CrossMark

Beyond the Opposition Between Altruism and Self-interest: Reciprocal Giving in Reward-Based Crowdfunding

Kévin André[1] · Sylvain Bureau[2] · Arthur Gautier[1] · Olivier Rubel[3]

Abstract Increasingly, frontiers between business and philanthropy seem to be blurred. Reward-Based Crowdfunding platforms contribute to this blurring of lines since they propose funders to support both for-profit and philanthropic projects. Our empirical paper explores the case of Ulule, the leading crowdfunding platform in Europe. Our results, based on a statistical analysis of more than 3000 projects, show that crowdfunding platforms foster specific kinds of relationships relying on reciprocal giving, beyond the usual opposition between altruistic and selfish motivations. We use the work of Marcel Mauss to account for this process of reciprocal giving, and we argue that Maussian theory of gift can be used more generally to describe funding activities in the context of early stage entrepreneurship.

✉ Kévin André
kevin.andre@essec.edu

Sylvain Bureau
sbureau@escpeurope.eu

Arthur Gautier
gautierart@essec.edu

Olivier Rubel
orubel@ucdavis.edu

[1] ESSEC Business School, Cergy-Pontoise, France

[2] ESCP Europe, Paris, France

[3] UC Davis, Davis, CA, USA

Introduction

Opposition between self-interest and altruism in human behavior is a cornerstone of the ethics debate (Nagel 1978; Shaver 1999), which is also ubiquitous in contemporary research on business ethics (Hemingway and Maclagan 2004; Kaler 2000). On their side, social scientists have long tried to understand the extent to which the relationships between members of a society are driven by selfish or selfless motives (Batson 2014; Cialdini 1991; Piliavin and Charng 1990). Arguably the most cited classical author in this intellectual debate is Scottish moral philosopher and economist Adam Smith.

In his two main treatises, *An Enquiry into the Nature and Causes of the Wealth of Nations* (1776) and *The Theory of Moral Sentiments* (1790), Smith developed very influential arguments that some thought were incompatible (Raphael 2007). In the *Wealth of Nations*, Smith emphasized the importance of "self-love" and how its pursuit by individuals through market exchanges was much more efficient to produce social welfare than benevolence or government planning. This famous quote from the first book, second chapter, sums up his point: "*It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our necessities but of their advantages.*" (The Wealth Of Nations, Book I, Chapter II, pp. 26–27, para 12). In contrast, in the first paragraph of his other major work, Smith wrote: "*How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it, except the pleasure of seeing it.*"

(The Theory Of Moral Sentiments, Part I, Section I, Chapter I, p. 9, para.1).

A consequence of this so-called Adam Smith problem is that many readers of Smith understood that self-interest was the key principle in the realm of economics and management (Ferraro et al. 2005; Ghoshal 2005), while altruism was confined to the family and the nonprofit sector (Pallotta 2008; Piliavin and Charng 1990). However powerful, such a dichotomy is a caricature of Adam Smith's thought, as some business ethics scholars have recently highlighted (Gray and Clarke 2005; Hühn and Dierksmeier 2016). Smith never was an advocate of rugged self-interest in market transactions. He condemned selfishness, and his concept of "self-love" was a form of sympathy for oneself that could be universalized to others (Hühn and Dierksmeier 2016). Moreover, previous research has shown that in a context of bounded rationality as put forward by Simon (1982), "sympathy" in Smith's sense can be the positive construct for lowering transaction costs in market interactions (Szmigin and Rutherford 2013). Meanwhile, economists found that pure altruism was seldom found in philanthropy and family relationships (Andreoni 1990; Becker 1974).

One way to escape the self-interest versus altruism quagmire (Cialdini 1991) is through the generalized norm of *reciprocity*, according to which "we owe others certain things because of what they have previously done for us" (Gouldner 1960, p. 171). Individuals deviate from self-interested behavior to repay gifts and take revenge, even if they gain nothing from such reciprocal acts (Fehr and Gächter 2000). In fact, a majority of people seem to act as "matchers," relying on the norm of reciprocity, whereas only a minority are altruistic "givers" and self-interested "takers" (Grant 2013). While research on reciprocity as outlined by Gouldner is helpful to theorize reactive behavior based on past interactions, it seems ill-equipped to understand the first move of the reciprocal chain and why people engage in a giving relationship in the first place.

Another theoretical perspective on reciprocal giving was proposed by French sociologist and anthropologist Marcel Mauss (1872–1950). In a famous essay *The Gift*, which remains even today a major foundation of the anthropological literature (Faldetta 2011; Lévi-Strauss 1983), Mauss synthesized works of pioneering ethnologists and outlined a theory of giving as a way to foster social relationships between members of human societies (Douglas 1990; Mauss 1923). Mauss' essay focused on "archaic" societies and on specific gift-giving practices such as *kula* and *potlatch*, yet his ambition was to propose an alternative general theory of exchange systems, which markedly differed from the utilitarian tradition in economic thought (Carrier 1991; Schrift 2014). A key takeaway from *The Gift* is, in Mauss' own words, that "*the idea that inspires all the economic acts […] is neither a purely free and gratuitous provision nor a purely interested, utilitarian notion of production and exchange, but a sort of hybrid.*" This is the type of hybridity that we propose to explore empirically in this study.

Despite the pervasiveness of the self-interest and altruism dichotomy in our moral and social theories, many phenomena are not easily classified into either category. In fact, in recent years, a blurring of boundaries between "for-profit" and "nonprofit" sectors has intensified (Dees and Anderson 2003; Mintzberg 2015). For instance, "hybrid organizations" such as social enterprises in the fields of microfinance or work integration skillfully combine commercial and social welfare logics (Battilana and Dorado 2010; Pache and Santos 2012). Corporations are ever more involved in philanthropic or social responsibility activities in order to create "shared value" (Gautier and Pache 2015; Porter and Kramer 2011). Meanwhile, philanthropy itself is increasingly influenced by values and methods drawn from venture capital, specifically by developing systematic and "rational" processes to solve social problems and by quantifying the "social return on investment" or "social impact" of the solutions to these social problems (Letts et al. 1997; Mair and Hehenberger 2014).

One such growing, hybrid phenomenon is *crowdfunding*, which allows entrepreneurs and founders of a wide array of projects to directly raise relatively small contributions from a large number of individuals (the "crowd") through an open call of a certain duration (the "campaign") on the Internet (Mollick 2014). Crowdfunding has become a big business. As a whole, crowdfunding campaigns have raised over $34 billion as of 2015 by over 400 active platforms (Hildebrand et al. 2016). Crowdfunding is mainly used to invest in equity, to loan money or to back projects in returns of symbolic or material rewards (Belleflamme et al. 2014; Boudreau et al. 2015). Crowdfunding platforms are not only a strategy for individuals or startups to raise money for starting their venture. Platforms such as Indiegogo for instance also target big companies and MNCs for using crowdfunding as a way of launching new products.

In our research, we focus on *reward-based crowdfunding platforms*. Prominent Internet platforms using the reward-based model include Kickstarer, Indiegogo, and Ulule. Most platforms accept both nonprofit and for-profit projects, leaving ambiguity around the nature of projects and the underlying intention of their founders. Vocabulary reflects this ambiguity: users neither "buy" products nor "give" money; they "back" projects and receive "rewards." The nature of rewards can vary considerably, ranging from a thank-you note to a customized, finished product (Colombo et al. 2014). Founders can also be backers of other projects, and backers can end up launching

their own campaign. Our hypothesis is that reward-based crowdfunding platforms induce strong reciprocal relationships among their users, which in turn play a positive role in the success of campaigns.

Research on crowdfunding is a nascent field that has focused on the motivations of founders and the success factors of campaigns (Colombo et al. 2014; Cordova et al. 2015). To our knowledge, no prior study has attempted to characterize the nature of relationships created between founders and backers on crowdfunding platforms, and to measure the effect of such relationships on campaigns' success. The research question that we propose to address in the present paper is thus: *What is the effect of reciprocal giving relationships on the success of reward-based crowdfunding campaigns?* Our aim is to compare the success of campaigns relying chiefly on reciprocal giving—in the sense of Mauss—with those which are more dependent on either pure altruism (i.e., non-reciprocal giving, where the donor receives nothing in return) or self-interest (i.e., market transactions).

To answer this question, we develop three hypotheses that we empirically test using a unique data set of 3280 projects created in 2015 on Ulule, the leading reward-based crowdfunding platform in Europe. Our results show that projects relying on reciprocal giving are more successful than the others. We argue that reward-based crowdfunding platforms foster reciprocity among their members beyond pure altruism and self-interest and that reciprocal giving is associated with superior success of campaigns. Our paper contributes to the growing research on crowdfunding by bridging business ethics and entrepreneurship literatures.

In the remaining of the paper, we first introduce the theoretical background on reciprocal giving as developed by Marcel Mauss and his successors. Second, we review the existing literature on crowdfunding in management journals. Third, we present commonalities between Mauss' theory and crowdfunding and develop our three hypotheses. We subsequently expose the data and methodology used before presenting the results of our empirical study. The final section discusses our contributions and the implications of this study for practitioners and for future research.

The Theory of Reciprocal Giving Developed by Mauss

Gift-giving is a phenomenon for which the opposition between self-interest and altruism has been extensively discussed. Much research has been conducted in social sciences on this single question: "Why do people give?" (Andreoni 2001; Bekkers and Wiepking 2011; Vesterlund 2006), trying to understanding the enigmatic nature of this seemingly "reward-less" behavior. Several empirical and theoretical studies across disciplines have identified and categorized multiple motivations for giving. A major conundrum within the literature on giving concerns the notion of *reciprocity*. While some scholars argue that "gift exchange is governed by the norm of reciprocity" (Schwartz 1967, p. 8), others follow Jacques Derrida (1992) and see "the non-reciprocity condition as the acid test of philanthropic activity" (Godfrey 2005, p. 778).

Proponents of the first approach usually refer to the "norm of reciprocity" theorized by Alvin Gouldner (1960). According to Gouldner, all social systems rely on the following moral rule: "*We owe others certain things because of what they have previously done for us, because of the history of previous interaction we have had with them.*" (1960, p. 171). Hence, following the norm of reciprocity entail people to help those who have helped them in the past. Building on Gouldner, Peter Blau (1964) considers gifts as social exchanges based on reciprocity. People are motivated to give "*by the returns they are expected to bring and typically do in fact bring from others*" (Blau 1964, p. 91). Reciprocity can also be indirect, when the recipient gives to another member of society instead of a direct payback to the donor (Nowak and Sigmund 2005; Stanca 2009). People seem to judge both consequences and intentions of the benefactors (Falk and Fischbacher 2006). The norm of reciprocity has developed to transcend egoistic motivation and to maintain the order of social systems: "*one who fails to repay debts may benefit individually; however, such action is likely to cause conflict and a breakdown of reciprocity, and thus threaten the stability of the social group.*" (Deckop et al. 2003; p. 103).

