

Lucerne University of
Applied Sciences and Arts

**HOCHSCHULE
LUZERN**

Business
FH Zentralschweiz



Institute of Financial Services Zug IFZ

Crowdfunding Monitor Switzerland 2021

hslu.ch/crowdfunding

Prof Dr Andreas Dietrich, Dr. Simon Amrein

We are grateful to the following platforms for supporting this study by providing data:



Summary of key results

In 2020 **CHF 606.6 million (+2%)** was raised in Switzerland.

CHF 2.29 billion has been raised through crowdfunding since the launch of the first crowdfunding platform in Switzerland thirteen years ago.

The highest growth from 2019 to 2020 was posted by **reward-based crowdfunding / crowddonating (+82%, to CHF 44.6 million)**.

Crowdlending posted growth **(+7%, to CHF 448 m)**, but **crowdinvesting** declined in value compared to 2019 **(-26%, to CHF 114 m)**.

Some 270,000 people backed crowdfunding projects in Switzerland in 2020.

38 crowdfunding platforms were operating in Switzerland at the end of April 2021 (domiciled in Switzerland). That said, 2020 saw active funding campaigns recorded on only 28 Swiss platforms.

Foreword

Crowdfunding is a means of raising finance via online platforms for a wide variety of projects. These can include loans for companies, participating in a business start-up, co-acquiring a property or financing social projects. Crowdfunding projects thus cover a range of areas. Nevertheless, they all have one thing in common: typically, a large number of people provide an amount that is often small, enabling the project to be realised. Direct, internet-based communication between those providing funds and those seeking funds is a key element of all types of crowdfunding.

38 active platforms are currently operating in Switzerland. The volumes reported by these crowdfunding platforms have again exhibited a positive trend in 2020: 2020 saw some CHF 607 million raised. The market grew a further modest 1.6 percent relative to 2019.

The market in 2020 was strongly impacted by the Covid-19 crisis. On the one hand, volumes in the reward-based crowdfunding / crowddonating segment grew strongly: the fundraising – which in many cases benefited small and medium-sized enterprises (SMEs), freelancers and institutions/associations – was conducted via existing and newly established platforms, of which there were many. By contrast, significantly fewer business loans were granted to SMEs and consumer loans to private individuals in the crowdlending sector in 2020.

The Institute of Financial Services Zug IFZ of the Lucerne School of Business publishes the Crowdfunding Monitor annually. The purpose of this publication is to illustrate crowdfunding trends in Switzerland, profile the existing platforms and analyse the drivers of future trends. It also aims to further improve transparency in this market.

We rely on collaboration with crowdfunding platforms for our analyses. The following platforms supported our endeavours by sharing their data: Acredius, Beedoo, Cashare, CreditGate24, Creditworld, Crowd4cash, Crowdhouse, Crowdify, Crowdli, Foxstone, Funders, GivenGain, I believe in you, I care for you, Imvesters, Investiere (Verve Ventures), Lend, Lendora, Lokalhelden, Neocredit, Progettiamo, Projektstarter, Raizers, SigImpact, Splendit, Swisslending, Swisspeers, Wemakeit and Yes We Farm. We are very grateful to them for doing so. We are also indebted to our research associate, Anja Leutenegger, who helped us prepare this Monitor for publication.



Prof Dr Andreas Dietrich
Head of the Institute of Financial Services Zug
IFZ



Dr Simon Amrein
Lecturer,
Institute of Financial Services Zug IFZ

Contents

1	Objective and structure of the report	1
2	Scope and definition	2
2.1	Definition of crowdfunding: consideration as a decision criterion.....	3
2.2	Project initiators' motives for launching campaigns	5
2.3	Distinction: initial coin offerings as crowdfunding?.....	5
3	Crowdfunding in Switzerland	6
3.1	Market growth in Switzerland	8
3.2	Reward-based crowdfunding / crowddonating.....	10
3.3	Crowdlending	16
3.4	Crowdinvesting	21
3.5	Other business models in the realm of alternative online finance.....	23
4	Crowdfunding: an international comparison	25
5	Forecasts: crowdfunding in 2021	27
	Appendix: market participants	28
	Appendix: Statistics	38
	Authors	39
	Institute of Financial Services Zug IFZ	40
	Selected publications of the IFZ	41

1 Objective and structure of the report

The objective of this study is to illustrate and discuss the trends of the Swiss crowdfunding market with a focus on platforms that have offices in Switzerland and on crowdfunding campaigns involving projects in Switzerland.

Publishing the market figures on an annual basis is aimed at improving the transparency of the Swiss market and providing an overview of the key trends. The target readership of the Crowdfunding Monitor is not only professionals, but also the general public: it aims to provide a clear overview of each funding option and market participant.

To achieve this, the Institute of Financial Services Zug IFZ, part of the Lucerne School of Business, once again gathered the data of all the crowdfunding platforms which were active in Switzerland in 2020. The published figures are based on regarding information provided by the platforms and on larger-sized campaigns that did not run on established platforms. For example, some websites were launched specifically for certain campaigns: 2020 saw a relatively large number of such temporary platforms created as a result of Covid-19.

The following volumes in the reward-based crowdfunding / crowddonating segment are based on information provided by the platforms, as well as on data received from temporary platforms. We also arrived at estimates for the temporary platforms that did not provide volume data.

The Monitor is structured as follows: following an introduction to the subject (Section 2), it traces the development of the Swiss crowdfunding market since 2008 (Section 3). The corresponding changes are shown and commented on as a whole, as well as split up into the various crowdfunding segments. Section 4 presents an analysis of the Swiss crowdfunding market in the international context. The last section of the Monitor ventures to suggest how the Swiss market might evolve over time. The appendix contains profiles of the Swiss platforms and various data tables.

2 Scope and definition

Crowdfunding is a method of funding projects online where, typically, large numbers of people contribute money for cultural, social and commercial projects. Communication between those providing and seeking funds occurs online. The crowdfunding platform assumes the role of intermediary. The intermediary typically receives a fee for the transaction. This referral commission typically takes the form of a percentage of the amount raised. The funders receive monetary or non-monetary compensation depending on the type of crowdfunding. The term “campaign” will be used from now on to describe the funding phase of projects on crowdfunding platforms.

In the literature, the term “crowdfunding” is often classed as a sub-genre of crowdsourcing, both notionally and conceptually. The term “crowdsourcing” is a combination of the words “crowd” and “outsourcing”. In the context of crowdsourcing, the crowd stands for the mass of internet users, often also simply referred to as the community. The term outsourcing refers to the practice of contracting certain tasks out to external sources. The outsourcing process can, for instance, take place between individuals and/or businesses. Accordingly, the basic idea of crowdsourcing is where a community performs certain tasks. Within a clearly defined framework (e.g. timeframe, conditions for participation, consideration), the community then generates all kinds of added value for the principal.¹

The term crowdsourcing was essentially coined by journalist Jeff Howe, who in 2006 illustrated the crowdsourcing process with various examples in an article in *Wired* magazine and proposed three subsegments: crowdcreation, crowdvoting and crowdwisdom (Howe, 2006).²

The terms crowdcreation, crowdvoting and crowdwisdom were later supplemented by the term crowdfunding, which focuses on the gathering of money rather than the aggregation of knowledge, opinions and creativity. As a result, the four types of crowdsourcing can be distinguished, as follows:

- **Crowdwisdom:** crowdwisdom (swarm intelligence) leverages the intelligence of a community. The crowd is asked to activate and reflect on their knowledge.
- **Crowdcreation:** the objective of crowdcreation is to leverage the creative potential of a crowd. The aggregated ideas of the crowd are deployed in the form of texts, audio files, illustrations and so forth.
- **Crowdvoting:** crowdvoting leverages the opinions and judgement of the crowd. to assess ideas or content. The opinions generated by this process then serve as the basis for decisions by the crowd. Crowd voting can consequently be used as a forecasting tool.
- **Crowdfunding:** in crowdfunding, use of the internet and the crowd are also key elements. However, in contrast to the aforementioned segments, the focus is not on the knowledge or creative potential of the crowd, but rather on raising funds for projects. The fundraising phase is called a campaign.

¹ For more on the subject, see e.g. Kaltenbeck, J. (2011). *Crowdfunding und Social Payments*. Berlin: epubli (pub.).

² Howe, J. (2006). *The Rise of Crowdsourcing*. *Wired* magazine. Issue 14.06.

2.1 Definition of crowdfunding: consideration as a decision criterion

The term crowdfunding – defined as the raising online of funds for projects – can be divided further into subsegments. The main criterion for distinguishing between the different types of crowdfunding is the type of consideration received. The consideration can be of a monetary nature, with the providers of the capital receiving a stake in the company (crowdinvesting) or interest (crowdlending) on the capital that was provided. It follows that invoice trading is often seen as a form of crowdfunding. Invoice trading involves the selling of unsettled invoices. Depending on the platforms’ business model, invoice trading is either traditional crowdfunding (several investors funding the invoices) or a model akin to crowdfunding (only one counterparty) – the deciding factor being the number of investors. Due to their proximity to the finance sector, crowdlending crowdinvesting and invoice trading are covered by the term FinTech (financial technology).

The consideration for the support provided by a crowdfunding campaign can also be non-monetary in nature. The model defined in this study as “reward-based crowdfunding” (called “crowdsupporting” in Switzerland), falls within this segment. In the case of reward-based crowdfunding, consideration may take the form of products or services. Finally, money can also be given without any direct, measurable consideration (crowddonating), in which case social or altruistic motives take centre stage. However, this is also often the case for reward-based crowdfunding, where there is a strong focus on supporting a specific idea, as it is very difficult to objectively measure the consideration in the form of goods or services and, depending on the campaign, the consideration might represent only a small portion of the investment.

The five crowdfunding segments and associated considerations are summarised in Figure 1:

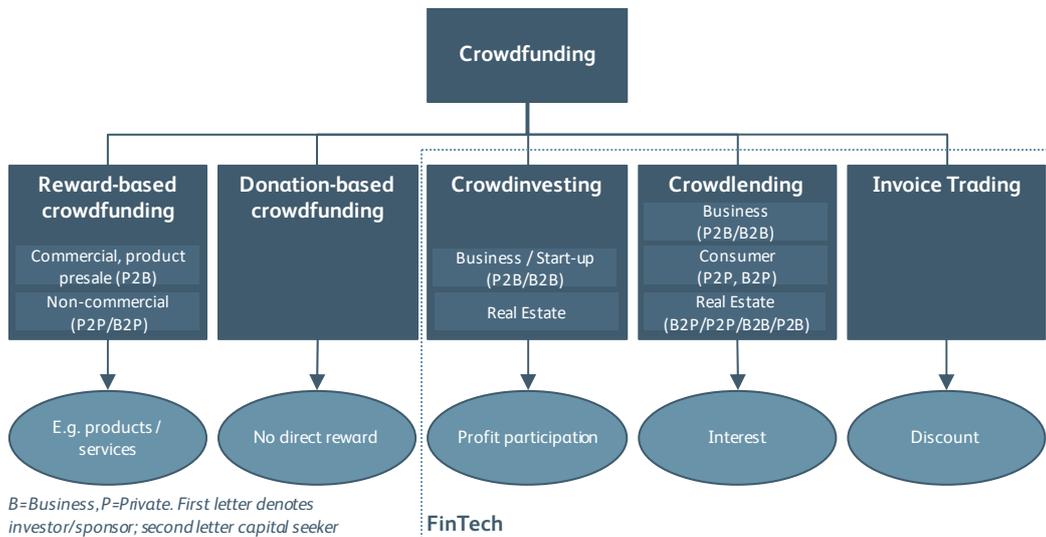


Figure 1: Types of crowdfunding and consideration for each crowdfunding segment

Reward-based crowdfunding

The reward-based crowdfunding segment often includes creative, cultural or commercial projects as well as sport projects. With this type of funding, those providing funds usually receive one-off consideration in the form of products, works of art or services. There is no limit to the creativity of those seeking funding (e.g. invitations to events, special editions or pre-release access to a product). Reward-based crowdfunding can have a commercial or a non-commercial purpose: companies with a commercial background, in particular, can use reward-based crowdfunding for the pre-financing of products.

Crowddonating

The contributions made in crowddonating are simple donations that are not usually associated with any consideration. Examples include social, charitable and cultural projects. Crowddonating can also be used to raise funds for political campaigns.

The data gathered by the report does not always allow a distinction to be made between crowddonating and reward-based crowdfunding, as some platforms allow those providing funds to forego consideration. As a result, the report has viewed these two segments as the same thing, particularly in terms of the trends in volumes traded.

Crowdinvesting

Instead of funding a project, the purpose of crowdinvesting is to acquire a stake in a business or property via equity or mixed forms of equity and borrowed (mezzanine) capital.

In the **business crowdinvesting** subsegment, this form of financing is particularly suitable for businesses in the early stages of development, e.g. start-ups. Depending on the platform, crowdinvesting also provides small investors with the opportunity to support start-ups in their growth phase. In return, these investors typically receive shares in the business and/or a share in the profit it generates. It should be noted that voting power is limited for many types of investments in this area in order to ensure that the owners of the business are free to act as they see fit.

Alongside business crowdinvesting, **real estate crowdinvesting** is also part of the crowdinvesting segment. With real estate crowdinvesting, investors (often entered in the Swiss Land Register) become co-owners of a property. Rather than individual freehold apartments, co-ownership involves purchasing a percentage of an existing tenanted property. As a result, the investors take a stake in the rental income and in any rise in value of the property itself as and when it is sold.

Crowdlending

Crowdlending refers to the financing of businesses or private individuals by means of loans (borrowed capital). Lenders receive interest payments in return for their loan; the amount of interest payable depends typically on the risk presented by the borrower. Alongside private loans and SME loans, private individuals are able to acquire mortgages without a bank as intermediary. In this Monitor, loans for private individuals are designated **consumer crowdlending**, while **business crowdlending** covers loans for businesses. The report uses the term **real estate crowdlending** for loans in the form of mortgages.

