwide and in Italy. Why?

The reason could lie at the beginning of the phenomenon: the authors highlight the fact that the first crowdfunding case in history was, before the digital era, the public subscription opened by Joseph Pulitzer on his New York newspaper, the «World», in order to pay the expenses for the construction of the basement of the Statue of Liberty. One of the authors, Ugo Piattelli, classifies this episode as a civic crowdfunding case, that is, a donation based case (Piattelli 2013: 3-4): for this reason, he argues that the donation based crowdfunding “is

² See <https://www.economyup.it/startup/crowdfunding-tutte-le-piattaforme-attive-in-italia-e-come-usarle/> (last accessed: May 28, 2019). The definitions are taken from the site. See also Piattelli (2013: 2, 10-19), Pais et al. (2014: 10-11) and Pavan (2018: 23-42).

³ This fifth type is considered only by the site EconomyUp and by Pavan (ibid.: 33-42), not by Piattelli and Pais et al..

⁴ See <https://www.produzionidalbasso.com/> (last accessed: May 28, 2019).

⁵ See <https://www.produzionidalbasso.com/info/how-it-works/> (last accessed: May 28, 2019).

probably the crowdfunding model that gave rise to the phenomenon, allowing the realization of charitable and social projects that, otherwise, would have had a much longer if not impossible gestation” (ibid.: 11). Instead Antonio Pavan considers it a reward based case, and for this reason he claims that the reward based case is the most ancient one (Pavan 2018: 27-28).

It would be interesting to know how this forerunner episode is classified by the American scholars themselves. Whatever category it belongs, it is possible that in USA it prepared the society to the idea of raising funds from the crowd. Anyway, more probably the popularity of the two crowdfunding types is connected with the fact that Indiegogo and Kickstarter belong to these two categories: indeed, apart from the unlucky Italian case of Produzioni dal basso, these are the first and most renowned platforms that were born in the world.

In further detail, Indiegogo (indiegogo.com) was born in 2008 in California and is a donation based platform, the biggest in the world (Pais *et al.* 2014: 30-31, 37). It does not have a very strict policy: it “does not select projects: an account is enough to launch a campaign. The commission applied is 4% of the total resources collected (9% if you do not reach the target)” (ibidem). Kickstarter instead was born in New York in 2009 and is a hybrid: both reward based and donation based (Pais *et al.* 2014: 30). Its policy is stricter than Indiegogo’s one: “Campaigns present on Kickstarter must overcome a procedure and get platform approval before going online. The platform asks for 5% of the total resources collected as compensation” (ibid.: 36). Kickstarter also restricts its approval according to the geographical origin of the projects: initially it accepted only those coming from USA, then also from UK, Canada, Australia, New Zealand and Netherlands (ibid.: 8, 36).

Moreover, Indiegogo and Kickstarter are opposite with regard to the money collection mode. Kickstarter practices the *All or nothing* mode: if the target set by the campaign promoter is not reached, all the sums collected return to the donors. Instead, Indiegogo practices the *Take it all* mode, that is, the money remains in the hands of the promoter also if the target is not reached (Pavan 2018: 26).

The quick diffusion and success of these two platforms have surely contributed to the renown of the crowdfunding types they belong to. The donation based type was also “advertised” by Barack Obama, who successfully used this mode for the financing of his 2008 presidential campaign (Vassallo 2014: 47-48; Pavan 2018: 25). As said before, Indiegogo is the biggest crowdfunding platform in the world, but the reward based platforms seem to be the most widespread: some years ago, Piattelli stated that “2/3 of the existing platforms seem to operate in this way (...)” (Piattelli 2013: 11), and recently Pavan stated that it is not only the most ancient, but also the most popular type of crowdfunding (Pavan 2018: 27). Perhaps their diffusion and popularity are partially due to the fact that the reward based platforms offer a pre-selling service, among others, as Piattelli notices (Piattelli 2013: 12), although Pais *et al.* object that, differently than the pre-selling, the reward based crowdfunding involves the supporter directly in the projecting phase (Pais *et al.* 2014: 11).

