

Crowdfunding Paris bid for the 2024 Olympics, overconfidence?

Le crowdfunding pour la candidature aux JO Paris 2024, un excès de confiance ?

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ABSTRACT

This article analyzes the failure of the crowdfunding campaign of Paris for the 2024 Olympic Games. After studying the concept of trust from a crowdfunding standpoint, key factors for a successful campaign are examined with the case of « Paris

2024 ». The campaign was over confident in people's trust for the project which they didn't support.

Key-words

Trust, crowdfunding, press articles, Paris 2024 bid for the Olympics

RÉSUMÉ

L'article analyse les causes de l'échec du financement participatif du projet d'organisation des Jeux Olympiques à Paris en 2024. Après avoir étudié le concept de confiance, dans l'optique du *crowdfunding*, les conditions de réussite d'un projet sont définies pour considérer « Paris

2024 » dans ce cadre théorique. Son échec est dû à un excès de confiance.

Mots-clés

Confiance, crowdfunding, articles de presse, dossier de candidature JO Paris 2024

INTRODUCTION

The crowdfunding platforms are based on the complicity that the project developers are able to develop with an audience eager to financially support their project. Crowdfunding acts as a filter for selecting the best ideas. From this point of view, building trust at both the individual and the collective level is crucial to success. More recently, the multiplication of platforms has led to disintermediation of project funding. In this context, the candidate cities for the organization of the Olympic Games are trying to generate excitement among their population. Thus, the candidacy of Paris 2024 offers an excellent case study. The article is organized in the following way: in the first part, we will define the confidence then the concept of crowdfunding and its various components. In the second part, we will see what the criteria are for the success of a project. Finally, in the third part, we will focus on the reasons for the failure of Paris 2024 by identifying its explanatory factors.

1. THE TRUST

Trust is a notion that has evolved while keeping an important place in the relations between economic agents, whether the transaction is direct or virtual.

1.1. Trust in Management

Despite much research, trust remains a difficult concept to define (Simon-2007). It has been studied, in particular by Zucker (1986) according to its mode of production, the relations between the stakeholders: individuals, organizations (Delerue and Bénard - 2007) or institutions (Mangematin - 2009), or, from an economic perspective (Williamson - 1993, Koenig -1994). All authors agree on the idea that trust facilitates business relationships. Chouk and Perrien (2003) define trust as an emotionally charged expectation that includes a cognitive (credibility) and affective (benevolence) component. The term trust is always associated with positive expressions. Thus, Bornarel (2007) analyzes the definitions of trust, whose first axis emphasizes the moral dimension, then optimistic and honest of this concept. For this author, trust is a mechanism facilitating the

establishment of collaborative relationships (Hosmer -1995), or the desire to attribute good intentions to other individuals (Cook and Wall -1980). Delerue and Bénard (2007) speak of an *“optimistic attitude of the individual regarding the results of an event”*.

Trust intervenes, facilitating exchange relations. Some authors have focused on trust between individuals, between organizations and between institutions (Zucker -1986, Mangematin - 2009, Simon 2007). As an extension of the work of Thuderoz, Mangematin, Harrisson (1999), Joffre (2007) *“distinguishes between three forms of trust depending on their mode of production: relational trust is based on the past or expected exchanges based on reputation or a gift / donation. Institutional trust is attached to a formal structure that guarantees the specific attributes of an individual or organization; finally, trust intuitu personae is attached to a person according to specific characteristics such as belonging to a given family, ethnicity or group”*. This last form of trust can therefore appear within communities. Joffre (2007) concludes his research with *“trust is not generated only within the company: it is an issue that abolishes the boundaries of the organization”*. Thus, the notion of trust can be a determining element of relations between individuals of the same community, but also between individuals and institutions.

1.2. Trust in the digital era

While the Internet has taken a growing place in relations both interpersonal and inter-organizational, trust seems essential to understand transactions on the web (Issac and Volle -2008). Following from this idea, Chouk and Perrien (2003) argue that trust *“seems to be the cornerstone of any exchange relationship”*. These authors define trust in a commercial site as *“the consumer’s expectation that the e-merchant will not exploit its vulnerability and that it will honor its commitments promised on the site”*.

The arrival of the internet has led to a switch from real transactions to virtual transactions. But, the web has allowed other economic areas to develop. Currently, the banking sector is shaken by the arrival of new electronic economic agents: crowdfunding platforms. Trust plays a vital role in the exchange relationships that occur on the platforms.

2. THE CONCEPT OF CROWDFUNDING

In this context, crowdfunding is a form of financing that is increasingly successful. Electronic platforms allow project owners to use social networks to communicate with as many potential contributors as possible. Trust is indispensable at many levels to ensure success.

2.1. A Web based financing method

Whether they are startups or various projects, creators have to face financing difficulties. Banks, communities, or sponsors may not provide sufficient funding to allow projects to proceed. To address this problem, crowdfunding platforms have emerged on the Internet. Thus, project promoters, through these platforms, appeal to the greatest number to benefit from financing.

Crowdfunding is a buoyant topic (use of social networks, internet, community spirit ...). If the phenomenon is not recent, some do not hesitate to mention the funding of the base of the Statue of Liberty as the first significant financial participant (Hemer - 2011, Maalaoui and Conreaux - 2014), the development of the Internet has given a new breath to this concept.

2.2. Crowdfunding, a process

Despite crowdfunding being new in its current form, many authors have already been interested. Crowdfunding is defined by Belleflamme, Lambert and Schwiendbacher (2011) as an open call, mostly made via the internet, to obtain financial resources in exchange for donation, future product, other forms of rewards and / or rights of voting, with the aim of supporting an initiative for the realization of projects. Thus, crowdfunding “*refers to the effort of individual entrepreneurs and groups - cultural, social, merchant - to finance their activities by appealing to relatively small contributions from a large number of individuals via the Internet and without no conventional financial intermediaries*” (Mollick, 2014).

The platform is the main intermediary of this method of financing. On the one hand, it welcomes the

porters' projects, making the latter visible, and on the other hand, it allows contributors to learn about existing projects and contribute to them.

