

Rethinking Funding Nonprofit Organizations Through Crowdfunding: The Use of Financial Technology

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Abstract

This paper aims to examine the influence of FinTech, Crowdfunding, and Information Technology (IT) on Nonprofit Organizations (NPOs). The literature supported that NPOs increasingly utilize FinTech, Crowdfunding, and IT services to improve efficiency and effectiveness. Web-based Services and Technology Acceptance Model (TAM) are deployed to assess the impact of FinTech, Crowdfunding, and IT on NPOs. The TAM model was a valuable predictor of NPO acceptance and utilization of these technologies. The economic and social impact of innovative technology is significant. Fintech influences the development of digital transformation. Fintech offers alternative financing methods for nonprofit organizations through crowdfunding. By standardizing information, reducing transaction costs, and spreading the risk among several funders, online crowdfunding increase and diversify opportunities offered to donors.

Keywords: fintech, crowdfunding, NPO, information technology, web-based services, TAM

1. Introduction

The digital age has ushered in a new era of fundraising for startups and nonprofits. In the past, fundraising for nonprofit organizations was often slow, relying heavily on personal relationships and in-person solicitation. Today, the Internet and social media have created a new world of fundraising opportunities (Diniyya, Aulia, & Wahyudi, 2021). Nonprofit organizations can now reach a global audience of potential donors with the click of a button. Hence, the rise of the Internet of things (IoT) and technology is easing financial management and operational business methods. The convergence of technologies is paving the way for the next phase of economic transformation and its function. Financial technology is revitalizing the simplification of financial procedures by implementing an integrated management software package (Li et al., 2020; Abdeldayem & Aldulaimi, 2022; Olatunji, 2020).

Nonprofit organizations and the financial sector are at an essential crossroads following the growing threat of disruption and disintermediation from non-traditional players like financial technology (FinTechs) (Nguyen, 2020; Mardhiyyah Sahri, 2021). A diverse customer base with constantly changing demands, increasing risks due to recent events (Covid, inflation, climate change), market expansion, rising costs, and ever more demanding compliance regulations are subjects of essential concerns. To address these topics, swift innovations, and technological advances have made technology a cornerstone in competitive differentiation and nurturing profitable and sustainable growth. Technological innovation has reinvented the consumer experience and delivered higher operational efficiency. Therefore, players in finance place technology at the center of their identity. Commercial strategies are promoted to succeed in digital transformation. Investing in innovative technology aims to respond to these changes, offer new products, win new customers, and better control risks (Hakim Ghazali, 2018). Therefore, the future of the Finance function lies in new technologies (Sahri, 2021).

To summarize, it is now crucial to fund nonprofit startup activities. Fundraising is a critical leverage tool for startup nonprofits due to numerous motives. First and foremost, fundraising helps nonprofits to globalize and allows them to sustain their work. Nonprofits find it easier to reach a wider audience and raise additional funds

with the advent of social media, crowdfunding, and other online platforms. However, nonprofit organizations would cease their activities continuity and program expansion without fundraising (Chaboud & Caseau, 2018; Zheng & Liu, 2017; Markina, Polyakova, Lozhechko, & Sugrobova, 2020).

Consequently, fundraising allows nonprofit organizations to raise awareness of their cause and engage with potential supporters. By raising funds, NPO creates marketing and awareness materials, host events, and build relationships with potential donors (Kimura, Hagihara, Horie, & Asahi, 2019). These activities help NPO in spreading their vision and engaging potential supporters. Nevertheless, fundraising is essential for a nonprofit startup in the digital age. NPO can reach a wider audience and raise critical funds to support their strategies and objectives while depending on online platforms and social media (Fedyunina & Zazaeva, 2020).