This general overview of the donation based and reward based crowdfunding platforms can help in understanding better the Italian case studies that will be analyzed in the fourth paragraph of this paper: they are donation based, or civic/social crowdfunding cases. But, before describing them, it is important to consider more precisely the Italian context, particularly from a quantitative point of view.

3. Available data on the crowdfunding phenomenon in Italy

Our reflection about the available data on the crowdfunding phenomenon in Italy must start by considering that, so far, a complete census of the Italian platforms has not yet carried out by the Italian Institute of Statistics (ISTAT), or by any other public institution. The only one and partial exception is the equity based type: the aforementioned Consob has the duty of registering all these platforms in a special register, divided into 2 pages, “usual” and

“special”⁶. Therefore, the Consob data are public, up-to-date and reliable. For all other types of platforms Italian authors, both lay and academics, are forced to resort to private sources of data, that is, aggregated or disaggregated data available on private web sites.

Usually, the aim of these sites is producing and sharing knowledge generically about the web (and, inside the web, about the crowdfunding), or specifically about the crowdfunding. The latter is the aim of Italiancrowdfunding (<http://italiancrowdfunding.it>), that declares, in its “Who we are” page, “We write and provide information on Crowdfunding with the aim of creating a space for the promotion and dissemination of information that revolves around the Crowdfunding phenomenon”⁷. The former is instead the aim of EconomyUp (<https://www.economyup.it>), that is “a newspaper published by Digital360, a leading Italian group in the B2B offering of editorial content (...) in the field of Digital Transformation and Entrepreneurial Innovation. EconomyUp since 2013 recounts the Italy that wants to grow and that is working to seize the development opportunities, national and international, offered by innovation and digital technologies”⁸.

Other sites, such as Crowdsourcing (reports.crowdsourcing.org), have a more stressed “for profit” nature and aim: “Welcome to the eCommerce Site of massolution and Crowdsourcing.org. Research, promoted on Crowdsourcing.org and distributed on this site, is produced by massolution™. Massolution is a unique research and advisory firm that is pioneering the use of crowd-solutions in government, institutions and in enterprises”⁹. A particular example of this kind of source is Starteed (starteed.com), that is itself a reward based crowdfunding platform or, more precisely, “a crowd-company that develops solutions in the crowdfunding market with the aim of providing customized technological infrastructures and specialized services for those who want to create more effective and transparent financial models”¹⁰. Nevertheless, since 2015 Starteed has cooperated in the increase of knowledge about its field of activity, that is, the crowdfunding in Italy, by producing annual reports, published and available on a dedicated site (crowdfundingreport.it)¹¹.

Therefore, these are the sources used by the Italian authors of the most recent publications about the crowdfunding phenomenon in our country: sometimes these sources are quoted in a not very precise way (Pais *et al.* 2014: 36, 83; Vassallo 2014: 67, 79), while in other cases the references are accurate (Pavan 2018: 42). However, we checked the sites referred to the Italian crowdfunding and collected and processed the data that are currently available. They are provided and shown in Table 1:

⁶ See <http://www.consob.it/web/area-pubblica/registro-crowdfunding-sezione-ordinaria> and <http://www.consob.it/web/area-pubblica/registro-crowdfunding-sezione-speciale> (last accessed: June 2, 2019).

⁷ <http://italiancrowdfunding.it/chi-siamo/> (last accessed: June 2, 2019).

⁸ <https://www.economyup.it/about/> (last accessed: June 2, 2019).

⁹ <http://reports.crowdsourcing.org/> (last accessed: June 2, 2019).

¹⁰ <https://starteed.com/about-us.html> (last accessed: June 2, 2019).

¹¹ See <https://www.crowdfundingreport.it/#introduzione> (last accessed: June 2, 2019).

