Background

Over $2 billion has been raised using the massively successful crowdfunding service, Kickstarter, but not every project has found success. Of the more than 300,000 projects launched on Kickstarter, only a third have made it through the funding process with a positive outcome.

There are great reasons to go with crowdfunding. The first one is a bit obvious, to raise money. But the benefits of crowdfunding go deeper than that. It can be a great way to validate your idea. Can you get backers? And it’s also a fantastic way to build a community around your passion

Getting funded on Kickstarter requires meeting or exceeding the project's initial goal, so many organizations spend months looking through past projects in an attempt to discover some trick for finding success.

This report analyzes a database of 4,000 past projects in order to uncover any hidden trends that might lend themselves to future success.

Please note the limitations to this approach:

1. **Generalizability**
   1. **T**his data set represents a sample size of statistical relevance on a global level, however, there is not enough known about how the sample was taken to generalize trends to a geographic level. Trends within a geography might give a prospective on “success” that differ from those presented here.
2. **Recency**
   1. Data in this set is limited to full year 2010 – 2016. An analysis of more recent data might uncover a different set of trends, as behavior changes very often with changing technologies (i.e. Instagram usage doubled between June 2016 and 2018.)
3. **Limited Data**
   1. The data in this set is very limited. There is no demographic information on backers which might provide insight on where to market, and no information on marketing practices, which might provide insight into which ones drive success.

**Observations:**

Kickstarter saw significant growth from 2010 to 2016**,** increasing projects globally 1362%, with an average 54% Success rate of campaigns.

The percent of Success has not kept pace with the increase in growth, with Success rate falling from an average of 76% (2010 to 2013), to an average of 48% ( 2014 – 2016).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Year Created** | **successful** | **failed** | **canceled** | **Grand Total** | **% Successful** |
| **2010** | **49** | **15** | **1** | **65** | **75%** |
| **2011** | **136** | **28** | **7** | **171** | **80%** |
| **2012** | **216** | **60** | **6** | **282** | **77%** |
| **2013** | **200** | **67** | **7** | **274** | **73%** |
| **2014** | **474** | **422** | **80** | **976** | **49%** |
| **2015** | **567** | **527** | **131** | **1225** | **46%** |
| **2016** | **475** | **376** | **99** | **950** | **50%** |
| **Grand Total** | **2117** | **1495** | **331** | **3943** | **54%** |

Interestingly, Kickstarter’s own analysis only shows a 37% Success rate for its project ( 2010 – 2019), which might imply that Success Rate continues to fall.

Plays are the most successful project by volume, with 32% of total Successful campaigns, while Hardware is the most successful project by revenue, with 45% of the money donated to successful campaigns.

Top 10 By volume:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sub Category** | **successful** | **failed** | **canceled** | **Grand Total** |
| plays | 32% | 23% | 0% | 26% |
| rock | 12% | 0% | 0% | 6% |
| documentary | 8% | 0% | 0% | 4% |
| hardware | 7% | 0% | 0% | 3% |
| indie rock | 7% | 1% | 0% | 4% |
| photobooks | 4% | 4% | 0% | 4% |
| spaces | 4% | 5% | 5% | 4% |
| tabletop games | 3% | 0% | 0% | 2% |
| shorts | 3% | 0% | 0% | 2% |
| musical | 3% | 4% | 5% | 3% |

Top 10 by Revenue

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sub Category** | **successful** | **failed** | **canceled** | **Grand Total** |
| hardware | 45% | 0% | 0% | 40% |
| documentary | 10% | 0% | 0% | 9% |
| plays | 8% | 7% | 0% | 7% |
| tabletop games | 7% | 0% | 0% | 6% |
| photobooks | 5% | 8% | 0% | 5% |
| spaces | 4% | 8% | 4% | 4% |
| rock | 4% | 0% | 0% | 4% |
| radio & podcasts | 3% | 0% | 0% | 2% |
| space exploration | 3% | 0% | 16% | 3% |
| small batch | 2% | 0% | 0% | 2% |

Makerspaces (which is part of the Technology Category), has the highest average donation size at $148 per backer for Successful campaigns, followed by hardware, photobooks, television, and musicals.

