

INVESTMENT CASE STUDY

SUBMISSION

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Business objective of Spark Fund Asset Management Company

■ Business objective :

1. Spark Funds, an asset management company wants to make investments in a few companies.
2. The CEO of Spark Funds wants to understand the global trends in investments, so that she can take the investment decisions effectively.
3. The overall strategy is to invest where others are investing, implying that the best sectors and countries are the ones where most investments are happening.

■ Constraints of investments:

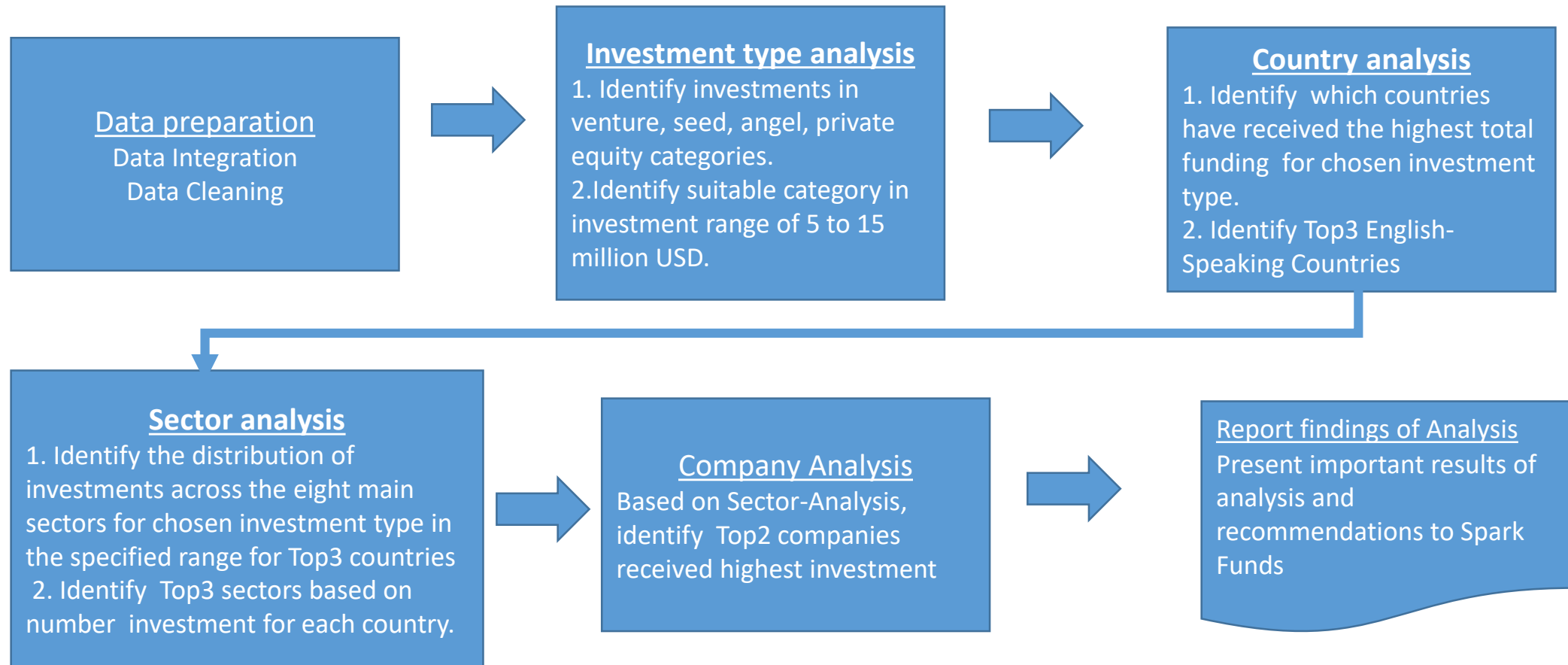
■ Spark Funds has following two constraints for investments:

1. It wants to invest between 5 to 15 million USD per round of investment.
2. It wants to invest only in **English-speaking countries** because of the ease of communication with the companies it would invest in.

Goals of Data Analysis & Problem solving approach

■ **Goal :** The goal is to identify the best sectors, countries, and a suitable investment type for making investments.

■ **Problem Solving Steps:**



Investment type Analysis

■ Objective :

Understanding investments in venture, seed, angel, private equity categories etc. so Spark Funds can decide which investment type is best suited for its strategy.

■ Analysis Result:

Average Investment amount in USD for each of these investment Types:

No	Investment Type	Average funding amount (USD)
1	venture type	1,17,48,949.1
2	angel type	9,58,694.5
3	seed type	7,19,818.0
4	private equity type	7,33,08,593.0

✓ The best suited investment type within Spark Funds budget (5 to 15 million USD) is **VENTURE**.

