

QATAR UNIVERSITY  
COLLEGE OF BUSINESS AND ECONOMICS  
FEASIBILITY OF CROWD FUNDING PLATFORM IN QATAR:  
ENTREPRENEURS' & INVESTORS' PERSPECTIVE  
BY  
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A Thesis Submitted to  
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## COMMITTEE PAGE

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# ABSTRACT

SANAULLAH NASRULLAH, Masters: January: [2018], Master of Business Administration

Title: Feasibility of Crowd Funding Platform in Qatar: Entrepreneurs' & Investors' Perspective

Supervisor of Thesis: Mohd, Nishat, Faisal.

Crowdfunding platform - an increasingly popular & viable financing option for entrepreneurial ventures around the world has yet to register significant introduction & impact in the MENA region. This paper aims to explore the feasibility of a crowdfunding platform in Qatar from the perspective of two groups- Investors & Entrepreneurs. Two separate surveys were conducted & analyzed to explore the needs, motivations, potential benefits & drawbacks, preferences of both the Investors & Entrepreneurs of having a crowdfunding platform in Qatar. The resulting analysis of surveys from 120 investors & 50 Entrepreneurs reveal that Crowdfunding platform in Qatar is conditionally feasible.

**Keywords:** Crowdfunding, Platform, Investor, Entrepreneur, Qatar

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## CHAPTER 1: INTRODUCTION

Crowd funding is currently becoming a viable alternative financing option for entrepreneurial ventures. With the ever-increasing popularity and domain of social media in the day to day lives of people, social media based platform of Crowd funding are helping generate money from the Crowd to finance startups, innovative products and services, fund raising for social causes etc. According to a report on the use of Crowd funding in Europe, the market has grown from 267 Million pounds to 1.75 Billion pounds in two years in the UK. The rest of the European countries have also experienced similar growth rates in Crowd funding based companies. In the United States, the JOBS act was specifically designed to facilitate the growth of entrepreneurial ventures to promote economic development. As the leading economies of the world are embracing the crowd funding as a tool for financing, the level of crowd funding activities in the MENA region has faltered to register. Examples, Palestine, Israel, Egypt and other northern African countries have adopted crowd funding to social/ green initiatives. Similarly, the crowd funding activities in Qatar have been geared towards social causes such as Narwi fund, Qatar Red Crescent, Silatech etc. have only been directed towards social causes.

As a paper suggest that raising capital for business ventures by entrepreneurs or startups are very hard due to lack of many aspects such as collateral, time, networking etc. Add to that the stringent legal requirements for businesses (such in Qatar) also increase the difficulty for entrepreneurs to pursue a business venture. If the entrepreneurs can have an

alternative means of financing such as a crowd funding platform, it might provide the boost for the entrepreneurial ventures.

In the wake of the blockade crisis of Qatar by members of the GCC countries, the government had to spend up to \$10 billion to meet the gap between the product/services demand and available supply. The continued siege on Qatar has also made the government take notice for the need to promote and foster local products and services. For example, the initiatives of developing sustainable dairy, poultry, industrial chemical industry by providing land, capital and business expertise to organization is a direct resultant of the continued siege. However, these governmental initiatives are targeted at large scale industry development to make Qatar economy less reliant on imports in the long run and does not answer for the immediate need of the small and medium businesses who rely on foreign products and services. During the global financial crisis of 2008 onwards, the small and medium businesses increasingly turned to alternative financing options as the economy stagnated and traditional means of financing became more expensive. Similarly, the availability of a crowd funding platform in Qatar might provide an option to small and medium enterprises to gain access to funding for their current business needs / future entrepreneurial endeavors.

The aim of the paper is to explore the feasibility of a crowd funding platform in Qatar from two perspectives: first, from investors' perspective and second, from entrepreneurs' perspective. The below listed objectives will help answer the feasibility of a crowdfunding platform in Qatar that the paper aims to highlight thru exploring

- a. The most appealing Needs/Reasons for having a crowdfunding platform in Qatar by both groups
- b. The potential Benefits/Drawbacks/Features both groups identify as most important
- c. The most appealing Industry Focus for both groups to feature on the platform
- d. The most appealing Type of Crowdfunding Platform for both groups.

## CHAPTER 2: LITERATURE REVIEW

The originating point of Crowd funding as a concept can be attributed to the broader phenomenon of Crowd sourcing. (Howe, 2008). Crowd Sourcing was defined by Jeff Howe as a function outsourced by a company or organization that was previously done by employees to an undefined network of people as an open call (Howe, 2006). Any person from the crowd who responds and completed the function as per the company is entitled to a stipulated payment. Just as crowd sourcing utilizes the power of the crowd to accomplish a predetermined task or for a creative purpose, the crowd funding also provides businesses opportunity to access to an alternative source of funding possibility. This alternative source is of major significance to entrepreneurs, who are seeking funds to finance their businesses (Gartner,1988). One of the most crucial tasks is to gather up the funds for a startup business or venture for an entrepreneur. It is also one of the most challenging tasks as the success of that venture is tied to obtaining the finance (Shane & Cable,2002). In the United States, entrepreneurial venture funding need between the amounts of \$200,000 to \$2 Million is defined as the “Valley of Death”, as entrepreneurs can be able to raise any amount less than \$200,000 from friends or family while any amount more than \$2 Million may attract attention from venture capitalists or angel investors (Spring, 2013). Since the financial crisis of 2008, it had become more difficult for startups and entrepreneurs to obtain finances from traditional channels such as banks throughout the world. As a result, there has been an explosive increase of crowd funding activities over the past decade, especially in the United States & Europe, that account for 85% of the worldwide funding volume on crowd funding platforms, according to

Massolution 2015 crowd funding Industry Report. The same report indicates that there are 1,250 crowd funding platforms worldwide that raised \$16.2 Billion dollars in 2014 for ventures and causes. This worldwide phenomenon of Crowd funding can be defined as “a collective effort by consumers who network and pool their money together, usually via the internet, in order to invest in and support efforts initiated by other people or organizations” (Ordanini, Miceli, Pizzetti, Parasuraman, 2011). It enables entrepreneurs and other start up or existing business entities to place an open call for funds to support their ventures using internet based platforms. These platforms provide access to a vast network of users that are willing to provide financial resources in exchange of rewards or equity share in the venture or as donation for social causes. Crowd funding has been also described as a method that with the help of social media based intermediaries, provides a channel for entrepreneurs to raise capitals from novel investors who are willing to invest in smaller amounts compared to traditional investment approaches (Valanciene & Jegeleviciute ,2013). According to Golic, crowd funding is a system that is a resultant of social media which requires close cooperation from all three parties; entrepreneurs, investors & platforms; to achieve their goals (Golić ,2014). Mollick stated that crowd funding is an approach to raise necessary funds using the large number of users on an intermediary platform with relatively small contributions from each user without the help of financial intermediaries (Mollick ,2014). Crowd funding platforms also provide entrepreneurs to test their product by getting critical feedback from the investors that can be incorporated within the product before a public launch. Also, it can provide the entrepreneur an existing sales channel to check the response and assess the potential demand for the product. For the investors, they can either receive rewards such as social

returns, products & services, financial return or even refund depending on the type of project or platform. According to the article of Lam & Law, all the crowd funding activities can be classified into four models- Donation, Reward, Equity & Lending based (Lam & Law,2016). The donation based model get donations from the investors who are not promised any financial returns against their contribution and the money is usually directed towards social causes, missions or projects of NGOs or innovative projects. The way it differs from traditional donation based fundraising is that the crowd funding focuses on the specific projects rather than getting funds for a charitable organization. Reward based model focuses on raising funds for entrepreneurs to develop and market their products or services where the investors receive either some token of appreciation or financial reward. On a Lending based crowd funding model, the online platform matches lenders with interested entrepreneurs to facilitate loans with interest rates specified by the online platform. It also specifies repayment of principal to the lender with mutually agreed payment schedule. The interest rates are set so that they are attractive to the lenders and lower than market rates for borrowers. Equity based crowd funding offers equity stake of private business to investors thru the online platform in exchange for their contributions (Collins & Pierrakis,2012). As per Kirby & Worner, the donation and Reward based can be categorized into Community Crowd funding as they do not provide any financial returns to investors are used for social cause, innovative products/ services, creative endeavors etc. The Lending & Equity based can be categorized into Investment Crowd funding as they provide investors with debt securities, share of ownership and other rights (Kirby & Worner ,2014).

According to Valanciene and Jegeleviciute, platforms can also be differentiated into two categories initially based on the money collection method. One type is that the entrepreneur retains all the funds raised thru the platform for the specific project regardless of the success of the endeavor and another type is where the collected money by the crowd funding platform is put into a special escrow account that has a specific funding target to meet. In case of failure to meet such target, all the collected money is returned to the investors (Valanciene & Jegeleviciute ,2013).

To define the crowd funding concept from a stakeholder perspective, as per Beaugre & Das, crowd funding has three main stakeholders- investors, entrepreneurs & platform (Beugre & Das,2013). As per the article, crowd funding platform enables the sharing of ideas to public and provide opportunity for the non-traditional investors to invest, provide advice and suggestions on product/service or business in exchange for reward/ return. Once an endeavor is successful, the platform will receive a percentage of fund raised from the entrepreneur as fee. As the process of crowd funding highlights three stakeholders, the authors also point out the existence of other stakeholders for the crowd funding process. As per Valanciene & Gimžauskiene, there are two broad classifications for the main stakeholders of crowd funding, one is the organizational stakeholders who are involved directly in the value creation process and contextual stakeholders who form the external environment and business condition (Valanciene & Gimžauskiene,2012). The authors suggest that the goal of value creation thru crowd funding should conform and satisfy all stakeholder needs. The significance of these other stakeholders is paramount to the understanding of the crowd funding phenomenon and its appeal and extraordinary growth around the world.

As per the studies done on crowd funding, it is suggested to be fulfilling the financing gap for new or transitioning businesses (Atherton, 2012) and all stakeholders (government, entrepreneurs, ordinary people, online platforms) of the crowd funding process would like this process to be successful and prosperous to enhance job creation & economic growth (Papadimitriou, Mourdoukoutas,2002).

As indicated by Steyaert & Katz, entrepreneurship is widely regarded as a powerful and positive force due its role on job creation and innovation (Steyaert & Katz,2004) and it should be encouraged further to positive influence on employment, wealth creation and innovation (Desai, Acs, & Weitzel,2013). Crowd funding has become a tool for promoting entrepreneurship around the world, especially in the North America & Europe and the governments are actively supporting this phenomenon. For example, the 2012 Jumpstart Our Business Startups (JOBS) act has legalized equity crowd funding in the United States to further support and promote the growth of crowd funding initiatives with the view of encouraging entrepreneurial ventures, job growth, innovation and economic development.

These support and promotion to boost crowd funding is well validated with success stories like Pebble Watch. Initially when Pebble Smart Watch with its innovative design and battery life of up to 10 days was introduced, it had only received enough funding to sustain thru development phase. Once the Pebble campaign was launched thru Kickstarter with a target of raising \$100,000, the campaign received 70,000 individual pledges totaling up to \$10.3 Million (Newman,2012). As the initial pebble campaign showed the funding potential of crowd funding, the subsequent campaign showed the access, sales & distribution channel provided by crowd funding to market its product to a vast network of



people (Lapowsky,2015). According to Moissejev, using a crowd funding platform provides a small firm three advantages in terms of marketing- first, as a research tool to assess the quality of product, second, a promotional tool to a vast network of people and finally, as a readily available sales channel (Moissejev,2013).

