

**ISTANBUL TECHNICAL UNIVERSITY ★ GRADUATE SCHOOL OF ARTS AND
SOCIAL SCIENCES**

**CROWDFUNDING COMMUNITY ENGAGEMENT:
DRIVERS AND OUTCOMES**

Ph.D. THESIS

Melek DEMİRAY

Department of Management

Management Programme

AUGUST 2019

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Thesis Advisor: Prof. Dr. Şebnem BURNAZ

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**KİTLE FONLAMASINDA TOPLULUK KATILIMI:
ÖNCÜLLER VE ÇIKTILAR**

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To my family,

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ABBREVIATIONS

CF	: Crowdfunding
CFA	: Confirmatory Factor Analysis
DIY	: Do it yourself
EAO	: The Entrepreneurial Attitude Orientation
EFA	: Exploratory Factor Analysis
KMO	: Kaiser-Meyer-Olkin
P2P	: Peer-to-peer
OCB	: Organizational Citizenship Behavior
SPK	: Sermaye Piyasası Kurulu (Capital Market Board)
TL	: Turkish Lira
TTGV	: Technology Development Foundation in Turkey
VC	: Venture Capital
WOM	: Word of Mouth

SYMBOLS

n.s.	: Non-significant
p	: Probability
α	: Alpha
β	: Beta
χ^2	: Chi-Square

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CROWDFUNDING COMMUNITY ENGAGEMENT: DRIVERS AND OUTCOMES

SUMMARY

Sharing economy and co-creative networks have changed the way of interaction and cooperation in the businesses of digital age. The concepts of ‘co-creation’, ‘co-funding’ and ‘peer-to-peer’ become inevitable parts of sustainable innovation, crowd economy, and entrepreneurship. Crowdfunding, as a novel financial system, has emerged to facilitate accessing funds, enable crowd economy, encourage innovation and democratize the entrepreneurship ecosystem. Crowdfunding is basically gathering a small amount of money from a large number of people, namely the ‘crowd’ in a community or in a society to realize a specific project. Crowdfunding market has rapidly spread around the world in recent years since crowdfunding offers an alternative financing method to fulfill the gaps in the financial sector and to enable individuals, start-ups and SME’s to cope with capital access problem in a feasible manner. The crowdfunding platforms bring members together to raise capital and provide required information about projects through online settings. Crowdfunding platforms are considered as online communities since they establish closer relationships among their users to share resources for co-creating value. Although, crowdfunding combines the features of traditional crowdsourcing structure and online social network, it includes some unique characteristics. Crowdfunding system consist of a co-creative and co-productive structure that encourage the innovation and engagement among actors to make new ideas come into existence. The term “engagement” can be accepted as the central concept of consumer communities and co-creative networks. Community engagement leads to active participations to the group activities, support other cummmunity members and stimulate community’s value for themselves and others which are critical for sustainability of an online community. Despite the significance of engagement concept in online co-creative networks, there is lack of studies on investigating engagement behaviors in crowdfunding communities. To address this research gap, this thesis mainly purposes to understand the key characteristics of engagement in crowdfunding community from perspectives of main actors; fundraisers and funders. Moreover, by exploring drivers and outcomes with the sound of theoretical reasoning and via designing qualitative and quantitative studies concerning the relationships of crowdfunding community engagement, this research provides empirical evidence of how engagement toward a crowdfunding community develops and how community engagement affects behaviors and attitudes toward a community.

To provide comprehensive understanding of the main issues, this research is organized involving two consecutive studies including exploratory and descriptive research. First exploratory research, which comprises of designing a positioning map of crowdfunding platforms and in-depth interviews with crowdfunding community actors, was conducted to be able to understand the crowdfunding market in Turkey and identify variables of the drivers of community engagement. As for descriptive research, this thesis offers two different research models including perspectives of both

fundraisers and funders called study 1 and study 2, respectively since each type of actors in the crowdfunding community has distinct characteristics and as a consequence a different motivational structure. The findings purpose to contribute to marketing and management field by filling the gap in related area and offering valuable implications to academics, entrepreneurs and professionals since this newly emerging co-creative financial mechanism will inevitably have impact on individuals and all sizes of institutional market actors. By combining crowdfunding system and online community marketing knowledge, this study also aims to make theoretical contributions in understanding the relationship between funders and project creators of this newly emerging mechanism for further researches. Therefore, this research have the intention for developing a holistic understanding and adding to the literature on crowdfunding community engagement concept and providing an accurate and comprehensive lens in the theoretical and managerial aspects.

KİTLE FONLAMASINDA TOPLULUK KATILIMI: ÖNCÜLLER VE ÇIKTILAR

ÖZET

Paylaşım ekonomisi ve çevrimiçi ağ yapıları, dijital dönüşümün etkisiyle her alanda baş döndüren bir şekilde kendini göstermektedir. Bu değişimin sonucu olarak özellikle iş yapma yöntemlerinde birlikte oluşturma (co-creation), birlikte üretme (co-production), birlikte tüketme (co-consumption) ve ortak fon sağlama (co-funding) gibi kavramlar önem kazanarak sürdürülebilir yenilikçiliğin, kitle ekonomisinin ve girişimciliğin vazgeçilemez bir parçası olmaktadır. Kitle fonlaması (crowdfunding), ortak fon sağlamanın alternatif bir metodu olarak son yıllarda ortaya çıkan ve hızla gelişme gösteren bir finansman sistemidir. Kitle fonlaması kavramı web ortamında sunulan girişim projelerinin çok sayıda kişi tarafından küçük miktarlar verilerek fonlanmasıdır. Yenilikçi iş fikirlerinin kitleler tarafından desteklenmesi, özellikle girişimcilerin gelecek vaat eden projelerini hayata geçirirken aşmak zorunda oldukları en büyük bariyer olan finansman sorununun çözümünde de katkı sağlamaktadır. Bankacılık, risk sermayesi ve melek yatırım gibi geleneksel finansal kaynakların oluşturduğu olumsuzlukları giderebilen ve yatırım sermayesinin tabana yayılmasına imkan tanıyan büyük bir fırsattır. Kitle fonlaması, kişilerin özgün fikirlerinin ve diğer finansal kaynaklardan kolaylıkla sermaye elde edemeyen sosyal girişimlerin hayata geçirilmesine olanak sağlamaktadır. Bu nedenle start-up adı verilen girişimcilik projelerinin demokratik ve kolektif olarak desteklenmesine imkan tanımaktadır. Ayrıca girişim projelerine ek olarak gerekli sermayeye ulaşmak için mücadele veren KOBİ'ler için de geleneksel finansal kaynakların oluşturduğu olumsuzlukları giderebilen ve yatırım sermayesinin tabana yayılmasına imkan tanıyan büyük bir fırsattır. Kitle fonlaması sistemi finansman elde edilmesine katkıda bulunmasının yanı sıra başka faydalara da sahiptir. Belirli bir ürün veya hizmet için pazar onayı sağlamaktadır. Potansiyel müşteriden geri bildirim alarak ürün ve hizmet daha piyasaya çıkmadan müşterisini elde etmektedir. Dolayısıyla başarısızlık ihtimalini azaltmaktadır. Çok sayıda kişinin belirli bir olgunluğa gelmiş girişimcilik projelerine güven duyarak para vermesi ile girişimlerdeki iş yapma yeteneği ve yapısı gelişmektedir. Günümüzde kitle fonlaması ile ticari, teknoloji, film, müzik, basım/yayın, emlak ve sosyal alanlarda kâr amaçlı ve kâr amacı gütmeyen pek çok proje gerçekleştirilmektedir. Kitle fonlaması çok yeni bir kavram olmasına karşılık dünyada ve Türkiye'de çok hızlı bir büyüme göstermektedir. 2022 yılında kitlesel fonlamanın ulaşacağı pazar büyüklüğü \$162.47 milyar olarak tahmin edilmektedir (Technavio, 2018).

Kitle fonlaması pazarının bu kadar hızlı büyümesinde kitle fonlaması platformlarının payı büyüktür. Kitle fonlaması platformları, projelerin çevrimiçi ortamda tanıtımının yapılmasına katkı sağlayarak fonlanmasına aracılık eden yapılardır. Kitle fonlaması platformları fon toplayanların ve destekçilerin dahil olduğu üyeleri arasındaki yüksek etkileşime olanak sağlamasından ötürü çevrimiçi topluluk özelliği göstermektedir. Ayrıca, bu platformlar kullanıcıyı esas alan işbirlikçi bir yapı temelinde kişisel alanlara ve bağlantılara izin vermekte ve fiziksel ortamdan bağımsız olarak topluluğa katılıma

ve bilgi deęişimine olanak sağlamaktadır. Kitle fonlaması topluluklarının cazibesi sanal ortamda yenilikçi projelerin desteklenmesine olanak tanımasından, düşük maliyetinden, zaman ve mekan kavramını ortadan kaldırmasından kaynaklanmaktadır. Ek olarak söz konusu topluluklar geniş kitlelere ulaşmayı kolaylaştırmakta ve en önemlisi de bilgi, sosyal destek ve fon sağlayarak kişiler arası bağ oluşumuna imkan tanımaktadır.

Kitle fonlaması alternatif bir finansman mekanizması olarak düşünülmesine ve artan bir yoğunlukta kullanılmaya başlanılmasına rağmen kitle fonlama toplulukları ile ilgili yapılan araştırmalar kısıtlı kalmaktadır. Bu çalışmanın temel amacı ilgili alanda daha önce değinilmeyen kitle fonlamasında topluluk katılımı kavramını ve bu kavramın oluşmasında etkili olan faktörleri ve kavramın ortaya çıkaracağı sonuçları araştırmaktır. Ayrıca bu çalışma kitle fonlamasında topluluk katılımı kavramını, sistemin iki önemli aktörü olan fon toplayanlar (proje yaratıcıları/girişimciler) ve fonlayanlar (destekçiler/yatırımcılar) açısından incelemektedir.

Pazarlama, yönetim ve girişimcilik alanında kitle fonlaması sistemi ile ilgili yapılan çalışmalar sınırlı olduğundan söz konusu amaçlar doğrultusunda var olan yazından faydalanmanın yanı sıra keşfedici ve tanımlayıcı çalışmalar yapılarak konunun daha kapsamlı ele alınması sağlanmıştır. İlk olarak keşfedici araştırma kapsamında mevcut pazarın yapısını ortaya koyan konumlandırma haritası tasarlanmış ve kitle fonlaması sistem aktörleri ile derinlemesine görüşmeler yapılmıştır. Türkiye’de 2010 yılından bu yana kitlesel fonlama platformları aracılığıyla bu sistem faaliyet göstermektedir. Yasal alt yapının henüz tamamlanmamasından dolayı Türkiye gelişmekte olan bir Pazar sınıfına girmektedir. Üzerinde çalışılan mevzuatın yasalaşmasından sonra Türkiye’de faaliyet gösteren kitle fonlaması platform sayısının artış göstermesi ve girişimcilik ekosistemi ve yatırımlar ile ilgili olan diğer kurumların ilgisiyle bu artışın devam etmesi beklenmektedir. Söz konusu gelişen pazarın dinamiklerini daha iyi ortaya koyabilmek amacıyla kitle fonlaması yazınında daha önce uygulanmamış bir yaklaşım olarak bu tez çalışması aracılığıyla kitle fonlaması platformlarının konumlandırma haritası tasarlanmıştır. Ayrıca keşfedici araştırmanın ikinci kısmı olarak nitel çalışma kapsamında toplam 29 sistem aktörü (kitle fonlaması platform yöneticileri/girişimcilik ekosistemi uzmanları/ teknopark ve kuluçka merkezi yöneticileri, melek yatırımcılar, girişimciler/kitle fonlaması yoluyla fon toplayanlar ve kitle fonlaması destekçileri) ile derinlemesine görüşmeler yapılarak bu aktörlerin kitle fonlaması kavramı ve sistemine yönelik algı, tutum ve davranışlarını saptayarak kitle fonlamasında topluluğa katılım öncüllerini kişisel, sosyal ve fonksiyonel olarak belirlenmesine katkı sağlayacak bir çalışma yürütülmüştür. Tanımlayıcı araştırma olarak, fon toplayanlar/girişimciler ve fonlayanlar açısından farklı motivasyon ve dinamikler sergilemesinden dolayı iki ayrı anket formu tasarlanarak nicel çalışmalar yürütülmüştür. İlgili anket çalışmaları Türkiye’de faaliyet gösteren kitle fonlaması platformları desteğiyle web siteleri, mail yöntemi ve sosyal ağlarda paylaşılarak cevaplanması sağlanmıştır. Bununla birlikte potansiyel fon toplayanlar ve fonlayanlara ulaşabilmek için teknokentler, kuluçka merkezleri, girişimcilik merkezleri, melek yatırım ağları, ticaret odaları, üniversitelerdeki girişimcilik kulüpleri ve girişimcilik ekosistemine katkı sağlayan çok sayıda kamu ve özel kuruluşun desteğiyle veri toplanmıştır. Fon toplayanlar/girişimciler için geliştirilen ankete toplan 360 geçerli yanıt sağlanırken destekçiler için geliştirilen ankete toplam 183 geçerli yanıt alınmıştır. Tez çalışması kapsamında ortaya konulan hipotezler SPSS ve AMOS programları yardımıyla yapısal eşitlik modeli analiz yöntemi ile test edilmiştir.

Arařtırmada elde edilen bulgular gerek mevcut/potansiyel fon toplayan/giriřimciler gerekse mevcut/potansiyel fon saęlayanlar/destekçiler/yatırımcılar aısından kitle fonlaması topluluk katılımına etki eden kiřisel, sosyal ve fonksiyonel öncülleri ortaya koymakta ve kitle fonlamasında topluluk katılımı kavramının sonucu olarak topluluęa katılım memnuniyeti ve kulaktan kulaęa iletiřim üzerinde etkili olduęunu göstermektedir. Bu çalıřmadan elde edilen bulgular ilgili yazınındaki boşluęu doldurarak katkı saęlamakta ve kitle fonlaması topluluklarını yeni pazarlama finansman modeli olarak kullanan tüm aktörlere önemli çıkarımlar sunmaktadır.

1. INTRODUCTION

Sharing economy and community effect have changed the way of creation, production, consumption and interaction in the digital era. The concepts of ‘co-creation’, ‘co-funding’ and ‘peer-to-peer’ become inevitable parts of sustainable innovation, crowd economy, and entrepreneurship. Crowdfunding, as a novel financial system, has emerged to facilitate accessing funds, enable crowd economy, encourage innovation and democratize the entrepreneurial ecosystem. Crowdfunding is basically gathering a small amount of money from a large number of people, namely the ‘crowd’ in a community or in a society to realize a specific project. Especially, social entrepreneurs and early stage start-up companies that generally face with difficulties in raising capital from traditional funding mechanisms including banks, angel investors and venture capitals (VCs), can effectively and efficiently benefit from this newly emerging financial system.

Crowdfunding market has rapidly spread around the world in recent years. The crowdfunding markets have risen from \$6.1 billion in 2013 to \$16.2 billion by 167 percent in 2014 (Massolution’s 2015 CF Industry Report, 2015). It is reported that total worldwide crowdfunding market size would rise from \$34.4 billion in 2015 (Massolution’s 2015 CF Industry Report, 2015) to almost \$73 billion in 2018 (Technavio, 2018), increasing by more than twice within three years. Although World Bank (2013) had predicted that it would reach \$96 billion by 2025 (Crowdfunding’s Potential for the Developing World, 2013), it is seen that crowdfunding market in the world has an accelerated expansion rate that is more than previous prospective volume since recent research claims that global crowdfunding market is expected to grow to \$162.47 billion by 2022 (Technavio, 2018).

This growth has initially depended upon the emergence and enhancement of crowdfunding platforms which operate as online settings to create relationships, enable connectivity, and coordinate transactions among all actors of the system. The main actors can be regarded as fundraisers (who initiate an initiative), funders (who give money to a campaign), observers (who are potential creators and/or funders), the

managers of platforms (who draw individuals together that have willingness to initiate a new project and/or fund new campaign under the crowdfunding system) and legislators (who are the law makers and actors of regulatory frameworks). Crowdfunding community has supportive relationships among actors rather than competitive ones and members use the platforms to promote co-creation, cooperation, and collaboration. The connection among members leads to share knowledge, information, ideas, comments, and resources including capital. These online mediums provide community participation regardless of time and place and strengthen connection among actors by encouraging interactive communication, thereby establishing long-term relationships.

Consumer engagement is a significant element of relationship marketing since the term “engagement” is accepted as the central concept of consumer communities and co-creative networks. Brodie et al. (2011) posit that customer engagement carries out within an interactive, continual structure of service relationships which are in existence for co-creative experiences. In addition, online brand community engagement leads to active participations to the group activities, support other community members and stimulate community’s value for themselves and others (Algesheimer et al, 2005) which are critical for sustainability of an online community (i.e. crowdfunding community). Despite the significance of engagement concept in online co-creative networks, there is lack of studies on investigating engagement behaviors in crowdfunding communities.

To address this research gap, this thesis purposes to understand the key characteristics of engagement in crowdfunding community from perspectives of main actors; fundraisers and funders. Moreover, by exploring drivers and outcomes with the sound of theoretical reasoning and via designing qualitative and quantitative studies concerning the issue of community engagement in the crowdfunding context, this research will provide empirical evidence of how engagement toward a crowdfunding community develops and how community engagement affects community behaviors and attitudes. Aiming to understand the dynamics of crowdfunding through community engagement, this thesis is in the quest of answering these main questions:

- “What are the drivers that lead funders to actively participate online crowdfunding communities?”,

- “What kind of antecedent of engagement is salient from fundraisers’ aspect in a crowdfunding community?”,
- “What is the nature of engagement for fundraisers and funders in crowdfunding system?”,
- “What are the outcomes of crowdfunding community engagement from fundraisers’ and funders’ perspectives?”

Based on these research objectives, the following section reviews the relevant literature by elaborating on the crowdfunding system and the concept of community engagement. The third section provides information about research methodology and main model of the thesis. Then, explorative research was conducted to investigate of crowdfunding and provide insightful information due to the exploratory and discovery nature of the current subject. As exploratory research, the author designed a positioning map for crowdfunding market in Turkey to be able to offer a holistic view in an emerging crowdfunding market and executed in-depth interviews with three separate groups including experts (founders of crowdfunding platforms, crowdfunding platform managers, angel investors, managers at Seed & Early Stage Incubation Centers, Entrepreneurship Consultants), potential/current project fundraisers, and existing/ potential funders. In the fifth section, research models and hypotheses were proposed from the perspectives of fundraisers and funders, called Study 1 and Study 2 respectively. In the next section, descriptive research of Study 1 and Study 2 was developed using two distinct survey instruments and tested to reveal drivers and outcomes of crowdfunding community engagement based on the empirical findings. The final section concludes with theoretical and managerial implications through the discussion of the findings and limitations and future research suggestions are presented as well.

2. CROWDFUNDING SYSTEM AND ENGAGEMENT

2.1 Crowdfunding Concept

Crowdfunding concept originates from the broader approach of crowdsourcing in which ‘crowd’ is used for the sources of creative ideas, feedbacks, comments, and suggestions for the design and improvement of innovative products or business processes (Belleflamme et al, 2014). Lambert and Schwienbacher (2010, p. 6) identify crowdfunding as: “An open call, essentially through the Internet, for the provision of financial resources either in form of donations or in exchange for some form of reward and/or voting rights in order to support initiatives for specific purposes.” (cited in Macht and Weatherston, 2014). Crowdfunding mechanism is a funding system which gives opportunity to actualize ideas by gathering a small amount of funds from a large pool of individuals in the community, the ‘crowd’ that all aggregate a large sum (Belleflamme et al, 2012). The crowdfunding mechanism has become an alternative funding system to banking industry, venture capital and angel investments. Also it has a potential to encourage innovation, entrepreneurship, and job creation by facilitating capital access and leveraging social network (Milosevic, 2015). Crowdfunding, as an alternative financing method, offers chances to fulfill the gaps in the financial sector and to enable start-ups and SME’s to cope with capital access problem in a feasible manner.

The crowdfunding platforms bring members together to raise capital and provide required information about projects through online settings. Project creators have the chance to introduce their initiatives to prospective supporters and get funded. Thanks to the digitalization, a great number of individuals can effectively benefit from platforms at a low cost as creators and/or supporters (Kuti and Madarász, 2014). Crowdfunding platforms are considered as online communities (Gerber et al, 2013; Gerber and Hui, 2013; Hui et al, 2014; Lin et al, 2014) since they establish closer relationships among their users to share resources for co-creating value. Although, crowdfunding combines the features of traditional crowdsourcing structure and online social network, it includes some unique characteristics like monetary incentives and

financial risk. Crowdfunding communities act somewhat distinct from other kind of online communities (i.e. online brand community, online consumption community) due to their monetary and risk involved nature. Therefore, crowdfunding community have social, financial, personal and functional motivation that are important to strengthen interactivity among actors (Sakamoto and Nakajima, 2013). Crowdfunding system consist of a co-creative and co-productive structure that encourage the innovation and engagement among actors to make new ideas come into existence. Due to the power of collectivism through the sense of community, crowdfunding provides much more than capital for enterprises. Indeed, individuals, entrepreneurs, and start-ups can find the opportunity to use crowdfunding as a marketing research tool by asking their prospective customers for their opinion about certain project or product, testing features and market acceptance of the project or new product as well.

2.2 Crowdfunding Models

In crowdfunding system, funders (can be donors, supporters and investors) get tangible and intangible returns such as free products, philanthropy and financial income which bring about categorization of crowdfunding named “crowdfunding models”. Crowdfunding models is mainly grouped into two major categories as the nonfinancial and the financial return models, each comprising two types. These are described as donation-based, reward-based, lending-based, and equity-based crowdfunding (Buysere et al, 2012; Bretschneider et al, 2014).

2.2.1 Donation-based crowdfunding model

Concerning the nonfinancial return models, donation-based crowdfunding is aimed at contributing projects where funders do not have any expectation including financial or non-financial return (Kuti and Madarász, 2014). Crowdfunding projects can range from pure charity-based to the ones based on personal reasons such as education, research, art and travel. This type of model engage the funders to the projects with no direct return for their supports, if a tangible reward is offered as symbolic like a thank-you message (Cholakova and Clarysse, 2015; Mollick, 2014). Some of the reward-based models also enable unrewarded requests for donations, but it is revealed that only 22% of all crowdfunding campaigns were asked for donations with no reward offered (Bradford, 2012).

The major motive of the funders is philanthropy since they do not receive a material return for their financial support in this type (Marom and Sade, 2014). Although the funder's motive is basically altruistic in financing a campaign, the fundraiser's motive may not be alike; donors may give money for-profit businesses. On the other hand, the achievement of a donation-based crowdfunding project is closely associated with emotional factors or common good (European Commission Report, 2013).

Underlying reasons for donors or the funders to contribute this type of crowdfunding model vary. Whereas some donors may aim to get just recognition, others can donate higher amounts of money to have expectation such as customization of a product or some form of personalized recognition (Crowdfunding's Potential for the Developing World, 2013). Considering the psychological aspect, when a funder receives a thank-you note from a campaign owner, he/she gets personal satisfaction (Meric et al, 2015) since the funder has the opportunity to make a difference in one's life.

In addition, non-governmental organizations (NGOs) generally launch this type of crowdfunding campaigns to raise money for specific causes. If the donors believe the benefit of the projects, they are willing to give large amounts of money. Also, when the NGO regularly informs the donors about the progress of the project, it has more loyal donors since providing up-to-date information is critical to create long-term and strong relationship with funders (Buysere et al, 2012). Gofundme, top crowdfunding platform in the world, operates as a donation-based model and has more than 50 million funders and total \$5 billion funding volume. Recently, a novel model of crowdfunding named 'civic', has been generated from the donation-based model and received noticeable attention and interest.

2.2.2 Civic crowdfunding model

Civic crowdfunding is usually connected with the collaborative initiatives and settings that serve to build parks, social centers and public services. In some cases the output of the civic crowdfunding might be standard public goods, whereas in other cases they might be private or quasi-public projects such as constructing roads, tunnels and bridges. These projects provide a chance for the people to co-create public goods (Davies, 2014). Thus, civic crowdfunding can be described as financing projects that "provide services to communities" (Stiver et al, 2015, p.260) or as using crowdfunding for initiatives that offer society or public-related benefits (Davies, 2015).

The term of civic crowdfunding has been used since 2012, especially by platforms such as Spacehive and Neighbor.ly (Davies, 2015). For instance, the Mansfield Business Improvement District raised £38,000 (€43,921) through Spacehive (Hollow, 2013). Civic crowdfunding model is a spreading crowdfunding trend for its capability to manage citizen funds toward certain initiatives, as well as for its capacity to connect project creators with municipalities, organizations, and individual citizens who may desire to contribute to the projects. It is an effective alternative tool of financing at a time of governments' budget constraint (Stiver et al, 2015). Additionally, civic crowdfunding has a huge potential for non-monetary advantages such as facilitating networking, and supporting collaboration between individuals and government (Stiver et al, 2015). An initiative related civic crowdfunding encourages using of a shared resource that is usable to the society either as a public asset, a community-owned resource or a public-private collaboration, and may or may not comprise government (Davies, 2014; Van-Veelen, 2015).

Although a 'civic' initiative is related to the good being built, it is vital to take into account that not all civic crowdfunding platforms enable individuals and society to launch crowdfunding campaigns. For instance, some campaigns can only be launched by government-authorized organizations. Among the platforms that permit projects by any person or community, civic crowdfunding offers a novel mechanism for the institutions desired to mediate their citizens' environment (Davies, 2015).

Civic crowdfunding can lead to various outcomes and it can be assumed that the results are positive instead of negative for the society. The goods created as the outcomes of the civic crowdfunding projects are expected to be outputs that can be used equally by citizens of a society, regardless of their support to the creation of that good. Thus, the produced good of a civic campaign is regarded as a public good or a shared resource. However, the association between civic crowdfunding and government has been evaluated in different aspects. Some people consider that it poses a direct threat to society financing of services, whereas other people assert that it is a novel manner of public-private collaboration that support a more constructive link between society and government (Davies, 2015).

2.2.3 Reward-based crowdfunding model

Reward-based crowdfunding model is the most common and popular crowdfunding type (Martinez-Canas et al, 2012). Funders finance a campaign by expecting non-financial reward in exchange. In reward-based crowdfunding, entrepreneurs offer tangible or intangible rewards to prospective funders for reaching their target amounts. The reward can be in the way of nonmonetary material like the actual product, DIY kit, creative experiences (e.g., a visit to the film set, a phone call from the writer, lunch with the band) or immaterial such as providing reputation and giving supporter's name to a hero in a game (Cholakova and Clarysse, 2015; Kuppuswamy and Bayus, 2014). Crowdfunding campaigns that have pre-ordered returns, are regarded as reward-based crowdfunding models.

Kickstarter being the leader and Indiegogo as the follower, are the two most popular worldwide platforms where reward-based crowdfunding model works efficiently and successfully. A variety of motives can cause reward-based crowdfunding such as providing contributions to early-stage companies (startups), growing existing organizations or funding innovative and creative ideas. The reward-based crowdfunding have well-defined phases: it starts by the project creator when he/she sends all required information, and maintains by introducing sales offers. The objective of the campaign, the amount of investment asked and the deadline appear on the campaign website. It is clear what the funders will be delivered, either actual products or services in exchange. If the project does not reach targeted amount (the goal), funders need to be refunded.

The creators or fundraisers of a campaign can use reward-based crowdfunding to raise donations for their campaigns. The rewards are generally much below than the donation amount, so the supporter may be satisfied with a return that is a lower economic value than the original investment. The perceived value of the reward can be excess compared to the actual economic value, for instance, tickets for a concert or special VIP tickets or a meeting with the celebrity as such rewards for a high donation (Buysere et al, 2012). The various reward categories identified by the fundraisers can be differentiated depend on the amount or the level of fund. Funders offering more fund are categorized in a separate reward level and can have expectation relatively higher reward. Reward-based crowdfunding can be related to a wide variety of project categories including animals, art, business, comics, crafts, dance, design, education,

environment, fashion, film/video, food, games, journalism/media, health, music, photography, sports, technology, theater.

The reward-based model can be defined as the special form of pre-sales crowdfunding when funders receive something symbolic such as the chance to join in the cultural experience they finance (e.g. appearing in a film as a character), or a product that was developed and produced with the money collected (European Commission Report, 2013). Examples can consist of being credited in a movie, having innovative input into a developing product, or being given an opportunity to meet the celebrity fundraiser of a campaign. Additionally, reward-based crowdfunding gives an opportunity to the supporters as first buyers, providing them receive created products by supported projects in the earlier stages, at a reduced price and/or with other extra advantages. The “pre-sales of the product” to an early adaptor is widely used in this kind of projects which is also convenient for enterprises which produce new software and hardware (Mollick, 2014) and also music albums (Marom and Sade, 2014). In some examples, a new product or service could be introduced in the internet and the supporters may be requested if they are interested in to order and make payment in advance. This type of crowdfunding is basically named as pre-sales or pre-purchasing as a form of reward for the supporter. Besides financing the project in advance, reward-based crowdfunding and especially its pre-sales form allow an entrepreneur to get an insight about demand estimation relating the output of the project and conduct marketing research by analyzing the feedbacks of the (prospective) supporters. Funders that join this type of crowdfunding campaigns since they desire this product or service to be created. A significant motivation to make contribution these campaigns is to receive the product at lower a cost (Buysere et al, 2012).

The reward-based and the pre-sales crowdfunding have similar characteristics, and usually used in the same crowdfunding campaign, that is why they deserve to be categorized together. In the reward-based crowdfunding, the fundraiser often offers a symbolic reward to the funders that is not have a high economic value in comparison with the funding amount. The reward could be small or it could be something with presenting more prestige, such as acknowledging supporter’s name in a film (Bradford, 2012). In the pre-sales crowdfunding the funders get the product that the entrepreneur is developed. For instance, if the fundraiser is making a music album, funders would

get a copy of the album or the right to purchase it at a lower price after it is finished (Marom and Sade, 2014).

2.2.4 Lending-based crowdfunding model

As for the financial return models, lending-based (also named debt-based) crowdfunding in which funds are offered as loans, is the most common model around the world. In this type of crowdfunding model, funders receive constant periodic income and expect refunding principal money of investment (Marom and Sade, 2014). The primary advantage of this crowdfunding model is that it enables an enterprise or an individual to take a loan from a society without using the banking system. This kind of crowdfunding model is secured since it attracts investors who desire to receive a return on investment in a short time. Some of the lending-based crowdfunding platforms act as middlemen and refund to investors, whereas other platforms act as intermediaries to build and regulate monetary relations and make regulations between fundraisers and funders that generally do not know each other. (Buysere et al, 2012, Demiray et al, 2016). While in some lending-based crowdfunding platforms investors are paid interest, in other cases they get only the amount of capital they loan (Marom and Sade, 2014).

Kiva is the most popular lending-based crowdfunding platform without offering interest. In this platform, microfinance investors are regarded as “field partners” rather than lenders that provide money directly to entrepreneurs. Entrepreneurs ask for loan via Kiva website, where prospective funders can see these requests and select projects for financing. Kiva refund loans to the field partners and credits lenders with the repayments the entrepreneurs make. Lenders only get their principal back and the field partners use the interest to meet their operating expenses. Contrary to Kiva, Prosper and Lending Club are the two well-known lending-based crowdfunding platforms that offer interest. Lending-based crowdfunding platforms enable social entrepreneurs and small businesses to access capital without interest in underdeveloped regions as microfinance (Buysere et al., 2012). Although the vast majority of the loans on these platforms are for personal causes, the small business lending is becoming popular. Since lending-based crowdfunding can be used instead of the traditional lending mechanism by the initiatives which have inconsistent spending and revenue period and that want to maintain the sustainability of their business processes.

