Gender Diversity in The Netherlands
Startup & Scaleup Report
October 2019
Contents

- At a Glance ................................................................. 4
- Startups ................................................................. 5
- Investments ............................................................ 9
- Venture Capital ......................................................... 12
- How this Report was Made ...................................... 14
FOREWORD
GENDER DIVERSITY

Venture capital firms play an important role in building tech companies and supporting them to accelerate their growth. Venture Capital is funding the future. 7 of the most valuable companies in the world today, one day started with VC funding. In 2018 over 580 million dollars were invested by Venture Capital in the Netherlands. We observed that for all investments, including Venture Capital, since 2008, only 5.7% of was invested in teams with a female founder. Compared to the global numbers, the Netherlands is definitely not the best in class. Specifically, of the Dutch teams that received an investment since 2008, only 0.8% consisted of just women and 4.9% were mixed teams.

The current situation in which we invest in such a homogeneous group of entrepreneurs is problematic: we do not only leave a lot of opportunities on the table, but a lot of potential remains unused as well.

Research shows that bias, network and stereotypes play an important role in the decision making process of venture capital investors. Venture capital investors invest in the products and services that they can relate to: they invest in what they know. This is referred to as an “affinity bias”. Investors tend to invest in similar deals, at around the same time, in closed networks that are often dominated by people from the same gender, a shared educational background or a shared previous employer. The majority of the investment leads tend to come from referrals within this closed networks. The networks of the entrepreneur play a crucial role in the search for a suitable investor.

Women are evaluated and judged differently than men. While men are judged on their potential, women are judged on their actual performance. Women get backward-looking questions, men get forward-looking questions. Additionally, research shows that investors tend to have prejudices about woman. The vocabulary used to evaluate female entrepreneurs tends to be more negative, while there is no significant difference among men and women in risk-taking preferences or performance.

The above mentioned behaviour is human, it applies to both men and women. It also confirms the need for diverse teams. In a world dominated by men this means investment mainly goes to that group. Research confirms that the lack of investments in diverse teams is significantly related to the limited team diversity at Venture Capital funds themselves. The Dutch data on Venture Capital financing demonstrates a similar trend; VC funds with a diverse partner team invest in diverse entrepreneurial teams more often. Currently only 6% of partners at Dutch VC firms are women, and only 16% of Venture Capital firms invest in teams with a female founder.

A level playing field should be created to make sure there is equal opportunity for everybody, regardless of gender, age, background and the network you have access to. That is why #FundRight is such an important initiative. Setting a target will require people to change their behaviour towards the way they source deals, hire people and discuss gender diversity with their portfolio companies. The fact that this comes from the realization that we leave a lot of opportunities on the table is a good indicator that actual change will happen.

It will result in better decision making, financing for a diverse group of entrepreneurs and better financial results and will lead to a more inclusive society where products and services are inclusive as well. We all have a responsibility here. By asking questions, continuing the discussion, challenging each other, requiring diversity and investing in gender diverse teams.

Venture Capital is funding the future. Let’s all work together to make sure that future is inclusive.

JANNEKE NIJSSEN
CO-FOUNDER, CAPITALT
The figures, graphs and charts used in this report are obtained from the StartupDelta Finder. For further information please visit finder.startudelta.org.

GENDER DIVERSITY

AT A GLANCE

17% OF STARTUPS & SCALEUPS ARE FOUNDED BY AT LEAST ONE FEMALE FOUNDER
- 11.9% of the 2,362 founders are female.
- 9.7% of total employees are employed by mixed- and female-founded startups.

5.7% OF FUNDING SINCE 2008 TO MIXED- AND FEMALE-FOUNDED STARTUPS & SCALEUPS
- 3.5% of 2018 funding went to mixed- and female-founded startups.
- 13% of funding rounds in 2018 went to mixed- and female-founded startups.

16% OF VC FIRMS INVEST IN MIXED- AND FEMALE-FOUNDED STARTUPS
- These firms are 42% smaller than the other VC firms.
- Their round sizes are also 46% smaller than other VCs.

282 FEMALE-FOUNDED STARTUPS & SCALEUPS EMPLOY OVER 3,900 PEOPLE, ACT IN HEALTH, FASHION, ACTIVITIES AND FOOD, HAVE LESS INVESTMENT FROM VENTURE CAPITAL, INVESTORS AND MORE FROM CORPORATES, ANGELS AND CROWDFUNDING.
1.650 companies sampled. With 2.362 founders total and 40.242 employed.

11.6% (274) of founders are female.

9.7% (3,922) of employed are in mixed- or female-founded startups.

Female-founded startups & scaleups driven towards social & living impact.

