

POWER

to the poeple

Annie Makoff finds out whether the growing popularity of crowdfunding might have the potential to transform the market for assistive products...

According to the crowdfunding platform Fundable, the crowdfunding market is on track to add \$65 billion to the global economy by the end of 2014. At a time when traditional bank funding is hard to come by, it's no surprise that aspiring entrepreneurs are turning to alternative means of raising finances for their projects.

For those wanting to develop assistive technology products, crowdfunding potentially offers a means of turning their concepts into a reality – but the process can also be fraught with risks, not least because its success is wholly dependent on current trends of the day.

How does it work?

At its simplest, crowdfunding involves large numbers of people pledging small donations to help develop a particular project – often in exchange for rewards, such as stakes within the product itself or related merchandise. According to Chris Buckingham, MD of the specialist crowdfunding agency Minivation, there are several crowdfunding models – including donation-based, where individuals pledge money without expecting a return, and reward-based, where money is pledged in return for non-monetary rewards.

Then there's the equity-based model, whereby backers receive profit shares in return for their donations. As Buckingham explains, "What you are really doing is asking the crowd for permission to create the vision you want to create."

For the team behind Grippo, an innovative wheelchair push-rim cover, crowdfunding made the prospect of

developing and mass-producing the product entirely feasible. Grippo was conceived as a simple solution for those "who struggle with gripping wheelchair rims, but with traditional funding avenues difficult to pursue, crowdfunding presented an attractive option. At the time of writing, the Grippo Kickstarter campaign had raised over £4,000 of its £22,500 goal.

Jackie Brierton is Enterprise Coordinator at GrowBiz, a Perthshire-based enterprise support service that has supported the Grippo project. In her view, "Not only does crowdfunding help us get the word out to as many people as possible, but by definition it's a global market, so there is now nothing to stop us exporting to anywhere in the world."

What are the downsides?

According to Chris Buckingham, around 50% of crowdfunded projects fail to reach their targets. For those crowdfunding platforms that operate an all-or-nothing model, all donations received must be refunded in the event of the project's target not being reached. Reaching the right audience at the right time is therefore key, since the success or otherwise of the campaign will likely be dependent on current industry trends.

"The London 2012 Paralympics legacy is a prime example," says Buckingham. "Warwick University's crowdfunding campaign to fund more high-tech racing wheelchairs was, and is, quite a sexy concept, so it's no surprise they successfully reached their target. Compare that to the MarioWay campaign – a steam-punk style upright hands-free wheelchair, which didn't. There were other issues with



Chris Buckingham, MD of Minivation



Grippo is a novel, crowdfunded solution aimed at manual wheelchair users

the MarioWay, but the 'X-factor' was on the side of the high-tech option following the London Paralympics."

Buckingham goes on to note that, "The growing popularity of crowdfunding can pose other problems. As the number of campaigns increases, getting your project heard above all the other clutter becomes more difficult."

The way ahead

For specialists like Buckingham, crowdfunding is still very much in growth mode, and unlikely to ever replace banks or venture capitalists. "Even so, there is a lot of great science being done at the moment, especially in the disability living aids and assistive technology products arena," he concedes. "Fuse that with open technological advances, and I think this is a really exciting time for the field."

However, Mark McCusker, Chairman of the British Assistive Technology Association (BATA) and CEO of Texthelp, is dubious about the impact crowdfunding can have on assistive technology, due to the niche market it operates in. "The idea may be initially attractive," he says. "A successful crowdfunding campaign would mean that the people who need the product would eventually receive it. But how do you target such a market? There is no shortage of crowdfunding websites, but if all you had to do was stick a project on a funding website, then everyone would do it."

Jackie Brierton takes a more optimistic view. "There is now a big market for adapted products. Crowdfunding has become more popular and easier to access at a time when bank funding has become more difficult to access. And the great thing about it all is that it's fundamentally about improving lives and using social enterprise to take an idea to the market."

Further details about Minivation can be found at www.minivation.co; Chris Buckingham's forthcoming book, *Crowdfunding Intelligence: a practical guide to creating a crowdfunding campaign* is due for publication in May 2015.

You can find more information about Grippoz and its Kickstarter campaign at www.grippoz.com

WHEN CROWDFUNDING GOES RIGHT

BrainInHead is an app developed by the **Autism Diagnostic Research Centre (ADRC)** – a not-for-profit company in Southampton – that helps users manage their everyday anxieties.

"BrainInHand helps users deal with potentially stressful situations in much the same way a parent or psychologist would," says ADRC CEO, David Fry. "Those who use it are the ones needing the most support, so it serves as an extra safety net in addition to their usual team of support workers and professionals. It also monitors mood, so when anxiety levels get too high, the system alerts the user's nominated supporter."

The software – nicknamed 'Cognitive Behavioural Therapy In Your Pocket' – enables users to create schedules and solve daily challenges whilst monitoring moods and anxieties. Since launching in 2013 it has been adopted by several UK schools, one county council and four NHS trusts. It is also currently being piloted by The National Autistic Society and members of Autism Alliance.

"We wanted to offer the product more widely due to the social impact it was having, so the crowdfunding was as much for participation as it was for raising money and expanding our reach," Fry explains. The campaign ultimately led to £10,000 being successfully raised via Crowdcube, in addition to the project's £150k grant.

"Being able to support people in achieving more in education and work is a particular focus for us, [in which] BrainInHand plays a key role," Fry adds. "It can help manage other conditions, such as obsessive compulsive disorder, generalised anxiety disorder and ADHD."

Find out more at www.adrc.co.uk



WHEN CROWDFUNDING GOES WRONG

AME Communicate offers three app-based products for people who are visually-impaired, hearing-impaired and non native English speakers. They comprise AME Sight (an all-in-one screen magnifier, reader and character recognition app), AME Translate (which enables users to communicate in other languages via pre-loaded phrases and words) and AME BSL (a British Sign Language interpreter and translator).

Though now a successful company with a number of well-known clients, including the BBC, AME Communicate hasn't always done so well. Recalling a crowdfunding campaign previously pursued by the company, CEO Chris Telesford says, "We realised quite quickly that crowdfunding may not have been the best idea. When we looked at the other products out there they were all mainstream concepts, often fashion-related. When you create something which no one has thought of, people are less happy to invest."

The crowdfunding campaign may have had a disappointing response, but the company's products went on to generate interest among developers, partners and manufacturers across the world. "Crowdfunding didn't allow us to fully represent our goals and show the products off to their best advantage," Telesford admits. "But in the end, it didn't hinder us at all. We do a lot of business in the US and are currently working on a fourth product, an indoor SatNav for the blind."

Find out more at www.amecommunicate.com