Crowdlending is also known as peer-to-peer (P2P) or marketplace lending. The term P2P lending has established itself in the UK in particular, while the term marketplace lending tends to be used in the USA. Marketplace lending can be defined more accurately as a “digital credit marketplace”. It also encompasses B2B (business-to-business) business models, such as where institutional investors provide finance for companies or corporations under public law. By contrast, this study focuses on

crowdlending, i.e. borrowed capital that can be financed both by institutional and private investors. B2B business models are only briefly discussed in Section 3.5.

Invoice trading

In this form of crowdfunding, investors purchase unsettled business invoices at a discount. Invoice trading thus enables SMEs to obtain short-term liquidity. From the investor's standpoint, the difference between the amount paid for the invoice and the amount of the invoice itself is what constitutes the income received. The direct linking of those seeking funds and those seeking to invest gives rise to a new investment class. At the time of writing, there is no longer a platform in Switzerland that is open to the public and non-professional investors with small amounts to invest (unlike in the B2B segment, where there are several such opportunities). This is why the statistics for 2020 show no separate figures for this area.

2.2 Project initiators' motives for launching campaigns

Crowdfunding campaigns have both financial and non-financial advantages for project initiators. On the one hand, the main motivation is typically the need to fund a project; on the other hand, raising funds through crowdfunding can also offer non-financial benefits. Crowdfunding enables businesses or individual project initiators to enter into direct dialogue with (potential) customers and receive immediate responses from them. As a result, crowdfunding campaigns are well suited to customer acquisition and retention. A good project can also enhance the image of a supplier or draw attention to an innovative project. Another advantage of crowdfunding campaigns is that project initiators can use successful campaigns to demonstrate that there is a market for their products or services – a kind of market test. And finally, crowdfunding can also find capital for good ideas which typically do not fit the model required by traditional lenders. As a result, swarm intelligence can lead to recognition and support for trends and good ideas.

2.3 Distinction: initial coin offerings as crowdfunding?

Initial coin offerings (ICOs) could be regarded as a form of swarm financing for projects that come under the scope of distributed ledger technology (DLT). Many ICO characteristics are similar to those in this report's working definition of crowdfunding. Typically, a large number of people provide funding for an undertaking or project. Intermediation between project initiators and backers takes place online. Some ICOs offer the possibility of consideration for backers. In this respect, the categorisation in Figure 1 also applies to ICOs. That said, there are also differences. The first difference where ICOs are concerned is that the funding provided is often expressed in the form of a cryptocurrency and/or an equivalent in DLT-based values. It follows that ICOs are typically used to fund highly technology-heavy (blockchain-related) projects, whereas crowdfunding campaigns are far more diverse. A second difference is that while crowdfunding projects tend to be linked to particular online platforms, ICOs receive funding directly from backers without intermediation by a platform.

In practice, there are few DLT technology applications in Switzerland within traditional crowdfunding. One of the few exceptions is swisspeers, where loans can be transacted and managed on the Ethereum block chain. The Monitor presents only those campaigns conducted under "traditional" crowdfunding scenarios.

3 Crowdfunding in Switzerland

Focused on crowdlending, the first crowdfunding platform to be launched in Switzerland was Cashare; the year was 2008. Crowddonating platform GivenGain launched in 2009, followed by crowdinvesting platform investiere (Verve Ventures³) in 2010 and the two reward-based crowdfunding platforms Crowdify (formerly 100days) and wemakeit in 2012. Numerous platforms entered the Swiss market between 2014 and 2017.

38 crowdfunding platforms were maintaining a domiciled office presence in Switzerland as of the end of April 2021. Of these 38 platforms, 28 reported successful funding campaigns in 2020. Two foreign platforms also reported successful campaigns by project initiators from Switzerland: we have taken these into account in the Monitor.⁴ The 28 Swiss platforms with successfully funded campaigns are listed below.⁵ The figures relating to the Swiss market are based on these 28 platforms and two international platforms.

Crowd-investing	Business / start-up investiere (Verve Ventures)
	Real estate Beedoo, Crowdhouse, Foxstone, Investors
Crowd-lending	All segments Cashare, CreditGate24
	Business and consumer Crowd4Cash, Lend
	Business only Acredius, Creditworld, Funders ⁶ , Neocredit, swisspeers
	Consumer only Lendora, Splendit
	Real estate only Raizers, Swisslending
Reward-based crowdfunding Crowddonating	Crowdify, Funders, GivenGain, I believe in you, I care for you, Lokalhelden.ch, Progettiamo, ProjektStarter, SIG Impact, Wemakeit, Yes We Farm

Table 1: Platforms with active campaigns in Switzerland in 2020 (as of April 2021).

Figure 2 shows the entries and exits of platforms in the Swiss market since 2008. Unlike Table 1, this illustration shows all the platforms that have ever been online. It means that Fig. 2 includes platforms that have not yet witnessed any campaign activity. Market developments at a platform level can thus far be termed “selective consolidation”. Larger players (relatively speaking) have not yet left the market. Players that have are mainly small with only very small volumes.

³ investiere now operates under the name Verve Ventures.

⁴ We have not included foreign platforms witnessing only occasional and/or small Swiss projects. The two foreign platforms included are Kickstarter and KissKissBankBank.

⁵ Some platforms did not respond to our survey or explicitly did not wish to participate. As a consequence, there may well have been other platforms conducting successful campaigns. The table shows the platforms on which the study's figures are based.

⁶ Funders operates in the crowdlending as well as the reward-based crowdfunding segments, which is why it appears twice in the above table.

The number of crowdfunding platforms in Switzerland was slightly down in 2020, something that happened in 2018, too. The platform immoyou exited the market in 2020. There were no new entrants in 2020. Figure 3 on the next page shows the number of entries and exits of platforms in the Swiss market since 2008: 21 platforms have left the market in the last five years.

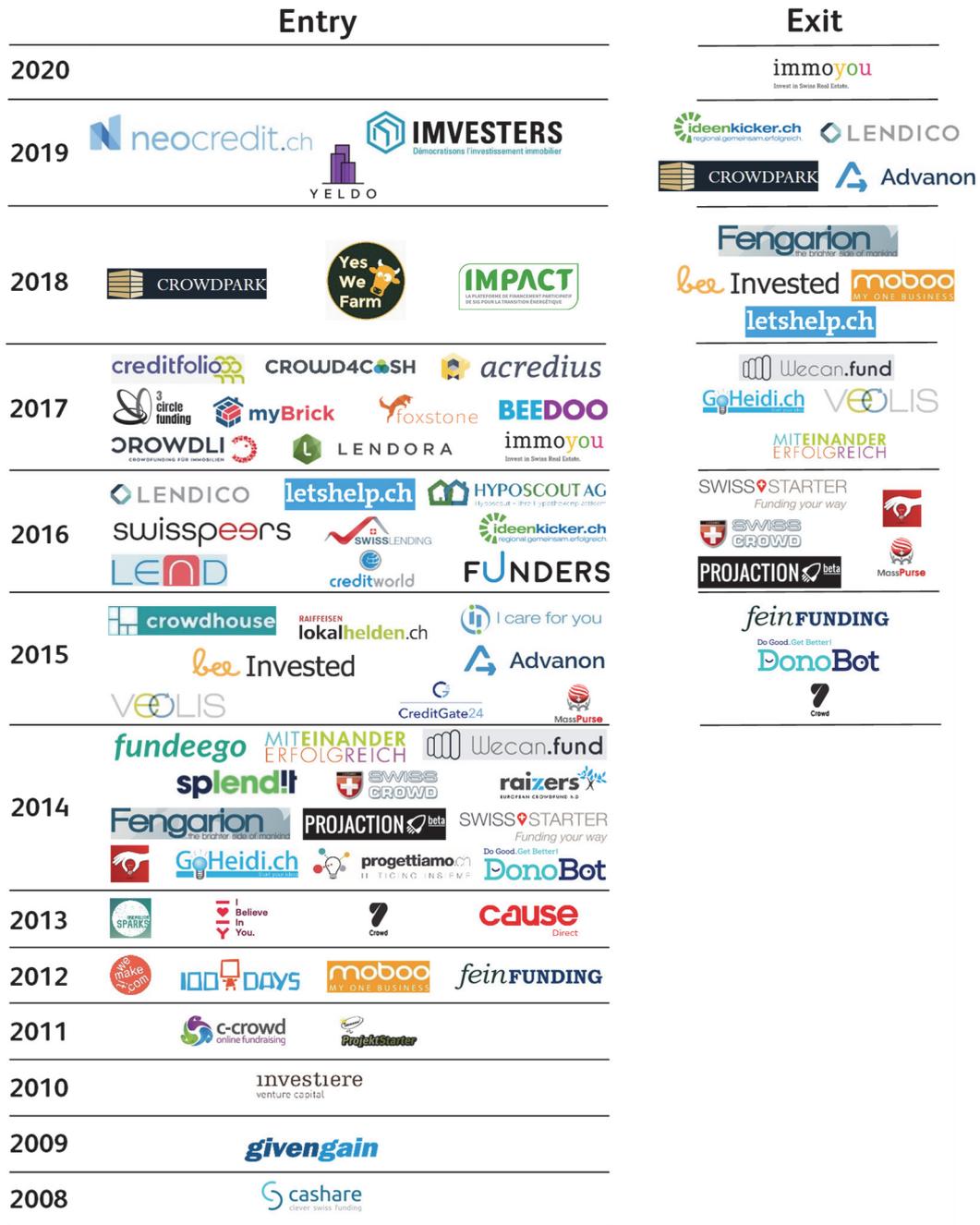


Figure 2: Entries and exits of crowdfunding platforms in the Swiss market

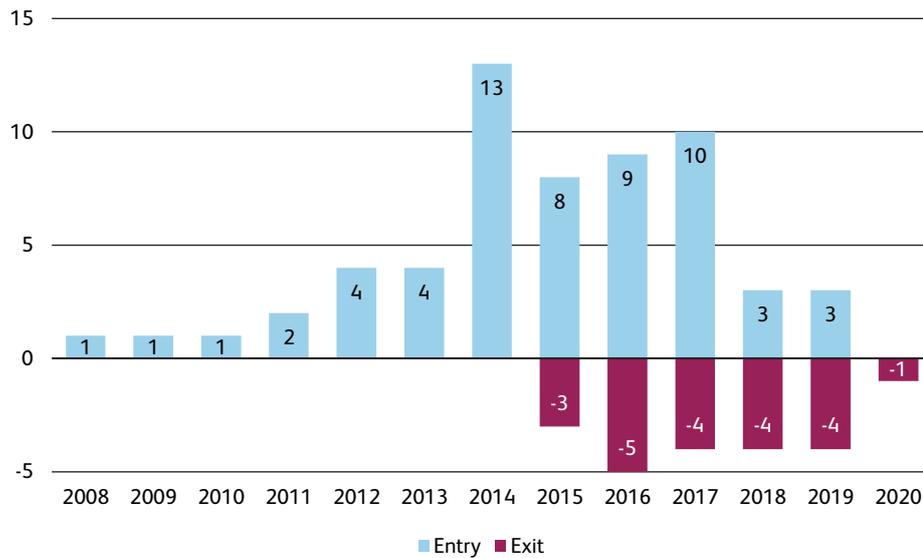


Figure 3: Number of entries and exits of crowdfunding platforms in the Swiss market 2008 to 2020

3.1 Market growth in Switzerland

Figure 4 shows the growth and overall volume across all crowdfunding segments in Switzerland since 2008. The volume of successfully funded campaigns⁷ has grown steadily over the years. The CHF 100 million barrier was breached in 2016. In 2018 the volume reached another milestone of more than half a billion francs (CHF 516.6 million). Finally, 2020 saw a volume of CHF 606.6 million transacted via crowdfunding platforms.

Although growth rates have always generally been positive, they have steadily flattened in recent years: the market grew by 38.0 percent from 2017 to 2018, but 15.6 percent from 2018 to 2019. 2020 still managed to post a small increase of 1.6 percent compared to 2019 despite the Covid-19 pandemic.

Since the launch of the first crowdfunding platform in 2008, crowdfunding has been used to raise CHF 2,288 million in funds. Just over a quarter of this amount was achieved in 2020 alone.

The total volume of CHF 606.6 million for 2020 was spread across 17,359 campaigns. However, 13,092 of these campaigns were handled by temporary platforms in the reward-based crowdfunding / crowddonating segment that emerged during the Covid 19 crisis.⁸ 2019 witnessed the successful funding of 4,648 campaigns.

The largest of all the crowdfunding segments in terms of volume share continued to be crowdlending with a volume of CHF 448.0 million. Its growth relative to 2019 stood at 7.1 percent. The second-highest volume of CHF 114.0 million was generated by the crowdinvesting segment. Its volume fell

⁷ A campaign is considered “successfully funded” when the funds contributed by lenders are released to the project initiators. Campaigns with a fixed target amount are successful only if this amount has been reached (all-or-nothing model). Our report also deems the campaign successful if no fixed target amount is defined but funds are still raised. As a result, the amounts listed reveal only the amount of money that changed hands. The report does not consider whether the funded campaign can actually be implemented as a successful project.

⁸ The term “campaign” serves as a catch-all term for the funding of projects, credits, businesses and properties.

by around 26 percent compared to 2019. In contrast to 2019, reward-based crowdfunding / crowddonating volumes increased again in 2020 to hit CHF 44.6 million (+81.6 %). Moreover, the number of successfully financed campaigns in this segment shot up by 747 percent to 14,984. If the number of campaigns is considered without the temporary platforms, the growth was 7.0 percent to 1,892 campaigns.

The following sections take a closer look at the trends in the individual segments reward-based crowdfunding / crowddonating, crowdlending, and crowdinvesting.

