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"Crowdfunding.
Variables that play a role in backers' motivation to donate money for film projects."

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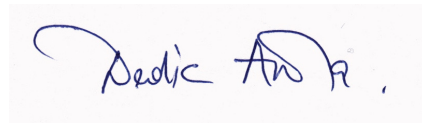
To my **parents and my sister,** thank you for your never-ending support and love for me. To my supervisor **Dr. Homero Gil de Zuniga, Phd**, thank you for your patience, your passion, your input and your help throughout these last 2 years. To **Nene and Gino**, thank you for our first brainstorming session. To **Marc**, for showing up right near the end and giving me enough strength to get to the finish line. To **Dan**, for his willingness to proofread everything I wrote. To all of my friends who called every day, who inspired me, who motivated me to get to work even on the toughest days. To all of the people that reached out to me and cheered me on and filled out my survey, to the filmmakers and campaign creators and backers, for their admirable vision of our world and fascinating ability to not give up when things get tough. To everyone, who helped me reach the finish line of this long and fruitful journey towards getting my degree. Know that you are appreciated and I am forever grateful for having all of you in my life.

Thank you.

Abstract

This paper explores the topic of crowdfunding and focuses specifically on the motivations *backers* (people who give their money) follow upon supporting different film projects on crowdfunding platforms. Using the method mix of qualitative interviews and a quantitative survey, 10 motivating factors are constructed, which are then further examined throughout this paper. The goal is to understand what exactly motivates backers to give their money and why they decide to support certain film projects over others. The paper delivers insight whether the motivations to donate for all types of crowdfunding campaigns could be applied to film oriented donations as well. From the list of 10 motivating factors, seeking rewards and being a fan of the project are the two reasons that stand out more in comparison to the others.

Keywords: crowdfunding, crowdsourcing, motivations for giving, intrinsic motivation, backers, creators, altruism, film campaigns.

Zusammenfassung

Diese Arbeit beschäftigt sich mit den Beweggründen, die Leute dazu antreiben, Filmprojekte mittels Geldspenden über Crowdfunding Platformen zu unterstützen. Ziel der Arbeit ist es zu verstehen, welche Gründe ausschlaggebend dafür sind, dass Leute bestimmte Filmprojekte auswählen und finanziell unterstützen. Des Weiteren soll hier herausgefunden werden, ob die Beweggründe für Crowdfunding Kampagnen zu spenden auch auf andere Formen der finanziellen Unterstützung für Filmprojekte zutreffen. Dafür wurden auf der Basis von qualitativen Interviews 10 Motivationsfaktoren erhoben, die durch eine quantitative Fragenbogenerhebung überprüft wurden. Die Untersuchung zeigte im Wesentlichen, dass aus einer Liste von 10 verschiedenen Motivationsfaktoren am häufigsten angegeben wurde, dass Leute bereit sind für Filmprojekte Geld zu spenden, wenn ihnen eine Belohnung versprochen wurde, oder, wenn sie selbst von dem Projekt überzeugt sind und dahinter stehen / Fan des Projekts sind.

Schlagwörter: Crowdfunding, Crowdsourcing, Motivation, Motivationen zum spenden, Intrinsische Motivation, Backers, Creators, Film Projekte.

Variables that play a role in backers' motivation to donate money for film projects.

1. INTRODUCTION

This chapter is an introduction to the master thesis. Starting with a presentation on crowdfuding, its definition and explanation of film crowdfuding, it outlines the previous findings on this topic and states the problem that is being researched. After presenting the main research question, a small overview of the structure of the paper is given together with insights into how the methodology part will be constructed.

Crowdfuding is a "process of soliciting funds from the general public to create projects or fund businesses" (Young, 2013: 14). It is a rather new fundraising method, the process of which is simple. It is based on the fact that people want to help other people. People want to support the projects that they find appealing and interesting and that are emotionally or geographically close to them (Buysere et al., 2012).

Crowdfunding originated through crowdsourcing, "an act of taking a job traditionally performed by a designated employee and outsourcing it to an undefined, generally large group of people in the form of an open call" (Crowdsourcing). Crowdfunding is the financial branch of crowdsourcing. The goal of crowdfunding is to raise funds and help entrepreneurs overcome funding difficulties. Some scholars find crowdfunding to be a relatively new mechanism (Macht & Weatherson, 2014; Valanciene et al., 2013). Others are more inclined to believe that this phenomenon has been around for much longer and simply gained rapid public exposure thanks to the World Wide Web (Howe, 2008). Jeff

Howe, the first person to give crowdsourcing a definition, stated that crowdfunding has been "the backbone of the American political system since politicians started kissing babies" (Howe, 2008: 7). Internet only simplified the process. A perfect example of crowdfunding would be Barack Obamas run for presidency campaign in 2008. He raised $137 million through an online campaign that had a lot of similarities to crowfunding (Buysere et al., 2012).

Crowdfunding functions with the help of its three main actors: *project owners* (creators of the campaign), *backers* (investors or funders) and *the platforms* that work as an intermediary instance (Buysere et al., 2012). In order for the campaign to work and be successful one needs to pick the right platform and attract the right audience. Some platforms focus on creative projects, some support businesses, others help NGOs. The platforms make it possible for small businesses and entrepreneurs to raise capital in forms of donations, equity or loans (Belleflamme et al,, 2012; Collins & Pierrakis, 2012).

Academic literature on crowdfunding is quite scarce. Macht, 2014 even uses the word "non-existent" while describing its state. Mollik (2014: 1) states the following: "crowdfunding, this important and growing area of entrepreneurial activity and government action is understudied, even as both practice and policy continue to rapidly advance". The newness of this field is quite refreshing and opens a variety of possibilities for research. It also makes this one of the downsides of crowdfunding. A lack of theory and literature on the topic makes it more difficult for entrepreneurs and campaign creators to make their decisions (Valanciene et al., 2013). Until now a state of present literature consists of studies about strengths and weaknesses of crowdfunding (Bechter et al., 2011; Sigar, 2012; Ramsey, 2012; Kitchens & Torrence, 2012; Macht, 2014). A lot of the

papers present the legal framework of crowdfunding and discuss the necessary changes to the law that need to be made in order for crowdfunding to work (Sullivan & Ma, 2012; Sigar, 2012; Powers, 2012; Lynn & Sabbagh, 2012). Other studies deal explicitly with predictors of success of crowdfunding campaigns (Greenberg et al., 2013; Etter et al., 2013). It is obvious that further explorations of this field should be conducted, using what has been found as a starting point. Little has been researched about motivations of backers to invest into different crowdfunding projects. This is the topic this master thesis is focusing on, potentially making the crowdfunding much easier for campaign creators.

In recent years crowdfunding has been experiencing a certain hype in the media, especially when it comes to films. Movies like *Veronica Mars* and Zac Braff's *Wish I was here*, that have been circling in the press, have been sucessfully crowdfunded. Media presence is not the only factor showing the growing exposure of crowdfunding. Its importance is growing day by day. Today, crowdfunding is establishing itself not only as a fundraising tool for creative projects and films but also as one of the most promising tools to help develop and boost our economy. Looking at the astonishing numbers from the European Framework to Crowdfunding, Europe raised more than €300 million in all kinds of crowdfunding campaigns for the year 2011 alone. The estimations for 2012 were around €2.2 billion (Buysere et al., 2012). According to the freshly and highly anticipated Massolution Crowdfunding Industry report from 2015, global crowdfunding experienced even bigger growth in 2014, reaching $16.2 billion. The prognosis for 2015 was that crowdfunding industry would double itself – reaching $34.4 billion. If the industry keeps developing with this speed by 2016 crowdfunding will have more funding than venture capital. Highlighting the importance of this fundraising method for films and creative arts is the $1.97 billion mark reached in 2014. Films and performing arts get the most support

of crowdfunding in the creative scene. They reach the third place, based by the amount of donations received, right after business & entrepreneurship and social causes. In a way films are the highlight of the creative scene (Massolution 2015CF).

Film related crowdfunding is most often reward-based crowdfunding. This type of fundraising is most common when it comes to creative projects. It works on the principal: you pledge money – you get a reward. Rewards vary from one project to another and can be monetary or non-monetary. Non-monetary rewards are usually pre-ordering or profit sharing (Belleflame et al., 2013). Research on crowdfunding has gained attention, yet very little is known about what drives the crowd to support campaigns till they are a success.

1.1 STATEMENT OF THE PROBLEM

This thesis focuses primarily on film related crowdfunding. My goal is to find out what motivates backers to support film projects on crowdfunding platforms.

The theory on crowdfunding is still in its infant stage. This is the reason why a lot of the discussion on this topic in my thesis draws upon studies of motivations in other fields. A huge block of literature presented in the theoretical part of this paper – ranges from motivations to give to charity, to donate organs and blood all the way to motivations that drive users to be active in crowdsourcing and open source. Although the context of these studies and concepts does not always perfectly fit the topic of crowdfunding, it is reasonable to expect certain similarities and the possibility of some motivations to overlap with the motivations to invest into crowdfunding of films. All of these studies

were analyzed and the most appropriate ones were selected and presented in this paper. The core of the master thesis is built around qualitative studies of Gerber et al. from 2012 and 2013. Both her studies researched motivation of individuals to use crowdfunding platforms. They were conducted in form of qualitative interviews covering motivations of creators and backers that supported different types of campaigns.

Below is the list of reasons why film related crowdfunding is the focus of this paper and why finding out the motivations of backers to support film projects is of importance:

- Crowfunding is gaining more importance day by day and is representing a promising tool for economic growth and job creation (Buysere et al., 2012). Yet, the research on crowdfunding has been scarce with a lot of gaps that still need to be explored and further studied. The aspect of motivations to use crowdfunding and support it is one of them.

- Films and performing arts get the most crowdfunding support in the creative field. Why? We don't know. Exploring the motivations of backers to support film campaigns might also give us an insight into why people support creative projects on crowdfunding in general.

- There have been no studies found until now covering motivations of backers to support crowdfunding film projects.

- The future research can fill the theoretical gaps and make fundraising for filmmakers much easier, which could lead to more successful film campaigns and boost the creative sector.

1.2 RESEARCH QUESTION

The main research question of this paper is:

- ***RQ:** What are the motivations for backers to donate money for film projects?*

I want to find out what motivates backers to give their money for films and why exactly they support certain film projects over others. A better insight into why people donate – could make all the difference for the success and the future of crowdfunded films.

In order to answer the research question mixed methods approach, "research design with philosophical assumptions as well as methods of inquiry" (Creswell et al., 2006 : 5) will be applied. A mix of qualitative interviews, followed by an online-based survey will be used. The qualitative interviews will deliver a list of motivating factors to donate for film projects. This is the base upon which the quantitative survey will be constructed. The goal is not only to explore the motivations, but also to verify if they are actually of importance if applied to a wider audience.

This master thesis will consist of 2 main parts: theoretical part (literature review, the theoretical background on the topic and the state of the conducted research) and empirical part (research question, methodology, qualitative interviews, hypotheses, quantitative survey, results analysis, conclusion and future research).

2. THEORETICAL PART

This chapter aims to present the theoretical framework of this thesis. The theoretical part of this paper is constructed of two literature blocks. First block introduces crowdfunding, its roots, its types, and its participants. It offers insights into development of crowdfunding in the USA and Europe, discusses its pros and cons, strengths and weaknesses. The first block also presents some of the crowdfunding platforms, as an example of how crowdfunding industry works. The second block describes the field of motivation: charitable giving, donor behaviour and altruism. The thesis builds upon this, exploring different motivation types, discussing different motivations people follow on different ventures. The empirically gathered data on crowdfunding is also presented in this section, with all of the studies on motivation to invest that have been published in this field until now.

2.1 CROWDFUNDING

According to Young (2013: 14) **crowdfunding** is "the process of soliciting funds from the general public to create projects or fund businesses." Belleflamme et al., (2013: 585) further explain crowdfunding as „an external financing from a large audience (the „crowd") in which every individual provides a very small amount, instead of soliciting a small group of sophisticated investors".

By itself, crowdfunding presents a radical change in how certain projects can be funded these days. Instead of pitching your idea to venture capitalists or asking friends and family for financial support, anyone can present their idea to the audience and get the

needed money to start up their project. The chances your small project will get funded are higher these days. Furthermore, venture capitalist rarely support risk averse campaigns where it is still unclear if the project will be profitable or not. The crowd, on the other hand, supports the projects it believes in.

Howe (2008) states that crowdfunding is not a new phenomenon. It can be applied offline and online. "It's been the backbone of the American political system since politicians started kissing babies. The Internet so accelerates and simplifies the process of finding large pools of potential funders that crowdfunding has spread into the most unexpected nooks and crannies of our culture" (Howe, 2008 : 7). One of the common examples of crowdfunding would be President Obamas run for presidency campaign in 2008. He raised $137 million through an online campaign that had a lot of similarities to crowfunding (Buysere et al., 2012). Crowdfunding as a phenomenon and a fundraising method is not new. But, as an industry and as a field of academic research it is still in its early stages.

Different scholars had tried to define crowdfunding – all of them detecting similar points.

1. Crowdfunding is Internet based.
2. It can be explained by using different terms – *process* (Ramsey, 2012), *approac*h (Bechter et al., 2011), *method* (Wheat et al., 2012). But its main goal is always the same – raising funds.
3. Crowdfunding connects entrepreneurs with ordinary people who would be willing to invest small amounts of money for the cause (Valanciene et. al, 2013).

2.2.1 ROOTS OF CROWDFUNDING - CROWDSOURCING

Crowdfunding takes its roots from crowdsourcing. The main idea of crowdsourcing is using the "crowd" to obtain ideas, feedback, and solutions to develop corporate activities (Kleemann et al., 2008). This term was coined by Jeff Howe in 2006 in an article for the computer magazine *Wired*. In the sidebar on his blog about crowdsourcing he offers the following definition: "Crowdsourcing is an act of taking a job traditionally performed by a designated employee and outsourcing it to an undefined, generally large group of people in the form of an open call" (Crowdsourcing).

Crowdsourcing has shown itself to be really effective and quite cheap, since the crowd is asked to perform certain work without initial payment. As well as crowdfunding, it was also made more visible with the arrival of Web 2.0 and gained its importance throughout it. Crowdsourcing is a platform for networking and it represents a radical change in how relations between firms and customers work these days. "Working" consumers are now becoming an essential part of production, taking over specific parts of production itself and giving firms essential information about consumer preferences. In the past, consumers used to buy and use products (Kleemann et al., 2008). Nowadays things are changing. We are dealing with so called "prosumers" (people who consume what they produce (Toffler, 1980) and the concept of self-service. With the rise of crowdsourcing and firms relying more and more on the consumers to carry out certain tasks and deliver content – there are different risks that come at play for everyone, both the consumers and the firms.

Studies from Dunkel & Voss from 2004 showed that consumers often lack the needed skills one expects them to have. This means that the content or insight they deliver can

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lack quality. It also shouldn't be forgotten that consumers are creating creative value for the firms while getting no benefit from it. The activities consumers outsource their knowledge to are quite varied in their range - participating in product development and configuration, in product design, setting competitive bids on specifically defined tasks, permanent open calls, community reporting, product rating, consumer profiling and customer support (Kleemann et al., 2008). The benefits of crowdsourcing for the firms are endless. According to Grün & Brunner (2002) the factors that stand most out are cost reduction, productivity gains, and increase of turnover and quality improvement.

There are different types of crowdsourcing. Crowdsourcing.org (2011) offers seven categories of it. Howe (2008) rounds them up into 4 categories where crowdsourcing can be applied:

- *Collective intelligence.*

  "Crowd wisdom generates knowledge for an organization for improvements to a new product or service" (Sivula & Kantola, 2014: 19)

- *Crowd creation.*

  Crowd participates in creation of a new product or partly implements it.

- *Crowd voting.*

  Consists of the crowd giving its opinion and ratings on ideas and products.

- *Crowdfunding*.

  Utilizes the crowd for raising capital.

Building on the definition of Kleemann on crowdsourcing, Belleflame et al., (2013: 588) offer following definition to crowdfunding*: "Crowdfunding involves an open call, mostly through the Internet, for the provision of financial recourses either in the form of*

donation or in exchange for the future product or some form or reward to support initiatives for specific purposes."

2.2.2 PARTICIPANTS OF CROWFUNDING

Crowdfunding connects following 3 parties:

- **Creators / Entrepreneurs** (people who organise the campaign and are in need of funding)

- **Backers** / **Investors** (people who are willing to back the projects up, donate money for the cause, give small contributions. They also get small rewards in return for supporting the project. One of the advantages of crowdfunding is that its backers and funders are also ambassadors of the project. They promote it to their own networks.)

- **Intermediaries** (crowdfunding platforms connecting the creators with backers). Crowdfunding platforms differ in their approach to collected money. Two different funding models are employed here: *all or nothing* or *all and more.* The *all-or-nothing* funding model, employed by Kickstarter, platform which will be presented further along in this paper, requires all funds to be returned to the supporters if the creators do not reach their stated goal. When it comes to the *all-and-more* funding model, employed by RocketHub or Indiegogo – it allows creators to keep all funds even if their funding goals are not achieved. (Gerber et al., 2013)

The success of a crowdfunding campaign is based how well the three above-mentioned parties can cooperate. "Crowdfunding can be described as a method to establish the connection between entrepreneurs, who aim to raise capital, and novel

investors, who form an emerging source of capital and are willing to invest small amounts, through internet-based intermediaries" (Valanciene et al., 2013: 41).

Crowdfunding is growing in all of its different fields - charity, music, video gaming (Bechter et al., 2011). Especially in the arts, it is becoming a go to method of fundraising (Wheat et al., 2012).

2.2.3 TYPES OF CROWDFUNDING

In 2012 Avery wrote an article for Euromoney Magazine: "The money network: Why crowdfunding threatens traditional bank lending". In the article he describes the power of crowdfunding and how it has taken off. "The exact terms are still being argued over, but estimates suggest there are now more than 500 crowdfunding platforms worldwide, with the US and UK being the most developed markets" (Avery, 2012 : 2). The growth rates of crowdfunding are establishing a technological evolution. In a way this might change how banks are doing business as well. The banks haven not changed their lending policy, it is just that banks lend money to small businesses, who have a revenue of $3 – $50 million. Crowdfunding is making a difference by helping all the start-ups with lower revenue than that. Crowdfunding is literally grabbing the attention of investors and pointing it into the right direction – showing them which projects the crowd is willing to support. But not without certain downsides. Crowdfunding industry still has to work on its weak protection of investors and business viability (Avery, 2012). In order to understand those issues one needs to be aware of different types of crowdfunding:

- **Donation-based crowdfunding**

Donation-based crowdfunding works on the principals of charity. Donations are gathered, but no rewards are given to those who pledge the money. It is usually most applied to non-profit organisations.

- **Reward-based crowdfunding**

Reward-based crowdfunding is simple: you pledge money – you get a reward. It can be monetary or non-monetary. The non-monetary reward can come in the form of pre-ordering or profit sharing. This type of crowdfunding is used for creative ventures or smaller products, most often within film and music (Belleflame et. al, 2013).

- **Debt-based crowdfunding**

Debt-based crowdfuding can be understood as a peer-to-peer lending.

- **Equity-based crowdfunding**

Equity crowdfunding allows the crowd to buy a stake or a piece of the business. (Young, 2013)

It is important to state that this paper will be focusing only on reward-based crowdfunding, since it is most common when it comes to film campaigns. Throughout the methodological part of this paper, I will also encounter backers, which supported equity-based crowdfunding. In case of *The Iron Sky*: *The Coming Race* movie (sequel to the first movie – *The Iron Sky*), backers could also buy around 10% of the Iron Sky Universe shares (Ironsky.net).

2.2.4 CROWDFUNDING IN USA AND IN EUROPE

"Although crowdfunding can take different forms, there is little academic understanding of the economic factors that determine an entrepreneur's choice of a particular form of

crowdfunding" (Belleflamme et al, 2013: 585). Nevertheless, it is still important to take note of a legal background when it comes to this field. In 2012 President Obama signed the **Jumpstart Our Business Startups (JOBS) Act.** This in a way changed the crowdfunding in the USA. In one of its sections, more known today as the Crowdfund Act – the document states that entrepreneurs are now allowed to sell limited amounts of equity to investors. Before this, "selling equity interests in companies via crowdfunding was for all practical purposes illegal under United States securities laws " (Stemler, 2013: 271). The most popular crowdfunding sites that functioned in the US before the JOBS act were the reward based ones – like Kicktarter and Indiegogo. The crowdfunding section of the JOBS Act allows campaign creators to raise up to $1 million within 12 months without registering under the Securities Act of 1933. Crowdfunding act attempts to lower down ricks by informing investors about their decisions and limiting the amount of money they can invest in certain campaigns (Stemler, 2013).

Crowdfunding is oriented to help two groups of people:

- Entrepreneurs who are trying to open up businesses
- Small business owners, who are trying to keep their businesses afloat (Stemler, 2013)

Especially in the USA, after the 2008 financial crisis, it has been difficult to get bank financing for the kind of ventures mentioned above. According to Fish (1998) when it comes to providing financing venture capital firms give out money to only a slice of U.S. companies. Crowdfunding is opening new possibilities, while still leaving it in entrepreneur's hands to decide which type of crowdfunding is best for achieving their goals.

The situation in EU is a bit different. In the EU, "currently, efficient and transparent markets cannot arise in the field of equity and loan based crowdfunding because investor protection regimes are designed for incumbent investment settings which exclude a large number of crowd funders" (Buysere et al., 2012: 21). European commission, 2013 presented the Entrepreneurship 2020 Action plan in which it invites all the European members to "assess the need of amending current national financial legislation with the aim of facilitating new, alternative forms of financing for start-ups and SMEs in general, in particular as regards platforms for crowdfunding". In 2012 crowdfunding in Europe experienced enormous growth - 65% growth in comparison to 2011, reaching $735 million (Massolution 2013 "Crowdfunding Industry Report"), In the future, crowdfunding might evolve even more so in the EU. It is being discussed as an alternative and new and promising way of fundraising.

