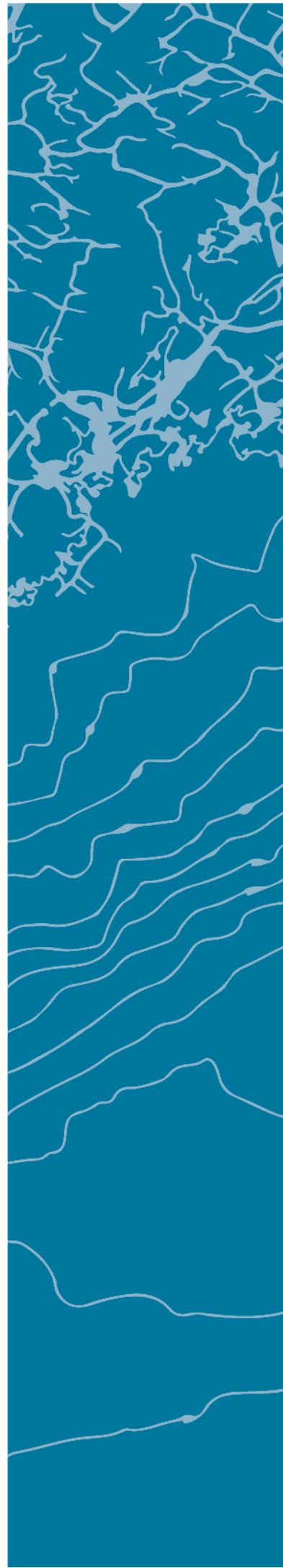UNIVERSITETET I AGDER

What influences contribution behavior in Crowdfunding?

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DECLARATION

We hereby declare that this research work is our original and that, to the best of our knowledge, it does not include previously published material by another person or material submitted to the University of Agder or another university for the award of any degree, except for acknowledged reference made in the text.

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ABSTRACT

Crowdfunding has emerged as the popular medium of financing the project. It is the major source of potential capital. Many people are contributing to these types of crowdfunding projects. There is a research gap on crowdfunding which tries to identify why people contribute to certain projects and not in other projects. Research question for our research is factors influencing contribution behavior in crowdfunding. The primary aim of paper is to explore the relationship between various independent factors and contribution behavior.

To explore the factors influencing contribution behavior this paper considers the academic literature, newspaper articles and interviews with participants who have contributed in such campaigns through qualitative case study research design approach. Based on the literature proposition were formed and analyzed. Data collection was carried out through semi-structured interviews with the people who had participated in crowdfunding projects. Analyzing each case, a conclusion was drawn based on findings to identify the factors influencing contribution behavior.

The study concludes with recommendations for future campaigners to design their campaign considering the factors that can attract more contributors to contribute to their project.

Keywords: crowdfunding, contribution factors, motivation, alternative finance

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1. INTRODUCTION

Crowdfunding basically creates a common circle for the entrepreneurs or needy people and the investors to meet which indirectly means matching innovative ideas to the corresponding investor through crowdfunding websites or social media. Crowdfunding might seem straightforward way to get one's venture funded by many individuals instead of selecting banks for funds but convincing the public, who may or may not get the value of their investment isn't as easy as convincing the loan manager in the bank. It wasn't a long time before when the loan proposal of Teresa Goines (from San Franciso) was rejected by a bank. With faith on her business idea 41 strangers crowdfunded $5000 loan. Her business idea worked and later she paid back all her loans (Hoffman & Hanna, 2014). This is just an example of how people get help from crowdfunding platforms when their loan proposal is denied by banks. So, the fundamentals of any successful crowdfunding project rely on the influencing factors which can persuade investors or their behavior to make an investment in that project.

Crowdfunding has emerged as an important source of financing for entrepreneurs, artists, social activists and other capital seekers for their projects(Mollick, 2014). Earlier research on crowdfunding has focused on the determinants of crowdfunding success using various theoretical and empirical approaches surrounding around different crowdfunding platforms. Ward and Ramachandran (2010) argued that the investment decision of investor is influenced by the success or failure of the similar projects, the action of other funders, popularity ranking lists and information from the blog updates and posts.

Agrawal, Catalini, and Goldfarb (2011) focused on the significant role that friends and family may play online and offline in generating early investment in entrepreneurial ventures. They explained this effect as family and friend effect. Ordanini, Miceli, Pizzetti, and Parasuraman (2011) with an interview with founders and employers of three crowdfunding platforms showed that funders exhibit common characteristics such as they are innovation oriented, interested in interacting with others and are interested with financial rewards. Another research by Gerber, Hui, and Kuo (2012) on *"why people are motivated to post and fund in crowdfunding platforms"* results that founders are motivated to participate to raise funds, receive validation, connect with others, replicate successful experiences of others, and expand awareness of work through social media. Funders are

motivated to participate to seek rewards, support creators, and causes, and strengthen connections with people in their social networks.

Contribution is prerequisite for any kind of crowdfunding to reach its goal but not every crowdfunding goal is easily met. Crowdfunding projects with the ecological and community objective find the funders without any reciprocal motive but it necessarily doesn't mean that other crowdfunding projects rarely meet their goal. Contribution behavior becoming a dependent variable, there are several independent variables playing key role to influence the contribution behavior in different manner.(André, Bureau, Gautier, & Rubel, 2017)

Many research tried to identify the factors for success of crowdfunding campaign and factors motivating people to invest in these campaigns. This paper investigates crucial independent variables from earlier literature and new factors emerged impacting the contribution behavior. Our aim in this thesis is to identify the relationships between several factors and contribution behavior. We contribute by adding the new factors that influence the crowdfunding behavior in the previous literature.

1.1   RESEARCH QUESTION

In today's world of internet, people are more connected to the internet than personally. Many fundraisers/campaign owners are raising money to fund their business ideas through the internet using the crowdfunding platforms. More and more people are willing to contribute to crowdfunding. Our research question is:

What influences contribution behavior in Crowdfunding?

This research answers the research question by analyzing the previous literature in different scientific fields. A conceptual research model is proposed. The relationship between various factors and contribution behavior is identified and propositions are suggested to capture these relations. To identify these relationships four cases were interviewed based on questioners developed for research. Interviews were conducted on Kristiansand and Oslo through face-to-face interview and telephone interview. We recorded the interview and analyze the results on findings and discussion section of the paper. Based on the findings from case analysis and cross-case analysis and extensive discussion, propositions are suggested.

Our research offers important insights into the investors behavior in crowdfunding. The contribution of this research is double fold. First, we contribute to the future researchers who wish to explore more can take our research forward to scrutinize if it gives a different result in other countries or culture. Future researchers in crowdfunding can take the system or procedure to analyze the authenticity of the crowdfunding owners and their projects as a part of their program. Secondly, we offer suggestions for campaign owners and platforms to design their project in a way more people can be attracted.

1.2 GENERAL OVERVIEW OF THE PAPER

This paper is divided into six sections including introduction section. In the second section, relevant literature within crowdfunding and contribution behavior is reviewed and summarized in a table and proposition are stated based on the literature. Section three explains the research methodology used for case selection, data collection. In section four, we analyze the findings and summarize the findings in cross-case analysis. Section five presents the discussion of findings and the last section concludes the paper with suggestions for further research and implications of findings.

2. LITERATURE REVIEW

2.1 INSIGHTS TO CROWDFUNDING

Crowdfunding refers to an innovative way of financing a diversity of new projects which allows each founders of profitable, cultural, societal ventures to demand the financial support from large numbers of individuals, mostly in give-and-take basis in future(Mollick, 2014).

There are many views regarding the introduction of the word 'crowdfunding' and its practical use. According to Stiver, Barroca, Minocha, Richards, and Roberts (2015), although the term 'Crowdfunding' was first documented in the year 2006, it started to gain popularity from the year 2008 along with the commencement of the crowdfunding platforms like Indiegogo and Kickstarter.

Whereas, according to Rodrigo Davies (Researcher at the Center for Civic Media at the Massachusetts Institute), crowdfunding existed even in the year 1885, which is claimed to be the first crowdfunding project of America (BBC, 2013)). As stated in the BBC (2013) report, back in the year 1885 the Statue of Liberty was gifted to the USA by France but when the Statue of Liberty arrived at the US in pieces, more fund was required to build a pedestal for the Statue to stand upon. New York governor showed a red sign to use city funds for the pedestal. Other state's offer was also unacceptable. As all the doors seemed to be closed for the funds to support for the Statue of Liberty, Joseph Pulitzer (a well-known publisher) came to a decision to launch a campaign to raise funds in 'The New York World' newspaper with the title "THE UNFINISHED PEDESTAL". And, the project successfully raised more than $100,000 just in the time of 5 months(BBC, 2013).

If that campaign was launched on today's time, the campaign would be triumphant like Indiegogo and Kickstarter, with the evidence of raising the huge sum from an enormous number of people just from the sole collection point i.e. Newspaper. The fundraisers in today's scenario are well-equipped with internet and booming networks, who attracts the media and uses different sophisticated skills to pull backers to meet the project target (BBC, 2013).

Baumgardner et al. (2017)claims the microfinance to be the predecessor of crowdfunding, whereas another kind of fundraising activities like donations started much earlier before crowdfunding. Crowdfunding is not a new topic or idea. Even in 17th centuries, the booksellers used to reduce the

price of books, if bought in advance or before printing, which is like the way crowdfunding works nowadays (Brenan, 2014).

Basically, there four types of crowdfunding viz; donations — where the donor won't be committed to payback, reward-based — where the investor can get non-monetary reward or can buy the product in advance, lending based crowdfunding - where the project owner is debt to the investor's investment and profit-sharing or equity model - where the donor gets certain portions of the share, profit or bonds (Belleflamme, Lambert, & Schwienbacher, 2014).

2.2   LITERATURE TABLE

Literature review primarily focuses on the past research and investigation done on a topic relevant to this thesis. There is an immense importance of a review of prior, relevant literature in any academic research. This creates the foundation for knowledge advancement, facilitates theory development, helps in finding the research gap where further research is needed (Webster & Watson, 2002).

We tried to include rich content and literature we found, keeping it as precise as possible. The topic 'crowdfunding' is a trending topic and isn't so aged. To find the pertinent information straightforward and narrow it down to **"factors influencing contribution behavior in crowdfunding"** made it tougher to track. But search engines or databases, especially Oria, EBSCOhost, Scopus and google scholar helped to find the intended information and organize them more professionally.

We searched literature using different key phrases, "factors influencing contribution behavior in crowdfunding", "motivational factors for crowdfunding", "why do people contribute to online platforms", "why people are motivated to donate". We used the snowballing technique to search articles in which we considered the source and references in the articles and finding the next article starting with the latest available and moving backward to the first relevant article written about factors influencing contribution behavior in crowdfunding. Although we found numerous articles about crowdfunding, there are only a few articles available on the research topic of factors influencing contribution behavior. Most of the articles in the literature are from various journals like Journal of Applied Economics, American Educational Research Association, Journal of Business Venturing, Journal of Management Information System, Journal of Business Ethics

published between 2010 and 2018. Out of 23 articles in the literature five are published in 2016 and 2017 each. The most recent article was published in 2018 while oldest article used was published on 2007.

Reading and summarizing those articles we present a table of most precise 23 articles relevant to our research question. We have developed a summarized table of literature on a relevant topic, "factors influencing contribution behavior in crowdfunding". We identified dependent and independent variables with its impact on the dependent variable.

Articles (Year)	Dependent Variables	Independent Variables		Type	Context	Theory	Comments / Insights
		Factors	**Impact**				
1. (Mohammadi & Shafi, 2015)	Contributing behavior	• Gender • Female investors • Number of male investors • Female's knowledge, training, expertise	• Females are less likely to contribute (Fundedbyme) • Risk-averse (in equity crowdfunding) • Positive relationship to female investors • Risk-taking behavior (Positive to investment)	Qualitative and Quantitative	A sample of 31 campaign from FundedByMe (one of the largest crowdfunding platform in Sweden)	-	Contributors depend on herding for making contribution decision
2. (Gordon Burtch, Ghose, & Wattal, 2016)	The behavior of crowd funders	• Social image • Actions transparency • The positive contributing behavior of other contributors	• Positive • Moderating effect: No or lower transparency may discourage the contributors to invest or donate. • Encourages to contribute more	Empirical	100 story pitches	Contribution behavior theory	Future analysis is expected to use other types of crowd-funded markets.
3. (Gleasure & Feller, 2016)	Contribution behavior in Crowdfunding Pure altruism	• Intrinsic motivation and altruism • Boost in self esteem	• Positive • Positive	Qualitative and Quantitative	Data from 42,143 units from the crowdfunding platform (Razoo)	Economic and psychological literature	Allowing donors to filter crowdfunding campaign will benefit both campaign administrators and donors
4. (Du, Lehmann, & Willson, 2014)	Contribution (Not necessarily for CF)	• Specificity of request, Knowledge or previous positive experience	• Positive mediating effect: Earlier positive experience will motivate to contribute more on the future too.	Experimental Investigation and two pilot studies	183 participants working in the accounting field	Knowledge sharing and contribution behavior theory	Identifying other factors for collaboration will help better understanding the contribution behavior.
5. (Fan-Osuala, Zantedeschi, & Jank, 2018)	Attain goal / invest / contribute	• Visibility or sightedness of goal	• Positive moderating effect	Functional Data Analysis (FDA), Functional Principal Component Analysis(fPCA)	Information from 618 projects (meeting the criteria) out of selected 2000 projects.		Contribution dynamics in crowdfunding is an effective forecasting tool
6. (Thies, Wessel, & Benlian, 2016)	Contribution behavior	• Popularity information	• Positive on consumers' contribution behavior	Panel Vector Autoregressive	Data from 23,430 campaigns from		Both eWOM and PI are influencing

