Support us on

KICKSTARTER

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BUSINESS CASE

We are a consultancy specialized in helping entrepreneurs & investors

We equip our clients with the necessary entrepreneur skillset and help them to make investment decisions via our proficiency in data science

In order to generate attention as well as attract new clients, we launched a free online-course, consisting of several subsequent lessons, where we broadly discuss all topics along the founding-process and give an outlook, to what our ML-algorithms are capable of in each specific decision-problem

ROLEPLAY
ON!

How to become a data-driven entrepreneur
Full online-course to bring your ideas to life!
Presented by
EntreprenAIr
let your ideas be computed

Hello!

We are Stefan and Fabian from EntreprenAIr and we love to combine exciting ideas with machine learning and AI!

We are here to help you develop an entrepreneurial mindset and boost the skills you need to develop a new enterprise with potential for growth and funding

In order to help you make the right decisions along this journey we assist you with state-of-the-art data science, algorithms and AI

Today’s lesson

Funding options

Kickstarter

Topics

- What is Kickstarter?
- Is Kickstarter a good funding option for me?
- What drives the chances of success of my idea?

What is Kickstarter?

Kickstarter enables entrepreneurs to share their ideas with a community, which can support and finance these ideas

Data basis of further analysis

120,000 +

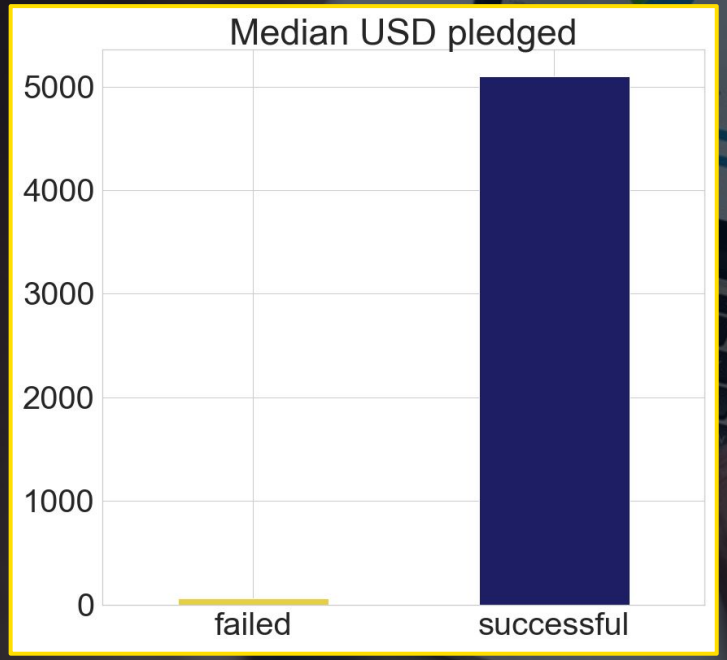
observations

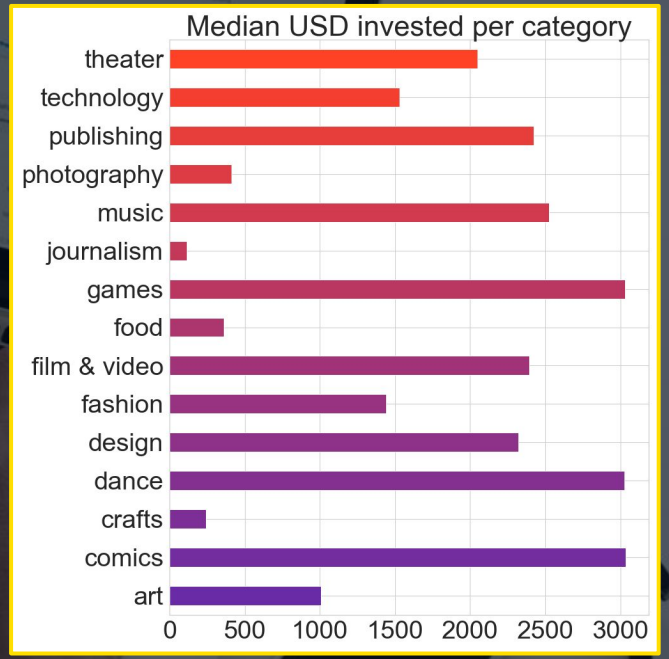
April 2009

March 2019

Is Kickstarter a good funding option for me?