2.2.5 STRENGTHS AND WEAKNESSES OF CROWDFUNDING.

Many scholars have looked into different benefits and drawbacks to crowdfunding and using this method of fundraising (Bechter et al., 2011; Sigar, 2012; Ramsey, 2012; Kitchens & Torrence, 2012). As every method crowdfunding has its strengths but also its weaknesses.

The literature identifies following benefits of crowdfunding:

- Crowdfunding offers a *chance to test the market.* People can see if their idea is worth turning into a business or not, if there is a target group for the product that is willing to buy it. Schwienbacher et al. (2010a) consider this trait of crowdfunding one of its biggest benefits. It is allowing its users to tap into the

knowledge of thousands of people for free giving them a better insight into how they can improve their product.

- *Accessible capital.* For people who lack financing options, crowdfunding is one of the easiest opportunities to access the needed funds. It is also the only possible option for fundraising small businesses, since bank loans are often denied due to a variety of reasons (Valanciene et al., 2013).

- *Benefit for communities.* Crowdfunding creates new job opportunities and boosts the economy. It keeps talented people in one community (Ramsey, 2012).

- *The decisions over the company & projects stay in hands of entrepreneurs. 100% control and ownership in the business.*[1] Especially when it comes to film production – so many changes get made because producers and filmmakers do not hold all of the financial power in their hands. With crowdfunding they don't have to alter their creative vision. One of the reasons why filmmakers decide to turn to crowdfunding – besides looking for financial support, is avoiding all sorts of control loss over their creative decisions. The beauty of crowdfunding is that it allows the **auteur theory** to work. "The auteur theory, which was derived largely from Astruc's elucidation of the concept of *caméra-stylo* ("camera-pen"), holds that the director, who oversees all audio and visual elements of the motion picture, is more to be considered the "author" of the movie than is the writer of the screenplay" (Encyclopedia Britannica). Crowdfunding is allowing the filmmaker, the creator of the campaign – to make all the decisions about the locations, placement, and lightning – and lets the entire film represent one voice, the auteur.

Macht et al. (2014) adds to the list of benefits of crowdfunding the following factors: provision of contacts, facilitation of further funding and involvement.

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[1] The 100% ownership is not applicable to the equity-based crowdfunding model.

When it comes to downsides of crowdfunding one needs to be aware of:

- *The administrative and organisation challenges* that go with organising a campaign. Creating and organising a crowdfunding campaigns is a huge commitment of time and effort. From promoting the project to motivating people to donate, sharing information on all the social media channels, coming up with ideas for rewards, all of this is 24/7 job.

- *Lack of guidance on this topic.* Crowdfunding is still new. Most of the things surrounding it are still being figured out in the process of trial and error. Although the World Wide Web offers a variety of useful websites and blogs, giving advice and offering guidance - many things are still in the open. Often entrepreneurs lack the needed knowledge on how to promote their campaign the right way so they could reach their core audience.

- Since the field of crowdfunding is a fresh new topic there are still certain laws that need to be made and rules that need to be established. Bechter et al. (2011), Sulivan and Ma (2012), Galwin (2012) all mention the huge *risk of ideas being stolen* as a downside to crowdfunding. Crowdfunding campaign creators might lack the needed knowledge to protect their ideas. They also lack the money resources if it came to legal hardships in court. *Weak protection of investors is* also something that should be improved.

- When the campaigns turn unsuccessful – it is hard to explain what exactly went wrong, which steps one should retrace and improve (Valanciene et al., 2013).

- Equity-based crowdfunding is also bringing a set of new difficulties to the table – setting valuations so one can decide how much equity to offer is showing itself to be a difficulty alongside with managing a large scale of stakeholders (Buysere et al., 2012).

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2.2.6 CROWDFUNDING PLATFORMS

One of the first fan funding platforms to be opened was *Artistshare* in 2003. It was a platform that "connected artists with their fans to fund the creative process of new artistic works" (ArtistShare). In 2008 platforms *Indiegogo* and *Sella Band* popped up. 2009 was the year when *Kickstarter* established itself on the crowdfunding field. Kickstarter and Indiegogo have grown to become one of the two most popular platforms when it comes to crowdfunding film projects.

The platforms usually get an application from the project owner presenting them his or her idea. Some platforms make a pre-selection of ideas, while others accept all of them. After that the project owner has to set a goal for the campaign with a certain deadline in mind and pitch his project in a video. Throughout the campaign, he or she has to make sure backers and supporters get updates about the progress of the project and funding. The backers can decide how much they want to invest into the project. Theoretically the smallest rewards start from $1 (Van Wingerden & Ryan, 2011). When it comes to reaching the set goal – some of the platforms differ in their models of how the deal with the gathered pledges.

2.2.6.1 KICKSTARTER

Kickstarter follows an *all or nothing* model – the creators have no financial obligation until the goal for their campaign has been reached. The Kickstarter page states itself that this approach is less risky for everyone. How are you going to accomplish finishing a $5000 project if you only gathered $1000? Kickstarter supports creative projects in diverse categories of art, comics, crafts, dance, design, fashion, film & video, food, games, journalism, music, photography, publishing, technology, and theater. It doesn't

allow projects that raise money for charity. The idea is that every project has to create something in the end (Kickstarter Rules).

2.2.6.2 INDIEGOGO

Indiegogo has a two-way model – *fixed funding* and *flexible funding*. Flexible funding allows creators to keep the raised money whether they hit the goal of their project or not. Fixed funding states that one can only keep the contributions if one hits the goal (Indiegogo Field Guide). Indiegogo supports a variety of projects. In comparison to Kickstarter, it is not only focused on creative arts, but also allows fundraising for charity. This is where its flexible funding comes at play. One of the perks of Indiegogo is recent partnership with *Vimeo*, a platform for high-quality video (Indiegogo & Vimeo Partnerschip, 2015). This new partnership provides all the filmmakers that crowdfund their projects on Indiegogo with a go to platform for distribution. They don't have to worry where their content will go after their films have been made**.**

Although the theory on this topic states that the "investments are merely facilitated through the platform" (Macht, 2014: 5) we shouldn't forget that both Kickstarter and Indiegogo extract certain fees for their services. Both take 5% fee and processing payment fees that range from 3 - 5 % if funding is successful.

2.2.7 CROWDFUNDING IN FILM

There are two different film production processes: one takes place within a major film studio. And then there is independent filmmaking, created outside of major film studios (Baranova & Lugmayr, 2013). Independent filmmakers face a lot of financial issues when

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shooting and producing their projects, be that short movies or documentaries or something else. What is characteristic of this field is that "potential profitability of a movie is unpredictable" (Braet & Spek, 2010: 221). It is hard to anticipate the value of movie content on its consumers. This is why it is hard to obtain financing for this field.

What is quite normal for movie industry are high up-front investments. According to Young et al., (2008) a major movie production costs around $100.3 million, of those $100.3 million - $65.8 million are actual production costs and the rest covers the marketing expenses. How is an independent filmmaker supposed to pool that amount of money? "Often they finance the production costs by pre-sales of their movie's exploitation rights to distributors or broadcasters […], which can sometimes lead to loosing the majority of their revenues " (Braet & Spek, 2010: 222). It is also important to note, that traditional movie production has been transformed through the emergence of Internet. Content is not delivered and consumed and sold in a single package as before. The Internet has changed all of those things, enabling the communication in a multipoint-to-multipoint fashion (Braet & Spek, 2010).

Film production process consists out of 4 steps: development, pre-production, production and post-production. Screenplay is created in development. Based on the screenplay, budget is arranged and crew is hired. Director, producer and screenwriter are the 3 most important positions that get filled in development phase. After the budget is arranged the movie goes into pre-production: scouting for locations, fixing the crew and the cast. This is the part where the storyboard emerges, based on the screenplay, depicting the visual shots and how the film will be shot. Production is the technical core of the film: more technical positions get filled here – camera operators, lighting operators, and sound

operators. After the movie has been shot it gets sent to post-production. At the last stage comes the distribution of the film (Baranova & Lugmayr, 2013). When it comes to independent filmmaking these 4 steps can be transformed.

Most of the steps of film production require financing. What crowdfunding offers independent filmmakers is financing through a crowd. This in a way significantly drops the filmmaker's dependency on the investor's conditions. The backers chose to support the project as it is. But in order for crowdfunding to be successful one has to attract the audience already in the pre-production. The fan base needs to be already present when the campaign emerges (Baranova & Lugmayr, 2013).

One of the tricks of film crowdfunding is that one gathers all the interesting and insightful information upon actually launching the campaign. Below are some of the interesting facts found in the Indiegogo Film Handbook:

- Ideally the 30%, the first portion of the funds comes from the support of friends and family and close acquaintances. Strangers usually get on board of a project after seeing it reach the 30%.
- 89% of the Indiegogo campaigns that reach their goal – raise another 30%.
- It is important to also calculate the costs of rewards one is offering and all of the additional fees before setting the campaign goal.
- If you are trying to make a whole movie, it is best to crowdfund it in stages.
- Best and most successful campaigns last around 30 – 40 days.
- As opposed to asking for money, it is advisable to focus more on the invitation to check out the campaign.

- If you create a sense of urgency at the last stretch of the campaign – it might pay off.

- 25$ dollar perk is the most claimed perk level when it comes to film crowdfunding.

- Crowdfunding is closely intertwined with social media. But being active on more than 5 more social media sites can be counterproductive. The ultimate goal is the interaction with the audience, and not just exposure (Indiegogo Film Handbook, 2015).

2.2.8 EXAMPLES OF SUCCESSFUL CROWDFUNDING FILM CAMPAIGNS

One of the successful examples of crowdsourcing & crowdfunding in films is *the Iron Sky* from 2012. It was directed by Timo Vuorensola and produced in Finland. *The Iron Sky* was a second film of Timo Vuorensola. The first project of his was a fan-made sci-fi parody that reached 8 million viewers on a really tight budget. Thanks to his first project he managed to gather a worldwide fanbase, which was willing to support and back *Iron Sky* later on. After the first *Iron Sky* movie, the 2nd movie from the franchise emerged. In case of *the Iron Sky: The Coming Race* (sequel to the first movie – *The Iron Sky*), backers could also buy around 10% of the Iron Sky Universe shares (Ironsky.net). This is one of the successful examples of mixing two different types of crowdfunding – reward-based and equity-based crowdfunding.

Another shiny example of the crowdfunding film field was *The Veronica Mars* movie (based on the previous TV show that run for 3 seasons before getting cancelled). According to its Kickstarter page *Veronica Mars* movie was the fastest project to reach

$1 million mark, then $2 million and it was the largest project in the history of Kickstarter ever to get made. Social media played a tremendous role in this case. It only took a few twitter posts of the leading actress to motivate the fan base of the show and make this one of the fastest campaigns to reach its goal.

Another case of an actor pitching his own crowdfunding campaign – would be Zach Braff's (famous leading actor in a TV Show *Scrubs*) movie *Wish I was here*, which was also successfully crowdfunded in record time. By the end of the first day the campaign raised more than $1million out of the $2 million mark (Baranova & Lugmayr, 2013).

Hereby I present you the second block of literature, which deals excessively with the field of motivation: charitable giving, donor behaviour and altruism. The thesis builds upon findings from these fields, exploring different motivation types, discussing different motivations people follow on different ventures. The empirically gathered data on crowdfunding is also presented in this part, with all of the studies on motivation to invest that have been published and found until now.

2.2 MOTIVATION

In the age of prosumers (Toffler, 1980) - people who do not simply just use the products, but produce certain content for free – one cannot help but wonder why. Why are people willing to sacrifice their time, their energy and effort to complete certain tasks without any kind of payment or external gratification for their work? What is the motivation behind this?

Motivation itself is intertwined with activation and motion. It can be understood as „an internal state that serves to activate behaviour and give it direction" (Anagnostaras, 2010: 261). According to the self-determination-theory (SDT) by Deci & Ryan (2000) there are two types of motivations - **extrinsic** or **intrinsic** motivation.

- "An extrinsically motivated person performs an activity in order to obtain some kind of external reward" (Kleemann et al., 2008: 21). Extrinsic motivation usually follows some kind of external motivator. Usually these external factors come in terms of "promised reward, praise, critical feedback, deadlines, surveillance, or specifications on how the work is to be done" (Amabile, 1993: 189). It can be regulated on different levels and shows itself in form of incentives when it comes to crowdfunding offers.

- An intrinsically motivated person would perform a certain task for himself, following the natural curiosity. Intrinsic motivation can be described as "inherent tendency to seek out novelty and challenges, to extend and exercise one's capacitates, to explore and to learn [...] in the absence of specific rewards " (Ryan et al., 2000: 70). Usually this motivation surrounds activities that have aesthetic value or a certain challenge to them. Research has shown that intrinsic motivation, particularly when the activity is considered to be fun, is one of the main reasons why people get involved into open source and open content projects (Luthiger Stoll, 2006).

There have been a variety of studies in different fields ranging from motivations to donate blood or organs and help out charities, or give away money. The studies presented further along offer an interesting insight into the depths of intrinsic and extrinsic motivations and help us construct the theoretical base for research on motivation to support crowdfunding campaigns. Most of these studies mention altruism at some point. (Study on blood donation from Otto & Bolle, 2011; Study on altruism, gift giving and reciprocity in organ donation from Sharp & Randhawa, 2014; Study on charitable giving by Echazu & Nocetti, 2015; among the few presented further along).

2.3 ALTRUISM

Auguste Comte, French philosopher and founder of the discipline of positivism, defined altruism as an ethical duty, "the placing of others above self, of their interests above one's own; living for others" (Campbell, 2006: 359). Comte condemns in his writings selfishness and high regard for oneself. "The being, whether man or animal, who loves nothing outside himself, and really lives for himself alone, is by that very fact condemned to spend his life in a miserable alternation of ignoble torpor and uncontrolled excitement" (Comte, 1973: 565–56).

The term altruism has been widely debated throughout the years and it acquired a variety of weaker definitions than the one presented by Comte. From the writings of Bass (2006, 331) under altruism is understood that: "the interests of others matter in their own right, apart from the way they might impact upon one's own interests, and therefore that, in varying degrees (depending upon the thinker and his other commitments), it could be appropriate, desirable or morally required, on some occasions to act on behalf of others, even at some cost to one's own interests". John Stuart Mill had a hard time accepting the definition of Comte and while he was not rejecting the concept of altruism altogether, he was criticizing it for completely ignoring the individual's needs. "We should endeavor not to love ourselves at all. . . All education and all moral discipline should have but one object, to make altruism predominate over egoism" (Mill, 1865: 138–39). The definition of Comte was a definition of altruism that was pure in its form. Herbert Spencer argues that this kind of form of altruism does not exist. "To make pure altruism possible for all, each must be at once extremely unegoistic and extremely egoistic. As a giver, he must have no thought for self; as a receiver, no thought for others" (Spechen, 1978: 262). Number of studies has found that doing something for somebody else is often driven by self-interest (Piliavin et al., 1981; Cialdini et al., 1982). Thomas Nagel, famous

philosopher, gives a slightly different definition of altruism (1970: 79): "By altruism I mean not abject self-sacrifice, but merely a willingness to act in the consideration of the interests of other persons, without the need of ulterior motives". The act must be directed in the consideration of others without any other ulterior motives. Meaning that they can be present, but they mustn't be the only things motivating the person.

Altruism is interconnected with empathy, the capacity to relate and be affected by emotional state of the other. It is also behavior that is hard to capture. Experimental projects have tried focusing on altruism by eliminating every other ulterior motive that could be considered selfish. Could it be that certain motives exist alongside altruism and compliment it? (Andreoni et al., 2008).

There are three different theoretical approaches to understanding what is altruism: the egocentric, the alter-centric and the egoistic approach.

- **The egoistic approach:** Altruistic action is offered when there is a future benefit for the one offering it. In a way, it is hard to call this approach altruistic at all. It stems from theory of "reciprocal altruism" from biology that focuses more on an individual. This approach can be applied to crowdfunding as well. Supporting a certain campaign for the rewards or future benefit.

- **The egocentric approach** notes that there are certain individuals whom the person wants to benefit. The more in proximity these individuals stand to the altruist, the more intense is the wish to act altruistically towards them. "Aside from the Darwinian paradox of the survival of the altruist, the altruist in Becker's model helps the other because the utility function of the other is embedded in the

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altruist's. The altruist, through emotional proximity, derives pleasure not because the other is assisted but rather because the other's pleasure is already part of the altruist's utility" (Khalil, 2004). This approach overlaps with the thesis of kin selection advanced by Hamilton in 1964. The idea is, that the gene acts to enhance not only the reproductive chances of its own, but also of its siblings and cousins. The altruistic behavior of the subject is directed mainly toward his or her relatives. This can be observed in crowdfunding as well. Ideally the 30%, the first portion of the funds comes from the support of friends and family and close acquaintances.

- **The alter-centric approach** is based "on the idea that individuals tend to show pro-social behaviors, including those of pure altruism, due to the existence of a "moral gene"" (Paolilli, 2009: 61). Certain emotions that exist and are preconditioned in us make us more considerate towards the others. Batson (1991) states that empathy is the main emotion upon which altruism is built upon. (Khalil, 2004).

The acts that are often observed as altruistic often follow a list of different motives:

- **Income related altruism**. "IRA is the most frequently used theoretical model where the dictator's utility is influenced by the beneficiary's income" (Otto et al., 2011: 558). Basically, a dictator gives part of his income to the beneficiary. The less income the beneficiary has, the more the dictator is inclined to give.

- "**Warm glow**" (mentioned in the study from Andreoni, 1990) describes the happy feeling one gets from giving. Giving improves the self-perception of the giving person. Sometimes this happy feeling is more set into the category of self-interest, as opposed to being altruistic.

- **Reciprocal altruism** (Levine, 1998; Cox et al., 2007) close with the concept of

reciprocity and relevant for prolonged relationships.

When people volunteer or donate money to charity, there are a lot of motivations they follow besides altruism.

2.4 CHARITABLE GIVING

Charitable giving has been often explained as something a person would do in his own self-interest, in order to gain a certain "warm glow" response that comes as a reward (Andreoni, 1990). Other scholars like Olson (1965: 60) explained motivations for charitable giving by "a desire to win prestige, respect, friendship, and other social and psychological objectives". Becker (1975:1083) also noted that " "charitable" behavior can be motivated by a desire to avoid scorn of others or to receive social acclaim."

In general, motivational factors for giving include happiness (Liu et al., 2008), guilt (Cialdini et al., 1981), identity (Aaker et al., 2009), and emotions of sympathy and empathy (Rick et al., 2007). There also seems to be an interpersonal connection between giver and the person, who is requesting the money. The study from Liu et. al from 2008 showed that people would donate a higher amount of money if they were first asked the time they would like to donate, opposed to the amount they would like to donate.

When it comes to gift giving, besides craving the "warm glow" feeling one gets from it, two more motivators showed themselves of importance - demand for a social approval and status. After all humans are social beings and a lot of their lives resolve around social relationships and maintaining their social image (Van de ven, 2012). Giving and the "warm glow" one gets from it tend to increase the closer the recipient is to the giver or

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when subjects communicate or ask for help (Xiao & Houser, 2005; Andreoni & Rao, 2011). This would be consistent with the idea of maintaining a certain self-image and social-image one has to present to the receiver. Generosity and giving can be both voluntary and involuntary, where the giver feels obliged to help due to social pressure, trying not to let down the expectations of the others (Andreoni et al., 2011; Dana et. al., 2006). The study of Andreoni from 2011 showed that the communication between giver and receiver was enough to increase the willingness to donate. People tend to give when they are motivated "by self-esteem, public recognition, satisfaction of expressing gratitude for one's own wellbeing, and relief from feelings of guilt and obligation" (Hibbert & Horne, 1996; White & Peloza, 2009). Feeling of "making a difference" also plays a role in charitable giving (Duncan, 2004).

Charitable giving and social cooperation are the precedents of crowdfunding. The difference is that crowdfunding extends the model of simple money collection. The money is invested to obtain a return, financial, or sometimes an intangible one (e.g. status, social esteem, identification) (Ordanini et.al., 2011).

2.5 DONOR BEHAVIOUR

Organ donations are considered purely altruistic. After all, organ donors have little to gain by donating organs after their death. Their action is purely empathic, understanding the needs of others who are in dire need of a healthy organ, a chance for a second life (Morgan & Miller, 2001). This leaves us back to the intercorellation of altruism and empathy, being able to relate with somebody else's suffering. "Empathy has been established as an important antecedent of various helping behaviors; thus, dispositional empathy is likely closely tied also with people's willingness to donate organs" (Wilczek-

Rużyczka et al., 2014: 2506). The studies of Batson (1991; 1988) differentiate between two types of empathy – altruistic empathetic concern, following the wish to reduce somebody else's suffering and egoistic personal distress motivation, oriented to reduce the negative feeling one gets upon witnessing somebody else in pain. The empathy-altruism hypothesis states that empathy is one of the primary explanations for altruistic deeds.

Repeated blood donors are usually motivated by altruistic tendencies. Studies researched how the willingness for blood donation would change, if a certain financial compensation was offered. Some scholars suggested that the financial compensation might decrease the willingness to donate, diminishing the altruistic goals of the donors. Donating also enhances the self-esteem of the donors (Szymanski et al., 1978). Offering a financial reward might diminish that. A study of Bednall and Bove (2011: 324) indicated that "blood donors referred to personal values as a source of motivation to donate, with the most common being a sense of obligation to donate (personal moral norms) and less often being religious beliefs." Donors also cited reciprocity, feeling good about themselves after the donation, satisfying the curiosity about the process and getting incentives as additional motivators (Bednall & Bove, 2011).

When it comes to blood donations, people rarely care who the recipient of their blood is. With the organ donation, the willingness to donate to close others and family opposed to complete strangers increases. Actual motivations also differ based on the relationships. The motivation for organ donation can be purely altruistic when helping close others, and can be egoistically motivated when helping strangers (Maner & Gailliot, 2007). 93% of the body donors indicated the desire to be useful after passing away, 49% considered this

an act of gratitude to the medical science, whereas 15% were motivated by their negative attitude towards funerals (Bolt et al., 2010). Ferguson et. al. (2007) on the other hand indicate a wish to help and getting a personal reward as main motivations for organ donations, as opposed to altruism. It seems that altruism is more of a rationalization than a motivation, when it comes to pro-social driven behaviors (Goncalez et al., 2008). Seldom is any gift, any donation purely altruistic and selfless. Every activity has underlying motivations and they are all intertwined with each other.

