

Centre for Sustainable Structural Transformation
SOAS UNIVERSITY OF LONDON

Venture Capital as a Conditional Architect: Staged Financing and Value-Chain Repair in Five African Ventures

Carl Adams Kopati Gbali and Antonio Andreoni

Working paper

NUMBER | 024

November | 2026

Centre for Sustainable Structural Transformation Working Paper Series is published electronically by SOAS University of London.

ISSN 3049-9097

SOAS Centre for Sustainable Structural Transformation (CSST)

The SOAS Centre for Sustainable Structural Transformation (CSST) reimagines and promotes structural transformation in an age of ecological and social crises through industrial policy that is long-term-oriented and frame-shifting.
By acting as an action-oriented hub for research, learning and policy for the Global South, especially Africa, CSST conducts path-breaking research on structural transformation, industrial dynamics, and economic diversification strategies and on how to make them environmentally and socially sustainable. Going beyond research silos, CSST advances an integrated framework focusing on four inter-linked research and industrial policy areas: energy transition, critical minerals, restructuring of supply chains, and construction of new infrastructure.
CSST conducts research in these areas through deep dives into countries and sectors, with a view to unlocking sector-specific binding constraints and promoting linkages across sectors. CSST's research will be rooted in the understanding of national and international political economy, trends in industrial and technological changes, and the constant changes in business models.
CSST is directed by Professors Ha-Joon Chang and Antonio Andreoni.

This and other papers can be downloaded free of charge from:

https://www.soas.ac.uk/centre-sustainable-structural-transformation-working-papers

Centre for Sustainable Structural Transformation
SOAS University of London
Thornhaugh Street, Russell Square, London WC1H 0XG, UK
E-mail: csst@soas.ac.uk
www.soas.ac.uk/research/research-centres/centre-sustainable-structural-transformation

Venture Capital as a Conditional Architect: Staged Financing and Value-Chain Repair in Five African Ventures

Carl Adams Kopati Gbali[1] and Antonio Andreoni[2]

Abstract

Venture capital (VC) is commonly examined in terms of firm-level growth. However, VC-backed ventures in fragmented African markets also build coordination infrastructure that links actors, services, finance, and information across organisational boundaries. This paper examines how staged VC enables and conditions founder-led value-chain repair, and why valuable coordination infrastructure does not always secure continued investment. Drawing on 12 semi-structured interviews with founders, executives, and investors and 27 documentary sources, we analyse four core ventures in agriculture, healthcare, and finance (Pula Advisors, Ilara Health, Moniepoint, and RelianceHMO) and Zoona as a retrospective contrast case. We find that successive investments support overlapping coordination functions, including experimentation, organisational development, capability recombination, geographic expansion, and platform transition, rather than discrete activities tied to financing rounds. Investor influence operates through two mechanisms: follow-on selection conditioning, which governs access to subsequent capital, and directional conditioning, through which boards, budgets, milestones, and financing tranches can shape the pace and geography of scaling. Three ventures experienced sustained coordination amplification, one faced constrained development, and Zoona underwent post-scale reversal amid replication pressure, competition, regulatory change, and a financing shock. These trajectories also reflected founder agency, market conditions, and complementary financing. We conceptualise VC as a conditional architect of value-chain repair and develop three propositions, identifying a potential misalignment between the structural value of locally embedded coordination and investors' requirements for privately capturable, scalable returns.

Keywords: venture capital; industrial ecosystems; platform business models; value-chain transformation; inclusive innovation.

JEL classification: G24; L14; O16; O33; O55

Acknowledgements: We are thankful to the CSST team for valuable comments and feedback. We also thank the founders, executives and investors who gave their time to be interviewed. This research was supported by TLcom Capital (R532).

[1] Centre for Sustainable Structural Transformation, Department of Economics, SOAS University of London
[2] Centre for Sustainable Structural Transformation, Department of Economics, SOAS University of London

1. Introduction

In many higher-income economies, value-chain coordination, including payment infrastructure, information flows, and links among producers, financiers, and service providers, is supported by established institutions, capital markets, and incumbents. In many African markets, these arrangements remain incomplete. Weak infrastructure, limited digitalisation, constrained finance, and limited regional integration can leave productive actors disconnected within value chains (UNCTAD, 2024; Cruz et al., 2024). Small firms may lack digital infrastructure and funding; primary-care clinics may lack diagnostic equipment; and smallholder farmers may remain outside formal payment, credit, and insurance systems (Cruz et al., 2024; Dhoot et al., 2018; Mulupi et al., 2022; Nair & Varghese, 2020; IFC, 2025a). Ventures may therefore need to construct not only products and organisations but also systems connecting actors, information, finance, and complementary services.

Venture capital increasingly finances such ventures despite investment horizons, scalability expectations, and return requirements. This paper argues that multi-stage VC can act as a conditional architect of coordination infrastructure. Its role becomes architectural where investments and associated governance and relational resources influence how founders connect fragmented actors and capabilities. It is conditional because access depends on ventures demonstrating growth, margins, organisational readiness, scalability, and returns.

The ventures examined construct bridging networks coordinating goods, services, payments, finance, and information across organisational boundaries, with data supporting monitoring, risk assessment, and service extension. VC involvement creates an important tension: a venture may construct valuable coordination infrastructure without generating the margins, geographic replicability, or growth required for continued support. Selection conditioning concerns whether investors provide or renew capital across stages and whether coordination-building can begin or continue. Directional conditioning concerns how committed capital is deployed through boards, budgets, milestones, reporting, and investor expectations, influencing the pace, sequencing, geography, and form of scaling. Ventures producing growth and scalability signals may attract further capital, whereas those creating structural value less readily converted into private returns may remain constrained.

Existing VC research explains how investors shape financed firms through staged financing, monitoring, governance, contractual control, and non-financial support (Sahlman, 1990; Gompers, 1995; Kaplan & Strömberg, 2003; Drover et al., 2017) but pays less attention to how staged investment shapes the interorganisational coordination infrastructures that platform ventures construct beyond firm boundaries in fragmented markets. This is the paper's primary gap. Two adjacent literatures explain why these arrangements matter but leave the financing question underdeveloped. Ecosystem theory shows how interdependent actors align complementary resources and activities to create value (Adner, 2017; Jacobides et al., 2018; Stam & van de Ven, 2021), but focuses more on coordinating interdependencies than on financing their construction. Inclusive-innovation research examines how innovation broadens participation and connects underserved groups to productive systems (George et al., 2012; Heeks et al., 2014), but pays less attention to the investment conditions that determine which inclusion-oriented infrastructures scale. In the cases examined, coordination-building resources were distributed among investors, founders, development organisations, public agencies, banks, and other financiers. This creates a coordination-financing puzzle: how is coordination infrastructure financed and governed, and how do the conditions attached to VC shape its development?

The paper therefore asks: how does multi-stage venture capital enable and condition the construction of coordination infrastructure for value-chain repair in African markets, and how do investor requirements shape whether that infrastructure expands, changes direction, or contracts?

The study addresses this question through a multi-case design involving five VC-backed ventures in agriculture, healthcare, and finance. Four core cases, Pula Advisors, Ilara Health, Moniepoint, and RelianceHMO, draw on interviews with founders, executives, and investors. Zoona is a theoretically selected contrast case reconstructed from a retrospective interview and documentary evidence. Together, the cases capture sustained amplification, constrained development, and post-scale reversal.

The paper makes three contributions. First, it develops a functional account of staged VC engagement by showing how successive investments support overlapping coordination functions, including experimentation, organisational development, capability recombination, geographic expansion, and platform transition. This shifts attention from financing-round labels to the functions capital performs throughout venture development. Second, it distinguishes selection from directional conditioning, showing that investor dependence affects both access to further capital and the organisational, geographic, and temporal form of scaling. Third, it separates value-chain repair from venture-level scaling success, demonstrating that ventures may construct coordination infrastructure without satisfying the commercial or geographic requirements for continued VC support.

The remainder of the paper is organised as follows. Section 2 reviews the relevant literature on venture capital, industrial ecosystems, and inclusive innovation, drawing on resource-dependence theory to develop the conceptual framework. Section 3 outlines the research design, case selection, data collection, and analytical procedures. Section 4 presents the five case studies and a cross-case analysis of how staged financing and investor conditioning shape coordination trajectories. Section 5 discusses the theoretical and policy implications of the findings, develops three propositions, identifies the study's limitations and directions for future research, and concludes.

2. Theoretical background

2.1. Venture capital and the coordination problem in fragmented ecosystems

Ecosystem theory locates productive capability among interdependent actors that coordinate resources, exchange knowledge, and perform complementary roles (Adner, 2017; Moore, 1993; Stam & van de Ven, 2021; Jacobides et al., 2018). Andreoni's (2018) production-centred account similarly conceptualises industrial ecosystems as multi-tiered production systems in which firms, intermediaries, institutions, and other actors contribute complementary resources and capabilities through interdependent value-creation linkages. These perspectives, however, pay less attention to how coordination infrastructure is assembled in contexts where capital markets, public institutions, and incumbent capabilities remain incomplete.

In many African markets, fragmented value chains and high transaction costs reflect institutional voids, understood not as a complete absence of institutions but as the weakness, uneven functioning, or limited accessibility of specialised intermediaries, information systems, and contract-enforcing arrangements (Khanna & Palepu, 1997; Mair & Martí, 2009). Recent evidence from African fintech markets links institutional voids, including gaps in legal frameworks, financial infrastructure, and market-supporting institutions, and investors' perceptions of risk to unequal funding patterns and to the configurations associated with securing high levels of VC investment (Kabengele & Hahn, 2025). Such institutional gaps can restrict actors' effective participation in markets (Mair & Martí, 2009). Platforms and ecosystems may address the resulting coordination problems by providing structures through which interdependent actors align complementary resources and activities (Jacobides et al., 2018). Research on VC in emerging economies shows that networks and other informal institutions can supplement or replace weak formal institutions (Ahlstrom & Bruton, 2006). Evidence from Kenya further indicates that international investors may provide technical and business support, build networks, and connect supported ventures to other firms, finance sources, and business-service providers (Hain & Jurowetzki, 2018). Ventures may consequently need to help construct the institutional and relational arrangements on which their models depend, making ecosystem formation an outcome requiring explanation rather than a pre-existing condition.

