Report:

Crowdfunding is one of the popular ways new business ventures use to finance their business. Small amounts of capital are raised from large numbers of investors. Ventures will launch their businesses on easily accessible social media and crowdfunding websites to solicit funds. Most popular crowdfunding platforms are Kickstarter, Indiegogo, and GoFundMe. Interested investors are allowed to choose from hundreds of projects and contribute as little as $15.

Crowdfunding places restrictions on people who can fund new business and how much they can contribute. This prevents the possibility of non-wealth and unsophisticated investors from losing their savings. Through crowdfunding, startup businesses have been able to raise hundreds of thousands or millions of dollars from individual investors with money to invest.

This crowdfunding data set was generated from EdX Boot Camps LLC and it’s intended for educational purposes only. The sample size of the data is 1000 with 16 variable points. To determine hidden trends more variables were created to uncover these trends. The data was sampled from north America, Europe and Australia. Startup companies captured in the date are mostly found in the entertainment industry with a handful of tech companies and restaurants. Below is a brief description of the data set.

Description of Data Set

|  |  |
| --- | --- |
| Source | EdX Boot Camps LLC |
| Sample Size | 1000 |
| Variables | Name, blurb, goal, pledged, outcome, backers count, average donation, country, currency, launched at, deadline, staff pick, spotlight and category and sub-category. |
| Region | North America, Europe, and Australia |
| Country | USA, UK, Canada, Denmark, Australia, |
| purpose | To determine the success rate of crowdfunding campaign for new startup businesses. |
|  |  |

3 Conclusions from the data set.

* A crowdfunding campaign requires many people (investors) to contribute relatively small amounts of cash.
* Large numbers of startups are always competing for funds from crowdfunding campaigns.
* The outcome of a campaign does not necessarily depend on the number of pledges a campaign receives.

Limitation of Data Set

* The data set covers a few countries.
* The data is focused more on the entertainment industry with a handful of tech companies.
* The time period between date created conversion and date ended conversion is not enough, they’ll within one year.

Possible table and/or Graphs that could be created with additional value.

Graphs

* Pie Chart- to provide accurate visualization of campaign outcome.
* Unstacked Bar Chart for easy comparison, at times comparing stacked bar chart is strenuous.
* Histogram

Tables

* How companies do after successful campaign.
* Countries with most successful/failed campaigns.
* Countries where most pledges come from.

This additional information will uncover areas where campaigns are most likely to be successful.

Statistical Analysis:

Successful Failed

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Mean** | 560.8 |  | **Mean** | 97.0 |
| **Median** | 220.0 |  | **Median** | 44.0 |
| **Min** | 98.0 |  | **Min** | 44.0 |
| **Max** | 1425.0 |  | **Max** | 452.0 |
| **Variance** | 320441.1 |  | **Variance** | 18780.2 |
| **St. Deviation** | 566.1 |  | **St. Deviation** | 137.0 |
|  |  |  |  |  |

The mean (average) value of a successful campaign is 560.8, with a median, variance and standard deviation of 220.0, 320441.1, and 566.1 respectively. The range for a successful campaign is 1327.

The mean(average) value of a failed campaign is 97.0 with a median, variance and standard deviation of 44.0, 187802, and 137.0 respectively. The range for a failed campaign is 408.

From the 2 graphs above, it could be inferred that there’s a lot of outliers in the data sets for the 2 campaign types. In this scenario the median of the data set will better summarize the data.

* There is more variability with successful campaigns than failed campaigns.

Yes, it makes sense. Because the variance and the standard deviation for successful campaign compared to the mean is much higher than that of the failed campaign.