

Crowdsourcing

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Key Takeaways

Crowdsourcing has emerged as a potent tool for businesses and organizations to harness the collective intelligence of large groups of people.

Definition: Crowdsourcing involves obtaining ideas, content, opinions, or solutions from a large group of people, typically from an online community, rather than from traditional employees or suppliers.

Advantages:

- **Diversity of Input:** Tapping into a vast and varied group of individuals can lead to a range of ideas and insights.
- **Cost-Efficiency:** It can be more cost-effective than traditional R&D methods.
- **Speed:** Quick access to feedback, solutions, or ideas.
- **Innovation:** Opens doors to out-of-the-box thinking and breakthrough solutions.

Types of Crowdsourcing:

- **Idea Generation:** Collecting ideas on new products, services, or solutions.
- **Micro-tasks:** Breaking down tasks into smaller parts for the crowd to solve (e.g., Amazon's Mechanical Turk).
- **Crowdfunding:** Raising capital for projects or ventures from a large number of people, often via platforms like Kickstarter or Indiegogo.
- **Open Innovation:** Inviting external participants to contribute to internal R&D.
- **Data Collection and Analysis:** Gathering and analyzing data from a large community (e.g., using citizen scientists).

Risks & Challenges:

- **Quality Control:** Ensuring the quality and reliability of crowd-contributed content.

- **Intellectual Property:** Managing the rights to ideas, content, or solutions sourced from the crowd.
- **Motivation:** Ensuring participants are adequately incentivized to participate.
- **Communication:** Effective communication can be challenging due to the decentralized nature of participants.

Motivational Factors: Understanding what drives people to participate is crucial. Some are motivated by monetary rewards, while others seek recognition, intrinsic satisfaction, or are driven by a sense of community.

Technological Infrastructure: Implementing crowdsourcing often requires robust online platforms or apps to gather, manage, and analyze contributions. Familiarity with these tools can give an edge.

Ethical Considerations: It's essential to treat participants fairly, ensure transparency, and avoid exploiting contributors by offering too low compensation or not recognizing their contributions.

Applications in Different Industries: From designing T-shirts to software bug testing, crowdsourcing is used in diverse industries.

Integration with Business Strategy: Crowdsourcing shouldn't be an afterthought. It should be integrated into the business's overall strategy, considering its advantages and limitations.

As the business world becomes more interconnected and digital, the power of the crowd will only grow in importance.

Notable Examples

1. **Wikipedia:** Perhaps the most famous example, Wikipedia is a free online encyclopedia created through the collaborative effort of volunteers around the world. Anyone with internet access can write and make changes to Wikipedia articles (except in certain cases where editing is restricted to prevent vandalism). This crowdsourcing approach has made Wikipedia one of the largest and most popular reference websites.
2. **Waze:** This GPS navigation software app uses crowdsourcing to gather real-time traffic and road info. Users of Waze can report traffic incidents, road hazards, speed traps, and other useful information, which is then shared with other users in real time. This approach helps drivers avoid traffic jams and find the best routes.
3. **Kickstarter:** This is a global crowdfunding platform focused on creativity and merchandising. Individuals or companies can use Kickstarter to fundraise for their projects or products, gathering small amounts of money from a large number of people. This has enabled numerous projects, from films to gadgets, that might not otherwise have found funding.
4. **OpenStreetMap:** Similar to Wikipedia but for maps, OpenStreetMap is a collaborative project to create a free editable map of the world. It's built by a community of mappers who contribute and maintain data about roads, trails, cafés, railway stations, and much more, all over the planet.
5. **Zooniverse:** A platform for citizen science projects, Zooniverse enables volunteers to contribute to scientific research. These volunteers help professional scientists with tasks that require human cognition, such as classifying galaxies, transcribing handwritten documents, or identifying wildlife in camera trap images.

Further Reading

Vermicelli, S., Cricelli, L., & Grimaldi, M. (2021). How can crowdsourcing help tackle the COVID-19 pandemic? An explorative overview of innovative collaborative practices. *R&D Management*, 51(2), 183-194.

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