

Abstract

In the early stages of entrepreneurship, securing investor support is often critical to a venture’s survival and growth. However, it’s not just your company that the investor is evaluating, but also you. Investor decisions are a combination of the company's metrics, the pitch style, and the person making the pitch. Research increasingly shows that both the content of a pitch, whether it emphasizes profit or social impact, and the gender of the founder can significantly influence investor interest and funding outcomes. The following paper explores how two factors, founders’ gender and pitch framing, interact to shape the perceptions of an investor. Using theoretical foundations such as role congruity, signaling theory, impression management theory, and framing theory, this paper examines how gendered expectations and presentations of pitches can affect judgments of risk, investment potential, and credibility. The goal is to better understand the biases and decision-making processes investors use when evaluating founders, and how entrepreneurs can navigate these dynamics strategically.

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Framing for Funding: How Social vs. Profit Orientation and Founder Gender Influence Investor Decisions

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Introduction

Investor decisions in early-stage entrepreneurship are influenced by more than venture metrics. Investors also consider how a venture is presented and characteristics of the founder, including gender and perceived credibility. Pitch framing can emphasize profit potential, such as revenue, growth, and market opportunity, or social impact, such as mission, ethics, and community benefit. Although investors are expected to evaluate opportunities objectively, existing research suggests that cognitive biases and social stereotypes can influence perceptions of competence, credibility, leadership, and risk. This raises the question of whether two ventures with similar fundamentals may receive different levels of investor interest depending on who presents the pitch and how the message is framed.

Research Question: *How does the framing of a pitch as social impact–driven or profit-driven, and the gender of the founder, affect investor interest?*

Methods

This study uses a literature review methodology to examine existing research on pitch framing, founder gender, and investor decision-making. The literature reviewed includes laboratory experiments, field studies, and archival research examining investor evaluations and funding outcomes. Four theoretical perspectives guide the analysis: Role Congruity Theory, which explains how gender-role expectations influence evaluations; Signaling Theory, which examines how founders and their pitches communicate credibility and legitimacy; Impression Management Theory, which considers how founders strategically shape their presentations; and Framing Theory, which explains how the presentation of information influences interpretation and responses. Together, these theories provide a framework for understanding how founder gender and pitch framing may influence investor perceptions.

