

INVESTMENT CASE STUDY

SUBMISSION

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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.

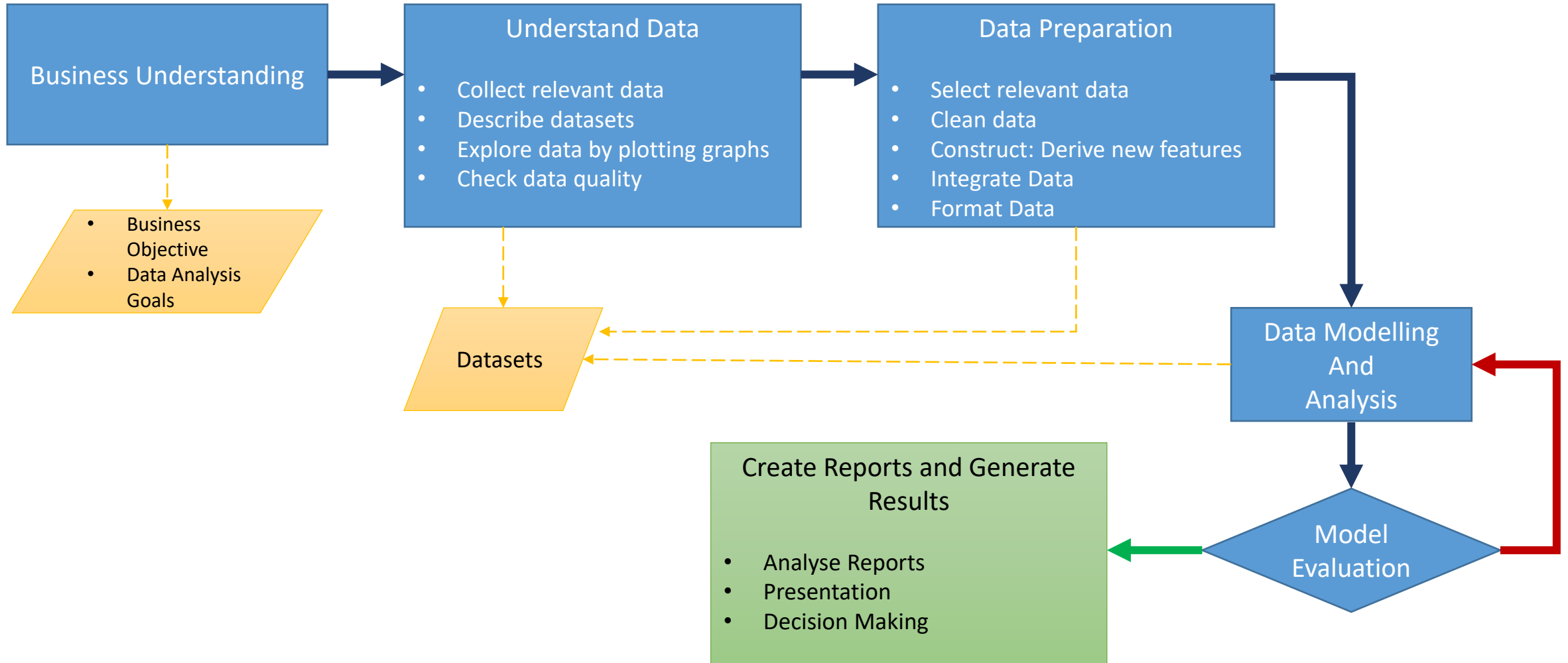
Goals of Data Analysis

- ***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

