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Determinants of Equity Crowdfunding Success in Norway

An empirical study of how different factors affect the success of equity crowdfunding in the Norwegian market

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Abstract

Equity crowdfunding is a new form of Fintech which has the potential to disrupt traditional models of financing in Norway. The crowdfunding platforms use an all-or-nothing strategy, meaning if the fundraising objective is not met, the founders will not receive any money. Thus, it is critical for entrepreneurs to meet or surpass their crowdfunding project's funding objective. Hence, it is essential for the founders to know which factors impact the outcome of the campaign and what kind of effect they have. This thesis, therefore, investigates the determinants of equity crowdfunding success in Norway. To conduct an analysis on the determinants, the study employs logistic regression. The analysis is based on a sample of 144 campaigns compiled from a manual collection of Norwegian equity crowdfunding platforms, Dealflow and Folkeinvest, from 2017 to the beginning of 2021.

Our findings suggest that minimum objective, duration, and updates on Facebook to be significant determinants of equity crowdfunding campaign outcome in Norway. A decrease in the minimum objective and campaign duration period increases the probability of success, and having updates on Facebook during the campaign period is found to also increase the probability of success. Furthermore, within the social media sub-group, we find that an increase in LinkedIn connections positively influences success. This study contributes to the existing literature by providing insights into which factors in a unique market, such as Norway with high social welfare and trust, may impact the outcome of an equity crowdfunding campaign. Furthermore, it is evident from our research that a country with a high level of trust may require less effort in developing their campaign characteristics in order to be successful. Further, we contribute to better understanding of investment decision-making processes, which is of great relevance to entrepreneurs, investors, and platforms in such a market.

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1. Introduction

1.1. Motivation

The way ventures raise capital to finance their activities has changed as a result of recent technological advancements. Raising capital through traditional funding or bank loans can be a struggle. Small and medium-sized business owners have relied on banks to fulfill their visions for decades. Many companies have been unable to obtain capital due to loan rejections based on stringent and sometimes predefined conditions (Belleflamme et al., 2010). As ventures frequently have a tough time securing outside investment in their early stages, crowdfunding tends to be a viable option. Thus, entrepreneurs are increasingly turning to crowdfunding to raise money.

Crowdfunding is an internet-based platform. The objective of crowdfunding is to collect a large number of small contributions from the public (Mollick, 2014). There exist four types of crowdfunding: loan-based crowdfunding, reward-based crowdfunding, donation-based crowdfunding, and equity-based crowdfunding. The platform helps the founders to publish a project overview, chat with sponsors, and clarify the project's financing structure. This way, platforms may minimize knowledge asymmetry for potential investors by displaying information about the founder's concept or idea. Crowdfunding websites have grown in popularity due to their ease of use. In the last decade, this popularity has been reflected in thousands of new online platforms in the world (Shneor et al., 2020).

For small to medium-size startups that want to raise capital, share-based public financing has become an increasingly exciting alternative. This thesis focuses on equity crowdfunding, where investors can buy shares of businesses. Entrepreneurs can reach out to a vast number of prospective investors using equity-based crowdfunding. In return for their investments, the investors get a proportional share of the business based on their contribution (Mollick, 2014). The platforms themselves do not buy or lend money; instead, they act as a certifying service, allowing investors to purchase stock in businesses seeking funding through the platform. Equity crowdfunding has increased in popularity around the world, accounting for 2% of the global volume or $1.5 billion excluding China of the total alternative finance models (Ziegler et al., 2019).

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In Norway, the concept of crowdfunding is still relatively nascent, although it is evident that the equity crowdfunding market has been growing significantly over the past years. (Shneor et al., 2020). In 2020, equity crowdfunding and debt-based lending accounted for the majority of crowdfunding activities in Norway, with a volume of 71% (Seredenko, 2020). Numerous studies have been conducted on the principle of crowdfunding, which is still a relatively new method of attracting outside capital. Furthermore, previous literature has looked at the success drivers of crowdfunding and how different project requirements must be defined in order for a crowdfunding campaign to be effective. Since several platforms operate on an all-or-nothing basis, it is critical for entrepreneurs to meet or surpass their fundraising goals. The founders do not collect any funds if they do not meet the fundraising target. As a result, the crowdfunding campaign must be well thought and planned.

1.2. Research Question & Contribution

This thesis aims to provide insights into the factors affecting a crowdfunding campaign's fundraising effectiveness in Norway. As entrepreneurs understand which influences affect the effectiveness of a crowdfunding campaign, they will use this information to plan potential projects that will be more successful. Our motivation comes from crowdfunding being understudied in Norway. This may be due to it still being relatively new, in addition to the crowdfunding market in Norway not being as big as in other countries, such as the US, the UK, Germany, etc. The lack of Norwegian investment sources and available capital is a big stumbling block for Norwegian entrepreneurs. This is a new form of Fintech which has the potential to disrupt traditional models of financing in Norway. Moreover, according to global estimates, equity crowdfunding accounts for a limited portion of the Norwegian industry, but platforms like Dealflow and Folkinvest are seeing significant growth. Norway is a unique country in terms of having high social welfare and high trust. In a study done by Delhey and Newton (2005) on social trust, Norway was found to have the highest trust with 65%. Thus, this is a context in which it is interesting to do this research. This is the thesis's raison d'être, and it lays the groundwork for the research question.

Studies have shown different results regarding which factors positively influence the funding and negatively impact the crowdfunding success. This thesis aims to investigate which factors affect the success of equity crowdfunding campaigns in Norway. The research question is the following:

What are the determinants of successful equity crowdfunding campaigns in Norway?

To the best of our knowledge, this research has not been done on Norwegian crowdfunding platforms and, more specifically, on Norwegian equity crowdfunding platforms. Thus, this study contributes to the existing literature by examining success factors in equity crowdfunding in Norway. There is little data on equity crowdfunding in Norway due to the industry still being relatively new. Therefore, in our empirical study, we use manually collected data to analyze the determinants of success in equity crowdfunding in Norway. To do so, information was hand-collected from Norway's only two equity crowdfunding websites. Further, financial variables, such as liquidity and solidity, were hand-collected from the Norwegian website Proff.no. Additionally, we manually collected data from the company and the founder's social media accounts; Facebook, LinkedIn, Instagram, and Twitter.

Most existing literature usually examines the effect of the minimum objective of a campaign, duration of a campaign, social media, and characteristics of a campaign's descriptive text. In this study, in this research we study more variables in depth. Besides usual factors, we examine the effect of the company's sector, target market, the day campaign started and ended, the company's age at the time of the campaign, the company and founder's social media, updates on Facebook, and support from another financial institution like Innovation Norway. Thus, in general beside looking at Norwegian market we introduce new factors to look at when it comes to success drivers of an equity crowdfunding campaign. In addition, most previous research has primarily looked at the direct effects of success elements, ignoring the interrelationships between them. While in this study, in addition to investigating the direct effect of each factor, we also study the interrelationship effect of factors as determinants of success in equity crowdfunding campaigns.

1.3. Findings

In order to investigate which factors could potentially be a determinant, we apply several logistic regression models to our data. There were, in total, 144 completed campaigns on the platforms combined. The data was cleaned, and winsorized to reduce the impact of possible outliers and make our findings more robust. The data is categorized into sub-groups in order to study individual aspects of the determinants of crowdfunding campaigns with different specifications. The explanatory variables are regressed against state being successful as the explained variable. The specifications we look at are social media, geographical target market, sector, team and board, financial variables, project-specific variables.

Our findings demonstrate that when only analyzing the social media determinants of the campaign, a bigger network on the company's Facebook and LinkedIn platform has a positive influence on the campaign's outcome. Moreover, a higher number of board members also seem to contribute to an increase in the probability of campaign success, while the number of team members did not stand out as significant. Regarding financial variables, the liquidity ratio of the company seems to be highly statistically significant. Thus, a higher liquidity ratio will lead to a greater probability of success. Overall, our findings indicate that the most significant determinant of success in the Norwegian equity crowdfunding market is the campaign's minimum objective, the length of the campaign duration, and having updates on the company's Facebook page during the campaign period. Moreover, as many of the variables were insignificant, these findings can indicate that a country with high trust, such as Norway, may require less effort in developing their campaign characteristics in order to be successful.

1.4. Outline

The structure of the paper is as follows. Firstly, an introduction to the world of crowdfunding and the types of crowdfunding that exist. This chapter also details the current crowdfunding market, specifically in Norway. The following chapter presents the data and sampling methods of the variables we chose for this thesis, in addition to the limitations faced. Further on, a chapter developing our main hypothesis based on previous literature, as well as presenting theoretical background on signaling theory and information asymmetry. This chapter elaborates on the

methodology, explaining how to address the research question using a logistic regression method. The next chapter is the empirical analysis, presenting descriptive statistics and inferential analysis. The aim of this chapter is to provide insight into how various determinants affect the outcome of a campaign in regard to the hypothesis and the research question. Next, a chapter on discussing the results with regards to literature findings, as well as discussing the specialty of Norway and policy implications. The final chapter presents the conclusion of our thesis and suggestions for further research.

2. Crowdfunding

Traditionally, when an entrepreneur wants to raise capital to start a business or expand its business, they will need to have their business plan, market research, and prototypes and then try to find funding sources. The funding sources that an entrepreneur usually uses are banks, angel investors, and venture capital firms, limiting their options to a few key players. Crowdfunding is pretty much the opposite of conventional company fundraising. Crowdfunding platforms encourage entrepreneurs to create, display and share their ideas on a single forum (Belleflamme, et al., 2014). Crowdfunding arises from the concept of crowdsourcing, which is described as financing a specific project of a profit-oriented firm which is essential for the making or sale of a product from a crowd in the form of an open call over the internet (Kleemann et al., 2008; Bayus, 2013).

Early examples of crowdfunding date back to the 1700s, but some people claim Joseph Pulitzer's campaign was the first crowdfunding campaign. In 1885, when the U.S. was unable to raise money to pay for a base for the Statue of Liberty, Pulitzer used The New York World newspaper to raise money. After five months Pulitzer was able to raise $102,000 (Gierczak et al., 2016). The first recorded successful modern crowdfunding happened in 1997. When a British rock band, Marillion, asked their fans to fund the band's reunion tour. Fans of Marillion donated $60,000 through an online donation. This event inspired the creation of the first crowdfunding platform, ArtistShare. Artistshare was introduced in 2003, and its goal was to help musicians seek donations from their fans to produce music (Golemis, 1997).

The phrase "crowdfunding" was first introduced by Michael Sullivan, an entrepreneur looking for donations to help fund his video-blog project, in 2006 (Davies, 2014). According to Shneor and Flåten crowdfunding platform is described as "an internet application bringing together project owners and their potential backers, as well as facilitating exchanges between them, according to a variety of business models" (Shneor and Flåten, 2015). Although there are different definitions of crowdfunding, the primary understanding is that it is a meeting place for people interested in the same projects and providing funding for those projects.

Some of the most globally famous crowdfunding platforms in recent years are Kickstarter, Indiegogo, GoFundMe. Most platforms, according to Bouaiss et al. (2016), have some characteristics in common: firstly, companies present a project presentation which is available to online users; second, accessible for more investors to participate as the funding sizes can vary from small to medium-sized, thus less risk; lastly, the investors are provided with information regarding campaign progress, hence, creating communication tools between investors and founders. Furthermore, some platforms offer counseling, advertisement, promotion, and recommendations to additional support services (Zhao et al., 2015). The functioning of platforms is governed by each country's national regulations. However, besides national regulations, platforms have their own rules and regulations for their users (Odorovie and Wenzlaff, 2020).

2.1. Types of Crowdfunding

There are four different types of funding options that are generally referred to in crowdfunding. Crowdfunding platforms usually use one of the types or incorporate multiple types on the same platform. The contributions can range from donation-based crowdfunding, reward-based crowdfunding, debt-based crowdfunding, and equity-based crowdfunding. In donation-based crowdfunding, individuals fund a project without expecting anything in return. This model is mainly used to raise money for charity projects. The type of crowdfunding that has shown to be equally popular is reward-based crowdfunding (Shneor, 2020). Rewards-based crowdfunding is a type of small-business financing in which entrepreneurs ask for financial donations from individuals and, in return, give a product or service to investors. The entrepreneur can reward investors with copies of the product in advance, discounted prices, or a simple token of appreciation (Viotto, 2015). Rewards are not always significant, and sometimes investors get a simple hand-written thank-you (Gerber et al., 2012). Rewards can be both material and immaterial. Material rewards usually are in the form of monetary rewards (Vukovic et al., 2009). Immaterial rewards, which are the most common, can be in the form of social acknowledgment (Kazai, 2011). Debt-based crowdfunding, also known as peer-to-peer (P2P) or marketplace lending crowdfunding, have two categories: for-profit and pro-social platforms. Lenders on the for-profit platform expect to be paid back with interest over a set length of time. While investors fund

enterprises in underdeveloped nations using pro-social platforms, and they only get paid back the amount they lent (Belleflamme et al., 2015).

In this thesis however, we focus on equity-based crowdfunding. In equity-based crowdfunding private companies and individuals can investment in a business's equity, shares or debt securities. Entrepreneurs post an open call on the internet to sell a certain sum of stock or bond-like shares in the hopes of attracting a substantial number of investors (Ahlers et al., 2015). Since its inception in 2008, equity-based models have advanced, more diversified types of equity crowdfunding have emerged beyond venture funding. Real Estate and Property-based crowdfunding are one of the models that allow investors to get ownership of a property asset via the purchase of property shares. The community shares model, often known as the cooperative model, is another variation of the equity concept. Investor's money are collected under this manner to support a community initiative, rather than focusing on financial gains, investors in this area are primarily driven to contribute to their local community (Gray and Zhang, 2017). Furthermore, angel and venture capital investors are increasingly turning to equity crowdfunding platforms for their investments. Moreover, traditional venture financing channels are complemented by equity crowdfunding. While it has some similarities to other kinds of early-stage financing methods, it is distinguished by its unique characteristics resulting from its digital feature (Shneor et al., 2020).

There exists various different practices and conventions in equity crowdfunding across platforms and countries, yet certain principles have become widely established (Shneor et al., 2020). Figure 1 presents a typical all-or-nothing equity crowdfunding process.

Figure 1: Equity Crowdfunding Process Under All-or-nothing Model (Shneor et al., 2020, modified from Lukkarinen et al. 2016)

Campaign unsuccessful: funds returned to investors → Campaign unsuccessful: funds returned to investors

Yes → Campaign unsuccessful: funds returned to investors

No → Campaign unsuccessful: funds returned to investors

Campaign unsuccessful: funds returned to investors → Campaign unsuccessful: funds returned to investors

Yes → Campaign successful: venture receives invested funds

No → Campaign unsuccessful: funds returned to investors

The procedure commences with the applications from companies to the platform. The platforms then filter the applicants according to the level of legal and financial due diligence (Löher 2017; Schwienbacher 2019; Shneor et al., 2020). If the application is successful, then the company moves forward with the planning and launch of the actual campaign. If the platform follows an all-or-nothing approach, as most equity-based crowdfunding platforms do, then in order to be successful the company has to raise the minimum objective, if not the funding is returned back to the investors (Shneor et al., 2020). Equity crowdfunding campaigns typically raise more money than other types of crowdfunding. Through this platform the founder and the investors form an entrepreneur-investor relationship (Frydrych et al., 2014).

The following table, Table 1, contains the definition of different types of crowdfunding with platform examples.

Table 1: Definition of the different types of crowdfunding

Type	Explanation	Example of platforms
Donation-based crowdfunding	Individuals fund a project without expecting anything in return. Such a model is often used for private donations to public goods or humanitarian and artistic projects (Belleflamme et al., 2015).	GoFundMe, Mightycause, and FundRazr.
Reward-based crowdfunding	In reward-based crowdfunding, on the other hand, the contributors get compensation in exchange for their financial contributions. Compensations can range from copies of the product in advance, discounted prices, or a simple token of appreciation (Viotto, 2015).	Kickstarter, Indiegogo.
Debt-based crowdfunding	In debt-based crowdfunding, also known as peer-to-peer (P2P) or marketplace lending, crowdfunding can be divided into two different categories: for-profit and pro-social platforms. On the for-profit platform, lenders expect to be reimbursed with interest after a given period. On the pro-social platforms, investors support businesses in developing countries and only receive the amount they lent back (Belleflamme et al., 2015).	Lending Club, Prosper, Funding Circle.
Equity-based crowdfunding	In equity-based crowdfunding private companies and individuals can investment in a business's equity, shares or debt securities. Founders put a specific number of shares for sale online with the intention of drawing investors to their campaign at a larger scale (Ahlers et al., 2015).	AngelList, WeFunder, StartEngine.

2.2. Crowdfunding market

The crowdfunding market has grown tremendously in the past decade. Between 2010 to 2017, the alternative financing industry nearly raised 50 billion euros globally (Chervyakov and Rocholl, 2019). Many of today's most popular crowdfunding platforms originated in the United States (US) and were introduced early in the decade. With the market expanding, increasingly more countries have been taking part in the crowdfunding market. The countries currently dominating the markets are China, the US, and the United Kingdom (UK), with a market share of 70.7%, 20%, and 3.4%, respectively (Schmidt, 2020).

While crowdfunding mainly started in the US in 2010, it entered the European market (Kunz et al., 2016). In 2017 the market continued growing by 36%, as seen in Figure 2, growing from 7.6 billion to 10.4 billion euros. In Europe, the UK has by far the biggest crowdfunding market, with a market share of 68%. Although they are the largest market, compared to the rest of Europe, the UK's market share has been decreasing (Ziegler et al., 2019).

Figure 2: European Online Alternative Finance Market Volumes Between 2013-2017 in €billions (Ziegler et al., 2019)
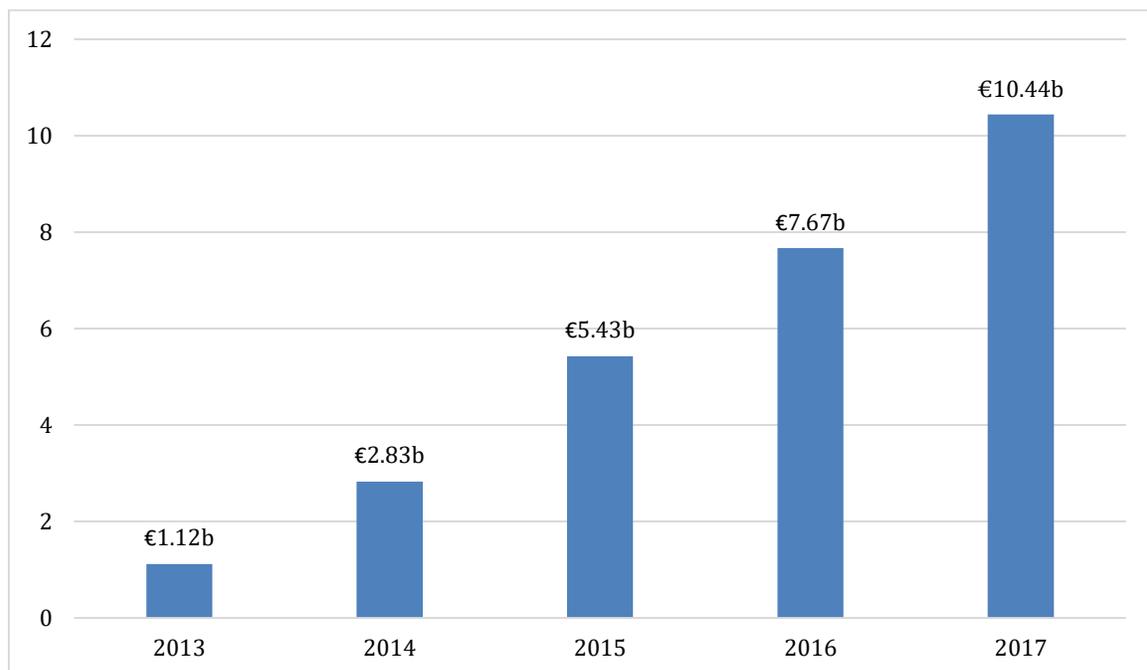
Excluding the UK, the top three markets in Europe are France, Germany, and the Netherlands. Furthermore, Europe is the smallest region in contrast to the Asia-Pacific region and the Americas. It is worth noting that between 2013 and 2017, its annual growth rate has been much more consistent, averaging 79% (Ziegler et al., 2019).

2.2.1. Nordic Crowdfunding Sector

The Nordic crowdfunding market consists of Denmark, Sweden, Finland, Iceland, and Norway. In 2016 the Nordic crowdfunding market was at 323 million euros. The Nordic crowdfunding market is relatively small compared to the UK, as the UK is 16 times bigger than the whole Nordic

altogether. From 2016 to 2017, the market grew 39%, with an annual growth trend of 67% (Ziegler et al., 2019). However, the Nordic market did rank as the third-largest market in mainland Europe in 2017 (Seredenko, 2020) by growing aggregately 126 million euros (Ziegler et al., 2019).

Figure 3: The Nordics Online Alternative Finance Market Volumes Between 2013-2017 in €millions (Ziegler et al., 2019)
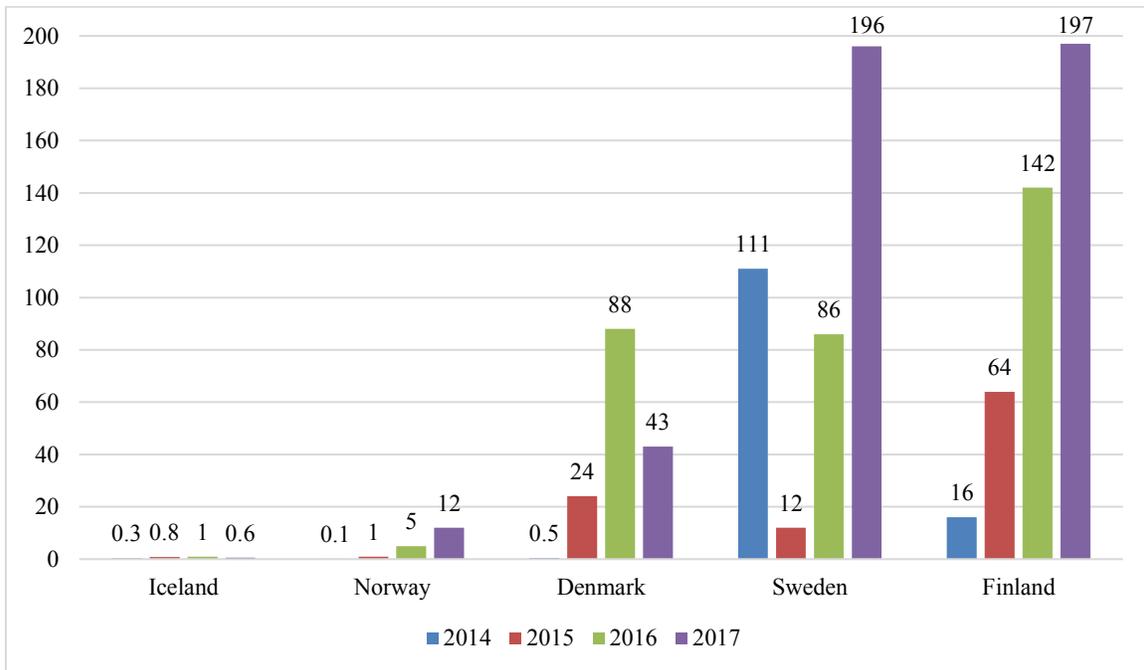
From Figure 3, we can see that among the countries in the Nordic market, the country with the highest share is Finland, followed closely by Sweden. The study from Ziegler et al. (2019) showed that the Nordic countries accounted for 13.3% of total European volume in 2017, excluding the UK, and 4.3% of total European volume, including the UK.

