

Revenue-Based Financing Drives Greater Growth and Market Expansion

Quality Interactions Case Study

Background

Quality Interactions is a Massachusetts-based, certified Minority Business Enterprise that has led the industry in cultural competency training to improve patient experience and reduce health disparities for healthcare providers for over a decade. The company's cultural agility training equips healthcare professionals to adapt their approaches to meet the needs of diverse patient populations, all with the aim of improving health outcomes and patient experience satisfaction while reducing health risks. With over 250,000 alumni at the country's largest hospitals, health plans, and medical schools, clients include Mayo Clinic, Aetna, Blue Cross Blue Shield, and York-Presbyterian.

Poised for Growth

Quality Interactions continues to be the thought leaders on national medical protocols and practices focused on improving patient care of vulnerable populations. This group includes the elderly, people who do not speak English as a first language, and people who are not familiar with navigating our complex Healthcare System. While the company is poised for growth as the country's demographics change rapidly, Quality Interactions CEO states that raising capital above six figures as a woman is extremely difficult. And as a person of color, it's compounded. Michelle's team was not only in need of funding but also advisory support. Instead of focusing on raising money and growing the company like her white male counterparts, Michelle and other founders of color have to first focus on getting to know the right people, which is laborious and painstaking. Founders First Capital Partners helped close the funding and social capital gap for Quality Interactions.

Business Growth Challenges

Quality Interactions was ready to take their business to the next level of growth and leverage their established industry leadership. The company identified several aspects of their business that were limiting profitable growth:

- Long sales cycle (12–24 months).
- Sluggish pipeline and slow revenue growth
- 1 Vertical market Small Founding Team
- Limited revenue streams
- Transactional lumpy sales
- Challenges with interim cash flows

Michelle has been the CEO of Quality Interactions since 2014 and brings deep expertise in strategic management, finance and operations, and marketing. In addition, she has spent over 25 years working at Fortune 100 companies and leading nonprofit organizations.



Michelle Courton Brown
CEO, Quality Interactions



Solution: Flexible Growth Capital with Revenue-Based Financing

Working with Founders First Capital Partners Advisory Services and receiving its Revenue-Based Financing (RBF) re-focused Quality Interaction's attention to growing their top line. As a result, Michelle and her team zeroed in on the practices that were being put in place company-wide, including experiments to grow their business, marketing plans, and evaluating what was working and not working at a granular level. "Having a partner that not only invests cash in us, but also takes time to support our strategic growth is a real asset. It's one of the things that I really treasure about the relationship that I have with Founders First. It goes well beyond all financial cash transactions," said Michelle.



"Capital raising for women CEOs and people of color is a real struggle.

There is a low rate of success for both populations. I really feel like I've been fortunate to be able to raise capital in the high six figures, but finding the right investors I determined was really key. I'm proud to say that Founders First was one of those first key investors."

Michelle Courton Brown CEO, Quality Interactions



Results

The numbers don't lie, says Michelle. Since Founders First invested, Quality Interactions has grown their top line by 300% in one year. Despite the COVID-19 challenge, 2021 is on track to be another stellar year for the company because they were able to put into practice the approaches they learned through the Founders First Bootcamp accelerator program.

Since their investment by Founders First and another social-impact fund, Quality Interactions has experienced the following growth:



300% topline growth
in one year



Revenue grew 3x
within 24 months.
Revenue pipeline \$5 million



3 new revenue streams,
1 recurring revenue stream, and
overall quicker sales cycles



3 verticals,
4 new strategic partners, and
2 new product solutions



Doubling the size
of its team since 2018



Looking Towards the Future

Quality Interactions growth plan includes other healthcare organizations, like urgent care facilities and pharmaceutical companies that share the same pain points as their current customers and can use their training to advance their objectives. Quality Interactions' training meets state-mandated training requirements, often mandated by state legislation. The company is also generating interest in other markets, including law enforcement and the training of government workers for things like implicit bias. These new markets will drive its growth for the future.

About Revenue-Based Financing

Blending the best parts of Bank Debt and VC Funding, Revenue-Based Investment can help take your business to the next level, without the worry of losing control. We focus on revenue generating service-based businesses seeking up to \$1M in capital funding to execute on their growth opportunities.

Contact Us to Learn More

Want to learn more about RBF and whether it's a good fit for your company? Talk to us at Founders First Capital Partners. Call us at **(858) 264-4102** or email us **rbf@flstcp.com**