

# Crowdsourcing a Student Business Competition

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## ABSTRACT

Audacious Skulksource is our innovative crowdsourcing platform for showcasing StartUps in the Audacious community, generating feedback to make the businesses stronger, and contribution to the judging.

## Keywords

Student, business, startup, crowdsource, entrepreneurship

## 1. INTRODUCTION

The capstone course is an integral part of most IT degrees internationally. While the majority of these are research based exercises, in New Zealand it is more common for the courses to involve a relationship with a real client to solve a real business problem. A trend in recent years is to offer an “entrepreneurial option”, where students establish a real business as the basis for their capstone. This requires careful thinking about how such entrepreneurial capstones are supported. This paper describes the design and application of a crowdsourcing platform in a student business competition (Audacious).

### 1.1 Entrepreneurship in capstone

A particular driver for the introduction of an entrepreneurial capstone route is the changing nature of employment where entrepreneurship and enterprise are increasingly important components of graduate employment [4, 6]. Bridge *et al.* [3] distinguish employability (being able to get jobs that exist); enterprise for life (being able to get on, even when right job doesn't already exist); and entrepreneurship (new venture creation).

Gilbert [5] describes the challenges as to “design and develop applied, industry-engaged learning environments that embrace ambiguity and uncertainty in overcoming pedagogical inertia in educating young entrepreneurs and innovators”.

Mann, Smith and Regan [8] described a model that considered aspects of the education process in terms of elements of enterprising activity. Aspects include revenue generation, value proposition, integration into learning, and meeting community expectations. This model was used to consider the status of an Information Technology School within a New Zealand ITP.

There is an entrepreneurial route through the projects that has been enhanced with a close relationship with a student business entrepreneurship programme ([www.audacious.co.nz](http://www.audacious.co.nz)). There have been some successes. One student project, Trunk.ly, for example, placed in the Audacious top five in 2011 and was subsequently sold to AVOS. Mann (2012) described how of 20 capstone projects underway, eight were explicitly entrepreneurial. It was argued that it should be a priority to support these and future groups to make the transition to successful business. The approach should involve a reinforcement of entrepreneurial aspects of the capstone (such as a requirement for delivering real sales by the end of the project) and to develop a relationship with the city's business incubator UpStart ([www.UpStart.co.nz](http://www.UpStart.co.nz)).

## 1.2 Student business competition

Audacious is a collaboration between the University of Otago, Otago Polytechnic and the Dunedin City Council. It is aimed at encouraging students to start up in businesses. It is both a competition and a community of founders. Audacious (then called KickStart) started in 2004 with the vision of Dunedin becoming a magnet for young entrepreneurs. It has run a student business idea and business plan competition every year since then.

Previous winners of the Audacious competition include Medikidz, which has created more than a million comic books that help explain medical conditions to children, and Language Perfect which sells its language learning software to the world from its base in Dunedin.

The Audacious competition is now embedded in a number of courses at the University and Polytechnic, as the lecturers have seen the benefits the programme offers. It is open to all tertiary students and around half of those who enter are not business school students.

Audacious provides a structure for students who want to start businesses. It aims to provide inspiration, community, advice and funding. Round one, in the first semester, involves idea development. The winners receive \$500 to get the ball rolling on their start-ups. In the second semester students further develop their initial concept and pitch it to the judges. Finally, up to \$25,000 is awarded at the end of year prize-giving.

Audacious is run by a team of recent graduates who have intertwined roles of roles of event manager, design and competition coordinator. They are supported by a steering committee, with oversight from a governance committee. There are also currently two “Entrepreneurs in Residence” who are successful entrepreneurs who are working on their own businesses while committing to supporting student founder groups.

The goal in the first semester is to maximize awareness – both of enterprise as an opportunity, and the competition itself. To engage as many students as possible, considerable effort is put into high profile events and marketing, class lecture visits, halls of residence visits, etc.

In the second semester the Top 40 from round one have the opportunity to develop their idea, consult with experts in business, entrepreneurship, finance and marketing, write a business plan, pitch their idea to the judges in 60 seconds, and survive the Dragons' Den. A full business plan is developed before final judging and a ceremonial awards night. Judges come from a range of backgrounds with range of experience and expertise from the areas of banking and tax, to IT, marketing and social entrepreneurship.