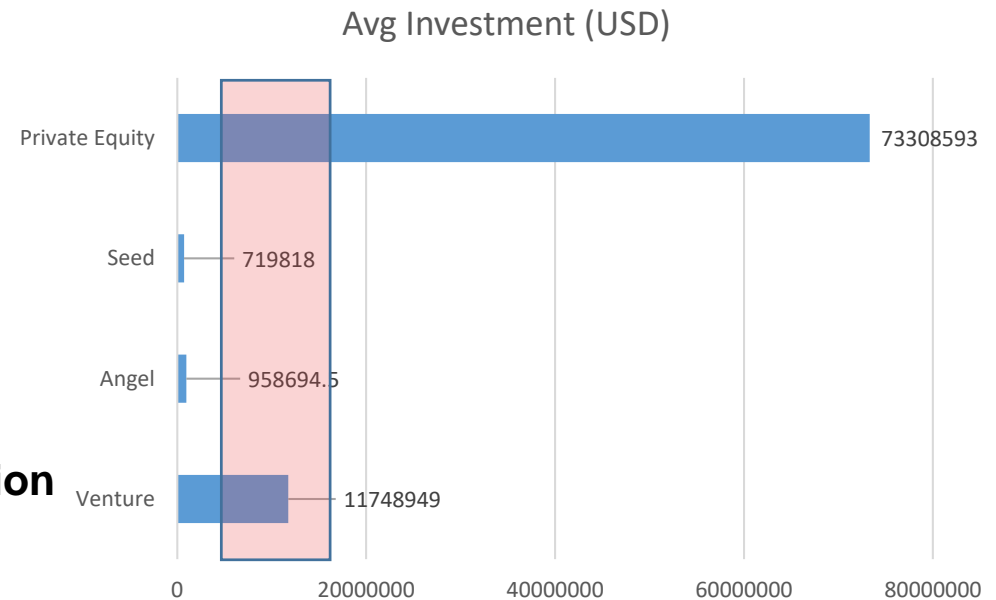
Investment Types were limited to four types as per Spark Funds' preference:

- 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

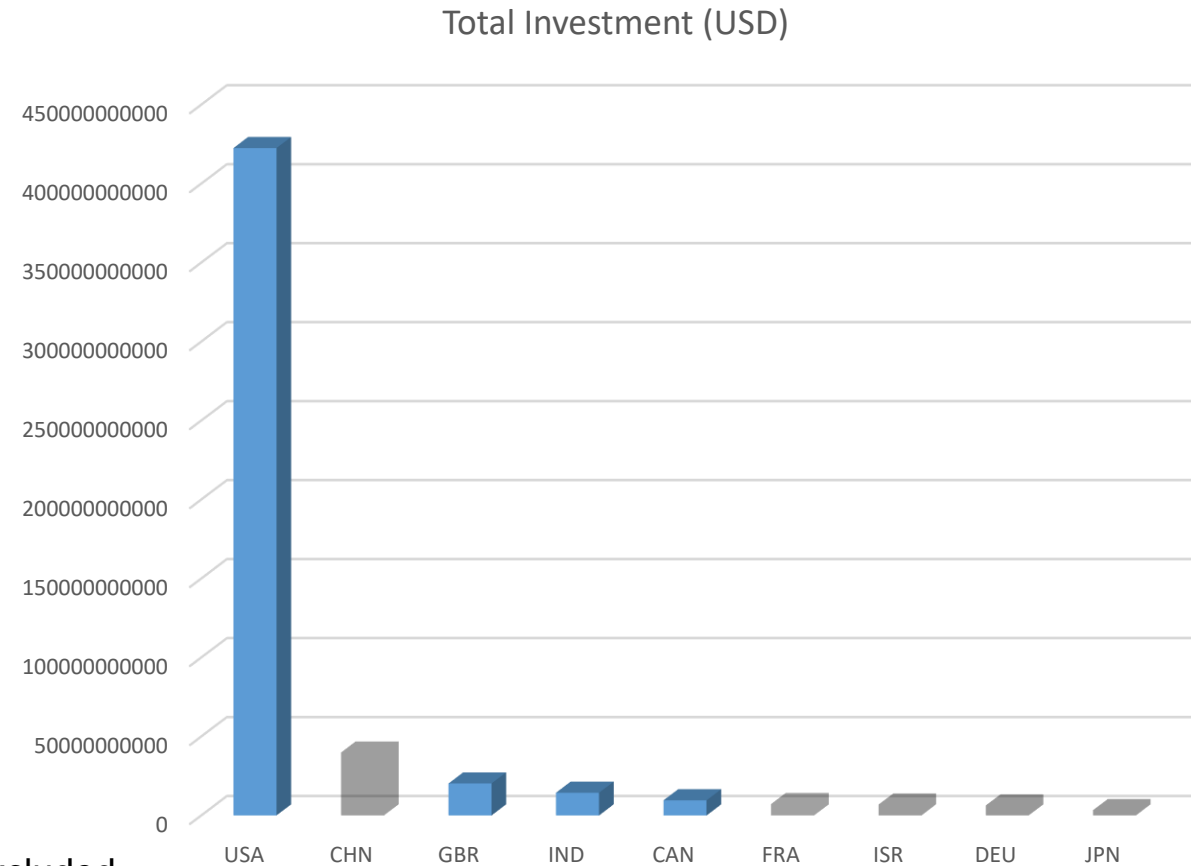
Countries have been filtered based on:

- 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

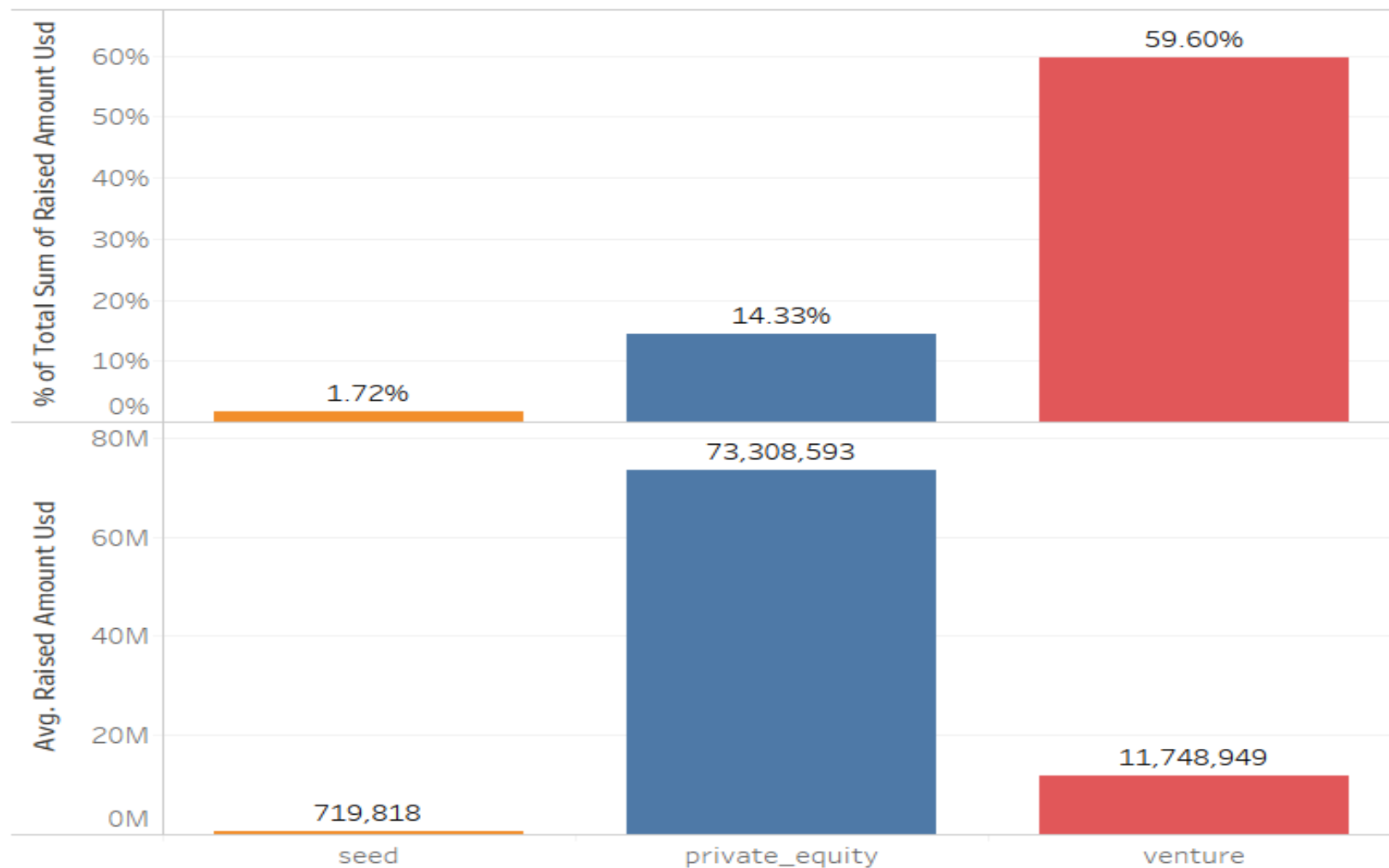
Based on the top 3 countries i.e.

