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# How Idea Creativity and Hedonic Value Influence Project Success in Crowdfunding

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**Abstract.** Crowdfunding has become a viable source of funding for a variety of projects during the last years. More and more music, creative and artistic but also entrepreneurial projects search funding through the crowd. Although first project characteristics with an impact on a project's funding success have been identified, qualitative variables within crowdfunding projects have mostly remained uncovered. With that in mind, this paper empirically examines the influence of idea creativity and hedonic value on projects' funding success. We assessed 108 projects from 20 platforms in order to measure the extent of these two dimensions. Our broad approach allowed us to compare results for the different types of crowdfunding. We find that idea creativity and hedonic value can have varying impacts on projects' funding success depending on the type of crowdfunding.

**Keywords:** crowdfunding; idea creativity; hedonic value; MANCOVA

## 1 Introduction

During the last five years crowdfunding gained attention as an alternative source of funding for a variety of projects. The roots of crowdfunding can be found among music, creative and artistic projects [1]. In the meantime crowdfunding also became a viable funding alternative for start-ups in their early-stage. Instead of drawing on friends and family, bank loans or venture capital as sources of funding project initiators can raise capital through a public open call to activate potential capital-givers from the crowd – usually on the Internet [2].

Despite crowdfunding differs from more traditional funding options, initiators of crowdfunding projects also face similar problems while convincing capital-givers to commit financial resources [3]. This problem can be attributed to the contracting problem of adverse selection within the principal-agent theory [4]. The influence of adverse selection can be reduced by signaling qualitative project features towards the capital-giver as described by the signaling theory [5]. The funding decisions of capital-givers in the venture-capital environment are not only driven by economic, but also by altruistic and hedonic motives [6]. The crowdfunding platforms offer a variety of elements to present individual details of the crowdfunding project and to build trust

between crowd investors and the project [7]. The elements offered by a crowdfunding platform can be used by project initiators to signal the quality of their project. Qualitative signals can be divided into pointing signals (e.g. key figures) and activating signals (e.g. characteristics of project initiator) [8]. The impact of pointing signals has been examined by multiple authors, whereas the impact of activating signals on the funding of a crowdfunding project has mostly been undiscovered.

Current research on the success of crowdfunding projects is mostly based on pointing signals [1, 9, 10]. The problem of exclusively focusing on pointing signals is that crowdfunding projects also tend to be influenced by activating signals. While pointing signals are generally more associated with economic driven capital-givers, altruistic or hedonic driven capital-givers may be more responsive towards activating signals [6]. The impact of signaling these project characteristics as positive qualitative indicators towards the capital-givers has barely been examined [11, 12]. In order to understand the role of project characteristics in the decision-process of capital-givers when allocating funds, we conduct a qualitative content analysis of crowdfunding projects on the basis of their entertainment experience. Entertaining content is defined to have a compensations, gratifications (compliance of needs), and self-realization function [13]. As a result we observed and assessed crowdfunding projects on the basis of their *idea creativity* and *hedonic value*, since these two dimensions represent all three functions of entertaining content.

This paper proceeds as follows: In part 2 we will provide an overview about crowdfunding and the current state of the crowdfunding research. Part 3 describes our theoretical basis and is followed by part 4 that defines the methodology of this work. The results are presented in part 5. Part 6 includes a discussion, implication, limitations and potential areas for future research of our findings. We close the paper with a conclusion in part 7.

## **2 Crowdfunding and Crowdfunding Success factors**

The crowdfunding process normally has three participating stakeholders. The project initiator, who seeks funding for his project, capital-givers, who are willing to invest into a specific project and the crowdfunding platform as intermediary [14]. As these stakeholders differentiate, e.g. Lin et al. [15] investigated archetypes of capital-givers, it is not surprising that different types of crowdfunding can be observed. Some authors systematized crowdfunding platforms based on the returns capital-givers receive for their investment. Bradford [16] differentiates crowdfunding platforms from a legal perspective by what capital-givers get in return for their investment. He differentiates between the five types: donation, rewards, pre-ordering, lending, and equity (i.e., profit sharing). Building on this classification, the consulting agency Massolution [17] differentiates between reward-based crowdfunding (subsuming Bradford's [16] rewards and pre-ordering), crowdlending, crowdinvesting and crowddonation. All these classifications are conceptual in nature and are built on single aspects, e.g.

