

# Acceleration in Brazil

Initial data from the Global Accelerator Learning Initiative

June 2019



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# Background



Since 2005, hundreds of accelerator programs have emerged around the world, with funding from governments, corporations, and private foundations.



Funders are investing in these accelerators for their potential to grow successful ventures, create jobs, and build investor pipeline.



Despite this interest, we knew little about accelerator effectiveness or how differences across programs influence venture performance.

To address this gap, Social Enterprise @ Goizueta at Emory University and the Aspen Network of Development Entrepreneurs (ANDE) launched the Global Accelerator Learning Initiative (GALI) in collaboration with a consortium of public and private funders. GALI builds on the Entrepreneurship Database Program at Emory University, which works with accelerator programs around the world to collect and analyze data from the entrepreneurs that they attract and support.

# Background



The Entrepreneurship Database Program collects information from entrepreneurs when they apply to accelerator programs. These entrepreneurs, both those selected and not selected, are then surveyed annually to gather valuable follow-up data.



This report summarizes application data collected from ventures operating in Brazil that applied to participating accelerator programs between 2013 and 2018.



The observations in this data summary are based on responses from 843 early stage ventures located in Brazil, from a full sample of 19,418 ventures operating across the globe.

**Note on the dataset:** Sample excludes duplicate application surveys, surveys with too much missing information, and surveys from entrepreneurs who declined to share their application information with the Entrepreneurship Database Program. Financial and jobs-related questions focus on prior calendar-year data, in other words, on business results from the year before applying to acceleration programs.

**Note on benchmark groups:** This summary often compares data from Brazil to “Latin America” and the “Global Sample”. The global sample includes the entire dataset of 19,418 ventures, which primarily operate in Latin America & Caribbean (34%), Sub-Saharan Africa (26%), USA & Canada (22%), and South Asia (11%). Ventures in the Latin America sample primarily operate in Mexico (36%), Chile (17%), and Brazil (13%).

# About the data

This summary includes information from 843 ventures operating in Brazil, that applied to one of 35 acceleration programs between 2013 and 2018.\*



\*29 accelerators contributed data from 35 programs, including programs that operated in Brazil and others that operated elsewhere but received applications from ventures based in Brazil.

\*\*This combines data from both Impact Hub (one program, 18 ventures) and Impact Hub Accelerate2030 (one program, 15 ventures), both of which are active in Brazil.

# Key Takeaways

Brazilian ventures were unlikely to report debt at application

Only 3% of Brazilian ventures reported having any debt at the time of application, lower than the Latin American and global samples (10% and 12%, respectively).

Less than 50% of Brazilian ventures were founded by women

Only 38% of ventures that applied to accelerators in Brazil include women on the founding team. These teams were more likely to report revenue and employees upon application.

Building a network is a key desire among Brazilian ventures

Development of networks was most commonly selected as the top benefit Brazilian ventures hoped to gain through acceleration, consistent with findings in the global sample.

Prior acceleration is an indicator of more advanced performance

Brazilian ventures that were previously accelerated more often reported revenue, employees, and investment at the time of application than those with no prior acceleration.



**Dive into  
the data**



## Legal structure and age

Most ventures are for-profit companies, with a median age of 1 year.