This approach of gift-giving has been criticized in the sense that if the donor receives recompense or recognition from his gift, or if s/he expects to receive them, the gift vanishes and becomes another variation of economic calculation, and thus does not qualify as a "genuine gift." An influential source of such criticism was French philosopher Jacques Derrida and his "deconstruction" approach (Derrida 1976). While Derrida himself avoided defining deconstruction in a nutshell, one can understand this approach as a critical examination of the "metaphysics of presence" in classic Western thought (Caputo 1997). Derrida was chiefly interested in the hierarchies underlying well-established dualisms, e.g., good/evil, inside/outside, or man/woman, and the complex imbrication of apparent opposites. Deconstruction opens up new possibilities of understanding text and writing beyond simple oppositions, and leads Derrida to introduce new words or to reappraise older ones. According to Derrida's (1992) demanding appreciation of gift, true giving requires asymmetry, disproportion, and absolute

non-reciprocity between the donor and the recipient. For giving to take place, the intentionality of the gift should be absolutely forgotten by all parties involved, leaving no debt behind. As soon as the possibility of a counter-gift emerges, the gift is annihilated: "*If the other gives me back or owes me or has to give me back what I give him or her, there will not have been a gift, whether this restitution is immediate or whether it is programmed by a complex calculation of a long-term deferral or difference*" (Derrida 1992, p. 12). Derrida's approach implies that "genuine" gifts can only be based on *non-reciprocal giving*.

Hence, considering gift-giving as a form of reciprocal relationship makes gift inconsistent with altruistic motivation. Yet, it would be a mistake to classify reciprocity as purely "utilitarian" (Komter 2007). Indeed, several economists acknowledge that reciprocity is irreducible to self-interest or pure altruism: "*In the case of reciprocity, the actor is responding to friendly or hostile actions even if no material gains can be expected. Reciprocity is also fundamentally different from altruism. Altruism is a form of unconditional kindness; that is, altruism given does not emerge as a response to altruism received. Again, reciprocity is an in-kind response to beneficial or harmful acts.*" (Fehr and Gächter 2000, p. 160). Reciprocity seems to be considered both by economists and by ethicists as belonging to another category than economic transactions and genuine gifts.

We argue that reciprocity is stuck in the middle since Gouldner's theory fails to explain the first step of the reciprocal chain. The norm of reciprocity focuses on obligations toward others on the basis of their past behaviors. But what about the one who engages in a giving relationship in the first place? Gouldner's theory has no clear answer since he considers that people give because they have already received before. An alternative take on reciprocity and gift-giving was outlined by French sociologist and anthropologist Marcel Mauss (1872–1950) in his famous essay published in 1923–1924—*Essai sur le don. Forme et raison de l'échange dans les sociétés archaïques*, first translated as *The Gift* in 1954.

Developing a general theory on giving based on ethnographic studies, Mauss argued that "*a social system does not entail only the obligation to give in return; but it presupposes two equally important obligations: the obligation to give, on the one hand, and the obligation to receive, on the other hand*" (1923, p. 89). Explaining why people give first is crucial since it leads to future social exchanges. Mauss (1923, p. 89) answer is the following: "*Denying gift (…) is rejecting relationship and communion.*" In other words, gift-giving is fundamental for creating and nurturing human relationships in society. Hence, gift for Mauss has a different meaning that in

common language: "*It is not the present, what is the given, but the relationship: Gift does not identify either the object or service itself or the forms and ceremony of giving and getting. Instead what makes a gift is the relationship within which the transaction occurs*" (Carrier 1991, p. 122). Mauss offers a theory of "reciprocal giving" which is an alternative to other theories of exchange systems, not only to the utilitarian tradition in economic thought (Godbout and Caillé 2007) but also to Gouldner's approach. A key takeaway from *The Gift* is that reciprocal giving is a way for members of a society to develop and maintain relationships, as giving obliges the recipient to engage in a reciprocal, cyclic relationship, i.e., giving, receiving, and giving back (Douglas 1990; Godbout 2007).

This relationship differs from *transactions* since it creates a bond between donors and recipients that matters more than the gift itself. The material object or service which is given is a mean to create and nurture the immaterial, spiritual relationship between both parties (Godbout and Caillé 2007; Mauss 1923), not the other way around. Reciprocal giving establishes an affective relationship, whereas an economic exchange typically creates no emotional connection between the buyer and the merchant. Derrida (1992) views giving as impossible and incompatible with the present or the imminence of the future because it presupposes a break in the circle of time. In a gift relationship, reciprocity can be delayed indefinitely, but in a market exchange, payment happens either immediately or later with an interest (Offer 1997). Moreover, contrary to market transactions, gifts open a cycle that potentially never ends: "*you cannot, therefore, consider the giving back as something that balances the relationship, which cancels the debt, by putting both parties in a state of equilibrium; this would be typical of a contractual exchange where, in the end, each party has got his due and each party has given what he had to give*" (Faldetta 2011, p. 70). Through reciprocal giving, people become permanently and mutually indebted to one another (Godbout and Caillé 2007).

If reciprocal giving is an alternative kind of relationship to transactions, it also differs from non-reciprocal giving and should not therefore be confined to the field of philanthropy. A key insight of contemporary readings of Mauss is that reciprocal giving is prevalent in all human organizations, including businesses, since they all rely on the development of relationships (Bureau 2014; Faldetta 2011; Grant 2013). While Mauss' theoretical insights about "the logic of gift" have only recently been used by organization and business ethics scholars (Baviera et al. 2016), it seems quite effective to explain certain business phenomena in particular. More specifically, giving relationships appear to be central in entrepreneurship. Just

like project founders on crowdfunding platforms, entrepreneurs need a variety of resources to develop their ventures (Venkataraman 1997). Soliciting resources is not always a transactional process. Entrepreneurship is more than an economic phenomenon (Rehn and Taalas 2004), namely it is a social practice (Johannisson 1988), embedded in a social context, either facilitated or inhibited by people's positions in social networks (Aldrich and Zimmer 1986). Therefore, for entrepreneurs to succeed in their ventures, developing networks and social interactions is an essential prerequisite (Caliendo et al. 2009, p. 396). Entrepreneurs share their "entrepreneurial adventure" on a regular basis and seek empathy, feedback or support from family and friends (Brüderl and Preisendorf 1998). For instance, many entrepreneurs use bootstrapping techniques to decrease external capital needs (Harrison et al. 2004). Bootstrapping is mainly based on social capital (Kim et al. 2006), i.e., entrepreneurs largely appeal to their friends and family to obtain resources through informal support (Parker 2004). Instead of paying for an office, some young entrepreneurs use a spare room in their parents' house, or borrow money to pay for a new laptop computer. This phenomenon is even more critical in the case of family businesses (Karra et al. 2006) or community-based enterprises (Peredo and Chrisman 2006). Besides, entrepreneurs tend to reinforce their partnerships with suppliers, clients or shareholders, which are of paramount importance in entrepreneurship (Sarasvathy 2008), through gift exchanges (Dolfsma et al. 2009). Finally, even in the case of funding by business angels or venture capitalists, where relationships are much more formal than with friends and family, gift practices not only exist but are a key component to succeed (Ferrary 2003).

Today, an increasing numbers of entrepreneurs use crowdfunding platforms to raise the necessary funds for their ventures. However, this new opportunity did not change everything as family and friends remain the first backers for entrepreneurs on these platforms (Dushnitsky and Marom 2013). Furthermore, digitalization did not end interpersonal and physical interactions between backers and founders as geographical and cultural proximity remain an essential success factor for campaigns (Burtch et al. 2014). Of course, there are several differences between crowdfunding platforms and the aforementioned practices, such as the number of and the amounts given by participants (Ahlers et al. 2015; Belleflamme et al. 2014). Based on these observations, a challenge is therefore to understand whether (and if so, how) crowdfunding affects gift practices which already existed prior to the invention of crowdfunding platforms. In this paper, we argue that the study of crowdfunding platforms, as modern and fascinating empirical cases of reciprocal giving, can contribute to enriching and rejuvenating the field opened by Mauss almost a century ago.

Crowdfunding and Management Research

The Crowdfunding Boom

Crowdfunding will surpass $300 billion in funding transactions by 2025 (Van Wingerden and Ryan 2011) and is on track to account for more than venture capital in 2016 (Dakin 2016). Its growth is exponential in the USA as well as in Europe, Australia, Canada and Japan (Marketwired, March 31, 2015). A common characteristic of crowdfunding is the existence of a project founder who launches a campaign involving "*an open call, mostly through the Internet, for providing financial resources*" (Belleflamme et al. 2014, p.7). This practice becomes critical in entrepreneurship to mobilize resources (Assenova et al. 2016) and to manage risks (Fleming and Sorenson 2016). Indeed, entrepreneurs can test whether their solution meets a demand before investing in their project at a larger scale (ibid 2016).

Crowdfunding involves many different types of online platforms—almost 200 in the USA (Statista, June 1, 2015)—as each player tries to differentiate itself from competition. Overall, there are four main categories of platforms depending on the resources obtained through the call: donations (Kappel 2009), rewards (Belleflamme et al. 2014; Colombo et al. 2014; Mollick 2014), debts (Zhang and Liu 2012) and equity (Ahlers et al. 2015). The most prevalent category is *reward-based crowdfunding*. On platforms such as Indigogo in the USA or Ulule in Europe, founders propose both for-profit and philanthropic projects to support. Many projects are ambiguous themselves because words used in the description refer both to the commercial field (e.g., you will receive rewards in exchange of your money) and to philanthropy (e.g., you can help others and make a difference). Moreover, founders can receive pure donations as well as contributions against rewards. The rewards are diverse and range from symbolic recognition to a pre-sale. This "preselling" is mainly used by crowdfunding projects that "*resemble entrepreneurial ventures, such as projects producing novel software, hardware, or consumer products*" (Mollick 2014, p.3). Projects with mainly social and environmental goals find support from donors who do not expect a direct return for their contribution and who ultimately do not ask for their reward, or give more than the amount required for the reward that they claim. While the phenomenon is widespread, research on crowdfunding remains limited (Colombo et al. 2014). This nascent literature mainly covered two dimensions: motivations of actors and determinants of success.

Motivations of Backers and Founders: What are the Key Drivers?

On the one hand, some research projects are concerned with the founders' motivations. Obviously, the first reason to launch a campaign is to raise money to develop a project without generating debt or control from a shareholder. However, motivations are not limited to funding. These platforms also enable founders "*to receive validation, to connect with others, to replicate successful experiences of others, and to expand awareness of work through social media*" (Colombo et al. 2014, p. 117). Reward-based crowdfunding for example allows participants to get feedback, including on the potential pricing of the product for those who use the service as a way to presell their prototypes (Belleflamme et al. 2014). These options are not only possible with close friends and relatives, or people living nearby. It can also be achieved on a global scale as the availability of online platforms tends to eliminate geographical constraints (Agrawal et al. 2015).

On the other hand, other scholars are interested in why backers pledge money to projects. Backers of reward-based crowdfunding campaigns have two main types of motivation, extrinsic and intrinsic (Van Wingerden and Ryan 2011). In extrinsic motivation, the main reason lies in the reward itself. The backer can obtain a solution that nobody could otherwise access and, most of the time, at a reasonable price. Beyond this pre-order approach, some rewards enable people to get formal recognition, which can also be considered as extrinsic motivation in the sense that people do not contribute for the project itself but more for the symbolic value that they will receive from it. Backers who contribute to gain monetary rewards "*generally do not fund a project for the fun of it, do not feel that helping someone reach their goal is more important than getting a reward, nor do they feel that being involved in the process is a reward in itself*" (Van Wingerden and Ryan 2011, p. 50). Here, the motivation of the backers is based on self-interest.

