A New Era for Crowdfunded Leaders?

A critical analysis of an alternative financing model and its implications on personal development and effects on Leadership skills and behaviours

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Abstract

The new trend of Crowdfunding is worldwide changing the market for start-ups, as well as small- and medium-sized enterprises to finance their business, as well as increasing the opportunities and possibilities for realizing ideas. Thus, this thesis aims to enlighten the concept of Crowdfunding and its effects. Especially, the interrelation of the concepts of Crowdfunding, Entrepreneurship and Leadership is of utmost importance in this research. As a result of this relation a new era of leaders, differentiating themselves from other leaders by their specific skills and behaviours, gained through the act of Crowdfunding, is initiated. Those skills and behaviours are included in their leading of others in newly crowdfunded ventures.

In order to analyse this further, qualitative research and empirical data was used, including interviews with experts as well as crowdfunded entrepreneurs. Furthermore, academic literature as well as insights gained from an online Crowdfunding community built the basis for elaborating this concept further.

Concluding the following results were achieved. 1.) Crowdfunding can be perceived as a process, being based in the interaction between the entrepreneur and the crowd and is influenced by particular forces. 2.) Entrepreneurs, funding their idea via Crowdfunding, develop specific skills and behaviours impacting their development as leaders. Hence, also their act of leading in newly crowdfunded ventures. These results indicate that a new era of leaders, showing distinctive leadership skills and behaviours, has begun.

**Keywords:** Leadership, Crowdfunding, Entrepreneurship, Cases, Processes, Skills, Behaviours, Act of Crowdfunding, crowdfunded leaders
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<tr>
<td>CFP</td>
<td>Crowdfunding Platform</td>
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<tr>
<td>DIY</td>
<td>do it yourself</td>
</tr>
<tr>
<td>ECN</td>
<td>European Crowdfunding Network</td>
</tr>
<tr>
<td>EENC</td>
<td>European Expert Network on Culture</td>
</tr>
<tr>
<td>NGO</td>
<td>non-governmental organization</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>research and development</td>
</tr>
<tr>
<td>SME</td>
<td>small- and medium-sized enterprise</td>
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Introduction

1 Introduction

“We keep moving forward, opening up new doors and doing new things, because we're curious ... and curiosity keeps leading us down new paths.” (Walt Disney as cited in Wordpress, 2007)

This curiosity described in the above quote is a trigger for experiencing something new, going new ways and inventing new things. Thus, this curiosity of individuals all over the world is the reason why new organizations, products and services are born in a steady process. Recently, a new trend has emerged supporting the development of those individuals - Crowdfunding. This trend is going to be even more present in all our lives, in the media, at the workplace, in organizations or social communities. Therefore, this master thesis deals with the concurrent and present trend of Crowdfunding. Especially during the last decade, this trend has emerged and has developed into a valuable alternative for entrepreneurs searching for an external source of financing (Belleflamme, Lambert, & Schwienbacher, 2011). That is why its appearance is described as a new phenomenon with the ability to

“change the game for new ventures seeking financing” (Mollick, 2014, p. 2).

As this new area of research is of interdisciplinary nature, connecting different points of interests from financing, management, sociology and many more, it is suitable for connecting it to the act of Leadership (Giudici, Nava, Lamastra, & Vercondo, 2012). Thus, also the author triggered by her own curiosity wants to provide new insights in a recent phenomenon and connecting it to something which is not obvious at first sight.

Although, it is crucial to make sense out of the term of Crowdfunding and to develop understanding, this thesis additionally is supposed to show the process around Crowdfunding and how Leadership skills and behaviours of entrepreneurs or a team of entrepreneurs develop accordingly.

This importance is underlined by the fact that funding is not the sole goal of most of the entrepreneurs using Crowdfunding as a tool to promote or start their organization (Mollick, 2014). Different benefits can be examined, such as using Crowdfunding as a tool to demonstrate demand, to create interest, to enhance the function of research and development, to market a specific service or product, as well as to tap the wisdom of the crowd (ibid; Belleflamme, Lambert, & Schwienbacher, 2011).
Therefore, the trend of Crowdfunding is a valuable input to today’s market enhancing the establishment of half a million European projects per year, that otherwise would not have been realized (European Commission, 2014).

1.1 Background

The world leading economies currently are caught in a crisis. Questions on how to overcome and survive them by creating jobs and increasing growth rates are frequently discussed. Yet, mostly it seems to be overlooked that small- and medium-sized enterprises (SMEs) and their entrepreneurs are the key engine of development. Crowdfunding itself is one trend adding to this phenomenon. Global reach and internationalization nowadays is not anymore only reserved for the big players, but can be also achieved by SMEs through new applications, such as Crowdfunding (Mettler & Williams, 2011).

Furthermore, not only changes in economies, but also changes in consumer behaviour set the path for the rising importance of Crowdfunding. Furthermore, online consumer behaviour on the market place of Crowdfunding can be seen as triggering motivations for participants. Into this area also the changing trends among consumers can be included, such as the increase of tech savvy consumers or the need for personalized products. Furthermore, online peer production, arousing concepts of do it yourself (DIY) and sharing are adding value to the phenomenon of Crowdfunding (Gerber & Hui, 2013). Online peer production is described as a system providing the basis for individuals to collaborate in order to share information or knowledge. This system is supported by the emergence of the digital network. One example of this online peer production can be free software products, which are developed in a collective effort. Most of the time, the individuals are working on the product or service in their spare time and voluntarily in order to achieve a shared goal together (Benkler & Nissenbaum, 2006).

1.2 Research Question

The defined background of Crowdfunding in today’s social and economic reality, as well as its interdisciplinary nature and various applications lead to the following research. The research shall, particularly, reflect the phenomenon of Crowdfunding in an organizational context. However, personal skills and behaviours may be influenced by other contexts as well.

An entrepreneur or a team of entrepreneurs, who successfully crowdfund a project or an idea and subsequently transform it into a viable business, show significant Leadership skills and behaviours within their Leadership position in the particular business, as well as during the process of Crowdfunding. In order to investigate this statement and analyse if and which
Leadership skills and behaviours are present, the following research questions are investigated, explained and analysed:

- What are the main inputs and insights creating an understanding of Crowdfunding?
- What are the implications of Crowdfunding on the crowdfunded entrepreneur’s personal development and the effects on their Leadership skills and behaviours?

1.3 Purpose and Goal

Primarily, the outcome of this thesis should be to analyse the global trend of Crowdfunding and its implications on the Leadership skills and behaviours of crowdfunded entrepreneurs. In order to do that certain sub goals need to be reached, such as increasing the understanding of the reader related to the on-going and still increasing phenomenon of Crowdfunding. As the research on Crowdfunding is currently only moving from an embryonic stage to a growth stage, one goal is to guide the reader in the process of making sense of the term, as well as understanding its status quo on the global market place and its different applications (Giudici, Nava, Lamastra, & Vercondo, 2012).

However, understanding the phenomenon itself provides only the basis for the research. The process of Crowdfunding, starting with an idea that turns into a viable organization is going to be illustrated and supported by first-hand experiences of entrepreneurs using Crowdfunding themselves.

Furthermore, the act of Crowdfunding should be elucidated from various perspectives and should be connected to the notions of Entrepreneurship and Leadership.

Last, but not least, Leadership skills and behaviours as a result of the entrepreneur’s personal development during the act of Crowdfunding shall be identified.

1.4 Significance of the Study

The answers on the research questions and the study in general should help in increasing the understanding of Crowdfunding. Due to the growing importance of the notion of Crowdfunding, also the steady appearance of the term is rising. Media, social networks or legal regulations are adding to those contact points. Thus, everybody should be able to understand and interpret this phenomenon. This research hence, provides insights in creating this understanding.

Furthermore, this research should support crowdfunded entrepreneurs in their personal development into a crowdfunded leader. Thus, it might lead to a more conscious reflection on
their own personal development and their amending or expanding of Leadership skills and behaviours due to the act of Crowdfunding.

Moreover, as already mentioned, the research field of Crowdfunding is still in its beginning and thus this thesis might bring additional values and inputs to the research. Especially, the new connection drawn in this research between Crowdfunding and Leadership may add further understanding and insights to this emerging phenomenon in research.

1.5 Structure
As facilitation tool for the reader a certain structure within this thesis is provided. After the introduction into the research, the main parts of the thesis, which are, in a simplified way, the theoretical, as well as the research part are presented whereby the focus will be laid on the second part.

First of all, as mentioned, the recent establishment of the notion of Crowdfunding in research, calls for an in-depth description of the concept, including making sense of the term, origin, history, existing research, as well as form and applications of the concept. In order to understand the economic impact the user roles, driving motivators as well as the concept of a two-sided market are examined. Last but not least, the status quo on the current global market is analysed.

Furthermore, in order to prepare the basis for the interrelation between Crowdfunding and Leadership, the related concepts within Leadership, as well as Entrepreneurship are described and analysed. Those concepts are then put into the perspective of Crowdfunding to show their interrelation.

After building the literature framework as a basis for further understanding, the methodology section should provide the reader with insights into the research process itself and show how the results presented in the next part were achieved.

The outcome of the primary research is stated by structuring the different successful Crowdfunding projects into an analysis of the product, the campaign, the process well as the outcome. These successful Crowdfunding cases will be required for the presentation of results, where the Crowdfunding process is illustrated, as well as Leadership skills and behaviours of entrepreneurs in crowdfunded ventures are defined and a new definition of acrowdfunded leader will be given.
Finally, the conclusion, limitations and outlook for possible on-going research are the last corner stones of the thesis and should provide the reader with a closing part triggering further research and action.

1.6 Research Motivation

The motivation to research the trend and phenomenon of Crowdfunding arouse due to personal reasons. First of all, a friend of the author used this financing method in order to fund his business idea. His experiences and narratives raised the author’s first interest in the topic.

Furthermore, as already elaborated above, research on Crowdfunding can be seen from various perspectives and therefore provides a huge range of possible research applications. Also, for applying the author’s gained knowledge at the IMC University of Applied Sciences Krems as well as at the Linnaeus University in Kalmar, this topic is of utmost compatibility. Not only is it a financing mode, but also an ongoing social phenomenon, which mirrors current consumer, economic and social trends.

To put it in a nutshell, the author has always been interested in start-ups and the particular entrepreneurial Leadership skills and behaviours. Thus, this research was the most natural outcome.
2 The Concept of Crowdfunding

“Communication leads to community – that is, to understanding, intimacy, and the mutual valuing that was previously lacking” (May, 1998, p. 247)

Rollo May’s findings about community are of even greater importance in today’s world of social networks and online communities. Crowdfunding, although not originally, is a concept growing with the help of online communities and therefore needs to make sense in more than just the basic considerations.

In order to understand the world, the reality of single situations or concepts, sense making is of utmost importance. Every individual makes sense out of events in accordance to one’s own experiences. In the following chapter, the author tries to show her individual sensemaking of the concept by aligning different interpretations of various scholars.

Crowdfunding is a recent trend and its definition and origin is topic of a big amount of studies recently conducted. Therefore, the term Crowdfunding might be defined and interpreted differently among scholars. Hence, it is very important for the understanding of the ongoing thesis to elucidate on the term of Crowdfunding already in the beginning. Concluding, this chapter deals with the introduction of the term. The major goal is to foster understanding and providing a common basis for further analysis. Different interpretations and understandings from various scholars will be presented, analysed and brought into conformity.

Moreover, the reader should be familiarized with the origin and history of the concept. Therefore, related areas as well as milestones in chronological order are presented. Last but not least, in order to elaborate the particular issue of Leadership skills and behaviours a short overview of the current research streams of Crowdfunding will be provided. The overall chapter shall serve the purpose of aligning different interpretations and perceptions in order to create a common understanding. On this basis further theoretical and empirical insights can be developed. Definition, history, origin as well as related concepts and important existing literature will build the frame in which the further concepts and theories are going to emerge.

2.1 Making Sense of the Term

Due to the recent growth in importance and relevance of Crowdfunding, scholars provide various interpretations and definitions of the notion. First of all, the main applications of Crowdfunding can be used in the form of investment, seed as well as start-up funding (Tomczak & Brem, 2013). Entrepreneurs starting up their business or realizing their business
idea, usually rely on the support of their family and friends, not only in an emotional context, but also in a financing one. Crowdfunding therefore, may be described as an expansion of the concept of financing by friends and family (The World Bank, 2013). Hence, the basic idea of Crowdfunding is described by Belleflamme and Lambert (2014), who are established researchers on the newly emerging field of Crowdfunding, as a simple financing form for entrepreneurs, who instead of using traditional ways of obtaining funds from a group of investors, use online Crowdfunding platforms (CFPs) to raise those funds from a larger audience. This audience is the so-called „crowd“ and consists of individuals, each of them providing a small amount of the overall required financing sum (Belleflamme & Lambert, 2014).

This act of obtaining funds from a group of individuals is also referred to as „*tapping the crowd*“ within academic research (Schwienbacher & Larralde, 2011, p. 4).

However, definitions not only include the aspect of raising funds, but more generally obtaining resources via CFPs from a distributed audience (Gerber et al. 2012 cited in Gerber & Hui, 2013). Hence, also the European Crowdfunding Network (ECN) describes it as follows:

„*a collective effort of many individuals who network and pool their resources to support efforts initiated by other people or organizations. This is usually done via or with the help of the internet*“ (De Buysere, Gajda, Kleverlaan, & Marom, 2012, p. 9)

Furthermore, they also identify the core difference to a traditional form of financing as the funder, whose personal skills are more entrepreneurial, risk-taking, intrinsic motivated and driven by a potential of a Crowdfunding project. Yet, in Crowdfunding for now the main motivation for funders to participate is not the financial rate of return. It is more the emotional one, as he or she personally identifies with a project (De Buysere, Gajda, Kleverlaan, & Marom, 2012).

Thus, Crowdfunding also provides opportunities for individual investors to support new and diverse projects, which otherwise might not have been finalized (Gerber & Hui, 2013). Figure 1 shows a simplified graphical solution of the concept of Crowdfunding, including its users, as well as its main exchange streams.
The process of Crowdfunding in general consists of funders who finance a project with a certain amount by using a platform. Depending on the type of Crowdfunding, which will be further elaborated in this chapter, a specific return is provided. The project itself is applicable for funding only for a limited amount of time, as well as an initial target amount of financing is fixed. If this target amount is reached within the originally set time frame, the project is considered successfully and following transactions are implemented (European Expert Network on Culture, 2011).

Summing up, the definitions of the term as well as some crucial notions of Crowdfunding, it can be said, that it is far more than a new and vigorously evolving form of financing. Rather is it, as the European Expert Network on Culture (EENC) (2011, p. 10) puts it, a “philosophical approach applying the Web 2.0 paradigms of transparency and participation”.

Thus, not surprisingly, Crowdfunding is handled as the new phenomenon and convergence of data, cloud technologies and social media, which changes the game of start-ups and SMEs funding quintessentially (Colgren, 2014). Furthermore, Web 2.0 is identified as one prerequisite for the development of the present online form of Crowdfunding (Schwienbacher & Larralde, 2011).

As it can be seen from the above definitions, the concept is rather elusive and a broad definition is challenging to state, as it covers so many diverse aspects. The author still, mostly agrees with the definition given by Mollick (2014, p. 2) who defines it in a specific way, yet allowing the concept to still develop and be modified:

“Crowdfunding refers to the efforts by entrepreneurial individuals and groups – cultural, social, and for-profit – to fund their ventures by drawing on relatively...
The Concept of Crowdfunding

small contributions from a relatively large number of individuals using the internet, without standard financial intermediaries. “

2.2 Origin

Crowdfunding as a concept is for one part inspired by the notion of micro-finance (Morduch, 1999 as cited in Mollick, 2014), which is defined by the Oxford Business Dictionary (Microcredit, 2015) as:

“the lending of small amounts of money at low interest to new businesses in the developing world.”

Relating to this definition, it can be seen that the primary focus lies on supporting start-ups, which are not able to acquire financing by using the “traditional” way. Hence, the affiliation between this concept and Crowdfunding is evident.

Secondly, the origin of the term of Crowdfunding can be traced back to Crowdsourcing, which was firstly used by Howe (2006, as cited in Zheng, Li, Wu, & Xu, 2014, p. 489) as

„the act of a company or institution taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call.“

The idea of Crowdsourcing is described as obtaining ideas, feedback etc. by outsourcing those functions to an organization’s customers or business partners. The notion of Crowdsourcing is highly interrelated with Open Innovation and the objective here is to involve the crowd into the innovation process of an organization. Well-known examples of crowdsourcing can be found in systems as Wikipedia, or OpenStreetMap (Wieck, Bretschneider, & Leimeister, 2013). The spreading of the concept soon included also monetary and financial resources – Crowdfunding was born (Zheng, Li, Wu, & Xu, 2014).

Working collaboratively on a common goal with a large group of individuals, or the crowd, is the basic idea of the concept and thus, can be found in Crowdfunding as well. However, additionally to the resources of idea and advice, yet as a primary source of resource, individuals within Crowdfunding provide financing (Wieck, Bretschneider, & Leimeister, 2013). Furthermore, the concept of Crowdsourcing is also expanded by the fact of using the Internet to obtain this financing (Macht & Weatherston, 2014).

Moreover, the ECN draws connections of origin to the concepts of community and co-operative banking, subscription sales as well as the stock market opening for investors in the retail sector (De Buysere, Gajda, Kleverlaan, & Marom, 2012). The first usage of the concept
The Concept of Crowdfunding

of Crowdfunding in its present form traces back to platforms raising funds for creative and social sectors. However, the rewards at that time were solely of non-monetary nature (Cholakova & Clarysse, 2015).

2.3 History

Crowdfunding might be a new term, but the concept itself is already centuries old. Already Beethoven and Mozart have used financing from interested individuals in form of advance subscriptions for their concerts and new publications. Moving a little bit forward in history, individuals of the French and American population funded the Statue of Liberty by a large number of small individual amounts of financing (Hemer, 2011).

As can be seen by the above stated examples, the concept of Crowdsourcing, and the later successor, Crowdfunding, has been in existence already for centuries in its offline form (Aitamurto, 2011 as cited in Macht & Weatherston, 2014).

The financial and funding element to the original form Crowdsourcing was added in 2006 in the performing arts sector by Sellaband. The organization allowed individuals to support their artist’s or band’s music. Already, at that time reward-based funding was introduced, as the funders got either a CD or a small stake of the sales revenue (Ordanini et al., 2011, as cited in Macht & Weatherston, 2014).

The concept of Crowdfunding emerged out of its origins according to the World Bank Crowdfunding Report in 2008 after the financial crises as a responding effect to the difficulties in start-up financing entrepreneurs faced. The growth of the phenomenon has until recently only covered developed countries. However, scholars predict a rise in the usage of Crowdfunding in the developing world as well, due to its existing potential (The World Bank, 2013).

Adding the growth of the Internet, Web 2.0, and Social Networks to the original concept of Crowdfunding sets the ground for the growth and emergence of today’s hype of the notion (Macht & Weatherston, 2014).

In the following years, online platforms copying this activity arose, but at this time, only for the sector of creative and performing arts. However, the concept of Crowdfunding within this area was more of a behind the scenes phenomena and did not raise a lot of public’s awareness (Hemer, 2011). In the next years the possibilities of using this system for business ventures in various sectors was explored. This led to the coining of the term Crowdfunding, which was
firstly used in academic research in 2010 by Lambert and Schwienbacher (ibid; Schwienbacher & Larralde, 2011).

Recently the concept has emerged to a global trend and hype and has become widely accepted by the public. Successful CFPs have grown and supported thousands of projects in their need for funding (Hemer, 2011). On 28th April 2009 one of the business venture CFPs - Kickstarter - went on air. In the year 2014 this CFP has had pledges of more than half a billion dollars by 3.3 million individual investors from almost every country around the world. That means $1,000 per minute was offered in order to support 22,252 online projects (Kickstarter, 2015).

