



Crowdfunding : A Way to Financing Creative Business in Australia

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Abstract

Crowdfunding, a new term in financial industries. It provides fund for a new start-up project. In Australia where it becomes the basis of this study, Pozible as a leading crowdfunding platform has already launched 6.929 projects. The fund of US\$22.930.536 was used for financing the projects, and 56 percent of the projects were successful. This research has an objective; it is to measure the degree of significancy using linear regression model. The result shows that among the businesses that has already funded by crowdfunding system, 'video game' is one of the most favorite project. It is successful in getting pledges. However, food and drink did not get fund as much as the favorites project. It was based on the percentage of fund that has already got from crowdfunding. In short, crowdfunding can help creative business as a top rank start-up rather than manufacture business.

Keywords: crowdfunding, creative economy, start-up business, micro financing

Abstrak

Crowdfunding, istilah baru dalam industri keuangan. Crowdfunding adalah dana untuk proyek rintisan. Pozible sebagai platform crowdfunding terkemuka telah meluncurkan 6,929 proyek di Australia. Negara tersebut menjadi dasar dari penelitian ini. Dana sebesar \$ 22.930.536 US digunakan untuk membiayai proyek-proyek dan 56 persen dari proyek tersebut sukses. Penelitian ini bertujuan untuk mengukur tingkat signifikansi dengan menggunakan model regresi linier. Hasilnya menunjukkan bahwa di antara bisnis yang sudah didanai oleh sistem crowdfunding, 'video game' adalah salah satu proyek yang paling favorit dan sukses dalam mendapatkan jaminan. Sedangkan makanan dan minuman tidak mendapatkan dana sebanyak proyek favorit. Hal ini didasarkan pada persentase dana yang telah diperoleh dari crowdfunding. Kesimpulannya adalah crowdfunding lebih bisa membantu bisnis kreatif sebagai a top rank start-up daripada bisnis manufaktur

Kata Kunci: crowdfunding, ekonomi kreatif, bisnis rintisan, pembiayaan mikro

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INTRODUCTION

Crowdfunding, new financial term that begin to emerge after financial crisis in 2008 as an alternative of funding for new business around the globe. World Bank (2013) defines crowdfunding as an Internet-enabled way for businesses or other organizations to raise money – typically from about US\$1,000 to US\$1 million – in the form of either donations or investments from multiple individuals. Crowdfunding is an online extension of financing by friends and family: communities pool money to fund members with business ideas.

In United Kingdom for instance, crowdfunding playing early success for small business. Since 2007 investors in companies listed on U.K.-based Funding Circle have completed financing totaling over £156 million (about US\$250 million), receiving an annualized return of 5.8 percent (after expenses and bad debt expense, but before taxes) with a 1.6 percent default rate. Campaigns across the globe raised nearly US\$2.7 billion in 2012 through all crowdfunding business models and platform types: US\$1.6 billion in North America, US\$945 million in Europe and US\$110 million in the rest of the world.

Europe and the United States have seen rapid growth in all types of crowdfunding platforms since 2009. Across all regions, crowdfunding expanded at a 63 percent compound annual growth rate (CAGR) from 2009 through 2012. Equity-based platforms exhibited a CAGR of 114 percent, lending-based platforms 78 percent, donation-based 43 percent, and reward-based 524 percent (World Bank 2013).

Crowdfunding were mostly used for proposing creative-small business that unbankable, it related to the small amount of funding they pledged or capacity of project maker that made it not suitable for bank financing. However, in Australia, with one example of Crowdfunding platform which is Pozible. It already attracted almost 7.000 project accross region both national and international. From the Table 1 shows that art and recreational business

as one of creative economics backbone only contributes 1,3 percent of total small business, compare with rental, hiring and real estate which contributes 10,9 percent. This number provides detail that in Australia, creative business were proportioned in small amount, which is sees as unprofitable business.

Based on data of Australia Government (2013) small business contributed around 34 percent of private industry value added in 2010-2011, or approximately 20 percent of GDP. Small businesses also employed around 4.8 million people in 2010-2011, approximately 46 percent of private sector employment. In conclusion, small business were one of the important sourcess of Australia economy.