Key Findings

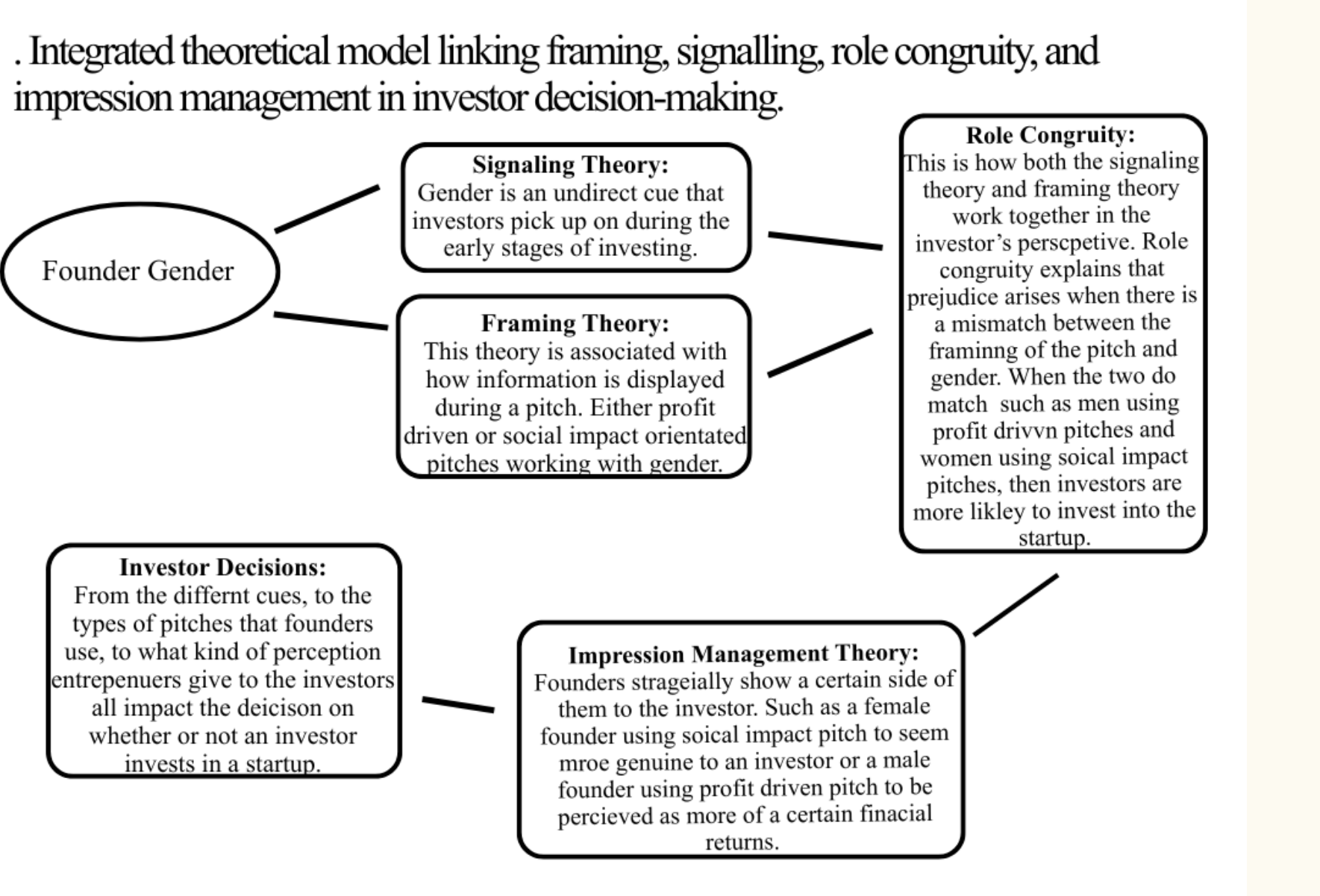
The literature reviewed suggests that founder gender can influence investor evaluation. Research has identified differences in how investors question and evaluate male and female founders, suggesting that gender may influence expectations surrounding competence, promotion, prevention, and risk. Pitch framing also shapes investor perceptions. Profit-oriented pitches emphasize revenue, growth, market opportunity, and financial returns, while social-impact pitches emphasize mission, ethics, and community outcomes. These different frames can communicate different signals to investors and may interact with perceptions of the founder presenting them.

The literature further suggests that gender–frame congruence may influence perceptions of authenticity and fit. Profit-oriented framing may align with stereotypically masculine expectations of ambition and competitiveness, while social-impact framing may align with stereotypically feminine expectations of warmth and communal orientation. When a founder's presentation conflicts with these expectations, investors may perceive greater mismatch, reduced credibility, or increased risk.

Research Gaps

The literature reviewed suggests that founder gender can influence investor evaluation. Research has identified differences in how investors question and evaluate male and female founders, suggesting that gender may influence expectations surrounding competence, promotion, prevention, and risk. Pitch framing also shapes investor perceptions. Profit-oriented pitches emphasize revenue, growth, market opportunity, and financial returns, while social-impact pitches emphasize mission, ethics, and community outcomes. These different frames can communicate different signals to investors and may interact with perceptions of the founder presenting them.

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Discussion

The literature suggests that investor evaluations may reflect both the information contained in a pitch and the social expectations surrounding the person delivering it. Gender-congruent framing may increase perceived fit or authenticity, but relying on these expectations can also reinforce the stereotypes that contribute to unequal evaluations. This creates a tension for entrepreneurs: adapting a pitch to existing investor expectations may improve perceived fit while simultaneously limiting authentic self-expression. Investor characteristics, including gender, experience, risk tolerance, and implicit bias, may further influence these relationships.

Conclusion

The literature reviewed suggests that founder gender and pitch framing are interconnected factors in investor evaluation. Role congruity, signaling, impression management, and framing theories provide potential explanations for how these factors may shape perceptions of credibility, authenticity, risk, and investment potential. However, existing research does not fully capture the interaction between founder identity, pitch framing, and investor characteristics. Future research should examine these factors together through controlled empirical studies to better understand how investor evaluations are formed and how potential biases may be addressed.

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