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Master's Thesis
Academic Year 2020

Building Trust in Financially Supporting
Crowdfunding Initiatives in the Philippines



Keio University
Graduate School of Media Design

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A Master's Thesis
submitted to Keio University Graduate School of Media Design
in partial fulfillment of the requirements for the degree of
Master of Media Design

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Abstract of Master's Thesis of Academic Year 2020

Building Trust in Financially Supporting Crowdfunding Initiatives in the Philippines

Category: Design / Action Research

Summary

Crowdfunding is a fast emerging solution in gaining financial support on various initiatives around the world but its traction in the Philippines is still at a very slow pace. Due to various negative experiences Filipinos encountered in their environment, it is not surprising that trust is a huge issue in terms of financially supporting any kind of project.

This study aims to determine the factors that would encourage Filipinos to trust crowdfunding projects through sharing information about it to others. The concept design's first stage includes a crowdfunding campaign made to create features not usual of the current crowdfunding projects available in the Philippines. After funding, a backer can access their personal account and receive scheduled updates about the project and receive rewards through personal. To test the effectiveness of these features, a mixed method data collection was conducted to backers of the said crowdfunding campaign. The results show that the relationship of the backer to the person who recommended him/her in the project is the most important factor in Filipinos' trust in a crowdfunding project. The frequency of project updates is also not necessary for Filipino backers and as long as the creators provided an effort in providing information and that the rewards, however interesting, is not essential for Filipino backers.

Keywords:

Crowdfunding, Trust, Knowledge-sharing, Philippines

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Chapter 1

Introduction

All over the world, crowdfunding is becoming the fastest way in gaining funding for various initiatives. Crowdfunding is being “...defined as the process of taking a project or business, in need of investment, and asking a large group of people, which is usually the public, to supply this investment.” [1] In a way, “crowdfunding allows for the democratization of funding, potentially making it borderless and less geographically constrained.” [2] The advancement in web and mobile-based web applications and services is also the reason for the rise of the crowdfunding industry over the past decade [3]. With 452 crowdfunding platforms worldwide [4], probably the most known crowdfunding platform is Kickstarter that is based in the United States but with many backers and project proponents all over the world. As stated on their website, Kickstarter is inviting entrepreneurs to bring “projects big and small to life” through launches of fundraising campaigns on their platform [5]. As of 2012, there are 452 crowdfunding platforms all over the world, and amounting to 1.47 billion US dollars in donations in 2011 [4].

In the Philippines, the concept of crowdfunding is common through *bayanihan*. *Bayanihan* is a local term for a Filipino trait of “...coming together and helping one another to achieve a common, greater goal.” [6]. Most Filipinos are not unfamiliar with the idea of giving to their community as according to the Charities Aid Foundation in 2012, “...Philippines was among the top 5 nation devoting the most amount of time to charity work” [7]. In addition, based from a study made in 2015, 96 percent of Filipino respondents have participated in a donation activity [8]. However, the knowledge and participation of Filipinos to crowdfunding projects are significantly low.

From the same study by Vergara [8], only 42 percent of the respondents are aware of the term ‘crowdfunding’ with only 9 percent of them can even recognize a crowdfunding project based in the Philippines. Also, based from a reconnaissance

study made by interviewing around 20 Filipinos who had previous experiences in funding project initiatives, most answer that they tend to support or be interested more on foreign organization or group initiatives rather than on local Filipino initiatives or personally introduced projects by peers or family members. One common reason from most of the interviewed respondents was the lack of trust on a Filipino system of handling of funds for the common good. An example raised was how there is ‘very low’ trust on the Philippine government and this preconception is extended to other local organization. Most respondents also added that they felt like transparency is not a feature local institutions are strong at making financially supporting a project to be difficult and suspicious.

Statement of the Problem

Crowdfunding in the Philippines is still a blossoming method for businesses or social initiatives to receive funding from the public. Even with the majority of Filipinos still not familiar with crowdfunding, there were already crowdfunding projects initiated in local platforms with varied results of success.

The cultural concept of *bayanihan* of Filipinos contradicts the percentage of crowdfunding project participation in the Philippines. With Filipinos having pessimistic views on local institutions especially concerning funding initiatives, crowdfunding projects has a very bleak chance to succeed. In a study made to four of the best-known crowdfunding platforms in the Philippines, an estimate of “... only about 66 completed crowdfunding campaigns initiated in any of the four Philippine crowdfunding platforms listed above, compared to 78,941 successfully funded projects on Kickstarter alone.” [8]. Reasons for these are the risks backers face with the lack of transparency and lack of legitimate community to get trustworthy information which prevents them to venture on exploring the initiative.

According to Belavina, Marinesi, & Tsoukalas (2019) [9], one of the risks in supporting crowdfunding projects include the possibility of project proponents to run away with the backers’ money (funds misappropriation). In addition, the authors added a research in the Netherlands by the Dutch Institute for Public Opinion and Market Research (NIPO, 2003) shows that the large majority of charity supporters would like to know more about what happens with their donations.

Based from the mentioned risks, it is obvious that good communication with the crowdfunding project proponents is one of the indicators of a crowdfunding project success. Empirical findings states that “...providing more detailed information about risks can be interpreted as effective signals and can therefore strongly impact the probability of funding success.” [10]. Through a consistent information received by the backers, they will be more complacent with the displacement of their donated funds.

Another factor of a success in crowdfunding projects is the use of referrals within the community through a reward system. Through an individual sharing knowledge to other people about a crowdfunding initiative, they can referring people with an opportunity to receive rewards out of it. In a study by Naroditskiy, Stein, Tonin, Tran-Thanh, Vlassopoulos, & Jennings (2014) [11] , there is a statistically significant increase in sharing information by providing high level of incentives in a crowdfunding project. However, considering the perspectives of Filipinos in lacking trust on local institutions, the even the idea of an incentive from knowledge sharing might be insignificant. Based from the study of Usoro, Sharratt, Tsui, & Shekhar (2007) [12], the biggest way to know the origin of sharing behavior is when trust can be found on the perceived integrity of the community making it an issue if related to the Filipino perception of trusting local crowdfunding initiatives. In addition on the results from this study, it is indicated that integrity is the most vital factor of knowledge sharing behavior compared to the the other dimensions considered — competence and benevolence.

As stated, good communication and proper use of built integrity are some of the important tools in a crowdfunding project ’ s success. However, based from the perception of Filipinos in local initiatives, these important tools should be expanded to the level of need in a Philippine setting. A consistent update report on about the crowdfunding project will put the backers worry at ease on where the money they donated are being used. Also, by providing rewards on sharing information about the trustworthy crowdfunding project you support, the willingness to make people know more about it increases especially on a community-based society in the Philippines.

Background and Need

Considering that the Philippines has a unique take on the concept of crowdfunding, this paper will be experimenting on two methods of making a crowdfunding project successful basing from its known effectivity in addition to suiting it to the taste of Filipino backers. These methods is expected to lessen the risk factor of potential backers to potentially fund a crowdfunding initiative. Also in these two methods, the idea of trust leading for individuals to share information to other people is the key motivation in its effectivity.

One method taken into consideration is the importance of communication in crowdfunding initiatives which is also one of the main nexus in crowdfunding project success from different platforms around the world. The act of relaying information and also the quality of the content provided are important to consider. Moysidou & Hausberg (2019) [13] also stressed out that the latter is a huge indicators of trustworthiness on a project and that can also possibly lead to a successful funding. Through the emphasis on proper communication between the creators and backers, a problem based from the Swift Trust Theory can be addressed. According to the theory that was first introduced by Meyerson, Weick, & Kramer (1996) [14], there are only temporary interaction between people that, in a crowdfunding environment, usually just revolves before the funding and not much after it. In such a trust-based environment like crowdfunding, the Social Exchange Theory developed by Molm, Takahashi, & Peterson (2000) [15] is important as it came into conclusion from an experiment that reciprocal exchanges leads to a better trust level and a much compelling sense of commitment compared to having a negotiated exchange.

The other method used in this study is the building of a reward system that will be gained through personal referrals. This was integrated as there is usually not much information about crowdfunding initiatives that comes to the attention of potential backers unless they are really searching for one. Because of this, people tend to rely to information they get from other people, particularly their peers and family. Aside from just information, Filipinos also rely on recommendation by peers and family members and it affects their funding capability. A study by Meer (2011) [16] analyzing the willingness to fund of people who were influenced by other people into donating for a cause or initiative and, indeed, the

conclusion showed that social ties do affect an individual's funding capability. Considering the effectivity of personal referrals, this paper attached this to become the backbone of the reward system method for a successful crowdfunding in the Philippines. Pointing out again the study by Naroditskiy et. al. [11] the testing of website visitors of a fundraising campaign and were asked to share the information to various online platforms. With four different treatments — two with no incentives provided and the other two provided certain amount of points that will further help the campaign — and a point-based compensation mechanism that needs a threshold to be achieved, the results of the study showed that there had been a statistically exceptional boost in the sharing attitude of the respondents due to the idea of an incentive.

The two methods that this study wanted to explore on had been effective on either charitable donations and crowdfunding initiatives. However, the communication commitment after funding had not been explored further in a Philippine crowdfunding setting and the reward system through personal referrals have not been common in other existing crowdfunding projects either. This study aims to test on these methods to check on which will be more effective as a crowdfunding marketing technique or if both can be equally important and compelling.

Purpose of the Study

Considering these points, this work offers a concept design that will determine the factors that leads to a higher level of trust of Filipinos in local crowdfunding projects in the country. The indicator of this higher level of trust would be the individual's willingness to share their knowledge about the project to their peers or family members. A design framework incorporates variables which are prevalent in the possible success of crowdfunding in the Philippines: an update system and a reward system from personal referrals. These two variables will be used to determine if these can be effective ways for a Filipino backer to trust a local crowdfunding project that can eventually lead to a new community of crowdfunding backers in the country.

Research Question

The hypothesis of this paper is inspired by a reconnaissance research made in finding out the perspective of Filipinos in the concept of crowdfunding. Filipinos having the concept of *bayanihan* and prefers referrals within their peers for monetary funding of novel initiatives and their desire to be provided quality and consistent information about the project they are supporting through their money.

In the digital age, a lot of crowdfunding initiative information is available but it is difficult to determine a trustworthy cause. This is why people tend to rely on their peers or family member in gaining advice and recommendations. This is especially true when there is a monetary equivalent involved. Social ties is a relevant factor in the funding ability of a certain individual [16] which this paper relates to the power of personal referrals in crowdfunding projects. Personal referrals is also used in this paper as the backbone of the reward system which was proven to be an effective tool in boosting the sharing attitude (therefore, trusting) of an individual. [11]

Considering that the crowd and possible backers of the crowdfunding project are being provided limited information on initiatives, it is the creators responsibility to provide quality and hearty amount of details for the crowd to analyze. Based on previous studies by Moysidou & Hausberg (2019) [13], through these provision of quality information, trustworthiness can be built on the crowdfunding initiative and can possibly lead to successful funding. As to be provided by the project creators, it is important to maintain reciprocal exchanges between all stakeholders to maintain a good level of trust [15]. In the Philippine setting, one drawback of Filipinos engaging in any crowdfunding initiative is the lack of information on how the funding was used in the project.

It is through these points that this research will be focusing on this question:

What factors would encourage Filipinos to trust crowdfunding projects by sharing information about it to others?

Significance of the Study

Considering the limited research made on the crowdfunding environment in the

Philippines, this paper intends to provide an analysis of measures that can be effective in promoting, and eventually supporting financially, crowdfunding projects in the Philippines. The methods built in this study are tools that had been effective in other countries where a crowdfunding community had been successful and still thriving. This study also intend to find out if the these tools from other countries can be effective when applied in the Philippines and can lead to a more sustainable crowdfunding community in the country.

In addition, this study can be used in further educating the Filipinos of the significance of crowdfunding in terms of supporting businesses and social initiatives. Currently, Filipinos are not yet widely aware on the idea of crowdfunding and has certain restrictions in supporting such concepts due to negative past circumstances involving scams and mismanagement of funds in the country. The terminology “crowdfunding” is still a something that can be related to foreign concepts. Through stronger awareness and more opportunities to experience participating in crowdfunding projects that can change their negative perceptions, Filipinos can be more open-minded in accepting this industry in the country’s financing normal.

Definitions

Crowdsourcing - the act of a firm to broadcast an open call to individuals with relevant expertise outside it to become involved in solving the challenge [17]

Crowdfunding - one type of crowdsourcing that provides an opportunity to raise capital from the crowd to pursue new ventures or causes to various types of entrepreneurs – whether social, cultural, artistic or for-profit [18]. It is also a process wherein public announcement by organizations or individuals are done by commercial or non-commercial projects to receive funding, assess the market potential, and build customer relationships [19]

Crowdfunding platform - Internet websites that “...provide opportunities for anyone with Internet access to pitch an idea to their social network and beyond and to gather funding to realize their work.” [20]. Through this platform, interactions

between creators and backers can be organized. [21]. Some known crowdfunding platforms are Kickstarter, Inidegogo, JustGiving, etc.

Donation-based Crowdfunding - one of the four distinct models of modern crowdfunding that is essentially known as charitable giving [1]. This “...refers to a classic fundraising objective, with the difference that the donations arrive via Web 2.0 and in most cases through a specific intermediary.” [22]. Through the donation-based crowdfunding model, backers are not expecting material rewards for their contribution [23], but instead, a social reward is expected (e.g. acknowledgements, mentions) [24].

Backer - people or group of people who financially support crowdfunding initiatives. “ They are the friends, family, and referrals that you get who graciously donate to your campaign. ” [25]

Creators - people or group who are requesting funds on a crowdfunding platform [20]

Crowd - the public via social network platforms

OFW (Overseas Filipino Workers) - Filipinos who are working outside of the Philippines. This terminology is not limited to its location and type of work out of the Philippines.

Limitations

This study will not include the trust levels of individuals on the crowdfunding platform and other tools (social media) used in the concept design. Also, as the concept design of this research will include an experiment that needs financial support on a crowdfunding campaign, this research will not explore on the relationship between the participation of samples to the crowdfunding project to the amount of money they donated to it.

Chapter 2

Related Works

With the broad popularity of crowdfunding in different parts of the world, it still haven't done a significant traction in the Philippines. Various methods were used by crowdfunding creators on how to effectively create campaigns for their projects and considering that and basing it on the crowdfunding landscape in the Philippines, this paper's concept design focused on two main directions: consistent communication after funding through scheduled status reports and a system of gaining reward upon referral.

2.1. Trust in a Crowdfunding Environment

For a crowdfunding campaign to be a success, creators need to express to the crowd and to its backers that their project is worthy to be funded. Campaigns made by project creators need to be credible enough in order to gain a backer's trust that will lead to them funding the project.

Trust can be defined as “...a willingness to rely on an exchange partner in whom one has confidence.” [26] and as an expectation as a whole held by an individual that the statements made of another individual...can be reliable. [27] It can also be coined that trust relates to a state of vulnerability that therefore make people seek only believable exchange partners. [28]

In the context of crowdfunding, trust is needed in a much higher degree in comparison to other offline financial transactions. As crowdfunding projects are done online, it's more difficult to be interpreted by the crowd and possible backers considering people's natural reluctance into trusting information seen on the web. Another reason for its difficulty is from the “...limited participation of expert investors, the difficulty in information scrutiny in crowdfunding, and the

inadequate presence of professional gatekeepers in crowdfunding.” [13]

Crowdfunding can also be associated as a type of relationship marketing considering that according to the Commitment-Trust Relationship Marketing Theory [28], relationship marketing is referring to all marketing activities intended to start, develop, and manage successful relational exchanges. Continuing on this theory, trust — together with commitment — should be in existence in order to produce outcomes that bolsters efficiency, productivity and effectivity. Considering this, these factors are the driving force for cooperative behaviors that are important in the success of relationship marketing.

This paper has taken inspiration on the two dimensions of trust: [29] [30] (1) credibility which is based “...on the buyer’s belief that the supplier has the required expertise to carry out his role effectively and reliably; [and] (2) benevolence, based on the buyer’s belief that the supplier acts on the basis of intentions that are beneficial to the buyer himself.” [30].

2.2. Trust as an Influence in Knowledge-Sharing

Knowledge-sharing is defined as a behavior of an individual that makes a person circulate a certain information to other people within the community [31]. It is also a considerable evidence depicting transfer of general knowledge or a better exchange of knowledge can be acquired from trusting relationships [32].

In crowdfunding, platforms are able to foster trust between backers and creators and other members of the crowd. Backers are motivated to be a part of a crowdfunding project because it gives “a visual form of acceptance and gives them a unique opportunity to interact with and contribute to a like-minded group of people.” [33]

This paper relates this to a study [12] which explored on the role of trust in the sharing of knowledge under the environment of virtual communities of practice. The results indicated that integrity is the most vital factor of knowledge sharing behavior compared to the other dimensions considered — competence and benevolence. The authors also pointed out that consistency and reliability of an organization’s previous behavior leads to confidence on actions in the future and conversely, when approach of honesty and expectations in behavioral reliability

is high, an individual tends to be more willing to be a part of a cooperative interaction.

