

# A theoretical essay on the influence of Social Exchange Theory and Value Co-creation in Crowdfunding

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**Camila da Silva Schmitt<sup>1</sup>**

<https://orcid.org/0000-0002-8844-0136>

**Martin de La Martiniere Petroll<sup>1</sup>**

<https://orcid.org/0000-0001-7280-9202>

<sup>1</sup>(Universidade Federal de Santa Catarina, Departamento de Administração, Programa de Pós-Graduação em Administração. Florianópolis – SC, Brasil).

## Abstract

The present theoretical essay investigated the phenomenon of crowdfunding from the Social Exchange Theory and Value Co-creation in order to establish future research proposals. It was noticed that crowdfunding presents co-creation dynamics in its processes, where the potential supporters - crowdfunders - involved work closely with the entrepreneur in a cooperative way, participating actively in the development of the project initiated with feedbacks. The crowdfunding platform was noted as an intermediary that facilitates the repeated interaction between the proponent and supporters, creating not only financial value. It showed that the creation and exchange of new knowledge in the innovation phase generates non-financial benefits to the project, since it gains the possibility of adapting the value proposition to the market without the need for expensive research. It concludes by proposing future researches, such as: concentrating efforts to analyze the specific content worked on successful crowdfunding projects and understand how this detail can aid in reciprocity strategies in the context of social exchange and value co-creation.

**Keywords:** Social Exchange Theory. Value Co-creation. Crowdfunding. Collaborative Funding. Crowdfunders.

## Introduction

The last two decades have been dominated by a technological revolution aimed at improving results, which has transformed society in all its aspects, more specifically in business and marketing (CASTRO; SUAIDEN, 2015, KARJALUOTO; MUSTONEN; ULKUNIEMI, 2015, BALDO 2017). A phenomenon triggered by this transformation, according to Hamari, Sjöklint and Ukkonen (2016), was the shared economy, which arose from a series of technological developments that simplified the sharing of physical and non-physical products and services through the availability of various systems information on the Internet.

The progress of sophisticated web technologies and the manifestation of online societies are the pillars of a new alternative socio-economic production system (PIGATTO; QUEIROZ; LOURENZANI, 2015). This development led to a paradigm shift that, for Mollick (2014), has facilitated the emergence of companies and individuals entering the collaborative financing platform known as crowdfunding, a model that, for Botsman and Rogers (2011), is part of the practice of shared economy.

Crowdfunding is an innovative method for financing new businesses, allowing investments to be made in projects with or without profit (BELLEFLAME; LAMBERT; SCHWIENBACHER, 2014), subsidized by a group of individuals considered potential consumers (GRIFFIN, 2013). In other words, it is a cooperative community that corresponds to the online request for resources from a public that is often distributed in exchange for a reward for those who support the announced business project (GERBER; HUI, 2013). In most projects, the investment is only made when enough supporters participate and when the total sum of capital to carry out the project - which is indicated in advance - is reached.

Over the past ten years, Mollick (2014) and Steffen (2015) claim that the crowdfunding phenomenon has received a lot of attention in the world and, according to Catarse (2014), also in Brazil, as an alternative financing model, worked in the environment online. A survey published by the website Pequenas Empresas & Grandes Negócios (2017) alleges that more than 50 thousand entrepreneurs have already managed to leverage their business proposals from resources they have raised with their projects registered on the crowdfunding platform called Kickante. This collaborative financing platform has already collected 57 million in campaigns, increasing its sales by 30% per year, compared to the previous year (FORBES, 2015). To substantiate the emphasis of the theme of this article, the StartSe (2017) announced that more than R \$ 180 million have already been transferred in Brazil through crowdfunding platforms, with a third of this total only in 2016. The investigation on the theme in Brazil is present, and more and more details are needed to understand its functioning and impact, such as the study by Steffen (2014) when describing and analyzing Brazilian crowdfunding platforms.

In this way, it is clear that the dynamics of crowdfunding, exchanging between projects and possible, is in line with the words of Bagozzi (1995), that to satisfy human needs, people and associations (with their proposals) are compelled to engage in social exchanges and promote other people and associations. In this way, exchanges are the support of the marketing concept apparently worked in crowdfunding.

For Sheth, Gardner and Garret (1988), marketing is present where there are exchange activities. Active collaboration in the exchange between producers and consumers, facilitated by a company, for the development of new products or services is denoted co-creation (PRAHALAD; RAMASWAMY, 2004a). In this sense, the process of launching a crowdfunding campaign is also a process of co-creation (NEVIN *et al.*, 2017). When a crowdfunding project is presented to a crowd of potential sponsors, the result of financing itself or not, according to Guirado and Castro (2015), is a market test. Therefore, the development

of social interactions around a given project and the nature of the development process itself can be critical to the result of the crowdfunding effort (BURTCH; GHOSE; WATTAL, 2013).

