



HEI MAKERS

# SECTION #2

# FUNDING YOUR IDEA

Technological Entrepreneurship Module



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## 2.1. FUNDING IDEAS

- Aim: To determine what is expected of a business relative to financial support, strategy in finance.
- Expected learning outcomes: Able to focus business towards a particular group of people on the basis of funding.

Duration	?? academic hrs
Author / Lecturer	Name Surname, organisation
Delivery methods	Individual / Teamwork / P2P
Evaluation methods	Test / Report / Feedback / Exam etc.

# FUNDING IDEAS

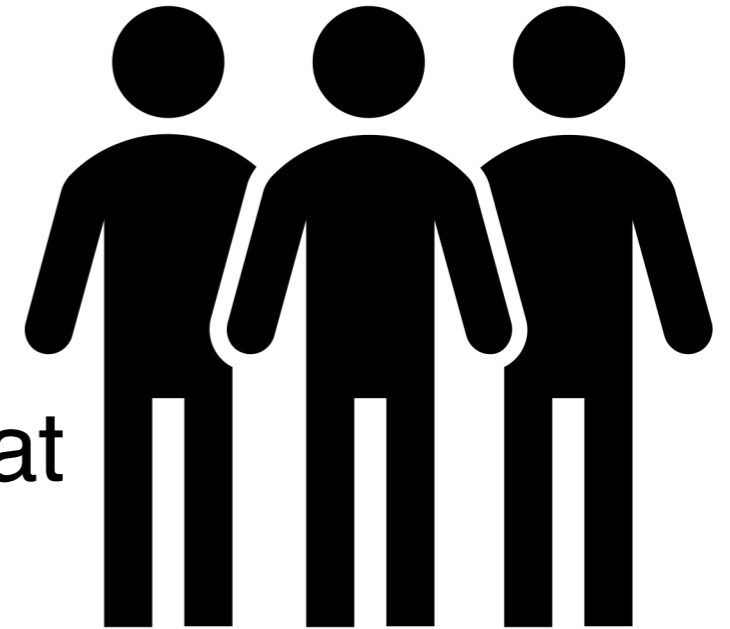
When looking for funding opportunities one must really understand if she/he needs an investor and if investor need you.



