CENTRAL THEME: FROM FRIENDFUNDING TO CROWDFUNDING

Indications that current projects utilize solely F&F networks

Target amounts are relatively low compared to other financing instruments (e.g. subsidies)

Assuming that use of unknown crowd (‘latent ties’) makes crowdfunding more effective

Characteristics of latent ties and best ways to target them are unexplored
1. How does tie strength influence the success rate of the project?

2. What role do social media activities have in attracting donors to crowdfunding projects?
CASE SELECTION
SUCCESSFUL AND FAILED PROJECTS
## CASE SELECTION

<table>
<thead>
<tr>
<th>Failed projects</th>
<th>Success rate</th>
<th>Successful projects</th>
<th>Success rate</th>
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<tbody>
<tr>
<td>Een wereld vol licht</td>
<td>5%</td>
<td>Bongomatik</td>
<td>100%</td>
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<tr>
<td>It’s not easy to be a borderliner</td>
<td>15%</td>
<td>Ctr+N</td>
<td>102%</td>
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<td>Arthur en de strijd om Camelot</td>
<td>22%</td>
<td>Wladiwostok</td>
<td>103%</td>
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<tr>
<td>Het liep voorbij</td>
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<td>Corso Zundert</td>
<td>108%</td>
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<td>Sean Bergin</td>
<td>81%</td>
<td>De Tostifabriek</td>
<td>125%</td>
</tr>
</tbody>
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DATA GATHERED

Per project per day

- Number of strong, weak and latent tie donors
- Number of tweets by project creator (Twitter)
- Number of facebook posts by project creator (Facebook)
- Number of updates by project creator (VdK website)
SUCCESSFUL PROJECTS

- Attract significant higher number latent tie donors

- Social media activities are significantly related latent ties
  - FB posts negatively interact with latent ties
  - Tweets are positively interact with latent ties
  - Updates positively interact with latent ties

- Lagged social media interact reverse
  - Lagged FB posts positively interact with latent ties
  - Lagged tweets negatively interact with latent ties
QUALITATIVE FINDINGS ON (SOCIAL) MEDIA ACTIVITIES

Broad and generic promotion campaigns are not effective
• Flyers in cafés Amsterdam; Spamming on popular FB pages

Instead targeted promotion campaigns do work
• Addressed tweets (even twitter bomb)

Smart embedding in existing communities cause viral effects
• Resulting in large numbers of likes, shares and retweets

Attention from traditional media does not seem to pay off
• Possible explanation: most media attention at the end of campaign so less possibilities for additional donations

Difference between perceived and actual social media activities
• Importance of project creators having ‘social media genes’