7th in Europe by percentage of mixed- or female-founded startups.
GENDER DIVERSITY STARTUPS

2,362 Founders, of which 274 are female

83% MALE
1,368 Startups
ONLY MALE FOUNDERS

7% MIXED
119 Startups
BOTH MALE AND FEMALE FOUNDERS

10% FEMALE
163 Startups
ONLY FEMALE FOUNDERS

83% MALE
111,387 Startups
ONLY MALE FOUNDERS

17% MIXED & FEMALE
22,682 Startups
AT LEAST 1 FEMALE FOUNDER

LOCATIONS MAPPING THE TOP 10 DUTCH CITIES PER CATEGORY

For cities with data on all three founder team categories, Groningen, Eindhoven, The Hague and Nijmegen count with the largest proportion of startups & scaleups with female presence in the founder teams (30.4%, 19.8%, 19.2% and 19.2% respectively). Arnhem, Delft, Haarlem and Leiden with the lowest (13.3%, 10.2%, 8.7% and 7.7%).

EUROPEAN RANKING

ICELAND LEADS WITH 29% OF STARTUPS & SCALEUPS WITH AT LEAST ONE FEMALE FOUNDER

The Netherlands is 7th by percentage of gender diverse startups, preceded by Romania and the top 5 below. In 2018, there were 30 exits total for the top 5 countries. The Netherlands had 1 exit by NightBalance for an undisclosed amount in 2018.

"I have been in boardrooms full of males: all highly experienced and intelligent men that I like and highly respect. And I have felt the unconscious bias towards me. If we want to change this, we need more women in leading positions! One third is the tipping point if we want to create a more balanced workplace."

Eline Vrijland-van Beest, NightBalance
Male founded startups & scaleups tend to be larger, better funded and older than their Female and Mixed counterparts. Male startups & scaleups have an average of 31.3 employees, compared to 21.1 and 12.4 for Mixed and Female respectively. Male startups & scaleups have an average age of 6.5 years, compared to 4.9 and 4.6 for Mixed and Female respectively.

Male's Top 10 represents 23% of the total for employees in that category, whilst Mixed represents 36% and Female 26%.

"Scientific research repeatedly points out that investors treat and assess female entrepreneurs differently from male entrepreneurs. I believe we shouldn't condemn one another for that - we're human after all. Instead: let's actively work on reducing bias together, so we can be the change we wish to see."

Eline Leijten, CEO, Plugify
Mixed startups & scaleups scored relatively much higher than Male on Health, Food and Home Living and scored much lower on Enterprise Software, Fintech and Marketing. Female startups & scaleups scored on the same basis much higher than Male on Fashion, Health and Activities and much lower on Enterprise Software, Fintech and Transportation. In comparison with the Mixed category, the Female category placed relatively much higher in Marketing, Fashion, Education and Fintech and much lower on Home Living, Health and Fintech.

The Business-to-Consumer client focus is of greater popularity for Mixed and Female founded startups. Female founded startups have the lowest percentage of startups & scaleups focused on Business followed by Mixed.

Female founded startups also have the highest proportion of both Business and Consumers as a client focus across all categories.
€538M INVESTED IN 2018. €19M (3,5%) IN MIXED- OR FEMALE-FOUNDED STARTUPS.

228 FUNDING ROUNDS IN 2018. 30 (13%) IN MIXED- OR FEMALE-FOUNDED STARTUPS.

45% OF FEMALE-FOUNDED STARTUPS’ FUNDING IS NOT FROM VENTURE CAPITAL.

0,8% OF ALL INVESTMENTS SINCE 2008 WENT TO STARTUPS WITH ONLY FEMALE FOUNDERS.

5,7% OF ALL INVESTMENTS SINCE 2008 WENT TO MIXED- OR FEMALE-FOUNDED STARTUPS VS. THE 7% EUROPEAN AVERAGE\(^1\).

\(^1\)Average as reported on “The State of European Tech 2018” by Atomico.
Female founded startups are more likely to get investment through Crowdfunding, Corporate and Angel investments than Male founded startups. It is interesting to note that Venture Capital represents merely 55% of the investor base for Female founded startups in comparison to 86% for Mixed founded startups and 83% for Male founded startups.

In 2018, Female founded startups had no Series A or Early VC rounds. Most rounds for these startups were Seed, Grants or Angel investments. For Male founded startups, Series A, B, C, F can be found along with Convertibles, Grants, Early VC investments, Seed, Growth Equity and Late VC.

**INVESTMENT TOTALS VARY**

**FEMALE FOUNDED STARTUPS SHOW LOWER AVERAGES FOR VENTURE CAPITAL FUNDING**

Female founded startups see the greatest positive trend from all categories. Female’s 2018 investments saw a growth of +200% in comparison to 2017. Nonetheless, both Female and Mixed’s 2018 average round sizes for Female founded startups increased from €0,5M in 2017 to €0,4M in 2018. Male founded startups remained at €0,8M for both years combined with Mixed’s 2018 average round sizes for Female and Male founded startups.

