Do #BlackLivesMatter on Kickstarter? Assessing the Impact of Kickstarter's Support of Black Creators

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Abstract

In the wake of George Floyd's murder in 2020, many corporations displayed the #BlackLivesMatter hashtag in support of racial justice. While such expressions of solidarity may raise awareness and act as catalysts for reducing racial injustices, it remains unclear whether they lead to meaningful improvements for the communities they aim to support. This study investigates whether Kickstarter's support for #BlackLivesMatter led to an improvement in the outcomes Black creators experience on the platform. In May 2020, Kickstarter changed the color of its logo to black and added the #BlackLivesMatter (#BLM) hashtag under it. This change was visible on every page of the platform for over a year. We analyze if this intervention led to better outcomes for Black-led projects by analyzing projects on Kickstarter from May 2019 to June 2021. Our findings indicate that while the initiative successfully increased Black creators' participation on the platform, it did not lead to higher funding rates for Black-led projects. This may lead to disappointment as Black creators attracted to the platform by the intervention continue to experience low levels of support in line with historic disparate outcomes.

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1 Introduction

Racially charged events and episodes of police brutality in the United States are often followed by an outpour of outward displays of solidarity against racial injustices. In the aftermath of George Floyd's murder in 2020, multiple corporations aligned themselves with the Black Lives Matter movement by releasing statements, highlighting the movement in their advertising, and prominently displaying the #BlackLivesMatter hashtag (#BLM) (Hsu, 2020).[1] These gestures might be seen as a catalyst for more substantial change in moving toward a society where racial injustice is a construct of the past. However, it is not entirely apparent whether they have any effect on the outcomes experienced by Blacks.[2]

After George Floyd's murder, several studies explored the impact of racially charged events on marginalized populations. The topics examined include how it impacted donations on crowdfunding sites (Liu et al., 2023; Agarwal and Sen, 2022), the support for Black-owned businesses (Babar et al., 2023; Mitkina et al., 2022; Son et al., 2024; Aneja et al., 2023; Agarwal et al., 2024), and whether the #BLM movement led to changes in consumer behavior (Lin et al., 2024; Hartmann et al., 2023; Wang et al., 2023). The focus of this paper is to investigate if brands' outward display of support for #BLM may lead to better outcomes for Black communities. While prior research has examined whether these actions increase the popularity of brands aligning with #BLM (Bellet et al., 2024), few have examined if these actions benefit those facing racial injustices.

In June 2020, in response to the murder of George Floyd, Kickstarter (a popular reward-based crowdfunding platform that helps creators raise money for projects) changed the color of its logo to black and added the #BlackLivesMatter hashtag under it (we will refer to this change as the #BLM intervention, or simply the intervention). Figure 1 shows a screenshot of the platform's homepage at the time [3]. This modified logo was visible at the top of every

[1] See Appendix A for some examples.

[2] We use African American and Black interchangeably.

[3] In the screenshot, it is also visible that a Black-led project was highlighted on the main page of the site. Featured projects are selected by Kickstarter, and according to the site, "There is no secret formula for being chosen as a Project We Love or a featured project, and being selected isn't the secret

