MEET CONOR

The Ultimate Startup Guide for Risk-Takers

Reduced into 10 levels including:

Funding

Lean Strategy

Branding

Includes free tools, secret tips & more!

Based on interviews with over +100 entrepreneurs

Powered by Network of Belgian Entrepreneurs

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Welcome to Conor's Startup Guide!

Congrats on achieving the first step of your entrepreneurial journey. Let's get to work, together ❤️
The aim of this guide is to help you, step by step, transform your idea into a first customer.

<u>How does it work?</u>

Conor's Startup Guide is divided into different levels, each level representing a different aspect of your entrepreneurial journey. This will range from problem definition to customer discovery, MVP development, etc. Each level is divided into different tasks to fulfill in order to progress through the guide. Some levels may include more tasks and may thus take a bit longer to complete.

Each level ends with a review moment to evaluate what you've learned and what you thought of this level.

Each level has a different number of tasks and may require more time to be completed.

There is no deadline to finish each task.

All tasks are decomposed into "Background information" and "Relevant documents".

<u>Let's agree on some rules</u>

1) Don't share this list with anyone outside your company.

We're not going to make you sign an NDA, but we hope you understand & respect this simple rule.

2) Be serious about your project

It's normal that you can't work on your project 24/7, but we do expect commitment to your project.

3) Be brutally honest with your feedback

The MeetConor Startup Guide is still in its Beta-version. That's why we'll regularly ask for your feedback in order for us to improve the guide for future participants. So please, please, please be as brutally honest as you can with your feedback.

4) Join our Discord Server

We've created a Discord server aimed at the users of MeetConor. Join us here:
https://discord.gg/tQ6779BYcb

5) This is not a theoretical course!

It's important that you put into practice what you'll be learning in the MeetConor Startup Guide. Apply your knowledge!

See you at work,

The NBE team

Maxence Beyssier

William Swinnen

(Feel free to add us on LinkedIn)

Level 0: Introduction (Free preview Version)

In this level, we'll focus on your self-knowledge and what it means to be an entrepreneur.

The aim of this level is to choose a working methodology that suits you and your team (if you already have one).

Next, we'll explain the methodologies used to create a startup, get some insights about how to manage a startup, look at the reasons why so many are failing, and how you can avoid the popular entrepreneurial traps.

This level is an introduction to entrepreneurship & things you should know when getting started.

1. Time for some self-reflection 🧠

Congratulations on completing the most difficult task: starting on your idea! 😎

Let's continue this productive flow! And let's begin with ourselves!

Getting to know yourself is crucial in an entrepreneurial journey 🧠

Why?

Because if you don't know where your weaknesses and strengths are, you'll make more mistakes. Period.

Gaining a deeper understanding of yourself is crucial for different reasons:

1. It helps you find people with complementary skills, which is an important feature of successful entrepreneurial projects
2. You can work on your flaws & use your strengths to your advantage

Personality tests are a great way of gaining a deeper understanding of yourself & understanding what your strengths and weaknesses are. 💪

Therefore, we recommend taking the various personality tests available online to get to know yourself better.

We recommend the following tests:

1. **Myers-Briggs Type Indicator (BMTI), also known as the 16 Personality test** 👤

   Make sure to carefully take the test and understand what this means for you, especially in a business & entrepreneurial context.

   Understand that all personality types can be good entrepreneurs. However, the direction of your project may strongly depend on your personality type.

   https://www.16personalities.com/free-personality-test

2. **Big 5 Personality Test**5️⃣

   This test splits each personality into 5 categories: extroversion, agreeableness, openness, conscientiousness, and neuroticism.

   Understand your score on each of these 5 categories and its implications.

https://www.bigfive-test.com

3. **Find your Ikigai ☯️**

   "Ikigai" is a Japanese concept and means the purpose of your life. We don't expect you to find an answer to that question through our guide, but it's an interesting concept to study & think about. Finding your Ikigai is finding the equilibrium of the following aspects:

   - Find something you love
   - Find something the world needs
   - Find something you can be paid for
   - Find something you are good at

(From the book of Francesc Miralles i Contijoch & Héctor García)

4. **Understand the following aspects of yourself 🧿**

   - Your expertise
   - Your experience
   - Your network
   - Your hobbies
   - Your personal skills (from the tests mentioned above)
   - Where you see yourself in 1, 2, and 5 years

   An important factor in deciding where to start is the following:

   When starting with an entrepreneurial project, try to hit as close to home as possible. Try to solve a problem you're familiar with. Try to solve a pain you've personally experienced. Do something your skills, experience, expertise, network, hobbies & ambitions allow you to do.

(From the book "GO! 28 étapes pour développer votre projet de Startup")

Tip 💡 -> When taking these tests, it is important you understand your strengths and weaknesses, and how it impacts your entrepreneurial project. Read and analyze the results carefully. If you are not alone on your team, we strongly advise you to exchange your strengths and weaknesses with your team.

Essentially, you are developing a SWOT matrix for yourself. As shown in the following article: *(https://www.businessnewsdaily.com/5543-personal-swot-analysis.html)*

2. Ten Murdering Mistakes you should avoid as an Entrepreneur 🤯

MeetConor's primary mission is to democratize access to entrepreneurship and boost the number of successful startups! Thus, in order to succeed, you must first understand what biases people have about creating your own business and why businesses fail.

(see level 9 for a more detailed explanation)

Some misconceptions about entrepreneurship:

- Doing It All Alone 👤
  A small business owner may be willing to learn how to be a jack of all trades, but it doesn't have to be that way. Effective delegation can be one of the best ways for new small business owners to build their businesses, free up their time for business activities that require their unique expertise, and build a team positioned for future success.

- Lack of a business model 💰
  Many times, entrepreneurs believe that it is easy to build a product, service, or website and acquire customers. However, it is not too easy to achieve without an effective business model. A business model focuses on figuring out a scalable way to acquire customers and monetize customers.

- Lacking the ability to pivot 🤔
  Every entrepreneur will say that nothing ever goes as planned. But being able to pivot is part of the game. At one time Nokia had a paper mill and made rubber boots. Today, it's a telecommunications company.
  Odeo once existed as a podcasting platform. But when Apple launched its podcasting platform, Odeo had to pivot. Today Odeo is that social media outlet known as Twitter.

- Ignoring a hunch 🤷‍♂️
  There's nothing quite like the instincts of an entrepreneur. It's probably the reason many get far with their startups. So don't ignore that hunch. Use it to your advantage.

- Only Relying on Your Intuition 📊
  You need to complement a hunch with proper management discipline: looking at numbers, KPIs, and formulating strategies, and plans. Doing so goes against many entrepreneurs' nature, but it's important and will become easier with practice.

- Don't forget the law 👩‍⚖️
  One of the biggest mistakes that startups make is not registering their business, picking the right business entity, or protecting their intellectual property. These three areas are crucial to a business starting right, where if not done properly, will cost valuable time and money to correct.
  (We will discuss this in detail in level 9 and Conor will offer legal documents to secure your startup very soon...)

- Avoiding contracts 📖
  Another fatal mistake is when a business owner/entrepreneur can fail to implement contracts when starting his business. No matter how good relationships may be, they can come to a screeching halt when systems and agreements are not put in place.
  (see meetconor.io/roadmap)

- Giving Too Much Equity Too Quickly 🥖
  Every entrepreneur has been there: you need cash imminently and door after door gets shut in your face. Then someone comes along who is listening but is a vulture. You're so starved that the vulture looks like an angel (hence, angel investor). Believe me, they can sense your starvation, and they will use it to get as much equity as they can.

- Taking Things for Granted 🤡
  Especially when it comes to investment, take nothing for granted. Investors have amnesia, and their money will often come before their promises. So make sure you have a contingency plan.

- Forgetting to Enjoy the Process 😁
  Last but not least: having fun is key, especially if you are a founder. People in your team will look at you and mirror you; some will emulate you. So if you're miserable, your whole company becomes miserable. If you're upbeat, they will follow.

Understanding the main reasons why startups fail is an important piece of information to understand when launching a venture.

It gives us insights into our new entrepreneurial path and helps us understand where others have failed, and hopefully avoid making the same mistakes! 🤔

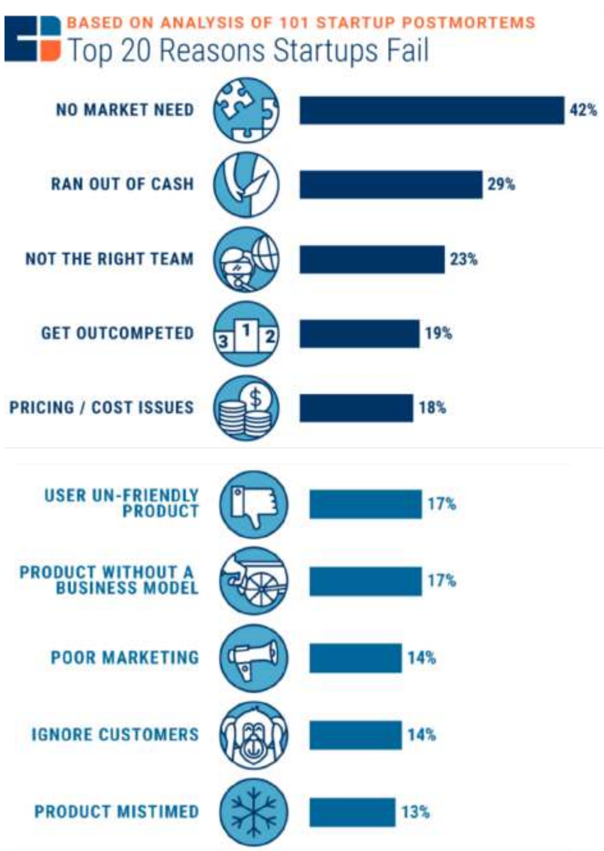
Concretely: if you know the reasons why so many startup projects fail, you should try to avoid those mistakes at all costs, by thinking about them when making internal decisions.

Often, we notice that these mistakes are made by fallacies and biases in our own thinking. That's why Conor's guide starts with a task around your personality and essentially your internal thinking process. Know yourself! ☯️

The ranking of these reasons often differs, depending on the source, time, and country. But most of the following reasons are generally seen as most relevant:

1. Lack of market demand
2. Lack of financial resources
3. Wrong team
4. Too strong competition
5. Inefficient pricing / wrong pricing strategy
6. Running out of cash
7. Lack of business model
8. Poor marketing
9. Lack of customer feedback
10. Lost of focus

These and more are visually shown in the attached figure by CBInsights 👀



3. How to manage a startup? 🏢

But wait. **What is a startup actually?**

"A startup is not a smaller version of a large company" Steve Blank (one of the fathers of the Lean methodology)

Ok. Thank you, Steve. But what is the correct definition?

"A startup is a temporary organization used to search for a repeatable and scalable business model" - Steve Blank

"A startup is a human institution designed to deliver a new product or service under conditions of extreme uncertainty" - Eric Ries

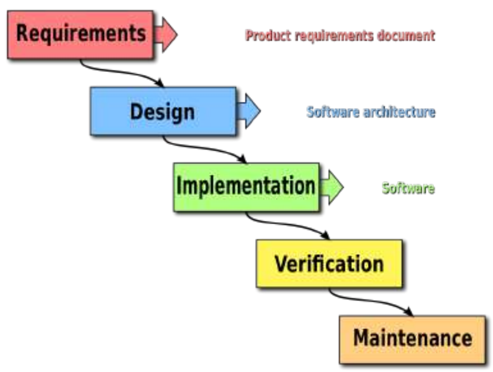
The difference between startups and traditional companies is immense! It's important that you know the difference so let's take a look at them:

Startups	**Traditional Businesses**
High uncertainty	Profit over risk
Huge risk with a huge return	Regular jobs
Swiss knife job (doing different tasks on a daily basis)	Bigger team
Small team	Bigger funds
Many pivots	
Innovation is key to grow	
Low cash	

Many young startups fail because they use the old creation process (still used by many large corporations to this day):

Concept ➡ Product Development ➡ Beta Test ➡ Launch

- **Concept** = key ideas ➡ product is defined ➡ features are defined ➡ who will be the customer? ➡ Statistical market research ➡ business plan
- **Product Development** = everyone works on their side ➡ investment into development, marketing, etc. ➡ Waterfall model for 18-24 months.



(Visual representation of the Waterfall Model)

- **Beta test** = small group of users to test the product to ensure that it works ➡ sales working ➡ searching for capital increase
- **Launch** = spending mode is activated, cash is burning

Following this approach while building a startup, you'll end up filing for bankruptcy because no one is buying your product. This process epitomizes the steps you shouldn't undertake.

But, don't worry too hard, Conor will teach you the fundamentals of the Lean startup method. Which will dramatically decrease your chances of losing your precious money and time invested in the project.

(see level 5)

The following 4 deadly sins 💀, from our good friend Steve Blank, focus on the difference between the traditional and lean vision. The latter will be taught to you in Conor's guide!

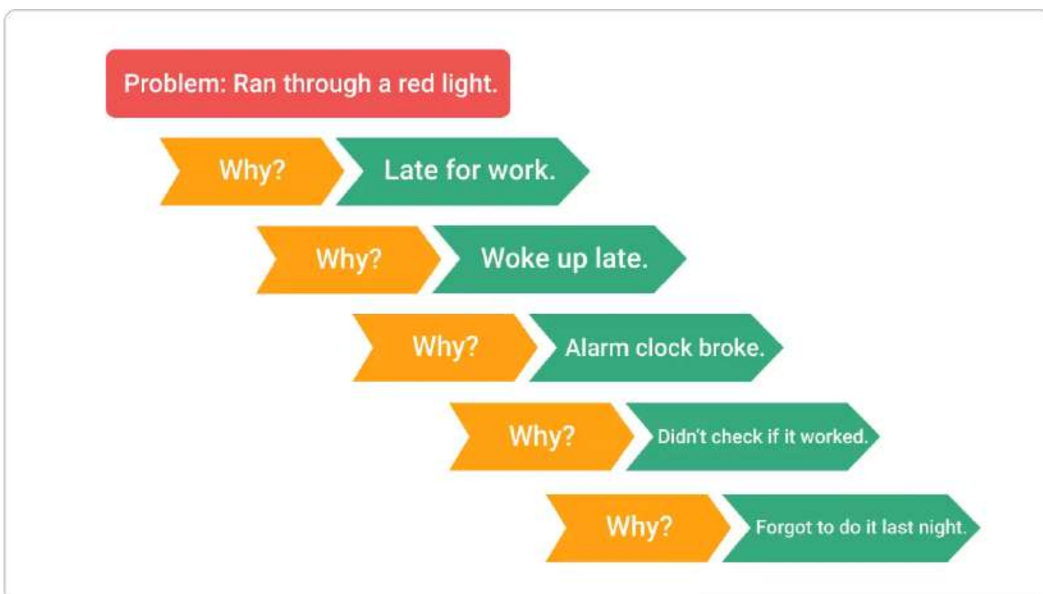
1. Assuming "I know what the customer wants" ➡ #1 reason startups fail. *(see the next task)*

2. The "I know what features to build" flaw ➡ it's unknown whether these features will appeal to customers.

3. Focus on launch date ➡ this can't be done until you understand who it's selling to and why they'll buy.

4. Emphasis on execution instead of hypotheses, testing, learning, and iteration ➡ The ability to learn from missteps distinguishes a successful startup.

Tip 💡: Make sure that you understand the complexity of a startup, its definition, and its management.



4. The most essential digital tools for your project 📁

Let's face it: working on an entrepreneurial adventure is pretty damn complicated, but also very exciting! Conor 🦧 will serve as a mentor, lawyer, therapist, adviser, and most important your number #1 supporter during this journey. This will relieve you from a lot of common struggles most entrepreneurs face each day!

An important first step in this process is to choose smart tools to work with, whether you're starting out alone or with a team. One of the most important things is to create a work structure so that your entrepreneurial journey sails out smoothly.

Therefore, at this level 0, we recommend you the following smart tools:

Project Management Ⓜ️

Slack - best for professional communication

Notion - best for note-taking

Trello - best for tasks (Kanban style)

Airtable - best for content (our guide is written on Airtable)

Miro - best for creative collaboration

Cloud storage ☁️

OneDrive - best for ease of use and mobile app

Dropbox - best for file syncing and file sharing

Google drive - best for features, customer support, and pricing

Mailing 💌

Google - clean interface and ease of use

Outlook - feature-rich emails

Mailchimp - best for automation and newsletters

Agenda 📲

Google Calendar - best for collaboration with your team

Calendly - best for scheduling meetings

Customer relations management 👥

Hubspot - if you want power, without sacrificing ease of use

Salesforce - if you need a highly customizable CRM solution

Less annoying CRM - cheap and easy to use alternative

Tip 💡: We put multiple tools for each aspect of your organization. Hereby, you can see for yourself which ones you prefer the most. Choose wisely, consider your project's needs, and don't be afraid to invest some money into a premium model, if this seems necessary for your growth!

5. MeetConor's principles of entrepreneurship

There are some principles that Conor has agreed upon regarding this entrepreneurial journey. These principles guide us every day and give us the power to overcome most of the challenges and hardships on this journey. 🗻

1) Fail forward

Failure is the best teacher, and best way to progress. Don't be afraid to fail, be afraid of not getting started.

2) Execution over ideation

Having a great strategy is important, and having the right ideas as well. But executing them remains the most important step. Don't wait for perfection, but get started!

3) No idea is too crazy

Be bold.

4) "Genius is 1% inspiration and 99% perspiration" - Thomas Edison

Hard work is the key ingredient of progress & genius.

5) The hardest thing is to take the first step

You've already taken the first step, joining our guide. Congratulations

6) An idea is overrated, its execution is underrated

Don't overestimate your idea. If you've come up with that idea, I'm pretty sure someone else already has as well. The right execution of an idea is more important than having the right idea. The Lean Startup model (see level 2) puts a lot of focus on this rule as you will be able to pivot from your idea with the right team. This again emphasizes the importance of the team (see the previous task).

7) People's opinion of you should not become your reality

Following an untraditional path means receiving judgments from people in your surroundings, and that's fine. Don't let this become your reality!

8) Progress is a compound game

Getting 1% better every day will get you a long way!

To give you an idea of its magical effect. Compounding at 1% per business day, starting with $10,000, would make you a billionaire in less than five years, and you would be the richest person on earth in less than seven years.

9) Never forget the Pareto principle

The Pareto Principle states that 20% of our efforts produce 80% of our output. It's a metric for determining where we should focus our efforts in order to boost our productivity and performance. Find out where your 20 percent is!

10) Learn continuously

Listen to a podcast, read a book, talk to people, do whatever you prefer, but make sure to learn every day. That's the best investment you can make.

11) Get out of the building

Talk to customers, get feedback. The best way to improve your product is to see what the market says about your idea.

Congratulations on finishing the first part of level 0! 🥳

Continue working on your project by unlocking the full guide! Unlock here 🔐

Don't lose your progress and flow, start today! 🚀

LEVEL 0 CONTINUED:

1. The Lean Methodology 💡

The Lean methodology is the religion of entrepreneurship, derived from "*the Lean Startup*" by Eric Ries, which is pretty much considered as the Holy Bible of entrepreneurship. (*see our List of books at the end of this level*)

The Lean Methodology can be defined as follows: "*Lean methodology is a way of optimizing the people, resources, effort, and energy of your organization toward creating value for the customer. It is based on two guiding tenets, continuous improvement and respect for people.*" (*Planview.com*)

This methodology is all about providing value. The goal is to maximize value by working efficiently with your customer to solve their pain points but it is not about creating a product and hopelessly wishing that they will buy it. 🎯

The Lean Methodology is a way of adapting a product or service to the specific needs of the customer through a better understanding of the customer's needs.

The entire Methodology is based on the Build-Measure-Learn feedback loop (*see "Relevant Documents"*). The goal is to minimize the time for each feedback loop.

Why should you use the lean methodology?

1) To not waste time and money
2) To better focus on the project by cutting out activities that won't bring any value
3) To see better results faster
4) To bring real value to customers -> better interaction with customers
5) To make the quality of product/service better

How to implement the lean methodology in your project? (from kanbanize)

1) Identify Value

Consider the final result of your work and what your consumer receives from it to understand what value is. By definition, value is everything for which your consumer is willing to pay you.

2) Map value stream

Once you've defined the value that your business creates, it's critical to see how that benefit gets to the client. Kanban boards are commonly used in Lean management to accomplish this. The Kanban methodology will be explained more in detail in task 3.

3) Create flow

Flow is an important notion in the Lean methodology. Because any form of delay is a waste of time, your aim when developing a flow of value is to assure consistent delivery from the minute you get an order to the moment you give it to the consumer.

4) Establish pull

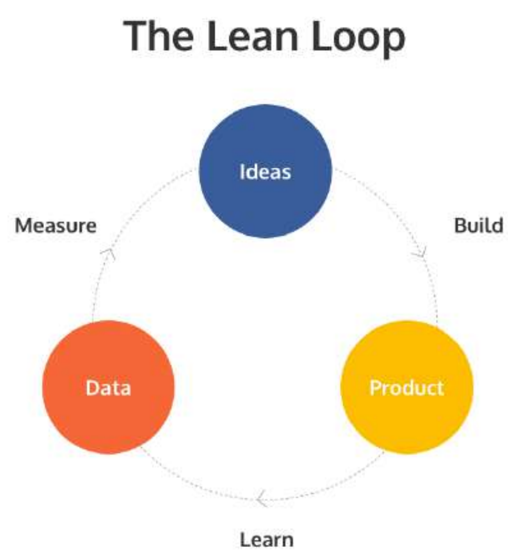
The concept is straightforward: begin a new project only when there is a need for it and your team has the resources. Your objective should be to deliver the value that your consumers require while minimizing overproduction.

5) Seek constant improvement

Your aim is to consistently enhance every process in your organization by focusing attention on improving the activities that add the greatest value to your customers while eliminating as many waste actions as feasible. This idea could be linked with the Pareto rule (*Used on Meetconor's principles)*: Focus your attention on the 20% that will generate 80% of results.

Tip 💡: Measure everything! Keeping accurate measurements is critical for determining how much waste is being eliminated as a result of lean management adoption. Workers should be aware of how well they are performing in order to support morale and motivation, and leaders should be aware of whether carrying costs and other expenses have dropped as a consequence of the measurements. Executives must determine if their investment is worthwhile for the organization.

➡ You definitely have to read the article about the implementation and the lean methodology. This link is everything you need to learn about lean methodology: *https://kanbanize.com/lean-management/implementing-lean*



2. The Agile Approach 🏋️

What is Agile?

It's an iterative method for project management and development with the aim to deliver value to the clients faster.

Agile manifesto: 12 principles

1. The highest priority is to satisfy the customer through early and continuous delivery of valuable software.

2. Welcome changes in requirements, even late in development. Agile processes harness change for the customer's competitive advantage.

3. Deliver working software frequently, from a couple of weeks to a couple of months, with a preference to the shorter timescale.

4. Business people and developers must work together daily throughout the project.

5. Build projects around motivated individuals. Provide them with the environment and support they need, and trust them to get the job done.

6. The most efficient and effective method of conveying information to and within a development team is face-to-face conversation.

7. Working software is the primary measure of progress.

8. Agile processes promote sustainable development. The sponsors, developers, and users should be able to maintain a constant pace indefinitely.

9. Continuous attention to technical excellence and good design enhances agility.

10. Simplicity--the art of maximizing the amount of work not done--is essential.

11. The best architectures, requirements, and designs emerge from self-organizing teams.

12. At regular intervals, the team reflects on how to become more effective, then tunes and adjusts its behavior accordingly.

Main Agile Methodologies: From: https://www.xpand-it.com/blog/top-5-agile-methodologies/

Scrum: It is the most used of the many frameworks of the Agile methodology. Scrum is characterized by cycles or stages of development, known as sprints, and by the maximization of development time for a software product. It is usually used in the management of development projects for software products, but it can also be used in a business-related context.

Tip 💡 You can do a 15 min call for daily Scrum in order to synchronize your workday

Crystal: It focuses on principles such as people, interactions, community, skills, talent and communication, aiming to deliver the best possible software development process. The core of this development process is interaction and symbiosis, which have to exist between the people allocated to the projects and processes in order to bring efficiency to the development. It could be categorized as follows: Crystal Clear (up to an 8-person team), Crystal Yellow (up to a 10 to 20-person team), Crystal Orange (up to a 20 to 50-person team) and Crystal Red (for big teams with 50 to 1000 people).

Tip 💡 Use one Slack channel per team

3. The Kanban Methodology 🗻

The Japanese word “kanban”, meaning “visual board” or a “sign”, has been used in the sense of a process definition since the 1960s.

The Kanban method is an interesting and relevant method for entrepreneurs to visualize what they're doing and what's yet to come.

When aiming to implement the Kanban method, every organization must be careful with the practical steps. Six core practices need to be present for a successful implementation.

1) Visualize the workflow 📊

To visualize your process with a Kanban system, you will need a board with cards and columns. Each column on the board represents a step in your workflow. Each Kanban card represents a work item (*Have a look at the picture we shared*). The Kanban board itself represents the actual state of your workflow with all its risks and specifications.

The first and most important thing for you is understanding what it takes to get an item from a request to a deliverable product. Recognizing how workflows through your system will set you on the path to continuous improvement by making well-observed and necessary changes.

When you start working on item X, you pull it from the “To Do” column, and when it is completed, you move it to “Done”. This way, you can easily track progress and spot bottlenecks.

2) Limit work in progress (WIP) 🧑‍💻

One of Kanban's primary functions is to ensure a manageable number of active items are in progress at any one time. If there are no work-in-progress limits, you are not doing Kanban. Switching a team’s focus halfway through will generally harm the process, and multitasking is a sure route to generating waste and inefficiency.

Limiting WIP means implementing a pull system on parts or the complete workflow. Setting maximum items per stage ensures that a card is only “pulled” into the next step when there is available capacity. Such constraints will quickly illuminate problem areas in your flow so you can identify and resolve them.

3) Manage Flow 🌊

Managing the flow is about managing the work but not the people. By flow, we mean the movement of work items through the production process at a predictable and sustainable pace.

One of the main goals when implementing a Kanban system is to create a smooth, healthy flow. Instead of micro-managing people and trying to keep them busy all the time, you should focus on managing the work processes and understanding how to get that work faster through the system. This would mean that your Kanban system is creating value more quickly.

4) Make process policies explicit 📒

You can’t improve something you don’t understand. This is why your process should be clearly defined, published, and socialized. People would not associate and participate in something they do not believe would be useful.

When everyone is familiar with the common goal, they would be able to work and make decisions regarding a positive impact. Sparse, visible, well-defined, and subject to change (if/when needed), work policies have the power to boost people's self-organization.

5) Feedback Loops 🔁

For teams and companies that want to be more agile, implementing feedback loops is a mandatory step. They ensure that organizations are adequately responding to potential changes and enable knowledge transfer between stakeholders.

Kanban suggests the use of cadences (feedback loops) at a team level as well as service-oriented cadences.

An example of a team-level cadence is the daily Team Kanban Meeting for tracking the status and the flow of work. It helps to identify available capacity and potential for increasing the delivery pace. It takes place in front of the Kanban board, and every member tells the others what they did the previous day and what they will be doing today.

Tip 💡 Use tools such as

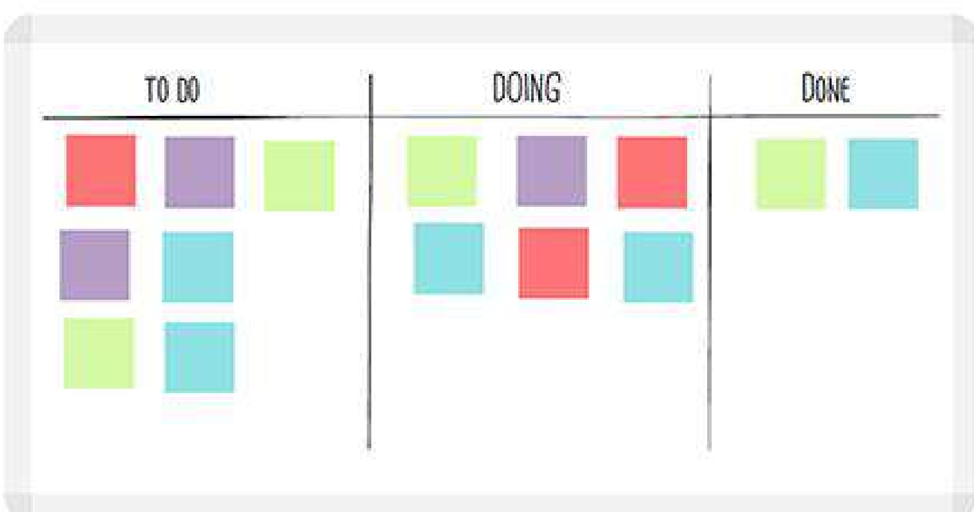
Trello: https://trello.com/fr

Notion: https://www.notion.so/product

Airtable: https://airtable.com

and Shortcut: https://shortcut.com

-> Transparency is key to working efficiently.



4. Our tips on time management ⏱️

Having good time management is not only key to having a productive entrepreneurial journey & making the most out of your days, but also to have a better work-life balance.

We have some tips & insight on time management that are valuable to entrepreneurs:

1. Use the Pomodoro Technique while working

This technique is summarized as follows: work for 25 minutes followed by a 5-minute break. Repeat for 4 times and take a 15-30 minute break afterward.

Moreover, it's important to create a list of tasks for the day and try to plan tasks for each 25mins sessions

5 reasons to use the Pomodoro Technique:

- Manage distraction and control your time
- Increase accountability, you are in charge of your time and the tasks that you set to yourself to achieve
- Decrease Fatigue and the pain that comes from staying on a chair too long
- Keep motivation high
- Tasks are followed and completed throughout the day

2. Kill all distractions

This includes notifications on your phone and computer. Keep your phone away preferably or turn off notifications.

Tip 💡 Delete social apps from your phone, use them on your computer with a dedicated moment on the day only for that.

3. Take enough breaks

Your brain needs some time off while working

Tip 💡 If you spend a lot of time in front of screens, try not to take a break in front of another one ;)

4. Be precise in your goals

That'll motivate you in working towards reaching these goals

Tip 💡 Write your goals on paper near you to read in case you don't know what to do.

-> Write a sentence somewhere in your office that will keep you motivated when you will have down. Mine for example is: *"Strength and growth come only through continuous effort and struggle"* From Napoleon Hill.