2.3. Communication Commitment

It is only expected that crowdfunding creators are more informed about their projects than the possible backers. It can be said that “...small investors are less likely to have experience evaluating investment opportunities. In an extreme case, one could argue that potential investors may not be able to determine anything concrete about company value, and, as a result, even potentially high-performing ventures may not receive funding.” [10]

It is with this that provision of reliable information is one of the key factors in determining a crowdfunding project’s success. In an examination of the uncertainty of fundraising success [10], data highlighted that one of the factors in strongly impacting the success probability of a funding project is by providing detailed information about the project. It is also pointed out that the quality of the given information in a crowdfunding project is also a huge indicator of trustworthiness and therefore leads into building trust in the project [13]

The Swift Trust Theory [14] — which tackles on the temporary interaction between people that has no perception of the relationship going deeper after the transaction — is a major factor to be considered when relating to the context of trust in crowdfunding. In crowdfunding, creators and backers only has limited ways of communication before and after the funding. Backers usually are just informed of the project through what was included in the project brief and even after funding, they can only interact with the project creators through the comment section on the crowdfunding platform. This leads to the backers and creators mostly unfamiliar with each other and with not enough deep bonds with each other [34]. This is the reason why constant interactions between creators and backers is found to have been another influence in the level of performance of a crowdfunding project. As an example, a study led into the conclusion that one of the reasons why a project creator can raise a higher amount of money in the using a crowdfunding method is through communication with backers as much as possible during the the span of time that the project is running [35]. The authors

further explained that the amount of comments posted about the crowdfunding project provided a significantly better effect on a project's funding performance.

Also analyzing the classic Social Exchange Theory [15], developed in a study is an experimental test comparing the levels of trust and commitment and came into the conclusion that reciprocal exchanges leads to a stronger trust level and a much compelling commitment compared to having a negotiated exchange. The study came from the take that "...trust is more likely to develop between partners when exchange occurs without explicit negotiations or binding agreements." [15]. Putting this in a crowdfunding context, a study examined the main reasons why backers are funding crowdfunding projects. In a study on more than 200 crowdfunding backers in Taiwan, the results indicated that commitment is a leading reason in the intention of crowdfunding projects [36].

It is on these studies that this paper's one method in the effectivity of crowdfunding campaign in the Philippines is the commitment to provide detailed information from creators to backers. This is done through a consistent providing of information that extends even after a backer funded the crowdfunding project.

2.4. Reward Program through Personal Referral

This paper explored on the strength of personal referrals as a key for crowdfunding project creators to market their initiatives. Considering that information and experience about a certain crowdfunding initiative is low before the actual funding, people tend to rely to information they get from other people, particularly their peers and family. Such phenomenon gives the impression that potential backers has too much information on their plate and that really discovering about it is costly and also, initiatives in crowdfunding projects are usually something that the crowd have no idea about yet [37]. In a study on alumni donations and the amount they are willing to shell out, they were asked to donate by someone they have a social connection with [16]. Their conclusion was that, indeed, "social ties play a strong causal role in the decision to donate and the average gift size. Additionally, a solicitor's request is much more effective if he or she shares characteristics, such as race, with the alumnus being solicited." [16]. Another study proved that social influences to an individual is to be considered in the selection of a project that a

person is willing to fund [38]. Even with the consideration that an individual's choice for an initiative to fund can only be open if that person will announce it to other people, this study's experiment still considers that a lot of people fund to the same project initiative as their peers. Another research further tested if a person is more likely to refer to their peers or family if they acquired information through personal referral compared with people getting knowledge from other channels like search engines and online advertisements with the result favoring more in the direction of the former [39].

Considering these evidences, personal referrals is explored in this paper to be tagged to the reward program. A study investigated the cost and benefits of asking backers to fund a project by randomly asking backers to share the information to their Facebook through posting it on their account or using a private message to a peer [40]. To add to the effectiveness of the project, the creator included an option to add the backer's name with 0 US dollars, 1 US dollar or 5 US dollar increments in exchange for putting the effort to share the information about the project. This experiment led the authors into a conclusion that "Donors respond to incentives: larger add-on donations increase the willingness to post having made a donation." [40]. In another study conducted was an investigation on whether word-of-mouth, referral or viral marketing can be inspired through an incentive method which will let project creators to properly market their initiatives [11]. In this experiment, the authors tested website visitors of a fundraising campaign and were asked to share the information to various online platforms. Their information sharing activity was categorized in four different treatments: two with no incentives provided and the other two provided certain amount of points that will further help the campaign. In the next and final step of the experiment, the study adopted "...a multi-level incentive mechanism that rewards direct as well as indirect referrals (where referred contacts refer others)." [11]. Also an important note to take that varies from Castillo et al's study is that this concept design's point-based compensation mechanism does not intend to directly lead into gaining money since the points accumulated is only shown as a donation if a certain threshold is achieved. The results of the study showed that there had been a statistically compelling boost in the sharing attitude of the respondents due to the incentive mechanism.

The reward program explored in this paper also featured a certain threshold needed in order to receive the gift upon referral. This paper took into consideration the study made [41] concluding that expressing the possibility of gaining a high reward equates to also a higher expected contribution. The authors added that “sufficiently high rewards elicit convergence of contributions to the threshold, rather than the deterioration towards free riding, often reported in previous studies.” [41]

With personal referral as the backbone for a reward program, the crowdfunding project is expected to reach a wider social network that will help in expanding the reach of the information of the initiative. It was explored that crowdfunding creators are “...also motivated to participate because of social interactions realized through crowdfunding platforms, such as strengthening commitment to an idea through feedback (creators) and feelings of connectedness to a community with similar interests and ideals (funders).” [20]. A study explored on how crowdfunding creators use their social network in order for them to achieve their campaign goals using social network analysis [5]. As they delved into it, they found out that the challenges creators have has “...three main themes, which include understanding network capabilities, activating network connections, and expanding network reach.” [5].

2.5. Crowdfunding in the Philippines

Crowdfunding can be related to a similar concept in the Philippines called *bayanihan*. *Bayanihan* is a Filipino local term for a trait of “...coming together and helping one another to achieve a common, greater goal.” [6]. Based from a survey made by the Charities Aid Foundation in 2012, “...Philippines was among the top 5 nation devoting the most amount of time to charity work” [7] proving that most Filipinos are not unfamiliar with the idea of giving to their community. As also related to donating, it seems 96 percent of Filipino respondents in 2015 have participated in a donation activity [8]. Pointed out in a study was that as crowdfunding can be associated to voluntary grants in order to provide funding for a business or initiative, it’s only normal for it to be associated to charitable donations. However, the Filipinos can’t seem to be as enthusiastic about the concept of crowdfunding compared to how they are for charitable donations [42].

Terminology can also be a big factor why crowdfunding is not as progressive in the Philippines compared to other parts of the world. According to the same study by [8], only 42 percent of 118 Filipino respondents are aware of the term ‘crowdfunding’. From this number, only 9 percent of them can even recognize a crowdfunding project based in the Philippines. A reconnaissance study was made to know more about the factors that influences Filipinos perspective on crowdfunding. In this initial study, Filipinos with previous experiences in funding project initiatives were interviewed and when asked about their impression on crowdfunding, most answered that they tend to support or be interested more on foreign organization/group initiatives rather than on local Filipino initiatives or personally introduced projects by peers or family members. A Filipino employee of an international consulting firm had been donating to Green Peace for years and is more than happy to provide monthly contributions for the cause of the organization. She also once helped fund of a Filipino traditional crafts initiative that was introduced to her by a friend. She said that she has no idea that the local traditional crafts initiative existed before my friend introduced me to them. She also personally do not know the persons in that business and was reluctant to fund them but since she trusted her friend who recommended the group to her, she decided to give it a try. Another common reason from most of the interviewed respondents was the lack of trust on a Filipino system of handling of funds for the common good. An example raised was how there is ‘very low’ trust on the Philippine government and this preconception is extended to other local organization. This downward trust in the government “...has been brought about by many factors including the inefficient and ineffective delivery of services, waste of public resources, graft and corruption, lack of integrity in government, poor leadership, excessive red tape, ineffective reorganization and structural changes, too much centralization, among other things.” [43]. Most respondents also added that they felt like transparency is not a feature local institutions are strong at making financially supporting a project to be difficult and suspicious. One of the respondents who is a manager of a PR firm said that she wanted to know more where her money went if she’s supporting a business.

The respondents of this study are all Filipinos but can be in different locations in the world. This is due to the fact that many Filipinos are working overseas

(known as Overseas Filipino Workers or OFW) and can relate to the cause that this study has used for its crowdfunding campaign. A study explored on the relation of location on funding activities of backers based from existing theories that anticipate creators' and funders' co-location considering the cost concerns of being geographically distant [44]. The authors studied a financing project between musical artists and funders and discovered that the average distance between them is about 3,000 miles. This proposes that a close distance between the creator and funder is not a huge factor for the crowdfunding success but the study also found out that the cause of the project is still the most important factor for funding. We show this geography effect is driven by investors who likely have a personal connection with the artist-entrepreneur ("family and friends"). [44]

The campaign had also been particular on building up a story that will specifically target Filipinos who has the experience or currently working abroad and also those who have a wide understanding of OFW issues. The Project SHieN crowdfunding campaign used in this paper for the experiment was founded by OFWs who also gave video commentaries to promote the project. This can be related to a study that concentrated on the information given through speech on a video presentation for promoting a crowdfunding project [45]. The results of a Kickstarter dataset on 2016 is "...that speech information –the linguistic styles– is significantly associated with the crowdfunding success, even after controlling for text and other project-specific information." [45]. Their research also expounded on the higher level of informative capability of a certain style the speech on the video compared to text narratives.

Chapter 3

Concept

This chapter will be focusing on the research methodology for this mixed methods study regarding what motivates Filipinos to trust local crowdfunding projects. Through this approach, the study aims to know the effective factors that encourages Filipinos to trust local Philippine crowdfunding projects. Through the concept design presented in this paper, the researcher looks into the possible scenarios of an alleviated trust level in the crowdfunding environment in the Philippines and if these lead them into a willingness to share the information to other people.

The type of mixed methods design with a triangulation design type. Specifically, the variant of triangulation design used is a convergence model. The design of the website was used as a tool for the experiment and the survey to gather the data is thoroughly discussed in this section. The data analysis method is also included.

This study is aimed to answer the following research question:

What factors would encourage Filipinos to trust crowdfunding projects by sharing information about it to others?

A mixed method design is to be used to explore on validating the effectivity of the methods introduced in the concept design. The researcher used this approach to test the effectivity of the concept design and “to obtain different but complementary data on the same topic” [46]. Also according a study [47], this type of design is used for the purpose of comparing and contrasting quantitative statistical data from results with qualitative findings or to if a validation and expansion of quantitative results with qualitative data is necessary.

This study worked on a pre-experiment design of a crowdfunding project and then an experiment by providing an online survey involving all backers of the said project as respondents. The questionnaire involved close-ended and open-ended queries on their perception about funding crowdfunding projects before and after

their funding of the crowdfunding projects. Through these series of questions, the study aims to determine if the respondents' level of trust has improved with the help of the important variables for the research: the commitment in providing updates to the backers about the status of the project and the reward system through personal referrals. With the Philippines being an environment not as welcoming to the idea of funding crowdfunding projects due to issues of organizational trust, this study plans to have a resolve on which is the more effective method in making Filipinos trust a crowdfunding project that will eventually lead to a more positive crowdfunding market in the Philippines.

3.1. Participants

Out of the 18 backers of Project SHieN, 13 responded to our online survey. 10 of the respondents are females and 3 males. 53.85 percent has ages that range from 21-30 years old and the other 46.15 percent on the ages of 31-40 years old. Even with all the respondents being Filipinos, majority of them are based in different parts of Japan with 7 respondents and the rest are currently based in the Philippines. Occupation of the respondents varies from different industries with a company employee, quantity surveyor/civil engineer, publicist, document specialist, associate manager, data center technician, accountant, SAP consultant, company associate, researcher, educator and 2 students.

For the personal interviews conducted for the the qualitative analysis of this research, 11 participants were able to be reached out to further discuss their impressions about the experiment conducted. All interviews were conducted a around a month after finishing the initial survey made. All interviews were also conducted online through Zoom, a cloud-based video conferencing service due to the COVID-19 pandemic that was currently happening by the time the author is conducting the data collection which limits physical meetings in the community. To help document the interview for transcription, all video calls were recorded through the recording option of the platform.

Due to the research focusing on the perception of Filipinos in crowdfunding, the population for this research are all Filipinos not limited to their location. A non-probability sampling was made using purposive sampling to include all backers of

Project SHieN who are Filipinos. This is due to their experience in funding the crowdfunding project with the variables included in this study.

3.2. Instruments

As part of the pre-experimental research design, the researcher worked on building a crowdfunding campaign that involves an initiative that the population will be willing to fund. Through a local crowdfunding platform in the Philippines, the crowdfunding initiative was launched and became the first step in determining the specific members of the population that will participate for the experiment.

A website is also made in order to add incorporate the variables stated in this study to prove the hypothesis presented on this paper. Through this website, the samples of this study will get to experience the variables in terms of scheduled status updates and reward system through personal referrals. As they get the chance to access these variables, the website lets the researcher determine if a commitment in providing scheduled project status reports and a reward system upon personal referrals has an effect to Filipinos in trusting crowdfunding projects in the Philippines.

To discover this relationship, a survey was used to realize the perception of the respondents to the methods used in this study. The interpretation will be through a descriptive analysis of results to see the trust level of Filipinos on crowdfunding projects that is translated to knowledge sharing. The survey that can be accessed online through Google Forms became an accessible tool in knowing the perception of the respondents after backing the crowdfunding project.

The researcher then conducted one-to-one interviews to the respondents of the survey to have further analysis of their quantitative answers. This will allow the researcher to clarify input made through the surveys and discover additional information in verifying the hypothesis of the research.

3.3. Procedures

For the study to analyze the effectivity of our methods in building trust of Filipinos in crowdfunding, the author partnered with a start-up company based in

Metro Manila, Philippines, to work on a crowdfunding campaign that aims to help individuals to be provided with holistic training before students start their work in Japan. For the sake of the study, the author helped them set-up a website to include a backend design that can provide potential backers of the crowdfunding project access to the two variables of this research: updates and rewards. Successful backers of the project were provided access to a personal account through the SHiN 's website and can individually check status updates about the project and, at the same time, can refer the project to their peers or family members and can observe the rewards that they can claim with it. After experiencing this feature, the project backers were then asked to answer an online survey that involves questions on their experience in funding crowdfunding projects in the past and how the two variables of this study affected their trust level in crowdfunding in general.

Following is the detailed process made for the study 's experiment.

3.3.1 Crowdfunding Campaign

The author of this paper teamed up with a start-up company located in Metro Manila, Philippines. SHiN Japanese Language School and Training Center is a facility that provides a holistic training on Japanese language, mental preparedness, cultural awareness and financial management to Filipinos who are set to work in Japan. SHiN is in partnership with manpower agencies from both the Philippines and Japan and are considered the training center that will help equip Filipinos before they start working full time in Japan. SHiN offers a two-month boot camp-like training that also helps Japanese employers to be at ease that with the fact that they will be employing ready and equipped Filipinos to work in their companies.

Considering the idea from the related literature on the use of speech on a video presentation for promoting a crowdfunding project by Kim et al (2016), the author worked together with SHiN Japanese Language School and Training Center on the approach that is needed to be incorporated on the video for the campaign. The target audience of the crowdfunding initiative are former or current OFWs who understands the struggles of being immersed in a culture without proper training beforehand. One of SHiN 's founders made a spiel on the campaign video to

express this message saying,

Translated quotation that appeared in the video:

Personally, I know the hardships of OFWs. Being away from your family, how to struggle especially in a foreign country that you don ' t understand the language.

The author and the people of SHiN worked together for almost two months to prepare materials for the crowdfunding project campaign which is called Project SHieN. Project SHieN is a donation-based project that aims to receive funding in order to support the financial needs of trainees as they enroll for the program in SHiN. The usual cost of being part of SHiN ' s holistic program is around PHP 25,000 (around USD 500) and Project SHieN has a funding bracket of PHP 40,000 (around USD 800) to support two trainees (the rest of the cost will be shouldered by SHiN).

For the campaign, also prioritized is the setting of a website for the startup company. This study [10] emphasized on the importance of providing detailed information in crowdfunding and another study [13] pointed out the quality of the messages from the creator leads to an increased trustworthiness on the project, it became relevant that the main source of information about Project SHieN is through its website (See Figure 3.1). The website of SHiN Japanese Language School and Training Center included a special page specifically for Project SHieN.

