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Xiaochen Liu

Beijing Jiaotong University, xcliu@bjtu.edu.cn

Yu JIN

Nanjing University, yujin@nju.edu.cn

Yulin Fang

The University of Hong Kong, ylfang@hku.hk

Qiang Ye

University of Science and Technology of China, yeqiang@ustc.edu.cn

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Co-creation, Failure Learning, and Relaunch Success: Evidence from Online Crowdfunding Market

Short Paper

Xiaochen LIU

Beijing Jiaotong University
No.3 Shangyuan Village, Haidian
District, Beijing, China
xcliu@bjtu.edu.cn

Yu JIN

Nanjing University
No. 22, Hankou Road, Gulou District,
Nanjing, Jiangsu Province, China
yujin@nju.edu.cn

Yulin FANG

The University of Hong Kong
Pokfulam Road, Central and Western
District, Hong Kong
ylfang@hku.hk

Qiang YE

University of Science and Technology
of China
No.96, Jinzhai Road, Baohai District,
Hefei, China
yeqiang@ustc.edu.cn

Abstract

With intense competition and relatively inexperienced founders, the crowdfunding market has reported high failure rates. However, the IT components of the crowdfunding market provide entrepreneurs with more opportunities for experimentation and trial, leading to a new phenomenon of post-failure relaunches. Research into campaign relaunch success is urgently needed but under-researched. By combining failure learning theory with a collective perspective, the present study examines how investors' co-creation, in terms of advocacy and feedback, can benefit crowdfunding relaunch success directly or indirectly (by motivating founders' failure learning). The study tested the proposed mediation model with 1,902 failure-relaunched Kickstarter campaigns, with most hypotheses supported. Furthermore, the study explores the role of the time interval between crowdfunding relaunch and prior release. The findings indicate that an increased time interval enhances the positive effects of founders' learning efforts on relaunch success while attenuating the potential positive effects of investors' advocacy, implying a tradeoff in timing decisions.

Keywords: Crowdfunding, Campaign Relaunch, Crowd Co-creation, Failure Learning

Introduction

Digital entrepreneurship has emerged as a modern approach to creating and financing businesses in the digital age. The financing models supported by information technology have empowered entrepreneurs to broaden financing channels, break geographical boundaries, and reach a global audience (Mollick, 2014). This shift has also made business ownership more accessible, allowing anyone with a creative idea to launch a successful venture. In the last decade, digital entrepreneurship has become one of the most promising strategies for nurturing innovations, especially in the context of the pandemic and post-pandemic era. This

study specifically focuses on online crowdfunding, which serves as the primary business model for digital entrepreneurship (Nambisan, 2017).

Crowdfunding is a unique and advantageous method of collective financing that brings together small investments from a large number of individuals through the Internet (Kuppuswamy & Bayus, 2018). Despite the impressive growth of the crowdfunding market, crowdfunding campaigns still face the challenge of high failure rates. For instance, Kickstarter, operating on an all-or-nothing scheme, reports a success rate of less than 40%. While researchers have shed light on factors contributing to the success of individual crowdfunding campaigns, such as campaign design features and founder characteristics (Mollick, 2014; Skirnevskiy et al., 2017), experiencing crowdfunding failure remains inevitable for most creative ideas.

However, the failure of a crowdfunding campaign does not necessarily mean the end. Crowdfunding enables the rapid development and launch of product ideas as digital artifacts (Nambisan, 2017). When faced with failure, entrepreneurs can cost-effectively modify, refine, and reactivate the original digital artifacts. The IT features of crowdfunding platforms facilitate a higher level of experimentation and trial for entrepreneurs in developing their business ideas (Nambisan, 2017). This has transformed the implications of crowdfunding failure and inspired more and more entrepreneurs to relaunch their failed creative ideas through new crowdfunding campaigns (Greenberg & Gerber, 2014). However, for crowdfunding fundraisers, achieving relaunch success can sometimes be quite challenging. Our dataset indicates that the success rate of business idea relaunches in the Kickstarter technology category is approximately 26%, slightly below the overall success rate of technology campaigns (29%). This suggests the potential for fundraisers to become caught in a cycle of failures and underscores the need for a theoretically grounded empirical investigation to provide guidance and insights into founders' relaunch practices, addressing the research calls regarding the aftermath of a single crowdfunding campaign (Cummings et al., 2020).