With traditional fundraising methods, it can be challenging to detect the amount of raised money and where its origin. Besides, fundraising possesses great paybacks in the digital age. First, it's easier than ever to connect with potential donors. NPO can quickly build a database of contacts and reach out to them with fundraising messages with the help of social media. Second, online fundraising is grounded on effective information technology and algorithm tracking progress and results. With online fundraising platforms, NPO can easily track funds and document their sources. This information is valuable in planning future fundraising efforts. Third, online charities and donations are more convenient for donors. Sponsors can give their gifts from the comfort of their own homes or offices (Nageswarakurukkal, Gonçalves, & Moshtari, 2020).

1.1 Research Problem

Economic, health and political environment negatively affect organizations worldwide, and nonprofit organizations need alternatives to survive these circumstances. Nonprofit organizations (NPO) struggle with fundraising due to these challenging contextual settings, which represent critical impediments to organizational sustainability (Salmon, 1987; Kramer, 1981). Therefore, nonprofit organizations seek innovative funding methods to sustain their continuity. Makysova & Vacekoda (2017) stated that crowdfunding is a leading mechanism of nonprofit funding to raise additional funds. Information technology (IT) enhances crowdfunding and advances financial models to collect donations. Merging fundraising projects and social media technologies contribute to leveraging the number of funds because it helps to reach a larger population (Bradford, 2012).

FinTech, crowdfunding, and information combine operational and strategic risk elements. Hence, the online crowdfunding experience grounded on information technology is enhanced by technological innovations. However, risks associated with technology can penalize donors. Some donors do not know how to delete their identifiers and other information NPO platforms hold. Therefore, risks associated with Fintech vary significantly between scenarios, and opportunities identified depend less on the methods themselves than on technological advancement and complications. Besides, the coronavirus pandemic has favored the safest investments only. It negatively affects capital investments for FinTech to the point of forcing the youngest organizations to go out of business. The general decline in transaction value reduces funds and income from nonprofit organizations and startups.

Consequently, numerous interrogations are elevated. Two critical questions form the research problem. First, what are the prerequisites to achieving expected financial and information technology results? Second, what are the digital strategies to transform nonprofit organizations into the leading economic organization of tomorrow?

1.2 Research Questions

Combining streamlined offerings with technology makes FinTechs more efficient and reduces the costs associated with each transaction. However, NPO managers always seek a quantifiable answer for the following interrogation: "***To what extent do FinTech, Crowdfunding, and Information Technology influence Nonprofit Organizations?***" Three research questions are specified:

RQ1: what are the critical factors of financial technology, Crowdfunding, and Information Technology affecting Nonprofit Organizations' funding?

RQ2: how do financial technology practices affect organizations funding?

RQ3: How do crowdfunding methods influence NPO funding and organizational sustainability?

1.3 Research Objectives

This paper elaborates on the relationship between FinTech, Crowdfunding, and Information Technology in Nonprofit Organizations. Therefore, three objectives are investigated.

RO1: To discover critical factors leading to financial technology, Crowdfunding, and Information Technology in Nonprofit Organizations

RO2: To investigate the impact of financial technology practices on organizations' funding.

RO3: To recognize the influence of crowdfunding methods on NPO funding and organizational sustainability.

1.4 Research Significance

Crowdfunding is a new idea and can help nonprofit organizations fund themselves by using financial technology that reaches a larger audience and binds people with the same beliefs and values to dedicate funds to the organization. This research paper will focus on how NPO could use crowdfunding and how they can implement this idea correctly.

1.4.1 Theoretical Significance

The theoretical significance denotes the following.

- Compare results of recent studies explaining the influence of Fintech and information technology
- Expose theoretical streams dealing with theories of acceptance of technological innovations.
- Verify factors endorsing crowdfunding in NPO by extending the TAM model to Fintech.
- Participate in operationalizing the concept by providing an applicable theoretical framework for practitioners.

1.4.2 Practical Significance

The following points present a brief of their benefits.

