An Analysis of Crowdfunding Data

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What is Crowdfunding?

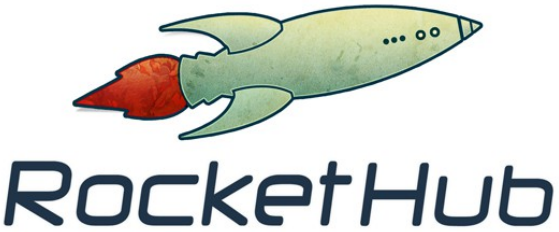
- Crowdsourcing
  - Ex: Wikipedia

- Investment
  - Ex: Joint Stock Companies

- “Web 2.0”
  - Ex: Social networking

facebook

Crowdfunding Services



KICKSTARTER

PETRIDISH.org

iAM scientist

indiegogo

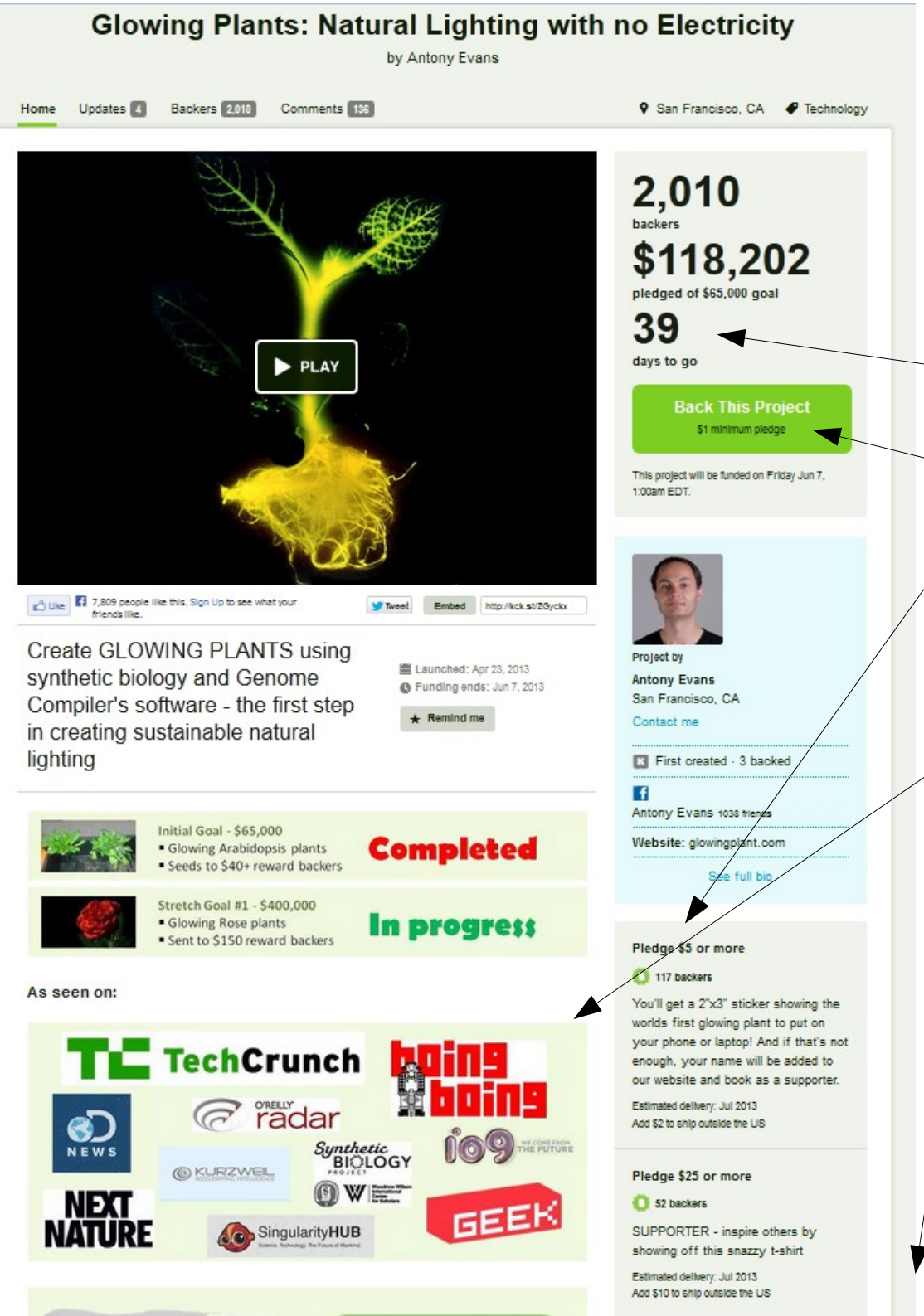
