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Introduction

Business accelerators – intensive, fast-paced, cohort-based business development programs aimed at helping early stage ventures grow through training and mentorship – are a model of greater and greater interest to traditional entrepreneurial communities as well as donors and governments seeking to support social enterprise. The Asia-Pacific region is no exception, with enormous opportunity given its economic expansion and dynamic markets.\(^1\) As of October 2020, Crunchbase had identified 369 accelerators operating in the region.\(^2\) And while we know accelerators play a role in developing a pipeline of investment-ready businesses, little research has been done to understand the entrepreneurs attending these programs and how they perform with this model of support.

In addition, little evidence exists globally on acceleration in emerging markets, though we know the number of programs is significant. Based on a study of over 500 tech hubs in developing countries in Asia-Pacific, roughly 40% are accelerators/incubators,\(^3\) yet in a landscape study of 69 accelerators in Asia-Pacific, more than half were based in developed markets such as Australia, China, and Singapore.\(^4\)

The Global Accelerator Learning Initiative, a partnership between the Aspen Network of Development Entrepreneurs (ANDE) and Emory University, has sought to bridge these knowledge gaps by partnering with accelerators in the Asia-Pacific to investigate characteristics of entrepreneurs in the year prior to acceleration as well as the year in which the program took place – focusing specifically on emerging market countries in the region.

### What is an accelerator?

Accelerators share a set of program characteristics that distinguish them from other forms of capacity development services. Specifically, they are time-limited programs that work with cohorts or “classes” of ventures to provide mentorship and training, with a special emphasis on connecting early-stage ventures with investment.\(^*\) The majority of programs included in this dataset meet this definition, though the terms “incubator” and “accelerator” are often used interchangeably, particularly in emerging markets, and the two often have similar goals and structures.

\(^*\)Definition adapted from: Cohen, S. & Hochberg, Y.V. (2014). Accelerating startups: The seed accelerator phenomenon. Available at SSRN 2418000

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Methodology

This knowledge brief uses data from 473 unique early-stage ventures that applied to one of 17 accelerator programs that partnered with GALI between 2015 and 2019. All the ventures included in the analysis are based in an emerging market in the Asia-Pacific region and applied to an accelerator based in the region.

When entrepreneurs apply to a GALI-participating accelerator, they are asked to complete a standardized survey which asks basic questions about their venture’s business model, financial performance, and founding team. Then, after one year, they are asked to complete a follow-up survey, whether or not they were accepted into the program to which they applied. The anonymized dataset containing both application and follow-up data can be accessed for free at www.galidata.org/data-request.

This report provides an overview of the entrepreneurs applying to accelerators in the region, and then focuses specifically on short-term impacts of accelerator program participation on commercial performance. We calculate these accelerator impacts by comparing revenue, full-time employee, and investment levels (equity, debt, and philanthropic capital) reported for the year of acceleration to those reported in the previous year. We then compare these one-year changes for ventures that participated in an accelerator to those that applied but were not accepted. Last, we take a closer look at three programs in the region by examining the performance of entrepreneurs in one of their cohorts.

Qualitative insights were also collected through interviews with five individuals who lead accelerator programs in the region. Quotes are attributed to individuals, and general insights summarize common threads that emerged from these conversations.

All financial statistics are in United States Dollars (USD).

Terminology regarding time periods

Throughout this brief, we refer to two time periods which indicate when the data were collected and the calendar year the data reference.

1) Application: Refers to the calendar year prior to the entrepreneur’s application to an accelerator.

2) Follow-up: Refers to the following calendar year, when the program took place.

The difference between these two time periods is referred to as a “one-year change.” A venture experiences a positive one-year change in revenues and full-time employees if the amounts reported at follow-up exceed those reported at application. A venture experiences a positive one-year change in investment if any additional financing is reported at follow-up.

