CROWDFUNDING AS A SPECIFIC TYPE OF CROWDSOURCING

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Abstract

Market conditions make companies more and more demanding to the level of doing business. Organizations need to implement such methods for managing and organizing activities that would allow them to remain successful and competitive in modern economic conditions. The main production resource is knowledge and technology. The dynamism of the market environment turns competitive advantage into a mobile and narrowing goal that requires systematic change management, multidimensional economic growth, and its acceleration. Together, all this forms the global logistics characteristic of the modern stage of economic relations. The advent of the Internet and its active use in business have reduced barriers to competition and led to the liberalization of markets, resulting in increased mobility of capital. Crowdsourcing has been used by many businesses to solve their problems. Crowdsourcing allows you to use fresh thoughts of an unlimited number of people who want to participate in projects. By combining the efforts of a large number of people into a single project, you can achieve greater and better results. The English word crowdsourcing consists of crowd - "crowd", and sourcing - "use of resources". It is supposed to use the resources, knowledge, skills, ideas of a crowd of people who want to share them on the Internet. A large number of people are given the solution of certain tasks in the absence of concluded labor contracts. This is the use of the potential of a large number of people in order to solve various problems that arise in the organization of business.

1. Introduction

Crowdsourcing is seen as a derivative of outsourcing. Outsourcing is a way of managing when secondary functions are transferred to the Coman-de-outsourcer, which performs this type of work and services better and better, and the company itself remains the main key functions in which it specializes. Despite the similarity of the concepts of crowdsourcing and outsourcing, they have significant differences. When outsourcing is used, some of the functions that burden, complicate and increase the cost of doing business are transferred to third-party organizations. Crowdsourcing involves the use of crowd resources, the transfer or solution of the task by an unlimited number of people who want to participate in this work. Helfat and Martin (2015) talk about the need to use social and human capital to improve the functioning of enterprises.

2. Problem Statement

The authors set the task of finding new solutions to optimize the activities of enterprises, solving non-standard problems. For this purpose, it is assumed to use a large number of persons not involved in the activities of enterprises, as well as third-party organizations that may be interested in improving the activities of enterprises. Modern market conditions impose new requirements for the functioning of enterprises, to search for the most optimal solutions, to faster, but effective solutions. The use of crowdsourcing in the activities of many enterprises can increase the competitiveness of enterprises, increase the efficiency of their operation. Crowdfunding will allow you to find new ways to Finance.

3. Research Questions

The research questions raised in this article and requiring an answer include: 1) what are the similarities and differences between the concepts of outsourcing and crowdsourcing; 2) when and under what circumstances crowdfunding is used in the activities of enterprises; 3) what are the features of the functioning of the crowdfunding platform. Crowdsourcing has been studied by many Russian and foreign authors.

4. Purpose of the Study

The purpose of this study is to identify the features and opportunities for the introduction of crowdsourcing and crowdfunding processes in the activities of companies or communities, in order to improve the efficiency of their functioning and search for new ways of financing to solve the economic and financial problems of enterprises and projects. To achieve this goal, it is necessary to present the main terms and concepts used when working with crowdsourcing. It is necessary to determine the characteristic trends of crowdsourcing in modern conditions. It is important to reflect the features and differences of existing forms of crowdsourcing.

5. Research Methods

The methods used include theoretical and experimental ones. From the point of view of using theoretical methods, the concepts and components of crowdsourcing and outsourcing were analyzed. Systematization of types of outsourcing for this scientific research, we used the features of crowdsourcing as a type of outsourcing, and crowdfunding as a subspecies of crowdsourcing. From the point of view of the experimental approach, the analysis of crowdfunding platforms was carried out, the types of crowdsourcing were analyzed and systematized.

6. Findings

The activities of the outsourcing company always involve the existence of a contractual relationship and the corresponding financial component of these mutually beneficial relationships. When implementing crowdsourcing, not all Gda assumes that the financial security of the performed works, services, recommendations, ideas, and other natural persons-volunteers of these projects. When deciding to implement an outsourcing project, the company clearly analyzes the situation, the market and the companies offering their services. An outsourcer with a high level of qualification is chosen, because the transfer of internal functions is logical only to highly qualified specialists in this field, otherwise the sense of output for the organizational structure of these types of work or services is lost. When implementing a crowd-sourcing project, no contractual agreements are concluded with volunteers, and therefore there may be situations when the task may not be solved or does not have a high quality component.

Howe in 2006 in an article described crowdsourcing, considered as a way of applying the work of people by companies in order to use the intelligence and creativity of people. Kryklyvets and Mikhailov (2013) noted that it was the development of Internet technologies that led to the widespread introduction of the principles of crowdsourcing.