2.3. From “love money” activation to a community of values

The role of the project leader does not end with the presentation of his project. Indeed, he must make his project known to the greatest number, starting with his own community. Bessière and Stéphany, (2014) define a community as “*a group of individuals who share common goals and values*”.

The development of the Internet has enabled virtual communities to create themselves. For Rheingold (1993) a virtual community is a group of individuals who share ideas via social networks. Thus, we will remember that a virtual community is a community (group that shares the same values) whose exchanges, links, contacts, relationships are spread through the net.

With a view to crowdfunding, the community of the project promoter starts from their friendly and family relations, to reach their personal relationships, to reach the general public (Onne and Renault, 2013, Ricordeau, 2013). Thus, the virtual community can be schematized into three concentric circles. The first being “love money”, integrated into the second circle of the virtual community, to extend to the community of values (Diagram 1).

The project leader has the responsibility of activating his community, that is to say to inform about his project and then to encourage him to participate financially. This must be progressive, first of all to activate the “love money” community, which is the easiest to convince because it knows the project leader, then members of this first circle will become ambassadors of the project. In parallel, when this process is engaged, the wearer activates his virtual community. The latter will realize that people have already contributed to the financing of the project, which gives them confidence and will affect the entire “virtual community”. Finally, a contagion effect is desirable in order to reach the “community of values”. Confidence plays a considerable role in the process of orders between circles.

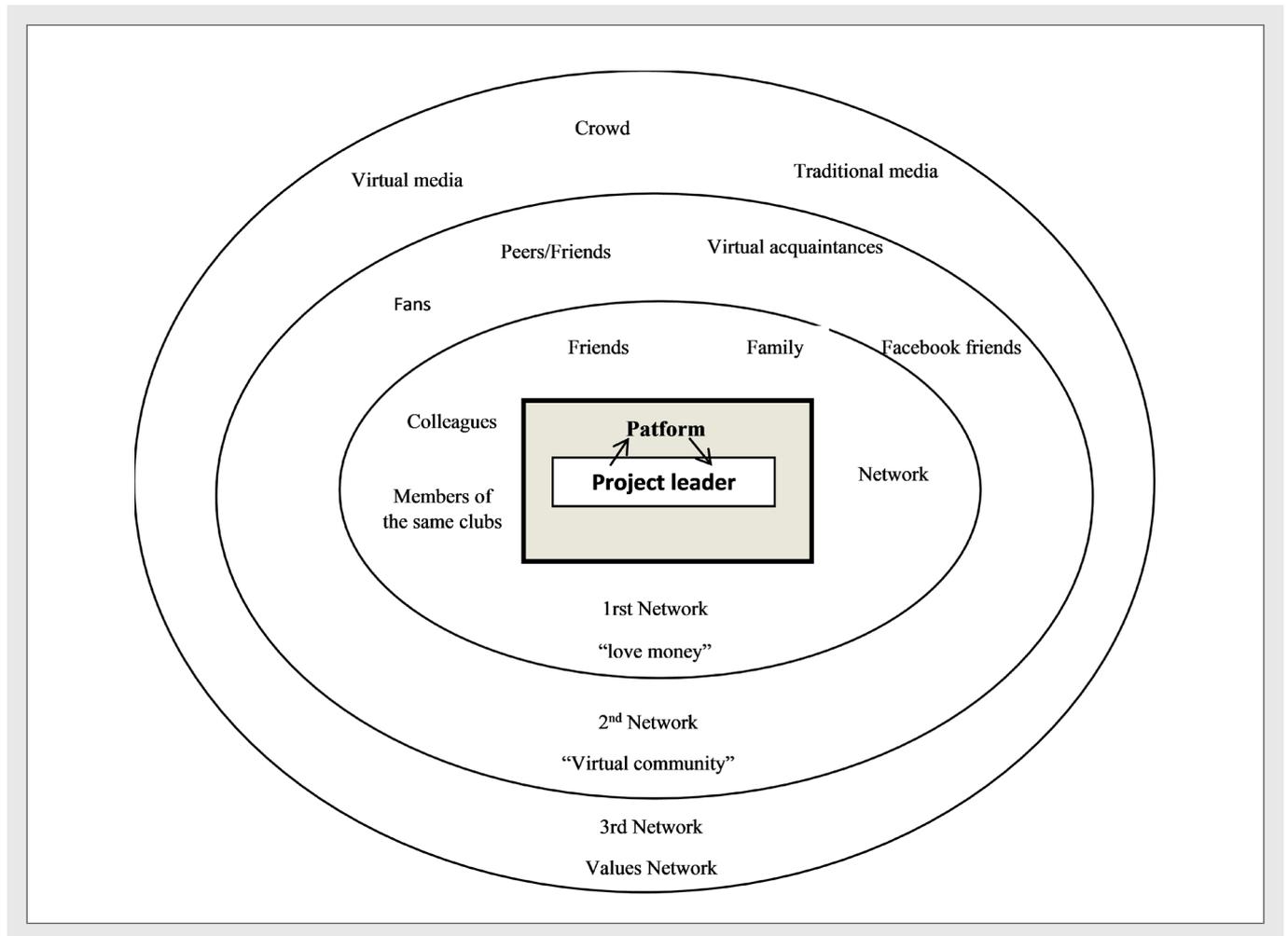


Diagram 1 – Circles shaping the community (real and virtual) in the crowdfunding process
(Source: Abdourazakou and Leroux-Sostenes - 2016)

2.4. Trust in the crowdfunding process

Contributors participate in the process by financially supporting a project. This act is comparable to a purchase on the Internet the contributor, unlike the e-consumer, does not order an article, but contributes to a project in exchange for which he will receive a reward. The latter varies according to the project and the amount committed, the contributor always knows the counterparties before proceeding with the transaction (Onnée and Renault, 2013).

In every transaction, trust comes to the seller, the company and the brand (Chouk and Perrien, 2003). But for these authors, *“the advent of e-commerce has created a new entity that an e-consumer can trust: the company’s website”*. Transposing this idea to the crowdfunding context suggests that a

contributor must have confidence in the platform. In an online purchase, e-consumers are interested in the opinions of users of the site, in the case of crowdfunding, contributors must have confidence in the community that is committed to supporting the project.