2.6 MOTIVATIONS FOR CROWDSOURCING AND OPEN SOURCE

The crowds participating in open sourcing and crowdsourcing are motivated by such things as learning, direct compensation, self-promotion, and social benefits (Leimeister et al., 2009). It is important to note that open-source and crowdfunding differ from each other. In the case of open source – the recourses belong to the community that developed them with no restrictions on the use. With crowdfunding, the resource belongs to the firm and the firm is the only entity who is allowed to use it (Belleflame et al., 2013). Crowdfunding would not be able to function without the online social community that supports its campaigns. Some of the motivations on contributing to online communities include desire for knowledge; desire to improve the society, social standing, peer companionship, approval or desire to be autonomous (Kraut et al., 2008). Researchers have found that supporters of online philanthropy & online campaigns usually support different campaigns because of feeling of empathy towards the cause (Rick et al. 2007). Other factors that are included here are: hope of strengthening the social identity (Aaker and Akutsu, 2009) and feelings of guilt (Cialdini et al., 1981).

2.7 MOTIVATIONS TO SUPPORT CROWDFUNDING

One of the advantages of crowdfunding is that the backers of the projects turn into its ambassadors. They help promote the project on the market engaging their own network throughout the process. Backer is "somewhat entrepreneurial person, with a certain appetite for excitement, in as much as he or she understands the potential of the project and has the intrinsic urge to be a part of the group that is going to make it happen" (Buysere et al., 2012: 9). Backers often follow a certain emotional return, where the most important thing is not gaining back something financially. More important is the engagement in a promising project. This emotional engagement and interest in the project sets the backer in the same spot as the entrepreneur. "The users' direct influence and financial support become key factors in the successful delivery of the final offering with regard to value creation – the user becomes a co-creator" (Buysere et al., 2012: 19). In this way, crowdfunding changes how we see the consumers. The consumers do not simply use and buy the products and services. They co-create them.

In their Framework For European Crowdfuding, Buysere et al. (2012) state three different motivations for wanting to support crowdfunding:

- **Social Return**

With social return backers follow purely intrinsic motivation. It is not about getting something in return. The backers are already happy if they see that the project they supported could be realised. Usually this is applied to donation - based crowdfunding.

- **Material Return**

With material return backers get rewards or products for their engagement. This type of motivation is usually associated to pre-sales crowdfunding or rewards based

crowdfunding. Sometimes the value of the reward can be much higher than its economic value – the backers can be rewarded with something personal.

- **Financial Return**

Some of the crowdfunding campaigns can be seen as a form of investment, especially when it comes to loan or equity-based crowdfunding.

2.8 EMPIRICALLY GATHERED DATA ON CROWDFUNDING

When it comes to research about crowdfunding the academic literature in this field consists of a small number of published articles. "Owing to the newness of this funding source, little is known about it and entrepreneurs, who are thinking about using crowdfunding, have only a very limited amount of literature at their disposal on which to base their decisions" (Macht et al., 2014: 2).

There have been studies, which dealt with benefits and drawbacks to crowdfunding (Macht, 2014). Other studies dealt explicitly with success predictors. (Greenberg et al., 2013; Etter et al., 2013). The study of Mitra and Gilbert from 2013 focused on the language used to describe campaigns and worked on predicting which phrases brought success to Kickstarter campaigns. What it found was that language has a enormous predictive power – "accounting for 58.6 % of the variance around successful funding" (Mitra & Gilbert, 2013: 49). The study was built around the idea of reciprocity, sense of obligation to return a favor, a present after receiving one (Cialdini, 2001). Another aspect that has been researched was geographic proximity of investors and its reduced role in crowdfunding (Agrawal et al., 2011; Mollick, 2014).

Another interesting field that crowdfunding has emerged into – is journalism. According

to the results, journalists appreciated the connection the crowdfunding offered to the audience. But they didn't see the point in promoting the stories well before they were actually finished reporting them (Aitamurto, 2011). With the help of crowdfunding certain investigative journalistic stories were born, that would not exist otherwise due to the lack of finances in the field of investigative reporting. "In a crowdfunded model, it is not enough that a journalist has an awesome story topic, since he or she also has to be willing to raise awareness of the story to get donations. The journalist is supposed to take responsibility of the whole journalistic process, including marketing the pitch and convincing the community about the importance of the story topic" (Aitamurto, 2011: 437). The motivations of donors upon supporting journalism stories were altruistic of sorts. "Donors perceived contributing as one way to make a difference, a way to try to resolve a problem such as pollution, societal inequality, or governmental corruption. They saw the story as a potential route to making a change for the better in their society, the better being towards to a state according to their values" (Aitamurto, 2011: 440).

Interesting findings were delivered through the study of Sorensen Inge from 2012. *"Crowdsourcing and outsourcing: the impact of online funding and distribution on the documentary film industry in the UK"*. It states that there has been a decline in documentary budgets in UK, so producers are looking to other ways to fund their documentaries. But finding other ways to raise funds, using crowdfunding, will also have a certain influence on the content that is produced: "An online financing market suspended between ad hoc funding and long-term recuperation has consequences for the documentary industry, the kinds of documentaries made, the topics they explore and the

ways in which they are produced. Size, name and brand recognition matter" (Sorensen, 2012: 726).

But the main field of focus of this paper remains with the studies on crowdfunder's motivation to invest.

2.8.1 STUDIES ON CROWDFUNDER'S MOTIVATION TO INVEST

Since theory on crowdfunding is more or less non-existent, the discussion on motivations to support and be part of crowdfunding draws upon studies of motivations in other fields. After focusing extensively on altruism, willingness to donate and give, presenting intrinsic and extrinsic motivations for those activities, it is now time to focus on what has been found about motivation to invest in the field of crowdfunding itself.

When it comes to investing, backers are often more interested in supporting a specific cause, as opposed to getting a reward (Aitamurto, 2011). According to Lambert and Schwienbacher (2010), 22% of the backers do not get any kinds of rewards whatsoever for their pledge. Yet the other 78% do get rewarded for their contribution in the form of equity, cash or opportunity of their name associated with the investee or the product.

A study of Ordanini and others from 2011, reported on three different driving factors upon supporting crowdfunding – desire for patronage, "a feeling of being at least partly responsible for the success of others' initiatives", desire for social participation or a monetary payoff" (Ordanini et.al., 2011: 461).

Lambert and Schwienbacher (2010) suggest feelings of personal gain and social

reputation as additional motivations to donate money. Wingerden and Ryan (2011) suggested a certain bandwagon effect in the motivation of backers, when the backers take into consideration what other investors are doing.

Lamber and Schwienbacher (2010) also stated that when it comes to more success in crowdfunding non-profit-organisations tend to get more money as opposed to businesses. The study from Belleflamme et al. (2013b) proved the same result showing the above average success of non-profit-organisations in crowdfunding.

The main empirical findings upon which this master thesis has been built have been delivered through the qualitative studies of Gerber from 2012 and 2013. Both researched people's motivation to use crowdfunding platforms - for both project creators and for the backers that support the campaigns. The studies have shown that the creators use crowdfunding to:

- Raise funds

- Receive validation

- Establish relationships, form connections

- Replicate successful experience of others

- Expand awareness of one's work

The second study from 2013 added additional motivating factors for creators to use crowdfunding:

- Gain approval

- Maintain control

- Learn new fundraising skills. (Gerber et al., 2013)

Backers on the other hand use crowdfunding to:

- Collect rewards

- Help others

- Support creators and causes

- Engage and contribute to a trusting and creative community. (Gerber et al., 2012)

The study also shows a variety of important insights. For example, backers must feel as a part of the community and part of the crowd in order to invest into projects. Crowdfunding offers that "feeling of connectedness to a community with similar interests and ideals" (Gerber et al., 2012: 1). Backers are also motivated to raise funds for something that meets with their values and their identity. Another proof of identity influence – is the willingness to support campaign creators by helping them out financially (Gerber et al., 2012).

An empirical study into the field of crowdfunding by Zhang (2011) discovered following 5 reasons why people participate in crowdfunding activities :

- the opportunity to support an attractive idea or the producer they know;

- the altruistic intentions for funding the project;

- the opportunity to help others realize dreams;

- the reward-oriented intentions of crowdfunders;

- the reciprocity and cross investment between project creators and crowdfunders. (Zhang, 2011: 27)

In their report and snapshot of Australian crowdfunding market, Klaebe & Laycock (2012) indicated following motivations of backers to support crowdfunding campaigns.

- Knowing the person

- Desire to help creative people

- Creative belonging (possibility of emotional investment)

- Engaging in cultural production

- Social kudos (sense of pride)

- The perks

3. EMPIRICAL PART

This chapter presents the empirical part of this paper. It introduces the main research methodologies, including in depth qualitative interviews, online-based survey, qualitative data analysis and statistical analysis of the quantitative survey.

3.1 RESEARCH QUESTION

The main research question of this paper is:

- *RQ: What are the motivations for backers to donate money for film projects?*

In the process of answering this question, we will also gain insight whether the motivations of backers to donate money for all kinds of crowdfunding campaigns overlap with motivations to support film projects. Based on the research of Gerber et al. from 2012 the 4 main motivations backers follow upon supporting different crowdfunding campaigns are:

- Seeking rewards

- Supporting creators and causes

- Help other

- Engaging and contributing to a trusting and creative community. (Gerber et all, 2012:)

3.2 METHODOLOGY

Methodology is defined as "tools and techniques that are used in the process of inquiry" (Mir & Watson, 2000: 944). In educational research it is important to characterize the research design to be either qualitative, quantitative or a mix of both methods. "In one study, research design may reflect the entire research process, from conceptualizing a problem to the literature review, research questions, methods, and conclusions, whereas in another study, research design refers only to the methodology study (e.g. data collection and analysis)" (Harwell, 2011: 148).

Research question is a driving force when it comes to picking out the right research design. In order to answer the research question, this thesis used a mixed methods research, combining both qualitative and quantitative methods. Participants motivations to back up film campaigns were assessed through in - depth qualitative interviews, followed by an online survey. The survey was based on the information obtained with the help of the qualitative interviews.

3.2.1 MIXED METHODS APPROACH.

"Mixed methods research is a research design with philosophical assumptions as well as methods of inquiry" (Creswell et al., 2006: 5). The name established itself thanks to the Handbook of Mixed Methods in Social and behavioural research by Tashakkori &

Teddlie (2003). Mixed method works with both qualitative and quantitative data. It combines them in a way that bridges the differences of these two approaches. "The fundamental principle of mixed methods approach research is that multiple kinds of data should be collected with different strategies and methods in ways that reflect complementary strengths and non-overlapping weaknesses, allowing a mixed methods study to provide insights not possible when only qualitative or quantitative data is collected" (Harwell, 2011: 151). Mixed methods is using the best of what is given and rather than restricting the researcher's choices, it allows us to expand the research.

Qualitative research allows a detailed exploration of a topic. The information is usually collected through interviews, ethnographic work, and case studies. This type of research is usually inductive – the researches might come up with theories and hypotheses after gathering the information provided by the participant. This approach also has a few of its downsides. The researcher cannot completely forget his or hers experiences and opinions, and therefore he or she cannot be completely objective. In comparison to qualitative research, quantitative research focuses on objectivity, replicability and generalizability of findings. It uses instruments of data collection and relies on previous presented theory to test the set out hypotheses. This approach is deductive in nature, aiming to make general statements that can be applied to a wide population (Harwell, 2011).

Although qualitative and quantitative methods can be easily compared, there is no widespread agreement of what mixed methods consist of, when the mixing of methods occurs and what mixed methods must haves are (Morse, 2010). Yet there are a number of frameworks that try categorizing the research design in mixed methods. One of them is the framework of Creswell (2003). He describes 6 mixed methods research designs. One

of them is the *sequential exploratory design,* on which this thesis is based upon. In this research design, the quantitative data is used to complement qualitative results. The goal is to enhance the generalizability of the data. Perfect example for this would be the following: "A researcher explores how individuals describe a topic by starting with interviews and then uses an analysis of the information to develop a survey instrument that is administered later to a sample from a population" (Creswell, 2006: 11). The qualitative insight is gathered after which follows the quantitative section, which aims to extend the already gained information and complement it (Harwell, 2011).

As it was mentioned previously, research question is the driving force when it comes to picking out the right research design. Mixed methods approach was offering the best way of studying the problem, while not restricting the process. "By mixing the datasets, the researches provides a better understanding of the problem than if either dataset had been used alone" (Creswell, 2006: 7). Since this thesis focuses on the topic of motivations, which is quite difficult to categorize, it was important to use the method that would allow certain freedom to be "practical" to use all the methods needed.

Since there was no previous theoretical background or any empirical findings discovered on the motivations of backers to donate for crowdfunding film campaigns it was important to gain insight and explore this field first. The goal of 11 in-depth semi structured interviews was to find out what could be the possible motivating factors for backers to donate their money for film projects. The questions for the interviews were loosely based on the findings of studies that dealt with motivations to invest for all kinds of crowdfunding campaigns. An insight into altruism and understanding of motivations to

donate money for different types of causes were of tremendous help. After extracting the possible motivating factors, I wanted to verify these motivations and see if they could be applied to a wider audience. The quantitative method helped extend the already gathered information and verify it. Hereby I present you each step of the way of my research.

3.3 IN-DEPTH QUALITATIVE INTERVIEWS

Eleven qualitative semi structured interviews with people who have donated their money to crowdfunding platforms for different films projects were conducted. The 11 people were found through the social media channels of Twitter and Facebook. All 11 participants came from different backgrounds and followed different motivations upon supporting film campaigns. In-depth qualitative interviews are an inductive method of research. They offer the possibility to observe and draw certain conclusions at the beginning of the research. This type of research "involves the search for pattern from observation and the development of explanations – theories – for those patterns through series of hypotheses" (Bernard, 2011: 7). The interviews were especially useful because they helped discover links between variables and the willingness to donate. Interviews were conducted in written form with the help of Facebook chat. The participants were asked to take around 30-40 minutes out of their daily schedule, log in to Facebook and be actively responsive. Ideally, participants would answer the questions in the normal conversation pace, making it possible for me to ask additional questions.

All of the interviews followed the same basic construct. Every interview established its individual pace. The interviews were semi-structured. On some occasions additional unplanned questions were asked to understand participant's motives better. All interviews were constructed out of the 3 blocks:

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- First block dealt with questions that established whether participants ever backed up a crowdfunding film campaign. The goal was to gather information about the campaign that the participant supported or was supporting at the moment.

- Second block dealt with the categories and variables that could influence the participant's choice to pick this specific campaign to support.

- Third block rounded the questions up. The main goal was to get a better understanding of the background participants were coming from and gather the information about all the sociodemographic data that could show itself of importance. The list of questions that the interviews were based on can be found in **Appendix 1.**

Every interview started with a short introduction. The participants were told that all the information they provided would be handled with anonymity. There were no right or wrong answers; the main idea was to gather as much information on the topic as possible.

3.3.1 LIMITATIONS OF THIS METHOD

Although all of the interview partners were asked to take out 30 minutes of their free time and be actively responsive, a few of them would pause the interview. Not all answers to the question were provided immediately. That made the whole interview situation more difficult and artificial. It was noticeable that the participants were having a hard time staying focused on the discussed topic. Few of the interviews went for much longer than 30 minutes (1 of the interviews went on for 2 hours). Although the interviews were not conducted face to face, they gathered thorough in-depth information about the participant's motivations to donate for crowdfunding campaigns.

3.3.2 OPEN AND AXIAL CODING

All of the 11 interviews were analysed with the goal to extract the motivating factors of the participants for supporting crowdfunding film campaigns. The motivating factors were then paired up into bigger categories. The qualitative method of open and axial coding was used. Two additional people worked on the encoding – decoding system to avoid all discrepancies. Second person read the transcripts and coded categories independently of the first coder (open coding). The third person reviewed the categories of the second coder and re-examined which statements in the interviews could be paired up with which categories (axial coding). The discrepancies between the end results of all three coders were then discussed in a group setting until all complications were worked out. The goal was to create a category system, which would be comprehensible, understandable and easy to follow. A thorough analysis of the qualitative interviews will be presented further along, together with the list of categories that originated through the encoding – decoding process. A sum of all the findings - both qualitative and quantitative - will be presented and analysed more closely in the **Results & Discussion** of this paper.

3.3.3 ANALYSIS AND THE INTERPRETATION OF THE OBTAINED DATA.

INTERVIEW 1

Fanbase

The first interview partner turned out to be a fan of the projects she supported on crowdfunding. Both of the campaigns she supported had her favourite actors in them. That was also one of the reasons how she stumbled upon the campaigns in the first place.

Rewards

Another important motivation was the rewards. They weren't personal. But the appealing

factor to them was that only the backers of the campaign could get them. The amount of money donated ($45) matches the specific rewards the participant wanted to get – certain "pay for what I want to get" behaviour.

- *"Not really if I am not interested in a reward from it I don't really have much interest. Plus if it doesn't have any of my faves in it I am unlikely to know it is even happening."(Line 91 – 92)*

Being part of something

Regular updates about the progress of the movie were not that interesting, but they did make our participant feel more involved and part of something bigger. 1st interview partner donated to the campaign that already reached its goal – and mentioned on a more than few occasions "how cool it was to be part of something that broke all sorts of records" (According to its Kickstarter page Veronica Mars Movie was the fastest project to reach $1 million mark, then $2 million and it was the largest project in the history of Kickstarter ever to get made)

- *"It definitely has a feeling of being part of it, of helping your favorite people do what they love and helping them make a small difference" (Line 86 -87)*

Social Factor

Interview partner mentions that her social media blew up with this campaign and everyone was posting about it. Two of her friends also donated for it. It's unclear if the social and peer factor was an influence on her donating behaviour, but it certainly grabbed her attention. Social factor also includes supporting a campaign of a friend even when one is not interested in the product itself.

Idea / Theme of the movie

Usually the person who donates has to have some interest in the genre and the theme of movie. For the first participant that factor came third on the list of motivating factors.

The 2nd interview participant followed altruistic motivations upon donating. There was no interest in the rewards, there was no notion that the participant was a fan of the campaign before. The core motivation based itself on a wish to help out a campaign, which needed funds as soon as possible because otherwise they wouldn't be able to make the movie. The movie already had ¾ of the funds.

- *"I think their disclaimer full on stated they needed the money to shoot within a specific time frame asap since their lead actress was getting deported or something." (Line 136 – 137)*

Idea / Theme of the movie

The participant found the matter of the movie hilarious and super appealing. This was the main reason to back this project up. The genre and the fact that it was a short film – didn't play a role here, although the participant said it was unusual for him since he doesn't like short films at all. Still the participant describes his decision to donate more of an impulse one. But overall – *"It seemed fun. I had the money, wouldn't hurt me much to throw 10 bucks like I would to give it to a homeless man." (Line 180 – 181)*

INTERVIEW 3

The 3rd participant of the study backed up an independent feature film. She donated $20 by the time the campaign was already over to cover for "stretch goals" – money to cover fees for film festival. Her 4 main motivations fit into these blocks:

Social factor

The participant knew the creators of the campaign personally and wanted to help them out.

Idea / Theme of the movie

She has already seen their previous work – she liked it and she was really curious how this feature film would turn out. She also considered this motivating factor to be one of the most important ones – of course if she didn't know the people she wouldn't have stumbled on the campaign at all – but if she didn't like the project for what it was – she wouldn't have decided to donate for it.

- *"It was very indie, weird, Wes Anderson like. Something that I like. It takes up this very detailed and loving perspective to life." (Line 266 – 267)*

Rewards

Rewards also played a role here.

- *"With Kickstarter – the main idea is you are going to get something from it. Not only am i gonna be able to download the film, i am gonna be credited with my full name and a link to what they called "a DOWNLOAD of the ORIGINAL, NEVER MEANT FOR HUMAN EYES SHORT film by Kevin Sullivan which sparked Chapter One's conception" (Line 253 – 258)*

INTERVIEW 4

For the 4th interview partner – **the idea of the movie (theme/ genre)** and **the rewards** played the biggest role upon donating. Interestingly though, the participant found the idea so interesting that he backed the project (40$) in the beginning when it was completely unclear whether the movie would be made or not. He is the second participant to describe his decision to back a project up as an impulsive decision.

- *"To be honest, it was an impulsive decision. I just saw another trash movie a couple of months back then and I was on this trashy retro movie trip. And I thought why the hell not? It looks funny and ambitious. But the movie took so long*

to make – like 1-2 yeas and I nearly forgot about it until you asked me recently if I ever donated to anything. I got regular updates via email but I lost some interest after a while. When they released the video featuring David Hasslehoff I was like "wait I donated for this movie, very nice!" (Line 366 – 372)

INTERVIEW 5

The special thing about the 5th interview partner was that I got the chance to talk to a filmmaker who already organized his own campaign besides supporting many others. His approach to crowdfunding was more business-like. The fact that he was a filmmaker – made one of his main motivations upon donating to other campaigns – helping other people out.

Social factor + Idea / Theme of the movie

As the participant said – *"You either support a fundraiser if it's a friend or if it's a cool project". (Line 406)*

Being part of something

This interview also mentioned an interesting phenomenon of people jumping up on the bandwagon and supporting a campaign that already reached its goal. (mentioned in the study of Wingerden and Ryan (2011))

Rewards

The participant mentioned the importance of personalized rewards. Upon organizing a campaign he was oriented on the social factor – friends and family and acquaintances and reaching to those as a core audience. He didn't deny the possibility of people just wanting to help out and donate to a campaign based on altruistic reasons – but he also said that these things cannot be preplanned. The participant also mentioned the difficulties upon trying to sell an idea. Crowdfunding on its own still works on the principals of altruism.

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People who understand what others are going through and would be willing to donate a small amount of money even if they don't get anything huge in return are already a step into that direction.

The 6th participant introduced another interesting variable to the set. This time I was interviewing a filmmaker who was approaching the supported crowdfunding campaigns from a technological aspect – trying to learn something new.