Related to foundation of crowdfunding in Australia, the demand of funding increase as small business were at large number in some area. In the 2008–2009 financial years, over 1.982.066 small businesses were operating at the start of the financial year. This number also followed by the regulation in Australia that made easy for start-up business to emerge as small business. According to the report Doing Business 2011: Measuring Business Regulations by the World Bank and the International Finance Corporation, Australia ranks in the top 10 of 183 economies in the world in terms of starting a new business, getting credit and ease of doing business. When it comes to closing a business, Australia is ranked in 12th position (see Table 2). These rankings indicate the minimal barriers to entry and exit which exist for small business in Australia and could be indicative of an environment that facilitates innovation and entrepreneurship.

The Australia Government survey indicated that the main challenge facing small businesses was borrowing costs, consisting of rising interest rates and tight credit conditions. Therefore the funding gap was great opportunity for crowdfunding to fulfil this financial condition.

Crowdfunding as Development Tool

In developing countries in the world, less than decade crowdfunding begin to take

Table 1. Small Business Proportion in Australia

Industry Sector	Number of businesses (% of total industry)	Number of small businesses (% of total small businesses)	Small businesses as % of all businesses
Agriculture, forestry and fishing	198.163 (9.3)	193.961 (9.5)	97.9
Mining	8.155 (0.4)	7.509 (0.4)	92.1
Manufacturing	90.228 (4.2)	80.284 (3.9)	89.0
Electricity, gas, water and waste services	5.862 (0.3)	5.406 (0.3)	92.2
Construction	351.890 (16.5)	344.238 (16.8)	97.8
Wholesale trade	79.247 (3.7)	73.366 (3.6)	92.6
Retail trade	143.679 (6.7)	133.028 (6.5)	92.6
Accommodation and food services	81.740 (3.8)	68.563 (3.4)	83.9
Transport, postal and warehousing	132.065 (6.2)	128.770 (6.3)	97.5
Information media and telecommunications	18.854 (0.9)	17.831 (0.9)	94.6
Financial and insurance services	164.438 (7.7)	162.459 (7.9)	98.8
Rental, hiring and real estate services	226.157 (10.6)	223.100 (10.9)	98.6
Professional, scientific and technical services	250.613 (11.8)	243.605 (11.9)	97.2
Administrative and support services	82.119 (3.9)	76.155 (3.7)	92.7
Public administration and safety	7.782 (0.4)	6.973 (0.3)	89.6
Education and training	26.130 (1.2)	23.979 (1.2)	91.8
Health care and social assistance	101.011 (4.7)	96.092 (4.7)	95.1
Arts and recreation services	27.697 (1.3)	26.338 (1.3)	95.1
Other services	89.491 (4.2)	87.106 (4.3)	97.3
Not classified	47.091 (2.2)	46.543 (2.3)	98.8
Total Industry	2.132.412	2.045.335	95.9

Sources: Australia Government(2012)

Table 2. Australia’s global rankings for starting and closing a business

Ease of doing business (rank)	10
Starting a business (rank)	2
Procedurs (number)	2
Time (days)	2
Cost (per cent of income per capita)	0,7
Minimum capital (per cent of income per capita)	0,0
Getting credit (rank)	6
Closing a business	12
Time (years)	1,0
Cost (per cent of estate)	8
Recovery rate (cents on the dollar)	81,8

Sources: World Bank and the International Finance Corporation (2011)

