How to Formulate a Successful Start-up in the Midwest

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Problem Opportunity

Problem Statement: How to Formulate a Successful Start-up in the Midwest

- The rate of new entrepreneurs is 0.31 which means there are more than 500,000 people starting a business each month in United States.

- According to many sources, more than 90% of all Internet business start-ups end in failure within the first 120 days.

Ref:https://www.kauffman.org/kauffman-index/reporting/~/media/c9831094536646528ab012dcbd1f83be.ashx
Ref: https://www.chrisducker.com/internet-business-failures/

Methodology

Step 1: Open-ended approach to collect data from startups owners and other experts in the field through interviews and survey to find the success factors.

Step 2: We plan to analyse the responses and sort them into a class of elements and generate a schema to recommend the real ingredients for startup success.

Steps 3: Our result will be more comprehensive to figure out if our findings support the previous research from our literature reviews and text book.
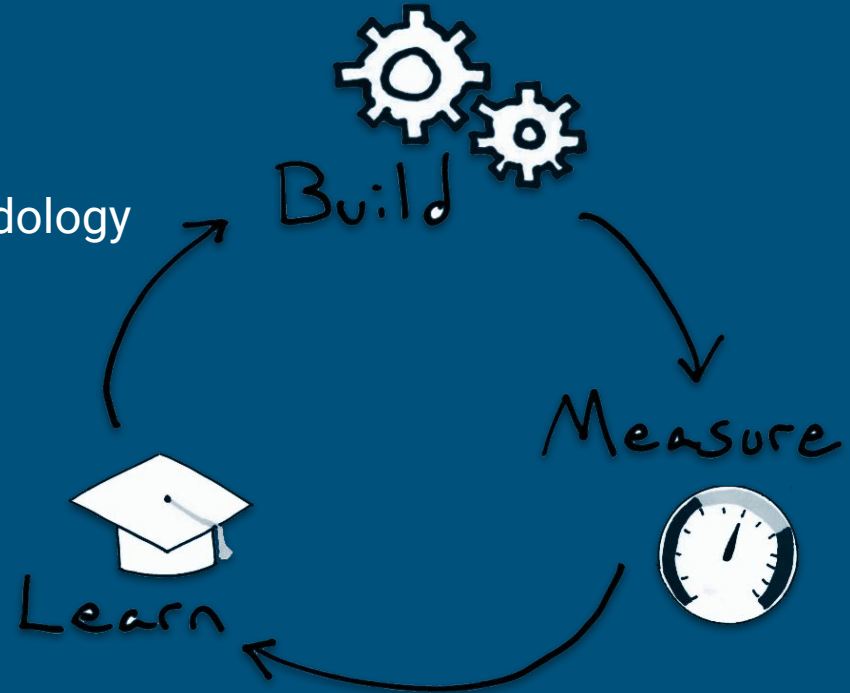
Interview with Ken Moreano

- Know your customer (DO THE RESEARCH)
- All decisions must be based on findings in the data
- Listen to the data and pivot when the data demands it
- Forget your emotional attachment to your idea
- Make alliances

Interview with Traci Williams Hancock

- Director, Maverick Innovations
- Worked with 300+ technology start-ups
- Recommends the Lean Start-up Methodology
  - Business Model Canvas
  - Get Customer feedback
  - Agile Development

- Be coachable
- Fill in your gaps
- It's really hard work

Source: https://hbr.org/2013/05/why-the-lean-start-up-changes-everything

Build

Measure

Learn

Startup Survey

- 10 questions
- Focusing on factors of success
  - Business Model
  - Revenue Model
  - Funding
  - Validating the Idea
  - Competitive Advantage
  - Customer Analysis
  - Management Team
  - Luck

Auction Software

- Completed 3 years
- Started generating profits has well established clients such as GE
- Software as Service
- 75 Employees
- Offshore Model
- Stable business model
- Agile

AuctionSoftware.com®

Flywheel

- Offers WordPress hosting service
- 3 Founders
- Founded in 2012
- Depends on WordPress product
- Failures of existing startups by Rick
- Survived 3 year Threshold

Sources

- https://www.kauffman.org/kauffman-index/reporting/~/media/c9831094536646528ab012dcbd1f83be.ashx
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Successful Startups in the Midwest

- Proxibid
- FlyWheel
- Hudl
- Spreetail
- Auction Software