

3 - 5 October 2025

Milan , Italy

# Which Signals Matter the Most in Crowdfunding? a Metaanalysis-Analysis of Costly and Lesscostly-Costly Quality Signals across Platform Types

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## Abstract

This paper conducts an extensive meta-analysis to assess the role of entrepreneurial signals in crowdfunding success. Grounded in signaling theory, we investigate the effects of both costly signals (such as prior funding and founding experience, industry background, team size, education, location, and patents) and less-costly signals (including total word count, videos, images, updates, rewards, Facebook shares, social media presence, and comments) across different crowdfunding models. Drawing on evidence from 106 studies encompassing more than 2.8 million observations, we compare their relative influence in equity-, reward-, and donation-based platforms. The findings reveal that both categories of signals positively influence funding performance, with less-costly signals showing a stronger overall impact. Importantly, the effects vary by platform type: costly signals hold greater sway in equity crowdfunding, where financial returns are central, whereas less-costly signals are more impactful in reward-based crowdfunding, driven by emotional engagement and innovation appeal. This study clarifies mixed findings in prior research and offers a more nuanced understanding of entrepreneurial signaling. It advances signaling theory by shifting attention from the traditional emphasis on costly signals to the contextual power of less-costly ones, while providing actionable guidance for entrepreneurs and fresh theoretical insights for scholars studying online fundraising dynamics.

**Keywords:** Crowdfunding, Signaling Theory, Ventures, Costly Signals, Lesscostly-costly Signals