

Assessment of People's Perception Towards Medical Crowdfunding

By

Shivi Rawal

*Dissertation submitted in partial fulfillment of the requirements of the degree
MBA Hospital and Health Management*

Academic year, 2018-2020



The IIHMR University, Jaipur

1, Prabhu Dayal Marg, Sanganer, Airport
Jaipur 302029, Rajasthan
Ph: 0141 3924700, Fax: 3924738
Website: www.iihmr.edu.in

Assessment of People's Perception Towards Medical Crowdfunding

By

Shivi Rawal

*Dissertation submitted in partial fulfillment of award of
MBA Hospital and Health Management*

Academic year, 2018-2020

Impact Guru



The IIHMR University, Jaipur

1, Prabhu Dayal Marg, Sanganer, Airport

Jaipur 302029, Rajasthan

Ph: 0141 3924700, Fax: 3924738

Website: www.iihmr.edu.in

TO WHOMSOEVER MAY CONCERN

This is to certify that Shivi Rawal, student of MBA Hospital Management from The IIHMR University, Jaipur has undergone Internship Training at Impact Guru from March 2, 2020 to June 2, 2020.

The candidate has successfully carried out the study designated to her during internship training and her approach to the study has been sincere, scientific, and analytical,

The internship is in fulfilment of the course requirement.

I wish her all success in all her future endeavours.

Dean, Academics and Student Affairs
The IIHMR University, Jaipur
Jaipur

Professor
The IIHMR University,

The certificate is awarded to

SHIVI RAWAL

In recognition of having successfully
completed her Internship in the department
of

BUSINESS DEVELOPMENT

and has successfully completed her Project on

**AN ASSESSMENT OF PEOPLE'S
PERCEPTION TOWARDS MEDICAL
CROWDFUNDING"**

Date June 2nd , 2020

Organization- Impact Guru

He/ She comes across as a committed, sincere & diligent person
who has a strong drive and zeal for learning

We wish him/her all the best for future endeavors

ACKNOWLEDGEMENT

Words in my lexicon fail to elucidate my profound sense of veneration and indebtedness to my major advisor Mr. Sandeep Tripathy, Vice President-Business Head (ImpactGuru) for his inspiring guidance, outstanding cooperation and constant encouragement. His constant support, critical appreciation and parental concern gave a glitter of confidence to my work.

My inexplicable gratitude goes to Col. Dr. Ashok Kaushik (Dean Academics and Student Affairs, IIHMR University, Jaipur).

I feel highly elated to keep on records of my sincere gratitude to my internal mentor Dr. Dharendra Kumar, Professor and Dean (Research), IIHMR University, Jaipur for His constant encouragement, sagacious guidance, and inspiration.

I am extremely indebted to all the members of the business development division ImpactGuru for their continuous support during my summer internship.

I express my sincere acknowledgement to my co-mentor Mr. Anish Chaudhary and Mr. Avin Nair for required cooperation and providing model environment in the hospital.

Inspite of my modest attempt to enlist every name whom I would like to pay my gratitude, if any person who has helped me in one or other way and have not been included in this list are greatly acknowledged by me for their help.

Dated: JUNE 18th , 2020

Place: PUNE

Shivi Rawal

THE IIHMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled “An Assessment of People’s Perception Towards Medical Crowdfunding” and submitted by Shivi Rawal Enrolment No. 0826 under the supervision of Dr. Dhirendra Kumar for award of MBA in Hospital Management of the IIHMR University carried out during the period from March 2, 2020 to June 2, 2020 . embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute per other similar institution of higher learning.

(Shivi Rawal)

Signature

INDEX

S.NO.	TABLE OF CONTENT
1.	<i>Abstract</i>
2.	<i>Organization Profile</i>
3.	<i>Introduction</i>
4.	<i>Literature Review</i>
5.	<i>Research Methodology</i>
6.	<i>Data Analysis</i>
7.	<i>Research Findings and Discussions</i>
8.	<i>Conclusion</i>
9.	<i>References</i>
10.	<i>Annexure</i>

ABSTRACT

Medical crowdfunding is the practice of using websites to raise money from donors to pay for medical care or related expenses. While in terms of overall funding volume, medical crowdfunding should still be considered as a niche phenomenon, it is rapidly growing in many countries and is seen by many people as a way to cope with government cuts on public health financing. Examining the worldwide population of healthcare crowdfunding platforms, this study was conducted to assess people's perception on this concept of crowdfunding. The study was done on 300 patients belonging to the cardiology and oncology department and the methodology for the study included primary research. Moreover, the findings on the basis of pareto analysis support the evidence that the three factors in total namely, Insufficient Funds generated through the campaign, Social Stigma and Time Consuming plays an important role and taken into consideration by the campaigner when the decision for starting a medical campaign was to be done.