Country Analysis

■ Objective:

Spark Funds wants to invest in countries with the highest amount of funding for venture investment type. It wants to invest only in English-speaking countries because of the ease of communication with the companies.

■ Analysis Result:

The top nine countries which have received the highest total funding (across ALL sectors for the VENTURE type) are identified and the top 3 English speaking countries are selected.

No	Top 3 English speaking country	Country
1	Top English speaking country	USA
2	Second English speaking country	GBR
3	Third English speaking country	IND

Sector analysis

■ Objective :

Understanding the distribution of investments across the eight main sectors for each company in each of the three countries, for funding type VENTURE and investments range of 5-15 M USD.

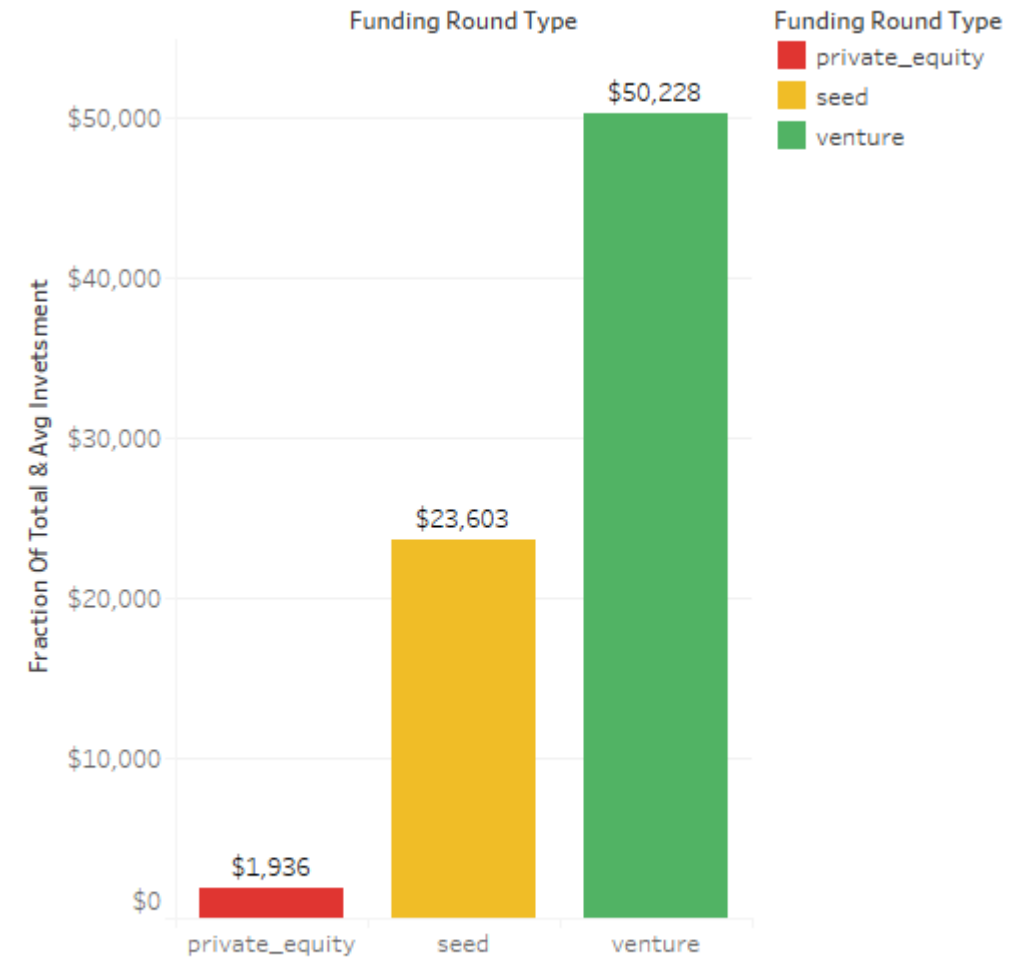
■ Analysis Result:

The number of investments in the top 3 sectors of the top 3 countries for the VENTURE investment type:

No	Top 3 Sector	USA	GBR	IND
1	Top Sector name	Others	Others	Others
2	Second Sector name	Social, Finance, Analytics, Advertising	Social, Finance, Analytics, Advertising	Social, Finance, Analytics, Advertising
3	Third Sector name	Cleantech / Semiconductors	Cleantech / Semiconductors	News, Search and Messaging

