



# Crowd Funding Fact Sheet

# Introduction & contents

Crowdfunding is a way of raising finance by asking a large group of people to each contribute small amounts of money. This differs from the traditional format of funding by asking a few people for larger sums of money.

Crowdfunding can use the internet to reach a huge number of potential funders. Typically, those seeking funds will set up a profile of their project on a crowdfunding website and then use social media, alongside traditional networks of friends and family to raise money. There are a couple of different types of crowdfunding.

## **Donation / Reward Crowdfunding**

People invest because they believe in the cause. Rewards can be offered such as acknowledgements of help, tickets to an event, regular news updates, free gifts etc. Returns are considered intangible. Donors have a social or personal motivation for putting their money in and expect nothing back.

## **Equity Crowdfunding**

People invest in an opportunity in exchange for equity. Money is exchanged for shares, or a small stake. If the project is successful the value of the shares may go up. There may also be an opportunity to have early access to another round of funding.

## **Debt Crowdfunding**

Investors receive their money back with interest. This is sometimes also referred to as Peer-to-Peer (p2p) lending. It allows higher risk projects to bypass traditional and more conservative lending methods. The returns are financial, but investors have contributed to the success of an idea they believe in.

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# 1. Rewards-based crowdfunding

**INDIEGOGO**

[Indiegogo](#) - At Indiegogo, our mission is to empower people to unite around ideas that matter to them and together make those ideas come to life. With the help of our Indiegogo community, we're redefining entrepreneurship—shifting it from being a privilege to a right. Because every inventive idea should have its shot, and every creative entrepreneur should have their moment. Together, we can do anything.

**KICKSTARTER**

[Kickstarter](#) -Kickstarter helps artists, musicians, filmmakers, designers, and other creators find the resources and support they need to make their ideas a reality. To date, tens of thousands of creative projects — big and small — have come to life with the support of the Kickstarter community.



[Crowdfunder](#) - Crowdfunder is a community of over 600,000 people who are funding the change they want to see. Together we have funded business ideas, charities, community groups, sports clubs, political movements and much more. We believe that people should be empowered to turn their ideas into reality, and by unlocking funding from the crowd we can unlock a beautiful future.

**U Unbound**  
Liberating ideas

[Unbound](#) - Publishing that works. For everybody. We started Unbound with a simple mission: make publishing work. For everybody. We believe that everyone should be given the chance to seize their own success, and that great ideas shouldn't fall between the cracks because they don't fit the mould. And that's what we've built – a better way of doing things. A community, platform and a publishing model that shift the balance of power to you, people and communities that champion underserved ideas and voices.

## 2. Donation-based crowdfunding



[GoFundMe](#) Launched in 2010, GoFundMe is the world's largest social fundraising platform, with over \$3 billion raised so far. With a community of more than 25 million donors, GoFundMe is changing the way the world gives.



[CrowdRise](#) CrowdRise is the world's largest and fastest growing fundraising platform dedicated exclusively to charitable giving. CrowdRise is used by millions of individuals to raise money for their favorite charities and causes.

Tens of thousands of charities and events, and many of the most famous artists and athletes in the world use CrowdRise to creatively unlock the power of their crowd and raise hundreds of millions of dollars to support positive social missions.

### 3. Equity crowdfunding



[Seedrs](#) - £250k - £1.2M - We let all types of investors invest in businesses they believe in and share in their success. We let all types of growth-focused businesses raise capital and business community in the process. We do all of this through a simple, highly professional, online process that protects and empowers investors while helping businesses grow and generate returns. We are equity crowdfunding done properly.



[CrowdCube](#) - £100k - £1M - Having founded, and worked for several entrepreneurial businesses, we understand how difficult it can be to raise money to start and grow a small business. The task of securing investment is a notoriously perplexing and sometimes sluggish process that can be a struggle at the best of times. In today's economic climate this has become even more challenging. We want to give entrepreneurs the opportunity to take control of raising funding from their own network of friends, family, customers and strangers.



[CrowdFinders](#) The Crowdfinders online equity crowdfunding community exists to support companies in need of the initial momentum required to fulfil their investment goals. Investors on our platform work alongside the crowd to generate the first 30% of an overall target and step in where entrepreneurs normally rely on friends, family or personal networks to generate early interest in their campaign



[SyndicateRoom](#) - SyndicateRoom connects ambitious investors with the country's most trailblazing companies. Started in 2013, SyndicateRoom has rapidly grown to have more than 100 high-growth businesses in its portfolio. By relentlessly focusing on the interests of private investors, SyndicateRoom has developed a trusted reputation and has been recognised as Best Investment Platform at the [Growth Investor Awards](#) two years running.

INVESDOR

[Invesdor](#) - We connect businesses from the European Economic Area with investors worldwide. Whether you are a startup raising growth funding or a public company issuing shares or bonds, we have the technology and the know-how to help you.



[GrowthDeck](#) - Growthdeck can help you raise finance for your business through the sale of equity to our investor network. Our team of private equity professionals will work with you to agree upon the optimum package to fund your business plan.



[ShareIn](#) - we offer a full crowdfunding “turnkey” solution offering both a technology and a compliance service. This allows you to focus on what you do best – drive your business forward. With us you can directly crowdfund from your own website or run your own crowdfunding platform.



## 4. Debt crowdfunding



[Zopa](#) - We believe a loan should be there to help you, not hold you back. And an investment should be rewarding, but also ethical. We're shaping the future of finance by offering competitive rates, flexible and intuitive products and award-winning customer service. We exist to make money simple and fair for everyone – to enable people to do more with their money and take control of their finances.



[FundingCircle](#) - When Funding Circle was founded, we could see that businesses weren't being given the finance to grow, while investors were making poor returns. We had a simple idea — let them support each other. By lending directly to businesses through Funding Circle, investors can now earn attractive returns to better provide for their future. Businesses get fast, easy access to funding to grow, create jobs, support local communities and drive the economy forward. We believe it's better for everyone.

## 5. Associated services



[CrowdReach](#) - We advertise the best products on Kickstarter and Indiegogo. Helping you to take your campaign to the next level.



[IdeaSquares](#) - IdeaSquares offers tailored support towards crowdfunding success. We're partnered with two of Europe's leading equity crowdfunding platforms, Seedrs and Crowdcube. Our clients have an extremely high success rate upon our partner platforms. So if you're considering Crowdfunding, or are currently crowdfunding, some might say you'd be crazy not to use our skills and expertise.