



YouGov[®]
What the world thinks

YouGov Entrepreneurs Poll

How startup founders and CEOs rate the top VCs in Silicon Valley

The YouGov Entrepreneurs Poll 2014

Last year, we interviewed a select group of entrepreneurs about their experiences working with venture capital partners—what they wanted from venture investors and what they were actually getting from top tier VCs in Silicon Valley. The results of this survey are summarized here.

Some of the key findings:

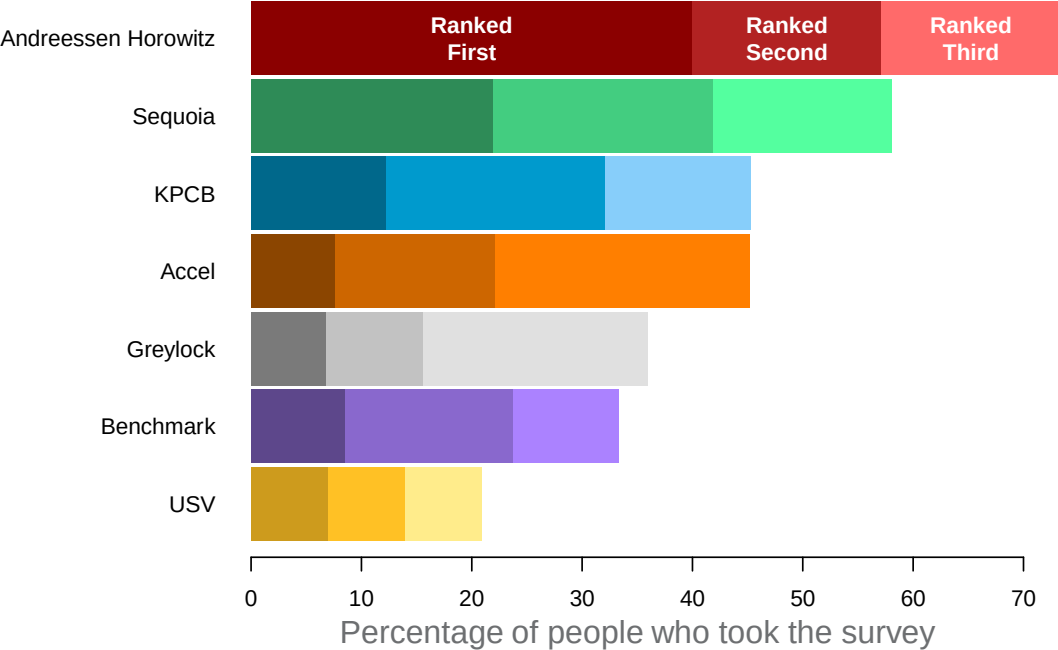
- Andreessen Horowitz tops the list of VCs that entrepreneurs would like to have as an investor. See page 3
- Although “VC as a platform” is a hot topic in the technology press, most entrepreneurs aren’t looking for operating experience or assistance from their venture investors. See page 4 for what entrepreneurs say is the most important consideration in choosing an investor. Page 5 digs further into the differences between entrepreneurs on their first startup compared to those with multiple.
- Most entrepreneurs think that their VCs do only a passable job at executive mentoring and coaching. VCs are considered best at providing connections for business development and are seen as helpful for recruiting.
- Entrepreneurs open-ended responses centered on the importance of three main criteria they look for in a venture capital investor: trust, partnership / shared vision, and entrepreneurship / experience.

We are conducting another round of this survey now, where we will dive into some of the issues raised in last year’s study. Please take 5 minutes, click the link in your email or the one below and you will receive the next round of results!

<https://isurvey-us.yougov.com/refer/vkJMvB2KFjYNdg>

Andreessen Horowitz is the favorite among entrepreneurs

“Suppose that you had your choice of any of the following venture capital firms as an investor in your next company. Who would you most like to have as an investor? Please rank the firms in order, with the firm you like most ranked first and the one you like least ranked lowest.”



