On the Returns to Originality: Micro Evidence from an Online Crowdsourcing Platform

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This paper uses micro-data from an online crowdsourcing platform to describe user behavior around the production of ideas on the platform. The platform enables designers referred to as "solvers" to participate in contests posted by firms seeking designs referred to as "seekers". Our data comprises all contests, submissions and participants from the inception of the platform. We use these data to document three broad stylized facts about user behavior. First, solver actions are suggestive of both across-solver collaboration and plagiarism. Second, seekers tend to reward original designs, and to punish those that seem to be plagiarizing and free-riding. Third, in repeated play, solvers seem to be adjusting their behavior in response to this reward/punishment policy. These patterns suggest that human behavior on such crowdsourced "innovation" platforms may have a self-policing component that disincentivizes excessive plagiarism and rewards originality. This is interesting because it helps sustain the viability of such platforms as marketplaces where original ideas are rewarded, even in the absence of explicit (and costly to implement) contractual or forensic tools that punish any detected plagiarism.

Keywords: crowdsourcing, innovation contests, all-pay auctions, learning, free riding, plagiarism.