5. Prepare your workday in advance

Set goals & targets the night before

Tip 💡 Try to not be too strict on what you think you can achieve in a day, you know the famous sentence "Rome wasn't built…"

-> Every Sunday evening, write the goals you want to achieve for the next week.

-> Try to have daily, weekly, monthly and yearly goals

6. Take time off

Pretty self-explanatory

It's important to listen to your body, take a break when needed, no shame, really.

Tip 💡 Take time for yourself every morning such as meditation (very useful if you are in a period of stress or that you are distracted), sport, reading time and so on.

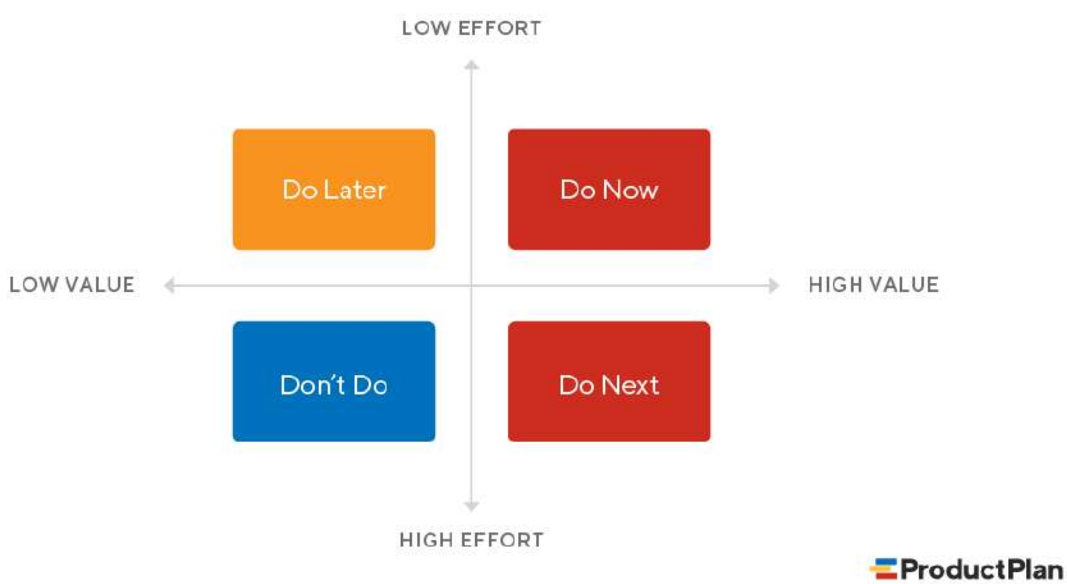
7. Have a clean work environment

This increases your focus & motivation

Tip 💡 As far as we are concerned when we are not motivated and lazy, before starting to work we clean either our office or apartment (*for those like us that are home-working)*. As Jordan Peterson said in his previous novel *(12 rules for life)* with the rule "*Clean your room*": *https://www.personalgrowthchannel.com/2019/09/the-idea-behind-jordan-petersons-clean-your-room.html*

8. Use the Priority Matrix

Also known as the Eisenhower Decision Matrix, this matrix makes sure you focus on the right and important things.



5. Starting your startup with your friend? Pros and cons 🤷

Funding your startup with a friend or relative is a popular choice among entrepreneurs. It can be very interesting, but beware of the challenges

PROS ✅:

- Friends often share the same interests, general beliefs, and similar traits,
- Starting a business requires trust in the founding team
- Years of genuine friendship dramatically improve the ability of empathetic communication. Not having to worry about political correctness and being able to comfortably disagree and move forward.
- The entrepreneur's adventure is hard, one of the solutions to navigate it is to bring fun to the workplace, most likely you and your friends are already having fun, so bringing them makes the journey enjoyable.
- Knowing the team's strengths and weaknesses when starting a new business is key to navigating the company in the right direction, best friends usually know and understand each other's traits, giving an unfair advantage in comparison with co-founders that aren't best friends

CONS 🛑:

- Relationships between friends usually breed contempt, knowing too much about one person can sometimes erode mutual respect, similar to the struggles between marriages and family.
- Trust between friends could become a double-edged sword, it can be difficult to handle when you know and trust too much
- It could be difficult to separate work from personal life, creating a risk of mixing personal problems with business problems
- Having a strong and big network of peers helps in the process of starting a new business, this is why if you choose to start a business with your friends, your networks may overlap and give you a disadvantage in comparison to starting a business with less related co-founders with different networks.
- It's harder to have difficult conversations and make tough decisions if you're dealing with a friend, emotional feelings can easily get in the way and this potentially triggers uncomfortable and negative situations.
- The entrepreneurial journey is filled with stress, hardships, failures, and demoralizing moments, the same way excitement feelings are boosted when shared with friends, negative feelings are also boosted when shared with friends.
- A broken friendship is a common situation when businesses co-founded by friends fail. Handling failure requires a lot of emotional effort and when not done properly, co-founders could end up blaming each other for the failure leaving bitter feelings and breaking friendships apart.

Tip 💡 Make sure to have this (*difficult*) discussion with your friends & relatives. Lay down your expectations and make sure to listen to their expectations.

PS: We will shortly be launching our co-founder agreement on MeetConor, with the aim to make your startup legally protected.

6. The entrepreneur's manifesto (bonus level) ✨

Our team has read & studied a lot of content around entrepreneurship. This part gathers some great learnings to have in mind ✨

We found this Tweet and it was so true that we wanted to share with you: *"If you're 60-70% sure about a decision at your startup just make the call and move on. Speed wins."* Andrew Gazdecki

Here are some of our findings that will help you with your journey & mindset:

Google's eight pillars of innovation - a great source of inspiration 💡 :

1) Have a mission that matters
2) Think big but start small
3) Strive for continual innovation, not instant perfection
4) Look for ideas everywhere
5) Share everything
6) Spark with imagination, fuel with data
7) Be a platform
8) Never fail to fail

We would love to demonstrate this with the following:
A little story about stone soup 🍜🪨

A long time ago, three soldiers would stumble upon a tiny medieval village
When they entered the village, they started knocking on doors, asking for something to eat.
The first villager told them that his cupboards were bare. The second villager told them the same. The next door doesn't even open.
Finally, one of the starving soldiers says, "I have an idea -- let's make stone soup!"
With that, he knocked on yet another door. "Excuse me," he said to the villager, "do you have a cauldron and some firewood? We would like to make some stone soup."
The villager, thinking there's no risk, says, "Soup from stones? This I've got to see. Sure, I'll help." So she gives the soldiers a cauldron and some firewood while another villager fetches three rocks and some water.
They bring the water to a boil and place three large stones in the pot. News spreads around the town, and the villagers begin to gather. "Soup from stones," they said. "This we have to see. I had no idea you can make soup from stones."

“Sure can,” replied the soldiers.

Eventually, tired of standing around, another villager asks, “Can I help?”

“Perhaps,” says a soldier, “if you had a few potatoes to spare, that would make the stone soup even better.”

The villager quickly fetches some potatoes and adds them to the pot of simmering stones.

Another asks, “How can I help?”

“Well, a dozen carrots would sure make the soup even better.” The villager fetches some carrots. Soon others are adding poultry, barley, garlic and leeks.

After a while, one of the soldiers calls out, “It’s done,” and shares the soup with everyone to taste and enjoy.

The villagers are heard saying, “Soup from stones! It tastes fantastic. I had no idea.”

Why This is Such a Good Metaphor

I’ve come to believe that making stone soup is the only way an entrepreneur can succeed at creating something big and bold.

The stones are, of course, your passion, your labor, and your big bold idea; the contributions of the villagers are the capital, resources, and intellectual support offered by investors and strategic partners.

Everyone who adds a small amount to your stone soup is in fact helping to make your dream come true.

Most important in making stone soup work is your passion. People love passion. People love to contribute to passion. And you can’t fake it.

-> Passionate people are deeply creative in seeking out and pulling in the resources they need to pursue their passion, but it goes further than that.

“People who pursue their passions inevitably create beacons that attract others who share their vision,”

“Few of these beacons are consciously created; they are byproducts of pursuing one’s passion. Passionate people share their creations widely, leaving tracks for others to find them.”

Young entrepreneurs are so afraid to share their startup's idea because they think someone will steal it. However, they are so wrong. People have billions of ideas every day, if you have an idea, be sure that many have it too.

They are plenty of reasons why you should share it:

1. Market feedback

By sharing your idea with people you trust, you might become aware of competitors you did not know about, challenges you were unaware of, or maybe even fundamental flaws in the possible go-to-market strategy.

In the early days of building a venture, feedback is key, and by keeping your idea hush-hush, you are basically preventing yourself from accessing this important step.

2. Building A Community

By talking to your friends and colleagues about your idea, you are in essence involving them in the process. You are engaging them in your journey, which turns them into partners, something you will benefit from when you eventually do launch.

3. Preparing Yourself For Launch

In addition to the benefits of getting feedback and building a community, by sharing your idea with others, you also prepare yourself for the questions you will be getting later on from investors, journalists, and partners.

4. Reduce Biases and Blind Spots

More than likely, your new business idea came from your own lived experience. You saw challenges with the existing solutions and were motivated to improve the experience. Because your idea is so close to you, you bring in your own biases about what needs to happen. You might also have blind spots because you don't have a full picture of your customer needs and behaviors. By sharing your idea, you can reduce your biases and blind spots, gain a better understanding of market needs, and identify how to design an effective solution.

5. But... What About Being First?

And to address the reason people keep their ideas a secret in the first place, "If I talk about it, won't I risk the danger of someone stealing my idea and going to market before me? Isn't it crucial that I am first to market?"

Well, to sum up, the response to that in one word? No.

It is not crucial that you are first to market. Apple was not first. Facebook was not first Google was not first. First, it doesn't matter. Execution matters. Let someone else try, and you out-execute them.

Let's put it this way. Like every decision in life, you should weigh the pros and cons of sharing your idea.

"The cons?" Someone you trust might turn on you and steal your idea, which would mean that you have to work harder to make your product that much better. Sounds like a win to me.

The pros? Feedback, community, and preparing yourself better for the upcoming journey of building a large successful business. Win.

What is the difference between motivation and discipline?

An insightful *LinkedIn post* by Casey Jacox

"When was the last time you felt motivated by a speech, a book, or a conversation? Did the feeling of motivation allow you to do a task differently? Did that new task stick for you OR did it eventually fall to the wayside? Recently, I began to think about why people become motivated but can't sustain the discipline to form new habits.

One of the best books I've read was referred to me by one of my longtime friends, Ryan Fournier – The Slight Edge, by Jeff Olson. This book, to me, articulates the core difference and helps us seek the habits of discipline we all need to become the most successful person we can be. Once we realize the simplistic nature of how discipline is formed, I believe great things can happen for all of us.

While listening to a podcast recently, I heard someone speak about being motivated and having discipline, and it stopped me in my tracks. Immediately, I began to think about these two words and how I would describe them. More importantly, I began to think about why they are different.

In my role at Kforce, I'm constantly looking for ways to inspire a growth mindset. As you are reading this, my goal is for you to truly understand the difference and find meaning to drive new results in your life. Why do I think this is something to think about, and how will this change you or your team? Let me provide you with the definitions and then my explanation.

As stated by the dictionary, "Motivation" is the act or an instance of motivating, or providing a reason to act in a certain way.

As I initially thought about this word and then read the definition, my instincts were correct. Motivation is a short-term noun. It is always required by some outside circumstance or perspective to generate a new habit or activity. We all love motivation but shouldn't rely on it daily, weekly or monthly to help us continue to move forward.

As stated by the dictionary, "Discipline" is activity, exercise, or a regimen that develops or improves a skill; training.

In my experience, I've found motivation is a short-term emotion or activity. Discipline is a "learned" choice we make daily, which will create new habits that STICK over the long term.

As a business development professional, these two words— motivation & discipline— have helped me a lot. Hearing success stories from colleagues, mentors or clients on ways to do certain things provided motivation for me to strive for greatness. For example, early in my career I knew there were goals that I wanted to achieve, but without the guidance or motivational story to get there made things more difficult. Through the motivational story I received, I then could create a road map toward what success looks like. Choosing to be disciplined was now up to me.

I must take the motivational thoughts or feelings and turn them into action.

By focusing on the difference consistently, I found that I formed new habits of discipline – which yielded increased revenue, new customers, and, more importantly, a strong foundation of success as a business development leader.

Don't get me wrong, we all need motivation. I still do from time to time. However, after years of building long-lasting and deep relationships, the art and science of discipline is what has helped me. Discipline is a choice. Either I go to the gym or I don't. Either I pick up the phone and call a customer or I don't. Either I step outside my comfort zone to meet new clients or I don't. To me, it's that simple.

When you use discipline to form a new habit, it will improve your health, mindset, and energy level. Just like the Slight Edge explains, if you commit to daily disciplined habits versus always seeking pockets of motivation, you will increase your chances of becoming more successful."

"Entrepreneurs are simply those who understand that there is little difference between obstacles and opportunities and are able to turn both to their advantage." Niccolo Machiavelli

The Dunning-Kruger effect

This is a cognitive bias in which people wrongly overestimate their knowledge or ability in a specific area.

What causes the Dunning-Kruger effect?

Confidence is so highly prized that many people would rather pretend to be smart or skilled than risk looking inadequate and losing face. Many people would describe themselves as above average in intelligence, humor, and a variety of skills. People can't accurately judge their own competence, because they lack metacognition, or the ability to step back and examine themselves objectively.

In fact, those who are the least skilled are also the most likely to overestimate their abilities.

We think that identifying your biases is a very important part of the self-awareness journey that leads us to be more emotionally intelligent human beings, as well as better business leaders.

(A visual representation of the Dunning-Kruger effect)

7. List of books 📚

As said before, learning is a continuous game. Our team is a huge fan of reading, and we would like to give you some recommendations:

- Think and grow rich from Napoleon Hill
- Principles: Life and Work from Ray Dalio
- Bold: How to Go Big, Create Wealth and Impact the World from Peter H. Diamandis
- Blue Ocean Strategy: How to Create Uncontested Market Space and Make the Competition Irrelevant. From W.Chan Kim and Renee Mauborgne
- The Subtle Art of Not Giving a F*ck: A Counterintuitive Approach to Living a Good Life from Mark Manson
- Profession: Entrepreneur Libre from Sébastien Night
- The Lean Startup: How Constant Innovation Creates Radically Successful Businesses from Eric Ries
- How to Win Friends and Influence People from Dale Carnegie
- HBR's 10 lessons about entrepreneurship
- The $100 Startup: Fire Your Boss, Do What You Love and Work Better To Live More from Chris Guillebeau
- The richest man in Babylon from George S. Clason
- Essentialism: The Disciplined Pursuit of Less from Greg McKeown
- How to Lead: Wisdom from the World's Greatest CEOs, Founders, and Game Changers from David M.Rubenstein
- Crush It!: Why NOW Is the Time to Cash In on Your Passion from Gary Vaynerchuck
- Magic of thinking big from David Schwartz
- Success through a positive mental attitude from Napoleon Hill
- HBR’s 10 Must read for CEOs
- The Compound Effect: Jumpstart Your Income, Your Life, Your Success from Darren Hard
- Awaken the giant within from Tony Robins
- What it takes: Lessons in the pursuit of Excellence from Stephen A. Schwarzman
- Good to great from Jim Collins
- Trillion Dollar Coach: The Leadership Handbook of Silicon Valley’s Bill Campbell from Eric Schmidt, Jonathan Rosenberg
- High output management from Andrew S. Grove
- Hooked: How to Build Habit-Forming Products from Nir Eyal
- From Impossible to inevitable from Aaron Ross and Jason Lemkin
- The sales Accelerator formula from Mark Roberge
- Hacking Growth: How Today's Fastest-Growing Companies Drive Breakout Success from Morgan Brown and Sean Ellis
- This is Marketing: You Can’t Be Seen Until You Learn To See from Seth Godin
- Zero to One: Notes on Start-Ups, or How to Build the Future from Blake Masters and Peter Thiel
- The hard things about hard things from Ben Horowitz
- Built to Last: Successful Habits of Visionary Companies from Jim Collins and Jerry I Porras
- Start With Why: How Great Leaders Inspire Everyone To Take Action from Simon Sinek
- Eat Move Sleep: Why Small Choices Make a Big Difference from Tom Rath

Do you have any suggestions to add on? Let us know! We are curious! *https://discord.gg/mbmZCxxQaW*

8. What are the 5 biggest struggles of Belgian Entrepreneurs?

We discovered a pattern while growing the Network of Belgian Entrepreneurs (NBE) on social media. That is, the specific struggles Belgian entrepreneurs face. Due to how Belgium is organized and structured.
We want to share these findings with you!

The 5 biggest struggles of Belgian Entrepreneurs 🇧🇪:

1. Connecting with the right people

Finding a co-founder, assembling a team, or meeting a mentor, entrepreneurs struggle to connect with the right people.
As we lack an entrepreneurial ecosystem where these different groups of people come together.

2. Language barriers

In Belgium, entrepreneurs either speak Dutch, French, English, or a combination of 2 or 3 of these. This makes it sometimes challenging to connect with other people in Belgium. And, most important, connecting with your audience and customers through the language border.

3. Validating idea and product

Finding the Problem-Solution fit and the product-market fit in addition to making sure the product or service is financially sustainable.

4. Understanding the market and competitors

Gaining a deep understanding of the other available products and services already present alongside a better understanding of the client's needs.

5. Finding first clients

Getting those early sales are crucial indications of validation, but finding those leads is challenging.
We will discuss ways of connecting with your leads in level 4.

REVIEW MOMENT LEVEL 0 ⭐

Alright, you've finished level 0 ⭐

Final quote for this level: "Not trying will be your biggest regret."

Fill in the following link to conclude this level:
https://tally.so/r/w4Albn

Level 1: Problem Definition

Introduction 🚀

During this level, you will learn more about the problems/solutions of your project. This is a crucial step forward and you should take the necessary time to complete these tasks properly.

One of the main reasons why startups fail is because they have an idea of a product or service, and they decide to pursue its development without being sure that the actual product or service is wanted in the market. Basically, they spend time and money developing a product or service that won't be bought afterward because few, if not anyone, are interested in it.

So to be sure to succeed, you will have to make sure that the problem you're solving is in fact a problem.

The following steps are:

1) How to define the problem you are trying to solve.
2) What is the hypothesis of your idea?
3) How to properly interview future customers.
4) How to collect and sort data from your research.
5) What is the Value Proposition Canvas? And how to complete it?
6) What is your golden circle?

1. Define the problem you are trying to solve

Every startup solves a problem of some kind. Your first step in this journey is to define this problem. Let's dive into it 🔥

"If we tried to think of a good idea, we wouldn't have been able to think of a good idea. You just have to find the solution for a problem in your own life" - Brian Chesky, Co-Founder of Airbnb.

"If I had an hour to solve a problem, I'd spend 55 minutes thinking about the problem and 5 minutes thinking about solutions" - Albert Einstein

Analyzing problems thoroughly is more complicated - and more important - than finding its solution. When you understand a problem, and everything it entails, you'll come up with a better solution.

Before focusing on your product or solution, make sure you understand the problem you are solving.

A problem to tackle should be the foundation of your project.
#1 of the reason why startup fail: No Market Need 42%

But how to find a problem and be sure that it's worth solving?
"Life is full of big opportunities which manifest themselves in the form of small frustrations" - Sébastien Night.

Harvard Business School identifies 4 crucial steps to undertake when identifying the right problem:

1. Define the Unmet Need or Problem
    - Identify that a Strong, Unmet Need Exists
    - Does the Problem Encompass Any Core Emotional Needs?
2. Identify Your Target Customer Segment
    - Start with Demographics
    - Create Personas to Get Specific
    - Use a Template to Create Personas
    - Understand Existing Solutions
3. Determine the Size of the Problem and Customer Segment
    - Competitive Benchmarking
    - Seek Unbiased Feedback on Your Problem Hypothesis
    - Iterative Process
4. Develop Problem Hypotheses to Validate

(Source:https://www.hbsaccelerate.org/product/customer-problem-fit/turn-your-idea-into-a-product-users-want-identify-the-right-problem/)

Now, let's try this out on another product or service, and apply these principles.

First, you need to have a notebook that you will use when you buy a product, experience a memorable service or product, etc.

-> Note what you enjoyed and what you disliked when you used a product or a service. (it could be an opportunity to inspire yourself from the features that you like or do better with the ones that you disliked).

Next, note down what problem this product or service is solving. What value it is providing? Why did I buy this product? Write down all the details of this product or service, its benefits, and its downfalls. What did you like? What didn't you like? Etc.

Then you need to write down the answers that you have in mind about those questions:

1. What is the problem that you are trying to solve?

   -> Write down the hypotheses, everything that you have in mind, brainstorm with your team, but focus only on the problems, not the potential solutions.

2. How did you identify the problem? Going to the roots of the problem is important to be sure that you understand it properly.

   -> Tip 💡 You have to be open-minded and curious!

The hypothesis that you wrote will need to be verified and validated by the interviews you are going to make in the next few tasks.

2. How to pick the right idea? 🧠

How to choose between different projects?

-> You should choose the project where you have the most resources available.

Ask yourself these questions:

- Do I have unique skills in this domain?
- Do I have the network?
- Do I have notoriety in this field?
- Do I already have a list of prospects and clients?
- Do I already have a product or service ready to sell?
- Do I have access to financing?

Give a grade for each answer from 1 -> 5, calculate the average and take the project that has the best result.

6 ways to detect bad ideas:

1. You are afraid to talk about your solution. Not talking means that you don't trust your idea, you know inside of you that the idea is not great.

2. You are afraid someone will steal your idea. The good news is that nobody cares about your idea. The bad news is that in our society we suffocate from the daily information, stress and overload of stimuli. Even if your concept is rock solid and changes lives, you will have to fight to get your idea known. On the other hand, people have billions of ideas everyday. The risk of being plagiarized when you are at that stage is really small. Nobody wants to steal your idea as long as it's not showing any sign of success.

3. You are afraid that if you talk about your idea or execute it you will "stop its magic".

4. You are afraid to go too slowly. If you think that your idea can survive only by having the "First Mover Advantage", if your idea has an expiration date then you should simply not pursue it. To be sure you are not going in that direction, we advise you to answer those questions:
    - Is this a trend that may not be there in 10 years?
    - When could I serve the market with my product (honest and realistic way)? If I multiply by 5 this number, will it be too late?
    - If this project fails, can I reuse the resources obtained for another project?

5. Your idea is lacking logic

6. You did not search if the idea was or is already exploited

Final note: When you do not have the right idea, only new ideas are an opportunity. When you have the right idea, all new brand ideas are only a distraction.

Also, don't fall in love with your idea: People fall in love with their idea too fast. Keep in mind that if you have an idea, someone else probably already has had the idea before you.

3. What are the hypotheses of my idea?

After discovering the problem(s), you need to go deeper by answering some questions regarding your idea(s). Take the time you need to do it well, there is no rush.

1) What are the different offers you have in mind regarding the problem(s) you want to solve?

-> Write down different solutions to the problem you identified. It's important to have different attack points. Identify a plan A, B, and C, in order to make sure to find the Sweet Spot (see the document attached).

-> When you write them down, be as high level as possible, meaning that you don't have to go very specific because the idea will change as fast as the weather. (see the document attached below about the evolution of a startup over time.)

-> Things never go as planned so that's why you need to have a backup plan in case you will need to pivot (you will see how to pivot later on).

2) What new features could you bring to life that are different from others?

-> First, you need to check your competition. At this stage, your idea is still broad, so you won't be able to identify direct competitors. If you do, then that's great, otherwise, check for the indirect competitors (the ones that are either related to the service or product that you want to provide or the one that shares the same market but with different products or services.)

In order to find these (in)direct competitors, ask yourself the question: How does the client solve his problem right now?

Be careful because it takes a lot of time to do it well. (Often you will uncover other competitors when talking to customers).

Remember that competition is not a bad thing, because it means there is a market for your product or service

-> As soon as you check the competition, iterate on your ideas to complete them with hypotheses about what features are missing and where you could fill the gap.

3) Who are the potential users?

-> This is important because the potential users that you need to identify are the ones that you will need to interview later on.

-> Start broadly, then go more specific. Remember that if your product or service is made for anyone, then it's really useful for no one.

-> What do they look like? Try to describe them, later on in this startup guide, you will have to use this to complete the persona template.

In this phase, you are in the middle of the design process "Diverge/converge" in design thinking (see the document attached).

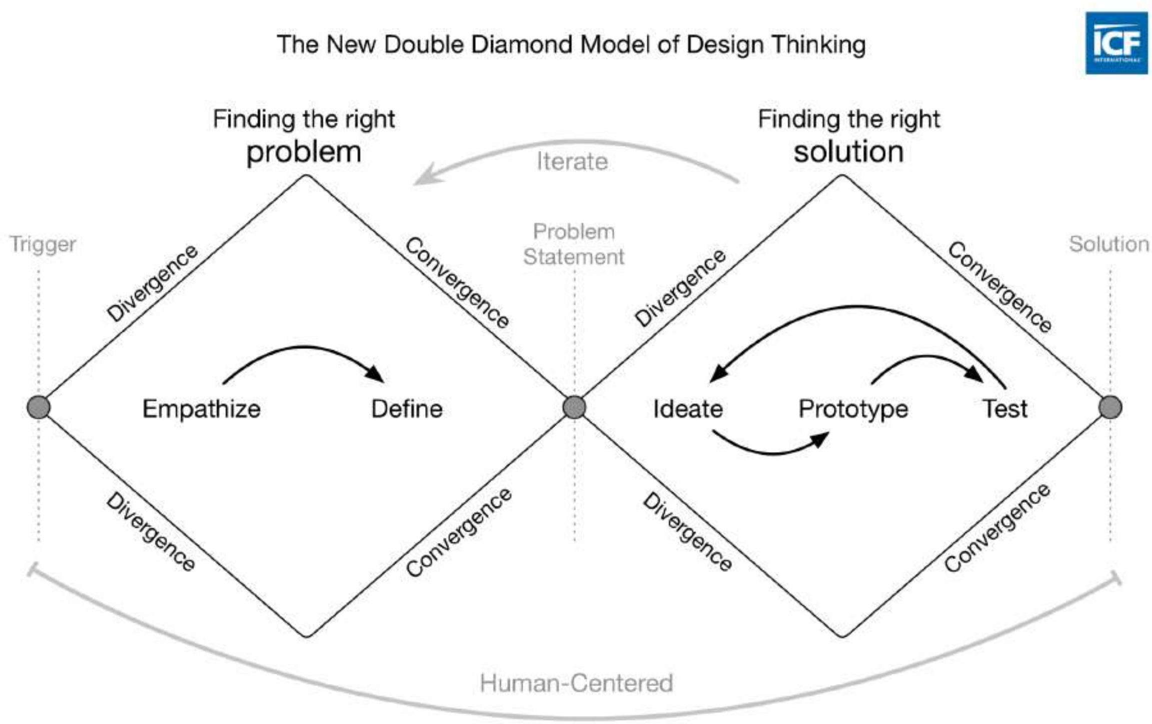
-> Divergence phase = create choices, brainstorm on a variety of potential solution

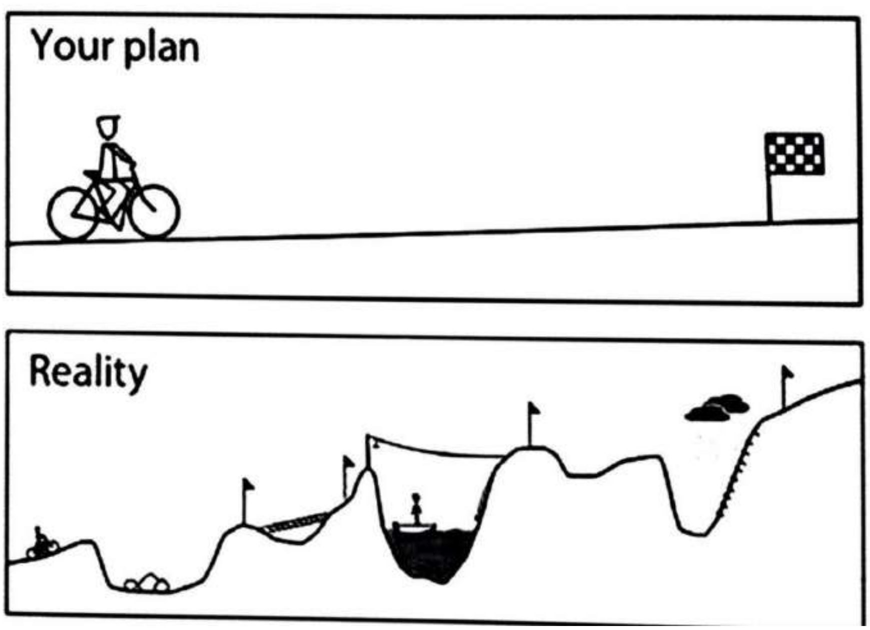
-> Convergence phase = evaluate, compare a limited number of solutions that will be later selected to be tested. What are the most realistic ones?

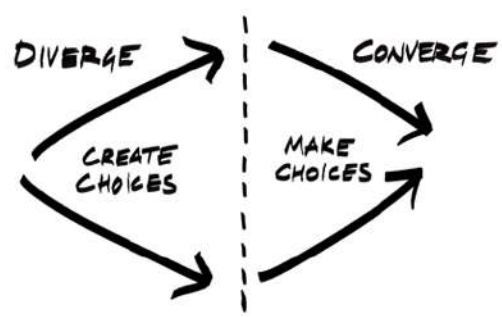
Design thinking is a 5 phase process: Empathize, Define, Ideate, Prototype, and Test.

In this level, we are doing the empathize, define and ideate phases. In the coming tasks, our goal is to find out the needs of your future customers in order to properly define the problem.

Bonus from the book: "Profession Entrepreneur Libre" from Sébastien Night:







4. Qualitative and Quantitative Interviews

After completing the hypotheses of the problem(s) you found out and drafting the different ideas, it's time to test those assumptions with a qualitative and quantitative interview.

Golden rule: You will have much more clients by targeting fewer people. It's the same for interviews, don't target everyone, target the one you think you give relevant answers to your questions. It's much better to have a little relevant information rather than have a lot of irrelevant information.

Who is your target? A client who pays.

Importantly, those interviews are made ONLY to find out the real pain of your future customers. NOT to find out that the solution that you had in mind is indeed the one.

