

Taking down the old tree: New study from Antler shows the scale of the challenge women face when fundraising

Female founders are facing gender bias when raising funding from European angels and VCs, according to new research released by Antler, the most active private early stage investor in Europe.

What is like being 30 and going bald?

Are you planning to have a wife soon?

Will you still be able to work if your prostate exam brings bad news?

Do you think you will end up being another Jordan Belfort?

Can you be as multitasking as other [female] founders

Two men building a tech product – are you sure you're the right people to do this?

These questions are, without a doubt, shocking, ludicrous and have nothing to do in the workplace.

However, women are often exposed to this kind of questions during pitch meetings.

What do these bring to the company? What good is it knowing the answer to any of these questions?

These questions can stem from two different places: sexism or sheer ignorance. But no one would like to have a boss with sickening values, or who is too stupid to understand basic human decency and ask useful questions for the company.

However, many people in power are more incompetent than you'd think. Sexism and other discriminations stem from the insecurity of those in power, who feel threatened by change and competition. By discrediting women, it's half the population that's evicted from having a shot at a successful career.

But even the oldest and biggest trees end up dying as their trunk and branches start to rot. Their former shadow then lets place to a bright sunny future.

Rather than waiting for time to take care of the matter, Antler is investing in startups led by at least one woman founder, and exposes sexist behaviours through their latest study.

An unbalanced ecosystem

Antler has invested in more than 300 startups in Europe since 2021 and a third have at least one woman founder. Antler has asked women founders based in the UK, Germany, the Netherlands, Sweden and Norway about their recent experience raising funding from angel and VC investors.

Every single founder (100%) said they think that the European investor ecosystem is biased against women, and 92% of founders believe that investors aren't doing enough to support women.

Only 1.8% of European VC funding goes to startups with female-led teams. This is because women are treated differently by VCs – 72% of women founders believe they have been asked questions by angel investors and VCs that male founders wouldn't have been asked.

Banalised discrimination

These are some examples that founders have experienced during pitch meetings:

What is it like being 30 and not having children?

Are you planning to have a major life event soon?

How will you handle being pregnant and running a business?

Do you think you'll lose interest in the business once you've had your baby?

Do you think you need a co-founder with a technical background?

Can you be more aggressive with your valuation like other [male] founders?

Do you think you will end up being another Elizabeth Holmes?

Two women building a tech product – are you sure you're the right people to do this?

Can you send me your qualifications?

“Why do conversations about female founders immediately lead to conversations about combining the journey with having a family? I don't understand why we always worry and think it's women in their 30-40s who have families, when it takes two to tango? Provided that the vast majority of families are heterosexual couples, there are just as many men affected? So this equally applies to ALL talent in our 30s-40s regardless of gender?” comments Karolina Ling-Vannerus, founder of Circulate.

Two thirds of women founders believe that their gender has actively made it harder for them to raise investment, and a third have felt compelled to call out investors for unconscious bias during pitching meetings.

“We want to shine a light on the experiences women live every day as entrepreneurs and founders. Whilst there are many examples of inclusive VCs, all too often women have to face gender bias when raising funding.” Associate Partner at Antler, comments Livia Moore.

Making things right

Despite this widespread gender bias, there are many instances of diverse and inclusive investors across the ecosystem. Demonstrating the changing demographics of the European investor community, 72% of founders who participated in the study said that investors that have backed them have been women and many report examples of better practices:

Share data about the number of women within portfolio companies

Recognise women as competent founders rather than ‘female founders’

Understand that children can fit into the startup journey

Hire more female Partners and investment managers

Change can happen

When asked about what could drive positive change, an overwhelming majority (95%) said that the first step VCs should take is to hire more women.

When asked about specific suggestions about changes VC firms could make, women founders suggested the following:

Encourage alternatives to the 'warm introductions' route

Publicly disclose stats around diversity in a VC firm's portfolio

Include parental leave policies in investment terms

Profile female founders and champion success stories through social channels

“At Antler, our commitment goes beyond addressing these disparities; we aim to inspire and encourage more women to actively engage in tackling real-world challenges and spearhead the development of the next wave of groundbreaking ventures”
comments Sarah Finegan, Director at Antler.

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