microryza

SELLABAND
YOU ARE THE RECORD COMPANY

BRICK STARTER

artistShare®

Anatomy of a Kickstarter

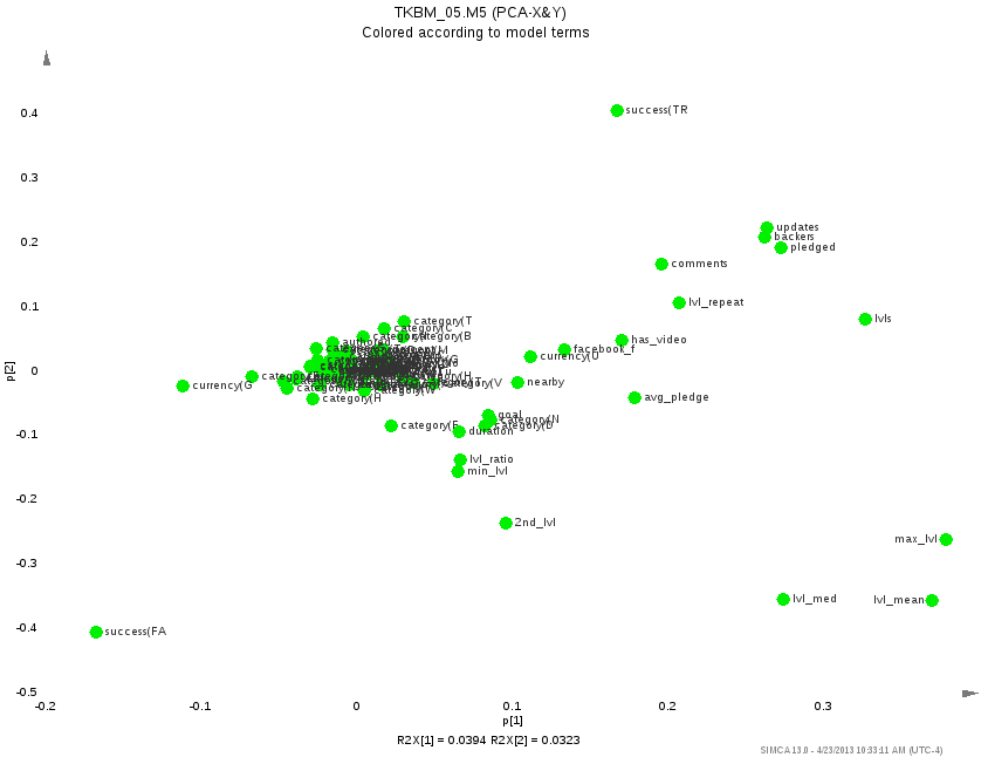


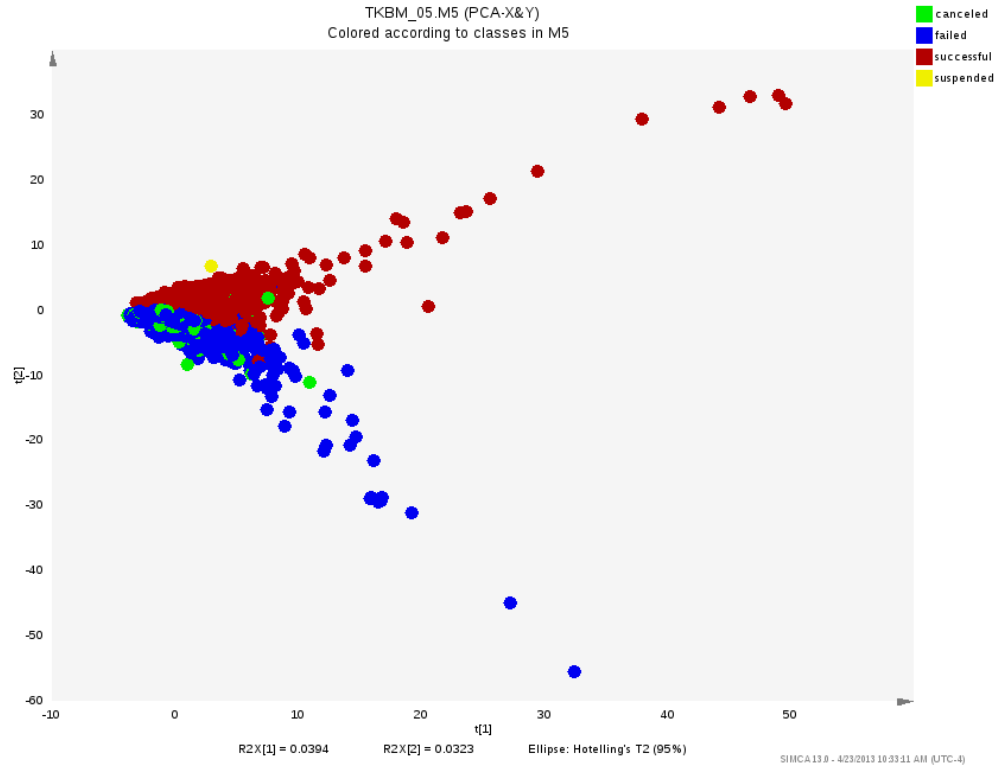
This project is still ongoing.

Minimum pledge ≠ Minimum pledge level.

Extended description is not always full of endorsements.

Reward levels may continue on to higher amounts.



