

Kickstarter Campaigns Launched from Hungary

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Success Factors

- the role of friends and family, the number of updates (Kuppuswamy and Bayus, 2017);
- the promotional activity leading to herding behavior (Kuppuswamy and Bayus, 2015);
- the interactions between participants (Lu et al., 2014);
- the project creators' Facebook network size; the professional expertise of the creator, the elaborateness of project, the lack of misspellings (Mollick, 2014);
- a community of collaboration between supporters, mentors and outsourced help (Hui et al., 2012);
- the dynamic changes in reward structures (Zhang et al., 2015);
- the entrepreneurs' description and frequent mentions of their names (Gafni et al., 2017);
- timing the campaign start dates early in the week (Beier and Wagner, 2014)

Success Factors

- strong positive relationship between the social capital index of the creator's home country and the campaign success (Lin and Pursiainen, 2017),
- “home bias” (Lin and Viswanathan 2014),
- local altruism coupled with the level of social capital in the area (i.e., localized social capital) (Guidici et al., 2017),
- owner experience, firm-specific financial information and the frequency of social media contacts (Nitani et al., 2017),
- project quality and founder credibility (Courtney et al., 2017),
- the cascades of newly arriving backers who decide not to pledge if they assume that the project will not be successful may lead to project failures (Alaei et al., 2016),

Success Factors

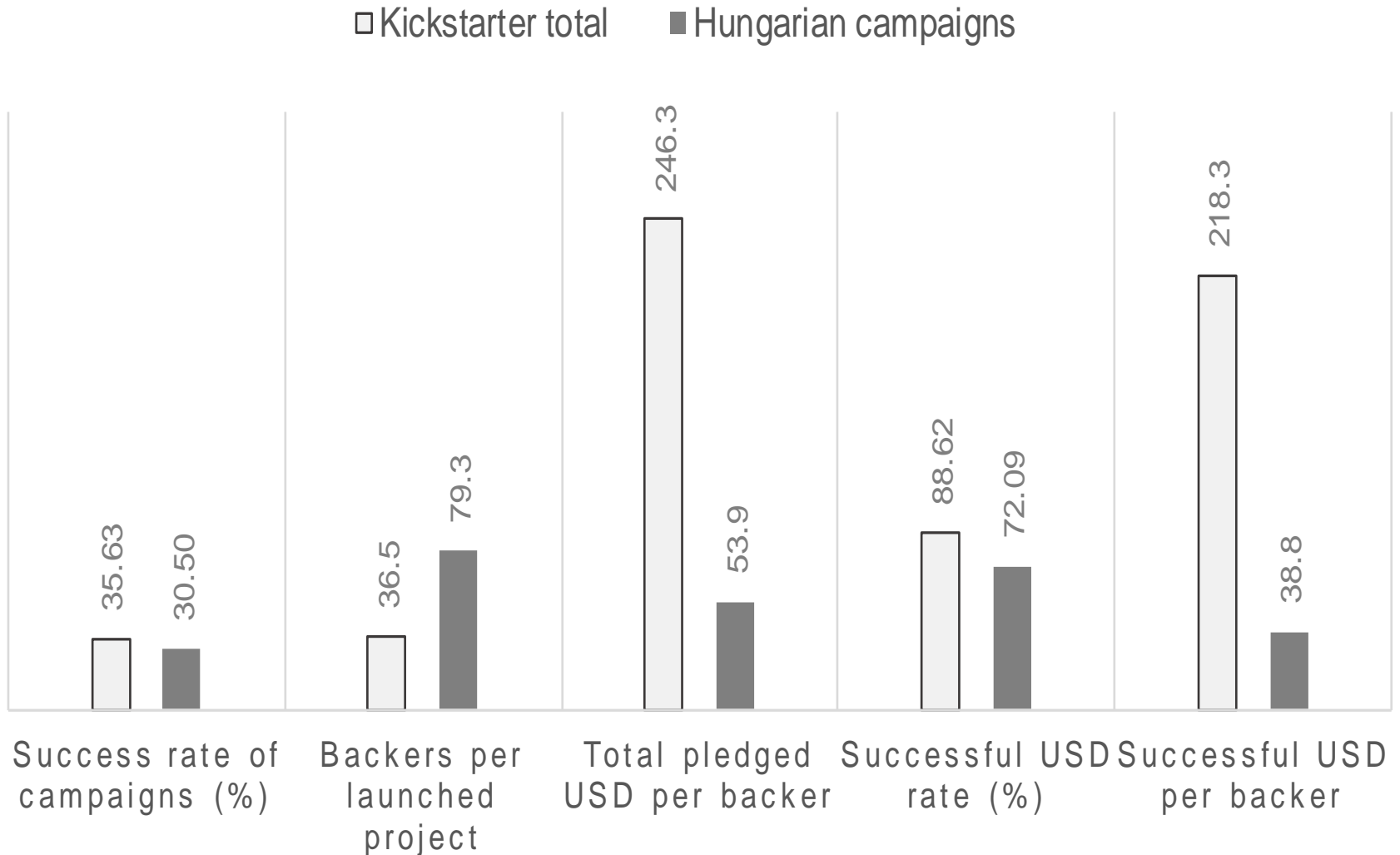
- better comment quality, higher reply ratio, and higher reply speed (Wang et al., 2018),
- novelty and usefulness of products and services (Mukherjee et al., 2017),
- higher funding targets signal higher project quality (Chakraborty and Swinney, 2017),
- lower target amounts and shorter campaign periods (Frydrych et al., 2014),
- entrepreneurial moral hazard and private cost information are threats to valuable projects, and expected returns to backers should exceed agency costs (Strausz 2017),
- nonprofit organizations are authentic and transparent enough to signal their ability and willingness to accomplish the projects (Bellefamme et al., 2013).