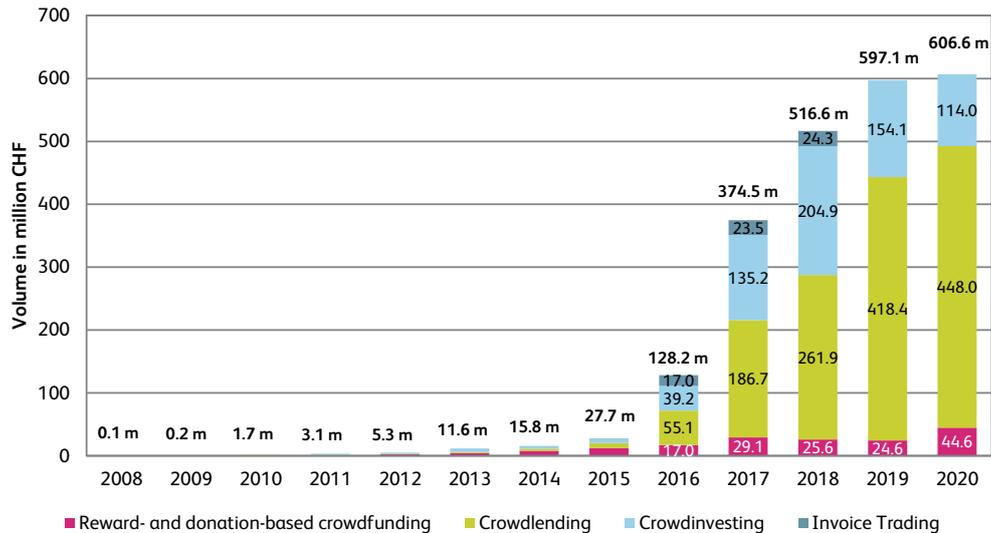


Figure 4: Successfully funded campaigns by funding volume 2008-2020

3.2 Reward-based crowdfunding / crowddonating

2020 saw 14,984 campaigns funded in the reward-based crowdfunding / crowddonating segment, generating a volume of CHF 44.6 million. CHF 12.6 million of that came from 13,092 projects run by temporary platforms. In terms of the number of campaigns, growth was 747 percent above 2019. If one only considers the traditional platforms, the growth was 7.0 percent compared to 2019. The volume compared to 2019 also rose a significant 81.6 percent. Compared to the previous all-time record year of 2017, the increase was an equally impressive 53.3 percent. Due to the significant increase in the number of campaigns, the average volume raised by the campaigns dropped from CHF 13,890 to CHF 2,980 compared to 2019. Excluding the campaigns and volume of the temporary platforms, the average financed campaign volume comes to CHF 16,980.

2020's sharp increase in the number of campaigns and the volume is mainly attributable to the Covid-19 crisis. The pandemic had a strong impact on the platforms: "conventional" campaigns declined sharply, especially in spring 2020, while the need for support for new (Covid-19 related) campaigns sky-rocketed.

Most pre-existing platforms reacted nimbly to the Covid-19 crisis and launched a range of solidarity campaigns – some by, for example, introducing separate channels for hosting Covid-19-related projects. Some platforms also waived or lowered their fees, while others set up special (and not project-linked) "solidarity pots" to gather funds for people impacted by Covid-19.

Examples of such initiatives were wemakeit's 'we make solidarity' and 'we make tourism' channels, or the colibri "donation button" it introduced in partnership with pro helvetia. The #zämeFüralli fundraising campaign by the platform 'I care for you', raised funds totalling CHF 1.7 million, which were distributed to individuals and families. The #LocalSupport campaign by lokalhelden.ch offered SMEs vouchers with a partial monetary equivalent or future benefit, e.g. a dinner. And Projektstarter's Solotharity campaign enabled Solothurn's businesses and clubs/associations to sell their vouchers, exempting them from the usual commissions.

Some 40 to 50 new reward-based crowdfunding / crowddonating platforms emerged during the first quarter of 2020 alongside the pre-existing platforms. Most of these were used to sell vouchers that benefited local businesses. The biggest initiatives and platforms included #ensemble19 and 'soutien aux commerçants', in French-speaking Switzerland, and Bärn Hiuft, Arosa Tourismus, Help Gastro and DireQt from QoQa elsewhere in the country. These platforms alone raised CHF 12.6 million in 2020.⁹

Figure 5 shows the reward-based crowdfunding / crowddonating volumes from 2012 to 2020. The volumes have also been subdivided into individual categories for 2015 to 2020. Details of this subdivision of successful campaigns into the various categories may be seen in Figure 6 and Table 2.

There was a very high growth in this report's "Society, social projects" category, to which the funds raised by temporary (Covid-19) platforms have been assigned: the volume of CHF 19.3 million was raised by 13,374 projects. The pandemic thus triggered a wave of solidarity in 2020, which is also reflected in the 308.9 percent increase in volume and 5,639.9 percent increase in the number of campaigns. Excluding the CHF 12.6 million raised by temporary platforms and the 13,092 related projects, a volume of CHF 6.7 million would have been raised by 282 campaigns, which corresponds to a growth of 41.8 percent in volume and 21.0 percent in the number of campaigns. The volumes thus also increased significantly for the pre-existing platforms in the "Society, social projects" category.

On the other hand, other categories (which were large in previous years) such as "Sport, health" and "Music, concerts, festivals" saw declines: "Sport, health", for instance, raised CHF 4.2 million through

⁹ The volumes raised by these platforms have been assigned to this report's "Society, social projects" category.

379 projects, a decrease of CHF 1.3 million (-23.6%) and 214 projects (-36.1%) compared to 2019: platforms reported a dramatic slump in new projects, especially during the first Covid-19 wave. The decline suffered by the “Music, concerts, festivals” category, though steep, was not quite as severe: whereas the figure for 2019 was CHF 2.6 million raised for 282 projects, 2020 saw only 194 projects (-31.2%) financed with a volume of CHF 2.1 million (-19.2%).

The “Technology, business and start-ups” category witnessed a mildly positive trend that saw the same number of campaigns as in 2019 raise CHF 2.4 million (+ CHF 0.8 million). The volume in this segment is largely driven by major campaigns with an international orientation, which are often transacted via Kickstarter: some CHF 2.3 million was raised via this platform. The strong growth in the “Technology, business, start-ups” category of previous years, the decline in 2019 and the renewed increase in 2020 are primarily due to a small number of “high-volume” watch-related projects on Kickstarter.

In 2016, watch-related campaigns raised CHF 2.1 million. This figure was CHF 4.6 million in 2017, CHF 3.9 million in 2018, CHF 1.4 million in 2019 and CHF 1.5 million in 2020. Few in number but substantial in terms of value, these projects lead to very high average campaign amounts (see Table 2). The largest Swiss-based campaign (for one watch) on Kickstarter in 2020 raised CHF 495,557, in contrast to 2019, however, when campaigns on Swiss platforms exceeded this value. The Lokalhelden platform, for instance, saw CHF 564,079 raised for a project called “#EusesAlbani”. Meanwhile Crowdify hosted a project named “System Change. Jetzt!”, which raised CHF 537,159.

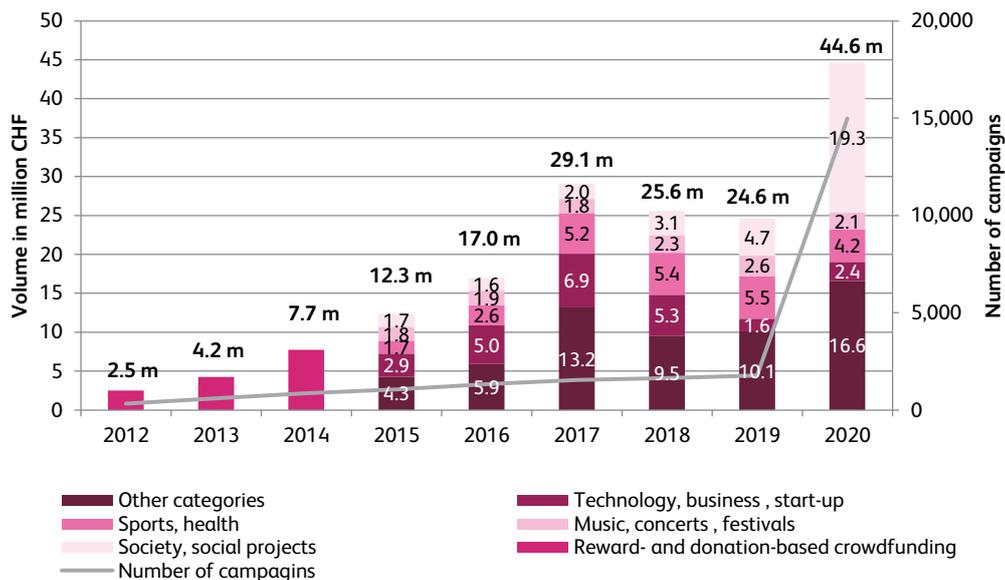


Figure 5: Reward-based crowdfunding / crowddonating volumes and number of campaigns 2012-2020

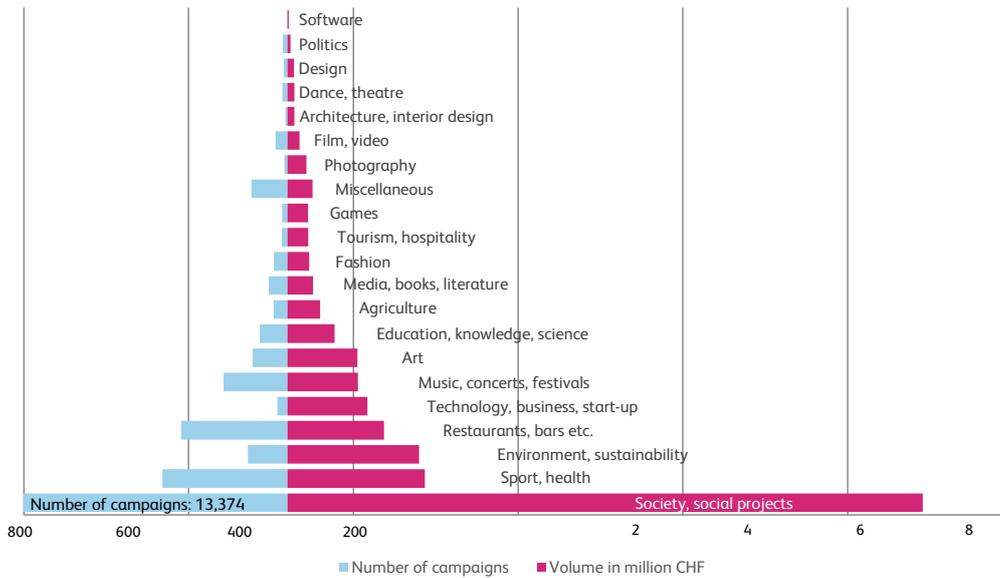


Figure 6: Reward-based crowdfunding / crowddonating campaigns and volumes by category¹⁰

Category	Volume in CHF			No. of campaigns			Ø volume in CHF		
	2020	2019	Δ	2020	2019	Δ	2020	2019	Δ
Society, social projects	19,281,666	4,715,885	14,565,781	13,374	233	13,141	1,442	20,240	-18,798
Sport, health	4,170,856	5,459,643	-1,288,786	379	593	-214	11,005	9,493	1,512
Environment, sustainability	3,991,279	2,117,508	1,873,772	120	88	32	33,261	16,771	16,490
Restaurants, bars, etc.	2,928,775	757,785	2,170,990	322	42	280	9,096	24,848	-15,752
Technology, business, start-ups	2,425,011	1,637,466	787,545	31	31	0	78,226	119,620	-41,394
Music, concerts, festivals	2,140,563	2,647,953	-507,390	194	282	-88	11,034	9,369	1,664
Art	2,126,419	1,042,070	1,084,349	106	85	21	20,061	14,383	5,677
Education, knowledge, science	1,426,825	699,081	727,744	84	56	28	16,986	13,033	3,953
Agriculture	994,896	776,751	218,145	42	38	4	23,688	21,414	2,274
Media, books, literature	776,465	785,745	-9,280	57	55	2	13,622	10,890	2,732
Fashion	656,487	350,306	306,181	41	26	15	16,012	16,239	-227
Tourism, hospitality	635,395	759,676	-124,281	17	28	-11	37,376	48,851	-11,475
Games	624,342	181,968	442,374	16	16	0	39,021	26,421	12,600
Miscellaneous	606,343	221,393	384,950	50	27	23	12,127	9,560	2,567
Photography	575,208	104,378	470,830	9	14	-5	63,912	10,328	53,584
Film, video	364,040	802,445	-438,405	36	59	-23	10,112	12,600	-2,487
Architecture, interior design	211,792	609,399	-397,607	6	10	-4	35,299	24,207	11,092
Dance, theatre	207,850	352,713	-144,863	15	46	-31	13,857	9,536	4,320
Design	196,039	465,522	-269,483	11	25	-14	17,822	17,325	497
Politics	92,974	83,980	8,994	14	15	-1	6,641	17,545	-10,904
Software	39,425	0	39,425	1	0	1	39,425	65,593	-26,168

Table 2: Investments in reward-based crowdfunding / crowddonating by category

¹⁰ In the interests of clarity, the “number of campaigns” data bar in the “Society, social projects” category has been broken. The exact number of campaigns is 13,374.