2.4 Existing Research Streams

Beneficial to the understanding of the reader, the existing research streams according to their presence in the last years will be examined. Especially in recent years the growth of Crowdfunding as part of academic research is obvious. Nevertheless, as already explained, the research is still in transformation from the embryonic stage to the growth stage. Therefore, mostly definitions and categorizations, as well as explaining the growth of the phenomenon are available within academic literature (Giudici, Nava, Lamastra, & Vercondo, 2012). However, due to its phenomenal growth in value and importance, the concept of Crowdfunding attracted further scholars recently in various research streams.

Additionally to the already mentioned research in the embryonic form, three areas of research can be defined. Firstly, the conditions on which entrepreneurs choose Crowdfunding, over the traditional forms of financing were analysed (Schwienbacher & Larralde, 2011; Belleflamme, Lambert, & Schwienbacher, 2011). This research closely relates to examinations of Belleflamme and Lambert (2014) about the underlying motivations of fundraisers and investors to participate within Crowdfunding. A diverse range of motivations for entrepreneurs using Crowdfunding have been evaluated and identified by different scholars. However, those are of key importance to this research and therefore will be evaluated within the ongoing chapter.

Secondly another research stream has been established focusing on Crowdfunding projects in order to see which factors are having an effect on the performance of a project (Lambert & Schwienbacher, 2010).

Thirdly, the networking part of the notion of Crowdfunding is gaining more and more importance and attention within academic research. Mollick (2014) therefore identifies the connection between the amount funded and the belonging to a certain social network.
Additionally to the four main parts of research, which currently are defining the concept and explaining its emerging growth, the underlying motivations of investors and fundraisers on a two-sided market, the performance of the projects and related factors, as well as the notion of the social network connected to Crowdfunding, several scholars currently elaborated Crowdfunding on diverse fields – from the legal frameworks to the geographic dispersion.

Applicable for this particular thesis, however, is research done connecting the notion of Crowdfunding to Leadership and Entrepreneurship. These connections, however, are relatively rare. Giudici, Nava, Lamastra and Vercondo (2012) as well as Mollick (2014) examine Crowdfunding and its role in the research of Entrepreneurship. Mitra (2012) further investigates the role of the notion within entrepreneurial finance. Most of the major scholars connect it to Entrepreneurship, rather than to Leadership.

Due to the interdisciplinary nature of Crowdfunding, being a crossing of finance, management, sociology, psychology, information systems and economics, as well as its appearance within academic research as well as in popular press, books or magazines, a more extended analysis of the existing research streams would expand the scope of this thesis.

2.5 Types and Applications of Crowdfunding

As the trend of Crowdfunding and its types and applications are steadily developing and evolving, it is important for this particular research to analyse them. Different types of Crowdfunding might have a different effect on Leadership skills and behaviours of the entrepreneurs. Furthermore, within Crowdfunding the notion of a two-sided market with its three major user roles is necessary to be analysed in order to understand its position on the present market.

Moreover, in order to understand the potential effect on the entrepreneurs, their primary motivations to choose Crowdfunding as a form of starting up or transforming their business has to be elaborated.

2.5.1 Types of Crowdfunding

Crowdfunding can be categorized in different types based on if and which rewards in exchange for funding are going to be provided. Overall three main groups can be established as seen in Figure 2: altruism, hedonism and profit orientation.
2.5.1.1 **Altruism**

Within this main group of Crowdfunding investors are supporting social projects or ideas with donations (Blohm, et al., 2015). In its traditional form a donation is an act of giving funding without any claim for a reward in exchange (Hemer, 2011).

This form of Crowdfunding is the longest used one and was already applied by non-governmental organizations (NGOs) a decade ago (De Buysere, Gajda, Kleverlaan, & Marom, 2012).

2.5.1.2 **Hedonism**

The concept of hedonism is used to describe CFPs where investors based on their own interest, can be part of and invest into creative and innovative projects and therefore are helping the creation of new products and services (Blohm, et al., 2015).

Sponsoring, therefore, is the form of offering funds in exchange for a pre-agreed reward, which the entrepreneur has to perform (Hemer, 2011). These rewards might include any form of service, commodity or appreciation, recognition or gratitude (Carni, 2014).

Furthermore, also material rewards are exchanged. However, its value is common to be lower than the amount provided by the investor (De Buysere, Gajda, Kleverlaan, & Marom, 2012). One of the most used forms of Crowdfunding is the so-called pre-selling within the reward-based Crowdfunding. Thus, the rewards hereby take the form of the offered product or service. The investor in exchange for his or her amount of funding receives an early version of the product or service presented within the Crowdfunding campaign (Hemer, 2011). The reward in form of the early version of the developing product is only received if the start-up organization, which is developing the product, is successfully launching. However, if the
The Concept of Crowdfunding

project is failing no product is delivered and depending on the regulations of the CFP the investment done is either lost or received back (Carni, 2014).

Pre-selling is used to provide a possibility for entrepreneurs to introduce their idea to the market. By so doing, the consumer’s acceptance and preferences can be analysed, as well as working capital might be provided if the project is funded successfully (De Buysere, Gajda, Kleverlaan, & Marom, 2012).

2.5.1.3 Profit Orientation

Within this form of Crowdfunding the investors lend a particular amount of money to the entrepreneur in exchange for payback including interest after the pre-agreed lending period. Also a subtype exists the so-called long-term lending, this is based on the revenue sharing principle. According to the performance of the established venture the investor receives an amount including a percentage of the organization’s earnings (Hemer, 2011). One amendment to that concept is Social Lending, which means, the crowd funds a social project without being paid back interests from the project owners (De Buysere, Gajda, Kleverlaan, & Marom, 2012).

The equity-based Crowdfunding or Crowdinvesting is another form of profit orientation and constitutes rewards in the form of shares of an organization, dividends as well as/or voting rights as an exchange for equity invested in a certain project (Hemer, 2011).

2.5.1.4 Process Complexity of Crowdfunding Types

As can be seen in Figure 3, the complexity of the different types of Crowdfunding or rewards also highly varies. Starting with the least complex process of donations up to equity-based Crowdfunding, which is due to administrative and legal requirements highly complex in its process (ibid).

Figure 3: Crowdfunding Types ranked by Process Complexity

Source: modified after Hemer et al. (2011 as cited in Ibrahim & Verliyantina 2012)
2.5.1.5 *Hybrid Models*

Of course even higher in process complexity ranged are hybrid models. Due to the enormous hype and trend around the notion of Crowdfunding many CFPs experiment with various hybrid models to attract funders and entrepreneurs. One of these hybrid models is to connect the lending and pre-selling type of Crowdfunding. A percentage of the amount funded will be used as a loan and therefore repaid with interest. The additional funded amount is financing the production of a product or service, which will be sold as an early version to the investor (De Buysere, Gajda, Kleverlaan, & Marom, 2012).

2.5.2 *User Roles*

As already elaborated while making sense of the term of Crowdfunding various user roles exist within this notion. Three specific roles are defined, entrepreneurs, investors and intermediaries.

2.5.2.1 *Entrepreneurs, Fundraisers and Others*

The main goal of this user group is to raise funds by using the crowd. According to Ordanini et al. (2009, as cited in Tomczak & Brem, 2013, p. 339) those users are applying Crowdfunding in order to

„[…] get direct access to the market and to gather financial support from truly interested supporters“.

In order to categorize this notion of investors and entrepreneurs further, different types of crowdfunding issuers have been introduced. The following two major forms of Crowdfunding issuers are relevant for this thesis: Strategic and Start-up Issuers.

Strategic issuers may use Crowdfunding for a variety of reasons. The first reason is employer branding. As Crowdfunding attracts a certain person, being entrepreneurial in spirit, social media savvy and having a big network, organizations hope to attract those individuals as potential employees by using Crowdfunding. Secondly, brand marketing might be positively impacted, by showing one’s organization’s innovative and creative sides. Last but not least, the chance of increasing one’s customer base worldwide attracts those strategic issuers of Crowdfunding projects (Gelfond & Foti, 2014).

Crowdfunding is mainly used by start-up issuers as start-up financing and gap financing during the early stages of a project or organization (ibid).
2.5.2.2 *Investors alias Crowdfunders*

This group of users consists of individuals with a specific interest in a particular project or projects and who are therefore willing to invest in them in exchange for a certain reward or appreciation, which has been elaborated in-depth within the different types of Crowdfunding. This group of individuals is referred to as the “crowd” and defined academically as individuals who

“[...] decide to financially support these projects, bearing a risk and expecting a certain payoff” (Ordanini et al. 2009, as cited in Tomczak & Brem, 2013, p. 339)

2.5.2.3 *Intermediaries*

The central role of the intermediary is to connect the investors with the entrepreneurs. Those intermediaries in online Crowdfunding are mostly the online CFP. Burkett (2011, as cited in Tomczak & Brem 2013, p. 339) describes the major purpose of the intermediaries as

“matchmaker between promoters and funders”.

Within this thesis the intermediary between entrepreneurs and investors, evaluated and analysed, is an online CFP, namely one of the most successful and most visited one – Kickstarter.

In general CFPs can be categorized according to:

- Participation rights of investors in the outcome of an entrepreneur’s or team of entrepreneur’s project
- Fees requested by the CFP from entrepreneurs
- Services offered by the CFP (Giudici, Nava, Lamastra, & Vercondo, 2012)

These offered services can greatly vary between the CFPs. The common services are presenting the project as well as providing procedures and software for handling the financing part of the project. However, some of them also participate in giving advices and establishing public relations (Hemer, 2011).

Generally the process of a CFP as illustrated in Figure 5 is divided into three main phases. First of all, the entrepreneur or the team of entrepreneurs applies on the CFP with the purpose to show their business idea, product or service. Afterwards, depending on the CFP, a pre-selection of the entrepreneurial idea is done or without pre-selection every idea is accepted. Concerning the security service of a CFP, pre-selecting the idea is a main characteristic, as the background of the entrepreneur as well as the Crowdfunding plan are analysed (De Buysere, Gajda, Kleverlaan, & Marom, 2012).
As a next step after the acceptance of the idea, the entrepreneurs have to decide for a funding goal, funding frame, time as well as for the form of presenting the idea on the CFP. If this is chosen appropriately, attracted investors or funders are financing the idea directly by using the CFP as intermediary. During the process of running a campaign the CFP is also used as a communication forum for entrepreneurs to their crowd or following and vice versa (ibid).

As a last step, if the project was successfully funded, the allocated money is transferred to the entrepreneur by the CFP. If the campaign, however, was not successful, the funding is returned to the investors from the CFP (ibid).

Figure 4: Crowdfunding Process by CFPs

2.5.3 Two-sided Market
Researchers agree that the notion of Crowdfunding is a suitable and classic example of a two-sided market. Complementing to the description of the user roles within this notion is the making sense of the two-sided market dynamics of Crowdfunding as

“[…] tying together two distinct groups of users in a network” (Eisenmann, Parker & Alstyne 2006, as cited in Tomczak & Brem 2013, p. 339)
As it can be seen in Figure 5, the CFP within the two-sided market is used and described as the intermediary between the two sides – subsidy side and money side. Individuals serving as investors are situated on the subsidy side, as in current online Crowdfunding systems they are able to invest their resources for free. Comparatively, fundraisers or entrepreneurs are paying a fee, based on the amount of funds raised, to the CFP and therefore are within the two-sided market positioned on the money side (Tomczak & Brem, 2013).

Rules, between the intermediary and the two sides of the market are introduced in form of rights, terms, protocols etc. Those are necessary to handle the transactions done via the intermediary. Additionally, the intermediary

“creates value by facilitating interactions between the different groups”


This definition is closely interlinked to the definition given by Hagiu and Wright (2011, as cited in Giudici, Nava, Lamastra, & Vercondo, 2012, p. 7), which defines a multi-sided market or platform as

„an organization that creates value primarily by enabling direct interactions between two (or more) distinct types of affiliated customers“.

This facilitation of interactions is also called the network effect, which is extremely crucial related to the phenomenon of Crowdfunding. This importance is evident when stating the definition of the network effect by Osterwalder and Pigneur (2010, as cited in Tomczak & Brem, 2013, p. 340):
“[a] multi-sided platform grows in value to the extent that it attracts more users, a phenomenon known as the network effect”.

Therefore, the relationship between investors and fundraisers within Crowdfunding can be described as symbiotic, as an increase in the number of fundraisers should lead to a growth in the group of the investors and vice versa (Tomczak & Brem, 2013).

2.5.4 Driving Motivators for Entrepreneurs

Primarily, three main motivations for raising money by using Crowdfunding from the perspective of an entrepreneur or team of entrepreneurs could be identified (Lambert & Schwienbacher, 2010):

- To raise finance: this is the most stated and obvious motivation for entrepreneurs, although as other research shows, there is further value-add identified not necessarily connected to financing
- To create public awareness for the project/product or company
- To establish market research: Crowdfunding can be an effective tool to assess whether a product will be accepted on a market or not

The sole motivation of financing a project can be rather necessity-driven, as financing from traditional modes, such as venture capitalists, banks or business angels might not be available (Macht & Weatherston, 2014).

Another motivation is the effect a successful Crowdfunding project might have on the possibility to obtain other more traditional funding sources (Belleflamme et al., 2010, as cited in Macht & Weatherston, 2014).

Macht and Weatherston (2014, p. 8) in their research, based on the motivations of entrepreneurs and experiences in Crowdfunding projects, found the following advantages for entrepreneurs doing Crowdfunding (for more details please see Figure 6):

- Helping to overcome funding difficulties
- Provision of contacts
- Facilitation of further funding
- Involvement and making use of the wisdom of the crowd
- Limited/no loss of control and ownership
Different scholars agree with the results of Macht and Weatherston by stating that one of the critical motivations of entrepreneurs is to gain feedback from the crowd and their involvement in the process creation, before a product or service is actually entering the market place (De Buysere, Gajda, Kleverlaan, & Marom, 2012; Belleflamme & Lambert, 2014).

Furthermore, the provision of contacts, also expanded by using forms of social marketing, such as word-of-mouth recommendation is verified. Moreover, due to the applicability of different types of Crowdfunding and their combination, entrepreneurs are able to finance the whole life-cycle of a service or product, or of a business innovation (ibid; Gerber & Hui, 2013). Additionally, further aspirations for creators or entrepreneurs might be to keep control over their project, as well as gaining new skills by using non-traditional fundraising (Gerber & Hui, 2013).

Another reason for entrepreneurs or organizations to crowdfund is the advantage of reducing the length as well as the costs of a research and development process for the realization of an idea (Schwienbacher & Larralde, 2011).
2.5.5 Current Laws and Regulations

Referring to the different types of rewards within Crowdfunding, there are different laws and regulations applicable for each of them, also varying by country. The most critical types in respect to laws and regulations are the lending-based and equity-based Crowdfunding forms, where also currently new texts of laws are established.

As this research, is focusing on Crowdfunding projects within the pre-selling form, the laws and regulations applicable to this form do not necessarily need to be reviewed for improving the understanding of the reader. Therefore, although important for other scholars, the current laws and regulations are not of crucial and key importance for this particular research and therefore, will not be examined any further.

2.5.6 Current Crowdfunding Market

In order to understand the trend of Crowdfunding and its current growth and size, it is crucial to give an overview of the status quo. Therefore, a recent Crowdfunding study provided in the year 2015 focusing on the Crowdfunding market will be used to describe the development status of the market, based on the last counted year 2014. Although there are numbers available for the different country markets of Crowdfunding, due to the diversity of entrepreneurs participating in this study, the description of the global market will be sufficient to provide relevant information for enhancing the understanding of the reader.

According to studies taken by Massolution 2013 and Fundable 2014 (cited in Blohm, et al., 2015) the current volume of the global Crowdfunding market reached $10 billion in 2014. This means that the current growth from 2013 to 2014 was around 90% (Blohm, et al., 2015).

Graph 1 shows the global market volume in billion USD from 2011 to 2014, and underlines the rising importance in the notion of Crowdfunding (Blohm, et al., 2015).
The Concept of Crowdfunding

Graph 1: Global Crowdfunding Volume

Source: modified after Blohm et al. (2015)

Most of this market volume was gained within the two top regions for Crowdfunding growth – North America and Europe. In 2013, Crowdfunding within North America reached 72% market share and in Europe it reached 26%. As can be seen, the other regions, such as Asia, Australia, South America and Africa are still in the creation of their first CFPs and projects. However, contrarily to the novelty of the trend within those regions, a major growth for the upcoming years is predicted, based on the happened growth in developed nations (Massolution 2013, as cited in Blohm et al., 2015).

Considering the different types of Crowdfunding, as explained above, in 2012 the profit oriented types together with the altruism group of Crowdfunding made up 80 percent of the global Crowdfunding volume. However, the concept of hedonism is showing the highest growth compared to the other types. This result is interpreted within the study as an assumption of rising trust in and popularity of this form of Crowdfunding (Blohm, et al., 2015).
3 The Concept of Leadership

„Leaders come in every size, shape and disposition – short, tall, neat, sloppy, young, old, male, and female“ (Bennis, 2009, p. 33)

This quote by Warren Bennis indicates the high variety of leaders and that all of us in one or the other way are and can be a leader. Still, Leadership is something which is for most people a concept that is hard to grasp. On that account, it is of highest importance to work on the concept of Leadership as a basis for this research.

Foremost, also in order to enhance the understanding of the effect of Crowdfunding on Leadership’s skills and behaviours of leaders within Crowdfunding ventures, the concept will be further elaborated and enlightened.

As related to the concept of Crowdfunding, also the concept of Leadership needs to be made sense of. This part should establish in-depth knowledge by the reader of the concept as well as its application in the current thesis.

A permanent topic within the research of Leadership is the discussion of born or made leaders. Different point of views on these notions will be stated and analysed by the author. Finally, the development of leaders during their life-stories is based on present academic research. According to academia, two forms of Leadership development will be presented by the author. The development of a leader due to the learning process out of made experiences throughout one’s life, as well as the development of leaders by finding a cause are the forms which can be related to Crowdfunding.

Last but not least, the gained knowledge in theory about the concept of Crowdfunding as well as Leadership will be put into practice by connecting those two notions and elaborating on their relationship to each other.

3.1 Making Sense of the Term

Although Leadership is a present and permanent topic in today’s academic, but also business and private world, it is still difficult to define the concept in a way suitable for everybody. The author has learned that Leadership is something everybody experiences for him or herself and thus, can provide an own and suitable definition of the concept. However, research has provided us with a lot of different definitions and parts of the notion of Leadership. As this thesis however, constitutes a new research to the field of Leadership, connected to
Crowdfunding, an own definition of a crowdfunded leader, based on the primary research done, will be provided within the conclusion of this paper by the author.

3.2 Born versus Made

The distinction between born and made leaders is a frequently discussed one in academic research as well as in popular press. Yet, it is a crucial distinction to be done for a lot of research conducted concerning Leadership characteristics, skills or behaviours. Thus, it is of key importance to define both concepts in more detail to enhance the understanding of the reader.

Scholars defending the notion of born leaders believe that individuals are born with certain Leadership characteristics and a natural ability to lead, which is differentiating themselves from the non-leaders (Andersen, 2012).

3.2.1 Leadership Development

Nonetheless, there is still research showing or presenting individuals not being equipped with brilliant Leadership capability at their birth, but nonetheless becoming good leaders by being “made” a good leader. It might not be easy, but still if there is the willingness to change and work on oneself as well as one is willing to “unlearn” certain aspects, the act of leading can be learned and therefore leaders can be made (Gregory, 2004).

How this development of leaders is characterized, however, highly differentiates between scholars. Two forms of how individuals develop as leaders will be described within this thesis.

