Universität Trier
Forschungsstelle Mittelstand

Was erwarten Kapitalgeber?

Startup Weekend Trier-Luxemburg
Powered by Google for Entrepreneurs

5. Mai, 2017

Prof. Dr. Jörn Block
block@uni-trier.de

Das Team der Forschungsstelle

Wissenschaftliche Leitung

Prof. Dr. Jörn Block

Prof. Dr. Thomas Ellwart

Prof. Dr. Katrin Muehlfeld

Prof. Dr. Thorsten Semrau

Mitarbeiter und Geschäftsführung

René Andres

Christian Fisch
Geschäftsführer

Christopher Hansen

Christian Masiak

Dr. Alexandra Moritz
Geschäftsführerin

Im Zentrum: Der regionale Mittelstand

Forschungsstelle Mittelstand

Familienunternehmen

Gründung

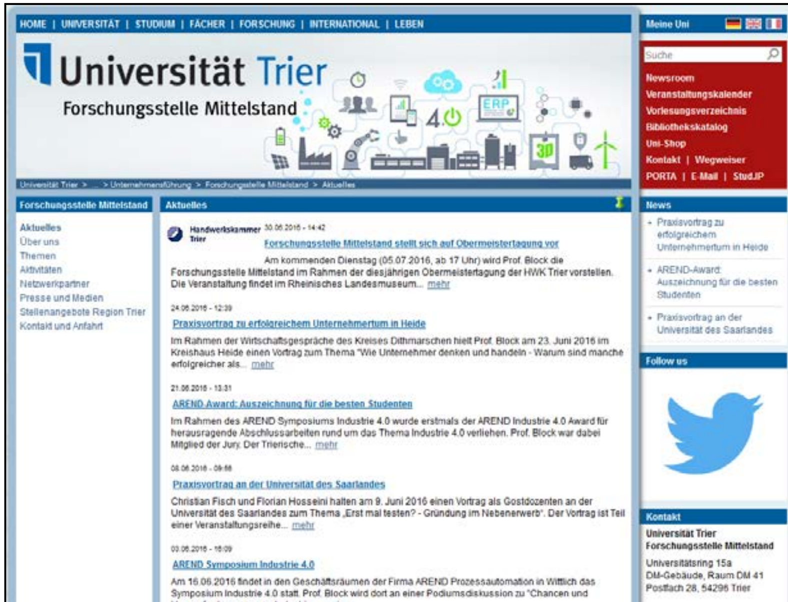
Organisation und Strategie

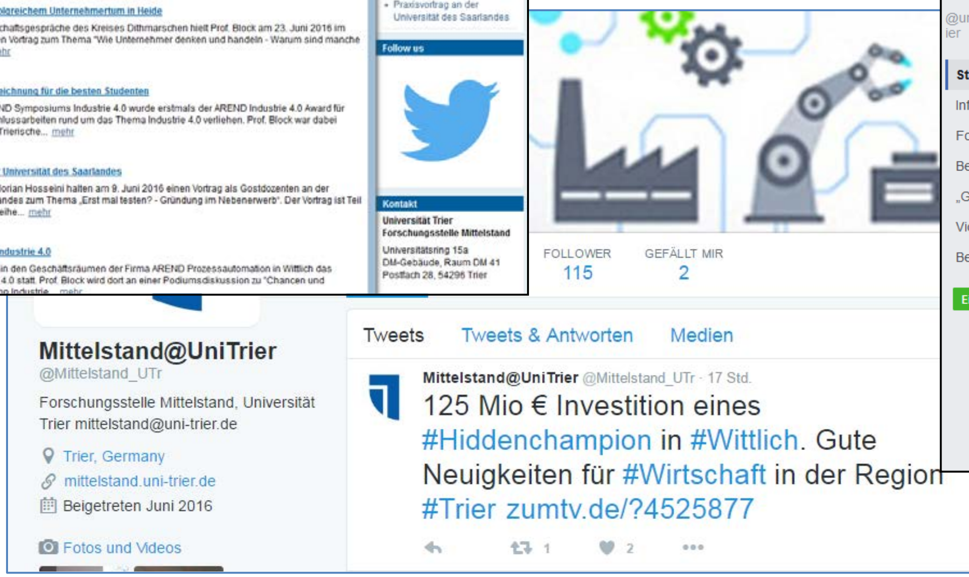
Innovation

Personal und Mitarbeiterführung

Homepage und Social Media

Unsere Homepage:
www.mittelstand.uni-trier.de





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Unternehmensführung und Mittelstand Universität Trier

Förderer und Unterstützer

Nikolaus Koch Stiftung

Universität Trier

STIFTUNG STADT WITTLICH

Sparkasse Trier

Die Sparkassen der Region Trier

TRIER

Volksbanken Raiffeisenbanken der Region Trier

IHK Trier

VTU VEREINIGUNG TRIERER UNTERNEHMER in der Region Trier e.V.