- *"A few weeks ago the creators posted some screenshots to a website I like to go to. The creators were describing the process in detail, which I found very interesting. Also, the screenshots looked incredible, like a high budget film, but done on a very miniscule budget." (Line 571 – 573)*

Idea / Theme of the film

How the movie looked like and what it was about played a major role in donating for the 6th participant. It seems to play a role for all the participants – it is not a main factor, people don't just look through all of the campaigns to find they one the like the most, but ultimately if they don't find it cool or want to watch the end product – they wont donate for it.

Social factor

The 2nd movie the backer donated was being made by a colleague. The participant was one of the first few people to donate to the campaign and make a promotion out of it to help his friend.

- *"The second one was an Icelandic short film one of my colleagues was working on so I decided to back it as a favor" (Line 577 – 578)*

The genres for the movie played absolutely no role for the backer. And neither did the

rewards. The participant's core wish was to see the end product.

- *"I suppose I just want to support something I can see. And by supporting something I get, you know, extra joy out of watching it - like "yeah, I'm 0,0000001% of that" and that's fun"* (Line 605 – 607)

INTERVIEW 7

7th interview participant dealt with a more complicated crowdfunding campaign that included investing and not only reward - based crowdfunding. This also slightly changed the motivations of the participant and how he approached this experience. The financing of the movie was split in a few steps:

- one crowdfunding investing campaign – the backers could buy the shares of the company, which would give every backer the possibility to earn money if the company turned out to be profitable

- one reward based crowdfunding round for making the trailer happen

- another reward based crowdfunding round for financing pre-production

- one more round that will happen in the future for the funding of the final movie.

The participant took part in the investing money in the shares of the film company and also supported the reward based round for the trailer.

Investment

Due to the fact that the participant invested in the shares of the company, he felt as part of this project - so donating money on other rounds was supporting the core idea of his quest. (Since this paper is dealing only with reward based film crowdfunding the variable of investment will not be included in the end - categories block)

Idea / Theme of the film

The participant loved the first movie and this was also how he stumbled upon the

campaign for the 2nd movie. He mentions rewards to be cool – but doesn't categorize that as a big motivation to donate. The bigger role-played the fact that this was a movie in whose company he invested in and wanted to support them fully. Still, the idea to make a profit was more of a cherry on top – the core reason was the willingness to support the project.

- *"Yep, the first motivation for sure was, they made a cool movie, they wanna do another, they're cool guys, so let's support them. On the other hand, for the crowdinvest round for their company, there also was the chance for making some financial profit by supporting some really cool guys with some money, so first only an emotional idea, followed by a somewhat strategic investment decision"* (Line 719 – 723)

But since this participant approached the campaign as a sort of investment, his research and state of update on it was excellent in comparison to all other interviewed backers. Furthermore he donated enormous 3 - 4 digits sums of money, which is way more than any other backers donated – whether altruistically or for the rewards.

INTERVIEW 8

The 8th participant was a filmmaker with one self-organized crowdfunding campaign behind him. He supported three film projects – one of them wast the film from Zach Braff. He named **the interest in the idea of the film** and **engaging people** as one of the main factors of campaign success. **Actors attached to the project** made it more possible to for the campaign to gain exposure.But ultimately his main decision to donate to other campaigns was - **helping other filmmakers out.**

- *"My motivation isn't economic. I am a filmmaker after all. So I know that this is a bloody business and the financing part during the development is the hardest part.*

Maybe it's cause we are in the same boat so I understand these people and want to help out" (Line 849 – 852)

INTERVIEW 9

Fanbase

The 9th participant was a long time fan of the Veronica Mars TV Show before supporting the Veronica Mars movie campaign. **Being a fan** and being interested in the freebies - the **rewards** were two of the main motivations to back this project up. At one point the participant mentions the feeling of **being part of something** and how happy it made her upon seeing that this campaign succeeded.

Idea / Theme of the film.

The participant mentioned the idea of the film playing an important role.

- *"Must say that is my biggest motivation, something unseen, well explained and fresh. I'd donate for that no matter the rewards." (Line 911 - 912)*

INTERVIEW 10

The 10th interview partner was a filmmaker – film producer and editor. His approach to crowdfunding differs from all of the other participants. Backing up campaigns is more of a thoroughly well thought process and sort of a hobby. In the past 5 years he backed 4 films, once per year with a big sum of money, as opposed to supporting a lot of different campaigns with small funds. He carefully picks and follows the campaigns before making the decision whether to back that project or not.

- *"I would usually follow the campaign for the first week or 10 days to see how it*

develops, not only how much of a successful start they have, but also if they seem

to care enough about the campaigns, with updates and so on. The projects I

backed up were projects I cared about" (Line 966 – 969)

Being part of something

Being part of a project was the biggest motivation to invest for this participant. It was much more about investing into an interesting project, as opposed to getting rewards or tangible objects in return. The motivations were more altruistic in this case. **Idea / Theme of the film** also played a role upon donating. The participant only supported projects he really cared about, specifically picking them out, following their progress for a few days before making the decision to back them up. This participant would also often get into contact with creators – as a way of networking, exchanging ideas.

The 11th interview partner followed **the Idea / Theme of the film** and loved what it was representing**.** She stumbled upon this campaign through her favorite artist and a quite famous feminist gamer**.** She liked the project and supported it even though it was already completely funded; following her desire to be a **part of this project.** (Jump on the bandwagon effect)

3.3.4 CATEGORIES

Through the data gathered with the help of 11 qualitative interviews and the encoding –

decoding process following blocks of motivation categories emerged:

1. **Interest in the idea**

The notion that people like and donate to film campaigns, where the product or the

project is appealing to them, interests them or they feel close to it.

2. **Being a fan**

Being a fan of the people involved in the project, fan of the prior work they made,

being a fan of the TV-show, book, on which this movie was based upon.

3. **Personal connection to the creator**

Be it a friend, a family member. It is more likely you will support the campaign if it is

a campaign of somebody you know personally.

4. **Being part of something**

The wish to be a part of something bigger.

5. **Helping others out**

Willigness to help others out, especially if they need the help.

6. **Engaging in a creative community**

Possibility to interact with creators. Networking.

7. **Rewards**

Exclusive rewards or goodies are sometimes all it takes to succeed at crowdfunding.

8. **Social Appreciation**

Acknowledgment.

9. **Connection to home**

Support for projects that have strong ties to the backer's home place.

10. Professional presentation of the campaign

Sometimes how the campaign is presented to its investors is all it takes for the backer to support it.

Another two categories that have been identified through the open axial coding were: **impulsive decision** and **supporting others based on a previous personal experience with fundraising or shooting a movie.** After thorough discussion with the 2 coders it was decided that these 2 motivations would not be put into the quantitative survey. The 2nd motivation had really strong ties with the motivation of **helping others out.** The impulsive decision was not much of a motivation as more of description of action. All in all qualitative research showed that 12 motivations could be extracted from the information that was gathered – however to avoid the risk of including to many parameters in the study and avoiding the risk that the model is biased because of the overestimation of its parameters – I decided on the 10 most important factors.

3.3.5 HYPOTHESES

The hypotheses were constructed based on the 10 extracted motivation categories:

HYP1: The more you are interested in the idea of the film, the higher is the probability of you donating money for its crowdfunding film campaign.

HYP2: If you are a fan of the film project, the probability of you donating money for it is much higher.

HYP3: It is more likely you will support and back up financially a campaign of somebody you know personally**.**

HYP4: The bigger your wish to be a part of something, the more likely is the chance of you backing up a crowdfunding film campaign.

HYP5: The more you are wiling to help others, the higher is the probability of you donating money for a crowdfunding film campaign.

HYP6: If backing up a film campaign grants you a possibility to engage with its network, the likelihood of you supporting it is much higher.

HYP7: If there is a chance of you getting a reward, the higher is the probability of you donating money for a crowdfunding film campaign.

HYP8: The larger the chance of you being socially appreciated for your donation, the higher is the likelihood of you donating money for the film campaign.

HYP9: If the crowdfunding film campaign has certain ties to the home place (geographical proximity) of the investors, the probability of them backing it up will be higher.

HYP10: The more professional the film campaign looks like, the higher the probability that the backers will donate money for it.

The presented hypotheses were examined with the help of a quantitative survey.

3.4 QUANTITATIVE SURVEY

A mixed methods approach was used in this paper. Participant's factors & classes of motivations to back up film campaigns were derived through in-depth qualitative interviews, followed by an online survey. After the survey was constructed, it went live from 27th July till 10th of October. People clicked on the link 1248 times. The distribution followed through the social media channels of:

- Twittter

- Facebook (Profiles and Groups)

- Crowdfunding platforms (Indiegogo, Kickstarter, Startnext)

Quantitative Survey is a method of deductive research. "A deductive approach is concerned with developing a hypothesis (or hypotheses) based on existing theory, and then designing a research strategy to test the hypothesis" (Wilson, 2010: 7). Deductive research sets out to explore a set of hypothesis that have been formulated based on the data collected through qualitative interviews. The goal of the interviews was to gather in-depth information and the goal of the survey was to test if this information held true when applied to a wider sample of population. Web-based questionnaires have several strengths, including: "Respondents can complete the questionnaire in their own time, going away from it they are interrupted, and returning to it later, it may be effective in addressing sensitive issues [...] There is less social desirability bias and the respondents answer more honestly" (Brace, 2004: 39). But these types of questionnaires have downsides too. "Not having an interviewer on hand to clarify questions or to repair misunderstandings" is one of them (Brace, 2004: 41).

3.4.1 RESEARCH SAMPLE

There is no clear overview on crowdfunding. The exact size of the population is unknown. We do not know how many people back projects up, let alone the number of people who in their lifetime backed a crowdfunding film campaign. According to Kickstarter Stats, that are automatically updated every day, the platforms has 10,094,301 backers altogether. Out of those 3,133,539 are repeat backers, meaning that they donated for more than one campaign. These numbers are for all types of campaigns, and not just related to film crowdfunding (Kickstarter Stats).

For power analysis for this study, the software G*Power was used to calculate the needed sample size given power of statistical tests (.8, as "agreed" in social sciences) as well as alpha error probability (.05). For effect sizes, previous literature was consulted and small to medium a priori effect sizes were assumed (depending on the specific hypotheses). Overall the perfect sample size was around n = 100.

To construct the sample modern day snowball sampling technique was used. The online survey has been spread out with the help of social media platforms – Facebook and Twitter, and using the direct message option on crowdfunding platforms.

3.4.2 QUESTIONNAIRE DESIGN

The goal of the questionnaire was to collect the data, which could be used to further explore our research. The first questions – *Have you ever donated to a crowdfunding film campaign?* – was used as a control question. If the participant answered that question

with a no, he was taken to a socio-demographics section and then thanked for his or hers participation in data collection.

The questions could be categorized into 3 blocks:

- The 1st block (questions 1 – 11) collected information on crowdfunding behaviour of the participant. (How many campaigns the participant supported? What amount of money was donated? At which stage was the campaign backed up?)

- The 2nd block (questions 12 – 14) covered the possible motivations to back up a film project. The questions concerning the motivations were constructed using the Likert Scale of a 5-point interval. The participants had to rank how strongly they agreed or disagreed with the presented statements. The questions could not be skipped, but the respondents were allowed to pick an option of "I don't know". This made it possible for participants to answer the questions more honestly, if they had no opinion on certain statements.

- The 3rd bock (questions 15 – 23) covered socio-demographics data and gave us more information about the backers.

Small pre-test study was conducted before the questionnaire went live. Questionnaire was sent out to 5 participants who shared their feedback regarding the design, content, and whether they had any understanding issues upon filling it out. The questionnaire was revised according to the feedback and improved. The questions to the online survey can be found in **Appendix 7.3.**

The collected data was analysed with the help of the Statistical Software of the Social Sciences (SPSS). The first step of the analysis concluded the response rate and narrowed down the cases that I focused on.

3.4.3 RESPONSE RATE ANALYSIS

After the survey was constructed, it went live from 27th July till 10th of October. During that timeline the questionnaire has been clicked 1248 times, including clicks by mistake and by search engines. A total of 464 participants started filling out the questionnaire, of those 349 finished the questionnaire completely. And out of those 349 only 206 cases were deemed appropriate to be included in the analysis. (Based on whether the responded ever supported a crowdfunding film campaign and how qualitatively reliant the answers were). The response rate of usable questionnaire respondents to the amount of respondents that were reached was 44%.

4.4.2 SAMPLE DESCRIPTION

Out of the 349 participants who finished the survey completely, only 280 indicated that they donated for a crowdfunding film campaign. And out of those 280, only 206 cases were deemed appropriate to be included in the analysis after following decisions were made:

- This statistical analysis of one of the data sets showed extreme outlining from the data – participant supported around 650 campaigns. This data set was excluded from the analysis since it was distorting the overall data.
- Few of the cases were not taken into account because the data wasn't reliable. (The participants stated that they supported a crowdfunding campaign, but answered the question "How many campaigns you supported?" with a number 0.)
- 67 surveys that weren't completed to the end were not taken into account.

Small additional changes have also been made to make the data more consistent.

- The 3 questions regarding the amount of money the participants donated for different campaigns were asked set in $ as the main currency. Some of the

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participants answered these questions with amount set in Brazilian Reals or Euros. These numbers were translated into $ with the help of Google currency calculator according to the exchange rate from the 10th of November 2015.

4. RESULTS & DISCUSSION

This chapter presents the empirical results derived from the qualitative interviews and online survey and discusses them.

4.1 RESULTS

On average participants supported 2.4 campaigns. Out of the 206 participants who completed the survey until the end – 33% were female, 67% male. 62% of all of the participants came from Germany, and 12% from Austria – leaving other small percentages divided between countries like Brazil (5.3%), Finland (3.9%) and USA (2.9%) among the others.

28.6% of the participants have a Master's degree. 31% of the survey participants attained Bachelor's degree. 12% finished college, while 11% are highschool graduates. Only 4 (out of 119 participants who were students) stated that they were currently studying or completing a degree in the field of film. What is more, out of all the participants 35% had a filmmaking background (experience shooting movies as a professional or a hobby filmmaker). In addition, out of the 38 people that stated their current employment 28 in one way or another were working in jobs intertwined closely with filmmaking (actor & actress, camera operator and technician, TV- filmmaking, screenwriter, producer) Most of the participants were either employed in a company or self-employed. (To see the

distribution on the main information on the participants between the two genders check the Table 1.)

43 % found the crowdfunding campaign on the Internet (with the help of social media), indicating they were supporting either a campaign of a complete stranger (39 %) or a campaign of a friend (38%). Rarely were the creators of the campaign members of the family (only 2 %). According to the data, most supported the campaigns in their beginning. (52% of the participants for their first campaign, 51% for their 2nd campaign, 42% in the case of a 3rd campaign). The amount of money donated for campaigns varies from participant to participant. 11% of the participants backed $10 for their first campaign, 12% gave $20 with various small percentages varying from 1$ - 15000$ range.

Table 1: Characteristics of the subjects in numbers.

	Females	Males
Sample size	68	138
Age (years)	33 ± 10	35 ± 10
Employed	34	84
Self-employed	20	43
Non-employed	13	9
Retired	0	2
Education *Highschool graduate*	9	14
Education *College*	5	21
Education *Bachelor's Degree*	21	43
Education *Master's Degree*	24	35
Country of origin: *Austria*	10	15
Country of origin: *Germany*	36	92
Country of origin: *Brazil*	6	5
Filmmaking Background:	20	53
Monthly Net Income:	Around 1000 - 1500 €	Around 1500 – 2000 €

Qualitative interviews extracted 10 motivations to support film campaigns from the information that was gathered – *interest in the project*, *being a fan*, *personal connection to the creator*, *being part of something*, *helping others out*, *engaging in a creative community*, *getting rewards*, *social appreciation*, *connection to home and professional presentation of the campaign*. Every one of these motivational factors was assessed through 3 statements in the quantitative survey. The participants had to assess their level of agreeing or disagreeing on a Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly agree). For estimating reliability (internal consistency) of the factors, Cronbach's Alpha, a method to address the realiability of multi-item scales, was investigated. The Cronbach's Alpha values range between 0 – 1. The higher the value, the higher is the internal validity of the variable. An $\alpha > .6$ or even $>.5$ is sufficient for research of exploratory nature. (Hair et al., 2005) Additionally, item-scale-correlations (ISC) were calculated (Table 2). The Table 2, presented on the next page, shows that 9 motivation constructs all display reliability values above .6. The motivation of helping others out had a low Chronbach's Alpha value. After eliminating one item with lowest ISC, internal consistency of its scale increased. That is why the motivation of *helping others out* was not eliminated from the analysis. The statements for every motivation were decoded into a new variable and linear multiple regression analysis, which will be presented further along, was calculated with two outcome variables.

Table 2: The motivations inventory. (Final scales and items in black, removed ones in gray)

Interest (α = .695) (Cronbachs Alpha)	ISC
1. I liked the idea behind this project.	.542
2. I found the project really appealing.	.581
3. I liked the theme of this film (of the campaign)	.695

Fan (α = .688)	
1. I was a fan of this project (tv-show / film) for a while before the crowdfunding campaign emerged.	.482
2. I was fan of the previous work of the creator of the campaign.	.539
3. The campaign had my favorite actor (or other people involved whose work I admire) in it.	.486

Personal connection to the creator (α = .761)	
1. I knew the creator of the campaign personally.	.729
2. I was supporting a campaign of a friend.	.763
3. I was supporting a campaign of a family member.	.375

Being part of something (α = .671)	
1. I wanted to be a part of this project.	.443
2. I wanted to be a part of something bigger.	.648
3. I wanted to support the cause this campaign was representing.	.378

Helping others out (α = .232)	
1. I wanted to help the creators reach their goal.	.100
2. They seemed like they needed help so I donated.	.237
3. The campaign was almost at the end of its fundraising so I chipped in.	.064

Engaging in a creative community (α = .685)	
1. I liked the possibility of interacting with the creator of this campaign.	.556
2. I wanted to engage in the creative community of this campaign.	.439
3. I wanted to connect with the creator of this campaign.	.504

Rewards (α = .601)	
1. The rewards of this campaign were appealing to me.	.471
2. The rewards were personal.	.348
3. You couldn't get the rewards that were being offered anywhere else.	.417

Social appreciation (α = .706)	
1. I wanted to be able to say that I supported this campaign.	.494
2. I wanted others to know that I donated for this campaign.	.624
3. I wanted a shout out on social media thanking me for donating for this campaign.	.474

Connection to home (α = .773)	
1. The project had strong ties to the place where I come from.	.718
2. The theme of the project had strong ties to my home place.	.731
3. The movie was shot in the place where I grew up in.	.418

Professional presentation of the campaign (α = .759)

1. I liked how the campaign was presented to me.		.509
2. The campaign looked really professional.		.608
3. The creator approached his campaign on a professional level.		.654

With the help of boxplots, motivation categories (**interest, fan, connection (**to the creator), **being part** of something, **help**ing others**, engaging** in a creative community, **rewards,** social **appreciation,** connection to **home**, **professionalism**) were analyzed in order to understand which ones were more prevalent in comparison to the others (Table 3). Boxplots were used to gain more information on the variability and medians of the statistical data.

Table 3: Boxplots, displaying different motivations to donate for a crowdfunding film campaign.
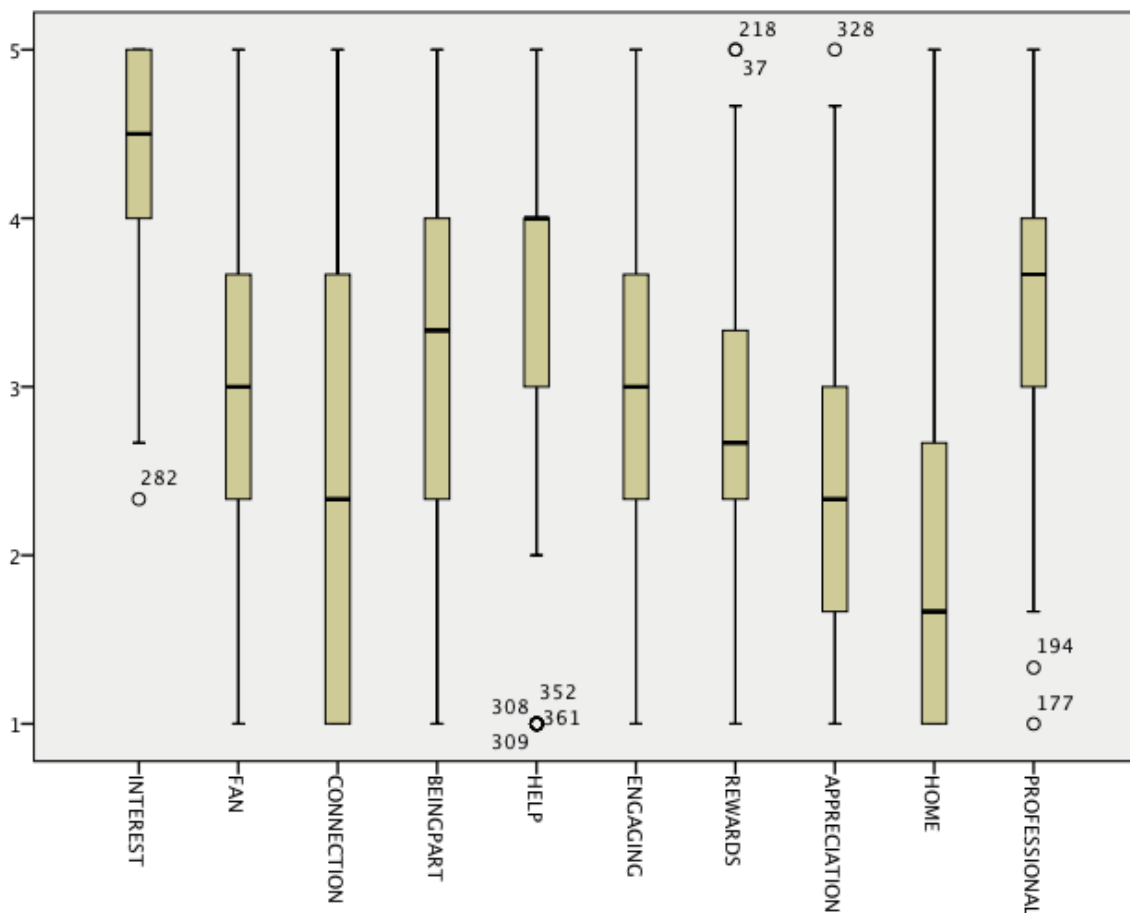
(1 – do not agree this statement applies to me; 5 – strongly agree this statements applies to me)

As we see in the Table 3 the highest motivation participants acknowledged was *interest* in the project (Mdn = 4.6). Category *home* (connection to home, strong ties to home place) is one of the lowest motivations (Mdn = 1.6) The dispersion of the data around the median in the box plot for the motivation of getting *rewards* (Mdn = 2.6) and *professionalism* of the campaign (Mdn = 3.6) is comparatively condensed, stating that participants had an overall level of agreeing how this motivation affected them. In comparison to these motivations, the data for *connection, being part of something, home connection* (Mdn = 2.3, Mdn = 3.3 , Mdn = 1.6) is not dense. This suggests that the participants had quite a different opinion about how strongly these categories affected and motivated them. The categories *connection* (Mdn = 2.3) and *appreciation* (Mdn = 2.3) have the same median values but different spread of data. The motivation connection to the creator has a more varied, wider spread out distribution of opinions, as opposed to social appreciation. The categories *fan* & *engaging* in a creative community also carry the same median values (Mdn = 3) and almost identical distribution. The whiskers of the boxplots show us that the distribution is asymmetrical – the top or bottom whiskers are much longer than the opposite whisker (except for the motivations engaging and fan). A distribution with a positive skew can be noticed with categories *home, connection, appreciation, rewards, and professionalism*. Negative skew distribution can be noticed by categories *interest, fan, engaging, help.*

Multiple regression analysis was used to test whether motivations significantly predicted if participants donated for a crowdfunding film campaigns or whether the motivations influenced the amount of money people donated. "Across behavioural science disciplines, multiple linear regression (MR) is a standard statistical technique in a researcher's toolbox. An extension of simple linear regression, MR allows researchers to

answer questions that consider the role(s) that multiple independent variables play in accounting for variance in a single dependent variable" (Nathans et al., 2012: 1).

