

COFFEE OF THE KUNA: \$30,000 IN 30 DAYS

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Sixteen business students spent a week in Panama teaching an indigenous people, the Kuna, concepts such as savings. Upon returning to the states four students decided to do more. Increasing the villagers' coffee yield, which was less than 33% of what it should have been, would generate profits needed for necessities like medical care and education. The villagers required a greenhouse, quality seed and cultivation workshops to increase yield, but this required money!

Calling its initiative Coffee of the Kuna (CK), the group tackled the challenging task of crowdfunding. Utilizing a site called DoingGood (DG), CK decided to raise \$30,000 in 30 days by e-mailing all its contacts to request contributions. Unfortunately, crowdfunding usually requires teams to reach their goal or forgo all the money, and CK had only raised \$8,763 by day 15, perhaps "swipers" to collect contributions, and accepted checks off site. CK also asked people who gave once to give again, established matching donations, and even sent personalized e-mails. Members organized or attended over a dozen events to solicit donations and generated extensive publicity, even being featured on a TV news show. But with just 24 hours left, CK was \$5,228 short of its \$30,000 goal. Exhausted, the group wondered what to do.

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INTRODUCTION

Donny, Katie, Irene, and Tammy gathered in spring of 2014 to brainstorm their crowdfunding campaign's final push to raise \$30,000 in 30 days. They were exhausted from weeks of non-stop effort, including more than one "all-nighter." With just one day left, they were over \$5,000 short of their goal. They believed that they must hit \$30,000 if they were going to help indigenous villagers in Panama, whose quality of life depended upon their success.

Prior to launching the campaign, the four U.S. business students from Monroe University created Coffee of the Kuna (CK). The team established CK as independent entity separate from the university to avoid bureaucracy, but at the same time planned to obtain whatever help they could from the university. CK's goal was to raise funds that would be used to increase the coffee yield of a poverty-stricken village in Panama. Among other uses, the profits from increased yield would provide an education and medical care for the village's children, who often quit school by the sixth grade and suffered serious illnesses.

The four students were part of a larger group of 16 students from their University that participated in a project organized by a non-governmental organization called Global Brigades, who was in the middle of a long-term economic development program that relied on teams of student volunteers from universities. Each team of students stayed to help for one week and focused on one topic. Global Brigades wanted student teams to play a discrete, limited role that ended when they returned home. Therefore, Global Brigades was not part of CK's efforts, which started after the trip.

Just before leaving the village for what the students believed would be the final time, the village children, all with whom they had played, mobbed them, begging the students to stay! While all 16 students were moved by the villagers' plight, no one anticipated how deeply the experience would affect Donny, Katie, Irene, and Tammy or how passionately they would feel about continuing to help the Kuna.

On the last night of their trip, the students met with their faculty advisor and entrepreneurship professor, Dr. Stockwell. Each of the students wanted to do more to help the Kuna. Throughout the week, the Kuna spoke passionately about growing coffee; however, they struggled to make subsistence wages doing so. The students were sure they had identified an area where they could help, but they didn't have concrete ideas about what they could do. They brainstormed well into the night, coming up with an idea to create a new course when they got home, which would allow them and any other interested students to explore ways to help change the villagers' lives through coffee. The students begged the professor to teach it, explaining they would meet anytime he wanted, even if it meant they had to drop

other courses they needed to graduate on time. They also offered to meet at unconventional times, like 8:00 pm on Sundays or 11:00 pm on Fridays. Because of their enthusiasm, the professor agreed to hold classes at 7:30 am on Saturdays.

EXPERIENTIAL LEARNING

Fall semester started the week after they returned to the U.S. By then, the professor had gotten special approval to teach the new course for nine students. The students applied principles of strategic management to explore how to help the Kuna village. They soon learned the Kuna coffee yield was less than 33% of typical industry yield. They concluded that arranging expert led training workshops, providing high quality seeds and building greenhouses could dramatically increase the villagers' yield. But that required money.