Tab. 1. Quantitative data about the Italian crowdfunding platforms mined from EconomyUp, Italiancrowdfunding and Starteed

Platform types	Data from EconomyUp at 17 th April 2019 ¹²	Data from Italiancrowdfunding (no dating) ¹³	Data from Starteed in 2018 ¹⁴
Reward based	31	32	50
Donation based	10	11	
Lending based	10	5	9
Equity based	32	21	15
Hybrid	12	14	4
Total	95	83	78

Considering these data, it is possible to conclude that the crowdfunding phenomenon in Italy, despite its difficult start in 2005, has developed and is currently in a phase of full growth. Nevertheless it is necessary to admit that these data are not fully reliable: in each case the methodology used is not explained, and this circumstance is probably at the roots of the strong data discordance. The lack of a common and clear methodology is a problem that would be solved if a public institute, such as ISTAT, carried out a general census of the phenomenon.

This paper will take into consideration the role of one of the aforementioned hybrid platforms¹⁵, that is active in the Emilia-Romagna Region in favor of both for profit and non profit campaigns (Pais *et al.* 2014: 74-77; Esposito De Falco *et al.* 2015: 186). More precisely, it will deal with two case studies, concerning social crowdfunding initiatives promoted by prestigious TSOs with the technical support of this platform. Both these two TSOs work in the humanitarian sector (broadly speaking) and, geographically, in the Romagna context: they are well rooted there, but are national organizations and have important international relations

4. Two case studies of successful crowdfunding campaigns by TSOs in Emilia-Romagna Region

This paragraph aims at analyzing two case studies of successful donation based crowdfunding campaigns in Emilia-Romagna, or, in further detail, in Romagna. This part of the Emilia-Romagna Region has been chosen because of its richness in TSOs and SEs, and also because of a peculiar synergy between a new crowdfunding platform and a one-century old cooperative bank.

“Romagna” consists administratively in the Provinces of Forlì-Cesena, Rimini (born from a “split” from the Province of Forlì-Cesena in 1992) and Ravenna. Some people also include

¹² See <https://www.economyup.it/startup/crowdfunding-tutte-le-piattaforme-attive-in-italia-e-come-usarle/> (last accessed: June 2, 2019).

¹³ See <http://italiancrowdfunding.it/piattaforme-crowdfunding-italia/> (last accessed: June 2, 2019). In this web page there are no numbers, but only a long list of platform names and corresponding types. We have processed these data, counting the total sum and the platforms belonging to each single type. We incorporated the 3 “Royalty” based platforms into the Equity based type, because of their very similar functioning, as described by the same site. See <http://italiancrowdfunding.it/royalty-crowdfunding-prime-esperienze/> (last accessed: June 2, 2019). We also incorporated the 13 “donation and Reward” based platforms and the 1 “Donation and lending” platform into the Hybrid type.

¹⁴ See <https://www.crowdfundingreport.it/assets/reports/II-Crowdfunding-in-Italia-Report-2018.pdf> (last accessed: June 2, 2019). In this PDF report the Donation based platforms and the Reward based platforms are aggregated, without further explanation, so we provided this number in the table. We also classified the 4 “Provider Do It by Yourself” platforms into the Hybrid type.

¹⁵ The first two sources classify it among the reward based platforms, while the third one recognizes that it supports also donation based campaigns: therefore, we believe more appropriate to classify it among the hybrid ones.

Imola and its area, which belong to the Province of Bologna. It is a territory that boasts a thriving economy, extremely efficient public services, a traditional left political position (which is recently being modified, eroded by the Lega) and, last but not least, very high rates of civicness, as the political scientist Roberto Cartocci demonstrated several times (Cartocci, Vanelli 2008; Cartocci 2012; Cartocci, Vanelli 2015). Volunteering is an invaluable component of this social, political and economic environment, and for this reason Cartocci chose, in its 2015 study written together with Valerio Vanelli, to consider «the number of volunteers of non-profit institutions active in the sector of social assistance for every thousand residents» (Cartocci, Vanelli 2015: 16) and the number of blood donations for every thousand residents (ibid.: 20-21) among the five indicators used to measure the civicness of the Italian Regions: with regard to them, Emilia-Romagna ranks second and first respectively (ibid.: 17, 21).

