

Six strategies to build value in the tech sector

LDC has a long track record in supporting technology businesses to grow. Over the past decade more than 30 technology management teams have trusted us to help them to achieve their ambitions.

Through our partnerships we have identified six key strategies ambitious leaders within technology companies can use to build value – all of which can be supported by private equity.

Invested over
£650m
in tech sector

Since 2012:

Backed more than **30 management teams**

16 exits with an average return of **3.8x**

293% average EV increase
in exited businesses

1. Develop your technology

Standing still isn't an option when it comes to technology. We support our portfolio company management teams as they scale their technology through increased investment in existing platforms or innovation and new product development to stay ahead of the competition.

During our partnership with MSP, [Littlefish](#), the management team accelerated their growth strategy through investment in new products and services – including expanding the company's cyber security service offering. LDC helped Littlefish to almost double revenues from £18.6m to £36.4m during the first three years of our investment.

“**With LDC's support, we have expanded our offering to cement Littlefish as a market-leader for quality and innovation in the delivery of end user services. Their flexibility, sector expertise and financial support have helped us to build our business with confidence.**”

Steve Robinson, CEO. Littlefish

2. Continue to invest in your culture

We understand how important your company culture is to the success of your business. And that you want to maintain this as you grow.

During the first three years of our partnership with digital transformation business, [FSP](#), the management team more than doubled revenues and headcount whilst being recognised for its people-centric approach in a number of awards programmes.

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This marks the start of another exciting chapter in our development. LDC has supported our journey over the past two years, helping us to successfully scale while maintaining our world class culture.”

Simon Grosse, CEO, FSP



Focus on: FSP

The management team of digital transformation specialists [FSP](#) partnered with LDC to support the company's bold growth strategy. During the first three years of our partnership, we worked with Simon Grosse and the team to:

- ▶ Expand the company's client base and suite of digital services.
- ▶ Drive acquisitive growth, including the bolt-on of leading cyber security consultancy Savanti to strengthen its capabilities in cyber services to its growing portfolio of customers.
- ▶ More than double revenue and headcount, the business is expected to generate revenues of around £30m in the current year and employ over 250 digital transformation and cyber specialists.
- ▶ Support their people-centric approach, including placing first in three separate Great Place to Work UK® Best Workplaces™ league tables.
- ▶ Introduce former BBC and Microsoft executive Sharon Baylay-Bell as a Non-Executive Director, to support the existing management team.

3. Embrace expert advice

Growing a business isn't easy and it can be useful to work alongside people who can provide a sounding board for your plans. LDC has an extensive network of Non-Executive Directors and Chairs who have real world experience in the technology sector.

As part of our minority investment into tech-led property services business, [iamproperty](#), Mark Goddard joined as Group Chair. Mark had previously held senior positions at Zoopla Property Services, The Property Software Group and GMG Property.



Before you have a Chair, you don't think you need one. Mark came in with LDC, as an independent Chair, and having him onboard has been really useful. He's a tech specialist specifically in the property sector, and mark has been able to open doors for us."

Ben Ridgway, Founder, iamproperty

4. Focus on sales

Whether its investing in your brand, digital proposition or sales teams, growing in a competitive market place requires excellence in sales. LDC has a proven track record of working with technology companies to help, including incentive schemes, strategic recruitment strategies, development and tracking of KPIs, implementation of CRM systems, to name but a few.

As part of Lloyds Banking Group and with a portfolio of 90 growing SMEs, LDC's network can create sales opportunities for the businesses we invest in.

Our partnership with leading HR SaaS business [CIPHR](#) helped the management team increase revenue from £6m to £16m in four years, including additional sales of £1.5m from being introduced to the LDC portfolio.



LDC is an experienced investment partner with a lot of expertise in the SaaS arena. The team quickly understood our model, ambition and strategy for the business. LDC introduced us to several of their existing portfolio companies for whom the CIPHR product was ideal."

Chris Berry, CEO, CIPHR

5. Expand your top team

As you grow, your management team needs to grow too, and the ability to attract top talent is key to success.

We are backing the Founders of digital marketing agency, [Croud](#), with a £30m minority investment to support their global growth, organically and through acquisition. The team recently recruited Avinash Kaushik as Chief Strategy Officer to drive strategy, product and M&A for Croud on a global scale.



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We are going into 2023 with absolute conviction and ambition for what we can achieve for our clients. Avinash has already shown how he'll bolster that, helping advance Croud's capabilities of course, but most importantly, helping our clients achieve their goals over the next few years.”

Luke Smith, CEO, Croud

6. Consider acquisitions

You know your market and likely potential acquisition targets – but it can feel like a big move. LDC has follow on funding available for our portfolio companies, we understand that your companies, and our M&A and acquisition integration experience can help you to de-risk your plans.

We helped Matt Parker and his team at unified comms and cyber security business [babble](#) to make six acquisitions with £9m of follow on funding. The successful buy and build strategy helped the business to expand its product portfolio and consolidate its market leading position with a 230% growth in revenues.

“

We have made six acquisitions over the last three years and the results have been compelling. We recently completed a secondary buyout, which valued the business at £90m. That's 20 times the value of the business when LDC invested. Buy and build is absolutely the way to get a steep curve on the growth of your business.”

Matt Parker, CEO, babble

You can read more of LDC's success stories across the technology sector here