As the previously discussed literature and successful examples have illustrated the benefit of crowd funding on entrepreneurs, the platforms and the overall business environment, the benefits for investors have not been highlighted. As crowd funding projects differ from one another in terms of scope, timing, design and target, similarly does the type of investors. Literature has focused on the motivation factors that make investors choose between different types of crowd funding projects. According to Ryu & Kim, decision to fund a project has precursors such as sponsor characteristics, sponsor demographics & project characteristics that lead to sponsor motivation and finally determines the funding behavior of the sponsor (Ryu & Kim ,2016). The sponsor characteristics are shaped by the mixture of the openness to experience, conscientiousness, extraversion, agreeableness & neuroticism – the five factor model components that can be provide most appropriate standards for categorizing individual characteristics (Devaraj, Easley, Crant,2008). A sponsor with high degree of openness to experience and conscientiousness will display eagerness to try new experiences and perseverance and motivation towards a goal while a person with high neuroticism will display higher degree of instability, insecurity and anxiety. As per Ryu & Kim, by categorizing the sponsor motivations using the two constructs of Intrinsic vs. extrinsic & self –oriented vs. others –oriented, crowd funding sponsors could be classified into four distinct groups. These groups can be used to

determine the project, reward, platform and funding preferences of crowd funding sponsors.

Apart from the previously mentioned motivation factors, other studies have suggested that motivation for crowd funding backers can stem from expectation to receive recognition, personal liking to a project or cause, expectation of having a good image in front of others. These all motives seem to be both self-interested and pro social motives together ((Ryu & Kim ,2016). This points to the contrary to other literature on backers' motivation on crowd funding that in an incentive based crowd funding environment, backers are only egoistically motivated and do not have pro social motives (Gerber & Hui, 2013). Similarly, recent results from studies in motivational psychology also indicate that both motives can co-exist (De Dreu & Nauta, 2009).

However, despite being aware of all the benefits of crowd funding to all stakeholders, there are people (Entrepreneurs, Investors) who are reluctant to be part of crowd funding phenomenon. The entrepreneurs who are concerned about their social capital and the importance of managing their public image as an asset are reluctant to be part of crowd funding platform due to the dynamic public dialogue and sharing on information represent an area of concern (Gleasure, ,2015). The authors of the same article using the model of resistance of Kim & Kankanhalli suggested that increased awareness of crowd funding will have positive impact on value perception and impression management concern of the entrepreneur. The value perception of crowd funding stems from switching benefits and costs compared to traditional means and if the benefits outweigh the costs, it will negatively impact resistance to crowd funding. The impression management concern is a construct of three aspects – fear of disclosure, visible failure

and projecting desperation. The fear of disclosure has been identified as one of the primary aspects contributing to the reluctance of entrepreneur to use crowd funding. This fear is grounded in reality as many entrepreneurs are engaged in activities that are delicate in terms of timing and scope and disclosing information can significantly hamper their key strategic asset of first mover advantage (Kim & Kankanhalli, 2009).

Another group of entrepreneurs reluctant to use the crowd funding are concerned of fraudulent activities on platforms by entrepreneurs, who function without a sense of accountability for their actions to others or the society towards own self-interest to an extreme (Shearer, 2002). Transactions involving the sale of security in exchange of equity are more prone to fraudulent activities and thus require a higher level of regulations to monitor compliances and as it involves non- accredited investors (Collins & Pierrakis,2012). As per Morsy, “fraudsters are already taking advantage of the JOBS act to illegally raise money from the crowd (Morsy ,2014).” To safe guard the interest of such non-accredited investors, many legal requirements have been introduced based on the funding needs of the entrepreneur such as releasing the tax returns information, financial statement of the ventures reviewed by a certified public accountant, withholding funds till fundraising goals are reached etc. However, the fraudulent activities still pose a threat to investors and the article by Baucus & Mitteness provide few suggestions to tackle the fraudulent entrepreneurs. The authors suggested having certified platforms that can list crowd funding ventures with maximum level of investment ceiling for each investor based on income level. These platforms also should be registered with a regulatory authority and provide investors knowledge on ventures and the associated risks of investing in new ventures. The authors also suggested a transparency and sharing

of information of new ventures by entrepreneurs on the crowd funding platforms so that the investors can make informed decision on using their funds and investors to undertake certification before being allowed to invest on a crowd funding platform (Baucus & Mitteness,2016). Although the crowd funding advocates suggest that it would make in economically unfeasible as implementing these steps would increase the cost for the entrepreneurs, the platforms and even the investors, there are potential benefits for all parties involved. For example, studies on impact of language on the success of crowd funding ventures suggested that the concrete and interactive style of language have a positive effect on success (Parhankangas & Renko,2017). It also suggested that spelling errors in campaign pitches on crowd funding lowers success rate by 13%. Ventures displaying right use of language and avoiding mistakes are deemed to be better prepared and their chances of getting funding are increased. Similarly, the platforms also can boost a higher percentage of successful ventures funding that will create a positive image.

Despite the growing popularity of crowd funding and in application around the world, it has not been introduced in Qatar yet. This study aims to find out how the suggestions from the literature review illustrated on Table 1 on crowd funding are applicable to Qatar from both the investor & the entrepreneur perspective. The study will explore the preferences of crowd funding platform, underlying reasons, potential drawbacks, sector of interest, and importance of different features of a crowd funding platform from both the investor & entrepreneur perspective. This study will help to understand the potential feasibility of introducing a crowd funding platform in Qatar.

Table 1 - *Summary of Literature Review*

<b>Author</b>	<b>Context</b>
Howe, J., 2008.	Crowdfunding similar to crowd sourcing facilitates financing potential for one purpose by using the power of the crowd.
Shane, S., Cable, D., 2002.	Most crucial & challenging task for startup business/ entrepreneur is gathering of funds
Mollick E.	Crowd funding is an approach to raise necessary funds using the large number of users on an intermediary platform with relatively small contributions from each user without the help of financial intermediaries.
Golić Z.	Crowd funding is a system that is a resultant of social media which requires close cooperation from all three parties; entrepreneurs, investors & platforms; to achieve their goals.
Beugre, C. D., Das, N. (2013).	Crowd funding has three main stakeholders- investors, entrepreneurs & platform
Valanciene, L. Gimžauskiene, E. (2012).	Two Stakeholders for crowdfunding- Organizational stakeholder who are directly involved in value creation process & Contextual stakeholder who form external environment & business condition
Atherton A. (2012). & Papadimitriou S, Mourdoukoutas P. (2002).	Crowdfunding is fulfilling the financing gap for new/transitioning business and all stakeholder would like this process to successful & prosperous to enhance job creation & economic growth
Moissejev, A. (2013, April 21).	Crowdfunding as Marketing Tool performs as a research tool to assess product quality, promotional tool to vast network of people & as available sales channel for small firms
Devaraj, S., Easley, R.F., Crant, J.M., 2008	The sponsor characteristics are shaped by the mixture of the five factor model components- openness to experience, conscientiousness, extraversion, agreeableness & neuroticism
Gerber, E.M., Hui, J., 2013.	Backers' motivations are comprised of both self-interest & social motives.

Drucker, P.F., 2007. Increased awareness of crowd funding has positive impact on value perception and impression management concern of the entrepreneur.

Shearer, T. (2002). Entrepreneurs reluctant to use the crowd funding are concerned of fraudulent activities on platforms by entrepreneurs, who function without a sense of accountability for their actions to others or the society towards own self-interest to an extreme.

Ryu, S., & Kim, Y. (2016). Decision to fund a project has precursors such as sponsor characteristics, sponsor demographics & project characteristics that lead to sponsor motivation and finally determines the funding behavior of the sponsor.

Gleasure, R. (2015). The entrepreneurs who are concerned about their social capital and the importance of managing their public image as an asset are reluctant to be part of crowd funding platform due to the dynamic public dialogue and sharing on information represent an area of concern

Parhankangas, A., & Renko, M. (2017). Impact of language on the success of crowd funding ventures suggested that the concrete and interactive style of language have a positive effect on success

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## CHAPTER 3: METHODOLOGY

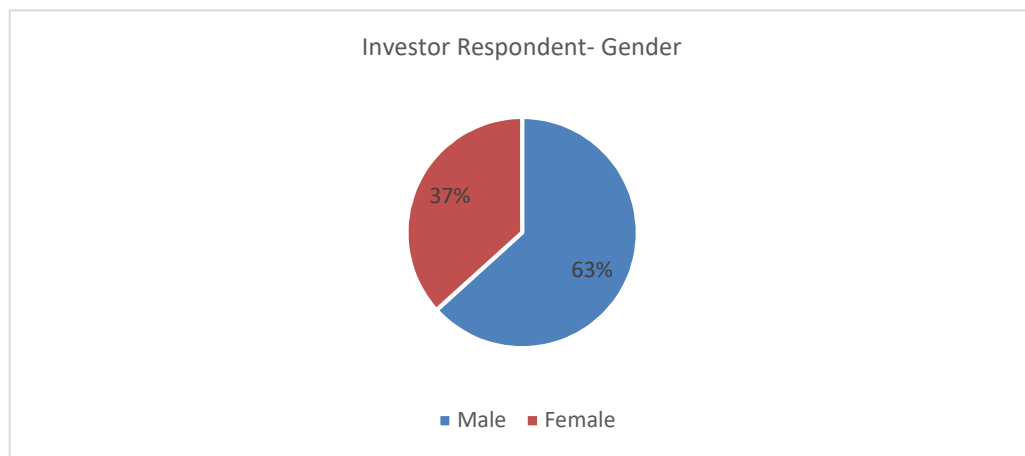
### 3.1 Procedure and Sample Demographics

A survey was conducted to gather responses from the two respondent sets. The questionnaire was structured and tested before administrating to the target audience. The questionnaire was also pre-tested to 10 Qatar University MBA program students to ensure there was no ambiguity in the items.

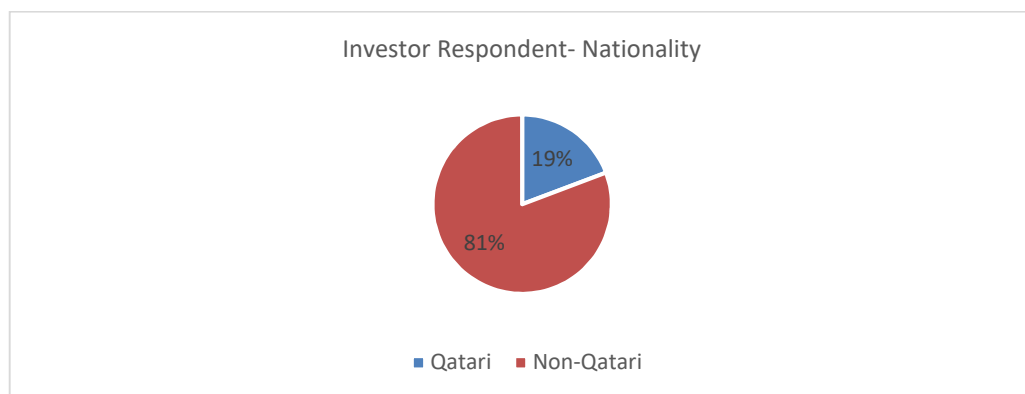
For the survey, 120 respondents responded for the investor group and 50 for the entrepreneur group. The survey was distributed and collected by the principal investigator. The survey distribution, follow up and collection of usable responses encompassed a ten-week period with response rates of 70 percent for the investor group and 60 percent for the entrepreneur group.