The competition is really a vehicle to create and support a community of start-up founders. Hence there is a focus on events that serve the purpose of gaining skills, finding inspiration and motivation and the building of support networks. Events in the first semester include speakers on local business

success, business planning, social entrepreneurship and workshops on lateral thinking.

### 1.3 Crowdsourcing

There are a number of areas in which the student experience of Audacious could be improved. These include a deeper experience for those who are involved, and a widening of the engagement beyond the entrants. To address these areas the authors looked to the opportunity of crowdsourcing.

A model is proposed whereby the entrants are required to enter their business onto a web-based platform. More than a repository of the fledgling businesses, this platform is intended to facilitate the benefits of collective intelligence [7] to collaborate on business development and encourage the building of support networks for the businesses.

In *The Wisdom of Crowds*, Surowiecki [11] examines several cases of crowd wisdom at work, where the very success of a solution is dependent on its emergence from a large body of solvers. The trick of this ‘wisdom of crowds’ is to aggregate solutions, not average them.

In his 2013 book, *Crowdsourcing*, Brabham [2] puts forth a problem-based typology of crowdsourcing approaches. These types are:

- Knowledge Discovery & Management - for information management problems where an organization mobilizes a crowd to find and assemble information. Ideal for creating collective resources.
- Distributed Human Intelligence Tasking - for information management problems where an organization has a set of information in hand and mobilizes a crowd to process or analyse the information. Ideal for processing large data sets that computers cannot easily do.
- Broadcast Search - for ideation problems where an organization mobilizes a crowd to come up with a solution to a problem that has an objective, provable right answer. Ideal for scientific problem solving.
- Peer-Vetted Creative Production - for ideation problems where an organization mobilizes a crowd to come up with a solution to a problem which has an answer that is subjective or dependent on public support. Ideal for design, aesthetic, or policy problems.

### 1.4 Objectives

The following objectives are proposed for a crowdsourcing system to support a student business competition system to

- To provide a vehicle for student engagement beyond the entrants;
- To provide a vehicle for including the competition in teaching programmes;
- To provide entrants the experience of managing marketing and narratives surrounding their business;
- To generate technical and commercial validation and feedback for the businesses;
- To provide a base for integrating social media into the business competition;
- To make greater use of 60 second pitches
- To provide exposure for sponsors (commercial, academic and government);
- To provide a mechanism for encouraging participation by formalising both late entries and keen but underperforming entries with a repechage system; and,
- To provide a mechanism to simplify logistics

## 2. DESIGN

A system has been created that attempts to meet these objectives: Audacious Skulksource (Skulksource.com) as shown in Figure 1.

