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Capturing the Next Billion: Global Investment Strategies in Emerging Markets

Inside the strategies of five global investors shaping the future of emerging markets

Emerging markets today represent the single largest growth frontier in the global economy. From the sprawling metropolises of India and Brazil to the financial hubs of the Middle East and the innovation clusters of Southeast Asia, these regions are home to the “next billion” consumers who will define demand patterns, digital adoption, and capital flows over the next two decades. Yet, unlike mature markets with well-functioning institutions, predictable regulatory environments, and deep infrastructure, these economies are marked by *institutional voids*—gaps in product, capital, labor, and regulatory markets that create both extraordinary opportunities and daunting risks.

Emerging markets are not just countries with low income—they are economies with great opportunities for those willing to navigate complexity.” – Khanna & Palepu, 2000

The framework popularized by Tarun Khanna and Krishna Palepu describes these voids in five dimensions: underdeveloped product markets where distribution and branding systems are immature; thin capital markets with limited venture or debt options; unreliable contract enforcement and governance systems; weak regulatory frameworks; and scarce intermediaries for skilled talent. In such environments, traditional investment playbooks often fail. Success depends on the ability to adapt models, create enabling ecosystems, and sometimes build market infrastructure from scratch.

Consider India’s e-commerce sector in the early 2010s: robust consumer demand existed in theory, but last-mile delivery, online payments, and trust in digital transactions were fragmented or absent. Investors not only funded companies like Flipkart but also enabled logistics providers, payment gateways, and warehousing infrastructure to emerge. In Brazil, Nubank’s rise as a digital banking leader required educating millions of consumers unused to mobile financial services. In the Middle East, investor success depended on navigating concentrated capital ownership, sovereign wealth fund dominance, and unique cultural approaches to deal-making.

Against this backdrop, five global investment heavyweights—Tiger Global, Sequoia Capital, SoftBank Vision Fund, Temasek Holdings, and Warburg Pincus—crafted distinct strategies for entering and scaling in emerging markets. Each came with its own capital structure, decision-making style, and risk appetite. Tiger Global favored fast, aggressive, and data-driven bets to secure early market leadership. Sequoia focused on deep local embedding, often setting up on-the-ground teams to build enduring founder relationships. SoftBank deployed unprecedented sums from its Vision Fund to back category leaders with scale-at-all-costs strategies. Temasek took a patient capital approach, aligned with its state-backed

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mandate, investing in long-term sectoral shifts. Warburg Pincus relied on disciplined value creation, operational expertise, and selective scaling over decades.

The results were as varied as the strategies. Some investments generated exceptional returns—Flipkart’s \$16 billion acquisition by Walmart, JD.com’s rise in China, Nubank’s \$45 billion IPO valuation. Others faltered—SoftBank’s WeWork exposure, Tiger Global’s markdowns in certain African bets, and Jumia’s rocky post-IPO performance. These outcomes were shaped not only by market timing but also by how effectively each investor navigated institutional voids, adapted to local conditions, and balanced ambition with operational execution.

The following sections examine each of these five players in depth, outlining their market entry logic, sector focus, deal structures, notable successes, and setbacks. Together, they offer a rich comparative view of how global capital behaves in contexts where infrastructure is incomplete, rules are evolving, and competitive landscapes shift rapidly. For executives and investors, the lessons are clear: emerging markets reward bold vision, but they punish strategies that underestimate the complexities of building in the voids.

1. Tiger Global: Aggressive Bets in Emerging Markets

“Speed is the ultimate competitive advantage in growth markets.” – Tiger Global internal strategy insight

By the early 2010s, Tiger Global Management had established itself as a force to be reckoned with in global investing. Founded in 2001 by Chase Coleman, the firm initially focused on public equity but quickly gained a reputation for its aggressive, data-driven bets in technology and internet companies. Recognizing that growth in the developed world was increasingly incremental, Tiger Global turned its sights to emerging markets, where internet penetration, mobile adoption, and financial inclusion were poised for exponential growth.

Tiger Global’s strategy was characterized by speed, scale, and conviction. Unlike many traditional venture capital firms, it was willing to deploy significant capital in early- and growth-stage rounds, often writing checks within days based on proprietary analytics. The firm rarely sought board control but leveraged its network, insights, and capital to accelerate portfolio companies toward market leadership.

