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Homework 1 Questions

1. What are three conclusions we can make about Kickstarter campaigns given the provided data?

The first conclusion we can make about Kickstarter data, is that with more campaigns, the overall success rate seems to drop. I say this because early on, there were many more campaigns that were successful compared to failed. We can see this by looking at the line chart created from the pivot table in the State by Date sheet. As the number of campaigns increases, the successes and failures become much closer to equal. In the beginning there were less total successes, but a better success to failure ratio. This suggests that the effectiveness of Kickstarter is reduced as the volume of campaigns is increased. This does not say anything about why is less useful though.

The second conclusion we can make is that the category and subcategory of the campaign have an influence on the success rate. Video games and food trucks had some of the highest failure numbers but did not show up in the successes. This indicates that anything in the video games or food trucks category should not make a campaign in Kickstarter.

The third conclusion we can make is that there will be about the same number of campaigns in 2017 compared to previous years. There are no campaigns started after March 2017 probably because this data was taken in either February or March of 2017. Looking at 2016 data, we can see that by the end of February in 2016, there had been 83 successes, 75 failures, and 20cancellations. In 2017, there have been 59 successes, 31 failures, and 17 cancellations. This means they are 71 more campaigns in the first part of 2016 compared to 2017. There are currently 50 live campaigns in 2017 which result in 21 less campaigns in 2017 compared to 2016. This is very close to the 2016 data, only 12% less than in 2016. As such we expect 2017 to be about the same as 2016, even though the line chart for the pivot table makes it look like there will be a rapid decline in campaigns in 2017.

2. What are some of the limitations of this dataset?

The main limitations of this dataset are that it has no attempt to understand the specific factors that lead to the success of a campaign. There were a lot more successes compared to failures in 2009 and 2010 compared to 2016 but there is no data collected that would be meaningful in explaining why there were more successes. Its possible that investors were way more confident in Kickstarter early on so they invested more in projects, but the projects in 2009 did not give them the returns they were looking for, so they stopped investing in the future. More information about the specific backers and how their backgrounds would have been very helpful for deciding why some projects might be more successful than others. Another important factor is the leadership of the campaign. Its possible that only leaders that were a lot more organized had heard of Kickstarter back in 2009 or 2010 so their projects would have been successful wherever they went. This dataset is very good for coming up with conclusions about what could happen given a specific project category, fundraising goal, and year, but it fails to give any insight as to why this is the case. Without knowing why a campaign achieved the success that it did, it is hard to accurately replicate that result if we attempted to start our own Kickstarter fundraiser.

3. What are some other possible tables/graphs that we could create?

Two other important graphs that we could create are success based on fundraising goal amount, and success based on category and time. Fundraising based on goal amount is important because it is possible that higher goals are not met on Kickstarter but that many small projects tend to be more successful. Knowing what size a project should be for optimal success is very important if you want to consider posting a project on Kickstarter. A category and time based graph is important if you want more data about a large category on Kickstarter such as plays. There are so many different plays campaigns that it is worth knowing the success and failure rate with respect to time for plays only. It may show that most of the successes of plays were early on and that they have become a lot less successful. Or early on there were less successes but they were balanced out over time because once that became a bigger category on Kickstarter, there were many more backers that signed on to that category.