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Shine Bright like a Diamond - Exploring the Effects of Online-Product Presentation on Backing Behavior in Reward-based Crowdfunding

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SHINE BRIGHT LIKE A DIAMOND – EXPLORING THE EFFECTS OF ONLINE-PRODUCT PRESENTATION ON BACKING BEHAVIOR IN REWARD-BASED CROWDFUNDING

Research in Progress

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Abstract

Crowdfunding (CF) is gaining much attention in theory and practice. Various platforms have emerged, offering the possibility to raise money from an undefined group of online users. Despite the growing interest, there appears to be little understanding of what influences backers funding behavior as well as their intention to return to a CF-platform. Due to the analogies of e-commerce and reward-based CF, we address this issue by drawing on e-commerce theory, mainly online-product-presentation. It was proven that online-product-presentation is a successful influencing factor on consumer's behavior. Based on this, we aim at developing a theory ingrained research model to analyze and understand the impact of online-product-presentation elements on funding and returning behavior of backers in reward-based CF. Our research is the first empirical attempt to investigate these effects in the context of reward-based CF. Doing so, our research contributes to the body of online-product-presentation theory by applying it into a new context. The results have practical implications for effective product presentations in reward-based CF. It helps crowdfunding intermediaries and individuals to understand the importance of online-product-presentation, and provides them with actionable advice on how to handle them on, among others, platform design and online product promotion.

Keywords: Crowdfunding, Online-Product-Presentation, E-commerce, Behavior.

1 Introduction

In the past five years crowdfunding (CF) has gained a lot of momentum as an alternative source of fundraising for a variety of projects. It offers projects in creative, cultural, social, and economic areas (Agrawal et al., 2010) the opportunity to receive funding and thereby provides a chance for these projects to get realized (Belleflamme et al., 2014); in particular, if collecting traditional funding opportunities (bank loan or venture capital) fail. Despite this, CF enables project initiators to create, develop and foster online reputation and community (Lehner, 2013). In this model of fundraising, the financing (“funding”) is made possible by a large number of project supporters/backers (“crowd”). Many “small” sums of money are raised by the crowd and made available to the project initiators via an intermediary platform (Belleflamme et al., 2014). CF takes traditional “offline” business processes into an online environment, by providing a set of features such as online-based communities and interaction mechanisms (Bock et al., 2014). CF therefore differs from traditional fundraising in the way CF projects or ventures get kick started by the power of groups of individuals and their relatively small contributions. These groups decide on whether an idea is worth being supported or not. One further main differentiation is that CF is often used to raise money for the short-term, e.g. to get a product produced or a music album created, whereas traditional fundraising mainly focuses on long-term funding with significantly higher financing amounts. The CF process generally engages three stakeholders: the project initiator seeking funds for the initiated CF project; the crowd investing into these projects;

and the intermediary platform, the CF website, that provides the ecosystem and structure to make this kind of fundraising process possible (Belleflamme et al., 2013). Due to the variety of types of compensation for the backers, CF needs to be stratified into four different categories (Massolution, 2012). In referencing Griffin (2012), these are the most common models: (1) donation-based CF, without compensation, (2) reward-based CF, a non-monetary compensation, (3) lending-based CF, a monetary compensation of interest, and (4) equity-based CF, a monetary compensation of shares or dividends. CF research efforts cover inter alia topics on the effective use of CF (Schwienbacher and Larralde, 2012), different types of customers (Ordanini et al., 2011), the project-specific selection of CF platforms (Belleflamme et al., 2014) and determinants of project success and failure (Mollick, 2014). Based on these elaborations we define CF according to Belleflamme et al. (2010) as “*an open call, essentially through the Internet, for the provision of financial resources either in form of donation or in exchange for some form of reward and/or voting rights*” (p. 5).