Reference	Focus	Factors	Effect	Methodology	Sample	Study Type	Findings
	Success of Crowdfunding Campaign / Consumer's decision making / Choice	• Social interaction • eWOM (Electronic Word of Mouth) / Popularity Information (PI)	• Reduces the risk feeling of customers towards investment • Positive	(PVAR) methodology	Indiegogo for 213 days.		matters for contribution decision although eWOM has long term effect rather than PI.
7. (Cecere, Le Guel, & Rochelandet, 2017)	Non-equity Crowdfunding contribution Level of contribution	• Altruism • Peer involvement • Pre-ordering • Warm Glow	• Positive • Positive (on contribution but not on amount) • Positive (on contribution but not on amount) • Positive	Hurdle model	500 observations		Future work: Mechanisms affecting social influence via digital social networks
8. (Cason & Zubrickas, 2017)	Contribution	• Provision for a refund of the investment along with a bonus if target not met.	• Positive	Logit and Probit models.	25 subjects in 5 groups (refund with bonus, without bonus)	Empirical Investigation	Refund bonuses make fundraising less risky, frequently and early.
9. (Dahlhausen, Krebs, Watters, & Ganz, 2016)	Contribution behavior/success of the project	• Project Content • Campaign Management • Marketing • Meaningful and impressive title and video	• Positive • Positive • Positive (Moderating effect) • Positive		3 successfully crowdfunded projects		For successful funding, the platform is just a medium. There is no right platform.
10. (André et al., 2017)	Contribution Project's Success	• Reciprocity • Reciprocal giving • Reward (Extrinsic Motive) • Formal recognition expectation • Better deal • Getting involved in the innovative process (Intrinsic Motive) • Information asymmetry	• Positive • Positive • Positive • Positive • Positive • Positive • Negative		More than 3000 projects in Ulule (The first European Crowdfunding site)	Maussian Theory	Further research required to identify on what matter the ancient gifts differ from Mauss' work in coordination with reciprocity.
11. (Deutsch, Epstein, & Nir, 2017)	Further collection or contribution / Crowdfunding	• Seed money • Quality of public goods • Information asymmetry • Quality is known only to leaders • Signal send by informed players to the	• Positive • Positive • Negative • Negative • Positive	Empirical Analysis Quandt's Method	662 crowdfunding projects form Sponsume.com (15500 contributors in approx.) Sponsume isn't active now.	Conditional cases	Early contribution attracts latter contributions.

		uninformed followers and interpretation.					
12. Can a Crowdfunding Campaign Be More Attractive? The Effect of Perceived Entrepreneurial Orientation on Consumers' Intentions to Support a Crowdfunding Project.	Backer's choice or support for the project	• Entrepreneurial orientation (EO) • The late stage of novel product development with high EO • The early stage of new product development with high EO	• Negative • Positive • Negative	Lab experiments	3 Lab experiments (124, 94 and 115 participants respectively)		Customer's perception or perspective need to be given more priority rather than only on communication.
13. (Beier & Wagner, 2015)	Purchasing decision and willingness to pay	• Communication (relevant information on crowdfunding platform) • Emotional and social levels of interaction • Relational communication • Quality of interaction • Online trust • Visibility of another backer's contribution • Videos with personalized and emotional facets • Frequent and quick updates regarding the project • Additional homepage	• Positive • Positive • Positive • Positive • Positive • Positive • Positive • Positive • Positive	Empirical analysis	740 projects (100-days.net)		Both on-page and off-page communication influence the number of backers.
14. (Byrnes, Ranganathan, Walker, & Faulkes, 2014)	Funding / Contribution to the project (Scientific or research)	• Good science communicators • Building awareness and understanding • Artists with the huge fan base • Communication via a variety of avenues • E-mail contact and follow up • Involvement in social media (esp. Facebook and Twitter) • Public interest in that work or project • Science and society's connection	• Positive • Positive • Positive • Positive • Positive • Positive • Positive • Positive		159 scientists trying to crowdfund their research as #SciFund projects.		Proper communication leads to effective fund raising
15 (Ordanini et al., 2011)	Investment / Consumer contribution	• Return on investment	• Positive		Three case analysis with crowdfunding	Grounded Theory	Research on consumer focus

		• Relevant problem solving or social benefit • Active involvement • Experience investment (wants to be first) • Friend's project or connection.	• Positive • Positive • Positive • Mediating effect between our propensity towards the project and will to help.		(Music business, Financial services, and Non-profit services)		is still required for crowdfunding.
16. (Bretschneider, Knaub, & Wieck, 2014)	Motivation for crowdfunding	• Fun to make investments • Curiosity • Altruism • Reciprocity • Direct identification • Indirect identification • Regional identification • Recognition • Personal need • Return	• Positive significant • Positive significant • Positive significant • Positive significant • Positive significant • Positive significant • Positive significant • Positive significant • Positive significant • Positive significant	Qualitative research		Basic motivation model; adapted from (Jost 2000; Rheinberg 2006; Heckhausen and Heckhausen 2010)	Research in progress
17. (Agrawal et al., 2011)	The decision to fund crowdfunding project	• Visibly accumulates fund on site • Local investors • Friends and family	• Positive • Positive • Positive	Qualitative	34 entrepreneurs who raised $50,000 on Sellaband	Social Networks	
18. (Gordon Burtch et al., 2016)	Crowdfunding contribution pattern	• Duration of project • Marketing in the funding phase	• Direct positive • Direct positive	Empirical Analysis			Journalists pitch their idea to common people to raise money to get published
19. (Gerber & Hui, 2013)	Motivation to become funders	• Seek rewards • Help Others • Be a part of Community	• Positive • Positive • Positive	Qualitative research approach	Semi-Structured Interview with 83 US-based from the crowdfunding platforms (Kickstarter, Indiegogo, RocketHub)	Online philanthropic behavior	
20. (Aitamurto, 2011)	Impact on donation crowdfunding	• Related topic with friends and families • Altruism • Makes a difference • Connection to the community	• Positive effect • Positive effect • Positive Effect • Positive Effect	Qualitative	Semi structured interview with 8 donors		Case Study about Spot.us. a platform for donation crowdfunding in the journalism

21. (Harms, 2007)	Intention to participate in a crowdfunding project	• Financial value • Functional value • Social value • Epistemic value • Emotional value	• Positive significant • Strong positive Impact • Significant positive effect • No effect • Both positive and negative with moderating variable	Exploratory empirical study	Data collected through questionnaire		Descriptive research used to test hypotheses. Regression analysis to test the conceptual model. The required data for the analysis are collected gathered via questionnaires.
22. (Bi, Liu, & Usman, 2017)	Investor's decision to invest in the project	• Introduction word count • Video • Number of links • Number of reviews	• Positive • Positive • Positive • Positive	Quantitative analysis	Data collected from a Chinese CF website (Zhoungchou.com) in the categories of Science & technology, entertainment, agriculture, and art.	Elaboration Likelihood Model	Based on only reward-based crowdfunding project rather than equity crowdfunding
23. (Schwienbacher & Larralde, 2010)	Motivation for supporters of crowdfunding campaigns	• Earn Money • Help build Startups • Trust in entrepreneur/project • Extend their Network	• Negative • Positive • Positive • Positive	Case study – survey	Survey of the funders of the project Media No Mad (equity crowdfunding, without intermediary platform)	Risk management Wisdom of the crowd	

Table 1: Empirical Studies on factors influencing contribution behavior

2.3 LITERATURE SUMMARY

The table above displays the literature form different articles, holding contribution behavior as their base. Out of 23 articles studied, it can be clearly noticed that majority of researchers have mentioned altruism and reciprocity (sometimes called as a reward) to have a positive influence over the contribution behavior which somehow indicates that altruism and reciprocity have the strong driving aspect in comparison with other factors. On the other side, information asymmetry can be seen to have a negative effect on the contribution behavior, which leads the project target tough to achieve and failure also.

Some researcher also has argued that the peer involvement and positive word of mouth (electronic) plays a crucial part in attracting the investment for the crowdfunding project. Beside these factors the action transparency, frequent updates and interaction with the contributors cannot be ignored as they too have some vital role in deriving the investments. Content (meaningful audios, videos and photos inclusion) and marketing too have strong and positive driving feature over the contribution behavior of individuals in the crowdfunding venture.

Content column depicts the number of projects, individual, platforms of the study selection of the sample. The research by Gleasure and Feller (2016) upon more than 40,000 crowdfunding units revealed intrinsic motivation and altruism as the major factor influencing the crowdfunding behavior. Whereas, Thies et al. (2016) with a second highest number of sample (more than 23,000) depicted the factors especially popularity information, electronic word of mouth and social interaction to be the most influencing factors for the investment. And, except the popular crowdfunding platforms like Kickstarter, Indiegogo and Fundedbyme, other platforms like Sponsume, 100-days, and Razoo were used.

The last column contains the main idea or future research possibilities. Cecere et al. (2017) indicated there still needs research to be done on mechanisms affecting social influence via digital social networks, André et al. (2017) looked forward to the research to identify on what matters the ancient gifts differ from Mauss's work in coordination with reciprocity and Gordon Burtch et al. (2016) stated that more research is required on the use of other types of crowd-funded markets rather than on the markets which are already used and examined.
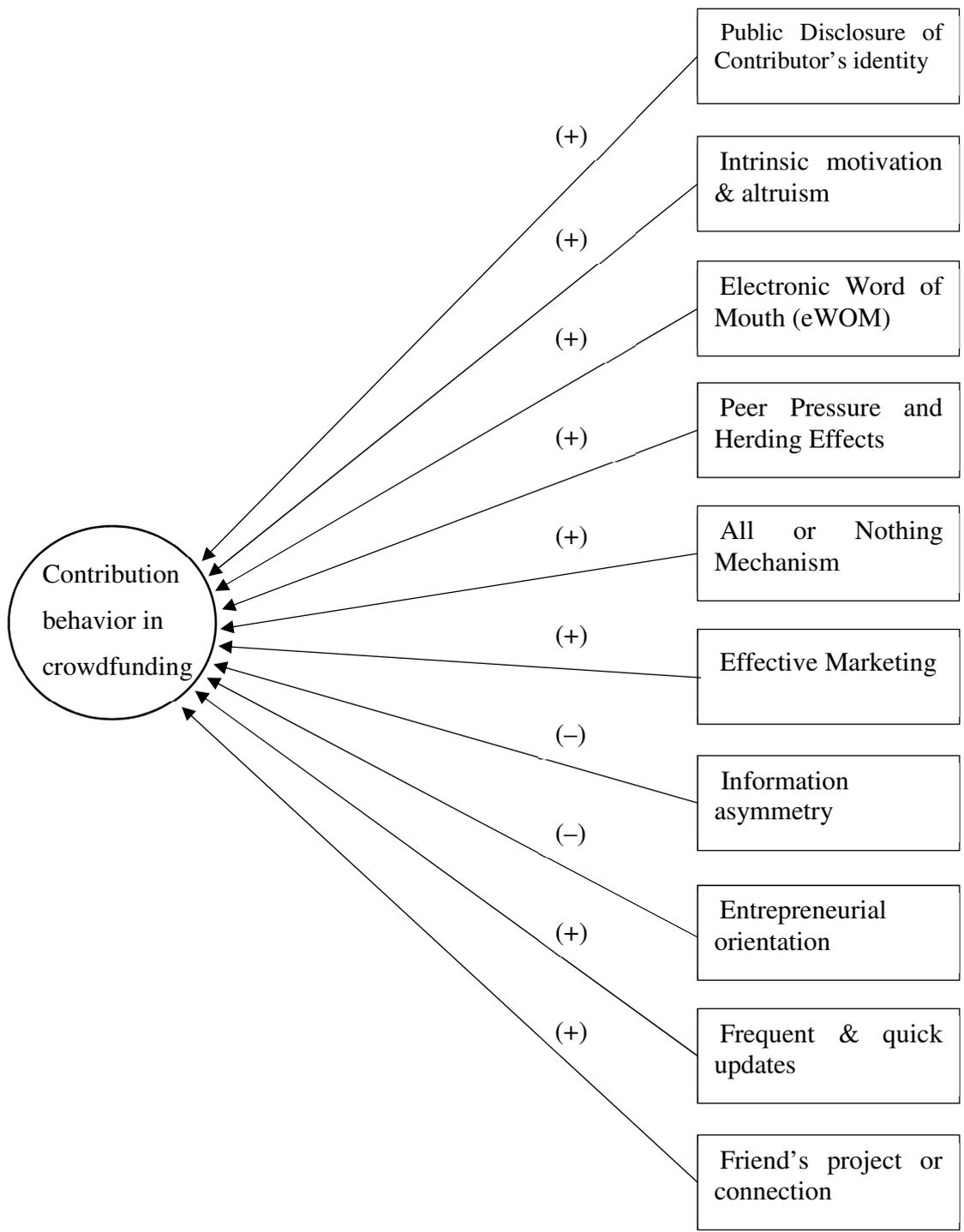
Figure 1: Major Factors Influencing Contribution Behaviour in Crowdfunding

2.4 PROPOSITIONS

2.4.1 Public disclosure of contributor's identity

Public disclosure of contributor's identity can be perceived differently by different funders. Not everyone is convinced to disclose their name in public and the amount they have funded. Some people will be willing to contribute to the project, only when their identity is secret and safe whereas, some are neutral to their identity revelation.

G. Burtch, Ghose, and Wattal (2015) stated that contributor's information is a sensitive topic to deal with. In one side, clearly stating about their personal information and identity non-disclosure policy may lead them to think about it with more concern. On the other side, covering-up of non-disclosure policy could make the privacy-concerned supporters less comfortable to contribute. Customized policy of the public disclosure of contributor's identity could be a moral option.

Proposition 1: Higher the perception of control over user's information, higher will be the number of participants whereas, higher the prompting about their privacy, lower will be the participant's quantity.

2.4.2 Intrinsic Motivation and Altruism

As mentioned in most of the articles, intrinsic motivation and altruistic nature of individuals makes them fund the project. The investigation by Gleasure and Feller (2016) with more than 40,000 units from the crowdfunding platform (Razoo) reveals intrinsic motivation and altruism as the main factor to donate or fund to the crowdfunding platform and further adds that the underlying intrinsic motivation and selfless feeling as well are the key factors that make transforms common people to potential funders.

Proposition 2: Intrinsic motivation and altruism positively impact the crowd-funding behavior.

2.4.3 Electronic Word of Mouth (eWOM)

With the data collection and scrutiny of 23,430 campaigns from Indiegogo for 213 days, Thies et al. (2016) argues eWOM (Electronic Word of Mouth) be one of the major drivers for the contribution as crowdfunding.

Summers (2015) at the base of his findings states that the crowdfunding surrounding will affect the donation or fund the crowdfunding project gets. He further adds "I use the store environmental model from the customer behavior literature as a lens for identifying the informational cues project teams use to convey the worth of their project to funders." Electronic word of mouth can be powerful either it is positive or negative.

Proposition 3: The higher the positive electronic Word of Mouth (eWOM) the higher will be the contribution for the crowd-funding project.

2.4.4 Peer Pressure and Herding Effects

Peer pressure and herding effects in the crowdfunding project is also one of the major factor that leads one to contribute to the project. It is a common human psychology to trust one's friend or follow the mass believing that they are right rather than following own instinct. With the evidence from 500 observations, Cecere et al. (2017) argues friend's involvement in the crowdfunding project as an owner or supporter influences others in a friend circle to contribute to the project.

Mesenaatti.me (2018) states that the financial support for the crowdfunding project can come from varied source including the audience, the fan base, people having the same interest, people who find the project close to them and especially one's friends and family members can be the base and genuine supporters who will look forward seeing the crowdfunding project to come alive.

Proposition 4: Peer pressure and herding effects in crowdfunding campaign is likely to motivate individuals in the project.

2.4.5 All or Nothing Fund Mechanism

In comparison with other crowdfunding platforms, Kickstarter have the provision of all or nothing. According to all or nothing policy, if the crowdfunding owners meet the target at the end of the term, he/she need to continue with the proposed promise but in case the target is unmet at the end of the term then the owners of the project are required to return the fund of the respective funders (Qiu, 2013). And, this policy of all or nothing influences and strengthens the potential contributors' confident to fund the crowdfunding project.