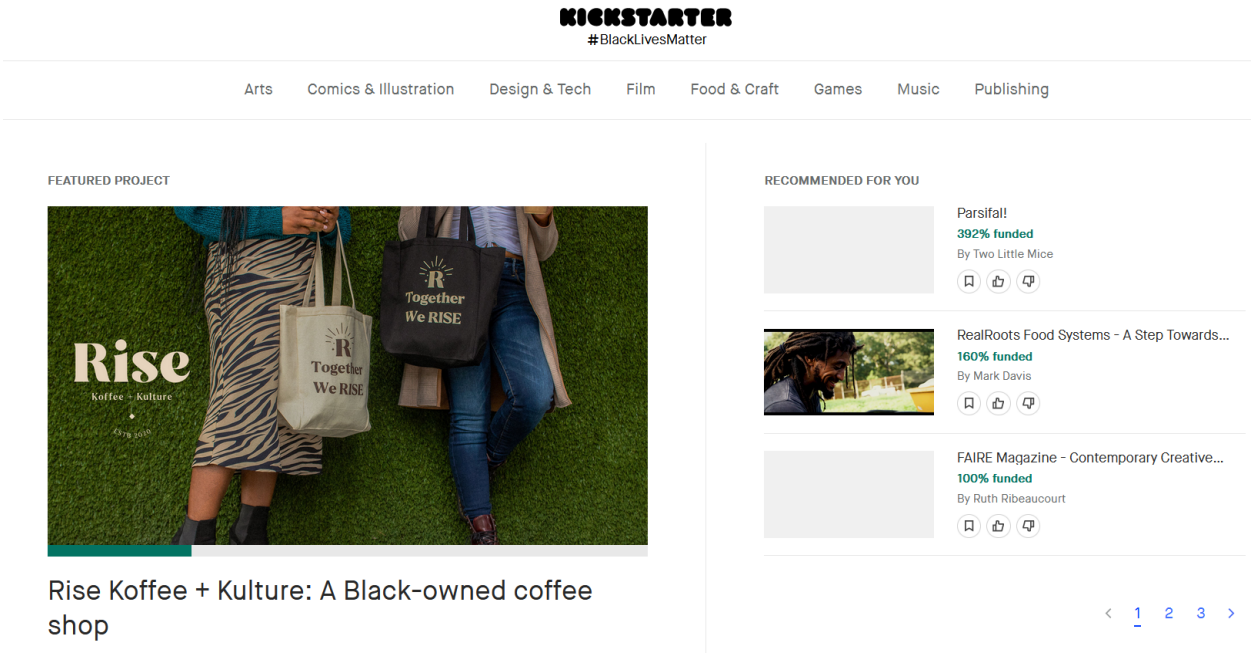


Figure 1: #BlackLivesMatter logo change on Kickstarter

page of the platform for over a year. We leverage this intervention as a natural experiment to study if the platform's support for #BLM translated into better outcomes for Black entrepreneurs in it. This is an expedient setting for our study. Empirical evidence shows Black creators experience disparate outcomes in crowdfunding (Younkin and Kuppuswamy, 2018), so it is interesting to study whether the intervention reduced the funding gap experienced by Black creators. Furthermore, crowdfunding platforms may be particularly suitable for garnering support for social causes or diverse groups of founders (Greenberg and Mollick, 2017; Mollick and Nanda, 2016). Despite the intervention we study being highly visible, long-lasting, and in a seemingly favorable setting, we find no evidence suggesting it helped close the funding gap experienced by Black entrepreneurs in crowdfunding. The only discernible effect was it attracted more Black founders to the platform. While this increased participation may benefit the Black community, it can also lead to disappointment, as Black

to success." (See: https://help.kickstarter.com/hc/en-us/articles/115005135214-How-can-my-project-get-featured-or-selected-as-a-Project-We-Love). During the period we studied, Kickstarter highlighted 90 Black-led projects, all of which were funded. The fact that featured projects get funded is not surprising, as they often are. We thus center our analysis on changes to the outcomes experienced by all Black entrepreneurs on Kickstarter rather than on featured projects.

creators encouraged by the intervention continued to experience the typical challenges Black entrepreneurs face in crowdfunding.

Our findings align with sentiments expressed by African Americans in surveys from 2020 and 2021. Initially, support for #BLM and racial equality was met with hope in 2020. However, by 2021, this optimism waned as many felt that #BLM support had not led to lasting improvements (Cox and Edwards, 2022). These results emphasize the importance of leveraging support for social causes to drive systemic initiatives rather than focusing on narrow interventions that aim at influencing individual-level decisions (Chater and Loewenstein, 2023) to address complex and pervasive issues like racial discrimination.

2 Related Literature

2.1 Racial Discrimination in Crowdfunding

Evidence of persistent bias and discrimination against Blacks has been documented in various domains, including labor markets (Bertrand and Mullainathan, 2004), entrepreneurship (Fairlie, 1999; Blanchflower et al., 2003), and online platforms (Sweeney, 2013; Edelman et al., 2017). When crowdfunding platforms were introduced, it was believed they could democratize funding, as entrepreneurs raise funds from a diverse pool of individual contributors worldwide, many of whom are not professional or accredited investors. However, studies have shown Black entrepreneurs still underperform compared to their non-Black peers in crowdfunding (Younkin and Kuppuswamy, 2018; Cumming et al., 2021), likely due to taste-based discrimination (Younkin and Kuppuswamy, 2018). Thus, it is interesting to explore how public support for #BLM by crowdfunding platforms might impact the outcomes of Black founders in them.

2.2 Behavioral Changes Emerging from Racially Charged Events

After George Floyd's murder and the #BlackLivesMatter protests that followed, some reductions in discrimination have been noted in online contexts. Agarwal and Sen (2022) reported more requests for anti-racism resources on DonorsChoose. Dunivin et al. (2022) found increased use of anti-racist vocabulary on digital platforms. Lin et al. (2024) observed fewer biased reviews against films with large shares of Black actors. Wang et al. (2023) noted a rise in listenership of Black artists and Hip-Hop music. Some changes have also been noted offline. Agarwal et al. (2024) find an increase in orders to Black-owned restaurants in the 140 days after George Floyd's murder.

Other studies examined behavioral changes in the aftermath of #BLM protests. Zhang et al. (2023) found a temporary increase in tipping on ride-hailing apps around the area of protests. Chen et al. (2023) observed nuanced effects on crowdfunding performance. While there was an increase in success rates for Black-led projects after #BLM protests, their average funding amounts decreased. It is important to note that the effect of public attention on race can also be negative. Bai et al. (2024) noted that negative migration rhetoric increased the funding gap for Hispanic and Black creators in crowdfunding.

2.3 The Effects of Identifying as Black on Online Platforms

Some platforms allow businesses to self-identify as Black-owned, which can nudge users' attention toward these businesses during times of heightened awareness of racial inequalities. Since Thaler and Sunstein (2009) introduced the concept of nudging, academics and practitioners have embraced them as a low-cost solution to mitigate societal problems, although with mixed results (Chater and Loewenstein, 2023).

Some studies analyzing the effect of "Black-owned" labels on firm performance after the murder of George Floyd support a positive impact. Aneja et al. (2023) finds the use of a Black-owned label on Yelp leads to increases in consumer engagement and firm performance, especially in left-leaning regions. Mitkina et al. (2022) find that restaurants with reviews

mentioning Black ownership also see increased foot traffic. Other studies find more nuanced effects. Son et al. (2024) find that while Black-owned labels lead to more reviews on Yelp, indicating increased demand, the average rating of Black-owned restaurants decreases. Babar et al. (2023) report that Black restaurant owners who identify their business as Black-owned on Google Places receive more traction from prospective consumers, but there is no significant impact on their demand.

The studies mentioned above explore how badges or other features on online platforms directing attention to Black-owned businesses affect their performance. Our focus is different. Considering the large number of firms that publicly supported the #BlackLivesMatter movement after George Floyd's murder, we aim to determine if these displays of solidarity translated into better outcomes for Black individuals.