Conversely, in second type of motivation—intrinsic— backers enjoy getting involved in the innovation process for the sake of it. They have the ability to control some of the characteristics of the solution. But most importantly, many backers are interested in participating due to the social interactions that this generates (Gerber et al. 2012). Indeed, contribution to a campaign tends to create feelings of "connectedness" to a community with similar interests and ideals. Moreover, this connection is not only limited to the campaign but can also be developed over time through long-term interaction. Here, the motivation of the backers is mostly based on sympathy toward founders.

If the existing literature has identified the two kinds of motivation, there is a gap about the way they are related to each other. Do they coexist for a same platform, a same project or even for a same backer? We aim in our research to fill this gap. Our starting point is the way Adam Smith's dealt with the opposition between self-interest and sympathy through a "socially embedded rationality" (Hühn and Dierksmeier 2016: p. 120), or a "bounded rationality" if we use the words of Herbert Simon. Self-interest motivation for rewards is embedded in social relations which are based on sympathy of the backer for the founder. We use Maussian approach to propose the notion of reciprocal giving as a framing of the interrelation between self-interest and sympathy in the context of crowdfunding.

Determinants of Success for Crowdfunding Projects

The other stream of research focuses on the determinants of success. A project is coded as a success if it raises its predefined goal (Crosetto and Regnier 2014; Mollick 2014; Venkat and Bayus 2013). This measure is very convenient to determine success and failure empirically, but it involves several limitations: time is not taken into account, nor the number of backers, or the number of qualitative feedback written by backers (feedback which could help the founder to improve the project). In this paper, we adopt the measure used in the literature (e.g. the capacity to reach the target amount), but it may be relevant to develop a more complex scale to measure success in future research projects.

Different predictors have been identified. We can list three types of variables: those related to the project, to the process of the campaign and to the characteristics of the founders. First, results tend to show that nonprofit and charities tend to have a higher success rate than for-profit ventures (Pitschner and Pitschner-Finn 2014). Moreover, projects in the creative domains are more successful in locations where the creative industries are well-developed (Mollick 2014). Results related to the second type of variables tend to show that it is better to create a video, to regularly take into account feedback received from the crowd by updating the online page or to choose a campaign duration that is not too long (Colombo et al. 2014; Mollick 2014). But many research projects underline that the most important drivers for success are related to the founder himself (Crosetto and Regnier 2014; Giancarlo et al. 2013). One key predictor identified in the literature is the level of social capital. Indeed, money does not flow to a project without a preexisting social network around the proponent. At the beginning of the project, there is no specific reason ex-ante why someone would pledge money without knowing the person who behind the campaign. The main reason for this lies in the high degree of uncertainty. As the project is an emergent solution that nobody can manage without facing various challenges and contingencies, its quality and its chance of success are too hard to predict. In

other words, "*potential backers are usually unsure of proponents' abilities and do not know whether proponents are trustable*" (Cordova et al. 2015, p. 78). As explained before, one of the main roles of a crowdfunding campaign is to test a project to receive feedback from a community (Gerber et al. 2012). The great challenge at the early stage of the campaign is then to develop confidence around the potentiality of the project, especially when one knows that on average on the leading platform Kickstarter, "*over 75% deliver products later than expected, with the degree of delay predicted by the level and amount of funding a project receives*" (Mollick 2014, p.1). Eventually, some industry experts question the business model of crowdfunding due to information asymmetries between entrepreneurs and funders and the ensuing risk of moral hazard (Belleflamme et al. 2014), e.g., fraudsters have taken advantage of these asymmetries to extract money from credulous funders to finance bogus projects (Cornell and Luzar 2014; Mollick 2014).

In this context, the only way to convince backers is to ask support from people who already know and trust the founder. The key dimension is, beside the project and the process of the campaign, the social capital of the project leader, defined as "*the sum of the actual and potential resources embedded within, available through, and derived from the social structure that facilitates exchange and social interactions*" (Dolfsma et al. 2009, p. 316). Prior studies underlined two main pieces of evidence. First, Mollick (2014) found that the number of Facebook friends is positively associated with the amount of money raised during a crowdfunding campaign. Second, geography remains central for the early contributions as people who are physically close to the founder and with whom they can develop real-life interactions happen to be the ones who bring the first contributions (Agrawal et al. 2015; Colombo et al. 2014). But if "social network size predicts success" (Mollick 2014, p. 8), it is critical to differentiate between internal and external social capital. External social capital refers to people within the founder's network who are not part of the crowdfunding community. They can definitively help, especially to support the founder at the early stage of the campaign but they do not provide as a critical support as the internal social capital. This second form of capital relates to social contacts developed from within the crowdfunding platform. Based on the analysis of 669 projects started during the fall of 2012 which they follow from inception to closure on Kickstarter, Colombo et al. (2014) measured the role of this capital and found that "*internal social capital is positively associated with both the amount of early capital and the number of early backers, and that the positive relation between internal social capital and the probability of project success is fully mediated by these two variables*" (p. 77). These results

confirm the central idea that crowdfunding is very much associated with "community-based experiences that generate "community benefits" for participants" (Belleflamme et al. 2014, p. 587).

Reward-Based Crowdfunding and Reciprocal Giving

Commonalities Between Crowdfunding and Reciprocal giving

At the outset, it is important to clarify that Mauss' theory of reciprocal giving is far-reaching and not confined to the analysis of gifts of material objects or money. Scholars have used the conceptual framework proposed by Mauss to analyze diverse phenomena such as organ donations (Vernale and Packard 1990), giving blood (Titmuss 1970), globalization (Sørensen 2002), knowledge exchange (Chen and Choi 2005), social entrepreneurship (Dees 2012) workplace relations (Caillé and Grésy 2014), gifts made by consumers (de Peyrelongue et al. 2016). Also, while giving typically involves bilateral relations, the Maussian gift is a web of social relations that is not reducible to only two individuals (Godbout and Caillé 2007). As a matter of fact, we argue that the approach outlined by Mauss encompasses complex acts of generosity with at least two parties, and often more. Such a theoretical perspective seems promising to understand a nascent social phenomenon like crowdfunding, in which several stakeholders engage in a wide range of relations.

The two previous sections of our paper allow us to pinpoint several commonalities between crowdfunding and Mauss' reciprocal giving. First, research on the motivations of founders and backers showed that both are stimulated by a mix of material and immaterial expectations, which do not merely consist of monetary donations (Colombo et al. 2014; Gerber et al. 2012). Crowdfunding platforms allow people to create strong and complex relationships and host projects that are hard to categorize as either commercial or philanthropic. Rewards in particular have an ambiguous status. They can be conditional pre-orders of products and services (provided the campaign is successful), and the backer is thus an early customer, but also often immaterial counter-gifts infused with honor, status, representing the bond between the backer and the entrepreneur, whose value is not equivalent (or near) the gift amount. Hence, as for reciprocal giving, crowdfunding platforms seem to rely on *hybridity*, neither purely free nor purely interested.

Second, research on success factors of crowdfunding campaigns also point toward a key feature of reciprocal giving: the ability for founders to mobilize "social capital" early in a campaign (Mollick 2014; Dolfsma et al. 2009).

Even if close friends and family members are not sufficient to guarantee a successful campaign (Davidson and Poor 2016), they remain critical to initiate a virtuous circle of contributions as they offer a positive signal to the community (Agrawal et al. 2015). The idea of social capital reminds us that for crowdfunding projects to be successful—and thus financial capital to be raised—*bonds* between community members matter. These relations are richer and more ambiguous than mere monetary transactions. As Mauss (1923) argued, gifts are "total social facts" because they bring together all types of social relations between members of a group, e.g., commerce, friendship, honor, love. (Webley et al. 1983). Crowdfunding also blends different kinds of relationships: personal acquaintances, social network connections, and transactional interactions.

The importance of *uncertainty* is a third commonality of crowdfunding platforms and reciprocal giving. Indeed, when a backer supports the project of a founder, there is no certainty *whether* s/he will get anything back, i.e., if the campaign does not meet its target, or if the entrepreneurial project fails for whatever reason, the only thing the backer gets back is his monetary gift. The debt is paid off and the cycle of giving is terminated (Godbout and Caillé 2007). Moreover, there is also uncertainty about *when* the founder will give back to the backer (Faldetta 2011). Even when a campaign has a set deadline, there are often delays, in particular when the reward consists of a new product or technology. The backer usually does not expect to receive his counter-gift at a specific date. Finally, as mentioned above, the cycle of giving is not bilateral and can take many paths within the community formed by platforms users (Colombo et al. 2014). Founders of a given project may have been backers of other projects before, and "star" backers within the community can benefit from counter-gifts from community members when they launch their own projects as founders.

Reciprocity in Reward-Based Crowdfunding Platforms

According to a recent study, one of the prevailing forms of relationship that crowdfunding platforms trigger is *reciprocity* (Colombo et al. 2014, p. 80). Someone who has backed several projects (usually, this information is made visible on the platform) will receive more support from the community to show recognition for his/her previous engagement, i.e., the "*feelings of mutual identification and unwritten social norms of (specific and generalized) reciprocity build social capital relations among platform members, leading them to show support to other members*" (Cordova et al. 2015, p. 76). Evidence about reciprocity shows that crowdfunding is close to what Mauss and

successors labeled the cycle of giving and receiving (Godbout 2007; Douglas 1990; Mauss 1923).

We argue that reciprocity is not only based on relationships between users throughout different campaigns but also within each project. Reciprocity on crowdfunding platforms implies that each campaign is also based on an internal process of giving and receiving. Reciprocal giving means that backers *give* a pledge to founders and backers *receive* a reward from founders. Using Mauss' vocabulary, *the pledge may be considered as a gift and the reward as a counter-gift*. If we can assume that reciprocal giving is induced by the three commonalities previously stated—hybridity, bonds and uncertainty—it can be actually directly observed on the platforms. Indeed, backers have three options when they decide to pledge. First, they can pledge for an amount which equals the amount of the reward. The second option is to pledge more than the amount of the reward. The last option is to choose to receive no reward. For instance, Kickstarter uses the following sentence to describe this option: "No thanks, *I just want to help* the project." Interestingly, we note that these three options correspond to the typology we presented earlier in the presentation of Mauss theory, i.e., transactions, reciprocal giving, and non-reciprocal giving. Transactions correspond to pledges that are equal to the reward amount. Reciprocal giving occurs in the case of a pledge that is higher than the amount of the reward. Non-reciprocal giving is when backers choose not to receive any reward. We assume that since the three options exist and if they are frequently used on the platform, the three kinds of relationships do coexist on crowdfunding platforms.

