

“AWARENESS TOWARDS CROWDFUNDING”



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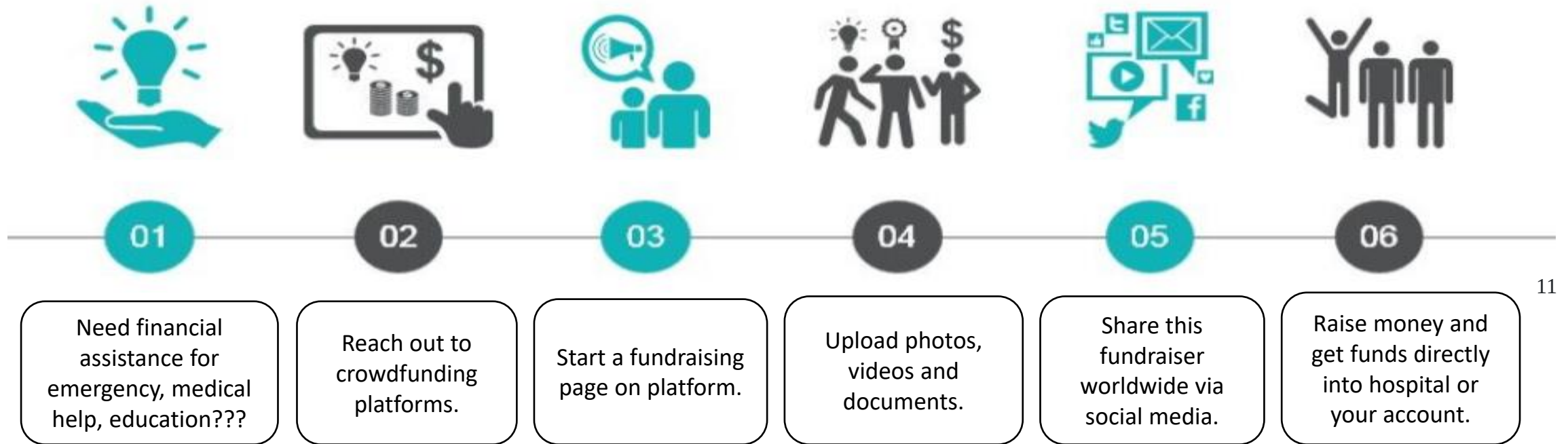
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INTRODUCTION

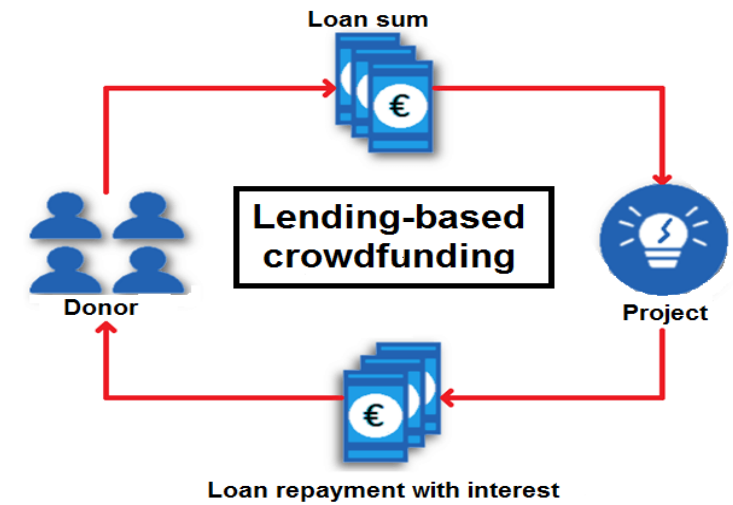
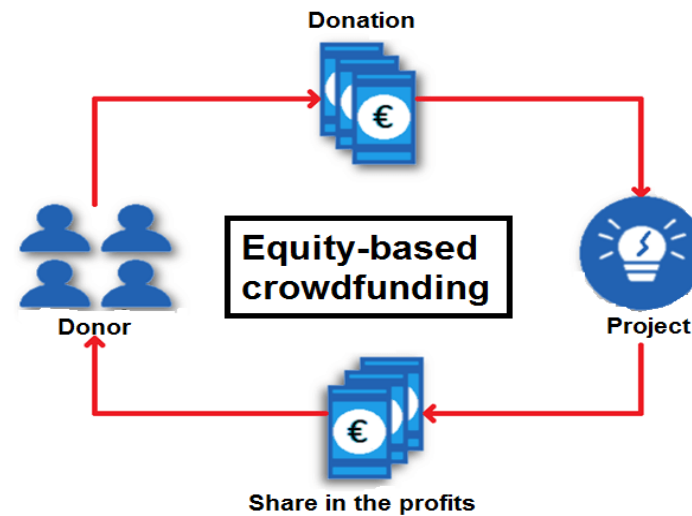
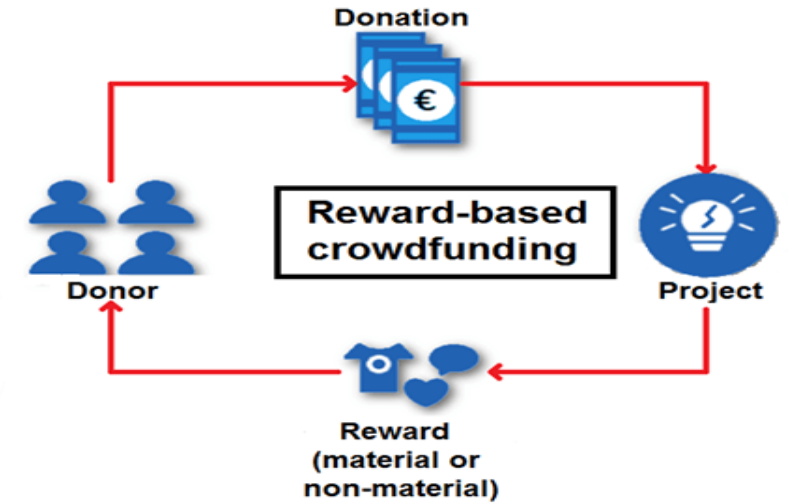
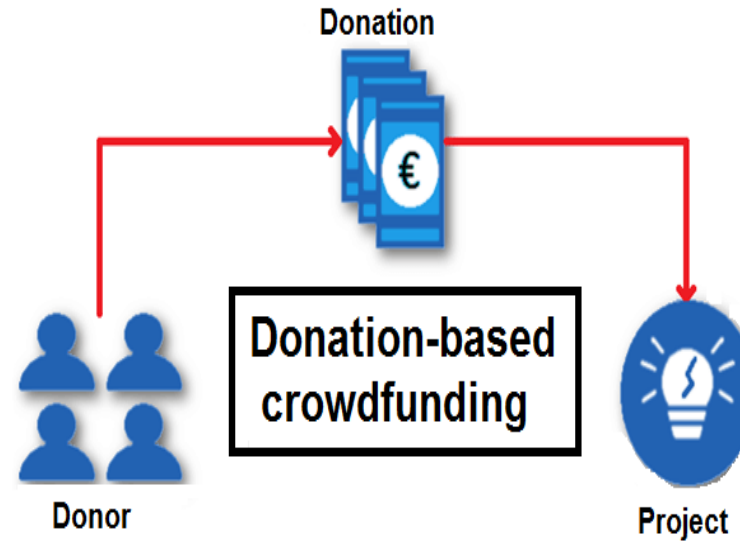
- Crowdfunding is usually defined as “the efforts by entrepreneurial individuals and groups—cultural, social, and for-profit—to fund their ventures by drawing on relatively small contributions from a relatively large number of individuals using the internet, without standard financial intermediaries” .⁵
- Funding here is done with an objective of earning some return either financially or intangible which is very similar to the conventional concept of funding known as “Chanda”.