Those two forms are part of an approach relating the development of authentic leaders to their life-story. Still, although it might be analysed in relation to the notion of authenticity, as this is a crucial part of today’s leaders, it is relevant to generalize their findings as value-adding to the concept of Leadership development.

The importance of one’s life story in Leadership development is evident by the visibility of the self-concepts of leaders and its relation between those concepts and actions. Thus,

“the role of the leader is a central component of their self-concept” (Shamir & Eilam, 2005, p. 398)

Although they do not define themselves as leaders, they still enact the role of Leadership in their professional as well as personal lives. Furthermore, their acting and striving for goals is impacted by their passion. This passion is closely related to their values and beliefs (Sheldon & Elliot, 1999; Sheldon & Houser-Marko, 2001 as cited in Shamir & Eilam, 2005, p. 398).
Moreover, they are clear about their own values and beliefs and therefore show high self-concept clarity. Leaders, therefore, based on their life stories also embrace those in their daily actions and build a community of followers sharing them (Shamir & Eilam, 2005).

Those leaders developed by their own life stories as a source of getting to know oneself better and providing clarity for one’s self concept are closely related to the concept of Crowdfunding, which will be elaborated further in the provided results of the primary research done.

3.2.2 Leadership Development as Finding a Cause
Leaders furthermore can be developed by finding a cause. This cause is closely related to their life story as it is not necessarily only connected to a business idea but is a purpose for one’s professional and personal life. Hence, it is often associated with being part of a movement or a community and as a result finding a goal or cause for one’s life and therefore finding one’s identity, which is key for becoming a leader (Shamir & Eilam, 2005).

3.2.3 Leadership Development as Learning from Experience
Within this type of Leadership development, leaders base their life story on their experiences, lessons learned or failures made. Thus, the self-knowledge of a leader is directly related to his or her experience identified in his or her life story (Shamir & Eilam, 2005).

3.3 Leadership’s Role in Crowdfunding and vice versa
The notion of Leadership was more elucidated in this chapter. Still, for the understanding of the reader its application within Crowdfunding is elaborated further. Therefore, the concepts described above are going to be reflected from the perspective of Crowdfunding.

Of course, existing literature on Crowdfunding, has not yet examined that relation further. Therefore, connections are going to be drawn based on the existing literature presented above about Crowdfunding as well as about Leadership. Those connections are the basis of understanding the research done to elaborate the skills and behaviours of leaders within the concept of Crowdfunding. Of course, this connection is based on the author’s personal interpretation of the theoretical concepts of Crowdfunding and Leadership in academic theory.

3.3.1 Born vs. Made
The differentiation between born and made leaders explained and analysed above is important to elaborate further in relation to Crowdfunding. Individuals or a team of individuals deciding to use Crowdfunding for presenting and funding their idea and project mostly are not leaders
in the typical sense. Most of the times, as will be presented in the results section as well, they have no experience in a particular Leadership role. Therefore, the author relates both concepts to Crowdfunding. Those individuals, as research suggests, are highly entrepreneurial in their spirit, which might be characteristics already born with, but also framed by the personal developments and experiences.

However, as individuals who are deciding for Crowdfunding as a financing form have a certain purpose and vision in mind which they want to realize and therefore act accordingly, it can be connected to Leadership development as learning from experience and as finding a cause. This development of Leadership is, naturally, a process which can be used to enhance the development and learning as an individual or as a leader.

Concluding, this research can be categorized relating to both concepts and therefore, the crowdfunded leader described in the analysis of this research, is both a born, as well as a made one.

3.3.2 Social Capital

Another concept, which can be related to both Crowdfunding as well as Leadership as Construction of Meaning, is the concept of social capital. Social capital, as a theory is present in various research streams. In the Crowdfunding theory it is categorized into three dimensions, the structural, relational and cognitive one (Nahapiet & Ghoshal, 1998).

Figure 7: Social Capital Dimensions in Crowdfunding

<table>
<thead>
<tr>
<th>Social Capital</th>
<th>Structural Dimension</th>
<th>Relational Dimension</th>
<th>Cognitive Dimension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Networks</td>
<td>Social Networks</td>
<td>Obligation</td>
<td>Shared Meaning</td>
</tr>
</tbody>
</table>

Source: modified after Zheng, Li, Wu, & Xu (2014, p. 490)

Within the concept of social capital in Crowdfunding, the *structural dimension* can be measured in the form of ties established by being part of social networks having an impact on the performance of a Crowdfunding project (Zheng, Li, Wu, & Xu, 2014).

Furthermore, the *relational dimension* consists of the obligation to be part as project owner as well as investor in other projects within the community of Crowdfunding. This reciprocity of
The Concept of Leadership

exchange in Crowdfunding is one of the most crucial parts of social capital and as research shows also an important point concerning the performance of a Crowdfunding project (ibid; Portes, 1998). Still, the closest connection to Leadership can be drawn by using the cognitive dimension. It is analysed that the shared meaning between an entrepreneur or an individual presenting his or her idea on a CFP and the investors being sponsors for this idea is of utmost importance (Zheng, Li, Wu, & Xu, 2014). This relationship can be compared to the one between leaders and followers, where the concept of shared meaning in the process of sensemaking and sensegiving is a crucial ingredient (Weick, 1995).

Furthermore, once again, the importance of life stories, myths and narratives in improving the shared meaning within a community or with followers, is identified (Zheng, Li, Wu, & Xu, 2014).
4 The Concept of Entrepreneurship

"You cannot predict the future, but you can create it." (Cohen, 2009, p. 4)

This quote written by Cohen, however coming from one of the fathers of management studies, Peter Drucker, is according to the author suitable for providing a first impression on the concept of Entrepreneurship. Being able to create, innovate, invent, change and being first is closely related to the act of Entrepreneurship.

However, those ingredients also play an important role in the current trend of Crowdfunding. Thus, it is important to analyse the concept of Entrepreneurship for improving the understanding of the reader accordingly.

Therefore, the notion of Entrepreneurship is going to be defined in diverse academic ways to embrace the sense-making of the term for the reader. Sub-concepts of Entrepreneurship, which are related to Crowdfunding and therefore, have been already stated in academic research, are going to be presented.

Firstly, one of those sub-concepts is the entrepreneurial process. Regarding that process, it is crucial to get an overall understanding as it is closely related to the Crowdfunding process, which is going to be illustrated and analysed further in this thesis. Moreover, the notions of effectuation and entrepreneurial Leadership are concepts interrelated to the overall topic of this thesis and therefore are contributing to the understanding of the reader.

Last but not least, the synergies of the concepts are going to be presented by putting the knowledge gained during the theoretical parts of this thesis into practice and connecting the notions. Therefore, Entrepreneurship will be examined according to its role in Crowdfunding and vice versa.

4.1 Making Sense of the Term

Research on Entrepreneurship, similarly to research on Leadership is hard to be defined in one specific form. Moreover, different scholars vary highly in their definition. Therefore, it is hard to provide one common understanding of Entrepreneurship. Thus, this understanding should be created within this thesis as a result of the interrelation between the three notions of Crowdfunding, Leadership and Entrepreneurship.

Furthermore, individual academic definitions are not sufficient to describe the notion of Entrepreneurship. As Entrepreneurship is a concept which is dynamically evolving, it is
The Concept of Entrepreneurship

evident to analyse it based on the behaviours and skills of an entrepreneur (Howorth, Tempest, & Coupland, 2005).

The classical sense-making of the concept of Entrepreneurship is interpreted newly in research by using the concept of opportunity recognition (Shane & Venkataraman, 2000).

Moreover, the concept of Entrepreneurship can be perceived from different perspectives and therefore the author agrees that it is a concept which may be individually defined by everybody. Thus, it can be connected to diverse forms of settings and contexts. Within this thesis the author is analysing the concept of Entrepreneurship within the setting of Crowdfunding.

Although, Entrepreneurship, like Leadership, is something everybody has a different definition of as well as sense and meaning attributed to it, the author understands Entrepreneurship as a concept including the knowledge, the willingness, the challenge as well as the action of an individual to strive for certain goals and to take the chance of capitalizing on an opportunity.

4.2 The Entrepreneurial Process

For the understanding of the concept of Entrepreneurship it is necessary to examine the entrepreneurial process further. The development of an idea into a viable business is correlated and thus crucial to this particular thesis.

Besides the distinctions between scholars about the definition of Entrepreneurship, also the entrepreneurial process varies within academic research. Depending on how one sees the notion of Entrepreneurship the process can be described differently.

For instance, the entrepreneurial process can be built based on the theory of opportunity recognition or identification, as well as according to the concept of effectuation. It is important to elaborate on those two processes as they are closely related to the Crowdfunding process illustrated in the empirical part of this thesis.

4.2.1 Opportunity Recognition

One central aspect of Entrepreneurship is the notion of opportunity recognition. The phenomenon of entrepreneurial alertness is closely related to this recognizing of opportunities. The specific skill or ability of entrepreneurs is furthermore defined by the economist Israel Kirzner (1979, as cited in Gaglio & Katz, 2011, p. 96) as

“the ability to notice without search opportunities that have hitherto been overlooked.”
Eckhardt and Shane (2003, as cited in Vaghely & Julien, 2010, p. 75) define this realizing chances or opportunities even further by stating that

“[...] entrepreneurial decisions are creative decisions. That is the entrepreneur constructs the means, the ends or both.”

Also Dimov (2007, as cited in Gielnik, Frese, Graf, & Kampschulte, 2012) relates opportunity recognition to creativity, by implying that creative processes are used to identify opportunities by perceiving new ideas and realizing them.

Research is pointing at the fact that this opportunity recognition is highly dependent on established networks. Those networks might even provide the most important source of knowledge for the entrepreneurs (Johannisson, 1990, as cited in Arenius & De Clercq, 2005).

Furthermore, entrepreneurs not only identify and recognize opportunities, but they also might construct them. This act can happen at the same time or in various combinations (Vaghely & Julien, 2010).

Entrepreneurial opportunity and opportunity recognition is still a research field open for new investigation, as results vary highly on how this opportunity is recognized or created by the entrepreneur. Some see it as an entrepreneurial centred, objective way of processing information. Others define it more as a combining result of the individual entrepreneur, his or her network and the context (Vaghely & Julien, 2010).

4.2.2 **Illustration of the Entrepreneurial Process based on Opportunity Recognition**

Research has extended its forms to the process of identifying opportunities, exploiting them and resulting in competitive advantage (Alvarez & Busenitz, 2001, as cited in Shepherd & DeTienne, 2005).

Thus, the process which is graphically illustrated in Figure 8 can be described as using the entrepreneurial alertness in order to start the process of recognizing and identifying an opportunity. The opportunity is developed or formed in order to be suitable for the entrepreneur’s exploitation. Depending on the goals of the entrepreneur this exploitation can lead to various outcomes.
Thus, the entrepreneurial process is closely related to entrepreneurial alertness, as entrepreneurs in order to be alert understand how to change environments and realize how to modify the assessment of a certain opportunity. More easily described, it means that opportunities once identified, need to be transformed in order to be able to realize them or in other words to be able to exploit them (Gaglio & Katz, 2011).

4.2.3 Effectuation

The notion of effectuation introduced by Sarasvathy (2001) is a suitable concept of describing an entrepreneurial process, based on the increasing entrepreneurial spirit and creativity of individuals in the post-modern era. Sarasvathy (2001, p. 245) provides the reader with an overall definition of effectuation as

“processes taking a set of means given and focusing on selecting between possible effects that can be created with that set of means”.

The given set of means within effectuation consists of three parts. One of those means is the entrepreneur’s own identity on an individual level. Entrepreneurs know who they are based on traits, tastes as well as abilities. If effectuation is used as an entrepreneurial process for an organization rather than an individual or a team of individuals this notion expands to the physical resources of an organization (Sarasvathy, 2001).

The second mean identified in the entrepreneurial process of effectuation, is the realization and reflection on knowledge or the concept of what one knows. On an individual level this means being able to firstly realize and then exploit one’s own corridors of knowledge. When it comes to an entrepreneurial start-up or venture the part of human resources contributes primarily to the organizational knowledge (ibid).

Last but not least, the third mean given for the entrepreneurial process is one’s networks or also described as whom one knows. For an individual entrepreneur social networks are used
to summarize one’s personal and professional relations. Contrarily, on a firm’s level the organizational resources are contributing to this mean (ibid).

Summarizing on those three means, it is evident, that they are describing the characteristics and circumstances of an entrepreneur. Next to those means a decision making process involving effectuation consists of aspirations and motivations of the individual. Those are mostly created during the process of making a decision. Furthermore, possible effects and their respective constraints as well as opportunities, which are usually enforced by the context, are part of the entrepreneurial decision making process. Finally, criteria, on which the decision is based on, are included. This is usually depending on an individual’s perception of affordable loss or acceptable risk. These decision making selection criteria are dependent on the entrepreneur and his or her characteristics and abilities to realize and work on the different eventualities (ibid).

The underlying logic of the process of effectuation is that

“to the extent we can control future, we do not need to predict it”. (Sarasvathy, 2001, p. 251)

4.2.4 Illustration of the Entrepreneurial Process based on Effectuation

The process of effectuation has been described in more detail above. However, in order to foster the understanding and applicability for entrepreneurs, it is illustrated in Figure 9.

Figure 9: Entrepreneurial Process based on Effectuation

Within Figure 9 the process of effectuation is illustrated, whereas 1 signifies the affordable loss and acceptable risk associated and 2 represents strategic partnerships and the logic of control. The outcome/effect of this entrepreneurial process is that new markets can be created by working on alliances and further strategies based on cooperation (Sarasvathy, 2001).
Sarasvathy (2001, p. 253) describes the process of effectuation as follows.

“Effectuation begins with a given set of means and contingent human aspirations to select from a set of possible effects imagined by the effectuator(s). Both means and aspirations change over time. The particular effect selected is a function of the level of loss or risk acceptable to the effectuator(s), as well as the degree of control over the future that the effectuator(s) achieves through strategic partnerships along the way.”

4.3 Entrepreneurial Leadership

In the 21st century the notion of entrepreneurial Leadership is emerging as a result of increasing attempts to understand the dynamics of the economic development (Kuratko, 2007, as cited in Leitch, McMullan, & Harrison, 2013). This entrepreneurial Leadership research has also extended to the act of being creative and innovative during the process of business development (Chen, 2007).

Although the research on SMEs and start-up organizations is gaining much attention, it seems that the notion of Leadership and Leadership development related to those ventures is lacking in academia. One reason might be that in comparison to bigger ventures Leadership is perceived to be too similar in order to expand the existing research on Leadership (Vecchio, 2003 as cited in Leitch, McMullan, & Harrison, 2013). However, this lack in research is crucial to be filled by exploring the entrepreneurs/founders of SMEs and start-ups who are currently emerging and developing (Jensen & Luthans, 2006).

4.3.1 Entrepreneurial Leader’s Skills and Behaviours

Entrepreneurial leaders primarily focus on enhancing their skills, abilities and knowledge – which means their human capital. The development of their Leadership skills is based on challenges they have faced in their private and professional lives. Furthermore, it is a result of the interaction between peers and the trust built within this group. However, additionally to the development of social capital also institutional capital is developed within SMEs and start-up ventures, which refers to formal structures and organizations (Leitch, McMullan, & Harrison, 2013).

Further tasks of entrepreneurial leaders are identified by providing a vision and by continuously motivating, leading and directing others (Kao, 1989, as cited in Pieper, 2014). Characteristics of those entrepreneurial leaders include creativeness, high communication skills, showing consistency and being a networker, as well as being dynamic (Stuart & Abetti, 1987).
4.4 Crowdfunding’s Role in Entrepreneurship and vice versa

Relating the notion of Crowdfunding to the concept of Entrepreneurship is key for the ongoing understanding of this research. Similarly to the interrelation between Crowdfunding and Leadership, research is still lacking adequate connections. However, the function of Entrepreneurship is important during the process of Crowdfunding as well as in newly established crowdfunded ventures.

Thus, the two concepts are related to each other, especially by identifying relationships within the notions of entrepreneurial processes, such as effectuation and opportunity identification as well as entrepreneurial Leadership.

4.4.1 Entrepreneurial Process

The entrepreneurial process is often related to the practice of starting-up a business or recognizing and exploiting an opportunity. As this study is focused on research done with successful Crowdfunding entrepreneurs currently running a viable business established out of their initial product or service idea, these entrepreneurial processes are crucial.

4.4.1.1 Opportunity Recognition

As defined above, the process includes recognizing or identifying an opportunity, the development as well as exploitation of that opportunity to in the end achieve a desirable result.

Crowdfunding as explained during the making sense of the concept is highly correlated to the notion of creativity and innovation. Entrepreneurs, when deciding for Crowdfunding identify the opportunity and by creating a campaign, they develop it further and if successfully done the opportunity gets exploited.

4.4.1.2 Effectuation

Entrepreneurs deciding for Crowdfunding might be motivated by the fact of increasing their skills (Gerber & Hui, 2013). Furthermore, the idea of increasing one’s network and exploiting on one’s relations is a major idea of Crowdfunding (De Buysere, Gajda, Kleverlaan, & Marom, 2012); (Belleflamme & Lambert, 2014).

Thus, a connection to the three given means of effectuation can be drawn, the entrepreneur’s own skills and abilities, his or her knowledge gained during previous experiences, jobs or projects as well as his or her own social network.
4.4.2 Entrepreneurial Leadership

A research done concerning entrepreneurial Leadership in crowdfunded start-ups and SMEs by interviewing entrepreneurs and managers provides first results on the connection between entrepreneurial Leadership and Crowdfunding.

First of all, the usage of entrepreneurial Leadership within crowdfunded SMEs and start-ups is naturally chosen. Hence, entrepreneurs naturally lead entrepreneurial without consciously deciding for it (Pieper, 2014).

The main argument presented for this choice is the complementation of entrepreneurial Leadership to necessary features of a recently crowdfunded organization. Those features include the concentration on making quick decisions, involving one’s employees as well as a high level of innovation and leanness. Concretely, decisions can be quickly made due to a flat hierarchy established. Furthermore, multiplying their employees by tapping their knowledge as well as enhancing their involvement are key strategies for the success of a small crowdfunded organization (ibid).

Moreover, entrepreneurs included in the study identified next to their focus on entrepreneurial Leadership the concept of leading by example. This study shows basic requirements for using entrepreneurial Leadership in a crowdfunded venture. Those basic requirements necessary for the implementation and exploitation of entrepreneurial Leadership consist of the right aspiration of the leader, as well as the acceptance of the employees (ibid).

Concluding, crowdfunded ventures are experiencing high challenges in their new business environment such as low entry barriers for their competitors as well as the lack of knowledge gained through externalists. Thus, the application of entrepreneurial Leadership is a way of dealing with those challenges, by using an innovative approach (ibid).
5 Methodology and Research Design

In order to understand the findings of this research and the process of gathering data it is important to give an overview of the used methodology. As the author decided to use Grounded Theory, the research design was modified and changed during the process of collecting data. Yet, the final outcome of these modifications and changes and their implications are of importance for the understanding of the reader.

5.1 Grounded Theory

Grounded Theory was chosen, because it is one of the most applied methods, when the goal of the research is to generate theory (Strauss & Corbin, 1997). Therefore, the theory at the end of this thesis derives from data, which was gathered and analysed constantly during the process of the research itself (Strauss & Corbin, 1990). Furthermore, theories elaborated and created are interpretive dependent on the author of the research, as will be described further in this chapter. Thus, Grounded Theory is used in order to create knowledge contributing to the new research stream of Crowdfunding.

Furthermore, as the topic, issue and design of the research emerged and changed during the process, Grounded Theory is suitable to use sampling in order to explore an issue on an evolving basis. In order to do that, continuous comparisons were made and questions in interviews were asked as analytical devices to explore the issue further (Strauss & Corbin, 1990).