# FUNDING IDEAS

## Friends and family

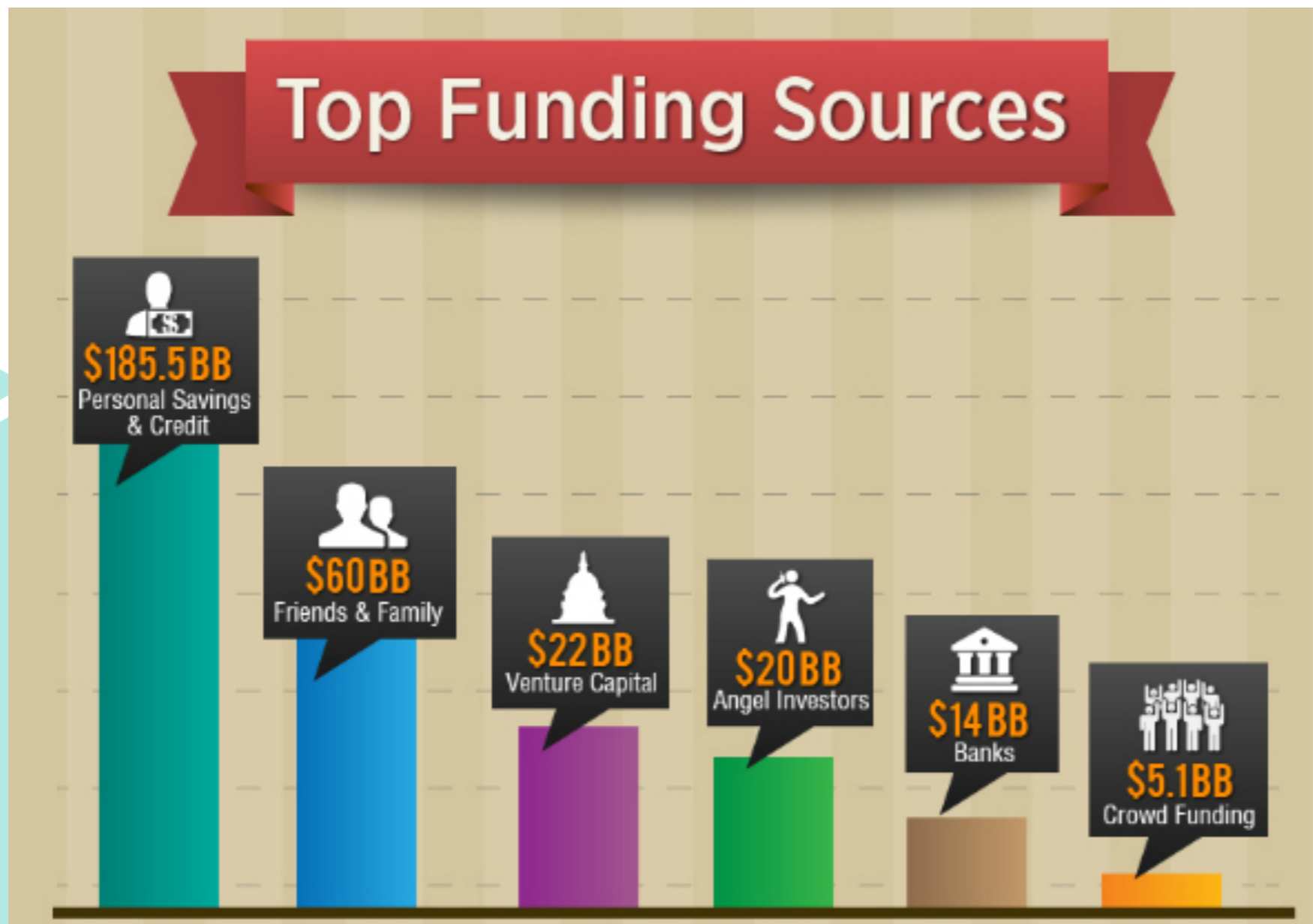
One of the easiest ways to get the financing. Though the amount of the funding may not be sufficient, but is a great resource to jump start your idea.



All financing need to be followed with legal requirements, thus entrepreneurs must know what legal requirements are before taking the first dollar of investment, even if it is from the family or friends.