Proposition 5: All or nothing campaign fund mechanism of the campaign have a positive influence on the contribution behavior in crowdfunding. investors.

2.4.6 Effective Marketing

The success of the crowdfunding project not only lies in the source of the funding but is also directly impacted by the message quality and the effort one gives to the idea and the campaign (Ursrey, 2014). Among three must haves in the Crowdfunding strategy, Ursrey (2014) suggests 'Perfecting message' as the first thing to be considered.

Even an intensive marketing fails if the content or message to be delivered isn't attractive and meaningful enough. The message of the project should be promising and should convey the seriousness and urgency for the idea to come to life. And, to support one's idea, only text may not be sufficient so, some meaningful pictures and videos can be added to grab the attention of potential funders and make the idea outstanding.

Proposition 6: The higher the marketing of the project with an effective message, the higher will be the number of crowd funders to fund the project.

2.4.7 Information Asymmetry

Communication gap and information inequality especially due to crowdfunding owner's hidden agendas, varied intentions and no or low response rate will directly or indirectly affect the success of the project. As the funders and supporters will be believing that what is shown and conveyed is what the main purpose of the project.

According to Firoozi, Jalilvand, and Lien (2017) One of the major difficulty that crowdfunding and its associates are facing these days is the inequality of information between the crowdfunding owners and the supporters. And, this asymmetry not only leads these few people in despair but also makes other funders to doubt even on genuine projects and demotivates them to support.

Among the attractive products ideas (in Indiegogo platform) which need funds to get it alive, 'popSLATE 2 - Smart Second Screen for iPhone' was one of them and got 1371% funded but

dismayed all its supporters by neither delivering the product nor refunding their investment and Indiegogo has 'no refund' policy once the fund is transferred to the crowdfunding owner's account and the campaign has ended. And, this policy has discouraged many of the supporters. Now, the funders can do nothing except passing negative word of mouth and comments. This information asymmetry and the project owner's hidden agenda disrupted the trust and terminated their positive attitude towards the crowdfunding projects.

Figure 2 Screenshot of Indiegogo Official website
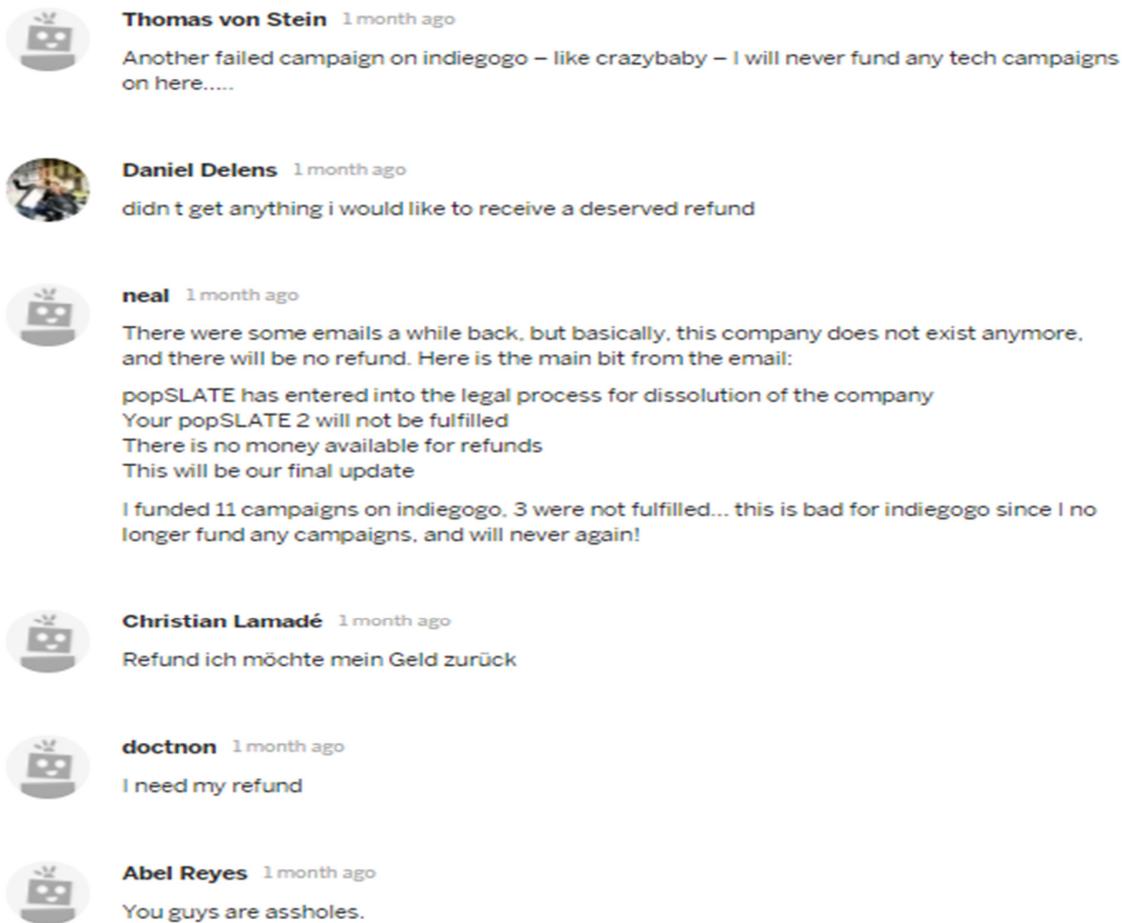
Figure 3 Screenshot of Feedback on Indiegogo Official Website

Source: Indiegogo.com

In the pictures above, taken from the Indiegogo official website, we can see the negative comments by the angry supporters who got nothing for their fund and effort and almost all of them have decided to not to fund any crowdfunding project.

Proposition 7: The lower the information asymmetry about the project i.e. transparency of every step, the higher will be the investment for the crowdfunding project.

2.4.8 Entrepreneurial Orientation (EO)

Wen, Bowen, and Kim (2016) based on their analysis and findings stated that the entrepreneurial orientation can undesirably impact the supporter's probability to fund the crowdfunding project. And, the result also illustrates that the reaction of EO is too specified by the product's development phase.

Proposition 8: Entrepreneurial orientation is likely to influence positively in the contribution behavior in crowdfunding.

2.4.9 Update Frequency

Kickstarter (2017) argues transparent agendas, regular communication and frequent updates to be the backbone of a successful crowdfunding campaign. Frequent updates and communication holds the interest of potential funders and too can attract new supporters for the project.

With frequent posting of the project's updates in the official website or in some form which makes it accessible to the public, can strongly influence and grab investment and support from potential and new funders as the mass seems to be more inclined towards ongoing and development information about the new crowdfunding venture or startups (Block, Hornuf, & Moritz, 2018). The just promising idea isn't enough, updates and work in progress info is also a matter of concern for most of the individuals.

Proposition 9: Frequency of updates regarding the projects is likely to attract the new investors to invest.

2.4.10 Friend's Project or Connection

It's a human tendency to be protective and put effort for the success of ones near and dears around. So, it is obvious to seek help from the friends or family members during the early phase of any crowdfunding campaign. Searching and requesting help from friends and relatives is the foremost

task for creating a promising strategy because they not only trust but also gears up their effort to make the project come alive (SparkUp, 2017).

According to Fundable (2018) in the cumulative figure, friends and family invest more than $60 billion per year, especially in startups. And, 38% of the startups stated that they are requesting and getting funds from their family and friends with an average of the amount invested is $23000. Most of the time, friends, and family members are the only supporters for the collection of seed money for the crowdfunding venture.

Proposition 10: Existence of connection (Friend's or Family's) with the project, positively increases the mediating effect between the contribution behavior of the supporters and the crowdfunding project.

3. RESEARCH METHODS

3.1 RESEARCH DESIGN

Research design refers to types of analysis in the quantitative, qualitative, and mixed methods which offer a definite path for the process in a research design and some argued them as strategies of inquiry (Denzin & Lincoln, 2011). Due to the available groundbreaking technology, the quantity of research design available has increased significantly.

The research design is the foremost phase of planning and preparing for the research procedure after the research hypothesis and ideas have been plainly stated. For the finest outcome, the research must be backed up with the superior and foolproof research idea (Toledo-Pereyra, 2012).

Research design can be termed as the blueprint for the gathering, quantification, and scrutiny of the relevant data, which relies on the research questions of the proposed study. And, the standard or the research study relies on the concern and emphasis the research gives on selecting the suitable design options, in coordination with its intent. For instance: if a business person makes a huge investment in a risky venture, then it requires an intensive and detailed investigation to make sure the investment won't disappear.

We used qualitative research analysis using case study research design method in our research. According to Yin (2009), case study design is appropriate when a researcher wants to investigate a real-life phenomenon in depth when there is no clear evidence of boundaries between phenomenon and context. We used multiple cases interviewing 4 people who contributed to the campaign. A multiple case study allows the researcher to identify and explore differences between different cases and within similar cases (Yin, 2009). The objective is to reproduce findings across cases. Because comparisons will be drawn, it is imperative that the cases are chosen carefully so that the researcher can predict related results across cases, or predict contrasting results based on a theory (Yin, 2003). After that, we came up with a model and compare that with the model we got through literature review and see the differences and developed the final model.

3.2   CASE SELECTION

Case selection is the most pivotal and primal part of the case study research and the associates or the researcher selects the relevant case by investigating and through the intensive scrutiny of the case (Seawright & Gerring, 2008). Unwanted and misleading case selection may lead the researcher to unintended conclusion or findings at the expense of treasured time, money and effort.

On the process of the case-selection process, we tried to ensure that the selected cases are purposeful and theoretically relevant to the phenomenon under research. In this qualitative research analysis, a case is an individual who participated in an interview. We chose a case based on sex and number of contributions, as the earlier researchers have mentioned the gender and frequency of contribution to have some ample degree of effect upon the contribution behavior. Research by Mohammadi and Shafi (2015), indicates females to have low propensity towards technological companies, newer firms and the firms issuing higher portion of equity offerings. Females are also interested of the investment projects with low risk and having higher number of male investors. Croson and Gneezy (2009) also states that the rate of contribution by female is seldom higher than the male. Beside this, frequency of contribution is also another substantial factor stated by many researchers. Later in our research, we analyze if these have an impact on contribution behavior in crowdfunding through cross-case analysis. Our case selection is based on following criteria:

- Sex
  - Male
  - Female
- Frequency of contribution
  - Single contribution
  - Multiple contributions

Based on the above criteria we have four cases to analyze.

- Male- single Contribution
- Male- Multiple Contributions
- Female- Single Contribution
- Female- Multiple Contributions

3.3 DATA SOURCES

Data source refers to the reference or the hub from where the data is collected, and the source will have a significant impact on the usefulness of the research. The relevant and updated data source will bring out the intended or effective result whereas irrelevant and outdated data source can just provide futile output.

Basically, data can be collected from Primary source or secondary source. And, for our topic '**factors influencing contribution behavior in crowdfunding**', we will rely on primary source for the data. In our research, we are trying to capture people's thinking and subjective view. There is not any external source of the secondary database available for people's perception and view yet so we must use primary data. **Primary data**, also known as first-hand data refers to the data collected directly by the researcher from the source for the intended purpose. For our research, we interviewed some investors and crowd funders. And, when someone else other than that researcher uses the same data in the future for one's specific purpose than the data is called **secondary data**. For example, there are a lot of data available online and in the official crowdfunding sites which will be useful for us.

Although there are lots of sources for the primary data collection, interviews and observations are the most usual form. In our research interviews plays a significant role in the data collection.

3.4 DATA COLLECTION

Yin (2003) states that the evidence for the case studies can be gathered from six major sources: interviews, documents, archival records, direct observation, physical artifacts and participant-observation.

Source of Evidence	Introduction
1. Interviews	Two-way conversation (mostly two individuals), where the interviewer asks the questions to the other one called interviewee.
2. Documentation	Involves variation of documents: Agendas, letters, announcements, reports of events, administrative documents, newspaper clipping etc.

3. Archival records	Includes computer records, service records, organizational records, maps and charts, personal records, survey data etc.
4.Direct observations	The researcher makes a field visit to the site and makes direct observations.
5. Physical artifacts	Physical artifacts like work of art, equipment or tool, technological gadgets are observed.
6. Participant-observation	As same as direct observations but the researcher has control over the natural settings.

Table 2 Sources of evidence and their introduction

Normally, there are three principles to be followed by the researcher to make the research qualitative and useful.

In our case, we have only used interview as the main source of data collection for our research. In total, we have interviewed four candidates from Norway itself having sex differences and different contribution pattern. And, for the literature, for supportive documentation and for other evidences required, we reviewed some online articles, thesis from earlier periods and the information in the crowdfunding official websites (like Indiegogo, Kickstarter, Fundedby me and so on).

Principle 1: Use Multiple Sources for Evidence: The reason behind using multiple sources for evidence is that, if we select one source of evidence, then there is the possibility that we might miss the other sources of evidence which might have given better and useful result.

Four people were interviewed based on the criteria of case selection as multiple sources of evidence.

Principle 2: Case Study Database: Two separate databases for the evidence and for the investigator's report need to be maintained so that the data can be unbiasedly used for further research in the same subject or different.

Principle 3: Maintain a Chain of Evidence: Upholding the chain of evidence also have a significant importance to catch the case study reader's attention and pull the reader from the research question to then eventual case study conclusion.

3.5   INTERVIEW GUIDELINES

Turner III (2010) argues that the qualitative research design may be complicated if the researcher doesn't have enough knowledge and expertise about that specific methodology type. The interview is considered a hub for gaining some convenient evidence regarding the participant's knowledge and perception of a specific subject. This paper unfolds effectual ways to start intensive, qualitative interviews, especially for the novice researcher.

The interview was a semi-structured interview where we had a set of questions. We developed relevant questions while taking interviews. We conducted interviews on various places. Out of four interviews, one interview was conducted at the University of Agder while two interviews were conducted at Oslo through personal meeting and one interview was a phone interview. We took permission to record our interview. Each interview lasts for 15-20 minutes of questions answers after formal greetings.

3.5.1   Instructions for commencing Qualitative Interviews

As we have explained the common forms of interview design about qualitative research, now this part focuses on making the interview more meaningful, well structured, easy and smooth. Creswell (2007) had proposed some valuable suggestions for conducting the qualitative interview:

1. **Preparation for the Interview and developing rapport**: Unprepared interview can lead to unexpected turns and may undesirable end. So, preparation is the primitive and one of the most crucial part of interview. Rapport building can be helpful in the early stage of interview, which not only makes the interviewee hassle-free and open but also creates friendly and relaxed atmosphere to the interviewee to effortlessly get all the information required.