Handwerkskammer Trier

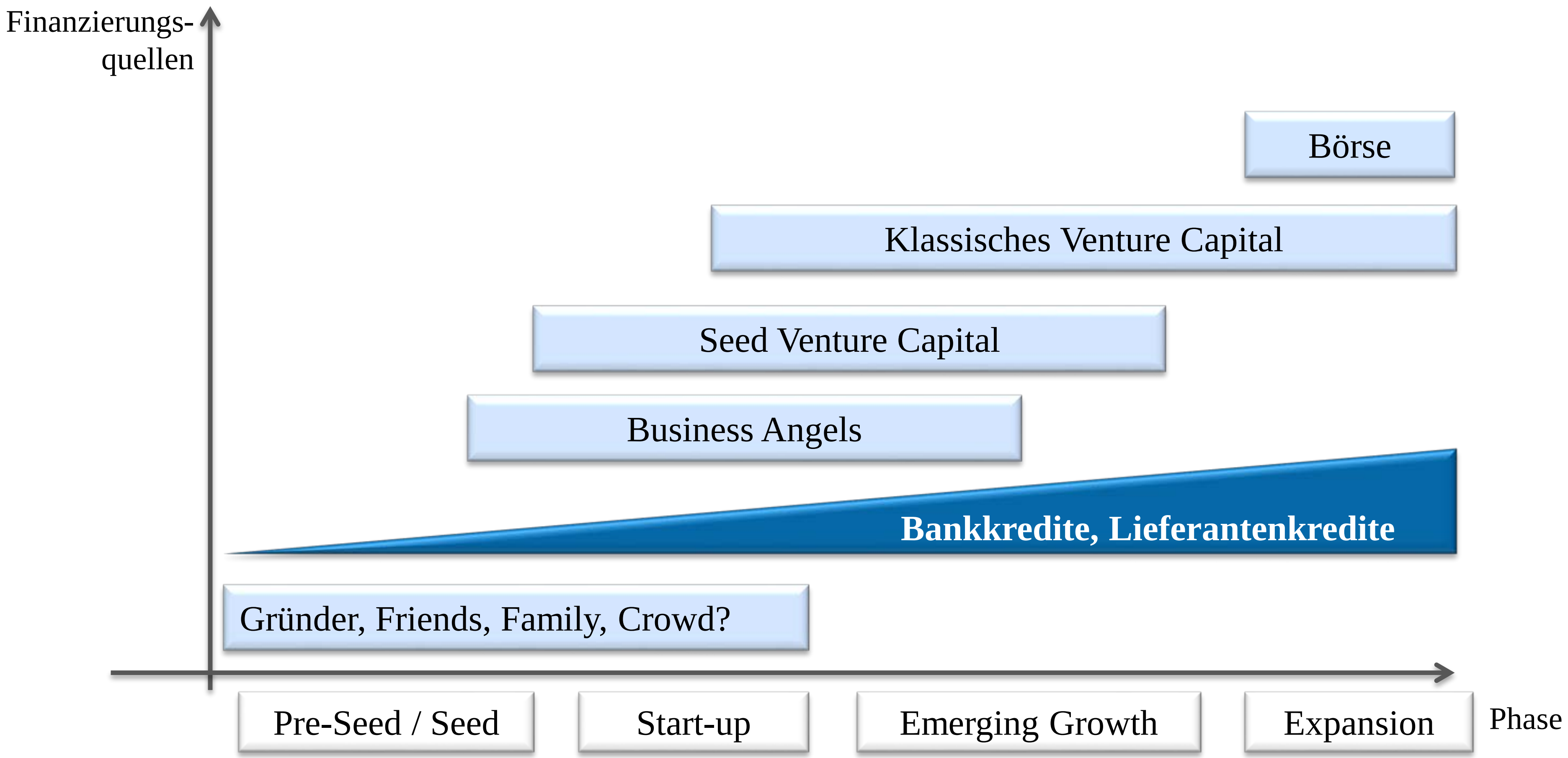
SWT

Brauchen Sie überhaupt (externes) Kapital?

Was erwarten Kapitalgeber?

Es gibt nicht <u>den</u> Kapitalgeber!

Finanzierungsgeber nach Unternehmensphase



Quelle: Moritz, A., Block, J. (2014): Crowdfunding und Crowdinvesting: State-of-the-Art der wissenschaftlichen Literatur, in ZfKE, Jg. 62, Heft 1, S. 57-90.

Fremdkapital vs. Eigenkapital

Fremdkapital

- Stammt in der Regel von **Banken** (aber auch von Kunden, Zulieferern, Mitarbeitern)
- Fremdkapital wird für eine **feste Zeit** vergeben.
- Im Gegenzug für das Kapital muss der Unternehmer periodische **Zinszahlungen** leisten.
- Zinszahlungen werden in der Regel **ex ante verhandelt** und sind **unveränderlich.**
- Zu viel Fremdkapital kann schnell zu **Zahlungsunfähigkeit** führen.
- Im Falle der Zahlungsunfähigkeit
  → Fremdkapitalgeber haben Vorrang gegenüber Eigenkapitalgebern.