# RESEARCH

Results of the research that has been done to find out the top funding sources



# FUNDING IDEAS

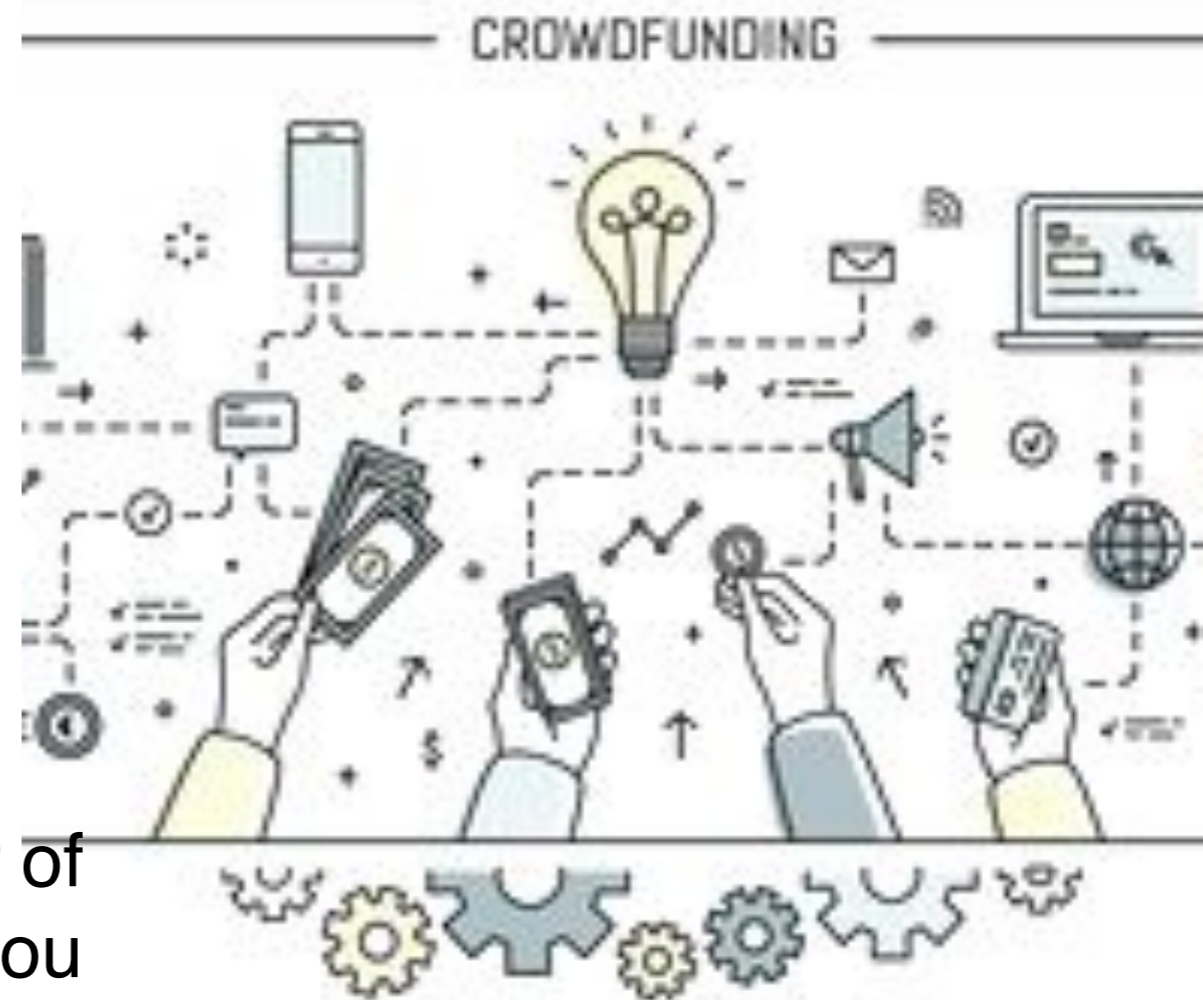
## Crowdfunding

It is a method of funding by raising small amounts of money from a large group of people, usually using the internet.

Benefits of using the crowdfunding:

Reach – by using different platforms of crowdfunding, you can access huge number of accredited investors, who can interact with you and your fundraising campaign.

PR & Marketing – from the launching stage to closing the campaign, you can use different marketing tactics to attract not only investors, but create a big crowd of users.



## 2.2. INVESTORS

- Aim: To deepen understanding about the sources of funding available to entrepreneurs and the importance of networking.
- Expected learning outcomes: Understanding of key funding sources and how to select the most appropriate relative to the needs of the business.

Duration	?? academic hrs
Author / Lecturer	Name Surname, organisation
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# INVESTORS OVERVIEW

- Angel Investors – Individuals who invests in start-up businesses (slide 28-30)
- Venture Capitalists – Person or company that invest their capital in start-up companies that are believed to have long-term growth potential.(slide 31-32)
- Networking – Building expansive network by interacting with professionals (slide 33)



# FUNDING IDEAS

**Angel Investors** can be anyone investing in the entrepreneurial company. The angel investors might be the ones you know and don't know. For example, lawyers, doctors, business associates. Their motivation is focused not solely on profits, but their believe on the product.

