

CONCINNITY

SOLUTIONS WATCH

THE STARTUP FACTORY: The Venture Studio Model for Scalable Enterprise Creation

Q3 2025 (JULY – SEPTEMBER)



CONSULTING • HUMAN CAPITAL • RESEARCH

Building Startups by Design: The Venture Studio Approach

The *Concinnity Solutions Watch* is our periodic business whitepaper that spotlights pressing societal challenges and emerging opportunities across Nigeria's economic and social landscape. It serves both as a platform for inquiry and a tool for action, providing evidence-based insights, practical solutions and pathways for co-creating innovative and impactful strategies.

This edition explores the transformative potential of the venture studio model, a rapidly growing global approach to entrepreneurship that systematically builds startups from idea to scale. Drawing on insights from global practice and local enterprise realities, *The Startup Factory: The Venture Studio Model for Scalable Enterprise Building* examines how Nigeria can institutionalise venture creation, reduce startup failure rates, and accelerate innovation through structured company-building ecosystems.

Concinnity Solutions Watch analyses how the venture studio model redefines entrepreneurship by integrating three critical roles, entrepreneur, operator and investor, into a unified architecture for value creation. By embedding strategic capability and operational expertise directly into the startup process, venture studios transform innovation from an uncertain pursuit into a replicable, results-driven system.

For Concinnity, this focus is both timely and strategic. As we continue to support entrepreneurship, enterprise development, and institutional growth across Nigeria, we recognise that scalable innovation requires more than funding, it demands structure, discipline, and collaboration. Through this edition, we invite policymakers, investors, and ecosystem enablers to explore how venture studios can unlock a new era of entrepreneurial productivity and sustainable economic diversification.

Yemisi Akinrinade
Managing Partner

concinnity
Enduring value. Delivered.

1.0 INTRODUCTION

The global startup landscape is evolving rapidly. Traditional entrepreneurial models, once reliant on isolated founders and independent funding sources, are giving way to a new paradigm that combines creativity, expertise and capital under one roof, the venture studio.

A venture studio, sometimes referred to as a startup studio, venture builder, or company builder, is an organisation that systematically creates, develops, and launches startups. Rather than waiting for entrepreneurs to pitch ideas, the studio itself originates concepts, validates them through structured experimentation and builds companies in partnership with co-founders.

This model has transformed how early-stage businesses are born. By embedding expert teams, shared resources, and proven playbooks into the startup process, venture studios dramatically reduce risk and increase the likelihood of success.

Global examples such as Rocket Internet, Atomic, Founders Factory and Science Inc. have demonstrated how venture studios can create multiple high-growth ventures in succession by leveraging a repeatable system that combines strategic vision, operational excellence and capital discipline.

The venture studio approach is not just an investment mechanism, it is a business creation system. It merges the agility of entrepreneurship with the strategic oversight of institutional management, offering a more predictable path from concept to commercial success.



2.0 WHAT IS A VENTURE STUDIO?

A venture studio is an organisation that builds multiple startups simultaneously or sequentially, using its own resources and expert teams to turn validated ideas into fully functioning companies. Unlike accelerators, incubators or venture capital firms, which primarily support or fund existing startups, venture studios create new ventures from the ground up.

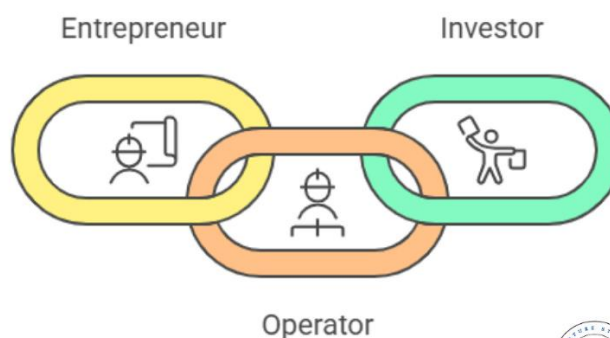


The Venture Studio Model

Photo: <https://www.pitchdrive.com/academy/what-is-a-venture-studio-starapps-redefining-startup-creation>

The Three-Role Framework of Venture Studios

True venture studios perform all three roles, entrepreneur, operator and investor, within one integrated model. Their strength lies not in performing each role separately, but in orchestrating them simultaneously to create, launch, and scale new ventures efficiently.