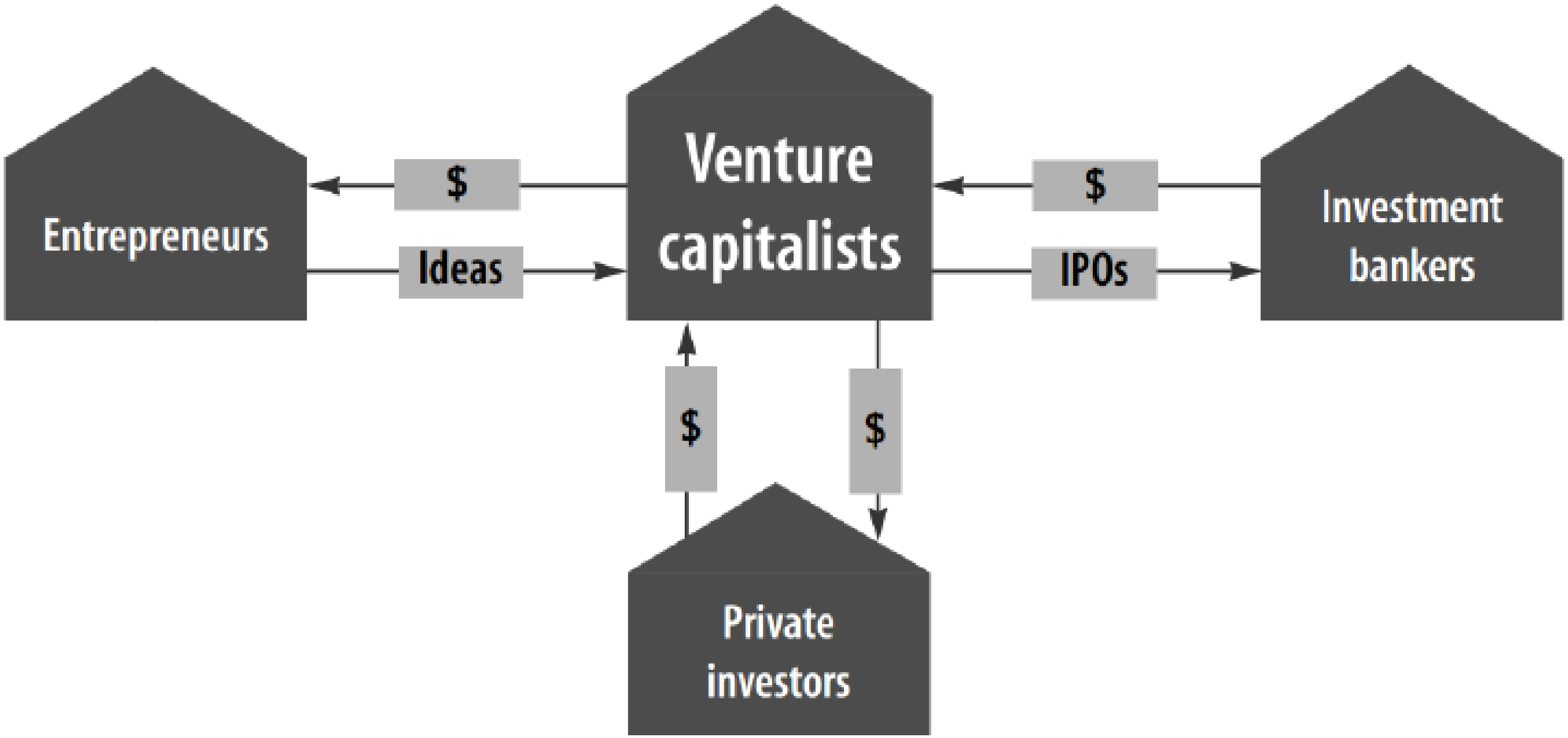
Eigenkapital

- **Eigenkapital**: Stammt in der Regel vom Unternehmer, Freunden, Business Angels oder Kapitalbeteiligungs-gesellschaften.
- **Public Equity**: Stammt von anonymen Anteilseignern (Aktien werden am Aktienmarkt gehandelt)
- Kapital wird durch Verkauf von **Unternehmensanteilen** erworben; hierbei wird das Geld auf unbestimmte Zeit vergeben.
- Als Gegenleistung zahlt der Unternehmer Dividenden aus, die nicht in der Höhe **festgelegt** sind und **nicht ex ante verhandelt** werden.
- Bei Zahlungsunfähigkeit werden die Forderungen der Eigenkapitalgeber normalerweise **als letztes** bedient.

Ergebnisse einer empirischen Studie mit Fokus auf Risikokapitalfinanzierung von Wachstumsunternehmen

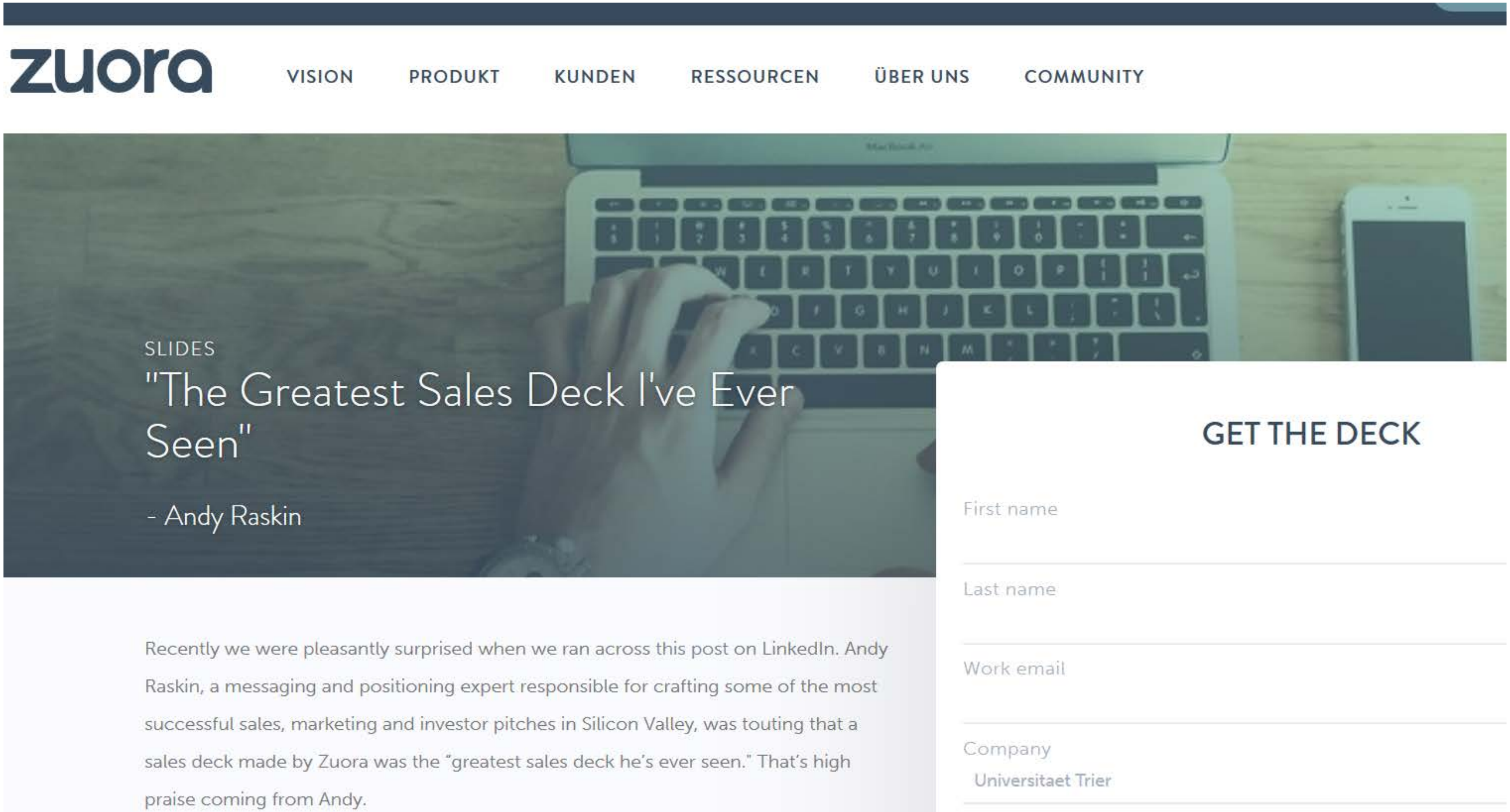
Was ist Venture Capital (VC)?