Trust in the process is present at many levels (Diagram 2). First, it is essential that the project leader has trust in himself and his project. Indeed, if he fears being rejected by a platform, the skepticism of his own community, or publicly exposing his project, the process will stop by itself (Gerber and Hui, 2013). Mitra and Gilbert (2014) show that in the presentation of the project, the words relating to the reciprocity, optimism and trust of the creator favor the success of the project. Then, trust must be reciprocal between the project leader and the platform. Indeed, the latter is the cornerstone of the process.

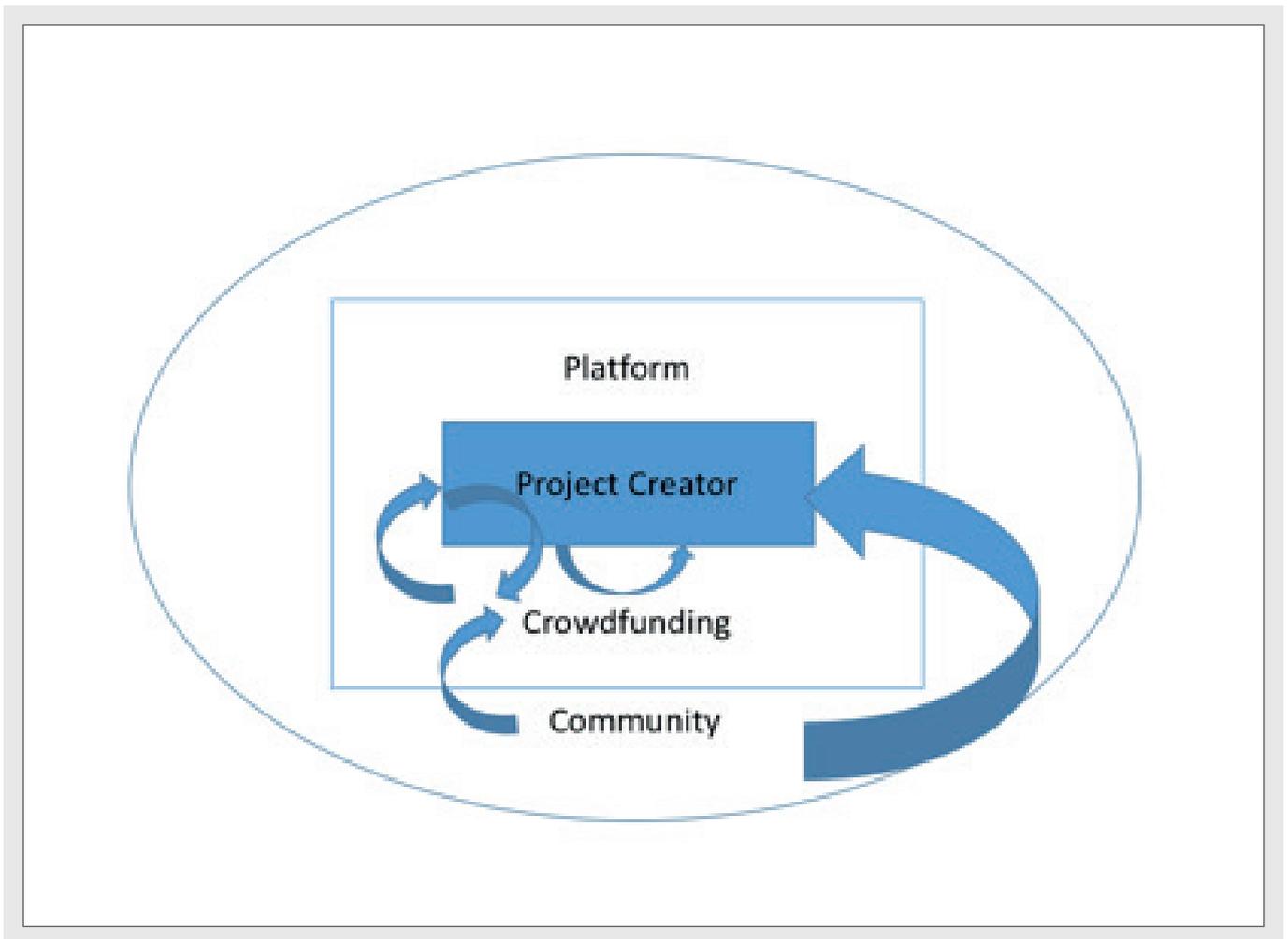


Diagram 2 – The different relationships of trust in the crowdfunding process

It is she who decides, from her own criteria to accept or reject a project. In addition, it is a relay of information to a wider crowd of individuals. Finally, contributors will only act if they have trust in the platform, the project leader and their community. Indeed, the quality of the project, the personality of the project leader, the reliability of the platform, the sums collected at the beginning of the collection, as well as the first donors (Mollick, 2014, Tarteret, 2014) are decisive elements in the spread of trust to the virtual community.

3. CROWDFUNDING PROJECT SUCCESS' CONDITIONS

The conditions for success of a crowdfunding project are multiple and can partly offset each other. Consistency between the project, the carrier and its community is the first condition, the choice of the platform and the favorable circumstances of the environment are two more.

3.1. Project - carrier - community coherence

The project leader must be perceived as legitimate in relation to his project. Indeed, his personality, his skills, his potential must justify his ability to succeed. For Ricordeau (2013): *“There are two main reasons*

for the failure of crowdfunders. The first is that very often, the creator of the project is not legitimate vis-à-vis his community and by the force of things, he can not mobilize[...]”¹.

In addition, the amount to be financed must be consistent with the project, even if it represents only a part of it and with the power of the bearer community. For Belleflamme *et al.* (2011), the project leader must set a price by making a compromise between the amount of capital requested (the objective) and the number of contributors needed to reach this amount. Hardy’s research (2013) leads him to write that high-income contributors participate more than others.

Since the communication of the project propagates from the first circle to the third so-called “community of values”, it is necessary that a part of the persons belonging to each of the circles be ambassadors of the project. Thus, in a pragmatic way, the Coesia site², putting itself in the wearer’s shoes, writes: “I must therefore evaluate my ability to mobilize my various networks to turn them into a support community”.

