

Empower your crowd

Get your own crowdfunding platform

smallbrooks.com



What is crowdfunding?

Crowdfunding is a way of collecting money for a specific project from a large group of backers. This is usually done online using a crowdfunding platform. In general there are four types of crowdfunding:



Donation

Backers support a project without getting anything in return. Donations-based crowdfunding is often used by individuals, charities and NGOs.



Reward

Backers support a project and get a reward in return. Reward-based crowdfunding is often used by companies to finance the development of a new product: the reward is then the final product.



Debt

Also called crowdlending, peer-to-peer lending or marketplace lending. Backers lend out money and get interests in return.



Equity

Backers invest in a company and get ownership of the company in return.

Projects are usually open for funding from all registered users of the crowdfunding platform. It is also possible to create closed projects that are only accessible by invitation from the project owner. We call this **Network Projects**.

Did you know?

The base of the Statue of Liberty was financed with crowdfunding. In 1885 the newspaper mogul Joseph Pulitzer created a crowdfunding campaign through his newspaper. More than 160,000 donors contributed.



Crowdfunding projects

Reward: **Dyrehøj Vingaard**

Dyrehøj Vingaard is Denmark's largest vineyard. The climate in Denmark is perfect for producing white wines, spirits and sparkling wines. Dyrehøj Vingård received \$20,000 from backers to buy a set of machines to be used in the production of their sparkling wines. Rewards included tours of the vineyard, wine tastings and bottles of wine and spirits.



Loan: **Retap**

Retap is a producer of environmentally friendly water bottles. They used crowdlending to finance their expansion to the American market and was the first company in Scandinavia to do so. They borrowed \$30,000 from 11 lenders at a lower interest rate than the bank could offer. Since their initial loan, Retap has taken out two more crowdlending loans.



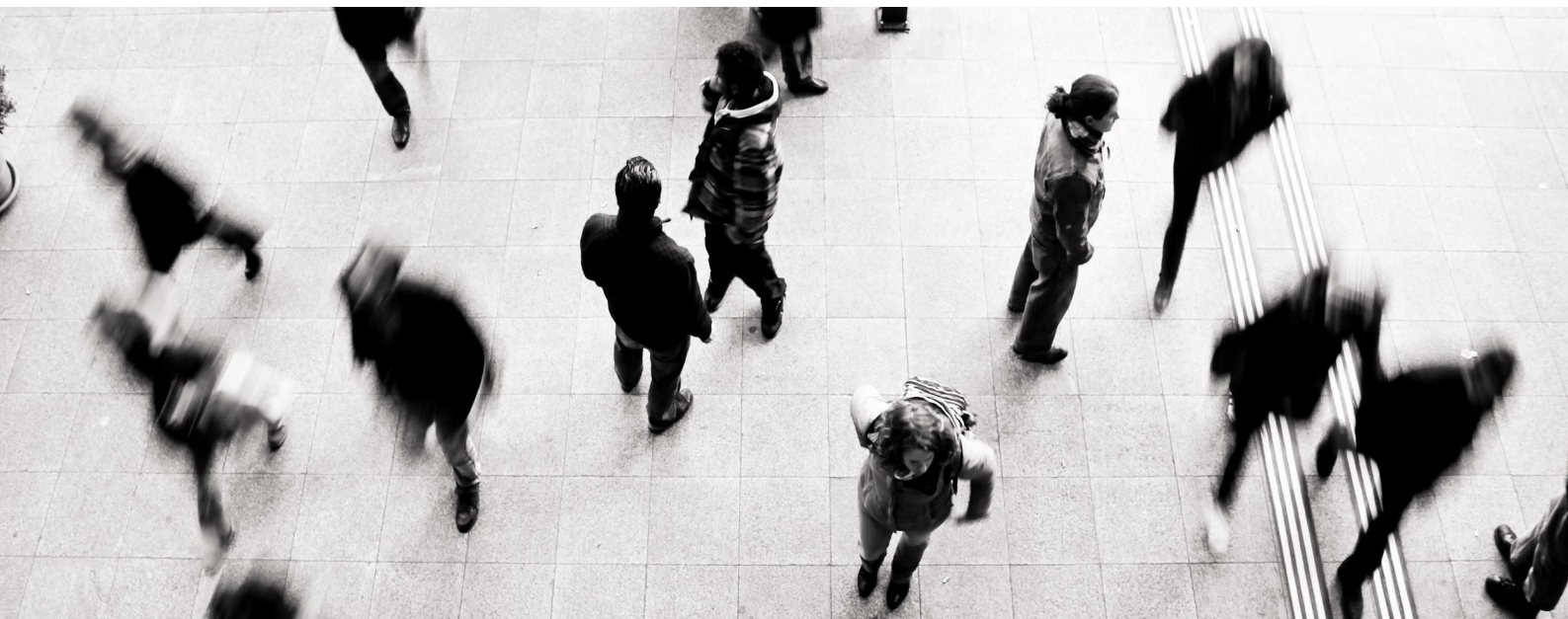
Network loan: **Ravnkilde**

In Ravnkilde, a small village of about 500 residents in the north of Denmark, the last grocery store was on the brink of closing. By creating a network loan with 0 % interest and inviting only the local community to participate in the funding, the store managed to raise \$75,000 from members of the local community. More than 100 organisations and people from Ravnkilde contributed to the loan with loan shares ranging from \$30 to \$6,000.



