

THE ROLE OF SIGNALING INTELLECTUAL PROPERTY PROTECTION ON THE SUCCESS OF REWARD-BASED CROWDFUNDING

In crowdfunding, sending certain signals is essential to overcome information asymmetries. This paper examines signaling protected intellectual property rights in the context of reward-based crowdfunding. As an increasingly relevant funding practice for startups, *reward-based crowdfunding* is gaining importance while at the same time potential risks are emerging. The potential for imitation and the resulting impacts on startups are named as such a risk by previous studies. Besides a literature review, interviews with ten startups that have successfully launched an IndieGoGo campaign were conducted. The results suggest an impact of signaling intellectual property protection on the campaign success in *reward-based crowdfunding* by persuading backers to participate. In terms of signaling, differences between product categories are notable. Furthermore, signaling of a sustainable orientation is set in relation to intellectual property protection signals, accordingly sustainability sends a stronger signal and tends to have a more positive effect on *reward-based crowdfunding* success.

Keywords: Crowdfunding; Signaling; Intellectual Property Protection; Sustainability; Entrepreneurial financ