

Who is behind ZAAR?

The Foundation for the Promotion of Entrepreneurial Initiatives (FPEI)









What is ZAAR?

First initiative from FPEI

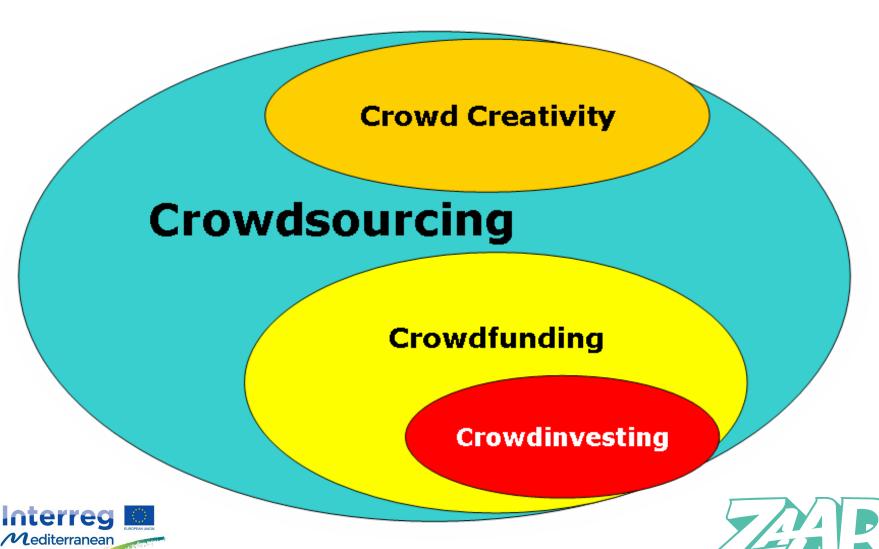
A crowdfunding platform to tackle the "Access to Finance" problem

Using crowdfunding as an alternative source of finance and to supplement the traditional sources.





Crowdfunding vs Crowdsourcing



**Term Crowdsourcing was coined by Jeff Howe in 2006

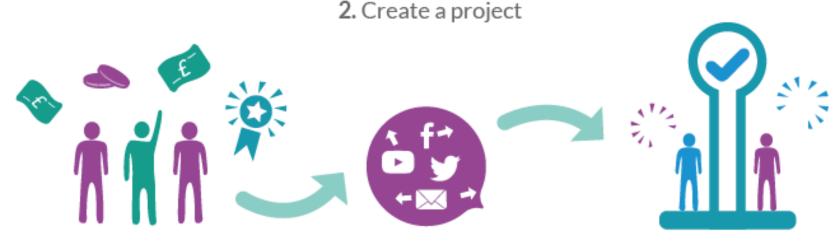
GREAT IDEAS FUNDED

BLUE

CROWDFUNDING

What is Crowdfunding?





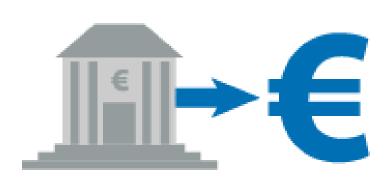
- **4.** The crowd pledges cash in return for rewards
- The crowd shares the project with friends
- **6.** Hit your target and turn your idea into reality





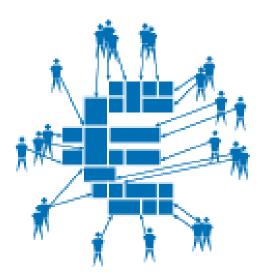
Difference from Traditional Funding

TRADITIONAL FUNDING



Large amounts from one, or a few, sources

CROWDFUNDING



Many small sums from a large group of individuals





Main Actors



Crowdfunding Platform









Backer







What motivates backers?

Some days it's hard to find motivation...



...some days motivation finds you!

- Social Return
- Material Return
- Financial Return



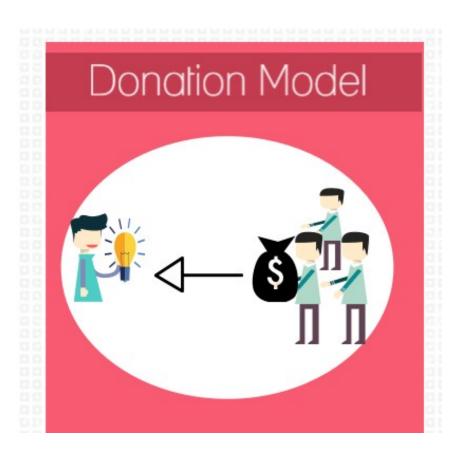
Different types of Crowdfunding











Return:

Thank you [©]

Most Common with:

Non-profits
Philanthropic
Charitable projects







Return:

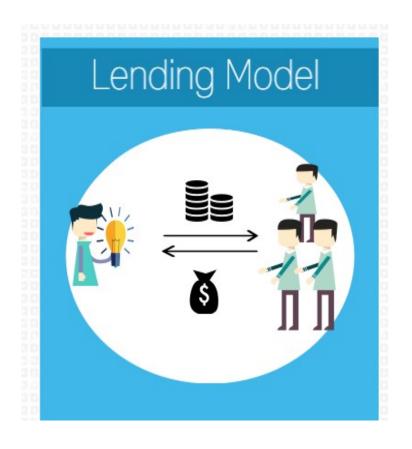
Goods and Services Perks

Most Common with:

Pre-sale items







Return:

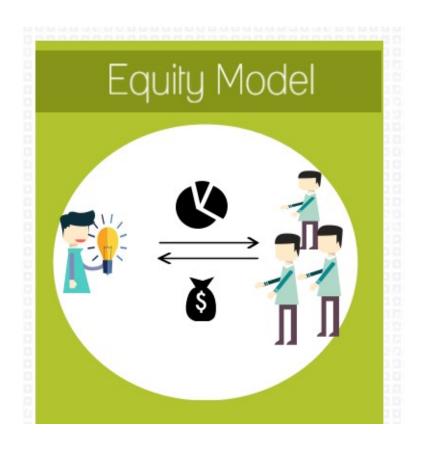
Payback + interest

Most Common with:

low-risk Investments Need of cash flow lower rates + faster approval







Return:

Ownership

Most Common with:

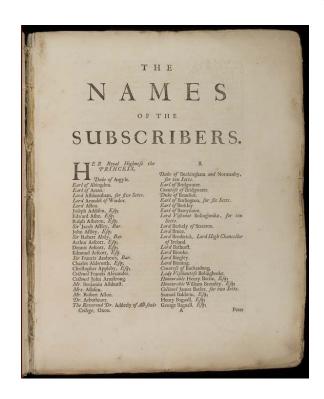
Growing companies
Innovative start-ups
High Risk Investments





Some History of Crowd funding





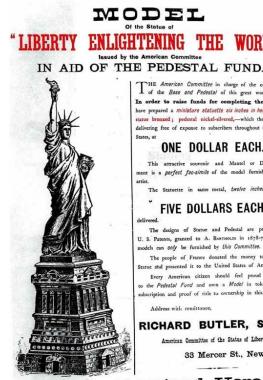
1606 - Dutch East India Company 1713 - Alexander Pope - Homer translations





Some History of Crowd funding





MODEL

ENLIGHTENING THE

THE American Committee in charge of the construction I of the Base and Pedestal of this great work of art, In order to raise funds for completing their work. have prepared a ministure statuette six inches in height,-The statue bronzed; pedestal nickel-silvered,-which they are now delivering free of expense to subscribers throughout the United

ONE DOLLAR EACH.

This attractive souvenir and Mantel or Desk ornament is a perfect fac-simile of the model furnished by the

The Statuette in same metal, twelve inches high, as

FIVE DOLLARS EACH,

The designs of Statue and Pedestal are protected by U. S. Patents, granted to A. BARTHOLDS in 1878-79, and the models can only be furnished by this Committee.

The people of France donated the money to build the Statue and presented it to the United States of America.

Every American citizen should feel proud to donate to the Pedestal Fund and own a Model in token of their subscription and proof of title to ownership in this great work.

Address with remittance,

RICHARD BUTLER, Sect'y,

American Committee of the Statue of Liberty,

33 Mercer St., New York.

Orders Received Here.

