Kickstarter Funding Raising Goal Recommendation for Board Games

Background and Business Problem

Kickstarter is a platform for creators to launch their creative projects and set up their desired funding goals and for backers to pledge money to help creators to realize the projects. Fundraising on Kickstarter is "all-or-nothing". The backers' pledges will only be charged if the funding goals are reached before the deadline. If the funding goals are not reached, no backers' pledges will be charged. Therefore, it is highly critical to identify a realistic funding goal while maximizing potential funding to make the project happen.

An executive team of a small board game company plans to launch the first Kickstarter campaign. An estimated minimum of $15000 USD is required to start the project. Maximizing the funding will be ideal for the expansion of the company. The goal of this recommendation report is to explore a dataset of past campaigns launched on Kickstarter and identify the achievable funding goal.
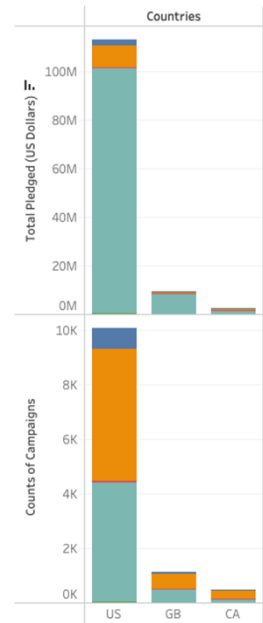
Analysis Process and Limitations

The SQL file is imported into the mySQL server. The dataset contains 5 tables (campaign, category, country, currency, sub_category). Tables are joined correspondingly based on country.id, category_id, subcategory_id. The report first goes over the variations of dollars raised and counts of backers in countries, categories, and subcategories and assess the popularity of board games on Kickstarter. Then it evaluates the effect of funding goals and campaign duration on campaign outcomes and analyzes the median and average of funding goals of successful board game campaigns. A data-driven and actionable funding goal will be recommended at the end.

There are 7 different currencies. USD makes up a large proportion of money pledged. Currency conversion was not performed. It was assumed in the following analysis that all currency is USD. Therefore, along with the fact that the dataset is not cleaned before analysis, the results might not be precise. Based on the deadline of the campaigns, the dataset covers campaigns from 5/22/2009 to 3/3/2018. The application of the results to the recent days might be questionable since the last four years' data are missing.
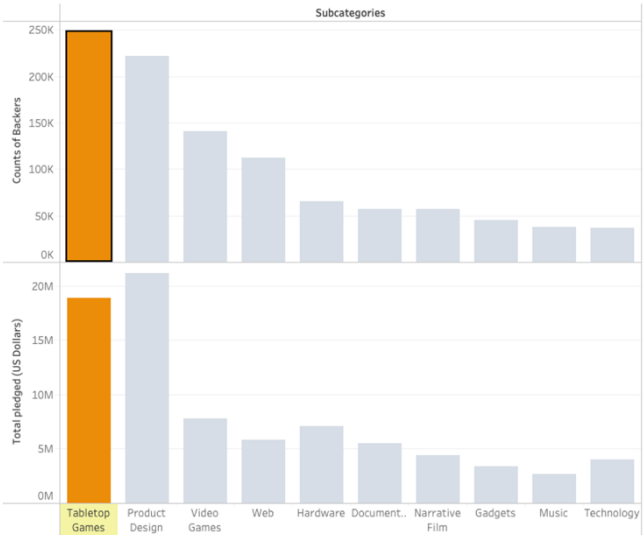
Results

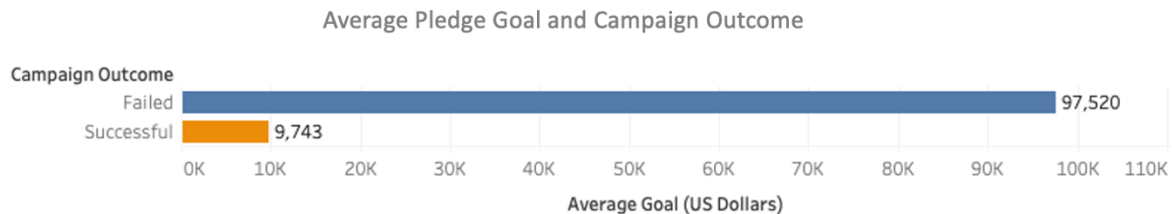Top 3 Countries with Highest Fund
and Numbers of Campaigns

The US, the UK and Canada were the top three countries with the highest numbers of campaigns launched and most funds pledged. Less than half of the campaigns were successful in reaching their funding goals, but most of the funds pledged were from successful campaigns.

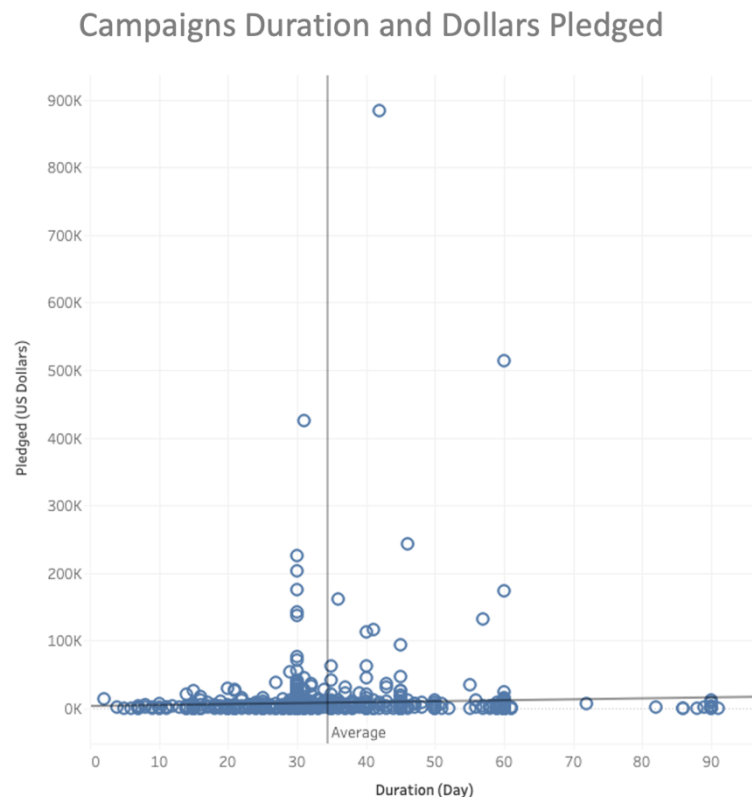Top 10 Categories and Counts of Backers and Total Pledged