As illustrated by figures 1- 5 below, of the 120 respondents in the sample for investors, 63 percent were males and almost the entire sample was employed full time at 99.2 percent. The sample respondents' age ranged between 18-64 with 96.7 percent within the 25-54 range and education level for the respondent was above average with 70 percent having at least a bachelor's degree. The nationality of the respondent was 81 percent non-Qatari and 19 percent Qatari and approx. 77 percent respondents married. The time of being residents of Qatar for the respondent ranged between 2 years to more than 10 years with approximately 77 percent being resident of Qatar for 5 years or more.

The monthly income range for the respondent group ranged between less than 5,000 riyals to more than 30,000 riyals with approximately 65 percent earning less than or equal to 10,000 riyals.

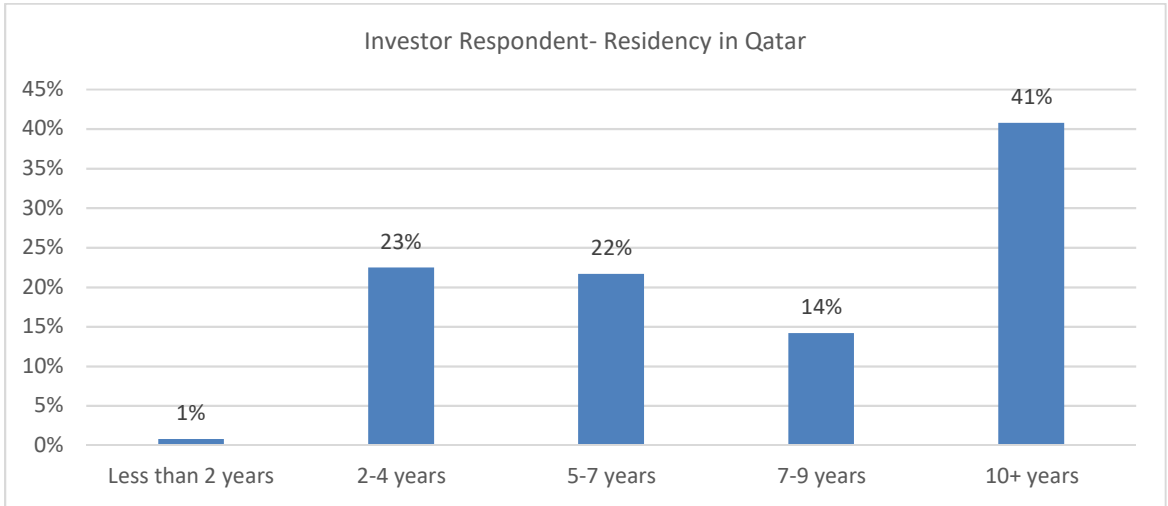


*Figure 1 (a) Gender- Investors*

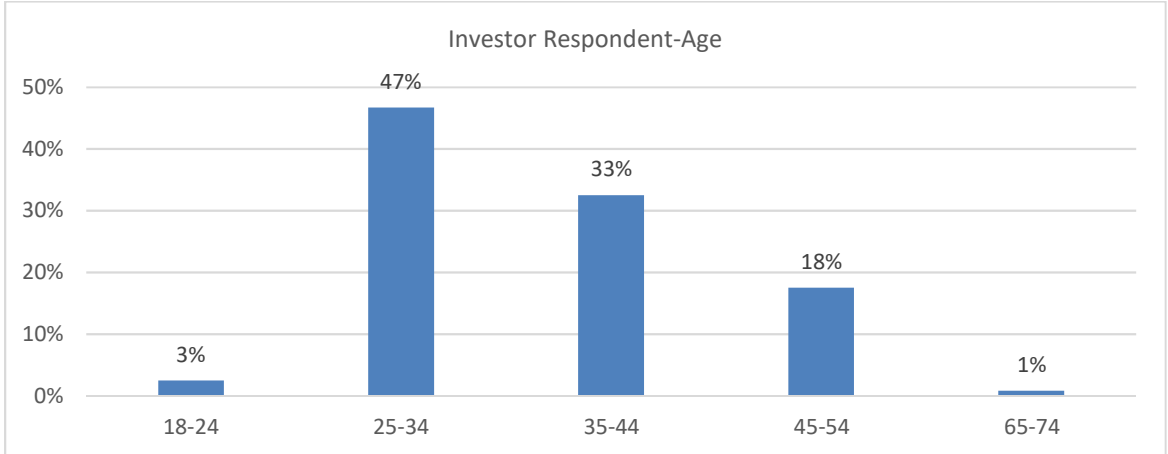


*Figure 1 (b) Nationality- Investors*

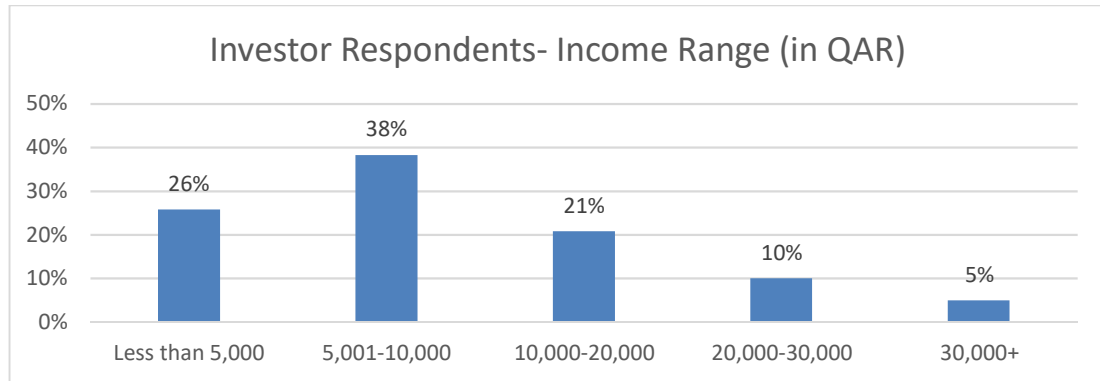




*Figure 2 Residency in Qatar- Investors*

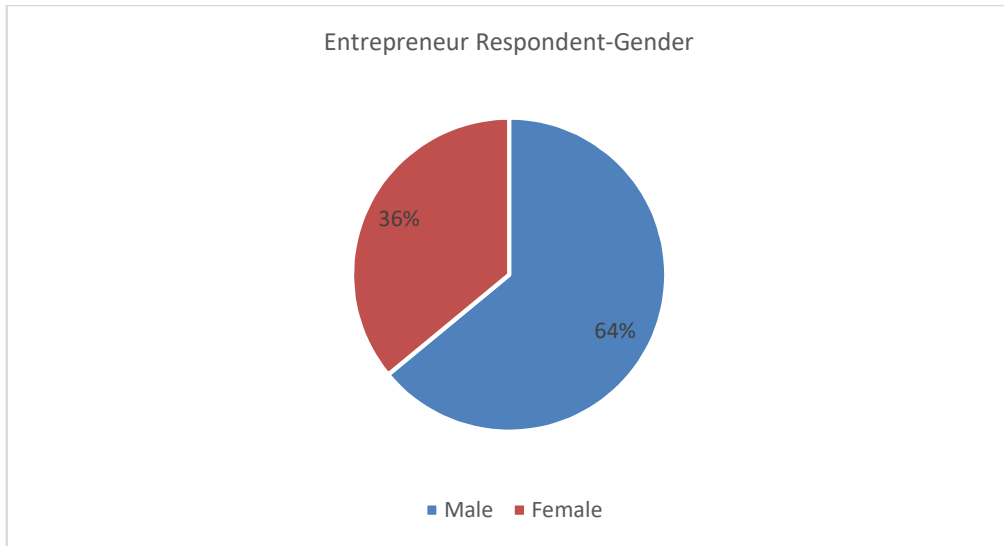


*Figure 3 Age Range- Investors*

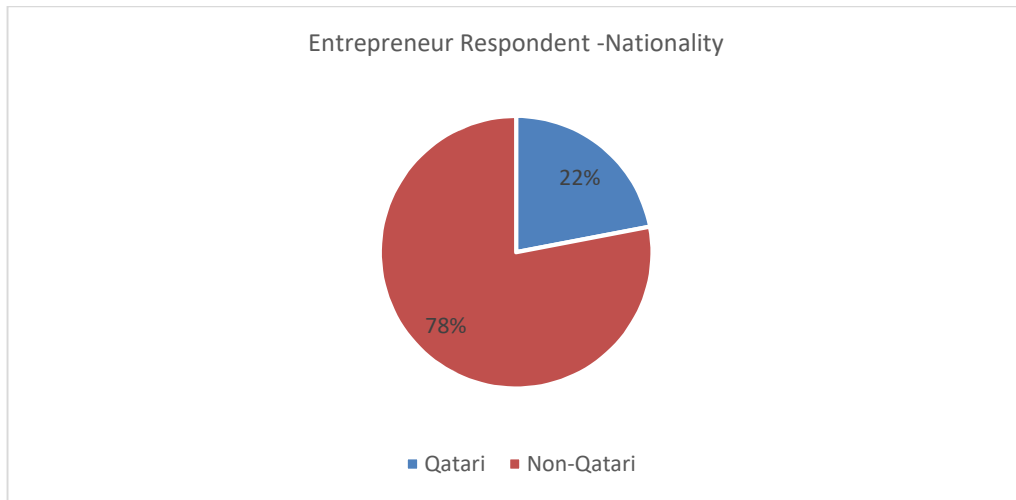


*Figure 4 Income Range- Investors*

As illustrated by figures 6- 10 below, of the 50 respondents in the sample for entrepreneurs, 64 percent were males and 68 percent were employed full time. The sample respondents' age ranged between 18-54 with 94 percent within the 18-44 range and 96 percent of the respondent with education level higher than associate degree. The nationality of the respondent was 78 percent non-Qatari and 22 percent Qatari and approx. 56 percent respondents unmarried. The time of being residents of Qatar for the respondent ranged between 2 years to more than 10 years with approximately 78 percent being resident of Qatar for 5 years or more. The monthly income range for the respondent group ranged between less than 5,000 riyals to more than 30,000 riyals with approximately 88 percent earning less than or equal to 10,000 riyals.