3 Kickstarter's Support for #BlackLivesMatter and its Potential Impact on Black-led Projects

Kickstarter is a crowdfunding platform where creators raise funds from backers in exchange for rewards. Following George Floyd's murder, Kickstarter changed its logo to black and added the #BlackLivesMatter hashtag under it. This logo was prominently displayed at the top of every page of the platform for over a year. Figure 1 shows a screenshot of Kickstarter's website from this period. This intervention aligns with the platform's mission as a public benefit corporation to foster "a more creative and equitable world" Kickstarter (2020). Previous literature has documented that Black entrepreneurs experience significantly worse outcomes than others in crowdfunding (Younkin and Kashkooli, 2016; Cumming et al., 2021). In this study, we examine whether Kickstarter's #BLM support led to improved outcomes for Black creators on the platform. The closest related study is Wang et al. (2023), which explores how brands' support for #BLM influences consumer perception. However, their focus is not on the outcomes experienced by Blacks but rather on public reactions to

corporate activism.

We use the change in Kickstarter's logo as a natural experiment to study how displays of solidarity towards racial injustices affected the outcomes of Black entrepreneurs on the platform. By comparing the performance of Black and non-Black creators before and after the logo change, we examine the intervention's impact on success rates, average amount raised, and average number of backers (funders) for Black-led projects. We also analyze whether the intervention increased the number of projects launched by Black entrepreneurs and the total amount raised by Black-led projects. Examining aggregate outcomes helps us to understand the broader impact of the intervention and reveals subtle effects that may not be apparent at the project level.

4 Data

We used Web Robots[4] to extract data from projects on Kickstarter from May 2019 until June 2021. In line with the work of Mollick (2014), we include projects with a goal of at least $5,000, as projects with goals of under $5,000 may coincide with donation-seeking campaigns rather than consequential projects. Additionally, we impose an upper bound of $500,000, which is less than 2% of projects with goals over $5,000. This helps center our analyses on the most typical range of crowdfunding campaigns and reduces the possibility of obtaining biased results that originate from outlier projects. We restrict our dataset to projects with a goal set in USD currency and remove projects with a suspended status. We have a total of 10,844 projects in our dataset. Online Appendix A provides a description of each variable in the dataset and a table of summary statistics.

On Kickstarter, the project description page contains the name of the founder (or the entity creating the project), an image of the creator (which may be a logo instead of a head-shot of the founder), location, project category, and a campaign description. The creator's

[4]Web Robots is an online web crawler that retrieves monthly data from websites like Kickstarter. Its Kickstarter datasets have been used in other studies, including Yu et al. (2017); Jhaveri et al. (2019); Mahan et al. (2021). See: https://webrobots.io/kickstarter-datasets/

race and gender are not readily available. Thus, to label the race and gender of the creators, we developed an end-to-end pipeline using name classification algorithms to predict race and gender. In Online Appendix B, we provide a detailed account of our data cleaning and labeling procedures. A data and replication packet is also available. It is worth highlighting that our labeling process does not produce a perfect prediction of the founder's race and gender. Instead, it results in a variable reflecting the *perceived* race and gender of the project founder based on their name and profile picture. This is precisely what we need for our analysis, as it is an inference based on the same information readily available to prospective backers, and our methodology should reasonably resemble how backers perceive the race and gender of projects' creators.

5 Empirical Analysis

5.1 Evidence of Racial Discrimination

Before analyzing the impact of Kickstarter's #BLM intervention, we study the existence and prevalence of racial discrimination on the platform. To estimate the causal effect of race on crowdfunding performance, we use coarsened exact matching (CEM)(Blackwell et al., 2009; Iacus et al., 2012). This method helps to reduce bias due to differences in observable variables between Black and non-Black creators, which may arise, for example, if the projects pursued by Black founders are systematically different from the projects by other founders. In Model (1) of Table 1, we regress *Black*, which is a dummy variable equal to 1 if the founder is labeled as Black by our classification algorithm, on a set of variables to determine which variables significantly differ between Black and non-Black creators. The results suggest that Black creators are more likely to be female, less likely to have been funded before, and choose longer durations for their projects. Thus, we constructed a CEM sample of Black and non-Black creators by requiring exact matches for *Project Category* and *Female*. For *Duration* and *Funded Before*, we used coarse bins defined by the 5th, 25th, 50th, 75th,

and 95th percentiles (Younkin and Kuppuswamy, 2018). Our matched sample contains 8,636 projects. In Model (2) of Table 1, we re-estimated the logit model with *Black* as our dependent variable on the CEM sample and determined that there are no longer statistically significant differences in the observable variables between Black and non-Black creators.

We use several performance metrics as dependent variables to understand the effect of creator race on crowdfunding performance. In particular, we use *Funded* (dummy equal to 1 if the project is funded and 0 otherwise), *Log(Pledged)* (the log of the sum of pledges received by the project), *Log(Backers)* (the log of the number of backers who committed pledges), and *Log(Avg. Raised)* (the log of the average amount pledged per backer)[5]. Our main variable of interest variable is *Black*. In line with previous studies (Mollick, 2014; Younkin and Kuppuswamy, 2018), we control for influential variables, including *Female* (dummy equal to 1 if the founder is labeled as female by our classification algorithm), *Log(Goal)* (log of the goal of the project in USD), *Funded Before* (dummy equal to 1 if the funder has been succesfully funded before), *Duration* (duration of the campaign in days). We also include project category and period (month) fixed effects.

The results in Table 1 suggest that Black creators underperform compared to their non-Black counterparts. In Model (4), we use the CEM sample to estimate the logit model of *Funded*. We find that Black creators are 65.5% less likely to be funded on Kickstarter than non-Black creators. We observe a consistent trend across the other dependent variables. In particular, Black creators are less likely to receive pledges (Model 5) and attract contributions from individual backers (Model 6). Moreover, the average amount they raise (Model 7) is 38.7% lower than what non-Black creators raise. Given the evidence suggesting Black creators face disparate outcomes on Kickstarter, we next consider whether a platform's support for #BLM reduces the funding gap Black creators experience on it.

