Do Backers Always Herd?
An Investigation into Intrapersonal Herding Behavior over Time in Crowdfunding

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About His Dissertation

Do backers in crowdfunding campaigns always follow the crowd?

That's the key question at the heart of Namjae (James) Kim's dissertation, which explores how individual backers' tendencies to "herd" and join popular campaigns change as they gain experience and confidence. While herding is a well-known phenomenon in crowdfunding, most previous research has focused on one-time campaigns or how people influence each other. Kim's study breaks new ground by shifting the lens to *intrapersonal* herding behavior: how a single backer's choices develop across multiple projects over time.

To uncover these patterns, Kim conducted a large-scale empirical analysis using five years of contribution data from a reward-based crowdfunding platform. This rich panel dataset included individual histories of backers' support for various projects, allowing Kim to track behavioral shifts across multiple decisions rather than isolated events. His analysis revealed something surprising: backers don't herd in the same way forever. Those with either very strong or very weak track records begin to rely less on crowd signals when deciding which projects to support next. In contrast, backers with middling past performance tend to stick with the crowd, maintaining a consistent herding tendency over time.

Why does this happen? Kim suggests it comes down to a mix of psychological factors. Motivated by either their own expertise or self-serving attributions, backers with either high or low past performance are motivated to use their own judgment, leading them to rely less on others' choices. Those in the middle, however, may be more vulnerable to the pull of group behavior due to uncertainty, *status quo* bias, or a desire for validation.

This research adds important nuance to our understanding of backer behavior in crowdfunding and challenges the assumption that herding is a universal or static tendency. For entrepreneurs and platform designers, the findings offer practical guidance on how to design campaigns and user experiences that attract and retain diverse types of backers, especially those who are still on the fence. Whether you're launching a new product or building the next big crowdfunding platform, Kim's work sheds light on the hidden dynamics that drive success in this increasingly important funding space.