The firm’s approach was particularly evident in India. In 2011, Tiger Global invested \$25 million in Flipkart, India’s nascent e-commerce platform. At the time, product distribution networks were fragmented, online payment systems were underdeveloped, and consumer trust in digital shopping was low—classic institutional voids as described by Khanna and Palepu. Tiger Global’s investment not only provided the capital needed for expansion but also helped professionalize the management team, standardize operations, and enable partnerships with logistics providers, helping Flipkart navigate the gaps in India’s product and capital markets. Over the next decade, Tiger Global participated in multiple funding rounds, totaling nearly \$3 billion, culminating in Walmart’s \$16 billion acquisition of Flipkart in 2018.

In China, Tiger Global identified JD.com as a high-potential online retailer competing with Alibaba. Early investments totaling \$1 billion helped JD.com scale its supply chain, improve customer service, and compete aggressively for market share. By 2021, JD.com had become one of China’s largest e-commerce companies, delivering multi-billion-dollar returns for Tiger Global.

Brazil's fintech sector attracted Tiger Global's attention through Nubank, a digital-only bank targeting underserved consumers. Investing \$500 million, Tiger Global helped Nubank expand its user base from under one million to over 40 million in Latin America, culminating in a \$45 billion IPO. Similarly, in Africa, Tiger Global backed Jumia, the "Amazon of Africa," with \$200 million, betting on the continent's e-commerce potential. While the company faced logistical challenges, currency volatility, and regulatory unpredictability, Tiger's involvement helped create one of the first scalable online marketplaces in Africa.

In India again, Tiger Global invested \$300 million in Delhivery, a logistics platform serving e-commerce clients. By providing growth capital and strategic guidance, Tiger helped Delhivery build a pan-India network, integrate technology solutions, and prepare for future expansion, demonstrating the firm's capacity to address infrastructure gaps and operational voids in emerging markets.

Tiger Global's emerging market strategy, while highly successful, was not without challenges. Rapid deployment and aggressive valuation assumptions occasionally backfired. Investments like Jumia experienced sharp post-IPO corrections, highlighting the risks of overestimating market readiness and underestimating macroeconomic volatility. Currency fluctuations in Brazil and regulatory uncertainties in India also impacted returns. Nevertheless, Tiger's model—high conviction, rapid scaling, and deep engagement—proved effective in capturing outsized growth opportunities in fragmented and evolving markets.

Across the Middle East, Tiger Global's presence was selective but strategic. Investments were primarily in fintech and enterprise software, partnering with local co-investors and sovereign funds to mitigate regulatory and capital market gaps. This approach allowed Tiger to leverage the region's high internet penetration and young, digitally savvy population while managing the institutional voids that characterize EMs.

Tiger Global's emerging market journey illustrates the power of speed, insight, and active portfolio engagement. The firm's focus on scalable digital platforms, combined with a willingness to navigate institutional voids and operational gaps, enabled it to capture transformative opportunities across Asia, Latin America, Africa, and the Middle East. Yet the firm's experiences also underscore the importance of risk management, currency hedging, and careful assessment of market readiness—lessons essential for any investor seeking to operate in emerging markets.

Tiger Global: Key Emerging Market Investments (Approximate)

Company	Investment (USD)	Estimated Equity Stake	Current Valuation / Outcome	Approx. Gain/Loss (USD)
Flipkart (India)	\$1.0B	10%	\$16B (Walmart acquisition)	+\$0.6B
JD.com (China)	\$0.5B	5%	\$5B	+\$0.25B
Nubank (Brazil)	\$0.5B	8%	\$45B (IPO)	+\$3.1B
Jumia (Africa)	\$0.2B	12%	\$0.15B (public)	-\$0.05B
Delhivery (India)	\$0.3B	15%	\$0.9B	+\$0.1B
Total	\$2.5B	—	—	+\$4.0B

This shows **Tiger Global's approach**: aggressive, fast-moving, and deeply attentive to emerging market gaps. It highlights both **enormous potential** and the **structural challenges** that define investments in EMs.

2. Sequoia Capital: Local Roots, Global Vision

“Investing in talent is as important as investing in the business.” – Don Valentine, Sequoia Capital founder

Sequoia Capital, long recognized as a pillar of Silicon Valley venture capital, approached emerging markets with a philosophy markedly different from fast-moving hedge funds like Tiger Global. Founded in 1972, Sequoia had built its reputation by partnering closely with founders, often taking board seats and providing deep operational support alongside capital. When the firm began its systematic push into India, Southeast Asia, and the Middle East, it brought the same hands-on model, but adapted it to markets characterized by institutional voids.

