

# THE 2<sup>ND</sup> INTERNATIONAL CONFERENCE ON CROSS-DISCIPLINARY ACADEMIC RESEARCH 2023 (ICAR 2023)

Sustainable Business, Environment & Society



[icar2023@kuptm.edu.my](mailto:icar2023@kuptm.edu.my)

Organizer:



Co - organizer:



ARSHAD AYUB  
GRADUATE BUSINESS SCHOOL



## **EXPLORING CROWDFUNDING: NAVIGATING IMPACTS, CHALLENGES, AND REGULATORY LANDSCAPES**

<sup>1\*</sup>Zaid, M.Y., <sup>2</sup>Norashikin, M., <sup>3</sup>Muhammad Nizam, J., <sup>4</sup>Norhayati, M., & <sup>5</sup>Muhammad Nazmul, H.

<sup>1</sup>zaidmatyusop@uptm.edu.my, Universiti Poly-Tech Malaysia, Malaysia

<sup>2</sup>norashikin\_m@uptm.edu.my, <sup>3</sup>nizam@uptm.edu.my, Malaysia

<sup>4</sup>norha<sup>614</sup>@uitm.edu.my, <sup>5</sup>nazmul@uitm.edu.my, Malaysia

### **ABSTRACT**

This article thoroughly examines the potential of crowdfunding for small businesses and startups, including its influence, regulations, and obstacles across different industries and countries. Additionally, it provides practical recommendations for successful execution. The article highlights the importance of evaluating crowdfunding's feasibility and impact on entrepreneurial ventures. It analyzes theoretical frameworks demonstrating crowdfunding's potential to facilitate financial access for underserved communities and foster inclusivity, particularly the Financial Inclusion theory. The lack of legislation and regulatory inconsistencies hinder the potential of crowdfunding for development and innovation. This article explores crowdfunding regulations and the legal hurdles that arise, highlighting measures taken to prevent fraud and ensure online security. It aims to provide investors, entrepreneurs, and regulators with a comprehensive overview. In addition, the article discusses regional disparities and challenges in crowdfunding integration, emphasizing the need for online money exchange mechanisms in the Middle East and distinct crowdfunding regulations in specific regions. It also highlights crowdfunding as an effective solution for financing gaps in underserved enterprises. This literature review is invaluable for entrepreneurs, investors, and policymakers seeking to grasp the full scope of crowdfunding's impact on startup financing. The study's insights provide a solid foundation for making informed decisions and implementing crowdfunding solutions more effectively and efficiently. In conclusion, crowdfunding brings forth both advantages and challenges. Although it promotes equal funding opportunities, it entails a meticulous balancing act between creativity and safeguarding the interests of investors. To maximize the potential of crowdfunding, tailored tactics must be implemented. We extend our appreciation to the institutions that assist.

**Keywords:** *Crowdfunding, Institutional Theory, Theory of Planned Behaviour, Challenges*



# ICAR '23

INTERNATIONAL CONFERENCE  
ON CROSS-DISCIPLINARY  
ACADEMIC RESEARCH 2023

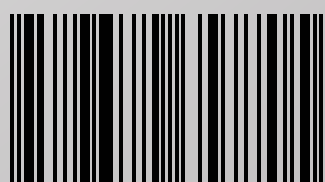
Organizer:



Co - organizer:



[icar2023@kuptm.edu.my](mailto:icar2023@kuptm.edu.my)



40181 700982