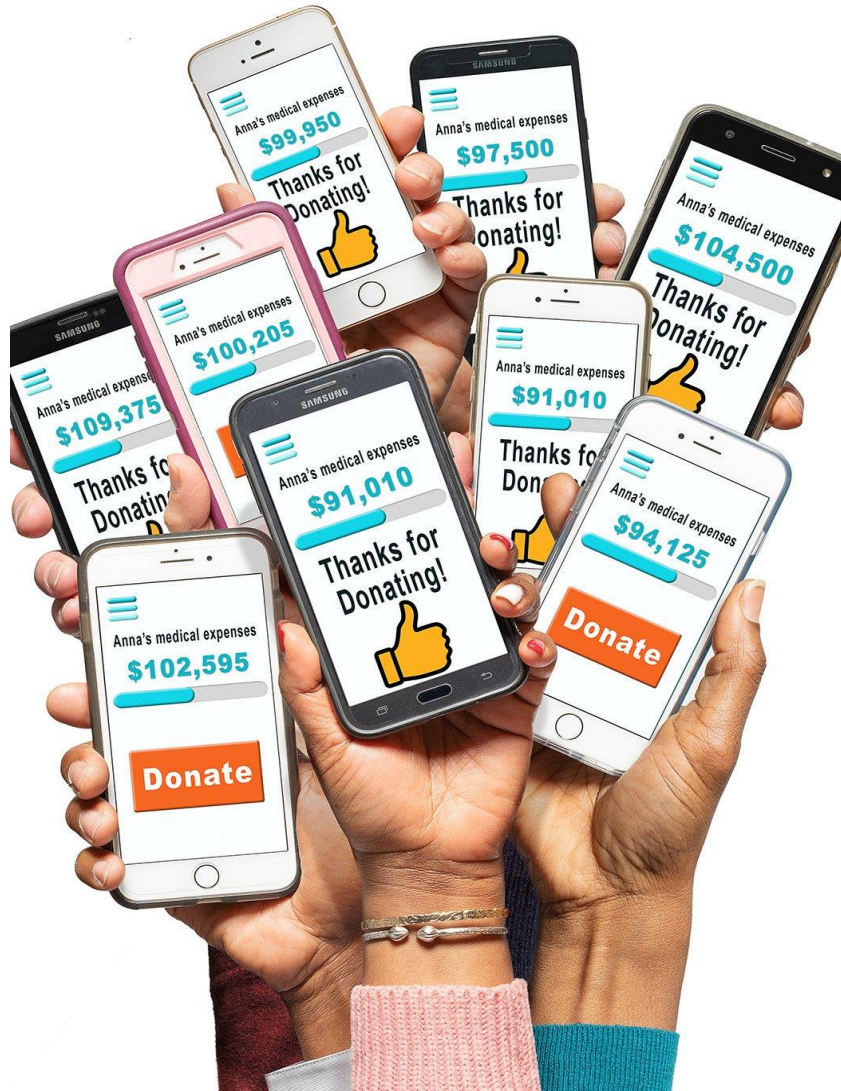
PROCESS OF CROWDFUNDING:



TYPES OF CROWDFUNDING:



HEALTHCARE FINANCING IN INDIA

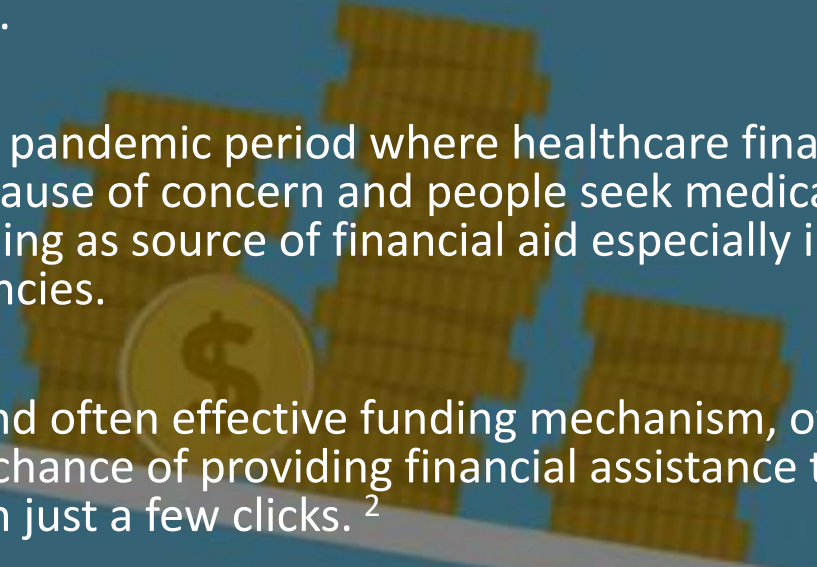


- India spends 2.5% of GDP on healthcare. Healthcare includes any medical procedure meant to improve a person's wellbeing. Healthcare financing refers to the managing the funds for these medical resources.
- On a private level, this type of financing refers to payments regarding hospitalization, physician care, dental care, prescriptions, and other personal medical services. ²
- The sources of Healthcare Financing options in India are Public or government source, Private source including Household expenditures, Private employer healthcare fund and Private/corporate insurance schemes.
- Private source also include other external sources like Charitable trust, Health insurance, Community financing, Missionaries, Religious institutions etc.
- The several reasons for growing significance of medical crowdfunding are Lack of insurance coverage, poverty, disparities in the healthcare system, absence of proper social safety-nets, and skyrocketing medical costs. ²

Cont'd....



- People must realise that medical crowdfunding aims to use the crowd's financial power to provide a safety net for people who are unable to access public or private healthcare.
- During the pandemic period where healthcare finance was seen as a cause of concern and people seek medical crowdfunding as source of financial aid especially in case of emergencies.
- It is a fast and often effective funding mechanism, offering people the chance of providing financial assistance to those in need with just a few clicks. ²
- But still medical crowdfunding is in its evolving stage in India, and we don't know much about what is the perception of people towards it is. Therefore, there is a need to know the knowledge of people towards crowdfunding and its platforms.





RATIONALE

- It is seen that in India Crowdfunding platforms has not emerged completely and is still evolving in India. Though there is still a long way to go as people still prefer traditional methods of financing that leads to out of pocket expenditure.
- So, the rationale of my study is that there is a strong need to build awareness around concept of crowdfunding in people.

RESEARCH QUESTION:

- How aware are people about concept of crowdfunding in India?

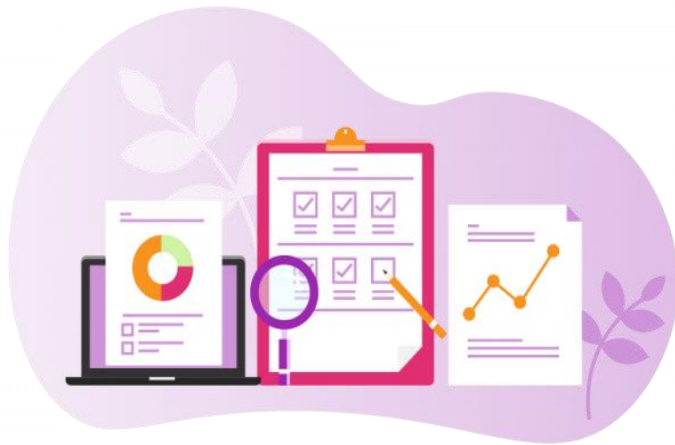


OBJECTIVES:

- To assess the awareness towards Crowdfunding in India .
- To know people's willingness towards use of medical crowdfunding in future.

METHODOLOGY:

- STUDY DESIGN: To collect information for this study about the awareness towards crowdfunding - descriptive cross-sectional study design was implemented .
- STUDY PERIOD: Study was conducted from May 2021 to June 2021.
- SAMPLING TECHNIQUES: In this study, Purposive sampling technique (Non-Probability Sampling) was used to collect the data.
- SAMPLING SIZE: 115 google forms were circulated. Out of which 110 respondents filled the form and were surveyed for this study.
- INCLUSION CRITERIA: People who were willing to participate and filled the questionnaire were included in the study.
- EXCLUSION CRITERIA: People who were part of organisation were not included in the study. As well as people who didn't signed the consent form were excluded.



➤ **STUDY TOOL:**

- The survey form comprised of informed consent, demographic details, and questionnaire. A semi-structured questionnaire was prepared in the form of “Google forms”.
- The questionnaire was divided into two sections. Section one involved demographic details of the respondent.
- Section two consists of questions to assess the knowledge and awareness towards concept of crowdfunding and their willingness towards participation in medical crowdfunding.

➤ **DATA COLLECTION:**

- The study was majorly focused on primary data and data was collected through google forms.
- After the data collection, data was entered and analysed in MS Excel . Finally, received 110 responses and these responses were taken further for analysing, to meet the objective.

