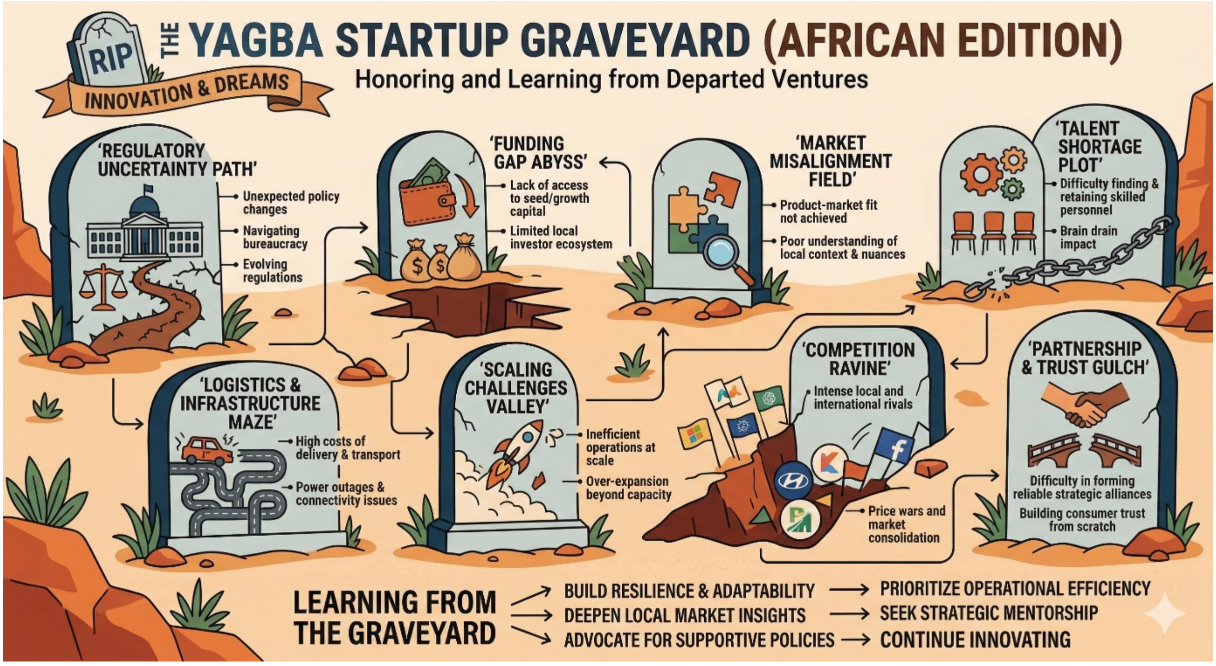
The YAGBA Startup Graveyard



(African Edition)

CONTENTS

GRAVEYARD

The YAGBA Startup Graveyard (African Edition)

This paper stress-tests the **YAGBA framework** by examining African startups that **raised funding but ultimately failed or collapsed**. The goal is not criticism but **diagnosis**: identifying where the **problem structure or business viability was weak**.

1. 54GENE

Country: Nigeria
Sector: Biotechnology
Outcome: Collapsed after raising over $40M

Perceived Problem

Africa lacks genomic data for medical research.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Real scientific gap
A – Pain	Weak urgency among local buyers
G – Outcome	Valuable research potential
B – Business	Weak revenue model
A – Advantage	Strong technical team

Core Issue

The **problem existed**, but the **market willing to pay for it in Africa was small**.

YAGBA Lesson:
A real scientific problem is not always a **commercial problem**.

2. KOBO360

Country: Nigeria
Sector: Logistics marketplace
Outcome: Severe operational and financial difficulties

Perceived Problem

African logistics is inefficient.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Fragmented trucking market
A – Pain	Moderate
G – Outcome	Digital freight marketplace
B – Business	Thin margins
A – Advantage	Limited structural advantage

Core Issue

Logistics marketplaces suffer from **low margins and operational complexity**.

YAGBA Lesson:
Large problems do not guarantee **good startup economics**.

