SPECIALE **Collaboration and Crowdfunding in Contemporary Audiovisual Production: The Role of Rewards and Motivations for Collaboration**

Introduction

This paper is aimed at understanding the importance of rewards when establishing collaborative models of cultural production mediated by digital platforms, and focuses on crowdfunding for audiovisual production. To what extent is collaboration mediated by rewards? Could a crowdfunding model exist without a rewards system? These are some of the questions we want to discuss. Based on data obtained in an online survey of backers who have supported audiovisual projects through crowdfunding digital platforms, we seek to delve into the motivations of collaboration and perceptions on crowdfunding practices. In addition, we define certain media consumption habits.

Participation and collaboration have become key concepts used in framing emerging media practices in creative industries. The term "participative culture"[1], distinguishes active participation of users in the creation, remix or distribution of their cultural consumption. Consequently, it contrasts older passive notions of audience related to media. Rather than thinking about producers and media consumers as categories that have independent functions, we find ourselves in a scenario in which there are participants who interact among themselves[2]. This is the scenario where traditional one-way relationship between media and audiences are redefined, modifying relations between producers and consumers up to the extent of blurring their roles.

The Internet and the web 2.0 appear at the base of these transformations[3] revealing the capacity to move vast audiences to supply information and other types of stimuli[4]. This makes us reconsider traditional boundaries relating to the agents involved in the circuits of cultural production and at the same time leads us to consider the transformation of previous audiences into protagonists, or agents of cultural production[5].

The notion of "openness" in respect to cultural production helps us understand the transformation process. This process can be understood through four interrelated axes. First, in technological terms it is reflected in the proliferation of technological platforms that facilitate the acquisition, collaboration and vast promotion of cultural objects. Second, in legal terms, we can observe an increased openness as a result of the undemanding access and use of contents. Third, in narrative terms, this openness is reflected in new forms of multi-, cross- and trans-media storytelling; and finally, there is a higher openness in the production process, where we can observe the changes which take place in the process of producing creative projects and their involvement of the public[6]. In the audiovisual media, these transformations are clear collectively produced movies, collaborative contents, and interactive films are some of the creation models that arise from this new scheme.

This process is not an institutional crisis produced by the restructuring of the traditional scheme of cultural production. On the contrary, it is the convivial existence with emerging production models in a form of "media convergence"[7]. These determining factors transform the general outlook into a bigger, more complex scenario. Emerging formats of cultural production coexist with traditional structures, sometimes becoming strained, and redefining the media landscape to which we were accustomed. Hence, media convergence refer to the relation between a vast and diverse production, the arise of new cultural agents and the transformation of cultural consumption patterns as well as the interaction with new communication technologies.

Financing through crowdfunding is one of new cultural production tendencies where the relation between

the spectator, artistic work, and the creative process is redefined. Crowdfunding films is an example of the transition from a model where the spectator consumes pre-made audiovisual productions to a model where there is an affective engagement, a close relationship between the creators and the supporting audience, which becomes a cultural agent itself developing a relation of co-dependence[8]. The user ceases to be a passive receptor and becomes an active part of the project, a new key element in the chain of value generating cultural proposals within its support community.

This can be understood from different points of view, interests and dynamics. There has been plenty of reflection upon the potential of mass financing or micro patronage as an economic model for various types of initiatives. This research coincides in highlighting crowdfunding as a model which goes beyond merely financing initiatives, having various implications such as the affective engagement of the crowd. The idea of crowdfunding finds its root in the broader concept of crowdsourcing, which appeals to the crowd by prompting a voluntary contribution of ideas, feedback and solutions in order to develop corporate activities[9]. Crowdsourcing solicits the involvement of the crowd by means of various processes of the production stage of a specific product or activity. From this viewpoint, the financing process may be understood as a type of crowdsourcing in that it makes an allusion to the collaboration of the crowd for the success of one of the processes, which is part of the final objective.

We understand crowdfunding as "an open call, mostly through the Internet, for the provision of financial resources either in the form of donations or in exchange for some form of reward and/or voting rights in order to support initiatives for specific purposes"[10]. The difference between crowdfunding and crowdsourcing is the emphasis on the economic support, where the former leaves most of the decision-making to the creative core of the project. Tim Kappel defines crowdfunding as "the act of informally generating and distributing funds, usually online, by groups of people for specific social, personal, entertainment or other purposes"[11]. This idea differs since it does not reference the benefits received by the sponsors for their donations. Nonetheless, both perspectives underline the importance of the Internet and especially of the web 2.0[12] in the mobilisation of a large number of people.