Reward-based crowdfunding / crowddonating are of particular relevance in the cultural and creative economy.¹¹ Crowdfunding here generated an estimated CHF 8.8 to 9.2 million in 2020. “Music, concerts, festivals” and “Art” accounted for the lion’s share (CHF 2.1 million). Large contributions within the cultural and creative industries were also made in the categories “Media, books, literature” (CHF 0.8 million), “Fashion” (CHF 0.7 million), “Photography” (CHF 0.6 million) and “Games” (incl. board and card games) (CHF 0.6 million). In terms of numbers of projects, crowdfunding in culture and the creative economy successfully funded some 600 projects or so. This is a remarkable number. In the cultural sector, however, crowdfunding is often responsible for only part of the funding. The public purse, in particular, also plays a very important role in this regard.¹²

As can be seen in Table 2, the average campaign totals achieved vary greatly between the categories. The largest average volume was achieved in the “Technology, business, start-ups” category with CHF 78,226 (2019 CHF 119,620). Since the number of projects in this category is low, even a few large projects on international platforms can have a major impact on the average value. “Sport, health” witnessed an average project volume of CHF 11,005, an increase of some 20 percent compared to 2019. “Music, concerts, festivals” also saw a higher average campaign volume of CHF 11,034 in 2020. In “Society, social projects”, the average campaign volume fell massively to CHF 1,442 due to campaigns on temporary platforms (2019: CHF 20,240).

The average sum contributed by backers/investors rose again. After rising steadily since 2015, the average fell significantly in 2019 before rising sharply again in 2020. The average investment amount in 2015 was CHF 140 and CHF 187 in 2018, then it fell to CHF 144 in 2019. It climbed back up strongly to reach CHF 175 in 2020. However, depending on the project category, the amounts paid per person vary widely.¹³

In connection with the level of sums raised by crowdfunding presented above, the question remains as to the relevance (compared to other forms of finance) of this form of funding: in sum, it can be said that reward-based crowdfunding / crowddonating continues to occupy a small niche. While crowdfunding for the cultural and creative economy raised CHF 8.8 to 9.2 million in 2020, the public purse contributed some CHF 2.94 billion for culture (figure for 2016).¹⁴

The volume of around CHF 8 to 9 million in donations collected via crowddonating is also very small compared to the total volume of CHF 1.91 billion raised in the way of traditional donations in Switzerland.¹⁵

Nevertheless, 1,892 successfully funded campaigns in 2020 still represents a sizeable volume (excl. temporary COVID-19 platforms). From the time we launched our Monitor, more than 11,000 campaigns attracting 910,000 individual donations have found funding in the reward-based crowdfunding / crowddonating segment. If temporary, COVID-related, platforms are included, the total number of campaigns is more than 24,000.

The success rate of reward-based crowdfunding / crowddonating campaigns in Switzerland, which has been very high for years, should be seen in a very positive light: in 2018 and 2019, this success

¹¹ The cultural and creative economy comprises the following categories in the report: Design; Film, video; Photography; Games; Art; Media, book, literature; Fashion; Music, concerts, festivals; Dance, theatre; Miscellaneous. The category “Technology, business, start-ups” also has a tendency to include numerous cultural/creative projects: we estimate the proportion to be between 15 and 30 percent.

¹² See also: Dietrich, A., Amrein, S. & Wernli, R. (2016). Crowdfunding in the cultural sector.

¹³ The figures are based on information provided by the established crowdfunding platforms. The temporary platforms created during the Covid-19 crisis could not be taken into account when calculating this key figure.

¹⁴ Swiss Confederation, Federal Statistical Office (2020). Public funding of culture.

¹⁵ Figure for 2019: Zewo Foundation (2020). Zewo Donation Statistics 2019. Online (09.04.2021): <https://zewo.ch/wp-content/uploads/2020/09/Spendenstatistik-2019.pdf>

For an analysis of fundraising and crowdfunding, see also: Dietrich, A. & Amrein, S. (2020). Crowdfunding und Fundraising. In: M. Urselmann (ed.), Handbuch Fundraising. Springer.

rate was a very high 68 per cent,¹⁶ an amount that rose even higher to 76 per cent in 2020 (i.e. three out of four campaigns successfully funded). Since our report was first published, the rate in Switzerland has always been well above 60 percent, which is above the international average. Compare this with the USA, for example, where the ratio of successfully funded campaigns to the total number of campaigns on Kickstarter is about 39 percent.¹⁷ The figure in the UK is in the order of 44 percent. The success rates of 68 percent for reward-based crowdfunding and 65 percent for crowddonating in continental Europe, on the other hand, are at a level similar to those in Switzerland.¹⁸ The high success rate in Switzerland is quite likely due to the fact that campaigns are managed by the platforms. The support provided by many Swiss platforms can carry a lot of weight.

Recent years have witnessed the emergence of a clear market structure in the reward-based crowdfunding / crowddonating segment. The market shares are distributed amongst four large and two medium-sized platforms. The four largest platforms have a market share of 78.3 percent (2019: 86.2 percent), the six largest 91.6 percent (2019: 93.1 percent): the relevance (i.e. market share) of the other platforms in this segment is thus limited as things stand.

The business models of the platforms can vary greatly: on the one hand there are those with narrow thematic focuses, such as sport (I believe in you) or charitable aims (I care for you). But then other platforms exhibit a more broadly based thematic focus, such as wemakeit and Crowdify. In addition, several banks are active with their own platforms. Lokalhelden is operated by the Raiffeisen Group, while Funders was launched by the Luzerner Kantonalbank and is now licensed to other cantonal banks. Ideenkicker.ch, closed in 2019, was a platform of the Hypothekarbank Lenzburg.

Some Swiss platforms are also active abroad: wemakeit, for instance is also available in Austria and Germany, while in 2018 'I believe in you' acquired the French platform Fosburit, which is also focused on sport crowdfunding.

Table 3 shows the fee models of the platforms operating in the reward-based crowdfunding / crowddonating segment. The fees are between zero and 12 percent of the funds raised. The two platforms levying no fees are Lokalhelden (a Raiffeisen product), and Progettiamo, which is backed by the public sector.

¹⁶ The figures are based on information provided by the established crowdfunding platforms. The temporary platforms created during the Covid-19 crisis could not be taken into account when calculating this key figure.

¹⁷ Kickstarter (2020). Stats. Online (08.04.2021): <https://www.kickstarter.com/help/stats>

¹⁸ University of Cambridge (2020). The Global Alternative Finance Market Benchmarking Report. Online. (09.04.2021): <https://www.jbs.cam.ac.uk/faculty-research/centres/alternative-finance/publications/the-global-alternative-finance-market-benchmarking-report/>

Platform	Payment model	Online since	Fee on amount raised	Other fee models, additional information
Crowdfify	all-or-nothing	2012	9 %	11 % in the case of phased projects Social projects and Covid-19 campaign: 3 % (third-party costs payment provider)
Funders	all-or-nothing	2016	7 %	
GivenGain	Keep it all	2001	5 %	
I believe in you	all-or-nothing	2013	12 %	8 % for project support and 4 % payment transaction. No fees for unsuccessful projects
I care for you	all-or-nothing	2015	10 %	
Kickstarter	all-or-nothing	2009	8-10 %	5 % processing fee, 3-5 % payment fee
Lokalhelden	all-or-nothing	2016	0 %	Third-party transaction fees continue to be charged
Progettiamo	all-or-nothing	2014	0 %	
ProjektStarter	all-or-nothing	2011	8 %	5 % for "YOUNG projects", 2 % for Covid-19 campaigns
SIG Impact	all-or-nothing	2018	0 %	10 % of the project sum for customers not supplied with electricity by SIG
wemakeit	all-or-nothing	2012	10 %	4 % transaction fee, 6 % commission. colibri (crowddonating): keep-it-all and 5 % payment and service fee
Yes We Farm	Minimum 80 %	2018	12 %	

Table 3: Reward-based crowdfunding / crowddonating fee models

3.3 Crowdlending

At the end of 2020, a total of 13 platforms in Switzerland were active in the crowdlending segment, through which loans were arranged. Two other platforms are online, but did not raise loans in 2019. The platforms focus mainly on one or two crowdlending categories. Business crowdlending platforms are typically aimed at small to medium-sized enterprises (SMEs), while consumer crowdlending platforms are active in the consumer credit market. Also in the market are several providers who offer mortgage-backed loans.

No new platforms went live in 2020. The last one to do so was Neocredit in 2019. Until 2017, several platforms went online each year.

Alongside the crowdlending platforms are “umbrella” platforms, which pool investments and invest them in loans from the crowdlending platforms. One of them is Lendity, which launched in 2017. In addition, the 1741 Group launched a corresponding fund offering. The same applies to Liechtenstein asset manager NSF Wealth Management, which joined forces with the start-up ‘i2 invest’ to launch an alternative investment fund (AIF) called SME Lending Fund Switzerland SICAV in April 2021.

Various banks and insurance companies are involved in crowdlending platforms. Funders, which is also active in the reward-based crowdfunding segment, is operated by the Luzerner Kantonalbank and licensed to other cantonal banks. The Lendico platform was acquired from PostFinance by Lend (Switzerland AG) in 2019. In a reciprocal move, PostFinance has acquired a stake in Lend and entered into a cooperation agreement.¹⁹ Neocredit, founded in 2019, is backed by the French platform credit.fr and the insurer Vaudoise. Vaudoise holds 50 % of the platform.²⁰

The crowdlending segment recorded a volume of CHF 448.0 million in 2020 (2019: CHF 418.4 million). The volume thus grew by 7.1 percent. As can be seen in Figure 7, the number of successfully arranged loans however fell from 2,781 to 2,323. The fall in loans can be attributed, among other things, to the government’s Covid-19 loans: between 26 March 2020 and 31 July 2020, businesses could submit streamlined loan applications to banks to bridge Corona-related liquidity shortages. The aim of these bridging loans was to provide enough liquidity to cover ongoing fixed costs despite Corona-related revenue losses. This resulted in crowdlending platforms transacting significantly fewer loans during this period.

Figure 7 shows that the growth of the overall volume remains positive. That said, growth varies depending on the individual form of crowdlending: SME financing and consumer loans via crowdlending witnessed a decline of 40 percent and 18 percent respectively in 2020. The only area where (strong) growth occurred was in real estate crowdlending, i.e. mortgage-backed loans (+55.3 %). A key driver here was loans to companies in the real estate business.

Of the CHF 448.0 million raised, CHF 95.9 million was accounted for by business crowdlending (loans for SMEs): the volume in this subsegment was CHF 159.7 million in 2019. Consumer crowdlending (loans for private individuals) shrank by 18.2 % in relation to 2019 (CHF 67.7 million) and now stands at CHF 55.4 million. On the other hand, real estate crowdlending grew by a high 55.3 % in 2020 to reach CHF 296.7 million.

Loans granted through crowdlending vary greatly depending on the subsegment: Consumer crowdlending serves the consumer loan segment, while business crowdlending provides loans to SMEs, and real estate crowdlending provides mortgage-backed loans. These differences are reflected

¹⁹ PostFinance (2019). Press release: LEND acquires Lendico and enters into cooperation with PostFinance (translation). Online (01.04.2020): <https://www.postfinance.ch/de/ueber-uns/medien/newsroom/medienmitteilungen/lend-uebernimmt-lendico-kooperation-mit-postfinance.html>

²⁰ Groupe Vaudoise Assurances (2020). Annual Report 2019, p. 36.

in the average loan amounts: for loans to SMEs, this figure was around CHF 330,000 (2019: approx. CHF 350,000).

In the case of consumer crowdlending, the average loan amount remained almost constant at around CHF 31,000 (the figure was CHF 18,000 back in 2013 and has risen steadily in past years). It is safe to assume that these average loan volumes will now remain at the current level, as they more-or-less match an average consumer loan in Switzerland.²¹

The average loan amount in the real estate crowdlending subsegment in 2020 was CHF 1,200,000 (2019: CHF 1,000,000). The significantly higher average loan amount relative to the other subsegments is due to its use for residential property. Many of these loans are only short-term and later redeemed by banks.

On average, an investor contributed CHF 14,000 to an SME loan in 2020. The figure for consumer loans was around CHF 6,000. These figures do not reveal very much. Institutional investors, in particular, are becoming increasingly important and invest significantly higher volumes than private individuals.

There are also major differences in the purposes for which loans are used: the focus in business crowdlending is often on project funding, debt rescheduling or short-term loans for liquidity management. In the consumer crowdlending subsegment, loans are primarily needed for debt rescheduling, education/training, cars, travel or weddings. Detailed information on these uses is not forthcoming in Switzerland. The real estate crowdlending subsegment typically involves mortgages for private individuals and interim financing for property developers, as well as mortgage-backed SME loans.

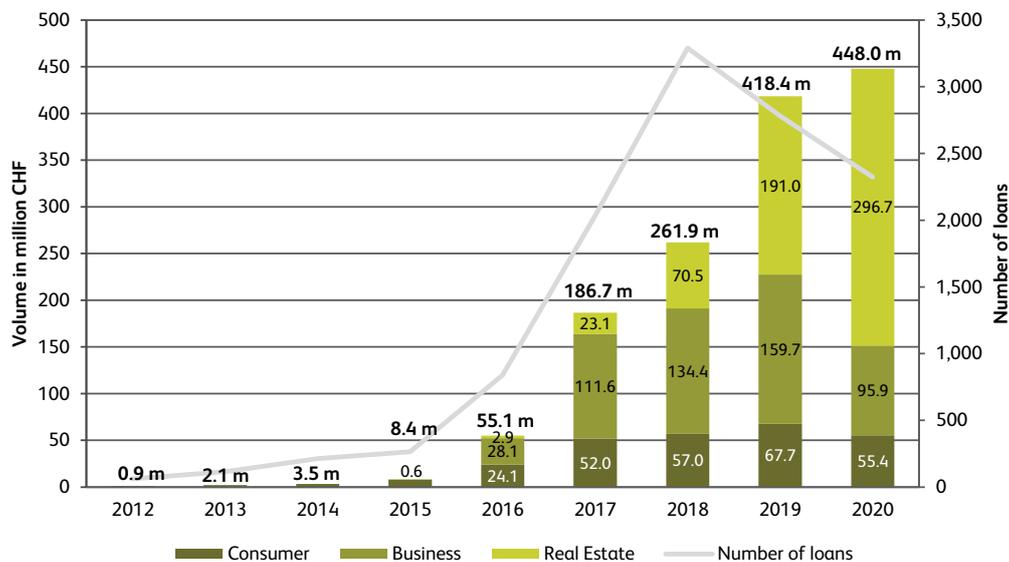


Figure 7: Crowdlending volumes in Switzerland 2012-2020

²¹ ZEK – Verein zur Führung einer Zentralstelle für Kreditinformation (Swiss central credit information bureau) (2021). Annual Report 2020, p. 13.