Why run your own crowdfunding platform?

A lot of people have become aware of the benefits of using crowdfunding to fund their projects. But what's in it for the organisation running the platform?



Engage your crowd

By offering another way to stay in touch with the organisation, the relationship with and between its stakeholders (customers, members, suppliers etc.) is strengthened.

Empower your crowd

Stakeholders feel more involved with the organisation's decision-making processes.

Ask your crowd

Corporations can gain market knowledge, test demand and get feedback on new products before they are put into production.

Branding

Strengthen your brand by helping your members raise funds for and awareness of their favourite projects. Members can also gain knowledge from the crowd, increase their network, create awareness etc.

Local economic development

Strengthen the local economy by providing a new way to raise funds and start local projects.

Earn money

Set your own fee structure on the platform and increase your revenue.

Did you know?

A study from 2016 shows that more than 20 % of all crowdfunding platforms are owned by large organisations.

Who can benefit from running their own crowdfunding platform?

These are just some examples of industries and types of organisations that can benefit from running their own crowdfunding platform:



Financial institutions Customers fund each other



Cooperatives Members support projects from fellow members



Cities Locals fund parks, playgrounds, local events, culture projects etc.



Utility companies Users fund supplier projects (e.g. new solar or wind farms) and receive utility in return



Corporations Suppliers test new products on the corporation's customers



Sports Fans and supporters sponsor their clubs and athletes



Universities Alumni fund university start-ups, research, campus projects, and individual students



Entertainment Fans sponsor television productions or movies



Umbrella organisations Member organisations and their members raise money for different projects



Music Fans sponsor concerts, tours, album recordings etc.



Unions and trade associations Members support projects within their industry



NGOs and charities Members and non-members support specific projects

Did you know?

Building your own crowdfunding platform with Smallbrooks allows you to design the platform to completely fit your needs.

Case: Coop Crowdfunding



We have been very happy with our collaboration with Smallbrooks. From the very beginning we've experienced a trusting dialogue and a clear understanding of our needs and wishes. Developing the platform was quick and efficient - and it was delivered on time. Furthermore, both the usability and the tech work perfectly.

Nicolai Jæpelt
Head of Coop Crowdfunding



Coop is Denmark's biggest retailer with over 1,200 stores and an annual turnover of \$7 billion. Coop wanted a new way to engage its 1.7 million members. They contacted Smallbrooks and in April 2017 Coop Crowdfunding was launched. Coop Crowdfunding provides a way for Coop's suppliers and other food producers to raise funds from its members. The platform offers loan, reward, and donation projects.

In addition to improving their relationship with suppliers and members, the platform also provides Coop with important data on what their members like and which suppliers can deliver on time. This way they can test a new product or supplier on a smaller scale before buying it in bulk and selling it in their stores. Furthermore, Coop Crowdfunding has received a lot of positive media coverage, thereby improving the Coop brand.

Case: Lendino



Did you know?

Smallbrooks is a sub brand under Lendino. Having spent years building a sophisticated crowdfunding platform the founders decided to create a dedicated IT company offering a software as a service (SaaS) solution. This way organisations wishing to run their own crowdfunding platform do not need to spend years building it from scratch.



Lendino is Denmark's first crowdlending platform for business loans. It was started in 2014 by the founders of Smallbrooks and offers loans to Danish companies.

Lendino's mission is to offer Danish companies a cheaper and more convenient alternative to traditional bank loans while giving investors an attractive return on their investments..

Since 2014 Lendino has facilitated loans to small and medium-sized companies within all industries. Lenders invest in a loan and receive repayments and interests in return.

Get your own crowdfunding platform

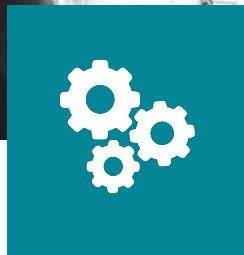
How does it work?

Why spend a lot of time and money building your own crowdfunding platform when you can have one tailor-made to suit your organisation's needs? A Smallbrooks platform is:



Safe and robust

The underlying software has been thoroughly tested and has been running for years without any breakdowns, miscalculations, security breaches or data leaks.