According to De Buysere et al.[13], there are four basic types of crowdfunding:

Donation: contributors receive nothing in return for their contributio
n.

Reward: backers receive a reward or compensation in return for their contribution. The reward depends on what has been pre-established by the project creators. This form has also been considered as a pre-purchase form of crowdfunding[14]
.

Lending: Often called peer-to-peer lending. Peer-to-peer lending involves a loan. Contributors only provide the funds temporarily and repayment is expected.

Equity: The equity model gives contributors an interest in the profits or return of the project they are helping to fund.

Belleflamme[15] identifies two more types of crowdfunding, which are not mutually exclusive:

Direct Crowdfunding: The financing process is carried out independently.

Indirect Crowdfunding: Mediated by specialized platforms dedicated exclusively to the promotion of

projects like Kickstarter (www.kickstarter.com), Indiegogo (www.indiegogo.com) or Verkami (www.verkami.com)

In the creative industry, crowdfunding has been taking place mainly in a reward-based form through specialized platforms. In this modality, trust becomes a motor of agreement, and accordingly, the motor for creators who have to arrange the payment of rewards that were previously communicated to the backers. There are no legal constrictive modalities that insure the compliance of agreements.

It is important to point out that from the point of view of the backers, this form cannot be considered as an investment in economic terms, but the return is channelled through rewards such as public agreement, DVDs, appearance in the credits as co-producer, collector's editions, merchandising, participation in events, etc. In economic terms, often the rewards are not equivalent to the pledge. They remain true to their symbolic value and point out to the engagement of the crowd in the project, with which they can identify [16].

From the opposite viewpoint, the creative core has to cultivate a relationship with the public before embarking on the actual production process by bypassing traditional gatekeepers[17]. Still, the creative control of the work is concentrated in the hands of the manager. This undoubtedly limits the possibility of crowd involvement.

In order to understand to what extent collaboration is mediated by the rewards and to gauge the reasons that prompt collaboration, we conducted an online survey among backers who have supported audiovisual projects through digital crowdfunding platforms in Spain. This research sought to collect comprehensive data about the motivations of collaboration, perceptions about crowdfunding collection processes, as well as certain media consumption habits.

The survey was conducted from 1th to 30th June, 2013 through an open call on several social networks (researchers' Twitter and Facebook accounts) as well as crowdfunding platforms like Verkami LINK INTERNO AL PEZZO VALENTINA RE, Goteo (http://goteo.org/), Projecggt (http://www.projeggt.com/), Ulule (http://es.ulule.com/) and Lanzanos (http://www.lanzanos.com). For that purpose we use the online survey platform Netquest (http://www.netquest.com/en/). The survey was completed by 134 backers who had collaborated with at least one audiovisual project campaign through a digital platform.

Issues like age, gender, educational background and income where not considered as intervenient variables in the perception toward the crowdfunding practice and didn't show to have statistical relevance in the results.

Results and discussion

The results of the data obtained from the survey show certain trends which are detailed as follows. Personal support and the perception of the quality of the projects are highlighted as very important motivating elements in money donation. Nevertheless, despite the fact that in the field of audiovisual production the most commonly used crowdfunding model is reward based, the reward does not seem to be a determining factor when donating.

An initial overview of the data reveals that the support network based on an interpersonal bond is fundamental in cooperation. Almost 73%[18] of the surveyed people state they have had some sort of previous relationship either with the author of the project or with any other member of the team.

This personal support network[19] works as a primary support source. Previous information about the project team background (23%) also proves to be an important motivating factor that contributes to the idea of that existing previous relationship.

Additionally, 63% of respondents state that the content of the project is an important motivating factor behind their support. This leads us to assume that even though the success of a campaign depends on the primary support network, the support is not unquestioned but may depend on personal interests.

SPECIALE On the other side, rewards as motivators of collaboration rank in fifth place, with 16% of the answers; and they seem to have less importance in the configuration of the process.

