

Sourcing high-value investment targets in the fintech sector for a European VC firm



- Investment opportunity assessment
- Target identification

Business need

- The client, a European venture capital firm with a focus on investing in rapidly-growing tech companies, was looking to invest in fintech companies in Germany.
- It wanted to identify early-stage Business-to-Business (B2B) and Business-to-Consumer (B2C) companies, with up to a million Euros in annual earnings.
- It was open to both investor-owned and founder-owned businesses that offered payments, insurance, lending, credit rating or any other kind of banking and financial service.

To identify early-stage fintech companies operating in Germany, across both B2B and B2C models.

The client outlined two key reasons for engaging RocSearch:

- Our ability to rapidly deploy experienced and highly pedigreed merger & acquisition (M&A) resources
- Our unique RocEye target identification approach that has a proven track record of identifying qualified targets for niche opportunities

Approach and Methodology



- Our team of private equity consultants created a comprehensive universe of target companies meticulously sourced from market-leading proprietary databases and public league tables, several fundraise platforms and fintech events in Germany.
- Since most companies in the category did not report their revenue, we used company assets as a proxy to map the right sized companies, after due consultation with the client.

RocSearch screened a universe of 600+ small and micro businesses in the German financial services, technology and fintech sectors.

- We deployed our comprehensive RocEye target identification approach and shortlisted 27 right-sized tech businesses, offering digital financial services in B2C and B2B models.

Business outcomes

- A ready and actionable pipeline of highly relevant potential targets, with information on their service offerings, business model, size.
- A detailed study of the company assets as a proxy to map the right sized companies in the absence of reported revenues.
- The client was able to initiate preliminary discussions with 8 out of 27 identified businesses.

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About RocSearch

Founded in 1999, RocSearch has been a pioneer in empowering our clients to overcome challenges and realize their goals. Our strength is delivering research and advisory solutions through managed and dedicated teams that produce the expert intelligence our clients require to gain a true competitive advantage.

We draw on proven expertise to deliver consistent value across all types of business requirements: ranging from digitization and analysis of business, financial, or customer data to the provision of 'act-on' insights for the most challenging business problems.

Our longstanding client relationships bear testament to the enduring value we create, alongside our consistent reliability and absolute discretion. We take great pride that many of the brightest global companies rely on us to help them achieve top-line growth, operational efficiency and increased profitability.

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