



Women  
Entrepreneurship  
Knowledge Hub

# Disrupting Capital Through the Crowd

A Case Study of Innovation in  
Rewards-Based Crowdfunding for  
Women Entrepreneurs



MOUNT ROYAL  
UNIVERSITY  
1910

TED  
ROGERS  
SCHOOL  
OF MANAGEMENT

DiVERSITY  
INSTITUTE

brookfield  
institute  
for innovation + entrepreneurship

Funded by the  
Government of  
Canada

Canada



# Women Entrepreneurship Knowledge Hub

[WEKH.CA](http://WEKH.CA)  
[@WEKH\\_PCFE](https://twitter.com/WEKH_PCFE)  
[DI.WEKH@RYERSON.CA](mailto:DI.WEKH@RYERSON.CA)

TED  
ROGERS  
SCHOOL  
OF MANAGEMENT

DIVERSITY  
INSTITUTE

brookfield  
institute  
for innovation + entrepreneurship

Funded by the  
Government of  
Canada

Canada

The Women Entrepreneurship Knowledge Hub (WEKH) is a national network and accessible digital platform for sharing research, resources, and leading strategies. With 10 regional hubs and a network of more than 250 organizations, WEKH is designed to address the needs of diverse women entrepreneurs across regions and across sectors. In response to COVID-19, WEKH adopted an agitator role connecting women entrepreneurs and support organizations across the country and led network calls and training sessions. WEKH's advanced technology platform, powered by Magnet, will enhance the capacity of women entrepreneurs and the organizations who serve them by linking them to resources and best practices from across the country.

With the support of the Government of Canada, WEKH will spread its expertise from coast to coast to coast, enabling service providers, academics, government, and industry to enhance their support for women entrepreneurs. Ryerson University's Diversity Institute, in collaboration with Ryerson's Brookfield Institute for Innovation + Entrepreneurship and the Ted Rogers School of Management, is leading a team of researchers, business support organizations, and key stakeholders to create a more inclusive and supportive environment to grow women's entrepreneurship in Canada.

## Authors

### Amanda Williams, PhD

Assistant Professor, Faculty of Business and Communication Studies, Mount Royal University

### Anita Kemp, CFA, MSc

Program Lead for WEKH Alberta, Bissett School of Business, Mount Royal University

### Anna Reimer

Student, Bissett School of Business, Mount Royal University

## Acknowledgements

Publication of this report was made possible by the support provided by the Government of Canada-funded Women Entrepreneurship Knowledge Hub. We would also like to thank Dr. Elizabeth Evans (Interim Provost and Vice-President, Academic, Mount Royal University) for her financial support toward hiring a research assistant to complete this work. Finally, the authors would like to thank ATB Financial and all the individuals who agreed to be interviewed for this report. Your contributions are greatly appreciated.

## Sponsors

The sponsors of this project include the Government of Canada, Social Sciences and Humanities Research Council.



Social Sciences and  
Humanities Research  
Council of Canada

Conseil de recherches  
en sciences humaines  
du Canada

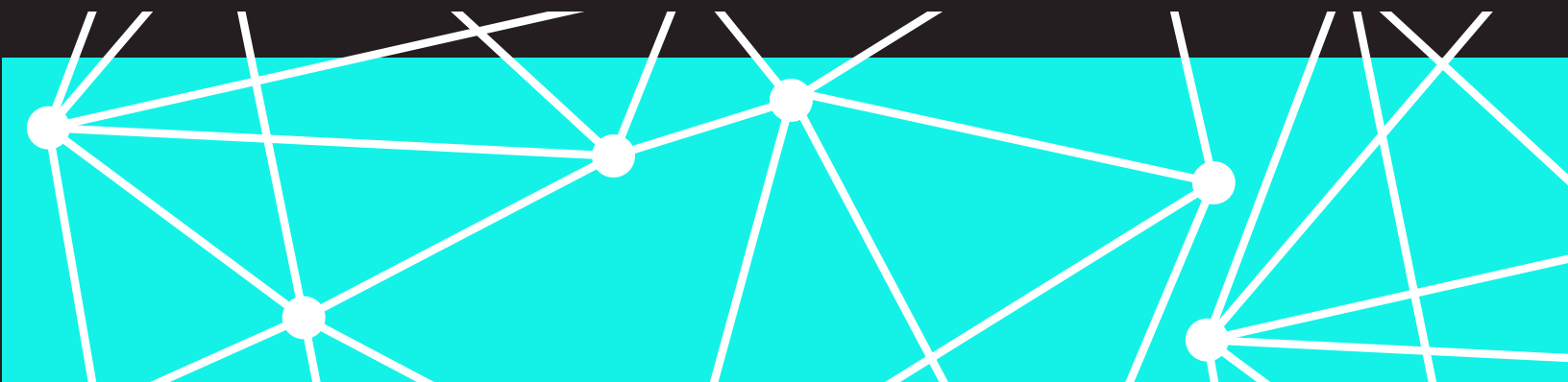
Canada

### Publication Date:

March 2022

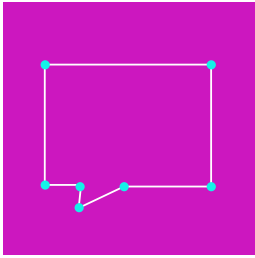
# Contents

<u>Executive Summary</u>	<u>i</u>
<u>Introduction</u>	<u>1</u>
<u>Literature Review</u>	<u>7</u>
<u>Methodology</u>	<u>10</u>
<u>Findings</u>	<u>11</u>
<u>Discussion and Recommendations</u>	<u>25</u>
<u>Conclusion and the Way Forward</u>	<u>29</u>
<u>References</u>	<u>32</u>









# Executive Summary

## About the report

This report investigates two research questions:

- 1) How are women entrepreneurs and program providers enacting innovative practices through rewards-based crowdfunding?
- 2) What potential exists for disrupting access to capital for women-owned businesses via this practice?

These questions are probed by drawing on the case study findings of a rewards-based crowdfunding program called Build Her Business (BHB) offered through ATB Financial, a Canadian financial institution based in Alberta and owned by the provincial government. BHB is unique because it is cohort-based with a clear start and end date, is women-centred, offers business advice, and promotes collaboration and mentorship. The conclusions drawn are based on 20 qualitative interviews with participants and internal employees involved in the development and delivery of BHB.

## Key findings

Overall, the case study results illustrate how women entrepreneurs are engaging in innovation through idea and product validation as participants in the program and through process innovations during and after the program. BHB itself is also innovative in its design and delivery. In addition, the findings illuminate how this initiative promotes disruptive practices associated not only with accessing financial capital but also with

acquiring stronger social and human capital. Finally, respondents identify challenges they faced within the program, including platform technology and fees, a need for increased promotional efforts, and a desire for more post-campaign support. In doing so, clear areas of improvement for like-minded initiatives emerge.

Further report highlights are summarized below.

### Innovation: New ideas, products, and processes

- > Respondents suggest that rewards-based crowdfunding allows entrepreneurs to test out new ideas, determine future markets, validate product offerings, and learn from failures.
- > The cohort structure of the program, along with its clear start and end date, is innovative in that it provides support not available through other means.
- > By participating in BHB, women entrepreneurs assessed their businesses in new ways, and the competitive environment fostered innovation.
- > The lessons learned through this initiative led some women to transform the ways they managed, organized, and conceptualized their post-campaign entrepreneurial ventures, demonstrating another form of process innovation.



## Financial capital disruption

- > Respondents suggested that rewards-based crowdfunding is a viable, lower-risk alternative to traditional financing, particularly in the pre-seed investment phase of business development.
- > Many women who participated in the program were aware of the gendered barriers to accessing capital; they identified crowdfunding as a way to transform this dynamic because it involves leveraging community support.
- > The opportunity to raise brand awareness through crowdfunding campaigns was identified by interview respondents as a key strength.
- > Participants appreciated the healthy level of competition that soliciting funds from the crowd promoted, viewing it as motivating.
- > Internal employees uniquely presented crowdfunding as a critical lever for democratizing access to capital.

## Social capital disruption

- > Interviewees emphasized the positive features of the program's cohort model, including that it facilitated knowledge exchange, group support, and the ability to build lasting connections beyond the campaign.
- > Respondents emphasized their increased capacity to leverage and expand their personal networks when their campaigns went public.
- > Program participants built stronger relationships with the bank (ATB Financial) and its staff, sometimes taking advantage of these new relationships after the program ended.
- > The social and community components required in rewards-based crowdfunding meant women entrepreneurs were able to find new ways to communicate with and market to their customer base; it also facilitated the growth of relationships with other businesses in reward collaboration efforts.



## Human capital disruption

- > The program contributed to personal and professional growth: the women entrepreneurs described increases in self-esteem and confidence as they worked through the challenges presented.
- > Participants developed new skills, including additional financial acumen, new marketing strategies and tools, increased capacity to delegate, and an appreciation for the potential of effective networking to grow an entrepreneurial venture.

## Recommendations

This report concludes with a series of recommendations directed toward three players in the entrepreneurial ecosystem:

- > **Financial institutions and support organizations** considering or already engaged in crowdfunding.
- > **Women entrepreneurs** looking for new opportunities to build and grow their ventures.
- > **Policymakers** seeking ways to support innovative solutions for transforming access to capital dynamics.

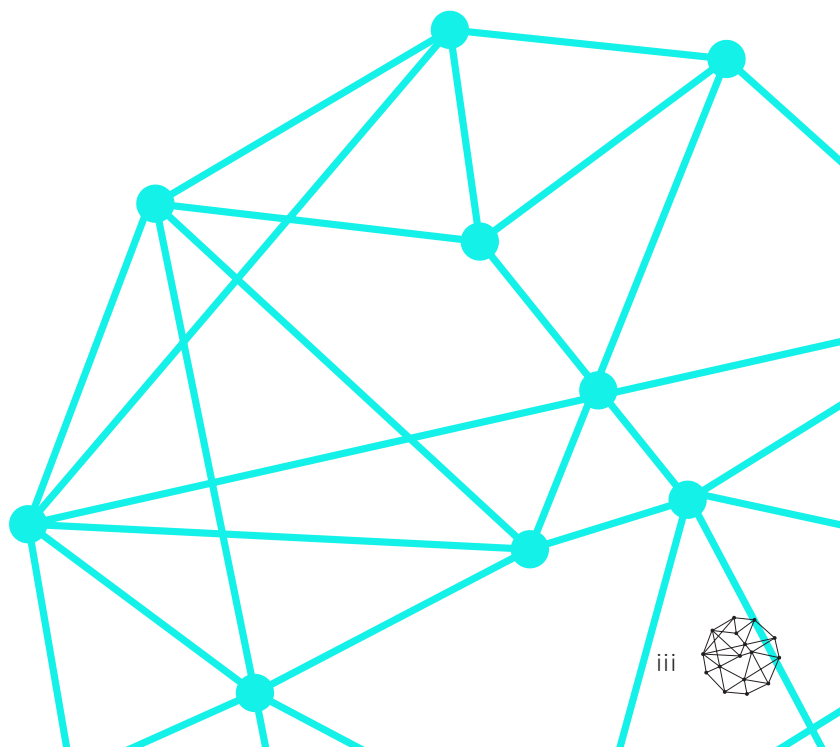
The recommendations encourage financial institutions and other support organizations to create diverse, inclusive, and user-friendly crowdfunding offerings for women. Intentionally designed programs can offer several advantages for participants and foster long-term relationships with customers and clients.

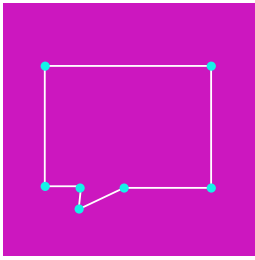
Additionally, women entrepreneurs are prompted to consider crowdfunding to raise funds outside of conventional channels and potentially strengthen their networks, improve their confidence, and widen their skill sets. Success in rewards-based crowdfunding also illustrates the importance of clear and concise storytelling to brand and market their businesses (e.g., via social media), the value of

outsourcing parts of their businesses, and the power of relationship-building and network feedback as women entrepreneurs seek to build and grow their ventures.

Finally, policymakers are advised to fund the exploration of new channels for women entrepreneurs to access capital, share best practices of leadership in this area, insist on metrics that demonstrate diversity, increase participation in the programs they support, and broaden the policy debate around women entrepreneurship. This would mean taking a more holistic approach to supporting women entrepreneurs, beyond simply presenting the financial impact on the economy as the primary contribution of women-owned businesses.

The current global COVID-19 pandemic is transforming entrepreneurship around the world and deepening the gender divide, thus necessitating economic recovery strategies that are both inclusive and intersectional. Our strong belief is that crowdfunding can meet both such aims in a small but impactful way. This transformation will only occur if key stakeholders, including financial institutions, women entrepreneurs, and policymakers, continue to experiment with innovative tools like crowdfunding that have the potential to disrupt access to capital for women-owned businesses.





# Introduction

## Purpose

This report seeks to draw attention to the intersection of innovation, entrepreneurship, and gender to encourage conversations about creative possibilities for change. Two research questions guide the study:

- 1) How are women entrepreneurs and program providers enacting innovative practices through rewards-based crowdfunding?
- 2) What potential exists for disrupting access to capital for women-owned businesses via this practice?