[5]We set the *Log(Pledged) Log(Backers)*, and *Log(Avg. Raised)* equal to 0 when the argument equals 0 (note that *Pledged*, *Backers*, and *Average Raised* never take values between 0 and 1, so this transformation will be continuously increasing).

	Black	*Black*	*Funded*	*Funded*	*Log(Pledged)*	*Log(Backers)*	*Log(Avg. Raised)*
	Full sample	CEM sample	Full sample	CEM sample	CEM sample	CEM sample	CEM sample
Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Black			-1.065***	-1.062***	-1.218***	-0.729***	-0.489***
			(0.153)	(0.155)	(0.179)	(0.102)	(0.0953)
Female	0.670***	-0.00324	0.265***	0.332***	0.383***	0.200***	0.182***
	(0.122)	(0.128)	(0.0560)	(0.0562)	(0.0727)	(0.0414)	(0.0388)
Log(Goal)	0.0390	0.0394	-0.544***	-0.597***	-0.223***	-0.153***	-0.0696***
	(0.0636)	(0.0637)	(0.0295)	(0.0320)	(0.0367)	(0.0209)	(0.0195)
Funded Before	-0.739***	-0.0179	2.317***	2.341***	2.284***	1.679***	0.604***
	(0.229)	(0.253)	(0.0962)	(0.168)	(0.144)	(0.0819)	(0.0766)
Duration	0.0226***	-0.000399	-0.0393***	-0.0478***	-0.0641***	-0.0405***	-0.0235***
	(0.00434)	(0.00435)	(0.00201)	(0.00201)	(0.00247)	(0.00141)	(0.00132)
Project Category FE	✓	✓	✓	✓	✓	✓	✓
Period FE	✓	✓	✓	✓	✓	✓	✓
Constant	-6.116***	-3.831***	6.401***	7.474***	11.90***	6.497***	5.402***
	(0.751)	(0.762)	(0.312)	(0.370)	(0.433)	(0.247)	(0.231)
Observations	10,894	8,636	10,894	8,636	8,636	8,636	8,636
R-squared					0.216	0.298	0.094
Pseudo R-squared	0.0697	0.0049	0.3068	0.2592			

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 1: Analysis of Project Success as a Function of *Black* Founder Using CEM

5.2 Evaluating the effect of Kickstarter's support of #BLM on crowdfunding performance

We use a difference-in-differences (DiD) framework to estimate the effect of Kickstarter's #BLM intervention on crowdfunding outcomes of Black-led projects between May 2019 and June 2021. This time coverage allows us to study projects launched 11 months before and after #BLM[6]. We estimate the model:

$$Y_{i,c,t} = \alpha_0 + \alpha_1 Post\ \#BLM_t \times Black_i + \alpha_2 \times Black_i + \beta \times X_i + \delta_c + \gamma_t + \epsilon_{i,c,t}, \quad (1)$$

where i denotes a project, c denotes project category, and t denotes the month the project was launched. $Y_{i,c,t}$ takes on one of the four dependent variables of interest (*Funded*, *Log(Pledged)*, *Log(Backers)*, and *Log(Avg. Raised)*). $Post\ \#BLM_t$ is equal to one if during period t the #BLM logo is being displayed on Kickstarter, and $Black_i$ is equal to 1 if the

[6]We exclude month +11 from our analysis as no Black-led projects were launched during this month.

founder of project i is Black. X_i is a vector controlling for project characteristics. In this regression, α_1 is the DiD estimator of the average treatment effect of #BLM on performance for Black entrepreneurs in Kickstarter. Finally, δ_c and γ_t correspond to project category and time fixed-effects.

Table 2 presents the results of this analysis. We do not find any effect of Kickstarter's support for #BLM on any of our performance variables. This suggests that the #BLM intervention did not have a significant effect on improving the outcomes experienced by Black creators on Kickstarter.

	Funded	*Log(Pledged)*	*Log(Backers)*	*Log(Avg. Raised)*
	(1)	(2)	(3)	(4)
Post #BLM × Black	0.420	0.479	0.266	0.212
	(0.327)	(0.347)	(0.216)	(0.176)
Black	-1.336***	-1.634***	-0.969***	-0.663***
	(0.239)	(0.244)	(0.152)	(0.124)
Female	0.248***	0.246***	0.138***	0.110***
	(0.0609)	(0.0688)	(0.0429)	(0.0349)
Funded Before	2.459***	2.099***	1.713***	0.385***
	(0.108)	(0.0777)	(0.0484)	(0.0395)
Log(Goal)	-0.569***	-0.114***	-0.0676***	-0.0459***
	(0.0322)	(0.0341)	(0.0212)	(0.0173)
Duration	-0.0369***	-0.0461***	-0.0296***	-0.0164***
	(0.00220)	(0.00247)	(0.00154)	(0.00125)
Project Category FE	✓	✓	✓	✓
Period FE	✓	✓	✓	✓
Project Category × Period FE	✓	✓	✓	✓
Constant	6.765***	9.989***	5.182***	4.806***
	(0.344)	(0.365)	(0.227)	(0.185)
Observations	9,375	9,375	9,375	9,375
R-squared		0.286	0.387	0.097

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 2: Impact of #BLM on Kickstarter crowdfunding performance

To assess the plausibility of the parallel trends assumption and consider the possibility of delayed or transient effects of the #BLM intervention (Table 3, Models 1-4), we conducted an event study for each dependent variable. The results, shown in Figure 2, indicate flat

