

BREAKTHROUGH LABS

AUTUMN 2023

BREAKTHROUGH LABS ACCELERATOR

EVALUATION OF OUR FIRST, PROOF-OF-CONCEPT
ACCELERATOR

breakthrough labs
powered by women





A WORD FROM OUR FOUNDER

I worked in education technology for over 20 years before founding Breakthrough Labs with the aim of addressing the gender disparity that exists in start-up funding. Breakthrough Labs' first offering was a four-month accelerator programme for female tech founders, which supported start-ups looking to pitch for pre-seed funding. It was an absolute pleasure to work with these ten innovative tech start-ups, to learn from them and to share in their successes along the way.

This report provides an overview of the challenges facing female founders and an evaluation of the proof-of-concept accelerator programme, along with key learnings for anyone wishing to start an accelerator or support underrepresented founders.

No one organisation can solve this problem alone. If you're interested in working with us to help more women bring their innovative ideas to market, please get in touch!

DR KRISTEN WEATHERBY
FOUNDER



The problem

Female entrepreneurs aren't being funded at anywhere near the same level as their male counterparts, regardless of their industry or country of origin.

Everyone should care about this.

Why does it matter? There's the obvious issue of equity, making sure products and services aimed at women make it to market and that product testing is conducted using women's data. Perhaps most important for investors, however, is the body of research saying that female-founded businesses deliver both higher revenue and profit than those founded by men.

So why aren't women getting funded?

According to the research:

- Women are likely pitching to men who might not be familiar with products that female-founded businesses market to other women.
- Women are often more conservative in their pitches than men are.
- Investors ask women more negative or "closed" questions than they ask men.
- Finally, female-founded businesses can be valued lower if they are in industries stereotypically perceived as male,
- ...or if they received their first funding from a female-led investment team.



1.1%

The percentage of all capital raised in Europe by all-female founded teams in 2021.

2.4%

The percentage of total VC investment in all-female founded teams in the US in 2022.

Research from Boston Consulting Group and the Alison Rose Review of Female Entrepreneurship suggest that the best ways to make entrepreneurship more accessible to women are through increasing funding towards women, providing family care support and increasing local support, such as mentoring and networking. Helping women build their networks is one of the key objectives of Breakthrough Labs. We introduce women to experts, investors and partners who can help them with their businesses.

Most other accelerators and support programmes say they do this, too.

But we take this a step further at Breakthrough Labs. We aren't about generic networking events in a bar on a school night. We want women to feel like they are part of a community. Being an entrepreneur can be a lonely business, and we want women to have a group of people they can turn to throughout their entrepreneurial journey for advice, support, and understanding.



The accelerator

In March 2023, we launched the first Breakthrough Labs accelerator: a four-month, hybrid programme offering support for female founders or co-founders of technology start-ups who were planning to pitch for pre-seed funding.

As this was our proof-of-concept cohort, participation for female founders was free. We only asked that founders showed up, completed surveys after each workshop, and helped us publicise the work we were doing with Breakthrough Labs.

The choice of a hybrid model for the accelerator was deliberate based on the academic research on building community. Most of the interactions between founders over the four-month period would be virtual, as our founders came from all over Southeast England. However, a community has a better chance of forming if founders can meet in-person initially to build trust and get to know one another before continuing the work online.

Thus the user journey included three in-person workshops and 12 two-hour online workshops. The initial induction, held in Oxford, was a half-day storytelling workshop during which founders focused on listening to each other and setting norms for the group, whilst discovering and telling their own stories.

Other workshop topics were driven by academic research and our own interviews with female founders about their experiences pitching for funding. The user journey, depicted below, was validated by investors to ensure that both founders and their businesses would be well-prepared for the fundraising process.

Workshops were delivered by external subject matter experts who are seasoned professionals in their respective fields. We purposely scheduled workshops during the school day and during term times, so that working mothers would not have any trouble attending.



Feedback from workshops

Feedback surveys were sent to founders after each workshop, asking questions about the workshop's content, length, and format as well as the expertise of the presenters. Founders were asked what their priority actions would be after each workshop and whether there were any topics they felt were missing from the session.

We were pleased to see that **the overwhelming majority of feedback on the usefulness of the workshops provided by Breakthrough Labs was extremely positive.** Of all the feedback provided over the course of the four months, **founders agreed 92% of the time that the content of the workshops was helpful to their businesses.** This was especially reassuring given that Breakthrough Labs' workshops often covered business subjects in a slightly different manner than other accelerators, or engaged with topics that are often ignored. In fact, **our highest-rated workshops were those that aren't offered at most other accelerators.** Participants acknowledged and appreciated this, with one saying, **"I did not think this workshop would be useful, but it was surprisingly useful. Thank you".**

It's always challenging to maintain participants interest in content-heavy online workshops. Our sessions were two hours in length without breaks, and where possible we tried to add interactivity to the sessions both to ensure participation and help founders apply their learnings.

