

INVESTMENT CASE STUDY

SUBMISSION

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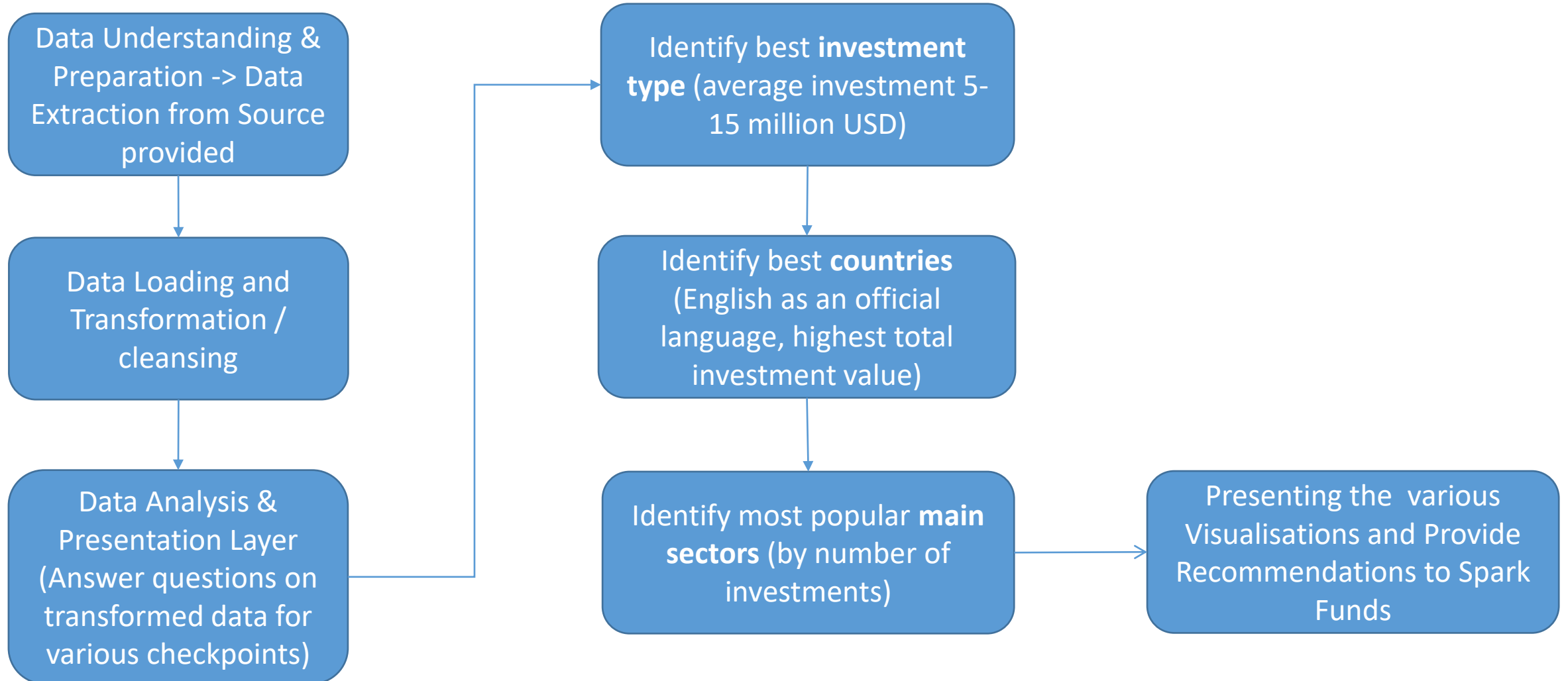
Abstract

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

Enable Spark Funds to invest where others are investing.

- Spark Funds has two minor constraints for investments:
 - It wants to invest between **5 to 15 million USD** per round of investment
 - It wants to invest only in **English-speaking countries**.
- Goals of Data Analysis:
 - **Investment type analysis**
 - **Country analysis**
 - **Sector analysis**

Problem solving methodology



Analysis: Assumptions/Data Cleansing

- Permalinks are not case sensitive, e.g. the following all represent the same company:
 - */organization/-qounter*
 - */Organization/-Qounter*
 - */ORGANIZATION/-QOUNTER*
- Funding rounds with missing *raised_amount_usd* (i.e. a value of *NA*, not of *0*) were excluded from the analysis.
- Zeros in the mapping file were replaced with “na” to allow correct matching with the company file.
 - “Alter0tive Medicine” was corrected to “Alternative Medicine”
 - “A0lytics” was corrected to “Analytics”.
- There should only be 8 main sectors, so any blank values are ignored.
- Dates formats are verified and not required to make any manipulating of dates for Checkpoint analysis.

