Crowdfunding Challenge

DU Data Analytics Bootcamp

Challenge 1

**Derived Conclusions**

Given the data on Crowdfunding, there are a few quick conclusions we can derive. Firstly, most of the campaigns had a goal of under $10,000 or over $50,000 with 597 campaigns being under $10,000 and 305 campaigns being over $50,000. The projects with goals under $10,000 had an overall completion percentage of 64.5% indicating that this level of funding appears to be the most saturated across the entire data set. Campaigns greater than $50,000 had the lowest overall success rate sitting at 37%, this means that $50,000 may be the de facto cap for crowdfunding projects.

Second, the summer months of June and July saw the most successful campaigns across the 12 months and the number of successful campaigns gradually dropped per month approaching December, then spiked back up in January. This makes sense as most countries celebrate some sort of holiday during November/December so campaign runners should be aware of the overall drop in consumer spending around those months.

Lastly, the minimum backers’ number for a successful campaign was 16. Indicating that even if the goal amount was rather low you would still need roughly 16-20 backers to fund that campaign. This is interesting and may require more analysis, but this indicated that even for campaigns with goals of $100 there were no successful campaigns with less than 16 backers. This is potentially due to the goal size and each backer wanting to give less assuming the level for completion would be fewer backers.

**Data Set Limitations**

While this dataset was robust there are several limitations it possesses and several parts where having additional data could help in our analysis. Firstly, including whether the Company running the campaign has had any prior successful campaigns and how many. If they are a more well-known company it would stand to reason that their campaigns would be funded more often. It would also be interesting to run an analysis on the percentage of successful first campaigns.

Secondly, did any of the Companies spend money promoting their campaigns, and if so, how much? It would be good to have data regarding how much money the companies spent on marketing and outreach to get their projects out there because it makes sense that increased promotion would help the company succeed. Building on this would be the source of the backer. How did the backer come across the project? Was it an internal link on the company's social media or homepage or was it via a Google search which led them to Crowdfunding and they then searched for the project? This would help future companies get an idea of how much they should promote their project.

Lastly, how many if any backers supported multiple projects? With parent categories such as Plays having so many campaigns did that force backers to be more subjective with what projects they backed or in categories with fewer projects did backers end up supporting more than one project?

**Additional Graphs and Charts**

There are a couple more graphs and charts that we could create that would help us visually. Doing a pie chart of the parent company could be a helpful visual to provide for future companies who want to start a campaign. They can begin to see the past performance of parent categories for other campaigns. This would help them establish expectations or put more resources towards promotion/marketing their campaigns. We could also show a graph representing the Average donation vs. the number of backers in relation to goal size. This would also help future crowdfunding projects get an idea of where their donations need to be depending on their goal and what to expect for their crowdfunding projects.