Kickstarter Video Games

# **Gabriel Valenzuela Fall 2020 https://github.com/gabriel-valenzuela/Valenzuela\_Gabriel\_DSC680**

**Domain and Subject Area**

When it comes to the area that I am looking into for this proposal, I will be studying the world of crowdfunding for indie or smaller video games not produced by larger publishers. However, more specifically, I will be looking into Kickstarter as a whole and what factors a small team of video game developers can leverage to raise funds to publish the game on their own accords.

**References & Annotations:**

Futter, M. (2019, March 18). The Changing Face of Video Game Crowdfunding. Retrieved September 01, 2020, from <https://variety.com/2019/gaming/columns/the-changing-face-of-video-game-crowdfunding-1203165542/>

The source explains how crowdsourcing for video games is on the rise but cannot be done by anyone and will not always succeed. For them to be potentially successful, they must show those that back the game potential gameplay of the game. The teams can no longer use the description of the game to gather attention and create investments. The goal for these developers is to gain trust with potential backers that the game will be what they intend it to be in the end.

Young, R. (2020, February 03). Indie Games Are Leaving Kickstarter - And This Changes Everything. Retrieved September 01, 2020, from <https://www.indiegamewebsite.com/2020/02/03/indie-games-are-leaving-kickstarter-and-this-changes-everything/>

With this source, it is focusing on how Kickstarter is no longer the only platform that is heavily being used for crowdfunding for video games. At the same time, with using crowdfunding, since it is not always a successful venture, small teams should not use this at their prime source for development. A benefit that is mentioned with Kickstarter is that it allowed for creative control to be kept by the creators and not be influenced by the publishers that are financially supporting the video game.

BIDAUX, T. (2020, April 14). Crowdfunding and Video Games: 2019 Mid-Year Update. Retrieved September 01, 2020, from <https://icopartners.com/2019/07/crowdfunding-and-video-games-2019-mid-year-update/>

For this source, it is providing an update on crowdfunding and video games for the first half of 2019. The report within this source focuses on the funds pledged to the successful projects. When it comes to Kickstarter projects, only if a project can reach its goal of donations will a backer be charged for the donation. Overall, the report is showing that projects for video games have seen an increase as a category and as a presence compared to all other types of projects. At the same time, it brings up that the increase of backers from different countries is on the rise.

Bidaux, T. (2019, March 18). Game Discoverability Day: Crowdfunding Your Video Game in 2019. Retrieved September 01, 2020, from <https://www.gdcvault.com/play/1025708/Game-Discoverability-Day-Crowdfunding-Your>

On this source, it is a recording of a game developers conference session on crowdfunding your game in 2019. A notable aspect of the session are the factors that will determine if your project will receive any funding for your project. It also mentions how not every year is producing the same amount of funding but is on a slow rise. In the end, you want to create a video game that people can support and show mass interest in at the time.

Manthorp, R. (2019, July 25). Kickstarter veterans on how to run a successful crowdfunding campaign. Retrieved September 03, 2020, from <https://www.gamesindustry.biz/articles/2019-07-25-kickstarter-veterans-on-how-to-run-a-successful-crowdfunding-campaign>

The next source of information on Kickstarter and video games speaks about how those that have released multiple projects on Kickstarter have been successful for most of the time. With many projects typically not surviving, I think it is important to understand the trends of the projects or those that release the projects to see what factors have led to their constant success and if other individuals could follow the same rules and see shared success. A big factor mentioned is that developers should always be ready with more content to create the trust once again with the backers. Aside from the constant content release, it seems that a certain time frame is not mentioned, but that no matter when you begin the project that you must be transparent from the beginning.

Hill, L. (2020, June 02). What You Can Learn From the Most Successful Kickstarter Campaigns. Retrieved September 03, 2020, from <https://foundr.com/most-successful-kickstarter-campaigns>

Moving a little bit away from Kickstarter video game projects, the next source focuses on overall successful Kickstarter projects and how so many have been successful even though the ideas are not the most orthodox. The biggest takeaways from these lucrative projects are that the owners of the projects were able to understand their audience very well, allow them to have a hand in the process, and provided imagery of the product that was under development. The main point is that you want to be able to connect with whatever audience you are working with at the time. The goal is for them to understand your goal of the project and its importance overall.

