Universität Zürich[UZH]

Department of Business Administration - Chair for Entrepreneurship

A Primer in Entrepreneurship

Prof. Dr. Ulrich Kaiser

Chair of Entrepreneurship

Universität Zürich

Fall 2014

Content

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A Primer in Entrepreneurship

Part III Moving from an Idea to an Entrepreneurial Firm

Lecture 10
Getting Financing or Funding

CROWDFUNDING

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Agenda

1. **The Importance of Getting Financing or Funding**

2. **Sources of Personal Financing**

3. **Preparing to Raise Debt and Equity Financing**

   3.1 Sources of Equity Funding

   3.2 Sources of Debt Financing

4. **Creative Source of Financing and Funding**

4 Creative Sources of Financing and Funding

Crowdfunding

Getting financing and funding from a (large) number of contributors

Through crowdfunding platforms

First mover: ArtistShare in 2000

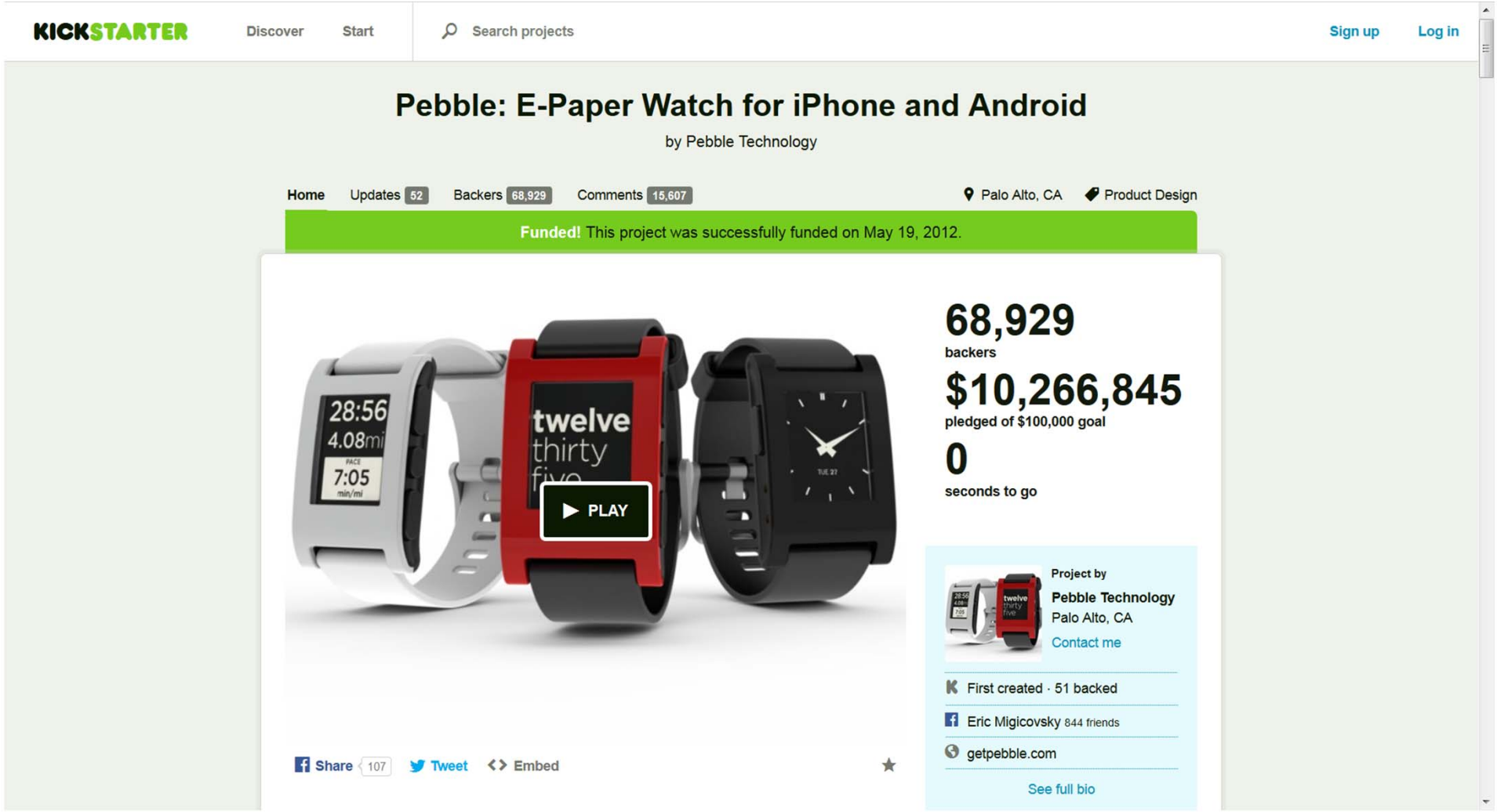
4 Creative Sources of Financing and Funding