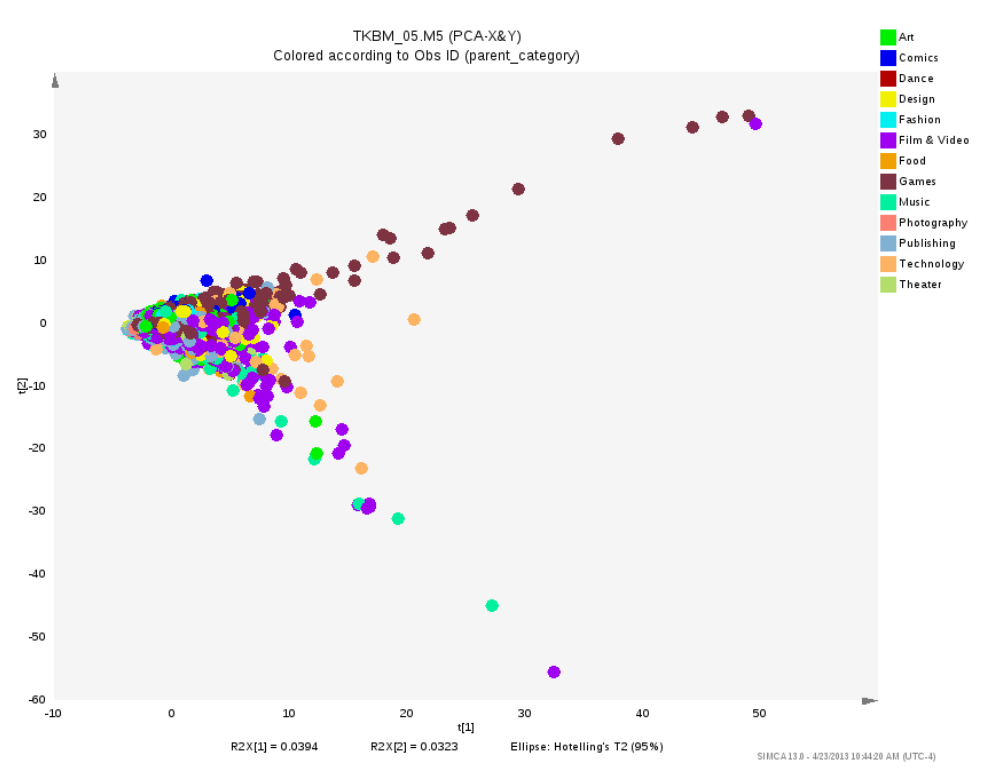


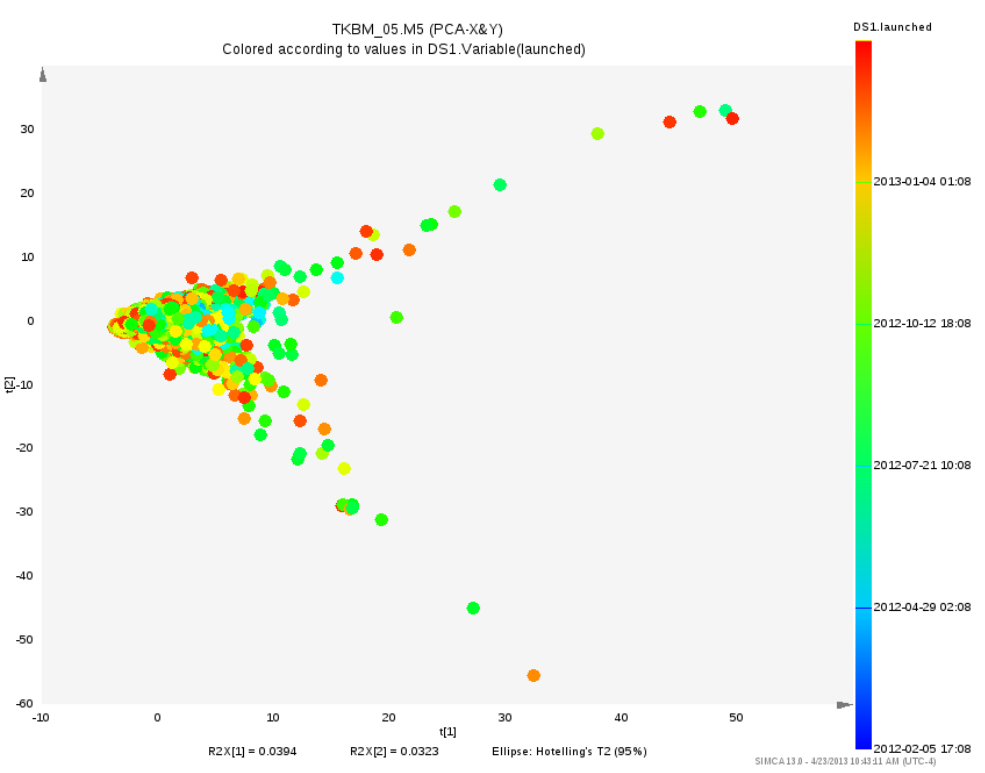
PCA Model

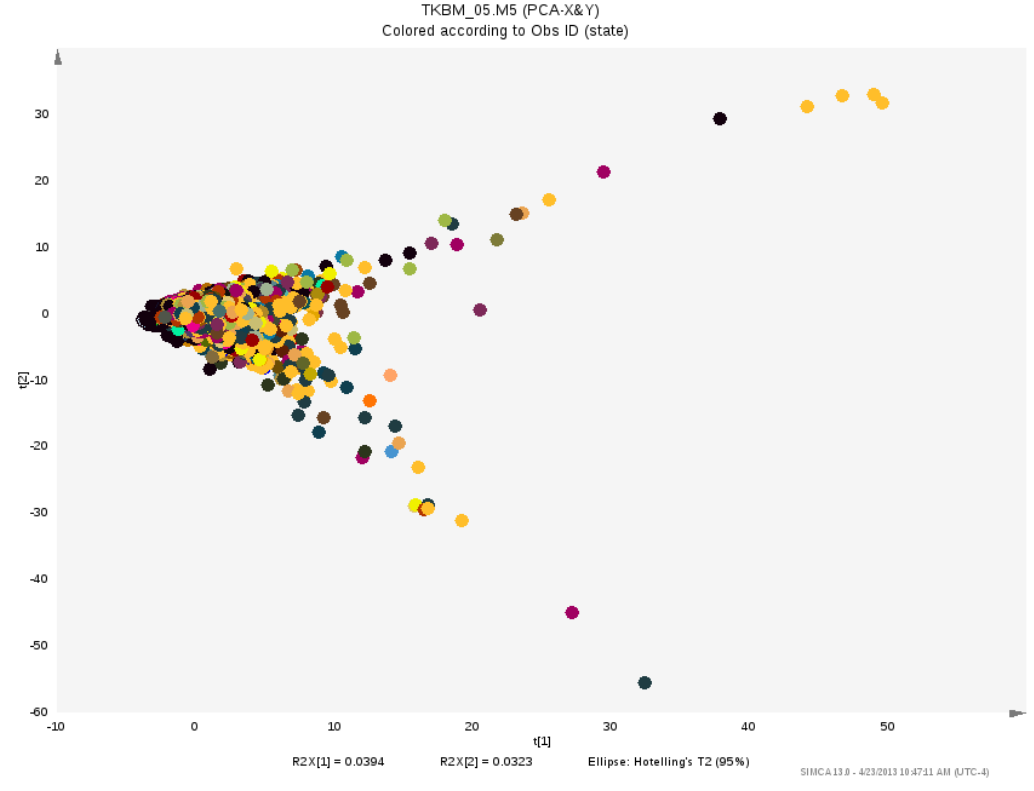