They began to research crowdfunding. Crowdfunding is "the practice of funding a project by raising many small amounts of money from a large number of people, typically via the Internet" (Martinez-Canas et al., 2012). Third party crowdfunding companies often administer the process, managing a "platform" that facilitates transactions between those requesting funds and those providing funds. The platform contains a webpage that describes the fundraising mission and handles credit card payments. The organization seeking funds typically gives token rewards for different contribution levels. For example, a contributor who gives five dollars receives a thank you card, whereas one who gives \$50 receives a coffee mug imprinted with the campaign's logo. To increase excitement, crowdfunding campaigns frequently require groups to raise a pre-specified dollar amount within a set time frame. If the project misses its goal, the platform returns all donor funds and the fund seekers get nothing. Most crowdfunding efforts fail; 97% of the failures generate less than half of their target goals before the campaign ends (Mollick, 2014).

CK contacted Global Brigades to ask about working together, but Global Brigades wouldn't help, leaving the group with no way to communicate with the Kuna. So, it applied for and received a university grant that allowed them to return to Panama to meet with the villagers. While there, they took a village elder to an Internet café in a nearby town to set up a Gmail account, so they could communicate with him on a regular basis.

Even though the course had ended and the winter holiday season was upon them, the four remained committed to the project, often meeting after 1:00 am. To allocate more time to CK, Donny quit the business school's most prestigious but time-consuming honors program. All four substantially reorganized their schedules to pursue their main passion, CK.

PRELAUNCH PREPARATIONS FOR CROWDFUNDING CAMPAIGN

Early in the winter semester, the team learned as much as it could about crowdfunding. Members read books and articles and compared advantages and disadvantages of various online platforms. It decided to use the crowdfunding company DoingGood because of its focus on social causes, its platform's ease of use, and its extensive training materials. It also had the highest success rate of any well-known crowdfunding platform, with over 50% of its projects meeting funding goals. DoingGood used a unique "tipping point" model whereby fundraisers set their ultimate goal but also a lower tipping point. If the group successfully reached the tipping point, the campaign was considered a success and the funds were collected and transferred even if the campaign didn't reach its ultimate goal. Further, DoingGood did not require crowd funders to be a legal entity, such as a not-for-profit or a limited liability company (LLC). (Although CK would eventually form an LLC, it hadn't yet done so).

The team e-mailed DoingGood to lay out its plan. Within 30 days, it wanted to raise \$30,000 with a \$15,000 tipping point. DoingGood argued that CK should scale back the goals. The company explained this would be the platform's fourth largest campaign ever, and a \$15,000 tipping point was way too ambitious. Reading this, Irene suggested that CK should change its tipping point to \$5,000. At almost the same time, Donny exclaimed, "We should raise the tipping point to \$30,000. Let's show them!" Ultimately, the team decided to keep its original goal of \$30,000 with a \$15,000 tipping point.

DoingGood provided the team with contact information for three entrepreneurs who had completed successful campaigns. Interviews with these entrepreneurs provided many helpful insights. In addition to setting up pages on DoingGood, the entrepreneurs CK interviewed had worked hard behind the scenes to promote awareness. They organized and hosted events as well as solicited donations from family, friends, and other acquaintances. Also, prior to the campaign, they established relationships over social media and built websites that related to their cause. They, for example, almost daily commented on and replied to others on the sites and sometimes even blogged about the cause. They then tapped into the contacts they made, asking for contributions after the campaign was started. All three crowdfunders warned the CK members that they would have to work incredibly hard to succeed. One person stated, "However much work you think it will be, multiply it by ten. I'm not exaggerating."

Realizing that it needed more help, CK recruited a fellow student to develop its social media strategy (for credit as an independent study) and another student to build a website (paid by the University grant). Over the next few weeks, the expanded team of six continued to do research on the Kuna people and the Darien

region of Panama, learned how to use relationship management tools like Constant Contact, created its Facebook page and website, produced promotional videos for the DoingGood site and other platforms (e.g., YouTube), worked with the university's public relations experts to generate publicity, developed a list of contacts for email blasts, and drafted and finalized content for its initial email blast. It also secured incentives to offer as rewards to those who contributed to the campaign.

Donny worked over a dozen hours drafting a script for the team's video pitch, which the team would later post on DoingGood, YouTube, Facebook, and CK's website. His initial appeal asked donors to help students fund their experiential learning project and mentioned the Panamanian village almost as an aside. The rest of the team decisively rejected it, wanting the script to focus on the village and the needs of the Kuna. So, he eagerly started from scratch and wrote a new script over the course of a dozen more hours. The team loved the new script.