the return for the capital giver. However, Haas et al. [18] are the first suggesting a classification, which is grounded in theory (theories on two-sided markets and financial intermediation) and empirically validated by investigating multiple platform characteristics. According to their classification crowdfunding intermediaries differ in their value proposition. Thus, three generic archetypes can be differentiated: Hedonistic, Altruistic and For Profit.

**Table 1. Overview of prior observed signals in crowdfunding**

	Author	Observed signals	Signal type
Hedonistic	Agrawal et al. [1]	Geographic location, social capital	Pointing
	Burtch et al. [19]	Contribution behavior based on prior contributions	Pointing
	Mollick [9]	Project quality based on social capital, geographic location and post-funding activities	Pointing
	Tirdatov [20]	Rhetorical techniques	Activating
Altruistic	Jian and Usher [21]	Contribution behavior based on project content	Activating
	Ly and Mason [22]	Competition between projects	Pointing
	Meer [23]	Price elasticity of investments, Competition between projects	Pointing
For Profit	Ahlers et al. [3]	Project quality based on financial roadmaps, external certification, governance, risk factors	Pointing
	Burtch et al. [24]	Geographic location, cultural difference	Pointing
	Geiner and Wang [7]	Social capital from projects' and initiators' perspective	Pointing
	Herzenstein et al. [25]	Herding behaviour based on prior contributions	Pointing
	Herzenstein et al. [11]	Storytelling	Activating
	Larrimore et al. [26]	Rhetorical techniques	Activating
	Lin et al. [27]	Social capital	Pointing
	Schwiebacher and Larralde [28]	One in-depth project analysis	Pointing
Multi	Zhang and Liu [29]	Herding behaviour based on prior contributions	Pointing
	Ordanini et al. [30]	Motivation of initiators and investors	Pointing
	Belleflamme et al. [14]	Cluster analysis based on investors' preferences and initiator's characteristics	Pointing

In general, the majority of prior publications observed pointing signals. Furthermore most of the publications focus on single crowdfunding platforms such that the results are peculiar to a specific type of crowdfunding and lack generalizability. Extending this argument, the notable exceptions of Belleflamme et al. [14] (reward model) and Ordanini et al. [30] (motivation patterns) compare different types of crowdfunding showing that differences exist.

Our more comprehensive approach including all types of crowdfunding and a coherent choice of different crowdfunding platforms aims to identify fundamental impact patterns of *idea creativity* and *hedonic value*. In addition, observing only one type of crowdfunding or observing only one crowdfunding platform may lead to biased results.

## 3 Theory and Hypotheses Development

### 3.1 Signaling

Crowdfunding projects and its stakeholders participate in an imperfect market which is characterized by strong information asymmetries between project initiators and capital-givers [31]. The crowdfunding intermediaries offer different features to present the project in order to minimize these asymmetries and to build trust [7]. This circumstance can be associated with the principal-agent theory [4], where the allocation of information between two contractual partners is unequal and adverse selection (ex ante) and moral hazard (ex post) influence the transaction (agency) costs. The risk of moral hazard is based on the behavioral intent of a contractual partner [32] and can be reduced by the mechanisms of incentives [33]. Adverse selection describes information about quality and can take place when one contractual partner is not fully informed about the characteristics of the other contractual partner [32]. To solve this problem, qualitative signals can be sent by a contractual partner [5]. Participants of a signaling process are the project initiator as the sender, the crowdfunding platform as amplifying intermediary of the signal and the capital-givers as the receivers of a signal that causes at the placement of a funding or feedback [8].

In comparison to professional capital-givers, private individuals can only invest relatively modest amounts of money [3, 34] and usually tend to not have a comparable knowledge, expertise and resources about professionally valuing investment projects [35]. This is why signaling quality signals with creative and hedonic character may have an impact on the success of crowdfunding projects.