How much can you expect to raise on Kickstarter?





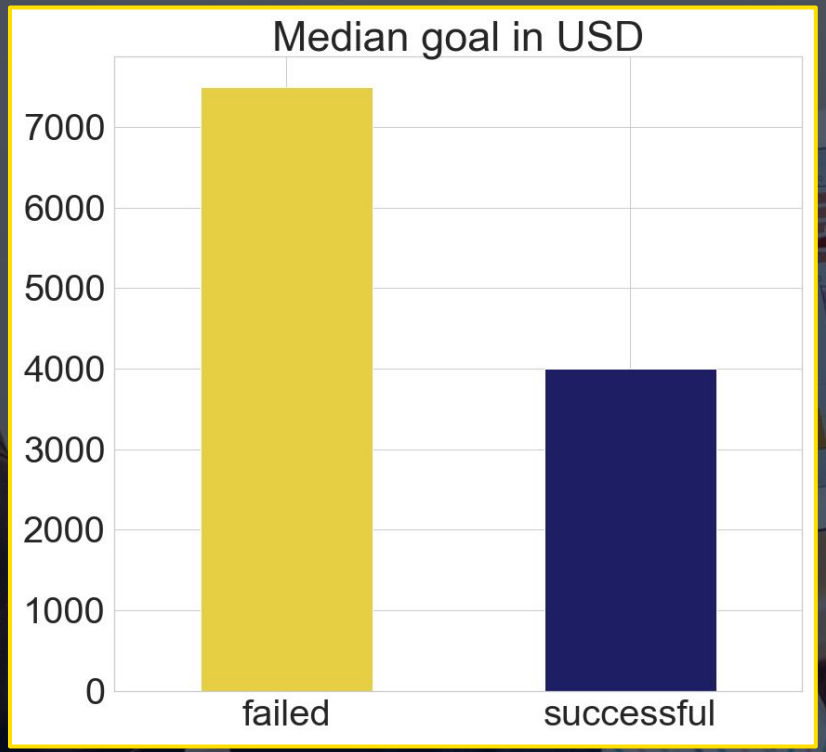
What are the chances of being successful?

42 %

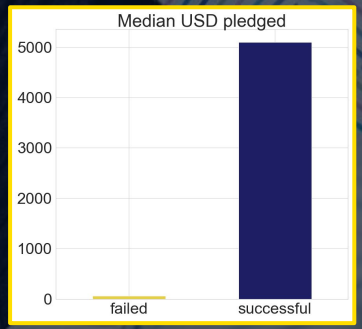
of projects on Kickstarter

fail to reach their funding goal

Success drivers - I



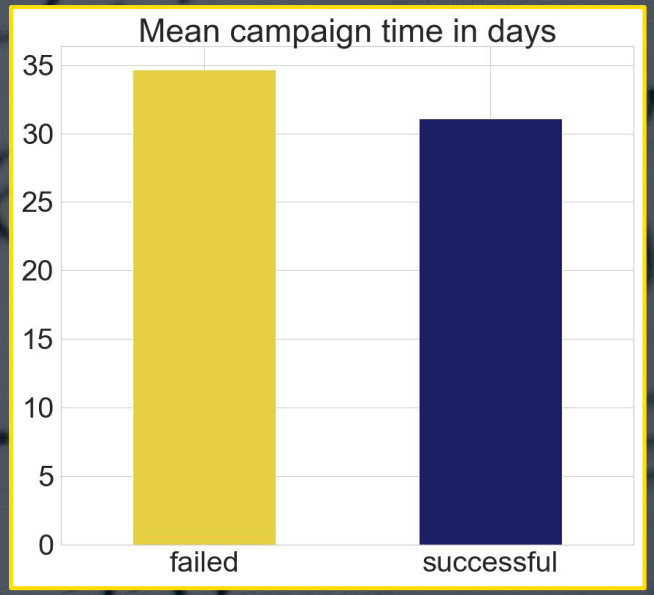
Set reasonable & realistic goals!

