

# INVESTMENT CASE STUDY

# Abstract

## Objective:

Identify the best sectors, countries, and a suitable investment type for making investments by Spark Funds with the strategy to:

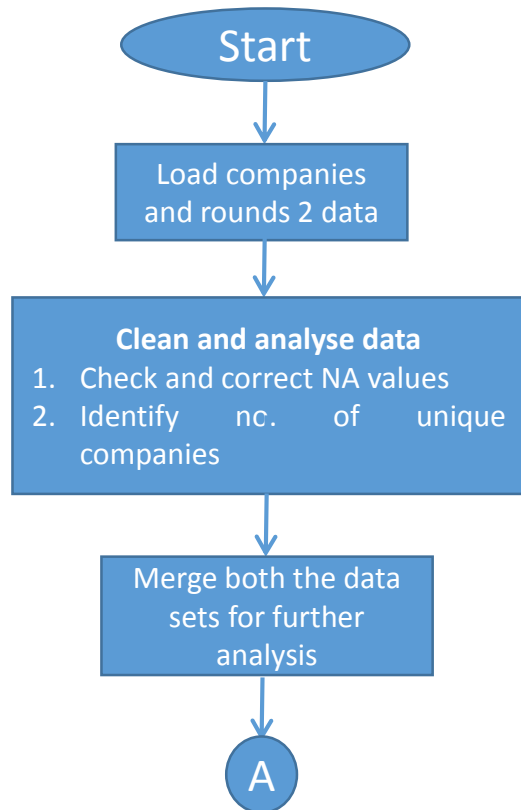
- Invest only in **English speaking** countries
- invest between **5 to 15 million USD** per round of investment
- Invest where most **other investors are investing**.

## Problem Statement:

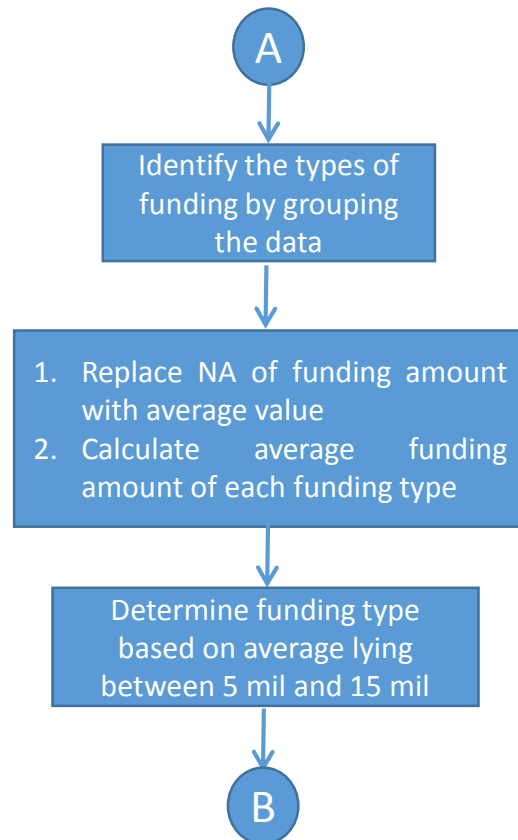
Based on the objective of Spark Funds, the problem statement is to identify

1. **Investment /Funding type (FT)** - Understanding investments in the venture, seed/angel, private equity categories, etc. so Spark Funds can decide which type is best suited for its strategy.
2. **Best Country** - Understanding which countries have had the most investments in the past which will be Spark Funds favorites as well.
3. **Best Sector** - Understanding the distribution of investments across the eight main sectors, enabling Spark Funds to decide which sector is suitable for investments