Analysis Result for Investment type

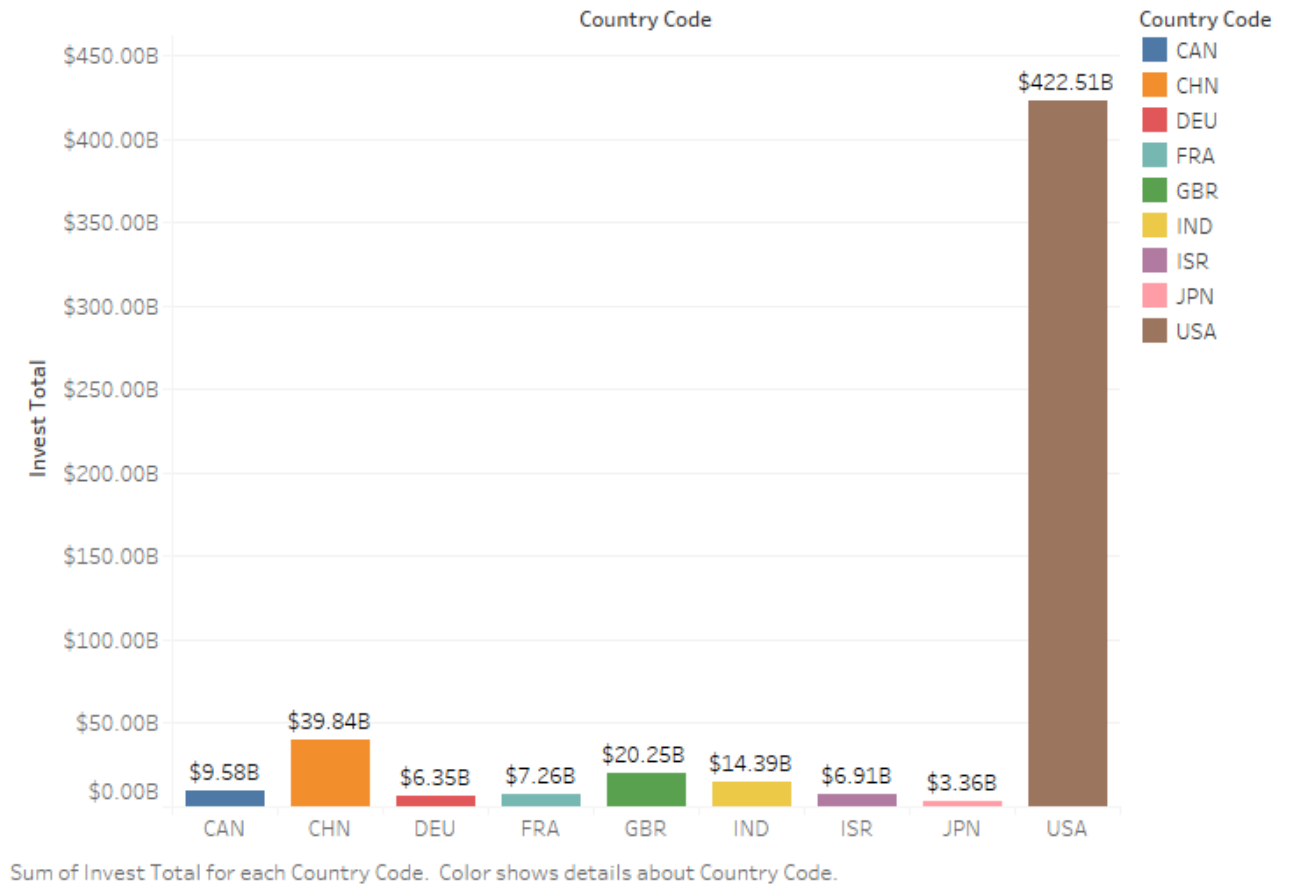
- The plot is showing the fraction of total investments (globally) in venture, seed, and private equity and the average amount of investment in each funding type. This chart also showing that Venture funding type is best suited for Spark Funds.



Fraction Of Total & Avg Invetsment for each Funding Round Type. Color shows details about Funding Round Type. The view is filtered on Funding Round Type, which keeps private_equity, seed and venture.