   McNamara (2009) have suggested some important considerations before one starts the interview: 1) Selecting the interview area with minimal disruptions; 2) Clarifying the major purpose of the interview; 3) Explaining the interview information accessibility and confidentiality; 4) Making the setup of the interview clear; 5) Deciding upon the interview length; 6) Providing them with the contact information and address (they can meet up if

needed); 7) Asking them if they have any confusion, queries or questions; 8) Request if they will allow you to record or note down the interview.

2. **Selecting the Participant / Interviewee and Pilot testing**: The researcher needs to select such interviewee who not only answers the given questions but also adds some other valuable information related to the case without being prejudiced. Creswell (2007) recommends to the relevant sampling method to have the best participant as an interviewee to gather reliable information.

   Pilot testing is also equally important part, which helps to verify the plan or the interview process. Pilot testing is basically implied to assure the perfection in the interview process by tracking the flaws and lacking.

3. **Building effective research questions:** For the qualitative research interview, the questions should be constructed with decent knowledge and experience so that it allows the interviewee to answer limitlessly with the relevant base. McNamara (2009) have proposed some effective questions for the qualitative research interview: 1) Phrases should be open-ended, so the interviewee can answer in their own way; 2) Questions shouldn't affect the answer; 3) No joining questions / one question at a time; 4) Questions should have clear diction; 5) Cautious use of Why questions to avoid distrustful sense to interviewee.

4. **Follow-up questions:** Creswell (2007) states that its uncertain that the respondents will be answering all the questions asked and sometimes its due to misunderstanding and vagueness of the question. So, the interviewer can rephrase the question to make it more clear and comprehensible to the interviewee.

3.6   IMPLEMENTATIONS OF INTERVIEWS:

McNamara (2009) has suggested some splendid tips for the implementation phase of the interview process: a) Frequently checking, if the tape recorder is working; b) One question at a time rather than joining two or more; c) Being neutral rather than emotionally driven; d) Frequently showing concern and eagerness to the responses (with Yes, Then, Ok, Umm, huh etc.); e) Be cautious about

the appearance and be calm; f) Let the interviewee know about topic change with courtesy; g) Don't lose control of the interview.

3.7 DATA ANALYSIS PROCEDURE

3.7.1 Data Analysis

Miles, Huberman, and Saldana (2013) argue that it's a huge blunder to keep on gathering data for weeks, months or sometimes for years and starting to analyze data at last, which may lead to frustration and chaos, ending up with the low quality outcome. So, it is strongly advised to simultaneously examine the data after collection. And, data must be processed before it is analyzed. For instance: the researcher or the field-worker makes notes by watching or listening to the recording, highlights the main parts and sometimes even rates and judges the available data. Then after, data analysis method is implied: 1) First Cycle coding; 2) Second Cycle or Pattern codes; 3) Jottings; 4) Analytic memoing; 5) Assertion and proposition development; 6) Within-case and cross-case analysis.

3.7.2 Coding

The procedure of making sections or categories and assigning them certain data is called coding (Dey, 1993). In terms of both qualitative and quantitative research design, coding has the very diverse procedure. In quantitative research coding means mathematically delivering data and making it ready for further examining process whereas in qualitative research design, coding being the essential portion of the analysis, includes shifting through the data, making it meaningful and classifying it in several possible manners. Following are the major methods/process of coding on qualitative analysis:

1. **First Cycle Codes and Coding:** Codes are tags that provide symbolic meaning to the theoretical or descriptive evidence gathered through the study. Saldaña (2015) states that the first cycle coding may include the scale of a word to a sentence to an entire paragraph to the single page of text or even a motion picture. First cycle coding methods refer to the codes primarily referred to certain data portions. First cycle coding methods consist of 25 various approaches and each with the varied role. And, the user or researcher don't need to be concentrated on a single approach but can use it flexibly by mixing too as per the need.

Saldaña (2015) explains three elemental methods that imply as basic approaches to coding:

i) **Descriptive Coding:** Descriptive coding can be termed as a tag given to the gathered data to outline as a summary name or short phrase (mostly a noun) – as the main topic of the description or passage of the qualitative data.

ii) **In Vivo Coding**: Being the most popular coding, vivo coding uses the codes or phrase in the interviewee's own language. It includes the native term used in that subject area or some specific groups.

iii) **Process Coding**: Process coding refers to the coding method which uses gerunds to specify act in the data as visible and conceptual. Process coding too shows its relevance with the facets of time, like the emerging or diminishing of something, change with time, sequential matters and procedural matters.

Creating and Revising Codes: Codes can be drawn from the research questions, conceptual framework, issues dealt with, hypothesis and alike. This can be considered as one of the best methods for creating a list of codes before fieldwork, also known as Deductive coding. For instance (in case of crowdfunding): CONTRIBUTION, CONTRIBUTION BEHAVIOR, ALTRUISM, MOTIVATION, SUCCEED, FAILURE, GOAL etc. And, several codes may pop up during the data collection procedure also called as Inductive coding. But it needs to be noted that, with the ongoing qualitative research coding method some codes may emerge and flourish while other may diminish and even fade away during the analysis process and it is not mandatory to code every detail.

2. **Second Cycle Coding: Pattern Codes:** Second Cycle coding is linked to the First Cycle coding in a sense that Second Cycle coding further works with the outcome of the First Cycle codes itself. Miles et al. (2013) argue that, in the Second Cycle method, the synopsis form the First Cycle coding are classified into diverse groups, themes or constructs. Some major functions of Pattern coding are: shrinks the huge quantity of data to smaller, focuses making the fieldwork more concerned, provides the researcher with more clear and virtual map to picturize indigenous events and provides facilitation for cross-case examination.

3. **Jottings:** Emerson, Fretz, and Shaw (2011) state jotting to be like the "analytical sticky note" – a small phrase as a note that fits inside the small paper. Windows 10 has an app called Sticky Notes, which when opened, shows small dialogue box, where we can write

some notes and stick it on to the desktop. For instance, while retrieving data or noting down the interview, the researcher at some point may feel that the interviewee was trying to hide something (taking longer pause) or was feeling uneasy to reveal something (moving or tapping fingers on chair, table or knees) or saying something hurriedly so, the interviewer or researcher need jot one's mental note. Jotting helps to facilitate coding by getting a deeper insight into some issues which isn't verbally expressed or shown.

4. **Analytical memoing:** Analytical memoing refers to the procedure of making notes or realizing what one has been learning during the study or can be termed as a reflection of the study. It can be done both during and after the data collection ranging from data collection thought till final reporting. The analytical memo is not only a small synopsis or note about some theory but goes beyond what has been seen or gathered and reflects the essence of the research.

5. **Assertion and proposition development**: The Main task of assertion and proposition is to manage the researcher's idea and thinking into more systematic and formal clear setting. Assertion refers to the declarative phrase of the summary based on the studied material and evidence (e.g. "Communication between the project owner and the supporter was not good enough to convince the minimum number of investors required to fund the crowdfunding project"). And, Proposition deals with the suggestion which gets nearer to the prophecy or the theory with if-then or why-because base (e.g. "When the funders don't get any updates or don't have proper communication with the project owner or associates, they lose their propensity towards the project").

6. **Within-Case and Cross-Case Analysis**: Key purpose of within-case analysis is to provide with the clarification, description, and understanding of a certain case or an individual case whereas, cross-case (also called multiple cases) analysis is basically done to expand the generalizability with evidence that the procedures and incidents in an individual case or research are not entirely individualistic. In case of within-case, it depends upon the researcher either to explore a single factor or the whole.

Deductive Coding: The researcher or interviewer can start to make a list of codes before the data collection or fieldwork known as Deductive coding. Here is a list of codes basically generated from the research questions, literature, propositions and the model.

Codes	Sub-codes
<u>Dependent Variables</u> CONTRIBUTION BEHAVIOR	Supported Crowdfunded Funded Contributed Helped Donated Financial gift or grant Gifted Altruism Invest
<u>Independent Variables</u> SEX	Male Female
SOCIAL IMAGE	Image Public Image
PUBLIC DISCLOSURE OF CONTRIBUTOR'S IDENTITY	Open and Clear Identity Confidentiality provision Customized provision for identity revelation Recognition and Prestige
INTRINSIC MOTIVATION	Kind Nature Altruism Self-empowered Self-motivated
INFORMATION POPULARITY	Positive word of mouth Impressive information about the project Unique idea Lots of supporters sharing the idea Extensive marketing
SOCIAL INTERACTION	Relation with the backers Response to the backers Keeping funders informed Interaction with potential backers and others Openness
EARLIER EXPERIENCE	The last project was up to the expectation Last time they did a remarkable job
E-WOM	Found on Facebook other social media Platforms
PEER INVOLVEMENT	Funded by friends Friends Project
RECIPROCITY	Pre-ordering Shares to the funders Discount on products to the backers

	Returning the investment
	Gifts to the funders
	Better deal
PROJECT CONTENT	Meaningful text or message
	Expressive videos or photos
	Emotional content
INFORMATION ASYMMETRY	Hidden information
	Different intention
Context COUNTRY	USA
	Norway
	Sweden
	UK
PLATFORMS	Kickstarter
	Fundedbyme
	Indiegogo
	100 story pitches
	Razoo
	Sponsume
	100-days.net
	Bidra

Table 3 Code Tree for analysis.

Coding was done using Computer Assisted Qualitative Data Analysis Software(CAQDAS) like NVivo 12. First, we took the recordings and transcribed them and separate files were created for each case. We had 4 cases alltogether and two people to work so we transcribed two cases each. Second thing was to use NVivo for coding where documents were uploaded for coding. Then we had a code tree from literature review so we created node and sub-nodes for each variable we wanted to analyze. Basic manual coding was done by reading the transcribed documents by both researchers.

3.8 ENSURING QUALITY OF QUALITATIVE RESEARCH

Bryman and Bell (2007) in their book referring Mason present reliability, validity, and generalizability as various kinds of measures of quality, rigor, and scope of research which are obtained according to certain methodological and disciplinary principles.

LeCompte and Goetz (1982) write about reliability and validity in qualitative research as follows:

- *External reliability* signifies the degree to which a study can be replicated.

- *Internal Reliability* means whether more than one person agrees about what they see and hear.
- *Internal Validity* access if there is a perfect match between theoretically ideas and researchers' observations.
- *External validity* refers to the extent to which findings can be generalized across various social settings.

Bryman and Bell (2007) in their book referring Lincoln and Guba (1985) and Guba and Lincoln (1994) provided alternative criteria for evaluating qualitative research. They propose two basic criteria for ensuring quality in qualitative research namely: *trustworthiness* and *authenticity.*

Trustworthiness consists of four criteria parallel with the criterion in quantitative research.

- *Credibility* - ensures that research is carried out according to the norms of good practices and let other researchers access the researcher work to ensure the correctness of research.
- *Transferability* - can be obtained by providing a thick description of a phenomenon which can be used as a reference for future research.
- *Dependability* - entails that researcher should involve auditor to audit the research process.
- *Confirmability* - refers to the objectivity of the research. It is almost impossible to obtain complete objectivity in the business research, but the researcher should provide evidence that it is carried out in good faith avoiding personal values or theoretical predispositions.

Ensuring quality was challenging and equally important for us. A clear research question with the propositions was provided and appropriate research design was selected. Cases were purposefully selected on the theoretical base to ensure the quality of research. NVivo software provides unlimited database folders where data can be stored and organized. Use of this software improves the reliability of our case as it enabled us to track and organize data systematically. To ensure the credibility of research, the project was reviewed thoroughly in every stage of research by research supervisor. According to Lincoln and Guba (1985), member check is the heart of the credibility of qualitative research. So, statements of respondents are included in the research as direct quotes.

Transferability in our research was achieved by providing all the relevant information about the process we have been through during the research from data collection, the context of the study, guidelines for an interview to the findings of the study. Based on the context of study further research can be carried out. Rich literature review section contains all past research on the topic which enriches the quality of research. Cross check by both researchers was the heart of our research to ensure quality. We both code the data and results were compared.

4. DATA ANALYSIS

4.1 CASE ANALYSIS

Case analysis refers to the act of putting limelight in every case that we have, to explore and examine them separately. Case analysis is done prior to cross-case analysis because, with proper scrutiny of individual cases, the researcher can map and analyze them in more easy and effortless manner.

4.1.1 Case 1 Male, Multiple Contributor

He is a student who used to live in Harstad but a few years ago he left Harstad and moved to Oslo. Martin, beside his study (Bachelor's in human resource and Management), also works in the Anton Sport.

He thinks that Crowdfunding is a new and effective way to find money for good things. Although there were about eight projects for funding in his sight, he has only funded two of the crowdfunding projects (in collaboration with www.bidra.no) and when asked for the reasons for not funding other projects, he replied: "*mmm I don't really know, I am a student so that's one problem*".

On the Clown project, he pointed out that the project activities used to get updated regularly in social media (especially on Facebook and Instagram) with articles and videos. He also stated that the funders used to get 'Thank You' note in their mail and updates about the collection as a status on the Facebook page of Clown project. And for the identity revelation, he chose to not to show his name/identity. He further added that, if the project didn't meet the target, the owners won't get the fund and won't be able to do as planned.

Project 1: Clown project

Group of three people traveling to different places in search of people (especially children) who have somehow lost their happiness or won't get chance to go to the circus and make children happy with the help of clown attire. Lately, they went to Malawi for the project's purpose.

It costs so little to give children a smile

Circus Sol is a clown group that spreads joy and laughter to children in exceptional situations. Help us with a contribution so we can enjoy children in Malawi!

Now, the project has ended. The project has collected NOK 32129, which is 107% of their target amount i.e. the project is successful or fully funded. 140 people have supported the project. Martin stated that the clown project wouldn't have got anything if they haven't met their target fund.

Source: www.bidra.no

Project 2: School project for the treatment of the cancer girl.

This crowdfunding project was run to help for the treatment of a little girl with cancer. As this project is for saving someone's life, the victim would get the amount collected regardless of the success of the crowdfunding project.

This project for the treatment of a cancer girl also uses the platform, www.bidra.no. As mentioned earlier, around 8 projects were handed over to the school and he could fund only two of those. The projects are regularly being updated on Facebook and Instagram. And, in return, the funders get a 'Thank You' note from the project and details about the collection for that specific project. He doesn't expect any tangible return from the crowdfunding projects which are conducted for to save someone's life to spread happiness in someone's life.

He further added that there is an option for either to reveal one's identity in public or not in the bidra.no and he chose to not to reveal his name and revealing his name in the public matter him.

