

Case Study: Trends and Growth Strategy for a Financial Raising Company

This case study is a fictional representation and is intended to mirror the scenarios of a financial raising platform but does not reflect any real-world entity or actual data

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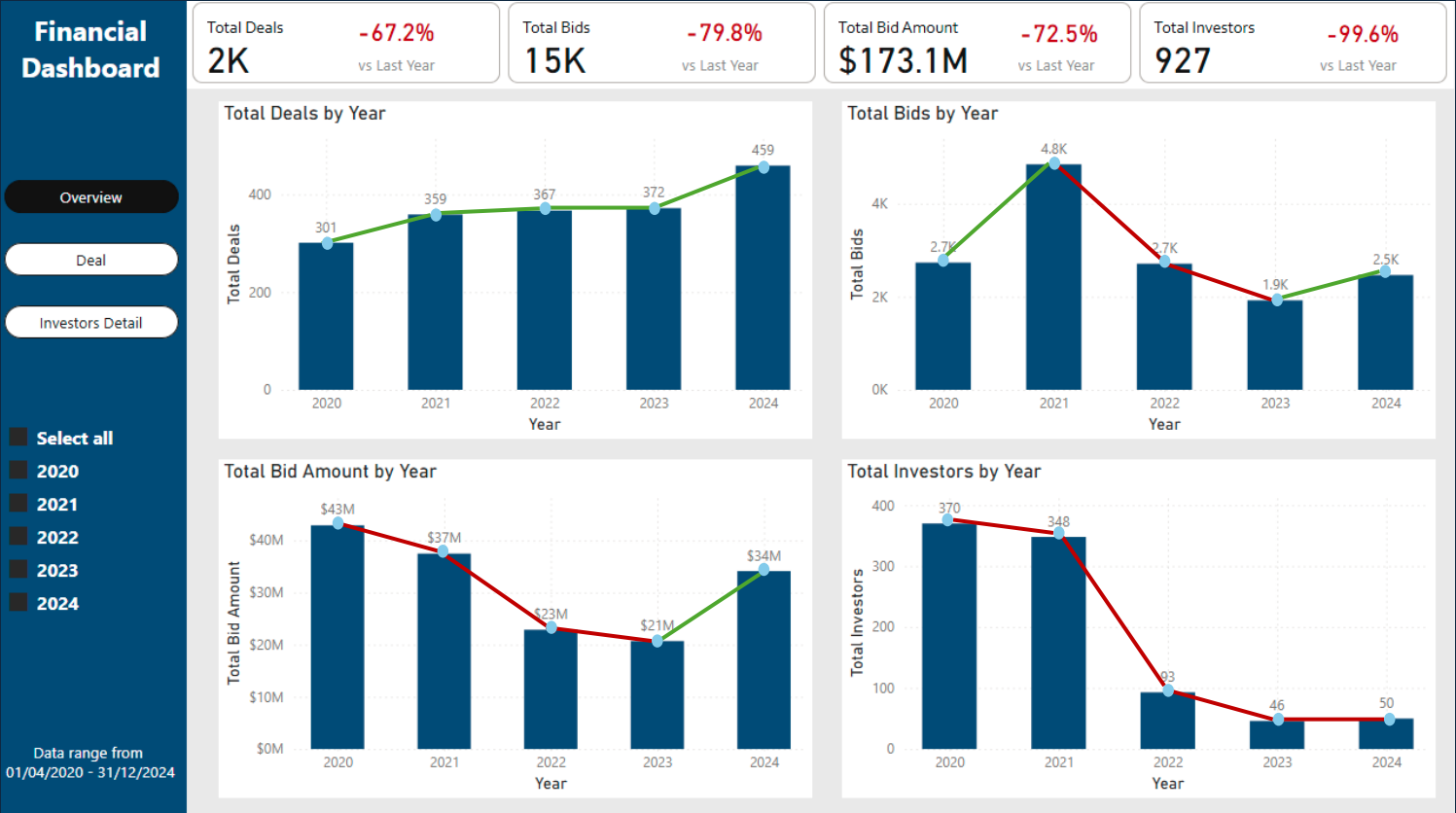
Dashboard Overview- Overview of Performance (2020–2024)

Total Deals

- **Trend:** Steadily increasing
- **Insight:** More opportunities sourced despite declining investor activity