When considering the volumes of the various crowdlending subsegments, there is always a question as to their relevance in respect of market share. One way to classify the numbers is to compare the submarkets the crowdlending platforms operate in. Below we show the overall trend in the consumer credit market (consumer crowdlending), SME loan market (business crowdlending) and mortgage loan market (real estate crowdlending) and the size of the corresponding market share of the crowdlending market.

The total volume of outstanding consumer credit in Switzerland at the end of 2020 stood at CHF 7.9 billion (-CHF 260 million relative to 2019). 2020 saw new consumer credit unchanged at some CHF 3.7 billion.²² The total amount raised by the consumer crowdlending subsegment – CHF 55.4 million – in 2020 remains tiny relative to the overall market (around 1.5 %, 2019: 1.5 %, see Figure 8).

The volume of loans granted in the domestic market by Swiss banks in 2020 came to CHF 1,260 billion. A large proportion of these loans – CHF 1,072 billion – is secured by mortgages. The borrowers are made up of private individuals, companies and the public sector. Private individuals accounted for CHF 833 billion as at the end of 2020. CHF 400 billion of the loans went to companies, 87 % of which are SMEs with fewer than 249 employees. CHF 27 billion of this domestic amount relates to loans to public-sector entities.²³

The above sums are all portfolio figures, i.e. volumes that were outstanding at the end of 2020 on the balance sheets of Swiss banks. The volume of loans granted annually can only be estimated: for example, we assume that CHF 150-180 billion in loans are extended or newly concluded each year in the Swiss mortgage credit market for private individuals. The crowdlending volume of CHF 296.7 million for mortgages arranged in 2020 remains insignificant in relation to the overall market.

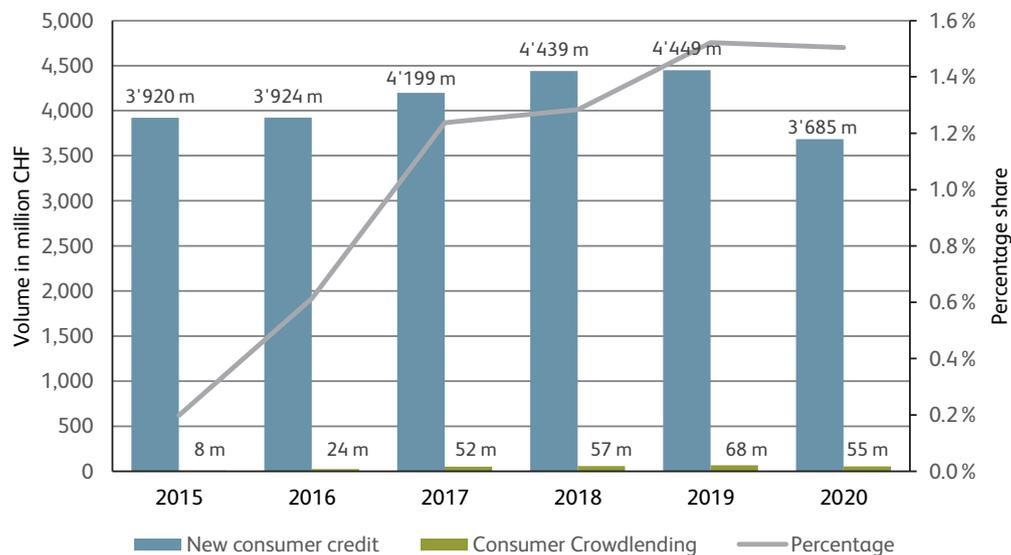


Figure 8: Consumer crowdlending share of new consumer credit 2015-2020²⁴

²² ZEK – Verein zur Führung einer Zentralstelle für Kreditinformation (Swiss central credit information bureau) (2021). Annual Report 2020, p. 12.

²³ SNB (2020). Data portal of the Swiss National Bank. Online (21.04.2021): <https://data.snb.ch/>

²⁴ ZEK – Verein zur Führung einer Zentralstelle für Kreditinformation (Swiss central credit information bureau) (2021). Annual Report 2020.

The same goes for the SME credit market. The CHF 349 billion on banks' balance sheets is massively larger than the CHF 95.9 million in business crowdlending transacted in 2020. In addition, a representative survey conducted in 2017 by the State Secretariat for Economic Affairs and the Institute of Financial Services Zug IFZ showed that there are no bottlenecks in the supply of credit in Switzerland: banks turn down only six percent of SME applications for loans. Aside from these SMEs, there are those that have a funding need but do not apply to the bank for a loan: this cohort of "discouraged" SMEs corresponds to around six percent of all Swiss SMEs or 27 percent of those SMEs with a funding need.²⁵ The potential they represent could be of interest to crowdlending platforms.²⁶

The volume figures for companies do not include loans that non-banks transact non-publicly via the private debt market. Lenders here include private debt funds, family offices, insurance companies and pension funds.²⁷

Bearing in mind the volumes of all three crowdlending subsegments, it is safe to say that this remains a niche market. At the same time, the relatively low credit volumes across all three subsegments point to the potential of crowdlending as an alternative source of funding.

Crowdlending fees are typically related to the amount of the loan (see Table 4). Fees are often payable by both lenders and borrowers. Moreover, depending on the platform, fees can apply when the transaction is concluded as well as over time. The bandwidths are accordingly broad and the fee models in part hard to compare.

²⁵ Lucerne University of Applied Sciences and Arts/SECO (2017). Studie zur Finanzierung der KMU in der Schweiz 2016.

²⁶ Dietrich, A. & Amrein, S. (2018). Welches Potenzial hat Crowdfunding in der Schweiz? Blog dated 05.03.2018. Online (01.04.2019): <https://blog.hslu.ch/retailbanking/2018/03/05/welches-potential-hat-crowdlending-in-der-schweiz/>

²⁷ A study published in summer 2019 by the Institute of Financial Services Zug IFZ provided, for the first time ever, information about the Swiss private debt market. See: Birrer, T., Bauer, M. & Amrein, S. (2019). Unternehmensfinanzierung mit Private Debt in der Schweiz.

Platform	Business crowdlending		Consumer Crowdlending		Real estate Crowdlending	
	Borrower	Lender	Borrower	Lender	Borrower	Lender
3Circle Funding	1 % p.a.	0.4 % p.a.	0.75 % p.a.	0.4 % p.a.		
Acredius	1 % once only	1 % on re-payments				
Cashare	0.75 % p.a. ²⁸	0.75 % p.a.	0.75 % p.a. ²⁹	0.75 % p.a.	0-0.75 % p.a.	0.5-0.75 % p.a.
Creditfolio			n/a	none		
CreditGate24	0.6-0.8 % p.a.	1 % p.a. ³⁰	0.6-0.8 % p.a.	1.25 % p.a.	Depends ³¹	1 % p.a. ³⁰
Creditworld	0.35-1.95 % once only	none				
Crowd4Cash	0.7 % p.a.	0.85 % p.a.	0.7 % p.a.	0.85 % p.a.		
Funders	0.8 % once only	0.8 % once only				
Lend			0.75 % p.a.	1 % p.a.		
Lendora			0.7 % p.a.	0.5 % p.a.		
Neocredit	2 % once only. 1 % p.a. on out-standing volumes	20 % of interest paid				
Raizers					5-7 %	None
Splendit			CHF 120 p.a.	2 % once only		
Swisspeers	0.75 % p.a.	0.5 % p.a.				
Swisslending					1.5-5 % once only	none

Table 4: Crowdlending fee model

²⁸ 1.5 % p.a. for short-term loans (final maturity up to 12 months), minimum fee CHF 500, with a fee charged only if the financing is successful.

²⁹ Minimum fee CHF 75, with a fee charged only if the financing is successful.

³⁰ Fee applies to all repayment amounts.

³¹ Fees depend on borrower's financial situation.

3.4 Crowdfunding

Six platforms were servicing Switzerland's crowdfunding market in 2020 with successful campaigns based in Switzerland. One platform falls into the equity (start-up) category and five into the real estate category. These platforms were used for 57 successful campaigns (2019: 98). The funds raised fell from CHF 154.1 million in 2019 to CHF 114.0 million. The decline is attributable to the lower volume of real estate financing.

The bulk of the volume in crowdfunding again came from the real estate category in 2020 (see Figure 9). This category, which emerged in Switzerland only in 2015, reached CHF 69.0 million in funds raised in 2020 (2019: CHF 121.4 million). This figure relates to the portion of equity capital raised through crowdfunding. The mezzanine capital amount is typically provided by banks. A major part of the volume in crowdfunding is accounted for by the platform Crowdfunder. Beedoo (2017), Crowdfunder (2017), Foxstone (2017) and Imvesters (2019) were other platforms to come on stream and also contribute to the market volume. Minimum investment amounts for all the platforms are typically in the several tens of thousands of francs.

The decline in volume in the real estate category is partly due to the fact that a considerable portion of the volume at Crowdfunder was invested in the form of sole ownerships in 2020. As a result, many real estate properties involved only one investor – in contrast to the previously fairly widespread concept of co-ownership, in which several investors invest equity in a property. The crowdfunding volume statistics do not take sole ownership into account. In addition, market participants report that the number of transactions in investment properties generally declined in 2020.

In the area of business crowdfunding, start-ups in 2020 received CHF 45.0 million (compared to CHF 32.7 million in 2019). Investors backed a total of 31 start-ups. 2019 saw the platform investiere (Verve Ventures) transact the lion's share of the funds raised – in 2020 it was the only player to do so. Only qualified investors may use it, typically with a minimum of CHF 10,000 to invest. This makes investiere's business model quite different from those of other crowdfunding platforms. Other platforms do not restrict the "crowd's" access. In that respect, investiere is not a typical crowdfunding platform, as access is restricted to what might be called a "qualified crowd".

In 2020 the business crowdfunding category successfully supported all funding requests published on the platforms. The average funding volume was approximately CHF 1,450,000 (2019: CHF 640,000). In real estate crowdfunding, too, all 26 properties received funding. The average equity portion per property was CHF 2.7 million (2019: CHF 2.6 million).

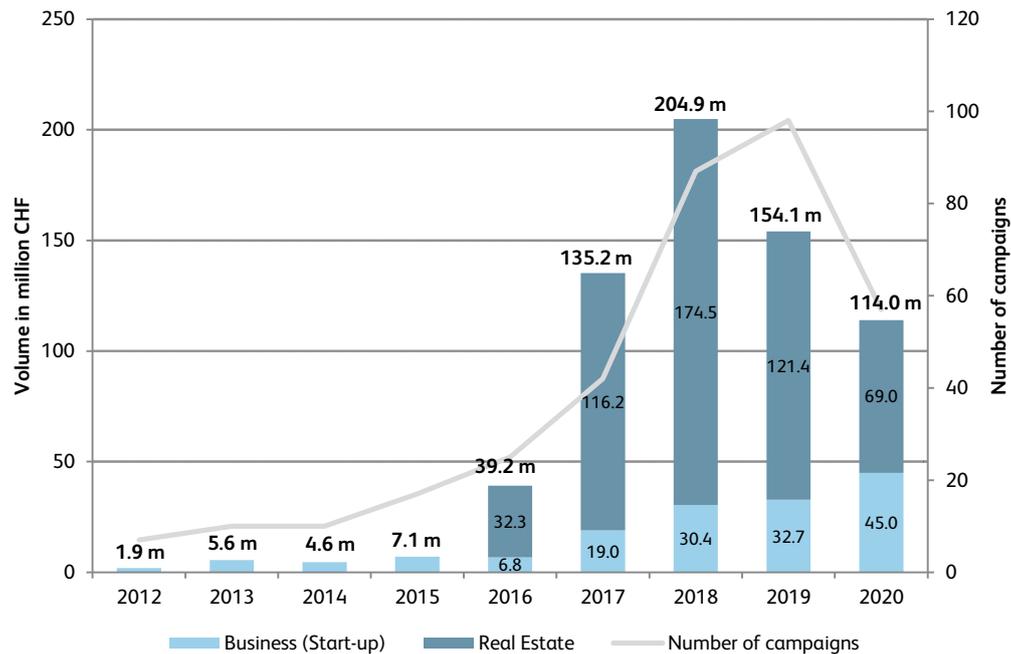


Figure 9: Crowdfunding volumes in Switzerland 2012-2020

Category	Platform	Online since	Payment model	Fee models
Business (start-up) crowdfunding	investiere (Verve Ventures)	2010	all-or-nothing	Borrower: no fees Investor: 3-6% commission of the investment plus carried interest of 15% starting at a return of at least 5%
Real estate Crowdfunding	Beedoo	2,017	Keep once minimum is reached	Flat fee for valuation and structuring, plus success fee
	Crowdhouse	2,015	all-or-nothing	3% of the property purchase price for brokerage, then 5-7% on net rental income for property asset management
	Crowdli	2017	all-or-nothing	3% brokerage fee and 1.5% management fee the net actual rent
	Foxstone	2017	all-or-nothing	3% of the property purchase price. Then 0.5% -1% of the purchase price as management fee
	Investers	2019	all-or-nothing	3% of the property purchase price, then 3% of the net rental income (only after reaching 75% of the target return)
	myBrick	2017	all-or-nothing	2-3% of the investment amount

Table 5: Crowdfunding fee models

3.5 Other business models in the realm of alternative online finance

In addition to the traditional crowdlending business models outlined above, many other platforms have emerged in the last three years aimed at professional investors. Many of these platforms follow a B2B (business-to-business) business model and, on the borrowers' side, often focus on large companies or corporations under public law.