S. No.	Variables	Quote (Interviewee)	Evidence
1.	Public disclosure of contributor's identity	• "on bidra.no you can choose to have your name on the list or not" • "I chose not with my name"	Supportive

2.	Intrinsic motivation and altruism	• "a clown project, they go to places to make children happy" • "The other one was project for a film that needed money. It was a school project where they filmed a little girl who had cancer" • "We had six or eight other projects and I chose these two projects"	Supportive
3.	All or Nothing Campaign Fund Mechanism	• "both crowdfunding, they collect as much as they need it and if not so, the Clown don't get paid to their stuff in Malawi" • "but for the cancer girl, they will receive the amount collected, even if it didn't meet the target"	Not supportive
4.	Effective marketing	• "Yea, the Clowns are in Malawi and they are almost daily posting updates from their trip in their Instagram and Facebook page"	Supportive
5.	Frequent and quick updates	• "almost daily posting updates from their trip in their Instagram and Facebook page"	Supportive
6.	Friend's project or connection	• "Both time we did it with a school. So, it was a school project in collaboration with bidra.no"	Supportive
	New Factors that matters		
1.	Financial capability	• "We had six or eight other projects and I chose these two projects" • "I am a student so that's one problem"	Supportive

Table 4 Case summary of Case 1

Public disclosure of contributor's identity

Intrinsic motivation & altruism

Refund provision

Effective Marketing

Frequent & quick updates

Friend's project or connection

Contributin behavior in crowdfunding

Financial capability

(±)

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(+)

(+)

(+)

(+)

———— Regular variable
……….. New Variable
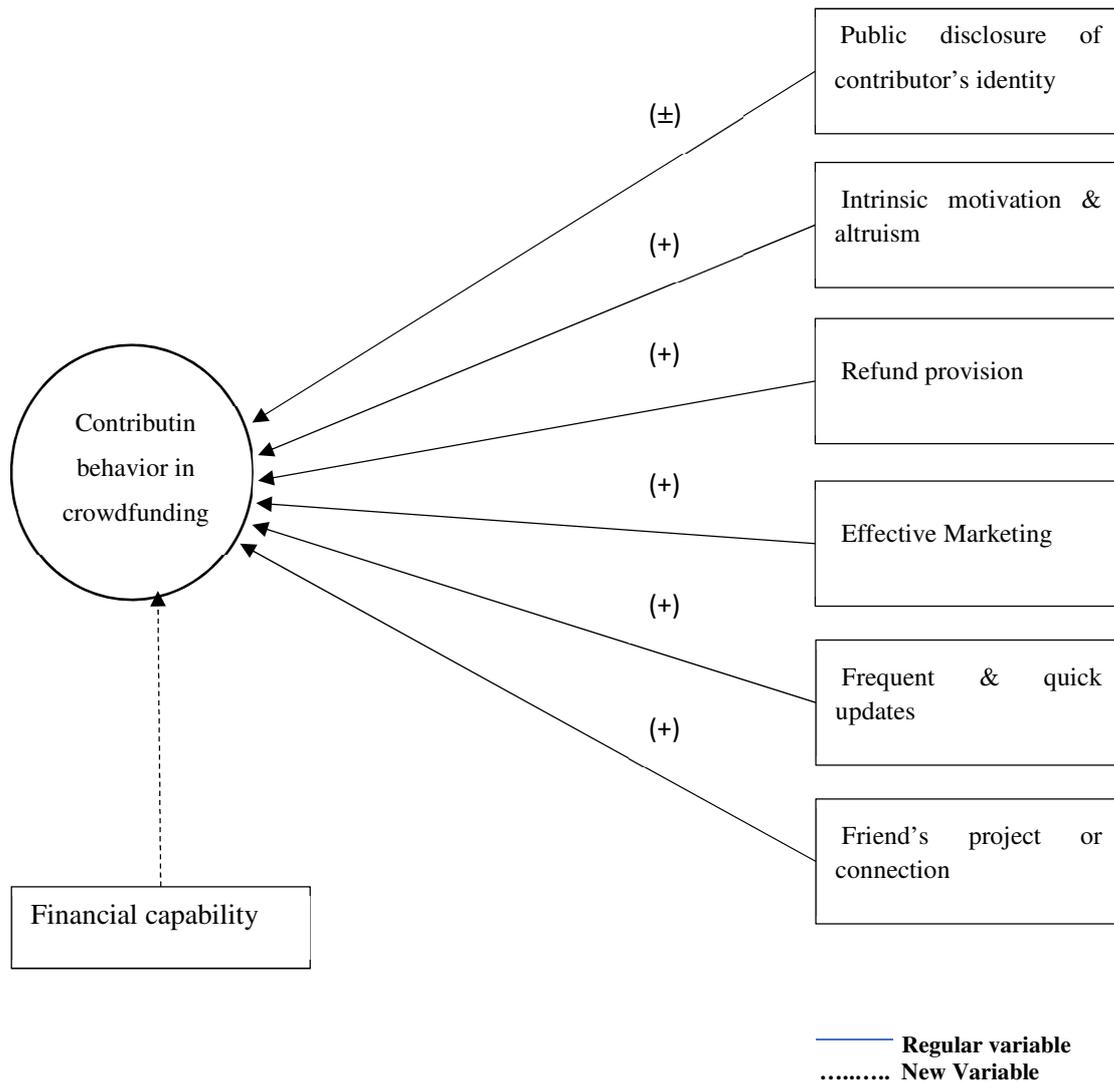
Figure 4 Mapping the response of Case 1

4.1.2 Case 2 Male, Single contributor

Tom, who is above 40 by his age, is a full-time worker in an airline company and works at bidra.no to support to build local crowdfunding page. Tom is originally from Berger, Horland but lives in Mosjøen and did his MBA from the Nord University. Tom is also an organizer of TED✕Mosjøen.

Tom thinks Crowdfunding as a big opportunity for innovative ideas because it will be tougher for most of the people to go through the bank and financial process to get their loan passed for the project. 'Hope Mosjøen School' is the one project that Tom funded to as the school was struggling

to pay for the rent. While asked about the main reason to fund the project, he replied, "*the main reason for me was to start raising awareness about crowdfunding… to get money for the school*". Apart from these, tom was also involved in making this crowdfunding project.

Project 1: Hope Mosjøen School project to pay the school rent.

Helgeland Afrikaforening runs a school for 160 children with the poor financial background. The core motto of 'Hope Mosjøen School' project was to collect NOK 30000 to pay for the rent of the school but unfortunately, the project ended with NOK 8750 only from 16 providers.

Alternative Christmas Gift: Support HOPE Mosjøen School 2018

Helgeland Afrikaforening runs a school for 160 poor children in the slums in Gambia, but we need $ 30,000 to give everyone an offer next year.

Tom, leading the project also, states awareness about the project and their need of fund for the children being the main reason for supporting the project and neither he gets any return for his fund nor he expects any. And, the picture of school children in front of the title 'Hope Mosjøen Skole Gambia', which made the donors to donate.

Source: www.bidra.no

S. No.	Variables	Quote (Interviewee)	Evidence
1.	Public disclosure of contributor's identity	• "Hmmm, it does not matter to me. Its ok for me to show that I care about the project"	Not Supportive
2.	Intrinsic motivation and altruism	• "a school called 'Hope Mosjøen School'" • "they were struggling with finding enough money to pay for the rent" • "we made a crowdfunding campaign to raise fund"	Supportive

3.	All or Nothing Campaign Fund Mechanism	• Not important in case of altruistic projects	Not supportive
4.	Effective marketing	• "There wasn't video, the main image was the picture of the school with the name Mosjøen on it and I think that's really important"	Supportive
5.	Frequent and quick updates	• "the school is running and there are lots of children every year and so it's an on-going project and we were able to fund the school by this project"	Supportive
6.	Friend's project or connection	• "the main image was the picture of the school with the name Mosjøen on it and I think that's really important because it connected with the people here"	Supportive
	New Factors that matter		
1.	Local project	• "the main image was the picture of the school with the name Mosjøen on it and I think that's really important|" • "I will be happy to crowdfund the local project"	Supportive

Table 5 Case summary of Case 2
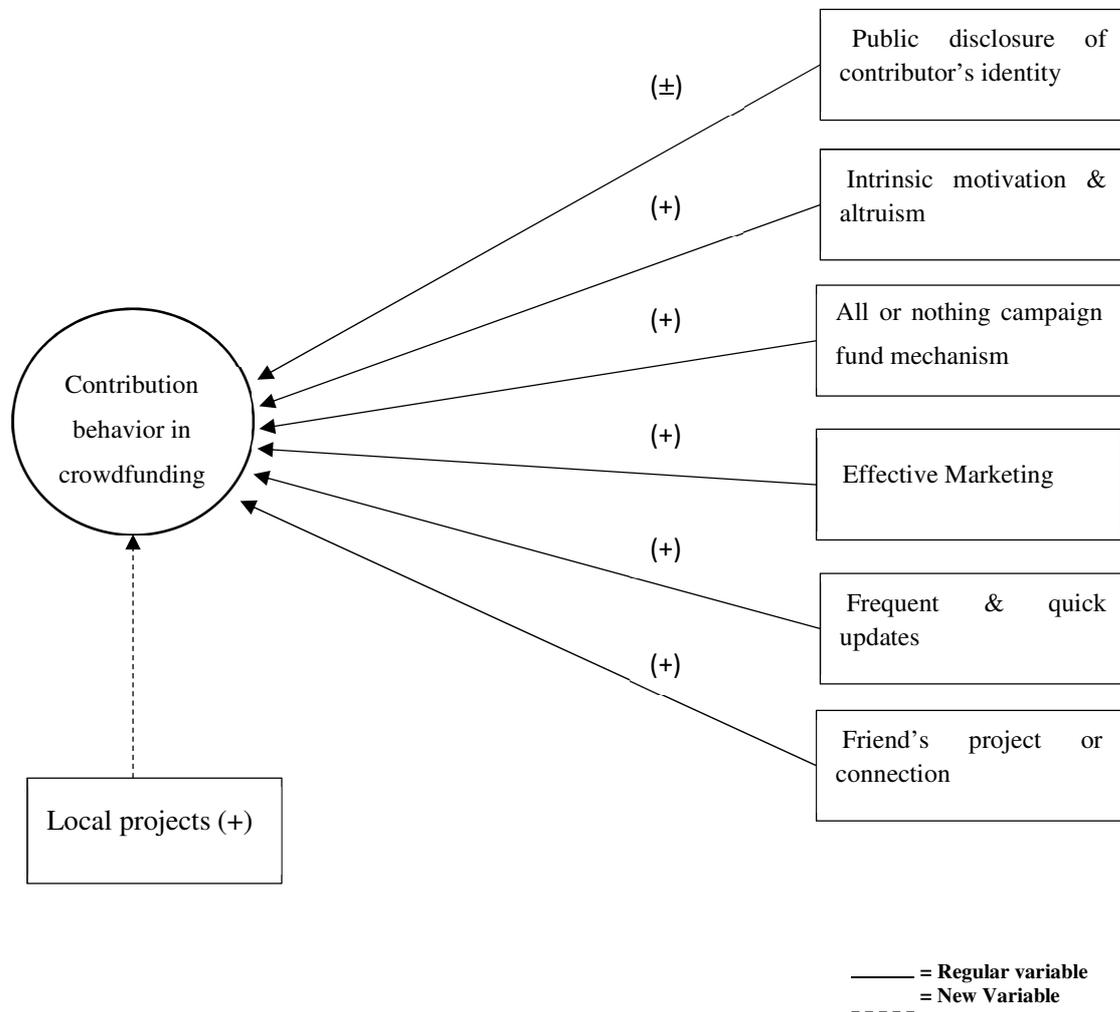
Figure 5 Mapping the response of Case 2

4.1.3 CASE 3 Female Multiple Contributor

She is a Ph.D. research fellow at the University of Agder. She is very positive towards raising funds through crowdfunding. She has the knowledge and follows different crowdfunding campaigns and have supported four projects till now. There is a slight difference in motivations behind funding the projects.

Project 1: Product from Indiegogo (The Neck Hammock)

The neck hammock is a simple device that attaches to any door for neck pain relief in just ten minutes or less. The project used Indiegogo as a platform for raising funds. According to the information on Indiegogo.com website, the project owner was Steve Sudell from the United States and total $1611148 USD was raised through funding. It managed to raise 4505% on December 1, 2017, with an overwhelming success backed by 9611 backers.

Project 2: Spiregården Kafe

Spiregården is a yoga studio and a townhouse in the center of Kristiansand. They want to start a vegan cafe that gives you the opportunity to experience a good healthy lifestyle. This crowdfunding campaign was on the principle of "all-or-nothing". If we collect a penny less than the amount of 75,000, we will not get the "flat ear" - and you'll get your money back! This project was successfully funded through the funde.no platform and is executing which managed to raise 147% funded. According to the information revealed in the funde.no website, the project is supported by 175 supporters.

Project 3: Arabisk Restaurant in Kristiansand

Omr Dabah is a founder or operator of the campaign and he always had a dream to open his own restaurant and serve people taste of real arabica food. To start an Arabic restaurant in Kristiansand he requires equity. As a refugee, he cannot afford the security the bank wants to give him a loan. So, he found another way to reach his dream using the platform of funde.no. This project targets to raise 200,000NOK and managed to raise 208,300 NOK, 104% funded with 478 supporters supporting the project.

Project 4: Taco Santo- Mexican Food Truck

Taco Santo is a food truck that sells high quality Mexican food. They are dedicated to making food the right way so they can offer the ultimate food experience. All the food is sold from an entirely mobile and independent trailer kitchen. This project is raised by a couple that has a unique combination of talents that perfectly equips for this adventure they have started together. Tone Helen is an educated butcher with a passion for food and wonderfully prepared meat. She has responsibility for food prep and is the brains behind our specially chosen menu. Alexander just

finished an education in economics. He is responsible for administration and making sure Taco Santo gets to spread joy through food for a long time.

The project was targeted to raise 50000NOK and was 106% funded with 52,922 NOK. This project has been successfully funded and is now executing. This is backed by 43 backers.

