

Module 1 Challenge: Crowdfunding

STATISTICAL ANALYSIS

The standard deviation of backers count of successful campaigns is high, which indicates a wide spread of values. This is also supported by the median backers count being much lower than the mean. Taking this into account, the median backers count better summarizes the data since it is less impacted by outliers.

The goal amount appears to impact success rates. Campaigns with higher goals have lower success rates, as indicated by lower average and median pledged amounts for campaigns that failed compared to those that succeeded.

CONCLUSIONS

Based on the charts created with the crowdfunding data, we can draw three conclusions about crowdfunding campaigns.

1. The overall backer and pledge distributions are very skewed due to significant outliers. One place this is evident is in the successful campaigns' backers count mean of 851.15 vs median of 201.
2. Successful campaigns have a much higher median of backers compared to failed campaigns indicating that reaching a certain level of support is crucial for success.
3. Lower goal amounts are more successful and more likely to be fully funded than higher goal amounts.

LIMITATIONS

This dataset has a limited date range of Feb 9, 2010 to Feb 10, 2020. Methods of promotion are not included in this dataset, so it is unclear if the most successful campaigns used similar promotion techniques. Also, category sizes are unequal with some categories having a much larger sample than others.

FURTHER ANALYSIS

A chart showing the impact of duration in days on campaign outcomes could shed some light on the optimal length of time to run a successful campaign. Additionally, a bar graph comparing success rate vs goal ranges could highlight how campaign goals impact the likelihood of success.