Crockett, Z. (2020, June 30). What are your chances of successfully raising money on Kickstarter? Retrieved September 03, 2020, from <https://thehustle.co/crowdfunding-success-rate>

For this source, it is overall view of your success rate of raising money on Kickstarter depending on the category of your project such as film, music, games, or art. It provides the average rate that project reaches its success per type of project. In this instance, it is shedding light on games, but not video games specifically which is the interest for this proposal. When I say games a unit, this also includes tabletops games, outdoor games, or board games. The main benefit of this information provided also shows the far projects are typically from reaching their goals all together since the projects need to reach their goals in order to use any of the contributions that have been sent to them.

Loria, K. (2016, June 06). 3 guys swore they could make gills for humans and raised $800,000, and it should be a cautionary tale for everyone. Retrieved September 05, 2020, from <https://www.businessinsider.com/risks-of-investing-in-crowdfunding-campaigns-2016-6>

With any investment that is made, it is important to understand the risk of backing certain projects that happen to reach their goals. The main risk within any projects possibly even video games is that there is little to no enforcement of projects that are possibly scams. Because of this fear and no safety to prevent it, it can prevent future backers leading to more failed projects within the community of Kickstarter. Since there was such a fear of projects that were being funded but not promising the end product in some aspect, Kickstarter now requires that you have some form of a prototype to show the community to represent your end of the “bargain.”

Beth. (2017, June 29). Kickstarter: Is it worth it to back a project? Retrieved September 05, 2020, from <https://www.thecraftynerd.com/2017/07/05/kickstarter-is-it-worth-it/>

With this present risk in Kickstarter, the question that this next source answers are if it still worth backing any of the projects are posted throughout all the categories. The source mentions how some projects are created to rather gauge interest instead of reaching their goals which is interesting perspective. Small teams of inventors and developers are using this platform to determine if their idea is worth pursuing and if there would be a general interest in the product. They are not concerned with reaching the goal, but if they do reach the goal, they will assume that there is interest and will push forward.

Albright, D. (2016, May 12). 3 Things to Consider Before Backing a Kickstarter Project. Retrieved September 05, 2020, from <https://www.makeuseof.com/tag/3-things-consider-backing-kickstarter-project/>

For many of the sources, it was through the lens of those that are creating and developing the projects, but what should a consumer be looking for within certain projects to determine if it would be worth investing in at the time. Author Dann Albright explains that you should be looking out for three major factors. The first being the actual developers behind the project in whether they are already existing successful developers or a first timer. Secondly, you want to consider the feasibility of a project. The biggest takeaway is how complex a project seems to be and if you believe it can be done. Lastly, it is important to understand the possible benefits of investing into a project and if you would receive extra by supporting a project. With some games, if you invest into the project, you have the possibility of receiving extra content for being a supporter once the game is released.

**Data**

The data set that I will be examining and utilizing for this proposal and project is from Kaggle by Mickael Mouille. The data has been collected directly from the Kickstarter platform. It has been split into different times of collection which are December of 2016 and January of 2018.

The data set is structured as followed:

ID – ID of Kickstarter Project - Primary Key

Name – Name of Kickstarter Project

Category – Sub-Category of Kickstarter Project

Main\_category – Main Category of Kickstarter Project

Currency – Type of currency used to support Kickstarter Project

Deadline – Deadline for crowdfunding of Kickstarter Project

Goal – The amount of money needed to complete the Kickstarter Project

Launched – The date the Kickstarter Project is started and opened for backers

Pledged – The amount pledged by a Kickstarter member

State – The status of the project (i.e. successful, canceled, failed, etc.)

Backers – The number of individuals that have invested towards the Kickstarter Project

USD Pledged – The amount of U.S. Dollars pledged to the Kickstarter Project

USD Pledged Read – The amount of U.S. Dollars pledged after being converted from a different currency

USD Goal Real – The goal amount in U.S. Dollars

**Data Source Cited**: Mouille, M. (2018, February 08). Kickstarter Projects. Retrieved September 05, 2020, from <https://www.kaggle.com/kemical/kickstarter-projects?select=ks-projects-201801.csv>

**Research Questions and Reason for Analysis**

With this data set, I am proposing that it be analyzed to determine what factors lead to a successful Kickstarter project, as well as the factors that lead to a video game Kickstarter reaching its funding goal. At the same time, to investigate the overall success rate of releasing a project. The formal research questions are as follows:

What factors lead to a successful, reaching the set funding goal, Kickstarter project on the platform?