We primarily used Zoom breakout rooms for small group or facilitator-moderated discussions. We also employed white boards, individual activities, and whole group discussions to encourage interaction. For the most part, we received positive feedback on the length and interactivity of workshops, although there were some topics for which participants requested longer or shorter workshops. Regarding interactivity, one founder commented, **"I always like the breakout groups, they break up the workshop and it is great to hear the perspective of fellow female founders".** Another added, **"I got some good points out of the breakouts. Really helpful to hear what others are doing".** One of the workshops stood out in the feedback as being less useful than the others, but founders provided helpful feedback to help us revise the workshop for next time.

Founders were encouraged to leave their cameras on during workshops to encourage participation and engagement. This decreased over time, as did responses to feedback surveys, which sometimes made it challenging to ascertain engagement.

Overall, workshops were very well-attended and founders seemed happy. We frequently received positive comments such as, **"Really helpful tangible advice. Also useful (and reassuring) to see the differing approaches on some issues. I have some things I'm going away to improve".**

Overall success of programme

The overall aims of the Breakthrough Labs accelerator were to help women secure pre-seed investment and to build a community of female founders.

As of this report's publication, outcomes relating to the first aim were still in progress. Eight of the ten start-ups in the first cohort pitched at the final investor pitch day, in front of a panel of six investors representing a variety of investment organisations.

- Four of those eight were still in active conversations with investors when this report was authored.
- Two had been invited to pitch to other angel networks.
- Two pitched in startup competitions in the UK and Netherlands and one was invited to pitch at the Web Summit in Lisbon.

Immediately after the induction, evidence of a community amongst the founders began to appear. Founders were actively looking for more opportunities to meet up and interact with each other.

- We instituted regular, virtual coffee hours on a Friday morning for those founders who could attend.
- We started a What's App group for the cohort that is a safe space for women to ask questions and share successes.

Both of these have continued after the cohort ended, driven by the founders. As one founder said, **"It felt terrific to be in a room filled with other female founders, at different parts of the journey. That made me feel more "professional" and like I had found my people"**.

Feedback from participants on the overall programme and its impact on their work has been glowing:

"[The] carefully chosen experts and well-designed programme have been hugely impactful for all of us. [Kristen] built a community and I certainly hope she knows the kind of power this has when it comes to belonging, which often is something we all lack in the early days of building a start-up."

"We have an incredible cohort of women and the sense of support and community that has blossomed from the group is not something I had expected from signing up to the programme. The group is truly inspiring, and learning and sharing with each other is a wonderful opportunity to develop ourselves further and feel supported."

"Breakthrough Labs has been fantastic for parachuting us into a group of highly motivated, inspiring women who are truly going places. This sort of network is gold dust. Thanks to the support, coaching and network of Breakthrough Labs, we're coming out of the programme stronger and with a clearer idea of where we're going."

"Breakthrough Labs has been a critical element in getting [our company] investment ready. The workshops highlight what investors are looking for and how to package your offering accordingly. The community is also both inspirational and motivational, where peers celebrate successes and share knowledge."

Learnings

The data we collected during this first cohort have provided clear ways of improving our offering for the future.

- For the most part, **start-up selection** worked well. We were fortunate to have had many more applications than we needed for this first cohort so that we could be selective. Accepting start-ups from any tech industry encouraged community as start-ups weren't competing with each other for money or customers. Limiting the intake to tech-based companies meant founders had enough in common to learn from and work with each other.
- We learned that the **topics for the workshops** were the right ones, although the content of one of the lower-performing workshops needs to be revised. The **format of some of the more content-heavy workshops might need to be reworked**. We are considering adopting a "flipped classroom" approach, by which founders receive pre-reading in advance of the workshop and focus on practical activities during the online workshop itself. Some participants also suggested providing worksheets to help them follow up on actions in between sessions.
- **Investors actively participated** in three sessions, which was useful to the start-ups in terms of being able to ask questions and make connections. We will continue to provide as many introductions to investors as possible for our founders.



We also learned a great deal about running an independent start-up accelerator.

Most accelerators are affiliated with larger organisations: universities, banks, technology corporations, investment firms. This enables them to offer their programmes for free or at low cost, and it provides them with a working budget. However, it also ties the curriculum and support provided to the business objectives of the organisation. **Breakthrough Labs is independently run and funded.** Partners have provided services or spaces for free, but we have not received any financial sponsorship to date. It has been challenging to find a business model that works for both the business and the founders it supports.

Based on these learnings, **we are actively looking for partners to help us continue our work with female founders.** We are open to a number of partnership models. If this is interesting to you, please reach out.



For more information

We'd love for you to be part of the Breakthrough Labs community. Here's how you can stay in touch.

- Register on our website www.breakthroughlabs.net for our newsletter and all our latest events and updates.
- Follow us on [LinkedIn](#) or [X \(Twitter\)](#)
- Get in contact with our founder to discuss partnering: info@breakthroughlabs.net