

INVESTMENT CASE STUDY

SUBMISSION

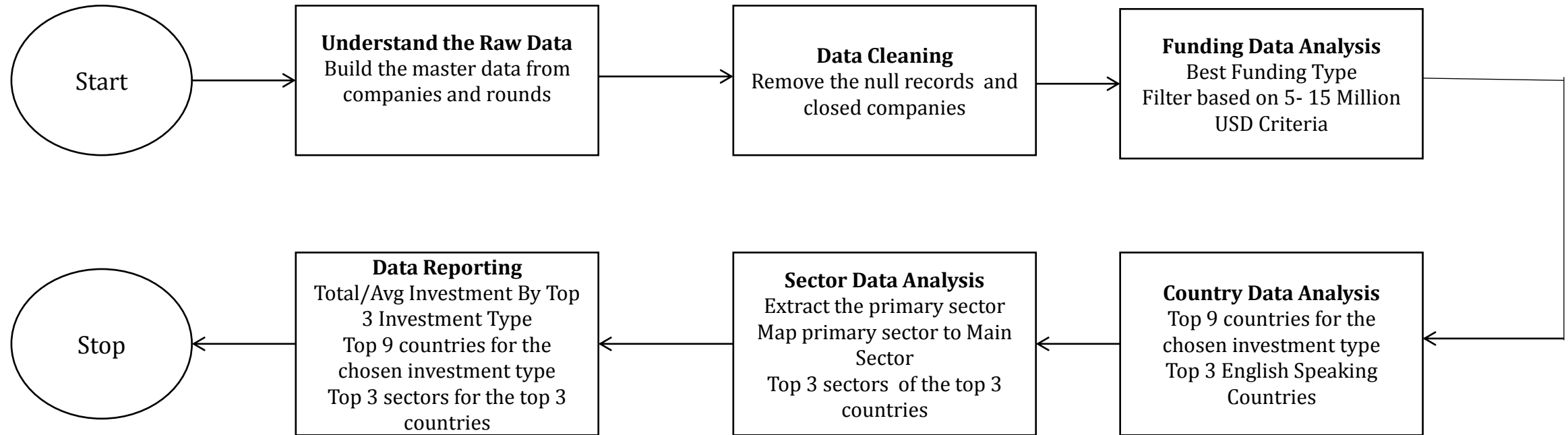
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Objectives: Spark Funds Investment Analysis

- To analyse the global trends in investments and identify,
 - The Best Investment Type Suitable for Spark Funds
 - Spark Funds is looking to invest 5- 15 Million USD per round of investment
 - In line with the above investment strategy, our goal is to identify the best investment type among the 4 major types – Angel, Seed, Venture Capital and Private Equity
 - Country of Investment
 - Spark Funds wants to invest in English Speaking Countries for the ease of communication
 - Goal is to identify and report the best countries to invest where English is one of the official languages
 - Identification of best country is also based on the amount of investments the country has attracted in the past
 - Best Sector
 - Spark Funds wants to invest in sectors where most investors are investing
 - Identify the potential sectors (within the best countries) from within the 8 main sectors based on the number of investments made in the past.

Problem solving methodology



Analysis

This analysis starts with cleaning of the data where out of the 114949 rows, 31672 rows were removed which included null values and unnecessary data.

This case study was mainly divided into 3 categories.

1. Funding Type Analysis
2. Country Analysis
3. Sector Analysis

The flow of the analysis is as follows:

The Suitable Funding Type for Sparks Funds was analyzed first.

For this particular funding type only, the countries were studied.

And finally decided the best suitable sector to invest into.

Analysis

1. Funding Type Analysis:

The Dataset contains a number of investment type.

We found Private Equity, Seed, Angel and Venture Types to be prominent in our analysis.

Private Equity has the highest average amount of investment i.e. \$75.80 Million USD. Since it does not fall into the margins set by Sparks Funds, this was not suitable.

Venture, seems to be the best funding type as it has avg. investments of 11.9 Million Dollars. Notably, this is the most invested type by sum of investments.

Has 60.14% of investments occurring.

2. Country Analysis:

The Country Analysis is done on Venture Type Funding.

If you look into the dataset provided here, we can see there are more than 100 countries included. But the major investment was done in a very few countries including USA, China, Great Britain, India, Japan, Germany.

Analysis

(...country analysis continued)

China was among the top 3 heavily invested countries, but being a non English speaking country, it was excluded and will not be considered by Sparks Funds to invest in.

The amount of investments in USA is about \$400 Billion Dollars. It beats the second highest, China, by a margin of \$360 Billion Dollar. Or roughly, it is 10 times more invested than China.