S. No.	Variables	Quote (Interviewee)	Evidence
1.	Public disclosure of contributor's identity	• "identity confidentiality doesn't matters as long as payment is safe" • "To a certain extent, I think so. I think it's nice when they say something about what they planned to spend money on like more specifically"	Not Supportive Supportive
2.	Intrinsic motivation and altruism	• "when I saw a Syrian guy wanted to open a restaurant I did it because it is little money for me but it might be a big difference for him."	Supportive
3.	Electronic word of mouth (eWOM)	• "All of the project I have crowdfunded I have heard about directly from Facebook"	Supportive
4.	Refund provision	• "when you do reward based you may pay 100/200 kroner so it's not a big loss"	Not supportive
5.	Effective marketing	• "they were able to convince me that they say something is worth trying if you have neck pain"	Supportive
6.	Entrepreneurial orientation	• "they convinced me about their passion and wish to start a restaurant or food truck"	Supportive
7.	Friend's project or connection	• "One restaurant was mainly because of my friend starting it and I contributed a lot more than other campaigns I have invested."	Supportive
	New Factors		
1.	Local project	• She is very supportive of local projects. In an interview, she stated that three projects were local projects she invested	Supportive
2.	Payment safety	• She revealed that the payment safety is a crucial aspect for her rather than the identity confidentiality	Supportive

Table 6 Case summary of Case 3

```
Public disclosure of
contributor's identity

(±)

Intrinsic motivation &
altruism

(+)

Electronic Word of
Mouth (eWOM)

(+)

Peer involvement

(+)

Refund provision

(-)

Effective Marketing

(+)

Entrepreneurial
orientation

(+)

Frequent & quick updates

(−)

Friend's project or
connection

(+)

Contribution
behavior in
crowdfunding

Local Project

Payment safety
```

―――― Regular Variable
………. New Variable
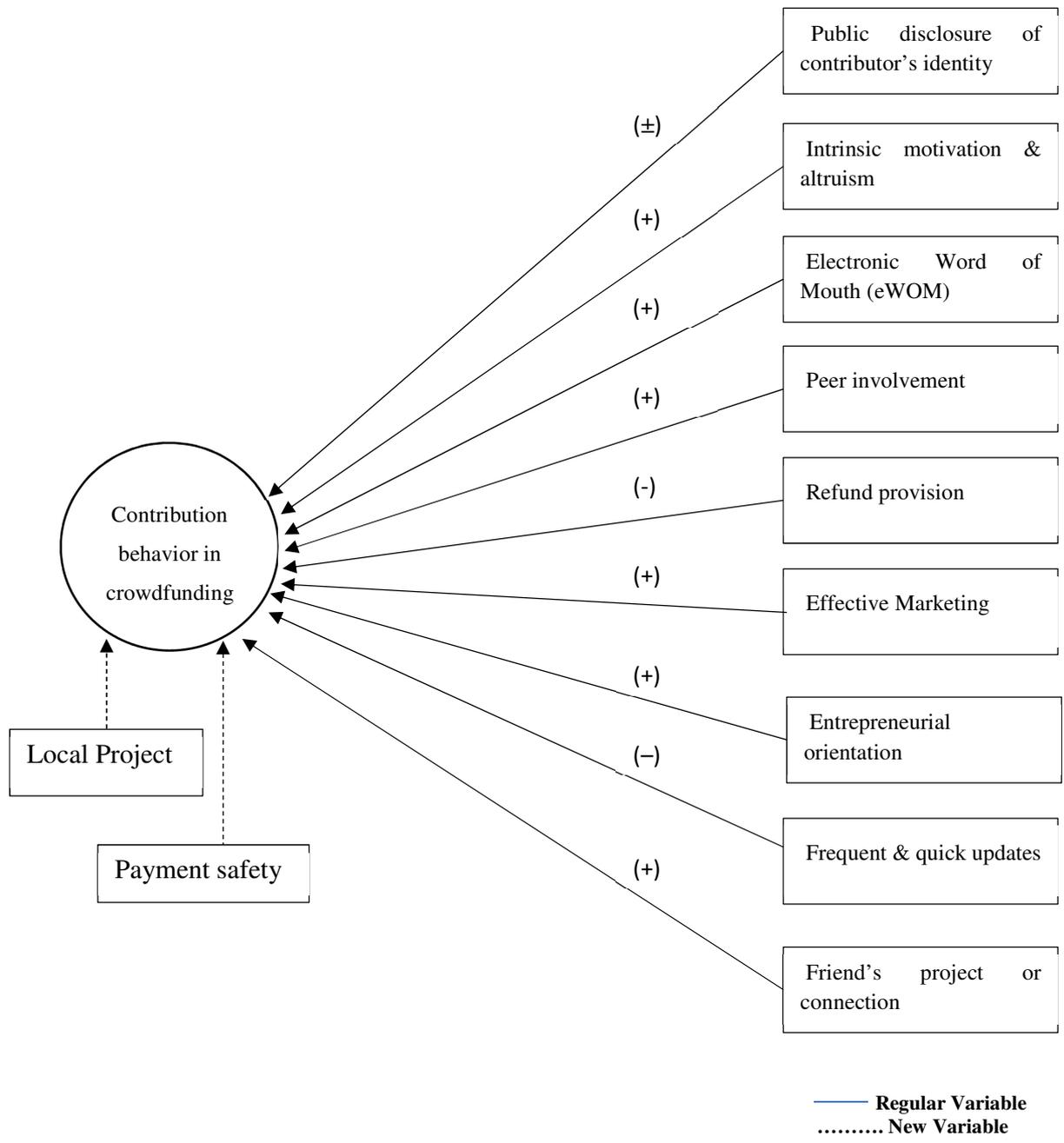
Figure 6 Mapping the response of Case 3

4.1.4 CASE 4 Female Single Contribution

She is a strong program and project management professional holding a Masters' degree focused in social anthropology from the University of Oslo.

She thinks crowdfunding as an excellent idea for entrepreneurs to raise money because sometimes entrepreneurs are hard to getting money. She funded one project which was an NGOs' project named 'Doctors without borders'. **Doctors Without Borders** is an international humanitarian medical non-governmental organization (NGO) best known for its projects in conflict zones and in countries affected by endemic diseases (Wikipedia). Most of the staffs are volunteers. Private donor and corporate donors support the organization. According to them, they do the important job of helping people in different areas in troublesome situations. It was her impulsive decision to invest the project. It was an altruistic project.

S. No.	Variables	Quote (Interviewee)	Evidence
1.	Public disclosure of contributor's identity	• Doesn't matters until they reveal the amount I have funded.	Supportive
2.	Intrinsic motivation and altruism	• "wants to help others"	Supportive
3.	Electronic word of mouth (eWOM)	• Facebook is important for information	Supportive
4.	Peer involvement	• "I think it came in my news feed on Facebook because all the friends have funded in the campaign"	Supportive
5.	Refund provision	• Doesn't expect a refund from the altruistic project • Do expect a return if large money is invested	Not supportive
6.	Effective marketing	• The message was convincing to motivate investment	Supportive
7.	Frequent and quick updates	• "I don't know I haven't checked"	Not Supportive
8.	Friend's project or connection	• Loves to fund if friends are creating a campaign	Supportive

Table 7 Case Summary of Case 4
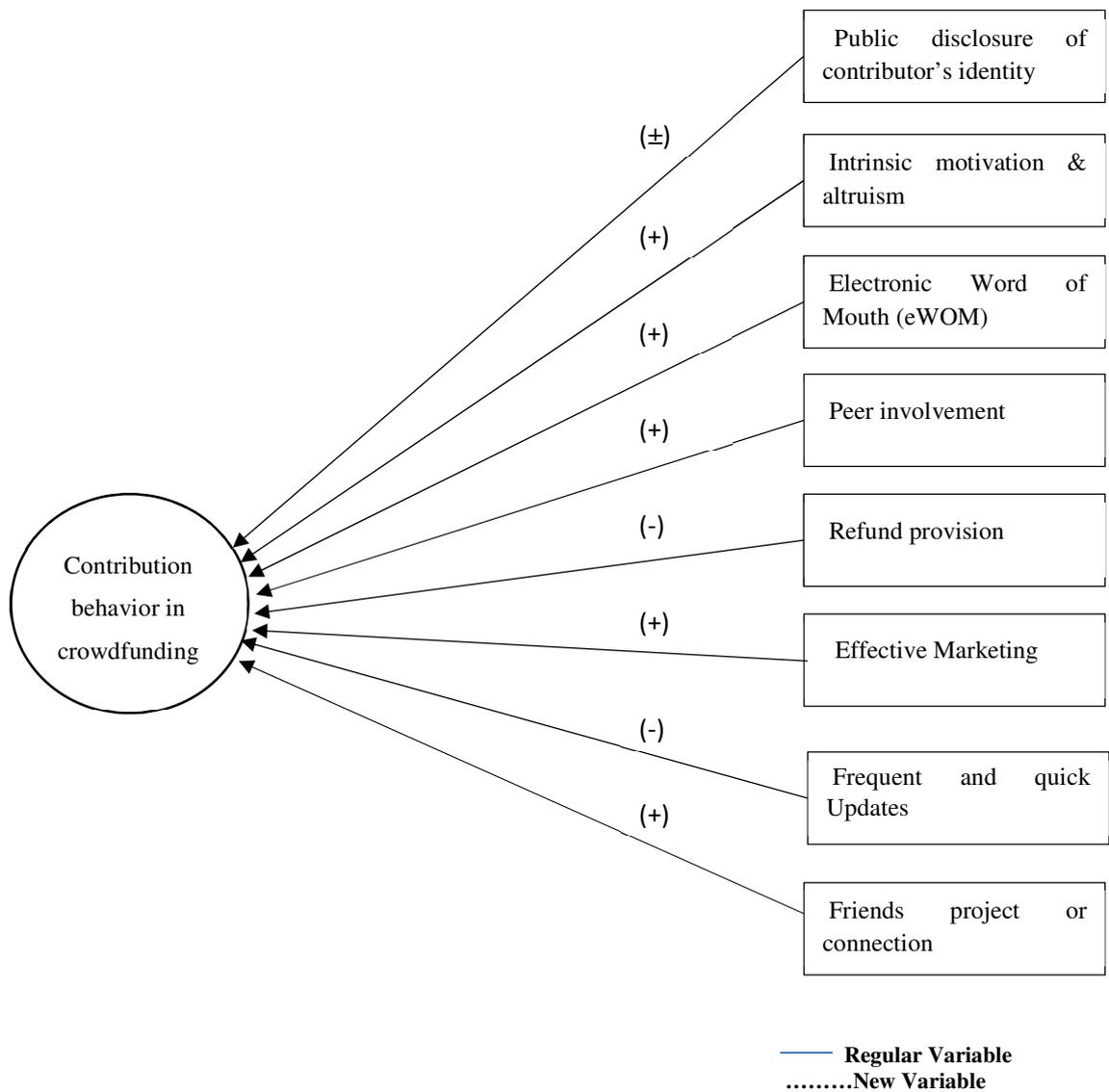
Figure 7 Mapping the response of Case 4

4.2 CROSS-CASE ANALYSIS

Cross-case analysis can be termed as an examination conducted to detect any similarities or differences, connection or varies or if somehow one case is related to other case/cases or not. The cross-case analysis is not only helpful to detect similarities or varies between cases but too supports to drag a scrutinized outcome/conclusion for the conducted report. From the cross-case analysis, the investigator can also have a look at the whole study at a glance.

Diagrams, charts or tables may be easier way to show the data in more meaningful and comprehensible way but sometimes instead of remaining within the periphery, they bias the data and that not only ruins the main intention of the research procedure and content by producing unexpected and futile outcome but also wastes a lot of time, money and effort (Miles et al., 2013). So, it would be a rational idea to follow the specific strategy (case-oriented, variable oriented or mixed strategies) to get on the track and maintain the quality of the research. Among three, a mixed strategy is the most desirable and is usually followed.

Yin (2003) in his book '*Case study research: Design and methods (3rd ed.)*' states that it is a tough task to examine the case study authentication mainly due to lack of preciseness in procedures, techniques, and approaches. Although there are varied of tools and controlling techniques are accessible, not every case examination is intended to produce the same or common output. Yin suggests four underlying principles be adopted for ensuring the research's quality are listed below:

1. Without touching all the available evidence, one's analysis won't be as intended or fully reliable,
2. Rival interpretation should be cared of,
3. Your analysis should be linked or relevant with that of your research main theme or topic, and
4. If relevant and applicable, use your past knowledge or expert help.

Altogether there are four cases presented in the case analysis. All four interviewees (two male and two female) are from Norway and had crowdfunded at least once.

Independent Variables	Contribution behavior	Negligible / Insignificant / Neutral	Weightage (Con. Beh / Total)	Comparison with Initial Model
1. Public Disclosure of Contributors Identity	CASE 1	CASE 2, CASE 3, CASE 4	4.8%	Not Supportive
2. Intrinsic motivation and altruism	CASE 1, CASE 2, CASE 3, CASE 4		19.01%	Supportive
3. Electronic word of mouth (eWOM)	CASE 3, CASE 4		9.5%	Supportive
4. Peer involvement	CASE 4		4.8%	Supportive
5. Refund provision		CASE 1, CASE 2, CASE 3, CASE 4	0%	Not supportive
6. Effective Marketing	CASE 3, CASE 4		9.5%	Supportive
7. Information asymmetry			0%	
8. Entrepreneurial orientation	CASE 3		4.8%	Not supportive
9. Frequent and quick updates	CASE 1, CASE 2	CASE 3, CASE 4	9.5%	Supportive
10. Friend's project or connection	CASE 1, CASE 2, CASE 3, CASE 4		19.01%	Supportive
New Factors that matter				
1. Financial capability	CASE 1		4.8%	New and positive reaction

2. Local project	CASE 2, CASE 3		9.5%	New and positive reaction
3. Payment safety	CASE 3		4.8%	New and positive reaction
Total Effect	**21**		**100%**	