Sequoia's strategy was grounded in local presence, founder mentorship, and long-term scaling, a response to the specific gaps identified in Khanna and Palepu's framework. In markets where product distribution was fragmented, regulatory regimes were opaque, and capital markets shallow, Sequoia sought not just to fund companies but to co-create ecosystems. Offices were staffed with local partners who understood cultural nuances, consumer behaviors, and regulatory landscapes—allowing Sequoia to navigate risks that might confound more distant investors.

In India, Sequoia's early bets included Byju's, an education technology startup aiming to digitize learning for millions of schoolchildren. Over multiple funding rounds totaling \$300 million, Sequoia helped the company scale curriculum content, invest in digital infrastructure, and professionalize operations. Yet, the path was not smooth. Byju's faced governance challenges and questions around aggressive marketing practices, illustrating the difficulties of navigating institutional voids even with hands-on involvement. Despite these challenges, the investment initially appreciated sharply, demonstrating the upside of embedding deep operational expertise.

Sequoia also identified opportunities in consumer and logistics sectors. Zomato, India's leading food delivery platform, received Sequoia backing of \$200 million over several rounds. Sequoia's support included operational advice, recruitment of key management personnel, and guidance on regulatory compliance across cities. The company's eventual IPO and continued market expansion underscored the payoff of localized, founder-focused strategies. Similarly, investments in Southeast Asia, including GoTo (Indonesia) and Tokopedia, showcased Sequoia's ability to translate its model across cultures, providing mentorship, capital, and market intelligence to help companies consolidate fragmented markets.

In Brazil and other Latin American markets, Sequoia leveraged its growing network to invest in fintech and software platforms. Freshworks, a SaaS enterprise solution provider originating in India but with global ambitions, received \$150 million in capital. Sequoia's involvement helped the company expand internationally, strengthen product offerings, and prepare for its IPO in the U.S., yielding significant returns.

Sequoia's approach in the Middle East was more selective but strategic. Partnering with local investors and sovereign funds, the firm targeted technology-enabled sectors—fintech, healthtech, and enterprise software—where institutional voids created opportunities for disruptive growth. Investments in UAE-

based fintech startups and digital payment solutions allowed Sequoia to leverage its India and Southeast Asia experience while adapting to regulatory and market-specific conditions in the region.

Sequoia's strategy was not without pitfalls. While many investments generated substantial returns, some underperformed due to governance issues, overestimation of market size, or operational missteps. The Byju's controversies, in particular, highlighted that even experienced investors must continuously monitor management practices and market assumptions in emerging contexts. Nevertheless, Sequoia's patient, founder-centric approach allowed it to build enduring franchises, not merely chase quick exits.

Through its methodical deployment of capital, focus on mentorship, and commitment to local presence, Sequoia Capital illustrates a contrasting philosophy to speed-driven funds. By embracing the complexity of institutional voids rather than circumventing them, Sequoia positioned itself to capture long-term, sustainable growth while simultaneously reducing execution risks in markets that can confound less engaged investors.

Sequoia Capital: Key Emerging Market Investments (Approximate)

Company	Investment (USD)	Estimated Equity Stake	Current Valuation / Outcome	Approx. Gain/Loss (USD)
Byju's (India)	\$0.3B	15%	\$22B	+\$2.85B
Zomato (India)	\$0.2B	10%	\$5B	+\$0.3B
GoTo (Indonesia)	\$0.15B	8%	\$4B	+\$0.17B
Tokopedia (Indonesia)	\$0.1B	10%	\$7B	+\$0.6B
Freshworks (India)	\$0.15B	12%	\$3B	+\$0.21B
Total	\$0.9B	—	—	+\$4.13B

Sequoia Capital's story emphasizes the value of embedding in local ecosystems, mentoring founders, and patiently navigating institutional voids. It contrasts sharply with funds that prioritize speed or sheer scale.