Reciprocal Giving and Success of Crowdfunding Campaigns

If the three logics coexist, we may question the effect of each one on the success of campaigns. A campaign is successful if the amount raised is equal or superior to the amount determined by the founder when the campaign is launched. Concerning the transactional logic, we assume that transactions are necessary to the development of crowdfunding campaigns, but they are not sufficient. We do not argue that transactions—when the pledge equals the reward—hinder the success of the campaign. Our hypothesis is that that the target amount cannot be reached if the campaign is based *only* on transactions. Thus, we formulate Hypothesis 1:

Hypothesis 1 Projects that rely on transactions alone fail more often. Hence, projects where the total sum of pledges is equal to the sum of rewards are less successful.

What about reciprocal giving? Does reciprocal giving have positive outcomes? Are human activities stronger and

more successful if they rely on cycles of giving and receiving? This hypothesis appears in recent works by sociologists using Mauss' outlook to analyze human interactions in various business and professional settings (Alter 2010; Faldetta 2011). Some scholars contend that the more "disinterested" (or altruistic) the exchange relationship is, the more it will produce potentially beneficial exchanges. In other words, "the merchant must be sincere in giving his/her gift if s/he wants it to bear fruits" (Godbout and Caillé 2007, p. 104). As Faldetta (2011, p. 74) observed, "*most modern tools of marketing make abundant use of the language of gift, trying to show an apparently disinterested logic of business,*" yet many of these practices can be analyzed as hypocritical when actions are not consistent with discourses (Brunsson 1989; La Cour and Kromann 2011). While we assume that the crowdfunding model is not merely about disguised transactions, we nevertheless contend that reciprocity fosters success. Therefore, we formulate Hypothesis 2:

Hypothesis 2 The more pledges there are based on reciprocal giving, the more successful the project is. Hence, the proportion of pledges that are higher than the reward has a positive effect on success of crowdfunding campaigns.

If reciprocity is at the heart of crowdfunding, non-reciprocal giving should hinder the success of projects. Campaigns based only on backers' altruism toward founders, where rewards are not considered valuable, are assumed to fail more often. Here is our Hypothesis 3:

Hypothesis 3 The more pledges there are based on non-reciprocal giving, the less successful the project is. Hence, the proportion of pledges made without reward has a negative effect on success of crowdfunding campaigns (Fig. 1).

Data and Method

Crowdfunding on Ulule

Our empirical study explores the case of *Ulule*, a French crowdfunding platform operating mainly in Europe in seven languages. From its inception in October 2010 until March 2017, almost 17,000 projects have been funded on Ulule with about €75 million collected. Thus, our study differs from the extant research on crowdfunding platforms that focuses mainly on US-based platforms such as Kickstarter or GoFundMe. Contrary to Kickstarter, which is only dedicated to non-charity projects, Ulule hosts crowdfunding campaigns in a large number of categories such as photography, sports, education and technology as well as charities and citizenship. This is particularly relevant in our endeavor study practices beyond the opposition of commercial versus philanthropic projects. However, just like Kickstarter, most projects are in the field of arts and culture (comics, photography, movies, performing arts), which is reminiscent of crowdfunding's origins in creative industries.

Ulule is a reward-based crowdfunding platform offering an *all-or-nothing* model. In this model, the founder receives the money from the backers only if the money pledged to his/her project by the end of the campaign is equal or greater than the target declared on the platform. Success is thus defined as the capacity for a project to reach or go beyond the amount of money initially targeted by the entrepreneur for its campaign. If this is not the case, the founder receives no money at all. As stated earlier, backers have three main options: They can pledge money and ask for a reward, they can pledge money without asking for a reward, or they can pledge money of an amount that is higher than the reward selected.

Sample and Variables

We obtained data on *all* projects completed between December 31, 2014 and June 18, 2015. We chose to keep only the 2015 projects in order to control the evolution of the success rate of the projects on Ulule. Indeed, the average success rate of projects has steadily risen since the inception of the platform, from 43% in 2011 to 67% in 2015. Our final sample comprises 3280 projects.

We first coded three explanatory variables. The two variables *PledgeMoreReward%* and *PledgeNoReward%* give information about proportion of pledges within each project which are not equal to rewards. *PledgeMoreReward%* indicates the proportion of pledges in the project where the amount pledged is higher than the amount of the reward. For each project, the calculation is the following: number of pledges where the amount of the pledge is higher to the amount of the reward pledge/number of pledges. It corresponds in our analysis to pledges based on reciprocal giving. The variable *PledgeNoReward%* indicates the proportion of pledges in the project where the backers asked for no reward. For each project, the calculation is the following: number of pledges where no reward has been asked/number of pledges. It corresponds to the share of pledges based on non-reciprocal giving. *PledgesEqualRewards* is a binary variable indicating whether the project has received only transactions. If this variable is coded "1" for a project, it means that the sum of the pledges is equal to the sum of the rewards. If this variable is coded "0," it means that some pledges were higher than the rewards and/or that some pledges were made without rewards. In other words, *PledgesEqualRewards* equals 1 if both variables *PledgeMoreReward%* and *PledgeNoReward%* equal 0.
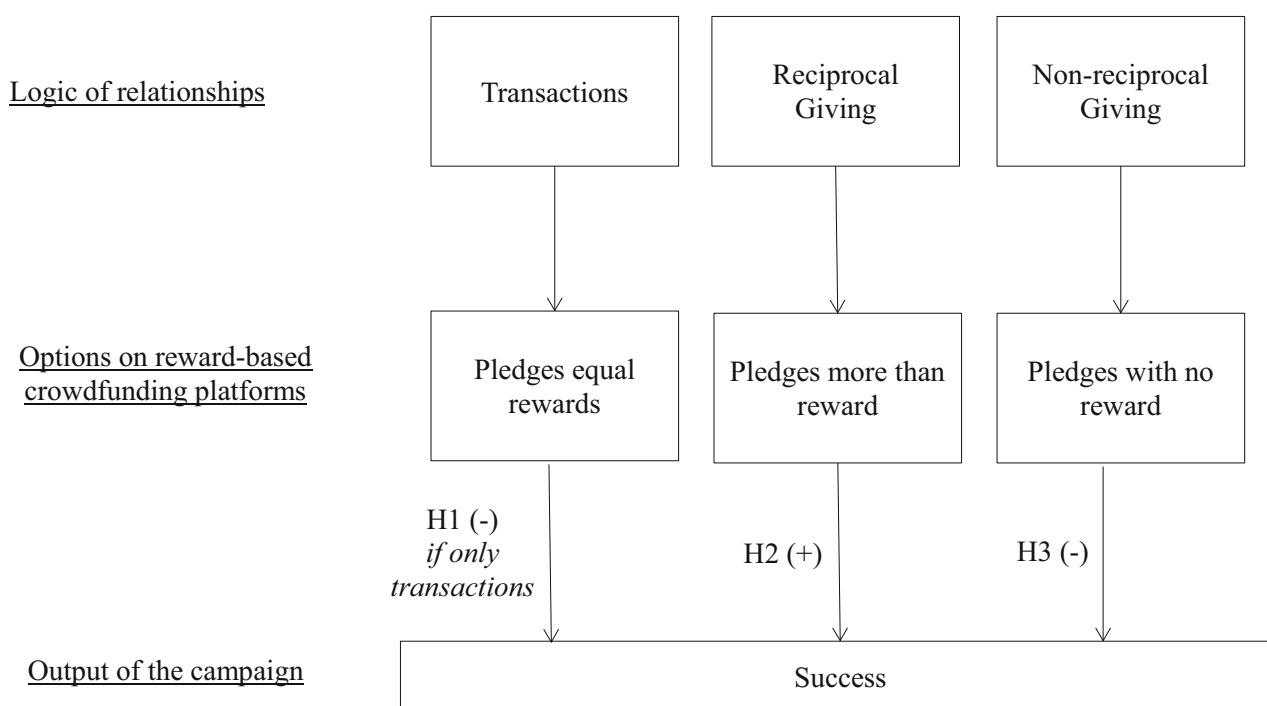
Fig. 1 Conceptual background and hypotheses development

Concerning the dependent variables, the first one is the binary variable *Success* which indicates whether or not the project has reached the target amount. The other dependent variable is *Funded%,* which is the percentage of funding of the goal. For instance, when the project has failed, *Success* equals 0 and *Funded%* is less than 100. When the project is successful, *Success* equals 1 and *Funded%* is equal to or greater than 100 (since backers can continue to pledge even if the target amount has been reached).

Concerning the control variables, they are consistent with prior research on Kickstarter (Mollick 2014), i.e., *Goal* (the amount founders of the project seek to raise), *Duration* (the number of days during which the project accepts funding), *Backers* (the number of users funding the projects), *Pledge/backer* (the mean pledge per backer), *News* (updates posted by founders on their project), *Comments* (the number of comments posted by backers). Finally, the categorization of projects is also available and is based on the main tags assigned by Ulule to each project when it is created. Fifteen tags were available: "Art/Photography," "Comics," "Charities/Citizen," "Childhood/Education," "Craft/Food," "Fashion/Design," "Games," "Heritage," "Movies," "Music," "Performing Arts," "Publishing," "Journalism," "Sport," "Technology," and "Other."

Descriptive Statistics

The overall summary statistics are provided in Table 1. Concerning the dependent variables, almost 70% of the

projects in our sample were successful. This is much higher than for the Kickstarter samples which are about 40% (Mollick 2014; Colombo et al. 2014). The average level of funding is 92% of the goal. Almost 85% of the successful projects outperformed their target amount. Concerning the explanatory variables, we observe that only 8% of the projects were based purely on transactions. Moreover, 16% of the pledges were based on reciprocal giving and 17% on a non-reciprocal gift. Hence, while transactions represent the majority of pledges, they are not sufficient to complete campaigns. Reciprocal giving as well as non-reciprocal giving does significantly coexist with transactions on the Ulule platform. As far as control variables are concerned, the goal amount is around €3000 even if there is considerable variance between projects. While several projects target only several dozen euros, some projects set goals of up to €200,000. The average number of backers is around 50, less that of Kickstarter which is almost 70 according to Mollick's data (2014). Interestingly, the campaign process appears similar between Ulule and Kickstarter with 40-day duration, four updates and around nine comments.

When we look at the descriptive statistics for each project category as presented in Table 2, we observe that success varies according to the categories. The "Technology" category has the lowest success rate (only 36%), while "Comics" has the highest (81%). Interestingly, the "Technology" category also has the highest rate of projects where pledges equal rewards, whereas "Comics" has one of the lowest. "Charities/Citizen" has an average rate of

Table 1 Summary statistics

Variables	Average	Standard Deviance	Minimum	Maximum	N
Success	0.69	0.46	0	1.00	3280
Goal	3.038	6.029	10.0	200.000	3280
Funded%	92.3	94.0	0	4.029	3280
Backers	47.7	102	0	3.756	3280
Pledge/Backer	42.9	43.0	0	1.504	3280
News	3.84	5.65	0	112	3280
Comments	9.74	342	0	19.562	3280
Duration	40.2	15.4	0	99.0	3279
PledgesEqualRewards	0.08	0.28	0	1.00	3238
PledgeMoreReward%	0.16	0.17	0	1.00	3238
PledgeNoReward%	0.17	0.19	0	1.00	3238

success but a lower target amount. The proportion of pledges greater than rewards for "Charities/Citizen" is lower than many other categories such as "Games" for instance. The proportion of pledges with no reward in "Charities/Citizen" is among the highest but is, for instance, lower than "Performing Arts."