Romagna is therefore certainly rich in TSOs: they often are very ancient, and in any case respected and popular in their local contexts. However their number, if on the whole is a strength of the territory, at an individual level turns into a weakness: it implies competition, which is also virtuous, but harmful for the survival of the single TSO, especially in a period of limited economic resources. This limitation is currently producing more demanding contracts with public bodies, smaller donations by the for-profit firms and less income from the “5x1.000”¹⁶ donations by the citizens, as well as a greater competition to obtain such resources.

It is therefore essential to find new financing channels, and consequently to learn new techniques, such as crowdfunding. However often the TSOs of Romagna suffer from two other weaknesses, distinct but connected: the lack of a specific know-how and the small number of young volunteers, relatively more able to quickly acquire such know-how.

A solution to these problems has been developed through a new synergy between old and new, between for-profit and non-profit: between the Cooperative Credit Bank of Ravenna, Forlì and Imola, and Idea GINGER.

The Cooperative Credit Bank of Ravenna, Forlì and Imola (BCC) is a cooperative society that “took up the baton of 14 credit unions started over a hundred years ago”: the first of these were in fact founded in 1898. The cultural and political root of this institution is Catholic-progressive, and more generally, being a cooperative credit bank, its status is that of a peculiar for-profit organization. Indeed, due to some ancient legislative obligations, cooperative credit banks must reconcile the search for profit with specific social duties, and the BCC itself mentions proudly these duties on its website¹⁷.

The BCC distinctive trait is that this institute, two years ago, started an innovative mode of fulfilling its statutory mandate: the “Crowdfunding: the energy of the territory” project, developed with the technical support of Idea GINGER.

Idea GINGER (GINGER is the acronym for “Gestione Idee Nuove Geniali Emilia-Romagna”, “Management of New Bright Ideas Emilia-Romagna”) is a crowdfunding and crowdsourcing website for Emilia Romagna (www.ideaginger.it), or, more precisely, is a platform created and managed by the GINGER Association, a Social Promotion Association (APS, an Italian type of TSO) founded in 2013 and committed, with a slim staff of 6 people, “to promote the culture and good practices of crowdfunding”¹⁸ (Pais *et al.* 2014: 74-77). Operating online, of course the platform is accessible by visitors and potential donors from all over the world, but GINGER made a very clear “company policy” choice at its outset:

“GINGER is a crowd site that has its strength in *territoriality*. Every project is important to us, as the bond it has with the territory. For this reason we decided to focus on Emilia Romagna, to follow the ideas closely and to make them grow thanks to the activation of territorial networks. Furthermore, we are convinced that linking

¹⁶ The “5x1.000” is an optional donation in favor of TSOs: when the Italian citizens fill in the individual income tax return, they are allowed to assign the 5x1.000 percentage of their income tax to their preferred TSO.

¹⁷ See https://www.labcc.it/template/default.asp?i_menuID=35340 (last accessed: May 28, 2019).

¹⁸ https://www.ideaginger.it/ginger_chi-siamo.html (last accessed: May 28, 2019).

projects to the territory, to people, to offline promotion and dissemination activities is the way to turn crowdfunding into a lever for economic and social development”¹⁹.

On the basis of this somewhat *glocal* approach, GINGER therefore offers its know-how "to individuals, associations, companies and public administrations", which can "publish their own project on the platform and (...) carry out a crowdfunding campaign aimed at financing the brilliant idea”²⁰. More precisely, there are two packages ("GINGER fizz" and "GINGER & Fred") with different prices and services offered: in both cases, however, GINGER does not withhold any percentage on donations collected, and in addition applies the all or nothing rule, that is, "we establish a goal and only if it is reached or exceeded, the money is paid to the designer; if the finish line is not reached, donations will be returned”²¹.

