

# How to make your female founder led business more relatable to (mostly) male investors

Attracting the right investors can be tricky. One of the most common misconceptions for first-time female founders is that to secure funding, you simply need to create a pitch deck and start reaching out to every and any potential investor you can find. But it takes so much more to make your business both relatable and investable, especially as a woman trying to secure investment in the very male dominated world of venture capital.

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As a priority, acknowledge investors' financial expectations and consider their perspective. Although their priorities vary, most investors expect a return of investment of around ten times the money they put in, over a seven to ten year period. *Since 60% of startups fail*, investors will opt for the most exciting startups offering the most promising returns to counterbalance the risk.

But it's not just the promise of exciting returns that will draw investors in. They've got to feel an emotional connection with the business you're building, and increasingly want to know that their money will help to create a real

impact on the world.

And critically for an early-stage business, they've got to feel a connection with you, the founder. Fundamentally, they want to feel confident that they can trust you with their money. Investors tend to have a bias towards backing businesses and founders they understand and relate to. That can mean that they'll think twice or three times about backing you, just because you're a woman. Unfortunately, we're fighting against conditioned subconscious beliefs that people have held for centuries about the traditional female role in society, and how capable women might be at building and scaling businesses. That often means you've got to work that little bit harder to prove yourself, at least until the systemic gender bias in the investment ecosystem is fixed. That's going to take a while. So in the interim, it's better to go in with your eyes wide open to that challenge.

Whilst several different areas of your business and your plan will be assessed by the investors, the key ones to home in on are the identified problem in the market, how your solution uniquely addresses it, proof of product to market fit, the potential for significant growth, and the ability of your team to execute.

What else do you need to consider?

## Stats are critical – but make it personal

Speaking the language of investors means connecting with both their head and their heart. Facts and figures connect with the logical side of the brain, but you'll need to make them really feel it. To successfully illustrate to investors the scale and significance of the problem you're solving in the market, draw on relevant stats and data from your industry that speak to both sides, especially if your product or service isn't immediately relatable to the person you're speaking to. For instance, if your startup is selling natural facial care products for women in their 40s and 50s struggling with the menopause, you'll need to help your middle-aged male investor get under the skin of the issue (excuse the pun). Present the stats to show the size of the problem, but also show the qualitative research results to highlight the psychological struggles and personal testimonies that your potential customers need to conquer daily. This way, your investor can get a better understanding how painful and urgent the problem is and feel more connected to the need to solve it.

## Avoid industry jargon and complex

# language

Outline your business solution in simple terms and explain the expected customers' benefits right up front, so that you make it as easy as possible for your investor to grasp what you're doing straight away and want to find out more. Kate Daly, the co-founder of Amicable, having gone through her own personal journey with divorce, realised the problems inherent in the process, and along with her co-founder Pip Wilson came up with a lawyer-free alternative with a platform called Amicable. They captured the product proposition in a single sentence-long description: "Amicable, is a lawyer-free alternative to a divorce, separation and co-parenting, changing the way people separate for the better".

## Help them get behind the 'why now' question

What's going on in the market, and why is now the best time for your startup to flourish? There might be some technological, political, environmental, or social changes which could accelerate the growth of your business. If an investor can see that you're riding the wave of a shift in the market, and can instantly relate to your mission, they'll be keen to get on board.

For instance, in 2017, Sarah Merrick the owner of Ripple Energy, the UK's first consumer-owned wind farm, having noticed the rising need for sustainable energy development for households, decided to use her 16 years of experience in sustainable energy management to come up with her solution, making clean energy ownership affordable and accessible for everyone, everywhere. Propelled by the sustainability boom and shift to alternative sources of fuel, along of course with her outstanding business and personal credentials, Sarah has secured £5M of investment from 3,900 investors now through angel funding and crowdfunding.

## Get clear on the benefits for your investor

Always remember that at the end of the day, you're solving a problem for investors. That problem being, where should they put their money to make the best returns? Lay out exactly what you plan to do with the new injection of cash that your funding deal will provide, and how this will deliver exciting returns for them. By showing the expected results from deploying, for example, your planned new marketing spend, expanded team, or new product line,

investors will be more encouraged and able to visualise the effects of their contribution to your company. Show them the long-term value you're building in the business, and your plans for an exit at a serious multiple, and they'll be even more excited. Be ambitious, be bold, and never underestimate the value that you can create for investors as a female founder.

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