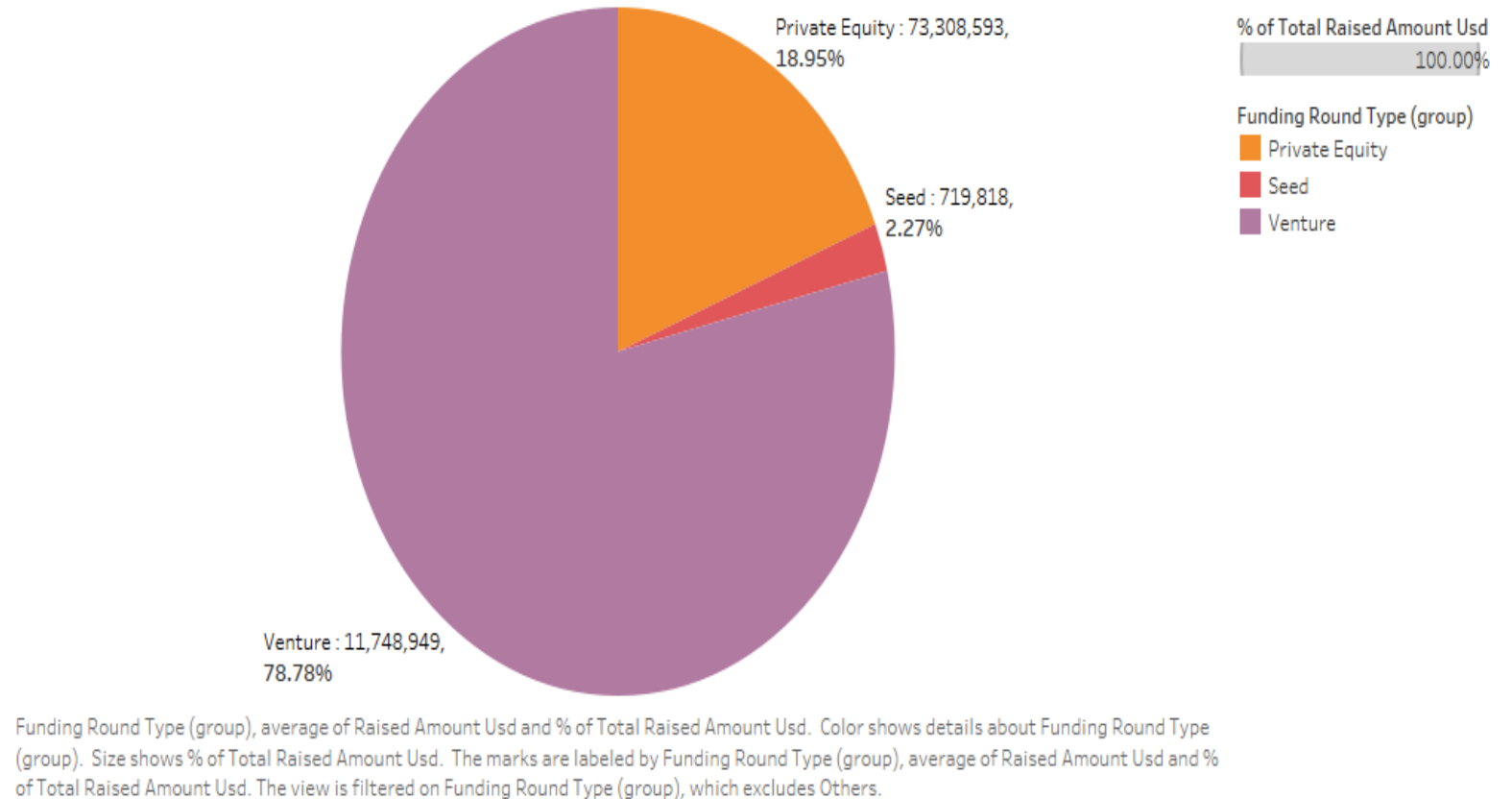
Data Analysis

- The rounds2 file contained entries for:
 - 114,949 total funding rounds across
 - 66,368 unique companies.
- There are no companies in the rounds2 file, which are not present in companies.
- There are 19990 records with NA in Raised amount usd these are ignored
Removing the invalid rounds (with missing raised amounts) left:
 - 94959 valid funding rounds.
- These rounds were used for subsequent analysis to answer the checkpoints.
- 240 records of blank values in main sectors in venture investments are ignored during check point analysis.