Total Bids

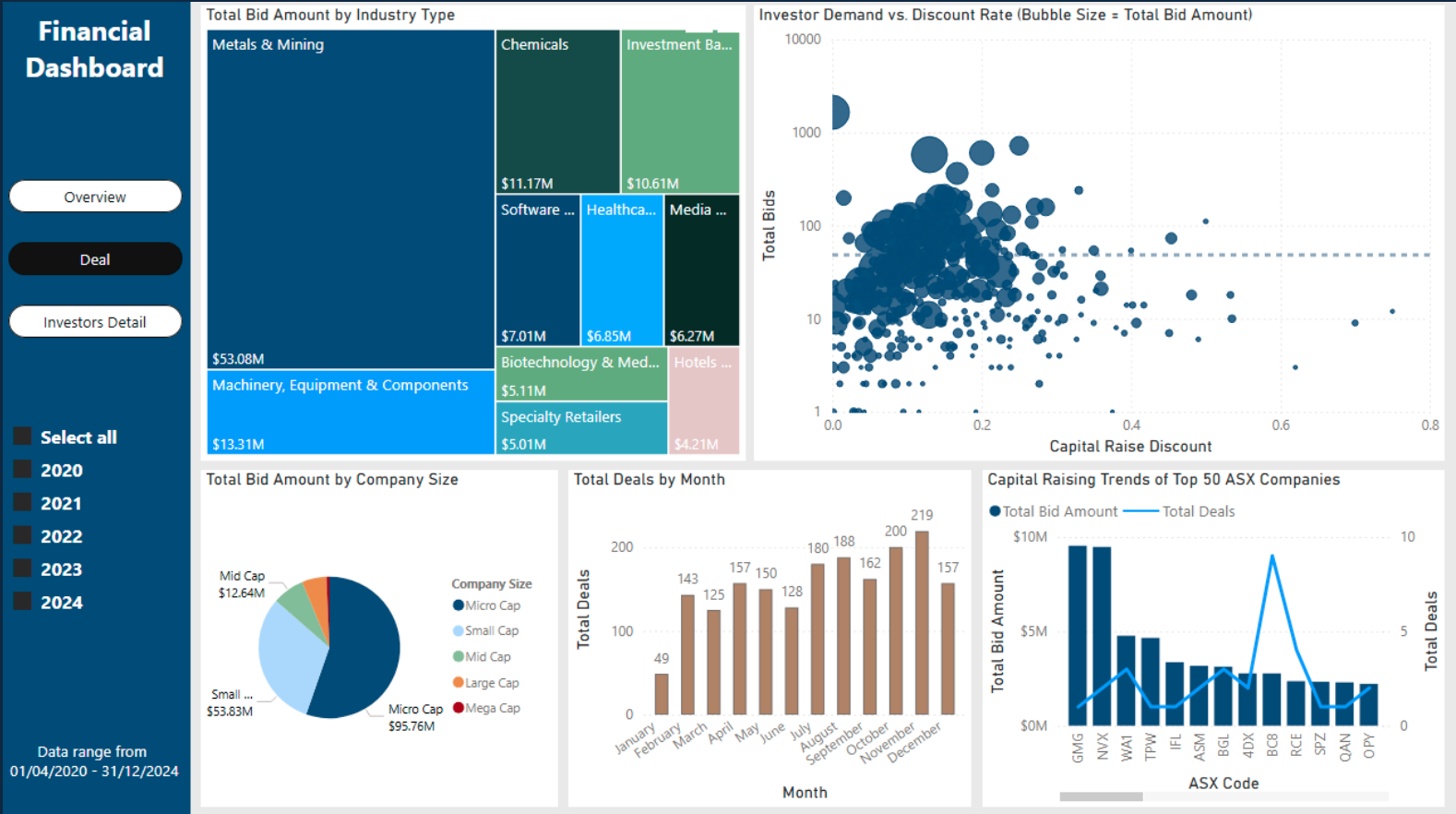
- **Trend:** Peaked in 2021, dropped sharply in 2022-2023, slight recovery in 2024
- **Insight:** Investors became more selective or disengaged



Dashboard Overview- Deals (2020–2024)

Deals Discount

- **Insight:** Deals discount normally no more than 0.3%
- **Details:**
 1. Over 50% of deals offered less than 0.2% discount
 2. There was no direct correlation between discount rate and investor demand



Industry Focus

- **Insight:** Platform focuses on small and micro-cap industries in Metals & Mining industry
- **Details:**
 1. Over 50% of deals in micro-cap industries (market cap below \$300M)
 2. Around 40% of deals in Metals & Mining industries (Every Year)

