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MANY A LITTLE MAKES A BUSINESS: CROWDFUNDING AS A BUSINESS FUNDING STRATEGY

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Резюме – финансирование бизнеса – это постоянная проблема всех времен. В статье познакомимся с таким способом финансирования как краудфандинг, его преимуществами и недостатками и насколько он распространен в Беларуси.

Resume – financing of business – is a constant problem of all time. Let's get to know about such method of funding as crowdfunding, its advantages and disadvantages and how it popular in Belarus.

Introduction. The most global problem for young people, who wants to set up a business, was, is and always will be funding. According to the statistics more than 9 out of 10 startups fail and finance problems account for 16% of common reasons for startup failure [2].

There are different sources of funding, such as bank loans, investments, subsidies, grants, overdrafts, crowdfunding, personal savings, friends or family and others. The simplest way is using personal savings. It's simple both legally and practically. The way with bank loans will have consequences if your business fails, because you must pay it anyway. Investments are difficult to attract, because you need to persuade investors that your idea is worth their investments. But there are one more way that simpler than investments but harder than using personal savings – crowdfunding.

The main part. Crowdfunding is method of attracting money for different projects on special investment platforms on the Internet, such as "Kickstarter", "Crowdfunder", "GoFundMe", "Fundable" and others [1]. This way of attracting allows to gain an audience before producing product, it guarantees you first clients who will bring you income. Some companies or entrepreneurs are using crowdfunding like a way for attracting money in exchange for their product. It works like pre-order. A person, who invest money, in future gets feedback in the form of the result of this project. Also, crowdfunding is used for developed companies, that want to test their new product and want to have an idea of what will be the demand for their new product. But sometimes used such type of crowdfunding that means when a person invests in your project, he receives equity. That type is

less popular. As a fact, the largest number of projects – 319.051 – had been successfully funded on the "Kickstarter" [3].

If you want to use crowdfunding for your business funding strategy, you should keep in mind next points:

1. Crowdfunding has no guarantees that you'll achieve your financing goal. Achieved financing goal has no guarantee that your project will be successful.
2. You have to persuade consumers that your project is worth them.
3. You have to clearly understand where raised money will go.
4. Be realistic – set realistic goals.
5. Be prepared for success and for failure.

Advantages of crowdfunding are:

1. Way to raise money quickly.
2. Builds brand recognition in the early stages.
3. Builds a community of supporters around your project.

Disadvantages are:

1. Launching a successful crowdfunding campaign requires a lot of work.
2. Risk of unsuccessful result.
3. Investors can own some percentage of your business equity [3].

In Belarus crowdfunding is regulated from 2021 thanks to a signed law, that allows legal entities and individuals attract money with online services. Crowdfunding is controlled by the National Bank of Belarus. Only those organizations that are included by the National Bank in a special register can act as crowdfunding platforms. And you don't have to pay income tax on funds raised through crowdfunding [4]. Also, there are some crowdfunding platforms in Belarus with different directions such as "Ulej", "Talakosht", "Imena", "MayeSens". Despite the fact that it's very unpopular method of attracting money in Belarus, this sphere is very perspective and it's developing from year to year.

Conclusion. Choosing crowdfunding as a main business funding strategy you have to estimate all risks of this method, all advantages and disadvantages to understand is it suitable method for your company or not. This method doesn't require strong marketing campaign, such as simple investments, but it's necessary to pay a lot attention to qualitative description of your idea. In Belarus it is only gaining popularity but has great development potential.

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BRAND AWARENESS IN DOING BUSINESS

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Резюме – в данной статье рассматривается такое понятие как узнаваемость бренда и какие способы компании используют, чтобы увеличить ее.

Resume – this article examines the concept of brand awareness and what ways companies use to increase it.

Introduction. There are so many different companies in today's world. So, it's difficult for the customer to choose the right company that suits them the best. But when consumers recognize the company by its name or logo, they know they can trust it. That's about brand awareness. Brand awareness is a marketing term for the degree to which consumers recognize a product by its name [1].

Main part. According to a survey conducted on LinkedIn, 91% of professionals agree that branding is important [2]. But just how important is it? There are some reasons why brand awareness is important in doing business:

Customer recognition: Brand awareness is crucial for customers to recognize a business and its products or services. This recognition helps to build trust and familiarity, which leads to make it easier for consumer to decide where to buy a product or service.

Differentiation: In a crowded marketplace, strong brand awareness can differentiate a business from its competitors. A well-known brand can help to establish a business as a leader in its industry and create a competitive advantage.

Brand loyalty: Building brand awareness can lead to brand loyalty, where customers develop a preference for a particular brand over others. Increased sales, repeat business, and referrals may result from this.

Credibility and trust: Building a strong brand can also aid in gaining clients' respect and trust. Customers are more likely to believe in a brand they are familiar with, and a solid brand reputation can create an impression of dependability and quality. **Expansion:** Brand awareness can also help businesses to expand into new markets. A well-known brand can make it easier to enter new markets and establish a foothold, as customers are more likely to trust a brand that they recognize [3]. Increasing brand awareness is crucial for the company. The more brand awareness there is, the more customers there are, and consequently, the more profit there is. There are some ways to raise brand awareness effectively:

Social media: Social media is a rather powerful way for increasing brand awareness. By creating an active account on social media platforms such as