### 3.2 Idea Creativity

Research and practice usually agree that crowdfunding offers the means to the funding of innovative and creative projects that have usually restricted access to other sources of finance. However, there is still no universal definition of creativity [36], but there is consensus that creative solutions are generally characterized as being new and useful [37]. Novelty is often defined as something being unique or rare. In this context, new projects have not been expressed before [38]. A closely related trait of novelty is originality. Original ideas are not only new, but also surprising, imaginative, uncommon or unexpected [39], and many researchers see originality as the most important facet of creativity [40]. Usefulness is the extent to which the idea responds to or solves a problem that is tangible and vital [39, 41]. This dimension is also named as a project's relevance [39, 42]. In a similar vein, comprehensibility is a further dimension of creativity, which can be seen as the extent that a project is complete, detailed and well understandable [39]. Furthermore, this refers not only to an idea's description but also to its maturity [43].

In the crowdfunding environment the *idea creativity* of a project can be described by three different dimensions: novelty, relevance and comprehensibility. Capital-

givers expect high levels of all three dimensions in order to be attracted to invest. In pursuance of novelty, project initiators need to focus on the newness or rarity of their projects. The project description needs to accentuate on novelty to trigger the creative perception of the capital-givers [38]. The uniqueness of a project represented by its relevance plays a special role in the crowdfunding process, since capital-givers usually have a tremendous choice between different projects that seek funding on a crowdfunding platform. Lastly, all described features of creativity within a crowdfunding project can only be successfully signaled towards the capital-givers, if they are described accurately and precisely. As a consequence, projects with a higher level of *idea creativity* should attract more investors and thus, should be more successful. In order to measure the impact of *idea creativity* as activating signal on the success of a crowdfunding project we define our first hypothesis as follows:

*H<sub>1</sub>: Successful crowdfunding projects exhibit a higher degree of idea creativity than not successfully funded projects.*

### **3.3 Hedonic Value**

Besides other qualitative signals, like pointing signals, and *idea creativity*, crowdfunding projects provide an additional activating signal [44] called *hedonic value* to attract capital-givers to invest in the projects, as hedonic and altruistic motivation has an impact on investment decisions [6, 15, 45]. Following the web 2.0 and the wisdom of crowd paradigm, the enrichment of utilitarian processes with hedonic elements became common practice in order to increase the intrinsic motivation, thus the attractiveness for participation [46, 47]. Examples for the implementation of hedonic elements in utilitarian environments are tools for innovation management [48], like idea competitions [49], or online communities [50]. The implementation of hedonic elements provides a self-fulfilling and intrinsic value, which aims to generate perceived enjoyment and by that an hedonic value [51]. Further, it increases the confidence in the own capabilities of successfully making decisions, which is called self-efficacy [52]. Hedonic value can be defined as an additional incentive of studying crowdfunding projects, as it satisfy hedonic or altruistic motives [6, 53].

In the domain of crowdfunding, a capital-givers *hedonic value* consists of three different dimensions. These hedonic elements are entertainment, emotion, and engagement [53]. A quite obvious hedonic element is entertainment, as the ultimate motivation for consuming entertainment, like an entertaining video pitch of a crowdfunding project, is the perception of enjoyment, thus a hedonic experience [54]. The consumption of entertainment also addresses eudaimonic motives, like the need for identifying life's meanings, truths and purposes [55]. Capital-givers expect that an investment opportunity via a crowdfunding platform does not only provide a bundle of functional features or returns, but also addresses hedonic motives [6, 15, 56]. In order to provide *hedonic value*, capital-givers' motivational needs should be addressed by affording emotionality, like stories about the crowdfunding project [57]. Emotion serves as energizing motive to direct a certain behavior, like an investment decision [58].