As the saying goes: *"10 (qualitative) interviews will give you 100 problems, 100 (quantitative) questions will confirm 10 problems."*

Qualitative Interviews

Qualitative Interview Definition: "Qualitative research interviews are depth interviews. They elicit detailed feedback from your leads and customers. Unstructured interviews reveal why people react in a certain way or make certain decisions. According to The Hartford, qualitative research provides an anecdotal look into your business. That provides an important form of data."

(Source: rev.com)

Why use qualitative interviews?

Qualitative interviews are far better to get the feeling, the pain - in more detail - of your future customer. It's a way to connect with them and learn in-depth if you are in the right direction or not regarding the hypotheses that you have concerning the problem.

It's really important to understand the habits of your customers. This will also be used to design the customer journey later on.

How to conduct a good qualitative interview:

- Interview between 40 min to 60min with 10 to 20 people.
- Start with introduction questions to make the atmosphere comfortable.
- Prepare open questions with why, how, when, etc.
- Don't ask close and binary questions (answers with yes or no).
- Don't follow the questionnaire from A-Z, follow the mood, the questionnaire should indeed evolve through the discussion but it's more important to use them as a guide just to follow the path of the discussion.
- Keep in mind that you are here to learn everything about the pain of the customers.

- Don't be afraid to have blanks in the discussion, give the interlocutor time to answer and think.
- Don't rush it!
- Don't be afraid to ask the question again from a different angle if you are not convinced by the answer.
- Go deeper and deeper by asking why
- Don't manipulate the discussion to have the answer you wish to have.
- Be nice and grateful to have people dedicating time to answer your questions.
- Thank your customer from the bottom of your heart for their time. Let them know how much you value their input and time.

The qualitative interviews should give answers to those questions:

- What are the dreams of my client?
- The problem(s) that I was thinking of is indeed a real Pain?
- Was it the only problem?
- How is the customer currently solving this issue?
- What pain does the customer have with the current solution?
- How could the solution that he uses be improved?
- If your customer had a magic wand that enabled him to solve the problem, what would he wish for? What would be the ideal solution? Be careful because there is a gap between what the customer needs and what he wants! Keep that in mind.

Tip💡 Create a good relationship with the interviewee, because you may need another interview to test your first prototype and get feedback. That's why it's crucial to keep the contact details of the people you interview.

As soon as you have sufficient data and you start observing patterns, it is time to pursue quantitative interviews to confirm these patterns.

Quantitative interviews

Definition: Set of open and binary questions given to at least 100 people that follow a structured path through a survey.

Why use quantitative interviews?

It is used to confirm what you learned with your qualitative interviews. The aim is to collect mass data about your prospects

The main questions that should be on the survey are related to the means of your customers, the volume, renewal, competitors, and obviously their pains. In the end, you need to express the data made with binary (Yes/no) variables, scale (1 -> 10), in percentage.

How to conduct a good quantitative interview?

- All questions need to be mandatory expected the one with the contact info
- Spread the questions into different pages in order to be less intimidated
- Maximum of 4 questions per page
- The first questions should be open questions
- Afterward, binary and scale questions
- Demographic questions should be at the end of the survey
- Don't do long intro text, be brief!
- You can use tools like Google Forms, Typeform, SurveyMonkey

Remember that "If they won't tell it, won't sell." John Reese

-> If people don't make the effort to answer the survey, they won't make the effort to pay.

Bonus:

How to enter in contact with qualified prospects?

-> Use your close network (LinkedIn, Facebook, etc.) to send them a personnel text asking them to complete the survey if they find it relevant or to send it to someone they know can answer the survey. People love to help others if it takes a couple of minutes

-> Use an existing network (groups, blog) and ask permission to share the survey!

-> Join or create events related to your industry.

-> Be creative. There is always a solution.

How to react to criticism?

How to distinguish bad critics from good ones? Ask yourselves the following questions:

- Is the critic neutral? If not, don't consider it
- Is the critique constructive? If so, listen to it.
- Is the critic viable? -> is it made with concrete elements?
- Does the critique relate to elements that I can control? If yes Listen
- Does the critique relate to the viability of my project?

How to push your potential competitors to reveal to you their secret sauce?

It may be surprising but many professionals who succeed are eager to share what they learned from their mistakes, their secret sauce.

- You can interview companies that provide services to the same need and same clients but with a different product or service.
- You can interview companies that provide the same service or product to different customers.
- Ask for an interview with the guy in charge to sell the product/service saying that you're doing a study for the sector ...

What questions to ask?

- What were the objectives when choosing this job?
- What were the frequent obstacles in this sector?
- Who allowed you to succeed in the beginning?
- If you started today, what would be the mistakes to avoid?
- What would be the best way to be prepared before starting this journey?
- What are the tips, techniques, and strategies that you are most proud of?
- What are in your opinion the reasons why others are falling in this sector?
- Which activities were the most time-consuming?
- Do you have books, training, or resources that you advise?

5. How to find leads for interviews? ✔️

Finding people to interview or to fill in a questionnaire might be a bit complicated.

Here are some of our tips when finding these leads:

1. Find online communities of your niche (Facebook group, Discord server, SubReddit, etc.) and post a public announcement and message the members in private to ask for an interview. When you tell them it's short & for a business opportunity, people might be interested to help.

2. Use your own network. Most problems you're trying to solve are experienced by others as well, including your friends, family, colleagues, etc. Post an Instagram story, post on Facebook, etc. Let your environment know that you're looking for people to interview

3. Get out of the building (literally). Go to a university campus, a library, shopping street and talk to people. Might be intimidating at first, but it's definitely helpful & a good way to practice sales talk as well. A win-win!

4. Be proactive & polite. It's an active job to find leads for your interviews and/or questionnaires, so make sure to send out a lot of messages & contact a lot of people. And don't put too much pressure on people, most people don't like that.

5. Hold an overview of the people you contact on an excel file or spreadsheet. You need to have a clear overview of who you contact and what the result is of your interviews and/or questionnaire.

6. Analyse the collected data and define your Value Proposition

After doing the qualitative interviews, it's important to collect, sort, and analyze the data.

Why?

The collected data is very important in the validation of your idea. First of all, it allows you to have a broader view of the problem, the competition, and your customers. Second of all, it proves that there is a problem to be met. This is an important requirement when pitching your idea to incubators, accelerators, advisory boards, or investors.

How to proceed?

- Gather all the data into a unique space (Excel, Google Sheets, etc.)
- Delete the unqualified and incomplete data
- Gather the answers by thematic/question
- Calculate the %, use graphs to visualize the data
- It may be a good time also to check if you have missing data
- Draft the socio-demographic characteristics
- Keep all the contact info of participants

What to do after?

At that moment you should:

- Write the problems/pains that you discovered and thus validate or eliminate your assumptions.
- Draft a list of the competitors that you discovered in order to analyze them in detail afterward
- Iterate on your solution: now that you know more about the problems you want to tackle you can start to either change or modify your original ideas. Take time to brainstorm on it (important to store your original ideas, somewhere, on a drive for example.)

It's time to move forward!

7. Complete the Value Proposition Canvas 📝

What is the Value Proposition Canvas?

It's a template that explains how to create products and services that customers want. Through explaining in detail what gains and pain the customers have and how your product either generates gains or relieves pains.

Here is a video explaining in depth what it is: https://www.youtube.com/watch?v=ReM1uqmVfP0

Why is it used?

This template is used to simplify and summarize the relationship between the pains and gains of your customers with your product or service.

What do the features mean?

Customer Profile

- Gains: the benefits which the customer expects and needs, what would delight customers, and the things which may increase the likelihood of adopting a value proposition.
- Pains: the negative experiences, emotions, and risks that the customer experiences in the process of getting the job done.
- Customer Jobs: the functional, social, and emotional tasks customers are trying to perform, problems they are trying to solve, and needs they wish to satisfy.

  (from b2binternational.com)

Value Map

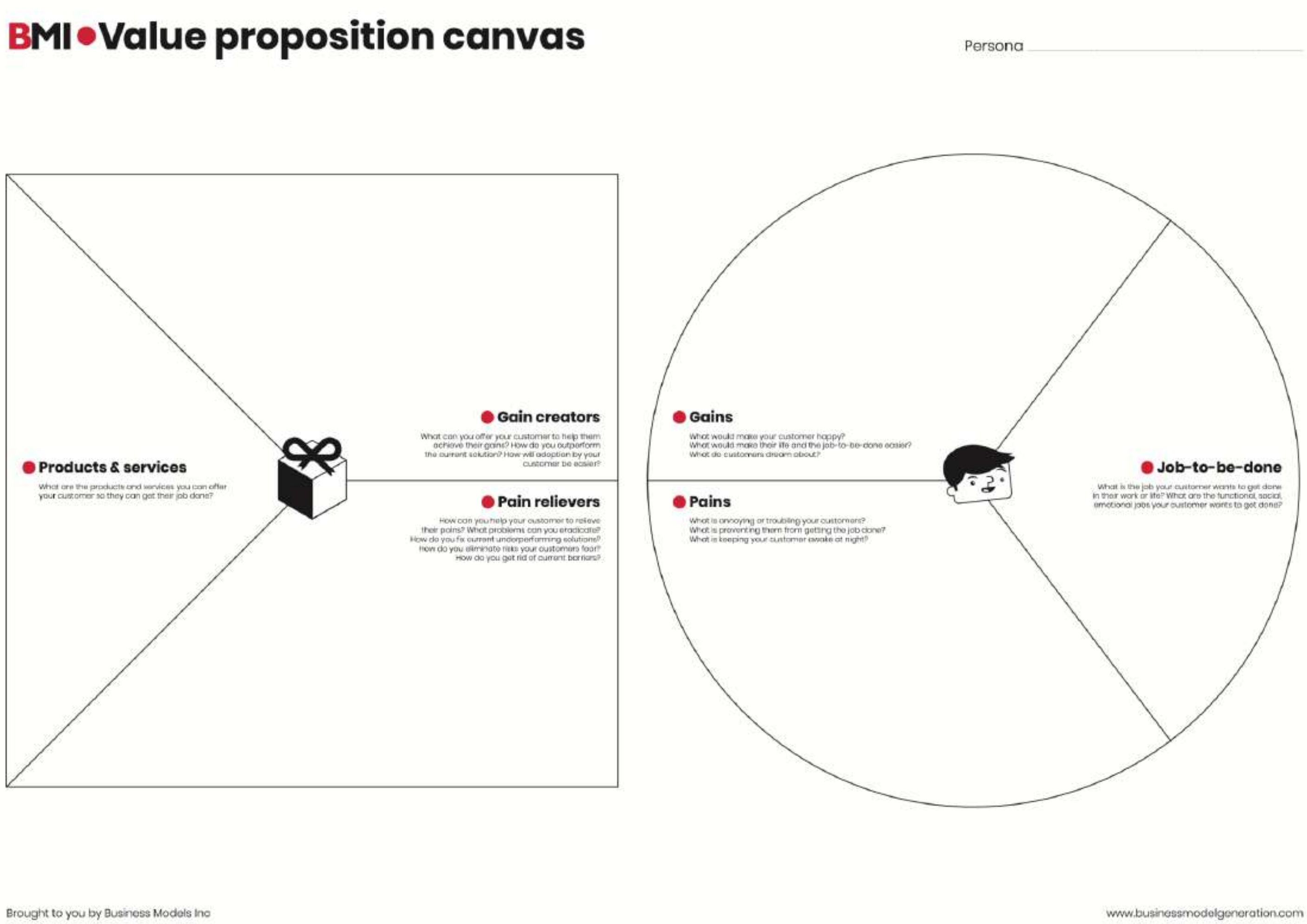
- Gain Creator: how the product or service creates customer gains and how it offers added value to the customer.
- Pain relievers: a description of exactly how the product or service alleviates customer pains.
- Products and services: the products and services which create gain and relieve pain, and which underpin the creation of value for the customer.

How to complete the canvas?

- Prepare the room with the template, and have all the material already in place in order to remain focused.
- Start with the customer (always). If you have many customers, you need to agree first on who your customer is on a higher level.
- For the customer jobs-to-be-done, ask many times "why" to go to the bottom of it
- Be careful: gains are not simply the opposite of pains

  (Source: b2binternational.com)

Tip 💡 You can use a tool to complete this template online with your team and brainstorm on it: https://miro.com/app/dashboard/ -> You are old-fashioned? You can print it and use post-its.



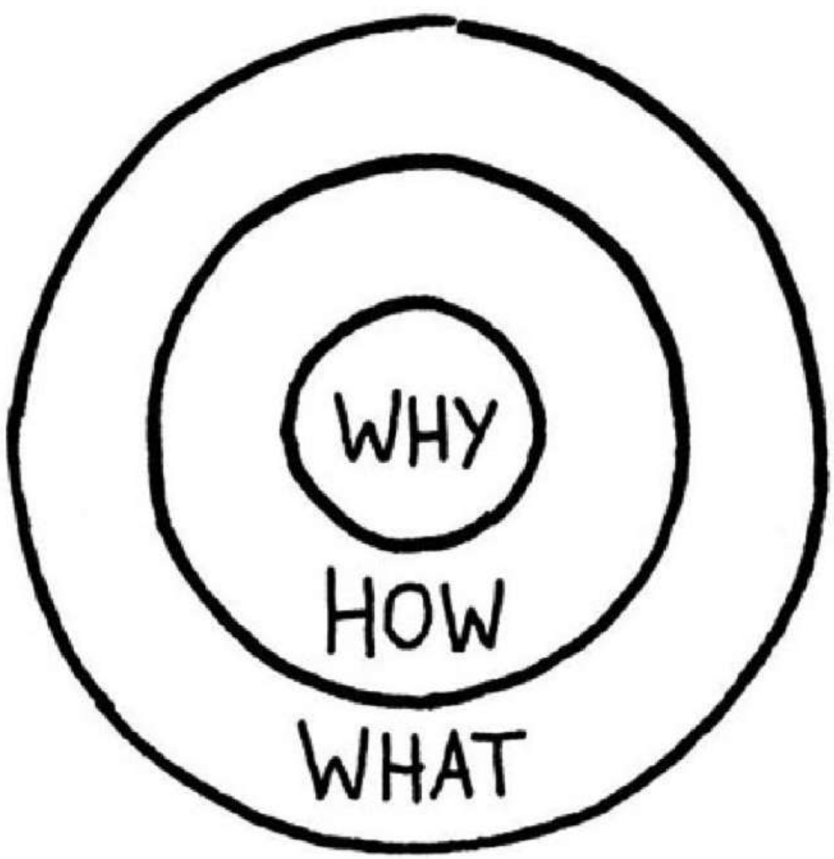
8. Define your Golden Circle 🟡

The Golden Circle is a model created by Simon Sinek to explain how leaders like Steve Jobs, Martin Luther King, and others have inspired to motivate people and communicate clearly about the vision. In layman's terms, it's a framework for the WHY of any organization, goal & ambition. In his book "Start With Why", Sinek explains how an entrepreneur should start by explaining the WHY behind their organization when communicating about it.

Attached below, you'll find a framework of the Golden Circle, which includes 3 aspects: WHY, HOW, and WHAT. Here's how to interpret these different aspects:

- **WHY**: The reason you started this venture, is the raison d'être of your organization. Why did you get started? Your WHY is not about why you want to make money, but it's the purpose of your organization. It should be the first thing you tell people when you introduce your organization. If you don't have a good "WHY", you won't succeed to pitch, finding investors, and so on.
- **HOW:** This is how you're going to implement your WHY. How are you going to be different from the competition? What systems and processes will you be using to implement your vision?
- **WHAT**: This is the service and/or product you're selling. The tangible result of your vision that clients will use.

We also recommend the following TED talk of Simon Sinek:
https://www.youtube.com/watch?v=qp0HIF3SfI4



9. Complete "the seven domains of attractive opportunities"

The seven domains are taken from the book "The New Business Road Test" by John Mullins.
"Good opportunities can be found in not-so-attractive markets and industries".

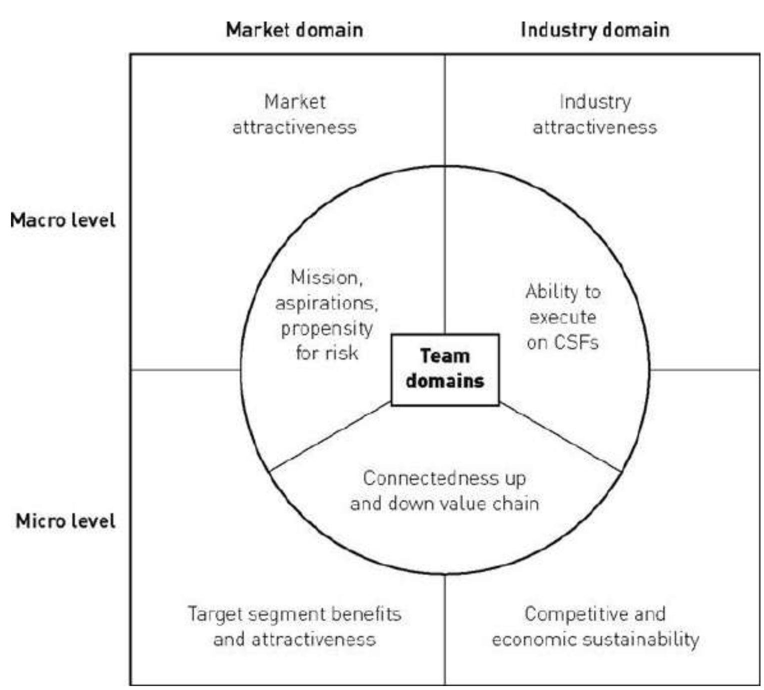
-> Markets and industries: what are the differences?
"Markets consist of buyers, not products"
"An industry consists of sellers"

-> Is the market attractive? Macro and micro considerations
"Aspiring entrepreneurs who say "We have no competition" are simply naïve".
"Many aspiring entrepreneurs make the mistake of examining only the macro level".

-> Is the industry attractive? Macro and micro considerations
"Most industries are not very attractive"
"First-hand experience in the industry makes all the difference"

-> Can the team deliver?
"Understanding the critical success factors is one of the most compelling aspects"

-> Putting the seven domains model into action
"Find that major flaw that cannot be resolved, the opportunity's Achilles' heel".
"Potentially fatal flaws are there to be fixed"



REVIEW MOMENT LEVEL 1 ⭐

Alright, you've finished level 1 ⭐

Fill in the following link to conclude this level:
https://tally.so/r/mKLbV3

Level 2: Market Definition

Introduction 🚀

In this level you will learn how to define your market, evaluate it and define in depth who your client is. This level is really important for numerous reasons.

First, you need to know where you are going to start your project. For example, if you live in Belgium and you notice that the market is bigger in Brussels, you better start your project in Brussels. That's what we call the "Landing Beach ": The Allies did not win the Second World War by going directly into Germany, they started by landing in Normandy and progressed from there. The same principle can be applied to your project. You have to start somewhere where you have a better chance of success in order to find your Product-Market Fit.

Secondly, it's important when you'll pitch in front of incubators, investors, or partners. They will 100% ask you what your market is, what it looks like, and who your final customer is.

1. Who's my client?

Defining in-depth your client is crucial ! If you understand them, if you know what their habits are, what they do in the morning, and so on. You will be able to give them what they truly desire and they should be willing to pay the price.

The beginning of every project should be the users. The market exists only if there are people willing to pay!

- Your target: a client that pays you!

That's the only thing you need to survive. The one that pays you understands the relevance of your products/services. " *The day a client agrees to pay you will be the day you have a business. Before you don't.*" That's why you need to be customer-centric.

- Customer centricity

By putting the customer in the heart of your business, you will have the longest business value. You need to find what the customer wants in a fast and easy way. You need to have it as a mission. If you want to know more check out this link: *https://www.i-scoop.eu/customer-centricity/*

Now it's the time to draft your personas. Fill out the template. (link at the bottom)

A persona is a fictitious user-built to better understand the potential client's ability, goals, daily routine, and so on. How do we create it? Simply by interviewing people, in the end, you will see a common pattern and you will be able to draw your Persona.

Why is it important? Well, you need it in order to target your audience with tailored marketing. More significantly, without personas, you will be unable to market your product/service. If your first product/service is intended for everyone, it is not meant for anybody.

What you must know to draft your persona

1. Personality: Who he/she is? What are his/her characteristics? What does the user think? and so on.
2. Goals: What are his/her goals? Why does the user wake up in the morning?
3. Frustrations: What are the biggest challenges the user is facing? What are the obstacles? What keeps him/her at night?
4. Bio: What is the journey of your customer? The story that leads to buying your product/service
5. Motivation: a gauge to define his/her fear, incentive, growth, power, and social status.
6. Brands and influencers: What brands does the user love? What is his/her favorite?
7. Preferred channels: What are the favorite channels that the user uses? It will indicate where to reach him/her.

Doing this exercise will give life to the ideas you have about the customer.

You can use this link to draft it https://app.xtensio.com/design/2w2yp0jz

2. Define and Evaluate your market

In order to start well, you need to choose a niche market. Where you have customers that have the same needs, where you can find a pattern. The more narrowly you can define your target market, the better

Instead of building out a niche, most founders fall into the "all over the map" mistake, believing they can satisfy the needs of everyone and be successful at it. These individuals are immediately given a painful lesson.

Finding a niche is quite important

Many new projects prefer to promote their products/services to everyone because they are concerned that the market will become too limited if they do not. In reality, those that target a narrower niche with their products/services are more likely to survive and thrive. Remember that if you address your product to everyone, you are addressing it to no one? However, the niche should be large enough to allow you to at least exist until you find your product's market fit.

Selecting a certain audience does not imply eliminating those who do not meet your requirements. Target marketing, on the other hand, allows you to focus your marketing budget and brand messaging on a specific market that is more likely to buy from you than other markets.

Define your market with the solution you create not by the product itself. "*Customers don't want a quarter-inch drill, they want a quarter-inch hole*." Theodore Levitt

In other terms, your consumers aren't interested in your product/service, they just want to get the "job to be done" of your product/service (*we will discuss it in level 4*). This applies to any industry, yours included.

Although products evolve, your customer's job-to-be-done remains a consistent goal for your team to meet. This is a crucial topic to keep in mind. If you define your market using your customer's job, your potential market may be larger than you expect.

What is the right segment?

- People in this segment buy the same products/services
- They have the same expectation of the products/services
- The word of mouth is effective in this segment

How to choose your niche? Answer these questions:

- Does your client have sufficient resources to buy the products/services?

- How far can you reach your potential clients?
- Does your client have a real reason to buy your products/services?
- In this segment, do you have important competitors?
- How good is the niche to grow?

If you think you have found your niche: you will have to test it !

You will have to test it with your prototype. We will discuss this in detail in level 4.

What is your "three tiers of Noncustomers"? (from the BlueOcean Strategy) 🌊

Companies must expand their awareness of the universe of noncustomers in order to transform this massive latent demand into genuine demand in the form of new customers.

You have the "customer of your industry". Then you need to look for the three tiers of noncustomers

1. “Soon-to-be” noncustomers on the outside of your industry, eager to jump ship. They are consumers who buy an industry's offering simply because of need but are not mentally clients of the industry.

2. “Refusing” noncustomers that adopt a deliberate decision to avoid your market. These are customers that saw the present offering as a way to meet their needs but chose not to participate.

3. “Unexplored”. They are not customers because they have never evaluated the market's product as an alternative.

    https://www.blueoceanstrategy.com/tools/three-tiers-of-noncustomers/

REVIEW MOMENT LEVEL 2 ⭐

Link to the feedback form:

https://tally.so/r/w4PKBw

Level 3: Competition

Introduction🚀
This level is the last theoretical level before creating the first prototype. (Theory is almost done!).

In this level you will learn how to understand in-depth your competition, how to evaluate it, and finally to define your positioning?

You previously learned the problems your customers are facing, and how they are tackling them at the moment (probably with one of your competitors). Moreover, you also now have a better understanding of your customers' preferences and what your market is. It's time to position yourself in this market.

Warning:

At the beginning of the project, it is important to have a good overview of the competition and to know your close competitors in detail. However, we suggest that after this level you don't spend too much time focusing and comparing to them. Instead, you should spend more time focusing on your clients (because they will be the final judge).

1. Understand your competition

First, you should create a new folder in your workspace named: "Competition", where you will put everything you will find about your competition. This will be useful to design the solution.

What have you learned from your interviews?

Previously you discovered what products/services your customers are currently using when facing the problem you want to tackle. It's important to re-use the notes to find out what they like or dislike about the products/services when designing your first prototype.

Know your competition: how to do it?

The easiest step to find competitors is to search on google, over there you will need to scroll every page (at least 10) and take notes of the names.

Another way is to ask potential customers about the products/services that they used or are using.

After a few moments, you will have a pretty decent list of competitors. Remember that it's a good thing to have competition, it shows that there is a market.

Bear in mind the fact that young startups, who are unknown, can be working on similar products/services at the same time as you. So don't be surprised if you see other competitors emerging.

Did some of your competitors fail? If yes, why?

This point is extremely important. It's important to identify the competitors that failed and understand why they failed. If you have the opportunity to learn why they failed you may avoid the same mistake.

Tip 💡 Some of your competitors that failed may be happy to discuss with you why (you may even get them to join your advisory board). Just ask them to do a call, explaining what your project is and how they may help you.

2. Evaluate your competition

After you understand your competition, it's time to evaluate them!

Sort your competitors between direct and indirect competitors.

It's important to sort your competition between indirect, direct, and potential competitors. This will force you to think about the competition from different angles and thus go deeper.

- The direct competitors will be the ones proposing the same service/product as you to the same clientele. (eg. Pepsi and Coca-Cola).
- The indirect competitors are either the ones proposing the same service/product to different customers (eg. shooting photos for traveling companies or shooting photos for weddings). Or different services/products to the same client segment (eg. made to measure shoes and made to measure suits). Those indirect competitors may even be willing to partner in some cases, that's why you should be open-minded about it, or you can even try to contact them with a win-win proposition whenever possible.

Complete your competitor matrix 🎛️

The aim of this matrix is to show in an efficient, yet detailed way where you stand with your competition.

How to complete it:

- Define the attributes that matter for your market
- Define a weight for each attribute (total must be 100%)
- Now the most difficult part: you should be able to give a note to them that you can justify
- Your company should be on it as well, the note can be used as KPIs for the future of your company
- Calculate the score which is the weighted average of the attributes

Tip💡 Take notes of what you like and dislike about each of your direct competitors

You should inspire yourself from others. Take note about what you liked (dislike) and how you can modify it to (be sure not to) implement it on your service/product.

		Ratings (Scale = 1-5: 1 - Poor, 5 - Excellent)					
Attribute	**Weight (Must total 100%)**	**Our product**	**Product 1**	**Product 2**	**Product 3**	**Product 4**	**Product 5**
Market awareness	30%	5.0	2.0	4.0	3.0	3.0	2.0
Ability to execute	20%	3.0	3.5	1.0	3.0	3.5	3.0
Customer experience	10%	4.0	3.0	3.0	2.0	2.5	3.0
Product breadth	30%	5.0	3.0	2.5	3.0	3.0	3.0
Product quality	10%	4.0	4.0	2.0	2.0	2.0	2.0
Total:	**100%**						
Score (weighted average):		**4.40**	**2.90**	**2.65**	**2.80**	**2.95**	**2.60**

(Visual representation of the competitor matrix)

3. What is your positioning? 📍

Now you know your competition and you were able to evaluate it. Great so what? It's time to position yourself. Where do you stand in the crowd? 🔍

To properly answer the question, it's important to work on those four frameworks from the successful book: *"The blue ocean strategy"*.

What are those red and blue oceans actually? 🌊

The market universe is composed of two types of oceans: red oceans and blue oceans

Red oceans are all the industries in existence today – the known market space.

Blue oceans are all the industries not in existence today – the unknown market space.

Now, you are ready to determine your blue ocean strategy!

The Blue Ocean strategy creates new demand. Companies develop uncontested market space rather than fight over a shrinking profit pool.

Conor is proposing to use the following 3 frameworks to develop your Blue Ocean strategy, but do use more tools [here]() if you feel like these are not enough!

Determine the value-cost trade-off 🏋️

Value Innovation is the pursuit of differentiation and low cost at the same time, resulting in a significant increase in value for both purchasers and the startup.

Value to buyers = offering's utility - price

Value to the company = offering's price - cost

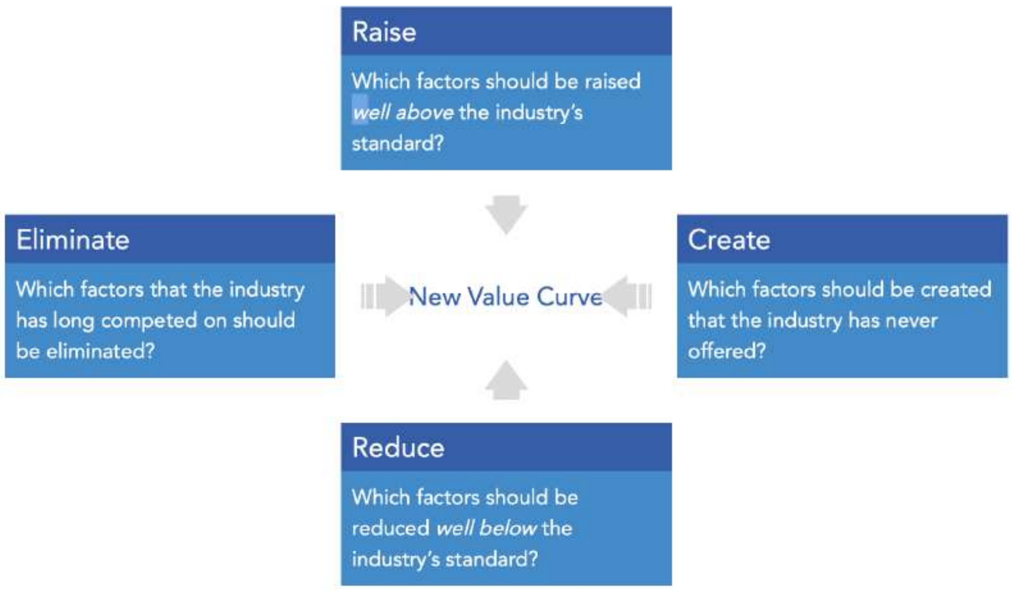
Value innovation is achieved only when the whole system of utility, price, and cost is aligned.

