

# The Future of Crowdfunding

BackerKit

*February 2025*

CONFIDENTIAL

# BackerKit invented the pledge management segment

*Over \$3B in pledge volume has been managed on BackerKit*

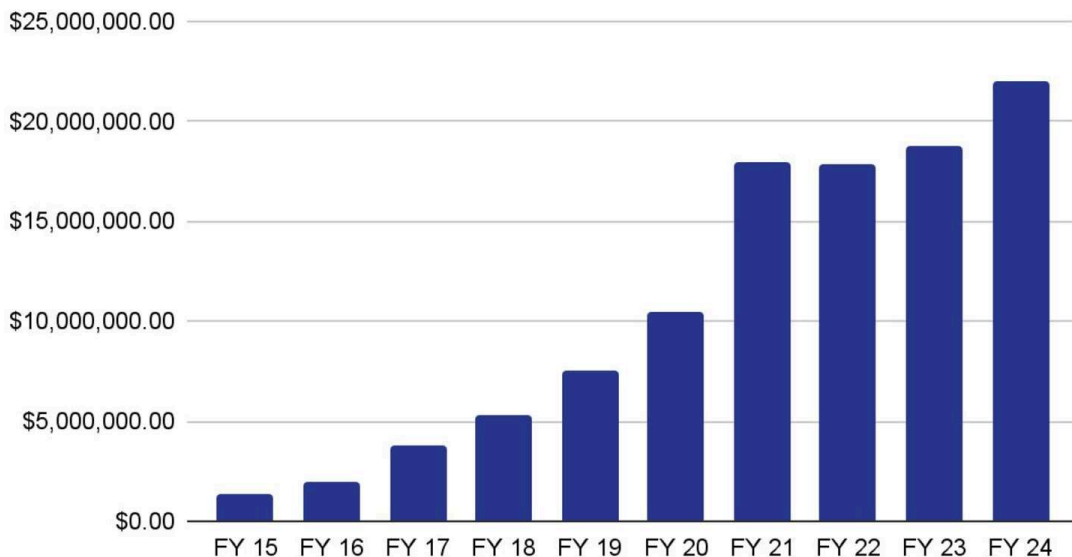
- For the last 12 years, BackerKit has defined and grown the pledge management segment, offering a critical software solution to the largest and most complex crowdfunding campaigns
- Over **\$3B in pledge volume** has been managed through our software, ensuring that creators not just fund the dream, but make it a reality
- Our tools make it easy for creators to fulfill orders for their backers – including custom surveys, managing shipping and taxes, and more – as well as making additional sales through our add-on and pre-order functionality
  - **1 in 4 dollars raised on Kickstarter** last year were fulfilled via BackerKit
  - Thanks to BackerKit's creator-centric product, creators raise an average of **20-30% more funds** post campaign close

# We have grown the business to over \$21M per year

*Our growth has been fully bootstrapped by a small, profitable team*

## BackerKit annual revenue

Fiscal year (Jul-Aug)



## Key revenue streams

- Campaign fees (% of funds raised)
- Commission on paid advertising
- Transaction fees on add-ons and pre-orders

# We've proven we're ready to take over the crowdfunding market

*As crowdfunding has matured and become more mainstream, the universe of creators who should use it has grown significantly*

