

Abstract – Spark Funds Investment Decision

Business Objective

To identify the best sectors, countries, and a suitable investment type for making investments.

Strategy

To invest where most of the investors are investing.

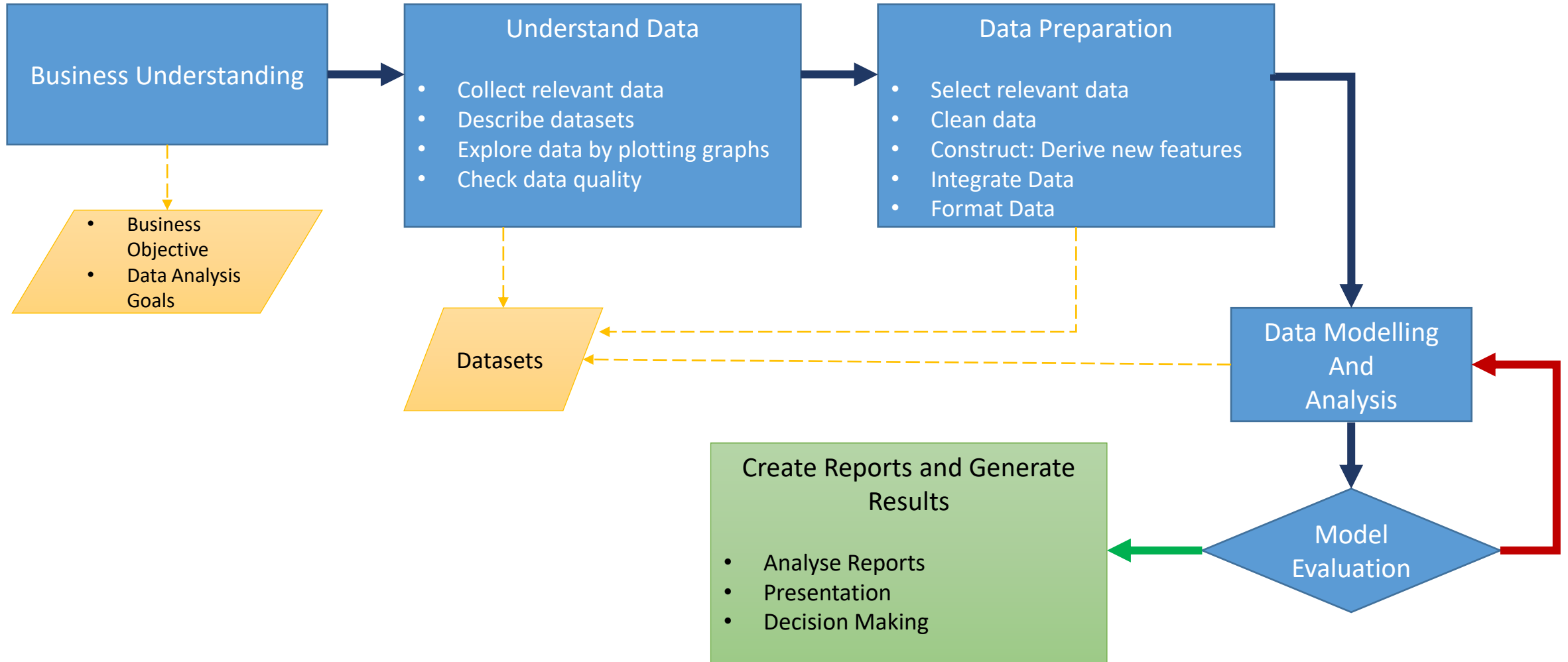
Goals of Data Analysis

- *Investment type analysis*: Understanding investments in different categories to help Spark Funds decide on the best suited investment for the strategy.
- *Country analysis*: Understanding which countries have had the most investments in the past.
- *Sector analysis*: Understanding the distribution of investments across the eight main sectors.

Investment Constraints

- Invest between 5 to 15 million USD per round of investment.
- Invest only in English-speaking countries because of the ease of communication with the companies.