The theoretical foundation of this study draws from the failure learning theory (Cope, 2011). However, it distinguishes itself from existing discussions on venture re-emergence in entrepreneurship literature by incorporating a **collective perspective**. Given the nature of crowd founders, who are often comprised of non-professional small teams or individuals, they frequently encounter resource constraints, thereby relying on the collective wisdom of other stakeholders during the failure-relaunch process. Moreover, the crowdfunding market exhibits a high level of social interactivity, fostering convenient and frequent communication between crowd investors and founders. Consequently, this study integrates theories of failure learning with the value co-creation perspective, constructing a mediation model with the following objectives: **1) to explore the direct and indirect influence of the crowds' co-creation behaviors, namely advocacy and feedback, on the success of crowdfunding relaunches; and 2) to examine the moderating effects of relaunch timing on the aforementioned relationships.**

Literature Review

Crowdfunding

The existing body of crowdfunding literature has accumulated substantial evidence concerning the fundraising performance of a single crowdfunding campaign, thereby offering valuable practical guidance to entrepreneurs (Cummings et al., 2020). However, despite the wealth of knowledge, crowdfunding ventures frequently encounter failure, primarily attributed to market crowdedness and the inexperience of crowdfunders. In response to the failure of a crowdfunding campaign, crowdfunding platforms generally allow founders to receive feedback and relaunch their business ideas, a process referred to as **crowdfunding relaunch** in this study.

The digitalization of the crowdfunding marketplace has played a significant role in the prevalence of the relaunch phenomenon. Specifically, unlike traditional entrepreneurial activities, crowdfunding campaigns rely on digital components or media content that can be separated from their corresponding physical forms (Nambisan, 2017). Consequently, crowdfunding provides a cost-effective opportunity for the development of early-stage and less-developed prototypes (Mollick, 2014). The digital artifacts within a funding campaign are also editable and can be systematically and continuously modified, updated, and expanded. These inherent characteristics of crowdfunding enable entrepreneurs to engage in more extensive experimentation and trial in building their businesses (Nambisan, 2017). While crowdfunding relaunch has been identified as a prevalent phenomenon in the crowdfunding marketplace, there is limited discussion

available on this topic. Thus, this study aims to establish a theoretical framework that identifies the essential factors that contribute to the success of crowdfunding relaunch. To position this study within the broader literature and gain a better understanding of the theoretical mechanisms, we conduct a comprehensive review of the literature on entrepreneurial re-emergence.

Entrepreneurial Re-emergence and Failure Learning

Entrepreneurial re-emergence, which entails re-entering entrepreneurship following a business failure, has attracted growing interest in the entrepreneurship literature in recent years. Defining as a process of iteratively updating an entrepreneur's subjective knowledge reservoir based on accumulated experiences (Cope, 2011), failure learning has emerged as the prevailing theoretical perspective for understanding this phenomenon. Significant attention is dedicated to exploring the outcomes of failure learning and the mechanisms through which effective learning processes can be facilitated.

The *outcomes of failure learning* documented in the entrepreneurship literature are primarily centered around enhanced knowledge, improved business practices, increased persistence, and better entrepreneurial performance (Lattacher & Wdowiak, 2020). Closely related to this study, recent studies have begun to empirically examine the impact of failure learning on the performance of venture re-emergence, such as survival and profit growth. Some of these studies have used the accumulation of failure experiences as a proxy for failure learning in empirical analyses but yielded inconsistent conclusions (Greenberg & Gerber, 2014; Yamakawa et al., 2010). Specifically, Nahata (2019) proved prior experience, even if it is a failure, allows founders to develop more effective strategies for negotiating and managing their ventures. Ucbasaran et al. (2006) suggest that learning and experience enable individuals to acquire knowledge and skills, and therefore increase their likelihood of success. Despite this, the regression analysis failed to detect any significant performance differences between firms owned by novice, serial, and portfolio entrepreneurs. Similarly, in the context of crowdfunding, Greenberg and Gerber (2014) compared the success rates of founders' relaunches after experiencing failure but found no evidence of improved performance. Boso et al. (2019) instead surveyed entrepreneurs' self-reported learning efforts and found that learning efforts fully mediate the relationship between failure experience and venture re-emergence performance. For *drivers of failure learning*, existing research has placed great emphasis on the inherent resources or traits of entrepreneurs, including the accumulation of experience, stock of knowledge, failure attribution and emotion management capabilities (Lattacher & Wdowiak, 2020).

