

The Informal Investor Group Dilemma

Private transactions are a vast, often unstructured market with a big emphasis on informal networks. Just think of all the 'friends and family' money in the early stage investing market, the angel networks and the importance of their activity. In recent years the uptick of small funds, 'super angels', online syndication and co-investment models have paved the way for various family office, smaller funds and private investor networks to question the way they operate. Could structuring the informal networks into a catalyst for larger impact bring more bang for your buck?

The answer is a resounding "Yes!", but that rarely gets translated into practice in a meaningful way. Why not?

In our experience, angel networks need a slight push to make the change in the way they operate and the tools they utilize. Its not because of lack of need, the tools they typically use are often quite outdated (imagine spreadsheets flying around and informal monthly meetings), but rather the lack of bandwidth to make the change.

Often its seen as an exorbitant undertaking to tie your proprietary network and assets into a tool, without knowing of the long term future of that tool or provider. These are all valid concerns, but with the API economy and tools like the Crowd Valley Digital Back Office, they are manageable. No longer do smaller funds need to consider a go to market in years and lock themselves into a suffocating relationship; pay-per-use, free, comprehensive documentation and tutorials for deployment and no lock in have become best practices in the online world.

Read the whole article on [Crowd Valley Blog](#).



The Angel Networks
Dilemma