Problem Solving Methodology



Investment Type Analysis

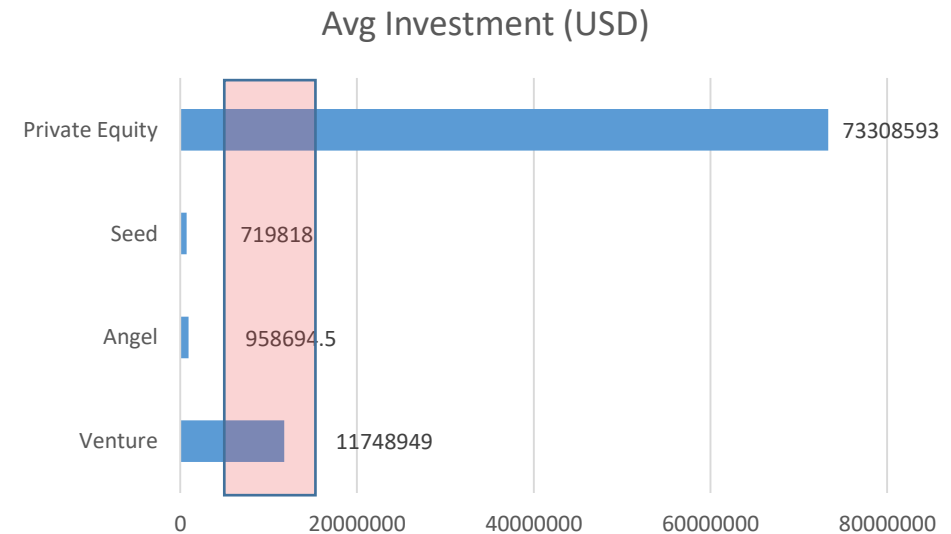
Investment Types were limited to four types as per Spark Funds' preference:

- Venture
- Angel
- Seed
- Private Equity

The highest average investments are made in “Private Equity”

Spark Funds' desired investment range per round : **5 to 15 million**

Venture funding is the suitable type in this case.



Country Analysis

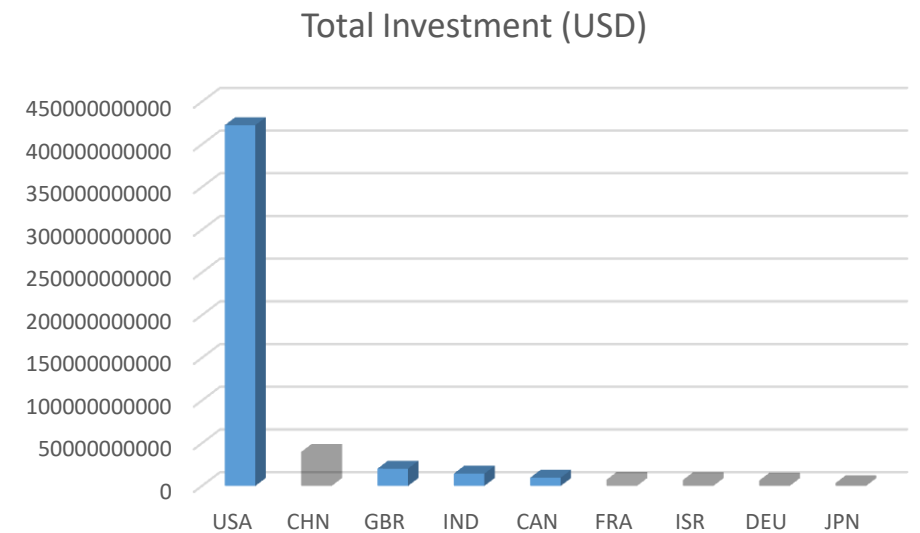
Countries have been filtered based on:

- Investment type : Venture
- Total Investment in the country

These are the Top 9 countries based on total investment:

Country	Total Investment (USD)
USA	422510842796
CHN	39835418773
GBR	20245627416
IND	14391858718
CAN	9583332317
FRA	7259536732
ISR	6907514579
DEU	6346959822
JPN	3363676611