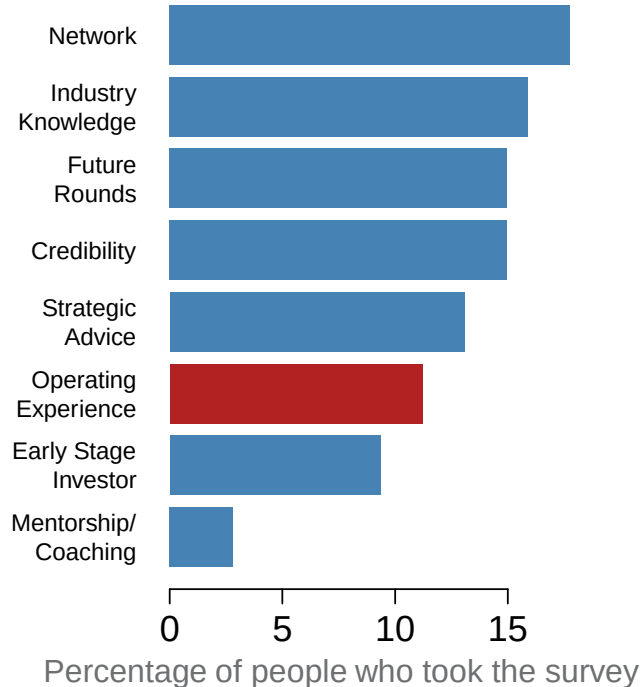
In 2013, Andreessen Horowitz had a fairly clear lead as the firm entrepreneurs would most like to have as an investor, with Sequoia in second.

After these two there is not much variation among the remaining firms around which was ranked first.

That said, there was interesting variation among who was ranked second, with Kleiner Perkins and Benchmark doing well.

A venture capital investor's network was the key factor

“How important are the following factors to you in deciding whom you would like to have as a venture capitalist investor?”



For entrepreneurs, the most important consideration in regards to VCs is that investor's network, following by their ability to aid with future rounds of investment and industry knowledge. Credibility also was a substantial concern and after that there is a drop off.

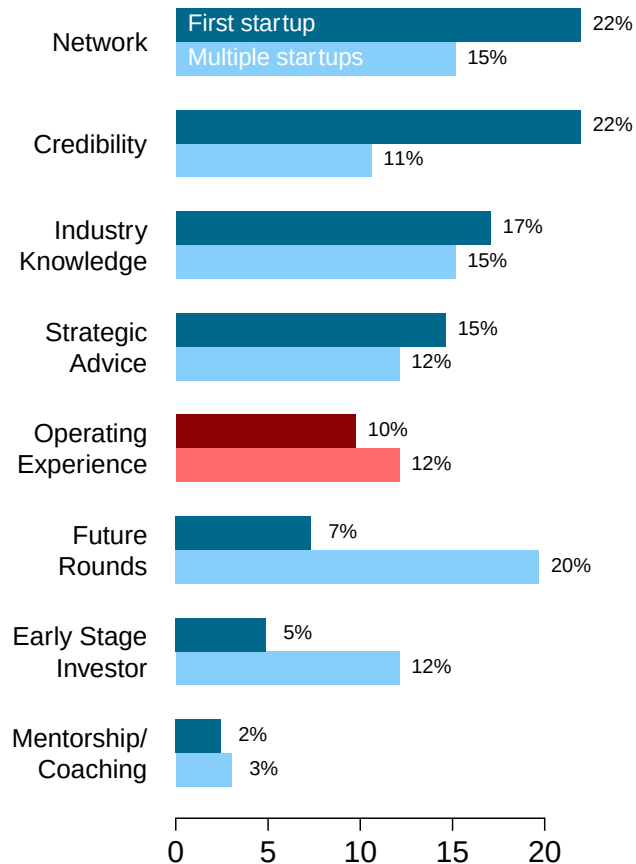
Interestingly, while “VC as a platform” is a hot topic in the technology press, most entrepreneurs aren't looking for operating experience or assistance from their venture investors, as highlighted in red here.

Entrepreneurs on their **first startup** differed in interesting ways from entrepreneurs with **multiple startups**, in what they look for in a venture capital investor

“How important are the following factors to you in deciding whom you would like to have as a venture capitalist investor?”

