

## **crowdfunding**

### **noun**

crowd·fund·ing | \ 'kraʊd- fən-dɪŋ \

### **Definition of *crowdfunding***

:the practice of obtaining needed funding (as for a new business) by soliciting contributions from a large number of people especially from the online community

### **What Is Crowdfunding?**

Crowdfunding is a way of raising finance by asking a large number of people each for a small amount of money. Traditionally, financing a business, project or venture involved asking a few people for large sums of money. Crowdfunding switches this idea around, using the internet to talk to thousands – if not millions – of potential funders. Typically, those seeking funds will set up a profile of their project on a website such as those run by our members. They can then use social media, alongside traditional networks of friends, family and work acquaintances, to raise money.