The Project SHieN campaign also included a funding bracket to help provide a better option for possible backers on how much they can be willing to donate. Below is the funding bracket used for Project SHieN:

- Moving Support for One = PHP 750 (USD 15)
- Moving Support for Two = PHP 1500 (USD 30)
- Moving and Clothing Support = PHP 2500 (USD 50)
- Meal Support = PHP 5000 (USD 100)
- Shelter Support = PHP 7500 (USD 150)

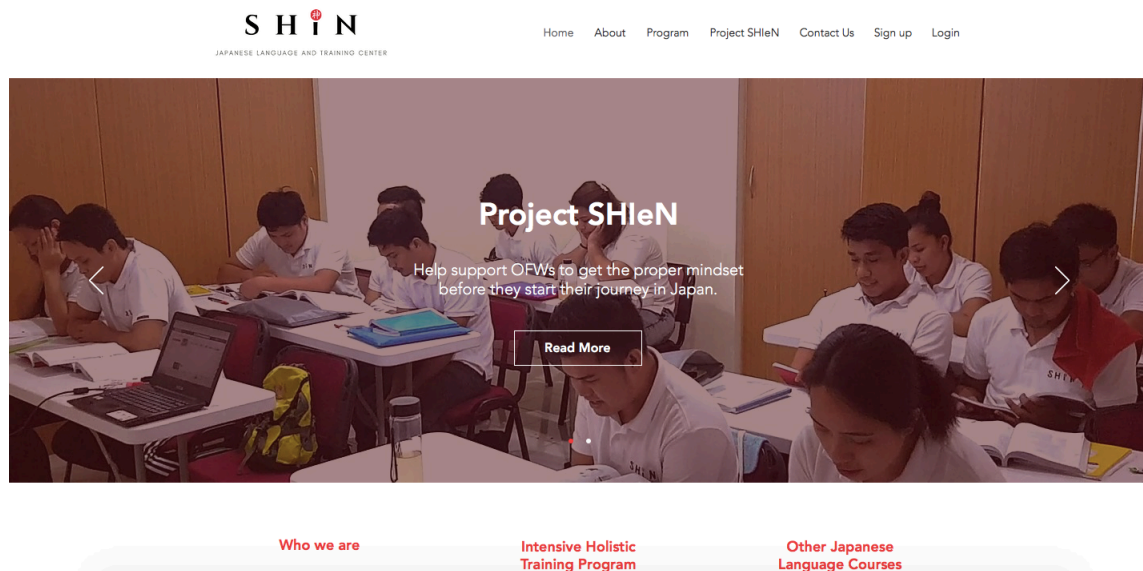


Figure 3.1 Homepage of partner company SHiN Japanese Language School and Training Center.

Project SHieN is posted to the Philippine local crowdfunding platform The Spark Project. The Spark Project started in 2013 and tagged themselves as the “...a community that aims to showcase Filipino talent and ingenuity through an online crowdfunding platform where they can campaign to fund their creative, innovative, and passion-driven projects.”¹ This study [8] also considered The Spark Project as one of the Filipino-oriented crowdfunding platforms that promotes Filipino skills by putting a bigger perspective on education and projects involving social entrepreneurs. It was also a plus factor that The Spark Project offers step-by-step guidance to all of its project creators to really understand the process of making a successful crowdfunding campaign. The platform offered tutorials on how to work on the videos and other features and, at the same time, personally guided by their staff every step of the way with the campaign. With these factors, the author and it’s partner SHiN believes that The Spark Project is the best avenue to feature Project SHieN (See 3.2).

Project SHieN was also promoted through SHiN Japanese Language School and

1 The Spark Project
<https://www.thesparkproject.com>

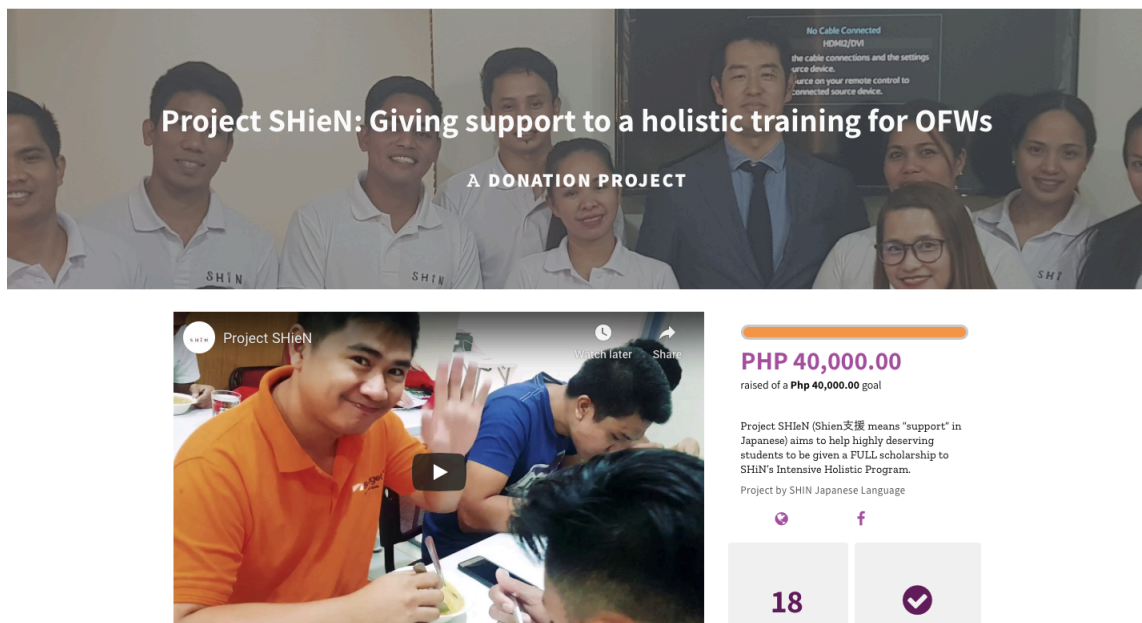


Figure 3.2 Project SHieN launched on the Filipino crowdfunding platform The Spark Project

Training Center 's Facebook Page with teaser videos and a full information post in parallel to the release of the crowdfunding project on The Spark Project.

The crowdfunding campaign 's funding period is for one month with a funding goal of Php 40,000 (Project SHieN can receive all funding support even without reaching the goal). The Spark Project compiled information on people who pledged funding for Project SHieN and provides it to the project creators through an online spreadsheet. The spreadsheet includes the name of the backer (full name or just a nickname depends on the backer), amount pledged to the project and their email address. The backer will automatically be provided money transfer information by The Spark Project through the email address they have given. Transfer of funding can be made directly to the project creators ' bank account or through online money transfer platforms (Paypal and DragonPay). Project SHieN creators will then confirm if the funding was successfully received in whatever money transfer option to The Spark Project and an email message will be sent to the backer to confirm the funding and to thank them of their support to the project.

3.3.2 Website

As quality information from the project creators is necessary to attain a trustworthy crowdfunding project to the crowd and to the potential backers, the author

worked with its partner SHiN on the official website of the start-up company. In addition, the website is also to be used as the base platform of the design of this research through its backend side.

Personal Account Creation through the Website

Once the successful funding transfer was attained, Project SHieN creators will be sending a message to its backers confirming the money transfer. This will also be an opportunity to directly extend gratefulness to the backers for supporting Project SHieN.

Included in the first message to be sent by Project SHieN creator is a unique Backer ID that the backers can use to log in to an account through the SHiN Japanese Language School and Training Center website. This Backer ID is automated by a backend system and unique to every backer ' s email address. Every Backer ID is connected to an account in SHiN ' s website. If there is an error in the Backer ID provided and it is not included in the database, the one accessing the account will not be let through.

In order to successfully create a personal account, the backer needs to click on the Sign Up page located on the homepage of SHiN ' s website. This action will lead the backer into a Sign Up page and some information is needed to proceed. The backer needs to enter an email address they would like to use for the account together with a password. At the bottom, the backer needs to input his/her unique Backer ID to successfully go to the next step. The next step (Profile) is for the backer to input his/her full name, city located, contact number (optional) and their Referred by ID that will be explained further in the My Referral and My Rewards section.

Features

A. My Updates

As one of the methods that the research wants to apply in the effectivity of crowdfunding in the Philippines, constant communication is a vital feature in this design.

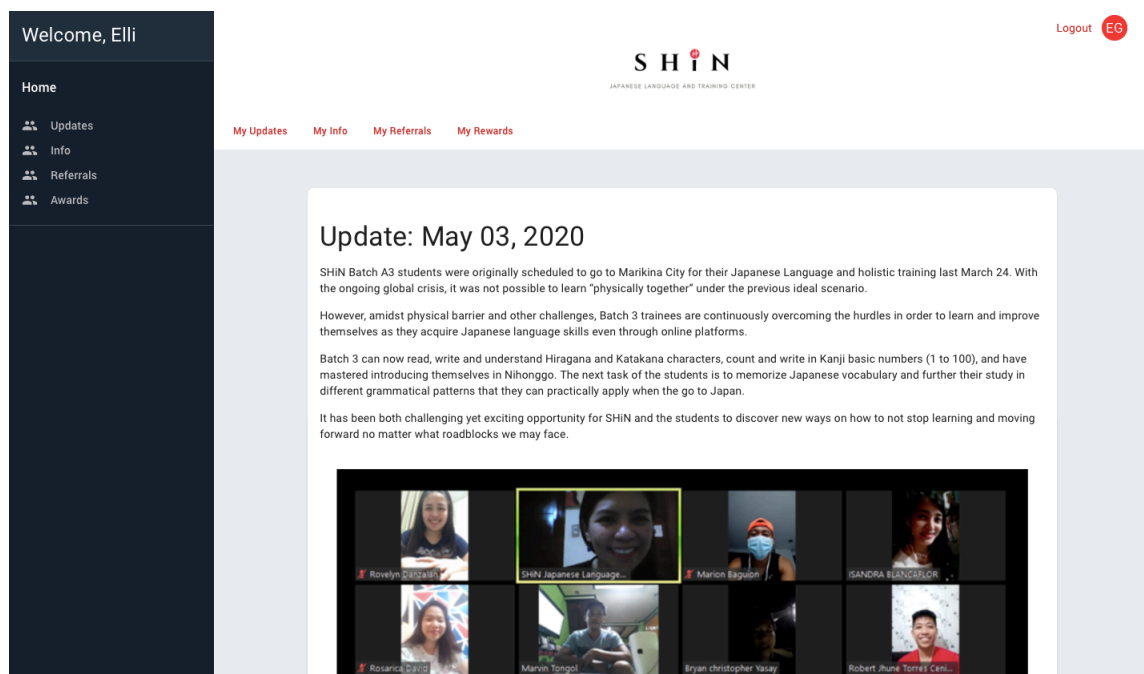


Figure 3.3 My Updates tab page inside the SHiN personal account of a Project SHieN backer

Once the backer successfully created an account, one of the main features included in it is the My Updates (See 3.3) which includes the bi-monthly status report provided by the Project SHieN creators. The information in the My Updates tab ranges from the screening process of possible students to be granted the funding, the learning process of students amidst the Philippine government lockdown implementation due to COVID-19, the success of Project SHieN when it concluded its campaign in The Spark Project, and more.

As part of the promise by the Project SHieN creators, updates were immediately provided two weeks after the start of the campaign. The first update posted on the My Updates tab is on March 13, 2020 — two weeks after launch of the campaign on The Spark Project platform on February 25, 2020. Every two weeks, project status updates are posted on this page which is also cross-posted on SHiN's Facebook Page.

B. My Referrals and My Rewards

Personal referrals is considered the backbone of the reward system method in this study since information and experience about crowdfunding initiatives are usually low before and even during the actual funding and people just tend to rely to other

people — particularly their peers and family — in acquiring interest.

When a backer attempts to create a personal account on the SHiN website, they will also be asked — together with the first and last name, city located and mobile number — of their Referred by ID. The Referred by ID also serves as the unique Backer ID of the person that referred an individual to fund Project SHieN. The backend system cannot let the person create an account without entering the Referred by ID so they will have to request it to the person who referred them to the project. The information on what the Referred by ID is about and how to get it is also included in the first email message sent by the Project SHieN creators upon the completion of the funding. In another case, any backer also voluntarily offers their Backer ID to the people they want to refer for the crowdfunding initiative.

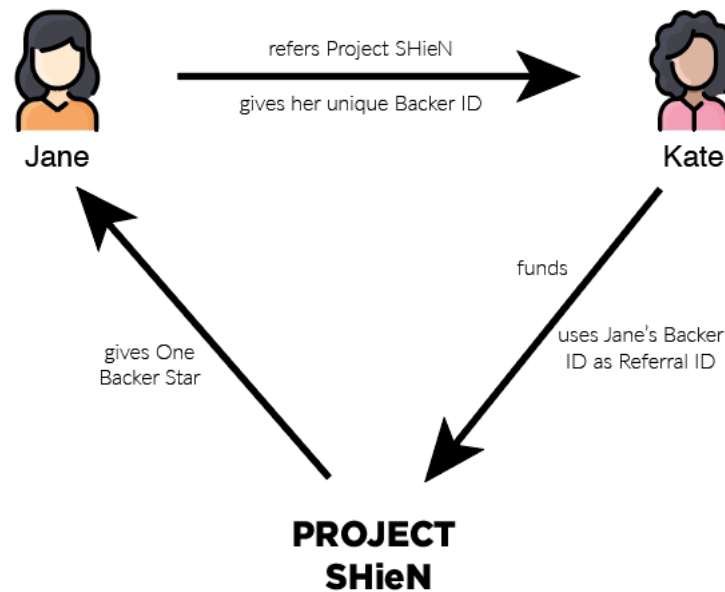


Figure 3.4 Process on how a backer of Project SHieN can receive point variables called “Backer Star”

Once the backer successfully completed creation of an account on SHiN’s website, they can have a chance to receive a point variable called “Backer Star” once a referred person also successfully funded Project SHieN. Figure 3.4 illustrates

how a backer can acquire a Backer Star with characters Jane and Kate who are characterized as friends in this scenario. Jane first refers Project SHieN to Kate after successfully funding it and making a personal account on the website. Jane also provided her Backer ID to Kate. Convinced by the project, Kate then also funded Project SHieN and created her own account using her unique Backer ID. Kate also entered Jane's Backer ID under the Referred by ID section. Upon Kate completing the creation of her personal account, the system will automatically tag Jane as the referee and will add a Backer Star to her account.

Every three Backer Stars that an individual receives will be turned into a coupon to be used in receiving the reward. SHiN Japanese Language School and Training Center offers a one-to-one private Japanese lesson session per coupon presented (transferable to anyone). The coupon numbers will be located on the My Rewards tab page and it also includes the instructions on how to receive the Japanese lesson.

Project SHieN started its campaign on The Spark Project crowdfunding platform February 25, 2020 and was concluded March 26, 2020. For its one month run, a total of 18 people backed the project on different increments of donation amount and with different methods of payment. It is also important to note that the location of backers of different nationalities were clustered in the Philippines, the United States but mostly from Japan.

Even with Project SHieN concluded its campaign through The Spark Project crowdfunding platform, the opportunity to fund the initiative can still be on-going to not limit the backers to refer it to their peers or family members. All backers were informed that, As payment methods can be done directly to Project SHieN creators, they can still share the information to other people and can still receive Backer Stars to receive rewards.

3.3.3 Data Collection through Online Survey

When the Project SHieN campaign concluded March 26, 2020, the researcher sent an email message to all of its backers that an online survey will be requested for them to answer in two weeks for the purposes of this study. In this message, the backers are also reminded of the personal account feature on SHiN's website that they can create using their Backer ID which will allow them to check the latest update about the initiative they supported. All backers were also encouraged to

let other people know about the project through sharing the initiative with them still can get an opportunity to gain Backer Stars for the rewards. Email messages with these reminders were sent twice (once every week) before the online survey form was delivered for answering.

The online survey form was sent to all backers of Project SHieN through their email addresses provided by the crowdfunding platform. The request to answer the survey was given two weeks after the crowdfunding campaign ended. This allows all backers to explore their personal account in the website and to check on two things: (1) receiving project status updates even after the campaign ended being true to the promise of consistent provision of information; and (2) referring the project initiative to other people in order to spread the information about the project and also to possibly gain the rewards.

The survey was made with Google Forms with an online format and can be easily accessed through a link sent by the researcher. Appendix A shows the questions included in the survey.

Composed of various range of questions, the survey is basically divided into two parts: the pre-funding and the post-funding of Project SHieN. This will allow the researcher to compare the impressions of the respondents to the crowdfunding environment in the Philippines in general and their impressions as they funded Project SHieN with the methods used in the research design. In addition, this also allows the researcher to find out if there was an improvement in the trust level of the respondents before and after their engagement to the two variables of this study. As also defined previously in this study, the trust level is determined through the knowledge-sharing behavior of the respondents.

Each question in the survey differs on the variables for answers. A mix of binary, nominal and ordinal variables are featured for the entire survey.