The crowdfunding platform has become a co-creation process, where sponsors work closely with the entrepreneur in a cooperative way and actively participate in the development of the crowdfunding project, how to test initial prototypes and promote the project through word-of-mouth. mouth (LEHNER, 2013). Most crowdfunding platforms, including Catarse and Kickante, offer online communities for entrepreneurs and sponsors to share ideas with each other, showing co-creation behavior (YI; GONG, 2013). The meaning shared between entrepreneurs and sponsors can play important roles in the value creation process. For entrepreneurs, crowdfunding is the approach to raise money, advertise products and services and obtain feedback to improve products and services (BELLEFLAME; LAMBERT; SCHWIENBACHER, 2014). For investors or sponsors, participation in crowdfunding projects can result in greater financial return, social reputation and taking advantage of the success of business initiatives (GERBER; HUI, 2013). In this environment, supporters are also called crowdfunders, who, according to Belleflame, Lambert and Schwiembacher (2014), do not necessarily call themselves consumers and are not merely motivated by financial gains; they also look for social benefits related to exchange activity, which could be the experience in the case of rewards-based crowdfunding.

One of the perspectives for the practice of co-creation, according to Fuller and Bilgram (2017), is collaborative innovation, which allows consumers to participate with ideas to improve the performance of products and services. In this logic, when collaborating, this supporter becomes a co-creator for an innovative product and/or service, including encouraging other people to carry out subsequent collaborations (BERNARDES; LUCIAN, 2015). Likewise, crowdfunding involves the consumer financially and, in doing so, according to studies carried out in Italy by Cucari and Nuhu (2017), this model maximizes the involvement of consumers in the process of value co-creating. In this logic, the crowdfunding phenomenon involves users who relate and co-create different types of value, including economic value, but not exclusively, even when finance seems to be the main objective (QUERO; VENTURA; KELLEHER, 2016).

Accordingly, Prahalad and Ramaswamy (2004a) spread the concept of value co-creation based on a service logic perspective, in which the market is perceived as an open forum in which value is no longer unilaterally conceived by a company and delivered to the consumer, but co-created from the interactions between business and customers. This perspective is the elementary requirement of the Dominant Service Logic (SDL) in Marketing which, according to Vargo and Lusch (2008), services and not necessarily products must be the elementary unit for the exchange of value. For the SDL dynamics, the service system is a configuration of resources, including people, information and technology, connected to other systems by value propositions (VARGO; LUSCH, 2008). Thus, for Quero, Ventura and Kelleher (2016), it is understood that crowdfunding can also facilitate the value co-creation between users tuned in to a crowdfunding platform and initiative.

It appears, therefore, that the resource of co-creation can be better understood by applying the Social Exchange Theory (SET), as it provides adequate constructions and concepts that can assist in the knowledge about the exchange relations during the processes sets between company and consumer, where the customer is conceived as an asset in the dynamic creation of value (PRAHALAD; RAMASWAMY, 2004a). SET is a sociological theory that originally analyzed the process of instituting and improving interpersonal exchanges (THIBAUT; KELLEY, 1959); therefore, SET recommends that participants in these exchange relationships tend to evaluate costs and benefits, so that they are committed to projects that bring them social and economic advantages (BRIGGS; GRISAFFE, 2010). Thus, for Homans (1958), when the benefits are bilateral and mutual, the parties involved generally decide to sustain the relationship. Thus, SET provides a solid experience in creating value, as participants in these processes generally have positive expectations and also perceive a gain in status due to their cooperation in the development process, leading them to have a commitment to the projects in which they are involved. get involved (PREIKSCHAS *et al.*, 2017).

Despite the numerous recent researches that address the importance of understanding the interface between crowdfunding and marketing practices, none of them focuses on a more transparent interaction between the theory of social exchange and co-creation in this environment. Thus, this theoretical essay is initially intended to explore conceptually the performance of crowdfunding between the domains of the study of social exchange theory and co-creation, and then, through research proposals, to present ideas that reflect existing relationships. between them, as well as the possible implications of the activities of one or the other in the collaborative motivation. The objective, therefore, is to reflect on a phenomenon that has been the target of researchers' attention, but from a new perspective, in order to raise new questions to be studied in future research.

## **Crowdfunding from a Marketing perspective**

Crowdfunding was created to allow people interested in news and product launches and services to the market to, with a digital platform, capture the direct support of their social networks and potentially a wider audience to finance projects registered on the platform through financial or non-financial collaborations online. However, the crowdfunding environment does not simply present an opportunity to raise funds, but also, most importantly for this research, a great potential for expansion and an increase in the understanding of the marketing efforts practiced in this process. As predisposed by Ordanini *et al.* (2011), Mollick (2014) and Steffen (2015), a crowdfunding campaign allows the measurement of public interest in a certain product or service, as well as news about the online fundraising services that are moved, that is, it is clarified potential future customers who support the project.