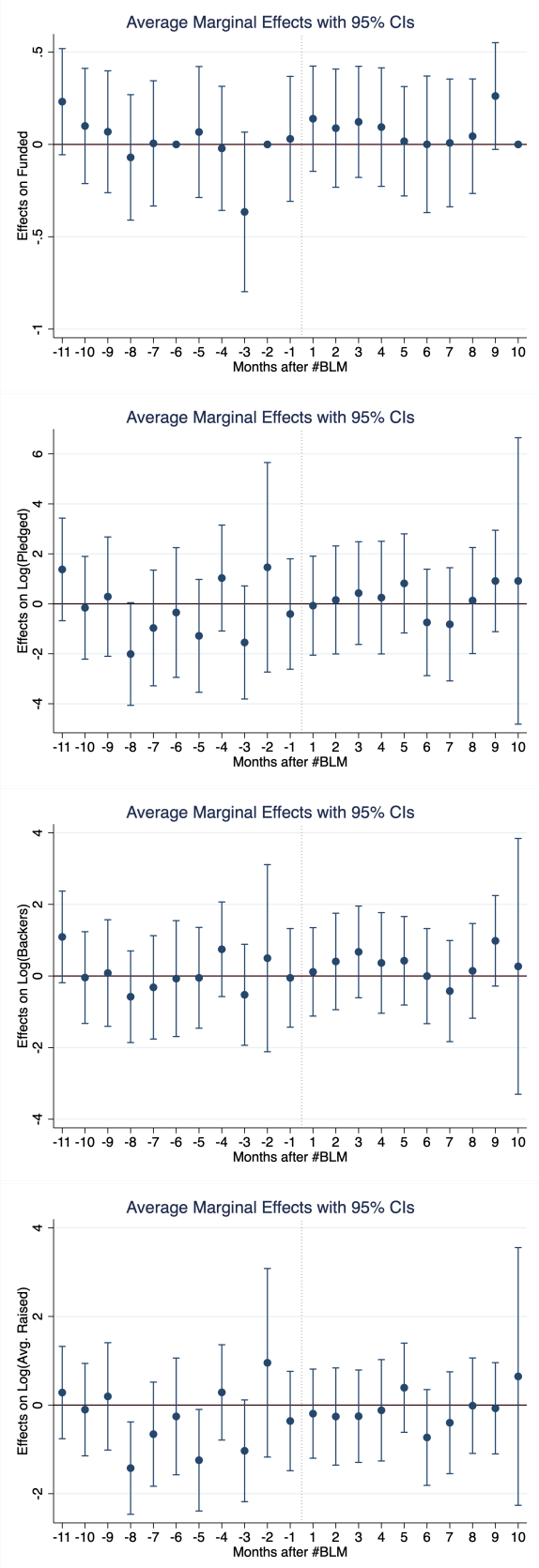


Figure 2: The dynamic effect of #BLM on Funded, Log(Pledged), Log(Backers), and Log(Avg. Raised).

trends, suggesting that the null result is not due to short-lived or delayed effects. In months -2 and 10, all Black-led projects failed, so the marginal effect of Kickstarter's support for #BLM on *Funded* is estimated as 0. Regarding the parallel trends assumption, no consistent trend was observed before the logo change. Although a few coefficients (2 out of 33) in the pre #BLM periods are statistically significant, they do not indicate a pre-existing trend.

In the next section, we examine aggregate effects that might be missed at the project level. For instance, if Kickstarter's support for #BLM increased capital inflows but concentrated pledges in a few featured projects, it would not raise the overall success rate of Black-led projects. Similarly, an increase in both capital inflows and the number of Black-led projects could obscure individual project success. Therefore, we will explore whether Kickstarter's support for #BLM influenced the number of campaigns launched by Black creators and the total monthly pledges they received.

5.3 Evaluating the effect of the #BLM intervention on aggregate crowdfunding performance

Next, we study if Kickstarter's support for #BLM had any effect on project creation by Black entrepreneurs, as its presence may have encouraged them to launch their projects on the platform. For this analysis, we exclude projects *created*[7] more than one year before or one year after the intervention. We estimate the model outlined in equation 2 where the variable $C_{Black,c,t}$ corresponds to the count of the number of projects created by Black (or non-Black) entrepreneurs in category c during month t. *Black* denotes whether the count is for projects led by Black or non-Black creators. In this equation, δ_c and γ_t correspond to project category and time fixed-effects.

$$C_{Black,c,t} = \alpha_0 + \alpha_1 Post\ \#BLM_t \times Black + \alpha_2 \times Black + \delta_c + \gamma_t + \epsilon_{Black,c,t}, \qquad (2)$$

[7]The date a project is created corresponds to when the founder starts building the project on Kickstarter. It may not coincide with the date on which the project is launched, which is when the project becomes visible and starts receiving funding. We use the creation date for this analysis, as it is more representative of when a Black creator becomes interested in the platforms and decides to start working on launching a project.

Our results suggest that while the #BLM intervention did not increase the funding success of Black-led projects, it did encourage Black entrepreneurs to create more projects on Kickstarter (Model 1 in Table 3). Figure 3 examines the parallel trends assumption and dynamic effects through an event study plot. None of the pre-treatment coefficients are statistically significant, suggesting no pre-existing trend. However, post #BLM, there is an increasing trend in the number of projects created by Black entrepreneurs, with coefficients becoming statistically significant in month 9, suggesting a delayed effect. This delay is not surprising. If the intervention had an effect on project creation by, for example, making Black creators feel more included, its effect would not be immediate. Black entrepreneurs would first need to notice the #BLM presence before creating their campaigns.

