After the Campaign: Outcomes of Crowdfunding

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DRAFT

SUBJECT TO FUTURE REVISION

Note: This report is intended to be a summary of findings. Material from this paper may appear in other work by the authors. We thank the Kauffman Foundation for its support of this work. All errors and omissions are our own.

1 EXECUTIVE SUMMARY

We conducted a survey of large design, technology, and video games projects that attempted to raise money using Kickstarter before mid-2012. We found that reward-based crowdfunding can support more traditional entrepreneurship: a very high percentage (over 90%) of successful projects remained ongoing ventures, and that 32% of all these reported yearly revenues of over $100,000 a year since the Kickstarter campaign[1] and added an average of 2.2 employees per successful project. The survey also suggested that crowdfunding provided many potential benefits beyond the crowdfunded money itself, including helping provide access to customers, press, employees, and outside funders. Consistent with other research (Mollick, 2014), many projects were delayed for a variety of reasons, and 37% went over budget.

In Table 1, below, we show a summary of the effects of various factors on the chance of succeeding at fundraising, raising outside funds after Kickstarter, getting additional benefits from a campaign (such as press or employees) and delivering product on time. A plus means that that factor increases the chances of getting the result, a minus means that it decreases the chances.

Table 1 Summary of Results. Successful campaign results taken from Mollick (2014) and Kuppuswamy and Bayus (2013)

	Successful Campaign*	Funding After Kickstarter	Additional Benefits from Campaign	Delivering Product on Time
Large Goal	-		+	-
Raised more than goal	N/A	+	+	-
Featured by Kickstarter	+		+	
Many Facebook Friends of Founder	+			
Has Appropriate Background	+	+	+	
Has Outside Endorsements	+		+	
More complete initial schedule	N/A			+
More complete initial finance plan	N/A		+	
More complete initial business plan	N/A	+	+	
More complete design	N/A			

[1] 10% of projects reported revenues of over $100,00 before launching the campaign, reflective of the fact that many campaigns were launched by existing organizations.

2 INTRODUCTION TO CROWDFUNDING

Crowdfunding is a relatively new way of financing new ventures, though the underlying idea of raising money from large groups of people over the internet has been the subject of continual experimentation since the late 1990s. Crowdfunding draws inspiration from concepts like micro-finance (Morduch, 1999) and crowdsourcing (Poetz & Schreier, 2012), but represents its own unique category of fundraising, facilitated by a growing number of internet sites devoted to the topic. As in any emergent field, the popular and academic conceptions of crowdfunding are in a state of evolutionary flux that makes complete definitions arbitrarily limiting. Building on the definition of Schwienbacher and Larralde (2010), Mollick (2014) define crowdfunding as follows: "Crowdfunding refers to the efforts by entrepreneurial individuals and groups – cultural, social, and for-profit – to fund their ventures by drawing on relatively small contributions from a relatively large number of individuals using the internet, without standard financial intermediaries."

There are four main models for crowdfunding. Some crowdfunding efforts, such as art or humanitarian projects, follow a patronage model, placing funders in the position of philanthropists, who expect no direct return for their donations. A second model, the lending model, is one in which funds are offered as a loan, with the expectation of some rate of return on capital invested. In the case of microfinanced loans, the lender may be more interested in the social good promoted by the venture than any return generated by the loan, thus including patronage model elements as well.

A third approach, commonly called reward-based crowdfunding, is the most prevalent as of the time of this writing. In this approach, funders receive a reward for backing a project. This can include being credited in a movie, having creative input into a product under development, or being given an opportunity to meet the creators of a project. Alternately, reward-based crowdfunding treats funders as early customers, allowing them access to the products produced by funded projects at an earlier date, better price, or with some other special benefit. The "pre-selling" of products to early customers is a common feature of those crowdfunding projects that more traditionally resemble entrepreneurial ventures, such as projects producing novel software, hardware, or consumer products. This is the model in this report.

Finally, as broadly legalized in the US by the Jumpstart Our Business Startups Act, passed in April 2012, and previously legalized in other countries, crowdfunding efforts may also treat funders as investors, giving them equity stakes or similar consideration in return for their funding. As of early 2014, equity crowdfunding is generally not permitted in the United States, and still relatively

rare worldwide, making up less than 5% of all crowdfunding investment (Massolution, 2013). Equity crowdfunding is subject to high levels of regulation (Heminway & Hoffman, 2010), and the eventual adoption of the approach relative to other forms of crowdfunding are uncertain. Even in the absence of equity crowdfunding, investor model crowdfunding can take other forms. For example, funders might receive including a shares of future profits or royalties; a portion of returns for a future planned public offering or acquisition; or a share of a real estate investment, among other options.

Given its novelty, why do we care about crowdfunding? A relatively small proportion of individuals seeking crowdfunding are traditional entrepreneurs, as crowdfunding is increasingly popular in the arts and other fields (in 2012, 10% of Sundance films were crowdfunded (Dvorkin, 2013)). However, crowdfunded entrepreneurs have proven to be extremely innovative. According to industry experts, many of the most important projects in consumer electronics as of 2013 are funded by crowdfunds, including novel 3-D printers, electronic watches, video game consoles, and computer hardware (Jeffries, 2013). Further, some of the most successful crowdfunded projects were turned down by venture capitalists, before successfully raising funding from sites such as Kickstarter (Jeffries, 2013).

In this study, we are particularly interested in exactly these kinds of projects, where crowdfunding serves as a potential source of funding for new ventures, as well as artistic projects. To that end, we conducted a survey of projects that raised funding on Kickstarter to examine the long-term implications of crowdfunding.

