



GreenTec Capital

**AFRICA FOUNDATION** 

mAkE talk

**Venture Building Handbook** 







### **Outline**

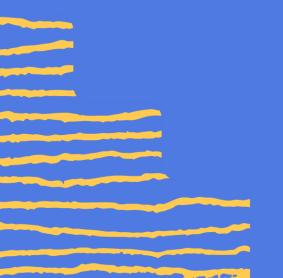
- 1 A look at Startup Failure
- 2 Venture Building (VB): Addressing the African Startup Gap
- 3 Introducing the VB Handbook
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- 5 Looking ahead for EU mAkE







## Why do startups fail?

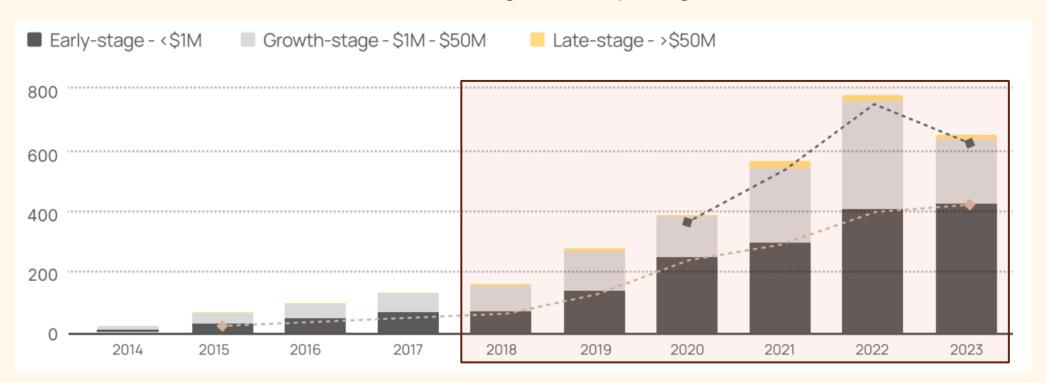






## Funding Deals in Africa have tripled from less than 200 to 600+ between 2018 and 2023, while the share of later stage funding dips from 50% to 33%

Number of African Funding Deals by Stage, 2014–2023







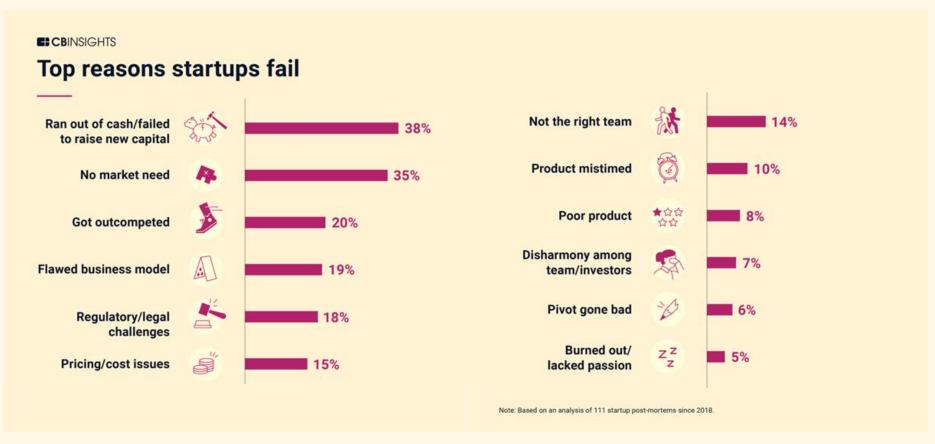
## 75 per cent of venture-backed startups do not succeed because they never return cash to their investors.

...30 to 40% of those 75% liquidate assets with their investors losing all their money.





