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Module 1

Crowdfunding Analysis

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In this analysis, we are using Microsoft Excel to look at a set of data pertaining to crowdfunding campaigns. The data set contains details on 1,000 crowdfunding campaigns and lays out the basic concept of each campaign, as well as a general category/sub-category, what their initial funding goal was, how much money was pledged, and additional information such as when and where it was created. The purpose of this analysis is to attain information on what factors are consistently present in successful campaigns to predict which campaigns may be successful in the future.

The first step to analyzing this set of data is to take the given information and extract material useful to gaining insight on trends within the set. I performed calculations such as how much funding each campaign raised in relation to their goal and the average amount donated by each individual backer to a campaign. I then went on to use pivot tables and charts showing the results of campaign outcomes in relation to the category and sub-category it was in, when the campaign was created, and what the initial goal of the campaign was. I also performed a statistical analysis of the successful and unsuccessful campaigns to find the central tendency of those data sets.

My relevant findings in this set of data are as such:

* The top three categories by number of campaigns are theater, film and music. This could indicate that artistic endeavors are largely underfunded, causing artists to seek funding from the public.
* The two most successful sub-categories were audio and world music. The total campaigns in these sub-categories were 4 and 3, respectively. This seems to imply that campaigns that are part of a smaller sub-category tend to be more successful. However, this does not necessarily seem to scale up proportionately as the number of campaigns in the sub-category increases.
* Success/failure rates do not seem to depend on time of year. Values are relatively consistent over all months when viewed by the date the campaign was started.
* Ventures with goals in a mid-range were the most successful. Between $15,000 and $35,000 had the highest rate of success. This is likely due to more modest requirements and realistic/conservative expectations.

Some additional calculations/collected data I would like to see from this set of data include:

* Does staff pick or spotlight influence the outcome of a campaign?
* Does the number of campaigns in a category impact the overall outcome of the campaigns by category? Do the chances of success increase or decrease based on the number of campaigns existing in the category?
* Does the location of the campaign affect outcome? An analysis of category/sub-category per location could be an indication of consumer preferences.
* Does the length of time the campaign was open affect how successful the campaign was? Are shorter or longer campaigns more successful?
* The percentage of successful campaigns on “outcomes by category,” “outcomes by sub-category,” “outcomes by date,” and “outcomes by goal” analyses. This would give a more comprehensive view of what factors caused the campaigns to be successful.
* The average annual income of backers. The amount of money invested in relation to their income provides information on how valuable the product/service is to the average investor of that specific campaign.
* The primary use of funds. Are the funds primarily going to: Marketing? Equipment? Production?

My recommendations are as follows, based on the given analysis:

* It may be worthwhile investing in campaigns that are part of a minimally populated sub-category.
* Campaigns that have reasonable expectations and are conservative about their goals should be considered, as they have a higher rate of success.