Top Investments based on Funding Type (FT)

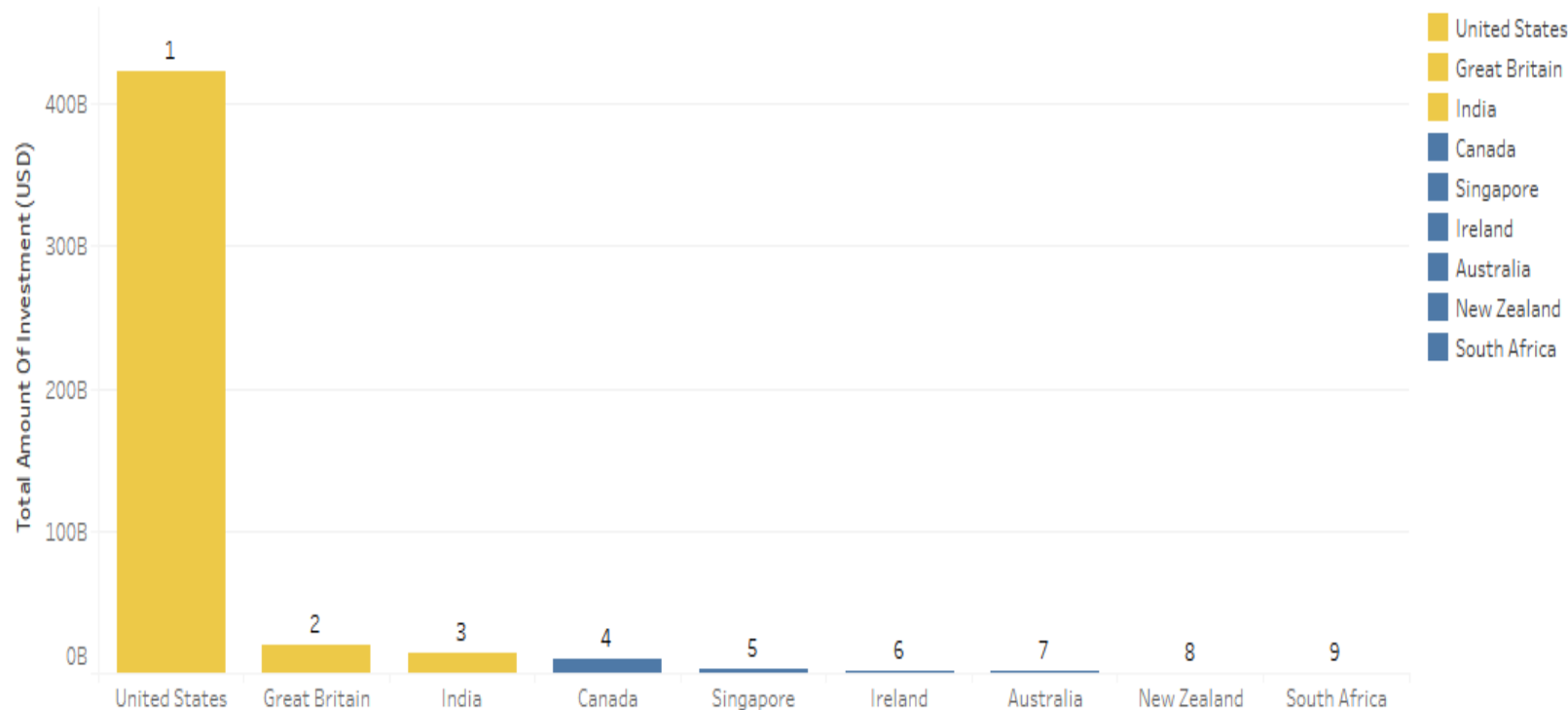
This Pie plot represents % of investments made into each round type. **Venture** received the highest percentage (78.78%) Best suitable investment type with Average of Raised Amount USD (11748949) for Spark Funds. **Venture** rounds had an average investment between \$5-15 million (**recommended option**)