The average donation size for all successful campaigns is $96.

|  |  |  |  |
| --- | --- | --- | --- |
| **Sub Category** | **pledged** | **# of backers** | **AVG Donation** |
| makerspaces | $ 90,131.76 | 609 | $ 148.00 |
| hardware | $ 17,698,767.03 | 134,102 | $ 131.98 |
| photobooks | $ 2,074,795.15 | 17,494 | $ 118.60 |
| television | $ 649,174.49 | 5,993 | $ 108.32 |
| musical | $ 276,504.90 | 2,592 | $ 106.68 |
| wearables | $ 740,470.99 | 7,112 | $ 104.12 |
| spaces | $ 1,668,781.19 | 16,572 | $ 100.70 |
| documentary | $ 4,039,280.42 | 42,595 | $ 94.83 |
| classical music | $ 191,726.65 | 2,220 | $ 86.36 |
| shorts | 199,064.28 | 2,443 | $ 81.48 |

Music was previously the most successful campaign by volume but has been over-taken by Theater.

The phrase “need help” appears the most in blurbs for successful campaigns.

|  |  |
| --- | --- |
| Count of Two-Word Phrases |  |
| Two-Word Phrases | Total |
| need help | 78 |
| new play | 56 |
| full length | 44 |
| theatre company | 37 |
| debut album | 34 |

While “open source” is the most frequently used phrase in campaigns who are at least 200% of their goal.

|  |  |
| --- | --- |
| Count of Two-Word Phrases |  |
| Two-Word Phrases | Total |
| open source | 12 |
| need help | 12 |
| raspberry pi | 9 |
| game players | 4 |
| fast paced | 4 |

**Conclusion:**

Kickstarter continues to grow and evolve. Given the issues with the recency of the data set analyzed here, it’s highly recommended that trend analysis done for the purpose of launching a successful campaign use a more current data set.

The Kickstarter data page automatically updates at least once a day with current raw data .

[Kickstarter data page HERE](https://www.kickstarter.com/help/stats?ref=global-footer).

More analysis with data from 2019 can be found [HERE](https://www.statista.com/topics/2102/kickstarter/).

It’s also highly recommended that marketing data is analyzed to understand best practices for success.

An example of marketing practices from a successful campaign can be found [HERE](https://sumo.com/stories/kickstarter-email-list).

Kickstarter data as of 8/18/2019 ( source: Kickstarter).

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Category** | **Launched** | **Total** | **Successful** | **Unsuccessful** | **Live** | **Live** | **Success** |
| **Projects** | **Dollars** | **Dollars** | **Dollars** | **Dollars** | **Projects** | **Rate** |
| **All** | **456,974** | **$4.49 B** | **$4.02 B** | **$444 M** | **$30 M** | **3,549** |  |
| **37.2** |
| **Dance** | 4,156 | $14.49 M | $13.48 M | $993.24 K | $13,402 | 11 | **%** |
| 62 |
| **Theater** | 12,009 | $45.86 M | $41.13 M | $4.63 M | $99.89 K | 46 | % |
| 60.1 |
| **Comics** | 14,505 | $99.84 M | $92.44 M | $6.01 M | $1.39 M | 220 | % |
| 58 |
| **Music** | 60,408 | $238.20 M | $217.26 M | $19.75 M | $1.18 M | 321 | % |
| 50 |
| **Art** | 35,540 | $117.59 M | $104.72 M | $12.18 M | $692.69 K | 404 | % |
| 43.2 |
| **Games** | 46,993 | $1.09 B | $1.01 B | $76.54 M | $6.48 M | 500 | % |
| 39.3 |
| **Film & Video** | 72,250 | $453.03 M | $385.31 M | $66.66 M | $1.06 M | 344 | % |
| 37.6 |
| **Design** | 38,074 | $1.00 B | $909.86 M | $82.35 M | $10.09 M | 329 | % |
| 37.5 |
| **Publishing** | 47,244 | $167.08 M | $146.71 M | $19.68 M | $686.31 K | 333 | % |
| 32.6 |
| **Photography** | 11,996 | $45.95 M | $40.31 M | $5.53 M | $107.62 K | 51 | % |
| 31.8 |
| **Fashion** | 29,323 | $176.36 M | $154.54 M | $20.70 M | $1.13 M | 303 | % |
| 27.3 |
| **Food** | 28,695 | $153.01 M | $129.20 M | $23.39 M | $420.88 K | 203 | % |
| 25.2 |
| **Crafts** | 10,686 | $18.61 M | $15.32 M | $3.20 M | $93.54 K | 104 | % |
| 24.7 |
| **Journalism** | 5,495 | $16.82 M | $14.52 M | $2.17 M | $135.75 K | 33 | % |
| 22.3 |
| **Technology** | 39,600 | $851.55 M | $744.59 M | $100.57 M | $6.39 M | 347 | % |
| 20.5 |