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**Edited by:**  
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Shneor, Rotem

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## Content Page

Content Page .....	III
Intention to participate in green crowdfunding. Application of the theory of planned behaviour and the value-belief-norm theory based on UK data .....	1
An Integrative Model for Explaining Crowdfunding Campaign Information Sharing Intention .....	3
A comparative study of civic crowdfunding in American and Indian Politics - The moderating role of party affiliation.....	5
How Do Serial and Non-Serial Equity Crowdfunding Investors Differ In Their Decision Criteria.....	7
When angel-backed companies turn to crowdfunding: evidence from firm characteristics and business angels' investment practices .....	9
A Digital Middleground Arena: the case of cultural crowdfunding .....	11
Development of cultural crowdfunding in Norway in the period 2016-2021: trends and narratives .....	13
Prediction of crowdfunding campaign success using machine learning.....	16
Factors influencing the deployment of local platform crowdfunding in Sub Saharan Africa: Evidence from West and Central Africa Countries. ....	17
Crowdfunding as a crisis instrument for the gastronomy industry in Germany prior to and during the COVID-19 pandemic .....	19
Establishing a Link between Banking to FinTech Credits: The Case of P2P Lending Market .....	21
Sustaining crowdfunding at Australian universities .....	23
Designing a sustainable business model concept for crowdfunding of climate mitigation measures in agriculture .....	25
Longitudinal Effects of Crowdfunding Success on Venture Survival and Growth .....	27
Crowdfunding Adoption by Artists: A comparison of Norway and Brazil .....	29
Review on global peer-to-peer lending platforms: A credit risk management perspective .....	31

# **Intention to participate in green crowdfunding. Application of the theory of planned behaviour and the value-belief-norm theory based on UK data**

Joanna Adamska-Mieruszevska, Faculty of Economics, University of Gdansk

Piotr Zientara, Faculty of Economics, University of Gdansk

Urszula Mrzyglód, Faculty of Economics, University of Gdansk

Anna Fornalska, IMC University of Applied Sciences Krems

## **Purpose**

This study aims to shed light on the sociopsychological mechanism underlying intention to financially support green, donation-based crowdfunding projects. In so doing, it conceives participation in green campaigns as a form of pro-environmental behaviour (PEB) and uses the theory of planned behaviour (TPB) (Ajzen, 1985) and the value-belief-norm theory (VBN) (Stern, Dietz, Abel, Guangano & Kalof, 1999). In particular, the paper seeks to compare explanatory power of the TPB and the VBN theory in the green crowdfunding context.

## **Research Design and Methods**

The study is based on a questionnaire survey conducted in 2022 among 300 UK citizens. All latent constructs used in the model were evaluated with multi-item measures borrowed from the literature and were conceptually adjusted to the green crowdfunding context. To verify the formulated hypotheses, we employed partial least squares structural equation modelling (PLS-SEM) (Hair et al., 2022).

## **Findings and Results**

Results indicate that both the TPB and the VBN theory can be used to explain intention to back green crowdfunding projects. However, it turned out that the TPB had higher explanatory power than the VBN theory. This, in turn, substantiates the view that the TPB, as a rational choice model, lends itself better to explaining “higher-cost” PEB, such as, as argued in this study, donating to green campaigns. This does not alter the fact that, as predicted by the VBN theory, values and beliefs are also a contributory factor in intention to back such projects.

## **Originality and Contribution**

The study makes four major contributions to the literature. First, it is, to the best of our knowledge, the first to use the TPB and the VBN theory to explain intention to donate to green crowdfunding projects. Second, while there are studies that use the TPB to predict intention to support *reward crowdfunding*, no other work applies it to (green) *donation crowdfunding*. Third, it is the first study to compare the predictive power of both theories (i.e., the TPB and the VBN theory) when explaining intention to donate to green crowdfunding campaigns. Fourth, the study conceptualises participation in green donation crowdfunding as a form of PEB, thereby expanding the realm of – and previous theorising on – individual engagement in green action. In this sense, the paper aims to fill these research gaps.

### **Implications**

The study has a number of practical implications. Authors of pro-environmental campaigns should not only appeal to potential backers' values and beliefs, but also to their “rational side”. It follows that campaign authors should redouble efforts to raise “crowdfunding awareness” among the general public. At the same time, given that green and altruistic values were also found to influence intention to back crowdfunding projects, platforms and authorities should double down on *green* awareness raising in an effort to maintain societal interest and engagement in pro-environmental action.

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# An Integrative Model for Explaining Crowdfunding Campaign Information Sharing Intention

Prince Baah-Peprah, Dept. of Strategy and Management, University of Agder, Norway.

Professor Rotem Shneor, Dept. of Strategy and Management, University of Agder, Norway.

Associate Prof. Munim Ziaul Haque, Dept. of Maritime Operations, University of South-Eastern Norway, Norway.

## Abstract

**Purpose** – Recent studies have used different models to explain what influences backers' contribution intention and behavior in crowdfunding (Baah-Peprah & Shneor, 2022; Djimesah et al., 2022; Shneor & Munim, 2019). As part of theory development effort towards better explaining crowdfunding contribution intentions, this study aims to bring these different models together into an integrative framework. Specifically, we merge Technology Acceptance Model (TAM) (Davis et al., 1989), Theory of Planned Behavior (TPB) (Ajzen, 1991), Social Identity Theory, Expectation Theory and Trust Theory into a consistent and integrative model that provides a more complete explanations of backers' information sharing intentions in crowdfunding.

**Research Design and Methods** – Data was collected through a survey distributed to the users who have backed crowdfunding campaign before on Finland's leading reward crowdfunding website – Mesenaatti. We employ structural equation modelling (SEM) (Rosseel, 2012) and conduct a series of quality tests alleviating concerns with various biases.