Fraction of total Investments and Average Amount Raised by Funding Round Type



Total amount of investments by top 9 Countries

Total Amounts Raised for Venture Funding

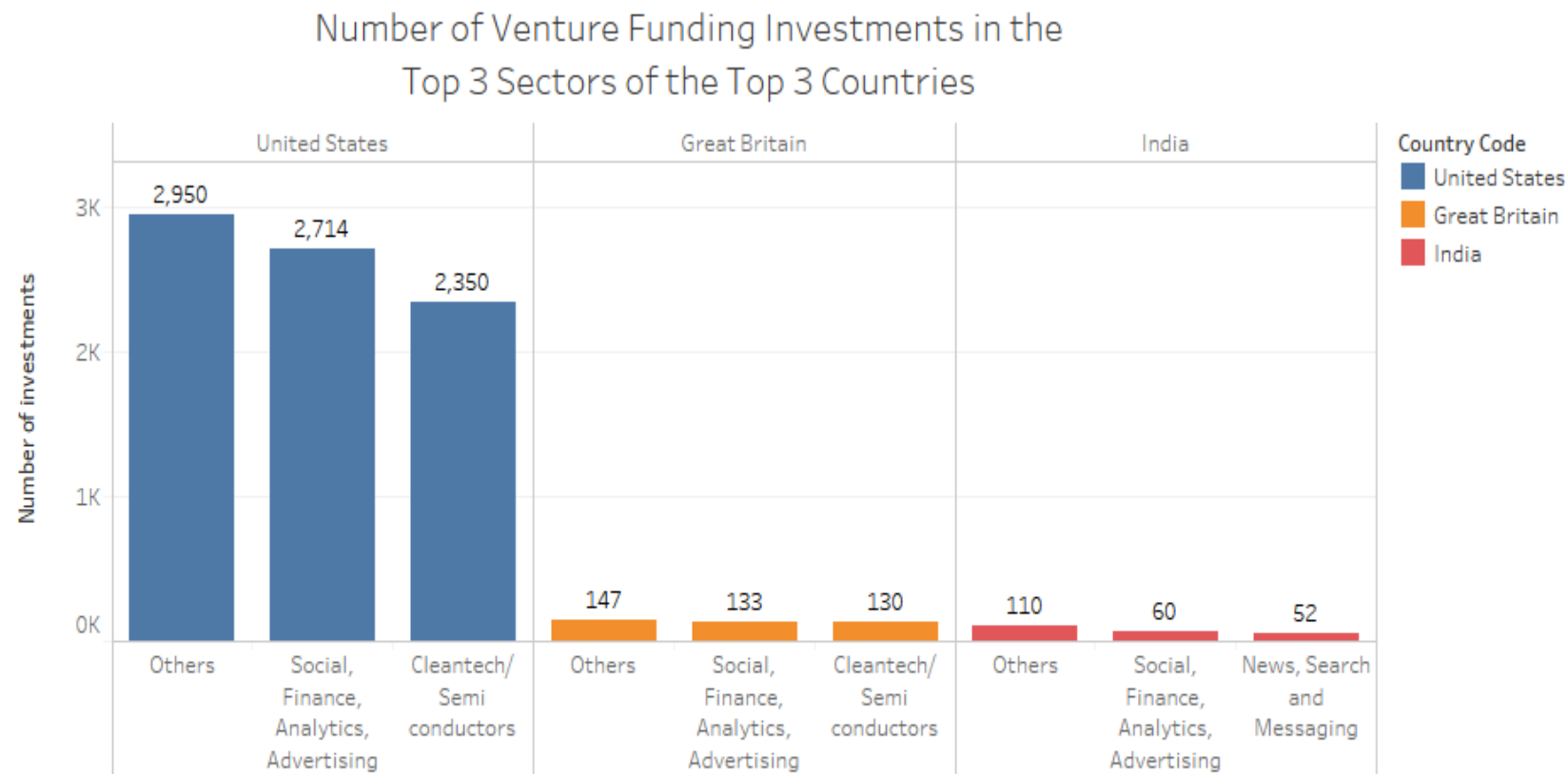


Sum of Raised Amount Usd for each Country Code. Color shows details about Country Code. The marks are labeled by Index. The data is filtered on Funding Round Type, which keeps Venture. The view is filtered on Country Code, which keeps 9 of 52 members.

- Wider bars represent countries with English as an official language.
- Yellow bars are the three English-speaking countries with highest amounts raised for Venture funding.

Number of Investments in top 3 sectors in Top 3 Countries

- **USA** had more Venture funding rounds than the other two countries combined.
- The most popular sector in all three countries was **Others** followed closely by **Social, Finance, Analytics, Advertising**.



Count of Funding Round Permalink for each Main Sector broken down by Country Code. Color shows details about Country Code. The data is filtered on Raised Amount Usd, Funding Round Type and index. The Raised Amount Usd filter ranges from 5000000 to 15000000. The Funding Round Type filter keeps venture. The index filter keeps 1, 2 and 3. The view is filtered on Country Code, which keeps Great Britain, India and United States.

Conclusions

- **Venture** funding rounds are the only type with average investment value in the range \$5-15 million.
- They are also the most popular round type, making up 78.78 % of total number of investments.
- USA, Great Britain and India are the three English-speaking countries with highest amount raised for Venture funding.
- **USA** had more funding rounds than Great Britain and India combined.
- **Others** was sector with highest number of funding rounds in all three countries.

Recommendation

- Initially invest in Venture funding rounds in USA.
 - Great Britain and India would be the next best choices.
 - Canada and China (non-English speaking but large amount raised by Venture funding) would be possible countries for later expansion.
- Particularly look for companies working in “Others” sectors.