ANALYSIS AND INTERPRETATION:

- Table 1 shows that Total of 110 responses were received, out of which 52.7% (n=58) were female participants and 43.6% (n= 48) were male participants whereas 3.6% (n=4) participants preferred not to say.
- More than half of the population i.e., 50.9 %(n=56) belongs to semi-urban area.

TABLE -1: DEMOGRAPHIC TABLE

DEMOGRAPHIC PROFILE	FREQUENCY	PERCENTAGE
GENDER		
Male	48	43.6%
Female	58	52.7%
Prefer not to say	4	3.6%
AGE		
<25	28	25.4%
25-40	37	33.6%
41-55	35	31.8%
56-70	8	7.3%
AREA		
Urban	39	35.5%
Rural	15	13.6%
Semi - Urban	56	50.9%

RESPONDENTS UNDERSTANDING ABOUT CROWDFUNDING:

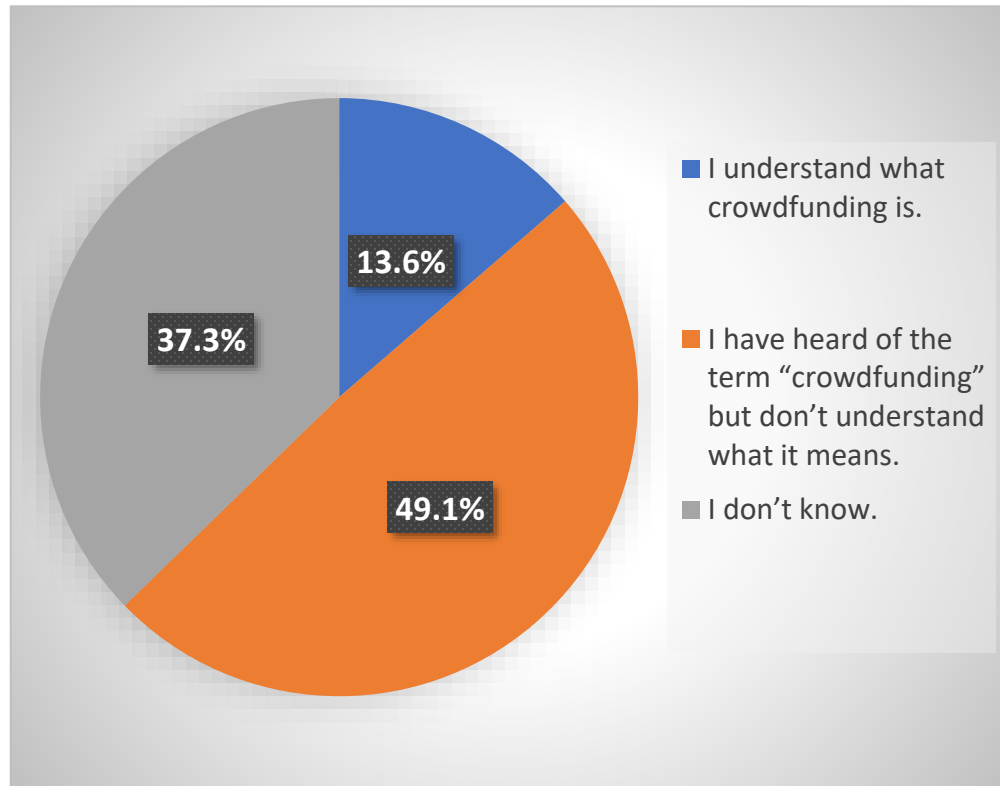


Figure 1: Response to question what you understand by Crowdfunding.

- When respondents were asked about their understanding on crowdfunding (Figure 1) it was seen that more than half of the study population 49.1% (n=54) is not aware of crowdfunding .
- On the other hand, 37.3% (n=41) of people have encountered the term “crowdfunding” but do not know what it means. Only 13.6% (n=15) of people responded that they are aware of crowdfunding and know what it means.
- So, wholly 49.9% (n=56) of study population were aware of term crowdfunding or have heard it.

TABLE 2: DEMOGRAPHIC COMPOSITION

- Table 2 shows that out of total crowdfunding aware respondents 64.3%(n=36) were females and 35.7%(n=20) were males. Respondents from semi-urban(44.6%)and urban(42.9%) area were more aware about crowdfunding as compared to rural area(12.5%).
- When compared among age groups within this study 25-40 (50%) age group was more aware about crowdfunding and 56-70(3.6%) were least aware about crowdfunding.

	CROWDFUNDING AWARE RESPONDENTS (N=56)	CROWDFUNDING NON- AWARE RESPONDENTS (N=54)
	N(%)	N(%)
GENDER		
MALE	20 (35.7)	28(51.9%)
FEMALE	36 (64.3%)	22(40.7%)
PREFER NOT TO SAY	0	4(7.4%)
AREA		
URBAN	24 (42.9%)	15(27.8%)
RURALS	7 (12.5%)	8 (14.8%)
SEMI-URBAN	25 (44.6%)	31(57.4%)
AGE		
<25	12 (21.4%)	16 (29.6%)
25-40	28 (50%)	9 (16.7%)
41-55	14 (25%)	21 (38.9%)
56-70	2 (3.6%)	6 (11.1%)

AWARENESS ABOUT EXISTING CROWDFUNDING PLATFORMS IN INDIA:

- Table 3 shows that when asked about their knowledge on existing crowdfunding platforms, only 30.4% (n=17) of crowdfunding aware respondents were acquainted of crowdfunding platforms that exist in India whereas 69.6%(n=39) of them were not aware of any crowdfunding platform in India .