Break the value-cost trade-off by answering the following questions:

- Which of the factors that the industry takes for granted should be eliminated?
- Which factors should be reduced well below the industry's standard?
- What factors should be raised well above the industry's standard?
- What factors should be created that the industry has never offered?

The Four Actions Framework

The Four Actions Framework developed by W. Chan Kim and Renée Mauborgne is used to reconstruct buyer value elements in crafting a new value curve or strategic profile. To break the trade-off between differentiation and low cost in creating a new value curve, the framework poses four key questions, shown in the diagram.



The Six Paths Framework

Companies must quit attempting to outperform their competitors in order to win in the future. W. Chan Kim and Renée Mauborgne established the Six Paths Framework to help managers deal with the search risk that many businesses face. It helps them to successfully find commercially appealing blue oceans by rebuilding market boundaries from the haystack of alternatives that exist.

	Head-to-Head Competition	Blue Ocean Creation
Industry	Focuses on rivals within its industry	Looks across alternative industries
Strategic Group	Focuses on competitive position within strategic group	Looks across strategic groups within industry
Buyer Group	Focuses on better serving the buyer group	Redefines the industry buyer group
Scope of Product or Service Offering	Focuses on maximizing the value of product and service offerings within the bounds of its industry	Looks across to complementary product and service offerings
Functional-emotional Orientation	Focuses on improving the price performance within the functional-emotional orientation of its industry	Rethinks the functional-emotional orientation of its industry
Time	Focuses on adapting to external trends as they occur	Participates in shaping external trends over time

REVIEW MOMENT LEVEL 3 ⭐

Link to the feedback form:

https://tally.so/r/3jGl6w

The theoretical class is over! 🍾

Let's get to work in level 4 👷

Level 4: The First MVP

Introduction 🚀

In the previous levels, we learned the basics necessary to move to the creation phase of your startup: The Minimum Viable Product (MVP).

It's time to create your first MVP and thus complete your first feedback loop!

We did the previous tasks in order to save a lot of precious time and resources by completing the prerequisites of the MVP. The interviews were useful to get the most out of your future clients without spending a nickel. The definition of the client was important to gather the information and create your persona(s). and finally the competition was relevant to know what others tried, what products/services succeeded, and which did not.

Now you should have sufficient data to create your first prototype.

The final goal is to have a first basic product that epitomizes your value proposition. The aim is not to create something sophisticated. It's quite the opposite (at this moment).

This level will be decomposed into 4 parts. The first one is created to explain to you everything you need to know about an MVP. Secondly, you will have to draft your prototyping map. Then it will be your turn to work on your MVP. Finally, the last part will be the testing phase and feedback loop.

1. What is an MVP?

To introduce the topic, let's start with this quote from Eric Ries, the author of "The lean startup": *"A minimum viable product (MVP) helps entrepreneurs start the process of learning as quickly as possible. It is not necessarily the smallest product imaginable, though; it is simply the fastest way to get through the Build-Measure-Learn feedback loop with the minimum amount of effort."*

What is an MVP? Do it with your hands 👐

Your initial MVP must be set up quickly and using the resources you have available. The main goal is to test the essential features and confirm your value proposition rather than to have a product ready for distribution. "You don't have to have the ideal answer to pique the curiosity of early adopters."

Your MVP shouldn't be fancy: *"If you are not embarrassed by the first version of your product, you've launched too late"* - Reid Hoffman, founder of LinkedIn.

Why do we create MVPs?

The product must adapt to the client rather than the other way around. It is critical to remember that the first product is not intended to be flawless. Before selling your product to the general public, you must first have it purchased and verified by early adopters, and you do not need a perfect answer to pique their attention. *"Early adopters use their imagination to fill in what a product is missing and they are suspicious* *of something too polished"*. Furthermore, young startups tend to overestimate the number of features required in an MVP. They would constantly believe that their product was ineffective because it lacked sufficient features. In reality, most of the time, they would accomplish more success by reducing their features and focusing on the core value and the task at hand. Remember that *"every extra feature is a form of waste"*.

Different types of MVP 🔦

- The Video MVP:

  If you don't know the story of the CEO of Dropbox Drew Houston you should check it (*it's worth it: shorturl.at/DLQZ4*). In short Drew Houston made a video to demonstrate the working software. The video was a simple 3-minute explanation with humorous references that matched with the early adopters.

- The concierge MVP or Wizard of Oz:

  Those MVPs are techniques used to replace a complicated technical product with humans, without the testers knowing. *"Customers believe they are interacting with the actual product, but behind the scenes, human beings are doing the work."* The aim of the concierge MVP is to test the leap-of-faith assumptions.

How often do we need to make MVPs? 🧑‍🔬

You should create as many MVPs as you need to verify your product. It's acceptable (*even preferable*) if you have a lot of updates and re-create your prototype. The goal is to create the MVP, solicit extensive input from potential consumers, and iterate depending on their recommendations and criticisms. For instance, if you provide a digital service via a website. A simple wireframe (*no-code*) prototype might be created and tested by the user to see if the flow makes sense. What characteristics are significant to you? and so forth. Then you show those frames again and again until you get a majority of favorable responses. Then you may proceed.

MVPs should also be created when developing a new feature that has not yet been tested. It is preferable to be certain of the feature rather than wasting time inventing a new feature that will not be attractive.

2. What is your Job to be Done?

What is the job to be done with your MVP?

(*Discussed previously in Level 2*)

Job to be done = the progress a customer is trying to make in a particular circumstance.

4 principles: 👇

- Jobs aren't simply chores; they also include experiences.
- Circumstances matter more than consumer traits.
- Good ideas fix issues that have poor or no answers.
- Jobs have significant social and emotional aspects.

3 questions for aligning processes with the job:

- What will support clients in making improvements?
- What barriers must be eliminated?
- What are the job's social, emotional, and functional dimensions?

How can you uncover the jobs to be done for your prototype?

- Consider whether you have a task that has to be completed…
- Look for nonconsumption, which is defined as the inability to buy or consume an item or service. It can be caused by the expense of purchasing, the complexity caused by other issues, and so on.
- Make a list of solutions.
- Identify the tasks that humans prefer to avoid.
- Be on the hunt for new uses for existing products.

Tip 💡 Keep in mind what you discovered in this task. You will need it for the next one.

3. Create your user story

Before creating the prototype, it's important to use your "*Job To Be Done*" to create the scenario, from the moment the user starts using the prototype till the end when its journey is over.

The user story is different from the customer journey *(in Level 5*): User story may look like a journey map, journey maps are meant for discovery and understanding *(think big picture)*, while user stories are for planning and implementation (*think little picture*).

To simplify things, the user story will tell you what you need to include in your Minimum Viable Product. Based on the outcomes of the testing phase, the tales and MVP will be modified.

1. You start with your customer's needs. Use what you learned from your interview and your Value Proposition Canvas. Remember always start with the need.

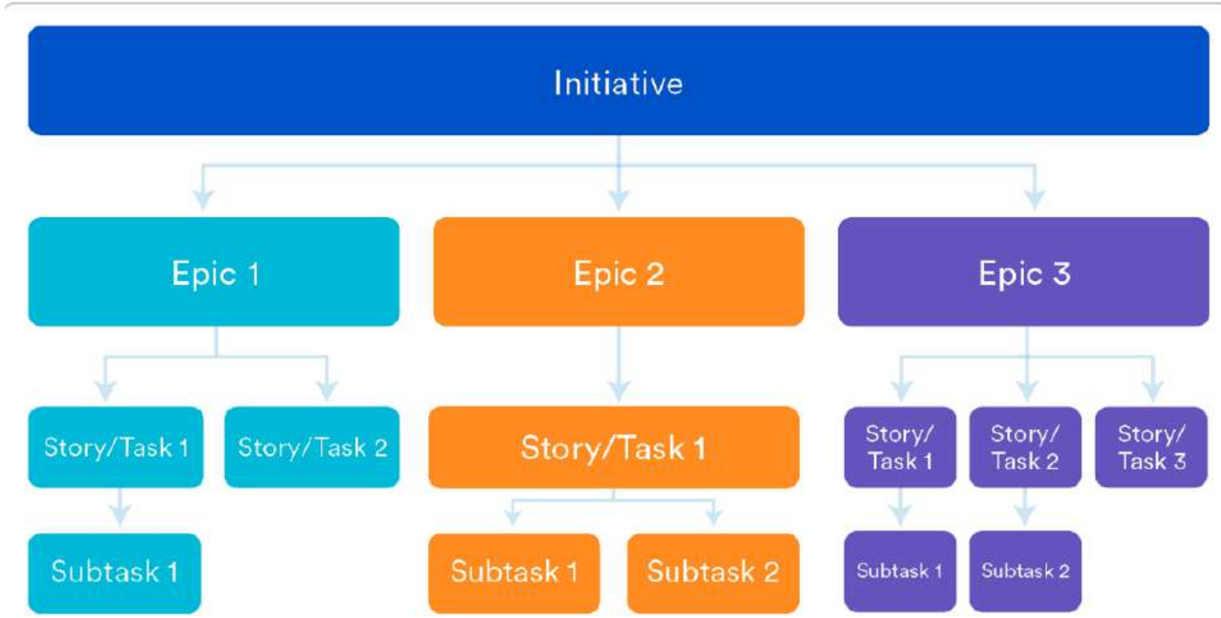
2. Now you need to fill in the missing words:
    - As a : (user)
    - I want to: (a feature of the product/service)
    - So that: (goal)

      Example:
        - As a tester of the free version of the guide
        - I want to be able to see the content of the first tasks
        - So that I can have a better idea of the quality of the service

3. Then you will be able to know what features will be on your MVP, and what will be the needs that are the most relevant for your customers.

To conclude with the testing phase, keep in mind these 2 quotes:

- *"it should not be considered as completed until it leads to validated learning"*.
- *"The validation usually would come in the form of a split test showing a change in customer behavior but also might include customer interviews or surveys"*. (From the Lean Startup Methodology".



4. Create your Prototyping Map

The prototyping map is quite important. You plan to take action for the development of your prototype.

How it should be done:

➡ Divide your roadmap into three sections: short, medium, and long term. Separating the time periods into short, medium, and long term will provide you with a clearer picture of the duties you need to complete now and in the future.

➡ You must keep a list of "Tests to and Steps to be undertaken" for each period. You must work in tiny batches (which we will discuss more) and iterate. The goal is to spend as little money as possible while producing a profitable product as quickly as possible.

➡ The tests are the assumptions about functionality, user experience, and other factors that you must validate ahead. Before investing money in development, all hypotheses, must be confirmed and checked.

➡ Define the metrics that you will use to confirm whether your tests were successful or not. You must develop KPIs that will tell you if your tests were a success.

The key performance indicators (KPIs) are the goals you expect to attain following the testing process. It should also be in your prototyping roadmap. If you don't meet them, you should ask yourself, "Why didn't you succeed?" You must get to the bottom of things by asking the five whys (cf, level 0). Then you must create the next set of KPIs to achieve and continue with the iteration.

5. Develop your low fidelity MVP

Now, you are going to develop a Low-fidelity MVP. 🌱

They are used to:

- Improve your grasp of your customer's issues.
- Examine how useful a solution to this issue may be to customers.
- Examine whether or not the issue is worth resolving.
- Investigate what type of solution would be most beneficial to the consumer.

How do we create MVPs? 🤨

This short paragraph from the lean startup summarizes well the idea: "*Most entrepreneurs approach a question like this by building the product and then checking to see how customers react to it. Do the opposite. (make a list with examples: video, landing page, wireframe, etc. First, draw it, use your hand) Every extra feature is a form of waste*."

The goal is to create something with as little money as possible, if at all possible! Furthermore, it must be quick to develop/create. The goal is simply to test and receive feedback on the characteristics underlying the value proposition. Nothing more at the moment.

"*Least amount of development time and minimum amount of effort. It lacks many features that may prove essential later on. However, we must be able to measure its impact*"

Different types of Low-Fidelity MVPs: 👇

1️⃣Blogs:

These are a quick and simple way to validate ideas among your target audience with minimal effort. A blog is inexpensive to set up and provides a wonderful means of two-way communication between you and your potential customer. You'll also need to figure out how to encourage people to read your blog, but as you do so, you'll start to understand the best ways to sell your goods.

2️⃣Forums:

Existing forums dedicated to the subject might be a fantastic way to learn directly from potential customers if you want to gain a deeper understanding of your customers' problems. You may either "*scrape*" forums for already discussed data and information, or you can visit the forum and begin talking directly with customers.

3️⃣Landing pages:

Customers reach a landing page after clicking on a link in one of your marketing messages, such as a Facebook ad, email, or blog post. It's a wonderful opportunity to emphasize the features and benefits of your product while also proving your Value Proposition and showcasing your brand messaging.

4️⃣Explainer videos:

An Explainer Film is a short, basic video that describes your product's features and benefits, as well as why people should buy it. Video is an incredibly effective and straightforward way for clients to learn about your product, and it is becoming more popular as a Minimum Viable Product. You may use the video to generate interest in your idea and assess its potential traction.

5️⃣Paper prototypes:

Paper prototypes demand less time and effort than product design and development. They are often representations of a user interface. They let users interact with your product before its release, and they may even assist define the UX and functionality. This method is a wonderful technique to evaluate your product since it can be easily and quickly altered.

6️⃣Ad Campaigns:

Are a good way to perform market validation surveys. Using sites like Facebook and Google, you may select demographics for a certain target group and evaluate which characteristics of your product are most appealing. This method may also be used to run split tests.

7️⃣The "*Fake Call to Action*"

This MPV works by convincing people to sign up for a service or product that does not exist. It will let you determine the level of interest by analyzing how many users try to access it. For example, you may design a landing page with a call to action button that, when clicked, takes your visitor to a page that reads "*Coming Soon!*" The number of visitors to that page indicates the number of views or orders you've received over time.

8️⃣Audience creations

By identifying an audience before designing a product, you may get a good indication of whether there is any interest or demand for the problem you're attempting to solve. It's also a very simple and low-cost solution. If you get favorable findings and wish to test a High-Fidelity MVP, you'll already have an engaged audience (*who can help you with testing, interviews, and surveys*) who can all contribute to the creation of a worthwhile product.

How to go faster developing an MVP? 🤯

"Remove any feature, process, or effort that does not contribute directly to the learning you seek."

Tip 💡The Pareto Rule (*The 80/20 Principle). "The 80-20 rule, also known as the Pareto Principle, is an aphorism which asserts that 80% of outcomes (or outputs) result from 20% of all causes (or inputs) for any given event"*

"*At its core, the 80-20 rule is about identifying an entity's best assets and using them efficiently to create maximum value*."

If you want to know more: https://www.investopedia.com/terms/1/80-20-rule.asp

6. Testing phase and 1st Feedback Loop 🧪

How does the Feedback Loop work?

First, you develop your prototype, then test it with pilots and obtain feedback from them. Finally, you iterate, which means that you will alter your prototype and re-do the feedback loop depending on the input you receive until you are confident about moving forward.

You should have finished your prototype by now. Now you must recruit pilots, test your prototype, and conduct interviews in order to get all of the valuable input.

"Where can I locate pilot users?" 📍

It depends on the market you're in; for example, if you have a tangible product, you may go to a rival and interview their consumers. Furthermore, if you have a digital product, it may be found on social media groups, blogs, and so on. If you are in the service industry, you may locate prospects on LinkedIn, for example. It may be challenging at first, but there are several alternatives available; you only need to apply your creativity. We also highly advise you to contact the individuals you interviewed at Level 1.

When you find your consumers, ask them to evaluate the product

We propose an approach that we found useful:

1️⃣Begin by introducing your company's name and explaining its value proposition.

2️⃣Then just hand over the prototype and let them utilize it. They will interact with them and expose the truth through their actions or inaction.

3️⃣In the meantime, observe their reactions and see if they comprehend without assistance; if they do not, it indicates that your prototype is not clear enough.

4️⃣After that, you can proceed with the interview.

Tips💡

➡ If you have a digital product, aim to establish a group of pilot testers that you will employ whenever there is an update and you want to test it. The capacity to learn quicker from consumers is a critical competitive advantage for entrepreneurs.

➡ How can you properly describe your value proposition? It must be crystal obvious, and it should be kept concise so that pilots and others can grasp it instantly. It is preferable if it can be described in a single phrase.

➡ We recommend that you re-use what you gained from the qualitative interviews from level 1. Change the questions in order to gain feedback on the prototype you've created.

➡ Following the interviews, it is critical to collect feedback. What did you learn, and how did you discuss those learning milestones with your team? After that, write a report outlining your findings and how you intend to put the prototype into action to begin your new feedback loop.

REVIEW MOMENT LEVEL 4 ⭐

Link to the feedback form:

https://tally.so/r/w2OKAn

Level 5: Developing the Business Plan

Introduction 🚀

In this level, you will learn how to write your first Business Model Canva. After doing the necessary iteration on your MVP, you are in a phase where the direction you are going in is clearer. However, you need to know now how feasible your business is? How could you go from a simple prototype to something more sophisticated?

You will first have to brainstorm on some questions regarding your business. Afterward, you will create your Customer Journey, and think about how viable, feasible, and sustainable your product/service is. Finally, you will realize your Business Model Canvas

1. Answer these questions about your product/service

Think about the "Time to market"! Is your project too soon to have the impact you wish or is it the right timing? Are your customers ready for your product?

Many companies launch their services at a certain moment, when in fact the market was not ready for it. As an example, a few ideas used by companies that failed during the dot-com crisis are now emerging, because the market is ready for it.

Another example is the blockchain industry: a few companies are now struggling to have the right audience for their services because the market is not (yet) ready for them.

Define your Unique selling proposition 💎

What is your core business? Where are you inimitable? What makes you different from the competition? (Re-use what you learned from the task "What is your positioning?" in Level 3)

2. Create your Customer Journey

The customer journey is the 'journey' that a customer takes to purchase a product or service. The customer journey comprises the model in which this customer journey is mapped. Potential customers are also part of it.

Why is customer journey mapping important?

To be successful as an organization, you need to know what customers and prospects are doing and listen to them at every moment of their lives. Fortunately, with the help of online and offline communication resources, data sources, statistics, and tools, it is very well possible to map out where customers and prospects are in their journeys. This makes it possible to predict which steps they will take next and to help them in their choices. That is why mapping the customer journey, or customer journey mapping, is an important part of the marketing strategy of every company.

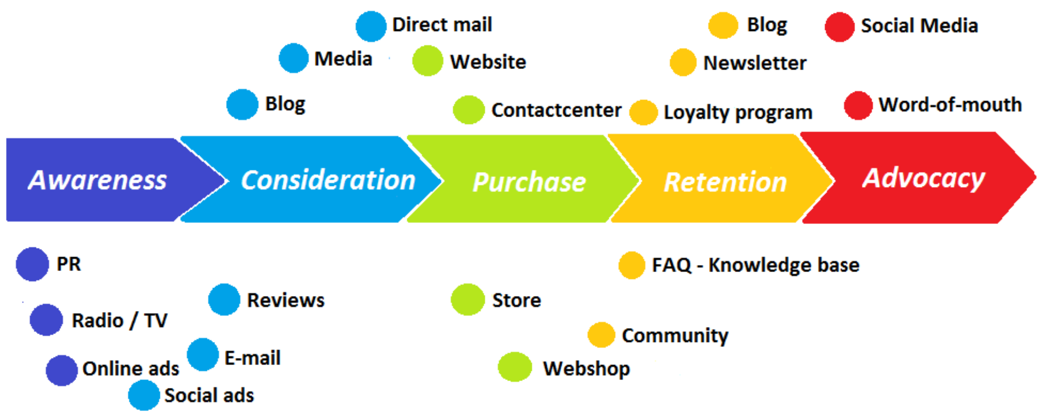
Every company will have to map the customer journey for its product or brand. In this way, you can investigate where customer contact improvements are possible to realize an optimal customer experience and build up long-term, valuable customer relationships.

'The aim of marketing is to know and understand the customer so well, the product or service fits him and sells itself.'

Peter F. Drucker

Phases of the customer journey

The customer journey consists of several phases; from the still unknown latent need or the already known concrete need, to the decisive moment at which the purchase takes place. But the customer journey also continues after the purchase of a service or product. The ideal customer eventually becomes loyal and even an ambassador of the brand, product, or company.



Some phases of the customer journey are merely fleeting moments, others can continue for days or maybe even weeks.

But they're all as relevant as each other and it's difficult to get past any one of them and straight to the next. So, I'd encourage you to address all of them.

1. **Awareness (pre-sale)**

   The discovery stage, via various marketing methods, information gathering, research phase, looking for clear messaging and initial problem-solving.

   Your marketing will usually denote which entry point your customer arrived at, whether enterprise or individual – the messaging should reflect the phase they're in.

2. **Consideration (pre-sale)**

Debating options, perhaps yours vs another product, considering pricing, which is the best solution, weighing features and benefits.

Brand awareness can play an important part here, brand familiarity, known history, and perceived quality and service can sway a sale to the more familiar or more favored brand. Look to increase brand awareness in this product space.

3. **Purchase (post-sale)**

The decision is made, and the purchase has gone ahead, this is now the tie for immediate action. Do not leave a void in between this phase and first contact. The customer needs to be acknowledged. Start up your welcome and messaging machine to progress the journey with a great experience and a chance to move them into further phases.

4. **Retention**

Retaining a customer is difficult, this is where many will fall off the process if they're not sufficiently supported. Maintain customer satisfaction and "approval rating" by continuing to solve this problem – and anticipate future hurdles you can help your client with. This is where our customer experience team helps our clients to improve their experience with CommBox still further. It's a great opportunity to look after your customer's needs. Constant communication is key to developing customer loyalty.

5. **Advocacy**

If all the other phases are handled correctly, then your customers will become fans, and fans will provide the best marketing you can get. Their influence on the purchasing decisions of others should facilitate further sales. At this point recommendation and reward is a great boost to improve sales. Dropbox grew exponentially because happy customers were able to spread the message and benefit from increased product features like additional storage. The business boomed and its marketing budget was boosted through a pyramid-type sales growth. Affiliate and referral schemes (where appropriate) mean that customers have already been recommended your product, this can facilitate and expedite the customer onboarding process.

Now it's time to create your own customer journey (draw it on the provided template), and answer these questions:

- How does your customer learn about your product/service?
- How does your customer understand that he needs your product/service?
- How will your customer acquire your product?
- How will he install it, and use it?
- How will he understand the value and use it again?
- How will he buy/pay for it?

One of the most important steps occurs when the customer is deciding on buying your product or service. The decision will determine a sale or abandonment. We will discuss the ways to analyze and prevent abandonment, thus increasing the likelihood of a sale.

Preventing abandonment 👋

In every purchase process, both offline and online, it is important to prevent drop-outs. Purchase' refers to the purchase of a product or service, registering for a course, booking a holiday, etc. On your website, in the shop, or in the app.

Because the buying phase can take place in many different ways and the process is different for each company and each customer, reducing and preferably eliminating drop-outs is not straightforward. The buying experience can be different for each customer and often consists of many actions online: entering data, possibly creating an account, adding products, choosing the delivery time, and checkout. There are several moments in the process where the consumer can drop out.

An overview of the most common cancellation moments:

- Additional costs: for example, extra delivery costs.
- Not satisfied with the payment options: for example, only paying by credit card or not using PayPal.
- Not satisfied with delivery time: for example, delivery next week, but the customer wants the product delivered tomorrow.
- Temporary cancellation or pausing of the online purchase: for example due to missing information, no time, want to think longer.
- Cancellation of the purchase process due to new circumstances: e.g. house purchase is canceled because the mortgage is not paid.
- Unclear or incomplete product information: for example, wanting to buy coffee online but when adding it to the shopping basket, it does not say whether it is beans, ground coffee, cups, or pads.
- Other obstacles in the sales funnel.

Optimizing the purchase process with handy tools

With various statistics packages and analytics software, you get a good insight into the drop-out moments, and you can optimize the purchase process.

The most important tools in a row:

- Google Analytics: set up Analytics in such a way that it is clear when people go back to a previous step, when they leave, whether there is a difference between leaving moments on desktop and mobile, etc.
- Heatmaps: This software measures mouse movements on the website and offers insight into improvements. A well-known heatmap tool is Hotjar.
- A/B testing: carry out tests on your website with different versions of the same page to gain insight into which page (A or B) performs better.
- User research: under the guidance of an expert, people from the target group are asked to perform certain actions on the website to find out whether this is successful and how the user experiences it. This may also include eye-tracking; an analysis based on eye movements.

Facilitating the target group in the buying phase

In the purchase phase, a company must ensure that it facilitates the target group as well as possible to make a purchase; a crucial customer journey touchpoint. This can be done in various ways:

Conversion optimization: making the sales funnel as optimal as possible with the help of the tools mentioned above.

- E-mail marketing: sending customers who have not completed their purchase an e-mail to enable them to complete the order or offering a notification option for temporarily unavailable products, for new courses, etc.
- Affiliate marketing: partnerships between relevant publishers and advertisers.
- Remarketing: retargeting of website visitors who have not completed their purchase or who still have something in their online shopping basket.
- Social sharing: enthusiastic buyers share their purchase directly through a button on the thank-you page or in the confirmation email.

Collecting customer data

During the purchase phase, the company often acquires a lot of data from the customer: name, address, e-mail address, telephone number, etc. A good CRM system ensures that these customers also have a positive experience in the remaining phases of the customer journey.

Customer Journey: Buyer's Journey	Awareness Stage	Consideration Stage	Decision Stage
What is the customer thinking or feeling?			
What is the customer's action?			
What or where is the buyer researching?			
How will we move the buyer along his or her journey with us in mind?			

3. What is the AAARRR Model?

The AAARRR Funnel is a type of framework that was developed way back in 1992.
Oftentimes, this funnel is called Pirate Metrics. 🏴‍☠️

AAARRR has helped a ton of large enterprises grow and remain successful over time. The framework is considered one of the greatest business tools out there and is an excellent point to start with when building up your own company's growth plan.

AAARRR metrics stand for Awareness, Acquisition, Activation, Revenue, Retention, and Referral.

These six stages of the funnel can individually be tracked to see how well a business is doing, as well as how stable its growth remains throughout the business's lifespan.

1. Awareness

The volume of people you reach is vital. Getting people to visit your website or become aware of your product or service is the first real step in the product lifecycle.

The goal of awareness is (surprise!) brand awareness, but it is also much more than that. Awareness in the funnel is a tactic that is used to bring more users and customers through the marketing funnel.

With awareness, one would want to track impressions, website visits, and google searches with your brand name**.

2. Acquisition

The acquisition can be seen as the "gather customer personas" stage. This step gathers information from your leads that include demographic details such as names, emails, and geographical locations.

This information can be taken once a user is properly identified through interactions with the website and facilitates the reach for even more information like email newsletters and promos.

3. Activation

Activation happens when a specific lead spends a specific amount of time on your brand's website, views a handful of pages, uses a promo code, or uses a free trial offered by your brand to new customers.

You can track activation by tracking event actions and buffing up your website's user-friendliness and user experience.

4. Retention

As a business, you want to keep your leads as close by as possible after they have purchased your products or signed up for emails. This isn't just for posterity — acquiring a single brand new customer is several times more expensive than keeping an existing one.

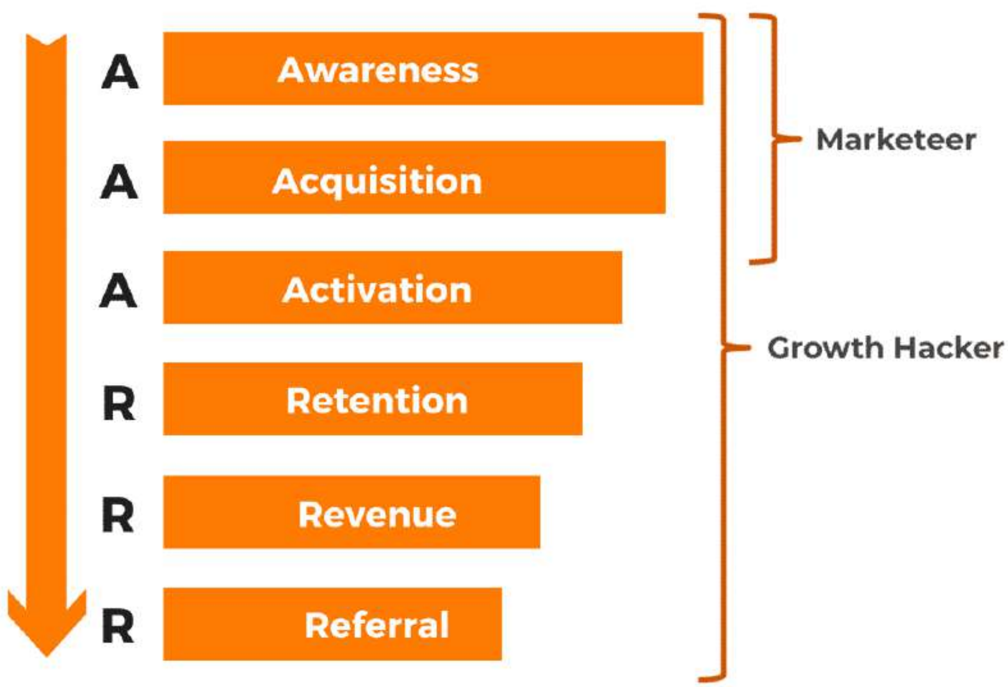
The best way to keep customers usually involves sending email alerts for new products, events, and time-restricted sales or features. Updating social media and blog content is also key to retention.

5. Referral

Getting your customers to act as brand ambassadors and refer your product or service to other potential customers is massively beneficial to your business. In a sense, it's (somewhat) free marketing and proof that you've established your brand presence tangibly and respectably.

6. Revenue

Revenue is a way of describing the money that remains after the customer acquisition costs, also known as CAC. The CAC is defined by the money you've spent on advertising, sales, and any other relevant costs used to get your customer's attention (awareness and acquisition.) The CAC is compared to the business's lifetime value (LTV) to determine what needs to change to build revenue and grow the business going forward. Ideally, the ratio of CAC to LTV should be around 1:3.



(Visual representation of the AAARRR model)

4. How to growth hack the AAARRR Model

Part 2 of the AAARRR funnel

Let's look at a few ways you can growth-hack each step of the AAARRR funnel.