STRATEGY

CK realized it would have to develop and execute a strategy to drive donors to the DoingGood site. Step one of its strategy: Email all contacts, asking them to contribute. Step two: Request that people forward the email to their contacts. Step three: Talk to close supportive friends and family members who have many contacts and convince them to be "ambassadors." Ambassadors would solicit contributions via e-mail from all their contacts. The students crunched some numbers. If CK and its ambassadors got 10% of their contacts to donate \$20 each, it would need to solicit donations from 15,000 contacts. CK knew that its members and their ambassadors had hundreds, if not thousands, of contacts given their membership on social sites like Facebook and LinkedIn. The team also was convinced that it could recruit many ambassadors, not the least of which were the other 12 students who originally went with CK to Panama. Given these convictions, it immediately and easily recruited four ambassadors—not one person turned them down. Including the six CK members and the faculty advisor, 11 people would be e-mailing their contacts. The group was confident that it would easily generate more than \$30,000 in 30 days.

With the ground work complete, the team posted its 2.5-minute video along with some photos and a 500-word description of CK and its mission (See Appendix B) on DoingGood's site. As a final step before the launch, team members asked close family members and friends to contribute within an hour of the site going live. DoingGood suggested the team raise at least \$3,000 in these "immediate" donations so potential contributors who later visited the site would not shy away because nobody else had donated. The team planned to launch its 30-day crowdfunding campaign in just a couple of days.

LAUNCH AND FIRST EMAIL BLAST

CK immediately ran into a problem, though. It only generated \$526 in “immediate” donations! Even those closest to the students did not understand the urgency. Nevertheless, knowing that each day was crucial, the team scrambled to finalize its contact list and send out its first email blast with separate e-mails for friends, family, professional acquaintances, and faculty (See Appendix A for an example).

Over the next few days, about 30 donations trickled in, but they were only coming from the team’s and advisor’s contacts. Contacts weren’t forwarding the e-mails to others. More importantly, even though the four ambassadors had over 3000 contacts, they had generated only five small contributions and three times as many complaints after two rounds of e-mails. One of CK’s contacts even e-mailed, “PLEASE!!!! STOP!!!! CONTACTING ME!!!!” In contrast, none of the team members’ contacts complained. The bottom line: CK realized its ambassador program was a complete bust. The team was despondent. Tammy said, “You all realize that we have no idea of what we are doing?” What she and the others did know, however, was that they had to dramatically step up their effort and to try different strategies.

SOCIAL MEDIA CAMPAIGN

During the campaign, the team constantly updated CK’s website and Facebook page, eventually generating 1000 Facebook fans. Members often posted tidbits about coffee, milestones achieved, inspirational sayings about giving, and photos from the Kunas, such as the one below. In addition, members posted on their own LinkedIn and Facebook pages as well on the newsfeeds and comment areas of many sites whose members and visitors they thought would appreciate the initiative.



The members’ university also posted updates about CK’s project on monitors across campus and on its website’s homepage, which over 1000 people visited each day. DoingGood frequently “featured” CK in the email blasts it sent to over 1000

people and on its own homepage. The students believed they would get some donations from people they did not know, who “came across” their project when exploring DoingGood’s site.

PARKING “RAFFLE”

CK’s faculty advisor had recently won a highly prestigious and highly visible statewide teaching award. He decided to leverage this recognition by asking the university to reward him with a reserved parking place, which he could then donate to CK to use as a fundraising incentive. Surprisingly, the administrators agreed. The space could be located wherever desired on campus for an entire semester. The team planned to raffle the parking space and, given how impossibly overcrowded parking was on campus, the team estimated that it could raise at least \$30,000 from the raffle alone.

To sell tickets for the chance to win the parking space, CK sent e-mails to faculty members and students across campus, presented information in large classes that were held at times when parking was particularly difficult, and set up tables in the student center and at university events. It also produced a video (<https://www.youtube.com/watch?v=Gg9BbhdV8Q8>) to promote the parking opportunity, which it posted in multiple locations. Tickets cost \$5 each or less for purchasing in bulk. Ultimately, the parking space initiative raised about \$2,000, the vast majority of sales arising during events and by approaching people. Although hardly an insignificant amount, it was much lower than CK expected, and it was particularly disappointed when no one responded to an e-mail sent to about 1000 juniors and sophomore business students.