Thereby, emotional desires are able to dominate utilitarian motives [59]. But the experience of emotionality is not sufficient to describe the degree of the perceived *hedonic value*. A further determinant is engagement, as it contributes to the experience of motivational force, which contributes to the experience of attraction [60]. The presentation of how the initiator believes in his project and how he addresses potential capital-givers can be an example for engagement in crowdfunding projects.

The better these hedonic elements are developed, the greater the *hedonic value* for potential capital-givers [53]. This can be explained by the assumption that the implementation of hedonic elements leads to greater satisfaction of hedonic and altruistic motives and higher perceived enjoyment by providing an intrinsic value [51]. The degree of satisfaction of these hedonic motives has an impact on the investment decision of capital-givers, thus on the funding success of crowdfunding projects [6, 15, 45]. Additionally, the increased level of self-efficacy, caused by the implementation of hedonic elements [52], empowers the potential capital-giver to make an investment decision, despite the level of uncertainty and the adverse selection problem, aligned with crowdfunding [3-5]. Hence, greater *hedonic value* should lead to higher probability of funding success. In order to proof the positive impact of *hedonic value* on the funding success of a crowdfunding project, we define our second hypothesis as follows:

*H<sub>2</sub>: Successful crowdfunding projects exhibit a higher hedonic value than not successfully crowdfunding projects*

## **4 Methodology**

### **4.1 Variables and Measures**

Our unit of analysis is reflected by the single crowdfunding projects. In order to avoid problems of common method variance, data for the independent (i.e., *idea creativity* and *hedonic value*) and the dependent variables (i.e., project success) has been derived from independent sources [61].

The data collection for the dimensions *idea creativity* and *hedonic value* is based on a content analysis [62]. *Idea creativity* consists of three items: novelty, relevance, and comprehensibility. *Hedonic value* consists of the three items: emotionality, entertainment and engagement. Each of these dimensions was reflected by a single item (see Table 2). We developed a coding scheme to content analyse the project description of each crowdfunding project according to these indicators. The assessment of each variable has been done individually on a scale from 1 (lowest) to 5 (highest). For each variable, we aggregated the single items using the arithmetic mean. In order to ensure reliability of the content analysis, a subset of 36 random picked crowdfunding projects were re-coded by a second researcher. The intercoder reliability was checked

using Cohen’s Kappa that reported a value of 0.72 for *idea creativity* and 0.69 for *hedonic value*, which indicates good agreement for both dimensions [63].

*Project success* was defined as achieving the funding goal within the defined time limit by the project initiator. This data was directly collected from the chosen crowdfunding platforms as a binary dummy variable (0 = project was not successfully funded; 1= project was successfully funded).

As control variable, we included the *funding goal* (i.e., the amount of funding project initiators request) as this variable highly differs between the different types of crowdsourcing and highly influences the success of crowdfunding projects [9, 19].

**Table 2. Variables and measures**

Variable	Measures	Description	Source
Idea creativity	Novelty	Project is novel.	Content analysis
	Relevance	Project has unique characteristics.	
	Comprehensibility	Project is described accurately and precisely.	
Hedonic value	Emotionality	Project creates emotional arousal.	
	Entertainment	Project is exciting and entertaining.	
	Engagement	Project transports a desire to participate.	
Project success (Dummy variable)	Project has achieved the requested funding goal within the defined time limit.		Archival data
Funding goal	The requested amount by the project initiators in USD/EUR.		

## 4.2 Data Collection

In order to test our two hypotheses, we analyzed a total of 108 crowdfunding projects from 20 different crowdfunding platforms. In order to create a balanced sample of crowdfunding projects, we chose three projects from each platform that reached their funding goal successfully, while the other three were not successfully funded. According to the motivation of people engaging in crowd funding [14], we defined selection criteria that were coherent with and generally applicable to crowdfunding platforms of different types of crowdfunding and that led us to six projects per platform (see Table 3).