Venture Capital



https://www.youtube.com/watch?v=a4aUX5u90oA

Wie überzeuge ich einen VC?


zuora
VISION
PRODUKT
KUNDEN
RESSOURCEN
ÜBER UNS
COMMUNITY
SLIDES
"The Greatest Sales Deck I've Ever Seen"
- Andy Raskin
Recently we were pleasantly surprised when we ran across this post on LinkedIn. Andy Raskin, a messaging and positioning expert responsible for crafting some of the most successful sales, marketing and investor pitches in Silicon Valley, was touting that a sales deck made by Zuora was the "greatest sales deck he's ever seen." That's high praise coming from Andy.
GET THE DECK
First name
Last name
Work email
Company
Universitaet Trier

The Greatest Sales Deck I’ve Ever Seen
It’s Zuora’s, and it’s brilliant. Here’s why.

- Name a **big, relevant change** in the world. Don’t begin a presentation by talking about yourself — instead, describe an undeniable shift that raises the stakes and creates a sense of urgency.
- Show that there will be **winners and losers**. This helps in combating “loss aversion,” or the tendency to stick to the status quo in an effort to avoid loss, when in fact the cost of inaction is far greater.
- **Tease the Promised Land**. Avoid diving into product details, but describe an ideal future state as enabled by your solution. This helps in creating context for the next part, which is to:
- **Introduce features as “magic gifts” for overcoming obstacles to the Promised Land**. Product features are only interesting in context, and they only matter if they’re a means to an end.
- **Present evidence that makes the story come true**. Prospects are naturally skeptical. Here’s your chance to show concrete, quantitative results from a relevant case study.

Growth ventures

	Pre-seed or seed	Startup	Expansion / growth	Matur-ity
Characteristics of the SME	▪ Developing a first prototype ▪ Research activities ▪ No revenues or customers ▪ Theoretical business model / idea ▪ No marketing activities ▪ Org.: Only Founders	▪ First product development and production ▪ First customers acquisition (early adaptors) ▪ First revenues, marketing ▪ One local market ▪ First product adaptions ▪ Org.: Founders and first employees	▪ Willingness to enter new (int.) markets ▪ Proven technologies ▪ Validated business model ▪ Multiple customers ▪ "Market traction" ▪ Multiple products & services ▪ Org.: Founders and multiple employees & organization structure ▪ 2-3 years on the market	
Purpose of the money	▪ Cover initial R&D activity costs ▪ Cover salary costs of founders	▪ Covering salaries of first employees & management team ▪ Additional market research ▪ Finalization of first product / service ▪ First marketing activities	▪ Financing internationalization ▪ Product adaption for new/existing markets ▪ Extensive marketing activities ▪ External advisors ▪ Financing better equipment and bigger facilities	

Decision criteria

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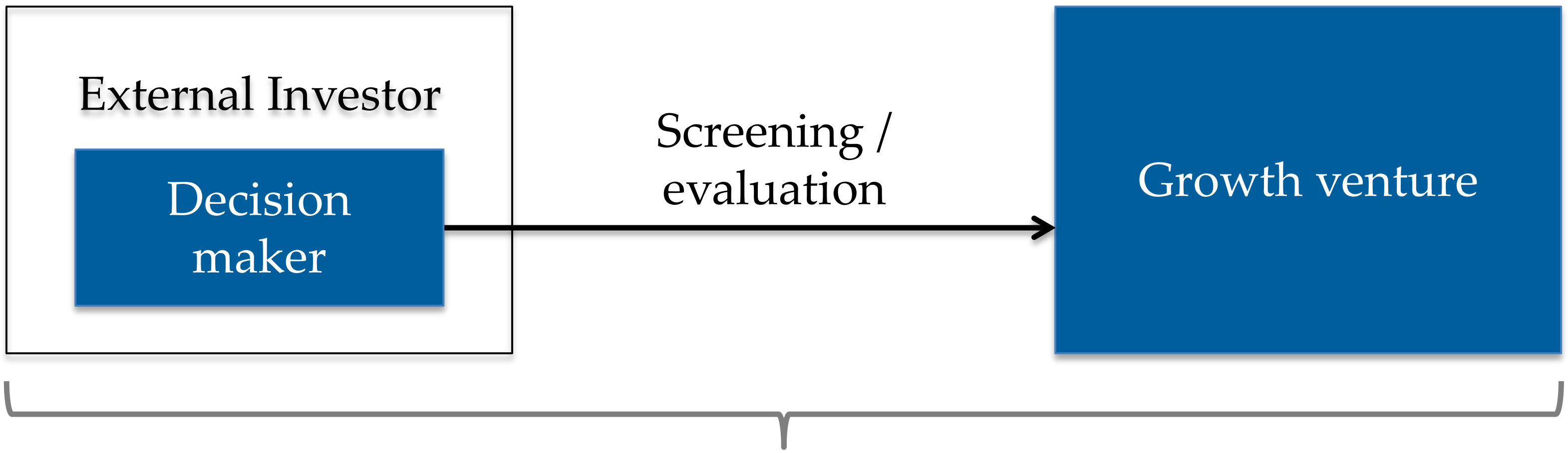
What are important criteria's for external investors screening such companies (growth-stage)?