*Figure 5 Gender - Entrepreneurs*



*Figure 6 Nationality- Entrepreneurs*

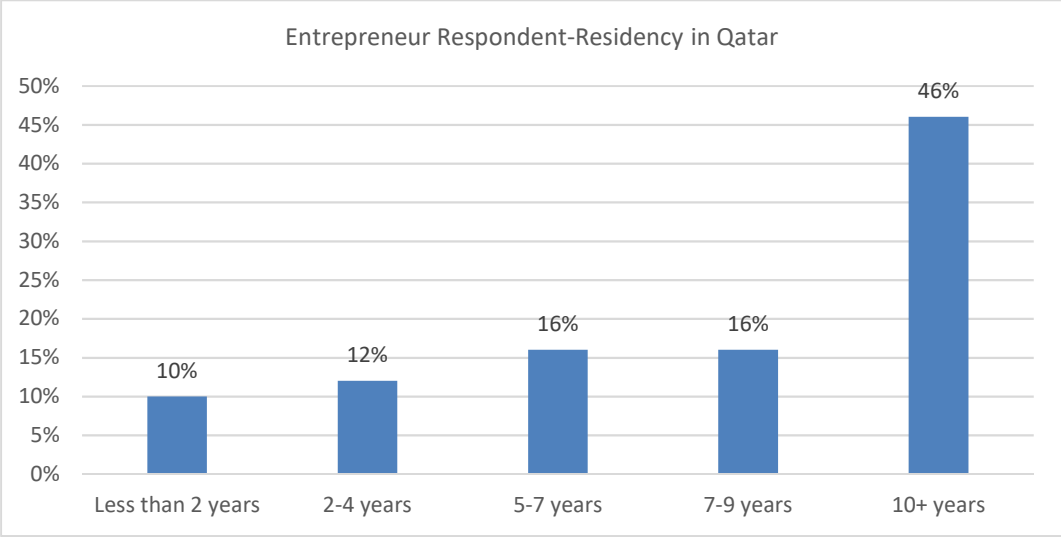


Figure 7 Residency in Qatar- Entrepreneurs

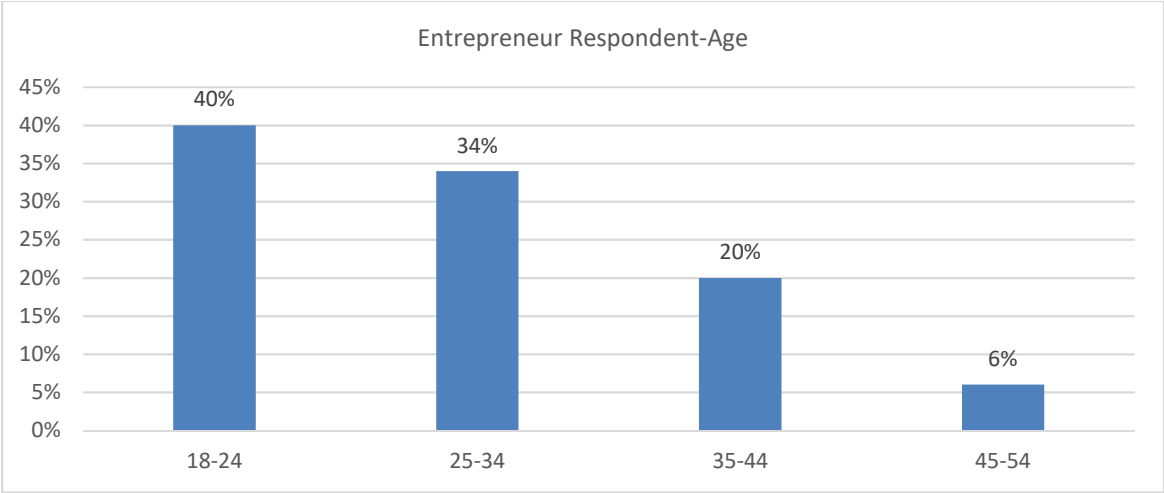
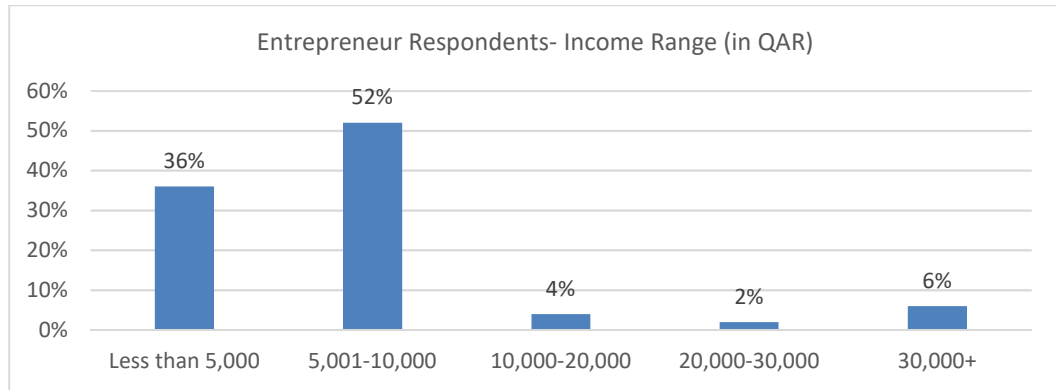


Figure 8 Age Range- Entrepreneurs

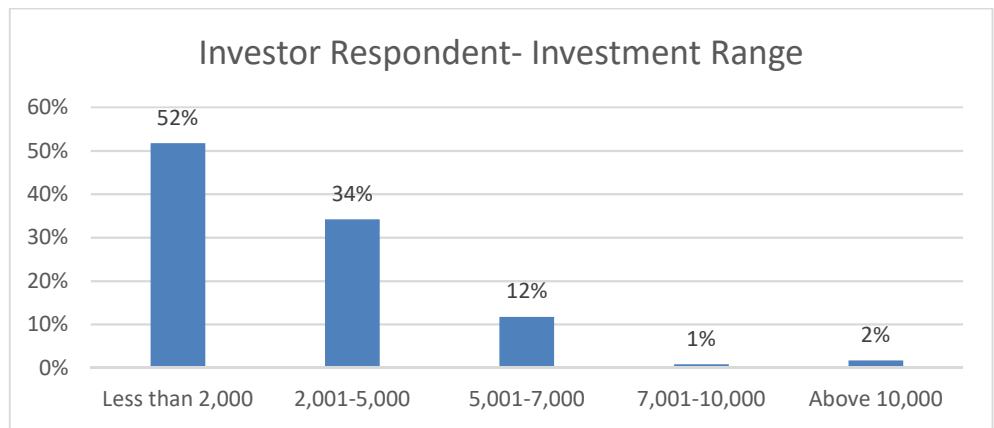


*Figure 9 Income Range- Entrepreneurs*

### 3.2 Data Analysis & Result

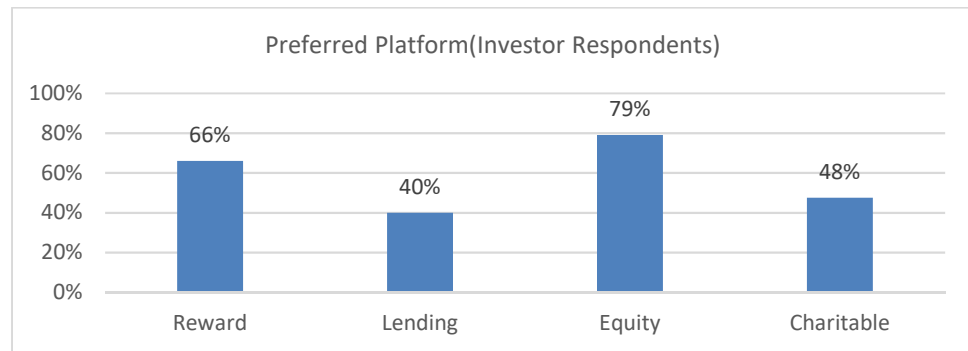
From the responses of the Investors survey, the first analysis was done to find the frequencies within the descriptive statistics on SPSS. The result revealed the following as illustrated by the figures:

- i. The investment amount on crowdfunding platforms for individual respondents ranged between less than 2000 riyals to 5000 for approximately 86% of the sample population (Figure 11).



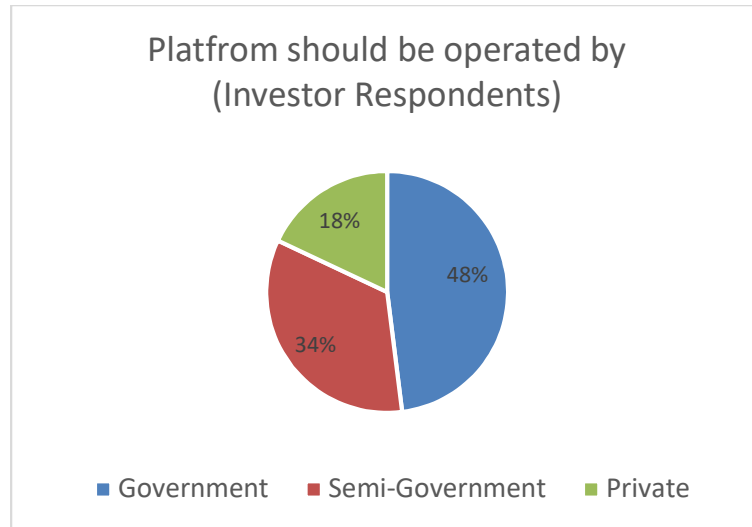
*Figure 10 Investment Range - Investor*

- ii. The preferred option for type of crowdfunding platform was reward based 66%, Lending 40%, Equity based 79%, & charitable platform 48% (Figure 12).



*Figure 11 Preference of Crowdfunding Platform- Investors*

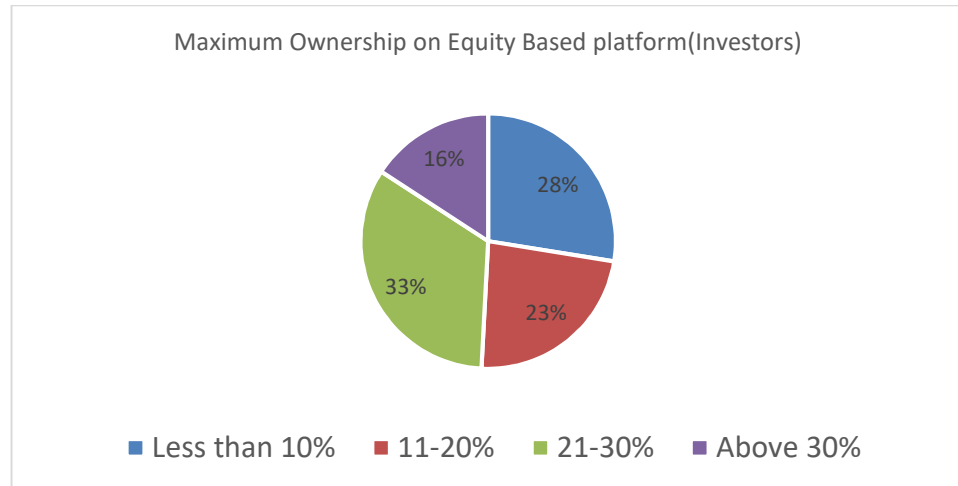
- iii. The Crowd funding platform was preferred to be operated by government according to 48% & by semi-government 34% of the respondents (Figure 13).



*Figure 12 Preference on Operating Body for Crowdfunding Platform- Investors*

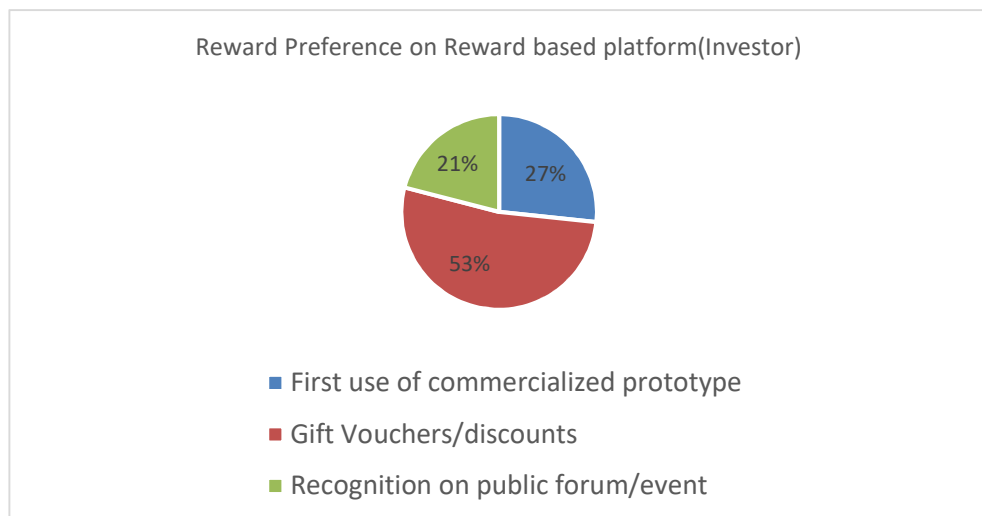
- iv. Maximum ownership allowed for a crowdfunding endeavor preferred to be 20% or less by approximately 51%. Overall approximately 84% preferred ownership level to be less than 30%(Figure 14).