- Technology enables automation and avoids human error, reducing costs and improving efficiency, allowing teams to focus on other critical priorities.
- Technology adds automation and simplifies tasks by saving time and labor, targets system inefficiencies, and improves operational efficiency,
- It improves financial performance by automating vital financial processes and generating reports from different data sources to payments.
- It improves the quality and speed of financial procedures and fundraising

Responding to the questions mentioned above and the problem requires in-depth knowledge and analysis of FinTech, Crowdfunding, and Information Technology in Nonprofit Organizations SME is and how and it is critical sources of financing. Therefore, this paper addresses a review of the literature on the subjects.

2. Literature Review

Crowdfunding uses information technology, providing platforms for NPO to start with their idea or raise funds. Using Financial technology, many people with the exact cause can donate and Fund this NPO through an algorithm that binds people with the same beliefs and values interested in spending money for such a cause (Laureano, Fernandes, Hassamo, & Alturas, 2018). However, the issue is that financial technology and crowdfunding are the only way to provide continuity for NPO.

It is essential to start by identifying the keywords of this study, such as crowdfunding, FinTech, and the factors of implementation of such systems in nonprofit organizations. Afterward, this literature will present previous studies that show the link between crowdfunding and NPO through financial technology. Finally, in this case, the result will be drawn about the effectiveness of this process (Pratt, Yakabov, Glinski, & Hauser, 2009).

2.1 Crowdfunding

The literature on crowdfunding is still emerging. Crowdfunding is a method of collecting donations from the public through online platforms and social networks to fund projects. Crowdfunding materializes entrepreneurial finance progress. It allows crowds to invest and raise funds through online media (Climent et al., 2018). Online crowdfunding uses the Internet to solicit financial support for a specific project or organization (Moon & Hwang, 2018; Mollick, 2014). Maciel et al. (2017) stated that crowdfunding is the act of gaining assets in the form of raw materials.

Crowdfunding is an alternative way of funds procurement, explicitly for startups and social projects guided by NPO. These organizations face challenges in fundraising through traditional means. Therefore, crowdfunding allows these small firms to increase their funds while relying on the general public (Kromidha & Robson, 2016). Additionally, online crowdfunding offers an alternative to traditional funding sources such as venture capital or bank loans (Schwienbacher & Larralde, 2010). However, online and traditional crowdfunding are two convergent practices. An online version is a form of an open call. Therefore, it is a new way for startup

companies in their early stages of development (Hope & Vyas, 2017). Cholakova and Clarysse (2015) mentioned that crowdfunding is a creative fundraising method. Crowdfunding is considered an excellent opportunity from a nonprofit perspective to decrease the risk of failure and increase the chance for sustainability.

2.2 FinTech & Crowdfunding

Financial technology encompasses a variety of financial services. Fintech utilizes digital technologies such as the Internet, mobile computing, and data analytics to enhance, create new, or change financial services (Gimpel et al., 2017). Donations constitute a fundamental practice focusing on fundraising.

FinTech specializes in financial institutions and has emerged in the 21st century. Nowadays, it includes different sectors such as education, nonprofit fundraising, and investments in commercial and social themes (Miglo, 2019). Crowdfunding projects are funded using the Internet, platforms, software, or specific algorithms initiated to attain this purpose. In other words, crowdfunding is a financial instrument using financial technology (Climent et al., 2018).

Online crowdfunding is considered new due to its dependency on technology progression. It did not exist before the appearance of financial technology; therefore, the online version is adopted in Fintech to raise funds using online platforms from more donors (Salman, 2016). However, financial technology reached prosperity in 2009, and crowdfunding was present before this date as an idea. Therefore, crowdfunding witnessed an increase with time progress and technological advancement. In 2015, crowdfunding raised 34.4\$ billion, and analysts predict an increase in the crowdfunding market size by 27.8% (Miglo, 2019).