759

For-profit company

Median age:  
**1 year**

39

Nonprofit

Median age:  
**1 year**

25

Undecided

Median age:  
**1 year**

20

Other

Median age:  
**2 years**



# Top sectors

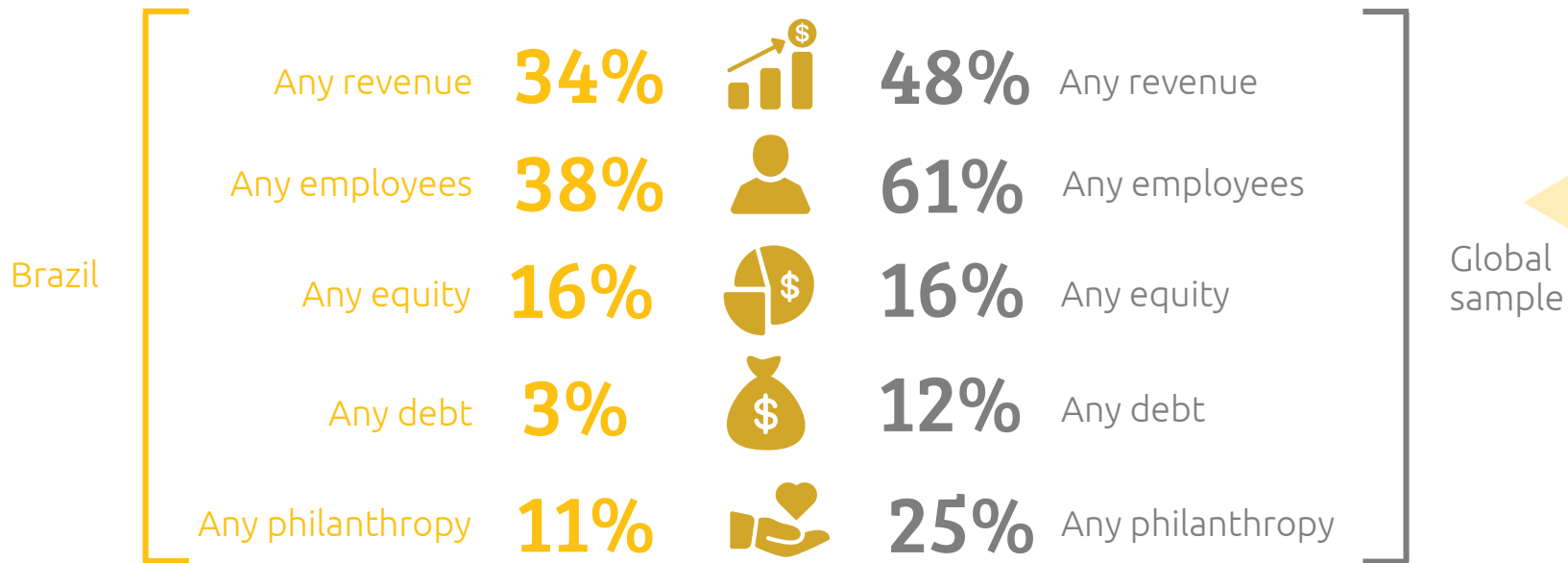
The most common sector for Brazilian ventures was information and communication technology.



Note: ventures self-classify which sector they focus on, and the survey does not account for tech verticals (such as FinTech or EdTech.)

# Venture performance

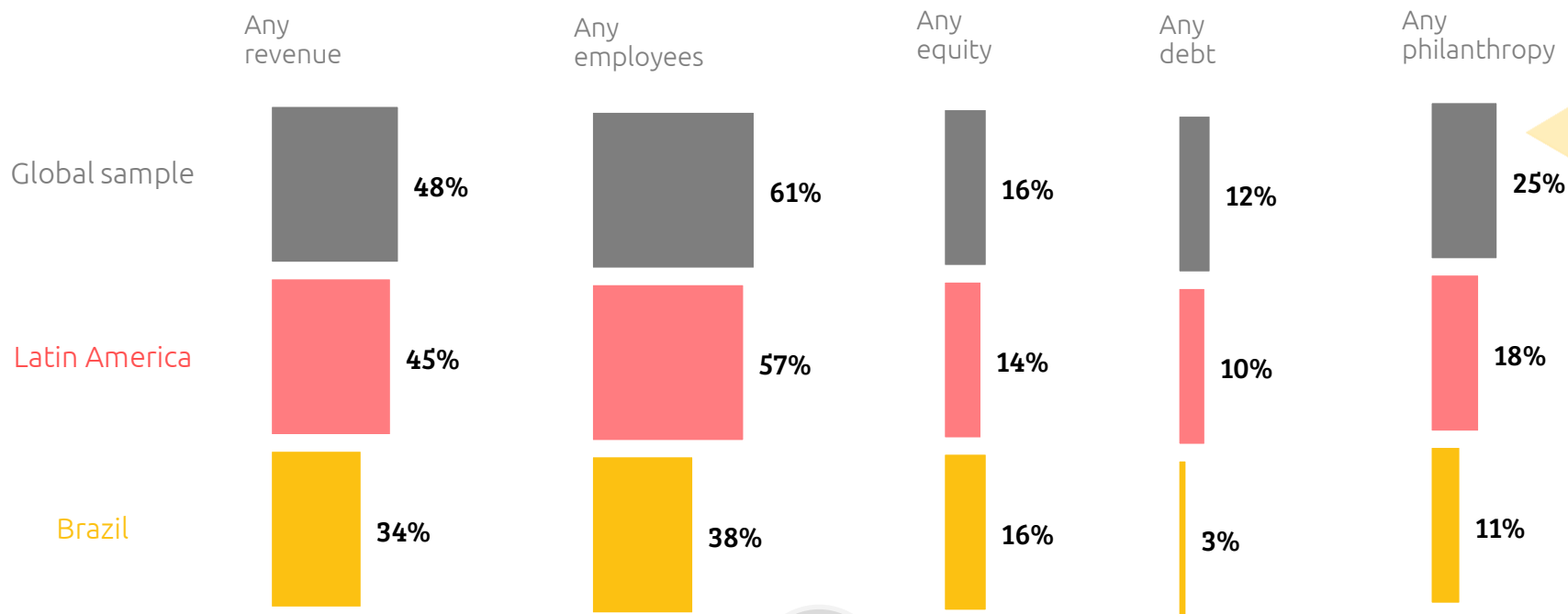
At the time of application to an accelerator, less than half of Brazilian ventures had earned revenue or hired employees, and a smaller portion had raised investment.