	Project Creation Count (Monthly) (1)	Log of Sum *Pledged* (Monthly) (2)
Post #BLM × *Black*	7.448***	1.295***
	(1.677)	(0.464)
Black	-26.467***	-9.241***
	(1.16)	(0.321)
Project Category FE	✓	✓
Period FE	✓	✓
Constant	29.10***	13.30***
	(2.613)	(0.723)
Observations	690	690
R-squared	0.667	0.738

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 3: Impact of #BLM on Project Creation and Influx of Pledges

We next examine whether Kickstarter's support for #BLM increased the total funds pledged to Black-led projects. We consider projects launched eleven months before and after the intervention. We estimate the same model as in equation 2, but using $log(P_{Black,c,t})$ as the dependent variable. $P_{Black,c,t}$ corresponds to the sum of the money pledged to projects led by

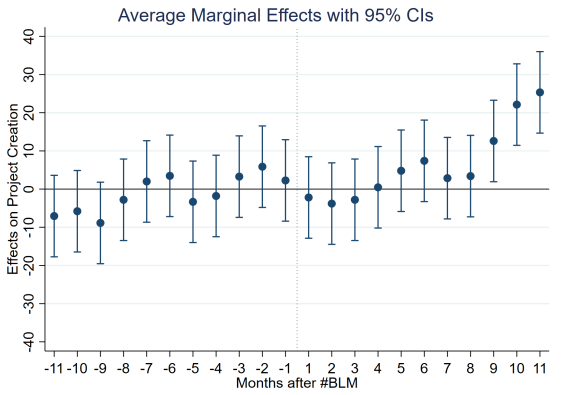


Figure 3: The dynamic effect of #BLM on Project Creation

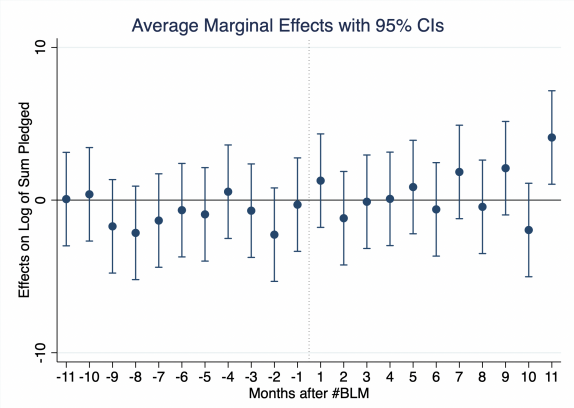


Figure 4: The dynamic effect of #BLM on Influx of Pledges

Black/non-Black entrepreneurs in category c during month t[8]. Model (2) in Table 3 suggests a positive effect of the intervention on capital inflows to Black-led projects. However, this influx likely did not compensate for the increase in Black-led projects we observe in model (1), as in section 5.2 we did not find an effect on crowdfunding outcomes. Figure 4 shows the event study corresponding to model (2). The plot does not reveal any noticeable time trends. Moreover, the effect is not statistically significant for most time periods. Thus, it is likely that the practical impact of the #BLM intervention on the amount of funding received by Black creators is not sufficiently strong to cause a significant difference for projects at an individual level.

6 Discussion and Limitations

Our findings complement prior research highlighting the nuanced effects of racial equity efforts following George Floyd's murder and the #BLM protests (section 2.2), as well as their impact on Black-owned businesses (section 2.3). While increased awareness of racial injustices appears to benefit some marginalized communities, underlying inequalities persist in complex ways. For instance, Son et al. (2024) found that although Black-owned restaurants received more reviews, their average ratings declined. Similarly, Babar et al. (2023) reported that Black-identified restaurants on Google Places saw higher foot traffic without a corresponding rise in demand. Aneja et al. (2023) noted that Black-owned labels boosted customer engagement and firm performance, but these effects were concentrated in left-leaning areas. Some research even suggests that brand support for #BLM can provoke negative consumer reactions (Wang et al., 2023). In our study, Kickstarter's support for #BlackLivesMatter did not lead to better funding outcomes for Black creators on the platform. While it did encourage more Black founders to launch projects, it failed to close the funding gap they face. Collectively, this evidence suggests that addressing racial and social

[8]We set $log(P_{Black,c,t})$ equal to 0 if $P_{Black,c,t}$ is equal to 0. This yields a continuously increasing transformation as $P_{Black,c,t}$ never takes on a value between 0 and 1.

inequalities requires systemic reforms, as the impact of brand activism and interventions seeking to influence individuals' behaviors remains limited.

A limitation of our study is that we cannot separate the effects of Kickstarter's support for #BLM from the effects of the broader attention to racial equity following George Floyd's murder and the #BLM protests. This would be problematic if we had found a positive effect, as it would be unclear whether it was due to Kickstarter's intervention or other concomitant events. Instead, the platform's explicit support for #BLM makes our results more notable. Despite the increased attention towards racial equity at the time and Kickstarter changing its logo and displaying the #BLM hashtag on every page, we did not observe a positive effect on the outcomes experienced by Black creators. The only positive effect was an increase in the number of projects launched by Black creators, which, among the variables we study, seems the most likely to be influenced by Kickstarter's support for #BLM rather than by the general support for racial equality at the time.

A related limitation is that we do not observe the race of the founders. Instead, we had to construct it based on the profile picture and name of the project creator. Although our methodology is far from perfect, and it is likely that we are not identifying all Black-led projects on Kickstarter, our methodology should be effective in identifying projects that backers will likely attribute to Black entrepreneurs. This means that the treatment effects we estimate correspond to the effects on projects that are likely to be identified as Black-led by backers.

Finally, it is worth noting that the increase in participation by Black creators we observe after the intervention may reflect existing creators making their racial identity more visible and thus detectable by our classification methodology (and thus also by backers) rather than additional creators being attracted to the platform.

7 Conclusion

After George Floyd's murder, many corporations publicly supported #BlackLivesMatter, but the impact of such gestures remains uncertain. This paper examines whether Kickstarter's visible support for #BLM improved outcomes for Black creators, a group historically facing disparities in crowdfunding. We find no significant change in success rates, funding amounts, or backer numbers for Black-led projects. However, the number of Black entrepreneurs launching projects increased, suggesting that while the platform's support encouraged participation, it did not improve funding success, potentially leading to disappointment.