5.1.1 Sampling

The sampling within this study for the first round of primary research was done by the membership of the LinkedIn group *CrowdFunding & CrowdSourcing for Entrepreneurs & Investors*. Two out of the entrepreneurs who were willing to do personal interviews included in this thesis are members of this group as well. After connecting via the social network platform, further investigation has been made and an appointment for a personal interview has been fixed.

When it comes to the other four entrepreneurs included in the personal interviews, they have been contacted via E-Mail and have been chosen on the CFP Kickstarter based on the following criteria:

Finishing a successful Crowdfunding project from 2010 to 2014, however not in 2015 and currently working in the venture created after/during the Crowdfunding campaign.
This sampling had to be done, in order to achieve the best possible outcome for the thesis in order to conclude the effect Crowdfunding might have on the personal development and on the Leadership skills and behaviours of the entrepreneurs of the crowdfunded venture.

Regarding all the participants of the research, those contacts have been established due to recommendations, connections within the LinkedIn group as well as relations to successful campaigns on the CFP Kickstarter.

According to the interviewee’s nationality, age or gender, no sampling has been made by the author. The gained variety was a result of the connections established via the online community LinkedIn, recommendations made or first interesting chats or comments, triggering the interest for a personal interview to be made.

### 5.1.2 Coding and Memoing

In order to create theory, data needs to be gathered and arranged. This arranging and analysing of data is of crucial importance when applying Grounded Theory. The process of fracturing, conceptualizing and integrating data in order to form theory is called coding and will be used in three different forms, according to the progress of the research – open, axial and selective coding. The first step is the line-by-line or open coding in order to open up the text and discover, label or develop concepts. The next step of axial coding refers to the establishment of categories and subcategories of the concepts as well as the creation of linkages between them. Last but not least, selective coding is a tool helping to present the concepts and its relations and it also can be used to draft the conceptual as well as the theoretical framework (Strauss & Corbin, 1990).

During the process of coding and creating theories, memos are of utmost importance, as they are used to gather data, firstly drafting a concept and categories, applying structure and realizing concepts (Strauss & Corbin, 1997).

Thus, the following subchapter focuses on presenting the properties, codes, categories and subcategories established during this research. This is, in order not to extend the scope of this paper, done in tables and by using labels for the inputs gained through the interaction with the participants. Those labels can be seen in the annex of this study. Furthermore, as the open coding comprises a huge amount of data, it is presented within the annex. Yet, the input of the finalized open codes and their development into core categories is illustrated below.
### 5.1.3 Coding Procedures and Tables

Table 1: Axial and Selective Coding -> Categories

<table>
<thead>
<tr>
<th>Open Codes</th>
<th>Axial Codes</th>
<th>Categories</th>
</tr>
</thead>
</table>
| • High self-confidence  
• Trusting one’s gut feeling  
• Self-awareness  
• Knowing oneself | • Entrepreneurs doing Crowdfunding know who they are  
• They show their skills | • Knowing one-self |
| • Improving self-confidence  
• Establish ownership and responsibility in the relationships with the community based on trust  
• Striving for self-development  
• Acting on intuition | • Based on their self-knowledge the entrepreneurs are striving for development as well as they are acting according to their self-knowledge | • Acting based on their self-knowledge |
| • Self-motivation for reaching one’s goal  
• Being ready for change  
• Alertness  
• Opportunity recognition  
• Self-development by asking for help | • Are ready to do everything for reaching their goals  
• Improving their chance to reach their goals | • Demonstrating skills in achievement of goals |
| • Appreciate advice and knowledge from others  
• Collective mind  
• Knowledge sharing  
• Open for suggestions | • Value the collective spirit  
• Sharing spirit | • Having the skill of sharing |
| • Open to change  
• Low risk-aversion  
• Showing high-decisiveness  
• Being innovative | • The entrepreneurs are always striving for something new  
• Are ready to take risk and change for their success | • Exerting oneself |
| • Showing resilience  
• Showing stamina | • Dealing with failure and having the courage of trying again | • Showing endurance |
| • Showing integrity  
• Showing empathy  
• Having passion  
• Having a purpose for one’s life  
• Having a vision | • Sticking to one’s values and believes  
• Being able to understand others | • Being authentic |
| • Being dedicated to one’s work  
• Dealing with setbacks and failures  
• Being first  
• Sharing a vision  
• Learning by failure  
• Working on experiences | • Having experienced setbacks and failure have an effect on the entrepreneur’s ability of sharing a vision, being first as well as being dedicated to their purpose | • Individual-based behaviour |
| • One alone is not as strong as together with a team, network or community  
• Being responsive to and engaged in networking  
• Giving sense  
• Appreciating partnerships  
• Administrative skills | • The interactive processes within a community  
• Being experienced in working within a team  
• Knowing how to adapt and engage within a network | • Community-based behaviour |
| | • Behaviour focusing on the | • Task-based behaviour |
Methodology and Research Design

- Task orientation
  - Preparation is everything
  - completion of tasks
- Accepting the challenge of Crowdfunding
  - Handling the challenge of Crowdfunding
  - The challenges provided for crowdfunded projects or ventures are having an impact
- Establishing a story around the project
  - Sharing that narrative
  - Leaving legacy
  - The shared story is of crucial importance for the continuous success of the project
- Improvements by Trusting the community
  - Value the community
  - The interaction between the community and the entrepreneur is on both sides based on trust
- Value the insights gained by mentors
  - Experienced in receiving and giving feedback
  - Interplay between the community and the project
  - Process of constant interaction within the community
  - Constant interaction
- Understand that it is an ongoing process
  - Being market/customer driven
  - Facing constant development and changes
  - Change-orientation

Table 2: Core Categories and Description

<table>
<thead>
<tr>
<th>Categories</th>
<th>Core Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowing one-self</td>
<td>Skills</td>
<td>This core category is comprised of skills necessary and important in the process of doing a Crowdfunding campaign as well as afterwards.</td>
</tr>
<tr>
<td>Acting based on self-knowledge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demonstrating skills in achievement of goals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Having the skill of sharing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exerting oneself</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Showing endurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Being authentic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual-based</td>
<td>Behaviour</td>
<td>This core category includes three forms of behaviour shown by entrepreneurs before, during and after a Crowdfunding campaign.</td>
</tr>
<tr>
<td>Community-based</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task-based</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Challenges</td>
<td>Influencing Factors</td>
<td>There are three influencing factors, having an impact on the crowdfunding entrepreneur.</td>
</tr>
<tr>
<td>Storytelling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.2 Description of the Research Process

For this study qualitative research has been chosen. This qualitative research has been combined with a literature review on a theoretical level. Finally, the qualitative research included three major participants:

- Online community
- Entrepreneurs
- Experts

First of all, the knowledge of the online community has been tapped via the platform of LinkedIn to gain further insights into the concept of Crowdfunding. Furthermore, entrepreneurs having provided their knowledge and experiences made to the online community via videos contributed to this group of participants. Those inputs were primarily used for the open coding of the data, in order to establish insights into the trend of Crowdfunding and deciding which issues are dealt with during this research.

Following, interviews have been conducted in order to contribute to the different categories, concepts and subcategories established. In total, for this thesis, nine personal interviews have been done with experts as well as entrepreneurs. The interviews ranged from 15 to 60 minutes and were either accompanied by e-mails, phone conversations or chats to get to know the interviewee and to arrange the date. Due to the time constraint of most of the entrepreneurs, as they are currently in the development phase of their venture or in the project phase, it was sometimes difficult to arrange a date and time for the interview.

Out of the nine interviewees, six were entrepreneurs, where four of them had already had a successful Crowdfunding campaign and two are currently in the process of organizing or running it. Furthermore, three experts were included in the qualitative research.

The four entrepreneurs who already did a successful Crowdfunding campaign and are currently running a start-up venture are also included in the thesis as successful Crowdfunding cases. Within these cases the entrepreneur, the project, the campaign as well as the outcome is described. This is done in order to enhance the understanding of the context in which the theory of this thesis is developed.

As the Grounded Theory approach is used in order to investigate the process behind Crowdfunding as well as its implications on the personal development as well its effects on Leadership behaviours and skills of the founding fathers, it was important to use the interplay between empirical and theoretical level. Moreover, this study is focused on the social
processes of the entrepreneurs during the act of Crowdfunding, which is common for research based on Grounded Theory (Sbaraini, Carter, Evans, & Blinkhorn, 2011).

The research done for this thesis was a process of primary as well as secondary research in interplay with memoing, coding and constant comparisons. This process is illustrated below to enhance the understanding of the reader.

Figure 10: Research Process

![Research Process Diagram]

The process shows that the author used two rounds of empirical research, as the first coding of the research done in the online community indicated that there are still insights and inputs missing. Therefore, the personal interviews were conducted in order to fill in those missing parts with more insights based on personal experiences of experts and entrepreneurs.

5.3 Qualitative Research

Within this research a qualitative approach, by using individual conversations and comments on experience as well as expert interviews, was applied. As stated by Corbin and Strauss
qualitative research within Grounded Theory is suitable to gather new insights into rather unknown areas. Therefore, the objective is to gather ideas and understanding of feelings, emotions and thought processes of the research participants.

As this is rather difficult to explore by traditional modes of research, Grounded Theory is used as interplay of empirical data and theory during the various stages of the research process. Hence, the research design is emerging during the process of data gathering, analysing and creating potential theory (Corbin & Strauss, 1990).

Therefore, a set of open questions was used for the interviews. However, sub-questions emerged out of the interview context and participant’s answers. The choice for using qualitative theory was made due to the fact that the aim of this thesis is not to test a hypothesis by using statistical measurements, but to show interpretations on the implications of Crowdfunding on the personal development as well as its effect on Leadership skills and behaviours depending on certain situations and their contexts.

As already explained, earlier in this thesis, the primary research done within this analysis has various steps. Thus, for the reader to understand the different phases of the research, as well as for structuring the analysis, the different steps are elaborated in more detail.

5.3.1 Online Community

As this research is dealing with communities established online via different platforms, those have also been used to get into first contacts with users, funders, entrepreneurs, investors, experts etc. relating to the topic of Crowdfunding.

5.3.1.1 LinkedIn

Therefore, the author became member of a group on the platform LinkedIn, which is called CrowdFunding & CrowdSourcing for Entrepreneurs & Investors. This group is used as a platform to share experiences, knowledge, and information concerning the overall trend of Crowdfunding and Crowdsourcing as its original form. Thus, this platform was used to get first and general insight into the major interests of this community.

Especially, the discussion concerning the member’s experiences with Crowdfunding in general was used as a first primary input and basis for open coding and for establishing the first general categories. At the time when the research took place more than 32,000 members were participating in the group and some of them supported the discussion and commented in total 208 times. Those comments of different entrepreneurs, especially their wordings and language were analysed for this research. Those inputs are presented within the empirical part under the label of Cn. This short term is used to categorize inputs made from entrepreneurs as
comments on the platform of LinkedIn. Of course, in order to differentiate between the entrepreneurs, numbers identify the comment’s original source. For this as well as the other inputs of primary research in the discussion, a table shown in the annex will assign the labels and numbers to specific individuals.

5.3.1.2 Videos about Successful Crowdfunded Entrepreneurs

Due to the active participation of the author in the online community about Crowdfunding, recommendations and insights were created by the interaction with other members of the community. One of those recommendations led to a collection of six interviews done with entrepreneurs talking about their Crowdfunding experiences, projects as well as products. The campaigns of those entrepreneurs have been extremely successful and all of them reached more than $1 Million in funding (MadHatterAgency, 2014).

Those videos range from a couple of minutes to almost 60 minutes and vary in their information input. Yet, the major goal by analysing those videos was not to gain knowledge in the projects or products of the entrepreneurs, but to gain insights in their language used and their personal experiences and feelings concerning Crowdfunding. Concluding, these interviews have been insightful and have provided crucial inputs to the research done by the author in the first steps. Five of those videos majorly contributed to the establishment of the first categories and insights in theory development. Again, for the understanding of the reader and contributing to the structure of the research, those inputs will be labelled by a short-code, namely Vn. Obviously the different entrepreneurs involved in the videos are presented shortly concerning their product and organization in the annex and are categorized to a number indicating their inputs in the discussion part of the thesis.

5.3.2 Interviewing

It is important to analyse the process of interviewing as well as the relationships established or the context in which the interviews took place in order to provide the reader with the relevant understanding. As already mentioned the interviews lasted for maximum 60 minutes. Yet, the relationship with the interview partners was already established earlier via e-mails or connecting on the social network LinkedIn. Due to the geographical diversity of the interview partners, the interviews took place via Skype. Doing a personal interview via Skype was suitable as no travel time and expenses occurred for both partners and the interview could be done in a surrounding, preferred by and comfortable for the interviewees.

Thus, in all interviews the author focused on not starting immediately with the prepared questions, but first of all providing a summary of the research in order to provide some
general information beforehand. Furthermore, some ground rules for the interviews were set and open questions were asked with the intention to get honest answers with a high focus on experiences made by the interviewee as well as the interviewee’s feelings. Those ground rules mostly consisted of providing an environment suitable for having an honest conversation. Furthermore, the language of the interview was agreed upon beforehand. All interviewees agreed to provide the information in English and felt comfortable to talk in a language for some different to their mother tongue.

Furthermore, the interviewees were asked for their approval of recording the interviews for later transcription as well as for the author to be able to focus more on the conversation established. It was important for the author to react to the conversation with the individual participants. Hence, only an overall interview guideline for entrepreneurs and experts was established and the questions were modified and changed in accordance to the conversation. Furthermore, questions were also included if it was necessary to gather more insights on a stated answer. The interview guidelines can be found in the annex, but overall the following areas for the interviews with the entrepreneurs were covered:

- Crowdfunding Experience
- Crowdfunding Process
- Leadership and Crowdfunding
- Entrepreneurial Skills
- Current Leadership Situation
- Leadership Changes

For the interviews with the experts almost the same areas were covered, discussing the current Leadership situation and a potential impact of Crowdfunding on Leadership skills and behaviours of the crowdfunded entrepreneurs.

As the interviews with entrepreneurs successfully finishing a Crowdfunding campaign and currently running a viable organization, are one of the major inputs for this research, an in-depth analysis of their project is done by the author presented as successful Crowdfunding cases. One of the entrepreneurs included in the study, which was in the middle of the Crowdfunding campaign, had at the submission date of this thesis already finished her campaign successfully and funded her project idea. Still, as this campaign was finished recently and the interview was done during the on-going of the campaign this project is not going to be presented as a successful Crowdfunding case. Yet, of course it will be used to provide insights and inputs to the discussion. For the identification of the different inputs
within this primary research part, labels are assigned identifying the entrepreneurs as In for interviews and experts with the label of En. It is important for the reader of this research to understand the usage of n in this case as a symbol, which is in its usage exchanged for the number assigned to the input, as can be seen in the annex of this thesis.

5.4 The Author’s presence

In all social sciences, where researchers establish and provide interpretations about gathered data, therefore also in Grounded Theory, the question of objectivity emerges. Subsequently, subjective interpretations are avoided. However, the researcher or author is always present in one’s interpretations, based on one’s own values, beliefs or experiences (Strauss & Corbin, 1990; Daudi, 2014).

Therefore, it seems crucial to state, that this thesis will include personal presumptions and interpretations of the author and that the outcome depends to a certain extent on the author’s frame of references. The objectivity of this thesis is going to be increased, by discussing the research together with the tutors as well as other colleagues doing research themselves.
6 Successful Crowdfunding Cases

The four successful Crowdfunding cases used in this thesis are elaborated and analysed according to insights gained during the personal interviews, as well as due to information presented on the organization’s homepage, and on the CFP Kickstarter, where entrepreneurs are presenting themselves, as well as their projects. Of course, the personal interviews were conducted with one entrepreneur often being part of a bigger team of entrepreneurs. Thus, the background of the interview partner is shortly presented as well. Additionally, the following aspects are included in the analysis as a basis for further discussion:

- Entrepreneur
- Product
- Campaign
- Process
- Outcome

The four different projects can be categorized according to several perspectives. First of all, all of them have been conducted on the CFP Kickstarter. Secondly according to Hemer (2011) projects can be identified in accordance to their commercial background or objectives. Those objectives include generally being profit-oriented. Furthermore, those can be further subdivided into the main reason for starting up an organization, funding a project within an existing organizations, using Crowdfunding to promote a product and last but not least to use it for doing research and development (R&D). The start-up intention of projects can be characterized as having the purpose of leading to the funding of an organization. This process is described as starting initially as a Crowdfunding campaign with a pre-defined termination date. Yet, if successfully funded it is transformed into an organization or firm-like operation, such as an association, club, foundation etc. (Hemer, 2011).

Moreover, all the projects can be defined as pre-selling projects within the different types of Crowdfunding. The author decided to use those projects for the research as they are suitable for leading to the starting-up of an organization, as well as being embedded in an already existing organization within the projects characterized as profit-oriented (Hemer, 2011).

Thus, Table 3 presents the four different projects according to their commercial background, as well as their initial purpose.
Table 3: Categorization of Successful Crowdfunding Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>For profit</th>
<th>Embedded</th>
<th>Start-Up</th>
<th>Marketing</th>
<th>R&amp;D</th>
</tr>
</thead>
<tbody>
<tr>
<td>SmartThings</td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Mr Beam</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
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Source: based on Hemer (2011)

As can be seen out of the four presented projects, all of them are profit-oriented. Moreover, only one project – The Dash – was initiated out of an already established organization for the purpose of doing R&D as well as gaining attention on the market by using Crowdfunding as a marketing tool. Entrepreneurs involved in those projects, initially done for starting-up a business or part of the strategic goals embedded in an existing organization, all have mentioned, although it was not their primary goal, in the end their Crowdfunding campaign contributed to the factors of marketing and R&D or solely to the function of R&D (I1-I4).

6.1 Project 1 SmartThings

The project of SmartThings was launched on Kickstarter in Minneapolis. As the project was already successfully funded in 2012, and already more than two years a viable organization is established, it can be analysed in relation to the notion of Leadership. Furthermore, the project was present in the media and drew a lot of attention from famous news and development sites, such as CNN, Huffpost, Engadget etc. (Kickstarter, 2012)

6.1.1 Entrepreneur Ben Edwards

Ben Edwards, the entrepreneur sharing his experiences within this research, is one of the founders of SmartThings and was heavily involved in the Kickstarter campaign. Currently, he is working as founder as well as vice president of community and product evangelism within SmartThings. Before founding the company SmartThings, Ben was working in a partnership position with Refactr, which is a software consultancy firm. With Refactr, his tasks consisted of developing customized software for clients. Afterwards, Ben started up an organization in the non-profit sector, mine*, which is focused on fostering technology and activity in the start-up sector within Minnesota (SmartThings, 2015a).

6.1.2 Product

The product developed by SmartThings is a Smart App turning a customer’s smartphone into a remote, with the sole purpose of controlling all smart devices in one’s home. The main functions of the product are monitoring, which means that the present status is evaluated and
is memorizing one’s routines. Furthermore, controlling lights, locks and other devices remotely is easily possible and is one of the key features of SmartThings. Moreover, the app can be customized, in order to adjust it to the customer’s preferences and can be modified and changed at any point in time regarding to one’s change in needs (SmartThings, 2015a).

In Picture 1 the Multi-Kit including the core devices available for purchase can be seen:

- Smart Power Outlet – anything which is plugged in is available for turning off and on remotely
- Smart Sense Multi – knowing when doors, cabinets etc. are closed or open
- Smart Sense Motion – detecting movement within a room
- Smart Sense Presence – identifying when people and/or pets leave or arrive
- Smart Things Hub – connecting different devices for enabling communication with each other and with the smartphone (Kickstarter, 2012)

Picture 1: Multi-Kit SmartThings

Source: SmartThings (2015b)

6.1.3 Campaign

The campaign of SmartThings, as already mentioned, was launched at Kickstarter on August 23rd 2012. The funding period was set until the 22nd of September 2012, in total for 30 days. The initial goal was set at $250,000. However, within the 30 days funding period 5,694 backers funded $1,209,423 (Kickstarter, 2012).