For this analysis, “enacting innovation” is defined as applying new ideas to a firm’s products, processes, or any other aspect of its activities,<sup>1</sup> that have the potential to disrupt the status quo and bring about economic and social change.<sup>2,3,4</sup> “Disruption” is conceptualized as an indicator that the status quo can be altered with the hopes of enhanced benefits;<sup>5</sup> this is distinguished from the misused idea of “disruptive innovation.”<sup>6</sup>

This discussion is of particular importance because a clear gender gap in access to support and resources exists in the entrepreneurial ecosystem.<sup>7,8</sup> Three types of capital are most often seen as challenging for women to acquire: financial, human, and social capital.<sup>9,10</sup> Financial capital tends to include commercial debt, leasing, supplier financing, and equity opportunities.<sup>11</sup> Human capital typically refers to education, experience, attitudes, beliefs, and perceptions—essential factors in starting and sustaining an emerging entrepreneurial

venture.<sup>12</sup> Finally, social capital is thought to function at both individual and societal levels. Individuals connect with sources within their networks, and collective integrity, solidarity, and trust are built through such interactions.<sup>13</sup>

*In Canada, only 10% of Canadian venture capital investment deals go to companies founded by women.*

Among the three sources of capital identified, financial capital is typically viewed as the most difficult for women entrepreneurs to access.<sup>14,15</sup> For example, in the United States, women-owned businesses struggle to access early-stage venture capital and angel investment.<sup>16</sup> In Canada, only 10% of Canadian venture capital investment deals go to companies founded by women.<sup>17</sup> Globally, women receive less favourable terms for bank loans than their counterparts who are men (based on a comparison of 28 countries).<sup>18</sup> It has been repeatedly found that, while many women entrepreneurs have the skills and experience needed to create and run high-growth businesses,<sup>19</sup> they are consistently excluded from the financing space and lack the valuable connections required to gain access.<sup>20,21,22</sup> These examples and more illustrate the challenges women face in the acquisition of financial capital.

To equalize the investment space for women in entrepreneurship, a shift has occurred toward more innovative ways of offering financial capital for women-owned





businesses. This transformation includes supporting angel investment and venture capital organizations that exclusively support both women founders and women funders.<sup>23,24</sup> Further to this, crowdfunding has been identified as a potentially “democratizing” innovation that may help close the gender gap.<sup>25</sup> This characterization of crowdfunding seems accurate given the breadth of research demonstrating that women are outperforming men in meeting and exceeding their funding targets in rewards-based settings.<sup>26</sup>

What follows is an exploratory investigation into the nature of crowdfunding, its connection to innovation, and gender differences in performance. This overview is complemented by a detailed case study of a Canadian rewards-based crowdfunding program created for women entrepreneurs.

## What is crowdfunding?

Crowdfunding has become a powerful method for people and organizations to generate money by leveraging social networks. In 2019, nearly 6.5 billion crowdfunding campaigns were recorded worldwide, and this estimation is projected to double by 2023.<sup>27</sup> In fact, by 2030, it is expected that the global crowdfunding market will grow to US\$300 billion,<sup>28</sup> up from US\$1.5 billion in 2011.<sup>29</sup>

As a collaborative finance system, crowdfunding is an alternative form of capital acquisition that pools small amounts of money through a web-based platform.<sup>30</sup> People contribute via online networks to support a specific project in a defined period. Used by artists, charities, entrepreneurs, and others seeking financial support, crowdfunding can take many different forms. Four types are widely used: rewards-based, equity-based, peer-to-peer lending, and donation-based. Each of these types is defined in Figure 1.



**FIGURE 1**

Types of crowdfunding

## Rewards-Based

Businesses offer a non-monetary reward in exchange for a financial contribution. Pre-sales of rewards typically occur until the campaign is fully funded, after which these rewards can be redeemed.

**Examples:**

Kickstarter and Indiegogo

## Equity-Based

Participants offer an equity stake in their proposed venture to a diverse crowd of investors rather than a single small group of venture capitalists or angel investors having control.<sup>31</sup>

**Examples:**

Crowdfunder and FrontFundr

## Peer-to-Peer Lending

Funders contribute to unsecured loans (with or without interest) that are paid back by potential ventures outside the conventional channel of a formal financial institution.

**Examples:**

Funding Circle and Kiva

## Donation-Based

Businesses or individuals receive funding and provide nothing in return. Donations are given by the crowd for purely intrinsic motivations.<sup>32</sup>

**Examples:**

GoFundMe and Fundly

There are various global crowdfunding platforms in the market, but two rewards-based platforms are particularly well known: Kickstarter and Indiegogo.<sup>33</sup> Kickstarter was launched in 2009 to provide musicians with a way to fund events and albums.<sup>34</sup> Over time, the platform shifted to financing films and other artistic projects, eventually morphing into a platform that aims to bring all “creative projects to life.”<sup>35</sup> Like Kickstarter, Indiegogo

originated as a tool to help artists. It began slightly earlier, in 2008, originally serving as a vehicle for independent filmmakers to raise funds for their creative pursuits.<sup>36</sup> The platform has since developed a clear focus on technology and design. The research community less often examines Indiegogo as a platform because of the complexity of options it offers potential participants.<sup>37</sup>



# Study context

Several programs exist that are explicitly focused on creating crowdfunding spaces for women entrepreneurs. A sample of these, along with the services they offer, is listed in Table 1. As this table illustrates, programs operate at a variety of scales (i.e., local, regional, national, and international) and offer a range of services (i.e., mentoring, coaching, advice, and promotions).

**TABLE 1**

Examples of women-centred crowdfunding programs

Program Name	Location	Program Type	Services
ATB Financial's <u>Build Her Business</u>	Regional (Alberta)	Cohort	<ul style="list-style-type: none"> <li>&gt; Rewards-based</li> <li>&gt; Mentoring</li> <li>&gt; Business advice</li> <li>&gt; Collaboration</li> </ul>
NatWest Bank's <u>Back Her Business</u> (closed)	Regional (England and Wales)	Cohort	<ul style="list-style-type: none"> <li>&gt; Rewards-based</li> <li>&gt; Fund matching</li> <li>&gt; Mentoring</li> <li>&gt; Coaching</li> <li>&gt; Collaboration</li> </ul>
<u>FrontFundr x The51</u>	National (Canada)	Platform	<ul style="list-style-type: none"> <li>&gt; Equity-based</li> </ul>
WE NYC's <u>WE Fund Crowd</u>	Local (U.S.)	Enrollment	<ul style="list-style-type: none"> <li>&gt; Rewards-based</li> <li>&gt; Fund matching</li> <li>&gt; Guides (print, videos, podcasts, webinars)</li> </ul>
<u>iFundWomen</u>	National (U.S.)	Platform	<ul style="list-style-type: none"> <li>&gt; Rewards-based</li> <li>&gt; Courses, guides, and tools (print, videos, workshops)</li> <li>&gt; Paid coaching</li> <li>&gt; Paid creative services</li> </ul>
<u>Fund Dreamer</u>	International	Platform	<ul style="list-style-type: none"> <li>&gt; Rewards-based</li> <li>&gt; Fund matching</li> <li>&gt; Guides (print)</li> <li>&gt; Social media promotion</li> <li>&gt; Marketplace of expert services</li> <li>&gt; No fees</li> </ul>



## Why Alberta?

The focus of this case study is a program located in Alberta, Canada. As noted in a recent report from the Business Development Bank of Canada (BDC), between 1976 and 2018, the number of women entrepreneurs in Canada grew from 49,000 to 241,000, and as of 2018, about 28% of all entrepreneurs are women.<sup>38</sup> In recent years, Canada has been increasingly recognized as a leader in women's entrepreneurship, ranking third worldwide in "high-income" countries for total early-stage entrepreneurial activity (TEA).<sup>39</sup> Alberta, in particular, has played a central role in this phenomenon, with women's TEA well above the national average.<sup>40</sup>

Some interesting trends are apparent in the most recent data about Alberta's women entrepreneurs, including:

- > High levels of engagement and activity among women entrepreneurs in the province, especially in comparison to other provinces and other countries, with women outnumbering men in early-stage activity.
- > Strong networks of women entrepreneurs, as women entrepreneurs in Alberta are more likely to know other entrepreneurs compared to the rest of Canada.
- > A desire to make a difference in the world through entrepreneurship is a highly rated motivator for women in Alberta.
- > Diversity among women entrepreneurs within the province in terms of sector, growth orientation, and levels of innovation.<sup>41</sup>

Unlike much of the work conducted to date on women's entrepreneurship in Alberta, which has primarily involved the collection of survey data,<sup>42,43,44</sup> this report aims to provide a qualitative case study investigation of the dynamics of Alberta's entrepreneurship ecosystem by focusing on one particular effort that has been designed to empower, educate, and grow women's businesses: ATB Financial's Build Her Business (BHB) program.

## The Build Her Business program

ATB Financial (ATB) launched its proprietary BoostR rewards-based crowdfunding platform in 2015.<sup>45</sup> ATB created the platform to offer all entrepreneurs in the province a place to pre-sell a product, service, or experience by harnessing the power of the crowd.<sup>46</sup> In November 2018, ATB launched the BHB program for women entrepreneurs through its BoostR platform.<sup>47</sup> Recognizing that women-led businesses face barriers to accessing capital, ATB saw a unique opportunity to encourage more women entrepreneurs to use rewards-based crowdfunding to start and grow their businesses.<sup>48</sup>

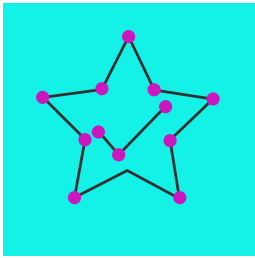
The BHB program was a first of its kind in Canada, offered exclusively to Alberta-based, women-owned businesses.<sup>49,50</sup> Through the crowdfunding process, women entrepreneurs raise funds from members of the digital crowd who, in exchange for financial support, get a non-monetary reward.<sup>51</sup> BHB was inspired by a 2017 PwC study<sup>52</sup> highlighting that women are outperforming men in crowdfunding globally.<sup>53</sup>

BHB differs from most other crowdfunding platforms, which offer an individual experience focused only on fundraising. In contrast, BHB is an application-based "cohort" program that offers women entrepreneurs a shared fundraising experience. Within this program, they also have access to role models, education, mentorship, and expert advice throughout the fundraising process.<sup>54</sup> In the inaugural cohort, which ran from November 2018 to March 2019, 22 participants raised \$250,000, with 86% meeting their crowdfunding goal.<sup>55</sup> Thirty-two women raised close to \$100,000 in the 2019–2020 campaign, and of the 20 women who participated in 2020–2021 (a year dampened by the COVID-19 pandemic), 50% reached their target.<sup>56</sup>









# Literature Review

## Crowdfunding and innovation

With crowdfunding's newness, emerging popularity, and capacity to encourage change, linkages between crowdfunding and innovation have emerged in the last decade.<sup>57,58</sup> Crowdfunding is often positioned as an innovative disruptor, with the potential to transform the financial industry's practices and procedures and necessitate a new regulatory framework.<sup>59,60,61</sup>

Scholars in the field have placed crowdfunding in the context of a broader suite of financial technologies (fintech), the strategic tools that may change financial payment, funding, lending, investing, and financial services. In this context, crowdfunding is comparable to other innovations such as digital payments, robo-advisors, cryptocurrencies, and the markets and services supported by such currencies.<sup>62</sup> Researchers have recognized crowdfunding's capacity to change the funding game by:

- > Offering new sources of capital to innovation-driven firms<sup>63</sup>
- > Generating seed-stage funding<sup>64</sup>
- > Filling "a valuable niche" in places where less venture capital investment is available<sup>65</sup>

Crowdfunding is not only an innovator or disruptor of the financial system, but it can also transform an entrepreneur's capacity to be innovative and build social and human capital in several ways. For example, crowdfunding is praised as a venue

for idea validation and providing a "market before market."<sup>66</sup> Crowdfunding can do this because it offers a new feedback mechanism. The campaign provides data about actual buying, potentially reducing risk before either founders or funders make significant investments.<sup>67</sup> Via crowdfunding, founders can expand their role from a need identifier, ideator, or prototyper to an entrepreneur with access to sufficient funding to establish and scale a business.<sup>68</sup>

Academics have identified a need for further qualitative inquiry in this subset of crowdfunding research.<sup>69</sup> Particular gaps identified for such investigations include differentiating between innovation and growth<sup>70</sup> and analyzing crowdfunding's relational and motivational aspects as an innovative space.<sup>71,72</sup>





## Crowdfunding and gender-based performance

Crowdfunding has been established as a viable platform for individuals and entrepreneurs to raise funds and create new spaces for innovation. Recent research suggests that for women in particular, crowdfunding is helping to change the gender dynamics of business financing.<sup>73,74,75,76</sup> These impacts vary depending on the type of crowdfunding being used, and there are benefits and drawbacks of each type, as described in Figure 2.



