

Meet Obu, addressing the gender investment gap at scale

As part of our quick founder questions series - or QFQs - we spoke to Sarah King, CEO and cofounder of Obu about diversifying the angel investor pool, and why endurance is critical to entrepreneurship.

Temps de lecture : minute

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Despite women adding \$5T to the global wealth pool every year, in the UK only 14% of angel investors are women - highlighting just how much women miss the chance to create wealth through angel investing and to influence the types of businesses that successfully scale. This lack of participation also impacts the level of early stage investment placed into businesses founded by women.

Towards the end of 2018, I met Claire for the first time where we explored our mutual desire to create a business focused on having impact at scale, being commercially successful whilst also addressing gender inequality within this sector. 9 weeks after meeting we created 'we are radikl'. Our experience closing our first investment round, during the pandemic causes us to co-create the #overbeingunderfunded campaign which successfully changed the UK government's SEIS scheme - extending the age limit for businesses applying for the scheme from 2 to 3 years, making it more accessible to female-founded businesses. This success inspired our pivot to become a fintech and our rebrand to 'Obu'.

Time and time again, the statistics show the stark disparity between men and women within the world of entrepreneurship and Obu is on a mission to level the playing field. Women make up 42% of the global

entrepreneurial workforce and last year, businesses founded exclusively by women received just 2% of all venture capital funding. By diversifying the angel investor pool, we create more diverse deal flow into the VC's.

Tell me about the business - what it is, what it aims to achieve, who you work with, how you reach customers and so on?

Obu is an 'Investing in Women Code' signatory and technology platform designed to address the gender investment gap at scale. Obu takes business and their founders through a due diligence process which enables us to determine which investment opportunities we'll present on the platform. Via the platform, we then connect female founded businesses with investors, we support founders and prospective investors in the legal and contracting associated with closing a funding round. For investors and individuals wanting to support female founders and businesses that traditionally may have been overlooked, they can turn to Obu as a central platform that not only serves their financial intentions, but also is aligned with their personal values to play a part in addressing gender inequality.

The Obu platform primarily welcomes women founded businesses within Edtech, Femtech, Fintech, Health & Beauty, Food & Drink and AI. These businesses may already be generating some revenue and will be raising utilising SEIS and EIS. These are businesses that solve real problems and who are led by ambitious, impressive founders.

How has the business evolved since its launch?

Entrepreneurship is a learning journey and I really believe that the most successful entrepreneurs are those who embrace the learning a startup

provides and who have the courage to pivot on the back of this learning when needed.

The learning we've gained about our customers and about the market we operate in caused us to pivot from an eLearning business to a fintech business last Summer.

Launching a business in the regulated financial environment was a bold step but it aligns with our desire to demonstrate that inclusive design within the sector increases participation by overlooked audiences. Within the senior team at Obu, we have more than 30 years of financial services sector experience and so we understand what it takes to operate in a regulated environment. Applying the learning from our entrepreneurial and corporate careers meant that we were able to successfully evolve - or pivot!

Tell us about the working culture at Obu

We're a small but mighty team - we passionately believe change is possible and we're here to make that happen. This means we have to work in a very agile way - we embrace the idea of 1% gains and the creativity required to spot and deliver these opportunities. We also all know that each one of us has a role to play in achieving our goals and within this that we all have each other's back. Building a purpose and profit-led businesses in a sector where there is huge inequality requires tenacity and resilience - we cheerlead for each other and on the tough days we pick each other up. It's a real privilege to be a part of the Obu team - our core team and our delivery partners are so committed to Obu's mission and as a Founder, seeing this commitment is really humbling.

How are you funded?

To date, we've raised £750K through angel investors, utilising both SEIS

and EIS. When we think about our investment strategy we're always considering who the 'right' investors are for Obu. This means going beyond considering 'just capital' into the wisdom, connections, and cheerleading we need to enable us to unlock the next phase of growth. Investors who understand our purpose and that this will factor into the business decisions we make. We've also worked hard to ensure we have a gender diverse cap table - we've achieved this but that hasn't happened by accident, it's happened by design and so we're able to build the experiences from our own investment rounds into the design and build of the Obu platform

What has been your biggest challenge so far and how have you overcome this?

Navigating the business through a pandemic - as for all entrepreneurs - was uncharted territory. Claire and I were both homeschooling, and this was when we also decided to do our first investment round. It was pretty stressful. I remember though when we closed our round - at the time the rules meant we weren't allowed to be in the same building as each other and so we walked our local streets, each with our own mini bottle of champagne, socially distancing whilst cheersing each other. Looking back on it now it was all so surreal. But one of the core ingredients to our relationship as co-founders is to be honest with each other. That doesn't always mean we have easy conversations but it's this honesty that means we have huge respect for each other.

How does Obu answer an unmet need?

At Obu, we flip the script and rather than suggesting women entrepreneurs and angel investors need to fit into the products, networks, processes that already exist, we instead ask 'how might we deliberately design an angel investment product for you, in a way that recognises your

life experience, needs and aspirations when it comes to money, wealth and impact.'

We look at insights like entrepreneurs raising investment are time poor and how a lack of experience for a first-time angel investor impacts how they approach investment. We shape and design our product and customer journey's from this understanding.

All of this allows us to positively impact the objective of the Women Backing Women campaign led by Jenny Tooth, OBE which aims to see an increase from 14% to 30% in the number of women angel investors in the U.K. Because when women are empowered to invest, more women secure investment.

What's in store for the future?

Closing deals! Seeing entrepreneurs and investors thrive through the relationship that is created when these two groups of people come together is so exciting. Entrepreneurs are visionaries, they have the power to change the world for the better and investment (of capital, wisdom, cheerleading and networks) can help them achieve this. What's not to love about that?!

What one piece of advice would you give other founders or future founders?

Find a problem you care passionately about solving and then grit it out! I think sometimes entrepreneurship can be romanticised but it's hard work. You have to be the type of person that thrives in this environment - who welcomes the challenge of problem solving your way to success.

Maintaining this tenacity and level of creativity means you have to care passionately about your north star - it's this focus and passion that will be a key ingredient for your success.

And finally, a more personal question! What's your daily routine and the rules you're living by at the moment?

Last year I successfully completed my first ultra-endurance event. The lessons endurance gives you are so relevant to entrepreneurship. Ultimately it's all about high performance and that requires surrounding yourself with people who are smarter than you and can share their wisdom with you. It means having your main goal but then smaller goals along the journey that help you to track progress and maintain motivation. It also means thinking about how you fuel yourself with things like nutrition, sleep and recovery time. Day to day I try to put these lessons or rules into practice. I don't get it right all of the time but I try to remove this pressure from myself - perfection isn't the goal, progress is.

Sarah King is the CEO and cofounder of *Obu*.

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