In summary, the existing literature consistently employs the theoretical framework of failure learning to understand phenomena relevant to entrepreneurial re-emergence. The comprehensive examination of the drivers and outcomes of effective failure learning establishes a robust theoretical basis for the present study. However, there are several research gaps that necessitate further exploration. **Firstly**, previous studies primarily rely on the number of failure experiences or general learning efforts to reflect failure learning (Nahata, 2019), thereby *neglecting the importance of entrepreneurs' specific learning efforts in business practices*. **Secondly**, the literature predominantly concentrates on the traditional business context, *failing to adequately understand the relaunch of digital entrepreneurship*. The investigation into effective failure learning predominantly centers on the inherent resources or traits of the firm, often overlooking the resources provided by external stakeholders. External resources can play a pivotal role, particularly in the case of digital ventures like crowdfunding, which are frequently initiated by non-professionals lacking formal structures or adequate internal resources. Consequently, novel insights are indispensable for comprehending how digital ventures learn from failures and achieve successful relaunches. To address the above-identified research gaps, this study will integrate failure learning theory with the value co-creation perspective to understand relaunch success in the crowdfunding market.

Hypotheses Development

Value co-creation entails the collaborative process wherein businesses and other stakeholders work together to generate mutual value (Yi & Gong, 2013). With the rapid development of the internet, we have witnessed the emergence of an increasing number of crowd-based scenarios, paving the way for novel modes of collaborative endeavors and co-creation among groups of individuals. For instance, in crowdsourcing, co-creation plays a significant role in fostering innovation, problem-solving, and value creation. Goyal et al. (2020) found that customer co-creation and partner sourcing foster knowledge

creation and innovation. Zhao and Oberoi (2022) proposed a conceptual model to explain how co-creation facilitates the creation, transfer, and assimilation of knowledge for the platform and its client firms.

Within crowdfunding markets, the platform's technological affordances, such as messaging tools and comment sections, facilitate the process of value co-creation. These features empower entrepreneurs to engage in communication with investors and actively involve them in the campaign, extending their participation beyond mere financial investment.

Investors in the crowdfunding market exhibit two notable co-creation behaviors. The first behavior is *advocacy*, which can be understood as a form of co-promotion (Yi & Gong, 2013). Originally associated with the act of recommending a business to family members or acquaintances, advocacy signifies a sense of loyalty to the firm and a willingness to advance its objectives beyond personal interests. Within the context of open innovation, advocacy may manifest as positive electronic word-of-mouth (Zwass and Vladimir, 2010). Investors may voluntarily share positive sentiments and enthusiasm about a crowdfunding campaign or an entrepreneurial endeavor such as "Great idea! Can't wait to try it out!". E-WOM serves the same purpose by influencing the opinions and choices of those who come across the shared content. This voluntary dissemination of positive e-WOM reflects investors' emotional engagement and their dedication to the success of the creative idea or the entrepreneur.

The second behavior is *feedback*, which can be viewed as a type of co-design and co-improvement. Investors frequently contribute specific information, including posting inquiries, figuring out existing issues, and giving suggestions, thereby offering valuable references and guidance to entrepreneurs. Due to their expertise and experience as buyers, investors are adequate to provide valuable input. The provision of voluntary informational content demonstrates their cognitive involvement in the crowdfunding campaign. Backers' co-creation within crowdfunding campaigns may significantly impact the campaign's success through two distinct paths.