Table 8 Cross-Case Analysis

In the above tabular diagram, on the left column, we have listed all the independent variables (including three new variables) impacting the dependent variable i.e. contribution behavior in crowdfunding. And, we have distributed the weightage according to the independent variable's impact on the cases for contribution behavior in crowdfunding. There is equal probability of all interviewees getting affected by each independent variable to fund the project. But different independent variables have affected different interviewees (Cases) in different manner. So, the weightage is given only to the cases which get affected. And, in the contribution behavior column, we can find the cases which only got affected by different independent variables, making total of 21, which means that 13 independent variables have affected the contribution behavior of four candidates for 21 times. Hence, the cent percent (100%) weightage is proportionately distributed to each unit (out of 21 units) which gives 4.8% to each unit and the result are on the fourth column as weightage. And the last column shows how supportive is the new model with earlier one.
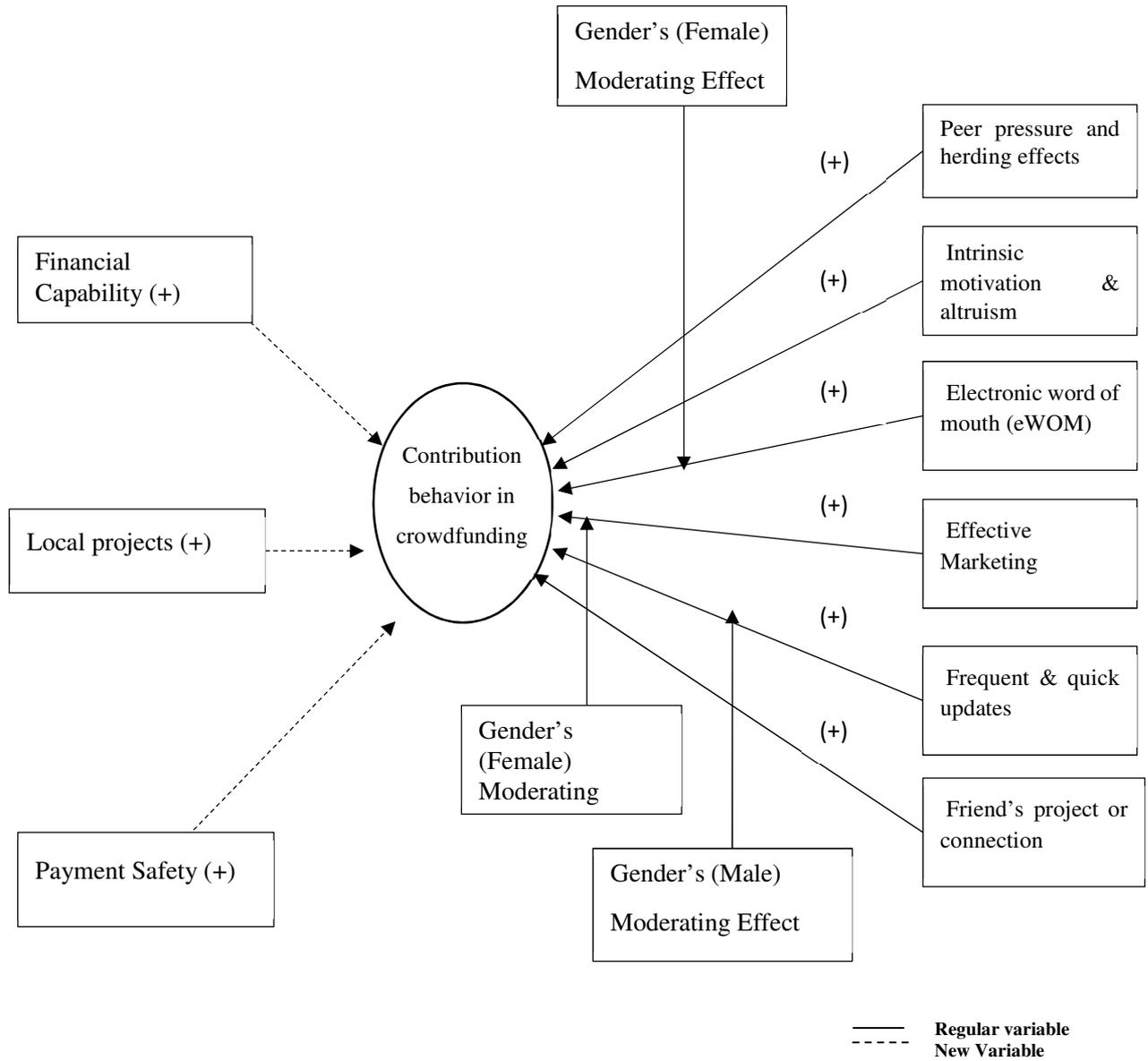
Figure 8 Final Model

5. DISCUSSION

Our aim in the thesis was to identify the relationships between various factors and contribution behavior. In our research, we found that out of the ten 'Factors influencing contribution behavior in crowdfunding', that we traced out from the literature review, only six were supportive to the new model (keeping new factors aside) whereas three independent variables have opposite relation with crowdfunding. And we confronted some new factors that have affected the contributor's behavior for the crowdfunding

Supports earlier findings

- **Proposition 2: Intrinsic motivation and altruism positively impacts the contribution behavior.**

  Intrinsic motivation and altruism can be referred as the factor with strong impact on the contributor's behavior for crowdfunding with 19% of weightage, among 13 variables listed. All the four interviewees revealed their selfless feeling for the projects, they have supported. So, inner sympathy or kindness plays the most crucial role an individual to be a contributor. Mentioned in the literature Gleasure and Feller (2016) argued that, the sympathetic feeling for the project and the inner will to support, makes them a contributor. Our research also revealed the comparable results, higher altruistic feeling for the project leads to higher number of contribution.

- **Proposition 3: Higher the positive electronic word of mouth (eWOM), higher will be the contribution for the crowdfunding project.**

  Like most, Thies et al. (2016) also pointed consumers to be relying on others view before making a purchase or giving decisions and popularity of the information also plays a pivotal role. 50% of the interviewee supported for the electronic word of mouth, to convince them to fund the project. It can also be noted that **only females are convinced by the eWOM**, which carries 9.5% of the total weightage. So, without any contradiction, more the positive eWOM, higher will be the contribution for the project.
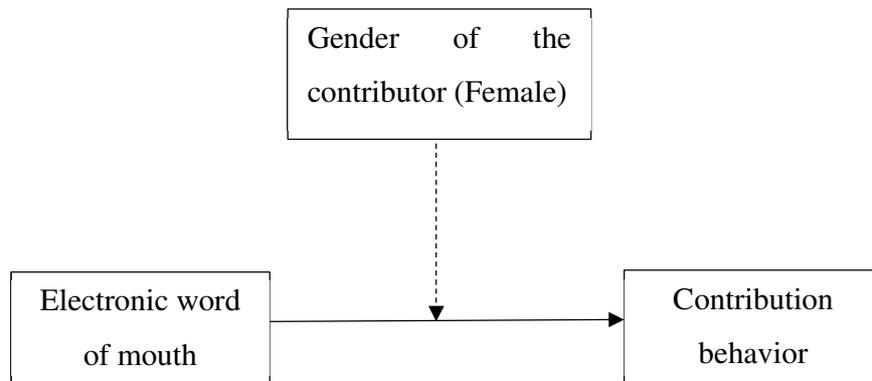
Figure 9 Gender's moderating effect in between contribution behavior and eWOM

- **Proposition 4: Peer pressure and herding effects is likely to positively affect individual's contribution behavior for the crowdfunding project.**

  As added by Cecere et al. (2017), colleague or friend's investment for the project or pressure, increases one's propensity towards the project and sometimes herding effect also applies. Among the four, one interviewee (Female, Single contributor) was encouraged to fund a project as one of the interviewee's friend have already contributed to that project. This variable holds 4.8% of the total weightage. Although this variable affected only one of our case, it can be concluded that peer pressure and herding effects positively impacts the contribution behavior of other individuals.

- **Proposition 6: Higher the effective marketing of the crowdfunding project, higher will be the number of supporters for the project.**

  Effective marketing also seems to impact the contributor's behavior on some extent. Dahlhausen et al. (2016) in their research paper stated marketing and management largely defines the project's success. On our research, this independent variable covers 9.5% of the weightage and **embraces both female interviewee**. Which indicates that the effective marketing positively impacts the contributor's behavior and their relation is moderately affected by the Contributor's gender.
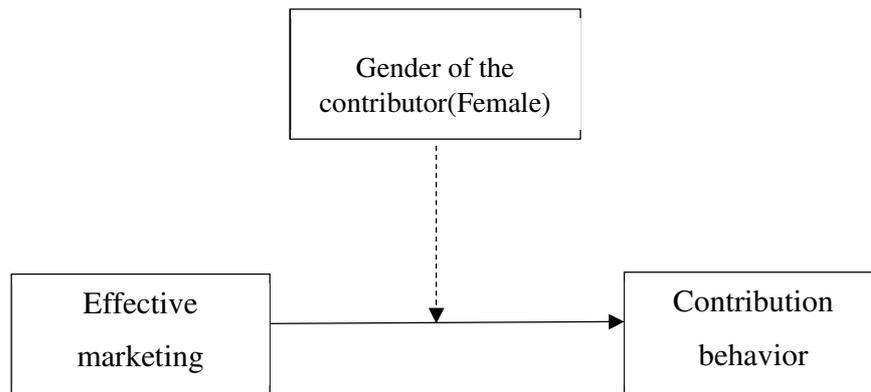
Figure 10 Gender's moderating effect in contribution behavior and effective Marketing

- **Proposition 9: Frequent and quick updates about the project will foster the contribution.**

  Frequent and quick updates will be of major concern for some of the contributors. Beier and Wagner (2015) stated that the interaction with funders and quick updates to play a significant role not only to build trust with existing supporters but also fascinates new supporters for the project. Our research reveals that **only male shows concern for the updates of the crowdfunding projects** and follows the projects. Both male participants interviewed disclosed that they know it very well about the status of the projects they have funded and have positive feeling for them, whereas both female candidates aren't aware and seem less concerned about their respective crowdfunding projects. So, our study supporting the literature, specifies that the frequent and quick updates attracts more contribution.

Gender of the contributor (Male)

Frequent and quick updates

Contribution behavior
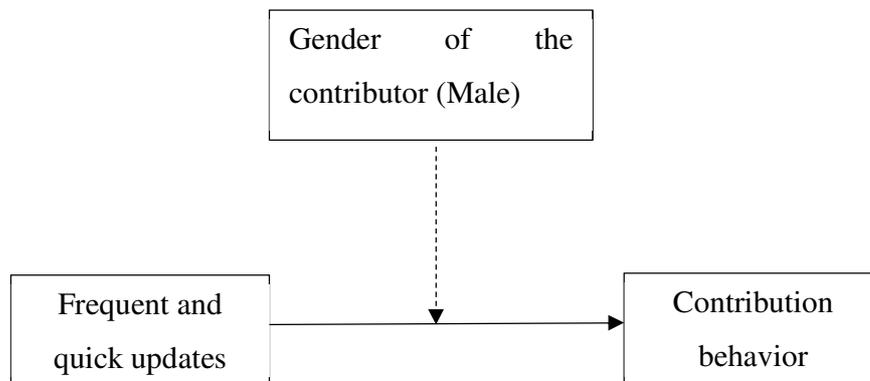
Figure 11 Gender's moderating effect in between contribution behavior and updates

- **Proposition 10: Friend's project or connection encourages one to support the crowdfunding project.**

  Friend's project or connection is the second or last independent variable to have highest weightage. All the interviewee revealed that they already have connection with the project including friend's project, local project or school project. Ordanini et al. (2011) have also mentioned friends to be the essential part for raising the initial funds for the venture. So, both model with similar result states positive relation between connection with the project and contribution towards the project.

Challenges Earlier Findings

In comparison with literature review, three independent variables seem to have opposite relation with the crowdfunding. Altruistic project (for saving life or for someone's good or happiness or non-profit motive projects) may be one of the main reason for this difference.

- **Proposition 1: Public disclosure of contributor's identity is either negligible or encouraging for the funders of the crowdfunding project.**

  In case of contribution, not all people want to hide their identity from the public. Although 75% of the candidates stated that it doesn't matter them either their name is revealed in public but one of the interviewee wants his name to be displayed because he wants everyone to know that he cares for that project. According to G. Burtch et al. (2015), identity disclosure is a sensitive topic as both disclosure and privacy will have different

impact to different person with higher inclination towards keeping it private. Our study is not in the complete favor of the literature. In contrast, our result indicates that identity revelation doesn't matters most, and some would love to reveal their name if it is for well-being.

- **Proposition 5: All or nothing campaign fund mechanism is insignificant factor for the crowdfunding project's supporters.**

  Refund of the contributed amount in case the project fails was expected to matter for the contributors, but our research shows that none of the candidates is concerned about the refund and the altruistic nature of the projects may be the reason behind that. Cason and Zubrickas (2017) stated that all or nothing gives hope for the contributors and induces more contribution, but our research showed that most of the candidates don't care about all or nothing provision and there may be different reason overlooking this provision, like contribution amount and the nature of the project (altruistic or entrepreneur). In divergent to the literature proposition, all or nothing campaign fund mechanism doesn't matters for the contributors.

- **Proposition 8: Entrepreneurial orientation will have a positive relation with the contribution behavior.**

  Literature review shows that the entrepreneurial orientation and the contribution behavior doesn't go the same direction in crowdfunding. Wen et al. (2016) argued that the entrepreneurial mentality can have negative impact over the supporters as entrepreneurs have higher chance to not to succeed. As most of the projects in our research contains sympathetic cases, so most of the candidate showed negligible reaction whereas one of the case depicted negative reaction. Interviewee with multiple contributions has contributed to an entrepreneurial project. In our study, only one of the case deals with entrepreneurial crowdfunding project and has supported the project. So, in contrast with the literature, higher the entrepreneurial orientation, higher will be the contribution.

New Factors:

During our research, we confronted some new factors that have affected the contributor's behavior for the crowdfunding. Three interviewees revealed three factors that have strongly and positively influenced / will influence funder's propensity towards the project.

- **Financial capability:** CASE 1 (Male, Multiple contributor) stated his financial status to be the main problem, limiting him to contribute as much as the project he wishes to contribute. So, out of six to eight projects in the school, he was only able to crowdfund two of them.

- **Local project:** CASE 2 (Male, Single contributor), who not only have crowdfunded a project in Gambia but also have involved in the crowdfunding process states his city's name (Mosjøen) in the project to be the chief reason for funding that project. He will further be crowdfunding, if any local projects come in his sight.

  CASE 3 (female), who has contributed four of the crowdfunding projects, pointed out that 3 out of 4 were the local projects. This pattern also reveals her propensity towards the local projects and her future for funding.

- **Payment safety:** Payment safety is also a new factor that lead one of the contributor to think twice before funding. CASE 3 (female, multiple contributor) states that she is ready to fund the projects, but the payment should be secured.

5.1   LIMITATIONS

In fact, every research work has certain limitations and our research is not an exception. This research tries to identify the factors influencing contribution behavior in crowdfunding. The first limitation lies in sample selection. The people that we interviewed were only from Norway. This result could be different if we take the survey of people from different country and different culture. All the respondents we interviewed only contributed on reward and donation campaigns. It is most likely that there will be different results if we consider participants contributing to lending and equity campaign. But these differences are not considered in this research. Crowdfunding is a recent phenomenon so there is limited literature. Because of this limitation, we could up with only variables which we think are important. Maybe other variables are more influential. The research does not consider the motivation of campaigners to finance their project via crowdfunding.

6. CONCLUSION AND IMPLICATIONS

Various research has been conducted on the subjects like successful factors for crowdfunding, factors to be considered in crowdfunding projects, motivation for reward-based crowdfunding and so on but seldom any researcher have considered the factors that influence the pattern of contribution in the crowdfunding. So, the thesis title itself suggests 'factors influencing contribution behavior in crowdfunding', the focal purpose of this paper is to disclose some crucial factors which impact the contribution behavior regarding crowdfunding.

Irrespective of the research topic, every research paper must witness some relevant literature to acknowledge if there has been any study or investigation before. This study witnessing more than twenty research paper, have tried to trace out some independent variables that have affected the contribution patterns of the backers. Then, appropriate candidates (Norwegians) were interviewed to address the compatibility of those independent factors from the literature with the factors revealed by the new interviewees.

This study about the factors affecting the contribution behavior in crowdfunding based on sex and frequency of contribution revealed that 60% of the independent variables from the literature were proportionately affecting the contribution pattern of the interviewees we interviewed. Along with that, some major independent variables which were also affecting their choices of contribution were detected. Origination of the project, either it is local or projects from other parts seem to have strong influence over the contribution behavior of the backers. Another significant finding that cannot be ignored is that backers are interested in funding the altruistic projects as maximum of the projects that the interviewee funded were sympathetic and altruistic projects.

Although, all the independent factors derived from earlier literature are equally significant to influence the contribution behavior of the backers in crowdfunding but there are some factors which have strong impact on the supporters as friend's involvement in the project, electronic word of mouth, frequent updates about the project, content of the message which drives the feeling for the project and attachment or connection with the project. The project owners can somehow make the project's message clear and comprehensive to the masses and request the backers to spread their experience and view regarding the project with others electronically or personally.