According to the definition of Onnée and Renault (2013), the project leader can be an individual, a market organization or a non-market organization. Thus, whatever its status, the project leader must be clearly identified by the platform as by his community. This is an essential condition to activate the first circle “love money”. For these same authors, “the support is at heart to know the project leader, including its imperfections”.

The project should allow to write a story telling to move the managers of a platform, then the potential contributors, in order to create buzz. The project must be easy and quick to understand, it must be presentable, uses a positive vocabulary and be a reflection of the trust of the wearer in his project.

The amount requested must therefore be realistic. In the sports sector in France, the average amount of projects is € 2,000 on the Sponsored Me platform and € 6,000 on the Fosburit platform. In the “Fundamental Principles” section, the “Sponsored Me” website advises the holder of reasonable amounts because if the amount requested is not reached, contributors are fully reimbursed (“all or nothing” principle). As for the Coesia site³, it makes the link between the amount requested and the duration of the collection. Thus, he advises the project leader to “properly calibrate” the collection, warning: “the shorter the duration of my fundraising, the more my community is mobilized”.

The largest fundraising event in France in the sports sector is, to our knowledge, the “Avenue of Legends” project, supported by the “Sponsor Me” platform, which raised € 245,522, while the objective was only € 100,000”⁴. In the US, according to the French web site, “This is the idea of Ryan Grepper who holds the record of funds collected via a crowdfunding platform with \$ 13,285,226”⁵. Despite these examples, the higher the amount of capital requested and the duration of the collection, the greater the risk of failure (Tarteret, 2014).

The scale of counterparties offered to contributors must be “consistent and attractive” (Onnée and Renault, 2013). These authors advise to retain the “rule of three levels”. The first level, in exchange for a small sum, the contributor is offered an often symbolic reward. In a second level, we talk about “main counterparts” (e.g. in the case of a crowdfunding aiming to create a product, a service... receive a preview of this product, receive a place for a show that the we helped finance ...). Finally, in the third level, “a part of the dream is offered”, so that the “contributor has the feeling of privilege”. The platform Sponsor Me called “money can not buy”, that is to say to offer a unique reward, which can not be bought...

1 [URL: <http://rue89.nouvelobs.com/2015/01/28/grand-cimetiere-projets-crowdfunding-avortes-257374>], consulted the April 7, 2016.

2 [URL: <http://www.coesia.fr/blog/5d33sveu/10-conseils-pour-reussir-le-financement-participatif-par-recompense>].

3 [URL: <http://www.coesia.fr>], *op. cit.*

4 [URL: <https://fr.sponsorise.me/fr/projet-rect>], [URL: <http://www.rctoulon.com/news/article/reservez-votre-pave-sur-lavenue-des-legendes/>].

5 [URL: <http://www.frenchweb.fr/quels-sont-les-plus-gros-montants-collectes-sur-les-plateformes-de-crowdfunding/202399>], consulted the April 7, 2016.

3.2. Platform choice

The market for crowdfunding platforms is not yet stabilized. A first distinction is emerging between generalist platforms (hosting all types of projects) and specialized platforms (cultural, ecological, sports projects, etc.). In addition, platforms to promote the success of projects use their press relations or sponsor companies (Abdourazakou and Leroux-Sostenes, 2016) with whom they work.

These must give confidence to both the project leader and the contributors. Thus, the perception of site security, respect for privacy and ease of use have an impact on online trust. These criteria presented by Toufaily *et al.* (2010) in a search concerning the commercial sites, are transposable to crowdfunding platforms.

Thus, all platforms have their own characteristics and the carrier must retain the platform that best meets its objectives and that will not be a drag on contributors.

3.3. The influence of the environment

Tarteret (2014) considers that three dimensions related to the external environment are likely to influence the success of the project: the geographical, informational and the economic context.

The creator is the starting point of the project. Thus, geographic and informational dimensions are important during the launch phase. Because it is about touching the first “love money” circle, the circle closest to the wearer, as well from a geographical point of view (friends, people met daily...) that is informational. Indeed, this circle will be sensitized first. On the other hand, when the second circle is informed, the geographical dimension loses its power. With the Internet, borders are abolished (Rheingold, 1993). As for the economic context, if it plays a role for business start-up projects, in which fundraising is important and the contributors are companies, it has little influence when the contributors are essentially individuals and that the amounts requested do not exceed a few thousand euros.

A project leader must take into account different variables in order to propose a quality and coherent project between: the presentation, the amount, the duration, the scale of the counterparties, and his community. The choice of the platform concerns its reputation, and its mechanism of operation. The bearer community must be sufficiently important and active throughout the project. But the responsibility for success remains with the bearer, it is up to him to impel from the acceptance of the project, and over all its duration the energy necessary to persuade his various communities to support his project.

4. THE CROWDFUNDING FOR THE NOMINATION OF THE PARIS 2024 OLYMPICS

After having recalled the conditions of success of a crowdfunding project, integrating the confidence variable, the “Paris 2024” case will be presented. Then, the various explanatory factors of the failure of this crowdfunding campaign will be analyzed, to conclude on a failure ultimately without consequences on the realization of the project. But initially the methodology chosen for this research will be presented.

4.1. Methodology

The chosen methodology is first of all that of the case study. This method is particularly adapted to this work because it is an empirical method to explain a contemporary phenomenon (Yin - 2003). The crowdfunding project for the bid for the Paris 2024 Olympic Games meets this criterion, since it took place from September 15 to December 31, 2015. In addition, the realization of a crowdfunding project for the candidacy of a city at the Olympic Games is a unique phenomenon⁶, so the unique case study method has become essential in this work. Indeed, for Yin (1990), quoted by Gavard-Perret *et al.* (2012), three situations lead the researchers to retain the unique case method, “*the willingness of the researcher to test a theory; the uniqueness of the case which ensures the rarity of the phenomenon*”

⁶ [URL: <http://www.20minutes.fr>], the 1/09/2015, [URL: <http://www.lequipe.fr>], the 24/09/2015.

observed; highlighting an un-studied case». The study of this case “*candidature file for the Paris 2024 Olympics*” was used to test the key success factors of a crowdfunding project on an extraordinary project. Indeed, the various research projects that make it possible to define the criteria for success, or to analyze the causes of failure of this type of project, mainly concern business creation projects (Belleflamme *et al.* - 2011, Bessière et Stéphany -2014), sports projects (Abdourazakou and Leroux-Sostenes - 2016) or platform studies (Onnée and Renault - 2013). In addition, this case to our knowledge has not yet been researched.

