Crowdfunding Data Analysis - Silvio Zabala - Octobner 3, 2024

This written report is based on a data analysis on crowdfunding campaigns sampling 1,000 projects. Please reference the workbook submitted along with this document when going over my written analysis. The data analysis was created to discover any hidden trends and discover the trick for successful campaigns. Various people have resorted to crowdfunding platforms such as Kickstarter and Indiegogo to launch new products and create hype for their product. This data analysis should help people better understand their chances of a successful crowdfunding campaign.

Based on the data analysis I conducted, there are some clear highlights to consider when launching a crowdfunding campaign. August seems to be one of the worst months of the year to launch a crowdfunding campaign. If you look at the line graph under the “Count of Outcomes by Month” worksheet, there is a steep decline in the number successful campaigns compared to any other month. Also, there is a steep incline in the number of failed and canceled campaigns for the month of August. People looking to launch a campaign should consider the time of the year they are launching to increase their chances of a successful campaign.

Now, when looking at the parent category, it is evident that theater category has a significant higher chance of a successful campaign. If you look at the “Parent Category Outcome” worksheet you can see a much higher number of campaigns succeeding under the theater parent category. This might also be why the theater category is the most popular or has the highest number of campaigns.

Overall, when looking at the data analysis in general and excluding the currently live campaigns, the chances of a campaign succeeding is roughly 57% and you can see this by looking at the “Count of Outcome by Month” worksheet. From the 1,000-sample data collected and excluding the currently live campaigns, there were 565 successful campaigns out of 986 total.

There are various limitations to consider when looking at this data analysis. The following are some limitations to consider. For example, one limitation to consider is that we do not know the demographic of each campaign backer. This data could tell us so much more about the chances of a campaign succeeding depending on the demographic of each campaign backer. Two, similarly, to not having the demographic of the of campaign backers, we do not have the demographics of the actual people running the product. Last limitation to consider is the actual target audience demographic of each product. Having demographics from each data set is vital to better understand the success rate of campaigns.

The following are possible tables and/or graphs that would add additional value to my analysis. If I were to create a line graph that shows the percentage of successful, canceled and failed campaigns relatively to the month I would be able to better visualize the chances of a campaign succeeding, canceling or failing by month as opposed to the number of campaigns. Using percentages may be easier to visualize it when conducting an analysis and presenting it to people. Two, we could create a line graph showing the percentage of successful, failed and canceled campaigns relatively to the year to discover the trend over the years. Last, we could create a scatter graph showing the parent category or sub-category relatively to how they succeed according to the month.

When analyzing the measures of central tendency, I believe the mean is better than the median to summarize the data for successful and failed campaigns. A typical campaign backer on average falls within the mean. There seems to be a higher variability based on the higher standard deviation with successful campaigns than failed campaigns. This also may be due to the fact that there are more campaign backers with successful campaigns than the campaigns that failed.