1) $R^2 < 0.1$, $Q^2 < 0$

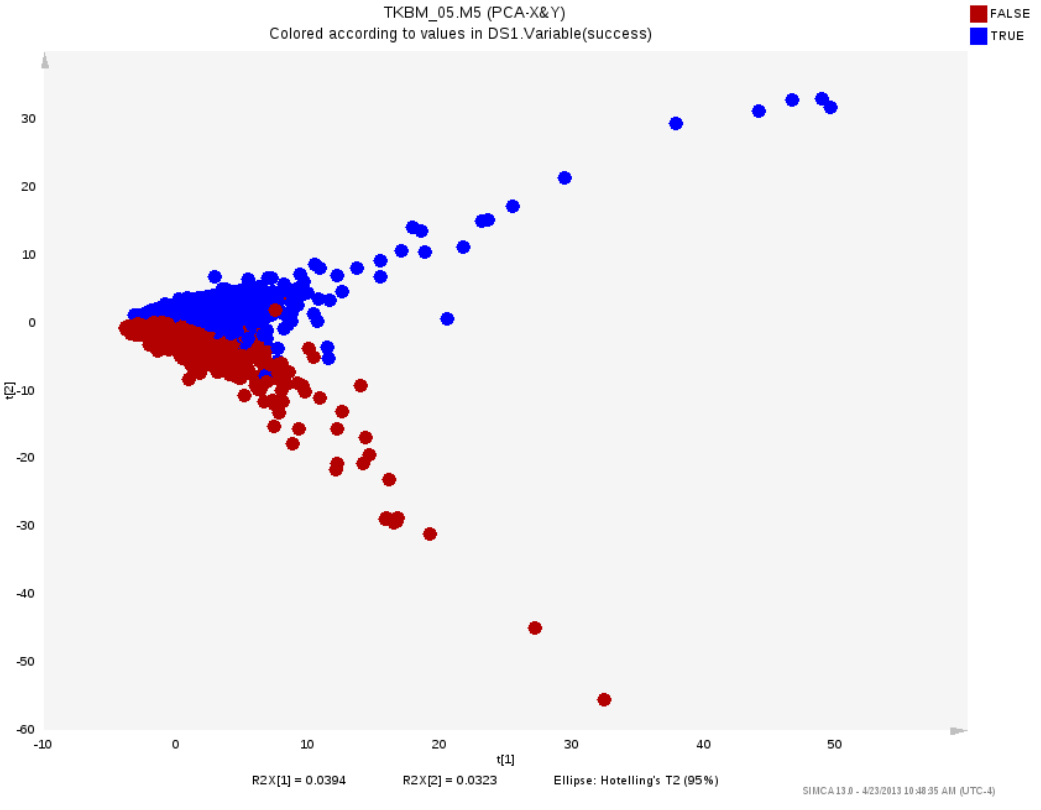
2) Remove irrelevant variables and small classes