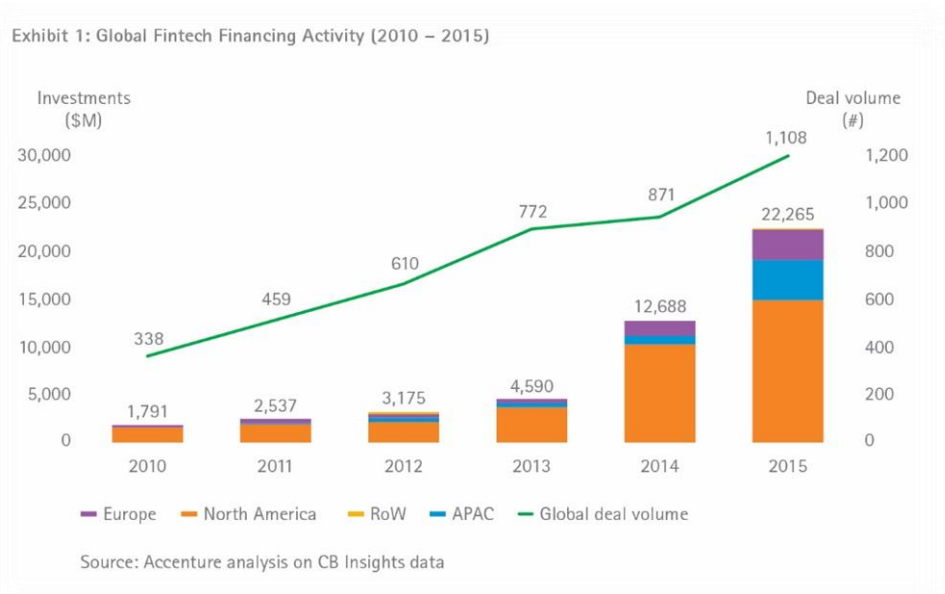


Figure 1. Fintech Financing’s Progress

The above figure shows the progress of global fintech financing over five years. The growth of Fintech has been significant, with investments increasing by 75% from \$9.6 billion in 2014 to \$22.3 billion in 2015 (Shuttlewood et al., 2016). Most investments have been concentrated in America and Asia, with the US leading the way with \$13 billion invested in 500 deals. In Asia, the total amount raised by Fintech was around \$8.6 billion for over 180 sales, with an average deal value of \$47 million, higher than the average deal value of \$24 million in North America, where the market is considered more mature (Biancone et al., 2019).

2.3 Crowdfunding and NPO

The idea of crowdfunding is separated into two topics, “crowd” and “fund,” which means a group of people having mutual wants and desires to fund a common belief or cause. Nonprofit organizations (NPO) have been suffering from political and economic situations worldwide, which hinder the scope of effectiveness and threaten the continuity of such organizations (Makysova & Vacekova, 2017). In addition, nonprofit organizations need more sustainability due to the contextual settings. International donors are more likely to search for their interests

rather than invest in NPO in these circumstances. Therefore, nonprofits started searching for alternative funding to ensure their projects' continuity and avoid unlikely risks.

Crowdfunding helps startups launch programs. It is considered an alternative for raising funding using social networks through financial technology. Crowdfunding benefits startups with limited access to traditional financings, such as bank loans (Kim & Lee, 2014). Moreover, unlike conventional funding methods, crowdfunding is not restrained by geographical area. This geographical expansion is an additional benefit for an NPO to extend its social Capital and donation range through technology around the globe (Moon & Hwang, 2018). As a result, crowdfunding may lead to social network extension. Furthermore, it will strengthen the funding of nonprofit causes, cultural or artistic projects, and experimental technologies.

Moon & Hwang (2018) stated that crowdfunding gathers large crowds supporting a specific cause. These angles are willing to pay and donate to the NPO because they share the same belief and values. Crowdfunding strengthens NPO sustainability. Furthermore, appropriate technology resources gather donations and fundraising through platforms. Hence, advanced financial technology should be constantly updated.

Resource insufficiency is considered an obstacle for the voluntary sector. Nonprofit organizations always search for sources to cope with their projects' implementation stages during austerity times and plan for continuous funding and sources (Makysova & Vacekova, 2017). This lack of funds motivates nonprofit organizations to implement crowdfunding. The search for crowdfunding started when NPO lacked sufficient funds to continue its project (Casey, 2016). Hence, NPO tends to raise additional funds by exploring innovative fundraising methods than traditional organizations. Financial technology adaptation presents a significant unexplored research gap for all nonprofit organizations.

