

CROWDFUNDING AS AN ALTERNATIVE FUNDING FOR GREEN TOURISM

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Abstract (10pt)

This paper is a conceptual paper that discuss the condition and the needs for tourism crowdfunding platform for green tourism. Crowdfunding is an alternative way to fund new or existing tourism project. Crowdfunding mainly dominated as a platform for conventional business and social donation. Crowdfunding platform that spesifically designed for tourism is lacking. On the other side, crowdfunding in tourism can boost green tourism because of the support from the funder that aware on the conservation of the environment. The method used in this study is site analysis and the finding is analized descriptive analytic. The result shows that there is no crowdfunding platform in that spesifically designed for tourism. There is opportunity to make a crowdfunding platform that specifically designed for green tourism project to make creator and donor need's meet in the platform. This research offers a new way to seek funding for green tourism to boost sustainability on tourism using crowdfunding.

Keywords: crowdfunding, tourism funding, financing

Introduction

Crowdfunding, as a way to gather fund to complete a project, is gaining more attention on global scale. Crowdfunding is online fundraising that contributed by some/many people and the funder can get reward (Gerber & Hui, 2014). Crowdfunding can be micro-finance (Mollick, 2014) and also can be on a big scale (Freedman & Nutting, 2014). Crowdfunding, as an alternative way to get project funding, can be benefited especially small-scale project and or technology innovation (Bonzanini et.al, 2016). There are three aspect that tied in crowdfunding: a) creator, b) platform, and c) donor (Lanisy, 2020).

In accordance to green tourism, the crowdfunding creator is people or organization that make a project that related to green tourism. The donor is people that support the project, as a backer with money typically with choice of reward, from “thank you note” to opportunity to test the project/product that been crowdfunded. And the last one is the platform where the creator and the donor meets.

According to UNWTO (2012), green tourism consists of “tourism activities that can be maintained, or sustained, indefinitely in their social, economic, cultural and environmental contexts”. Green tourism can be sustained using crowdfunding as a alternative way to get the funding. Green tourist, the tourist on green tourism premise, can support projects or business that promotes green tourism on a small or large-scale. With the funding is open to public, people with same values or aim can support the green tourism project.

Research in crowdfunding is growing in size, but the study that explores the possibilities of crowdfunding as a funding platform for green tourism is lack. This paper aims to study on the use of crowdfunding for funding platform that stands as a platform for the supporter of green tourism. As a growing market on tourism, green tourism have become one of the key for tourism to be more sustainable. This paper contributes on the alternative way to fund the green tourism, existing on new projects.

Research Method

The method that used in this study is site analysis. In total, 3 crowdfunding platform (kitabisa.com, wemakeit.com, indiegogo.com). The sample acquired using purposive sampling, the author choose the paper and crowdfunding platform to observed based on the relatedness to the topic of the study. The paper and the crowdfunding platform is read, observed, and analyzed to get the data to explain what must be done and how to design for a crowdfunding platform to be used specifically to support green tourism that focuses on sustainable tourism.

Result and Analysis

Fairbnb.coop is an initiative to counter Airbnb business model. Fairbnb.coop with the tagline “community powered tourism” has the innovation to make community empowered and making airbnb-like-accomodation more sustainable. Liang et.al. (2021) found that Airbnb short-term home rental make the Hong

Kong people unaffordable to buy or rent home. With this in mind, Fairbnb.coop make a crowdfunding project in indiegogo.com on June 2015 and got 10,710 euro with 146 people joining the crowdfunding as a donor (Indiegogo.com, 2019). This is one of the evidence that crowdfunding can be used to fund tourism project that related to green tourism that have emphasis on sustainable tourism.

Kitabisa.com as Indonesia's biggest crowdfunding platform was examined. The study found that in kitabisa.com donation-based crowdfunding, nothing found on the tourism project moreover on green tourism project crowdfunding. The donation-based scheme on kitabisa.com, attract more creator of social donor like charities, donation for sick people, etc.

Wemakeit.com is the biggest community crowdfunding platform in Switzerland. In total, the platform has gathered 88.8 Million Euro on 6,022 successful projects. One of the successful projects is "Ecotourism is Back in Haiti" by Boukan Guinguette. Due to crisis in Haiti, Boukan Guinguette did crowdfund to make the operation possible. The donor can choose the reward based on the money they put in the projects. For example, the lowest band is 15 euro with 11 people choosing this option. Donor that choose that band will get cocktail on their next visit. The top tier for the donor was set on 850 euro with reward free kite surfing lesson. This project also give flexibility to the donor with option to donate any amount without reward. This give the hybrid option for donor, reward-based or donation-based crowdfunding. This crowdfunding project raised 10,295 euro from the initial target 9,800 euro from 89 donor.

From those examples, crowdfunding of the green tourism project can be done on general crowdfunding platform like Indiegogo.com, Kitabisa.com, and Wemakeit.com. The study also found that donation-based platform, like kitabisa.com, have different segmentation of the donor. The donor is more to donate on general social cause like sick people, home of elderly people, disaster, poor people, etc. On the other side, wemakeit.com was more community centric for Switzerland people. Many projects in wemakeit.com written in Switzerland language that make it for global audiences found hard times understanding the project. On the top menu of wemakeit.com there's a language menu that can translate the web content to other languages including english.

Based on the finding of this study, there's an opportunity to make a crowdfunding platform that especially designed to backed green tourism project. Crowdfunding platform is a place to meet for creator and donor. With the platform being specific, it can make the match-making of donor and creator more possible. The platform can use the same system of 3 websites analyzed above but differentiate on the donor and creator segment.

Conclusion

Crowdfunding can be an alternative way to fund tourism project, especially the green tourism project that put more emphasis on the sustainability on tourism. Green tourism is not the conventional norm in tourism, eventough it gaining more attention over the years. As an alternative in tourism world, green tourism can be backed up using fund form tourist or people that have awareness on the nature and environment using crowdfunding that specifically designed for that purpose. Further research is needed to develop the crowdfunding platform for green tourism.

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