Title: How To Successfully Crowdfund Your Company

Blurb: Former UCI Alumni, Jeffrey Maganis told students how to successfully crowdfund at Lunchtime LaunchPad held at the Blackstone LaunchPad on February 2, 2015.

Jeffrey Maganis raised half a million dollars for his company. Maganis told students at UCI how he was able to do so through crowdfunding at Lunchtime LaunchPad held at the Blackstone LaunchPad on February 2, 2015.

Crowdfunding is funding a project or company by raising money from a large number of people through online resources. They are not buying a product, but funding an idea.

He presented the highest crowdfunded battery pack on Indiegogo: the worlds smallest portable power outlet. It allows anyone to charge their phone, laptop, digital camera, and even curling iron anywhere without having to rely on a wall outlet. It is lightweight and can fit in anyones purse, backpack, and sometimes pocket. Maganis launched it six months ago and has raised over 400 thousand dollars.

Former UCI Alumni and CEO of ChargeAll, Maganis has built a successful business on the low battery problem. His first product was a cell phone charging station that includes 10 of the most popular charging tips. It was one of the first cell phone charging stations. From there he created more products that charge low batteries.

“You can crowdfund anything,” Maganis said. “It is the ultimate test for your product. If it is good people are willing to give you cash without ever getting the product yet.”

The three most popular websites to crowdfund are: Kickstarter, Indiegogo, and Gofundme. Kickstart gets more traffic than Indiegogo. But, Indiegogo allows the user to follow whoever visited the page with a pixel to all their social media websites. Gofundme is more popular in movement type products.

“I’m a firm believer that when you’re doing crowdfunding you never selling a product, you’re always selling your story,” Maganis said.

Maganis knows what people are interested in. For his product, Maganis’ story was the world's smallest portable power outlet. But, some others could have been: ultra high capacity battery pack, world's first laptop charger, power your curling iron. Having many variations creates a successful crowdfunding campaign by allowing the product to resonate to a variety of people.

He then mentioned how to find a core audience. To do find his, he had different test that included Coachella music festival and campers. He related to those whose phone died during the festival, or those who wanted to use amenities outdoors. He also did digital marketing with Facebook ads. Facebook is a good marketing tool to test what customers resonate the most. He found out his core audience is an 18 to 40 year old male who's interested on Facebook were: early adopter, crowdfunding, iphone, ecommerce, and annual household income was a million dollars or more.

Maganis is extremely data driven and wants to know what brings in money. He found out that only 15 to 20 percent of his funds came from public relations and social media. They were the largest audience, but the conversion rate wasn't equivalent. Social media doesn't convert into true dollars. The view from his core audience gave the most results in donations. Twenty percent of funds come from the media, while 40 to 60 percent come from internal newsletter campaigns like Indiegogo and Kickstarter.

“These crowdfunding projects are your holy grail,” Maganis said.

He then spoke about interesting products. The most popular crowdfunded products are around $50 to $100. They are also related to film, technology, and are easy for people to understand. An entrepreneurs ultimate goal is to be able to explain why their product is interesting in six words.

Maganis finished by speaking about what not to do when crowdfunding. Here are his three tip tips.

1. Never spend too much time on the business logo, marketing, or branding.
2. It's more important to spend time on building the business and getting funds.
3. Social media is not a highly converting platform. Emails on the other hand work best.

“Crowdfund everything. Who knows, some of you may be sitting on the next million dollar idea,” said Maganis. “I encourage all of you to crowdfund whatever crazy idea you have.”

The Lunchtime LaunchPad occurs twice a week at the Blackstone LaunchPad (Mondays at 12pm and Thursdays at 12:30pm), helping to connect UCI students with members of the entrepreneurial community. For more information on Lunchtime LaunchPads guests, visit www.blackstonelaunchpad.uci.edu/events.

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To learn more about the Blackstone LaunchPad visit http://blackstonelaunchpad.uci.edu/about/