In the context of marketing, orienting yourself to the market means working on solid and well-founded strategies, resulting in superior performance (DAMACENA;

MARRA; PETROLL, 2012). Because of this, Steinberg and Demaria (2012) corroborate the relevance of maintaining the marketing effort with the consumer in businesses established in crowdfunding, as people will only collaborate if they know how the project works. It is worth mentioning that market-oriented actions help to structure discussions about the future of consumption, where these, through digital convergence, result in market stimuli with a more active consumer participation (BERNARDES; LUCIAN, 2015).

A study published by Carvalho and Rocha (2014) explores the promotional marketing actions used by music artists to communicate projects broadcast on crowdfunding platforms. The result demonstrates the efficiency of these strategies for communication and relationship with the target audience, together with the dissemination of the project. However, in order to successfully promote a crowdfunding proposal, it is essential to follow concise marketing strategies, such as sowing the propagation of the project using marketing efforts established in the product launch dynamics (MATTAR *et al.*, 2013), thus, being able to target and convert visitors to the online platform into supporters.

Some marketing functions in crowdfunding platforms are: research (LEHNER, 2013), promotion (VOELKER; MCGLASHAN, 2013) and engagement (ORDANINI *et al.*, 2011, MARIANI; CATALDO; VASTOLA, 2014). The research function assumes crowdfunding as a market research tool (KOTLER; KELLER, 2012); after all, a campaign allows you to receive feedback on a certain product, as well as to estimate the potential customer base (SANTOS; BRASIL, 2010). Some projects offer their supporters the opportunity to participate in the design of products/services (GRIFFIN, 2013). For Monteiro (2014) and Bernardes and Lucian (2015), this co-creation by consumers often allows for a strategic increase in the good, making it more attractive to the potential market. Thus, working with users helps to weigh the success rate of the future as well (BELLEFLAME; LAMBERT; SCHWIENBACHER, 2014), as proactive consumers become increasingly convergent in a market where value is created through of their relationship (PRAHALAD; RAMASWAMY, 2004a).

In accordance with the context, Dong, Evan and Zou (2008) recognize that consumers are committed to the process of value co-creating and encouraging them to participate more and more supports the search for competitive advantage. Therefore, in order to follow this revolution, those responsible for the business must aim for new sources of innovation, such as co-creation (PRAHALAD; RAMASWAMY, 2004b). It is observed, then, that in the conventional value creation process, companies and consumers had modest production and consumption roles, however, this distinction disappears in co-creation.

In view of this, the concept of marketing involves constant discussion when considering factors such as the change in market movement and the active presence of the consumer in the processes of value creation; for this reason, the classic idea of exchange present in the definitions of marketing (BAGOZZI, 1975), has garnered the approach of exchange plus interactions between companies and consumers (GUMMESSON, 1987). Thus, equitably the concept of value in co-creation, has drawn attention in the marketing literature (VARGO; LUSCH, 2004a). In view of this, Vargo and Lusch (2004a), admit that marketing inherited

an economy exchange paradigm, whose dominant logic was based on the exchange of manufactured products, being at its core, tangible resources, added value and transactions. However, a new economic guideline has been asserting itself, with emphasis on intangible resources and the value co-creation.

Anyway, crowdfunding involves not ignoring its economic dimension as a consumption practice. However, and it is worth mentioning, it is a contemporary practice that works on very different bases from the traditional ones, mainly in proposing a process in which co-creation is the fundamental basis, as well as the dilution of the producer-consumer dichotomy (STRAPASSON; NARDELLI; UENO, 2016).