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Visit [www.galidata.org/entrepreneurs/partners](http://www.galidata.org/entrepreneurs/partners) to view a full list of participating accelerator programs.
About the sample

The dataset analyzed in this brief contains application data from 473 ventures based in 10 emerging markets in the Asia-Pacific region, most heavily concentrated in Indonesia, Bangladesh, Pakistan, and Nepal (Table 1).6 These ventures all applied to different accelerator programs in the Asia-Pacific region. After one year, 171 of these ventures (including those who were not accepted into a program) answered a follow-up survey reporting their performance in the year the accelerator program took place.

Table 1: Ventures in sample, by country of operation and survey responses

<table>
<thead>
<tr>
<th>Country of operation</th>
<th>Provided application data</th>
<th>Provided follow-up data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>219</td>
<td>71</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>135</td>
<td>39</td>
</tr>
<tr>
<td>Pakistan</td>
<td>52</td>
<td>32</td>
</tr>
<tr>
<td>Nepal</td>
<td>46</td>
<td>22</td>
</tr>
<tr>
<td>Others7</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>473</strong></td>
<td><strong>171</strong></td>
</tr>
</tbody>
</table>

Most of the ventures in this sample are for-profit businesses (71%), with the remaining being non-profit (7%) or other/undecided (22%). Almost all (96%) identify as having a social or environmental mission as part of their business plan, and they most commonly work in the education (11%), agriculture (11%), and health sectors (10%). Roughly half report to be “invention-based” (i.e. a company that builds upon newly created technology owned by the venture and/or its founders).

Table 2 lists the Asia-Pacific accelerators that contributed the data used in this report. The regional representation of the GALI dataset is based on the programs that chose to participate in GALI and is therefore not equally representative of all countries or sub-regions within the Asia-Pacific.

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6 The sample excludes India in order to examine other countries in the Asia-Pacific region. GALI has collected data on more than 2,000 ventures based in India and published two reports on country-level trends, available at www.galidata.org/india.

7 “Others” includes Mongolia (5), Papua New Guinea (5), Cambodia (2), Vietnam (2), Afghanistan (1), Fiji (1), Kiribati (1), Laos (1), Philippines (1), Samoa (1), Solomon Islands (1).
In addition, the research team interviewed representatives from three profiled accelerators as well as three additional stakeholders with a deep understanding of acceleration in the Southeast Asian context.
A look at Asia-Pacific ventures that seek acceleration

In the GALI data, most Asia-Pacific ventures that applied to accelerators were established but still at an early stage of growth. The majority (67%) had been in operation for two years or less. Well over half were generating revenue and nearly 75% had employees at the time of application, yet less than 15% had equity or debt financing (Table 3).

Table 3: Percent of ventures with revenue, employees, and investment at application, and average amounts

<table>
<thead>
<tr>
<th>Percent of ventures with any (at the time of application to an accelerator)</th>
<th>Average (for those that reported any)</th>
<th>Median (for those that reported any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>66%</td>
<td>$115,197</td>
</tr>
<tr>
<td>Employees</td>
<td>74%</td>
<td>5.9</td>
</tr>
<tr>
<td>Equity</td>
<td>11%</td>
<td>$37,586</td>
</tr>
<tr>
<td>Debt</td>
<td>10%</td>
<td>$16,742</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>24%</td>
<td>$68,733</td>
</tr>
</tbody>
</table>

N = 473 ventures

Note: Revenue is reported for the previous calendar year, number of employees is as of December 31 of the previous year, and investment (equity, debt, philanthropy) is cumulative since founding.

As shown in Figure 1, ventures in the agricultural and artisanal sectors were most likely to be post-revenue upon application to an accelerator, while those in the agriculture and education sectors were most likely to have investment.
Figure 1: Percent of ventures with revenue and investment, by sector
(for sectors with at least 30 ventures in sample)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percent with revenue</th>
<th>Percent with investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artisanal</td>
<td>84%</td>
<td>45%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>78%</td>
<td>51%</td>
</tr>
<tr>
<td>Education</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>ICT</td>
<td>59%</td>
<td>38%</td>
</tr>
<tr>
<td>Health</td>
<td>52%</td>
<td>37%</td>
</tr>
<tr>
<td>Environment</td>
<td>43%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Note: Investment refers to any type of equity, debt, or philanthropic funding.

