

Venture Lab

Accion Venture Lab is a seed-stage impact investment initiative sponsored by Accion. We invest capital and provide support to spur startups that are improving financial access for the globally underserved, fostering innovation and accelerating the growth of industries that support financial inclusion.

Overview

We believe startups are drivers of innovation in financial inclusion. Emerging technologies – e.g., mobile money, branchless banking, internet, social media, Big Data, and cloud computing – can transform the way the poor and underserved access financial services. Startups are at the cutting edge of these trends, catalyzing the next leap in financial inclusion by proving new ideas and inspiring the broader industry. Ultimately, startups can provide the spark that enables consumers and small businesses to access a wider range of high quality, affordable financial products and services, giving them the financial tools that have the unique potential to impact and improve their lives.

Unfortunately, startups in the financial inclusion space often suffer from a lack of capital and support: entrepreneurial ecosystems in emerging markets are underdeveloped and most institutional investors consider pre-revenue startups “pre-investable.” The result is that promising ideas and entrepreneurs are often not given a runway to experiment with new business models and scale new businesses.

Our approach

Venture Lab provides flexible financial and non-financial support to uniquely address the needs of each partner startup, which includes:

Investment capital: We invest U.S. \$100,000-500,000 in equity or quasi-equity instruments. We welcome opportunities to co-invest with like-minded investors and bring others to the table, particularly for later-stage investment into Venture Lab portfolio companies.

Support: Venture Lab is an active investor and brings to bear the people and resources of the global Accion network to facilitate enterprise success. In addition to being able to leverage Accion’s technical experts in areas such as technology and risk management, Venture Lab has an in-house portfolio support function. This dedicated team provides strategic and operational support to investees across a broad range of business and management areas. We have supported companies on business model evolution, customer segmentation, customer acquisition cost optimization, channel strategy, strategic partnership building, product design, pricing, human resource planning, budgeting, fundraising, and more.

Industry and knowledge building: Beyond directly supporting our companies, we look for opportunities to share our learnings with a broader set of industry stakeholders. We believe the innovations our startups are designing have the potential to impact the thinking and evolution of the entire sector. As such, we cultivate knowledge partners, source expertise and look to grow ecosystems around successful models.







Our focus

We invest in for-profit enterprises that are designing new products or business models that expand the choices and quality of financial services for the globally underbanked and base of the pyramid (BoP). We are particularly interested in:

- Mobile phone-based financial services, business models built on m-payments platforms, and disruptions to traditional remittance models that allow for lower cost or greater reach
- Specialized credit assessment or delivery models (e.g., underwriting/ credit-scoring approaches, finance for small and medium business, health, housing, education, and energy)
- Online or social media platforms for enabling or improving financial access (e.g., peer-to-peer lenders, online savings groups)
- Credit alternatives such as pay-per-use basic services, micro-leasing, rent-to-own, modular housing, and other “embedded” financial service models
- Other innovations that improve the reach, cost or quality of financial services to underserved customers (e.g., CRM or field force management tools, analytics)

Prospective Venture Lab portfolio companies need not have significant revenue traction but should be post-R&D, have a full-time team in place, and, ideally, have a pilot or prototype in the market. We will invest globally if the team and idea are right, but our primary focus is on emerging markets (particularly in Latin America, sub-Saharan Africa, South and Southeast Asia).

Our portfolio

<p>artoo.in</p>  <p>India Digitized field force applications for lending institutions</p>	<p>emoneypool.com</p>  <p>United States Digitized, rotating savings club, facilitating credit and savings</p>	<p>meradoctor.com</p>  <p>India Over-the-phone medical consultations and health insurance</p>
<p>ayefin.com</p>  <p>India Lender to micro and small businesses in manufacturing and services</p>	<p>firstaccessmarket.com</p>  <p>Global Credit scoring using prepaid cellphone data</p>	<p>quippi.com</p>  <p>Mexico Directed no-fee remittances through international gift cards</p>
<p>clip.mx</p>  <p>Mexico Smartphone card-reader for broader merchant acceptance</p>	<p>gofinanceco.com</p>  <p>Tanzania Working-capital finance to SMEs in local distribution value chains</p>	<p>revolutioncredit.com</p>  <p>Global Financial literacy videos and behavioral credit scoring</p>
<p>codapayments.com</p>  <p>Southeast Asia Payments via mobile airtime</p>	<p>Intoo.com.br</p>  <p>Brazil Online credit and receivables marketplace for SMEs</p>	<p>saludfacil.org</p>  <p>Mexico Affordable credit for healthcare</p>
<p>konfio.mx</p>  <p>Mexico Providing credit to micro-businesses through innovative credit algorithms</p>	<p>streetshares.com</p>  <p>United States Peer-to-peer lending for small businesses</p>	<p>creditmantri.com</p>  <p>India Financial advisory and product marketplace for consumers</p>
<p>demystdata.com</p>  <p>Global Big data for credit underwriting</p>	<p>lendstreet.com</p>  <p>United States Helping consumers refinance debt and rebuild credit</p>	<p>umaticapital.com</p>  <p>Kenya Invoice discounting finance for SME value chains</p>
<p>varthana.com</p>  <p>India Specialized loans for affordable private schools</p>		

Our team

We each draw on backgrounds in investing and investment banking, corporate law, consulting, microfinance, and startup management roles, as well as from broader experiences living and working in emerging markets worldwide.

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