3 DATA AND METHODS

3.1 SAMPLE AND DATA COLLECTION

For this study, we sampled both successful and unsuccessful projects . In order to examine projects that most closely approximated more conventional start-up companies, we limited our sample to three categories: Technology, Product Design, and Video Games. We also examined only larger projects, seeking over $5,000 in funding, and those that completed funding between 2009 and July, 2012. This resulted in a sample of 596 successful and 1,509 failed projects. Of the failed projects, we randomly selected 550 for follow-up. For more information on this dataset, including how it was constructed, and the factors that led to successful funding, see Mollick, (2014) available for free here.

We used the Kickstarter's internal messaging feature to request that project creators complete on online survey. We followed up these initial messages with emails to creators, when their email addresses were publically available. For successful projects, we received responses from 230 subjects (response rate of 39%) and after accounting for duplicate and incomplete entries, we ended up complete response data from 158 projects (26.5% of the original sampling frame), although many other responses were substantially complete. Our response rate is in line with similar studies in the literature that have used web-based surveys (see Kriauciunas, Parmigiani, and Rivera-Santos 2011, for a comprehensive review of response rates). Further, statistical testing showed the successful respondents to be representative in terms of goals, funding, and other factors. Response rates for unsuccessful projects was lower, with 128 total responses (23.3%) of which 83 (15.1%) were complete. This subsample was on the lower bound of response rates published in the literature. We report results for the full sample, and separately report data for both successful and unsuccessful projects.

3.2 VARIABLES

We collected a variety of variables, see Table 2 (at the back of the document) for a summary.

3.2.1 Outcomes

Active Entity If the organization was continuing to operate as of the end of December, 2013. Over 90% of projects were active at the time of the survey. A total of 38.5% of entities who successfully raised funds reported yearly revenues of 0-$25,000, 24.5% reported $25,000-$100,000, and 32% reported over $100,000. For the same group prior to the campaign, 44% of entities did not exist and 31% reported yearly revenues of 0-$25,000, 13% reported $25,000-$100,000, and 11% reported over $100,000.

Outside Funding This variable indicated if the project raised additional money from venture capitalists, angel investors, or banks after the campaign concluded. Figure 1 shows sources of outside funds beyond the crowdfunding campaign.

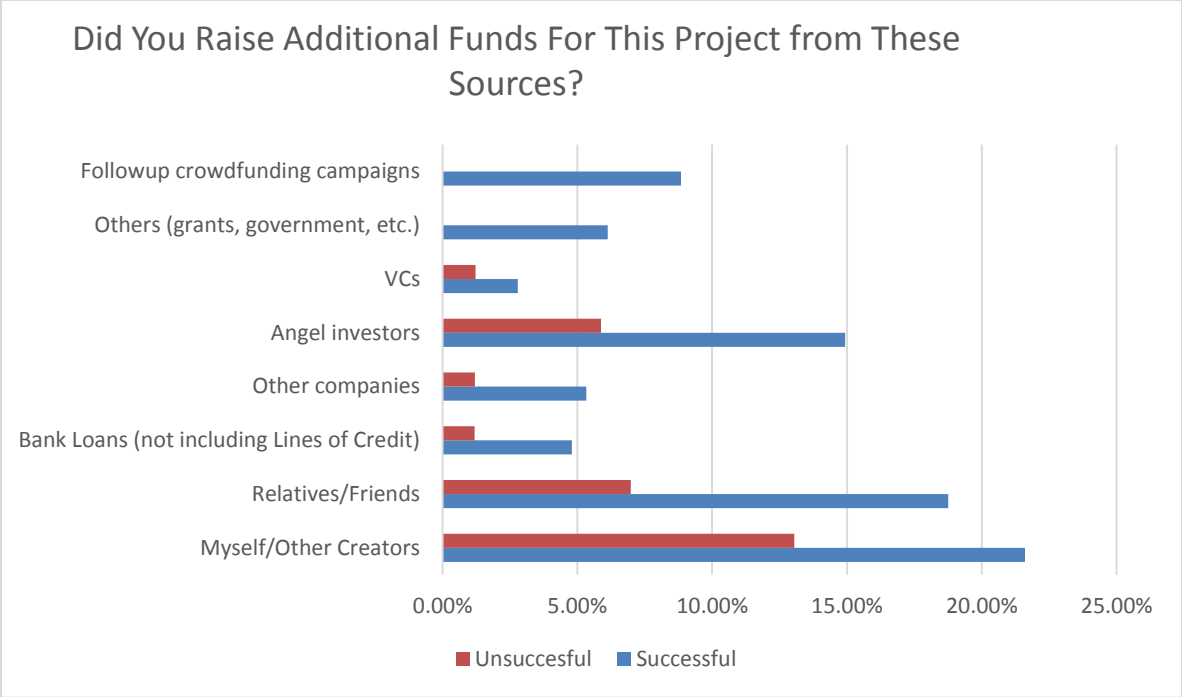

Figure 1 Outside funds raised

On-Time Delivery As found by Mollick (2014) we found that delivery delays were common, and a few products had failed to deliver entirely to date, despite the fact that all project delivery deadlines were in 2013 or earlier. This variable was 1 if the delivery was on-time. We also asked for self-reported satisfaction levels for projects, which can be seen below.