	CROWDFUNDING AWARE RESPONDENTS(N=56)	
	FREQUENCY	PERCENTAGE
Are you Aware about any existing crowdfunding platforms in India?		
YES	17	30.4%
NO	39	69.6%

Table 3: Awareness on any existing crowdfunding platforms in India.

SOURCE TO KNOW ABOUT THE CONCEPT OF CROWDFUNDING AND ITS PLATFORMS:

- This question was asked to respondents who were aware of crowdfunding. It was observed that when this question was asked to respondents who understand what crowdfunding is - 86.7% (n=13) of respondents got to know about it through Internet whereas 13.3%(n=2) of them came to know by online advertisements.
- Also, when asked to those who have heard the term crowdfunding but don't know what it means – Majority of them i.e., 41.5%(n=17) got to know through online advertisements and 34.1%(n=14) from friends and relatives. (Table 4)

	CROWDFUNDING AWARE RESPONDENTS	
From where you came to know about the concept of crowdfunding and its platform?	“Respondents who understand what crowdfunding is”	“Respondents who have heard the term crowdfunding but don't know what it means.”
a) Internet	13(86.7%)	10(24.4%)
b) Friends/relatives	0	14(34.1%)
c)Online advertisements	2(13.3%)	17(41.5%)
d) Other	0	0

Table 4: Response to question from where you came to know about the concept of crowdfunding and its platforms.

RESPONDENTS WHO TOOK BENEFIT
FROM ANY CROWDFUNDING
PLATFORM:

- This Table (Table 5) reveals that only 7.1% (n=4) respondents have actually participated in crowdfunding campaign out of total 49.9% (n=56) respondents who were aware of crowdfunding.
- Out of which only 2 responded the reason for their participation. One respondent kept their reason for participation as confidential and other took benefit of crowdfunding platforms for medical camps.

	CROWDFUNDING AWARE RESPONDENTS(N=56)	
	FREQUENCY	PERCENTAGE
Have you ever taken benefit from any crowdfunding platforms?		
YES	4	7.1%
NO	52	92.9%

Table 5: Response to question have you ever took benefit from crowdfunding platforms.

AWARENESS ABOUT MEDICAL CROWDFUNDING AS A METHOD OF FINANCING HEALTHCARE :

Table 6 tells that when asked question about medical crowdfunding as method of financing healthcare it was observed that 30.4% (n= 17) of Crowdfunding aware respondents knew about medical crowdfunding.

	CROWDFUNDING AWARE RESPONDENTS(N=56)	
	FREQUENCY	PERCENTAGE
Are you aware about medical crowdfunding as a method of financing Healthcare?		
YES	17	30.4%
NO	39	69.6%

Table 6: Awareness about Medical Crowdfunding

AWARENESS ABOUT CROWDFUNDING CAMPAIGNS:

	CROWDFUNDING AWARE RESPONDENTS(N=56)	
	FREQUENCY	PERCENTAGE
Are you aware about any crowdfunding campaigns?		
YES	18	32.1%
NO	38	67.9%

Table 7: Awareness about Crowdfunding Campaigns

It was seen that among crowdfunding aware respondents, 32.1% (n=18) of people have seen and are aware about crowdfunding campaigns whereas 67.9%(n=38) are not aware about any crowdfunding campaigns (Table 7).

From which platform you would like to hear about crowdfunding campaign?