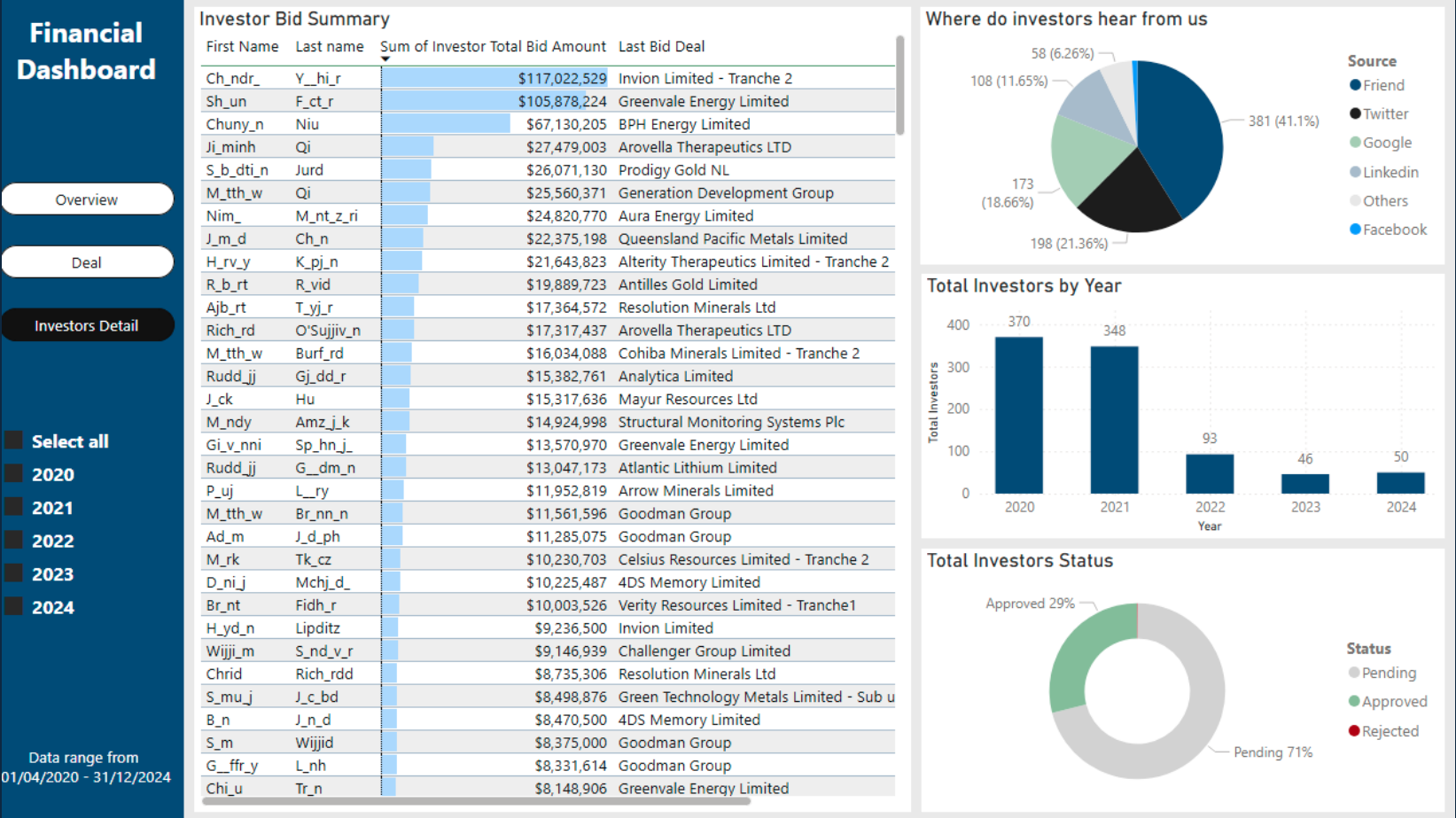
Deal Frequency

- **Insight:** Serial raisers (multiple fundraisers) emerged in 2024
- **Details:** Most larger raise amounts companies raised only once in 2022-2023, but serial raisers appeared in 2024

Dashboard Overview- Investors Detail (2020–2024)