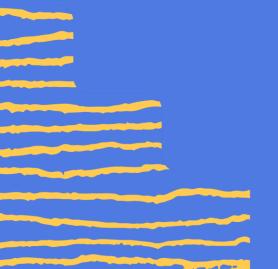
## Insights into startup failure show that internal factors outweigh external ones



The Top 12 Reasons Startups Fail (CBInsights, 2021)



## How can it be tackled?



## What are the major forms of entrepreneurial startup support?

**Capacity Building** 



**Developing and strengthening the skills**, abilities, processes, and resources that organizations and communities need to survive, adapt, and thrive **mostly through training and development** 

Management Consultancy



Providing expert advice to organizations on how to improve their performance. It tackles one or more areas such as business strategy, marketing, financial and management controls, human resources, operations, and supply-chain management.

**Venture Studio** 



An organization that **builds companies** using **its own ideas and resources, then assigns management**. Unlike a venture capital firm, a venture studio **does not typically invest in external startups** e.g Naspers (core investor in Delivery Hero, etc.).

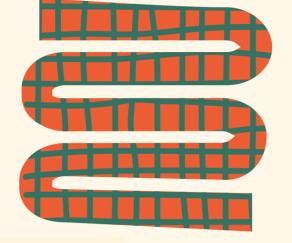
**Venture Building** 



Venture builders provide more than just capital; they also offer operational support, mentorship, and resources to help startups scale and succeed. The ultimate goals are to help create a mindset shift and co-create a system where all elements are working synergistically.



### **About Venture Building**



Venture Building is "the activity of purposefully and methodically creating a new business initiative."

It is "...about starting with an idea, transforming it into a fast-growing product, and most importantly, business.

Desifer





### The Venture Building Advantage

Startups coming out of venture studios are 44% more likely to reach Series A

higher start-up survival rate

faster market entry and exits

better capital efficiency for investors

### **Pillars of Venture Building**



Venture building is about actively participating in and nurturing the entire lifecycle of new business ventures, from conception (idea) to maturity (sustainable profit).



### Introducing the VB Handbook



a toolkit for ...

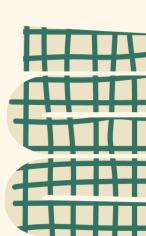
Venture Owners and Managers

Venture Builders (expert venture builders, makerspaces)

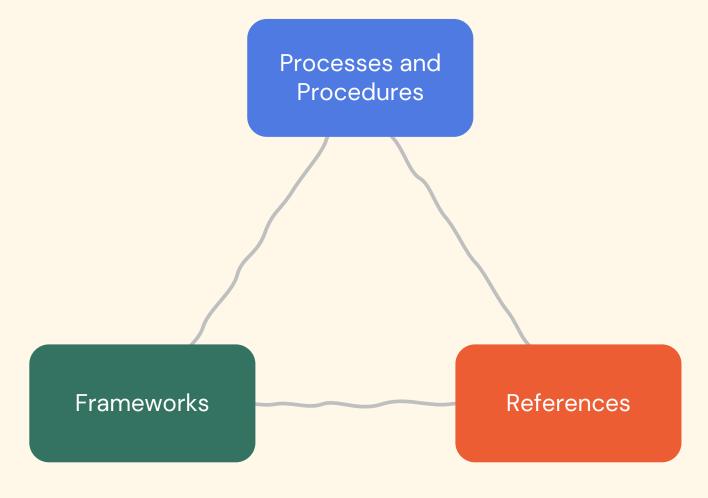
in the process of creating successful, scalable businesses.







### **Core Elements:**





### Some Frameworks explained and areas tackled in the VB Handbook

**Business Model Canvas** 

Blue Ocean Strategy

**SWOT Analysis** 

Brainstorming & Idea
Generation

Developing a Value Proposition

New Product Development

Team Development







**Decision Making** 

Developing a Minimum Viable Product (MVP)

Targeting and Market Segmentation Data Gathering & Analysis

Licensing, Trademarks and Intellectual Property Protection



### References for development

Books, online articles and publications

Entrepreneurial support organizations

Networking opportunities with investors, venture builders, fellow founders





# Thank you!

**MAKE** African European Maker Innovation Ecosystem

makeafricaeu.org

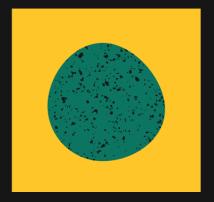














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