Note: this data represents performance in the calendar year prior to application to an accelerator program

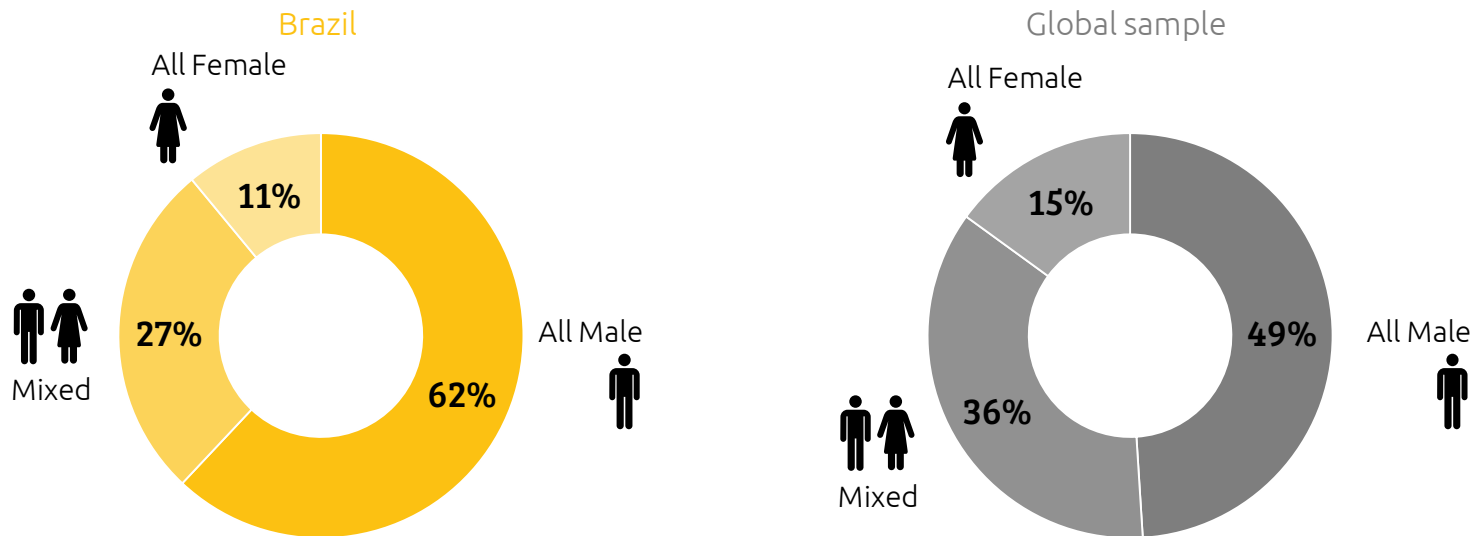
# Venture performance by region and country

Brazilian ventures were less likely to report revenue or employees compared to the global and Latin America samples, but were similarly likely to report equity. Notably, less than 5% of Brazilian ventures had secured debt upon application to an accelerator.



# Founding teams by gender makeup

Over half of the Brazilian ventures applying to accelerator programs had all-male founding teams. Only 38% had at least one female founder, less than the global sample at 51%.