**FIGURE 2**

Advantages and drawbacks of different crowdfunding models

Rewards-Based	Equity-Based	Peer-to-Peer Lending	Donation-Based
			
<b>Advantages:</b> <ul style="list-style-type: none"> <li>&gt; Women have an advantage compared to other types and traditional funding.<sup>77,78</sup></li> <li>&gt; Retain equity and decision-making power.<sup>79</sup></li> <li>&gt; Gain more than money (relationships with customers, new customers, brand awareness, product validation).<sup>80</sup></li> <li>&gt; Success has been linked to future growth and access to outside funding.<sup>81</sup></li> </ul> <b>Drawbacks:</b> <ul style="list-style-type: none"> <li>&gt; Post-campaign issues: Challenges fulfilling rewards and product copycats after public campaign.<sup>82,83</sup></li> </ul>	<b>Advantages:</b> <ul style="list-style-type: none"> <li>&gt; Investor pool is not limited by geography.<sup>84</sup></li> <li>&gt; Highest average funds raised.<sup>85</sup></li> <li>&gt; Focus on networks and emotion rather than traditional venture capital and angel investment criteria.<sup>86</sup></li> </ul> <b>Drawbacks:</b> <ul style="list-style-type: none"> <li>&gt; May not have the democratizing benefits for women seen in other crowdfunding models.<sup>87,88</sup></li> <li>&gt; Greater emphasis on human and social capital, which women entrepreneurs sometimes have trouble accessing.<sup>89,90</sup></li> <li>&gt; Highly regulated and complex.<sup>91</sup></li> </ul>	<b>Advantages:</b> <ul style="list-style-type: none"> <li>&gt; Accessible, bypasses banks, faster and easier than traditional loans.<sup>92</sup></li> <li>&gt; No collateral required.<sup>93</sup></li> <li>&gt; Lower interest rates and fees than traditional loans.<sup>94</sup></li> <li>&gt; Large amounts of capital are possible.<sup>95</sup></li> </ul> <b>Drawbacks:</b> <ul style="list-style-type: none"> <li>&gt; Gender-based discrimination still present; women have to work harder to prove themselves to reach the same funding rates as men.<sup>96</sup></li> <li>&gt; Most platforms require full funding before any funds are received.<sup>97</sup></li> </ul>	<b>Advantages:</b> <ul style="list-style-type: none"> <li>&gt; No expectation to provide any reward or other return.<sup>98</sup></li> <li>&gt; High incidence of “activist choice homophily”: strong support from individuals wanting to support someone like them.<sup>99</sup></li> <li>&gt; None of the challenges or risks associated with other forms of crowdfunding.</li> <li>&gt; No need to rely on financial language.<sup>100</sup></li> </ul> <b>Drawbacks:</b> <ul style="list-style-type: none"> <li>&gt; Not ideal for business funding.</li> <li>&gt; Generally lower campaign goals and funds raised.<sup>101</sup></li> </ul>





The earliest findings on women's crowdfunding performance were discovered when researchers were exploring other success factors. For instance, almost a decade ago, a key study evaluated the effects of attaching a picture to a campaign on a peer-to-peer lending crowdfunding website.<sup>102</sup> The study's focus was on racial discrimination, but it was discovered that women are more likely to be funded than men. While analyzing crowdfunding backer activity, another investigation found that women-led crowdfunding ventures obtained funding more often than typically seen in traditional venture capital.<sup>103</sup> Furthermore, examinations of campaign characteristics and early contributions led two research teams to observe higher proportions of women than men achieving fully funded projects.<sup>104,105</sup> The researchers recognized the novelty and implications of these results and recommended further work.<sup>106</sup>

*Not only are women 32% more successful in reaching their targets, but women also pull in a higher average pledge amount.*

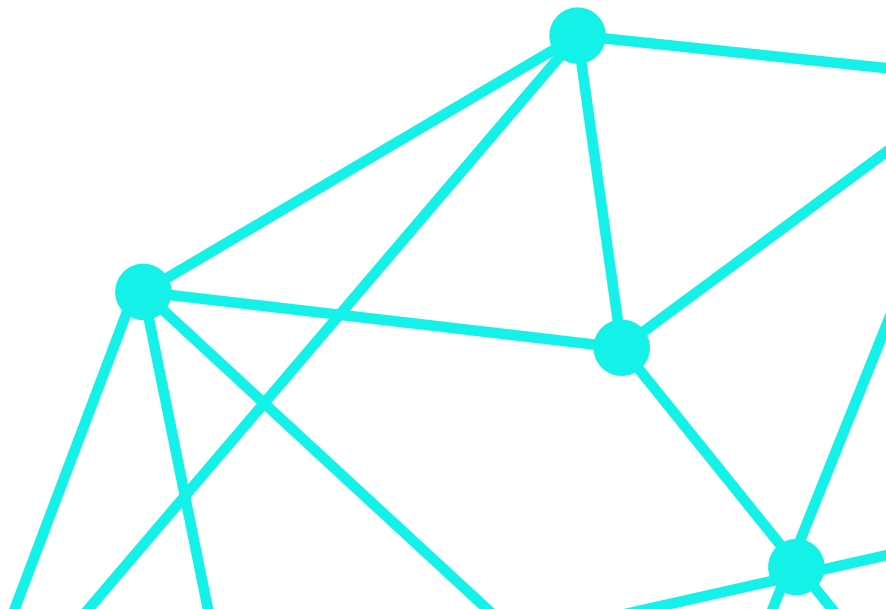
Explorations linking gender and crowdfunding success have increased over time, with scholars repeatedly duplicating the findings of the studies described above. Scholarship in this area occurs across countries, platforms, and crowdfunding types, but all studies provide compelling evidence that crowdfunding positively impacts women entrepreneurs seeking capital.<sup>107,108,109</sup>

The transformation of crowdfunding for women is intriguing. Unlike the traditional financial space for entrepreneurs in which men are often more successful than women, crowdfunding has the opposite outcome.<sup>110,111</sup> In a PwC report that analyzed 450,000 rewards-based campaigns across the globe, women-led projects consistently outperformed those led by men. Not only are women 32% more successful in reaching their targets, but women also pull in a higher average pledge amount.<sup>112</sup>

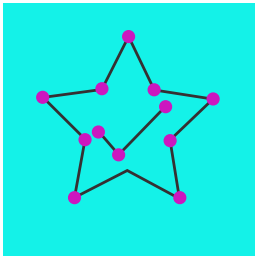
The unexpected success rates of women in crowdfunding have led to speculation as to why this happens. While not the focus of this report, factors identified in other studies include:

- > Women's capacity to set measured and reasonable targets<sup>113</sup>
- > Women's power as storytellers<sup>114</sup>
- > The stereotypical perception that women are more trustworthy than men<sup>115</sup>
- > A desire within like-minded communities to support each other (sometimes referred to as "homophily" in the literature)<sup>116</sup>

Most of the existing literature on women's crowdfunding performance is quantitative, consisting of experiments, modelling projections, or statistical analyses of a large volume of campaigns on popular platforms (e.g., Kickstarter), emphasizing success rates.<sup>117</sup> Consequently, there is a need for additional qualitative work on this subject.







# Methodology

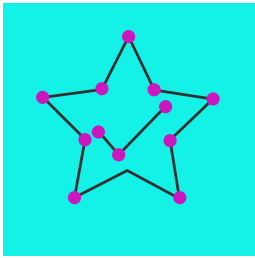
To investigate where innovation and disruption occur in women entrepreneurs' rewards-based crowdfunding and fill the qualitative gap recognized in the literature review, this case study relies primarily on interviews. It is unique because it documents the experiences of both program participants and employees involved with the development and delivery of a crowdfunding program, which has not yet been done in existing research on this topic.

In total, 13 past BHB participants and seven internal ATB employees were interviewed. Among the 13 women entrepreneurs, 10 had early-stage ventures of three years or less. Their businesses represented diverse sectors across Alberta's economy, including wellness, fashion, education, food, technology, and research and development. Some respondents were full-time entrepreneurs, while others considered their venture a "side-gig." Additionally, many were sole proprietors, contracting help when needed. The internal ATB employees interviewed were either directly or indirectly involved with the planning and implementation of BHB, occupying a mixture of technical and managerial roles.

Participants were asked questions that focused on motivations and experiences with the program itself and solicited broader attitudes about the entrepreneurial ecosystem and the role of crowdfunding within it. Both groups were also asked to identify program advantages, future opportunities, and lessons learned, as well as to define entrepreneurship and crowdfunding.

This paper uses thematic analysis to categorize responses. Participants' experiences associated with the definition of innovation adopted for this study (i.e., the creation of new ideas, products, or processes), and their capacity to build financial, social, and/or human capital, were isolated and then grouped thematically. Barriers to innovation were also highlighted. Coding for this project occurred at the sentence or paragraph level, depending on what was being described.





# Findings

Study participant responses are described in detail below. In particular, the results demonstrate the many ways women entrepreneurs in the BHB program and ATB employees are enacting innovation and successfully disrupting some of the barriers women face in their efforts to access financial, social, and human capital. Moreover, limitations in how this program was structured are also identified.

## Innovation: New ideas, products, and processes

As noted in the introduction to this report, innovation is often linked to the application of new ideas to products, processes, or practices.<sup>118</sup> Our results demonstrate examples of this occurring in all three areas. Participants most commonly identified idea-based validation via rewards-based crowdfunding as a key lever for fostering innovative practices and developing new products; however, respondents also described process innovations during the crowdfunding experience and post-campaign.

### Idea and product validation as innovation

Both the women entrepreneurs and the ATB employees interviewed consistently identified crowdfunding as a method for testing new ideas and further refining products. Crowdfunding was often defined as “low risk” and a “quick way” to receive support for either an idea, product, or future market. This notion was exemplified in a comment made by an ATB employee:

*“So, it really allows you to validate, quickly get some feedback from the market as well, you can put up rewards, you can see how they respond to these rewards, maybe you already want to pivot there and really kind of fine-tune that idea before you go all-in into that idea itself. Again, the validation is the biggest piece.”*

*Both the women entrepreneurs and the ATB employees interviewed consistently identified crowdfunding as a method for testing new ideas and further refining products. Crowdfunding was often defined as “low risk” and a “quick way” to receive support for either an idea, product, or future market.*

The women entrepreneurs interviewed reiterated this view and expanded on what this meant to them:

*“So, I think it’s the validation of your ideas. That is what crowdfunding does. So, if you don’t reach your goal, you can just kind of go back to the drawing board and go, okay, this is what I need to redo. If you do reach your goal, then it’s like, okay, it gives you that bit of incentive—a lot of incentive, I guess—to move forward with growing your business.”*



*"I was able to have ... a secure platform that my friends and family were able to donate and contribute to, and kind of bring awareness to what I was doing and trying to say. So, not only did it give me money, it gave me more product validation that it needs to exist, so it was kind of hand-in-hand."*

As these assertions demonstrate, the format and nature of the crowdfunding environment create an experimental and responsive space in which to be innovative that is potentially not available in an offline setting, especially when capitalizing on existing networks.

The interviewees also suggested that women entrepreneurs can use crowdfunding for businesses at all stages of development, making it an agile space. Two ATB employees described this flexibility:

*"For some of these women, they might have a homemaker business, which they sought to do as a side hustle or something that they don't think has a lot of legs in the market, but through crowdfunding, they can actually test that and prove it out, and maybe it would be the impetus for them to actually take their business to the next level."*

*"Crowdfunding can be beneficial from start-ups [that] are validating an idea, or validating a market, or validating their customers' take on something, to a business [that's] looking to expand from home and get into their first brick-and-mortar location, or perhaps achieve a digital reach where they need that capital to do that, to a business [that] has been around for several years ... [that's] just looking at maybe re-establishing new opportunities."*

As these statements illustrate, many options exist for how idea validation might strengthen the ideation and growth of entrepreneurial ventures at different stages.



In differentiating growth from innovation, one key insight generated from the data was that innovation might come from failure, rather than success, within the crowdfunding process. Failure to achieve a campaign's funding target may spur emerging entrepreneurs to re-engage with an alternative idea, process, or product innovation. This insight was articulated in a story shared by an interview respondent:

*"[The first time around with crowdfunding] my grandma passed away, I also had supplier issues ... I just returned everyone's money, thanked them, and just said I'll return to it. I revisited my idea this year ... I don't have a passion for [my new business line in the same way as my campaign], but I have a curiosity to solve a problem."*

As this experience illustrates, for some women entrepreneurs, their product innovation came after completing an unsuccessful campaign. However, the opportunity to crowdfund may have been what they needed to assess their capacity to engage in an entrepreneurial venture, pick a timeline that worked for them, and pivot their business idea.



## The BHB process itself as an innovation

In addition to product and idea validation, the crowdfunding process itself was also described as innovative in the structure it created for participants. The design of the program was purposeful, as highlighted by an ATB employee:

*"The program opens up for applications on November 19, which is Women's Entrepreneurship Day, and it closes by March 8, which is International Women's Day ... two key dates to increase the awareness of women's entrepreneurship. We have information sessions; we tour the province; we have webinars; and we have a whole host of communication vehicles to help people understand what is involved in a crowdfunding campaign."*

From an entrepreneurial perspective, the intentional format established by the BHB program and its ongoing communication was greatly appreciated by participants, as noted in the following responses:

*"There was a set mandate, there was a set start date, a set end date, a set group of people that you can refer to that can be mentors, as well as just somebody to hold you accountable ... the women's division at ATB really gave [me] that network and the structure that I was needing."*

*"It gave me a reason to get people to work with me. Without that structure, I'd be like, well, do you want to help me out? Or people wanted to help me out, but I never had a model to insert them into, whereas [with] the crowdfunding campaign it's like, okay, we're all working together on this project for four weeks, and it's a sprint, and then it's done."*

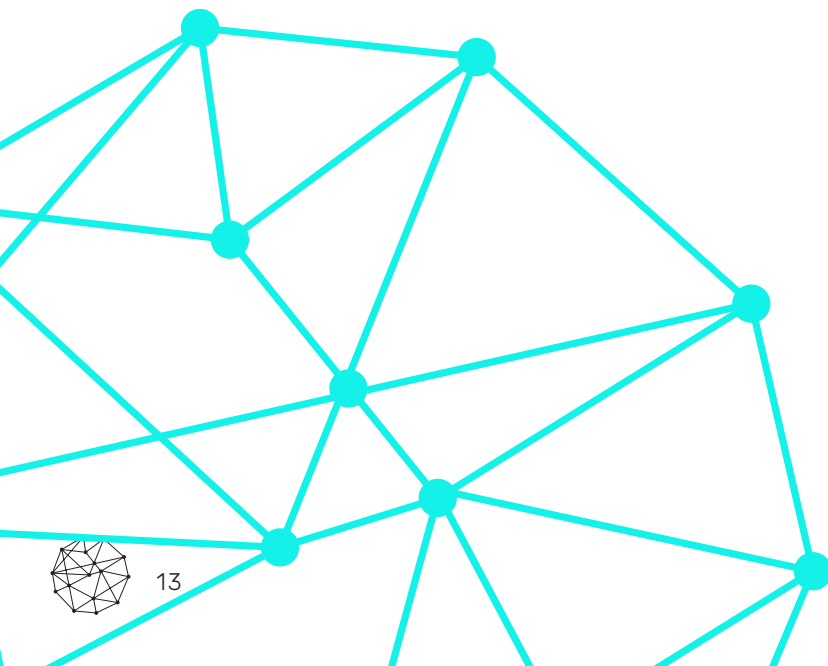
*"It creates a sense of urgency, especially for the type of services I offer. It is really important; they say that you get a lot of your donations at the end of your campaign, and now the business model that I've adopted is kind of similar, it's like mini crowdfunding campaigns six times per year."*

As these quotes demonstrate, the crowdfunding process as a limited event with wraparound support specifically for women provided an organized vehicle for both funders and founders that might not be available within a more traditional entrepreneurial ecosystem.

