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# Crowdfunding for Startups



## What is Crowdfunding?

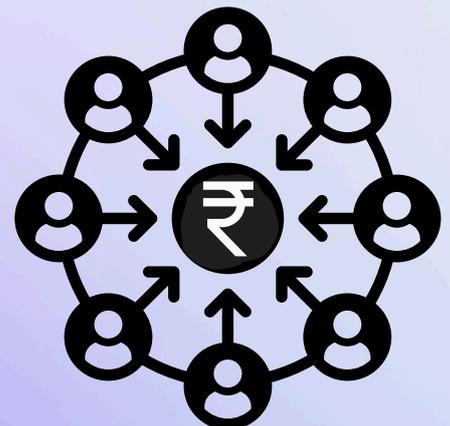
- Raising small funds from a large group of people online
- Great for MVPs, new products & early-stage ventures

## Why Startups Use It

- Validate ideas + raise funds without VC or loans
- Build early buzz and customer base

## Common Platforms

- Kickstarter, Indiegogo (Reward-based)
- Ketto, StartEngine (Donation/Equity)



# Why Choose Crowdfunding?

Validate your idea before launch

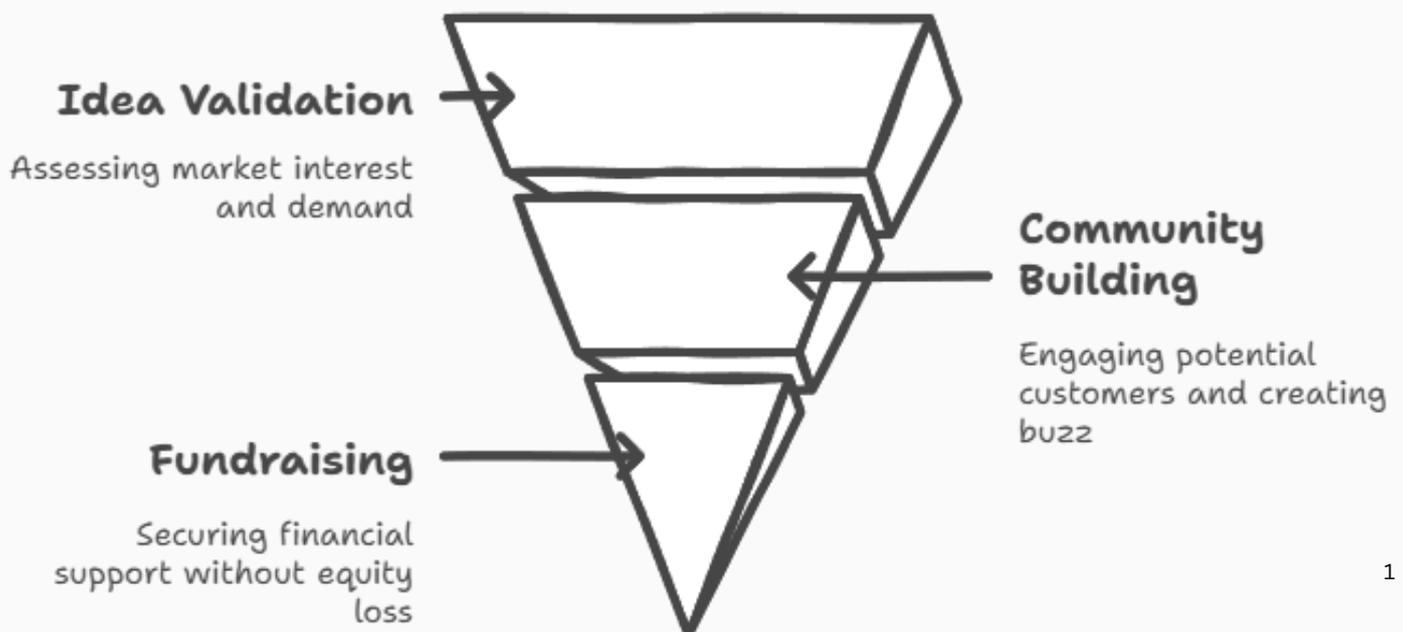


Build early brand buzz and community



Raise funds without giving up full equity

## Crowdfunding Process Funnel



# Types of Crowdfunding



## Reward-Based Crowdfunding

- Backers get product or perks
- Best for physical or creative products
- Platforms: Kickstarter, Indiegogo



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## Equity Crowdfunding

- Investors receive company shares.
- Long-term commitment, potential for profit.
- Founders dilute ownership.