Keywords: Crowdfunding, Healthcare, Campaigns, Medicine, Policy, Medical crowdfunding

Organization Profile:

Impact Guru was born with a mission to make healthcare accessible to all and save more lives. It is a tech-for-good platform that provides complete crowdfunding solutions to empower individuals, NGOs, and social enterprises to raise funds for medical emergencies, personal needs, creative projects or any social cause -be it big or small.

"An Impact Guru is someone who envisions change, who finds solutions to social problems, who steps up to support another change-maker, who makes kindness a habit, who dares to follow his/her dream, or who simply helps out a friend in need. We believe that each individual holds the power to effect great change and given the right tools and the right backing, can become an Impact Guru himself/herself "

It is an India's leading online crowdfunding platform that enables NGOs to fund their programs as well as individuals to fund their medical expenses, creative projects and personal projects. Alternatively, it allows you to donate to a cause you support or, choose from a host of vetted causes here on Impact Guru.

What makes ImpactGuru stand out is that they are the only crowdfunding platform to have their own story builder to help customers write great stories as it's a major pain point in the industry today. It has an AI-supported story builder for medical fundraisers with a template for all campaigners to develop their own standardized campaign stories. It's a first in the world innovation in crowdfunding globally!

ImpactGuru is also the first crowdfunding player in India to launch a smartphone app for customers. The app presents the user with a quick view of their fundraiser, thus enabling

them to keep track of the progress of the campaign, get real-time donation notifications and post updates.

ImpactGuru.com has become the largest crowdfunding platform in India for medical expenses. In total, ImpactGuru has raised around Rs 950 Crore from over 2 lakh donors from 150 countries.

INTRODUCTION

The world's community rapidly seeks online crowdfunding sites for donations in order to seek financial aid in support of health expenses. Patients, family members, and supporters can create fund-raising campaigns through text, photos, and videos on platforms like Impact Guru and can easily spread financial appeals via email, texts, or social media channels to their extended social Internet networks. About a third of all fundraising activities on pages are medical initiatives.

Crowdfunding — the tool used for financing new varieties, allowing individual entrepreneurs to seek funding from other individuals for economic, cultural or social ventures, often in return for potential goods or equities. Crowdfunding ventures can differ in magnitude and reach, from small creative projects to entrepreneurs searching for hundreds of thousands of dollars of seed funding in alternative to the conventional venture capital investment (the financing project is more informal – commercial or non-commercial).

Crowdfunding is a collaborative effort of people who network and bring their money together, usually through internet, to contribute and support other organizations' efforts. Startups and new firms need productive capital and funding is amongst the most critical resource needed . Crowdfunding has become a new way for entrepreneurial companies in recent years for raising funds without searching for risk capital or other conventional venture investment sources.

TYPES OF CROWDFUNDING

There are four (4) main crowdfunding campaign categories based on the factor-return. The four campaign forms are:

- (1) Crowdfunding – Donation-based
- (2) Crowdfunding - Reward based
- (3) Crowdfunding - Debt Based
- (4) Crowdfunding - Equity Based



Donation Based Crowdfunding.

Donation-led crowdfunding is a kind of funding campaign where there is no intention of the individual or organization running the campaign to give the contributors anything in return against the funds raised. The contributing people (i.e., the "crowd") provides the person / entity who runs the campaign with money or other resources simply because they want to support this idea or cause. These kinds of crowdfunding campaigns helps facilitate social cause, community-based projects, charities and so on.



Rewards Based Crowdfunding.

Crowdfunding - Reward based defines a fundraising program in which people who donate cash will receive different "incentives" that correlate to how much money they donate. The "reward" is usually a product or service created or offered by the particular organization running a campaign (or other discount for purchasing the product / service) with incentives dependent upon donation rates of at least three levels. Crowdfunding campaigns based on rewards tend to work especially for consumer goods and other tangible products



Debt Based Crowdfunding

The person or company who runs this campaign mainly seeks to borrow money from many people during a debt-based crowdfunding campaign. In return,

people who agree to loan the company with the money have a binding promise from the individual / company to repay the sum at fixed times and at a set rate of interest. Simply put, people give money to a person / company for a large I.O.U. Debt-based crowdfunding projects are especially common among entrepreneurs who do not have immediate access to more conventional lending facilities and/or choose to not give up equity in their start-up companies. They have become more popular as a way for real estate developer to fund a particular real estate project or projects.