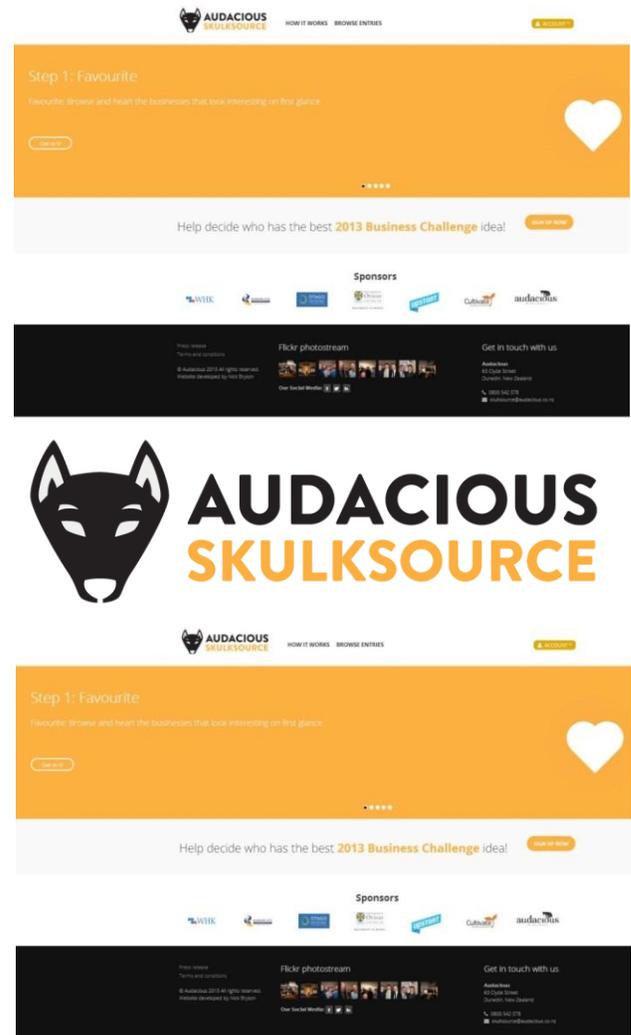


Figure 1: Skulksource

Skulksource is essentially a content management system to hold student start-up information. To this, social media elements are added and, crucially, elements of gamification. The Audacious Business Competition is already in a sense a “game” but has not previously had a distributed game mechanic [9]. Previously the entrants completed a series of tasks that were assessed by a panel of judges. In Skulksource, the goal is to spread this judging.

A scoring system has been created whereby participants can vote for entries using a proportional preference system. In effect they are spending a virtual currency “FoxBucks”.

The scoring system is based on set allocations within bands, and different weightings. This means that judges, lecturers (and their classes), entrants, sponsors and public can all participate equally (on the surface at least).

A risk with this approach to introducing public gameplay is that the system gets subverted – or, ironically: “gamed”. Much

thought has gone into making the game game-proof. Verified emails are required. The scoring will be hidden until after the final awards to avoid a couple of front-runners getting all the attention.

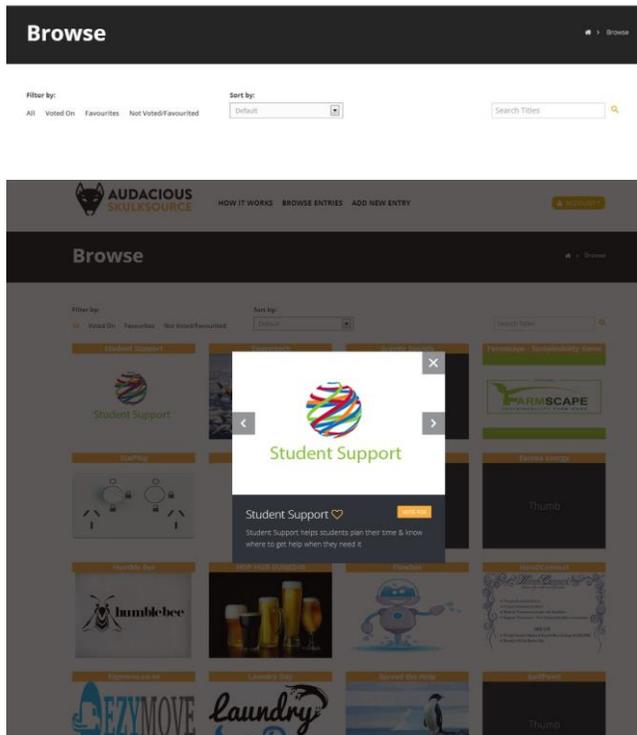
The design, of the front page and the analysis screen reflects this sequence:

- Favourite: Browse and thumbs up the businesses that look interesting on first glance. Random order (default) or sort by category.
- Analysis: Go through your favourites list and score according to simplified judging criteria (stars).
- Vote: Spend your 100 FoxBucks
- Promote. Send the ones you like to Facebook and twitter. People who receive such messages can come back and vote once (for a “People’s choice”) or register and spend FoxBucks.
- Feedback: We hope to strengthen the start-ups by building community and advice around each one. This may be in the offer of technical advice, offer to be a first customer, or one-off suggestions.

### 3. ELEMENTS

#### 3.1 Browse and favourite

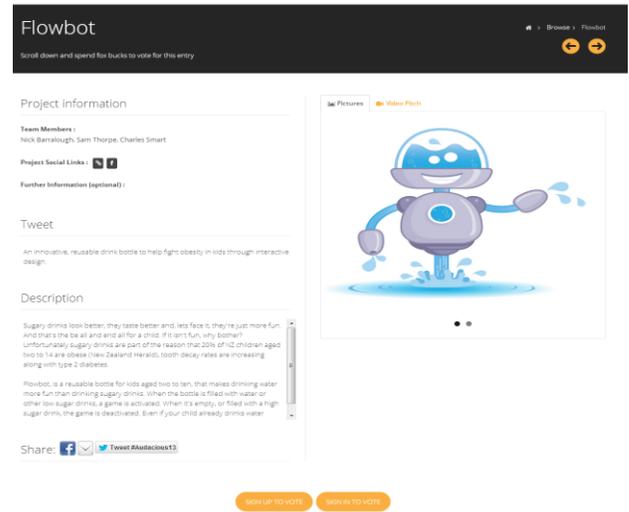
Users can browse through the entries, using the filters to make browsing easier (Figure 2). Clicking on a thumbnail brings up the thumbnail for an entry.