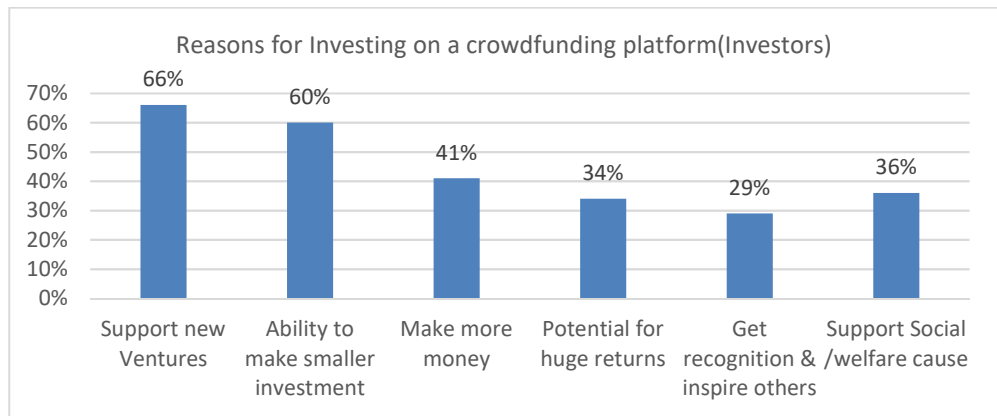
*Figure 13 Preference on Maximum Ownership Percentage on Equity Based Platform- Investors*

- v. Rewards preferred by 53% of the respondents was discounts / gift vouchers and first commercial use by 27% of the respondents (Figure 15).



*Figure 14 Preference on Rewards Choices on Reward Based Platform- Investors*

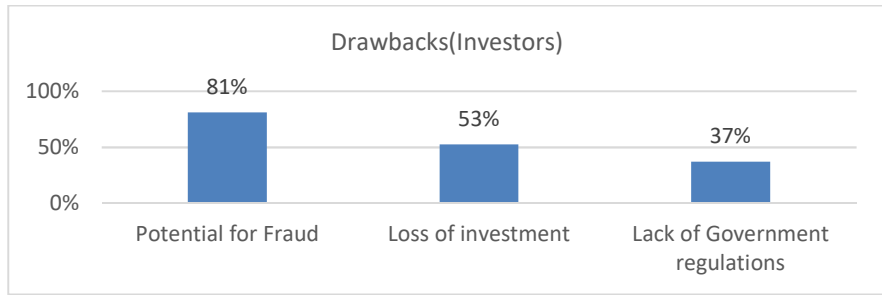
- vi. Among the reasons to invest in a crowdfunding platform, the most frequent reasons selected by respondents were Support new ventures at 66% & Ability to make smaller investment at 60%. Other reasons chosen by the respondents were Making more money (41%), Potential for huge returns (34%), get recognition & inspire others (29%), support a social /welfare cause (36%) (Figure 16)



*Figure 15 Reasons behind Investment on crowdfunding platform-Investors*

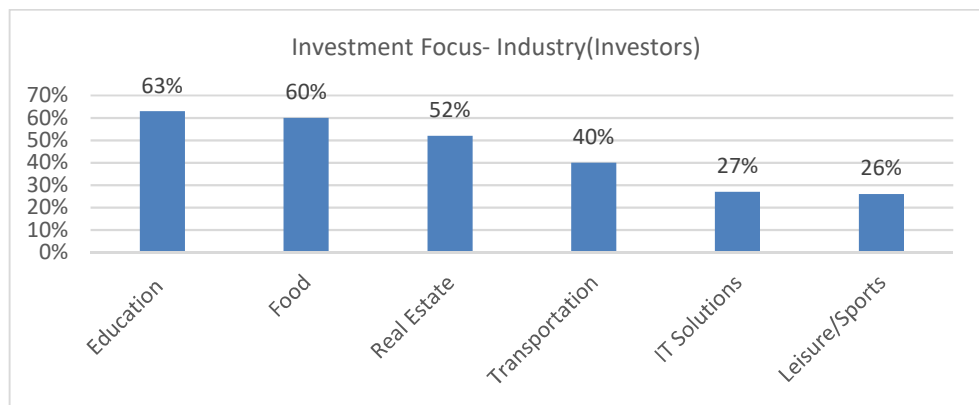
- vii. Among the drawbacks, the most frequent concern the respondents had was with the potential for Fraud on a crowdfunding platform (81%) while the loss

of investment featured with 52.5% & government regulations with 37% (Figure 17)



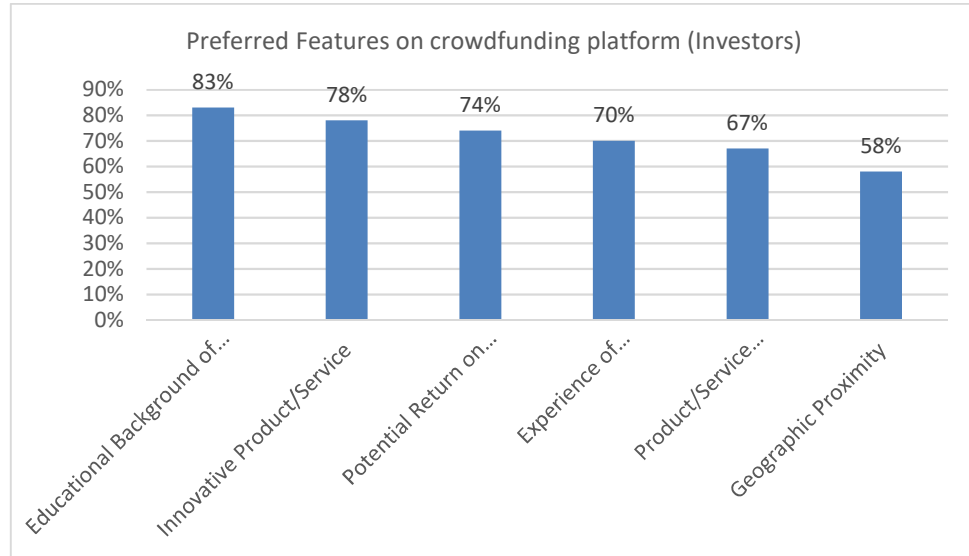
*Figure 16 Concerns on Potential Drawbacks-Investors*

viii. The preferred the focus for product/services on the crowdfunding platforms industry wise were - Education related endeavors (63%), Food industry (60%), Real Estate (52%), transportation (40%), IT solutions (27%), leisure/sports ventures (26%) (Figure 18).



*Figure 17 Preference of Industry on crowdfunding platform – Investors*

- ix. The features that the respondents selected as important/highly important that they want from the crowdfunding platform were educational background of the entrepreneurial team (83%), Innovative product/service (78%), Potential return of investment (74%), Experience of the entrepreneurial team (70%), Product/Service addressing personal beliefs/needs (67%) & geographic proximity of product/service (58%) (Figure 19).



*Figure 18 Preference of features of Crowdfunding Ventures-Investors*

Second, correlation analysis was done between all the variables – the investor group variables demonstrated moderate level of correlation among variables that are statistically significant at 0.05 levels.

- i. Investment range is moderate positively correlated with Income level & residency in Qatar while it is negatively correlated with Nationality (Table 2).

Table 2- *Investment Range vs. Income Range & Nationality (Investor)*

		Income Range	Resident in Qatar	Nationality
Investment Range (monthly)	Pearson Correlation	.466**	.319**	-.371**
	Sig. (2-tailed)	.000	.000	.000
	N	120	120	120

- ii. Choice of Charitable platform is positively correlated with the investment reason of supporting a social/welfare cause. (Table 3)

Table 3- *Investment Reason vs. Choice of Charitable Platform (Investor)*

		Reason: Support a social/welfare cause
Charitable crowd funding	Pearson Correlation	.442**
	Sig. (2-tailed)	.000
	N	120

- iii. Choice of Equity platform is positively correlated with the investment focus of IT solutions. (Table 4)

Table 4- *Investment Focus vs. Choice of Equity Platform (Investor)*

		Focus: IT solutions
Equity based crowd funding	Pearson Correlation	.476**
	Sig. (2-tailed)	.000
	N	120

- iv. Investment focus of IT solutions is positively correlated with investment reason of support new ventures & business ideas that will create new jobs. (Table 5)

Table 5- *Investment Focus vs. Investment Reason-Support New Ventures(Investor)*

		Reason: Support new ventures & business ideas that will create new jobs
Focus: IT solutions	Pearson Correlation	.394**
	Sig. (2-tailed)	.000
	N	120

- v. Importance of Innovation within the product/services is positively correlated to importance of geographical proximity & investment reason of ability to make smaller investment. (Table 6)

Table 6- *Importance of Innovation vs. Geographic Proximity & Ability to make smaller Investment(Investor)*

		Investing in Geographic proximity	Reason: Ability to make investment in smaller values
Investing in Innovation in a crowd funding platform	Pearson Correlation	.316**	.324**
	Sig. (2-tailed)	.000	.000
	N	120	120

- vi. Choice of Reward based platform is positively correlated with the importance of geographical proximity. (Table 7)

Table 7- Importance of Geographic Proximity vs. Choice of Reward Based

Platform(Investor)

		Reward base crowd funding
Investing in Geographic proximity	Pearson Correlation	.339**
	Sig. (2-tailed)	.000
	N	120

- vii. Drawbacks of investing in crowdfunding such as Loss of investment & Fraud are negatively correlated with the regulations of crowdfunding. (Table 8)

Table 8 – Drawbacks – Loss of Investment & Fraud vs. Government

Regulations(Investors)

		drawbacks: Regulations governing Crowd drawbacks: Fraud	funding platforms
drawbacks: Loss of investment	Pearson Correlation	.053	-.419**
	Sig. (2-tailed)	.569	.000
	N	120	120



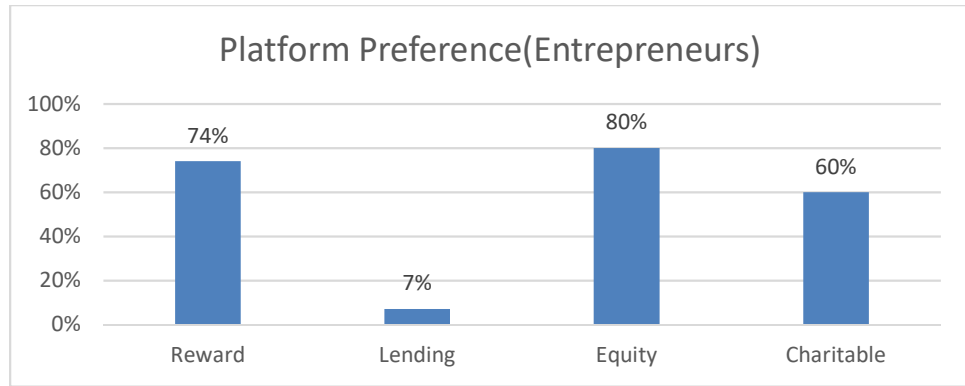
- viii. Importance of addressing personal need/Belief is positively correlated with importance of geographic proximity. (Table 9)