Equity Based Crowdfunding.

Any person who contributes money can expect some ownership of the company that raises the funds in an equity-based campaign. In other words, the campaigning business sells each crowd member contributing money to its ownership (i.e., shares, membership, etc.). If the company is successful, the crowd members contributing can return the investment by receiving a share of the profits by receiving a dividend, distribution etc.

After the passage of the Jumpstart Our Business Entrepreneurs (JOBS) Act in April 2012, equity crowdfunding in the US has grown. It is expected that it is one of the largest source of funds for startups and small businesses in the near future. In other words, the existing legislative and regulatory constraints make the fundraising effort of this kind the most complicated and costly. Contractors

and start-ups looking for an alternative to conventional risk capital and angel investors are increasingly using equity-based crowdfunding projects to take their business to the next level while finding a capital infusion.

Medical crowdfunding – activity to collect donor money using platforms to offset healthcare or related costs. Whilst medical crowdfunding should still be seen as a niche trend in terms of total funding numbers, it is fast expanding in various countries and is commonly regarded as a way of dealing with government cuts in public health funding.

Crowdfunding is an increasingly unregulated industry which changes the way in which Americans ensure financial and social support in the face of chronic and acute health crises. The MCF serves as a savior when other forms of coverage(healthcare) fail. In India, where 56% of the population of adults are not sufficiently insured [10] the MCF may provide a significant source of immediate material and social support, many turn to MCF when other types of health care coverage and social safety net fail. While crowdfunding is widely known as a simple way of raising money, research has shown that only 10 percent of crowdfunding projects achieve their financial goals. There have been several concerns about how crowdfunding can worsen inequality through the development of a competitive market where few succeed. A significant number of researchers have demonstrated that the effectiveness of campaigns and access to the healthcare may all be affected by employment, social status, age, appearance, medical condition and social network size.

LITERATURE REVIEW

In India, where the out of pocket expenditure is more when it comes to health coverage which is one of the leading causes of bankruptcy. Crowdfunding has proven to be a big relief proved by the following studies.

A study done on “*The Power of Collective Endorsements: Credibility Factors in Medical Crowdfunding Campaigns*” points out existing guidelines for the authenticity evaluation of online crowdfunding projects. They reported the results of a mixed methodology study, which performed social media and semi structured interviews data analysis. They identified eleven parameters correlated with medical crowdfunding's perceived credibility. For online medical fundraising projects, this mutual support is created by the involvement of close links and the outside online communities. It was concluded with a summary of how fundraisers can use mutual support to enhance the effectiveness of their campaigns. Their study provides two contributions.

Another study and research work which was based on a secondary research titled “*valuation of crowdfunding: benefits and drawbacks*” enlisted the strength, opportunities, weakness and threats for the crowdfunding concept.

The results of the SWOT analysis indicate that crowdfunding is fresh, unpredictable and many publicly expressed concerns, which lead to the improvement of approach's threats and vulnerabilities. Given this, crowdfunding can still be a powerful and effective resource in today's rapidly evolving and network-based global economy. There will be greater leveraging of public concerns and concerns about crowdfunding and stronger and more informed choices. Diverse resources can be utilized to make crowdfunding secure and attractive: online approaches are intended to benefit investors. The IPR awareness issue coexist, specifications are being created for investor

education, the need for monitoring for industrial professionals is being expressed. Furthermore, since the United States has already signed laws regarding crowdfunding, only rules need to be set, and within the EU the EU 2020 strategy aims to support entrepreneurship. The prospects of crowdfunding are therefore extremely good, provided that fair laws and regulations are set and helpful instruments are offered.

A report by lancet published article titled “Crowdfunding for medical research picks up pace” says the crowdfunding model of raising public funds online for individual projects is becoming a real possibility for medical and scientific research.

On the basis of article reviewed it was analyzed that there are certain issues which needs to be addressed to make this model and concept of crowdfunding more impactful.