**Figure 2: Browse, filter and favourite**

The heart is used to “favourite” businesses that look interesting (these can be found again by using the filter), and arrows are used to scroll through the businesses.

#### 3.2 Profile page

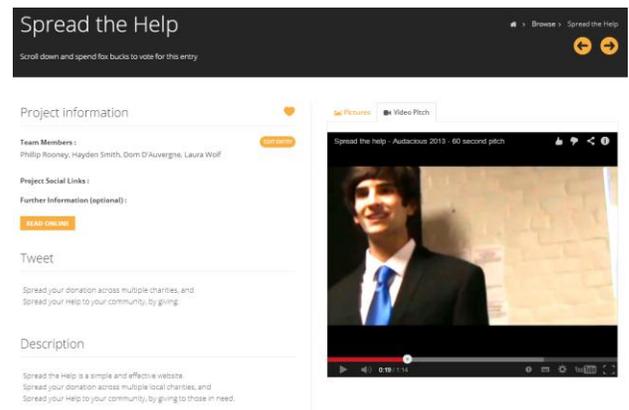


**Figure 3: Profile page for Startup Entry (this for "Flowbot - An innovative, reusable drink bottle to help fight obesity in kids through interactive design).**

Click on “vote for” to go to the detail page for that entry (Figure 3). This is the heart of the crowdsourcing of Audacious Skulksource. This is where we can make use of the strength of the crowd to help develop awesome start-ups.

Entrants are encouraged to create social media presence for their fledgling company – icons link through to the businesses page on major social media platforms or individual websites. A longer description of the business is required. There is also facility to link to longer documents such as business plans.

Up to six pictures can be loaded which cycle through in a slide show – both here and on the browse page. Videos of the 60 second pitch are also embedded on this page (Figure 4).



**Figure 4: Business detail page with video of 60 second pitch (this "Spread the Help" - Spread your donation across multiple charities, and Spread your Help to your community, by giving).**

### 3.3 Analyse

A scoring system was developed to facilitate analysis of the potential of the start-ups (Figure 5). These five star factors were developed from an informal survey of successful New Zealand entrepreneurs in what they look for in businesses.

- Problem Identification
- Product Service
- Market Validation
- Resources/Funding
- Gut Feeling

These scores do not contribute to the formal judging but are intended to help both the businesses and other participants understand the value of the business. It is intended that Skulksource be useful for introducing entrepreneurship and enterprising concepts to students beyond those actively involved in the programme.

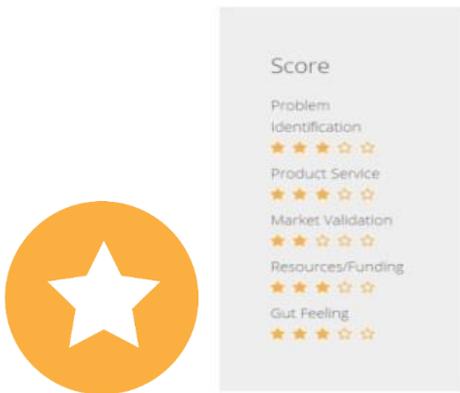


Figure 5: Business strength scoring and feedback

### 3.4 Voting

Every user on Audacious Skulksource has 100 “FoxBucks” to allocate as if they were investing in the businesses (Figure 6). This FoxBucks Vote will be used in two ways:

- In the repechage stage this voting will be used to identify start-ups for the second round of Audacious. This gives entrants who were not placed in the Top 40 in Round 1 a chance to demonstrate a commitment to the process of starting up in their business and in participating in Audacious.
- In round 2, this voting will be used to generate a “people’s choice award” and to contribute to the overall voting.