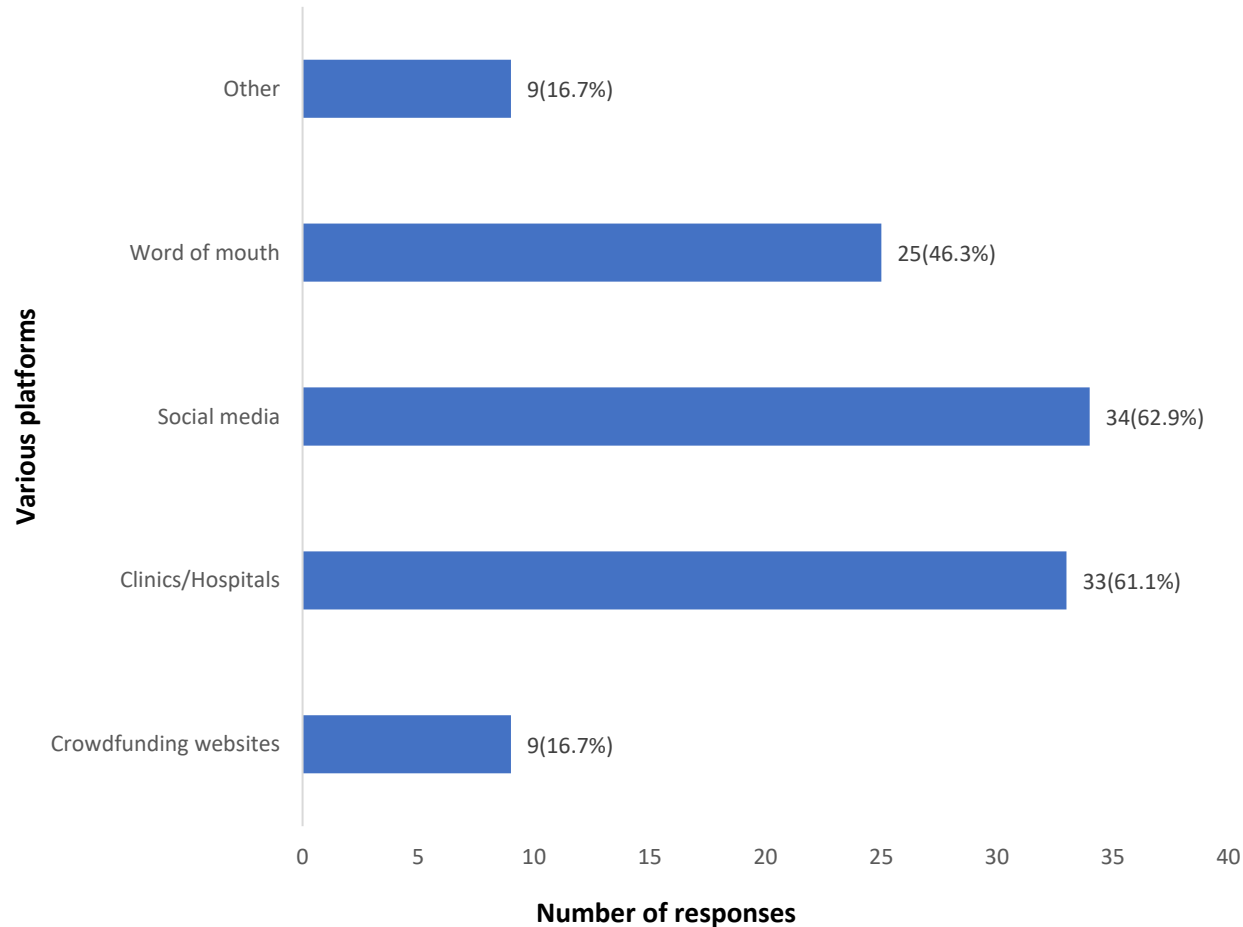


Figure 8.1: Response to question from which platform you would like to hear about crowdfunding campaign (Crowdfunding non -aware respondents)

RESPONSE TO QUESTION FROM WHICH PLATFORM YOU WOULD LIKE TO HEAR ABOUT CROWDFUNDING CAMPAIGN:

This question was asked to Participants who were not aware of crowdfunding. Graph (Figure 8.1) shows that 62.9% (n= 34) of non-aware respondents would like to hear about crowdfunding campaign from social media platform and 61.1% (n=33) would like to hear about it from hospitals.

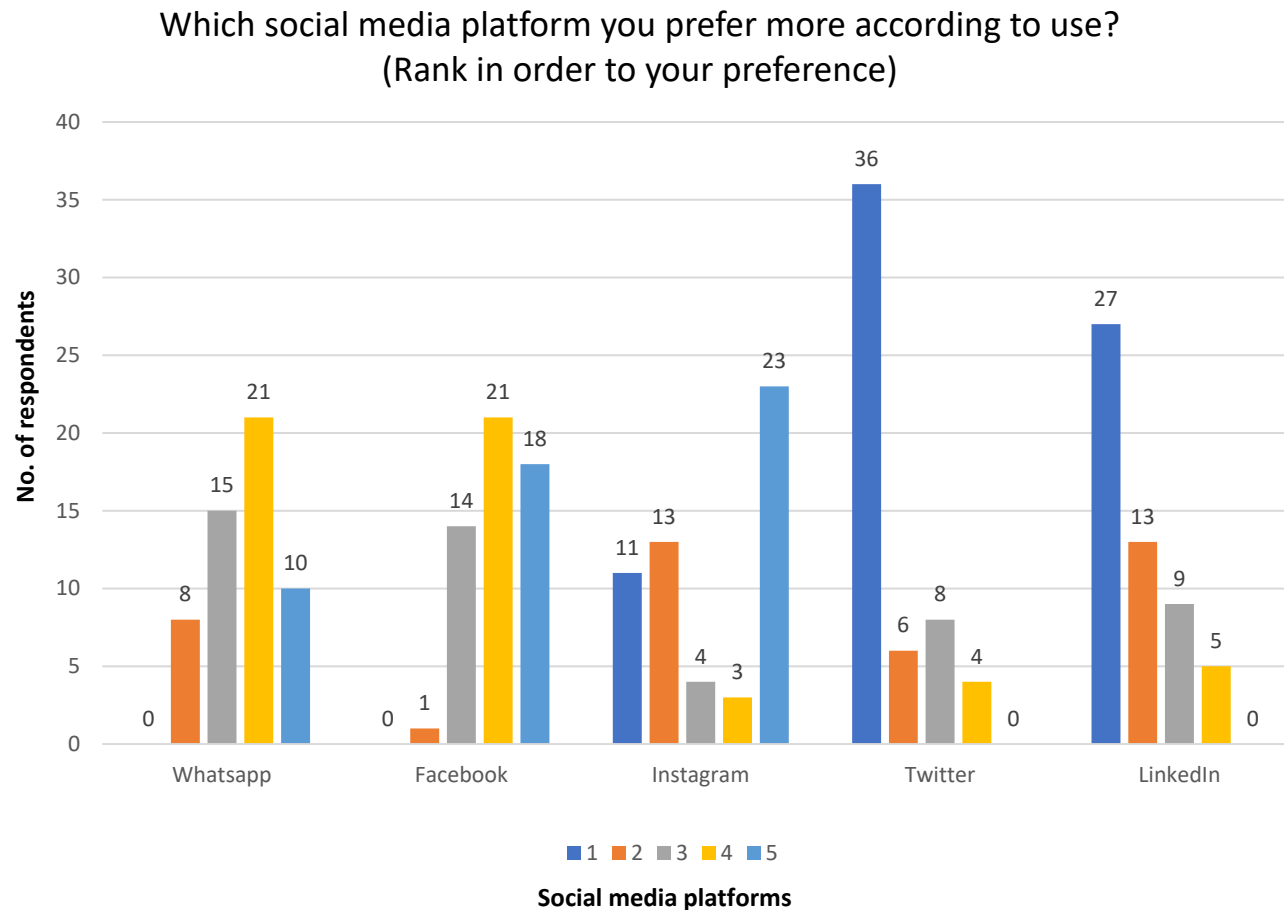


Figure 8.2: Preferred social media platform according to use by crowdfunding non-aware respondents.