One more study done titled “*Understanding identity presentation in medical crowdfunding*” concluded Where and how beneficiaries of medical crowdfunding show their role in a campaign. it was also explored the way beneficiaries and donors choose to present the monetary and non-monetary payments. Interviews with both recipients and donors to medical crowd-finance projects was done being the research design and methods and the recipients frequently find themselves forced to highlight their distressing identity to show that they needed financial help. Nevertheless, the participants were more interested in signaling the character of the beneficiary and the recipient's specific ties. Interestingly, specific contribution features (e.g., contributors' names, messages, shared images) also deduced the recipient's character and common ties. They also helped beneficiaries tell stories about how each contributor was involved in their medical journey. In addition, the storytelling element helped beneficiaries to see themselves as members of a society who are

respected. The participants did not however wanted the donation sum publicly revealed, since contributors often make negative judgements about others. The concept of a medical crowdfunding app could therefore be best for telling stories rather than focusing on the volume of the donation.

Therefore, after reviewing few papers, in order to analyze the root cause and people's perception the parameters are supposed to be decided which will help in identifying the root cause for unsuccessful crowdfunding as well.

RATIONALE

The Study's Purpose is to assess the factors responsible for failure of crowdfunding campaign by understanding people's perception.

SPECIFIC OBJECTIVES

- To Understand people's perception towards crowdfunding.
- To understand the root cause of reluctance towards Online Crowdfunding
- To suggest the recommendations for successful medical crowdfunding campaigns.

RESEARCH METHODOLOGY

Sources of Data Collection

Primary data research was done with respect to specific objective, especially to address the research problem. The data collection tool was an online questionnaire which was made using google form. This form was circulated among the 1800 patients (data received from ruby hall).

Research Design

Convenient sampling technique is applied according to the convenience of the researcher. The research design adopted in the study is descriptive design.

Sample Size

Sample size determines the total number of individuals involved in study. The total taken into consideration were 300. The form was circulated among 1800 patient's relative after a telephonic call. 1000 responses were received , out of which 300 were taken into consideration.

Data Analysis:

Data analyzed and interpreted by using tool MS-Excel and Power BI tool. Pareto analysis was also done as and when needed.

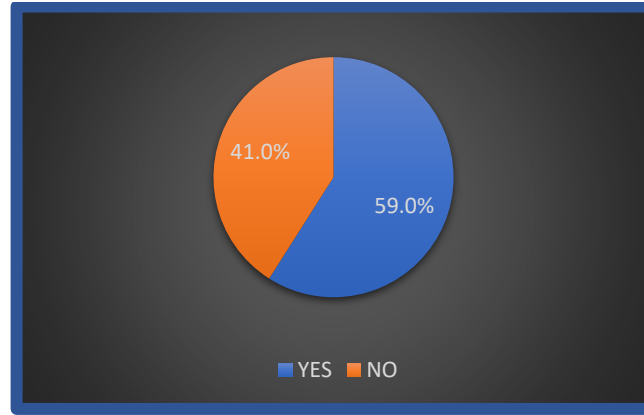
Period of the study

The study was conducted for a period of three month from March 5,2020 to June 5, 2020.

A google Questionnaire was formed and used as a data collection tool. Each question was assessed, and the findings are as mentioned below.

RESULTS & DISCUSSION

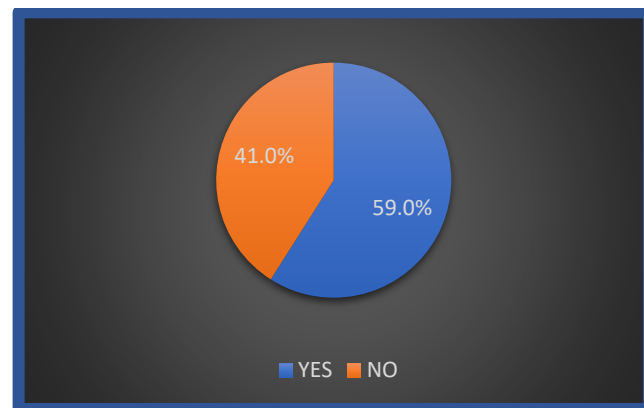
1. Crowdfunding awareness among People.



