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Homework01\_Excel

Due – 08.25.19

**Description of Data:**

For this analysis, I was given data for 4,000 past kickstarter campaigns taking place from January 2014 – March 2017. The information included whether or not the campaign was successful, the date created/ended, funding goal & backer information, as well as categorical selection. From this data I aimed to discover trends in past campaign success in the hopes of helping future campaigns also be successful.

This data had a few limitations: the live projects did not yet have conclusive information as they were still ongoing. More importantly, the categories are subjective and not always streamlined as this output is decided by the owner when he creates the campaign profile on the web. For example, a food/small batch campaign for a small bakery might be considered a food/restaurant by one but small batch by another. It is up to the owner to decide. Additionally, it is important to remember that Kickstarter is a global platform, and that many different countries and currencies are included. The goal amount and pledged amount cannot be compared without first converting all amounts listed into the same currency. Conversion rates are variable with time—so if we convert based on today’s rates it may not be what the conversion was when that particular campaign took place. For purposes of this project, I converted based on the rates of other currencies to USD as of 08.21.19.

**Methodology Used:**

The tools used during this analysis were housed Microsoft excel—I utilized basic formulas to clean up the data, pivot tables, and charts (visualizations) to dissect and comprehend the data. I created three main pivot tables based on key components of the data: categorical success rate, sub-categorical success rate, and a year over year monthly analysis to see if certain months performed better than others. I then visualized these three pivots through tables, and I made a fourth table based on the dollar amount set for funding goals and the number of successful campaigns depending on that variable.

**Analysis:**

There are conclusive arguments that can be made about successful Kickstarter campaigns from the data, including:

1. The average success rate for a Kickstarter campaign in the data we are given is 53%. Music, theatre, and film & video have the three highest categorical success rates at 77% (music), 60% (theatre), and 58% (film and video). On the flip side, food, games, and publishing have the three highest failure rates at 70% (food), 64% (games), and 54% (publishing). Important to note that the average failure rate is 37%--canceled and live projects make up the remaining 10% of campaigns. Art related campaigns were the most successful from 2014 – 2017!
2. Staff picks have an 87% success rate – befriend a staff member and become one of their picks! Even better, spotlighted campaigns have a 100% success rate. You are likely to succeed if you are spotlighted!
3. Two interesting outliers to note in subcategories that go against their category average rate of success:
   1. Within the food category, which has a high % failure, Small Batch stands out as being highly successful with a 100% success rate. These small batch projects were focused in their product and vision, whether it be a whiskey distillery, drinking chocolate, or special hot sauce. As mentioned previously in limitations, there might be some small batch campaigns that are “incorrectly” categorized as it is a subjective exercise. Regardless, these small batch products were limited in their scope and investors like products with clear boundaries and specific outputs—i.e. we are producing hot sauce from Austin, Texas rather than we are going to make sauces.
   2. Within the publishing category, which also has a high failure rate, nonfiction does very well with a 100% success rate for its 60 campaigns. This is not surprising when comparing it to the documentary category, which also has a 100% success rate. People are inspired by true stories!
4. Date: February and May have the highest success rates – try to fund in the first half of the year. Specifically, try to fund in Q2 as January pulls down the average for Q1.
5. For goal setting – you are more likely to succeed with a goal under $17500, or between $32500 and $45000.

**Future considerations:**

If we wanted to continue with this analysis, we could add in scatter plots with R2 fit lines for the date pivot as it would be helpful to see where the average success/failure/canceled rates are in comparison to the mean. Additionally, I would explore whether the number of backers and average donation plays a significant role in success. If you were to launch a Kickstarter campaign now, I would suggest you launch a campaign in the arts, particularly in Music (with rock as the genre), during Q2, with a goal under $5000. If possible, try to get highlighted by a staff member!