It also became clear that rewards-based programs encourage innovation as they require respondents to develop new ways of thinking about the business process by looking at their reward selection. This finding is reflected in the following comment by an ATB employee:

*"People got really creative ... the more creative you can be and the more, not just creative but the more holistic your offering ... If I see that 18 people have bought the same reward, I'm like, there's something about that reward, so I want to start now going to the crowd saying, what did you like about that reward, because I want to create something more like it if the other ones aren't moving."*

As this statement reveals, rewards-based crowdfunding provided a way for the BHB participants to assess value in their business





in a rather novel way that is likely not available when developing an entrepreneurial venture outside this context.

Furthermore, some of those interviewed suggested that crowdfunding helps promote competition, which encourages new innovative practices. For example, one of the women entrepreneurs interviewed noted:

*"I had to do these Instagram live videos and Facebook live videos, which ... pushed me out of my comfort zone, and I think where I could see that other participants were stronger in their campaigns was where they had done more of that."*

In sum, BHB's temporally bounded process, wraparound support, women-centred focus, and reward-creation process were motivating for participants. It led to changes in behaviour, indicating that crowdfunding could be characterized as a distinct type of process innovation within the broader entrepreneurial ecosystem.

## Post-campaign process innovations

While innovative activity was encouraged via idea validation and BHB's intentional design, a final area of process innovation occurred after the campaign ended. For example, a number of the women interviewed described how their work practices changed significantly because of their participation in the program:

*"[It changed] how I run my business now. I think it was great to understand the psyche where people are into, kind of like, the bundles. How they buy into the messaging, even if it's a short one-minute video."*

*"The impact was lasting. ... I was really grateful because I learned a lot about the financial side of my business, and it was something I had kind of been avoiding or maybe neglecting up until that point with the crowdfunding campaign."*



*"I was on my Instagram maybe once a week, now I'm like three, four times a week. ... I'm doing a lot of pre-planning and, you know, getting my posts ready and scheduling them, which I wasn't really doing before. ... So, it did kind of help me in that aspect to kind of re-arrange how I do things."*

As these quotes indicate, post-campaign, participants felt differently about how they operated their ventures in terms of their customer base, financials, and social media; some women entrepreneurs even organized their time and work practices in new ways. Accordingly, rewards-based crowdfunding can be characterized as encouraging process innovation.



## Financial capital disruption

While innovation emerged as a crucial component encouraged by the program and the crowdfunding process itself, our findings also reveal how crowdfunding has the capacity to transform financing dynamics for women participants. This includes offering an alternative form of financing earlier in the entrepreneurial journey; enabling women to find a supportive community willing to fund them; leveraging the branding and awareness that comes with being part of an official campaign; and encouraging women to compete to raise more funds. Moreover, the ATB employees interviewed identified the program's ability to disrupt by democratizing access to capital.

*Not only was the BHB program seen as a different way to raise funds for their businesses, but it was also recognized as a way for those involved to access money earlier in their entrepreneurial journeys.*

## Comparison to other financial supports

When conceptualizing the transformation of the commercial sphere, one way that respondents framed this possibility was in the potential for crowdfunding to provide an alternative financing option. Many entrepreneurs saw this vehicle as preferable to taking out personal loans from family and friends. It was also positioned as advantageous compared to a typical bank loan, especially at the idea validation (or pre-seed investment) stage. For example, one interviewee described crowdfunding as a safer way to raise money:



*"I can go out to market and go straight to the public to raise some money for start-up capital. I'm getting the proof of concept from my target market, but then it's like I'm not taking on the risk of having to go to a bank and get a loan and all that stuff when I haven't proven myself yet as an entrepreneur."*

Not only was the BHB program seen as a different way to raise funds for their businesses, but it was also recognized as a way for those involved to access money earlier in their entrepreneurial journeys. For most start-ups, financial capital is scarce, and entrepreneurs have no option but to either bootstrap their financing solo or borrow from friends and family. A participant described her financial journey before entering the program as follows:

*"Everything had been paid out of my personal pocket and budget up until that point, and I really saw the Build Her Business campaign as an opportunity to get that community support, get the exposure, get the financial side of things that I also needed in my business."*

This level of awareness is noteworthy because it illustrates how some respondents realized the impact of a traditional financial barrier for a woman entrepreneur and how it might be transformed via a new practice like crowdfunding.

### Link to community support

In addition to viewing crowdfunding as an alternative tool for raising funds, many of the women interviewed acknowledged the benefits of having a community of support generated from a vehicle that leverages the power of the crowd. Again, respondents were cognizant of the gender barriers they faced and the importance of community-building for ensuring their success within BHB. The program's advantage in this context was articulated by one interviewee, who noted:

*"From what I know from the statistics, access to capital is really difficult for women in a male-dominated finance world, so apparently women are really affected by crowdfunding because of our community approach and networking approach. So, I think that's probably one of the main advantages."*

This statement illustrates the unique positioning women feel they have when they promote their ideas and businesses to the crowd while getting access to expert advice, role models, and networking.

### Awareness and branding

While the crowdfunding structure helped transform typical gender barriers into advantages, several participants also saw rewards-based crowdfunding as more of a branding or marketing effort and a community of like-minded women who go through a shared experience rather than just a means to raise large amounts of capital. They used the platform as a way to showcase their product and service offerings to the crowd. One of the women entrepreneurs highlighted this:

*"Five to ten thousand dollars doesn't take you very far in business, which is why I mentioned it's more of a marketing effort than a financing effort. Unless, you know, you're able to raise 50 to 100 thousand dollars, which is more real money to work with as an entrepreneur."*

The marketing potential was also recognized by ATB employees when describing the benefits of the program and platform beyond fundraising:

*"It's kind of like e-commerce, but it's also to see what kind of support might be in the marketplace for you to do that."*

As these comments indicate, while raising money on the platform was not always financially significant for their businesses,





other positive outcomes were associated with idea validation and confidence. These additional benefits could create a lasting impact on women entrepreneurs' capacity to raise larger amounts of capital in the future.

*While raising money on the platform was not always financially significant for their businesses, other positive outcomes were associated with idea validation and confidence.*

## Competition

As with most crowdfunding campaigns, competing for funds is an expected part of the process. The BHB program was no different. While most of the women embraced the spirit of community support that was encouraged among fellow participants, they also saw the motivational power of competition among their different campaigns, especially when the financial institution drew attention to this. As one participant commented:

*"ATB is a great marketer, because they're like, 'Look at all these campaigns: their goal was 10 grand, they made 45,000 dollars,' and I was like, 'Hell yeah, that's going to be me, right?'"*

Recognizing the competitive element as an intentional part of the initiative that participants are made aware of created an opportunity for them to aim high and increased the likelihood of both a successful campaign and the acquisition of additional funds.

## Democratization of capital

Finally, when defining crowdfunding broadly, some participants described it as showing great promise as a tool to potentially disrupt women's access to capital within the financial industry. Several ATB employees mentioned "democratization" in the context of crowdfunding's transformative potential. For example, an interviewee noted:

*"Capital has always been dispersed in an unfair way, especially to minority groups, which include women, and what crowdfunding does is it democratizes access to that capital."*

To summarize, to those running such programs, disruption of financial capital was associated not only with individual-level success but also with wider institutional and societal shifts within the industry.





## Social capital disruption

The financial disruption created by crowdfunding seems self-evident, as described in the previous section, given that it involves asking for money from the crowd. However, our findings also indicated that both the entrepreneurs and ATB employees describe crowdfunding as promoting transformations in the acquisition of social capital. The women interviewed gained social capital in the following sorts of ways: via the creation of deep and impactful relationships with fellow program participants within the campaign; by the use and expansion of existing personal networks; through the development of new or strengthened relationships with ATB; and by enabling connections with future customers and other businesses.

### Creation of new networks with other participants

The most significant expansion of social capital for those involved with this specific rewards-based crowdfunding opportunity came from the strong bonds developed among program participants. Respondents identified the cohort-based model and the network that stemmed from it as a meaningful advantage for crowdfunding. For example, the positive nature of this community was described by a woman entrepreneur as:

*"... having a new support system. Of being able to meet women [who] are like-minded, [who] are starting from the bottom or have already expanded, being able to kind of network and feed off each other. So, building a community was something that really came from this, for sure."*

An ATB employee echoed this sentiment:

*"The other key advantage of it is [that] it really creates a network for people as well. Then there's this piece of a support group and a community and gets people networked in."*

Participants built networks through the acknowledgement of shared barriers faced as women entrepreneurs. One respondent concisely described this idea while explaining the differences she saw between men's and women's experiences in business:

*"I like the idea of participating in something that's specific to women so that we can help lift them up. ... once they lean in, they lift up, and I think we could teach [the whole world so much] just by how women work together when they do it."*

Additionally, the newly developed networks extended beyond the program's duration. Many participants spoke of developing long-lasting relationships, both personally and professionally. As one interviewee elaborated:

*"I made connections from crowdfunding that I still keep in touch with, certain women and female entrepreneurs that I've supported their businesses, and we've built those relationships, so there's just so much to be gained from it."*

These comments demonstrate the meaningful and lasting networks established via BHB, which are not always accessible within the wider entrepreneurial ecosystem.

### Expansion and use of personal networks

In addition to the strong and lasting bonds participants developed with other BHB members, several women entrepreneurs also described reaching out to those already in their networks in an organized and systematic way during their campaign. This process and the benefits that came from it were described by a respondent:



*"I always talked about building this network [of people], but I don't know that I ever tapped into them the way I did, and when you actually sit down and write out all the people you know, and then what I did is, I used a task sheet and I found out, I said, okay, she's a business owner, she does this, she does that, and then I grouped them into those different groups."*

Entrepreneurs also described how their networks increased as word of their campaign spread and their crowd grew. This experience was reported by a program participant who noted:

*"I went back to a ton of people [who] I used to work with at [my past workplace] and was like, 'Hey, help me out guys,' and then it spread through their network."*

These findings emphasize the importance of networks for crowdfunding and how crowdfunding can become a tool for network expansion. Overall, the women involved in BHB noted the use and growth of their networks in the following domains: friends and family, past and current coworkers, industry contacts, other entrepreneurs, and their customers. In sum, there is a wide range of possibilities for the sorts of networks that may be strengthened by rewards-based crowdfunding.

## Creation of new relationships with the bank

In addition to amplifying personal networks, interviewees recognized the power of organizational affiliation to help build new social capital. Interviewees observed that ATB was committed to providing external social and media attention to capitalize on their well-established networks and promote the campaign. Furthermore, relationships with the organization's staff were seen as valuable connections and a significant benefit of program participation. A participant noted this expectation upon entering the program:

*"I received connection right away, they've been incredibly supportive of me through the whole thing, and I've actually built relationships with ATB BoostR staff and the entrepreneurship [division staff] as well. I knew coming out of the crowdfunding campaign that the support would continue, it wouldn't be just an online platform."*

*For some respondents, connections with the bank also extended after the program ended, with continued support from the organization and opportunities to continue their network expansion as "mentors" for subsequent cohorts.*

The women also touched on how their participation in BHB opened doors to other opportunities for involvement with the organization. The following comment illustrates this idea:

*"I think just being a part of it has also occasionally opened up other opportunities, like ATB also does the ATBX program, and so I had an opportunity to participate in that, whereas if I wasn't [part of] the ATB community already, maybe that's an opportunity that wouldn't have been available."*

For some respondents, connections with the bank also extended after the program ended, with continued support from the organization and opportunities to continue their network expansion as "mentors" for subsequent cohorts. Such experiences illustrate the benefits to financial institutions that offer this type of program. It builds meaningful relationships with future customers and solidifies the bank's commitment to the ecosystem in which they are embedded.



## Creation of new relationships with customers and other businesses

In addition to new relationships with members of their cohort and the bank, women also spoke of their increased capacity to expand their linkages with a different network of diverse entrepreneurs and develop stronger relationships with their customers. The following responses highlight these benefits:

*"To really network and expand my customer base. I think those were the big things. I mean, the [money] was just kind of a bonus; I think the other pieces of being able to network with other women entrepreneurs and Indigenous entrepreneurs as well, and really kind of broaden that customer base and reach people further."*

*"Whether it's within that inner circle of fellow female entrepreneurs, or stepping outside of that to also just connect with other businesses or other like-minded business owners in the community ... I was able to connect with people who had already been established in business for a couple of years."*

As these comments indicate, the reach of the campaigns led to increased social capital for the entrepreneurs who participated by revealing available "community support," establishing partnerships with other businesses, and offering a "valid" reason to reach out to others for help.





## Human capital disruption

A final area of disruption, which was less common than financial and social disruption, is transformation in human capital. This was most apparent through an overall increase in confidence levels and the development of new tangible skills by participants.