3. Sendy

Country: Kenya
Sector: Logistics
Outcome: Shut down in 2023

Perceived Problem

Urban logistics inefficiency.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Real urban logistics challenge
A – Pain	Moderate
G – Outcome	Digital delivery platform
B – Business	Weak unit economics
A – Advantage	Easily replicable model

Core Issue

Low switching costs for drivers and customers.

YAGBA Lesson:
Marketplaces fail when **switching pain is low**.

4. GRO INTELLIGENCE

Country: Kenya/USA
Sector: Ag data analytics
Outcome: Filed for bankruptcy (2024)

Perceived Problem

Global agricultural markets lack data transparency.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Real data gap
A – Pain	Low urgency among farmers
G – Outcome	Advanced analytics platform
B – Business	Small paying customer base
A – Advantage	Strong data science capability

Core Issue

Customers who benefit from the data often **cannot afford it**.

YAGBA Lesson:
Information products often struggle when **end users lack purchasing power**.

5. LYNK

Country: Kenya
Sector: Home services platform
Outcome: Shut down after funding challenges

Perceived Problem

Finding reliable artisans is difficult.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Informal labor markets
A – Pain	Moderate
G – Outcome	Trusted service marketplace
B – Business	Weak transaction margins
A – Advantage	Limited network effects

Core Issue

Customers often revert to **informal neighborhood networks**.

YAGBA Lesson:
If **informal substitutes are strong**, startups struggle.

6. WeFarm

Country: Kenya
Sector: Ag knowledge platform
Outcome: Pivoted and sold

Perceived Problem

Farmers lack access to agricultural knowledge.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Real information gap
A – Pain	Moderate
G – Outcome	SMS knowledge network
B – Business	Hard to monetize
A – Advantage	Unique data asset

Core Issue

Farmers valued the service but **could not pay for it**.

YAGBA Lesson:
High **social value** does not equal **commercial viability**.

7. Farmcrowdy

Country: Nigeria
Sector: Agri-finance
Outcome: Pivoted away from original model

Perceived Problem

Farmers lack access to financing.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Financing gap
A – Pain	High

G – Outcome	Crowdfunded farming
B – Business	Risky agricultural returns
A – Advantage	Limited control over farms

Core Issue

Agriculture risk undermined investor returns.

YAGBA Lesson:
If the **underlying economics of the sector are weak**, fintech cannot fix it.

8. Twiga Fresh

Country: Kenya
Sector: Agri-distribution
Outcome: Major restructuring

Perceived Problem

Farm-to-market supply chain inefficiency.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Real supply chain problem
A – Pain	High
G – Outcome	Digitized supply chain
B – Business	Complex logistics costs
A – Advantage	Moderate

Core Issue

Supply chain optimization requires **massive scale**.

YAGBA Lesson:
Operational intensity can overwhelm startups.

9. Dash

Country: Ghana
Sector: Payments
Outcome: Shut down after major funding

Perceived Problem

Cross-border payments friction.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Real fintech problem
A – Pain	High
G – Outcome	Unified payment network
B – Business	Poor governance and unclear model
A – Advantage	Limited differentiation

Core Issue

Execution and governance failures.

YAGBA Lesson:
Even strong problems require **strong leadership advantage**.

10. AFRICRYPT

Country: South Africa
Sector: Crypto
Outcome: Collapse and fraud scandal

Perceived Problem

Access to cryptocurrency investment.

YAGBA Diagnosis

Layer	Assessment
Y – Context	Crypto speculation
A – Pain	Low urgency
G – Outcome	Investment platform
B – Business	Unsustainable
A – Advantage	None

Core Issue

Speculative demand rather than real problem.

YAGBA Lesson:
If **urgency is low and substitutes are many**, collapse risk is high.

Patterns Across the YAGBA Graveyard

Across these failed or struggling startups, the same weaknesses appear repeatedly:

Weak willingness to pay

Many startups solved **problems users liked but would not pay for**.

Thin margins

Logistics and marketplaces suffer from **low structural margins**.

Weak switching costs

Users easily move between platforms.

Social problems vs commercial problems

Many startups addressed **development challenges rather than paying markets**.

The Key Insight for African Ecosystems

Across Africa, millions of dollars go into startups every year.

But very few investors or ecosystem programs ask the most critical question:

Is the problem structurally strong enough to build a company?

This is the core purpose of **YAGBA**.