The BCC judged GINGER a reliable partner, and two years ago, together with it, started supporting the aforementioned "Crowdfunding: the energy of the territory" project. The BCC role in this project is simple and at the same time very concrete, and can be summed up in the "80-20" formula: practically, GINGER launches a crowdfunding campaign together with a TSO that wants to achieve a specific purpose and, if 80% of the established sum is reached, the BCC contributes by paying the remaining 20%²². It is a synergy that, in three annual editions (one of which has just begun) of the project, has already given substantial results, as the BCC itself notes:

“In numerical terms the collaboration between the BCC and Ginger has so far meant two crowdfunding training courses open to the realities of the territory, 17 fundraising campaigns published with the support of the bank on Ideaginger.it, Ginger's crowdfunding platform dedicated to the Emilia Romagna, over 188,000 euros collected and more than 4,380 supporters involved. Extraordinary numbers, indicative of the potential of crowdfunding applied to the third sector, which led the BCC and Ginger to re-launch with even more force the 2019 edition of *Crowdfunding: the energy of the territory*”²³.

The two case studies considered here are examples of this synergy: as we will show, however, these favorable starting conditions have not always produced optimal results.

4.1. The CRI Committee of Ravenna: a textbook case?²⁴

The Italian Red Cross (CRI) was founded on the 15th June 1864, in Milan, and is a full member of the International Red Cross and Red Crescent Movement: for most of its existence, although based on the work of volunteers, it was a public entity (“parastatale”), and it became a TSO, and precisely a Volunteering Organization (OdV), only recently, with the reform started in 2012 and ended in 2017, coinciding with the Third Sector reform (Fabbri 2019). Nevertheless, it continues to work closely with the State in the sectors of health care, social assistance and humanitarian emergencies: in this field, both at a national and local level, it is under the authority and coordination of the Department of Civil Protection of the Presidency of the Council of Ministers (*ibidem*).

¹⁹ https://www.ideaginger.it/ginger_come-funziona.html (last accessed: May 28, 2019).

²⁰ *Ibidem*.

²¹ *Ibidem*.

²² See <http://www.gingercrowdfunding.it/blog/la-bcc-racconta-crowdfunding-l-energia-del-territorio.html> (last accessed: May 28, 2019).

²³

https://www.labcc.it/catalogo/ricerca.asp?fld7316=17821&hCmd=RIC&fld7314=17818&i_menuID=55463 (last accessed: May 28, 2019).

²⁴ The information for this case study have been drawn from the final paper of a student of the continuing education course (CAF) “Welfare Community Manager”, a.a. 2017/2018, whose Andrea Bassi was supervisor.

The CRI Committee of Ravenna was founded in 1888 (Baccarini 2013: 195): it was a "Provincial Committee", a title then abolished with the reform. In 2018, 130 years after its birth, it launched its first crowdfunding campaign, the "Protection and Security at Your Side" project: it was born from the idea of creating a Civil and Social Protection Operative Room, in order to meet better the needs of the community, and was carried out by the volunteers of the Committee with the support of Idea GINGER and the BCC.

In further detail, the project started with an analysis of the needs of the territory: this analysis was carried out through the dialogue with public institutions and the scrutiny of the requests expressed by them during official debates (work tables and drafting of agreements), as well as through the constant exchange of ideas and considerations with the Volunteering Service Center (CSV), and through the reflection about the experiences of the same Committee volunteers, as members of the community, thanks also to the network existing among the Committee and other TSOs of the territory.

This analysis highlighted the need for the activation of a structure able to fulfill the requests for help of the population in the social assistance, health care and logistic sectors, 24 hours a day, when the traditional public channels of emergency assistance could not be activated and, at the same time, it was impossible to use paid services. The Committee therefore elaborated the project to create a Civil and Social Protection Operative Room: it was conceived as a radio and phone control room, that is, a communication channel with the population, always ready to respond to anyone's requests and to mobilize synergically the resources of the same Committee and those of other TSOs or public institutions of the territory.