**Findings** – The results are robust and support all core hypotheses of the integrated model, except for the expected association between perceive behavioural control and intentions. The remaining hypotheses were confirmed indicating the appropriateness of our integrated framework in explaining backer's intention to share campaign information in reward crowdfunding. Here, attitudes, subjective norms, perceived usefulness, perceived, ease-of-use, community identification, platform trust, and reciprocity were all positively associated with intentions.

**Originality/value** – Our study, unlike previous studies (that used scrapped data and/or intentions of respondents who have not backed crowdfunding campaign before) uses unique dataset collected from actual

contributors of crowdfunding campaigns and extends the generalizability of TAM, TPB, Social Identity Theory, Expectation Theory and Trust Theory in small-open economies with relatively small domestic crowdfunding market but with high crowdfunding volumes. Second, our integrative model provides a more complete explanation to backers' information sharing intentions in crowdfunding and it further solidifies the roles played by relevant antecedents of crowdfunding backers' contribution intentions based on platforms and backers' characteristics.

**Keywords** – Crowdfunding, information sharing, technology acceptance model, theory of planned behavior, expectation theory, social identity theory, trust

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# **A comparative study of civic crowdfunding in American and Indian Politics - The moderating role of party affiliation**

Hasnan Baber, Abu Dhabi School of Management, Abu Dhabi, 6844, United Arab Emirates. Email: [h.baber@adsm.ac.ae](mailto:h.baber@adsm.ac.ae), ORCID: <https://orcid.org/0000-0002-8951-3501>

Mina Fanea-Ivanovici (corresponding author), Department of Economics and Economic Policies, Bucharest University of Economic Studies, 6 Piata Romana, District 1, Bucharest, 010372, Romania, [mina.ivanovici@economie.ase.ro](mailto:mina.ivanovici@economie.ase.ro), ORCID: <https://orcid.org/0000-0003-2921-2990>

## **Abstract**

**Purpose:** The current study aims to compare civic crowdfunding to determine online political participation in the two largest democracies of the world- the USA and India. As political support through donations on online platforms gained popularity and further donations imply the support to a political party or candidate so political crowdfunding participation holds importance and relevance in the current democratic structure.

**Research Design and Methods:** The data was collected from the US (n=529) and India (n=374) through simple random sampling using an online questionnaire. The data were analyzed using partial least squares structural equation modelling (PLS-SEM) and multi-group analysis (MGA) in SmartPLS 3.0 software.

**Findings and Results:** The results suggest a positive association of time and finance factors among the three resources with intentions to participate in political crowdfunding. Political interest and efficacy also revealed a positive influence on the intentions along with online community engagement. Welch-Satterthwait Test showed that there is a significant difference in the relationships of civic voluntarism model (CVM) factors and intentions between these two countries except in political awareness and online community engagement. The moderating role of party affiliation makes all these hypothesized relationships insignificant in the overall sample, however, it does influence the behaviour in two countries differently.

**Conclusion:** The study revealed that there are differences in the perception between the two countries related to political crowdfunding and different factors exhibit dissimilar influences on participation



intentions. Although both countries follow democratic arrangements, however people have a different thought processes and rationale for donating to the political parties. Party affiliation does play a role differently in the two countries.

**Implications:** The study will help to understand the dynamics of political crowdfunding in the two largest democracies and how intentions can be shaped differently in two different contexts. The study will be helpful for researchers, political parties, political strategists and political economists to understand the factors to raise political funding through crowdfunding.

**Keywords:** Politics; Crowdfunding; CVM; US; India; Political

# **How Do Serial and Non-Serial Equity Crowdfunding Investors Differ In Their Decision Criteria**

Daniel Berliner, University of Agder, Norway.

Rotem Shneor, University of Agder, Norway.

Andreas Wald, University of Agder, Norway.

## **Introduction**

Research on equity crowdfunding (ECF) investors' decision-making criteria has been seeing much interest in the past decade. While most studies addressed the crowd as a homogenous group of investors, in this study we aim to extend our understanding of the crowd composition and different decision criteria of the groups comprising it. Specifically, we explore whether ECF investors that made more investments, thus having more companies in their portfolio, emphasize different decision criteria than those invested in less companies. In their evaluation process, ECF investors employ various decision criteria to address information asymmetries problems. These criteria are meant to gain clarity regarding the venture's true quality thus reducing the perceived risk associated with investments in entrepreneurial ventures. Unlike business angels and venture capital, ECF investors are limited in their ability to conduct due diligence, therefore, must rely on publicly available information and signals sent by the entrepreneurs regarding the venture's true quality. According to the signalling theory, in order to effectively convey their message, signals have to be regarded as costly, thus more difficult to obtain. In addition, the signals can convey hard or soft information. Soft information is usually communicated by text and is comprised of future plans, financial forecasts and projections, while hard information is communicated by numbers, such as company valuation. The financial literature emphasizing the risk in investing in entrepreneurial ventures, has found that companies signalling hard information have better access to capital than those signalling soft information. In this context we raise the question what are the differences between serial and non-serial investors in terms of key investment criteria they utilize.

## **Data**

Data was collected among users of Crowdfunder, Poland's leading ECF platform. Data utilized in this paper was part of a more extensive Investor Survey data collection activity conducted by the Association of Financial Companies in Poland (ZPF) during February 2022. In the survey, investors were presented with a series of eleven criteria and were asked to state whether they found the criteria important in their decision-making evaluation of a potential investment. In addition, they were asked to state the number of companies they have invested in through Crowdfunder, their age and gender. 74.6% of the investors in our sample invested in more than one company. Of those investors, 41.5% invested in 2-4 companies, and 33.1% invested in more than 5 companies. 152 valid responses were collected.

