INVESTMENT CASE STUDY

SUBMISSION

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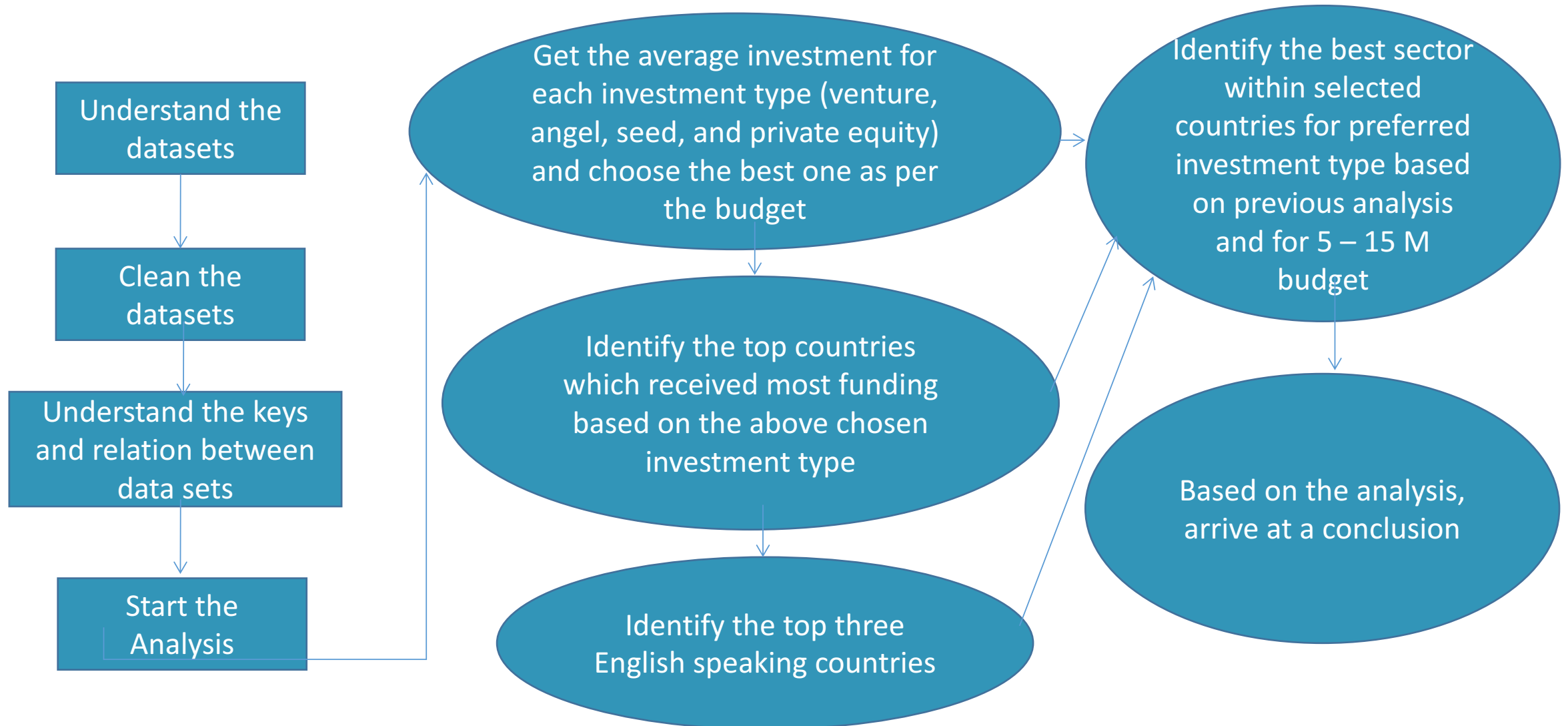4.   Suresh Balla

Understanding Global Trends in Investments

Business Scenario

Spark Funds has a budget of 5 to 15million USD to be invested in a few companies which are based out of an English speaking country.

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.

Problem solving methodology

Understand the datasets

Clean the datasets

Understand the keys and relation between data sets

Start the Analysis

Get the average investment for each investment type (venture, angel, seed, and private equity) and choose the best one as per the budget

Identify the top countries which received most funding based on the above chosen investment type

Identify the top three English speaking countries

Identify the best sector within selected countries for preferred investment type based on previous analysis and for 5 – 15 M budget

Based on the analysis, arrive at a conclusion

Funding Type Analysis

- Average overall Funding in select Investment types

Investment	Average Funding
Venture	11,748,949.10
Angel	958,694.50
Seed	719,818.00
Private Equity	73,308,593.00

- Preferred Investment Type: Criteria – Basis Overall Average funding between 5 – 15 M

- Results/ Recommendation
  - Only Ventures has average investment within 5 – 15 M and so is preferred funding type

- Other Observations
  - 59.60% of the total amount invested globally is on Venture Type Investment
  - On slicing further on Angel, Seed, private equity and Venture, 78.30% out of these four are of Venture types.