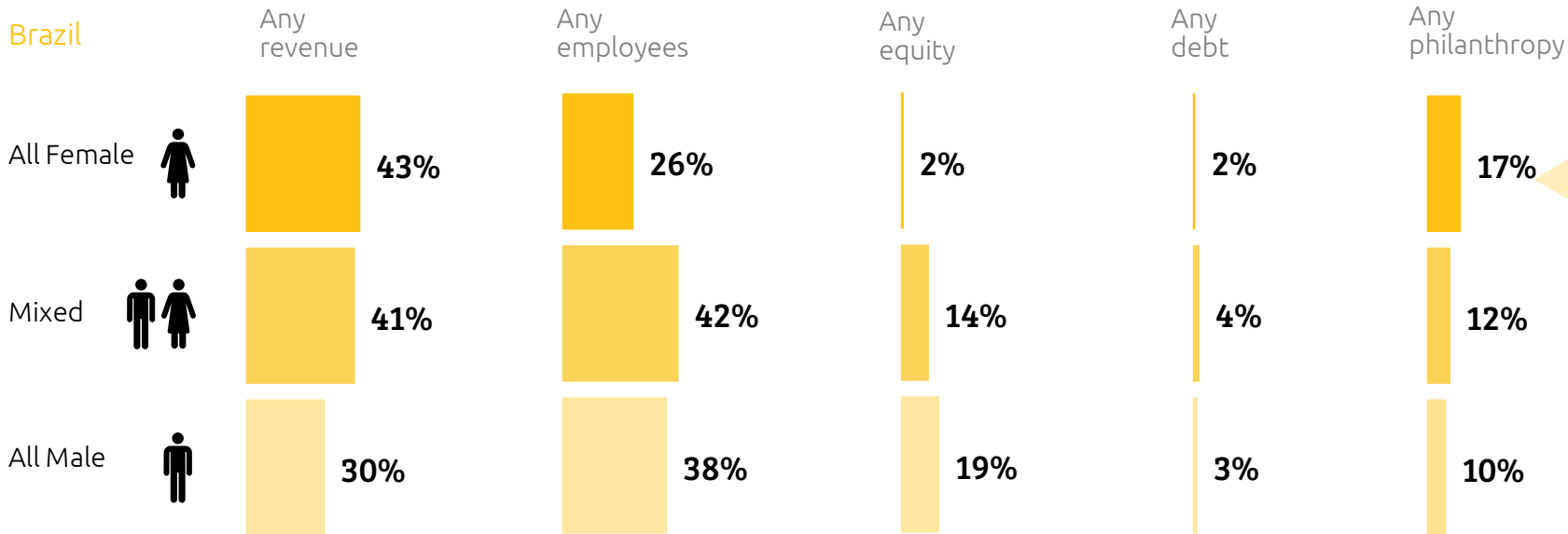


Note: Applicants entered information for up to three founders.

 All Female  Mixed  All Male

# Performance by gender

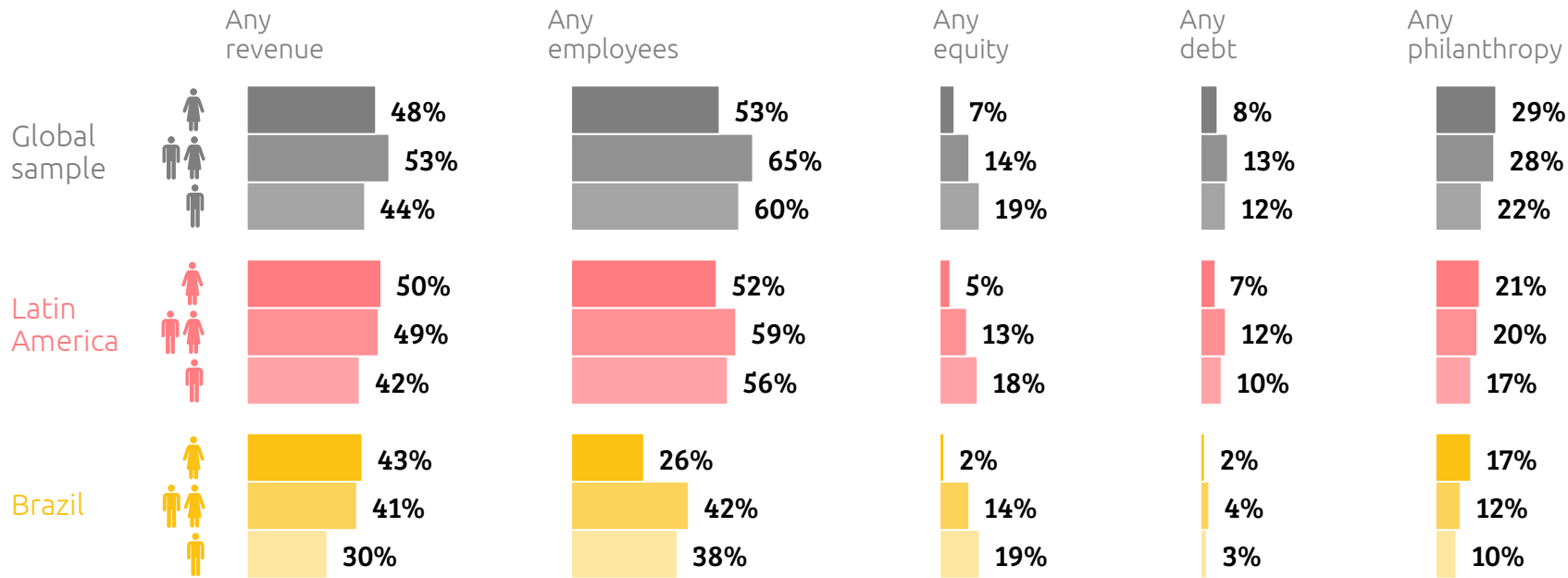
Ventures with women on the founding team more often reported revenue and philanthropic support at the time of application, and all-male teams were more likely to have secured equity investment.