2 Models of multiple linear regression models were used with 2 outcome variables: variable **AVTIMES** (the number of crowdfunding campaigns the participant supported) and **MONEYMULTIPLYTIMES** (the amount of money the participant donated multiply the amount of times he or she backed a campaign).

Table 5: Multiple Regression report with outcome variable AVTIMES

Model	B	Std. Error	β
FAN	,423	,396	,102
REWARDS	,835	,579	,158

Dependent Variable: AVTIMES

Note: R Square = .054

The results of the regression with outcome variable **AVTIMES** indicated that two predictors stood out more than the others in predicting 5% of the variance when it comes to donating for crowdfunding film campaigns (R square = .054) . There are **being a fan and getting rewards** (Yet their beta scores were low - .102 and .158 accordingly)

Table 6: Multiple Regression report with outcome variable **MONEYMULTIPYTIMES**

Model	B	Std. Error	β
FAN	240,725	128,117	,177
APPRECIATION	219,662	188,341	,129

Dependent Variable: MONEYMUTIPLYDONATION

Note: R Square = .080

76

The results of the regression with outcome variable **MONEYMULTIPLYDONATION** indicated that two predictors stood out more than the other in predicting 8% of the variance when it comes to donating for crowdfunding film campaign (R square = .080). These are **being a fan and appreciation** (Yet their beta scores were low - .177 and .129 accordingly)

Overall amount that these 10 motivations could explain how often people donated for a crowdfunding campaign was rather low – it was about 5% and 8%. Of those 10 motivations 3 motivations seemed to be more important than the others – being a fan, getting rewards and getting appreciation. The results showed that motivations that were investigated play a low role in determining how often people donate for a crowdfunding campaign or how much they donate.

On the other hand, research shows a significant influence of having a filmmaking background on backing up a crowdfunding film campaign. An independent samples-t test indicated that scores were significantly higher for filmmakers (M= 3,57 , SD = 6,2) than for non-filmmakers (M=1,8, SD = 2,07), *t(81) = 2,26, p = .026* and *p* < .05. This difference was significant under critical value of 5%. These results suggest that filmmaking background does indeed have an affect on donating behaviour. Participants with a filmmaking background showed higher donating activity, than those with no filmmaking background.

4.2 DISCUSSION

Qualitative interviews extracted 10 motivations to support film campaigns from the information that was gathered – *interest in the project, being a fan, personal connection to the creator, being part of something, helping others out, engaging in a creative community, getting rewards, social appreciation, connection to home and professional presentation of the campaign.*

The 10 motivations varied between the interview partners: some supported the film campaigns because they were long-time fans, some donated because of the rewards there were getting, and others just wanted to help out. A few people were pickier with their time and money. They followed the campaigns for a while before making their decision to donate. When it comes to filmmakers, their decisions to help other filmmakers were altruistic. Filmmakers understood the difficulties of fundraising and were empathic and understandable of others going through the same things, because they experienced the same problems themselves. It is interesting to note, that filmmakers were the ones who thought through their support the most. Usually these participants were interested in updates and networking with the creators of the campaign. A few of the of the participants stated that it felt good be a part of something bigger, to help their favorite people do what they love and make a small difference. Here is where a certain "warm glow" happy feeling of giving comes at play. All of the participants liked the projects they supported. The interest in the movie was of importance for every interviewed participant. A few of the participants couldn't really say why they backed the film campaigns. In retrospective they found their behavior to be impulsive.

When it came to double-checking the importance of the motivations with the help of quantitative results the findings were not conclusive. The 10 motivations only explained around 5 – 8 % of the variance when it came to donating for crowdfunding film campaigns. Based on the results, there is no significant association, no prediction of motivation on donating behavior between the researched motivations and backing up a crowdfunding film campaign. Interestingly so, there was a high significant correlation between having a filmmaking background (having experience shooting films – either on a professional or a hobby basis) and donating for crowdfunding film campaigns. This could mean, that filmmakers are following altruistic motivations, helping others, understanding the difficulties the crowdfunders are going through. The willingness to engage with other moviemakers could also play a role here. This is also consistent with the idea of maintaining a certain self-image and social-image one has to present to the receiver.

5. CONCLUSION & FUTURE RESEARCH

This chapter offers a conclusion and proposes areas for future research.

Crowdfunding is a field that is only recently started gaining the attention it deserves. This new fundraising method, this "process of soliciting funds from the general public to create projects or fund businesses" (Young, 2013: 14) is not only proving itself of help for entrepreneurs or campaign creators, who want to see their creative projects succeed, but is also promising to boost our economy in general.

When it comes to motivations on crowdfunding little has been found why is it that backers decide to invest their money into different campaigns. The goal of this master thesis was to find out what motivates backers to support and donate for film projects. Until now, there have not been any found studies on this topic. Yet, films and performing arts are the sectors, which get the most crowdfunding support in the creative field. I was hoping that exploring the motivations of backers to support film campaigns could give an insight into why people support creative projects on crowdfunding in general. Furthermore, this research can fill the theoretical gaps and make fundraising for filmmakers much easier, which could lead to more successful film campaigns and boost the creative sector.

The motivations of charitable giving, donor behaviour, explanation of altruism – constructed the base, a starting point upon my research into backer's motivation to support films. Certain altruistic notions, feelings of empathy and "warm glow" happiness upon giving were present in some of the qualitative interviews. The methodology part

was constructed with a help of a methods-mix – qualitative interviews and a quantitative survey. 10 motivating factors were extracted through qualitative interviews (*interest in the project, being a fan, personal connection to the creator, being part of something, helping others out, engaging in a creative community, getting rewards, social appreciation, connection to home and professional presentation of the campaign*) and then used in the quantitative survey.

Finding the people who supported crowdfunding film campaigns was a challenge. Out of my personal social circle on Facebook consisting of 676 people, only one person supported a crowdfunding film campaign. With the help of social media, I managed to gather 11 participants who were willing to be interviewed. Due to the fact that almost all of the participants lived in another countries, it was not possible to conduct these interviews face to face. This could have given us more insights into the topic. Gathering the satisfactory sample size for the quantitative survey took time from 27th July till 10th of October, 2015.

What I found was: the likelihood of donating for film campaigns increased with participants who had a professional or hobby background of shooting films. This could be either due to the feelings of empathy some of the filmmakers mentioned throughout the interviews – or it could be consistent with the idea of maintaining a certain self-image and social-image one has to present to the receiver. One should not forget that generosity and giving can be both voluntary and involuntary, where the giver feels obliged to help due to social pressure, trying not to let down the expectations of the others. When it comes to altruism & crowdfunding, one shouldn't forget that altruistic behavior can not be preplanned or captured. Experimental projects have tried focusing on altruism by

eliminating every other ulterior motive that could be considered selfish. This could be one of the starting points for future research in motivations of crowdfunders.

The other results showed that the 10 motivations that were analyzed play a low role in determining how often people donated for a crowdfunding campaign, leading me to the conclusion that there have to be other factors to be considered here. When a backer surfs the Internet and ends up on the Kickstarter page, it is often not planned. It is not his inherent intention to donate for a certain creative project. It could be more dependent on the moment and the emotions the participant experiences. It is difficult to recapture the moment. The research that could be of more use in this field are long-term observational studies. Conducting interviews with backers immediately after they supported a certain campaign and not afterwards, sending them prompted questions after backing would help us capture the context and the situation and the emotions backers experienced. In this way we could be able to understand the motivations better and save the study from too decontextualized research.

Literature up to date has focused more on motivation processing, forgetting that decision to donate or give away time and money are also a response to social learning. Constantly focusing on possible motivations and evaluation blinds us to the donating behaviors as they are. Researches should pay more attention to donating situations and observe them. This way the danger of ignoring the situational stimuli, which might be of much bigger importance when it comes to supporting crowdfunding film campaigns, might be reduced.

These are the factors that have to be considered upon future research, factors that are more dependable on the situation. These cannot be captured in the online study that takes

place in retrospective – several months after people actually donated for the campaign. My suggestion for future studies would be to look more into the role of emotions. Observational studies, which access the emotion of people in the situation, observing them in the context, could accomplish this. The results that we have now show that in the decontextualized method we are limited in our possibilities to find out what factors play a role in people's crowdfunding decisions.

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7. APPENDIX

7.1 INTERVIEW QUESTIONS

BLOCK 1

1. Did you ever back up a crowdfunding film campaign?

2. And if on more than one occasion – how many times did you back up a project?

3. What kind of costs were you covering for – production or post-production?

4. Which movie did you donate to?

5. Did the movie get made?

6. How much did you donate?

BLOCK 2

7. What was the movie you donated to about? **(Theme)**

8. What was the genre of the crowdfunded film? **(Genre)**

   - are you a fan of this genre?

9. Did the movie already have an established **fanbase?**

   - Coming from a TV show background – book adaption – comic book – or something else ?

   - Were you already a fan?

10. Were there any **famous people & names** attached to the project? (Actors, executive producers, screenwriters?)

11. Did you donate to a film that was completely new to you or were you supporting a project of a friend/ family member / acquaintance?

12. How was the project **presented** to you? Did you find the **CREATOR** of the campaign interesting? Did you find the project itself appealing? Did the movie have a visually distinctive artwork or a website?

13. Video

    - Did the movie you crowdfunded have a pitch video?

    - Did the movie you crowdfunded have a trailer?

14. **Incentives & Rewards**

    - Did you get any rewards?

    - What kind of rewards did you get?

    - Were the rewards personal, visual, shareable?

15. Additional perks?

16. At which state of the project did you decide to back it up?

    - Was the project already reaching its goal or reached it or was it in the beginner

    phase?

17. What do you think was the reason this campaign grabbed your attention and what

    motivated you to donate for it?

18. Did you feel like part of a creative community upon donating?

    - Getting into contact with other backers or getting updates about the progress

      of the movie?

19. How did you come across the campaign?

    - Was it well shared on the Internet or through social media?

BLOCK 3

20. Do you donate to other causes often?

21. Do you come from a filmmaking background? Or are you just interested in film?

    Studying film?

22. Did you ever organize a crowdfunding film campaign of your own?

23. What would be your borderline amount on the amount of money you would be willing to donate?

Sociodemographic data:

- Age:

- Sex:

- Country:

- Are you a student?

- Working Background:

- Income per month?

7.2 INTERVIEWS TRANSCRIPT

- *1st Interview partner was:*

Female

34 years old

Coming from Australia

Full time employee at a bank

With an income of about 3000$ per month

Transcript Interview A (1)

1   **Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start

2   the interview I wanted to tell you that all of the information you give me will be

3   used anonymously and just for research. There are no right or wrong answers.

4		Basically, just try to answer all the questions as thoroughly as possible. While
5		answering the questions you can tell me your opinion on the matter or give me
6		some additional information – basically a normal friend-to-friend conversation
7		and the more you can tell me the better. As I already mentioned to you before, I
8		am currently writing my Master thesis on the topic of crowdfunding – specifically
9		on crowdfunding film projects. My first question would be – did you ever back
10		up a crowdfunding film campaign?
11	**A:**	Yes, for the Veronica Mars movie. You must have heard about it – it went huge
12		*smile emoticon* And I think it hit the record for the fastest crowdfunded movie
13		or something like that.
14	**Amra:**	Why is it that you specifically donated to Veronica Mars Project?
15	**A:**	I was a fan of the show and excited by the idea of seeing more of the characters
16		and the movie getting made. I loved how the actors were all on board and would
17		make videos encouraging more backers. It just felt like this huge big thing was
18		happening.
19	**Amra:**	Have you been a fan of the show for a long time? *smile emoticon*And an active
20		one - where you would attend conferences, meet and greet with the actors - or
21		more like a sidelines fan? And since you mentioned the actors playing a big role
22		in encouraging the backers – would you consider all of them being on board as a
23		good motivating factor to bring everyone else to support this?
24	**A:**	Somewhat in the middle, I had meet some of the actors at a convention many
25		years ago but wasn't active in a fandom sense - where I would write fan fiction or
26		like chat up other fans or discuss things. I think the fact that so many of the actors
27		came back for the movie definitely made a difference because you could see what
28		happened with everyone, the reunion idea worked well in that way.

29 **Amra:** I see. How much did you donate?

30 **A:** $45. It included a shirt and a digital download of the movie.

31 **Amra:** Was there something personal about the rewards that were being offered? Or the
32   ones that you got?

33 **A:**   Not really but I wanted the shirt really bad lol They were way past their target
34   when I donated so the movie was getting made regardless of whether I donated or
35   not.

36 **Amra:** Okay. So let me get this straight. Basically you donated even though you already
37   knew for sure the movie was getting made. Was this because you really wanted
38   that shirt? *smile emoticon*

39 **A:**   Yeah the shirt and the download. I knew the movie wouldn't come to the cinema
40   so wanted to make sure I had a chance to see it.

41 **Amra:** Were there any additional perks to this?

42 **A:**   You mean like getting mentioned on twitter or something? No. Not really. Just the
43   t-shirt and the digital download copy and the email updates.

44 **Amra:** Oh yes the email updates. Did the Veronica Mars team update you guys on the
45   progress of the movie? like what they were doing and shooting and stuff like
46   that?

47 **A:**   Yeah Rob Thomas sent regular updates about the movie and the progress and how
48   much our support meant. Sometimes these emails got a bit lengthy and technical
49   but it was nice… in a way they constantly appreciated the support .

50 **Amra:** How did you even stumble up on the news about VM Movie being made?

51 **A:**   It was everywhere. On Twitter, On Facebook. People posting about it. My friends
52   posting about it. I had friends who donated too. I think at least of my two real life
53   friends donated as well.

54   **Amra:** So basically we had this movie which was already 100% getting made and you

55   know how it is these days - one can download it in a good quality pretty much

56   everywhere once its out…Sometimes even for free. And you still decided it was

57   worth giving 45$? Why do you think it grabbed your attention that way and you

58   felt like this was something you wanted to support?

59   **A:**   Yeah. I wanted to be part of it and it was awesome because at that time they broke

60   all sorts of records, so it was cool to be a part of that. Plus the show meant a lot to

61   me because it was relatable and I wanted to be see it existing again in a way.

62   **Amra:** Do you often support creative projects like these or donate money for charity or

63   for some other causes?

64   **A:**   Well I donated to a fandom charity fundraiser on IGG once because a friend was

65   organizing it. It was a raffle so you bought raffle tickets and then there was a

66   bunch of prizes - it was one prize per raffle ticket so I actually won something too

67   which was nice. Really it's all about what I can get out of it haha. When I think

68   about other projects … I supported "Conman" on Indiegogo because I love

69   Nathan Fillion, the main actor. I will usually support projects for actors who I like

70   or am a fan of.

71   **Amra:** Oh you donated to "Conman" too. Tell me something more about it.

72   **A:**   Yeah I did I got a super fan there – so you get a poster and shirt and DVDs and

73   everything. I usually have to have some interest in the genre or project I'm

74   supporting unless the reward is super amazing lol. Most often I would support the

75   actors I love and then see what kind of rewards are being offered. With the case of

76   the friend of the fundraiser, I would support my friends but I still have to have

77   some interest in the end product. If I am not interested in the end zone product I

78   may only donate a small amount unless there is a great reward.

79	**Amra:**	But if we go back…is there any way you can explain why is it so important for
80		you to get those rewards? Like with the Veronica Mars example of getting a
81		digital movie copy…when you know – you will be able to download it cheaper or
82		maybe even for free. And with the t-shirt – can't you just go shopping? So I'm
83		really trying to understand…what is it here? Why is it so appealing to you?
84	**A:**	You can't buy the backer shirts - that is something you would never find in a store.
85		So there is a feeling of exclusivity here. And it definitely has a feeling of being
86		part of it, of helping your favorite people do what they love and helping them
87		make a small difference.
88	**Amra:**	But if we forget the FAN in you… do you sometimes just see a campaign and like
89		how it is presented to you …and want to back it up?
90	**A:**	Not really if I am not interested in a reward from it I don't really have much
91		interest. Plus if it doesn't have any of my faves in it I am unlikely to know it's
92		even happening.
93	**Amra:**	Can your income even allow supporting so many creative projects?
94	**A:**	My income isn't amazing but I don't party or go to clubs or drink alcohol so have
95		that money for fandom things *smile emoticon* I'd rather spend money on things
96		like these.
97	**Amra:**	Is there a borderline on how much you would be willing to donate?
98	**A:**	I've never donated over $150, would need some really good rewards to warrant
99		that. Especially since our currency is down in the U.S. So it ends up being more
100		than $150 in my currency.
101	**Amra:**	You are a big TV shows and film buff from what I have seen by your activity on
102		twitter. Do you mostly support the campaigns in the field of film? Or did some
103		other campaigns manage to catch your attention?

104	**A:**	TV and movies mostly. Not really. I've donated to a few fan convention
105		campaigns and one theatre project, but that's kinda it. I'm mostly interested in
106		watching movies so idk if you can call me a film buff. I never studied film or shot
107		one.
108	**Amra:**	Okay we are almost done here - i just need to ask you about questions that might
109		be important for me. Do you mind filling this out?
110		1) Your Age?
111		2) Country you are coming from?
112		3) Are you a student / working at the moment. And if yes what is your working
113		background?
114		4) Your Income per month?
115	**A:**	34. Australia. Full time employee at a bank. About $3000 after tax.
116	**Amra:**	Thank you very much for participating!

- *2nd Interview partner was:*

Male

27 years old

Coming from Canada

With an income of about 3100 euro per month

Transcript Interview B (2)

117	**Amra:**	First, thank you for agreeing and taking the time to chat with me. Before I start
118		the interview I wanted to tell you that all of the information you give me will be
119		used anonymously and just for research. There are no right or wrong answers.

120   Basically, just try to answer all the questions as thoroughly as possible. While

121   answering the questions you can tell me your opinion on the matter or give me

122   some additional information – basically a normal friend-to-friend conversation

123   and the more you can tell me the better. As I already mentioned to you before, I

124   am currently writing my Master thesis on the topic of crowdfunding – specifically

125   on crowdfunding film projects. My first questions would be – did you ever back

126   up a crowdfunding film campaign?

127 **B:**   Yeah better part of the last year, for a small Canadian short film project called

128   "Your ex wife is dead". The name was half the reason *smile emoticon*

129 **Amra:** Was that your only occasion of backing up a film project?

130 **B:**   I was a poor student writing a 120-page paper about why the European economy

131   has no hope. It was not a cheery time to go full on white knight investor

132   philanthropist. So yes, only time that I can remember recently.

133 **Amra:** What kind of costs were you covering for - was it just production or did they need

134   money for postproduction? And did the short film get made?

135 **B:**   Production and distribution I think. Film is in postproduction now and should be

136   getting released soon. I think their disclaimer full on stated they needed the money

137   to shoot within a specific time frame asap since their lead actress was getting

138   deported or something. Toronto has a weird film scene in general, so it's pretty

139   easy to scrounge together cash like that.

140 **Amra:** And how much did you donate?

141 **B:**   Like 10 bucks. It was a short film not a TIFF entry. And also the perks got really

142   crappy after the 10-dollar one.

143 **Amra:** Tell me something about the perks you got and about the ones after the 10 dollar

144   ones?

145 **B:** The first two stages were mostly personal and private - posters, news about

146 production and getting a public shout out on social media which appeals to my

147 rampant narcissism and sociopathy. The rest was mostly pre-production material-

148 scripts and all, pre release viewings, etc. which really I could care less for. I

149 wanted to see a film get made not get a free ticket .

150 **Amra:** At which state of the project did you back it up? (goal wise - did they already

151 get funds or were they in the beginning?)

152 **B:** I think about 3/4 through their funding goals. I'd normally think they could easily

153 get it on their own and I should focus on something a bit more fledgling but they

154 did mention their time constraint and who am I to deny a recently deported actress

155 her final wishes.

156 **Amra:** What was so appealing with this project that it made you donate?