Table # 1: What is your main motivation when supporting projects via Crowdfunding?[20]

I know the filmmaker personally and/or someone in the team	72,54%
I like the idea behind the project	62.74%
I like to support independent projects	30.39%
I know the background of the filmmaker and/or someone in the team	22.54%
I would like to receive the reward that is being offered	15.68%
I like to help other filmmakers like myself	13.72%
Other	0.98%

A similar distribution is found when analyzing the importance granted to factors involved in the crowdfunding practice. As can be observed in Table # 2, the factors that are granted the highest importance in collaboration are the idea behind the project and the perception of quality. We highlight the idea of perception because it deals with a construction based on subjective factors, since the majority of the projects that look for support are in the initial phases of the film production process. Once again, respondents do not consider the reward important in their decision to collaborate.

Table # 2: When supporting a project, what importance do you grant to the following factors?

	Very important	Important	Of medium importance	Little importance	Not important
Theme/Idea	73.52%	21.56%	4.9%	0%	0%
Reward	12.74%	21.56%	33.33%	20.58%	11.76%
Quality of the project	54.9%	39.21%	4.9%	0.98%	0%
Amount of support received	1.96%	9.8%	28.43%	43.13%	16.66%
Information available on the website of the project	39.21%	34.31%	21.56%	2.94%	1.96%

Contrary to what is suggested by Ward and Rhamachandran [21], the previous support received by the project does not appear to be of relevant importance or considered as a previous antecedent to collaboration. The "peer-to-peer effect" of a previous high amount of contributions does not seem to affect this perspective.

As was observed previously, the perception of quality of the projects seems to bear great importance as a mediating element in collaboration. Determining the factors that intervene in the subjective construction of quality and support collaboration is important to understand how this phenomenon plays out and on what grounds it is based.

Table # 3: How do you determine the quality of the project? (Multiple answer)

By the trailer or the information on the web	60.78%
By the background of the filmmaker or someone in the team.	54.9%
Because I know the filmmaker or the team personally	49.01%
By the advanced stage of the production process.	23.52%
If the idea is good, the quality of the project is not that important,	13.72%
By the amount of support it already has.	9.8%
Other. Which?	4.9%
By the previously obtained funds.	3.92%
By the project advertise in radios, newspapers or blogs.	1.96%

The information available on the website of the project is the main element that allows potential backers to evaluate the project quality and has a crucial role in the campaigns when presenting the project with the objective of achieving the necessary support.

The background of the filmmaker or the team behind the project is also recognized as an important factor LINK INTERNO AL PEZZO FASSONE-SALVADOR. This suggests crowdfunding empowers filmmakers who already have a certain amount of experience and thus, is not only for emerging or independent filmmakers. On the other side, we find that personal relationships play an important role. Almost 50% of the surveyed people support this existing bond in their evaluation.When analyzing contributions we can observe that quality still plays a fundamental role.

Table #4: What does the amount of money you donate depend on?[22]

Alternative	Average (%)
On the quality of the project	55.88%
On how close I feel personally to the project or the people involved	40.19%
On the reward offered	34.31%
On the amount of money needed to achieve the objectives of the project.	13.72%
On the background of the filmmaker or the team.	10.78%
On the amount of support the project has received	4.9%

The quality perception ranks first (56% of the answers), followed by the personal relationship with the project or the people involved in it (40%). It should thus be understood that the fidelity of the support group is maintained unconditionally, but nonetheless, when faced with a perception of a project of certain favorable characteristics, it is granted a higher amount. Even though obtaining a reward is not a fundamental factor when offering monetary support, it holds third place. Almost 35% of those surveyed consider rewards when donating. This element seems to have a greater importance once the attention of the backers has been engaged.

The majority of "Other" responses (30%) refer to the money available by the donor at the time of the campaign, which may relate to the context of the current economic crisis. The length of time to the proposed aim and the amount of money that had already been collected were other, more marginal, responses provided in this study.

Table # 5: Are you satisfied with the reward you received?

Alternative	Average (%)
Yes	98.52%
No	1.47%

Despite the fact that rewards do not play a fundamental role in the collaboration process via crowdfunding, almost 100% of the surveyed people have received their rewards[23] and feel satisfied with it.