Screening criteria

- Track record
- Management team
- Market growth
- Valuation
- Product
- Marketing strategy
- …
- CEO experience
- Market potential
- Exit options
- Financial data
- Image
- IPP
- Potential ROI
- Layout of the business plan

Research questions



1. What are **important criteria** that investors use to screen growth ventures?
2. What is the relative importance of each of the criteria? Are their **compensation effects**?
3. How do **characteristics of the individual decision maker** (e.g., age, experience or education) influence the screening decision?
4. How do **characteristics of the investor company** (e.g., investor type or country) influence the decision making?

The research approach is split up in two main blocks

Interviews with investors to determine most important criteria of investors when screening growth ventures (N = 19)
+ literature review

↓

Conjoint experiment (initial sample: approx. 20,000) + survey

Semi-structured, open-ended interviews

Interview sample (N = 19):

ID	Country	Type of Company	Role	Gender	Duration of interview
1	Luxembourg	Fundraising Consulting	Manager	Male	84 minutes 28 seconds
2	Luxembourg	Investor	Partner	Male	62 minutes 21 seconds
3	Germany	Investor	Managing Director	Male	45 minutes 47 seconds
4	USA	Fundraising Consulting	CEO	Male	37 minutes 25 seconds
5	Luxembourg	Investor	Founding Partner	Male	73 minutes 10 seconds
6	France	Investor	Partner	Male	31 minutes 07 seconds
7	UK	Investor	Partner	Female	22 minutes 50 seconds
8	UK	Investor	Partner	Male	33 minutes 45 seconds
9	Germany	Investor	Partner	Male	38 minutes 12 seconds
10	Italy	Investor	Managing Partner	Male	40 minutes 11 seconds
11	Germany	Investor	Partner	Male	42 minutes 32 seconds
12	USA	Investor	Partner	Male	28 minutes 02 seconds
13	USA	Investor	Partner	Male	49 minutes 19 seconds
14	USA	Investor	Managing Director	Male	37 minutes 59 seconds
15	Germany	Investor	Founding Partner	Male	34 minutes 20 seconds
16	UK	Investor	Partner	Male	50 minutes 01 seconds
17	USA	Investor	Partner	Female	21 minutes 44 seconds
18	Canada	Investor	Managing Director	Male	61 minutes 27 seconds
19	France	Investor	Partner	Male	41 minutes 35 seconds

Results from interviews: some quotes

Key questions: Is there a difference between evaluation/screening criteria of early-/seed-stage companies and later-/expansion-stage companies?

*„So first of all, **I have more and other information** in the expansion-/growth-stage. **So you cannot base your analysis for both stages on the same criteria**. That does not make sense at all. And also the **approach is different.** In the seed **stage you really make a bet.** Do you think there is a market for their product to sell and do you believe the team is able to create that product? You cannot see if they will have traction in the market or not. So you can never judge both stages of companies the same way with the same criteria. That is really important to distinguish both.“*
(Partner – French VC - 2015)

*„Ja. Ja, das ist der Fall. Bei uns muss das **Business-Model schon bewiesen sein muss**. Da hab ich natürlich viel mehr Möglichkeiten. Durch die Zahlen, die vorhanden sind, dass zu sehen, ob das geht, oder nicht. Das ist in Early Stage nicht so der Fall. Also, ab und zu kann das auch schon mal funktionieren, aber das ist eher so die Ausnahme, d.h. also, ich hab viel **mehr Möglichkeiten, mir Zahlen anzusehen und zu gucken**, ob das Modell selber schon fliegt. Das ist, wenn ich early reingehen, muss ich eher drauf hoffen, dass es geht und dann drauf setzen, dass ich dem Unternehmen glaube, dass die das hinkriegen werden, während sie bei uns das schon bewiesen haben müssen.“*
(Partner – German VC – 2015)

*„Yes, there are **clear differences in criteria**. That is also somehow a reason why you see such investor like us, who only focus on expansion-/growth-stage companies, compared to early-stage investors. You can not use the same criteria for these two types of companies, especially as the two have different goals. In early-stage companies, everything is about the risk of actually being able to produce a product and get the first sell. Compared to that, expansion stage companies, **here it is about scaling the company**, that is a completly different task for the management.“*
(Partner – UK PE – 2016)

Results from interviews: main criteria

Main criteria: dimensions and attributes

1. Revenue growth (10%, 20%, 50%, 100%)
2. Profitability (profitable, break even, not profitable)
3. Value-added for customers (low, medium, high)
4. Current investors
   (no external investor, unfamiliar investor, Tier 1 investor)
5. Track record of management team (all, some, no one)
6. Business model
   (lock-in, innovation centered, complementary offering, low cost)
7. International scalability (easy, moderate, difficult)

Conjoint experiment – sample choice scenario

Characteristics of the venture	Growth venture A	Growth venture B
Current profitability:	Not profitable	Break even
Value added for customers:	Low	Medium
International scalability:	Moderate	Easy
Current revenue growth:	20%	10%
Current investors:	No external investors	External investors - Tier 1
Management team (track record):	*No* team member with relevant track record	*All* team members with relevant track record
Business model:	Low cost	Lock-in
More attractive:	○	○

If you have made your choice, click the grey arrow below to continue.