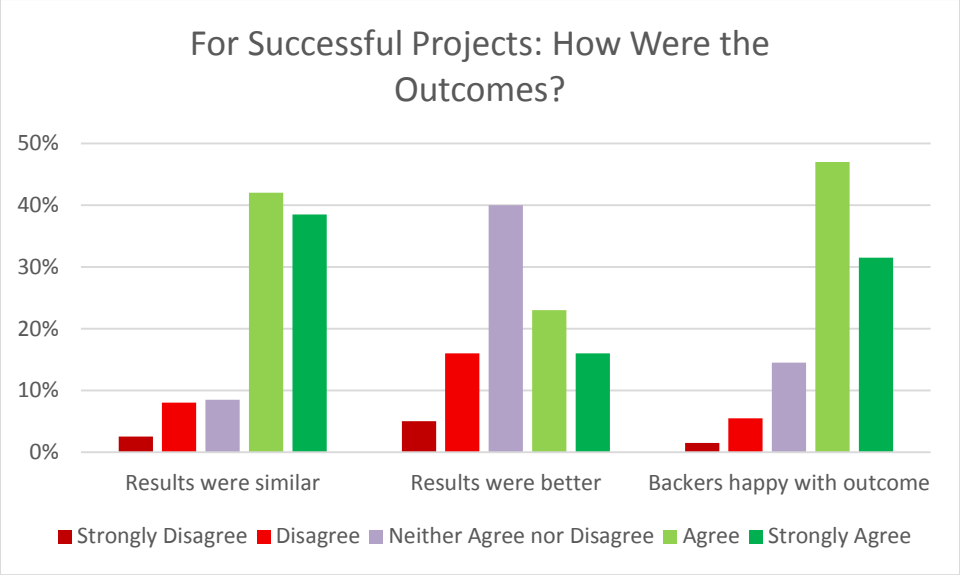

Figure 2 Reported project outcomes

Ex-Post Benefits We have tracked four types of ex-post benefits, all of which were measured using a 7-point Likert scale ranging from 1 ('Not at all') to 7 ('Very much'). *Additional Funding*, the extent to which a project "Raise[d] additional funds from outside sources after the campaign." *Employees*, the degree to which the campaign helped organizations "find and/or hire employees." *Publicity*, whether the campaign helped "bring press attention to my project." And *Customer Base*, where we examined whether success helped "develop a customer base from those who contributed."

3.2.2 Project Characteristics

Project goal: The amount founders seek to raise using crowdfunding. Kickstarter follows an "all or nothing" model, so funders' pledge money is only collected if the goal is reached. While other crowdfunding efforts do not always follow this model, it is currently the dominant approach to crowdfunding, and parallels the way that other funding efforts for new ventures work.

Funding level: The percentage of a project's goal actually raised by founders. Projects that raise at least their goal are considered successful or funded projects, and they are paid the total pledged to them by the crowdfunding site. Projects can raise more than their goal.

Facebook friends of founders: The role of social networks in funding new ventures has long been noted as important (Hsu, 2007; Shane & Cable, 2002). Since many accounts in Kickstarter are linked to Facebook, it is possible to determine how many Facebook connections each founder has. This provides a control for the size of a founder's social network. Non-zero Facebook friends are available for slightly under half of all observations.

Reward levels: Most projects offer rewards to funders, depending on the level of funds they pledge. These can range from credits in film or art projects to large-scale rewards, such as the ability to direct or influence projects. A common category of rewards are the products being developed by the founders, in which case crowdfunding acts as a "pre-order" system. Rewards levels are the number of reward tiers offered to funders, typically these would start relatively small, with an acknowledgement or formal thanks, and escalate to larger rewards, including on-site visits or special versions of products.

Category: Projects are categorized by Kickstarter into one of a number of categories, including Film, Dance, Art, Design and Technology. Design and Technology projects are treated somewhat differently by Kickstarter, since they usually deliver concrete products as rewards. These projects need to produce a manufacturing plan when starting a Kickstarter project.

Duration: The number of days for which a project accepts funding. Although Kickstarter initially allowed projects to raise funds for as many as 90 days, it now limits this time to 60 days, but encourages 30 day funding windows.

By Name, Proof of Concept, Background, Two research assistants were used to code the degree to which projects demonstrated outside endorsements (such as media quotes), provided evidence of prototypes or early versions of projects, and invoked past successful projects or employers by name. The raters agreed in the vast majority of cases (88% agreement on endorsement, 91% on prototypes, and 81% on the use of past project names). Kappa was substantial with regards to project names ($\varkappa$=.57) and endorsements ($\varkappa$=.52), and moderate on prototypes ($\varkappa$=.45) (Munoz & Bangdiwala, 1997). Though the models proved robust regardless of which RA ratings were used, for the tables herein I used the union of the two ratings. That is, if one RA felt there was an endorsement, and another RA did not, I coded that as an endorsement. This is because the signals of quality in crowdfunding result from the perception of an untrained group of investors – if at least part of the group of investors saw a signal as present, they would be expected to act as if the signal was identified.

Degree of Completeness: We asked founders the degree to which they had completed product design, a financial plan (budget), schedule, business plan, or had assembled a team prior to the campaign.

Objective: We also asked whether the goal of the campaign involved starting a new business or creating a new product from an existing business

SUMMARY DATA IN TABLE 2 AT BACK OF DOCUMENT

4 DESCRIPTIVE CHARACTERISTICS

Before providing a detailed analysis of the factors that lead to long-term success, it is worth giving an overview of the demographics of crowdfunders, as well as their motivations for seeking funding.

4.1 WHO IS CROWDFUNDING?

In the categories we examined, project creators were generally well-educated, with 95% having at least some college. At the time they started their project, 42% were employed full time, and nearly 50% reported some form of self-employment (either founders of a company, independent

contractors, or something else), and 46% reported incomes of below $50,000 a year in the year before their project (15% reported over $125,000). The average age of respondents was 35 (see Figure 2), and over 40% had children. Consistent with other research, 84% respondents from successful projects were male, as were 90% of respondents from failed projects (the video games, technology, and product design categories have higher percentages of males than other categories on Kickstarter, which were not featured in this study).

While previous research has found that social networks matter in crowdfunding, it is not the only critical factor. In the survey, 70% of creators either disagreed or strongly disagreed that their backers were "mostly family and friends." Only 3.5% of people strongly agreed with that statement.