In summary, nonprofit organizations require additional resources to ensure sustainability under particular economic, health, and political conditions. The emergence of crowdfunding allows individuals with shared values and beliefs to financially support these organizations through financial technology (Fintech). Due to continued technological advancements, crowdfunding for NPOs is estimated to reach \$300 billion by 2025. According to Kromidha and Robson (2016), crowdfunding is expected to reach \$3.2 trillion by 2020, creating over 2 million new jobs. In 2012, crowdfunding in North America and Western Europe alone raised nearly \$1.5 billion and funded over one million campaigns. The study of Massolution (2015) reported global crowdfunding at \$34.4 billion in 2015. Crowdfunding is rapidly growing, and Research is being conducted to identify critical factors contributing to its success and better understand how to implement the process effectively.

3. Research Methodology

Qualitative Research is a scientific approach to studying humans, their behavior, and their attitudes. This type of Research involves collecting and analyzing data to gain insight into a particular phenomenon (Busetto, Wick & Gumbinger, 2020). Qualitative Research explores and explains various aspects of human behavior. Qualitative Research explores and explains multiple topics, such as people's experiences, beliefs, values, attitudes, and motivations (Basias & Pollalis, 2018). This type of Research is used to learn about individuals' interactions with each other and their environment. For the research topic of "Rethinking Nonprofit Funding Organizations through Crowdfunding the Use of Financial Technology," qualitative Research will explore the motivations and experiences of individuals who donate to nonprofit organizations through crowdfunding platforms (Tracy, 2019).

This analysis aims to explore an improved understanding of donors' motivations and experiences. It will investigate the potential effects of crowdfunding on nonprofit organizations' funding sources. Similarly, a systematic review through secondary data collection and a critical appraisal of past studies helps to scrutinize essential theories for Fintech. A qualitative synthesis of findings presents a complete relevant summary of current evidence to research questions.

The secondary data will be gathered from assessing the relevant literature, including academic articles, government reports, industry publications, and news articles. This data will provide an understanding of the current landscape and the potential opportunities and challenges associated with using financial technology and crowdfunding for nonprofit organizations. The data collected from primary and secondary sources will be analyzed using a qualitative content analysis approach (Bansal, Smith & Vaara, 2018). The latter will examine the data to identify patterns, themes, and critical insights related to the research topic.

4. Discussion

Investigating factors assuring an effective crowdfunding adaptation process is crucial by underlining examples from previous studies. The literature explained crowdfunding methods for nonprofit organizations and highlighted expectations for future fundraisers. Although such a process cannot be applied randomly, it needs a

plan and a study before starting the implementation. Hence, this study will discover critical factors leading to financial technology, Crowdfunding, and Information Technology in Nonprofit Organizations.

Nowadays, China reached 48.8% of internet popularity, and web-based services are thriving, flourishing, and changing Chinese society. Therefore, IoT has been deemed an exceptional opportunity for a nonprofit organization to organize online crowdfunding. It facilitates meeting people with the same beliefs and mission and quickly reaches a larger audience to help fund organizations. In 2015, 299 nonprofit projects were funded within platforms provided through the Internet, costing about 12 million dollars (Ya-Zang Li et al., 2018). In the Czech Republic, the funding raised reached 1.17 times more after adopting online crowdfunding. In Europe, the funds raised through crowdfunding for NPO were about one billion euros. Public funds are estimated to reach billions of euros by 2020. In the US, 500 voluntary projects were funded through information technology crowdfunding (Biancone et al., 2019).

