Report: Kickstarter Project Success Analysis

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**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.

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…

*Source:* [*Kickstart My Chart ReadMe*](https://smu.bootcampcontent.com/SMU-Coding-Bootcamp/SMU-DAL-DATA-PT-11-2019-U-C/tree/master/02-Homework/Instructions)

Every project creator sets their project's funding goal and deadline. If people like the project, they can pledge money to make it happen. If the project succeeds in reaching its funding goal, all backers' credit cards are charged when time expires. Funding on Kickstarter is all-or-nothing. If the project falls short of its funding goal, no one is charged.

Project creators keep 100% ownership of their work. And Kickstarter cannot be used to offer financial returns or equity, or to solicit loans. Some projects that are funded on Kickstarter may go on to make money, but backers are supporting projects to help them come to life, not financially profit.

*Sources:* [*Kickstarter and Taxes*](https://www.kickstarter.com/help/taxes)*,* [*Kickstarter Basics*](https://help.kickstarter.com/hc/en-us/articles/115005028514-What-are-the-basics-)

**Problem Statement**

Are there statistically significant trends among past projects that can be used to determine if a project will meet its funding goal?

**Approach**

Analyze a predefined dataset of 4,114 Kickstarter projects, from 12 countries including the United States, that were active between 2010 – 2017.

**Limitations**

Determining a trend may be challenging given the sample size

The 4,114 record dataset represents a 1.37% sample of the more than 300,000 projects. Using project ‘state’ as the dependent variable, R Squared calculations were never larger than .0206 when comparing; state to date-created, state to category, and state to sub-category variables. Significance F and P-values for the same are all 0 or lower.

So with low R Squared numbers, and with low Significance F and P-values, this dataset is not likely to prove useful when trying to explain variation between a project’s state relative to the independent variables, but this dataset is significant and can lead to insights that will drive decision on how to invest in Kickstarter projects.

**Initial Findings**

Theater projects, Music projects, and Film & Video projects are the most likely to achieve their funding goal (project state = successful), with 3% of Music projects and 2% of Theater projects going live.

Fig. 1 Project state count by category

Plays overwhelmingly receive the largest amount of pledges with close to 67% meeting their target.

Fig. 2 Project state count by sub-category

Honorable mention for the following sub-categories whose projects all met their targets: documentary, electronic music, hardware, metal, nonfiction, pop, radio & podcasts, rock, shorts, tabletop games, television, and small batch.

*Note: All projects in the small batch(food) sub-category met their pledge goal with 15% of them going live. The Faith(music) sub-category is the only other group with a higher go live rate of 33% within its sub-category.*

Project funding achievement across all years is highest in the spring, starting in March and peaking in May, before taking a sharp decline until September.

Fig. 3 Project state count, by month started, for years 2010 – 2017.

**Initial Recommendations**

If the primary goal for a project is for the pledge target to be met, then choose a play related theater project. This sub-category has the largest number of funded projects.

Consider choosing a faith music or small batch food project if you are interested in achieving go-live success in a more niche area.

An April project launch is ideal as trends show Kickstarter funding is at a sharp increase.

**Other possible future analysis**

* Project state count by country
* Project state count by year
* Additional Regression Analysis
  + by country
  + by year
* Accuracy of Staff picks

**Bonus information**

**Data Analysis Research**

<https://github.com/kirpatrick/excel-challenge>

* data/StarterBook-analysis-11262019 .xlsx
* Kickstarter-Project-Success-Analysis.docx