Essential Roles Defining Venture Studios

Source: <https://newsletter.venturestudioforum.org/p/the-three-role-framework-of-venture>

1. **The Entrepreneur – Originator of Innovation:** Studios generate, validate and shape new business concepts internally, defining the vision, strategy and ownership structure before engaging founders or investors.
2. **The Operator – Builder of Companies:** Studios take a hands-on role in product design, technology development and go-to-market execution, accelerating growth and significantly improving startup success rates.
3. **The Investor – Steward of Capital:** Studios deploy and manage capital strategically, focusing on equity value creation and portfolio growth rather than service revenue, ensuring alignment with long-term returns.

Core Differentiator: Builder Vs. Investor

The fundamental distinction of a venture studio lies in its active, creation-oriented role

Model	Role / Involvement	Ownership / Stake	Key Differentiator
Venture Studio	Builds startups internally; provides resources, team, and operational support	Co-founder / equity owner	Actively creates startups from scratch and acts as co-founder from day one.
Incubator	Offers mentoring, workspace, and network support	Usually minimal equity	Supports early-stage startups without taking an active operational role.
Accelerator	Runs short-term programs with mentorship and seed funding	Typically small equity stake	Provides structured support programs for growth, not full co-founding.
VC Firm	Provides funding and strategic guidance	Investor; no hands-on operations	Invests in existing startups, without building or operating them directly.

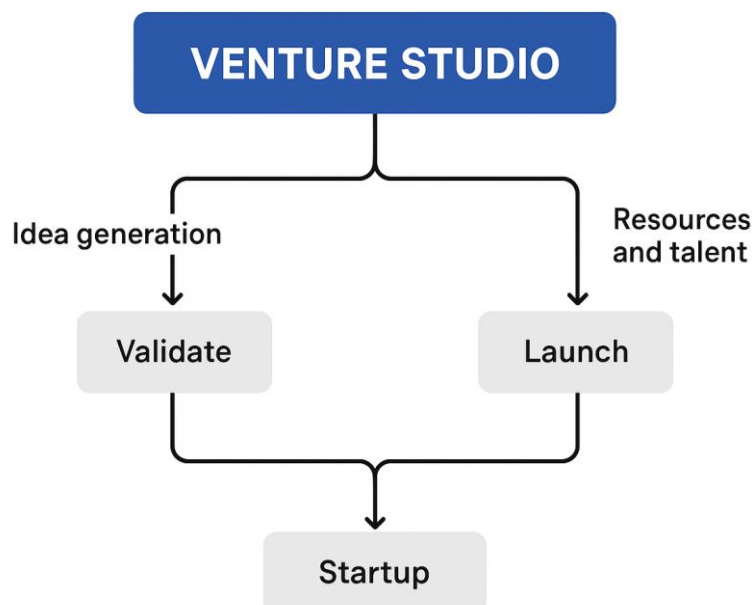
3.0 HOW VENTURE STUDIOS WORK

A venture studio follows a structured, repeatable process designed to transform validated opportunities into thriving companies. Unlike traditional startups, where founders often begin with little more than an idea and limited support, venture studios provide a systematic framework that combines strategic discipline, cross-functional expertise, and shared infrastructure to accelerate venture creation and reduce risk.

At its core, the venture studio model operates like an innovation engine: it continuously generates, tests, and scales business ideas using proven methodologies and operational playbooks. Each idea progresses through a well-defined sequence of stages, from ideation to validation, through MVP design, launch and scaling, before off-boarding into independence. This methodical pipeline ensures that new ventures are built on verified insights, not assumptions.

By embedding collaboration between entrepreneurs, designers, engineers, and strategists, venture studios create a controlled environment for experimentation, learning, and refinement. This approach transforms the chaotic process of startup creation into a repeatable, data-informed system that consistently produces high-quality ventures. The following section illustrates these stages:

The Venture Studio Process: From Ideation to Launch



1. **Ideation & Investigation:** Every venture begins with an idea, but in a venture studio, ideas are strategically curated rather than spontaneously pursued. Studios draw inspiration from internal research, market trends, emerging technologies, and the experiences of potential co-founders.

Each idea undergoes rigorous investigation to assess market potential, scalability, and alignment with the studio's competencies. The process includes early market scanning, competitor analysis, and mapping potential user problems and opportunities.

Outcome: A clearly defined business concept supported by initial evidence of market demand.