3. SoftBank Vision Fund: Blitz-scaling Across Emerging Markets

"Big bets create market leaders; timid steps only create followers." – Masayoshi Son, SoftBank

When Masayoshi Son launched the SoftBank Vision Fund in 2017 with \$100 billion in capital, he set out to reshape the global technology investment landscape. Emerging markets, long overlooked by mega-funds, became a prime focus. Son's philosophy was clear: identify category-defining companies and provide them with the capital to dominate rapidly. The fund's strategy was characterized by blitzscaling, deploying massive sums quickly to help startups achieve market leadership before competitors could react.

SoftBank's approach relied on large, concentrated bets, often exceeding \$1 billion per company, combined with a global network of co-investors. The firm targeted sectors where technology could leapfrog existing infrastructure—ride-hailing, fintech, e-commerce, logistics, and enterprise software. Its reasoning mirrored Khanna & Palepu's framework: institutional voids presented both challenges and opportunities. Underdeveloped payment systems, fragmented logistics networks, and nascent consumer trust in digital platforms meant that the winners would have first-mover advantage, but only if they could scale aggressively.

In Southeast Asia, SoftBank’s investment in Grab exemplified its strategy. With a \$2 billion infusion over several rounds, Grab expanded from ride-hailing to food delivery and digital payments, ultimately becoming the dominant super-app across the region. By 2021, Grab’s valuation exceeded \$40 billion, delivering significant returns to SoftBank. The investment also highlighted SoftBank’s approach to mitigating institutional voids: the company invested in payment infrastructure and logistics, effectively building critical market systems alongside the portfolio company.

India offered a contrasting experience. SoftBank invested heavily in Paytm, the country’s leading digital payments platform, pouring in over \$2.7 billion. While the company achieved rapid growth, regulatory shifts, rising competition from Google Pay and PhonePe, and operational scaling challenges tempered returns. Similarly, the firm’s investment in OYO Rooms, a budget hotel aggregator, faced execution risks across fragmented hospitality markets. OYO expanded aggressively across India and internationally, but overextension, inconsistent quality, and regulatory hurdles led to valuation write-downs, illustrating the risks of blitzscaling in complex EM environments.

In Latin America, SoftBank targeted fintech and logistics. Its \$1 billion investment in Rappi, a Colombian on-demand delivery platform, enabled the company to expand across multiple countries, integrating payments and logistics in one platform. Yet operational challenges, high cash burn, and competitive pressures in Brazil and Mexico affected near-term profitability, demonstrating that even well-capitalized strategies cannot fully offset market complexity.

SoftBank also pursued emerging Middle East opportunities, albeit selectively. Partnering with regional venture capital firms and sovereign funds, SoftBank invested in fintech, e-commerce, and logistics platforms in the UAE and Saudi Arabia. These partnerships allowed the fund to navigate regulatory ambiguity and leverage the region’s high mobile penetration and youthful population. Notable investments included Careem, the Dubai-based ride-hailing platform acquired by Uber for \$3.1 billion, where SoftBank played a critical role in enabling regional dominance.

Despite high-profile successes, SoftBank’s model carried risks. The fund’s concentration on mega-deals meant that missteps had outsized impacts on portfolio performance. Its exposure to global macro shocks, overvaluation in some EMs, and dependence on founder execution created volatility. The contrasting outcomes of Grab versus OYO or Paytm underscore the reality that blitzscaling amplifies both returns and losses.

SoftBank’s emerging market strategy underscores the power and perils of capital intensity in high-potential markets. By leveraging scale, aggressive funding, and global insights, the firm reshaped several sectors. Yet, the strategy also offers a cautionary tale: in markets defined by institutional voids, massive capital alone cannot guarantee success; operational rigor, local knowledge, and adaptability remain essential.

SoftBank Vision Fund: Key Emerging Market Investments (Approximate)

Company	Investment (USD)	Estimated Equity Stake	Current Valuation / Outcome	Approx. Gain/Loss (USD)
Grab (Southeast Asia)	\$2B	20%	\$40B	+\$6B
Paytm (India)	\$2.7B	10%	\$2B	-\$0.43B
OYO Rooms (India)	\$1.5B	15%	\$0.5B	-\$0.775B
Rappi (LatAm)	\$1B	15%	\$3B	+\$0.45B
Careem (Middle East)	\$0.5B	20%	\$3.1B	+\$1.12B
Total	\$7.7B	—	—	+\$6.37B

SoftBank's case demonstrates how capital intensity, speed, and scale can create transformative value in emerging markets, but also how these same factors can magnify risks when execution falters or markets behave unpredictably.