2.2.2. Norwegian Crowdfunding market

Among the Nordic countries, Norway has quite clearly been the least developed market in this region, with only accounting for 4.7 million euros (Hogneland, 2021). Lending-based, equity-based, reward-based, and donation-based crowdfunding platforms are all represented in the Norwegian industry. The industry in Norway has yet to present well in the crowdfunding sector. Although the European equity-based crowdfunding industry expanded by over 80% in 2016, the Norwegian market grew close to nothing up till 2016. On the other hand, the Norwegian

crowdfunding industry expanded steadily between 2017 and 2018 (Rakke, 2018). As a result, new platforms started emerging, to name a few: Dealflow, Folkeinvest, FundingPartner, Kameo, Cultura Bank, Lendonomy, Bidra.no, Startskudd (Norsk Crowdfunidng Forning, 2021).

Norway saw the highest growth rate, increasing by 141% between 2016 and 2017. Norway's market, on the other hand, stayed thin, generating €11.8 million in 2017. This accounted for just 2.6% of the demand in the country. The Norwegian Financial Authorities only made the first concessions for Peer-to-Peer Consumer Loan sites in 2018. Further, Norway has recently allowed Equity-based Crowdfunding, with a few concessions granted to a few players (Ziegler et al., 2019). In 2018 the market saw impressive growth, especially in equity-based crowdfunding, where volumes increased by 79% in the first half of 2018 from 2017 (Rakke, 2018). The Crowdfunding Research Center at the University of Agder presents that the Norwegian crowdfunding platform totaled NOK 442 million (€38.4 million) in 2019 (Shneor, 2020). As compared to 2018, when the overall demand was NOK 256.7 million, this reflects a 72.2 % increase (Shneor, 2020).

Moreover, in 2019, crowdfunding in Norway accounted for 61.8% of the overall crowdfunding market, with Peer-to-Peer property lending, Peer-to-Peer enterprise lending, and Peer-to-Peer customer lending accounting for the bulk of the market (Shneor, 2021). Peer-to-Peer property lending had the highest financing volume of NOK 137.9 million, led by Peer-to-Peer enterprise lending of NOK 119.3 million. Figure 4 illustrates that the latest full-year data show a 102% growth in 2020 from 2019, with a total volume of NOK 829 million (Shneor, 2021). This past year equity crowdfunding has been showing the fastest growth. It grew 197% from 2019 to 2020 and accounted for 19.5% of the total market volume (Shneor, 2021). These numbers show that the Norwegian crowdfunding market is growing at a fast pace. Thus, suggesting a promising future for this funding source, and it may not be long until it catches up with the other Scandinavian countries.

Figure 4: Norwegian Crowdfunding Values 2012 - 2020 in MNOK (Shneor, 2021)
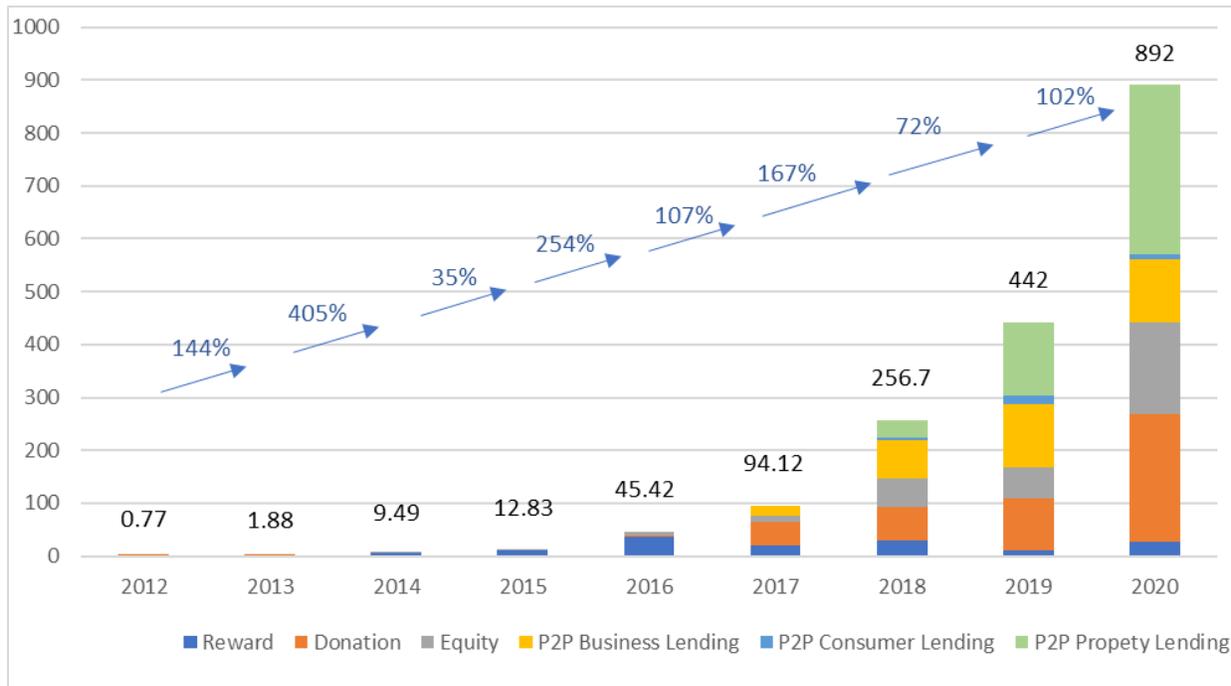
Evidently, Norway has had strong growth in recent years; however, it still remains as one of the Nordic industry's slowest markets. This can be explained by the removal of the EU investment crowdfunding regulations and the accessibility to other channels for consumer loans, but mainly the existence of regulatory hurdles in comparison to other European countries, such as Sweden and the UK (Shneor, 2021).

2.3. Regulations

Regulations have long been the most significant impediment to crowdfunding in Norway, and it is the country with some of the most stringent rules in the EU. It was first in 2017 where the first concessions for Peer-to-Peer lending and equity platforms were granted. Moreover, in 2018 the finance committee of the Norwegian parliament held a hearing on the need for regulatory revision, which culminated in the financial authorities instructing the financial authorities to launch a sandbox phase with industry participants (Ziegler et al., 2019). Until this time, there had been a lack of regulations regarding crowdfunding in Norway.

The Norwegian government has not officially started attempts to review current regulatory systems. Authorities have so far allowed a few Markets in Financial Instruments Directive (MIFID) licensed sites that have submitted notices to participate in equity crowdfunding. While peer-to-peer lending has been banned, there has been news of the first concessions for service under the oversight of national authorities in 2017.

(Ziegler et al., 2018).

Figure 5: Perception Towards Existing National Regulation - The Nordics (Ziegler et al., 2019)
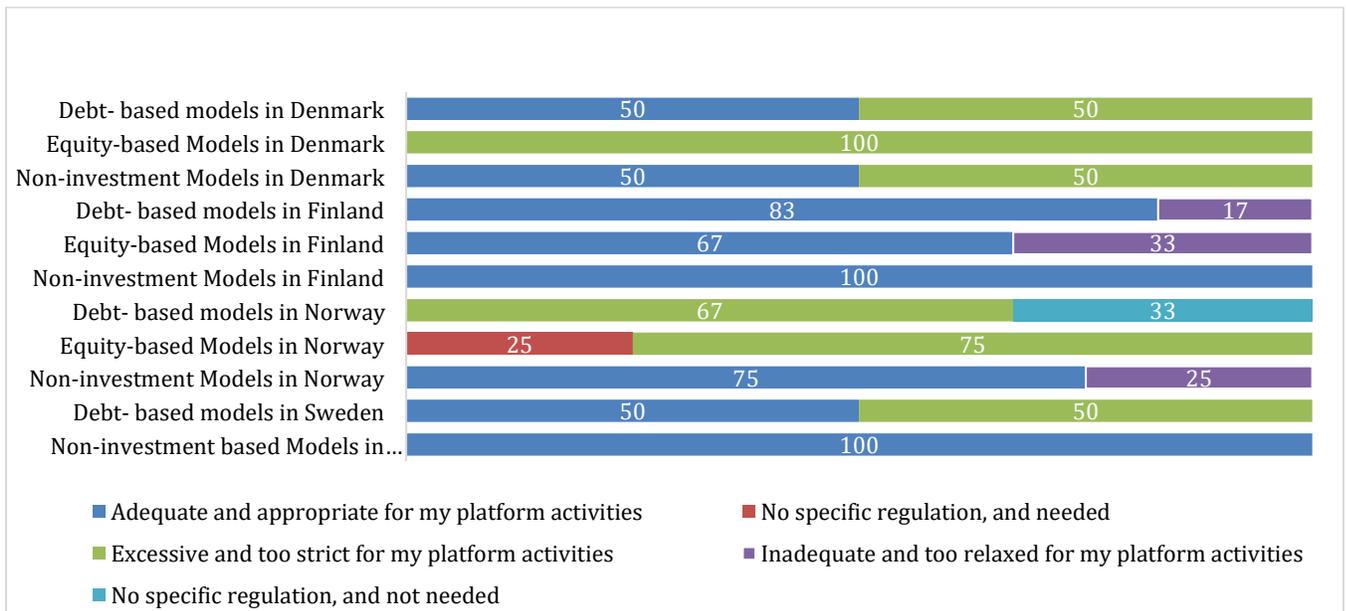
According to a Cambridge Centre for Alternative Finance (CCAF) survey in 2019, as seen in Figure 5, 67% of debt-based crowdfunding providers and 75% of equity crowdfunding businesses believe the new legislation is unfair and too stringent for their platform operations. In most cases, the crowdfunding platform provider qualifies as a loan broker, which does not require permission but does require registration with the Norwegian Financial Supervisory Authority (Ziegler et al., 2019). The regulatory constrictions have led to poor performance, especially in peer-to-peer consumer loans, accounting for only 4% of the market (Seredenko, 2020).

At the start of the year 2020, an EU agreement on new public funding regulations was made. This is an agreement on a law that lays a far more liberal line than Finanstilsynet wanted. Thus, Norwegian and foreign investors can invest even more into Norwegian companies that need capital than they could have done with Finanstilsynet's proposal. Currently, the Norwegian regulations

make this unattractive. This new EU law allows for it to be easy for businesses to raise money across national borders. Rotem Shneor, one of Norway's foremost professors in alternative financing, believes that the introduction of EU rules means that Norwegian platforms can more easily establish themselves abroad and raise capital for Norwegian projects from foreign investors. However, it is expected that completing and implementing a typical EU regulation in Norway can take its time. It will take a few months before the regulation is finalized in the EU, where Norway is given one year to introduce the regulations, a deadline that can be postponed up to two years if necessary. This can be an issue when it comes to the Norwegian industry competing with industries in other countries where the competition is much more advanced (Hopland, 2020). Regulations are suggested to have the most significant impact on the limitation of market growth within the Norwegian crowdfunding industry. Therefore, it is essential for these regulations to be implemented as fast as possible.

2.4. Equity crowdfunding platforms in Norway

The two most prominent platforms in Norwegian equity crowdfunding are Dealflow and Folkeinvest.

2.4.1 Dealflow

Dealflow is a Norwegian equity crowdfunding platform that was founded in 2017 in Bergen. The company is an independent investment firm under the supervision of Finanstilsynet (Dealflow, 2021). The platform assists founders in raising funds by crowdfunding campaigns in a cost-effective and flexible manner. It functions in a self-service manner, an entirely interactive marketplace where businesses can sell parts and raise funds to expand (Seredenko, 2020). Their team consists of people with experience within banking and finance.

Subscribing to the company's website is free of charge. They do, however, charge a free start-up fee of NOK 30,000 for a business evaluation and campaign approval. This fee also covers the use of Adminflow, a simplified company administrative tool, for 6 months, as well as building a wireless shareholder registry. Their fee is 6% of the total amount raised by a successful advertisement. As of now, it is not possible to invest in a loan via Dealflow (Dealflow, 2021).

Currently, Dealflow has had over 70 campaigns. The first campaign took place in April 2018 by LAVO.TV. They have since had 51 successful campaigns and 18 unsuccessful ones. The platform works in an "All-or-Nothing" manner, meaning that if the campaign does not reach its minimum investment goal, it will get nothing. The investors will then have their money sent back to their account after the campaign has ended. Before making an investment, the investor has to take an aptitude test which contributes to making an informed decision. The test assesses whether the investor has sufficient knowledge about the product they want to invest in. If the investor does not pass the test, then Dealflow advises not to proceed with the investment. Nonetheless, the investor can continue to complete the investment. In the same way, they also do an assessment of the companies before they post it on their platform. First and foremost, Dealflow requires that the company is a registered AS, then they will do several checks before getting approved (Dealflow, 2021).

2.4.2. Folkeinvest

Folkeinvest.no is a digital platform where people can get involved and buy shares in start-up and developing companies. The company is based in Trondheim and was founded in 2015. The company was granted a license as an investment company from the Norwegian authorities in 2019. In the same way as Dealflow, the company offers the people the possibility to invest in early-stage businesses through the folkeinvest.no website (Folkeinvest, 2021). Currently, there are over 74 campaigns posted on the Folkeinvests webpage. Of those 74 campaigns, 55 of them are successful, and the remaining 19 are unsuccessful.

The platform has a specially designed tool for developing investment offers for businesses looking to raise money. The platform leads the company through the process step by step, with aid texts to assist investors and entrepreneurs along the way. A campaign has several tabs that allow one to rapidly switch between different types of information about the investment opportunity. There is also a discussion forum where one can share their experience, ask questions, and learn more about the business and the topic (Folkeinvest, 2021).

They do not charge a user fee. However, anyone who wants access to all modules of the app, which is needed to publish a campaign, must pay a NOK 30,000 setup fee. There will be a supplement

for those who publish a share issue campaign if one as a customer succeeds in raising capital. This extra charge is based on the assumption that the capital-seeking client pays Folkeinvest AS 6% of the fees received. This sum is restricted to NOK 50,000. Furthermore, if the campaign is unable to reach the minimum amount for the issue, the issue will not be completed on folkeinvests' webpage. This means that none of the investors will receive payment information. In such cases, the campaign owners will not be invoiced for any additional fee. Folkeinvest has set a 6-month time limit between campaigns, so one must wait at least that long before launching a new campaign on the website.

The company has a limit set at NOK 20 million, meaning that campaigns cannot raise more money than this value (Seredenko, 2020). Moreover, in order for a campaign to be released, the details must pass through multiple tests at Folkeinvest. The objective of the test is to find any mistakes or defects in the investment offer. Investment firms, such as Folkeinvest, are obliged to assess whether it is appropriate for the investor to invest in the investment offers they offer; therefore, they also have an aptitude test. In the same way as Dealflow, if a company fails the test, the investor is advised against investing in that campaign's stocks. However, the investor will still be able to invest if wanted.

3. Data, Sample, and Variables

This chapter will elaborate on how and where data was obtained to prepare a dataset containing observations from 2017 to 2021. The chapter is divided into five sections; first, the source of data is briefly introduced. Next, the data collection describes the collection process. Section 3.2 is on data cleaning and preparation, which explains how the data was altered and prepared for coding and analysis, followed by the list of variable definitions. In the last section, the limitations of the dataset are discussed.

3.1. Data source and collection

Since equity-based crowdfunding is relatively new in Norway, not much data exists. As a result, we manually mapped out the Norwegian equity crowdfunding scene to self-construct a dataset containing relevant financial and descriptive information. Our primary source of information are the equity crowdfunding websites of the two equity crowdfunding platforms Dealflow and Folkeinvest, which this study is based on. In addition to this, data was manually collected through the respective social media platforms: Facebook, LinkedIn, Instagram and Twitter. Through the website called Proff, additional information on the company's solidity and liquidity was also gathered.

1. Dealflow & Folkeinvest

For this study, the primary source for each campaign was hand-collected data from Dealflow and Folkeinvest's websites. Dealflow's website has a section called completed, and one can find all the previously finished campaigns here on Dealflow. The finished campaign contains five sections. 1. Oversikt (Overview) 2. Emisjon (Issue) 3. Team 4. Analyse og Dokumenter (Analysis and Documents) 5. Spørsmal og Svar (Questions and Answers). We obtained our data from the information and documents on these pages. In order to obtain information from Folkeinvest, data was extracted manually from "Kampanjer" and then "Tidligere Kampanjerthen" sections of the website. Examples of successful and failed campaigns are presented in Appendix A and Appendix B.

2. Proff

Proff.no is a Norwegian website that provides up-to-date and in-depth Information about Norwegian companies, the site is owned by Proff AS (Proff, 2021). They use several sources like Brønnøysundregistrene, Skatteetaen, NAV, DIBK, Eniro, Proff Kundeweb, and Mercell AS to ensure their information is up to date (Proff, 2021a). We hand-collected data from each company's proff.no profile to get information on the year the company was founded and financial information regarding the company's liquidity and solidity ratios.

3. Social media platforms

In order to study the company and founder's network we manually collected data from the social media platforms: Facebook, LinkedIn, Instagram, and Twitter. In addition, LinkedIn was used to find information regarding the year the company was founded, the number of followers they have on LinkedIn, and information on the founder and team members. We looked at each company's Facebook page to see how many followers they have and also to see if they were active and posting content on their Facebook page during their campaign or not. We also looked at their Instagram and Twitter pages to see how many people follow them and their products. However, most of the companies did not have a Twitter page. These were repeated to gather information regarding the founder of each company. If the founders were not on the companies' LinkedIn page, we used Proff or the company's website to find the founder.

A total of 144 campaigns were identified, which can be regarded as a surprisingly low amount spread over two crowdfunding platforms. The limited number of campaigns could stem from several factors. Firstly, the number of equity crowdfunding platforms in Norway is less than a handful, and all the platforms were established recently. The oldest campaign in Dealflow dates back to 2018 and 2017 in Folkeinvest. Moreover, besides regulations that the government implemented, platforms themselves are really restrictive when it comes to reviewing applications. Based on the information provided by Dealflow's CEO, Stine Sofie Grindheim, in 2020, several hundred companies applied for having a campaign on their platform, and only 30 of them got accepted (Grindheim, personal communication, 2021). They also do not accept any campaign

requests from companies working in Tobacco, gambling, and pornography sectors. Moreover, they reject the request of the companies that market alcohol to young people.

3.2. Data cleaning and preparation

To prepare the data for coding and analysis, the obtained data was cleaned, the dataset structure was changed, and additional variables were created. This section explains the necessary steps that were taken to prepare the data.

After completing the data collection, data from Dealflow and Folkeinvest were combined into one dataset. Dealflows dataset contained 58 variables, and Folkeinvest's dataset contained 84 variables, as seen in Table 2. The variables differed from one website to another, so when both datasets got combined, the final dataset contained 21 variables. A few variables were not relevant to this study, such as invested amount or number of investors. These irrelevant variables were removed because this information is obtained after a campaign finishes, thus not relevant for a study that focuses on variables that determine a successful campaign.

Table 2: Number of variables in each dataset

Dataset	Number of Variables
Dealflow	58
Folkeinvest	84
Final Dataset	41

In the final dataset, a dummy variable called state was made. State represents whether a crowdfunding campaign was successful or not. When the state is 1, it means the campaign was successful, and when it is 0, it means the campaign failed and did not get enough investments. The variable sector, which shows in which industry the company is working, was divided into six sections: Digital and Technology (Digitech), Food and Beverages (Foodbev), Sustainability, Science & Health & Sports (SHS), E-commerce & shop (Comshop), and Entertainment. The target market is divided into four categories: Norway, Scandinavia, Europe, and World.

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Furthermore, two variables called *team_ratio*, and *board_ratio* were created. These variables were calculated by dividing the number of women on the team or board divided by the number of all people on the team or board. Variables such as competition, support from innovation Norway, if the company has a website, was the company mentioned in the media, and if anything posted on the company's Facebook page during the campaign are also binary; if they are 1, it means yes, and if they are 0 it means no.

3.2.1. Maxtrekk

A campaign that caught our attention while collecting the data from the platforms was Maxtrekk's campaign which raised no money. The campaign was posted in 2019, starting on October third and lasted until November first. It was especially interesting since the company had gotten support from both Innovation Norway as well as Forskningsrådet before the campaign took place. However, they had not received a single kroner from any investors. One of the main reasons for this issue was shared by a person who commented on their post that he was interested in their product and saw potential in it. As a hobby investor, he found the minimum price per share to be too high in relation to the risk and the current earning potential. Maxtrekk set the minimum price per share to NOK 5,927, which is the highest price of all the campaigns posted on Folkeinvest. The next highest price is NOK 1,100, which shows a significant difference between Maxtrekk's price compared to the rest of the campaigns on this platform. Thus, this campaign may be seen as an outlier in our data.

3.3. Variable definitions

name:
This variable shows the name of each company or project that had an equity crowdfunding campaign on either Dealflow or Folkeinvest's platform. Most of the campaigns specified the name based on the company name, while some specified the name regarding the specific project, they were raising capital towards.

state:
The state is the variable that contains the information of whether a crowdfunding campaign was successful or not. If a campaign passes the minimum funding objective, it will count as successful.

On the crowdfunding platform, the successful campaigns get marked with green color, while unsuccessful campaigns on Dealflow have an orange color and black on Folkeinvest's platform.

market:

The market variable represents each campaign's target market. A company's target market is a group of potential consumers to whom it intends to offer its goods and services (Kenton, 2021). Moreover, it refers to the geographical target market. The market has been divided into four categories: Norway, Scandinavia, Europe, and world.

sector:

Based on the business sector that each company works in, campaigns are divided into six groups. These six groups are Digitech: representing companies that work in digital and technology, Foodbev: companies that work in the food and beverage industry; sustainability: companies that work within or with sustainability products; SHS: companies that work in science, health, and sports areas, Entertainment: which shows the companies that work in the entertainment industry and finally Comshop: companies that work in E-commerce.

comp_found:

This variable shows in which year each company was founded. This information was obtained either from each company's added documents on the crowdfunding platform, LinkedIn page, or proff.no. The years vary from 1996 to 2020.

age:

The age variable is calculated by the year the campaign started minus the year the company was founded. In theory, if the firm is older, then more people may know the firm and it has been running without bankruptcy which indicates a type of success, this creates less information symmetry. This variable is created to see if how old a company was at the time of campaigning has an effect on getting more funding and having a successful campaign.

min_obj:

This variable shows the campaign's minimum financing objective. The minimum objective represents the least amount of money they have to raise in order to actually get the funding. If a

campaign passes that amount, it will count as a successful campaign, and if not, it would be a failed campaign. As the platform runs an "all-or-nothing" funding mechanism, a failed campaign would mean that the company will get none of the money invested in their campaign.

min_inv:

Each campaign has an investment threshold which means that if an investor wants to invest in a campaign, they have to invest at least the minimum investment (min_inv) in order to be able to contribute to the campaign.

pri_share:

This variable shows the price that the company is selling its share for. This is the price of a single share of several shares. In many cases, shares are given per share, although investors have to purchase several shares in order to reach the minimum investment threshold. The price per share varies from NOK 0.1 to NOK 5927.87.

sale_share:

This variable shows the number of shares, company is putting up for sale in its campaign.

liq_ratio:

This is a measure of how many short-term funds the company has in relation to the company's obligations over the same time horizon. Current liabilities are liabilities that fall due within one year, while current assets are funds in the enterprise that can be liquidated within one year (Proff, 2021b).

sol_ratio:

If the total equity is less than 100,000 the solvency is considered to be weak. The equity ratio shows the proportion of the assets that are financed with equity year (Proff, 2021b).

start_day:

This variable shows on which day of the week the campaign started. Campaigns can start on any day of the week, from Monday to Sunday.

end_day:

This variable shows on which day of the week the campaign ended. Campaigns can end on any day of the week, from Monday to Sunday.

duration:

This variable shows the number of days the campaign accepts funds. This variable was calculated from the start date and the end date of each campaign.

quarter:

This variable shows which quarter of the year the campaign started. This additional variable was added because the day in which a campaign started and ended had no economic value to it. Therefore, we created this variable to show which quarter of the year campaign started.

no_pic:

This variable shows the number of pictures on a company's campaign page on the crowdfunding platform. The variable looks at the number of pictures instead of whether a campaign includes pictures or not, as almost all the campaigns included a picture.

no_vid:

This variable shows the number of videos on a company's campaign page on the crowdfunding platform. The same applies to the number of pictures variables; rather than looking at whether a campaign has video, we look at how many videos a campaign has. This is because at least one video was included in almost all campaigns.

no_text:

This variable shows the number of words used on the "overview" part of the campaign page. This section is often referred to as the description; companies talk about their product and or project and give general information about the company or their past or future plans.

comp:

This variable shows if there are companies that have similar products in the market compared to the company we are looking at.

innov_norge:

This variable shows if a company has the support of Innovation Norway or not. Innovation Norway is a company owned by Norwegian government and is the Norwegian Government's instrument for innovation and development of Norwegian enterprises and industry (Innovation Norway, 2020).

team:

This variable shows the number of team members of a company. This variable tells us about the size of the company.

team_ratio:

The team ratio represents the diversity of the company in terms of gender in the team. This variable is calculated by dividing the number of women on the team by the number of all people on the team.

board:

This variable shows the number of people on a company's board.

board_ratio:

Board ratio represents the gender diversity in the board. This variable is calculated by dividing the number of women on the board by the number of all people on the board.

web:

This variable shows if a company has a working website or not. Majority of the campaigns had a link to the webpage on their crowdfunding platform.

media:

This variable shows if a company was ever mentioned in the media or press. This was often in terms of newspaper articles. We obtained this information from each company's campaign page information.

upd_fb:

This variable shows if a company was posting content on their Facebook page during their campaign time. Updates are attempts by founders to reach out to potential investors, keeping them informed about the campaign advancements.

fol_fb:

This variable shows how many followers a company has on its Facebook page. This variable shows us how well known the company is and how many people are following their company and product.

fol_li:

This variable shows how many followers a company has on its LinkedIn page. This variable shows how big a company's network is.

fol_ig:

This variable shows how many followers a company has on its Instagram page. This variable shows us how well known the company is and how many people are following their company and product.

fol_tw:

This variable shows how many followers a company has on its Twitter page. This variable shows us how well known the company is and how many people are following their company and product.

found_fol_fb:

This variable shows how many followers the company's founder has on Facebook. This variable shows how well-known the founder is.

found_fol_li:

This variable shows how many followers the company's founder has on LinkedIn. This variable shows how extensive the founder's network is.

found_fol_ig:

This variable shows how many followers the company's founder has on Instagram. This variable shows how well-known the founder is.

found_fol_tw:

This variable shows how many followers the company's founder has on Twitter. This variable shows how well-known the founder is.

