

The Effect of Crowdfunding as a Funding Option on Housing Project Delivery in Imo State, Nigeria

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Abstract

This study delves into the crucial matter of effect of crowdfunding on housing project delivery in Imo State. Nigeria grapples with substantial housing deficits, making it imperative to comprehend the role of funding in addressing this challenge for sustainable urban development with the objectives of knowing how Investor's incentives, government policies and developer's reputation affects crowdfunding on housing project delivery in Imo State. In the pursuit of comprehensive insights, statistical analyses were conducted using Simple Regression analysis and ANOVA in MS Excel to assess the key variables affecting project delivery in the region. The research encompasses a sample of stakeholders involved in housing development, encompassing government entities, financial institutions, investors, developers and contractors in the Imo State. Questionnaire was used for data collection which encompasses surveys with a specific focus on crowdfunding and its utilization in housing projects. The findings revealed a pressing need for increased funding and better policies and good credibility to address the challenges faced in housing project delivery in this State. The statistical analyses underscored the significance of financial resources in ensuring the timely and successful completion of projects. Moreover, these analyses unveiled the impact of crowdfunding variations on project quality and completion timelines. Based on these results, several recommendations which includes government establishing clear regulatory guidelines specific to crowdfunding in the housing sector to ensure investor protection and maintain market integrity.

Keywords: Crowdfunding; Investor's incentives; Government policies; Developer's reputation; Traditional funding; Housing Delivery.

Introduction

Background Information

Housing delivery is essential for sustainable urban development. In Nigeria, providing adequate housing for the growing population is a significant challenge. The government has launched various housing projects to address this need, but their success has been limited. Housing delivery involves constructing or renovating homes to meet community needs through public-private

partnerships, government funding, and private investment. Regardless of funding sources, several critical factors must be considered in planning and implementing housing projects.

Project funding is crucial for housing delivery. In Imo State, Nigeria, which has over 5 million residents according to the World Bank's 2021 estimates, there is a significant housing deficit. Many families lack access to affordable and decent accommodation, leading to the growth of slums and informal settlements with poor living conditions and inadequate infrastructure. Thus, funding is vital for housing projects.

In rapidly expanding countries like Nigeria, the housing supply cannot keep up with demand, causing overcrowding and inadequate living conditions. Many people lack basic necessities like running water and sanitation. Insufficient resources allocated by the government and urban planners result in a shortage of affordable housing and an increase in informal settlements. The World Bank's 2020 report states that the cost of a two-bedroom apartment in Nigeria consumes about 60% of the average worker's monthly salary, indicating that housing costs are a significant financial burden.

With Nigeria's population exceeding 210 million, an estimated 1,440,000 housing units need to be built annually. The Federal Government can only meet 4.2% of this need, necessitating collaboration between public and private sectors. The primary barrier to housing access is financing, as many low-income individuals cannot afford construction costs, leading to a housing shortage.

Imo State, Nigeria, faces significant challenges in delivering housing projects due to increasing demand for affordable and quality housing. The availability of funding is a critical factor influencing the success of these projects. Crowdfunding, which involves raising funds from various individuals or entities through online platforms, has emerged as a new financing source. This research examines the effect of funding on housing project delivery in Imo State, with a focus on crowdfunding as an innovative approach.

Previous studies by researchers like Obiora (2019), Umeokafor (2019), Ezema (2019), and Efobi (2021) have highlighted funding as a major obstacle to housing delivery. These findings prompted further investigations and the development of governmental housing policies and initiatives, such as the Site and Service Programme and the National Institute of Road and Building Research. Despite these efforts, a significant issue remains the lack of understanding and awareness of housing finance mechanisms.

Literature Review

According to a study by Enyinnaya and Okolie (2018), the inadequate funding of housing projects is a significant challenge in the South East region of Nigeria. The study reveals that inadequate funding has resulted in delays in project delivery, poor quality of housing, and limited access to affordable housing for the poor. The study recommends that the government should explore alternative sources of funding, such as public-private partnerships, to address the funding challenge.

Nwosu and Okolie (2020), found out that poor project delivery is a significant challenge facing housing projects in the South East region of Nigeria. The study attributes poor project delivery to inadequate funding, corruption, and poor management of resources. The study suggests that the government should strengthen its regulatory frameworks to ensure transparency and accountability in the housing sector.

The public-private partnerships have the potential to address the funding and delivery challenges facing housing projects in the region. (Agu and Okolie , 2019). However, the study highlights the

need for proper regulation and monitoring of public-private partnerships to ensure that the private sector does not exploit the public sector.

In a different study by Ezeabasili, (2020), the author examines the impact of microfinance institutions on housing project delivery in the South East region of Nigeria. The study reveals that microfinance institutions have the potential to address the funding challenge facing housing projects in the region. However, the study notes that there is a need for increased awareness and education on the benefits of microfinance institutions among low-income earners.

In all of the studies it is very clear that there are certain factors that affect funding in housing project delivery and performance of project funding on project housing delivery.

Crowdfunding

A new kind of fundraising or financing innovation called crowdfunding allows business owners and innovators to gather capital for certain projects in exchange for a set payment. Huang, Chiu, Mo, and Marjerison (2018) define crowdfunding as the process of raising modest amounts of money using online platforms from a large number of people or organizations in order to finance a particular project, personal or business loans, or other requirements. Crowdfunding financing and other contemporary fundraising options have been made possible by the inefficiencies of the traditional banking system. Over the years, the inefficiencies of the traditional financial market have had a significant impact on the real estate development business. Real estate crowdfunding (RECF), according to Moulthon (2017), is a novel and developing investment mechanism that is replacing established capital markets as a middleman. A study on the "Disruptive potential of real estate crowdfunding in real estate project finance industry" was conducted in 2018 by Montgomery, Squires, and Syed. In order to determine if real estate crowdfunding represents a potentially disruptive innovation to the real estate financing business, the research aimed to analyze the literature on the disruptive potential of real estate crowdfunding in the sector. Based on the theory of disruptive innovations and the essential traits of disruptive innovations, their results imply that real estate crowdfunding has the potential to be a disruptive innovation in the real estate finance sector. Their research indicates that, in general, real estate crowdfunding appears to fit the traditional definition of disruptive innovations. They believed that in order to determine if and to what extent real estate crowdfunding represents a disruptive innovation to the real estate financing sector, a more thorough and methodical examination backed by empirical data is required. Their results suggested that while real estate crowdfunding would replace established real estate financing methods, it would also significantly advance real estate finance. According to Huang, Chiu, Mo, and Merjerison's (2018) study on the nature of crowdfunding in China, micro, small, and medium-sized enterprises (MSMEs) faced capital starvation when traditional financial markets were difficult to access. However, crowdfunding can be a significant source of funding and risk sharing for MSMEs and eager Chinese investors alike because it is a creative and dynamic vehicle for MSMEs. Their research also showed that, since crowdfunding was first introduced in China in 2009, it has become very popular very quickly and that there is currently no clear standard for determining the platform's level of significance.

History of Crowdfunding

Crowdfunding has roots dating back to the 1800s but gained significant momentum in 2000 with the launch of ArtistShare in the U.S., a platform where musicians sought fan donations to produce digital recordings. The first project, Maria Schneider's jazz album, employed a tiered rewards

system, a model still utilized by platforms like Indiegogo and Kickstarter (Freedman and Nutting, 2015).

In recent years, crowdfunding has become a popular fundraising method within the alternative finance industry (Bretschneider, Knaub, and Wieck, 2014; Thurridl and Kamleitner, 2016; Zheng, Hung, Qi, and Xu, 2016). Scholars often view crowdfunding as a form of crowdsourcing (Bretschneider et al., 2014; Kuppaswamy and Bayus, 2017; Thurridl & Kamleitner, 2016), a concept with origins in the 1700s, initially designed to help companies solve problems or access external knowledge (Jeppesen and Lakhani, 2010).

The launch of JustGiving marked the beginning of donation-based crowdfunding (DBC), where donors give without expecting tangible rewards. Research shows that incentives like rewards significantly influence participation in crowdfunding (Steinberg, 2012). ZOPA's 2006 launch introduced P2P lending, allowing members to make complex financial decisions. Founded in 2010, AngelList facilitated equity-based angel investing, improving startup-investor matching. That same year, GoFundMe pioneered charity-based crowdfunding. Around this period, equity-based platforms like CrowdFunder and CircleUp emerged, allowing companies to sell shares. The 2012 JOBS Act legalized equity crowdfunding, enabling ordinary Americans to invest in entrepreneurs online (Obama, 2015). Consequently, crowdfunding has become a significant force in global finance, characterized by dynamic growth and innovation. Several researchers argue that crowdfunding is not necessarily tied to monetary benefits (Belleflamme, Lambert, and Schwienbacher, 2019). The funding mechanism allows market testing for a product, offering benefits distinct from traditional funding sources like banks and venture capitalists. Crowdfunding helps startups and innovators secure early-stage funding that might otherwise be challenging to obtain (Mollick, 2019). It leverages the power of the Internet and social media to attract funds (Berndt & Mbassana, 2019). As a marketing tool, it enables public testing of products for ultimate realization and facilitates direct engagement with consumers (Younkin and Kashkooli 2019). Real estate crowdfunding allows developers and project owners to raise small amounts of capital from a wide group of investors via internet-based platforms (Maarbani, 2018). According to Massolution's 2021 report, the real estate crowdfunding market reached \$2.6 billion, up from \$1 billion in 2020, and is projected to grow exponentially to \$250 billion by 2024 (Massolution, 2021).

The passage of relevant crowdfunding laws in the USA, UK, Australia, New Zealand, China, and other countries has spurred rapid growth in real estate crowdfunding. These regulations have made it a viable option for financing construction, renovation, and ownership of both small and large-scale projects (Baker, 2016; Vogel and Moll, 2014). In the USA, the 2012 JOBS Act introduced "crowdfunding" into securities law, and its 2016 Title III allowed non-accredited investors to participate fully in crowdfunding (Cohen, 2016). In the UK, the Financial Conduct Authority regulates crowdfunding platforms, and a regulatory policy was introduced in 2020. Australia's 2017 Corporations Amendment (Crowd-sourced Funding) Act provides a legislative framework for crowd-sourced funding, while New Zealand legalized crowdfunding and P2P lending under the Financial Markets Conduct Act 2013 (Murray, 2019). Mamonov and Malaga (2018) argue that regulatory changes have fueled crowdfunding growth, noting that the financial industry is rapidly adopting new technologies and business models challenging established practices. Real estate crowdfunding is already a significant alternative financing source (Cannon, 2014; Esbaitah, 2016; Mian, 2016; Vogel and Moll, 2014). Patch of Land, founded in 2012, has crowdfunded 986 real estate projects, totaling \$443 million in loans with an average loan size of \$449,000.

