

Kickstarter case study

[Business](#)



Crowd funding makes use of the easy accessibility of friends, family and colleagues through social networks or direct contact by vaulting their website. Crowd funding allows companies to expand and gather possible Investors beyond traditional routes like banks, investors, venture capitalists, and relatives.

(investigated. Com 2014) Crowd funding does provide benefits to entrepreneurs. The first is confirming that an existing prototype or process actually works. Many investments are made on blind convictions. At least with crowd funding there are people that believe.

That will help you sleep at night. The second is that big brands will use it to gain capital. Instead of launching a new product they may use a site like Streakier to see how the product or service will affect the market. The third is that crowd funding is based on social networks. It will allow for a new set of relationships to form with upcoming and current companies. This leads to the fourth and fifth benefits.

This permits the creation for up and coming businesses and generates new jobs for people in the US and worldwide without having to go through traditional routes.

This site and the companies started create jobs that did not exist prior to their formation. (explore. Org. 2014) Streakier is the world's largest crowd funding site. It can be compared to eBay because it directly connects consumers and/or businesses via the Internet. The pledge system is similar to their auction process. Streakier operates by basing rewards on amounts pledged by people to help the company reach its overall goal. The reward is

not restricted and is totally based on the owners of the company. The company can be any type, from producers of a movie or album to product producing enterprise.

Here is an example of a movie pledge: If money pledges a Twelve collar Notation to ten production AT a movie ten company or creator will provide you with tickets to the premier when it is completed. Project creators pick a deadline and if the overall goal is not collected then the transaction does not take place. If the goal is met Streakier takes five percent of the total. To make the donation Streakier uses Amazon and they are entitled to their cut as well. This is comparable to EBay's relationship with Papal.

There is no promise that the project will take place but if it does not the donor will not lose money.

Also Streakier makes project leaders aware that they are found liable for misleading their donors if the project is false. Based on the definition Streakier could fall under the umbrella of social commerce. Investigated defines social commerce as " a type of electronic commerce that employs social media to promote online transactions. Social commerce employs such tools as; shared pick lists and ratings posted by previous users to assist online buyers with their transactions. " (investigated.

Com. 2014) On Streakier the project creators are able to express their vision to the world.

The website displays popular or trending projects so potential investors or newcomers are driven towards seemingly successful projects. This will

increase site traffic. People are allowed to sign in naturally or they can via Backbone.

Those that are signed in are allowed to comment on the product and thus promote it. And if you are signed in through Backbone your comments can be displayed on your page as well. This extends the reach of project promotion further. To show a complete model I visited Streakier on December 14, 2014, to look at its project of the day.

The feature of this day was a traveling venture. It was labeled Traveling 219: More Stories from the Allegheny Mountains.

Basically this project is trying to present stories that highlight the way of life, history and natural landscape along US 219 across the Allegheny Mountains of West Virginia. (streakier. Com. 2014) They go on to express the inspiration behind the project and any awards or accolades they have received in the previous years on other projects. Once you pledge an amount you are able to comment and show support.

They have five different pledge amounts of \$20, \$30, 50, \$100, and \$500; each with a different reward. At \$20 the donor obtains a sticker. At \$30 the donor gets thirteen popular stories. At \$50 the donor receives a documentary including music that celebrates West Virginians Old-Time Musicians. Pledge \$100 and your name or organization will appear on their websites sponsor page.

The top pledge of \$500 will allow the person to become a guest editor joining the team on assignment. (streakier. Com. 2014) On December 14 the feature only has sixteen pledges and the majority (7) is for \$30.

I visited the page the next day and the number of backers have tripled and they are about half way towards their goal with eight days to go and the \$30 pledge is still the leader.

However, since this is such a small sample size it does not erase the fact that people are sometimes looking for great merchandise or inclusion to an uprising company and are willing to donate on a low level to get access. After looking over the site, free tickets to movie premiers, copies of the album, or free products tend to generate high numbers of donations.

But I am not willing to say that the majority of people donating are looking for a 'hook- p' or inside track. Overall people are willing to help others achieve their dreams and if the pitch is right they will donate. Reticence: <http://www.investigated.com/terms/c/grounding.Asp> 2014, Investigated, LLC.

<http://www.investigated.com/terms/s/social-commerce.Asp> 0 2014, Investigated, LLC.

[HTTPS://www.streakier.com/projects/1089986125/traveling-219-more-stories-from-the-Allegheny-moon?Ref=discovery](https://www.streakier.com/projects/1089986125/traveling-219-more-stories-from-the-Allegheny-moon?Ref=discovery) 0 2014 Streakier, Inc. [Http://www.Expire.org/news/CEO-corner/top-+benefits-of-crowd-funding](http://www.expire.org/news/CEO-corner/top-+benefits-of-crowd-funding)

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