**Table 3. Selection criteria for crowdfunding projects**

Successfully funded	1	Project from category: most successfully funded
	2	Project from category: most recent
	3	Project from random choice
Not successfully funded	4	Project promoted on Website or by other successful campaigns
	5	Project from category: most recent
	6	Project from random choice



Initially, we identified over 500 crowdfunding platforms on the Internet. Crowdfunding platforms have been considered for further analysis, if they possessed a working, public accessible English or German website, as well as active business operations during the time of research (August 2013 to July 2014). These criteria applied to 254 different crowdfunding platforms. To ensure a sufficient and sound sample size we chose six popular Altruistic and Hedonistic platforms to create an equally balanced data set between the different types of crowdfunding with 108 projects in total. Since the success rate of For Profit projects was very high [64], we added two more platforms to this type of crowdfunding in order to maintain the balanced sample. Table 4 provides an overview of these platforms.

**Table 4. Investigated Crowdfunding platforms and projects**

Platform	Project Example
Hedonistic	
Kickstarter, Indiegogo, Startnext, Rockethub, Crowdfunder, Vision bakery	<i>Pebble: E-Paper Watch</i> : Smartwatch for iPhone & Android
Altruistic	
Dreambank, Fundly, Betterplace, Getfunded, Globalgiving, Fundrazr	<i>Hurricane Sandy Disaster Relief</i> : Disaster relief for victims of a hurricane
For Profit	
Appbackr, Crowdcube, Bankofthefuture, Appsfunder, Seedmatch, FundedByMe, Sharein, Econeers	<i>AOTerra</i> : Energy supply for heating and hot water by waste heat of servers.

### 4.3 MANCOVA

To test whether these higher values of *idea creativity* and *hedonic value* differ significantly, we apply MANCOVA. This method is able to control the correlation between our two variables *idea creativity* and *hedonic value* as well as the control variable *funding goal*. Our analysis proceeds as follows: First, we investigate our two hypotheses using our *idea creativity* and *hedonic value* measures. Finally, we explore differences between successfully and not successfully funded projects between the three different types of invested crowdfunding platforms.

## 5 Results

The descriptive analysis indicates higher values of *idea creativity* and *hedonic value* in successfully funded projects than in not-successfully funded projects. The MANCOVA yields these differences in the degree of *idea creativity* and *hedonic value* to be significant in successfully funded projects ( $p \leq 0.01$ ). Thus, we can accept  $H_1$  and  $H_2$ . The MANCOVA results can be seen in Table 5. We further investigated the significance of each single indicator to ensure their relevance. The results did not show any differences compared to the aggregated analysis.

**Table 5. Results of MANCOVA**

Dependent Variable	Funding Success	Mean	SD	F-Value	MSE	p
Idea Creativity	yes	3.197	.757	10.871	8.385	.000
	no	2.636	.656			
Hedonic Value	yes	3.275	.831	16.735	8.421	.001
	no	2.710	.929			
df <sub>CREATIVITY / HEDONIC VALUE</sub> = 1; df (error) <sub>CREATIVITY / HEDONIC VALUE</sub> = 105						
df = Degrees of Freedom; SD = Standard Deviation; MSE = Mean-Squared-Error; p = Significance						

So far, we tested *idea creativity* and *hedonic value* to have an impact on success of crowdfunding projects. Thus, we investigated the differences of *idea creativity* and *hedonic value* for successfully and not successfully funded projects between the three different crowdfunding types and found some interesting differences. These differences highlight the distinctive nature of these types and exhibit, which of the investigated factors are important for achieving funding success.

In sum, comparing the differences regarding *idea creativity* and *hedonic value* across the different crowdfunding types revealed significant differences. Successfully funded projects pursuing Hedonistic approaches, exhibit a significantly ( $p \leq 0.001$ ) higher degree of *idea creativity* compared to not successfully funded projects. However, surprisingly, the degree of the *hedonic value* does not differ significantly between successfully and not successfully funded projects. Successfully funded and not successfully funded projects with Altruistic orientation indicate no significant differences in the degree of *idea creativity*, whereas they differ in degree of *hedonic value* ( $p \leq 0.05$ ). Successfully funded projects with Altruistic orientation have higher degree of *hedonic value*. For Profit projects exhibit both significant differences in the degree of *idea creativity* ( $p \leq 0.05$ ) and *hedonic value* ( $p \leq 0.05$ ) between successfully and not successfully funded projects (see Table 6). Successfully funded projects of the For Profit cluster have higher degree of *hedonic value* and *idea creativity* (see Table 6).