Table 9- *Importance -Addressing of Personal Need/Belief vs. Geographic Proximity(Investors)*

		Investing in Geographic proximity
Investing in Addresses personal need / beliefs	Pearson Correlation	.332**
	Sig. (2-tailed)	.000
	N	120

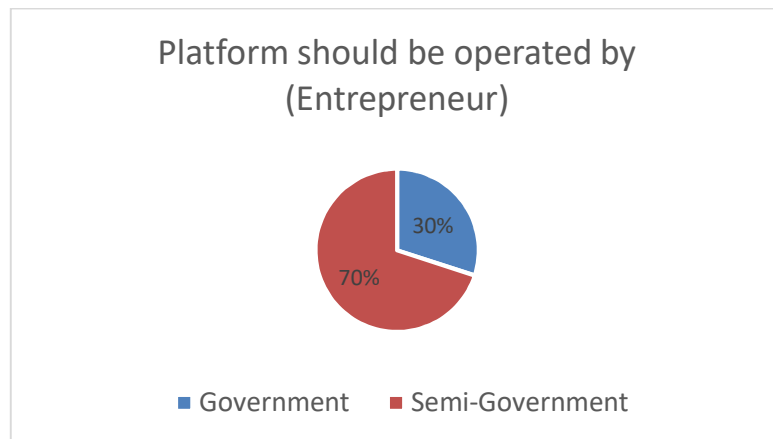
From the responses of the Entrepreneurs survey, the first analysis was done to find the frequencies within the descriptive statistics on SPSS. The result revealed the following:

- i. The preferred option for type of crowdfunding platform was reward based 74%, Lending 7%, Equity based 80%, & charitable platform 60%. (Figure 20)



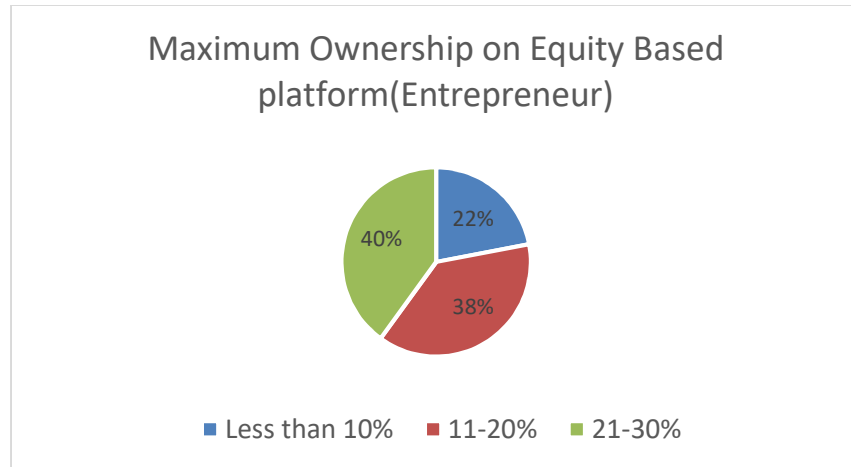
*Figure 19 Preference of Crowdfunding Platform-Entrepreneurs*

- ii. The Crowd funding platform was preferred to be operated by semi-government according to 70% & by government 30% of the respondents. (Figure 21)



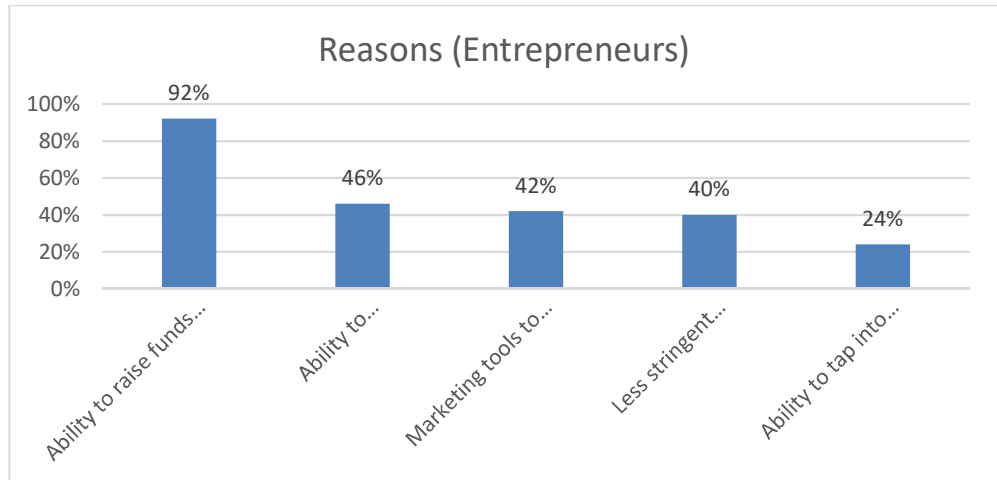
*Figure 20 Preference on Operating Body for Crowdfunding Platform-Entrepreneurs*

- iii. Maximum ownership allowed for a crowdfunding endeavor preferred to be 20% or less by approximately 78 %. Overall the entire respondent group preferred ownership level to be less than 30%. (Figure 22)



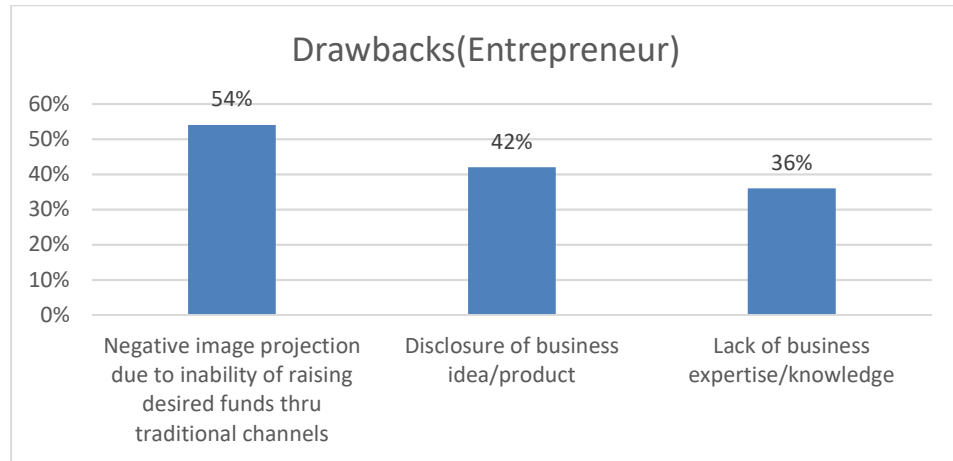
*Figure 21 Preference on Maximum Ownership on Equity Based Platform- Entrepreneurs*

- iv. Among the reasons to invest in a crowdfunding platform, the most frequent reasons selected by respondents were Ability to raise funds for business ideas at 92% & Ability to incorporate suggestions/ideas from the investors 46%. Other reasons chosen by the respondents were Use crowdfunding as a marketing tool to promote business (42%), Less stringent requirements than obtaining funds from institutions (40%), & Ability to tap into a vast network of investors (24%) (Figure 23)



*Figure 22 Reasons behind Desire to have Crowdfunding platform- Entrepreneurs*

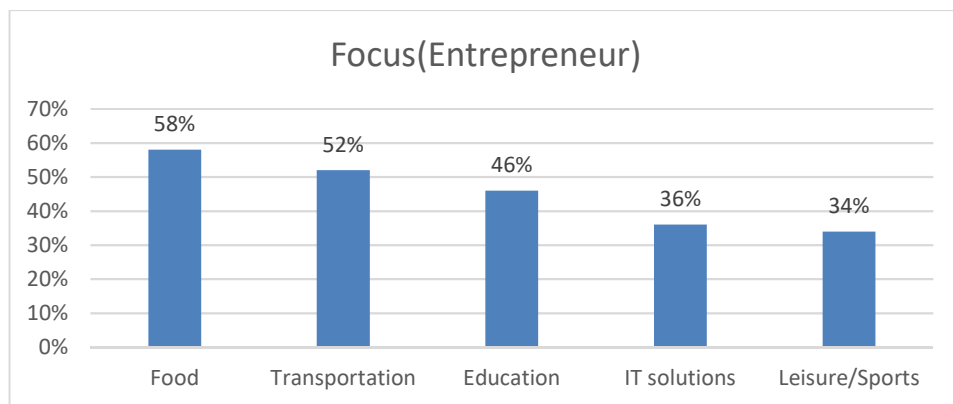
- v. Among the drawbacks, the most frequent concern the respondents had was with the Negative image projection due to inability of raising desired funds thru traditional channels (54%) while the disclosure of business idea/product with 42% & Lack of business expertise/knowledge featured with 36%. However, none of the entrepreneurs viewed the impact of visible public failure on past fundraising as a drawback from prospects. (Figure 24)



*Figure 23 Concerns on Potential Drawbacks- Entrepreneurs*

- vi. The preferred the focus for product/services on the crowdfunding platforms industry wise were - Food industry (58%), transportation (52%), Education related ventures (46%) IT solutions (36%), leisure/sports ventures (34%).

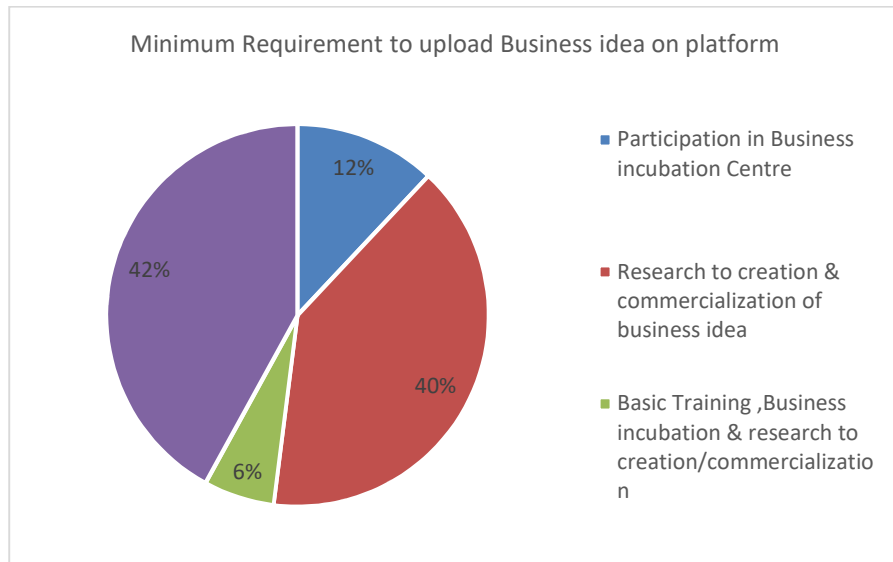
(Figure 25)



*Figure 24 Preference on Industry -Entrepreneurs*

- vii. Among the requirements for an entrepreneur to be upload a business idea for product/service on to the crowdfunding platform, 88 percent of the entrepreneurs preferred the person complete research to creation & commercialization of business idea and the overall respondents agreed to have at least participation in business incubation center completed by the person.