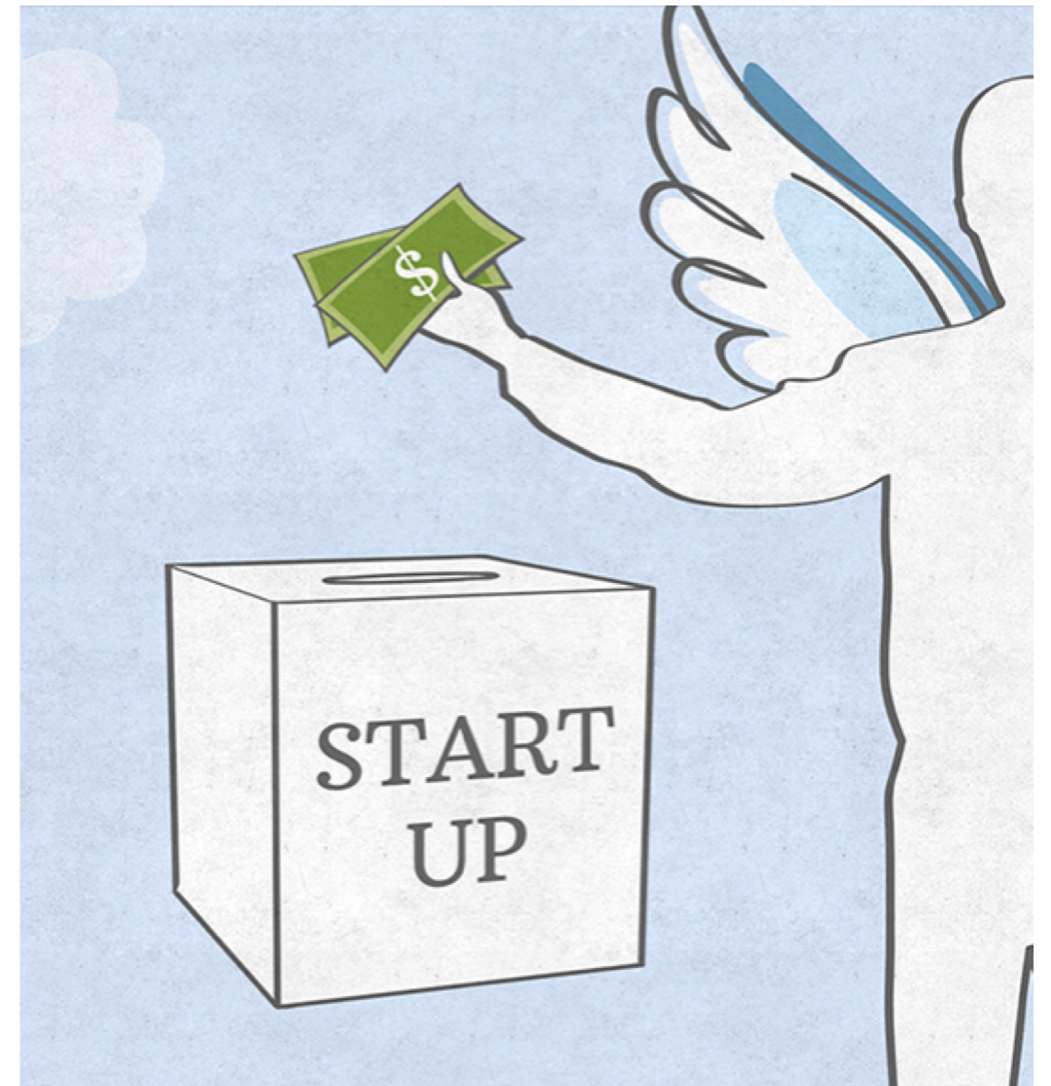
To access an angel investors, you need to search people in your network, who might be willing to support your idea, as well as expand the contact list to the people that you may not know, but have experience and passion in the industry your product or service will be serving.



# FUNDING IDEAS

## The value of Angel Investment

- Access to qualified deal flow
- Giving back to the community
- Spearhead innovation and entrepreneurial pursuit
- Mentor the next generation of entrepreneurial leaders
- Shape the future economy



# The Cyclical Wonder and Benefits of Angel Investing

## Fuel Entrepreneurial Spirit

Keep the passion for entrepreneurship vibrant through Angel investing in start-ups, while reinvigorating your own by taking part in a start-up's journey.



## Accept Risk & Pursue Greater Financial Returns

Assume a high risk when seeding a start-up as an Angel investor, in exchange for the possibility of high returns. Although that possibility exists, the associated intrinsic value ultimately entices one to become an Angel investor.



## Give Back to the Community

Invest in start-ups in your local community to maintain, if not advance, its economic welfare.