2. **Validation:** The validation phase tests the idea against real-world feedback. Studios conduct user interviews, feasibility testing, and prototype assessments to verify demand and viability. The goal is to confirm product–market fit before committing significant resources.

By addressing risks early, studios save time, reduce costs, and ensure that only the most promising ideas advance to development.

Outcome: A data-backed concept with confirmed demand and a refined business model.

3. **MVP Design & Development:** Once validated, the venture moves into execution. Studio teams collaborate to design and build a Minimum Viable Product (MVP), a functional version of the product that solves a specific problem for early adopters. This stage integrates expertise from design, engineering, operations, and marketing. The MVP serves as a testing ground for user feedback, product iteration, and strategic positioning.

Outcome: A launch-ready MVP capable of demonstrating value and attracting early traction.

4. **Launch & Market Entry:** The launch phase marks the transition from internal development to public engagement. Venture studios assist founders with branding, go-to-market planning, and early customer acquisition.

Through pilot releases, digital campaigns, or targeted partnerships, the studio helps establish a market presence while monitoring metrics for traction and user engagement.

Outcome: Market entry with measurable performance data and validated customer response.

5. **Scaling:** Once the venture gains traction, the focus shifts to growth and scalability. The studio helps expand operations, secure additional investment, and build sustainable structures for long-term growth.

This stage often includes strengthening governance, hiring leadership teams, and forming partnerships to access larger markets. The studio's ecosystem of investors and mentors plays a crucial role in accelerating this transition.

Outcome: A growing company with stable operations, strategic partnerships, and the capacity for expansion.

6. **Off-boarding & Independence:** The final stage is off-boarding, where the venture transitions into full independence. Ownership, intellectual property, and governance are formally transferred to the company's management team. While the studio may retain a board seat or minority shareholding, day-to-day control passes entirely to the founders.

Outcome: A self-sustaining company, built and launched with structured guidance, ready to thrive independently in its market.

HOW VENTURE STUDIO WORKS

Unlike an accelerator or incubator, venture studio doesn't fund existing startups. It's a company that creates multiple startups in-house, then finds entrepreneurs who take them over to grow them.