Descriptive Statistics

Variables	<i>n=141</i>				<i>n=138</i>			
	Min	Max	Mean	SD	Min	Max	Mean	SD
Target USD	64	1,000,000	29,996	97,083	64	195,000	17,896	28,547
Founded USD	0	93,339	4,274	11,581	0	93,339	4,320	11,695
Backers	0	1,369	79	205	0	1,369	80	207

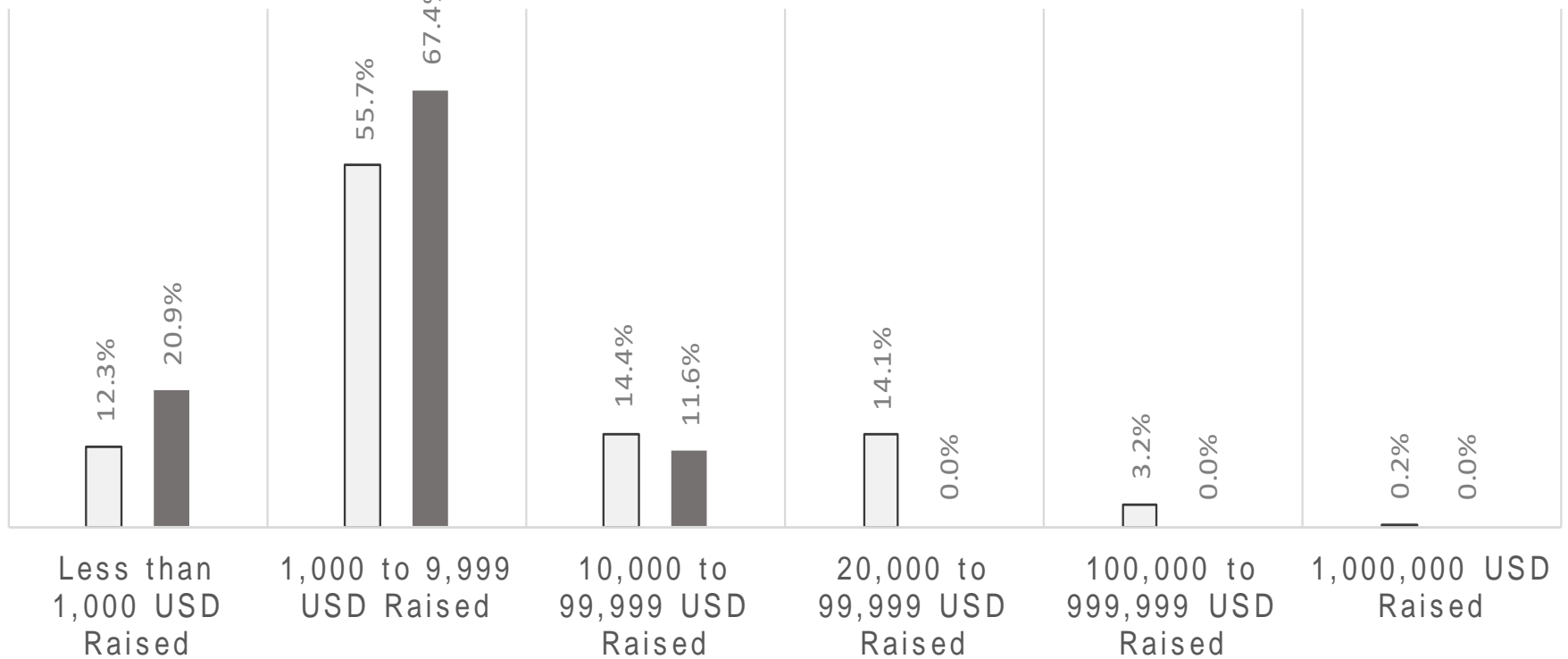
Characteristics	Kickstarter total	Hungarian campaigns
Launched projects	387,107	141
Backers	14,111,928	11,185
Successfully funded projects	137,924	43
Total thousand USD	3,475,400.0	602.7
Successful thousand USD	3,080,000.0	434.5
Unsuccessful thousand USD	378,000.0	168.2