Over 80% of ventures in the dataset have a founding team rather than being led by a single entrepreneur. The average size of the founding team is three individuals, and these founders were on average 32 years old (less than the global average of 35). Just over 50% of founding teams include a woman, and while these ventures were more likely to have revenue when applying to an accelerator, they were less likely to report any investment.8

Of the 473 Asia-Pacific ventures that applied to accelerators, 84 (18%) were selected to participate. This is in line with studies of acceleration that highlight the selective and highly competitive nature of such programs9 (across programs in the global GALI dataset, the median acceptance rate is 20%). Simply having revenue, employees, and investment did not appear to carry much weight in program selection decisions, as the percent of ventures with these financial milestones was similar in both accepted and rejected pools.10 However, we see more variability when looking at average dollar amounts, particularly in terms of employees and philanthropic support (Table 4). Given the early-stage focus of many accelerators, the lack of focus on revenue is not necessarily a surprise. As one interviewee put it, “it’s really the idea or solution that generates interest,” and for programs that do not provide direct funding, “they are not selecting for potential scale or investment” but rather for a particular profile and focus area. Other accelerators, such as Invest2Innovate in Pakistan (profiled later in this brief) take a more market-oriented approach. Invest2Innovate does their own research on high-growth market opportunities and then searches for promising ventures that have the potential to meet these opportunities, rather than focusing solely on a venture’s financial track record.

8 Gender discrepancies within the GALI data are explained in detail in the following report: Davidson, A. and Hume, V. “Accelerating Women-led Startups,” 2019.
10 The only exception was in philanthropic funding – 32% of accepted ventures reported some philanthropic capital compared to 13% of rejected ventures (a difference significant at the p<.05 level).
Table 4: Average financial performance (at the time of application) of accepted versus rejected ventures

<table>
<thead>
<tr>
<th></th>
<th>Accepted (N=389)</th>
<th>Rejected (N=84)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$64,318</td>
<td>$77,914</td>
</tr>
<tr>
<td>Employees</td>
<td>7.8</td>
<td>3.6</td>
</tr>
<tr>
<td>Equity</td>
<td>$4,492</td>
<td>$4,151</td>
</tr>
<tr>
<td>Debt</td>
<td>$3,274</td>
<td>$1,316</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>$67,568</td>
<td>$5,729</td>
</tr>
</tbody>
</table>

When asked to rank the potential benefits of acceleration in terms of importance to their venture’s growth and success, applicants prioritized network development and business skills, followed by direct funding and mentorship (Figure 2). Despite access to investors being ranked lower on the list, the vast majority (86%) reported to have a fundraising target for the next 12 months.

Figure 2: Top desired benefits of acceleration, as ranked by applicants

- Network development: 26%
- Business skills: 23%
- Direct funding: 19%
- Mentorship: 17%
- Access to investors: 9%
- Awareness and credibility: 5%
- Access to other entrepreneurs: 2%
Asia-Pacific ventures that apply outside the region

Not included in the sample of ventures analyzed in this brief, the GALI dataset contains an additional 310 Asia-Pacific ventures that applied to programs outside the region, most commonly in Europe (28%), the United States (23%), and Latin America (15%), in addition to virtual or multi-country programs. These ventures were significantly more likely to have equity investment and philanthropic funding pre-acceleration than those that applied within the region and had on average four times the amount of funding (approximately $100,000 vs. $23,000 respectively). Not surprisingly, these ventures were significantly more likely to have a founding team member who was born outside the region (26% vs. 4%). This is important to note, as research has pointed to an advantage in securing funding held by expatriate entrepreneurs over locals* and it is unclear how attending a foreign accelerator program may increase these discrepancies. There may also be upsides to going abroad for acceleration for local entrepreneurs. Melanie Mossard, the Director of Entrepreneurship and Innovation at Impact Hub Phnom Penh, pointed to potential beneficial effects of a venture participating in accelerators outside the region: exposing entrepreneurs to new ideas that could be replicated as well as helping an entrepreneur think at a larger scale.