### **Social Exchange Theory (SET)**

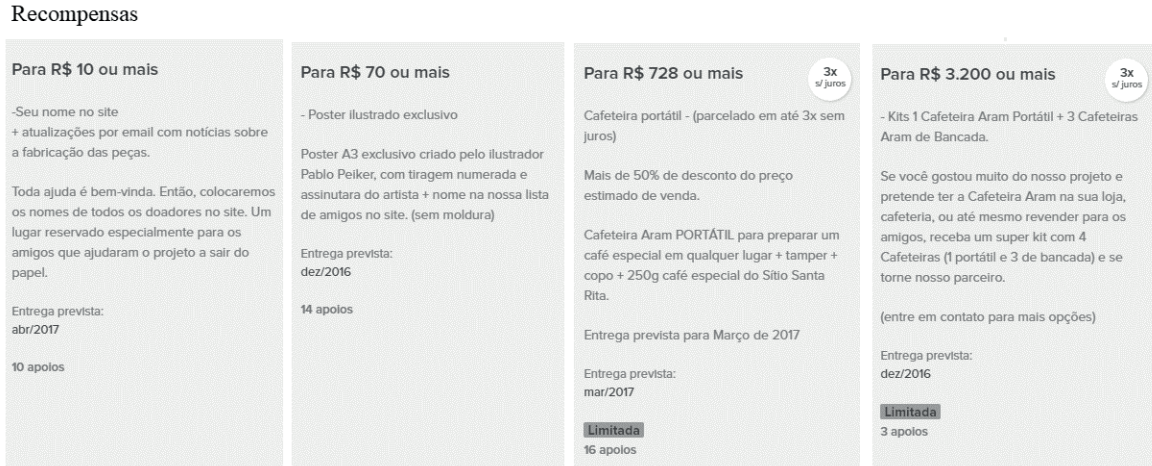
According to Homans (1958), founder of the Social Exchange Theory, social behavior is an exchange of material and non-material goods, during which a person seeks not only to maximize financial profit, but also seeks a state of balance between their costs, inputs and income, as well as the earnings of other participants. This theory proposes that, during social interactions, the various social behaviors of individuals are types of exchange of material or non-material goods (HOMANS, 1958). One of the basic tenets of this theory is that relationships evolve over time into trusting, loyal and mutual relationships. To this end, participants must respect certain “rules” of exchange. According to Emerson (1976), the rules of exchange form a normative definition of the situation that is formed between or that is assumed by the parties in an exchange relationship. In this sense, exchange rules and norms are the guidelines for exchange processes.

Reciprocity is one of those norms supported by human (social) behavior. From this angle, Gouldner (1960) argues that people commit one another to duties because of their previous actions. Reciprocity in the context of crowdfunding happens when projects on the platform feel obliged to repay for the money they received from a given supporter. This obligation is called specific reciprocity and is supported by feelings such as “*I help you as you helped me in the past*” (FARAJ; JOHNSON, 2011). Thus, participants in a crowdfunding platform may feel compelled to show their support for other projects because they are grateful to have received support in the past or because they hope to need support in the future. After all, a natural ingredient in crowdfunding is reciprocity (WOLF, 2017).

The proposition is that crowdfunding platforms based on rewards induce strong reciprocal relationships between their users, which in turn play a positive role in the success of the campaigns. It is noticed that a solid characteristic of crowdfunding is the reciprocity between the creator of the project and the supporter. Although this does not necessarily have to be a physical exchange, reciprocity is often cemented through the donation of funds from the sponsor and some contribution in response - physical product, shared pleasure of departure, personal thanks - from the creator. As shown in Figure 1, the project implemented

for a portable coffee maker that does not use electricity or capsules to make espresso anywhere (CATARSE, 2016), collected 723% of what was idealized, taking advantage of the rewards model as a strategy.

**Figure 1** – Examples of rewards promulgated by the crowdfunding project



Source: Cafeteria Aram project – Catarse platform (2016).

Note, in response to friendly or fair actions, such as offering a symbolic or personalized reward, crowdfunding platforms can encourage users to respond positively to a request for participation. In this way, reciprocity proves to be the core of marketing relationships (BAGOZZI 1995).

Another context evident in the crowdfunding environment, announced by Kunz *et al.* (2017), is the positive effect between a project’s previous funding experience and the probability of success of its own campaign. That said, suggests the study by Zvilichovsky, Yael and Barzilay (2015), who found that active project proponents, when supporting other projects on the platform, have higher success rates, thus attracting more supporters and collecting capital, which makes it possible by virtue of actions based on the principle of reciprocity.

An idea idealized on the Kickstarter platform helps to understand how reciprocity is evident in the crowdfunding practice in the initiative named “*Kicking It Forward*” (KICKING IT FORWARD, 2017), a platform where Kickstarter members form a community and are directed to support each other. Since the degree of commitment in terms of project support from the project proponent is publicly available, potential sponsors can use this information to make their support decision. If a proponent is firmly rooted in the Kickstarter community, such behavior enhances recognition and commitment to other members and thus promotes the respective project.

Based on these considerations, it is consistent to suggest the following proposition:

P1: For the success of crowdfunding projects, it is important to work with reciprocity in a context of social exchange.

Depending on P1, Moutinho and Leite (2013), when carrying out an econometric analysis on the performance of activities on the Kickstarter crowdfunding platform, they announced the existence of critical factors for the success of a project, one of which is the constant interaction with supporters. In this circumstance, Zvilichovsky, Yael and Barzilay (2013), investigated more than 75 thousand projects on Kickstarter and highlighted the effect of reciprocity in the interaction practices provided by the project campaign, after all, according to Faraj and Johnson (2011), reciprocity motivates contributions. Participants who engage in such contributions do not necessarily expect to receive future help from the same individuals they helped, but, ultimately, can expect to receive support from others in the online community. It is clear that this phenomenon of social exchange with shared economy dynamics is not only prevalent in the context of crowdfunding platforms, but that it also has a significant effect on results; that is, the advantage can be accumulated on both sides (project and supporter). Thus:

P2: The greater the use of reciprocity strategies in crowdfunding projects, the greater the social exchange of possible supporters on the platform.

