



# CASE STUDY

Ethique

Total Raised: \$200k (Round 1) & \$500k (Round 2)  
Number of Investors\*: 410  
Age of company: 7 years  
Annual Revenue: \$1mil in FY2017 (Round 2)  
Sector: Natural Beauty and Household  
Country: New Zealand



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# BACKGROUND

## How Ethique started

Brianne West started Sorbet in 2012 with the vision of creating the most sustainable cosmetics company in the world. From her kitchen in Christchurch, she created solid shampoos, conditioners, cleansers, and other cosmetic products through cruelty-free means, ethically sourced ingredients and compostable packaging. The support she received was overwhelming, and it inspired her to pursue Sorbet's next stage of growth.

In 2015, Sorbet ran their first equity crowdfunding campaign. The funds raised went toward a complete rebranding of Sorbet to Ethique, and enabled the company to pursue global market expansion. The campaign was 24% funded on the first day and reached the maximum goal of \$200,000 within two weeks.

In 2017, Ethique decided to seek investment again, this time sourcing 50% of the funds through crowdfunding and 50% through angel investors. The goal was further global expansion, more working capital, and further research and development of their products and processes.





**“We want our crowd of customers  
owning a piece of us. To keep us to  
our values (and) to come along for  
our journey”** - Brianne West, 2017

OCT 2012



Sorbet (later rebranded to Ethique) is founded by Brianne West.

NOV 2014



Brianne makes her first contact with PledgeMe after legislation is passed to allow equity crowdfunding in Australia.

JUN 2015



Ethique runs their first equity crowdfunding campaign, reaching their minimum target of 150k within 9 days, and their maximum of 200k 3 days later.

OCT 2017



On the verge of their next stage of growth, Ethique embarks on their second equity campaign, reaching their maximum goal of \$500k in 90 minutes!

Sept 2019



Ethique had a goal of preventing 1 million bottles from going to landfill by 2020. To date, Ethique has helped 4.2 million bottles avoid landfill. Their annual revenue was \$10mil at the end of last financial year.

**“Knowing that  
(these) people don’t  
know you, but still  
believe in your vision  
and are willing to  
back you, is  
amazing.”** - Brianne West



# WHAT WORKED WELL

## Recommendations for future campaigners.

- **Supportive crowd** - Ethique ensured they had a dedicated and engaged crowd before they launched their campaigns.
- **Good media coverage** - Ethique hired a PR agency and had local media coverage for their launch. Later, they were featured in publications such as [Forbes](#) and [Huffington Post](#), and got a shout-out on Social Media from celebrities who liked the products.
- **A well thought out launch plan** - Both campaign launches were carefully crafted for their specific audiences (pledgers versus angel investors).
- **Listening to their crowd** - One of the objectives of the first crowdfunding campaign was to deliver on their number one customer request at the time (a storage container for their Ethique products).

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 **Britney Spears**  
3 Aug at 00:00 • 🌐

These are so cute! Has anyone tried them?



**This Beauty Company Wants To Change The Way You Shower**  
aplus.com

👍👎🗨️ 5.2K

317 Comments 113 Shares

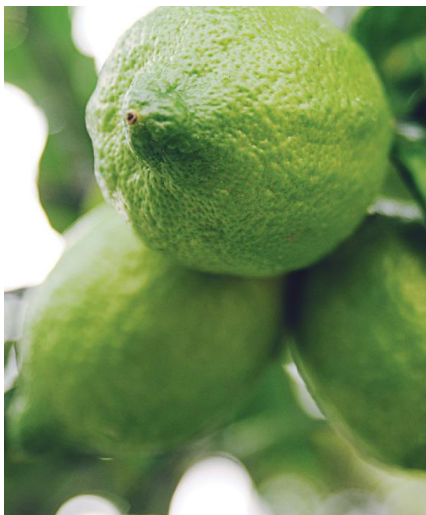




# WHAT COULD BE IMPROVED

Recommendations for future campaigners.

- **Stressful final push to launch** - As the campaigns was in the final preparation for launch, there was a bit of back and forth around the content. This is normal, but campaigners should be aware that edits may be made up until the day before launch.
- **Not aiming high enough** - Based on the success of their first campaign, the significant media interest generated in between campaigns, and the overwhelming support of their customers and network, it could be argued that Ethique could have set a higher maximum target for their second campaign.





# CONCLUSION

Ethique raised \$700k and has 410 shareholders.

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Going into both of her 2 equity crowdfunding campaigns, Brianne West was fully aware that she had a crowd of customers who were willing to back Ethique's growth. She fostered the relationships with these supporters and built new ones by generating media interest and tailoring her campaigns, [pitch video](#), and launch events to them.

Ethique reached the maximum goals of both campaigns, raising a total of \$700k to go towards their global expansion plan. Today Ethique is New Zealand's highest rated B-Corp company and has forecasted \$25mil of revenue for 2020.





# YOUR ACTION PLAN

Putting it into practice

## Build anticipation before you launch

Start a newsletter for interested investors. Post about it on your socials. Set up a page on your website.

## Get prepared

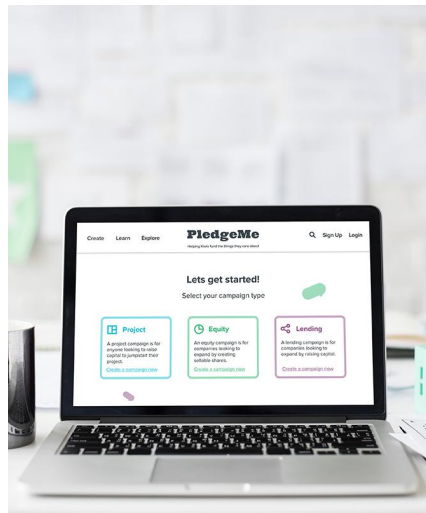
Make a plan. It doesn't have to be day by day...but you should generally know who is doing what and when.

## Pull your docs together

This can take longer than you think. Even with expert help, it's still up to you to understand everything and commit to everything your offer document says. If it's all done early, you can put it to your potential investors.

## Get in touch

If you're considering an equity crowdfunding campaign, we're ready to help. [Contact us for a chat](#). You can also learn more about creating a [crowdfunding campaign in New Zealand](#) or [Australia](#) on our main website.



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