In Nigeria, crowdfunding has become an essential tool for small and medium-sized enterprises (SMEs). Initially, various crowdfunding methods, including loans, hybrid models, reward-based, and royalty-based approaches, were used (Aladejebi, 2020). Despite its potential, significant legal restrictions hinder crowdfunding in Nigeria, as private companies are prohibited from participating in such activities (Numa, 2019). The market is expected to grow by 5.89% from 2024 to 2028, reaching a value of \$46.40k by 2028 (Statista, 2023). However, challenges like fraudulent activities in the agro-crowdfunding sector have undermined investor trust (Akintaro, 2023).

Imo State Airport funded through crowdfunding

The Imo State Airport, also known as Sam Mbakwe Airport, exemplifies community-driven development in Nigeria. It is unique in being the only airport in the country constructed primarily through the collective financial contributions and donations of the Igbo people (Efobi, 2022). In 1983, lacking government support, the Igbo community initiated a crowdfunding campaign to build the airport. This grassroots effort attracted significant financial contributions from individuals and groups, showcasing their commitment to regional progress and connectivity (Nwanoche, 2020). Named after Sam Mbakwe, the governor of Imo State at the time, who played a crucial role in mobilizing support and resources, the airport's successful completion through communal efforts marks a significant milestone in Nigeria's history (Azubuike, 2022).



Fig1: Image showing name of donors for the Airport construction. Source: Naija history (2019)

Equity-based crowdfunding, also known as crowd-investing or investment crowdfunding, is a method used by startups and early-stage companies to raise capital from a broad pool of investors. These startups collect smaller investments from numerous private investors (Aladejebi, 2020). Investors receive equity or ownership in the business, becoming shareholders and potentially earning returns if the company succeeds. Typically facilitated through online platforms, equity crowdfunding allows companies to present their business plans, financials, and value propositions to attract potential investors. This approach is particularly beneficial for early-stage ventures that might struggle to secure traditional funding but have significant growth potential (Aladejebi, 2020).

Debt-based Crowdfunding: Debt financing is a type of financing where a developer borrows money from a lender and agrees to repay the loan with interest over a set period of time (Bellflame 2018). In the context of housing project delivery, debt financing is commonly used to finance the construction and development of housing projects. Debt-based crowdfunding in housing project delivery involves investors providing funds to real estate ventures without acquiring ownership stakes. Investors provide capital akin to a loan to housing projects without acquiring equity, receiving fixed interest payments or returns over a set period (Bellflame 2018). Unlike equity crowdfunding, where investors share in the project's success, debt-based crowdfunding focuses on fixed returns, reducing the investor's risk exposure but potentially limiting potential gains. Resembling a loan, this model allows investors to support housing projects without the complexities of ownership, relying on interest payments as the primary source of returns. Developers can access capital without relinquishing ownership, providing an alternative means of financing housing projects. Investors have less exposure to market volatility compared to equity-based models, as their returns are typically fixed and not tied to the project's performance (Bellflame 2018). Debt-based crowdfunding offers a distinct approach to financing housing projects by allowing investors to participate without assuming ownership while providing developers access to capital.

Donation-based crowdfunding: Donation-based crowdfunding involves gathering funds from numerous contributors who individually donate small amounts to support a specific cause or project. Individuals or organizations donate without expecting financial returns, primarily supporting projects for social good or community benefit (Leon and Mara 2017). This model relies on community involvement, leveraging collective contributions to fund housing initiatives that align with shared values and community needs. Contributors may receive acknowledgments or recognition for their support but don't expect financial returns or ownership stakes in the housing projects. Donations can aid in the financing of housing projects, facilitating their development or enhancing community infrastructures, particularly in underserved or socially impactful areas. Donors contribute driven by goodwill, social responsibility, or the desire to make a positive impact on society or specific communities (Leon and Mara 2017).

Donation-based crowdfunding can play a role in housing project delivery by fostering community participation and aiding in funding initiatives aligned with social causes and community development (Gabison, 2018).

Reward-based crowdfunding: Reward-based crowdfunding involves individuals contributing funds to a project in exchange for non-monetary rewards or incentives. Contributors receive rewards, products, or perks instead of financial returns for their funding support in housing projects (Collins, 2017). Contributors expect project owners to fulfill promised rewards within specified timelines post-successful funding, impacting the project's reputation and stakeholder satisfaction (Collins, 2017). Research highlights the impact of reward delivery delays on funders and project

creators, emphasizing the importance of timely rewards fulfillment. Crowdfunding platforms and entrepreneurs must prioritize reward delivery as it affects project implementation success and can influence future support (Leon and Mara 2017). Reward-based crowdfunding offers various reward types, from exclusive access to early project releases to acknowledgments or limited-edition items, attracting contributors and facilitating housing project financing. Reward-based crowdfunding incentivizes housing project backers with non-monetary rewards, impacting project delivery, stakeholder satisfaction, and the relationship between project creators and supporters (Collins,2017).

Evaluation of other funding Options

Traditional Methods

In the past, different regions of the country utilized various housing finance methods, including Esusu and Ajo, Age grade association, Village development scheme, and Town unions for non-native residents (Abiodun,2017). Additionally, Men's revolving loan association, Loans from traditional moneylenders, social club contributions, and Aaro or Owe, where members exchanged labor on each other's housing projects until completion, were also employed. These methods were effective in funding and delivering housing in traditional settings, but due to the increasing complexity of economic activities, they have become less prevalent and are gradually being replaced by contemporary approaches.

Modern Methods

Today's sources of housing finance can be categorized into two groups: Formal and Informal. The Formal sector includes institutions that operate within the guidelines established by the Federal Government. Some examples of these institutions are:

Federal Mortgage Bank of Nigeria (FMBN)

In 1977, the Federal Mortgage Bank of Nigeria (FMBN) was established with the primary goals of providing long-term credit facilities to mortgage institutions in the country, supervising and encouraging the activities of these institutions, granting long-term loans to individuals and property developers for housing construction, producing savings facilities, and conducting research on mortgage finance (Olatunji, 2018). However, these efforts have been hindered by various challenges such as administrative incompetence, political instability, and inconsistent policies.

Commercial Banks

Retail banks specialize in short-term lending and are required to be able to meet withdrawal requests quickly (Lawal,2020). As a result, they have not been very successful in providing long-term housing finance, which requires a more extended repayment period. This has limited their ability to succeed in the housing finance market.

Merchant Banks

Such institutions solely accept significant time deposits from high-net-worth individuals and corporate organizations with maturity dates of up to five years (Abiodun,2017). They typically maintain low cash reserves and, unlike commercial banks, provide bridging loans or interim funds to real estate developers and other parties at highly competitive interest rates, usually on a short-term basis.

Specialised Development Banks

This group comprises financial institutions such as the Nigerian Industrial Development Bank (NIDB) and Urban Development Bank, which are created to provide extended financing for industrial, commercial, agricultural, and housing development projects that may last for up to 25 years. Despite being well-suited for funding housing projects, their achievements in this area have been significantly hindered by insufficient funding and the channeling of limited resources towards short-term ventures.

Insurance Companies.

Life insurance companies accumulate long-term savings through annuities or endowment policies that only mature upon the occurrence of specific events such as retirement, accident, or death. Because of their long-term funding sources, these companies can invest in long-term capital assets like real estate, and can offer loans for real estate development based on the capital value of their policies, mortgage and debenture investments, and direct investments in or development of real property, including acquiring or developing landed properties beyond their own needs (Nwosu,2020). Despite being well-positioned and equipped to finance housing development, the Nigerian insurance industry has not been significantly involved in housing finance due to their preference for higher returns.

Pension Fund

The National Provident Fund is a retirement savings scheme that pools contributions from both employers and employees. This arrangement enables participants to access long-term financing options, which positions them to finance housing development projects effectively. Pension funds, including the National Provident Fund, typically collect funds from employers, particularly government organizations and large businesses, and employees, thereby incurring long-term obligations since employers can only access their benefits or retirement gratuities upon retirement. Consequently, pension funds seek long-term investment opportunities that offer inflation-proof prospects such as real estate development or acquisition. In addition, they provide long-term loans to building societies and mortgage institutions.

Equity funding: Equity funding is a type of financing where investors provide funds in exchange for ownership in a company or project. In the context of housing project delivery, equity funding can be used to raise capital to finance the construction and development of housing projects. Equity funding is an important source of financing for housing projects, as it allows developers to raise capital without incurring debt.

Equity funding can come from a variety of sources, including individual investors, institutional investors, and real estate investment trusts (REITs). These investors provide capital to the developer in exchange for an ownership stake in the project. The ownership stake can take the form of shares in a company that owns the project or a percentage of the profits generated by the project (Nwachukwu,2021).

The use of equity funding in housing project delivery has several advantages over other forms of financing. First, equity funding does not require the developer to make regular interest payments, as would be required with debt financing. This means that the developer has more flexibility in managing the cash flow of the project. Second, equity funding allows the developer to share the risks and rewards of the project with investors. This can help to attract investors who are willing to take on risk in exchange for the potential for higher returns.

There are several factors that can affect the availability of equity funding for housing projects. These include the location of the project, the size of the project, and the experience and track record of the developer. Investors are generally more willing to invest in projects that are located in high-growth areas and have the potential for strong returns. They are also more likely to invest in projects that are being developed by experienced developers with a proven track record of success.

Debt financing: Debt financing is a type of financing where a developer borrows money from a lender and agrees to repay the loan with interest over a set period of time. In the context of housing project delivery, debt financing is commonly used to finance the construction and development of housing projects.

Debt financing can come from a variety of sources, including commercial banks, mortgage lenders, and government agencies. The terms of the loan will vary depending on the lender and the specific needs of the developer. In general, the loan will have a set term, interest rate, and repayment schedule.