### Confidence

Many of the women entrepreneurs interviewed discussed how the skills, networks, and knowledge gained through the program contributed to their personal and professional growth. For example, interviewees mentioned increases in overall levels of self-esteem and confidence, as reflected in the following comment:

*"[The] crowdfunding campaign gives you access to that support, that knowledge from others, other people doing it at the same time, that deadline, that sense of urgency, and maybe that first experience to give you confidence and really put yourself out there and say like, okay, this is my moment, I'm going to stop being shy, I really got to get through this and whatever happens, this is my objective."*

The disruptive potential of crowdfunding emerged most clearly in the capacity for such a program to increase representation and assist women in seeing themselves differently within the entrepreneurial ecosystem by challenging internalized stereotypes. The following quote from a participant exemplifies this:

*"So, we have to really get comfortable that way—and then I think some is even just conditioning from being female and, I mean, just the roles that we're supposed to be in aren't always, like, running your own business and outside of the home, and so it's just fighting that conditioning that women go through."*

The program required the women to try something new and unfamiliar. It also helped them tell a different story about themselves, one that they might not have told if they had not taken the leap to crowdfund.

### New skills

In addition to building confidence, those who participated suggested they developed new skills to move their businesses forward and that sometimes their mindset shifted. This interviewee's description exemplifies this:

*"One advantage is the opportunity to learn and gain knowledge. I learned so much about myself and my business during this process. ... it really forced me to map out and look at things like a balance sheet and cash flow and figure out what was really working for my business and where my money was coming from."*

Other practical abilities strengthened by the crowdfunding program, beyond the financial acumen mentioned above, included skill at writing business plans, new marketing strategies and tools, and the capacity to delegate and network more effectively. In addition, women identified mindset transformations related to "thinking outside the box" and "dedication, perseverance, and resiliency."

Becoming comfortable asking for support, financial or otherwise, also emerged as a tangible benefit gained from the crowdfunding experience. Several entrepreneurs described their discomfort with this while still recognizing the benefits that came from it:

*"I was forced to get out of my comfort zone to approach colleagues and ask [them] to share, which they did. That was challenging because I'm quite introverted, I'm not used to asking, and I'm actually not used to asking for help either."*





*"I think we saw the people [who] were willing and able to do that, they saw the success from their efforts. Entrepreneurship is not for the faint of heart either. You can have really high highs and really low lows, so going through that experience, it gives you a glimpse into, okay, this is what it would be like to have to go out and hustle and sell products and things like that. I think I learned, too, that you don't—yes, it is a lot of hard work, but you don't have to do it alone."*

As these comments suggest, the cohort nature of the program was a significant contributor to the participants' learning. They worked through problems with their peers, networked with more established business owners, and connected with the mentors involved with the program, improving their overall skill sets.



## Barriers to disruption

A final theme to emerge in our findings from the interview responses is the challenges encountered by participants during BHB. Examples of challenges include the platform technology itself, the fees imposed, a lack of external promotion for the program, and insufficient post-campaign support. These issues are highlighted because, if not addressed, they could be a central reason why the program might not fully realize the innovative or disruptive potential of crowdfunding.

### Technology

Interviewees noted that the platform's technology sometimes became a barrier to the disruptive potential of the crowdfunding program. Platform failures and challenges with technological literacy made it difficult for some people to donate, requiring additional effort on the part of the entrepreneurs to help contributors through the process or alter the process. A program participant shared her experience working through this:

*"[The crowd] didn't know how, they're not tech savvy, and you're having trouble logging in, you don't understand why it's not processing, you don't understand why it's asking you all these questions and it's like you could donate extra money or something to—basically they could purchase the reward and then add 10 dollars, add 20 dollars, they didn't understand that. So, a lot of it was a hassle for me, too, because they would just e-transfer to my email account."*

Some respondents felt the platform could be simplified to make it easier for supporters to contribute and ensure that funds are not lost due to technological complexity.



## Fees

Because those engaged in rewards-based crowdfunding sometimes set relatively low campaign targets, paying program fees was a burden to some. A respondent described an example of this impact:

*"I had my own platform that collected fees, and then I had the ATB fees, and I think [it] was in the end about 10%, and when you're going for amounts like 5 or 7 or 10 thousand dollars, I mean that's a significant amount of money, because 5 to 10 thousand dollars doesn't take you very far in business."*

These experiences suggest that the cost of involvement could potentially limit the program's financial impact on women entrepreneurs and even discourage people from participating.

## Promotion

Several women entrepreneur interviewees also noted a mismatch between the expectations and reality of the campaign's promotion. Several suggested that an increased promotional effort could grow their crowd, thus increasing campaign success. Participants relied heavily on their networks for contributions. They saw the potential in additional media attention. A woman entrepreneur noted from her experience:

*"[The promotion of the program] definitely wasn't the like, hey, we're going to have this media day where you come and the media are going to interview you and you get to talk about your business, or hey, we're going to have newspapers get ahold of you or things like that, there was nothing like that. So, that was a little bit disappointing because, really, my campaign came down to 10,000 dollars that came from my friends and family. I had no external supporters."*

An ATB employee also commented on the added benefits of efforts to raise awareness of the program and grow the size of the crowd that women had access to:

*"[A] crowd platform only works if you have a community and a crowd. So, how do we really just create this incredible crowd in Alberta of supporting women entrepreneurs, and through BoostR or just through this? And I think there's still probably work to do on developing the community and crowd."*

As these examples illustrate, additional promotion within the wider community could amplify the initiative's impact by widening the pool of possible funders, increasing the likelihood of successful campaigns.

*Additional promotion within the wider community could amplify the initiative's impact by widening the pool of possible funders, increasing the likelihood of successful campaigns.*



## Post-campaign support

While participants did not mention post-campaign follow-up as frequently as ATB employees did, the interviews exposed a gap at the end of the campaigns where further support would be impactful. The networks built both within the cohorts and in the broader community could be better supported by the program provider to further build social capital. An ATB employee summarized this insight with the following comment:

*"How do you make it live beyond [this campaign]? Following up with people or getting feedback from them ... making this just part of their journey. How do you continue to stay involved? How do you continue to build the community and network?"*

Relationships between the bank and the program participants were also identified as an area in need of attention beyond the program. Continuing educational opportunities and access to further programming came up in the interviews as missing pieces in the post-campaign period. An ATB employee discussed building relationships through development opportunities:

*"So, if we were to do this again in the future, I think that it would be really interesting to sort of take all of the women who participated, whether they were successful in meeting their crowdfunding goal or not, and do a bit of an ongoing relationship-building between them and ATB ... through more entrepreneurial capital that we are giving them opportunities to take part in."*

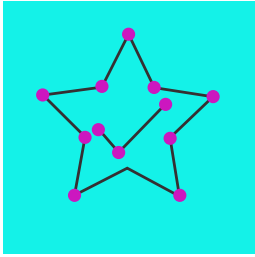
*These suggestions reveal opportunities for continued support for women entrepreneurs beyond the program in order to further increase their access to financial, social, and human capital.*

Another internal employee shared their thoughts on the relationship with participants as customers of the bank:

*"The other piece that I think we need to do better is, once these campaigns are over, as a bank, how do we treat these customers? Do we set them up right away with a business lender? From the banking standpoint... now we've got this list, what do we do with [it]?"*

These suggestions reveal opportunities for continued support for women entrepreneurs beyond the program in order to further increase their access to financial, social, and human capital.





# Discussion and Recommendations

ATB Financial's Build Her Business rewards-based crowdfunding program was selected as a case study to help answer two research questions:

- 1) How are women entrepreneurs and program providers enacting innovative practices through rewards-based crowdfunding?
- 2) What potential exists for disrupting access to capital for women-owned businesses via this practice?

The literature review section of this report illuminates the intersections between crowdfunding and innovation and highlights several gaps within existing scholarship. These gaps include a paucity of studies that focus on women participants' qualitative experiences and attempt to untangle how and where innovation occurs within the crowdfunding process.<sup>119</sup> Consequently, the case study presented in this report provides a detailed description of how women and program providers enact innovation in a rewards-based, cohort-based crowdfunding model. Such a program creates a unique space for women entrepreneurs to be innovative that has a lasting impact and is about more than simply raising money.

This study's findings demonstrate that innovation is enacted within the crowdfunding space in three distinct ways:

- > ***Innovation occurs internally*** within the crowdfunding process itself. Program participants and employees both recognized and praised the power of this tool for generating ideas about a business during and after the campaign, as well as its capacity to offer validation for future demand.
- > ***Innovation occurs externally*** as crowdfunding requires participants to manage their business and compete within the entrepreneurial ecosystem in a novel way. Examples of innovation include duration, the nature of rewards, tools the crowd can access to communicate with the founder, and opportunities created for those within the program to network with each other.
- > ***Innovation disrupts the status quo*** of how women access financial, social, and human capital. Our results show that the women who participated in the crowdfunding program are aware of existing barriers and saw the program and crowdfunding as a viable alternative.

After the crowdfunding process was complete, there was a clear transformation in the way these women imagined and conducted their businesses. Crowdfunding helped them to consider efficiencies in their marketing and relationship with customers and how to expand their personal and professional networks. The process also enabled them to assess their skill sets in





an entirely different way. This experience not only influenced their capacity to be innovative, but also remained key to how they accessed financial capital and how they acquired both social and human capital.

It is thus clear that crowdfunding is indeed a tool that mainstream financial institutions can use to innovate and transform the financial landscape. This case study illustrates the power of matchmaking between founders and funders, increased customer support for women entrepreneurs, and crowd activation.

*Our results still reveal the need for more structural changes in how women entrepreneurs are supported on both the demand (entrepreneurs) and supply (financial institution) side of the financing cycle.*

In assessing the wider implications of these findings, it is worth noting that our results still reveal the need for more structural changes in how women entrepreneurs are supported on both the demand (entrepreneurs) and supply (financial institution) side of the financing cycle. Despite the many positive examples of innovation from rewards-based crowdfunding and the potential for them to disrupt the status quo, it is important to note that the large-scale transformation required to address the issue of access to capital within the financial sector will not be solved by such programs alone.

On the demand side of the access-to-capital equation, participants in our study provided a glimpse of the impacts of the increased confidence they gained when they faced their fears and stepped out of their comfort zones. This insight is promising, given that women entrepreneurs in Canada specifically have

been noted to have a significantly less positive assessment of their skills.<sup>120</sup> While these challenges may not be exclusive to women, there is some evidence that gender inequality in caring responsibilities has a significant impact on sustained entrepreneurial participation.<sup>121</sup> Moreover, it is worth noting that crowdfunding increases the workload on women entrepreneurs themselves to raise capital, thus creating the need for a more supportive environment to encourage successful engagement in this activity.

In terms of supply-side dynamics, a belief that rewards-based crowdfunding can do the work needed to equalize or democratize access to capital may dangerously remove some of the pressure being put on financial institutions and venture capitalists to address investment gender bias and the chronic underrepresentation of women leading investment decisions.<sup>122</sup> Additional research has suggested that equity-based crowdfunding and debt-based crowdfunding together stand to truly bridge the funding needs for companies to grow, with rewards-based crowdfunding only helpful in the initial concept and seed phases.<sup>123</sup> While outside the scope of our analysis, the question that remains is: What other tools, in conjunction with rewards-based crowdfunding, should be encouraged to dismantle gendered barriers that prevent women from accessing capital at equal levels to their counterparts who are men?

A series of recommendations emerged from our findings directed toward three sets of players within the entrepreneurial ecosystem:

- > **Financial institutions and support organizations** considering or engaged in crowdfunding.
- > **Women entrepreneurs** who are looking for new opportunities to start or grow their ventures in new ways.
- > **Policymakers** seeking ways to support innovative solutions for transforming access to capital divides.



## Financial institutions and support organizations

Crowdfunding can be a useful way for financial institutions and other support organizations to create a more diverse, inclusive, and successful suite of services for the women entrepreneurs they serve. Our findings suggest that to accomplish this, financial institutions and support organizations should:

- > Consider how program timing and structure might prevent participation (i.e., considerations such as childcare, parental care, and work schedules).
  - > Apply an intersectional lens to promoting participation that remains focused on access and inclusivity (i.e., consider Black, Indigenous, and entrepreneurs of colour; immigrant entrepreneurs; and women entrepreneurs with disabilities).
  - > Include diverse mentorship possibilities within the program itself and after campaign completion.
  - > Offer multiple opportunities for program participants to connect with each other and encourage collaboration between campaigns (including in-person gatherings, where possible).
  - > Incorporate user-friendly components into the crowdfunding platform design for both program participants and funders (i.e., make it easy to offer rewards, fund projects, and track progress).
  - > Actively promote participants' crowdfunding campaigns through diverse media channels.
  - > Provide post-campaign support and assess how programs like this can be structured to build long-term customer loyalty.
  - > Scaffold programs so that crowdfunding success becomes a criterion in support of future loans or securing other sources of capital.
- > Consider developing other crowdfunding offerings beyond just rewards-based models (i.e., peer-to-peer lending, equity-based, and non-profit crowdfunding).
  - > Develop metrics for measuring success that are not exclusively focused on financial gains but also aim to capture the value of increased social and human capital.

## Women entrepreneurs

In addition to the recommendations for financial institutions or other organizations considering creating a crowdfunding program, this case study reveals some helpful insights for women entrepreneurs who are looking to build or grow their own ventures in new ways. Our suggestions for women entrepreneurs include the following:

- > Consider participating in a rewards-based crowdfunding program, especially one utilizing a women-focused platform (if available), as it may increase their capacity to be innovative in unexpected ways.
- > Envision rewards-based crowdfunding as a learning opportunity for themselves and their business. Professional and personal growth can come from successfully meeting funding goals, being required to pivot, and even experiencing an unsuccessful campaign.
- > Aim to build meaningful relationships with current and future customers via social media channels, and look for ways to measure engagement in order to determine where best to direct energy and attention. This applies to those who choose to crowdfund and those marketing their businesses more generally in today's increasingly interactive consumer environment.
- > Devote time to developing their entrepreneurial story and presenting it in a clear, concise, and memorable format (i.e., using videos, infographics, podcasts,



and media engagements). Whether crowdfunding or not, strong storytelling helps people remember a business and may lead to a more lasting impact.