In this research, we will focus on reward-based CF, the largest CF category in terms of overall numbers of CF platforms (Massolution, 2012). In many cases, reward-based CF is a form of pre-selling (Ahlers et al., 2012) and is therefore comparable to e-commerce transactions (Bradford, 2012), such as the buying process on marketplaces. This is based on the fact that backers in reward-based CF usually receive – at a discounted price – the item produced by the project initiator as a reward for their support. These rewards are, however, not limited to pre-purchases and can vary from a “thank you” (smallest amount of money) to a project specific large reward, e.g. an assortment of all offered products. This analogy enables us to apply theoretical insights from the body of e-commerce literature.

In view of this and to our best knowledge, research lacks insight into the way what really influences a backer’s decision on whether or not to support a CF project financially. This, however, becomes crucial, considering particularly the increasing importance of CF as an alternative instrument of financing. Our research therefore aims at empirically investigating influential factors on backers’ funding intention as well their intention to return on the reward-based CF platform from an online-product presentation perspective. It was proven that online product presentation is a successful influencing factor on consumers’ behavior (Jiang and Benbasat, 2007). Different online product presentation elements were examined for their suitability and the degree of their influence. The results of our research will contribute to the theoretical understanding of CF and have practical implications. Knowing the impact of these elements on backing behavior is a valuable insight for intermediaries and project-initiators. In general, by providing information to the backer in an accurate way, it will help to grab backers’ attention on a CF campaign and on the reward itself. Providing relevant information in the right way will further help to better portray project initiators’ preparedness (Mollick, 2014). In doing so, our research might contribute to attracting backers and meeting their needs for information and, thus, will help in transforming visitors of a CF campaign to potential backers. Attracting as many backers as possible becomes crucial as the success of a CF campaign solely depends on their funding behavior.

In this research-in-progress paper we develop a research model, which will be verified empirically aiming to understand the impact of online product presentation on backers funding and returning intention. We developed this model from theory. In the following chapter, we will first introduce the main theory behind our research model. These theoretical insights provide the basis for the development of a theoretical framework in section three, followed by the introduction of the proposed methodology before finally highlighting the expected contributions to theory and practice in section five.

2 Theoretical Background

In reward-based CF backers are able to appraise and finance the projects they intend to fund. Potential investors analyze the project with respect to its specific characteristics prior to the project funding. Because of the innovative character of nearly all projects the online presentation is typically the only source of information. In order to understand the behavior of potential investors in the reward-based

CF, it is imperative to include insights from e-commerce, as the process of buying and funding is similar but not equal. This is due to that, that CF can be described as a new way for creators and audiences to work together to make things come true (Chen et al., 2012). It depends on the backer to evaluate the project initiator's ability to complete the initiated project as promised prior to funding.

The importance of e-commerce for consumers and sellers has increased tremendously in the last few years. This instigated an intensive scientific dialogue about e-commerce and especially online consumer behavior (Gregg and Walczak, 2008; Jiang and Benbasat, 2007; Yoo and Kim, 2014). The e-commerce environment is characterized by information technology, which reduces the ability of consumers to adequately analyze physical product information prior to purchase, which leads to information asymmetry (Wells et al., 2011). The different product categories (search, experience, credence) justify the limited ability to evaluate products prior to the purchase. The evaluation of experience products is often only possible post consumption, while you never can exclude a certain uncertainty at the assessment of credence products. In cases of doubt, the uncertainty of consumers towards product characteristics leads to diminished purchase-intentions (Hong and Cha, 2013). Studies have shown the importance of product presentation in e-commerce (Jiang and Benbasat, 2007; Lim et al., 2013; Park et al., 2005). Thus, the purchase-intention of consumers and the return to e-commerce sites were target-oriented influenced by the application of certain technologies and through the enhanced design of presentation formats (Jiang and Benbasat, 2007). Mechanisms that initiate and change the perception, attitude, awareness, and intention of consumers form the center of attention. The format of the product presentation and the transmitted information needs to be adjusted to the preferences of potential consumers (Lin et al., 2013). Jiang and Benbasat (2007) suggest that the underlying mechanism of high vividness and interactivity during the product presentation can positively influence the cognitive and affective attitudes of the consumer. The diversity of the information indicates the advantages of different media and formats for the product presentation (Raney et al., 2003). For example, (Kumar and Yinliang, 2002) have found a positive influence of product videos on consumer intention. Further theory has found in particular the negative influence of perceived risk during the product presentation on consumer intention (Tan, 1999). On the other side, perceived enjoyment, as fun and pleasure during the product presentation positively impacts the consumer (McKinney et al., 2002). Wolfinger and Gilly (2001) demonstrate the positive connection of mood, elevated shopping satisfaction, as well as occurrence of spontaneous purchases with shopping enjoyment of consumers. Further, should the attitude formation in e-commerce, which represents an adequate construct of behavioral intention (Jiang and Benbasat, 2007), be mainly detected due to location of the product presentation.