Lending-based crowdfunding model has a well-known type called peer-to-peer (P2P) lending where investees and investors generally do not know each other and matching of these actors is made by the platform. The borrower can either be an individual entrepreneur or a business. The advantage of this model is that it allowed the funders to give money for very small amount of the total loan. The entrepreneur then repay the money with/without interest, which is regulated by the crowdfunding platform. In some cases, the interest is paid to the funder till the loan matures; the borrower can make repayment early or repay by installments . The interest rate is usually determined based on the perceived risk of the investee; however, it is generally much more than the interest income that a lender can receive from a bank, but less than a conventional loan applicable for the borrower (Kirby and Worner, 2014). The risk factor identifies the interest rates and is calculated by P2P lending platforms or by independent institutions using mainly financial data.

This type of crowdfunding model has increased its market volume by models. The principal reason underlying this growth is that P2P is less risky since only the capital given by the lender is transacted and there is no money creation within the platforms. Many lending-based crowdfunding platforms operate as P2P lending (Crowdfunding Industry Report, 2013). Indeed, lending-based crowdfunding platforms provide opportunities for social lending by enabling loans to social entrepreneurs with lack of interest and small businesses in underdeveloped regions as microfinance (Buysere et al., 2012). Concerning the micro-financed loans, the funders may be more associated with the social good promoted by the entrepreneurs/fundraisers than any return created by the loan (Mollick, 2014).

A variety of business models support P2P lending. For example, in “client segregated account model”, an individual funder is introduced to an individual fundraiser via an intermediary crowdfunding platform, and a monetary relation is established between them. An intermediary crowdfunding platform is again existent in “notary model” between the funder and the fundraiser; the funder offers the loans, and then the loan is created once the amount of capital required is raised. The critical point here is that the loan is generated by a bank, the crowdfunding platform delivers a note which is accepted as security to the funder for the value of their support to the loan. “Guaranteed return model” enable funders to give money this time at a predetermined rate of return

on the investment guaranteed by the intermediary crowdfunding platform. (Kirby and Worner, 2014).

2.2.5 Equity-based crowdfunding model

Equity-based crowdfunding, as another financial return model, proposes a deal for distribution of shares and a revenue sharing option to investors (Cholakova and Clarysse, 2015) where they can get stocks of start-ups/companies with a small amount of investment through an open call on the online platforms (Ahlers et al, 2012). Equity-based crowdfunding provides a contract for shareholding or a return equity offerings to investors (Buysere et al, 2012; Cholakova and Clarysse, 2015). The supporters may have the right to join and vote for some certain decisions, having been authorization to dividends out of profit, or even to receive a share of the value in the company if an investor sells his/her equity. This type of crowdfunding model involves the sales of equity for capital (Bradford, 2012) which is very similar to angel investment and VC. However, in this model, a funder makes an investment to an enterprise for receiving a pre-determined percentage of equity or shareholding. It does not contain lending offerings and return on investment has generally greater risk than that of lending-based crowdfunding. Due to the fact that equity crowdfunding is used at the early stage of young start-ups that have greater failure rate in comparison with other more secured investment opportunities. The main drawback of this model is high failure rate of young start-ups where a funder must take a risk of loss or a long waiting time to receive any income concerning his/her investment (Crowdfunding Industry Report, 2013).

If an individual entrepreneur or a firm proposes to raise capital from a group of people rather than financing their initiatives by using a angel investment or another private investment method, this is characteristically named crowdinvesting as a system of funding, or equity crowdfunding. Thus, in equity-based crowdfunding, shares are distributed via online settings, where funders can get stock of companies with small amount of fund. This kind of crowdfunding model rather than the lending-based one is suitable for innovative initiatives (Buysere et al, 2012) such as software, game, film, music, publishing (Mitra, 2012). In addition, enterprises which serve in a variety of industries including food/beverage, consumer products, telecommunication, technology and e-commerce can use equity-based crowdfunding. In fact, equity-based crowdfunding can be convenient and a significant source for start-ups and SMEs that

face with problems to find money from traditional funding mechanism like banks, angel investors, VCs and government programs (Kuti and Madarász, 2014).

An initiative shares information on the platform's website about the general idea of the business, team, the tentative business plan, marketing and financial data related to the firm and industry and the percentage of the equity offered (Crowdfunding's Potential for the Developing World, 2013). Also, the initiative uses social networks to call prospective funders to assess the offering and declare their demand to make investment. Motivation for engaging in an equity-based crowdfunding platform for the investors may vary. Some investors may be basically deal with funding initiatives that identify to themselves, that are locally attracted, or that provide employment in their society. Others may have actual information about what the campaign or business addresses, what the market demand, and the purpose of funding money, and characteristics of the team members for evaluating the project as the investment opportunity. As a result, supporters are characterised as investors through crowdfunding system, offering them equity stakes or similar securities in return for their investment.

Equity-based crowdfunding has become popular after it was regulated in the USA in 2012 with the Jumpstart Our Business Startups (JOBS) Act. Germany, the U.K., Ireland, France, the Netherlands, Switzerland and Australia are other countries in which crowdfunding platforms are allowed to sell equity to investors with a small amount of money (Ahlers et al, 2012). Regulatory procedures of the equity-based crowdfunding are mainly shaped by the legislation of the home country (Heminway and Hoffman, 2010). Indeed, before the regulations of JOBS Act in United States, firms could not publicly solicit funds from unaccredited investors.

The regulation of equity crowdfunding is pursued through three approaches. First, the regulation may forbid equity crowdfunding completely; second, equity crowdfunding is legitimized but the practical arrangements generate high barriers to entry the market; and finally the regulation may allow the actors to exist with strict limitations. Another application to the legislation of equity crowdfunding by some governments seems to decrease the legal arrangements around the issuance of shares via equity crowdfunding for the basic aim of encouraging SMEs' growth (Kirby and Worner, 2014). As a result, equity crowdfunding is relatively have less market share in the world, involving lower than 10% of all crowdfunding market volume (Massolution's 2015 CF Industry

Report, 2015) creating pointedly a small market share. Difficulties could come along as the novel retail funders take part in this new funding system. Because specifically small investors may not have experience to cope up with the troubles related to young start-up organizations or illiquid investments, generating a high risk of instability and increasing funder protection issues (Kirby and Worner, 2014).

2.3 Crowdfunding Platforms

Through the improved technology, members are able to economically and efficiently use crowdfunding platforms. According to the Massolution's 2015 CF Industry Report, it is reported that there are 1250 crowdfunding platforms are serving in the world in 2015. However, there is no recent precise information, it is predicted that more than 2000 crowdfunding platforms currently operate in the world. The actors that affect operation of the crowdfunding platforms are fundraisers (entrepreneurs or initiators of the projects), funders (supporters or investors of the projects) and managers of the platforms (Gerber et al, 2013; Ordanini et al, 2011). Additionally, especially concerning the financial crowdfunding models, legislators who are the law makers and shareholders of regulatory frameworks have to be regarded as one of the crowdfunding system actors. The platforms which are intermediary virtual settings bring actors together to raise money via open call and provide information about the projects. The website structures of crowdfunding platforms encourage entrepreneurs to launch a campaign easily and enable funders to support the project they want, besides the online medium connect all actors in the community. Moreover, platforms' websites are designed to stimulate collaboration among actors by enabling campaign initiators to create a profile, upload visual images and/or videos and announce their reasons and motivations to gather funds (Demiray and Aslanbay, 2016). On these settings, fundraisers have desire to share their ideas and knowledge with potential funders (Kirby and Worner, 2014). Fundraisers find the opportunity to publicize and promote their projects to prospective funders. Thanks to the advanced technology, many people as fundraisers and/or funders can benefit from crowdfunding platforms economically and effectively (Kuti and Madarász, 2014). The design of the platforms' websites enables fundraisers to launch their campaign in a feasible manner and encourages funders to support campaign that they desire as well as it enables connections, interactions and coordinates transactions among all system actors.

Funders are able to contribute their favourite projects by providing feedback and recommendations.

Due to the community-based structure of the crowdfunding system, there are long-term relationships rather than short-term ones (Gerber et al, 2013). Moreover, some of the platforms like Indiegogo, operate as typically e-commerce website since they sell some products created as outputs of the successful project on the crowdfunding platform. Members of the platforms who are not necessarily to be supporters in that particular campaign period can purchase these products. All platforms have their own regulations that are mainly based on crowdfunding model(s) selected and funding mechanisms including fee rates of the project. Though some of the platforms accept every projects, others make pre-assessment of the initiatives depend on their own evaluation criteria. Platforms which assess projects in advance evaluate the experiences of the fundraisers and the availability of the business plan for the campaign (Buysere et al, 2012).

2.3.1 Typology of crowdfunding platforms

The crowdfunding ecosystem encompasses primarily two types of platforms: horizontal and vertical (Demiray et al, 2017). Multicategory platforms, called as “horizontal platforms” like Kickstarter or Indiegogo, offer a broad basis for all kind of crowdfunding initiatives. Indiegogo which was founded in 2007 in the USA, operates by serving at 24 different categories including animals, art, comic, community, dance, design, education, environment, fashion, film, food, gaming, health, music, photography, politics, religion, small business, sports, technology, theater, transmedia, video/web, and writing. Kickstarter, was established in 2009 in the USA and has 15 different categories. Horizontal platforms may serve only one kind of crowdfunding model like Kapipal which is a donation-based crowdfunding platform to raise fund for all type of projects (Ordanini et al, 2011). However, in some cases, a platform might enlarge their project categories over time due to their market demand. Verkami, for example, was launched at the end of 2010 in Spain for financing art and cultural-based crowdfunding initiatives (Martínez- Canas et al, 2012). In time, besides artists and cultural entrepreneurs, performers have begun to use Verkami website to publish their projects. Thus, crowdfunding platform of Verkami has had more comprehensive project categories from media campaigns to community ones.

Single category platforms or specialized ones called as vertical platforms, may focus and serve less or single kind of crowdfunding projects. Vertical platforms are field, project category or industry centric and attract people with similar interest and motivations. ArtistShare, founded in 2003 in the USA, can be considered as one of the earlier crowdfunding virtual medium (European Commission Report, 2013). The type of the platform is vertical since it collects fund for only music campaigns. In the music industry, vertical crowdfunding platforms are becoming popular since they allow novel and experienced artists to gather money directly from public to release their albums and also fans have the chance to contribute in the production stage of the albums of their favorite musicians (Ordanini et al, 2011). SellaBand, MyMajorCompany, Artistshare, Slicethepie, Akamusic, Megatotal, and Bandstocks can be regarded as examples of crowdfunding platforms that allow relationships between fans and musicians (Ordanini et al, 2011; Belleflamme et al, 2014; Galuszka and Bystrov, 2014). Artists publicize demos of their songs in the website of the platform and potential funders can freely listen to them. Fans may be supporter in the production of the album they want to fund. If the artist reaches the funding goal (e.g., \$50,000 for SellaBand), he/she can get the money for producing the professional album (Belleflamme et al, 2014). Based on the type of the platform's model, funders may get a particular amount of revenue of the album or some rewards like a poster of the musician or a copy of the album (Ordanini et al, 2011; Macht and Weatherston, 2014).

While vertical type of crowdfunding platforms has popular in music industry, other sectors like cinema, gaming, journalism, publishing, fashion, software, and sport have benefited from this type of financing method. For example, “Habemus Papem” and “Polisse” which were the nominee for Golden Palm prize at the Cannes Film Festival in 2011, were funded through PeopleForCinema.com., a French crowdfunding platform (Hollow, 2013). Besides long feature films; short films, animation and even documentary films may find opportunity to actualize the projects. Film makers not only demand capital for making their film, but also for the distribution of it in the retail market (Braet et al, 2015). Further, funders who expect only non-financial return, may support journalists to search and publish the works they are interested in (Zheng et al, 2014; Macht and Weatherston, 2014).

Vertical platforms are most likely to build their own community due to common interest of these groups and high social identification within group (Demiray and Aslanbay, 2017). For instance, a crowdfunding platform which was founded in San Francisco, USA in 2008, has been used to finance projects of novice and experienced journalists. Journalists create a profile and post their campaigns including their action plans and project targeted amount on the platform (Burtch et al, 2012). After they reach their goal, they present their publications on the platform's online medium. Fashion is another sector that is convenient for crowdfunding entrepreneurs. In these type of platforms, designers post images of their own design of products such as clothes, jewelry, shoes and if prospective funders desire to support these works, they might contribute. The income from the sales of designed products are shared among actors (Ordanini et al, 2011). In the field of software, Blender Foundation can be considered as an example of vertical crowdfunding platforms (Belleflamme et al, 2014). Blender Foundation is a donation-based crowdfunding website that was founded in Nederland to fund public good software projects. Crowdfunding system is also commonly used in real estate industry where funders (investors), who become the owner of a particular share of a property, may get rental revenue (Pyburn, 2014). Due to the vital role of the platform, to select the appropriate medium is crucial for the success of the crowdfunding campaign (European Commission Report, 2013).

2.3.2 The funding mechanisms of crowdfunding platforms

In crowdfunding system, there are two basic approaches of funding mechanisms including 'all-or-nothing' and 'keep it all' which are used by fundraisers. The main distinction between these two mechanisms is primarily depend on whether the funding goal is reached or not in a certain time period. The first and more accepted is the "all-or-nothing" model where entrepreneurs target a certain amount of fund that must be raised within a project period and the fundraiser gets no money unless the funding goal is not reached and also there is no financial exchange and a funder's credit card is not charged (Gerber et al, 2013). In this type of funding mechanism, the pledged money is returned to the funders since a funding goal is not achieved, and the fundraiser obtains no capital. As another funding mechanism, the "keep it all (keep-what-you-raise)" type funding refers to direct compensation where pledged funds are transferred to the fundraisers who is able to keep all the fund they collect even if the campaign goal is not met (Martínez-Canas et al, 2012). Keep-it-all funding model allows project

creators to keep any amount of pledged money regardless of whether the funding goal is met at the end of project duration. If there are insufficient funds to actualize the project, then it is up to the fundraiser to make repayment pledged amount to the supporters. In both models, when the funding goal is achieved, fundraisers are charged to a certain amount of money what they collect including a fee for a platform's operational cost (between 3-5%) and a payment processing fee (between 3-5%) for the web-based payment system (Hui et al, 2012). Though it is revealed that the vast majority of crowdfunding platforms generally serve based on an all-or-nothing model (European Commission Report, 2013), some platforms also offer both fundraising mechanisms options to select one of them.

All-or-nothing financing mechanism can be used in one of two forms: either funders are not charged until the initiative achieves its funding goal, or pledged money is kept in an intermediary institution such as a payment system organization for a while and repaid if the target is not accomplished. An outstanding example for all-or-nothing funding mechanism is Kickstarter platform. Kickstarter announced in their website that a success rate for its projects is 37% in June 2019, substantially higher than typical fundraising efforts. They declare that 78% of projects that collected more than 20% of their targeted amount ultimately succeed in attaining financing, proving the importance of all-or-nothing funding mechanism in attracting funders early in the campaign duration. Since no funds will be delivered if the targeted amount is not met, an over-ambitious campaign goal may lead to fundraisers to fail. Once a campaign has achieved its targeted amount, it can continue to collect money until project's deadline, allowing fundraisers to exceed their original project goal (Kuppuswamy and Bayus, 2014). If a project achieves its goal, the fund pledged by supporters is raised via Amazon Payments, and Kickstarter receives 5% of total amount of money, with Amazon charging an extra 3-5% as its payment system operation cost (Safner, 2015).

Similar to Kickstarter's all-or-nothing system which only delivers committed money to fundraisers if the campaign goal is reached within a deadline, IndieGoGo crowdfunding platform benefits also the "keep it all" funding mechanism and transfers all pledged fund depend on the deadline, regardless of whether the funding targeted amount is met or not (Safner, 2015). Keep it all financing mechanism enables an initiative to retain whatever funds it collects by the time the campaign finishes. This type of funds generally is delivered immediately at the end of the

crowdfunding campaign, often which continues between 30 and 90 days. IndieGoGo offers fundraisers both fundraising mechanism options. They inform that the chance of any project achieving its targeted amount doubles once the first support is obtained, quadruples once the campaign accomplishes 10% of its goal, and more than quintuples once 25% of the targeted fund is pledged. IndieGoGo enables fundraisers to draw on pledged money immediately, whether or not the goal is met, but the fee based on whether the funding goal is met or not. IndieGoGo charges a 4% fee if the funding goal is met and a 9% fee if it is not (Bradford, 2012). For keep it all campaigns, IndieGoGo charges higher fees if the goal is not reached (Crowdfunding's Potential for the Developing World, 2013). On the other hand, if a campaign becomes successful, Kickstarter receives a 5% fee; otherwise, Kickstarter does not charge a fee.

2.3.3 Campaign process in a crowdfunding platform

Crowdfunding campaigns are published through webpages of crowdfunding platforms. The process in the crowdfunding campaign has several steps which are shown in Figure 2.1. The first step is preparing of a crowdfunding campaign which consists also determining campaign plans and testing the campaign materials. In this phase the fundraiser explains clearly the purpose of the fundraising activity, its funding goal and funding levels related to rewards and/or other kind of values promised such as \$1, \$10, \$50, \$100, \$500, and \$1,000, the number of supporters for each level and the rewards/values promised as offerings. Higher funding levels grant greater rewards/values. Many campaigns fail due to inappropriate funding goal (Kuppuswamy and Bayus, 2014). Also, it is revealed that attractive rewards may attract more funders especially in the technology related crowdfunding campaigns that reach their target amount (European Commission Report, 2013). At the beginning of the campaign, the fundraiser supplies presentation materials/video including explanation of how he/she will be successful in the certain crowdfunding project and spend the fund, offers a business action plan and specifies deadlines of the relevant business plans. The second step is launching the campaign in the crowdfunding platform website, propose of which is drawing the attention of the prospective supporters and spread the word related to the project. The fundraiser has to benefit from the social media instruments to access wider prospective funders in a limited time. In addition, real-time marketing and one-to-one marketing techniques have powerful tools to increase the possibility of success in a crowdfunding campaign (Tigli, 2018). The third step is managing the

project through assessing reviews and recommendations of the prospective supporters, replying their questions, directing the arguments on the platform's webpage and providing information about the project updates. Informing the (prospective) funders is significant while managing the project since it is reported that success rate of the campaign with updates is 58.7% whereas the success chance of the campaign without updates is 32.6% (Creative Funding for Creative Media, 2014). Additionally, prospective supporters want to contribute the initiative that may become real, thus, convince the audience, the fundraiser has to be transparent. The final step is transferring the promised deliverables such as thank you message, rewards (i.e. a t-shirt, a poster, an album, first editions of a product), and in some cases experiences and knowledge of the fundraisers in the platform's webpage. It is revealed that fundraisers spend up to 7 hours a day like a full time job for the crowdfunding project. (Hui et al, 2014).



Figure 2.1 : Crowdfunding campaign process.

2.4 Crowdfunding Market Structure

The crowdfunding system has become an alternative financing mechanism to traditional investment methods including VCs, angel investments, and banking. Moreover, it is accepted as leverage to support innovation, entrepreneurship, and employment by facilitating monetary access and strengthening social network (Milosevic, 2015). Massolution's 2015 CF (Crowdfunding) Industry Report asserts that business and entrepreneurship as a crowdfunding category is dominant by reaching to \$6.7 billion (41.3 %) in 2014 and it is followed by social causes category (\$3.06 billion), films and performing arts (\$1.97 billion), real estate (\$1.01 billion), and music and recording arts (\$736 million). According to the same report, the global crowdfunding markets have raised from \$6.1 billion in 2013 to \$34.4 billion in 2015. It is forecasted that total global crowdfunding funding volumes would reach up to \$73 billion in 2018 (Technavio, 2018). Although World Bank (2013) had predicted that it would reach \$96 billion by 2025 (Crowdfunding's Potential for the Developing World, 2013), it is seen that crowdfunding market in the world has an accelerated expansion

rate that is more than previous prospective volume since recent research claims that global crowdfunding market is expected to grow to \$162.47 billion by 2022 (Technavio, 2018). Concerning the crowdfunding platform quantity, although there is no precise information, it is predicted that more than 2000 crowdfunding platforms currently operate in the world.

As for the market structure by models, it is notable that the type of crowdfunding model could be determined by the amount of funding goal and the life stage of the enterprise (shown in Figure 2.2). Donation-based crowdfunding is generally used in idea development phase with a small amount of funding requirement. Lending (debt) and equity-based crowdfunding models are effective at idea actualization and relatively large amount of capital is needed at this phase. It is obvious that in all phases of enterprise life-cycle, crowdfunding might be an effective funding system. Concerning the global market size by models, lending-based crowdfunding reached the vast majority of market share as 76% in 2017, while the percentage of reward and donation-based crowdfunding market in total was 16%, and equity-based crowdfunding had relatively small market share with 8% (Statistica, 2017). Market share and growth rate of equity-based crowdfunding is expected to rise rapidly since the number of countries which organize regulations on this kind of crowdfunding model has increased and also some European Union countries are planning to set rules in order to enable equity-based crowdfunding platforms can operate across other EU regions.

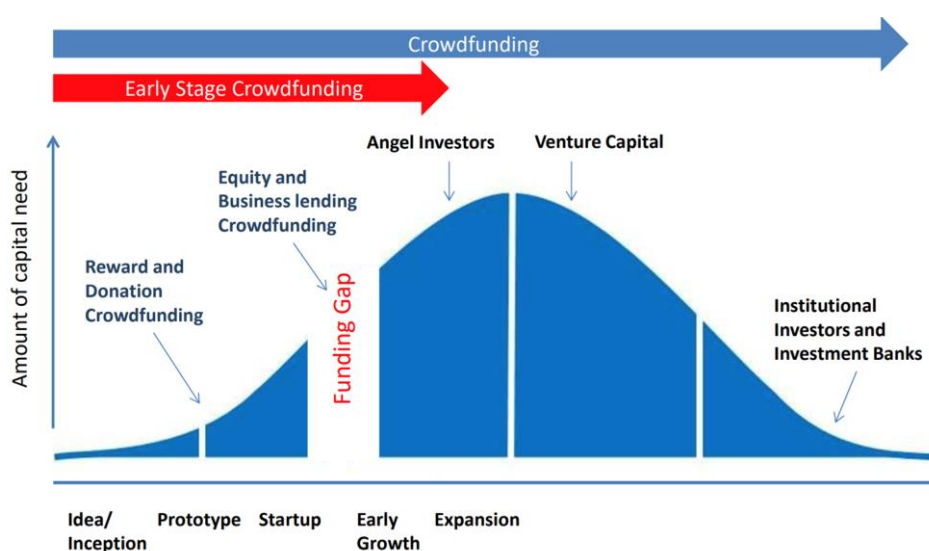


Figure 2.2 : Crowdfunding type based on the enterprise life stages (Crowdfunding’s Potential for the Developing World, 2013).

When it comes to the crowdfunding market structure by regions, according to the Massolution's 2015 Crowdfunding Report (2015) in 2014, North America keeps going on its regional market leadership by the funding volume of \$9.46 billion with the 145% growth rate. While, Asia rose to the second rank in the regional market list with the 320% growth rate by the amount of \$3.4 billion and Europe became the third one and only reached \$3.26 billion funding size with the 141% growth rate. Regional crowdfunding market growth rates of South America, Oceania and Africa are 167%, 59% and 101%, respectively (Massolution's 2015 CF Industry Report, 2015). Based on the recent data, there are three key countries holding the majority share of the global crowdfunding market in 2017. US is the global leader with the dominant market share (45%), followed by China and the UK (Technavio, 2018).

2.5 Crowdfunding Community Engagement

Crowdfunding platforms have the features of online communities where members of the community transact their informations, express their experiences, offer solutions for their problems, use common language and have a feeling of shared identity (Demiray and Aslanbay, 2016). Ordanini et al, (2011) assert that crowdfunding system demonstrates community-based framework to generate "community benefits" for members which leads to synergy and sustainability. In researches (e.g., Vivek et al, 2012; Brodie et al, 2013; Wirtz et al, 2013; Casalo et al, 2011; Schouten et al, 2007) engagement with the community is seen as a vital behavior for active participation to sustainable co-creative projects. Brodie et al. (2011) posit that customer engagement carries out within an interactive, continual structure of service relationships which are in existence for co-creative experiences. In a S-D logic perspective, dynamic and co-creating practice can be considered as a certain form of "engagement" (Lusch and Vargo, 2010). Thus, engagement provide continuance of "(individual) transactions" in an interactive manner (Van Doorn et al, 2010, p. 254). Consumer engagement is a significant element of relationship marketing since the term 'engagement' is accepted as the central concept of consumer communities and co-creative networks (Vivek et al, 2012; Brodie et al, 2013; Wirtz et al, 2013) since "interactive consumer experiences co-created with other actors can be interpreted as the act of –engaging–" (Brodie et al, 2013, p.106).

Brodie et al. (2011, p. 259) defined as the key characteristics of “engagement,” that is; “(The undertaking of specific) interactive experiences (between) a focal agent (i.e. “engagement subject;” e.g. a customer) and object (e.g. a brand, product or organization) within specific service relationships” and systems. For example, Mollen and Wilson (2010, p. 5) identify brand engagement in an online environment as “the cognitive and affective commitment to an active relationship with the brand as personified by the web site or other computer-mediated entities designed to communicate brand value.” Customer engagement as the “intensity of customer participation with both representatives of the organization and with other customers in a collaborative knowledge exchange process” (Wagner and Majchrzak, 2007, p. 20). Moreover, the conception of “customer engagement” is seen practicable for explaining customer-firm or customer-to-customer interactions in the virtual areas (Sawhney et al, 2005; Breidbach et al, 2014). According to van Doorn et al. (2010), (customer) engagement is more than attitude, it can be extended to context-related behavioral activities and stems from motivational drivers. Online brand community engagement, for instance, refers to identification with the online brand community which leads to active participations to the group activities (Brodie et al, 2011), support other community members and stimulate community’s value for themselves and others (Algesheimer et al, 2005). Community engagement can be seen as interactive permanent relational process. Despite its significance in online co-creative networks, there is a few research that investigates engagement behaviors in crowdfunding system.

The customer engagement concept is acting a person’s focal psychological situation (Patterson et al, 2006; Breidbach et al, 2014; Mollen and Wilson, 2010; Vivek, 2009), Bowden (2009) declares “customer engagement” as a “psychological process” including both cognitive and emotional aspects. However, Hollebeek (2011) defines customer engagement as “state of mind” and emphasises its motivational aspect which is qualified with cognitive, emotional and behavioral activities. Brodie et al, (2011) also describe customer engagement as an individual’s cognitive, emotional and behavioral action in interactive activities. Bouvier et al. (2014) identify engaged behaviors into four categories including environmental-directed, social-directed, self-directed and action-directed. In crowdfunding context, engagement refers to social participation called “participation spirit” which leads to willingness to become a part

of community that supports a person who needs fund to actualise a particular purpose (Ordanini et al, 2011). In online community literature, studies show that the outstanding consequences of consumer engagement can be regarded as satisfaction and loyalty (Bowden, 2009; Casalo et al, 2007; Schouten et al, 2007).

3. RESEARCH METHODOLOGY

The major purpose of this thesis is to explore the key dynamics of engagement in crowdfunding community from perspectives of main actors; fundraisers and funders. In addition, it aims to explore the effects of crowdfunding community engagement for establishing strong relationship among members of the crowdfunding community. An understanding of the factors that affect community engagement is an essential step for exploring the current impressions of crowdfunding communities, and represents a valuable opportunity for development in this novel funding mechanism.

Crowdfunding communities act somewhat distinct from other kind of online communities (i.e. online brand community, online consumption community) due to their monetary and risk involved nature. Therefore, crowdfunding community has social, financial, personal and functional motivation that are important to strengthen interactivity among actors (Sakamoto and Nakajima, 2013). Crowdfunding system consists of a co-creative and co-productive structure that encourage the innovation and engagement among actors to make new ideas come into existence. The research main model of this thesis aims to understand how components of engagement affect fundraisers' in-group favoritisms and behavior in a crowdfunding community. This research seeks to address personal drivers, social drivers, and functional drivers as independent variables and crowdfunding community outcomes including community satisfaction and WOM as dependent variables of the research main model. The research main model framework is given in Figure 3.1.

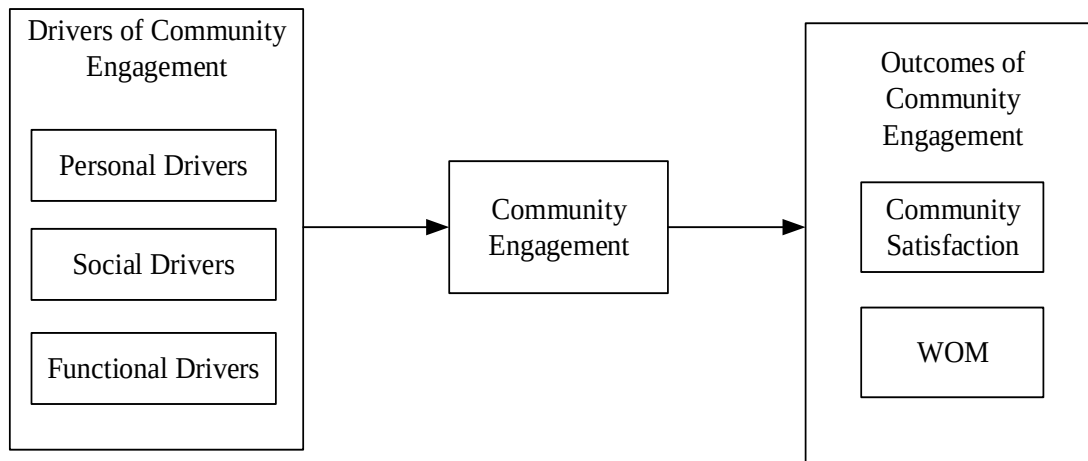


Figure 3.1 : Research main model.

To provide comprehensive understanding of the main issues, this research is organized involving two consecutive studies. First research was conducted as exploratory to be able to understand the crowdfunding market in Turkey and identify variables of the drivers of community engagement through designing a positioning map of crowdfunding platforms and in-depth interviews with crowdfunding community actors. Although crowdfunding as a mechanism launched in 2010 in Turkey, it is in its nascent phase in comparison to developed crowdfunding markets in the USA and Europe. Crowdfunding market in Turkey has expanded due to evolving legal arrangements and analyzing crowdfunding platforms is critical to be able to understand market structure in Turkey. Therefore, this study designed a a positioning map of crowdfunding platforms and provided detailed information about crowdfunding market in Turkey. Then, due to the limited number research about engagement in crowdfunding community, qualitative researches were conducted to explore antecedent of community engagement in the context of this novel concept. Concerning the qualitative research, in-depth interviews with experts, (prospective) fundraisers and funders were executed. Second research is designed as descriptive studies and used the survey instruments to collect data from entrepreneurs as (prospective) fundraisers and (prospective) funders as members of crowdfunding communities and determine the certain drivers and their roles on creating engagement within a crowdfunding community.

4. EXPLORATORY RESEARCH: INVESTIGATION OF CROWDFUNDING

Entrepreneurship is rapidly increasing and presents a huge potential in Turkey since it is regarded as a stimulant of innovation and a provider of steady employment opportunity (Global Entrepreneurship Monitor Report, 2019). In addition, it is seen as one of the main drivers of economic growth based on the fact that improving the conditions for entrepreneurship by 10% could raise \$331 billion to the economy (Global Entrepreneurship Index Report, 2017). Therefore, entrepreneurship is encouraged and supported by government, universities and many stakeholders in Turkey. However, the low accessibility of capital is one of the significant problems for entrepreneurs. Although Turkey has a variety of financial mechanisms including banks, angel investors and VCs, entrepreneurs encounter difficulties in getting fund to realize and maintain their projects. Government funds have the dominant market share by the funding volume of \$71 million whereas angel investments and VCs have less volume by the amount of \$25.7 million for funding early phase startups in 2018 (Startups.watch, 2019).