3) $R^2 > 0.2$, $Q^2 < 0$, but visually unchanged


TKBM_05.M5 (PCA-X&Y)
Colored according to Obs ID (parent_category)
Art
Comics
Dance
Design
Fashion
Film & Video
Food
Games
Music
Photography
Publishing
Technology
Theater
t[1]
t[2]
R2X[1] = 0.0394
R2X[2] = 0.0323
Ellipse: Hotelling's T2 (95%)


TKBM_05.M5 (PCA-X&Y)
Colored according to values in DS1.Variable(launched)
DS1.launched
2013-01-04 01:08
2012-10-12 18:08
2012-07-21 10:08
2012-04-29 02:08
2012-02-05 17:08
t[1]
t[2]
R2X[1] = 0.0394
R2X[2] = 0.0323
Ellipse: Hotelling's T2 (95%)


TKBM_05.M5 (PCA-X&Y)
Colored according to Obs ID (state)
t[1]
t[2]
R2X[1] = 0.0394
R2X[2] = 0.0323
Ellipse: Hotelling's T2 (95%)

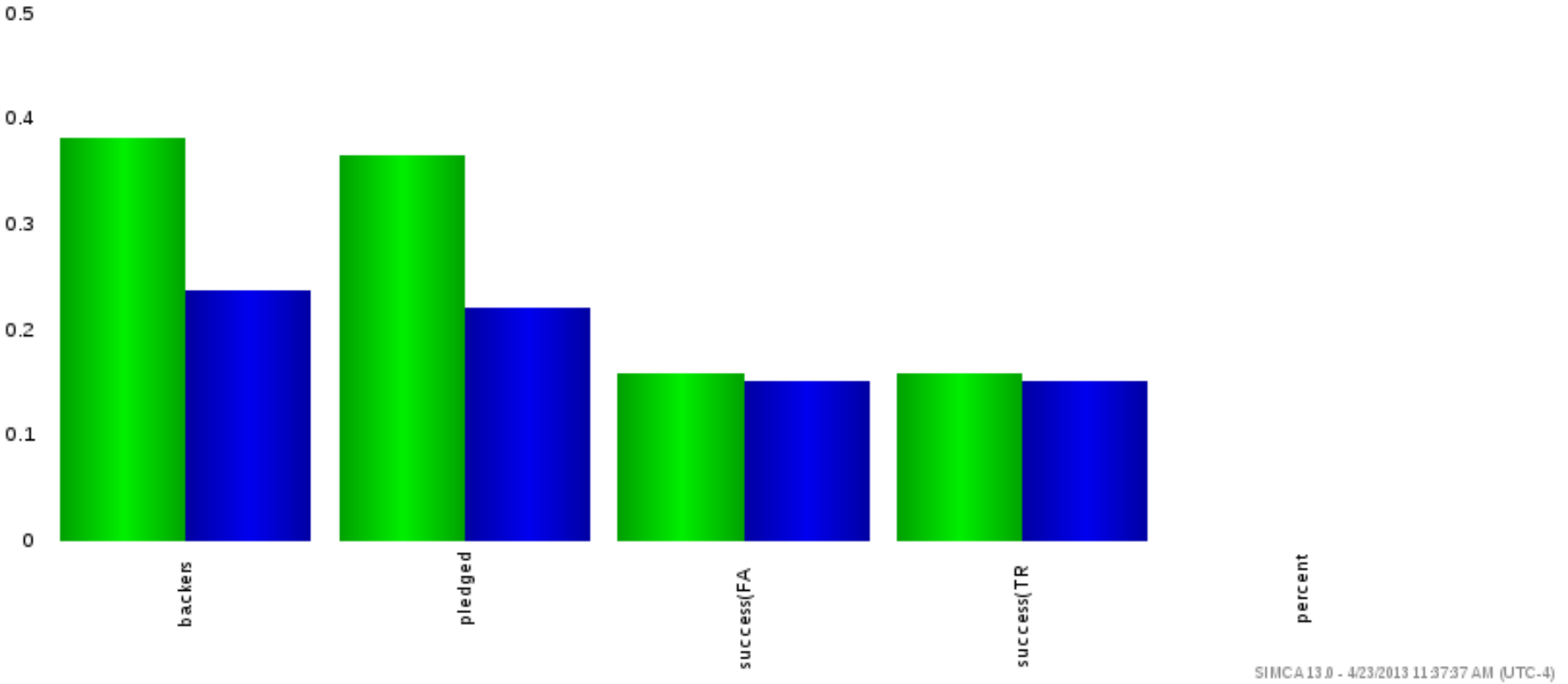

TKBM_05.M5 (PCA-X&Y)
Colored according to values in DS1.Variable(success)
FALSE
TRUE
t[1]
t[2]
R2X[1] = 0.0394
R2X[2] = 0.0323
Ellipse: Hotelling's T2 (95%)