Indirect Influence of Investors' Co-creation on Relaunch Success

Indirectly, investors' co-creation can influence the relaunched campaign's outcome by shaping fundraisers' behavioral responses to failures. By offering constructive feedback, suggestions, and encouragement during challenging times, co-creation empowers fundraisers' failure learning and ultimately contributes to their potential for success. Failure learning involves utilizing failure experience as a chance for learning and growth, which includes reflecting on past failures and utilizing the acquired insights to enhance future performance (Cope, 2011). It has been recognized as the predominant theoretical framework for investigating how ventures can effectively re-emerge after experiencing failures. Within the context of open innovation, investors' co-creation can serve as crucial drivers of founders' learning efforts.

Investors' advocacy has the potential to inspire founders' failure learning through the provision of emotional support. When founders perceive a supportive network of investors who believe in their venture and are willing to promote it, they are more likely to perceive failures as opportunities for growth and learning, rather than as insurmountable obstacles (Shepherd, 2003). This emotional support creates a sense of safety and security, enabling founders to take risks and explore new ideas without the fear of judgment or criticism. Additionally, feedback from backers can influence learning efforts by facilitating knowledge transfer and integration (Choo & Petrick, 2014). When campaigns receive a higher degree of co-creation feedback, founders can leverage the diverse expertise and experiences of investors, who can offer valuable insights and suggestions for enhancing products and services. Collaborating with investors also allows founders to gain a deeper understanding of their needs and preferences, thereby informing the development of solutions that are more aligned with investors' expectations. Consequently, we hypothesize that:

H1a: Investors' advocacy in the campaigns' prior release will positively influence the relaunch success through motivating founders' failure learning.

H1b: Investors' feedback in the campaigns' prior release will positively influence the relaunch success through motivating founders' failure learning.

Direct Influence of Investors' Co-creation on Relaunch Success

Moreover, the influence of co-creation extends directly to the potential success of a campaign relaunch, primarily by fostering the establishment of meaningful social connections between investors and

fundraisers. Beyond merely contributing financial capital, co-created investors actively participate in the crowdfunding ecosystem. Their involvement spans engaging in discussions, fostering interactions, and sharing experiences, all of which culminate in the cultivation of a sense of camaraderie, loyalty, and shared ownership (Yi & Gong, 2013). This interconnectedness, resembling a sense of community, holds the power to create a unique form of within-platform social capital (Seraj, 2012). These co-created backers become influential nodes within the campaign's network, significantly shaping the relaunch performance of ventures by rallying support and attracting renewed interest. Building on these insights, we propose the hypothesis that:

H2a: Investors' advocacy in the campaigns' prior release will positively influence the relaunch success.

H2b: Investors' feedback in the campaigns' prior release will positively influence the relaunch success.

Moderating Effects of Time Interval

The time interval between the campaign relaunch and its prior release is a crucial factor for founders to consider when making a relaunch decision, as it can moderate the effects of crowd co-creation and founders' learning efforts on relaunch success. The time interval may positively moderate the effects of founders' learning efforts on relaunch success. According to the time compression diseconomies, reducing the available time for completing a task can lead to decreased efficiency and effectiveness. In the context of crowdfunding relaunches, time compression can result in founders making rushed decisions and implementing disjointed corrections. Therefore, a longer time interval allows individuals to process their failure learning, develop effective improvement strategies, and increase the likelihood of success in future endeavors.

On the other hand, the time interval can negatively moderate the effects of investors' co-creation on crowdfunding relaunch success due to the potential weakening of social ties over time. Through the co-creation process, investors and founders can establish a relationship based on trust, communication, and mutual benefit (Seraj, 2012). This relationship goes beyond the transactional nature of the crowdfunding market and forms lasting social ties between the parties involved. However, the strength of these social ties can diminish over time, especially if there is a prolonged interval between the prior campaign and the relaunch. As time passes, investors may become less engaged and invested in the venture, reducing the likelihood of further engagement. Therefore, we come up with the following hypotheses:

H3a: Time interval may positively moderate the relationship between founders' failure learning and relaunch success.

