

# Proposed new approach to crowdmatching

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Each project states a **goal** \$G per month and what they expect that funding to enable them to achieve.

Each patron states what \$W per month they'd be **willing** to contribute to that project as part of a crowd that was collectively meeting the project's goal.

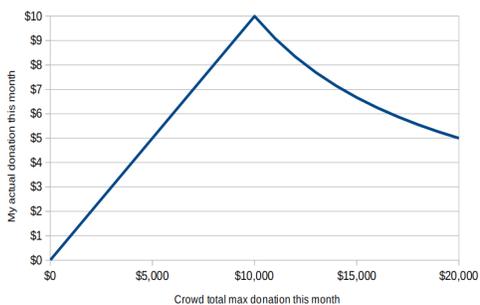
T = the **total** the current crowd would be willing to contribute (sum of W across all patrons).

Up to the goal (i.e. when  $T \leq G$ ) each patron donates  $(T/G)W$ , matching each other's collective willingness to meet the goal.

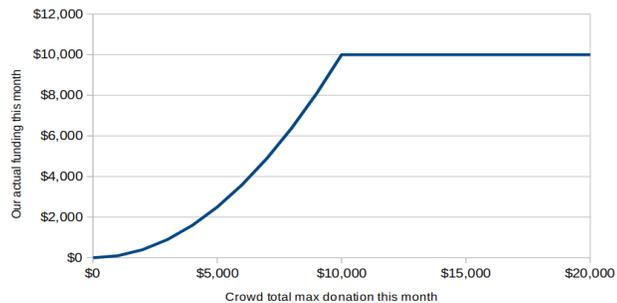
Above the goal (i.e., when  $T > G$ ) each patron donates  $(G/T)W$ , meeting the goal exactly, but more dependably, the more T exceeds G, since the crowd can continue to provide \$G even if some people drop out or reduce their W.

Here are graphs of examples of what this would look like from patron/donor and project perspectives:

From point of view of a donor willing to donate up to \$10/month to a project aiming for \$10,000/month:



From point of view of a project aiming for \$10,000/month:



Snowdrift.coop could allow a wide range of donation levels so each patron can participate in a way that feels right to them, based on their financial situation and relationship to each project, while emphasizing the collective power of small donors, e.g. by reporting the crowd's median W and not the mean or range.

## Optional phase 2 goal

Each project would have the option, at any time, of stating a phase 2 goal, and what they envisage that increased level of funding will enable them to achieve. The general expectation would be that phase 2 will be a significantly more ambitious goal requiring a significantly larger crowd.

The phase 2 goal will have its own crowd, and will work the same as the phase 1 goal. However, there are some conditions on it:

- Anybody at any time, whether part of the phase 1 crowd or not, can specify what they'd be willing to contribute toward meeting the phase 2 goal.
- However, phase 2 crowdmatching won't start until the phase 1 goal is dependably funded, which might be defined as when the phase 1 crowd's  $T/G \geq 1.1$  or some other threshold.
- Patrons who are in the phase 2 crowd, but not the phase 1 crowd, understand that it's possible they could be automatically moved into the phase 1 crowd (with earliest joiners moved first) if that becomes necessary to keep the phase 1 crowd reliably meeting the phase 1 goal.
- Once crowdmatching for the phase 2 goal is in progress, the project has the option to state a phase 3 goal, and so on.