A summary of the variable descriptions is presented in Appendix 1.

3.4. Limitations

Compared to the US or UK, the Norwegian crowdfunding market is relatively small, and there are not many equity crowdfunding platforms in Norway. This resulted in a small sample size and, in comparison, a small number of failed campaigns which may have affected the regression results. Moreover, equity crowdfunding is relatively new in Norway. The oldest campaign in Dealflow dates back to 2018, and for Folkeinvest in 2017. Hence, the sample size and number of failed versus successful campaigns are quite small. In addition, when a company did not mention anything about competition or the possibility of a similar product on their campaign page, we manually searched to find similar products or services compared to theirs in the market, thus this information may not be completely correct.

In addition, the information on the company or projects' sector is partially gathered from Dealflow's website, while for Folkeinvest, we had to interpret the sector ourselves based on our knowledge. This is because Dealflow's website named the specific sector, while Folkeinvest had no information regarding this. Therefore, the data here may not be as accurate; thus, we do not include this in the main regression, but we look at this information in descriptive statistics.

Moreover, from the campaign webpage, we used the length of description text, the number of pictures and videos to look at the visuals of the project summary. However, potential investors will rate the campaign based on the quality and the style. This can be projected through the colors used, the video visuals, the type of audio used. As a result, another limitation is due to the technology limitations, by not being able to capture and access this material.

4. Hypothesis Development

This chapter presents the main hypothesis of our thesis. The hypotheses are presented with regards to previous literature. Before presenting the hypothesis of this study, we will start by introducing some theories. There are two main theories that have often been used by previous literature to explain the reason for crowdfunding success; these are signaling theory (Mollick, 2014; Dorfleitner et al., 2016) and information asymmetry (Mollick, 2014; Belleflamme et al., 2014; Ahlers et al., 2015).

4.1. Literature and Theory

4.1.1 Signaling theory

A widely accepted and used theory in crowdfunding research is the signaling theory (Ross, 1977). In general, the signaling principle suggests that a signaller sends a signal to a recipient, and the recipient interprets and responds to the signal (Connelly et al., 2011). This theory has been put into a crowdfunding context where the signaller is the entrepreneur, and the investor is the receiver. An increasing body of research examines how knowledge asymmetries in equity crowdfunding can be reduced using signaling theory.

A successful signal in crowdfunding must be visible to supporters and impossible or expensive to replicate by a low-quality entrepreneur. Founders who want to raise funds by crowdfunding will use content signals, input mechanisms, and trustworthy intermediaries to establish credibility (Connelly et al., 2011). Brand credibility can be used to provide reliable quality cues in online marketplaces. Brand credibility can be used to provide reliable quality cues online. Brands, on the other hand, are becoming less relevant as knowledge becomes more readily available. Thus, information regarding the founding committee, their degree, and the quality of education are also consistent indicators (Mohammadi et al., 2014). The person who sends the signal and the person who receives it have relatively conflicting interests. Since the signaller is planning to gain from these signals, the signaller has the incentive to deceive the receiver (Ross, 1977; Connelly et al. 2011). On the other hand, the receiver has learned to perceive the signaller as dishonest and ignore them Connelly et al., 2011). Also, different receivers may understand the signal differently (Perkins & Hendry, 2005).

A way for founders to show their company's quality is through updates to the investors. Updates generally positively affect investors in equity crowdfunding because they are visible and observable (Mollick, 2014). Using updates may therefore send signals to the investors may have a positive influence on the outcome of the crowdfunding campaign. However, an increased number of updates during campaign time might be perceived by investors as unreliable as no additional information value can be given (Perkins & Hendry, 2005).

4.1.2. Information Asymmetry

When different parties are involved in a contract and do not have access to the same level of detail, information asymmetry occurs (Agrawal et al., 2014). Information asymmetries are essential because one side is not fully conscious of the other's behavioral objectives or efficiency (Belleflamme et al., 2015). As a result, founders and investors face diverse challenges. Backers are more likely to withdraw funding if they are unsure about the quality of a founder and his initiative due to knowledge gaps. As a result, entrepreneurs should make an attempt to eliminate knowledge gaps between themselves and their supporters.

Most crowdfunding investors are not experts, and as a result, they have little knowledge of the field in which the creator works, previous success, and other valuable details (Agrawal et al., 2014). The founder may be much more hesitant to share details with them due to the large number of people this information is published to, as well as their insecurity in the investors' seriousness in funding crowdfunding campaigns. In addition, by sharing too much information in detail, the founder can often run the risk of having their idea taken from them (Lee & Lee, 2012). Thus, they vary about what and how much they share on the campaign page. From the investors' side, the asymmetry problem is to trust the founder to deliver what they say they will deliver (Agrawal et al., 2014). Investors face three significant risks: founder's incapability, fraud, and risk of the project (Agrawal et al., 2014). Sometimes founders do not have the experience needed to deal with every aspect of the business. If a campaign is far over-funded, businesses often deliver late because they are unable to adjust to demand. Fraud can also come in terms of the founders using false information to make their projects look better. (Agrawal et al., 2014).

In general, businesses in the early startup stage have high risk which increases the chance of failure. The platform can help to reduce the issue of information asymmetry. This can be controlled by Dealflow and Folkeinvest, the platform can act as an intermediary. They can do so by encouraging the founders to disclose much information about themselves and the project. Furthermore, existing networks serve as trustworthy intermediaries, reducing intelligence asymmetry (Agrawal et al., 2014). The reduction of information asymmetry between the founder and the investor is expected to positively impact the success of the crowdfunding campaign. This is because the relationship between the two becomes more solid, as the investors have a better understanding of the founder and their project; as a result, the investors' willingness to fund the campaign increases.

4.1.2.1. Information asymmetry in equity crowdfunding

In equity crowdfunding, the information symmetry is worse than the other crowdfunding forms. Owing to the importance of collecting information, tracking progress, and providing feedback for startups and early-stage investors, information asymmetries are typically higher for equity crowdfunding (Agrawal et al., 2014). Investors who participate in equity-based crowdfunding make a long-term commitment, and in this case, the shareholders are the ones bearing the risk. Convincing backers to fund a startup is more difficult than in conventional financing methods. This has to do with founders having only a few opportunities to interact with investors. Thus, founders need to provide credible information regarding their project, so potential investors may use it to assess the project's potential and quality.

The information asymmetry dilemma in equity crowdfunding includes not just the founder's ability to produce the product but also the founder's ability to produce potential cash flows are critical (Belleflamme et al., 2015). Furthermore, investors have no idea whether or not the entrepreneur can lead the company until it is funded and begins to expand. The backers pose an extraordinarily high level of risk due to the lack of strict oversight, accounting, filing, and other requirements that are typical in publicly listed stock markets. Due to the asymmetry between founders and potential investors, founders must reveal truthful information regarding their project that potential backers may use to assess the project's potential, and founders have few opportunities for interacting with backers. As a result, convincing backers to fund a startup is more difficult than in conventional finance (Belleflamme et al., 2015). The founders take chances in equity financing, but the investors

are the ones who bear the risk. As a result, equity financing is a way to share risk among a group of investors.

4.2. Literature and theory used to develop hypothesis

4.2.1. Funding goal

The funding goal size has been shown to have a significant impact on the success of a crowdfunding project. According to research studies by Mollick (2014), as well as Barbi and Bigelli (2017), it was proved that the funding goal has a negative influence on the outcome. Their research showed that effective campaigns appear to have lower, more achievable funding targets than unsuccessful projects. Thus, as the funding goal increased, the probability of a project being successful decreased. Moreover, this variable can give the investors an impression of the campaign; it can serve as a signal to a prospective investor about the project's total scale and complexity (Barbi and Bigelli, 2017). Hence, larger, and more difficult campaigns have a bigger funding size. From the prospective investors' side, the increased complexity of the project can be seen as riskier, and as a result, develop more doubt and reservation regarding investment in these projects

On the other hand, some research using equity-based crowdfunding data, such as Lukkarinen et al. (2016), presented conflicting facts; investors are more inspired and interested in projects with larger fundraising targets. Their study shows that higher targeted campaigns can pique the attention of investors as more significant sums of money raised allows the business to take more significant steps towards growth and, as a result, increase the value. In addition, they argue that it can give potential more confidence to commit as the initiative can only succeed if a large number of investors want to fund it.

The funding goal can be argued to have a positive or negative impact on the campaigns. Due to more studies indicating a negative relationship between the funding goal and the success of the campaigns, the following is hypothesized:

Hypothesis 1: A high/optimistic funding goal has a negative impact on the campaign performance.

4.2.2. Duration

The duration of a campaign can also has an impact on the success of a campaign. A more extended funding period could seem beneficial as it would give the founder more time to fund the campaign. Previous literature, however, has discovered that the duration of the funding cycle has a negative effect on funding performance. This is because longer durations have been shown to give investors the impression of having a lack of confidence, thus influencing the campaign in a negative manner.

Mollick (2014) discovered that increasing the campaign cycle reduces the likelihood of a successful campaign. Concluding that although campaigns need some time to gain attention, the overall timeline should be close enough to create a sense of urgency for investors so that they are interested in funding. Otherwise, potential investors may not feel a sense of missing out on an opportunity. Further, a study done by Kuppuswamy and Bayus (2015) looked at the changing trend of investor behavior during the funding period and discovered that the majority of investments are coming in the first and last weeks. Given these studies, it seems that campaign duration is a factor that influences campaign effectiveness. In order to determine how significant this effect is, the following hypothesis is proposed:

Hypothesis 2: The investment period has a negative effect on the performance of campaigns.

4.2.3. Length of project description

The information disclosed to investors on their campaign website has long been recognized as a critical component of how well the campaign does. The objective of the campaign is to persuade the investors to support their campaign through signals. In contrast, the investors' decision whether to support the campaign or not is a reflection of the signals sent by the team. Signals can be sent in many different ways. Most often, the crowdfunding platforms offer the campaigner with a variety of tools to present their project in an efficient way. They provide a space where they can post videos, pictures, information on human and social resources, a place to give updates (Mollick, 2014). When it comes to the project descriptions most of the time this mainly comes in text format, and studies have shown that the amount of information disclosed in text format has a positive impact on the perceived understanding of the company and their goal as it reduces information asymmetry (Zhou et al., 2016).

The more detail released in the document; the more prospective investors would be able to assess the project while also reducing project-related ambiguity. In other cases, readers rate the detail offered as more useful as the text becomes longer (Mudambi and Shuff, 2010). As a result, it has been shown that using a longer summary text has a positive effect on crowdfunding performance. Based on this, the following is hypothesized:

Hypothesis 3: The number of words in text has a positive impact on the success of equity crowdfunding.

4.2.4. Number of Pictures & Videos

Another method of disclosing information is through pictures and videos, this variable has often proven to be quite significant. Graphics have a major positive impact on webpage visit durations. A page visitor is a potential investor, thus a longer visit time raises the likelihood that the page visitor may engage with the project and be persuaded that it is worthy of support. According to a study by Glenberg and Langston (1992) the presence of visuals aids human ability to comprehend. Moreover, according to signaling theory these signals can be an indication of how successful a project can be and hence have a direct impact on the likelihood of funding performance (Ahlers et al., 2015). These signals interact with one another, and prospective investors consider the whole portfolio of signals they encounter rather than individual signals. The investors' perception of the project is enhanced by pictures and videos, which show the characteristics of the product and the phases of production. Potential investors can quickly assess the project's quality by assessing product viability and business readiness using this knowledge (Mollick, 2014). Previous study supports that adding pictures to the project description text can influence the investment decision in a positive manner. Thus, we hypothesize the following:

Hypothesis 4: The number of pictures has a positive impact on the success of funding.

Hypothesis 5: The number of videos has a positive impact on the success of funding.

4.2.5. Social media

The use of social media has shown that network profiles information act as a signal, revealing crucial details about the founder (Courtney et al., 2017; Nevin et al., 2017). These social media platforms are often linked to the crowdfunding campaign's website. People can click on these links and see the number of friends/followers/connections the individuals of the team have. For potential investors, social interactions via network profiles serve as a verification mechanism. This may also

indicate whether or not the founder is trustworthy. It can be argued that those with more popularity have an easier time finding support. A term that is often used to describe the number of people in someone's network is user popularity or user capital. Thereby it refers to the number of connections, friends, followers an individual has. A prospective investor can judge a founder's reputation by looking at the scale of their network. As a result, in order to provide a metric for founders' reach and visibility, this analysis focuses on the scale of the network as determined by LinkedIn connections, Facebook friends, as well as Instagram and Twitter followers. Moreover, Abdul-Rahman and Hailes (2000) found that having reputational awareness is important when establishing trust online. As a result, these trustful signals can reduce uncertainty among the parties, thus the following is hypothesized:

Hypothesis 6, company's social media:

Hypothesis 6.1: the number of followers on the company's Facebook has a positive impact on the success of funding.

Hypothesis 6.2: the number of connections on the company's LinkedIn has a positive impact on the success of funding.

Hypothesis 6.3: the number of followers on the company's Instagram has a positive impact on the success of funding.

Hypothesis 6.4: the number of followers on the company's Twitter has a positive impact on the success of funding.

Hypothesis 7, founder's social media:

Hypothesis 7.1: the number of friends on the founder's Facebook has a positive impact on the success of funding.

Hypothesis 7.2: the number of connections on the LinkedIn platforms has a positive impact on the success of funding.

Hypothesis 7.3: the number of followers on the founder's Instagram has a positive impact on the success of funding.

Hypothesis 7.4: the number of followers on the founder's Twitter has a positive impact on the success of funding.

4.2.6. Updates on Facebook

The use of social media and the number of connections play a factor when wanting to reach the public. For crowdfunding the founder can post about it on their socials. Launch of the campaign, updates on how the campaign is doing and etc. A study by Zhang et al. (2017) found that updates improve the funding response and size significantly. Studies have shown that the reason to contribute may have increased due to interaction between the funder and the potential investor (Mollick, 2014). Founders can minimize knowledge gaps by communicating about the product, so that investors learn about its quality through updates. In that way, the information asymmetry is reduced between the founder and investor. The paper by Kuppuswamy & Bayus (2015) found that the reason for this is because it elicits emotions and a sense of excitement towards the campaign. Therefore, the following is hypothesized:

Hypothesis 8: Updates on Facebook have a positive impact on the success of the funding campaign.

4.2.7. Gender

There is not much literature on the effect that gender has on equity crowdfunding. A relatively new study in 2020 by Zhao et al. highlights that female founders are more likely than their male peers to be financed by equity crowdfunding. There could be several reasons for this; a study by Johnson et al. (2018) has shown that this has to do with the trust in women; due to stereotypical gender norms, women are perceived as more trustworthy than men. Investors in equity crowdfunding face more information asymmetry and risk than in other forms of crowdfunding. As a result, it may be argued that in equity crowdfunding, trust is more critical. Moreover, Greenberg & Mollick (2015) found that when studying the relationship between funding success and female founders, women perform better in crowdfunding than men and are more likely to succeed. Based on this, the following is hypothesized:

Hypothesis 9: Team_ratio & Board_ratio has a positive impact on the funding.

4.2.8. Innovation Norway

Previous literature has shown that credibility and trust is important for investors (Agrawal et al., 2014). Abdul-Rahman and Hailes (2000) discovered that reputation contributes to trust online. Credibility can be assessed in different ways; one way could be to look at the history of previous funding and support on the company or founder. In Norway "Innovation Norway" is the Norwegian government's primary tool for encouraging Norwegian businesses and industries to

innovate and develop. Thus, having received support by them can signify a good reputation, the campaign can be viewed as of quality. Again, in equity crowdfunding the risk in funding is apparent (Belleflamme, et al. 2015), thereby this goes again with the asymmetric information in crowdfunding, where this support can give potential investors a sign to trust the campaign themselves. As a result, investors can be more motivated to fund in such a campaign. Therefore, it is hypothesized:

Hypothesis 10: Support granted from Innovation Norway has a positive impact on the success of the campaign.

A full list of all the hypotheses is provided in Appendix 2.

Table 3: Previous literature findings on the hypothesis variable's impact

Variable	Author(s)	Impact
Funding goal	Mollick (2014)	Negative
	Koch and Siering (2015)	Negative
	Barbi & Bigelli (2017)	Negative
Duration	Mollick (2014)	Negative
	Kuppuswamy and Bayus (2015)	Negative
	Zheng et al. (2016)	Negative
Length of project description	Mollick (2014)	Positive
	Dorfleitner et al. (2016)	Positive
	Koch and Siering (2019)	Positive
Social media	Courtney et al. (2017)	Positive
	Nevin et al. (2017)	Positive
Pictures & Videos	Mollick (2014)	Positive
	Kuppuswamy and Bayus (2015)	Positive
	Zhou et al. (2018)	Positive
Updates	Mollick (2014)	Positive
	Zhang et al. (2017)	Positive
Gender	McGuire (2016)	Positive
	Greenberg (2017)	Positive

4.3. Methodology

This chapter will provide the reasons for the methodological decisions that were made. In order to answer our research question and test our research hypothesis, we are going to employ a logistic regression model by using logistic regression. For this thesis, the programming language R was used to conduct our analysis. The aim is to determine whether certain variables are statistically significant to the campaign outcome and to see the individual variables' relationship to the success of the campaign.

Regression analysis is used to look at the linear relationship between one or more multiple metric independent variables and a metric dependent variable. The regression analysis determines whether the interaction between the two variables is significant, as well as the magnitude of the effect (Hair et al., 2014). Since the platform of this study employs an all-or-nothing approach, meaning that the funds can only be sent to founders if the funding target is met or surpassed, which is equivalent to the campaign being successful.

A logistic regression model will be used to analyze whether certain variables determine the success of equity crowdfunding campaigns. Some previous similar studies have used linear regression models (Agrawal et al., 2014; Kuppuswamy & Bayus, 2015; Ahlers et al., 2015); this model is easy to implement, however, the disadvantage is that the approximate probabilities will fall outside the range between zero and one. An ordinal or qualitative dichotomous variable is represented as a binary variable (Wooldridge, 2013). As a result, prior studies such as Koch, Siering (2015) as well as Wang, Liang, Ye, Ge (2018) have been using logistic regression models. Therefore, our choice of using a logistic regression model is due to the fact that it allows for the use of binary variables, unlike the linear regression model. This model allows us to study the relationship between one or more independent variables and binary variables (James et al., 2013).

Rather than a metric-based measure, logistic regression is a form of regression that can predict and describe a binary categorical variable. Logistic regression is a method to use where the dependent variable is a binary variable, and the independent variables are ordinal, nominal, interval, or ratio-level (Menard, 2010). Any core assumptions of linear regression that are based on "ordinary least

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squares algorithms, such as linearity, normality, homoscedasticity, and measurement" degree, are not required in logistic regression (Bagchi, 2019).

This study aims to look at how various variables influence the success of crowdfunding campaigns. Therefore, we use the information regarding whether the campaign failed or succeeded as a measure to investigate this. Thereby the explained variable is the state of the campaign, which is represented as a binary variable. If the campaign was successful, then it has a value of one otherwise; if it failed, it has a value of zero. Along with the explained variable, dependent variable, the model also requires explanatory variables, independent variables. These are the variables we want to see whether they have a positive or negative impact on the success of the equity crowdfunding campaigns. The independent variables include both binary variables as well as continuous variables and are 41 in total. The logistic curve is used to describe the relationship between the dependent variable and the independent variables since the relationship is bounded by 0 and 1. The independent variable will never be greater than one or equal to zero. The coefficients of the independent variable will determine the likelihood of a crowdfunding project being successful.

For our regression analysis, we take the log of some of the independent variables. This is due to the probability that is obtained through the logistic regression being limited within the range of zero to one. Probabilities are, however, not normally limited to this range, so they must be expressed as odds (Hair et al., 2014). To prevent the odds from falling below zero, the logit value is computed. The log of odds is in the form of an S, this is referred to as a "sigmoid function." We can get interpretable and measurable values for our outcome of interest by using a sigmoid, which is generated by using the log of the odds. (Hair et al., 2014).

Based on the research question, the hypotheses, and also the variable "*state*", which is a binary variable and shows if our crowdfunding campaign is successful or not, we will use a multiple logistic regression model to determine if our selected factors have an effect on a crowdfunding campaign's success (Wooldridge, 2013). A logistic regression model, in contrast to a linear regression model, allows using the explained variables, like binary variables (James et al., 2013).

By adding all the constructed variables together, the following multiple logistic regression model is obtained, where X_i is the control variables we have in the model:

state = b_0 + b_1 min_obj + b_2 duration + b_3 no_text + b_4 no_vid + b_5 no_pic + b_6 upd_fb + b_7 team_ratio + b_8 board_ratio + b_9 innov_norge + b_{10} fol_li + b_{11} fol_fb + b_{12} fol_ig + b_{13} fol_tw + b_{14} found_fol_li + b_{15} found_fol_ig + b_{16} found_fol_fb + b_{17} found_fol_tw + $\sum_{i=18}^{30} b_i X_i$ + ε

First, we run regressions with each explanatory variable with the control variables against the state being successful, to examine the variables on their own. Further, in order to investigate each hypothesis and see each factor's direct effect clearly, we divided the data into six groups and ran regressions on them followingly:

Company and founder's social media:

First subgroup includes the variables that are related to a the number of followers on the company's social media on LinkedIn, Instagram, Facebook, and Twitter. First, single regressions will be done to see each variable's effect on success. And to examine the effect of all company related social media variables, multiple logistic regression will be done as well.

state = b_0 + b_1 fol_li + b_2 fol_fb + b_3 fol_ig + b_4 fol_tw + ε

Next section in the social media subgroup is the founder's social media variables. This group will be formed from variables that show founders' LinkedIn, Instagram, Facebook, and Twitter followers. Similar to the previous section, first single logistic regressions will be made, afterwards multiple logistic regression was made to see all variables impact on the success of the crowdfunding campaign.

state = b_0 + b_1 found_fol_li + b_2 found_fol_ig + b_3 found_fol_fb + b_4 found_fol_tw + ε

Lastly, the final regression in this subgroup will look at all company and founders' social media variables together. Also, the variable that shows if companies updated their Facebook page during the campaign or not (*upd_fb*) will be added to the regression. Furthermore, in order to test the hypotheses, there has to be control variables to control for different factors that may influence the success of crowdfunding.