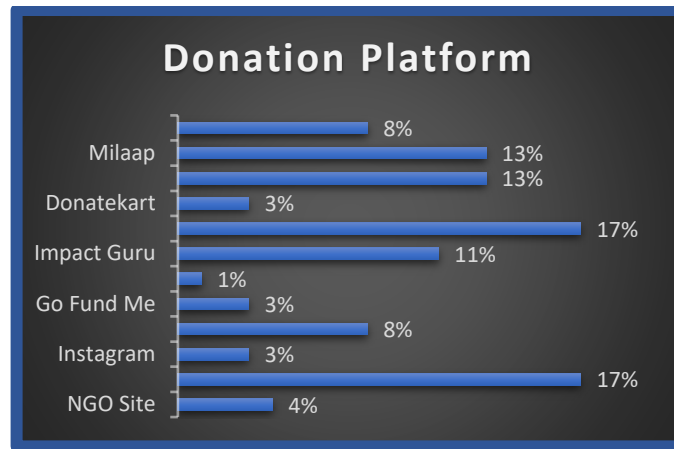
Interpretation: Approximately 80% of the people are aware about the concept of Crowdfunding.

2. People raised funds by using online platform

Interpretation: As per the trail graph 80% of the population knows the concept of crowdfunding however only 20.7 % people raised funds using online platform which depicts a reluctance.

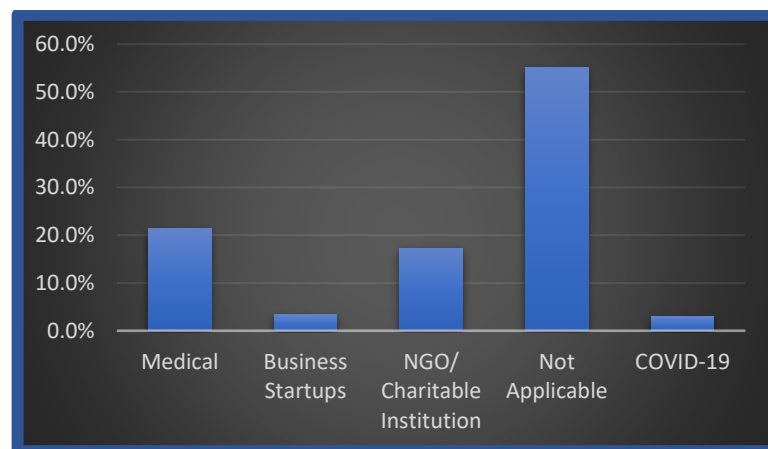


3. People using online platform for donation



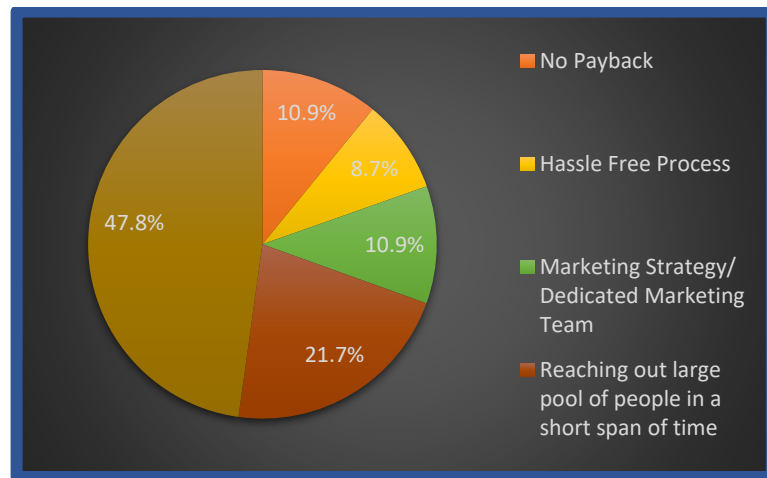
Interpretation: Out of the 20.7% Population who raised funds using online platform, the most common and highly used platforms are PM Care Model and Raising funds through themselves. If talking about the Online Platform Milaap and Ketto were the most common Online Platform used with ImpactGuru Being 3rd on the list

4. Purpose behind crowdfunding campaign



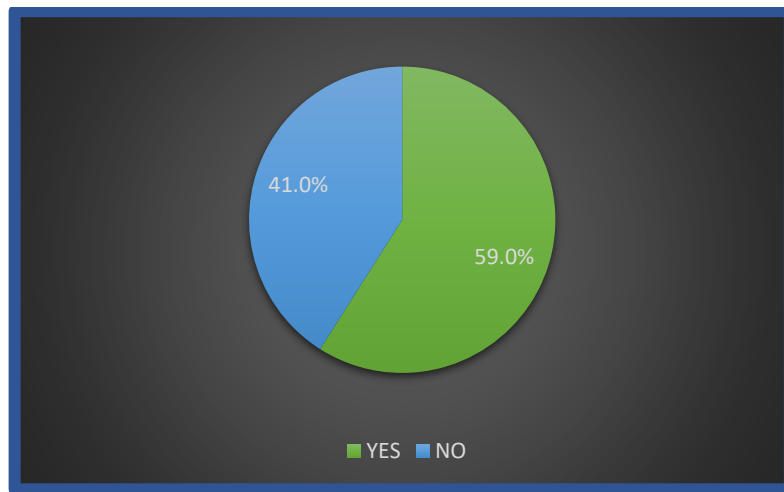
Interpretation: The main purpose of the 20.7% population to raise funds was for the Medical expenses incurred while Hospitalization followed by raising funds for NGO's and charitable Organization.