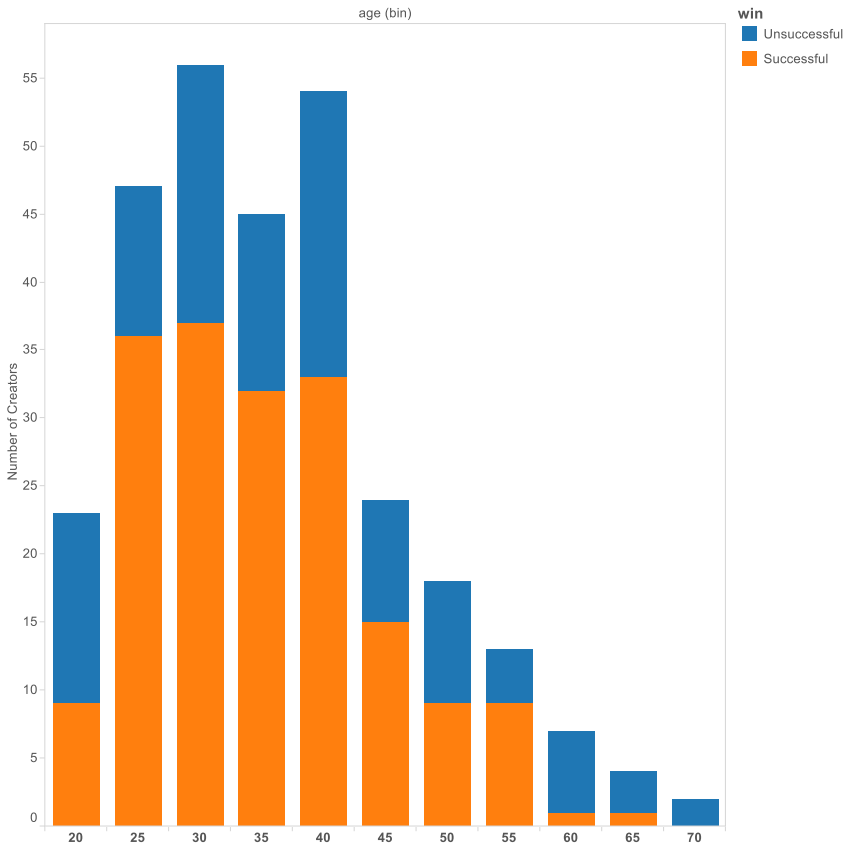

Figure 3 Age range of project founders

4.2 REASONS FOR SEEKING FUNDING

Many creators saw their project as a first step to launching a business (59%). One theme running through our results is that crowdfunding is not just about the money received from backers – successful projects also receive other benefits. We asked our sample about why they chose to seek crowdfunding. Among successful projects, the most agreed-upon reason was "To see if there was demand for the project," followed by "As a way of marketing my project," and "To connect directly with a community of my fans or supporters." The answer "The project could not have been funded without raising the goal" was actually the 4th most popular answer, at 54% of respondents agreeing. More detail is in Figure 4 below

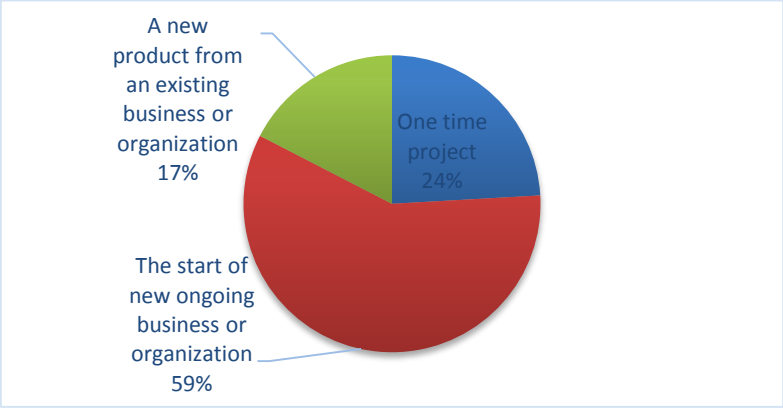

Figure 4 Objective of campaign

Figure 5 Reasons for launching campaigns

4.3 SELF-REPORTED REASONS FOR FAILURE

Though Mollick (2014) identifies a number of reasons why campaigns succeed or fail, the survey also offered the opportunity to ask creators of unsuccessful projects to explain their concerns. While this is a relatively small sample, the qualitative data is illuminating. Most interestingly, it appears that many people continue to develop their ideas in the face of failure. 60% of respondents agreed or strongly agreed that they continued to work on their idea. For those campaigns did not succeed, generally people felt that market size and marketing were the largest causes.

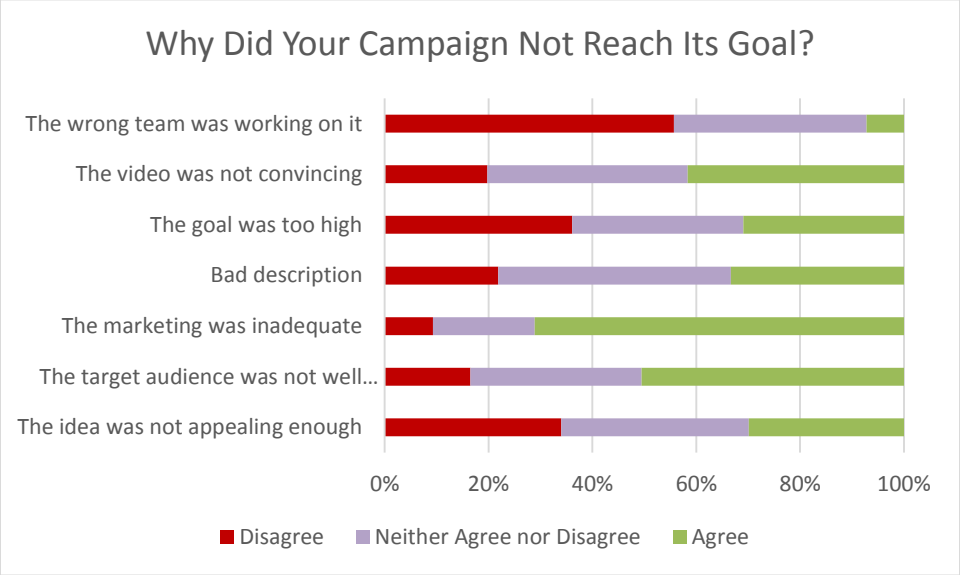

Figure 6 For unsuccessful projects, why did your campaign fail?