1. **Growth Hacking Awareness**

Awareness is arguably the easiest part of the AAARRR funnel. Establishing a brand presence tends to be the most creative aspect of the journey — you've figured out who you are as a brand, who you want your customers to be, and how you want to put yourself out there.

To effectively growth-hack awareness, you'll need to understand and establish:

- Who and what your brand is
- How your brand is resonating with your existing audience
- Who is your target customer base

Establishing a brand presence means standing out in comparison to other brands that are trying to get the attention of your mutual target demographics. One way to stand out is to experiment with new and exciting channels in the ever-changing digital marketing world.

2. **Growth Hacking Acquisition**

How people find you and transform into customers relies heavily on what you provide them.

Utilize email hunting, the tried and true method of finding the right people that haven't gone out of style quite yet. Gather a list of businesses and individual consumers that could be part of your target customer base. Establish your email signup on your website and promote it across social media.

Establish trust. This shouldn't be an example of a growth hack, but it is — not enough businesses are considering trust when it comes to customer acquisition. Millennial consumers and even Generation Z consumers are much more discerning about who they support with their money — trust needs to be built between a customer base and a brand to not only create brand ambassadors but to get any customers at all.

3. **Growth Hacking Activation**

Activation and acquisition tend to overlap a bit. The acquisition is getting customers and potential customers to interact with your brand, while activation focuses on the first experience your customers have with your actual product or service. Activation is tricky — while acquisition is getting people to download your store app, activation is getting them to not delete that app after using it once.

Keep a keen eye on where your drop-off points are. A big part of what makes the AAARRR funnel so useful for businesses is that it makes it easy for brands to identify their flaws. Look at where exactly on your projected activation timeline most people are abandoning the product, service, or app altogether.

4. **Growth Hacking Retention**

Retention measures how many customers you're keeping around, and how many are dropping your product altogether. Why are they leaving? What's keeping the others dedicated?

Look at how you can communicate new exciting things to your established customers, such as hot new offers, surveys, badges, gifts, anything! Make it clear you're still invested in their support to build trust.

Absorb any and all feedback, exit interviews, reviews, and other negative information that can help you understand why customers are dropping your product or business.

5. **Growth Hacking Referral**

Advocates and brand ambassadors are just as much a part of your business as your actual employees. Nurturing them and keeping them is also as important as facilitating them in the first place. Growth happens when people are talking about your product and recommending them to people who trust them, which makes referral the most underrated and important aspect of the AAARRR funnel.

Limit who your ambassadors can invite to your referral programs. This example may seem somewhat counter-intuitive, but it really isn't. If you have a referral program that will allow users to refer as many people as they want, they tend to just tack everybody on their email list into the program. As a result, there are a ton of referral logs and little to no interaction at all. By setting a limit to how many people someone can refer to in your referral programs, users will be a little more intentional with who they invite. Rather than everybody they know, they'll sit and think about who would be the most likely to engage and get them their referral reward.

6. **Growth Hacking Revenue**

Ah, revenue. The "end all be all" of the AAARRR funnel. After everything you've done in the last five steps of the funnel, you're ready to evaluate your LTV against your CAC. This first and foremost "hack" to grow your revenue is to reevaluate your previous five steps in the funnel individually and as a whole.

Ask yourself "what if?" This kind of analysis is an approach that lets a brand brainstorm what they could implement or overhaul to improve that coveted 1:3 ratio.

Pay attention to the user experience at all levels of the AAARRR funnel.

User experience is the one thing that all levels of the funnel deal with — user ease of social media access under Awareness, user experience with your website under Acquisition, overall product experience under Activation, ease of using the referral program under Referral, and how the user interacts with the product over time under Retention.

As such, in the revenue stage, everything that deals with user experience should be heavily examined and analyzed. If you're losing customers in the referral stage, and all digital and design components don't seem to be the root of the problem, what could the real problem be? Is it the value of the product and the price? Is there a specific feature that seems to be a red herring in your advertising and users are disappointed in the lack of real focus on the product?

5. Make your first Business Model Canvas

Ever heard of the Business Model Canvas? It's a must for entrepreneurs.

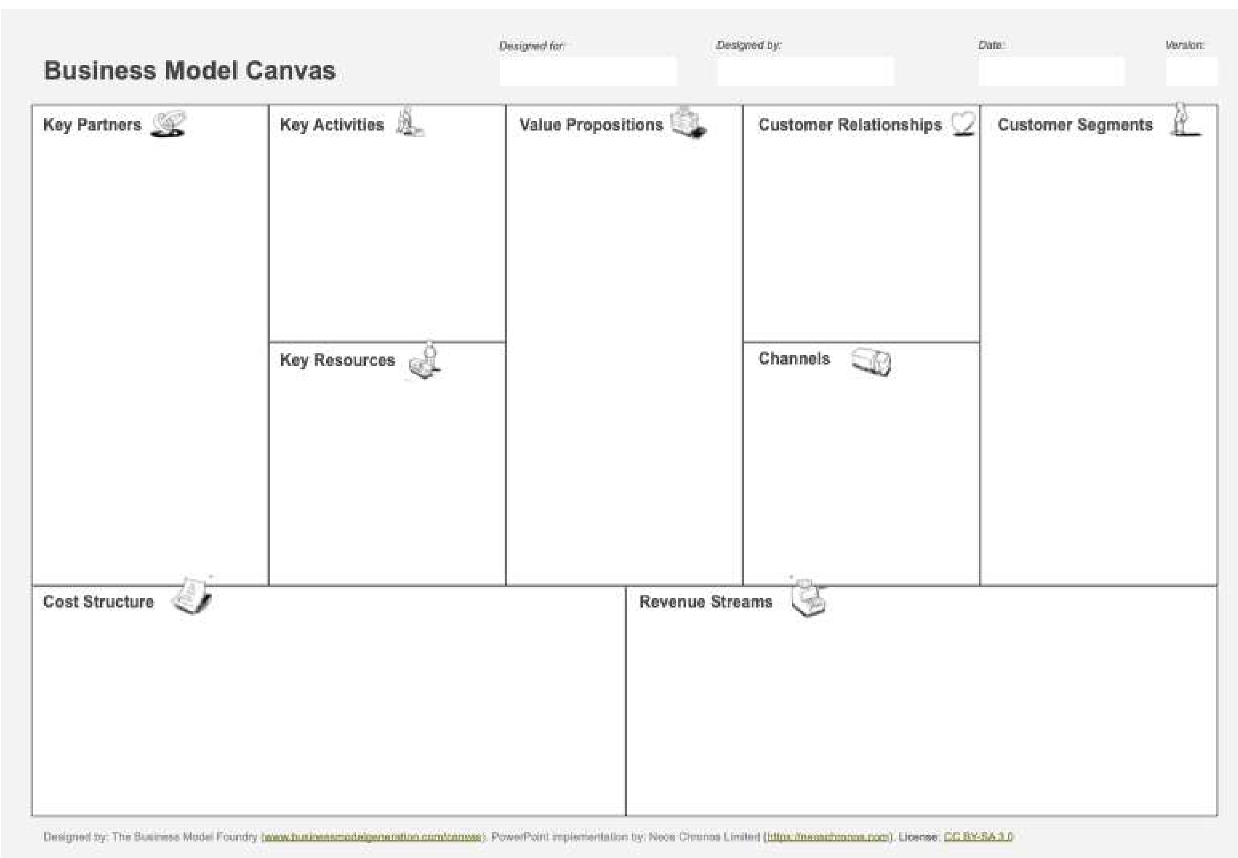
The Business Model Canvas (BMC) is a strategic management tool for defining and communicating a business idea or concept quickly and effectively. It's a one-page document that goes through the fundamentals of a business or product, laying forth an idea in a logical manner.

You'll find a template for the Business Model Template below:

BMC template

⚠️ We propose you read the next and last task of level 5 on Design Thinking before filling in the BMC for your project ⚠️

(*Online you can find a lot of BMC templates to download!)*



The Canvas has 9 pillars (detailed version below)

1. Customer Segments
2. Value Proposition
3. Customer Relationships
4. Channels
5. Revenue Streams
6. Key Resources
7. Key Activities
8. Partners
9. Cost Structure

Why do we use the BMC?

- To rapidly sketch up what the concept comprises. It enables us to have a better understanding of your company and to go through the process of connecting the dots between your concept and how to turn it into a business.
- It examines how different types of customer decisions affect how your systems are used.
- It gives everyone a clear picture of what the business will most likely be like.
- This template enables you to have a better idea of your business, and all of its determining factors.

How to use it? You need to answer these questions:

- What is the issue I'm attempting to resolve?
- Why would someone want this issue to be resolved?
- What is the fundamental cause of this issue?

Looking at your consumer segments and figuring out where your product/service addresses the problem for your customer, based on Maslow's Hierarchy of Needs *(see explanation below)*, is a smart method to tackle this for users/customers. If you offer a product or service to another company, you are a critical partner in helping them achieve their Value Proposition for their consumers. It's critical to understand the company's goals for its Customer Segments, as well as where your company/product/service fits into the value chain.

- **Customer segment**: Customer segmentation is the process of separating a customer base into groups of people who share certain characteristics, such as age, gender, hobbies, and purchasing patterns.

  To determine the segment properly, answer these questions:

  - For whom are we resolving the issue?
  - Who are the folks who will see the value in what I'm offering?
  - What do the people who are seeking my value offer have in common?

- **Customer relationship**: How will your startup interact with your customers? (Check your customer journey in the previous level)

- **Channels:** The routes via which your consumer interacts with your company and becomes a part of your sales cycle are referred to as channels.

  Answer these questions:

  - How will you communicate your value proposition to your target market?
  - Where are your customers? On social media? On campuses ? and son.
  - Do they read journals or blogs? Do they watch TV?

- **Key activities**: The activities that your business/product performs to deliver the value proposition for your consumers are referred to as the Key Activities of your business/product.

  Answer these questions:

  - What actions does the company engage in to deliver the customer's value proposition?
  - What are the resources used? Time, Humain ressources, money?

- **Key resources:** What resources do you need to accomplish your objectives? Those are normally the assets of your company (tangible or intangible assets).

- **Key partners:** This is the list of all the external partners you need to properly deliver value to your customers.

- **Cost Structures**: The monetary cost needed to operate your business

  Answer these questions:

  - How much does it cost to complete my company's main activities?
  - How much do my main resources and collaborations cost?
  - How much does it cost to deliver my customers'/users' value proposition?
  - Are there any additional fees associated with owning and operating a business?
  - What is the opportunity cost of owning and operating your company?

- **Revenue Streams**: The revenues you obtain by solving the pain of your customers. It's your revenue model (you will see this in-depth when developing your business strategy in the next levels)

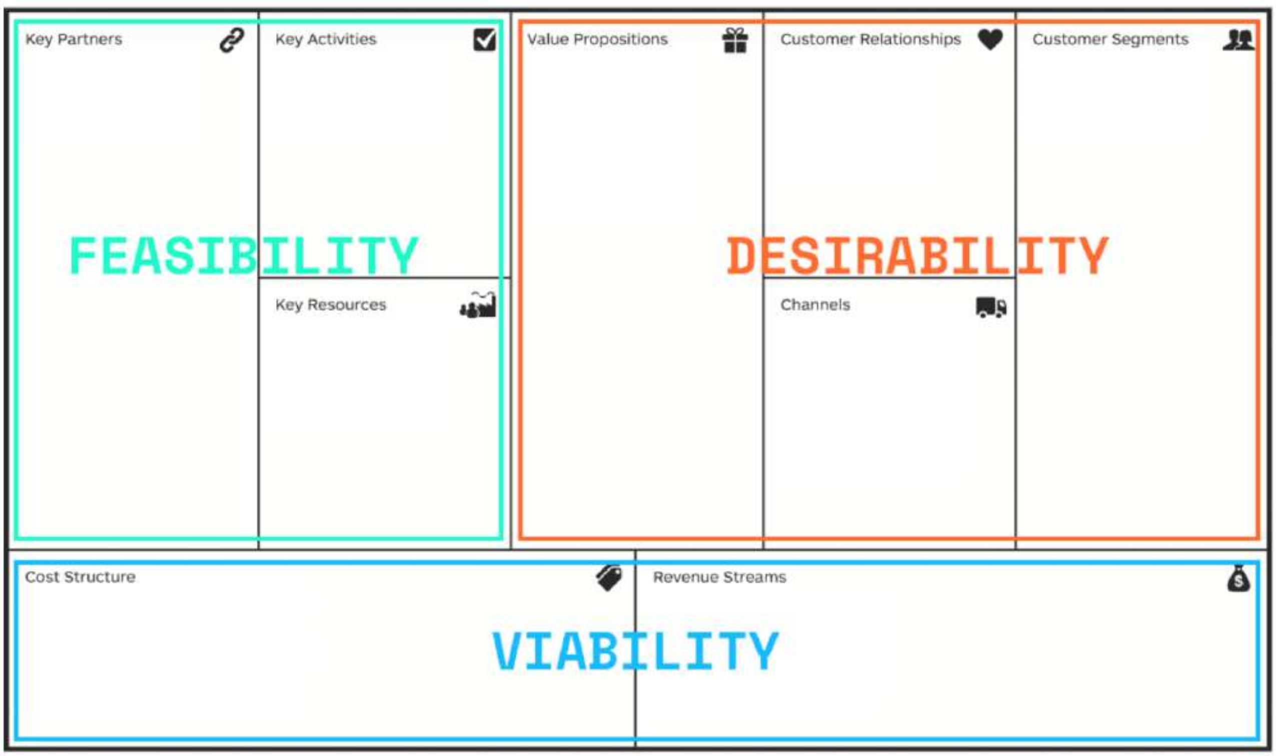
6. Is your product Desirable, Feasible, and Viable?

Let's put more depth into the Business Model Canvas (BMC) with Design Thinking.

The BMC may be intimidating in the early stages of determining if your idea or discovery is worth turning into a business in the first place.

In this post, we'll utilize a mental model from design thinking to help you get started thinking about business models. Design thinking is a method used by innovators to build meaningful solutions to challenges. This model suggests that innovation happens at the intersection of desirability, feasibility, and viability.

This approach, which the world-renown design firm IDEO coined design thinking brings together what is desirable from a human point of view with what is technologically feasible and economically viable. It also allows people who aren't trained as designers to use creative tools to address a vast range of challenges.



Desirability, feasibility, and viability as the overlay on the business model canvas

Our slightly modified definitions reveal how the blocks of the canvas can be grouped. The right side, which focuses on your customers, will fall into desirability. On the left, how you create your solution, is in feasibility. Finally, the economics of your business on the bottom make up the viability.

Customer Desirability: Who are my customers? What do they need?

The four blocks in this category are:

1. Customer segments
2. Value propositions
3. Channels
4. Customer relationships

When validating your customer desirability, your goal will be to talk to as many potential customers as you can. You will try to understand what troubles them currently and what would make them happy, commonly referred to as their “pains and gains”.

Delivery Feasibility: How will I build the solution? Who will help me?

The three blocks in this category are:

1. Key resources
2. Key activities
3. Key partners

You may assume that there’s no interviewing to be done to understand your feasibility but this is far from the truth. You need to start with some introspection to understand if you have all the assets needed to deliver the solution. If not, will you hire someone? Will you form a partnership? How about a co-founder?

(Meetconor is currently building a matching platform to find the ideal co-founder or that developer you desperately need, have a look at our roadmap)

Economic Viability: How will I make this a sustainable business?

The two blocks in this category are:

1. Revenue streams
2. Cost Structure

Finally, to test the viability of your business model you will need to build some financial models, consult with your mentors or experts, and talk with your feasibility partners.

This step may be more complicated to those without business backgrounds as forecasting revenues and costs are not always as straightforward as how much you will charge your customer minus the costs of the materials.

You need to think about salaries, costs of acquiring a customer through sales and marketing (CAC), your total addressable market, and many more factors.

So, be truthful and ask yourself these 3 questions to partly validate the path your project is going 🚦

- Will this idea be desirable to any customer segments?
- How feasible is the delivery of this solution?
- How will I manage the finances to make it viable?

Bonus 🎁: Maslow's hierarchy of needs

In his 1943 work "A Theory of Human Motivation" and following book Motivation and Personality, Maslow originally presented the notion of a hierarchy of needs. People are driven to meet fundamental needs before moving on to more sophisticated desires, according to this hierarchy.

Overview of the needs:

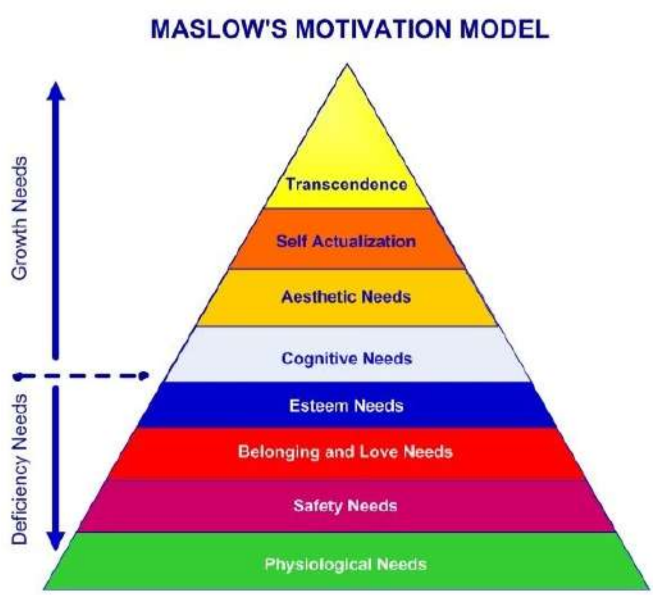
- Physiological needs 🧠: vital to our survival (water, food, etc.)

- Security and safety need 🔐: People desire order and control in their life. As a result, this demand for safety and security plays a significant role in behavior at this level. (financial security, health, and wellness, safety against accidents)

- Social needs 👥: Maslow's hierarchy of social needs includes things like love, acceptance, and belonging. Human conduct is driven by the need for emotional connections at this level.

- Esteem needs 🎯: The desire for recognition and respect is found at the fourth level of Maslow's hierarchy. When the demands at the lowest three levels have been met, the esteem needs take over as the primary motivator of conduct. Gaining people's esteem and appreciation becomes extremely crucial at this time. People have a strong desire to complete tasks and subsequently be rewarded for their efforts. Emotional requirements include things like self-esteem and personal worth, in addition to emotions of success and prestige.

- Self-actualization needs 🚀: According to Maslow's definition of self-actualization, "It may be loosely described as the full use and exploitation of talents, capabilities, potentialities, etc. Such people seem to be fulfilling themselves and to be doing the best that they are capable of doing. They are people who have developed or are developing to the full stature of which they are capable."



This may be a crucial part of your journey! Your idea has grown into a proper project! And what an exciting one!

We advise that you must take the previous 3 questions very seriously. You have to decide if your project is heading in a direction that is feasible and viable for you and your team and desired by your potential customers. Be wary of biases and fallacies in your thinking. Discuss these questions with other people.

Greatness will be upon you! Keep this consistency! Don't lose your flow!

☯️ 🎯 ⭐

REVIEW MOMENT LEVEL 5 ⭐
Link to the feedback form:

https://tally.so/r/mO87A3

Level 6: High Fidelity MVP

Introduction 🚀

Following the development and testing of your initial "Low fidelity MVP," it is time to move on to a more definite and detailed prototype. As you may expect, this is referred to as a "High fidelity MVP."

This level will teach you what a "High fidelity MVP" is and how to develop one for your company. Then, if you have different features for your MVP, you'll have an opportunity to learn more about how you may manage the development and testing of the various components of your company. Following that, we'll go through exactly who your early adopters are and where and how you can locate them. Furthermore, you'll learn what UX is and why it's critical to the success of your company. This level's last job will be to complete the testing phase with the second feedback loop and iteration.

1. Make your first high fidelity MVP

High-fidelity MVPs are a great way to see if your business is simply feeling your customers' problems or if the product you're building actually helps them.

The user interface, user experience, and user engagement must be studied in this section.

They are used to:

- Determine how much your clients are willing to pay for your service.
- Find early adopters who will be your product's initial consumers and help you spread the word about it.
- Assist you in defining and optimizing your marketing plan, including your value proposition, call to action, and channels of communication.
- Determine the most promising growth strategy.

High Fidelity MVP comes in a variety of forms:

1️⃣Digital prototype:

Wireframes, mock-ups, landing pages, videos, and prototypes are some examples. Digital prototypes are used in development to save time and money by showcasing how your product functions before moving on to high-end designs and UX. They make identifying and addressing usability and functionality concerns much easier early in the development process, before you've spent a lot of money on front-end development and design.

2️⃣3D Models:

This MVP will make your prototype seem and feel more professional, but it will be more expensive than a paper prototype. This is something to think about if you're designing a product that will be mass-produced.

3️⃣The "Wizard of Oz" MVP:

This MVP is merely a ruse to give your potential customers the impression that you have a real operating product and that they are experiencing the real thing. This MPV requires a lot more time and effort, but it's a terrific way to determine whether you have a marketable product or service before developing it. In this strategy, you use a human resource to mimic what your proposed technology will do. This enables you to exhibit interest in your product while limiting technical expenditures.

4️⃣The "Concierge" MVP:

Concierge MVPs are sometimes confused with the "Wizard of Oz." Instead of using a human resource to mimic an algorithm, the consumer is aware that they are obtaining human support. Wealthfront, for example, used to build and implement investment plans in person before transitioning to an automated investing operation that wasn't especially scalable. Concierge MVPs are appropriate when you are unsure about the answer, but "Wizard of Oz" MVPs are appropriate when you have a clear handle on the solution and are testing the market.

5️⃣Crowdfunding:

This is similar to getting pre-orders for your concept. It allows you to raise funding to develop your product while also analyzing market demand. If you want to be successful with Crowdfunding, you must create a product explanation video. This type of Minimum Viable Goods is an excellent method for determining whether or not people want to buy your product. If it is a success, you will raise funding and develop a fan base of early adopters who will help spread the word about your product. This strategy is used for a variety of products, ranging from board games to specialty food and beverage items.

GET OUT OF THE OFFICE

In some respects, establishing an MVP is more difficult since the process of iteration and validated learning requires a significant investment of time and energy. That is why, while creating MVPs, it is vital not to become mired down by unnecessary complexity and overhead..

Finally, you want to know if the effort you're putting in is useful, and you don't want to waste time working on something that people don't find value or want to pay for.

It is also critical to realize that while testing your hypothesis, you may want to consider using a variety of MVP testing approaches. The one that best fits your company's strategy and the market will most likely be different.

The most important lesson to take up from this, though, is to go out and grow it. Consider the most essential assumption that your product makes and develop a minimum viable product that tests that hypothesis in the market.

Important: when you first begin, do stuff that will not scale! Begin small and go locate your consumer; you will have to discover them on your own, which is entirely normal.

2. Launch each new feature as a true split-test experiment

Why it's important to Launch each new feature as a true split-test experiment?

Simply save ⏱️and 💶.

➡ When you're a young business, it's common to add features that aren't essential right away.

➡ We discovered that novice entrepreneurs prefer to fix the conversion problem with their MVPs by adding functionality to them (we did that as well.). When, in fact, that is not the proper procedure.

➡ By separating your feature, you will be able to fully examine the one that matters the most, allowing you to devote more time and resources to its advancement.

How can you implement this idea in your project?

- Single feature MVP:

It is frequently more effective to examine a single important aspect of a product. A single-featured Minimum Viable Product saves clients from being distracted by extraneous features and allows you to gain a deep understanding of a specific problem or solution. It's also less expensive than creating a product with features no one wants.

- A/B Testing:

This is a great way to keep track of any modifications you make to your product or marketing. There are various analytical tools available to help you understand how your audience reacts to changes to your website, product design, call to action, pricing, or other aspects. Split testing allows you to compare two versions of anything to see which one works best. Because A/B testing is completely data-driven, with no room for pure speculation, gut feelings, or intuitions, you can quickly identify a "winner" and "loser" based on statistically significant improvements in metrics like time spent on the screen, number of demo requests, click-through rate, and so on.

3. Try to find early adopters and first clients. Sell it before you make it.

"Sell your product before you produce it"

It is one of the best pieces of advice we can provide to *"new"* entrepreneurs. But how can you sell something that doesn't exist? Pre-selling based on the idea and concept is the answer.

How can you pre-sell?

➡ You may create a landing page with an exclusive early bird offer for the first buyer. Such as: "*Get 15% of our new product/service! Simply by giving your email address (no spamming)*"

➡ You may create a form in which you ask them which features they like and collect their email addresses if they are willing to purchase it. They will be glad to give their emails because they feel they are part of the project.

➡ Crowdfunding platform: You may sell your product (before it is developed) and utilize the funds to create it and distribute it to early adopters. (*we will talk about how you can do a crowdfunding campaign in future levels*). It is a great way to test if your product is desirable.

A bit more about the strange creature called Early Adopters

➡ They do not respond to the following types of marketing: If you want to get the attention of early adopters, you must be innovative and reach out to them personally. You must offer early adopters the impression that they are getting in on something exceptional before the rest of the world.

➡ They are cautious and judgemental. Early adopters are notoriously tough to persuade. When they share their gleaming new product discovery on social media, their reputation is jeopardized. They will conduct a comprehensive investigation of your goods. They must be assured that it will solve their problem, therefore they will seek feedback and experiences from individuals who have used it. Keep in mind, though, that early adopters are willing to work with your prototype if it solves their problem, even if it isn't perfect. All they worry about is having something to play with and explore with.

➡ They are social beings: they are thought to be experts in their social circles, and they tend to establish trends among their friends and coworkers.

➡ They make prudent decisions: Early adopters do not take big risks. When it comes to investing and purchasing a product, they make calculated decisions and take calculated risks.

Where can you find early adopters? You must be aware of where your prospects spend their time (work or free time). It might be a one-of-a-kind site, such as a shop, a trade show, or a conference. It might also be online, such as a blog, social network, or forum. Go where they are seeking a solution to their problems to find them.

How do you know if they are early adopters?

- They have the problem you want to tackle
- They know they have the problem
- They have the money to pay to get rid of the problem
- They already tried or are trying to solve this problem

Always solicit feedback 🙏

➡ Conversation is the backbone of communities, which is why forums are so popular among early adopters.

➡ It's vital to use early adopters and to request their feedback to help you fine-tune your product. Using surveys and questionnaires, you may get feedback on what's great about your product and what needs to be changed.

➡ This will also increase the value of your goods in terms of ownership. Early adopters are more inclined to contribute feedback if they feel it will be valued and used to build the product into something really beneficial to them.

How can you find early adopters? 🔮

➡ Landing page: easy to make using a no-code tool, replete with a form where users can input their email addresses. You should always remember to *"Give, Give, and Take."* That is, you should not try to market your product directly to them, but rather strive to help them as much as possible. On your landing page, for example, you may give (*for free*) a High Content Value: it is a pdf with specific suggestions that will undoubtedly aid them, and in the meantime, you can market your services. (*You may learn more about it on our extra levels*.)

➡ Physical events related to your company's topic: you might attend one or, better yet, plan one and broadcast it on social media; the results could surprise you.

➡ Create a blog or an online community: it takes work, but it may pay off handsomely. *(will be explained as well on bonus levels*)

➡ Cold calls/emails: If you have a phone number, "*Go, pick up the phone, and start dialing.*".As previously said, you must go out and find your early adopters; they will not come to you. First, determine who in your immediate network could be an early adopter and do your best to persuade him/her to utilize your product/service. It is critical to improve your sales skills at this time. Additionally, re-use the email addresses you obtained during your interviews and send them an email with the greatest offer, one that they can never decline *(we will discuss in our bonus levels how you can do that).*

➡ Following each interview, ask whether they know of anyone else you should talk with.

4. Test your Prototype and 2nd Feedback loop

After you've established the MVP, it's time to put it to the test with your consumers. 💪

However, before you test your prototype, you must first develop a set of observable metrics (KPIs) to assess whether or not your experiment was successful. First and foremost, you must answer the question, "What?" What do you want to achieve with this prototype? You're looking for email addresses, aren't you? Feedback? Customers who are prepared to pay? How can you increase brand awareness? So on and so on.

You'll be able to identify which metrics are relevant and which aren't by answering these questions (also known as vanity metrics, which are measurements that raise your ego but don't actually improve your product).

After you've decided on the right criteria for judging success or failure, write them down and go test your MVP.

An MVP's purpose is to learn about your customers rather than to optimize your product. If you make people happy, your company will succeed. Concentrate on them, give them what they need, and you will get the right result – even if it does not appear to be what you intended at first.

To decide whether or not you are ready to proceed. All of your hypotheses must be tested and repeated until you find your product's market fit. Iterating and experimenting before investing a substantial sum of money would yield far superior outcomes.

How to measure the success of your High Fidelity MVP? ✅

➡ For a Landing Page:
The most essential parameter in Landing Page is the conversion percentage. Consider the buffer example. Joel Gascoigne (Founder of Buffer) wanted to see if anyone would utilize it before building it. As a result, he created a simple landing page that outlined what Buffer was. Those who want to learn more about the plans and price may do so by selecting the Plans and Pricing tab. When they clicked, they were sent to a webpage that said, "Hello! You caught us before we were ready. Leave your email address and we will notify you when we are ready."

➡ For a video MVP:
The conversion rate that the video generates is the most important number to monitor (for example, on a sign-up page). Dropbox is the most well-known example of a company that utilized an explainer video to validate the market and sell its MVP. The video highlighted Dropbox's intended features. In a single day, Dropbox's signups grew from 5,000 to 75,000. All of this without the benefit of a real product.

Measuring performance is vital, but communicating with your early adopters is even more critical!

➡ For other type of MVPs:

You must choose the initial users and solicit their opinions.

1. Allow people to utilize the product without explaining how it works.
2. You must monitor their reactions to the product: are they pleased? Surprised? Are you bored or irritated with your product?
3. Collect feedback by asking questions like (What is your initial impression? What did you like and dislike? What is the most crucial feature? and so on.)

Different possible answers to your product:

➡ You receive a large number of complaints from your consumers. This is a wonderful step forward. If your users aren't complaining, it suggests they don't care about what you're doing and won't work to improve it. Complaints are an indication of zeal and a desire to improve your product.

➡ Your customers are disinterested. If you're positive that this is the market you want to target, but your test clients aren't engaging with your MVP as much as you'd want, you have two alternatives. You must either leave the building and find a market willing to accept your MVP as is, or produce a greater MVP for the original marketing target.