SPECIAL EVENTS AND PUBLICITY

CK hosted several special events to raise awareness and to fund its campaign. Members organized a TedX Lab and a simultaneous TedX Talk. For the Lab, the team set up exhibits about CK, the village, the Kuna people, and coffee. Members served coffee and talked to visitors about their project. The Talk, presented by CK’s faculty advisor, focused on crowdfunding and, of course, included strong encouragement for participants to visit the students’ TedX Lab. About 30 people attended the Talk, but the event resulted in only one \$250 gift.

On another evening, the team held an event at a local brewpub, which agreed to share a percentage of its evening proceeds with CK. The team set up a table at the front of the pub, where members promoted their campaign, took individual donations, and sold tickets for chances to win the parking spot. The event raised about \$1,500, which came in approximately equal parts from shared profits with the brew pub, site donations, and tickets sales for the parking space.

For another event, CK called an entrepreneur who some members had known for years, asking him to sponsor the event for \$1,000. Although he had not responded to the “normal” emails that requested a donation, much to their surprise he readily agreed to sponsor the event. The entrepreneur’s company manufactured plastic bottles.

During the campaign, the team received substantial publicity. Most visibly, CK was featured as the lead segment on a regional TV news show with a reach of approximately two million viewers. The station showed the spot three times. Each of the students was featured in an article in his or her hometown newspaper. Further, articles about CK were published in county and university newspapers. Although publicity was great for team morale, it did not generate donations.

FACE-TO-FACE SOLICITATIONS

Donny, Katie, Irene, and Tammy took advantage of every possible opportunity to talk to anyone who would listen. They set up tables at every event, stopped people in the hallways of the university, approached students in study carrels at the library, and attended student orientations and classes. One person said he would donate \$25 if Irene dated him. She said “No,” later explaining it would have taken a \$50 contribution. The faculty advisor thought she was kidding, but given how motivated the group was, he wasn’t entirely sure. CK tried everything, including shock tactics starting with pitches like, “Do you hate poor people?” These face-to-face solicitations frequently resulted in donations.

In addition to the team’s efforts, others occasionally made face-to-face solicitations. For example, one generous donor, who was attending the executive MBA program at the university, approached fellow students about CK’s initiative. Her pitches were aggressive and successful. She, for example, told a classmate, “I know how much you earn! Give now. And it’s got be at least \$75” as she shoved her laptop, opened to CK’s fundraising page, in front of him.

FINANCIAL TRANSACTION GLITCHES

Halfway through the campaign, frustrated potential donors began writing CK to complain that the DoingGood platform was freezing up, processing donations very slowly or not at all. Team members couldn’t walk down a university hallway without people stopping them to complain loudly about the site. Over one three-day period, the campaign averaged less than \$250 per day. Usually when confronted, the team member was able to calm down the frustrated person and even convince him or her to try to the site again or to make a financial contribution via some other vehicle. One person wrote, “The Coffee of the Kuna platform locked

up when I attempted to complete a contribution, so I left a cash contribution under your advisor's office door. I would like to share the story, but not the website." CK feared that it was losing donations from dozens of would-be donors who it had not been able to talk to or who would not make a special effort to donate in some other way.

The team was panicking and hurried to plug the hole. It quickly established CK as a limited liability company (LLC), so the students could legally make deposits into a bank account. It also opened a merchant account with a credit card company and acquired a credit card swiping machine. Finally, CK created a PayPal account and transformed its website to accept online credit card payments. At the same time, the team began negotiating with DoingGood. It was able to get the company to reduce its fee for hosting CK's campaign and to extend the campaign by nine days to make up for lost momentum and lost donations. No one noticed the extension, except for Irene's father.

TIPPING POINT

As the campaign approached the project's \$15,000 tipping point, the team amped up its tactics. Members emphasized that if they didn't reach the goal, CK would get nothing. CK also earmarked a few large gifts as matches for other donations. Before giving, several potential donors asked, "Do I still qualify for the match?" The team's faculty advisor called two fellow winners of the statewide teaching award and asked them if they would donate to CK if he would match their donations two-to-one. Both did, each donating \$250. The campaign easily surpassed its tipping point as the team had always expected. However, it was now 70% of the way through the campaign timeline but had only raised 50% of its goal.