**Table 6. Results of MANCOVA for types of crowdfunding**

Cluster	Dependent Variable	Funding Success	Mean	SD	F-Value	MSE	p
Hedonistic	Idea Creativity	yes	3.556	.676	16.206	4.985	.000
		no	2.833	.475			
	Hedonic Value	yes	3.620	.631	1.232	.709	.275
		no	3.370	.935			
Altruistic	Idea Creativity	yes	2.648	.554	3.708	1.036	.063
		no	2.241	.525			
	Hedonic Value	yes	2.944	.688	6.298	2.178	.017
		no	2.315	.610			
For Profit	Idea Creativity	yes	3.389	.725	4.467	2.572	.042
		no	2.833	.769			
	Hedonic Value	yes	3.259	1.020	5.440	4.965	.026
		no	2.444	.863			
df <sub>CREATIVITY / HEDONIC VALUE</sub> = 1; df (error) <sub>CREATIVITY / HEDONIC VALUE</sub> = 33							
df = Degrees of Freedom; SD = Standard Deviation; MSE = Mean-Squared-Error; p = Sig.							

## 6 Discussion and Implications

Our results contribute relevant enhancements for both academia and practice. We were able to provide evidence for the impact of *idea creativity* and *hedonic value* on the success of a crowdfunding project. As a first step, we were able to give proof of the significance on high degrees of *idea creativity* and *hedonic value* and success of the crowdfunding project. Subsequently, we carried on our research approach to determine the impact of the two dimensions on each type of crowdfunding. Surprisingly the results for each type of crowdfunding were different from each other. On projects of the Hedonistic cluster *idea creativity* was positively linked with the project success, while *hedonic value* did not have an impact. This could indicate that Hedonistic orientated capital-givers have a stronger focus on the *idea creativity* that can be strongly linked to the offered reward. Therefore, the *hedonic value* has been pushed into the background. The success of Altruistic projects is influenced by both dimensions. The two dimensions are strongly linked with characteristics of non-economic driven investors (consider non-financial motives, play role in the process, socially-beneficial motivation) [6]. For Profit projects did not show a significant relation between *idea creativity* and success. However, the extent of *hedonic value* influences the success of projects from this type of crowdfunding. Capital-givers of For Profit projects may be driven by economic motivation [6], but face limitations of knowledge, expertise and resources to professionally value the investment opportunity [35]. As a result, the capital-givers turn their attention to the *hedonic value* of a project.

### 6.1 Theoretical implications

This paper offers a unique approach towards the crowdfunding success factor research and advances existing literature by focusing on the impact of *idea creativity* and *hedonic value* through project-based content analyses. Recent definitions of success factors in crowdfunding defined by prior work mostly evolved through in depth analysis of only one crowdfunding platform and thus focus on specific type of crowdfunding, for example Hedonistic crowdfunding [1, 65]. Only very few scholars chose a more fine-grained approach and observed variables of more than one crowdfunding platform [10, 14]. In addition, existing analyses of crowdfunding success factors mostly concentrate on pointing signals of a crowdfunding project. Our analysis allows us to gain a better understanding the influence of activating signals (i.e. qualitative variables) in a crowdfunding project on the success of the campaign. The more-fine grained approach including three different types of crowdfunding and a diverse and balanced choice of 108 projects strengthens the credibility of our findings.

Our results advance current findings on success factors in crowdfunding. The conducted analysis of this paper goes beyond purposes, characteristics, roles and tasks from a capital-giver's and project initiator's point of view [30]. Furthermore, our qualitative approach broadens the horizon of other project-focused works that examined directly quantifiable project characteristics [19]. Finally, we observe the assumption that project quality is associated with the success of crowdfunding [9] from a new

angle. The findings of our analysis identify new comprehensive results across different platforms and types of crowdfunding. Besides, our work creates a better understanding of the signaling theory, especially applied in the crowdfunding sphere. In addition, two of the investor types defined by Sullivan and Miller [6] can also be partly identified in the sphere of crowdfunding.