Individuals active in crowdfunding platforms can be motivated to help a specific campaign with whom they have some kind of social link, as happened in the project entitled *Bel Pesce: Legado A Menina do Vale* - Figure 2, which collected 342% of the investment that needed (KICKANTE, 2017a); these individuals wish to maintain or develop a social bond and / or are affected by the principles of social exchange (HOMANS, 1958). Thus, for funders who are not financially motivated, but who have social ties, the interactions are likely to be inspired by the dynamics of social influences. In this way, crowdfunding also provides a test of how the theory of social exchange applies in this context.



Figure 2 – Comments established in a project on the crowdfunding platform



Source: Kickante crowdfunding platform (2017a).

Research on Social Exchange Theory has been studied in the field of marketing (BAGOZZI, 1974, BAGOZZI, 1975, MORGAN; HUNT, 1994). In this context, the exchange appeared as a central element of the marketing concept, as proposed by the American Marketing Association - AMA in 2013, “(...) it is the activity, set of institutions and processes to create, communicate, deliver and exchange offers that have value for consumers, customers, partners and society in general”. This definition is in line with what was promulgated by Bagozzi (1995): to satisfy human needs, people and organizations are compelled to engage in social and economic exchanges with other people and organizations.

It is noted that there is in this definition - the most current one - of the AMA of 2013 something specific that introduces an orientation towards the market, since it is concerned with the exchange of value offers, with this Grönroos (2013) proposes that marketing is born from a mutual exchange and keeping promises by establishing long-term relationships with customers, as the objectives of the parties involved are met. In crowdfunding, funders expect to receive a reward from the project creator for their support, remembering that market exchange is more than a transfer of a product or service for money (BAGOZZI, 1975).

In research developed on the motivations of the supporters/sponsors involved in crowdfunding platforms, Ryu and Kim (2016) identified that the reward is one of the causes of the motivational structure, as well as showing that it is an identity of the types of

supporters/sponsors that reflect the nature of the crowdfunding as a new form of co-creation in the technological context.

Based on data analyzed from a crowdfunding platform, Kunz *et al.* (2017) indicate that social ties, including the provision of rewards, positively influence the probability of a project's success. In this sense, in Figure 3, there is an example of the announcement of rewards.

**Figure 3** – Example of rewards established in a project on the crowdfunding platform



Source: Catarse crowdfunding platform (2017).

It turns out that an intrinsic aspect of the crowdfunding model is the rewards, that is, what those who support the project on the platform can receive in exchange for their collaboration, often being an essential item for funders (HOBBS; GRIGORE; MOLESWORTH, 2016). These rewards may be specific to the platform model itself, such as revenue sharing in the case of investment platforms, or be part of the project's promotion strategy, thus maximizing the value raised, through appealing counterparts from the financier's point of view.

In crowdfunding, tangible rewards represent the utilitarian exchange which, according to Bagozzi (1975, p. 36), is "an interaction by which goods are given in exchange for money or

other goods and the motivation behind actions lies in the early use or tangible characteristics commonly associated with objects in exchange”. Symbolic exchange is related to intangible rewards that refer to the “mutual transfer of psychological, social or other intangible entities between two or more parties” (BAGOZZI, 1975, p. 36). It is also noted that in addition to a gift as a token of gratitude, donors who make donations on crowdfunding platforms generally do not receive anything in return for their donation. This means that they do not acquire risky ownership, voting rights or profit shares in exchange for their contribution. The act of donating on a crowdfunding platform, therefore, cannot be seen as a pure form of economic exchange where goods are offered in exchange for money or other goods (BAGOZZI, 1975). Following this logic, Cholakova and Clarysse (2015) revealed that the decision to participate in the crowdfunding project is predicted by the interest of individuals in receiving rewards. However, many people may not only be financially motivated, but also intrinsically motivated.

Based on these considerations, it is consistent to suggest the following proposition:

P3: Crowdfunders (supporters/sponsors) are consumers who are looking to invest in a project and expect material and immaterial rewards.

Closely linked to the subject of rewards, is the question of the motivation of the crowdfunders (supporters/sponsors) to generate larger amounts of their income. Thurrild and Kamleitner (2016) emphasize that sponsors are not necessarily motivated by material rewards, but predominantly by immaterial and intrinsic rewards such as, for example, personal identification with the theme of the project and its objectives.

As positive emotions can lead to goal-oriented behavior (BAGOZZI; GOPINATH; NYER, 1999), it is assumed that emotional value plays an important role in the intention to drive participation in a crowdfunding project.

