

STORY

Establishing a company and managing it is a task in the present competitive market. The risk of these companies failing after five years is 50% and over 70% after ten year mark. However, some handful names have managed to successfully navigate the challenges of the venture world and billion dollar organizations. As of March 2022, 600+ Unicorn start-ups exist around the world. Once these start-ups were a rare breed but with the growing number, they are becoming the new normal.

MOTIVATION

'Unicorn Companies' is an interesting term to begin with in the market. With more and more Start-ups converting into Unicorn Companies, it is quite fascinating to know about the characteristics associated with them. Their geographical bases, the backing of venture capitalist and the industry they are targeting play a huge role in the growth of these start-ups.

This poster can have range of audience, targetting the general audience to venture capitalist and finance enthusiasts.

DATA DESCRIPTION

The dataset has 1037 rows and 13 columns. The data is about Unicorn Companies in the market from the year 1919 to year 2021. It contains information about the company, its valuation, year of inception, investors, etc.

Analysis has been done on the data-set using sorting, aggregate, etc functions.

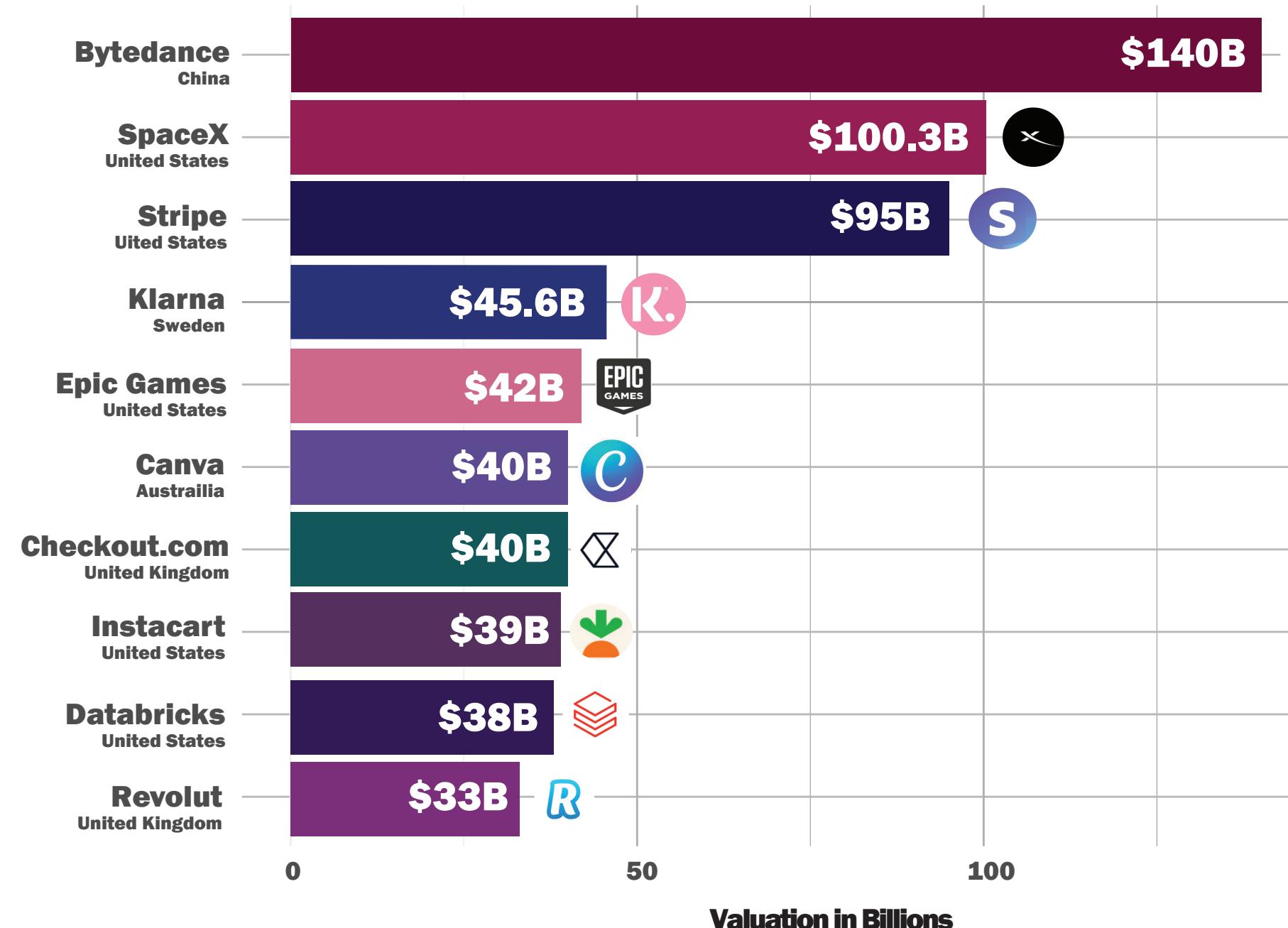
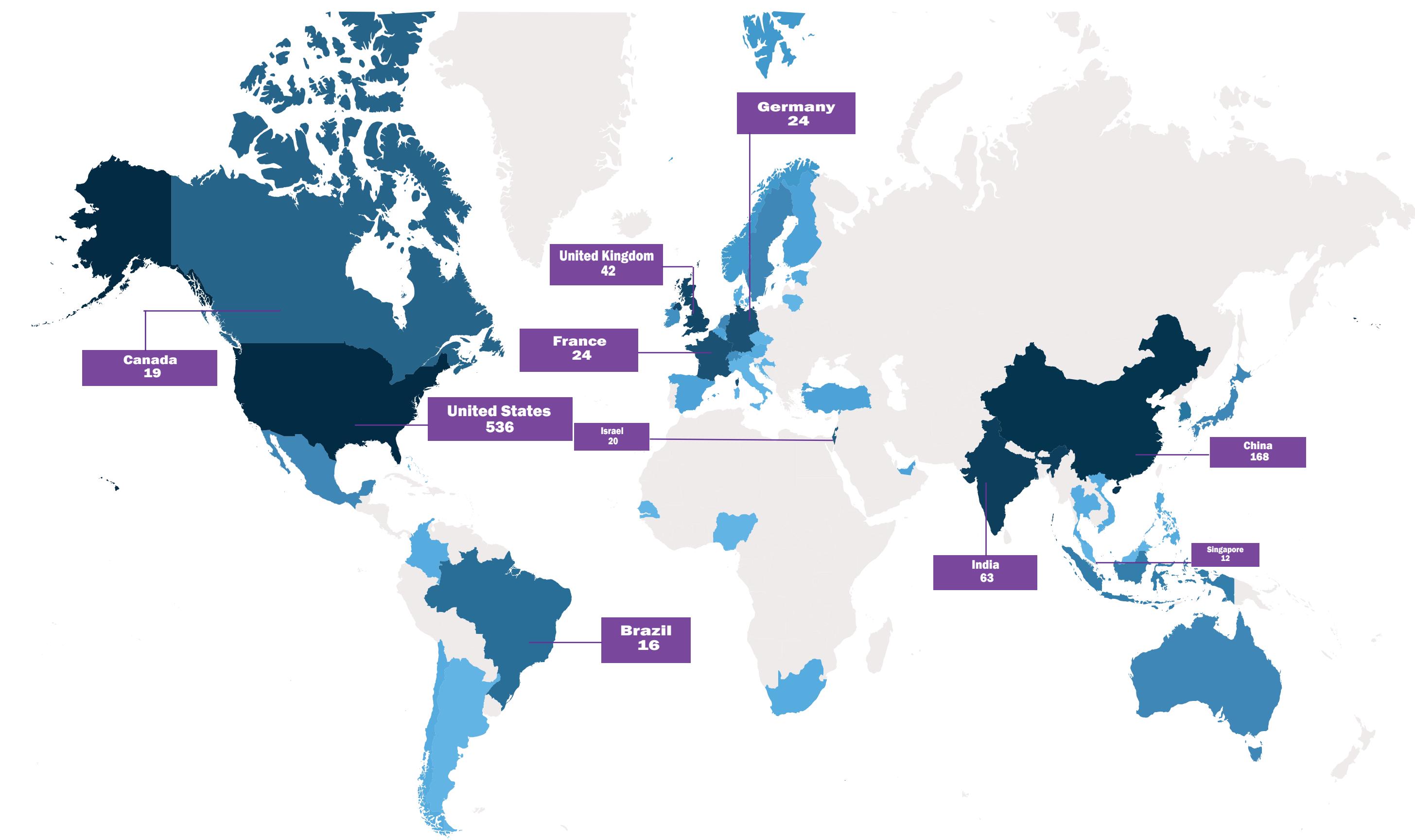
Dataset link:
<https://www.kaggle.com/datasets/deepcontractor/unicorn-companies-dataset>

Packages used:
 ggplot2, tidyverse, wordcloud, ggthemes, and dplyr.