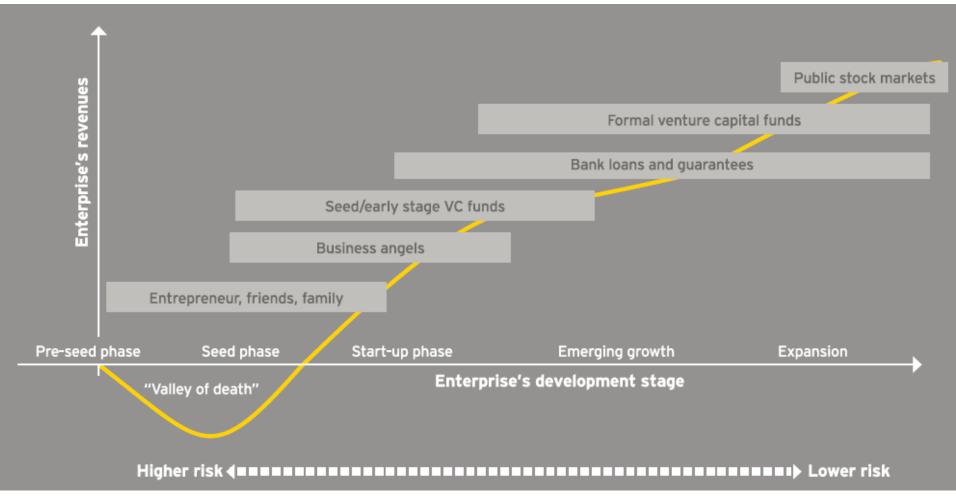
1783 – Mozart – 2 attempts 1885 – Statue of Liberty Pedestal







Crowdfunding for Start-ups







What made it possible?



What made it possible?































































































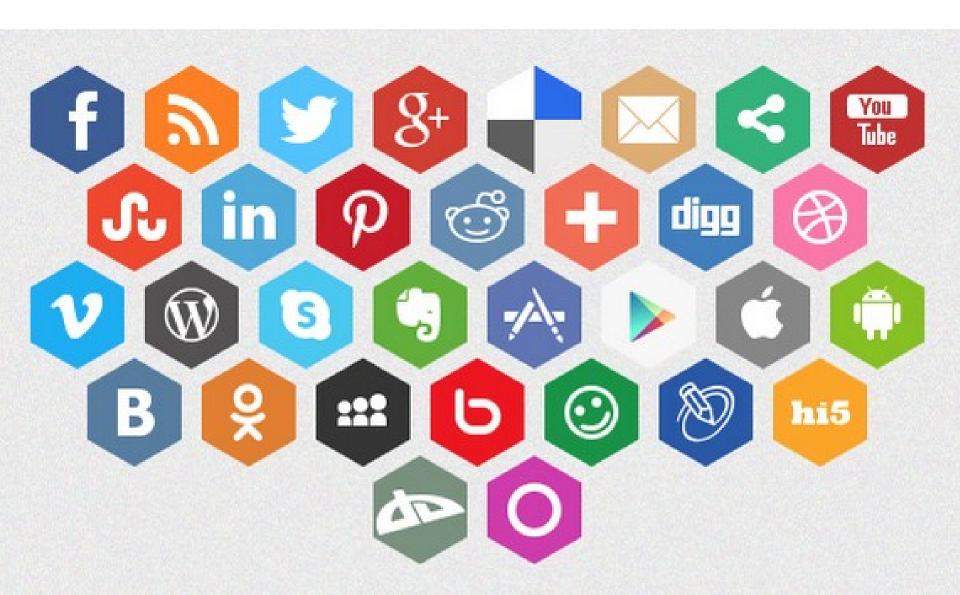




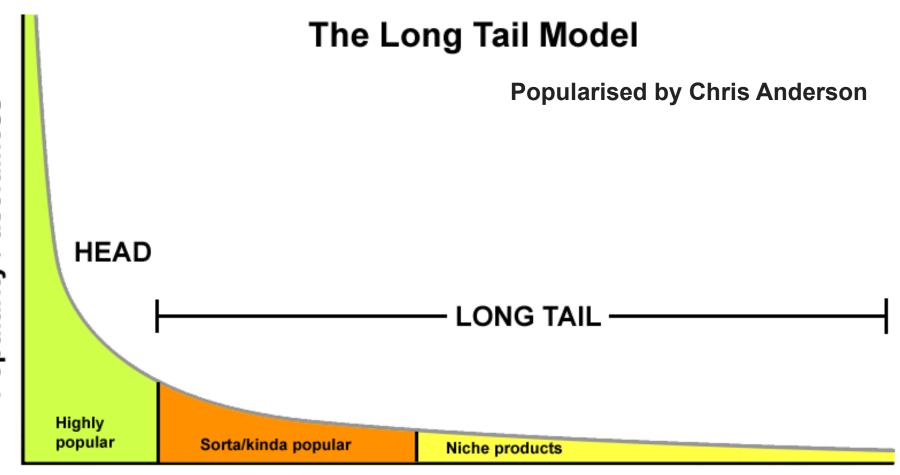




What is making it successful?