Figure 3: Percent of ventures with revenue, employees, and investment, by region of program to which they applied

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Employees</th>
<th>Equity</th>
<th>Debt</th>
<th>Philanthropy</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>74%</td>
<td>11%</td>
<td>10%</td>
<td>24%</td>
</tr>
<tr>
<td>66%</td>
<td>79%</td>
<td>19%</td>
<td>14%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Applied in Asia-Pacific (N=473) | Applied outside (N=310)
Short-term outcomes of acceleration

To examine how ventures grow during their year of acceleration, we reduce the sample to just those ventures that responded to a one-year follow-up survey, which captures financial performance on year after application to an accelerator. In total, 171 ventures provided this follow-up data (including 28% that were accepted into the program to which they applied and 72% that were rejected). The most clear and significant difference between accelerated versus non-accelerated ventures was in revenue, as roughly 20% more accelerated ventures increased their revenues compared to those that were rejected (Figure 4). While this higher revenue growth among accelerated ventures may point to the ability of accelerator selection committees to identify the most promising entrepreneurs, this advantage is not evident in funding levels. Less than 10% of accelerated ventures increased their equity investment levels, and only in debt funding did accelerated ventures outperform those ventures that applied but were rejected.

Accelerated ventures also did not meet their own financing expectations, most notably for equity finance. Figure 5 compares the percent of accelerated ventures with 12-month fundraising plans to the percent that actually raised funding.

Figure 4: Percent of ventures with one-year growth, by program participation

![Figure 4: Percent of ventures with one-year growth, by program participation](image)

Accepted (N=47)  
Rejected (N=120)

Figure 5: Percent of accelerated ventures with fundraising plans vs. the percent that raised any funds

![Figure 5: Percent of accelerated ventures with fundraising plans vs. the percent that raised any funds](image)

N=47
Figure 6 compares the accelerated ventures in Asia-Pacific to those in other emerging markets and the entire global dataset. Asia-Pacific ventures were more likely to experience revenue growth during their year of acceleration than both the emerging market and global samples but were less likely to increase their funding levels.

Table 5 displays this same comparison but in average dollar amounts. The same trends emerge – with Asia-Pacific ventures experiencing greater revenue growth on average but lagging in investment growth. As indicated earlier in Figure 5, plenty of ventures had 12-month fundraising plans, so this is not due to a lack of demand. Rather, local actors point to challenges in the investment climate. Frontier Incubators noted in their landscape study of the Asia-Pacific ecosystem that “There is a lack of early-stage capital, flexible catalytic funds, as well as investors that are well placed to provide both financial and non-financial support that enterprises require to grow.”

This issue is particularly pronounced in more nascent ecosystems in the region. Melanie Mossard, speaking for Impact Hub Phnom Penh, for example, noted that early-stage investment remains extremely uncommon in Cambodia, with only a handful of angel funds and venture capital funds operating. Similarly, Priya Thachadi, co-founder and CEO of Villgro Philippines observed that “the missing middle is very acute in the region [for] companies raising under USD $500,000.”