H3b: Time interval may negatively moderate the relationship between investors' co-creation behavior and relaunch success.

Research Methodology

Data Collection and Sampling

Data for this study were collected from Kickstarter.com, a world-leading reward-based crowdfunding platform. To obtain the data, a Python web crawler was developed to gather information on all observable crowdfunding campaigns launched between April 2014 (the date of establishment) and December 2021. Due to the need for processing and labeling a large number of texts, as well as the high degree of variation in word items across different categories, only campaigns that had once been launched in the Technology Category were selected. Through a two-step process, the initial dataset was narrowed down to founders who had undergone a failure-relaunch. Firstly, only founders who had launched a new campaign following a prior failure were included in the sample. Secondly, the campaign pairs' title, blurb (a brief description of the campaign's core values), and keywords from the textual description (extracted using the *TextRank* algorithm) were analyzed to identify founders who had chosen to relaunch their failed campaigns rather than abandoning their original ideas altogether. Subsequently, two doctoral students with expertise in the crowdfunding market manually verified each campaign pair to ensure the inclusion of valid observations in the final sample. As a result, the final sample comprised 1,876 relaunched campaigns.

Measurement

Dependent Variable. The key dependent variable in this study is the success of the relaunch campaign

(*Success*). Success is a crucial factor as it determines whether a startup can secure funding and bring its creative ideas to reality, particularly within the all-or-nothing framework commonly employed by mainstream crowdfunding platforms. Success is represented as a binary indicator, taking the value of 1 if a crowdfunding campaign reaches the predetermined target and 0 if it does not.

Independent Variables. Based on the theories discussed above, the research assistants manually label comments received in the campaigns' prior release as advocacy (expressing interest, wishes, praises, and/or appreciation), feedback (asking questions, raising problems, expressing expectations, and/or give suggestions), or both. The two research assistants labeled separately and then discussed the inconsistent labels until they reached a consensus. The number of advocacy comments (*Advocacy*) and feedback comments (*Feedback*) are used to reflect the crowds' co-creation behaviors.

Mediator. Recent research indicates that failure learning is reflected by the extent to which founders' new business practices deviate from their prior operations (Angus, 2019). Analysis of the campaign pairs' features and the crowds' feedback suggested five salient adjustments to the crowdfunding relaunch, namely, product (service) enhancement, funding goal adjustment, reward adjustment, pricing adjustment, and marketing efforts. A composite variable (*Failure Learning*) was constructed by calculating the degree of modification across each dimension. To reflect the improvement of the product/service, we analyzed the degree of modification of the text descriptions based on the word2vec and WMD algorithms after pre-processing (removing stopwords, removing non-English words, part-of-speech screening, and stemming). The percentage of changes in funding target, number of reward options, and pricing were used to reflect founders' failure learning in the above three areas. Furthermore, we used sharedcount.com to obtain the number of times the project URL was shared on Facebook and reflected the improved marketing efforts through the increased URL shares. After natural logarithmic processing, the above five indicators were further standardized so that they are distributed in the range of 0-1 and added up as an overall measure of entrepreneurial failure learning.

Moderator. The interval (in days) between the campaign relaunch and the end of its previous failed release is calculated as a variable *Interval*.

Control Variables. For both failure learning and relaunch success, we control for the severity of the project's prior failures (*Severity*), the fundraisers' experience of campaign release (*Exp*), as well as a set of fixed effects. In addition, for relaunch success, we control for other known factors that are suggested to affect a single campaign's success. These include the fundraising goal of the campaign (*Goal*), the duration of the campaign (*Duration*), the total number of videos (*Videos*), images (*Images*), and words (TextLens) used to describe the campaign, the number of available reward options (Options), and the average reward level for the campaign (RewardPrice). The study performs a logarithmic transformation to count variables and converts the money-related variables to US currency according to the exchange rate.