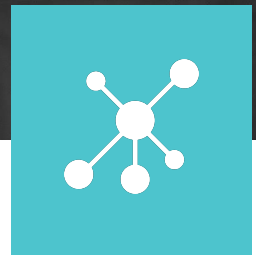
Fully flexible

The platform can be completely adjusted to your needs and your design. It handles loan, reward, donation and equity projects. Any other needs? Just ask us!



Scalable

The platform lives in the cloud and has scalability worked into its core design. Whether you have a hundred or a million users makes no difference.



Modular

Use modules to integrate with existing systems or third-parties such as providers of KYC or credit ratings. Create your own modules, or use ours.

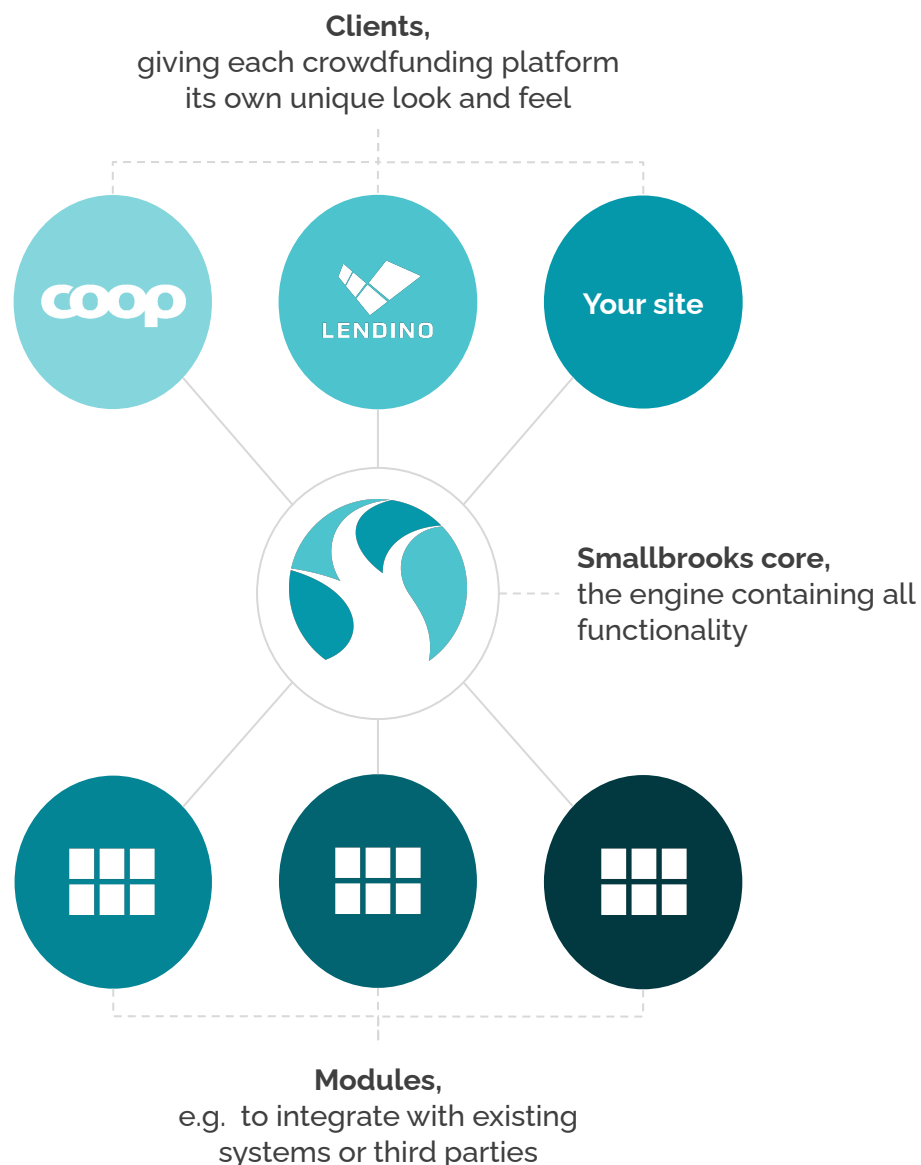
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How does it work?

A Smallbrooks crowdfunding platform is built by connecting a customised HTML client to our core crowdfunding engine. The engine contains all the logic and functionality for crowdfunding, and the client contains the look, feel and configuration needed for your specific platform.

In this way, we don't start from scratch when creating a crowdfunding platform: only a new HTML client has to be built. You can even build one yourself.

You can also add different modules that can integrate with existing systems or third-parties such as providers of KYC, automated payments, credit ratings or application forms.