Consistently, operating experience was not the key factor in deciding upon a VC to work with.

That said, entrepreneurs on their first startup valued their potential investors' network and credibility more highly than those with multiple startups. And in reverse, those with multiple startups valued VCs with greater ability to raise future rounds of funding, and willingness to make early stage investments, more highly.

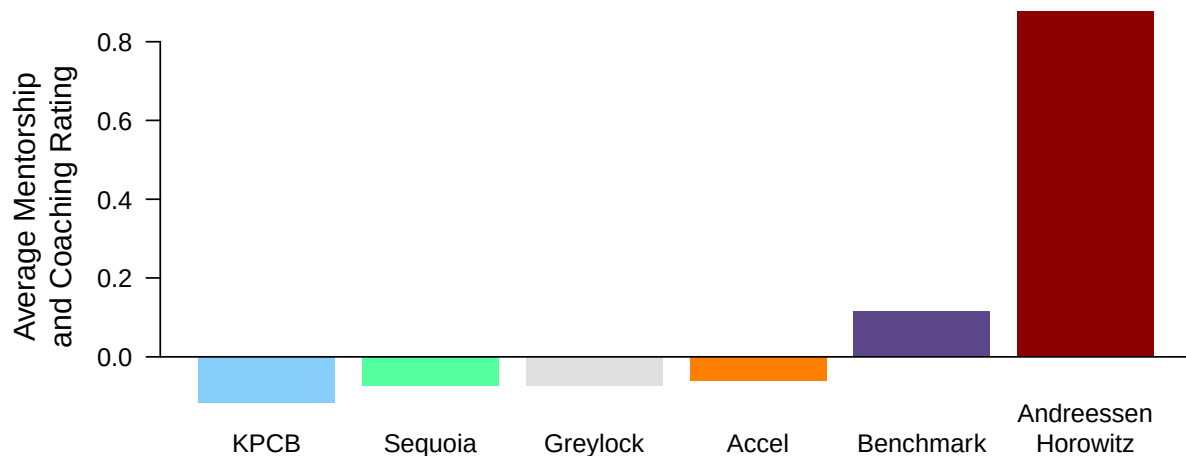


Percentage of people who took the survey

Most entrepreneurs think VCs are only “fair” at mentoring

“How good a job do each of the following firms do at mentorship and executive coaching of entrepreneurs?”

Scale runs from poor (-2) to excellent (+2).”



Percentage of people who took the survey

With one clear exception, most entrepreneurs think that their VCs do only a passable job at executive mentoring and coaching.

From the opposite side, venture capital investors are considered best at providing connections for business development and being helpful for recruiting (not shown).

In their own words, what entrepreneurs told us they look for in a venture capital investor

“What is the most important criteria for you in deciding who you would like to have as a venture capital investor?”

Entrepreneurs had a great deal to say on what works and what does not in their relationships with venture capital investors. We have organized the comments into three categories: experience/entrepreneurship, trust, and partnership/shared vision.

Entrepreneurship / Experience

“Must be an entrepreneur with real experience starting a company from scratch and successfully going through all the emotional upheaval of company building ups and downs for 5 years or more. VCs without that experience typically are FCs only - "Fair-weather Capitalists".

Partner / Shared Vision

“Teamwork. So many venture capitalists are looking for an excuse to neuter the entrepreneur's decision making role.”

“Shared vision -- if it's there almost anything else can be overcome; if it's not there, the rest doesn't matter”

Trust

- “Trustworthy and transparent”
- “Trust and buy-in to the vision of the new product”
- “Connected and trustworthy”

Last but not least: “Will they write me a check”

The 2014 study is underway!

Please click the link below to take the 5 minute survey and you will share in the results

<https://isurvey-us.yougov.com/refer/vkJMvB2KFjYNdq>

Douglas Rivers, Ph.D.

Chief Scientist

YouGov

285 Hamilton Avenue

Palo Alto, CA 94301

+1 (650) 462-8000

doug@yougov.com

www.yougov.com