Pre-funding

The first part of the survey, pre-funding of Project SHieN, includes sub-parts to determine the aspects of crowdfunding impressions of the respondents related to the initiative they funded.

The donation history of the respondents were asked to determine if the one who

answered already had an experience on participating in any crowdfunding related activities. As this research revolved on a donation-based crowdfunding initiative and also because Filipinos are more familiar with this terminology, the researcher believes that their previous donation activities (even with the lack of it) can be an important determinant of their overall impression in crowdfunding.

To follow this, respondents were also asked of their impressions in general of crowdfunding. The answers provided ranges from their level of knowledge with just the terminology to their understanding on how it works. Expanding on this is a question on their impressions and knowledge of any Filipino-based crowdfunding platforms and initiatives that is then followed on the factors that might have affected their impression on it.

Since Project SHieN is an initiative focused on Overseas Filipino Workers, the researcher also felt the need to add in a comparison feature on any financial support made by the backers with pretty much the same initiative.

Post-funding

The first questions featuring the post-funding part of the survey involves the way the respondents have heard of Project SHieN. As part of the variables this research is working on is the strength of personal referral in the success of the initiative, it is a vital information to consider. Following this is the reason of the backers to fund the initiative. Respondents were asked to rank their answer (with 1 as the most important and 6 as the least important) based on what they think are the factors in funding the project. The question has six answers that are clustered into three predetermined categories by the researcher. The first one is the importance of communication (category posed concerning weekly updates and the quality of communication with the creators), next is the importance of rewards (category posed as receiving the free Japanese lessons upon referral and achieving points) and the last one was the importance of their relationship with the creators (category posed as being encouraged by a peer or family member that knows the creators and believing on the vision of the creators through the project). This will help the researcher measure the most important factors for the respondents in engaging in crowdfunding initiatives and if the variables used in

this study can be deemed as crucial for them.

Further to the survey involved a closer look on respondents' thoughts on the two variables focused on this research. To try to determine the impression of the respondents to the communication approach of the project through the consistent updates, questions about its effectivity in gaining a positive reaction were asked. The possible reasons of their response was also asked. The same goes for questions asked about their usage of the reward system and their interest to gain points through personal referrals.

The next section of the survey were questions to determine if trust was improved for the respondents through engaging in Project SHieN compared to their general impression of crowdfunding initiatives in the Philippines. This level of determining trust is then linked to the respondents behavior in sharing the information to their peers or family members. Included are the factors of why they wanted or did not want to share the information about Project SHieN to other people.

At the last part of the survey, the researcher wanted to analyze the perspectives of respondents looking into the future of crowdfunding in the Philippines. Through this section, the researcher aims to determine the most important factors into making the crowdfunding initiative in the Philippines to be more effective and to be sustainable.

3.3.4 Data Collection through Semi-structured Interviews

A few weeks after the sample completely answered the online survey, they were contacted personally again by the researchers for their participation for an interview that is still related to the study. All were informed that this will be an expansion of the information gathered from the survey and the questions will basically be revolving on the survey questions but elaborated. The semi-structured interviews were conducted in a span of 20 to 40 minutes and were made one-on-one with the interviewee. The participants were also informed that the interviews will be recorded and was provided a consent form indicating their agreement on participating on the interview for the purposes of this research (Please see Appendix B)

As seen on Appendix C, just like the survey, the interview was divided into two parts: the pre-funding and post-funding. The researcher made sure to emphasize

on this division and also informed the participants that their answers on the questions need to be on their pre-funding and post-funding perspectives.

3.3.5 Data Analysis

The collected data from the online survey answered by selected backers of the crowdfunding project through non-probability sampling were categorized based from the research questions indicated through the survey. Every question in the survey has a mixed type of variables for answers: binary, nominal and ordinal.

In the quantitative method, a descriptive analysis will be used with the data to provide a summary of the responses by the crowdfunding project backers. Using the data gathered from the survey, the researcher will work to get conclusions based from the answers of respondents on their perception on the experiment made.

Following the survey is an interview to be conducted by the researcher to all respondents of the survey. This will allow an expanded analysis on the feedback of the backers who participated in the project and the samples of the concept design of this research. An analysis was also conducted to prove congruence of the grounded theory methodology to the research questions. Codes from the transcribed interviews will be gathered through a manual method and will be categorized based on similarity and will be used to determine the major themes.

Chapter 4

Proof of Concept

This chapter contains the results of the mixed methodology design research done to answer the research question:

What factors would encourage Filipinos to trust crowdfunding projects by sharing information about it to others?

This chapter will repeat the data introduced in Chapter 3 of the demographics of the samples using a summarized table.

Also in the body of this chapter is a supporting interpretation of results through a quantitative method using a survey and a qualitative method through conducted interviews. A study [47] stated that this type of design is used for the purpose of comparing and contrasting quantitative statistical data from results with qualitative findings or to if a validation and expansion of quantitative results with qualitative data is necessary. With both methods combined, perception of Filipinos' trust level on local Philippine crowdfunding projects can be interpreted through describing data in summary and to be expanded during interviews with the samples.

To provide a summary of the results taken from the survey, the researcher uses a descriptive method to present the data. Themes used in the survey will be clustered accordingly based from the behavior of the samples. A major category is the pre-funding and post-funding set of questions.

In order to verify the results taken from the survey and to further prove the connection with the research question, interviews are conducted one by one with all the respondents of the analyzed survey. Transcripts will be reviewed and the researcher will label various topics that are important to the study through a manual coding method. These codes will be used to interpret the perception of the samples. As the codes are analyzed, major themes or patterns will be established

by finding out similar codes and clustering them into bigger groups. These major themes or patterns will help in reporting the findings from the narrative data gathered from the interviews.

4.1. Quantitative Method

4.1.1 Sample of Online Survey

At the conclusion of funding for Project SHieN through the crowdfunding platform The Spark Project, 18 individuals successfully backed the project and 13 of this group answered the survey provided to them. The survey was made with Google Forms with an online format and can be easily accessed through a link sent by the researcher.

As mentioned in Chapter 3, with the research focused on the perception of Filipinos in crowdfunding activities, the researcher made sure that all samples for this research are Filipinos. Their location is not limited only in the Philippines but with also samples coming from Japan. limited to their location. Particularly, more than half of the samples are based in different parts of Japan with seven and the other six situated in the Philippines.

Table 4.1 illustrates the gender of the respondents with their age range with 53.85 percent has ages that range from 21-30 years old and the other 46.15 percent on the ages of 31-40 years old. The table also shows the occupation of each sample that significantly varies from different industries with a company employee, quality surveyor/civil engineer, publicist, document specialist, associate manager, data center technician, accountant, SAP consultant, company associate, researcher, educator, two students and an auditor. It is also significant to note that 69.23 percent (nine of the 13 individuals) of the samples has an experience working abroad, not necessarily in Japan. Of these nine samples, seven of them are currently working outside of the Philippines.

4.1.2 Data and Analysis

As previously mentioned, the survey provided for a quantitative study is divided into two parts; pre-funding and post-funding. Pre-funding represents perspectives

Table 4.1 Demographics of Samples

SEX	AGE RANGE	OCCUPATION	OFW EXPERIENCE
Male	21-30	Student	No
Male	21-30	Student	No
Female	21-30	Employee	No
Female	21-30	Civil Engineer	Yes
Female	31-40	Publicist	Yes
Female	21-30	Document Specialist	Yes
Female	31-40	Account Manager	No
Female	31-40	Data Center Tech	Yes
Male	21-30	SAP Consultant	Yes
Female	21-30	Company Associate	Yes
Female	31-40	Researcher	Yes
Female	31-40	Educator	Yes
Female	21-30	Auditor	Yes

Note. Includes each samples' sex, age range, occupation and if they have an experience as an OFW (Overseas Filipino Worker)

before the samples funded the crowdfunding project used for the purpose of this research's concept design — Project SHieN. This is necessary to compare the behavior of the samples from before and after the funding and will help the researcher find out if the variables used in this research will answer the research question in raising the trust of Filipinos in supporting crowdfunding projects.

To avoid confusion on the part of the respondents, every question on the pre-funding section of the survey emphasized on the phrase “Before funding Project SHieN” and the post-funding section with the phrase “After funding Project SHieN”.

Pre-funding

Part of the pre-funding set of questions is to ask the samples donation history. As mentioned in Chapter 2 of this paper, a study by Vergara (2015) was conducted to test the donation activity of Filipinos with the results showing 96 percent of its

118 samples had an experience in a donation activity. Almost the same result was gathered in this study with 92.3 percent (12 individuals) of the samples answered that they previously supported a business/charity organization/social cause before through donating money. Contrary from the reconnaissance research mentioned in the related literature that says Filipinos tend to support foreign organization/-group initiatives, most of the respondents who previously had an experience in donating money answered that they supported local groups or organizations. Some of the organizations/groups mentioned are Bantay Bata (a charity organized by a major TV network to help street children), Gawad Kalinga (a charity focused to alleviate poverty), PAWS (a charity helping animals), SOS Children Villages (a small community charity helping children), Smile Train, UNICEF, Christian School Charity, typhoon /natural disaster victims and other small organizations through friends. Half of the 12 respondents answered that their method in donating through these organizations are through online. When survey respondents

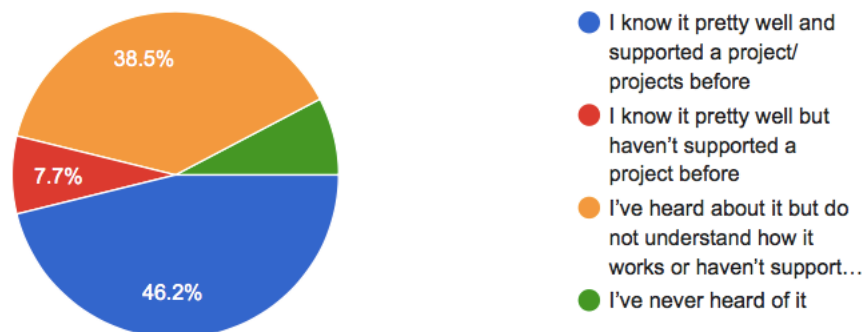


Figure 4.1 Samples' response on their crowdfunding knowledge

were asked of their crowdfunding knowledge before Project SHieN, majority of them knows what crowdfunding pretty well and even supported an initiative previously. As shown in Figure 4.1 shows the respondents answers on the question

“ Before Project SHieN, what is your level of knowledge about crowdfunding? ” . 46.2 percent of the respondents answered they are pretty well informed about crowdfunding and supported a project/projects before. 38.5 percent of the respondents also answered that they have heard of what crowdfunding is but do not understand how it works, therefore, not supporting any project yet. When further asked of their impression on any Filipino-based crowdfunding project, six respondents expressed that they want to support it and four answered that they think it will be interesting but is in need of more information before the idea of supporting it. Three of the respondents admitted that they are suspicious of any Filipino-based crowdfunding project and will also require more information about it. The survey also included an inquiry on the probable factors that affects their impression on Filipino-based crowdfunding platforms. Respondents were asked to choose all factors presented as they see fit on their perspective. They are also given an ‘ Others ’ option to add in a factor that they think is necessary. Figure 4.2 illustrates the feedback taken from the respondents of the question asked. With the most number of points garnered is the ‘ Trustworthiness ’ with 13 points followed by ‘ Accessibility ’ with 11 points. ‘ Novelty ’ and ‘ Cause and Value ’ received one point each. With this result of all respondents considering this as a factor in their impression of Philippine crowdfunding efforts, trustworthiness is the supreme determinant of their behavior.

Included in the pre-funding set of questions is the experience of the samples in engaging in any OFW initiatives (not limited to crowdfunding). The researcher believes this question is necessary in order to have a comparison with Project SHieN which basically has the same vision or cause.

Out of the 13 respondents, only three had heard or been engaged in any initiative for OFWs. Of these three, no one had successfully fund any of these activities. Respondents were asked to answer as much reason as they can on why they failed to support these initiatives for OFWs. Two samples answered ‘ no regular updates ’ and another two answered ‘ I did not feel like I ’ m getting anything ’ . One reasoned that the funding cannot be done online so giving support was not accessible and another reasoned financial issue as a factor. However, when asked if they shared the information on these initiatives through other people, all of

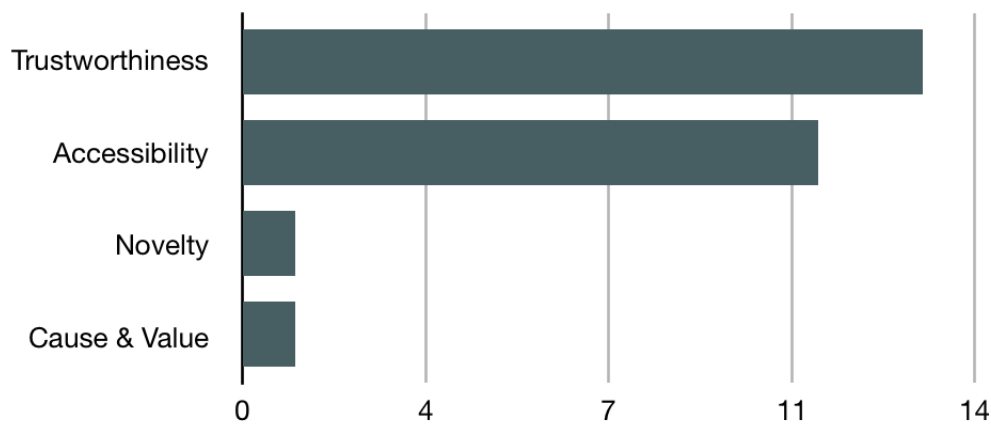


Figure 4.2 Factors that affects your impression on Filipino-based crowdfunding platforms knowledge

them answered that they did with two of them using SNS and another through word of mouth in relaying of information to their peers/family members. When asked on answering as many factors as they can that influenced their willingness to share the information, three respondents answered that they trusted the person who referred them to the project and two respondents answered because of the updates they received from the project creator.

Post-funding

The researcher, together with the founders of its partner company SHiN Japanese Language School and Training Center, worked on the crowdfunding campaign — Project SHieN. Project SHieN is a donation-based project that aims to receive funding in order to support the financial needs of trainees as they enroll for the program in SHiN. At this second half of the survey, the respondents were asked of their thoughts after funding the crowdfunding campaign. As mentioned, the post-funding section of this survey emphasized on the use of the phrase “ After funding Project SHieN ” to prevent confusion on the part of the respondents.

When asked of how the samples find out Project SHieN, the majority answered that it was recommended to them by a peer with 76.9 percent. Furthermore, the samples were asked to rank on the importance of their reasons in funding the crowdfunding initiative. Asked to check columns from 1 to 6 (1 being the most important and 6 being the least important), the survey respondents checked the box that will indicate the rank of the reasons for their funding. The researcher provided three variables in this ranking with two components per variable. The three variables are: (1) Communication (2) Rewards and (3) Referral. For (1) Communication variable, the components to represent it in the ranking are “The weekly updates available on the crowdfunding platform” and “The communication with the people behind the project is good and seems trustworthy”. With the (2) Rewards variable, the two components are “I want to avail the free Japanese lesson reward” and “I like getting points for self accomplishment”. With the Variable (3) Referral has the components “I was encouraged by a colleague/peer/family member to give back to help people in need in my community” and “I believe in the vision of the people who recommended it to me”. Table 4.2 shows the components clustered together based on their respective variables with their corresponding number of respondents’ preference on a specific numbered ranking. The median point, which is the neutrality of the respondents’ answers, is between columns 3 and 4.

Using a central tendency method marginal frequencies ranking, Table 2 shows us that the cluster for variable (3) Referral ranked most important (column 1) five times with both components having five points each. At column 2 (which represents second most important), both components under the (3) Referral variable both got four points each. This implies that the majority (10 out of the 13 samples) answered within the variable (3) Referral as their most important reason and 8 out of 13 samples as their second most important reason in funding the crowdfunding initiative used in this research. In contrast, the component ‘I like getting points for self accomplishment’ under the variable (2) Rewards ranked least important (column 6) as the reason for their funding of the crowdfunding project seven times. At column 5 (representing second least important), both components under the (2) Rewards variable both got four points each. Implied by the results shown on Table 2, the majority (10 out of the 13 samples) answered

Table 4.2 Samples' reasons on funding Project SHieN

	1	2	3	4	5	6
The weekly updates available on the crowdfunding platform	0	0	3	4	4	2
The communication with the people behind the project is good and seems trustworthy	3	4	5	1	0	0
I want to avail the free Japanese lesson reward	0	1	0	5	4	3
I like getting points for self accomplishment	0	0	0	2	4	7
I was encouraged by a colleague/peer/family member to give back to help people in need in my community	5	4	4	0	0	0
I believe in the vision of the people who recommended it to me	5	4	1	1	1	1

Note. Ranking of importance with 1 being the most important and 6 being the least important

within the variable (2) Rewards as their least important reason in funding the crowdfunding initiative used in this research.