Some key 2018 investments for Female founded startups & scaleups include Prolira’s €2,5M Horizon 2020 Grant, Aectual’s €1,8M Series A by DOEN Participaties and AKSEF and The Next Closet’s €1M Seed by angel investors and Participatiefonds Duurzame Economie Noord- Holland.

Despite this strong growth in deal numbers, and also even when combined with Mixed’s 2018 total, Female and Mixed’s 2018 total round values represent just 15.1% of Male’s 2018 total.

Female founded startups have not seen a significant change in terms of average amount invested per round, declining from €0,5M in 2014 to €0,4M in 2018. Male founded startups remained at €0,8M for both years (with high variance). Nonetheless, average round sizes for Female and Mixed are much smaller than those for Male founded startups.

**INVESTOR TYPES**

**PER.Startup**

- **Male Only** Founder
- **Mixed** Both Male and Female Founder
- **Female Only** Founder

**TOTAL STARTUPS**

- **With Funding Data**
  - **Male Only** Founder: 534
  - **Mixed** Both Male and Female Founder: 47
  - **Female Only** Founder: 25

**AVG. FUNDING**

- **Per Startup**
  - **Male Only**: Median: €1,0M
  - **Mixed**: Both Male and Female Founder
  - **Female Only**: Median: €0,5M

**TOTAL YEARLY INVESTMENTS**

Female founded startups see the strongest uptrends

**TOTAL YEARLY ROUNDS**

Female grows the most perceptually

**SHOW LOWER AVERAGES FOR FEMALE FOUNDED STARTUPS**

**VENTURE CAPITAL FUNDING**

**FEMALE FOUNDED STARTUPS**

**INVESTMENTS DIVERSITY GENDER**

“In yes, the VC-sector is a boys’ network and yes – because of that they are more likely to like what they can easily identify with. We can talk about this for a long time, but we can only break this pattern if we actually commit ourselves to more women in participating VC-companies and the management of our current portfolio companies.”

Alexander Ribbink, General Partner and Co-Founder, Keen Venture Partners

1Startups & scaleups acting in a single industry are classified as “Active in One Industry”. If they are active in two industries they are classified as “Active in Two Industries”.

TechLeap.NL Formerly StartupDelta
**GENDER DIVERSITY INVESTMENTS**

**SMALL ROUNDS**

Female founded startups have rounds directed towards early growth.

Not only do Female (and Mixed) founded startups obtain smaller rounds, but they also represent a smaller share of the pie in the national investment scene. For all rounds since 2018 with presence of at least 1 foreign investor, Male founded startups represent 94.2% of the investment total, Mixed represent 4.9% and Female 0.9%. For rounds with only Dutch investors, Male represent 91%, Mixed 8.6% and Female 0.4% of the total.

**TOP 5 2018 ROUNDS**

<table>
<thead>
<tr>
<th>Company</th>
<th>Round</th>
<th>€, Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>BitFury</td>
<td>Late VC</td>
<td>72.7</td>
</tr>
<tr>
<td>Xenios</td>
<td>Series B</td>
<td>30</td>
</tr>
<tr>
<td>Mimetas</td>
<td>Series B</td>
<td>26.4</td>
</tr>
<tr>
<td>Framer</td>
<td>Series B</td>
<td>21.8</td>
</tr>
<tr>
<td>Tiqets</td>
<td>Series B</td>
<td>20.9</td>
</tr>
</tbody>
</table>

For funding, the share of the pie taken by the Top 10 also differs per category. Male’s Top 10 represent 25% of the total, Mixed 80% and Female 77%. Acquired, or companies having filed for an IPO, are excluded from this list.

**TOP 10 TOTAL FUNDING**

**MALE**

<table>
<thead>
<tr>
<th>Company</th>
<th>Total Funding</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>BitFury</td>
<td>€154.5M</td>
<td></td>
</tr>
<tr>
<td>PicNic</td>
<td>€100M</td>
<td></td>
</tr>
<tr>
<td>Xeltis</td>
<td>€79.4M</td>
<td></td>
</tr>
<tr>
<td>MessageBird</td>
<td>€54.7M</td>
<td></td>
</tr>
<tr>
<td>Protix</td>
<td>€45M</td>
<td></td>
</tr>
</tbody>
</table>

**MIXED**

<table>
<thead>
<tr>
<th>Company</th>
<th>Total Funding</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>NorthSea Th.</td>
<td>€25M</td>
<td></td>
</tr>
<tr>
<td>In2Care</td>
<td>€9.3M</td>
<td></td>
</tr>
<tr>
<td>Catawiki</td>
<td>€85M</td>
<td></td>
</tr>
<tr>
<td>Kommodore4</td>
<td>€78M</td>
<td></td>
</tr>
<tr>
<td>Dott</td>
<td>€50M</td>
<td></td>
</tr>
<tr>
<td>LifeSense</td>
<td>€3M</td>
<td></td>
</tr>
</tbody>
</table>