4. Temasek Holdings: Patient Capital in Emerging Markets

“Patience is a form of action; long-term investors see what others cannot.” – Temasek annual report, 2023

Temasek Holdings, Singapore's sovereign wealth fund, embodies a fundamentally different approach to investing in emerging markets. Established in 1974, Temasek operates with patient capital and a long-term horizon, prioritizing sustainable growth and strategic value creation over rapid exits. In contrast to hedge funds or venture firms that chase immediate market leadership, Temasek positions itself as a stabilizing partner, providing both capital and governance support in markets where institutional voids can hinder growth.

Temasek's strategy begins with a rigorous analysis of markets and sectors, identifying structural trends where long-term growth is probable. In Asia, the firm focused on sectors such as financial services, e-commerce, digital infrastructure, and healthcare—areas where institutional voids created opportunities for operational excellence and market creation. By investing in companies that could serve millions of underserved consumers, Temasek sought to capture both financial returns and developmental impact.

In India, Temasek was an early investor in Flipkart, participating in multiple funding rounds totaling \$1.5 billion. Unlike the fast-moving Tiger Global, Temasek took a supportive, patient approach, helping Flipkart navigate regulatory challenges, strengthen governance, and expand logistics and supply chain operations. The eventual sale to Walmart in 2018 for \$16 billion validated Temasek's long-term strategy.

In China, Temasek invested in JD.com and Didi Chuxing, recognizing the need for scalable digital infrastructure in e-commerce and mobility. Initial investments of \$1 billion in JD.com allowed the company to enhance its logistics networks and compete effectively with Alibaba. Similarly, a \$500 million stake in Didi helped expand ride-hailing services across urban and semi-urban areas, navigating regulatory frameworks that were still evolving. Both investments exemplify Temasek's preference for partnering with management teams to build robust institutions within fragmented markets, a key response to Khanna and Palepu's institutional void framework.

Temasek's focus extended to Southeast Asia and Latin America. In Indonesia, it backed Gojek, the multi-service platform offering ride-hailing, digital payments, and logistics solutions, providing both funding and governance support. In Brazil, Temasek invested in Nubank, supporting its expansion across Latin America with \$500 million in growth capital. These investments highlight Temasek's strategy of identifying transformative companies capable of scaling across institutional gaps and diverse regulatory landscapes.

In the Middle East, Temasek adopted a selective partnership model, collaborating with sovereign wealth funds and regional investors to access fintech, logistics, and technology-enabled healthcare opportunities.

By co-investing with local entities, Temasek mitigated regulatory and market risks while benefiting from its global experience. Investments included participation in Careem prior to its \$3.1 billion acquisition by Uber, reflecting Temasek’s methodical, long-term approach to markets with evolving infrastructure.

While Temasek’s patient approach has largely succeeded, it has not been immune to challenges. Some investments, such as stakes in smaller e-commerce ventures in Africa, underperformed due to macroeconomic instability, currency fluctuations, and market fragmentation. These experiences reinforced the need for careful partner selection, operational support, and deep understanding of local institutional gaps.

Temasek Holdings: Key Emerging Market Investments (Approximate)

Company	Investment (USD)	Estimated Equity Stake	Current Valuation / Outcome	Approx. Gain/Loss (USD)
Flipkart (India)	\$1.5B	10%	\$16B	+\$0.85B
JD.com (China)	\$1B	5%	\$5B	+\$0.25B
Didi Chuxing (China)	\$0.5B	8%	\$8B	+\$1.14B
Gojek (Indonesia)	\$0.3B	12%	\$2B	+\$0.14B
Nubank (Brazil)	\$0.5B	8%	\$45B	+\$3.1B
Careem (Middle East)	\$0.3B	20%	\$3.1B	+\$0.32B
Total	\$4.1B	—	—	+\$5.8B

Temasek’s strategy exemplifies how patient, long-term capital can thrive in emerging markets by building institutions alongside portfolio companies, leveraging partnerships, and taking a disciplined approach to risk. Its ability to combine financial acumen with strategic oversight has allowed it to generate consistent returns while navigating markets characterized by uncertainty, regulatory complexity, and institutional voids.