5. Reason to choose online platform to raise funds



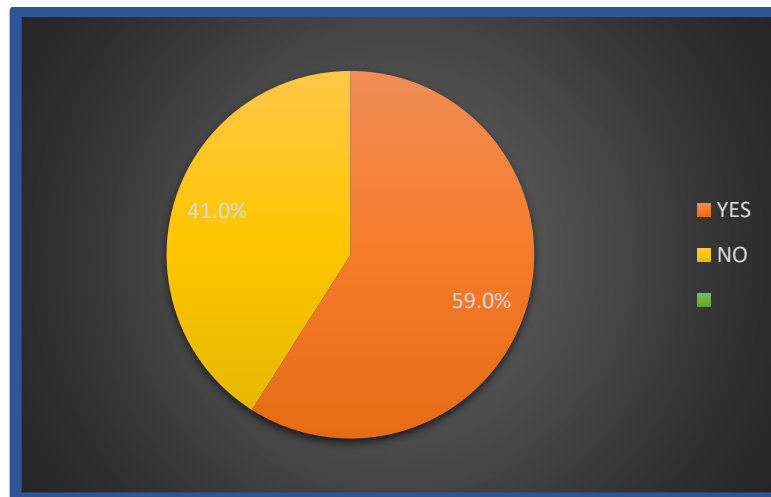
Interpretation: As the Pie chart depicts the common reason for people to use Online Platform is no payback, hassle free process , marketing strategy using for marketing campaign and reaching out to a large pool of people in a short span of time But the most common being reaching out to large number of people in a short span of time.

6. Percentage of people's contribution in Online Campaign



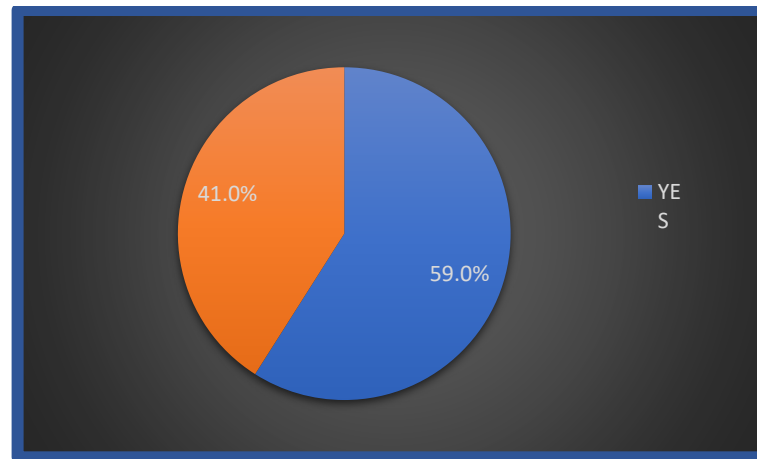
Interpretation: This Pie Chart Depicts that 53.6% people have donated to the Online platform before which gives a clear picture that still there falls a reluctancy somewhere.

7. People's Mindset about online fund raising giveing promising result



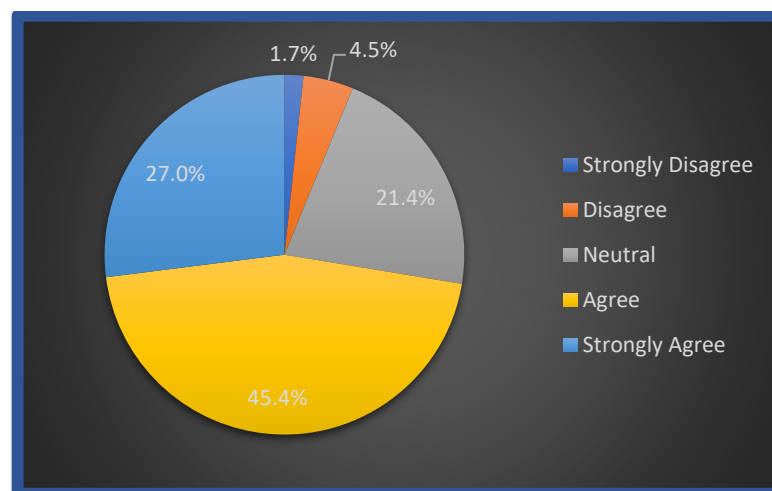
Interpretation: As per the pie chart it depicts that peole are not sure if this concept will help people in future .