Inclusive-innovation research explains why this coordination matters by examining how innovation extends participation and benefits to marginalised or previously excluded groups (George et al., 2012; Heeks et al., 2014). Following Heeks et al. (2014), this study defines value-chain repair as durable arrangements connecting previously excluded actors to productive systems. Because the evidence comes from founders and investors rather than users, inclusion is used structurally, through a formal

connection to productive systems, rather than as evidence of demonstrated welfare or distributional gain.

Venture-backed firms increasingly perform this work through platform-centred coordination. Across African finance, retail, transport, and agriculture, technology ventures have developed locally adapted platforms that attract, connect, and retain participants and may address specific market and government failures (Lay & Tafese, 2025). These ventures function not merely as intermediaries but as coordination infrastructures linking participant groups. They perform substitutive functions by replacing unreliable ecosystem roles and integrative functions by organising transactions across organisational boundaries.

As participation expands, network effects may reinforce a platform's centrality, increasing its capacity to control data, influence standards, and capture value created across the ecosystem (Andreoni & Roberts, 2022; Gawer, 2022). Constructing these infrastructures requires investment and risk-bearing that banks, states, incumbents, and donors often provide only in incomplete combinations. This creates a coordinating-actor puzzle: where the capacities assumed by ecosystem theory remain incomplete, who finances and governs coordination infrastructure, and on what terms?

Coordination infrastructure is analytically distinct from ecosystem orchestration and platform governance, which examine how participants are aligned and governed around an existing ecosystem or platform. It also differs from value-chain governance, centred on controlling production activities, and from institutional entrepreneurship or market-making, centred on transforming rules and institutions. It is likewise distinct from recent work conceptualising VC itself as "institutional infrastructure", the governance standards, networks, and skill transfer that scaffold an individual high-growth venture (Kato, 2026). Coordination infrastructure refers not to venture-internal scaffolding, but to the interorganisational arrangements that connect actors, services, finance, and information beyond the venture's boundaries, where reliable interfaces remain incomplete.

2.2. Staged venture capital: resources and governance

Venture capital contributes more than finance. Investors may provide certification, governance, strategic advice, commercial connections, and support in securing subsequent rounds (Sahlman, 1990; Hsu, 2004). Entrepreneurs may therefore select investors for their reputation and relational resources (Hsu, 2004). Evidence from Uganda further indicates that VCs contribute to financial management, strategic planning, innovation capacity, recruitment, board governance, and access to future funding networks beyond the provision of capital (Kato & Chiloane-Tsoka, 2022). More broadly, entrepreneurial equity finance encompasses heterogeneous funding arrangements and investor–venture relationships (Drover et al., 2017).

Staging is central. Investors release capital incrementally, monitor progress, and retain the option to continue, renegotiate, or discontinue as uncertainty resolves (Gompers, 1995), while contracts allocate cash-flow, voting, board, and liquidation rights across rounds (Kaplan & Strömberg, 2003). Financing rounds should not map mechanically onto particular products or capabilities; successive investments may support overlapping phases of experimentation, organisational development, capability recombination, geographic expansion, and platform transition.

These mechanisms are well established. Less well understood is how they affect coordination beyond the financed firm. Financial resources absorb the costs of experimentation, regulatory approval, network expansion, and service integration. Non-financial resources provide legitimacy, expertise, governance, and relational access. VC may therefore influence firm growth and the networks coordinating transactions, services, finance, and information across value chains.

2.3. How investor dependence shapes coordination trajectories

Resource dependence is relational: interorganisational power reflects both power imbalance and mutual dependence and varies with the alternatives available to each party (Pfeffer & Salancik, 1978; Casciaro & Piskorski, 2005). In VC relationships, investors control scarce growth capital, while founders possess venture-specific knowledge, capabilities, and market relationships. The resulting

bargaining position depends partly on the relative scarcity of finance, private information, and the alternatives available to each party (Casciaro & Piskorski, 2005; Koskinen et al., 2014): ventures with strong traction may reject unsuitable investors, whereas those with fewer alternatives become more exposed. Influence may operate through approval rights, budgets, milestones, reporting, and expectations about growth and risk rather than direct instruction (Garg, 2013).

The study distinguishes two forms of conditioning. Follow-on selection conditioning concerns whether subsequent capital is provided, constrained, or withdrawn and therefore whether coordination-building can continue. Directional conditioning concerns how boards, budgets, milestones, and expectations shape the allocation, pace, sequencing, and geography of committed capital. The distinction extends familiar VC screening and governance mechanisms because the object being conditioned is not only internal firm development but also interorganisational infrastructure beyond the venture's boundaries.

This reframes resource-dependence theory from whether dependence enables or constrains firm survival to how it configures extra-organisational scaling. These effects remain contingent on founder agency, demand, regulation, competition, and complementary finance.

Follow-on selection may generate a cumulative-advantage dynamic: ventures producing credible performance signals may attract additional capital, enabling deeper platform integration and data accumulation that strengthen subsequent signals of investability (Gompers, 1995; Gawer, 2022). This resembles the cumulative-advantage process captured by Merton's (1968) Matthew effect. Conversely, ventures may build significant coordination infrastructure without producing the margins, growth, or replicability required for continued investment. The coordination problems receiving sustained VC support may therefore be narrower than the structural problems fragmented markets face. Value-chain repair is not automatically beneficial, since platform coordination may concentrate data and standard-setting power or underserve less-profitable users (Andreoni & Roberts, 2022).

Multi-stage VC is therefore conceptualised as a conditional architect. Its control over capital, governance, and relationships can influence which founder-led infrastructures expand, how they develop, and which remain constrained. The paper's contribution is not that investors select and govern ventures, but that these mechanisms can shape coordination arrangements beyond the financed firm, with continued investability as a central limit.

2.4. Conceptual framework

Figure 1 translates the conditional-architect argument into a process model linking multi-stage venture capital, founder-led coordination-building, investor conditioning, and two analytically distinct outcomes.

First, multi-stage VC serves as an enabler by providing financial and non-financial resources. Financial resources support experimentation, scaling, and risk absorption. Non-financial resources include legitimacy, governance, expertise, networks, introductions, and regulatory access. These resources may be provided across several financing rounds and may be complemented by debt, grants, strategic investment, development finance, or impact capital. Financing stages therefore do not necessarily correspond to individual products, capabilities, or strategic pivots.

Second, founders use these resources to construct coordination infrastructure. They build bridging networks connecting users, providers, finance, services, and information. These networks perform substitutive functions by replacing missing or unreliable ecosystem roles and integrative functions by organising transactions, standards, and relationships across organisational boundaries. Data forms an additional layer of connectivity, supporting monitoring, decision-making, risk assessment, and trust. VC supports this process but does not originate the coordination strategy, which remains founder-led.

Third, investor involvement conditions how this infrastructure develops. Selection conditioning concerns whether initial or follow-on capital is provided, based on performance signals, expected returns, strategic fit, and investor priorities. It therefore affects whether coordination-building can begin or continue. Directional conditioning concerns how committed capital is deployed through boards, budgets, milestones, reporting requirements, and investor expectations. It can influence the

geography, sequencing, timing, capabilities, partnerships, and market segments prioritised during scaling.

Fourth, the framework separates coordination outcomes from financing outcomes. Coordination trajectories are assessed through breadth, depth, and durability. They may take the form of sustained coordination amplification, constrained coordination development, or post-scale coordination reversal. Financing trajectories may involve continued support, redirected or constrained support, or the withdrawal of follow-on financing. These outcomes are related but not identical: a venture may construct valuable coordination infrastructure without continuing to meet investor requirements.

Finally, market competition, regulation, macroeconomic shocks, infrastructure constraints, and social or institutional norms can shape both trajectories. Feedback from earlier coordination and financing outcomes also informs subsequent investment decisions and rounds of coordination-building. Value-chain repair is therefore examined through changes in the breadth, depth, and durability of coordination rather than treated as a separate outcome in the model.

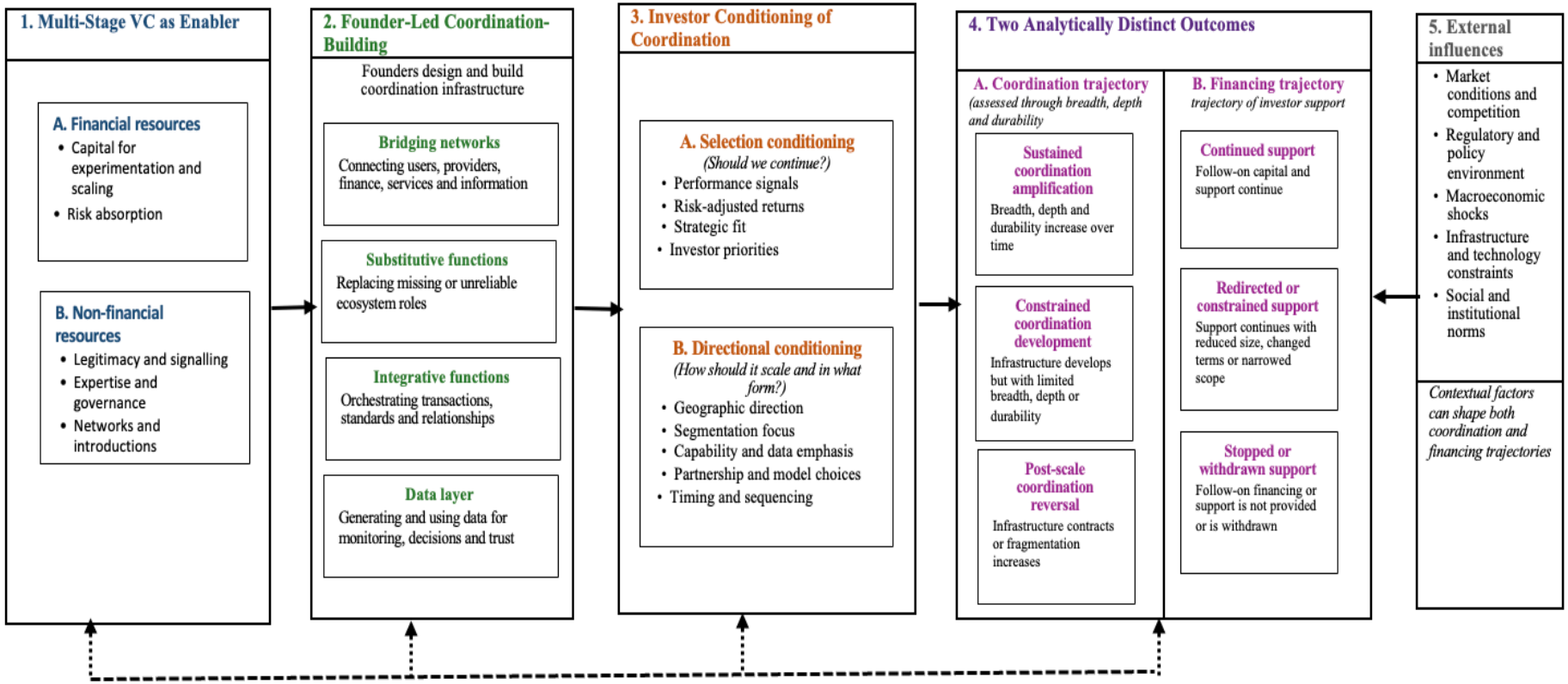


Figure 1. Multi-Stage Venture Capital as a Conditional Architect of Coordination Infrastructure