While our results relate to a specific context, the patterns we observe resonate with the feelings expressed by Blacks in opinion surveys conducted at the time. In September 2020, Pew Research found that 56% of adult Black Americans said that increased attention to racial justice had led to changes that will improve Black people's lives. A year later, in October 2021, a more recent survey reveals that this feeling had reverted, with 65% of Black adults saying that increased awareness of racial inequality has *not* led to changes that improve Black people's lives (Cox and Edwards, 2022). The broad support for racial equality that followed George Floyd's murder was seen with hope by Black Americans, but the feeling quickly faded as outward displays of solidarity did not translate into better outcomes.

Our results call for a reflection on what actions are effective for firms that wish to support social causes. Kickstarter's #BLM support is an example of what Chater and Loewenstein (2023) call an individual-level intervention. These are interventions that seek to influence individuals' behaviors to mitigate societal problems. In recent years, these types of interventions have attracted attention as quick and effective ways of mitigating pervasive societal problems. For example, interventions such as adding equity-focused banners on donation platforms have encouraged online donors to support schools in impoverished areas (Mota et al., 2020). However, whether similar interventions could be effective in broader settings remains an open question. Our results are not encouraging and suggest that biased funding behavior might be an example of a societal-level problem better suited to be solved by

systemic-driven initiatives over low-cost, individual-level interface design changes (Chater and Loewenstein, 2023). Our results suggest that if corporations wish to support racial equity, they should focus their efforts on uncovering underlying causes of bias and discrimination and design tailored interventions. Moreover, companies should carefully evaluate how their actions influence their stakeholders, as they may end up inadvertently harming the communities they wish to support by creating false expectations.

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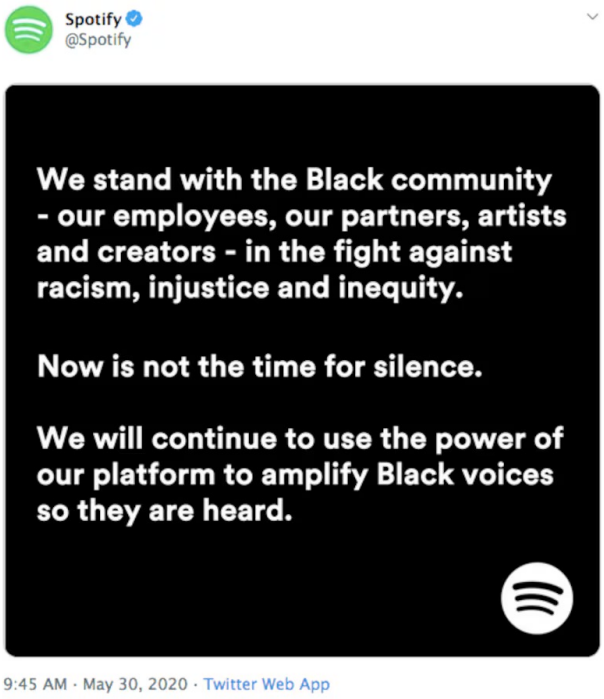
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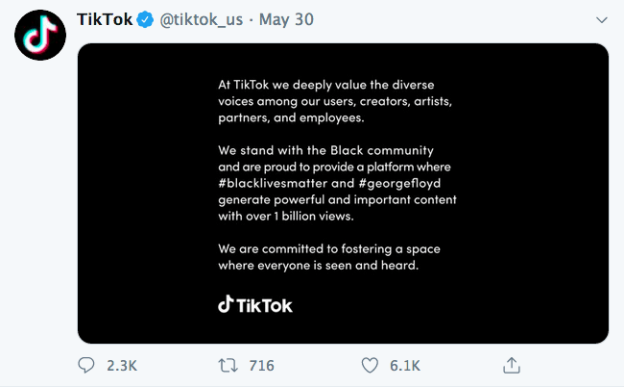
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Appendix A. Examples of Support for #BlackLivesMatter by Major Brands in 2020




Spotify
@Spotify
We stand with the Black community - our employees, our partners, artists and creators - in the fight against racism, injustice and inequity.
Now is not the time for silence.
We will continue to use the power of our platform to amplify Black voices so they are heard.
9:45 AM · May 30, 2020 · Twitter Web App


TikTok @tiktok_us · May 30
At TikTok we deeply value the diverse voices among our users, creators, artists, partners, and employees.
We stand with the Black community and are proud to provide a platform where #blacklivesmatter and #georgefloyd generate powerful and important content with over 1 billion views.
We are committed to fostering a space where everyone is seen and heard.
TikTok
2.3K
716
6.1K

Online Appendix A: Data Description and Summary Statistics

We used data from Web Robots, which is an online web crawler that retrieves monthly data from websites like Kickstarter. Its Kickstarter datasets have been used in other studies, including Yu et al. (2017); Jhaveri et al. (2019); Mahan et al. (2021) [9]. We extract all projects on Kickstarter from May 2019 until Jun 2021. In line with the work of Mollick (2014), we include projects with a goal of at least $5,000, as projects with goals of under $5,000 may coincide with donations seeking campaigns rather than a consequential project. Additionally, we impose an upper bound of $500,000, which is less than 2% of projects with goals over $5,000. This helps center our analyses on the most typical range of crowdfunding campaigns and reduces the possibility of obtaining biased results that originate from outlier projects. We restrict our dataset to projects with their goal set in USD currency and remove projects with a suspended status. We have a total of 10,844 projects in our dataset.

7.1 Founder Variables

On Kickstarter, the project description page contains the name of the founder (or the entity creating the project), an image of the creator (which may be a logo instead of a headshot of the founder), location, project category, and a campaign description. The creator's race and gender are not readily available. Thus, to label the race and gender of the creators, we developed an end-to-end pipeline using name classification algorithms to predict race and gender. In Online Appendix B, we provide a detailed account of our data cleaning and labeling procedures.