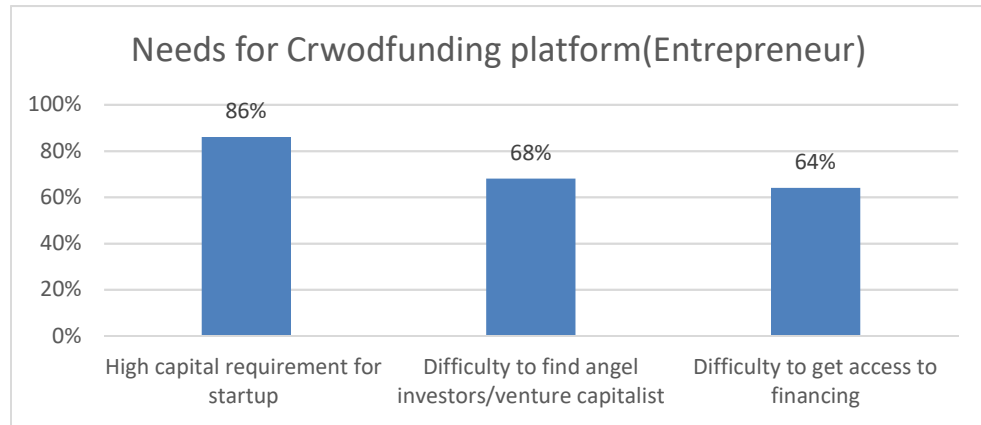
(Figure 26)



*Figure 25 Preference on Minimum Requirements to be completed prior to uploading Business Idea on Platform*

- viii. The need for having a crowdfunding platform in Qatar, the entrepreneurs selected the reasons as important/highly important were High Capital requirement for new startup companies (86%), Difficulty to find angel

investors or venture capitalist (68%), Difficulty to get access to financing (64%). (Figure 27)



*Figure 26 Needs that Crowdfunding Platform Will Address-Entrepreneurs*

- ix. The benefits of having a crowdfunding platform in Qatar that the respondents selected were Growth of Qatari Economy (92%), Influx of new local products & services (88%), Job creation (80%), Encourage local/expatriate entrepreneurs (66%), Wealth Generation (58%) & Growth of SMEs in private sector (50%) (Figure 27)

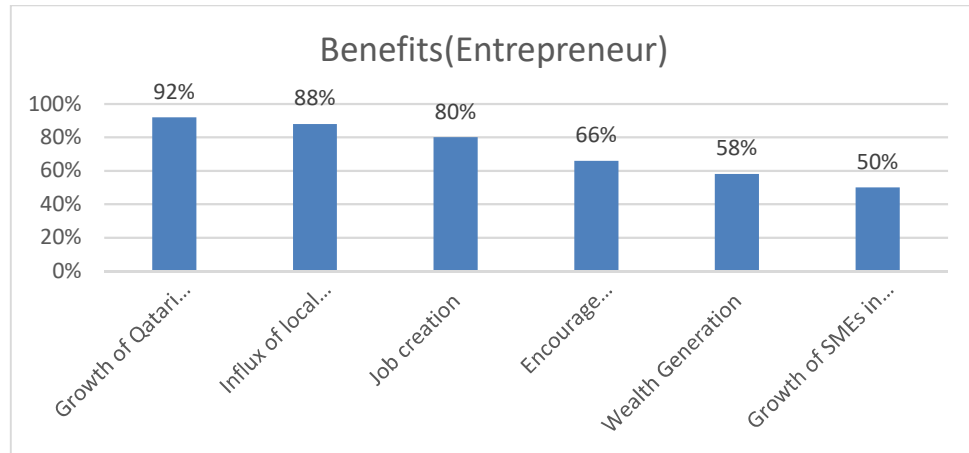


Figure 27 Potential Benefits of crowdfunding platform in Qatar

Second, correlation analysis was done between all the variables – the entrepreneur group variables demonstrated moderate level of correlation among variables that are statistically significant at 0.05 levels.

- i. Choice of Lending Platform is negatively correlated with the choice of Reward & Equity platforms. (Table 10)

Table 10- Choice of Reward & Equity Based Platform vs. Lending Platform(Entrepreneurs)

		Reward base crowd funding	Equity based crowd funding
Lending based crowd funding	Pearson Correlation	-.514**	-.663**
	Sig. (2-tailed)	.000	.000
	N	50	50



- ii. Choice of charitable platform is positively correlated with benefit of growth of Qatari Economy. (Table 11)

Table 11- *Choice of Charitable Platform vs. Benefit- Growth of Qatari Economy(Entrepreneurs)*

		Benefits: Growth of the Qatari Economy
Charitable crowd funding	Pearson Correlation	.517**
	Sig. (2-tailed)	.000
	N	50

- iii. All the reasons for having a platform in Qatar except Less stringent requirements for obtaining financing are positively correlated to benefits of Growth of SMEs & encouragement of local/expatriate entrepreneurs. (Table 12)

*Table 12-Reasons for Having Crowdfunding Platform vs. Benefits (Entrepreneurs)*

		Reason: Use crowd funding as a marketing tool to promote business	Reason: Ability to tap into a vast network of investors	Reason: Ability to raise funds for business ideas	Reason: Ability to incorporate suggestions /advice from the investors	
Benefits: Growth of SMEs in Private sector	Pearson Correlation	.755**	.541**	.580**	.623**	.423**
	Sig. (2-tailed)	.000	.000	.000	.000	.002
	N	50	50	50	50	50

- iv. Benefit of Job creation positively correlated to influx of local products & wealth generation. (Table 13)

Table 13- *Benefits -Job Creation vs. Influx of Local Product/Service & Wealth Generation (Entrepreneurs)*

		Benefits: Influx of new local products & Services	Benefits: Wealth Generation
Benefits: Job Creation	Pearson Correlation	.719**	.254
	Sig. (2-tailed)	.000	.075
	N	50	50

- v. Focus of IT positively correlated with benefit of wealth generation, reduce natural resource dependency & encourage local/expat entrepreneurs. Also, the Focus of IT & Education positively correlated. (Table 14)

Table 14- *Focus of IT vs. Benefit of Wealth Generation, Reduce Natural Resource Dependency, Encourage Local/Expat Entrepreneurs & Focus of Education(Entrepreneurs)*

		Benefits: Reduce the	Benefits: Encourage	Focus:	
		Benefits: Wealth Generation	natural resource dependency of Qatar Economy	local/expatriate entrepreneurs	Educational related ventures
Focus: IT solutions	Pearson				
	Correlation	.500**	.589**	.589**	.813**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	50	50	50	50

### 3.3 Discussion on Findings

We explored the feasibility of a crowdfunding platform from the perspective of investors & entrepreneurs in Qatar which highlighted many dimensions of a crowdfunding platform that are appealing to both groups. First, for both groups, the equity based & reward based platform were most appealing with charitable platform coming in third. At the same time, the respondents who categorized equity or reward based as most appealing, chose the Lending based platform as least appealing.

Second, as the crowdfunding phenomenon is relatively new, both groups identified the potential for fraud as a major drawback to investing in a platform. As a result, most of the respondents preferred that the platform is operated by Semi-Government/ Government entity to reduce the likelihood of fraudulent activities.

Third, the reasons for having a crowdfunding platform that appealed the most to the investors group was ability to make smaller investments that provide a potential for high return on investment, support ventures that encourage Innovation or supports a social cause, address personal need/beliefs and are within close geographic proximity.

Fourth, for the entrepreneurs group, the most appealing reasons for having a crowdfunding were the ability to raise funds for business ideas & ventures to bridge the gap of available non-traditional financing options to meet the high capital requirement for startup operations in Qatar which will encourage more entrepreneurial ventures by local & expatriate residents, create influx of local products/services, foster job growth and result in growth of the Qatari Economy.

Fifth, the preferred choice that both groups identified to be hosted on crowdfunding platform were for ventures in Food Services, Real Estate, Education, transportation. At the same time, IT solutions also was preferred by most who chose education related ventures.

Sixth, both groups preferred the maximum allowable equity stake to be capped at 30% for a venture for the investors on an equity based platform and preferred discounts/gift vouchers or first commercial use as rewards for investment on reward based platform ventures.

Based on the above findings, a crowdfunding platform is conditionally feasible if it satisfies the above dimensions for both investors & entrepreneurs group.

## CHAPTER 4: CONCLUSION, LIMITATIONS & SCOPE FOR FUTURE RESEARCH

This paper constitutes the first step in identifying the feasibility of a crowd funding platform in Qatar. Crowdfunding is a novel phenomenon and is available in Qatar at a very minimal level. However, the potential and promise of crowdfunding is evident around the world. Given the current geopolitical climate of Qatar and the goal of self-sustainable economy according to the Qatar 2030 vision, it will be the right time to utilize the boon of crowdfunding by carefully researching, analyzing and implementing the highlighted conditional feasibility dimensions of a platform.

The paper has limitations which can be regarded as opportunities for future research. The paper is explorative in nature in finding the feasibility of crowdfunding in Qatar as it intended to find the dimensions that to justify an introduction of a platform. However, the paper does not take into consideration the current business regulations that are in place in Qatar that can affect the introduction & implementation of a crowdfunding platform or restrictions that might need to be amended to facilitate the introduction.

Also, as the field of crowdfunding is relatively new around the world, the laws governing the operations and the scope of the platform, rights of the investors/entrepreneurs need to be assessed & examined to define the parameters for the platform operation, that is not taken into consideration in this paper.

Finally, the behavioral aspect and decision-making on investment/enlisting a venture is influenced by many different variables and impacted by social norms that differ from one

place to another. The paper does not identify/consider any behavioral factors that might influence a decision to invest or enlist a venture of crowdfunding platform.



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# APPENDICES

## Appendix A: Research Ethics Review Exemption



Qatar University Institutional Review Board  
**QU-IRB**

May 01, 2017

Mr. Sanallah Nasrullah  
Graduate Student Project  
College of Business and Economics  
Qatar University  
Tel.: 77917408  
Email: [snasrullah.qa@gmail.com](mailto:snasrullah.qa@gmail.com)

Dear Mr. Sanallah Nasrullah,

Sub.: **Research Ethics Review Exemption / CBE Graduate Student Project**  
Ref.: Project titled, "Feasibility of Crowd Funding Platform In Qatar: Entrepreneurs & Investors Perspective"

We would like to inform you that your application along with the supporting documents provided for the above proposal, is reviewed and having met all the requirements, has been exempted from the full ethics review.

Please note that any changes/modification or additions to the original submitted protocol should be reported to the committee to seek approval prior to continuation.

Your Research Ethics Approval No. is: **QU-IRB 787-E/17**

Kindly refer to this number in all your future correspondence pertaining to this project.

Best wishes,

Dr. Khalid Al-Ali  
Chairperson, QU-IRB



## Appendix B : Questionnaires

### *Investors Questionnaire*

My name is Sanaullah Nasrullah and I am a Master of Business Administration student at Qatar University. This is my applied research project and the findings & recommendations from this research will help understand the feasibility of crowd funding platform in Qatar.

I would like to invite you to take part in this research. Please take the time to read the following information carefully before deciding if you would like to take part and feel free to ask any questions if you are still unsure about any aspects of the research.

### **Research Purpose**

In the effort of understanding the scope of crowd funding in Qatar, the research is conducted with the objectives to:

- Identify the feasibility of a crowd funding platform from both Investors & entrepreneurs perspective in Qatar

### **Who should participate in this survey?**

From the investors, the participants will be any adult living in Qatar and interested in Crowd funding as an alternative investment medium.

Complete and accurate information are critical for this research. We appreciate your collaboration and participation. Confidentiality of the information obtained from this interview will be treated as strictly confidential. This information will not be shared to any other parties without your consent.

### **Research Ethics**

This investigation was granted ethical approval by Qatar University – Institutional Review Board - Ethics committee.

