

## Strategic Technology and Innovation Management Programme

# Capturing “White Space” R&D Opportunities using Equity-Crowdfunding

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## Aim

To test the need for alternative sources of ideas and funding for ‘white space’ opportunities in R&D.

## Approach

- A literature review was conducted.
- Alternative funding types were investigated incl. crowdfunding.
- Members of the STIM consortium provided access for interviews.
- In all 16 interviews were conducted and analysed.

## Deliverables

A report and a mapping of the steps used in a crowdfunded campaign by investors and inventors/start-ups (see diagram).

## Findings

- Companies are increasingly looking to 3<sup>rd</sup> party or public sources for broader access to ideas and funding in order to spread the risk of certain R&D projects.
- Crowdsourcing has already been proven to provide access to new ideas (Massolution, 2013a).
- Crowdfunding is emerging as a future avenue for funding industrial R&D and innovation projects.
- Equity Crowdfunding is a promising future source of funding. Decision speed is a key factor in ECF deals.
- This approach does not yet have traction amongst established businesses.

## Next steps

Write up of the STIM project briefing note for practitioners.