Crowdfunding, as a novel concept, offers an alternative funding method that enables entrepreneurs to access capital in a feasible manner. Although crowdfunding as a mechanism launched in 2010 in Turkey, it is in its nascent phase in comparison to developed crowdfunding markets in the USA and Europe. Crowdfunding activities in Turkey had been relatively limited since the issue of crowdfunding was not characterized by the Capital Market Board (SPK) which is the authorized governmental institution to regulate financial systems. In 2017, Crowdfunding Association in Turkey was established to accelerate the process concerning the regulation and encourage widespread use of crowdfunding platforms that provide alternative funding opportunities for the entrepreneurship ecosystem. With the contribution of Crowdfunding Association, on December 5, 2017, crowdfunding was legally accepted under the Capital Market Law and crowdfunding platforms were entitled to act as intermediate in crowdfunding activities by getting a license from Capital Market Board in Turkey. On the other hand, the scope of this regulation was limited since only the description of the crowdfunding concept and fundamental

characteristics of a crowdfunding platform had been given. Therefore, it is necessary to publish secondary legislation to clarify rules and procedures with regard to crowdfunding.

As an effort to accomplish this requirement, Draft Communique on Equity-Based Crowdfunding was released for one-month public comment and review period by the Capital Market Board on January 3, 2019 (Url-1). While equity-based crowdfunding platforms are regulated under the Draft Communique, lending-based crowdfunding and also real estate crowdfunding in Turkey are firmly forbidden. However, Draft Communique does not enact rules and procedures concerning donation and reward-based crowdfunding activities and platforms.

Draft Communique on Equity-Based Crowdfunding provides most of the crucial key points for platform managers, entrepreneurs, and investors who are the main actors of this novel funding system. From the platform management perspective, the Draft Communique sets the rules and procedures about how a platform gets the license, establishes committees for supervising the activities and selecting crowdfunding projects, conducts required membership activities, organizes fund collection and transfer and provides detailed information concerning the activities to the Capital Market Board. Moreover, this Draft Communique regulates activities and responsibilities of entrepreneurs such as what kind of information they have to submit to their potential investors, the duration of crowdfunding campaign, the requirements of launching a company and reaching target funding amount, the usage of the funds, the scope and frequency of the announcements about their start-ups activities and tax issues. As for the investor aspect, Draft Communique regulates investments activities by making a distinction between qualified and non-qualified investors to be able to adequately protect the rights of investors. While there is no limit about the investment amount for qualified investors, non-qualified investors can annually invest maximum TR 20,000. Moreover, all investors have to sign risk agreement since the nature of start-up investment includes risk due to high start-up business failure rate. On the other hand, a notable criticism to Draft Communique on Equity-Based Crowdfunding is the uncertainty regarding the secondary market which might discourage potential investors to invest their money to the crowdfunding projects.

As of today, donation and reward-based crowdfunding platforms has been actively operating in Turkey. These are Arıkovani, Buluşum, Crowdfon, Fonbulucu, Fongogo,

and Ideanest. Bi'Ayda, Ortagız, and ProjemeFon were platforms that exited from the crowdfunding market in Turkey. However, ProjemeFon was purchased and has named as Crowdfon in 2013. Until the end of 2017, 867 crowdfunding projects had been published in these platforms and the crowdfunding market size was TR 20.149.365.000 (Unsal, 2017). By the end of 2018, approximately 300 projects were successfully funded out of more than 900 published crowdfunding projects and almost TL 8 million was pledged. Based on this information, it can be seen that the success rate of crowdfunding projects is 30% in Turkey.

As a developing crowdfunding market, there are a few equity-based crowdfunding platforms that have been established as informal and waiting for finalizing the legislative process of equity-based crowdfunding by Capital Market Board to launch officially and actively their operations in Turkey. These platforms are StartupFon, Fongogo Pro, and Fonbulucu.com Invest.

4.1 Design of a Positioning Map for Crowdfunding Market in Turkey

The concept of positioning which is critical component in marketing, branding, and strategy (Aaker, 1996; Hooley et al, 2008; Kapferer, 2012; Keller, 2012; Porter, 1996) can be used for crowdfunding platforms to clarify the perception that certain platforms create in the minds of actors of this novel system including entrepreneurs as potential project creators, funders/investors, and managers of other platforms. In addition, a positioning strategy that ensures competitive superiority is a key point to the success of a company or a brand (platform here) (Wen and Yeh, 2010). Crowdfunding platforms that properly build their positioning strategy against their competitors can take advantages by differentiating their attributes from other platforms. Positioning map can be used by platform managers to discover gaps in the market and guide their activities. In this study, platforms are displayed as points assessed based on two distinct attributes as dimensions shown in the positioning map (Figure 1). These main dimensions offered by authors of this study to conceptualize positioning of the crowdfunding platforms are the level of complexity based on regulatory procedures and the level of expertise based on project categories. Since Turkey was selected as an emerging market case in this study, all types of crowdfunding models cannot be displayed in a positioning map. As a result of the upcoming legal crowdfunding arrangement in Turkey in which lending-based crowdfunding is forbidden, there is no

platform adopting lending-based crowdfunding model. Besides, equity-based crowdfunding platforms that have not actively operated in Turkey due to incomplete legislation process are displayed based on information that is provided through their beta-version websites and declarations of platform managers about the objectives of their platforms.

The first dimension of the positioning map, represented on the X-axis, is determined as the complexity level of regulatory procedures. Crowdfunding models have different levels of complexity concerning funding processes, procedures and regulatory arrangements related financial transaction structure (Hemer, 2011). While the donation-based model has the simplest procedure and process in comparison to the others, equity-based crowdfunding is the most complicated among all other kinds of models. Moreover, lending-based crowdfunding is more sophisticated than reward-based due to its tight capital acquiring mechanism. The X-axis of the positioning map provides critical insights about platforms such as a platform's target market depending on the typology of project creators and funders, motivational aspect, the stage of entrepreneurial activity, the amount of capital need, the degree of risk perception, and the type of funding mechanism. In the donation-based model including the simplest procedures, project creator of crowdfunding campaigns are mostly individuals, charities and non-profit organizations. Therefore, in the less sophisticated level, funders desire to help the (social) causes and philanthropy is the main motivation for funding. Despite non-financial characteristic of reward-based crowdfunding models, generally, some tangible rewards such as products produced as the outcome (i.e. a DIY tool, an album, or a gala ticket for a supported film) are delivered to funders in this model (Mollick, 2014). Although both lending-based and equity-based models are used to receive the maximum financial return, the degree of risk perception in equity-based crowdfunding model is more than of lending-based one (Kuppuswamy and Bayus, 2014). In general, while the level of complexity is increasing, the monetary return expectancy and risk perception are getting high from the funders' perspective. In addition, less complex crowdfunding models are adopted in the early phases of entrepreneurial projects where less amount of capital is required (Braetet al, 2013). In fact, less sophisticated crowdfunding models can benefit from both "keep-it-all" funding mechanism which allows project creators to keep any amount of pledged money regardless of whether the funding goal is met at the end of project duration, and

the “all-or-nothing” funding mechanism where entrepreneurs target a certain amount of fund that must be raised within a project period and the creator gets no money unless the funding goal is not reached (Gerber et al, 2013).

As for the other dimension of the positioning map, the level of expertise based on project categories is represented on the Y-axis. Concerning this attribute, types of crowdfunding platforms are evaluated based on the scope of project categories that are accepted for publication. The crowdfunding ecosystem encompasses primarily two types of platforms: horizontal and vertical (Demiray et al, 2017). Multicategory platforms, called as “horizontal platforms”, offer a broad basis for all kind of crowdfunding initiatives including animals, art, comic, community, dance, design, education, environment, fashion, film, food, gaming, health, music, photography, politics, religion, small business, sports, technology, theater, transmedia, video/web, and writing. On the other hand, single category platforms or specialized ones called as “vertical platforms”, may focus and serve less or single kind of crowdfunding projects. Vertical platforms are field, project category or industry centric, and attract people with similar interest and motivations. In the music industry, vertical crowdfunding platforms are becoming popular since they allow novel and experienced artists to gather money directly from public to release their albums and also fans have the chance to contribute in the production stage of the albums of their favorite artists (Ordanini et al, 2011). As expected, vertical platforms are most likely to build their own community due to common interest of these groups and high social identification within group (Demiray and Aslanbay, 2017).

4.1.1 Crowdfunding platforms in Turkey

In this section, analysis about active crowdfunding platforms adopting non-financial models as donation and reward-based are presented, such as Arıkovanı, Buluşum, Crowdfon, Fonbulucu, Fongogo and Ideanest and positioning map of crowdfunding platforms in Turkey is proposed in Figure 4.1. Also, active crowdfunding platforms in Turkey and their characteristics are summarized in Table 4.1 based on the data available on platforms’ web site at the end of 2018. Last, information related equity-based crowdfunding platforms including Fongogo Pro, Fonbulucu.com Invest, and StartupFon are provided.

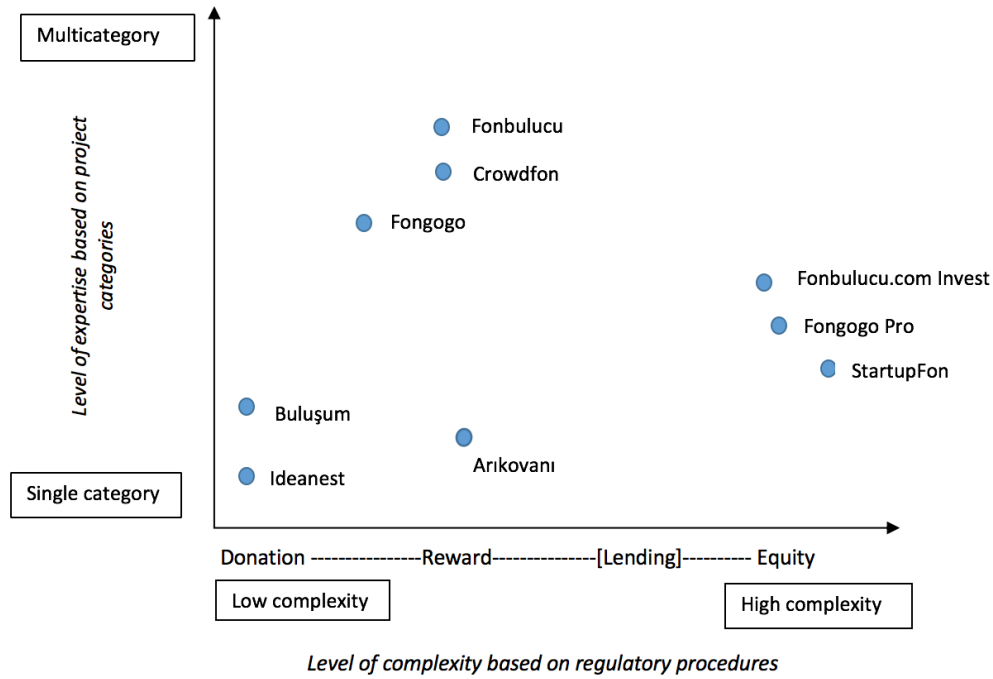


Figure 4.1 : Positioning Map of Crowdfunding Platforms in Turkey.

4.1.1.1 Platforms adopting non-financial models

Arıkovani: This platform was launched in 2016 by Turkcell which is the most popular telecommunication company in Turkey. Reward-based model and all-or-nothing funding mechanism are adopted in this platform (Url-2). This platform is an example of a vertical platform concerning the level of expertise based on project categories since it includes only technology and innovation focused projects with prototypes and targeting end users are accepted. As of at the end of 2018, 34 projects were successfully funded out of 66 launched initiatives and approximately TL 4,600,000 has been raised (Ertopuz, 2018). ApeX Drone project, the most successfully funded crowdfunding project in Turkey, was launched through Arıkovani and raised TL 783,955. This crowdfunding platform is ranked number one in terms of total funding volume in Turkey.

Buluşum: This platform was launched in 2015 by Boyner Foundation where donation-based model and “keep it all” funding mechanism are used. It is a vertical platform which concentrates on social entrepreneurship and projects offering public good. Twelve projects were successfully funded out of 14 published campaigns and TL 288,300 have been collected as of today (Url-3).

Crowdfon: Although Crowdfon was officially launched in 2013, it is identified as the oldest platform since it purchased the first crowdfunding platform, established in 2010, called ‘Projemefon’ and changed its name to Crowdfon. Reward-based model and all-or-nothing funding mechanism are adopted in this platform which represents an example of the horizontal platform since it has ten project categories including art, technology, film and video, photography, music, publishing, design, environment, and mobile (Url-4). Eighteen projects were successfully funded out of 185 launched initiatives and almost TL 84,000 have been raised by 2017 (Cubukcu, 2017).

Fonbulucu: Fonbulucu, launched in 2017, is a reward-based crowdfunding platform. It has multiple funding mechanisms such that ‘all-or-nothing’ and ‘keep it all’ are used by project creators. While ‘all-or-nothing’ campaigns are published by individuals and companies, ‘keep it all’ option is offered for non-profit organizations. This platform is an example of horizontal platform and located as the least specialized in the positioning map (shown in Figure 1) since it has 15 project categories including energy, animals, science and technology, design, education, environment, health, women plus, sports, culture and art, film, music, publishing, and social responsibility. Concerning the project categories, science and technology have the largest percentage with 18%, followed by social responsibility with 13%, culture and art with 10%. Eleven projects were successfully completed out of 24 published campaigns and TL 283,740 have been pledged (Url-5).

Fongogo: The platform, founded in 2013, adopts both reward- and donation-based models (Url-6). While reward-based crowdfunding campaigns with ‘all-or-nothing’ funding mechanism are launched by individuals and companies, donation-based ones with ‘keep it all’ funding mechanism can be used by non-profit organizations. Although it represents an example of the horizontal platform due to its wide range of project categories including environment, dance, education, film, food, culture and art, music, health, sports, design and architecture, technology and tourism, film category is the most outstanding one among all categories which constitute almost 40% of published projects. It can be seen that the platform is gaining expertise in the film category and is increasing its popularity by promoting the growth of this category. Also, Fongogo makes a significant contribution to the film industry by enabling filmmakers to realize their projects. Especially, producers of many short films and documentaries find the opportunity to attend national and international festivals and

win prizes. By the end of 2018, 130 projects have been successfully completed out of 422 published campaigns, TL 2,444,599 has been raised, 12,232 people have supported a single project, and there are 25,655 members in this platform. Fongogo is the largest platform in terms of quantity of campaigns launched and the number of members in Turkey.

Ideanest: This platform in which donation-based model and ‘keep it all’ funding mechanisms are used, was launched in 2017 by TTGV (Technology Development Foundation in Turkey). It is a pure vertical platform which focuses on technological projects offering public good. Indeed, early stage technological and innovative initiative even in idea generation and research phase can be launched in this platform. Nine projects were successfully funded out of 10 published campaigns and TL 335,154 have been collected as of today (Url-7).

Table 4.1 : Active crowdfunding platforms in Turkey and their characteristics.

Platform	Date of Inception	Crowdfunding Model	Number of Launched Projects	Number of Successfully Funded Projects	Total Raised (1000 TL)
Arikovani	2016	Reward-based	66	34	4,600
Buluşum	2015	Donation-based	14	12	288
Crowdfon	2013	Reward-based	185	18	84
Fonbulucu	2017	Reward-based	24	11	284
Fongogo	2013	Donation and Reward-based	422	130	2,447
Ideanest	2017	Donation-based	10	9	335

4.1.1.2 Platforms adopting equity-based models

As the crowdfunding market develops, a few equity-based crowdfunding platforms have been informally established and are looking forward to the finalization of the legal process of Equity-Based Crowdfunding by Capital Market Board in Turkey. These platforms are FongogoPro, Fonbulucu.com Invest, and StartupFon which are expected to launch officially their operations soon.

Fongogo Pro: Fongogo Pro will operate as equity-based crowdfunding platform(Url-8). The managers of Fongogo Pro have a great crowdfunding experience which comes from operating Fongogo platforms for a long time. They intend to use their current members to provide market penetration concerning this newly emerging crowdfunding model in Turkey. In addition, they get into partnerships with many seeds and early

stage incubation centers, universities and angel investor networks to attract entrepreneurs, individuals, non-qualified and qualified investors. The platform believes that everyone has the opportunity to become an angel investor and therefore aims to target individuals as potential funders who want to use their savings.

Fonbulucu.com Invest: This platform is the equity-based version of Fonbulucu.com which is reward-based crowdfunding platform (Url-9). The managers of this platform consider that equity-based crowdfunding democratizes financing industry from perspectives of both entrepreneurs and investors to support the collective financial system. This platform aims to offer a marketplace to bring together project creators who seek investors and funders who want to get a financial return with a small amount of capital. In fact, the platform intends to actualize a culturally traditional collective concept in helping (called ‘imece’) in the scope of equity-based framework and even aims to attract savings of housewives to make real the dreams of entrepreneurs. That is why this platform is located as less specialized in the positioning map (illustrated in Figure 1) among current equity-based crowdfunding platforms in Turkey.

StartupFon: This platform is launched by Istanbul Startup Angels, which is an accredited angel investment network established in 2012 (Url-10). The managers of the platform propose to transfer offline investor community to online settings. This may be seen as an important competitive advantage since digitalization enables traditional angel investor community to increase its effectiveness and to be able to access more successful entrepreneurs by having less operational costs without geographic constraints. This platform has a project evaluation process ranging from 3 to 6 months and if the project is accepted by at least three qualified investors, it can be launched in the platform. Therefore, this detailed due diligence process will take more time compared to other equity-based crowdfunding platforms. The platform aims to concentrate on technological projects such as software, high-tech, blockchain, AI, IoT, and mobile which are in their seed or early investment stage. The platform is planning to make investments to more than a hundred startups with approximately \$30 million in funding volume within 5 years. The platform has almost 250 members and targets potential angel investors and managers in traditional companies. In addition, the platform offers individuals, who have not enough knowledge about startup investment, an option called common investment funding in which certain start-ups are selected by StartupFon (Cıracı, 2019). Therefore, this platform is located in the area of less

expertise project category and more sophisticated procedures in the positioning map (shown in Figure 4.1).

4.2 Qualitative Studies: In-dept Interviews

Due to the limited number research about crowdfunding system especially in developing countries, qualitative researches are conducted to understand attitudes and behaviors toward this novel concept. To provide a comprehensive understanding, in-depth interview studies with experts (founders of crowdfunding platforms, crowdfunding platform managers, angel investors, managers at Seed & Early Stage Incubation Centers, Entrepreneurship Consultants), existing/potential funders, and existing/potential project fundraisers are executed. The author conducted 3 unofficial in-depth interviews with experts on the subject of crowdfunding concept to finalize interview questionnaire forms. The author acted as an interviewer in the qualitative research in which different semi-structured questionnaire forms were used for each group (see Appendices A, B and C).

Open-ended responses were asking to the respondents about their knowledge and perception related the concept “crowdfunding” and its mechanism, their awareness and familiarity concerning the crowdfunding models and platforms. Moreover, the respondents were requested to reply the questions about projects that they launched (for fundraisers), funded (for supporter and fundraisers) and they remembered and/or liked (for experts) to explore their attitudes and behaviors toward this novel system. Besides, in order to know much about the factors as personal driver, that is critical for crowdfunding community in the perspective of innovation-conation closed-ended questions were asking to the participants in project creator group. 5-point scales were used (1: strongly disagree, 5: strongly agree) for all closed-ended questions.

Total 29 interviewers have taken a part on the qualitative section on this research. Concerning the crowdfunding expert interviews, 8 participants have contributed to this section. In addition, 10 prospective/current crowdfunding project fundraisers have accepted to reply in-depth interview questions. Before in-depth interviews with funders, because of the newly emerging nature of crowdfunding concept, a preliminary survey was applied to determine potential participants for the following qualitative study (see appendix D). In this survey, the respondents, the total number of that was 131, were asked whether they are familiar of crowdfunding concept or not. If the

answer is affirmative, the respondent is requested to describe what the crowdfunding is and to write down the name of the crowdfunding platform that he/she knows. Respondents who were familiar with the concept of crowdfunding (approximately 15%) were asked to become an in-depth interviewee. 11 of them have accepted to participate the research.

Data analysis is conducted under three sections to ensure the understanding of the factors that influence community engagement in crowdfunding platforms. Sections are structured based on the type of drivers including personal drivers, social drivers, and functional drivers in accordance with the research main model frameworks of this thesis. The author presents the finding of three groups of qualitative studies together to provide a comprehensive understanding about the subject instead of discussing the qualitative results separately based on the per actor such as crowdfunding experts, project fundraisers and funders.

4.2.1 Personal aspect of crowdfunding

Perception of the crowdfunding system from supporters perspective in US and Turkey markets are quite different from each other. Supporters in US crowdfunding system consider that crowdfunding is a business (a kind of pre-order business) or charity. They perceive crowdfunding projects as professional a business, or at least as a starting level of professional business. On the other hand, supporters in Turkey suppose that when the fundraiser launch a crowdfunding project, it means to them the fundraiser of the project ask them for a support as a kind of donation/almsgiving even this project is a reward-based crowdfunding campaign. One of the main reasons of this perception might be that the culture of charity and almsgiving (sadaka) is dominant in Turkey. Since individuals are tend to donate instead of to lend money. One of the expert who is also a crowdfunding project creator and a funder has stated her opinion about the funding as follows: “The motivation of donation in Turkey is to be able to go to the heaven instead of actualizing one’s dream/goal.”

Therefore, it might be said that philanthropic/alturistic/religious motivation is high among Turkish people. As for the perspective of fundraisers, because of the cultural structure based on the donation/almsgiving, the fundraisers may find gathering money via crowdfunding as antipathetical and/or embarrassment. They do not perceive it as a

business deal. Further, they prefer getting investment from angel investors since they consider that it is more prestigious in the business life.

Crowdfunding (potential) funders believe platforms offer a few amount and nonqualified projects. In fact, many supporters has claimed that crowdfunding campaign in Turkey are not succesful for presentation and explanation of their project idea; therefore, they are fail to transmit the emotions to the potential supporters. One of the respondent who is supporter of many projects on Kickstarter and local crowdfunding platforms has indicated her comment about the presentation of the campaign and content of project webpage as follows;

When I analyze a campaign in Kickstarter website, I see that many creators use funny expression for their projects and these attract my attention and persuade me to support these kind of campaigns which even have not very significant purpose. On the other hand, crowdfunding campaign creators in Turkey are bad at telling their purpose and idea and transferring the emotions to the audience. They never add entertainment to their presentations. Indeed, they do not respect their businessess/projects since many of them prepare their campaign video via their mobile phone camera while sitting on a coach in their living room. So why do I respect them and their projects and support them while they are not respecting the projects they launched themselves .

It is obvious that while a majority of projects in Kickstarter and Indiegogo generally use gamification and storytelling in their campaign, project creators in crowdfunding platforms in Turkey never benefit from these techniques in their campaigns.

4.2.2 Social aspect of crowdfunding

Some participants who are experts in this concepts mention about the fraud activities, Turkish people experienced in 1990s, system of which was similar to crowdfunding mechanism. At that time a few companies in Turkey pretended to have national and Islamic characteristic to persuade possible supporters by abusing of their trust. They collected savings of many Turkish people who lived not only in Turkey but also especially in Germany and other European countries. They gathered these people's savings as investment by promising them to invest that money in their highly profitable businesses and regularly to give them dividend besides offering them to increase the capital amount of their investments. For instance, one of the these companies gathered

money from crowd in order to produce a Turkish branded (national) automobile and they claimed that they would be very profitable company. However, they announced their bankruptcy after they were funded by many people. Aggrieved supporters have not got their money back despite their legal struggles. For these reasons, the crowdfunding experts (platform founders, managers, investors and consultants) in Turkey agree on that the perception of crowdfunding is currently in negative and, first, it is require to rise it at point zero than build a positive perception/image. On the other hand, Turkish culture includes collective works called “imece” which means collective and voluntary work. For instance, women come together on summer to prepare one’s winter food and on the other day they prepare for another’s winter food. As another example, people who live in a rural area may come together to build/repair the school in that destination which has not got enough fund. Altruistic cultural background and bad experiences constitute dilemma related improvement of Turkish crowdfunding market, therefore, social capital including community trust, reputation of project creators and/or familiarity effect from funders’ perspective might play role in this concept.

Another difference between global crowdfunding communities such as Kickstarter and Indiegogo and local crowdfunding communities in Turkey is reciprocity in terms of the way of exhibit of this group behavior. In such communities, people may feel obliged to support other people in social and financial aspects when they get benefit from others. A fundraiser who successfully completed his campaign in Kickstarter has stated as follows;

It is an interesting feeling that you are willing to help other crowdfunding project creators not only financial but also in terms of knowledge. Since a lot of people that you had not known before has encouraged you during and after your crowdfunding campaign by pledging, giving advice, and sharing best wishes. That’s why you started not to see other creators who have similar projects as a competitor and tried to help them by responding to them about the problems they have encountered in their projects.

In addition, reciprocity behavior are also common among fundraisers who have launched project in Turkish crowdfunding market. On the other hand, a vast majority of fundraisers who participated this qualitative study have indicated that they tend to

help other crowdfunding project creators in financial aspect rather than in knowledge or social aspect.

When it comes to supporters' profile in crowdfunding campaigns, in Kickstarter and Indiegogo crowdfunding platforms, generally not majority of the supporters of the project creators are family and friends. One of the participant who is successfully funded his project in Kickstarter stated that surprisingly not more than %25 of his funders were only his family and friends. The rest of his supporters was unfamiliar for him. These popular platforms are able to attract their own supporters as community members. However, most of the fundraisers who launched their project in Turkey indicated that almost all of their crowdfunding project funders are their family members, friends or friends' friends. It seems that crowdfunding platforms in Turkey may not be able to attract their own crowd of supporters as crowdfunding community members. Moreover, some creators indicated that people in Turkey are generally intent to support the project at the last phase, and one of the project creator participant claimed that a cultural feature related to participate in an event/activity in Turkey is complementarity instead of being beginner. However, some supporters who attended the qualitative study indicated that the number of people who take part in that crowdfunding project or platform (called network effect in the literature) is not important for them.

4.2.3 Functional aspect of crowdfunding

All of the participants including experts, fundraisers and funders are aware of the most popular platform in the world named "Kickstarter" which was founded in 2009 in USA. Laws and legislation have been enacted in 2012 in USA called Jobs Act. Almost all participants know that Kickstarter and other US platforms have a regulation system which legitimizes them in the perspective of consumer mind. Therefore, attendees of the qualitative studies have relied on the platforms in USA like Kickstarter, Indiegogo, and GoFundMe. However, crowdfunding platforms in Turkey have served since 2010 which cannot be considered as new, laws and legislation were enacted in November, 2017 and it is still being worked on describing the whole legislation process. One of the platform managers in Turkey has stated that it is believed that if there is no law about the certain subject, it is not "forbidden" in many countries including US. Unlikely, perception about the legislation in Turkey is that if there is no law about the certain subject, it is not "legal". Therefore, as of November, 2017 platforms have avoided

executing promotional activities like internet ads or commercials in Turkey. They are waiting that Turkish government would enact legislation about crowdfunding activities to consider themselves as legitimized. For example, one of the leading crowdfunding platforms in Turkey had not emphasized that the owner of the platform is a well-known telecommunication company in Turkey. Most of the participants including experts and entrepreneurs accept that legitimacy of crowdfunding platforms and activities is problematic due to incomplete legal framework in the country. Also, almost all participants agreed on that government support such as tax reduction can be applied to encourage entrepreneurs and funders for participating to crowdfunding activities. Many entrepreneur participants have concern about the intellectual property rights and they consider that legal protection is a critical issue to avoid abuse and build trust toward this new mechanism. Although some of the participants believed that cultural norms of the certain country is convenient for using crowdfunding system, lack of comprehensive institutional arrangements may discourage prospective fundraisers and funders/investors.

Further, individuals including entrepreneurs and (prospective) supporters/funders who are aware of crowdfunding concept and visit global crowdfunding platforms, do not know the name of the crowdfunding platforms in Turkey. Indeed, they are unaware of the crowdfunding market in Turkey. For instance, an entrepreneur who has a great knowledge about crowdfunding system and is interested in global crowdfunding platforms, has indicated that their technological product is very convenient for collecting fund via crowdfunding system. Although he is going to launch a crowdfunding campaign in a platform that serves in Turkey, he has stated that he did not know whether there was any other crowdfunding platform in Turkey or not.

In the developed crowdfunding markets many (successful) project funders benefit from professional agency or consultant service for preparing campaign, presentation material/ video, explanation etc. Moreover, fundraisers are able to communicate only as online with platforms, and platforms do not guide fundraisers about their campaigns. Project creators also do not expect that platforms promote their projects. Therefore, they make their preparation by themselves, and try to make visible of their projects on the top of the platform's website. On the other hand, the platforms in Turkey are make more endeavour by visiting universities, early-stage incubation centers, entrepreneurship organizations, and civil society organization to obtain qualified and

potential crowdfunding projects. In addition, they offer face to face contact and assign at least one professional for the certain crowdfunding project. These professionals guide creators before and during their crowdfunding campaigns. Some platforms offer a consultant service with a small amount of service fee. Especially one of the leading crowdfunding platform in Turkey provides some incentives including preparing presentation material/ video/ explanation as the professional service via an agency, pledging/preordering 25% of the goals, and being one of the vendors of their holding company. Although crowdfunding platforms in Turkey have many services, the project creators are not satisfied. The project creators expect more marketing efforts from platforms. Moreover, from the supporters' perspective, they do not find the platforms as professional in many aspects like website design, their level of informativeness, communication, technical support, and privacy. Additionally, while in the developed crowdfunding markets there is a strong competition across platforms and within projects, there is no competition across platforms and within projects due to the emerging nature of the system in Turkey.

4.3 Evaluation of Exploratory Research

Due to the limited number research about crowdfunding system especially in developing countries, exploratory research is conducted to understand market structure and attitudes and behaviors toward this novel concept. As exploratory research, the author designed a positioning map for crowdfunding market in Turkey to be able to offer a holistic view in an emerging crowdfunding market and executed in-depth interviews with three separate groups including experts (founders of crowdfunding platforms, crowdfunding platform managers, angel investors, managers at Seed & Early Stage Incubation Centers, Entrepreneurship Consultants), potential/current project fundraisers, and existing/ potential funders.

Crowdfunding market has expanded due to evolving legal arrangements around the world. Crowdfunding platforms are critical components of this market growth. This first exploratory research as designing a positioning map for an emerging crowdfunding market in Turkey aims to introduce key success factors that contribute to platforms in gaining competitive advantage by proposing a positioning map in an emerging market. This study proposes two significant attributes to generate a map that demonstrates the relative positioning of crowdfunding platforms in a developing

market. Crowdfunding market in Turkey is investigated as a case where entrepreneurship ecosystem has rapidly improved and legal regulations relating this novel funding system have been enacted. This study intends to make theoretical and managerial contributions to not only crowdfunding knowledge but also marketing and entrepreneurship literatures. Introducing the positioning of the crowdfunding platforms into crowdfunding literature broadens this phenomenon and contributes to the development of platforms' assessment criteria by providing better understands about crowdfunding market segments and identifying target markets of the platforms. Also, positioning map of a certain crowdfunding market presents a holistic view for the current and potential actors of the crowdfunding market including platform managers, project creators, and funders. Two main features of this novel funding system are offered as dimensions of positioning map in this study: level of complexity based on regulatory procedures and level of expertise based on project categories. The first dimension has a strong relationship with crowdfunding models since regulatory arrangements are primarily applied based on crowdfunding models. Also, this dimension gives clues about motivational factors, funding mechanism, risk perception, the phase in the enterprise life cycle, and amount of money required. Whereas creators who have early stage entrepreneurial projects that need less amount of capital can use platforms in the low complexity level based on regulatory procedures, funders who are willing to take high risk and also have high monetary return expectancy can be targeted by platforms in the high level of complexity. When it comes to the other dimension, platforms that serve in multicategory level (horizontal) might have more volume compared to ones that operate as less or single category (vertical) platform. However, single category platforms like Arikovani in Turkey might have the opportunity to build a community having similar interest (e.g. technology focused) and high level of identification within the group. It can be foreseen that the smaller crowdfunding platforms are the more expertise based on project categories they will possess and be able to distinguish themselves among other platforms in the market. This study has a few limitations. First, this study only concentrates on one crowdfunding market. Also, the positoning map cannot include all kind of crowdfunding models since lending-based crowdfunding is illegal in Turkey. Last, due to evolving regulatory crowdfunding structure in Turkey, features of the equity-based platforms, which should not officially be launched, were determined based on platforms' own web sites that are in beta version and declaration of the managers rather than collecting primary

data on their crowdfunding activities. Future research might be conducted to reveal the continuing expansion of the crowdfunding economy in an emerging market since it is expected that the number of equity-based crowdfunding platforms and the total crowdfunding market size have rapidly increased as a result of developing legal regulations and growing attention of financial market actors in Turkey. In addition, further research is essential because this regulated market, which plays a role on the penetration and acceptance of donation and reward-based platforms, might have a positive impact on the increase of the number of such platforms, hence, the positioning of the existing platforms may shift depending on their strategy.