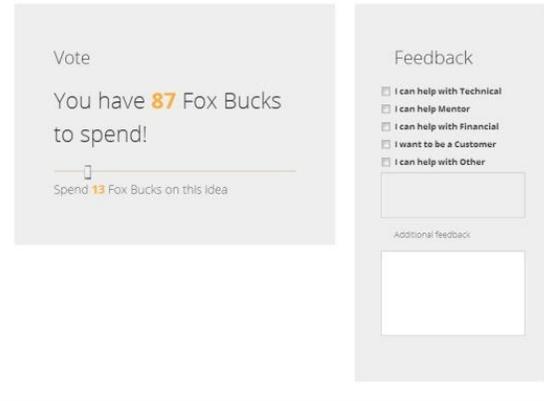


Figure 6: Voting and feedback

Feedback is designed to make the Audacious businesses stronger by widening the network supporting each business. Users are asked to give feedback and indicate areas where they are able to support each start-up. This is emailed to the start-up entrepreneurs.

The user can view a summary of their scoring and voting (Figure 7).

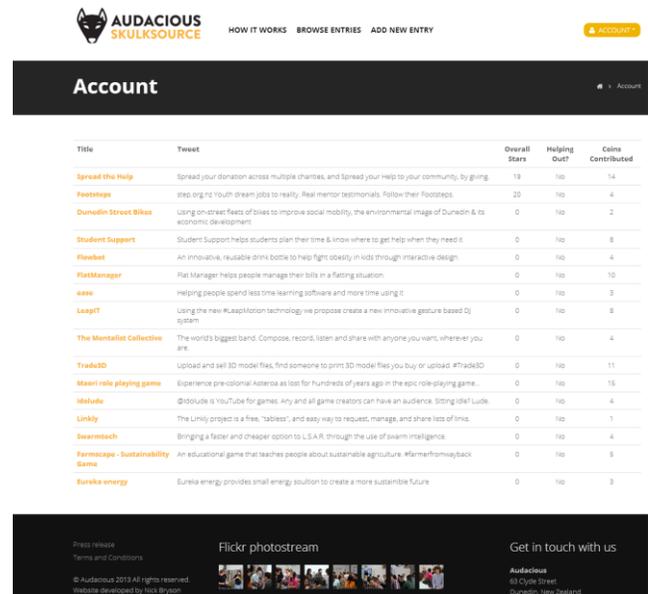


Figure 7: Summary of an individual's scoring and voting

### 3.5 Sharing

Users are encouraged to send entries they like to Facebook and Twitter. Entrants supply a tweet-style summary of their business that can be sent to the major social media platforms or emailed (Figure 8).

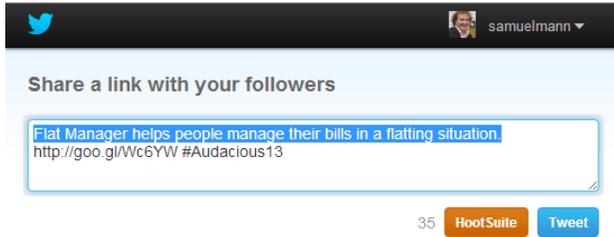
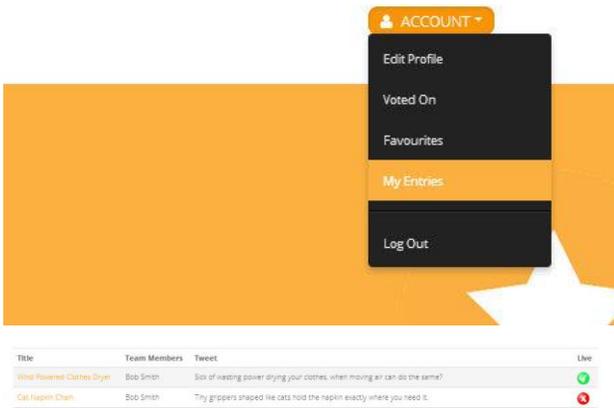


Figure 8: Promote entries via social media

#### 4. Backstage

Audacious Skulksource is intended to be self managing for the entrants. The entrants use Skulksource to create their own entry, update the information and chose when to make it live.



When the entrants are logged in, they can switch to edit mode on all fields (Figure 9).

