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Facing a nine month fundraising drought and growing debt, One Concern CTO Nicole Hu and her co-founders stepped back instead of giving up. They realized that they needed to approach a more team- and need-focused set of investors, and build a stronger case for business feasibility.



## Transcript

- It was hard for us to pitch in money ourselves, being immigrants and all.. So that meant we did have to go through the investor route.. Now, that was a little surprising as well because when we went to investors, we thought, obviously these cities are so excited.. We heard about product/market fit, you know, our customers really like it, so you know, investors should definitely jump on this idea and help us through.. But that wasn't what we saw.. For around nine months, we mostly heard rejections, and it's very hard to hear that because along with the risk you are taking, you hear somebody really experienced with a lot of expertise in building a business coming to you and saying, "Now you have a noble idea, "but it's just an idea, and you need to give it up." I have an anecdote of a particular investor which we were really .... we really respected, and that was one of the meetings which I still remember.. We went into the meeting, we gave our pitch deck, and the investor said, "You know, if an earthquake happens, "I'm just gonna walk out and go to my neighbor's house.. "This is such a silly idea, and "you should start thinking about something else completely, "and you wasted so much time." So nine months of just hearing rejections, nine months of not knowing .... basically collecting debt, and then nine months of real, big fear from your Visa process..

You know, what's gonna happen? Can I still stay here? Do I have to go back to India? It was pretty scary for us, but instead of having that bring us down, what we did was we took a step back, and we said, "What are we not doing right?" We didn't blame the investors or the feedback.. We realized there was something missing in what we were doing, which is why we couldn't portray our story to .... the investors who were talking to us.. And so, we later realized that the problem was two-fold.. One problem was, we weren't talking to the right set of investors.. There are different investors with different investment pieces.. So there are a few in the seed stage who definitely want to look at evidence in the market, you know, put a strong ratio or weight on that as part of investment in your company.. And given that there was no earthquake GovTech product out there .... just really high risk.. Whereas there were other investors who put a lot of faith on the team..

Is there a need? You know, and that the team is gonna figure it out, a really large focus there.. So we realized that we need to start looking at, you know, these investors.. The second thing we realized was that what was missing in our pitch was, we always talked about the vision but very little about the feasibility of the business.. And knowing that, we didn't know that too much, we took whatever help we could get.. We went to Stanford Venture Studio, talking to all the Stanford graduate students there, pitching several hundreds of times and just brainstorming about what could be wrong.. We talked to investors for advice, even the people who rejected us, and telling them, "What could we have done better? "What is actually the problem?" And we amalgamated all that information in, and, ergo, eventually finding the right investor and helping them understand exactly the perspective of why this idea should be present, was what founded one concern...