The use of debt financing in housing project delivery has several advantages. First, debt financing allows developers to access large amounts of capital to finance their projects. This can be especially important for large-scale housing projects that require significant upfront investment. Second, debt financing can be structured to provide a predictable cash flow for the developer, making it easier to manage the project budget (Leon and Mara 2017). Finally, debt financing can be easier to obtain than equity financing, especially for developers with a strong credit history. However, debt financing also has several disadvantages. First, the interest payments on the loan can be a significant expense for the developer, reducing the profitability of the project. Second, debt financing increases the risk of default for the developer. If the project is not successful, the developer may not be able to repay the loan, which can lead to foreclosure or bankruptcy. Finally, debt financing can be more difficult to obtain for developers with a weak credit history or limited track record.

Government grants: Government grants are a type of funding provided by government agencies to support a range of initiatives, including housing project delivery. Government grants can be used to fund a variety of housing projects, including affordable housing, social housing, and community housing (Smith, 2018).

Government grants can come from a variety of sources, including federal, state, and local governments. The terms of the grant will vary depending on the government agency and the specific needs of the housing project. In general, government grants are designed to provide financial support to housing projects that address a particular social or economic need. However, government grants also have several disadvantages like government grants can be subject to political pressures and changes in government priorities, making them less reliable than other sources of funding (Brown, 2019).

Philanthropic funding: Philanthropic funding in housing project delivery is a way for philanthropic organizations to support the development and delivery of affordable housing projects. These organizations provide financial resources and support to nonprofit organizations, community development corporations, and other entities that work to create affordable housing for low- and moderate-income families and individuals (Nwachukwu, 2020). The philanthropic sector can play an important role in addressing the affordable housing crisis, as they can provide flexible funding that may not be available through traditional financing channels. Philanthropic

organizations can also bring additional resources to the table, such as technical assistance, expertise, and partnerships, that can help to leverage other funding sources and create more impactful housing projects (Okoro, 2020).

There are several types of philanthropic funding that can support housing project delivery, including grants, loans, and equity investments. Each type of funding has its own benefits and considerations, and organizations may use a combination of these funding sources to support their housing projects.

Grants are often the most common form of philanthropic funding for housing projects (Johnson 2019).

Public-private-partnership: Public-private partnerships (PPPs) are collaborations between the public and private sectors for the delivery of public services and infrastructure projects. The housing sector is one of the areas where PPPs have been implemented successfully. In this context, PPPs can be defined as contractual agreements between the public and private sectors for the provision of housing services, which may include planning, design, construction, financing, management, and maintenance (Brown and Johnson 2019). In the case of housing PPPs, the public sector usually provides the land and regulatory framework, while the private sector provides the expertise, capital, and management. The private sector partner can be a single company or a consortium of companies that bring together the necessary skills and resources to deliver the project.

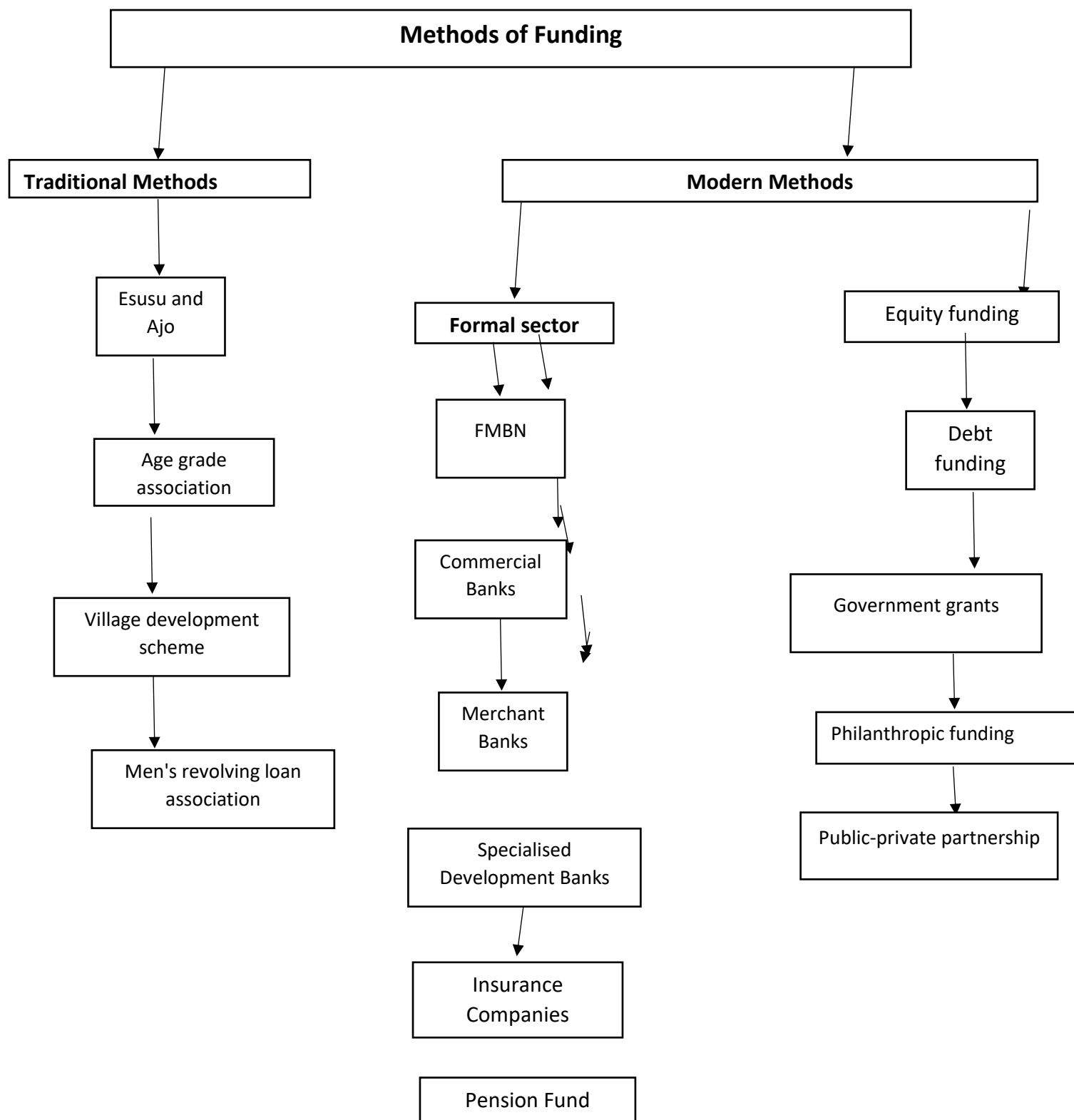


Fig.2 Showing other methods of Funding
Source: Author's research 2023

Elements that could influence crowdfunding on housing delivery in Imo State

There are several factors that could influence housing delivery in Southeast Nigeria. Here are some of the most significant ones:

Project Viability: The perceived feasibility and potential success of the housing project greatly influence crowdfunding. Investors are more likely to contribute to projects with clear objectives, realistic plans, and a high likelihood of completion (Brown and Johnson 2019).

Developer Reputation: The track record and reputation of the project developers play a significant role (Abiodun 2019). Established developers with a history of successful projects are more likely to gain the trust of potential backers.

Economic Climate: The overall economic conditions, including interest rates and job market stability, impact the willingness of individuals to invest in crowdfunding projects. Favorable economic climates tend to attract more backers (Adelepajo 2020).

Regulatory Environment: The regulatory framework governing crowdfunding for housing projects can either facilitate or hinder participation. Clear and supportive regulations encourage crowdfunding activities, while ambiguity or strict requirements may pose challenges (Kuppuswamy and Bayus 2018).

Community Engagement: Projects that actively engage with the local community, addressing their needs and concerns, are more likely to receive support. Community involvement enhances the social impact of the project and fosters a sense of ownership (Smith 2018).

Marketing and Outreach: Effective marketing strategies, including online presence, social media campaigns, and other promotional efforts, increase the visibility of the crowdfunding campaign. A well-executed outreach plan can attract a broader range of backers (Smith 2018).

Platform Credibility: The credibility of the crowdfunding platform used is crucial. Investors prefer platforms with a proven track record, secure payment systems, and user-friendly interfaces (Brown and Johnson, 2019).

Investor Incentives: Providing attractive incentives for backers, such as exclusive early access, discounts, or other perks, can motivate individuals to contribute to the crowdfunding campaign (Nwachukwu, 2019). Considering and addressing these factors strategically can enhance the success of crowdfunding initiatives for housing projects.

Government Policies:

Government policies and regulations can have a significant impact on housing delivery. For example, if the government imposes high taxes or levies on developers, this can increase the cost of building new homes and reduce the incentive for developers to invest in new housing projects, Adebayo et al. (2021).

Political stability:

Political stability is an essential factor that influences housing delivery in Southeast Nigeria. It refers to the absence of political turmoil, civil unrest, or conflict, and the presence of a stable government that is able to provide a safe and secure environment for its citizens.

Political stability is crucial for the housing industry as it affects the overall investment climate in the region. When there is political instability, investors and developers may be reluctant to invest in the housing sector, which can result in a shortage of housing supply, Ezeonwuka and Onwumere (2019). In contrast, a stable political environment can attract investment, boost economic growth, and lead to increased demand for housing.

Benefits of Crowdfunding

Crowdfunding as a financing model has several benefits over the traditional housing financing models. Eniola and Entebang (2019) quoting Pierrakis and Collins (2017) assert that technological advances have assisted the growth of crowd funding. The authors further argued that the fact that the technology advances is the capability to effortlessly build a free online connection structure, secure online money transferring services, accurate credit scores that can be utilized by many different financiers, and free social media marketing tools that can be utilized to engage geographically dispersed large crowds of people. Crowdfunding can be used to improve Nigeria SMEs' access to finance and potentially remedy certain market failures, such as the insufficient provision of funding for start-ups and early-stage companies. Its special design provides flexibility, cost-effectiveness and a high speed of raising finances. Entrepreneurs also gain a market-testing tool which permits them to calculate demand and collect feedback from possible clients. Benefits for contributors include civic or community engagement and, in the case of theoretical accounts with financial returns, an investment opportunity (Eniola and Entebang, 2019). Crowdfunding is providing an opportunity for SMEs and creative ideas to access funding which under normal business circumstances they wouldn't have access to their operations, (Assenova et al., 2020). The inability of these firms and individuals to have access to funds from traditional sources has rendered several viable ideas not to see the light of the day. Even when promoters of such business are able to midwife it to open doors for business, sustaining and expanding the operations is difficult to achieve in the absence of adequate funding thereby shortchanging the economy of their vital contributions. As traditional investors back out, and in the absence of intervention funds from government agencies and programmes, especially now that the country is struggling after the economic recession, SMEs and initiators of creative ideas are compelled to look at alternative sources of

funding and consequently tapping into the internet to solicit donations and investible funds become inevitable (Soreh, 2018).