Source: Authors' compilation

3. Research design and case selection

3.1. Research approach and unit of analysis

3.1.1. Approach, unit of analysis, and epistemic status

This study uses an analytical multi-case design to examine how multi-stage venture capital shapes coordination-building and why outcomes vary across ventures (Eisenhardt, 1989; Eisenhardt & Graebner, 2007; Yin, 2018). The unit of analysis is the venture's coordination-building trajectory across its lifecycle; within it, the startup–investor relationship is the mechanism through which financial and non-financial resources are supplied, governed, and conditioned. The design is theory-building, and its output is analytical propositions about how staged investment conditions coordination, rather than estimates of general effects. Because all cases had already secured institutional VC, the study observes *continuation* rather than initial selection: the selection-conditioning construct is accordingly defined as follow-on selection, the provision, constraint, or withdrawal of subsequent capital, not comparative screening at entry.

3.1.2. Evidence base and scope of claims

The analysis combines 12 semi-structured interviews with 27 documentary sources (Table 1). Four core cases, Pula Advisors, Moniepoint, Ilara Health, and RelianceHMO, draw on 11 interviews (April–August 2025) with six founders or senior executives and five VC representatives, with per-case coverage ranging from one to three interviews (Appendix Table A1). Interviews lasted 45–60 minutes and were recorded and transcribed with consent under a common protocol covering the coordination problem, financing trajectory, investor contributions, capability development, governance, and continuation signals (Kvale & Brinkmann, 2009). Zoona draws on a twelfth retrospective interview with a former co-founder (2026), reconstructed alongside founder accounts (Quinn, 2021) and contemporaneous reporting, with documentary evidence given greater weight where accounts diverged. Zoona is a theoretically selected contrast case, not an evidentially identical fifth case.

The documentary corpus comprised 13 company disclosures and product pages, four investor publications, four regulatory or industry-development records, two retrospective accounts, and four independent trade-press reports (Appendix Table A4 provides the source-to-claim audit). Because participants are founders, executives, and investors, and no users, clinics, farmers, agents, or regulators were interviewed, the evidence supports claims about financing, governance, and strategic decisions. However, it cannot independently establish welfare, affordability, or distributional gain for participating actors. Value-chain repair is therefore evidenced here as *a structural connection and a* change in the breadth, depth, and durability of coordination, rather than as a demonstrated benefit to users (Appendix Table A3).

Table 1. Documentary evidence base and evidentiary treatment

Source category	Number	Principal evidentiary role	Treatment
Company disclosures and product pages	13	Product scope, services, geographic presence, partnerships and company-reported operating figures	Reliable for what the company publicly reports; not independent evidence of performance or impact
Investor publications and funding announcements	4	Funding rounds, participating investors and stated investment rationale	Reliable for disclosed investment events; not independent evidence of investor contribution or venture success
Regulatory, international-organisation and industry-development records	4	Formal status, institutional partnerships, development programmes and sectoral evidence	Prioritised for formal and institutional claims; relevance depends on whether the document is evaluative or a partnership announcement
Independent financial and trade-press reports	4	Funding, expansion, major strategic events, contraction and closure	Used as independent corroboration, while checking whether reporting merely reproduces company announcements
Founder and institutional retrospective accounts	2	Strategic sequence, pivots, governance tensions and explanations of reversal	Interpretive evidence; used cautiously and checked against contemporaneous documents
Total	**27**		

Source: *Authors' classification.*
Note: The full source-to-claim audit is provided in Appendix Table A4.

3.1.3. Sampling frame and case selection

The four core cases were purposively selected from a taxonomy of 79 platform-oriented VC-backed startups across Kenya, Nigeria, South Africa, and Egypt, compiled in March 2025 from Crunchbase, Africa: The Big Deal, and public funding records, with identity, model, and financing history manually verified (Appendix Tables A5 and A6). Inclusion required a digitally mediated platform or hybrid model, at least one publicly verifiable institutional VC investment, and sufficient information for classification. Case selection followed theoretical, not statistical, sampling (Eisenhardt, 1989): eligibility required a coordination problem within a fragmented value chain, a platform-centred response connecting multiple actors, and multi-stage VC engagement. The four cases maximise variation across sectors and national settings (Appendix Tables A2 and A7). Selection also depended on participant access, which may over-represent organisations willing to participate; theoretical sampling and contrasting trajectories reduce but do not eliminate this bias. Zoona, based in Zambia, fell outside the frame and was added as a contrasting case, combining domestic coordination-building with subsequent contraction. The cases differ in age, sector, and stage; the three trajectories are therefore read as *temporal configurations of coordination*, not as performance rankings; a younger constrained venture is not scored below an older scaled one.

3.1.4. Classification and separation of coordination from financing

Cases were classified by coordination trajectory. Breadth refers to connected actors, services, and areas; depth to their operational integration through transactions, data, and service delivery; durability to persistence and institutionalisation, including recurring use and resilience. To avoid circularity, coordination categories rest *only* on direct evidence of these dimensions; financing signals, rounds raised, constrained, or withdrawn, are recorded in a separate column and never used to validate a coordination code. Classification required convergent evidence across at least two dimensions: sustained amplification, in which at least two strengthened without material contraction; constrained development, in which meaningful infrastructure remained but at least two plateaued; and post-scale reversal, in which established coordination contracted across at least two. Financing outcomes were coded independently as continued, redirected, or stopped (Appendix Table A8).

3.1.5. Analytical procedure

Because ventures combined grants, debt, convertibles, development finance, and impact capital with equity, the analysis traces a VC-anchored financing architecture in which VC plays a distinctive selection-and-governance role, rather than isolating equity's independent effect; contributions were attributed to VC only where evidence allowed and otherwise to the wider capital base. Within-case accounts reconstructed each venture's sequence of events, linking every financing event, investor intervention, and venture decision to observed changes in the bridging network, financing trajectory, and continuation signals, and checking these links against rival contextual events (Appendix Tables A9a–A9e present these event timelines). VC-specific effects were credited only where a financing or governance intervention preceded an observable change. Coding in NVivo 14 combined deductive framework categories with inductive ones, refined through repeated within- and cross-case comparison (Appendix Table A8). Coding was conducted by the lead author rather than through independent double-coding: this reflects the study's theory-building aim, where the analytical priority is iterative refinement of constructs against case evidence rather than demonstrating inter-coder reliability on a fixed scheme (Miles et al., 2014). A senior researcher audited the codebook, classifications, and evidence, providing the check on interpretation that double-coding would otherwise supply, and unsupported claims were revised or removed**.** Trajectory criteria were finalised before cross-case classification and not altered to fit outcomes (Miles et al., 2014; Yin, 2018). Interviews were triangulated against documentary and disconfirming evidence; the study received SOAS ethics approval, with informed consent and attribution only where authorised.

3.1.6. Scope conditions and limitations

The study identifies mechanisms rather than prevalence. Interview coverage is uneven, so process reconstruction is stronger where multiple informants or contemporaneous documents corroborate events. Because ventures combined VC with grants, debt, strategic investment, and development finance, VC-specific effects are attributed only where an intervention clearly preceded and plausibly influenced an observable change; otherwise, effects are assigned to the wider financing architecture. Investor evidence is case-specific because each investor discussed only one venture, and directional conditioning is clearest in Zoona and Pula. The purposive sample also provides limited insight into ventures rejected at entry, financed without VC, or unable to build coordination infrastructure. Zoona remains a retrospective contrast case rather than an evidentially equivalent core case.

4. Case studies

The findings are presented in two stages. First, the five case trajectories show how staged financing supported the construction, development, or contraction of coordination infrastructure. Second, the cross-case analysis compares how follow-on selection and directional conditioning shaped coordination outcomes. Table 2 summarises the principal mechanisms, rival explanations, and resulting coordination and financing trajectories.

Respondent identifiers: MON-EXEC-1 (Moniepoint senior executive); ILARA-FOUND-1, ILARA-INV-1 (Ilara co-founder, investor); PULA-FOUND-1, PULA-EXEC-1 (Pula co-founder, senior executive); REL-FOUND-1 (RelianceHMO co-founder); ZOONA-FOUND-1 (Zoona former co-founder).

4.1. Moniepoint: sustained amplification through platform deepening

In Nigeria**,** small businesses drive employment, yet cash still dominates. Individuals in underserved communities lacked convenient cash-in and cash-out services, while merchants confronted unreliable terminals, poor connectivity, and delayed settlement. Founded in 2015 as TeamApt, Moniepoint moved from supplying banking software to building an agency network, merchant payments with rapid settlement, and later savings, credit, consumer banking, and remittances. The resulting infrastructure connected individuals, merchants, agents, businesses, and the formal banking system. It was substitutive in extending financial services into areas underserved by conventional bank branches, and integrative in combining terminals, payment rails, settlement, deposits, credit, and transaction data. More than 40,000 agents formed the platform's physical interface, marking the transition from software provider to orchestrator of a "financial ecosystem" (MON-EXEC-1).