### **Analyses and results**

We have performed series of differences of means tests among three groups of investors according to the number of companies they have invested in. Group one comprised of those invested in one company, the second group invested between 2-4 companies and the third group invested in more than five companies. A one-way ANOVA revealed that there was a statistically significant difference between groups in the company valuation criteria, and the company's announcement of going public in up to 5 years criteria. Regarding the personal characteristics of the investors, we found that there was a statistically significant difference between groups regarding the investors' age, and gender.

### **Conclusions and managerial implications**

The main contribution of our study is in highlighting that serial investors differ from non-serial investors in their emphasis on decision criteria. Specifically, we found that investors having more companies in their portfolio emphasize signals conveying hard information, such as company valuation criteria, while investors with less companies in their portfolio emphasize signals communicating soft information such as future exit plans.

Our findings show that by highlighting signals conveying hard information, entrepreneurs can attract more serial investors, thus improving their access to capital. Platform managers may guide campaign owners to choose their signalling strategy between conveying hard or soft information either to convert non-serial investors to serial ones or attract first time investors to invest.

# **When angel-backed companies turn to crowdfunding: evidence from firm characteristics and business angels' investment practices**

Nicola Carta, Department of Management, Università Ca' Foscari, Fondamenta San Giobbe, Cannareggio 873, 30121 Venezia, Italy | nicola.carta@unive.it

Vincenzo Capizzi, Department of Economics and Business Studies, Università del Piemonte Orientale, Via E. Perrone, 18, 28100 Novara, Italy | vincenzo.capizzi@uniupo.it

## **Purpose**

This paper sheds light on the fundraising strategies pursued over time by entrepreneurial ventures, focusing on a still largely underexplored research issue: the decision of angel-backed ventures to raise funds through a follow-on equity crowdfunding (CF) round. More specifically, we formulated several research hypotheses on what Business Angels' (BAs) characteristics and investment practices influence the likelihood that the firm will use equity CF as a follow-on financing source.

## **Research Design and Methods**

We draw upon an original dataset of 217 Italian companies that received BA support over the period 2008-2018. The data are obtained from the sequential surveys administered by the Italian Business Angel Network (IBAN) to its associates and other unaffiliated BAs. For each BA-backed firm, we then retrieved 15 years (2006-2020) of accounting and financial information from AIDA Bureau Van Dijk. Moreover, we consulted the Crunchbase platform and Zephyr Bureau Van Dijk to reconstruct all financing rounds completed by each company since the seed stage. We found that 32 ventures, after being supported by one or more BAs, successfully launched an equity CF campaign (in which at least 15 investors were present). Given the longitudinal nature of our data, we implemented a random-effects logistic panel model to predict the influence of BAs' investment practices, firm characteristics, and previous investor types, on the likelihood that a BA-backed firm will use equity CF in a follow-on financing round.

## **Findings and Results**

Our empirical evidence shows that a high level of monitoring activity by BAs is negatively related to the probability of raising funds through a subsequent equity CF round. In line with previous studies on follow-on Venture Capital (VC) financing (Capizzi et al., 2022), a high level of soft-monitoring by BAs damages

the trust-based relationship between the founder and the angel investor, lowering the company's performance (Bonini et al., 2019) and discouraging the entry of additional investors. Conversely, BAs' level of education positively influences the probability of raising funds through a subsequent equity CF round. BAs with a higher level of education are certainly more familiar with the digital environment and better aware of the opportunities offered by crowdfunding. Interestingly, we document that BA-backed companies that had previously entered an accelerator program are more likely to use equity CF as a follow-on source of financing.

### **Originality and Contribution**

This piece of research contributes to the academic literature in different ways. First, it advances our theoretical understanding of the financing dynamics happening within the entrepreneurial ecosystem (e.g., Bessière et al., 2020; Capizzi et al., 2022), contributing to the scant literature investigating the interactions between BAs and CF (Wang et al., 2019). To the best of our knowledge, this is the first paper to investigate the decision of angel-backed ventures to raise funds through a follow-on equity crowdfunding round. Second, this study adds to a growing body of knowledge about the complementary or alternative relationship between various forms of entrepreneurial finance (e.g., Cumming et al., 2018; Hellmann et al., 2021). Finally, we contribute to the stream of literature investigating the economic importance of investors' human capital characteristics for backed companies (e.g., Croce et al., 2021; Dimov & Shepherd, 2005).

### **Implications**

Overall, our findings reveal the existence, under the right circumstances, of a complementarity relationship between BA financing and equity CF, thus suggesting the dynamics between different investor types within the entrepreneurial landscape are much more complex than those based on the traditional model of a company's lifecycle.

*References available upon request*

# **A Digital Middleground Arena: the case of cultural crowdfunding**

Ander Rykkja, University of Agder, Norway

Carolina Dalla Chiesa, Erasmus University, Netherlands

## **Purpose**

The article, a conceptual contribution to the literature on crowdfunding and geography, argues that there is a “local” or “physical” bias in the literature of economic geography seeking to explain the creation and diffusion of creativity through middlegrounds (places, spaces, projects and events) in urban regions (Cohendet et al., 2010). An aim of the contribution is to argue that the example of crowdfunding illustrate that middlegrounds may also be formed around digital communities.

## **Background**

The literature on crowdfunding and geography evidence that crowdfunding campaign activity follows from creative places (Agrawal et al., 2010; Mollick, 2014; Le Béhec et al., 2018). Additionally, the use of crowdfunding by artists and cultural creators is critical in the expansion of this funding model. The matchmaking functions provide an easy way for amateurs, professionals, and project creators to fund innovation when traditional funding sources are unavailable (Dalla Chiesa & Handke, 2020). Due to its commercial and non-commercial characteristics, crowdfunding typically reinforces local ties, and heavily draws on existing social networks (Mendes-da-Silva et al, 2016). Nonetheless, crowdfunding also permits distant consumers to partake in new creations thereby overcoming the frictions of local markets through digital platforms.

