

## **Value co-creation as a determinant of success in crowdfunding experiences in the cultural sector.**

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### **Purpose**

The aim of the present study is to analyse the role of value co-creation on success crowd-funding experiences in the cultural sector. The relationships developed between actors can be considered as a type of collaborative behaviour model, which makes use of the potential offered by new technologies in actors who get order to benefit everyone. The analysis of the structure of the relationships between actors who get involved in crowd-funding is approached with the primary objective of finding out which are the factors that explain crowd-funding as a balanced system of co-creation relationships.

Specifically, the focus of the research is on the interactions between system actors, whose roles we will attempt to define: what do they contribute and what do they gain from the system, and how do they achieve the balance that leads them to continue the relationship.

## **Methodology**

The Many to Many Marketing Theory, Service Dominant Logic and Service Logic are the theoretical basis to explain how the changing roles of the actors in the creative industries sector have given the crowd a great capacity to decide in the value-creation process. The analysis of the co-creation relationships in a crowd-funding experience takes as its reference seven types of co-creation, which have been described in prior studies: co-ideation, co-valuation of ideas, co-design, co-test, co-launch, co-investment and co-consumption

This study employs a qualitative methodology based on an analysis of five cases. Case selection was carried out according to a review of cases published on the most dynamic crowd-funding platforms and attending the success in terms of the financing amount, the level of activity in Internet and the different co-creation practices proposed.

The information analysed contained primary data from in-depth interviews with project promoters and secondary data obtained from a netnographic study of forums and crowd-funding platforms and the impact of each of the projects on social networks.

## **Results**

In the projects analysed six different types of actors were identified: the Creative Core; the Platform; Financing consumers; Non-financing consumers; Investors; and Experts. Each of these agents adds value to the end result of an experience which begins with the design of a project requiring financing.

The paper describes the co-creation relationships among these agents and the motivations to collaborate. Case analysis allowed the importance of a balance of interests among all participants in a crowd-funding project taking into account the perspectives of all of the agents involved in the project. The organisational solution should respond to the interests of all of the groups involved. As such, the processes which ensure participation in value creation and the chance of achieving the objectives that each participant aims to reach are considered to be essential.

A balanced solution is achieved on the basis of two principles: the principle of transparency and the principle of horizontality. The stability of the system depends on the quality of the information received by each of the agents and the relationships between the different participating agents must be horizontal in nature, rather than being led by the participation of just one of the agents.

## **Main findings**

The present study examines co-creation as a basis for achieving balance in a crowd-funding environment from an empirical perspective. A theoretical analysis was carried out based on the existing literature which allowed us to identify the various types of co-creation which arise in the crowd-funding setting: co-ideation; co-valuation; co-design; co-test; co-launch; co-investment; and co-consumption.

Each of these forms of value co-creation links the actors involved in cultural crowd-funding to determine the specific way in which value-exchange ecosystems are created. Taking the concept of “value in context” as a starting point, it was observed that it is the crowd-funding context that determines the specific way in which value is created between actors. It was also sought, therefore, to specify and describe the profiles of the participants in the specific context offered by cultural crowd-funding.

An empirical analysis of five successful projects taken from the three most important crowd-funding platforms in Spain enabled the interrelations between all of the various actors to be described precisely, identifying the practices of each one and determining what type of underlying value co-creation was present for each.

The study replaces the prominent position which until now has been enjoyed by the consumer with the overall balance of the system, in other words, with aiming to benefit all agents. This translates into a change in how strategies are understood and applied in organisations.

**Modalidad de presentación: ponencia.**