Our founder race and gender classification procedure creates two variables. *Black* is a dummy variable indicating whether the coded race of the creator is Black or non-Black and equal to 1 if the coded race of the creator is Black and 0 otherwise. *Female* as a dummy variable indicating whether the coded gender of the creator is Female or not Female. Additionally, to control for founder experience, following the procedure described in the Online Appendix B, we created a variable *Funded Before*, a binary indicator specifying whether the creator of a project in our dataset has previously launched a successfully funded project on Kickstarter.

7.2 Project Variables

Project variables are readily available in Web Robots' data. *Goal* is the USD dollar amount a campaign requests for the project. *Funded* is a binary indicator with the value of 1 if the project succeeded at raising its fundraising goal and 0 otherwise. *Pledged* is a continuous variable that measures the total dollar amount raised for the project. *Backers* is the number of separate contributions received for the project. *Average Raised* (Pledged / Backers) is the average size of a project's contributions rounded to the nearest dollar. We use the *Project Launch Date* and *Project Deadline Date* attributes to define *Duration*, the number of days that a project was live on Kickstarter. Additionally, the dataset includes a *Project*

[9] See: https://webrobots.io/kickstarter-datasets/

	Mean	SD	Min	Max
Funded	0.59	0.49	0	1
Pledged	46,366.07	262,974.45	1	12,969,608
Backers Count	439.99	1,960.64	1	83,193
Avg. Raised	101.57	160.98	1	4,695
Goal	25,163.31	45,861.04	5,000	500,000
Duration	36.16	12.61	1	79
Black	0.03	0.17	0	1
Female	0.26	0.44	0	1
Funded Before	0.22	0.42	0	1
Created Post #BLM	0.31	0.46	0	1
Launched Post #BLM	0.38	0.49	0	1
N	10,894			

Source: Web Robots Kickstarter dataset

Table 4: Summary Statistics

Creation Date and *Project Category*. *Project Category* takes on one of fifteen different project categories set by Kickstarter. *Project Creation Date* corresponds to the date when the creator started the project, which typically does not coincide with the date the project is publicly launched.

Online Appendix B: Data Cleaning Procedures

Data Preprocessing

We identified a set of 240 commonly occurring words used in company or organization names and used this hand curated list to filter our dataset of projects. Projects with creator names that contain words from our list were tagged as company-led projects and excluded from our analysis. Moreover, we removed names that consisted of website links, symbols, or special characters. For creators with a single name, we removed those: set in all capital letters, with a character count less than 3 or more than 11, or with camel casing. For projects with creators with two (three) names, we filtered out names with a character count over 23 (over 29). In cases where the creator listed more than a first and last name, we manually reviewed names to reduce them to two. We dropped all projects with creator names of more than four. The first author manually checked the names of a random sample of 1000 projects for the presence of company or non-human names. We found that 85% of this sample did not contain company or non-human names.

Creator Race and Gender Classification

After filtering our dataset for projects led by companies or organizations, we used off the shelf name classifiers to predict the creators' race and gender. For race, we used Ethnicolr[10].

[10]https://github.com/appeler/ethnicolr

Ethnicolr is a supervised learning name classification model trained on US census data to predict race and ethnicity from a person's first and last name (or just last name). The output of the classifier was predictions of whether creator names are Black or not Black, along with a confidence level for the name being classified as Black. We used Genderize.io[11] to predict gender. Genderize accepts a first name and outputs a gender prediction (either Male, Female, or None), along with a prediction confidence level.

Afterward, we checked a sample of projects to evaluate the race and gender predictions. First, a research assistant (RA) manually reviewed the race predictions for all creators predicted to be Black and a sample of creators predicted to be non-Black. Race took on two values, *Black* or *non-Black*, and for the manual race classifications, the RA accepted the algorithmic prediction in cases where there was a creator headshot photo and the RA perceived the race of the creator to be the predicted race. In all other cases, the predicted race was denied and changed (either from Black to non-Black or vice versa). For gender, the RA used a similar process: a manual check of all creators classified as Black, a sample of non-Black creators, and all creators predicted to have a gender None (meaning the classifier was unable to predict the gender). Gender takes on two values, either *Female* or *not Female* (the Male prediction was recoded to be not Female).

For the predicted gender classifications, the RA accepted the algorithmic prediction (either Female or not Female) when there was a creator headshot photo of a person and the RA perceived the creator's gender as the predicted gender. Otherwise, gender was changed from Female to not Female or vice versa. In cases where the classifier could not make a prediction or the None cases, the RA coded all projects that contained a creator photo. The first author manually checked a random sample of Black and non-Black-led projects to assess the accuracy of race and gender classifications. In the case of 200 non-Black-led projects, 93% and 90% of the classifications match the first author's assessment of the perceived race and gender of creators, respectively. For a random sample of 50 Black-led projects, 92% and 98% of the classifications match the first author's assessment for race and gender predictions, respectively.

Creator Experience

Similar to how we obtained the projects in the original dataset of projects from May 2019 to June 2021, we used Web Robots [12] to extract data from projects on Kickstarter from January 2016 until June 2021. We do this to obtain data on past projects launched on Kickstarter by the creators in our dataset. For each project in our original dataset, we used the *Creator ID*, the *Creation Date*, and the *Deadline Date* attributes to match creators with previous Kickstarter campaigns. In the set of previous campaigns by creators, we used the *Funded* attribute to determine the number of previously successfully funded projects for each creator. We defined a new feature, *Funded Before*, a binary attribute that indicates whether a creator in our dataset had a successfully funded past project before the project they launched in our dataset.

[11] https://genderize.io/

[12] https://webrobots.io/kickstarter-datasets/