In depth interviews as second part of exploratory research were conducted with three separate groups including managers of crowdfunding platforms and entrepreneurship ecosystem experts, prospective/current fundraisers, and existing/prospective funders since each type of actor in the community has different roles and as a consequence a different motivational structure. The exploratory research findings provide strong evidence to understand these actors' opinion, attitude and behavior toward this novel concept. In addition, the findings enable to discover the underlying factors affecting satisfaction for participating crowdfunding community and WOM communication behavior through crowdfunding community engagement. The analysis and interpretation of data first lead to the development of a research model to understand the factors that influence crowdfunding community engagement among community members.

5. RESEARCH MODELS AND HYPOTHESES

The aim of this thesis is to explore the key dynamics of engagement in crowdfunding community from perspectives of main actors; fundraisers and funders. Each type of actor in the community has distinct characteristics and as a consequence a different motivational structure. Therefore, this thesis offers two different conceptual models including perspectives of both fundraisers and funders called study 1 and study 2, respectively. In addition, as proposed in the main model of this thesis, drivers of crowdfunding community engagement are classified into three groups including personal, social and functional for both Study 1 and Study 2.

5.1 Study 1: Research Model and Hypotheses for Fundraisers

Crowdfunding, as a novel financial system, has emerged to facilitate accessing funds, enable crowd economy, encourage innovation and democratize the entrepreneurial ecosystem. Especially, social entrepreneurs and early stage start-up companies that generally face with difficulties in raising capital from traditional funding mechanisms including banks, angel investors and VCs, can effectively and efficiently benefit from this newly emerging financial system. Therefore, from fundraisers' perspective, it is expected that personal drivers of the crowdfunding community engagement can be related entrepreneurship. A study of the personal variable research in entrepreneurship has identified several features that have a tendency to discriminate entrepreneurs from others (Brockhaus and Horwitz, 1986; Gartner, 1990; Palmer, 1971). The Entrepreneurial Attitude Orientation (EAO) is one of the well accepted concept by the personal variable researchers. It contains four subscales, each of which consists of three components: affect, cognition, and conation (Robinson et al, 1991);

1. Achievement in business, referring to concrete results associated with the start-up and growth of a business venture.
2. Innovation in business, relating to perceiving and acting upon business activities in new and unique ways.

3. Perceived personal control of business outcomes, concerning the individual's perception of control and influence over his or her business.

4. Perceived self-esteem in business, pertaining to the self-confidence and perceived competency of an individual in conjunction with his or her business

For entrepreneurs, obtaining fund for their project by using crowdfunding mechanism which is a unique and new way can be regarded as innovation in business. In addition, all participants who are project creators and/or fundraisers in the qualitative study identify themselves as entrepreneur. They have highlighted that innovative capabilities are the most important characteristic for being creators of a project not only developing the project idea but also actualization that idea. High level EAO score represent high level entrepreneurial proclivity. That's why innovation subscale of EOA concept was preferred as personal drivers of crowdfunding project creators in this thesis. In addition, Hollebeek (2011) defines customer engagement as "state of mind" and emphasises its motivational aspect which is qualified with cognitive, emotional and behavioral activities. Brodie et al, (2011) also describe customer engagement as an individual's cognitive, emotional and behavioral action in interactive activities. In consistent with one of the objectives of this thesis which is to address what kind of factors does fundraisers' attitude related innovation in business play role on the crowdfunding community engagement, it can be claimed that EAO personal variables related innovation may lead to change on the degree of engagement of entrepreneurs by affecting feelings (affect), thoughts (cognitive) and behavioral intentions (behavior or conative) in crowdfunding community. Therefore, this thesis proposes;

H1: Fundraisers' attitude related innovation-cognition has positive impact on crowdfunding community engagement.

H2: Fundraisers' attitude related innovation-affect has positive impact on crowdfunding community engagement.

H3: Fundraisers' innovation-conation has positive impact on crowdfunding community engagement.

Social drivers of crowdfunding communities can be associated with social capital theory. According to this theory, social structures and relationships among people can be effective sources (Coleman, 1988; Yang and Li, 2016). In the management literature, social capital has been defined as "the sum of the actual and potential

resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit” (Nahapiet and Ghoshal, 1998, p. 243). Nahapiet and Ghoshal (1998) identified three dimensions related social capital: structural dimensions, cognitive dimensions and relational dimensions. The structural dimension suggests network ties, the network configuration and pattern of links among people, such as number of social network ties (Zheng et al, 2014), centrality (Ravindran et al, 2015), interaction frequency (Robert et al., 2008), and social interaction (Wang and Chiang, 2009). The cognitive dimension refers to shared language/codes and narratives (Sun, et al., 2012) as well as shared vision and goals (Chen et al, 2008). As for the relational dimension represents that a kind of relational tie cultivated through individual communication including trust (Zhao et al, 2012), the norm of reciprocity (Pai and Tsai, 2016), obligations (Zheng et al, 2014), and norms (Nahapiet and Ghoshal, 1998).

Within the scope of this thesis, social drivers of creators in crowdfunding community is related social capital theory. Reputation can be regarded as structural dimension of social capital. The number of people in creators social media accounts might play critical role as social drivers. Mollick (2014) revealed that the number of contacts in Facebook has a positive relation on the amount of capital funded in a crowdfunding campaign. With regard to the social capital created within online communities, creators that have higher number online friends within a crowdfunding platform are more likely to raise capital (Lin et al, 2013), hence, they might have higher level of community engagement. Creators who have a reputation such as their innovative capabilities (Maurer et al, 2011; Colombo et al, 2014), or their ability to complete complex projects (Han and Anat, 2013) are known, take an advantages on raising targeted fund. Since funding a campaign in the crowdfunding platforms means that the supporter relies on the creator and the project taken part in the crowdfunding community. Crowdfunding projects about music and recording arts sometimes have a unique characteristic (Ordanini et al, 2011; Galuszka and Bystrov, 2014). The creators of the some projects whose funders might be called as “fanvestors” (Galuszka and Bystrov, 2014) or “believers” (Bellaflamme et al, 2013) are well known or popular. Reputation represents high social capital which might be a powerful social driver for crowdfunding community engagement. Cognitive identification as cognitive dimension of social capital might have an impact on community engagement. Besides,

reciprocity can be regarded as relational dimension of social capital. Reciprocity can be defined that a person has inclination or feel obligation to support others when they are supported in the group (Bretschneider et al, 2014). Individuals are identifying themselves with other community members and creators also support other initiatives within community. Thus the perceived level of reciprocity within community may affect the community engagement. Related hypotheses can be suggested as follows;

H4: Reputation has positive impact on fundraisers' crowdfunding community engagement.

H5: Cognitive identification of fundraisers has positive impact on crowdfunding community engagement.

H6: Reciprocity has positive impact on fundraisers' crowdfunding community engagement.

Institutional theory is related with conforming to the rules and norms of the institutional environment to gain legitimacy (Meyer and Rowan, 1991). These rules and norms which individuals and institutions are supposed to adopt, stem from regulatory framework, governmental agencies, social and cultural practices that encourage legitimacy of a new system (DiMaggio and Powell, 1983; Scott, 2001; Lewin et al, 1999). Since crowdfunding is a newly introduced system, it might have problem about legitimacy (Beugre 2014). Legitimacy is defined as: “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definition” (Suchman, 1995, p. 574). In addition, legitimacy represents a situation that has cultural, normative and legal alignments (Scott, 2001). Unless there are institutional rules and norms, entrepreneurship cannot be promoted (Bruton, 2010). The institutional dynamics that influence entrepreneurship include direct support of a government to build and sustain a convenient environment for entrepreneurs' endeavors along with society's norms (Baumol et al, 2009). For these reasons, institutional environment determines and restricts entrepreneurial activities and influences the amount and size of new business launched (Gnyawali and Fogel, 1994). In addition, institutional theory has increased its popularity due to its convenience to explain companies' behaviors across nations (Wu et al, 2008). In compliance with this theory, entities are embedded in country-specific institutional rules and regulations (Busenitz et al, 2000). Differences in arrangements across countries also generate

different levels of business or entrepreneurial activity. Casson (1990) asserted that a structure can improve collaborations and entrepreneurial efforts by decreasing the problems that a country's entrepreneurs face with. Also, cross-national distinctive approaches in entrepreneurial activities are clarified by a large number of institutions that encourage or discourage business efforts in every economy. Therefore, crowdfunding mechanism cannot be considered independent from country-specific institutional regulations.

The institutional-based viewpoint may constitute very critical factors related to trust in a community. In this context, trust is associated with an entity's institutional environment regarding the regulations, policy, and social mechanisms that have authorization on social behaviors. Trust is built when an individual believes that the other party is credible, and this belief leads to intentness and commitment (Gefen et al, 2003). The main effect of trust on a transaction is to take part as a governance mechanism which reduces opportunisms (Doney and Cannon 1997). When companies decide to trust other business organizations, their judgements are firmly formed based on their institutional environment (Cai et al, 1997). According to the institutional theory of trust, individuals' perception of fair and effective legal structures has a critical role on a community's trust (Stolle, 2004). This understanding is very important for the present study because entrepreneurs' trust toward a crowdfunding community might depend on institutional environment, especially on country-specific regulations about this novel financing system. In the scope of this research, the approach of Kostova's (1997) a three-dimensional country-specific institutional profile was used. Based on this concept, a country's government policies (a regulatory dimension), widely shared social knowledge (a cognitive dimension), and value systems (a normative dimension) form institutional environment and influence domestic business (here entrepreneurial) activity (Busenitz et al, 2000).

Concerning the regulatory dimension of the country-specific institutional arrangements, legal and regulatory structures and government policies encourage start-ups, decrease the risk of entrepreneurs launching an initiative and promote entrepreneurial activities to reach resources (Busenitz et al, 2000). Government support is also accepted as regulatory dimension of the country-specific institutional profile related to entrepreneurship ecosystem of a certain country. Government support may lead to a governance mechanism which serves to guide and manage companies'

behavior and to eliminate their conflicts (Cai et al, 2010) Also, it enables companies to easily access resources and encourages entrepreneurship (Rondinelli and Kasarda, 1992). For example, the U.S. government guides and helps entrepreneurs to launch their initiatives and gives money to start-ups for developing new technological products (Busenitz et al, 2000). In addition, in some European countries, start-ups can obtain governmental grants for improving export and trade activities (Reynolds, 1997). Thus, governmental support may influence companies' attitude to develop trust in their crowdfunding activities within the community. Therefore, in crowdfunding context, country-specific regulatory dimension including government support may lead to increase entrepreneurs' level of community trust. As for cognitive dimension of country-specific institutional profile, it includes the knowledge and capability of individuals with regard to launching and running a new initiative (Busenitz et al, 2000). Emerging topics and knowledges can be institutionalized and some facts might become established and turn into shared social knowledge (Lau and Woodman 1995). Shared knowledges about risk assessment (Tolbert et al, 2011) and legal protection (Cai et al, 2010) can be regarded as a cognitive dimension of institutional environment of a country. Especially, country-specific approach related legal protection is important since (1) it creates transparency and consistency in entities' behavior, (2) it reduces the cost of gaining good reputation for enterprises (3) it affects attitudes and enhances the level of trust (Oxley and Yeung, 2001). Legal protection in a country may support trustworthiness in an entrepreneurial mechanism such as crowdfunding and protects entrepreneurs from abuse (Tolbert et al, 2011). Since crowdfunding is a newly emerging phenomenon, it has to increase its legitimacy level in entrepreneurs' minds (Beugre, 2014). Therefore, as a cognitive dimension of country-specific institutional view, shared knowledge and public awareness including some information and legal protection concerning crowdfunding mechanism might affect the trust- level of entrepreneurs. When it comes to the normative dimension of country-specific institutional profile, it refers to value systems which could address_a society's admiration relating value creation through entrepreneurship and innovativeness (Busenitz et al, 2000). Indeed, it points out citizens' appreciation for entrepreneurs who launch new initiatives and add value based on innovative activities, and the belief that launching an enterprise is an eligible and honorable career opportunity. Shared values can be identified as general beliefs, values, intentions, and behaviors that are accepted by a society and typically empower the community to accomplish missions

or institutional objectives (Chang et al, 2013). Additionally, shared values refer to the degree of not only citizens' agreed-upon perceptions relating the issues of behavior, strategies, and objectives; but also common perceptions relating quality, usability, and moral values (Yang et al, 2019). Prior studies have revealed that a country's culture, values, beliefs, and norms influence its citizen's spirit of entrepreneurship (Knight, 1997; Tiessen, 1997). Concerning the entrepreneurship, previous research with regard to crowdfunding activities shows that the existence of shared values between a funder and an entrepreneur have positive impact on the funder's trust (Yang et al, 2019). Similarly, shared values may affect the degree of an entrepreneur's trust toward crowdfunding community. Further, community trust is a bridge between institutional mechanism and engagement with a certain group (Rothstein and Stolle, 2001) since trustworthy institutions promote collaboration within a society (Levi, 1998). Indeed, relationships among individuals in a society (community) are embedded and outputs of the institutional structures depend on the level of trust in these connections (Hughes et al, 2008). Sustained relations enable entrepreneurs to recognize institutional environment and to develop mutual trust, even though their interactions are online rather than offline. Based on social identity theory, developing trust within the community is a critical component of the degree of group self-esteem (Ellemers et al, 1999) since the role of trust is to eliminate uncertainty and information asymmetry and make individuals (here entrepreneurs) feel comfortable (Chiu et al, 2010). Also, previous research has revealed that trust is associated with participation to work and social interaction among members of a group (Farris et al. 1973). In the crowdfunding context, it is expected that relying on the community might be an important driver of an entrepreneur's level of engagement. The next hypotheses can be proposed;

H7: Perceived regulatory dimension of crowdfunding in the country influences positively the level of entrepreneurs' crowdfunding community trust.

H8: Perceived cognitive dimension of crowdfunding in the country influences positively the level of entrepreneurs' crowdfunding community trust.

H9: Perceived normative dimension of crowdfunding in the country influences positively the level of entrepreneurs' crowdfunding community trust.

H10: Crowdfunding community trust influences positively entrepreneurs' crowdfunding community engagement level.

As for the consequences of the community engagement, community related-outcomes including satisfaction for participating the community and word-of-mouth (WOM) behavior can be regarded as important effects. Satisfaction is identified as an individual's subjective assessment of his/her experience (Oliver, 1980). When companies increase consumers' engagement and build a structure that support to strengthen the engagement, they can have a higher success rate in their initiatives (Harter et al, 2002), and as a result of satisfaction, customers may become loyal (Oliver 1980; Li et al, 2019). In the crowdfunding context, we expect that higher the entrepreneur's level of engagement, the more satisfied entrepreneur. WOM, as another possible outcome of community engagement, is the process of delivering information from individual to individual (Richins and Root-Shaffer, 1988) and it contains an individual's sharing values, evaluations or decisions about experiences. Positive WOM behavior might occur based on personal experiences rather than information related with marketing activities (Bickart and Schindler, 2002; Brown et al, 2007). Therefore, one can propose that entrepreneurs who engage to a crowdfunding community are more likely to build positive WOM behavior. Thus, the study proposes;

H11: Fundraisers' community engagement has positive impact on satisfaction for participating the community.

H12: Fundraisers' community engagement has positive impact on WOM behavior.

Through entrepreneurship attitude orientation, social capital theory, and institutional theory, a research model framework for fundraisers' perspective is given in Figure 5.1. The research model of study 1 will be used to discuss how components of engagement influence fundraisers' in-group favoritisms and behavior in a crowdfunding community. While personal drivers, social drivers, and functional drivers are independent variables, community satisfaction and WOM behavior are dependent variables of the research model.

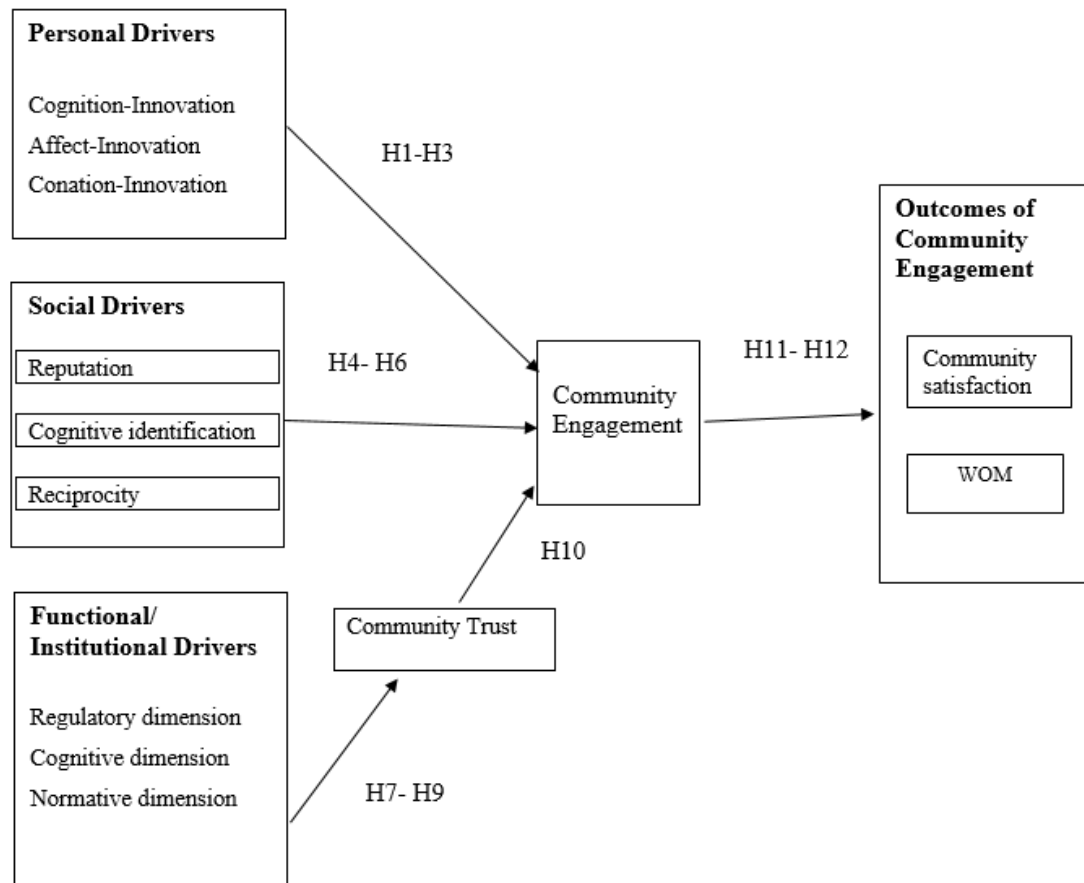


Figure 5.1 : Research model for fundraisers.

5.2 Study 2: Research Model and Hypotheses For Funders

Concerning the funders who are another main actors of crowdfunding community, personal drivers are proposed as two main dimensions called intrapersonal and interpersonal in the scope of this thesis. Indeed, findings of in-depth interviews with funders revealed these two distinct personal characteristics that might be impact on engagement in crowdfunding community. First, intrapersonal dimension of personal drivers are related beliefs, attitudes and interest which can be key factors for understanding of tendency to engage with innovative structures (Niederhauser and Perkmen, 2008). Intrapersonal dimensions could be related with self concept based on personel orientation inventory including inner orientation, other orientation, and cognitive innovativeness. Inner orientation is regarded as ‘the degree to which the person is guided by internalized principles and motivations rather that being influenced by peer groups or other external forces.’ (Jones and Crandall, 1986, p.64). Inner-oriented person has high autonomous and more self-supportive characteristics (Shostrom, 1964). According to self-categorization theory, it is expected that the inner

orientation might be associated with personal identity concept which has role on the formation of self-concept (Turner et al, 1987) that is related in-group behaviors (Johnson et al, 2012). Concerning this theory, when personal identity is salient, individuals express themselves as distinct and they concentrate on their individual characteristics (Wyer, 2010). Indeed, they believe more in internal values rather than external ones (Bearden et al, 1990). They improve their skills and form the manner of their acting based on their self-directed characteristics (Jones and Crandall, 1986). Therefore, due to the community-based framework of the crowdfunding system, it is expected that inner orientation has negative impact on crowdfunding community engagement. As for the other-orientation concept, other-oriented individuals are more sensitive to other's emotions and feel themselves responsible to others' negative feelings related interactions between them and others (Jones and Crandall, 1986). Indeed, other-oriented individuals' sensitivity to other people's approval, affection and good will is high (Shostrom, 1964) since, contrary to inner orientation concept, other-oriented individual believes more in external values rather than internal ones (Bearden et al, 1990).). Concerning the self-categorization theory, when personal identity is less salient, individuals focus on others' opinions and feelings (Wyer, 2010). Therefore, unlike the inner-orientation, it is expected that other orientation has positive impact on crowdfunding community engagement. When it comes to the cognitive innovativeness, another intrapersonal drivers, it is defined as 'conceptualized as the tendency to engage in and enjoy new experiences that stimulate thinking (Venkatraman and Price, 1990, p.295). Cognitive innovativeness can be formed as resulting from cognitive goals, including exploration, understanding, and intellectual creativity (Vandecasteele and Geuens, 2010. In regard with intrapersonal drivers, cognitive innovativeness addresses the requirement for being adaptive to the environment and accomplishing of discovering the meaning. Cognitive innovativeness is associated with novelty seeking which is the need for new stimulations and experiences (Hirschman, 1980). It can be proposed that cognitive innovation as personal trait might influence the level of engagement of a funder in crowdfunding community. Thus, related hypotheses are proposed as follows,

H13: Inner orientation has negative impact on crowdfunding community engagement.

H14: Other orientation has positive impact on crowdfunding community engagement.

H15: Cognitive Innovativeness has positive impact on crowdfunding community engagement.

Concerning the interpersonal dimension of personal drivers, organizational citizenship behavior (OCB) concept may provide the crowdfunding community to understand what kind of members' behaviors may play roles in becoming a citizen which means engaged members. In organizational psychology, OCB is one's willingness to commit (engage) a group that is not part of his or her contractual tasks. Organ (1988) has defined types of behaviors (OCBs) are "behavior[s] of a discretionary nature that are not part of employees' formal [role] requirements, but nevertheless promote the effective functioning of the organization" (1988, p. 4). These kind of behaviors consist of voluntary action to make improvement one's task or the group's performance, enduring with additional eagerness and effort to achieve one's task, volunteering to take on additional duty, and support others within the group to exhibit the similar performance. Within the scope of this thesis interpersonal citizenship behaviors including altruism, sportsmanship, and courtesy are taken into account (Colquitt et al, 2011). The following three types of interpersonal citizenship behavior identified by Organ (Podsakoff et al, 1990):

Altruism- Conceptually, helping behavior involves voluntarily helping others with, or preventing the occurrence of, work related problems.

Sportsmanship- Willingness of the employee to tolerate less than ideal circumstances without complaining-to "avoid complaining, petty grievances, railing against real or imagined slights, and making federal cases out of small potatoes" (Organ, 1988, p. 11).

Courtesy- Discretionary behavior on the part of an individual aimed at preventing work-related problems with others from occurring.

In the crowdfunding community concept, from the funders' viewpoint there is no contractual task, in fact the members take volunteer action to increase the performance of crowdfunding platform and also project(s). In this context, funders may desire to be part of and engaged to the community. Indeed, quantitative studies and existing literature (i.e. Ahlers et al, 2012; Allison et al, 2015; Ordanini et al, 2011; Cholakova and Clarysse, 2015) show that altruism (philanthropy) are one of the main motivation to support a crowdfunding project and become member of a crowdfunding platform.

As another example, concerning the sportmanship behavior, members might be more tolerable instead of complainant when they encounter an inconvenience situation in crowdfunding platforms. Since many efforts in crowdfunding platforms such as achieve deadlines or delivering values promised have high probability of failure. In addition, demonstrating courtesy in participating work would support the collectivism among team members (Podsakoff and Mackenzie, 1997), hence the group's effectiveness and efficiency might rise. Exhibiting OCBs might develop engagement to the crowdfunding community. Therefore, this thesis proposes:

H16: Altruism behavior of funders has positive impact on crowdfunding community engagement.

H17: Sportsmanship behavior of funders has positive impact on crowdfunding community engagement.

H18: Courtesy behavior of funders has positive impact on crowdfunding community engagement.

Social drivers of crowdfunding communities can be associated with social capital theory. According to this theory, social structures and relationships among people can be effective sources (Coleman, 1988; Yang and Li, 2016). In the management literature, social capital has been defined as “the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit” (Nahapiet and Ghoshal, 1998, p. 243). Nahapiet and Ghoshal (1998) identified three dimensions related social capital: structural dimensions, cognitive dimensions and relational dimensions. The structural dimension suggests network ties, the network configuration and pattern of links among people, such as number of social network ties (Zheng et al, 2014), centrality (Ravindran et al., 2015), interaction frequency (Robert et al, 2008), and social interaction (Wang and Chiang, 2009). The cognitive dimension refers to shared language/codes and narratives (Sun, et al, 2012) as well as shared vision and goals (Chen et al, 2008). As for the relational dimension represents that a kind of relational tie cultivated through individual communication including trust (Zhao et al, 2012), the norm of reciprocity (Pai and Tsai, 2016), obligations (Zheng et al, 2014), and norms (Nahapiet and Ghoshal, 1998). In this thesis, concerning the structural dimensions of

social capital, network effect are taken into account. Thanks to the social networking websites, direct social contacts can be easily created. Not only creators' network but also funders' network structure are important in crowdfunding context. Network effect can be identified the perceived value of an offering (product or service) depends on the number of people using them (Shapiro and Varian, 1999). Online social networks have similar characteristics such as if more members participate to the community, it will become more attractive. Therefore, it is assumed that there is a positively relationship between network effect and engagement in crowdfunding community. Concerning the evaluative component of social identity theory, identification with a group includes group self-esteem dynamics (Ellemers et al, 1999) that cause explicitly the interactions among members of the crowdfunding community. Cognitive dimension of social capital could be cognitive identification that is related identification with a group includes self-categorization mechanism (Algesheimer et al, 2005; Ellemers et al, 1999; Bagozzi and Dholakia, 2006) in which an individual has shared language/codes and narratives. In the community context, interactions among community members leads to stimulate identification level within the group and contribute to strengthen the social benefits individuals perceive, and hence, increase the level of engagement toward online community (Wirtz et al, 2013). Regarding to relational dimensions of social capital, community trust and familiarity effect can be accepted as another social driver in crowdfunding community. Concerning the evaluative element of the social identity theory, building trust within the community is a significant factor of the degree of group self-esteem (Ellemers et al, 1999). In the crowdfunding context, funders support the initiatives even before the product comes out (Gerber et al, 2013), hence, relying on the community is an important driver of "engaging". As for familiarity effect, it may become an important social drivers for community engagement. In crowdfunding communities, creators attract funders from not only their close social environments such as family and friends but also other community members. Many creators who actualize their projects consider that they provide the inspiration for new creators and identify themselves as approved by the community members (Gerber et al, 2013; Gerber and Hui, 2013). Hence, it is expected that creators whose perceived familiarity level is high, have a higher level of community engagement. Thus, this study suggests:

H19: Network effect has positive impact on crowdfunding community engagement.

H20: Cognitive identification of funders has positive impact on crowdfunding community engagement.

H21: Community trust has positive impact on funders' crowdfunding community engagement

H22: Familiarity effect has positive impact on funders' crowdfunding community engagement

Concerning the functional drivers, information system quality can be used to measure perceived website (crowdfunding platform) quality due to the financial/ non-financial transaction and risk inclusive nature of the online crowdfunding community. According to the previous studies (Ahn et al, 2007; Liang et al, 2011) information system quality has three dimensions including system quality, information quality and service quality. First, system quality refers to the degree to which a Web site possesses desired capabilities such as availability, reliability, and response time (Liang et al, 2011). System quality depends on the users' needs, as defined during the system's analysis and development. As Web technologies have improved, more sophisticated and user-familiar solutions have been added, including audio-visual support, user customization, and virtual reality (Ahn et al, 2007). Indeed, high level of system quality may provide users with more convenience, privacy, and faster responses. System quality of the platform is an important factor to achieve success in the crowdfunding system and may influence on community engagement concept. Concerning the informational aspect, information quality indicates the degree to which the content of the Web site is timely, accurate, and complete (Liang et al, 2011). Studies have shown that information quality has a positive impact on perceived ease of use and usefulness of a Website. Lederer et al. (2000) found that information quality had a significant relationship with perceived usefulness. Based on the uncertainty reduction theory, information level may lead to community engagement in crowdfunding system. Finally, service quality refers to the degree to which a user evaluates supports and services delivered by the service provider via the Web site (Liang et al, 2011). Service quality for a Web-based enterprise depends on its provision of multiple communication mechanisms for accepting user complaints and their timely resolution; it also involves assisting users in being effective, suggesting complementary products or service, and jointly solving problems (Ahn et al, 2007). Service quality assesses the degree to which a user's overall evaluation of the services

delivered by a social networking Web site, including tangible support, reliability, responsiveness, assurance, and empathy, are perceived by the user. Functional drivers may tend to affect the crowdfunding community members' intentions to contribute an initiative and willingness to continue the relationship with certain community. The related hypotheses can be asserted as follows:

H23: System quality has positive impact on funders' crowdfunding community engagement

H24: Information quality has positive impact on funders' crowdfunding community engagement

H25: Service quality has positive impact on funders' crowdfunding community engagement

As for the consequences of the community engagement, community related-outcomes including satisfaction for participating the community and word-of-mouth (WOM) behavior can be regarded as important effects. Satisfaction is identified as an individual's subjective assessment of his/her experience (Oliver, 1980). When companies increase consumers' engagement and build a structure that support to strengthen the engagement, they can have a higher success rate in their initiatives (Harter et al, 2002), and as a result of satisfaction, customers may become loyal (Oliver 1980; Li et al. 2019). In the crowdfunding context, we expect that higher the entrepreneur's level of engagement, the more satisfied entrepreneur. WOM, as another possible outcome of community engagement, is the process of delivering information from individual to individual (Richins and Root-Shaffer, 1988) and it contains an individual's sharing values, evaluations or decisions about experiences. Positive WOM behavior might occur based on personal experiences rather than information related with marketing activities (Bickart and Schindler, 2002; Brown et al, 2007). Therefore, one can propose that entrepreneurs who engage to a crowdfunding community are more likely to build positive WOM behavior.

H26: Funders' community engagement has positive impact on satisfaction for participating the community.

H27: Funders' community engagement has positive impact on WOM behavior

Through personal orientation inventory, EOA, social capital theory, and information system quality approach, a research model framework for funders' perspective is given in figure 5.2. The research model of study 2 will be used to discuss how components of engagement influence funders' in-group favoritisms and behavior in a crowdfunding community. While personal drivers, social drivers, and functional drivers are independent variables, community satisfaction and WOM behavior are dependent variables of the research model for funders.