Based on language preference as English, few countries are excluded



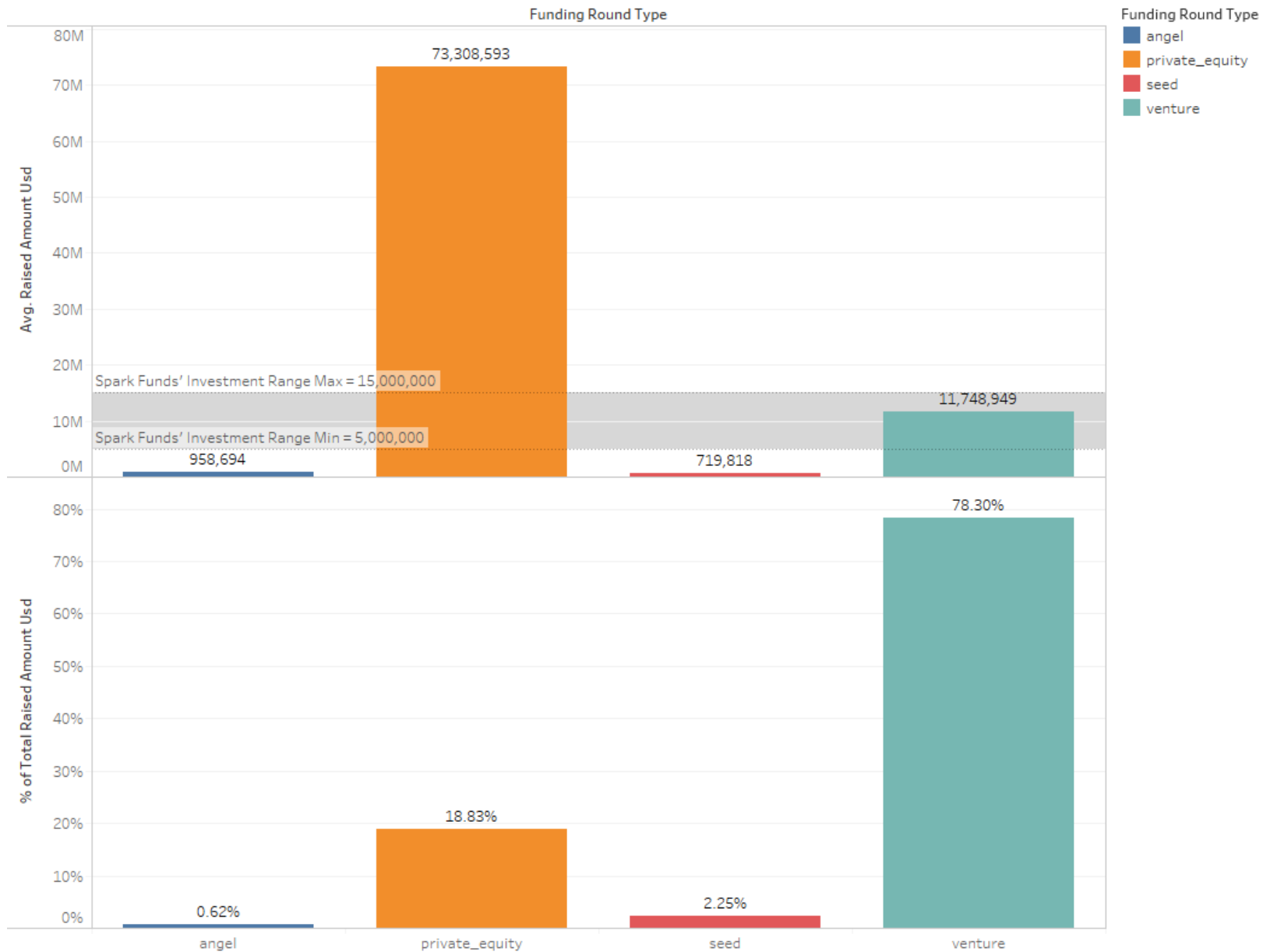
Sector Analysis

Based on the top 3 countries i.e.