Staged capital supported that transition. An early seed investment of approximately US$1 million was described as a "turning point," with the investor "pivotal" in backing the move from banking software into direct financial services, a shift MON-EXEC-1 linked to that capital rather than to a pre-existing plan (the software-to-banking sequence is set out in Appendix Table A9a). Later rounds financed agent and terminal rollout, product integration, and geographic expansion, while investors also supplied introductions, partnerships, and regulatory support. Follow-on access increasingly depended on hyperlocal reach, recurring transactions, estimated annual growth of 50–80 per cent, technological reliability, organisational readiness, and defensibility as "a technology company with a banking licence" (MON-EXEC-1). Moniepoint retained agency by rejecting misaligned capital during due diligence. The case represents sustained amplification: successive rounds enabled platform deepening, while coordination performance generated the signals required for continued financing.

4.2. Ilara Health: constrained development under weak later-stage economics

Kenya's primary-care clinics often lacked diagnostic equipment, working capital, management systems, and reliable pharmaceutical supply. Ilara initially addressed the credit gap through diagnostic-asset financing, allowing clinics to repay equipment costs from revenues. When equipment alone proved insufficient, it added an operating system for patient records and inventory, and later, Pharmacy-as-a-Service, integrating inventory finance, suppliers, licensed personnel, and revenue sharing. The resulting network connected clinics, patients, device and pharmaceutical suppliers, clinical personnel, finance, and operational data. Repayment and clinic data created "a learning model" showing which clinics paid reliably and performed well (ILARA-FOUND-1).

The financing trajectory combined early equity, an institutional round, convertibles, debt, grants, and strategic investment. Staged funding enabled experimentation, including a pharmaceutical-distribution model that operated at a negative margin and was abandoned; the founder nevertheless considered this failed experiment necessary, since without it Ilara "would not have been able to build" the later pharmacy

model (ILARA-FOUND-1). Investor support was more evident in reporting, financial controls, and organisational formalisation than in directing strategy. Follow-on financing tightened because software produced little direct revenue, distribution margins remained weak, and repeatable growth took time to demonstrate. As ILARA-INV-1 explained, later-stage investors sought a venture that had already grown and could show how further growth would occur. Capital scarcity constrained integration but also forced Ilara to "do way more with way less," close weaker activities, and pursue profitability earlier (ILARA-FOUND-1). Ilara therefore represents constrained development: meaningful coordination infrastructure persisted, but breadth and depth plateaued as later-stage investability remained insufficient.

4.3. Pula Advisors: amplification through institutional embedding

Pula addressed the difficulty of insuring dispersed smallholder farmers whose premiums were too small for conventional individual distribution. After direct-to-farmer and business-to-business approaches proved commercially constrained, the venture developed a business-to-government model embedding insurance within fertiliser, seed, subsidy, and credit programmes. Its infrastructure connected farmers, governments, development partners, input suppliers, local insurers, and global reinsurers. Pula acted as the "centre point" assembling finance, insurance, programme design, actuarial capacity, and implementation (PULA-EXEC-1). Farmer registration, production histories, risk profiles, claims, and yield data enabled the aggregation of risks across crops and countries into portfolios acceptable to insurers and reinsurers.

Equity and grants supported operations, scaling, and the specialist personnel required to design programmes, engage officials, manage insurers, and convert relationships into contracts. However, the founder rejected the idea that investors originated the venture's strategic pivots: the model changed because of "business realities," and "capital is money … venture capital is not a strategy" (PULA-FOUND-1). Investor influence appeared instead through scrutiny, insurance expertise, governance, and limited initial budgets for new countries or ventures, with further resources released after revenue targets were met. Continued financing depended on farmer reach, programme execution, revenue growth, payment reliability, and replication, while institutional embedding created exposure to delayed public payments, political turnover, and long procurement cycles. Pula therefore represents sustained amplification with institutional risk: capital expanded agricultural-risk coordination, while founder learning and public-sector conditions remained central to its direction and durability.

4.4. RelianceHMO: amplification through capability layering

RelianceHMO responded to fragmented health financing and weak coordination among patients, employers, providers, pharmacies, and care information systems. Emerging from a telemedicine venture, it developed a fixed-fee model integrating insurance, telemedicine, medication delivery, contracted providers, and proprietary clinics, later expanding beyond Nigeria. The platform was substitutive in providing risk pooling and care navigation and integrative in combining financing, clinical access, medication, provider information, and patient data.

Staged VC supported the transition from telemedicine to an integrated health platform, including clinic investment, pharmacy capabilities, and cross-border expansion. Its most consequential role was providing risk-bearing capital for experiments that could fail. Opening proprietary clinics initially "made no sense" for an insurer, but they became the "first profitable entity" and "significantly profitable"; the founder stated that the venture "would not have had the confidence" to attempt the experiment without the financial "safety net" VC provided (REL-FOUND-1). The sequence is telling: the risk-bearing round preceded a decision the venture's own commercial logic would have rejected, and the founder attributed the attempt directly to that capital rather than to market signals (Appendix Table A9d). Non-financial influence was more indirect: investors held board and observer seats, introduced reporting, and required management to justify capital deployment, but founders retained informational and strategic authority. Follow-on signals became progressively more demanding, moving from team quality and early traction to growth, profitable experimentation, provider integration, organisational readiness, and cross-market potential. Reliance

therefore represents sustained amplification through capability layering, with VC enabling experimentation while founder strategy remained decisive.

4.5. Zoona: post-scale reversal after replication pressure and a financing shock

Zoona built a coordination layer for consumers and small businesses excluded from formal banking in Zambia. Its switching technology, agent network, and micro-franchise model connected consumers, local entrepreneurs, corporate payment originators, and financial services. By 2016, it reportedly served more than 1.5 million active users, had processed over US$1 billion, and supported more than 1,000 agent businesses (FinSMEs, 2016). The network substituted for branches and last-mile distribution while integrating payments, agents, technology, and transaction data.

Capital supported domestic network construction, organisational development, and later regional expansion. A Series A involving Omidyar Network and Accion was described as the moment the company "started growing up," while a US$15 million Series B supported expansion beyond Zambia and Malawi. Part of the funding was tied to entry into additional markets. Delays in closing reduced the implementation window, creating what the former co-founder called a "perverse incentive to expand": "if we do not get the second tranche of investment, the business is dead" (ZOONA-FOUND-1). Directional conditioning therefore influenced the timing and geography of scaling, although founders and investors initially shared the Pan-African ambition. The tranche condition thus shaped the timing and geography of expansion rather than its direction, exposing the venture before cross-market viability was established (Appendix Table A9e sequences the financing conditions against the expansion decisions). Competition from MTN and Airtel and regulatory change then weakened the transfer model. Zoona attempted to transition to Zoona Plus, integrating transfers, savings, credit, and interoperability, but required further capital for licensing, product development, and customer acquisition. A proposed Series C collapsed after due diligence and two investment committee approvals when the anticipated lead investor changed leadership and withdrew. The domestic business retained meaningful coordination value but had not demonstrated the cross-market repeatability required for VC returns, and retrenchment and asset sales followed. Zoona therefore represents post-scale reversal: directional conditioning contributed to accelerated replication, while competition, regulation, and a financing shock prevented completion of the strategic transition.

4.6. Cross-case analysis

Table 2. Cross-case evidence on investor conditioning and coordination trajectories

Case	Direct VC resource contribution	Follow-on selection signal assessed	Directional-conditioning evidence	Rival or complementary explanation	Coordination trajectory	Financing trajectory
Moniepoint	Pivot support; agent/terminal rollout; product expansion; introductions and regulatory access	Reach, recurring activity, growth, technological reliability, defensibility	Limited; founder assessed investor alignment and rejected misaligned capital	Market demand, licensing, founder agency, macroeconomic volatility	Sustained amplification	Continued
Ilara	Diagnostic-finance development, technology, controls, and experimentation, alongside mixed finance	Repeatable growth, margins, later-stage defensibility	Reporting and financial discipline; limited investor direction of strategy	Founder learning, low-margin activities, capital scarcity, grants and debt	Constrained development	Constrained
Pula	Scaling, specialist personnel, legitimacy, governance, and relational capacity, alongside grants	Farmer reach, programme execution, revenue, payment reliability, replication	Budgets and revenue milestones shaped country-level expansion	Founder-led pivots, government demand, donor support, political and payment risks	Sustained amplification (institutional risk)	Continued conditionally
RelianceHMO	Risk-bearing capital for clinics, service integration, organisational growth, and expansion	Team, traction, growth, profitable experimentation, integration, cross-market potential	Indirect board scrutiny and reporting shaped justification of spending	Founder strategy, demand, provider economics	Sustained amplification	Continued
Zoona	Technology, agents, organisational development, emergency support, and regional expansion	Cross-market repeatability (not demonstrated)	Expansion-linked tranche influenced pace and geography	Competition, regulation, currency pressure, lead-investor instability	Post-scale reversal	Stopped

Source: Authors' compilation

4.6.1. **Staged capital performed overlapping coordination functions**

Across the cases, financing rounds did not correspond to individual products or capabilities; capital instead served overlapping coordination functions that shifted as ventures developed. Moniepoint moved from software to agency banking to an integrated financial platform; Reliance layered telemedicine, financing, providers, medication, and clinics; Ilara combined diagnostic finance, software, and pharmacy through a mixed financing architecture; Pula used capital for relational infrastructure, personnel able to coordinate governments, insurers, donors, and farmers, as much as for technology; and Zoona's capital moved from domestic construction to geographic replication and an unfinished platform transition. Across all five, capital and founder strategy developed together, with specific investor interventions most visible in Moniepoint's move into direct financial services, Reliance's clinic experiment, and Zoona's expansion-linked tranche.

4.6.2. **Follow-on selection separated coordination value from investability**

Selection requirements became more demanding across stages. Early support could rest on founder quality, technological promise, and initial traction; later-stage investors sought repeatable growth, margins, organisational readiness, defensibility, and credible pathways to scalable returns. Moniepoint, Reliance, and Pula converted coordination into signals legible to investors: recurring transactions, integrated services, revenue growth, institutional contracts, and expansion potential. Ilara and Zoona reveal the boundary: Ilara connected clinics to diagnostics, finance, software, and pharmacy, but this structural relevance did not produce sufficiently repeatable economics for conventional later-stage financing; Zoona built a substantial domestic payments network, yet domestic effectiveness did not establish multi-market replication or secure transition capital. Follow-on selection therefore distinguished coordination that generated privately capturable, scalable returns from coordination whose value was locally embedded, diffuse, slow to mature, or dependent on institutions outside the venture's control.