Currently more than 800 participants

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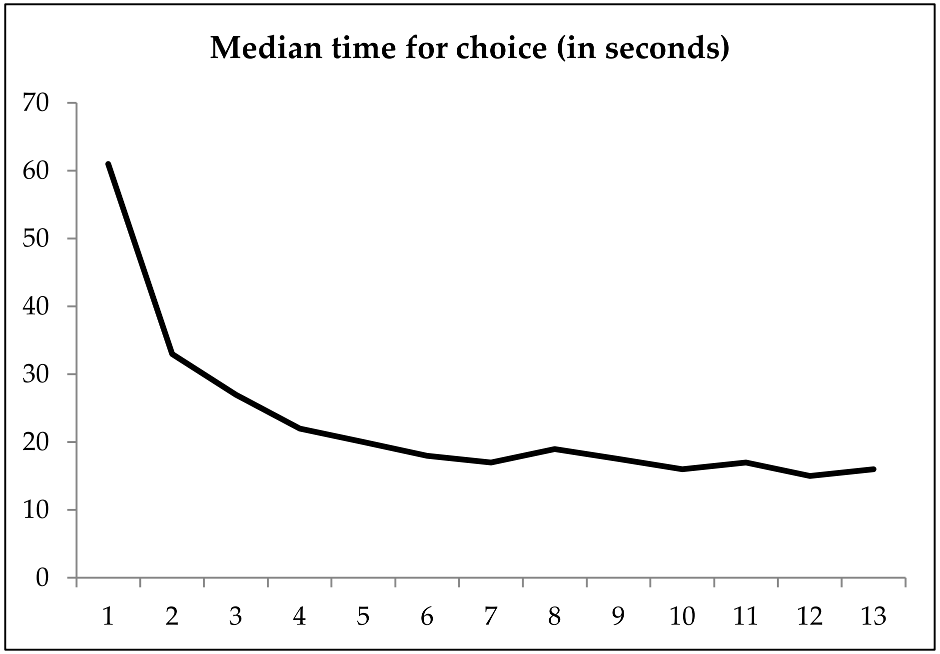
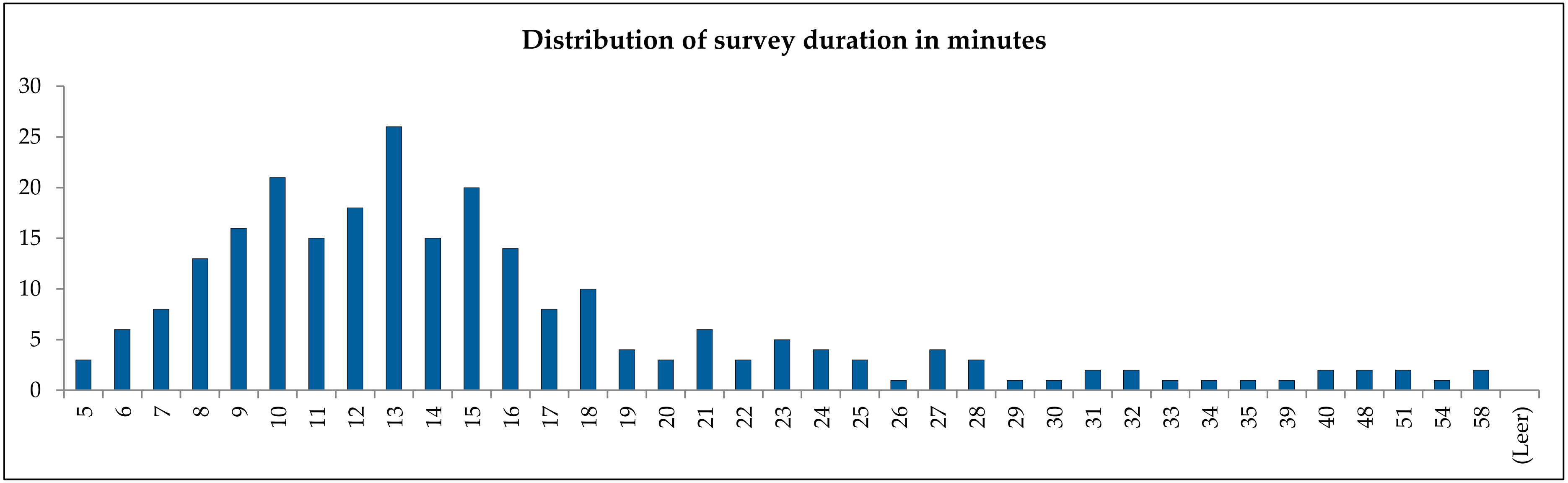
First results based on a sub-sample

Characteristics of the sub-sample:

- N = 350
- No click through behavior
- Average duration: 16 min
- Median time per choice: 21 sec





Descriptive statistics (1/4)

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Variable	Mean	Std. Dev.	Min	Max
Gender *(0=female)*	0.888	-	0	1
Age	3.222	-	1	6
Formal education • *High school or equivalent (0.29%)* • *Bachelor degree (21.43%)* • *Master degree or MBA (69.43%)* • *PhD or doctoral degree (8.86%)*	3.868	-	1	5
Field of education *(multi-select)* • *Law* • *Business or economics* • *Natural science* • *Engineering* • *Other*	 0.074 0.774 0.097 0.217 0.080	-	-	-
Experience as investor *(in years)*	10.540	7.983	1	40
Tenure for current investor *(in years)*	6.842	6.391	1	40
Experience as entrepreneur *(0 = yes)*	0.482	-	0	1

Descriptive statistics (2/4)

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Position in the firm	N	Relative frequency (in %)
Partner / CEO	174	50
Director / Principal	68	19
Investment Manager	45	13
Analyst	39	11
Other	16	4

Number of board seats held in portfolio companies	N	Relative frequency (in %)
0	93	27
1	28	8
2	51	14
3	50	14
4	37	10
> 4	83	24

Type of prior working experience	N	Relative frequency (in %)
Mostly working for start-ups/SMEs	98	28
Working for large firms & start-ups/SME	138	40
Mostly working for large firms	106	31

Descriptive statistics (3/4)