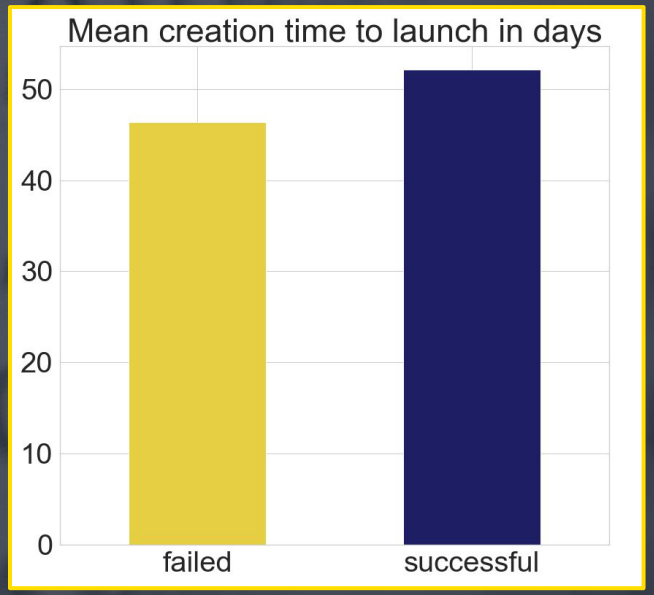


Chance of “overpledging”

Success drivers - II

on average, successful projects tend to have...

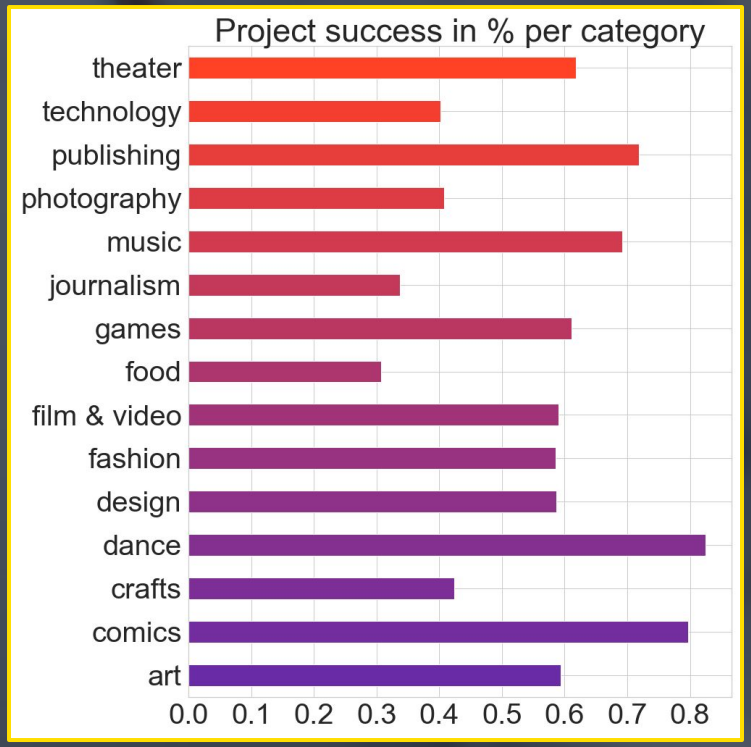




shorter campaign lengths

more time invested in setting up the project

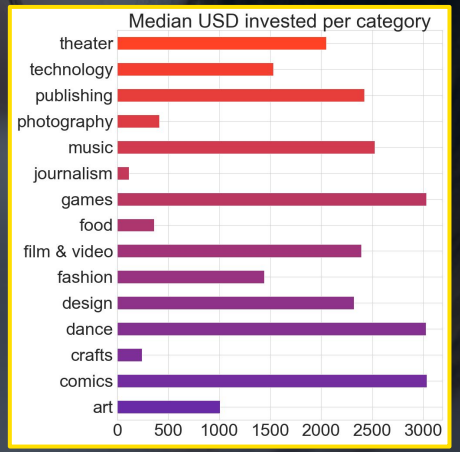
Success drivers - III



Most successful categories

- Dance
- Comics
- Publishing
- Music
- Theater
- Games

Some of these are also the ones with the highest median spent on!