3. Sector Analysis

Having a large number of sectors in the dataset, it was difficult to categorize them.

Hence we mapped these sectors with 8 major sectors to make the analysis simple and clean.

Top 3 sectors for the top 3 countries were identified in this study.

It was seen that the prominent sectors for these countries were the same which are

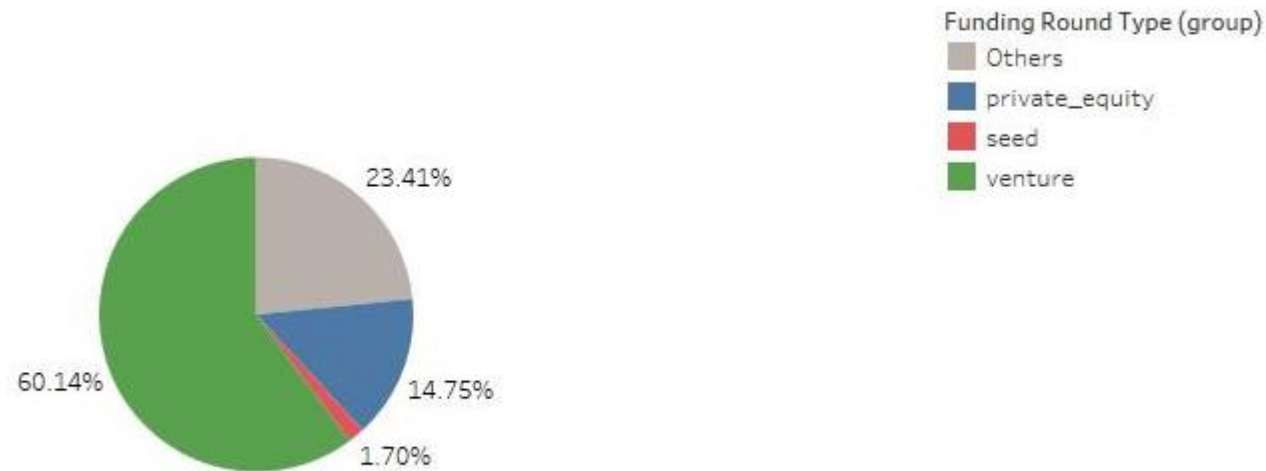
'Others'

'Cleantech / Semiconductors'

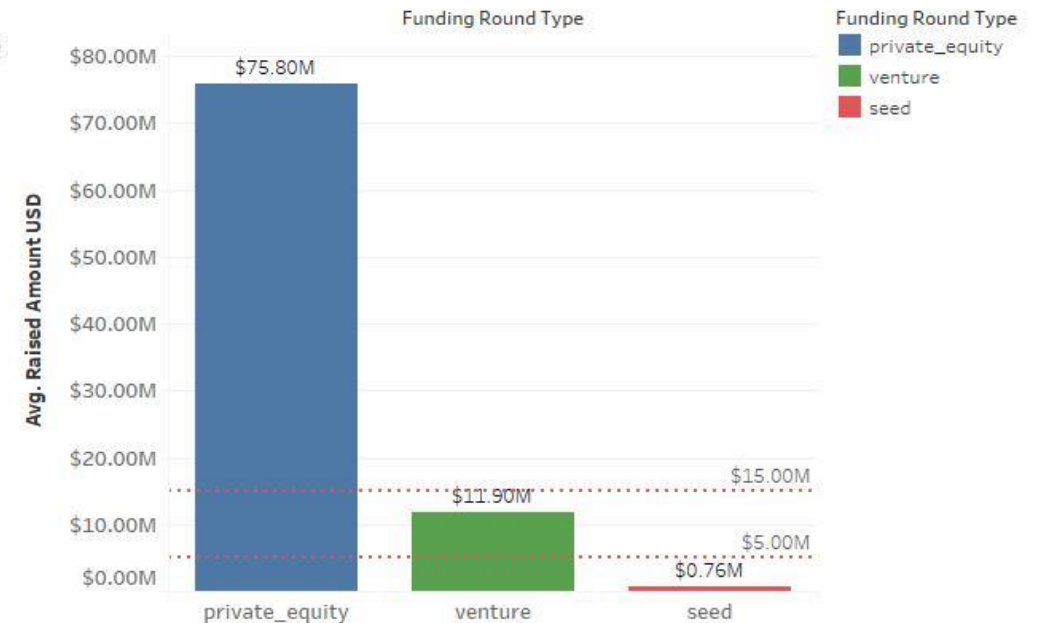
and 'Social/Finance/Analytics/Advertising' in the order, top to bottom.