A comparison of Ulule and Kickstarter shows a major difference between models since Ulule hosts a significant number of "Charities/Citizen" projects, whereas Kickstarter forbids the funding of charities as stated very clearly in the "Rules" of the platform: "Projects can't promise to donate funds raised to a charity or cause." US-based Kickstarter and European-based Ulule share the same process but with some differences in the project categories. This might be one of the explanations for the difference in the average rate of success between the two platforms since charities tend to have a higher success rate than others (Pitschner and Pitschner-Finn 2014).

Findings

The correlation matrix presented in Table 3 shows strong positive relationships between dependent variables and the other control variables. There is a negative correlation between duration and goal. The more ambitious and prolonged campaigns are, the less successful they are. Founders have to deal with a trade-off between building momentum in the campaign, which is easier over a short period of time, and targeting the highest funding, which is more difficult over a short period of time. The advice offered by Ulule is to set a goal that founders consider to be achievable. Once the goal is achieved, founders are encouraged to set new targets and surpass a 100% level of funding. This may explain why 85% of the successful projects outperform the target amount. The number of backers, the average amount pledged, and the number of news are positively correlated. These results are consistent

with past research (e.g., Mollick 2014). Moreover, the correlations observed between dependent variables and explanatory variables are consistent with our assumptions. *PledgesEqualRewards* and *PledgeNoReward* are negatively associated with *Success* and *Funded%*, whereas *PledgeMoreReward* is positively correlated.

We designed four different models to test our three assumptions for each dependent variable. Model 1 includes control variables and *PledgesEqualRewards* as the explanatory variable. Model 2 is similar to Model 1 but includes *PledgeMoreReward* and *PledgeNoReward* as the explanatory variables instead of *PledgesEqualRewards*. Model 3 added project categories to Model 1. Model 4 added project categories to Model 2. We used a linear regression for *Funded%* that is a continuous variable. Results of the four linear models concerning *Funded%* are presented in Table 5. Concerning *Success*, since it is a binary variable, we used a Logit regression. Results of the four Logit models concerning *Success* are presented in Table 4.

Our findings show that projects that rely on transactions alone are significantly less successful than those that do not. The *PledgesEqualRewards* variable has a negative impact both on *Success* and on *Funded%* both in Model 1 and in Model 3. Moreover, the data strongly support Hypothesis 1, i.e., crowdfunding is not based solely on a transactional logic. Concerning reciprocal giving, *PledgeMoreReward* has a positive effect on the continuous variable *Funded%* both in Model 2 and Model 4 and on the binary variable *Success* in Model 2. Concerning our last assumption about non-reciprocal giving, Model 2 and Model 4 show that *PledgeNoReward* has a negative effect both on *Success* and on *Funded%*. Hence, our three hypotheses are validated by the results (Table 5).

Concerning the projects categories, Model 3 and Model 4 confirm that "Technology" projects achieve significantly lower levels of funding than others. On the contrary, "Charities/Citizen" projects are more successful. It is

Table 2 Descriptive Statistics by Project Category

Variables	Art Photo	Comics	Charities Citizen	Childhood Education	Craft Food	Fashion Design	Games	Heritage	Movies	Music	Performing arts	Publishing Journalism	Sport	Technology	Other
N	186	78	744	197	119	104	53	54	486	387	242	154	248	50	178
Success	0.63	0.81	0.71	0.70	0.58	0.66	0.60	0.52	0.77	0.79	0.67	0.73	0.59	0.36	0.57
Funded%	84.6	134	94.0	88.2	78.3	91.0	191	74.4	94.8	101	82.6	102	77.6	59.9	74.9
Goal	2.765	3.249	2.393	2.332	3.427	3.295	4.456	8.059	2.989	3.032	2.940	3.858	3.359	3.924	3.231
Backers	47.2	89.9	36.4	35.0	38.1	66.1	174	46.1	44.1	58.5	42.5	95.5	22.6	38.1	38.8
Pledge/backer	42.0	38.1	40.0	38.9	50.7	48.5	42.5	56.6	44.5	39.1	41.7	38.5	48.7	74.9	43.1
News	4.06	9.80	2.82	3.35	4.10	5.10	9.25	5.61	3.85	4.19	3.25	6.67	1.62	3.30	3.58
Comments	3.75	14.0	2.18	2.05	3.69	6.83	418	2.46	2.17	2.80	1.39	7.88	1.42	3.34	2.76
Duration	37.0	47.9	38.8	40.9	40.7	41.4	38.0	48.9	36.9	44.4	41.8	40.3	39.1	41.0	42.1
PledgesEqualRewards	0.12	0.06	0.08	0.07	0.11	0.09	0.13	0.06	0.06	0.05	0.05	0.08	0.15	0.22	0.10
PledgeMoreReward%	0.16	0.15	0.16	0.16	0.14	0.17	0.23	0.18	0.15	0.17	0.15	0.16	0.20	0.14	0.17
PledgeNoReward%	0.15	0.05	0.20	0.24	0.20	0.17	0.07	0.14	0.17	0.12	0.21	0.09	0.18	0.13	0.18

interesting to observe that "Charities/Citizen" projects perform better even in controlling the variables concerning reciprocal and non-reciprocal giving. A possible interpretation of this finding is that the altruistic nature of a project supported on a reward-based crowdfunding platform is more prone to foster reciprocal giving, beyond the option of pledging more than the reward. Other categories are positively associated with *Success*: "Childhood/Education," "Sport," and "Movies." Comparison of categories is interesting to build a continuum of crowdfunding projects regarding altruism and self-interest. We used the proportion of "PledgeEqualRewards" as the way to rank self-interest and the proportion of "PledgeNoReward" as the way to rank altruism (see Fig. 2). We find that "Technology" projects are more likely to involve self-interest, whereas unsurprisingly, "Childhood Education" projects are more likely to be based on altruism. Interestingly, the lowest categories of projects in terms of altruism are not the highest in terms of self-interest. For instance, "Comics" projects rank low for altruism but do not rank higher than "Childhood Education" projects in terms of self-interest. These results suggest that the "either/or" logic of the altruism versus self-interest debate is not applicable as far as reward-based crowdfunding platforms such as Ulule are concerned.

Discussion and Conclusion

Our findings show that even if the majority of pledges made on crowdfunding platforms can be considered as transactions, i.e., pledge equal to reward, there is a significant number of backers who are engaged either in reciprocal giving (i.e. pledge superior to reward) or non-reciprocal giving (i.e. pledge without reward). Giving seems essential to the success of crowdfunding platforms since projects relying only on a transactional logic perform less than projects relying also on non-reciprocal giving. Thus, crowdfunding can be considered as more than a pure economic phenomenon (Belleflamme et al. 2014; Colombo et al. 2014) and involves hybridity of transactions and gifts with a plurality of logics.

As expected, reciprocal giving fosters project success, whereas non-reciprocal giving is negatively associated with the achievement of the goal. Crowdfunding involves complex and holistic relationships that can be understood neither with self-interest perspectives nor with altruistic approaches. Our research shows that reward-based crowdfunding platforms rely on reciprocal giving and trigger a modern and digitalized form of what Mauss wrote about traditional societies in the early twentieth century. There are at least four main dimensions of the Maussian theory which remain valid. First, many users develop

Table 3 Correlations

		1	2	3	4	5	6	7	8	9	10
1	Success										
2	Goal	−.10***									
3	Funded%	.54***	−.05***								
4	Backers	.23***	.27***	.69***							
5	Pledge/backer	.19***	.15***	.12***	.06***						
6	News	.25***	.22***	.37***	.48***	.10***					
7	Comments	.02	.03	.74***	.66***	.03	.27***				
8	Duration	−.09***	.27***	−.10***	.10***	.15***	.19***	.00			
9	PledgesEqualRewards	−.35***	−.04**	−.21***	−.12***	−.09***	−.15***	−.01	−.02		
10	PledgeMoreReward%	.08***	−.02	.09***	.01	.08***	.01	.04**	.05***	.30***	
11	PledgeNoReward%	−.04*	−.06*	−.07***	−.09***	.02	−.12***	−.02	−.17***	.27***	.18***

* $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$

hybrid logics (neither purely free nor purely interested); second, founders mobilize their "social capital," third uncertainty remains a key characteristics of the exchange; and fourth the cycle of giving is not bilateral as it can take many paths within the community. Obviously, there are also differences with the Maussian context: The practices do not require physical interactions, the number of people involved can be very high, and last but not least, it is possible to reach territories which are thousands of miles away.

Contributions of the Research to Entrepreneurship and Crowdfunding Literature

We contribute to crowdfunding and entrepreneurship literatures in several ways. First, crowdfunding literature often states a clear distinction between reward-based platforms and platforms intended for pure donations (Meyskens and Bird 2015). As explained earlier, Kickstarter, for instance, forbids funding of charities on the platform. Yet, recent research tends to show that even on this American platform the success of a campaign cannot rely on pure utilitarian motives (Thürridl and Kamleitner 2016). Rewards must be based on multiple logics including the capacity to generate connections and interactions between backers and the entrepreneurs (op. cit., 2016). More importantly, crowdfunding, far from being in the realm of anonymity, can only works if it relies on the personal networks of the entrepreneur (Mollick 2014). In this sense, far from being anonymous and impersonal, crowdfunding tends to support reciprocal relationships, at least for a significant proportion of the backers. These observations are also true for Ulule where people tend to give to a person and not an organization because projects remain emergent with very

small structure supporting it or even without a formalized company or association. Moreover, we obtained the percentage of backers who decide to be anonymous on Ulule and this figure is only of 2% which supports the idea that interpersonal dimension is core for crowdfunding dynamics.

In this paper, we complement these results by showing that gift-giving is central *even* for the reward-based platforms. Second, we offer new insights regarding the empirical analysis of crowdfunding in Europe, which has not been very well documented so far. European and US platforms seem to share the same fundamentals but do not address the same kind of projects. Ulule blends philanthropic and creative projects. It seems to be a successful approach since the average success rate is higher than on Kickstarter. An assumption to be tested in further comparative research between platforms is that the high success rate on Ulule is related to the high percentage of charities. A possible implication for practitioners is that projects should include a social and/or environmental dimension to foster reciprocal giving and avoid being categorized as purely commercial projects.

