

Eloiza Tecson of EY Ventures Group

Speaker1: [00:00:04] This is the Investor Connect podcast program. I'm Hall Martin. I'm the host of the show in which we interview angel investors, venture capital, family offices, private equity and many other investors for early stage and growth companies. I hope you enjoy this episode. The Investor Connect is a 501 C three non-profit dedicated to the education of investors and startups for fundraising. Please consider donating \$100 to the program to help others in their investor and entrepreneur journey. You can find the Donate button on the Investor Connect org website.

Speaker2: [00:00:38] Hello, this is Hall Martin with the Investor Connect. David, here with Eloiza Tecson managing partner at E.Y Ventures Group E.Y Ventures Group, is dedicated to moving early stage brands and professionals forward at scale. In its most simplistic form, they function as a strategic partner and investor for brazen, diverse founders willing to change or challenge the status quo in health, sports and technology. Eloiza , thank you for joining us.

Speaker3: [00:01:02] Thank you for having me, I'm excited to be here.

Speaker2: [00:01:05] Great. So what was your background before investing in early stage companies?

Speaker3: [00:01:10] I was raised in Memphis, Tennessee, and I initially found a love for sports branding and marketing through my work with Red Bull, where I ultimately focus on launching brand activations and truly learned what it means to take a more active approach and listening, understanding and speaking to your consumer prior to investing in early stage companies. I truly did focus my efforts at the intersection of operations and marketing in the health and wellness sector with predominantly franchise brands. And in my prior roles, I'd been responsible for launching new franchise studios, creating tech based products to enhance the customer experience and developing innovative solutions to truly crystallize a strong infrastructure for organization growth. So in essence, clearly understanding the role of the operator and being and having a better understanding on what strong, healthy unit economics could look like and how it can ultimately be achieved through a balanced operational approach. And in my franchise days, I was so incredibly inspired by the franchisees and small business owners and

entrepreneurs that I worked with. I loved hearing their why and what was passionate about brokering conversations on how to better support these small to midsize businesses. So this ultimately propelled my my, my commitment to advancing startups into the next few stages of growth and thus landing into VC.

Speaker2: [00:02:30] Great. So what excites you right now?

Speaker3: [00:02:34] A lot of things. So first and foremost, supporting diverse, mostly female led brands during those critical moments where operations may not typically be the focal point in health and wellness sectors as we believe we've all kind of started to see and more clearly understood, women are underfunded and they're also underrepresented. However, they have proven that there's a crystal clear opportunity to invest in their future in health and wellness. Specifically, the ecosystem has evolved into more than just one modality. So in essence, instead of taking a look at health and wellness as going to a 30 minute workout or perhaps just eating better, it's really taking a look at the full balance approach for the consumer. So now we're seeing this truly unlocking of opportunities in the ecosystem, whereas we're actually putting a meaning behind holistic wellness. So our team, we invest in platforms, wearables and technology that are disrupting the health and wellness space by democratizing access. So holistic wellbeing, right?

Speaker2: [00:03:34] We see a lot of investors and a lot of startups in this space. What's your advice for people investing in startups? What do you tell them to do before they write that check?

Speaker3: [00:03:43] My advice for people investing in startups in the sector is to truly reevaluate what health and wellness means to consumers nowadays and into the future. There's such a unique opportunity at the intersection of physical, mental and emotional well-being. For example, there's organizations say, for instance, well-being that has a truly B2B focus to deliver fitness, nutrition and mindfulness solutions because we're learning that ultimately consumers are looking for activity to live the rest of their life. It's not just, it's just not a task to them anymore. It's something to help let them become better moms and become better parents to just become better at more active individuals into the ecosystem. So a couple of other things that we're also seeing as well is in 20 20 digitised health and wellness

investment activity hit a peak, and it generated about seven point three billion in venture capital deal value across almost five hundred brands. So we're seeing that there's a lot of a lot of opportunity in digital wellness. And by twenty twenty five, the health and wellness tech market alone is expected to reach anywhere about three hundred and fifty billion to four hundred billion. So ultimately, this lens a future opportunity, entrepreneurs and investors, a sense of confidence that this industry is looking for these types of solutions.

Speaker2: [00:05:01] Great, and then on the other side of that equation, what's your advice for people running start ups? What do you tell the founder to do before he goes out to raise funding?

Speaker3: [00:05:09] Hmm. I would say think strategically about how the partnerships could work synergistically with your brand.

Speaker2: [00:05:18] Cool. Good idea. So let's talk about the state of investing in sports and health and technology there. What is the how do you see the industry evolving at this point?

Speaker3: [00:05:30] I would say that the industry is becoming more accessible. We're seeing more resources being developed to educate angels and first time managers, et cetera, on the investing process, so it really does open up the doors for a new form, a next generation of investors.

