

# The Interaction between Product Market and Financing Strategy: The Role of Venture Capital

[Get access >](#)

Thomas Hellmann , Manju Puri

*The Review of Financial Studies*, Volume 13, Issue 4, October 2000, Pages 959–984, <https://doi.org/10.1093/rfs/13.4.959>

**Published:** 15 June 2015

## Abstract

Venture capital financing is widely believed to be influential for new innovative companies. We provide empirical evidence that venture capital financing is related to product market strategies and outcomes of start-ups. Using a unique hand-collected database of Silicon Valley high-tech start-ups. Using a unique hand-collected database of Silicon Valley high-tech start-ups we find that innovator firms are more likely to obtain venture capital than imitator firms. Venture capital is also associated with a significant reduction in the time to bring a product to market, especially for innovators. Our results suggest significant interrelations between investor types and product market dimensions, and a role of venture capital for innovative companies.

© 2000 The Society for Financial Studies

**Issue Section:** [Article](#)

You do not currently have access to this article.

## Sign in

 [Get help with access](#)

### Personal account

- Sign in with email/username & password
- Get email alerts

### Institutional access



Sign in through your  
institution

- Save searches
- Purchase content
- Activate your purchase/trial code
- Add your ORCID iD

Sign in >

Register

[Sign in through your institution](#)

[Sign in with a library card](#)

[Sign in with username/password](#)

[Recommend to your librarian](#)

### **Institutional account management**

[Sign in as administrator](#)

## Purchase

[Subscription prices and ordering for this journal](#)

[Purchasing options for books and journals across Oxford Academic](#)

## Short-term Access

To purchase short-term access, please sign in to your personal account above.

Don't already have a personal account? [Register](#)

The Interaction between Product Market and Financing Strategy: The Role of Venture Capital - 24 Hours access

EUR €53.00

GBP £44.00

USD \$58.00

## Rental



This article is also available for rental through DeepDyve.