3 Research Model and Hypotheses

The goal of this research paper is to study funding behavior of potential backers by drawing on e-commerce theory, especially online-product presentation literature. In order to attain the proposed research goal a research model (Figure 1) was developed. Based on this, the following research hypotheses can be formulated. In order to decide on the best possible product option consumers want all of the accessible information that can improve their perspective in aiding their product rating (O'Keefe and McEachern, 1998). Further, customer satisfaction in an e-commerce environment is, amongst other factors, dependent on the product information (Szymanski and Hise, 2000). The amount and plethora of product information is a deciding success factor of e-commerce sites (Palmer, 2002), although it was established that there is finite amount of information that the consumer can process (Gao et al., 2012). In reward-based CF, the project is presented in a classic manner on the intermediary Internet platforms. It can therefore be deduced that the project initiator's presented information in this context plays a similar role in the potential supporter's decision-making process, as much as the quality of information does in an e-commerce environment. Due to the fact that projects are usually in the early stages of development, the information foundation is solely limited by the respective project initiator's performance. Which information and to what extent it is presented to the potential supporters, needs to be gauged by the project initiator. The rating of the information is consequently marked by insecurity

and multiple interpretations. It is therefore imperative that the project rating process is facilitated by a high quality of information in order to minimize project risks. In our case information, quality refers to the amount, the accuracy and the form of information provided by the project initiator about the reward offered on the CF website (Jeong and Lambert, 2001). We therefore hypothesize:

H1a: Information quality positively influences perceived diagnostics.

H1b: Information quality negatively influences perceived risk.

Additionally, vividness influences the quality of the product presentation in the field of e-commerce (Jiang and Benbasat, 2007). Vividness is described as a plethora of presentations in a communicative environment, which is defined by its formal characteristics, meaning the methods by which the surrounding information is presented to the senses (Steuer, 1992). Vividness can not only attract attention, but also the ability to imagine (Nisbett and Ross., 1980). The more vividly the information is presented, the more likely it becomes that people will engage in a cognitive processing of the information. Vivid information appears to be more interesting and contribute to a thorough examination as well as higher level of processing (Nisbett and Ross., 1980). The vivid product presentation can relay more information and thereby stimulates a variety of sensory channels. For this, the e-commerce environment employs multimedia formats, in order to create a vivid product presentation (Jiang et al., 2005). The documented influence and the effect of vividness in e-commerce point to parallels in the project presentation in the reward-based CF. In the case of the project presentation, the initiators try to gain the attention and interest of potential backers. The initial impression can already be a deciding success factor for the facilitation of future funding. The initial interest can be elicited from the supporter with vividness, such as a comical presentation or a provocative emotional illustration (Kisielius and Sternthal, 1984, 1986). In reward-based CF projects are often in the early developmental phases, in order to establish a clear picture of the funding object the backer needs certain ability to imagine. The intense engagement and processing of the often-voluminous amount of information can be supported through the utilization of vivid presentation formats, which in turn can lead to a better understanding of the project. In this case, information can be relayed via a variety of sensory channels, for example, verbal and non-verbal cues (Lim et al., 2000). The intermediary platform enables the project initiator to employ a variety of presentation formats, based on the individual arrangement. Which presentation formats and with which intensity they are employed, is decided by the initiators. We hypothesize:

H2a: Vividness positively influences perceived diagnosticity.

H2b: Vividness positively influences perceived enjoyment.