Concerning the entrepreneurship literature, venturing has been acknowledged as being not only based on utilitarian logics (Sarasvathy 2008; Steyaert and Hjorth 2007; Rehn and Taalas 2004). It involves complex and holistic relationships that cannot be understood solely through self-interest perspectives. Our research builds on this approach to empirically document the key role of reciprocal giving. The role of gift-giving remains largely unexplored today in the entrepreneurship literature which is quite surprising considering the importance that scholars give to social capital in this field (Chetty and Agndal 2007; Peredo and Chrisman 2006) either through crowdfunding practices (Colombo et al. 2014), kinship

Table 4 Predictors of level of funding (*Funded%*)

	Model 1	Model 2	Model 3	Model 4
Goal	−.000***	−.000***	−.000***	−.000***
	(.000)	(.000)	(.000)	(.000)
Backers	.003***	.004***	.003***	.004***
	(.000)	(.000)	(.000)	(.000)
Pledge/backer	.002***	.002***	.003***	.003***
	(.000)	(.000)	(.000)	(.000)
News	.016***	.018***	.017***	.019***
	(.002)	(.002)	(.002)	(.002)
Comments	.001***	.001***	.001***	.001***
	(.000)	(.000)	(.000)	(.000)
Duration	−.007***	−.008***	−.007***	−.008***
	(.001)	(.001)	(.001)	(.001)
PledgesEqualRewards	.501***		−.486***	
	(.033)		(.033)	
PledgeMoreReward%		.268***		.257***
		(.057)		(.056)
PledgeNoReward%		−.223***		−.249***
		(.050)		(.051)
Charities/citizen			.050	.093**
			(.037)	(.038)
Childhood/educ			.002	.060
			(.048)	(.050)
Craft/food			−.105*	.080
			(.056)	(.058)
Fashion/design			−.091	−.074
			(.059)	(.061)
Games			−.010	−.068
			(.078)	(.080)
Heritage			−.042	−.010
			(.077)	(.079)
Movies			−.002	.038
			(.039)	(.040)
Music			.067*	.096**
			(.041)	(.042)
Other			−.100*	−.074
			(.050)	(.051)
Performing arts			−.076*	−.015
			(.046)	(.047)
Publishing journalism			−.090*	−.097
			(.052)	(.053)
Sport			.011	.008
			(.046)	(.047)
Technology			−.267***	−.317***
			(.079)	(.081)

SE in parentheses: * $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$

(Karra et al. 2006; Stewart 2003) or informal activities (Bureau and Fendt 2011; Williams 2007). Our results could help us look ahead in that direction and raise questions regarding the way entrepreneurs use this logic and how it impacts the venture's performance.

Table 5 Predictors of project success (*Success*)

	Model 1	Model 2	Model 3	Model 4
Goal	−.001***	−.001***	−.001**	−.001***
	(.000)	(.000)	(.000)	(.000)
Backers	.130***	.141***	.132***	.142***
	(.007)	(.007)	(.007)	.00663
Pledge/backer	.041***	.042***	.042***	.044***
	(.003)	(.003)	(.003)	(.003)
News	.047**	.038*	.060**	.052**
	(.022)	(.022)	(.023)	(.023)
Comments	−.018	−.027	−.017	−.0267***
	(.024)	(.003)	(.023)	(.004)
Duration	−.017***	−.022***	−.019***	−.024***
	(.005)	(.005)	(.005)	(.005)
PledgesEqualRewards	.754***		.739**	
	(.226)		(.228)	
PledgeMoreReward%		.65*		.537
		(.365)		(.370)
PledgeNoReward%		−1.76***		−1.97***
		(.345)		(.355)
Charities/citizen			.995***	1.08***
			(.263)	(.264)
Childhood/educ			.918**	1.11***
			(.336)	(.342)
Craft/food			.142	.341
			(.422)	(.434)
Fashion/design			.543	.572
			(.445)	(.458)
Games			.313	.137
			(.640)	(.650)
Heritage			1.21*	1.12*
			(.649)	(.680)
Movies			.983***	1.01***
			(.294)	(−.294)
Music			.617*	.595*
			(.321)	(.322)
Other			.524	.571
			(.364)	(.365)
Performing arts			.325	.407
			(.332)	(.335)
Publishing journalism			.281	.161
			(.394)	(.397)
Sport			1.15***	1.14***
			(.311)	(.320)
Technology			−.273	−.403
			(.622)	(.617)

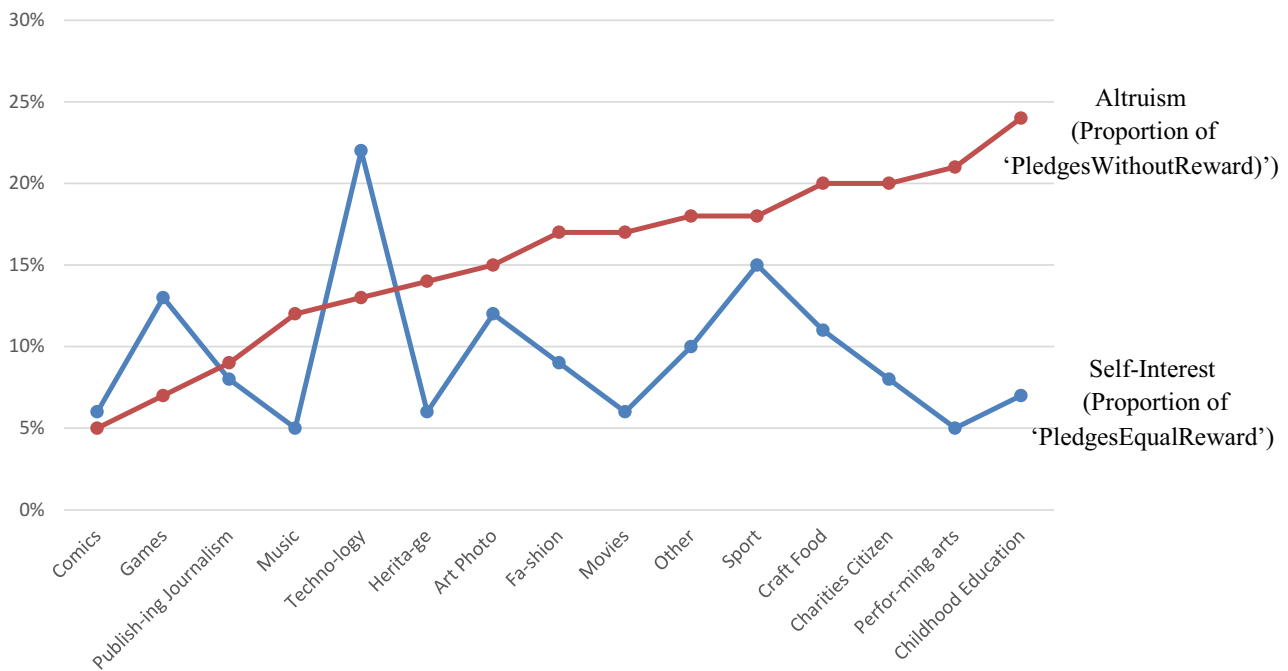SE in parentheses: * $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$

Fig. 2 Altruism versus self-interest for crowdfunding project categories

Contributions of the Research to the Field of Business Ethics

Our research offers important contributions to the business ethics literature. Indeed, if Gouldner's theory of reciprocity (1960) has been often used in the field of business ethics, it has failed to bridge the gap opposing gift-giving and reciprocity since it does not provide an explanation for the initial gift. For instance, Deckop et al. (2003) use Gouldner's theory to explain prosocial behaviors of employees as a result of past organizational citizen behaviors they have received. But how to explain past organizational citizenship behaviors? Indirect reciprocity has been considered as a way to overcome this difficulty and has been used for instance to better integrate the concept of future generations in the field of business ethics (Arenas and Rodrigo 2016). This approach seems problematic since it transforms reciprocity in an abstract principle no longer rooted in concrete interpersonal relationships.

The limitation in Gouldner's theory may explain why reciprocity has little moral value in Western context and why philosophers such as Derrida consider true generosity to be without any form of reciprocity. As opposed to the context of Chinese sociocultural system, "*the moral quality of reciprocity, and its part in an ethical system, is downplayed in the Western context*" (Westwood et al. 2004, p. 367). This limitation is rooted in Adam Smith' conception of morality which was already embedded in a norm of reciprocity based on past behaviors: "*Kindness is the parent of kindness; and if to be beloved by our brethren be*

the great object of our ambition, the surest way of obtaining it is, by our conduct to show that we really love them." (The Theory of Moral Sentiments, Book VI, Section II, Chapter I, par. 22). This approach of reciprocity led business ethics scholars to bring back reciprocity to self-interest, appealing as a consequence for "an ethics in organizations that moves beyond self-interest and reciprocity toward generosity" (Rhodes and Westwood 2016, p. 237).

We argue that Maussian theory has the potential to restore the ethical value of reciprocity and detaches it from a strict utilitarian perspective. The field of business ethics could benefit from a more thorough exploration of reciprocal giving in the tradition of Marcel Mauss. If few recent studies used this perspective (Faldetta 2011; Frémeaux and Michelson 2011; Spiller et al. 2011), to our knowledge, the present article is the first empirically grounded contribution to the field based on Maussian theory. Further research is needed to investigate the other potential developments of the use of Mauss in the field of business ethics. Further empirical enquiries of reciprocal giving, such as the present study on reward-based crowdfunding platforms, could contribute to enriching the debate on the plurality of motivations in business decision making (Norcia and Larkins 2000). Reciprocal giving allows scholars to leave aside pitfalls of the self-interest versus altruism debate, thus avoiding the "separation fallacy" between business decisions and ethical decisions that Edward Freeman insightfully reported (Abela and Shea 2014; Freeman 1994). Our study shows that reward-

based crowdfunding platforms such as Ulule do not explicitly differentiate between self-interested transactions and altruistic giving, leaving both founders and backers decide the type of relations they want to establish.

Limitations and Further Research

Our research is not without limitations concerning our method and the conceptual background we used. We grasp reciprocal giving only through an option provided to the backers by the platforms to give more than the reward. Yet reciprocal giving can be assumed to exist in the two other options available. First, concerning pledges made without rewards, one could argue that counter-gift could be made outside the platform, especially if founders and backers know each other "in real life." Second, pledges that equal rewards may be categorized as gift-giving since some rewards actually have no market value. Rewards of €10 or less mostly "only" provide gratitude in return. Some of them could be more symbolic and equivalent to "non-reward" in the sense that they are equivalent to a "thank you" or a way to connect (for instance some rewards equate to a drink/meal with the founders) more than a reward *per se*. After identifying rewards without market value, they could be included in the logic of reciprocal giving. Further research needs to set up coding of the rewards to analyze their very nature. More generally, we need to investigate on a possible correlation between the size of the pledge and the characterization of the pledge (transaction vs. gift). A second methodological limitation is that we did not control the effect of social capital. What is the correlation between personal relationships and reciprocal giving? Are the relatives the only ones to engage in gift-giving? Do they engage more in reciprocal or non-reciprocal giving? Further research is needed to check this point as well.