Empirical Analysis and Results

Main analysis

The study first adopted stepwise regression to test the proposed mediation model. According to equation (1), OLS regression was used to test the effects of the independent variables on the mediator, controlling for time interval, failure severity, and fixed effects. Based on equation (2), a logistic regression model is used to estimate the effects of the independent and mediating variables on the dependent variable and determine the type of mediating effects. The regression results are shown in Table 1.

$$FailureLearning_i = \alpha + \beta_1 Advocacy_i + \beta_2 Feedback_i + \lambda Controls_i + \varepsilon_i \quad (1)$$

$$RelaunchSuccess_i = \alpha + \beta_1 Advocacy_i + \beta_2 Feedback_i + \beta_3 FailureLearning_i + \lambda Controls_i + \varepsilon_i \quad (2)$$

As can be seen from the regression results, the crowds' co-creation behavior exerts significant impacts on the founders' failure learning. Increase in Advocacy and Feedback are proven to motivate founders' failure learning efforts ($\beta = 0.0489$, $p < 0.1$; $\beta = 0.0627$, $p < 0.01$). As expected, failure learning has a positive significant effect on crowdfunding relaunch success ($\beta = 0.989$, $p < 0.01$), supporting H1a and H2b. The results in column (2) show that the effect of advocacy on the relaunch success is fully mediated by failure learning (direct effect $\beta = 0.0108$, $p > 0.1$), while the effect of feedback on the relaunch success is partially

mediated (direct effect $\beta = 0.748$, $p < 0.01$), supporting H2b while rejecting H2a. Possibly, this is because investors' advocacy behavior is relatively low-cost. In contrast, when investors offer tangible feedback, they commit more cognitive resources to help the entrepreneur improve the creative idea and are more likely to contribute to its relaunch. In addition, the study explored the moderating effects of the relaunch time interval by constructing interaction terms. The results are presented in columns (3). As we expected, the failure learning effort can have a greater impact on crowdfunding relaunch success with an increase in time intervals. Nevertheless, it may also weaken the social ties that investors develop with entrepreneurs through co-creation, reducing especially the potential positive impact of advocacy on relaunch success.

| | (1) | (2) | (3) |
|---|------------------------|------------------------|------------------------|
| | <i>FailureLearning</i> | <i>Relaunchsuccess</i> | <i>Relaunchsuccess</i> |
| <i>Advocacy</i> | 0.0489* (0.0256) | 0.0108 (0.156) | 0.101 (0.164) |
| <i>Feedback</i> | 0.0627*** (0.0208) | 0.748*** (0.132) | 0.753*** (0.133) |
| <i>FailureLearning</i> | | 0.989*** (0.179) | 1.027*** (0.183) |
| <i>Advocacy</i> × <i>Interval</i> | | | -0.228* (0.120) |
| <i>Feedback</i> × <i>Interval</i> | | | 0.041 (0.093) |
| <i>FailureLearning</i> × <i>Interval</i> | | | 0.215* (0.125) |
| <i>Severity</i> | 0.0155 (0.0633) | -1.378*** (0.184) | -1.379*** (0.186) |
| <i>Interval</i> | 0.111*** (0.00737) | -0.180*** (0.0587) | -0.220*** (0.0628) |
| <i>Exp</i> | -0.243*** (0.0401) | -1.592*** (0.427) | -1.584*** (0.428) |
| <i>Goal</i> | | -0.827*** (0.0617) | -0.827*** (0.0620) |
| <i>Images</i> | | 0.408*** (0.0820) | 0.392*** (0.0817) |
| <i>Videos</i> | | 0.196 (0.175) | 0.201 (0.176) |
| <i>TextLens</i> | | 0.0780 (0.175) | 0.097 (0.109) |
| <i>Options</i> | | 0.844*** (0.156) | 0.841*** (0.153) |
| <i>RewardPrice</i> | | 0.212*** (0.0648) | 0.207*** (0.153) |
| <i>Duration</i> | | -0.411** (0.204) | -0.394* (0.206) |
| Year Fixed Effects | YES | YES | YES |
| Country Fixed Effects | YES | YES | YES |
| Category Fixed Effects | YES | YES | YES |
| <i>Cons</i> | 1.583*** (0.132) | 6.203*** (1.710) | 6.100*** (1.783) |
| N | 1,876 | 1,876 | 1,876 |
| R ² | 0.171 | 0.427 | 0.431 |
| Notes: Robust standard errors in parentheses. * p<0.1, ** p<0.05, ***p<0.01 | | | |