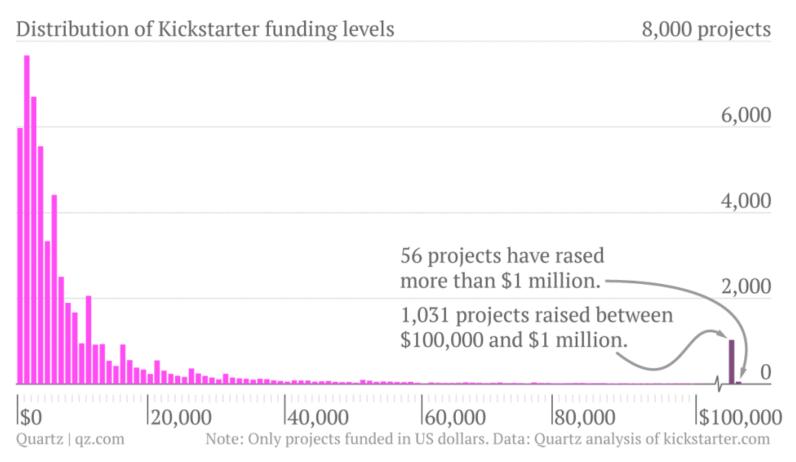


What is making it successful?



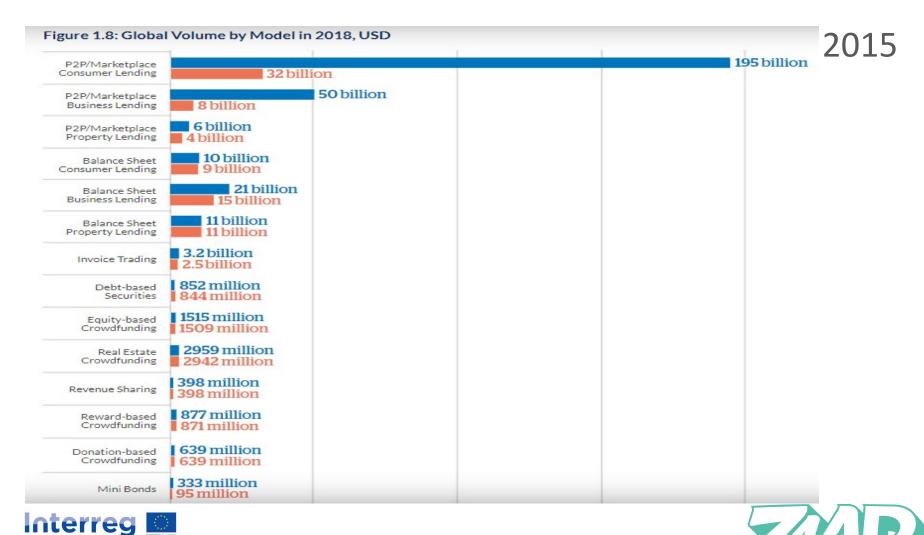
of unique products

What is making it successful?







