Introduction to the Minitrack "Crowd-based Platforms" HICSS 2018

Track:
Internet and the Digital Economy

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1. Introduction

Crowd-based platforms on the Internet harness the wisdom, labor and money from the crowd, to facilitate idea generation, labor exchange and funding of innovative entrepreneurial projects. Crow-based platforms include online labor markets (e.g., *Amazon Mechanical Turk*, *Freelancer.com*), crowdsourcing platforms (e.g., *Innocentive.com*, *Zhubajie.com*) and crowdfunding marketplaces (*GoFundMe.com*, *Indegogo.com*). The uprising scale and importance of such platforms has revolutionized the digital economy.

Notably, these crowd-based platforms have attracted much attention from IS academic scholars. The different types of crowd-based platforms offer new opportunities to understand information systems and related problems, such as new product development in crowdsourcing marketplaces (Huang et al. 2014); communication and coordination in software development (Hong and Pavlou 2016) and system design in online labor markets (Hong et al. 2014; Liang et al. 2016); social influence of contribution patterns (Burtch et al. 2013) in crowd funding marketplaces. Hereby, more innovative research is warranted in this research stream, given the scale and societal impact of these platforms.

In this mini-track, we welcomed submissions of papers related to the types of platforms and research questions including but not limited to the listed research topics. We also received research using different data and methodologies, such as econometrics, field or lab experimentation, field surveys, analytical model, or grounded theory approaches.

2. Research topics:

- Crowdsourcing contest platforms
  1) New product development
  2) Value co-creation
  3) Contest performance
  4) Contest design

- Online labor platforms
  1) Auction design
  2) Auction performance
  3) Effect of online labor markets on local economy
  4) Effect of local economy on online labor markets
  5) Global dynamics

- Crowdfunding marketplace
  1) Signaling
  2) Social capital
  3) Social influence
  4) Crowdfunding success factors

3. Accepted Papers

1. Facts vs. Stories - Assessment and Conventional Signals as Predictors of Freelancers' Performance in Online Labor Markets

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Abstract:

"This paper investigates how freelancers' use of signals predicts earnings in online labor markets. Extant literature has questioned the usefulness of some assessment signals to evaluate a freelancer's quality. We find that conventional signals – signals based on non-verifiable information – can be predictors of higher revenue, when they are based on anecdotes of positive past events (self-promotion). However, mere kindness and flattery towards the customer (ingratiation) is negatively associated with a freelancers' earnings in OLM. Moreover, we find evidence that the number of tests performed on the platform is significantly associated with higher earnings - with each test that is added to the profile a freelancer's revenue increases by 4.1 %. We base our analysis on a sample of 1065 freelancers using objective financial earnings data, independent coding and survey data."

2. Exploring the Effect of Monetary Incentives on User Behavior in Online Sharing Platforms

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Abstract:

"We examine the impact of monetary incentives on user onboarding in online sharing platforms. Specifically, drawing upon the literature of monetary incentives, privacy, and consumer behavior, we conduct a randomized field experiment to explore users' initial engagement and interaction with an online car-sharing platform. Our empirical analyses show that monetary incentives are no better than simple email reminders in encouraging users' self-disclosure of private information nor their active engagement with the platform (i.e., actual booking via the platform). Our work sheds new light on the heated debate over the design and deployment of monetary incentives in digital platforms, and provides useful implications for both academia and the industry."

3. Success Factors in Title III Equity Crowdfunding in the United States

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Abstract:

"Title III of the JOBS Act took effect in May 2016 and it began a new chapter in equity crowdfunding in the United States by providing an opportunity for entrepreneurial ventures to solicit funding from non-accredited investors. Due to the relative novelty, little is known about factors that can affect equity crowdfunding success under Title III. To address this gap in research, we draw on the risk capital framework and we examine the effects of market, execution and agency risks in equity crowdfunding under Title III. We collect data on 133 ventures that attracted more than $11 million in funding commitments across sixteen Title III equity crowdfunding platforms. We find that all three types of risks can affect the likelihood of successful fundraising under Title III. We discuss the implications of these findings for entrepreneurs, investors, crowdfunding platforms and policy makers."

4. Managing Complex Work Systems via Crowdworking Platforms: How Deutsche Bank Explores AI Trends and the Future of Banking with Jovoto

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Abstract:

"Crowdsourcing has evolved into a powerful new instrument for companies. In the last years, crowdworking platforms that manage work systems as intermediaries between crowdsourcers and crowd workers have increasingly been used. Nevertheless, they currently often manage rather simple work systems. Although they have the potential for managing more complex ones, there is still little knowledge how this can be done and what measures are necessary to do so. To explore this question in more detail, we investigate three seminal projects that Deutsche Bank completed with the crowdworking platform Jovoto and that aimed at exploring AI trends and developing concepts for the future of banking. We derive measures necessary for the successful

management of complex work systems and provide a model as guidance for both companies and crowdworking plat-form operators. With our findings, we extend current knowledge in the realm of IS, organizational theory, and platform ecosystems."

5. Temporally Networked Cournot Platform Markets

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Abstract:
"In networked markets, information can help firms make better decisions on which market (platform), and how much, to participate. However, these markets may be temporally separated, e.g., independent system operators in different geographical locations. We model these via networked Cournot markets, but instead con- sider the participation of one firm to either be with the realization (or full information) of a random market, or only with the statistics of the random market, modeled by an additive zero-mean random variable on the maximal price. We show that firms not knowing the realization of the random variable would participate in both markets in the same way as if the mean was realized. We then present global effects: we prove that profit is improved for every firm when one's information improves but social welfare may get better or worst with more information."

6. Investor's Anticipation and Future Market Movement: Evidence of Self-Fulfilling Prophecy Effect from Chinese Stock Market

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Abstract:
"We analyzed data collected from retail investors in Chinese stock market from a fin-tech mobile platform to find evidence of self-fulfilling prophecy effect. We found statistically significant correlation between the predicted and actual Shanghai Stock Exchange Composite Index (SSECI) as well as non-random deviation patterns. We also analyzed participating investor behaviors and discussed the implications and future research."