Word-of-Mouth & Referrals

- **Insight:** Around **40%** of platform investors discovered it through word-of-mouth or referrals
- **Implication:** This indicates the importance of **social networks** in attracting new investors, showcasing strong **organic growth**



Approval Rate

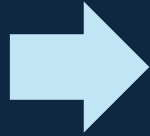
- **Insight:** The platform's approval rate has remained at **30%** throughout the period
- **Implication:** This suggests the platform maintains a **strict vetting process**, ensuring only qualified or high-quality investors are approved

Situation, Complication, Question (SCQ)

Framework for understanding the current situation and key challenges

Situation

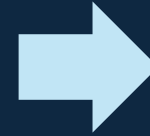
The platform is a financial raising service specialising in small-cap and micro-cap companies. It expanded quickly during the COVID-19 pandemic, driven by heightened retail investor demand for speculative placements.



Complication

While the number of deals steadily increased from 2020 to 2024, investor participation (measured by the number of bids and total investors) dropped sharply after 2021.

Despite a partial recovery in bid amounts in 2024, the investor base remains severely weakened, raising concerns about the sustainability of deal funding and platform growth.

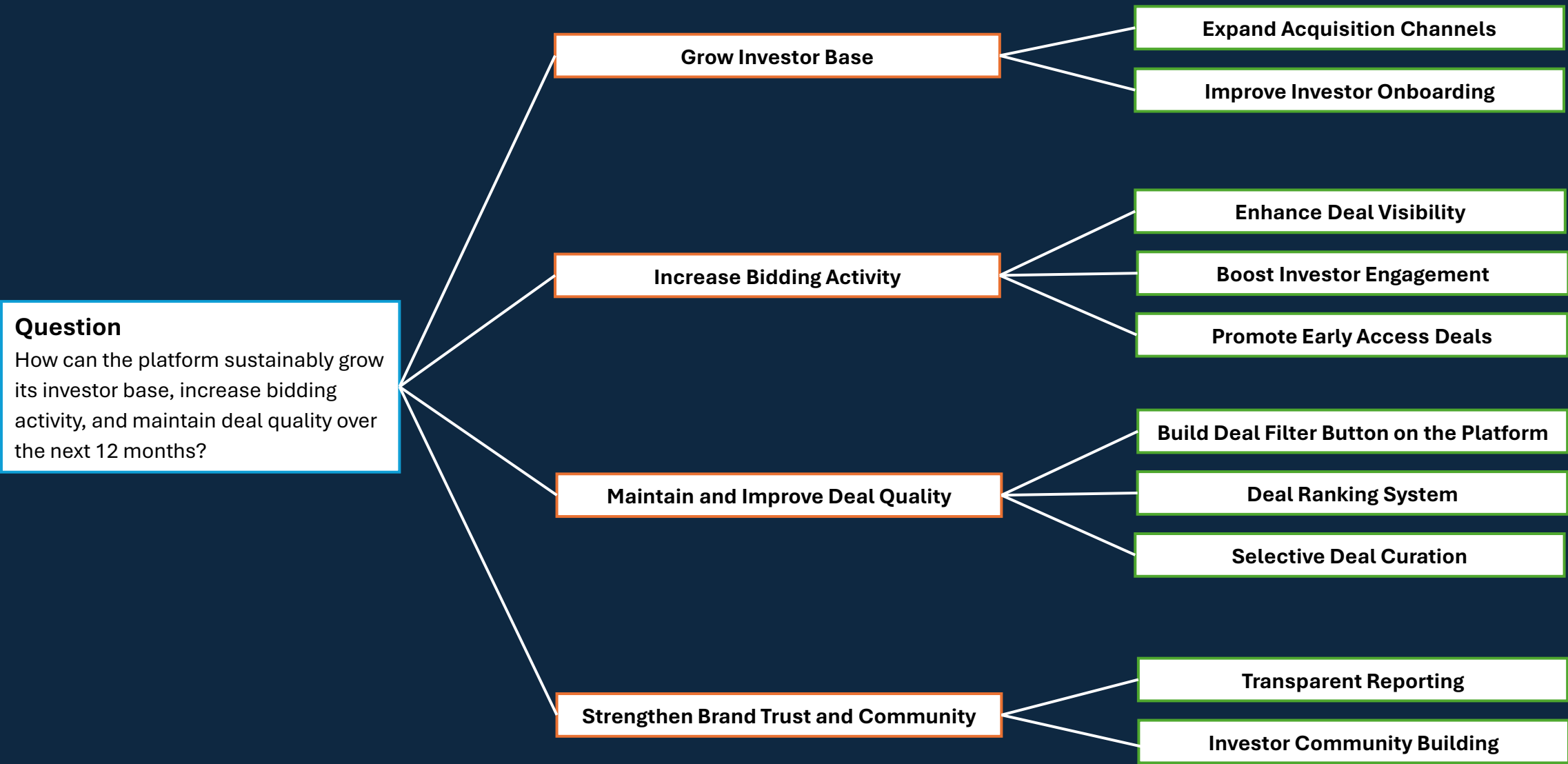


Question

How can the platform sustainably grow its investor base, increase bidding activity, and maintain deal quality over the next 12 months?

Solution Based Issue Tree - Graph

Break down the key solutions impacting the platform and its performance.



Solution Based Issue Tree - Grow Investor Base

Break down the key solutions impacting the platform and its performance

Grow Investor Base

Expand Acquisition Channels

- Strengthen referral incentives