To study this unique case, a collection of information from a documentary study of 43 articles published from November 9, 2014 to December 14, 2015, on French newspaper web media (l’Equipe, Le Figaro, 20 minutes, Opinion, Point, Echoes, Paris), radio and television (RMC, BFM TV), sites specialized in sports information (Sport and Society, Sport Buzz Business, sports RV) and the site “I dream of the Games”. Since the project in this study is aimed at all French people and has been highly publicized, researchers have been interested in the evolution of the content of press articles, accessible to all, so the “crowd”, is the target of everything in the crowdfunding project.

Based on the information collected, a thematic analysis was conducted. Each success criterion of a crowdfunding project identified in the first part of this article is a theme, the “failure” and “confidence” variables completed this approach. This work focuses only on facts and opinions published in the press, so secondary information.

The information collected on these different medias is convergent, proof of the impartiality of the journalists, therefore of relevant information for this research, even if the collection of the information was not exhaustive. Three periods stand out, the preliminary draft from November 2014 to

August 2015, the launch of the project (September - October 2015) and the interim balance sheet period (November - December 2015).

4.2. Project display

The Paris City Hall, the Sport Movement and all the elected representatives of the Region are the stakeholders of the Paris bid for the 2024 Olympic Games (Patrick Kanner, Minister of the City, Youth and Sports)⁷. The budget needed to complete the application file is €60 million⁸.

Bernard Lapasset, rapporteur of the study on the projected budget, wants “*funding at three levels: the state will have its share, the business world must have its own [...] and at the same time with a third third, the Sport Movement itself*”⁹. The latter, chaired by Denis Masegla (President of the French National Olympic and Sports Committee (CNOSF), has put forward several possible ways of financing, notably the realization of an “Olympic Telethon” organized by France Télévision¹⁰, an increase of the amount of the license of all French practitioners¹¹, but it is the crowdfunding that has finally been retained. This allows the use of a new mode of financing, participative and collaborative, “*In the age of Web 2.0 it would have been a shame to deprive oneself of the news fundraising methods*”¹².

This decision was taken in particular on the basis of an opinion poll conducted on 10 November 2014 by the marketing and communication agency Uniteamsport¹³. The latter concludes that “68% of Ile-de-France residents are in favor of a Paris bid for the organization of the 2024 Summer Olympics”, that “60% of French people aged 18 and over are in favor of applying to Paris”. Les Echos website states that the survey was conducted with a national sample of 1,000 people, representative of the French population.

⁷ [URL: <http://sportetsociete.org>], February 13, 2015.

⁸ Bernard Lapasset, President of the French Committee of International Sport, [URL: <http://sportetsociete.org>] February 13, 2015.

⁹ [URL: <http://sportetsociete.org>], *op. cit.*

¹⁰ [URL: <http://www.lopinion.fr/9-novembre-2014>], [URL: <http://sportetsociete.org>], May 3, 2015.

¹¹ [URL: <http://www.lopinion.fr>], *op. cit.*

¹² [URL: <http://www.2ominutes.fr>], the 1/09/2015.

¹³ [URL: <http://www.lesechos.fr>], November 14, 2014, [URL: <http://www.2ominutes.fr>], du September 1, 2015.

The choice to carry out a crowdfunding project, has two objectives, as stated on the site Rendez-Vous Sportif, “*The objective of this campaign is simple: to mobilize all players in the sport and encourage the general public to participate in different ways to finance and obtain these Olympic Games*”¹⁴. Thus, on the one hand it is a question of financing part of the 60 million € necessary to the file of candidature and on the other hand, to show the craze of the Parisians and more generally the French for the organization of the Olympic Games in France. This second argument has gained importance in recent decades. Indeed, “*the adhesion to the Olympic projects of the populations concerned is [...] become, with the wire of the editions, one of the priorities of the choice of the International Olympic Committee (CIO), elector of the cities hosting the Olympics*”¹⁵. This last argument is advanced by Denis Masegla, who told the press: “*Show that the dream of the Games is shared*”¹⁶. Moreover, the city of Boston has renounced his candidacy for these two reasons¹⁷.

A contributor can participate in the crowdfunding project “I dream of the Games” in different ways¹⁸: sending SMS, buying a bracelet, participating in the “wall of contributors” and the sporting goods auction, being a part 2024 first contributors, or participate in a Gala dinner.

4.3. The explanatory factors

The “crowd” did not respond to the many solicitations offered by the “I dream of the Games” platform. The causes of this rejection are multiple and will be analyzed by looking first at the project leader, at the project itself, at the communication that was made, to end with the choice made at the platform level. A comparison with the conditions of success of a project is made for each of the characteristics of this case.

4.3.1. A singular and plural project leader

Denis Masegla, the President of the French National Olympic Sports Committee, presents the crowdfunding project he has been carrying out since the start¹⁹. However, when the press takes hold of the subject, the bearer seems less clearly identified, and more represented by a group of people, directly involved in the project (ex: “*all the actors of the French sport, whose professional Leagues like the pointed out Frédéric Thiriez (President of the LFP)*”²⁰, “*the bearers of the Parisian candidacy*”²¹, “*several big names in tricolor sports - including Tony Parker*”²², “*supporters of Paris for the JO-2024*”²³...). Thus, it seems difficult for “the crowd” to identify the project leader, to make sense of it, even with its defects (Onnée and Renault-2013). The bearer is therefore represented by a set of organizations. The identification becomes much more opaque, which represents the first difficulty to create a bond of trust with potential contributors.