Below are some of the benefits of crowdfunding

Increased Access to Capital: Crowdfunding enables developers to raise funds from a diverse group of investors, offering an effective alternative to traditional financing methods. This is particularly advantageous for small to medium-sized projects that might have difficulty securing bank loans (Connel, 2023).

Portfolio Diversification: Investors can allocate their capital across multiple properties, reducing risk and enhancing potential long-term returns. Diversification is essential for protecting assets (Luke, 2024).

Lower Entry Barriers: By lowering the minimum investment amounts, crowdfunding makes real estate investment more accessible to a wider audience. This inclusivity allows more individuals to participate in and benefit from property investments (Luke, 2024).

Enhanced Liquidity: Real estate crowdfunding platforms often provide secondary markets where investors can trade shares, offering greater liquidity compared to traditional real estate investments (Connel, 2023).

Community and Social Benefits: Crowdfunding supports community-driven projects, empowering local residents and fostering social cohesion by involving them directly in development efforts (Luke, 2024).

Marketing and Investor Engagement: Crowdfunding campaigns serve as effective marketing tools, raising awareness and generating excitement around a project. They also build investor loyalty by involving them directly in the project's success (Connel, 2023).

Challenges of Crowdfunding Financing Method

Crowdfunding success as a funding approach elsewhere notwithstanding, the mechanism is penetrating into the country's entrepreneurial finance at a snail speed (Soreh, 2018). Presently, there is no existing database for crowdfunding activities in the country. Soreh (2018) noted that unlike U.S, Canada, Turkey, United Kingdom, China and some countries in Europe where the practice is heavily guided by legislation, there are no existing laws regulating its implementation for entrepreneurial activities in Nigeria for now and not likely in the near future. For instance, in 2012, Italian Government passed a law in allowing innovative start-up companies to raise equity capital through dedicated crowdfunding platforms (Quintavalla & Piattelli, 2019). Consequently, this law has guided and made the crowdfunding platforms number to double in Italy over the last few months, counting 24 platforms and more than 1700 projects published since October, 2012 to June, 2013 (Eniola and Entebang, 2019). This perhaps is the underlying reason that makes social courses the most successful crowdfunding campaigns in Nigeria. Virtually, most of the successful campaigns are to help the sick (health related). Instead of using established crowdfunding platforms or site, campaigners use the electronic media, especially Television stations, with a designated bank account. A review of successful campaigns for entrepreneurial purposes reveals that one of such campaigns on one of the Nigerian-oriented sites was funded by the promoters of the platform (Soreh, 2018). There is no indication of other successful campaigns for over four years leaving the first successful campaign a suspect. This does not mean that the concept is not workable in the country but triggers regulatory concerns, (Assenova, et. Al., 2020). Nigeria is said to be a host of about Nine crowdfunding platforms with several listings on some of the platforms, especially indigenous sites such as Imeela, Naturfund, Funmilowo, Donate-ng, but there is little or no evidence of successful funding for real estate or housing delivery. The one or two successful campaigns recorded for entrepreneurial activities in the country were listed on Kickstarter and Gofundme; incidentally, the campaigners are not Nigerians. On the other part, the government is not doing enough to embrace the financing innovation in the country. Instead of promulgating the necessary legislations to midwife its implementation, through the Securities and Exchange Commission (SEC), the government has come out to instill more doubt on the concept by saying the Commission is not supporting crowdfunding due to certain provisions in CAMA 1990 as amended and ISA 2007. The government position may be right to an extent because, without regulation, abuses are bound to be rampant. Abushaban (2021) argue that developing countries especially in the Middle East and Africa, in particular, facing funding challenges for SMEs and innovative creative ideas may greatly benefit from Crowdfunding as the approach is capable of creating the desired positive impact on these deprived societies. The timely intervention with a policy on best practices and subsequent appropriate legislations would help in reducing certain shady deals that would further douse the fears in the minds of potential backers, speed the awareness process so as to exploit the potentials associated with the funding mechanism. Level of awareness may have also posed a challenge to crowdfunding financing model for housing delivery in Lagos Nigeria. Leela (2021) argue that "it is imperative that crowdfunding platforms must create adequate awareness about the potential areas of 'risks', particularly relevant for crowdfunding." Awareness in crowdfunding suggests that both fund seekers and backers are able to know that the concept does not function according to the regular finance principles. Public perception and attitude towards crowdfunding financing for housing delivery may make or mar the financing model (Soreh, 2018). According to Widuto (2020), crowdfunding can be a financing option for SMEs but it entails certain risk such as risk of fraud, platform closure or failure, project default, cyber-attack, donor exhaustion, misleading advertising practices, legal uncertainty stemming from

different legislation, liquidity risk (lack of exit options), and infringement of intellectual property rights. Through appropriate law and regulation, more or less of the stated has already been accosted by a number of countries. It would be important for the Nigerian government to recognize the potentials that a platform of this nature possesses, pass relevant legislation on it in order to avoid the risk of it being taken over by people of shady character to the detriment of the masses. Crowdfunding as a funding approach is flourishing in several countries, yet, the government and the people of Nigeria are making no headway with the concept.

Barriers of crowdfunding on Housing Delivery in Nigeria

Regulatory Hurdles: Nigeria lacks comprehensive crowdfunding regulations, leading to uncertainty and potential legal complications (Aderemi, Maulida and Maikabara, 2021).

Financial Restraints: Limited financial access hampers effective private housing delivery, presenting a major obstacle to crowdfunding endeavors (Lawal, 2019).

Limited Awareness: Many Nigerians are unaware of crowdfunding opportunities, resulting in low participation rates and challenges in fundraising for housing projects (Aderemi, Maulida and Maikabara, 2021).

Transparency Concerns: Decentralized crowdfunding platforms may raise transparency issues, impacting investor trust and engagement (Lawal, 2019).

Financial Obstacles: Despite reduced entry requirements, crowdfunding platforms may impose high minimum investment thresholds, hindering access for smaller investors (Lawal, 2019).

Ownership Formality Challenges: Crowdfunding encounters difficulties in facilitating formal ownership due to legal intricacies and registration procedures, impacting the scalability of housing projects (Soreh, 2018).

Crowd Funding Stakeholders

Crowdfunding is distinctively made up of three stakeholders: the project initiators who seek funding for their projects, the backers who are willing to support a specific project, and the matchmaking crowdfunding platforms acting as intermediaries (Belleflamme et al., 2019). Crowdfunding mostly happens on crowdfunding platforms (CFPs), i.e., Internet-based platforms that link fund revisers to funders with the aim of funding a particular campaign by typically many funders.

A common feature of all Crowdfunding platforms is that participants come to obtain access to additional funding (Belleflamme, Omrani and Peitz, 2019). Crowdfunding platforms charge fees for processing donations (Gerber and Hui, 2018). Crowdfunding platforms provide dedicated project pages, analytics, and project monitoring and tutorials before and throughout the campaign (Gerber and Hui, 2018). The majority of crowding funding platforms are found in the USA and Europe (Gabison, 2019). Crowdfunding platforms are websites that enable managers, entrepreneurs, and initiators to solicit funding via an open call and post details about the projects. Potential backers may browse through the projects and support the ones they find attractive by providing funds (Kuti and Madarász, 2018).

Investor's incentives that can influence crowdfunding on housing project delivery

1. **Potential High Returns:** compared to traditional funding avenues Investors are attracted to crowdfunding housing projects due to the potential for high returns on their investment. Successful projects can yield substantial profits, especially in high-demand areas or during real estate booms, (Mollick 2018).

2. **Access to Real Estate Market:** Many investors find crowdfunding platforms as a convenient way to access the real estate market, which traditionally required significant capital, expertise, and connections, (Agrawal and Catalini, 2016). Participating in crowdfunding exposes investors to a broader network of real estate professionals, developers, and other investors, which can lead to future investment opportunities and collaborations.
3. **Diversification:** By investing in real estate through crowdfunding, investors can diversify their portfolios without requiring substantial sums of money. This diversification technique aids in distributing risk among several asset groups, (Liu and Huang, 2016). They are motivated by the chance to add real estate assets to their investment portfolios, which can act as a buffer against market volatility.
4. **Risk Mitigation:** In order to lessen investors' exposure to the risks associated with certain projects, several crowdfunding platforms provide features including risk assessment, due diligence reports, and diverse investment possibilities. The interests of project developers and investors are frequently aligned through crowdfunding arrangements, which promote collaboration and common objectives for the successful completion of projects, (Bhattacharya and Koka, 2015).
5. **Low Entry Barriers:** Through crowdfunding, individual investors can now join in initiatives that were previously exclusively available to affluent or institutional investors. This lowers the entrance barriers for these investors. Platforms for crowdfunding give investors access to transparent and comprehensive information on housing projects, including risk factors, potential returns, and financial estimates, (Mollick, 2018). Investor confidence is increased by this openness.

Government Policies that can influence crowdfunding on housing project delivery

1. **Regulatory Framework:** Governments can establish clear regulatory frameworks specifically tailored for crowdfunding platforms and investments, (Wood, 2017). These frameworks outline the legal requirements, investor protections, and operational guidelines for crowdfunding activities related to housing projects. This will go a long way in influence crowdfunding on housing project delivery. There are some stringent policies placed by the government on crowdfunding that affect the full potentials of use crowdfunding to fund a housing project delivery.
2. **Tax Incentives:** Governments can provide tax incentives or exemptions for investors participating in crowdfunding for housing projects. This can include tax breaks on capital gains, investment income, or incentives for investing in specific types of housing developments like affordable housing. Governments may offer financial support programs or grants to encourage crowdfunding platforms and housing developers to undertake projects that align with government priorities, such as urban renewal, sustainable housing, or addressing housing shortages, (Burtch and Wattal, 2017).
3. **Risk mitigation measures:** Governments can implement risk mitigation measures, such as insurance schemes or guarantee funds, to protect investors and enhance confidence in crowdfunding platforms, particularly for larger-scale housing projects, (Bhattacharya and Koka, 2015). Governments may enact specific regulations governing crowdfunding activities, including investor eligibility criteria, fundraising limits, disclosure requirements, and compliance standards for crowdfunding platforms operating in the housing sector.