The campaign was founded by a team of seven entrepreneurs and was a reward-based campaign. 10 different levels of funding were established ranging from $10 to $10,000 against various rewards. The highest level of funding with the amount of $10,000 was done by four backers and was therefore rewarded by the investors with a partnership possibility within the organization (ibid).

6.1.4 Process

The initial idea for SmartThings was created when one of the founders was having a flooded basement and was wondering whether there are options to get notified of certain measurements, such as temperature drop, flooding etc. Furthermore, after working with the
first ideas about the product, the team of entrepreneurs realized how important it may be for
every individual, as the product can be used for combining schedules, events, information and
notifications and for connecting many sensors and devices to make everybody’s life more fun
and easier (Kickstarter, 2012).

SmartThings as an organization also decided to use Crowdfunding not only from the funding
aspect, but also as a marketing tool. The team of entrepreneurs reached out to users including
them in the process of R&D for SmartThings throughout the Crowdfunding campaign (I1).

The team consisted of 7 entrepreneurs, and four of them were focusing on the Crowdfunding
campaign. Prior to the actual launching of the project a video was developed, as well as the
story or messaging was established. Basically, the team of entrepreneurs made sure to be
ready and fully prepared when launching the project on the 23rd of August 2012. On the first
day all the entrepreneurs used their personal networks and sent out 1,000 e-mails reaching out
to contacts. This created a big push on the first day and kept the momentum going.
Furthermore, during the whole campaign a story was created talking to media, backers and the
whole community. In September 2012 during the Crowdfunding campaign was running on
Kickstarter SmartThings partnered with another Kickstarter project called Instacube, doing
the same project at the same time. As SmartThings was created as an open platform, the
cooperation and development was easily realized and successful (Kickstarter, 2012; I1).

On the 22nd of September 2012 the Crowdfunding campaign was finalized. The prototypes
presented during the campaign were finished in design and the certification process was
completed as well. Furthermore, the packaging design and the big volume manufacturing
were started and in December 2012 the backers were able to get their packages (Kickstarter, 2012).

The illustration of the process below shows the most important steps and phases, as well as
the influence and importance of the usage of story-telling in order to keep the momentum.
This resulted in the partnership and cooperation with another Crowdfunding project triggering
a high engagement in the community by founders, partners, backers and the media.
Successful Crowdfunding Cases

Figure 11: Process SmartThings

Since the successful funding of the project in 2012 the organization has grown a lot. Starting with 7 founders, the organization now has more than 110 employees and a goal of raising this number up to 240 by the end of 2015. Thus, at the moment the organization tries to hire 20 people per month. But still, the organization kept the same vision for the product, of course, on a different scale and time frame (I1).

SmartThings belongs to the most innovative companies in 2015 and was acquired by Samsung in August 2014. Although the official acquisition price is not shared, media reported a potential price of $200 million (Forbes, 2014). The vision of the founder of SmartThings as bringing together consumers, developers and device makers in order to

“gain some magical momentum with a like-minded community of people who wanted to make the world smarter, together” (FastCompany, 2015)

is still valid in today’s SmartThings organization. Therefore the organization is broken up into teams working cross-functional with two engineers, a designer and a project manager (I1).
6.2 Project 2 Mr Beam

Mr Beam was a project based in Munich and the first product sample was created by one of the founders of the project and the organization. Teja Philipp, who was one of three entrepreneurs responsible for handling the project as well as the Kickstarter campaign in 2014.

6.2.1 Entrepreneur Teja Philipp

Teja Philipp is one of the founders of the Kickstarter campaign and is currently running the organization by himself and is therefore the sole responsible person for the current business and the future of the organization Mr Beam. He is an all-purpose software developer who was working in the IT sector for several years. His first interest in the product was raised by the maker movement. This experience of DIY triggered him in getting his first 3D printer. Therefore, this community taught him how to build machines, which are working and are still affordable (Kickstarter, 2014).

6.2.2 Product

The product, also called Mr Beam is a DIY, 3D printed, open source, portable engraver kit and laser cutter. The main advantage of this product compared to other laser cutters is that it is easy to use, as well as created for the joy of every customer. The first idea was triggered by other open source projects and the result was created on the basis of those existing solutions. Thus, the product is offering a larger working area at minimum costs. Furthermore, its design established for easy use is one of its product advantages. Thus, as the product originated in the Maker community, also Mr Beam is produced as a DIY project for customers who want to build and run their own laser cutter (Mr Beam, 2015).

Picture 2: Mr Beam Lasercutter

Source: Mr Beam (2015)
6.2.3 Campaign

The campaign was launched by a team of three entrepreneurs. The total funding period lasted for 32 days from May 6th 2014 until June 7th 2014. 364 different backers invested $179,399 in order to support this project in its realization. The initial goal of the team of entrepreneurs was $45,000. Thus, the campaign was successfully finished and the project could be realized. Mr Beam was categorized as a reward-based campaign and introduced 13 different financing steps from $1 up to $10,000 with assigning appropriate rewards (Kickstarter, 2014).

6.2.4 Process

The initial idea behind the project had the entrepreneur Teja Philipp himself, as he wanted to make a DVD-Burner/Laser Engraver, however the first one with 3D-printed parts. After the initial idea was born he spent about two months on developing the first prototype and tried this prototype by doing his first lasers. For the second prototype some alterations were made. This work on establishing the second prototype took again about two months of working time. After the first version of the product was finished the project team for the Crowdfunding campaign, consisting of three people, was built. This team spent about 6 weeks on preparing the actual campaign, including shooting the footage, developing the concepts, cutting, editing the final video as well as preparing all the material, price calculations and presentations for the campaign (Ibid).

Then, in May 2014 the Kickstarter campaign went online for 32 days until June 2014. In this period contacts from distributors, investors and manufacturers were gained. Furthermore, the product was further developed and improved by the help of stretch goals as well as the feedback from the community. This feedback provided a good basis for further R&D. Still, it also means a lot of work for the entrepreneur to deal with different suggestions and images for the product of various backers within the community (ibid).

After the campaign was finished, the parts were ordered, as well as the software was finalized. From August until December 2014 the shipping and production was prepared and was finalized shortly before Christmas (Kickstarter, 2014; Ibid). However, the calculation for the production was done too low and therefore already in November the funding achieved by the Kickstarter campaign was used up for the whole production and thus the last costs had to be paid by the entrepreneurs themselves (I2).

In total, the process of coming up with the idea, developing the product and starting the Crowdfunding campaign for Mr Beam was done by an entrepreneurial team of three individuals. How this process finished in finalizing the campaign and successfully delivering
the product is again illustrated below, as well as factors influencing this particular process, such as the gained feedback together with suggestion for product changes, which could naturally not all be fulfilled. Thus, one important task of the entrepreneur was to provide a common direction and a shared meaning within the Crowdfunding community. Furthermore, the process was depending on the contacts made with distributors, investors, manufacturers, which influenced the later production phase of the product. Last but not least, the scarcity of the funds achieved by the Crowdfunding campaign and its result in being used up in November 2014 had of course an impact on the process.

Figure 12: Process Mr Beam

Source: based on Kickstarter (2014); (12)

6.2.5 Outcome
As the delivery of the last products is still pretty recent, the process with which the organization is dealing right now is characterized by looking for further funding from different sources and working on the product. The team still consists of two persons. However, the partner of Teja wants to leave, because of a misbalance in responsibility and
return. Still, Teja is working on the growth and establishment of the organization full-time and sees the future of Mr Beam flourishing and growing (I2).

### 6.3 Project 3 The Dash

The Dash as product and project was finalized by the organization Bragi, which was founded in Munich, Germany in 2012. The CEO of Bragi, which is a design agency, is Nikolaj Hviid. He established a team of entrepreneurs working on different projects for Bragi and that entrepreneurial team consisted of engineers in the product and interaction area, product designers, developers of software products as well as experts in the area of creating a production chain. The Crowdfunding project was established by an already existing organization as a strategic marketing campaign (Kickstarter, 2014a).

#### 6.3.1 Entrepreneur Marijo Sarac

Marijo Sarac the General Manager of Bragi offered some of his time and was part of the interviews conducted for this thesis. He is responsible for the European, Asian, Australian and African market and in general for Marketing and Sales of the Bragi. He together with others on the team was responsible for the Crowdfunding campaign and The Dash. All of them have experience in this field for years already and bring a lot of knowledge into the campaign (Bragi, 2015).

#### 6.3.2 Product

The Dash can be described as completely wireless headphones. However, it is a lot more than that. It is a system characterized by movement, comfort and sound.

Picture 3: The Dash

Source: Bragi (2014)

The Dash consists of two wearable microcomputers, which are combined to biosensors, fitness trackers, a microphone, a coach providing real-time feedback as well as of course a media player. Thus, the main slogan for this product is:

„Listen. Track. Communicate.“ (Bragi, 2014, p. 4)

The main function of the earphones naturally is its music function. This product activity can be used via an embedded music player as well as through a Bluetooth connection to a device.
Successful Crowdfunding Cases

Furthermore, The Dash supports the measuring of body vitals, such as the heart rate, the oxygen saturation level as well as the body temperature. Moreover, speed, distance and movements are tracked even without linking it to a smartphone. Last but not least communication is improved by using The Dash as headset connected to a device via Bluetooth. Due to its various applications the product can be used while walking, running, biking, swimming etc. (Bragi, 2014)

6.3.3 Campaign

The campaign was for some time the most successful and highest funded campaign in Europe and thus gained a lot of attention on the market, on CFPs as well as in the media. The campaign started on Kickstarter on February 9th of 2014 and ran for 50 days until March 31st of 2014. The campaign, as already said, was based in Munich and initially started with a funding goal of $260,000. Yet, the campaign successfully funded this goal and reached a total of $3,390,551 funded by 15,998 backers. Also here the rewards and financing steps were categorized into 9 levels, reaching from the starting funding level of $2 to $2,999 (Kickstarter, 2014a).

6.3.4 Process

Before discussing the process of the Crowdfunding experience of The Dash in more detail it is important to note that the intention and initial state of the organization was different compared to the other entrepreneurial projects. Crowdfunding in that case was not used for the funding itself, as the project was already funded. Rather, it was decided to use Crowdfunding from a marketing perspective (I3).

Entrepreneurs being responsible for the development of The Dash started working on it in December 2012 already. For the next months the focus of the project was laid on doing research and preparing the campaign. Thus, a feasibility study was done and the user experience was defined. In July 2013 the first prototype was finished and for the next month this prototype was finalised concerning design and software development. In August 2013 the second prototype could be released and in the following months the fine-tuning of the product was finished by verifying the electronic prototype, the sensor algorithms, the acoustic development transducers etc. (Kickstarter, 2014a) All those research and working on the product resulted in the finalization of the mechanical design, the manufacturing process and the request for quotation documents, which then were used to invite suppliers for bidding on The Dash. And then, in January 2014, the application for the Kickstarter campaign started and the campaign went online on the 9th of February 2014 (Kickstarter, 2014). In less than a week already $1 million was achieved, although the goal was only $250,000 (I3). Therefore, stretch
goals had to be established. In total four stretch goals were introduced, covering a charging case, an advanced control function, a mobile App for Windows Phone 8 and last but not least coloured editions (Kickstarter, 2014a).

After the successful campaign, the product was started to being produced, two trial runs have been conducted and in October 2014 the first 1,000 pieces for the Kickstarter funders could be sent out. Only one month later in November 2014 the full scale production of The Dash could be started (ibid). The process used by Bragi was accompanied by a constant communication with the backers and the community. This was done during the actual time the campaign was online in various forms and very often. Those updates included information about the progress, about the developments, but also about the challenges the organization faced (I3).

In total, the process was influenced by the constant communication with the community, as well as the first contact creation with partners, investors or suppliers, which can be defined as creating a network. Furthermore, the established stretch goals were modification and adaptations to the existing product and interrelated to the Feedback received from the community. This influences as well as the process is graphically illustrated below.

Figure 13: Process The Dash

![Diagram showing the process of The Dash](source)

Source: based on Kickstarter (2014a); (I3)
6.3.5 Outcome
In 2014 the organization consisted of more than 40 employees, having in-depth experiences in the areas of design, software, hardware and operations. The average time of work experience amounted up to 21 years. In total the work done by the innovative team resulted in more than 90 applied patents and more than 100 awards concerning design. The collaboration in the diverse team of experts ended up in already more than 400 products brought to the market (Bragi, 2014).

The International Consumer Electronics Show (CES) is the largest global tradeshow for consumers. The Dash won the BEST OF INNOVATION award in 2015 in the product category of headphones (ibid).

The Dash and its Crowdfunding campaign is still number 12 in the best ever list of projects on Kickstarter. Moreover, the Crowdfunding campaign helped the organization to gain contacts from investors, suppliers, retailers, companies offering partnerships and so on. Therefore, currently the organisation is in the phase two of the process, which means that the funding of the organization is finalized. Still, investors are included in the process for making sure that the business can continue to operate. Furthermore, as Marijo would describe it, they are in the phase of establishing structures and processes in their organization, due to its growth. Within this phase, the act of Leadership is getting more and more important, when it comes to establishing structures and processes (I3).

6.4 Project 4 Bergaffe
The project Bergaffe is the only Austrian project in this study. The project was initiated by a young team of entrepreneurs. Their common interests are sports as well as product design. This team stands out due to their high diversity. Entrepreneurs from Austria, United Kingdom, Germany and the Netherlands contributed to the success of this team (Kickstarter, 2013).

6.4.1 Entrepreneur Laura Stromberger
Laura Stromberger is one of the entrepreneurs founding this organization and being part of the Kickstarter campaign. She is 26 years old and studied in London at the Kingston University. Currently, she is responsible for communication as well as graphic design of the organization, due to her experience in that field (Kickstarter, 2013).

6.4.2 Product
The product developed by the entrepreneurial team in Austria is a multitool. On the first look it seems like a simple tube, yet this product can offer a lot of different applications. The tube
element should be able to develop in various tools for different sports, applicable throughout the whole year (Kickstarter, 2013).

First of all, the main competitive advantage of the product is that it shows different combinations. Still, it is easy to use, light in weight and having a low volume, to make sure that it fits in every backpack. This ensures that all around the year the demand is created for sportsman from different areas. The main functions include: (Kickstarter, 2013)

- A shovel
- A bench
- A rake
- A trophy
- A telescope tube
- A tripod

All of these functions are simple and allow for an easy change between the applications. And surprisingly, all of those fit into a base tube having approximately 200g in weight. This tube is the basis for the interchangeability of the product (ibid).

Picture 4: Base Tube

Source: Kickstarter (2013)

6.4.3 Campaign

The entrepreneurial team responsible for the Kickstarter campaign is based in Klagenfurt. The campaign consisted of highly advanced product descriptions, videos as well as pictures and was online for 42 days from the 15th of December 2013 until the 26th of January 2014. £25,000 was the initial goal set by the Crowdfunding team. Within the decided time-frame this goal was reached and in the end 157 backers helped financing the product and realizing it by funding £26,286. A range of 20 different rewards was offered in exchange for a certain amount of funding from the backers, ranging from £1 against appreciation up to £5,000 in
Successful Crowdfunding Cases

exchange for a design workshop together with the team, getting first-hand experience and insights into the product design and workflow (Kickstarter, 2013).

6.4.4 Process

During the interview with Laura it got obvious that the team was really committed to the project and everybody threw in that extra mile. The first idea of the project was created in June 2013 and then first concepts of how to realize that idea were experimented with. The next phases were characterised by product development, working on the concept, the design and the prototypes (Kickstarter, 2013).

In the last months before the launching of the campaign the design was developed. Regarding the preparation of the Crowdfunding campaign the whole material was created, such as the video material etc. (I4).

In order to be prepared for the Kickstarter campaign, the team of entrepreneurs behind Bergaffe contacted project leaders and entrepreneurs of similar projects in order to learn from their experiences. Everybody is connected nowadays, which made this task a lot easier. The recommendations and feedback received from those entrepreneurs was reflected on and some of the advice was taken into consideration (ibid).

In December 2013 the campaign went online and during the campaign the communication with the community was key. Feedback and suggestions from the backers were actually introduced into the development of the product. Furthermore, the campaign was supported by a comic telling the story of the product. This comic also was sold and this way the target customer group for the organization was increased (ibid).

After the project was successfully funded in January and February 2014 the first batch was produced after ordering the components. Moreover, certifications were achieved and in the following two months the assembling of the different parts of the products was done in order to be ready for shipping (Kickstarter, 2013).

As can be seen from the described process the learning from experiences of already crowdfunded entrepreneurs and leaders was crucial for the success of this project. Those entrepreneurs can be seen as mentors supporting the project. Furthermore, the whole process was influenced by the strong commitment of the whole project team. And last but not least, the comic achieved to surround the project with a story, which the audience wanted to hear.
Learning from Experience  
Mentoring

Commitment  
Story Telling

Source: based on Kickstarter (2013); (I4)

6.4.5 Outcome

The result or outcome of the Crowdfunding campaign was the establishment of an organization. Furthermore, a customer base was created and a lot of lessons were learned. Right now, the team of entrepreneurs is talking to investors to bring the organization to the next level. The possibility of selling the patent of the product is also an option for the future of the project. There is still also the possibility of launching a new product by using Crowdfunding again, as the trend is getting more and more popular in Austria (I4).
7 Results

This part of the thesis is going to connect all the inputs presented in the primary analysis. The core categories of skills, behaviour, influencing factors as well as process orientation are going to be used to develop an illustration of a Crowdfunding process from the perspective of developing future leaders. This development as well as their skills and behaviours are based on experiences made during the process, as well as the inputs from the successful entrepreneurs in this study are going to be elaborated further.

The factor of experience plays a crucial role in the life of the participants. Therefore, their development as a leader is going to be based on the fact that due to their experiences made during the art of Crowdfunding, their skills and behaviours have been enlarged or amended. Concluding, a crowdfunded leader is one that has been born as all humans, however, who has been made to or developed into a crowdfunded leader. Developed into and made to by the experiences gained during the process of doing a Crowdfunding campaign. Thus, those experiences have an impact on their way of leading others, in crowdfunded organizations, traditionally funded organizations or even in their personal lives. Those experiences include failures, personal developments, interaction with the community and many more, which will be illustrated and explained further in this chapter.

7.1 Illustration of Process

Based on the processes elaborated above describing the development of the initial ideas into the successful Crowdfunding cases, the author elaborated a process which shows the key characteristics of Crowdfunding. Furthermore, the major influencing points formulated to describe the overall impression of the author relating to the successful Crowdfunding projects, are included in the following description of effects influencing the entrepreneur/team of entrepreneurs and the interaction with the crowd. The research done for this thesis including the interviews with entrepreneurs and experts as well as experience stated by the online community are used as inputs to describe and analyse the overall process of Crowdfunding.

7.1.1 Process based

Insights gained during primary research show certain conformity within the community, including entrepreneurs and the crowd, perceiving Crowdfunding as an ongoing and continuous process. This can be defined based on two characteristics elaborated.
7.1.1.1 Constant interaction

Within the act of Crowdfunding a constant interaction between the crowd, the entrepreneur and the whole community is key. This interaction is executed both ways allowing the crowd to engage in feedback and suggestions as well as the entrepreneur to elucidate on progress, updates etc. As this interaction is not only crucial during the campaign, but especially before and afterwards, it is applied continuously.