What factors lead to a successful, reaching the set funding goal, video game Kickstarter project on the platform?

What is the success rate, reaching the set funding goal, of releasing a video game overall?

When it comes to the data set, it allows for an individual to sort and compare different factors such as time frame allowed for funding, release dates, and minimum goals to see if it leads to a successful project. With determining the success rate and the leading attributes, the data provides a date format as well as if a project were successful along with the category of the Kickstarter.

**Methodology**

The methods that I will be employing for this proposal will initially include an exploratory data analysis to investigate the data to understand possible outliers or suspicious trends amongst the projects. In terms of modeling, I will be employing a random forest to determine the success rate of projects since I am seeking only if a project will or will not be successful and the model allows for simple classification throughout the analysis. At the same time, by using the random forest classifier, it will allow us to see the importance of certain factors or influence they have on the model since it is determining the overall success. By using this classifier, we will be able to see the most influential aspects to the success of a Kickstarter, but to video game Kickstarter as well.

**Potential Challenges**

A challenge I believe that I will encounter will be that even though I have a sufficient supply of data on Kickstarter projects, I am not sure if I will have a sufficient amount on video game Kickstarter projects as a whole to truly answer the questions that I am focusing on for this proposal. At the same time, within the data, it does not speak on the type of video games that are attempting to be funded. After performing some research on the subject, certain types of video games will receive more support from these types of platforms than others. For example, a first-person shooter game that are made popular by big brand video game companies such as Activison, typically do not do well on crowdfunding platforms since they are consistently developed by these brands. In terms of scheduling of this project, I currently do not see what could make this project go off schedule, but I am in the process of working full-time over-night, involved in another class, and searching for a position in my desired field. Because of these other obligations, it has the possibility of affecting the time schedule of this project.

**Concluding Remarks**

Kickstarter is one of the world’s largest platforms for funding all types and categories of project. Whether it be small or large, any one person or team with their creative idea can raise funds to develop their innovative or artistic endeavor. At the same time, it allows these creators to gauge the interest of their project and understand feedback from a community of interested individuals. A creator can post their project to the community at any time and post a funding goal for them to be able to begin development on their idea. For someone to receive the money they are requesting from and be labeled as successful, they would need to reach their funding goal or else they would not receive any of the funding that was initially raised. On the supporter, or backer, side, the Kickstarter would need to reach its goal for their money to be taken out of their funds as well. With projects constantly appearing and attempting to raise funds and trying to be successful, how many of them reach their goal? Also, are there certain aspects that lead to Kickstarter projects standing out compared to others or are there specific key factors that give their project a boost compared to others?

With these questions of the success rate of projects, it is important to also understand that Kickstarter has various categories of projects ranging from art, music, technology, games, and causes. Within the categories, you can have sub-categories of projects. For example, games have a sub-category for video games, and this is where you can find indie video games, games that are not published by large brands, and their developers. Now, with video games currently on the rise with large brand name publishers constantly pushing new and largely advertised games, Kickstarter opens its doors to smaller teams of developers to raise funds for their new ideas and have the opportunity to release their passion projects to the world. Now, keeping the original questions of success rate in mind, it is important to now add the element of how successful this sub-category arena of games will be amongst all of the other projects as well as creating interest from the community.

In this proposal, it is seeking to answer how successful the sub-category of video games on the crowdfunding platform of Kickstarter will be upon launch of the funding goal as well as the leading factors that attribute to a more successful project compared to others. To be able to answer these questions, it will be using data from Kaggle.com by Mickael Mouille who has obtained information on the platform that grant the opportunity to answer these questions with variables such as status or project and funding goals. By using this data, a random forest classifier model will be developed to determine the success rate and leading attributes of video game Kickstarter projects. After seeing the results after performing the analysis, it provide insight on how successful these types of projects can be for someone has interest in crowdfunding for their game and what areas that they would need to focus on the most in order to reach this funding goal.