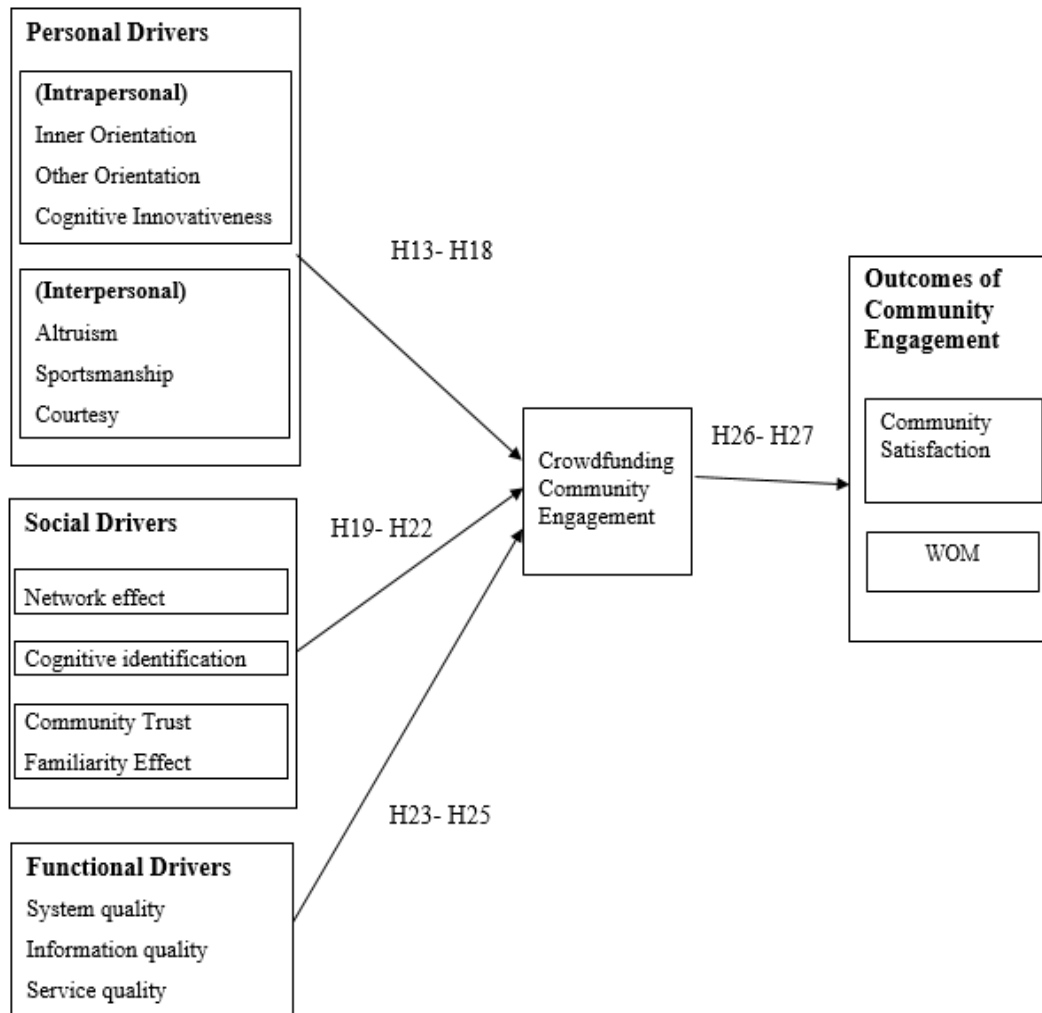


Figure 5.2 : Research model for funders.

6. DESCRIPTIVE RESEARCH: DRIVERS AND OUTCOMES OF CROWDFUNDING COMMUNITY ENGAGEMENT

Literature on crowdfunding system and current market practices point out the importance of the engagement to the crowdfunding community. Descriptive research was developed using two distinct survey instruments from perspectives of fundraisers in Study 1 and funders in Study 2. Field data was collected and tested to reveal drivers and outcomes of crowdfunding community engagement based on the empirical evidence of how engagement toward a crowdfunding community develops and how community engagement affects community behaviors and attitudes. The findings purpose to contribute to marketing and management field by filling the gap in related area.

6.1 Study I: Quantitative Study for Fundraisers

6.1.1 Measurement scales for study 1

In the research model of the study 1, we aim to understand the personal, social and functional factors of fundraisers' crowdfunding community engagement in the perspective of creating community satisfaction and WOM communication behavior. The measurement scales of Study 1 were adapted from previous research. Due to the lack of valid scales in the context of crowdfunding community, all items (statements) of scales were adapted in conformity with crowdfunding community context. In the survey questionnaire, respondents were asked to indicate the extent of their agreement by a seven-point Likert scale (1 = "strongly disagree" and 7= "strongly agree") with a series of statements about the variables in the research model. Summarized of the scales of measurement for study 1 is illustrated in Table 6.1. After clarifying all the measurement scales, all the items are translated into Turkish, with back translation to provide conceptual equivalence since the data of this study were gathered in Turkey. Moreover, before collecting the data, pilot study is conducted to ensure using the proper measurement scales.

Table 6.1 : Summarized of the scales of measurement for study 1.

Variable	Scale of Measurement
Personal Drivers	
Cognition- Innovation	Robinson et al, 1991 (9 items)
Affect-Innovation	Robinson et al, 1991 (8 items)
Conation-Innovation	Robinson et al, 1991 (9 items)
Social Drivers	
Reputation	Cho et al, 2010 (3 items)
Cognitive Identification	Brown et al, 1986 (5 items)
Reciprocity	Cho et al, 2010; Perugini et al, 2003 (6 items)
Functional Drivers	
Regulatory Dimension	Busenitz et al, 2000 (4 items)
Cognitive Dimension	Busenitz et al, 2000 (4 items)
Normative Dimension	Busenitz et al, 2000 (4 items)
Mediators	
Community Trust	Hur et al, 2011 (4 items)
Community Engagement	Algesheimer et al, 2005; Zhang et al, 2017 (7 items)
Outcomes	
Community Satisfaction	Casalo et al, 2010 (3 items)
WOM	Hur et al, 2011 (3 items)

6.1.2 Sampling and data collection for study 1

Entrepreneurship is rapidly increasing and presents a huge potential in Turkey since it is regarded as a stimulant of innovation and a provider of steady employment opportunity (Global Entrepreneurship Monitor Report, 2019). In addition, it is seen as one of the main drivers of economic growth based on the fact that improving the conditions for entrepreneurship by 10% could raise \$331 billion to the economy (Global Entrepreneurship Index Report, 2017). Therefore, entrepreneurship is encouraged and supported by government, universities and many stakeholders in Turkey. Although crowdfunding as a mechanism launched in 2010 in Turkey, it is in its nascent phase in comparison to developed crowdfunding markets. In Turkey, there are active crowdfunding platforms adopting non-financial models as donation and reward-based such as Arikovani, Buluşum, Crowdfon, Fonbulucu, Fongogo and Ideanest. Crowdfunding activities in Turkey had been relatively limited since the issue of crowdfunding was not characterized by the Capital Market Board (SPK) which is the authorized governmental institution to regulate financial systems. In 2017, Crowdfunding Association in Turkey was established to accelerate the process concerning the regulation and encourage widespread use of crowdfunding platforms that provide alternative funding opportunities for the entrepreneurship ecosystem. On

December 5, 2017, crowdfunding was legally accepted under the Capital Market Law and crowdfunding platforms were entitled to act as intermediate in crowdfunding activities by getting a license from Capital Market Board in Turkey. Due to the emerging nature of crowdfunding market in Turkey, a few equity-based crowdfunding platforms have been informally established and are looking forward to the finalization of the legal process of Equity-Based Crowdfunding by Capital Market Board in Turkey. These platforms are FongogoPro, Fonbulucu.com Invest, and StartupFon which are expected to launch officially their operations soon.

Although questionnaire survey for study 1 was conducted in Turkey, respondents were asked to reply the survey based on crowdfunding platforms operated as globally and/or local that they were familiar with. Entrepreneurs who have launched and/or were in a preparation phase for launching a crowdfunding campaign and/or prospective fundraisers were asked to answer the questionnaire. Data was collected with the help of governmental and private institutions in entrepreneurship ecosystem such as Crowdfunding Association in Turkey, crowdfunding platforms, Seed & Early Stage Incubation Centers, Incubation Centers in universities, Entrepreneurship clubs in universities, angel investment network, Chamber of commerce, entrepreneurship consultant agencies, local and global start-up communities, and other actors in entrepreneurship ecosystem. Moreover, crowdfunding platforms supported this study by sharing questionnaire survey via e-mails and social media account to reach members who have launched crowdfunding project or applied to the platform for publishing their crowdfunding projects to collect money for their initiatives. Although 1218 entrepreneurs have clicked the questionnaire survey link, a final sample, in which incomplete and invalid responses were eliminated, is comprised of 360 individuals. SPSS and AMOS were used for analyzing the data.

6.1.3 Findings of study 1

6.1.3.1 Demographics and usage characteristics of fundraisers in crowdfunding communities

Demographic characteristics of the respondents such as gender, marital status, age, education level, household income and occupations are shown in Table 6.2. Among the total respondents, 75.3 % are male and 24.7% are female and majority of respondents are single (76.4 %). 45.6% of the participants' ages range from 21 to 30.

As for education, 61.3% have up to 4-year college degree and 17.8% of the respondents are engineers and only 26.4% of them are students. Approximately 27% of the respondents have monthly household income between 2001 TL – 4000 TL.

Table 6.2 : Demographic characteristics of study 1.

		n	%
Gender			
	Male	271	75.3
	Female	89	24.7
Marital Status			
	Married	85	23.6
	Single	275	76.4
Age			
	Less than 21	89	24.7
	21-30	164	45.6
	31-40	73	20.3
	More than 40	34	9.4
Education			
	Less than high school	7	1.9
	High School	103	28.6
	2-year College Degree	29	8.1
	4-year College Degree (BA. BS)	160	44.4
	Master's Degree-Doctoral Degree	61	16.9
Household income			
	Less than 2001 TL	73	20.3
	2001 -4000 TL	96	26.7
	4001-6000 TL	72	20
	6001-8000 TL	43	11.9
	8001-10,000 TL	27	7.5
	10,001 – 12,000 TL	15	4.2
	12,001 – 14,000 TL	12	3.3
	More than 14,000 TL	22	6.1
Occupations			
	Engineers	64	17.8
	IT/Developers/Data analysts	27	7.5
	Entrepreneurs/ Social Entrepreneurs	26	7.2
	Authors/Performers/Designers/Film Makers	24	6.7
	Business Managers/Specialists	56	15.6
	Professionals	26	7.2
	Academics	9	2.5
	Students	95	26.4
	Others (Consultants/Farmers/Operators...)	33	9.2

The Table 6.3 illustrates usage characteristics of fundraisers in crowdfunding communities. As shown in table, almost 37% of the respondents have launched a crowdfunding campaign or in a preparation phase for publishing a crowdfunding

project. When the respondents' membership duration is analyzed, it can be seen that 61.4% of them joined the crowdfunding community less than one year ago. Concerning the visiting frequency of crowdfunding community webpage, approximately 28% of the respondents visit platform's webpage multiple times a week. In addition, 48% of the respondents follow crowdfunding platform's instagram account.

Table 6.3 : Usage characteristics of fundraisers in crowdfunding communities.

	n	%
Launching Crowdfunding Project		
Yes	72	20
In preparation phase	62	17.2
No	226	62.8
Membership Duration of Crowdfunding Community		
Less than 1 year	221	61.4
1 - 2 years	65	18.1
2-3 years	34	9.4
3-4 years	15	4.2
More than 4 years	25	6.9
Visiting Frequency of Crowdfunding Community Page		
Multiple times a day	55	15.3
Once daily	27	7.5
Multiple times a week	102	28.3
Once a week	30	8.3
Every couple weeks	30	8.3
Monthly	54	15.0
Multiple times a year	62	17.2
Followed Platform's Social Media Account		
None	118	32.8
Facebook	81	22.5
Instagram	174	48.3
Twitter	58	16.1
LinkedIn	53	14.7
YouTube	22	6.1
Others	5	1.4

6.1.3.2 Measurement model for study 1

An exploratory factor analysis was conducted for study 1 in order to identify the appropriate items for the tests. All construct groups were reviewed using principal component analysis with varimax rotation. All factor loadings were higher than 0.5, and explained variance of each construct and total explained variance of construct

groups met the requirements (Hair et al, 1998). The Cronbach alpha was used to assess the reliability of a minimum value of 0.7 (Nunnally, 1978). The reliabilities of the scales and explained variance of constructs were given in Table 6.4. A confirmatory factor analysis (CFA) using maximum likelihood estimation of the covariance matrix was performed on all items corresponding to thirteen constructs in Study 1. As for the construct validity of the measurement model, convergent validity and discriminant validity of the constructs were examined. Fornell and Larcker (1981) claimed that convergent validity would be confirmed by examining three conditions. First, standardized loadings of items in CFA are expected to be more than 0.7. Except a very few ones which are greater than 0.6, measurement items met the criteria (see Table 6.4). Second, the average variance extracted (AVE) measure should be higher than the value of 0.5. All AVE values are acceptable for Study 1. As illustrated in Table 6.5, the diagonal values demonstrate the square root of AVE for each construct and values below are correlation estimates. Discriminant validity is confirmed if the square root of the AVE of each measurement is greater than the inner-construct correlation. The overall results confirm the discriminant validity of the measures used in the study. In addition, the goodness-of-fit indices of CFA were examined to ensure that the model represents the data well ($\chi^2 = 1992.47$, $df = 1040$, $pb.000$; $\chi^2/df = 1.92$; $RMSEA = 0.05$; $CFI = 0.94$; $GFI = 0.83$; $TLI = 0.93$).

Table 6.4 : Results of factor analyses and the reliabilities of the scales for study 1.

Construct and description of items	EFA		CFA	
	Variance Explained (%)	Cronbach's alpha	Loading	CR
PERSONAL DRIVERS				
<i>Cognition-Innovation (COG)</i>				
I believe that to become successful in business you must spend some time every day developing new opportunities			0.84	
I believe that to arrive at a good solution to a business problem, it is important to question the assumptions made in defining the problem	26.70	0.90	0.87	20.42
I believe it is important to continually look for new ways to do things in business			0.89	21.14

Table 6.4 (continued) : Results of factor analyses and the reliabilities of the scales for study 1.

Construct and description of items	EFA Variance Explained (%)	Cronbach's alpha	CFA Loading	CR
<i>Affect-Innovation (AF)</i>				
I enjoy finding good solutions for problems that nobody has looked at yet	32.17	0.94	0.91	26.24
I get real excited when I think of new ideas to stimulate my business			0.92	26.96
I enjoy being the catalyst for change in business affairs			0.86	27.44
I get a thrill out of doing new, unusual things in my business affairs			0.89	
<i>Conation-Innovation (CON)</i>				
I usually take control in unstructured situations	23.37	0.84	0.78	
I often approach business tasks in unique ways			0.78	15.45
I usually seek out colleagues who are excited about exploring new ways of doing things			0.82	16.16
(KMO=.94 $\chi^2_{\text{Bartlett test}} = 3210.89$ (45) explained variance: 82.24%)			p= 0.000)	Total
SOCIAL DRIVERS				
<i>Reputation (REP)</i>				
I make contributions to enhance my reputation in this community.	20.93	0.89	0.79	
I feel that making contribution improves my status in this crowdfunding community			0.92	19.11
I earn respect from others by making contribution to this community			0.86	17.85
<i>Cognitive Identification (ID)</i>				
I am a person who is annoyed to say I'm a member of the community.	25.51	0.89	0.84	
I am a person who sees myself as belonging to the community.			0.89	20.47
I am a person who feels strong ties with the crowdfunding community.			0.80	17.69
I am a person who identifies with the crowdfunding community			0.77	16.77

Table 6.4 (continued) : Results of factor analyses and the reliabilities of the scales for study 1.

Construct and description of items	EFA Variance Explained (%)	Cronbach's alpha	CFA Loading	CR
Reciprocity (REP)				
I typically reciprocate when a member in this community helps me	29.62	0.90	0.78	17.56
I feel good about helping a member in the community who has helped me			0.87	
I offer assistance when a member in this community needs helps so I can get help when I need it			0.75	
I want to be a beneficial asset to this community if I receive help from others' contributions.			0.78	
If I receive useful support from this community, I should make contribution in return.			0.75	
(KMO=0.89 $\chi^2_{\text{Bartlett test}} = 3015.64$ (66) p= 0.000) Total explained variance: 76.06%				
FUNCTIONAL DRIVERS				
Regulatory Dimension (RD)				
Even after failing in an earlier business, the government assists entrepreneurs in starting again in the area of crowdfunding.	31.05	0.93	0.85	22.30
The government sponsors organizations that help new businesses develop in the area of crowdfunding.			0.89	
Local and national governments have special support available for individuals who want to start a new business in the area of crowdfunding			0.90	
Government organizations in this country assist individuals with starting their own business in the area of crowdfunding.			0.85	
Cognitive Dimension (CD)				
Most people know where to find information about markets for their products in the area of crowdfunding.	21.55	0.89	0.83	18.96
Those who start new businesses know how to deal with much risk in the area of crowdfunding.			0.85	
Individuals know how to legally protect a new business in the area of crowdfunding.			0.88	

Table 6.4 (continued) : Results of factor analyses and the reliabilities of the scales for study 1.

Construct and description of items	EFA	Cronbach's alpha	CFA	
	Variance Explained (%)		Loading	CR
<i>Normative Dimension (ND)</i>				
People in this country tend to greatly admire those who start their own business in the area of crowdfunding.	29.04	0.91	0.85	21.19
Entrepreneurs are admired in this country in the area of crowdfunding			0.88	
In this country, innovative and creative thinking is viewed as the route to success in the area of crowdfunding			0.84	
Turning new ideas into businesses is an admired career path in this country in the area of crowdfunding.			0.83	
(KMO=0.93 $\chi^2_{\text{Bartlett test}} = 3239.06$ (55) p= 0.000) Total explained variance: 82.24%				
MEDIATORS				
<i>Community Trust (TR)</i>				
I believe that I get the right answers from this crowdfunding community	85.95	0.92	0.92	20.59
This is an honest community			0.84	
I trust this crowdfunding community			0.80	
(KMO=0.82 $\chi^2_{\text{Bartlett test}} = 1324.89$ (6) p= 0.000)				
<i>CF Community Engagment (CE)</i>				
I benefit from following the crowdfunding community's rules.	84.40	0.93	0.70	16.90
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.			0.63	
I am motivated to participate in the community's activities because I am able to support other members.			0.68	
I am an integrated member of this community.			0.89	
I am an active member of this community.			0.90	
I am a participating member of this community.			0.86	
I am an interacting member of this community.			0.82	
(KMO=0.89 $\chi^2_{\text{Bartlett test}} = 2112.48$ (21) p= 0.000)				

Table 6.4 (continued) : Results of factor analyses and the reliabilities of the scales for study 1.

Construct and description of items	EFA Variance Explained (%)	Cronbach's alpha	CFA Loading	CR
OUTCOMES				
Community Satisfaction (SAT)				
Overall, I am satisfied with my experience in this crowdfunding community.			0.88	
I am sure I made the correct decision in using this crowdfunding community.	41.56	0.86	0.91	24.00
I have obtained several benefits derived from my participation in this crowdfunding community			0.72	16.08
WOM Behavior (WOM)				
I leave positive comments on community sites			0.67	
I recommend this crowdfunding community to others	34.98	0.81	0.88	14.15
I often tell others about this crowdfunding community/platform			0.77	12.89
(KMO=0.87 $\chi^2_{\text{Bartlett test}} = 1279.32 (15)$ p= 0.000) Total explained variance: 76.54%				

Table 6.5 : Correlations among constructs, convergent validity, and discriminant validity for study 1.

	<i>CR</i>	<i>AVE</i>	<i>COG</i>	<i>AF</i>	<i>CON</i>	<i>REP</i>	<i>ID</i>	<i>TR</i>	<i>REC</i>	<i>RD</i>	<i>CD</i>	<i>ND</i>	<i>CE</i>	<i>SAT</i>	<i>WOM</i>
<i>COG</i>	0.90	0.75	0.86												
<i>AF</i>	0.94	0.80	0.80	0.89											
<i>CON</i>	0.84	0.63	0.78	0.75	0.79										
<i>REP</i>	0.89	0.73	0.34	0.34	0.46	0.85									
<i>ID</i>	0.89	0.68	0.29	0.3	0.37	0.61	0.82								
<i>TR</i>	0.89	0.73	0.46	0.51	0.54	0.7	0.58	0.85							
<i>REC</i>	0.89	0.62	0.56	0.61	0.59	0.67	0.50	0.66	0.79						
<i>RD</i>	0.93	0.76	0.05	0.07	0.13	0.41	0.37	0.32	0.27	0.87					
<i>CD</i>	0.89	0.73	0.19	0.15	0.28	0.51	0.46	0.42	0.39	0.76	0.85				
<i>ND</i>	0.91	0.72	0.29	0.30	0.38	0.53	0.50	0.47	0.48	0.66	0.73	0.85			
<i>CE</i>	0.92	0.62	0.32	0.33	0.44	0.7	0.75	0.71	0.58	0.37	0.48	0.44	0.79		
<i>SAT</i>	0.88	0.70	0.49	0.50	0.58	0.61	0.61	0.81	0.62	0.30	0.42	0.43	0.75	0.84	
<i>WOM</i>	0.82	0.61	0.48	0.51	0.53	0.62	0.59	0.75	0.71	0.31	0.43	0.55	0.70	0.79	0.78

6.1.3.3 Structural model for study 1

Hypotheses were tested by the structural equation modeling (SEM) approach. The structural model is a good fit with the data ($\chi^2 = 2348.67$, $df = 1070$, $pb.000$; $\chi^2/df = 2.195$; $RMSEA = 0.058$; $CFI = 0.92$; $TLI = 0.91$; $NFI = 0.86$). As illustrated in Fig. 6.1, concerning the personal drivers, Fundraisers' attitude related innovation-cognition does not significantly have an impact on crowdfunding community engagement, H1 is not supported. Fundraisers' attitude related innovation-affect has positive impact on crowdfunding community engagement at the 0.1 significance level (Standardized β : 0.08). Thus, H2 can be accepted at the significance level of 0.1. In addition, fundraisers' innovation-conation has positive impact on crowdfunding community engagement, H3 is supported at the significance level of 0.01. When it comes to the social drivers, all hypotheses are supported. Reputation has positive impact on fundraisers' crowdfunding community engagement. H4 is supported at the significance level of 0.05 (Standardized β : 0.13). Both cognitive identification of fundraisers and reciprocity have positive impact on the level of fundraisers' crowdfunding community engagement; therefore, H5 and H6 are supported at the significance level of 0.01 (Standardized β : 0.38 and 0.22, respectively).

As for the funtional drivers, perceived regulatory dimension of crowdfunding in the country has positive impact on the level of entrepreneurs' crowdfunding community trust (Standardized β : 0.09). However, H7 can be accepted at the significance level of 0.1. Both perceived cognitive dimension and normative dimension of crowdfunding in the country have positive impact on the level of entrepreneurs' crowdfunding community trust. H8 and H9 are supported at the significance level of 0.01 (Standardized β : 0.27 and 0.40, respectively). Additionally, crowdfunding community trust influences positively the level of entrepreneurs' crowdfunding community engagement (Standardized β : 0.44). Thus, H10 is supported at the significance level of 0.01.

As regards to the testing relationships of depended variables of the model, crowdfunding community engagement has positively strong impact on both fundraisers' community engagement on satisfaction for participating the community and WOM behavior (Standardized β : 0.84 and 0.83, respectively). Thus, H11 and H12 are supported at the significance level of 0.01. Results of the all hypotheses are summarized in Table 6.6.

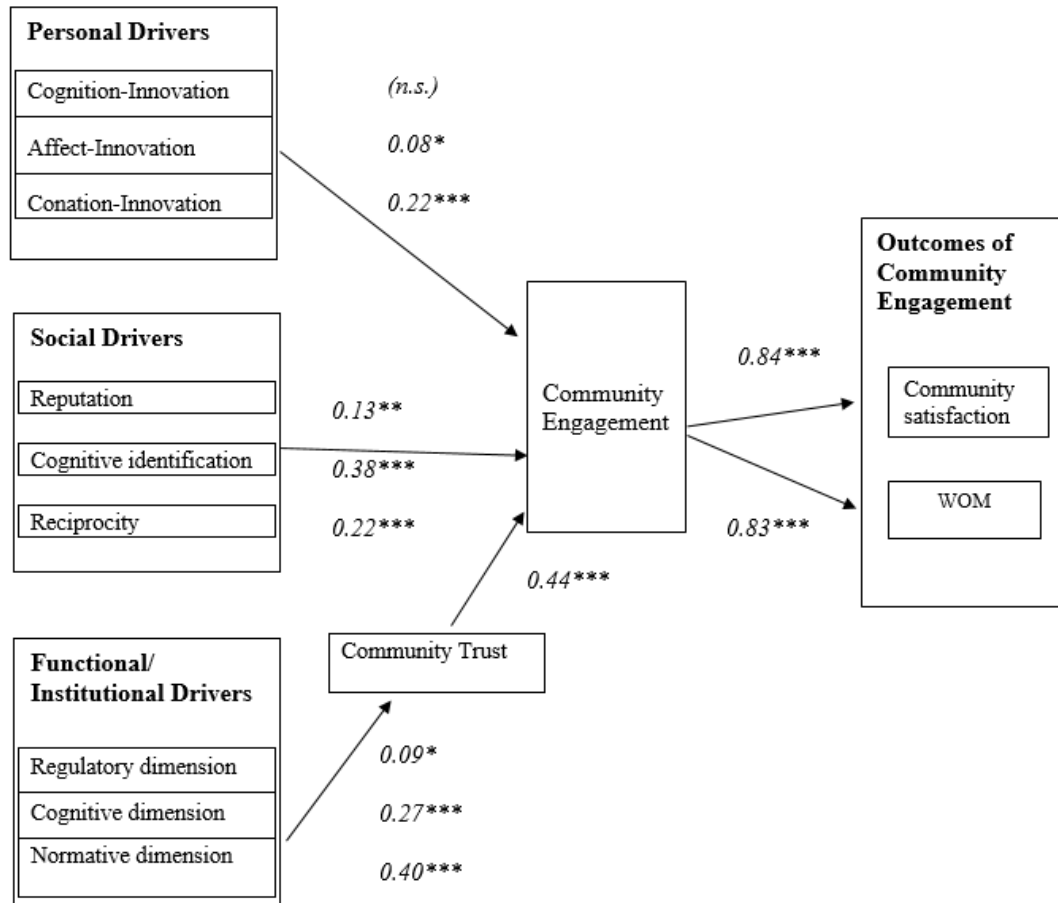


Figure 6.1 : Results of model with standardized path estimates for study 2.
 *p-value < 0.1; **p-value < .05; ***p-value < .01; n.s. = non-significant

Table 6.6 : Results of the hypotheses for study 1.

Hypotheses	Result
H1: Cognition-Innovation → Community Engagement	Not Supported
H2: Affect-Innovation → Community Engagement	Supported*
H3: Conation-Innovation → Community Engagement	Supported***
H4: Reputation → Community Engagement	Supported**
H5: Cognitive Identification → Community Engagement	Supported***
H6: Reciprocity → Community Engagement	Supported***
H7: Regulatory Dimension → Community Trust	Supported*
H8: Cognitive Dimension → Community Trust	Supported***
H9: Normative Dimension → Community Trust	Supported***
H10: Community Trust → Community Engagement	Supported***
H11: Community Engagement → Community Satisfaction	Supported***
H12: Community Engagement → WOM	Supported***

*p-value < 0.1; **p-value < .05; ***p-value < .01.

6.2 Study 2: Quantitative Study for Funders

6.2.1 Measurement scales for study 2

Literature on crowdfunding system and current market practices point out the importance of the engagement to the crowdfunding community. In the research model of the study 2, we aim to understand the personal, social and functional factors of funders' crowdfunding community engagement in the perspective of creating community satisfaction and WOM communication behavior. The measurement scales of Study 2 were adapted from previous research. Due to the lack of valid scales in the context of crowdfunding community, all items (statements) of scales were adapted in conformity with crowdfunding community context. In the survey questionnaire, respondents were asked to indicate the extent of their agreement by a seven-point Likert scale (1 = “strongly disagree” and 7= “strongly agree”) with a series of statements about the variables in the research model. Summarized of the scales of measurement for study 2 is illustrated in Table 6.7. After clarifying all the measurement scales, all the items are translated into Turkish, with back translation to provide conceptual equivalence since the data of this study were gathered in Turkey. Moreover, before collecting the data, pilot study is conducted to ensure using the proper measurement scales.

6.2.3 Sampling and data collection for study 2

Although crowdfunding as a mechanism launched in 2010 in Turkey, it is in its nascent phase in comparison to developed crowdfunding markets. In Turkey, there are active crowdfunding platforms adopting non-financial models as donation and reward-based such as Arikovani, Buluşum, Crowdfon, Fonbulucu, Fongogo and Ideanest. Crowdfunding activities in Turkey had been relatively limited since the issue of crowdfunding was not characterized by the Capital Market Board (SPK) which is the authorized governmental institution to regulate financial systems. In 2017, Crowdfunding Association in Turkey was established to accelerate the process concerning the regulation and encourage widespread use of crowdfunding platforms that provide alternative funding opportunities for the entrepreneurship ecosystem. On December 5, 2017, crowdfunding was legally accepted under the Capital Market Law and crowdfunding platforms were entitled to act as intermediate in crowdfunding activities by getting a license from Capital Market Board in Turkey.

Table 6.7 : Summarized of the scales of measurement for study 2.

Variable	Scale of Measurement
Personal Drivers	
<i>Intrapersonal Dimension</i>	
Inner orientation	Shostrom, 1964 (7 items)
Other orientation	Shostrom, 1964 (7 items)
Cognitive Innovativeness	Venkatraman and Price, 1990 (7 items)
<i>Interpersonal Dimension</i>	
Altruism	Mowen and Sujan, 2005; MacKenzie et al, 1993 (5 items)
Sportsmanship	Podsakoff et al, 1990 (5 items)
Courtesy	Podsakoff et al, 1990 (5 items)
Social Drivers	
Network Effect	Lin and Bhattacharjee, 2008; Pae and Hyun, 2002 (5 items)
Cognitive Identification	Brown et al, 1986 (5 items)
Familiarity Effect	Lin and Lu, 2011; Hsiao and Chiou, 2012 (3 items)
Functional Drivers	
System quality	Ahn et al, 2007 (8 items)
Information quality	Ahn et al, 2007 (7 items)
Service quality	Ahn et al, 2007 (6 items)
Mediator	
Community Engagement	Algesheimer et al, 2005; Zhang et al, 2017 (7 items)
Outcomes	
Community Satisfaction	Casalo et al, 2010 (3 items)

Although questionnaire survey for study 2 was conducted in Turkey, respondents were asked to reply the survey based on crowdfunding platforms operated as globally and/or local that they were familiar with. Current and/or prospective funders were asked to answer the questionnaire. Besides collecting data with the support of crowdfunding platforms in Turkey by sharing questionnaire survey via e-mails and social media account to reach their members through some institutions in entrepreneurship ecosystem since entrepreneurs are more familiar with the concept of crowdfunding. These institutions are Crowdfunding Association in Turkey, angel investment network, Seed & Early Stage Incubation Centers, Incubation Centers in universities, entrepreneurship clubs in universities, Chamber of commerce, entrepreneurship consultant agencies, local and global start-up communities, and other actors in entrepreneurship ecosystem. Although 276 individuals have clicked the questionnaire survey link, a final sample, in which incompleted and invalid responses were

eliminated, is comprised of 183 respondents. SPSS and AMOS were used for analyzing the data.