4. **Support for Innovation and Technology:** Government support for innovation and technology adoption in crowdfunding platforms and housing development processes through funding initiatives, research grants, and partnerships with tech-driven solutions providers will positively affect crowdfunding in housing project delivery as these innovations remove some of the barriers experienced in crowdfunding, (Kuppuswamy and Bayus, 2018).
5. **Land Use Policies:** Zoning regulations and land use policies set by governments directly impact the feasibility and scope of housing projects, (Ogundeji, 2023). Governments can revise these policies to facilitate crowdfunding-backed developments, especially in areas where there's a demand for affordable housing or urban redevelopment. Policies promoting community engagement and consultation in the planning and development phases of housing projects can enhance public trust, reduce conflicts, and support successful crowdfunding initiatives.

Developer's Reputation that can Influence crowdfunding on housing project delivery

1. **Track Record:** A developer's track record of successfully completing previous housing projects on time, within budget, and meeting quality standards enhances their reputation, (Kuppuswamy and Bayus, 2018). Investors prefer developers with a proven track record of delivering successful outcomes.
2. **Transparency and Communication:** Developers who prioritize transparency, clear communication, and timely updates throughout the crowdfunding process and project lifecycle build trust with investors and foster long-term relationships, (Burtch and Wattal, 2017). Developers who adhere to ethical business practices, comply with regulatory requirements, and prioritize environmental sustainability and social responsibility aspects earn positive reputation points among investors.
3. **Experience and Expertise:** Developers with extensive experience and expertise in the real estate industry, including knowledge of local markets, regulatory requirements, and construction management, are viewed favorably by investors, (Ogundeji, 2023). A developer's financial stability, demonstrated by strong financials, access to capital, and partnerships with reputable financial institutions, instills confidence in investors regarding the project's financial viability.
4. **Customer Satisfaction:** Developers with a history of high customer satisfaction, evidenced by positive feedback, testimonials, and repeat business from homeowners or tenants in their previous projects, inspire investor confidence. Positive market perception and recognition within the real estate industry, including awards, accolades, and endorsements from industry experts, contribute to a developer's reputation and credibility, (Wood, 2017).
5. **Innovative Approaches:** Developers known for innovative approaches, such as incorporating technology, sustainable design practices, or community-focused initiatives, attract investors interested in supporting forward-thinking projects, (Kuppuswamy and Bayus, 2018). A developer's commitment to project success, demonstrated through their dedication to delivering value, addressing challenges proactively, and prioritizing investor interests, strengthens their reputation and fosters investor loyalty.

Comparison between Crowdfunding and Traditional funding option

Accessibility

Crowdfunding: Generally, more accessible to a wider audience, including startups and small businesses without extensive financial histories (Mollick 2017 and Belleflamme 2017).

Traditional Funding: More restrictive, often requiring extensive documentation, collateral, and proven track records (Xiao and Zhang 2019).

Costs

Crowdfunding: Costs include platform fees, marketing expenses, and potential intellectual property risks (Xiao and Zhang 2019).

Traditional Funding: Includes interest payments (for loans), equity dilution (for venture capital and angel investments), and potential fees for legal and administrative processes (Xiao and Zhang 2019).

Investor Involvement

Crowdfunding: Typically involves minimal ongoing investor involvement, especially in rewards-based and donation-based models (Mollick 2017 and Belleflamme 2017).

Traditional Funding: Investors (especially venture capitalists and angel investors) often seek active involvement and influence in management decisions (Torres and Oliveira 2021).

Speed

Crowdfunding: Can be quicker to launch and conclude, depending on the campaign's appeal and marketing efforts (Xiao and Zhang 2019).

Traditional Funding: Generally, a slower process, requiring extensive due diligence and negotiations (Xiao and Zhang 2019).

Flexibility

Crowdfunding: Offers a variety of models (rewards, equity, debt, donation) catering to different needs and project types (Liu, 2023).

Traditional Funding: Less flexible, with each type of funding having specific purposes and conditions (Xiao and Zhang 2019).

Risk and Security

Crowdfunding: Higher risk of failure to meet funding goals; potential intellectual property risks (Bellefame, 2018).

Traditional Funding: More secure if requirements are met; contractual obligations provide a clear framework (Xiao and Zhang 2019).

Market Exposure

Crowdfunding: Provides immediate market exposure and can validate market interest (Liu, 2023).

Traditional Funding: Less direct market exposure but enhances credibility through association with established financial institutions or investors (Torres and Oliveira 2021).

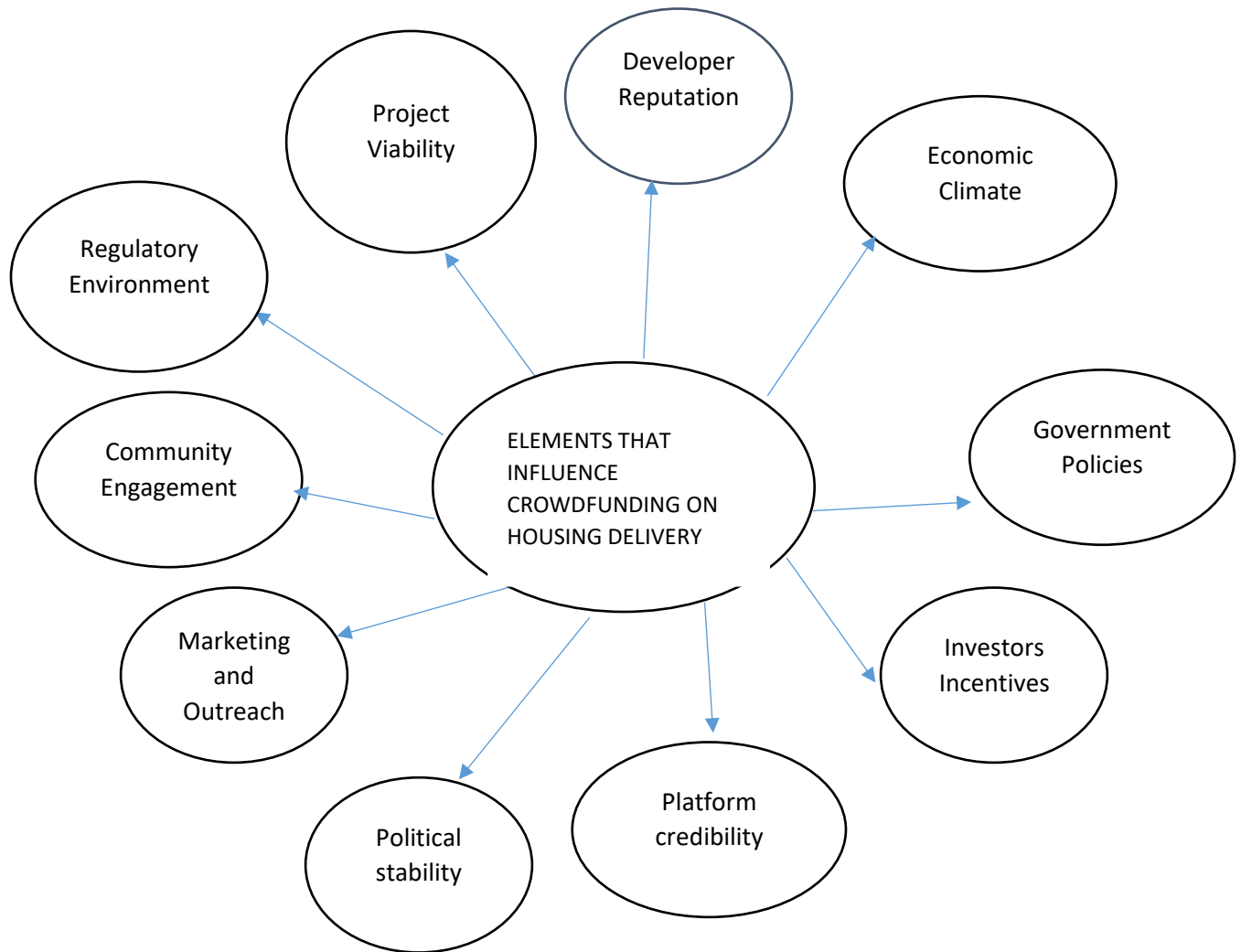


Fig 3 Proposed Conceptual Framework Based on the identified elements

Source: Author's Research 2023

In the realm of funding literature, two main funding options have been identified: debt and equity finance. The choice between these options depends on the characteristics of the assets being funded. According to the concept of transaction cost reasoning, debt finance is most appropriate for re-deployable assets, while equity finance is preferred for non-re-deployable assets, as proposed by Williamson (1988).

Wei, Wenli, and Jianfeng (2021) contended that debt is utilized when the owner's resources limit their ability to capitalize on potentially lucrative investment opportunities. Debt finance provides a fixed return to its suppliers, as long as the company is not bankrupt and has adequate funds to fulfill the fixed payment. Crosby (2019) categorized bank lending into asset-specific or corporate loans and indicated that it could be either secured or unsecured.

Equity finance, on the other hand, gives its suppliers the right to the firm's residual returns after payments to debt suppliers. Equity suppliers also have the right to vote on decisions concerning the firm's operation when the firm is not bankrupt. However, in the event of bankruptcy, suppliers of equity receive nothing and lose the right to make decisions about the firm's operations. Suppliers

of equity finance have the right to the firm's residual return in non-bankruptcy situations, but do not have the right to receive a fixed payment in every period (Toby, 2018).

Debt finance can be classified as short-term or long-term (Wei, 2021). Short-term debt finance instruments include bank overdrafts, commercial papers, and short-term trade credit. Long-term debt finance instruments include housing loans, mortgages, and other forms of informal credit transactions. In developing countries, debt finance can be obtained from various sources, such as formal financial institutions like banks, micro-finance arrangements, indigenous moneylenders, family members, employers, and government.

