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Women outperform men in seed crowdfunding, according to analysis by PwC and The Crowdfunding Centre

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New report shows that while more men use seed crowdfunding than women, women are more successful in reaching their finance goals than men in all sectors and geographic regions across the globe

- **This analysis of over 450,000 seed crowdfunding campaigns from nine of the largest global crowdfunding platforms shows that female-led campaigns were 32% more successful at reaching their funding target than male-led campaigns**
- **While men typically seek higher funding targets, globally female-led projects achieve a greater average pledge amount than male-led projects: on average each individual backer contributes \$87 to women and \$83 to men (a difference of almost 5%)**
- **In Asia female-led campaigns have twice as much success as male-led campaigns, however male-led campaigns on average achieve \$25 more per pledge (a difference of 31%)**
- **In ASEAN, female-led campaign success rates stand at 11% compared to an 8% male-led success rate, with male-led campaigns achieving \$19 more per pledge.**
- **Even in more male dominated sectors, such as the technology sector, where there are nine male-led campaigns to every one female-led campaign, female-led campaigns are more successful, 13% to 10% respectively**
- **The US and the UK are the most thriving countries for seed crowdfunding with the largest volumes of campaigns. In both countries, 20% of male-led campaigns reached their targets compared with 24% and 26% of female-led campaigns respectively**
- **However, men continue to use seed crowdfunding substantially more than women and raise substantially more finance than female-led campaigns; 89% of campaigns raising over \$1 million were male-led campaigns compared with 11% of female-led**

Singapore, Wednesday 12 July 2017: PwC and The Crowdfunding Centre today launched their joint report, *Women Unbound: Unleashing female entrepreneurial potential*, which explores the experience of women in achieving finance raising success through seed crowdfunding compared with more traditional finance raising routes.

The report findings, which are based on two full years of seed crowdfunding data (2015-16) tracked by The Crowdfunding Centre, include the results of over 465,000 seed crowdfunding campaigns from nine of the largest crowdfunding platforms globally.

The report finds that while men clearly use seed crowdfunding more than women, women are more successful at crowdfunding than men. Seventeen percent of male-led campaigns reach their finance target, compared with 22% of female-led campaigns. Overall campaigns led by women were 32% more successful at reaching their funding target than those led by men across a wide range of sectors, geography and cultures.

Here in Asia, 6,713 campaigns were analysed and 14% of female-led campaigns reached their finance target compared with just 7% of male-led campaigns. While in ASEAN countries there were 1,973 campaigns, with female-led campaign success rates standing at 11% compared to an 8% male-led success rate.

Crowdfunding is a disruptive innovation which has provided new routes to funding for individuals, startups and growth businesses. It enables them to engage and interact directly with the market and with thousands of backers, supporters, customers and potential partners like never before. Seed crowdfunding is the use of 'rewards based' crowdfunding platforms to fund the creation, launch or development of new businesses, products and services where backers pay upfront for a product, service or project. Since its inception, seed crowdfunding's footprint has continued to spread with the levels of finance raised through the nine platforms analysed in this report jumping from \$10 million in 2009 to over \$767 million in 2016, with backers from over 200 countries.

Women-led campaigns performed better in terms of securing their funding goals than campaigns led by men when we segregate the data for every sector and every country. In countries with the largest volumes of seed crowdfunding, the UK and the US, 20% of male-led campaigns reached their

targets. Yet female-led campaigns outperformed, with 24% of women in the US and 26% of women in the UK successfully reaching their campaign funding target.

This trend continues in countries where seed crowdfunding is not yet as wide-scale or successful. For example, 11% of female-led campaigns in Africa were successful compared with 3% of male. And in E7 countries (China, India, Brazil, Mexico, Russia, Indonesia and Turkey), 10% of female-led campaigns reached their goals compared to 4% of male-led campaigns.

Even in what some consider to be more masculine sectors, for example technology, where we see nine male seed crowdfunders for technology ventures to every one female crowdfunder, 13% of women were successful in achieving their funding goal compared to just 10% of men. Similarly, in the digital technology sector, where there are three male-led campaigns to every one female-led, women achieved a 16% success rate compared to just 9% for men.

Co-founder and CEO of The Crowdfunding Centre, Barry E James says:

“Who could have expected that when the middle-men are removed from the equation, and women and men entrepreneurs get equal and direct access to the market, it would turn out that women would, immediately and decisively, outperform the men, across the board? Shining a new light on the endemic imbalance and the causes that have long fueled limited access to finance for female entrepreneurs via traditional financing routes. That only half as many women currently embark on a crowdfunding campaign is undoubtedly a reflection of low expectations stemming from the same roots. So, in that light, it's time to readjust not just our expectation and perceptions but our attitudes, institutions, behaviours - and the way we make decisions.”