The beneficiary of the projected service should have been the vulnerable population, and precisely that part of the vulnerable population confined to the "grey" social zone of non urgent need, mainly due to the de-standardization of individual biographical paths: that is, the bearers of a vulnerability caused not only by a lack of resources, but also by exposure to social disarticulation processes. In this sense, the situations of socio-medical need, not referable to the Emergency-Urgency 118 Service, or not acceptable by the Social Services, for lack of access tools to the system, were specific and emblematic cases of that "grey" zone of the territory: for example, during the weekend and public holidays, the Social Workers were unavailable for these cases, and the Police Forces used to direct the most serious ones to the same CRI, hoping for a quick solution.

After setting the objective, the Committee examined the most appropriate ways to achieve it: asking for funds from a bank or a large donor did not seem to be a winning choice for the Committee volunteers, because it would not have guaranteed a real involvement of the resident community, and would not have started the creation of a strong solidarity network between people, a fundamental factor for the actual functioning of an Operative Room. It was therefore decided to involve the community in every phase of the creation of the Operative Room, from fundraising to its material realization.

Once a participatory method was chosen in order to achieve the objective, the Committee moved on to its concrete implementation. The first step was drafting the project of the Operative Room, and the second one was the start of an interaction with the GINGER staff. Naturally it was necessary also to prepare an accurate administrative plan encompassing the accounting and reporting aspects. Moreover, since the beginning all the Committee members were personally involved, in order to be promoters of the fundraising campaign outside the same Committee and in order to become donors themselves.

The crowdfunding phase therefore took place from 7th May to 7th August 2018: on 7th May the "Protection and Security at Your Side" project page was opened on the Idea GINGER website²⁵. From the very beginning of the campaign, two strengths emerged: the first was a great motivation of the Committee volunteers, coordinated by the volunteer "designer" who had received training from GINGER; the second one was a good analysis of the information channels to be used in order to involve potential donors. Of course, the GINGER all or

²⁵ See <https://www.ideaginger.it/progetti/protezione-e-sicurezza-al-tuo-fianco.html> (last accessed: May 30, 2019).

nothing rule constituted an important incentive. On the other hand, the use of a fundraising methodology never experienced before by the Committee, with difficulties in human relations and interaction with potential donors, and the limited time available to convince them, turned out to be two weaknesses. Moreover, the community showed a certain diffidence for the digital mode that had been chosen: this was an objective threat to the success of the campaign. Instead, the possibility of obtaining the BCC financial support with the formula "80-20" constituted a important opportunity, that was finally seized.

The result of the campaign was positive: on 7th August 2018, the day of its conclusion, the amount required (€ 2,800) was reached and exceeded, net of management fees and bank commissions. In further detail, the donors actually involved were 151, including natural and legal persons, for a total sum collected of € 3,532. Among these 151 donors, 20 people donated amounts less than or equal to € 10.00, while 13 people donated sums of between € 10.01 and € 30.00. In addition, a certain number of donors, including legal persons such as other TSOs that chose to "network", or small local firms, donated sums of between € 50 and € 250. Of course, the most substantial donation was the BCC contribution of € 560.

Lastly, the subsequent phase of the project began: namely, the construction of the Operative Room. It can therefore be said that the crowdfunding campaign launched by the CRI Committee of Ravenna, and successfully concluded, is a textbook case.

4.2. The Municipal AVIS of Forlì: not all that glitters is gold?

The Association of Italian Blood Volunteers (AVIS) was founded in 1927, in Milan, by Dr. Vittorio Formentano, in order to remedy the commodification of blood, at that time prevailing in Italian health institutions: AVIS promotes the voluntary, anonymous and for free blood donation (AVIS 1978). Internationally it is part of the International Federation of Blood Donor Organizations (FIODS), which Formentano contributed to found (ibidem). Other organizations in Italy, in the following decades, begun to promote blood donation, and are still promoting it: the FIDAS, the Fratres (born from the Confraternities called the "Misericordie") and the CRI itself. However, AVIS is the biggest and the most branched. Moreover, it is almost the only one that also carries out the direct blood collection, although this choice varies from province to province, because the individual AVISs enjoy a wide legal and asset autonomy (they are all OdV). Nevertheless, the association has been collaborating with the structures of the Italian National Health Service (1978) since its foundation, and follows the national legislation very strictly, in order to guarantee high quality levels and to avoid risks of transfusion of infected blood (Boccacin, Tamanza 1997).