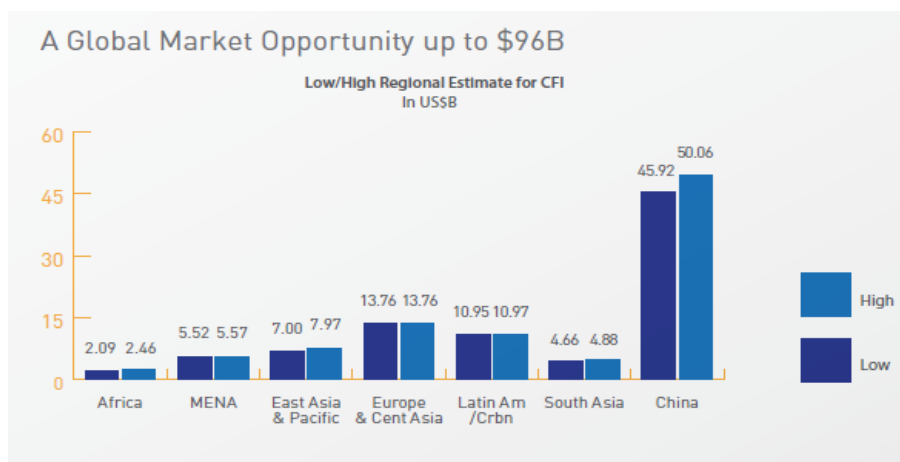


Figure 1. A Global Market Opportunity
Sources: World Bank (2013)

over small business financing from bank or other financial institution. Beginning with charity and pool of fund from neighbour into website that deliver money to start up project maker.

Currently it is predominantly a developed world phenomenon, but the potential exists for developing countries to capitalize on this new form of funding. In Figure 1, we can see the total potential of crowdfunding scheme that can be collected up to 96 billion dollar. East Asia and Pacific still left behind, including Australia only 7.97 billion dollar. In the other hand, China can reach 50.06 billion dollar money from crowdfunding. This number provides detail how economic can growth rapidly with crowdfunding.

Table 3. Number of Crowdfunding Platform in Listed Countries

Country	Crowdfunding platform
United States	344
France	53
Italy	15
United Kingdom	87
Spain	27
Netherlands	34
Germany	26
Australia	12
South Africa	4
India	10

Sources: World Bank(2013)

In the global real condition (see Table

3), U.S still lead the major crowdfunding in large number (344 unit), while France get into second position which is 53 unit. Australia still left behind with 12. Although Australia still on progress in introducing crowdfunding, but the existence of major crowdfunding such as Pozible help small business to survive. Of those businesses which reported requiring additional funding, 50 per cent obtained all or part of the additional funding from a bank in 2010, compared with 54 per cent in 2009, and 68 per cent in 2007–2008. The number of fund giving by bank to small business were drop. This is because of the existence of another sourcess of funding, one of them is crowdfunding.

Regarding businesses expectations, the proportion of businesses expecting to *definitely* require additional finance in the next 12 months was reported at around seven per cent, while the proportion expecting to *possibly* require additional finance was 33 per cent. The demand of fund in small business were growing in near future. In capping with that condition, crowdfunding becoming one possible solution.

Lehner (2013) said that crowd-funded ventures rely heavily upon networks, mainly brought together by the Internet. Networking theory has already proven to be highly predictive in modelling the flow of various resources, such as materials, workforce but also more generally capabilities, information, business partners and opportunities in various situations. With such help from government, it can contributes a development tool especially in region that has good enterpreneur opportunities, for example Australia.

The crowdfunding can be a trigger to increase the innovation for enterpreneur. The barrier to enter the market because lack of fund can be surpassed with crowdfunding scheme. With good innovation, it is possible for small business to get broader market, increasing sales, and increase product competitiveness. The other good factor of crowdfunding for economic development is increasing coverage area of internet, connecting it with business that can spread

across region.