Crowdfunding uses financial technology (FinTech). Financial technology is delineated as new tech pursuing delivery advancement and automation in financial services usage. Hence, FinTech is utilized to help organizations and startups, providing them with platforms on smartphones and computers. Financial technology is mainly used in the banking industry through e-payments and ATMs. However, FinTech has significantly progressed with the birth of cryptocurrencies, explicitly with bitcoin's booming. Financial technology growth was 75% in 2015 in the United States. The latter had increased from 9.6 billion dollars to 22.3 billion dollars, whereas Asia capital raised by financial technology was 8.6 billion dollars (Biancone et al., 2019). The paradox is aggravating due to worldwide dependency on information technology (IT). A considerable budget is being spent on IT. Davis (1989) took a leading initiative to develop the Technological Acceptance Model (TAM) by studying the impact of technology applications in organizations.

4.1 Technology Acceptance Model (TAM)

Through several studies, we have collected several factors that should be considered before implementing crowdfunding. Joenssen et al. (2014) argued that this process depends on the Internet and technology to work; thus, the Internet and technology will be the crucial element of the crowdfunding procedure. Davis (1989) argued about the Technology Acceptance Model (TAM). The main variables of the Technology Acceptance Model (TAM) are perceived usefulness and perceived ease of use of technology services, which ultimately leads to customer e-loyalty. Perceived usefulness is defined as an individual's belief in a technology's ability to improve job performance (Davis, 1989, p.320). On the other hand, perceived ease of use is assessed as an individual's belief in a technology's ability to minimize the required effort (Davis, 1989, p.321).

4.2 Social Capital

Like other forms of Capital, Social Capital is productive and enables the accomplishment of specific objectives. The latter would not be attained without financial investment (Coleman, 1988). Three problems control Social Capital: obligation, expectation, and trustworthiness. These factors are descriptive dimensions explaining NPO expectations from people and ground the relationship. This relationship is based on people's trust. The community will only help if stakeholders (donors and employees) have loyalty or trust in the organization, not only the organization; it goes beyond that. They should trust the donation process, so the technology should be up-to-date and secure.

Mollick (2014) stated that social networks, project quality, and geographic location are critical issues assuring crowdfunding accomplishment. Furthermore, social Capital is an essential factor in ensuring the success of crowdfunding. Kromidha and Robson (2016) mentioned that the social network is the first critical element for crowdfunding success. Social network dispersal allowed the nonprofit sector to develop social networks like Facebook, Twitter, and CrowdRise. It offers a new way for NPO to engage in crowdfunding by gathering people on such networks, sharing common beliefs and values, and extending social networks outside the organization's geographical area (Saxton & Wang, 2014). GoFundMe, CrowdRise, and other charitable fundraising social network sites are available and have fans. Nonprofit organizations can use these fans in their social network to recruit them to donate and fund its project.

An example was a nonprofit organization, "Walk for babies" this organization had increased the number of donors by 75% through crowdfunding using technological instruments, and it increased the revenues by 102% (Flandez, 2010). Furthermore, a USA report shows that social network has helped the following categories education by 13%, human services by 9%, health issues by 7%, and other humanitarian issues by 4% (Wiepking, 2010). As a result, social Capital is vital for this process; it allows nonprofits to employ crowdfunding and reach geographical areas around the globe where people are willing to donate money for the nonprofit organization's cause (Saxton & Wang, 2014).

Zheng Li et al. (2017) have stated six factors that are essential for the sustainability of the NPO through crowdfunding:

1. Performance expectancy denotes the degree to which an individual believes in goal attainment. For example, in crowdfunding, people willing to donate to a charity will sense self-satisfaction if the nonprofit organization accomplishes its goal. Therefore, donors will feel a sense of accomplishment.
2. Effort expectancy is based on the degree of ease associated with the system usage. This factor is also found in the model of TAM (Davis et al., 1989) as the perceived ease of use. It can be difficult for some people to use the Internet, especially those not following up on technological advancement. Accordingly, organizations seeking donations through crowdfunding should consider easing the access and use of technology or platform to facilitate donations.
3. Social influence includes the influence of NPO in the donors' minds by underlining the importance of the established cause. Social impact leverages the audience's acceptance the willingness to donate. It is essential to know that charity is based on the individual's behavior and strictly depends on their beliefs, views, and sense of responsibility.
4. Facilitating conditions depend on the donor's vision toward the NPO and the degree of system support. Donors are more willing to donate or at least continue with donations if the crowdfunding vision is positive and supports a good cause.
5. Sense of trust is considered the most critical issue in Falcone and Castelfranchi, 2001. Trust is a catalyst for continuous donation and for gaining loyalty toward an organization. It is defined as the supporter's trust in the crowdfunding project and its creators. Safety is also essential for the development of trust, especially concerning the platform reliability, the mechanism of the crowdfunding project, and the credibility of the initiators, the people responsible for the nonprofit organization.
6. Experience expectation has been integrated due to the novelty of crowdfunding. It designates a new experience for the donors. Hence, an enhancement in the donation experience through platforms leads to an increase in the individual wiliness to pay.

Zheng Li et al. (2017) generated a questionnaire with 32 questions to study the validity of these factors. The result verified that these six factors are valid, reliable, and perfect for exploring the crowdfunding process.

Finally, the above factors are vital for correctly implementing crowdfunding and using financial technology. Organizations must prepare a good ground for the subject before the public people follow, donate, fundraise, or even ask them to help start an organization. Therefore, crowdfunding is one of many issues that should be planned. However, the prerequisites are also necessary to study, analyze and implement to clear the way ahead of any obstacle the nonprofit organization could face.

4.3 Benefits of Crowdfunding in NPOs

Crowdfunding allows nonprofits to reach a wider audience (Gao et al., 2016). Traditional fundraising methods, for instance, soliciting donations from wealthy individuals or holding events (Lin & Cheng, 2015), can be time-consuming and costly. Crowdfunding platforms, on the other hand, can be accessed by anyone with an internet connection (Mollick, 2014). In other words, nonprofit organizations can reach a larger pool of potential donors. Crowdfunding can benefit smaller nonprofits lacking critical resources to engage in traditional fundraising efforts (Banks, 2019). Reaching a wider audience is the most apparent benefit of crowdfunding for NPO (Zhou & Ye, 2019).

Nonprofit organizations can expand their potential donor base globally through social media, online campaigns, and other digital tools. These strategies increase the chances of finding donors who are passionate about the organization's cause and willing to contribute. Crowdfunding further offers the opportunity for more creative fundraising campaigns. Nonprofits can use crowdfunding platforms to create unique rewards and incentives to attract donors (Kim, Kang & Engel, 2022). These platforms could include exclusive event access, personalized products, and more. By offering something unique to donors, nonprofits can increase the likelihood of a successful crowdfunding campaign.

Indeed, crowdfunding can provide access to a more diverse pool of donors. Traditional fundraising methods tend to draw in the same type of donors, while crowdfunding allows nonprofits to access individuals from different backgrounds and income levels (Renko, Moss & Lloyd, 2019). It diversifies the donor base to benefit long-term fundraising.

Crowdfunding can help nonprofit organizations build relationships with their donors. By engaging with donors

through crowdfunding campaigns, nonprofit organizations can create a sense of community and foster a meaningful connection with their supporters (Renko, Moss & Lloyd, 2019). Crowdfunding ensures additional advantages for nonprofit organizations, including increased organizational visibility, access to new volunteers and supporters, enhanced innovation abilities, and contribution to new projects and program development (Han, Chen, & Toepler, 2020). Additionally, crowdfunding can help nonprofit organizations to lead emerging trends and sustain an improved understanding of the audience's needs.

Finally, crowdfunding allows nonprofits to test a project or idea's viability before fully committing to it (Mollick, 2014). The latter can be beneficial for nonprofits considering launching a new initiative or expanding their operations (Lin & Cheng, 2015). By setting up a crowdfunding campaign, a nonprofit can gauge the level of interest in a particular project and determine whether or not it is worth pursuing (Gao et al., 2016).

5. Conclusion

This study is an original script on the financial return generated from worldwide crowdfunding. It has listed essential factors leading to a correct implementation. This paper will eliminate failure probabilities, assure organizational continuity, and ensure resource sustainability.