➡ You receive a lot of comments and requests for further capabilities. This is especially dangerous for entrepreneurs, whose natural desire is to build. More features, on the other hand, take away from your unique selling proposition, which is why buyers come to you in the first place. Concentrate on the one feature of your business that keeps customers returning. Once you've narrowed down your one core feature, keep note of potential features to investigate.

5. Work on the UX/User-friendly product. ✨

Have you ever considered how we might become hooked to certain goods and spend several hours on them without even realizing it? Furthermore, how come certain websites are so easy to use while others are immensely difficult to use? Furthermore, why do certain websites make it so easy to navigate while others are a chore to use? So, what sets them apart? Two words: User Experience.

"Design is not just what it looks like and feels like. Design is how it works." Steve Jobs

Why is UX important?

➡ Brand reputation: What do you think of a brand when you come across a website that is difficult to use, has a lousy flow, and a dreadful design (a.k.a. not sexy)? Isn't that one of the worst ideas ever?

➡ Customer Loyalty: The less you optimize the user experience, the less likely it is that consumers will continue to use your product.

➡ Sales: The user experience has a significant impact on your customers' choice to buy or not buy your goods.

Simply said, UX is critical since it tries to suit the needs of the user. Its purpose is to provide excellent experiences that encourage customers to return to your product. A good user experience also allows you to create customer experiences that are most helpful to your company.

"No product is an island. A product is more than the product. It is a cohesive, integrated set of experiences. Think through all of the stages of a product or service — from initial intentions through final reflections, from first usage to help, service, and maintenance. Make them all work together seamlessly." Don Norman, inventor of the term "User Experience"

How can you improve the User Experience of your product? 👇

➡ Ask the consumer how you can improve the whole experience. Learn about your consumers. Talk to them, see how they use your service, get inside their heads, and question their assumptions. Be cautious, because your users and customers will teach you numerous things that you did not consider!

➡ Improve and adapt your product's flow for digital products. Make a flowchart demonstrating how users should interact with your platform. Begin by deciding how you want your users to interact with your platform. Compare that to how people really interact with it. Reuse the personalities you created in the previous level. You can build the finest Person Experience possible by understanding the profile of the user on your site.

You can use the following tool to draft the flow: Miro

REVIEW MOMENT LEVEL 6 ⭐

Link to the feedback form:

https://tally.so/r/mVozl3

Level 7: Branding

Introduction 🚀
In this level, we'll talk about how to create a brand for your startup project.

A brand is often viewed as something vague & intangible. But it isn't! It is an important characteristic in your startup journey & can make a huge difference!

Richard Branson, the founder of Virgin Group, is a branding guru. His vision around branding can be summarized through the following quote:
"The brands that will thrive in the future are the ones that have a purpose beyond profit."

1. Define your company's values

All organizations need a WHY. That's why we advised you to create your Golden Circle in Level 1.

Don't forget: building a startup is not simply a way of making money.
It is a battle and a struggle against something (a problem, a philosophy, a way of thinking, etc.). Make sure that the values your company represents are in line with this battle.

The values of your organization are the foundations of your organization. Everything you do must be around these values. You must think about these values, note them down & stick to them for your entire startup journey.

Start by defining your company's top 3 values. Here are some examples to get inspired from:

- Integrity
- Sustainability
- Trusted
- Reliable
- Inclusive
- Luxury
- Simple

Start by picking 3 core values. Stick to them & be consistent when communicating about your startup.

Next, define the values you DON'T want to represent. The things you want to avoid & fight. This can be more powerful than the values you stand for. For example, your company wants to fight against conformity & laziness. That is also important.

Some values & fights your organization does not want to represent:

- Conformity
- Laziness
- Hypercompetition
- Overpriced services
- Unsustainable solutions
- Greenwashing

It is important that you communicate consistently about these values, and more importantly, that you embody them in everything you do with the company!

2. What's your mission & vision? 🔦

A company's mission is what it aims to achieve and how to achieve it. It can be comparable to the Golden Circle that we made earlier.

A company's vision is where you try to get. What are your ambitions? What do you want to achieve in the future? Do you want to become the go-to platform for your industry? Well, then that's your vision.

Your vision & mission statement can be very short & to-the-point. We recommend keeping it short & sweet. Here are some great examples used by fantastic organizations:

- TED: "*Spread ideas.*"
- Tesla: *"To accelerate the world's transition to sustainable energy."*
- Patagonia: *"Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis."*
- Nike: *"Bring inspiration and innovation to every athlete in the world."*

3. Define your brand 🎯

Your brand is the impression that customers have of your company, so establish it carefully and early on, before the market does it for you. As a result, your brand image will be exactly what you want it to be. It must be deliberate and intentional.

In order to define your brand the right way, you must seat, take your time and brainstorm these questions:

(You must have your golden circle ready and with you at this moment)

⇒ **Why does your company exist?**

This is the most important question! As a business owner or investor, you should ask yourself this question every day. Why should people be interested in your business? What motivates you to get out of bed every morning? What is the mission of your company?

⇒ **What is your story?**

Telling a narrative is a strong method to connect with your consumers. It's a time-honored idea that draws people together and keeps them interested. Your "story" is an excellent way to highlight your success stories while also conveying your vision to your consumers and staff.

⇒ **What are the qualities you want to associate your business with?**

Be crystal-clear with the values of the brand you want to communicate.

⇒ **What do users think about your company?**

⇒ **Why do customers trust us over the competition?**

⇒ **What are the advantages and characteristics of your product?**

⇒ **What brands do we look up to?**

Looking at companies that inspire you may be a wonderful indicator of the values that are most important to your brand, as well as the best strategy to guarantee that those values are appropriately executed throughout your organization. Consider and implement some of these strategies to boost your branding.

⇒ **What are the characteristics your employees would use to describe your brand?**

⇒ **What are the emotions you want your brand to show?**

E.g.: comfort, security, happiness, creativity, and so on

4. Think of a 20-year roadmap

Having a clear vision of and ambition for the future is crucial in the branding of your startup. Having a 20-year roadmap allows you to think long-term and to have clear goals for the future. 🔮

The question you have to ask yourself is the following: Where do you see yourself and the startup in 20 years?

Make a timeline with a label at the 5-year, 10-year, 15-year, and 20-year marks.
Answer the following questions for all of these dates:

- Where do we want to stand?
- What do we want to do by then?
- What impact do we want to have?
- How will we resonate in people's minds?

Obviously, you don't have a single clue about what your company will be doing in 5 years, let alone 20 years. The goal of this exercise is to make you think long-term and study the impact of your brand on this longevity. 🔮
A great brand will last until 2050 - and even longer!

5. Create a mood board

A mood board is a collection of designs, logos, visuals, pictures, etc. that serve as a source of inspiration for your branding.

For this task, you must create your own mood board.

Look into brands you already know, whose branding you absolutely love. Look to Facebook pages, Instagram pages, magazines, TV commercials, etc., and collect everything together in a mood board.

How to create a mood board?

⇒ Browse and search for images

Begin by browsing for photographs that are related to a given topic and adhere to a pre-defined aesthetic. Aim for a broad range; consider whatever you believe is significant and linked to the issue! The more varied your photographs, the more entertaining and accurate the result. Images, advertisements, colors, art, fonts, quotes, and so on are all examples of this.

If you want access to free pictures, we recommend Flickr, Pixabay, 500 px, Foter, ISO Republic, and so on.

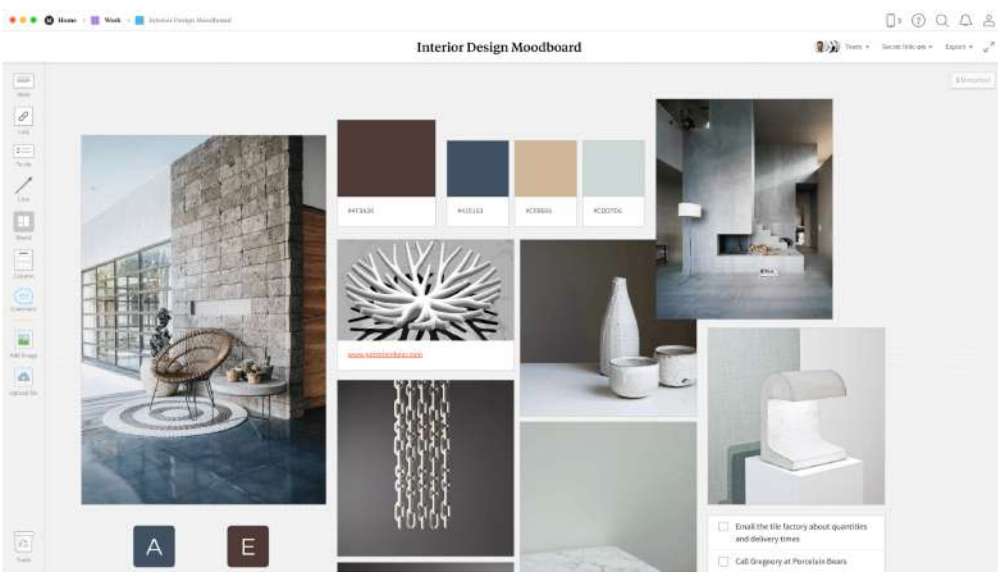
⇒ Make a consistent and aesthetically image selection

Analyze the selected photos for efficiency and coherence, and extract the components that attract you from each image (shape, color, atmosphere, etc). What's the best part? A key term for each image: why should this piece be kept? What is the meaning of each of the photos chosen? Select a maximum of 10 items!

⇒ Create your digital mood board

We recommend the online tool Niice. You can have a mood board for free when starting off on the platform. Canva is also a great option to create your mood board.

You can find some examples of mood boards below



6. Find your color palette 🎨

Your color palette is an important aspect of your brand's identity

Emotions are strong, and they influence our decision-making (whether we like it or not). You want to build a deep emotional connection with your customers as a brand. The difficulty is that you can't express your company's complete narrative in a logo or storefront—but branding colors provide you a direct line to your customers' hearts.

People that get in touch with your brand (through social media for example) should immediately recognize your brand by its color codes.

Next, it's important to understand that colors have meanings.

But, how do the colors below affect us, and what does this represent for your brand? Here's a rundown of what makes each color unique.

Red 🔴

Red evokes a passionate and visceral response. It is a color that increases your heart rate, makes your breath faster, and is generally associated with energy, excitement, and passion. It's one of the colors that is attention-grabbing, while it can also be provocative and excitable.

Color code: aggressive, energetic, provocative, attention-grabbing, passionate

Purple 🟣

Purple is a sophisticated yet mysterious color. It tends to be used with higher-end products due to its association with royalty and elegance. Purple's mysterious element is also linked with spirituality, and it can bring a magical element to your branding.

Color code: royalty, sophistication, nostalgia, mystery, spirituality

Blue 🔵

Blue is the most popular color choice for the top brands. It is thought to put people at ease, as it reminds them of the sky and the ocean. Blue is also associated with trust, security, and confidence which make a great combination for the brands that want these elements in their message.

Color code: trustworthy, dependable, secure, responsible, confident

Green 🟢

Green is a color that is synonymous with calmness, safety, and freshness. Its various shades can create a unique brand identity for your company. Green tends to be associated with health along with feelings of peace and serenity.

Color code: Wealth, health, prestige, serenity, generosity, safety

Yellow 🟡

Yellow is a popular color choice for brands that want to evoke a feeling of positivity in their identity. Its association with the sun in its different shadows brings out hope and optimism. Yellow also stands out among other colors, which makes a yellow brand identity creative and appealing.

Color code: positivity, light, warmth, motivation, creativity, happiness

Orange 🟠

Orange makes an ideal color choice for brands that want to blend the optimism and the brightness of yellow and the passion and the energy of red. It is a creative and cheerful color that evokes a friendly and adventurous feeling.

Color code: vitality, fun, playful, exuberant, outgoing

Brown 🟤

Brown represents earthly simplicity and it is usually preferred to reflect stability and strength. It's comforting in its simplicity and is preferred by brands that want to be classical and trustworthy, without proceeding to bold moves. Brown is associated with the earth and can also remind people of dirt, so there needs to be careful use of it, especially if it stands out as the main color for a brand.

Color code: earth-like, natural, simplistic, durable, comforting

Black ⚫

Black is another popular color option for brands and it tends to be one of the most classic options. It's both classic and sophisticated and it can make a brand identity stand out. It seems to work perfectly with luxury products, blending the classic and powerful elements. Black is one of the colors that can be combined with others to add a stronger emotion, without losing the classical appeal.

Color code: Prestige, value, timelessness, sophistication, power

White ⚪

White represents simplicity, purity, and also cleanliness. These three make it extremely popular in the healthcare sector, in the cleaning business, but also in child-related businesses. White can also bring out a feeling of trust by tapping into purity and simplicity.

Color code: pure, noble, clean, soft

We recommend the following tools to create your color palette: Coolors, Colorhunt, and colors.muz.li 🎨

7. Pick your font 🔏

Typography 101: Choosing a font for your brand
Type fonts are often classified into four basic categories of typefaces:

- Serif font

Serif fonts include additional strokes on the extremities of their letterforms, which are called serifs. History, tradition, honesty, and integrity are all evoked by these fonts.

- Sans serif fonts

Sans-serif fonts are those without serifs at the extremities of their letterforms. They're more contemporary and simple, and they're noted for their excellent readability. These typefaces are more ordered and clean in look, with less flourish.

- Script fonts

Fonts that mimic cursive handwriting or calligraphy are known as script fonts. Hummingbird, Kuenstler, and Malbec are formal scripts with a classical or modern flair.

- Display fonts

A display font is designed to be used for headlines in big sizes rather than for long sections of body text. Display fonts are sometimes more quirky and diverse in design than body text types, which are usually plain and conservative.

The Forbidden Fonts 🚮

Everyone has fonts that they don’t like, but these next fonts have developed a bad reputation.:

- Comic Sans

The infamous Comic Sans deserves to be at the top of the list. This typeface should not be utilized in company branding because of its unprofessional and childlike appearance. It's not even used by comic book publishers in their branding...only in their comics.

- Papyrus

Viewed by some to be the second-worst font available, and most infamously known for its use in James Cameron’s Avatar, where it received massive negative backlash. Papyrus may only be appropriate at a child’s Egyptian-themed birthday party.

- Times New Roman

Times New Roman (and Times) joins the list for a different reason than some of the other typefaces on this list while being less obnoxious. It's simply boring.

Choosing Fonts: A Step-by-Step Guide

Use this guide as a checklist to choose all of your brand's typefaces. Don't worry, it's a lot easier than you would imagine.

1. Decide on your primary typeface.

   This is the typeface that will be used in your logo, as well as in primary headers and for emphasis. This should be your brand's most powerful typeface. Starting with Google Fonts is a good place to start. They have a wide range of alternatives available for both Windows and Mac users, all of which are free to download.

2. Selecting your supplementary typefaces

   These are the typefaces that will be used to compliment your primary font. Keep in mind that your brand should ideally consist of only two or three typefaces. You can select a font for headers and another for your body font if your primary font is highly styled and will be used seldom. Otherwise, two typefaces will suffice.

3. Check to see whether your typefaces go well together.

   The simplest approach to achieve this is to type a basic font pairing in any program you have on hand. Take a look at them all together. Do their styles and appearances complement one another? Do you think they look good together? There are tools available online that will recommend suitable font pairings if you still need help picking a companion for your primary (or sub) font.

4. Styling

   After you've picked your typefaces, you'll need to determine how to design them. Isn't it exactly what we've been doing? Certainly not. Styling refers to how your typefaces are displayed, such as in all capitals, italicized, or bolded. Let's take a closer look at this.

   Bolding

   The most frequent method for stylizing fonts is to make them bold. This may be done with headers, especially if you have multiple headers of varying widths that need to be distinguished.

   Weights

   Are included in certain typefaces. These are pre-set boldness levels that can vary from light to dark. This is the most practical and straightforward method for making one typeface appear to be multiple. Take, for example, the Poppins font that we use at Meetconor!

   Italicizing

   Italics can be used in branding, albeit they are less popular in professional usage. Small text or other brief blocks of information, such as details under a price item, might be highlighted in this way.

   CAPITALIZATION

   You may have heard that all capitals should be avoided since they might be seen as screaming. However, in the cases above, we used all capitals. So, when does it become acceptable? There is only one clear and fast rule: it should never be used as a body font or for significant sections of text. It should not be in all capitals if the material is longer than one brief sentence.

We recommend the tool FontJoy for this task 🔡

8. Find a name for your brand 📌

How to find a catchy name for your startup?

First things first, take a seat, relax and get ready to brainstorm.

Where to look for inspiration?

- Read the golden circle that you did earlier and the values.
- Now draft a list of names that comes to your mind. If you are a team, each member needs to write a minimum of 5 names.
- Show them to others and compare them, look for similarities, if you don't find any that's fine.
- Look at google trends to see if you find similarities between what your prospects are looking at when searching and the words you wrote previously
- Now you need to find variations of those words, change letters, cut some of them, and so on. See if one or two stand out.

Some tips💡:

- Use different languages (Japanese, English, French, Latin, and so on)
- You can merge names together
- Keep it short and simple (like always)
- Use expressions & wordplays
- Use a reference from your industry or market
- Bring out your inner child and try inventing a word
- Your name should be simple to say, universal, not too long and most of all available: don't take the name of a famous company
- We strongly advise you to look for the domain name to be sure that it's available (e.g domain.com, domain.io, and so on)
- Test your name! Which ones resonate the most with your customers?

Take your time! Don't immediately go with your first thought! It's also not illegal to change the name of your company. Or else we would be posting pictures on Burbn, instead of Instagram. 🤳

9. Create your logo

Let's create your logo! The logo represents visually what you've tried to put into words.

There are many ways to create & design a logo. But before designing your logo, you must understand what your logo wants to represent.

What personality do you want your logo to have?

It can be aggressive & no-bullshit. Or corporate & professional. Maybe informal & funny. It's up to you to decide what type of personality your logo must have & to translate that into its design.

Try some logo's out online

Before paying anything for a logo, try different online platforms to design your logo. Play a bit with the shapes, colors & typography to visually match what you have in mind with your logo.

Find a logo designer

By now, we hope you have more or less a better understanding of what your logo should look like. Now, it's time to find someone to design the logo for you. For this step, we recommend finding a logo designer on Fiverr, the marketplace for freelancers. The prices vary, but you can find a freelancer for less than 50 euros on Fiverr. We encourage this small investment, as it'll be crucial for your branding.

Make sure to communicate your color code, font, branding details, personality & everything related to the brand when designing your logo. Also, make sure to ask for an IP protection document. Be careful, there might be an additional cost for this legal document.

We recommend the tool Canva for the design of a logo, an intuitive & very complete online tool that allows you to play around with your logo without spending any money.

Some Tips 💡:

- Look up designs on Pinterest, 99designs, Behance, Google Image, Dribble, Unsplash, and so on...
- Use your mood board for inspiration (see task 5)
- Use your brand colors (see task 6)
- Use your typography (see task 7)
- Observe competitors
- Use your brand identity. The logo should communicate the personality of your brand. What makes your brand unique.

We hope you enjoyed this more creative and visual level! Next up is pricing! 💸

REVIEW MOMENT LEVEL 7 ⭐

Link to the feedback form:
https://tally.so/r/nP8z0n

Level 8: Pricing Strategy

Introduction 🚀

Pricing refers to the price you'll put on your product or service. It is a crucial part of the startup journey, and often a very overlooked part of the startup journey. Putting the right price on your product may be a determining factor in your startup story.

As Warren Buffett says: "The single most important decision in evaluating a business is pricing power. If you've got the power to raise prices without losing business to a competitor, you've got a very good business. And if you have to have a prayer session before raising the price by 10 percent, then you've got a terrible business."

In this level, we'll learn how to set the price of your product or service. How to test the price, how to compare your price, how to change your price, etc.

Entrepreneurs often tend to undervalue their own product or service and set a price that's too low to survive and be competitive.

You have to understand that creating value is one part of the startup journey. Capturing that value is a complete other challenge.

Let's dive into it!

1. Learn the basics of pricing

The most significant influence on your startup is monetization.

People prefer to focus their efforts on acquisition and retention, but monetization is often disregarded, despite being one of the most essential variables deciding whether your company succeeds or fails.

Entrepreneurs frequently face the difficulty of not knowing much about their expenses or the value they generate, so they choose an arbitrary location.

It leads to errors: ❎

➡ Underestimate the expenses: Margins are insufficient

➡ Don't grasp the value: Meaning that you don't know how to persuade the value you make and you won't don't sell at the correct price.

➡ Focus on the wrong customers: You consider mainstream customers rather than early adopters.

There are 3 fundamental ways of putting a price on your service:

1️⃣Cost-plus pricing: You begin with your cost and work backward to determine for how much you want to sell, based on the desired margin. Start with your costs and make sure there's a markup or profit on top of that.

2️⃣Competitive-based pricing: Benchmarking your price on your competitors.

3️⃣Value-based pricing: You start with the value your product/service creates and then decide how much to charge for it. It allows you to change the incentive to buy and charge far more than the cost-plus price.

How to use it? By analyzing the willingness-to-pay (WTP) of your customers and the value created by your product or service. (= Value-based pricing)

We'll go into more detail about all 3 pricing mechanisms in the upcoming tasks. 👉

Next, you should realize that having fewer consumers is not an issue if you can charge a greater price for your product or service. Indeed, in their pricing approach, businesses frequently overestimate quantity while underestimating quality. Having fewer consumers who buy at a higher price might be more beneficial to your business than having more customers who buy at a lower price. Make certain that you understand the numbers underlying your price.

2. Understand the cost-plus pricing method 💡

The cost-plus pricing method means understanding the selling cost of your product or service, and adding a margin on top of that.

The selling costs of your product or service are the costs incurred to achieve the final product or service.

When determining your selling costs, the challenge is to designate the costs to the product. The costs your startup will incur to create your product or service are not necessarily the same costs as the ones your startup incurs for the overall operations. Make sure to clearly assign your selling costs.

Different steps:

1️⃣You have to calculate the Total Cost

Total cost = fixed costs + variable costs

Fixed costs are not often affected by the number of units, however variable costs are.

2️⃣Calculating the cost per units

Unit cost = (total cost divided by the number of units)

3️⃣Calculate the margins you want to have on your product. It would be a percentage. For example, if you sell your product for 10€ and you have 6€ of unit cost, then your margin will be 4€ = 40%

4️⃣Calculate the selling price
Selling Price = unit cost + margin

Pros and cons:

➕ It's easy to do
➕ Provide full coverage of the costs
➕ Helpful when you have no idea about your clients' willingness to pay

➖Creates a culture that is indifferent to value.
➖Does not take into the customers
➖You need to have full knowledge about your costs

3. Benchmark your competitor's prices

This pricing strategy is known as competitive-based pricing. It implies comparing your prices to those of your competitors.

Before you could even do so, you must first identify your direct competitors and the cost of all the many solutions your clients may fix their problems.

This challenge has the virtue of being quite basic and straightforward to implement. However, it may become difficult if you do not have direct competition, but rather indirect competitors.

How should you react to your competitor's price?

If your business outperforms the competitors, identify the competitive price differential and raise your price. If not, look for the competitive price gap and lower your price. However if your rivals' pricing changes, so should yours. We strongly advise you to differentiate yourself by bringing higher value rather than diminishing your price. Otherwise, it's not sustainable.

4. What is your revenue model?

What is a Revenue Model? 🚀

A revenue model is a roadmap that outlines how a young business will generate income or gross income from its usual business activities, as well as how it should cover operational costs and liabilities. This approach is one of a business's key performance indicators (KPIs) for determining the profitability of its pricing strategy and product sales.

What are the different types of revenue models?

- Ad-Based Revenue Model: 💰

  Ad-based revenue models mean developing advertisements for a certain website, business, software, or other product and distributing them through selected, large channels. If your business has a website or a web-based business, Google's AdSense is among the most often used platforms for obtaining advertisements.

- Affiliate Revenue Model: 💴

  It operates by advertising relevant product links and earning commission on sales. The affiliate model is an agreement between a product/service seller and a promoter. Another business/media resource/blogger who endorses a supplier's product is referred to be a promoter. The money will be calculated as a percentage of sales or registrations made through the referral link.

- Subscription Revenue Model: 💸

  The subscription revenue model includes providing your consumers with a product/service that they may pay for overtime, generally monthly premium but also yearly premium.

  Because of its adaptability, the promise of continuous revenue, and high value/customer lifetime balance, the subscription model is likely the most popular among SaaS firms. When done correctly, it is an opportunity to have long-term growth.

- Freemium Model: 💵

  The freemium model is wherein a company's core services are provided for free, but consumers must pay for premium features, extensions, functionalities, and so on. Linkedin, Slack, and Spotify, are the most popular businesses that adopt this strategy.

- Licensing model: 💶

  Licensing includes leasing goods or services to other companies. The vendor retains complete ownership of the buyer's goods or services. Licensing is popular everywhere where intellectual property is employed.

- Pay-per-use: 🪙
  The introduction of pay-per-use (PPU) is one of the most enduring legacies of SaaS in the commercial sector. It entails providing a consumer with potentially infinite access to a variety of features but only charging them for the services they utilize. PPU looked to be the most logical revenue model because the software required no physical delivery and could be installed rapidly and affordably.

- Markup: 💳
  The markup model is a popular income strategy, particularly among retail, distributors, and e-commerce companies. In this case, money is generated by purchasing a product and then raising or bumping up the price before selling it to clients.

- Commission: 💷
  An intermediary charges a commission for each trade it facilitates between two parties. It is especially common among online markets and aggregators, as well as enterprises. Because you're dealing with pre-existing items, it's very simple to get started with a commission-based business strategy. Nevertheless, unless your area is well-suited for a monopoly, the commission model will be difficult to scale.

5. Time to interview your customer and test the different prices 🏷️

What we advise as a procedure:

1️⃣Test your pricing through A/B testing

You have various ideas about how much you want to charge, but you're not sure? The easiest approach to go is to divide the clients into different pricing bundles. You divide the users at random and see which pricing produces the most sales.

2️⃣Do a Price sensitivity survey

After determining a potential price for your product you should do a Price sensitivity survey. Conduct a brief and informal survey that focuses on general price sensitivity, or a customer's willingness to pay for the goods.

With the survey, you're not necessarily seeking the best price. Instead, you're aiming to identify pricing elasticity. You should never directly ask customers, "How much should this product cost?" Instead, they should strive to determine their own price sensitivity.

The survey should be given to early adopters and people who purchase your product.

How to conduct this survey?

1) Introduce your product/service

2) Try to know more about who answers the survey

3) Find out what they think about your product

You should try to estimate the price by asking:

- When does it become too expensive for you to buy it?
- At what point does this become too costly, yet you would still purchase it?
- When does this become a very good deal?
- When does something become so inexpensive that you doubt its quality?

4) Conclusion

-> Re-use what you learned from previous interviews

3 Ask for feedback from the customers

Remember that all of you early adopters must be properly monitored. It's critical to provide them with an unforgettable experience. They are the first, and if it is a success, they may become lovers of your product/service, purchasing more and spreading the word that what you do is fantastic. As part of the subsequent procedure, you will also be asked for comments on the pricing.

- Was it a good deal compared to the value they get?
- Was it too expensive or not enough?

4 For the one that did not buy it, you must understand why?

There will be a certain number of individuals who look at your product/service but do not purchase it. You must understand why people are interested in your goods. As a result, you'll need to discover a means to communicate with them, either directly or digitally. Here are some questions about why they don't purchase you need to ask:

- Was it your product/service?
- Was it the explanation that was not clear (web or physical)?
- Was it the communication and/or branding that was uninteresting.?
- Was it because of the timing (they were not ready to buy now)?
- Was it because they found a better deal elsewhere?

5 Also use this opportunity to test different channels of acquisition. There are many available, find yours.

At this stage of your startup, it's also important, while testing the different prices, to test what the best channels of acquisition are for you. (Such as blogs, social media, emails, ads, events, and so on).

REVIEW MOMENT LEVEL 8 ⭐

Link to the form:

https://tally.so/r/3E8xLm

Level 9: Action Plan

Introduction🚀

A wise man once said that it doesn't matter how smart you are unless you stop and think.

That is precisely what we are going to do in level 9.

Look around. Appreciate the space and time for a few moments. The path behind you and the road ahead. The struggles, near-defeats, and crucial moments. The moments of relief, fun, and endurance.

Now, it's time to visualize the future with your newborn child ... I mean startup. Visiting your potential new house … Office of course. Creating a curious and fun environment, where your child can grow. And take his first big steps in the world.

Are you ready for this responsibility?

We already think you are. We may have been scarce with the compliments and congratulations. But as with any strict parent, there is a moment of appreciation for his or her child's accomplishments.

Now is the time for us to congratulate you on all the accomplishments and growth you have achieved over this period of hard work and dedication. You should be very proud of all the people who have helped you in this adventure. Without their help, your startup and story would never have been what it is today. And how more magical it one day can be.

Next, we will put our goals into action. Winners plan ahead, so we will develop our action plans. Going from marketing strategies to business culture and startup roadmaps. Short and long term. Deciding on different strategies. But, always SMART: Specific, measurable, achievable, relevant, and time-bound.

Lastly, Enjoy your adventure! Reaching the peak may seem like the pinnacle of your journey but it will be the moments of the journey itself that you will cherish deeply. ⛰️

1. The future of your team

How will you manage HR? 🧬

It's essential to clarify why having HR policies is vital before beginning your HR checklist. Setting up an HR department in a small firm involves developing rules, strategies, and procedures to address your company's immediate demands while also minimizing long-term risks. Improving your reputation as a workplace, thereby attracting more top talent.

Creating HR rules and maintaining compliance with federal legislation, on the other hand, isn't only about getting to an IPO or obtaining outside capital. Delivering a positive experience boosts ROI in other areas, such as employee productivity, corporate profit, and employee satisfaction.

Even if your company is tiny, you must think about how you will make employment decisions. This involves determining where to publish employment advertising, determining who your target prospects are, and structuring the onboarding process. Whether you're employing your first or 50th employee.