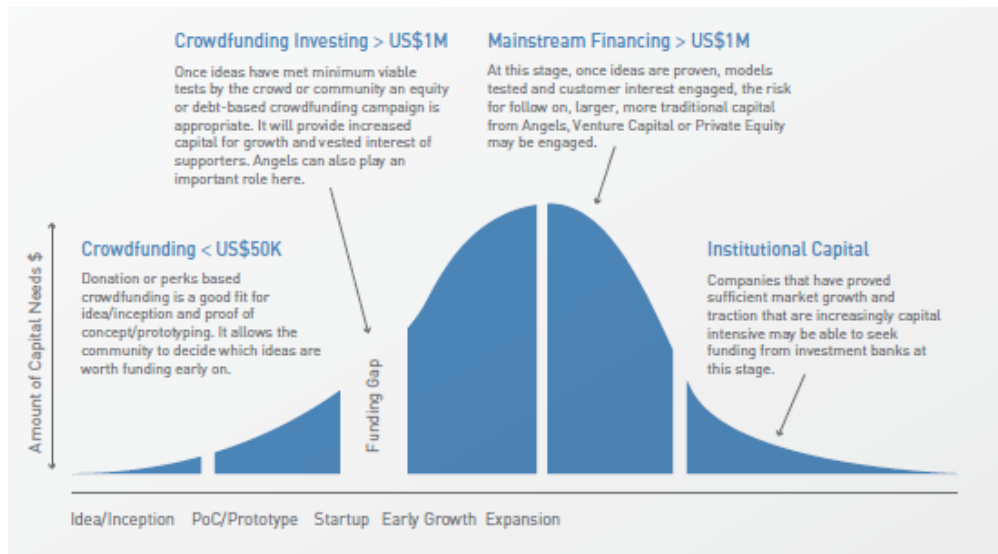
Pozible

Currently there is limited data to report on equity and debt-based crowdfunding, but Australia and the United Kingdom are demonstrating interesting results. After seven years of crowdfunding companies, the Australian Small Stock Offering Board (ASSOB) shows that 86 percent of companies crowdfunded on its platform were still operating in 2012 (Niederer 2012). This contrasts with a figure of 40 percent of non-crowdfunded (non-ASSOB) companies that fail after three years.

Crowdfunding begin to emerge in Australia related to Pozible.com, online based crowdfunding that spread across country. With Rick Chen as founder and director, Pozible.com attract young and entrepreneur mind start-up business to send their project and upload it in Pozible.com. Nowadays, Pozible.com become one of success story in crowdfunding scheme in the world. China People Daily, notes that Pozible.com as one of great example, how society can support new project by giving money through pay pal, credit card and another simple way.

The mission of Pozible.com is very clear “Pozible can also be a gateway for discovering and supporting inspirational projects and thinkers directly. By becoming actively involved in bringing more attention to bold new ideas, art, products and the talented people who conceive them, project supporters become a vital part of a true creative community.”

The Figures 2 explains about funding gap that it can fulfill with crowdfunding investing scenario. Whereas project above 1 million dollar can match with crowdfunding criteria. Crowdfunding in Australia filling the cap of capital that bank or other form of financial institution. The traditional financial system only can hardly match with certain project, especially start-up project that has a large risk provision. In other hand, bank must follow national regulation to put money in safe project. However, with crowdfunding in Australia, new start-



Figures 2. Crowdfunding and Funding Gap

Sources: World Bank(2013)

up business can emerge rapidly because of crowdfunding.

Nowadays, Pozible.com can provides fund up to 220.000 dollar per project. As it is already happened in movie or film production. This success lead to one fact that, one important aspect for financing social ventures has been almost neglected so far in literature; the trustworthiness of social entrepreneurs is regarded to be much higher due to the primacy of the social aim, and thus the costs of fraudulent risk should be reduced in theory (Lambert et al. 2012)

Crowdfunding offer creative individuals, groups and organisations a way to raise funds through selling tangible and intangible rewards by hosting a project on Pozible. The projects must have a funding goal and a time limit (from 1 - 60 days) set by the project creator. During this time project creator spread the word about the amazing idea to fans, friends, family and any strangers and sponsors. Supporters simply register and help fund the project.

There are two scheme in Pozible.com, If the project achieves or surpasses its funding goal - All supporting funds are collected immediately. Pledges made using PayPal will be automatically transferred to project creator nominated PayPal account. Pledges made using a credit card will be transferred directly to project owner

nominated bank account seven (7) days after the project deadline. The project creator are then responsible for completing the project and delivering the rewards promised to the supporters (who gives fund). If the project doesn't meet its funding goal, all pledges are cancelled and no funds are transferred. But the project creator can always go 'back to the drawing board', re-think the master plan and try again. No fees apply to the project creator.