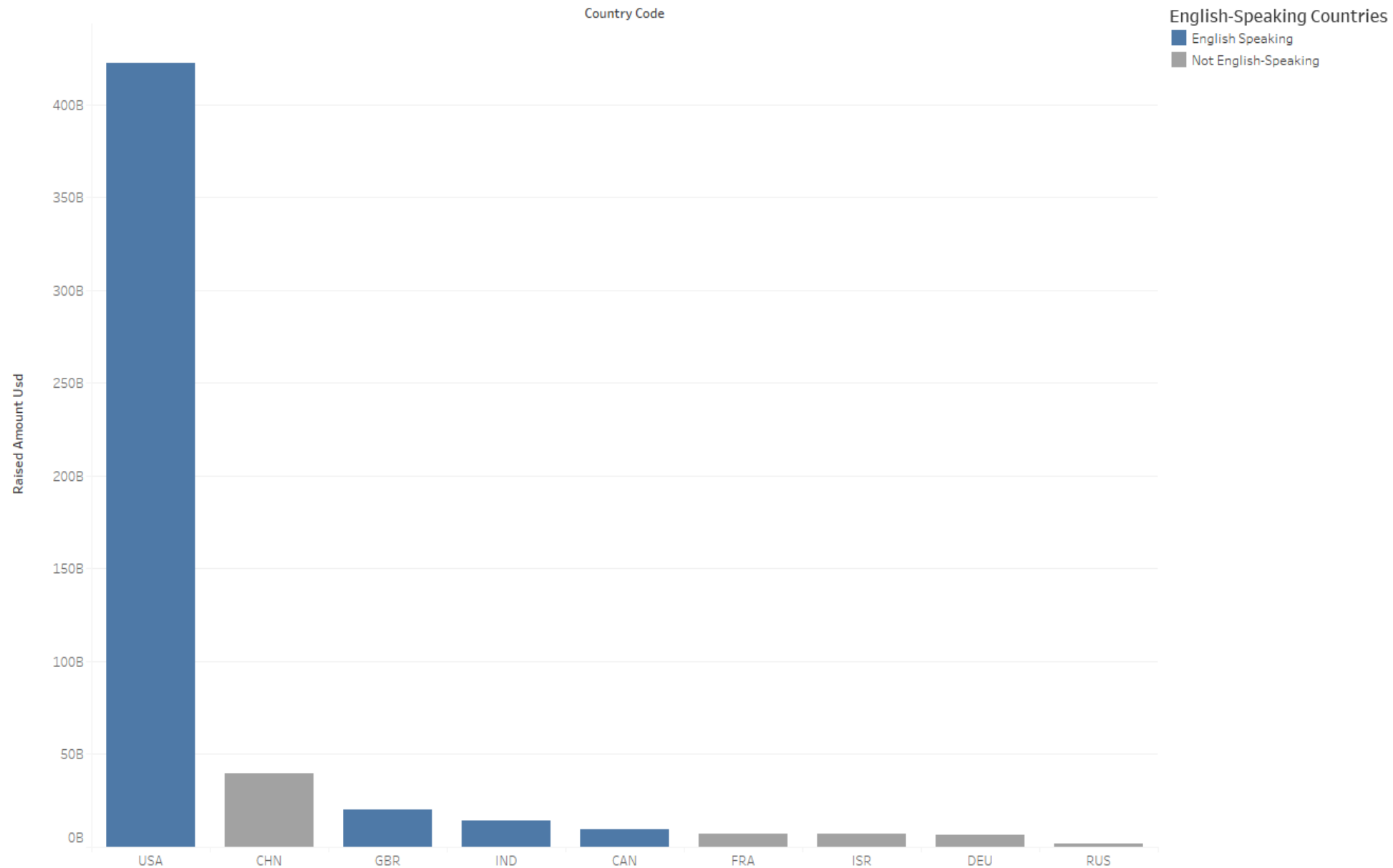
- USA
 - GBR
 - IND
1. **‘Others’** Sector is the most heavily invested sector among the top 3 countries
 2. **‘Social, Finance, Analytics and Advertising’** Sector holds the second place among the top 3 countries.
 3. **‘Cleantech / Semiconductors’** holds 3rd place in USA and GBR, whereas in IND, the **‘News, Search and Messaging’** category holds 3rd place.

	USA	GBR	IND
Total number of Investments (count)	12150	628	330
Total amount of investment (USD)	108531347515	5436843539	2976543602