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state $= b_0 + b_1$ fol_li $+ b_2$ fol_fb $+ b_3$ fol_ig $+ b_4$ fol_tw $+ b_5$found_fol_li $+ b_6$ found_fol_ig $+ b_7$ found_fol_fb $+ b_8$found_fol_tw $+ b_9$ upd_fb $+ \sum_{i=10}^{10} b_i X_i + \varepsilon$

The day campaign started and ended:

To examine if the day campaign started or ended has any effect on the success of the crowdfunding campaign, this sub-group was made. Each regression will examine the impact of each day on the success of the campaign and will show which days will increase or decrease the chance of getting the funding.

Team and board of the company:

To see whether the number of people on the team and board of the company and company being more diverse have any effect on the success of the campaign or not, this subgroup was made. To determine that, a multiple logistic regression with control variables will be run.

state $= b_0 + b_1$ team $+ b_2$ team_ratio $+ b_3$ board $+ b_4$ board_ratio $+ \sum_{i=5}^{10} b_i X_i + \varepsilon$

Project characteristics:

Each project has some characteristics such as how long the description text in the campaign page is or how many videos or pictures were used in the campaign page. To determine if these factors have any effect on the success of the crowdfunding campaign, multiple logistic regression with control variables will be run.

state $= b_0 + b_1$ no_pic $+ b_2$ no_vid $+ b_3$ no_text $+ \sum_{i=4}^{10} b_i X_i + \varepsilon$

Finally, we run a regression with each of the sub-groups together, by adding one sub-group at a time to study interrelationship between the groups. Consequently, the last logistic regression includes all the explanatory and control variables.

To test the model's robustness and fit, we look at probit regression results, multicollinearity, Wald test and Pseudo R-squared. To assess the goodness of the fit, we look at the R^2. In the linear regression model, R^2 indicates what percentage of the dependent variable is explained by an independent variable (Fernando, 2020). As it is not possible to construct a single R^2 statistic that includes all of the properties of R^2 in the linear regression model for regression models with a categorical dependent variable, the pseudo R^2 approximations are used instead (Mbachu, 2012).

For the robustness we start by examining the Wald test results. Wald test tests the significance of each variable. When a variable is significant, it adds something to the model, and if it is not significant, we can remove that variable from the model without affecting the model in any way (Agresti, 2018). If the Wald test result shows the value of zero, it suggests that the variable is insignificant and can be removed from the model, otherwise, that variable can be included in the model (Agresti, 2018).

Further, we test for multicollinearity, the amount of which a variable may be explained by other variables in the analysis. The interpretation of the variate becomes more complex as multicollinearity develops since it is increasingly difficult to determine the influence of any one variable due to their inter-correlation. This inter-correlation can cause problems in analysis, as it cannot wholly differentiate the explanatory factors from each other or separate their independent influence (Voss, 2004). To measure and quantify this, a Variance Inflation Factor (VIF) analysis was conducted. VIF score of more than 1 shows correlation. And if the VIF score is higher than 5, it shows high correlation (Daoud, 2017).

Lastly, we check for robustness with the probit regression, which is used to model dichotomous or binary variables. Both logistic and probit regressions are used to model the relationship between a binary dependent variable and one or more independent variables. For this study, we decided to use logistic regression as the primary model and later use probit to check our model. These tests should be able to evaluate the model's robustness.

5. Analysis

5.1. Descriptive statistics

Appendix 3 presents the descriptive statistics of all the variables, min, max, mean and median. The sample includes 41 variables and has 144 observations in total. The lowest minimum objective was NOK 0, and the highest minimum objective was NOK 15,000,000. The average is, however, at NOK 1,691,510. Thus, most of the campaign objectives seem to be around NOK 1 million to NOK 2 million.

[Insert Appendix 3 here]

Moreover, we observe that there was only one campaign that had specified their minimum objective as NOK 0. The minimum investment that was made per share was NOK 60, and the maximum investment made was NOK 49,920. Next, looking at the duration, the campaign with the fewest number of days had three days, while the campaign with the longest duration had a campaign lasting 136 days, meaning it lasted for over four months. Almost all the campaigns had pictures and videos. Out of 144 campaigns, 12 had no pictures, meaning around 91% had pictures and 10 had no videos, and 93% had videos. Instead, we, therefore, look at the number of pictures and videos in our data. On average, there are about six pictures and around one to two videos on a campaign.

The project descriptions, presented by the number of words in the campaign description, on average, had 1347 words. 61% of the campaigns post updates on their Facebook about their campaign. Around 44% of the campaigns have received support from Innovation Norway. The teams, on average, consist of four to five members. The maximum number of team members is 19, and due to some companies not specifying their team members, the minimum number of team members is 0. Some teams did not have women in their team; on average, there was around one woman. Regarding the number of men on the team, there were around three men. On average, there were approximately three board members; board women are around 0, while board men have an average of approximately three. The presence of the company on social media differs between the different social media platforms. However, it is clear that Facebook has the most significant

number of following, with an average of 1728 followers. However, the founders have a more significant following on Instagram with 1837 followers on average. It is also clear that Twitter is not widely popular in comparison to the other platforms.

Figure 6: Final State of the Campaigns
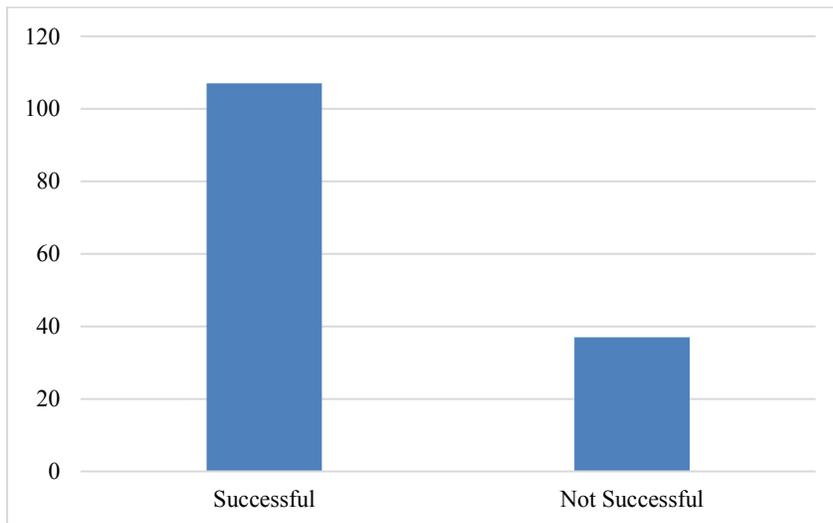
The "Final State of the campaigns", Figure 6, illustrates the number of campaigns in the dataset that were successful and the number of campaigns that failed. Out of 144 campaigns, 107 of them were successful. Since Dealflow and Folkeinvest are all-or-nothing platforms, a campaign should at least hit the minimum investment objective to get funding to be counted as successful. The remaining 38 out of 144 campaigns did not get sufficient funding and failed. These numbers currently give Norwegian equity crowdfunding a success rate of 74%. This is higher than other countries; based on the statistics of 2020, 22.4% is the average success rate for crowdfunding campaigns, which, compared to Norway, is really small (Shepherd, 2020).

Figure 7: Target Market of the Campaigns
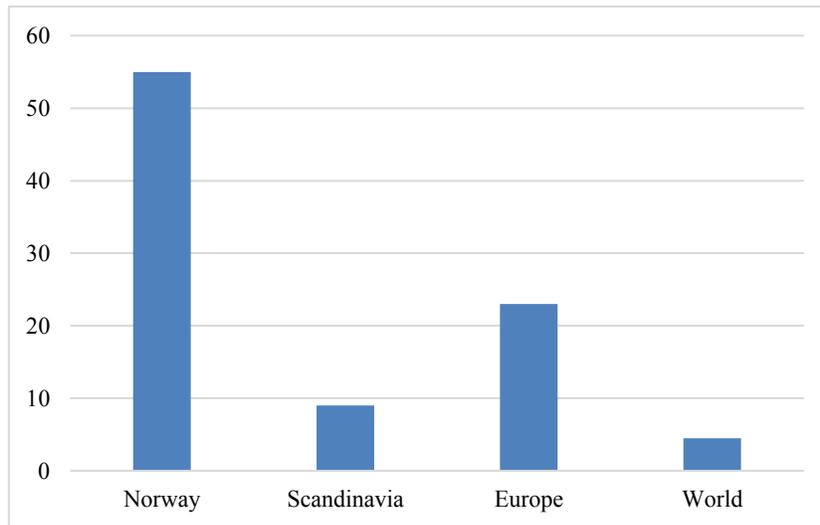
The campaigns in the dataset were divided into four categories based on their customer target market. The four categories are Norway, Scandinavia, Europe, and World. Figure 7 shows the distribution of the target market among the 144 campaigns. 55 of the campaigns have Norway as their target market, 9 have Scandinavia, 23 have Europe, and 57 have the World. Based on these numbers, we can see that 38% of campaigns have their target market in Norway, 40% have the World, 6% have Scandinavia, and the remaining 16% have their target market in Europe. Furthermore, the success rate in campaigns regarding each of the target markets is as follows: 84% in World, 75% in Norway, 44% in Scandinavia, and 61% in Europe.

Figure 8: Number of Campaigns that Started on Each Day
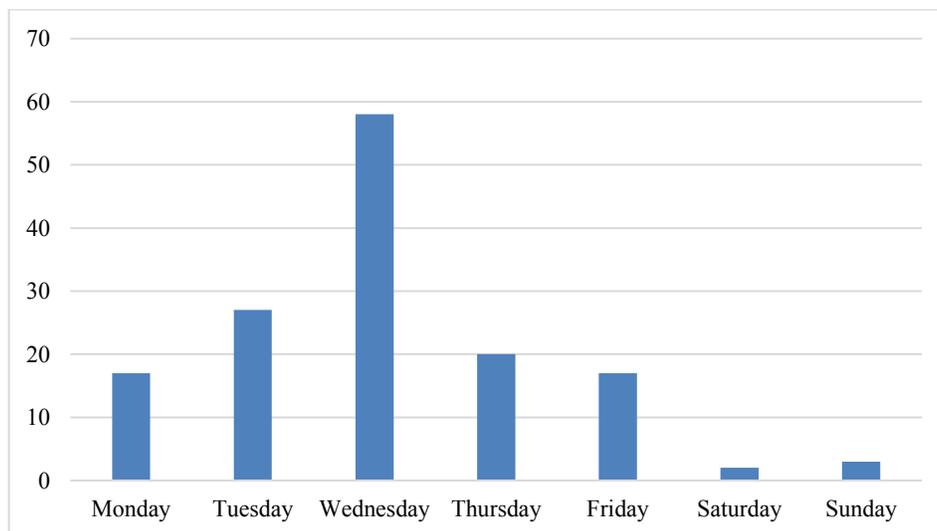
Figure 9: Number of Campaigns that Ended on Each Day
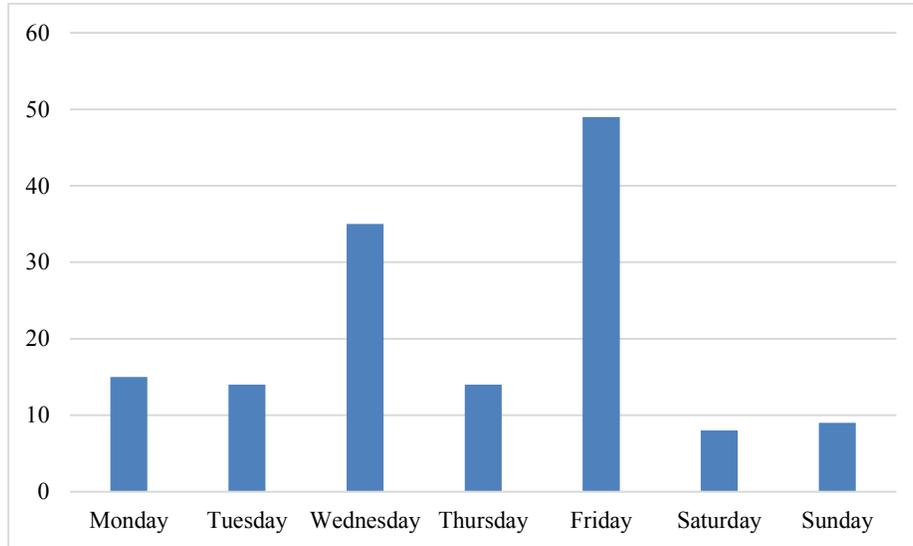
Figure 8 shows the day which campaigns started and the day they ended. The campaigns are divided into seven days of the week. On the left is based on the campaigns' start day, where 12% of the campaigns started on Monday, 19% started on Tuesday, 41% on Wednesday, 13% on Thursday, 12% on Friday, 1% on Saturday, and 2% on Sunday. Thus, we see that the most popular day to start their campaign is clearly Wednesday. Moreover, Figure 9 shows the day on which the campaign ended. 10% ended on Monday, 10% on Tuesday, 24% on Wednesday, 10% on Thursday, 35% on Friday, 5% on Saturday, and 6% of campaigns ended on Sunday. Here we see that Friday is the most popular day to end the campaign.

Table 4: Variables based on their sectors

Category	Number of Projects	Success Rate	Number of Backers
Digitech	61	77.0%	3645
Foodbev	16	93.8%	2553
SHS	18	83.3%	1673
Comshop	19	73.7%	1284
Entertainment	9	33.3%	264
Sustainability	21	61.9%	1853
Total	144	74.3%	11272

Table 4 is based on the sectors the companies are working in. The campaigns are divided into six categories: Digitech, Foodbev, SHS, Comshop, Entertainment, and Sustainability. Digitech had the greatest number of campaigns, 61, and most investors with 3645. Although the Digital Technology sector seems to be the most popular, the Food & Beverage sector (FoodBev) and Science & Health & Sports (SHS) have a higher success rate, with 93.8% and 83.3%, respectively. In total, there were 144 campaigns on Dealflow and Folkeinvest from 2017 to 2021, and 74.3% of these were successful. The campaigns had in total 11272 investors who invested in these campaigns.

5.2. Regression preparation

Before taking regressions, we studied each variable's distribution by making a histogram of it. We saw that most of the variables were not normally distributed and also had outliers, data points that are significantly different from the rest of the data. To mitigate these problems, first, we take the log of variables and then winsorize them. In our regressions, our goal is to have the smallest error and not overfit the model. To avoid these problems, we use the logarithm of the variables. Logarithmic transformation helps us transform highly skewed variables into a more normalized dataset (Benoit, 2011). Thus, we take the log of positive variables and then winsorize them at 5% to get rid of outliers.

In the next step, we checked for correlation in our dataset; the correlation matrix is presented in Appendix 4. The variable that shows the number of men was highly correlated with the variable show number of people in the team (0.91), and the number of women in the team was highly correlated with the ratio of women on the team (0.8). Also, the variable that shows the number of men was highly correlated with the variable that shows the number of people on board (0.93) and women on board was highly correlated with the ratio of women on board (0.81).

[Insert Appendix 4 here]

Since the correlation between these variables was high, and the number of people in team/board and the ratio of women in team/board are more essential for us, we decided to exclude the number

of women on the team/board and the number of men on team/board from our dataset in order to get better regression results. Then we divided our data into eleven groups. The variables were grouped into sub-groups similar; the regressions were run on each group and together. The purpose of putting data in different groups was to see each variable's impact on the success of a campaign alone and among similar variables.

5.3. Regression results

The regression results are presented in the following section. Appendix 5.1 and 5.2 reports the logit regression results when regressing each control variable (CV) against campaign success as the explained variable.

[Insert Appendix 5.1 and 5.2 here]

Model (1) tests the control variables: *price_share, age, min_inv, sale_share, liq_ratio, sol_ratio, quarter, comp, web,* and finally*, media* jointly affect the campaign success. This model is used as a baseline for comparing how the model's fit improves when other variables are added. Here we see that the *liq_ratio* has a high significance level at 1%, with a positive coefficient. At the same time, the rest of the control variables show not to be statistically significant. These results tell us that among these variables, having a higher *liq_ratio* will impact the success of the campaign positively. The third model, the model (3), investigates how the duration of the campaign period will influence the state of the campaign. The addition of *duration* to the control variables makes both duration and *liq_ratio* significant. The significance level of *liq_ratio* decreases from the original model; however, it is consistent with the results above. The significance level of duration is very high with a negative coefficient and statistically significant at a 1% significance level. Thus, this indicates that campaigns with shorter duration have greater success probabilities than longer ones.

Model (10) and model (14) are both statistically significant. Model (10) tests whether the number of followers the company has on Facebook increases the chance of success compared to the control variables, and model (14) tests with the number of followers the founder has on Facebook. The coefficients of *fol_fb* and *found_fol_fb* are positive and statistically significant at a 10% significance level. This implies that having an extensive network on Facebook is beneficial for the

company and increases the probability of success. Model (11) examines the relationship between followers on LinkedIn and the control variables against the campaign success. The variable *liq_ratio's* significance level decreases from model (1); however, it remains statistically significant. *Fol_li* has a positive coefficient and has a relatively high significance level of 5%. Thus, this indicates that an increase in the number of connections on LinkedIn will increase the campaign's probability of success

Model (16) regresses the number of Instagram followers and control variables against campaign success. The *found_fol_li* variable is positive and statistically significant at a 5% significance level. Thus, this indicates that it will increase the probability of success of the campaign if the number of followers on Instagram increases. Moreover, observe that *liq_ratio's* significance level decreases from the model (1); however, it stays consistent. Lastly, in model (19), variable *upd_fb* is statistically significant. This model illustrates that updating the company's Facebook page during the campaign period will increase the probability of crowdfunding success. The coefficient is positive and statistically significant at a 1% significance level. This demonstrates that it will increase the probability of success of the campaign if they have updates during the campaign period.

The remaining variables do not show significance when regressed with the control variables. Moreover, note that throughout the table, from model (1) to model (18), the liquidity ratio is statistically significant between a 1% and 5% significance level and a positive coefficient. This indicates that even though the campaign success is not due to the founder's social media, the variation in the success is attributed to liquidity ratio. In the following regression results we will look at how each subgroup regresses against the dependent variable state.

5.3.1. Sub-group 1. Social media

Appendix 6 reports the logistic regression results when regressing each of the social media variables against campaign success as the explained variable. Model (1) has a positive coefficient and is significant at a 1% significance level, indicating that an increase in the number of Facebook followers on the company's Facebook means a higher probability of the campaign being successful. Next, we see that the results are also significant for LinkedIn in the model (2), with a

1% significance level and a positive coefficient. Thus, this illustrates that having more connections on the company's LinkedIn page increases the probability of success. The results in model (3) and model (4) show that the company's Instagram and Twitter do not yield a better probability of success. The coefficients are positive, however not statistically significant.

[Insert Appendix 6 here]

In model (5), all the company social media variables are included. The results are consistent with the previous results when the variables were looked at individually; Facebook and LinkedIn are the only two that are still statistically significant. However, Facebook and LinkedIn significance did change from a 1% significance level to a 5% significance level. This illustrates that overall, for the company's social media, Facebook followers and LinkedIn connections increase the probability of campaign success. Moreover, also observe that when every social media is included in the regression together, the variables are not as statistically significant. This shows that when they are all included, the variables are less significant in terms of the campaign being successful. The following table reports the regression results on the founder's social media.

[Insert Appendix 7 here]

In Appendix 7 We regress each of the founder's social media variables. Model (1) regresses the founder's Facebook as the explanatory variable against the explanatory variable campaign success. Observe that model (1) is statistically significant with a significance level of 1% and a positive coefficient. Moreover, in model (3), the number of Instagram followers on the founder's page is also significant, with a significance level of 1% and a positive coefficient. This high significance level indicates that founders with a high number of friends on Facebook and Instagram followers could contribute to increasing the probability of a successful campaign. In comparison to the company's LinkedIn, the founder's LinkedIn in model (2), on the other hand, is not as statistically significant; it has a 10% significance level. While Twitter continues to display that Twitter does not increase the probability of campaign success. In model (5), we run a regression for all the founder's social media; here, we see that the founder's Facebook and Instagram remain statistically

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significant, although they are not as significant as they were, now with a 10% significance level. The results from these regressions illustrate that Facebook and Instagram are the two social media that are most significant when it comes to the founder's social media network.

[Insert Appendix 8 here]

Appendix 8 reports regression with all the social media variables with the control variables. Model (1) and model (2) were presented in Appendix 6 and 7 without the control variables. Model (3) regresses with updates on Facebook as an explanatory variable and state as an explained variable. The results show that this variable has a positive coefficient and is highly statistically significant with a 1% significance level. This significance level implies that the campaign's success is attributed to updates made on Facebook. Observe that the web coefficient is positive in this model. With the control variables, model (4) illustrates that the number of followers on the company's Facebook page is no longer statistically significant. The number of connections on LinkedIn, on the other hand, continues to be significant; although it has decreased in significance, the significance level went from 5% to 10%. It is also observed that the liquidity ratio is significant and positive, which indicates that campaign success varies, and it is not attributed to the number of social media followers the company has but rather the liquidity ratio. Conversely, the rest of the variables did not display results indicating an increase in the probability of success when included. Nonetheless, the variable web's coefficient is now negative.

Furthermore, model (5) displays that the founder's social media does not yield a greater probability of campaign success. All the founder's social media have positive coefficients but are not statistically significant. On the other hand, the liquidity ratio is statistically significant, indicating that, although the campaign's effectiveness is not due to the founder's social media, the variation in success can be attributable to it. Moreover, model (6) demonstrates that the number of connections on LinkedIn does increase the probability of success. The coefficient is still positive and statistically significant at a 10% significance level. In addition, the model also illustrates that the liquidity ratio is statistically significant; however, the significance level has gone from 5% to 10%. Thus, regressing with all the social media variables weakens the significance of the liquidity ratio. Finally, model (7) uses the *upd_fb* variable and all the other social media. Here we see that *upd_fb* and liquidity ratio are the only ones that are statistically significant at a 5% significance

level and 10% significance level, respectively. Although the significance level of *upd_fb* has dropped, it still shows that updates on Facebook alone have a high impact on success. The remaining variables are not as significant, but it still remains a significant variable compared to the other variables.

5.3.2. Sub-group 2. Market

Next, we examine the relationship between the geographical target market and campaign success which is shown in Appendix 9. The results illustrate that *market_norway,* model (1), and *market_europe* (3) do not yield a greater probability of campaign success. On the other hand, *market_scandinavia* is statistically significant with a 5% level and has a negative coefficient. The negative coefficient indicates that campaigns with Scandinavia as their target market decreases the probability of having a successful campaign. Model (4) displays target market world is statistically significant with a positive coefficient and has a 5% significance level. This demonstrates that if a campaign has the target market set to the world, they have a better chance of getting funding.

[Insert Appendix 9 here]

5.3.3. Sub-group 3. Start day and End day

The following table, Appendix 10 and 11, report the logit regression of start day and end day against campaign success as the explained variable. The results demonstrate that *Tuesday* and *Wednesday* as the start day are statistically significant. For *Tuesday*, the coefficient is negative and has a significance level of 5%; this indicates that starting the campaign on *Tuesday* can decrease the probability of having a successful campaign. Furthermore, *Wednesday* has a positive coefficient and has a 10% significance level; thus, having Wednesday as the start day can increase the probability of success. The remaining days of the week do not show statistical significance against campaign success.

[Insert Appendix 10 here]
[Insert Appendix 11 here]

We also investigate whether the day a campaign concludes positively influences the campaign's outcome. These results, shown in Appendix 11, show that *Tuesday* and *Wednesday* are statistically significant. *Tuesday* has a negative coefficient with a 5% significance level, thus indicating that campaigns that end on *Tuesday* have a lower probability of success. *Wednesday* has the same significance level as *Tuesday* but has a positive coefficient. This indicates that having Wednesday as the campaign start day increases the probability of having a successful campaign.