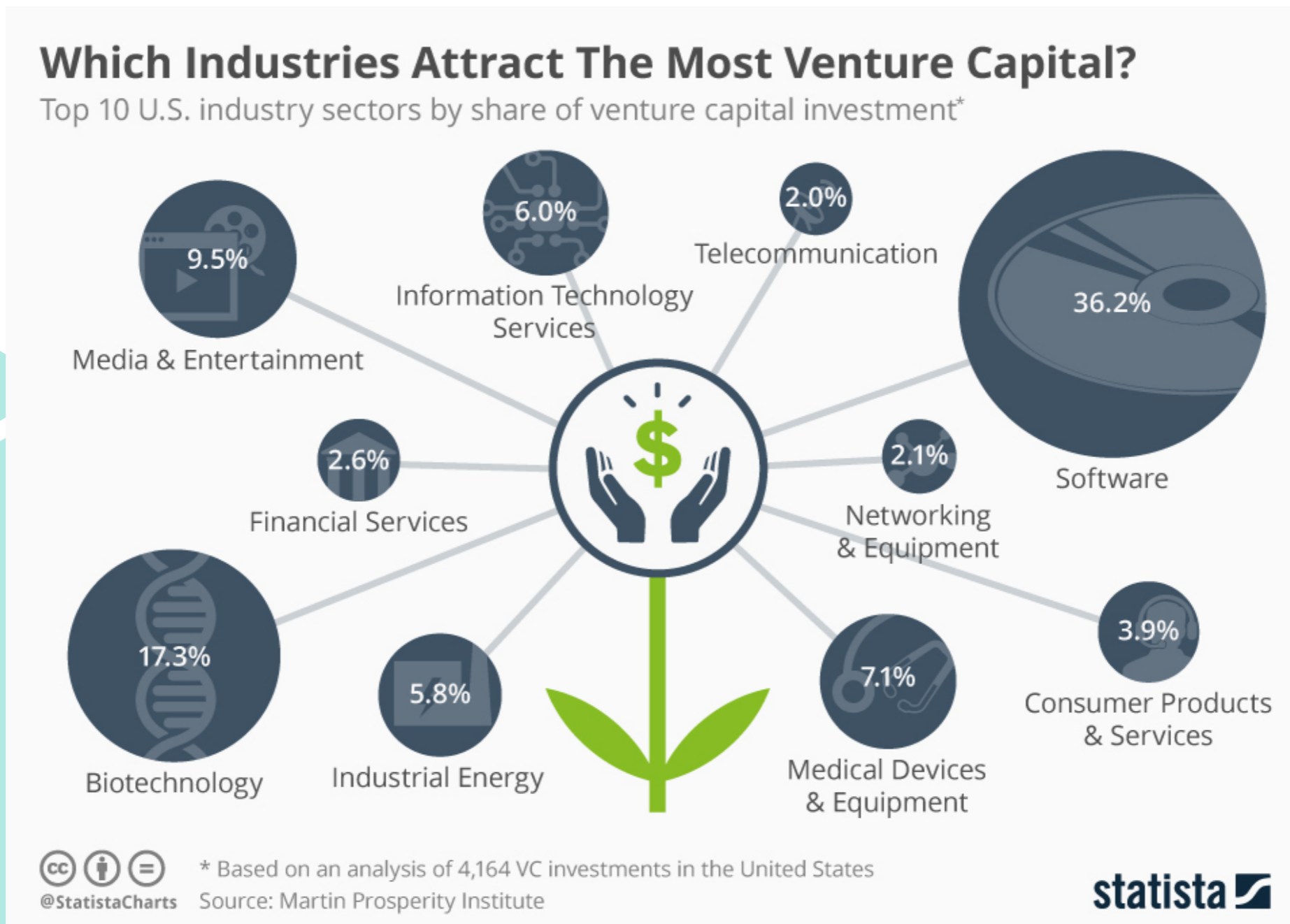
## Shape the Future Economy

Assess promising technologies of tomorrow, the mentor and/or sit on the board of a start-up to guide them to economic success, which also can produce investment returns for you.