THE FINAL PUSH

The team watched as accumulating funds took it ever closer to its \$30,000 fundraising goal. Members celebrated every milestone and took special note of larger donations, which sometimes came from surprising sources. For example, a team member was certain a friend would never donate; he had ignored six e-mails. But when the team member called the friend about a completely unrelated issue, the friend asked, "Hey, haven't you been emailing me about something?" Before the conversation ended, with no haggling, the friend donated \$500.

While the team had some form of a prior relationship with almost all donors, occasionally the relationship was quite tenuous. A former classmate of one student, who had moved away years before, donated \$500. Similarly, an acquaintance that a team member barely knew gave \$1,000. In the case of a \$500 donation, Katie initially failed to remember the donor: "I don't know who this is, but I think I love him." Seconds later, recognition surfaced: "Wow, I remember. I talked to him once

at a conference over three years ago.” But their greatest surprised was not who donated but how much on average individuals donated, almost \$100 per person!

One day, a marketing professor at the university, who had already given a generous donation, overheard the team strategizing and joined in to help. She grew similarly fixated with achieving the goal. As her obsession grew, she became a mentor and coach, working well into the night with the team. Before she knew it, she had become a full-fledged member of CK, soliciting donations from her own contacts. Like all team members, many of her contacts gave, and some donation amounts were substantial.

Despite these successes, the deadline for the campaign was looming. The students stopped in over a dozen local stores, asking the managers to make donations. None did, although a restaurant owner agreed to share a percentage of sales from any customers the team brought in one evening. Unfortunately, few people came and little money was raised. The event was a bust.

Members also sent another round of emails to people on their contact lists, some of whom had already received five emails. This time, they strived to make their final 6,500+ email communications feel “personal.” They removed graphics from the messages, used conversational wording and wrote subject lines that stressed the relationship of the potential donor to the team member rather than emphasizing making a difference. Members also wrote very specific e-mails to small groups (ranging from 50 to about a 100 people) based upon some experience they shared. For example, the faculty advisor sent an email to 57 friends from his undergraduate days, as follows:

“Hey, [first name] long time, no see. I couldn’t help but think of you. Remember how we used to spend our time drinking all night long. Believe it or not, there was something more useful we could have been doing. Who would have thought! Let me tell you about some undergraduates I’m working with ...”

The new e-mails had the desired effect. Many who had not responded previously contributed.

But it was time to pull out all the stops, so CK began the most aggressive push of the campaign. Members e-mailed previous donors, imploring them to give again. Donors’ second contributions collectively totaled over \$3,000. CK also arranged for another matching campaign. Most importantly at this stage, members stressed the reality that time was running out to reach \$30,000.

Despite this, the team's chance encounters with potential donors indicated that many donors didn't understand the urgency. Some stated they had been meaning to give but kept forgetting or had not gotten around to it. Others asked, "But don't you already get to keep everything you've raised to date because you hit \$15,000; you'll no longer lose it all, right?" Team members invariably responded with impassioned pleas about how important it was to reach \$30,000 and reiterated the good that the money would do for the village. Most of those with whom the team engaged face to face did eventually donate, but what of all the others! Later Donny reflected, "I was getting so frustrated. People didn't get that we needed \$30,000. We needed it to help the village."

Throughout the campaign, CK had averaged about \$650 per day. Now, with less than 24-hours to go, the team was more than \$5,000 short of its goal. It had already tried everything members could think of to drive donations, but all tactics seemed past the point of diminishing returns. CK feared it was out of options.

APPENDIX A: SUMMARY ON THE DOINGGOOD PLATFORM



A student-led initiative empowering rural communities in Panamá by leveraging resources to create a thriving coffee business.

THE FUTURE WE ARE CREATING

Coffee to you and me is an everyday luxury, a decision we don't think twice about. But what if coffee was more than your morning wake-up. What if you invested your land and resources into producing coffee, what if your hands planted the seeds; and your family harvested the beans. A cup of coffee would mean something completely different.

A place where clean running water is abundant, a place where mothers can afford medicine for their children, a place where electricity is prominent and education is thriving. A place where the simplest luxuries of life are granted.

For communities like Wacuco Kuna, living in the jungles of Panamá is a struggle. And without access to resources, the opportunity to create a thriving economy is slim. We can provide these resources. We can provide an opportunity. We can change lives by empowering communities to invest in their own businesses to create a brighter future.