5.3.4. Sub-group 4. Sector

The following regression, which is shown in Appendix 12, reports the different sectors regressed against crowdfunding success as the dependent variable. Model (3) illustrates that the Food & Beverage sector is statistically significant with a positive coefficient at a 10% significance level on its own. This indicates that having a business from this sector will increase the probability of success. Furthermore, model (6) is also statistically significant at a 1% significance level with a negative coefficient. The negative coefficient indicates that having a business from the entertainment sector can negatively impact success, decreasing the probability of success. The remaining variables do not increase the probability of success. Of these variables, sustainability and *comshop* have negative coefficients, and the rest have positive coefficients, but none are statistically significant. Model (7) regresses all the sector variables except for entertainment. The entertainment variable was removed from the regression due to the singularity problem. When doing so, we see that four variables are statistically significant: *digitech, compshop, foodbev and shs*.

[Insert Appendix 12 here]

5.3.5. Sub-group 5. Team & Board

Appendix 13 reports how information regarding the size of board and team and gender ratio affects the campaign's success in various ways. In model (1), all coefficients except for *board_ratio* are positive. Board is statistically significant with a 5% significance level for the number of board members. Thus, we see that an increase in the number of board members can increase the

probability of success when only reviewing information regarding board and team. However, in model (2), (3), and (4), none of those variables are statistically significant. Observe that the coefficient for the team is positive for model (1) and negative for model (2) and (4). Furthermore, the liquidity ratio is on the other hand significant for model (2), (3), and (4), thus implying that variation in the campaign success is attributed to the liquidity ratio for these determinants.

[Insert Appendix 13 here]

5.3.6. Sub-group 6. Project specific variables

The next regression reports how the project specific variables affect the success of the campaign, which is shown in Appendix 14. Model (1) shows that the number of words used in the description is statistically significant at a 10% significance level and a positive coefficient. This demonstrates that an increase in the number of words in the description can increase the probability of success. However, in model (2), it is observed that all the coefficients are positive but that none of them are statistically significant, except for the liquidity ratio. This indicates that the number of words does not have a strong statistical significance; it is significant on its own, but it is not significant when regressing with the other variables.

[Insert Appendix 14 here]

5.3.7. Final regression results with all variables

The final regression reports the logit regression results using all the variables, which is shown in Appendix 15. In the first three models, *min_obj* (1), *innov_norge* (2) and *duration* (3) are regressed with the control variables. Hereafter, each sub-group is added to the variables in the previous model. Model (1) starts off with adding the minimum objective variable to the control variables. The coefficient is negative and is statistically insignificant. The only other variable that is significant is *liq_ratio* at a 5% significance level. The next model, model (2) adds *innov_norge,* which has a positive coefficient and is also statistically insignificant. *Duration* is added in model (3) and has a negative coefficient and is statistically significant at a 1% significance level. Moreover, in the control variables, *age* and *liq_ratio* are also statistically significant, 10% and 5%

significance level, respectively, with positive coefficients. This indicates that even though the campaign success is due to the duration of the campaign, the variation in the success is attributed to *liq_ratio* and age.

[Insert Appendix 15 here]

Furthermore, model (4) includes the project specific variables: *no_pic, no_vid, no_text.* None of these are statistically significant. However, *duration* is still significant at a 5% significance level. Observe that the control variable *liq_ratio* is statistically significant at a 5% significance level, but age is no longer significant. Moreover, the addition of team and board regarding variables in model (5), makes *min_obj* and *duration* statistically significant at a 5% significance level. Both these variables have negative coefficients. Subsequently, *liq_ratio* is statistically significant at a 5% significance level. In model (6), the addition of company's followers makes *min_obj*, *duration* and *fol_li* statistically significant: 5% significance level. *Liq_ratio* is also statistically significant at a 10% significance level, thus the statistical significance of this control variable decreased from model (5). The addition of founder's followers causes *min_obj, duration, fol_li* and *board_ratio* to be statistically significant. *Min_obj*: 5% significance level. *duration*: 10% significance level. *board_ratio*: 10% significance level. *fol_li*: 5% significance level. l*iq_ratio* is no longer statistically significant. Thus, the variation of success is no longer attributed to any of the control variables.

Finally, model (8) represents the full model with all the variables. All the variables simultaneously as the explanatory variables against the campaign success as the explained variable. Firstly, *duration* has a negative coefficient and is statistically significant at a 10% significance level. This result is consistent with the previous sub-group regression results of the duration variable. Thus, indicating that the longer a campaign duration is set, the probability of success decreases. When all the variables are included, we can see that the minimum objective is statistically significant. The coefficient is negative and statistically significant at a 5% significance level; it is the most significant variable in this regression. From these results, we can interpret that the minimum objective has quite a significant impact on the probability of success; the lower the minimum objective, the better chance of success. Finally, *upd_fb* is statistically significant. The coefficient is positive in this instance and statistically significant at a 5% significance level. This demonstrates *upd_fb* is also an essential factor that positively impacts the outcome of the campaign. Moreover,

Variables *quarter, age, min_inv, sale_share, liq_ratio, sol_ratio, web, fol_li, fol_fb, fol_tw found_fol_fb, found_fol_li, found_fol_ig, no_pic, no_text, innov_norge, team_ratio, board* have positive coefficient. The remaining variables: p*ri_share, media, fol_ig, found_fol_tw, no_vid, comp, team_final, board_ratio* have negative coefficients, but none of these variables are, however, statistically significant.

5.4. Pseudo R-square

Since an equivalent statistic to R-squared does not exist in a logistic regression, to evaluate the goodness-of-fit of logistic models, pseudo-R-squared can be used. There are several methods to calculate pseudo R-squared. We use McFadden, Cox and Snell (ML) and Nagelkerke (Cragg and Uhler) methodes. Pseudo R-squared values show how much of the variables are explained by the model and measure the model's fitness. However, these methods have some differences. Cox and Snell is a limited measure because even for a model that is considered to be perfect, the maximum value is less than 1. The Nagelkerke method can reach one, so it has a higher value than Cox and Snell and counts as an adjusted version of the Cox & Snell. By looking at McFadden's R-sqaured values may not make much sense, but when we compare different models' pseudo R-squared values together we can see which model is best fitted. By looking at Appendix 16.1, 16.2 and 17, we see that in the final regression that has all variables, all three Pseudo R-squared have the highest score among all other regressions. This shows that in our final model, the dependent variable is better explained by independent variables. Furthermore, with null deviance and residual deviance, we calculated the p-value of R^2, and it gave us 0.0025. Since it is smaller than 5%, we can say we have a good model.

[Insert Appendix 16.1, 16.2 and 17 here]

5.5. Robustness

After running the regression results for different sub-groups, we see that the some of the variables significance level changes, yet the variables that are consistent with displaying

statistical significance are min_obj, duration and upd_fb. To further check the model's robustness and be sure of the result's reliability, we tested our models with the Wald test and probit regression. Further, we checked for multicollinearity and looked at VIF scores.

5.5.1. The Wald Test

For the robustness we start by examining the Wald test results. Appendix 18 displays the result for the Wald test. The results show the significance of each variable. The Appendix 18 shows, there are no variables with zero p-values and they are all significant. Thus, there is no need to remove any variables and we can keep all our chosen variables in the model.

[Insert Appendix 18 here]

5.5.2. Multicollinearity

When running a logistic regression, one should be aware that there should be no high multicollinearity among variables. Thus, the next test we performed to check our model strength and fitness is multicollinearity. Multicollinearity shows if two or more independent variables in multiple regression are highly inter-correlated, and if they are, we have to omit some variables from the model. To test for multicollinearity among variables, we conduct a VIF analysis. The general rule of thumb is that VIF should not be more than four, and a VIF of more than 10 is a sign of serious multicollinearity. The VIF results are reported in Appendix 19, we see that all of the variables have multicollinearity scores less than four with the highest VIF score of 3.325, which is for the price per share. This indicates that there is no problem of multicollinearity in the data.

[Insert Appendix 19 here]

5.5.3. Probit

To further check the robustness, we test whether our significant results stay significant if we use an alternative regression model, probit regression. The results display similar results to our logistic model results. The baseline results show that three variables have significant results: min_obj, duration and upd_fb. Further, the significance level is the same. The coefficient on the other hand

has decreased in value, min_obj and duration indicate to have negative impact on the success, while upd_fb has a positive influence on the campaign success. Thus, these results are consistent with the logistic regression results, hence this further shows that our model is robust.

[Insert Appendix 20 here]

6. Discussions

In this chapter, we will discuss and interpret the results obtained from the empirical analysis. The findings are discussed with reference to the hypotheses and how these findings extend on the existing literature. Further, the specialty of the Norwegian market and policy implications are discussed.

6.1. Interpretation of results with regards to previous findings

Hypothesis 1: A high/optimistic funding goal has a negative impact on the campaign performance.

The first hypothesis regarding the funding goal, whether the size of the funding goal influences the outcome of a campaign. Hypothesis 1 states that an optimistic funding goal will have a negative impact on the equity crowdfunding campaign's success. This hypothesis presented that a high minimum funding objective would represent a large project; larger projects can indicate riskier projects. Thus, potential investors are not as interested in funding such campaigns. Table 5 shows the average minimum objective for successful and unsuccessful campaigns. Here, there is a clear difference between the two; the unsuccessful campaigns have a higher average, while the successful campaigns are, on average, NOK 598,209 lower. From this, it can be argued that having a lower funding objective can be beneficial towards having a successful campaign. However, from the descriptive analysis, it was seen that most of the campaigns had a minimum objective that was around NOK 2 million, but not much more could be interpreted from that analysis.

Table 5: Average minimum objective of campaigns

	Successful	Unsuccessful
Average minimum objective	1537803.39	2136012.81

The logistic regression was able to show that the coefficient of the minimum objective is statistically significant, thus, supporting the argument made. This demonstrates that Hypothesis 1 is accepted; an optimistic funding goal will have a negative impact on the equity crowdfunding campaign's success. These results are also in line with previous finding (Mollick, 2014; Koch and

Siering, 2015; Barbi & Bigelli, 2017), demonstrating that the funding objective has a negative impact on success, the higher the minimum objective, the less likely for the campaign to be financed successfully. These studies had a much larger sample size; however, from our findings, we can demonstrate that this also applies to smaller sample sizes with a higher success rate.

Hypothesis 2: A longer investment period has a negative effect on the performance of campaigns.

Next, Hypothesis 2 focuses on the duration of the campaign; a longer investment period has a negative effect on the campaign's performance. From Table 6, the average duration between successful and unsuccessful campaigns, it shows that the successful campaigns have a lower duration than the unsuccessful campaign. There is approximately a weak difference between the two; this could imply that having a lower investment period could be a determinant of success. The logistic regression result does, in fact, show that the duration of the campaign is statistically significant. The negative coefficient and a 5% significance level substantiate that a longer duration has a negative impact on the campaign's performance, thus accepting hypothesis 2.

Table 6: Average duration of campaigns

	Successful	Unsuccessful
Average duration	25.06	33.46

These findings align with previous studies; Mollick (2014), Kuppuswamy and Bayus (2015) and Zheng et al. (2016) found that the length of the funding period has a negative impact on the outcome of the campaign. This may be due to longer durations indicating a sign for lack of confidence (Mollick, 2014). A shorter duration, thus, gives the investor impression of the founder's trust in the project, which increases the faith of the investor in the campaign. Hence, it can be interpreted that a shorter campaign duration leads to a higher probability of success.

Hypothesis 3: The number of words in text has a positive impact on the success of equity crowdfunding.

When it comes to the length of the campaign description text, Hypothesis 3 hypothesize that there is a positive relationship with the length of the text, the results from the regression analysis show

that the length of the text is highly insignificant in this model, with a statistically significant level of 90%. This implies that the success of equity crowdfunding campaigns is not explained by the length of the text, and by not having an impact, hypothesis 3 is rejected.

Table 7: Average length of text of campaigns

	Successful	Unsuccessful
Average length of text	1426.68	1117.45

This result is not consistent with the literary findings; according to Mudambi & Schuff (2010) the length of the text was a significant determinant; this variable was expected to have had a positive influence on the success of crowdfunding campaigns. This was due to the length of description text decreasing the information asymmetry between the founder and the potential investor as a result of longer text (Zhou et al., 2016). This would then lead to the investor feeling less risk to fund the project (Mollick, 2014); however, in this sample of Norwegian equity crowdfunding it the results indicate the length of the text does not have an impact on the success of the campaign.

Hypothesis 4: An increase in the number of pictures has a positive impact on the success of funding.

Another feature on the campaign pages is the pictures. In our study, almost all campaigns had pictures; thus, Hypothesis 4 tested it on the number of pictures; more pictures have a positive impact on the success of crowdfunding. From the descriptive analysis in Appendix 3, it is seen that the number of pictures on the campaign varies between 0 and 32, which is quite a big gap. Through these numbers, it is not possible to draw any definite conclusion. In addition, the average is seven pictures for successful campaigns, while for the unsuccessful campaigns, it is 6. Nonetheless, it can be argued that having more than one to two pictures is popular, and many of the campaigns have opted to have several pictures. The logistic regression shows that the number of pictures is not significant. This makes sense regarding the table below; with the averages being so close to each other, there is not much difference between the successful and unsuccessful campaigns. Thus, on this basis, hypothesis 4 is rejected.

Table 7: Average number of pictures in campaigns

	Successful	Unsuccessful
Average no. pictures	7.16	6.37

In previous studies, this variable was found to be quite significant; this may have been due to the big sample size compared to this study (Mollick, 2015; Koch & Siering, 2019). Moreover, the literature so far has mainly studied whether having pictures is a determining factor, while in this study, we look at whether how many pictures is significant; the hypothesis was therefore based on the limited literature. In addition, the campaigns in this study all had pictures, thus having a picture did not have significance in determining the success of equity crowdfunding campaigns. From our findings we interpret that the number of pictures does not impact the probability of success.

Hypothesis 5: An increase in the number of videos has a positive impact on the success of funding.

In the same way, hypothesis 5 tests for the number of videos; an increase in the number of pictures has a positive impact on the success of funding. The descriptive analysis on the average number of videos, Table 8, shows that there is no significant difference between the number of videos in the successful campaign compared to the unsuccessful campaign; 1.47 and 1.37, respectively. Thus, from this, it can be expected that the number of videos is not a determining factor for the success of equity crowding in Norway. The regression results support this, with the number of video variables not being significant; thus, hypothesis 5 is rejected.

Table 8: Average number of videos in campaigns

	Successful	Unsuccessful
Average no. videos	1.47	1.37

According to previous findings videos have shown to have a positive influence on the success of crowdfunding. Mollick's (2014) findings argued that the usage of visuals signals to potential investors that the founder is prepared and that the project is of high quality. Moreover, in a manner that words and pictures cannot, a video allows the founder to offer more information to investors

(Koch and Siering, 2015). This is found to contribute to reducing information asymmetry. Nonetheless, our findings demonstrate that the number of pictures does not have a significant impact on the probability of success.

Hypothesis 6: that social media popularity has a positive impact on the success of funding.
Social media presence and the number of followers has through studies shown to represent the founder's or the company's network; this is what hypothesis 6 tests. Social media popularity has a positive impact on the success of funding. In this study, we use Facebook, LinkedIn, Instagram, and Twitter determinants as a presentation of the founders/company's network. The descriptive analysis in Table 9 shows that the company's social media presence is much higher for successful campaigns in comparison to unsuccessful campaigns. Furthermore, this plays a part in the information asymmetry; potential investors can get to know the founder and company through their social media. Thus, having a big following could give the investor another insight into the people they are dealing with. The logistic regression shows that the number of followers on the company's Facebook and the number of connections on the company's LinkedIn page is statistically significant. This indicates that when it comes to the social media aspect of the campaign, these platforms impact the campaign the most. Appendix 6's regression results of the social media campaign show that the company's connections and friends on LinkedIn and Facebook positively impact the outcome of success. However, the final regression with all determinants shows that none of the social media variables are significant. This demonstrates how these network platforms are significant, however, not in comparison to some other variables, which show to be more statistically significant. Thus, when only looking at the campaign's social media variables, LinkedIn and Facebook pages of the company are indicated to have the most influential impact on the outcome of success. Therefore, we reject our hypothesis.

Table 9: Average number of followers on each social media platform

Average	Successful	Unsuccessful
Company on LinkedIn	129.23	57.27
Company on Facebook	2109.85	625.43
Company on Instagram	1389.29	204.14
Company on Twitter	60.9	34.57
Founder on LinkedIn	260.97	194.03
Founder on Facebook	355.47	145.43
Founder on Instagram	2445.35	77.7
Founder on Twitter	57.27	7.32

Most previous literature uses only one determinant, which in most cases was the number of Facebook friends. In those papers, this determinant was highly significant in regard to being a significant determinant for the success of a campaign (Vismara, 2016; Koch & Siering, 2019). Moreover, Baeck and Collins (2014), found that the founder's current social networks are an important part to effective funding. Our results from the final regression, however, does not support this, as none of the social media variables were statistically significant.

Hypothesis 7: Updates on Facebook have a positive impact on the success of the funding campaign.

Whether the interaction between the founder and the potential investor had an influence, was tested through hypothesis hypothesis 7; Updates on Facebook have a positive impact on the success of the funding campaign. From Table 10, we are able to see that around 50% of the campaigns had campaign updates on Facebook and were successful, 9% had updates and were unsuccessful. Just by looking at the successful campaigns, 85% of them had updates. For the campaigns with no updates, 22% were successful, while 17% were unsuccessful. By just looking at the unsuccessful campaigns, 57% were successful and had no updates. From here, it is seen that the ones with updates could be a determinant. The regression results show that the coefficient for updates is statistically significant and positive. The results offer support for hypothesis 7, making it possible to accept it.

Table 10: Number of campaigns with or without updated on their Facebook page

	Successful	Unsuccessful
No. campaigns with updates	75 (52%)	13 (9%)
No. campaign without updates	32 (22%)	24 (17%)

Based on previous literature, Block et al., (2018) and Barbi, M., & Bigelli, M. (2017), these updates seem to be taking part on their campaign page. Thus, these findings can extend on the existing literature, as the findings can indicate that having updates on another format through another channel also plays as a determinant towards success.

Hypothesis 8: Team_ratio & Board_ratio has a positive impact on the funding.

The role of gender in crowdfunding is tested through hypothesis 8. The descriptive statistics show that the *team_ratio* for successful and unsuccessful campaigns are very similar; thus, the ratio between men and women in the team does not seem to have much of an influence. The regression results in Appendix 13 show that the number of board members is statistically significant, with a 5% significance level in model (4). Thus, the results do not support hypothesis 8; hence the hypothesis is rejected.

Table 11: Average number of team and board members

Average	Successful	Unsuccessful
Team	4.59	4.49
Team ratio	0.1777	0.164
Board	2.91	2.14
Board ratio	0.09	0.106

Nonetheless, the ratio for both team and board ratio is low, which demonstrates that the number of women on the board and team is much lower than men. In comparison to a previous study, where Greenberg & Mollick (2015) find that female founders have a greater probability of having reached their funding objective in comparison to male founders, these results illustrate that gender does not play a statistically significant enough role to impact the outcome of the campaign success.

Hypothesis 9: Support granted from Innovation Norway has a positive impact on the success of the campaign.

Financial support can be gathered from other sources; in Norway, well-known and accredited funding is from Innovation Norway. This was tested through hypothesis 9; support granted from Innovation Norway has a positive impact on the campaign's success. The descriptive analysis in Table 12 shows that the number of campaigns with support has had fewer successful campaigns than the ones without support, 49 vs. 58. Out of 37 campaigns, 14 of them had support from Innovation Norway and were unsuccessful. The regression results support these findings. The extremely high p-value of 57% shows that this was not a valuable determinant in relation to campaign success. Thus, based on these results, hypothesis 9 is rejected.

Table 12: Number of campaigns with or without support of Innovation Norway

	Successful	Unsuccessful
No. campaigns with support	49	14
No. campaign without support	58	23

Literature on crowdfunding often refers to risks and trust (Connelly et al., 2011; Lee & Lee, 2012; Agrawal et al., 2014), thus having funding from Innovation Norway could be perceived as an indication of another institute trusting the project. Hence, giving incentive for potential investors to also trust them and the project. From our study we can interpret that even though this may be the case with Innovation Norway, it does not however indicate that this variable has an impact on the probability of success of the campaign.

6.2. Comparing the results with literature

According to Lukkarinen et al. (2016) the success of equity crowdfunding campaigns is linked to the campaigns' characteristics and the usage of social media to disseminate information about the fundraising campaign. Thus, the information provided by the companies to the potential investors is critical to the success of fundraising initiatives (Ahlers et al., 2015; Vismara, 2016). Our results show three main variables to be significant in the regression model with all variables included

min_obj, *upd_fb* and *duration*. Comparing these results to previous literature, there are quite a small number of significant variables, especially in relation to how many variables were studied.

In previous literature the most commonly studied campaign characteristics are the minimum funding objective, use of videos and pictures, duration, industry and management experience, length of text, network, number of updates on the campaign page (Ahlers et al., 2015; Lukkarinen et al., 2016; Li et al., 2016; Vulkan et al., 2016; Kaartemo, 2017; Giga 2017). In addition to this, in our research we have included the market, the economic quarter in which the campaign takes place, start day of the campaign and end day of campaign, duration of videos, number of pictures, the price per share, the number of sales for share, liquidity ratio, solidity ratio, website, media, social media followers and network on four different platforms: Facebook, LinkedIn, Instagram and Twitter, the year in which the company was founded, support from other institutions: Innovation Norway, number of people in the board and number of people in the team, and gender; presented in the form of ratios in the team and board members. Three out of nine of our hypotheses were accepted, thus in comparison to previous literature there very fewer determinants found to impact the successfulness of equity crowdfunding in Norway.

A research paper studying the success factors in crowdfunding in Finland, the biggest successful crowdfunding market in Scandinavia, found that the size of a campaign goal and duration of a campaign negatively impacted success. Based on their results, the size of the campaign goal has a negative effect, similar to the results we obtained. However, they did not see any connection between the duration and success of a campaign (Farkas, 2018). This paper studied used sample from Invesdor, an equity crowdfunding campaign in Helsinki. They examined the following variables: duration, minimum investment, funding goal, and social media networks' effect on equity crowdfunding campaign success. They found that minimum investment, which shows the minimum amount that an investor must invest, and duration to have a negative impact on campaign success. That means that when the minimum investment and duration of a campaign becomes big, the chances of that campaign becoming successful decreases. In our result, we saw that campaign duration had a negative effect too, but we did not see any relation between success and minimum investment. These results contrast with our result, which says that campaign funding objectives have a negative impact on the campaign's success.

Furthermore, our research shows that having another credible support like Innovation Norway does not increase the probability of success for an equity crowdfunding campaign. This factor has not been studied in previous literature, to our knowledge, thus this extends to the literature. Moreover, in this study, we focus on four social media platforms: Facebook, LinkedIn, Instagram, and Twitter. In previous studies, Facebook and Twitter have been studied; however, LinkedIn and Instagram's influence on the campaign's success has not been studied. From our results, by only studying the social media platforms, LinkedIn is statistically significant and has a positive influence on the campaign's funding outcome. Thus, in terms of network and the social media, founders should be dedicating most of their effort towards their LinkedIn profile in order to have a better chance of success.

Moreover, in this sample, variables such as video, picture, and gender do not really have a significant impact which is in contrast with the previous literature. For instance, the studies of Mollick (2014), Zhou et al. (2018), and Kuppuswamy and Bayus (2015) findings indicate that having pictures and videos will have a positive effect on the campaign. Further, studies of McGuire (2016) and Greenberg (2017) showed that gender has a positive impact on the success of crowdfunding; however, our results do not indicate that. This may be a result of Norway having a small gender inequitly gap, or as a result of there being much less female founder's in comparison to male founder's. On the other hand, the rest of the results are in line with previous literature. Duration, update on Facebook, and minimum objective influence the probability of equity-based campaigning success. These findings are similar to previous research by Mollick (2014), Zhou et al. (2018), and Kuppuswamy and Bayus (2015) the duration had a negative impact on success. In addition, the papers of Zhang et al. (2017) and Mollick (2014) showed updates to have a positive impact on success, these updates are based on the ones on the campaign page, here our findings contribute to existing literature by studying the effects of updates on a social media platform outside the crowdfunding platform, with our findings indicating that updates on Facebook is a determinant of crowdfunding success.