Comparative Analysis

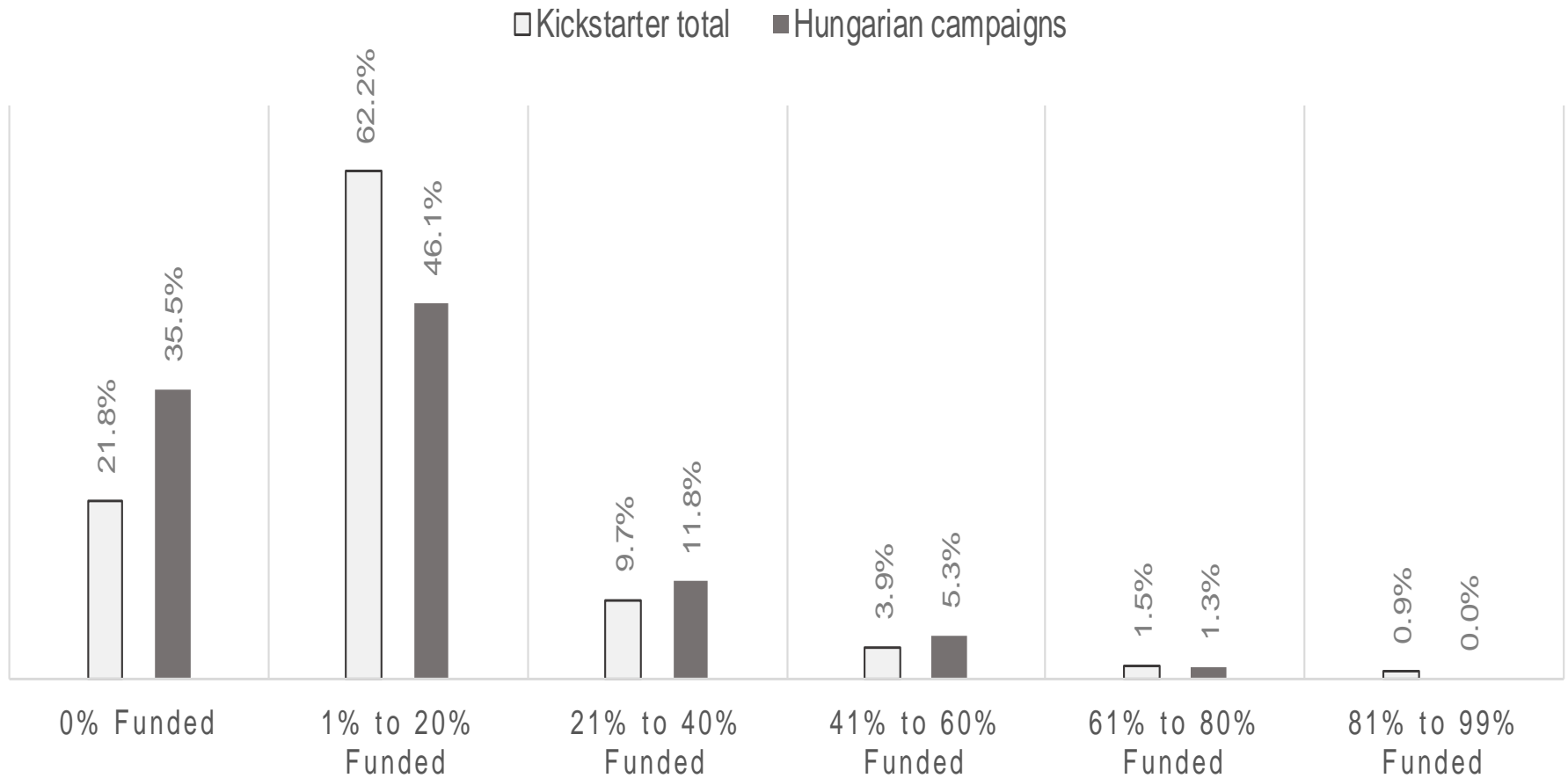


Comparative Analysis