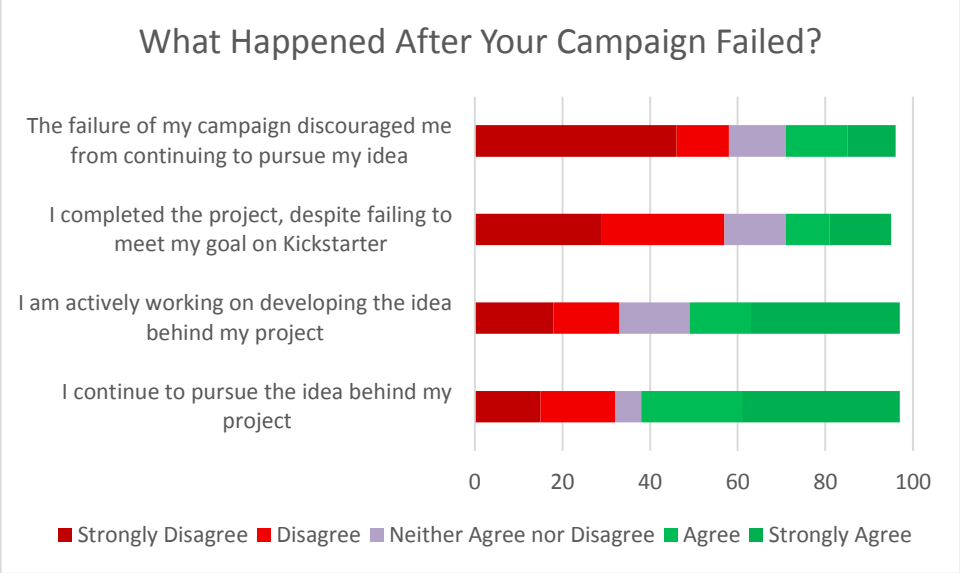

Figure 7For unsuccessful projects, what happened next?

5 LONG-TERM OUTCOMES OF CROWDFUNDING

We examined a variety of factors to determine what might lead to crowdfunding success.

5.1 MODELS

Due to the ordinal nature of our ex-post outcomes of interest, we model External Financing, Finding Employees, Press Attention, and Customer Base using an ordinal logit specification with robust standard errors. To model project delivery, external fundraising, and continuing organizational status, we similarly employ standard logit with robust standard errors. All results in Table 3 is in expontentiated form, the other tables are not.

RESULTS BELOW ARE IN TABLES 3-5 AT END OF DOCUMENT

5.2 FACTORS LEADING TO ONGOING ORGANIZATIONS

Though the vast majority (over 90%) of successful projects turned into ongoing organizations, few factors clearly predicted which projects would remain active. The exception was detailed pre-campaign financial planning detailing how funds would be spent. Creators who engaged in this activity were more likely to continue to operate, whether they were successful or unsuccessful in raising funds. As we find in all cases, projects that succeed in their campaigns outperform those that don't.

5.3 FACTORS LEADING TO FURTHER OUTSIDE FUNDING

Some projects raised additional funds beyond crowdfunding. Most common was additional self-funding (in over 20% of successful projects) or friends and family funding (in over 15% of successful projects), but outside risk capital in the forms of loans, venture capital, or angel investing occurred as well. Projects with larger goals that were funded, and projects that were overfunded the most, were most likely to achieve outside funding. Additionally, having a substantially complete business plan before fundraising also seemed to predict outside funding. Finally, projects where the creators had specific industry experience were three times as likely to get outside funding as those that did not have similar backgrounds. Again, projects that succeed in their campaigns are more likely to gain outside funding than those that don't.

5.4 FACTORS LEADING TO EX-POST BENEFITS

Many projects found that their campaign directly helped them get access to funding, employees, press, or helped them build a robust customer base. A number of factors helped predict these benefits, though different factors predicted different aspects. Tables 3-5 show these relationships in detail. Generally, higher goals, more funding, and more developed business plans were particularly helpful. Outside endorsements and appropriate backgrounds were also helpful in gaining benefits from the campaign beyond money. Successful campaigns also had more benefits.

5.5 DELIVERY DELAYS

Most projects had delivery delays. As previously discussed by Mollick (2014), these delays are predicted by project size (goal) and the degree to which it was overfunded. Having a complete project schedule before the launch of the campaign helped reduce delays.

6 CONCLUSION

This survey, combined with other research on crowdfunding, suggests that reward-based crowdfunding may be a useful path to creating ongoing businesses. The vast majority of projects in our sample turned into ongoing business efforts. Successfully funded projects added, on average, 2.2 employees (SD 9.6) since their campaigns ended, with some growing much more quickly.

Additionally, though successful campaigns raised over $28M, that was not the only benefit that crowdfunding provided. Many firms reported that their campaigns provided benefits in building customer communities, learning about markets, and publicity. Many also were able to leverage their campaigns to raise additional outside funds. At the same time, most projects were late in delivering promised results.

For creators seeking funding, there is some clear advice from this study. Projects that are better prepared in terms of business plans and schedules are more likely to gain benefits and deliver on time. Outside endorsements and having appropriate backgrounds is also helpful. Bigger projects are less likely to be funded, but have more benefits when they are. Additionally, some of the factors found to lead to successful fundraising (having many Facebook friends, being featured by Kickstarter), were less useful in getting long-term benefits from Kickstarter.