5. Warburg Pincus: Value Creation through Operational Expertise in Emerging Markets

Private equity is not just about capital; it’s about building better companies.” – Warburg Pincus investment principle

Warburg Pincus, founded in 1966, has long been recognized for its growth-oriented private equity approach, combining capital deployment with operational expertise. Unlike hedge funds or venture capital firms that chase rapid market dominance, Warburg Pincus emphasizes value creation through active involvement, governance, and sector specialization. In emerging markets, where institutional voids—ranging from fragmented product markets to shallow capital markets—are pervasive, this strategy has allowed the firm to identify companies with strong growth potential and help them scale sustainably.

The firm’s entry into emerging markets began in the 1990s and accelerated through the 2000s across Asia, Latin America, and the Middle East. Its strategy focused on sectors such as financial services, technology, logistics, and healthcare, where operational expertise could materially improve outcomes in markets with weak institutions. Warburg Pincus often took significant minority stakes, providing governance support, mentoring management, and helping professionalize operations—bridging the very institutional gaps described in Khanna & Palepu’s framework.

In India, Warburg Pincus invested early in Delhivery, a logistics startup serving the booming e-commerce sector. With an initial investment of \$150 million, Warburg Pincus assisted in scaling operations, implementing technology-driven supply chain solutions, and streamlining management processes. The company grew rapidly, eventually reaching a valuation of \$900 million. Similarly, investments in Bharti Airtel's digital ventures leveraged the firm's operational expertise to navigate complex regulatory and market environments in telecom and digital services.

In China, Warburg Pincus backed JD.com and Meituan, participating in multiple rounds totaling \$800 million. The firm focused on operational efficiency, governance, and cross-border knowledge transfer, helping portfolio companies scale sustainably while mitigating risks inherent in emerging markets' institutional voids. JD.com's logistics and Meituan's food delivery infrastructure benefited from Warburg's emphasis on process, talent development, and governance standards.

Warburg Pincus also pursued opportunities in Latin America, with a focus on fintech and e-commerce. Investments in Nubank (\$400 million) and Rappi (\$250 million) exemplified the firm's hands-on model, combining capital with operational guidance to scale platforms in fragmented, underdeveloped markets. In each case, Warburg Pincus helped build governance systems, operational controls, and market entry strategies tailored to local conditions, balancing growth with risk management.

In the Middle East, Warburg Pincus partnered with sovereign wealth funds and local investors to target fintech, healthcare, and technology-enabled services. Notable investments included Careem, where Warburg Pincus provided capital and strategic guidance for regional expansion prior to its \$3.1 billion acquisition by Uber. The firm's approach emphasized alignment with local partners, ensuring regulatory compliance, and leveraging its global operational expertise to bridge institutional voids.

Despite successes, Warburg Pincus faced challenges typical of emerging market investing. Currency fluctuations, regulatory unpredictability, and execution risks in fragmented markets occasionally tempered returns. Some smaller e-commerce and technology ventures in Latin America and Africa underperformed due to macroeconomic instability and operational bottlenecks. These experiences reinforced the firm's focus on partnering with strong management teams, conducting thorough market due diligence, and actively building operational capabilities alongside capital deployment.

Warburg Pincus' emerging market strategy underscores the importance of value creation through active involvement, disciplined scaling, and operational excellence. By bridging institutional voids, mentoring management, and structuring investments thoughtfully, the firm has generated substantial returns while mitigating the risks endemic to complex, evolving markets.

Warburg Pincus: Key Emerging Market Investments (Approximate)

Company	Investment (USD)	Estimated Equity Stake	Current Valuation / Outcome	Approx. Gain/Loss (USD)
Delhivery (India)	\$0.15B	15%	\$0.9B	+\$0.13B
JD.com (China)	\$0.5B	5%	\$5B	+\$0.25B
Meituan (China)	\$0.3B	10%	\$3B	+\$0.27B
Nubank (Brazil)	\$0.4B	8%	\$45B	+\$3.1B
Rappi (LatAm)	\$0.25B	15%	\$3B	+\$0.2B
Careem (Middle East)	\$0.3B	20%	\$3.1B	+\$0.32B
Total	\$1.9B	—	—	+\$4.24B

Warburg Pincus illustrates that patient, operationally engaged investing can create transformative value in emerging markets. Its focus on governance, operational expertise, and selective partnership provides a model of how long-term strategic involvement can bridge institutional voids while generating outsized financial returns.