PLS Model

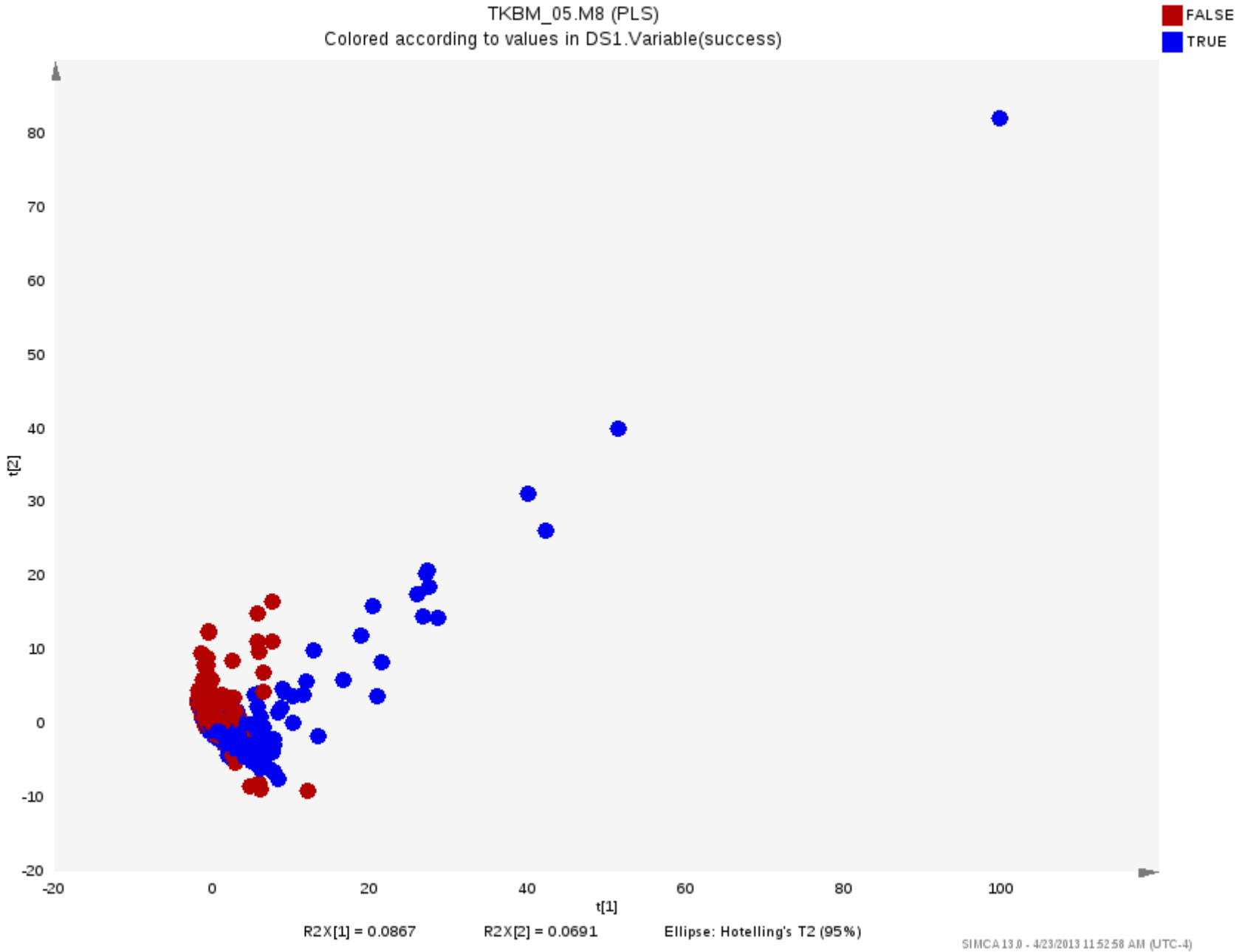
1)$R^2 \approx 0.2$, $Q^2 > 0.1$

2)Remove percent as y-variable

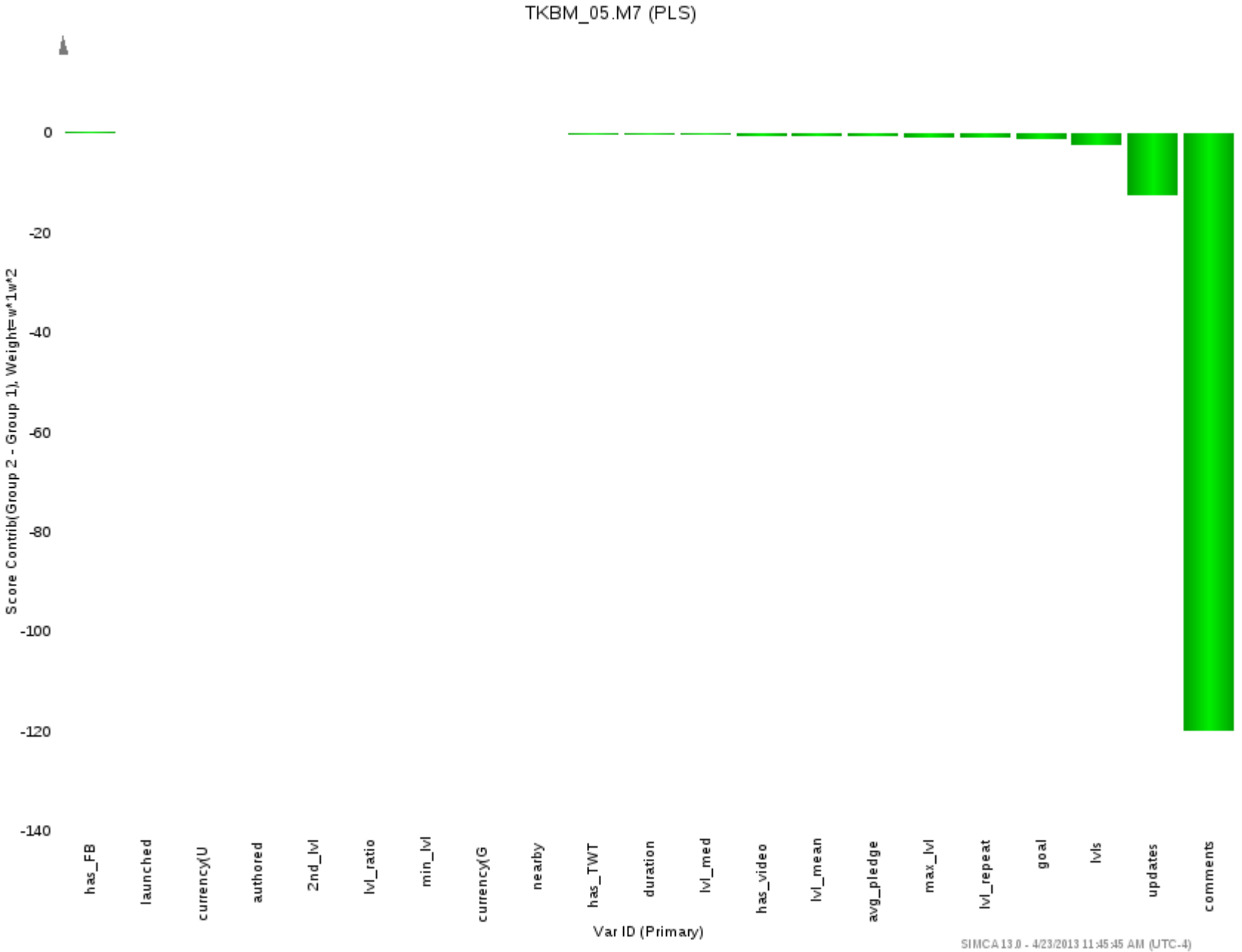
3)$R^2 > 0.2$, $Q^2 \approx 0.2$



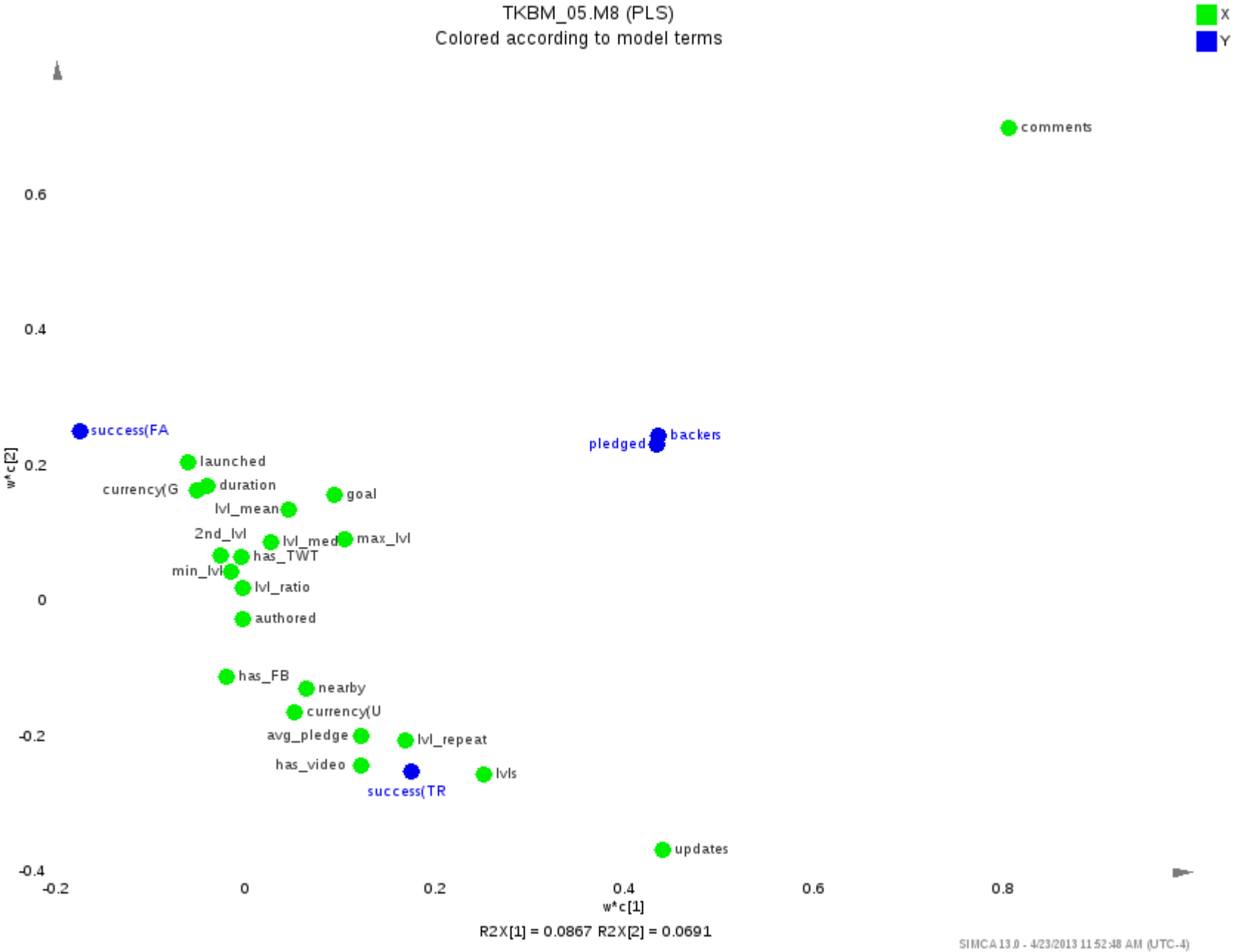
PLS Model - Scores