Future research is needed, but crowdfunding represents a potentially powerful way to create and nurture new businesses, as well as creative projects.

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TABLE 2: SUMMARY STATISTICS

		All Projects			Unsuccessful Projects			Successful Projects		
	Variable	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.
Outcomes	Active Entity	253	0.79	0.41	90	0.60	0.49	163	0.90	0.31
	Outside Funding (VC, Angels, Banks, Other Companies)	223	0.18	0.38	86	0.09	0.29	137	0.23	0.42
	On-Time Delivery	167	0.31	0.46				167	0.31	0.46
	Benefit: Additional Funding	264	1.81	1.07	98	1.42	0.84	166	2.04	1.12
	Benefit: Employees	264	1.49	0.85	98	1.33	0.67	166	1.58	0.93
	Benefit: Publicity	265	2.78	1.16	98	1.92	1.04	167	3.28	0.90
	Benefit: Customer Base	264	2.58	1.17	98	1.62	0.87	166	3.15	0.94
Original Project Characteristics	Goal	341	31207	65676	128	36543	73427	213	28001	60500
	Featured Project	341	0.10	0.30	128	0.00	0.00	213	0.16	0.37
	Duration	336	38.83	13.25	123	39.17	14.61	213	38.64	12.44
	Design	341	0.43	0.50	128	0.35	0.48	213	0.47	0.50
	Technology	341	0.29	0.46	128	0.34	0.48	213	0.26	0.44
	Proof of Concept	341	0.96	0.19	128	0.95	0.23	213	0.97	0.17
	By Name	341	0.43	0.50	128	0.35	0.48	213	0.48	0.50
	Endorsements	341	0.32	0.47	128	0.16	0.37	213	0.41	0.49
	Facebook Friends	341	241.71	443.81	128	164.95	332.99	213	287.84	493.73
	Year 2010	341	0.06	0.25	128	0.08	0.27	213	0.06	0.23
	Year 2011	341	0.41	0.49	128	0.37	0.48	213	0.44	0.50
Entity Variables	Project Funded	341	0.62	0.48	128	0.00	0.00	213	1.00	0.00
	Entity Objective: Start of Ongoing Business	258	0.59	0.49	93	0.56	0.50	165	0.60	0.49
	Entity Objective: New Product from Existing Business	258	0.17	0.38	93	0.16	0.37	165	0.18	0.38
Completeness	Number of Founders	258	1.58	1.22	93	1.31	0.71	165	1.73	1.41
	Degree of Completeness: Design	265	4.17	0.96	98	4.09	1.00	167	4.22	0.94
	Degree of Completeness: Financial Plan	264	4.16	0.89	97	4.25	0.90	167	4.10	0.89
	Degree of Completeness: Schedule	264	3.92	0.92	97	4.11	0.83	167	3.80	0.96
	Degree of Completeness: Business Plan	264	3.28	1.29	97	3.45	1.35	167	3.17	1.25
	Degree of Completeness: Team	264	3.92	1.13	97	3.86	1.09	167	3.96	1.16

TABLE 3: ALL PROJECTS [EXPONTENTIATED FORM]

	VARIABLES	Active Entity				Outside Funding (VC, Angels, Bank, Companies)				Ex-Post Campaign Benefits (Likert Scale)			
										Additional Funding	Employee	Publicity	Customers Base
Original Project Characteristics	Log (Goal)	1.6			1.61	6.688***			8.667**	3.379**	4.783***	4.607*	1.581
		-0.962			-1.055	-3.62			-6.058	-1.534	-2.269	-3.153	-0.805
	Featured Project	1.789			2.651	1.159			0.961	0.705	5.942***	1.016	1.367
		-1.466			-2.921	-0.752			-0.648	-0.371	-3.059	-0.0186	-1.487
	Duration	0.966*			0.964*	0.981			0.978	1.003	1.001	2.141	1.009
		-0.0147			-0.0138	-0.0157			-0.0172	-0.0119	-0.0117	-1.089	-0.0155
	Design	0.543			0.371	0.673			0.914	1.293	0.417*	1.523	0.989
		-0.232			-0.199	-0.336			-0.56	-0.537	-0.173	-0.796	-0.567
	Technology	2.619			2.111	0.838			1.163	1.706	0.406*	0.431	1.133
		-1.699			-1.45	-0.439			-0.71	-0.763	-0.186	-0.555	-0.631
	Proof of Concept	3.534			3.438	0.479			0.456	0.625	0.596	0.883	0.67
		-3.198			-3.379	-0.453			-0.387	-0.429	-0.549	-0.354	-0.586
	By Name	0.985			0.756	1.596			3.076*	1.009	0.987	6.026*	1.774
		-0.394			-0.311	-0.67			-1.574	-0.323	-0.354	-4.274	-0.806
	Endorsements	1.085			1.088	1.614			1.646	2.075*	1.514	0.938	2.682*
		-0.464			-0.473	-0.655			-0.795	-0.661	-0.543	-0.068	-1.283
	Log (Facebook Friends)	1.038			1.007	1.056			1.005	0.972	0.993	2.556	1.098
		-0.0625			-0.063	-0.0699			-0.0754	-0.0518	-0.0572	-2.005	-0.0849
	Year 2010	0.184*			0.139**	1.06			1.855	2.407	1.317	1.482	1.434
		-0.126			-0.1	-1.39			-1.677	-1.591	-1.023	-0.685	-1.037
	Year 2011	2.328			1.978	2.647*			2.743	1.645	2.015	17.20***	1.194
		-1.046			-0.888	-1.216			-1.507	-0.549	-0.737	-8.567	-0.537
	Project Funded	7.050***			6.328***	2.762			3.626*	4.716***	1.644	1.036	27.32***
		-3.057			-2.878	-1.493			-2.056	-1.832	-0.696	-0.497	-13.72
Entity Variables	Entity Objective: Start of Ongoing Business		1.441		1.703		2.935*		2.424	1.614	1.723	1.19	1.5
			-0.513		-0.778		-1.51		-1.484	-0.594	-0.738	-0.705	-0.698
	Entity Objective: New Product from Existing Busines		1.886		2.098		1.081		0.403	1.802	1.739	1.108	1.088
			-0.951		-1.231		-0.764		-0.296	-0.823	-0.948	-0.251	-0.619
	Number of Founders		1.591*		1.48		1.208		1.024	1.14	0.99	1.208	0.841
			-0.335		-0.398		-0.163		-0.23	-0.138	-0.12	-0.284	-0.116
Completeness	Degree of Completeness: Design			1.229	1.38			0.727	0.65	0.802	0.813	0.934	1.016
				-0.223	-0.278			-0.13	-0.145	-0.135	-0.148	-0.266	-0.236
	Degree of Completeness: Financial Plan			1.074	1.25			1.129	1.403	1.281	1.128	0.713	1.189
				-0.238	-0.316			-0.265	-0.396	-0.25	-0.264	-0.275	-0.316
	Degree of Completeness: Schedule			0.655	0.787			0.506**	0.491	1.058	0.759	1.338	0.529*
				-0.155	-0.245			-0.118	-0.182	-0.236	-0.167	-0.233	-0.157
	Degree of Completeness: Business Plan			0.981	1.004			1.544**	1.649*	1.125	1.749***	1.006	1.446*
				-0.131	-0.177			-0.254	-0.366	-0.132	-0.271	-0.206	-0.239
	Degree of Completeness: Team			1.386*	1.188			1.358	1.465	1.046	0.968	0.000675*	1.207
				-0.215	-0.227			-0.214	-0.387	-0.175	-0.161	-0.00222	-0.224
	Constant	0.182	1.438	1.97	0.0185	0	0.0757***	0.435	6.33e-06***	0.000271***	0.000321**		0.0328
		-0.429	-0.56	-1.942	-0.0549	-0.000171	-0.0387	-0.43	-2.25E-05	-0.00063	-0.000799		-0.0817
	Observations	250	253	251	248	220	217	222	213	252	252	228	252