Finally, it can also be noted that our findings demonstrate only a few variables to be statistically significant, most of the variables show to be insignificant. This can be due to our small sample size of 144 equity crowdfunding campaigns. In addition to a small sample size, the success rate among these 144 campaigns is 74%. Hence, the sample size and high success rate contributes to

the results only having three significant determinants of success. This is further discussed with reference to the specialty of the Norwegian market.

6.3. Specialty of the Norwegian market

Several factors may contribute to our findings differing from literature and hypotheses, one of these, being the market this research is based on. There are not many studies done on the Norwegian equity-based crowdfunding market; to our knowledge and research, there are none specific to studying the success determinants of this market in Norway. The results show most of the variables to be insignificant. This can be a result of Norway's unique market. Norway is a small country with a high GDP per capita and a technologically advanced market (Krumsvik et al., 2017). Firstly, equity crowdfunding is still relatively new in Norway and there are only two equity crowdfunding platforms in Norway, with the earliest campaign dating back to 2017. In addition to this, crowdfunding has not been growing as fast in Norway as in other countries. Also, as mentioned before, equity crowdfunding rules in Norway are stringent. This has resulted in fewer campaigns, hence a small sample size for our research.

It can be discussed that the high success rate in Norwegian equity crowdfunding is due to several reasons. Firstly, the society is built on a high degree of trust and is known for having a welfare state. Delhey and Newton's (2005) study on social trust, found Norway to have the highest level of trust in the world with 65%. The role of trust in crowdfunding is perceived to heavily influence the investment decision (Bottazzi et al., 2016). In crowdfunding, founders attempt to gain potential investor's trust in order to encourage funding for their campaign, despite the risks of deviating from campaign commitments (Shneor and Munim, 2019). Hence, a society with a high degree of trust may require less effort from the founder in developing features to convince potential investors. Secondly, it is a market where people have money available to invest, there is a lot of free capital. Thirdly, Shneor, points out that the Norwegian society is accustomed to volunteerism thinking (Wehus, 2017). This mind-set is about helping each other in order to contribute to the society as a whole. Accordingly, a welfare state could bring this type of mind-set which then contributes to potential investors wanting to help start-ups and entrepreneurs in Norway to succeed. Lastly, Norwegians are major internet and electronic transaction users. In 2020, statistics showed that 93% of Norwegians between the age of 16 to 79 use the internet for banking and

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electronic transactions (Statistisk sentralbyrå, 2020). A huge amount of the Norwegian population take part in online activities, consequently, an online platform is suitable for such a market.

Moreover, Øyvind Fries from Folkeinvest expressed that equity crowdfunding is characterized as a high-risk option for investors, and to reduce these risks, platforms are implementing their own rules on top of government rules (Olsen & Jacobsen, 2019). This can result in only a handful of powerful applications getting accepted for becoming a campaign and also increase the success rate. When there are only a few failed campaigns, it becomes tougher to distinguish the different variables' effects on campaigns' success.

Furthermore, our study differs in terms of having a high success rate in equity crowdfunding. Statistics show that on average, successful crowdfunding campaigns raised $28,656 (Crowdfunding Statistics, 2020), which is equal to NOK 235,777. However, when we look at the average amount that successful campaigns raised in Norway, we see that average is NOK 3,081,516, which is almost ten times higher than the world's average. In addition, by looking at data, we can see that 74% of equity crowdfunding campaigns were successful in Norway, which is higher than the world's average. Folkeinvest believes the reason for this is that, first, Norway is in an excellent situation, and there is a lot of free capital available (Folkeinvest, personal communications, 2021).

In addition, the COVID pandemic situation has tightened the opportunities to raise funds from traditional sources. Thus, there may be a greater market willingness to explore innovative sources of funding. In 2019/2020, 6% of Norwegians had ownerships in stocks, and that trend is growing (Folkeinvest, 2021). The reason for the high level of success among the campaigns in Norway and the growing industry can be due to the growing awareness of the possibilities of using equity crowdfunding as Norway accumulates a more extensive selection of crowdfunding players who share their experiences with other potential companies seeking funding. Moreover, the platforms operate responsibly and are managed by prudent professionals who provide increased confidence in the operation. Actors such as Dealflow and Folkeinvest are contributing to this growing trend. Folkeinvest says that their numbers have been increasing, and they observe that the general interest in equity-based investments is growing (Folkeinvest, personal communications, 2021). The principle of equity-based crowdfunding platforms is that it allows for a private company and individual investments; therefore, most people who are willing to invest can find an opportunity

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to invest in. Thus, the characteristics of the society may also be an influential factor in the success of a campaign. In Norway the high social trust characteristics as well as the high social welfare may contribute to a much higher success rate in equity crowdfunding.

6.4. Policy implications: Norway vs. World

Finally, we want to discuss the policy implications on equity crowdfunding in Norway in comparison to the rest of the world. The Norwegian crowdfunding market, in general, is still in its emerging stages. Although, we can see that there has been considerable growth in this field in the past year and two. One of the most critical determinants of crowdfunding effectiveness is the accompanying regulation policies. Different countries have implemented different regulations based on their respective financial ecosystems. Some countries choose a more liberal approach, while others are very protectionist toward equity crowdfunding (Rose, 2019). The results obtained may be influenced by the Norwegian crowdfunding regulations as 75% of equity fundraising businesses feel that the currently existing national regulation is "excessive and too strict", as seen in Figure 5. (Ziegler et al., 2019). This demonstrates that there is general discontent with the current regulatory framework.

Compared to the rest of Scandinavia, equity crowdfunding regulations are not the worst in Norway; according to the CCAF survey, Denmark has the most un-pleased equity fundraisers; 100% feel that the regulations are excessive and too strict. At the same time, Sweden and Finland have a slightly better framework. This has also been reflected in how these countries have been performing in equity crowdfunding, where they have been doing quite well. Furthermore, when looking at France's perception of the current regulatory framework in equity crowdfunding, 55% feel that it is too strict, while 35% are content with it. Germany is quite similar, where 45% perceive it as too strict, and 45% feel that the current regulations are appropriate (Ziegler et al., 2019).

On the other hand, the UK has been viewed as having a liberal and a fairly relaxed approach to equity crowdfunding, while the US has shown to have quite restrictive regulations. For example, in the US, companies are not allowed to raise more than 1 million dollars each year through

crowdfunding platforms (Weinstein, 2013). Conversely, the restrictions in Canada's rules are more stringent and restrictive. Rather than a single national regulation, each of the provinces has its own. The fact that there are 13 sets of laws rather than just one has hindered the expansion of Canada's equity crowdfunding sector (Rose, 2019).

These figures should motivate countries to introduce constructive regulation policies. Compared to most other European equity crowdfunding markets, Norway has the highest dissatisfaction with the regulatory framework. Therefore, it is crucial that these are improved, as this would attract more investors and companies into crowdfunding and be a great asset to businesses and entrepreneurs while also contributing to the country's economy.

7. Conclusion

Crowdfunding is an emerging alternative way for companies or individuals to raise money from a group of people on the internet for their projects. Crowdfunding and especially equity crowdfunding in Norway, is relatively new, but it has been growing fast. The Norwegian crowdfunding market grew very slowly from 2013 to 2016. However, since then, the market started growing fast and steady, with a 102% growth in volumes from 2019 to 2020 (Shneor, 2020). Crowdfunding in Norway is generally understudied, thus far, there have been several studies that look at success factors in equity crowdfunding, but to our knowledge there is none that has studied the Norwegian equity crowdfunding market. Further, the Norwegian market differs from others as it is the country that has been recognized to have the one of highest social trust societies in the world (Amundsen, 2020). By examining founders in the context of Norwegian equity crowdfunding, this thesis provides insight within founder and campaign specific determinants that leads a campaign to success in a high social trust society.

Equity crowdfunding is distinct from other types of crowdfunding. To begin with, equity crowdfunding involves investment choices with the possibility of a return on investment. As a result, when opposed to reward-based investing, there are higher risk ratios, thus, trust plays a vital role. Moreover, when it comes to assessing small ventures, equity crowdfunding participants are inexperienced and face significant knowledge gaps, and increase in information asymmetry (Ahlers et al., 2015). Essential theories in crowdfunding are the signaling theory and the information asymmetry theory. Signaling theory suggests that investors can send a signal about their products or company to investors. These signals can influence the result of a campaign. Also, when different parties are involved in a contract or interaction, not everyone can access all the information. This can create information asymmetry. Entrepreneurs can increase their chance of getting funding but reducing the information asymmetry, and we see this within our findings.

This study examined 144 equity crowdfunding projects from Norwegian equity crowdfunding platforms, Dealflow and Folkeinvest. We used logistic regression in order to investigate which factors affect a campaign's success. The variables were divided into different sub-groups and regressed, then a final regression with all the variables was performed in order to see the impact of each group and as a whole on success.

Finally, in answer to the research question of this study, and for this specific sample, factors that were found to increase the probability of success in the regression model with all the variables are minimum funding objective, duration, and update on Facebook. This thesis establishes that in a special market as in Norway, with extremely high social welfare and high trust, minimum funding objective and campaign's duration have a negative relation to campaign success. In contrast, updates on the company's Facebook page during the campaign have a positive effect on an equity crowdfunding campaign's success, which is in line with previous studies. Moreover, we found that for the social media sub-group, the company's presence on LinkedIn and a bigger network on this platform positively impact the outcome of the campaign. To conclude, we see that updates on Facebook and the number of LinkedIn connections can reduce information asymmetry, generate trust, and further impact the other signals they communicate on the equity crowdfunding platform. Hence, LinkedIn and Facebook are the two platforms the company has to invest more efforts towards in order to improve the likelihood of campaign success.

7.1. Further Research

During the time we worked on this thesis, it became evident that the equity crowdfunding industry in Norway is still very much in its early stages. This thesis contributes as groundwork for further research in this market. The study's limitations include its small sample size; as a result, only a small number of 144 campaigns are examined. Thus, future research can be focused on analyzing diverse projects from various equity crowdfunding platforms once the market in Norway has developed. Further, success variables may differ based on the company's geographical location, which might further diversify equity crowdfunding studies.

As the basis of our thesis is quantitative, future studies might benefit from additional qualitative analysis to further analyze project founder success characteristics, given that the majority of the present material is focused on quantitative measurements. Interviews might provide unique insights into the true motives and emotions behind crowdfunding investments, what investors are searching for, and how interested they are in the campaign characteristics in order to gain a better knowledge of the success aspects. Subsequently, our research focuses on the platform and founder-specific characteristics, yet a major part of this process is the investor. Thus, it can be interesting

to research this aspect of the funding process. The characteristics of the investor also influence their decision whether to fund the campaign or not. In a country with high trust such as Norway, how do the investor behavior and motivation differ from a low trust society.

Moreover, as the market evolves, the market traits and dynamics differ between the different lifecycle stages. Hence, as the sector matures, it is possible to study post-campaign outcomes for the founders and investors. As our study is concentrated on the success of campaigns based on the crowdfunding platform and founder-specific characteristics, there is a gap between our findings and the future effects of a successful campaign outcome. Thus, further research can study the post-campaign phenomena, such as following up on the implications of crowdfunding success on the startup's performance and the long-term effects on these companies.

Equity crowdfunding and its possible implications on the industry and its stakeholders inevitably emerge as a subject for future research.

8. References

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9. Appendix

List of tables and figures

Appendix 1: Description of each variable

This table defines the variable in our analyses and lists their data sources: D&F = from Dealfow and Folkeinvest website, P = from proff.no, S = from social media platforms like LinkedIn, Instagram, Twitter, and Facebook.

Name	Description	Source
name	Name of company/project	D&F
state	Whether the campaign was successful or not?	D&F
market	The target market for the company.	D&F
sector	The sector that the company works in.	D&F
age	it shows how old the company was when the campaign started	D&F, P, S
comp_found	Year the company was founded.	P, S
min_obj	Minimum investment amount that a campaign needs to reach to be successful.	D&F
pri_share	Price per share for this campaign.	D&F
min_inv	The minimum amount of investment each investor should make.	D&F
sale_share	The number of shares up for sale in this campaign.	D&F
liq_ratio	Shows the company's ability to pay off current debt obligations without raising external capital.	P
sol_ratio	It shows how stable the company is	P
start_date	The date campaign started.	D&F
end_date	The day campaign ended.	D&F
start_day	Which day of the week campaign started.	D&F
end_day	Which day of the week campaign ended.	D&F
quarter	In which quarter the campaign started	D&F
no_pic	The number of pictures on the company's campaign page.	D&F
no_vid	The number of videos on the company's campaign page.	D&F
no_text	The number of words in description text on the campaign page.	D&F
comp	Does the company mention having compassion on its campaign page?	D&F
innov_norge	Does the company have support from Innovation Norway?	D&F
team	Number of people on their team	D&F
team_ratio	The number of women on the team divided by all team members.	D&F
board	The number of people on their board.	D&F
board_ratio	The number of women on board divided by all board members.	D&F

(*Continuing the next page*)

media	Does the company mention on their campaign page if they were mentioned in the media or not?	D&F
web	Does the company have a website or not?	D&F
fol_li	The number of company's LinkedIn followers.	S
upd_fb	Does the company post anything on their Facebook page during the campaign?	S
fol_ig	Number of company's Instagram followers	S
fol_fb	The number of the company's Facebook followers.	S
fol_tw	Number of company's Twitter followers	S
found_fol_li	Number of founder's LinkedIn followers	S
found_fol_fb	Number of founder's Facebook followers	S
found_fol_ig	Number of founder's Instagram followers	S
found_fol_tw	Number of founder's Twitter followers	S

Appendix 2: Hypotheses

This table summarizes the hypotheses used in this paper

Hypothesis 1	A high/optimistic funding goal has a negative impact on the campaign performance.
Hypothesis 2	A The investment period has a negative effect on the performance of campaigns.
Hypothesis 3	The number of words in text has a positive impact on the success of equity crowdfunding.
Hypothesis 4	The number of pictures has a positive impact on the success of funding.
Hypothesis 5	The number of videos has a positive impact on the success of funding.
Hypothesis 6	the number of connections on the company's social media platforms has a positive impact on the success of funding.
Hypothesis 7	the number of connections on the founder's social media platforms has a positive impact on the success of funding.
Hypothesis 8	Updates on Facebook have a positive impact on the success of the funding campaign
Hypothesis 9	Team_ratio & Board_ratio has a positive impact on the funding
Hypothesis 10	Support granted from Innovation Norway has a positive impact on the success of the campaign.

Appendix 3: Descriptive statistics of all variables

This table reports summary statistics of each variable

Variable Name	Min	Max	Mean	Median
state	0	1	0.743	1
Age	0	24	3.833	2.5
min _obj	0	15000000	1691510	1333350
pri_share	0.1	5927.87	248.95	47.5
min_inv	60	49920	3242	2319
sale_share	0	20000000	695753	49000
liq_ratio	0	145	3.751	1.135
sol_ratio	-25.5	1.01	-0.3621	0.192
quarter	1	4	2.771	3
duration	3	136	27.22	24
no_pic	0	32	6.951	6
no_vid	0	6	1.438	1
no_text	0	4284	1347.2	1074
comp	0	1	0.8819	1
innov_norge	0	1	0.4375	0
team	0	19	4.562	4
team_woman	0	7	0.875	1
team_men	0	17	3.681	3
team_ratio	0	1	0.174	0.1339
board	0	12	2.708	3
board_wom	0	3	0.3264	0
board_men	0	8	2.34	2
board_ratio	0	1	0.09379	0
web	0	1	0.8542	1
media	0	1	0.1944	0
fol_li	0	1719	110.7	24
upd_fb	0	1	0.6111	1
fol_fb	0	39507	1728.44	433.5
fol_ig	0	39400	1084.8	46
fol_tw	0	2172	54.13	0
found_fol_li	0	500	243.8	215
found_fol_fb	0	4998	301	0
found_fol_ig	0	233000	1837	0
found_fol_tw	0	1770	44	0

Appendix 4: Correlation matrix

This table shows the correlation matrix of variables

	state	min_obj	innov_nor	duration	no_pic	no_vid	no_text	team	team_rati	board	board_rati	fol_fb
state	1	-0.11	0.07	-0.24	0.01	0.04	0.14	0.01	0.02	0.17	-0.02	0.24
min obj	-0.11	1	0.06	-0.04	0.11	0.01	0.02	-0.06	-0.10	0.24	-0.03	0
innov nor	0.07	0.06	1	-0.01	0.15	0.16	0.02	0.11	-0.05	0.23	0.15	-0.13
duration	-0.24	-0.04	-0.01	1	-0.06	-0.09	-0.39	-0.12	-0.07	-0.30	-0.18	-0.22
no pic	0.01	0.11	0.15	-0.06	1	0.02	-0.09	0.21	0.03	0.12	0.02	-0.03
no vid	0.04	0.01	0.16	-0.09	0.02	1	0.19	0.15	0.12	0.03	0.08	0.04
no text	0.14	0.02	0.02	-0.39	-0.09	0.19	1	0.06	-0.10	0.11	0.03	0.01
team	0.01	-0.06	0.11	-0.12	0.21	0.15	0.06	1	0.22	-0.10	0.11	0.01
team rati	0.02	-0.10	-0.05	-0.07	0.03	0.12	-0.10	0.22	1	0.09	0.11	0.14
board	0.17	0.24	0.23	-0.30	0.12	0.03	0.11	-0.05	0.09	1	0.23	0.01
board rati	-0.02	-0.03	0.15	-0.18	0.02	0.08	0.03	-0.01	0.32	0.23	1	-0.07
fol fb	0.24	0	-0.13	-0.22	-0.03	0.04	0.01	0.11	0.12	0.07	-0.07	1
fol li	0.24	0.11	0.20	-0.11	0.12	0.11	-0.01	0.11	0.14	0.02	0.13	0.22
fol ig	0.12	-0.19	-0.09	-0.14	0.08	0.12	0.07	0.09	0.29	0.09	0.09	0.56
fol tw	0.06	-0.12	-0.01	-0.05	-0.12	0.18	0.01	0.07	-0.03	-0.09	-0.06	0.27
found fol	0.24	-0.06	0	-0.12	0.10	0.08	0.07	0.09	0.09	0.10	0.06	0.17
found fol	0.14	-0.12	0.07	-0.01	0.07	0.09	0.09	0.20	0.08	-0.08	-0.02	0.05
found fol	0.25	-0.19	-0.08	-0.17	0.03	0.22	0.21	0.12	0.14	-0.03	0.14	0.24
found fol	0.11	-0.10	-0.07	-0.14	-0.12	0.01	0.17	0.09	0.06	0.03	-0.07	0.11
pri_share	-0.15	-0.07	0.08	0.12	0.05	0.06	-0.08	-0.07	0.14	-0.02	0.05	-0.10
age	0.10	0.07	-0.11	0.10	-0.05	0.02	0	0.03	0.08	-0.01	-0.18	0.20
min inv	-0.11	0.14	-0.14	0.40	-0.04	-0.20	-0.46	-0.14	-0.05	-0.11	-0.09	-0.17
sale share	0.15	0.22	0.10	-0.17	0.08	0.20	0.13	0.20	-0.08	0.18	-0.01	-0.02
liq ratio	0.25	-0.04	0.12	-0.02	-0.12	0.23	-0.04	0.11	0.01	0.09	0.05	0.16
sol ratio	0.10	0.02	0.01	0.10	-0.11	0.17	0.03	0.09	0.11	-0.02	0.04	0.04
quarter	-0.01	0.04	0.09	0.03	0.01	-0.10	0.01	-0.01	0.02	0.02	-0.01	-0.03
comp	-0.07	-0.09	-0.11	-0.08	0.01	-0.15	0.02	0.02	0.09	-0.12	0.02	0.02
web	0.03	0.01	0.01	0.02	0.13	0.08	-0.17	-0.05	0.08	-0.13	0.01	0.16
media	0.13	-0.14	-0.08	-0.09	0.15	0.09	0.04	0.17	0.20	0.07	0.01	0.14

fol_li	fol_ig	fol_tw	found_fol	found_fol	found_fol	found_fol	pri_share	age	min_inv	sale_share	liq_ratio	sol_ratio	quarter
0.24	0.12	0.06	0.24	0.14	0.25	0.11	-0.15	0.10	-0.11	0.15	0.25	0.10	-0.01
0.11	-0.19	-0.12	-0.06	-0.12	-0.19	-0.07	-0.07	0.07	0.14	0.22	-0.04	0.02	0.04
0.20	-0.09	-0.01	0	0.07	-0.08	-0.07	0.08	-0.11	0.10	0.10	0.01	0.01	0.09
-0.11	-0.14	-0.05	-0.12	-0.01	-0.17	-0.10	0.12	0.10	-0.17	-0.17	-0.02	0.10	0.03
0.12	0.08	-0.12	0.10	0.07	-0.14	-0.14	0.08	-0.05	0.40	0.08	-0.12	-0.11	0.01
0.11	0.12	0.18	0.08	0.03	-0.12	-0.07	0.05	0.10	-0.04	-0.17	0.23	0.17	-0.10
-0.01	0.07	0.01	0.10	0.22	0.01	-0.08	0.06	-0.02	-0.20	0.20	-0.04	0.03	0.01
0.11	0.09	0.07	0.09	0.09	0.17	0.06	-0.07	0.03	-0.14	0.13	0.11	0.09	-0.01
0.12	0.29	-0.03	0.09	0.12	0.09	0.14	-0.08	0.08	-0.05	-0.08	0.01	0.02	0.02
0.07	0	-0.09	0.10	-0.03	0.03	-0.02	-0.01	-0.01	-0.11	0.18	0.09	-0.02	0.02
0.13	0.09	-0.06	0.06	0.14	-0.07	0.05	-0.18	-0.09	-0.01	-0.01	0.05	0	-0.01
0.22	0.56	0.27	0.17	0.05	-0.10	0.20	-0.10	0.20	-0.17	-0.02	0.16	0.04	-0.03
1	0.20	0.26	0.14	0.18	0.22	0.07	0.03	0.02	-0.13	-0.08	0.13	0.07	-0.06
0.20	1	0.23	0.09	0.19	0.32	0.09	-0.06	0.03	-0.16	0.04	0.08	0.01	-0.14
0.26	0.23	1	0.07	0.07	0.10	0.14	0.03	0.07	-0.10	-0.10	0.16	0.11	-0.11
0.14	0.09	0.07	1	0.23	0.36	0.37	0.08	0	-0.17	0.03	0.04	0.12	-0.18
0.18	0.19	0.07	0.23	1	0.22	0.12	0.11	0.08	-0.03	0.05	0.19	0.17	-0.07
0.22	0.32	0.10	0.36	0.22	1	0.30	0.08	0.06	-0.22	-0.05	0.18	0.12	-0.05
0.07	0.09	0.14	0.37	0.12	0.30	1	0.08	0.06	-0.22	-0.05	0.04	0.02	-0.02
-0.03	-0.06	0.03	0.07	0.07	0.10	0.08	1	-0.13	-0.03	-0.03	-0.01	0.03	-0.07
-0.03	0.03	0.07	0.23	0.14	0.16	0.12	-0.13	1	-0.03	0.07	-0.06	0.15	-0.07
-0.03	-0.16	-0.13	0	0.19	0.14	0.16	0	-0.03	1	-0.05	-0.05	0.03	-0.05
0.07	0.04	0	0.11	0.09	0.07	0.01	0.03	0.15	-0.02	1	-0.05	0.02	0.07
0.17	0.08	0.07	0.18	0.05	0.11	0.17	-0.06	0.12	0.05	0.05	1	0.52	-0.05
0.28	0.01	-0.05	0.22	0.24	-0.22	-0.22	-0.69	-0.01	0.01	-0.06	0.52	1	0.05
0.03	-0.05	-0.05	0.05	0.11	-0.06	-0.05	-0.03	-0.10	-0.06	-0.12	-0.06	0.05	1
-0.03	0.05	0.08	0.01	0.02	0.03	0.02	-0.02	0.01	-0.08	-0.12	-0.06	0.05	0
0.25	0.22	0.05	0.18	0.19	0.17	0.05	0.04	0.02	0.22	-0.08	0.14	0.12	-0.08
0.12	0.15	0.03	0.25	0.13	0.25	0.13	-0.08	-0.03	0.01	0.02	0.06	0.07	-0.17

comp	web	media
-0.07	0.03	0.13
-0.09	0.01	-0.14
-0.11	0.01	-0.08
-0.08	0.02	-0.09
0.01	0.13	0.15
-0.15	0.08	0.09
0	-0.17	0.04
0.02	-0.05	0.17
0.09	0.08	0.20
-0.03	0.25	0.12
0.05	0.22	0.15
0.05	0.08	0.03
0.02	0.01	0.01
-0.12	-0.13	0.07
0.02	0.16	0.14
-0.02	0.01	0.38
0	0.23	0.18
-0.07	0	0.25
0.09	-0.07	0.13
0.02	0.04	-0.08
0.01	0.02	-0.03
-0.08	0.22	0.01
-0.12	-0.08	0.02
-0.06	0.14	0.06
0.03	0.12	0.07
0	-0.08	-0.17
1	0.09	0.07
0.09	1	0.10
0.07	0.10	1