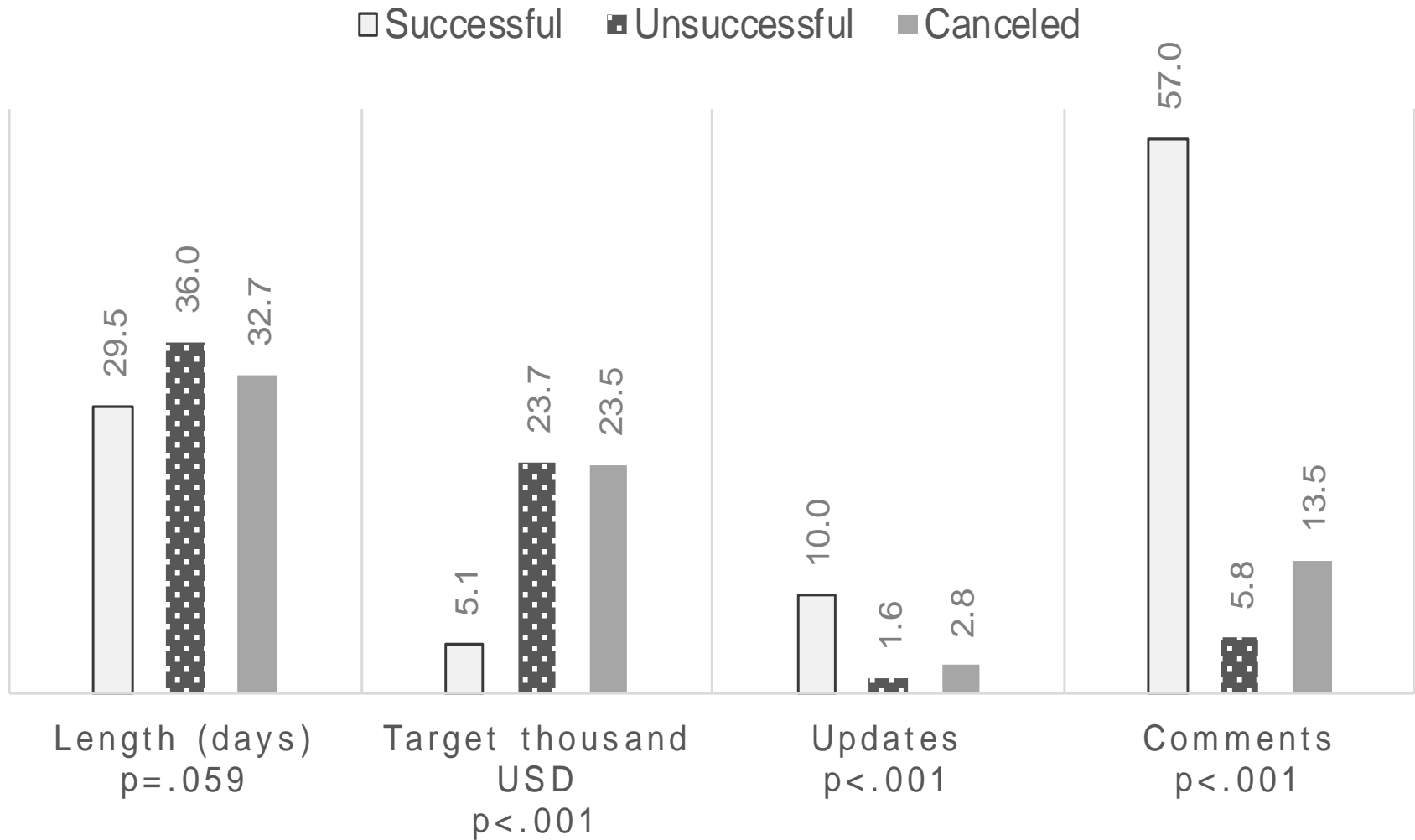
□ Kickstarter total ■ Hungarian campaigns