4.6.3. **Directional conditioning varied across cases**

Directional conditioning varied across cases. It was strongest in Zoona, where an expansion-linked tranche influenced the pace and geography of scaling; moderate in Pula, where initial budgets and revenue milestones governed country-level experimentation; and more indirect in Reliance, where boards and reporting shaped how managers justified spending but did not determine the model. Evidence was weaker in Moniepoint and Ilara, where investor resources enabled expansion and formalisation but founders and market learning remained more decisive. The strength of directional conditioning also shifted over time within cases: ventures with stronger traction rejected misaligned investors, whereas those approaching a capital-intensive transition became more exposed to investor priorities and financing shocks.

4.6.4. **Coordination and financing trajectories were related but distinct**

The three sustained cases broadened and deepened coordination without material contraction; Ilara retained functioning clinic-support infrastructure despite constrained later-stage financing; and Zoona achieved domestic scale before withdrawal and contraction. Coordination value did not mechanically determine financing outcomes, and financing outcomes did not by themselves establish coordination success or failure. Nor did investor conditioning independently determine the trajectories: founder agency, market demand, regulation, competition, macroeconomic shocks, government programmes, donor participation, and complementary finance all remained consequential. The cases show how follow-on selection and governance interacted with these factors, enabling experimentation and integration, constraining further development, or exposing ventures to particular scaling configurations. The resulting trajectories depended on whether founder-led infrastructure could both solve fragmented-market problems and produce the growth, margins, defensibility, and replicability required for continued investment.

5. Discussion and conclusion

This study develops the concept of multi-stage venture capital as a conditional architect of platform-based coordination infrastructure in structurally fragmented African markets. The ventures combined disconnected actors, capabilities, finance, services, and information into systems supporting payments, healthcare, and agricultural insurance across organisational boundaries. VC contributed by financing experimentation, development, capability recombination, geographic extension, and platform transition, while providing governance, legitimacy, expertise, and relational access. Its influence was neither uniform nor independent of founder strategy, markets, institutions, or complementary finance.

The findings advance three arguments. First, staging is better understood functionally than mechanically: capital supported changing bundles of coordination functions rather than discrete products or predetermined strategic steps. Second, investor influence became most consequential where financing conditions shaped the geography, pace, or organisational form of scaling, particularly when locally embedded coordination models were pressed towards rapid replication. Third, continued financing depended not simply on coordination value but on whether that value could generate recurring, defensible, and privately capturable returns.

5.1. Boundaries of the architectural claim

A central rival explanation is that stronger founders, technologies, economics, and demand both attract investment and produce stronger coordination systems. VC may therefore be a marker or accelerator of venture quality rather than an architect. The cases cannot eliminate this explanation; they identify where an architectural role is plausible or weak.

The claim is strongest where an identifiable financing or governance intervention preceded a consequential decision, and participants linked that intervention to the outcome. RelianceHMO's proprietary clinics initially "made no sense" for an insurer but were attempted because risk-bearing capital provided a "safety net"; they later became its first profitable unit. Moniepoint's seed investor backed the move from banking software to direct financial services, which was described as a turning point. In Zoona, an expansion-linked tranche compressed the timetable for entry into additional markets and altered the configuration through which the venture became exposed to replication risk.

The claim is weaker where founder learning or the wider financing architecture was more decisive. Pula's movement from B2C to B2B and then B2G arose from "business realities," not investor instruction; capital financed execution but did not originate the model. Ilara's infrastructure developed through equity, debt, grants, strategic capital, and disciplined experimentation under scarcity. VC is therefore architectural only when its financial, governance, or relational interventions materially influence what infrastructure is built, how it scales, or whether it persists.

5.2. Functional staging and coordination development

Conventional VC research associates financing phases with experimentation, growth, distribution, internationalisation, and exit preparation (Gompers & Lerner, 1999; Hochberg et al., 2007; Kaplan & Strömberg, 2003), although recent work questions linear stage models (Amore et al., 2023; Hao et al., 2024). The cases show that formal round labels are less informative than the coordination functions that capital performs. Early financing supported product search, channel testing, institutional relationship-building, and regulatory learning. Later financing supported organisational formalisation, service integration, geographic expansion, and platform transition. Functions often extended across rounds, with one round financing several interdependent activities.

Moniepoint's capital supported distribution and additional financial functions. Reliance layered telemedicine, health financing, provider networks, medication, and clinics. Pula invested heavily in personnel and relationships coordinating governments, insurers, donors, and farmers. Ilara's mixed financing

supported diagnostics, software, and pharmacy services without following a clean equity-stage sequence. Zoona moved from domestic network construction to regional replication and an unfinished platform transition. These patterns do not imply that investors designed the ventures; they show that staged resources altered the coordination functions founders could combine and the scale at which they could be attempted.

Proposition 1: In platform and hybrid ventures addressing fragmented value chains, staged finance influences development through changing bundles of coordination functions whose composition follows emerging coordination bottlenecks, rather than through a fixed correspondence between formal financing rounds and discrete products or capabilities.

5.3. Investor dependence and coordination–investment misalignment

Resource-dependence theory explains how organisations are influenced by actors controlling critical resources (Pfeffer & Salancik, 1978), while VC research identifies staged capital, boards, monitoring, contractual rights, and follow-on decisions as sources of influence (Kaplan & Strömberg, 2003; Sahlman, 1990). The cases distinguish follow-on selection conditioning—whether subsequent capital is provided, constrained, or withdrawn—from directional conditioning, through which budgets, milestones, tranches, reporting, and investor expectations shape the pace, sequencing, geography, or organisational form of scaling.

Directional influence becomes especially consequential when coordination advantage is locally embedded. Moniepoint, Reliance, and Pula converted coordination into recurring transactions, revenue, institutional contracts, or expansion signals supporting continued investment. Ilara created meaningful clinic infrastructure but had not converted that relevance into sufficiently repeatable later-stage economics. Zoona's domestic network generated substantial coordination value, yet its VC model required cross-market replication. The expansion-linked tranche did not create the Pan-African ambition, but it compressed its timetable and increased exposure before context-specific viability was established. Competition, regulation, and the withdrawal of anticipated Series C capital also contributed to reversal.

The central tension is therefore not simply dependence versus autonomy. It is potential misalignment between the location of coordination value and the location of investor returns. Infrastructure may derive its advantage from locally embedded relationships, regulatory knowledge, trust, or public-sector integration, while VC returns require rapid replication across markets.

Proposition 2: Directional conditioning is more likely to produce coordination–investment misalignment when investor return requirements favour rapid geographic replication, but the venture's coordination advantage depends on locally embedded institutional relationships, trust, or regulatory capabilities.

5.4. Participation, private capture, and follow-on finance

The platforms expanded formal participation by connecting merchants, clinics, farmers, agents, patients, and providers to systems with which they had been weakly connected. The evidence supports this structural claim but does not support stronger conclusions about welfare, affordability, bargaining power, or distributional gains, as affected participants were not directly studied.

Structural relevance did not guarantee continued financing. Moniepoint generated recurring payments, transaction data, and cross-selling possibilities. Reliance combined risk pooling with integrated care and profitable clinics. Pula transformed dispersed agricultural risks into portfolios that insurers and reinsurers could assess. In each case, coordination value became commercially legible and partly capturable.

Ilara and Zoona demonstrate the boundary. Ilara's clinic infrastructure created operational value but remained difficult to monetise at the margins and growth rates later-stage investors expected. Zoona's domestic network created locally significant participation, but its value did not translate into the cross-

market repeatability required for continued support. Coordination generating diffuse, long-term, or institutionally dependent benefits may therefore remain underfunded even when economically significant.

Proposition 3: Coordination infrastructures are more likely to attract follow-on VC when the value they create can be privately captured through recurring transactions, proprietary or operational data, cross-selling, or replicable contracts; infrastructures generating diffuse, locally embedded, or institutionally dependent value risk underfunding despite structural relevance.

5.5. Data as connective infrastructure

Across the cases, data made fragmented activity visible and actionable. Moniepoint used transaction records for settlement, credit, retention, and product development. Reliance used claims and utilisation data to coordinate care and assess providers. Pula converted farmer, crop, and yield information into insurable portfolios. Ilara used clinic, repayment, inventory, and patient data to evaluate performance. Zoona created records of customers, transactions, agents, and outlets.

Data operated as connective infrastructure when embedded in routines, risk models, service decisions, and institutional relationships. The study does not establish how data rights, portability, or platform control affected users; those questions require direct investigation.

5.6. Policy and research implications

Two implications follow directly from the evidence. First, public agencies and development-finance organisations should distinguish the value of structural coordination from company valuation or fundraising success. A venture may construct persistent coordination infrastructure without meeting conventional VC requirements, so financing outcomes alone are an incomplete measure of its contribution.

Second, public, blended, or patient capital may have a role where coordination is valuable but difficult to capture through scalable private returns. Such support should be tied to continuing coordination functions and additionality rather than used merely to absorb private downside risk.

Proposals concerning interoperability, portability, data safeguards, and platform lock-in are not direct findings. They are hypotheses for policy research arising from the possibility that privately controlled platforms may become essential coordination infrastructure. Future work should examine whether such safeguards improve participation without weakening investment incentives and compare VC with development finance, public procurement, strategic capital, and blended finance.

5.7. Scope conditions and conclusion

The study identifies mechanisms rather than prevalence. It examines five purposively selected, institutionally financed ventures and provides less insight into ventures rejected at entry, financed only through grants or debt, or unable to construct coordination infrastructure. Directional conditioning is most clearly evidenced in Zoona and Pula and more indirectly elsewhere. Zoona is a retrospective contrast case, and interview coverage is uneven.

Future research should test the propositions across larger, more varied samples, compare ventures at equivalent lifecycle stages, examine users and ecosystem participants directly, and investigate when locally embedded coordination can be replicated without destroying its institutional advantage.

Multi-stage VC can act as a conditional architect of coordination infrastructure, but only where identifiable interventions materially shape its construction, direction, or persistence. Coordination value, participation, firm survival, geographic replication, investor returns, and continued investability are related but distinct outcomes. Their misalignment, not merely the provision of capital, is the paper's central theoretical insight.

References

Adner, R. (2017). Ecosystem as structure: An actionable construct for strategy. *Journal of Management, 43*(1), 39–58.