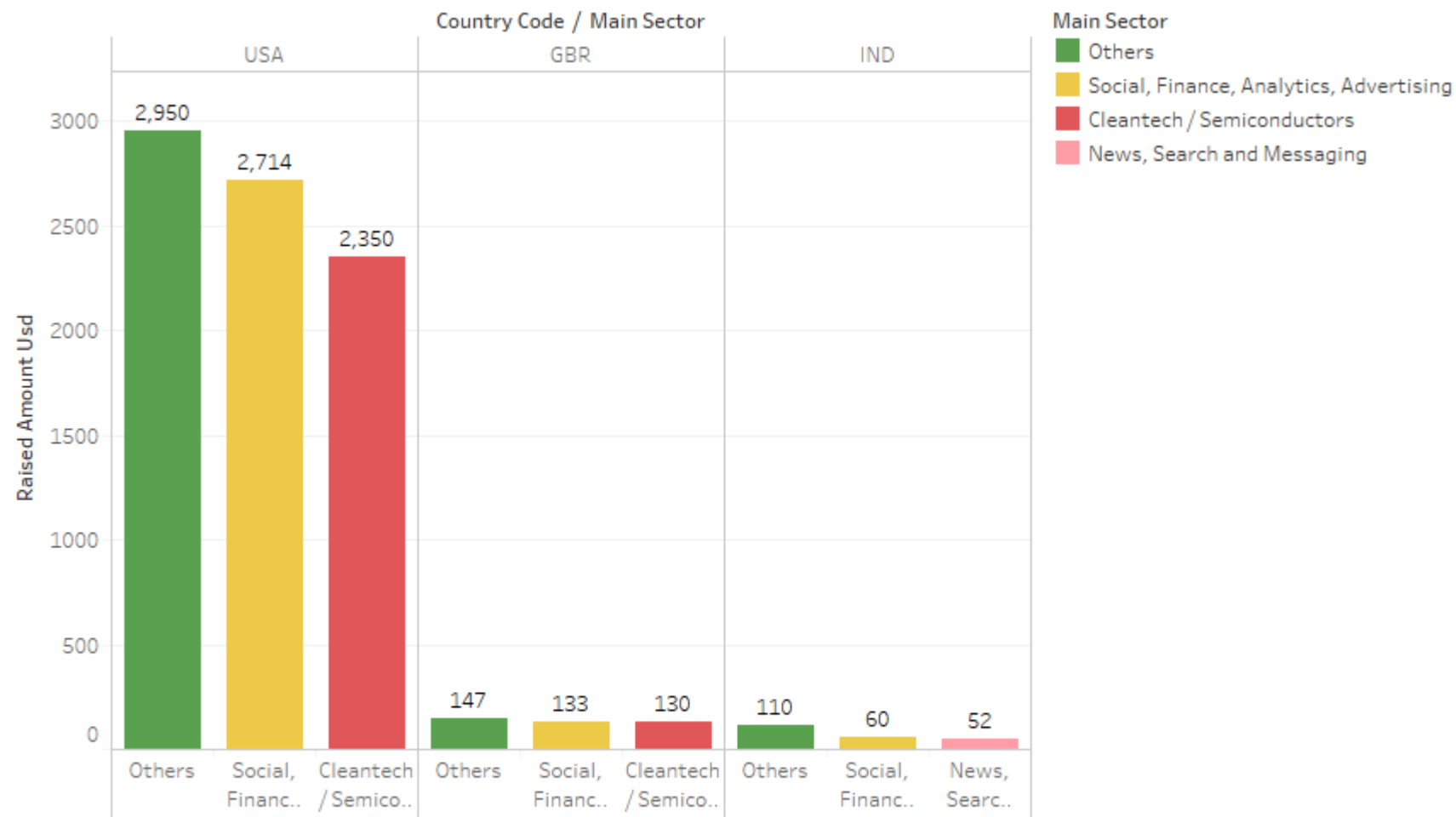
Results of Country Analysis

- The plot is showing the top 9 countries against the total amount of investments of venture funding type.
- From the plot, the top 3 English speaking countries are USA, GBR & IND which have received maximum Funding.



Results of Sector analysis

■ The plot is showing the number of investments in the top 3 sectors of the top 3 countries for venture investment type in 5-15 M investment range.



Count of Raised Amount USD for each Main Sector broken down by Country Code. Color shows details about Main Sector. The view is filtered on Country Code, Main Sector and Exclusions (Country Code, Main Sector). The Country Code filter keeps GBR, IND and USA. The Main Sector filter keeps Cleantech / Semiconductors, News, Search and Messaging, Others and Social, Finance, Analytics, Advertising. The Exclusions (Country Code, Main Sector) filter keeps 300 members.

Conclusions

- 1) The best suited investment type within Spark Funds budget (5 to 15 million USD) is **Venture**.
- 2) The top 3 English speaking countries received maximum Funding are **USA, GBR & IND**.
- 3) The Top 3 sectors for USA are “**Others**,” **Social, Finance, Analytics, Advertising**” & “**Cleantech / Semiconductors**”
- 4) The Top 3 sectors for GBR are “**Others**,” “**Social, Finance, Analytics, Advertising**” & “**Cleantech / Semiconductors**”.
- 5) The Top 3 sectors for IND are “**Others**,” “**Social, Finance, Analytics, Advertising**” & “**News, Search and Messaging**”.
- 6) The companies received the highest investment for top2 sectors for USA are “Virtustream” & “SST Inc. (Formerly ShotSpotter)”
- 7) . The companies received the highest investment for top2 sectors for GBR are “**Electric Cloud**” & “**Celltick Technologies**”
- 8) The companies received the highest investment for top2 sectors for IND are “**FirstCry.com**” & “**Manthan Systems**”