In Forlì, AVIS was founded in 1936²⁶, and subsequently split itself into a Municipal AVIS and a Provincial AVIS of Forlì-Cesena, which also occupy the same venue. The Municipal AVIS leads the Forlì district, as the Municipal AVIS of Cesena leads its district: actually the Provincial AVIS plays only a coordinating role between the two. The difference is not only hierarchical-institutional but also substantial: in the district of Cesena, until now, AVIS restricts itself to only promoting blood donation. The blood is then materially collected by public health facilities. Instead, in the district of Forlì, the Municipal AVIS manages the collection directly in three points, with its own staff and its own equipment, although the spaces are owned by the Municipality or public hospitals, and are used by AVIS on a gratuitous loan. This is the case of Forlì itself, where the AVIS point is located inside the "Morgagni-Pierantoni" public hospital: this demonstrates the very close link between AVIS and the public health institutions at each geographical level.

Compared to the previous case study, the beginning of the "2 Recliners for AVIS!" campaign was not due to a particular desire of the TSO itself, but rather to a strong stimulus action carried out by the BCC. Indeed, the first step was the registration of two members of the "Gruppo Giovani" (Young Members Group) of the Municipal AVIS at a crowdfunding course: the BCC had organized it and had invited the Municipal AVIS to take part, being the

²⁶ See http://www.avisforli.it/storia-avis-forli_25c9.html (last accessed: June 3, 2019).

association a customer of the bank. Later, again the BCC promoted a self-financing project for TSOs: at this point, the two AVIS members who had participated in the course proposed to participate also in the project. Of course, even in this case the "80-20" formula was an important opportunity, as well as a strong incentive.

The administration of the Municipal AVIS therefore identified a target worthy of the starting a crowdfunding campaign: the purchase of 2 special recliners for plasma collection (plasma exchange) in the aforementioned Forli AVIS point. Indeed, according to the Ministry of Health Decree of the 2nd November 2015²⁷, each plasma collection must have a minimum volume of 600ml, and this has led to a prolongation of donation time (about 40 minutes) and to a greater physical annoyance for donors: this annoyance has brought many of them to complain and to abandon the association. It is therefore necessary to minimize this physical annoyance, as well as the risk of sudden illnesses, by using recliners with a particular seatback.

Once the target was set, the "Gruppo Giovani" drafted the project and the BCC approved it, guaranteeing its financial support in case of a successful crowdfunding campaign. Also GINGER agreed to support the project through its platform: the campaign started on October 28th 2018 and ended on January 9th 2019²⁸.

In this period, of course, the Municipal AVIS in its turn supported actively the crowdfunding through its website, the local press, the social networks and the personal contacts of its members. Furthermore, the same members of the "Gruppo Giovani" who had proposed the initiative and drafted the project also had the idea of giving donors differentiated gadgets in exchange for the sums offered. This however remained only a theoretical proposal, because some difficulties, particularly in tracking down the donors, prevented it from being realized.

Moreover, during the campaign an intrinsic weakness of the project revealed itself: according to the AVIS witness interviewed, the target did not provoke that "emotional thrust" in the citizens which is necessary for any type of fundraising, so spontaneous donations arrived very slowly. On the other hand, a strength was the capability to raise awareness among some important sponsors, that is, for-profit local firms: they followed the BCC example by donating generously. Indeed, the same BCC wanted to give the project a further boost with an important donation: this was actually a second financial contribution, added to the promised 20%. However, the digital donations to the platform were formally performed by AVIS itself: indeed the crowdfunding mode did not allow the aforementioned firms to certify their donations, as they wanted to do in order to obtain the legitimate tax benefits that are instead guaranteed with traditional method of donation. This was therefore a second weakness: it was overcome by donating in traditional mode to AVIS, that subsequently deposited the money in digital mode (except for the donations of the BCC itself). The exact amounts are shown in Table 2:

Tab. 2. Money Donations by legal persons in the crowdfunding campaign "2 Recliners forr AVIS!"