The survey will take approximately 10-15 minutes of your time to complete.

Your participation is **voluntary**; you can skip any question and **withdraw at any time**. All data will be coded and all personal identifier will be kept **strictly confidential** and the Prime Investigator (PI) / researcher take responsibility that no **personal identifier** will be **leaked or published** and no one other than the PI will have access to it.

If you have any questions/concerns, during or after the investigation, or wish to contact an independent person to whom any questions may be directed or from whom further information may be sought please contact:

### **Researcher Contact Details:**

Name: Sanaullah Nasrullah

Qatar University MBA Student

Email: sn1401570@qu.edu.qa

Telephone: +974 77917408

**If you agree to participate Choose "yes" to proceed to the survey and if you do not wish to participate Choose "No" to exit.**

YES	
NO	

***Crowd funding*** is the practice of raising funds for projects or business ventures by getting contributions from a large number of investors. Investors can choose to contribute as little as \$1 to their choice of project or business venture in exchange for equity (stake in the project/venture) or rewards or recognition. There are four types of crowd funding: ***Equity Based, Reward Based, Lending Based & Donation based.***

***Equity Based*** Crowd funding is where the investors usually receive small equity (stake in the company/project). The contribution amounts are usually higher for equity based crowd funding compared to others.

***Reward Based*** Crowd funding is where the investors usually receive a reward in exchange for their contribution that can range from first use of the product, discounts, vouchers, other gifts etc.

***Lending Based*** Crowd funding is where the investors make loan with the expectation of getting the principal plus interest from the company/project.

***Donation Based*** crowd funding is where investors make donations to causes or non profits that they care about and usually receive mere recognition or gratitude from the project/cause beneficiary.

#### **Investors Survey:**

- 1. Investment range at traditional mediums- What is your monthly investment range in traditional investment tools (Stock markets, bonds, saving accounts etc.)**
  - Less than 2,000
  - 2,001- 5,000
  - 5,001-7,000
  - 7,001-10,000



- Above 10,000

**2. What type of crowd funding platform you prefer most?**

**- Reward Based**

1-Strongly Disagree	2-Disagree	3-Not Sure	4- Agree	5-Strongly Agree

**- Lending Based**

1-Strongly Disagree	2-Disagree	3-Not Sure	4- Agree	5-Strongly Agree

**- Equity Based**

1-Strongly Disagree	2-Disagree	3-Not Sure	4- Agree	5-Strongly Agree

**- Charitable**

1-Strongly Disagree	2-Disagree	3-Not Sure	4- Agree	5-Strongly Agree

**3. What the main reasons for you are interested in crowd funding (you can choose more than one reasons):**

- Ability to make investment in smaller values
- Potential for huge returns
- Support new ventures and business ideas that will create new jobs
- Make more money
- Get recognition and inspire others
- Support a social/welfare cause
- Others(Please Specify)\_\_\_\_\_

**4. What are the potential drawbacks of crowd funding platforms that concern you the most (you can choose more than one)?**

- Loss of investment
- Fraud
- Regulations governing Crowd funding platforms
- Others (Please specify)\_\_\_\_\_

**5. Should the crowd funding platform be operated by :**

- Government
  - Semi-government
  - Private Entities
- 6. In your opinion, which type of investors should be restricted from using a crowd funding platform? (you can choose more than one)**
- Financial Services institutions
  - Government organizations
  - Private businesses entities
  - Others (Please Specify) \_\_\_\_\_
- 7. In your opinion, a crowd funding platform in Qatar should focus on which type of entrepreneurial ventures? (you can choose more than one)**
- Food Services
  - Transportation Services
  - Real Estate
  - IT solutions
  - Leisure/Sports ventures
  - Education related ventures
  - Others (Please Specify) \_\_\_\_\_
- 8. What should be the maximum range percentage of ownership for equity based platform?**
- Less than 10%
  - 11-20%
  - 21-30%
  - Above 30%
- 9. What should be the type of rewards given to investors for reward based platform?**
- Use of the first commercialized prototype of products
  - Gift vouchers/ discounts
  - Recognitions on public forum/event
  - Others (Please specify) \_\_\_\_\_
- 10. In your opinion, which of the following is most important for investing in a crowd funding platform, on a scale of 1 to 5, with (1-Not Important at all, 2-Slightly Important, 3-Neutral, 4-Important, 5-Very Important)**

**- Innovation**

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

**- Educational Background of Entrepreneur/Team**

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

- **Experience of Entrepreneur/Team**

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

- **Potential Return on investment**

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

- **Addresses personal need/beliefs**

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

- **Geographic proximity**

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

- **Others( Please Specify)** \_\_\_\_\_

1-Not Important at all	2-Slightly Important	3-Neutral	4-Important	5-Very Important

**Demographic Questions:**

**1. Age: What is your age?**

- 18-24 years old
- 25-34 years old
- 35-44 years old
- 45-54 years old
- 55-64 years old

- 65-74 years old
- 75 years or older

**2. Qatari or Non-Qatari**

Qatari	
Non Qatari	

**3. Income Range- What is your monthly income range ( in Qatari Riyals)**

- Less than 5,000
- 5,001 - 10,000
- 10,001-20,000
- 20,001-30,000
- Above 30,000

**4. Education**

- High school graduate, diploma
- Associate degree
- Bachelor’s degree
- Master’s degree
- Doctorate degree

**5. Employment**

- Full time
- Part time
- Student
- Not working

**6. Male or Female**

Male	
Female	

**7. What is your marital status?**

- Single (never married)
- Married
- Separated
- Widowed
- Divorced

**8. How many years you have been a resident in Qatar?**

- Less than 2 Years
- 2-4 years
- 5-7 years
- 7-9 years
- 10+ years

## *Entrepreneurs Questionnaire*

My name is Sanullah Nasrullah and I am a Master of Business Administration student at Qatar University. This is my applied research project and the findings & recommendations from this research will help understand the feasibility of crowd funding platform in Qatar.

I would like to invite you to take part in this research. Please take the time to read the following information carefully before deciding if you would like to take part and feel free to ask any questions if you are still unsure about any aspects of the research.

### **Research Purpose**

In the effort of understanding the scope of crowd funding in Qatar, the research is conducted with the objectives to:

- Identify the feasibility of a crowd funding platform from both Investors & entrepreneurs perspective in Qatar

### **Who should participate in this survey?**

From the entrepreneurs, it can be any current entrepreneur or aspiring entrepreneur in living in Qatar.

Complete and accurate information are critical for this research. We appreciate your collaboration and participation. Confidentiality of the information obtained from this interview will be treated as strictly confidential. This information will not be shared to any other parties without your consent.

### **Research Ethics**

This investigation was granted ethical approval by Qatar University – Institutional Review Board - Ethics committee.

The survey will take approximately 10-15 minutes of your time to complete.

Your participation is **voluntary**; you can skip any question and **withdraw at any time**. All data will be coded and all personal identifier will be kept **strictly confidential** and the Prime Investigator (PI) / researcher take responsibility that no **personal identifier** will be **leaked or published** and no one other than the PI will have access to it.

If you have any questions/concerns, during or after the investigation, or wish to contact an independent person to whom any questions may be directed or from whom further information may be sought please contact:

**Researcher Contact Details:**

Name: Sanaullah Nasrullah  
Qatar University MBA Student  
Email: sn1401570@qu.edu.qa  
Telephone: +974 77917408

If you agree to participate Choose "yes" to proceed to the survey and if you do not wish to participate Choose "No" to exit.

YES	
NO	

***Crowd funding** is the practice of raising funds for projects or business ventures by getting contributions from a large number of investors. Investors can choose to contribute as little as \$1 to their choice of project or business venture in exchange for equity (stake in the project/venture) or rewards or recognition. There are four types of crowd funding: **Equity Based, Reward Based, Lending Based & Donation based.***

***Equity Based** Crowd funding is where the investors usually receive small equity (stake in the company/project). The contribution amounts are usually higher for equity based crowd funding compared to others.*

***Reward Based** Crowd funding is where the investors usually receive a reward in exchange for their contribution that can range from first use of the product, discounts, vouchers, other gifts etc.*

***Lending Based** Crowd funding is where the investors make loan with the expectation of getting the principal plus interest from the company/project.*

***Donation Based** crowd funding is where investors make donations to causes or non profits that they care about and usually receive mere recognition or gratitude from the project/cause beneficiary.*

**Entrepreneurs Survey :**

**11. What type of crowd funding platform your prefer most?**

- **Reward Based**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Lending Based**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Equity Based**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Charitable**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

**12. What are the main reasons you would consider crowd funding as a source (You can choose more than one reason)?**

- Ability to raise funds for business ideas/ventures
- Less stringent requirements than obtaining funds from institutions
- Ability to tap into a vast network of investors
- Use crowd funding as a marketing tool to promote business
- Ability to incorporate suggestions /advice from the investors
- Others( Please Specify) \_\_\_\_\_

**13. Which of the following best suits the reasons for the need of a crowd funding platform in Qatar in your opinion, on a scale of 1 to 5 , with (1-Strongly Disagree, 2-Disagree, 3-Not Sure, 4-Agree, 5-Strongly Agree)**

- **High Capital requirement for new start-up companies**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Difficulty to get access to financing**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Difficulty to find angel investors or venture capitalist**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Lack of Government support in financing new business ventures**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Lack of private entities support in financing new business ventures**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Stringent government regulations**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Others( Please Specify)\_\_\_\_\_**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- 14. If a crowd funding platform is introduced in Qatar, which of the following best suits the benefits that will be the result in your opinion, on a scale of 1 to 5 , with (1-Strongly Disagree, 2-Disagree, 3-Not Sure, 4-Agree, 5-Strongly Agree)**

- **Growth of SMEs in private sector**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Job creation**



1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Growth of the Qatari economy**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Influx of new local products and services**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Wealth generation**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Reduce the natural resource dependency of Qatar economy**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Encourage local/expatriate entrepreneurs**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

- **Others(Please Specify) \_\_\_\_\_**

1-Strongly Disagree	2-Disagree	3-Not Sure	4-Agree	5-Strongly Agree

15. In your opinion, should the crowd funding platform be operated by :

- Government
- Semi-government
- Private Entities

**16. Which of the following do you think might be the drawbacks of a crowd funding platform (You can choose more than one reason)?**

- Disclosure of business idea/product
- Lack of business expertise/knowledge
- Negative image projection due to inability of raising desired funds thru traditional channels
- Impact of visible public failures of previous fundraising on future prospects
- Others( Please Specify)\_\_\_\_\_

**17. An entrepreneur should only be allowed to upload a business idea to the crowd funding platform after completing At Least which of the following:**

- Basic Training programs
- Participation in Business incubation Centre
- Research to creation & commercialization of business idea
- All of the above
- First two
- None

**18. What should be the maximum range percentage of ownership for equity based platform?**

- Less than 10%
- Between 10-20%
- Between 20-30%
- Above 30%

**19. In your opinion, a crowd funding platform in Qatar should focus on which type of entrepreneurial ventures? (you can choose more than one)**

- Food Services
- Transportation Services
- Real Estate
- IT solutions
- Leisure/Sports ventures
- Education related ventures
- Others(Please Specify)\_\_\_\_\_

**Demographic Questions:**

**9. Age: What is your age?**

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**13. Employment**

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**14. Male or Female**

Male	
Female	

**15. What is your marital status?**

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- Widowed
- Divorced

**16. How many years you have been a resident in Qatar?**

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- 7-9 years
- 10+ years