Depending on the goal of attracting resources of volunteers, there is some classification of crowdsourcing. Crowdrecruiting is the identification and selection of the best specialists based on the results of their participation in a crowdsourcing project. Crowdcasting consulting and practical services in the field of crowdsourcing. Crowdfunding is a specific type of crowdsourcing, where third parties are involved in solving the problem, ready to Finance this project in order to achieve the desired end result.'

Crowdfunding is a relatively new way to Finance projects. If the author of the idea does not have their own funds for self-promotion of the product to the market, then the use of crowdsourcing can be a means not only to attract specialists to implement the idea, but also a means of bringing a new product to the market. A crowdfunding platform is a platform used to post and promote information about popular, new and successful projects and events. Crowdfunding platform-a service for the purpose of placing ideas, which involves the presence of a legal and financial component. This platform allows you to improve the interaction of stakeholders and improve the promotion of a new product or service. Crowdfunding has developed in the field of social and cultural non-profit projects. Currently gaining momentum, the implementation of crowdsourcing in the business of design and local start-UPS.

The concept of the crowdfunding platform is represented by the following information components: project information, its characteristics, author's data, time, required amount, presence of awards, gifts, prizes. Some payment systems can be integrated into the platform, it depends on the specific platform.

The search for those who want to participate in crowdfunding projects takes place on the Internet. There is a certain scheme of crowdfunding project. The organizers submit certain information components to the site (goals, tasks, the necessary amount of money and time). To attract the attention of those who want to participate in the project, the organizers announce possible awards. When the required amount of money is transferred to the project product, the organizer can withdraw it from the account, thank the investors and start implementing the project product.

On some platforms, it is possible to receive funds even when the crowdfunding project has not raised the designated amount of money. Many crowdsourcing and crowdfunding platforms have certain links to social networks. You can go to the site page from your personal page in the social network. You can watch projects, register, get up-to-date information about new projects, get information about the activities of other people, or communicate with the author of the project you are interested in.

According to Golubev (2014), there are two types of motivations for participation in crowdsourcing projects: material and non-material. In his article Golubev (2014) writes that the mechanism of motivation in crowdsourcing is part of the key elements on which the effectiveness and usability of projects may depend.

Crowdsourcing has advantages and disadvantages and is undoubtedly a new method. Rogova (2013) described in her article the use of crowdsourcing in the sphere of public administration in the Belgorod region. Stephan, Patterson, Kelly, and Mair (2016) talk about the need to review the relationship of organizations to society. Sosunova, Sivaks, Rakhmatullina, Starun, and Iskoskov (2019) dealt with the issues of increasing the efficiency of organizations ' functioning through improving the quality of services provided by logistics companies. Also, in their article Fishman, Ivanov, Sosunova, and Petryanina (2019) raise issues of research strategy of socio-economic development.

There are several types of participants in crowdfunding: author, curator, and sponsor. Curators are various companies that are interested in the project. Their responsibilities include: providing space, technical means, equipment or sponsoring advertising campaigns. Authors are represented by curators.

There are a large number of crowdfunding projects. All of them can be divided into two large groups: the first group-projects with non-financial remuneration, the second group-projects with financial remuneration (Figure 01). Projects with non-financial remuneration are divided into two main types: charitable projects and projects with further remuneration. When receiving monetary amounts as a charitable contribution, the recipients do not bear any obligations. Such projects are social, medical, and less often political projects. In crowdfunding, these projects were predominant until 2012.

The most common project is the second subspecies-in the form of an investment with further remuneration. This project assumes that a volunteer who gives funds for the project receives a sample of the product or souvenir from the company. These projects include the kickstarter model and the pre-order model.

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The goals of kickstarter model projects can be both development and implementation of creative ideas and development of high-precision technological equipment. This model can be called an effective way to acquire financial support. Investors can receive non-financial remuneration based on the results of the project implementation. The pre-order model assumes that the developed technology, program, and product are received primarily by project investors. Some investors perceive this model as a kind of online store that uses deferred delivery of goods.

The second type of crowdfunding is crowdfunding, when funds are investments, i.e. voluntary investors receive a share in the startup in return. This type has been used in many sectors of the economy. The advantages for the author of the project are reflected in the low rates and ease of obtaining credit. An advantage for the investor can be called a clear schedule for the return of capital.

The royalty model includes both non-financial remuneration and the possibility of obtaining a share or part of the profit from the project. Crowdlending is a type crowdinvesting, in which third parties are willing to invest their funds in repayment of the loan with interest. There are several models of lending to some individuals by others. Crowdfunding platforms are changing their direction, and currently such models are used for lending to developers or businesses, the investment crowd is acquiring the features of an institution with the potential for millions of investments. Only individuals can be a source of funding. Such lending is divided into three subspecies: projects in the field of lending to legal entities, projects in the field of lending to individuals, social projects.

