



# A NEW FRONTIER IN FINANCING CROWDFUNDING

By Vadym Boiko





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# INTRODUCTION

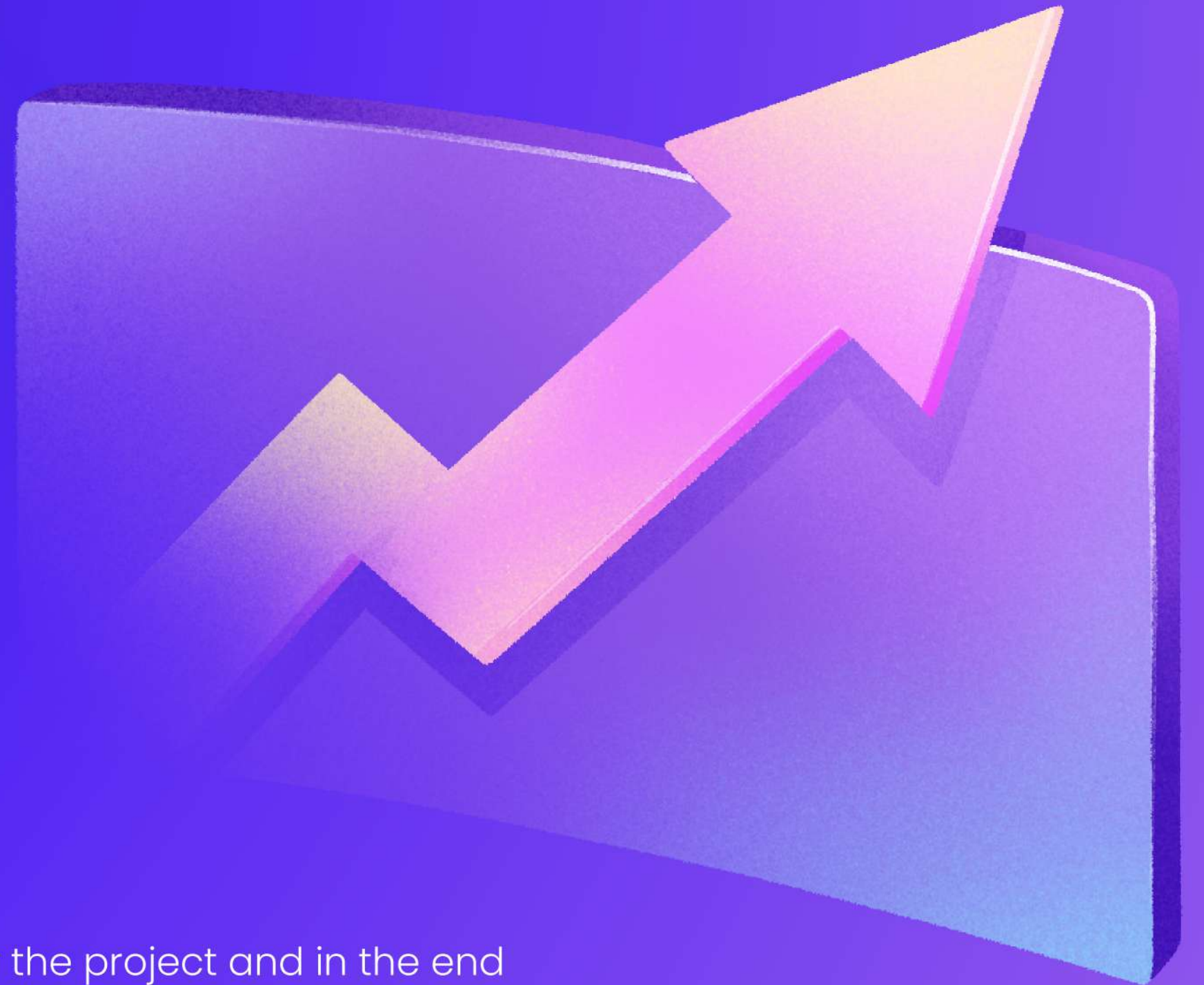
Crowdfunding – the practice of getting a large number of people to each give small amounts of money in order to provide the finance for a project, typically using the internet

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Crowdfunding was “created” in the 1730s and started with collecting money for printing books. It became popular again in 1997 when a rock group raised 60k\$ through the internet.

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The main idea is simple – people just donate money for the project and in the end the project has money for starting something





# TYPES OF CROWDFUNDING

01

Reward-based crowdfunding has been used for a wide range of purposes, including album recording and motion-picture promotion, free software development, inventions development, scientific research, and civic projects.

02

Donation-based crowdfunding is the collective effort of individuals to help charitable causes. In donation-based crowdfunding, funds are raised for religious, social environmental, or other purposes.

03

Equity crowdfunding is the collective effort of individuals to support efforts initiated by other people or organizations through the provision of finance in the form of equity.

04

Debt-based  
Also known as “peer-to-peer lending” or “P2P lending,” debt-based crowdfunding is similar to a traditional loan. Instead of getting a loan from a bank, you’re getting a loan from a crowd of investors.



# ADVANTAGES



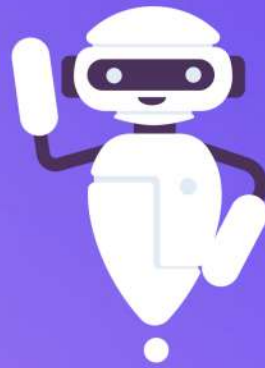
Access to capital without traditional institutions

Diverse funding sources

Market validation and early adopter engagement

Potential for wider exposure and marketing

# CHALLENGES



## TRUST

When you are a brand with no prior record, you have to consider how you can generate enough brand credibility with investors.

