## SECTION 1
## MODERN TRENDS IN THE DEVELOPMENT OF THE WORLD ECONOMY

### BECOMING UNICORN CEO

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Unicorns, in the four-legged horse-like horned sense of the word, are mythical creatures of folklore. You cannot actually find one; this has been tested and it is known.

However, private companies that achieve a valuation of $1 billion or more, become legends of another kind, albeit with the same name: Unicorns.

According to CB Insights, there are 226 operating Unicorns today with total valuation of $775.4 billion and total amount raised funding $134.8 billion and their amount keeps growing. These companies are the most valuable startups in existence. They are companies like Uber ($68 billion), Xiaomi ($46 billion), Didi Kuaidi ($33 billion). Many entrepreneurs, and the venture investors who back them, seek to build billion-dollar companies.

In order to detect how likely is it for a startup to achieve a billion-dollar valuation, it is better to design average Unicorn's and its SEO's profiles. Thuswise, how would the average Unicorn look like?

The first factor chosen for estimation is industry a start-up is operating in.

The major amount of companies were launched in spheres of Consumer Internet – 49, Software – 48, E-Commerce – 37, Financial Services – 22, and Healthcare – 18. Other popular sectors are Entertainment, Hardware, and Enterprise.

The situation with the total value of Unicorns by sector is a little bit different, but the leaders are all the same. Consumer Internet unicorns have a combined value of close to $319 billion, followed by Financial Services unicorns – just over $132 billion, and E-commerce unicorns with a combined value of close to $125 billion.

The second factor chosen is when today's Unicorns were founded.

The process of launching these companies began in 1984 when Renaissance Learning started up in the USA. 2007, 2009, 2010, and 2012 were bumper years; with 29, 23, 24, and 24 companies respectively, which would go on to become unicorns, founded. However, this parameter is volatile, as every start-up needs different amount of time to become a Unicorn.

Thus, the third factor is the age of companies reaching Unicorn status.

The shortest period of time to reach it was less than 1 year for Hulu, Pivotal, and UCAR and the longest – 30 years for Renaissance Learning. The average age is over 6.5 years for 44 startups.

The forth Factor is valuation of Unicorns.

The majority of unicorns representing 150 companies are valued between $1 and $2 billion – so called startup-stratosphere. In addition, there are 16 decacorns valued in excess of $10 billion. The average valuation is $3.4 billion.

The fifth factor is the region and the country where Unicorns were found.

Over 62% or 144 are USA companies, 26 % or 60 are Asian, 9% or 21 are European, and 4% or 9 are companies from other regions including Israel, and Nigeria.

The sixth factor is correlation of current companies' valuation and its funding.

The average coefficient is about 6.5. The most successful appeared to be E-Commerce companies Fanli – 33.3, and Wifimaster – 19.2, Financial Services companies Stripe – 20, and China Rapid Finance – 16.7. The lowest coefficient represented E-Commerce company Global Fashion Group – 0.7.

Venture investors – firms and individuals – always act as investors for unicorns. Moreover, according to research foundlings, it does not depend on Series or rounds of funding. Major Unicorn investors, such as Sequoia Capital, Accel Partners, Insight Venture Partners, and New Enterprise, which contributed to development of more than 5 such companies, invested their money in different rounds in different startups.

Now, what does the Unicorn's CEO looks like.

The average age at founding is 34 years old. E-commerce founders are 32; Software founders are 35; Internet of Things founders are 36.

What concerns CEOs' experience, for 60% of founders, their current unicorn is the first and only company they have built, for 23% – second company. However, there are Unicorn founders, for whom it is their third, fourth, fifth or even sixth try.

Nevertheless, in the case of Unicorns, experience of its founders does matter. According to TechCrunch, those who founded more than one company have, on average, a 34.5% higher valuation than those who founded just one company [1].

The majority of Unicorn founders are male, that is 94%, and only 6% are female.

As for CEOs' education, about half of founders are extremely well educated, but 19% also have a co-founder who dropped out of college. The majority of Unicorn founders are best world universities graduates. Topping the table is Stanford boasting 51 unicorn founders as alumni, followed by Harvard with 37.

Exactly the same as in geographical structure, US institutions account for the majority or 9 of the top 15 most popular universities amongst unicorn founders. Moreover, 59.5% of degrees were non-technical [1].

Most founding CEOs are scaling through the journey: 74% of companies are still led by their founding CEO.

The overwhelming majority of Founders prefer to have partners during the process of company launching. Around two thirds of unicorns were created by co-founders, and a third was created by single founders.

Therefore, if a person is to launch a startup that one day would be worth more than $1 billion he is likely to operate via Internet and would need about 6.5 years of hard work to reach the goal. He would attract funds from venture investor. This person could count on $600 million and that company is about to have valuation of $3.4 billion. This person should be Stanford, Harvard or other top university graduate with non-technical education and locate his future Unicorn in the USA, as the environment for it here is the most favorable. This person would be about a 34- year-old man launching his first company with the help of his co-founder. In addition, this person is likely to remain company's CEO during its "lifetime".

**References:**


1. Unicorn League // [Electronic resource]. – Mode of access: http://www.sage.co.uk/c/v/unicorn-league/#/ – Date of access: 08.03.2017.


## INDIA AS AN ECONOMIC SUPERPOWER


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Get ready for a new economic order. In the world 15 years from now, the U.S. will be far less dominant, several emerging markets will catapult into prominence, and some of the largest European economies will be slipping behind.

Having analyzed the research of Pricewaterhouse Coopers (a multinational professional services network headquartered in London) we reached a conclusion that