

**For Immediate Release**

**Contact:**

Stephanie Buck  
(202) 736 – 3548

Stephanie.Buck@aspeninstitute.org

## **Startup Accelerator Programs Work, New Report Finds**

*The Global Accelerator Learning Initiative's third report reveals that accelerated ventures perform better.*

**Washington, DC, May 24**—Today the Global Accelerator Learning Initiative (GALI)—a partnership between the Aspen Network of Development Entrepreneurs (ANDE) and Social Enterprise @ Goizueta at Emory University—released its third major report about what is working in startup acceleration. GALI is designed to rigorously research the effectiveness of accelerator programs and how differences in these program models influence entrepreneur performance. One of the report's major findings is that, in most cases, \$1 spent on an accelerator program translates into more than \$1 of additional funds for participating entrepreneurs.

[Accelerating the Flow of Funds into Early-Stage Ventures: An Initial Look at Program Differences and Design Choices](#) examines data from more than 2,300 early stage ventures that applied to 52 acceleration programs run by 20 different organizations in a range of countries and sectors. The report compares one-year growth for ventures that were accepted and rejected from acceleration programs. The report also addresses common perceptions about what matters most in successful accelerator programs and whether certain program design choices correspond with greater equity or revenue growth for accelerated ventures.

### **Insights into program performance and design:**

- (1) Accelerated ventures perform better on average, but programs vary greatly in how effectively they help their cohorts grow.** On average, businesses that participate in accelerator programs report higher levels of new investment and revenue one year after application than their non-accelerated counterparts. But this varies widely across programs, and in some cases, participating ventures reported less funding growth than the pool of rejected applicants. Nonetheless, on average, accelerated ventures earned about \$6,000 more revenue in the first follow-up year and attracted approximately \$15,000 more incremental equity investment.
- (2) High-performing programs understand the power and value of people, connections, and networks.** This report shows that prioritizing connections to other entrepreneurs, spending more time in-person with other cohort members, and preference for women and minority applicants may matter more than a specific curriculum focus for positive funding outcomes.
- (3) The highest performing accelerators in emerging markets help their entrepreneurs grow revenue.** There is no one path to success for accelerator programs, and much may depend on the context in which the program operates. There were as many high performing programs in emerging markets as in high-income countries, but emerging market-based programs were strongest in revenue growth over equity.

Based on these findings, the report shows that, while money alone is not enough, programs that invest directly into their entrepreneurs yield ventures that have higher net funding flows on average. In addition, programs that report a preference for minority and women applicants have entrepreneurs that perform better, which presents a good signal for programs that seek to break from the startup founder stereotype.

“Our research continues to suggest that accelerators offer valuable and meaningful support for their entrepreneurs. This report specifically finds that they are good value for money. In most cases, \$1 spent on an accelerator program translates into more than \$1 of additional funding for entrepreneurs. While there is still much to learn about which specific program choices are driving these effects, and why some programs do much better than others, these observations are encouraging for the global entrepreneurship community,” stated Peter Roberts, academic director, Social Enterprise @ Goizueta, Emory University.

“This report highlights the importance of what ANDE members know to be true: access to the right people and networks can be a powerful catalyst for growth. We hope this research helps accelerators and funders of accelerator programs to identify elements that work well to better support a more diverse set of entrepreneurs the world,” said Randall Kempner, executive director of the Aspen Network of Development Entrepreneurs.

Later in 2018, GALI will enter into its second phase of funding and will continue to evaluate what works, and how it works, in startup acceleration. For more information about GALI, a research initiative established in 2015 to explore key questions about enterprise acceleration, please visit: [galidata.org](http://galidata.org)

**The Aspen Network of Development Entrepreneurs** is a global network of organizations that propel entrepreneurship in emerging markets. ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs will create jobs, stimulate long-term economic growth, and produce environmental and social benefits. Ultimately, we believe that SGBs can help lift countries out of poverty. ANDE is a program of the Aspen Institute, a nonpartisan forum for values-based leadership and the exchange of ideas. For more information, please visit [andeglobal.org](http://andeglobal.org).

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