Program models also may not be fully optimized to address the investment needs of entrepreneurs. According to this same CEO, “most incubators/accelerators don’t focus on investment readiness, nor do they invest” and often investment facilitation is centered around a pitch event like a demo day. A stakeholder deeply involved in the Thai startup ecosystem also pointed to the fact that accelerators often do not take any equity themselves, and therefore do not have a strong incentive to focus on investment and growth. Challenges to accessing investment may also be deeper for entrepreneurs going through impact-oriented accelerators, who must balance demonstrating business growth potential to traditional investors and scaling social/environmental to impact investors. As the Thai stakeholder put it, these social entrepreneurs in particular are “overworked, under resourced and have too many things competing for their time.”

Fortunately, many accelerators partnering with GALI have begun to experiment with more investment-focused models, as described in the profiles below. And local stakeholders are optimistic: Mossard noted that in five years they expect the number of investors to increase dramatically, and that the pipeline of investment-ready enterprises coming out of local accelerators will provide fertile ground for investments.

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Table 5: One-year growth of accelerated ventures, by region

<table>
<thead>
<tr>
<th>Average growth in:</th>
<th>Asia-Pacific Ventures (N=47)</th>
<th>Other Emerging Markets(^{12}) (N=1,577)</th>
<th>Global (N=2,265)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$38,639</td>
<td>$25,499</td>
<td>$27,323</td>
</tr>
<tr>
<td>Employees</td>
<td>2.4</td>
<td>1.6</td>
<td>1.4</td>
</tr>
<tr>
<td>Equity</td>
<td>$1,875</td>
<td>$18,024</td>
<td>$32,347</td>
</tr>
<tr>
<td>Debt</td>
<td>$1,294</td>
<td>$13,106</td>
<td>$19,487</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>$7,256</td>
<td>$11,230</td>
<td>$20,267</td>
</tr>
</tbody>
</table>

\(^{12}\) This group is composed of ventures based in non-high income countries in the following regions: Latin America & Caribbean (54%), Sub-Saharan Africa (33%), South Asia (11%), Middle East & North Africa (2%), and Europe & Central Asia (1%).
Profiles of three participating accelerators

The following section highlights three programs in the Asia-Pacific region that partnered with GALI. Their unique regional contexts and focuses highlight the diversity of approach among accelerators in the region, and corresponding GALI data illuminates where programs are finding success and facing specific challenges.
**Kinara Indonesia**

Kinara Indonesia is an early-stage impact investing firm focused on providing financial access and scaling-up support to impact businesses in Indonesia. Starting in 2014, its impact-focused accelerators was one of the first in Indonesia. Kinara supports early stage entrepreneurs with improvements to team management, corporate governance, product management, financial management, marketing, strategic management and alternative financing.

Kinara Indonesia partnered with GALI for its 2016-2018 accelerator programs to better understand the short-term impact they had on supported ventures. Each cohort consists of 12 ventures, and this profile highlights data collected from the 2016 application pool, with follow-up data from six accelerated ventures and seven that were rejected. Participants were more likely to grow their revenues during their year of acceleration compared to rejected ventures, and on average grew their revenues considerably more ($311,115 in the year of acceleration compared to $209,427 for rejected ventures). They also increased equity, debt, and philanthropic investment in the year of the program (Figure 7).

**Figure 7: Percent of ventures with one-year growth, by program participation**

<table>
<thead>
<tr>
<th></th>
<th>Accepted (N=6)</th>
<th>Rejected (N=7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>100%</td>
<td>50%</td>
</tr>
<tr>
<td>Employees</td>
<td>50%</td>
<td>57%</td>
</tr>
<tr>
<td>Equity</td>
<td>57%</td>
<td>33%</td>
</tr>
<tr>
<td>Debt</td>
<td>50%</td>
<td>14%</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>50%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Kinara is relatively unique in that the program itself makes a small investment in a subset of ventures within each accelerator cohort, directly addressing some of the investment challenges described by interviewees. Furthermore, this investment is allocated based on a “peer selection” model, which a Kinara program manager pointed to as a key driver of investment success for participating enterprises. Pioneered by Village Capital, this approach guarantees seed investment to the top participating ventures based on a selection process undertaken by the entrepreneurs themselves. During this peer selection process, each entrepreneur is asked to evaluate their peers using a set framework that enables them to assess a business from the investor perspective which in turn equips them with an investor mindset. And for those selected to receive investment, this not only provides some much-needed capital, but also ensures that when the ventures are ready for larger investments, they already have all necessary investment documentation in order, have an investment track record, and have gone through a full due diligence process.
**Enterprise Nepal**