As one of the variables used in this research to determine the factors that would help raise the trust of Filipinos in supporting crowdfunding projects, the researcher used a bi-monthly project update schedule promised to the backers of Project SHieN even before the funding of the crowdfunding initiative. The information in the My Updates tab available for access of all backers through the SHiN website ranges from the screening process of possible students to be granted the funding, the learning process of students amidst the Philippine government lockdown implementation due to COVID-19, the success of Project SHieN when it concluded its campaign in The Spark Project, and more. As part of the promise by the Project SHieN creators, updates were immediately provided two weeks after the start of the campaign through the My Updates tab on the website, an email newsletter and through SHiN's Facebook Page. With this, the variable for (1) Communications was intended to be analyzed through a section on the online survey of Project SHieN updates asking the samples of their impressions on the updates provided by the crowdfunding project creators. When asked of their preferred method in receiving updates, majority of the respondents answered that they prefer to get information through email with 91.7 percent and all answered that the bi-monthly frequency is just right. Respondents were also asked of their impression on the updates with choices ranging from "really like", the neutrals "somewhat like" and "somehow do not like" to "do not like" receiving updates. 50 percent answered that they "really like" receiving updates about the project and the other half answering "somewhat like". For further inquiry on why they answered such, the respondents were asked to choose all the reason that applies and can add in other reasons on the "Other" option. In Figure 4.3, results show that through the updates, 9 out of the 13 respondents felt more involved in the project. Following it is another strong reason of knowing their donation is used properly with 8 out of 13 respondents answering it and 6 out of 13 answered they like having communication with the project creators. This result is an answer to the Swift Trust Theory [14] in having a deeper relationship between backer and creator even after the transaction.

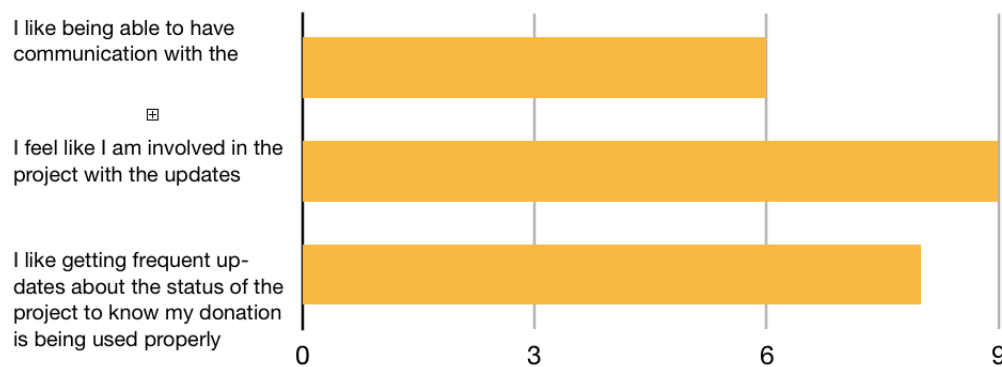


Figure 4.3 Reasons of samples' impression on the updates provided by project creators

Another variable used in this study is (2) Rewards that is linked through personal referrals. As mentioned in Chapter 3, a reward system through personal referral is used because information and experience about crowdfunding initiatives are usually low before and even during the actual funding and people just tend to rely to other people — particularly their peers and family — in acquiring interest. With “Backer Stars” that can be acquired after referring a peer/family member to also fund Project SHieN, this can be accumulated and will turn into a coupon that can be used to receive free Japanese lessons in SHiN Japanese Language School. Respondents of the survey were asked if they were interested in getting rewards as they were funding the project but unfortunately, the interest was very low. Out of the 13 respondents, only one had an interest in the reward system. When further asked of the impression about it, the respondent answered that it was interesting didn't get the chance to refer anyone in order to gain Backer Stars.

After the questions relating to the two variables, the researcher also questioned the respondents' feeling of involvement to the project because of it. On the survey, respondents' were asked if they felt more involved in the crowdfunding initiative after funding. 12 answered in the affirmative with 92.3 percent. They

were also asked of the factors that made them feel involved in the project letting them answer as many options as they think are necessary. The top reason of them feeling more involved is because of communication with the people behind the project through regular updates with 9 out of the 13 respondents' choice. 7 out of the 13 respondents felt like they are more involved on the project by starting to check more about the concerns of OFWs with the person who recommended it to them. One respondent also answered that the rewards had been a factor of their feeling of involvement in the project.

Table 4.3 Factors that made respondents trust Project SHieN

Answer	Number of Answers
I trust the person who recommended it to me therefore I trust the project too	13
Communication with the people behind the project was good through regular updates	9
I can see the points credited to me upon funding (through my personal account in official website)	0
Others	0

Considering the two dimensions of trust that was introduced by Ganesan Hess (1997) and was also identified by Raimondo (2000), credibility and benevolence had been the inspiration of the variables used in this study to determine the factors that would help raise the trust of Filipinos in supporting crowdfunding projects. From the start of getting to know about Project SHieN to their standpoint after funding it, the survey included a question of an increased level of trust on the project. All respondents answered affirmative in this question and further asked of the factors why their trust increased. Again, respondents can answer as many as they want from the given options and can even include other answers through the 'Others' section. Table 4.3 shows the result with all respondents answered the option 'I trust the person who recommended it to me therefore I trust the project too'. Relating this to the reconnaissance research mentioned in the related literature made before the concept design for this study, Filipinos tend to support projects that are recommended to them by someone they know. It can be said that with this result, the person who recommended them the project is

also a personification of the project itself. Even without the benefit of receiving anything in return with the referral, as long as a person who recommended it has a relationship to an individual, it is still a strong factor in trusting something especially in a tight-knit community-based society in the Philippines.

In addition, 9 out of 13 respondents answered the factor they trust the project is through ‘Communication with the people behind the project through regular updates’. This is in congruence to the question asked regarding the respondents’ impressions on crowdfunding in general before they funded Project SHieN. Even with 30.8 percent being interested and 23.1 percent being suspicious, in total with 53.9 percent of the sample seeks more information to know more on any Philippine-based crowdfunding projects before they can have a good impression. The result after the funding of Project SHieN proves that being provided with constant information through regular updates is a strong factor in building a good level of trust for Filipinos in supporting crowdfunding efforts.

Table 4.4 Points mentioned by respondents when sharing information about Project SHieN to others

Answer	Number of Answers
The person who recommended this project is trustworthy	7
Sufficient updates provided	3
Project proponents communicates well	3
Rewards that can be received	3

As an indication of trust introduced in this study, sharing of knowledge to other people is a determinant in measuring it. This is the reason why a survey question was included if the respondents shared the information about Project SHieN to other people. 61.5 percent of the respondents said that they indeed shared the information with 75 percent of them used SNS and 25 percent through word of mouth to do so. The respondents were also asked of the main points that they mentioned to their peers or family members when they shared the project. Table 4 shows the various points respondents used when they were trying to inform other people about Project SHieN. All the options for answers represent a certain variable used in this research and randomly arranged on the survey. The answers ‘good cause’ as a topic for sharing and the point that ‘the person who referred

this to me is trustworthy ’ under the variable (3) Referral were both answered by 7 out of the 8 respondents. The points ‘ creators communicates well ’ and ‘ sufficient updates provided ’ that is part of the (1) Communication variable were both answered by 3 out of the 8 respondents who did share the project information to others. The answer ‘ rewards can be received ’ representing the (2) Rewards variable also received was also answered by 3 out of the 8 samples. The 5 respondents who answered that they didn ’ t get to share the information of the project to other people mentioned that they didn ’ t have time to share it (4 respondents) and that they need to see the results first (1 respondent).

Aside from determining if the trust level of the respondents increased after funding Project SHieN through the experience presented in this study ’ s concept design, the researcher would also like to find out if it made some changes in the perspective of the sample into possibly funding other crowdfunding projects in the future. When asked if willing to support other local crowdfunding projects in the Philippines again, 92.3 percent of the sample (12 out of the 13 respondents) answered positively. This result can also be compared to the pre-funding question about the respondents ’ knowledge in crowdfunding and their impressions on a locally based project in the Philippines. From the 46.2 percent of absolute willingness to support a Philippine-based crowdfunding project, after experiencing the components involved in the concept design of this research, the willingness to support jumped to 92.3

In Table 4.5, respondents answered their reasons of why they are willing to support other Philippine-based crowdfunding projects in the future. 8 out of the 12 respondents answered that they ‘ …want to continue extending help to groups/businesses in need of financial support to start their initiatives ’ and 6 out of the 12 respondents answered that they ‘ …want to to be more involved in various initiatives ’ . These answers represents the sense of *bayanihan* for Filipinos with their motivated response of the samples in helping their community be further assisted financially with their initiatives if needed. 4 out of the 12 respondents also answered that their ‘ …experience in funding Project SHieN was good ’ which led them into a possibility in supporting other projects which indicates the varied effectivity of the variables used for the concept design of the research.

Table 4.5 Reasons of samples in possibly supporting Filipino crowdfunding projects in the future.

Answer	Number of Answers
I want to continue extending help to groups/businesses in need of financial support to start their initiatives	8
I want to be more involved in various initiatives	6
My experience in funding Project SHieN is good so supporting other projects is possible	4
I want to assist in expanding the crowdfunding platform reach in the Philippines	1

4.2. Qualitative Method

4.2.1 Sample of Interviews

After the samples answered the online survey through Google Forms, respondents agreed to be interviewed about the same topic that revolved around the crowdfunding project they funded. All respondents were sent an email and personal messages through SNS asking their permission to further share their perspectives about the concept design that they participated at. They were all informed that the semi-structured interviews will be done one-on-one and will be done through Zoom, a cloud-based video conferencing service. The online video conferencing was preferred for this interview considering the COVID-19 pandemic that limits people to personally meet in any given situation. The interview was recorded through a recording option in Zoom for the purposes of transcribing the responses made by the individuals. The language used for the interview is a mix of English and Filipino and will be translated entirely by the researcher in the English language.

Taking into consideration that this qualitative study is an expansion of the data acquired through the quantitative data gathered through the online survey, the respondents on this qualitative method is coming from the group of people who answered the survey used in this study. Out of the 13 respondents who answered the online survey, 11 individuals agreed to be part of this interview.

Similar to the reasoning used with the quantitative method for this study, this

research focused on a sample of Filipinos considering that their perspective in their crowdfunding behavior is analyzed in this paper. The location of the samples are not limited only in the Philippines but with them also based in Japan. In particular, more than half of the samples are based in different parts of Japan with seven and the other five living in the Philippines by the time the interview was conducted.

Table 4.6 Demographics of Samples for Interviews.

SEX	AGE RANGE	OCCUPATION	CODE NAME
Male	21-30	Student	Respondent 1
Male	21-30	Student	Respondent 2
Female	21-30	Employee	Respondent 3
Female	21-30	Civil Engineer	Respondent 4
Female	31-40	Publicist	Respondent 5
Female	21-30	Auditor	Respondent 6
Female	31-40	Account Manager	Respondent 7
Female	31-40	Data Center Tech	Respondent 8
Male	21-30	SAP Consultant	Respondent 9
Female	21-30	Company Associate	Respondent 10
Female	31-40	Researcher	Respondent 11

Note. Includes each samples' sex, age range, occupation and their respective code names.

Table 4.6 shows the demographics of the individuals who participated in the interview for this study. The table includes the sex of the respondents followed by their age range with 66.67 percent has ages that range from 21-30 years old and the other 33.33 percent on the ages of 31-40 years old. Also included respectively are the occupation of each sample that significantly varies from different industries with a company employee, quality surveyor/civil engineer, publicist, document specialist, associate manager, data center technician, accountant, SAP consultant, company associate, researcher, two students and an auditor. Through the entire data analysis in this qualitative method, the researcher will be using the code names to represent the respondents when their thoughts will be quoted on the thick description of the major themes.

4.2.2 Data and Analysis

All interviews conducted were coded in a manual method. The semi-structured interviews were conducted in a span of 20 to 40 minutes and were made one-on-one with the interviewee. Considering the interviews were done one-on-one with the interviewer, this allowed certain analysis time before proceeding to interview the other participants. After the interviews, transcribing was made and a rough initial analysis was made immediately after through the recorded file used with Zoom. Every after interviews, the amount of codes builds up and more number of occurrences to codes that are already identified. Through the codes identified from the transcribed interviews, major themes and patterns emerged after analyzing the categories each codes needed to be clustered to. Appendix D shows the codes manually identified after analyzing the transcripts from the interviews. Once the codes were listed, somewhat similar codes were marked with symbols (used shapes of circles, triangles, cross, stars, and hearts) to easily determine the possible cluster that each code can be categorized to. After listing each code under their respective symbol, the researcher named the symbolized group under a common theme. Furthermore, closely similar codes were integrated under an umbrella group in order to uniformly define a certain selective code. In order to determine the number of mentions of the codes from each participant, numbers based from the Respondent Number used for their code name (refer to Table 4.6).

Questions given to the participants of the interview were closely structured from the online survey questions provided for the quantitative methodology. Compared to the online survey with mostly close-ended questions, the interview participants were asked to expound on their given answers previously. However, similarly to the quantitative method, there was a clear notice to the participants that the interviews will be divided into two parts: their perspective before funding Project SHieN and after their funding. Some questions were asked to all participants and some were not based from the grounded theory methodology used in this study. As an example, not all participants had an experience supporting or hearing about an OFW initiative so the questions pertaining to their experience on it was not further asked to the other participants.

Throughout the data analysis of the qualitative method in this paper, section headers will pertain to the major themes that emerged based from the collected

codes. Based from the analysis, there were six distinct patterns that came out: codes on negative perspectives, codes on impressions, codes on connectivity, codes on unreciprocated support, codes on communication and codes on emotions.

Negative Perspective

Sketchy. The term sketchy is applied in this paper as the reluctance of people to fully trust any initiative that goes along their radar. Sketchy is usually used when there is an amount of doubt in the mind of an individual about the trustworthiness of an organization, a group, a project or even another individual. There were three open codes similar to this selective code. Other terminologies under this similar selective codes are *scams*, *hesitation*, *credibility*, *doubt* and *opportunistic*. Sketchy has several mentions with 83.33 percent of the participants uttering the terminology with a couple having mentioned it twice in their interview. The code *scams* was also uttered various times with more than half of the participants citing this as their reason of having a sketchy perspective. *Credibility* also has several vignettes followed by scattered mentions of the other codes.

Two participants shared their experience of having a sketchy thought when they see organizations or groups asking for financial help publicly.

When I see people asking for donations in malls or any public areas, I have a feeling that their marketing strategy of just approaching random people for money is sketchy. (Respondent 2)

I associate the people who come up to me in public areas to ask for financial help as people who would like to offer me credit card applications. It feels like we're having a business transaction so it makes me doubt their credibility. (Respondent 11)

When asked of their crowdfunding knowledge and impressions, more than half of the participants has an idea about it but mentioned that *scams* — which are usually prevalent in the Philippine environment — are becoming a prominent reason why they find supporting a crowdfunding effort feels sketchy. The popular *scams* or suspicious activities in the Philippines that caused a certain type of

funding trauma to Filipinos are the networking marketing scam and pyramiding scams. These type of scams received a wide media attention in the Philippines with many victims taken of their money without anything in return. The following participants summed up the bad image of the mentioned scams leading her to having doubts in extending funding support to random groups asking for help.

I have heard of crowdfunding before but, honestly, I have a bad impression on it because of the scandals before. Those pyramiding...and networking scams. It seems similar. (Respondent 6)

I became hesitant to help some crowdfunding efforts because of the networking schemes that's still popular in the Philippines now. I can't just give out money because of that. (Respondent 9)

Poor trust level on the Philippine government is also another hindrance on perception of the participants in extending help to funding efforts like crowdfunding. One participant who had previous activity with a government official/agency shared her reasoning.

It will make me rethink my actions because I don't trust the system in our environment right now. Having personal bad experiences with the government, it's difficult to trust at the moment. (Respondent 7)

Also considering the socio-economic landscape of the Philippines, some participants expressed that the idea of crowdfunding of asking for monetary help for a project initiated is inclined into being opportunistic.

My crowdfunding impression is not so positive because it feels opportunistic to me. The act feels like asking for alms to a community that is already poor. Even if there are people who are a bit well-off, most of the Filipinos are still living below the poverty line and it feels wrong to ask for monetary help from them. (Respondent 2)

Mismanagement in Funding. This selective code emerged from eight vi-

gnettes under similar codes. Participants have mentioned worries on possibilities of mismanagement in funding gathered when referring to local organizations seeking donations and their idea of local crowdfunding initiatives. This was revealed to be another issue that prevents Filipinos in being more involved in crowdfunding projects in the Philippines. Respondent 10 shared her previous experience in funding a local organization focused on helping animals and what led her into thinking that the funding acquired might be mismanaged.