The pie chart below shows the fraction of investments in all funding types globally. Bar chart besides it is to show the average investment amount in the top 3 funding types. Clearly it can be seen that Venture Type is best suited for Spark Funds.

Fraction of Investment



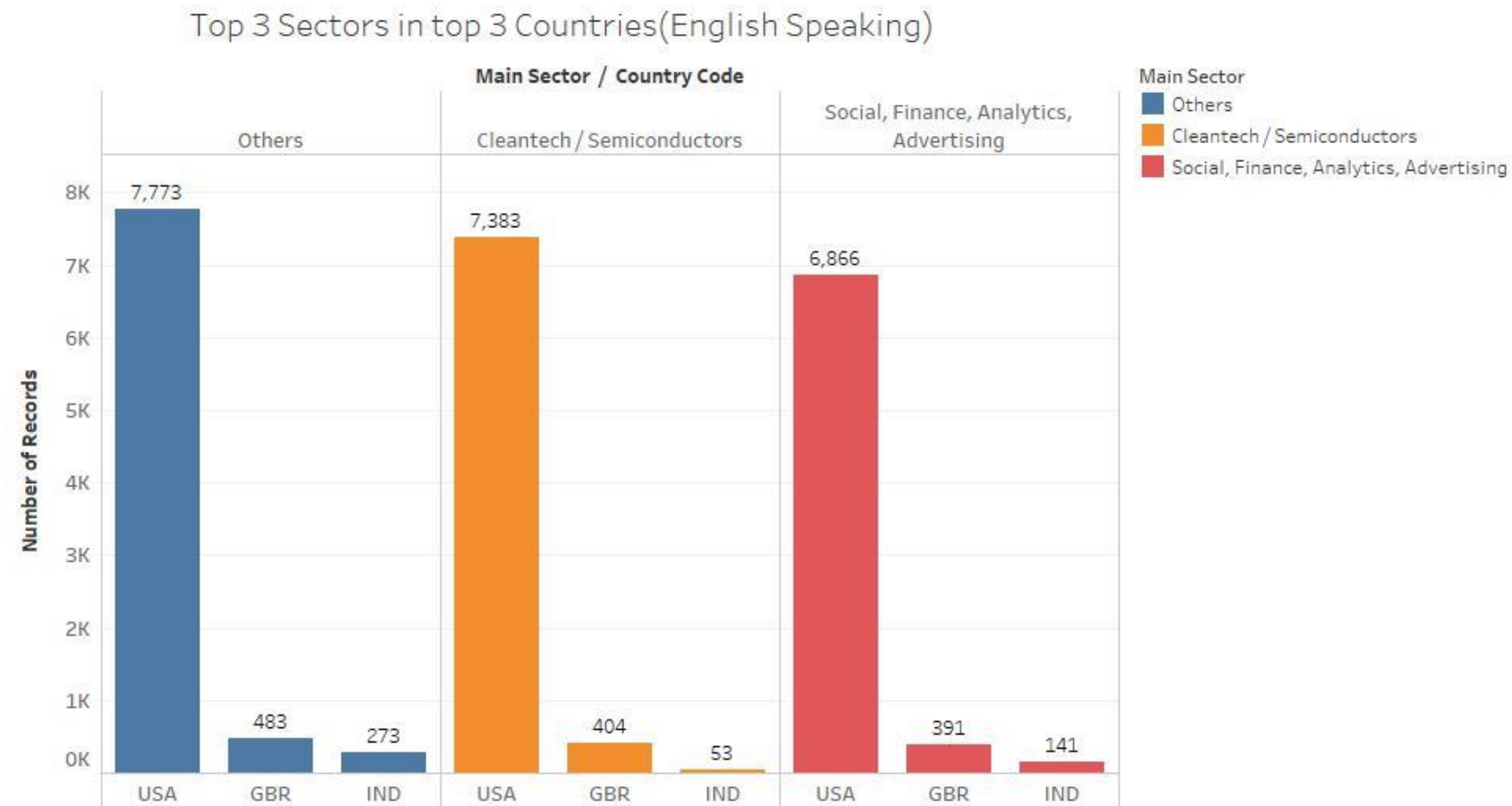
Average Amount of Investment



The country wise sum of raised amounts are shown below.



Top 3 sectors of top 3 countries.



Conclusions

Based on our analysis of the Investments data we can conclude the following

- Best investment type with an average size of investment in the 5-15 M USD range is **Venture Capital**.
- Top 3 English Speaking Countries receiving the highest investment amounts in Venture Capital funding types are **USA, Great Britain, India**
- The most suitable sectors for funding in the above three countries are **'Others', 'Cleantech/Semiconductors', 'Social/Finance/Analytics/Advertising'**