

Africa region poor performer for startup revenues, funding jobs

African startups perform poorly in comparison to their global counterparts when it comes to revenues, fundraising, and job creation, according to data released by startups pitching competition Seedstars World.

By Gabriella Mulligan ^{21 Apr 2017}



Seedstars

[Disrupt Africa reported](#) last week 12 startups from around the world were selected as finalists in the Seedstars World competition, and pitched for up to US\$1 million equity investment at the Seedstars Summit held in Switzerland.

The 12 finalists were selected from over 8,000 applications received from around the world during the course of the year-long touring competition.

Three African startups were among the finalists – [Tanzanian micro-health insurance startup Jamii](#); [Rwanda female health focused e-commerce platform Kasha](#); and Egypt's social ride-sharing platform Raye7.

However, the African representatives were pipped to first prize by fintech startup Acudeen Technologies from the Phillipines.

Releasing data collected during the course of the annual competition, Seedstars World finds that Africa as a region under-performs as compared to other regions.

The average monthly revenue globally among startups participating in startups came to US\$5,994. For African startups, the average figure came to little over US\$4,000. Meanwhile in Central and Eastern Europe (CEE), monthly average revenues almost hit US\$10,000. The top average monthly revenues were measured in Prague, Czech Republic, at US\$75,222.

The same held true in terms of fundraising. While the global average amount of funds raised by the startup to date came to US\$6,000, African startups reported average raises of just over US\$4,000 – the lowest

figure of any region. Again, the CEE region showed the highest average raise amount – at almost US\$10,000; however, the highest local average was found in Seoul, South Korea, where the average fundraising figure was US\$406,345.

Similarly, startups in Africa performed worst in terms of job creation – joined by startups from the Middle East and North Africa (MENA) region. While on average, participating startups globally employ 4.9 people; Africa and MENA the figure came to 4.2. The highest regional average was reported in Asia, at six people with Shanghai in China the strongest local market, where startups hire an average of 14 people.

All regions performed badly in terms of the presence of women co-founders, with the global average at 16.3%. The best performing region was Latin America at an 18.4% average; while Africa's average came 15%.

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