Appendix 5.1: Regression results of hypotheses variables + CV

This table examines the effect of hypotheses variables on the success of an equity crowdfunding campaign with control variables. The model is estimated using logistic regression. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:								
	state								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
min_obj		-0.332							
		(0.286)							
duration			-1.061***						
			(0.410)						
no_text				0.504					
				(0.389)					
no_pic					0.083				
					(0.348)				
no_vid						-0.634			
						(0.683)			
innov_norge							0.134		
							(0.445)		
team_ratio								0.209	
								(1.291)	
board_ratio									-0.424
									(1.235)
pri_share	-0.113	-0.089	-0.116	-0.112	-0.121	-0.061	-0.121	-0.117	-0.112
	(0.154)	(0.155)	(0.154)	(0.155)	(0.158)	(0.162)	(0.156)	(0.156)	(0.154)
age	0.422	0.436	0.547	0.411	0.422	0.414	0.426	0.419	0.405
	(0.327)	(0.329)	(0.350)	(0.327)	(0.327)	(0.329)	(0.327)	(0.328)	(0.331)

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min_inv	-0.366	-0.304	-0.108	-0.216	-0.363	-0.424	-0.356	-0.367	-0.374
	(0.273)	(0.279)	(0.295)	(0.298)	(0.274)	(0.279)	(0.274)	(0.273)	(0.275)
sale_share	0.061	0.097	0.034	0.050	0.055	0.109	0.054	0.060	0.061
	(0.120)	(0.124)	(0.121)	(0.121)	(0.123)	(0.130)	(0.122)	(0.120)	(0.120)
liq_ratio	0.898***	0.873**	0.863**	0.945***	0.906***	0.937***	0.878**	0.902***	0.907***
	(0.344)	(0.347)	(0.342)	(0.345)	(0.346)	(0.352)	(0.348)	(0.344)	(0.346)
sol_ratio	-0.357	-0.308	-0.104	-0.389	-0.347	-0.298	-0.342	-0.366	-0.360
	(0.527)	(0.531)	(0.535)	(0.533)	(0.529)	(0.532)	(0.529)	(0.529)	(0.528)
quarter	0.107	0.120	0.114	0.089	0.106	0.091	0.104	0.105	0.106
	(0.190)	(0.191)	(0.198)	(0.193)	(0.190)	(0.191)	(0.190)	(0.191)	(0.190)
comp	-0.457	-0.479	-0.710	-0.455	-0.462	-0.544	-0.451	-0.461	-0.450
	(0.728)	(0.734)	(0.768)	(0.736)	(0.729)	(0.736)	(0.730)	(0.728)	(0.728)
web	0.218	0.210	0.253	0.310	0.197	0.310	0.201	0.213	0.220
	(0.604)	(0.608)	(0.615)	(0.610)	(0.611)	(0.617)	(0.606)	(0.605)	(0.605)
media	0.950	0.851	0.919	0.906	0.934	0.989	0.963	0.938	0.951
	(0.619)	(0.625)	(0.638)	(0.624)	(0.623)	(0.619)	(0.623)	(0.624)	(0.619)
Constant	2.354	6.050	4.114	-2.249	2.294	2.611	2.347	2.374	2.457
	(3.183)	(4.519)	(3.362)	(4.764)	(3.204)	(3.185)	(3.174)	(3.184)	(3.200)
Observations	144	144	144	144	144	144	144	144	144
Log Likelihood	-72.115	-71.430	-68.310	-71.258	-72.086	-71.686	-72.069	-72.102	-72.057
Akaike Inf. Crit.	166.230	166.860	160.620	166.515	168.173	167.372	168.138	168.203	168.114

Note: *p**p***p<0.01

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This table examines the effect of hypotheses variables on the success of an equity crowdfunding campaign with control variables. The model is estimated using logistic regression. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:								
	state								
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
fol_fb	0.198*								
	(0.112)								
fol_li		0.205**							
		(0.096)							
fol_ig			0.069						
			(0.072)						
fol_tw				0.026					
				(0.127)					
found_fol_fb					0.149*				
					(0.083)				
found_fol_li						0.207			
						(0.140)			
found_fol_ig							0.201**		
							(0.089)		
found_fol_tw								0.120	
								(0.137)	
upd_fb									1.245***
									(0.448)
pri_share	-0.076	-0.115	-0.082	-0.111	-0.120	-0.129	-0.103	-0.124	-0.169
	(0.157)	(0.162)	(0.158)	(0.154)	(0.156)	(0.154)	(0.158)	(0.155)	(0.163)
age	0.345	0.491	0.427	0.421	0.434	0.508	0.548	0.404	0.387
	(0.342)	(0.332)	(0.330)	(0.328)	(0.327)	(0.333)	(0.335)	(0.328)	(0.334)

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min_inv	-0.241	-0.359	-0.304	-0.359	-0.361	-0.377	-0.215	-0.311	-0.210
	(0.286)	(0.285)	(0.283)	(0.276)	(0.275)	(0.275)	(0.279)	(0.276)	(0.288)
sale_share	0.093	0.058	0.087	0.062	0.056	0.067	0.075	0.063	0.009
	(0.122)	(0.126)	(0.123)	(0.120)	(0.121)	(0.120)	(0.122)	(0.120)	(0.125)
liq_ratio	0.830**	0.789**	0.915***	0.889**	0.756**	0.830**	0.860**	0.887**	0.850**
	(0.348)	(0.347)	(0.347)	(0.345)	(0.348)	(0.342)	(0.347)	(0.345)	(0.355)
sol_ratio	-0.273	-0.372	-0.398	-0.355	-0.349	-0.398	-0.556	-0.343	-0.492
	(0.530)	(0.538)	(0.527)	(0.526)	(0.531)	(0.528)	(0.540)	(0.530)	(0.549)
quarter	0.091	0.115	0.101	0.109	0.131	0.146	0.220	0.115	0.084
	(0.191)	(0.194)	(0.191)	(0.190)	(0.192)	(0.194)	(0.201)	(0.191)	(0.194)
comp	-0.471	-0.525	-0.454	-0.463	-0.469	-0.474	-0.360	-0.506	-0.420
	(0.745)	(0.755)	(0.729)	(0.729)	(0.750)	(0.742)	(0.765)	(0.733)	(0.760)
web	0.003	-0.118	0.055	0.207	0.292	0.087	0.168	0.241	0.052
	(0.626)	(0.632)	(0.630)	(0.606)	(0.624)	(0.614)	(0.620)	(0.609)	(0.638)
media	0.851	0.858	0.900	0.943	0.531	0.868	0.697	0.870	0.771
	(0.631)	(0.628)	(0.626)	(0.620)	(0.665)	(0.629)	(0.645)	(0.624)	(0.636)
Constant	0.195	2.194	1.409	2.274	2.149	1.485	0.167	1.894	1.577
	(3.426)	(3.309)	(3.353)	(3.208)	(3.229)	(3.241)	(3.364)	(3.193)	(3.314)
Observations	144	144	144	144	144	144	144	144	144
Log Likelihood	-70.516	-69.736	-71.645	-72.093	-70.345	-71.002	-69.220	-71.703	-68.129
Akaike Inf. Crit.	165.031	163.471	167.290	168.187	164.690	166.003	162.440	167.407	160.258

Note: *p**p***p<0.01

Appendix 6: Regression results of company social media

This table examines the effect of variables that are related to the company's social media on the success of an equity crowdfunding campaign. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:				
	state				
	(1)	(2)	(3)	(4)	(5)
fol_fb	0.277***				0.262**
	(0.100)				(0.125)
fol_li		0.239***			0.215**
		(0.085)			(0.091)
fol_ig			0.086		-0.034
			(0.061)		(0.081)
fol_tw				0.092	-0.049
				(0.121)	(0.133)
Constant	-0.472	0.495*	0.802***	1.002***	-0.765
	(0.565)	(0.262)	(0.259)	(0.203)	(0.602)
Observations	144	144	144	144	144
Log Likelihood	-78.027	-77.815	-81.055	-81.741	-75.070
Akaike Inf. Crit.	160.053	159.629	166.110	167.483	160.140
Note:					*p**p***p<0.01

Appendix 7: Regression results of founder social media

This table examines the effect of variables that are related to the founder's social media on the success of an equity crowdfunding campaign. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:				
	state				
	(1)	(2)	(3)	(4)	(5)
found_fol_fb	0.201***				0.146*
	(0.074)				(0.079)
found_fol_li		0.205*			0.040
		(0.122)			(0.137)
found_fol_ig			0.225***		0.157*
			(0.078)		(0.088)
found_fol_tw				0.154	0.037
				(0.124)	(0.131)
Constant	0.690***	0.136	0.604***	0.935***	0.263
	(0.221)	(0.570)	(0.232)	(0.210)	(0.597)
Observations	144	144	144	144	144
Log Likelihood	-77.691	-80.625	-77.178	-81.181	-75.087
Akaike Inf. Crit.	159.382	165.250	158.357	166.363	160.174
Note:					*p**p***p<0.01

Appendix 8: Regression results of social media + CV

This table examines company and founder's social media impact on the success of a crowdfunding campaign. (1) is looking at the company related variables effect without control variables. (2) is examines the founder related variables impact without control variables. (3) only looks at upd_fb variable, which shows if company was updating its Facebook page during the campaign or not, with control variables. (4) is examines the company related variables effect with control variables. (5) is examines the founder related variables impact without control variables. (6) examines the effect of both company and founder related variables with control variables, on success and finally (7) looks at the company and founder related variables and upd_fb with control variables. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:						
				state			
	Comp fol	Found fol	Upd fb	Company	Founder	Social media	Upd fb + social media
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
fol_fb	0.262**			0.172		0.169	0.129
	(0.125)			(0.131)		(0.136)	(0.135)
fol_li	0.215**			0.192*		0.173*	0.131
	(0.091)			(0.099)		(0.104)	(0.107)
fol_ig	-0.034			0.0002		-0.029	-0.077
	(0.081)			(0.087)		(0.092)	(0.097)
fol_tw	-0.049			-0.061		-0.066	-0.034
	(0.133)			(0.137)		(0.141)	(0.150)
found_fol_fb		0.146*			0.097	0.094	0.077
		(0.079)			(0.088)	(0.092)	(0.095)
found_fol_li		0.040			0.090	0.102	0.095
		(0.137)			(0.152)	(0.158)	(0.162)
found_fol_ig		0.157*			0.152	0.113	0.135
		(0.088)			(0.095)	(0.100)	(0.100)

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found_fol_tw		0.037			0.044	0.068	0.054
		(0.131)			(0.145)	(0.154)	(0.158)
upd_fb			1.245***				1.032**
			(0.448)				(0.515)
pri_share			-0.169	-0.082	-0.115	-0.103	-0.172
			(0.163)	(0.167)	(0.160)	(0.171)	(0.181)
age			0.387	0.419	0.575*	0.514	0.509
			(0.334)	(0.345)	(0.343)	(0.355)	(0.362)
min_inv			-0.210	-0.266	-0.211	-0.169	-0.086
			(0.288)	(0.300)	(0.286)	(0.310)	(0.322)
sale_share			0.009	0.082	0.071	0.077	0.015
			(0.125)	(0.129)	(0.123)	(0.131)	(0.138)
liq_ratio			0.850**	0.755**	0.745**	0.637*	0.624*
			(0.355)	(0.355)	(0.353)	(0.360)	(0.367)
sol_ratio			-0.492	-0.310	-0.507	-0.429	-0.560
			(0.549)	(0.548)	(0.544)	(0.565)	(0.586)
quarter			0.084	0.098	0.227	0.196	0.191
			(0.194)	(0.194)	(0.202)	(0.205)	(0.207)
comp			-0.420	-0.530	-0.440	-0.579	-0.497
			(0.760)	(0.776)	(0.790)	(0.856)	(0.866)
web			0.052	-0.249	0.187	-0.144	-0.063
			(0.638)	(0.660)	(0.635)	(0.694)	(0.723)
media			0.771	0.792	0.419	0.266	0.248
			(0.636)	(0.637)	(0.691)	(0.705)	(0.706)
Constant	-0.765	0.263	1.577	0.478	-0.165	-1.141	-1.005
	(0.602)	(0.597)	(3.314)	(3.560)	(3.445)	(3.765)	(3.940)
Observations	144	144	144	144	144	144	144
Log Likelihood	-75.070	-75.087	-68.129	-68.580	-68.181	-65.671	-63.615
Akaike Inf. Crit.	160.140	160.174	160.258	167.160	166.363	169.342	167.231

Note: *p**p***p<0.01

Appendix 9: Regression results of Market

This table reports the effect of each target market on the success of a campaign. *, **, and ***
indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:			
	state			
	(1)	(2)	(3)	(4)
market_europe	-0.759			
	(0.479)			
market_norway		0.020		
		(0.393)		
market_scandinavia			-1.392**	
			(0.701)	
market_world				0.929**
				(0.430)
Constant	1.200***	1.054***	1.169***	0.745***
	(0.216)	(0.242)	(0.202)	(0.229)
Observations	144	144	144	144
Log Likelihood	-80.852	-82.055	-80.114	-79.519
Akaike Inf. Crit.	165.703	168.110	164.228	163.038
Note:				*p**p***p<0.01

Appendix 10: Regression results of Start day

This table reports the effect of the day campaign started on the success of a campaign. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:						
	state						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
start_day_mon	0.534						
	(0.667)						
start_day_tue		-1.080^{**}					
		(0.448)					
start_day_wed			0.787^{*}				
			(0.418)				
start_day_thu				-0.251			
				(0.530)			
start_day_fri					-0.213		
					(0.570)		
start_day_sat						-1.080	
						(1.427)	
start_day_sun							15.533
							(1,385.378)
Constant	1.006^{***}	1.303^{***}	0.782^{***}	1.099^{***}	1.088^{***}	1.080^{***}	1.033^{***}
	(0.200)	(0.226)	(0.232)	(0.207)	(0.204)	(0.193)	(0.191)
Observations	144	144	144	144	144	144	144
Log Likelihood	-81.706	-79.246	-80.174	-81.947	-81.988	-81.783	-81.155
Akaike Inf. Crit.	167.411	162.492	164.348	167.894	167.977	167.565	166.309

Note: *p**p***p<0.01

Appendix 11: Regression results of End day

This table reports the effect of the day campaign ended on the success of a campaign. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:						
	state						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
end_day_mon	0.884						
	(0.785)						
end_day_tue		-1.204**					
		(0.574)					
end_day_wed			1.213**				
			(0.571)				
end_day_thu				0.261			
				(0.681)			
end_day_fri					-0.536		
					(0.392)		
end_day_sat						0.039	
						(0.840)	
end_day_sun							-0.396
							(0.734)
Constant	0.988***	1.204***	0.834***	1.038***	1.260***	1.060***	1.089***
	(0.198)	(0.208)	(0.208)	(0.200)	(0.247)	(0.196)	(0.198)
Observations	144	144	144	144	144	144	144
Log Likelihood	-81.299	-79.931	-79.275	-81.980	-81.136	-82.055	-81.917
Akaike Inf. Crit.	166.598	163.861	162.550	167.960	166.271	168.111	167.835

Note:	*p**p***p<0.01

Appendix 12: Regression results of sector

This table examines the effect of each sector on the success of a crowdfunding campaign. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:					
	state					
	(1)	(2)	(3)	(4)	(5)	(6)
sector_digitech	0.252					
	(0.391)					
sector_comshop		-0.037				
		(0.560)				
sector_foodbev			1.770*			
			(1.051)			
sector_shs				0.614		
				(0.664)		
sector_sustainability					-0.690	
					(0.497)	
sector_entertainment						-1.904***
						(0.736)
Constant	0.959***	1.067***	0.938***	0.995***	1.176***	1.210***
	(0.245)	(0.205)	(0.197)	(0.201)	(0.212)	(0.205)
Observations	144	144	144	144	144	144
Log Likelihood	-81.846	-82.054	-79.789	-81.581	-81.132	-78.470
Akaike Inf. Crit.	167.693	168.109	163.579	167.162	166.265	160.941
Note:						*p**p***p<0.01

Appendix 13: Regression results of team & board

This table examines the effect of number of people on team and board and diversity on the team and board. (1) reports the effect of team and board related variables without the control variables. (2) reports the effect of team related variables with control variables. (3) reports the effect of bored related variable with control variables. And finally, (4) shows the effect of all team and board related variables with control variables. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:			
	state			
	Team and Board	Team	Board	
	(1)	(2)	(3)	(4)
team	0.030	-0.351		-0.270
	(0.377)	(0.422)		(0.439)
team_ratio	0.324	0.433		0.678
	(1.229)	(1.345)		(1.486)
board	0.602**		0.506	0.473
	(0.277)		(0.309)	(0.314)
board_ratio	-1.087		-0.857	-1.134
	(1.251)		(1.257)	(1.373)
pri_share		-0.100	-0.161	-0.152
		(0.156)	(0.162)	(0.165)
age		0.458	0.372	0.379
		(0.336)	(0.335)	(0.343)
min_inv		-0.395	-0.348	-0.377
		(0.274)	(0.274)	(0.277)
sale_share		0.080	0.022	0.039
		(0.121)	(0.125)	(0.128)

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liq_ratio		0.914***	0.876**	0.900**
		(0.345)	(0.349)	(0.353)
sol_ratio		-0.355	-0.310	-0.328
		(0.532)	(0.536)	(0.541)
quarter		0.114	0.093	0.095
		(0.192)	(0.191)	(0.193)
comp		-0.413	-0.331	-0.304
		(0.724)	(0.738)	(0.731)
web		0.196	0.329	0.306
		(0.603)	(0.615)	(0.613)
media		1.004	0.923	0.944
		(0.633)	(0.631)	(0.644)
Constant	0.437	2.713	2.290	2.646
	(0.670)	(3.189)	(3.227)	(3.245)
Observations	144	144	144	144
Log Likelihood	-79.562	-71.750	-70.687	-70.440
Akaike Inf. Crit.	169.124	169.500	167.375	170.881

Note: *p**p***p<0.01

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Appendix 14: Regression results of project specific variables

This table examines the effect of project specific variables. (1) show the impact of project specific variables without control variables, on success of a crowdfunding campaign. (2) examines the impact of these variables with control variables. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:	
	state	
	(1)	(2)
no_pic	-0.031	0.027
	(0.297)	(0.354)
no_vid	0.058	-0.751
	(0.545)	(0.694)
no_text	0.532*	0.555
	(0.320)	(0.396)
pri_share		-0.052
		(0.168)
age		0.409
		(0.328)
min_inv		-0.264
		(0.301)
sale_share		0.107
		(0.135)
liq_ratio		0.991***
		(0.354)
sol_ratio		-0.317
		(0.541)
quarter		0.072
		(0.193)

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comp		-0.574
		(0.749)
web		0.419
		(0.632)
media		0.942
		(0.627)
Constant	-2.632	-2.503
	(2.194)	(4.817)
Observations	144	144
Log Likelihood	-80.558	-70.666
Akaike Inf. Crit.	169.115	169.331
Note:		*p**p***p<0.01

This table presents the regression results of adding each sub-group. For each model (1) to (8) each sub-group is added in the following order: (1) min_obj, (2) innov_norge, (3) duration, (4) project-specific variables, (5) team and board, (6) company social media (7) founder social media and lastly (8) upd_fb. Thus, the last model (8) displays the results for all variables together. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:							
	state							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
min_obj	-0.332	-0.338	-0.427	-0.504	-0.665**	-0.932**	-0.898**	-1.008**
	(0.286)	(0.287)	(0.297)	(0.310)	(0.338)	(0.383)	(0.398)	(0.412)
innov_norge		0.168	0.357	0.385	0.462	0.348	0.290	0.128
		(0.450)	(0.470)	(0.482)	(0.509)	(0.547)	(0.564)	(0.589)
duration			-1.154***	-1.087**	-1.146**	-1.039**	-1.024*	-1.010*
			(0.424)	(0.431)	(0.477)	(0.515)	(0.547)	(0.551)
no_pic				0.116	0.240	0.092	-0.048	0.073
				(0.380)	(0.408)	(0.420)	(0.457)	(0.473)
no_vid				-0.869	-0.747	-0.598	-0.911	-1.091
				(0.750)	(0.809)	(0.859)	(0.935)	(0.983)
no_text				0.468	0.482	0.526	0.343	0.473
				(0.422)	(0.443)	(0.465)	(0.504)	(0.529)
team					-0.521	-0.619	-0.666	-0.824
					(0.502)	(0.535)	(0.555)	(0.579)
team_ratio					0.952	0.611	0.457	0.282
					(1.664)	(1.859)	(1.974)	(1.977)
board					0.304	0.386	0.534	0.490
					(0.342)	(0.362)	(0.388)	(0.395)
board_ratio					-2.301	-2.678	-2.981*	-2.418
					(1.529)	(1.639)	(1.760)	(1.734)

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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
fol_fb						0.149	0.146	0.102
						(0.156)	(0.168)	(0.165)
fol_li						0.253**	0.252**	0.187
						(0.117)	(0.123)	(0.127)
fol_ig						0.016	-0.010	-0.057
						(0.105)	(0.114)	(0.116)
fol_tw						-0.062	-0.066	-0.014
						(0.157)	(0.172)	(0.184)
found_fol_fb							0.125	0.118
							(0.107)	(0.111)
found_fol_li							0.140	0.115
							(0.185)	(0.192)
found_fol_ig							0.133	0.154
							(0.111)	(0.113)
found_fol_tw							-0.044	-0.025
							(0.183)	(0.190)
upd_fb								1.351**
								(0.590)
pri_share	-0.089	-0.099	-0.108	-0.048	-0.072	-0.008	0.016	-0.029
	(0.155)	(0.157)	(0.161)	(0.172)	(0.177)	(0.191)	(0.201)	(0.214)
age	0.436	0.442	0.586*	0.581	0.552	0.508	0.608	0.573
	(0.329)	(0.329)	(0.353)	(0.354)	(0.368)	(0.391)	(0.409)	(0.421)
min_inv	-0.304	-0.290	0.020	0.095	0.090	0.224	0.181	0.346
	(0.279)	(0.280)	(0.307)	(0.330)	(0.330)	(0.366)	(0.377)	(0.409)
sale_share	0.097	0.090	0.058	0.121	0.118	0.173	0.203	0.158
	(0.124)	(0.125)	(0.128)	(0.143)	(0.148)	(0.158)	(0.164)	(0.170)
liq_ratio	0.873**	0.848**	0.782**	0.893**	0.896**	0.708*	0.539	0.578
	(0.347)	(0.352)	(0.349)	(0.366)	(0.382)	(0.399)	(0.402)	(0.419)

quarter	0.120	0.115	0.130	0.094	0.125	0.135	0.227	0.213
	(0.191)	(0.191)	(0.200)	(0.203)	(0.208)	(0.218)	(0.231)	(0.241)
sol_ratio	-0.308	-0.286	0.044	0.120	0.191	0.206	0.152	0.124
	(0.531)	(0.534)	(0.550)	(0.566)	(0.589)	(0.615)	(0.638)	(0.672)
comp	-0.479	-0.467	-0.799	-0.920	-0.713	-0.956	-1.105	-1.156
	(0.734)	(0.735)	(0.793)	(0.807)	(0.809)	(0.915)	(1.024)	(1.066)
web	0.210	0.189	0.195	0.366	0.318	-0.155	0.089	0.185
	(0.608)	(0.610)	(0.622)	(0.650)	(0.661)	(0.719)	(0.796)	(0.827)
media	0.851	0.867	0.797	0.815	0.911	0.607	-0.003	-0.211
	(0.625)	(0.629)	(0.650)	(0.664)	(0.692)	(0.744)	(0.837)	(0.850)
Constant	6.050	6.100	9.083*	5.659	8.167	9.138	9.154	9.306
	(4.519)	(4.505)	(4.824)	(5.963)	(6.275)	(7.048)	(7.526)	(8.047)
Observations	144	144	144	144	144	144	144	144
Log Likelihood	-71.430	-71.360	-67.065	-65.851	-64.039	-60.347	-57.339	-54.583
Akaike Inf. Crit.	166.860	168.720	162.129	165.701	170.078	170.693	172.679	169.166