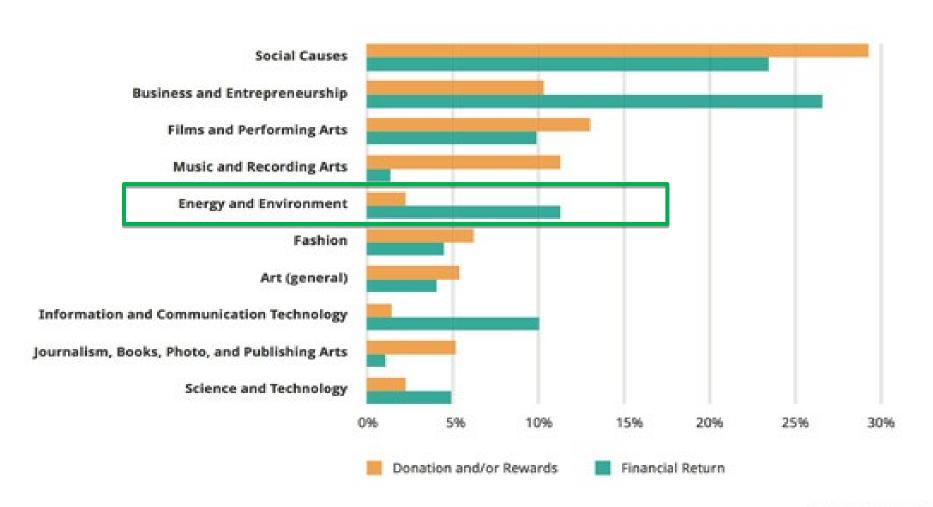




Source: The Global Alternative Finance Market Benchmarking Report

**Orange excludes China





Key Aspects of Crowdfunding

Pre-set Target and Time boxed Campaign

 All or Nothing (AON) or Keep it All (KIA) Campaign types

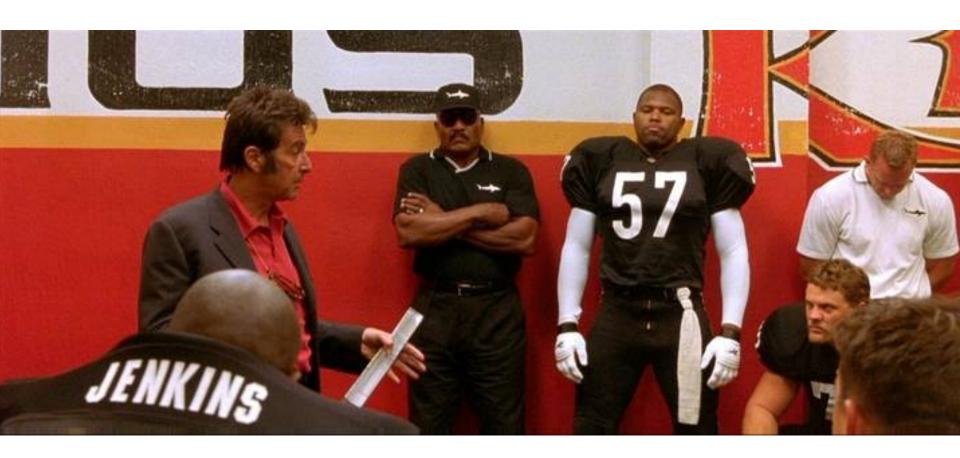




What makes a good campaign?



The Pitch







Source: Any Given Sunday

The Rewards







The (Funding) Target







The Promotion







Pre Campaign



Evaluate your idea – Not all ideas are suitable for crowdfunding (mass market, innovative, unique, solves a problem)



Budget – Establish your required target amount by keeping it as low as possible



Plan - The most successful teams take an average of 11 days preparing for their campaign page.



Set of Rewards – Be fair and give value for money



Research – Learn from others



Gear up your social media



Build a team - teams of more than 4 people raise almost double that one of campaigns with only



Organise your emails (hot, warm, cold)



Plan your launch date and timing









The Campaign



Video



The Pitch



Duration



Rewards

CROWDFUNDING



Imagery (photos, infographics)





Stretch Goals



Launch Event



Chase the early activity



Send Updates



Promotion Promotion



Think like a backer and Thank the backers during and after the campaign



Examples

Seabin Kalkara

A community project to put Seabins all over the Maltese Islands, in order to combat marine debris in our seas.

#Zibel x Strand Marine ► Community ② September 28, 2018 at 12:00 pm



€6,455.00

pledged of €5,500.00 goal

38

backers

0

Days Left

PROJECT CLOSED

Share project





Examples

Feel the Soul of the Sea

Eco Marine Malta aims to develop a sustainable form of tourism. Our marine biologists will share with you the opportunity to encounter cetaceans, turtles and seabirds in their natural habitat.

📤 Eco Marine Malta 🗁 Education 🧿 April 14, 2018 at 9:00 am



€6,195.00 pledged of €5,000.00 goal

pleaged of £5,000.00 go

29

backers

0

Days Left

PROJECT CLOSED

Share project





Examples



SipaBoards. Jet-Propelled, Self-Inflating, Smart Paddleboard

 \$344,638

pledged of \$150,000 goal

284

backers





Other Benefits

Keeping in mind that funding is just a means to an end

- Proof of concept and early market validation
- Marketing tool and PR
- Engage people to refine ideas
- Pre-orders from potential customers
- More loyal customers
- Internationalisation
- Increased confidence
- Means of complimenting other means of financing
- Outreach and attract attention from other investors, corporate word, etc.





Barriers to Crowdfunding

- Not all ideas are appealing for crowdfunding
- Timing issues
- Project Owner charisma and character
- Skills
- Time and Cost
- Legal restrictions and lack of common legislation
- Tax Considerations
- Risks involved
- Fear of Failing
- Fear of Sharing





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