PREFERRED SOCIAL MEDIA PLATFORM ACCORDING TO USE BY CROWDFUNDING NON-AWARE RESPONDENTS:

- When asked about mostly used social media platform preferred by crowdfunding non-aware respondents to be ranked in order (Minimum- 1 to Maximum-5), Majority of them use Instagram($n=23$) and Facebook ($n= 18$)the most .
- So, by this graph it is clear that in order to spread awareness via social networking sites - Instagram, Facebook, and WhatsApp can be used for conducting informational campaigns on crowdfunding.(Figure 8.2)

RESPONSE TO NEED FOR AWARENESS REGARDING CONCEPT OF CROWDFUNDING AND ITS PLATFORMS:

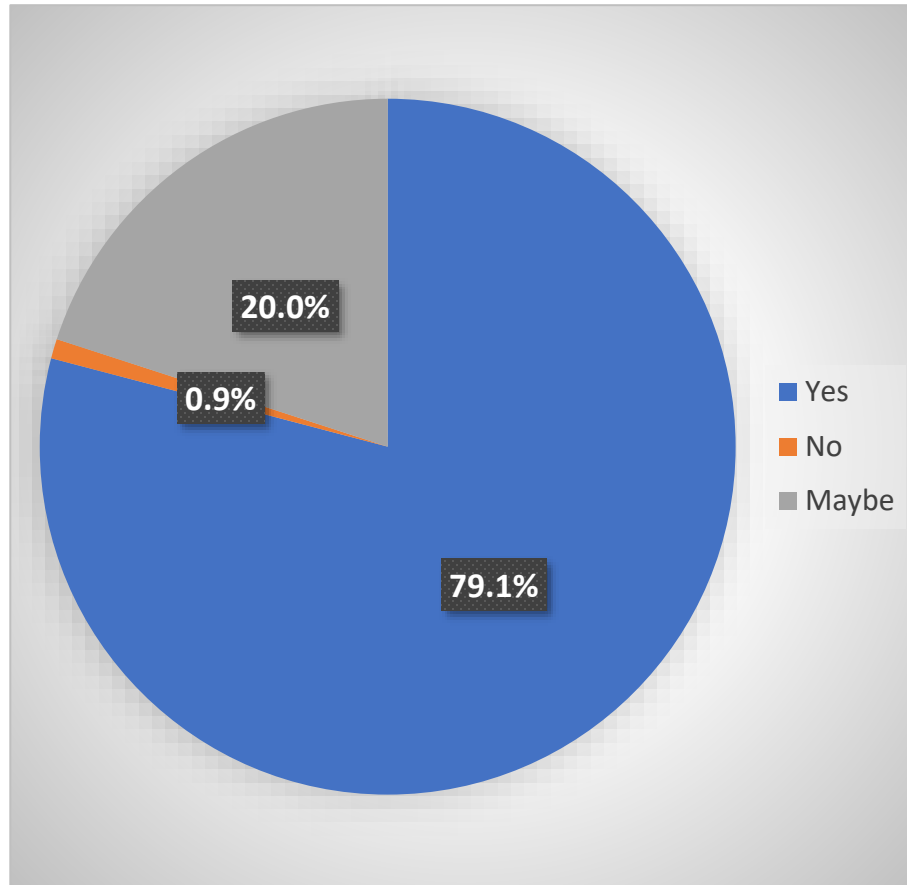


Figure 9: Need for awareness regarding concept of crowdfunding and its platforms.

When asked about the need for awareness regarding concept of crowdfunding among all the participants - 99.9% (n=109) respondents felt the need for awareness regarding concept of crowdfunding and its platforms that exist in India.(Figure 9)