Speaker2: [00:05:47] Right, and what do you think is the biggest change we'll see in the industry and then say, the next 12 to twenty four months,

Speaker3: [00:05:53] I believe we're seeing the industry becoming more inclusive and being open to emerging managers, not only from diverse backgrounds, of course, but also with diverse thoughts as well. So opening up the doors to former operators, former CEOs, former founders who are starting to go into the investing space to really open up the opportunities and provide growth opportunities for the future generation of entrepreneurs.

Speaker2: [00:06:18] All right, well, let's talk more about your investment thesis. What exactly is it and what's your criteria for making an investment?

Speaker3: [00:06:25] Sure, that's great question. We're looking for brands that are harnessing technology and digital as a means to accelerate a new form of health and wellness by investing in the sectors of holistic well-being, sports and technology. We can see this beautiful flywheel for lack of better words where consumers can now experience a new age of well-being through the brands that have those symbiotic, synergistic relationships with one another.

Speaker2: [00:06:53] And you talk about one or two startups that fit that thesis, perhaps or portfolio.

Speaker3: [00:06:58] Yeah, I think in general, we do love to invest in platforms, products, mobile apps, wearables and also services that are lending a perspective or an opportunity in health and wellness.

Speaker2: [00:07:11] Great. So let's talk about the challenges in this space. What do you find is the main challenge your startups face in launching and running their business?

Speaker3: [00:07:19] Hmm. I can definitely speak to the sectors that our group is more focused on, and it would really come down to getting caught up in the noise of the fitness technology revolution. Well, yes, there is such a compelling narrative to be shared about the growth of the tech space. It's still early and we need to think of out of the box about how we want to keep ourselves top of mind to the consumer being that it's becoming extremely saturated. So you've got instances where you've got wearable wars, Amazon, Apple, all of these big name fit technology brands are starting to think about how wearables, technology and fitness could ultimately be a part of their larger strategy. And I think from there we're also starting to see omni channel fitness that people thought was the buzzword, but actually is here to stay. It's becoming interesting, and it's just how can we, as brands lending a perspective in the founders lives? How can we differentiate ourselves across the entire industry?

Speaker2: [00:08:18] Great. And what we think is the main challenge the investors face at this time in this space.

Speaker3: [00:08:24] Hmm. I may be biased because I've got the operator's perspective, but I think we need some more operators and some operational backgrounds investing into the sector. The health and wellness industry has been working for digitizing for quite some time. And you have some players that call digital health digital wellness long before it started happening long before the pandemic. So it's important to find the ones that have been looking at these problems and creating solutions for quite some time because they've seen the industry evolved and they've been able to keep up with it. So it's a matter of trying to identify those unique unicorns.

Speaker2: [00:09:01] Right, well, there's a lot of sectors and applications in this space, if you had to pick one or two that are really good opportunities for investors to pursue right now, what would you put at the top of the list?

Speaker3: [00:09:12] Two, one to one to that. I would definitely want to speak to. One, of course, is going to be at home fitness. It's a very interesting sector to start evaluating at the moment, but I firmly believe that it is here to stay. And the other opportunity is actually going to be the retail health. While yes, the health and wellness industry has grown, there's really only about 20 percent of Americans that are affiliated with the health wellness solution. So if we can leverage our new learnings of technology at home fitness creating this hybrid omni channel experience for consumers, perhaps we actually will be able to create creatively find a way to tap into the remaining 80 percent and truly disrupt the space.

Speaker2: [00:09:53] Great. When the last few minutes that we have here, what else should we cover that we haven't?

Speaker3: [00:09:58] Well, I actually am also a fellow podcaster myself, and I connect with executive woman in the health, wellness and sports industries to uncover their stories, the challenges they face and advice for the future generation.

Speaker2: [00:10:11] Great. And what's the name of that podcast?

Speaker3: [00:10:13] It's called the drift.

Speaker2: [00:10:15] The Drift. Great. And so how best for listeners to get back in touch with you?

Speaker3: [00:10:20] Our website, you waive interest group.

Speaker2: [00:10:23] Great. We'll include that in the show notes, we want to thank you for joining us today and hope to have you back for a follow up soon.

Speaker3: [00:10:29] Thank you.

Speaker1: [00:10:35] Investor Connect helps investors interested in startup funding. In this podcast series, experienced investors share their experience and advice. You can learn more at Investor Canaccord. Paul T. Martin is the director of Investor Connect, which is a 501c3 nonprofit dedicated to the education of investors for early stage funding. All opinions expressed by hall and podcast guests are solely their own opinions and do not reflect the opinion of Investor Connect. This podcast is for informational purposes only and should not be relied upon as a basis for investment decisions.