- Launch targeted digital marketing campaigns across platforms like LinkedIn, Twitter, and financial forums (Consider partnerships with micro-cap newsletters or communities)

Improve Investor Onboarding

- Streamline the platform signup and approval process to reduce the approval rate (~30%)
- Implement a pre-vetting process to reduce rejection rates while maintaining quality

Solution Based Issue Tree - Increase Bidding Activity

Break down the key solutions impacting the platform and its performance.

Increase Bidding Activity

Enhance Deal Visibility

- Provide personalised deal alerts based on past investor interests
- Highlight "hot" deals with analyst notes or mini-research briefs

Boost Investor Engagement

- Introduce a loyalty program to reward frequent bidders
- Run monthly investor competitions, such as "Top 10 Bidders" rewards

Promote Early Access Deals

- Offer exclusive, limited-time deals to returning investors

Solution Based Issue Tree - Maintain and Improve Deal Quality

Break down the key solutions impacting the platform and its performance.

Maintain and Improve Deal Quality

Build Deal Filter Button on the Platform

- Enable users to easily filter deals based on quality criteria (e.g., market cap thresholds, capital raise purpose, dilution risk)

Deal Ranking System

- Rank companies publicly based on transparency, past raise history, and dilution risk, helping address the issue of "serial raisers"

Selective Deal Curation

- Cap the percentage of repeat-raiser companies on the platform per quarter to balance deal volume and quality
- Prioritise companies with clear growth plans and good shareholder communication

Solution Based Issue Tree - Strengthen Brand Trust and Community

Break down the key solutions impacting the platform and its performance.