## **Findings and Results**

A conceptual proposition for a digital middlegrounds could be formulated as follows: A digital middleground arena presupposes (1) suspending the premise of the middleground as a location bound place, because of the partial absence of geographical anchoring is partially absent. This implies (2) accepting that interactions grounded in offline environments can happen in a virtual context. Furthermore (3) digital middlegrounds allow for openness and decentralization as agents. Since they are (4) not dependent on prior

socialization or sharing tacit knowledge *in loco*, (5) their preferred signal of contribution may range from simple approval, a comment, direct participation, or a monetary signal.

### **Originality and Contributions**

The article's contribution is an exploratory examination on whether the physical middleground layer of the anatomy of the creative city (Cohendet et al., 2010) can be complemented with a digital extension. By taking a stand against a view that the only permissible forms of interactions at the middleground level can be of a physical nature, the article proposes, using the example of crowdfunding, that crowd-based platforms, online media, and virtual communities also contribute to cities or regions' creative output. This approach has up to this point been undertheorized in economic geography, thus representing an important contribution by proposing the need to see the local and digital communities as co-constitutive for processes of creativity and its diffusion.

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## **Development of cultural crowdfunding in Norway in the period 2016-2021: trends and narratives**

Alice Demattos Guimarães, Mohn Centre of Innovation and Regional Development, Western Norway University of Applied Science, Bergen, Norway | demattos.guimaraes.alice@hvl.no

Natalia Maehle, Mohn Centre of Innovation and Regional Development, Western Norway University of Applied Science, Bergen, Norway | natalia.mehle@hvl.no

### **Purpose**

Cultural industries have been at the forefront of crowdfunding since its early stages in the beginning of this century. Worldwide, the volume of crowdfunding has been growing significantly and it has increasingly become a promising business model for cultural productions. However, research on cultural crowdfunding remains limited. Hence, the current study aims to understand how crowdfunding is shaping the cultural economy. By exploring the evolution of cultural crowdfunding, this study seeks to identify major trends in the various cultural industries and discover the narratives employed in their respective campaigns.

### **Research Design and Methods**

We focus on two major crowdfunding platforms used by Norwegian cultural actors, an international one (Kickstarter) and a national one (Bidra). Norway was chosen due to the fact that despite extensive public support of the culture sector, crowdfunding still shows a growing tendency which illustrates a more complex rationale behind its adoption. Further, the country's relatively small size (approximately 5,5 million inhabitants) allows working with the entirety of its cultural crowdfunding campaigns. Accordingly, the universe of cultural crowdfunding campaigns on the above-mentioned platforms in the period 2016-2021 was scrapped and analysed by using a combination of quantitative and qualitative methods. First, we considered the statistical data highlighting the crowdfunding trends during the analysed period and their variation across the different cultural industries. Subsequently, we conducted a discourse analysis, focusing on narrative frames, i.e., the issues, arguments, or storytelling used in crowdfunding campaigns published on platforms.

### **Findings and Results**



Our findings demonstrate changes in cultural crowdfunding dynamics, with notable differences across cultural industries, for instance, prevalence of sound recording (Bidra) and games (Kickstarter). In addition, there is an increasing preference for the local platform versus the international one, emphasized during the COVID-19 outbreak. The analysis of narrative frames points out that, overall, cultural campaigns mainly acclaim artistic production and financial acquisition; artists also emphasize lack of finances (even in the case when public funding is given) and potential for product sales. However, other objectives are also acknowledged. For example, societal contribution is quite relevant on the local platform, and some artists see the potential of using crowdfunding as a co-creation mechanism. The projects on the local platform pay considerable attention to discussing their impact, both direct and indirect, on the different stakeholders, emphasizing the role of culture sector for society, local community, and consumers.

### **Originality and Contribution**

The effects of linguistic styles in crowdfunding have been addressed in the literature, but the extent to which artists in diverse cultural sectors use narratives to construct their crowdfunding campaigns remains underexplored. This study is one of the firsts to unpack the way artists frame their crowdfunding campaign shedding light on artists' perception of crowdfunding as a mechanism to support artistic production, as part of an ecosystem of cultural funding. Furthermore, the commercial/entrepreneurial aspect of crowdfunding has been already well documented in previous research, but our findings confirm the artists' perception of crowdfunding as a mechanism broader than just a monetary tool having the potential to bridge arts and commerce.

### **Implications**

This work demonstrates the growth and importance of cultural crowdfunding, in a broader-than-finance-perspective, highlighting the need for cultural policy to consider crowdfunding as one of its instruments, extending, for instance, match-funding mechanisms. This study further contributes to the understanding of the cultural crowdfunding phenomenon for academics, policy-makers, and practitioners.

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# Prediction of crowdfunding campaign success using machine learning

Ramy Elitzur, Rotman School of Management, University of Toronto

Noam Katz, Guilford Glazer School of Business & Management, Ben Gurion University

Peri Muttath, Israeli Innovation Authority

David Soberman, Rotman School of Management, University of Toronto

## Abstract

In the past decade or so, many entrepreneurs and inventors have turned their focus towards crowdfunding for raising funds. With the improvement of communications and technology, a new tool, crowdfunding, is now available as either a replacement or supplement to the usual approaches for fundraising employed by startups. By approaching the general public with a new project idea and offering interested parties compensation and incentive to get involved, an entrepreneur can raise significant amounts of money to fund its objective through crowdfunding. Launching a crowdfunding campaign is a risky task - it requires investing a substantial amount of effort and funds with absolutely no guarantee for success. Thus, entrepreneurs interested in crowdfunding should value access to prediction tools that minimize their risk of crowdfunding failure. Various machine learning methods offers such tools for crowdfunding campaigners. Our methodology is based on well-established algorithms which are widely accepted as a useful and accurate model-generating approach for prediction, classification and regression. After training these models on a real-world dataset, we present various metrics to compare between the models, computed and tested on data that was not previously seen by the system.