This paper has a twofold contribution. Theoretically, it has contributed to advancing the literature review by summarizing knowledge regarding FinTech, Crowdfunding, and Information Technology. It has presented an inventory of innovative technology practices in Nonprofit Organizations. Therefore, this paper sheds light on different theoretical frameworks in financial technology. Empirically, this paper provided a glimpse of economic advancement and the digital experience affecting the loyalty of existing customers and acquisition. Fintech is not limited to the invention of digital currency for accounting. FinTech is advanced by innovative technology. Financial and information technology aims to improve and automate the delivery and use of financial services. At its core, FinTech helps organizations and consumers improve financial operations management. It is advanced by cutting-edge technological procedures using specialized software and algorithms. This paper verified that FinTech, Crowdfunding, and Information Technology are significant for Nonprofit Organizations.

Nonprofit organizations are one of the numerous sectors experiencing growth in innovation. FinTech will continue to change the financial industry. Technology will continue to improve and develop this industry. The latter has benefited from the significant advantages of technology and digital transformation. Financial and information technology are practical tools for making economic decisions in a complex and uncertain environment. However, Fintech remains a significant challenge to optimize the customer experience, transform business models, and automate operational procedures. Financial and information technologies can be a double-edged sword. These technologies are valuable tools for analysis and reflection but do not replace human judgment. Therefore, technology finance plays its role as a catalyst for transformation, but it should not be the only motivation, and it cannot represent the only answer.

Crowdfunding is not a random technique. It is a comprehensive operation managing information technology. Nonprofit organizations are built to be handled as an entity with multiple objectives. If crowdfunding deploying information technology developed many organizations, this does not mean that managerial tools and goals should be forgotten. It should be appropriately implemented to adapt within the organization and simultaneously gain donors' trust willing to fund through FinTech.

Funding and managing a nonprofit organization complete each other, so focusing on fundraising should not make the organization forget its administrative functions. Nonprofit organizations focusing on prerequisite factors for crowdfunding should remember the organization's plans and goals in its managerial terms. Neglecting executive functions will hinder the correct implementation of the whole process.

Finally, a paradox exists in the deployment procedures. Some studies have shown that crowdfunding and technological advancement will lead to a high employment rate, but other Research has shown that the employment rate will decrease. For example, a 112-report page in the US estimated a drop in employees from 2.6 million to 1.8 million in 2025. Likewise, the report predicted a decline of 37% in European banks due to financial technology.

This study builds upon previous research that has extensively explored crowdfunding for non-profit organizations. It introduces a fresh perspective by examining crowdfunding through the Technology Acceptance Model (TAM) and its interplay with social capital. TAM, which focuses on perceived ease of use and perceived usefulness, is applied to understand how non-profits embrace crowdfunding as a strategic fundraising tool. Perceived ease of use and perceived usefulness impact the decision-making process of non-profits when adopting crowdfunding platforms. Concurrently, social capital, encompassing networks and relationships, plays

a pivotal role in crowdfunding success. Strong social ties, trust, and social influence are essential for mobilizing financial support, engaging donors, and building credibility. This study contributes by empirically exploring these factors and their interactions, shedding light on the adoption of crowdfunding by non-profit organizations and offering insights into the nuanced relationship between technology acceptance and social capital in the context of crowdfunding for non-profits.

6. Recommendation and Future Research

Crowdfunding and financial technology have a plethora of new avenues of Research. These fields are still under-explored, and each Research could lead to different results understanding. Investigating crowdfunding through Fintech can be applied to various organizations of all sizes and structures. Therefore, tackling this subject enriches empirical studies and the literature review. A quantitative survey concerning crowdfunding effectiveness in the nonprofit sector is recommended for Future Research. Finally, two intriguing questions arise: How do financial technology and crowdfunding influence financial inclusion? Why the delay and relatively slow development of FinTech in the Arab world and the middle east?

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