 All Female  Mixed  All Male

# Performance by gender and region

Ventures with all-female founding teams were less likely than mixed-gender and all-male teams to report employees or equity investment, and this gap was larger in Brazil than in the other samples.

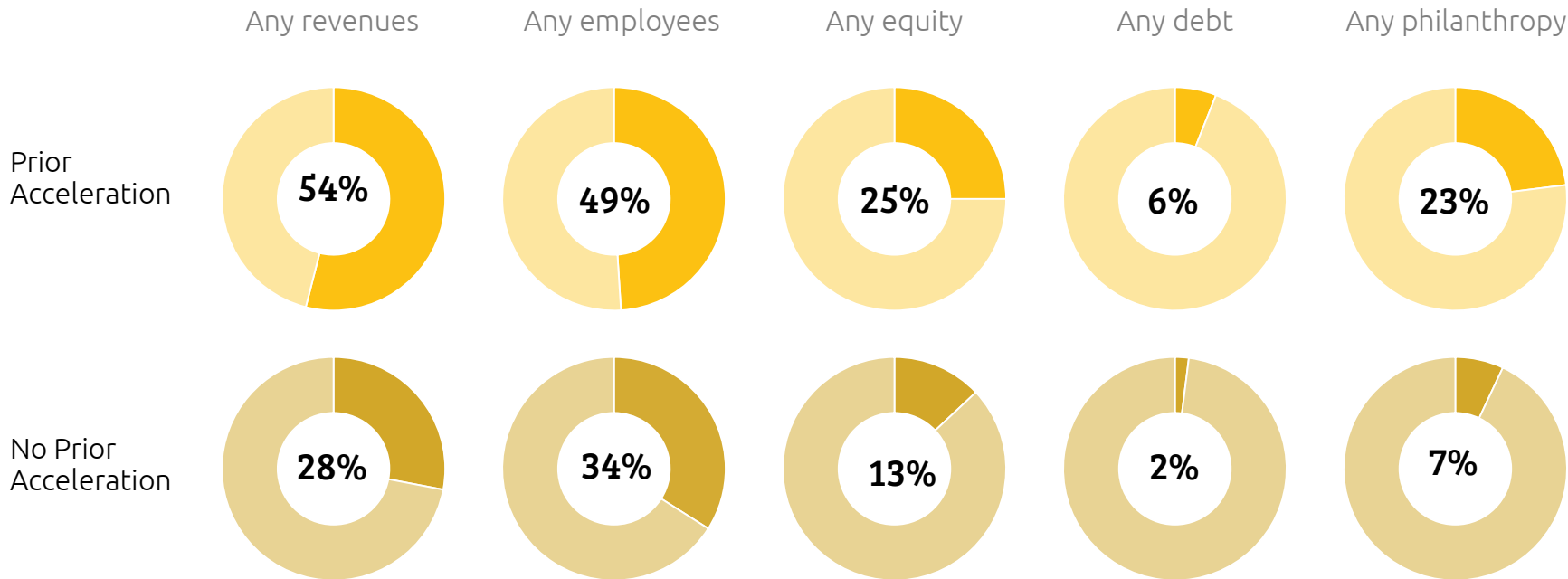


All Female
 Mixed
 All Male

Percentages reflect the proportion of the sample that has raised any revenue, employees, or investment at the time of application.

# Prior acceleration

A quarter of Brazilian ventures had previously participated in an accelerator program. Those with prior acceleration more often reported revenue, employees, and investment.