Ahlstrom, D., & Bruton, G. D. (2006). Venture capital in emerging economies: Networks and institutional change. *Entrepreneurship Theory and Practice, 30*(2), 299–320.

Amore, M. D., Conti, A., & Pelucco, V. (2023). Micro venture capital. *Strategic Entrepreneurship Journal, 17*(4), 886–924.

Andreoni, A. (2018). The architecture and dynamics of industrial ecosystems: Diversification and innovative industrial renewal in Emilia Romagna. *Cambridge Journal of Economics, 42*(6), 1613–1642.

Andreoni, A., & Roberts, S. (2022). Governing digital platform power for industrial development: Towards an entrepreneurial-regulatory state. *Cambridge Journal of Economics, 46*(6), 1431–1454.

Casciaro, T., & Piskorski, M. J. (2005). Power imbalance, mutual dependence, and constraint absorption: A closer look at resource dependence theory. *Administrative Science Quarterly, 50*(2), 167–199.

Cruz, M., Benkirane, Z., Cirera, X., Djoumessi, Y., Edet, S., Haile, B., & Houngbonon, G. (2024). *Digital opportunities in African businesses*. World Bank.

Dhoot, R., Humphrey, J. M., O'Meara, P., Gardner, A., McDonald, C. J., Ogot, K., Antani, S., Abuya, J., & Kohli, M. (2018). Implementing a mobile diagnostic unit to increase access to imaging and laboratory services in Western Kenya. *BMJ Global Health, 3*(5), Article e000947. https://doi.org/10.1136/bmjgh-2018-000947

Drover, W., Busenitz, L., Matusik, S., Townsend, D., Anglin, A., & Dushnitsky, G. (2017). A review and road map of entrepreneurial equity financing research: Venture capital, corporate venture capital, angel investment, crowdfunding, and accelerators. *Journal of Management, 43*(6), 1820–1853.

Eisenhardt, K. M. (1989). Building theories from case study research. *Academy of Management Review, 14*(4), 532–550.

Eisenhardt, K. M., & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal, 50*(1), 25–32.

FinSMEs. (2016, August 31). Zoona closes $15M Series B funding. *FinSMEs*. https://www.finsmes.com/?p=98871

Garg, S. (2013). Venture boards: Distinctive monitoring and implications for firm performance. *Academy of Management Review, 38*(1), 90–108.

Gawer, A. (2022). Digital platforms and ecosystems: Remarks on the dominant organizational forms of the digital age. *Innovation: Organization & Management, 24*(1), 110–124.

George, G., McGahan, A. M., & Prabhu, J. (2012). Innovation for inclusive growth: Towards a theoretical framework and a research agenda. *Journal of Management Studies, 49*(4), 661–683.

Gompers, P. A. (1995). Optimal investment, monitoring, and the staging of venture capital. *Journal of Finance, 50*(5), 1461–1489.

Gompers, P., & Lerner, J. (1999). *The venture capital cycle*. MIT Press.

Hain, D. S., & Jurowetzki, R. (2018). Local competence building and international venture capital in low-income countries. *Journal of Small Business and Enterprise Development, 25*(3), 447–482.

Hao, X., Li, H., & Sheng, S. (2024). Staged attention mechanisms in venture capital. *Journal of Business Venturing*.

Heeks, R., Foster, C., & Nugroho, Y. (2014). New models of inclusive innovation for development. *Innovation and Development, 4*(2), 175–185.

Hochberg, Y. V., Ljungqvist, A., & Lu, Y. (2007). Whom you know matters: Venture capital networks and investment performance. *Journal of Finance, 62*(1), 251–301.

Hsu, D. H. (2004). What do entrepreneurs pay for venture capital affiliation? *Journal of Finance, 59*(4), 1805–1844. https://doi.org/10.1111/j.1540-6261.2004.00680.x

International Finance Corporation. (2025). *Venture capital and the rise of Africa's tech startups*.

Jacobides, M. G., Cennamo, C., & Gawer, A. (2018). Towards a theory of ecosystems. *Strategic Management Journal, 39*(8), 2255–2276.

Kabengele, C., & Hahn, R. (2025). Venture capital funding in Africa: A mixed-methods study of evolving ecosystems and financial discrimination. *Journal of International Business Studies, 56*(6), 777–794. https://doi.org/10.1057/s41267-025-00788-w

Kaplan, S. N., & Strömberg, P. (2003). Financial contracting theory meets the real world: An empirical analysis of venture capital contracts. *Review of Economic Studies, 70*(2), 281–315.

Kato, A. I. (2026). Venture capital as institutional infrastructure: Modelling the pathways to scalability and competitiveness in high-growth ventures in Uganda. *Future Business Journal, 12*, Article 142.

Kato, A. I., & Chiloane-Tsoka, G. E. (2022). The role of private venture capital investors in enhancing value-adding activities and innovation of high-growth firms in Uganda. *Entrepreneurship and Sustainability Issues, 9*(4), 193–211.

Khanna, T., & Palepu, K. G. (1997). Why focused strategies may be wrong for emerging markets. *Harvard Business Review, 75*(4), 41–51.

Koskinen, Y., Rebello, M. J., & Wang, J. (2014). Private information and bargaining power in venture capital financing. *Journal of Economics & Management Strategy, 23*(4), 743–775.

Kvale, S., & Brinkmann, S. (2009). *InterViews: Learning the craft of qualitative research interviewing* (2nd ed.). SAGE.

Lay, J., & Tafese, T. (2025). Africa's emergent tech sector: Characteristics and development implications. *Africa Spectrum, 60*. https://doi.org/10.1177/00020397241306454

Mair, J., & Martí, I. (2009). Entrepreneurship in and around institutional voids: A case study from Bangladesh. *Journal of Business Venturing, 24*(5), 419–435. https://doi.org/10.1016/j.jbusvent.2008.04.006

Merton, R. K. (1968). The Matthew effect in science. *Science, 159*(3810), 56–63.

Miles, M. B., Huberman, A. M., & Saldaña, J. (2014). *Qualitative data analysis: A methods sourcebook* (3rd ed.). SAGE.

Moore, J. F. (1993). Predators and prey: A new ecology of competition. *Harvard Business Review, 71*(3), 75–86.

Mulupi, S., Ayakaka, I., Tolhurst, R., Kozak, N., Shayo, E. H., Abdalla, E., & Osman, R. (2022). What are the barriers to the diagnosis and management of chronic respiratory disease in sub-Saharan Africa? A qualitative study with healthcare workers, national and regional policy stakeholders in five countries. *BMJ Open, 12*(7), Article e052105. https://doi.org/10.1136/bmjopen-2021-052105

Nair, A., & Varghese, M. M. (2020). *Digitization of agribusiness payments in Africa: Building a ramp for farmers' financial inclusion and participation in a digital economy*. World Bank.

Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations: A resource dependence perspective*. Harper & Row.

Quinn, M. (2021). *Failing to win: Hard-earned lessons from a purpose-driven startup*. Self-published.

Sahlman, W. A. (1990). The structure and governance of venture-capital organizations. *Journal of Financial Economics, 27*(2), 473–521. https://doi.org/10.1016/0304-405X(90)90065-8

Stam, E., & van de Ven, A. (2021). Entrepreneurial ecosystem elements. *Small Business Economics, 56*(2), 809–832.

United Nations Conference on Trade and Development. (2024). *Economic development in Africa report 2024: Unlocking Africa's trade potential—Boosting regional markets and reducing risks*. United Nations.

Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). SAGE.

Appendix

Appendix Table A1. Interview participants

Case	Participant	Organisation type	Date	Mode	Duration	Attribution
Ilara Health	Co-founder	Startup	15/04/2025	Online	60 min	Anonymised
	Senior executive	Startup	15/04/2025	In person	60 min	Anonymised
Pula Advisors	Co-founder	Startup	29/04/2025	Online	45 min	Anonymised
	Senior executive	Startup	16/04/2025	In person	60 min	Anonymised
Moniepoint	Senior executive	Startup	25/07/2025	In person	60 min	Anonymised
RelianceHMO	Co-founder	Startup	29/07/2025	Online	45 min	Anonymised
Zoona	Co-founder	Startup	22/07/2026	Online	60 min	Anonymised
TLcom Capital	Founder/Manager	Venture capital	15/04/2025	In person	60 min	Anonymised
	Partner	Venture capital	20/04/2025	In person	60 min	Anonymised
	Principal	Venture capital	20/07/2025	In person	60 min	Anonymised
Ventures Platform	Principal	Venture capital	07/08/2025	Online	60 min	Anonymised
Endeavor Catalyst	Partner	Venture capital	25/04/2025	Online	60 min	Anonymised

Source: Authors' compilation

Appendix Table A2. Case characteristics and theoretical patterns

Case	Sector and principal market	Features held constant	Deliberate variation	Theoretical pattern
Pula Advisors	Agriculture; Kenya and other African markets	Fragmented value chain, platform-centred coordination, multi-stage VC	Dependence on governments, donors, insurers, and reinsurers	Institutional embedding
Moniepoint	Financial services; Nigeria	Same	Strong domestic reach and integrated financial services	Platform deepening
RelianceHMO	Healthcare; Nigeria	Same	Combination of digital services, provider networks, and owned clinics	Capability layering
Ilara Health	Healthcare; Kenya	Same	Meaningful coordination with limited later-stage economics	Constrained development
Zoona	Financial services; Zambia	Same	Retrospective contrast case involving contraction after domestic scale	Post-scale reversal

Source: Authors' construction based on Eisenhardt (1989), Eisenhardt and Graebner (2007), and Yin (2018).