# **Factors influencing the deployment of local platform crowdfunding in Sub Saharan Africa: Evidence from West and Central Africa Countries.**

Pépin ILONGA N'KUPO, Ph.D. Student, FWEG, University of Mons.

Loredana CULTRERA, Ph.D. Research and Teaching Assistant, FWEG, University of Mons.

Mélanie CROQUET, Ph.D. Professor, FWEG, University of Mons.

## **Purpose**

The purpose of this study is to show why African countries, in West and Central Africa (WCA) particularly, are not able to exploit the potential of crowdfunding and maintain the activities of local platforms.

## **Research Design and Methods**

To achieve our purpose, we used the hypothetico-deductive methodology. Faced with panel data, this study uses logistic regression models (Fixed Effect, Random Effect, and Mixed Effect), covering the period 2010-2019 for twenty WCA countries (West and Central Africa).

## **Originality and Contribution**

To our knowledge, this study is among the first to explore the factors upstream of the deployment of local crowdfunding platforms, based on basic infrastructure, technological and communication innovation, education, and the legal and financial system.

This research contributes to the current debate on the development of crowdfunding in sub-Saharan Africa as well as to the future models to be adopted so that this activity is sustainable at the local level.

## **Findings and Results**

The study points out that the infrastructure of information and communication technologies, based on the penetration of the Internet and mobile telephony, significantly influences the deployment of the national platform. Nevertheless, the basic infrastructure such as electricity and urbanization variables, a legal framework based on the business creation score, education, and the weakness of the financial development

system constitute an obstacle to claiming development in long-term and sustainable local crowdfunding activities. Following these striking results, the study highlights a series of levers on which legislators in WCA countries can act to meet the crowdfunding challenges of tomorrow.

### **Implications**

By proposing three research levers, this study should promote and support the development of crowdfunding from a pedagogical point of view by emphasizing entrepreneurship and emerging technologies in education at the level of professional or university training, from the infrastructure, access to physical and digital infrastructure by emphasizing the importance of regional partnerships, creating partnerships with traditional African banks, and to prevent risks, build trust and ensure the security of investments, decision makers must establish the law on alternative finance activities (Crowdfunding, cryptocurrency).

# **Crowdfunding as a crisis instrument for the gastronomy industry in Germany prior to and during the COVID-19 pandemic**

Iliyana Madina, Fraunhofer Center for International Management and Knowledge Economy IMW

Malgorzata Thonagel, Fraunhofer Center for International Management and Knowledge Economy IMW

Dr. Robin Bürger, Fraunhofer Center for International Management and Knowledge Economy IMW

Prof. Dr. Carolin Bock, Technical University of Darmstadt

Konstantin Kurz, Technical University of Darmstadt

## **Introduction**

The shock within the gastronomy sector in Germany due to the COVID-19 pandemic and the very high number of crowdfunding campaigns in this regard at the beginning of the pandemic (Kurz et al., 2021) prompted the following research question: Did the pandemic affect the characteristics of the crowdfunding campaigns for overcoming the crisis and how do these campaigns differ from campaigns without pandemic reference in the gastronomy sector in Germany? The results provide insight into characteristics like success rate and average funding of backers per campaign, as well as the initiators of the campaigns and their purposes.

## **Research Design and Methods**

The present paper analyzes about 500 crowdfunding campaigns from the biggest German donation- and reward-based platform, Startnext. The research period is a five-month window (March-August), not only during the pandemic (2020) but also the years before (2017–2019). The campaigns have been classified by using the content analysis into different categories like crisis and non-crisis related campaigns, as well as further regarding the different types of campaign initiators and the funding purpose of the campaigns. For these classifications, different characteristics such as number of campaigns and campaign success rate were examined using descriptive statistics. If appropriate, the results were compared with other scientific outcomes.

## Results

The crisis-related campaigns were in total 272 and only in 2020. They were able to raise significantly more capital than non-crisis related campaigns (2020: 1.6 million euros vs. 2017 – 2019: between 299,809 and 423,306 euros per year) and gain more backers overall (2020: 21,570 vs. 2017 – 2019: between 4,146 and 4,968 backers per year) probably because of the high number of crisis-related campaigns conducted successfully. During the pandemic, the individuals were mainly the initiators of the campaigns (70.2 % of all crises-related campaigns). For campaigns run before the pandemic, businesses were the driving force of the campaigns (52.2 % of all non-crises related campaigns). Most campaigns in the crisis year 2020 were conducted to finance economic survival of the businesses (62.1 % of all crisis-related campaigns). Campaigns carried out in the three years before the pandemic aimed to fund mostly the opening of new businesses (53.7 % of all non-crisis related campaigns).

## Discussion

To the authors' knowledge, this is one of the first research papers to examine the effects of the COVID-19 pandemic on crowdfunding campaigns from gastronomy industry in Germany in comparison to times before the COVID-19 outbreak. As such, the findings presented make a contribution to the current state of research and allow future comparative analyses also beyond national borders. Moreover, the findings of this paper provide guidance for the design of crowdfunding campaigns in times of crisis that project initiators from the gastronomy sector can use for their campaigns in the future. The results may also have a relevance for political institutions. For them, the potentials of crowdfunding could be of great interest to mitigate negative consequences of similar crises. For instance, crowdfunding could be used as a match-funding instrument during crises to raise even higher amounts of funding for businesses with the help of the society.