The importance of this constant interaction is based on comments by entrepreneurs sharing their feelings of the Crowdfunding experience:

“Let them know our progress [...] we do updates every couple of days [...] has been fantastic in giving us needed momentum.” (I5)

“ Basically, talking to the community and talking to other projects, I think we gained a lot of insights, how it works.” (I4)

“It showed interaction in a way we could not have showed [...] otherwise.” (I1)

As can be seen above, the interaction with the community was perceived as crucial element for the development of the project as well as its success. Furthermore, important insights were drawn from this interaction, which is also confirmed by the experts participating in this research.

“Even before you start the campaign you have to think of ways to reach this community. [...] communication is very important and one of the ways to show your leadership skills is the way you communicate with a community. It has to be very responsive to what the crowd is telling you.” (E1)

“ [...] making a good impression on your community, by communication, by presenting yourself, presenting your profile” (E1)

This interaction is described by one of the entrepreneurs as an open dialogue. This open dialogue was also experienced by the author within the Crowdfunding community. The interaction within the Crowdfunding community has an effect on the crowdfunded entrepreneurs, resulting in leaders being transparent to their community and authentic in their communication.

7.1.1.2 Change orientation

The orientation on development, change and new ideas was obvious in the interviews conducted with the participants. This orientation is of utmost importance in order to be innovative and encourage new ideas.
“There are a lot of projects out there, which didn’t make it. And, I can totally understand why, because there are a lot of things coming up, you never think of before.” (I2)

The orientation to change is, as elucidated already, important in order to be able to capitalize on the interaction within the community and rise above the masses with one’s project. Therefore, already the decision of choosing Crowdfunding instead of a traditional financing method shows the orientation to constant change.

“Crowdfunding is adapting in one way or the other.” (E1)

After choosing Crowdfunding as a viable method to introducing one’s idea to the community also during the process of launching the project on a CFP orientation to change is required for being successful.

“You have to be pro-active, think outside the box, and try everything […]. Because often the plan you will launch and get you partway there, but then you’ll have to adapt as the campaign evolves.” (I5)

The constant change as well as interaction within the Crowdfunding community is a requirement for perceiving the act of Crowdfunding as a continuous process. This continuous process is influencing the future crowdfunded leaders in their ability of being able to react flexible as well as their constant reaction within their direct community. Those abilities are of crucial importance for the new kind of leaders, developed and made by the Crowdfunding experiences. The gained knowledge during the presentation of the successful Crowdfunding processes as well as the first-hand experiences of participants was used in order to draw an illustration of the Crowdfunding process, as can be seen in Graph 2.
The illustration shows the interaction of the crowd and the entrepreneur/s in different circles of influences, showing the continuous process development. Moreover, factors can be defined which influence the interaction as well as the process in the Crowdfunding community.

### 7.1.2 Influencing factors

The relationship based on the Crowdfunding process between the crowd and the entrepreneur/s can be influenced by various factors. Those factors contribute to the success of a project on the Crowdfunding projects, its acceptance on the market as well as its long-term establishment as a viable organization.

#### 7.1.2.1 Building a Network

Establishing a network, consisting of different ties, from weak to strong, or short-term to long-term relationships, is necessary for every organization on today’s market. Even more, if one’s customers or investors are unknown and need to be established within a short time frame. Therefore, the network that is gained by the act of Crowdfunding has an important influence on the entrepreneur/s as well as on the project itself. Hence, the entrepreneurs realize the importance of this network of customers, investors, experts, colleagues they gained during their campaign.

“We are still number 12 in the best ever list of Kickstarter. We realized almost $3.5 Million with 16,000 backers and this is exactly the biggest, let's say value for us, this ambassadors we got from Kickstarter.” (I3)
“The biggest bonus is this community we received through the Crowdfunding campaign.” (I3)

However, not only potential clients are located within one’s network established by Crowdfunding. Investors interested in supporting the entrepreneur or team of entrepreneurs after the campaign, suppliers, manufacturers and many more get drawn by a successful Crowdfunding campaign. Hence, participants in one's network are influencing the future success of an organization and its entrepreneurs.

“You are gaining contacts from distributors, from investors, from manufacturers.” (I2)

The contacts gained are one important influence of the development as a crowdfunded leader, as the realization of established ties, weak and strong, is crucial for one’s individual and organizational success.

7.1.2.2 Shared Meaning

The interaction within the community as one of the core characteristics of the Crowdfunding process is also triggering the establishment of a shared meaning between entrepreneur/s and the crowd. Feedback and suggestions are realized by the entrepreneurs and thus together in interplay between updates and wisdom of the crowd a certain shared meaning on how the product or service should look in the end is created.

“There is a lot of super positive feedback from the community. You have to deal with suggestions of the community [...] you have to somehow get them into the right direction that it is a benefit for you as well.” (I2)

The experience the crowdfunded entrepreneurs make during their project campaign in establishing a shared meaning with different individuals is crucial for their future work as leaders within an organisation. It is directly related to the act of giving and making sense with one’s employees and thus has an influence on the Leadership behaviours of the crowdfunded leaders.

7.1.2.3 Commitment

Participants in the study agreed that in order to be successful with a Crowdfunding campaign and later in running an organization, commitment of the entrepreneur or the team of entrepreneurs is required. This commitment is seen before the campaign, working on prototypes or something similar.

“I spent two months on the first prototype [...] and the result was great.” (I2)
Committing to one’s idea and vision is hard work for entrepreneurs, especially during the first years of a Crowdfunded start-up this commitment might not result in any financial rewards.

“I had a great time, but I did not earn any money.” (I2)

Therefore, as one of the entrepreneurs summarizes the overall impression in the community:

“It’s a lot of constant hard work [...] you cannot assume that this will be the magic key that brings in the majority of funds. It is still up to your own hard work. [...] Crowdfunding requires dedication, preparation, and determination.” (I5)

The experience of committing to a purpose and a shared goal is having an impact on the Leadership skills and behaviours of crowdfunded entrepreneurs. Also within organizational settings those leaders will be authentic and leading by example as they themselves are committed to realizing the overall vision or purpose of the venture.

7.1.2.4 Cooperating

The success of a start-up venture is also based on its ability to cooperate with others. In Crowdfunded ventures this cooperation is already established during the online campaign. Sometimes, by partnering with another idea:

“Midway through we partnered with another Kickstarter company that was doing the same at the same time.” (I1)

Or by establishing relationships within the crowd, which are nurtured for the future:

“ [...] suppliers, which offered us a partnership. Other companies, they are looking for partners in their own industries, retailers...” (I3)

Cooperation within the Crowdfunding campaign is influencing the individual and its openness to cooperating with other organizations or projects in the long run. Nowadays, organizations in order to being able to succeed on the market have to show skills in cooperating with others to achieve a better result together. This skill is developed within crowdfunded entrepreneurs and thus in crowdfunded ventures one of the crucial Leadership skills.

7.1.2.5 Engagement

Engagement is closely related to commitment, showing the entrepreneur’s as well as the whole team’s dedication to the overall purpose. This dedication is based on teamwork and communication, which results in the idea of

“Everybody is working together.” (I3)
In order to not only establish commitment but engage one’s team in the project by creating responsibility and ownership, communication is key, as one entrepreneur wisely discusses.

“Communicate with your team [...] you also have to be able to rally your team and maintain morale, which can flag.” (I5)

This engagement is not only shown within a certain team but throughout the whole community, participants in the Crowdfunding community, as one of the experts in forms of his research, feel involved and engaged.

“They gave me so many insights. [...] The entrepreneurs in the Crowdfunding community were really open. [...] they saw it more as an opportunity to talk to somebody about their idea and get students inspired and involved in the idea.” (E3)

The act of multiplying one’s own employees or participants in one’s community is directly related to this experience made by entrepreneurs participating in Crowdfunding. Having experienced the responsibility and ownership themselves, as well as being able to develop as a team is positively influencing the ability of the crowdfunded leaders in creating an environment where the act of multiplying is possible.

7.1.2.6 Trust

Within every network trust is one of the prerequisites to create long-term relationships. Yet, within the Crowdfunding community this trust is one of the factors having an impact on the future of the whole idea. Entrepreneurs showing their gratitude for their backer’s trust underline the perception of trust in Crowdfunding.

“The trust is so high and the support on this community is so serious, they already gave us their money because they are believing and trusting in our idea but also in the team.” (I3)

“One of the best experiences was the people trusting you, just because of a three and a half minute video. They are trusting you that much, that they are willing to spend $750 for the project.” (I2)

This trust needs to be confirmed by the entrepreneur or the team of entrepreneurs.

“It is very important to stay very transparent, very honest to your community.” (I3)
The trust, important on both sides within the Crowdfunding experience, is increasing the ability of crowdfunded leaders to show trust themselves in the interaction with other individuals. As trust is also a crucial prerequisite to establish a leader and follower relationship, it is directly influencing the development of crowdfunded entrepreneurs into crowdfunded leaders.

7.1.2.7 Challenges

However, the process is not only influenced by positive characteristics of the community, but also by challenges entrepreneurs face. Those can be related to challenges on the actual CFP:

“Then, there was a big bummer, because Amazon payments, which was the payment provider of Kickstarter at that time [...] have frozen all our money. And, this was kind of frightening [...]” (I2)

Or challenges concerning one’s own planning and calculations:

“ [...] the Kickstarter money was already over in November. [...] we had to develop the software, the final things, on our own time, without getting paid.” (I2)

Although, those challenges might have an influence, resulting in a lot of projects not succeeding, it is also a trigger for improvement and development.

“It takes courage [...]” (E2)

to decide funding one’s idea via Crowdfunding as

“It is really hard to get out there and there are so many Crowdfunding pages nowadays and you just got swapped away with the masses.” (I4)

Elaborating on those influencing point, the author wants to indicate that this courage is increasing the entrepreneur’s ability to take risks even more, which is one of the Leadership behaviours, which are going to be evident in crowdfunded ventures.

7.1.2.8 Story Telling

Story telling has a huge impact on the process of Crowdfunding an organization. First of all, the way how an entrepreneur tells his personal story is important.

“The first thing I was lasering was a birthday card and it was just on the day when I finished the prototype and I could come up with: Look, here I have this lasered birthday card.” (I2)
Moreover, the impact a story has on the momentum which can be created for a campaign was evident in the research. Thus, telling narratives and using one’s story created attention influencing the process of an idea.

“It was about […] giving them a story. We did not rest and say here is the story about us and then it is done […] another story we can create so that they are interested […]” (I1)

“It is important to have an enticing story. To be able to tell your story, even if you have a nice product you still have to tell a story in a personal way.” (E3)

The usage of storytelling as a tool for creating a following and shared meaning as well as giving sense is evident in academic scholars. Still, one of the entrepreneurs describes its effect in perfectly suitable words:

“[…] storytelling is huge. Every product has some more emotional value after all. If you have a certain story attached to it, people tend to think about emotional values much more and you have that story attached in your head. You have that narrative of that one person developing that tool.” (I4)

According to the author, the act of telling stories and narratives in order to create a shared meaning can be learned and is therefore not only having an impact on the success of a Crowdfunding project, but also on the development of crowdfunded leaders, who will be able to use this skill in their interactions.

7.1.3 The Development of a Crowdfunded Leader

The factors of influence as described above, however are not only influencing the process of developing a certain idea or organization, but are also stimuli for the entrepreneurs and their development as leaders. This development based on influencing factors is grounded on the idea of developing as a leader based on experience.

“I think very few people are born with excellent Leadership skills that can make a global billion start-up – this skill definitely gets acquired while being at a start-up” (E2)

And as this skill gets acquired during the phase of being a start-up, within crowdfunded ventures it is already built during the process of Crowdfunding. Because as one of the entrepreneurs elaborates showing the overall consensus of the research:

“Crowdfunding isn’t something you just do. It takes follow through, relationship development, and a team to pull it off effectively. (I6)
As this is the case Crowdfunding an idea itself is a source of experience providing the entrepreneur with a new set of skills and behaviours or amending already established ones.

One of the entrepreneurs agreed to this result by stating that:

“Crowdfunding is kind of like an art. It is sort of like a mini business when you are doing a Crowdfunding campaign [...].” (I1)

Entrepreneurs being participants in this particular study furthermore have elaborated on certain results being an effect of their Crowdfunding experience.

“If you are successful and in some case it helps you also for your business negotiations, right? Because you already did the first proof [...] When I was starting to talk with business partners, they didn’t talk to you, like a maybe normal start-up [...] They even contacted us and we started on a real level.” (I3)

This case shows that Crowdfunding itself can be a tool to increasing self-confidence of entrepreneurs being able to actually involve in business negotiations and relationships stronger due to their experiences made during their Crowdfunding campaign. Furthermore, those experiences can be used as an important part of one’s team’s history, establishing commitment and loyalty.

“We certainly would not be where we are today, if we did not use Crowdfunding. I think people still look back at the project and things [...] I think it works as a guideline for this is what we set out to do and checking back on how far off we are and how we have change.” (I1)

These impacts on one’s Leadership skills and behaviours are however, not evident from the beginning, as most of the triggers for Crowdfunding are solely defined as funding. Still, after the campaign entrepreneurs realize the additional values Crowdfunding provides.

“Because if you think about Crowdfunding. All you think about is the money you get in the end and that there are very other interesting aspects as well, I had to discover.” (I2)

The impact Crowdfunding has on a team of entrepreneurs and their Leadership within a crowdfunded venture was elaborated in general by one of the entrepreneurs participating in the study:

“Well, since we are a really young team. Nobody of us did ever do any Crowdfunding. [...] we learned a lot. [...] we learned how to organize as a team, how to organize as a project leader. [...] Life is constant learning.” (I4)
Another aspect of Crowdfunding and of crowdfunded organizations as well as their leaders was discussed by one of the experts. Based on that input the result of Crowdfunding can be defined as also enhancing the outwards orientation of an organization, building on its creativity and innovativeness.

“It definitely makes for a more open corporate culture. You learn to incorporate ideas from the outside. Maybe you do not have the problem being fixated on internal ideas. Basically, you are more open to trying out different things, different ways [...]” (E1)

Concluding, the author identified certain skills and behaviours based on the experiences made of the entrepreneurs or team of entrepreneurs during the process of Crowdfunding. And although those skills and behaviours of the successful Crowdfunding campaigns can be put into practice directly within the crowdfunded venture, also entrepreneurs not succeeding with one’s campaign are still impacted by the experiences made.

“Even if we would not have funded fully, it would still be a good experience. You do all the work, you do all the press, you get feedback and a lot of customers, and a new audience and you get a lot of questions about your product and you get a lot of super input for your product and your development.” (I4)

7.2 Skills and Behaviours

Skills and behaviours can be identified by the author as a result of the coding, as well as the result of influencing factors impacting the process and the entrepreneur itself. Again, those skills and behaviours are grounded in the data gained during the interviews with entrepreneurs and experts and therefore also indicated by in-text references.

7.2.1 Skills

Not only skills required for the campaign itself are impacted but the skills of an individual are expanded, changed as well as created. Those skills can be generally defined as entrepreneurial skills, which also one of the entrepreneurs indicated in the study.

“You need entrepreneurial skills [...] skills of a community manager and you need very good communication skills [...]” (I2)

However, this description is pretty general and would not describe specific skills needed during a Crowdfunding campaign and therefore also expanding the skill set of individuals which can be applied within crowdfunded ventures by the leaders. Thus, skills, which were identified as crucial before, during and after the Crowdfunding campaign, are presented and
described in more detail below, as they are impacting the new leaders developed due to Crowdfunding.

7.2.1.1 Knowing oneself

All entrepreneurs have shown a significant knowledge of themselves as individuals and as a team of individuals.

“We are not average smart students from the university [...] we have 15 to 20 years in experience. So, we are not smart, we are seniors and serious [...]” (I3)

“I didn’t have any Leadership experience in advance. Now, I was forced to be a team leader and it was quite difficult.” (I2)

This result is also confirmed by the research done by one of the experts. In his results he also defined that it was common for crowdfunded entrepreneurs to be quoted as:

“I don’t know when I do not lead entrepreneurial [...] I could especially see the risk-taking, pro-activeness and innovativeness [...].” (E3)

Their self-knowledge is not only evident in their campaigns but especially in the interaction with the community itself. As one expert describes her own experiences with entrepreneurs in the Crowdfunding campaigns as very inspiring, this self-knowledge is also transferred to the entrepreneur’s community.

“The creators think in a different way. [...] you can see they are very convinced that their product is really good and they are very inspired and inspiring. They are really enthusiastic [...].” (E1)

7.2.1.2 Acting based on self-knowledge

However, this knowing oneself is not only transmitted by the interaction within the community, but also by specific action taken by the leaders themselves, showing their deeply-routed self-concept put into practice. This, as the result shows, can start by small things, such as realizing that change is required in order to be happy and establish one’s purpose of life.

“I was bored of my job, I quit my job. I decided to take some time off for myself.” (I2)

But also within crowdfunded organizational settings, where self-knowledge on how an entrepreneur is dealing with failure is put into practice by the interaction with his or her employees, has verified this developed skill.
“I want to do my own thing where I take risk and where I can encourage my employees to take risk. [...] All of them are leaders themselves, but also try to incorporate that in their venture and employee relations.” (E3)

This ability of using one’s self-knowledge as input for the relationships within a community or organization was defined by the participants as a crucial experience made.

“Confidence about him/herself [...] you have to be able to inspire others to come your way.” (E2)

Therefore, crowdfunded leaders can use the skills of being able to act according to one’s self-knowledge within the crowdfunded ventures and thus are able to lead authentic.

7.2.1.3 Demonstrating skills in achievement of goals
Entrepreneurs being part of this study have shown specific skills in being able to reach their desired goals. This skill can be based on their own intrinsic motivation.

“I was looking for a project, because always if you have a project you are motivated and you have a goal to reach.” (I2)

This intrinsic motivation and desire for reaching goals is crucial as a developed skill for the crowdfunded leader, who will be able to strive for one’s goals based on his or her intrinsic motivation. This skill furthermore, will lead to a higher commitment as a leader and therefore to the ability of inspiring others.

7.2.1.4 Having the skill of sharing
Sharing is a concept closely related to the whole community of Crowdfunding. Thus, entrepreneurs of successful Crowdfunding projects apply the notion of sharing in their ongoing organizational life as a leader.

“I am still a university lecturer so I am still saving some time, just to share some good experience.” (I3)

This is only one example of many crowdfunded leaders sharing their experiences and knowledge with others. This sharing knowledge is rooted deeply in the participants of Crowdfunding and thus is applied as a skill by crowdfunded leaders.

“Everybody is eager to learn and help each other out. Even with other start-ups you help each other out, because you profit from them and they profit from us. Sharing knowledge is basically how it works.” (I4)
However, the skill is not only related to sharing knowledge but also for example to share the Leadership within a Crowdfunding venture. One of the entrepreneurs explained this skill by describing their current Leadership situation.

“General understanding for working with each other [...] the others still had their voice.” (I4)

7.2.1.5 Exerting oneself

The notion of exerting oneself is a result of commitment and engagement established within entrepreneurs during the Crowdfunding campaigns. Constant development and improvements based on lessons learned are evident and the trigger of personal exertion. Within research this continuous learning and reflecting in order to improve and develop was obvious and is hereunder shown by provided examples.

“This is one of the positive learnings...” (I3)

“I think that the biggest lesson we learned [...]” (I1)

“I think all of us learned quite a lot in this process.” (I4)

Crowdfunded leaders are thus able to learn from their experiences, by reflecting on them and by steadily improving and developing.

7.2.1.6 Showing endurance

Already in the research process based on the online community, failures within the act of Crowdfunding were evident continuously. Also, various entrepreneurs have had several attempts before being successful with one’s idea via Crowdfunding. Thus, although failures are common in the Crowdfunding community, entrepreneurs show the resilience in working on those failures in order to improve and develop.