Country Analysis

- Main criteria
  - Invest in one of the most heavily invested countries
  - Invest in an English speaking country

- Results/ Recommendation
  1. United States of America
  2. United Kingdom of Great Britain and Northern Ireland
  3. India

   *Considering United Kingdom of Great Britain and Northern Ireland as native English speakers

Sector Analysis

- **Main Criteria**
  - Selected Investment type Venture
  - Top 3 English speaking countries
  - Each funding between 5 to 15 M,
  - Best sectors to invest based on the number of investment on each sector for each country.

- **Analysis:**

Country	Sector	Investments
United States of America	Others	2950
	Social, Finance, Analytics, Advertising	2714
	Cleantech / Semiconductors	2350
United Kingdom of Great Britain and Northern Ireland	Others	147
	Social, Finance, Analytics, Advertising	133
	Cleantech / Semiconductors	130
India	Others	110
	Social, Finance, Analytics, Advertising	60
	News, Search and Messaging	52

- **Results/ Recommendation**
  - Sector Others and "Social, Finance, Analytics, Advertising" are first 2 preferred sector for all 3 countries.
  - "Cleantech / Semiconductors" is the 3rd preferred sector for US and UK but for India 3rd Preferred sector is "News, Search and Messaging"
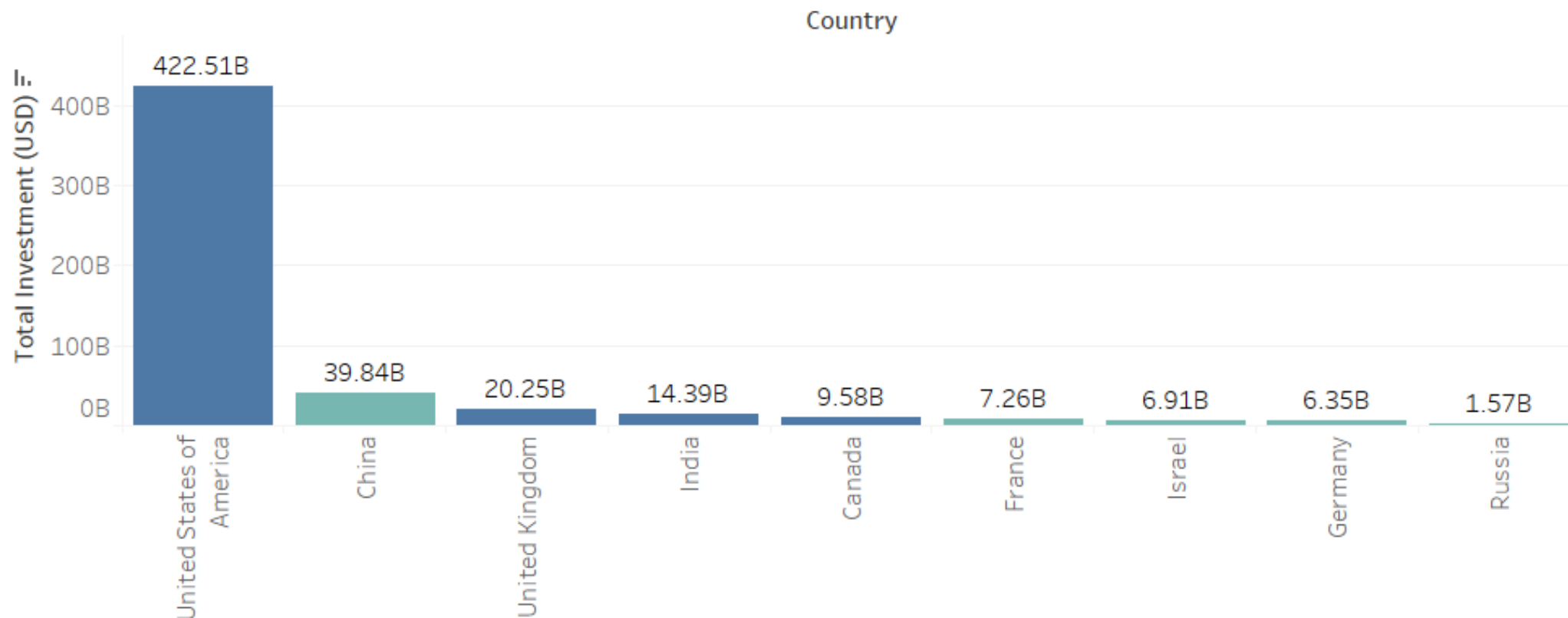
Top 3 English Speaking Countries and its Top 3 Sectors