Company name	Amount in €
Renato NISI SRL	2.500,00 €
AUREL S.p.A.	500,00 €
Società Agricola Vivai	50,00 €
Casa della Pasta	1.000,00 €
BCC	2.000,00 €
BCC	1.600,00 €
Bologna Wrestling Team	300,00 €
Total amount	7.950,00 €

Source: Municipal AVIS of Forli

²⁷ See [https://www.avis.it/userfiles/file/GU%20SG%20n_300%20del%2028-12-2015_SO_069%20\(1\).pdf](https://www.avis.it/userfiles/file/GU%20SG%20n_300%20del%2028-12-2015_SO_069%20(1).pdf) (last accessed: June 3, 2019).

²⁸ See <https://www.ideaginger.it/progetti/2-poltrone-per-avis.html> (last accessed: June 3, 2019).

This substantial total amount, combined with other € 841 collected offline, and just € 760 collected online, allowed the Municipal AVIS to reach and exceed the target-amount, that was € 8,000. Formally the campaign was therefore successful and the Municipal AVIS of Forlì expresses moderate satisfaction about it. They indeed recognize the advantage connected to the final result: having responded to an important need for the association activity, without burdening its budget, and therefore, indirectly, on public budget. On the other hand, the unfavorable trend of the real crowdfunding campaign is a warning and a threat for this type of initiative. Indeed, the representatives of the Municipal AVIS of Forlì have become aware of the fact that the citizens' interest is linked to emotional factors, that is, it is stimulated by sensational events, such as emergencies. Therefore, initiatives that, on the contrary, are not linked to such contexts, however reasonable, valid and forward-thinking (and even for this reason), fall into the serious difficulty of not being able to reach the heart of the public opinion.

5. Conclusion

The two case studies described in this paper allow us to resume and respond (albeit provisionally and with regard to a local context) to the research question formulated in the introduction, namely what crowdfunding means for the various stakeholders involved in it: citizens/donors, TSOs /SEs, recipients of services and traditional credit/financial institutions.

In our opinion, the answer must be that, through crowdfunding, the web can become, and is already becoming, a "solidarity intermediary". It can play an important role in providing new resources to the TSOs and Ses, in order to finance their activities: this brings a concrete and immediate benefit to the recipients of social and health care services. Conversely, for donors crowdfunding can be an opportunity to donate quickly in favor of humanitarian causes (broadly speaking) that they "feel" as their own causes, regardless of their geographical proximity or distance.

Nevertheless, on the other hand, in the Romagna context a certain mistrust in the use of this means seems to persist even now, as we have verified in both cases: it is reasonable to suppose that time and a greater habit in using it will determine the overcoming of this handicap.

However, in the two cases studied, this problem was overcome by the CRI, but not by the AVIS, and this seems to indicate that, regardless of the digital medium, the "appeal" of the organization, its brand and the type of initiative for which funds are required, are still crucial factors in determining the success of a campaign, leveraging the emotions of potential donors.

On the other hand, in both cases the contribution of legal persons was not lacking, and indeed it was essential in AVIS case: this shows that the aforementioned mistrust existing in the social context of Romagna is counterbalanced by a high social sensitivity, widespread also in the for profit world, ready to engage concretely. In this sense, further donations could be encouraged by a technical improvement in the crowdfunding platform, in order to allow the for profit legal persons to get their contribution recognized in the tax system.

Finally, from the point of view of credit institutions, clearly the presence of the BCC dynamic reality was an essential factor, not only for the economic success of both initiatives, but also for stimulating the acquisition of skills and of a more enterprising attitude by the two TSOs, especially AVIS. Therefore it seems necessary, for the success of these projects, the support of a cooperative finance: a finance that is statutorily committed in the social field, but also a finance that knows how to combine the solidarity tradition with the opening to the innovation.

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