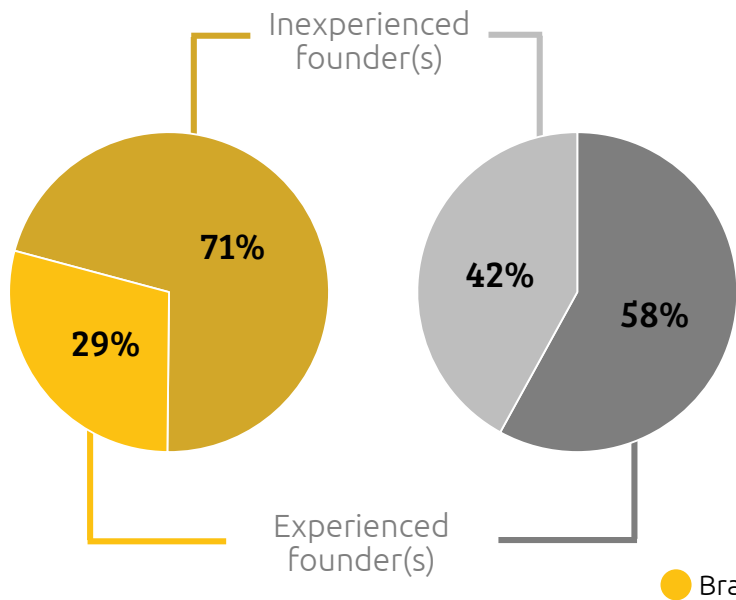


Percentages reflect the proportion of the sample that has raised any revenue, employees, or investment at the time of application.

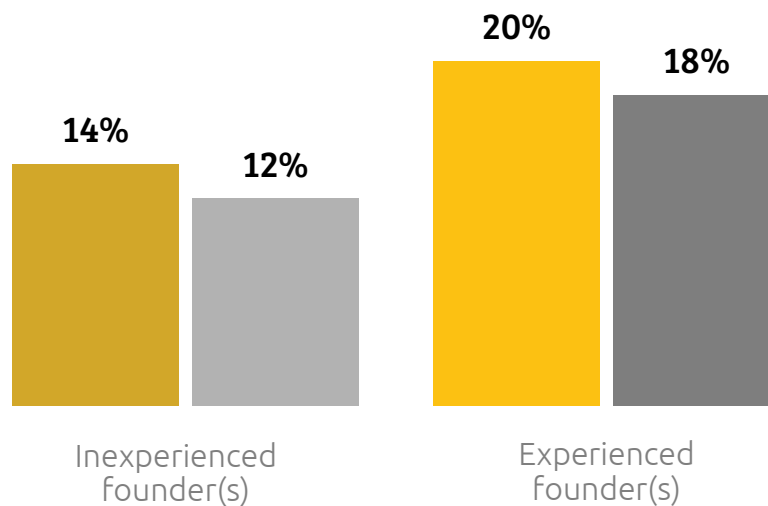
# Prior entrepreneurial experience

29% of Brazilian ventures had an entrepreneur on the founding team who had previously founded a different venture, and teams with this experience were more likely to report revenue, employees, and investment.