TABLE 4: SUCCESSFUL PROJECTS [NON-EXPONTENTIATED]

VARIABLES		Active Entity			Outside Funding (VC, Angels, Bank, Companies)			On-Time Delivery			Ex-Post Campaign Benefits (Likert Scale)			
											Additional Funding	Employee	Publicity	Customers Base
Original Project Characteristics	Log (Goal)	0.72	0.41	10.52**	12.89**	0.123**	0.122*	2.84	5.918**	8.16	3.47			
	Featured Project	-0.77	-0.45	-7.84	-11.06	-0.08	-0.11	-1.79	-4.00	-12.75	-4.36			
		1.70	0.94	1.30	1.17	1.66	2.12	0.72	7.421***		0.77			
	Duration	-1.79	-1.20	-0.88	-0.79	-0.93	-1.35	-0.41	-4.28		-0.93			
		0.934**	0.91**	0.99	0.98	1.01	1.02	0.99	0.99	1.06	1.05			
	Design	-0.02	-0.03	-0.02	-0.02	-0.02	-0.02	-0.02	-0.02	-0.07	-0.04			
		0.63	0.99	0.60	0.72	4.306**	3.625*	1.85	0.174**	3.45	0.63			
	Technology	-0.38	-0.87	-0.35	-0.50	-2.24	-2.36	-0.90	-0.09	-3.03	-0.50			
		1.50	2.17	0.83	0.95	4.239*	4.987*	2.26	0.211**	4.28				
	Proof of Concept	-1.77	-2.36	-0.56	-0.67	-2.47	-3.60	-1.34	-0.13	-5.71				
		4.44	18.29	0.09	0.12	0.64	1.13		0.22					
	By Name	-6.93	-31.83	-0.15	-0.17	-0.72	-1.87		-0.26					
		1.89	2.39	1.02	1.66	1.52	1.05	0.79	0.91	0.159**	0.47			
	Endorsements	-1.15	-1.68	-0.54	-1.00	-0.60	-0.50	-0.30	-0.44	-0.10	-0.38			
		1.00	0.69	2.15	2.11	1.40	0.88	2.101*	1.13	7.969*	10.04*			
	Log (Facebook Friends)	-0.74	-0.55	-1.05	-1.21	-0.57	-0.46	-0.78	-0.51	-7.18	-10.19			
		1.01	1.02	0.96	0.94	0.91	0.98	0.94	0.95	0.79	1.22			
	Year 2010	-0.09	-0.12	-0.07	-0.08	-0.06	-0.08	-0.06	-0.07	-0.12	-0.20			
		0.45	2.16			1.10	1.43	4.79	1.56					
	Year 2011	-0.53	-2.96			-1.02	-1.62	-4.97	-1.64					
		7.406*	17.36**	2.11	2.18	1.52	1.83	1.12	2.22	5.14	3.40			
		-6.98	-21.72	-1.12	-1.32	-0.60	-0.97	-0.44	-1.03	-6.92	-2.40			
Entity Variables	Entity Objective: Start of Ongoing Business	1.77	1.83	2.13	1.62	0.66	0.50	1.30	1.84	0.55	0.64			
		-1.00	-1.61	-1.17	-1.09	-0.27	-0.30	-0.60	-1.03	-0.52	-0.76			
	Entity Objective: New Product from Existing Busines	2.43	3.01	0.71	0.23	1.13	0.56	1.90	1.63	0.45	0.77			
		-2.06	-3.32	-0.56	-0.19	-0.59	-0.42	-1.13	-1.11	-0.62	-1.25			
	Number of Founders	1.76	1.52	1.06	0.89	1.10	1.07	1.17	0.91	0.94	0.86			
		-0.61	-0.73	-0.16	-0.24	-0.12	-0.14	-0.16	-0.13	-0.27	-0.15			
Completeness	Degree of Completeness: Design	0.78	0.53		0.77		1.12	0.76	0.97	1.03	0.61			
		-0.24	-0.23		-0.19	1.00	-0.34	-0.18	-0.21	-0.40	-0.34			
	Degree of Completeness: Financial Plan	0.81	0.470*		1.03	-0.22	0.68	1.20	0.93	0.66	2.64			
		-0.32	-0.15		-0.35	-0.17	-0.23	-0.30	-0.28	-0.36	-1.74			
	Degree of Completeness: Schedule	0.86	1.20		0.76	4.281***	4.416***	1.09	0.94	1.24	0.39			
		-0.28	-0.50		-0.32	-1.43	-1.54	-0.30	-0.26	-0.78	-0.24			
	Degree of Completeness: Business Plan	1.42	1.42		1.37	0.97	1.16	1.27	2.161***	1.12	1.76			
		-0.31	-0.47		-0.39	-0.16	-0.23	-0.20	-0.45	-0.35	-0.58			
	Degree of Completeness: Team	1.633*	1.90		1.22	1.49	1.50	1.07	0.74	1.10	1.13			
		-0.36	-0.63		-0.33	-0.37	-0.44	-0.23	-0.16	-0.46	-0.50			
	Constant	67.94	608.30	0.000193*	7.55e-05*	637.8*	0.40	0.00282*	0.00	0.00	0.01			
		-327.90	-3353.00	0.00	0.00	-1758.00	-1.72	-0.01	0.00	-0.01	-0.03			
	Observations	163	162	127	125	167	164	159	163	163	164			

