#### **Crowdfunding Service Kickstarter**

Individual Homework 1

Data Analytics Boot Camp

Due Apr 20, 2019

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1. What are three conclusions we can make about Kickstarter campaigns given the provided data?

### The during the years 2009 through 2017 the chances of successfully meeting your funding goals are only marginally better than cancelling or failing to fund?

The data population of interest for the years of 2009 through 2017 show the following:

(*refer to Note A on LaunchDataOutcomes tab of StarterBook.xlsx*)

Success Rate is 54% = 2185/4064

Fail/Cancel Rate is 46% = (1530+390)/4064

The data suggest that using the services of Kickstarter provides you only an 8% better chance of succeeding to meet your funding goals than not.

### The investors that use Kickstarter as a means to invest prefer investing in plays?

The dataset results show that of all the investment opportunities to choose from with Kickstarter, investors chose to invest in plays 26% of the time, exceedingly more than any other investment opportunity. (*refer to SubCategoryStats tab of StarterBook.xlsx*)

The data suggest investors were selective in the plays they invested in, considering during this timeframe plays experienced a funding failure rate of 33%. On the other hand, of the 1,066 plays seeking funding during this period 694 were successfully funded, resulting in a 65% successful funding rate.

### Spring appears to be the best time of the year to seek funding.

The data recommends that the best time to seek funding runs from March to June;

(*refer to the Outcomes Chart on LaunchDataOutcomes tab of StarterBook.xlsx*)

1. The successful funding rates begin increasing in March the takes a steep increase in May the sharply declines starting in June to September.
2. Furthermore, the failed funding rates also increase in April and continues through June suggesting that investors are more often looking for investment opportunities during the spring.

## What are some of the limitations of this dataset?

### The first limitation to this dataset is that it only contains data from Kickstarter. As an investor or an entrepreneur looking for funding would not be able to do any performance comparison analysis.

* + 1. If you are looking for funding for the theater, plays Indiegogo is known for their crowdfunding specializing in film, theater, arts, as well as other opportunities. It would be prudent to perform some hypothesis testing including competitor data.
    2. This data does not allow for analysis of inferences made about two population variances needed to determine top performing crowdfunding shops.

### A continuation of the first limitation is; this data does not include any performance data.

### Return on investment data would make individuals or categories more appealing to invest in or not.

### Profit/Loss data, which would be primary in determining how well an investee utilized their investment and possibly make them an appealing investment on future opportunities.

## What are some other possible tables/graphs that we could create?

3.1. As a backer that is risk adverse, it would be interesting to compare categories by number of backers to total pledged. Identifying categories with plenty of backers and high success rates can reduce each backer’s investment and still provide threshold return rates required by backers. As a backer looking to minimize their risk and maximize their return we could build pivot tables to determine which categories have the least capital outlay with maximum return.