Appendix Table A3. Coordination-trajectory classification

Case	Breadth	Depth	Durability	Final category
Pula	Expanded from B2C to B2B to B2G across five African markets; connected farmers, governments, donors, insurers, and reinsurers.	Integrated premium finance, actuarial capacity, programme design, and claims into one risk-transfer system; ~4m farmers insured annually.	Recurring government and donor programmes; revenue rose to ~US$14m, though exposed to payment and political risk.	Sustained amplification
Moniepoint	Nationwide reach via 40,000+ agents linking merchants, consumers, and the banking system across Nigeria.	Combined agency banking, merchant payments, settlement, deposits, credit, and remittances on one platform with transaction data.	Recurring transaction activity, 50–80 per cent annual growth, and product breadth sustaining retention and follow-on investment.	Sustained amplification
RelianceHMO	Linked insured individuals, employers, 2,916+ providers, clinics, and pharmacies; expanded into Egypt and Senegal.	Integrated financing, telemedicine, provider access, medication delivery, claims, and profitable owned clinics.	~100 per cent year-on-year growth over three years; second-largest segment player; cross-market extension.	Sustained amplification
Ilara Health	Connected clinics to diagnostics, finance, software, pharmacy, and supply chains, but breadth plateaued below later-stage scale.	Integrated asset finance, an operating system, and Pharmacy-as-a-Service, though margins remained thin.	Meaningful clinic infrastructure retained, but weak repeatable growth and unit economics blocked conventional Series B.	Constrained development
Zoona	Contracted after peak reach (1.5m+ users, 1,000+ agents) as competition and failed multi-market expansion reduced coverage.	Previously integrated switching, agents, corporate payments, and data, but the Zoona Plus transition was left incomplete.	Domestic durability eroded by competition, regulation, and a Series C financing shock; retrenchment and asset sales followed.	Post-scale reversal

Source: Authors' compilation

Appendix Table A4. Documentary source-to-claim audit

Case	Documentary source	Category	Principal claims supported	Evidentiary treatment
Pula	BlueOrchard, "Pula Closes USD 20m Series B…"	Investor publication	Series B amount, investment participants, stated expansion objectives and reported farmer reach	First-party investor disclosure; funding event reliable, performance claims attributed to investor/company
Pula	"About | Pula"	Company	Company history, operating model and organisational profile	First-party company description
Pula	"Country Spotlights | Pula"	Company	Geographic presence, country programmes and implementation examples	First-party operational evidence; country-level claims corroborated where possible
Pula	"Products & Services | Pula"	Company	Insurance products, programme design and service configuration	First-party product evidence
Pula	CGAP, "CGAP and Pula Partner…"	International institution	CGAP partnership, satellite-based insurance initiative and intended beneficiary group	Institutional partnership announcement; strong for partnership existence, not independent proof of outcomes
Pula	ILO, "Pula Advisors: Growing Agricultural Insurance Uptake…"	International institution	Agricultural-insurance model, implementation context, partnerships and uptake evidence	Institutional case evidence; useful for external contextual corroboration
Moniepoint	Moniepoint, "Moniepoint Has Raised $110 Million"	Company	Funding amount, investors and company-stated expansion plans	First-party funding announcement

Moniepoint	QED Investors, "Why QED Invested in TeamApt"	Investor publication	Investment rationale, perceived capabilities and investor interpretation of the business	Investor perspective; not independent confirmation of performance
Moniepoint	"About | Moniepoint MFB"	Company	Company history, banking identity and institutional profile	First-party company evidence
Moniepoint	Moniepoint homepage	Company	Current products, customers and platform scope	First-party product evidence
Moniepoint	Reuters, "Google among investors putting $110 million…"	Independent financial press	$110 million round, named investors and reported company scale	Independent corroboration of the financing event; company-reported metrics should remain attributed
Ilara	DOB Equity, "DOB Equity Invests in Ilara Health…"	Investor publication	Investment, investor rationale and intended diagnostics expansion	Investor disclosure; reliable for investment participation
Ilara	TechCrunch, "Ilara Health Gets $4.2M Backing…"	Independent trade press	Funding amount, participating investors, clinic-support model and planned expansion	Independent reporting, although disclosed operating figures may originate from the company
Ilara	Ilara Health homepage	Company	Company profile, clinic-support model and service proposition	First-party company evidence
Ilara	"Providers | Ilara Health"	Company	Provider and clinic network, service relationships and operational coverage	First-party operational evidence
Ilara	"HMIS | Ilara Health"	Company	Health-management information system, data	First-party product evidence

			functions and clinic digitisation	
Reliance	General Atlantic, "RelianceHMO Raises $40M…"	Investor publication	Series B amount, lead investor, company profile and intended expansion	Investor disclosure; reliable for funding event
Reliance	Nigeria NHIA HMO register	Regulatory	Formal HMO registration or accreditation	Regulatory verification; use only if Reliance is explicitly listed on the referenced page
Reliance	"Human-Led, Tech-Powered Clinical Services"	Company	Clinical-service model, clinics and technology integration	First-party service evidence
Reliance	"Reliance HMO Expands to Egypt"	Company	Entry into Egypt and company-stated expansion strategy	First-party expansion announcement
Reliance	"The Next Generation of Employee Healthcare"	Company	Employer-healthcare products and integrated service model	First-party product evidence
Zoona	GSMA Mobile for Development, "Zoona – Zambia, Malawi"	Industry-development institution	Agent network, mobile-money model, geographic operations and development context	Institutional case evidence; good for historical network description
Zoona	Ventureburn, "Zoona Raises $15-million…"	Independent trade press	Series B financing, participating investors and expansion plans	Independent contemporaneous reporting
Zoona	FinSMEs, "Zoona Closes $15M Series B Funding"	Independent trade press	Series B amount and investors	Independent corroboration of financing, although likely based partly on the funding announcement
Zoona	Mike Quinn, *Failing to Win*	Founder retrospective	Strategic decisions, investor relations, expansion	Retrospective founder interpretation; requires

			difficulties and reversal	contemporaneous corroboration
Zoona	LSE, "Failing to Win…"	Institutional retrospective	Independent institutional discussion of Zoona's trajectory and lessons	Secondary retrospective interpretation
Zoona	Zoona website	Company	Product model, current or archived service description and company positioning	First-party company evidence; not sufficient alone for historical scale or reversal

Source: Authors' compilation

Appendix Table A5. Taxonomy of the 79-startup sampling frame by country and business model

Country	Service	Hybrid service–platform	Platform
Egypt	—	Amenli; Breadfast; Rabbit; Sylndr **(4)**	Cartona; Chefaa; Connect Money; Educatly; elmenus; Giza; MaxAB; MNT-Halan; Nawy; OneOrder; Paymob; Telda; Thndr; Vezeeta; WUZZUF; Yodawy **(16)**
Kenya	—	Pula Advisors; Ilara Health; Twiga; Jumba; Turaco; Copia Global; HoneyCoin; Lori Systems; PowerGen; Apollo Agriculture; Cellulant; Powerhive; M-KOPA; Roam **(14)**	Craydel; Kopo-Kopo; Workpay; Credrails **(4)**
Nigeria	—	RelianceHMO; Vendease; Autochek; Kobo360; Andela; uLesson; Pastel; Sabi; Moniepoint; FairMoney; LemFi; PalmPay; Beacon Power Services **(13)**	Flutterwave; Curacel; Nomba; TradeDepot; Helium Health; Migo **(6)**
South Africa	—	SweepSouth; Pineapple; hearX Group; Smile ID; VALR; Lulalend **(6)**	Littlefish; FoondaMate; Yoco; Aerobotics; Clickatell; Entersekt; Go1; Ozow; FloatPays; Luno; Jumo; Bettr; Stitch; Carry1st; RecoMed; Inclusivity **(16)**
Total	**0**	**37**	**42**

Source: Authors' compilation

Appendix Table A6. Sampling frame by country and business-model category

Country	Hybrid service–platform	Platform	Total
Egypt	4	16	20
Kenya	14	4	18
Nigeria	13	6	19
South Africa	6	16	22
Total	**37**	**42**	**79**

Source: Authors' compilation

Appendix Table A7. Case selection and analytical variation

Case	Sector and principal market	Features held constant	Deliberate variation	Analytical role in the comparison
Pula Advisors	Agriculture; Kenya and other African markets	Fragmented value chain; platform-centred coordination; multi-stage VC engagement	Dependence on governments, donors, insurers, and reinsurers	Institutional embedding
Moniepoint	Financial services; Nigeria	Fragmented value chain; platform-centred coordination; multi-stage VC engagement	Strong domestic reach and integrated financial services	Platform deepening
RelianceHMO	Healthcare; Nigeria	Fragmented value chain; platform-centred coordination; multi-stage VC engagement	Combination of digital services, provider networks, and owned clinics	Capability layering
Ilara Health	Healthcare; Kenya	Fragmented value chain; platform-centred coordination; multi-stage VC engagement	Meaningful coordination with limited later-stage economics	Constrained development
Zoona	Financial services; Zambia	Fragmented value chain; platform-centred coordination; multi-stage VC engagement	Retrospective contrast case involving contraction after domestic scale	Post-scale reversal

Source: Authors' compilation

Appendix Table A8. Illustrative coding structure and evidence-to-construct mapping

Illustrative evidence	Descriptive code	Analytical category	Framework element
Follow-on investment was unavailable because growth and margins did not meet later-stage requirements	Insufficient follow-on investment signals	Restricted access to subsequent capital	Follow-on selection conditioning
Part of an investment tranche depended on entering additional countries	Geographic-expansion milestone	Investor-shaped scaling direction	Directional conditioning
Payments, agents, credit, services, and data were integrated through one platform	Integration of complementary functions	Platform deepening	Coordination depth
Network reach and services contracted after financing was withdrawn	Contraction of coverage and persistence	Coordination reversal	Post-scale reversal
Grants and VC jointly supported experimentation and network construction	Mixed-finance contribution	Wider financing architecture	Complementary capital base

Source: Authors' analysis of interview and documentary evidence.