TABLE 5: UNSUCCESSFUL PROJECTS [NON-EXPONTENTIATED]

VARIABLES		Active Entity				Outside Funding (VC, Angels, Bank, Companies)				Ex-Post Campaign Benefits (Likert Scale)			
										Additional Funding	Employee	Publicity	Customers Base
Original Project Characteristics	Log (Goal)	1.631		2.133	2.578					5.324	7.533**	4.998*	1.288
		-1.011		-2.44	-3.072					-5.466	-5.49	-3.697	-0.873
	Featured Project												
	Duration	0.993		0.975	0.962					1.011	1.01	1.011	1.001
		-0.0189		-0.0294	-0.0286					-0.0214	-0.0237	-0.0206	-0.0205
	Design	0.399		0.0453**	0.493					0.341	2.238	2.008	1.364
		-0.252		-0.0453	-0.56					-0.293	-1.785	-1.48	-1.027
	Technology	2.978		1.038	0.498					0.695	0.953	1.194	0.823
		-2.008		-0.867	-0.62					-0.634	-0.858	-0.946	-0.649
	Proof of Concept	4.249		2.711						1.588	0.784	0.365	1.031
		-3.702		-2.949						-2.071	-1.175	-0.486	-1.321
	By Name	0.654		0.110*	5.972					1.922	1.571	1.53	4.367*
		-0.379		-0.0948	-5.559					-1.351	-1.154	-0.905	-2.849
	Endorsements	1.302		0.849	0.549					3.229	4.112	5.287	1.641
		-0.921		-0.69	-0.647					-2.562	-3.434	-4.636	-1.175
	Log (Facebook Friends)	1.1		1.037	1.559***					1.11	1.159	0.975	1.065
		-0.0989		-0.123	-0.172					-0.127	-0.116	-0.0891	-0.0974
	Year 2010	0.0753*		0.00261***	18.36					2.268	1.084	1.76	0.708
		-0.0908		-0.00416	-29.63	Cannot be		Cannot be		-3.717	-1.716	-1.697	-0.831
	Year 2011	1.364		0.707	3.948	estimated		estimated		5.748	2.162	0.845	0.55
		-0.82		-0.606	-4.297					-5.166	-1.731	-0.539	-0.335
Entity Variables	Entity Objective: Start of Ongoing Business		1.226	4.287						3.931	2.478	1.65	3.105
			-0.64	-3.797						-3.08	-1.627	-1.17	-2.015
	Entity Objective: New Product from Existing Busines		1.609	22.61*						2.741	4.064	2.231	1.327
			-1.118	-29.26						-3.089	-4.192	-1.873	-1.196
	Number of Founders		1.197	2.087						0.631	0.837	1.243	0.646
			-0.406	-2.257						-0.259	-0.375	-0.666	-0.335
Completeness	Degree of Completeness: Design			1.57	4.332*			0.525		0.935	0.525	1.492	1.052
				-0.438	-2.675			-0.196		-0.379	-0.221	-0.476	-0.322
	Degree of Completeness: Financial Plan			1.448	3.034*			2.932		1.867	1.209	1.095	1.045
				-0.417	-1.442			-2.453		-0.786	-0.512	-0.361	-0.341
	Degree of Completeness: Schedule			0.757	0.48			0.184*		0.691	0.687	0.521	0.446
				-0.276	-0.311			-0.13		-0.283	-0.314	-0.22	-0.201
	Degree of Completeness: Business Plan			0.804	0.644			2.113		0.967	1.459	1.247	1.279
				-0.143	-0.181			-0.911		-0.265	-0.496	-0.296	-0.313
	Degree of Completeness: Team			1.01	0.928			2.678*		1.321	1.858	1.297	1.63
				-0.244	-0.286			-1.316		-0.448	-0.662	-0.346	-0.477
	Constant	0.0652	0.98	0.334	0.000326	0.00055		0.0091		3.73e-06*	3.56e-06**	0.000161*	0.107
		-0.175	-0.529	-0.441	-0.00169	-0.00329		-0.038		-1.91E-05	-1.41E-05	-0.00055	-0.31
	Observations	87	90	89	86	77	135	85	72	89	89	89	89