Based on these considerations, it is consistent to suggest the following proposition:

P4: The pleasure of supporting a crowdfunding project has a positive effect on the intention to invest in a crowdfunding project.

From this, it is declared that the theory of social exchange manifests itself in the practice of crowdfunding, possibly in decision making; after all, human beings try to minimize losses and maximize their profits during the exchange process (HOMANS, 1958). A contemporary context of exchange is crowdfunding, an innovative method to finance a variety of new ventures, allowing individual founders of for-profit, non-profit, cultural or social projects to solicit capital from many individuals, often in exchange for future products or equity (MOLLICK, 2014). In this logic, the Social Exchange Theory can explain the consumer’s motivation for consumption in this business model.

## **Value Co-creation and the participation of the potential consumer**

Various theoretical approaches have been researched to understand how the activity performed by consumers can be valid and useful to co-create value. For Galvagno and Dalli (2014), in all approaches, consumers are seen as authors of productive activities and, in each one, different actions that the consumer plays are emphasized so that the value is generated with different purposes for co-creation.

Co-creation is considered a solid strategy to successfully develop new products valued in the digital age, that is, where crowdfunding platforms are established. As an additional effect, research on co-creation highlighted that co-creation experiences can establish and intensify beneficial relationships for the consumer (FULLER; BILGRAM, 2017). For Vargo and Lusch (2004), consumers engage in virtual co-creation activities, because they expect that their participation will result in a pleasant feeling. Such a relationship is the result associated with the engagement practiced, possibly resulting in a better product to be offered or receiving an incentive from the market, or even, in a task or process in which consumers develop value. In the context of crowdfunding, value co-creation occurs when someone believes and decides to support a particular project. By collaborating, this supporter becomes a creditor and co-creator of value for an innovative product, including encouraging others to make subsequent collaborations. For this comparatively new form of “co-creation”, Fuller and Bilgram (2017) suggest that a pleasant co-creation experience in a crowdfunding environment can increase community support for the product and increase the likelihood of reaching the promotion objective. As co-creation is applied, ties are tightened, facilitating not only the exchange of information, but also reducing uncertainties and enabling better post-purchase assistance for the product purchased. Co-creation makes the client create bonds not only in that product with which he collaborated, but also in that company that gave him this opportunity to participate (BERNARDES; LUCIAN, 2015).

Based on these considerations, it is consistent to suggest the following proposition:

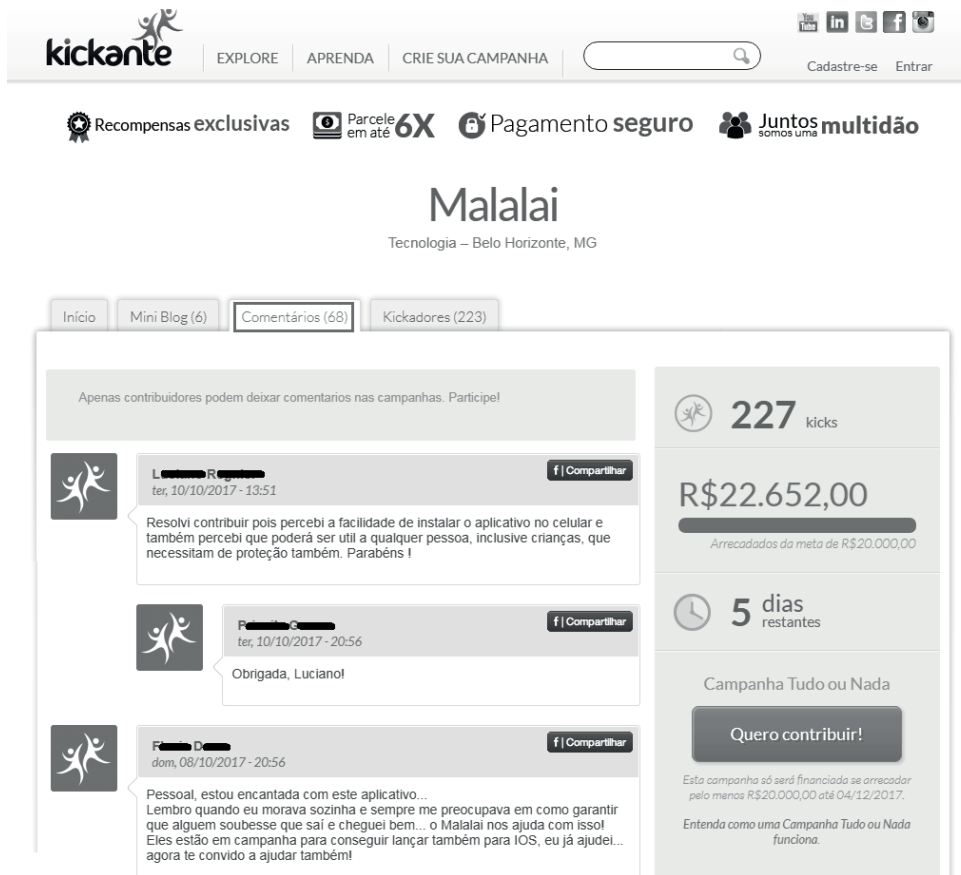
P5: With the use of value co-creation strategies in crowdfunding platforms, the consumer (user) who participates in the conception of the good he wants to promote, makes this project (product) perceived by consumers with potential market satisfaction.