6.2.3 Findings of study 2

6.2.3.1 Demographics and usage characteristics of funders in crowdfunding communities

Demographic characteristics of the respondents such as gender, marital status, age, education level, household income and occupations are shown in Table 6.8. Among the total respondents, 66.1 % are male and 33.9% are female and majority of respondents are single (68.3 %). Almost 40% of the participants' ages range from 21 to 30. As for education, 70.5% have up to 4-year college degree and 26.2% of the respondents are business managers/specialists and only 25.1% of them are students. Approximately 28% of the respondents have monthly household income between 2001 TL – 4000 TL.

The Table 6.9 illustrates usage characteristics of fundraisers in crowdfunding communities. As shown in table, 58.5% of the respondents have funded a crowdfunding project. When the respondents' membership duration is analyzed, it can be seen that 55.2% of them joined the crowdfunding community less than one year ago. Concerning the visiting frequency of crowdfunding community webpage, while 21.9% of the respondents visit monthly platform's webpage, 28% of them visit platform's webpage multiple times a year. Although 42.6% of respondents spend less than 15 minutes on each visit, 39.9% of respondents spend time from 15 to 30 minutes. In addition, while 32.8% of the respondents follow crowdfunding platform's instagram account, 47.5% of them follow none of the crowdfunding platform's social media account.

Table 6.8 : Demographic characteristics of study 2.

		n	%
Gender	Male	121	66.1
	Female	62	33.9
Marital Status	Married	58	31.7
	Single	125	68.3
Age	Less than 21	29	15.8
	21-30	73	39.9
	31-40	43	23.5
	More than 40	38	20.7
Education	Less than high school	2	1.1
	High School	38	20.8
	2-year College Degree	14	7.7
	Master's Degree-Doctoral Degree	45	24.6
Household income	Less than 2001 TL	27	14.8
	2001 -4000 TL	50	27.3
	4001-6000 TL	34	18.6
	6001-8000 TL	15	8.2
	8001-10,000 TL	17	9.3
	10,001 – 12,000 TL	15	8.2
	12,001 – 14,000 TL	5	2.7
	More than 14,000 TL	20	10.9
Occupations	Engineers	14	7.7
	IT/Developers/Data analysts	7	3.8
	Entrepreneurs/ Social Entrepreneurs	5	2.7
	Authors/Performers/Designers/Film Makers	11	6.0
	Business Managers/Specialists	48	26.2
	Professionals	32	17.5
	Academics	6	3.3
	Students	46	25.1
	Others	14	7.6
	(Consultants/Farmers/Operators...)		

Table 6.9 : Usage characteristics of funders in crowdfunding communities.

	n	%
Number of Funded Crowdfunding Project		
0	76	41.5
1	49	26.8
2	18	9.8
More than 2	40	21.8
Membership Duration of Crowdfunding Community		
Less than 1 year	101	55.2
1 - 2 years	39	21.3
2-3 years	14	7.7
3-4 years	8	4.4
More than 4 years	21	11.5
Visiting Frequency of Crowdfunding Community Page		
Multiple times a day	22	12.0
Once daily	17	9.3
Multiple times a week	32	17.5
Once a week	14	7.7
Every couple weeks	17	9.3
Monthly	40	21.9
Multiple times a year	41	22.4
Spending Time on Each Visit of Crowdfunding Platform Webpage		
Less than 15 minutes	78	42.6
15-30 minutes	73	39.9
31-45 minutes	17	9.3
46 minutes – 1 hour	10	5.5
More than 1 hour	5	2.7
Followed Platform's Social Media Account		
None	87	47.5
Facebook	44	24
Instagram	60	32.8
Twitter	35	19.1
LinkedIn	24	13.1
YouTube	14	7.7

6.2.3.2 Measurement Model for Study 2

An exploratory factor analysis was conducted for study 2 in order to identify the appropriate items for the tests. All construct groups were reviewed using principal component analysis with varimax rotation. Eigenvalue which is greater than 1.0 is taken into consideration and the remaining items were extracted from the analyses. All factor loadings were higher than 0.5, and explained variance of each construct and total explained variance of construct groups met the requirements (Hair et al, 1998). The

Cronbach alpha was used to assess the reliability of a minimum value of 0.7 (Nunnally, 1978). Although, the sample size for study 2 is 183, the total number of items (statements in your questionnaire) that has to be used for testing the measurement model is 69. However, according to Bentler ve Chou (1987), sample size should be more than five times of total number of measurement items. Therefore, the sample size is not big enough to test all hypotheses in a single model for study 2. Due to the fact that to be able to test hypotheses in this study, measurement model and structural model were tested and reported by groups of drivers including personal, social and functional. Hence, the sample size would be suitable for SEM analysis.

As an additional information in this thesis, a confirmatory factor analysis (CFA) using maximum likelihood estimation of the covariance matrix was performed on all 69 items corresponding to sixteen constructs in Study 2. Loadings of item and values of CR were given in Table G.1 in Appendix G. In addition, the construct validity of the measurement model, convergent validity and discriminant validity of the constructs were examined and reported in Table G.2. Fornell and Larcker (1981) claimed that convergent validity would be confirmed by examining three conditions. First, standardized loadings of items in CFA are expected to be more than 0.7. Except a very few ones which are close to 0.7, measurement items met the criteria (see Table G.1). Second, the average variance extracted (AVE) measure is suggested to be used. As shown in Table G.2, the values of AVE of each construct is higher than the recommended threshold (0.5). Finally, the CR for each measure exceeded 0.7, satisfying the general requirement of reliability for research instruments. As illustrated in Table G.2, the diagonal values demonstrate the square root of AVE for each construct and values below are correlation estimates. Discriminant validity is confirmed if the square root of the AVE of each measurement is greater than the inner-construct correlation. The overall results confirm the discriminant validity of the measures used in the study. In addition, the goodness-of-fit indices of CFA were examined to ensure that the model represents the data well (see in Table G.1.). However, due to the small sample size as mentioned above paragraph, to test hypotheses in this study, measurement model and structural model were tested and reported by groups of drivers including personal, social and functional.

Personal Drivers: Before testing the research hypotheses, factor analysis was conducted in order to identify the appropriate items for the analysis. An exploratory

factor analysis was conducted for personal drivers in study 2 in order to identify the appropriate items for the tests. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity were applied to the data prior to factor extraction. The results of KMO=0.875 and χ^2 Bartlett test = 3724.968 (325) ($p= 0.000$) ensure that the characteristics of the data set were suitable for factor analysis. Results are shown in Table 6.10. All independent constructs were reviewed using principal component analysis with varimax rotation. Eigenvalue which is greater than 1.0 is taken into consideration and the remaining items were extracted from the analyses. Factor loadings were higher than 0.5, and total explained variance (75.17%) of six factor solution met the requirements (Hair et al, 1998). The percentage of variance explained are illustrated in Table 6.10. The Cronbach alpha was used to assess the reliability of a minimum value of 0.7 (Nunnally, 1978). The reliabilities of the scales were given in Table 6.10. A confirmatory factor analysis (CFA) using maximum likelihood estimation of the covariance matrix was performed on all items corresponding to nine constructs in this research. As for the construct validity of the measurement model, convergent validity and discriminant validity of the constructs were examined. Fornell and Larcker (1981) claimed that convergent validity would be confirmed by examining three conditions. First, standardized loadings of items in CFA are expected to be more than 0.7. Except a very few ones which are close to 0.7, measurement items met the criteria (see Table 6.10). Second, the average variance extracted (AVE) measure is suggested to be used. As shown in Table 6.11, the values of AVE of each construct is higher than the recommended threshold (0.5). Finally, the CR for each measure exceeded 0.7, satisfying the general requirement of reliability for research instruments. As illustrated in Table 6.11, the diagonal values demonstrate the square root of AVE for each construct and values below are correlation estimates. Discriminant validity is confirmed if the square root of the AVE of each measurement is greater than the inner-construct correlation. The overall results confirm the discriminant validity of the measures used in the study. In addition, the goodness-of-fit indices of CFA were examined to ensure that the model represents the data well ($\chi^2 = 1117.53$, $df = 662$, $pb.000$; $\chi^2/df = 1.69$; $RMSEA = 0.06$; $CFI = 0.93$; $TLI = 0.92$; $NFI = 0.85$).

Table 6.10 : The reliabilities of the scales for testing personal drivers in study 2.

Construct and description of items	Loading	CR
------------------------------------	---------	----

(%Variance Explained*) (Cronbach's alpha)		
<i>IN - Inner Orientation (%11.28) (0.83)</i>		
I feel free to not do what others expect of me.	0.78	
I need not justify my actions in the pursuit of my own interests.	0.78	10.10
I do not always need to live by the rules and standards of society.	0.63	8.12
Reasons are not needed to justify my feelings.	0.72	9.38
People should express honestly felt anger.	0.61	7.92
<i>C_IN - Cognitive Innovativeness (%22.93) (0.95)</i>		
I find out the meaning of words I don't know.	0.87	
Trying to figure out the meaning of unusual statements.	0.92	18.76
Thinking about different ways to explain the same thing.	0.89	17.17
Figuring out the shortest distance from one city to another.	0.75	12.73
Analyzing my own feelings and reactions.	0.79	13.86
Discussing unusual ideas.	0.92	18.60
Thinking about why the world is in the shape that it is in.	0.90	17.58
<i>OT - Other Orientation (%10.59) (0.81)</i>		
I must justify my actions in the pursuit of my own interests	0.58	7.48
I live by the rules and standards of society.	0.74	9.72
Reasons are needed to justify my feelings	0.77	10.0
I will continue to grow only by setting my sights on a high-level, socially approved goal.	0.80	
<i>AL - Altruism (%13.15) (0.92)</i>		
I am always ready to help or to lend a helping hand to those in the crowdfunding community	0.87	
I help orient new members in this community	0.82	14.28
I willingly give of my time to help others in the crowdfunding community	0.90	16.78
I am giving to others in the crowdfunding community	0.83	14.43
<i>CO - Courtesy (%8.54) (0.94)</i>		
I consider the impact of my actions on people in this community.	0.83	
I try to avoid creating problems for people in this community.	0.98	18.45
I do not abuse the rights of others in this community.	0.96	18.11
<i>SPO - Sportsmanship (%8.68) (0.83)</i>		
I always find fault with what the crowdfunding platform is doing	0.67	
I tend to make "mountains out of molehills."	0.89	9.33
I always focus on what's wrong, rather than the positive side.	0.81	9.20

Table 6.10 (continued) : The reliabilities of the scales for testing personal drivers in study 2.

Construct and description of items (%Variance Explained*) (Cronbach's alpha)	Loading	CR
<i>CE - Crowdfunding Community Engagement (0.94)</i>		
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.	0.76	
I am motivated to participate in the crowdfunding community's activities because I am able to support other members.	0.77	16.99
I am motivated to participate in theis community's activities because I am able to reach personal goals.	0.75	14.82
I am an integrated member of this community.	0.89	13.08
I am an active member of this community.	0.85	12.25
I am a participating member of this crowdfunding community.	0.83	12.01
I am an interacting member of this crowdfunding community.	0.90	13.26
<i>SAT - Community Satisfaction (0.90)</i>		
Overall, I am satisfied with my experience in this crowdfunding community.	0.92	
I am sure I made the correct decision in using this crowdfunding platform.	0.95	20.58
I have obtained several benefits derived from my participation in this crowdfunding community.	0.76	13.55
<i>WOM Behavior (0.88)</i>		
I leave positive comments on this crowdfunding community website.	0.82	
I recommend this crowdfunding community to others	0.89	13.90
I often tell others about this crowdfunding platform	0.85	13.11
* The values of % variance explained are given for independent variables		

Table 6.11 : Correlations among constructs, convergent validity, and discriminant validity for social drivers in study 2.

	CR	AVE	IN	C_IN	OT	AL	CO	SPO	CE	SAT	WOM
IN	0.83	0.50	0.71								
C_IN	0.95	0.75	0.26	0.86							
OT	0.82	0.53	-0.56	-0.03	0.73						
AL	0.92	0.73	0.02	0.41	0.14	0.86					
CO	0.95	0.86	0.14	0.64	-0.08	0.51	0.93				
SPO	0.84	0.64	0.21	0.44	-0.22	0.05	0.31	0.8			
CE	0.94	0.68	-0.06	0.38	0.3	0.75	0.34	0.05	0.82		
SAT	0.91	0.78	0.11	0.60	0.03	0.51	0.52	0.20	0.62	0.88	
WOM	0.89	0.73	-0.11	0.54	0.23	0.71	0.49	0.09	0.70	0.69	0.85

Social Drivers: An exploratory factor analysis was conducted for social drivers in study 2 in order to identify the appropriate items for the tests. The results of KMO = 0.858 and χ^2 Bartlett test = 2340.398 (91) ($p = 0.000$) ensure that the characteristics of the data set were suitable for factor analysis. Results are shown in Table 6.12. All independent constructs were reviewed using principal component analysis with varimax rotation. Eigenvalue which is greater than 1.0 is taken into consideration and the remaining items were extracted from the analyses. Factor loadings were higher than 0.5 and total explained variance (84.25%) of four factor solution met the requirements (Hair et al, 1998). The percentage of variance explained are illustrated in Table 6.12. The Cronbach alpha was used to assess the reliability of a minimum value of 0.7 (Nunnally, 1978). The reliabilities of the scales were given in Table 6.12. A confirmatory factor analysis (CFA) using maximum likelihood estimation of the covariance matrix was performed on all items corresponding to seven constructs in this research. As for the construct validity of the measurement model, convergent validity and discriminant validity of the constructs were examined. Fornell and Larcker (1981) claimed that convergent validity would be confirmed by examining three conditions. First, standardized loadings of items in CFA are expected to be more than 0.7. Except one which is close to 0.7, measurement items met the criteria (see Table 6.12). Second, the average variance extracted (AVE) measure is suggested to be used. As shown in Table 6.13, the values of AVE of each construct is higher than the recommended threshold (0.5). Finally, the CR for each measure exceeded 0.7, satisfying the general requirement of reliability for research instruments. As illustrated in Table 6.13, the diagonal values demonstrate the square root of AVE for each construct and values below are correlation estimates. Discriminant validity is confirmed if the square root of the AVE of each measurement is greater than the inner-construct correlation. The overall results confirm the discriminant validity of the measures used in the study. In addition, the goodness-of-fit indices of CFA were examined to ensure that the model represents the data well ($\chi^2 = 613.18$, $df = 300$, $p < 0.000$; $\chi^2/df = 2.04$; RMSEA = 0.07; CFI = 0.94; TLI = 0.92; NFI = 0.88).

Table 6.12 : Reliabilities of the scales for testing social drivers in study 2.

Construct and description of items (%Variance Explained*) (Cronbach's alpha)	Loadings	CR
<i>NET - Network Effect (%17.45) (0.88)</i>		
Most of the people in my personal circle are using this crowdfunding platform	0.84	
Most of my peers are using this crowdfunding platform.	0.97	14.62
Most of my friends are using this crowdfunding platform.	0.72	11.26
<i>F_E - Familiarity Effect (%16.870) (0.85)</i>		
I have frequent communication with fundraisers	0.93	
I engage in a high level of interaction with fundraisers	0.96	19.35
I spend considerable time in crowdfunding projects	0.58	8.99
<i>TR - Community Trust (%25,79) (0.94)</i>		
I believe that I get the right answers from this crowdfunding community	0.91	
I believe that real experiences are shared in this crowdfunding community	0.95	22.64
This is an honest crowdfunding community	0.89	19.00
I trust this crowdfunding community	0.85	16.87
<i>ID – Cognitive Identification (%24.15) (0.95)</i>		
I am a person who is annoyed to say I'm a member of the crowdfunding community	0.87	
I am a person who sees myself as belonging to the crowdfunding community.	0.93	19.20
I am a person who feels strong ties with the crowdfunding community	0.93	19.12
I am a person who identifies with the crowdfunding community.	0.87	16.30
<i>CE - Crowdfunding Community Engagement (0.94)</i>		
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.	0.80	
I am motivated to participate in the crowdfunding community's activities because I am able to support other members.	0.79	16.37
I am motivated to participate in the crowdfunding community's activities because I am able to reach personal goals.	0.76	13.43
I am an integrated member of this (crowdfunding) community.	0.91	14.83
I am an active member of this (crowdfunding) community.	0.86	13.66
I am a participating member of this (crowdfunding) community.	0.83	12.97
I am an interacting member of this (crowdfunding) community.	0.89	14.39

Table 6.12 (continued) : Reliabilities of the scales for testing social drivers in study 2.

Construct and description of items (%Variance Explained*) (Cronbach's alpha)	Loadings	CR
<i>SAT - Community Satisfaction (0.90)</i>		
Overall, I am satisfied with my experience in this crowdfunding community.	0.92	
I am sure I made the correct decision in using this crowdfunding platform.	0.95	21.40
I have obtained several benefits derived from my participation in this crowdfunding community.	0.76	13.65
<i>WOM Behavior (0.88)</i>		
I leave positive comments on this community website.	0.80	
I recommend this crowdfunding community to others	0.93	14.06
I often tell others about this crowdfunding platform	0.83	12.49
* The values of % variance explained are given for independent variables		

Table 6.13 : Correlations among constructs, convergent validity, and discriminant validity for social drivers in study 2.

	CR	AVE	NET	F_E	TR	ID	CE	SAT	WOM
<i>NET</i>	0.88	0.72	0.85						
<i>F_E</i>	0.87	0.71	0.38	0.84					
<i>TR</i>	0.95	0.81	0.15	0.2	0.9				
<i>ID</i>	0.95	0.81	0.28	0.38	0.67	0.9			
<i>CE</i>	0.94	0.7	0.24	0.49	0.66	0.83	0.84		
<i>SAT</i>	0.91	0.78	0.11	0.13	0.63	0.61	0.65	0.88	
<i>WOM</i>	0.89	0.73	0.16	0.26	0.57	0.56	0.71	0.69	0.85

Functional Drivers: An exploratory factor analysis was conducted for functional drivers in study 2 in order to identify the appropriate items for the tests. The results of KMO=0.95 and χ^2 Bartlett test = 3515,934 (120) ($p= 0.000$) ensure that the characteristics of the data set were suitable for factor analysis. Results are shown in Table 6.14. All independent constructs were reviewed using principal component analysis with varimax rotation. Eigenvalue which is greater than 1.0 is taken into consideration and the remaining items were extracted from the analyses. Factor loadings were higher than 0.5 and total explained variance (83.70%) of three factor solution met the requirements (Hair et al, 1998). The percentage of variance explained are illustrated in Table 6.14. The Cronbach alpha was used to assess the reliability of a minimum value of 0.7 (Nunnally, 1978). The reliabilities of the scales were given in Table 6.14. A confirmatory factor analysis (CFA) using maximum likelihood

estimation of the covariance matrix was performed on all items corresponding to six constructs in this research. As for the construct validity of the measurement model, convergent validity and discriminant validity of the constructs were examined. Fornell and Larcker (1981) claimed that convergent validity would be confirmed by examining three conditions. First, standardized loadings of items in CFA are expected to be more than 0.7. All measurement items met the criteria (see Table 6.14). Second, the average variance extracted (AVE) measure is suggested to be used. As shown in Table 6.15, the values of AVE of each construct is higher than the recommended threshold (0.5). Finally, the CR for each measure exceeded 0.7, satisfying the general requirement of reliability for research instruments. As illustrated in Table 6.15, the diagonal values demonstrate the square root of AVE for each construct and values below are correlation estimates. Discriminant validity is confirmed if the square root of the AVE of each measurement is greater than the inner-construct correlation. The overall results confirm the discriminant validity of the measures used in the study. In addition, the goodness-of-fit indices of CFA were examined to ensure that the model represents the data well ($\chi^2 = 1075.878$, $df = 415$, $pb.000$; $\chi^2/df = 2.59$; $RMSEA = 0.08$; $CFI = 0.92$; $TLI = 0.91$; $NFI = 0.87$).

Table 6.14 : Reliabilities of the scales for testing functional drivers in study 2.

Construct and description of items (%Variance Explained*) (Cronbach's alpha)	Loadings	CR
<i>SYS – System Quality (%28.78) (0.95)</i>		
This crowdfunding platform has good functionality relevant to site type	0.91	30.15
I can use this crowdfunding platform when I want to use	0.88	25.33
This crowdfunding platform has fast response and transaction processing	0.88	25.20
This crowdfunding platform has easy navigation to information	0.93	36.89
This crowdfunding platform has an appropriate style of design for site type	0.89	
<i>INF – Information Quality (%28.15) (0.96)</i>		
This crowdfunding platform provides timely information	0.94	37.68
This crowdfunding platform provides reliable information	0.92	35.92
This crowdfunding platform provides accurate information	0.93	34.48
This crowdfunding platform provides site-specific information	0.90	28.97
This crowdfunding platform provides complete information	0.88	25.33
This crowdfunding platform has sufficient contents where I expect to find information	0.90	

Table 6.14 (continued) : Reliabilities of the scales for testing functional drivers in study 2.

Construct and description of items (%Variance Explained*) (Cronbach's alpha)	Loading	CR
<i>SER – Servis Quality (%26.78) (0.95)</i>		
This platform provides follow-up service to users	0.86	17.18
This crowdfunding platform understands and adapts to the user's specific needs	0.91	19.49
This crowdfunding platform instills confidence in users, reducing their uncertainty	0.92	19.73
This crowdfunding platform can be dependent on to provide whatever is promised	0.83	15.90
This crowdfunding platform anticipates and responds promptly to user needs and request	0.90	
<i>CE - Crowdfunding Community Engagement (0.94)</i>		
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.	0.75	
I am motivated to participate in this community's activities because I am able to support other members.	0.74	16.52
I am motivated to participate in this community's activities because I am able to reach personal goals.	0.72	14.41
I am an integrated member of this community.	0.91	12.93
I am an active member of this community.	0.87	12.30
I am a participating member of this community.	0.85	11.89
I am an interacting member of this community.	0.90	12.80
<i>SAT - Community Satisfaction (0.90)</i>		
Overall, I am satisfied with my experience in this community.	0.93	
I am sure I made the correct decision in using this crowdfunding platform.	0.94	22.54
I have obtained several benefits derived from my participation in this crowdfunding community.	0.77	14.02
<i>WOM Behavior (0.88)</i>		
I leave positive comments on this community website.	0.80	
I recommend this crowdfunding community to others	0.92	14.24
I often tell others about this crowdfunding platform	0.83	12.63
* The values of % variance explained are given for independent variables		

Table 6.15 : Correlations among constructs, convergent validity, and discriminant validity for functional drivers in study 2.

	CR	AVE	SYS	INF	SER	CE	SAT	WOM
SYS	0.96	0.81	0.90					
INF	0.97	0.83	0.79	0.91				
SER	0.95	0.78	0.78	0.84	0.89			
CE	0.94	0.68	0.52	0.60	0.65	0.82		
SAT	0.91	0.78	0.80	0.83	0.82	0.62	0.88	
WOM	0.89	0.73	0.64	0.70	0.76	0.69	0.70	0.85

6.2.3.3 Structural Model for Study 2

Personal Drivers: Hypotheses for personal drivers in Study 2 were tested by the structural equation modeling (SEM) approach. The structural model is a good fit with the data ($\chi^2 = 1227.73$, $df = 675$, $pb.000$; $\chi^2/df = 1.82$; $RMSEA = 0.067$; $CFI = 0.91$; $TLI = 0.90$; $NFI = 0.83$). As illustrated in Figure 6.2, concerning the intrapersonal drivers, inner orientation does not impact on crowdfunding community engagement, H13 is not supported. In addition, both other orientation and cognitive innovativeness have positive impact on crowdfunding community engagement (Standardized β : 0.19 and 0.20, respectively). Therefore, H14 and H15 are supported at the significance level of 0.05. As for interpersonal drivers, altruism behavior of funders has strong positive impact on crowdfunding community engagement (Standardized β : 0.72), H16 is supported at the significance level of 0.01. On the other hand, both sportsmanship and behaviors of funders do not have significant impact on crowdfunding community engagement. Therefore, H17 and H18 are not supported. In addition, the level of funders' community engagement has strong positive impact on satisfaction for participating the community and WOM behavior (Standardized β : 0.66 and 0.76, respectively).

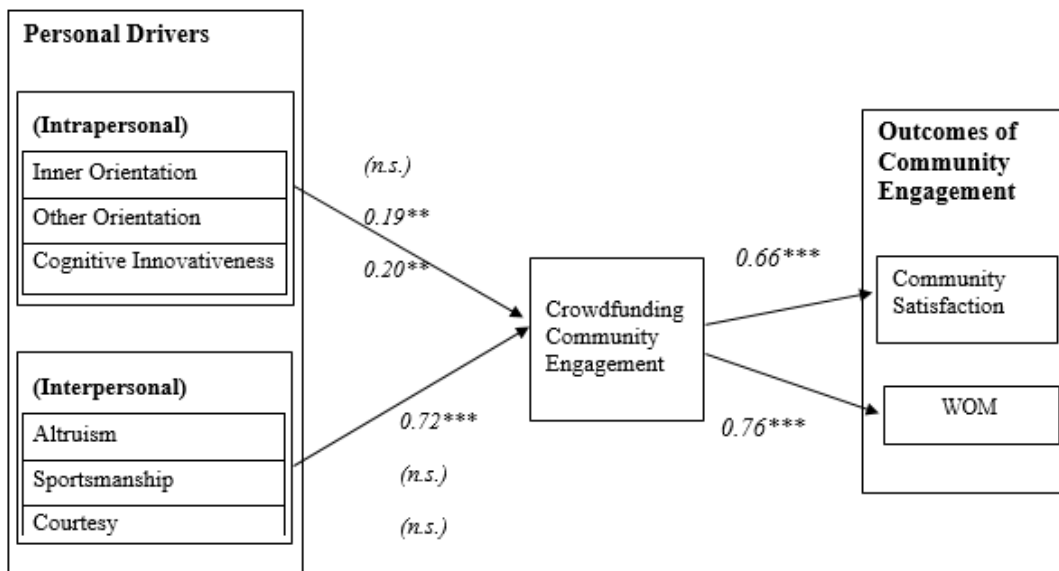


Figure 6.2 : Results of model with standardized path estimates for personal drivers in study 2.

*p-value < 0.1; **p-value < .05; ***p-value < .01; n.s. = non-significant

Social Drivers: Hypotheses for social drivers in Study 2 were tested by SEM approach. The structural model is a good fit with the data ($\chi^2 = 665.85$, $df = 309$,

pb.000; $\chi^2/df = 2.16$; RMSEA = 0.08; CFI = 0.93; TLI = 0.92; NFI = 0.87). As illustrated in Fig. 6.3, although, network effect does not impact on crowdfunding community engagement, H19 is not supported, the rest of hypotheses are supported at the significance level of 0.01 (H20, H21, and H22, respectively). Therefore, cognitive identification of funders, community trust, and familiarity effect have positive impact on funders' crowdfunding community engagement (Standardized β : 0.61, 0.25 and 0.20, respectively). Moreover, the level of funders' community engagement has strong positive impact on satisfaction for participating the community and WOM behavior (Standardized β : 0.68 and 0.74, respectively) .

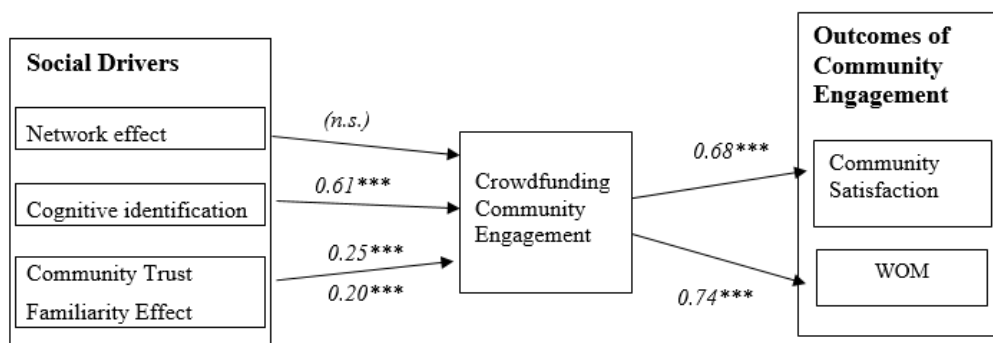


Figure 6.3 : Results of model with standardized path estimates for social drivers in study 2

*p-value < 0.1; **p-value < .05; ***p-value < .01; n.s. = non-significant

Functional Drivers: Hypotheses for functional drivers in Study 2 were tested by SEM approach. The structural model is a good fit with the data ($\chi^2 = 1243.02$, $df = 421$, pb.000; $\chi^2/df = 2.95$; RMSEA = 0.09; CFI = 0.90; TLI = 0.86; NFI = 0.85). As illustrated in Fig. 6.4, system quality does not impact on crowdfunding community engagement, H23 is not supported. Moreover, both information and service quality have positive impact on the level of funders' crowdfunding community engagement at the significance level of 0.05 and 0.01, respectively. Thus, H24 and H25 are supported (Standardized β : 0.23 and 0.55, respectively). In addition, the level of funders' community engagement has strong positive impact on satisfaction for participating the community and WOM behavior (Standardized β : 0.73 and 0.79, respectively). All in all, results of the all hypotheses are summarized in Table 6.16.

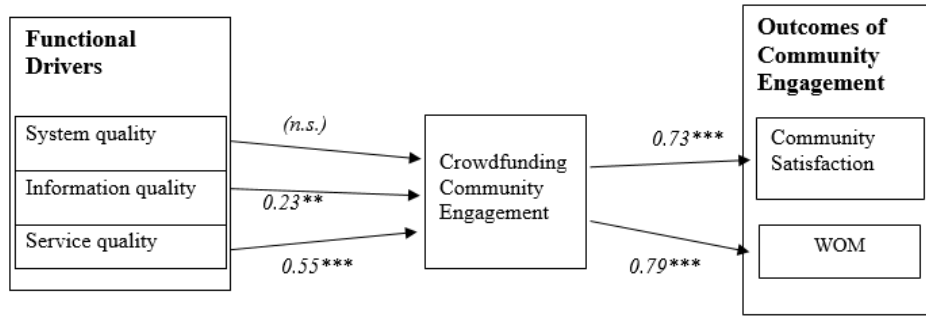


Figure 6.3 : Results of model with standardized path estimates for functional drivers in study 2.

*p-value < 0.1; **p-value < .05; ***p-value < .01; n.s. = non-significant

Table 6.16 : Results of the hypotheses for Study 2.