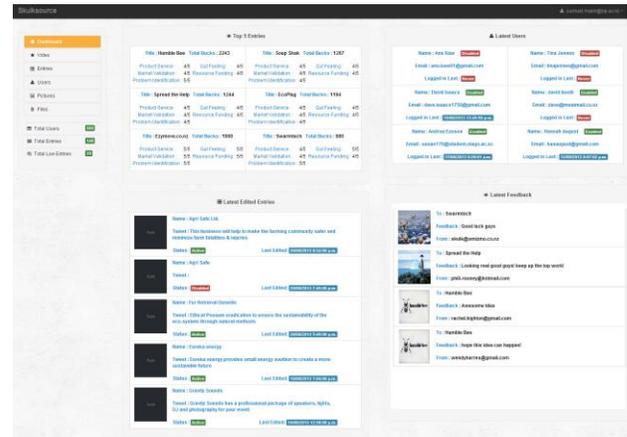
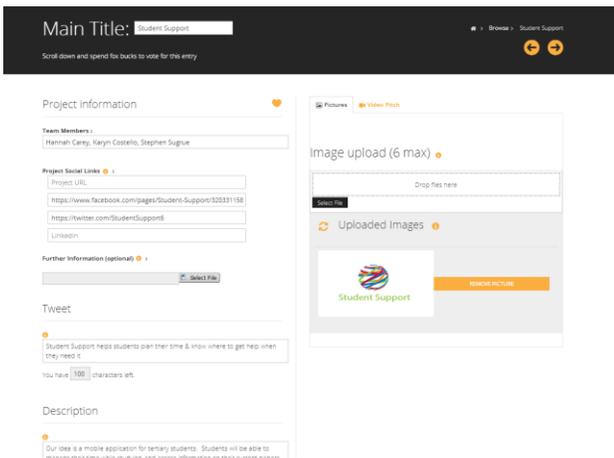


Figure 9: Entrants edit all their own information

An administration panel gives access to all activity on Skulksource.

#### 5. Results

Audacious Skulksource was used in the second round of Audacious 2103.

In all, 42 start-ups completed their business profiles on Skulksource; 36 presented their Sixty Second Pitches; and 33 submitted their final business plans and appeared before the final Dragons' Den panel. This is a slight increase on previous years.

The success of Audacious Skulksource can be considered against the objectives described in section 1.4.

- *To provide a vehicle for student engagement beyond the entrants;* Yes. There were 775 registered users. Although we did not request institutional affiliation, approximately a third of the email addresses are institutional.
- *To provide a vehicle for including the competition in teaching programmes;* No. This was not achieved but it is believed that this was a timing rather than structural issue.
- *To provide entrants the experience of managing marketing and narratives surrounding their business;* Yes. All but five of the entries on Skulksource were complete (had both tweet and description). Skulksource also provided a conduit to websites and other messaging (see Figures in Appendix).
- *To generate technical and commercial validation and feedback for the businesses;* Partial. Of the 52 detailed comments left, about half are of the “fantastic job” encouragement variety. The rest could be considered as specific advice for that business.
- *To provide a base for integrating social media into the business competition;* Yes. 61% of entrants had either Facebook, Twitter or LinkedIn accounts specific to the start-up business linked to their Skulksource profile. 41% had a website linked. Skulksource collected the number of shares via Twitter (this was not possible for other social media). In all, 602 tweets were sent from the site to promote individual start-ups. The most for an individual start-up was 63, the least 5 (median 13, stdev 12.37).

- *To make greater use of 60 second pitches.* Yes. The profile pages were uploaded with the videos. These were watched a total of 466 times (median 14.12, stdev 12.1)
- *To provide exposure for sponsors (commercial, academic and government);* Yes
- *To provide a mechanism for encouraging participation by formalising both late entries and keen but underperforming entries with a repechage system;* Yes, six businesses entered the competition through this route.
- *To provide a mechanism to simplify logistics.* Yes.

It is not the intention here to consider the relative strengths of the participating businesses. There is no obvious relationship between completeness of their Skulksource profile page and submission of a final Business Plan.

Skulksource is considered a success in the first instance. It met all but one of the performance criteria. In future years it is hoped that the use of the system for the whole competition will result in a use of the system in the many, not the few. With scrutiny on the spending of public money on entrepreneurship development programmes such as Audacious, it is important that research be undertaken to validate this approach.

Brabhams (2008) made the point that true crowdsourcing needs to be “more than a new format for holding contests and awarding prizes”. He points to use of collective intelligence for developments whereby a company posts a problem online, a vast number of individuals offer solutions to the problem, the winning ideas are awarded some form of a bounty, and the company mass produces the idea for its own gain”. While Brabhams refers to businesses such as Threadless (T-shirts) and iStockphoto (photographs), the potential is for a system such as Skulksource to be used to crowdsource the business development itself. While Skulksource went some way to achieve that, with feedback for business developmentteaching programmes.