Through the use of e-commerce many information are being reduced, when compared to the offline environment. The absence of human warmth and sociability (Gefen and Straub, 2003) allows for the anonymous and automated (van der Heijden et al., 2003) of e-commerce. The importance of social presence in shaping e-commerce consumer's attitude has already been established in various studies (Hassanein and Head, 2007). For example, Gefen and Straub (2003) found that perceived social presence positively influences trust and reduces perceived risks. Further, it can ensure consumer intent. Reward-based CF implies the importance of social presence in the project presentation because of intrinsic motives of potential backers. To ensure intent in this case, the personalization of projects can represent an important success factor. For example, the project initiators can address potential backers directly and ask them for their support. As indicated in e-commerce literature human and social characteristics appear to be helpful in order to minimize any reservations about the project. Especially by the social presence of the project initiator and other backers. The exchange of information and the communication during a campaign can create a unified consensus, which could lead to backers' fun and excitement. In our research paper we define social presence as the extent in which a medium allows users to experience others as being psychologically present (Fulk et al., 1987). We hypothesize:

H3a: Social presence negatively influences perceived risk.

H3b: Social presence positively influences perceived enjoyment.

The construct of perceived diagnosticity represents the consumer's perception or feeling, in as much a web site is in the position to relay relevant information about a product, which can enable the understanding and the rating of qualitative or performance characteristics (Jiang and Benbasat, 2007; Jiang et al., 2005). O'Keefe and McEachern (1998) show that the ability of the consumer to rate products helps to ensure the attitude towards a product and a website. This is especially important due to information asymmetry between suppliers and consumer (Wells et al., 2011). In respect to the necessary formation of an opinion within reward-based CF, the perceived diagnosticity seems to have an effect, too. The rating and understanding of the project specific information correlates directly with the formation of an opinion about a specific project. This can, for instance, lead to a partial negative project rating, despite a detailed project presentation, due to lack of understanding the information provided by the project initiator. To summarize, the understandability and rating of provided information influence the backers' attitude towards the CF platform as well as the CF project. We hypothesize:

H4a: Perceived diagnosticity positively influences the attitude towards the reward-based CF project.

H4b: Perceived diagnosticity positively influences the attitude towards the reward-based CF platform.

A further effect, which can be derived from e-commerce theory, is the negative impact of perceived risks on consumers' behavior (Pavlou, 2003). Risks, as perceived by the potential customer, occur especially as a result of the information asymmetry (Pavlou and Gefen, 2004) and can encompass a variety of dimensions (Featherman and Pavlou, 2003). The more perceived risk occur the less predictable become consumer's purchases (Hong and Cha, 2013). Due to the fact that potential consumers tend to avoid negative outcomes during the purchase decision, instead of maximizing the usefulness, product sales or the intention to buy drops (Featherman and Pavlou, 2003). In regards to possible information asymmetries in reward-based CF, there is a potential for risks from backer's perspective. During a reward-based CF campaign, these risks occur especially on all dimensions of the project, the project initiators and on the platform. The smaller the perceived risk is within these spheres, the more positive the potential supporter's attitude is towards the project and the platform. For our research we define perceived risks as the potential for loss in the pursuit of a desired outcome of funding a reward-based CF project online (Featherman and Pavlou, 2003). We therefore hypothesize:

H5a: Perceived risks negatively influence the attitude towards the reward-based CF project.

H5b: Perceived risks negatively influence the attitude towards the reward-based CF platform.

E-commerce theory has shown that shopping enjoyment influences online shopping behavior (Koufaris, 2002). Wolfenbarger and Gilly (2001) show that playfulness, in order to describe the shopping enjoyment on websites, plays a significant role. Herby, they demonstrate the positive relationship between the website's playfulness and positive mood, the elevated shopping satisfaction, as well as the occurrence of spontaneous purchases of consumers. Raney et al. (2003) have demonstrated that through the use of entertainment features that raise shopping enjoyment the consumers' attitude towards online shopping can be improved. In reward-based CF the environment in which the project is embedded plays a crucial role. Although the potential supporters receive a compensation for their support, oftentimes this will rather have a symbolic value. The experience and the feeling during the project presentation thereby becomes an important and effective decision criterion. The acquisition of potential backers during a reward-based CF campaign can be facilitated through an experienced enjoyment, such as fun and enthusiasm. We define perceived enjoyment as the extent to which the activity of using the CF website is perceived to be enjoyable in its own right, apart from any performance consequences that may be anticipated (Davis et al., 1992; Sun and Zhang, 2006). We hypothesize:

H6a: Perceived enjoyment positively influences the attitude towards the reward-based CF project.