The top categories 3 with the most backers and most fundraised are Games, Technology, and Design. The bottom three categories are Dance, Journalism, and Crafts. Board game is the most popular subcategory based on the count of backers and has the second-highest number of pledges globally.

The bottom 3 subcategories are Glass, Crochet and Latin based on money raised, and Glass, Photo and Latin based on numbers of backers. Kickstarter seems to be a popular platform to help raise funds for board game projects. The successful board game campaign was the highest fundraised was GloomHaven(Second Printing) with $3,999,795.77 and 40642 backers.
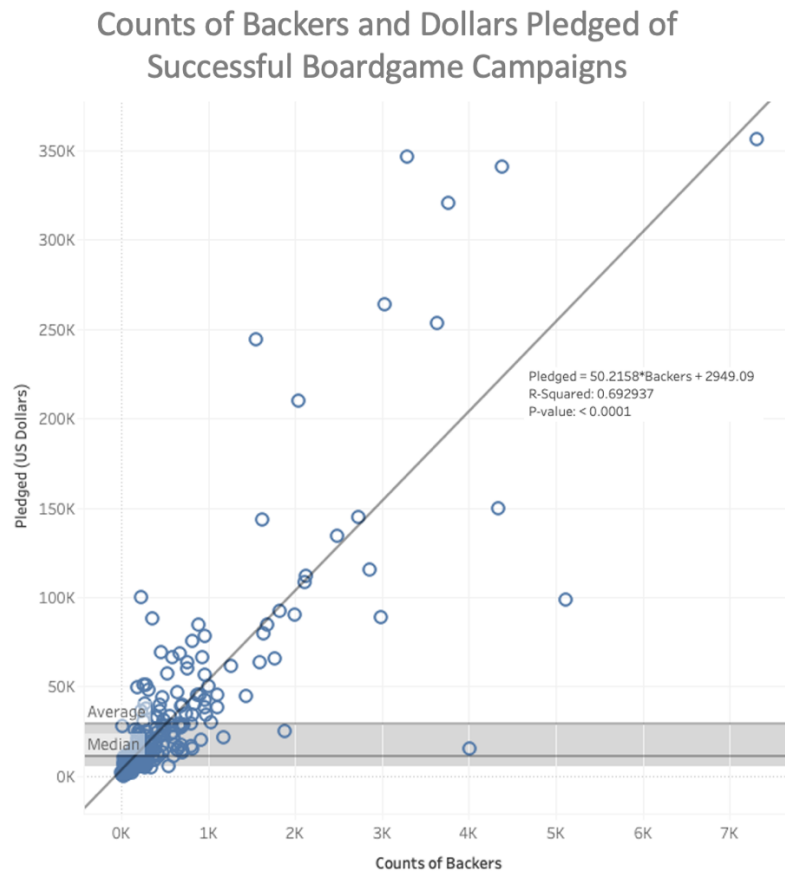

Average Pledge Goal and Campaign Outcome

The average funding goal of failed campaigns is greater than that of successful campaigns by $87,777. In simpler terms, over-maximized goals are more likely to fail. This highlights the importance of setting up one reasonable funding goal to make the project successful.

Campaigns Duration and Dollars Pledged

No statistically significant trend line can be established between the duration of campaigns and dollars pledged. The average duration is 34 days. Several exceptionally high fundraised campaigns occurred within the range of 30 to 60 days. Data is not available for assessing the growth of dollars pledged

throughout the duration. It is recommended to keep the campaign live for 90 days to maximize the funding.

Counts of Backers and Dollars Pledged of Successful Boardgame Campaigns

Pledged = 50.2158*Backers + 2949.09
R-Squared: 0.692937
P-value: < 0.0001

Final Funding Goal Recommendation

Excluding successful campaigns with exceptionally high fundraised (>$400K), the rest of the successful boardgame campaigns set an average goal of $29,110. The Median is $ 11,327 and the upper quartile is $28,384. Based on the statistics, $15,000, the minimum required to start the project is a highly achievable goal for a board game campaign. If the company would like to maximize the funding, increasing the goal to $ 29,000 might still have a moderate chance. However, it is not recommended to set a goal higher than $29,000, unless the company is highly confident the campaign can perform exceptionally well.

If the company would like to maximize the funding to **$29,000**, based on regression analysis, a **minimum of 518 backers** are needed. On average, a board game campaign can realistically expect **447 backers** likely giving rise to the funding of $25,395.46 based on regression analysis. *It is recommended to set the funding goal to be around $25,000*, which is realistic to achieve while providing a generous amount of funding for the business to expand. The company can further specify a goal in the range of $25,000 and $29,000 based on how confident they are with the project and the funding required.