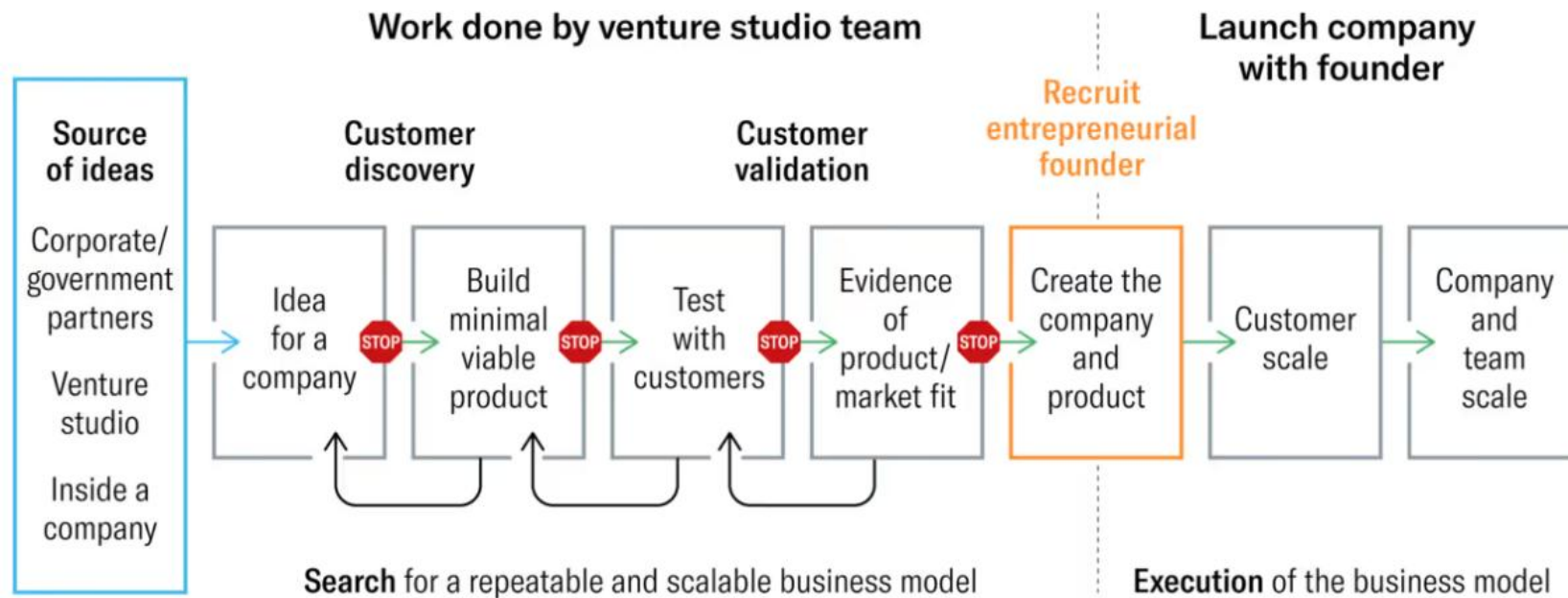


Photo: <https://hbr.org/2022/12/entrepreneurs-is-a-venture-studio-right-for-you>

4.0 BENEFITS OF THE VENTURE STUDIO MODEL

Venture studios provide a powerful combination of investment, expertise and operational support that significantly improves the odds of startup success.

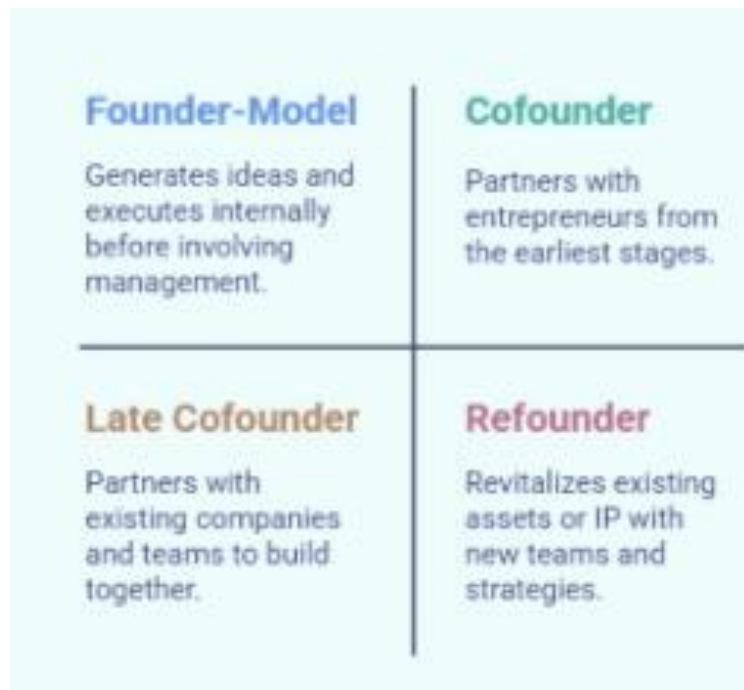
Benefits of the Venture Studio Model

No.	Benefit	Description
1	Reduced Risk	By validating ideas before scaling, studios eliminate many of the uncertainties that sink early-stage startups. Their iterative approach ensures that only evidence-backed concepts receive funding.
2	Operational Efficiency	Centralised resources, such as engineering teams, marketing specialists, and legal support, allow startups to move faster and focus on innovation rather than administration.
3	Accelerated Market Entry	Proven playbooks and shared infrastructure shorten the time between concept and launch, helping ventures reach customers and generate revenue faster.
4	Access to Funding	Studios often have direct relationships with venture capital firms and angel investors, improving access to pre-seed and seed-stage financing.
5	Collaborative Ecosystem	By operating within a network of experienced entrepreneurs and mentors, founders gain insight, support, and confidence throughout their journey.
6	Higher Success Rates	Data from global venture studios shows that ventures built under this model are significantly more likely to survive and achieve profitability compared to independently launched startups.

6.0 TYPES OF VENTURE STUDIOS

Venture studios differ in structure and focus, depending on their goals and funding sources:

- **Industry-Specific Studios:** Focuses on niches like fintech, healthtech, or edtech, applying deep expertise to targeted innovation.
- **Industry-Agnostic Studios:** Welcomes diverse ideas, applying flexible frameworks that work across multiple sectors.
- **Corporate Venture Studios:** Operates within large organisations, spinning out innovations to create new revenue streams.
- **Independent Studios:** These are standalone entities, investing their own capital and leveraging entrepreneurial experience.
- **Hybrid Studios:** Combines corporate backing with independent operation, blending agility with strategic depth.