“[...] there is a big risk of failure, because of investments, which means you will not realize your idea, because of costs and funding and so forth.” (I3)

Furthermore, those experiences of failures encourage them in their way of leading others.

“[...] all of the entrepreneurs were not encouraging failure, but if an employee makes a mistake they all said it would be ok, as far as they learn from it.” (E3)
7.2.1.7 Being authentic
Authenticity plays a huge role for crowdfunded leaders, as already during their Crowdfunding campaign it is considered a huge asset. This is confirmed by experiences made of entrepreneurs during their campaigns:

“You have to listen how the others feel with this decision and that decision.” (I2)

“You have to be sure about your own decisions because you have to defend them.” (I2)

Moreover, also an expert working with crowdfunded leaders characterizes them as authentic leaders quoting them as:

“Practice what you preach. If you tell somebody to take risk you also have to be the first one to go and do an uncommon approach.” (E3)

7.2.2 Behaviours
Leadership behaviour is closely related to the skills of leaders. Thus, the identification of Leadership behaviours of crowdfunded leaders is hereunder categorized into individual-based, community-based and management-based. Different behaviours were identified within each category and again are presented by quoting entrepreneurs and experts according to their Crowdfunding experience and current experiences made as crowdfunded leaders.

7.2.2.1 Individual-based
The individual-based behaviour of crowdfunded leaders was identified via the coding of the primary research as being dedicated to one’s work and having a purpose and vision in mind and therefore behaving in accordance. This purpose, vision and dedication can be based on the motivations, needs and wants of the individual leaders.

“We started the whole campaign just for fun, without thinking about making money with the project.” (I2)

“Really important to share the vision with employees, because you have to get people in the same boat.” (E3)

Furthermore, experts in the Crowdfunding community describe the individual-based behaviour of crowdfunded leaders during the campaign and afterwards as follows:

“You have to show yourself as a visionary. Also show yourself as a reliable person, somebody, who can actually fulfil what they promised.” (E1)

“The spirits are high [...] having a vision and having many other ideas [...]” (E1)
7.2.2.2 Community-based

During the research the author identified that the community examined for this study consists not only of backers financing a certain project via a CFP, but is expanded to more roles, as illustrated in the beginning of the chapter. The metaphor of a stone falling into water may be used to describe this community. The entrepreneur in this case is the stone, creating an idea. The longer time it takes the more and wider circles of influence are created, ending up in a community not only including friends and family, but backers, customers, employees, suppliers and many more stakeholders. Behaviour identified during the Crowdfunding process and in crowdfunded ventures is that crowdfunded leaders purposeful for the community act transparent. This behaviour was constantly shown during the Crowdfunding campaign and is continued to be shown by the crowdfunded leaders in ongoing ventures, as these direct quotations of the conducted interviews proof:

“we are informing the guys about the progress, about the developments, but also about the challenges we are facing with. [...] It is very important to stay very transparent, very honest to your community.” (I3)

Furthermore, especially the team structure and team spirit experienced during the Crowdfunding campaign has an impact on the behaviour of crowdfunded leaders concerning working in teams and establishing their organizational structure. Examples of how crowdfunded leaders describe their current organization are the basis of this result.

“It is very team oriented. We have a very lean organization structure. [...] working in a project environment, which means you are the project owner [...] Let’s say product marketing and there somebody is the owner, somebody is the leader and there is a team. You can be everything, you can be an owner, a leader and a team member in different teams.” (I3)

“We have broken up into cross-functional teams. We got like smaller teams, two engineers, a designer and a project manager and they all work towards a goal. [...] it feels like a lot of smaller start-ups inside of a larger entity going towards the same goal.” (I1)

This current status of crowdfunded ventures is not only based on the open-minded behaviour of the crowdfunded leaders but also on his or her behaviour related to the community. A direct effect of the above described structure introduced is the act of multiplying one’s employees in order to allow them to take more ownership and being developed as leaders themselves. Furthermore, crowdfunded leaders are experts in networking and establishing
connections. This behaviour of networking and valuing connections is based on the skills acquired during the Crowdfunding campaign and is therefore introduced in the future organizations.

“I think, in general, business is all about who you know and your connections. You can never have enough connections. You should always be meeting people and be figuring out who you can help people [...] when you make contact with someone, who you foster that relationships. And then ultimately what you guys can do together.” (I1)

Based on the Leadership skills identified in the above section, crowdfunded leaders also behave in a certain way with their community. They show passion exciting people around them. They are attracting employees and investors joining crowdfunded ventures (E2). They value employees being open, creative, risk-taking and innovative as they have been behaving themselves during the Crowdfunding campaign, this is also identified by one of the experts during his study of crowdfunded entrepreneurs.

“They really do not have the corporate mind-set of a vertical hierarchy or a large power distance between individuals. So, they used more of the traditional leadership styles in the regular tasks, like accounting [...] where you cannot take any risk. Otherwise, most of them were really welcoming if the employees went for the extra mile. [...] Most of them are approaching a way that their employees can choose another way to handle a problem if they find another way.” (E3)

7.2.2.3 Managing-based

However, this study and research shows that Crowdfunding is not only related to Leadership and Entrepreneurship, rather crowdfunded leaders show task-orientation, which is developed during the act of Crowdfunding. Those behaviours include doing research beforehand, establishing structure and processes, doing promotional work, finishing tasks as well as developing follow-up strategies. The following in-text quotes of the interviews conducted provide an additional insight into this managing-based behaviour of crowdfunded leaders.

“Now, it is becoming the phase to establish structure and processes.” (I3)

“You are doing a great promotional work of your brand.” (I2)

“A thorough preparation is needed to launch a great campaign that will attract the crowd and make them follow the start-up and its product.” (E2)
7.3 Reflection on Results

The above created results are combined in order to create an understanding or definition of crowdfunded leaders, heralding the start of a new era of leaders.

Based on the above presented skills and behaviours the author provides a working definition of how a crowdfunded leader can be described. Yet, as the amount of skills and behaviours suggests, this definition would not fulfil the intention of establishing a common understanding of the author and the reader relating to a crowdfunded leader. Still it can be identified that a crowdfunded leader is showing a

“good understanding of business, product and people” (E2)

This quote covers the far spreading of the definition of a crowdfunded leader, by showing the crowdfunded leader’s ability to understand, enhance and establish skills and behaviours in relation to business, product and people. In general it can be said, that crowdfunded leaders are combining skills of an entrepreneur, such as being creative, flexible, innovative and risk-taking, of a leader, such as providing vision, direction, purpose and sense-making as well as the skills of a manager being able to introduce structure and processes, being task oriented and planning.

This definition has an effect on the crowdfunded ventures itself, as although they are becoming bigger, crowdfunded leaders are able to keep the spirit of the Crowdfunding process itself, such as the high trust, valuation of partnerships and knowledge sharing, providing those ventures with a competitive advantage compared to traditionally funded organizations.

However, it needs to be stated, that experiences of course may vary between entrepreneurs during the process of Crowdfunding and therefore also the development of skills and behaviours might be altered based on those experiences made. Therefore, not every crowdfunded entrepreneur comprises all the skills and behaviours to the full extent, as of course also their personal development varies. Thus, no final definition of a crowdfunded leader can be stated and everybody as already indicated during a general description of Leadership would describe a crowdfunded leader in a different way. However, the author’s interpretations and the experiences of the entrepreneurs and experts included in this research lead to the above stated developed Leadership skills and behaviours.

Furthermore, a crowdfunded leader him or herself is obviously, not only born this way, but made by experiences gained and developed through the act of Crowdfunding. However,
certain indications exist that a certain predisposition of the mind exists which is developed further into Leadership skills and behaviours through the personal development in accordance with the act of Crowdfunding.

Still, it seems that the crowdfunded leaders included in this research are not consciously experiencing this process and therefore did not relate Crowdfunding to Leadership in general in the beginning of the research. However, their behaviour and skills clearly indicate that connection and outcome.
8 Conclusion

“Ask not what the world needs. Ask what makes you come alive... then go do it. Because what the world needs is people who have come alive.” Howard Thurman

(as cited in Lawton & Marom, 2010, p. 1)

This quote by Howard Thurman indicates the importance of leaders in today’s society. Leaders in this quotation can be seen as individuals asking for their own purpose and what makes them come alive. And if those individuals act on their purpose, great leaders can be developed.

For the author this new kind of alive leaders is represented by the crowdfunded leaders. They are capitalizing on their individual spirit of coming alive by the act of experiencing Crowdfunding and their personal development.

Thus this thesis did not only analyse the already existing inputs and insights of Crowdfunding in order to elaborate a basic understanding, but also investigated the connection of Crowdfunding to the notions of Leadership and Entrepreneurship. It can be said that the crowdfunded entrepreneurs experience certain influences in the process of Crowdfunding which had implications on their own personal development. This personal development is resulting in amended or new Leadership skills and behaviours a crowdfunded leader comprises of course in relation to its own personal reflection and experience.

The emergence of a new kind of leaders is not only treated in this research, but is also acknowledged by Lawton and Marom (2010) who state that Crowdfunding similarly to the industrial revolution constitutes a major change in a society, which triggers the emergence of new leaders. And although within their publication the direction of who those leaders are going to be is still unclear, the author believes that this thesis might be the first step in finding that answer.

Furthermore, this comparison of Crowdfunding to the industrial revolution leads to further questions, such as the effect of the modern society in the post-modern world on the personal development of individuals, especially on the crowdfunded entrepreneurs. Those influences of the environment present today may contribute to the changes and amendments in Leadership skills and behaviours presented above.
8.1 Implications

In regards to further implications of the crowdfunded leaders, the notion of Crowdfunding is increasing and expanding, improving the prerequisites of entrepreneurs on today’s market. The experiences made during the Crowdfunding process itself even contribute to the development of certain Leadership skills and behaviours setting crowdfunded leaders apart from others. This might have an effect on various entities of today’s market.

Firstly, individuals might strive for working in the open environment of a crowdfunded venture, providing a specific employer branding for those ventures and increasing the struggle for other organizations to find skilled labour. Hence, it also may impact other organizations and their leaders being ready to include notions of transparency and participation into their Leadership behaviour.

8.2 Personal Reflection

Finally, the act of conducting this research was a development and learning process for the author. Certainly, the outcome has an impact on the understanding of the author on Crowdfunding and also on her assessment of the future of Crowdfunding. But not only related to Crowdfunding, in general the act of leading enhanced and changed during the process of this research based on the author’s frame of references as well as personal values and believes.

This can be explained by the effects a Crowdfunding community has on an individual. The author experienced this while researching with crowdfunded entrepreneurs and leaders. Their inspiration is not only a trigger for success, but also a tool to inspire others in becoming more creative, innovative and entrepreneurial. Therefore, the author believes that Crowdfunding is truly impacting the concept of Leadership and therefore introducing a new era of crowdfunded leaders.

The experience of Crowdfunding within this sharing, open-minded and giving community is therefore something everybody should experience. Thus, skills and behaviours are going to be developed which will not only have an impact on one’s Leadership skills and behaviours within an organization but also in social and private settings, as they are a result of a personal development. Last but not least, this thesis should trigger the readers in asking for their own individual purpose and acting on that purpose. Crowdfunded leaders live this situation every day and provide inspiration for everybody to follow their lead.
8.3 Outlook

The recent trend of Crowdfunding asks for new rules and regulations in order to protect all sides of the Crowdfunding market. Currently, a lot of experiments concerning CFPs, backers or entrepreneurs are going on, making it difficult to draw conclusions on the further development of Crowdfunding.

Thus, still a lot of work is remaining to be done concerning the research of Crowdfunding in connection to Leadership and Entrepreneurship. Within this research no distinction concerning gender was made, which might be a further part of future research. Further research may help to enlighten this particular distinction. Moreover, the different geographic and cultural backgrounds of Crowdfunding were not investigated within this research and therefore, also provide a possible option for further research. Finally, an investigation of the crowdfunded leaders in a later stage of their business growth might contribute to the understanding of Leadership in connection to Crowdfunding.
9 Limitations

This research includes some limitations as discussed in the following. First of all, the empirical data used for this thesis is limited. Nine interviews, including experts and crowdfunded entrepreneurs as well as online community knowledge were used as sources for the qualitative research. In order to further elaborate on the resulting theories of this thesis, a more extensive empirical research is necessary.

Furthermore, the impact of Crowdfunding on Leadership skills and behaviours was analysed in a specific context, namely the one of intending the strategic use of Crowdfunding. Of course, this is not the only context, in which Crowdfunding can be analysed.

In addition, as the description of crowdfunded leaders is not based on a unity of definitions of the participants, but on the interpretation of inputs, insights and experiences of the participants of the study, it might not be used for a generalized and widely accepted theory.

Moreover, the geographic dispersion of the participants of the research was not content of the sampling, which seems to limit the application of the theory in other cultural settings and contexts.

Last but not least, the trend and notion of Crowdfunding is still a recent one and therefore changes and modifications on the concept can be foreseen, which might alter the effect of Crowdfunding on Leadership skills and behaviours of the crowdfunded entrepreneurs.
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1 Labelling of Primary Research

The following labels are used to categorize the different inputs and insights established and gained through the primary research of this thesis.

Table 4: Labels for Interviews done with Entrepreneurs

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<td>US</td>
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<td>DE</td>
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<tr>
<td>I4</td>
<td>Bergaffe</td>
<td>Laura Stromberger</td>
<td>AT</td>
</tr>
<tr>
<td>I5</td>
<td>King of Peking</td>
<td>Melanie Ansley</td>
<td>US</td>
</tr>
<tr>
<td>I6</td>
<td>Tigers</td>
<td>Dianne Crampton</td>
<td>US</td>
</tr>
</tbody>
</table>

Table 5: Labels for Interviews done with Experts

<table>
<thead>
<tr>
<th>Label</th>
<th>Occupation</th>
<th>Person</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>Management Consulting</td>
<td>Maria Pankova</td>
<td>BG</td>
</tr>
<tr>
<td>E2</td>
<td>Flatout, CFO</td>
<td>Eva Maurina</td>
<td>LV</td>
</tr>
<tr>
<td>E3</td>
<td>Crowdfunding Author</td>
<td>Marten Pieper</td>
<td>NL</td>
</tr>
</tbody>
</table>

Table 6: Labels for Videos of Successful Crowdfunding Campaigns

<table>
<thead>
<tr>
<th>Label</th>
<th>Company</th>
<th>Person</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>V1</td>
<td>Pebble</td>
<td>Eric Migicovsky</td>
<td>CA</td>
</tr>
<tr>
<td>V2</td>
<td>Virtuix</td>
<td>Jan Goetgeluk</td>
<td>BE</td>
</tr>
<tr>
<td>V3</td>
<td>Emotiv</td>
<td>Tan Le</td>
<td>AU/VN</td>
</tr>
<tr>
<td>V4</td>
<td>Occipital</td>
<td>Jeff Powers</td>
<td>US</td>
</tr>
<tr>
<td>V5</td>
<td>Wobbleworks</td>
<td>Peter Dilworth</td>
<td>US</td>
</tr>
</tbody>
</table>

Table 7: Labels for LinkedIn Comments

<table>
<thead>
<tr>
<th>Label</th>
<th>Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1</td>
<td>Deborah Mullin</td>
</tr>
<tr>
<td>C2</td>
<td>David G.</td>
</tr>
<tr>
<td>C3</td>
<td>Jay Neyer</td>
</tr>
<tr>
<td>C4</td>
<td>Gary Krysztopic</td>
</tr>
<tr>
<td>C5</td>
<td>Frank Bennemann</td>
</tr>
<tr>
<td>Annex</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>C6</td>
<td>Silvia Lacock Marino</td>
</tr>
<tr>
<td>C7</td>
<td>Tony Gamonal</td>
</tr>
<tr>
<td>C8</td>
<td>David Wittkower</td>
</tr>
<tr>
<td>C9</td>
<td>Nick Moul</td>
</tr>
<tr>
<td>C10</td>
<td>Carry Miller</td>
</tr>
<tr>
<td>C11</td>
<td>Dustin M. Thomas</td>
</tr>
<tr>
<td>C12</td>
<td>Jamie Kasza</td>
</tr>
<tr>
<td>C13</td>
<td>Yiannis Delianni</td>
</tr>
<tr>
<td>C14</td>
<td>Elad Goldsteen</td>
</tr>
<tr>
<td>C15</td>
<td>Alex Michaels</td>
</tr>
<tr>
<td>C16</td>
<td>Bharath Balakrishna</td>
</tr>
<tr>
<td>C17</td>
<td>Byron Francis</td>
</tr>
<tr>
<td>C18</td>
<td>Paul Winkle</td>
</tr>
<tr>
<td>C19</td>
<td>David Sunshine</td>
</tr>
<tr>
<td>C20</td>
<td>C Scott Blevins</td>
</tr>
<tr>
<td>C21</td>
<td>Jason Mari</td>
</tr>
<tr>
<td>C22</td>
<td>Micah Wright</td>
</tr>
<tr>
<td>C23</td>
<td>Amish Shah</td>
</tr>
<tr>
<td>C24</td>
<td>Maria Pankova</td>
</tr>
<tr>
<td>C25</td>
<td>Tracy Jackson</td>
</tr>
<tr>
<td>C26</td>
<td>Jeremiah Luther Pritchett</td>
</tr>
<tr>
<td>C27</td>
<td>Hans-Henning Judek</td>
</tr>
<tr>
<td>C28</td>
<td>Jane Angelich</td>
</tr>
<tr>
<td>C29</td>
<td>Ruth E</td>
</tr>
<tr>
<td>C30</td>
<td>Stephen Kogan</td>
</tr>
<tr>
<td>C31</td>
<td>Rob Manrico</td>
</tr>
<tr>
<td>C32</td>
<td>Anne Sutardji</td>
</tr>
</tbody>
</table>
2 Interview Guidelines

2.1 Entrepreneur Interviews
1. How was your experience using crowdfunding?
2. Can you describe the process you went through before, during and after the crowdfunding campaign as an entrepreneur/team of entrepreneurs?
3. Any specific/particular events you want to point out happening during that process?
4. When connecting the act of leadership to crowdfunding, what do you think about that?
5. What are necessary skills for an entrepreneur/team of entrepreneur when using crowdfunding?
6. How would you describe the leadership situation within your organization currently?
7. Since the founding of the organization have you experienced any changes in the leadership situation?
8. Do you think the usage of Crowdfunding had an impact on your organizational leadership situation, thinking about skills and behaviour of leaders?