### Previously founded a venture



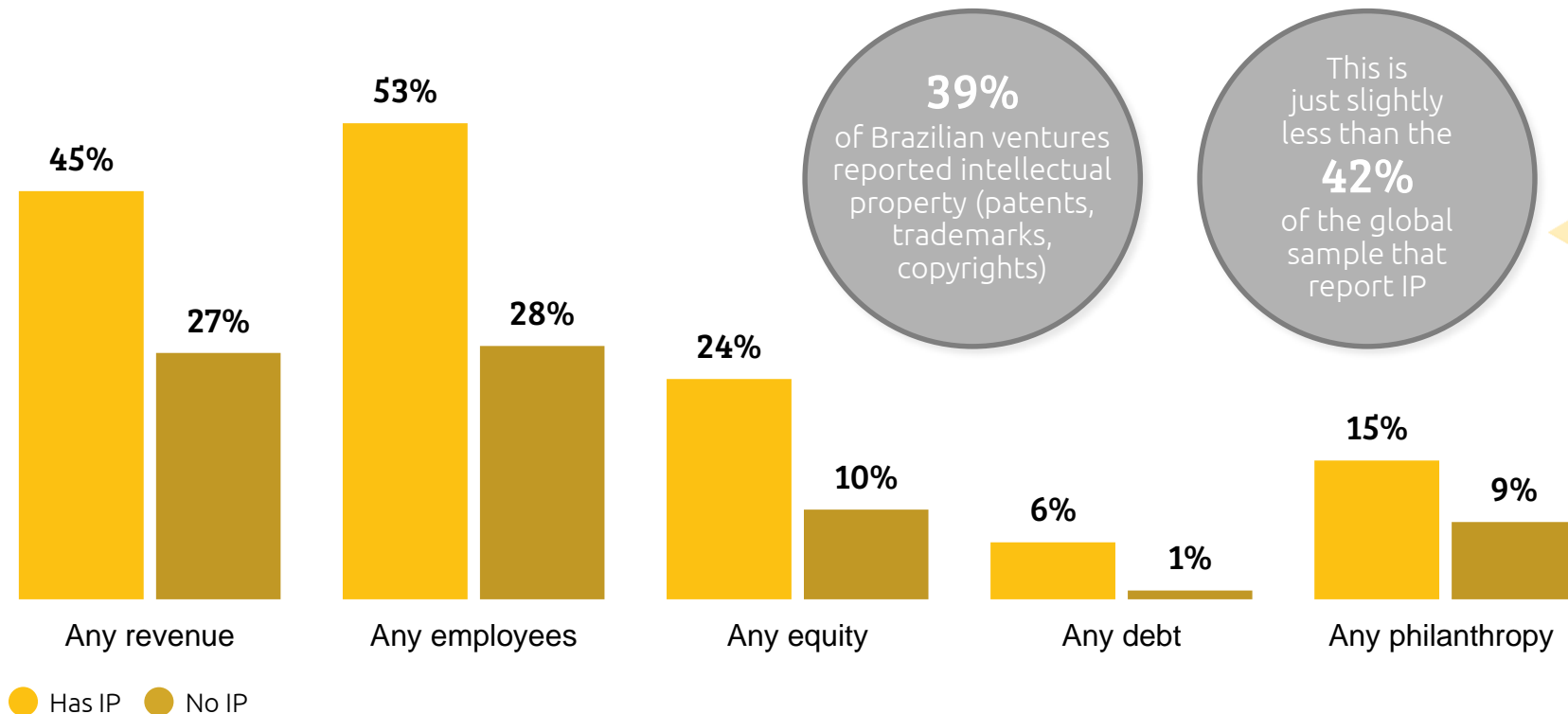
### Founder experience and equity raised





# Intellectual property

Brazilian ventures with intellectual property were significantly more likely to report revenue, employees, and investment at the time of application to an accelerator.

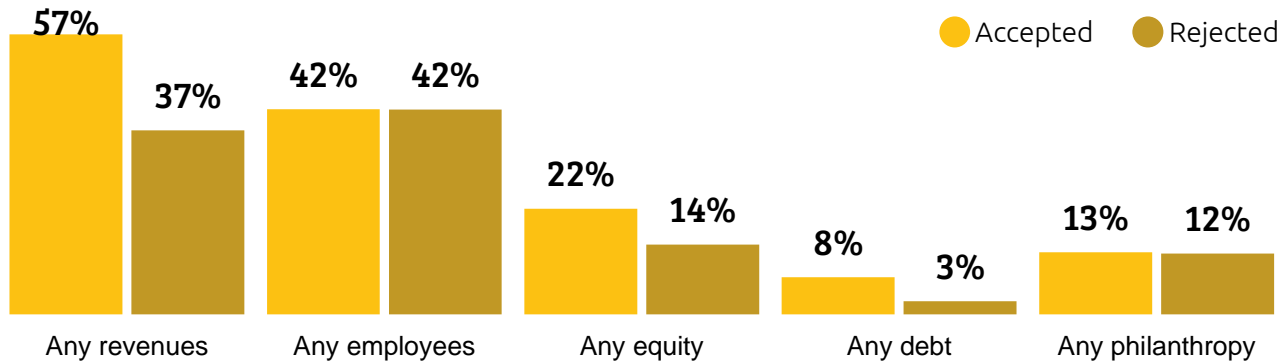


Percentages reflect the proportion of the sample that has raised any revenue, employees, or investment at the time of application.