H6b: Perceived enjoyment positively influences the attitude towards the reward-based CF platform.

Following Ajzen (2001), attitude is seen as a deciding influencing factor on buying as well as returning behavior. Attitude can thereby occur via cognitive and affective components. The reliability of cognitive and affective components has already been proven in characterizing human behavior in earlier studies (Eagly et al., 1994; Kempf, 1999; Onur Bodur et al., 2000). The consumer's intention to

return to an e-commerce website is an important success factor for the operator. Through the intention to return to a web site a consumer draws attention to the possibility of future sales (Koufaris, 2002). In resonance with the Theory of Reasoned Action (TRA), the human attitude is a direct determining factor in behavioral intentions (Fishbein and Ajzen, 1975). For the operator of a reward-based CF platform, the return of supporters to the platform is an important success factor, due to the fact that they serve as an intermediary between those who seek capital and those who provide funds. The attractiveness of the platforms increases for the project initiators through a constant number of supporters on the webpage, which in turn allows the initiators to imply a raised funding likelihood for their projects. Further, intermediary platforms are partially compensated directly by a percentage of a successful CF campaign, while others base themselves on a voluntary donation from the project initiators. The intention of backers to fund campaigns as well as to return to a reward-based CF platform is determined by their attitude towards the reward-based CF project and the platform itself. We therefore hypothesize:

H7a: The attitude towards a reward-based CF platform positively influences the intention to return to the reward-based CF platform.

The intention to shop online is determined by the attitude towards the product and the e-commerce web site (Jiang and Benbasat, 2007). A positive attitude towards the product generally leads to an elevated intention to buy (Fishbein and Ajzen, 1975). Additionally, the positive attitude towards an e-commerce website can elevate the consumer's intentions. In turn, the consumer's intentions elevate the likelihood of an online purchase (Jarvenpaa et al., 2000; van der Heijden et al., 2003). The decision whether or not a backer will fund a reward-based CF project is mostly defined by their attitude. If in the context of a CF campaign presentation a positive impression could be created, the likelihood of financial support is elevated. Beyond that, the positive attitude towards the reward-based CF platform strengthens or lays a solid foundation for the intention to support a project. We therefore hypothesize:

H7b: The attitude towards a reward-based CF platform positively influences the funding behavior in reward-based CF.

H8: The attitude towards a reward-based CF project positively influences the funding behavior in reward-based CF.

The described research article investigates the ramifications of the projects online presentation in the context of reward-based CF, as it relates to the behavior of the potential supporter. The overall context of the proposed hypotheses is summarized in Figure 1.

