



- **Impact evaluation of social media on crowdfunding projects.**

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CROWDFUNDING



What is **Crowdfunding**?

- Crowdfunding is a method of raising capital through the collective effort of friends, family, customers, and individual investors.
- It's means of funding that allows individuals to make their ideas a reality with the power of the crowd.
- The funding campaign are conducted online through crowdfunding sites like kickstater.

TYPES OF CROWDFUNDING

Equity Crowdfunding

Revenue and profit sharing model for financial return

Rewards-based Crowdfunding

For Non Monetary Return

Micro crowdfunding

For Small Financial Return

Donation crowdfunding

For Sponsorship and Philanthropy

Lending crowdfunding

P2P lending & Social Lending For Financial Return

HOW TO USE SOCIAL MEDIA FOR CROWDFUNDING CAMPAIGNS

- Social Media Channels for the Project •
- Use Hashtag for Your Campaign •
- Leverage Community Through Facebook •
- Choose The Right Content •
- Track Result and Refine Content •
- Publicize Your Campaign •

Social Media Channels for the Project

- Choose the platform on which you have most number of followers.
- Track the platform which is used by the people of your community.
- Tag People who have influence in your community.

Objective of the study

- Effect of Social Media campaign on Success of Crowdfunding projects

Review of literature

- Mollick et al. suggested that large number of friends on online social network is positively associated with success. He argued that social interactions such as frequent updates bring greater success.
- Giudici et al. analyzed impact of social capital on success of a project. Asymmetry Individual social capital had significant positive effect on likelihood of success of a project and diffused territorial social capital had no significant effect on success of a project.
- Hekman and Brussee et al. The link between campaign success and social network and media activities was explored, and it was revealed that successful creators have more friends but a sparse network, and unsuccessful creators had a dense network. They claimed that a project's success is aided by sparse and diverse networks.

Result

- From this study concluded that social media has significant impact on success of crowdfunding projects.

- Correlation and machine learning approaches were utilized to investigate the influence and predictive potential of tweet messages on the financing result of a campaign. On the dataset, several machine learning approaches such as J48, random forest, and logistic regression were attempted. Among them, logistic regression fared well on the dataset and achieved an accuracy of 76.7 percent.

Conclusion

- Social Media is the most effective and important part of the success of the crowdfunding campaigns.
- Concentrate on creating attractive content and focus on educating the people on social media so that you can quickly reach new audiences.
- evaluated the effects of social network connections and the amount of messages floating on the Twitter platform on the campaign's ultimate result in the suggested study

references

- Mollick, E. The dynamics of crowdfunding: An exploratory study. *Journal of Business Venturing* 2014; 29(1):1–16.
- Giudici, G., M. Guerini, C. RossiLamastra. Why crowdfunding projects can succeed: The role of proponent's individual and territorial social capital. 2013.