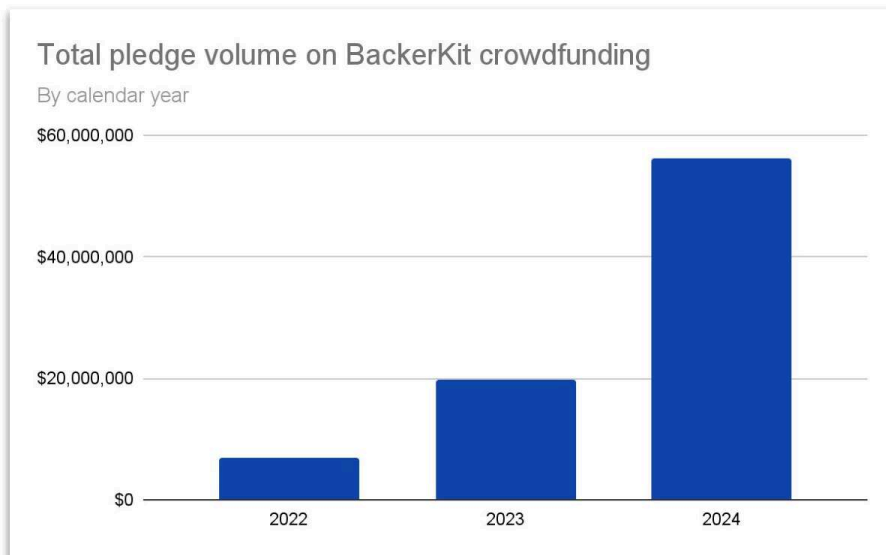
- Kickstarter created the market, but they are stagnating, with total pledge volume declining since 2021
- Top crowdfunding creators have asked us for years to give them an end to end solution from fundraising through fulfillment
- In addition, the creator economy has boomed and is expected to nearly double to \$480B from 2023 to 2027\* – with new segments of creators owning strong communities and brands who are perfectly poised to add crowdfunding as a revenue stream for their business (e.g., streamers, IG/TikTok influencers, top creators on Patreon).
- However, existing crowdfunding platforms need to innovate and evolve to meet the needs of this new high growth segment

**There is a real opportunity to not only gain market share from Kickstarter, but also to grow the crowdfunding market as a whole.**

# We've achieved product-market fit in just two years with our crowdfunding platform

*In 2024, we more than doubled the pledge volume on the platform for the 2nd year in a row*

- Launching our own crowdfunding platform allows us to own our own destiny and bring much-needed innovation to creators, while taking a higher % of funds raised
- Crowdfunding drives more than twice the revenue vs. the pledge manager
  - Converting a creator to crowdfunding brings in on average \$4 more revenue for every \$100 raised.
  - This is a 2.2x increase in revenue for the same campaign, just based on the first 2 years of our crowdfunding platform, which has opportunity to be optimized further.



# Within our first 2 years, we have broken numerous records in the crowdfunding industry

- **Words of Radiance Leatherbound by Brandon Sanderson**
  - **11.8x their goal:** \$23.7M raised from over 102k backers with original goal of \$2M
  - #1 Fastest to reach \$10m in crowdfunding
  - #1 Biggest Day-1 total in crowdfunding
  - #2 Most funded crowdfunding project of all time
- **Weighted Wonders**
  - **24x their goal:** \$1.2M raised from 8k backers with original goal of \$50k
  - Biggest plushie campaign across all crowdfunding platforms (more than double the highest funded on Kickstarter)
- **Gloomhaven Grand Festival**
  - **2.6x their goal:** \$5.1M raised from 34.7k backers with original goal of \$2M
- **The MCDM RPG: Draw Steel**
  - **5.8x their goal:** \$4.6M raised from 30.1k backers with original goal of \$800k

NEWS

## Brandon Sanderson will bring his next project to Kickstarter competitor Backerkit

Tabletop remains an important area of focus, says Backerkit CEO

BY CHARLIE HALL  
Feb 21, 2024, 1:16 PM PST



16 Comments (16 New)

NEWS

## Kickstarter rival Backerkit exits beta on the heels of a successful Gloomhaven campaign

The San Francisco-based startup joins Poland's Gamefound in courting global tabletop creators

BY CHARLIE HALL  
Jul 18, 2023, 6:00 AM PDT



6 Comments (6 New)

## Indie tabletop RPG raises over \$4.6 million on BackerKit in effort to create fantasy title 'unburdened' by Dungeons & Dragons

News

By Cat Bussell published January 5, 2024

# We're raising an equity crowdfunding round to fund our new platform

*We're walking the walk, and continuing to build with our community and creators first*

- We are raising \$2M in a community round on Wefunder in order to accelerate the pace of the big bets we can make
- Led by the Sahil Lavingia, the CEO of Gumroad
- Participation from Garry Tan (CEO of Y Combinator)
- We are sharing the opportunity with friends, family and customers first before launching on WeFunder in late Feb /early March 2025
- Terms:
  - \$89M post-money valuation
  - Early bird terms: 20% discount