## Donation Crowdfunding

- No equity given; funds are gifts.
- Quick to launch, simple process.
- Ideal for social or creative projects

# Tips to Run a Successful Campaign



## Craft a Strong Story

Explain your problem & solution clearly

## Offer Meaningful Rewards

- Create tiered perks or early-bird offers
- Make rewards relevant to your product

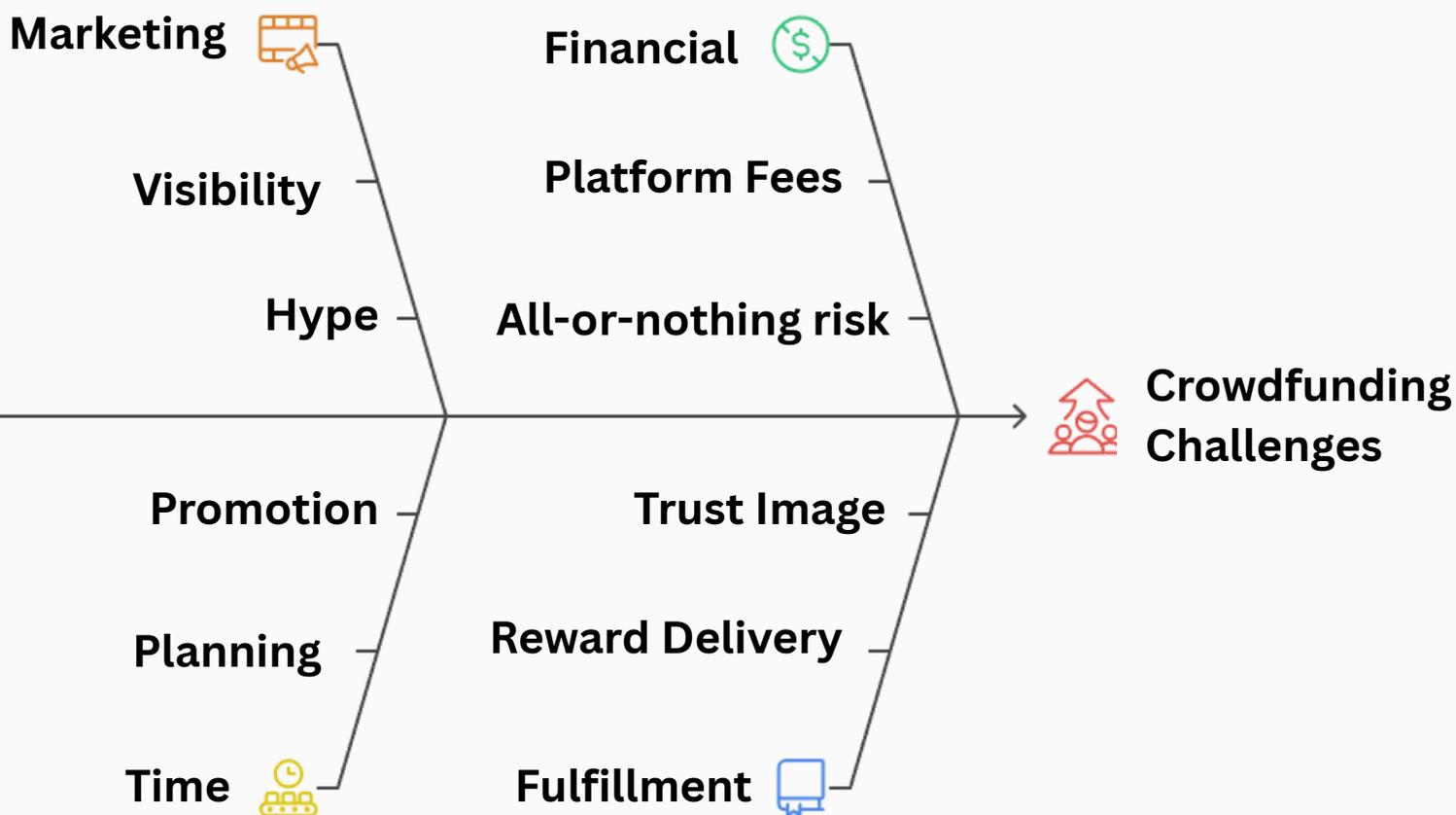
## Promote Everywhere

- Use social media, emails & PR from Day 1
- Build hype before and during the campaign

# Challenges of Crowd Funding

- High Marketing Effort – Success depends on visibility & buzz.
- Time-Consuming – Planning, promotion, and fulfillment take time.
- Platform & Payment Fees – Hidden cuts reduce net funding.
- Uncertain Outcomes – No funding if the target isn't met.
- Fulfillment Pressure – Managing rewards & timelines is challenging.
- No Strategic Support – Backers don't guide your business like investors.