# Accelerator selection

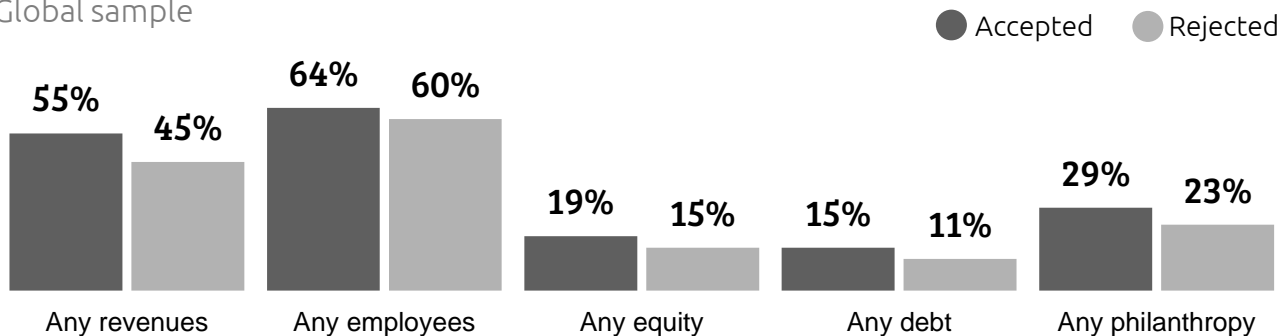
19% of Brazilian ventures were selected and participated in a program.

## Brazil



Ventures that were accepted into an accelerator were more likely to have earned revenue at the time of application.

## Global sample



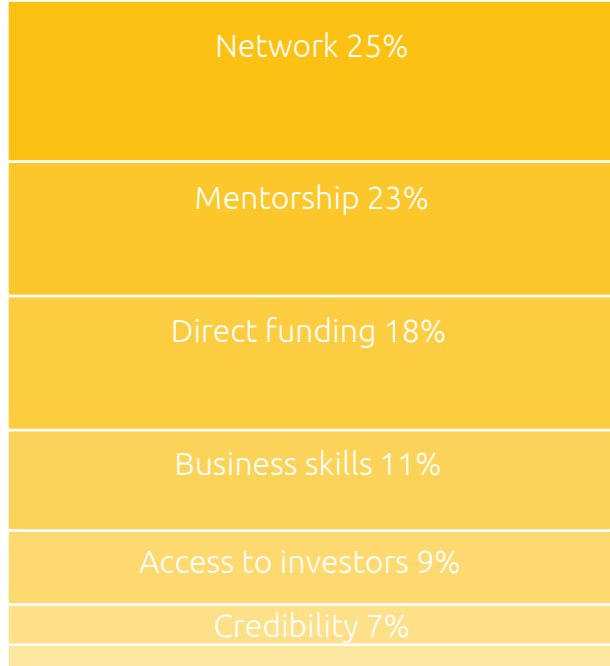
Compared to the global sample, reporting revenues and equity appeared to be a stronger indicator of selection among Brazilian ventures.

Percentages reflect the proportion of the sample that has raised any revenue, employees, or investment at the time of application.

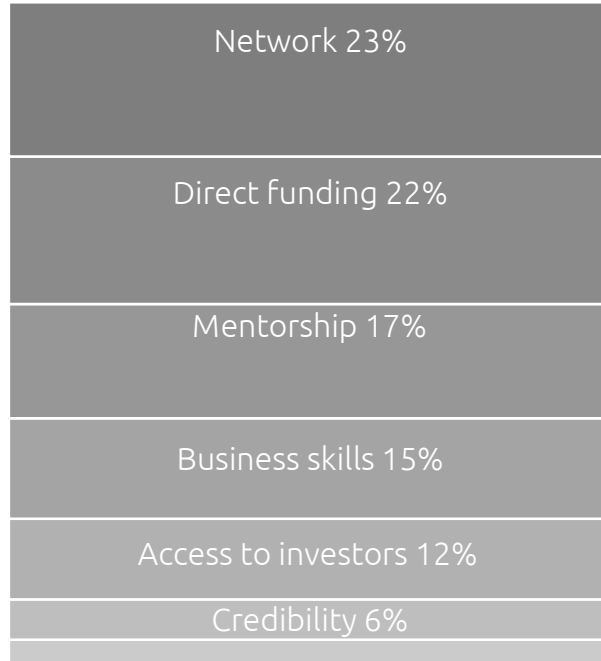
# Desired benefits of acceleration

Brazilian ventures highly rank network development as being important to their growth and success.

## Brazil



## Global sample



The development of a network through acceleration is often a top priority for Brazilian ventures, consistent with the global sample.

Only 4% of both the Brazilian and global sample ranked **access to fellow entrepreneurs** as a top anticipated benefit.

To learn more about GALI and to explore the data,  
please visit [www.galidata.org](http://www.galidata.org)



A Global Accelerator Learning Initiative (GALI) pôde ser realizada graças ao generoso apoio da Argidius Foundation, Omidyar Network, o Governo Australiano, a Kauffman Foundation e a Stichting DOEN.