Comparative Analysis

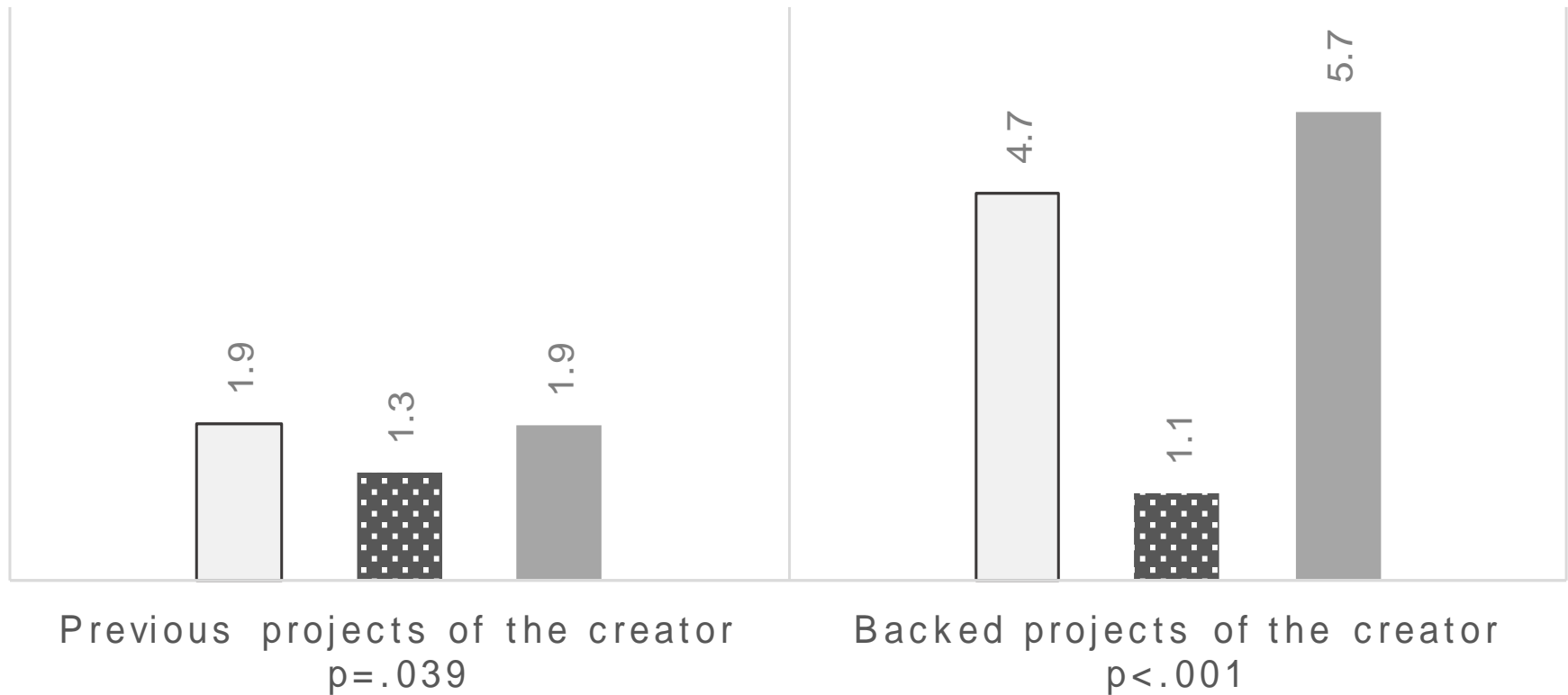


Differences of successful, unsuccessful and canceled projects



