

# Investing in the future of caregiving

## Blending physical and digital villages of support for families

**Chian Gong**  
Partner

Reach Capital  
San Francisco, USA

**Patrice Martin**  
Co-founder and CEO

The Holding Co.  
San Francisco, USA

**Chian: I became a parent in 2020 – an incredibly isolating time due to the pandemic lockdowns. But in the face of adversity, there was ingenuity. I discovered a digital village of support: the hospital delivered antenatal classes via Zoom, the midwife checked in via FaceTime, Grandma and Grandpa beamed in over Skype, and my fellow pandemic mamas shared milestones and countless questions in WhatsApp groups.**

**Patrice: I am at a later stage of parenting – with 7- and 10-year-old daughters – but feel no less indebted to digital technology for keeping our family going. Here in the USA, we use ParentSquare to communicate with our kids’ teachers; Milo to manage the “invisible load” of after-school activities, birthday party invites and remembering to bring stuffed toys on Friday; and without Good Eggs, dinner might not make it on the table.**

But, of course, we both recognise that digital technology hasn’t solved the vast majority of the pain points of family life. The cost of childcare has gone up 220% over the past three decades – significantly faster than other essential family expenses, and the supply crisis is all too real. The “child care cliff”, as described by the Century Foundation, is daunting

(Kashen et al., 2023); more than 70,000 childcare programmes – one-third of those supported by American Rescue Plan stabilisation funding – will likely close, and approximately 3.2 million children could lose their child care spots this autumn. And far too many families caring for a child with a disability are left feeling too isolated and mired in red tape to access even the most basic of services.

As a managing partner of Reach Capital, I, Chian, spend my time looking for innovative solutions to these challenges. Since 2011, Reach has invested over USD 500 million in technologies that expand access to opportunity through education. Supporting families through a “digital village” approach is a key pillar of our strategy.

And I, Patrice, co-founded The Holding Co., a design lab that partners with organisations building the modern care solutions families want and need. Many of our partners are creating digital offerings that help make families feel less overwhelmed, more informed, and more supported in the journey of caring for young kids, disabled loved ones, and/or elderly parents.

We’re not the only ones who see the possibility for and power of innovation and investment in the



Photo: Lovevery

care space. At The Holding Co., we published the [Investin.Care](#) platform, a central place for market insights into the care economy, with 200,000 views by August 2023 from journalists, business leaders, entrepreneurs and more. Venture capital investments in startups that serve families with young children skyrocketed in 2020 and 2021 as the pandemic forced everyone online (Gong, 2021).

**“We’re not the only ones who see the possibility for and power of innovation and investment in the care space.”**

While investment levels have receded from the high-water mark of 2021, they remain higher than before the pandemic. A growing number of companies are building digital services for a new generation of

parents who are looking for on-demand, media-rich, and social parenting tools.

### **Bridging the online and offline worlds**

Some of these companies, like [Cleo](#) and [Maven](#), have digitised parent coaching services that were traditionally delivered offline – from planning for childbirth to lactation consultancy to learning baby sign language. One-to-one or group sessions facilitated by experts are increasingly available online and on demand. Other companies like [Brightwheel](#) and [HiMama](#) (now Lillio) have developed tech to help childcare providers navigate regulatory challenges or communicate with families.

Digital tools need not be substitutes for in-person interactions – they can lead to interactions. For instance, a friend was recently walking in a park and saw a group of mothers with babies, hanging

out together. She asked how they got to know each other, and they shared that they'd met on a mum-matching app called [Peanut](#), Tinder but for parents. With a recent survey showing that an unprecedented 51% of mothers report serious loneliness, such apps can make a difference (Weissbourd et al., 2021).

It's not just new parents who face mental health struggles; increasingly, so do our children. [Little Otter](#) is an example of online innovation that allows families to seek out mental health screening and customised online therapy for the whole family.

**“Digital tools need not be substitutes for in-person interactions – they can lead to interactions.”**

Many caregivers are thinking about how to make their children's screen time more educational, creative and social, without exposing them to the worst of the internet's addictive qualities. Many companies are stepping in with apps specifically designed to enhance kids' mental health and cognitive development, rather than harm it. For example, [Caribu](#) is an app that helps grandparents interact remotely with their grandchildren in educational ways, [Nurture](#) creates interactive learning experiences for families, while [Beanstalk](#) designs interactive live classes for preschoolers.

Startups are also helping busy parents plan off-screen activities that are age-appropriate, enlivening and fun. [Lovevery](#), for example, translates an enormous body of early childhood development research into age- and stage-appropriate play kits that help families engage in enriching play with their little ones. They have worked hard to make their platform and price point accessible for families from a range of socioeconomic backgrounds. [Tinkergarten](#) trains caregivers to deliver outdoor learning activities in venues such as community parks.

## **A focus on impact to help families thrive**

For any startup Reach Capital invests in, a key question is how to deliver impact as well as generate revenue. [Guardians Collective](#), which offers expert-led parenting circles, has a subscription model rather than an advertising model. That incentivises them to focus on creating value for caregivers that keeps them engaged month by month, rather than trying to get them to spend more time on the app to generate more clicks or to push specific products – building trust.

Guardians Collective also shows the importance of tone and approach. Caregivers are looking for advice and information that is based on research and evidence, but is also relatable and empowering. The community-led model is reflected in the way that the platform pairs four families with an early childhood educator who can share insight and developmental knowledge. Interestingly, while families sign up because of the expertise, the vast majority of the conversation is peer-to-peer, reflecting the power of common experiences.

At The Holding Co., we've also worked with companies that are not consumer-facing, but doing the quiet transformational work of building better systems for parents. One example is [Bridgecare](#), which is redesigning the “operating system” of the USA's childcare system so that states, counties and cities can more accurately keep track of where the childcare “deserts” are and make better policy in the long run – and, in the short run, help parents and professional caregivers find one another more easily.

**“A future where families thrive will no doubt depend on our ability to continue to invest in and design services that meet modern families where are, at scale.”**



A future where families thrive will no doubt depend on our ability to continue to invest in and design services that meet modern families where they are, at scale. Too many of these great approaches are just reaching a fraction of American families today,

as the majority of us scrape together systems with little outside support. Now is the time to bring the best of design, innovation, and investment strategy into the most central relationships in our lives.

➤ Find this article online at [earlychildhoodmatters.org/2023-22](https://www.earlychildhoodmatters.org/2023-22)

## References

Gong, C. (2021) Investing in the youngest learners and the future of families. *Medium*. Available at: <https://medium.com/reach-capital/investing-in-the-youngest-learners-and-the-future-of-families-b7c9a7d07766> (accessed October 2023).

Kashen, J., Valle-Gutierrez, L., Woods, L. and Milli, J. (2023) Child care cliff: 3.2 million children likely to lose spots with end of Federal funds. *The Century Foundation*. Available at: <https://tcf.org/content/report/child-care-cliff/> (accessed October 2023).

Weissbourd, R., Batanova, M., Lovison, V. and Torres, E. (2021) Loneliness in America: How the pandemic has deepened an epidemic of loneliness and what we can do about it. *Making Caring Common Project*. Available at: [https://static1.squarespace.com/static/5b7c56e255b02c683659fe43/t/6021776bdd04957c4557c212/1612805995893/Loneliness+in+America+2021\\_02\\_08\\_FINAL.pdf](https://static1.squarespace.com/static/5b7c56e255b02c683659fe43/t/6021776bdd04957c4557c212/1612805995893/Loneliness+in+America+2021_02_08_FINAL.pdf) (accessed October 2023).