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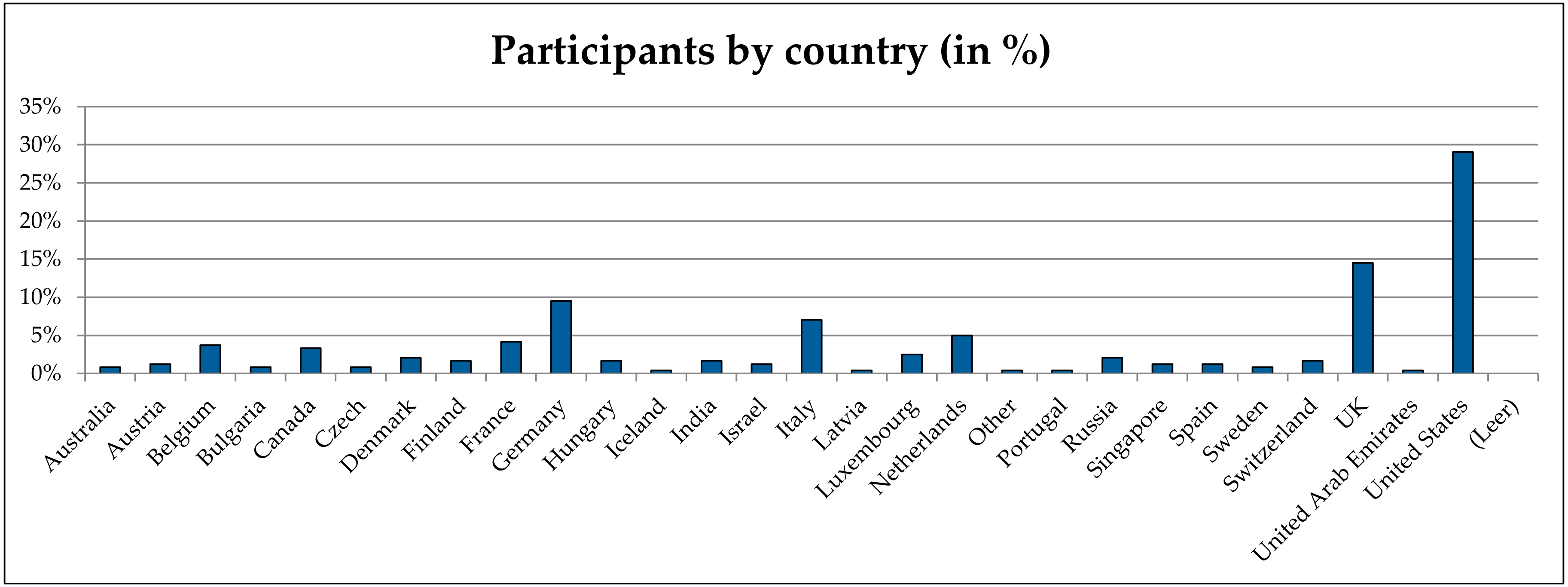
Personal cash-to-cash performance	Mean	Std. Dev.	Max	Min
< 1x invested capital	20.66	20.88	0	100
1x – 2x invested capital	26.02	20.58	0	100
2x – 5x invested capital	36.19	26.50	0	100
5x – 10x invested capital	12.05	13.62	0	100
> 10x invested capital	5.06	9.22	0	100



Descriptive statistics (4/4)

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Characteristics of respondents (investor companies):

Investor type	N	Relative frequency (in %)
CVC	34	10
VC	150	44
Growth Equity Fund	87	25
Leveraged Buyout Fund	21	6
Single-Family Office	17	5
Multi-Family Office	9	2
Business Angel	5	1
Other	13	3

Assets under management	N	Relative frequency (in %)
< 10 million	26	7
11 – 25 million	28	8
26 – 100 million	83	24
101 – 250 million	75	22
251 – 999 million	69	20
> 1 billion	54	16

First results from conjoint analysis (1/3)

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Hierarchical Bayes (HB) regression – dimensions level

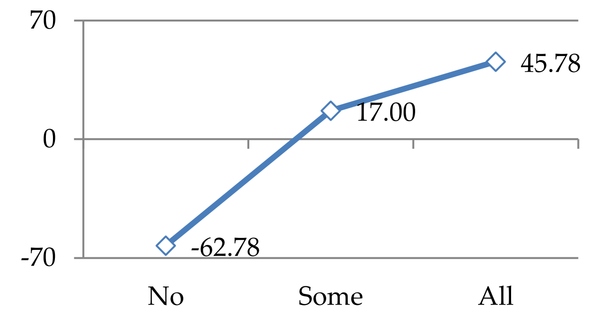
(RLH: 0.825; 20,000 iterations)

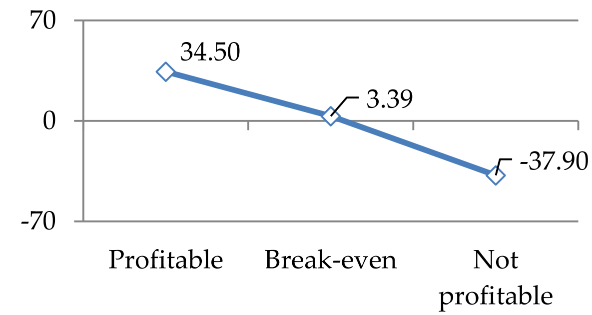
Level	Relative importance	
Management team (track record)	16.12	3
Current profitability	11.83	
Current revenue growth	21.22	1
Current investors	8.48	
Business model	12.15	
Value added for customers	17.04	2
International scalability	13.15	
Total	**100.00**	

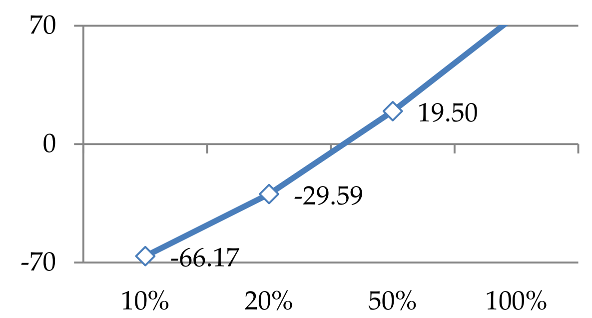
First results from conjoint analysis (2/3)

Hierarchical Bayes (HB) regression – attribute level (1)