LIKELIHOOD OF PARTICIPATING IN MEDICAL CROWDFUNDING IN FUTURE

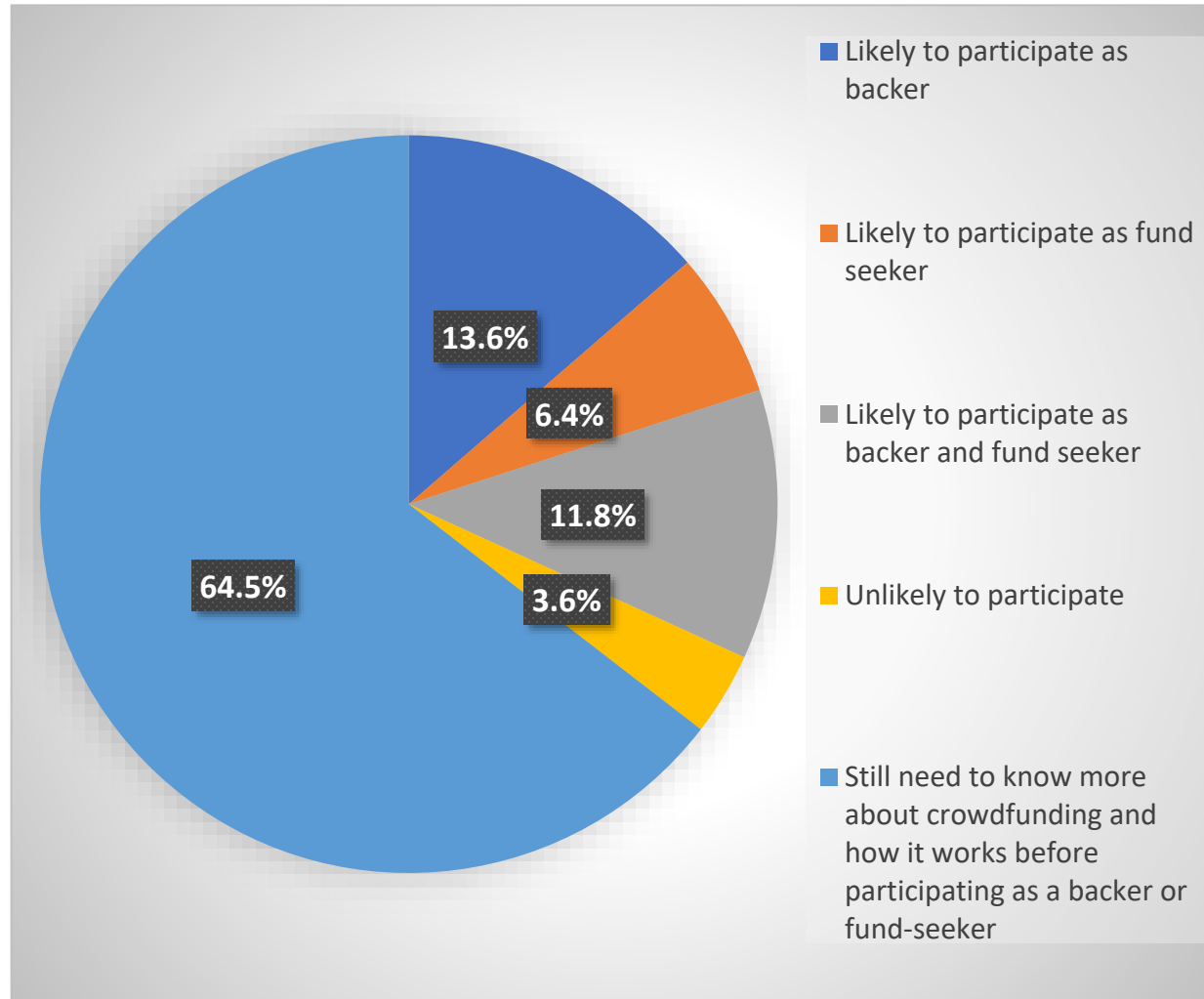


Figure 10: Likelihood of participating in medical crowdfunding campaign.

- Figure 10 itself shows that among all the respondents 13.6% (n=15) said that they will likely back a medical crowdfunding campaign, while 6.4%(n=7) said that they would likely participate as fund seeker and 11.8% (n=13) respondents said that they will participate both as backer and fund seeker in future.
- However, 64.5%(n=71) of people still need to know more about crowdfunding and how it works before participating as a backer or fund seeker and 3.6%(n=4) said that they would unlikely participate.

DISCUSSION:

- Crowdfunding, which poses an enormous potential, is still in its nascent stage in India. Therefore, it is the need of the moment law makers should look upon the laws and give this viable market, a strong support system that could bring a change in the Healthcare system of India.³
- Though, Crowdfunding for medical expenses has gained some popularity in India during COVID-19 but people are still unaware about process of crowdfunding and its platforms as observed in this study.
- This study shows that 49.1% of population still do not understand concept of crowdfunding and how it works whereas 37.3% of people have encountered the term “crowdfunding” but do not know what it means.
- Similar results were obtained in study done in Philippines by Raymond vergara et al⁷ and Study done by Jaslin joseph et al.⁸



- At the end of the survey when asked about likelihood of participating in medical crowdfunding in future it was seen that 64.5% of them still need to know more about crowdfunding before participating as backer or fund seeker. This shows lack of knowledge and awareness about process of crowdfunding, crowdfunding platforms, medical crowdfunding as an option for financing healthcare which is the most common challenge for this sector.
- Potential backers and fund seekers are largely unaware of what crowdfunding is. There is a need to boost awareness and increase participation in medical crowdfunding by conducting informational campaigns on preferred platforms.
- Process of crowdfunding, its potential benefits and risks should also be explained by crowdfunding platforms as this will help calm hesitation that people have about the credibility of platforms and its process.
- Crowdfunding platforms have larger responsibility of increasing awareness - both of potential fund seekers and potential backers, since doing so will benefit them the most.



Building Awareness



RECOMMENDATION

- The concept of crowdfunding poses an unrealistic potential if implemented and accepted by the masses. This study was conducted to understand the awareness towards crowdfunding in India, with a limited sample.
- Further there is a broad scope for researches to be conducted on awareness, attitude and perception towards crowdfunding on larger base.
- A future study should be done further to assess the social stigma associated with crowdfunding.
- Also , an annual survey could be conducted to track the progress of crowdfunding awareness and participation in India.

CONCLUSION:



- Survey results affirm that crowdfunding is still in its embryonic stage in India. Awareness regarding medical crowdfunding is still low in our country.
- In a country of 1.2 billion people, the surge of COVID-19 adds the necessity for appropriate healthcare for people. The country is also going through economic turbulence in addition to health crisis.
- Thousands of individuals have lost their means of sustenance with no financial option to resort to just in case of medical emergencies or unexpected treatment expenses.
- Therefore, it is important to make people aware how in the face of financial distress in a medical situation, online crowdfunding has worked wonders to help patients receive timely treatment even in cases of rarest diseases.
- It has given light of hope to millions of other families and individuals who are struggling to give access to quality healthcare to their loved ones due to lack of funds.¹⁰

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THANKYOU