Crowdfunding presents an opportunity for housing developers to access capital that may not be available through traditional financing methods (Liu et al. 2016). It enables developers to tap into a larger investor base potentially resulting in a more diversified and secure funding structure. This increased access to capital can accelerate the development and delivery of housing projects.

Crowdfunding can foster community engagement and support in housing projects. By involving the local community in the funding process developers can gain their trust and support (Burtch et al. 2013). This engagement can lead to a sense of ownership and pride among community members resulting in higher project success rates and better social outcomes.

Theories of crowdfunding

Crowd Capital Theory (CC): Proposed by Mollick (2018) argues that crowdfunding provides more than just financial capital. It emphasizes the value of social capital human capital and cultural capital that can be gained through crowdfunding campaigns. Mollick (2018) suggests that crowdfunding platforms can help entrepreneurs access a wide network of potential supporters who can contribute not only financially but also through knowledge sharing mentorship and market validation. The theory proposes that by leveraging these different forms of capital crowdfunding can enhance project outcomes. Mollick (2018) suggests that the Crowd Capital Theory has gained support from various researchers and practitioners who recognize the multifaceted benefits of crowdfunding beyond financial gains. Notable supporters include Agrawal Catalini and Goldfarb (2018).

While the Crowd Capital Theory has gained traction some critics argue that the theory overlooks the challenges associated with crowdfunding such as the risk of fraud information asymmetry and the potential for project failure. Scholars like Wood (2017) have raised concerns regarding the sustainability and long-term impact of crowdfunding campaigns.

Social Exchange Theory (SET): Proposed by Burtch et al. (2017) suggests that crowdfunding relationships are based on a reciprocal exchange of resources between project creators and backers. According to Burtch et al. (2017) this theory argues that individuals are more likely to contribute to crowdfunding projects when they perceive that the benefits they receive from the project creator outweigh the costs incurred. The theory emphasizes the importance of trust reputation and perceived value in crowdfunding campaigns. Burtch et al. (2017) have received support for the Social Exchange Theory from scholars such as Mollick (2018) who acknowledge the significance of trust and reciprocity in crowdfunding interactions. Additionally, research by Kuppuswamy and Bayus (2018) supports the idea that perceived value and social exchange influence backers' decision-making process.

Critics of the Social Exchange Theory argue that it oversimplifies the complex dynamics of crowdfunding relationships. Some scholars like Bhattacharya et al. (2015) argue that factors like emotional connection, personal motivation and altruism also play a significant role in crowdfunding contributions which the theory fails to address adequately.

This research work will be based on the two theories discussed above because the research will be on both investors and developers.

The empirical review is aligned with the study's objectives. In our analysis, we will compare our findings with those in the empirical review to determine their contribution to the existing body of knowledge.

Lawal's (2019) study assessed the prospects and challenges of the crowdfunding financing model for housing delivery in Lagos, Nigeria, using a survey approach with questionnaires administered to estate firms. The study found that the greatest challenge was the lack of awareness about crowdfunding. Other significant factors included the perceived benefits of the project, existing laws and regulatory frameworks, the state of the economy, and the time required to pool funds. However, this study focused solely on Lagos State, not Imo State.

Emezie and Udejaja (2019) evaluated the challenges and opportunities of crowdfunding in the Nigerian housing sector, focusing on Imo State. Using interviews and surveys with key stakeholders, the study identified limited awareness of crowdfunding, lack of regulatory frameworks, and trust issues as barriers to its widespread adoption. Nonetheless, crowdfunding was seen as an opportunity to address the funding gap and promote community participation. The authors concluded that addressing these challenges and providing supportive policies and regulations could enhance the effectiveness of crowdfunding in housing delivery. This study did not specifically focus on the outcomes or impacts of crowdfunded housing projects.

Oluwunmi and Oduwale (2017) examined the factors influencing the success of crowdfunding campaigns for housing projects in Lagos State. They conducted a survey of crowdfunding campaign organizers and analyzed the data using statistical techniques. The study identified factors such as the quality of project descriptions, social network size, and campaign duration as significant predictors of crowdfunding success. Additionally, trust indicators and positive project updates positively influenced campaign outcomes. The authors suggested that crowdfunding platforms need to support campaign organizers and potential donors to enhance housing project success. However, this study did not explore the impact of crowdfunding on housing delivery beyond campaign success.

Aderemi, Maulida, and Maikabara (2021) reviewed the concept, prospects, and challenges of crowdfunding in Nigeria using a library-based approach. They found that Nigeria has the potential to become the crowdfunding hub of Africa, but challenges such as regulation, lack of awareness, and fraud hinder its growth. The study recommended increasing awareness about crowdfunding and establishing regulations to ensure its functionality. However, the study did not describe the effect of crowdfunding on housing delivery. Crowdfunding, an emerging source of raising fund in Nigeria is a study done by Aladejebi (2020), The research method used for the research was multiple case studies. The purposive sampling method was used to select the five participants for the research. The questionnaire contained fifteen questions. Eighteen themes were generated from the questions. As a result of Social distancing for protection under COVID 19, questions were sent to the respondents via the Google form. The thematic analysis result revealed that agricultural business is the most popular when it comes to crowdfunding. It was an opportunity for entrepreneurs to raise money from another source, easier to access funds through crowdfunding. The crowdfunding approaches used to raise funds by the five participants are loans, hybrid,

reward-based, and royalty-based approaches. Crowdfunding is an effective funding alternative for entrepreneurs.

Research has shown that the availability of funds significantly impacts the delivery of housing projects in Imo state. A study by Nnaji and Okoye (2019) on the impact of funding on housing development in Anambra State, Nigeria, revealed that inadequate funding is a major challenge facing housing development in the state. The study found that funding constraints resulted in a shortage of affordable housing units and poor quality of housing units delivered.

A recent study by Okafor and Nwosu (2021) examined the challenges of project funding in the delivery of affordable housing in Nigeria. The study found that the lack of access to project funding was a major challenge facing developers of affordable housing in the country. The study recommended that the government should provide incentives for private sector investors to invest in affordable housing projects.

Efobi, Nwachukwu and Emoh (2021) did a study on housing deficit and challenges in south east Nigeria and found out that uncoordinated policies and implementation/policy weakness, affordability gap and high cost of construction/building material are some of the factors that affects housing delivery in Southeast Nigeria.

Another study by Aladejebi(2020) on Crowdfunding as an Emerging Source of Raising Funds In Nigeria. The research method used for the research was multiple case studies. The research disclosed that crowdfunding approaches used to raise funds by the five participants are loans, hybrid, reward-based, and royalty-based approaches.

A study by Nwankwo and Ekechukwu (2021) examined the effect of project funding on housing project delivery in the Southeast region of Nigeria. The study found that inadequate project funding was a major hindrance to the successful delivery of housing projects in the region. The study also noted that project funding was necessary to ensure the timely completion of housing projects.

Another study by Ugwuanyi and Agubamah (2020) examined the role of project funding in the delivery of affordable housing in the Southeast region. The study found that project funding played a critical role in the success of affordable housing projects in the region. The study recommended that the government and private sector should collaborate to ensure adequate project funding for affordable housing projects.

A study by Okonkwo and Ezenwaji (2020) examined the impact of project funding on the delivery of public housing in the Southeast region. The study found that adequate project funding was necessary for the successful delivery of public housing projects. The study also noted that project funding had a positive impact on the quality of public housing projects delivered.

Okechukwu and Umeokafor (2019) examined the impact of project funding on the delivery of housing projects in Nigeria. The study found that inadequate project funding was a major factor contributing to the poor quality of housing projects delivered in Nigeria. The study recommended that project funding should be made readily available to ensure the timely delivery of quality housing projects.

Furthermore, the impact of funding on housing delivery has also been examined by Oluwunmi and Oyegoke (2018) in their study on the challenges of affordable housing delivery in Nigeria. The study found that the lack of funding is a major constraint to the delivery of affordable housing in Nigeria. The authors noted that the government needs to provide adequate funding for housing projects and also explore alternative funding sources to enhance the delivery of affordable housing units.

Belleflamme, Lambert and Schwienbacher (2018) did a research on Crowdfunding, tapping the right crowd, the study used interviews and questionnaires to get data from respondents and the data was used to test the hypothesis of the research using Mean score as analytical tool, this study only focused in western region and was not conducted to include Nigeria and Imo state in particular and the objectives of the study was to determine if crowdfunding was being accepted by the people. An Empirical Examination of the Antecedents and Consequences of Contribution Patterns in Crowd-Funded Markets was done by Burtch, Ghose, and Wattal (2013) and the aim of the study was to know the consequences of crowdfunding, the study used Regression analysis as the analytical tool and questionnaire was used to get the primary data for the study but the study was not specific on housing project delivery rather it was generalized.

Akintoye et al. (2015) investigated the impact of crowdfunding on housing project delivery in Nigeria. The study employed a mixed-method approach combining interviews with key stakeholders and a quantitative analysis of crowdfunding platforms. The research revealed that crowdfunding has the potential to enhance housing project delivery by increasing access to funding reducing project costs and fostering community engagement. The authors concluded that crowdfunding can be an effective financing tool for housing projects in Nigeria but further research is needed to understand its long-term sustainability and potential risks. This study did not specifically explore the challenges or limitations associated with crowdfunding in the housing sector.

Crowdfunding for Renewable and Sustainable Energy Projects: An Exploratory Study in China. Renewable Energy was a study conducted by Liu, Lu and Huang (2018). The objective of the study to know if crowdfunding is suitable as a funding option for renewable and sustainable energy in China and it used questionnaires to get primary data and ANOVA as analytical tool to test for hypothesis but the study was not done for housing project delivery and only focused on China.

After conducting a preliminary search, it appears that there is a research gap in the area of crowdfunding and housing project delivery in Imo state. While there is a growing body of literature on housing finance and delivery in Nigeria, there appears to be limited research that specifically examines Imo state on crowdfunding as funding source.

One of the primary factors contributing to the research gap is the lack of empirical studies on the crowdfunding of housing project delivery in Imo State. Most of the existing research on housing finance in Nigeria has focused on the national level, with limited attention given to the Imo state. As a result, there is limited data on the specific crowdfunding challenges facing housing project delivery in Imo state, which makes it difficult to develop effective policy interventions.

There is a need for in-depth analysis of the various elements that could influence crowdfunding on housing delivery in Imo State and this research intends to achieve that purpose.