Bank Vontobel launched its cosmofunding money and capital market platform in September 2018. Cosmofunding's offering is aimed at corporations under public law, corporates and institutional investors. The platform works with the Swiss rating agency fedafin, which rates the borrowers. From its launch in October 2018 until the end of 2020, the platform transacted loans to the value of CHF 6.4 billion.

Loanboox is also active in the corporations under public law market. The platform has been in operation since September 2016. Between its launch and the end of 2020, Loanboox had transacted loans in the order of CHF 15 billion, not counting other transactions abroad. Loanboox, too, pursues an exclusively B2B approach and accepts only institutional and professional investors. On the borrowers' side, the platform can be used by municipalities, towns, cantons and large companies for loans of between CHF 500,000 and CHF 500 million. Most loans have been provided by a single counterparty. Loanboox confines itself purely to providing broking services and charges the borrower a one-off fee amounting to one basis point per year for the life of the loan. Loanboox expanded into Germany in 2017 and Austria and France in 2018. January 2019 saw the platform raise CHF 22 million in equity. Investors include Deutsche Kreditbank AG and the LGT Group, both in the low single-digit percentage range. According to Loanboox, the company is valued at CHF 122 million.³²

The winner of the 2020 Swiss FinTech Awards, instimatch global, is also focused on institutional investors. Compared to the aforementioned platforms, however, instimatch focuses more on short-term transactions and tries to bring part of the money market to its platform. Alongside institutional investors, instimatch is also open to larger companies seeking to optimise their liquidity via the platform. According to the company, the volume brokered so far has been in the single-digit billion range. The start-up is currently active in Europe and the Middle East. Furthermore, instimatch is aiming to expand into Asia, Australia and New Zealand in 2021.

The end of 2018 saw start-up Systemcredit go online with the aim of establishing a marketplace for SME loans. Acting as an intermediary, the Systemcredit platform provides SMEs with credit offers from several possible lenders within a few minutes. Systemcredit is compensated by means of a fee for the SMEs that have corresponding "credit dossiers" on the platform. Since its inception, Systemcredit has raised approximately CHF 20 million for SMEs.

Under the Advanon brand, the CreditGate24 platform offers short-term corporate loans and invoice trading. The basic idea of invoice trading is to sell accounts receivable via an online platform. In that respect, the model is similar to that of the well-known principle of factoring. However, invoice trading differs from traditional factoring in respect of its automation, flexibility and risk assignment. Until 2018 only Advanon in Switzerland offered a business model in which private investors could also invest. Meanwhile, the Advanon platform is only open to private investors with investable assets of CHF 50,000 or more and total assets of CHF 500,000 or more, as well as institutional investors. As a result, the platform no longer comes under our definition of crowdfunding. Pursuing a similar business model to Advanon is Tradeplus24, which also focuses exclusively on institutional investors.

³² Loanboox (2019). Loanboox banks 22 million francs. Press release dated 30.01.2019. Online (14.04.2019): <https://www.loanboox.com/landing/ch/news/posts/series-b-01-19>

We consider the trends we have observed in Switzerland and the B2B platforms presented above to be interesting and relevant. While the amounts raised via P2P models (private-to-private, e.g. consumer loans via crowdfunding platforms) or P2B models (private-to-business, e.g. SME loans via crowdfunding platforms) are currently in the median three digit millions, the aforementioned B2B business models are already generating several billion CHF per year after only a short time of trading. The banks are also keeping a close eye on these developments and in some cases are investing in similar business models themselves (UBS with the UBS Atrium platform, Bank Vontobel with cosmo-funding). We also expect the corresponding B2B business models to further increase pressure on banks' margins.

4 Crowdfunding: an international comparison

Switzerland's crowdfunding market has evolved steadily in recent years. But how should the changes in the Swiss market be viewed in an international context? Table 6 shows the crowdfunding volumes of the strongly developed countries China, the USA and the UK for 2018 (based on studies conducted by Cambridge University) and the volumes for Switzerland for 2019 and 2020. At the time of compiling this study, only the 2019 and 2020 figures for Switzerland were known. China has for years had the largest crowdfunding market in terms of volume. The figure for the USA was CHF 30.8 billion in 2018, in the UK CHF 8.0 billion. A breakdown of the various crowdfunding segments for Switzerland's neighbouring countries was not available at the time of writing. However, the total volume in 2018 was CHF 1.3 billion for Germany and CHF 0.9 billion for France. In absolute figures, then, Switzerland's volume is considerable (2020: CHF 606.6 million).

Crowdlending accounts for a large share of the total crowdfunding volume, especially in highly developed countries. In China and the USA, some 90 percent (USA) and 99.7 percent (China) of the total crowdfunding volume is accounted for by the crowdlending segment. In the UK, crowdlending accounts for 79.2 percent of the total volume. Crowdlending also plays a key role in Switzerland in terms of overall market volume. Unlike other countries, however, real estate crowdinvesting also has a certain significance (see Table 6).

Due to the difference in size and economic strength of the various countries, information regarding their absolute volume figures should be treated with caution. Figure 10 therefore presents the 2018 volumes (and those of 2020 for Switzerland) as a ratio of the resident population. China saw the largest volume of per capita crowdfunding in 2018 (CHF 148). Latvia and the United Kingdom followed with CHF 129 and CHF 120 per capita respectively. The USA was also ahead of the Swiss figures with a volume of CHF 94 per capita. The figure for Switzerland in 2020 was around CHF 70 (CHF 61 in 2018). Finland was right behind with a volume of CHF 67 per capita. The remaining countries analysed have only low volumes per capita.

Country	Volume in CHF m	Growth on the previous year	Share of segments in the overall crowdfunding volume 2018						
			Business crowdlending	Consumer crowdlending	Real estate crowdlending	Real estate crowdinvesting	Business crowdinvesting	Crowddonating / reward-based crowdfunding	Invoice trading
China	205,963.3	-37.5%	20.5%	78.3%	0.9%	0.0%	0.0%	0.0%	0.3%
USA	30,813.37	55.0%	6.5%	81.4%	2.1%	5.7%	1.6%	2.2%	0.4%
UK	7,798.1	33.0%	30.9%	26.0%	22.3%	3.3%	6.0%	0.9%	10.6%
Europe (excl. UK)	5,874.3	65.7%	16.8%	48.6%	2.4%	10.1%	4.7%	4.0%	13.5%
Switzerland 2020	606.6	1.6%	15.8%	9.1%	48.9%	11.4%	7.4%	7.4%	0.0%
Switzerland 2018	516.6	37.9%	26.0%	11.0%	13.6%	33.8%	5.9%	5.0%	0.0%

Table 6: Crowdfunding volumes of selected countries/regions in 2018 and Switzerland (2018 and 2020) and crowdfunding shares of the overall volume.^{33 34}

³³ Data: Switzerland: own research. Other countries: studies by the University of Cambridge. Publications. Online. (23.04.2020): <https://www.jbs.cam.ac.uk/faculty-research/centres/alternative-finance/publications/>

³⁴ The following categories were included in the analysis: P2P/marketplace (consumer lending, business lending, property lending), equity crowdfunding, real estate crowdfunding, invoice trading, reward-based crowdfunding, crowddonating.

Figure 11 shows the trend in per capita volumes for the USA, the UK, Germany and Switzerland from 2013 to 2018. The chart offers an insight into the growth dynamics of the Swiss market and shows how far the country lags behind leading countries. One can clearly see the relative late start of strong growth in the Swiss market (from 2015 onwards), which is two to three years behind the UK and the US. In previous years, this Monitor has pondered whether Switzerland is catching up with the leading markets. Based on the somewhat modest growth seen in 2019, the jury is still out. As is clear in the illustration, the growth curve has flattened out after a steady increase. That said, the Swiss market is exhibiting higher growth than in many other countries, although it is not catching up with the leading countries, namely the UK and the US.

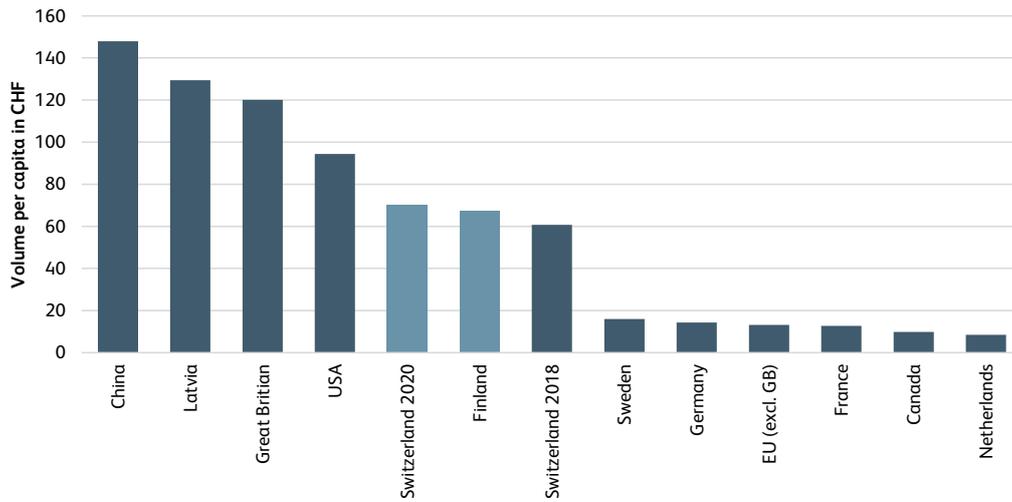


Figure 10: Per capita crowdfunding volumes in selected countries in 2018³⁵

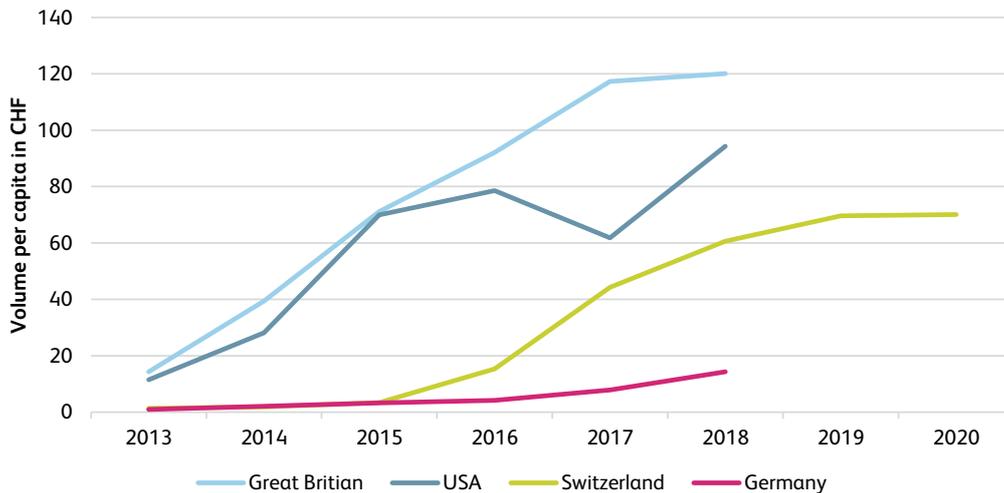


Figure 11: Per capita crowdfunding volumes 2013-2020³⁶

³⁵ Data: see footnote 33. Population: The World Bank. Population total. Online (23.04.2021): <https://data.worldbank.org/indicator/sp.pop.totl>

³⁶ Data: see footnote 35.

5 Forecasts: crowdfunding in 2021

In light of the above results, we offer the following tentative forecasts for the direction of Switzerland's crowdfunding market in 2021:

1. Growth expectations for 2021 differ by segment

Growth momentum slowed significantly in 2020. This is related to the Covid-19 crisis, among other things. We expect growth to surge once more in 2021. We anticipate significant growth in all areas of crowdlending. SMEs will again increasingly obtain loans via platforms, consumer loans will be sought more frequently again, and the real estate financing sector will also grow.

By contrast, we anticipate stagnation or even declining volumes in 2021 in the reward-based crowdfunding / crowddonating segment. It is not possible to say whether the disproportionately large surge in growth due to Covid-19 seen in 2020 will continue in 2021. However, the lower overall volume in this segment means that the overall impact on crowdfunding growth is modest.

We also anticipate a slight decline in crowdinvesting volumes. Although this segment is driven primarily by real estate investments, the number of investment property transactions transacted by the crowd in Switzerland is continuing to decline or stagnate, resulting in a volume of between CHF 650 and 850 million in the Swiss crowdfunding market.

2. Long-term positive effects of Covid-19

The Covid-19 crisis is having far-reaching consequences for many individuals, organisations and companies in Switzerland. It has also left its mark on the crowdfunding market: the crowdlending segment in particular was badly hit by the crisis in 2020.

That said, the crisis could result in some positive outcomes for the crowdfunding market in the long term. For one thing, some companies' processes have become more digital, and almost 140,000 SMEs have applied for a Covid loan online. It is conceivable that this has increased the openness of business to the idea of online financing. And amongst private individuals, most have been doing more online, and the numerous donation and fundraising campaigns conducted by the new (temporary) and established crowdfunding platforms have led to many people coming into contact with digital donation and financing models for the first time. Many platforms have also shown during this time that they can respond nimbly to new situations, as a result of which, acceptance and familiarity with crowdfunding have probably grown among the general population. Overall, we anticipate that these factors will have a positive impact on growth in the long term.

3. High market concentration in the Swiss crowdfunding market will remain

Numerous platforms in Switzerland remain online without having funded many campaigns: we expect some of them to exit the market in 2021. At the same time, launches of new platforms on the Swiss market will be few and far between.