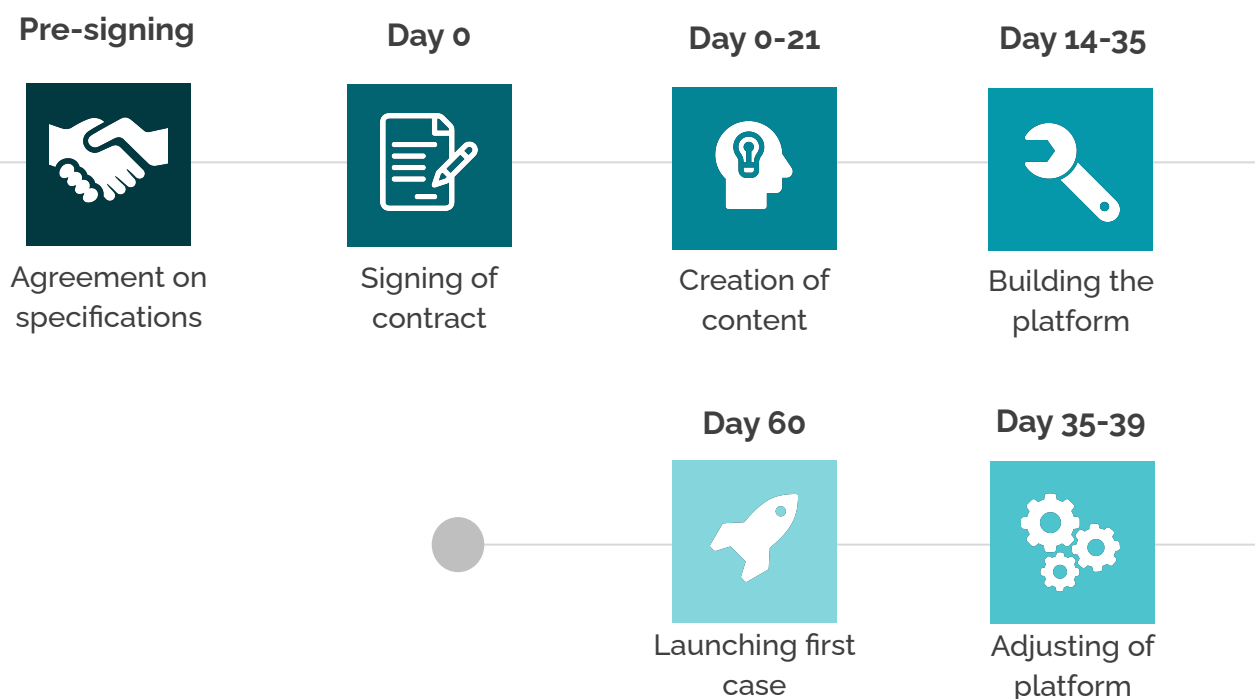


Process and time

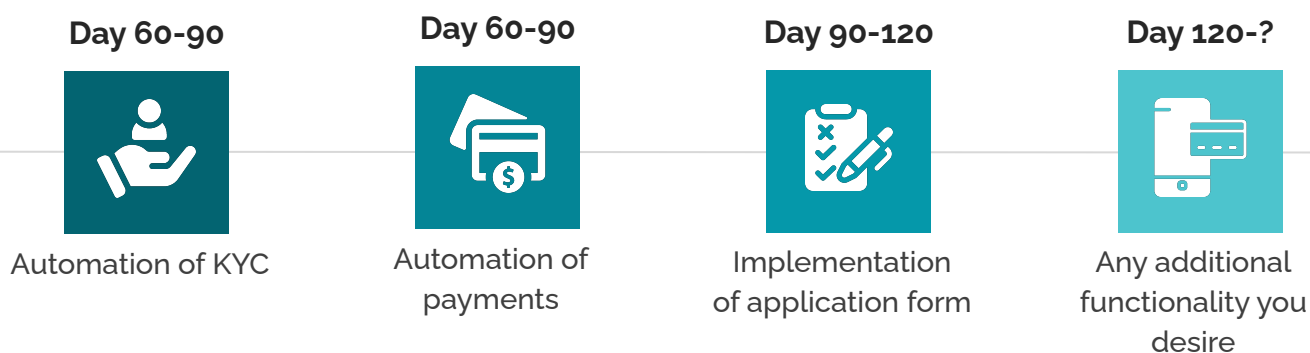
Launching your own crowdfunding platform doesn't have to be difficult or time consuming. Instead of spending time and money building your platform, you can put effort into securing the first and second rounds of projects. That way you will be ready to launch in no time.

In a hurry to launch? Agree with Smallbrooks on a minimal viable product and let the extra functionalities be built into the platform later on.

Minimal viable product



Extra functionalities (examples)



Strengthen the relationship with your crowd

Smallbrooks is an IT company based in Copenhagen, Denmark. The Smallbrooks team are proven experts in the creation of crowdfunding platforms.

Get in touch



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