Hypothesis Path	Result
H13 ^a : Inner orientation → Community Engagement	Not Supported
H14: Inner orientation → Community Engagement	Supported**
H15: Cognitive Innovativeness → Community Engagement	Supported**
H16: Altruism → Community Engagement	Supported***
H17: Sportsmanship → Community Engagement	Not Supported
H18: Courtesy → Community Engagement	Not Supported
H19: Network Effect → Community Engagement	Not Supported
H20: Community Identification → Community Engagement	Supported***
H21: Community Trust → Community Engagement	Supported***
H22: Familiarity Effect → Community Engagement	Supported***
H23: System Quality → Community Engagement	Not Supported
H24: Information Quality → Community Engagement	Supported**
H25: Service Quality → Community Engagement	Supported***
H26: Community Engagement → Community Satisfaction	Supported***
H27: Community Engagement → WOM	Supported***

*p-value < 0.1; **p-value < .05; ***p-value < .01.

a: negative impact

7. CONCLUSIONS

7.1 Theoretical Implications

Crowdfunding, as a novel form of funding mechanism for supporting creativity, innovation, and entrepreneurship, has gained an increasing popularity. Through explorative and descriptive analyses, this thesis contributes to existing crowdfunding community knowledge in several ways and has theoretical implications. Major theoretical contribution of this study broadens the concept of crowdfunding community engagement by creating more insights on this important phenomenon. This research not only apply community engagement concept into a new environment (crowdfunding), but extend it into a more complex context through categorized groups of driver as personal, social and functional by considering the main system actors: fundraisers (entrepreneurs) and funders. Moreover, by exploring drivers and outcomes with the sound of theoretical reasoning, this research intends to provide empirical evidence of how engagement toward a crowdfunding community develops and how community engagement affects individuals' behaviors and attitudes toward a community. This research has the intention for developing a holistic understanding and adding to the literature on crowdfunding community engagement concept and providing an accurate and comprehensive lens in the theoretical aspect. The term "engagement" can be accepted as the central concept of consumer communities and co-creative networks. Community engagement leads to active participations to the group activities, support other community members and stimulate community's value for themselves and others which are critical for sustainability of an online community. Due to the limited number research about community engagement concerning crowdfunding concept, one of the major contributions of this study is to explore the concept of crowdfunding community engagement by investigating the under-explored question of what kind of drivers in a crowdfunding community affect 'engagement' in order to gain insights in this significant phenomenon. To provide comprehensive understanding of the main issues, this research is organized involving two consecutive studies including exploratory and descriptive research. Exploratory research, which comprises of designing a positioning map of crowdfunding platforms and in-depth

interviews with crowdfunding community actors, was conducted to be able to understand the crowdfunding approach in a certain market and identify variables of the drivers of community engagement. As for descriptive research, this thesis offers two different research models including perspectives of both fundraisers and funders called study 1 and study 2, respectively since each type of actors in the crowdfunding community has different theoretical standpoints and as a consequence distinct characteristics.

Concerning the exploratory research, the author designed a positioning map for crowdfunding market in Turkey to be able to offer a comprehensive view in an emerging crowdfunding market. Introducing the positioning map approach related crowdfunding platforms into crowdfunding literature broadens this phenomenon and contributes to the development of platforms' assessment criteria by providing better understands about crowdfunding market segments and identifying target markets of the platforms. Also, positioning map of a certain crowdfunding market presents a holistic view for the current and prospective actors of the crowdfunding market including platform managers, entrepreneurs/project creators, and funders. Two main features of this novel funding system are offered as distinctive dimensions of positioning map in this study: level of complexity based on regulatory procedures and level of expertise based on project categories. The first dimension has a strong relationship with crowdfunding models since regulatory arrangements are primarily applied based on crowdfunding models. When it comes to the other dimension, platforms that serve in multi-category level (horizontal) might have more volume compared to ones that operate as less or single category (vertical) platform. As second part of exploratory research, in depth interviews were conducted with three separate groups including managers of crowdfunding platforms and entrepreneurship ecosystem experts, prospective/current fundraisers, and existing/prospective funders since each type of actor in the community has different roles and as a consequence a different motivational structure. The analysis and interpretation of data first may lead to the development of a research model to understand the factors that influence crowdfunding community engagement among community members.

From the theoretical standpoint related the descriptive studies, knowledge produced from understanding the dynamics of crowdfunding community engagement could help researchers to conduct empirical investigations on the antecedents and consequences

of using crowdfunding system from perspectives of fundraisers in Study 1 and funders in Study 2. As a consequence, it could expand the application of the Entrepreneurial Attitude Orientation (EAO), Social Capital Theory, Institutional theory, personal orientation inventory approach and interpersonal citizenship behavior and information system quality approach which have not been investigated yet in crowdfunding context and contribute to the understanding of the drivers of crowdfunding community engagement concept. Specifically, by broadening the concept based on the institutional theory in functional aspect in Study 1 to make theoretical contributions in understanding this newly emerging mechanism through community engagement for further researches. Based on this theory, the results highlight the importance of institutional environment for crowdfunding system to gain legitimacy. This study could also provide insights for scholars by drawing attention on crowdfunding as a legitimate source of fund raising. The results of current study support that perceptions of entrepreneurs and entrepreneurial activities can be influenced by crowdfunding regulations and norms in a country. In addition, the approach of country-specific institutional arrangements can be successfully applied in exploring entrepreneurs' perceptions related to crowdfunding mechanism. Further, Study 1 especially provides empirical evidence about practicableness of the measurement scales regarding EOA and country institutional profile to investigate entrepreneur's personal trait and the situation of the certain country and also the difference in crowdfunding activities across nations. In conclusion, although a vast majority of crowdfunding studies focus on funders/investors (i.e. Yang et al, 2019; Kuppuswamy and Bayus, 2014; Bretschneider et al, 2014), Study 1 investigates entrepreneurs' attitudes and behaviors toward crowdfunding to provide a complimentary understanding in this important phenomenon.

Another important outcome of study 2 for which previous research have not yet supplied compelling evidence is about the exploration of personal drivers as personal trait including dimensions of intrapersonal and interpersonal via the theoretical reasoning of personal orientation inventory approach and interpersonal citizenship behavior which might be critical for WOM behavior and satisfaction for participating the community through community engagement in the context of a crowdfunding. Additionally, this study revealed that funders' level of engagement within crowdfunding community as a result satisfaction related supporters' crowdfunding experience and WOM behavior occurs.

7.2 Managerial Implications

Due to its newly emerging system structure, the concept remains new in the managerial aspect. The findings could contribute to marketing and management field by filling the gap in related area and offering valuable implications for actors of crowdfunding system including policy makers, platforms managers, fundraiser (individuals, entrepreneurs, start-ups, SME's) and funders (supporters/donors/investors) since this newly emerging co-creative financial mechanism will inevitably have effect on individuals and all sizes of institutional market actors. In addition, the findings reveal some managerial implications current and prospective fundraisers and platform managers who desire building strategy concerning this novel concept as an alternative funding method. Further, start-ups, which are vital for economic development and employment creation, receive fund through crowdfunding models in all phases of their business cycle. This system expands the level of creation and fosters technology-related improvement and encourage the development in entrepreneurship ecosystem and it be seen as one of the main drivers of economic growth. This thesis provides important managerial implications by investigating the concept of engagement in the context of crowdfunding community since engagement with the community is seen as a vital behavior for active participation to sustainable co-creative projects. Consumer engagement is a significant element of relationship marketing since the term "engagement" is accepted as the central concept of consumer communities and co-creative networks. Further, community engagement leads to active participations to the group activities (Brodie et al, 2011). Indeed, findings of explorative and descriptive studies reveal the underlying factors that influence main actors' engagement in crowdfunding communities.

Concerning the explorative study, introducing the positioning of the crowdfunding platforms contributes to the development of platforms' assessment criteria by providing better understands about crowdfunding market segments and identifying target markets of the platforms. Managers of crowdfunding platform must be mindful of target member characteristics in their strategic endeavors and shape their marketing efforts into the right consumers using the right strategies. Positioning map provides critical insights about platforms such as a platform's target market depending on the typology of project creators and funders, motivational factors, the phase in the enterprise life cycle, the amount of capital need, the degree of risk perception, and the

type of funding mechanism. Whereas entrepreneurs who have early stage entrepreneurial projects that need less amount of capital can use platforms in the low complexity level based on regulatory procedures, funders who are willing to take high risk and also have high monetary return expectancy can be targeted by platforms in the high level of complexity. When it comes to the other dimension, platforms that serve in multicategory level (horizontal) might have more volume compared to ones that operate as less or single category (vertical) platform. However, single category platforms like Arıkovanı in Turkey might have the opportunity to build a community having similar interest (e.g. technology focused) and high level of identification within the group. It can be foreseen that the smaller crowdfunding platforms are the more expertise based on project categories they will possess and be able to distinguish themselves among other platforms in the market. Platform managers who desire to develop their positioning strategy upon gaps in the crowdfunding market by differentiating their features in order to get advantages over their rivals can benefit from the proposed positioning map analysis. Moreover, project creators, entrepreneurs or start-ups can choose the most suitable platform for their crowdfunding campaign to be able to access the proper potential supporters. Thanks to the positioning map, perception of the supporters about the platform can be managed easily and decision making processes of funders can be facilitated. For instance, if a supporter has high level of monetary return and is willing to pay a high amount of capital, he/she can engage in the appropriate crowdfunding platform on the right side of the positioning map. In addition, the findings of in-depth interviews as second part of the exploratory research provide strong evidence to understand these actors' (platform managers, fundraisers and funders) opinion, attitude and behavior toward this novel concept. In addition, the findings enable to discover the underlying factors affecting satisfaction for participating crowdfunding community and WOM communication behavior through crowdfunding community engagement.

As for the descriptive research including the Study 1 and Study 2, the findings provide significant managerial implications to understand the impacts of drivers on crowdfunding community engagement in the viewpoints of personal, social and functional. Moreover, the findings of qualitative studies of this thesis represent extensive implications since they include not only current fundraisers and funders but also prospective fundraisers and funders within the community. In regards to Study 1,

in consistent with one of the objectives of this thesis which is to address what kind of factors does fundraisers' attitude related innovation in business play role on the crowdfunding community engagement, the findings of the study reveals that fundraisers' innovation-conation has positive impact on crowdfunding community engagement. This results confirms the study of van Doorn et al. (2010), (customer) engagement is more than attitude, it can be extended to context-related behavioral activities and stems from motivational drivers since fundraisers' innovation-conation has the higher impact on changing the degree of engagement of entrepreneurs rather than other factors including innovation-cognition and innovation-affect. This study clearly shows that entrepreneurs who have high level conation score related innovation represent high level entrepreneurial proclivity as a result high level of community engagement. Conation which means making endeavor is vital rather than thinking or wanting doing business in an innovative manner to actively participate to the crowdfunding community activities. Although emotional dimension of innovation under the concept of EAO has an impact on the level of crowdfunding community engagement, cognition dimension of innovation does not have significant impact on engagement. These findings are important because platform managers can build strategy to target and attract current and active entrepreneurs to publish their innovative projects in their crowdfunding platforms. As for the social drivers of study 1, based on the social capital theory, while all factors including reputation, cognitive identification and reciprocity have positive impact on the level of fundraisers' crowdfunding community engagement, cognitive identification is the strongest factor among all social drivers. These findings show that cognitive identification with a group provides a cognitive awareness of his/her membership in a crowdfunding community and influences the prospective and/or current fundraisers' level of engagement. When it comes to the functional drivers of community engagement in study 1, coordination of crowdfunding activities through country-specific arrangements can be regarded as functional/institutional drivers of crowdfunding community engagement. Policy makers who wanted to empower crowdfunding mechanism by providing legitimacy to expand crowd economy and facilitate entrepreneurial activity in a country can benefit the results of the current study which revealed the relationships between institutional environment based on crowdfunding regulatory framework and entrepreneurs' attitudes and behaviors. Understanding these relationships in a country is vital since crowdfunding mechanism expands the level of creation and fosters technology-related

improvement, increase employment opportunities, and encourage the development in entrepreneurship ecosystem, as a result, it can be seen as one of the main drivers of economic growth. Moreover, exploring the differences of the role of crowdfunding regulations on entrepreneurs' trust-level based on cross-national institutional approaches may help multinational crowdfunding platform managers to develop country-specific strategies to increase trustworthiness. At this point, this research is one of the few studies that offer country-specific analysis related to entrepreneurs' perceptions on institutional crowdfunding environment and provide a novel empirical demonstration of how the dimensions of regulatory structure can serve as a noteworthy factor of crowdfunding mechanism. Further, the results of current study can prove the legitimacy of crowdfunding from entrepreneurial perspective since it might be implied that the way of raising capital could shift from conventional methods to crowdfunding. Therefore, actors in the crowdfunding ecosystem must attempt to position themselves accordingly. Based on the findings of present study, managers of crowdfunding platforms can understand the attitudinal and behavioral patterns of crowdfunding entrepreneurs and develop strategy and objectives related to rules, norms and values to attract entrepreneurs as potential fundraisers by building the trust and engagement toward crowdfunding community. Last, concerning the outcomes of the community engagement drivers, it is revealed that crowdfunding community engagement has very strong positive impact on both community satisfaction and WOM behavior. This implies that marketers could enhance value in communities by emphasizing engagement to community and develop an effective marketing strategy and strong level of engagement of entrepreneurs toward the crowdfunding community.

Regards to Study 2, the findings of personal drivers provide insights related the intrapersonal and interpersonal dimensions which have not been studied yet (except altruism) for community engagement in the context of crowdfunding. According to the results of the analysis concerning the intrapersonal dimension, while inner-personal orientation does not significant impact on the level of funders' crowdfunding community engagement, other orientation and cognitive innovativeness have impact on community engagement. Also, with regard to the interpersonal dimension, whereas altruism has powerful positive effect on funders' crowdfunding community engagement, other factors including sportsmanship and courtesy do not have significant impact on community engagement. The findings about altruism confirms

the results of previous researches (i.e. Ahlers et al, 2012; Allison et al, 2015; Ordanini et al, 2011; Cholakova and Clarysse, 2015). Managers of the crowdfunding platforms and fundraisers can develop strategies about crowdfunding campaigns based on the fact that altruism (philanthropy) is one of the main motivation to support a crowdfunding project and become a member of a crowdfunding platform. As for the findings about social drivers in study 2, although there is no significant relation between network effect and the level of funders' community engagement, the other factors related social drivers including cognitive identification, community trust and familiarity effect have powerful impact on the level of funders' engagement in crowdfunding community. This study clearly shows that based on the social capital theory, the cognitive and relational dimensions plays a critical role to increase the level of funders' active participation to community activities. Therefore, platform managers and fundraisers use marketing activities to strengthen the level of prospective funders' identification to the crowdfunding community and trust toward the community. When it comes to the functional drivers in study 2, while there is no significant relation between system quality and crowdfunding community engagement, information and service quality have positive impact on the level of funders' community engagement. Indeed, service quality have more powerful impact compared to the information quality. One explanation behind this finding is the fact that funders might attribute the quality of information to fundraisers rather than all members of crowdfunding community. Finally, related the outcomes of the community engagement drivers in study 2, it is revealed that crowdfunding community engagement has very strong positive impact on both community satisfaction and WOM behavior. These findings show that marketers could enhance value in communities by concentrating community engagement and create an effective marketing strategy to increase level of engagement of funders toward the crowdfunding community.

7.3 Limitations and Future Research

This thesis applying mainly exploratory and descriptive research methods is not free of limitations. Although, both the approach of positioning map for crowdfunding platforms and proposed research models in Study 1 and study 2 are applicable in all crowdfunding markets including developed and emerging, qualitative and quantitative studies were conducted in an developing crowdfunding market. Also, due to evolving

regulatory crowdfunding structure in Turkey, features of the equity-based platforms in the proposed positioning map were determined based on platforms' own web sites that are in beta version and declaration of the managers rather than collecting primary data on their crowdfunding activities. In addition, the primary limitation of the current study is generally acceptance that is related to the context. Due to the nature of community engagement in crowdfunding of being newly emerging, there are no commonly used and validated scales for measuring drivers that influence individuals' attitudes and behaviors toward a crowdfunding community. Therefore, the survey questionnaire forms were adapted from measurement scales representing in marketing and management literature in general. Further, the usage of a single country as a crowdfunding market limits the generalizability of the results. Additionally, due to the small sample size for study 2, the proposed research model was not able to test as a single model, as a result, analyses had to be done into three groups by driver categories. While the study offers initial insight about crowdfunding communities, further research needs to incorporate follow-up studies examining the concept of community engagement across different markets. It is necessary to generalize and theorize the working mechanism of crowdfunding communities, to determine the applicability of the model and scales and enlarge them into the specific models, project categories and so on. Specifically, future research might to reveal the continuing expansion of the crowdfunding economy in an emerging market since it is expected that the number of crowdfunding platforms and the total crowdfunding market size have rapidly increased as a result of developing legal regulations and growing attention of financial market actors. In addition, further research is essential for the exploratory part of this thesis because this regulated market, which plays a role on the penetration and acceptance of crowdfunding platforms, might have a positive impact on the increase of the number of such platforms, hence, the positioning of the existing platforms may shift depending on their strategy.

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APPENDICES

APPENDIX A: In-dept Interview Questionnaire for Experts on Crowdfunding

APPENDIX B: In-dept Interview Questionnaire for Potential/Existing Crowdfunding Project Fundraisers

APPENDIX C: In-dept Interview Questionnaire for Potential/Existing Crowdfunding Project Funders

APPENDIX D: Preliminary Questionnaire for Potential/Existing Crowdfunding Project Funders

APPENDIX E Survey Questionnaire Form for Fundraisers

APPENDIX F Survey Questionnaire Form for Funders

APPENDIX G Results of CFA in one model for Study 2

APPENDIX A

IN-DEPT INTERVIEW QUESTIONNAIRE FOR EXPERTS ON CROWDFUNDING

A. Crowdfunding concept and system

1. When and how did you hear first the concept of crowdfunding?
2. How can you define this concept?
3. What did you think about this concept when you heard this concept for the first time?
4. What do you think about crowdfunding now?
5. What are the advantages of this sytem? Why?
6. What are the weaknesses of this system?
7. Do you remember which was the first crowdfunding platform served in Turkey? What were the posibble reasons to launch a crowdfunding platform at that time?
8. What are the advantages of this sytem in Turkey? Why?
9. What are the weaknesses of this system in Turkey? What should be done to eliminate these weaknesses?
10. Who are the shareholders of crowdfunding system? Could you explain?
11. Could you evaluate this system in the aspect of regulatory arrangements in Turkey? What is the role of the government in this system? (*support, legal protection, patent, fraud activities, property rights etc.*)

B. Crowdfunding models

1. Which crowdfunding model is the most effective one in the world?
2. Which crowdfunding model has the highest potential to expand in the world? Why?
3. Which model would mostly be adopted in Turkey? Why?
4. What do you think about reward-base crowdfunding model? Is there any obstacles to operate this model in Turkey? What should be done to eliminate these problems?
5. Could you please evaluate the appropriate categories for this model in Turkey?

6. Which project have you considered as the most successful concerning reward-based model? Could you explain?
7. What do you think about equity base crowdfunding model in Turkey?

C. Crowdfunding Platforms

1. What is the role of crowdfunding platforms in this system?
2. What do you think about crowdfunding platforms in Turkey? (*operations, roles, applications ,etc.*)
3. Is there any crowdfunding platform that you have a connection or closely follow? If so, which ones? Could you please explain? (*If the participant is not platform manager*)
4. What are the strenghts of the crowdfunding platforms in Turkey? Why?
5. What would be the opportunities of crowdfunding platforms in the future? Why?
6. What are the weaknesses of crowdfunding platforms in Turkey? Why? What should be done to eliminate these weaknesses?
7. In Turkey, some crowdfunding platforms (such as Bi'Ayda, Ortağız, ProjemeFon ve Zumbara) have discontinued their operations. What could be the outstanding reason of this situation? Why? What could be done to cope with this situation?
8. Which platform is the most successful in Turkey? Why?(*If the participant is not platform manager*)
9. What kind of services should the crowdfunding platforms, as a marketplace, offer their shareholders? Could you explain?
10. Kitle fonlama platformu olarak kendinizi rakiplerinize göre nasıl konumlandırıyorsunuz? Farklı olduğunuzu düşündüğünüz noktalar nelerdir? Bu alanlarda yeterince farklılaştırma yarattığınıza inanıyor musunuz? How do you position your platform compared to your rivals? Do you have different characteristics from your rivals? Why?(*If the participant is a platform manager*)

D. Crowdfunding projects

1. What do you think about the project categories in platforms' websites? Is there any dominant category? Why?

2. Is there any project category that needs to be improved or is important? Which ones? Why? What should be done to improve this category?
3. What kind of features should a project have to be able to raise money via crowdfunding platforms? Why? (*complexity level of the project idea, project phase, etc*)
4. What are the critical points to reach goal in a crowdfunding campaign? Why? Could you please assess the subject from the perspectives of both fundraisers and funders? (*information about the project, consultant agency, communication channels, updates, etc*)
5. Which phase and how do platform managers interact with fundraisers?
6. What are the main steps should of a crowdfunding project include to become succesful? Why?
7. Do platform managers monitor crowdfunding process of a project? Why? If so, how?
8. Who are the potential fundraisers in this system? What kind of characteristics should they have? What should be done to reach these entrepreneurs? Do you think that incentives would be an effective way to attract entrepreneurs? If so, what kind of incentives? Why?
9. What are the advantages and disadvantages of publishing a project in a crowdfunding platform? What should entrepreneurs do to eliminate these problems?
10. What should be done to increase awareness and engagement concerning crowdfunding platforms? Could you explain from perspectives of both fundraisers and funders?
11. Who are the potential funders in this system? What kind of characteristics should they have? What should be done to reach these potential supporters? Why?
12. What are the main motivations to fund a crowdfunding project? (*personal, social, and functional aspects...*) What are the main benefits to become a funder? (*reward, philanthropy, etc.*)
13. What are the problems that funders face with when they support a crowdfunding project? What could be done to eliminate these problems?

14. What should be done to increase interactions among crowdfunding actors including platform managers, fundraisers and funders? Why? (*reviews, blogs, tangible rewards, events, etc.*)
15. What is the role of community trust among community members? What should be done to increase community trust within the community?
16. Have you ever launched or funded a crowdfunding project? If yes, could you please share your experiences?
17. What is your future expectation about crowdfunding system and platforms in Turkey and in the world? (*the role of the shareholders, project categories, crowdfunding models, the structure of the platforms -vertical/horizontal*)

APPENDIX B

IN-DEPTH INTERVIEW QUESTIONNAIRE FOR POTENTIAL/EXISTING CROWDFUNDING FUNDRAISERS

A. Crowdfunding concept and system

1. When and how did you hear first the concept of crowdfunding?
2. How can you define this concept?
3. What did you think about this concept when you heard this concept for the first time?
4. What do you think about crowdfunding now?
5. What are the advantages of this sytem? Why?
6. What are the weaknesses of this system?

B. Crowdfunding models

1. What do you know about crowdfunding models?
2. What do you think about reward-base crowdfunding model?
3. Could you please evaluate the appropriate categories for reward-base model in Turkey?
4. What are the advantages of reward-base model? Why? Could you please explain from fundraisers perspective?
5. Is there any obstacles to operate reward-base model in Turkey? Could you please explain from fundraisers perspective? What should be done to eliminate these problems?
6. Which project have you considered as the most successful concerning reward-based model? Could you please explain?
7. What do you think about equity base crowdfunding model in Turkey?

C. Crowdfunding Platforms

1. What is the role of crowdfunding platforms in this system?
2. What do you think about crowdfunding platforms in Turkey? (*operations, roles, applications ,etc.*)

3. Is there any crowdfunding platform that you have a connection or closely follow? If so, which ones? Could you please explain? Do you think that you are a person who see yourself as a belonging to the crowdfunding community?
4. What are the strenghts of the crowdfunding platforms in Turkey? Why?
5. What would be the opportunities of crowdfunding platforms in the future? Why?
6. What are the weaknesses of crowdfunding platforms in Turkey? Why? What should be done to eliminate these weaknesses?
7. Which platform is the most successful in Turkey? Why
8. What kind of services should the crowdfunding platforms, as a marketplace, offer fundraisers and funders? Could you please explain?

D. Crowdfunding projects

1. Who are the potential fundraisers in this system? What kind of characteristics should they have? Do you have these characteristics? What should be done to reach potential fundraisers? Do you think that incentives would be an effective way to attract entrepreneurs? If so, what kind of incentives? Why?
2. Do you have any project that you desire to actualize? Do you attempt to do something to make it real? (If so, could you please tell about this experience)
3. Have you ever raised fund via a crowdfunding platform? Or do you have an intention to launch a crowdfunding project? If yes, when and how did you first realize that you could benefit from this new system?
4. (*If the entrepreneur publish a project*) How many projects have you launched? Why did you launch a crowdfunding project? Have you reached your funding goal?
5. Why a typical entrepreneur desire to collect money via crowdfunding method rather than conventional financial intermediaries including bank, angel investment, venture capital (*personal, social, and functional aspects...*) What are the main benefits to become a fundraiser? Have your expectations been met related to crowdfunding?
6. (*If the entrepreneur publish a project*) Why have you preferred this platform to launch your crowdfunding campaign?
7. (*If the entrepreneur publish a project*) How and in which phase of the project have platform managers connected with you? How should this interaction be?

8. *(If the entrepreneur publish a project)* How did you determined your funding goal? What did you do to reach this goal?
9. How frequently do you visit platform's website? Why?
10. *(If the entrepreneur publish a project)* How many hours in a week have you allocate your time for your project before and during the campaign?
11. *(If the entrepreneur publish a project)* Have platform managers monitored your project? What do you think about this application?
12. What have you done/could you do to increase awareness of your campaign and the number of funders?
13. How could you convince individuals to become a funders of your project? What have you emphasized the most about your project? Which kind of marketing activities and communication channel have you used?
14. How did/would you determine the funding goal and rewards?
15. What kind of features should a project have to be able to raise money via crowdfunding platforms? Why? *(complexity level of the project idea, project phase, etc)*
16. *(If the entrepreneur publish a project)* What are the critical points to reach funding goal in your crowdfunding campaign? Why? *(information about the project, consultant agency, communication channels, updates, etc..)*
17. *(If the entrepreneur publish a project)* What are the problems that you have faced with when you published a crowdfunding project? What did you do to eliminate these problems?
18. Have you ever worried about any subject while you were publishing your project? Could you please explain?
19. What are the main motivations to fund a crowdfunding project? *(personal, social, and functional aspects...)* What are the main benefits to become a funder? *(reward, philanthropy, etc.)*
20. What are the problems that a funder could faced with when he/she fund a crowdfunding project? What did you do to eliminate these problems?
21. What should be done to increase interactions among crowdfunding actors including platform managers, fundraisers and funders? Why? *(reviews, blogs, tangible rewards, events, etc.)*
22. What is the role of community trust among community members? What should be done to increase community trust whithin the community?

23. Have you ever recommended a platform to an entrepreneur? Why?
24. Have you ever funded a crowdfunding project? If yes, could you please share your experiences?
25. What is your future expectation about crowdfunding system and platforms in Turkey and in the world? (*the role of the shareholders, project categories, crowdfunding models, the structure of the platforms -vertical/horizontal*)

E. Personal Trait

1. Please use the following scale to rate your level of agreement with each statement.

	Strongly disagree		Neither		Strongly agree
I seldom follow instructions unless the task I am working on is too complex	1	2	3	4	5
I feel best about my work when I know I have followed accepted procedures	1	2	3	4	5
Most of my time is spent working on several business ideas at the same time	1	2	3	4	5
I usually delegate routine tasks after only a short period of time	1	2	3	4	5
I usually take control in unstructured situations	1	2	3	4	5
I often approach business tasks in unique ways	1	2	3	4	5
I usually seek out colleagues who are excited about exploring new ways of doing things	1	2	3	4	5
I always follow accepted business practices in the dealings I have with others	1	2	3	4	5
I rarely question the value of established procedures	1	2	3	4	5

2. Is there any entrepreneurship association or incubation centers that you are a member of?

3. Age _____

4. Occupation _____

5. Education _____

APPENDIX C

IN-DEPTH INTERVIEW QUESTIONNAIRE FOR POTENTIAL/EXISTING CROWDFUNDING PROJECT FUNDERS

A. Introduction

Please answer the following questions.

Please write down the name of the crowdfunding platforms that you are familiar with in Turkey and in the world.	1 2. 3. 4.
Please write down the name of the crowdfunding platforms that you visit. (If you are a member of that platform, please specify membership duration.)	1. (Membership duration:.....) 2. (Membership duration:.....) 3. 3. (Membership duration:.....) 4. 4. (Membership duration:.....)
The number of project you funded	
Highest amount you fund a crowdfunding project (TL)	
Gender	☐ Male ☐ Female
Occupation	
Education	
Age	

B. Crowdfunding system

1. When and how did you hear first the concept of crowdfunding?
2. How can you define this concept?
3. What did you think about this concept when you heard this concept for the first time?
4. What do you think about crowdfunding now?
5. What are the advantages of this sytem? Why?
6. What are the weaknesses of this system?

C. Crowdfunding models

1. What do you know about crowdfunding models?
2. What do you think about reward-base crowdfunding model?
3. Could you please evaluate the appropriate categories for reward-base model in Turkey?
4. What are the advantages of reward-base model? Why? Could you please explain from funders perspective?
5. Is there any obstacles to operate reward-base model in Turkey? Why? What should be done to eliminate these problems?
6. Which project have you considered as the most successful concerning reward-based model? Could you please explain?
7. What do you think about equity base crowdfunding model in Turkey?

D. Crowdfunding Platforms

1. What is the role of crowdfunding platforms in this system?
2. What do you think about crowdfunding platforms in Turkey? (*operations, roles, applications ,etc.*)
3. Is there any crowdfuding platform that you have a connection or closely follow? If so, which ones? Could you please explain? Do you think that you are a person who see yourself as a belonging to the crowdfunding community?
4. What are the strenghts of the crowdfunding platforms in Turkey? Why?
5. What would be the opportunities of crowdfunding platforms in the future? Why?

6. What are the weaknesses of crowdfunding platforms in Turkey? Why? What should be done to eliminate these weaknesses?
7. Which platform is the most successful in Turkey? Why
8. What kind of services should the crowdfunding platforms, as a marketplace, offer fundraisers and funders? Could you please explain?

E. Crowdfunding Projects

1. What kind of features should a project have to be able to raise money via crowdfunding platforms? Why? (*complexity level of the project idea, project phase, etc*)
2. Have you been requested to fund a crowdfunding project? If yes, who was it? Could you please tell about this experiences?
3. Have you ever funded a crowdfunding project or do you intent to fund a project?
4. What are the main points for you to fund a crowdfunding project? Why?
5. (*If he/she funded a crowdfunding project*) What are the main motivations to fund a crowdfunding project? (*personal, social, and functional aspects...*) What are the main benefits to become a funder? (*reward, philanthropy, etc.*)
6. (*If he/she funded a crowdfunding project*) How often do you check the crowdfunding project you funded? Why? How often do fundraisers informed you?
7. What should be done to increase interactions between fundraisers and funders? Why? (*reviews, blogs, tangible rewards, events, etc.*)
8. What is the role of community trust among community members? What should be done to increase community trust whithin the community?
9. What do you think about the rewards and funding goal of the project? Do they influence your attitude toward a project?
10. Do you think that a crowdfunding project should be monitored? If so, who should do that? Why?
11. Have you ever tell and recommend to others about crowdfunding projects? Why? If yes, who do you tell? Which channel do you prefer to use for telling other people?
12. How often do you visit platform's website? What do you pay attention while visiting a platform?

13. Have you provide feedback or comments about a crowdfunding project? Why?
14. What are the problems that you have faced with when you funded a crowdfunding project? What could be done to eliminate these problems?
15. Have you ever launched a crowdfunding project? If so, please tell about your experiences?
16. What are the problems that you have faced with when you published a crowdfunding project? What did you do to eliminate these problems?
17. What is your future expectation about crowdfunding system and platforms in Turkey and in the world? (*the role of the shareholders, project categories, crowdfunding models, the structure of the platforms -vertical/horizontal*)

APPENDIX D

PRELIMINARY QUESTIONNAIRE FOR POTENTIAL/EXISTING CROWDFUNDING PROJECT SUPPORTERS

Kitlesele Fonlama (Crowdfunding) Sistemi Anketi

Değerli Katılımcı,

İstanbul Teknik Üniversitesi İşletme Doktora Programı tez çalışması kapsamında Prof Dr. Şebnem Burnaz danışmanlığında Kitlesele fonlama (crowdfunding) sistemi ile ilgili araştırma yapmaktayız.

Çalışmadan sağlanacak bilgiler sadece bilimsel amaçlar için kullanılacaktır.

Katkılarınız için şimdiden teşekkür ederim.