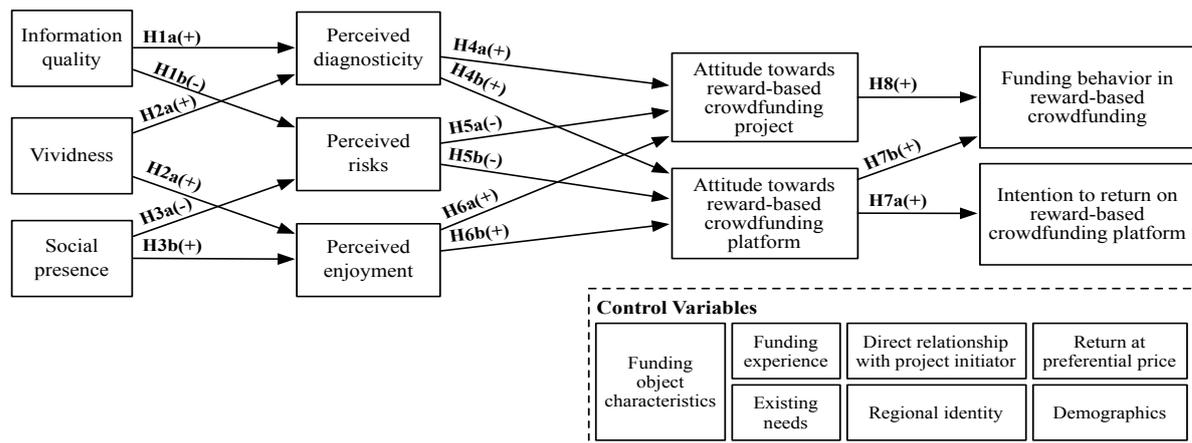


Figure 1. Research model on online product presentation in reward-based CF (own illustration)

4 Proposed Methodology

The purpose of this study is to explore factors influencing backers' funding behavior in reward-based CF with respect to the impact of online product presentation. As backers themselves can best express

this impact, we employ an empirical study using data from online survey responses to test the research model. Our primary source of data is based on the German market. In order to reach a large number of backers, we already partnered projects from the leading German reward-based CF platform Startnext. We have chosen this platform according to the CF platform database “Crowdfundingpr” (Hoskins, 2013) and further based the selection on its funding volume raised in total since its foundation. In order to get the intended questions answered by an appropriate number of backers, we have based our study on various types of sample selection. First, we partnered with CF projects on Startnext. Project initiators of running and already completed projects had been approached to distribute our questionnaire over their update site. Second, we asked website operators, especially blogs related to CF, to distribute our questionnaire over their website. We have already applied our approaches and partnered with 51 projects. By doing, so we were able to reach a total of 6.700 backers at once. The sample consisted of backers who participated in, at minimum, one CF project. Therefore, the subjects are applicable to this research due to their familiarity with reward-based CF. Further, we assume that the population of backers can be characterized as early adopters or even innovators, because they adopt innovations earlier than the general population (Rogers, 2003).

Research scales were operationalized on the basis of previous work when possible. Proper modifications were made in order to fit the current research context and purpose. So far, 39 items were formulated to measure the variables (Table 1). The participants assessed the suitability of the expressions on a Likert scale carried out by granting 5 points to the choice “I strongly agree” and 1 point to the choice “I strongly disagree.” Moreover, we integrated 7 control variables in our model (Figure 1), which will be measured by 14 items. These include: funding experience (2 items) (adapted from Jarvenpaa et al. (2000)), existing needs (2 items) (adapted from Füller (2006)), direct relationship with project initiator (1 item) (adapted from Sullivan and Miller (1996)), regional identity (1 item), return at preferential price (2 items) (adapted from Pavlou and Fygenson (2006)), funding object characteristics (1 item) and demographics (5 items). In order to provide detailed information on the impact of the control variable “funding object characteristics”, we will categorize the reward of each project mentioned by the backer participating in our research in search goods (e.g., book) versus experience goods (e.g., clothing) (Huang et al., 2013) versus credence goods (e.g., health services) (VanHoose, 2011).

Name of variable	Number of items	Source of scale, adapted from:
Information quality	5	Kim and Niehm (2009); Park and Kim (2003)
Vividness	4	Jiang and Benbasat (2007)
Social presence	4	Gefen and Straub (2004); Zhang et al. (2014)
Perceived diagnosticity	4	Jiang and Benbasat (2004); Jiang and Benbasat (2007)
Perceived risks	4	Featherman and Pavlou (2003); Ruiz-Mafé et al. (2009)
Perceived enjoyment	4	Koufaris (2002)
Attitude towards a reward-based CF project	4	Kempf (1999); Jiang and Benbasat (2007)
Attitude towards a reward-based CF platform	4	Grazioli and Jarvenpaa (2000); Jiang and Benbasat (2007)
Funding behavior in reward-based CF	3	Coyle and Thorson (2001); Jiang and Benbasat (2007)
Intention to return on reward-based CF platform	3	Coyle and Thorson (2001); Jiang and Benbasat (2007)