I got disappointed when I funded the organization because I didn't receive any kind of feedback from them after I donated. I didn't know what happened with the donation so it made me think that maybe there had been some mismanagement of funds. (Respondent 10)

Respondents 5 and 7 has the same concerns about handling of local organizations of the funding they are receiving from their initiatives when they were asked of their impression on Filipino organizations doing projects for fund-raising. Respondent 7 even had the impression that the thought of having a middle-man in this set-up is defeating the purpose of providing help to those in need.

I'm very concerned with the possibility of mismanagement of the money that they will receive. I don't know the organizations thoroughly so it's difficult to just trust. (Respondent 5)

Of course extending help to Filipino charities is good because they really might need them but I have a feeling that the money doesn't go directly to the people who really needs it. (Respondent 7)

Several participant in the interview expressed their preference to support international organizations due to their perception that foreign groups handles finances in a better fashion than their local counterpart. Respondent 1, even with no experience in supporting any international crowdfunding project, thinks that he can trust international organizations more than local when given a situation of choosing between the two with same objectives and same recipients.

International organizations tend to have more authority on what their goals are and how to make it effectively possible and will probably be followed by other Filipinos. However, I will definitely consider the more effective group who can attain the objective and the expertise of the people who will administer it, without considering if they are foreign or not. (Respondent 1)

Respondent 5, who had an experience in supporting a well-known international organization focused on helping people with clef, highly considers the size of the group when she studies the organization she 's going to help.

The organization I helped was a huge one and it also made it easier for me to help them. Since big international groups tend to have a more organized methods in handling their funding compared to small ones, my trust on them is higher. (Respondent 5)

International rules for donating is the main drive for Respondent 7 to donate on charitable projects set by the company she 's currently working at. Working at an international consulting firm, Respondent 7 believes that the initiatives presented to them by their company 's CSR department is trustworthy.

I prefer donating on initiatives our CSR department presents us because our company has a international set of guidelines in the donating process so I felt like that is more trustworthy. (Respondent 7)

Filipino Culture. Several participants of the survey mentioned the problems in the Filipino culture when asked on their impression on crowdfunding initiatives. Several of them mentioned that aside from the various negative issues that hinders financial support on initiatives, Filipinos can 't also help but have negative impressions because on the way their family or their community had dictated on them. Respondent 2 explained on the attitude of Filipinos when in need of financial support.

Filipinos are not the type to ask for help in terms of financial troubles and also

not fast to give out money to anyone. It's just how we are. I think that the Filipinos behavior in giving is community-based so they need to know the person deeply before there is such talks about financial support. (Respondent 2)

Respondent 4 also added on this sentiment but looking at the Filipinos' uneasiness in discussions about money even on the context of crowdfunding.

There is a culture in the Philippines that people are too shy with the idea of asking people for help with money and such discussions tend to be awkward for the person who needs support. (Respondent 4)

Even with the idea of sharing information about a project they supported is something that they are reluctant to do due to their own personalities. Respondent 1 and 8 expressed their sentiments on this matter.

I'm really not the type of person to share information about financial support to friends or even just through SNS. (Respondent 1)

I think I'm somewhat shy to tell people about a donation I made. I don't want them to think that I am boasting about it so I prefer not to do any sharing. (Respondent 8)

It also became difficult for Respondent 1 to start considering financial support to any crowdfunding initiative and even donating to organizations. For him, his upbringing has something to do with his scrutiny to such initiatives.

I might have an interest on such projects but I will always have to scrutinize before supporting it because I need to be cautious in the possibility of scams. Maybe it's because of my upbringing that I really need to have a good relationship to the person who needs help before even considering it. (Respondent 1)

Initial Tendency to Give Support

Urgency. When asked of their donating behavior, four participants who had

previous donating experience mentioned that urgency had been a factor in them providing support. Especially due to the recent circumstances (COVID pandemic), there were a lot of groups and organizations seeking financial support and Respondent 5 and 8 are some of those who extended help immediately because she knows the prompt need for it.

There were lots of options on where to help and I want to jump in because everything about the pandemic is urgent. I chose to help the group referred to me by a friend because they were making a project to help the medical front liners. I know that that was what was needed at that moment. (Respondent 5)

I provided just a small amount to help those in need and I made sure more people know about how to help. It's because I believe there is a need for a fast response as it was an emergency. (Respondent 8)

Respondent 2 expressed his thoughts on why donating for emergency causes or major calamities are supported more by Filipinos.

With donations for calamities or emergency situations, Filipinos tend to reach out more to help since these are basic needs that requires immediate attention. However, if it's a, for example, crowdfunding for a business, I don't think it's immediately necessary so Filipinos doesn't have an emotion to help at once. (Respondent 2)

Visibility. Some of the participants revealed that when they see a funding project out in the open with such presence, they had this urge to be more interested and help out. Another code in accordance to this selective code is *accessibility* with four vignettes in total. Respondent 2 recalled that he donated to his chosen organization because he always see its name in his neighborhood and when he saw it while he was on the airport, he decided to take a step and help with the funding.

I remember seeing the name of this organization all the time at home so when I saw them at the airport, I approached them and decided to donate. There's

nothing particular about the organization that I'm interested in. Honestly, at that moment, I just felt philanthropic. (Respondent 2)

For Respondent 11, the visibility of the calamity donation drive made by a major television station in the Philippines urged her to finally support and make the call to help.

It was a calamity donation drive and it was broadcasted live on TV. There was also a live update on how much money they already collated. It made me think that there were a lot of people who already gave their donations and it made me do the same. (Respondent 11)

Respondent 7 also recalled the chance to donate through the points she acquired by using the services of an online food ordering and delivery app. She said that she kept seeing the advertisement on how to donate through the points she collected from using the platform and since it was very accessible, she didn't think twice in turning her points into an extension of help.

The points are not something I paid for anyway. Those are just points I got from using the service which I already got. So there was really nothing to lose for me. I think that is a very clever way to make a donation initiative. It's very accessible to the funder, with just a few clicks and it can be done. (Respondent 7)

Accessibility in sharing information is an effective way to make people be more participative on the projects that Filipinos are funding. Respondent 11 shared that she wasn't able to share the information of Project SHieN even if she liked it. She suggested on an easier way to do so.

I didn't have time and opportunity to share Project SHieN to others because for me, the sharing idea is with the ease of sharing. If there is a more accessible and easy way to share — with me not having to go to my SNS account just to share — I think I was able to do so. (Respondent 11)

Content. From the onset of introducing a crowdfunding project, the content is a make or break situation for the participants of the interview. Through the content, the project creators can tell the story of their project initiative and the value of it. Under this selective code, *value* and *relatable* are also open codes gathered with eight total mentions from the interviews. Some participants shared the value of the content when they were introduced to Project SHieN. They acknowledged the importance of the website that gave the project a stronger trustworthiness and the story that was told through the crowdfunding platform — The Spark Project.

I' m very impressed on the information available about Project SHieN because it gave me the feeling that it is not a scam. I was able to check the address and even the contact number through the website and made my research before funding a lot easier. (Respondent 1)

When I went to The Spark Project, there was a bracket of the amount that we can donate and its equivalent to how we can help the scholars. I think that detail makes it easier for the funders to understand where their money will be allocated. (Respondent 7)

It is very important for Respondent 5 — an experienced Publicist — that the content has everything she needs to know and how it resonates on her just through the text and video.

The website made it legitimate, I guess. I really check on the value of the project and if it is well made, I am willing to fund it. (Respondent 5)

Majority of the interview participants are OFWs or has family members who are OFWs so most of them mentioned that they can relate on the objective of Project SHieN which also because a reason of their support. Respondent 3 has a family member who is an OFW and Respondent 8 is currently an OFW so they understand the objective of the project when it was introduced to them.

When the project was introduced to me, I immediately got it because as a daughter of an OFW, I know their situation and I can somewhat relate. It made me

want to know more about how I can help. (Respondent 3)

The main reason of me funding Project SHieN is its objective to help OFWs. I also experienced the situation of being a trainee that is really struggling with finances when training before going to Japan. It was extremely difficult. So when I heard about the project, I was encouraged to help these people because I know what they 're going through. (Respondent 8)

For Respondents 1 and 9, they can relate on the struggle of surviving in a country without knowledge of their language which is one of the main focus of Project SHieN. Both respondents are currently living in Japan and studying the Japanese language which made them feel they are in the same situation of the people they are helping in Project SHieN.

I am studying Japanese now so I know it's difficult. Also, I attended a Japanese language school before going to Japan and my classmates there are trained to be OFWs. I got the chance to meet people who are the same with the recipients of the funding from Project SHieN so it made me want to help them. (Respondent 1)

The vision about learning the Japanese language is relatable to me because I'm also learning the language. For me, we are on the same journey and it made me want to support them. (Respondent 9)

Relationship

Based from the online survey conducted for the quantitative method of this study, all respondents found out about Project SHieN through someone they know (a peer or a family member) which was also confirmed when asked during the interview. The samples revealed a varied level of relationship with the creators of the project and all admitted that they wanted to support the vision and intention of the creator. This became the majority 's reason for funding Project SHieN as also shown on Table 2 of the qualitative method used.

The code relationship together with selective codes *recommended*, *referral*, *character* and *person over project* were, in total, mentioned plenty of times during the

interview with Respondent 9 summarizing this major theme with his thoughts on crowdfunding in a Philippine setting.

Relationship is used as a currency when we are talking about crowdfunding in the Philippines. It is most important for a project creator to have a certain level of relationship to its potential backers for it to be trusted and then supported. (Respondent 9)

Recommendation and Referral. This selective code was mentioned 17 times with six of the participants saying it more than once. Most participants indicated that the organizations they supported was recommended to them by a peer or a family member. As an example, Respondents 3 and 8 shared their experience on how they eventually fund an organization in need of financial support.

The organization I donated to is a huge one and I always see them in public places but I never really got the chance to approach them. One time, I was with my friend and when she approached the booth of the organization, she recommended to me the easy way of donating on it so I got encouraged and then I was influenced to donate. (Respondent 3)

Our church was looking for donors for a missionary group and I got curious. I asked a friend, who had an experience in helping missionary groups, more about it. She recommended to me the specific group I can help and the people I can directly get in touch to for the support. Without her recommendation, I don't think I will be given a push to actually support it. (Respondent 8)

100 percent of the participants in the interview were referred to support the concept design of this study by funding Project SHieN. Compared to first finding out about the project to a few months after they successfully funded it, the participants were asked if their trust level to Project SHieN somehow increased. Some indicated that there was no significant increase in their trust level because their trust was already high when it was introduced to them by someone they personally know that has a high integrity for them. This is in congruence to the quantitative data from the survey in Table 2 which questions them of their reason

for their trust in the project after funding it.

My level of trust in the project is already high even before funding it so there was no significant increase. I believe the person who recommended it to me has high integrity so I have no doubt in funding the project. (Respondent 2)

It didn't go up much because I have a pretty solid trust on the person who recommended me the project. I trust her vision and drive to make this project possible. (Respondent 11)

Three respondents also explained that when they attempted to share the information about Project SHieN to other people, the relationship they had with the person who recommend the project to them is very important which is parallel to the quantitative data results shown on Table 4. Respondents 9 and 10 shared that their upbringing values the importance of relationship more than anything else for monetary matters.

I shared Project SHieN to my parents. They personally know the creator of the project so when I mentioned it to them, the feedback was positive immediately. I don't think it will be that easy if it's a stranger's project and if I will just be introducing them the cause. (Respondent 9)

The main point I mentioned to my parents about the project is that it was created by a friend. They've met my friend before so they were very supportive of the project. (Respondent 10)

Respondent 6 recalled that immediately after knowing about Project SHieN, she already shared the information to someone just because it was referred to her by a good friend.

I haven't received any updates at that time yet and I had no idea on the progress of the project but I already shared the information to someone. Since it was referred to me by a good friend and also believed the cause of the project, it's not difficult to share the information. (Respondent 6)

When asked of the possibility of funding future crowdfunding initiatives, five of the participants are positive but still think that a recommendation or referral by someone they have a close relationship with is important. These thoughts were summarized by Respondents 1 and 7.

I am a very busy woman with lots of things going on for me so I really do not have all the time in the world to even research about new initiatives available. This is why I heavily rely on the recommendation of the people I trust. (Respondent 7)

I might support crowdfunding projects in the future but I think relationship is still more important so I need to know the person recommending the project before thinking of funding. (Respondent 1)

Person Over Project. Majority of the participants of the interview insisted that even after funding Project SHieN, their satisfaction still lies on the kind of relationship they have with the person who recommended them to it. In accordance to the quantitative data acquired from the survey, even with other factors that helped improve their trust, most still value their affiliation with more and how it even affected their perception of Project SHieN as a whole. This selective code has open codes included such as *integrity*, *credibility* and *character* with 17 vignettes in total.

Also, this attitude can be initially seen on some participants' behavior on studying crowdfunding initiatives. Four interview respondents shared how the integrity of the person involved on any kind of initiative they encountered is key to their support.

I'm really conservative when it comes to money matters. The novelty of a project or its cause might be good but I most value the relationship I have with the person who is recommending it to me. The integrity of the person is important and I can say that this is more important than the project itself. (Respondent 10)

My trust level to Project SHieN was determined by the interesting cause but most importantly, it's still the character of the creators that made me satisfied about it. (Respondent 6)

The level of trust I have of Project SHieN is connected to the credibility of the

person who referred it to me. (Respondent 8)

The main reason for me to fund the project is because of the one who referred it to me. I think that she has a credibility to make this project successful therefore, I trusted her that my donation will be put in good use. (Respondent 2)

Respondents 3 also value the deep relationship had with the person who recommended the project and it heavily affected the agreement to fund.

Since I'm not the type who is comfortable to just donate money without knowing no one on the organization or project, with Project SHieN, I'm glad I know personally the creator. It made the donating easier and without doubts. (Respondent 3)

Communication

As mentioned in the related literature in this study, one of the key factors of a crowdfunding project's success is the capability of the creators to provide information to its backers. It is through this that providing scheduled project updates is one of the variables used by the researcher to test out the factors that will lead to a higher trust level of Filipinos in crowdfunding initiatives and can eventually share this information to others. This major theme is composed of three selective codes: *transparency, status update* and *connection*.

Transparency. Participants were all positive on the idea of receiving messages about how the project is doing through their emails or through access on Project SHieN's Facebook account. Respondents 3 and 11 stressed the idea of transparency through it which erases their doubts in the project.

Filipinos build doubts on various donating or crowdfunding initiatives because of the lack of information after the giving of the money. I like the idea of feeling of transparency as I receive emails about Project SHieN. (Respondent 11)

The level of trust I have of Project SHieN improved a lot due to the transparency about what's happening. It helps in building an assurance on the money that was donated. (Respondent 3)

Status Updates. When asked of the impression of the participants on the status updates provided by the project 's creators bi-monthly, 100 percent gave a positive response in parallel to the data shown from the online survey for qualitative method. This selective code has 21 vignettes in total with its open codes no updates sought, good communication, and promised schedule. Though with various importance in perspective, everyone agrees that the idea of a status update is a good sign for the project 's integrity. Respondent 8 and 9 shared that she has a very high trust on Project SHieN through the good communication she experienced.

I have a a very positive experience as I funded Project SHieN because I felt like I am having good communication with the creators and even the recipients of the funding through the updates. (Respondent 8)

At first, the most important for me in funding is the relationship I had with the creator but eventually, the updates is making me realize that something about the project is going right. (Respondent 9)

Respondents 1 and 11 also shared that they remembered the promise made by Project SHieN on their pitch that they will be given a scheduled project status update after they fund. When it was delivered as promised, they had a better impression on the project.

One of the promises of Project SHieN in their pitch is the bi-monthly scheduled updates and since it expresses a sort of legitimacy on their part, it motivated me to donate. And then I got the updates as scheduled after funding so my trust on them was better. (Respondent 1)

I like the sense of accountability through the scheduled updates they wrote on the project information. It felt like the creators of Project SHieN has an accountability to her to inform her about the funding given and how it was used. I felt more involved. (Respondent 11)

The updates also provided an avenue for the participants to understand the

cause of OFWs more. Respondent 3 and 9 mentioned that they shared the information about the project to their peers based on what they are receiving in the updates.

I shared the information of Project SHieN to my friends and officemates. I have an idea on what the cause of the project is but I got to know more about the process because of the emails I am receiving. These added to the positive points I got to mention to them when talking about it. (Respondent 3)

My parents are more traditional with their perception but my friends are more sympathetic and open-minded. When I shared the info to my friends, I told them of how the process of helping OFWs works based from the updates I received. These are not common knowledge so it's good to know. (Respondent 9)

Even with a positive impression on the status updates, there are still who are not very interested on receiving it or not due to their personal preferences.

