

ABSTRACT

This research aims to analyze the effects of business experience, social alliance, financial projections, credit collateral and debt to date on successful equity crowdfunding platforms. Crowdfunding is a fundraising form via Internet conducted by individuals or business entity to support business activities. Entrepreneurs who often finding difficulties in seeking fund need other funding source besides banks, namely crowdfunding. The MSMEs in Indonesia have started to choose crowdfunding as a funding option. In this research, funding success is measured by 3 proxies ie fully funded, amount of funds, and the number of investors. Business experience and social alliance are proxies of venture quality whilst financial projections, credit collateral and debt to date are proxies of the uncertainty level.

The population of this research is an open call conducted by MSMEs in Indonesian crowdfunding websites during 2017-2018 with total observation data consists of 70 offerings. Data collection method which used in this research is purposive sampling method. Multiple logistic and linear regression analysis were used as the main analytical tool in this research.

The results show that business experience, social alliance, financial projections, and credit collateral have a positive effect on the funding success of equity crowdfunding. Meanwhile, debt to date has no effect on funding success of equity crowdfunding. Based on those findings, the success in obtaining crowdfunding funds in Indonesian depends on business experience, social alliance, financial projections, and credit collateral.

Key words : Funding success, crowdfunding, venture quality, uncertainty level.