Table 1. Scales to measure research variables (own illustration)

A questionnaire was used as a data-collecting instrument. The questionnaire was translated into German by one native speaker and translated back by another native to ensure the fit of the constructs. Further, the questionnaire was pre-tested and checked by experts aiming for a doctoral degree in order to ensure that the items were properly developed to meet the research objectives. We measured the dependent and independent variables using self-reported methods (Sharma et al., 2009). By doing so, research showed that the validity of the responses can be critical and should be viewed with caution (Podsakoff et al., 2003). In view of the fact that so far there is no established methodology for measur-

ing the Common Method Variance (Chin et al., 2012; Liang et al., 2007), we applied recommended suggestions provided by Podsakoff et al. (2003) to minimize the appearance of this error. Among others, these include an assurance of anonymity for the participants, the implementation of procedural remedies related to the questionnaire and our item design (e.g., elimination of item ambiguity), and a random order of items. We will incentivize this by giving participants the possibility of entering a competition. At the start of the questionnaire, all participants were asked to provide the name of the CF project. The name of the project will help to formulate conclusions according to the CF project type. Our data collection is still in progress and will end by the end of Q1 2015. By now, 368 backers have participated in our research, of which 213 participants completed the questionnaire by answering all questions. In order to reach more backers, we will partner with further projects from Startnext. We further plan to apply the presented procedure on the U.S.-market, especially on the reward-based CF platforms Kickstarter and Indiegogo, in order to compare both markets.

A structural equation modeling (SEM) approach using Smart PLS statistical software (Ringle et al., 2005) following the guidelines proposed by Hair et al. (2012) will be used to analyze the data collected and to test the research model, since it best supports analyzing the cause-effect relations between latent constructs (Hair et al., 2011). SEM is a statistical technique incorporating factor analysis (using a measurement model) and path analysis (using a structural model) (Hong et al., 2013). Compared to other statistical techniques, the advantages of SEM include more flexible assumptions and less measurement errors. Furthermore, applying partial least square structural equation modeling (PLS-SEM) will help to elaborate the key variables affecting the funding behavior of backers in reward based CF, as well as their intention to return to a reward-based CF platform. Further, Smart PLS is robust even with a small sample size (Hair et al., 2011).

5 Expected Contribution to Theory and Practice

The proposed research paper and the hereunder developed model should analyze the behavior of backers in respect to the impact and the consequences of online product presentation in the context of reward-based CF. To our best knowledge no scientific articles exists that investigate the same or similar circumstances. We draw on existing literature from e-commerce, namely from theory on online product presentation. The results of this study should help to explain backers' behavior in reward-based CF. The product presentation and the subsequent behavior are important for project initiators as well as intermediaries in reward-based CF. Thus, this study will have a theoretical and practical contribution in order to ensure the long-term efficiency and sustainability of reward-based CF.

For academics, this research contributes to an application of risk theory into a new context of interest, reward-based CF, and will thus help to understand this context and provide actionable advices for practitioners. This research constitutes one of the first attempts in studying online product presentation in reward-based CF. The findings of this study extend the results of previous studies on online product presentation as well as studies on reward-based CF.

The implications and results of the study can be used for the design of the project presentation in the context of reward-based CF and thus, our results may provide specific information to CF intermediaries and project initiators on how to target the group of backers in order to purposefully influence backers' behavior. Project initiators' will get first indications on which information needs to be delivered to the backer in order to provide an accurate and comprehensive understanding of the CF projects' aim. In doing so, this information will help backers to better assess and judge the quality of a reward. By applying the final recommendations of this research, CF intermediaries will be able to offer a variety of features in order to be able to differentiate from further CF intermediaries and will probably help to increase the rate of funded projects and attract the crowd in a more suitable way. CF intermediaries will get knowledge about which project presentation elements have the highest impact on backers' behavior. Furthermore, the improvement and enhancement of project presentations can help to transform visitors into active backers.

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