Note: *p**p***p<0.01

Appendix 16.1: Pseudo R-squared

This table examins the Pseudo R-squared of different models. (1) is looking at a model with only control variables. Rest of the models are made of each hyphotesis variable with control variables. For each model, McFadden R^2, Cox & Snell R^2, and Nagelkerke R^2 is calculated. . *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

					Dependent variable:				
					state				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
min_obj		-0.332							
		(0.286)							
duration			-1.061***						
			(0.410)						
no_text				0.504					
				(0.389)					
no_pic					0.083				
					(0.348)				
no_vid						-0.634			
						(0.683)			
innov_norge							0.134		
							(0.445)		
team_ratio								0.209	
								(1.291)	
board_ratio									-0.424
									(1.235)
pri_share	-0.113	-0.089	-0.116	-0.112	-0.121	-0.061	-0.121	-0.117	-0.112
	(0.154)	(0.155)	(0.154)	(0.155)	(0.158)	(0.162)	(0.156)	(0.156)	(0.154)
age	0.422	0.436	0.547	0.411	0.422	0.414	0.426	0.419	0.405
	(0.327)	(0.329)	(0.350)	(0.327)	(0.327)	(0.329)	(0.327)	(0.328)	(0.331)
min_inv	-0.366	-0.304	-0.108	-0.216	-0.363	-0.424	-0.356	-0.367	-0.374
	(0.273)	(0.279)	(0.295)	(0.298)	(0.274)	(0.279)	(0.274)	(0.273)	(0.275)

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sale_share	0.061	0.097	0.034	0.050	0.055	0.109	0.054	0.060	0.061
	(0.120)	(0.124)	(0.121)	(0.121)	(0.123)	(0.130)	(0.122)	(0.120)	(0.120)
liq_ratio	0.898***	0.873**	0.863**	0.945***	0.906***	0.937***	0.878**	0.902***	0.907***
	(0.344)	(0.347)	(0.342)	(0.345)	(0.346)	(0.352)	(0.348)	(0.344)	(0.346)
sol_ratio	-0.357	-0.308	-0.104	-0.389	-0.347	-0.298	-0.342	-0.366	-0.360
	(0.527)	(0.531)	(0.535)	(0.533)	(0.529)	(0.532)	(0.529)	(0.529)	(0.528)
quarter	0.107	0.120	0.114	0.089	0.106	0.091	0.104	0.105	0.106
	(0.190)	(0.191)	(0.198)	(0.193)	(0.190)	(0.191)	(0.190)	(0.191)	(0.190)
comp	-0.457	-0.479	-0.710	-0.455	-0.462	-0.544	-0.451	-0.461	-0.450
	(0.728)	(0.734)	(0.768)	(0.736)	(0.729)	(0.736)	(0.730)	(0.728)	(0.728)
web	0.218	0.210	0.253	0.310	0.197	0.310	0.201	0.213	0.220
	(0.604)	(0.608)	(0.615)	(0.610)	(0.611)	(0.617)	(0.606)	(0.605)	(0.605)
media	0.950	0.851	0.919	0.906	0.934	0.989	0.963	0.938	0.951
	(0.619)	(0.625)	(0.638)	(0.624)	(0.623)	(0.619)	(0.623)	(0.624)	(0.619)
Constant	2.354	6.050	4.114	-2.249	2.294	2.611	2.347	2.374	2.457
	(3.183)	(4.519)	(3.362)	(4.764)	(3.204)	(3.185)	(3.174)	(3.184)	(3.200)
Observations	144	144	144	144	144	144	144	144	144
Log Likelihood	-72.115	-71.430	-68.310	-71.258	-72.086	-71.686	-72.069	-72.102	-72.057
Akaike Inf. Crit.	166.230	166.860	160.620	166.515	168.173	167.372	168.138	168.203	168.114
McFadden R^2	0.121	0.129	0.167	0.131	0.121	0.126	0.121	0.121	0.121
Cox & Snell R^2	0.129	0.137	0.173	0.139	0.129	0.134	0.129	0.129	0.129
Nagelkerke R^2	0.189	0.201	0.255	0.204	0.190	0.197	0.190	0.189	0.190

Note: *p**p***p<0.01

Appendix 16.2: Pseudo R-squared

This table examines the Pseudo R-squared of different models. All the models are made of each hypothesis variable with control variables. For each model, McFadden R^2, Cox & Snell R^2, and Nagelkerke R^2 is calculated. . *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:								
	state								
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
fol_fb	0.198*								
	(0.112)								
fol_li		0.205**							
		(0.096)							
fol_ig			0.069						
			(0.072)						
fol_tw				0.026					
				(0.127)					
found_fol_fb					0.149*				
					(0.083)				
found_fol_li						0.207			
						(0.140)			
found_fol_ig							0.201**		
							(0.089)		
found_fol_tw								0.120	
								(0.137)	
upd_fb									1.245***
									(0.448)
pri_share	-0.076	-0.115	-0.082	-0.111	-0.120	-0.129	-0.103	-0.124	-0.169
	(0.157)	(0.162)	(0.158)	(0.154)	(0.156)	(0.154)	(0.158)	(0.155)	(0.163)

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age	0.345	0.491	0.427	0.421	0.434	0.508	0.548	0.404	0.387
	(0.342)	(0.332)	(0.330)	(0.328)	(0.327)	(0.333)	(0.335)	(0.328)	(0.334)
min_inv	-0.241	-0.359	-0.304	-0.359	-0.361	-0.377	-0.215	-0.311	-0.210
	(0.286)	(0.285)	(0.283)	(0.276)	(0.275)	(0.275)	(0.279)	(0.276)	(0.288)
sale_share	0.093	0.058	0.087	0.062	0.056	0.067	0.075	0.063	0.009
	(0.122)	(0.126)	(0.123)	(0.120)	(0.121)	(0.120)	(0.122)	(0.120)	(0.125)
liq_ratio	0.830**	0.789**	0.915***	0.889**	0.756**	0.830**	0.860**	0.887**	0.850**
	(0.348)	(0.347)	(0.347)	(0.345)	(0.348)	(0.342)	(0.347)	(0.345)	(0.355)
sol_ratio	-0.273	-0.372	-0.398	-0.355	-0.349	-0.398	-0.556	-0.343	-0.492
	(0.530)	(0.538)	(0.527)	(0.526)	(0.531)	(0.528)	(0.540)	(0.530)	(0.549)
quarter	0.091	0.115	0.101	0.109	0.131	0.146	0.220	0.115	0.084
	(0.191)	(0.194)	(0.191)	(0.190)	(0.192)	(0.194)	(0.201)	(0.191)	(0.194)
comp	-0.471	-0.525	-0.454	-0.463	-0.469	-0.474	-0.360	-0.506	-0.420
	(0.745)	(0.755)	(0.729)	(0.729)	(0.750)	(0.742)	(0.765)	(0.733)	(0.760)
web	0.003	-0.118	0.055	0.207	0.292	0.087	0.168	0.241	0.052
	(0.626)	(0.632)	(0.630)	(0.606)	(0.624)	(0.614)	(0.620)	(0.609)	(0.638)
media	0.851	0.858	0.900	0.943	0.531	0.868	0.697	0.870	0.771
	(0.631)	(0.628)	(0.626)	(0.620)	(0.665)	(0.629)	(0.645)	(0.624)	(0.636)
Constant	0.195	2.194	1.409	2.274	2.149	1.485	0.167	1.894	1.577
	(3.426)	(3.309)	(3.353)	(3.208)	(3.229)	(3.241)	(3.364)	(3.193)	(3.314)
Observations	144	144	144	144	144	144	144	144	144
Log Likelihood	-70.516	-69.736	-71.645	-72.093	-70.345	-71.002	-69.220	-71.703	-68.129
Akaike Inf. Crit.	165.031	163.471	167.290	168.187	164.690	166.003	162.440	167.407	160.258
McFadden R^2	0.141	0.150	0.127	0.121	0.143	0.135	0.156	0.126	0.169
Cox & Snell R^2	0.148	0.157	0.135	0.129	0.150	0.142	0.163	0.134	0.176
Nagelkerke R^2	0.218	0.231	0.198	0.190	0.221	0.209	0.240	0.197	0.259

Note: *p**p***p<0.01

This table examins the Pseudo R-squared of final regression with all variables. For this model McFadden R^2, Cox & Snell R^2, and Nagelkerke R^2 is calculated. . *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:
	state
duration	-1.010*
	(0.551)
quarter	0.213
	(0.241)
age	0.573
	(0.421)
min_obj	-1.008**
	(0.412)
pri_share	-0.029
	(0.214)
min_inv	0.346
	(0.409)
sale_share	0.158
	(0.170)
liq_ratio	0.578
	(0.419)
sol_ratio	0.124
	(0.672)
web	0.185
	(0.827)
media	-0.211
	(0.850)

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fol_li	0.187
	(0.127)
upd_fb	1.351**
	(0.590)
fol_fb	0.102
	(0.165)
fol_ig	-0.057
	(0.116)
fol_tw	-0.014
	(0.184)
found_fol_li	0.115
	(0.192)
found_fol_fb	0.118
	(0.111)
found_fol_ig	0.154
	(0.113)
found_fol_tw	-0.025
	(0.190)
no_pic	0.073
	(0.473)
no_vid	-1.091
	(0.983)
no_text	0.473
	(0.529)
comp	-1.156
	(1.066)
innov_norge	0.128
	(0.589)

team	-0.824
	(0.579)
team_ratio	0.282
	(1.977)
board	0.490
	(0.395)
board_ratio	-2.418
	(1.734)
Constant	9.306
	(8.047)
Observations	144
Log Likelihood	-54.583
Akaike Inf. Crit.	169.166
McFadden R^2	0.345
Cox & Snell R^2	0.321
Nagelkerke R^2	0.478
Note:	*p**p***p<0.01

Appendix 18: Wald test results

This table reports the Wald test result for each variable. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

Variable	Df	Chisq	P-value
duration	1	4.0997	0.04289*
quarter	1	1.0372	0.30848
age	1	1.8199	0.17732
min_obj	1	7.2124	0.00724**
pri_share	1	0.0052	0.94261
min_inv	1	0.7814	0.37672
sale_share	1	0.5522	0.45742
liq_ratio	1	1.5691	0.21034
sol_ratio	1	0.1042	0.21034
web	1	0.1240	0.74686
media	1	0.2485	0.61816
upd_fb	1	4.4578	0.03474*
fol_li	1	2.1407	0.14344
fol_fb	1	0.6595	0.41675
fol_ig	1	0.2367	0.62657
fol_tw	1	0.0084	0.92712
found_fol_li	1	0.5621	0.45342
found_fol_fb	1	1.3689	0.24201
found_fol_ig	1	1.4095	0.24201
found_fol_t	1	0.0045	0.94646
no_pic	1	0.0178	0.89387
no_vid	1	2.4619	0.11664
no_text	1	0.4892	0.48430
comp	1	1.4853	0.22295
innov_norge	1	0.0284	0.86619
team	1	2.0102	0.86619
team_ratio	1	0.0111	0.91619
board	1	1.5721	0.20990
board_ratio	1	2.0820	0.14904

Appendix 19: Multicollinearity

This table reports the multicollinearity score of each variable.

Variable	Multicollinearity score
duration	2.032763
quarter	1.436684
age	1.572669
min_obj	2.054610
pri_share	2.962151
min_inv	1.966008
sale_share	3.133578
liq_ratio	1.474655
sol_ratio	1.723848
web	1.637060
media	1.491346
upd_fb	1.514621
fol_li	1.434340
fol_fb	2.002025
fol_ig	2.239669
fol_tw	1.638346
found_fol_li	1.666846
found_fol_fb	1.639022
found_fol_ig	1.739680
found_fol_tw	1.418113
no_pic	1.470847
no_vid	3.004951
no_text	1.719990
comp	1.309066
innov_norge	1.475238
team	1.807428
team_ratio	1.735913
board	1.560807
board_ratio	1.814113

Appendix 20: Probit regression results

This table examines the result of probit regression made with all variables. *, **, and *** indicate that the coefficient is statistically significant at the 10%, 5%, and 1% levels, respectively.

	Dependent variable:
	state
duration	-0.575*
	(0.302)
quarter	0.123
	(0.135)
age	0.352
	(0.236)
min_obj	-0.588**
	(0.228)
pri_share	-0.010
	(0.122)
min_inv	0.191
	(0.230)
sale_share	0.086
	(0.096)
liq_ratio	0.348
	(0.238)
sol_ratio	0.024
	(0.378)
web	0.157
	(0.458)
media	-0.055
	(0.476)

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fol_li	0.091
	(0.071)
upd_fb	0.794[**]
	(0.336)
fol_fb	0.062
	(0.093)
fol_ig	-0.038
	(0.064)
fol_tw	-0.012
	(0.103)
found_fol_li	0.077
	(0.109)
found_fol_fb	0.057
	(0.060)
found_fol_ig	0.093
	(0.065)
found_fol_tw	-0.008
	(0.106)
no_pic	0.071
	(0.268)
no_vid	-0.624
	(0.552)
no_text	0.283
	(0.296)
comp	-0.441
	(0.554)

innov_norge	0.060
	(0.331)
team	-0.482
	(0.325)
team_ratio	0.194
	(1.117)
board	0.287
	(0.226)
board_ratio	-1.333
	(0.990)
Constant	5.096
	(4.479)
Observations	144
Log Likelihood	-54.505
Akaike Inf. Crit.	169.010

Note: *p**p***p<0.01

Appendix A: A successful example of a campaign in Dealflow

One of the examples of successful campaigns in Dealflow is Aijob. Aijob is an IT company and with help of artificial intelligence, they are launching a solution for job matching for the Scandinavian market. This technology allows job seekers to bring out their potential and help them find the right position while enabling companies to find the right talent without the risk of human prejudice. Their goal was to raise a minimum of NOK 4,000,192 and a maximum of NOK 7,999,936. They offered each share for NOK 224 and a minimum of NOK 4,928 per investor. The campaign started on 27/12/2020 and ended on 26/02/2021 and during that time NOK 7,462,336 was raised by 66 investors. By taking a look at Aijob's campaign page, we can see they posted 2 videos and 6 pictures, also they have support from innovation Norway. Based on Aijob's campaign page, Aijob has 4 team members and 2 board members. From their campaign page, one can easily access their webpage but there is no mention of any social media platform on their campaign page or their website.

Tore Haukanes
Founder, CEO and board member

Tore has a broad background in the Offshore industry from trade certificates to international management positions. In 2001, he established the company WeldIndustry, an entrepreneurial company focusing on quality assurance of welding-related production. The company's software WeldEye was developed into a success in an international market with customers across large parts of the world. In 2013, WeldIndustry was sold to a large player with a good profit for the shareholders. Tore thus has good experience in leading an entrepreneurial company through all phases. In the last years before the establishment of Aijob AS, he has worked with Are in Future Solutions AS - a consulting company that helps companies to both develop and use technology to adapt to a constantly evolving market.

Are Pedersen
Founder and Chairman of the Board

Are also has extensive experience from Oil and Gas and has held leading roles in areas such as automation and business development. In 2005, he established the company Future Solutions with a focus on developing digitization as a competitiveness. Future Solutions started the Aijob project in response to a challenge from 5 work and inclusion companies. With a good knowledge of the challenges Norwegian companies experience on a daily basis, Future Solutions quickly saw that Aijob could become a tool beyond its origins and be an excellent solution for the entire labor market.

Michel Mesquita
Founder

Michel is an internationally renowned researcher with a doctorate in atmospheric conditions. He has a master's degree from UIB and has participated in MIT's program for continuous learning. Michel has published more than 50 articles on science, e-learning, statistics, artificial intelligence and management. Until the summer of 2020, he worked as research manager at Future Solutions, where he developed business methods for small and medium-sized companies related to product development, innovation, startups, business processes, cultural and digital transformation. Michel has been central in the development of the specifications for Aijob.

Jon Terje Hauger
COO

Jon Terje has extensive experience in management, HR, QHSE, finance and administration. He has an education and career in the Armed Forces until 2001 and has since worked in private business with both start-up, development and operation of various companies. Jon Terje worked as head of administration at WeldIndustry together with Tore from 2008 to 2015. He also has further education in economics and a bachelor's degree in security (QHSE).

IT   DIGITAL   B2B   B2C

Aijob

https://aijob.no

Financing objectives	Time left
4,000 192 - 7,999,936 NOK	Finished
Company value	For sale
NOK 15,008,000	34.77%
Minimum per investor	Price per share
4 928 NOK	224 NOK

Invested
NOK 7,462,336 from 66 investors

[More about the company →]

Share the campaign:

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Appendix B: A failed example of a campaign in Dealflow

An example of the failed campaign on Dealflow is X-POL. X-POL is a safety company whose goal is to help reduce fraud and the negative consequences of this in private and public companies. Companies focus on four areas: 1) people and security 2) insurance 3) white-collar crime 4) environmental crime. X-POL's goal was to raise a minimum of 4,500,000 NOK and a maximum of 10,000,000 NOK. The company was able to raise 2,223,528 NOK from 25 investors from 25/03/2020 till 10/03/2020 which made this campaign a failed campaign. Each share was priced at 2 NOK and the minimum amount each investor could invest was 5,000 NOK. X-POL posted one video and 9 pictures on their campaign page. X-POL has 9 team members but not mentioned board members on their campaign page. One can access their website easily through the link on their campaign page but there is no mention of their social media accounts on their campaign or web page.

Operativ ledelse

Ellen Hamremoen
Partner, COO og avdelingsleder Teknisk utredning

Mer enn 35 års erfaring fra politiet, Kripos, politidistrikt og Politidirektoratet. Ellen har jobbet med teknisk og taktisk etterforskning, etterretning, operativt politiarbeid og internasjonalt politisamarbeid. De siste årene har hun vært faglærer på Politihøgskolen. Hun har skrevet pensumboken i kriminalteknikk og utgitt artikler om politiets åstedsarbeid.

Jørn Erik Ødegård
Partner og avdelingsleder Økonomisk utredning

39 års erfaring fra politiet hvorav 26 år i ØKOKRIM. Han har gitt opplæring og etterforskningsbistand til politidistriktene og vært etterforskningsleder i svært mange omfattende og kompliserte straffesaker, ofte med internasjonale forgreininger og med krevende bevissikring og bevisvurderinger. Jørn Erik er en av Norges mest erfarne etterforskere innenfor økonomisk kriminalitet.

Trygve Kalleberg
Partner og avdelingsleder Sikkerhetstjenester

Trygve har mer enn 35 års erfaring fra politiet. Han har bred kompetanse innen fagområder som ordens- og utrykningstjeneste, hundetjeneste og etterforskning. Han har ti års erfaring som beredskapsplanlegger og administrativ leder og har tjenestegjort flere år i FNs fredsoperasjoner på Balkan. Han har fungert som visepolitisjef for den internasjonale/nasjonale politistyrken i Kosovo.

Arnfinn Sandstad
Partner og avdelingsleder Taktisk utredning

Med mer enn 41 års erfaring, hvorav nesten 30 år i KRIPOS, er Arnfinn en av Norges mest meritterte og erfarne etterforskere og etterforskningsledere i Norge. Han har jobbet som etterforskningsleder hovedsakelig i komplekse og omfattende drapssaker og mordbrannsaker. Arnfinn ledet voldsseksjonen i Kripos i 15 år. Bistod også Stortingets Granskingskommisjon i forbindelse med Scandinavian Star brannen.

Svein Østerhaug
Partner og avdelingsleder Informasjonsinnhenting

Mer enn 36 års erfaring i politiet, hvorav 17 år i PST. Svein har bakgrunn både som saksbehandler, livvakt og spaner. Han har jobbet mye med informasjonsinnhenting og analyse, i tillegg til etterforskning. Som teamleder ved Gardermoen politistasjon har han ledet både politi- og sivilt ansatte grensekontrollører i utførelsen av ut -og innreisekontroll, og iverksatt en rekke bort- og utvisningssaker.

Administrativ ledelse

Tom Nøttveit
Partner og CFO

Tom er en erfaren økonom og leder med bakgrunn fra revisjon og ulike stillinger som leder av økonomifunksjon innen IT- og telekomsektoren blant annet fra børsnoterte selskaper som Norman og NextGenTel (opprinnelig Telio). Karrieren så langt har gitt verdifull erfaring og kompetanse innen innkjøp, HR og IR samt omstillingsprosesser, outsourcing og M&A. Han er utdannet siviløkonom og med en Bachelor of Business Administration fra USA.

Henrik Øystein Wolff Helgesen
Partner og CEO

Med bakgrunn fra politiet, har Øystein de siste 30 årene jobbet i det private næringsliv, både med ledelse, drift, og forretningsutvikling innen telekom, IT og broadcast. Han har bred erfaring både nasjonalt og internasjonalt med organisasjonsoppbygging og utvikling, med salg og markedsføring som sin spesialitet. Han bygget opp og ledet Packard Bell til å bli Skandinavias fremste PC merke for privatmarkedet, og grunnet selskapet Homebase - Norges første tilbyder av Trippel play løsninger over fiber i Norge.

Tom Guldberg
Partner og CSO

Lang erfaring i utvikling av selskap med hovedfokus på strategi og myndighetskontakt. Med en Master i Innovation Management som utgangspunkt har Tom vært aktiv i etablering av elleve selskaper, blant annet Network Norway, Cloudberry Mobile og SmartArtlens Inc. Med fem år som partner i Crystal Innovation Ltd i London og fem år i New York har Tom etablert et bredt og spennende internasjonalt nettverk .

Frode Vekseth
Teknologidirektør

Frode er en kreativ mann med lidenskap for teknologi. Med over 20 års erfaring innenfor utvikling og teknologi, har han i den siste halvdelen av sin karriere opparbeidet seg bred erfaring innenfor prosjektledelse av gründerselskaper. Et av hans spesialfelt er smarthus og energisparing i leiligheter og eneboliger. Med sin tidsriktige spisskompetanse av forenkling av slik teknologi, slik at den blir brukervennlig og lett tilgjengelig, har han jobbet med Innovasjon Norge og Skattfunn i utviklingsprosjekter. Han elsker å designe og lede prosesser og mennesker i både store og mindre teknologiprosjekter. I X-POL AS er han teknologidirektør

Finansieringsmål	Tid igjen
4 500 000 - 10 000 000 NOK	Avsluttet
Selskapsverdi	Til salgs
42 081 944 NOK	19,20 %
Minimum per investor	Pris per aksje
5 000 NOK	2 NOK

Investert
2 223 528 NOK av 25 investorer

Mer om selskapet →

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