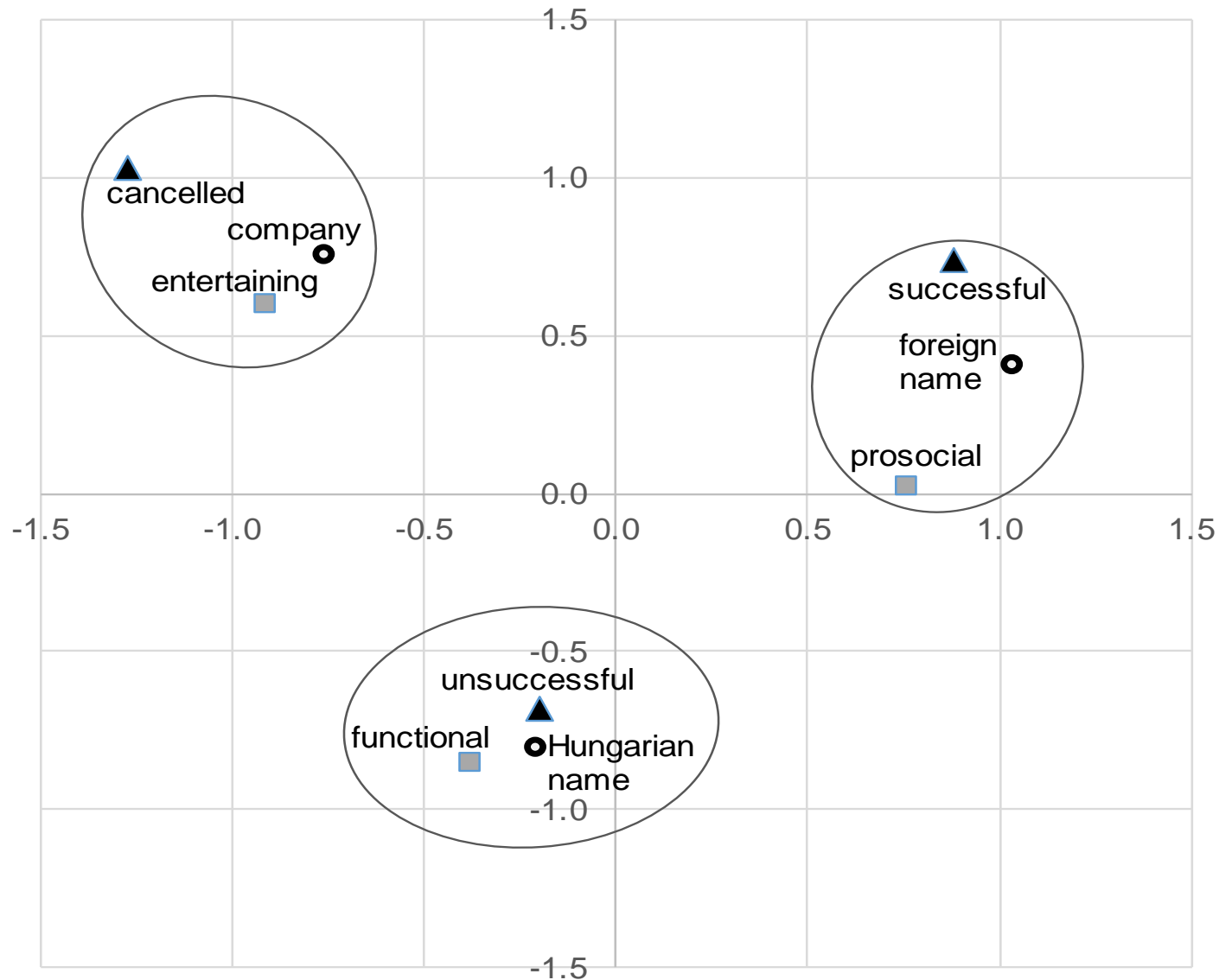
Differences of successful, unsuccessful and canceled projects