LITERATURE REVIEW

Crowdfunding can be categorized as new phenomenon in both business reality and academic research. Therefore journal or published articles as the sourcess of crowdfunding not easy to find. But there still valid sourcess from international journal, for instance Belleflamme (2012) and Mollick (2013) who done research about theoretical model of crowdfunding related to the business that match and what kind of factor that influence community to financing such project.

Belleflamme (2012) in previous research address entrepreneur's choice in a theoretical model. "It offers a comparison of two forms of crowdfunding that dominate the scene nowadays: pre-ordering and profit sharing. In the first

form, entrepreneurs invite consumers to pre-order the product, to collect the necessary capital for launching production. The pre-ordering scheme enables the entrepreneur to price discriminate between two groups of consumers ("crowdfunders", who pre-purchase the product, and other "regular" consumers, who wait until the product reaches the market to purchase it) and, thereby, to extract larger profits. In the second form of crowdfunding, entrepreneurs solicit individuals to provide money in exchange for a share of future profits or equity securities. In this profit-sharing scheme, the investors may or may not decide to consume the product at a later stage."

In conclusion from Belleflamme (2012) research shows that in both forms of crowdfunding, the hypothesis assume that crowdfunders enjoy some additional utility over other regular consumers. As it illustrate with real-world examples, crowdfunding is most often associated with community-based experiences that generate "community benefits" for participants. The nature of these community benefits varies with the form of crowdfunding: community benefits are linked to the consumption experience under the pre-ordering mechanism and to the investment experience under the profit-sharing mechanism.

Another study on crowdfunding was found that the duration of funding and, more importantly, the degree of exposure that a pitch receives over the course of the funding process, are positively associated with readership upon the story's publication. This appears to validate the widely held belief that a key benefit of the crowdfunding model is the potential it offers for awareness and attention-building around causes and ventures.

Some study that has been done by Mollick (2013) find that the vast majority of founders seem to fulfill their obligations to funders, but that over 75% deliver products later than expected, with the degree of delay predicted by the level and amount of funding a project receives. These results offer insight into the emerging phenomenon

of crowdfunding, and also shed light more generally on the ways that the actions of founders may affect their ability to receive entrepreneurial financing.

For the type of business that community want to contribute, it states that for larger amounts, crowdfunding based on profit sharing or equity issuance becomes more worthwhile for the entrepreneur when community benefits are associated with the decision to finance the entrepreneurial project. This is because larger amounts help the entrepreneur induce more individuals to participate in the financing without affecting the fraction of profits he or she needs to give up to obtain financing. Finally, we offer insights into how quality uncertainty and information asymmetry affect this tradeoff (Belleflamme (2012)

The art project for instance can get more fund not because community can see the pre-result, but in general, art project can bring joyous fantasy of community. Although in reality, business in art project were calculated as high risk project. The trend of art style in community of some area may have causal effect with art project.

In other hands, World Bank report 2013 shows that there are four major factor that can be implemented to enched the growth of crowdfunding, especially in developing countries. First, there are some specific ways related to economic regulations that enabling enterprise to start new business. Second, entrepreneurial culture that motivate new businessman for creating product, or project. Without entrepreneurial culture, the crowdfunding community may get hard to finance the project.

Third factor is community engagement, which is essential to gather fund for crowdfunding. In some area of Australia for instance, Melbourne was known as solid society and have different culture that has been live together for century. The social linked may forced crowd funding to increase their trust of financing certain project. The social network, startup events help new entrepreneur to meet and share their idea and begin to developed

trust among them.

The fourth aspect also important, which is technology, including expansion of internet area coverage, number of household which connected with internet, wifi in public space and support from government to keep lowering the internet prices.

RESEARCH METHODS

Data

To achieve goals for having clear results, we obtain data from Pozible in random sampling, using 101 project that represent each sector. There are 14 sector as follows: art, community, event, fashion, film, food and drinks, journalism, music, performance, research, social entrepreneurships, technology, video, and game. The rationalization we select 101 projects as random sample from 6.929 projects because of it is already achieved minimal funding pledged.

