

Global trends, funding in emerging markets and the rise of Africa

 By [Evan-Lee Courie](#)

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[Allen Taylor](#), based in Northern California, is part of the global leadership team at Endeavor, a mission-driven organisation focused on supporting high-growth companies in emerging and under-served markets.



Allen Taylor, managing director of Endeavor Catalyst

As the managing director of Endeavor Catalyst, Taylor leads Endeavor's innovative co-investment fund that has been recognised as one of the most active global venture investors in markets like Latin America and the Middle East. Since launching in 2012, Endeavor Catalyst has raised over \$250m across three funds, made 180+ investments in 30+ different countries, and realised more than a dozen exits.

Allen Taylor shares insight into the global trends, funding in emerging markets and the rise of Africa.

 ***You're the managing director at Endeavor Catalyst and SVP of Global Network at Endeavor. Could you tell us what your role entails?***

I love my job because I get to work every day with entrepreneurs - bold, visionary women and men who are reimagining how the world works and building the companies that will create the jobs of tomorrow.

Based in Silicon Valley, I work with Endeavor's team of over 500 people across 40+ countries around the world to help Endeavor Entrepreneurs raise venture capital from some of the world's leading funds - and then invest alongside them with our own co-investment fund.

I feel incredibly lucky to have the opportunity to work with some of the most talented entrepreneurs on the planet. Last year, our team helped 121 Endeavor-backed companies raise a total of \$4bn.



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■ ***In other words, you raise funds to invest in entrepreneurs? What sectors do you invest in and what do you specifically look for in a startup?***

Correct. We invest in great entrepreneurs in almost any sector who have reached the "scale-up" stage of building their company. We are focused on emerging markets - Latin America, the Middle East, Africa and Asia - as well as some underserved parts of the US and Europe.

While very open-minded on sectors, we invest primarily in technology and tech-enabled businesses, particularly in consumer, enterprise and financial services.

■ ***What are some of the trends that you are starting to see in the global entrepreneurship ecosystem?***

We've been investing in emerging markets for almost 10 years now - so far we've backed 181 companies who have grown to a combined worth ~ \$70bn - and I believe there are clear trends in how technology adoption comes to each entrepreneurial ecosystem.

“ In short, technology adoption comes in waves. ”

Most of the "first wave" businesses are consumer-focused plays like e-commerce.

The "second wave" involves technology both enabling and disrupting the largest parts of the existing economy (e.g. financial services, education, healthcare, transportation, agriculture) and the "third wave" brings technology to the enterprise, essentially the digitisation of the SME economy.

The fastest growing parts of our own portfolio are in this "second wave" of businesses. We see tons of great entrepreneurs building new technology solutions for financial services (fintech), education (edtech), healthcare (healthtech), transportation (smart cities) and well as Food and Agriculture (agritech).

■ ***If you look specifically at South Africa and Africa, what trends are you seeing?***

Similar to other emerging markets, we see quite a bit happening in South Africa - and Africa as a whole - in this "second wave" of technology adoption. Fintech players like Flutterwave in Nigeria, or MFS Africa and Ozow in South Africa, are going to be able to continue to attract significant capital as they grow.

And the same is true, I believe, for healthtech (e.g. Helium Health or 54 Gene in Nigeria), edtech (e.g. Spark Schools in

South Africa), and transportation (e.g. Lori Systems in Kenya or Kobo360 in Nigeria).

One area I am particularly keen on in Africa is agritech. We made our first investment in this space earlier this year when we invested into Aerobotics and its “AI for agriculture” platform, and I hope to do more in this space.



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■ ***From my perspective, I see fintech, e-commerce, edtech really start to flourish. What your opinion on this?***

I think e-commerce and fintech are already flourishing. The most important success cases that we will read about in the next two to three years that will reach \$1bn+ valuations, get acquired or go public, are most likely to be in these two sectors. In the meantime, I think things are only just beginning for edtech - such an important area for further innovation!

■ ***And what do you predict or forecast for Africa?***

None of us has a crystal ball, but I believe that studying other emerging economies' recent history (i.e. the past 15-20 years) - particularly that of India and Latin America - can help folks learn a lot about how high-growth entrepreneurship and venture capital could become a meaningful engine for growth in Africa.

“ *I predict venture capital and entrepreneurial activity will grow more than 500% over the next 5-10 years.* ”

I believe at least a dozen African cities could emerge as important “hubs” for technology and internet-related jobs, and that Johannesburg, Cape Town, Lagos, Nairobi and Cairo will all be thriving as “mega-hubs” for technology on the continent by 2030.

■ ***Covid-19 has impacted the economy in a tremendous way, what advice would you have for entrepreneurs during this challenging time?***

We are pulling the future forward. What I mean by that is that there are lots of trends in technology adoption - think tele-health visits with your doctor or the increased use of services like grocery delivery and e-commerce - that were predicted to happen over the next 10 years, but have instead happened in 10 months. I see this continuing.

“ *For entrepreneurs seeking to launch and scale new technology-enabled products and services, there has never been a better time to build.* ”

[Endeavor](#) is a global high-impact entrepreneurship movement to drive long-term economic growth and build strong entrepreneurship ecosystems in South Africa by selecting, mentoring, and accelerating the best high-impact entrepreneurs.

ABOUT EVAN-LEE COURIE

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