157 **B:** Aside from what wanting to be that guy at Starbucks that talks about how he

158 helped a film get made while twirling his hipster moustache under 3 layers of

159 beanies and flannel? I found the subject matter hilarious. Aside from the premise,

160 which is a guy's ex wife literally dying and how he deals with it, the name is a

161 reference to one of the more popular Stars songs. Stars being one of the most

162 Canadian of Torontonian bands. So it was like donating both to the Torontonian

163 film scene, which is huge, and to the hippy music scene, which admittedly still

164 kind of sucks.

165 **Amra:** Were there famous people & actors attached to this project?

166 **B:** No. Not really. I don't think the creators were that famous. But what I do know –

167 it was made by a Toronto film company using a Toronto band's song as a title

168 with pretty close themes. So I suppose, even if there was no film fan base for this

169 I'm sure more than a couple of the band's fan base donated.

104

170   **Amra:** How did you even stumble upon this short film?

171   **B:**   I don't know. I somehow ended up on Kickstarter and was scrolling through some

172   movies. Saw some promising ones. I don't know. It seemed like an impulse

173   decision. I Just looked at the short film and said why the hell not?

174   **Amra:** So there was no social media promotion of this?

175   **B:**   I'm sure there was. I just never stumbled on it.

176   **Amra:** Any of your friends pointing this movie out to you?

177   **B:**   No. I wasn't influenced by anyone if that's what you mean.

178   **Amra:** So jokes aside - why donate? It doesn't seem like you cared about the rewards

179   much.

180   **B:**   It seemed fun. I had the money, wouldn't hurt me much to throw 10 bucks like I

181   would to give it to a homeless man.

182   **Amra:** Was there something about how the movie campaign was presented to you?

183   **B:**   Trailer was amusing. And the tone about their actress leaving soon had a twinge

184   of desperation that appealed to me. That's about it otherwise it was kind of

185   boringly normal. This wasn't even what I usually watch. This was a short film.

186   And it wasn't an action movie or a thriller – something I usually watch. It was just

187   funny. Aside from being able to say I supported a kick-starter campaign at parties

188   nah that's really the jist of it. It was a fairly inconsequential decision that they

189   ended up benefitting from. And also I got a shitty newsletter - those are great.

190   **Amra:** Do you donate to other things a lot?

191   **B:**   Sometimes. I used to donate blood. Sometimes I tend to chip in for occasionally

192   charity.

193   **Amra:** Any experience in filmography? Or background?

194   **B:**   No not really.

195	**Amra:**	Also… what would be the border line amount of money you'd be willing to
196		donate to crowdfunding film?
197	**B:**	Around 50 bucks. No project needs more than that per person for the biggest
198		production value possible.
199	**Amra:**	Okay. Last questions here. I just need to ask you about some socio-demographic
200		data that might be important for me. Do you mind filling this out?
201		1) Your Age?
202		2) Country you are coming from?
203		3) Are you a student / working at the moment..,and if yes what is your working
204		background?
205		4) Your Income per month?
206	**B:**	27. Im coming from Canada. Fields are finance/ economics / law. Income would
207		be around 3100 Euro per month.
208	**Amra:**	Thank you very much for helping me out!

- *3rd Interview partner was:*

Female

27 years old

Coming from Austria

Studying German Studies, English Studies, Art History Research Assistant at University;

Editor

No fixed income. Freelancer

209 **Amra:** Thank you for agreeing and taking the time to chat with me. Before I start the

210   interview I wanted to tell you that all of the information you give me will be used

211   anonymously and just for research. There are no right or wrong answers.

212   Basically, just try to answer all the questions as thoroughly as possible. While

213   answering the questions you can tell me your opinion on the matter or give me

214   some additional information – basically a normal friend-to-friend conversation

215   and the more you can tell me the better. As I already mentioned to you before, I

216   am currently writing my Master thesis on the topic of crowdfunding – specifically

217   on crowdfunding film projects. My first questions would be – did you ever back

218   up a crowdfunding film campaign? And if on more than one occasion – how

219   many times did you support film campaigns?

220 **C:** I've backed one film campaign so far, which was actually successful - and another

221   campaign for an art project that didn't get sufficient funs.

222 **Amra:** Which film campaign are we talking about here?

223 **C:** It's an independent feature film by these American group of friends who had made

224   like a prequel or a short film and wanted to take it further, make a feature film out

225   of it and send it to several film festivals etc. It's called "How to Pass the Time"

226   by Kevin Sullivan, Rob Frenay and Jordan Black.

227 **Amra:** And were you covering for the production costs or something else? How much

228   did you donate?

229 **C:** Well yes, part of it was for production costs, but when they had reached their goal

230   for that before the crowdfunding campaign was over, they posted "stretch goals" -

231   which were e.g. to get money to be able to cover fees for film festivals. Oh

232   gosh, I don't remember, let me check. 20$. So not a lot.

233   **Amra:** What was that IT thing, the appealing thing that motivated you to donate? (or

234   like if its easier - what was it that you find appealing on this project and that drew

235   you in so you were thinking - okay this is actually cool?)

236   **C:** Well, this was actually the first crowdfunding campaign I ever participated in. I

237   had heard of Kickstarter before, but never seriously looked for projects or

238   anything. When a friend of mine posted a link to this project, I looked into it a bit

239   more extensively and I guess I had four main motivations:

240   1) I knew one of the guys personally and just wanted to help out a friend.

241   2) I had seen their short film before and had really liked it (I had even helped them

242   with a click-campaign on the short film before). So i really wanted to see where

243   they would go with this project. They also had a cool Why-You-Should-Back-Us-

244   Video (very ironic and fun and professionally made).

245   3) They had the most fun backing-rewards (e. g. receiving mystery mail connected

246   to the movie's narrative). So it felt like they were having a lot of fun with it and

247   took it seriously.

248   4) The whole platform (kickstarter) seemed professional and easy to work with.

249   Do you want me to talk more about the movie?

250   **Amra:** A bit. But you kind of nailed some of my questions without me even asking you

251   yet. Did your motivations come in the order you presented them?

252   **C:** Yeah. I kinda put them in the level of importance and how things were

253   developing. I don't consider my motivations to be altruistic. With Kickstarter –

254   the main idea is you are going to get something from it. Not only am i gonna be

255   able to download the film, i am gonna be credited with my full name and a link to

256   what they called "a DOWNLOAD of the ORIGINAL, NEVER MEANT FOR

257   HUMAN EYES SHORT film by Kevin Sullivan which sparked Chapter One's

258   conception"

259 **Amra:** At which state of the project did you back it up?

260 **C:** When they had about half of the money they needed. So it looked like they had a

261   fair chance, but it was also still some way to go. They had also already been

262   "staff-picked" by Kickstarter. So it was pretty exciting to be following their

263   progress too.

264 **Amra:** Understood. And when it came to the genre of the movie and the topic…which

265   kind of topic/genre was this?

266 **C:** It was very indie, weird, Wes Anderson like. Something that I like. It takes up this

267   very detailed and loving perspective to life. Everything is quirky but wonderful

268   and poetic in it's own way. And the guys who made this - they're just the

269   stereotypical, average LA film school graduates, trying to make it like so many

270   others. That was also appealing in this.

271 **Amra:** Do you donate support other projects a lot?

272 **C:** Oline?

273 **Amra:** Yes and also like charities? Other donating practices of yours?

274 **C:** Ah ok. Yeah, I donate clothes a lot. I just donated two chairs to a refugee. And for

275   Christmas I participated in this 'Brief and Christkind' caritas-campaign.   I've

276   never donated blood although I really want to.   And I volunteered a bit when I

277   was in high school, but never really after.   But I really think that Kickstarter is a

278   whole different thing. It doesn't feel like donating.   Because as I said before, you

279   get something from it, mostly the product itself. So you're just helping out to have

280   that being produced beforehand. I believe it also has a lot to do with fan culture

281   and wanting to feel like you're contributing to something you've been appreciating

282   for a while. I for example constantly buy stuff from this word-artist that I've

283		discovered on Instagram. "Wasted Rita". She's a Portuguese artist and yeah, I
284		could just download her images for free and print them out myself or print them
285		on a t-shirt, but I really want to support her art and kind of show her that I
286		appreciate it, so I buy prints and shirts and what not from her. But I guess
287		motivations are hard to distinguish sometimes.
288	**Amra:**	But on the large scale – when it comes to Kickstarter – which motivations or
289		motivating factors are personally most important for you?
290	**C:**	That I really like the project. That it feels original, meaningful, fun, creative,
291		... my motivation 1 from before (knowing one of the guys) was maybe just the
292		first motivation because that's just how I found their project. If I hadn't liked what
293		they were doing, I wouldn't have backed it. I like movies a lot to so idk if that
294		helps. I love all kinds of narrative arts (I studied literature in the course of which I
295		also wrote one paper on a movie by Guillermo del Toro) and I go to the movies a
296		lot. I especially love film festivals - like Viennale for example or the Vienna
297		Independent Shorts or Slash Film Festival. Oh yes and I did an "Introduction to
298		Directing" course at Stanford Summer School. So that might explain some things
299		too.
300	**Amra:**	When it comes to crowdfunding – is there a borderline amount of money you
301		would donate?
302	**C:**	Of course - that always depends on the state of my finances. I guess I'd donate up
303		to 100 euro to a project, if it was uber-super-amazing and had great and
304		personalized backing rewards. But on average I'd donate about around 20-50
305		euros I guess.
306	**Amra:**	Good. I just need some other data from you and we are done. Would you mind
307		filling this out?

308   1) Age

309   2) Country of origin?

310   3) Student: (which area)

311   4) Working Background?

312   5) Income per month?

313 **C:**   27. Austria. German Studies, English Studies, Art History. Research Assistant at

314   University; Editor. Right now, no fixed income, as I'm self-employed.

315   Freelancing.

316 **Amra:** Thank you for participating!

- *4th Interview partner was:*

Male

23 years old

Coming from Austria

Becoming a Geography and Psychology teacher

Work - part time

Income about 400€/month

Transcript Interview D (4)

317 **Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start

318   the interview I wanted to tell you that all of the information you give me will be

319   used anonymously and just for research. There are no right or wrong answers.

320   Basically, just try to answer all the questions as thoroughly as possible. While

321   answering the questions you can tell me your opinion on the matter or give me

322		some additional information – basically a normal friend-to-friend conversation
323		and the more you can tell me the better. As I already mentioned to you before, I
324		am currently writing my Master thesis on the topic of crowdfunding – specifically
325		on crowdfunding film projects. My first questions would be – did you ever back
326		up a crowdfunding film campaign?
327	**D:**	Just once
328	**Amra:**	Which movie did you donate to?
329	**D:**	I backed about 40 dollars for the movie Kung Fury
330	**Amra:**	Did the movie get made? Also what kind of costs were you covering for –
331		production / post production?
332	**D:**	Yes, it was released I think 2 weeks ago! mh…. I cant remember to be honest, but
333		I think it was everything, production, salaries, and stuff
334	**Amra:**	What was the movie about?
335	**D:**	Hahaha, well. It's basically a homage to those trashy retro action movies. I
336		haven't seen it yet, but it features intense brutality, over the top special effects,
337		Nordic gods. It's more or less what I like to watch. It has action and humor
338		combined.
339	**Amra:**	When you think about this campaign - what was the IT factor, the most appealing
340		thing that made you think - oh this is cool…I'm gonna donate for this?
341	**D:**	the trailer, it promised much and I really liked the idea …also the rewards were
342		nice
343	**Amra:**	What did you get?
344	**D:**	got a download link for the movie in HD, a t-shirt and a headband
345	**Amra:**	Okay. And at which point of project did you back it up? (Were they just in the
346		beginning of getting funded or already almost achieved their goal?)

112

347 **D:** I think it was in the beginning – they just released a trailer.

348 **Amra:** and also what I find interesting - you know how these days everything can be

349 downloaded online for free - so why still back up this project?   You knew that

350 sooner or later you'd probably be able to watch it - was it just for the other

351 rewards?

352 **D:** Hmm, yeah well I really liked the idea and a trashy retro t-shirt , so the idea +

353 rewards

354 **Amra:** How did you even stumble up on this campaign?

355 **D:** I saw the trailer on reddit.com

356 **Amra:** Any of your friends point it out to you?

357 **D:** No. I was actually the one telling them about it. The movie was completely new in

358 a way.

359 **Amra:** Any famous people or writers that were attached to this project?

360 **D:** Not really, but later as the campaign progressed David Hassleoff wrote a song for

361 the movie haha

362 **Amra:** What would be the reason why this grabbed your attention and also made you

363 donate money? I'm pretty sure since you are a creative person – a lot of visual

364 content grabs your attention on a daily basis…but you don't donate to every

365 creative project you see

366 **D:** To be honest, it was an impulsive decision. I just saw another trash movie a

367 couple of months back then and I was on this trashy retro movie trip. And I

368 thought why the hell not? It looks funny and ambitious. But the movie took so

369 long to make – like 1-2 yeas and I nearly forgot about it until you asked me

370 recently if I ever donated to anything. I got regular updates via email but I lost

371 some interest after a while. When they released the video featuring David

372   Hasslehoff I was like "wait I donated for this movie, very nice!"

373   **Amra:** Was it irritating to get the updates for so long?

374   **D:**   No it was okay. I wanted to know where my money went.

375   **Amra:** Do you donate to things a lot? or support stuff like this? Is this kinda a normal

376   thing for you or was this a first time activity?

377   **D:**   Not really. This was a first time thing. I don't have that much money you know

378   hahah

379   **Amra:** What would be the borderline amount of money you would back up a project

380   with?

381   **D:**   I can't really answer that. It depends on what I get in return for rewards, you

382   know?

383   **Amra:** Understood. I'll just need you to fill this form out and we are done.

384   1) Age?

385   2) Student?

386   3) Working background?

387   4) Any interest in film (studying or hobby filmmaker?)

388   5) Income per month?

389   **D:**   23. Student. Becoming a geography and psychology teacher. I work part time and

390   I am mainly interested in movies – never made one on my own. Income about 400

391   euros per month.

392   **Amra:** Thank you for your time!

- *5ᵗʰ Interview partner was:*

Male

34 years old

114

Coming from Austria / USA

Filmmaker, organized his own crowdfunding campaign once

Income always different

393 **Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start

394 the interview I wanted to tell you that all of the information you give me will be

395 used anonymously and just for research. There are no right or wrong answers.

396 Basically, just try to answer all the questions as thoroughly as possible. While

397 answering the questions you can tell me your opinion on the matter or give me

398 some additional information – basically a normal friend-to-friend conversation

399 and the more you can tell me the better. As I already mentioned to you before, I

400 am currently writing my Master thesis on the topic of crowdfunding – specifically

401 on crowdfunding film projects. My first questions would be – did you ever back

402 up a crowdfunding film campaign?

403 **E:** Yes sure. Every time on of my friends starts a fundraiser I try to throw in some

404 money. Maybe 10 times or so.

405 **Amra:** And where pretty much all of those – projects of your friends?

406 **E:** You either support a fundraiser if it's a friend or if it's a cool project. And since I

407 also had a successful fundraiser in the past. I remember one thing, its kind of

408 funny. Imagine your friend starts a fundraiser for some stupid thing. Trying to

409 raise 1 million bucks or something unrealistic. You could be very generous if you

410 don't think they will reach their Kickstarter goal. Because you would get the

411 money back ad still look very supportive lol. Let's say you would usually support

412   your friend with small amount like 20-50$ - if you don't think they will make it

413   you could easily give 100 – 150$. I think this can give a fundraiser a nice boost

414   and the shorter the campaign the better.

415 **Amra:** What would be a short campaign for you?

416 **E:**   I think 30 days is the most efficient. I think mine was 60 days but in the middle

417   nothing happened for like 30 days lol

418 **Amra:** Where did you organize yours?

419 **E:**   Kickstarter. People said Kickstarter has a much better continuity. But I think in

420   my case everybody that backed the project was somehow related to me or the

421   friends who shared it on social media. I started my filmmaking in Austria in 1998

422   and moved to NY in 2009 so I have a lot of acquaintances in this business.

423 **Amra:** Tell me a bit more about your campaign.

424 **E:**   My movie Of Sound Mind was an independent feature in the style of movies from

425   the 70s and 80s, like the new Hollywood era. The movie was financed through

426   private investors here in NY , but we needed some extra money for festivals and

427   distribution. We were looking to get like 5000$. But at the end we raised 6400. I

428   don't believe in raising money to raise a budget for a movie on Kickstarter. My

429   movie was completed when we started the fundraiser, just for the festival

430   expenses. Some people gave more money to get their names in the credits,

431   between 250$ and 1500$. Some other people gave 50-100$ to show support,

432   some wanted the credit, because it would look good on their resume and didn't

433   cost too much. When I asked my friends, I asked them to give at least 1$ to show

434   their support   - nobody turns you down if you ask for 1$ to support something

435   cool. And many gave more voluntarily. I think there was no reward for 1$

436   backing. Many people would feel cheap about giving only 1$, so they felt better

437		about giving 10 or 20$ and then you have 100$. It's a psychological thing.
438	**Amra:**	What about you when it comes to supporting campaign of others? How much do
439		you usually donate - if you are supporting a friend - or if you are supporting a cool
440		project?
441	**E:**	I told you, I'm supportive. Maybe 20$ on average, if not more but only if the
442		person asking did not ignore my own request for support.
443	**Amra:**	So it's more of a – you helped me out – I'm gonna help you out too type of thing?
444	**E:**	It's a numbers game after all so yes true. If you send messages to 100 people and
445		10% give something, it's a success. It works best if its a friend who needs
446		support or if they offer a cool perk that feels like a good deal. I sent out thousands
447		of messages for 60 days
448	**Amra:**	You are approaching this from a business side - which I understand and
449		completely get and it makes more sense to me too. But I have interviewed people
450		now - who donated to campaigns who already reached their goal…and said their
451		motivation were rewards - or they just wanted to feel like they supported that
452		project as well? Do you think that happens in crowdfunding a lot?
453	**E:**	If its already over 100% its either about the perks or that people don't want to
454		feel guilty about not supporting something their friends made, would make them
455		feel like assholes. I think at the end we raised 143% of our goal, because when
456		you announce that you reached 100% - people will share it and it will remind
457		others that they wanted to support it as well.
458	**Amra:**	What do you think about the genre and the topic of the movie? Do they play a
459		role?
460	**E:**	Hmmm….maybe
461	**Amra:**	What about famous people attached to the project**?**

462	E:	Not really. We had a couple of kids of celebrities on board but that did not make a
463		difference. It would be different with name actors – that's for sure.
464	Amra:	What kind of role do rewards play? Any tips how one should offer them so one
465		gets more backers?
466	E:	Cheap rewards work the best. The most expensive rewards we sold were associate
467		producer credits; it's like a vanity credit that doesn't mean much. Sold 2 of them
468		for 750$ each. It puts their names in the opening credits, pure vanity. But I think
469		50-200$ would be the best price range - for rewards - because cheap rewards
470		mean that more people can afford it and it will make your statistics go up.
471	Amra:	What about how the movie is presented?
472	E:	When it comes to trailers - I like videos that explain everything in detail, but I
473		have seen cool projects with shitty videos that raised a lot of money too. Again,
474		it's a numbers game. If you do a 30 day fundraiser you will have to treat it like a
475		full time job and promote it 24h a day for 30 days with daily updates on social
476		media, ever hourly updates toward the end with visually appealing graphics.
477		What I did with my thousands of messages was that every message was written
478		manually for the recipient and I did not copy paste it. Custom messages made
479		just for that person. Because if you copy paste it – it's spam. And you have to
480		follow up like once a week for every message. Quite a hard work.
481	Amra:	Is there something we are forgetting? That could be another motivator factor? We
482		talked about the importance of friends and social media and rewards...you seem
483		to completely not believe that there are people out there that would donate just
484		because they find your project awesome?
485	E:	Oh yes that could happen, but how would they find out about your project? I don't
486		know. Its hard to reach people you don't know . The perks you are selling, its like

487   a code of honor thing, nobody is forcing you to actually do what you promised -

488   so sooner or later there will be some bad apples abusing the system and selling

489   things they don't have. Maybe not if it heavily relies on social media – because

490   you know the people you are supporting I guess. It's just you can't plan to attract

491   complete strangers. You can only reach strangers if you have a marketing budget.

492   I see Kickstarter projects advertising a lot on Facebook. Paid commercials then.

493   But then it seems shady – like a scam. Like when you watch TV and some

494   celebrity asks you to give 1$ per month to support starving children in Africa and

495   you realize that they spend 100.000$ per month on advertising on TV and

496   therefore its a scam. Altruistic motivations are possible but they can't be planned.

497   I can only tell you how my fundraiser played out. I myself would support a

498   fundraiser that sells me a great innovative project, something physical - like the

499   perfect shirt, the perfect shoe, the perfect travelling bag, like pre-ordering stuff . I

500   think that would go well, but I'm selling more an idea, not a physical project. It's

501   in the nature of filmmaking I guess .

502   **Amra:** It's harder to sell an idea, right?

503   **E:**   It feels more satisfying when you are selling something physical. Because what I

504   am selling is not something they need. My slogan with the movie was more like -

505   we already made a movie but without you – nobody will get to see it!

506   **Amra:** That's a good one.

507   **E:**   Thank you. It has a sense of – hey we need some help to get this in the last round.

508   And you can make a change by supporting us. It has to have the right level of

509   modesty. Actually what I did if people bought one of the credits in the

510   movie was that I quickly designed a custom poster / Facebook cover

511   picture with their name on it so they would use it on FB for their vanity and

512   more people would see it automatically. It cost me a lot of time and energy

513   though. It's really quite hard work, you need to be passionate enough to go

514   through with all that stuff, and it's not for everybody.

515   **Amra:** What would you do differently with your next crowdfunding campaign?

516   **E:**   I wouldn't do it for a film. The worst thing about this was that you have to ask

517   people for money all the time. That does not feel very good. One more thing, I

518   knew a bunch of super rich people here in NYC – like internet millionaires and

519   movie investors, none of them gave a single $. Poor or average people are much

520   more supportive because they understand it emotionally that you need help. Rich

521   guys don't understand it. Sounds stupid but it's true so maybe that's the base of

522   altruism in crowdfunding. So for my next fundraiser - I would like to have a

523   physical object to sell as a reward, because selling ideas is really tough and I

524   would like to have a little team to share the work because the first time I did

525   everything by myself.