Methodology

The study utilized a descriptive survey design with a questionnaire as the data collection tool. Descriptive survey design is a widely used research methodology in market research to gather detailed information about a population, situation, or phenomenon.

According to Olayiwola (2019), descriptive research aims to accurately and systematically describe a specific subject or group, answering questions related to what, where, when, and how, but not why.

Descriptive survey research involves collecting data from a sample of respondents using instruments like questionnaires, interviews, or online forms. This design aims to provide a snapshot of the population being studied by measuring and describing the characteristics of the

group or phenomenon under investigation. Such surveys offer valuable insights into customer needs, preferences, and behavior, aiding organizations in making informed decisions about their products, services, and marketing strategies.

Descriptive survey design can test hypotheses, define the characteristics of a phenomenon, and examine correlations between variables, as noted by Olayiwola (2019). This research design can employ various methods, including cross-sectional surveys, longitudinal surveys, and cohort studies, to investigate one or more variables.

The questionnaire used in the study is divided into two main sections: Section A covers the demographic background of respondents, while Section B asks respondents to rate variables on a five-point Likert scale.

The study population comprises of 102 professionals who are from various organizations such as the Ministry of housing corporation, Quantity surveyors, Real Estate Developers, Civil Engineers and Project managers. These individuals are located in the three senatorial districts of Imo State, Nigeria and were identified using the Directories of various registered professional bodies in the built environment Located in Imo State Nigeria. It is also to be noted that as at the time of this report these directories are not updated to show the actual population of the professionals.

Population Distribution of the Study

Table 1

Professionals	population
Real Estate developers	30
Quantity Surveyors	25
Civil Engineers	25
Project managers	16
Staffs of Ministry of housing corporation	6
Total	102

Source: Directories of various professional bodies (2023)

The study used Yamane's Formula to determine the sample size for the study as shown below and also purposive sampling was used to distribute questionnaire to some selected respondents because this research is specific to people involved in funding of housing project delivery in Imo State and to achieve the research objectives.

Yamane's Formula was used to determine the sample size for the study as showing below:

Yamane's formula: $n = N/(1+N(e)^2)$.

The variables in this formula are:

n = the sample size

N = the population of the study

e = the margin error in the calculation

$$n = 102 / (1 + (102(0.05))^2) \\ = 102 / 1 + 0.175 \\ n = 81$$

The researcher collected secondary and primary data for the study. Secondary data were collected from different journals, textbooks, thesis, ministry of housing corporation and other online articles while the primary data was collected from the questionnaires distributed.

In order to collect relevant data from respondents, the researcher utilized a structured questionnaire to collect data from relevant stakeholders including housing project developers, investors and beneficiaries. The questionnaire will consist of both closed-ended and open-ended questions to gather quantitative and qualitative data.

The study utilized a content validity of the instrument approach to determine the validity of the tool by confirming its sufficiency, appropriateness, inclusivity and relevance to the issue under study. Three funding related experts from the research area reviewed the questionnaire. The instrument was adjusted and modified based on their feedback, opinions, and early assessments.

The study used the test-and-retest procedure to determine the instrument's dependability. A total of 30 copies of the questionnaire were distributed to 30 respondents in Owerri, who were chosen from the sample size. The same group received this again after two weeks had passed. 30 of the questionnaires that were provided were filled out and returned, and the respondents showed a high level of understanding and appreciation for the questions. Cronbach's Alpha was used and a result of 0.783 was achieved showing it was accepted.

Cronbach's Alpha was calculated using the following formula:

$$\alpha = (K) / (K-1) * ((Sy2 - \sum Si^2) / Sy2)$$

Where:

α = Cronbach's Alpha

K = the number of items in the scale

Si = Variance scores for each item

Sy2 = Variance of sum scores for all items

Result shown in Appendix

Questionnaire distribution population

Table 2

Professionals	population
Real Estate developers	22
Quantity Surveyors	19
Civil Engineers	19
Project managers	18
Staffs of Ministry of housing corporation	3
Total	81

Source: Author's Report (2024)

Simple Regression Analysis and One-Way Analysis of Variance (ANOVA) were employed in the study to analyze the data. A Simple Regression analysis is a statistical technique used to

understand relationships between a dependent variable and one or more independent variables. It helps in estimating and modeling the influence of independent variables on the dependent variable. This method aids in predicting or explaining the behavior of the dependent variable based on the changes in the independent variables. ANOVA was also used to examine how different interest groups perceived the elements that could influence crowdfunding on housing project delivery in Imo State.

The decision rule is to reject H_0 if $p \text{ value} < 0.05$, and to not reject H_0 , if otherwise.

Results

Data Presentation

Data presented in this section emanated from secondary sources as shown in table 3 and then primary sources, where a total of 81 copies of the questionnaire were administered to the respondents; out of which a total of 59 copies were retrieved from the respondents as shown in Table 2.

Table 3 Secondary Data of performance of crowdfunding and other funding options on housing projects

Project Name	Funding type	Estimated time of completion	Progress of work	Remarks
Rehoboth city estate	Equity-crowdfunding	Approx. 5 years	Ongoing	53% success rate
Pwan garden city	Reward crowdfunding	Approx. 4 years	Ongoing	55% success rate
Umuonyeukwu hall building	Donation crowdfunding	3 years	Abandoned	Lack of funding
Imo international park	Public private partnership	2years 6 months	Abandoned	Change of government
Science building Imsu	Government funding	3 years	Uncompleted	Lack of funding
Treasure gate station	Debt financing	2 years	completed	successful
Owerre civic center	Donation crowdfunding	3 years	completed	successful
Garden homes by Pwan	Reward crowdfunding	4 years	completed	Successful
IMSU senate building	Government funding	2 years	completed	Successful
Progress bank building	Commercial bank	4 years	Abandoned	Bank collapsed

Source: Author's Report 2023

The data above shows performance of some funding types with estimated time of project completion and progress of work as at the time of this report. Most of the project were completed with the estimated time of completion while some were abandoned due to lack of funding.

Table 4: Percentage Analysis of Respondents Response Rate

Total number of copies of the questionnaire administered	81
Total number of copies of the questionnaire returned	59
Response Rate $\frac{59}{81} \times \frac{100}{1}$	73%
Non response rate 100% (81) - 73% (22 copies)	27%
Total (%)	100

Source: Data from Fieldwork (2023)

Table 4 shows that a total of Eighty-one (81) copies of the questionnaire were distributed, out of which Fifty-nine (59) copies representing 73% were fully completed and returned. This shows a deficit of Sixteen (16) copies of the questionnaire representing 27%. The rate of return is adequate for the study going by Kothari's (2004) and Agbaeze's argument that a questionnaire return rate of more than 0.7 representing 70% is adequate for an empirical study

Responses from the Survey

The responses from the survey were presented in consistence with the objectives of the study.

1. To evaluate the extent to which investors incentives influences crowdfunding on housing delivery in Imo State.

Data consistent with this objective was presented in the following Table.

Table 5. Investors incentives significantly influence crowdfunding on housing projects delivery in Imo State.

Rating	Frequency	Percentage
	(N)	%
Strongly Agree	31	52.27
Agree	12	20.45
Undecided	8	13.64
Disagree	4	6.82
Strongly Disagree	4	6.82
Total	59	100

Source: Field Survey (2023).

Table 5 reveals that 52.27% of the respondents strongly agreed that Investors incentives significantly influence crowdfunding on housing projects delivery in Imo State. 20.45% of the respondents agreed to the assertion, 13.64% of the respondents were undecided; 6.82% believed that this was not the case, while 6.82% of the respondents opined that Investors incentives do not significantly influence crowdfunding on housing projects delivery in Imo State.

Table 6. How Government policies can significantly influence crowdfunding on housing projects delivery in Imo State.

Rating	Frequency	Percentage
	(N)	%
Strongly Agree	32	54.55
Agree	16	27.27
Undecided	5	9.09
Disagree	4	6.82
Strongly Disagree	2	2.27
Total	59	100

Source: Field Survey (2023).

Table 6 reveals that 54.55% of the respondents strongly agreed that Government policies significantly influence crowdfunding on housing projects delivery in Imo State. 27.27% of the respondents agreed to the assertion, 9.09% of the respondents were undecided; 6.82% believed that this was not the case, while 2.27% of the respondents opined that Government policies significantly influence crowdfunding on housing projects delivery in Imo State.

Table 7. The length to which Developer's reputation significantly influences crowdfunding on housing projects delivery in Imo State.

Rating	Frequency	Percentage
	(N)	%
Strongly Agree	8	13.64
Agree	9	15.90
Undecided	5	9.09
Disagree	11	18.18
Strongly Disagree	26	43.19
Total	59	100

Source: Field Survey (2023).

Table 7 reveals that 13.64% of the respondents strongly agreed that developer's reputation significantly influence crowdfunding on housing projects delivery in Imo State. 15.90% of the respondents agreed to the assertion, 9.09% of the respondents were undecided; 18.18% believed that this was not the case, while 43.19% of the respondents opined that Developer's reputation does not significantly influence crowdfunding on housing projects delivery in Imo State.

Data Analysis: Hypothesis Testing

Statistical analyses were undertaken using the Microsoft Excel. The ranking of the effect of crowdfunding as a novel funding source on housing project delivery was based on the arithmetic means value score. Testing of hypothesis will be based on the objectives of the study.

Hypothesis One

H₀₁: Investors incentives does not significantly influence crowdfunding on housing projects delivery in Imo State.

This was used to achieve the objectives of the research which is know the extent to which Investors incentives significantly influence crowdfunding on housing projects delivery in Imo State.

This was carried out using regression Analysis as shown in the table

Table 8 Simple regression Analysis

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.249545
R Square	0.062273
Adjusted R Square	0.045822
Standard Error	0.460731
Observations	59

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.80351	0.80351	3.785275	0.056643
Residual	57	12.09954	0.212273		
Total	58	12.90305			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	3.091974	0.479193	6.45246	0.025908	2.132407	4.051542	2.132407	4.051542
4	0.242765	0.124778	1.945578	0.050643	-0.0071	0.492628	-0.0071	0.492628

Source: M.S Excel data

Decision Rule

If $P \geq 0.05$, accept null hypothesis (H_0) and reject alternative hypothesis (H_1).

If $P \leq 0.05$, reject null hypothesis (H_0) and accept alternative hypothesis (H_1).