Insights on success with machine learning

Build an algorithm working on quantitative data to predict project success on Kickstarter

Apply different algorithms separately

Select the best performing ones and optimize them

Blend the optimized algorithms into one final meta-algorithm

Insights on success with machine learning

in 73 out of 100 cases

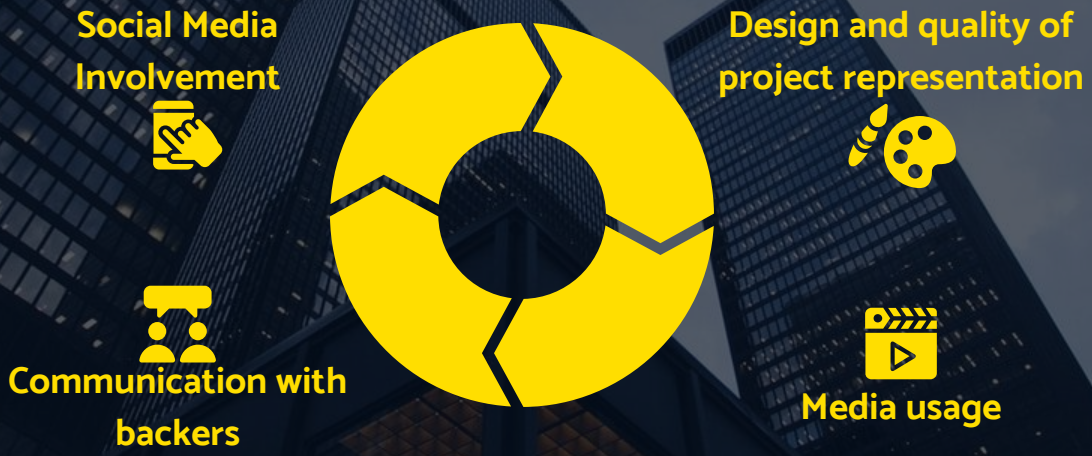
our algorithm can correctly predict if

your project will be successful or not

while knowing almost nothing about you or your project

Other determinants of project success

In order to reach guaranteed success on Kickstarter several non-quantitative factors have to be considered



Key takeaways

Median amount pledged is around 5000 USD, amounts are strongly varying between categories

42 % of projects launched on kickstarter fail to reach their funding goal

In order to be successful with your project it is beneficial to set reasonable, smaller goals.

On average, successful projects tend to have a shorter campaign length and more time invested in setting up the project

Projects in the category “comics”, “dance”, “games”, “music” & “publishing” are the most successful along all categories

Our developed algorithm can correctly predict if a project will be successful or not in 73 out of 100 cases

The big picture

Kickstarter is a good addition to other funding options and a great opportunity to raise money without “interest”

While on Kickstarter, your project can also generate a lot of attention for free!

Thanks!

You can find us at:

EntreprenAIr
let your ideas be computed

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fabian@entreprenair.com

ROLEPLAY
OFF!

Future Work

I. Needed to drop some columns due to completely missing data
→ should be enriched with external data

II. To what extent are backers influenced to pledge if the project is close to be being completely funded?

III. Check, in which languages the individual project descriptions are written
→ possible reason for failure, since english-speaking backers can be excluded by non-english descriptions

IV. Instead of a classification approach, try to estimate number of backers or pledged amount with linear regression or randomforestregressor

V. Have a deeper look into subcategories

The real Thanks!
(@realthanks)

Time for memes...

... and questions!