Tools: R Studio, Adobe Illustrator

Sources:
 Information
<https://www.investopedia.com/terms/u/unicorn.asp>

Vector graphics
<https://www.flaticon.com/>

How have the Start-ups risen to become Unicorn Companies ?**TOP 10 Unicorns**

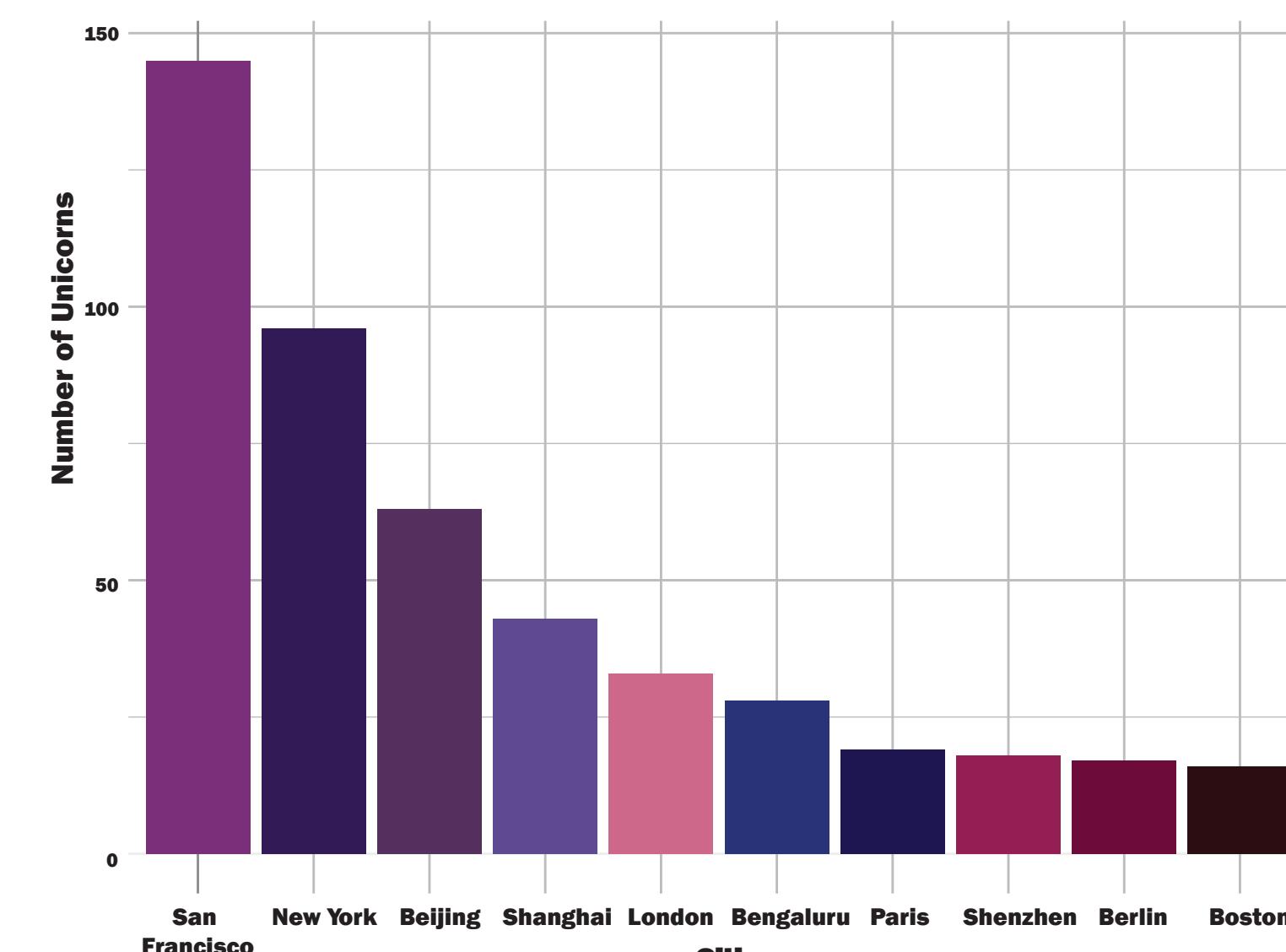
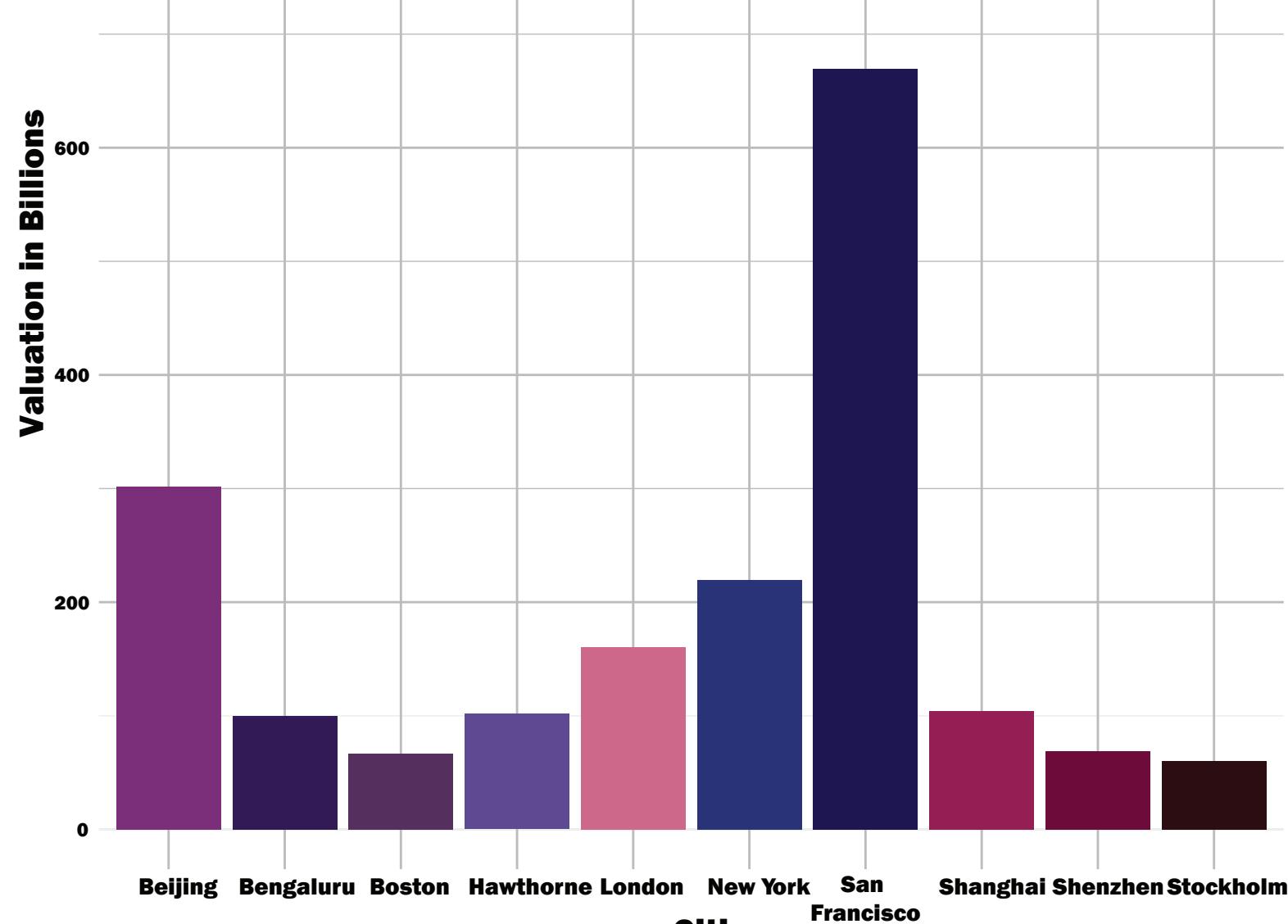
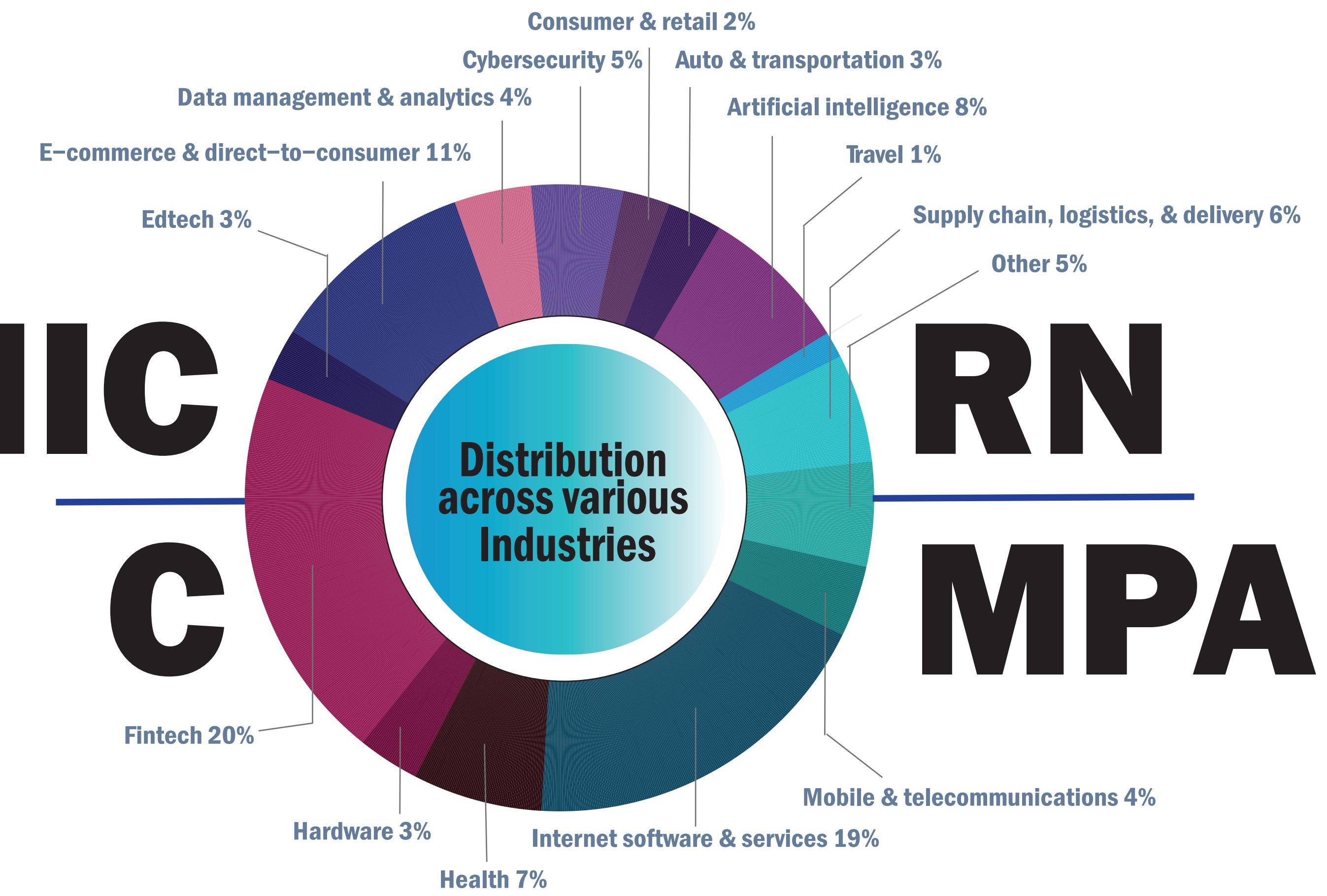
The TOP 10 Unicorn Companies in terms of their valuation can be seen in the bar graph. Evident from bar graph and the map, majority of the Unicorns are located in United States.