Appendix Table A9a. Moniepoint case-event timeline

Period or stage	Financing event or instrument	Investor contribution or condition	Venture decision	Observed coordination change	Follow-on selection signal or outcome	Rival or contextual explanation	Evidence source
Initial operating phase	Founder-led development and early financing	No specific investor-directed intervention established	Operate as TeamApt, supplying software to financial institutions	Initial coordination remained concentrated on software connections with banks	Technical capability and understanding of banking-system problems	Founder expertise; demand from financial institutions; limitations of existing banking infrastructure	MON-EXEC-1; Moniepoint company history
Early seed stage	Early seed investment of approximately US$1 million	Investor backed movement into direct financial services; described as a "turning point"	Move from banking software into agency banking and direct financial-service provision	Coordination breadth increased to include agents, merchants, consumers, and banking infrastructure	Early traction, market opportunity, and ability to execute the pivot	Unmet demand for cash-in/cash-out services; unreliable terminals and settlement; founder strategy	MON-EXEC-1; QED Investors
Network-development stage	Subsequent institutional financing rounds	Capital for agents, terminals, technology, introductions, partnerships, and regulatory engagement	Expand the physical agent network and merchant-payment infrastructure	Breadth and durability increased through more than 40,000 agents and recurring merchant activity	Hyperlocal reach, recurring transactions, technological reliability, and growth	Licensing requirements; merchant demand; connectivity and settlement problems	MON-EXEC-1; Moniepoint disclosures; Reuters
Platform-deepening stage	Later follow-on capital	Continued support depended on	Add merchant payments, rapid	Coordination depth increased as	Estimated annual growth of 50–80 per	Macroeconomic volatility; regulation;	MON-EXEC-1; company product pages

		organisational readiness, defensibility, and scalable growth	settlement, deposits, credit, consumer banking, and remittances	multiple financial functions and transaction data were integrated	cent, product breadth, recurring activity, and defensibility as a technology company with a banking licence	competitive conditions	
Continued-investment stage	Continued access to growth capital	Investor fit assessed during due diligence	Reject capital considered misaligned with the venture's direction	Coordination continued to deepen without material contraction	Stronger performance and financing alternatives increased bargaining power	Founder agency remained decisive; investor capital did not independently determine strategy	MON-EXEC-1

Source: Authors' compilation

Appendix Table A9b. Ilara case-event timeline

Period or stage	Financing event or instrument	Investor contribution or condition	Venture decision	Observed coordination change	Follow-on selection signal or outcome	Rival or contextual explanation	Evidence source
Initial model-development stage	Early equity and institutional investment	Capital supported diagnostic-equipment acquisition and clinic-financing operations	Offer diagnostic equipment to clinics through asset-financing arrangements	Coordination breadth increased by connecting clinics, diagnostic suppliers, finance, and patients	Clinic adoption, repayment performance, and perceived demand for diagnostics	Clinics' lack of equipment and working capital; founder identification of the market gap	ILARA-FOUND-1; DOB Equity; Ilara company materials
Operating-system stage	Equity, convertibles, grants, and other complementary finance	Financing supported technology development; investors contributed reporting and controls	Add an operating system for patient records, inventory, and clinic management	Coordination depth increased through integration of clinical, inventory, repayment, and operating data	Clinic usage, repayment reliability, and relevance of the operating system	Founder learning revealed that equipment alone did not solve clinics' wider operating problems	ILARA-FOUND-1; Ilara HMIS materials
Pharmaceutical-distribution experiment	Wider mixed-finance architecture	Risk capital made experimentation possible, but no evidence establishes that VC directed the model	Test pharmaceutical distribution as an additional clinic-support activity	Potential breadth increased, but the model operated at a negative margin	Weak margins and limited direct software revenue reduced later-stage attractiveness	Founder experimentation; low distribution margins; operational realities	ILARA-FOUND-1
Pharmacy-as-a-Service development	Equity, strategic investment, debt, grants,	Continued financing supported organisational formalisation	Abandon the negative-margin distribution model and	Clinics became connected to inventory finance, suppliers,	Investors sought repeatable growth and evidence that	Learning from the failed distribution experiment;	ILARA-FOUND-1; ILARA-INV-1; Ilara product pages

	and convertibles	and development of the revised model	develop Pharmacy-as-a-Service	licensed personnel, software, and revenue-sharing arrangements	additional capital would produce further expansion	continued clinic demand	
Later-stage constraint	Follow-on equity became more difficult to secure	Reporting discipline and capital scarcity required prioritisation and closure of weaker activities	Reduce or close less viable activities and pursue profitability earlier	Meaningful clinic infrastructure persisted, but breadth and depth plateaued	Insufficiently repeatable growth, weak margins, and uncertain later-stage defensibility constrained follow-on capital	Scarcity also encouraged operational discipline; grants, debt, and strategic finance remained consequential	ILARA-FOUND-1; ILARA-INV-1; TechCrunch

Source: Authors' compilation

Appendix Table A9c. Pula Advisors case-event timeline

Period or stage	**Financing event or instrument**	**Investor contribution or condition**	**Venture decision**	**Observed coordination change**	**Follow-on selection signal or outcome**	**Rival or contextual explanation**	**Evidence source**
Initial direct-distribution stage	Early equity, grants, and	Capital supported initial product	Attempt direct-to-farmer	Coordination remained limited because	Evidence of farmer demand but weak	Small premiums, dispersed	PULA-FOUND-1;

	operating finance	development and implementation	insurance distribution	individual premiums were too small for efficient distribution	commercial viability of direct distribution	farmers, limited distribution infrastructure	Pula company materials
Business-to-business stage	Continued equity and complementary grant finance	Resources supported programme development and relationships with commercial partners	Work through businesses and agricultural intermediaries	Breadth increased by connecting farmers with commercial organisations and insurers	Programme execution, partner interest, and potential reach	Founder learning and market realities, rather than investor instruction, drove the transition	PULA-FOUND-1
Business-to-government transition	Equity and grants	Capital financed specialist personnel, actuarial capacity, programme design, and engagement with public institutions	Embed insurance in fertiliser, seed, subsidy, and credit programmes	Coordination breadth and depth increased through governments, donors, input suppliers, insurers, reinsurers, and farmers	Farmer reach, institutional contracts, revenue potential, and programme implementation	Government demand, donor programmes, and public agricultural policy were central	PULA-FOUND-1; PULA-EXEC-1; ILO; CGAP
Country-expansion stage	Follow-on equity and programme-related finance	Initial budgets were limited; additional resources were released after agreed revenue or performance milestones	Test and develop programmes in additional countries	Geographic breadth expanded, while coordination became more institutionally embedded	Revenue growth, payment reliability, farmer reach, and programme replication	Political turnover, procurement delays, and dependence on public-sector payments	PULA-EXEC-1; BlueOrchard

Continued amplification stage	Continued but conditional follow-on support	Governance, insurance expertise, scrutiny, and milestone-based budgeting influenced implementation	Continue regional expansion and institutional programme development	Coordination remained amplified across multiple actors and countries	Continued financing supported by institutional embedding and evidence of replication	Founder strategy remained decisive; payment delays, political risk, and donor participation affected durability	PULA-FOUND-1; PULA-EXEC-1; company and institutional documents

Source: Authors' compilation

Appendix Table A9d. RelianceHMO case-event timeline

Period or stage	Financing event or instrument	Investor contribution or condition	Venture decision	Observed coordination change	Follow-on selection signal or outcome	Rival or contextual explanation	Evidence source
Initial venture stage	Early venture financing	Resources supported technological and organisational development	Develop a telemedicine-based healthcare service	Initial coordination connected patients with remote clinical services	Team quality, technological promise, and early adoption	Fragmented healthcare access and weak provider coordination created demand	REL-FOUND-1; Reliance company materials
Integrated-insurance transition	Staged VC financing	Capital supported organisational growth and the development of a fixed-fee healthcare model	Move from telemedicine towards integrated health insurance and care navigation	Breadth increased to include employers, patients, providers, pharmacies, and health financing	Adoption, revenue growth, provider-network development, and organisational readiness	Founder strategy and market demand shaped the integrated model	REL-FOUND-1
Proprietary-clinic experiment	VC risk-bearing capital	Financial "safety net" enabled an experiment the founder considered difficult to justify for an insurer	Open proprietary clinics despite uncertainty about their strategic fit	Coordination depth increased through direct integration of financing, telemedicine, providers, clinics, medication, and patient information	Clinics became profitable and provided evidence of successful experimentation	Founder judgement and provider economics were also consequential	REL-FOUND-1
Capability-layering stage	Subsequent follow-on investment	Boards and observers introduced reporting and required justification of	Add pharmacy capabilities, medication delivery, additional provider integration, and	Coordination deepened through additional capabilities and more integrated service delivery	Profitable experimentation, growth, provider integration, and organisational readiness	Investors scrutinised expenditure but did not directly determine the operating model	REL-FOUND-1; company product materials

		capital deployment	organisational systems				
Cross-border-expansion stage	Later-stage financing, including growth capital	Capital supported expansion and organisational development	Extend operations beyond Nigeria, including entry into additional African markets	Geographic breadth increased while the integrated platform model was transferred across markets	Cross-market potential, continuing growth, and capacity to operate integrated services	Local regulation, provider-market conditions, and founder execution affected expansion	REL-FOUND-1; General Atlantic; Reliance expansion disclosures

Source: Authors' compilation

Appendix Table A9e. Zoona case-event timeline

Period or stage	Financing event or instrument	Investor contribution or condition	Venture decision	Coordination change	Follow-on selection signal or outcome	Rival or contextual explanation	Evidence source
Early development	Early institutional financing	Capital and organisational support	Build switching technology and agent network in Zambia	Greater breadth through consumers, agents, and corporate payment originators	Domestic adoption and network growth	Unmet demand for last-mile financial services	ZOONA-FOUND-1; GSMA
Series A stage	Series A involving Omidyar Network and Accion	Governance, organisational development, and growth capital	Strengthen the domestic platform and expand into Malawi	Increased network depth and organisational capacity	Strong domestic activity supported further investment	Founder-led Pan-African ambition	ZOONA-FOUND-1
Series B stage	US$15 million Series B	Part of the funding tied to entry into additional markets	Accelerate regional expansion	Geographic breadth increased, but replication capacity remained uncertain	Cross-market repeatability became a central follow-on criterion	Funding delays compressed the implementation period	ZOONA-FOUND-1; Ventureburn; FinSMEs
Competitive transition	Existing Series B capital	Continued pressure to demonstrate scalable growth	Develop Zoona Plus and move beyond transfers into savings, credit, and interoperability	Attempted platform deepening, but transition remained incomplete	Further capital required for licensing, products, and acquisition	MTN and Airtel competition; regulatory change	ZOONA-FOUND-1; contemporaneous documents

Series C attempt	Proposed Series C	Lead investor withdrew after leadership change	Retrench operations and pursue asset sales	Domestic coordination contracted after previous scale	Follow-on financing stopped	Lead-investor instability alongside weak replication evidence	ZOONA-FOUND-1; retrospective and documentary sources

Source: Authors' compilation



Centre for Sustainable Structural Transformation
SOAS UNIVERSITY OF LONDON

SOAS University of London

Thornhaugh Street, Russell Square, London WC1H 0XG, UK

E-mail: csst@soas.ac.uk

www.soas.ac.uk/research/research-centres/centre-sustainable-structural-transformation