The question arises, is Skulksource a distraction from the real job of running a business? Indeed, what is the role of a business competition such as this? Further research will be undertaken to investigate the assertion that Skulksource is good for students as they practice mobilising others to support their startup and provide feedback, a critical skill in entrepreneurship.

It is also argued that Skulksource is good for potential investors because the start-ups are strengthened through the knowledge of , this is a significant area for potential research.

## 6. ACKNOWLEDGMENTS

Our thanks go to the rest of the Audacious 2013 team: Jessie McKay, David Wilson, Louis Brown, Carl Crawford, Fabienne Lecomte and Henk Roodt. We are also grateful for the patience and good humour of Perrin McKenzie.

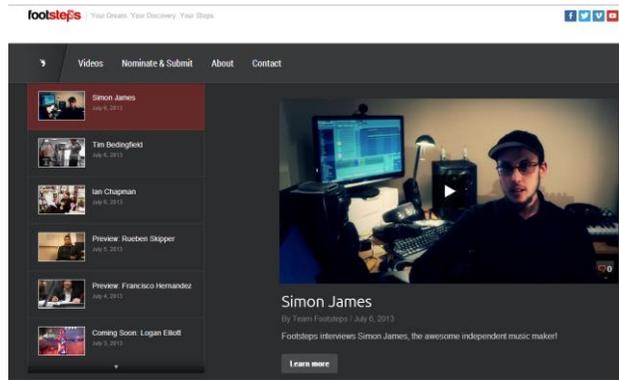
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## 8. Appendix

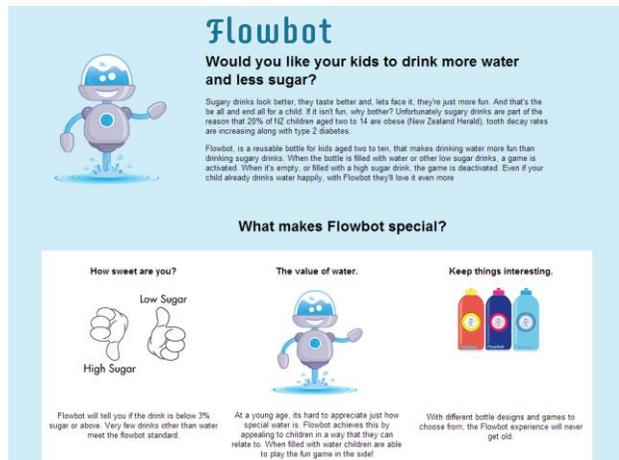
Examples of Websites linked from Skulksource



Step.org.nz Youth dream jobs to reality. Real mentor testimonials. Follow their Footsteps.

<http://resourcelocus.co.nz/>

<http://skulksource.com/Entry.aspx?IDfield=6>

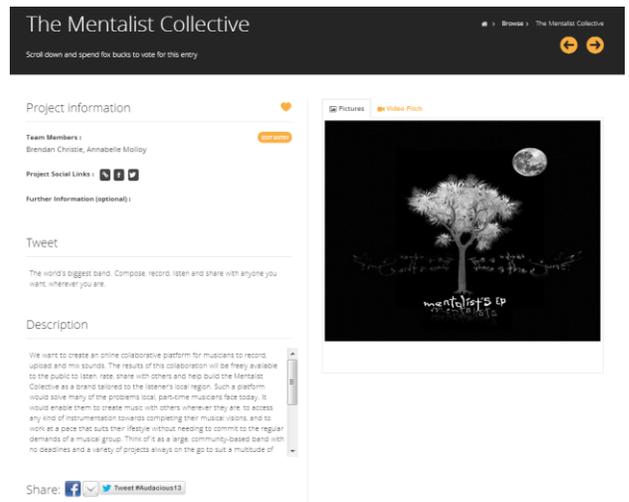


<http://flowbot.co.nz/>

<http://skulksource.com/Entry.aspx?IDfield=19>



<http://skulksource.com/Entry.aspx?IDfield=25>



<http://skulksource.com/Entry.aspx?IDfield=38>



<http://skulksource.com/Entry.aspx?IDfield=115>