Which Formation Approaches Does a Venture Studio Use

Photo: <https://newsletter.venturestudioforum.org/p/the-three-role-framework-of-venture>

Who Should Work with a Venture Studio?

Venture studios are ideal for:

- Founders with strong ideas but limited resources or operational bandwidth.
- Experts with domain knowledge seeking structured venture-building support.
- Investors seeking a diversified portfolio of validated, early-stage companies.

Entrepreneurs benefit from co-creation, guided development, and access to capital, all within a supportive ecosystem designed to transform ideas into sustainable ventures.

7.0 HOW TO ESTABLISH A VENTURE STUDIO

Creating a venture studio is itself a structured entrepreneurial effort. Key steps include:

1. **Define Strategic Focus:** Identify target sectors and the unique value proposition of the studio.
2. **Assemble Core Team:** Build a cross-functional operator network with expertise in product, design, technology and business growth.
3. **Create a Venture Sourcing Engine:** Develop systems to identify, assess, and prioritise ideas for development.
4. **Build Funding Infrastructure:** Secure initial capital and investor partnerships.
5. **Launch Pilot Ventures:** Start small, iterate and refine the studio's playbook through practical experience.
6. **Institutionalise the Model:** Establish repeatable processes and governance frameworks for scaling new ventures consistently.

How Venture Studios Are Structured

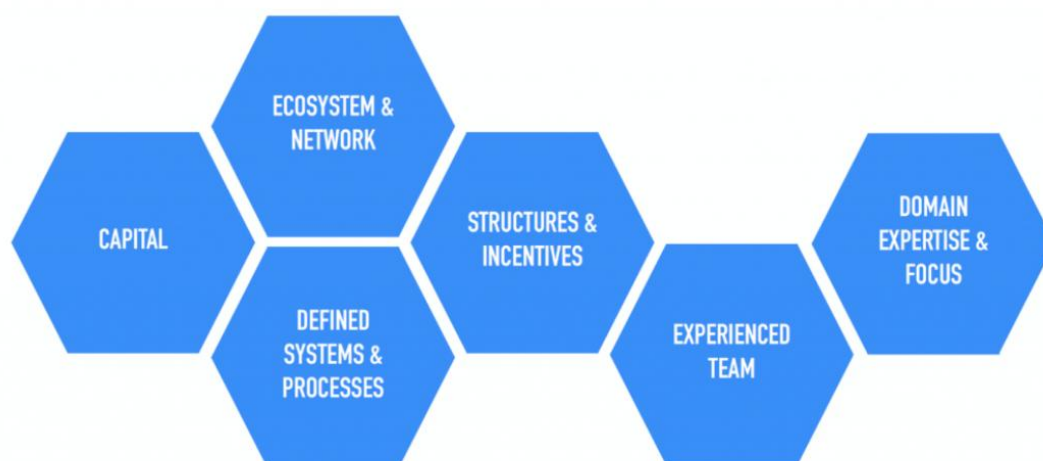
Venture studios typically operate through a multi-entity structure that separates the core studio from the startups it builds. Each portfolio company is incorporated as a distinct legal entity, allowing for independent governance, financing, and eventual investment by external partners.

Many venture studios also establish a dedicated investment fund to provide post-launch financing and sustain portfolio growth. In such cases, a management company is often positioned above both the studio and the fund entities, overseeing strategic coordination, financial management, and compliance.

Depending on the operational model, the fund may either serve as the financial backbone for the entire structure, supporting both the studio and its ventures, or act solely as an investment vehicle that funds individual portfolio companies while maintaining operational independence.

Domain Expertise and Strategic Focus

Venture studios succeed by specialising early. Focusing on a clear domain, by industry, geography, or technology, builds expertise, networks, and credibility, enabling efficient resource use and consistent, high-quality venture creation.