Enterprise is the flagship business accelerator program of One to Watch, which aims to help growth stage Nepalese companies fine-tune their business models, align their vision and pitch their plans to investors, and move to the next level of business growth. Their previous 12-week mentorship-based program was provided to a number of carefully selected companies looking to grow their businesses and attract new investors. For the first eight weeks of the program, companies work extensively with experienced mentors and industry experts to fine-tune their business models, study relevant market segments, and build a strong financial plan. They provide a platform that connects companies with potential investors, a network of diverse mentors, peers, and ecosystem organizations, with training workshops and consulting sessions.

Enterprise Nepal partnered with GALI for their 2018 program. They received 33 applicants, of which they accepted 10 (and 8 provided follow-up data). Participating ventures were more likely to increase revenues and add employees in comparison to ventures that applied but were not selected into the program (Figure 8). A quarter were able to raise new debt funding, and a smaller proportion secured philanthropic capital, but at the time of the follow-up survey none of the accepted or rejected ventures had accessed equity.

![Figure 8: Percent of ventures with one-year growth, by program participation](image)

According to Anupam Man Chhantyal, who leads the Enterprise Nepal program, since the 2018 cohort, Enterprise Nepal has made significant adjustments to the program to address some of the complexities and challenges of fundraising in the local ecosystem. The program now starts with a larger pool of companies to which Enterprise provides business development support on a customized basis as they scale and look for investment. Whereas the program previously started the investor connection process at the end of the program with demo days in Kathmandu, Amsterdam, and London, the program now starts with initial investor connections at the very beginning of the program. Experience shows that the investment process simply takes a long time in Nepal; in fact, at least two participants from the 2018 cohort have gone on to receive investment since the one-year follow-up was completed. By making initial investor touchpoints well before demo day, the opportunities to move closer to an actual deal shortly after the program will increase.

An additional issue related to fundraising is the ventures’ own preparedness. Many ventures participating in the Enterprise Nepal program make shifts to their business model, allowing them to increase their revenues and staff as reflected in the 2018 data. However, fully completing this shift takes time, and for many ventures, starting with revenue growth and eventually moving towards equity investment reflects a more strategic long-term path.
### Invest2Innovate

The Invest2Innovate (i2i) Accelerator is an annual program that connects high-potential entrepreneurs to the resources and support they need to grow their businesses. The i2i Accelerator is a four-month program that runs from September to January each year in Pakistan. Over the course of four months, selected entrepreneurs receive access to virtual support to grow their businesses and convene for six in-person weekends in either Karachi or Lahore, with targeted sessions led by mentors on topics ranging from branding to customer acquisition to financials and operations.

Invest2Innovate partnered with GALI for their 2017 program. They received 34 applicants, of which they accepted 10 (and 9 provided follow-up data). Participants were more likely to increase revenues and philanthropic capital compared to rejected ventures (Figure 9).

![Figure 9: Percent of ventures with one-year growth, by program participation](image)

Invest2Innovate’s model is specifically designed to address investment readiness, and since the 2017 cohort their focus on fundraising has only increased as they have expanded their work with women entrepreneurs – who have traditionally faced greater barriers to investment. In addition to deepening the program’s investment readiness training, Invest2Innovate is also starting their own fund to invest directly in entrepreneurs that come out of their program as well as other high-potential ventures. This will allow them not only to provide more robust support to ventures but also to serve as a model for how investment funds can provide a greater diversity of funding types to address the early-stage financing gap in Pakistan, in particular for women. As the company’s CEO Kalsoom Lakhani put it, “Not every company is a venture company, but the current market is skewed towards venture capital. The number one thing we’re doing is to try to diversify the pool of investors to match the diversity of women-lend companies, most of which are not venture-style deals.” By focusing on alternative deal structures like revenue-based financing, there is an increased likelihood that the available capital can be a fit for a more diverse set of local entrepreneurs.
Adapting Acceleration during Covid-19