Behind these factors from the literature, there are few factors that popped up during the interaction with our candidates are also foremost for the crowdfunding. Local project can be considered the most powerful factor that attracts contributors towards the project. 50% of our interviewee revealed 'local project' to be the main thing that made them to fund the project. Financial capability also seems to have strong effect on the backer's crowdfunding pattern. One of the candidate says that the financial limitation is the reason for not funding most of the projects. Payment security is also the factor that matters to fund any project to some extent.

6.1   IMPLICATIONS OF FINDINGS

The findings of our research provide insights in the various issues of crowdfunding. This can have two-way implications.

6.1.1   Implications for practice:

This study indicates that the altruistic feeling or sympathy towards the project and some sort of connection towards the crowdfunding project are the most significant independent variables to influence the contribution behavior. The crowdfunding project owners can ask for supports from their friends at first and have some sympathetic content to drive other contributors.

Crowdfunding owners need to understand that the effective marketing of the project and project's update frequency also should be considered seriously with intense emphasis. Our study reveals these factors to have positive impression in the supporter's mindset. And, if the project is for well-being without profit motive, the supporters won't care about any other factors but the success of the project. It is an asset for project owner and platform as they can use the knowledge from research and design the project to attract more funders.

6.1.2   Implication for future research:

For researchers who wish to explore more can take our research forward to scrutinize if it gives a different result in other countries or culture. This research was a qualitative one and the same research can be repeated but with quantitative paradigm.

Most of the projects that our candidates contributed were altruistic project. So, there is also a possibility to conduct the same research with other projects like reward-based, entrepreneurial and equity-based projects.

Future researchers in crowdfunding can take the system or procedure to analyze the authenticity of the crowdfunding owners and their projects as a part of their program. Not many but there are few projects which didn't applied their condition even after being fully funded and have hampered the trust of many funders.

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APPENDICES

APPENDIX A

Interview Guidelines

Step 1: Our topic is related to Crowdfunding, we will focus on specific dataset i.e. crowdfunding investors, donors or contributors.

Step 2: Building questions that encourage the participant to reveal the reason for their donation or investment.

Step 3: Contacting participants and platform owners if they can take part in our interview. (This step can be started simultaneously with and before step 1 or step 2),

Step 4: Asking if the participant is willing to answer some questions and knowing if he/she wants us to keep the identity confidential and disclosing our purpose and affiliation,

Step 5: Asking permission if we can record the interview and we are using it just for our thesis only.

Step 6: If the participant is known, develop questions according to the interviewee's characteristics and ability to answer.

Step 7: Be careful with the choice of words. Words selection and sentence structure make it easy to answer and sometimes motivates or demotivates to answer. For example: Was your friend the main reason for your donation? Or Starting with, you seem to be supportive of your friend's work, effort and idea, right?

Step 8: Politeness of an interviewer makes the interviewee react friendlier, accepting and maintain a positive relationship.

Step 9: Avoid using complex questions.

Step 10: Let them know that you are thankful for their time and information and leave your contact information as well.

We will record the interview and later transcribe it using computer-assisted qualitative data analysis software, NVivo. It provides a platform for classifying, sorting and analyzing unstructured information into some useful information.

APPENDIX B

Questions: (After formal greetings and warm up conversation)

General questions:

1. What do you think about the raising funds through crowdfunding projects?
2. Can you tell us about the project you have supported through crowdfunding?
3. How many crowdfunding projects did you support till date?
4. What made you contribute to different crowdfunding projects?
5. Do you have any crowdfunding project that you didn't support?

Questions relating to the major factors influencing contribution behavior in crowdfunding:

1. Was the campaign content (message, video or photo) of the project convincing enough to attract you? Do you think that matters while choosing the project?
2. Do you always expect a tangible return on your crowdfunding contribution?
3. Did the campaign had confidentiality provision for the participant? What if it didn't have confidentiality of the participant's information?
4. Did you hear/see something good about the project before you funded?
5. Did refund provision make you feel more confident to contribute?
6. Was the campaign run by somebody you know and what is your relation to that person?
7. Did the campaign owners provide enough information about their crowdfunding project?
8. Were they updating their work in progress, during the campaign?
9. Did some of your friends too support for that crowdfunding project?

APPENDIX C

Reflection note by ASHIM GIRI

"*Creativity involves breaking out of established patterns in order to look at things in a different way*". Edward de Bono

I started with a quote by Edward de Bono (a renown inventor, philosopher, author and consultant) as this quote perfectly reflects the insight of the word 'crowdfunding'. On my viewpoint, Crowdfunding's overall function can be seen as a substitute for the bank to those creative and helpless people, with an innovative and promising idea, having spirit in their work and capable to turn their insight to reality and the only thing they lack is, the mortgage or investment to support their inspiration. Crowdfunding platforms help to link the innovative ideas and needy individuals with the interested investors.

1.1 Why Crowdfunding?

Back in the year 2015, when Nepal experienced disastrous earthquake tolling more than 9000 lives and property ranging from $5 billion to $10 billion, over $4 million was raised through the crowdfunding platforms like Indiegogo, GoFundMe and Crowdrise (Rafferty, 2018) .To be honest, that was the first time when I heard and knew about the word crowdfunding. But also, I had some confusion regarding how the crowdfunding works? Who starts crowdfunding? Isn't it a donation? Can I start a crowdfunding? and so on, which were blurry to me even just a day before I saw crowdfunding as a recommended topic for the master thesis.

There were hundreds of topics proposed for thesis. I was familiar with most of the topics presented, but crowdfunding was like a new topic for me and the topic for which I was passionate about. Frankly speaking, I was delighted to see 'Crowdfunding' among the thesis topics, as it was one of the trending subject and I was keen to dig into that topic since I heard about the topic itself.

1.2 Findings and conclusion:

Generally, Crowdfunding is about collecting money for some specific purpose from different individuals, especially through the internet. Crowdfunding links the idea with the investment. Crowdfunding isn't only limited within this definition.

In one side, crowdfunding became a helping hand to those helpless people who lost their food, shelter and clothes in the natural disaster and somewhere saved the lives of thousands of people who are in short of money for their treatment. On the other side, crowdfunding gave full support to the innovators, inventors and entrepreneurs who have flop-proof ideas by linking them to their respective investors and gave tender to those who wish to nourish themselves with quality education to enlighten their career.

Studying about 50 articles, interviewing (personal, mail and phone) more than 20 contributors in crowdfunding, more than 6 meetings with our professor and more than 5 months of research on our viable capacity, we found that crowdfunding is not only a platform just to collect some fund for the specific purpose. It hasn't only fulfilled the short of fund but also has given a reason to smile and spread happiness to many people throughout the globe.

Today, with the help of crowdfunding platforms, the children in 'Hope Mosjøen School' (Malawi, Africa) are getting their school rent paid by the people of Mosjøen (Norway, Europe). This shows how lovely the world has become, African continent are getting help from the European continent and creating a bond. Some generous people are travelling to different part of the world to visit children and make them happy. A man with a fatal disease or a girl with cancer is finally getting their treatment which was halted due to short of money. And, a Syrian man has opened a new restaurant in Kristiansand, Norway and became an entrepreneur by collecting small funds from many individuals via crowdfunding; Innovative ideas got investment. These are just few examples of some crowdfunding projects.

1.3 Crowdfunding: a perfect link to the future, innovation, internationalization

It has been more than 5 months I have been exploring crowdfunding, from as many ways and side as possible. One of the main reason for me to choose 'Crowdfunding' related topic for my thesis was that crowdfunding being a trending and novel topic, parallelly complies with what I am studying currently and viewing its popularity and usefulness in past, it can also be predicted to have a significant impact to the future.

Innovativeness and crowdfunding are undetachable. There are masses of claims stating that crowdfunding existed before the 21st century. Some states that crowdfunding actually started from

the time when Statue of Liberty was gifted to the US by France, whereas some argue crowdfunding started even before that time. Whatever, crowdfunding is all about the creativeness and innovative idea to fund some intended projects. At the time when the Statue of Liberty was in the USA in pieces and no sign of fund from any sources to build the pedestal for the Statue to stand upon, the innovative idea to ask funds from the public through newspaper emerged and succeed (BBC, 2013). Likewise, in today's scenario also, whenever a genuine and promising idea either to open a new business, invent a new product, support for someone's education or saving the victim's life arises, crowdfunding platforms are always there to help, support and care. And these **platforms and the funders have supported beyond the nationality, race and religion**, which is required to support the idea and world problem by unity. Otherwise, it will be almost impossible for one to get loans or funds for innovation or fir well-beings without mortgage or any income source.

There is a popular saying, *"With great power comes great responsibility."* **Crowdfunding a project comes along with a great deal of responsibility**. Once the project is fully funded, the owner of the project must use the funds for stated purpose and shouldn't forget to thank all the backers to appreciate their support. In case the funders were supposed to get some return either discount or product, the owner should be honest and must apply the preset conditions. Otherwise, we can find some examples where the project owners disappear after the project is funded fully and the backers in dismay will decide to not to fund any projects in future ('popSLATE 2 - Smart Second Screen for iPhone' case is perfect illustration which is in the final thesis paper).

Having said all, I shouldn't overlook the fact that, my thesis didn't start just 5 months before. The inputs I have given to this thesis isn't only from what I have learned in this short period. From the first day in the UiA itself, I have started learning for what is required to be a proficient student. I still remember the orientation classes where we got to know about the education system here, Inspera and Fronter, classes and timetables, and citation and plagiarism. These all have given some sort of input to my thesis. Later, when the classes started, I start to gain from some practical courses like International laboratory, Corporate Finance, Financial Statement and Equity valuation and Innovation through Design and Entrepreneurship, supported by theoretical courses like International Management, Strategy, Human Resource Economics, International Marketing, Emerging Market, Management Control System and so on. **These subjects can be viewed as the cascade of my Thesis, backed by learning and labor.**

Now, with the theoretical knowledge that I have gained, I can commence my own business or get enrolled in some reputed company or bank in my home country (Nepal). Thesis has given me the real knowledge of conducting a research and the crowdfunding has shown me the clue to support my innovative and promising business idea by collecting small amounts from many individuals.

1.4   Challenge:

Although, crowdfunding has lots of benefits, its issues shouldn't be ignored. Mentioned earlier (not applying the preset conditions), there will be certain units who display something attractive with gratifying return to the funders, but when their target is met, they just vanish leading backers disappointed. So, there need to be certain system that analyzes the blueprint of the project for authenticity and allowing them to collect fund only after passing that system's criteria for credibility. Crowdfunding fund transparency is also another issue to be tackled. After the introduction of crowdfunding platforms (Kickstarter, Indiegogo and so on) the fund collection and transferring has been increasing year by year. So, it is the responsibility of the crowdfunding owners and associates to make the funds transparent so that the government can realize and make it more dependable and trustworthy.

Reflection Note by SUSHIL ADHIKARI

1.1 Introduction

This reflection note discusses findings from our research and its relation to the board themes of internationalization, innovation and responsibility which School of Business and law at the University of Agder considers to be particularly relevant for responsible and productive professional within the field of business administration.

1.2 Summary of Findings

The aim of study was to identify the relationship between several factors and the contribution behavior and suggest propositions capturing this relationships for future research. This study about the factors affecting the contribution behavior in crowdfunding based on sex and frequency of contribution revealed that 60% of the independent variables from the literature were proportionately affecting the contribution pattern of the interviewees we interviewed. Along with that, some major independent variables which were also affecting their choices of contribution were detected. Origination of the project, either it is local or projects from other parts seem to have strong influence over the contribution behavior of the backers. Another significant finding that cannot be ignored is that backers are interested in funding the altruistic projects as maximum of the projects that the interviewee funded were sympathetic and altruistic projects.

1.3 Internationalization

Internationalization is the capacity of organizations to operate across the national borders. Crowdfunding itself is an international phenomenon where diverse group of people participate in the campaigns. Various international forces affect the operating environment of crowdfunding. Technology advancement can have significant impact in the crowdfunding environment. With the development of social networks crowdfunding campaigns can get wide coverage. If a campaign organizer wants to get coverage within wide range of people of diverse culture, social networking sites can be helpful. When talking with our participants in an interview, most of them mention that they get information about the campaigns through social network sites. Crowdfunding can get advantage of growing social networks to reach large group of people. Customers are directly participated in the product development phase. This can build trust in consumers and enhance their purchasing intention. People can interact with developers through message boards and keep eye

on the project process. Besides this they can provide their viewpoint about the product so that developer can customize their products to reach diverse group of people.

With the growing nationalism view in politics and their view about favoring national business and national companies might have negative effect to the business trying to go international. Changes in regulation such as, raising costs of entering their market, limitation in equity return or any others might threat the crowdfunding projects aiming international markets.

1.4   Innovation

Innovation is the process of implementing new ideas that creates value for an organization. This can be achieved either by creating a new service, system, or process, or enhancing existing ones. Crowdfunding itself is an innovative idea as it provides solution to the entrepreneurs who are struggling for fund. Start-ups can generate funds through crowdfunding when they cannot get fund through venture capitalists or angel investors. Crowdfunding is a complete package from the funding the project, targeting the customers, marketing the product, and selling product from the earlier stage of product development. Information from participants can help to customize the products to address the need to large fraction of people. Particularly donation crowdfunding is an innovative way to raise fund supporting the cause such as natural calamities, poverty elevation, building school. One such example of project is 'Doctors Without Borders', an international humanitarian non-governmental organization of French origin working in the field of conflict zones and in countries affected by endemic disease (Wikipedia). They are supported through donation crowdfunding from people of different nations. This can be an innovative solution to fight with poverty, war and conflict.

Crowdfunding is a valuable way for companies to conduct market research and validate their products in market by its real users. Backers in crowdfunding simply don't finance the project only. They can share their thoughts about the product. Involving users from initial stage of product development is an innovative way to create user friendly product. This can be done through crowdfunding.

1.5   Responsibility

Responsibility is the heart of crowdfunding. All stakeholders in crowdfunding must act responsibly to further develop the concept of crowdfunding as it is still evolving.

Crowdfunding is used for the benefit of society but sometimes it can be used to finance unethical products or services or activities. Like, terrorism can be financed through crowdfunding. There is a huge responsibility for crowdfunding campaign organizers and other stake holders to mitigate this risk without demotivating campaigns which are good and ethically acceptable to the society. Likewise, they have responsibility to make their actions transparent and acceptable to the society. Funders, from their side should scan the trustworthiness and reliability of the project they want to contribute. They can claim regular updates in the project and make all the financial transactions transparent. A person with an innovative idea but not sufficient fund to start the project is highly benefited through crowdfunding. H/she should be responsible for delivery of promised product service to the end users.

There is always a good and bad of everything. So, there is a need for regular monitoring and regulating by the regulation authorities so that any unethical activities cannot breed.