Will Smalley Activity #1

Given the provided data, what are three conclusions that we can draw about crowdfunding campaigns?

1. Based on the data, there were far more theatre startups than any other category of start-up. According to my analysis, there is no indication that theatre start-ups do any better or worse than other types of start-ups with a 54.4% which is in line with the average success rate of 56.5%.
2. The chart entitled "Outcomes Based on Goal” reveled some interesting data points about the success of startups based on their own funding goals. The companies whose goal was between $15,000 and $34,999 had a staggeringly high success rate compared to the other companies who requested higher or lower dollar amounts. The companies who requested between $15,000 and $34,999 had a 91.4% success rate. Contrast this number with those companies who requested $50,000 or more, which had a success rate of 36% or those companies who requested less than $1,000 whose success rate was 62%. There are many potential reasons for such a disparity but one such reason goes as follows: The founders of the startups who requested an amount between $15,000 and $34,999 have requested an amount that is very specific which may indicate a level of responsibility and accurate underwriting of what it may cost to start up the business and give it enough runway to get to profitability. This gives way for a golden median zone where companies who requested $15,000-$34,999 have the best chance of success.
3. The next item that was revealed in the data were trends about start-ups in different parts of the calendar year. There is a sharp uptick in number of successes and failures in the early part of the year. Then there us a leveling off in the middle of the year with the sharpest uptick in successes in the November and December months. Perhaps there is a correlation between startup funding successes and the holiday season.

What are some limitations of this dataset?

* There is not much of a description of the companies other than a few words. This limits our understanding of why companies are successful or not. There is always a story as to why a company succeeds or fails beyond just the numbers.

What are some other possible tables and/or graphs that we could create, and what additional value would they provide?

* A pie chart that breaks down the different categories would be helpful.

Use your data to determine whether the mean or the median better summarizes the data.

* For the analysis that breaks down the number of backers for each company, the median is probably the better indicator because it turns down the significance of statistical outliers.

Use your data to determine if there is more variability with successful or unsuccessful campaigns. Does this make sense? Why or why not?

* There is a correlation between how many backers there are and how successful the startup was although it’s not an extreme correlation and shouldn’t be used as a determinant of a company’s future success.