- > Reach out for help when needed, including outsourcing when lacking a necessary skill set to support business growth. Also, reflect on how they might use their own unique skill set to support other women entrepreneurs (e.g., via marketing, branding, financing, coaching, or otherwise).

## Policymakers

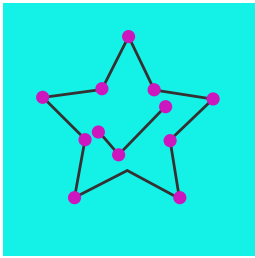
While this study did not involve a detailed analysis of existing policies and programs related to access to capital within Alberta's or Canada's ecosystem, ideas worthy of consideration for policymakers did emerge. Our findings suggest that policymakers should consider the following:

- > Offer either program funding or tax incentives for financial institutions and other organizations committed to finding creative solutions to increase access to capital.

- > Actively promote women-focused crowdfunding programs and campaigns through various government channels by publishing stories, highlighting best practices, and/or promoting or sponsoring events that highlight unique opportunities to access capital.
- > Provide funding to support evidence-based research on innovative practices for access to capital (e.g., crowdfunding).
- > Frame policy discussions of women's entrepreneurship in a holistic manner; do not exclusively focus on financial gains, but also consider the benefits of increased social and human capital.
- > Build in requirements for applicants for various grants to demonstrate gender-balance strategies designed to enhance diversity and increase women's participation within the wider entrepreneurial ecosystem.<sup>a</sup> This includes collecting baseline data in order to track and measure progress.

<sup>a</sup> An example of this is the Government of Canada's [Venture Capital Catalyst Initiative](#). The initiative supports the growth of venture capital firms that work in underserved regions and sectors, apply innovative models, and have diverse managers and teams. Applicants must provide strategies for increasing diversity and encouraging increased representation of women in the venture capital space. Recipients are also required to report on the gender diversity of their fund managers and the ventures that they fund.





# Conclusion and the Way Forward

This report began by identifying that a clear gender gap exists both nationally and globally for women in the entrepreneurial ecosystem in terms of access to support and resources. Moreover, it was acknowledged that Canada has been increasingly recognized as a leader in women's entrepreneurship and that Alberta, in particular, has played a central role in this dynamic. Finally, it was demonstrated that the Build Her Business (BHB) program offered through a Canadian financial institution (ATB Financial) provides a unique way to begin exploring the dynamics of rewards-based crowdfunding in action.

Drawing on the existing literature on crowdfunding as an innovative disruptor and research findings suggesting that women entrepreneurs are outperforming their counterparts who are men in raising funds from the crowd, this report focused on two research questions:

- 1) How are women entrepreneurs and program providers enacting innovative practices through rewards-based crowdfunding?
- 2) What potential exists for disrupting access to capital for women-owned businesses via this practice?

Data from 20 qualitative interviews with both participants and employees involved in the development and delivery of BHB provided answers.

As this report demonstrates, rewards-based crowdfunding has the potential to foster innovation and encourage disruption. Overall, the study results illustrate how women

entrepreneurs are engaging in innovation through idea and product validation as program participants and in process innovations during and after the program. BHB itself is also innovative due to its design and delivery: it is cohort-based with a clear start and end date, it is women-centred, it offers business advice, and it promotes collaboration and mentorship. In addition, the findings in this report illuminate how this initiative is disruptive by presenting women with a new vehicle to access funds, while also encouraging the development of stronger social ties and human capital. The program was not without some drawbacks. Several barriers were identified, including challenging platform technology and fees, insufficient promotional efforts, and a lack of post-campaign support.

Targeted recommendations for the improvement of like-minded initiatives were developed based on the case study findings. Within these suggestions, financial institutions and other support organizations are encouraged to create diverse, inclusive, and user-friendly crowdfunding offerings for women. Intentionally designed programs can offer several advantages for participants and foster long-term relationships with customers and clients.

Additionally, women entrepreneurs are prompted to consider crowdfunding to raise funds outside of conventional channels and potentially strengthen their networks, improve their confidence, and widen their skill sets. Success in rewards-based crowdfunding also illustrates the importance of clear and concise storytelling to brand





and market their businesses (e.g., via social media), the value of outsourcing parts of their businesses, and the power of relationship-building and network feedback as women entrepreneurs seek to build and grow their ventures.

Finally, policymakers are advised to fund the exploration of new channels for women entrepreneurs to access capital, share best practices of leadership in this area, insist on metrics that demonstrate diversity, increase participation in the programs they support, and broaden the policy debate around women's entrepreneurship. This would mean taking a more holistic approach to supporting women entrepreneurs, beyond simply presenting the economic impact of women-owned businesses as their primary contribution.

While this study provides valuable insight into how women entrepreneurs and program providers enact innovation, it is not without limitations. This investigation provides a detailed look at only one case with many contextual factors (i.e., those associated with the specific entrepreneurial ecosystem dynamics it is embedded in), which prevents it from being completely transferable to other contexts. In addition, as Table 1 illustrates, there are other programs that take place at both the national and international level that are worthy of additional attention and would make for interesting comparator cases. Moreover, the dynamics of each type of crowdfunding bring their own advantages and disadvantages, suggesting that contrastive work using a similar framework for other types of crowdfunding (equity, peer-to-peer, and donation) could be quite revealing.

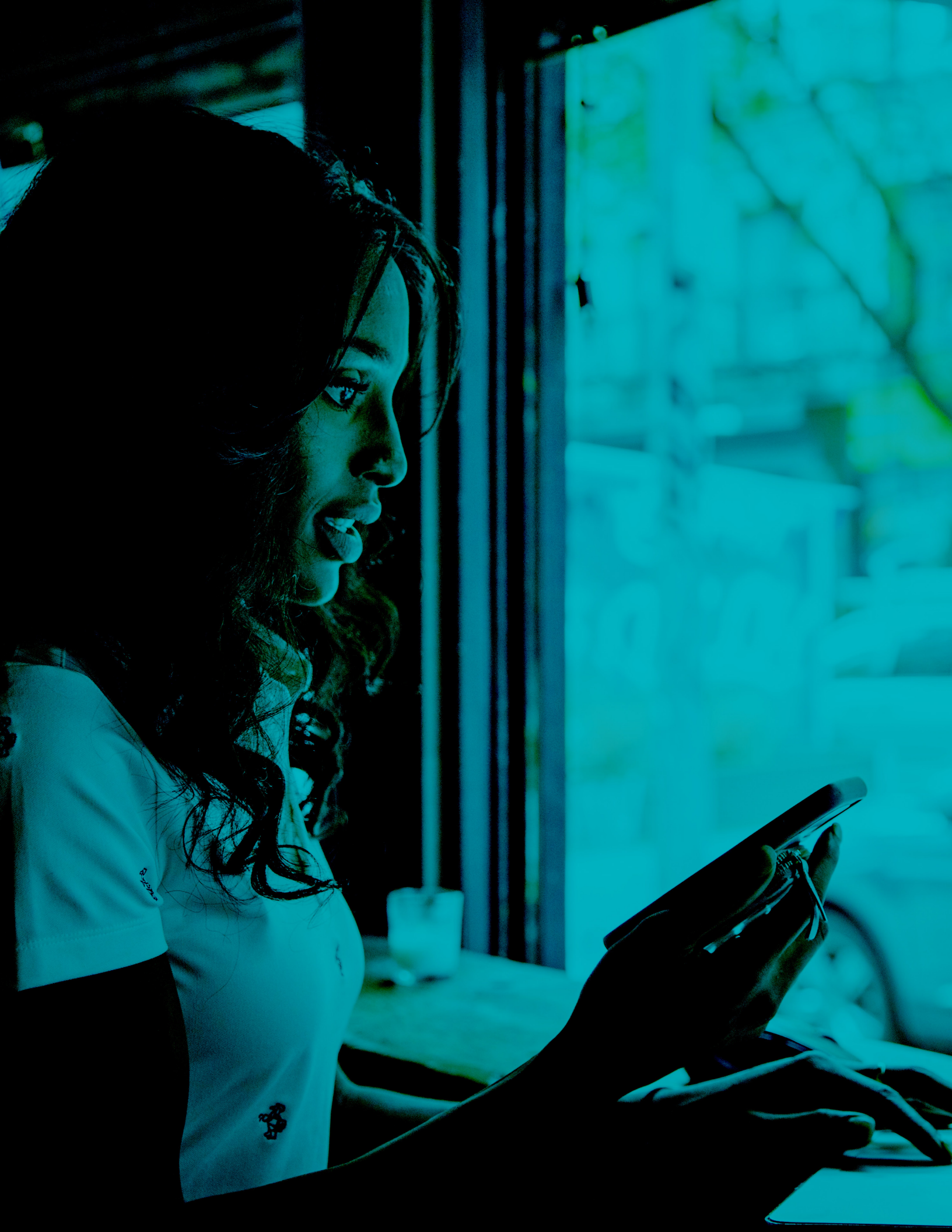
Methodologically, qualitative interviews are often critiqued in that they rely on the accuracy of a small sample, and it can be challenging to know when data saturation has been reached.<sup>124</sup> Furthermore, these

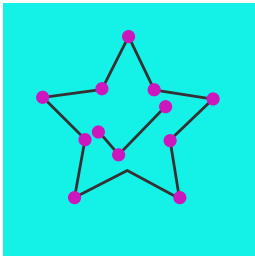
interviews were only conducted once, and thus responses provide only one snapshot in time. Consequently, future work in this area should consider follow-up interviews with participants in such programs in order to evaluate their long-term success in continuing to use and transform their business practices based on their experiences with crowdfunding.

The COVID-19 pandemic is transforming entrepreneurship around the world and deepening the gender divide, thus necessitating economic recovery strategies that are both inclusive and intersectional.<sup>125</sup> Based on this study's findings, we believe that crowdfunding has the capacity to contribute to both these aims in a small but impactful way. This change will only occur if key stakeholders such as financial institutions, women entrepreneurs, and policymakers continue to experiment with innovative tools like crowdfunding that have the potential to disrupt access to capital for women-owned businesses.

This report does not wish to suggest that rewards-based crowdfunding will completely resolve the dilemma of access to capital for women entrepreneurs. However, our results indicate that offering new channels for raising funds may encourage personal and professional transformation for the women who take part in them, which is an important first step toward encouraging change. To transform the entrepreneurial ecosystem and make it more inclusive for women-owned businesses, we need to seek out new vehicles for innovation that disrupt the status quo and level the playing field for accessing capital: crowdfunding is one way to do so.







# References

- 1 Rogers, M. (1998). *The definition and measurement of innovation* (Melbourne Institute Working Paper 10/98). Melbourne Institute of Applied Economic and Social Research. <https://melbourneinstitute.unimelb.edu.au/publications/working-papers/search/result?paper=2155929>
- 2 Diaz-Garcia, C., Gonzalez-Moreno, A., & Saez-Martinez, F. J. (2013). Gender diversity within R&D teams: Its impact on radicalness of innovation. *Innovation: Management, Policy & Practice*, 15(2), 149-160. <https://doi.org/10.5172/impp.2013.15.2.149>
- 3 Sandberg, B. (2002). Creating the market for disruptive innovation: Market proactiveness at the launch stage. *Journal of Targeting, Measurement and Analysis for Marketing*, 11(2), 184-196. <https://doi.org/10.1057/palgrave.jt.5740076>
- 4 Torchia, M., Calabro, A., & Huse, M. (2011). Women directors on corporate boards: From tokenism to critical mass. *Journal of Business Ethics*, 102(2), 299-317. <https://doi.org/10.1007/s10551-011-0815-z>
- 5 Sandberg, B. (2002). Creating the market for disruptive innovation: Market proactiveness at the launch stage. *Journal of Targeting, Measurement and Analysis for Marketing*, 11(2), 184-196. <https://doi.org/10.1057/palgrave.jt.5740076>
- 6 Yglesias, M. (2013). Stop 'disrupting' everything: How a once-useful concept turned into a meaningless buzzword. *Slate*. <https://slate.com/business/2013/05/disrupting-disruption-a-once-useful-concept-has-become-a-lame-catchphrase.html>
- 7 Brush, C., Edelman, L. F., Manalova, T., & Welter, F. (2019). A gendered look at entrepreneurship ecosystems. *Small Business Economics*, 53(2), 393-408. <https://doi.org/10.1007/s11187-018-9992-9>
- 8 Elam, A., Brush, C., Greene, P., Baumer, B., Dean, M., & Heavlow, R. (2019). *Global Entrepreneurship Monitor, 2018/2019 women's entrepreneurship report*. Global Entrepreneurship Monitor. <https://www.gemconsortium.org/report/gem-20182019-womens-entrepreneurship-report>
- 9 Carter, N., Brush, C., Greene, P., Gatewood, E., & Hart, M. (2003). Women entrepreneurs who break through to equity financing: the influence of human, social and financial capital. *Venture Capital: An International Journal of Entrepreneurial Finance*, 5(1), 1-28. <https://doi.org/10.1080/1369106032000082586>
- 10 Smith-Hunter, A. (2006). *Women entrepreneurs across racial lines: Issues of human capital, financial capital and network structures*. Edward Elgar Publishing. <https://doi.org/10.4337/9781847201829>
- 11 Orser, B. J., Riding, A. L., & Manley, K. (2006). Women entrepreneurs and financial capital. *Entrepreneurship Theory and Practice*, 30(5), 643-665. <https://doi.org/10.1111/j.1540-6520.2006.00140.x>
- 12 Brush, C. G., Greene, P. G., & Hart, M. M. (2001). From initial idea to unique advantage: The entrepreneurial challenge of constructing a resource base. *Academy of Management Perspectives*, 15(1), 64-78. <https://doi.org/10.5465/ame.2001.4251394>
- 13 Yetim, N. (2008). Social capital in female entrepreneurship. *International Sociology*, 23(6), 864-885. <https://doi.org/10.1177/0268580908095913>
- 14 Coleman, S., Henry, C., Orser, B., Foss, L., & Welter, F. (2019). Policy support for women entrepreneurs' access to financial capital: evidence from Canada, Germany, Ireland, Norway, and the United States. *Journal of Small Business Management*, 57(sup2), 296-322. <https://doi.org/10.1111/jsbm.12473>
- 15 Scotiabank Women Initiative. (2020). *Financial knowledge & financial confidence: Closing gender gaps in financing Canadian small businesses*. Women's Enterprise Centre. <https://www.scotiabank.com/women-initiative/ca/en/posts.financials.articles.gender-research.html>
- 16 Brush, C., Greene, P., Balachandra, L., & Davis, A. (2018). The gender gap in venture capital- progress, problems, and perspectives. *Venture Capital*, 20(2), 115-136. <https://doi.org/10.1080/13691066.2017.1349266>
- 17 McIntyre, C. (2019). Nearly 90 per cent of Canadian VC investment deals since 2014 went to companies founded exclusively by men. *The Logic*. <https://thelogic.co/news/analysis/nearly-90-per-cent-of-canadian-vc-investment-deals-since-2014-went-to-companies-founded-exclusively-by-men/>