8. Impact Guru platform Awareness

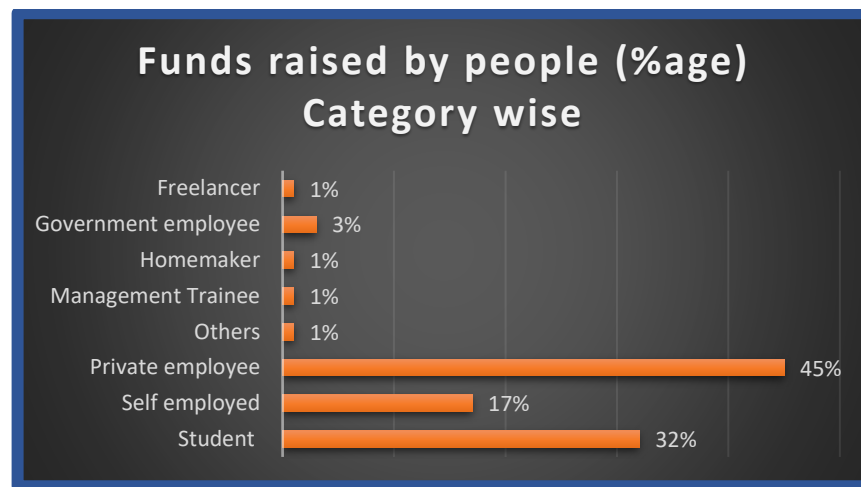


Interpretation: According to the pie chart it seems that 59% of people are aware of the Platform ImpactGuru which is the pioneer of this Industry.

9. People's Perception in raising money through online donation campaign in this pandemic (COVID-19)



Interpretation: According to the pie Chart it strongly Depicts that 73.4% of the population supports this concept at the time of crisis and utilize the platforms for the financial assistance.

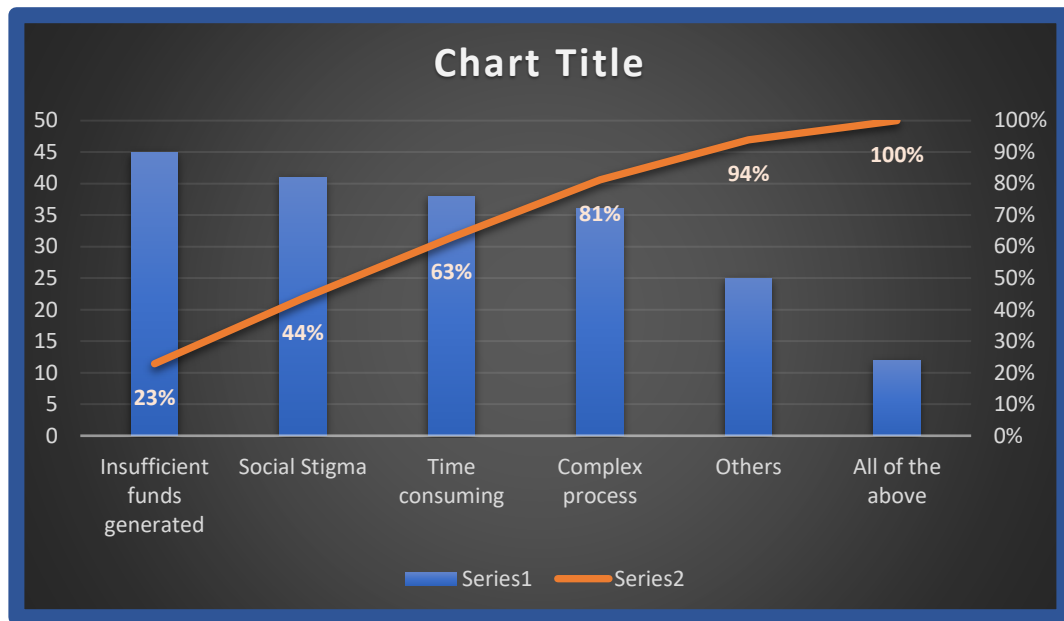


Interpretation: As per the response it was concluded that the Private employees raise funds more as compared to any other category followed by students.

