

Investmint connects business owners with investors

 By [Evan-Lee Courie](#)

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Run by two young entrepreneurs, Investmint is an online platform that connects businesses in need of loans with investors looking to invest by means of a loan, in other words, a platform that acts as a marketplace between the borrower and the loaner.



Gareth Price and Chris Bruchhausen

We chat to Chris Bruchhausen to find out more about the journey of this unique, user-friendly and convenient tool committed to accelerating the SME economy in South Africa...

■ **Can you tell us a bit about Investmint?**

Investmint is a platform that connects South African businesses looking for funding in the form of a loan with investors who are looking for alternative investment opportunities.

■ **When, how and why did you get started?**

One of the directors of Investmint, Gareth Price, runs his own accounting practice, and in doing so he noticed that some of his clients were struggling to grow their businesses as a result of a lack of cash flow.

So he decided to run a proof of concept of Investmint for a year and a half with three of his clients borrowing money and three investors who provided the loans to these businesses. The proof of concept proved to be incredibly successful, with one of the businesses growing their monthly turnover from around R70,000 to around R200,000 in the space of a year and a bit.

As a result of this, it became particularly clear that this service offering would be extremely helpful to a wide variety of businesses in South Africa, which subsequently then led to the idea to develop the Investmint platform.

A few months into the building of the platform, I noticed a similar issue within the South African SME sector. As a result, I brought the idea of building a business to service this unserved need to Gareth and much to his disbelief, he was already building something similar.

So the two of us decided to team up to run Investmint together. The platform was launched in June 2019 and it has received really positive feedback from both the borrowers and the investors who have come on board so far.

■ What is the core function of Investmint?

There are essentially two core functions of Investmint.

The first is to provide flexible short-term finance to South African SME'S. This is done through one of two ways: The first is through invoice factoring. This is where a business can send us an invoice that they have and that they would like to sell to an investor at a discounted price.

The second is through project financing. This is where a business sends Investmint a purchase order that they have along with a funding request against that purchase order. Both the invoice factoring and project financing agreements, once approved by Investmint, are pushed live onto the loan marketplace for investors to browse and invest into.



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Our second core function is to provide everyday investors with investment opportunities where they can potentially earn significantly greater returns than just having their money sitting in a bank account.

There are no restrictions to who can be an investor and there are no minimum investment amounts. So every South African is able to participate.

■ *What are some of the obstacles you've had to overcome since starting out?*

Fortunately, we have not had any major obstacles to deal with as of yet. Everything has been flowing pretty smoothly since we started, and as a result, we have a happy borrower and investor base.

■ *What advice would you give to other aspiring entrepreneurs?*

It's important to realise that as an entrepreneur, you cannot wait for opportunities to come to you. You need to be proactive and actively seek out areas where you think there is a need that is not currently being served.

It is usually advisable for someone to pick a specific segment of the market to focus your ideas on because if you are trying to come up with an idea across a wide variety of different industries, you will likely stretch your thinking far too wide, and not nearly deep enough.

Pick an industry, say financial services for example. Then pick a subset within financial services, so for example that could be something like cross border remittance payments.

Try and identify areas within that specific area that either has a need that isn't being served, or it is being served but is being served poorly. Once you have identified the opportunity, build a business model, and then put your head down and make it happen.

■ *What has been your proudest achievements thus far?*

Our proudest moment has definitely been one where we were able to help one of our clients obtain the necessary cash flow in order to keep their business afloat, which in turn has resulted in the business expanding significantly over the past year and is now turning over multiples of what they were just a year ago.

■ *What does the future of entrepreneurship look like to you?*

Entrepreneurs are the future of South Africa. They are the go-getters of our country and the ones who will provide a significant amount of employment and opportunity to the South African population over the years to come. They are an essential component of our countries growth as a nation, and they should be treated as such.

■ *Tell us about your biggest struggles as an entrepreneur, as well as some major highlights.*

Access to capital is always a major issue that faces most entrepreneurs when they start out. Getting a business up and running, especially if it is technology related, can cost a significant amount of money. While we were fortunate enough to have made some money during the running of the proof of concept, which helped cover most of the initial costs in building the business, we definitely still felt the impact of not having a massive war chest of capital to deploy at the outset of Investmint.

The highlights have definitely been the growth of the businesses who have been able to access funding through us.

One business, in particular, has increased their monthly turnover by 257% over the course of a year and a half as a result of being able to access funding through us.

Along with this, other highlights would definitely be the happy community of borrowers and investors that we have built. We are constantly receiving positive feedback from both parties about the platform, which is a clear indication that we are doing all the right things and we are moving in the right direction.



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■ **Why would you encourage someone to become an entrepreneur?**

The learning experience that you undergo by starting and running your own business far outweighs any education you get at business schools or established institutions.

As a business owner, you have to become proficient in all areas of your business in order for it to succeed. You need to be able to, among others, manage people, manage the finances of your business, understand the laws governing your product or service and be able to sell your product or service to customers.

Should your product or service succeed, the financial payout can also be significantly larger than anything else you would have made by becoming an employee in an already established institution.

But above all else, the most liberating thing about starting your own business is that you and you alone dictate the future direction of your company.

If you are willing to put in the hours, you will reap the rewards in the future.

■ **Where would you like to see Investmint in the next five years?**

Over the course of the next five years, we intend on trying to help as many small to medium-sized businesses with their cash flow as possible. Our goal is to be the number one provider of alternative finance solutions to both South African businesses and investors alike.

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