Table 4. Research data profiles

Type of Project	Percentage of Total Population
Art	5,94
Community	0,99
Event	3,96
Fashion	3,96
Film	11,8
Food and drink	2,97
Journalism	0,99
Music	29,70
Performance	7,92
Research	16,83
Social enterprise	0,99
Technology	2,97
Video	0,99
Game	9,9

Sources: Pozible(2014) with data processing

Each project has a valid data of number of fund that pledged, date of the project that proposed on Pozible, percentage of funded, description of project also contribution of

project to the supporter.

Methods

The proposed hypothesis in this research were derived from the simple proposition, 1. Video Games as example of creative business more likely to be funded than other business in crowdfunding context. 2. Food and Beverages are less likely to be funded than other business in crowdfunding context. This two hypothesis measure with statistical models. The methods that we used is simple-linear regression model. We use this model because we need to measure degree of significancy between two variables. In this model, we attached dummy variable.

To measure the significancy of type of video games project into amount of pledge that the project maker proporsed we use this formula:

$$Y = \beta_1 + \beta DG \dots \dots \dots (1)$$

Whereas, Y means pledges (in US\$) that project proposed from crowdfunding beside that β_1 means a constanta, and βDG means beta dummy variable of game and non-game project. To measure the significancy of type of music project into amount of pledge that the project maker proporsed we use this formula:

$$Y = \beta_1 + \beta DF \dots \dots \dots (2)$$

Whereas, Y means pledges (in US\$) that project proposed from crowdfunding β_1 = constanta

βDF = beta dummy variable of food and drinks and non-food and drinks project.

To measure the significancy of type of research project into succesful rate of funding that the project maker received we use this formula:

$$Y = \beta_1 + \beta DR \dots \dots \dots (3)$$

Whereas, βDR means beta dummy variable of research and non-research project.

To measure the significancy of type of video games project into succesful rate of funding that the project maker received we use this formula:

$$Y_2 = \beta_1 + \beta DG \dots \dots \dots (4)$$

Whereas, Y means rate of funded (in percentage) that project proposed from crowdfunding and βDG means beta dummy

Table 5. Statistical Result of Video Games towards Pledges

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	42862,700	12433,707		3,447	0,001
	Game	-33550,458	13099,075	-,249	-2,561	0,012

a Dependent Variable: Pledged

Sources: Data Processing

Table 6. Statistical Result of Food and Drinks towards Pledges

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	4220,000	23425,076		0,180	0,857
	Food	8671,643	23780,920	0,037	0,365	0,716

a Dependent Variable: Pledged

Sources: Data Processing

variable of game and non-game.

Discussion

The significancy test from statistical model support the first hypothesis that video games as representatives of creative business has significant effect to the number of crowdfunding pledges. It show 0,012 which is significant. Then the new formula saying that when there is only video game project proposed in Pozible, total pledges that received was 42.862,7 dollar. However, when the non-video games project occurred, the video games projects may suffered decline of 33.550,5 dollar. In other words, video games may have significant effect to the pledges amount, but it has competitive condition with other project that may declining the video games pledges.

New Formula derives from the equation as follows:

$$Y = 42.862,7 - 33.550,5 \text{ DG} \dots \dots \dots (5)$$

The other result from statistical measurement is the type of food and drink project did not have significant effect on the amount of money that proposed from crowdfunding (0,716). It answer the second hypothesis that food and drink less likely fund by crowdfunding donor. The type of manufacturing products is so common, even it is kind of delicious poster or attractive

writing in the proposal but still donor see it as common products. The second opinion was food and drink did not match-up with crowdfunding scheme due to it has short term benefit for society. While another kind of business such as creative business of video games and music more likely has long term benefit for the donor. The CD, the games application that can be downloaded after the project success may have greater utility in the eyes of consumer.

Another proof of how video games attract more supporter from crowdfunding were the success story of Zero Latency-Inversion Vr which pledged \$29.700 and get 118 percent fund. The total supporter who paid for this project is 207 people. It successfully funded on 13 July 2014. The other video games that success in Pozible is IRL Shooter: Lazarus which got A\$359.122 from A\$308.000 initial target and achieved 1.516 supporters from all over the world. Both were zombie games, that has clear budget data and information about future companies projection. The design has attract more web supporter to see. Compared with other project such as research and journalism that bored-faces design. In this subject of matter, very clear we can see video games beat all other project.

