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| Crowdfunding | | |
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| Data Analysis Report | | |

# Problem statement

Crowdfunding platforms like Kickstarter and Indiegogo have been growing in success and popularity since the late 2000s. From independent content creators to famous celebrities, more and more people are using crowdfunding to launch new products and generate buzz, but not every project has found success.

To receive funding, the project must meet or exceed an initial goal, so many organisations dedicate considerable resources looking through old projects in an attempt to discover “the trick” to finding success.

# conclusion

In order to assist the organisation in finding success, I studied a database of 1000 sample projects and based on the success rate here are my three conclusions:

1. We need to focus on ‘Technology’ as our parent category to achieve more success. Although the number of projects started were less as compared to some of the other categories like film & video, music or theater, but the success rate of technology is 66.67% which is almost 9% more than the closest category film & video and way more than all other categories.

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| --- | --- | --- | --- |
| Category | # of Successful | Total | Success rate |
| film & video | 102 | 178 | 57.30% |
| music | 99 | 175 | 56.57% |
| technology | 64 | 96 | 66.67% |
| theater | 187 | 344 | 54.36% |

1. Once we have our parent category selected as ‘Technology,’ we need to now focus on the sub-category. Under technology we had two sub-categories wearables and web. After comparing the success rate between the two sub-categories, it is recommended to proceed with web. Although, wearables achieved a 62.22% success rate, web surpassed it by almost 8% and achieved 70.59%.

Below is the table to show the success rate comparison between wearables and web.

|  |  |  |  |
| --- | --- | --- | --- |
| Sub-Category | # of Successful | Total | Success Rate |
| Wearables | 28 | 45 | 62.22% |
| Web | 36 | 51 | 70.59% |

1. Lastly, we need to work on setting a goal for our project and based on the historical data the projects that have achieved 100% success were either ranged between 15000 to 25000 or between 30000 to 34999.

If we compare these ranges with our selected parent category of ‘Technology’ and sub-category of ‘Web’ we will have a higher chance of success, because the average goal of the successful projects for these categories is around 36000 and more than 50% of these projects got funded by over 200%. Therefore, to achieve success in our project we need to pick ‘Technology’ as our parent category and ‘Web’ as a sub-category with a goal range of 30000 to 34999.

# limitations

While analysing the database of 1000 sample projects I have faced a few limitations which could change the conclusion if considered. Here are some of the limitations that I have encountered.

1. Data provided is spread across multiple countries and is presented in their respective currencies. Which means when we are trying to find a goal range where our project will be more successful we do not have a set currency to work with. For example: if we select a goal range of 30000 to 34999 for our project, we don’t know if we are working with CAD, AUD, USD etc. and that will not give an accurate reflection of our analysis.
2. This data is spread over a span of 10 years and although it provides a great insight, it does not provide information on any specific events that took place in those years which could have impacted the outcome of the projects.

# what more we can do

Here is a list of possible tables and/or graphs that we can create or use to help with our analysis.

1. **Currency conversion** – We can add columns next to columns with an amount in it to convert given currency to our desired currency. Then we can create pivots and charts based on our desired currency to have a consistent outcome.

**For example:** If we wish to run our projects in AUD, we can get the current exchange rate of AUD compared to all the currencies listed in the database from google. Then create 1 column for ‘exchange rate’ and 1 column each next to goal, pledged, backers\_count and Average Donation. With the help of formula, we can easily then convert all the values in AUD in that column and name it as ‘goal conversion, pledged conversion, backers\_count conversion and average donation conversion.

**Why:** If we have all the currencies converted to AUD, we will have an even playground for each project. All our pivots will reflect one consistent value and that will also vary our goal range outcome and we will be able to make more informed decision.

1. **Spotlight** – In our database we have a column ‘Spotlight’ which depicts the projects that were in spotlight or not. We can create a new Pivot table and chart with spotlight as a filter which will count how many campaigns were successful, failed, cancelled, or are currently live per category.

**Why:** By using spotlight as our filter, we can identify the categories that are in spotlight and are successful, failed, cancelled or live. This will assist in selecting our next course of action and will be a good comparison tool between other pivots we have in place.

Chart

Description automatically generated

1. **Date Range** – We can utilize the date range provided to make further informed decision on which category to pick for our campaign. To do so we will need to create a new column next to Date Ended conversion and name it as ‘Days running’ (how many days the campaign was running for). Then with the help of the formula ‘**DAYS(end\_date,start\_date)**’ convert the dates into the number of days each project was running for.

Then, we will create a pivot table and chart to see the correlation between the categories and the number of days they were running for and their outcome.