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# Establishing a Link between Banking to FinTech Credits: The Case of P2P Lending Market

Asror Nigmonov, Center for Economic Research and Reforms, Uzbekistan; UNSW Sydney, Australia, E-mail: [a.nigmonov@unsw.edu.au](mailto:a.nigmonov@unsw.edu.au), [a.nigmonov@cerr.uz](mailto:a.nigmonov@cerr.uz)

Afzal Artikov, Center for Economic Research and Reforms, Uzbekistan, E-mail: [a.artikov@cerr.uz](mailto:a.artikov@cerr.uz)

Jamshid Akhmatov, Center for Economic Research and Reforms, Uzbekistan, E-mail: [j.axmatov@cerr.uz](mailto:j.axmatov@cerr.uz)

## Abstract

Online lending markets have shown the ability to match buyers and sellers more efficiently than the traditional markets and convert lending practices to a new era. One of these alternative lending practices is peer-to-peer (P2P) lending. During the last decade, P2P lending platforms transformed into a new channel of financing for underserved communities and entrepreneurial start-ups. Although the P2P lending process uses no traditional banking concept, these new lending platforms mediate between borrowers and lenders by charging a service fee. Thus, the primary purpose of P2P lending platforms is to match the demand for and supply of funds by correctly estimating the probability of loan default.

In this paper, we empirically investigate the determinants of default risk in the peer-to-peer (P2P) lending market using logistic regression analysis. We use loan-book data from Mintos, the leading P2P lending platform in Continental Europe. By aggregating the country-level data with the platform's loan book covering the period from 2014 to 2019, we examine the impact of banking sector interest rates and non-performing loans on the default risk of FinTech loans.

Consistent with theoretical predictions of the traditional banking literature (Bester, 1985; Stiglitz & Weiss, 1981, 1992), our results indicate that higher banking sector interest rates reduce the probability of default. Higher interest rates in the banking sector are linked to higher delinquency rates in the P2P lending market, as more borrowers default or miss payments on their outstanding loans. The findings of this study also suggest that an increase in banking sector NPLs increases default rates among P2P loans. Models with banking sector NPLs as independent variables indicate significantly positive coefficients for probability of loan defaults. It means that increased financial distress in the banking sector directly affects



P2P loan defaults. The results are robust for sampling selection through bootstrap sampling and the Heckman correction method. Our results also indicate that the loan ratings act as a cushion for limiting risks related to NPLs. Accordingly, the impact of NPLs on probability of default is lower for higher rated loans.

This study contributes to the existing literature in several ways. Firstly, this study is the first empirical investigation of the P2P lending market in Continental Europe. The growing number of literatures (Iyer, Khwaja, Luttmer, and Shue, 2016; E. Li et al., 2020; Serrano-Cinca et al., 2015; Wei and Lin, 2017) mostly concentrate on the US or Chinese P2P lending markets. This study provides new evidence on P2P lending platforms in the European continent. Secondly, we conduct estimations in a multi-country setting which was not attempted by existing studies. The focus of this study allows gaining a better understanding of the relationship between the banking sector and the P2P lending market in the European continent. Thus, the findings of this study improve the risk management models by better estimating the default risk based on the tendencies in traditional financial markets. Finally, given the global expansion of the P2P lending industry and growing interest in the topic, this study has important implications for practitioners and researchers by explicitly linking the traditional banking sector indicators with the default risk of P2P loan borrowers.

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## Sustaining crowdfunding at Australian universities

Jonathan O'Donnell, RMIT University ORCID: 0000-0001-5435-235X

**Purpose** Crowdfunding provides a new model for funding research. It occupies contested territory in Australian universities, with some providing support for academic crowdfunders while others have discouraged or effectively banned this activity. Most universities seem to be ignoring this new model.

### Research Design and Methods

I reviewed crowdfunding campaigns by Australian academics between 2011-2015. Of the 79 campaigns identified, 46% (n=36) came from three (7%) universities. 36% (n=16) of universities had no experience of research crowdfunding. In 2016, I interviewed administrators (n=7) and academics (n=14) at two universities that had supported 35% (n=28) of the 79 campaigns in the 2015 review.

**Findings and Results** Funding was not their main driver. Both universities recognised other advantages:

- Public promotion and engagement, which was a strong benefit for the universities.
- Personal growth, skills development and independence for the academics.
- The opportunity to fund research activities that were difficult to fund from existing sources.

The two universities had set up support structures and encouraged their academics to experiment.

- Colleagues provided moral support, promoted campaigns and sometimes donated to them.
- Administrators managed support programs and assisted with the administrative elements.
- Specialist groups provided advice and training (e.g. sending out press releases).

### How universities can support research crowdfunding

Australian universities should aim to provide systemic support for crowdfunding. Systemic support requires a clear understanding of the value of crowdfunding to staff and the organisation.

Universities should seek to provide a standard level of support for all crowdfunding campaigns. This support should be agnostic to the type of campaign being run and the platform that it is run on.

Strategic support recognises campaigns that are valuable to the university by providing matching funding, start-up funds, or completion funding.

Sporadic support is typified by universities that have run crowdfunding trials but have not built crowdfunding into the fabric of their research funding practice.

Ad-hoc support is available to academics who seek it out at a university that has not done this before.

The minimal level of support needs to be transfer funds to the university and issue receipts.

Beyond these levels of support, there are four levels that represent a lack of support.

Where there was support in the past, there may be memory of support, but no support is available.

There may be no support at all, so there is no mechanism for bringing the funds into the university.

Selective bans on crowdfunding might be put in place because of existing policies.

At least one university in Australia has effectively banned crowdfunding.