Table 1. Regression Results

Mediation effects analysis

In the main regression analysis, we explored the mediation effects by examining the regression coefficients and their significance. To further confirm the existence of the mediation effects, we first conducted a Sobel test. The Sobel test confirmed the mediation pathway of *Advocacy* → *FailureLearning* → *RelaunchSuccess* at $p < 0.1$ level and *Feedback* → *FailureLearning* → *RelaunchSuccess* at $p < 0.01$ level. Additionally, the mediating pathways are further influenced by the moderating variable *Interval*. Following Hayes (2013), we tested how the effects of the independent variables on the dependent variable are influenced by the moderator. As presented in Table 2, the results align with the main analysis.

| <i>Interval</i> | <i>Advocacy's effects on RelaunchSuccess</i> | <i>Feedback's effects on RelaunchSuccess</i> |
|-----------------|--|--|
| mean-1sd | 0.0102** | 0.0104** |
| mean | 0.0120* | 0.0123** |
| mean+1sd | 0.0138* | 0.0141** |

Table 2. Tests of Moderated Mediation Effects

Subgroup analysis based on failure severity

To validate our proposed theoretical mechanisms, we conducted a subgroup analysis based on the severity of prior failures. We found that fundraisers who encountered more severe failures rely more on investors' feedback to achieve relaunch success (Coefficient Difference = 0.703, $p < 0.05$). On the other hand, fundraisers who experienced less severe failures (indicating relatively better capacities) are better equipped to make thorough failure-related learning within the available time (Coefficient Difference = 0.059, $p < 0.01$).

Conclusion

Despite a great need for better understanding, crowdfunding relaunch success after prior failure is not well researched. To fill the research gap, this study incorporates a collective perspective with failure learning theory, to theorize how investors' co-creation (advocacy and feedback) drives crowdfunding relaunch success. The study found that co-creation, on the one hand, encourages failure learning by providing funders with emotional and informational support, which in turn contributes to the success of a relaunch. The process of co-creation, on the other hand, creates a social connection between investors and founders, which may be used by entrepreneurs as social capital and can help relaunch the creative idea. The above relationships are further influenced by the time interval between the relaunch and the prior release.

This study is expected to hold several significant theoretical implications. **Firstly**, the existing crowdfunding literature predominantly views crowdfunding campaigns as static and independent events, concentrating on the factors determining the success of individual campaigns (Cummings et al., 2020; Kunz et al., 2017). This study, among the pioneers to address this crucial theoretical gap, not only sheds light on determinants of campaign relaunch success but also lays the foundation for an emerging research field. **Secondly**, we are at the forefront of empirically revealing the critical role backers play as active participants and content contributors in the crowdfunding market. The open and collaborative environment is a key distinguishing feature of online crowdfunding compared to traditional financing channels. Our research investigates whether and how backers' social support, conveyed through online content contributions, influences the success of fundraisers' relaunches. By doing so, we shed light on the significance and immense potential of backers' experiences, perspectives, and insights for crowdfunding fundraisers who may face resource constraints and inadequate capabilities. Our findings significantly contribute to enhancing the understanding of backers' role in the crowdfunding market. **Thirdly**, prior research has firmly established the critical role of learning from failure in the re-emergence of failed ventures (Lattacher & Wdowiak, 2020). While several determinants of failure learning have been identified, the discussion has largely revolved around the firm's internal resources, capabilities, and characteristics. However, these discussions may not provide a comprehensive understanding of the learning processes in open innovation environments, such as crowdfunding. Our study bridges this gap by incorporating a collective perspective and exploring the role of crowds' co-creation behaviors. Consequently, this research extends the literature on entrepreneurship and failure learning to the digital landscape, shedding light on the unique dynamics of crowdfunding as a platform for entrepreneurial endeavors. Based on the

conclusions of this study, fundraisers can embrace initial failures and enhance their preparation for relaunches. This study also provides practical references for the development of crowdfunding ecosystems.

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