UpGrad

Top 3 Sectors being invested on in Top 3 English Speaking Countries (5 to 15 M)

Country	Index	Main Sector
United States of America	1	Others
	2	Social, Finance, Analytics, Advertising
	3	Cleantech / Semiconductors
United Kingdom	1	Others
	2	Social, Finance, Analytics, Advertising
	3	Cleantech / Semiconductors
India	1	Others
	2	Social, Finance, Analytics, Advertising
	3	News, Search and Messaging

Number of Investments
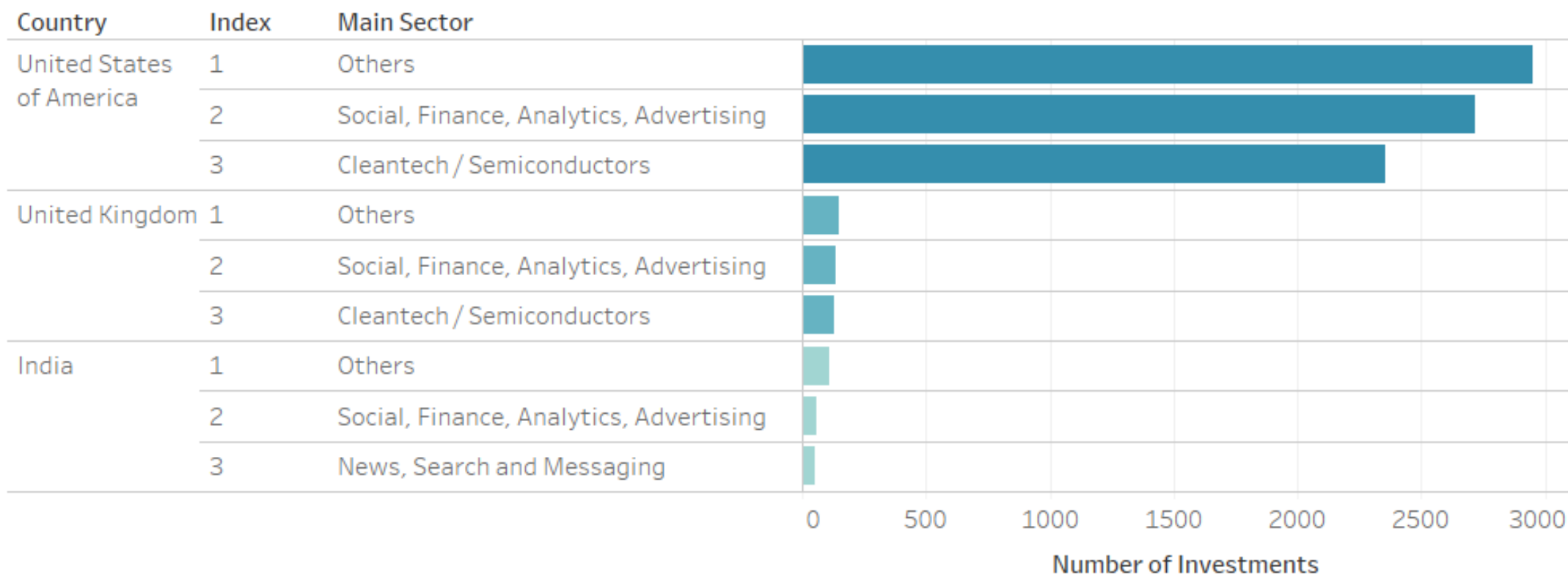
Top 2 primary sectors for USA and Others main sector:
1. software
2. enterprise software

Top 2 primary sectors for UK and Others main sector:
1. software
2. e-commerce

Top 2 primary sectors for India and Others main sector:
1. e-commerce
2. software

Conclusion

- Spark Funds should invest in Ventures

- Highest Invested countries USA, UK or India should be Preferred

- "Others", "Social, Finance, Analytics, Advertising" are top 2 preferred sector for all these three countries
  - Within others main sectors, below are top 2 primary sectors which can be considered for investment
    - software and enterprise software for USA
    - software and e-commerce for United Kingdom of Great Britain and Northern Ireland
    - e-commerce and software for India

- "Cleantech / Semiconductors" are 3rd preferred sector for US and UK and for India 3rd Preferred sector is "News, Search and Messaging"