## 6.2 Practical implications

On the practical side our findings show that activating signals of qualitative characteristics of a crowdfunding project have an impact on the funding success. Nevertheless, project initiators are not advised to blindly focus on *idea creativity* and *hedonic value* when creating their crowdfunding project. The results do not only provide valuable insights, but also show differences between the defined types of crowdfunding. A Hedonistic project should concentrate on a high level of *idea creativity* by emphasizing its novelty, the relevance by indicating its uniqueness and an accurate and precise project description of its purpose. An Altruistic project should also highlight its *idea creativity*, but put an even stronger scope on its *hedonic value*. This means appealing to the emotions of the capital-givers (e.g. through storytelling [11]), implementing entertaining elements (e.g. demonstration of product) to maintain interest and showing professionalism and passion to create the desire to participate. The For Profit cluster project has to accentuate its *hedonic value* in order to approach capital-givers aiming for financial return [6, 35]. If project initiators manage to successfully signal the quality of their project by approaching the crowd on our two defined dimensions, they should be able to increase the success of their crowdfunding project [66]. However, project initiators need to take into account that there are also other factors with impact on the success of their crowdfunding project (see Table 1).

In addition, it is important to keep in mind that the characteristics of our observed crowdfunding project dimensions *idea creativity* and *hedonic value* are also influenced by the crowdfunding platforms. The platforms offer a framework (e.g. website design/standards) for the presentation of the project that is designed to transfer the information towards the crowd and to build trust [7]. Every crowdfunding project and its initiator act within the boundaries of this framework. Accordingly, the opportunities for creative and hedonic features are various and multifaceted but not unlimited. Hence, crowdfunding platforms can profit from our results by actively engaging project initiators to exploit these features and by adapting their frameworks for project presentations accordingly.

## 6.3 Limitations and Future Research

The empirical results of this work prove the impact of *idea creativity* and *hedonic value* on the success of crowdfunding projects. Nonetheless, these results have to be interpreted in the light of their limitations. We tried to eliminate the influence of unconscious cognition when choosing the projects by defining distinct selection criteria for the creation of our sample. Our qualitative approach on our adequate, but limited

sample size involves chances of subjectivity within the individual assessment of the variables. However, the reliability of our data collection effort has been verified by a second assessment iteration of 36 projects by an independent researcher. Thus, our results do not suffer from extensive subjectivity and should generalize well to the field of crowdfunding. However, future research should validate our findings including a larger set of projects and reviewers. In order to increase the rigor of our measurement, projects should be coded by several researchers. In this regard, researchers could apply the Consensual Assessment Technique [39, 41] that can be regarded as gold standard for evaluating creative products in the field of creativity research.

Our study shows that the impact of the different types of crowdfunding exhibit different success factors. Yet, more research is necessary to extend our insights. For instance, conducting a meta-study to review and synthesize our results by conducting interviews with the different stakeholder groups of the crowdfunding process. Additionally, other comparative studies to elaborate our findings can further investigate the impact of our defined dimensions, for example by conducting a rhetorical analysis of project characteristics (e.g. contributor comments) to maneuver towards opinion mining or a sentiment analysis.

## **7 Conclusion**

This research with qualitative approach towards project characteristics' impact in crowdfunding provides evidence of the impact of idea creativity and hedonic value on the success of crowdfunding projects. Our broad focus with all types of crowdfunding and the diverse choice of projects is an initial step in the analysis of qualitative variables within crowdfunding projects. Especially the exclusive approach of analyzing and assessing 108 crowdfunding projects from multiple platforms through a consistent coding scheme strengthens the validity of our findings. The analysis through MANCOVA provided an important outcome. The results of this work are not only valuable for the scientific community and to conduct further research but also for the growing amount of practitioners to increase the success of crowdfunding projects in the future.

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