□ Successful ■ Unsuccessful ■ Canceled



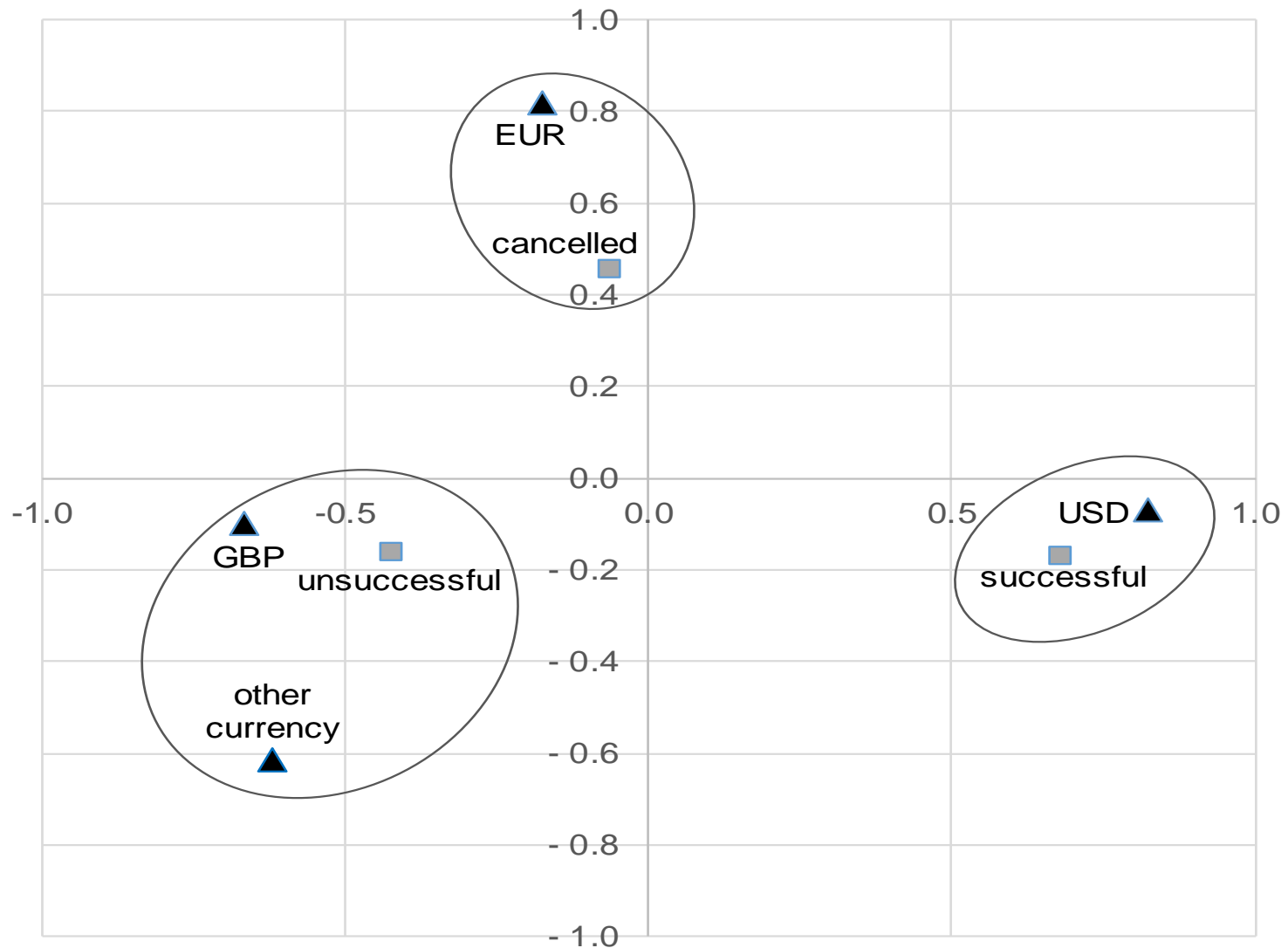
Correspondence map

outcome, creator type and category of the campaigns



Correspondence map

outcome and currencies



Conclusions

Success factors

- higher social capital of the creator, higher number of comments and updates, shorter campaign periods, and prosocial motives

Campaigns from Hungary

- main differences are in the average project target amount and the average amount offered per backer
- the average success rate for foreign individuals is around twice as much as that of their Hungarian counterparts

Thank you for your attention!



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