

Business Funding Secrets



Most startups require seed funding. Getting funding for your new business can be a long and difficult process for many entrepreneurs. You can reduce the time and work when getting funding for your business by following these simple tips.

1. Choose Your Funding Sources Wisely

If you want to start-up a plumbing business there is little point in seeking funding from a crowdfunding website or an Angel Investor. There is nothing wrong with the business, it's just not the most efficient way of funding a trade based business.

When trying to find your business, its very important you focus your attention on getting funding from the right places.

2. Be Realistic About How Much Money You Want

Be realistic about how much money you need to start the business, remember business funding isn't just a one-time event. Businesses need funding from external sources throughout their life-cycle.

If you are seeking investment for the first time in your business you are looking for seed funding, this means you need just enough to get the business going and start generating revenue. Seed stage funding is the most difficult to obtain, purely because you have no business history. However, once you have established the business it is likely the people who turned you down for seed funding will be literally throwing money at you.

3. Be An Expert

Nothing infuriates an investor more than an entrepreneur who doesn't understand his business model and the market. You should know everything about your business, the market and your competition.

4. Experience Counts

Even if you are an expert, it is recommended that there is some relevant experience within your team. If you do not have experience in the sector find an experienced co-founder or non-executive director provide investors with assurance.

5. You Can Compete With The Major Players

An investor will not invest in your business if the route to market is too difficult.

There is nothing wrong in creating a disruptive startup, but if you need to spend vast amounts of money to enter the market it means you will struggle to get funding.

You will have to think of a way to go around the market instead of competing head on straight away with huge companies.

6. You have put money into business

Why someone would put money into your business when you haven't?

An investor will usually expect you to have invested financially into the business, however if you can demonstrate you have put considerable amounts of time into developing your business this maybe acceptable.

7. Your Business Meets Investor Expectations

Quite simply your business has to exude confidence that you will be able to deliver what you say and provide the investor or funding institution with what they want.

Angel Investors, VC's & Capital Crowd-funders - They want a good return on their investment in the next 2-5 years. You need to demonstrate that your business will be attractive enough for a buyout within this time-frame.

Banks and Loan Companies - They want to be sure you can repay money with interest.

Rewards Crowd-funders - They want to know you can fulfil your order and it represents value for them.

Business Grants - Your business meets the criteria, and in case if you have competition from other businesses, your business is the most deserving of the money.

About Us

We advise entrepreneurs on how to start, grow and improve their business. From coming up with a business idea to rapid scale-up and competing with established brands, we help you to build a successful business quickly and successfully.

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The Business Launcher

We have developed a business startup package that provides you with all the information and tools you need to start your business.

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