I'm really not the type of person who reads newsletters or updates like that. It's good to have it or just the idea that the creators are putting effort on it. But honestly, I am not seeking out the updates. (Respondent 5)

I think the updates is informative I'm not very interested on whether I will be receiving it or not. I saw the effort of providing updates making me think the project is legit so that's fine with me. (Respondent 7)

Connection. Crowdfunding initiatives relate to the Swift Trust Theory [14] because of the hindrance in interaction between creators and backers after the transaction. However, proper communication connects the shareholders and even helps in providing a more positive impression on the project. This selective code has 4 vignettes during the interviews with the participants. When they were asked of their impressions on the status updates that they received, Respondents 9, 6 and 11 expressed the connection they felt through it.

Just by reading the updates, my trust level significantly improved every time because there is a sense of personal affinity and connection to it. (Respondent 9)

I felt like I have a better connection with the creators and the people involved in Project SHieN because of the information I received from the updates. (Respondent 6)

It excites me whenever I receive an email for updates of Project SHieN. It feels like it 's our mode of connection and it felt very personal because I am receiving it from my email too. (Respondent 11)

Crowdfunding Mindset

Vision and Cause. The vision and cause of an initiative is something that Filipinos consider when funding. Though not primary, it is still a necessary consideration as Filipinos offer support to a group or organization especially in crowdfunding. This is parallel to the data presented from the qualitative method of analysis being the second most important reason of why the respondents funded Project SHieN. This selective code also includes open codes *will give without anything in return* and *it does not matter what happens to the money*. In total, this code has 30 vignettes throughout the entire interview.

The participants mentioned different perspectives on the vision of the project that made them fund the project.

The main reason for me for funding Project SHieN is because of the vision it has for Filipinos to be assisted in learning the Japanese language even before they reach Japan. Since I met people with similar situations before, I felt like I want to help these new batch of OFWs through this way. (Respondent 1)

If the project is referred by someone I know, I will agree to funding with a little amount but if I believe on the cause, I will fund with a higher amount. (Respondent 5)

Being informed on the status of the project is something the participants did not really prioritize. Respondents 4 and 11 summarized that they have nothing much to say on how the organization will manage the money but as long as they already gave their part on the cause, it 's already good enough for them. Furthermore, this behavior makes them not want to do beyond the act of funding and further

involved.

For me, after I gave my financial support, my help stops from there. I will not demand something and I'm not also doing anything beyond that. (Respondent 4)

Once I donate, I really don't mind how the creators manage the money. I don't want to get further involved. (Respondent 11)

Rewards. For the concept design of this research, the rewards offered are free Japanese lessons by gaining Backer Stars through personal referrals. This code received 20 vignettes making it a selective code. Even with varied level of interests on it, the rewards system did not really gained much importance for the respondents of the interview.

The rewards is really not important for me because that is not the reason why I funded the project (Respondent 5)

My interest on the rewards is really low so I did not look much into it (Respondent 10)

Since I'm already living in Japan, I don't think I need the Japanese lessons so I really have no interest (Respondent 2)

There were some who wanted to know more about the rewards system due to their interest in learning the Japanese language but still did not get the chance to work on gaining it due to lack of time.

When I heard that I can possibly have Japanese lessons just by helping, I got interested but I became busy too and a lot happened in that timeframe so I didn't get the chance to work on it. (Respondent 9)

I want to give the free Japanese lesson rewards to someone else so I want to get some Backer Stars but I became busy so I got no time to do it. (Respondent 8)

For Respondent 7, even if there was an interest in the reward, the vision of the project still became the most important.

I was slightly interested because I want to learn Japanese but I didn't work on gaining rewards because for me, the vision is more important compared to any kind of reward. (Respondent 7)

Respondent 4 used the rewards to share the information to someone to spark an interest in the initiative.

I didn't really have the interest on the lessons but when I shared the information about the project to my sister, the main point I told about her was the rewards. I felt like it can get her interest when she can get something from it. (Respondent 4)

Respondent 1 brought up of a possibility of a different kind of reward that might interest him more.

I got interested with the free Japanese lesson rewards because I'm also studying Japanese but I realized I can get it anytime because I'm living in Japan now. I think I will be more interested if I can meet the beneficiaries of Project SHieN. I felt that this kind of reward will provide a stronger connection between the backer and the recipients of the funding. (Respondent 1)

Experience. Most of the participants expressed a better behavior regarding crowdfunding in the future because of the experience they had with Project SHieN. They believe that the journey they had from being informed about the cause of the project until receiving information about it and the opportunity for rewards had given them a positive perspective on what is yet to be the crowdfunding environment in the Philippines. This selective code has 17 vignettes with open codes *at ease*, *comfortable*, *confidence* and *motivation*. Respondents 10 and 3 shared their experiences to be a backer of this project.

When I learned about this project, at first, the main reason for funding is the relationship I had with the creator but eventually, the updates put me at ease that something about the project is going right. (Respondent 10)

I have more confidence on supporting other crowdfunding projects in the future because I had an experience on how it works with Project SHieN. At least it won't be too scary next time. (Respondent 3)

Respondents 9 also summarized the kind of motivation they had to support more crowdfunding project in the future because of their experience.

Aside from the relationship and the content, the experience I had is a necessary factor into supporting crowdfunding initiatives in the future. It motivated me to contribute more and be more invested on crowdfunding in general. (Respondent 9)

However, 50 percent of the participants pointed out that even though backing Project SHieN gave them more knowledge about crowdfunding in the Philippines, their experience will still not be the primary reason of them doing the same to other projects.

My crowdfunding experience has nothing to do with my future actions to it. Personal value is more important to me and also if I have the funds to help out. (Respondent 2)

I'm probably going to be more open in supporting other crowdfunding projects in the future. But still, it is important that I have a very good recommendation from someone I trust about it. (Respondent 7)

Awareness. This selective code has 8 vignettes with open codes including *open-mindedness*, *curiosity*, and *willingness*. As mentioned in the related literature, the Philippines' knowledge and participation in crowdfunding is very low making the industry having a difficulty entering the country. The participants, however, is happy to have the awareness of how it works and with a broader understanding on its capability to extend support to certain initiatives lacking in funding. Almost half of the participants appreciated the fact that they now have an open mind on how crowdfunding works.

This experience with Project SHieN assisted in a better perspective about crowd-funding's future. I realized that not everything can be a scam and that I can also be open-minded in various Filipino initiatives. (Respondent 6)

Now I can say I am more open-minded in the possibility of funding other crowd-funding projects because the misconception of crowdfunding not being trustworthy is broken. (Respondent 11)

For Respondent 3, this participation sparked her curiosity in what can still be done for crowdfunding.

I really got more curious on how I can help other crowdfunding projects. It makes me want to research initiatives. It will definitely help if there be more information available on interesting initiatives so it can gain the trust of more Filipinos. (Respondent 3)

The willingness in experiencing more crowdfunding projects is expressed by Respondents 4 and 8 on their way to a more involved behavior.

I want to continue helping as I am also in this season that I'm interested on these kind of actions. I think I will be more willing to know more on how I can extend support. (Respondent 4)

Of course I am feeling more willing to help through crowdfunding. Still, the decision to fund will be depending on the vision of the project. (Respondent 8)

Chapter 5

Conclusion

The purpose of this mixed method study is to determine the factors that would motivate Filipinos to trust local crowdfunding projects by sharing initiative information to their peers or family members. The chapter will include a discussion of findings from the quantitative and qualitative methods used to analyze the perception of Filipinos in crowdfunding and what had been the most important factors — out of all the variables in this study — in their trust on the project. This chapter will also include a discussion on their level of trust as indicated by their behavior in sharing their project knowledge to others. In this chapter will be a statement of the limitations made on this study, possible topics for research in the future and the conclusion.

This chapter includes a conversation and possible future research themes and topics to assist in answering the hypothesis:

What factors would encourage Filipinos to trust crowdfunding projects by sharing information about it to others?

Through the data gathered from the mixed method, this paper concludes that the variables used in this study produced different importance in perspective for Filipinos in regards to their trust in local crowdfunding projects and their knowledge sharing attitude. The results show that (a) the relationship of the backer to the person who recommended him/her in the project is most important in trusting a crowdfunding project, (b) the frequency of project updates is not necessary for backers and as long as the creators provided an effort in providing information, it's already good, (c) the rewards, however interesting, is not essential for Filipino backers, and (d) trust is not entirely correlated to knowledge-sharing. The first three results showcase the variables used for the concept design to prove the hypothesis and the last result is an outcome from the perceptions of knowledge-sharing being an indicator of trust.

5.1. Interpretation of Findings

The variables used in the concept design of this study were the scheduled status updates of the project and rewards through personal referrals. However, based from the data gathered through both quantitative and qualitative method, samples opened up a new variable that is integrated to the other and was proven to be most important.

These variables also played various level of importance to the samples of the study based on the quantitative data and their answers given another dimension through the qualitative method both used in Chapter 4. The results are presented in detail in the next parts.

The relationship of the backer to the person who referred him/her in the project is most important in Filipinos' trust

The conclusion of this paper based from the data gathered is in congruence to the literature explored [16] implying that social relationships matters in the financial supporting behavior of an individual. In addition, this study [38] proved that an individual's social exposure influences the project that a person is willing to fund. The survey results proved that the main reason for all the samples' support behavior in Project SHieN is because of their trust on the person who referred them the initiative. In the interview, a code was heavily used in relating to the referral action of the respondents and that is relationship. Relationships being connected with referral and recommendations were explored during the interview with the majority of the respondents mentioning that even with the concept design features (the scheduled project updates and rewards) their relationship with the one who will refer to them the project will be the most important determining factor in their overall trust to the crowdfunding project leading them to fund it. Some even expressed that comparing to when they were just introduced to the project until a few months after receiving several project updates and being more knowledgeable about the rewards program, there was just a slight increase in level of trust because it is already high from the beginning. The reason expressed is the trust they already have on the person who recommended the project to them.

Still, the character and the intimacy of the relationship they have with the

person who recommended to them the project is something that the samples take into consideration in trusting the crowdfunding initiative. When they support a donation or crowdfunding project, they consider the integrity of the person and it determines their reaction towards it, if it will be positive or negative. Also, the cause and vision of the person who recommended to them the project is also a motivator in their behavior in funding. Many participants of the interview expressed that aside from their personal relationship they have with the person who recommended them the project, they were also influenced on the vision that the person has. Some mentioned that the initial hook for them to listen to the project is because of their peer or family member but eventually, they wanted to support more (or fund with a higher amount) if they believe in the cause.

It is also important to note that the relationships Filipinos have with the person who recommended them a certain project greatly affects their knowledge-sharing attitude. The quantitative data showed that the participants' trust on the person who recommended them the project is the main point they use when trying to share the information to others. This was also elaborated during the qualitative data with participants mentioning that their close ties with the creator became the main reason of why they want other people to know about the initiative. Some respondents even expressed that, even without extra effort from the creators, the mere fact that it was recommended to them by someone they know, is already worthy of being shared to others. In addition, for sharing of project information to family members, there is an immediate positive perception if the people involved in the project are someone they have a relationship with. According to the respondents who expressed this, sharing knowledge about the project to a family member (no matter how conservative they are) becomes a lot easier if there is already known relationship. This can be related to the study [12] that explains integrity as the most vital factor in knowledge-sharing behavior for people in virtual communities.

In the end, when asked if they are willing to support crowdfunding initiatives in the future, majority of the samples are positive but still emphasized on the condition that it will be referred by someone they have a relationship with. Even with nothing to receive, as long as a person who recommended it has a deep relationship to an individual, it will still stand as a great factor in their trust

level especially in a tight-knit community-based society in the Philippines. Other features of the initiatives might help in a positive decision-making but at the end of it all, it is still person over the project for Filipinos.

The frequency of project updates is not necessary for Filipino backers and as long as the creators provided an effort in providing information, it's already good

As presented on the related literature, one of the main reasons why Filipinos are reluctant to support crowdfunding initiatives is because of the lack in transparency caused by the negative circumstances in their environment. This is proven in the interviews for the study with many participants expressed their fear of being fooled of their financial support by currently existing money-related scams in the Philippines and also funding mismanagement common in the country. This [10] also emphasized on the success of fundraising activities from provision of detailed information about the project and it is important to realize the Swift Trust Theory [14] which tackles the importance of after-transaction interaction. This are the reasons why the concept design in this study included a commitment to provide bi-monthly project updates to its backers.

The samples of the survey found this to be something positive with 100 percent of them agreeing that they liked receiving project updates from the creator. Even with a varied level of importance, everyone agrees that the idea of a status update is a good sign for the project and creator's integrity. During the interview, some of the participants expressed that the updates provided to them gave a sense of transparency and helped on the idea that their donated money was used into something and not just wasted or mismanaged. Some even expressed that being given a promise of a scheduled update when the project was just introduced was already a plus factor in trust for the initiative. With the knowledge of a constant communication attempt, the project creator projected a sense of accountability to all their backers that was received positively. Also, as the project progressed, the trust level of some of the participants becomes stronger. Some mentioned that when they started being informed about Project SHieN, they were encouraged to support because of their trust on the person who recommended it to them but

because of the constant communication they received through the updates, they felt that they trusted more the project and even conveyed that they are willing to support the project further if needed.

Some of the participants also expressed that receiving the updates through their emails helped them in sharing their knowledge about the project to their peers. They have a basic idea of what the project's cause is through the initial information they got from the creators but the updates made them understand the step-by-step process. This became a strong point when they are telling their peers about the initiative and it is receiving a positive response. For them, knowing about the project deeply through the updates motivates them to also share this information to others.

However, due to the busy and varied lifestyle of the samples, some mentioned that they are not really seeking updates from the creators. A point raised during the interview was as long as they already gave money to the group or organization, they don't really want to know more on what happened to it. In addition, some also expressed that their support ends with the actual funding and will not be so willing in doing something extra (e.g. sharing the information to others) about the project they supported. Still, the participants who disclosed this concern still appreciate the effort given on providing the updates about the project. They all mentioned that even if they are not reading the updates constantly, just the mere fact that they are receiving something to acknowledge their participation in the project is already appreciated.

The reward, however interesting, is not essential for Filipino backers

In contrary to the experiment [40] that emphasized on the donors of a donating project respond well to incentives, this study's concept design attempt to provide a reward system through personal referrals did not work effectively for the benefit of the project.

This study's concept design also wanted to prove that the study this study [39] — which proves that a person is more likely to refer to their peers or family a certain initiative if they acquired information through personal referral — can also

be applied in the Philippine environment which has a very tight community-knit. However, even with 100 percent of the samples were referred to Project SHieN, not everyone put in an effort into referring the initiative to their peers or family members. This became a problem in leading the participants into being motivated to receive the rewards (which needs a referral for it to be received).

On the online survey, when samples were asked of their reason in funding Project SHieN, the (2) Rewards variables got the least number of responses. During the interview, around 20 percent of the participants mentioned that they got slightly interested on the reward system but never got the chance to work on it because they weren't able to refer people on the project. Time also became a hindrance in referring people to the project according to some who responded in the interview with their busy lifestyles and circumstances due to the COVID-19 pandemic occurred.

Still, when sharing the project information to others, some of the respondents during the interview expressed that the rewards system became a tool in sparking interest. On the survey, there were some respondents who also answered that the main point they talked about when sharing information is the rewards they can possibly obtain.

Trust is not entirely correlated to knowledge-sharing

This part is a result of the statement in the related literature that knowledge-sharing about a crowdfunding project is a an indicator of trust and not as a variable. In this study, a Filipino's behavior to share information about a certain crowdfunding project is an indicator of trust built on it. This can be connected to this study [32] presenting a considerable evidence showcasing transfer of general knowledge through an acquired trust in relationships. However, based from the data gathered from both quantitative and qualitative methods in this study, trust and knowledge-sharing is not entirely correlated.

When respondents of the survey were asked if their trust on the project increased after their successful funding, 100 percent answered positively. However, only 61.5 percent shared the information about the project to other people. Also during the survey, some participants expressed their high level of trust on the project

even on just with its introduction but the same people also revealed that they did not share Project SHieN in any way. Some expressed that the reason of them not sharing the information is because of lack of time and opportunity to do so. Others think that it 's their own personality that made them reluctant to make a step and share any knowledge about the project they supported financially. Also, accessibility in sharing also became a factor in the sample not partaking the information about the project.

Nonetheless, it is good to note that with the high level of trust that most of the participants have with the project they participated in, they became more positive in supporting other crowdfunding initiatives in the future. Compared to only 46.2 percent of the samples having good impressions about crowdfunding, a whopping 92.3 percent answered in the survey that they are willing to support a crowdfunding initiative in the future. Many expressed that this exposure to the project made them more aware on how crowdfunding works and their experience gave them the confidence to replicate it soon. Many said they are now more open-minded about the idea of financial support through Filipino crowdfunding which erases their misconception that local initiatives has a high possibility of scams.

5.2. Research Limitations

The concept design of Project SHieN used in this study probably provided some recognitions on the effective crowdfunding methods that can be applied in the Philippines specifically. This provided the sample population an understanding on how crowdfunding works and an experience for future possible support but there had also been several limitations to the study.