The Covid-19 pandemic has been a major shock to entrepreneurial ecosystems around the world, presenting a significant risk for entrepreneur support organizations. ANDE’s global network of entrepreneur support organizations reported major disruptions in revenue streams and the ability to support entrepreneurs effectively as the pandemic spread throughout mid-2020.*

However, interviews with accelerator representatives in the Asia-Pacific region revealed that in many cases the pandemic has increased demand for their support services. As Thachadi from Villgro Philippines put it, “work has only increased… support for enterprises is critical as we now start to focus on economic recovery.” Accelerators are themselves usually startups, and as such have used many of the same principles they teach to ventures regarding the need to pivot and adapt to changing circumstances. One to Watch in Nepal, for example, launched a short-term bridge fund to help their enterprises weather the initial crisis. Invest2Innovate was already heavily using virtual tools, so was able to easily begin new cohorts entirely virtually. In some ways this can be more effective, as it makes it easy to leverage international mentors to participate and to facilitate peer learning between entrepreneurs from around the world.

Of course, the transition to virtual services is not always smooth, and the economic repercussions can make it difficult for entrepreneurs to focus on longer-term strategy rather than immediate survival. But the creativity of GALI’s partners in the region show that accelerators have continued to adapt and innovate despite these challenges.

Conclusion and future research

Accelerators have become a key part of entrepreneurial ecosystems across the Asia-Pacific region. Accelerator programs serve as critical support for early-stage, growth-oriented ventures, and GALI’s data show a strong positive association between acceleration and supported ventures’ ultimate growth. Nevertheless, challenges remain, in particular in terms of investment: while ventures participating in accelerators were more likely to experience revenue growth, a much smaller share were able to fundraise despite having investment targets.

While early-stage investment in many countries in the region remains relatively limited, it is clear that many accelerators are shifting their models to more fully address ventures’ fundraising challenges. From raising funds themselves to providing deeper investment readiness training, accelerators are seeing success with new approaches to filling the missing middle financing gap. And while the Covid-19 pandemic has caused a major economic shock, many accelerators have stepped up to continue to provide services in the face of the crisis.

As local entrepreneurial ecosystems continue to expand, this analysis suggests various research questions that are particularly important to consider:

- How, and to what extent, do accelerators’ own investments into ventures contribute to venture growth?
- With the success of deep-dive investment readiness training programs, how could these models be scaled given their inherent high-touch approach?
- How do contextual factors like the policy environment interact with accelerator models to enhance or impede venture success?
- Among impact-oriented accelerators, are there specific impact areas that are particularly fertile ground for social enterprises to grow in the region?

Any researchers interested in using GALI’s data and experience to address these or other questions should reach out to Abby Davidson at abigayle.davidson@aspeninstitute.org. The GALI data can also be downloaded for research purposes at www.galidata.org/data-request.
Global Accelerator Learning Initiative (GALI)

GALI is a collaboration between the Aspen Network of Development Entrepreneurs (ANDE) and Emory University designed to explore key questions about enterprise acceleration such as: Do acceleration programs contribute to revenue growth? Do they help companies attract investment? GALI builds on the Entrepreneurship Database Program at Emory University, which works with accelerator programs around the world to collect data describing the entrepreneurs that they attract and support. GALI is supported by the Argidius Foundation, Omidyar Network, the Kauffman Foundation, Stichting DOEN, and the Australian Government.

To learn more about GALI and to access related publications, visit www.galidata.org

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