4.3.2. An extraordinary project

A crowdfunding project is defined by its quality, the amount requested, the duration of the campaign, and the scale of the proposed counterparties. The project must allow to write beautiful stories, to move both the leaders of the support platform and the crowd. Thus, if the project “Paris 2024” had been perceived by Parisians and more broadly by the French, as the first step on the way to the organization of the Olympic and Paralympic Games in Paris, then it would have allowed to have a strategy of “story telling”, to make live strong emotions. On the other hand, a project perceived as a request for financing for the constitution of a file of candidature, is administrative, and is not a carrier of emotion. Thus, in the case of this campaign

¹⁴ [URL: <http://lerdvsporitif.fr>], September 2015.

¹⁵ [URL: <http://www.lepoint.fr>], the 2/09/2015.

¹⁶ [URL: <http://www.lesechos.fr>], 14/11/2014.

¹⁷ Sabbah C. (2015), “JO 224: Paris sort le grand jeu”, *Les Échos*, November 9, 2015.

¹⁸ [URL: <http://www.sportbuzzbusiness.fr>], du 2/09/2015, [URL: www.jerevedesjeux.com/].

¹⁹ [URL: <http://www.lequipe.fr>], the 24/09/2015.

²⁰ [URL: <http://www.20minutes.fr>], the 1/09/2015.

²¹ [URL: <http://sportetsociete.org>], the 3/05/2015.

²² [URL: <http://sportetsociete.org>], the 3/05/2015.

²³ [URL: <http://www.lepoint.fr>], the 2/09/2015.

“Paris 2024”, “*Vincent Ricordeau, co-founder of KissKissbankbank, insists on the question of the ‘legitimacy’ of the project. In other words, there is no question of the donor having the impression of having to pay an ‘indirect digital tax’*”²⁴. Thus, the fact of having involved “the crowd” from the outset of the project in the case of “Paris 2024” was not perceived positively by the latter.

This raises the question of the choice of the financial amount requested for this project. Indeed, “*the bid committee Paris 2024 will use crowdfunding to find part of the 60 million euros needed to successfully complete the candidacy of Paris for the 2024 Olympics*”²⁵. Several journalists estimated the expected amount of this crowdfunding, “*the CNOSF would reap 10 to 12 million euros to finance his application*”²⁶. On the other hand, neither Denis Masegla nor Loïc Yviquel, (co-founder of Sponsorise.me, crowdfunding platform specialized in sport and chosen by the CNOSF), have specified a quantified objective. The latter explains: “*Never has a crowdfunding campaign been attempted to finance a candidature for the Olympic Games. It is therefore difficult to anticipate the amounts that will be collected*”²⁷. Similarly, when Marc Ventouillac, a journalist with the team, asked the CNOSF president about the amount, he said: “*What we are doing has never been done, so we can not give figures. We feel that there is a potential based on the investigations that have been done. There will be 1.5 million bracelets for sale in supermarkets and one million buffer stock. But for SMS, I can not give figures*”²⁸.

However, in crowdfunding, a budget is always defined. Indeed, platforms operate on the principle of “all or nothing”. Thus, not to fix an amount is

implicitly to announce that whatever the reception of the public for the project, this one will be realized. What makes Ricordeau say: “*my fear is that people feel that their participation is not vital to the project*”²⁹. In the “Paris 2024” case, the “all or nothing” method is not respected. The RMC Sport site³⁰ specifies: “*In fact, the donors will not be refunded if the candidacy of Paris is not retained but they will be entitled to a counterpart for their donations (bracelet ‘I dream of the Games’ drawn by Luc Abalo...)*”.

Thus, voluntarily or not, in fine, the general public will finance the project. Indeed, Loïc Yviquel confit to the site 20minutes.fr: “*whatever the amount collected, it will be all the less money to go to the taxpayers, via taxes or taxes*”³¹. Thus, for Ricordeau, “*The question of the budget is also a stumbling block*”³².

The crowdfunding campaign ran from September 25 to December 31, 2015³³. A little over three months of collection is a long time but remains in the standards. The donations were not regular, which is usual. At the beginning of the campaign the sums collected were important. On Friday, October 23, the platform “I dream of the Games” reached the symbolic mark of € 500,000³⁴, while the month of November has raised only € 100,000. “*This breathlessness can no doubt be explained by the repercussions of the recent events in Paris, and by the lack of communication of Paris 2024’s candidature during the last days*”³⁵. This observation joins the work of Tarteret (2014) who writes that the longer a collection is, the higher the risk of failure.

The counterparty scale (Table 1) respects the principles developed by Onnée and Renault (2013). Indeed, it is on the one hand “coherent and seductive” and

²⁴ [URL: <http://www.lepoint.fr>], the 2/09/2015.

²⁵ Roberto Schmidt / AFP: [URL: <http://www.20minutes.fr>], the 1/09/2015.

²⁶ [URL: <http://rmcsport.bfmtv.com>], the 25/09/2015.

²⁷ [URL: <http://www.20minutes.fr>], the 1/09/2015.

²⁸ [URL: <http://www.lequipe.fr>], the 24/09/2015.

²⁹ [URL: <http://www.lepoint.fr>], the 2/09/2015.

³⁰ [URL: <http://rmcsport.bfmtv.com>], the 25/09/2015.

³¹ [URL: <http://www.sportbuzzbusiness.fr>], the 2/09/2015.

³² [URL: <http://www.lopinion.fr>], the 9/11/2014.

³³ The campaign was finally extended until 17 February 2016 ([URL: <http://www.sportetsociete.org>], 05/01/2016) without significant consequences..

³⁴ [URL: <http://sportetsociete.org>], the 24/11/2014.

³⁵ [URL: <http://sportetsociete.org>], the 24/11/2014.

Contribution	Cost of the contribution	Counterpart
Envoi de SMS	0,65 €	Thank you message
Bracelet "I Dream Games"	2 €	Bracelet
Digital wall of contributors	20,24 €	Diploma; Names / names included in the "Wall of contributors" on the CNOSF website.
2024 supporters	6072 € (over 3 years)	Medal specially edited; Access to privileged information on the news of the bid; Invitations for special events; (It is expected each year the publication of a double page in the newspaper L'Equipe with the list of 2024 contributors)
Exceptional Gala Dinner	Not communicated on the website	Invitation for an exceptional gala dinner organized in 2016 in a prestigious venue; Opportunity to meet champions and personalities Special auction
Auction	Principle of the auction	Sporting objects belonging to prominent athletes donors; Donors name making the headlines of the newspaper L'Equipe.

