

Starting up anywhere: why it's easier to grow a business outside London

Post-pandemic, will we see more startups flourishing outside London? Since most founders aim to raise money from investors, what are the best circumstances to make this happen if your business is well beyond the boundaries of Greater London?

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The pandemic triggered a surge in business startups across the UK and amid this burst of entrepreneurial activity, we've seen an increase in the number of startups emerging in cities such as Bristol and Manchester. In particular, Bristol jumped 57 places this year to become the 68th best place in the world to start a business, ranking as the second city in the UK after London.

But do startups in the nations and regions of the UK have similar chances of attracting investors as companies in London? At SeedLegals, we've worked with over 25,000 startups in the UK and seen funding come from all kinds of surprising places. Although London tends to be where the big money is, if your company is headquartered outside the capital, it's increasingly possible to secure funding to help you build your business.

Talent is moving away from London - and investors know it

COVID-19 has fundamentally changed the way we view cities. City-dwellers are rethinking their living situations, and reevaluating the

importance of larger homes, outdoor spaces and connections with their local community. The flexible, hybrid working options that are fast-becoming the norm for many office-based jobs and are giving people greater freedom to live and work from anywhere in the country or even abroad.

Although it's likely that London will continue to retain the best tech talent due to its position as a hub for entrepreneurs from across Europe, many recruiters are starting to find candidates with the same level of skill in other cities in the UK.

With the entrepreneurial boom underway, there are many job opportunities in innovative startups that aren't necessarily in London. For example, in 2020 in Manchester, one company was founded for every 143 people who live in the city.

One of these Mancunian startups is *Housr*, a student housing app, which raised their pre-seed round with SeedLegals. It makes sense for Housr to be based in Manchester – the founder recently graduated in the city and it will be their first market – but the company has successfully built its team with local talent. As regional cities create talent pools like this, early-stage founders will increasingly be able to find experienced professionals to join their venture, without having to pay London salaries.

Investors want to see that you're hiring the best you can afford for your company, and it's increasingly possible to find exceptionally skilled people to form your tech and senior leadership team without having to recruit in London. In fact, if you're looking to hire staff outside the capital, you might find brilliant early hires who live elsewhere because they value the better quality of life this allows.

Tech makes it easy to build business communities anywhere

Advances in tech and changes in communication norms have made it easier than ever to connect with interested investors outside London. In just a few years, it's become completely normal for startups to crowdfund and connect professionally with potential investors, partner companies and customers through social media.

If you're based outside London, we recommend plugging into your regional startup hub. These networks foster a sense of community among entrepreneurs, helping you connect with other young businesses locally. The hub might also introduce you to customers and partners in your region to help you and other businesses in the hub grow your companies together.

A quick web search will reveal startup hubs near you. We also recommend platforms such as [*Tech Nation's Founders Network*](#) and resources like [*Founder's Factory*](#) to help new founders find networking events and opportunities in every area of the UK.

For early-stage startups, finding your feet in a regional business ecosystem can be helpful preparation for raising large investment rounds in future.

Find the best environment for your business

The best location for your business is the environment where you, your team and your company will best thrive. But where is this perfect location? It depends on what your business does and your current stage of development.

Ecommerce disruptor [*OnBuy*](#) is based in Poole. The company has raised

over £10M in investment on the SeedLegals platform and claims to be the fastest-growing marketplace in the world. Why are they based in Poole? Because that's where the founder lives, and it's an entirely online business so this location is fine for OnBuy.

Oxford is a great location for another SeedLegals customer, Yoxly. After being supported by the University of Oxford's accelerator, Yoxly remained in Oxford - the company develops and sells STI home test kits so being close to local research and laboratory services is a smart choice.

It's good news for everyone in the UK that startups now have stronger chances of success, no matter where they're based. Aspiring entrepreneurs have greater flexibility to build their business in a location that best suits them, and employees can pursue exciting careers in every corner of the UK. Today, you can even reach investors online from wherever you are. You don't yet know where your company will end up - but where you start is up to you.

Anthony Rose is CEO and cofounder of SeedLegals.

Article by Anthony Rose