# FUNDING IDEAS

The graphic show the top industries that attract the most Venture Capital



# FUNDING IDEAS

## Networking

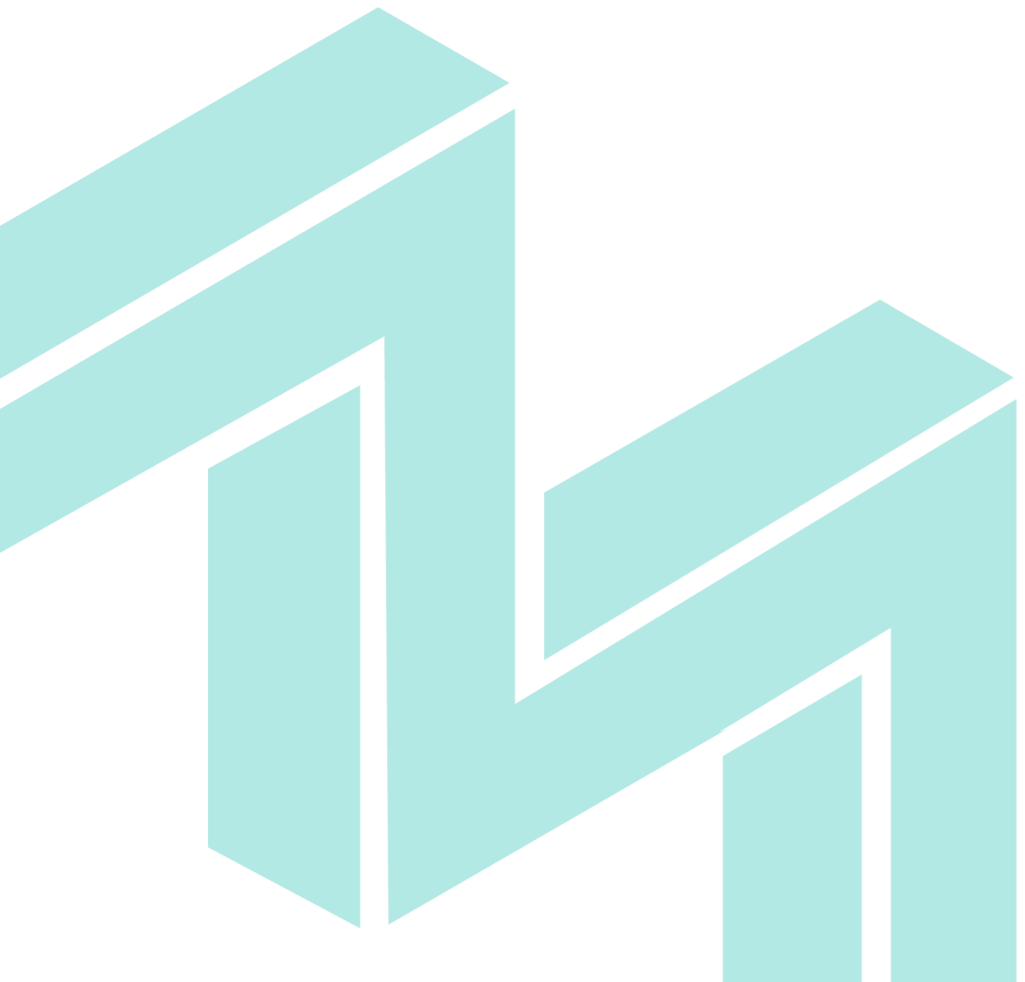
This is the best tool to get the words spread about the idea of the business, and can lead to future collaborations. Participating a different events and pitching your ideas will help to build a wide network of interested people, raise money, build a community that is already motivated to use your product or service. A strong network is one of the greatest assets business can have.



# CASE STUDY

Case study Cranfield University:

[https://www.salixfinance.co.uk/system/files/documents/cranfield\\_university\\_case\\_study\\_higher\\_education\\_january\\_2019\\_web.pdf](https://www.salixfinance.co.uk/system/files/documents/cranfield_university_case_study_higher_education_january_2019_web.pdf)



# TASKS FOR REFLECTION

- Consider the details relative to Cranfield University. What are the positive and negative aspects of the investment they received from Salix Finance?
- How would you define Salix Finance in investment terms e.g. are they angel investors? How do you know this?



# FURTHER LEARNING

## **5 Steps to Funding Your Business:**

<https://www.youtube.com/watch?v=W2S7tj-bCFU>

## **What is an Angel Investor?:**

<https://www.youtube.com/watch?v=Cb-6XRACoEU>