Strengthen Brand Trust and Community

Transparent Reporting

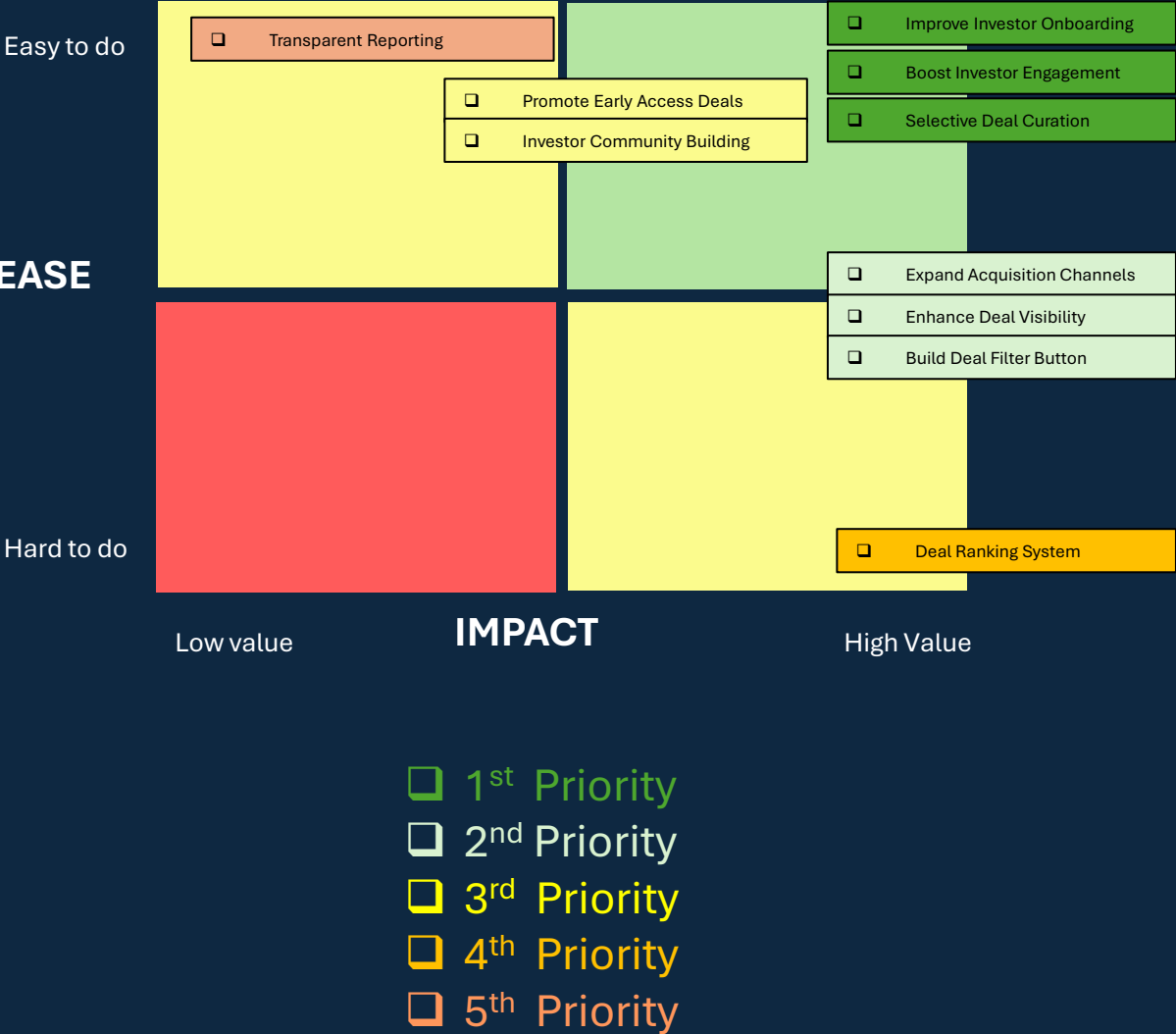
- Regularly publish platform-wide metrics, such as average bid return rates and raise success rates, to build trust

Investor Community Building

- Host exclusive networking events or webinars with CEOs of raising companies
- Create educational webinars on micro-cap investment strategies, such as a weekly market wrap-up

Impact-Ease Matrix

Initiative	Ease	Impact	Notes
Expand Acquisition Channels	Medium	High	This initiative requires some investment (such as ads and partnerships), but the potential for high growth makes it worthwhile.
Improve Investor Onboarding	Easy	High	A relatively quick fix to the platform's process, providing immediate wins with minimal effort.
Enhance Deal Visibility	Medium	High	Involves IT and marketing adjustments, but significantly boosts bid activity and engagement.
Boost Investor Engagement	Easy	High	Loyalty programs and promotional comps are simple to roll out and can foster strong relationships with investors.
Promote Early Access Deals	Easy	Medium	Limited-time offers are easy to execute and can generate increased interest and urgency.
Build Deal Filter Button	Medium	High	Requires setting up internal processes, but strongly protects quality and improves the user experience.
Deal Ranking System	Hard	High	This initiative is technically complex, requiring backend development and criteria design. However, it can significantly enhance trust and provide long-term value.
Selective Deal Curation	Easy	High	Involves a trade-off between volume and quality, but greatly improves brand image and investor perception
Transparent Reporting	Medium	Low	This initiative requires discipline but is not technically challenging. It can drive internal improvements but may have limited direct external impact.
Investor Community Building	Easy-Medium	Medium	Hosting events and webinars requires effort but can foster deep loyalty and long-term relationships with investors.



Restrictions and Difficulties

While the platform has made notable strides in deal volume and expanded its services, several key challenges hinder its growth trajectory:

- **Resource Constraints:**

As a small company with limited staff, there are challenges in maintaining consistent platform development and investor engagement efforts. The reliance on third-party IT services and external partners has sometimes led to delays or gaps in service delivery, limiting the platform's ability to respond quickly to investor needs and market changes.

- **IT System Limitations:**

The company's database and technical infrastructure, previously delegated to third-party IT services, lack the scalability needed to handle high demand. This is compounded by a limited internal IT team, creating bottlenecks in implementing new features or improving system reliability.