526   **Amra:** I hope your next campaign will be a successful one.

527   **E:**   also, a little story. I know this crazy DJ guy here in NY. He lost his mind and

528   became homeless so I started a fundraiser for him on Indiegogo life to get him off

529   the street. Indiegogo life does not require that you reach a goal , you can keep all

530   the money, they don't take percentage away from you and it gets you the funds

531   even if you don't reach the goal. It's for social causes, indiegogo LIFE . So I set

532   up a 30 day fundraiser for the guy and threw in 25$ myself and told him how to

533   promote it so he can save himself, just had to ask all his friends to give 1$ or

534   more to get him off the street. Nobody turns down a friend who asks for 1$ to get

535   him off the street. But after 30 days I checked again and there was only 25$. I'm

536   not sure what the story means - I guess if you are not willing to work for it, it

537		wont happen.
538	**Amra:**	I see. Its hard to imagine that some random stranger wouldn't have chipped in
539		1$. huh Well we are almost done here - I just need some of the
540		sociodemographics data and then we are good. Do you mind filling this out? 1)
541		Age 2) Country? Austria? 3) Working Background? Working as? 4) Income per
542		month? 5) Border line amount of money you would be willing to donate for
543		another campaign? It's all anonymous and for research.
544	**E:**	34. Usa and Austria. Filmmaker. I Would give 20$ average. No comment about
545		income – always different.
546	**Amra:**	Thank you very much!

- *6th Interview partner was:*

Male

19 years old

Coming from Iceland

Student

Work – Freelance editor and cashier at the cinema

Income 1400 euro per month

Transcript Interview F (6)

547	**Amra:**	First, thank you for agreeing and taking the time to chat with me. Before I start the
548		interview I wanted to tell you that all of the information you give me will be used
549		anonymously and just for research. There are no right or wrong answers.

550   Basically, just try to answer all the questions as thoroughly as possible. While

551   answering the questions you can tell me your opinion on the matter or give me

552   some additional information – basically a normal friend-to-friend conversation

553   and the more you can tell me the better. As I already mentioned to you before, I

554   am currently writing my Master thesis on the topic of crowdfunding – specifically

555   on crowdfunding film projects. My first questions would be – did you ever back

556   up a crowdfunding film campaign? And if on more than one occasion how many

557   times did you back up a project?

558 **F:**   Yes, but not for a feature length film. Only for short films and one campaign

559   concerning the restoration of an "arty" theater in Reykjavik. I have backed two

560   short films. Just recently started so that's why there are only two but I will do it

561   more often in the future.

562 **Amra:** What kind of costs were you mostly backing up? Production or was it something

563   else – post-production or distribution?

564 **F:**   In both examples, the movies had finished shooting the film. So was I backing

565   post-production in both cases. Only one campaign talked about distribution costs.

566   But the distribution costs were fairly minimal in that case so I was mostly

567   backing post production costs.

568 **Amra:** Can you tell me a little bit more about the short movies? What were they about?

569   Topic? Genre? What you found appealing in them?

570 **F:**   Yes, the first one was a psychological thriller. A few weeks ago the creators

571   posted some screenshots to a website I like to go to. The creators were describing

572   the process in detail, which I found very interesting. Also, the screenshots looked

573   incredible, like a high budget film, but done on a very miniscule budget. Because

574   the creator was talking so much about the film and the production and answering

575   everybody's question I started looking for more info on the film. That's when I

576   discovered the fundraiser page and decided to back it because I wanted to see the

577   final product. The second one was an Icelandic short film one of my colleagues

578   was working on so I decided to back it as a favor. Also, it looked pretty good. But

579   it was more of a favor opposed to the first where I was VERY interested in the

580   film. The genre of the films didn't have very much to do with my decision. But in

581   the case of the first one, I liked that is was a horror which didn't look like it was

582   using cheap scares or gore to thrill but rather atmosphere and good characters. I

583   liked that very much.

584 **Amra:** Did the movie by any chance have an already established fan base or any famous

585   people attached to the process?

586 **F:**   In both cases, no. The filmmakers were fresh out of film school (latter film, still in

587   film school) so they were using unknown actors.   Also, both films were original

588   property so no pre-existing fan base.

589 **Amra:** How much did you donate? And what were the rewards like?

590 **F:**   I donated 50 dollars on the first and c.a. 60 dollars on the Icelandic one (it was in

591   ISK currency) - maybe not that crazy much but I wanted to help a little bit.

592 **Amra:** And the rewards?

593 **F:**   Digital copies of the film in both cases – maybe a thank you letter also, don't

594   remember.

595 **Amra:** And do you come from a filmmaking background?

596 **F:**   Yes, I come from a filmmaking background. It's been my hobby for the last eight

597   years and I've worked on amateur and some professional sets (nothing important

598   though)

599 **Amra:** I assumed since Jonas connected us – I would be talking to a really buff film guy

600	**F:**	haha yeah I kind of dragged them into it very many years ago.
601	**Amra:**	You already mentioned how the presentation - how the film was shot impressed
602		you - so….so how did the visual presentation affect you in other ways?
603	**F:**	I think the visuals are the most important thing in fundraising campaigns, they
604		have to wow me with something, a nice shot, a cool concept, something. I
605		suppose I just want to support something I can see. And by supporting something
606		I get, you know, extra joy out of watching it - like "yeah, i'm 0,0000001% of that"
607		and that's fun .
608	**Amra:**	I see. At which state did you back those two films? Were they almost reaching
609		their goal or in the beginning of getting funded?
610	**F:**	The "cool" one was pretty close to its goal. It was at c.a. 70% or 80%, I
611		discovered it pretty late in its campaign. But with the Icelandic one, I was one of
612		the first backers because of my close connection with the creator. My backing was
613		a way of advertising it to others.
614	**Amra:**	Did you also get updates about the progress of the movie? And were you
615		interested in those?
616	**F:**	I did not get any. Maybe they're lost in the mail. But I would be very interested in
617		those haha I don't think everybody would be interested in hearing how the sound
618		mixing is going haha
619	**Amra:**	So besides helping out a friend and supporting something cool - anything else that
620		grabbed your attention with crowdfunding? Maybe…since you are shooting
621		movies too…do you think you might use this method for a project of yours?
622	**F:**	Lots of projects grabbed my attention, mostly from other countries. The Icelandic
623		ones can be a bit boring like "a documentary on Icelandic sewing". I plan to use
624		this model for a film I'm writing right now. The plan is to build a team in the

124

625		summer for the film, shoot some stuff and get the campaign up and running in fall.
626		I've been thinking a bit about rewards and stuff and how to organize everything
627		but not that much. Crowdfunding inspires me because it gives so many people the
628		freedom to do what they want to do and it also shows very clearly if people are
629		interested in your project / idea from the get- go.
630	**Amra:**	Good! Ill be just needing some socio demographic data (which will be used
631		anonymously for research) and we are good . Do you mind filling this out? 1)
632		Age 2) Country: 3) Student? Working Background? 4) Income Per month 5)
633		and border line on the amount of money you would donate? And thank you for
634		taking your time to talk to me!
635	**F:**	1. 19
636		2. Iceland
637		3. Student, graduated from high school/college (bit of a mix in Iceland)
638		Work - Cashier in cinema and freelance editing
639		4. c.a. 1400euros/month
640		5. I think I'll keep myself in the 50-100euro range unless there's some crazy
641		reward for 200 dollars or I'm CRAZY excited for the project.

- *7th Interview partner was:*

Male

29 years old

Coming from Austria

Student of Communication Science

Work – game producer and web developer

Income around 2000 euro per month

642 **Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start the

643 interview I wanted to tell you that all of the information you give me will be used

644 anonymously and just for research. There are no right or wrong answers.

645 Basically, just try to answer all the questions as thoroughly as possible. While

646 answering the questions you can tell me your opinion on the matter or give me

647 some additional information – basically a normal friend-to-friend conversation

648 and the more you can tell me the better. As I already mentioned to you before, I

649 am currently writing my Master thesis on the topic of crowdfunding – specifically

650 on crowdfunding film projects. My first questions would be – did you ever back

651 up a crowdfunding film campaign? And if on more than one occasion how many

652 times did you back up a project?

653 **G:** Yes I did back one film, actually twice. The movie will be called Iron Sky: The

654 coming race (successor of Iron Sky, which also was crowd funded, but I didn't

655 participate back then…). I started backing it like a year ago, but it wasn't a regular

656 crowd-funding campaign then but a crowd-investing campaign, where backers

657 received actual shares of the company and will also get a share of the profit if the

658 movie every gets profitable. However I also backed the movie in a regular crowd

659 funding campaign earlier this year.

660 **Amra:** so basically there were 2 campaigns….one in which you simply supported it to

661 get made and then the second one where you also gave money so you could get

662 equity shares…hmm. What were the movies about?

663 **G:** if you don't know the first film, it was a satirical comedy about Nazis still living

664 on the dark side of the moon these days and many other conspiracy theories. The

665 second movie will kinda pick up this story and bring it on to the next level incl.

666		reptile people, a second world within the world, Sarah Palin etc. sorry I am slow
667		with typing today ;D The first campaign was two create a financial and
668		economical new base, so a new production company who will produce the second
669		movie and also merchandise and franchises. Basically the goal of the Iron Sky
670		creators is to create something like a European star wars franchise. And that's
671		why they created a company for it and asked for people for invest into this
672		company but using crowdfunding.
673	**Amra:**	So you were first covering for production costs of the movie and then - for the
674		creation of the company?
675	**G:**	Later when they already had a script draft of the 2nd movie, they started a real
676		crowdfunding campagin to finance the pre-production of the movie. I was told
677		they will start another crowdfunding round for actually production later this
678		year. Yes, but the other way, first the creation of the company and to give them
679		enough money to get the scripts and trailers started. But in the end it's like a stock
680		market share I now have in their company. They're just splitting down their
681		whole movie financing into several little steps, from what I know they had:
682		- one crowd invest campaign where the only thing you got was shares of the
683		company which will give every backer real money back if the company is
684		profitable
685		- one crowdfunding round for making the trailer happen where people got goodies
686		- another round for financing pre-production (again goodies, this is the round i
687		backed again in)
688		- there will be at least one more round I heard to get more money to make the final
689		movie. Interestingly they're also trying to get money from other sources, so they
690		don't rely solely on crowdfunding, but also get money from German film funds etc

691	and also from movies publisher. However, they wanted to reduce the share movie
692	publishers had from the budget as movie publishers had too much influence on the
693	final movies marketing decisions, which the creators didn't like as I heard. So the
694	plan for the 2nd movie now was to get a bigger part of the budget from
695	crowdfunders to make the decision process somewhat more "democratic" and not
696	so much business drive. I am not sure if I have the total numbers right in my head,
697	but I think the total budget for this movie will be around 12 million euros
698	(plus/minus), which is quite high compared to some other indie films, but if
699	compared to other Hollywood blockbusters it's near to nothing - at that the
700	filmmaking quality they target (in terms of special effects etc.) *smile
701	emoticon* If you're interested this is the crowdfinance platform where the
702	initial investment round for their company started:
703	https://www.invesdor.com/finland/en/pitches/226

| 704 | **Amra:** | You seem to be really informed about this. Do you have a filmmaking |
| 705 | | background? |

706	**G:**	Not actually absolutely not, just a movie geek grin emoticon , but I invested into
707		their company some money so I like to stay up to date. However, I am working in
708		the entertainment industry, though it's mobile games, it's somehow related in it's
709		mechanisms and how it works . Hard to say, I really really liked the first movie
710		when it was in theatres (I went with my best friend there not really expecting
711		anything but then instantly loved it) then I heard they're starting this
712		crowdinvest thing and it instantly got me hooked, don't exactly know
713		why… maybe in the end it will be a really bad emotional decision to back their
714		company and I will lose money and totally regret it, but I hope not *smile
715		emoticon* but their presentation sounded professional, I already knew they made

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716		a fantastic movie a year ago with a much smaller budget and they had a great
717		plan: "european star wars franchise" got me wink emoticon
718	**Amra:**	So it's a bit of a feeling of – I wanna get on board with this?
719	**G:**	yep, the first motivation for sure was, they made a cool movie, they wanna do
720		another, they're cool guys, so let's support them. On the other hand, for the
721		crowdinvest round for their company, there also was the chance for making some
722		financial profit by supporting some really cool guys with some money, so first
723		only an emotional idea, followed by a somewhat strategic investment decision
724		wink emoticon (wow that just sounded a lot more impressive and professional
725		than I imagined it back then:D)
726	**Amra:**	What about the rewards?
727	**G:**	for the investing-into-the-company round the reward is the investment, the chance
728		to get more money back than I invested. For the later regular crowdfunding round
729		I participated in, there were two reasons for me to take part. First they struggled a
730		bit with reaching their crowdfunding goal, and I wanted to help them a bit,
731		although I knew my little amount won't help them reach their goal, romantic me
732		thought every penny will help…;) on the other hand they had some really cool
733		rewards like playing a role (getting eaten by a dinosaur on screen etc), but I didn't
734		buy that, instead I went with some cheaper one, some dinosaur necklace, some
735		Christmas cards, t-shirt. Actually I remember it was a special investors bundle I
736		bought (so they made a secret special bundle incl. some reward items for a special
737		price that only people could buy who previously invested into their company) so
738		there were some other items in this bundle, but I don't remember anymore all of
739		them *grin emoticon*
740	**Amra:**	Does Iron Sky have a pretty strong fan base already?

741 **G:** Yeah it seems so., the first movie also was crowdfunded and I think that's were

742   the base fan base comes from, though I haven't been one for them wink

743   emoticon

744 **Amra:** Were there any famous people attached to this project?

745 **G:**   Not like triple AAA actors - they had some more famous German actors in it

746   (well someone needs to play the Nazis ;)) but can't give you any names by heart

747   (I am so bad with remembering names doesn't help here ;))   Julia Dietze, Udo

748   Kier - if they ring a bell? (just look them up ;))

749 **Amra:** Do you think that worked on you?

750 **G:** No not at all. Maybe I saw the trailer and thought well I know this guy from

751   somewhere. But that for sure wasn't a reason to watch the first movie   neither to

752   back the second

753 **Amra:** was there something about the overall presentation and how they campaign was

754   presented to you that drew you in?

755 **G:** phew difficult to sayactually I think their Kickstarter page for the second round I

756   participated in was a mess in the beginning, but there already was trailer which I

757   found fantastic. For the crowdinvest round to invest in their company they had

758   some company sales sheets and lookout and calculations how their company may

759   evolve over years, what their plans were etc. It also sounded somehow

760   reasonable. But for me it was mostly, okay they made a great 1st movie with little

761   experience, now I am pretty sure they can make another one, even being better

762   and bigger and profitable with the experience of the first one   .

763 **Amra:** How much did you donate? In both rounds?

764 **G:** probably, dollar signs in my eyes… grin emoticon. To be honest. i don't know

765   exactly anymore, not that good with numbers at all as it seems wink emoticon .

766   For the crowdinvest round I think it was some higher 3 or maybe 4 digit number .

767   For the crowdfunding round with the goodie rewards I think it only was a lower 3

768   digits number . I think that's because I saw my first pledge not as donation but

769   really a financial investment to hopefully get real money back, then I was also

770   invested into the project personally and emotional. When the had their

771   crowdfunding round, didn't look like they'd make their goal (however they did in

772   the end) and some persuaded me to buy their investor bundle package *wink

773   emoticon* but I was none of the guys who paid 5000$ to get eaten by a dinosaur

774   on screen *wink emoticon*   not movie geek enough *grin emoticon*

775 **Amra:** So basically you saw crowdfunding as a investment?

776 **G:** It's a risky investment, similar to going to the stock market. For me it seemed and

777   seems more plausible than ever that this film could work, they're progressing well

778   and even if it takes long then I get at least the money back or only if it's part of it,

779   it was a fun journey to be involved in the process, so I also spent an amount of

780   money that's didn't hurt me in any way at that time, that I knew I wouldn't need

781   desperately within the next time. Of course it would be sad if all the money were

782   completely gone, e.g. if they're a fraud, but I think that's the same with all risky

783   investments, and I have a good feeling with them, that's probably the best it can

784   get . I think it was more like 50% of "business thinking", probably less. The main

785   part that made the decision for me was emotionally motivated I think, these guys

786   have a great idea and wanna build something great that also I will probably enjoy,

787   let's support them. The idea to maybe make a profit from that at the end of the day

788   is like the cherry on top of the sugar coated cupcake *wink emoticon* in the end I

789   think it also helped persuade me to invest that amount of money and not

790   something maybe smaller, because there is a chance to get it or to get more back,

791		but I would probably also have backed them in a regular crowdfunding campagin
792		where I would only get some goodies (that also are worth less than what one
793		spends)
794	**Amra:**	I see. I think we are almost done here. I'll just need you to fill out the following
795		form and then we are good. 1) Age 2) Country 3) Student 4) Working
796		background? 5) Income per month? 6) Border line on the amount of money you
797		would donate?
798	**G:**	29. Austria. Yep, Student of Communication Studies at univie, but rather part time
799		besides working as a game producer and web developer; did a BA in multimedia
800		production before at SAE. Hard to say exactly as I have both a regular few hours a
801		week job as a game producer at Xendex.com but also work as a freelance web
802		developer on few bigger and smaller projects a year, so maybe around 1500-
803		2000€ p. month? Cannot really say what's my border line amount yet, for regular
804		crowdfunding campaigns I'd mostly stick with two digit numbers, maybe lower
805		three digits. But it really depends on the project, the idea, the people behind and
806		how persuasive their marketing is.

- *8th Interview partner was:*

Male

25 years old

Coming from Austria/ USA

Filmmaker

132

807 **Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start the

808 interview I wanted to tell you that all of the information you give me will be used

809 anonymously and just for research. There are no right or wrong answers.

810 Basically, just try to answer all the questions as thoroughly as possible. While

811 answering the questions you can tell me your opinion on the matter or give me

812 some additional information – basically a normal friend-to-friend conversation

813 and the more you can tell me the better. As I already mentioned to you before, I

814 am currently writing my Master thesis on the topic of crowdfunding – specifically

815 on crowdfunding film projects. My first questions would be – did you ever back

816 up a crowdfunding film campaign? And if on more than one occasion how many

817 times did you back up a project?

818 **H:** I supported three crowdfunding film projects and made one campaign on my own

819 **Amra:** Can you tell me more about the crowdfunding projects you supported? What were

820 they about? And something more about your own campaign?

821 **H:** I supported three film projects, two from Austrian filmmakers and one from an

822 American filmmaker, you know him as JD aka Zach Braff. My own crowdfunding

823 campaign was also for a movie, it´s about a 40 minutes fantasy movie called Story

824 of a Legend . We had the premiere on January 31st this year and I finished the

825 rewards in March.

826 **Amra:** What was so appealing on the first 3 that you supported them? Did you know the

827 Austrian filmmakers personally? And are you a fan of Zach Braff? I suppose all of

828 the 3 campaigns you supported ended up being successful? and Congratulations

829 on your campaign! Did you notice through organization of your own campaign -

830 which things were important in order to motivate backers to donate?

831 **H:** The most important thing for me as a film producer is the package. WHAT´s the

832 story about and WHO are the talents behind the project. Yes all of the three

833 projects were successful but I learned most of the campaign from Zach Braff,

834 because he did a really great job to engage people around the world and give them

835 a community-feeling. I think this is the master key, when you start a

836 crowdfunding campaign. Build a relationship with your community before you

837 start the campaign and get them engaged with the project - emotional

838 campaigning through the whole communication strategy. I find it's easier if you

839 have a well-known actor attached to the project, promoting it, supporting it. That

840 gets all the fans going. But your main job is to explain WHY? Why you, why this,

841 why this project, why now, why crowdfunding. If people understand why you do

842 this – they will support you.

843 **Amra:** Like pitching your passion. Did the rewards play any role on you upon supporting

844 the 3 campaigns?

845 **H:** I think it depends on the project. When I see a crowdfunding-campaign from an

846 engineer, than I expect I can buy this thing. The benefit for me as a backer is to be

847 a friendly first customer AND I get something innovative for a lower price than

848 after the campaign. When I support a social project or art projects than it´s

849 different for me. My motivation isn't economic. I am a filmmaker after all. So I

850 know that this is a bloody business and the financing part during the development

851 is the hardest part. Maybe it's cause we are in the same boat so I understand these

852 people and want to help out. But no matter what rewards should be unique and

853 some of them should make fun, like a dinner during a rock concert or a special

854 thank you note. What I´ve learned from my own campaign was, that people are

855 not interested in getting the most output with the lowest input. What they want is

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856		supporting. Give them the space to be a part of the project; a little spotlight on
857		social media or a special thank you they´ve never received before.
858	**Amra:**	At which stages of the projects did you decide to back the campaigns up?
859	**H:**	All of them were in their first week. It's really important to fund within the first
860		three days – then you support the project most and you get it the needed social
861		media attention. I have my next meeting time, so I will only have time for the last
862		question. I hope some of my answers might help you.
863	**Amra:**	Oh okay then. I'll just need the sociodemographic data and we are good. Age?
864		Country? Student? Working background? Income per month? Border line amount
865		you'd be willing to donate?
866	**H:**	25, filmmaker, employed, borderline amount on donation would be 250 Euro.
867		Have a nice day!
868	**Amra:**	Thank you!

- *9ᵗʰ Interview partner was:*

Female

22 years old

Coming from Portugal

Working in tourism agency as a receptionist

Income 508 euro per month

869	**Amra:**	First, thank you for agreeing and taking the time to chat with me. Before I start the
870		interview I wanted to tell you that all of the information you give me will be used
871		anonymously and just for research. There are no right or wrong answers.
872		Basically, just try to answer all the questions as thoroughly as possible. While
873		answering the questions you can tell me your opinion on the matter or give me
874		some additional information – basically a normal friend-to-friend conversation
875		and the more you can tell me the better. As I already mentioned to you before, I
876		am currently writing my Master thesis on the topic of crowdfunding – specifically
877		on crowdfunding film projects. My first questions would be – did you ever back
878		up a crowdfunding film campaign? And if on more than one occasion how many
879		times did you back up a project?
880	**I:**	I've donated to the Veronica Mars project and won a DVD through kickstarter.
881		The project had a huge fan base and it was very easy to obtain the amount of
882		money they were looking for. Though for a 'small' project, it is very hard to obtain
883		100% backers. I watched Veronica Mars seasons on tv and always thought
884		something was missing, then the opportunity came to donate and join the project
885		and, I was not only helping a project I liked but I got something out of it! I mean, I
886		got two things out of it: the project coming to life and I won something by
887		donating. People always like freebies I think, especially when its something they
888		already know about or something unique. Since it was something I loved I was
889		happy by joining in and thrilled to know I would obtain 'a freebie' whether it was a
890		dvd, a t-shirt or just a thank you note.
891	**Amra:**	Do you think this was more because you are a fan? or was there something else
892		about this?