Melek Demiray

İstanbul Teknik Üniversitesi
İşletme Fakültesi
E-mail: demirayme@itu.edu.tr

* Gerekli

1. Kitlesele Fonlama (Crowdfunding) sistemi hakkında bilgi sahibi
misiniz? *

☐ Evet

☐ Hayır

2. Kitlesele Fonlama (Crowdfunding) sistemini bir cümle ile
açıklar mısınız? *

Yanıtınız

İsmini duyduğunuz kitlesele fonlama (crowdfunding)
platformlarını yazınız. (Türkiye’de veya yurt dışında)

Yanıtınız

Arařtırmada kitlesel fonlama sistemini daha nce duymuř kiřiler ile bu konudaki yaklařımları ile ilgili olarak 1 saati ařmayacak derinlemesine grřme (yz yze veya skype aracılıęıyla) yapmak istemekteyiz.

Calıřmaya katılmak isterseniz mail adresinizi belirtmenizi rica ederim. Uygun olduęunuz zamanı belirlemek iin sizinle irtibata geilecektir.

Desteęiniz iin řimdiden teřekkr ederim.

Melek Demiray
(demirayme@itu.edu.tr)

E- mail adresiniz *

Yanıtınız

Adınız

Yanıtınız

APPENDIX E

SURVEY QUESTIONNAIRE FORM FOR FUNDRAISERS (STUDY 1)

Q1. Which of the following crowdfunding platform do you have a membership?

(Please check all that apply.)

☐ Arıkovani

☐ Fonlabeni

☐ Angelist

☐ Buluşum

☐ Fongogo

☐ GoFundme

☐ Crowdfon

☐ Fongogopro

☐ Kickstarter

☐ Dinamo3

☐ İdeanest

☐ Indiegogo

☐ Fonbulucu

☐ Startupfon

☐ Other

(Please Specify)_____

Q2. Do you publish a project in any crowdfunding platform?

☐ Yes

☐ In preparation phase

☐ No (**Please go to Q9!**)

Q3. How many projects have you published in a crowdfunding platform?

Q4. How many successfully funded project (that reaches its funding goal) do you have?

Q5. How many ongoing projects do you have?

Q6. How many successfully funded projects do you have?

Q7. Please answer the following questions based on your published and ongoing crowdfunding project(s). (Please answer for the three recent projects.)

1. Project

Funding Goal: _____

Total Pledges: _____

Total Funders: _____

2. Project

Funding Goal: _____

Total Pledges: _____

Total Funders: _____

3. Project

Funding Goal: _____

Total Pledges: _____

Total Funders: _____

Q8. How frequently do you share a post about your crowdfunding project(s)?

Please answer check for per social networking site.

	None	Multiple times a week	Once a week	Every couple weeks	Monthly	Multiple times a year	One a year
Facebook							
Instagram							
Twitter							
LinkedIn							
YouTube							
Other (Please specify) _____							

Q9. How frequently do you share a post about other's crowdfunding project(s)?

Please answer check for per social networking site.

	None	Multiple times a week	Once a week	Every couple weeks	Monthly	Multiple times a year	One a year
Facebook							
Instagram							
Twitter							
LinkedIn							
YouTube							
Other (Please specify) _____							

Q10. How many friends/followers do you have related to your social media accounts?

	None	Less than 200	200-400	401-600	601-800	801-1000	More than 1000
Facebook							
Instagram							

Twitter							
LinkedIn							
YouTube							
Other (Please specify)							

Q11. Which crowdfunding platform have you published (would you publish) a project?

Please reply the following questions based on the above answer.

Q12. How long have you been a member of this crowdfunding platform?

- ☐ Less than 1 year
- ☐ 1– 2 years
- ☐ 2 – 3 years
- ☐ 3– 4 years
- ☐ More than 4 years

Q13. How often do you visit this platform’s website?

- ☐ Multiple times a day
- ☐ Once daily
- ☐ Multiple times a week
- ☐ Once a week
- ☐ Every couple weeks
- ☐ Monthly
- ☐ Multiple times a year

Q14. Which Social Media Account of this platform do you follow? (Please check all that apply.)

- ☐ None
- ☐ Facebook
- ☐ Instagram
- ☐ Twitter
- ☐ LinkedIn

- ☐ YouTube
- ☐ Other (Please specify)_____

Q15. Please use the following scale to rate your level of agreement with each statement about the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I am a person who sees myself as belonging to the crowdfunding community.	1	2	3	4	5	6	7
I am a person who feels strong ties with the crowdfunding community.	1	2	3	4	5	6	7
I am a person who identifies with the crowdfunding community	1	2	3	4	5	6	7
I am a person who is annoyed to say I'm a member of the crowdfunding community.	1	2	3	4	5	6	7
I think this community has little to be proud of	1	2	3	4	5	6	7
I feel good about this community	1	2	3	4	5	6	7
I have little respect for this community	1	2	3	4	5	6	7
I am a valuable member of this community	1	2	3	4	5	6	7
I would like to continue working with this crowdfunding community.	1	2	3	4	5	6	7
I dislike being a member of this community.	1	2	3	4	5	6	7
I would rather belong to the other crowdfunding community.	1	2	3	4	5	6	7
I am attached to this community.	1	2	3	4	5	6	7

Q16. Please use the following scale to rate your level of agreement with each statement about the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I believe that I get the right answers from this crowdfunding community	1	2	3	4	5	6	7
This is an honest crowdfunding community	1	2	3	4	5	6	7
I trust this crowdfunding community	1	2	3	4	5	6	7

I believe that real experiences are shared in this crowdfunding community	1	2	3	4	5	6	7
I make contributions to enhance my reputation in this crowdfunding community.	1	2	3	4	5	6	7
I feel that making contribution improves my status in this crowdfunding community	1	2	3	4	5	6	7
I earn respect from others by making contribution to this crowdfunding community	1	2	3	4	5	6	7
I typically reciprocate when a member in this community helps me	1	2	3	4	5	6	7
I feel good about helping a member in this community who has helped me	1	2	3	4	5	6	7
I offer assistance when a member in this community needs helps so I can get help when I need it	1	2	3	4	5	6	7
I want to be a beneficial asset to this community if I receive help from others' contributions	1	2	3	4	5	6	7
If I receive useful support from this community, I should make contribution in return.	1	2	3	4	5	6	7
I feel a personal obligation to participate in this community because I benefit from this community.	1	2	3	4	5	6	7

Q17. Please use the following scale to rate your level of agreement with each statement about the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I benefit from following the crowdfunding community's rules.	1	2	3	4	5	6	7
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.	1	2	3	4	5	6	7
I am motivated to participate in the crowdfunding community's activities because I am able to support other members.	1	2	3	4	5	6	7
I am an integrated member of this community.	1	2	3	4	5	6	7
I am an active member of this community.	1	2	3	4	5	6	7
I am a participating member of this community.	1	2	3	4	5	6	7

I am an interacting member of this community.	1	2	3	4	5	6	7
---	---	---	---	---	---	---	---

Q18. Please use the following scale to rate your level of agreement with each statement about the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I intend to continue using this crowdfunding platform site rather than discontinue its use.	1	2	3	4	5	6	7
My intentions are to continue using crowdfunding platform than use any alternative means.	1	2	3	4	5	6	7
If I could, I would like to discontinue my use of this crowdfunding platform	1	2	3	4	5	6	7
Overall, I am satisfied with my experience in this crowdfunding community.	1	2	3	4	5	6	7
I am sure I made the correct decision in using this crowdfunding community.	1	2	3	4	5	6	7
I have obtained several benefits derived from my participation in this crowdfunding community	1	2	3	4	5	6	7
I leave positive comments on community sites	1	2	3	4	5	6	7
I recommend this crowdfunding community to others	1	2	3	4	5	6	7
I often tell others about this crowdfunding community/platform	1	2	3	4	5	6	7

Q19. Please use the following scale to rate your level of agreement with each statement.

	Strongly disagree			Neither			Strongly agree
Even after failing in an earlier business, the government assists entrepreneurs in starting again in the area of crowdfunding.	1	2	3	4	5	6	7
The government sponsors organizations that help new businesses develop in the area of crowdfunding.	1	2	3	4	5	6	7

Local and national governments have special support available for individuals who want to start a new business in the area of crowdfunding	1	2	3	4	5	6	7
Government organizations in this country assist individuals with starting their own business in the area of crowdfunding.	1	2	3	4	5	6	7
Most people know where to find information about markets for their products in the area of crowdfunding.	1	2	3	4	5	6	7
Those who start new businesses know how to deal with much risk in the area of crowdfunding.	1	2	3	4	5	6	7
Individuals know how to legally protect a new business in the area of crowdfunding.	1	2	3	4	5	6	7
Those who start new businesses know how to manage risk in the area of crowdfunding.	1	2	3	4	5	6	7
People in this country tend to greatly admire those who start their own business in the area of crowdfunding.	1	2	3	4	5	6	7
Entrepreneurs are admired in this country in the area of crowdfunding	1	2	3	4	5	6	7
In this country, innovative and creative thinking is viewed as the route to success in the area of crowdfunding	1	2	3	4	5	6	7
Turning new ideas into businesses is an admired career path in this country in the area of crowdfunding.	1	2	3	4	5	6	7

Q20. Please use the following scale to rate your level of agreement with each statement

	Strongly disagree			Neither			Strongly agree
I believe that organization which doesn't experience radical changes now and then tend to get stuck in a rut	1	2	3	4	5	6	7
I believe that in order to succeed, one must conform to accepted business practices	1	2	3	4	5	6	7
I believe that to become successful in business you must spend some time every day developing new opportunities	1	2	3	4	5	6	7

I believe that to arrive at a good solution to a business problem, it is important to question the assumptions made in defining the problem	1	2	3	4	5	6	7
I believe it is important to continually look for new ways to do things in business	1	2	3	4	5	6	7
I believe that when pursuing business goals or objectives, the final result is far more important than following the accepted procedures	1	2	3	4	5	6	7
I believe that to be successful a company must use business practices that may seem unusual at first glance	1	2	3	4	5	6	7
I believe that currently accepted regulations were established for a good reason	1	2	3	4	5	6	7
I believe it is important to approach business opportunities in unique ways	1	2	3	4	5	6	7

Q21. Please use the following scale to rate your level of agreement with each statement.

	Strongly disagree			Neither			Strongly agree
I feel very energetic working with innovative colleagues in a dynamic business climate	1	2	3	4	5	6	7
I get excited when I am able to approach tasks in unusual ways	1	2	3	4	5	6	7
I enjoy being able to use old business concepts in new ways	1	2	3	4	5	6	7
I feel terribly restricted being tied down to tightly organized business activities, even when I am in control	1	2	3	4	5	6	7
I enjoy finding good solutions for problems that nobody has looked at yet.	1	2	3	4	5	6	7
I get real excited when I think of new ideas to stimulate my business	1	2	3	4	5	6	7
I enjoy being the catalyst for change in business affairs	1	2	3	4	5	6	7
I get a thrill out of doing new, unusual things in my business affairs	1	2	3	4	5	6	7

Q22. Please use the following scale to rate your level of agreement with each statement.

	Strongly disagree			Neither			Strongly agree
I seldom follow instructions unless the task I am working on is too complex	1	2	3	4	5	6	7
I feel best about my work when I know I have followed accepted procedures	1	2	3	4	5	6	7
Most of my time is spent working on several business ideas at the same time	1	2	3	4	5	6	7
I usually delegate routine tasks after only a short period of time	1	2	3	4	5	6	7
I usually take control in unstructured situations	1	2	3	4	5	6	7
I often approach business tasks in unique ways	1	2	3	4	5	6	7
I usually seek out colleagues who are excited about exploring new ways of doing things	1	2	3	4	5	6	7
I always follow accepted business practices in the dealings I have with others	1	2	3	4	5	6	7
I rarely question the value of established procedures	1	2	3	4	5	6	7

Q23. Gender: ☐ Male
☐ Female

Q24. Age: _____

Q25. Marital Status: ☐ Single
☐ Married

Q26. What is the highest level of education you have completed?

- ☐ Less than high school
- ☐ High School
- ☐ 2-year College Degree
- ☐ 4-year College Degree (BA, BS)
- ☐ Master's Degree-Doctoral Degree

Q27. Occupation: _____

Q28. What is your average household income?

- ☐ Less than 2.000 TL
- ☐ 2.001- 4.000 TL
- ☐ 4.001- 6.000 TL
- ☐ 6.001- 8.000 TL
- ☐ 8.001-10.000 TL
- ☐ 10.001 – 12.000 TL
- ☐ 12.001 – 14.000 TL
- ☐ More than 14.000 TL

APPENDIX F

SURVEY QUESTIONNAIRE FORM FOR FUNDERS (STUDY 2)

Q1. Which of the following crowdfunding platform do you have a membership?
(Please check all that apply.)

- ☐ Arıkovani
- ☐ Buluşum
- ☐ Crowdfon
- ☐ Dinamo3
- ☐ Fonbulucu

- ☐ Fonlabeni
- ☐ Fongogo
- ☐ Fongogopro
- ☐ İdeanest
- ☐ Startupfon

- ☐ Angelist
- ☐ GoFundme
- ☐ Kickstarter
- ☐ Indiegogo
- ☐ Other

(Please Specify) _____

Q2. Which crowdfunding platforms have you funded any project/ do you most frequently visit?

Please reply the following questions based on the above answer.

Q3. How long have you been a member of this crowdfunding platform?

- ☐ Less than 1 year
- ☐ 1– 2 years
- ☐ 2 – 3 years
- ☐ 3– 4 years
- ☐ More than 4 years

Q4. How often do you visit this platform's website?

- ☐ Multiple times a day
- ☐ Once daily
- ☐ Multiple times a week
- ☐ Once a week
- ☐ Every couple weeks
- ☐ Monthly
- ☐ Multiple times a year

Q5. How much time do you spend on each visit for this brand community?

- ☐ Less than 15 minutes
☐ 15 - 30 minutes
☐ 31 - 45 minutes
☐ 46 minutes – 1 hour
☐ More than 1 hour

Q6. Which Social Media Account of this platform do you follow? (Please check all that apply.)

- ☐ None
☐ Facebook
☐ Instagram
☐ Twitter
☐ LinkedIn
☐ YouTube
☐ Other (Please specify)_____

Q7. How frequently do you share a post about crowdfunding project(s)? Please answer check for per social networking site

	None	Multiple times a week	Once a week	Every couple weeks	Monthly	Multiple times a year	One a year
Facebook							
Instagram							
Twitter							
LinkedIn							
YouTube							
Other (Please specify) _____							

Q8. How many friends/followers do you have related to your social media accounts?

	None	Less than 200	200-400	401-600	601-800	801-1000	More than 1000
Facebook							
Instagram							
Twitter							
LinkedIn							
YouTube							
Other (Please specify) _____							

Q9. Who recommended you to join this community? (Please check all that apply.)

- ☐ Family
- ☐ A Friend
- ☐ A friend's friend
- ☐ Online social network (Facebook/ Twitter/ Instagram/Linkedin)
- ☐ A Blog
- ☐ An event
- ☐ Other (Please Specify) _____

Q10. Please use the following scale to rate your level of agreement with each statement based on the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
Most of the people in my personal circle are using this crowdfunding platform	1	2	3	4	5	6	7
Most of my peers are using this crowdfunding platform.	1	2	3	4	5	6	7
Most of my friends are using this crowdfunding platform.	1	2	3	4	5	6	7
Most people are funding in this crowdfunding platform	1	2	3	4	5	6	7
A growing number of funders increase the benefit to a fundraising project ^[1] _{SEP}	1	2	3	4	5	6	7
I have frequent communication with fundraisers ^[1] _{SEP}	1	2	3	4	5	6	7
I engage in a high level of interaction with fundraisers ^[1] _{SEP}	1	2	3	4	5	6	7
I spend considerable time in crowdfunding projects	1	2	3	4	5	6	7
I believe that I get the right answers from this crowdfunding community	1	2	3	4	5	6	7
This is an honest crowdfunding community	1	2	3	4	5	6	7
I trust this crowdfunding community	1	2	3	4	5	6	7
I believe that real experiences are shared in this crowdfunding community	1	2	3	4	5	6	7

Q11. Please use the following scale to rate your level of agreement with each statement based on the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I am a person who sees myself as belonging to the crowdfunding community.	1	2	3	4	5	6	7
I am a person who feels strong ties with the crowdfunding community.	1	2	3	4	5	6	7
I am a person who identifies with the crowdfunding community	1	2	3	4	5	6	7
I am a person who is annoyed to say I'm a member of the crowdfunding community.	1	2	3	4	5	6	7
I think this community has little to be proud of	1	2	3	4	5	6	7
I feel good about this community	1	2	3	4	5	6	7
I have little respect for this community	1	2	3	4	5	6	7
I am a valuable member of this community	1	2	3	4	5	6	7
I would like to continue working with this crowdfunding community.	1	2	3	4	5	6	7
I dislike being a member of this community.	1	2	3	4	5	6	7
I would rather belong to the other crowdfunding community.	1	2	3	4	5	6	7
I am attached to this community.	1	2	3	4	5	6	7

Q12. Please use the following scale to rate your level of agreement with each statement based on the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I benefit from following the crowdfunding community's rules.	1	2	3	4	5	6	7
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.	1	2	3	4	5	6	7

I am motivated to participate in the crowdfunding community's activities because I am able to support other members.	1	2	3	4	5	6	7
I am an integrated member of this community.	1	2	3	4	5	6	7
I am an active member of this community.	1	2	3	4	5	6	7
I am a participating member of this community.	1	2	3	4	5	6	7
I am an interacting member of this community.	1	2	3	4	5	6	7

Q13. Please use the following scale to rate your level of agreement with each statement based on the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I am always ready to help or to lend a helping hand to those in the crowdfunding community	1	2	3	4	5	6	7
I help orient new members in this community	1	2	3	4	5	6	7
I willingly give of my time to help others in the crowdfunding community	1	2	3	4	5	6	7
I am giving to others in the crowdfunding community	1	2	3	4	5	6	7
I will sacrifice my goals to help others in the crowdfunding community	1	2	3	4	5	6	7
I consider the impact of my actions on people in this community.	1	2	3	4	5	6	7
I try to avoid creating problems for people in this community.	1	2	3	4	5	6	7
I do not abuse the rights of others in this community.	1	2	3	4	5	6	7
I take steps to try to prevent problems with other people in this community.	1	2	3	4	5	6	7
I am mindful of how my behavior affects other people's contribution to the community	1	2	3	4	5	6	7
I always find fault with what the crowdfunding platform is doing	1	2	3	4	5	6	7
I tend to make "mountains out of molehills."	1	2	3	4	5	6	7
I always focus on what's wrong, rather than the positive side.	1	2	3	4	5	6	7
I consume a lot of time complaining about trivial matters.	1	2	3	4	5	6	7

It is the classic “squeaky wheel” that always needs greasing.	1	2	3	4	5	6	7
---	---	---	---	---	---	---	---

Q14. Please use the following scale to rate your level of agreement with each statement based on the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
This crowdfunding platform has good functionality relevant to site type	1	2	3	4	5	6	7
I can use this crowdfunding platform when I want to use	1	2	3	4	5	6	7
This crowdfunding platform has fast response and transaction processing	1	2	3	4	5	6	7
This crowdfunding platform has easy navigation to information	1	2	3	4	5	6	7
This crowdfunding platform has an appropriate style of design for site type	1	2	3	4	5	6	7
This crowdfunding platform keeps personal information secure from exposure	1	2	3	4	5	6	7
This crowdfunding platform keeps error-free transactions	1	2	3	4	5	6	7
This crowdfunding platform creates an audio-visual experience	1	2	3	4	5	6	7
This crowdfunding platform provides timely information	1	2	3	4	5	6	7
This crowdfunding platform provides reliable information	1	2	3	4	5	6	7
This crowdfunding platform provides accurate information	1	2	3	4	5	6	7
This crowdfunding platform provides site-specific information	1	2	3	4	5	6	7
This crowdfunding platform provides complete information	1	2	3	4	5	6	7
This crowdfunding platform has sufficient contents where I expect to find information	1	2	3	4	5	6	7
This crowdfunding platform communicates information in an appropriate format	1	2	3	4	5	6	7

This crowdfunding platform provides follow-up service to users	1	2	3	4	5	6	7
This crowdfunding platform understands and adapts to the user's specific needs	1	2	3	4	5	6	7
This crowdfunding platform instills confidence in users, reducing their uncertainty	1	2	3	4	5	6	7
This crowdfunding platform can be dependent on to provide whatever is promised	1	2	3	4	5	6	7
This crowdfunding platform anticipates and responds promptly to user needs and request	1	2	3	4	5	6	7
This crowdfunding platform gives a professional and competence image	1	2	3	4	5	6	7

Q15. Please use the following scale to rate your level of agreement with each statement based on the crowdfunding community that you stated above.

	Strongly disagree			Neither			Strongly agree
I intend to continue using this crowdfunding platform site rather than discontinue its use.	1	2	3	4	5	6	7
My intentions are to continue using crowdfunding platform than use any alternative means.	1	2	3	4	5	6	7
If I could, I would like to discontinue my use of this crowdfunding platform	1	2	3	4	5	6	7
Overall, I am satisfied with my experience in this crowdfunding community.	1	2	3	4	5	6	7
I am sure I made the correct decision in using this crowdfunding community.	1	2	3	4	5	6	7
I have obtained several benefits derived from my participation in this crowdfunding community	1	2	3	4	5	6	7
I leave positive comments on community sites	1	2	3	4	5	6	7
I recommend this crowdfunding community to others	1	2	3	4	5	6	7
I often tell others about this crowdfunding community/platform	1	2	3	4	5	6	7

Q16. Please use the following scale to rate your level of agreement with each statement.

	Strongly disagree			Neither			Strongly agree
I feel free to not do what others expect of me.	1	2	3	4	5	6	7
I need not justify my actions in the pursuit of my own interests.	1	2	3	4	5	6	7
I do not always need to live by the rules and standards of society.	1	2	3	4	5	6	7
Reasons are not needed to justify my feelings.	1	2	3	4	5	6	7
People should express honestly felt anger.	1	2	3	4	5	6	7
I feel free to express both warm and hostile feelings to my friends.	1	2	3	4	5	6	7
I will continue to grow best by being myself.	1	2	3	4	5	6	7
I find out the meaning of words I don't know.	1	2	3	4	5	6	7
Trying to figure out the meaning of unusual statements.	1	2	3	4	5	6	7
Thinking about different ways to explain the same thing.	1	2	3	4	5	6	7
Figuring out the shortest distance from one city to another.	1	2	3	4	5	6	7
Analyzing my own feelings and reactions.	1	2	3	4	5	6	7
Discussing unusual ideas.	1	2	3	4	5	6	7
Thinking about why the world is in the shape that it is in.	1	2	3	4	5	6	7
I must justify my actions in the pursuit of my own interests	1	2	3	4	5	6	7
I live by the rules and standards of society.	1	2	3	4	5	6	7
Reasons are needed to justify my feelings	1	2	3	4	5	6	7
I will continue to grow only by setting my sights on a high-level, socially approved goal.	1	2	3	4	5	6	7
I do what others expect of me.	1	2	3	4	5	6	7
I only feel free to express warm feelings to my friends.	1	2	3	4	5	6	7
People should always control their anger.	1	2	3	4	5	6	7

Q17. As of today, how many crowdfunding project have you funded?

Q18. What is the highest amount that you funded?

Q19. Gender: ☐ Male
☐ Female

Q20. Age: _____

Q21. Marital Status: ☐ Single
☐ Married

Q21. What is the highest level of education you have completed?

- ☐ Less than high school
- ☐ High School
- ☐ 2-year College Degree
- ☐ 4-year College Degree (BA, BS)
- ☐ Master's Degree-Doctoral Degree

Q23. Occupation: _____

Q24. What is your average household income?

- ☐ Less than 2.000 TL
- ☐ 2.001- 4.000 TL
- ☐ 4.001- 6.000 TL
- ☐ 6.001- 8.000 TL
- ☐ 8.001-10.000 TL
- ☐ 10.001 – 12.000 TL
- ☐ 12.001 – 14.000 TL
- ☐ More than 14.000 TL

APPENDIX G

Table G.1 : The reliabilities of the scales for study 2.

Construct and description of items (Cronbach's alpha)	Loadings	CR
<i>IN - Inner Orientation (0.83)</i>		
I feel free to not do what others expect of me.	0.78	
I need not justify my actions in the pursuit of my own interests.	0.78	10.32
I do not always need to live by the rules and standards of society.	0.63	8.21
Reasons are not needed to justify my feelings.	0.72	9.44
People should express honestly felt anger.	0.60	7.84
<i>C_IN - Cognitive Innovativeness (0.95)</i>		
I find out the meaning of words I don't know.	0.88	17.63
Trying to figure out the meaning of unusual statements.	0.92	19.83
Thinking about different ways to explain the same thing.	0.88	17.98
Figuring out the shortest distance from one city to another.	0.75	13.11
Analyzing my own feelings and reactions.	0.79	14.37
Discussing unusual ideas.	0.92	19.83
Thinking about why the world is in the shape that it is in.	0.89	
<i>OT - Other Orientation (0.81)</i>		
I must justify my actions in the pursuit of my own interests	0.57	7.42
I live by the rules and standards of society.	0.75	9.86
Reasons are needed to justify my feelings	0.76	10.07
I will continue to grow only by setting my sights on a high-level, socially approved goal.	0.80	
<i>AL - Altruism (0.92)</i>		
I am always ready to help or to lend a helping hand to those in the crowdfunding community	0.87	
I help orient new members in this community	0.82	14.33
I willingly give of my time to help others in the crowdfunding community	0.90	16.92
I am giving to others in the crowdfunding community	0.82	14.35
<i>CO - Courtesy (0.94)</i>		
I consider the impact of my actions on people in this community.	0.83	
I try to avoid creating problems for people in the community.	0.98	18.61
I do not abuse the rights of others in this community.	0.96	18.07
<i>SPO - Sportsmanship (0.83)</i>		
I always find fault with what the platform is doing	0.67	

Table G.2 (continued) : The reliabilities of the scales for study 2.

Construct and description of items (Cronbach's alpha)	Loadings	CR
I tend to make “mountains out of molehills.”	0.90	9.33
I always focus on what’s wrong, rather than the positive side.	0.81	9.16
NET - Network Effect (0.88)		
Most of the people in my personal circle are using this crowdfunding platform	0.84	
Most of my peers are using this crowdfunding platform.	0.96	14.97
Most of my friends are using this crowdfunding platform.	0.72	11.35
F_E - Familiarity Effect (0.85)		
I have frequent communication with fundraisers	0.93	
I engage in a high level of interaction with fundraisers	0.96	20.31
I spend considerable time in crowdfunding projects	0.59	9.08
TR - Community Trust (0.94)		
I believe that I get the right answers from this crowdfunding community	0.91	
I believe that real experiences are shared in this crowdfunding community	0.95	22.79
This is an honest crowdfunding community	0.89	19.02
I trust this crowdfunding community	0.85	16.87
ID – Cognitive Identification (0.95)		
I am a person who is annoyed to say I’m a member of the crowdfunding community	0.87	
I am a person who sees myself as belonging to the crowdfunding community.	0.93	19.23
I am a person who feels strong ties with the crowdfunding community	0.93	19.14
I am a person who identifies with the community.	0.87	16.32
SYS – System Quality (0.95)		
This crowdfunding platform has good functionality relevant to site type	0.91	30.15
I can use this crowdfunding platform when I want to use	0.88	25.33
This crowdfunding platform has fast response and transaction processing	0.88	25.20
This crowdfunding platform has easy navigation to information	0.93	34.15
This crowdfunding platform has an appropriate style of design for site type	0.89	
INF – Information Quality (0.96)		
This crowdfunding platform provides timely information	0.92	
This platform provides reliable information	0.94	37.68
Table G.3 (continued) : The reliabilities of the scales for study 2.		

Construct and description of items (Cronbach's alpha)	Loadings	CR
This crowdfunding platform provides accurate information	0.93	34.48
This crowdfunding platform provides site-specific information	0.90	28.49
This crowdfunding platform provides complete information	0.88	25.33
This crowdfunding platform has sufficient contents where I expect to find information	0.90	27.31
<i>SER – Servis Quality (0.95)</i>		
This crowdfunding platform provides follow-up service to users	0.87	
This crowdfunding platform understands and adapts to the user's specific needs	0.91	17.77
This crowdfunding platform instills confidence in users, reducing their uncertainty	0.92	18.04
This crowdfunding platform can be dependent on to provide whatever is promised	0.83	14.84
This crowdfunding platform anticipates and responds promptly to user needs and request	0.9	17.22
<i>CE - Crowdfunding Community Engagement (0.94)</i>		
I am motivated to participate in the crowdfunding community's activities because I feel better afterwards.	0.81	
I am motivated to participate in the crowdfunding community's activities because I am able to support other members.	0.81	12.85
I am motivated to participate in the crowdfunding community's activities because I am able to reach personal goals.	0.78	12.14
I am an integrated member of this (crowdfunding) community.	0.90	15.11
I am an active member of this (crowdfunding) community.	0.86	14.03
I am a participating member of this (crowdfunding) community.	0.84	13.54
I am an interacting member of this (crowdfunding) community.		
<i>SAT - Community Satisfaction (0.90)</i>		
Overall, I am satisfied with my experience in this crowdfunding community.	0.93	
I am sure I made the correct decision in using this crowdfunding platform.	0.94	22.86
I have obtained several benefits derived from my participation in this crowdfunding community.	0.77	13.93

Table G.4 (continued) : The reliabilities of the scales for study 2.

Construct and description of items (Cronbach's alpha)	Loadings	CR
WOM Behavior (0.88)		
I leave positive comments on this community website.	0.81	
I recommend this crowdfunding community to others	0.91	14.46
I often tell others about this crowdfunding platform	0.84	12.99
$\chi^2 = 4157.941$, $df = 2298$, $pb.000$; $\chi^2/df = 1.81$; $RMSEA = 0.06$; $CFI = 0.88$; $TLI = 0.87$		

Table G.5 : Correlations among constructs, convergent validity, and discriminant validity for study 2.

	CR	AVE	IN	C_IN	OT	AL	CO	SPO	NET	F_E	TR	ID	SYS	INF	SER	CE	SAT	WOM
IN	0.83	0.5	0.71															
C_IN	0.95	0.75	0.26	0.86														
OT	0.82	0.53	-	-0.02	0.73													
			0.56															
AL	0.92	0.73	0.02	0.41	0.14	0.86												
CO	0.95	0.86	0.14	0.63	-	0.51	0.93											
					0.08													
SPO	0.84	0.64	0.21	0.44	-	0.05	0.31	0.8										
					0.22													
NET	0.89	0.72	-	-0.04	0.12	0.09	-0.1	-	0.85									
			0.03					0.14										
F_E	0.88	0.71	-	0.09	0.23	0.38	-	-	0.39	0.84								
			0.28			0.06	0.17											
TR	0.95	0.81	0.11	0.46	-	0.59	0.57	0.14	0.15	0.2	0.9							
					0.01													
ID	0.95	0.81	-	0.37	0.22	0.6	0.36	0.08	0.28	0.38	0.67	0.9						
			0.05															
SYS	0.96	0.81	0.03	0.61	0.11	0.47	0.51	0.17	0.1	0.13	0.57	0.49	0.9					
INF	0.97	0.83	0.09	0.62	0.07	0.57	0.53	0.2	0.09	0.19	0.6	0.52	0.79	0.91				
SER	0.95	0.78	0	0.61	0.14	0.59	0.58	0.13	0.13	0.23	0.61	0.59	0.78	0.84	0.89			
CE	0.94	0.71	-	0.4	0.29	0.76	0.37	0.06	0.25	0.48	0.66	0.83	0.55	0.62	0.68	0.84		
			0.04															
SAT	0.91	0.78	0.11	0.6	0.04	0.51	0.51	0.2	0.11	0.14	0.62	0.61	0.8	0.83	0.82	0.65	0.88	
WOM	0.89	0.73	-	0.54	0.23	0.71	0.49	0.09	0.16	0.27	0.57	0.57	0.64	0.7	0.76	0.72	0.69	0.85
			0.11															

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