Crowdlanding platform was created in 2004, and at the moment there is a noticeable growth of the demand and supply of crowdlending. But the constant growth of this type of platform has led to a number of problems. When there are too many people willing to invest in a project, the process begins to fall apart, since many people did not even have time to go to the crowdfunding project page, let alone consider the details.

Equity crowdinvesting-financing in exchange for a share in the project. This type of crowdfunding has not yet become widespread, as there are certain shortcomings in the work. The disadvantages of crowdinvesting include the lack of legislative consolidation of the rights and obligations of investors and project authors, a large number of documents and the high cost of organizing joint-stock crowdinvesting. Crowdinvesting platforms are divided into two types: investment is carried out without the participation of intermediaries or with their participation.
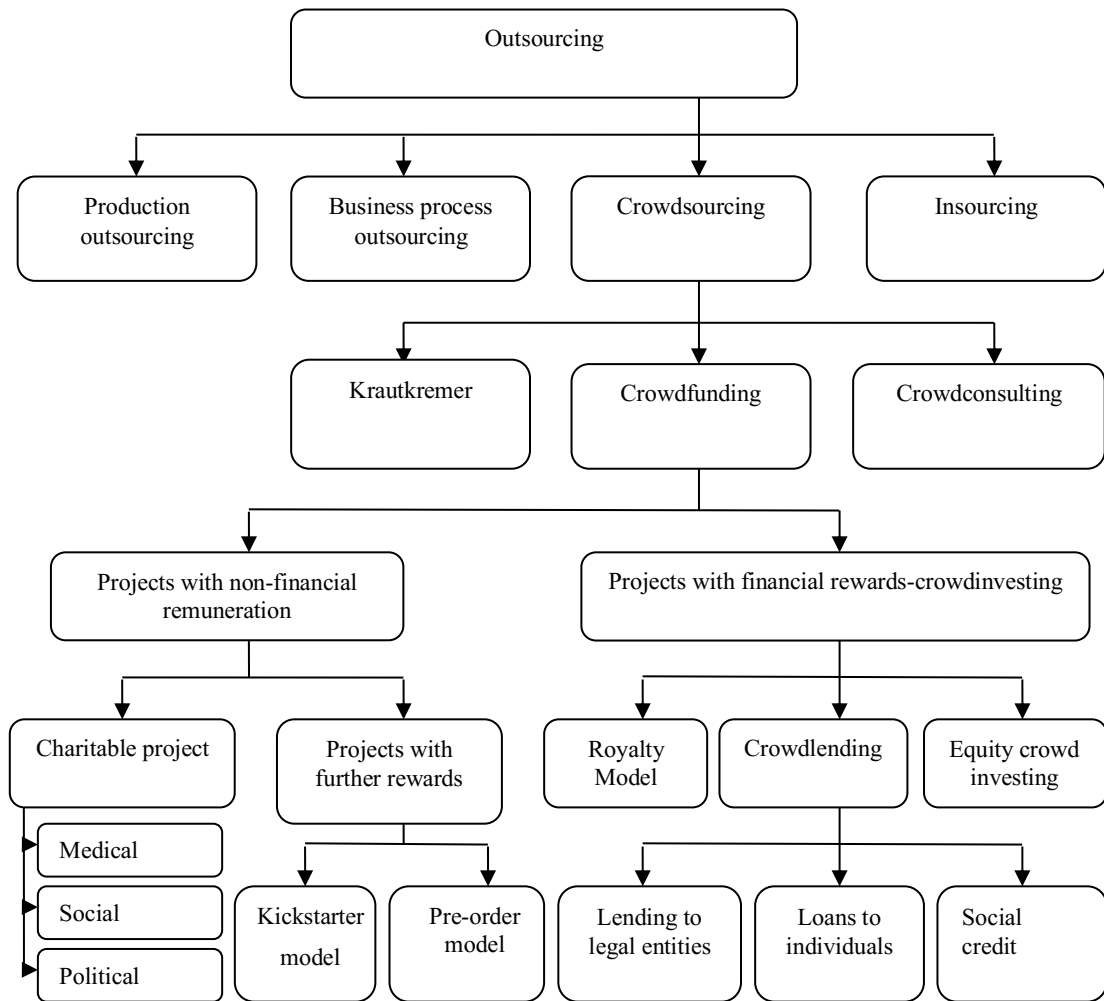
Source: author.

Figure 01. Classification of crowdsourcing.

7. Conclusion

As a result of the research, we can conclude that crowdsourcing and crowdfunding are widespread, and that there are a large number of their types, subspecies, and models. This study allows us to classify existing projects at the moment. But the grouped classification given by the author is not final, since new types and forms of crowd projects are currently appearing. Despite the undeniable advantages of using crowdfunding projects, many of their types have significant disadvantages that need to be eliminated or minimized in accordance with the capabilities of a particular project or model. In this regard, it seems necessary to further study the identified problem with the subsequent analysis of the existing crowdsourcing platforms.

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