Table 1 – Scale of the counterparties of the "Paris 2024" crowdfunding project, created from the site "Je rêve des Jeux"

conforms to the rule of the three levels. Thus, the sending of SMS, which is a symbolic contribution, makes it possible to receive a counterpart which presents the same characteristic, while the three contributions: "2024 contributors", "Exceptional gala dinner" and "Auction" allow to access to "money can not buy" counterparties. These counterparties grant visibility to contributors such as your first names / names will integrate the "contributors' wall" on the CNOSF website, or the headlines of the newspaper L'Equipe, which is specifically named. But is this visibility sought by contributors or do they prefer to remain anonymous? The question needs to be asked. This element could slow down the movement.

The sale of the bracelet has been opened to other circuits than the "all Internet" ("For Paris 2024, many partners have already made their network available: supermarkets, sports shops, banks, the

points of sale of the French Games, the Medef, but also the Federations"³⁶...). This multiplication of outlets would have made it possible to broaden the target of potential donors, especially those with a low level of familiarity with crowdfunding platforms. However, in crowdfunding, the platform is a central element that informs potential contributors, which allows to create a virtual community. The sale in supermarkets, beside the boxes, does not refer to these notions. On the other hand, these channels of distribution make it possible to reach all the French, objective of the project.

4.3.3. Communication issues

The communication for the success of crowdfunding is based on the strategy of the three circles and on a regular update of information about the project

36 [URL: <http://www.lesechos.fr>], the 23/06/2015.

in order to make it live. The launch phase “with great fanfare”³⁷ showed the strong mobilization of the French Sports Movement: “*More than 150 athletes are expected Friday night at the French Olympic Committee to participate at 20:24 in the launch of the operation ‘I dream of the Games’*”³⁸. Until the symbol of the hour, 20:24, this operation was intended grandiose. Thus, Gilles Festor du Figaro continued: “*The IOC had however seen things in large on September 25th at the launch of the campaign. Teddy Riner, eight-time world judo champion and Tony Parker, basketball player for the San Antonio Spurs, had supported a party bringing together in Paris a host of great names in French sports and personalities of all kinds. A successful event, perfectly relayed by the media with direct in the newspapers of 20 hours on TF1 and France 2*”³⁹.

Other French sports organizations wanted to join the communication campaign of the project. Thus, “*the LFP will join this campaign with a mobilization of professional clubs on the occasion of the 7th day of Ligue 1 (22-23-24-30 September) and the 8th day of Ligue 2 (21-22 September). On this occasion, all players will evolve on the field with a cuff ‘I Dream Games’ and the messages will be relayed on giant screens, LED panels and announcements by speakers to encourage viewers to send support SMS and to pay a sum on a platform of crowdfunding*” ensures Frédéric Thiriez, President of the League of Professional Football⁴⁰. Thus, if traditionally project holders seek to reach the media, that is to say the third circle, so as to reach people they do not know, a campaign always begins with the circle “love money”, to spread in the second circle, the “virtual community”. However, in the case of the application file, only the third circle seems to have been activated. Thus, this communication did not respect the theory of the circles, the communication then turned into cacophony. Denis Maseglia, himself saying: “*we want to ensure that all social networks can relay information...*”, Relies on ambassadors of the project and not on its circle “love money” and the first donors, a key factor for success.

In a crowdfunding operation (other than a start-up), the target of the communication is the crowd that constitutes the potential contributors. However, in the case of the financing of “Paris 2024”, this does not seem to be the case. Indeed, Denis Maseglia, declared on October 27, 2015, “*our initial target of departure, it was the clubs and the communes*”⁴¹. While the launching effort of the campaign was very important, the regular updating of the information was not enough. Thus, for the site Sport and Society⁴², “*this breathlessness (observed in November) can no doubt be explained by [...] the lack of communication of the candidacy of Paris 2024 during the last days*”. Regular communication could be conducted on social networks, but not relegated to the press.

4.3.4. An had oc platform

At the level of the crowdfunding platform, this fundraising shows two characteristics. On the one hand the platform is not exclusive. As we have already pointed out, SMS can finance the project, relying on telephone operators. In the same way, traditional distribution channels or clubs made it possible to contribute to the project.

On the other hand, a dedicated platform “jerevedes-jeux.com” has been created. This project was thus deprived of the notoriety of the platform Sponsor Me which nevertheless participated in the elaboration of the project. But, this choice is justified by the type of project. Indeed, an exclusive platform enhances the unique facet of the project.

4.4. A failure without consequence

“I dream of the Games” was an opportunity to support the Olympic bid of Paris. However, the crowdfunding Paris 2024 has never managed to obtain effective public support. With twenty times fewer

37 [URL: <http://www.20minutes.fr>], the 01/09/2015.

38 [URL: <http://www.lequipe.fr>], the 24/09/2015.

39 [URL: <http://sport24.lefigaro.fr>], the 14/12/2015.

40 [URL: <http://www.sportbuzzbusiness.fr>], the 2/09/2015.

41 [URL: <http://www.leparisien.fr>], the 27/10/2015.

42 [URL: <http://www.sportbuzzbusiness.fr>], the 24/11/2015.

donations than those targeted, the CNOSF still maintains its candidacy.

4.4.1. Failure reasons

Even if Denis Masegla or Loïc Yviquel have always been extremely cautious in refusing to give quantified collection targets, we can only note the small amount obtained, particularly with regard to the means of communication mobilized. The “grand-mass” launch will not have been enough to make join the “crowd” to the project.

The press does not hesitate to titrate: “OG 2024: the call for donations for the candidacy of Paris makes a flop”⁴³, or “everyone does not dream of the Games yet”⁴⁴. While for RTL, “The campaign for donations to finance the bid for Paris for the Summer Olympics in 2024 has not found its audience”⁴⁵. Already, mid - November, the Sport and Society site wrote: “It is clear that the progress report is half-hearted”⁴⁶.