Fraction of Total Investment vs Avg Amount Invested

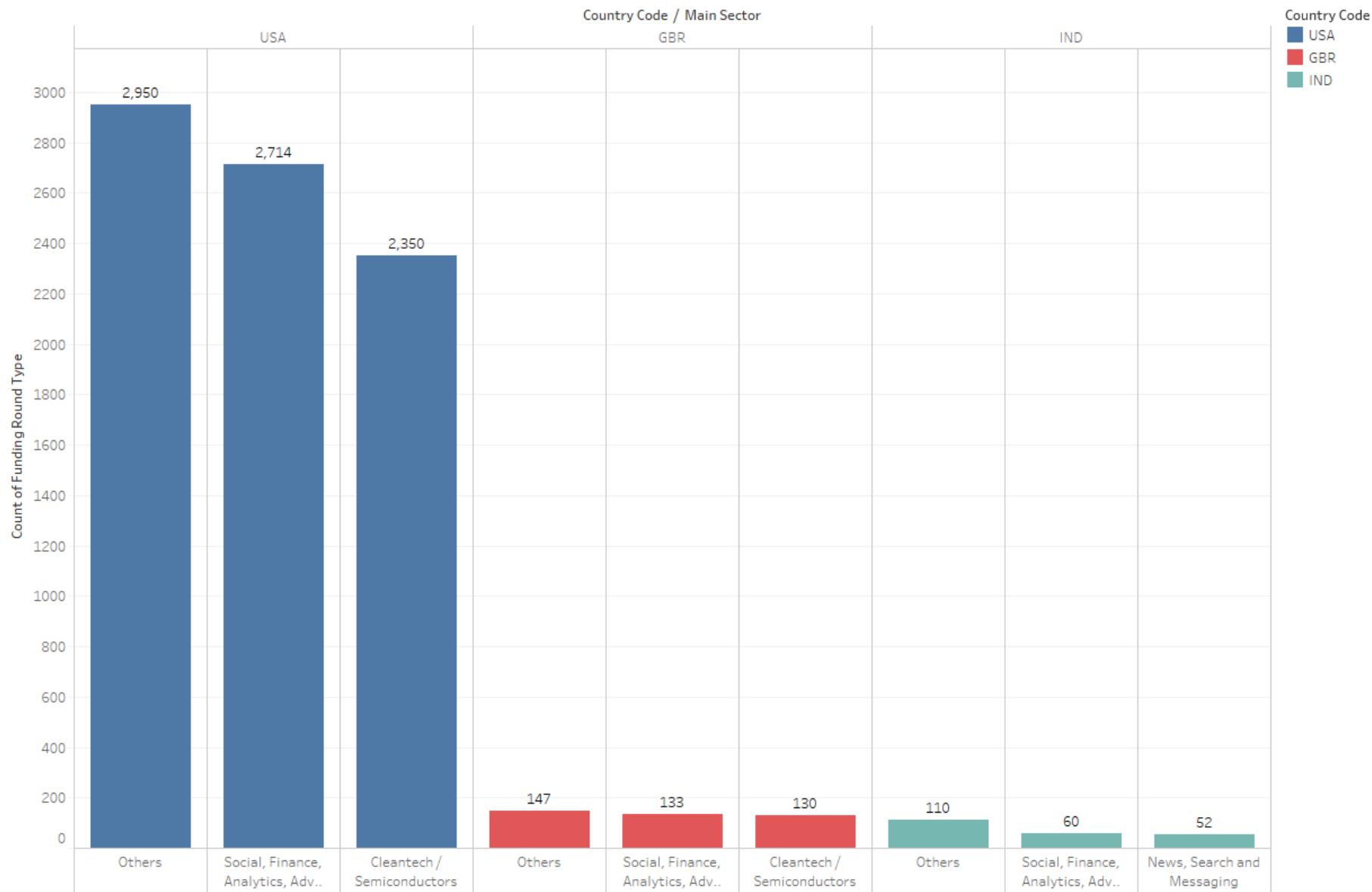


Average of Raised Amount Usd and % of Total Raised Amount Usd for each Funding Round Type. Color shows details about Funding Round Type. The view is filtered on Funding Round Type, which keeps angel, private_equity, seed and venture.



Sum of Raised Amount Usd for each Country Code. Color shows details about In/ Out of English-Speaking Countries. The data is filtered on Funding Round Type and Country Code less Null. The Funding Round Type filter keeps venture. The Country Code less Null filter keeps 137 members. The view is filtered on Country Code, which keeps 9 of 138 members.

Top 3 Sectors of Top 3 Countries



Count of Funding Round Type for each Main Sector broken down by Country Code and Main Sector & Country Code (Combined). Color shows details about Country Code. The context is filtered on English-Speaking Countries, which keeps 30 members. The data is filtered on Funding Round Type, Raised Amount Usd and Rank Calc. The Funding Round Type filter keeps venture. The Raised Amount Usd filter ranges from 5000000 to 15000000. The Rank Calc filter keeps 1, 2 and 3. The view is filtered on Country Code, Country Code less Null, Main Sector and Main Sector & Country Code (Combined). The Country Code filter keeps GBR, IND and USA. The Country Code less Null filter keeps 30 members. The Main Sector filter keeps multiple members. The Main Sector & Country Code (Combined) filter keeps 166 members.

Conclusions

- The type of fund to invest in , is “Ventures”
 - Meets Spark Funds’ range criteria
 - Has the highest total investment among the for chosen types.
 - Best type among the four investment types preferred.
- The Venture investment in the “Others” sector is the highest among all the top 3 countries.
- It is followed by “Social, Finance, Analytics, Advertising” sector, which seconds in all the top 3 countries.
- “Cleantech / Semiconductors” sector is another third place winner among these sectors in USA and GBR, whereas “News, Search and Messaging” sector wins the third place in IND.

Hence, we can recommend a Venture investment in these sectors.

USA wins when it comes to amount of investment and number of investments by far.

Investing in USA seems to be a good starter. However, GBR and IND have almost the same opportunity.

Considering India’s growth in the last few years, IND also seems to be a great country to invest in.