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Homework Assignment 1

Kickstarter Analysis

If you have a theater project, and more specifically a play, you need some funding for you may want to consider Kickstarter. Kickstarter is also a great option for music and film projects.

When considering crowdfunding a project on Kickstarter it’s important to consider the success rates of the category your project will fall under, how the amount of money you want to source might impact the success of your campaign and how the time of year you post your project might also impact your success.

After analyzing data from thousands of projects on Kickstarter and their success rate, theater projects appear to enjoy the most success at a 60% success rate based on the data analyzed. That’s followed by music projects and then film and video projects. Journalism projects are the least successful and all of those projects were canceled. However, it should be noted that journalism had the smallest number of total projects.

If we break down the data further into subcategories, plays are the most successful with a 65% success rate. Plays are followed by rock music and dramas which both have 100% success rates.

If you do plan to use Kickstarter to obtain funding for a project be sure to carefully consider the amount of money you’re trying to fund as it could impact your project being successfully funded.

The most successful projects have a goal around $1,000 USD. Success rates tend to drop off as the goal amount increases and project failures start to tick up. There’s a steep drop off of successful projects around $45,000 USD and a sharp increase in failures.

The time of year you post your campaign may also impact its ability to succeed. Success rates start to rise after the winter holidays and gain strength through the spring with the most successful month being May. Success rates start decline over the summer and fall off in the winter around the holidays and more specifically a steep drop off in November and December. You can speculate on any number of variables impacting what time of year is more successful. One reason could be most people tend to spend more of their disposable income around the holidays on gifts for friends and families and hosting holiday parties. Better to wait until after the holidays are over to start your campaign.

There are some other pieces of data not analyzed in this project that you may also want to consider. One being the length of the campaign to see if longer campaigns see more success or if there is a sweet spot for the length of a crowdfunding campaign. Another element that could be useful to analyze is the number of backers for each project. That would allow us to see if the number of backers correlates with the most successful categories, and which categories get the highest number of backers.

There are other elements that may impact success that we can’t see. One is the overall quality of the project. Is it interesting? Is it presented and organized well? And is the message clear? We also can’t consider the quality of the person behind the campaign and how that might influence the success of the campaign. Is the person known in their respective field, do they carry any kind of clout or recognition? Have they had successful campaigns before and what does their resume look like? Can they complete the project once the funding is secured?

There are several elements to consider when deciding on how fund projects and how to increase your chances of successfully crowdfunding a project on Kickstarter. This data should help make some of those decisions a little clearer.