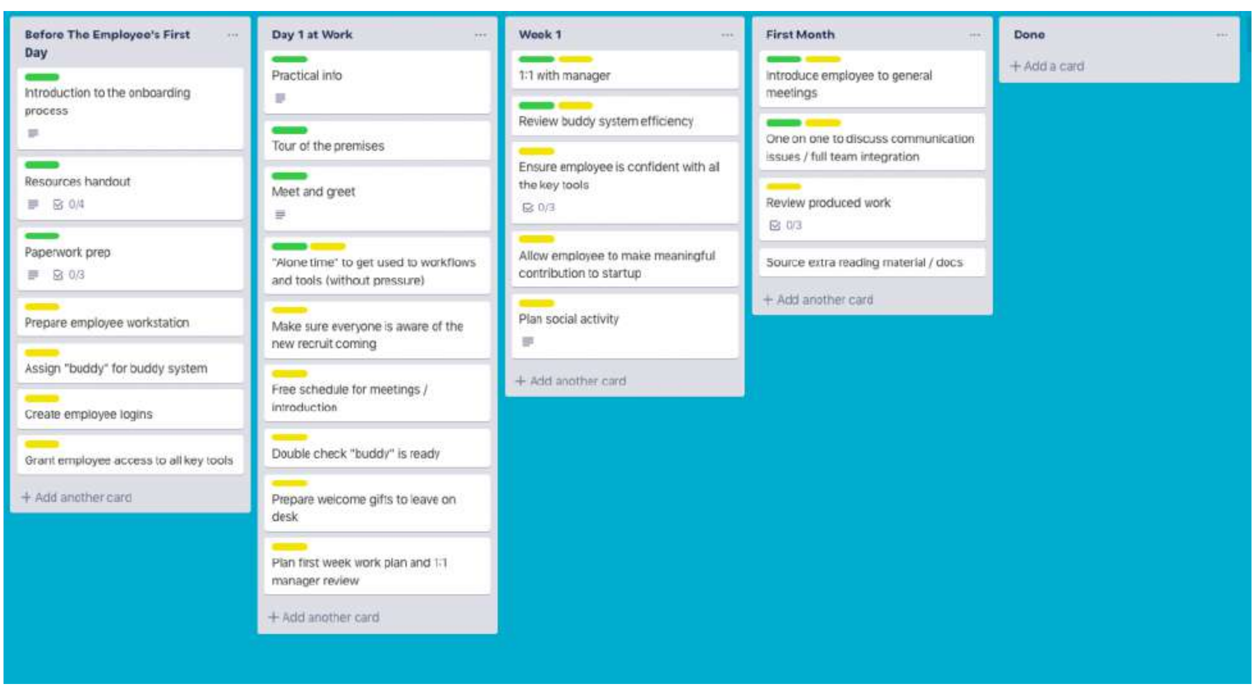
Make sure you have all the appropriate documents on hand. This includes the following:

- Offer Letter
- Employee Information for Payroll
- Equity Paperwork
- Any Employment Agreements (non-compete, intellectual property, etc.)

(Some of these documents will be available on Meetconor in phase 2 of our roadmap) 📒

Consider your onboarding plan for new employees in addition to the essential documents. Your staff will be set up for success from the start if you have a robust onboarding strategy in place.

(*Visual example of an onboarding plan*)



Hiring people

After reading a lot of interview techniques and questions of famous entrepreneurs. We quickly recognized that it is a very personal aspect of the team's founders.

There are some founders who prefer more 'normal' interview questions, like:

- What are your strengths and weaknesses?
- Where do you see yourself in half a decade?
- Why did you apply for this position?
- Why are you leaving your current employer?

But you may prefer more creative and challenging ones:

- What's something that's true that almost nobody agrees with you on? (Peter Thiel)
- What do you want to do when you leave this company? (Reid Hoffman)
- How would you make money from an ice cream stand in Central Park? (Yasmin Green)
- How many times have you taken LSD? (Steve Jobs)

Let all your founders have a meeting with the potential recruit and discuss afterward. Look for talent and intelligence. But, be aware of the specific characteristics of the job. Don't hire a conservative for a creative position, and don't hire an open-minded creative for an accounting position. Also, be aware that the person is a right fit for the rest of the team and culture overall.

But even more importantly, listen to your gut feeling.

Also, we do advise you to not outsource recruiting, certainly not in the beginning. As Peter Thiel mentions in his book, “Recruiting should never be outsourced. Everyone at your company should be different in the same way.” - *Zero to One: Notes on Startups, or How to Build the Future*.

Human resources management has some other aspects to consider:

- Safety: This includes creating an emergency action plan, identifying emergency exits and routes, providing first aid and medical supplies, and keeping the work environment safe.
- Behavior: This includes policies on equal employment opportunity in the workplace, as well as sexual harassment policies.
- Pay structure: Determine a company pay structure that is competitive and fair based on an evaluation of your market.
- Benefits: Some benefits are voluntary and some are required by law. Be sure to check the mandatory benefits for your specific country.
- Payroll management system

There are of course many startups and digital tools that can support HR departments.

Human Resource Information Systems can assist you in tracking employee time, recruiting new employees, managing salaries and benefits, automating administrative activities, tracking compliance, maintaining records, and much more.

Another crucial aspect of HR: What is your company culture?

The common attitudes, thoughts, and beliefs that determine how people operate are referred to as startup culture. Startup culture differs from the corporate culture in that it reflects the personalities and interests of the co-founders. That isn't to suggest that employees at larger firms don't have an impact on the culture; rather, individual contributions are more significant in startups and smaller businesses.

Rand Fishkin, the co-founder of Moz, has written an article explaining his view on what is and what's not company culture.

He starts by claiming the following:

"Secret Santa gift exchanges, karaoke nights, Nerf gun fights, are not company culture things. Those are things people working together may or may not do and that indicate a specific type of workplace environment, but they are NOT company culture".

Then, he talked about the three things that he believes form a company culture:

"Values, those that are stated by words and exhibited through actions; mission & vision, the goals that the company is driving toward and the force behind it; hiring, firing and promotion criteria, the reasons why people join the company, are let go or receive a promotion/reward."

What is your remuneration policy?

When Your Startup Is Just Getting Started, Here Are 5 Ways To Pay Your Employees:

1. Provide them with an equity stake.

2. Give out compensation based on achievement of goals.

   When Paul Emery co-founded a telecommunications firm in Campbell, California, four years ago, he promised employees a pay that was 60 percent of the market rate.

   However, he pledged to increase salary significantly and on a regular basis if the firm accomplished certain goals, such as alpha and beta test completion and successful fund-raising.

   Employee pay was boosted to 80 percent of market rates after roughly a year, and then to 100 percent six months later, according to Emery.

3. Employ interns

   We highly recommend this as you would be surprised by the number of people who would love to have the experience of working in a startup. This way they can put their skills and theory into practice. Make new connections. And possibly pave their way to an employment job with the experience they gained. Or even better, they start their own startup!

4. Look for those who have a cash reserve.

   In these times of high unemployment, a startup with sufficient development potential may be able to acquire a few talented people who are ready to work for very low pay for a limited period because they believe in the company's future. However, you must ensure that they will be satisfied with the arrangement—and that they will be able to pay for it.

5. Think about hiring independent contractors.

   Instead of hiring a salesman, you might contact manufacturers' representatives. They will not be paid a salary but will get a percentage of each sale, maybe 20%.

How will you train your team?

Coming back to the importance of a proper onboarding process. We provided an example of an onboarding process at a typical Lean startup, starting from days before starting the job to the first month at work. This is just an example, but we like you to see how you can use the Kanban method for these activities. Done on the web platform Trello, which we highly recommend.

How will you evaluate your team?

The importance of both results and behaviors cannot be overstated. Staying close to the client, working iteratively, and validating assumptions are how the best teams create outcomes in the end. It's not enough to know how or what to do. Teams must also provide outcomes. However, applying Lean Startup concepts to how a team works reduces the chance of failure and increases the likelihood of achieving success.

What did a group learn, and how did they figure it out? How successfully did they put what they'd learned into practice and share what they'd learned with others? Did they go target the most difficult issues and remain focused on them? Did their efforts result in the discovery of new revenue streams?

The answers to all of these questions should be used to evaluate a team's performance.

💡

So, do not only look for the mere talent and genius of people. Assess their behaviors in the work environment. Elon Musk said repeatedly that he made this mistake a lot in the past. But now he seems to have found the solution, a no assholes rule for employers. As he explains here.

Take your time and be wary of mistakes. This has a serious impact on the future of your business. A wrong team was the decisive factor for more than 30% of dead startups! 💀

2. What's next with marketing, sales, and production?

How to build a sales process for your startup from scratch? 🏷️

1. Get started on customer outreach as soon as possible.

   The first step in improving your sales process is to get out there as quickly as humanly feasible. You may utilize the same lean startup methodology you used to build the firm to sell it. Spend a week, or perhaps a few days, cold-calling your consumers, depending on your product or service. Yes, make cold calls to strangers. It's straightforward and straightforward. It will also give you an idea of how to connect with them effectively.

   You'll gain a feel of the true issues, requirements, and objections during these early contacts. You should also be able to assess what constitutes a good call and obtain direct client feedback on your product offering. This may even allow you to make changes to your product before it goes too far down the road. As we spoke about the importance of feedback loops in the Lean methodology *(see level 3)*.

   Before turning it off to someone else on your team or outsourcing it to another company, YOU, as the founder, must accomplish this. As you construct your sales process, conducting early outreach to your consumers can help you better understand your client, their wants, and the intended market area, as well as enhance your product offering.

2. Complete at least one close walkthrough

   Walkthrough a simulated complete cycle that starts with locating a lead and continues through the entire sales process, culminating in the customer being handed off to your retention team.

   Do this with trustworthy employees who are familiar with your market, then test your pitch on someone who is unfamiliar with it. These test scenarios will not only provide you with valuable experience prior to implementing your process, but it will also assist you in identifying any gaps.

   Consider the following scenario: You don't want to make your first serious sales contact just to discover that the credit card processing system is down or that the installation procedure is malfunctioning. Experiment with everything.

3. Make a customer profile and set of criteria.

   Qualifying profiles and criteria are simply a collection of characteristics that characterize a good or qualified, lead for your product offering. This may seem obvious, but you'd be amazed how many fledgling businesses don't realize what they need to know about a consumer in order to close a deal!

   So, how do you come up with qualifying criteria and profiles? What method do you use to keep track of them?

   The following are common components:

   - Is your product within their budgetary constraints?
   - Are they utilizing and paying for a competitor's product?
   - Can they save time, money, or resources with your product?

- Does your product address their concerns?
- What is their purchase timeline?

4. Write a call script/flow that will receive an award.

   A strong call script or flow will walk a customer through your sales process from beginning to end, demonstrating the value of your product or service. It's important because it lays out the path for salespeople and customers to navigate from point A to point Z. If there are any breaks along the route, you can observe where they occur and determine whether the problem is due to the salesperson or the sales process by employing data-driven decision making.

   A call good script, or call flow, has the following components:

   - Introduction
   - Q&A about features, pricing, and next steps
   - Building prestige and value in the offering
   - Closing
   - Managing Objections (very important!)
   - Establishing Next Steps

   Developing a script is a highly iterative process. Don't get married to one version of it.

5. Sales funnel

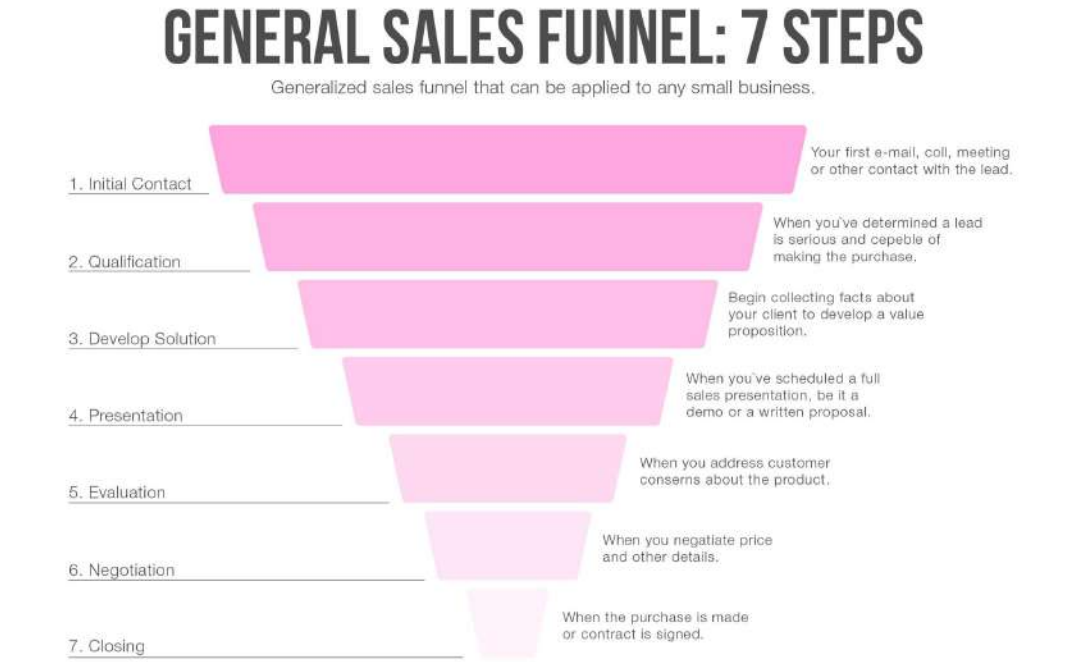
   The structure of most sales funnels is similar: a large top for early stages like awareness and qualification, and a small bottom for later phases like assessment and close.

   Funnels are simple in idea, but they become more involved when it comes to creating and implementing one for your company from the ground up.

   Because of the peculiarities of each product and sales cycle, there isn't a single sales funnel blueprint or template that will be a great match for all firms.

   These are the typical sequences that both sales and marketing funnels follow:

   - Contact, prospection, or awareness: The prospect enters your funnel because they are familiar with your organization, have been contacted by a salesperson, or have been added to a list to be further qualified.
   - The lead's qualifications include: Is this lead deserving of progressing through the funnel's more resource-intensive stages? Is it practical to utilize our salespeople's time to contact these individuals?
   - Presentation and demonstration: Demonstrating your solution and how it addresses the issue your customer is having.
   - Evaluation and negotiation: The prospect considers the value proposition; the sales organization maintains their interest, and the parties may negotiate the terms of the deal and contract.
   - Close: The deal is closed and the contract is signed, or however your organization defines a close.



(This is a visual representation of a general sales funnel)

(We also discussed this with the AARR funnel in level 5. 🦜)

6. Promotion by customers

   The sale isn't over after the deal is done. It's no longer acceptable to take consumers and chuck them over the fence to IT or Customer Service. To guarantee high customer retention and a positive customer experience, salespeople must ensure that the client is effectively integrated, which requires a smooth hand-off to your support team. Communicate with your CX and IT teams as you design your sales process, and check-in with your customers to see how they're doing.

   This is also necessary for obtaining customer references. Referrals are crucial for bringing in new clients in the future! A satisfied customer is the best billboard for your company.

7. Iterate... Evolve... Iterate ♻️

   We can't emphasize enough that just because something works doesn't imply it's the ideal way to accomplish anything. Make sure you're stress testing your people and processes on a regular basis to figure out what's failing. Perhaps your SDR script needs some tweaking, your email open rates aren't as high as they might be, or your SPH is lower than you expected.

   Don't get locked in a routine just because something works. Too many businesses become trapped in the "this is how we've always done it" mindset.

   It's critical that you, as the founder, should (co)create your company's sales process and do some of the early outreach.

Communication is CRUCIAL in your sales process. So let Conor take you through some steps and tips on how to improve that communication! 🗣️

How to develop a communication process? (7 steps)

1. A one-liner
   If you don't know who you are, it's impossible to develop a communications plan. So, while it may appear to be an easy exercise, coming up with a decent one-sentence response to the question "What do you do?" is actually rather difficult. Make certain you have a response. Take note of it.

2. The main plot
   After that, you should consider your 'core story.' It should describe what your startup does, why you exist, and how you perceive your role in the world, whether you post it on your website, put it on a billboard, or keep it hidden away in a drawer.

3. Objectives
   'Start with Why,' as a piece of advice, has almost become a cliché, but it is often the most disregarded aspect of communications strategy. While you consider the 'why' for yours, keep in mind that there are two sorts of goals: business goals and communications goals. Your communications goals should always serve your company goals, even if they vary over time. What may it be?

   Example:

   Business goal: Hire 100 new employees in France for product and engineering teams

   Communications goal: Improve employer brand among the French developer community

4. The target audience
   Ask yourself, "Who do I need to reach and why?" with your goals in mind. While multiple audiences may exist for different aims, you should have a clear concept of the sort of person you want to target – and write it down. Consider how you would spend your day if you were in their shoes. What is their time limit? What are the chances that they will watch, read, or listen to?

5. Pick the right channel
   Reaching the correct audience should be an easy method to determine whether or not any communications activity, such as an interview, an event, or an article, is worthwhile. Consider the kind of channels you'll try to tap into using this easy rule of thumb. Start where you can track early results and where your intended audience is already present - on channels you control. This might be in the form of a newsletter, your own events, or a social media presence. Trust your instincts; publishing original material on LinkedIn makes sense for a recruiting business, but not so much on Tumblr. Also, keep in mind geographical disparities. Snapchat is extremely popular in France and the United Kingdom, but not so much in Germany.

6. Content pillars
   Time to get organized. The holy grail here is to produce content that serves your goals, matters to your audiences, and works for the right channels.

   One way to do this is to ask yourself, “What do I know that others don’t?”

   And of course, don’t forget that your customers might have some amazing content for you — testimonials, photos, or even marketing videos. Sometimes you just have to ask.

7. Execution
   At this point, you have all the pieces of a strategy — time to get your hands dirty. Think of ‘execution’ as everything that gets your content ‘out there’ and how you can eventually build a team that helps you move forward.

From here, executing well isn’t difficult. A lot of the tricks of the trade can be learned, be it writing content that adds value, crafting a concise pitch email for a journalist, controlling your body language in a TV interview, or hosting a great event. But unfortunately, a lot of people try to start here at step 7 without mastering the basics first.

You now know better!

GO get those customers! Let the world know about your solution! 🌞

3. How to protect your product 🔒

Disclaimer: You should first check with legal professionals in your country which laws regarding IP, patents, and R&D are relevant for your startup. These differ a lot from country to country.

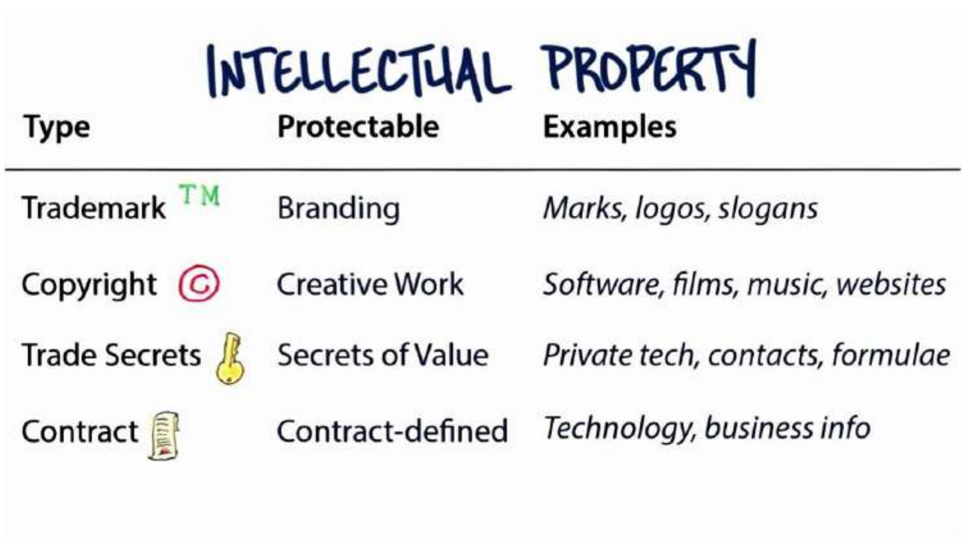
📚 We also advise students/entrepreneurs to check with their university on R&D as they are specialized in it and most of the time will guide you in this process. 📚

Protect your product

Copyrights, trademarks, and patents are all examples of intellectual property (IP) for startups. Protecting your intellectual property is considerably easier in the early stages of your business than it is once your ideas have become profitable. IP protection puts a legal stop to your competitors infringing on and benefitting from your intellectual property.

Not sure which kind of protection you need?

See the infographic below.



INTELLECTUAL PROPERTY

Type	Protectable	Examples
Trademark TM	Branding	*Marks, logos, slogans*
Copyright ©	Creative Work	*Software, films, music, websites*
Trade Secrets	Secrets of Value	*Private tech, contacts, formulae*
Contract	Contract-defined	*Technology, business info*

What is the importance of intellectual property (IP) for startups?

A unique concept is a driving factor behind a company. Small businesses grow to become multibillion-dollar organizations by effectively putting their ideas into practice. Intellectual property rules exist to safeguard the ideas and concepts that underpin your business. How clearly defined — and well secured — your IP in your startup's portfolio is a big component of your competitive edge and investor appeal. IP becomes an asset to your new firm in this way, increasing its economic worth.

The opposite side of the matter is just as important: investigating IP options can help safeguard startups against infringement accusations. Searching for other firms that may already have rights to particular ideas or trademarks is a part of the IP process. Knowing about these firms early on might save your startup money and time later on if you've already put money and effort into developing the idea on your own.

Reasons You Shouldn't Protect Your Startup's Intellectual Property ⛔

The most compelling reason against officially safeguarding your startup's intellectual property is the expense. Startups are generally short on capital and other resources since they are in the early phases of their development. Securing IP rights necessitates the expenditure of money, time, and other resources. IP protection on a global scale may be costly and time-consuming.

Reasons to protect your startup's Intellectual property ✅

Many firms simply cannot afford not to protect their intellectual property rights. To secure basic IP protections, a company doesn't require millions of dollars or a staff of lawyers. Basic IP protection in the United States normally requires simply a few minor payments and some legal research.

By comparison, the advantages are enormous:

- Keeping other businesses from benefitting unfairly from your work.
- Ownership presumption
- Infringement suits are avoided.
- The secret to gaining a competitive edge.
- Investor appeal and security

What can happen if our startup doesn't have IP protection?

You put not only your IP but also your entire business in danger if you don't safeguard it. Startups are frequently reliant on their intellectual property for competitive advantage, thus unsecured intellectual property might be deadly to a fledgling business.

The following are some of the hazards that your startup faces if it does not secure its intellectual property:

- Your inventions may be patented by someone else.
- You limit or eliminate your capacity to earn from your intellectual property.
- You put your company at risk of costly legal action.

And finally, some common mistakes startups make regarding IP

- Intellectual property is undervalued.
- Not coming up with an IP strategy.
- Failure to keep the creators in touch with the decision-makers.
- Confidentiality is not protected.

💡 **Be careful when discussing business ideas that have the potential for a patent. Conor advises using a non-disclosure agreement (NDA)**

Meetconor will provide a template for an NDA in the near future. 📒

4. What is the future of your Organisation and Administration?

"For every minute spent organizing, an hour is earned" 📆 ⌛

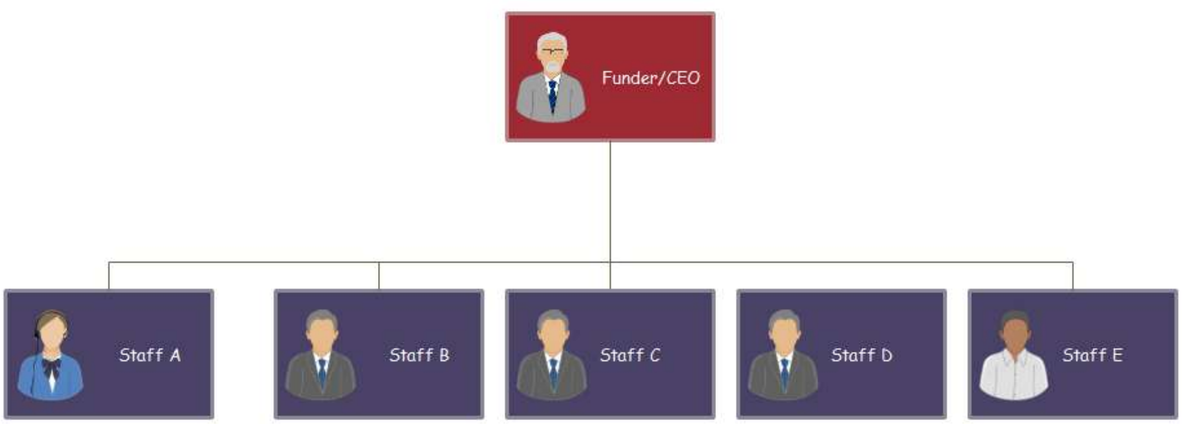
Let's start with an organizational chart

So, what kind of org chart should a startup use to ensure long-term success? It will be demonstrated using two stages in which a firm can be found.

1. Stage 1

   Until the business has less than 50 people, an organizational chart with an unstructured structure will be the best solution.

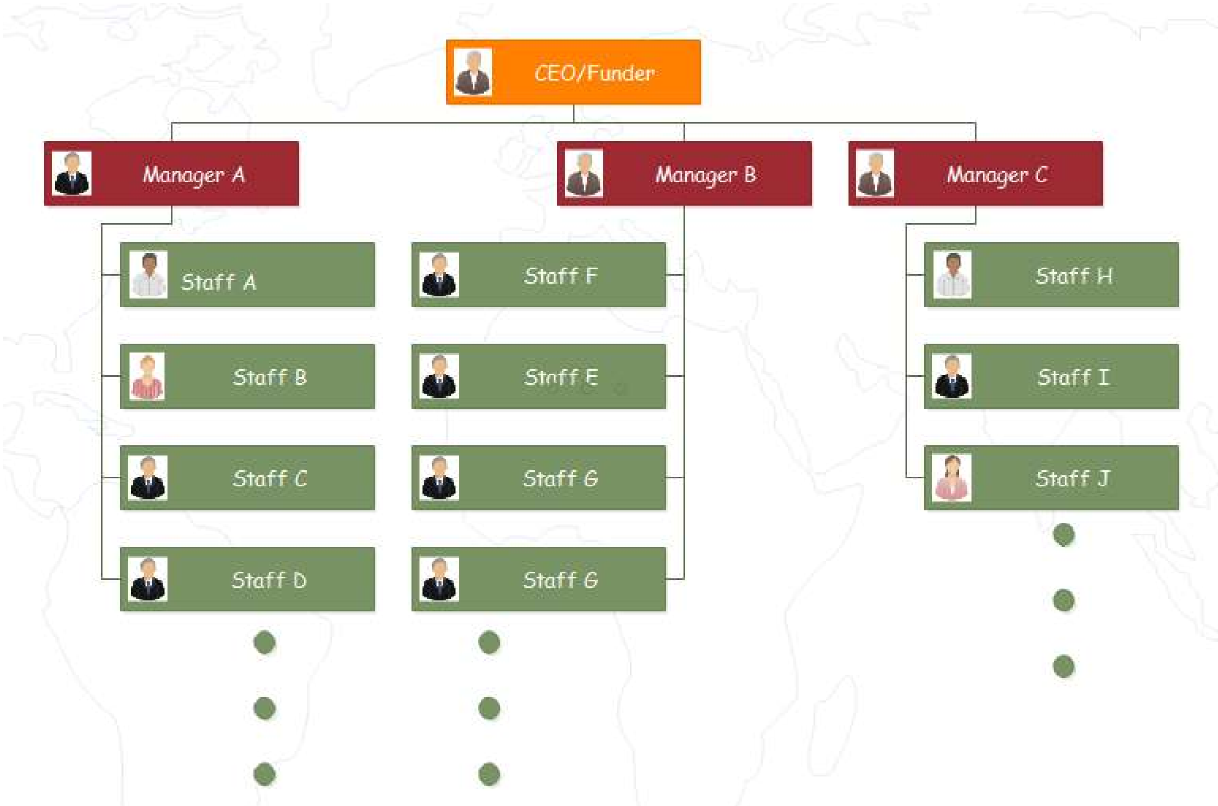
   During such a period, the financier or CEO may often manage numerous duties, monitor every area of the business, and insist that all subordinates report to him in order to achieve maximum efficiency. Staff may make decisions based on their skills, experience, and the quality of their ideas, rather than their hierarchical position when they work in a flatter company. As a result, at this point, a lot of flexibility is required.



2. Stage 2

When a startup has expanded to a size of more than 50 employees, an organizational chart with a formal structure should be used.

The expansion of the business range is shown by the rise of staff. Due to a lack of expertise and energy, the founders or CEO cannot handle all the job activities and supervise all the employees. They must be committed to the company's goals and growth. Naturally, the formal structure would be more suited to long-term growth and development. More levels of administration are necessary, and the company's layout might become more complicated.



Which management tools to use?

Here are some examples of useful tools that you can use in your digital workspace 🧰

- Monday - Best for collaborative creative teams
- Hubstaff Tasks - Best free project management for startups
- Forecast - Best for managing your projects, resources, and finances in one
- Trello - Best for Kanban boards
- Wrike - Best for external collaborators

How will you work together with the advisory board?

Advisory boards are comprised of a group of people chosen by the entrepreneur to give advice and assist in the success of the business. Entrepreneurs can choose advisers depending on the talents they require or the gaps they need to fill in their business.

For example, a lawyer for additional legal advice, a public relations specialist for branding or marketing advice, a former entrepreneur for advice on growing a company and selling to an acquirer, an industry specialist (e.g. consumer, fintech, etc.) for depth of knowledge and/or partnership development, and/or an investor for fundraising advice could all be added to an entrepreneur's team.

It's up to the entrepreneur and adviser to figure out what kind of partnership works best for them. Some advisers may want to work directly with the entrepreneur, while others may want to meet with all of them at once. Some advisers like to meet with entrepreneurs on a regular basis (e.g. once a month), while others are willing to be called as and when they are required. Before working together, the entrepreneur and adviser should consider the mechanics of the partnership because there is no one-size-fits-all approach to relationship structure.

Having well-known people on an advisory board can help a pitch deck catch the attention of potential investors. This can help generate interest since investors will want to know why the adviser decided to participate and what they're bringing to the table. If the adviser is sincerely devoted to assisting the entrepreneur and is actively participating in the advisory process, it demonstrates the advisor's belief in the entrepreneur and their company. However, if the investor looks further and discovers that the adviser is merely an advisor in the name (i.e., they are not contributing to the business), the startup may suffer.

The entrepreneur must decide on the amount of contact and duration of the connection, as well as explain these expectations to the adviser. Some contracts are for one year, while others are for several years. If the contract ends, the entrepreneur must decide whether or not to propose a renewal, based on the advisor's continued assistance at that point of the company's development.