Without trust you might not generate enough interest in your campaign and fail to meet your targets.



## TARGETS AND DEADLINE

Another common problem often faced by crowdfunders is setting up the right targets and the time to achieve the goal.

If you don't get the setting right then you can dissuade contributors providing you with contributions or not gather enough attention to your campaign to meet goals.



## FULFILLMENT

Your brand image is hanging on your ability to not just deliver the crowdfunding goal, but also to provide contributors with their rewards in a timely manner.



# SUCCESS STORIES







## OCULUS VR

When Palmer Luckey – the founder of Oculus Rift, just started a crowdfunding campaign in 2012, he was 20. After the campaign was over, he had more than 9,500 backers that raised \$2.4+ million, making it one of the biggest crowdfunding success stories at the time.

## POPSOCKET

PopSockets are small plastic contraptions that “pop” onto the back of your phone.

Business today – 200 m \$

## ALLBIRDS

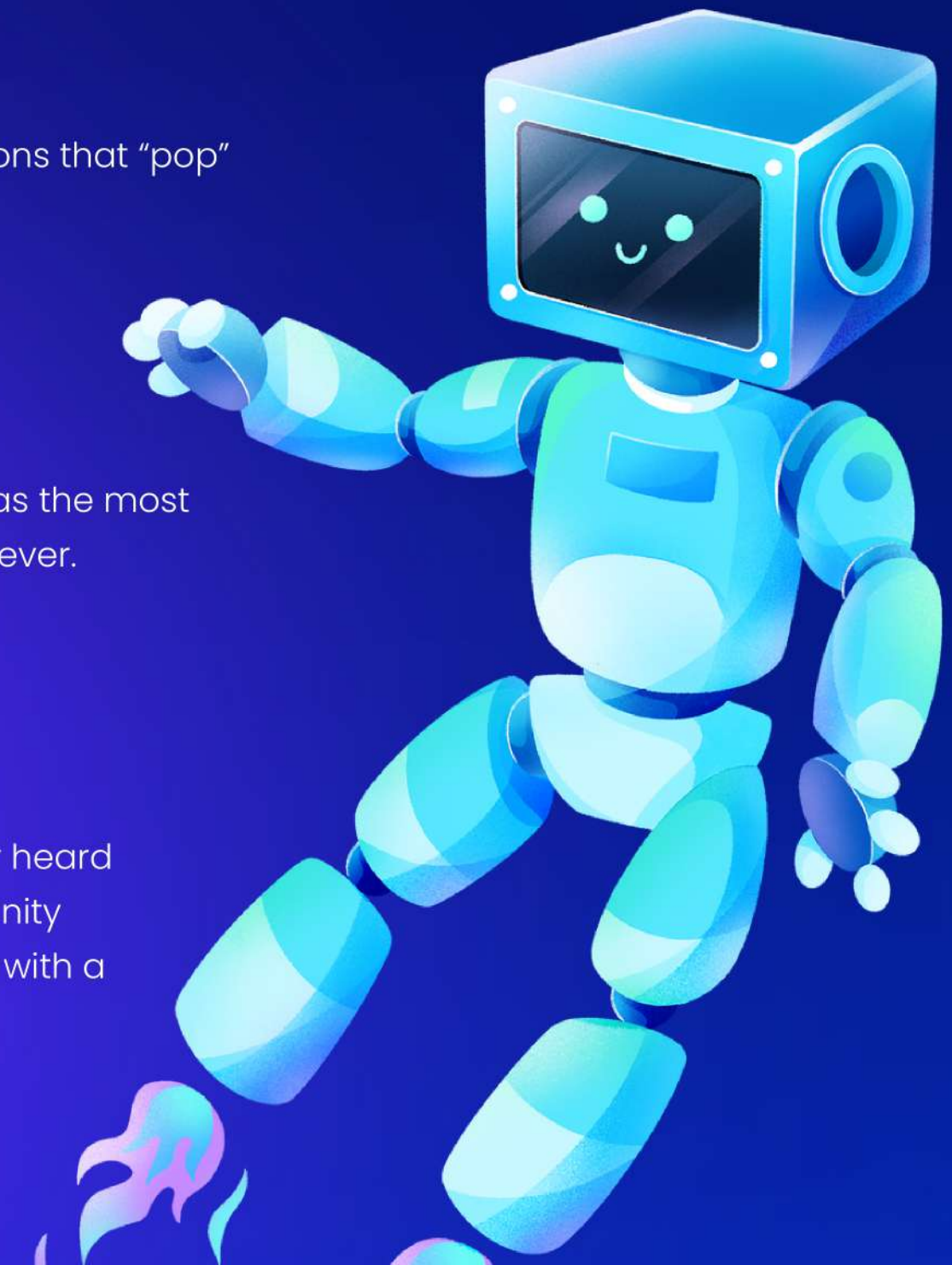
Top media outlets write about Allbirds as the most convenient and comfortable footwear ever.

Business now – 1.4 b \$

## PELOTON

It's hard to find a fitness enthusiast who has never heard of Peloton. The company created a huge community and tons of content around indoor exercise bikes with a large touchscreen attached.

Business now – 12.2 b \$





A photograph of a person's hand with a prosthetic arm, set against a dark background with blue and red lighting. The prosthetic arm is made of metal and has several small red lights on it. The person's hand is pointing towards the right.

# TIPS FOR A SUCCESSFUL CROWDFUNDING CAMPAIGN

- Clear and compelling storytelling
- Engaging visuals and videos
- Offering attractive rewards or incentives
- Effective marketing and social media strategy





THANK YOU!