Most of the crowdfunding segments are dominated by the three to five largest platforms. We are expecting this trend to accentuate. Individual mergers between established platforms are also conceivable. Small, innovative niche players with an eye on cost-effectiveness should be able to establish a toehold in the market.

Appendix: market participants

The following profiles have been provided by the platforms featured.

		Name	Acredius www.acredius.ch
		Legal owner	n/a
Managing director(s)	Ghassen Benhadjsalah	Address	Hardturmstrasse 161 8005 Zürich
When established	2017	Email	info@acredius.ch
Number of staff	4 (FTEs)	Telephone	
Form	Crowdlending		
Brief profile	Acredius is a secure online platform that provides an innovative way of linking investors with borrowers. Investors can diversify their portfolios and tap into interesting revenue streams. Borrowers obtain access to fair financing solutions.		
Fee model	Borrower pays the platform 1% of the amount owed. Investor pays 1% on each monthly repaid instalment.		

		Name	Beedoo www.beedoo.ch
		Legal owner	Beedoo SA
Managing director(s)	David Croisier	Address	Chemin de Chaumets 19b 1277 Borex
When established	2017	Email	info@beedoo.ch
Number of staff	1.3	Telephone	+41 22 368 08 08
Form	Crowdfunding		
Brief profile	For investors looking for real investment opportunities in real estate and impact investing.		
Fee model	Fixed fee for the audit, plus performance-based fee.		

		Name	Cashare www.cashare.ch
		Legal owner	Cashare AG
Managing director(s)	Michael Borter	Address	Bösch 65 6331 Hünenberg
When established	2008	Email	support@cashare.ch
Number of staff	18 (FTEs)	Telephone	
Form	Crowdlending		
Brief profile	Cashare provides a platform for alternative investment and funding opportunities via the crowd for private individuals and SMEs. Founded in 2008, Cashare was the first Swiss crowd-funding platform to launch.		
Fee model	Fees only if successful: Businesses: Borrower: 0.75 % p.a. (instalment loan) - 1.5 % p.a. (short-term loan; final maturity up to max. 12 months) / lender: 0.75 % p.a. on the remaining balance. Minimum fee for both parties CHF 500.00 Consumers: Borrower: 0.75 % p.a. / lender: 0.75 % p.a. on the remaining balance. Minimum fee for both parties CHF 75.00 Real estate: 0.5 - 0.75 % for investors, 0 % for borrowers in the case of mortgages.		

 CreditGate24		Name	CreditGate24 www.creditgate24.ch
		Legal owner	CreditGate24 (Schweiz) AG
Managing director(s)	Christoph M. Müller	Address	Alemannenweg 6 8803 Rüslikon
When established	2015	Email	info@creditgate24.com
Number of staff	26 (FTEs)	Telephone	+41 44 515 94 09
Form	Crowdlending		
Brief profile	CreditGate24 brings borrowers and private/institutional investors together on its highly automated marketplace-lending platform. CreditGate24 facilitates funding for private individuals, SMEs and real estate.		
Fee model	0.6-0.8 % for borrowers, investors: SME and real estate loans 1 % on all repayment amounts, personal loans 1.25 % on all repayment amounts.		

 creditworld		Name	creditworld www.creditworld.ch
		Legal owner	creditworld AG
Managing director(s)	Kai Ren & Philipp Schnyder	Address	Selnaustrasse 5 8001 Zurich
When established	2016	Email	info@creditworld.ch
Number of staff	8 (FTEs)	Telephone	+41 44 510 87 02
Form	Direct lending		
Brief profile	creditworld brings together Swiss SMEs with professional investors. Businesses benefit from attractive terms and fair contractual conditions. Investors gain access to a new investment class offering interesting returns while at the same time supporting the backbone of the Swiss economy.		
Fee model	Depends on loan amount for the borrower (0.35-1.95 %). No fees for investors.		

		Name	Crowdhouse www.crowdhouse.ch
		Legal owner	Crowdhouse AG
Managing director(s)	Robert Plantak & Ardian Gjeloshi	Address	Lerchenstrasse 24 8045 Zurich
When established	2015	Email	info@crowdhouse.ch
Number of staff	100 (FTEs)	Telephone	+41 44 377 60 60
Form	Crowdinvesting		
Brief profile	Crowdhouse is the first platform for investing online in existing Swiss investment properties with joint ownership entered in the Swiss Land Register. Minimum investment: CHF 25,000.-, annual yield 5-6%. Crowdhouse searches for properties, finds co-investors via the platform, conducts the negotiations with the banks providing mortgages and takes care of the purchase formalities and transfer of ownership with the notary and authorities. Following a successful purchase, Crowdhouse manages the property.		
Fee model	One-off 3% of the property purchase price, then 5-7% of the net rental income for managing the property.		

		Name	Crowdify www.crowdify.net
		Legal owner	Crowdify GmbH
Managing director(s)	Romano Strebel & Christian Klinner	Address	Ankerstrasse 3 8004 Zurich
When established	2012	Email	support@crowdify.net
Number of staff	1.5 (FTEs)	Telephone	
Form	Reward-based crowdfunding/crowddonating		
Brief profile	Crowdify is a Swiss crowdfunding pioneer and leader in service and project campaigning in three languages D/E/F. Project initiators benefit from a user-friendly project dashboard, tools and widgets, an exclusive manual, all the usual payment channels and access to Ron Orp, Switzerland's most urban community. Other Crowdify services include basic and project workshops, plus campaigning concepts.		
Fee model	All-or-nothing; 3% (third-party payment provider costs) for social projects and Corona campaigns, 9% of the target amount if successful (regular projects), 11% for stage financing.		

		Name	CROWDLI www.crowdli.ch
		Legal owner	CROWDLI Management AG
Managing director(s)	Felix Helling	Address	Zürcherstrasse 310 8500 Frauenfeld
When established	2017	Email	helling@crowdli.ch
Number of staff	1.5 (FTEs)	Telephone	+41 79 523 84 64
Form	Crowdinvesting		
Brief profile	Brokering of co-ownership shares.		
Fee model	3% brokerage fee and 1.5% management fee on net actual rent.		

		Name	Crowd4Cash www.crowd4cash.ch
		Legal owner	Crowd Solutions AG
Managing director(s)	Andreas Oehninger & Roger Bossard	Address	Bellevueweg 42 6300 Zug
When established	2016	Email	info@crowd4cash.ch
Number of staff	5.8 (FTEs)	Telephone	+41 41 525 33 77
Form	Crowdlending		
Brief profile	Crowd4Cash brings borrowers together with private and institutional investors. Crowd4Cash finances Swiss consumer and SME loans of up to CHF 250,000. With its Loan as a Service (LaaS) offering, Crowd4Cash is already supporting 50-plus SMEs and large companies with instalment payments for their end customers.		
Fee model	Fees only if successful: 0.70% p.a. (borrower) and 0.85% p.a. of the invested amount (investor).		

		Name	Foxstone SA www.foxstone.ch
		Legal owner	Foxstone SA
Managing director(s)	Dan Amar, Yossi Amar & David El-Eini	Address	Rue des Bains 35 1205 Geneva
When established	2017	Email	contact@foxstone.ch
Number of staff	20 (FTEs)	Telephone	+41 22 800 26 26
Form	Crowdfunding & crowdlending		
Brief profile	Specialising in real estate crowdfunding, Foxstone offers direct access to the Swiss real estate market from CHF 25,000. Focused on simplicity and transparency, the platform enables investors to become co-owners of an income-producing building and benefit from rental income. From the selection to the management of the building, Foxstone handles all the formalities on behalf of the investors. The Geneva-based company employs 15 specialists in real estate, finance, technology and operations management.		
Fee model	3% on the purchase price plus 0.5-1% on the purchase price as management fee.		

		Name	Funders.ch www.funders.ch
		Legal owner	Luzerner Kantonalbank AG
Managing director(s)	Guido Hauser & Daniel Lütolf	Address	Pilatusstrasse 12 6003 Lucerne
When established	2016	Email	info@funders.ch
Number of staff	3	Telephone	+41 41 206 25 01
Form	Reward-based crowdfunding, crowd donating and crowdlending		
Brief profile	Funders is a platform for reward-based crowdfunding and crowdlending projects. Initiators (inventors, creatives, start-ups, SMEs, clubs/societies, event organisers and not-for-profit organisations) can realise projects with the backing of numerous funders. Crowdfunding: realising innovations, dreams and projects together.		
Fee model	Reward-based crowdfunding: 7% including transaction costs. Crowdlending: 0.8% for funders, 0.8% for borrowers (on the loan amount).		

		Name	GivenGain www.givengain.com
		Legal owner	GivenGain Foundation
Managing director(s)	Marc Freudweiler	Address	Avenue Centrale 122 1884 Villars-sur-Ollon
When established	2001	Email	marc@givengain.com
Number of staff	5 (FTEs)	Telephone	
Form	Crowddonating		
Brief profile	GivenGain was founded by two brothers in July 2001. The company motto is: "It is more blessed to give than to receive". GivenGain offers not-for-profit organisations improved management, network set-up and maintenance, and helps to create ideas that people can believe in. Donations for projects through GivenGain are administered within a certified "non-profit-compliant" environment		
Fee model	5 %		

		Name	I believe in you www.ibelieveinyou.ch
		Legal owner	IBelieveInYou AG
Managing director(s)	Philipp Furrer	Address	Kramgasse 5 3011 Bern
When established	2013	Email	philipp.furrer@ibelieveinyou.ch
Number of staff	7.2 (FTEs)	Telephone	+41 31 544 35 20
Form	Reward-based crowdfunding		
Brief profile	I believe in you is the first crowdfunding platform to focus wholly on the funding of Swiss sporting projects. IBY is open to everyone. Individual athletes, teams, recreational / amateur / elite athletes, clubs/societies and promoters can publicise and fund their projects via the platform. IBY's operations are funded by administration fees and sponsors.		
Fee model	4 % payment processing, 8 % project support. Fees incurred only if project is successful.		

		Name	I care for you www.icareforyou.ch
		Legal owner	I care for you Foundation
Managing director(s)	Corinne Daepp	Address	Eigerstrasse 12 3011 Bern
When established	2015	Email	corinne.wissing@icareforyou.ch
Number of staff	2.4 (FTEs)	Telephone	+41 31 511 85 86
Form	Reward-based crowdfunding		
Brief profile	The I care for you platform is available to organisations and individuals looking to finance a social or humanitarian project in Switzerland or abroad. The organisation/individual initiating the project must be in Switzerland.		
Fee model	10 % of the amount achieved by successful projects.		

		Name	Investers www.investers.ch
		Legal owner	S2I (Swiss Innovative Investment) AG
Managing director(s)	Gillian Nespolo	Address	Chemin du Moulin 2 1053 Cugy
When established	2019	Email	info@investers.ch
Number of staff	2 (FTEs)	Telephone	+41 21 311 40 40
Form	Crowdinvesting		
Brief profile	Investers is a crowdfunding platform focused on real estate transactions. We bring liquidity to the real estate market and at the same time give everyone the opportunity to become co-owners (from CHF 20,000) of real estate in top locations and earn 6 % return per year, which is distributed monthly.		
Fee model	Brokerage commission 3 % and management fees 3 % .		

		Name	LEND www.lend.ch
		Legal owner	Switzerlend AG
Managing director(s)	Michel Lalive d'Epinay & Florian Kübler	Address	Hofackerstrasse 13 8031 Zurich
When established	2016	Email	info@lend.ch
Number of staff	18 (FTEs)	Telephone	
Form	Crowdlending		
Brief profile	Peer-to-peer lender in Switzerland		
Fee model	Borrower: 0.75 % p.a., investor: 1 % of the amount invested.		

		Name	Lendora www.lendora.ch
		Legal owner	Lendora SA
Managing director(s)	Simon Pelletier	Address	Avenue Edouard Rod 4 1260 Nyon
When established	2017	Email	info@lendora.ch
Number of staff	4 (FTEs)	Telephone	+41 22 562 42 88
Form	Crowdlending		
Brief profile	Lendora brings borrowers and investors together to make loans cheaper and investments more profitable.		
Fee model	0.7 % p.a. (borrower) and 0.5 % p.a. of the invested amount (investor).		

		Name	Lokalhelden.ch www.lokalhelden.ch www.heroslocaux.ch www.eroilocali.ch
		Legal owner	Raiffeisen Switzerland
Managing director(s)	Samuel Weibel	Address	Raiffeisenplatz 9000 St. Gallen
When established	2016	Email	info@lokalhelden.ch
Number of staff	2.8 (FTEs)	Telephone	
Form	Crowddonating / reward-based crowdfunding		
Brief profile	Lokalhelden.ch – the crowdfunding platform for a diverse Switzerland. Raiffeisen’s crowdfunding portal for clubs/societies, institutions and private individuals with not-for-profit projects. Raising / donating simple, no-cost money, materials or assistance on lokalhelden.ch		
Fee model	Free of charge (transaction fees from third-party providers (Twint, credit card companies or fiduciaries) are passed on).		

		Name	Neocredit www.neocredit.ch
		Legal owner	Neocredit.ch AG
Managing director(s)	Vincent van Seumeren	Address	Wankdorffeldstrasse 64 3014 Bern
When established	2019	Email	contact@neocredit.ch
Number of staff	5.5 (FTEs)	Telephone	+41 31 539 19 35
Form	Crowdinvesting		
Brief profile	neocredit.ch connects private and institutional lenders directly with Swiss SMEs. SMEs can finance up to CHF 1,000,000 simply, transparently and completely digitally. Investors benefit from attractive returns from as little as CHF 100.		
Fee model	One-off 2% of the credit volume, then 1% per year of the outstanding volume.		