From the table above $P(\text{sig})$ value is 0.0259 less than 0.05 which is the alpha level of significance while the t stat value is 6.452 at a degree of freedom(df) 58.

Therefore, the hypothesis which states that 'Investors incentives significantly influence crowdfunding on housing projects delivery in Imo State is accepted and the Null hypothesis rejected.

Hypothesis Two

H_0 2: Government policies does not significantly influence crowdfunding on housing projects delivery in Imo State.

Government policies does not significantly influence crowdfunding on housing projects delivery in Imo State this was carried out using Simple regression analysis as shown in the table:

Table 9 Simple Regression Analysis

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.331936
R Square	0.110181
Adjusted R Square	0.094571
Standard Error	0.448807
Observations	59

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	1.421676	1.421676	7.058	0.010218
Residual	57	11.48137	0.201428		
Total	58	12.90305			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	2.536291	0.560386	4.525969	0.031105	1.414137	3.658446	1.414137	3.658446
4.2	0.360987	0.135878	2.65669	0.010218	0.088895	0.633079	0.088895	0.633079

Source: M.S Excel data

Decision Rule

If $P \geq 0.05$, accept null hypothesis (H_0) and reject alternative hypothesis (H_1).

If $P \leq 0.05$, reject null hypothesis (H_0) and accept alternative hypothesis (H_1).

From the table above P(sig) value is 0.031105 less than 0.05 which is the alpha level of significance while the t stat value is 4.52 and the degree of freedom 58

Therefore, the hypothesis which states that 'Government policies significantly influence crowdfunding on housing projects delivery in Imo State is accepted and the Null hypothesis rejected.

Hypothesis Three

H_0 3: Developer's reputation does not significantly influence crowdfunding on housing projects delivery in Imo State

This was used to achieve the objectives of the research which is to exam how developer's reputation affects crowdfunding on housing projects delivery in Imo State.

This was carried out using Single factor Anova as shown in the table

Below:

Table 10 Single factor ANOVA

Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
Column Y	59	237	4.016949	0.222466
Column X	59	160.9	2.727119	0.484424

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	49.07805	1	49.07805	138.8561	1.4821	3.922879
Within Groups	40.99966	57	0.353445			
Total	90.07771	58				

Source: M.S Excel data

Decision Rule

If $P \geq 0.05$, accept null hypothesis (H_0) and reject alternative hypothesis (H_1).

If $P \leq 0.05$, reject null hypothesis (H_0) and accept alternative hypothesis (H_1).

Form the table above P(sig) value is 1.4821 greater than 0.05 which is the alpha level of significance while the F calculated value 138.856 is greater than F critical value.

Therefore, the hypothesis which states that 'developer's reputation significantly influence crowdfunding on housing projects delivery in Imo State is rejected and the null hypothesis which states that 'developer's reputation does not significantly influence crowdfunding on housing projects delivery in Imo State is accepted.

4.3.4 Hypothesis Four

H_0 4: Crowdfunding is not more effective than traditional funding on housing project delivery in Imo State.

This was used to achieve the objective which is to which extent has crowdfunding compared to traditional funding being effective on housing project delivery in Imo State. This was carried out using Simple regression analysis as shown in the table:

Table 11 Simple Regression Analysis

SUMMARY

OUTPUT

<i>Regression Statistics</i>								
Multiple R	0.054984							
R Square	0.003023							
Adjusted R Square	-0.01417							
Standard Error	0.470955							
Observations	60							
<hr/>								
<i>ANOVA</i>								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	1	0.039012.864	0.039010.2217	0.175882	0.676485			
Residual	58	3212.903	99					
Total	59	33						
<hr/>								
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	4.115523	0.243433	16.90616	0.0456	3.62823808	4.602808	3.628238	4.602808
X Variable 1	-0.03417	0.081476	-0.41938	0.676485	-0.1972623	0.128923	-0.19726	0.128923

Source: MS Excel Data

Decision Rule

If $P \geq 0.05$, accept null hypothesis (H_0) and reject alternative hypothesis (H_1).

If $P \leq 0.05$, reject null hypothesis (H_0) and accept alternative hypothesis (H_1).

From the table above P(sig) value is 0.0456 less than 0.05 which is the alpha level of significance while the t stat value is 16.906 and the degree of freedom 59

Therefore, the Null hypothesis which states that 'Crowdfunding is not more effective than traditional funding on housing project delivery in Imo State is rejected and the Null hypothesis accepted.

Discussions of Results

The first objective of this study was to evaluate the length to which investors incentives can influences crowdfunding on housing delivery in Imo State. Data from table 5 ($P > 0.05$, $t = -5.809$) indicates the extent to which investors incentives influences crowdfunding on housing delivery in Imo state.

The result supports the work of Aladejebi (2020) who appraised crowdfunding as an emerging source of raising fund in Nigeria. The study revealed that investors play a major role in crowdfunding a housing project.

This study adopted descriptive and exploratory research designs, various offices comprising of mainly developers and investors were visited in Owerri, Mbano, Nkwerre and comprises of a sample size of 81 considering the nature of the study. Structured questionnaire was used to collect data for this study. Regression analysis was used to test the formulated hypothesis at 5% level of significance. The hypothesis test revealed that investors incentives influence crowdfunding on housing project delivery ($T_{cal} = 6.452$, $P = 0.0259 > 0.05$)

The second objective of the study was to investigate how government policies could influence crowdfunding on housing projects delivery in Imo State. Data from table 6 ($t_{cal} = 4.52$, $p > 0.05 = 0.0311$) shows that government policies actually influence crowdfunding on housing project delivery.

The study agrees with the work of Oladeji (2021) who did a study on the challenges facing the prospects of crowdfunding on housing development in Lagos State and found out that uncoordinated policies and implementation/policy weakness by government affects crowdfunding on housing delivery in Lagos, Nigeria. In this research work simple regression analysis was used to test the formulated hypothesis at 5% level of significance. The hypothesis test revealed that there is a much difference on how housing delivery through crowdfunding will be affected by government policies.

The third objective of the study was exam how developer's reputation affects crowdfunding on housing projects delivery in Imo State. Data from table 10 ($f_{cal} = 3.922$, $p < 0.05 = 1.48$) shows that developer's reputation does not affect crowdfunding on housing projects delivery in Imo State. The study disagrees with the study of Okechukwu and Umeokafor (2019) who did a research on the impact of project funding on the delivery of housing projects in Nigeria, they found out that those heading a crowdfunding platform should be of good records but the work of Oluwunmi and Oyegoke (2018) which examined the impact of funding on housing delivery in Nigeria found out that crowdfunding as a funding strategy with well protected platform does not necessarily need the handler's reputation to be known. Single Anova was used to test the formulated hypothesis at 5% level of significance.

The fourth objective of the study was to compare the effectiveness of crowdfunding and traditional funding option on housing project delivery in Imo State. Data from table 11 ($P = 0.0456$, $T_{cal} = 16.906$) shows crowdfunding when compared to other traditional option is actually more effective on housing project delivery. In this research work simple regression analysis was used to test the formulated hypothesis at 5% level of significance. The hypothesis test revealed that crowdfunding is more effective than traditional funding options on housing project delivery

The study agrees with the work of Bhachattara (2017) who compared crowdfunding option and Bank loans funding options on housing project delivery. The study argued that crowdfunding is much easier to access by developers than the traditional banking system which involves a lot of process.

Conclusion and Recommendation

The research unequivocally underscores the pivotal role of crowdfunding in the successful execution of housing projects. Low funding can lead to a host of negative consequences, including incomplete projects, subpar construction quality, and extended project timelines.

Currently, the reward-based crowdfunding market is experiencing steady growth as more and more entrepreneurs, creators, and artists turn to crowdfunding as a means of financing their projects. This reward based is what investors look at before they invest in any housing project. The growth of the reward-based crowdfunding market can be attributed to several factors, including the growing acceptance of crowdfunding as a legitimate means of fundraising, the increasing accessibility of crowdfunding platforms, and the rise of social media, which allows creators to promote their campaigns to a wider audience. Additionally, the COVID-19 pandemic has accelerated the trend towards online fundraising, as more people turn to crowdfunding to support small businesses and independent creators affected by lockdowns and economic downturns.

In conclusion, Government should create good regulatory frameworks and policies that will give confidence to both developers and investors because the kind of policies they make affect crowdfunding on housing delivery.

Based on the findings and contributions of this study, the following recommendations were made:

1. The government should establish clear regulatory guidelines specific to crowdfunding in the housing sector to ensure investor protection and maintain market integrity.
2. Educating potential investors about the risks and benefits of crowdfunding in the housing sector is essential in promoting informed decision-making and reducing potential losses.
3. Housing developers should explore partnerships with traditional financing institutions to combine crowdfunding with traditional funding sources mitigating risks and ensuring stable financing.
4. Developers should prioritize transparency and accountability in project implementation providing regular updates to investors and adhering to agreed-upon timelines.
5. Developers should focus on unique selling points and market differentiation strategies to attract potential investors in a crowded crowdfunding marketplace.

Contribution to Knowledge: Crowdfunding and housing project delivery

This study contributes to the existing body of knowledge on housing project delivery by examining the effect of crowdfunding as a novel funding source. While previous research has explored various aspects of crowdfunding in different contexts limited scholarly attention has been given to its effect specifically on housing project delivery in Imo State. By focusing on this region this study provides valuable insights into the applicability and potential benefits of crowdfunding in a specific geographical context as listed below:

1. The study emphasizes the significance of understanding the regulatory framework governing crowdfunding for housing projects. This knowledge contributes to discussions on how regulations can either facilitate or impede the success of crowdfunding initiatives in the housing sector.
2. The study contribution lies in recognizing the challenge of low awareness surrounding crowdfunding for housing delivery. By highlighting this aspect, the research prompts discussions on the importance of awareness campaigns to foster a culture of crowdfunding participation in housing development.

3. The research adds to the body of knowledge by identifying investors incentives and developer's reputation as a critical factor influencing crowdfunding for built assets, including housing projects. Understanding the role of credibility contributes to strategies aimed at building trust among potential investors.
4. The study showed that crowdfunding is more accessible to developers than the traditional funding options because it doesn't have much bottle necks.
5. The study provided data on crowdfunding as a funding source for housing project delivery in Imo state thereby closing the limited data available in the State which was mentioned in the literature gaps of the study.

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