SPECIALE In conclusion, we can state that rewards are not a differentiating factor among the motivations that engage the collaborating sponsors with audiovisual projects. The factors that influence general collaboration and specifically the amount to donate are the support network based on pre-existing interpersonal relationships, the perception of quality, and the project's contents. We are facing a supporting network that shares interests which lie beyond a previous existing relationship, but grant importance to other elements when participating. This form of support is not unconditional, as it is often based on shared interests, and therefore related to a common experience. Hence, the potential emerges to expand this primary circle into a bigger group with the aim of achieving the needed support. Tapping the right crowd is the major effort creators should make in order to expand their interpersonal support network.

In future research, we shall adopt a more nuanced approach to analyse the affective engagement between backers and creators in order to get a better understanding on motivations, identities and perceptions regarding the crowdfunding backing process.

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Note

1. Henry Jenkins, *Fans, Bloggers, and Gamers: Exploring the Participatory Culture,* New York, New York University Press, 2006.

2. *Ibidem.*

3. Paul Belleflamme, Thomas Lambert, Armin Schwienbacher, "Crowdfunding: Tapping the Right Crowd" (July 9, 2013). Journal of Business Venturing, Forthcoming; CORE Discussion Paper No. 2011/32. Available at SSRN: http://ssrn.com/abstract=1578175 4

4. Olivier Braet, Sander Spaek, Crowdfunding the Movies: A Business Analysis to Support Moviemaking in Small Markets, Proceedings of the 8th International Interactive Conference on Interactive TV & Video. New York: ACM, 2010, pp. 221-228.

5. Mirko Tobias Schäfer, *Bastard Culture! User participation and the extension of cultural industries,* Amsterdam, Amsterdam University Press, 2011

6. Antoni Roig, Jordi Sánchez-Navarro, Talia Leibovitz, "¡Esta película la hacemos entre todos! Crowdsourcing y crowdfunding como prácticas colaborativas en la producción audiovisual contemporánea", *ICONO14 Revista de Comunicación y Tecnologías emergentes*, Vol.10, n. 1, 2012.

7. H, Jenkins, *op.cit.*

8. See Tim Kappel, 2Ex Ante Crowdfunding and the Recording Industry: A Model for the U.S.?", Loyola of Los Angeles Entertainment Law Review, n. 29, 2009, pp. 375-385; H. Jenkins, *op. cit.* A. Roig, "La participación como bien de consumo: una aproximación conceptual a las formas de implicación de los usuarios en proyectos audiovisuales colaborativos" *Revista Análisi Nº 40,* 2010.

9. See Jeff Howe, "The Rise of Crowdsourcing", in *Wired*, Issue 14.06, 2006. http://www.wired.com/wired/archive/14.06/crowds.html?pg=1&topic=crowds&topic_set= ; P. Belleflamme, T. Lambert, A. Schwienbacher, *op.cit.*

10. See Benjamin Larralde, Armin Schwienbacher, "Crowdfunding of Small Entrepreneurial Ventures" in *D.J. Cumming (ed.) Entrepreneurial Finance,* London, Oxford University Press, 2012; A. Schwienbacher and B. Larralde, "Crowdfunding of Small Entrepreneurial Ventures", *Handbook of Enterpreneurial Finance*, London, Oxford University Press, 2010.

11. T. Kappel, *op.cit.*

12. Darren C. Brabham, "Crowdsourcing as a Model for Problem Solving: An Introduction and Cases", *Convergence: The International Journal of Research into New Media Technologies,* vol. 14, 2008, pp. 75- 90.

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13. Kristof De Buysere, Olivier Gajda, Ronald Kleverlaan and Dan Marom, *A Framework for European Crowdfunding, 1st ed.* 2012. Available at: www.crowdfundingframework.eu

14. P. Belleflamme, T. Lambert, A. Schwienbacher, *op.cit.*

15. *Ibidem.*

16. Adam Wojciechowski, "Models of Charity Donations and Project Funding in Social Networks", *Lecture Notes in Computer Science*, 2009, pp. 454-463.

17. T. Kappel, *op.cit.*

18. From this point on, only approximate averages will be used.

19. Belleflame et. al. *op.cit.*

20. A question with multiple answers, that is why the total sum exceeds 100%.

21. Chris Ward, Vandana Ramachandran, "Crowdfunding the next hit: Microfunding online experience goods", 2010. Available at: http://people.cs.umass.edu/~wallach/workshops/nips2010css/papers/ward.pdf

22. A question with multiple answers, that is why the total sum exceeds 100%.

23. At the time the survey was conducted, 66% had received their rewards