**Competitive Analysis**

1. Kickstarter
2. Indiegogo
3. Patreon

**Kickstarter**

**Positioning:**

It is an independent crowd-funding web based platform based in Greenport, Brooklyn that enables creators and backers to come together and bring creative ideas to fruition. Creators can be from any category like art, technology, films, games, music, design etc. Backers can your friends, fans or anyone who believes in your work and want it to be successful.

Their main product is the website where all the interaction between the creators and backers happen. They mostly spend their time on maintaining this website, answering questions from both creators and backers and sharing new projects with the all the viewers.

**Primary Audience:**

Primary audiences are the backers who bring in the money for the creators to realize their ideas and the creators who are more like small business enterprises. They follow reward based crowd funding model. That means that for pledging money to the creator the backer can get the final project, the insight into the creative process etc. The funding model is all-or-nothing, if the creator doesn’t reach the target funding goal he/she had set at the onset of the project then he/she do not get any money at all.

**Differentiator:**

* They only allow all or nothing funding. This might seem harsh but it is a good way for creator to do better job at forecasting the fund requirements for fulfilling his/her project.
* They partnered with skillshare and created several classes across 15 Kickstarter categories.
* They have an online community called campus where all the creators can bring their questions to a broader audience.
* They have the most visited (64.67 million hits) crowd funding website according to SimilarWeb.

**SWOT Analysis of Kickstarter Website**

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| --- | --- | --- |
| Kickstarter | Strength | Weakness |
| Internal | * The stats on the top of the webpage are good. * The categorization by Music, Art etc. is amazing and showing in each category the new and “Noteworthy, Popular and Almost there” is pretty neat. * They are not overloading viewers with too much info, they just tell you how much each project is funded as your first info. * Once u click on the project, you don’t feel overloaded with info. The structure of information on the content and how you can pledge is well organized. * Sign up page looks relatively straightforward. * Under “About us” they compare themselves with Kickstarter, which is good. | * Website looks very simple. * The “Explore” button and “Start a project” button should be bold. Currently it is hard to read. * Once you hit on “Explore” button, the page that pops up just doesn’t feel in proportion as far as the font size goes. It’s not a well-designed page. * Kickstarter brand icon doesn’t look very mature. * “Start a project” page takes you through lot of information before actually taking you the page where you can create your project. * Create you project page is redundant with “Sign up page/login page”.   . |
|  | Opportunity | Threats |
| External | * Should create a marketplace on there website to sell creators goods. * Should create flexible funding. * They should have video message to talk about what they do like Patreon. * To reduce the cost of credit card processing fees. * They can reach out to more countries to get worldwide audience to back the projects. * They can let you raise funds for personal cause. | * Lots of players in the market. Pretty much providing same things as they are. * Size of the community is huge which sometimes makes it hard for the creators to thrive as they get lot of competition. |

**Indiegogo**

**Positioning:**

Same as Kickstarter it is an independent crowd-funding company based in [San Francisco](https://en.wikipedia.org/wiki/San_Francisco), [California](https://en.wikipedia.org/wiki/California) where creators and backers come together to make creative pursuits happen on a website.

**Primary Audience:**

Same as Kickstarter, the primary audience is creators and backers but here backers can be venture capitalist as well. They are trying to be more on the side of creating successful entrepreneurial ventures unlike other two crowd funding websites.

**Differentiator:**

* They allow both fixed funding as well as partial funding options, which means that you get to keep the funds even though you didn’t reach the set goal but at 9% of fees.
* They have lots of partnerships for design, prototyping, manufacturing, fulfillment, retail and 24-7 support that creators can collaborate with to create successful ventures.
* They are trying to make successful entrepreneurs by giving you all these amenities and tools.
* As of 2016, patterning with Micro ventures they allow equity-based crowd funding as well.
* Under Indiegogo life they allow campaigns raising fund for charity for 0% fees.
* They include more categories like animals, education, community, sports, health, environment etc. compared to Kickstarter and Patreon.

**SWOT Analysis of Indiegogo Website**

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| --- | --- | --- |
| Kickstarter | Strength | Weakness |
| Internal | * The fonts and font size usage of this website is way better than Kickstarter. * The stats of their website standout the way they are displayed. * They let you raise fund for social cause. * They have marketplace where you can sell your products. * The experts directory is really good for entrepreneurs. * They have way more categories than Kickstarter. * Flexible or fixed funding option. * Generated huge funds even though traffic on their website is not as high as Kickstarter. * . | * They use loads of words to explain what they do; they should create a short and sweet video to explain what they are about like Patreon. * Sign up and login page could have been a single page. * The organization for exploring different categories on there website is not very optimal. It is not as organized in presenting the different categories as Kickstarter is. |
|  | Opportunity | Threats |
| External | * They should have video message to talk about what they do like Patreon. * To reduce the cost of credit card processing fees. * They can reach out to more countries to get worldwide audience to back the projects. | * Lots of players in the market. Pretty much providing same things as they are. * Lower traffic |

**Patreon**

**Positioning:**

It is an independent crowd-funding web based platform based in San Francisco, CA where artists and their patrons come together to create artistic pursuits. This is very different from the other two websites as Patreon creates a subscription content service that helps to build a sustainable source of income for the creators from their patrons.

**Primary Audience:**

Same as Kickstarter and Indiegogo they have a model for creators and patrons who would pledge money on monthly basis to the creator to share their creative projects.

**Differentiator:**

They allow patrons to pledge to support creators on an ongoing basis, usually for each project, until the patrons cancels the promise. This is very different from Kickstarter’s fixed funding model and Indiegogo’s partial funding model. This makes it really good for creators who are looking for providing a subscription-based service.

**SWOT Analysis of Patreon Website:**

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| --- | --- | --- |
| Patreon | Strength | Weakness |
| Internal | * There home page design is one of best among the three. * They convey the message about what they do very clearly using a short video. * The way information is categorized on “Explore” is very easy to use. But the way Kickstarter presents the “Noteworthy, Popular and Almost there” is so far the best way among the three websites. * Its subscription based rather than fixed or partial style funding. | * Once you select a category it presents the top 20 in that category but where are the rest of the creators in that space? Little confusing. * Sign up and login seems redundant, could be fused in one page. |
|  | Opportunity | Threats |
| External | * To reduce the cost of credit card processing fees. * They can have charity efforts included as well. * Should create a marketplace on their website to sell creator’s goods. | * Lots of players in the market. Pretty much providing same things as they are. * Lower traffic |

**Summary and how to enter the crowd-funding market:**

In my view all the three websites are at par when it comes to the flow and response time. I would put Kickstarter’s category presentation the best among the three. Patreon’s branding looks much more sophisticated than the other two. The home page of Patreon along with the video about them is a great example of conveying the message in a well-defined way.

This market is heavily crowded and it will be really difficult to break it unless someone comes up with a better fees model and generate revenue from alternate source and not just from processing fee and some % of the funding. One can also use these platforms for crowdsourcing – for ideas and surveys to get gauge market and trends.

If you allow the creators to give instruction based classes along with sharing/selling their product that can be one way of generating money for creators and the website.