10.Things that hold back people from raising funds.

To identify the root cause of the problem with greater frequency, Pareto analysis was being used. This technique utilizes and works on the commonly known and popular 80-20 principle.

All the set parameters were arranged in the descending order followed by calculating the cumulative frequency gives the percentage and the results for the root cause concluding that 80% problems arise due to 20% possible causes.



Interpretation: By using Pareto analysis, the fact that 80% people does not go for crowdfunding due to the following factors:

1. Insufficient Funds generated through the campaign.
2. Social Stigma
3. Time Consuming

CONCLUSION:

Medical Crowdfunding still remains the booming concept in India and can be a really helpful tool during the time of crises. The only problem lies in awareness. The more the people are aware the more they will like the concept and utilize it.

RECOMMENDATIONS:

People should be educated regarding the concept through the help of webinars and seminars which will be solving the issue of social stigma.

Counselling should be done by companies Executive Regarding the crowdfunding concept using various events as a platform taking place in the Hospital.

People should be encouraged to accept this concept by giving them tax benefit.

ANNEXURE:

(Questionnaire)

DEMOGRAPHIC SURVEY

1. Name :
2. Age (in years) :
3. Gender : Male
Female
Prefer not to say
4. Occupation : Government Employee
Private Employee
Self employed
Student
Others
5. Income Level (Monthly in INR) : NA (Unemployed)
Below 20000
21000-40000
41000-60000
Above 60000

CROWDFUNDING SURVEY

1. Are you aware about the concept of crowdfunding?
YES
NO

2. Have you ever raised funds for someone/yourself using any online platform?

YES

NO

If 'Yes' please mention the platform name.....

3. If 'Yes' what was your purpose behind crowdfunding campaign?

Medical

Business Startups

Animal Welfare

For NGOs/Charitable organization

Not Applicable

Other(please specify).....
.....

4. What will make you choose an online platform to raise funds if needed in future?

No Payback

Hassle free process

Marketing Strategy/ Dedicated Marketing Team

Reaching out large no. of people in a short span of time

All the above

Other(please specify).....
.....

5. If NOT but needed, what holds you back for creating a campaign for someone/yourself?

Insufficient funds generated

Social Stigma

Complex Process

Time Consuming

All the above

6. Have you ever donated to online crowdfunding campaign before?

YES

NO

7. Do you think online fund-raising campaign give promising results?

YES

NO

MAYBE

8. Are you aware of the crowdfunding platform named Impact Guru?

YES

NO

9. If NO, please specify any other platform you are aware of ?

.....
.....
.....
.....

10. Raising money through online donation campaign in this pandemic (COVID-19) is a right way to serve various causes?

Strongly Disagree

Disagree

Neutral

Agree

Strongly Agree

REFERENCES:

1. Yannis Pearekkis & Liam Collins, Crowdfunding: a new innovative model of providing funding to projects and businesses. November 2018. Available from ResearchGate:
https://www.researchgate.net/publication/272246543_Crowdfunding_A_New_Innovative_Model_of_Providing_Funding_to_Projects_and_Businesses
2. Garry A Gabison, Understanding crowdfunding and its regulations; JRC Science & Policy Report, European Commission. 2015
3. Maura Paulo, Rodrigo Santos; Many are Never Too Many: An analysis of crowdfunding Projects. November 2018. Available from Financial Study:
www.mdpi.com/journal/ijfs
4. Hemer, Joechim. A snapshot on Crowdfunding. 2011 Available from Econstor:
<https://www.econstor.eu/handle/10419/52302>
5. Dr. Jhaveri Hetal & Prof. Choksi Anjali, Crowdfunding at India: A study of Indian online crowdfunding platforms. December 2014. Available from ResearchGate:
https://www.researchgate.net/publication/272984988_CROWDFUNDING_AT_INDIA_A_STUDY_OF_INDIAN_ONLINE_CROWDFUNDING_PLATFORMS
6. Valterri Kartaamo,; The elements of successful crowdfunding campaign: A systematic literature review of crowdfunding performance. October 2017. Available from ResearchGate:
https://www.researchgate.net/publication/319392255_The_elements_of_a_successful_crowdfunding_campaign_A_systematic_literature_review_of_crowdfunding_performance
7. Priyadarshi Gaurav; Crowdfunding in India: An Emerging Trend. May 2014.