



THE VENTURE CITY: FOUNDERS TURNED FUNDERS

At the latest IE NextGen program event, Brooke Richardson, The Venture City's investment director, joined us to talk about her vision of the real estate industry and how she identifies gaps in the market to invest in the right startups.

The Venture City is home to founders and operators-turned-funders. Thanks to Brooke's rich experience in entrepreneurship, she now helps other entrepreneurs along the way, using her insights from IE University, her professional experience and network. From the Venture Lab to the International MBA, it was at IE University that Brooke began to think outside the box and learn to take advantage of opportunities that came her way, including the opportunity to join The Venture City thanks to her IE University network. The experience she's gained from her mistakes means she's now helping startups take their next steps in a challenging market.

Driving startup development

The Venture City invests in two key areas: First Ticket, which focuses on investing in early-stage startups that are fine-tuning their offering to the market and determining their customer base, and the Fund, which invests in later-stage startups that have proven their business model and are ready to put their foot on the pedal. Brooke works within the First Ticket EMEA department, benefitting from the diverse skillset she gained during her program.

To assess what stage a startup is at in its lifecycle, The Venture City looks at their team, market, traction and product. They particularly value data-driven companies with an international vision and a team drawn from a variety of backgrounds, including technical founders. The Venture City makes a clear distinction between ideas and execution, and wants to invest in companies that have already taken their first step into the market.

"In terms of traction, we don't invest in ideas. We invest in start-ups that have some market fit, which shows that people are using them." —Brooke Richardson

According to The Venture City, a common pitfall that founders fall into is not adapting their idea to the market. Nailing the product-market fit is a key step to take before scaling up, and that's where their guidance comes in.

One of the company's recent successes was Returnly, a smart returns platform. Their relationship began when their two CEOs met at a zoo, showing the value of networking in the real world. Returnly's CEO's approach to business caught The Venture City's eye—he never takes no for an answer—helping them decide Returnly would be their first investment. Returnly benefited hugely from the pandemic from a business standpoint, but also skillfully handled this unforeseen growth as such a new startup. Other successful examples are Spotahome—a real-estate rental platform with an enhanced user experience providing video tours of properties for their clients—and Climber, a revenue optimization platform for hotels whose team demonstrated that entrepreneurs can come from all walks of life.

Brooke Richardson knows that managing startups comes with numerous challenges. She recognizes that things often change and pointed out that that's okay—it's having an open mindset which will allow startups to thrive under challenging conditions. The Venture City offers a "product-led growth program" to help startups attract and retain customers through a tailor-made approach specific to their unique challenges. Essentially, The Venture City becomes an extension of a start-up's team—guiding them through their milestones, goals and metrics.

Brooke concluded the event with some advice for entrepreneurs. She recommend investing in soft skills, pointing out that whether a start-up succeeds or not, to be the person who calls the shots, takes ownership, communicates your vision and learns from your mistakes will benefit you more than you can imagine. She also recommends not being afraid of failure—fail fast and learn from it. Get to market early, be the best out there, and make sure you can't be copied. Think outside the box, challenge the status quo and take the leap—you won't regret it!

As a final word of advice, Brooke and her team have been through the same journey that many entrepreneurs are on. They recognize that being a founder can be a lonely road, so getting in touch with those on a similar journey will show you that you're not the only one facing those challenges.