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893	**I:**	No, I've seen some other crowdfunding projects that seem really interesting,
894		technology wise, or movie wise in terms of new ways of filming, or new cameras,
895		or stories never seen before, themes i'd like to see on the theatres that I've never
896		saw, can't remember anything specific at the moment though; of course liking the
897		cast and knowing the project before hand helped a lot, still if they didn't talk a bit
898		about what they wanted to do on the new movie, and I wasn't into it, I probably
899		wouldn't be up to donate to it. But it certainly made it easier to stumble up on
900		it.
901	**Amra:**	are you a bit of a fim buff? in a way that you would donate for movie that would
902		be completely new to you just if you see there is sth that you like there? what
903		would you think your main motivations would be to donate for projects like
904		these?
905	**I:**	Well not something completely unknown, if it was new and it was for a subject I
906		was into or character wise it was something I would be willing to watch, I'd
907		definitely donate for it. It should be my kind of movie to watch. I'm a bit addicted
908		to movie effects, I recently watched Jupiter Ascending, even though I thought the
909		story wasn't that big of a deal, but the special effects! oh my. That is definitely
910		something I'd like to donate just to see the ability to create new worlds with
911		special effects. Must say that is my biggest motivation, something unseen, well
912		explained and fresh. I'd donate for that no matter the rewards.
913	**Amra:**	Do you come from a filmmaking background? Studying or interested in film?
914	**I:**	No not really. I am really interested in film and watching movies – yes. But I don't
915		shoot movies on my own if that's what you mean. I am more interested in it than
916		photography really, I just haven't found the perfect camera yet, as unfortunately

917 my taste is a little too expensive. My next step is to buy a camera that also films.

918 Still looking for the perfect one though!

919 **Amra:** How much did you donate for the Veronica Mars Project? And at which stage did

920 you decide to back the project up?

921 **I:** Can't remember the exact amount, I believe it was around 30$ and it was around

922 stage 4 I believe. 1st was a thank you on twitter, 2nd was a postcard, 3rd was a t-

923 shirt, 4th was the dvd. They even offered a role on the movie for the highest

924 stage.

925 **Amra:** Did you already know the movie was gonna get made? How did you even stumble

926 up on it?

927 **I:** I was unsure, though it gathered many donations over the 1st week and by the

928 rhythm it had it was definitely going to be made. But still, making a donation for

929 something you want and be unsure that it will be done or not, even if the amount

930 of money is made, it still can be canceled or something. It was really stressful to

931 not know if the project is going to be backed up and made by the time it

932 ends! Actually I have heard it through a friend who backed it up as well. But a

933 few days later it was even part of my country (Portugal) news on one of our major

934 channels! When I saw it was done – you kinda always have the feeling you were

935 part of it. It sticks with you. Even if it was just a little bit.   So, that was one of

936 the main reasons for me - wanting to be part of a project that I loved and knew in

937 the past and i liked very much. Then for sure, knowing that it would 99.99%

938 going to be produced, as I believe no one likes to be unsure that the project is

939 going forward or not.

940 **Amra:** Good. I'll just be needing some sociodemograhics data and we are done. Mind

941 filling this out? 1) age 2) country? 3) student? 4) working background? 5)income

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942		per month? 6) border line amount that you'd be willing to donate? And thank you
943		for taking your time to do this with me!
944	**I:**	No problem. 22. Portugal. Student. Working in a tourism agency as a
945		receptionist. Income per month is 508 Euro and borderline amount I'd be willing
946		to donate would be 50 Euro. If you need anything else – let me know.

- *10th Interview partner was:*

Male

31 years old

Coming from Czech Republic

Film producer and film editor

With an income of about 2500 Euro per month

Transcript Interview J (10)

947	**Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start
948	the interview I wanted to tell you that all of the information you give me will be
949	used anonymously and just for research. There are no right or wrong answers.
950	Basically, just try to answer all the questions as thoroughly as possible. While
951	answering the questions you can tell me your opinion on the matter or give me
952	some additional information – basically a normal friend-to-friend conversation
953	and the more you can tell me the better. As I already mentioned to you before, I
954	am currently writing my Master thesis on the topic of crowdfunding – specifically

955		on crowdfunding film projects. My first questions would be – did you ever back
956		up a crowdfunding film campaign?
957	**J:**	I backed up several film campaigns. I tried to back up a film campaign once a
958		year, with a bigger support than several little donations to more campaigns. I
959		remember backing 4 film campaigns in the past 5 years with at least a support of
960		500 USD.
961	**Amra:**	how? And why pretty much would be my questions? Were the campaigns new to
962		you - or were you supporting your friends / acquaintances?
963	**J:**	Okay, so I found out about the campaigns through social media. In a couple of
964		instances, people that I knew were directly involved. In other 2 occasions, I did
965		not know anybody in the crew personally, but it was recommended by an
966		acquaintance on Facebook. I would usually follow the campaign for the first week
967		or 10 days to see how it develops, not only how much of a successful start they
968		have, but also if they seem to care enough about the campaigns, with updates and
969		so on. The projects I backed up were projects I cared about. I never do it out of
970		pity or to help friends out, but I am genuinely interested to see the project happen,
971		and most importantly be a part of it. That's why I also go for bigger donations to a
972		smaller amount of project, so that I can actually care what happens when the film
973		is being made, I get all the updates, get in touch with the creators sometimes, do
974		my own part in spreading the word.
975	**Amra:**	When you say - projects you care about…. does it play a big role what these
976		movies are about? Which genre? Or is it more about how they are made -
977		technical side of the things that you are interested in?
978	**J:**	It is the topic of the film obviously, I want to help new voices to be heard, see the
979		passion behind the film. The projects I backed out were very personal projects,

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980   original ideas. They were nothing like what you would consider student films.

981   And it's not about the technical aspect of it. I am not so interested in campaigns

982   raising money to do copy of big budget films. It's not my conception of

983   crowdfunding. If you want to rent the best camera, a dolly and a techno crane for

984   your film and ask a crowd to pay for it, you're delusional. An interesting campaign

985   for me is when you see that the creators are trying to pull all the resources

986   together, yet it takes some basic finances to make a film, cater people, renting

987   lights, post-production etc... so they need some financial support. Additionally,

988   crowdfunding campaigns are not only about money, but to bring awareness to the

989   project itself, so you can quickly see if someone is here for a quick cash grab

990   rather than because this is the most dear project to his or her heart. It's not

991   precluding of course, but sometimes it's more convincing when the campaigns are

992   "all or nothing", rather than "we'll take what we can" from our supported.

993   **Amra:** I see. I have to admit this is the approach i only see from people who understand

994   filmmaking and have experience and understanding to what it means to make a

995   movie and how much money and effort goes in it. Normal people usually back up

996   crowdfunding for the rewards. Are there any other motivating factors you follow

997   upon donating to certain crowdfunding campaigns? can you name some things

998   that kinda - grab your attention and make the campaign appealing and interesting

999   for you?

1000   **J:**   Ah, so well it's good when there are visuals. Could be a teaser, or some concept

1001   art. It's important to see they are ready to into production, there is a main cast and

1002   crew, locations, etc... I usually skip the self-indulgent content, like the biography

1003   of the cast and crew. As for the perks, I actually usually don't care about the

1004   tangible items. I would care about a credit for example, but that's about it.

1005   **Amra:** But you also approach crowdfunding more thoroughly… if something grabs your

1006   attention you check how the campaign is going? Its not so much of an impulsive

1007   decision for you, right?

1008   **J:**   no it's not impulsive. Because I don't pay too much attention about the perks, so I

1009   can take my time seeing how the campaign works, and how much I can donate so

1010   it can boost the campaign.

1011   **Amra:** your approach is purely altruistic of sorts…i mean since you don't get much out

1012   of it but simply the good feeling of helping talented people out?

1013   **J:**   Yes that's pretty much it. That's why I only do it once a year, I would say. But

1014   they also need to be convincing that this is the right project to help. Many talented

1015   people on Kickstarter and Indiegogo for sure, which good projects. So what makes

1016   a different is the attitude of the people behind I would say. That's why I follow the

1017   campaign for a few days before I make my decision.

1018   **Amra:** what kind of projects usually get your support? is it more about the passion

1019   behind it ? or would you say there is a chance something that has a huge fandom

1020   base and some famous people attached to the campaign could also get your

1021   interest?

1022   **J:**   I don't think I will ever give money to these campaigns like the one Zach Braff did,

1023   anything with stars, or huge publicity. I don't judge them for what they do, but I

1024   am not interested. My support would be meaningless; the films would be shot

1025   eventually. And if they fail, at that level, that means the project was probably not

1026   good enough . So as I said, it's not only about the passion, but more about the

1027   story, the challenge and the attitude behind it.

1028   **Amra:** do you often get into contact with the creators of the campaigns you

1029   support?

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1030	**J:**	Yes i always do. It is a sort of networking i guess. I never really thought about it
1031		that way though. I consider this as a learning experience and I also want to know
1032		them a bit better. So it's a bit of those things. Getting to know them and oversee as
1033		much as the let me from the process of production. Not sure If get inspired.
1034		Actually I am not fit for crowdfunding myself. It takes a lot of work. Like insane.
1035		So I respect those who follow through with the promises of updates etc.. And I
1036		feel a bit like a fan myself. Giving a few hundred euros dollars is not enough, the
1037		biggest part is committing yourself, and that's why the project has to feel right, so
1038		I can also be proud of it and feel like I am a part of it.
1039	**Amra:**	I see. Good. We are almost done here. I'll just need some sociodemographics
1040		data. Can you fill this out? 1) Age? 2) Country? 3) Student/Working Background?
1041		4) Income per month? 5) Border line amount of money you'd be willing to donate
1042		for a project? And thank you for taking your time to talk to me!
1043	**J:**	31. Czech republic. I am a film producer and film editor. Income around 2500
1044		Euro per month and I like to give from 250 to 1000 euros. And you are welcome.

- *11th Interview partner was:*

Female

28 years old

Studying International Politics and International Law

Working for the permanent mission of Austria at the United States in NYC soon.

1045   **Amra:** First, thank you for agreeing and taking the time to chat with me. Before I start

1046   the interview I wanted to tell you that all of the information you give me will be

1047   used anonymously and just for research. There are no right or wrong answers.

1048   Basically, just try to answer all the questions as thoroughly as possible. While

1049   answering the questions you can tell me your opinion on the matter or give me

1050   some additional information – basically a normal friend-to-friend conversation

1051   and the more you can tell me the better. As I already mentioned to you before, I

1052   am currently writing my Master thesis on the topic of crowdfunding – specifically

1053   on crowdfunding film projects. My first questions would be – did you ever back

1054   up a crowdfunding film campaign?

1055   **K:**   I donated for one film project and a video game. It was a certain feminist

1056   campaign of sorts. I am very much into feminist pop culture criticism and the

1057   gaming industry is an area where there is much to be critiqued. So I follow an

1058   amazing feminist gamer called Anita Sarkeesian (http://feministfrequency.com/)

1059   and as far as I remember (some time last year) she posted the trailer of the project

1060   and it was awesome. The trailer was beautiful and I support games with

1061   multidimensional female protagonists that do not fall within the usual tropes for

1062   women in video games! And then there was the movie too. I also loved the

1063   soundtrack of the game so I donated a certain amount that not only provides you

1064   with the game, but also the soundtrack. If it wasn't for the cause, I never would

1065   have heard of it and (as I am not a 'gamer' per se), probably wouldn't have

1066   supported a game and then the movie. I think indie games (especially non-sexist

1067   ones) are support-worthy- but if I hadn't liked the game, I wouldn't have given

1068   money, either.   It would be weird to support a campaign for ideological reasons

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1069		so to speak, but not to be interested in the outcome.
1070	**Amra:**	Anything else that grabbed your attention and motivated you to back up these
1071		projects? Obviously you liked what you were supporting and the fact that a person
1072		that you look up to was supporting this and reshared – you stumbled up on it.
1073		Anything about how the campaign looked itself and how it was presented to you?
1074	**K:**	They had a beautiful trailer. Also great tumblr! And they already had great fanart.
1075		I've used their wallpapers already. So I was a bit of a fangirl. Their style and the
1076		music and dialogues and characters totally relate to me.
1077	**Amra:**	At which state did you decide to back this project up?
1078	**K:**	They were already fully funded. It was one of those very successful projects that
1079		were basically funded overnight. But I still wanted to support them. And I think
1080		they've extended their project now (like hiring more people) and I also already
1081		bought a t-shirt from their store on etsy. So I really wanted to show my support. I
1082		only donated 25$. I didn't get any emails or updates or anything. But I followed
1083		the creators on tumblr occasionally and read all the updates so I felt like I was also
1084		part of this project. I think they put more detailed updates on their kickstarter
1085		website, but those are sometimes a little too technical for me, so I don't check
1086		those. I gotta sadly go now but I hope I could help you a bit with my answers.
1087	**Amra:**	I understand. Well I'll just need some data from you and we are good. Thanks for
1088		taking your time to do this with me! Mind filling this out? 1) Age 2) Country? 3)
1089		Student? 4) Working background? 5) Income per month? 6) Border line amount
1090		of money you'd be willing to donate?
1091	**K:**	28. I'm from Germany but soon moving to the US. I am a political scientist.
1092		Studied international politics and International Law. I'll be working for the
1093		permanent mission of Austria at the United Nations in NYC. Currently no income

1094   as I am waiting for my visa to start working. And about the borderline amount I'd

1095   be willing to donate – 25$ as a student who is not making money at the moment.

1096   Hope this helped!

Bakk. Amra Dedic, Universität Wien – 2015

Thank you for agreeing to take part in this survey measuring motivations to donate for crowdfunding. Be assured that all answers you provide will be kept in the strictest confidentiality. Please click "NEXT" to begin.

1. Have you ever donated to a crowdfunding film campaign?

    o Yes

To which one?

    o No

2. How many crowdfunding film campaigns did you back?
Answer with a number. (example = «3»)

3. How many of the crowdfunding film campaigns you donated to were successful? (reached their goal in funding)
Answer with a number. (example = «3»)

4. At which stage did you back the 1st campaign up?

- o Beginning
- o Middle
- o Near the end
- o The campaign already reached its goal

5. At which stage did you back the 2nd campaign up?
(If you only supported 1 campaign – you may skip this question)

- o Beginning
- o Middle
- o Near the end
- o The campaign already reached its goal

6. At which stage did you back the 3rd campaign up?
(If you only supported 1 or 2 campaigns – you may skip this question)

- o Beginning
- o Middle
- o Near the end
- o The campaign already reached its goal

7. How much did you donate for the 1st campaign?
Please state the value and the currency of your donation.
(example = «15$»)

8. How much did you donate for the 2nd campaign?
Please state the value and the currency of your donation.
(example = «15$»)
If you only donated for 1 campaign you may skip this question.

9. How much did you donate for the 3rd campaign?
Please state the value and the currency of your donation.
(example = «15$»)
If you only donated for 1 or 2 campaigns you may skip this question.

10. Were any of the campaigns or a campaign that you supported a campaign...?
Multiple answers possible.

- o Of a friend
- o Of a family member
- o Of an acquaintance
- o Of a complete stranger
- o Included my favorite actor or a screenwriter or a producer or somebody famous that I admire
- o None of the above

11. How did you stumble upon the campaign(s) you donated to?
Multiple answers possible.

- o I stumbled upon it myself through the internet.
- o I stumbled upon it myself through the channels of social media.
- o My friends/ family/ acquaintances told me about this campaign.
- o One of my friends / family members/ acquaintances was the creator of the campaign
- o One of the people in the campaign (an actor in the campaign or a famous person) shared the information about it.
- o None of the above

12. Which of these statements apply to you? On a scale of 1 – 5 (where 1 stands for «strongly disagree» and 5 stands for «strongly agree») how much do you agree or disagree with these statements? Applicable to all of the campaigns you supported.

	strongly disagree	disagree	neither agree nor disagree	agree	strongly agree	don't know
I liked the idea behind this project.	○	○	○	○	○	○
I was a fan of this project (tv show/ film sequel) for a while before the crowdfunding campaign emerged.	○	○	○	○	○	○
I knew the creator of the campaign personally.	○	○	○	○	○	○
I wanted to be a part of this project.	○	○	○	○	○	○
I wanted to help the creators reach their goal.	○	○	○	○	○	○
I had difficulties fundraising money for my own crowdfunding film campaign.	○	○	○	○	○	○
I liked the possibility of interacting with the creator of this campaign.	○	○	○	○	○	○
The rewards of this campaign were appealing to me.	○	○	○	○	○	○
I wanted to be able to say that I supported this campaign.	○	○	○	○	○	○
The project had strong ties to the place where I come from.	○	○	○	○	○	○
I liked how the campaign was presented to me.	○	○	○	○	○	○
It was an impulsive decision to donate.	○	○	○	○	○	○

13. Which of these statements apply to you? On a scale of 1 – 5 (where 1 stands for «strongly disagree» and 5 stands for «strongly agree») how much do you agree or disagree with these statements? Applicable to all of the campaigns you supported.

	strongly disagree	disagree	neither agree nor disagree	agree	strongly agree	don't know
I found the project really appealing.	○	○	○	○	○	○
I was a fan of the previous work of the creator of the campaign.	○	○	○	○	○	○
I was supporting a campaign of a friend.	○	○	○	○	○	○
I wanted to be a part of something bigger.	○	○	○	○	○	○
They seemed like they needed help so I donated.	○	○	○	○	○	○
I am aware of the difficulties of fundraising budget when you shoot a movie.	○	○	○	○	○	○
I wanted to engage in the creative community of this campaign.	○	○	○	○	○	○
The rewards were personal.	○	○	○	○	○	○
I wanted others to know that I donated for this campaign.	○	○	○	○	○	○
The theme of the project had strong ties to my home place.	○	○	○	○	○	○
The campaign looked really professional.	○	○	○	○	○	○

14. Which of these statements apply to you? On a scale of 1 – 5 (where 1 stands for «strongly disagree» and 5 stands for «strongly agree») how much do you agree or disagree with these statements?

	strongly disagree	disagree	neither agree nor disagree	agree	strongly agree	don't know
I liked the theme of this film (of the campaign).	○	○	○	○	○	○
The campaign had my favorite actor (or other people involved whose work I admire) in it.	○	○	○	○	○	○
I was supporting a campaign of a family member.	○	○	○	○	○	○
I wanted to support the cause this campaign was representing.	○	○	○	○	○	○
The campaign was almost at the end of its fundraising so I chipped in.	○	○	○	○	○	○
I understood the difficulties the filmmakers were going through.	○	○	○	○	○	○
I wanted to connect with the creator of this campaign.	○	○	○	○	○	○
You couldn't get the rewards that were being offered anywhere else.	○	○	○	○	○	○
I wanted a shout out on social media thanking me for donating for this campaign.	○	○	○	○	○	○
The movie was shot in the place where I grew up in.	○	○	○	○	○	○
The creator approached his campaign on a professional level.	○	○	○	○	○	○
At the moment it seemed like a good idea to support this campaign.	○	○	○	○	○	○

15. What is your gender?

- o Female
- o Male

16. How old are you?

I am [   ] years old

17. In which country are you currently living?

Country: | {please choose} |

18. What is the highest degree or level of education you have completed?

- o Less than highschool
- o Highschool graduate
- o College
- o Associate's degree
- o Bachelor's degree
- o Master's degree
- o Ph.D.
- o Other school-leaving qualification: [   ]

19. What are you currently studying or completing a degree in?
If you are currently studying or completing a degree.

[   ]

20. Are you currently employed?

- o Yes, I am employed.
- o No, I am unemployed.
- o No, I am retired.
- o Yes, I am self-employed.

21. What are you currently working as?

If you are currently employed.

22. Do you have a filmmaking background (experience shooting movies as a professional or a hobby filmmaker)?

- o Yes
- o No

23. What is your monthly net income?
Net income is defined as your total income after tax and social security deductions.

- o Less than 250 €
- o 250 € up to 500 €
- o 500 € up to 1000 €
- o 1000 € up to 1500 €
- o 1500 € up to 2000 €
- o 2000 € up to 3000 €
- o 3000 € up to 4000 €
- o 4000 € up to 5000 €
- o 5000 € or more

Thank you for completing this questionnaire!

I would like to thank you very much for helping me.

Your answers were transmitted, you may close the browser window or tab now.

DEDIC AMRA

PERSONAL DETAILS

Date and place of birth:	03.06.1992 in Moscow, Russia
Nationality:	Croatian
Contact:	amra.dedic@ymail.com

EDUCATION

From Sept. 2013	Master of Communication Science at the University of Vienna
From Sept. 2009 – 2013	Bachelor of Communication Science at the University of Vienna

SCHOOL EDUCATION

1998 – 2009	High school Education in Moscow, Russia Graduated with Honors
1998 – 2006	Primary Education at the Croatian Embassy in Russia

TRAINING & WORK EXPERIENCE

August 2014	Prague Film School (Filmmaking workshop)
From Feb. 2014	Photographer at UNIMAG
Sept. 2013 – Okt. 2013/ Feb. 2014	Tutor at the Orientation and Cultural Program of the Vienna University of Economics and Business
Feb. 2013 – June 2013	Tutor at the Communication Science Department of University of Vienna

PERSONAL SKILLS

Languages	Croatian (mother tongue)
	Russian (mother tongue)
	English (fluent)
	German (fluent)

Microsoft Office
Adobe Photoshop + Final Cut Pro