- 18 Wu, J., Yaokuang, L., & Zhang, D. (2019). Identifying women's entrepreneurial barriers and empowering female entrepreneurship worldwide: A fuzzy-set QCA approach. *International Entrepreneurship and Management Journal*, 15(3), 905–928. <https://doi.org/10.1007/s11365-019-00570-z>
- 19 Brush, C. G., Greene, P. G., Balachandra, L., & Davis, A. (2014). *Women entrepreneurs 2014: bridging the gap in venture capital*. Ernst & Young, Wellesley: Babson College. <https://www.babson.edu/academics/centers-and-institutes/center-for-womens-entrepreneurial-leadership/diana-international-research-institute/research/diana-project/>
- 20 Aldrich, H. (1989). Networking among women entrepreneurs. In O. Hagan, C. Rivchun, & D. Sexton (Eds.), *Women-owned businesses* (pp. 103–132). Praegar Publishing.
- 21 Brush, C. G., Edelman, F. L., Manalova, T., & Welter, F. (2019). A gendered look at entrepreneurship ecosystems. *Small Business Economics*, 53(2), 393–408. <https://doi.org/10.1007/s11187-018-9992-9>
- 22 Greene, P. G., Brush, C. G., Hart, M. M., & Saporito, P. (2001). Patterns of venture capital funding: Is gender a factor? *Venture Capital Journal*, 3(1), 63–83. <https://doi.org/10.1080/13691060118175>
- 23 Stengel, G. (2020, Jan. 1). *The next decade will bring more venture capital to female founders*. *Forbes*. <https://www.forbes.com/sites/geristengel/2020/01/01/the-next-decade-will-bring-more-venture-capital-to-female-founders/?sh=71ffaad6b0fe>
- 24 Weisul, K. (2019, Oct.). *A new breed of funds has raised \$2 billion for women founders. It's a start. Inc.* <https://www.inc.com/magazine/201910/kimberly-weisul/venture-capital-female-entrepreneurs-funding-gap-fundery.html>
- 25 Mollick, E., & Robb, A. (2016). Democratizing innovation and capital access: The role of crowdfunding. *California Management Review*, 58(2), 72–87. <https://doi.org/10.1525/cmr.2016.58.2.72>
- 26 PwC. (2017). *Women unbound: Unleashing female entrepreneurial potential*. <https://www.pwc.com/gx/en/diversity-inclusion/assets/women-unbound.pdf>
- 27 Fundly. (2020). *Crowdfunding statistics*. <https://blog.fundly.com/crowdfunding-statistics/>
- 28 Fundera. (2020). *Crowdfunding statistics (2020): Market size and growth*. <https://www.fundera.com/resources/crowdfunding-statistics>
- 29 Fundable. (2020). *The history of crowdfunding*. <https://www.fundable.com/crowdfunding101/history-of-crowdfunding>
- 30 Braund, P., & Schwittay, A. (2016). Scaling inclusive digital innovation successfully: The case of crowdfunding social enterprises. *Innovation and Development*, 6(1), 15–29. <https://doi.org/10.1080/2157930X.2015.1067392>
- 31 Cumming, D. J., Vismara, S., & Meoli, M. (2018). Does equity crowdfunding democratize entrepreneurial finance? *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3281727>
- 32 Malaga, R., Mamonov, S., & Rosenblum, J. (2018). Gender difference in equity crowdfunding: An exploratory analysis. *International Journal of Gender and Entrepreneurship*, 10(3), 332–343. <https://doi.org/10.1108/IJGE-03-2018-0020>
- 33 TheCrowdDataCenter. (n.d.). *Platform stats & analytics: Showing period 1st January 2014–13th July 2020*. Retrieved July 13, 2020, from <https://www.thecrowdfundingcenter.com/data/platforms#overview>
- 34 Kickstarter. (n.d.). *Pressroom*. Retrieved November 13, 2020, from <https://www.kickstarter.com/press?ref=hello>
- 35 Kickstarter. (n.d.). *Pressroom*. Retrieved November 13, 2020, from <https://www.kickstarter.com/press?ref=hello>
- 36 Indiegogo. (2008, Jan. 14). Indiegogo launches new online social marketplace connecting filmmakers and fans to make independent film happen. *International Entertainment News*. <http://internationalentertainment.blogspot.com/2008/01/indiegogo-launches-new-online-social.html>
- 37 Shneor, R., & Vik, A. A. (2020). Crowdfunding success: A systematic literature review 2010–2017. *Baltic Journal of Management*, 15(2), 149–182. <https://doi.org/10.1108/BJM-04-2019-0148>
- 38 Bouchard, I., & Bédard-Maltais, P. (2019). *A nation of entrepreneurs: The changing face of Canadian entrepreneurship*. Business Development Bank of Canada. <https://www.bdc.ca/en/about/analysis-research/changing-face-of-canadian-entrepreneurship>
- 39 Elam, A., Brush, C., Greene, P., Baumer, B., Dean, M., & Heavlow, R. (2019). *Global Entrepreneurship Monitor, 2018/2019 women's entrepreneurship report*. Global Entrepreneurship Monitor. <https://www.gemconsortium.org/report/gem-20182019-womens-entrepreneurship-report>
- 40 Hughes, K. D., & Saunders, C. (2020). *Women's entrepreneurship in Western Canada: Results from the GEM Canada 2019 Survey*. The Centre for Innovation Studies. <http://thecis.ca/wpdm-package/gem-womens-entrepreneurship-in-western-canada-2019-2020/>
- 41 Hughes, K. D., & Saunders, C. (2020). *Women's entrepreneurship in Western Canada: Results from the GEM Canada 2019 Survey*. The Centre for Innovation Studies. <http://thecis.ca/wpdm-package/gem-womens-entrepreneurship-in-western-canada-2019-2020/>



- 42 Bouchard, I., & Bédard-Maltais, P. (2019). *A nation of entrepreneurs: The changing face of Canadian entrepreneurship*. Business Development Bank of Canada. <https://www.bdc.ca/en/about/analysis-research/changing-face-of-canadian-entrepreneurship>
- 43 Elam, A., Brush, C., Greene, P., Baumer, B., Dean, M., & Heavlow, R. (2019). *Global Entrepreneurship Monitor, 2018/2019 women's entrepreneurship report*. Global Entrepreneurship Monitor. <https://www.gemconsortium.org/report/gem-20182019-womens-entrepreneurship-report>
- 44 Hughes, K. D., & Saunders, C. (2020). *Women's entrepreneurship in Western Canada: Results from the GEM Canada 2019 Survey*. The Centre for Innovation Studies. <http://thecis.ca/wpdm-package/gem-womens-entrepreneurship-in-western-canada-2019-2020/>
- 45 ATB. (n.d.). *ATB BoostR*. Retrieved Oct. 23, 2020, from <https://www.atbboostr.ca/>
- 46 ATB. (n.d.). *ATB BoostR*. Retrieved Oct. 23, 2020, from <https://www.atbboostr.ca/>
- 47 Lahring, D. (2019, Jan. 25). Crowdfunding challenge aims to build businesses. *St. Albert Today*. <https://www.stalberttoday.ca/local-news/crowdfunding-challenge-aims-to-build-businesses-1300804>
- 48 Lahring, D. (2019, Jan. 25). Crowdfunding challenge aims to build businesses. *St. Albert Today*. <https://www.stalberttoday.ca/local-news/crowdfunding-challenge-aims-to-build-businesses-1300804>
- 49 Pestun, S. (2020, March 2). ATB's Build Her Business crowdfunding campaign aims to break barriers for women entrepreneurs - a reflection on this year's campaign [Post]. LinkedIn. <https://www.linkedin.com/pulse/atbs-build-her-business-crowdfunding-campaign-aims-break-pestun/>
- 50 Stark, E. (2019, Nov. 20). *Build Her Business crowdfunding campaign offers unique financing opportunities for women entrepreneurs*. ATB Financial. <https://www.atb.com/company/news/stories/build-her-business-2019/>
- 51 ATB Financial. (2019, Nov. 19). Supporting women entrepreneurs: ATB Financial launches Build Her Business campaign [Press release]. CISION. <https://www.newswire.ca/news-releases/supporting-women-entrepreneurs-atb-financial-launches-build-her-business-campaign-872820561.html>
- 52 PwC. (2017). *Women unbound: Unleashing female entrepreneurial potential*. <https://www.pwc.com/gx/en/diversity-inclusion/assets/women-unbound.pdf>
- 53 Lahring, D. (2019, Jan. 25). Crowdfunding challenge aims to build businesses. *St. Albert Today*. <https://www.stalberttoday.ca/local-news/crowdfunding-challenge-aims-to-build-businesses-1300804>
- 54 ATB Financial. (2019, Nov. 19). Supporting women entrepreneurs: ATB Financial launches Build Her Business campaign [Press release]. CISION. <https://www.newswire.ca/news-releases/supporting-women-entrepreneurs-atb-financial-launches-build-her-business-campaign-872820561.html>
- 55 ATB Financial. (2019, Nov. 19). Supporting women entrepreneurs: ATB Financial launches Build Her Business campaign [Press release]. CISION. <https://www.newswire.ca/news-releases/supporting-women-entrepreneurs-atb-financial-launches-build-her-business-campaign-872820561.html>
- 56 C. Wells, personal communication
- 57 Gafni, H., Marom, D., Robb, A., & Sade, O. (Dec. 2019). Gender composition in crowdfunding (Kickstarter): Evidence on entrepreneurs, backers, deals, and taste-based discrimination [Working paper]. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2442954>
- 58 Wright, M., Lumpkin, T., Zott, C., & Agarwal, R. (2016). The evolving entrepreneurial finance landscape. *Strategic Entrepreneurship Journal*, 10, 229–234. <https://doi.org/10.1002/sej.1232>
- 59 Abu Amuna, Y. M., Abu-Naser, S. S., Al Shobaki, M. J., & Abu Mostafa, Y. A. (2019). Fintech: Creating innovation for entrepreneurs. *International Journal of Academic Accounting, Finance & Management Research*, 3(3), 8–15. <https://doi.org/10.1002/sej.1232>
- 60 Nuyens, H. (2019). How disruptive are fintech and digital for banks and regulators? *Journal of Risk Management in Financial Institutions*, 12(3), 217–222. <https://www.henrystewartpublications.com/jrm/v12>
- 61 Turan, S. S. (2015). Financial innovation - Crowdfunding: Friend or foe? *Procedia - Social and Behavioral Sciences*, 195, 353–362. <https://doi.org/10.1016/j.sbspro.2015.06.334>
- 62 Abu Amuna, Y. M., Abu-Naser, S. S., Al Shobaki, M. J., & Abu Mostafa, Y. A. (2019). Fintech: Creating innovation for entrepreneurs. *International Journal of Academic Accounting, Finance & Management Research*, 3(3), 8–15. <https://ssrn.com/abstract=3378721>
- 63 Herve, F., & Schwenbacher, A. (2018). Crowdfunding and innovation. *Journal of Economic Surveys*, 32(5), 1514–1530. <https://doi.org/10.1111/joes.12274>
- 64 Deloitte (2017). *Beyond fintech: Disruptive innovation in equity crowdfunding*. <https://www2.deloitte.com/bd/en/pages/financial-services/articles/beyond-fintech-disruptive-innovation-equity-crowdfunding.html>