	Criteria	
Management team	No	-62.779
	Some	16.996
	All	45.782
Current profitabuility	Profitable	34.504
	Break-even	3.390
	Not profitable	-37.895
Revenue growth	10%	-66.169
	20%	-29.592
	50%	19.496
	100%	76.264



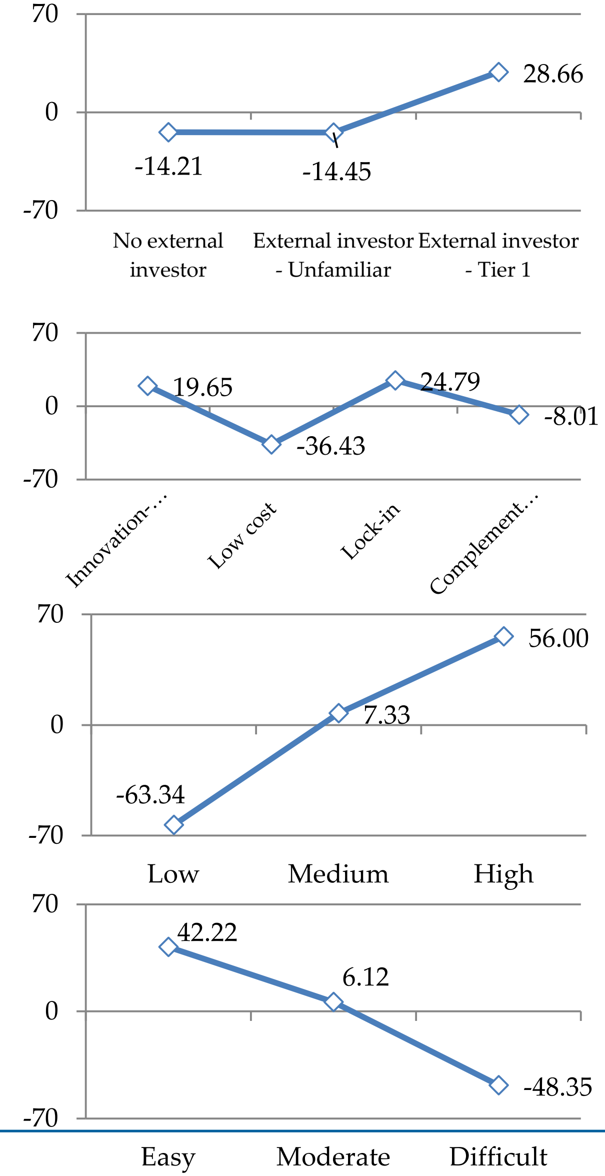




First results from conjoint analysis (3/3)

Hierarchical Bayes (HB) regression – attribute level (2)

	Criteria	Average utility
Current investors	No external investor	-14.214
	External investor – Unfamiliar	-14.448
	External investor - Tier 1	28.662
Business model	Innovation-centered	19.649
	Low cost	-36.427
	Lock-in	24.787
	Complementary offering	-8.009
Value added for customers	Low	-63.335
	Medium	7.334
	High	56.000
International scalability	Easy	42.221
	Moderate	6.124
	Difficult	-48.346



Latent class analysis (1/2)

The average maximum membership probability is 0.913.

Level	**Importances Group 1 (27%)**	**Importances Group 2 (54%)**	**Importances Group 3 (19%)**
Management team (track record)	11,98	11.84	39.32
Current profitability	7.93	16.18	3.25
Current revenue growth	9.56	31.43	12.94
Current investors	7.91	3.88	14.45
Business model	11.97	10.33	14.22
Value added for customers	31.15	11.04	11.99
International scalability	19.50	15.29	3.81
Total	**100.00**	**100.00**	**100.00**

Attribute importance by investor type (1/3)

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HB regressions by investor type (on dimensions level)

	Family office (Single and multi)		Venture capital fund		Corporate venture capital fund		Growth equity fund	
Management team (track record)	16.99	3	15.40	3	15.33	3	17.60	2
Current profitability	17.60	2	7.37		8.54		17.33	3
Current revenue growth	18.66	1	24.11	1	18.74	2	22.15	1
Current investors	9.13		9.67		11.05		6.47	
Business model	10.51		10.02		11.71		9.76	
Value added for customers	15.90		19.45	2	21.83	1	16.26	
International scalability	11,.22		13.98		12.80		10.43	

HB regressions by investor type (on attribute level)

		Family office	Venture capital Fund	Corporate venture capital fund	Growth equity fund
Management team	None	-66.75	-58.81	-51.41	-68.74
	Some	20.78	11.97	-3.55	17.12
	All	45.97	46.85	54.96	51.61
Current profitability	Profitable	56.01	19.50	20.22	54.65
	Break even	7.97	5.39	5.03	4.03
	Not profitable	-63.98	-24.89	-25.25	-58.68
Current revenue growth	10%	-56.61	-79.06	-46.22	-82.87
	20%	-12.60	-35.43	-38.23	-27.60
	50%	3.79	27.66	12.56	42.49
	100%	65.42	86.84	71.89	67.97

Attribute importance by investor type (3/3)

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		Family office	Venture capital fund	Corporate venture capital fund	Growth equity fund
Current investors	No external investors	-2.38	-22.30	-26.14	-10.66
	External investors - Unfamiliar	-19.24	-14.86	-13.85	-1.04
	External investors - Tier 1	21.63	37.16	39.99	11.70
Business model	Innovation-centered	26.19	26.78	25.03	1.51
	Low cost	-22.89	-34.46	-35.75	-16.51
	Lock-in	15.96	18.48	18.53	24.07
	Complementary offering	-19.26	-10.80	-7.81	-9.07
Value added for customers	Low	-61.49	-68.50	-82.32	-60.62
	Medium	16.11	3.56	13.94	9.18
	High	45.38	64.94	68.38	51.43
International scalability	Easy	26.93	44.48	38.02	30.76
	Moderate	6.44	7.69	4.98	6.89
	Difficult	-33.37	-52.18	-43.00	-37.65