		Name	Progettiamo www.progettiamo.ch
		Legal owner	ERS: Enti Regionali per lo Sviluppo del Canton Ticino (Locarnese e Vallemaggia, Bellinzonese e Valli, Luganese, Mendrisiotto e Basso Ceresio)
Managing director(s)	Regional Managers ERS (Igor Franchini, Stefano Di Casola, Daisy Albertella, Elena Bernaschina)	Address	c/o ERS-LVM C.P. 323 6600 Locarno
When established	2014	Email	mailto:locarnese@progettiamo.ch
Number of staff	1 (FTEs)	Telephone	
Form	Reward-based crowdfunding		
Brief profile	Progettiamo.ch is a platform that supports projects in Canton Ticino with traditional fundraising and crowdfunding. The projects are supervised by regional project managers up to implementation. Progettiamo is funded by public and private sponsors.		
Fee model	0%		

		Name	ProjektStarter www.projektstarter.ch
		Legal owner	Designatelier GmbH
Managing director(s)	Lukas Wullimann	Address	Weissensteinstr. 81 4500 Solothurn
When established	2011	Email	mail@projektstarter.ch
Number of staff	1.2 (FTEs)	Telephone	+41 32 622 07 07
Form	Reward-based crowdfunding		
Brief profile	Platform for presenting and funding creative ideas and projects. It aims to develop, promote and design products and project ideas		
Fee model	8 %, or 5 % for YOUNG, Solotharity campaign during the spring 2020 lockdown: 2 %.		

		Name	Raizers www.raizers.com
		Legal owner	Maxime Pallain & Gregoire Linder
Managing director(s)	Maxime Pallain & Gregoire Linder	Address	rue Beau-Séjour 8 C 1003 Lausanne
When established	2015	Email	contact@raizers.com
Number of staff	11 (FTEs)	Telephone	+41 22 575 27 27
Form	Crowdlending		
Brief profile	Raizers is an online investment platform that allows any individual or company to lend to real estate developers. This gives lenders access to investment opportunities selected by Raizers' team of analysts that were previously reserved for institutional investors.		
Fee model	Borrower: 5-7 %, lenders: none.		

		Name	SIG Impact www.sig-impact.ch
		Legal owner	Services industriels de Genève (SIG)
Managing director(s)	Christian Brunier, Jean-Marc Zraggen & Frédéric Godmer	Address	Chemin Château-Bloch 2 1219 Le Lignon
When established	2018	Email	jean-marc.zraggen@sig-ge.ch
Number of staff	1 (FTEs)	Telephone	+41 22 420 82 87
Form	Reward-based crowdfunding		
Brief profile	SIG Impact is a sector-based platform that exclusively publicises Geneva-based projects promoting the energy transition, such as energy efficiency, renewable energy and waste reduction projects.		
Fee model	The SIG Impact platform is linked to SIG's demand-side management programme "éco21", so no commission is charged for projects published by its clients. Otherwise 10 % of the project sum for non-clients of SIG.		

		Name	Splendit www.splendit.ch
		Legal owner	Switzerland AG
Managing director(s)	Michel Lalive d'Épinay & Florian Kübler	Address	Hofackerstrasse 13 8031 Zurich
When established	2014	Email	info@splendit.ch
Number of staff	0.5 (FTEs)	Telephone	
Form	Crowdlending		
Brief profile	Splendit is a crowdlending platform for students. Crowdlending broker and facilitator of student loans.		
Fee model	Monthly fee of CHF 10 for students during loan period. Investors pay a one-off 2% when the funds are released.		

		Name	SwissLending www.swisslending.com
		Legal owner	
Managing director(s)	Dominique Goy	Address	Rue du Général-Dufour 20 1204 Geneva
When established	2016	Email	contact@swisslending.ch
Number of staff	1 (FTEs)	Telephone	+41 22 730 10 08
Form	Crowdlending		
Brief profile	SwissLending is a crowdfunding platform focused on real estate crowdlending. SwissLending connects real estate developers with investors and offers securitised and bridging loans.		
Fee model	1.5% - 5% for borrowers, investors incur no fee.		

		Name	swisspeers www.swisspeers.ch
		Legal owner	swisspeers AG
Managing director(s)	Alwin Meyer	Address	Zürcherstrasse 12 8400 Winterthur
When established	2016	Email	info@swisspeers.ch
Number of staff	10 (FTEs)	Telephone	+41 52 511 50 80
Form	Crowdlending		
Brief profile	<p>Swisspeers is an independent direct lending platform that allows businesses to source capital directly from investors without intermediaries such as financial institutions.</p> <p>This peer-to-peer funding model is a straightforward alternative to traditional bank loans and is completely transparent: the credit rating is a neutral process conducted by swisspeers in accordance with clear criteria, and the price is set by means of an auction in the investment market.</p> <p>Swisspeers offers investors the chance to invest directly in SMEs and thus get around the investment crisis in Swiss franc fixed-rate transactions. These alternative investment opportunities with their attractive yield/risk profile help strengthen the Swiss business community.</p>		
Fee model	Borrower: 0.75% p.a.; lender: 0.5% p.a.		

		Name	wemakeit www.wemakeit.com
		Legal owner	Verein Wemakeit.ch
Managing director(s)	Céline Fallet & Leandro Davies	Address	Schöneggstrasse 5 8004 Zurich
When established	2012	Email	hello@wemakeit.com
Number of staff	8 (FTEs)	Telephone	
Form	Reward-based crowdfunding & crowddonating		
Brief profile	wemakeit was founded in Switzerland in February 2012 and now describes itself as one of the largest crowdfunding platforms in Europe. It offers creative people the opportunity to present ideas online to a large audience and have those ideas funded by many supporters. In addition to offices in Zurich and Geneva, wemakeit has a presence in Vienna and Bellinzona and reaches an international community with its quadrilingual platform (de/en/fr/it). Launched as a cultural initiative, wemakeit is now open to crowdfunding in all sectors. Spring 2020 saw wemakeit create a new solution for quick and easy help, the colibri donation button. Colibri enables a personal donation button to be created in minutes, via which funds can be raised for causes of any kind.		
Fee model	10% (6% service fee, 4% payment fee) / colibri: 5% payment and service fee.		

		Name	Yes We Farm www.yeswefarm.ch
		Legal owner	Nicolas Oppliger
Managing director(s)	Nicolas Oppliger	Address	Rue du Seyon 2 2000 Neuchâtel
When established	2018	Email	info@yeswefarm.ch
Number of staff	1.2 (FTEs)	Telephone	079 858 92 47
Form	Reward-based crowdfunding		
Brief profile	The first Swiss crowdfunding platform for agriculture and nutrition.		
Fee model	12%.		

Appendix: Statistics

No. of campaigns					
Year	Crowdinvesting	Reward-based crowdfunding / crowddonating	Crowdlending	Invoice trading	Total
2008	0	0	17	0	17
2009	0	0	28	0	28
2010	3	0	74	0	77
2011	6	15	85	0	106
2012	7	331	61	0	399
2013	10	594	116	0	720
2014	10	854	214	0	1,078
2015	17	1,059	266	n/a	1,342
2016	25	1,338	840	n/a	2,803
2017	42	1,536	2,035	n/a	5,113
2018	87	1,644	3,290	1,500	6,521
2019	98	1,769	2,781	0	4,648
2020	57	14,984 ³⁷	2,323	0	4,272
2008-2020	362	24'109	12,130	1,500³⁸	27,124

Campaign volumes disbursed in CHF million					
Year	Crowdinvesting	Reward-based crowdfunding / crowddonating	Crowdlending	Invoice trading	Total
2008	0	0	0.1	0	0.1
2009	0	0	0.2	0	0.2
2010	0.4	0	1.3	0	1.7
2011	1.7	0.3	1.1	0	3.1
2012	1.9	2.5	0.9	0	5.3
2013	5.6	4.2	1.8	0	11.6
2014	4.6	7.7	3.5	0	15.8
2015	7.1	12.3	7.9	0.4	27.7
2016	39.2	17.0	55.1	17.0 ³⁹	128.2
2017	135.2	29.1	186.7	23.5	374.5
2018	204.9	25.6	261.9	24.3	516.6
2019	154.1	24.6	418.4	0	597.1
2020	114.0	44.6	448.0	0	594.0
2008-2020	668.7	167.9	1,386.8	65.2	2,275.9

³⁷ 13,092 of the 14,984 campaigns were on temporary, COVID-19-related platforms.

³⁸ Includes only the 2018 volume, which was obtained separately in 2018.

³⁹ The volume in the invoice trading segment comes from Advanon. In 2016 no differentiation could be made between Advanon's invoice trading and short-term credit volumes. The differentiation was made in 2017. From 2019, Advanon is no longer included in the statistics.

Authors

Prof Dr Andreas Dietrich

Prof Andreas Dietrich (1976) heads the Institute of Financial Services Zug IFZ and is co-head of programme of the MSc degree in Banking and Finance and the CAS Digital Banking at the Lucerne School of Business. He studied at the University of St. Gallen (HSG), where he also obtained his doctorate. He worked as a research associate at the HSG and completed a research year at DePaul University in Chicago. He has been at the IFZ since 2008. He also has a seat on the board of directors of the Lucerne Cantonal Bank.

Dr Simon Amrein

Simon Amrein (1985) is a lecturer and co-head of programme of the MSc degree in Banking and Finance at the Lucerne School of Business. He has been working at the Institute for Financial Services Zug IFZ since 2009 and is managing director of the Swiss Marketplace Lending Association. He studied Banking and Finance at the Lucerne School of Business, Economic History at the London School of Economics and Political Science, and received his doctorate from the European University Institute in Florence.

Institute of Financial Services Zug IFZ

The Institute of Financial Services Zug IFZ, a department of the Lucerne School of Business, is the leading financial institute at a university of applied sciences level in Switzerland. The IFZ provides research and advisory services and offers wide-ranging continuing and executive education programmes for specialists and managers in the financial sector. It also offers Bachelor and Master of Science degree programmes with specialisations in banking and finance, financial management, and real estate.

The IFZ course portfolio in continuing education comprises the following programmes:

Master of Advanced Studies MAS

- MAS Bank Management
- MAS Controlling
- MAS Corporate Finance
- MAS Economic Crime Investigation
- MAS Immobilienmanagement
- MAS Pensionskassen Management
- MAS Private Banking & Wealth Management

Diploma of Advanced Studies DAS

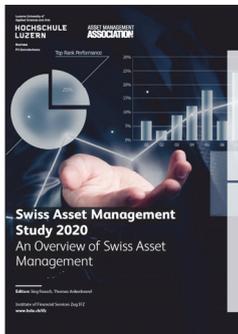
- DAS Accounting
- DAS Bank Management
- DAS Compliance Management
- DAS Controlling
- DAS Corporate Finance
- DAS Economic Crime Investigation
- DAS Pensionskassen Management
- DAS Private Banking & Wealth Management

Certificate of Advanced Studies CAS

- CAS Anlageberatung
- CAS Asset Management
- CAS Commodity Professional
- CAS Controlling
- CAS Corporate Finance
- CAS Crypto Finance & Cryptocurrencies
- CAS Digital Banking
- CAS Digital Controlling
- CAS Economic Crime Investigation
- CAS Financial Investigation
- CAS Financial Management
- CAS Finanz- und Rechnungswesen für Juristen
- CAS Finanzmanagement für Nicht-Finanzfachleute
- CAS Funding & Treasury
- CAS Future of Insurance
- CAS Gesamtbanksteuerung
- CAS Governance, Risk and Compliance
- CAS Group Reporting and Analysis
- CAS Real Estate Asset Management
- CAS Real Estate Development
- CAS Real Estate Investment Management
- CAS Sales und Marketing im Banking
- CAS Swiss Certified Treasurer (SCT®)
- CAS Turnaround Management
- CAS Verwaltungsrat

Selected publications of the IFZ

Swiss Asset Management Study 2020



126 pages
available online

- Analysis of the Swiss asset management market
- Market overview of Swiss asset managers
- A look at active vs. passive investing

IFZ Retail Banking Studie 2020



209 pages
CHF 290.-, print

- Benchmarking and corporate governance of Swiss retail banks
- Real estate financing in Switzerland

IFZ FinTech Study 2021



204 pages
available online

- Hub comparison
- Political & legal environment
- Economic, social & technological environment
- Swiss FinTech companies

Marketplace Lending Report 2021



available online

- Analysis of the online debt capital market in Switzerland
- Crowdlending deep dive

Trendstudie Banken 2021



44 Seiten
available online

- Bedeutung der Touchpoints aus Banken- und Kundensicht
- Einfluss von Covid-19 auf Bankkunden
- Geschäftsmodelle der Zukunft

Crowdfunding im Kulturbereich, 2016



40 Seiten
available online

- Crowdfunding im Kulturbereich, der Schweizer Markt
- Charakteristiken von Crowdfunding-Kampagnen im Kulturbereich

Digitales Anlegen in der Schweiz



40 Seiten
available online

- Geschäftsmodelle und Marktübersicht
- Welche Kunden sind (potenzielle) Nutzer von digitalen Anlagelösungen?

Mobile Payment Studie Schweiz 2020



31 Seiten
available online

- Analyse des Zahlungsmarktes Schweiz
- Analyse der Nutzung von TWINT

We thank the following platforms for their support

Acredius

Beedoo

Cashare

CreditGate24

Crowd4cash

Crowdhouse

Crowdify

Crowdli

Foxstone

Funders

GivenGain

Ibelieveinyou

Icareforyou

Lend

Lendora

Lokalhelden

Neocredit

Progettiamo

Projektstarter

Raizers

SigImpact

Splendit

Swisslending

Swisspeers

Wemakeit

Yeswefarm

Lucerne School of Business

Institute of Financial Services Zug

IFZ

Suurstoffi 1

CH-6343 Rotkreuz

hslu.ch/crowdfunding

ISBN 978-3-906877-84-6