- USA
 - GBR
 - IND
1. **Others** Sector is the most number of times invested sector in all top 3 countries
 2. **Social, Finance, Analytics, Advertising** Sector holds the second place in all 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

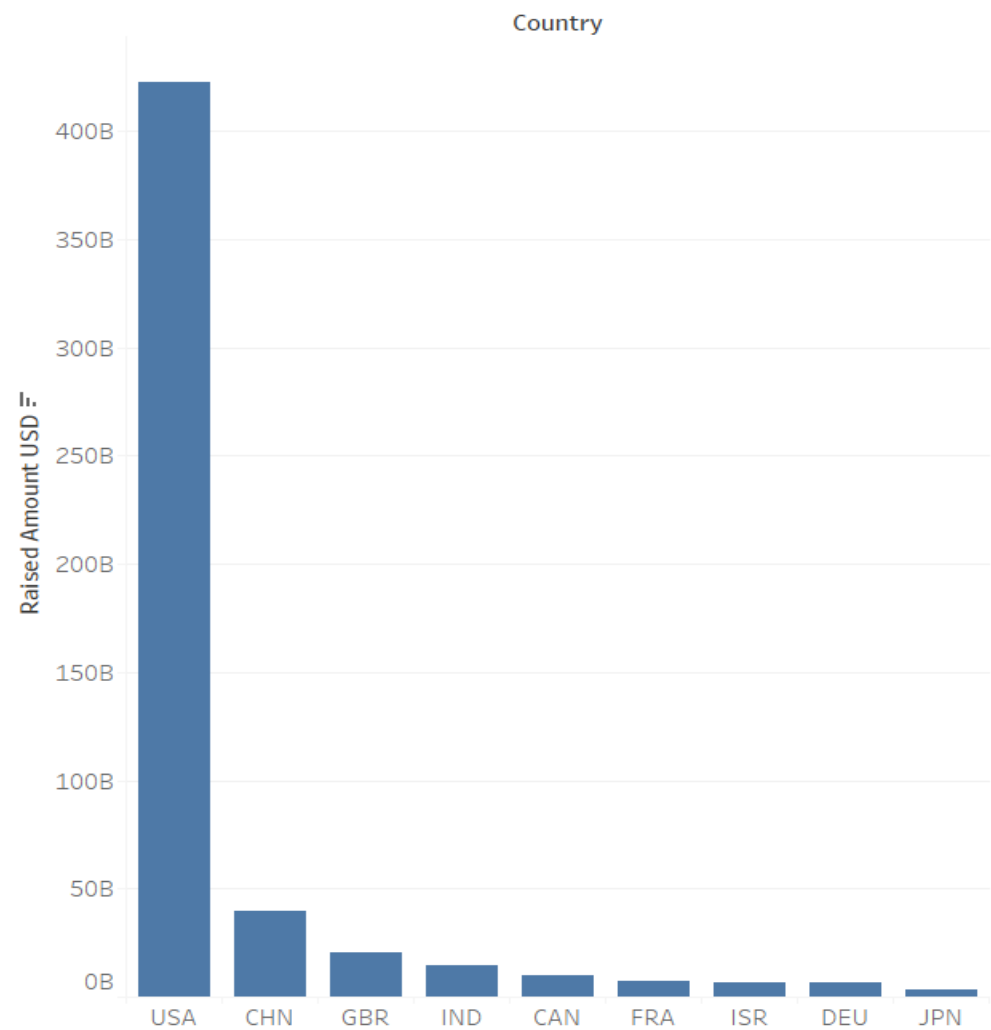
Results

Fraction of Total and Average Investments



Results

Top 9 Countries by Funding Amount[Funding Type : Venture]



Results

Top 3 Sectors for each of the top 3 English speaking countries and funding type Venture

Country Rank	Country	Rank Of Count Of Inv	Sector Names	
1	USA	1	Others	2,950
		2	Social,Finance,Analy..	2,714
		3	Cleantech,Semicond..	2,350
2	GBR	1	Others	147
		2	Social,Finance,Analy..	133
		3	Cleantech,Semicond..	130
3	IND	1	Others	110
		2	Social,Finance,Analy..	60
		3	News,Search and M..	52

Conclusions

- The type of fund to invest in is the “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 seems to be a great country to invest in.