PLS Model – Contribution to Tail

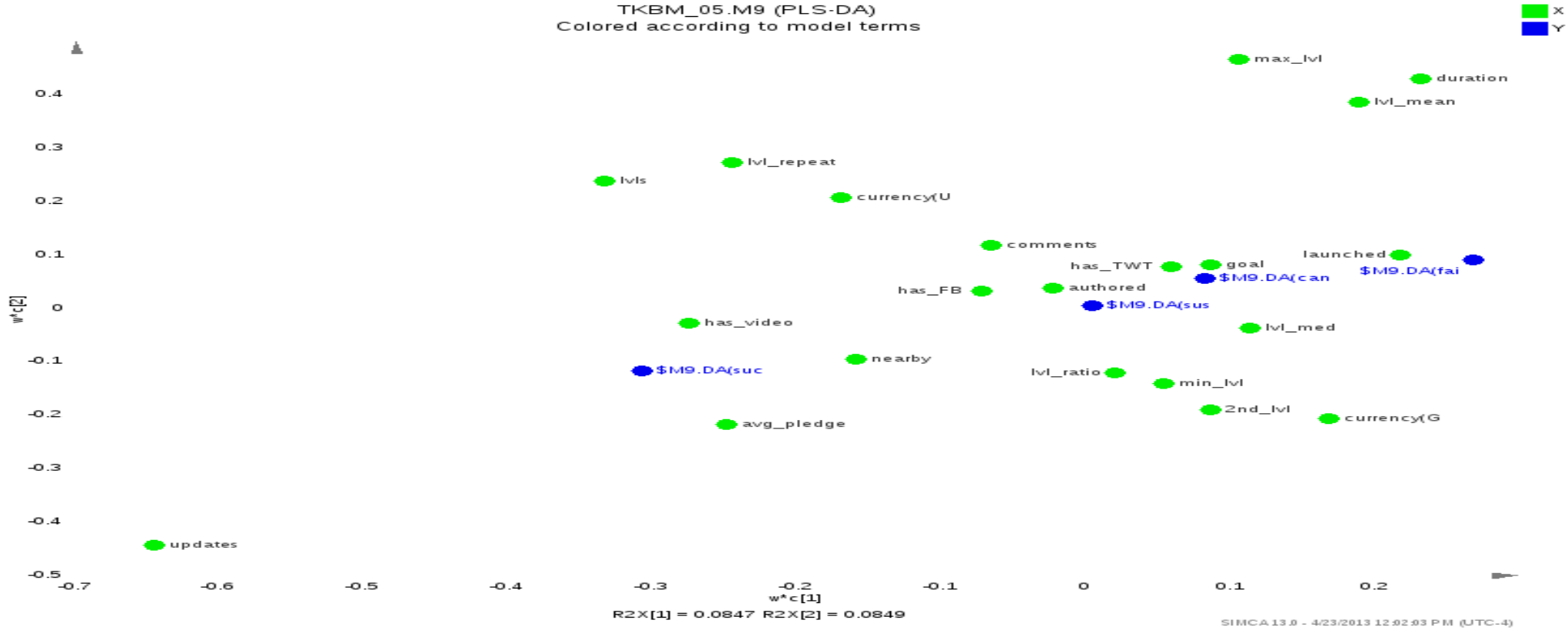


PLS Model - Loadings



PLS-DA Model

- Not a great model (R^2 & Q^2 < 0.1)
- Suspended and Canceled classes too small
- But, allows ranking of correlations with success:



Conclusions

- The best indicator of “runaway” success is comments, but the best indicator of success at all is updates.
- The independence of these two factors may imply a consumerist mindset in backers, despite an effort on Kickstarter’s part to avoid this.