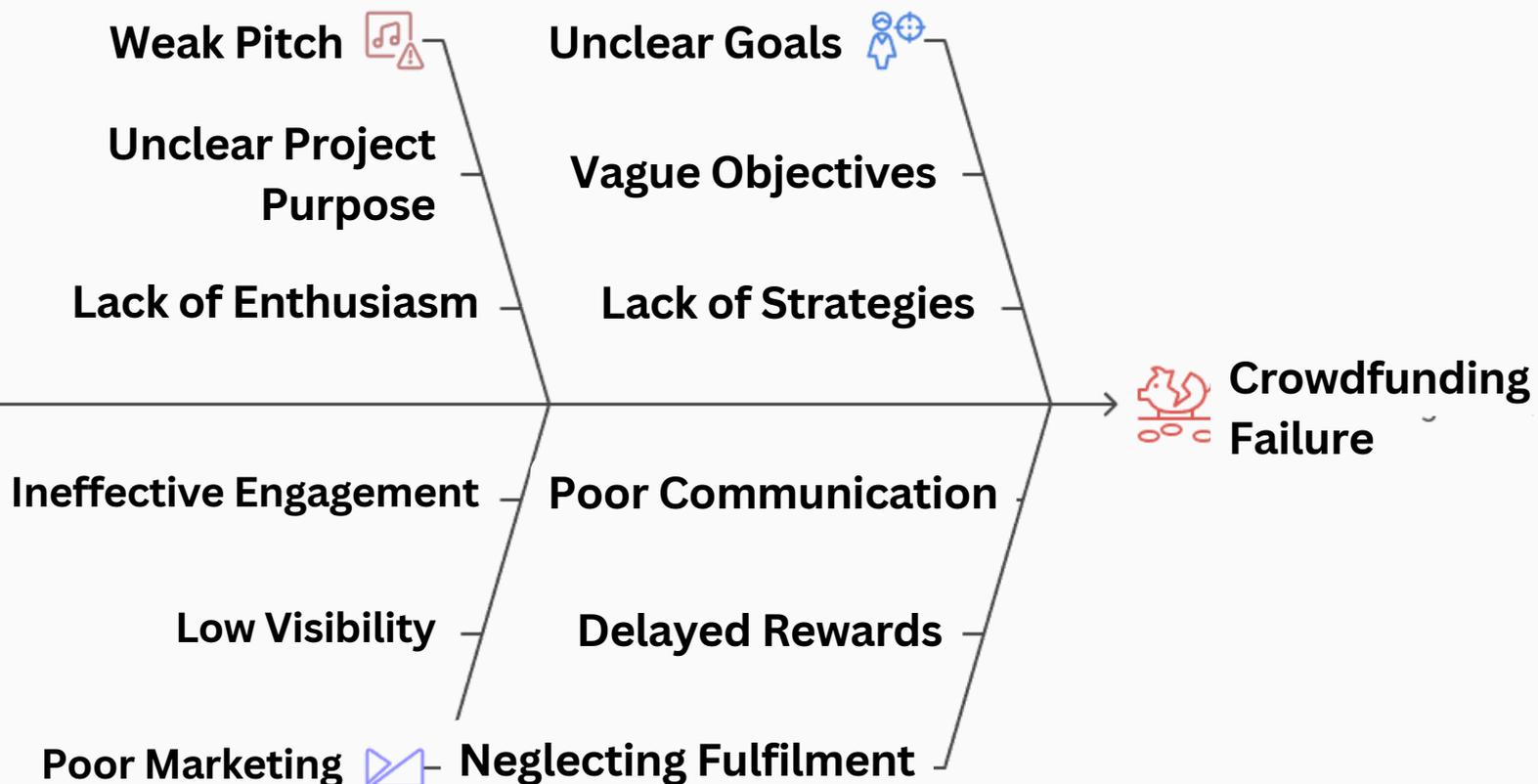
## INNOVATION CELL Challenges of Crowdfunding <sup>1A)</sup>



# Common Crowdfunding Mistakes

- Weak pitch or unclear goals
- Poor campaign marketing
- Ignoring post-campaign fulfilment

## Analyzing Crowdfunding Mistakes



# Is Crowdfunding Right for You?

## When Crowdfunding is a Good Fit

- You have a prototype or MVP ready
- Your product targets B2C or a passionate niche
- You can build and engage a community

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## Things to Consider Before Starting:

- Requires strong marketing & storytelling
- Success depends on audience trust
- Fulfilment & logistics need early planning

