

Maintaining momentum in an investment round

A funding round can take a long time to complete and the longer it takes the more obstacles or issues will arise with the investors that you pick up along the way. Another, better deal may come along, or unforeseen personal circumstances may preclude an investor from investing. It's also important to remember that most investors don't have to invest, they can always sit on their money and wait for something else to come along. You, however must raise the investment to maintain your growth trajectory so here are a few ways to increase the chances of successfully closing.

Create an online data room

Utilising off the shelf cloud hosted document storage solutions we recommend that you build up a library of key documentation, including things like your key contracts your shareholders agreements, your latest decks, anything that corroborates your business plan and all the other things in between. It just removes one less reason or delay for an investor to not make that final investment.

Engage with more investors than you need

Investors drop out all the time and in fact the most common time they drop out is at the 11th hour. The last thing you want is an investor cancelling at the last-minute meaning you can no longer finally close that round and drawdown the investment. Build up more investors than you actually need to close your round to take into account the possibility that some may drop

out along the way; it's no bad thing if they all come on board, you can never have too much capital.

Send regular updates to all investors interested in the round

You will engage with many different investors throughout this process some will be more reactive than others, some may go cold after many meetings and phone calls with no fathomable reason but they may still be interested in investing your business they just get distracted by something else. You do not want to pester them and constantly email them asking them to invest.

Get into the habit of sending fortnightly or monthly round robin updates to all investors that you have met or spoken to about the investment round. It gives you a non-invasive way and a non-hectoring way of conveying momentum both in your business and in the funding round. You could include things like new customers signed up, new technological milestones, new investors joining the round, new advisers joining the Advisory Board. It will convey that the round is going to get filled up with or without them and the business continues to grow, this kind of pressure will help you drive completion of the round.