A crowdfunding platform, such as Catarse and Kickante, provides online chat areas where both project proponents and project sponsors can share information. Entrepreneurs are even able to test their products and promote them, while potential supporters work with social feedback (BELLEFLAME; LAMBERT; SCHWIENBACHER, 2014). In this way, co-creation behavior develops (YI; GONG, 2013), which can be promoted through the development of a clear description of the project to share with users collectively. For example, on a crowdfunding platform as Catarse, entrepreneurs are able to describe their campaigns

using words, images, videos and attaching files. This highlights the strategic importance, for a crowdfunding project, to operate through an information technology platform that allows immediate, complete and interaction-related information communication.

Funders, considered supporters or crowdfunders, contribute to the entrepreneur’s project, not only with monetary resources, but also with ideas and information. This is done through technological platforms, which provides a community and the tools to interact with it, as seen in Figure 4 that highlights the project entitled Malalai, technology developer for personal security (KICKANTE, 2017b). The proposal joined the crowdfunding platform Kickante and obtained the necessary contribution to achieve the defined goal.

**Figure 4** – Comments made by Malalai project supporters



Source: Kickante crowdfunding platform (2017b).

Most crowdfunding platforms provide a chat tool where a dialogue takes place between the entrepreneur and his potential funders (ZHENG, LI; XU, 2014). Funders publish their comments about the project, and they are answered or refuted by the entrepreneur.

The crowdfunding system is complex in the sense described by Gummesson (2006): there are different agents participating in it, and its structure and functioning include functions much broader than mere financing, since they are structures created to allow the value co-creation for all different users by applying the resources of all participants, in order to create a market-oriented and relationship-based product. Therefore, Belleflamme, Lambert and Schwiendbacher (2014) attest that crowdfunding comprises elements of co-creation, especially, for example, when individuals provide feedback and ideas of preferences about the product and play an important role in promoting and marketing it.

Prahalad and Ramaswamy (2004a) focus their theory on the importance of building efficient channels of encounter between the company and customers, allowing the realization of co-creation. This includes the possibility of having a two-way communication with the customer, integrating them according to their competencies in the development of the product/service, sharing meaningful information and, consequently, organizing a structured brand community. These procedures are essential to create value that, according to the service's dominant logic theory, cannot be produced autonomously by the company and then delivered to the customer, but it is the customer's collaboration that gives value to the product and service (VARGO; LUSCH, 2008).

Therefore, during a crowdfunding campaign, the company has several tools to implement this theory thanks to the functionality of the platforms. However, marketing and social science literature focused mainly on crowdfunding with the aim of analyzing the impressive growth of platforms used by companies as an alternative financial resource (BELLEFLAME; LAMBERT; SCHWIENBACHER, 2014). In this light, the precedent comes from Ordanini *et al.* (2011), which focuses on the reasons why a consumer should become a co-creator during a crowdfunding campaign. The authors demonstrated the importance of network efficiency to attract co-creators, mentioning that companies that organize such initiatives create systems and organizational conditions necessary for the integration of resources between users (ORDANINI *et al.*, 2011).

## Conclusions

The business environment is changing by society, entering a digitized era where ideas and insights are abundant, more easily accessible and, therefore, act as co-creators. Therefore, this research is a first step to study the diversity of interpersonal relationships within a broader set of crowdfunding practices, which shows the gradation of expectations and behaviors in the exchange systems. In this sense, this theoretical essay investigated the phenomenon of crowdfunding between the attributions of the science of Social Exchange Theory and Co-creation in order to point out proposals that portray the correlations between them. Therefore, the work reflected on an event that has been extensively researched, but under a different aspect, which has raised new questions to be studied in future research.

The Social Exchange Theory has served marketing well for 40 years, but it is clear that it is giving way to relational concepts, which are changing aspects of traditional marketing processes. As suggested by the essay, the context in which the value was created has changed, increased in complexity and the type of analysis needs to accompany this new reality. In this sense, the context becomes more important as a framework for exchange and experience.

Thus, crowdfunding is seen as a collaborative exchange approach, which can be seen as a co-creation activity, where people can participate in the selection and development of projects through the provision of funds or feedbacks.

