Why Founders Outside Silicon Valley Have an Advantage

Whether you're building outside Silicon Valley or just working on an idea that's unconventional, there's something about your story that makes you an outsider. George Rzepecki says that for investors like him, that's not a red flag — it's a competitive advantage. Rzepecki leads The Raba Partnership, an investment group focused on early-stage technology companies in emerging markets, especially Africa. Here, he shares how founders can sell an investor on an idea — or even an industry — that no one has imagined until now.

You focus on emerging markets. If a founder is outside of Silicon Valley, they might feel like they have a disadvantage. How can they convince investors that being an outsider is actually a superpower?

The first thing that comes to mind is: competition. There's incredible talent everywhere, but the depth of capital markets is very different across different ecosystems. In places like Silicon Valley, people and capital are in abundance. In our markets — less obvious markets — there's often too little capital, and very large incumbents that have never been tested by traditional kinds of venture-backed challengers. They're very profitable, but they're stagnant, right?

A great example of that is the U.S. airline industry. There's demand, there's growth — no one's going debate that there will be more people flying — but if you look at the entire industry, it erodes to almost no one earning a profit. If you can raise capital and build a formidable early team and go after these incumbents [in less obvious markets], the field really opens up.

In highly competitive ecosystems, if someone sees a company that's running away with a particular industry, venture capital firms start to fund competitors very, very quickly. But in emerging markets it's the inverse of that, which is a powerful thing that's not widely understood by venture investors.

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There tends to be an expectation that emerging markets are riskier. How should founders address that when talking to investors?

Oftentimes, the "more risk" narrative comes from oversimplification. We love dispelling those narratives with actual examples — real businesses built in these markets. When you can show someone a tangible example of what's possible, it completely changes the course of the dialogue. I think founders would benefit from doing the same, really highlighting the potential. Because it exists, right? You could pick almost any market, any country, and you can find examples of incredibly large businesses. It's just telling the story, and telling it with data and a depth of understanding.

When it comes to taking on major incumbents, how do you convince investors that you're the David to take on that particular Goliath?

Be authentic to who you are and how you do things. This is not performative theater. You don't need to be a version of some "investor ideal." Every firm has their views of what they like to track or make decisions on. Just be true to thyself. That means you're not going to be for everyone. And that's absolutely okay. Find the person who resonates with you.

We've covered unconventional markets. But what about unconventional ideas? Some of the most groundbreaking companies had to make investors believe in something that

didn’t exist yet. How would you make that argument today?

I firmly believe that most great businesses are modern takes on models that have existed since the Industrial Revolution. I always say to founders and to fellow investors that a really worthwhile investment of time is just studying business history. You can learn from prior cycles, from prior founders and builders. I would argue what’s changed is the toolkit you have. You have software, internet, and now AI as leverage into the business model. So you can now solve problems at scale that were impossible a few years ago. The principles are timeless. It’s the speed and scale of what you can do that’s new today.

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