**Originality and Contribution** When discussing crowdfunding, it is important to describe what opportunities this funding provides:

- A small grants scheme for research activities that do not require large amounts of funding.
- Top up funding for grants that have been cut, or extension funding for expired grants.
- A quick-response funding scheme for research that is time-critical or responding to crises.
- Funding for activities that are difficult to fund through traditional means.
- Exploratory or seed funding to encourage research in new or risky areas.
- To fund activities that are usually excluded by traditional funding.
- As contingency funding for unexpected situations or a new development in the research.
- Funding for staff that are precluded from applying for traditional funds.

**Implications** It is unclear whether this model will be sustainable in the long term. To move towards a sustainable model, Australian universities should:

- Develop a clear understanding of how crowdfunding fits with existing strategy and policies.
- Have a process for recognising and managing risks.
- Have a clear process for accepting funds into the university.
- Encourage academics who want to try new methods of fundraising, like crowdfunding.

While this seems simple, it has proved to be a challenge for most Australian universities.

# **Designing a sustainable business model concept for crowdfunding of climate mitigation measures in agriculture**

Pia Piroshka Otte, Ruralis – Institute for Rural and Regional Research, Norway, E-mail: [pia.otte@ruralis.no](mailto:pia.otte@ruralis.no)

Natalia Maehle, Western Norway University of Applied Sciences, Norway, E-mail: [natalia.mehle@hvl.no](mailto:natalia.mehle@hvl.no)

## **Purpose**

Agriculture releases a significant amount of anthropogenic greenhouse gas (GHG) emissions globally. Significantly reducing these emissions requires a combination of complementary climate measures. Despite their importance, the adoption of climate mitigation measures in agriculture is still rather low, partly due to high costs and lack of finance. Common policy approaches for enabling adoption of climate measures and overcoming economic constraints are subsidies, grants, tax incentives and voluntary offset programs (Cooper et al. 2013). However, these have experienced limited success and there is a need for more tailored interventions that address the different needs of specific farmer groups (Barnes and Toma, 2012). Crowdfunding could be one potential type of intervention to enable farmers' adoption of climate mitigation measures. The aim of this study is to develop a sustainable business model (SBM) concept for local crowdfunding of climate measures in Norwegian agriculture. For designing such a SBM concept, we apply the adapted SBM canvas framework (Bocken, 2015 in Bocken et al., 2018) and argue that this framework presents a suitable tool for identifying and validating BM for a local crowdfunding program.

## **Research Design and Methods**

The study applies a design science research approach, i.e., “developing design principles that provide the main guidelines to develop targeted solutions for a problem in a specific context” (Van Aken and Romme (2009) in Van Burg et al. (2012:458)). In our study, the design principles represent business model attributes shaping the different dimensions of the SBM canvas. To obtain information for each dimension of the SBM canvas and hence identify the design principles (BM attributes), we apply a mixed method approach consisting of qualitative and quantitative studies with multiple relevant stakeholders (e.g., surveys, focus groups, workshops).

## **Findings and Results**

We identify 6 relevant BM design principles: 1) Type of crowdfunding, 2) Additional financing, 3) Collaboration between farmers, 4) Existence of intermediary organization, 5) Types of backers, and 6) Type of climate mitigation measure. We align the 6 BM design principles presented above with the 4 different dimensions in the adapted SBM canvas (Bocken, 2015 in Bocken et al., 2018).

## **Originality and Contribution**

The study contributes to the SBM literature by being the first one to connect Design Science with crowdfunding and the adapted SBM canvas. Furthermore, it contributes to research on sustainable crowdfunding and provides new insights on constraints to climate mitigation adoption. The study also suggests how an adapted SBM canvas tool can be further developed by taking into consideration the external context, which can hamper and enable the implementation of SBMs.

## **Implications**

The developed SBM concept for local crowdfunding can be implemented in practice and thus promote further adoption of climate mitigation measures among farmers.

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# Longitudinal Effects of Crowdfunding Success on Venture Survival and Growth

Sunghan Ryu, USC-SJTU Institute of Cultural and Creative Industry, Shanghai Jiao Tong University,  
[shryu@sjtu.edu.cn](mailto:shryu@sjtu.edu.cn)

This study explores the effects of crowdfunding on venture survival and growth from a longitudinal perspective. Past crowdfunding research has mainly studied individual contributor behaviors and crowdfunding campaign success factors inside crowdfunding platforms. More recent studies examine the post-campaign outcomes of crowdfunding to provide a more comprehensive implication of crowdfunding in entrepreneurship and relevant areas. However, there has been limited examination of the post-campaign outcomes in a longitudinal manner. Given that new ventures usually lack financial resources during business growth, this study explores the effect of crowdfunding, as an alternative IT-enabled financing and marketing channel, on new venture survival and growth. By demonstrating that crowdfunding enables new ventures to survive and grow, this study thus underscores the importance of early-stage financing. It also extends prior research on its impact on new venture survival and growth.

Our purpose is to propose and test a model of venture survival and growth, focusing on the long-term effects of crowdfunding as a financial and strategic resource for ventures. We choose venture survival and growth as our outcome measures because they are crucial indicators of venture success. We employ subsequent financing from new crowdfunding campaigns and other financing sources (e.g., venture capitalist, VC) after the receipt of crowdfunding as an important throughput of venture survival and growth. Furthermore, we qualitatively analyzed and identified different courses of venture growth by examining how ventures choose different growth strategies after successful (or unsuccessful) crowdfunding campaigns.

