

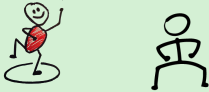


HOW FACTORS IN CAPITAL ECOSYSTEMS ARE PERCEIVED: A CASE STUDY OF GRONINGEN

BY MAX PAPO

THE STORY OF THE CAPITAL ECOSYSTEM OF GRONINGEN, AND HOW IT ACCELERATES THE GROWTH OF SUSTAINABLE STARTUPS

SO, YOU ARE A SUSTAINABLE STARTUP?



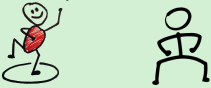
YES, INDEED! I'M AN ENTREPREURER IN GRONINGEN AND HELPING THE ENVIRONMENT WITH TECHNOLOGY. GRONINGEN IS A NICE PLACE. HOWEVER, I WANT TO RAISE EXTERNAL CAPITAL. I BELIEVE THE ACCESS TO CAPITAL IN GRONINGEN IS UNDERPERFORMING FOR STARTUPS.



THIS IS SOMETHING I HEAR OFTEN. I EVEN SAW A RESEARCH WHERE GRONINGEN HAS A TOP-5 STARTUP ECOSYSTEM. HOWEVER, ACCESS TO CAPITAL IS LACKING BECAUSE THE PREVALENCE AND INTENSITY OF INVESTMENT IS LOW.



WOW, THAT IS INTERESTING! MAYBE WE SHOULD RESEARCH WHAT WE CAN DO TO IMPROVE THE CAPITAL ECOSYSTEM OF GRONINGEN!



NICE IDEA! SO OUR QUESTION IS: WHY IS GRONINGEN AS A CAPITAL ECOSYSTEM UNDERPERFORMING ACCORDING TO STARTUPS AND INVESTORS? FIRST WE NEED TO LOOK INTO LITERATURE!



LET'S MAKE A DIFFERENCE BETWEEN SUSTAINABLE ENTREPRENEURIAL ECOSYSTEMS, AND CAPITAL ECOSYSTEMS. THIS FIGURE SHOWS THE SUSTAINABLE ENTREPRENEURIAL ECOSYSTEM:



AND THIS IS THE CAPITAL ECOSYSTEM:



LET ASK 8 STARTUPS AND 8 INVESTORS WITH SEMI-STRUCTURED INTERVIEWS HOW THEY PERCEIVE THESE FACTORS.



THEN, WE TRANSCRIBE ALL OUR INTERVIEWS, CODE THE DATA AND ANALYSE THIS WITH A SEMANTIC REDUCTIVE APPROACH.



WE FOUND THREE LACKING FACTORS. WE WITH QUOTES AND DESCRIPTIONS WE PROVIDED THREE LACKING FACTORS IN THE CAPITAL ECOSYSTEM OF GRONINGEN, THIS INCLUDES IMPLICATIONS FOR SUSTAINABILITY RESEARCH AND PRACTICE.



1. THE DIVERSITY AND QUANTITY OF CAPITAL

INVESTORS ARE NOT SUSTAINABILITY-ORIENTED

MOST STARTUP FUNDING IS COMING FROM A SOURCE

INVESTMENT BODIES ARE LACKING IN INTEREST

GO-GOVERNMENTS ARE NOT INVESTING EXCESSIVE CAPITAL IN SMALL STARTUPS

WHAT SHOULD WE DO?

WE SHOULD LOOK AT OTHER, MORE MATURE, ECOSYSTEMS. ECOSYSTEMS LIKE BOSTON OR SILICON VALLEY ARE FURTHER DEVELOPED IN SUSTAINABILITY INVESTING, PAYING-IT-FORWARD AND INVOLVING MORE PRIVATE CAPITAL IN STARTUP INVESTMENTS. WE SHOULD ALSO ACTIVELY WORK ON DIVERSITY WITHIN INVESTMENT TEAMS. THIS COULD FOR EXAMPLE START WITH THE FUNDRIGHT MOVEMENT OF TECLHAP.

2. TRANSPARENCY OF THE CAPITAL ECOSYSTEM

STARTUPS DO NOT KNOW WHAT TO DO AT WHICH STAGE OF THEIR GROWTH

STARTUPS DO NOT KNOW WHAT TO GO WHEN THEY HAVE A NEED OF FUNDING

WHAT SHOULD WE DO?

WE SHOULD CREATE A DIGITAL OF PHYSICAL ENVIRONMENT WHERE STARTUP GET THE POSSIBILITY TO DISCUSS AND ASK FOR QUESTIONS REGARDING FUNDING. THE GOAL MUST BE TO HELP AND FACILITATE STARTUPS

3. STYLE OF INVESTING

STARTUPS ARE TRADING LOCALLY

INVESTORS ARE NOT FINDING ALL POTENTIAL GROWTH AND FINANCIAL OPPORTUNITIES TO LOWER THE RISK

INVESTORS ARE TRADING AS MUCH IDEAS AS POSSIBLE

WHAT SHOULD WE DO?

WE SHOULD CREATE A VISION AS CAPITAL ECOSYSTEM OF GRONINGEN. WE NEED TO START THINKING ABOUT THE FUTURE OF THE ECOSYSTEM, CAPITAL AND WHAT THIS MEANS FOR STAKEHOLDERS AND HOW WE CAN MEET INTERNATIONAL STANDARDS.