- 65 Deloitte (2017). *Beyond fintech: Disruptive innovation in equity crowdfunding*. <https://www2.deloitte.com/bd/en/pages/financial-services/articles/beyond-fintech-disruptive-innovation-equity-crowdfunding.html>
- 66 Brem, A., Bilgram, V., & Marchuk, A. (2019). How crowdfunding platforms change the nature of user innovation. *Technological Forecasting & Social Change*, 144, 348–360. <https://doi.org/10.1016/j.techfore.2017.11.020>
- 67 Brem, A., Bilgram, V., & Marchuk, A. (2019). How crowdfunding platforms change the nature of user innovation. *Technological Forecasting & Social Change*, 144, 348–360. <https://doi.org/10.1016/j.techfore.2017.11.020>
- 68 Brem, A., Bilgram, V., & Marchuk, A. (2019). How crowdfunding platforms change the nature of user innovation. *Technological Forecasting & Social Change*, 144, 348–360. <https://doi.org/10.1016/j.techfore.2017.11.020>
- 69 Brem, A., Bilgram, V., & Marchuk, A. (2019). How crowdfunding platforms change the nature of user innovation. *Technological Forecasting & Social Change*, 144, 348–360. <https://doi.org/10.1016/j.techfore.2017.11.020>
- 70 Eldridge, D., Nisar, T. M., & Torchia, M. (2019). What impact does equity crowdfunding have on SME innovation and growth? An empirical study. *Small Business Economics*, 1–16. <https://doi.org/10.1007/s11187-019-00210-4>
- 71 Herve, F., & Schwienbacher, A. (2018). Crowdfunding and innovation. *Journal of Economic Surveys*, 32(5), 1514–1530. <https://doi.org/10.1111/joes.12274>
- 72 Stanko, M. A. & Henard, D. H. (2017). Toward a better understanding of crowdfunding, openness and the consequences for innovation. *Research Policy*, 46(4), 784–798. <https://doi.org/10.1016/j.respol.2017.02.003>
- 73 Gafni, H., Marom, D., Robb, A., & Sade, O. (2019, Dec.). Gender composition in crowdfunding (Kickstarter): Evidence on entrepreneurs, backers, deals, and taste-based discrimination [Working paper]. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2442954>
- 74 Greenberg, J., & Mollick, E. (2017). Activist choice homophily and the crowdfunding of female founders. *Administrative Science Quarterly*, 62(2), 341–374. <https://doi.org/10.1177/0001839216678847>
- 75 Marom, D., Robb, A., & Sade, O. (2015). Gender dynamics in crowdfunding (Kickstarter): Evidence on entrepreneurs, investors, deals and taste-based discrimination. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2442954>
- 76 Ullah, S., & Zhou, Y. (2020). Gender, anonymity and team: What determines crowdfunding success on Kickstarter. *Journal of Risk and Financial Management*, 13(4), 80–106. <https://doi.org/10.3390/jrfm13040080>
- 77 Greenberg, J., & Mollick, E. (2017). Activist choice homophily and the crowdfunding of female founders. *Administrative Science Quarterly*, 62(2), 341–374. <https://doi.org/10.1177/0001839216678847>
- 78 Marom, D., Robb, A., & Sade, O. (2015). Gender dynamics in crowdfunding (Kickstarter): Evidence on entrepreneurs, investors, deals and taste-based discrimination. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2442954>
- 79 Valančienė, L., & Jegelevičiūtė, S. (2013). Valuation of crowdfunding: Benefits and drawbacks. *Economics & Management*, 18(1), 39–48. <https://doi.org/10.5755/j01.em.18.1.3713>
- 80 Lin, T. C., & Pursiainen, V. (2018). Gender differences in reward-based crowdfunding. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3045050>
- 81 Mollick, E., & Robb, A. (2016). Democratizing innovation and capital access: The role of crowdfunding. *California Management Review*, 58(2), 72–87. <https://doi.org/10.1525/cmr.2016.58.2.72>
- 82 Mollick, E., & Robb, A. (2016). Democratizing innovation and capital access: The role of crowdfunding. *California Management Review*, 58(2), 72–87. <https://doi.org/10.1525/cmr.2016.58.2.72>
- 83 Valančienė, L., & Jegelevičiūtė, S. (2013). Valuation of crowdfunding: Benefits and drawbacks. *Economics & Management*, 18(1), 39–48. <https://doi.org/10.5755/j01.em.18.1.3713>
- 84 Cumming, D. J., Vismara, S., & Meoli, M. (2018). Does equity crowdfunding democratize entrepreneurial finance? *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3281727>
- 85 Paschen, J. (2017). Choose wisely: Crowdfunding through the stages of the startup life cycle. *Business Horizons*, 60(2), 179–188. <https://doi.org/10.1016/j.bushor.2016.11.003>
- 86 Brown, R., Mawson, S., & Rowe, A. (2019). Start-ups, entrepreneurial networks and equity crowdfunding: A processual perspective. *Industrial Marketing Management*, 80, 115–125. <https://doi.org/10.1016/j.indmarman.2018.02.003>
- 87 Cumming, D. J., Vismara, S., & Meoli, M. (2018). Does equity crowdfunding democratize entrepreneurial finance? *SSRN Electronic Journal*. <http://dx.doi.org/10.2139/ssrn.3281727>
- 88 Geiger, M., & Oranburg, S. C. (2018). Female entrepreneurs and equity crowdfunding in the US: Receiving less when asking for more. *Journal of Business Venturing Insights*, 10, e00099. <https://doi.org/10.1016/j.jbvi.2018.e00099>
- 89 Brown, R., Mawson, S., & Rowe, A. (2019). Start-ups, entrepreneurial networks and equity crowdfunding: A processual perspective. *Industrial Marketing Management*, 80, 115–125. <https://doi.org/10.1016/j.indmarman.2018.02.003>





- 90 Brush, C. G., Edelman, F. L., Manalova, T., & Welter, F. (2019). A gendered look at entrepreneurship ecosystems. *Small Business Economics*, 53(2), 393–408. <https://doi.org/10.1007/s11187-018-9992-9>
- 91 Cumming, D. J., Vismara, S., & Meoli, M. (2018). Does equity crowdfunding democratize entrepreneurial finance? *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3281727>
- 92 Chen, X., Huang, B., & Ye, D. (2020). Gender gap in peer-to-peer lending: Evidence from China. *Journal of Banking & Finance*, 112, 105633. <https://doi.org/10.1016/j.jbankfin.2019.105633>
- 93 Pope, D. G., & Sydnor, J. R. (2011). What's in a picture? Evidence of discrimination from Prosper.com. *Journal of Human Resources*, 46(1), 53–92. <https://doi.org/10.3368/jhr.46.1.53>
- 94 Fenwick, M., McCahery, J. A., & Vermeulen, E. P. M. (2018). Fintech and the financing of SMEs and entrepreneurs: From crowdfunding to marketplace lending. In D. Cumming & L. Hornuf (Eds.), *The economics of crowdfunding* (pp. 103–128). Springer. [https://doi.org/10.1007/978-3-319-66119-3\\_6](https://doi.org/10.1007/978-3-319-66119-3_6)
- 95 Paschen, J. (2017). Choose wisely: Crowdfunding through the stages of the startup life cycle. *Business Horizons*, 60(2), 179–188. <https://doi.org/10.1016/j.bushor.2016.11.003>
- 96 Chen, X., Huang, B., & Ye, D. (2020). Gender gap in peer-to-peer lending: Evidence from China. *Journal of Banking & Finance*, 112, 105633. <https://doi.org/10.1016/j.jbankfin.2019.105633>
- 97 Fenwick, M., McCahery, J. A., & Vermeulen, E. P. M. (2018). Fintech and the financing of SMEs and entrepreneurs: From crowdfunding to marketplace lending. In D. Cumming & L. Hornuf (Eds.), *The economics of crowdfunding* (pp. 103–128). Springer. [https://doi.org/10.1007/978-3-319-66119-3\\_6](https://doi.org/10.1007/978-3-319-66119-3_6)
- 98 Malaga, R., Mamonov, S., & Rosenblum, J. (2018). Gender difference in equity crowdfunding: An exploratory analysis. *International Journal of Gender and Entrepreneurship*, 10(3), 332–343. <https://doi.org/10.1108/IJGE-03-2018-0020>
- 99 Greenberg, J., & Mollick, E. (2017). Activist choice homophily and the crowdfunding of female founders. *Administrative Science Quarterly*, 62(2), 341–374. <https://doi.org/10.1177/0001839216678847>
- 100 Gorbatai, A. D., & Nelson, L. (2015). The narrative advantage: Gender and the language of crowdfunding. *Academy of Management Proceedings*, 2015(1), 15785. <https://doi.org/10.5465/ambpp.2015.15785abstract>
- 101 Paschen, J. (2017). Choose wisely: Crowdfunding through the stages of the startup life cycle. *Business Horizons*, 60(2), 179–188. <https://doi.org/10.1016/j.bushor.2016.11.003>
- 102 Pope, D. G., & Sydnor, J. R. (2011). What's in a picture? Evidence of discrimination from Prosper.com. *Journal of Human Resources*, 46(1), 53–92. <https://doi.org/10.3368/jhr.46.1.53>
- 103 Mollick, E. R. (2013). Swept Away by the Crowd? Crowdfunding, Venture Capital, and the Selection of Entrepreneurs. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2239204>
- 104 Bock, A., Frydrych, D., Kinder, T., & Koeck, B. (2014). Exploring entrepreneurial legitimacy in reward-based crowdfunding. *Venture Capital*, 16(3), 247–269. <https://doi.org/10.1080/13691066.2014.916512>
- 105 Colombo, M. G., Franzoni, C., & Rossi-Lamastra, C. (2014). Internal social capital and the attraction of early contributions in crowdfunding. *Entrepreneurship Theory and Practice*, 39(1), 75–100. <https://doi.org/10.1111/etap.12118>
- 106 Bock, A., Frydrych, D., Kinder, T., & Koeck, B. (2014). Exploring entrepreneurial legitimacy in reward-based crowdfunding. *Venture Capital*, 16(3), 247–269. <https://doi.org/10.1080/13691066.2014.916512>
- 107 Gafni, H., Marom, D., Robb, A., & Sade, O. (2019, Dec.). Gender composition in crowdfunding (Kickstarter): Evidence on entrepreneurs, backers, deals, and taste-based discrimination [Working paper]. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2442954>
- 108 Greenberg, J., & Mollick, E. (2017). Activist choice homophily and the crowdfunding of female founders. *Administrative Science Quarterly*, 62(2), 341–374. <https://doi.org/10.1177/0001839216678847>
- 109 Johnson, M. A., Stevenson, R. M., & Letwin, C. R. (2018). A woman's place is in the... startup! Crowdfunder judgments, implicit bias, and the stereotype content model. *Journal of Business Venturing*, 33(6), 813–831. <https://doi.org/10.1016/j.jbusvent.2018.04.003>
- 110 Johnson, M. A., Stevenson, R. M., & Letwin, C. R. (2018). A woman's place is in the...startup! Crowdfunder judgments, implicit bias, and the stereotype content model. *Journal of Business Venturing*, 33(6), 813–831. <https://doi.org/10.1016/j.jbusvent.2018.04.003>
- 111 Mollick, E. R. (2013). Swept Away by the Crowd? Crowdfunding, Venture Capital, and the Selection of Entrepreneurs. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2239204>
- 112 PwC. (2017). *Women unbound: Unleashing female entrepreneurial potential*. <https://www.pwc.com/gx/en/diversity-inclusion/assets/women-unbound.pdf>



- 113 Lin, T. C., & Pursiainen, V. (2018). Gender differences in reward-based crowdfunding. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3045050>
- 114 Gorbatai, A. D., & Nelson, L. (2015). The narrative advantage: Gender and the language of crowdfunding. *Academy of Management Proceedings*, 2015(1). <https://doi.org/10.5465/ambpp.2015.15785abstract>
- 115 Johnson, M. A., Stevenson, R. M., & Letwin, C. R. (2018). A woman's place is in the... startup! Crowdfunder judgments, implicit bias, and the stereotype content model. *Journal of Business Venturing*, 33(6), 813–831. <https://doi.org/10.1016/j.jbusvent.2018.04.003>
- 116 Greenberg, J., & Mollick, E. (2017). Activist choice homophily and the crowdfunding of female founders. *Administrative Science Quarterly*, 62(2), 341–374. <https://doi.org/10.1177/0001839216678847>
- 117 Groza, M. P., Groza, M. D. & Barral, L. M. (2020). Women backing women: The role of crowdfunding in empowering female consumer-investors and entrepreneurs. *Journal of Business Research*, 117, 432–442. <https://doi.org/10.1016/j.jbusres.2020.06.013>
- 118 Rogers, M. (1998). *The definition and measurement of innovation* (Melbourne Institute Working Paper 10/98). Melbourne Institute of Applied Economic and Social Research. <https://melbourneinstitute.unimelb.edu.au/publications/working-papers/search/result?paper=2155929>
- 119 Eldridge, D., Nisar, T. M., & Torchia, M. (2019). What impact does equity crowdfunding have on SME innovation and growth? An empirical study. *Small Business Economics*, 1–16. <https://doi.org/10.1007/s11187-019-00210-4>
- 120 Gregson, G., & Saunders, C. (2020). *2019/2020 GEM Canada National Report*. Global Entrepreneurship Monitor. <https://www.gemconsortium.org/economy-profiles/canada-2>
- 121 Thébaud, S. (2015). Business as plan B: Institutional foundations of gender inequality in entrepreneurship across 24 industrialized countries. *Administrative Science Quarterly*, 60(4), 671–711. <https://doi.org/10.1177/0001839215591627>
- 122 Fackelmann, S., De Concini, A., & Dustdar, S. (2020). *Funding women entrepreneurs: How to empower growth*. European Investment Bank. [https://www.eib.org/attachments/thematic/why\\_are\\_women\\_entrepreneurs\\_missing\\_out\\_on\\_funding\\_en.pdf](https://www.eib.org/attachments/thematic/why_are_women_entrepreneurs_missing_out_on_funding_en.pdf)
- 123 Lukkarinen, A., Teich, J. E., Wallenius, H., & Wallenius, J. (2016). Success drivers of online equity crowdfunding campaigns. *Decision Support Systems*, 87, 26–38. <https://doi.org/10.1016/j.dss.2016.04.006>
- 124 Saunders, B., Sim, J., Kingstone, T., Baker, S., Waterfield, J., Bartlam, B., Burroughs, H., & Jinks, C. (2018). Saturation in qualitative research: Exploring its conceptualization and operationalization. *Quality & Quantity*, 52(4), 1893–1907. <https://doi.org/10.1007/s11135-017-0574-8>
- 125 Grandy, G., Cukier, W., & Gagnon, S. (2020). (In)visibility in the margins: COVID-19, women entrepreneurs and the need for inclusive recovery. *Gender in Management: An International Journal*, 35(7/8), 667–675. <https://doi.org/10.1108/GM-07-2020-0207>