We collected three years of Kickstarter data in the technology category from 2011 to 2013 and identified the campaigns launched by ventures based on multiple criteria. Our sampling strategy yielded a sample of 419 ventures (193 successful; 226 unsuccessful). We then collected data on subsequent financing, survival and growth of the ventures as of the end of 2021, resulting in a 10-year longitudinal dataset. Using

the dataset, we examined how crowdfunding success affects the ventures' survival and growth. The results confirm that crowdfunding success is statistically positively associated with venture survival and subsequent financing from either new crowdfunding campaigns or other equity investments, as well as the occurrence of an exit by acquisition or an initial public offering (IPO). We also identified potential venture growth routes available for the ventures with crowdfunding success.

This study aims to make significant contributions to crowdfunding literature and entrepreneurial finance literature. Crowdfunding studies have focused on individual investors in studying determinants of successful crowdfunding and investment decisions, but few have focused on post-campaign outcomes. This is among the first to empirically show how crowdfunding affects venture survival and growth in the long term. More broadly, the findings contribute to the entrepreneurial finance literature by showing how crowdfunding affects venture survival and growth in the long term. Finally, our study has significant implications for developing policy and practical guidelines for ventures seeking survival and growth in the digitized world.

# **Crowdfunding Adoption by Artists: A comparison of Norway and Brazil**

Rotem Shneor, University of Agder, Norway

Ziaul H. Munim, University of South-Eastern Norway

Natalia Maehle, Western Norway University of Applied Sciences, Norway

Ander Rykkja, University of Agder, Norway

Alice Demattos Guimaraes, Western Norway University of Applied Sciences, Norway

Carolina Dalla Chiesa, Leuphana University Lüneburg, Germany

## **Purpose**

Crowdfunding is the practice of funding a project or venture by raising many small amounts of money from many people, typically via the Internet. ‘Cultural Crowdfunding’ is the use of crowdfunding for the purpose of funding aesthetic practices, including any component of their production in the cultural and creative industries. Despite its growing relevance and importance, there is little research into understanding motivations, drivers, and barriers impacting artists adoption of crowdfunding as a channel for financing their creative work (Rykkja et al., 2020), with few exceptions of exploratory nature (e.g., Dalla Chiesa & Dekker, 2021; Davidson & Poor, 2015). Accordingly, we aim to examine what drives crowdfunding adoption by Artists in different institutional environments, representing both more less and generous state support for the cultural and creative sectors, namely: Norway and Brazil, respectively. Furthermore, we do so by anchoring analyses in the well-established Theory of Planned Behavior (Ajzen, 1991), often used to explain volitional behaviors including adoption of innovations.

## **Design and Methods**

Data was collected using a web-survey among artists and workers in the cultural and creative industry. It was distributed via a combination of: (1) targeted ads on social media; (2) professional associations; (3) researchers’ own networks; and (4) list created based on own desktop search research. Respondents were offered gift cards, as symbolic tokens of appreciation. The survey used adaptations of existing measures, which showed items in randomized order for minimizing common method bias. Overall, complete and properly filled surveys included 163 respondents from Norway and 208 from Brazil.



## Findings and Results

Common to both contexts of study we find that attitudes and social norms have a positive effect on artists' intentions to use crowdfunding, and that such intentions are positively associated with actual adoption and use of crowdfunding by the same artists. Surprisingly, we also find that perceived behavior control does not impact intentions in both contexts, which may be explained by the voluntary basis of crowdfunding adoption. Furthermore, we also find that the degree of disruptiveness characterizing an artist's work, does not directly or indirectly impact crowdfunding adoption behavior. This may be explained by the fact that crowdfunding may serve to sponsor both popular productions, as well as niche and specialized ones.

One difference between the context is the positive effect of fanbase size on behavior, as well as on subjective norms and self-efficacy, both found to be antecedents of intentions in Brazil but not in Norway. This may be explained by collectivistic culture of Brazil versus the individualistic culture of Norway, as well as by the more competitive market conditions in Brazil than in Norway.

## Originality and Contributions

First study to run a theoretically anchored explanatory analysis of crowdfunding adoption by artists and doing so while comparing findings across contexts differing in terms of national cultural conditions, and institutional support of the cultural and creative sectors.

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# **Review on global peer-to-peer lending platforms: A credit risk management perspective**

Fengya Zhu, University of Agder

Peer-to-peer (P2P) lending has experienced dramatic growth since 2010, along with a substantial increase in research attention. Credit risk management, being at the core of traditional or modern lending business, has aroused much attention but the relevant literature is fragmented and lacks systematic integration. The purpose of this paper is conducting a systematic literature review of P2P lending from a credit risk management perspective, including discovering recent research focuses and trends, as well as detecting theoretical and empirical gaps for future research agenda. This study reviewed 105 articles from Web of Science and Scopus. An initial descriptive analysis is implemented to understand the basics of this topic, then detailed content analysis reveals the conceptual, theoretical and methodological evolvement of these studies. The results show a quantitative tendency toward soft information (Galema, 2020; Lin et al., 2013; Uparna & Bingham, 2022), advanced algorithmic methods and ensemble models combining statistical tools with machine learning techniques (Jiang et al., 2019; Wang et al., 2020). What's more, heavy dependence on optimization of attribute extraction reflects limited interpretability and general deficiency in theoretical insights. This study contributes to the existing knowledge by presenting a holistic analysis of credit risk management of P2P lending from multiple angles. Finally, future research directions are elaborated. For instance, as different platforms encounter heterogeneous credit risk, depending on the nature of platforms, it is worth exploring whether credit, transitional or information intermediaries have influenced total credit risk levels and screening costs. Platforms in transition also deserve further research, as there could be divergent strategic directions between platforms in different countries. At last, survival analysis explains default in a dynamic way, but relevant research still focuses on traditional econometric models, which have strong underlying assumptions. In this case, efforts are encouraged to be made to violate relevant assumptions, based on which new methods could be developed.

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