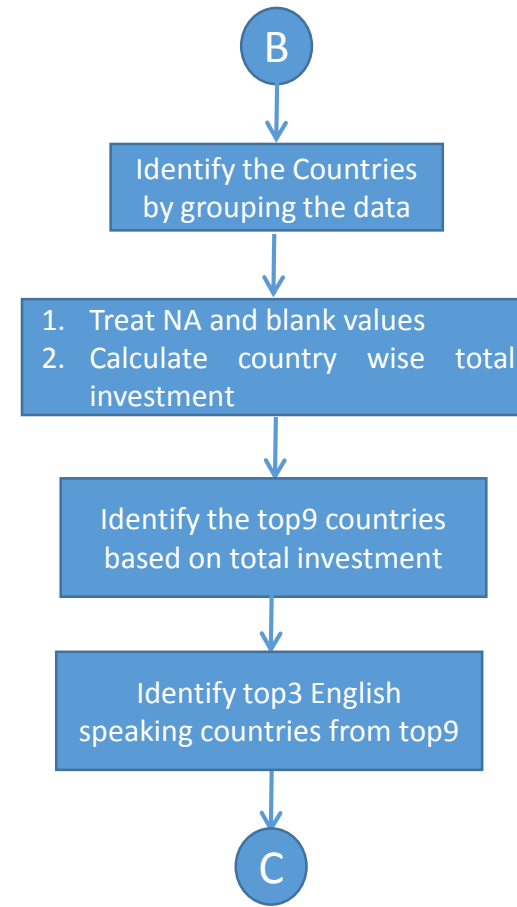
## Data Cleaning



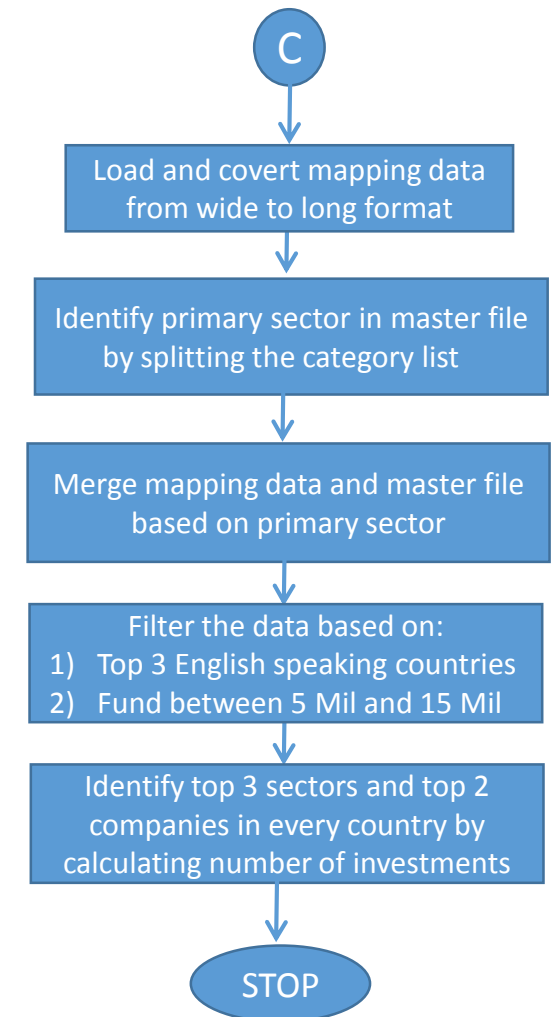
## Funding Type Analysis



## Country Analysis

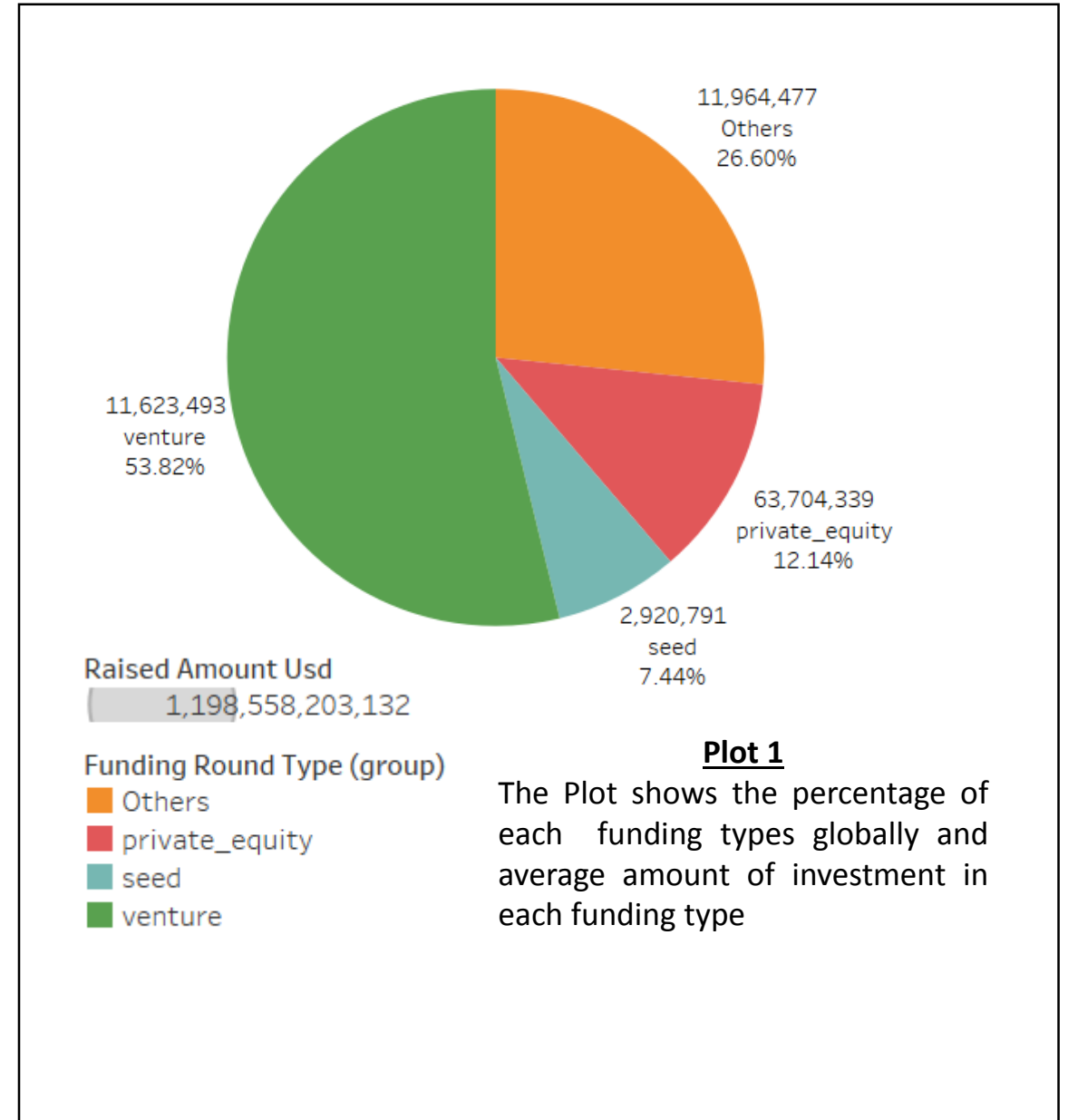


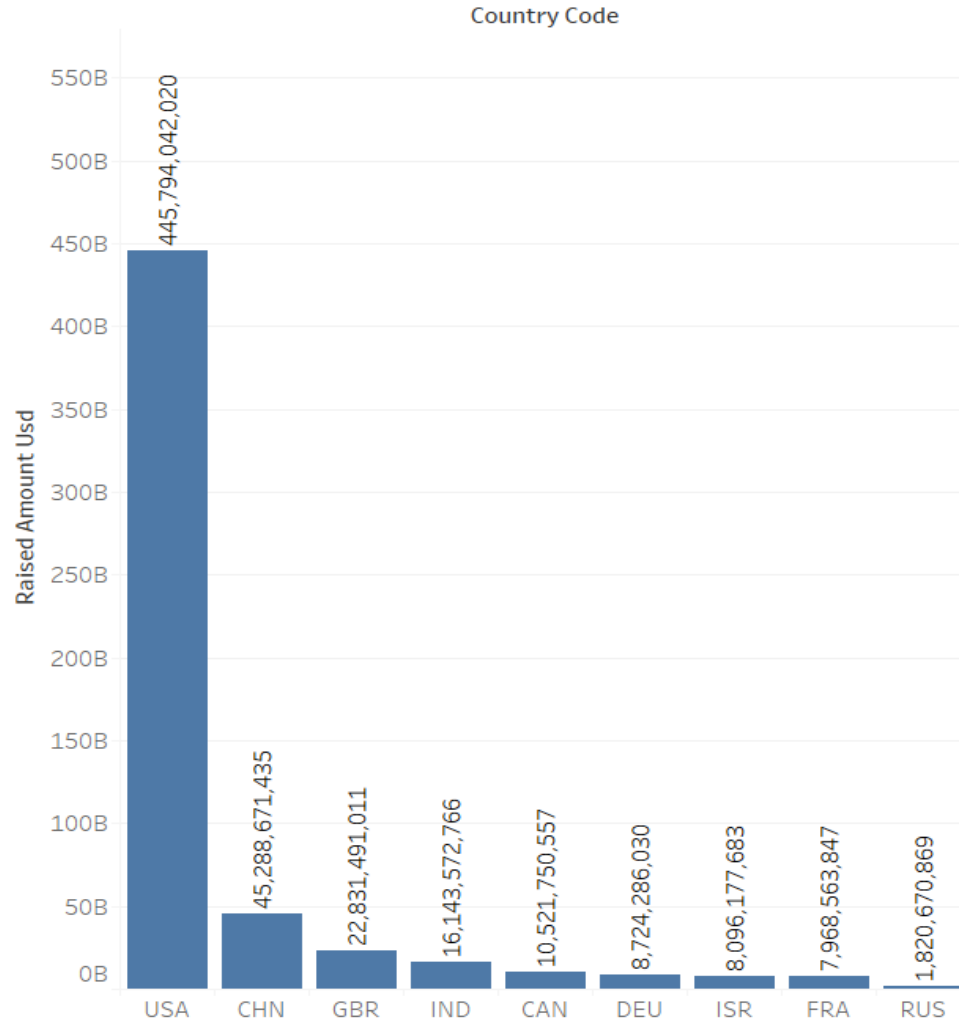
## Sector Analysis



Average funding amount of venture type	11,623,493 USD
Average funding amount of angel type	2,875,945.5 USD
Average funding amount of seed type	2,920,791 USD
Average funding amount of private equity type	63,704,338.5 USD

- Total Number of companies analyzed: 66368
- Average amount of fund invested is calculated for each funding.
- Based on the condition that Spark funds want to invest 5 Million to 15 Million in each round of investment, **VENTURE** funding type is most suitable for spark funds





