

Fueling mobile growth via alternative funding

This year has definitely been one for the record books. Undeniably the world as we knew it changed this year and with it came about great change and restructuring within both the global startup and investment ecosystem.

Consequently the dynamics of venture funding has been in a state of flux and the rise of alternative funding models are making a resurgence.

Meet [Braavo Capital](#), a new model for non-dilutive funding that empowers founders to grow their mobile app businesses on their terms. Braavo Capital is the global leader in funding for mobile app businesses and games. Focused primarily on delivering fully data-driven capital, Braavo allocates funds based on operating metrics such as revenue, LTV, and user retention.

Braavo was founded in 2015 to address the different market reality that mobile app businesses face compared with other technology sectors. The team has worked with growing and successful businesses including [Verv](#), [Fanatee](#), and [Pixite](#).

The founder story behind Braavo Capital is unique. Co-founders Sergei Kovalenko and Mark Loranger met in 2014. The conversation began with a simple question: why are app businesses chasing the same type of investors as

traditional tech companies?

As Sergei observed, the dynamics of the mobile app ecosystem — whether you're building games or meditation apps — are dramatically different than those impacting other tech companies. For Sergei and Mark, this market presented the ultimate opportunity to challenge the mindset that entrepreneurs must raise massive amounts of equity to build successful startups. In the process, they hope to help shape the conversation around what success truly means.

Mark has also helped launch businesses from within universities, run startup divisions at venture banks, made direct equity investments in seed stage companies and been a co-founder/COO at multiple startups.

Sergei recognized that there was enough predictive data in these companies' measurement and analytics systems to provide them with more affordable, non-dilutive capital – without taking unreasonable risk as a lender. From here Braavo was born to provide an alternative option to technology entrepreneurs, with a focus on mobile app and mobile gaming businesses.

Mark highlights that “Our funding platform is built to reward performance by providing funding based on the data that actually matters. It's positive, affirmative and uplifting”.

Here's a snapshot on how Braavo Capital compares to traditional financing models:

Braavo is a leader in alternative financing solutions for founders. One of their most recent and exciting products is the [Braavo Card](#) offering on-demand capital to help scale your app or what we call “Cash on Tap”. Some of its key features include unlocking capital when you need it and ensuring you needn't wait for app store payments in order to grow. Additionally you can manage your marketing spends and pay for UA campaigns conveniently. It also allows instant availability to funding instead of waiting 1-2 days for bank transfers. It works with all UA channels including Facebook, Apple, Google Ads, Snapchat, TikTok and instagram. The new Braavo Card is quite literally “Cash on Tap” and truly offers a way to scale at your pace within an ecosystem that rewards and enables high impact startups to grow without restrictions.

Focus on building not raising

At the core of Braavo is a belief that funding should be a team effort, they aim to democratise funding in the mobile app sector with a sustainable approach to funding.

Mark explains, “Our mission at Braavo is to provide an alternate path for a more diverse set of entrepreneurs to be successful. “Path” is intentionally broad since we provide multiple funding products as well as analytics to help our customers make better business decisions”. At Braavo ultimately “success should be defined by creators and not investors”.

Offering a platform for founders to flourish is vital as traditionally investors have the upper hand, often dictating when, how and under which conditions to deploy capital.

Braavo offers an alternative to this and has custom-built the entire platform with the founder in mind. Their founder friendly platform is technology-driven to offer key turn and tailored funding solutions that scale with you.

This revenue based funding model also offers robust analytics for growing your mobile apps and games. Some of the key features include their ability to accelerate growth and save time with in-demand access to App Store and ad network receivables.

Another key differentiator of Braavo Capital is it’s non-dilutive approach to funding offering the opportunity for growth without dilution ultimately giving founders the freedom to build businesses without giving away board seats and compromising on equity. As a result of the pandemic, Mark sees an upside that “entrepreneurs can educate themselves about alternative sources of funding and become more aware of the downside of over-reliance on venture capital”.

Clearly Braavo Capital is the answer to alternative funding solutions for tech-savvy founders.

Mobile gaming revenues, which already dwarf spending on PC and console titles, are now set to top \$100B this year, according to data groups App Annie and IDC. And in Europe alone, spending on mobile games grew 12 percent between February and March to \$740M, according to Sensor Tower.

Additionally globally, daily in-app payments for mobile games, for the likes of extra lives, virtual items, and outfits for avatars, have jumped 24 percent since the pandemic began, according to gaming technology provider Unity. Mark explains “I am cautiously optimistic that there are tremendous opportunities within the mobile gaming and mobile apps industry as people spend more time relying on their phones and connected devices for everything from mindfulness and mental health to personal connections and entertainment”.

When asked what type of trends and predictions in the investment space they are seeing Mark mentions “maybe some of the lower-performing VC funds and investors will disappear, but in many cases, we’re seeing funds getting bigger

and bigger. That said, it's only a matter of time for non-dilutive or credit-based solutions to figure out how to more effectively measure risk as it relates to tech companies".

Braavo Capital is definitely the most smart option if you're looking to scale, grow and accelerate at a healthy pace. A perfect example of a company Braavo funded is Verv, a weight loss fitness app, is a great example of an earlier stage company that grew to earn millions of dollars per month solely with Braavo's financial support. Another one is Ten Percent Happier, they made new hires and raised seed funding on their timing and on more favorable terms. Flipd is an earlier-stage company, became profitable and experimented in new marketing channels sooner than they would have otherwise. You can check out many of their case studies on their website.

In closing we asked Braavo about their investment thesis and they explained "we don't think about investing in companies at a specific stage in the same way that a traditional investor thinks about early-stage vs. late-stage. Instead, we're looking more closely at performance. For us, key performance indicators can include revenue at least 5-10K each month, and user growth metrics".

There would seem no better time than now to take some of Mark's advice and

"Think outside the box, and educate yourself on alternative financing options available that will support you on the path to profitability, particularly in a challenging market".

Whether you're an early-stage app developer or a multi-million dollar mobile gaming publisher, Braavo is your partner for flexible, affordable, and on-demand financing.

Be sure to also check out their latest product the new Braavo Card the fastest way for app developers to access their capital.

Also keep up-to-date on how mobile app founders are succeeding with the Braavo monthly newsletter full of insights and data driving the sector sign up here

You can also follow Braavo company updates on LinkedIn, Twitter,

and Facebook.

January Barnes is Head Reporter at ParlayMe – she is an experienced global tech news journalist. She is passionate about supporting visionaries on their quest to achieve unicorn status.

This article was originally published on ParlayMe.

Article by JANUARY BARNES