In view of this, this study supported the importance of using “supporters” for companies to obtain ideas, comments and awareness about projects (GUIRADO; CASTRO, 2015), to then inspire the development of new products and/or services or improve them (PRAHALAD; RAMASWAMY, 2004a). One of the highlights of the crowdfunding environment is being able to involve sponsors in the entire process of implementing the project, actively participating in product development (LEHNER, 2013). For this reason, crowdfunding can be considered a type of co-creation of value by supporters. As perceived, co-creation behavior is related to customer value and satisfaction with the service. It can be noted, from the examples identified, that the participants who are actively involved in the activities of value co-creation live stimuli that excite them more by the process. Therefore, it is worth suggesting a deep search to understand in detail, the fourth proposition: The pleasure of supporting a crowdfunding project has a positive effect on the intention to invest in a crowdfunding project, that is, how and what are the activities practiced by supporters of crowdfunding campaigns that can improve your experience and increase your satisfaction with projects.

In fact, there are many unknowns about how co-creation can be promoted, managed and exploited by companies and how a business model can be designed (or reinvented) to benefit from value co-creating. In this logic, the crowdfunding phenomenon is just one formula among many that, enabled by new technologies and the Internet, provided an adequate environment for the co-creation of certain projects. However, the continuous development of technology and the growing interrelationships between different actors, as enabled by technology, will continue to facilitate the development of new models, which will be interesting to consider from both a theoretical and empirical point of view. Thus, it is concluded that the platform as an intermediary facilitates the repeated interaction between the proponent and supporters and that this will create not only financial value through the interaction. In addition, it is considered that the creation and exchange of new knowledge in the innovation phase generates non-financial benefits to the project, since it gains the possibility of adapting its value proposal to the market.

Future research can validate through well-planned experiments if the propositions of this essay are valid, such as: concentrating efforts to analyze the specific content worked on in the presentation of successful projects on crowdfunding platforms and understanding how

this detail can assist in strategies of reciprocity in the context of social exchange and value co-creation. In the end, this essay offered only an inductive discussion and preliminary information about the phenomenon addressed and the new role of the consumer/supporter/sponsor, in this way, one can expand knowledge in a quantitative way, investigating co-creation as a driver of success collaborative financing activities. To do this, use a specific crowdfunding platform as a study context to analyze and compare funded versus unfunded initiatives, in order to identify specific success factors.

The intrinsic limitation of the study is linked to the analysis and attribution of examples, which in turn was introduced by Brazilian activities, as well as national platforms. There are likely to be cultural differences, and even generational differences, about how value is perceived by entrepreneurs in other nationalities. With these limitations in mind, it would be interesting to investigate the value perceived by proponents in different cultures, and whether the context of crowdfunding can be perceived differently over time.

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### **Camila da Silva Schmitt**

PhD student at the Graduate Program in Administration (PPGA) at Universidade Federal de Santa Catarina (UFSC) (2018 - 2022). Master in Administration, Marketing research line (2014) and Bachelor in Administration with specialization in Foreign Trade (2011) by Fundação Universidade Regional de Blumenau (FURB). Professor at FURB, currently teaching Introduction to Foreign Trade, Import and Export Rules for the Technology in Foreign Trade course. Professor at Universidade do Vale do Itajaí (UNIVALI), responsible at the Campus Itajaí for the Digital Marketing discipline in the morning and evening Business Course and at the Balneário Camboriú Campus for the theme of Fundamentals of Marketing and Digital Marketing in the Marketing Technology Course. Professor also in the Digital Marketing Postgraduation, with the subjects: Introduction to Digital Marketing and Digital Marketing Consultancy and in the Human Behavior at Work Postgraduation, with the discipline: Endomarketing. E-mail: camila.s.schmitt@gmail.com.

### **Martin de La Martinière Petroll**

Adjunct Professor C3 of the Department of Administration Sciences from Socioeconomic Center of Universidade Federal de Santa Catarina (CAD/CSE/UFSC). PhD (2013) in Business Administration from the Graduate Program in Business Administration at Universidade Federal do Paraná (UFPR) with a doctorate-sandwich period at Boston College (Boston/MA/USA). Master (2007)

in Administration from the Graduate Program in Administration at Universidade Federal do Rio Grande do Sul (UFRGS). Bachelor (2003) in Business Administration from Universidade do Vale do Rio dos Sinos (UNISINOS). Professor and advisor for master's and doctorate degree in the Graduate Program in Administration (PPGAdm/UFSC) and in the Graduate Course in Administration in the Department of Administration Sciences (CAD-UFSC). Research line: Marketing, Consumer Behavior, Retail, Communication. Author of several articles published in scientific journals and annals of national and international events. Leader of the research group registered at UFSC and CNPq, named: Núcleo de Inteligência Competitiva Organizacional em Marketing e Logística (NICO). E-mail: martin.petroll@ufsc.br.

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