Plot 2: Top 9 countries with highest investment in venture funding

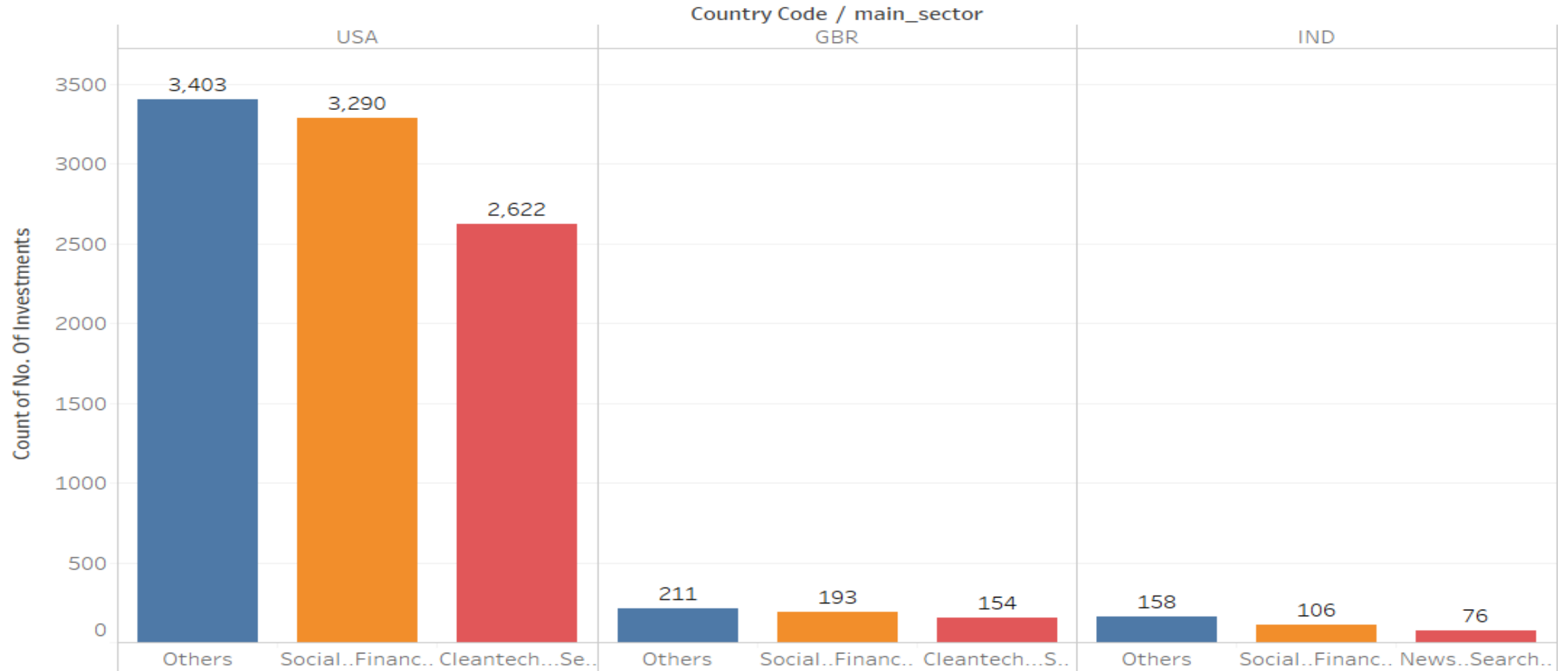
Top English speaking country	UNITED STATES (USA)
Second English speaking country	UNITED KINGDOM (GBR)
Third English speaking country	INDIA (IND)

- Filtered the master data based on **VENTURE** Funding type
- Identified the top 9 invested countries based on total fund invested in each country as Spark Funds wants to invest in countries where **most investments are occurring**.
- As Spark funds want to invest in English speaking countries, identified the top 3 English Speaking countries from top 9.
- As per analysis **United States(USA)**, followed by **United Kingdom(GBR)** and **India(IND)** are the top 3 countries that Spark Funds can invest in

	USA	GBR	India
Total number of Investments (count)	14383	876	498
Total amount of investment (USD)	131,814,546,739	8,022,707,134	4,728,257,650
Top Sector name (no. of investment-wise)	others	others	others
Second Sector name (no. of investment-wise)	Social..Finance..Analytics.. Advertising	Social..Finance..Analytics.. Advertising	Social..Finance..Analytics.. Advertising
Third Sector name (no. of investment-wise)	Cleantech...Semiconductors	Cleantech...Semiconductors	News..Search.and.Messaging
Number of investments in top sector	3403	211	158
Number of investments in second sector	3290	193	106
Number of investments in third sector	2622	154	76
Which company received the highest investment in top sector?	tillster	notonthehighstreet	firstcry.com
Which company received the highest investment in second top sector?	powerhouse dynamics	zopa	manthan systems

• Analysis is done to find out top 3 heavily invested sectors and top companies in these sectors which are falling under Top 3 English speaking countries, funding between 5 Million to 15 Million and Venture funding.

• As per analysis, **Others** is the sector which is heavily invested in the top 3 countries followed by **Social..Finance..Analytics..Advertising** in top 3 countries



Plot 3: Top 3 sectors in USA, GBR and India based on no. of investments

- We recommend SPARK FUNDS to invest in Tillster company in Others Sector in USA under Venture funding.
- The recommendation is done based on the investment strategy of Spark Funds i.e., to invest in
  - English speaking countries with
  - 5 to 15 million USD per round of investment and
  - sectors where everyone is investing

Funding Type	Venture Funding		
Country	United States(US)	United Kingdom(GBR)	India(IND)
Sector	Others	Others	Others
Company	Tillster	Noton the high street	Firstcry.com

- Recommended
- Can be considered for future investments