The first limitation in this study is regarding the sample size on both the quantitative and qualitative methods. Since the sample was limited to Filipinos who funded the concept design successfully, the number of respondents was limited. This can also be related to the other limitation which is the timeline of the research. Project SHieN lasted only for one month which is the usual project length of crowdfunding initiatives in the platform The Spark Project. If the project time-frame was made into a longer bracket of time, around two months, there can be a possibility of more respondents. It is also note-worthy that Project SHieN was

heavily affected by the COVID-19 pandemic which had its peak in the Philippines around the halfway mark of the Project SHieN timeframe. During the COVID-19 pandemic in the Philippines, Filipinos were experiencing changes in their lifestyle as the government implemented a lockdown to prevent the further spread of the virus. With this, various financial concerns were raised with many in need of financial support. One of the main issues that was explored in this study is that Filipinos tend to support initiatives due to urgency of the need which is what happened during the COVID-19 situation in the country. Comparing the cause of Project SHieN with the causes for extending help related to the pandemic, the Filipinos' focus turned more on reaching out to urgent concerns which is related to COVID-19. This can be considered as a factor that affected the number of samples for the study, in both quantitative and qualitative methods.

Another limitation in this study is the length of the intervention period. After the end of funding for Project SHieN on The Spark Project, the respondents of the online survey were sent the questionnaire form for the qualitative method after two weeks. The researcher thinks that this is not ample time for the respondents to further explore on the features of the concept design — more updates and wider possible reach of the rewards system through personal referrals — available on the website. In addition, the quality of the recommendations made can also be considered as a limitation. Most of the respondents on both the quantitative and qualitative methods were people around the circle of the projects creators. This probably affected the respondents' bias in answering the questions to express their perception about the study.

5.3. Recommendations for Future Research

Considering the results from this paper, there are some recommendations for possible future researches that will help Filipinos to gain a considerable level of trust on crowdfunding projects that is locally organized.

As personal referrals became the most important factor for Filipinos in trusting crowdfunding projects, it is good to utilize its effectivity in future crowdfunding initiatives in the Philippines. The design for the purpose of this research integrated personal referrals to the reward system with the intention of backers to be

more participative in the whole process of the crowdfunding activity. However, as the backers need to accumulate three points in order to receive the reward, it proved to be a tedious method and eventually diminished the willingness to be more involved in the project. As some of the samples also mentioned of their interest in the reward system, it can be said that it is not entirely ineffective and can still be considered in being integrated with personal referrals to have a design that can build trust among Filipino crowdfunding project supporters. A possible consideration is, instead of the need to accumulate points, a direct reward from an initial personal referral. If the reward system can be simpler, but still incorporating the personal referral approach, it is possible to motivate Filipino backers to be more involved in crowdfunding initiatives. This higher level of motivation can lead to an increase in the trust factor to crowdfunding projects.

Another recommendation for concept design related to this research is the accessibility in sharing the information about the crowdfunding project to others. On Chapter 2, this study [32] pointed out that trusting relationships lead to better exchange of knowledge. This was the consideration made in this research in using knowledge sharing about the crowdfunding project as an indicator of trust. However, some respondents explained that they did not have plenty of opportunities to share the information about Project SHieN to others and putting an effort to share it through SNS will need extra effort from them. A suggestion from a respondent is a direct link that can just be clicked and will automatically share it through their SNS accounts. Another respondent from the set of interviews shared her experience in using her points using a certain food delivery company to donate to their initiative. For her, it's extremely effortless and it even made her extend help without using her own money since it's from collected points gained through her purchases. If there can be a concept design that can incorporate these tools for better accessibility, it will be a better ecosystem in data information sharing for crowdfunding initiatives with the use of various platforms. And a better knowledge-sharing activity is an indicator of confidence and trust of an individual in the initiative it is trying to support.

The scheduled updates also indicated a very positive response from the samples who participated in this research. Many mentioned that the promise made during the introduction of the crowdfunding project led them into having a good

impression about the project and its creators which also indicated a high level of trust right from the onset. However, some suggested that a monthly status update would be the best frequency in receiving information from the project creators.

5.4. Conclusion

Crowdfunding might be an emerging solution in gaining easier financial support on various initiatives around the world but the progress in the Philippines is still slow. Due to various negative experiences Filipinos encountered in their environment including scams and disappointing expectation in handling of finances in the government, it is not surprising that trust is a huge issue in terms of financially supporting any kind of project. However, for it to get enough traction is not at all impossible especially considering the foundation of the Philippine community of *bayanihan*.

There are four major conclusions that can be derived from this study. The first conclusion is that the relationship of the backer to the person who recommended him/her in the project is most important in Filipinos' funding behavior. The second conclusion is that the frequency of project updates is not necessary for Filipino backers and as long as the creators provided an effort in providing information, it's already good. The third conclusion is that the reward, however interesting, is not essential for Filipino backers. The last conclusion is that trust is not entirely correlated to knowledge-sharing.

In the context of crowdfunding in the Philippines, having just an inspiring vision or a cause is not enough to be given confidence to by Filipinos. For them, the most important factor is the recommendation they have about the crowdfunding project. This recommendation should be coming from a person who has a high level of integrity and a deep relationship to the individual who is possible to fund the project. For Filipinos, the person is more important than the project itself. Consistent status updates about the project are also appreciated to promote transparency and to help heighten their level of trust. However, Filipinos also has the mentality of limiting their involvement after the funding itself and not demanding for more participation about the project they funded. This is also an issue regarding receiving rewards through activities of referring other people to it.

It can be concluded that Filipinos have interest on receiving rewards but putting in extra effort to gain it is not something they are willing to work on.

Putting in additional effort turned out to be a concern in sharing the knowledge about a crowdfunding project. Filipinos are not very enthusiastic in extending their support after helping financially which became an issue when sharing information is concerned. Also, the lack of a community where they can have an opportunity to share these information is a concern in this matter. However, this does not mean that they do not trust the project after funding it. If there will be an easier or more direct accessibility to a concerned on sharing information about a crowdfunding project is available, the probability of sharing knowledge can increase.

Crowdfunding in the Philippines is not entirely futile. The Filipinos' willingness to help is strong and interest to know more is high. However, familiar cultural considerations must be applied when creating crowdfunding campaigns or programs. Building a wider community who are informed and willing to participate in this industry is a good start and can be effective considering the importance Filipinos give on relationships. As anything concerning relationship marketing, this might take time but will be a strong foundation to a crowdfunding future in the Philippines.

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Appendices

A. Questions included in the Online Survey

1. Name (optional) _____
2. Age
 ~20
 21~30
 31~40
 41~50
 51~60
 60~
3. Sex
 Male
 Female
4. Occupation _____
5. City currently living in _____

Donation History

6. Have you ever supported a business/charity organization/social cause before through donating money? (e.g. for calamities, social cause, etc.)
 Yes (proceed to Q7)
 No (proceed to Q9)
7. What organization/group have you donated to? (ex. UNICEF, WWF, etc)_____
8. What was your method of donating before?
 Online
 Crowdfunding platforms
 Directly in public locations (malls, schools, etc.)

Cash through going to the organization's office

Other -----

Crowdfunding Knowledge

9. Before Project SHieN, what is your level of knowledge about crowdfunding?

I know it pretty well and supported a project/projects before

I know it pretty well but haven't supported a project before

I've heard about it but do not understand how it works or haven't supported

I've never heard of it

10. Before knowing about Project SHieN, what was your impression of a Filipino-based crowdfunding platform?

I want to support it

It's interesting but I want to know more about it

It's suspicious so I'll need more information

I do not trust it

11. What are the probable factors that affects your impression on Filipino-based crowdfunding platforms? Please check all that applies.

Trustworthiness

Accessibility

Novelty

Others -----

Other OFW Initiatives

12. Have you heard of other projects/initiatives that aim to support OFWs through financial contribution (not only through crowdfunding)?

Yes (proceed to Q13)

No (proceed to Q20)

13. Did you fund any of these projects?

Yes (proceed to Q14)

No (proceed to Q15)

14. What are the factors that made you fund the project? Please check all that applies.

I trust the person who recommended it to me therefore I trust the project too (proceed to Q16)

- There were regular updates about the project (proceed to Q16)
Communication with the people behind the project was good (proceed to Q16)
There were rewards upon funding the project (proceed to Q16)
Others _____ (proceed to Q16)
15. What are the factors that made you not fund the project? Please check all that applies.
- I do not trust the person who recommended it to me therefore I do not the project too (proceed to Q16)
There were no regular updates about the project (proceed to Q16)
Communication with the people behind the project was not good (proceed to Q16)
I don't feel like I'm getting anything when I fund the project (proceed to Q16)
Others _____ (proceed to Q16)
16. Did you share any information about this projects to your peers/family members?
- Yes (proceed to Q17)
No (proceed to Q19)
17. In what way did you share the information about this project to other people?
- Word of Mouth
Social Media
Email
Others _____
18. What are the factors that influenced your willingness to share the information about this project to other people? Please check all that applies.
- I trust the person who recommended it to me
The project proponents provided project updates
I want to share to others the good cause that the project brings
I am getting a reward by helping this project so I shared it to other people
Others _____
19. What are the factors that influenced your non-willingness to share the information about this project to other people? Please check all that applies.
- No time
The project is not interesting enough to be shared
The people who organized the project/initiative didn't provide

sufficient information about it
There is nothing I can gain from sharing the information to others
Others -----

Project SHieN

20. How did you get to know about Project SHieN?

Recommended by a peer or family member (including via sns)
Social Media
Through the crowdfunding platform (The Spark Project)
Others -----

21. What are the reasons that led you to fund Project SHieN? Please rank based on level of importance (1 - most important; 6 - least important)

I was encouraged by a colleague/peer/family member to give back to help people in need in my community
I want to avail the free Japanese lesson reward
The weekly updates available on the crowdfunding platform
The communication with the people behind the project is good and seems trustworthy
I like getting points for self accomplishment
I believe in the vision of the people who recommended it to me

Project SHieN Information and Updates

22. Do you think that the information about Project SHieN provided on the crowdfunding platform (The Spark Project) was sufficient?

Yes (proceed to Q24)
No (proceed to Q23)

23. What do you think is lacking? Please provide a brief answer. -----

24. Project SHieN provided weekly updates on the status of the project. What was your preferred way of receiving updates from Project SHieN?

Through crowdfunding platform
Through Email
Through SHiN ' s Facebook Page
Others -----

25. What do you think of the frequency of the status updates of Project SHieN?

It was too much
Just right
It was lacking
Others _____

26. What is your impressions on the updates about Project SHieN?

I really like receiving updates regarding Project SHieN (proceed to Q27)
I somehow like receiving updates regarding Project SHieN (proceed to Q27)
I somehow do not like receiving updates regarding Project SHieN
(proceed to Q28)
I do not like receiving updates regarding Project SHieN (proceed to Q28)

27. What are the reasons that led you to your answer on the previous question? Please check all that applies

I like getting frequent updates about the status of the project to know my donation is being used properly (proceed to Q29)
I like being able to have communication with the people behind Project SHieN (proceed to Q29)
I feel like I am involved in the project with the updates (proceed to Q29)
Others _____ (proceed to Q29)

28. What are the reasons that led you to your answer on the previous question? Please check all that applies

Getting updates about Project SHieN is a bother
I do not like having further communication with the people behind Project SHieN after my funding
I do not want to know where my donation went to
Updates regarding Project SHieN feels like spam in my mailbox
Others _____

Project SHieN Rewards

29. Project SHieN has a Reward System (you can receive Free Japanese Lessons) feature in their website where you can use your Backer ID sent through your email. Did you try to use this feature

Yes (proceed to Q30)
No (proceed to Q31)

30. What were your impressions in the Reward System

It seems interesting so I tried referring people to get points and

avail of the free Japanese lessons

It seems interesting but I didn't get the chance to refer people to get points and avail of the free Japanese lessons

It didn't turn out to be interesting but I still referred people to get points and avail of the free Japanese lessons

It didn't turn out to be interesting so I didn't refer people to get points and avail of the free Japanese lessons

Others -----

Project SHieN Involvement

31. After funding the project, did you feel more involved in the cause of Project SHieN?

Yes (proceed to Q32)

No (proceed to Q33)

32. What are the factors that made you feel more involved in the project? Please check all that applies.

I started checking more about the concerns of OFWs with the person who recommended it to me

I can gain rewards and the possibility of availing it

Communication with the people behind the project through regular updates

Others -----

Project SHieN Trust

33. After funding the project, did you feel like your trust increased in Project SHieN?

Yes (proceed to Q34)

No (proceed to Q35)

34. What are the factors that made you trust the project? Please check all that applies.

I trust the person who recommended it to me therefore I trust the project too

Communication with the people behind the project was good through regular updates

I can see the points credited to me upon funding (through my personal

account in official website)

Others _____

35. What are the factors that made you not trust the project? Please check all that applies.

I see no value in the project

Lack of communication with the people behind the project after funding

The reward system is a turn-off

I didn't feel involved with the project after my funding

Others _____

Project SHieN Sharing

36. Did you share any information about Project SHieN to your peers/family members?

Yes (proceed to Q37)

No (proceed to Q39)

37. In what way did you share the information about Project SHieN to other people?

Word of Mouth

Social Media

Email

Others _____

38. What are the points you mentioned to others when sharing the information about Project SHieN. Please check all that applies.

The person who recommended this project is trustworthy (proceed to Q40)

Project proponents communicates well (proceed to Q40)

Good cause (proceed to Q40)

Rewards that can be received (proceed to Q40)

Sufficient updates provided (proceed to Q40)

Others _____ (proceed to Q40)

39. What are the factors that made you not share the information about Project SHieN to other people? Please check all that applies.

I have no time to share

I feel like the project is not relevant

The communication with the project proponent was bad so I do not want to share it to other people

I have no interest in sharing because of the rewards

Others -----

Crowdfunding Future

40. Will you be willing to support other Philippine crowdfunding projects in the future?

Yes (proceed to Q41)

No (proceed to Q42)

41. What are the reasons that can possibly lead you to support Filipino crowdfunding projects in the future? Please check all that applies.

I want to be more involved in various initiatives (proceed to Q43)

I want to continue extending help to groups/businesses in need of financial support to start their initiatives (proceed to Q43)

My experience in funding Project SHieN is good so supporting other projects is possible (proceed to Q43)

I want to assist in expanding the crowdfunding platform reach in the Philippines (proceed to Q43)

Others ----- (proceed to Q43)

42. What are the reasons why you are not willing to support Filipino crowdfunding projects in the future? Please check all that applies.

I don't trust Filipino funding projects in general

My experience with Project SHieN is bad so I will not do it again

I have no interest

I think it's complicated and I have no time for another project

Others -----

B. Interview Consent Form

CONSENT FORM FOR INTERVIEW

My name is Kamille Rose Gadon and I am a student pursuing my masters degree in Keio University Graduate School of Media Design in Japan. My area of study involves emerging community marketing. I am therefore asking if you would agree to participate

in my study. Your interview will be recorded through the recording option in the online platform Zoom. No individuals will be identified without their consent. I am fully aware

of the nature and extent of my participation in this study as stated above. I hereby agree to participate in this research.

Signature of Respondent

C. Guide Questions for the Semi-structured interview

Pre-funding

1. Have you ever made a donation to any group or organization before? If so, what is the name of the organization and is it local or international?
2. What are the reasons that made you fund this group or organization?
3. Have you or anyone close to you ever been an OFW?
4. Have you supported any OFW initiatives in the past? If so, what are the reasons that made you support it?
5. What is your knowledge of “crowdfunding” and what are your impressions on it?

Post-funding

1. What is the main reason why you funded Project SHieN?
2. What are your impressions on the updates about the project sent to you every two weeks?
3. What are your impressions on the reward system of Project SHieN that you can get through personal referrals?
4. Compared to when you first heard about Project SHieN to after receiving updates and doing some referrals for the rewards, can you say that your trust on the project increased? Why so?
5. Did you share the information about Project SHieN to anyone? Why or why not?
6. If you did share information about Project SHieN, what are the main points you mentioned?
7. Are you more willing to support Filipino crowdfunding projects in the future after funding Project SHieN? Why or why not?

D. Codes identified from the interview transcripts

Negative Perspective	Initial Tendency to Give	Relationship	Communication	Crowdfunding Mindset
Sketchy	Value	Recommendation	Connection	Vision
Hesitation	Urgency	Character	No updates sought	Cause
International with better management	Relatable	Referral	Good communication	Doesn't matter what happens to money
Mismanagement of funding	Accessibility	Credibility	Promised schedule	Experience
Opportunistic	Visibility	Integrity	Transparency	Comfortable
Credibility		Person over Project	Status Update	Being at ease
Scams		Rewards		Willing
Filipino Culture				Open-mindedness
Doubt				Awareness
				Curiosity
				Confidence
				Comfortable
				Will give without nothing in return