Crowdfunding

Two models:

Donation-based funding: funding in return for product

Investment funding: equity for ownership rights


KICKSTARTER
Discover
Start
Search projects
Sign up
Log in
Pebble: E-Paper Watch for iPhone and Android
by Pebble Technology
Home
Updates 52
Backers 68,929
Comments 15,607
Palo Alto, CA
Product Design
Funded! This project was successfully funded on May 19, 2012.
PLAY
68,929
backers
$10,266,845
pledged of $100,000 goal
0
seconds to go
Project by
Pebble Technology
Palo Alto, CA
Contact me
First created · 51 backed
Eric Migicovsky 844 friends
getpebble.com
See full bio
Share 107
Tweet
Embed

4 Creative Sources of Financing and Funding

Crowdfunding

Important platforms:

1. Kickstarter: for creative projects; donation-based
2. Indiegogo: for anything; donation-based
3. Crowdfunder: for anything; investment-based; for formal seed financing

4 Creative Sources of Financing a

Crowdfunding

Switzerland:

https://wemakeit.com/projects/levin-n

Über wemakeit

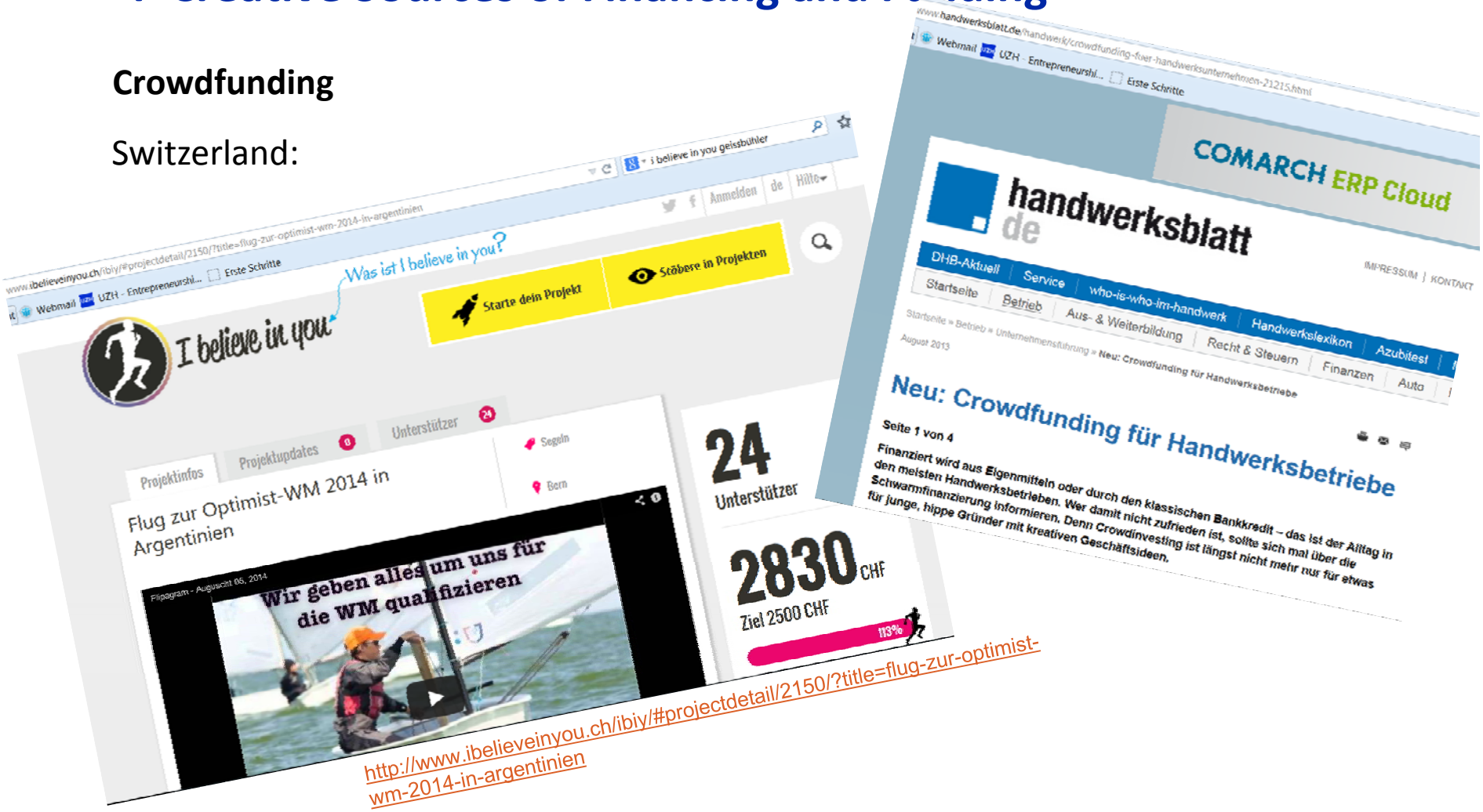
wemakeit ist die grösste Schweizer Crowdfunding-Plattform für kreative Projekte.