HOW WE ARE CREATING IT

The Wacuco Kuna community is filled with incredibly strong and resilient people. Producing organic coffee is a business they are proud of. They recognize an opportunity to grow - to better understand the coffee business. To do this, they need resources. They need education.

They need our help. By providing the tools and resources necessary to enrich their coffee production, we can create a sustainable future for the community and its families.

The Benefits of Education:

Education is extremely important to the community and its members. By providing them with an expert who understands their environment, lifestyle and organic practices, we can dramatically increase coffee production while maintaining their traditions. The expert will conduct workshops within the community, which will be designed to provide experiential learning and tools required to sustain a thriving, organic, and productive coffee business.

The Benefits of a Greenhouse:

In an environment where space is limited and rainfall is prominent, the community needs a structure to grow coffee seeds into seedlings without the chance of rot or malformation. A well-constructed greenhouse can provide the necessary cover, sunlight, dry-ness, and space to limit the chance of defects.

In combination, the community will nearly triple their yields, allowing them better bargaining power and capital to invest in their own future.

OUR STORY & WHY YOU SHOULD SUPPORT US

The Catalyst:

In August 2013, sixteen undergraduate students from Monroe University in Michigan traveled to the Darién Region of Panamá and met the Wacuco Kuna community. The week long volunteer trip, through Global Business Brigades, allowed the students to provide business expertise while learning about the community's businesses, culture, history, passions, desires and unique international issues they face.

Throughout the week, multiple community members expressed the same passion, the same desire; coffee. The members yearned to increase their organic coffee production and yield in hopes to sell their beans at a more profitable price. And a group of Monroe University students thought they could help (Us!).

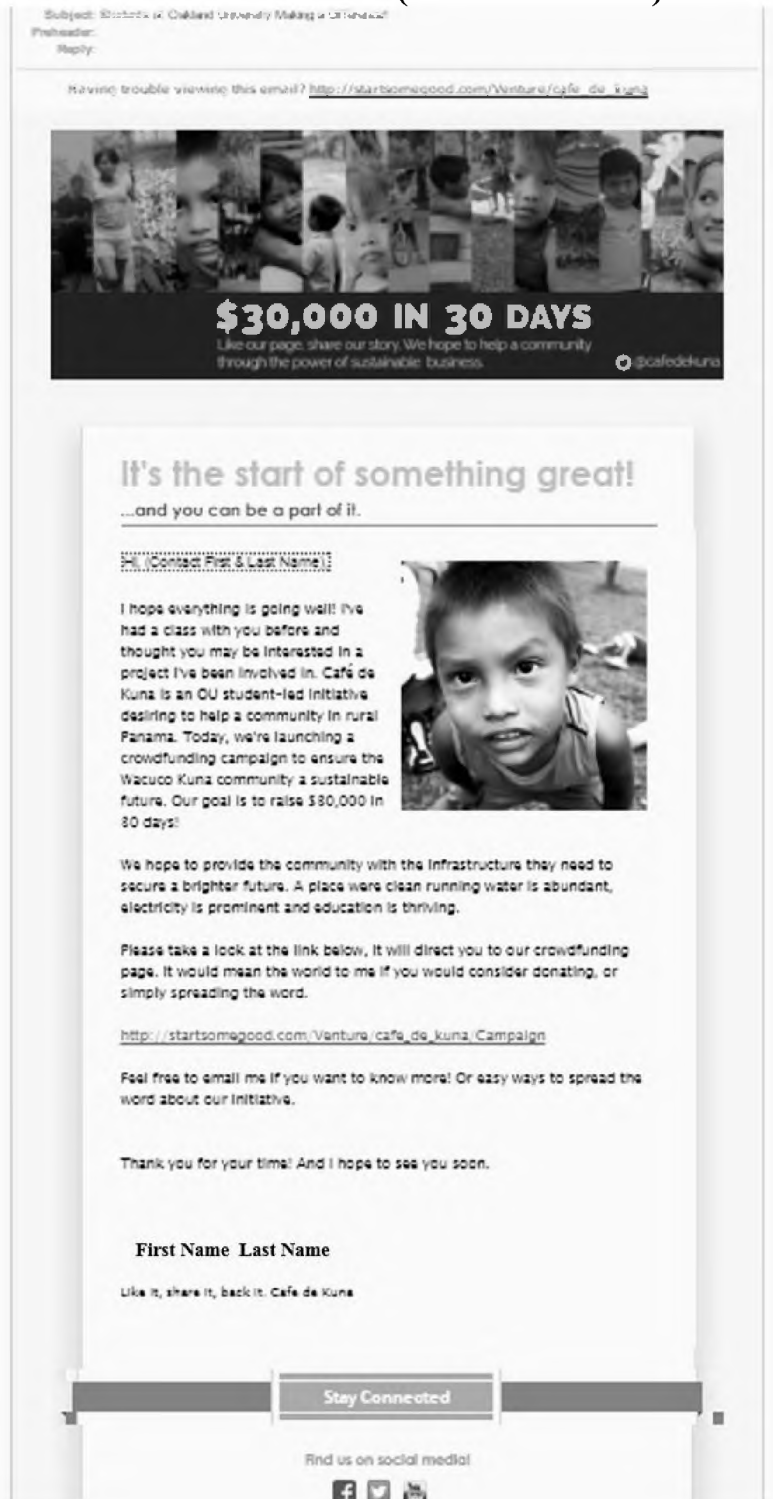
Coffee of the Kuna:

In September 2013, the idea of Coffee of the Kuna was presented to Monroe University's Ideas to Business (i2B) Lab; as a student-led initiative desiring to increase the community's coffee production and yield. Once accepted into the program, we began the most exciting and unparalleled learning experience of our college years. It is because of our strong relationships with a wide variety of Panamanian individuals; including leaders in the village cooperative and community, Global Business Brigade staff, faculty at the University of Panama, and many executives throughout the coffee industry, that we believe Coffee of the Kuna can change lives.

Why Support:

The Wacuco Kuna community dreams of being "financially free". Donating to Coffee of the Kuna can provide the community a path out of poverty. A future free of financial burdens. A future full of life, love, and prosperity.

APPENDIX B: E-MAIL (TO FACULTY)

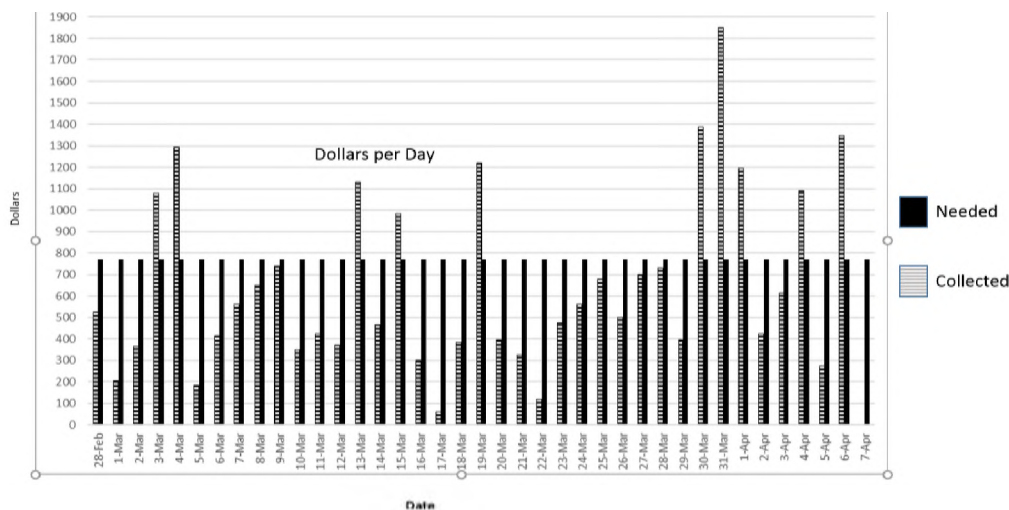


APPENDIX C: CONTRIBUTIONS

Contributions for Select Activities

Parking	\$1,982
Sponsorship	\$1,000
Matching (Provided 4 opportunities)	\$2,500
Rochester Mill	
Drinks	\$482
Parking	\$450
Donations	\$300
OU events (Tedex, orientation)	\$750
Publicity	\$0
Start some good donors	\$75
Amount of second donations (37 people	\$3,300

Contributions by Day



APPENDIX C: CONTRIBUTIONS (Continued)

