

The background is a dark blue gradient with abstract, glowing line graphs and data points. A prominent white line with orange circular markers at its vertices runs diagonally from the top left towards the center. Other fainter lines and data points are visible in the background, creating a sense of depth and complexity. The overall aesthetic is modern and tech-oriented.

PRODUCT MANAGEMENT FOR ENTREPRENEURS

Useful Tip & Tricks

By Arnab Chanda

Doing your homework



VALIDATION



POSITIONING



MONETIZATION
STRATEGIES



SPM Trivia :

Netbooks was killed by the debut iPad of iPad because PC manufacturers had identified the right problem but the wrong solution. People didn't want tiny PCs, they actually wanted fast, versatile easy-to-use devices for checking email, using the Internet, and playing games.

Doing your homework

- Validation

When you take the time to validate, you're reducing the odds of building a product (or adding a functionality) that fails by answering important questions such as:

1. Are you solving the right problem?
2. Are you solving the right problem at the right time?
3. Is your solution the right solution?

Source : <https://community.uservoice.com/blog/validate-product-idea-feat>



Did you know?

Branding plays an essential role in a business' development and consistent brand presentation increases revenue up to 23%.

Source - <https://www.lucidpress.com/pages/resources/report/the-impact-of-brand-consistency>

Doing your homework

• Positioning

A positioning statement is a brief description of a product or service and target market, and how the product or service fills a particular need of the target market.

It's meant to be used as an internal tool to align marketing efforts with the brand and value proposition.

To craft your positioning statement, you'll need to get crystal clear on these aspects of your business:

1. Who you serve
2. What you offer them
3. How you offer it
4. Why you do what you do
5. How this compares to what's already out there

Doing your homework

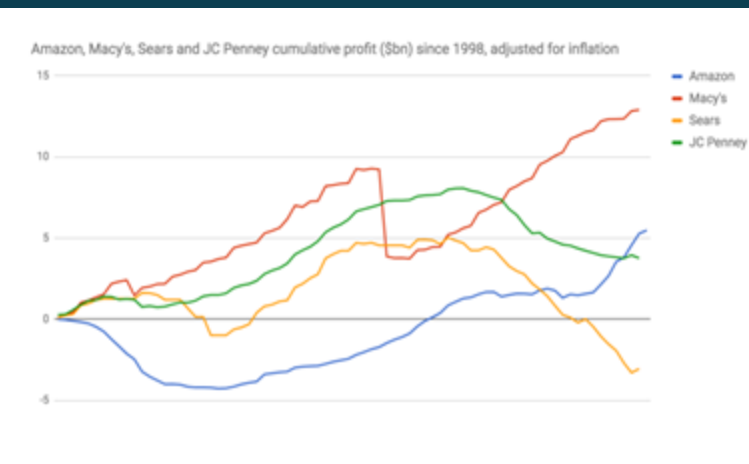


Revenue is defined as the income generated through a business' primary operations. It is often referred to as "top line" and is shown at the top of an income statement.

Net Profit is the value that remains after all operating expenses are subtracted from a company's revenue.

• Monetization Strategies

- "Monetization strategies are part of a larger mindset shift towards becoming more commercially savvy."



Difference : revenue vs profit

Startups and their losses in FY 2020

Startup	Revenue	Expense	Loss
CRED	52 Lakhs	378 cr	360 cr
Khatabook		0 127 cr	126 cr
Paytm	3281 cr	6226 cr	2942 cr
Big Basket	3787 cr	4411 cr	610 cr
Swiggy	2693 cr	6841 cr	3908 cr
Phonepe	372 cr	2203 cr	1771 cr
Udaan	978 cr	3488 cr	2518 cr
Unacademy	65 cr	387 cr	301 cr
Cars24	2998 cr	3350 cr	285 cr
1MG	358 cr	687 cr	318 cr
Dunzo	27 cr	360 cr	338 cr
Fassos	558 cr	1025 cr	446 cr

Learn from failures experiments...

Amazon once had an auction site called Amazon Auction, which went head-to-head with eBay. Auction shut down eventually, but it helped Amazon launch its own online marketplace for third party vendors called Amazon Marketplace, which is now a big part of its overall business.

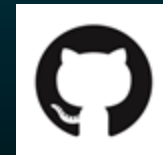


Amazon's first smartphone, the Fire Phone, hasn't been discontinued, but it's been a pretty big flop so far. Amazon wrote off \$170 million worth of unsold Fire Phones last year, and its hardware division has been cutting jobs recently.



What is boot strapping?

- Starting your business without external help or working capital
- This stage is usually sustained by internal cash flow, good will, line of credit on services etc.



Why bootstrapping?

- You have more control on your idea
- You have less liability or chances of debt
- You have a proven product/idea
- VC's like to invest on an incubated product looking for funds

Product vs Funding

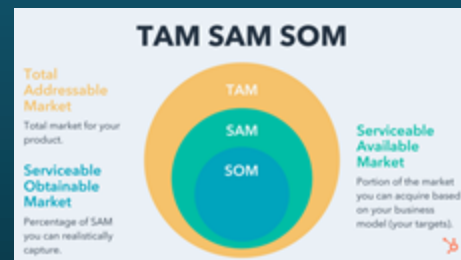
- Just a concept => 0%
- Need money to build mvp => 0%
- + Validation from 100 prospects => 0.1%
- + MVP => 0.2%
- + **Non-paying customers** => 0.3%
- + **Paying customers** => 0.4%
- + Large TAM => 0.5%
- + **Validated acquisition strategy** => 0.6%
- + **Fast growth rate** => 0.7%
- + Complete team => 0.8%
- + **Traction** => 0.9%
- + Track record => 1.0%

“Do not go to VCs as a beggar. Go as a king.”

– Sramana Mitra, founder, 1mby1m

Boot strap with your resources
(paycheck/services/validation/traction)

VCs love to come to the rescue



Some case studies

When I started ServiceNow in 2004, my vision was to build a cloud-based platform that would enable regular people to route work effectively through the enterprise.

Fred Luddy, Founder

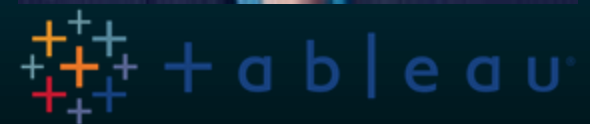


Fred had 12 customers before raising funding

<https://youtu.be/UgwaJWp2YRI>



Greg had \$6M in revenue before raising \$130M Series A



Christian had 200 customers Before raising Series A

Acknowledgments/references

- <https://1m1m.sramanamitra.com/>
- <https://www.iese.edu>
- <https://umich.edu>
- <https://youtu.be/uOvryUPR6dA>
- <https://youtu.be/BWHypNBNb18>
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