As far as theoretical limitations are concerned, one could argue that Mauss' conceptualization of reciprocal giving in archaic societies of the nineteenth and twentieth centuries markedly differ from the context of twenty-first century crowdfunding practices. First, the formalization (e.g., platforms require to detail formally the project, rewards, contributions, names…) is much more developed in the case of crowdfunding compared with the situation observed by the anthropologists reviewed by Mauss in *The Gift*. Indeed, in the tribes analyzed, the oral culture is quasi-exclusive as well as the absence of money (Boas 1888; Malinowski 1922). It was not accepted to formally explicit the counter-gift. The notion of reward would not have been meaningful in this context. The second difference between reciprocal giving in crowdfunding and Mauss' work is the level of uncertainty. Indeed, the formalization, far from securing the process, creates some instability in the sense that it does not fully protect the exchange (e.g. it is not a contract) and offers a wide variety of possible rewards (whereas it was limited to shell bracelets or necklaces in the case of the Kula). Moreover, the community and potential stakeholders in the exchange can expand far beyond a clan than in the original gift as anyone can join in. Even if they do not physically live nearby or have close connections with the founders, anyone can be part of the exchanges, generating potential free rider behavior. As a consequence, the possibility of counting and measuring is counterbalanced by this uncertainty which makes economic rationality almost impossible. The last difference lies in the effect expected by the persons involved in the exchanges. Whereas reciprocal giving practices in so-called archaic societies were essentially used to maintain an existing social order, crowdfunding is designed to help people transform our world. When the Maussian gift was used to sustain the system, gift practices on the crowdfunding platforms are there to disrupt existing rules. While the reciprocal giving theory was fully relevant for understanding social stability and reproduction of the social order in archaic societies, we believe that it is also useful to understand social change and innovation practices in modern societies, yet this theoretical contribution is yet to be articulated (Silber 1998).

Other theoretical lenses could be very appropriate to analyze the social relationships between reward-based crowdfunding participants such as stakeholder theory (Freeman 1984; Freeman et al. 2010). Recently, stakeholder theorists have shown interest for reciprocity and how reciprocal relations between firms and their stakeholders affect performance and legitimacy issues (Elms and Phillips 2009; Fassin 2012). A "stakeholder reciprocity" outlook could be fruitful to interpret the results of our empirical study, namely that reciprocal giving is more successful for crowdfunding projects than non-reciprocal giving and market transactions. In response to friendly or fair actions such as offering a symbolic or personalized reward, crowdfunding platforms may incite people to respond positively to a request to give money. Self-interested calculations would thus be "bounded" by the social norm of reciprocity (Bosse et al. 2009; Fehr and Gächter 2000).

Further research is needed to understand more precisely to what extent present reciprocal giving is different from ancient forms of gift relationships described in Mauss' work. More generally, we may ask to what extent the so-called collaborative economy is based on reciprocal giving rather than a newer form of market exchange. Is the collaborative economy a new form of the ancient logic of gift? What is similar or different between the two

frameworks? What are the conditions for a collaborative platform to foster reciprocal giving? Ambiguity seems to be one of the characteristics of the collaborative economy. How could the concept of reciprocal giving be used to better apprehend these emergent practices which blur the lines between consumers and producers, between ownership and usage, between self-interest and altruism (Rifkin 2014)? Answering these questions may contribute to build an economy which goes beyond the opposition between altruism and self-interest.

References

Abela, A. V., & Shea, R. (2014). Avoiding the separation thesis while maintaining a positive/normative distinction. *Journal of Business Ethics, 1*(11), 31–41.

Agrawal, A., Catalini, C., & Goldfarb, A. (2015). Crowdfunding: Geography, social networks, and the timing of investment decisions. *Journal of Economics & Management Strategy, 24*(2), 253–274.

Ahlers, G. K. C., Cumming, D., Günther, C., & Schweizer, D. (2015). Signaling in equity crowdfunding. *Entrepreneurship: Theory & Practice, 39*(4), 955–980.

Aldrich, H., & Zimmer, C. (1986). Entrepreneurship through social networks. In: The art and science of entrepreneurship (pp. 3–23). Cambridge: Ballinger.

Alter, N. (2010). *Donner et prendre: La coopération en entreprise*. Paris: La Découverte.

Andreoni, J. (1990). Impure altruism and donations to public goods: A theory of warm-glow giving. *The Economic Journal, 100*(401), 464–477.

Andreoni, J. (2001). Philanthropy, economics of. In N. J. Smelser & P. B. Baltes (Eds.), *International Encyclopedia of the Social & Behavioral Sciences* (pp. 11369–11376). Oxford: Pergamon.

Arenas, D., & Rodrigo, P. (2016). On firms and the next generations: Difficulties and possibilities for business ethics inquiry. *Journal of Business Ethics, 133,* 1.

Assenova, V., Best, J., Cagney, M., Ellenoff, D., Karas, K., Moon, J., et al. (2016). The present and future of crowdfunding. *California Management Review, 58*(2), 125–135.

Batson, C. D. (2014). *The altruism question: Toward a social-psychological answer*. New York, NY: Psychology Press.

Battilana, J., & Dorado, S. (2010). Building sustainable hybrid organizations: The case of commercial microfinance organizations. *Academy of Management Journal, 53*(6), 1419–1440.

Baviera, T., English, W., & Guillén, M. (2016). The "Logic of Gift": Inspiring behavior in organizations beyond the limits of duty and exchange. *Business Ethics Quarterly, 26*(2), 159–180.

Becker, G. S. (1974). A theory of social interactions. *Journal of Political Economy, 82*(6), 1063–1093.

Bekkers, R., & Wiepking, P. (2011). A literature review of empirical studies of philanthropy: Eight mechanisms that drive charitable giving. *Nonprofit and Voluntary Sector Quarterly, 40*(5), 924–973.

Belleflamme, P., Lambert, T., & Schwienbacher, A. (2014). Crowdfunding: Tapping the right crowd. *Journal of Business Venturing, 29*(5), 585–609.

Blau, P. (1964). *Exchange and power in social life*. NY: Wiley.

Boas, F. (1888). The Indians of British Columbia. *The Popular Science Monthly, 32*, 628–636.

Bosse, D. A., Phillips, R. A., & Harrison, J. S. (2009). Stakeholders, reciprocity, and firm performance. *Strategic Management Journal, 30*(4), 447–456.

Boudreau, K., Jeppesen, L. B., Reichstein, T., & Rullani, F. (2015). *Crowdfunding as "Donations": Theory & Evidence (SSRN Scholarly Paper No. ID 2669545)*. Rochester, NY: Social Science Research Network. http://papers.ssrn.com/abstract= 2669545. Accessed October 10, 2016.

Brüderl, J., & Preisendorf, P. (1998) Network support and the success of newly founded business. *Small Business Economics*, *10*(3), 213–225.

Brunsson, N. (1989). *The organization of hypocrisy: Talk, decisions, and actions in organizations*. New York, NY: Wiley.

Bureau, S. (2014). Essai sur le don en gestion. *Le LIbellio d'Aegis, 10*(3), 5–20.

Bureau, S., & Fendt, J. (2011). Entrepreneurship in the informal economy: Why does it matter? *International Journal of Entrepreneurship and Innovation, 12*(2), 85–94.

Burtch, G., Ghose, A., & Wattal, S. (2014). Cultural differences and geography as determinants of online prosocial lending. *MIS Quarterly, 38*(3), 773–794.

Caillé, A., & Grésy, J.-E. (2014). *La Révolution du don: Le management repensé à la lumière de l'anthropologie*. Paris: Seuil.

Caliendo, M., Fossen, F., & Kritikos, A. (2009). Risk attitudes of nascent entrepreneurs: new evidence from an experimentally validated survey. *Small Business Economics, 32*(2), 153–167.

Caputo, J. D. (1997). *Deconstruction in a nutshell: A conversation with Jacques Derrida*. New York: Fordham University Press.

Carrier, J. (1991). Gifts, commodities, and social relations: A Maussian view of exchange. *Sociological Forum, 6*(1), 119–136.

Chen, S., & Choi, C. J. (2005). A social exchange perspective on business ethics: An application to knowledge exchange. *Journal of Business Ethics, 62*(1), 1–11.

Chetty, S., & Agndal, H. (2007). Social capital and its influence on changes in internationalization mode among small and medium-sized enterprises. *Journal of International Marketing, 15*(1), 1–29.

Cialdini, R. B. (1991). Altruism or egoism? That is (still) the question. *Psychological Inquiry, 2*(2), 124–126.

Colombo, M. G., Franzoni, C., et al. (2014). Internal social capital and the attraction of early contributions in crowdfunding. *Entrepreneurship: Theory & Practice, 39*(1), 75–100.

Cordova, A., Dolci, J., & Gianfrate, G. (2015). The determinants of crowdfunding success: Evidence from technology projects. *3rd International Conference on Leadership, Technology and Innovation Management, 181,* 115–124.

Cornell, C. J., & Luzar, C. (2014). *Crowdfunding fraud: How big is the threat? Crowdfund insider*. http://www.crowdfundinsider. com/2014/03/34255-crowdfunding-fraud-big-threat/. October 14, 2014.

Crosetto, P., & Regnier, T. (2014). *Crowdfunding: Determinants of success and funding dynamics*. Jena Economics Research Papers, 035.

Dakin, K. J. (2016). You ain't seen nothing yet: Investment crowdfunding has tremendous growth potential! *Technology Transfer and Entrepreneurship, 3,* 5–6.

Davidson, R., & Poor, N. (2016). Factors for success in repeat crowdfunding: why sugar daddies are only good for Bar-Mitzvahs. *Information, Communication & Society, 19*(1), 127–139.

de Peyrelongue, B., Masclef, O., & Guillard, V. (2016). The Need to Give Gratuitously: A Relevant Concept Anchored in Catholic Social Teaching to Envision the Consumer Behavior. *Journal of Business Ethics*, pp. 1–17.

Deckop, R., Caril, C., & Andersson, L. (2003). Doing unto others: The reciprocity of helping behavior in organizations. *Journal of Business Ethics, 47*(2), 101–113.

Dees, J. G. (2012). A tale of two cultures: Charity, problem solving, and the future of social entrepreneurship. *Journal of Business Ethics, 111*(3), 321–334.

Dees, J. G., & Anderson, B. B. (2003). Sector-bending: Blurring lines between nonprofit and for-profit. *Society, 40*(4), 16–27.

Derrida, J. (1976). *Of grammatology*. Baltimore: Johns Hopkins University Press.

Derrida, J. (1992). *Given time: Counterfeit money* (Vol. 1). Chicago: University of Chicago Press.

Dolfsma, W., van der Eijk, R., & Jolink, A. (2009). On a source of social capital: Gift exchange. *Journal of Business Ethics, 89*(3), 315–329.

Douglas, M. (1990). No free gifts. In M. Mauss (Ed.), *The gift: the form and reason for exchange in archaic societies* (pp. 9–23). London: Routledge.

Dushnitsky, G., & Marom, D. (2013). Crowd monogamy. *Business Strategy Review, 24*(4), 24–26.

Elms, H., & Phillips, R. A. (2009). Private security companies and institutional legitimacy: Corporate and stakeholder responsibility. *Business Ethics Quarterly, 19*(03), 403–432.

Faldetta, G. (2011). The logic of gift and gratuitousness in business relationships. *Journal of Business Ethics, 100*(1), 67–77.

Falk, A., & Fischbacher, U. (2006). Theory of reciprocity. *Games and Economic Behavior, 54*(2), 293–315.

Fassin, Y. (2012). Stakeholder management, reciprocity and stakeholder responsibility. *Journal of Business Ethics, 109*(1), 83–96.

Fehr, E., & Gächter, S. (2000). Fairness and retaliation: The economics of reciprocity. *The Journal of Economic Perspectives, 14*(3), 159–181.