Little communication has been made about the results of each level of contributions. On the other hand, news articles give a range of between 1.5⁴⁷ and 1.7 million⁴⁸ #JeReveDesJeux bracelets. These bracelets were on sale in many networks, including clubs, one of the priority targets for Denis Masegla. “But out of 180,000 clubs in France, ten have bought boxes of bracelets...”⁴⁹

At two euros per unit, the turnover should have been three million euros, to which must be subtracted from the margin of the distributors. The Le Figaro site, which details the results of the various counterparties, notes that: “For a sum of 20.24 euros, each ‘benefactor’ could receive a diploma and see his name added to the virtual wall on the official website *jerevedesjeux.com*. But Monday, the wall

had only 330 participants ... This crowdfunding operation had additional relays, such as including the auction of objects belonging to sports. The auctions have almost never taken off”⁵⁰.

Thus, the overall amount obtained is disappointing. “On Monday, RTL announced that the French Olympic Committee (CIO) has raised only 629,000 euros since September 25, launch date of the mobilization in France”⁵¹. And the journalist continues: “The 629,000 euros in revenue seem very meager”. “This is a serious problem that I will take care of early January”, said the Minister of Sports Patrick Kanner on RTL⁵².

4.4.2. Overconfidence?

The optimism shown for this campaign was one of the key conditions for success. In fact, the leader has to believe in his project and ability to carry out its development. In the case of the Paris 2024 bid, the anticipated French contribution was based on an already quoted opinion poll. The Echos website states that the survey was conducted with a national sample of 1000 people, which was representative of the French population. In order to provide more reliable information, this poll should have used a minimum of 4000 people (3942 to be exact), considering a margin of error of 5%. In addition to this, this survey gathered the opinion of people however moving from words to deeds is an important gap, underestimated by the French Sport Mouvement.

Finally, the expected effect and assumption that one will answer what is most predictable, has also been overlooked. These different limits do not seem to have given rise to reflection and the results of the study have been taken up by many personalities. “The Dream Games campaign, however, has the

43 [URL: <http://sport24.lefigaro.fr>], the 14/12/2015.

44 [URL: <http://www.leparisien.fr>], the 27/10/2015.

45 [URL: <http://sport24.lefigaro.fr>], *op. cit.*

46 [URL: <http://sportetsociete.org>], the 24/11/2015.

47 [URL: <http://www.lopinion.fr>], the 9/11/2014.

48 [URL: <http://www.sportbuzzbusiness.fr>], the 2/09/2015.

49 [URL: <http://www.leparisien.fr>], the 27/10/2015.

50 [URL: <http://sport24.lefigaro.fr>], *op. cit.*

51 [URL: <http://sport24.lefigaro.fr>], *op. cit.*

52 [URL: <http://sport24.lefigaro.fr>], *op. cit.*

potential to beat those records. Denis Masseglia believes and relies in particular on a CNOSF study, published in May, according to which ‘40% of the French would be ready to give one euro for the candidacy of Paris in the 2024’⁵³. Even optimism on the side of Sponsor Me: “We appeal to the French to mobilize the largest number, engage them somewhere, because to say 80% of French wish to have the Olympics in 2024 is good”, says Marconnet, leader of the company Sponsorise.me, which is responsible for raising the funds⁵⁴. In the ministry, the French membership for the Olympics appears as a certainty, Patrick Kanner, Minister of the city, said in an interview: “[...] So even if the French are very favorable - everyone understood - at submission of this application [...]”⁵⁵. We can therefore speak of overconfidence, especially since other studies, the conclusions of which were more mixed, probably less attracted the attention of decision-makers. Thus, “Questioned at the beginning of the year by the daily *L’Equipe*, they (the French) said they were in favor, with a very narrow majority (51.9%), that France organizes the Olympic Games, while considering at 55% that it was “a luxury that France can not afford in these times of crisis”⁵⁶.

CONCLUSION

The main research contribution is to have identified the importance of the trust variable between all the actors in the crowdfunding process. After having identified the criteria for the success of a project, the authors confronted a project that was in every way exceptional to the latter. This research makes it possible to conclude that even in the case of an extraordinary project, trust must be present and the success criteria identified respected.

“I dream of the Games” should have been the flagship crowdfunding project of 2015 in France, and thus, be a great sounding board for the crowdfunding market. Our research has shown that even for an exceptional project and benefiting from an unparalleled media exposure, the crowd needs to identify the wearer, to understand the interest of the project, to have confidence in it, in the first donors and in the platform. Conversely, the wearer must trust the crowd and listen to his opinion, and not expect a purely financial gesture. The fact that regardless of the amount obtained, the application file would be filed could be perceived as a disregard of the advice of the crowd, generally valuable to the holders and an important motivation to go through this mode of complementary financing. The fact of not having contributed, does not necessarily mean a lack of interest, but a feeling that the financial contribution was not essential. Indeed, a crowdfunding strategy is also aimed at exchanging information through its participative side which ultimately transforms a project into a collective adventure. But a real dialogue was difficult considering the number of people invited to participate in the project.

The main limitation of this research is to have made the choice to work from a unique case and information published in the press. This was not exhaustive, but the information gathered was convergent. However, this research did not analyze the information exchanged on social networks. In addition, we were confronted with the limited information available after December 31, 2015. Thus,

⁵³ [URL: <http://www.20minutes.fr>], the 1/09/2015.

⁵⁴ [URL: <http://rmcsport.bfmtv.com>], the 25/09/2015.

⁵⁵ [URL: <http://sportetsociete.org>], the 13/02/2015.

⁵⁶ [URL: <http://www.lopinion.fr>], the 9/11/2014.

a qualitative study based on interviews of contributors and non-contributors (volunteers) would have enriched this work, by diversifying the points from stakeholders.

This research work does not call into question the interest of launching such a campaign for projects of national scope and requiring significant financial amounts. The study shows, however, that it is essential to respect the fundamentals of crowdfunding. In the case of the “I dream of the Games” campaign, we can finally ask ourselves if it was a crowdfunding project or rather a “voluntary tax”.

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