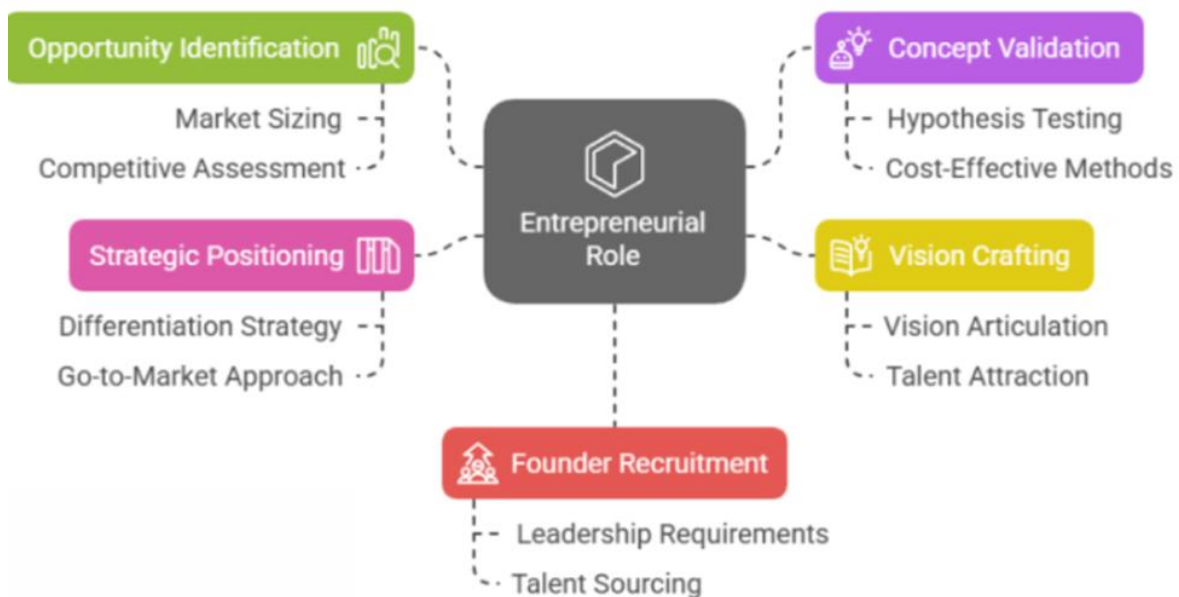
Domain Expertise and Strategic Focus

Photo: <https://www.studiohub.org/post/common-traits-of-successful-venture-studios>

Best Practices for Running a Venture Studio

Operating a successful venture studio requires a balance of structure, creativity and collaboration. The following practices strengthen internal capability and portfolio performance:

- **Build an interdisciplinary team:** Assemble professionals with diverse expertise, entrepreneurs, engineers, designers, strategists and investors, to cultivate a culture that blends innovation with execution.
- **Embed innovation, collaboration and delivery as core values:** Encourage an environment where experimentation is rewarded, insights shared, and outcomes measured through disciplined execution.
- **Create a connected ecosystem:** Facilitate regular knowledge exchange among portfolio companies to promote shared learning and collaboration.
- **Adopt a lean and adaptive model:** Validate ideas rapidly, test assumptions early, and remain flexible enough to pivot based on real-world feedback.
- **Engage with the wider innovation community:** Maintain strong relationships with investors, accelerators and startups to stay ahead of market shifts and opportunities.



Entrepreneurial Role: Core Functions in Venture Studio

Photo: <https://www.linkedin.com/pulse/entrepreneur-role-venture-studios-framework-matthew-burris-qso3e>

8.0 CONCLUSION

The venture studio model marks a significant evolution in entrepreneurship, a system where creativity, capital, and capability converge within a single, integrated framework. By embedding multidisciplinary expertise directly into the startup creation process, venture studios transform what was once an unpredictable journey into a structured and repeatable pathway to innovation.

More than a funding mechanism, the venture studio represents a new architecture for venture creation, one that institutionalises the startup process, reduces risk, and accelerates the journey from concept to market. Through collaboration, discipline, and design, studios produce stronger, more resilient companies with higher success rates.

For founders, investors, and organisations alike, the venture studio is a strategic blueprint for building the future, where ideas are nurtured with intent, innovation is engineered with precision, and ventures are designed from inception to succeed.

Prepared by

The Concinnity Solutions Watch Team

info@concinnityng.com

www.concinnityng.com





CONCINNITY MANAGEMENT CONSULTING
Creating Enduring Value.
Consistently.

Concinnity
11 Unity Road Ikeja, Lagos
100271, Nigeria
+234 915 386 1055
+234 09129757039
info@concinnityng.com
www.concinnityng.com

Concinnity Management Consulting Limited is registered in the Federal Republic of Nigeria with Registration Number: RC1280761.

Concinnity®, its logo and 'Enduring Value. Delivered' are trademarks of Concinnity.

Designed by the creative studio at Concinnity.
Copyright © 2012 Concinnity. All rights reserved