Ferraro, F., Pfeffer, J., & Sutton, R. I. (2005). Economics language and assumptions: How theories can become self-fulfilling. *Academy of Management Review, 30*(1), 8–24.

Ferrary, M. (2003). The gift exchange in the social networks of silicon valley. *California Management Review, 45*(4), 120–138.

Fleming, L., & Sorenson, O. (2016). Financing by and for the Masses: An introduction to the special issue on crowdfunding. *California Management Review, 58*(2), 5–19.

Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Boston: Pitman.

Freeman, R. E. (1994). The politics of stakeholder theory: Some future directions. *Business Ethics Quarterly, 4*(4), 409–421.

Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., & de Colle, S. (2010). *Stakeholder theory: The state of the art*. Cambridge: Cambridge University Press.

Frémeaux, S., & Michelson, G. (2011). No strings attached: welcoming the existential gift in business. *Journal of Business Ethics, 99*(1), 63–75.

Gautier, A., & Pache, A.-C. (2015). Research on corporate philanthropy: A review and assessment. *Journal of Business Ethics, 126*(3), 343–369.

Gerber, E. M., Hui, J. S. et al. (2012). Crowdfunding: Why people are motivated to participate? In *Proceedings of the international workshop on design, influence, and social technologies: Techniques, impacts and ethics, Northwestern University*.

Ghoshal, S. (2005). Bad management theories are destroying good management practices. *Academy of Management Learning & Education, 4*(1), 75–91.

Giancarlo, G., Massimiliano, G., & Lamastra, C. R. (2013). Why crowdfunding projects can succeed: The role of proponents

individual and territorial social capital. *SSRN Electronic Journal*, April, 2255944.

Godbout, J. T. (2007). *Ce qui circule entre nous: donner, recevoir, rendre*. Paris: Seuil.

Godbout, J. T., & Caillé, A. (2007). *L'esprit du don*. Paris: La Découverte.

Godfrey, P. C. (2005). The relationship between corporate philanthropy and shareholder wealth: A risk management perspective. *Academy of Management Review, 30*(4), 777–798.

Gouldner, A. W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review, 25*(2), 161–178.

Grant, A. M. (2013). *Give and take: Why helping others drives our success*. New York: Penguin.

Gray, D., & Clarke, P. (2005). Meeting Goodpaster's challenge: A Smithian approach to Goodpaster's paradox. *Business Ethics: A European Review, 14*(2), 119–126.

Harrison, R. T., Mason, C. M., & Girling, P. (2004). Financial bootstrapping and venture development in the software industry. *Entrepreneurship & Regional Development, 16*, 307–333.

Hemingway, C. A., & Maclagan, P. W. (2004). Managers' personal values as drivers of corporate social responsibility. *Journal of Business Ethics, 50*(1), 33–44.

Hildebrand, T., Puri, M., & Rocholl, J. (2016). Adverse incentives in crowdfunding. *Management Science, 63*(3), 587–608.

Hühn, M., & Dierksmeier, C. (2016). Will the real A. Smith please stand up! *Journal of Business Ethics, 136*(1), 119–132.

Johannisson, B. (1988). Business formation: A network approach. *Scandinavian Journal of Management, 4*(3–4), 83–99.

Kaler, J. (2000). Reasons to be ethical: Self-interest and ethical business. *Journal of Business Ethics, 27*(1–2), 161–173.

Kappel, T. (2009). *Ex ante crowdfunding and the recording industry: A Model for the US Loyola LA Entertainment Law Review, 29*, 375.

Karra, N., Tracey, P., et al. (2006). Altruism and agency in the family firm: Exploring the role of family, kinship, and ethnicity. *Entrepreneurship: Theory & Practice, 30*(6), 861–877.

Kim, P., Aldrich, H., & Keister, L. (2006). Access (not) denied: The impact of financial, human, and cultural capital on entrepreneurial entry in the United States. *Small Business Economics, 27*(1), 5–22.

Komter, A. (2007). Gifts and social relations the mechanisms of reciprocity. *International Sociology, 22*(1), 93–107.

La Cour, A., & Kromann, J. (2011). Euphemisms and hypocrisy in corporate philanthropy. *Business Ethics: A European Review, 20*(3), 267–279.

Letts, C. W., Ryan, W., & Grossman, A. (1997). Virtuous capital: What foundations can learn from venture capitalists. *Harvard Business Review, 75*(2), 36–50.

Lévi-Strauss, C. (1983). *Introduction to the work of Marcel Mauss*. London: Routledge.

Mair, J., & Hehenberger, L. (2014). Front-stage and backstage convening: The transition from opposition to mutualistic coexistence in organizational philanthropy. *Academy of Management Journal, 57*(4), 1174–1200.

Malinowski, B. (1922). *Argonauts of the western Pacific: An account of native enterprise and adventure in the Archipelagoes of Melanesian New Guinea*. London: Routledge and Kegan Paul.

Mauss, M. (1923). Essai sur le don: Forme et raison de l'échange dans les sociétés archaïques. *L'Année Sociologique, 1*, 30–186.

Meyskens, M., & Bird, L. (2015). Crowdfunding and value creation. *Entrepreneurship Research Journal, 5*(2),155–166.

Mintzberg, H. (2015). Time for the plural sector. *Stanford Social Innovation Review, 13*(3), 28–33.

Mollick, E. (2014). The dynamics of crowdfunding: An exploratory study. *Journal of Business Venturing, 29*(1), 1–16.

Nagel, T. (1978). *The possibility of altruism*. Princeton: Princeton University Press.

Norcia, V. D., & Larkins, J. T. (2000). Mixed motives and ethical decisions in business. *Journal of Business Ethics, 25*(1), 1–13.

Nowak, M. A., & Sigmund, K. (2005). Evolution of indirect reciprocity. *Nature, 437*(7063), 1291–1298.

Offer, A. (1997). Between the gift and the market: The economy of regard. *The Economic History Review, 50*(3), 450–476.

Pache, A.-C., & Santos, F. (2012). Inside the hybrid organization: Selective coupling as a response to competing institutional logics. *Academy of Management Journal, 56*(4), 972–1001.

Pallotta, D. (2008). *Uncharitable: How restraints on nonprofits undermine their potential*. Medford: Tufts University Press.

Parker, S. C. (2004). *The economics of self-employment and entrepreneurship*. New York: Cambridge University Press.

Peredo, A. M., & Chrisman, J. J. (2006). Toward a theory of community-based enterprise. *The Academy of Management Review, 31*(2), 309–328.

Piliavin, J. A., & Charng, H.-W. (1990). Altruism: A review of recent theory and research. *Annual Review of Sociology, 16,* 27–65.

Pitschner, S., & Pitschner-Finn, S. (2014). Non-profit differentials in crowd-based financing: Evidence from 50,000 campaigns. *Economics Letters, 123*(3), 391–394.

Porter, M. E., & Kramer, M. R. (2011). The big idea: Creating shared value. *Harvard Business Review, 89*(1–2), 2.

Raphael, D. D. (2007). *The Impartial Spectator: Adam Smith's Moral Philosophy*. Oxford: Clarendon Press.

Rehn, A., & Taalas, S. (2004). 'Znakomstva I Svyazi' (Acquaintances and connections)–Blat, the Soviet Union, and Mundane Entrepreneurship. *Entrepreneurship & Regional Development, 16*(3), 235–250.

Rhodes, C., & Westwood, R. (2016). The limits of generosity: Lessons on ethics, economy, and reciprocity in Kafka's the metamorphosis. *Journal of Business Ethics, 133*(2), 235–248.

Rifkin, J. (2014). *The zero marginal cost society: The internet of things, the collaborative commons, and the eclipse of capitalism*. New York.

Sarasvathy, S. D. (2008). *Effectuation. Elements of entrepreneurial expertise*. Northampton, MA: Edward Elgar.

Schrift, A. D. (Ed.). (2014). *The logic of the gift: Toward an ethic of generosity*. New York: Routledge.

Schwartz, B. (1967). The social psychology of the gift. *American Journal of Sociology, 73*(1), 1–11.

Shaver, R. (1999). *Rational egoism: A selective and critical history*. Cambridge: Cambridge University Press.

Silber, I. (1998). Modern philanthropy: reassessing the viability of a Maussian perspective. In W. James & N. J. Allen (Eds.), *Marcel Mauss: A centenary tribute* (pp. 134–150). New York, NY: Berghahn Books.

Simon, H. (1982). *Models of bounded rationality: Empirically grounded economic reason*. Cambridge: MIT Press.

Sørensen, A. (2002). Value, business and globalisation-sketching a critical conceptual framework. *Journal of Business Ethics, 39*(1/2), 161–167.

Spiller, C., Erakovic, L., Henare, M., & Pio, E. (2011). Relational well-being and wealth: Māori businesses and an ethic of care. *Journal of Business Ethics, 98*(1), 153–169.

Stanca, L. (2009). Measuring indirect reciprocity: Whose back do we scratch? *Journal of Economic Psychology, 30*(2), 190–202.

Stewart, A. (2003). Help one another, use one another: Toward an anthropology of family business. *Entrepreneurship, 27*(4), 383–396.

Steyaert, C., & Hjorth, D. (2007). *Entrepreneurship as social change*. Cheltenham: Edward Elgar.

Szmigin, I., & Rutherford, R. (2013). Shared value and the impartial spectator test. *Journal of Business Ethics, 114*(1), 171–182.

Thürridl, C., & Kamleitner, B. (2016). What goes around comes around? Rewards as strategic assets in crowdfunding. *California Management Review, 58*(2), 88–110.

Titmuss, R. M. (1970). *The gift relationship: From human blood to social policy*. London: Allen & Unwin.

Van Wingerden R., & Ryan J. (2011). *Fighting for funds: An exploratory study into the field of crowdfunding*. Lund University School of Economics and Management, p. 65.

Venkat, K., & Bayus, B. L. (2013). Crowdfunding creative ideas: The dynamics of project backers in Kickstarter. *SSRN Electronic Journal*.

Venkataraman, S. (1997). The distinctive domain of entrepreneurship research: An editor's perspective. In J. Katz, & R. Brockhaus (Eds.), *Advances in entrepreneurship, firm emergence and growth, 3,* 119–138.

Vernale, G., & Packard, S. A. (1990). Organ donation as gift exchange. *Image: The Journal of Nursing Scholarship, 22*(4), 239–242.

Vesterlund, L. (2006). Why do people give? In W. W. Powell & R. Steinberg (Eds.), *The nonprofit sector: A research handbook* (2nd ed., pp. 168–190). New Heaven: Yale University Press.

Webley, P., Lea, S. E. G., & Portalska, R. (1983). The unacceptability of money as a gift. *Journal of Economic Psychology, 4*(3), 223–238.

Westwood, R., Chan, A., & Linstead, S. (2004). Theorizing chinese employment relations comparatively: Exchange, reciprocity and the moral economy. *Asian Pacific Jounral of Management, 21,* 365–389.

Williams, C. C. (2007). The nature of entrepreneurship in the informal sector: Evidence from England. *Journal of Developmental Entrepreneurship, 12*(2), 239–254.

Zhang, J., & Liu, P. (2012). Rational herding in microloan markets. *Management Science, 58*(5), 892–912.