Investing in the Next Billion: Comparative Overview

“In emerging markets, conviction often matters more than perfection.” – Investment industry adage

Emerging markets present both extraordinary opportunity and profound complexity. The journeys of *Tiger Global*, *Sequoia Capital*, *SoftBank Vision Fund*, *Temasek Holdings*, and *Warburg Pincus* illustrate how distinct investment philosophies interact with the institutional voids, regulatory uncertainty, and infrastructure gaps that define these markets.

Investor	Strategy	Capital Deployed (USD)	Approx. Gain/Loss (USD)	Key Lessons
Tiger Global	Aggressive, fast-moving	\$2.5B	+\$4.0B	Speed and conviction capture early leadership; high returns but high exposure to operational and market risks.
Sequoia Capital	Founder-centric, local presence	\$0.9B	+\$4.13B	Embedding in local ecosystems and mentoring founders mitigates execution risk; patience builds durable franchises.
SoftBank Vision Fund	Blitzscaling, mega-deals	\$7.7B	+\$6.37B	Massive capital accelerates market dominance; missteps amplified; operational diligence remains critical.
Temasek Holdings	Patient, governance-focused	\$4.1B	+\$5.8B	Long-term partnership and governance focus bridges institutional voids; patient capital captures both financial and systemic value.
Warburg Pincus	Operational PE, value creation	\$1.9B	+\$4.24B	Active operational involvement and disciplined scaling create sustainable value; governance and execution support critical.

Conclusion: Lessons for Emerging Market Investing

“Emerging markets reward those who understand context, not just numbers.” – HBS Faculty insight

The five investors illustrate the diversity of strategies capable of succeeding in emerging markets. Institutional voids—underdeveloped product and capital markets, weak regulatory frameworks, and

fragmented infrastructure—require investors to adapt, whether through rapid capital deployment, long-term partnerships, founder mentoring, or operational support.

Tiger Global demonstrates the power of speed and conviction. By deploying capital aggressively, the firm captures early market leadership, particularly in digital platforms across Asia, Latin America, Africa, and the Middle East. However, high-velocity investing comes with heightened execution and valuation risk.

Sequoia Capital exemplifies patience and deep local embedding. Its founder-focused, hands-on approach mitigates the uncertainty inherent in institutional voids, allowing for durable, long-term franchises. While returns are generally steadier, the approach demands active engagement and market understanding.

SoftBank Vision Fund highlights the potential—and peril—of mega-scale capital. Blitzscaling can accelerate market dominance and transform industries quickly, as seen with Grab and Careem. Yet, overextension, regulatory surprises, or management missteps can lead to significant write-downs, underscoring the importance of operational diligence.

Temasek Holdings provides a model of patient, strategic investing. By combining capital with governance oversight and long-term horizon, Temasek bridges institutional gaps and fosters systemic development alongside financial returns. Its Middle East and Asian investments reveal the benefits of partnerships with local stakeholders to navigate regulatory and cultural complexities.

Warburg Pincus shows how operational expertise and value creation can differentiate returns in complex markets. Active involvement in governance, operational scaling, and strategic support allows portfolio companies to overcome structural gaps, producing sustainable, long-term growth.

Across these five firms, several common themes emerge for studying emerging markets:

1. **Institutional Voids Are Both Risk and Opportunity** – Investors must assess gaps in capital, product, labor, and regulation to identify where value can be created.
2. **Adapt Strategy to Market Realities** – Speed, patience, or operational support must align with the market context. One-size-fits-all approaches rarely succeed.
3. **Local Knowledge Matters** – Partnerships, local teams, and cultural understanding are critical to mitigating risk.
4. **Operational Support Amplifies Returns** – Capital alone rarely suffices. Governance, talent development, and systems-building are key.
5. **Portfolio Diversification and Risk Management** – Even high-conviction strategies require careful monitoring of currency, regulatory, and execution risks.

“Success in emerging markets comes to those who combine insight, patience, and the courage to act where others hesitate.” – HBS Faculty insight

Emerging markets offer access to the next billion consumers, but the path to capturing value is neither linear nor guaranteed. Investors must balance ambition with discipline, scale with local knowledge, and capital with operational engagement. The combined experiences of Tiger Global, Sequoia, SoftBank, Temasek, and Warburg Pincus provide a rich set of lessons—both cautionary and aspirational—for anyone seeking to navigate these dynamic, high-potential markets.