2.2 Expert Interviews
1. How is your experience with crowdfunding?
2. Any specific/particular events you want to point out?
3. When connecting the act of leadership to crowdfunding, what do you think about that?
4. What are necessary skills for an entrepreneur/team of entrepreneur when using crowdfunding?
5. How would you describe the leadership situation within a crowdfunded organization?
6. Do you think the usage of Crowdfunding is having an impact on the leadership situation within an organization founded by crowdfunding on the skills and behaviours of the founding father?
3 Open Coding

Table 8: Open Coding

<table>
<thead>
<tr>
<th>Example of words</th>
<th>Properties</th>
<th>Open Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Working 24/7 (V1)</td>
<td>• “work” = “life”</td>
<td>• Being dedicated to one’s work</td>
</tr>
<tr>
<td>• Started 2 years before (V1)</td>
<td>• Projects are mostly their full-time job and not only done as a hobby</td>
<td>• Self-motivation for reaching one’s goals</td>
</tr>
<tr>
<td>• Hard worker (V1)</td>
<td>• Crowdfunding is a long-term commitment</td>
<td></td>
</tr>
<tr>
<td>• Don’t let your company die (V1)</td>
<td>• Feeling and experiencing the responsibility and pressure</td>
<td></td>
</tr>
<tr>
<td>• Doing this fulltime (V2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• On a daily basis (C1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Dropped out of university (V4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• My work is my life (C2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Full time job responsibility (C3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• You are more motivated [...] have a goal to reach (I2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• On our own time (I2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Working on it full-time (I2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Lot of constant hard work (I5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Up to your own hard work (I5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Requires dedication (I5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Everybody tries to make it happen (I4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• I have done this before (V1)</td>
<td>• Doing different things at the same time</td>
<td>• Having experience</td>
</tr>
<tr>
<td>• We submitted twice (C4)</td>
<td>• Having done similar things before</td>
<td></td>
</tr>
<tr>
<td>• I have 6 projects at the same time (C5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• I did some small projects at university (V1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• We have 15 to 20 years in experience (I3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• You need experience (I3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• This did not work (V5)</td>
<td>• They feel helpless because of failures</td>
<td>• Dealing with setbacks and failures</td>
</tr>
<tr>
<td>• We would do things differently (C6)</td>
<td>• There is a search for answers to overcome those setbacks</td>
<td></td>
</tr>
<tr>
<td>• Having no success (C5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Rejected with no real explanation (C7)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- I’m quitting (C8)
- I’ve done everything I can (C8)
- I failed (C9)
- No one else cares (V1)
- Not a success (V1)
- Big risk of failure (I3)
- Then, there was a big bummer (I2)
- It didn’t work out (I2)
- We struggled sometimes (I2)

- Lot of physical effort (V1)
- It is hard (V1)
- Nothing for granted (V1)
- It is overloading (C10)
- It is rough out there (C11)
- It is proving to be very tough (C12)
- Very demanding job (C13)
- I am going for it (V2)
- That is a challenge (V3)
- It is a big challenge (V4)
- We have come a long way (V5)
- This was kind of frightening (I2)
- Only get more challenging (I1)
- It is really hard to get out there (I4)

- We were part of a start-up incubator (V1)
- Receive tutoring and professional mentoring (C17)
- A series of conferences and workshops (C18)
- Possibility of partnering (C12)
- Offered us a partnership (I3)
- Starting to talk with business partners (I3)
- Partnerships with other companies (I3)
- Gave us valuable advice (I5)

- They feel challenged
- And they experience the need to fight for their success

- Accepting and handling the challenge of Crowdfunding an idea

- Value offered help
- Having experiences in cooperation
- Want to gain new insights

- Appreciate advice and knowledge from others
- Value the insights gained by mentors
- Appreciate partnerships
- Partnered with another [...] company (I1)
- They recommend (I4)
- Talking to other projects (I4)
- Gained a lot of insights (I4)
- There are incubators and co-working spaces (I4)

- The community has been great (V2)
- We are a good team (V4)
- Support each other (C19)
- Reach out to everybody you know (C15)
- Success depends on connections (C15)
- Their support is brilliant (C16)
- The support on this community is so serious (I3)
- The biggest bonus is this community (I3)
- Everybody is working together (I3)
- Very team oriented (I3)
- Gaining contacts (I2)
- Communicate with your team (I5)
- Rally your team (I5)
- Team to pull it off effectively (I6)
- Interaction with the backers (I1)
- All about who you know and your connections (I1)
- Good at networking (I1)
- Supporting a group (I1)
- Getting a community around your project (I4)
- Crowdfunding community is open-minded (I4)
- Having this open-minded community (I4)

- They are strongly connected to their team and community
- Being aware of one’s network and influence
- Value advantages of teams

- One alone is not as strong as together with a team, network or community
- Value the community
<table>
<thead>
<tr>
<th>Annex</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Open mentality (I4)</strong></td>
</tr>
<tr>
<td><strong>We need support (C14) (C20)</strong></td>
</tr>
<tr>
<td><strong>How you can help people (I1)</strong></td>
</tr>
<tr>
<td><strong>Everybody is connected (I4)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Nobody was able to build something like that (V2)</strong></td>
</tr>
<tr>
<td><strong>There is nobody doing exactly what we are doing currently (V4)</strong></td>
</tr>
<tr>
<td><strong>We are all building things we are not even sure there is a market for (V4)</strong></td>
</tr>
<tr>
<td><strong>Makes our project unique (C1)</strong></td>
</tr>
<tr>
<td><strong>We didn’t do this [...] like all the others (I3)</strong></td>
</tr>
<tr>
<td><strong>You have to be pro-active (I5)</strong></td>
</tr>
<tr>
<td><strong>Thing that changed (I1)</strong></td>
</tr>
<tr>
<td><strong>Build something people want (V1)</strong></td>
</tr>
<tr>
<td><strong>I wanted to build something for customers (V2)</strong></td>
</tr>
<tr>
<td><strong>Understand what the user wants (V3)</strong></td>
</tr>
<tr>
<td>Make something for the consumer (V3)</td>
</tr>
<tr>
<td>Communication strategy (I6)</td>
</tr>
<tr>
<td>What they want in the product (I1)</td>
</tr>
<tr>
<td>Awareness of what your customer wants (I1)</td>
</tr>
<tr>
<td>Product-Market-Fit (I4)</td>
</tr>
</tbody>
</table>

| Sharing the idea (V1) | |
| Mind share (V1) | |
| Everyone is highly minded (V1) | |
| Somebody can have an idea to complement it with ours (V4) | |
| Any insights to share (C21) | |
| Any ideas or strategies for us (C22) | |
| Now we have so many brains engaged in this (V5) | |
| We want to see what people come up with (V5) | |
| What you guys can do together (I1) | |
| Everybody has its part (I1) | |
| Sharing knowledge (I4) | |

| Talk to people (V1) | Engage with their environment |
| Recommended people (V1) | Value their network |
| Message appropriately (V3) | |
| Start letting people know about your campaign (C25) | |
| Master of social media (C26) | |
| Updates and subtle changes to [...] the overall network (C1) | |
| It’s about building [...] a following (C23) | |
| Do updates often (C6) | |
| Be present (C24) | |
| You have to keep them updated (I3) | |
| Stay very transparent, very | |

| Collective mind |
| Knowledge sharing |

<p>| Interplay between the community and the project |
| Being responsive to and engaged in networking |</p>
<table>
<thead>
<tr>
<th>Honest to your community (I3)</th>
<th>Recognizing feedback from the community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good communication skills (I2)</td>
<td>Use this feedback for improvements</td>
</tr>
<tr>
<td>Being a community manager (I2)</td>
<td>Insights are gained by valuing the feedback</td>
</tr>
<tr>
<td>Ensure publicity (I5)</td>
<td>Feel to gain valuable recommendations in the community</td>
</tr>
<tr>
<td>Do updates (I5)</td>
<td></td>
</tr>
<tr>
<td>Connecting with users and consumer (I1)</td>
<td></td>
</tr>
<tr>
<td>Foster that relationship (I1)</td>
<td></td>
</tr>
<tr>
<td>We updated (I4)</td>
<td></td>
</tr>
<tr>
<td>Feedback and improvements (V1)</td>
<td>Open for suggestions</td>
</tr>
<tr>
<td>Feedback in the development process (V1)</td>
<td>Experienced in receiving and giving feedback</td>
</tr>
<tr>
<td>Giving me a lot of feedback, a lot of help (V2)</td>
<td></td>
</tr>
<tr>
<td>Get more insights and inputs (V2)</td>
<td></td>
</tr>
<tr>
<td>Appreciate any insights from the group (C19)</td>
<td></td>
</tr>
<tr>
<td>In the feedback, thus far, we have heard (C1)</td>
<td></td>
</tr>
<tr>
<td>I am curious, how you think about that question (C27)</td>
<td></td>
</tr>
<tr>
<td>Would love comments on campaign and product (C28)</td>
<td></td>
</tr>
<tr>
<td>Interested in your thought, suggestions (C12)</td>
<td></td>
</tr>
<tr>
<td>Get a market feedback (I3)</td>
<td></td>
</tr>
<tr>
<td>The first feedback (I2)</td>
<td></td>
</tr>
<tr>
<td>Super positive feedback from the community (I2)</td>
<td></td>
</tr>
<tr>
<td>Reaching out to users (I1)</td>
<td></td>
</tr>
<tr>
<td>Get good and proper feedback (I4)</td>
<td></td>
</tr>
<tr>
<td>Deliver the best product (V1)</td>
<td>Showing skills in different management tasks</td>
</tr>
<tr>
<td>Marketing (PR, E-Mails) (V1)</td>
<td>Prepare with a lot of research already before the campaign</td>
</tr>
<tr>
<td>Distribution methods (V1)</td>
<td>A lot of business understanding, task orientation and planning is</td>
</tr>
<tr>
<td>Strategy, PR (C23)</td>
<td></td>
</tr>
<tr>
<td>A lot of research beforehand</td>
<td></td>
</tr>
<tr>
<td>Administrative skills</td>
<td></td>
</tr>
<tr>
<td>Task-orientation</td>
<td></td>
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<tr>
<td>Preparation is everything</td>
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</tr>
<tr>
<td>Annex</td>
<td></td>
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<tr>
<td>-------</td>
<td></td>
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<tr>
<td>Lisa Speiser</td>
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</tr>
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<td>100</td>
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</table>

<table>
<thead>
<tr>
<th>(C25)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quite a bit to get ready for a project (C6)</td>
<td>needed in order to being successful</td>
</tr>
<tr>
<td>Be prepared (C6)</td>
<td></td>
</tr>
<tr>
<td>Fair bit of research (C31)</td>
<td></td>
</tr>
<tr>
<td>Great marketing instrument (I2)</td>
<td></td>
</tr>
<tr>
<td>Promotional work (I2)</td>
<td></td>
</tr>
<tr>
<td>Global visibility (I2)</td>
<td></td>
</tr>
<tr>
<td>Shooting the footage, cutting, editing (I2)</td>
<td></td>
</tr>
<tr>
<td>Image material (I2)</td>
<td></td>
</tr>
<tr>
<td>Price calculation (I2)</td>
<td></td>
</tr>
<tr>
<td>You feel well prepared (I2)</td>
<td></td>
</tr>
<tr>
<td>Develop a software (I2)</td>
<td></td>
</tr>
<tr>
<td>Lot of pre-planning (I5)</td>
<td></td>
</tr>
<tr>
<td>Thorough research (I5)</td>
<td></td>
</tr>
<tr>
<td>Go in with a plan (I5)</td>
<td></td>
</tr>
<tr>
<td>Allocate tasks (I5)</td>
<td></td>
</tr>
<tr>
<td>Requires preparation (I5)</td>
<td></td>
</tr>
<tr>
<td>Requires good research (I6)</td>
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</tr>
<tr>
<td>Marketing (I1)</td>
<td></td>
</tr>
<tr>
<td>Doing a little bit of research (I1)</td>
<td></td>
</tr>
<tr>
<td>Prepared as much as we could (I4)</td>
<td></td>
</tr>
<tr>
<td>Structure is key (I4)</td>
<td></td>
</tr>
<tr>
<td>Drastic change (V1)</td>
<td>Have experienced change</td>
</tr>
<tr>
<td>Always options (V1)</td>
<td>There is always a possibility of change</td>
</tr>
<tr>
<td>Radically change the way (V4)</td>
<td>Change is something positive</td>
</tr>
<tr>
<td>Don’t be afraid to change (C6)</td>
<td></td>
</tr>
<tr>
<td>I altered the construction (I2)</td>
<td></td>
</tr>
<tr>
<td>I was bored of my job (I2)</td>
<td></td>
</tr>
<tr>
<td>There are a lot of things coming up (I2)</td>
<td></td>
</tr>
<tr>
<td>Deal with suggestions of the community (I2)</td>
<td></td>
</tr>
<tr>
<td>Adjusting the project (I2)</td>
<td></td>
</tr>
<tr>
<td>Try everything once (I5)</td>
<td></td>
</tr>
<tr>
<td>You have to adapt (I5)</td>
<td></td>
</tr>
<tr>
<td>Being flexible (I4)</td>
<td></td>
</tr>
<tr>
<td>Open to change</td>
<td></td>
</tr>
<tr>
<td>Being ready for change</td>
<td></td>
</tr>
<tr>
<td>Believed in us (V1)</td>
<td>Feel the trust from the community</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Believe us, help us (V1)</td>
<td>The do not want to disappoint the community</td>
</tr>
<tr>
<td>70,000 people want us to succeed (V1)</td>
<td>Backers offer their support, help and funding based on trust</td>
</tr>
<tr>
<td>Expectations (V1)</td>
<td></td>
</tr>
<tr>
<td>Promises (V1)</td>
<td></td>
</tr>
<tr>
<td>They are believing and trusting in our idea but also in the team (I3)</td>
<td></td>
</tr>
<tr>
<td>People will take you serious (I3)</td>
<td></td>
</tr>
<tr>
<td>Have invested in you only by their trust (I2)</td>
<td></td>
</tr>
<tr>
<td>People trusting you (I2)</td>
<td></td>
</tr>
<tr>
<td>Build community (I6)</td>
<td></td>
</tr>
<tr>
<td>Launch as early as possible (V1)</td>
<td>Fast moving</td>
</tr>
<tr>
<td>Prepared in time (C29)</td>
<td>Ready to take decisions</td>
</tr>
<tr>
<td>Don’t wait. Get ready now! (C29)</td>
<td></td>
</tr>
<tr>
<td>It was real speed (I3)</td>
<td></td>
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<tr>
<td>Quite fast (I2)</td>
<td></td>
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<tr>
<td>You have to get things done (I2)</td>
<td></td>
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<tr>
<td>Big opportunity (V1)</td>
<td>Feel that they are having an opportunity they need to realize</td>
</tr>
<tr>
<td>You can do whatever you want to do (V4)</td>
<td>Feel open and flexible</td>
</tr>
<tr>
<td>Rise above the noise (C15)</td>
<td>Have the ability to decide on their own future</td>
</tr>
<tr>
<td>You just have to use every opportunity (C15)</td>
<td></td>
</tr>
<tr>
<td>A lot of surprises (I2)</td>
<td></td>
</tr>
<tr>
<td>It would be an option (I4)</td>
<td></td>
</tr>
<tr>
<td>Products, that become better over time (V1)</td>
<td>Establishing a brand and a project takes time</td>
</tr>
<tr>
<td>It’s about building a brand, securing your brand (C23)</td>
<td></td>
</tr>
<tr>
<td>Involved in the process (I2)</td>
<td></td>
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<tr>
<td>I want to grow (I2)</td>
<td></td>
</tr>
<tr>
<td>Know our progress (I5)</td>
<td></td>
</tr>
<tr>
<td>Follow-through strategy (I6)</td>
<td></td>
</tr>
</tbody>
</table>
- Works as a guideline (I1)
- Business sense (V1)
- Chime in give you some hope (C23)
- Luckily… (I3)
- You have to listen how others feel with this decision (I2)
- Just listen to them (I2)
- We have been lucky enough (I5)
- Maintain morale (I5)
- Relationship development (I6)
- Having a certain voice (I4)
- A general understanding (I4)
- Real common sense (I4)
- Arising emotions (I4)
- Motivate each other
- Taking decisions based on a common sense
- Trusting one’s gut feeling
- Acting on intuition
- Showing empathy
- Knowing what they are good at
- Keep still questioning themselves for improvement
- Self-awareness
- Knowing oneself
- Striving for self-development
- They feel born for being an entrepreneur
- It is not about them, but about doing something, which needs to be done
- Having a purpose for their life
- Having a certain direction for
- Having a vision
- I am an enthusiast (V2)
- Being a high achiever (V3)
- I don’t know if we did this right (V3)
- My instinct tells me (C19)
- We are not average smart students […] we have 15 to 20 years in experience (I3)
- I decided to take some time off for myself (I2)
- I did not have any Leadership experience in advance (I2)
- Little to no experience in Crowdfunding (I4)
- Introduce ourselves (I4)
- Arising emotions (I4)
- Knowing what they are good at
- Keep still questioning themselves for improvement
- Self-awareness
- Knowing oneself
- Striving for self-development
- I always wanted to be an entrepreneurs (V2)
- This is what I always wanted to do, I am enjoying it (V2)
- What we wanted to do (V3)
- We just need it to be in the world (V4)
- I want to bring the Omni to as
<table>
<thead>
<tr>
<th>Many people as possible (V2)</th>
<th>One idea</th>
<th>Sharing a vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipating the future (V3)</td>
<td>Thinking about the future and developing long-term goals</td>
<td>Giving Sense</td>
</tr>
<tr>
<td>Couple of years ago [...] we saw what we can pull off (V4)</td>
<td></td>
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<tr>
<td>Want to have (I2)</td>
<td></td>
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<tr>
<td>Steer the project (I3)</td>
<td></td>
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<tr>
<td>Steer the community (I2)</td>
<td></td>
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<tr>
<td>Our company offerings will expand (I6)</td>
<td></td>
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<tr>
<td>Adding new members to our team (I6)</td>
<td></td>
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<tr>
<td>Same vision of the campaign (I1)</td>
<td></td>
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<tr>
<td>I watched Star Wars as a little girl and was just amazed (V3)</td>
<td>Using metaphors</td>
<td>Establishing a story around the project</td>
</tr>
<tr>
<td>The things we are most amazed (V4)</td>
<td>Using personal stories</td>
<td>Sharing that narrative</td>
</tr>
<tr>
<td>I that this little 3D printer at home, but did not use it (I2)</td>
<td>Making it more emotional</td>
<td></td>
</tr>
<tr>
<td>Giving them a story (I1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Created another story (I1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storytelling is huge (I4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certain story attached to it (I4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We are pushing the limits on what you can do (V4)</td>
<td>Not being satisfied</td>
<td>Being innovative</td>
</tr>
<tr>
<td>We can do more, there is a lot more that we can do (V4)</td>
<td>They always feel there is something more they can reach or do</td>
<td></td>
</tr>
<tr>
<td>Go one step further (V4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passionate entrepreneur (C23)</td>
<td>Doing something based on their passion</td>
<td>Having passion</td>
</tr>
<tr>
<td>It was fun (I2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I had a great time (I2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Everybody wanted to make it happening (I4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keep pressing on (C25)</td>
<td>Although failing they are not willing to give up</td>
<td>Showing resilience</td>
</tr>
<tr>
<td>We are rocking along (C11)</td>
<td>Stand up and try again</td>
<td>Showing stamina</td>
</tr>
<tr>
<td>It’s doable (C11)</td>
<td>Not being satisfied with a No, but keep going on</td>
<td>Showing integrity</td>
</tr>
<tr>
<td>Picking the pieces back up and try again (C9)</td>
<td>Being consistent</td>
<td></td>
</tr>
<tr>
<td>I hope we will be luckier next time (C32)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- We will try to make it happen until the last second of the campaign (C13)
- Already did the first proof (I3)
- But well we made it somehow (I2)
- Be sure about your own decision (I2)

- Lessons learned (C26)
- Learning quite a bit (C6)
- Lots of lessons learned (C6)
- Plenty of lessons learned for me too (C30)
- Experience learned from it (C9)
- We all learned from our experience (C32)
- I am a little wiser now (C32)
- What we have learned (V5)
- One of the positive learning (I3)
- I have learned (I5)
- Try and learn what to do and what to avoid (I5)
- Steep learning curve (I6)
- A good learning experience (I1)
- Biggest lesson we learned (I1)
- Learn from the experience (I4)
- Learned quite a lot (I4)
- Learned a lot (I4)
- Life is constant learning (I4)
- Everybody is eager to learn more (I4)

- Gaining momentum (C1)
- Continue the momentum (C23)
- Building a following (C23)
- It’s proving to be very tough to maintain the momentum (C12)
- Giving us needed momentum (I5)
- Got the momentum going (I1)

- It is really important for them to talk about the things they have learned
- See it as a learning process before being successful
- Those learning prepared them for going on

- Learning by failure
- Working on experiences

- Being not only present for one day
- Establishing long term value for one’s community

- Leaving legacy