Female crowdfunding success is in stark contrast to established funding mechanisms for business startups and growth in which women-led businesses continue to face barriers to accessing finance.

Patrick Yeo, Venture Hub Leader, PwC Singapore, says:

“We have witnessed remarkable growth in the adoption of seed crowdfunding

in ASEAN, despite it being relatively nascent as compared to Western countries such as the US or UK. It is heartening not just to see the growing adoption of crowdfunding, but also the success of female entrepreneurs – in ASEAN female entrepreneurs are punching above their weight and globally, more female entrepreneurs are seeing success in traditionally male-dominated sectors like the technology sector.

“We look forward to be able to work with more of such inspiring and innovative female entrepreneurs to help them bring their products and services to market.”

There is however room for even greater progress. Significantly more men are seed crowdfunding than women and as a result men raise substantially more finance via this channel. Men are also more ambitious in establishing higher funding goals than their female counterparts and we see them dominate in the highest funded campaigns by sector. The report highlights that 63 campaigns raised over \$1 million but of these, only seven (11%) were led by women, with the most funded campaign created by a woman placing number 18 on the list. In Asia, male-led campaigns buck the global trend with men also achieving substantially higher average pledge amounts, \$105 to an average pledge amount of \$80 for female-led campaigns (a difference of 31%). Similarly in ASEAN the average pledge for female-led campaigns is \$70 compared to \$89 for male-led campaigns (a difference of 27%).

Karen Loon, Diversity Leader, PwC Singapore, says:

“Significant opportunity still remains for women to become more active and represented in crowdfunding and to be more ambitious when establishing their finance raising goals. We hope the success of female crowdfunders highlighted in this report motivates more budding and established female entrepreneurs to explore crowdfunding and invoke confidence and belief in their entrepreneurial talent and opportunities.”

This report aims to create visibility of the potential barriers that female-led businesses and entrepreneurs appear to have long faced in accessing finance; highlighting that opportunities for women entrepreneurs do not seem to have been equal. But thanks to crowdfunding, entrepreneurs can now access the market directly – and this makes a huge difference.

Above all, this crowdfunding data shines a more visible light on both the challenges and opportunities to which we must respond. Eradicating any potential barriers that seem to be more prevalent in traditional finance routes provides opportunities that will benefit women and men, business and society. The report outlines actions that governments, funders, business advisers, educators, entrepreneurs, women and men can take to seize these opportunities and eradicate any such barriers.

ENDS

Notes

1. To find out more and download *Women unbound: Unleashing female entrepreneurial potential*, visit www.pwc.com/womenunbound. The report is based on two full years (2015-16) of seed crowdfunding campaign data tracked by The Crowdfunding Centre from nine of the world's largest crowdfunding platforms. Financial figures in this press release are in USD.
2. To explore the data by country, region or sector, visit www.pwc.com/womenunbound.
3. PwC is committed to promoting diversity and inclusion and has a range of programmes in place to advance progress on the issue. These include [Aspire to Lead: The Women's Leadership Series](#), a global forum on women and leadership for students around the world. PwC has also partnered with the UN Women's [HeForShe](#) campaign, which aims to mobilise one billion men and boys as advocates and agents of change in ending the persisting inequalities faced by women and girls globally.
4. To read PwC research on women in the workplace, take a look at [The female millennial: A new era of talent](#); [Next Generation Diversity: Developing tomorrow's female leaders](#); [Millennials at work](#); [Modern mobility: Moving women with purpose](#); and [Winning the fight for female talent: How to gain the diversity edge through inclusive recruitment](#).
5. PwC Singapore's Venture Hub provides a single point of access to address challenges and explore opportunities within the venture ecosystem by collaborating with investors and entrepreneurs. To

- find out more about the Venture Hub, visit www.pwc.com/sg/en/financial-services/venture-hub.html
6. Find out more about The Crowdfunding Centre's business funding accelerator for women at www.BizFundingAccelerator.com/BeBoldForChange and learn more about to use seed crowdfunding as a tool of choice to secure positive cashflow and market validation at <http://routesto.info/toolsforwomen>

About the Crowdfunding Centre

The Crowdfunding Centre is crowdfunding's global observatory, founded by Barry James and his team in 2013 which now provides the world's largest repository of data on crowdfunds harnessed to provide data and evidence based reports and tools for business, government, entrepreneurs, investors and academia. Find out more and get reports and data for your sector, country or city by visiting TheCrowdfundingCentre.com

About PwC

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