Unterstütze Projekte, die dir gefallen, und erhalte dafür von den Künstlern individuelle Belohnungen – Einladungen, signierte Bücher, limitierte Editionen von Bildern und Photographien und andere exklusive Belohnungen, die sich die Künstler für dich ausgedacht haben.

4 Creative Sources of Financing and Funding

Crowdfunding

Switzerland:



http://www.ibelieveinyou.ch/ibiy/#projectdetail/2150/?title=flug-zur-optimist-wm-2014-in-argentinien

Do you know the answer ?

?! Why do most entrepreneurial ventures need to raise money in their early life ?

?! What are the different sources of financing and funding ?

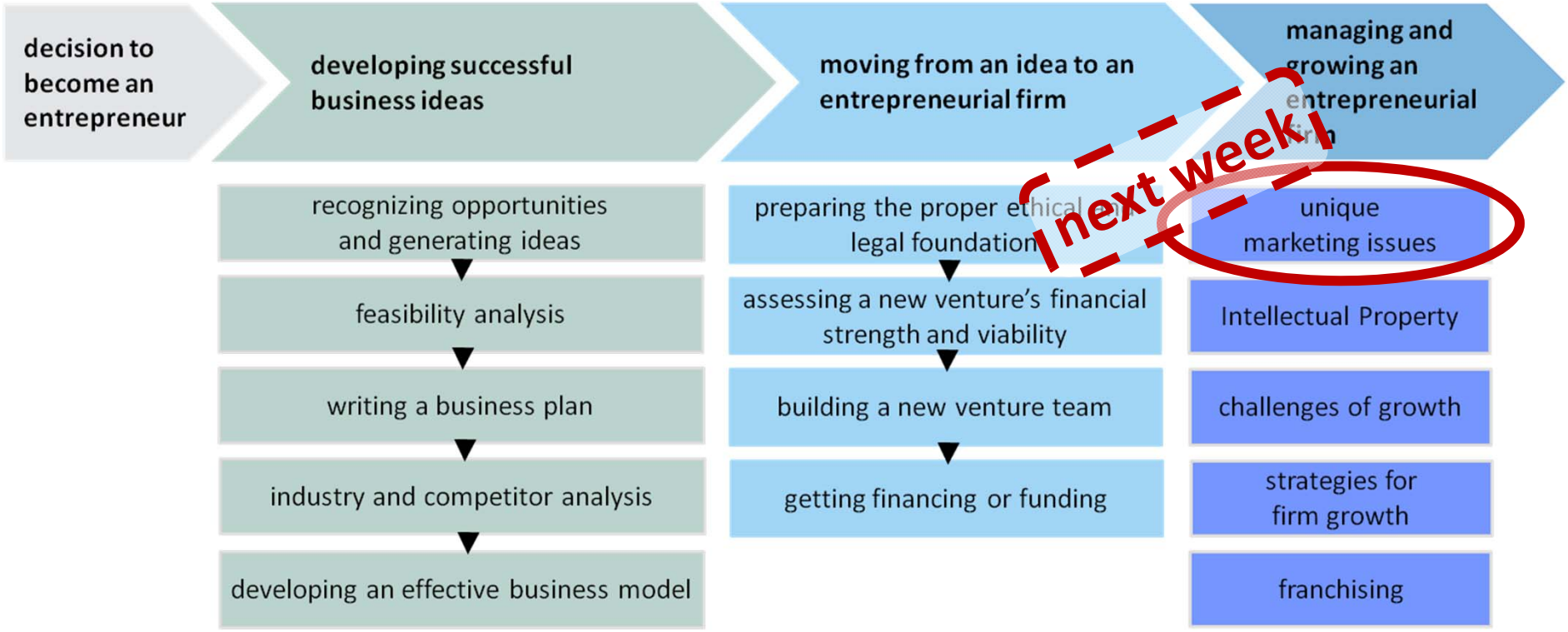
?! How do entrepreneurs prepare to raise funding ?

…test yourself.

References

Barringer, B. and D., Ireland (2008): Entrepreneurship - Successfully Launching New Ventures, Pearsons Prentice-Hall.

Outlook



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