Instead of starting with **ideas**, YAGBA starts with **problem strength**.

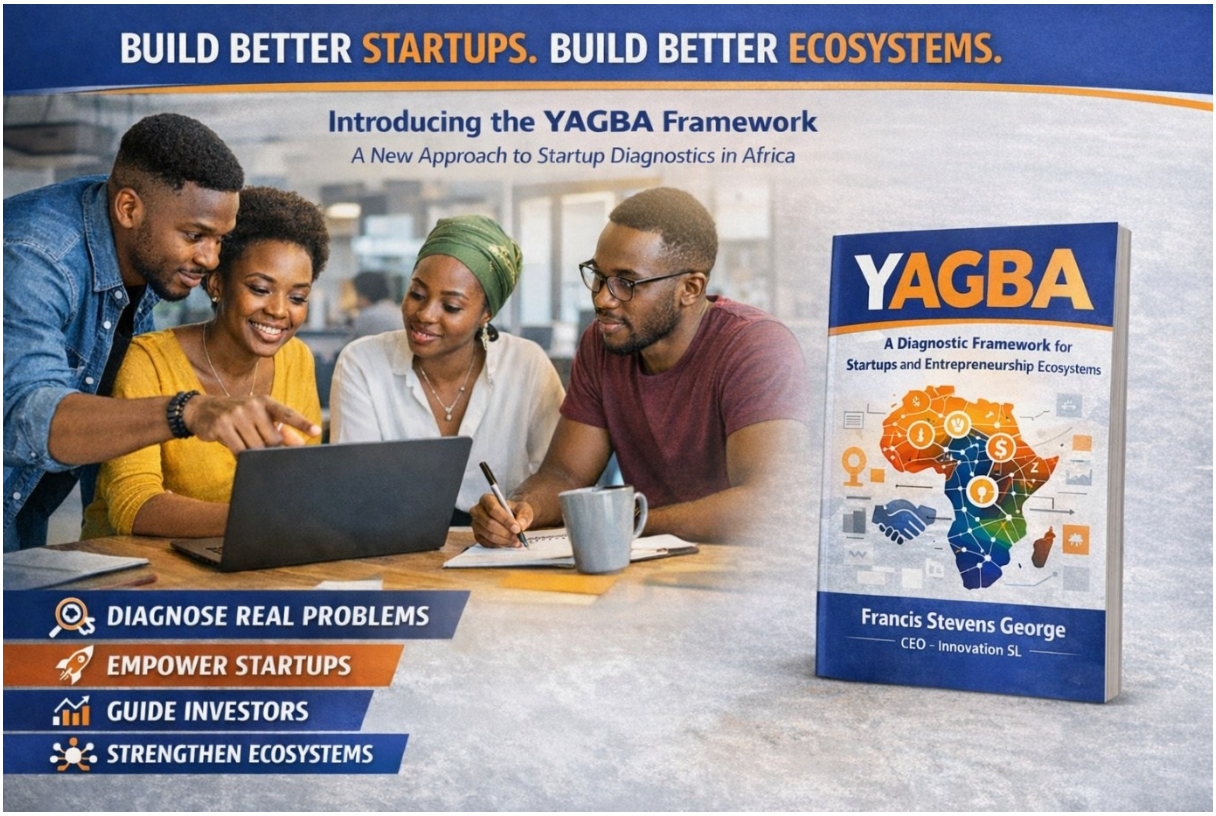
Francis Stevens George

Francis Stevens George, Founder and CEO Innovation SL

To learn more about The Yagba Problem Defination Framework, send an email to fsg@innosl.com

I have published the first edition of the Book- "Yagba"- A Problem Defination Framework.

https://www.amazon.co.uk/dp/B0GR5FKYN6


BUILD BETTER STARTUPS. BUILD BETTER ECOSYSTEMS.
Introducing the YAGBA Framework
A New Approach to Startup Diagnostics in Africa
YAGBA
A Diagnostic Framework for Startups and Entrepreneurship Ecosystems
Francis Stevens George
CEO - Innovation SL
DIAGNOSE REAL PROBLEMS
EMPOWER STARTUPS
GUIDE INVESTORS
STRENGTHEN ECOSYSTEMS