**FEMALE**

<table>
<thead>
<tr>
<th>Company</th>
<th>Total Funding</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cristal Th.</td>
<td>€21.3M</td>
<td></td>
</tr>
<tr>
<td>Onera</td>
<td>€8.5M</td>
<td></td>
</tr>
<tr>
<td>Cleeng</td>
<td>€6.6M</td>
<td></td>
</tr>
<tr>
<td>Hy2Care</td>
<td>€3.8M</td>
<td></td>
</tr>
<tr>
<td>Incrowd</td>
<td>€2.3M</td>
<td></td>
</tr>
</tbody>
</table>

**AVERAGE ROUND SIZES**

The mean round for female startups by Dutch VCs since 2008 is €0.32MM compared to €2.74MM for Male startups and €1.64MM for Mixed. The median for Female is €0.20MM and Male €0.60MM and €0.88MM for Mixed.

For funding, the share of the pie taken by the Top 10 also differs per category. Male’s Top 10 represent 25% of the total, Mixed 80% and Female 77%. Acquired, or companies having filed for an IPO, are excluded from this list.
313 VCs (of which 220 in NL). 16% of VCs invest in female startups.

VCs that invest in female founders have 42% fewer companies in their portfolio.

VCs that invest in female founders have 46% smaller round sizes.
VC firms that invest in startup founder teams with females also have less companies in their portfolio. The average portfolio size for VC firms only investing in male founders is 64 compared to 37 for VC firms who also invest in female founders. The average round sizes also differ considerably, with the average for male-only VC firms being €10.4M and for VC firms who also invest in female founders €5.6M. From VC firms in the Netherlands 6% have female partners, and early stage VC firms have more female partners than later stage funds (7.7% vs. 3.2%). This is behind nations like the UK and USA, with 13% and 9% respectively. Only 3.8% of VC firms has gender balance in their partner team in the Netherlands.1

SUMMARIZING FACTS

BOM Brabant Ventures leads Dutch VCs by having

5
GENDER DIVERSE STARTUPS IN THEIR PORTFOLIO.

87% of NL-based VC firms have zero women investors.1

31 FUNDING ROUNDS TO STARTUPS FOUNDED BY AT LEAST ONE FEMALE BY DUTCH VCs SINCE 2008.

27 STARTUPS FOUNDED BY AT LEAST ONE FEMALE HAVE VC-FUNDING BY DUTCH VCs.

6% OF DECISION-MAKERS IN NL-BASED VC FIRMS ARE WOMEN. 1

“I hope that with this report and #FundRight we can show what can happen when the debate on diversity in entrepreneurship is mainly focused on opportunities. Diverse teams perform better, so why should you, as an investor, not reap the rewards of this?”

Eva de Mol, Co-Founder, CapitalT

1Data from the “Fixing the Funding Gap” report by J. Niessen and E. de Mol (2018).
HOW THIS REPORT WAS MADE

METHOD

Facts and Figures shown in this report was generated using the StartupDelta Finder data, built together with Dealroom.co, per August 21st 2019. The data was filtered using a query filtering for companies with complete data on founders’ genders as well as TechLeap.NL selected filters. This resulted in 1.650 startups and scaleups. We apply TechLeap.NL’s current definition for startups and scaleups for classification in the database. These are:

- Companies based in the Netherlands or received funding in the Netherlands
- No service providers (such as financial advisors and consultancies)
- Do not have only 1 employee
- Are 20 years old or younger
- Are not “closed” for business
- Are not subsidiaries

Funding and financial values are based on funding round data based on diverse news and ecosystem websites. Employee numbers are based on LinkedIn values.

SPECIAL THANKS

We’d like to thank the people that helped us build this report by sharing their knowledge with us on the Dutch Ecosystem. In particular, we’d like to thank Francis Quint, Linze Rijswijk, Eva Bandelj, Marian Spier, Fancy van der Vorst, Eva de Mol and Janneke Niessen.

HOW CAN YOU BE INCLUDED IN THIS DATA?

Don’t fret if we haven’t seen you yet! The startup scene is dynamic, and we do our best to make sure we capture the entire ecosystem in real-time.

In case you’re not in our reports, or the Finder, and would like to be a part of our ecosystem just register here for free and add your company – just like that. You may also designate your account to the company and become verified.

Questions? Reach out to us on info@techleap.nl.
Interested in following Dutch Gender Diverse Startups?

Find & trace them on the TechLeap.NL Finder

https://bit.do/GenderDiverse