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Module 1 Challenge Report

Due March 23, 2023

Given the data provided, we can come to a multitude of conclusions about crowdfunding campaigns. The most noticeable conclusion is that entertainment-based groups were more successful in reaching their goal than other categories. You could also conclude that smaller goals were more successful. Specifically, goals of $5,000 or less were successful almost 80% of the time. Comparatively, goals over $50,000 were only successful 37% of the time. You could also say that fundraisers were more successful if held during the summer months compared to the winter months.

This data set does have its limitations though. The first limitation that I noticed is that because there weren’t an equal spread of goals, there isn’t enough data to conclude whether they could be successful for other groups. There were only 37 fundraisers with goals between $10,000 and $34,999 and that’s not a large enough sample to properly conclude anything. There is also not a section to define what kind of fundraisers were held. So we don’t know whether there was a large event, just individuals asking others for donations over time or if they were selling items. That information changes how whether another company could replicate a successful campaign or not. It would also be good information to know for a better look at the success versus failure rates.

Some fundraisers only lasted a couple of days while others lasted a few weeks and it’d be good to see how the length of fundraising time effects the success and failure rate. With that it would also be good to know the length of fundraiser versus fundraiser type and see how that effects success and failure rates. I would also like to see goals by fundraiser type to see if larger goals were more successful if they held different fundraisers. Both of those would help determine how to best suggest a fundraiser idea to a company with a better idea of how successful they can be by looking at the most successful fundraiser event type by fundraiser goal.

When looking at the mean and median of the number of backers you would want to use the mean over the median because there were companies that canceled or failed that didn’t get any backers and that drops the median down. You would want to use the average number of backers to determine your goal amount of backers.

There is more variability within the successful campaigns because there were different goals to reach and that means there would be a greater variance of number of backers. Some groups were able to meet their goal with only 20 backers while others had more than 7000 backers. So it makes sense that the variability is larger because even within the same goal range, each group was able to meet their goal with a different number of backers.