Food and Drinks project on the other hands, received low pledges of fund in the

Table 7. Statistical Result of Research towards Pledges

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	11579,000	9846,420		1,176	0,242
	Research	1268,595	10796,908	0,012	0,117	0,907

a Dependent Variable: Pledged

Sources: Data Processing

Table 8. Statistical Result of Video Games towards Rate of Funded

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	113,200	14,625		7,740	0
	Game	7,393	15,408	0,048	0,480	0,632

a Dependent Variable: Funded

Sources: Data Processing

crowdfunding platform, Pozible. The reason is supporter sees food and drinks business as not as attractive. The existing project which is funded by crowdfunding schemes shows the rate of fund below 110 percent. The statistics results pictures 0,716 of significancy which is not have any impact towards amount of pledged. The manufacturing business unlikely compete with creative business in Pozible.

While video games shows positive results, research did not have significant effect to dependent variables of amount of pledges that proposed by project maker. This research has a similar pattern with Wheat (2013) that find research project also less attractive for community. Unlike video game project that bring joyous to the community, research project use crowdfunding not gaining money in short-term, but has a beyond economic gain. Therefore the community believes that research project are less attractive than video game or other kind of project. As a linear regression result between pledge and research type of project are not significant (0,907).

The next results were reject the hypothesis which is video games always exceed the funded rate of 100 percent. Statistical results shows that video games as independent variable and rate of funded as

dependent variable did not have significant result (0.632). The explanation from this statistical model derived from data that video games only contributes 100-120 percent of funded rate. Success of crowdfunding did not expected as 150-200 percent of pledges fund.

This last aspect is a major contribution of the study, as it demonstrates a clear linkage between marketing effort and the success of crowd-funded projects. Some countries that has developed creative business may find a way better to introduce video games into crowdfunding platform. In this scheme, both supporter and creative business maker could make maximum utility.

CONCLUSION

In conclusion, this research find that among 14 project type that proposed in Pozible as crowdfunding platform, only Video Games has a significant factor to influence dependent variable of pledge. This is caused by the amount of pledges that Video Games project creator needs is very large, and community who lives in Australia, especially in Melbourne sees Video Games as future business that has a direct benefits to the society.

In summary, video games may received

Appendix

T test results of Art project as independent variable.

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	-7984,586	33345,707	Beta	B	Std. Error
	Art	10624,919	17057,169	,062	,623	,535

a Dependent Variable: Pledged

T test results of Performance project as independent variable.

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	3663,750	14323,721	Beta	B	Std. Error
	Performance	9741,960	14927,087	,065	,653	,516

a Dependent Variable: Pledged

T test results of Music project as independent variable.

Model		Unstandardized	Coeffi-	Standardized	t	Sig.
		coefficients	icients	Coefficients		
1	(Constant)	8137,333	7393,008	Beta	B	Std. Error
	Music	6396,765	8817,647	,073	,725	,470

a Dependent Variable: Pledged

T test results of Technology project as independent variable.

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	14298,333	23440,187	Beta	B	Std. Error
	Technology	-1715,211	23796,261	-,007	-,072	,943

a Dependent Variable: Pledged

T test results of Game project as independent variable and rate success of funded as dependent variable.

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	113,200	14,625	Beta	B	Std. Error
	Game	7,393	15,408	,048	,480	,632

a Dependent Variable: Funded

as many as pledges compare with another project but did not have further attraction to increase funded after it is already success with initial pledges. Also, it compete strictly with other project in creative business.

The other conclusion that we can derived from this study the creative business may get full utility benefits from community through crowdfunding when they attract most with previous project that

already succeed. The new start-up without example of past project may get difficulties to compete with project creator that already success in the past.

In the future, it is very important for both government and business entity to increase the transparency, internet speed and coverage so it can empower the existed crowdfunding platform.

Also need the collaboration with other institution such as Ministry of Trade, Bank, or other financial institution to create a channel for existing project so it can develop further after success with crowdfunding.

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