

# POSTGRADUATE SEMINAR SERIES

## Topic Defence Seminar

**Topic Title :** Linguistic Framing and Crowdfunding Success

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**Abstract :** Financing via crowdfunding has been receiving increasing interest in the last decade. According to Statista Alternative Financing Report 2020, the value of global crowdfunding market is 13.9 billion USD and is predicted to triple by 2026. Despite the growing popularity of crowdfunding, little is known about the influence of linguistic framing on crowdfunding success. This project proposes two studies that investigate linguistic elements in the crowdfunding industry. Specifically, as crowdfunding campaigns can be categorized into reward-based or donation-based, depending on whether funders can receive rewards (e.g., products or gifts) from the fundraiser, the studies aim to understand how the use of the seemingly interchangeable words has differential impacts on the fundraising of reward-based and donation-based crowdfunding campaigns.

Considering two crowdfunding campaigns framed slightly different: “We *need* your help” versus “We *want* your help”, will the subtle difference between the use of “need” and “want” influence funders’ behaviors? Our first study suggests that a “need” (versus “want”) claim leads to perceived dependency of the fundraiser on the financial resource, and thus increases the motivation of funders to contribute to a donation-based request. Conversely, for reward-based campaigns, a “want” (versus “need”) claim increases the likelihood of funding success, by giving funders a good indication that the fundraiser is not dependent on the financial resource to deliver on the promise of rewards. The second study gauges the impact of the use of first- versus third-person perspective in a crowdfunding request (e.g., “We need your help” versus “*They* need your help”). We speculate the use of first-person perspective fosters perceived communal relationship, matching with the altruistic attitudes of funders in donation-based campaigns; In contrast, the use of a third-person perspective promotes exchange relationship, in line with the business model of reward-based crowdfunding, where backers expect to receive rewards in exchange for their financial contributions. We have empirically examined the proposed propositions in the two studies based on more than 200,000 campaigns collected from three leading crowdfunding platforms, Kickstarter (a reward-based site), GoFundMe (a donation-based site), and Indiegogo (a site with both rewards- and donation-based campaigns), with lab experiments also being planned to strengthen the causal inference of the findings.

**Date :** 23 April 2021, Friday

**Time :** 13:00 – 14:30

**Venue :** SEK210 & Zoom Seminar 

Please join Zoom Meeting, link: <https://lingnan.zoom.us/j/96683912983>

**Language :** English



\*\*\* All are Welcome \*\*\*