An extreme difference in the company valuation can be observed in the TOP 10 itself. Bytedance is valued at \$140B whereas Revolut is valued at \$33B. The top three Unicorns are performing exceptionally well compared to their other counterparts.

Four of the ten Unicorns serve in the FinTech Industry. Also demonstrated in the donut chart is, the FinTech Industry holds a major share of all the Industries.

More number of UCs = More Combined Valuation ?

The following bar graphs confirm that the Combined Valuation of Unicorn Companies within a city does not co-relate to the total number of Unicorn Companies it houses. Boston has more Unicorn Companies in its area but Stockholm beats it with having more combined valuation. San Francisco, New York, Beijing, Shanghai, Bengaluru and London are the cities who benefit the most from the number. Also, these cities are in forefront in providing conditions for the start-ups to boom into Billion dollar businesses.

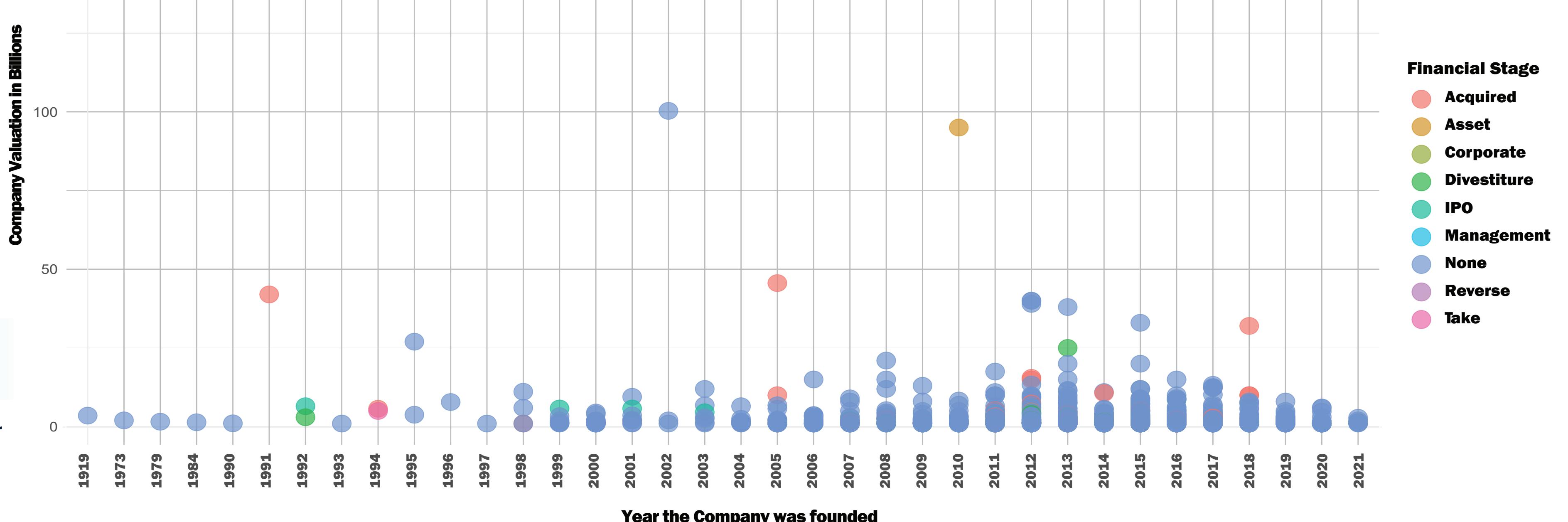
TOP cities housing UCs in terms of Numbers**TOP cities housing UCs in terms of Valuation****UNICORN COMPANIES**

"Unicorn" is a term used in the venture capital industry to describe a privately held startup company with a value of over \$1 billion.

How are the UCs performing since their inception ?

Beginning from early 2010s, the inception of the majority of the current UCs have taken place. 2014, 2015 and 2016 have introduced 105, 144, and 101 UCs respectively. The following plot shows the distribution of the UCs founded throughout the years and their valuation.

Companies founded early on have reached mature financial stages. Some have been acquired and some have even filed for an IPO.

**Which Investors are good at finding Future UCs ?**

Start-ups have less to offer within the market to attract investors. But, Venture Capitalism is one arena that looks for high performing start-ups to invest in at the early stages. If the start-up goes on to be successful as predicted, it provides greater equity, control and eventual returns.

In the wordcloud, we can see the names of prominent investors that have invested in multiple start-ups who are now listed on the Unicorn list.

Accel, Tiger Global Management, Sequoia Capital China, Insight Partners, Index Ventures, General Catalyst are some of the venture who have heavily invested and benefitted from the start-ups. Thus, these can be classified as the most efficient and smart investors in the market.