(Meetconor will soon provide an advisory board agreement to secure a fruitful partnership! Be notified here)

5. Write your roadmap

What do we mean by a startup roadmap?

A startup plan lays out how your startup will launch and grow.

Building a company isn't easy; it's typically a messy, trial-and-error process. Startup roadmaps offer order to the chaos, guiding your team and keeping you focused on your final goals. Startups are not yet highly processed since they are new. 🚦

A roadmap is a simple, high-level tool for developing businesses to keep the big picture in mind. It keeps your team focused on the activities that will provide value to your consumers.

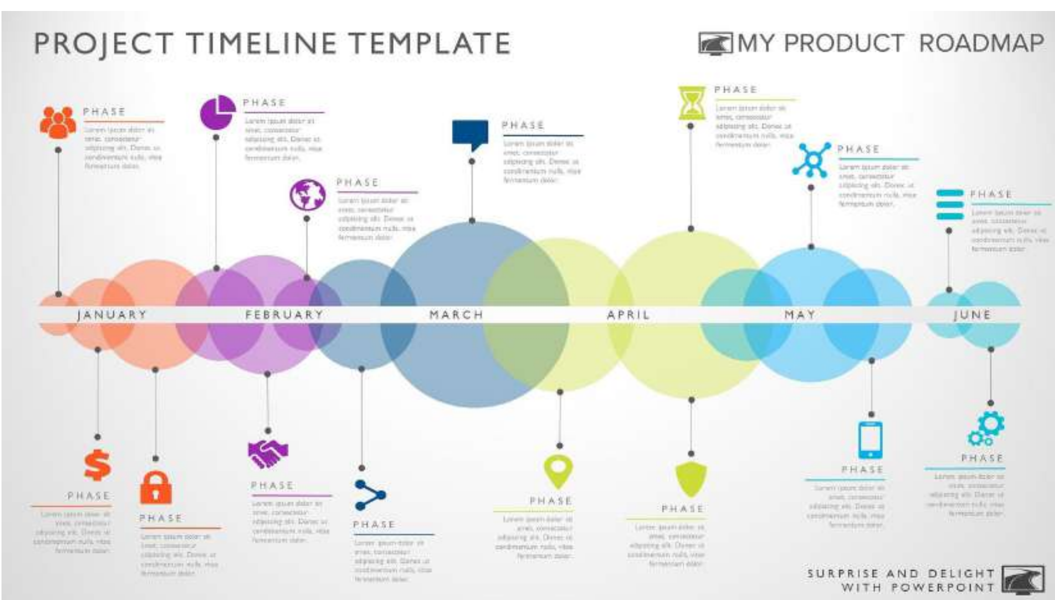
The precise form is for you to decide. That's why we have provided some examples of roadmaps with different structures and layouts.

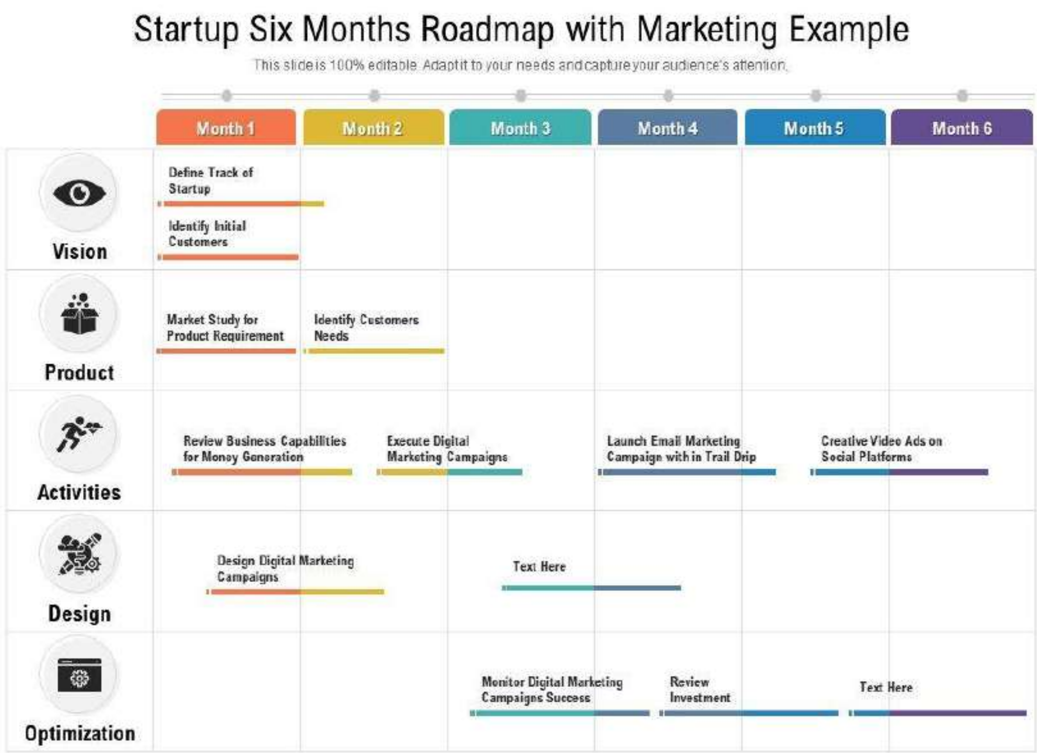
The roadmap can also be used to promote your startup, as consumers can have a peek into the future of your startup. Possibly creating interest and curiosity for your future features.

And finally, it's also quite often added to a pitch deck, as it shows investors your vision for the future in a more visual sense.

But, more on that in the next level! 🎯

(*These are some visual representations of roadmaps)*





REVIEW MOMENT LEVEL 9 ⭐
Link to the feedback form:
https://tally.so/r/nr2oLn

Level 10: First Funding Round

Introduction🚀
Funding can be super stressful & complicated!
You have to take various steps & make numerous considerations. And having the right funding process is crucial for your startup journey!

Let's dive into it!

1. Which types of funding are available?

💰There are lots of different types of funding available, here are the most important ones you should know about:

0️⃣Personal Savings and Credit

This is the largest portion of startup capital. It's the most accessible form of funding, as you don't have to rely on anyone but yourself in order to use it.

1️⃣Friends and Family

Most of the time this is only initial funding. However, some entrepreneurs choose to avoid this type of startup funding because of the potential personal complications.

2️⃣Venture Capital

Startups and small businesses are usually high risk, but they also have the potential for exponential growth.

3️⃣Angel Investors

These are high-net-worth individuals who look to put relatively small amounts of money into startups.

4️⃣Banks

Unlike taking angel investment or VC money, taking out a small business loan means retaining full ownership of your startup.

5️⃣Crowdfunding

This approach taps into the collective efforts of a large pool of individuals and it leverages their networks for greater reach and exposure.

6️⃣Accelerators

Startup accelerators offer not only startup capital — usually seed funding level, as in $50,000 to a couple of hundred thousand dollars — but also offer support for startups

Series funding

Founders usually start with seed funding and then move on to Series A, B, C, D, and sometimes E.

They can include a combination of different types of funding, but they almost always include venture capital.

1️⃣Seed funding

Funding is provided by private investors—usually in exchange for an equity stake in the company or for a share in the profits of a product. Most of the time the sources are close to the startup founders including family, friends, and other acquaintances.

2️⃣Series round A

Startups are expected to have a plan for developing a business model, even if they haven't proven it yet.

⇒ $5 - $15 million

3️⃣Series round B

This is for businesses who already found their product/market fit and need help expanding

⇒ $7 - $10 million

The funding usually comes from venture capital firms, often the same investors who led the previous round.

4️⃣Series round C

Applicable for companies that are ready to expand to new markets, acquire other businesses, or develop new products.

⇒ average of $26 million

5️⃣Series round D

This is a little more complicated than the previous rounds.

As mentioned, many companies finish raising money with their Series C. However, there are a few reasons a company may choose to raise a Series D. One of them is they're looking to expand in a new way before going for an IPO.

How long should it take? ⏱️

Ask for the minimum you need (to lower the interest or equity you give). If you have more money than needed you may be tempted to spend it on things that won't be a priority. That's one reason why so many businesses that succeed in raising money fail. Don't be afraid to ask for the minimum, you can always fund your startup a second/third time...

2. Know more about the funding procedure

In order to be ready for your funding round you have to delegate the work based on this checklist:

When to raise funds? 🌡️

The best advice we could give is "*You have to raise money when you don't need it"* Felix Van De Maele, co-founder and CEO of Collibra. Why? If you start soliciting funds when you need them, you will lose because you will be in a hurry to receive them. As a consequence, the procedure will be done too quickly, and if you find an investor because you are in a hurry, they will have the opportunity to negotiate and you will conclude a bad deal.

The sooner you meet with investors the higher the opportunities are. You should keep in mind that the amount of cash invested rises dramatically each year. Because investors are always contemplating capital allocation, you must consider fundraising on a continual basis. When you meet with an investor, he or she is debating whether to make an offer. Recognizing this, founders understand that no cup of coffee is solely between friends.

Figure how much you need to raise 💲

This phase is really challenging since you must have enough money to survive for the following 2-3 years while also ensuring that the money you raise is not excessive. We realized that businesses that failed after soliciting funds believed that the more money they received, the better. However, this was a mistake since they tend to spend more money on unimportant (at the time) services/products because they believe they can afford them. In truth, they ran out of money sooner than anticipated. As a result, you must predict your future costs while leaving room for unforeseen costs. Based on the result, you have a rough estimate of the least amount you need to raise.

Ideally, you should raise as much money as is required to attain profitability, so that you never need to solicit funds again. If you succeed, you will not only find it simpler to raise funds in the future, but you will also be able to survive without fresh financing if the funding situation becomes tight. However, some startups will raise money as needed to go to their next funding round.

When seeking funding, keep in mind that the more money you raise, the more credibility and outcomes you should obtain. Furthermore, the money comes at a cost known as dilution. They will need equity in your firm in exchange for the funding. The greatest goal should be to contribute roughly 10%. However, in general, you will have to give up 20 to 25% of your equity. Don't accept more than a quarter of a percent.

Prepare your diligence documents 📊

Spending too much time generating diligence documentation for a seed round is a bad idea. If an investor requests excessive due diligence or financials, they should almost always be avoided. You'll most likely need an executive summary and a slide deck to lead investors through.

Typically, you won't require much financial documentation for a seed round. They are generally interested in the vision, the prototype, and the analytics that demonstrate some traction for your product/service. However, we still recommend that you have the financial records they may want, such as the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement, with you since the creation of your firm, along with some predictions.

The metrics and slide deck will be discussed in detail in the next tasks.

3. The search for funds 🏃

Fundraising is a trade. You're basically getting paid for selling a piece of your business. 🤝

1️⃣Because fundraising is essentially the same as selling, many of the concepts learned in sales apply immediately to fundraising. This begins with the critical requirement for the qualification of the person with whom you are conversing. Create a broad funnel so you can qualify people quickly. Otherwise, you'll waste a lot of time with VC companies that won't help you get there. What criteria do you use to evaluate companies? During a first talk, you might find out if they seem to be familiar with the industry you're working in. What is their procedure, and are you speaking with the appropriate individuals?

2️⃣The second important takeaway from selling is that the aim is to go from push to pull mode as rapidly as possible. What exactly do I mean? Stop babbling and let the investors ask questions. This indicates that the investors are interested and, in the best-case scenario, are beginning to sell themselves on the possibility. A terrible pitch is one in which you do the majority of the talking. An excellent example is when investors are stumbling over one other to ask inquiries. So, what does all of this mean? Rather than attempting to answer every question right away, focus on your pitch being fascinating.

3️⃣Be ready for questions, which are closely linked. It's a good idea to maintain a written FAQ on hand. Prepare a snappy response for each question you're likely to be asked. A strong response will be precise and will provide both an abstract argument and a particular example or statistic, if possible. "*We are currently at x percent but can already see the beginning of scale effects that are helping us to cut our bill of materials by y percent for each time we double output*," for example.

4️⃣The most important aspect of providing an answer is to say it clearly and then shut up. Nine times out of 10, that'll be the end of it, and the conversation will go on to something else. Investors will have more faith in what you're doing if you provide the response confidently. A rambling response, on the other hand, provokes additional inquiries. Investors will only want to go deep one out of every ten times. Currently, the situation is the polar opposite. Instead of trying to avoid the subject, you should come along and dig deep. If you have numerous slides prepared, you can go into further depth, but if you don't, simply participate in the discussion. Keep the FAQ updated with fresh questions as you meet with businesses.

4. Common mistakes founders make while raising funds 😮‍💨

Here are the 10 common mistakes founders tend to do when looking for funds 🤯

Mistake 1: Complicated Pitch 🥴

The average VC spends 3 minutes on a pitch deck. Crazy right? Attention spans are shorter than ever, but consideration spans are still long. People lean in if they're hooked. So how do you hook them? Keep the pitch simple.

Mistake 2: Building Relationships Late ⌛

It's hard to build a relationship with someone AND ask them for money at the same time. Instead, develop relationships early. Meet VCs, discuss your startup, and share your progress. When you need to fundraise, hit the ground running.

Mistake 3: Thinking It's a One Way Street ⛔

Look I get it - when I was 19, I thought "why the hell would anybody give me money." Delete that thought. Searching for funds is a two-way street - VCs earn the right to be on your journey. Spend as much time picking them as they do evaluating you.

Mistake 4: Taking It Personally 😔

You will hear HUNDREDS of No's during this process. That doesn't necessarily mean there's anything wrong with you or your idea. A No can be as much about your idea as it is about timing. At the end of the day, you only need a handful of Yes's.

Mistake 5: Not Being Authentic 👎

A lot of Founders feel like they have to be something they're not. The best investors can see through that. And honestly - you're going to be with this person for a long time. Show your personality. Be an outlier.

Mistake 6: One Toe in, One Toe Out 🤷

Fundraising is a beast. The Founders that do it the best treat it like a short term sprint. This will take away time from operating the business. Accept it. You need to give it full focus so you drive to closure as quickly as possible.

Mistake 7: Pre-emptive Celebration 🎉

The deal isn't closed until the $ hits the bank. Too many Investors - especially in this market - say they're in and then weasel out. Keep the urgency up - every additional day the deal isn't closed is another day it could fall apart.

Mistake 8: Namedropping the Crowd 🗣️

DO NOT tell other Investors who you're talking to if they are not committed. VCs all know each other - they will check with each other and you'll be at a disadvantage. The best thing you can do is control the information flow and process.

Mistake 9: Hating Fundraising 💔

If you want to build a venture-backed company, you need to fuel the rocket. Fundraising has made me a better storyteller - and that is so important in recruiting, hiring, and inspiring. Fundraising is a part of your job as CEO. Embrace it.

Mistake 10: Loving Fundraising ❤️‍🔥

What? You just told me it was a mistake to hate fundraising. It is. It's also a mistake to love it too much. Fundraising is necessary, but not sufficient for startup success. Don't ever forget what the real job is.

When deciding what VC to take money from, the most important criterium to look for is sincerity.

5. Metrics

Closing a deal is mostly driven by "feeling." Emotion will help you to persuade them to want to be a part of it.

However, analytics will lead investors from their positive feelings to persuade them that this is the "one offer" they were looking for.

Metrics are not a "nice to have" component for your pitch, it's a mandatory one. You're not ready to fundraise if you don't know your metrics by heart. If you don't know them, it implies that you don't know your product well enough. As a result, investors will pass you out.

Here is a list of important key metrics per business model:

1. Enterprise
    - Total customers
    - Bookings
    - Revenue
    - Revenue CMGR
    - Gross margin
    - Customer LTV / paid CAC
    - Burn rate/runway

2. Saas
    - Total customers
    - Bookings
    - Monthly recurring revenue (MRR)
    - Revenue CMGR
    - Gross margin
    - Gross account churn
    - Net dollar churn
    - Customer LTV / paid CAC
    - Quick ratio: a measure of a company's short term liquidity
    - Burn rate/runway

3. Usage-based
    - Monthly revenue
    - Revenue CMGR
    - Gross margin
    - Dollar-based net expansion
    - Customer LTV / paid CAC
    - Burn rate/runway

4. Subscription
    - Total subscribers
    - Trial conversion (if applicable)
    - Monthly recurring revenue (MRR)
    - Revenue CMGR
    - Gross margin
    - Gross user churn
    - Customer LTV / paid CAC
    - Burn rate/runway

5. Transactional
    - Gross transaction volume (GTV)
    - Net revenue
    - Net revenue CMGR
    - Take rate (net revenue as % of GTV)
    - Gross margin
    - User retention
    - User transaction frequency
    - Customer LTV / paid CAC
    - Burn rate/runway

6. Marketplace
    - Gross merchandise value (GMV)
    - Net revenue
    - Net revenue CMGR
    - Take rate (net revenue as % of GMV)
    - Gross margin
    - Contribution margin per order
    - Customer retention
    - Seller retention
    - Transactions frequency
    - Average transaction value
    - Customer LTV / paid CAC
    - Seller LTV / paid SAC
    - Burn rate/runway

7. E-Commerce
    - Total visits
    - Total unique visitors
    - Total customers
    - Conversion rate
    - Total registered accounts
    - Revenue
    - Revenue CMGR
    - Gross margin
    - Customer retention
    - Order frequency
    - Average order value
    - Customer LTV / paid CAC
    - Change in net working capital as % of sales
    - Burn rate/runway

8. Advertising
    - Total visits (if applicable)
    - Pageviews (if applicable)
    - Unique visitors (if applicable)
    - Minutes per session
    - Daily active users (DAU)
    - Monthly active users (MAU)
    - Percent logged-in
    - Downloads / installs (if applicable)
    - Mobile usage share
    - Impressions per user
    - Average cost-per-impression (CPM)
    - Average click-through-rate (CTR)
    - Revenue
    - Revenue CMGR

- User retention
- User LTV / paid CAC
- Burn rate/runway

9. Hardware
    - Total units sold
    - Average unit price
    - Revenue
    - Revenue CMGR
    - Gross margin
    - Average transaction value
    - Customer LTV / paid CAC
    - Net working capital as % of change in sales
    - Burn rate/runway

Important: You should show that you were able to reduce the Technical risk(Is your product working?), Market risk(do you have clients?) and Execution risk (can you follow your growth strategy?)

6. Prepare a solid Pitch Deck 📽️

The use of a pitch deck is required when presenting your idea in front of incubators, experts, investors and so on. The pitch deck is a graphic representation of the ideas said during the pitch. Begin with gathering all necessary information, then structuring it to suit the story's flow, and then designing it to communicate your point as clearly and simply as feasible.

Some golden rules to start 🔑

➡ Adapt the pitch to your audience

➡ Keep it brief (max 20 slides)

➡ Use the minimum amount of words, use more data and image

➡ Keep it stupid simple

➡ Test it, update it, and repeat (Feedback loop)

What about the pitch deck? 📖

We're going into subjective terrain now, so what follows may or may not work for you depending on your personal presenting style (e.g. some people do well with many slides that they present briefly, others better with fewer slides to which they speak at more length). Nonetheless, we believe the following is crucial.

To begin with, you only have a limited amount of time to capture people's attention. So, ideally, you should begin with a hook. Provocative or at the very least startling content works well here (again, if you are growing like crazy, that would simply be your growth slide).

Second, limit each slide to one clear statement that can be understood from the slide title. Many times, someone in the audience will be distracted (for example, by an incoming text message), and when they return, it must be simple for them to figure out what's going on, or you will have lost them forever.

Third, regardless of how many or how few slides you use, make each one as visually appealing and clean as possible. Less is more in this case.

The structure of your pitch deck 🏗️

1️⃣Title

2️⃣Problem(s)

3️⃣Solution

4️⃣Numbers/data showing interest

5️⃣What is your Market

6️⃣How are the competition

7️⃣What is your vision

8️⃣Your team

9️⃣What will be the use of funds for the future

How can you make a good presentation? 💣

- The opening slides should pique your interest and make you want to learn more. The first slide is critical since it establishes the tone of the presentation and should persuade the investors to continue paying attention to what you are saying. The issue should be presented plainly with spectacular data.

- Various pitches for different audiences. You don't pitch the same manner to advisers, clients, partners, and investors (even the higher the amount is high the more complete your data and financial metrics should be).

- Include just what is relevant to your startup. Too much detail might be confusing and lead you and the investor to become lost.

- If you're trying to show what your startup does, I suggest showing the most simplified version of it.

- Keep in mind that your audience may disconnect from what you say and they may check their phones. When they glance up, they should be able to take up the thread right away.

- Check that your slides are understandable from a distance.

- Char should take 10s max to read and should be crystal clear

- Don't provide revenue projections that aren't based on actual facts and avoid making hypothetical estimates.

Important: Investors put their money into teams, not presentations. Your slides should help to clarify your views. Don't allow your slides to divert attention away from what you're speaking aloud. You want to make an impression on them. Not your slides, please.

Here are some presentation software we definitely recommend

Make your pitch extra spicy with some of the following tools:

- pitch.com
- Ludus.one
-

You'll find 30 useful pitch deck examples through the following link:

- https://bit.ly/3myNo1p

7. Prepare your investment memo 📝

Your pitch should be summarized in the investment memo. Answer all of these questions and make a note of them to generate a memo. 👇

1️⃣Introduction

- What is your startup doing?
- What problem are you tackling?
- What is the current solution to this problem?
- How do you intend to address this issue?
- How will you earn money?
- How big is the opportunity?

2️⃣Show the traction and metrics

- What is your traction up to now? (include a chart).
- What are your main related metrics, such as churn, ACV, rake?
- What are your revenue drivers?
- What does go-to-market look like?

3️⃣What are the challenges that make your growth difficult?

- What has kept you from expanding even faster?
- How would raising funds help to tackle this problem?

4️⃣What about your market?

- Who are the customers?

- What do they think/do?
- What is the magnitude of the potential they represent?

5️⃣ What will be the impact of your project if you succeed?

- What happens to the market once you start scoring?
- How do you influence the market, and where does that take your company?

6️⃣ What about your competition?

- What is your competitive landscape and how are you better?

7️⃣ What about your team?

- What distinguishes you and what makes you and your team unique?

8️⃣ Q&A

- Bring to the surface the biggest objections you're going to confront and demolish them succinctly. Data is useful in this case.
- This is perhaps the most effective use of a memo in comparison to a deck.

9️⃣ How will you use the funds?

- How much money have you previously raised?
- How much money are you planning to raise, and what will you do with it?

8. Meeting Investors 🎢

When engaging investors, keep in mind that your aim is not to close, but to get the next meeting. 👆

Investors are unlikely to put money on the first day they see your proposal, no matter how fantastic it is. So schedule a lot of meetings. Keep in mind that the most difficult element is getting the first investment into the firm. In other words, meet with as many investors as feasible, but prioritize those who are most willing to close. Constantly strive for the quickest possible receipt of funds.

You have to do your due diligence on the investors.

➡ Which startups do they fund and why?

➡ What do you like about them?

➡ Do they become active with the startup and offer advice? Do they want to be on the board? Do they prefer to just provide the money and stay out of the way?

It's possible that the initial encounter will not be your pitching day. As a result, you must pitch the key ideas while also answering the following questions:

➡ Why is your product a fantastic product?

➡ Why are you the ideal team to develop it?

➡ And why should the investor fantasize about starting the next freaking startup?

Some final tips 💡

1️⃣Investors are searching for intriguing entrepreneurs with a plausible dream and as much proof as possible proving that dream's actuality.

2️⃣You must establish contact with the investor. The more interesting the discourse, the more secure the contract. If the investor speaks more than you, this is a good indicator.

3️⃣Don't be too humble or arrogant, be open-minded but you must stand to your conviction and be confident about it.

4️⃣Make certain that you do not leave an investor meeting without attempting a closure or, at the very least, total clarity on the next actions.

5️⃣Persuade yourself that your business is worth investing in, and investors will believe you when you explain it to them. And when I say "persuade yourself," I don't imply play mental games with yourself to increase your self-esteem. I mean, seriously consider whether your business is worth investing in.

6️⃣Therefore, to show that you're worth investing in, you don't have to show that you'll succeed, simply that you're a reasonably good bet. What factors contribute to a startup being a solid bet? You need a feasible route to owning a large portion of a large market, in addition to powerful founders.

7️⃣When you want to convince investors, use the same matter-of-fact approach you used to persuade yourself. You don't fully understand your plans if you can't articulate them succinctly.

9. How to Pitch 🗣️

A normal pitch would be between 15-20 minutes followed by 15-20 minutes of Q&A.

To develop a successful pitch, you must instill FOMO (Fear Of Missing Out) in the minds of the investors. If you don't have that, it's unlikely you'll be able to close a deal with them. We'll go over it in further depth at the end of this task. But first, let's work on the basics.

How to structure your communication and be better?

1️⃣Content: (seen in the previous tasks but to sum up:)

- Make it stupid simple
- Be detailed and precise

- Spend most of the time explaining clearly what are you doing with this project
- Don't be funny and don't make jokes

2️⃣Attitude

- Don't be funny but smile
- Don't be cocky
- Don't be too humble you need to make them FOMO
- Take your time to breathe
- Don't talk too fast
- Look at your audience, not at the ground, wall, or something else.
- If you are pitching in front of a few investors don't make eye contact with only one of them, look at each individual
- You must believe in what you are saying, they will challenge you, and stick to your convictions.

3️⃣Language

- Use normal language
- Use simple and quick sentences (otherwise, you won't have time to breathe)
- Be careful with the phrases you use in transition, don't use anddddddddddd or sooooooooo and so on.

Final tips 💡

- To be successful, you must plan and practice A LOT. You must also be able to feel good when pushed in order to be confident. So we recommend that you perform in front of others who can provide honest comments while also asking difficult questions.
- Furthermore, you should be honest about the problems in your current business and be prepared to answer questions about them. Investors will, without a doubt, ask such questions. Prepare an answer in your brain and a few slides on your annex to support your replies.

10. Negotiate like a badass 😎

Many people see a negotiation as a battle to be won. This is far outdated and inefficient, to say the least.

There are different goals for a negotiation 🧭

1️⃣Aim for a mutually beneficial negotiation

Value is created or split in Chris's experience, but it is never equal. Someone is always going to go away with more money.
That doesn't rule out the possibility of mutual benefit.

Chris gives an example of a negotiation in which he agreed to speak for free at a conference. His standard fee is extremely high. However, this was at a time when the book was just being released, and they agreed to purchase 300 copies. When he didn't have much footage, they had a separate budget to film a video of him speaking.

They were part of a national organization that published a popular newsletter. They published a Q&A item in the company newsletter, exposing him to almost 20,000 employees.

They provided him with something he couldn't acquire and something he valued much. Some could refer to this as a win-win situation. But none of them approached the situation with a win-win mindset.

Chris stated that he was willing to brainstorm in order to come up with better ideas, and they both expressed their desires.

2️⃣Discover a black swan 🦢

Black swans are crucial pieces of information that, if released, can dramatically alter the outcome of a negotiation.

Negotiation is, in many respects, all about discovering the black swans. To find them, you must have an open mind, be always curious, and be on the lookout for surprises.

From a high-stakes hostage negotiation between FBI agents and kidnappers to a local real estate agreement between two small company owners, black swans may be found in any negotiation.

Any piece of information directly or incidentally linked to a negotiation that you believe you can use to sway a negotiation in your favor is referred to as a black swan.

Here are some suggestions on where to look for and how to use black swans in a negotiation:

- Do your homework.
- Plan out a successful negotiation plan.
- As you negotiate, keep an eye out for black swans by asking precise questions.
- Recognize your own black swans.
- Keep an eye on your opposition's body language and tone of speech.
- Keep a black swan in your back pocket,

3️⃣Activate the two words that transform any negotiation

"*That's right*"—two words that have the power to change the course of any conversation. "*That's right*" is preferable to "*yes.*" Make an effort to achieve it.

The greatest technique to encourage the opposing side in a negotiation to utter the words "*that's right,*" is to reiterate their issues and summarize.

"Strategy without tactics is the slowest route to victory." -Sun Tzu

So here are some negotiation tactics for entrepreneurs 🔥

⇒ Empathy is the foundation of every successful business deal

Early in his work, Voss discovered the power of empathy. And he feels that developing empathy has a strong business case: it saves time.

Empathy speeds up the process and gets to the root of the problem. You'll see examples of empathy being utilized to get to the point throughout the rest of this essay. It's a shortcut to connectivity that skips all the superfluous back and forth.

“*The beauty of empathy is that it doesn’t demand that you agree with the other person’s ideas*”
Chris Voss

⇒ Use an accusations audit to prepare for a negotiation

An accusations audit is an exhaustive list of all the negative things the other side of a negotiation may think, feel, or say about your side.

- Be thorough. During a negotiation, it's critical that you go over the entire list of the worst things your opponents may think or say about you.
- Use labeling before you come to the table. Labeling is the process of verbally acknowledging the other side’s feelings and positions. Labels are powerful tools for reinforcing positive feelings and deactivating negative ones.
- Accusations should be grouped together. Once you've compiled a comprehensive list of feelings and accusations, go over it with your negotiating team and group related items together. You'll begin to see trends and be able to recognize important topics for which you can prepare.
- Construct counter-arguments. An accusation audit has the benefit of allowing you to prepare precise counteroffers and counterarguments before beginning a negotiation.
- Counter potential attacks with data.

⇒ Go for no, not yes (?)

Momentum selling, according to Voss, is nonsense. In simple terms, momentum selling means that every time you get someone to say yes in a conversation, they are more likely to say yes to another question.

Here's how the reasoning works in practice:

"Do you want to be wealthy?"

“Yes!”

"Would you like to acquire a fancy house?"

“Yes!”

"Will you enroll in my money-making program?"
"Yes!"

The logic goes like this: if you push them into a corner, they'll have to say yes again in order to be consistent. Sure, you might fall for it once or twice in your life, but you'll quickly realize that it's all a ruse. Then you'll notice the first question's red signal.

Instead, move to no-oriented questions, according to Voss:

"Is now an inopportune moment to talk?"
"Would it be absurd to request___?"
"Do you have any reservations about pushing forward with this project?"
"Is this out of the question?"

A hidden weapon is the use of no-oriented inquiries. ⚔️
The first time you use it in an email or a conversation, it seems strange, but Voss claims it works, and we've seen the benefits for ourselves.

Many more tactics and tricks can be found in "*Never split the difference"* by Chris Voss. We actually rate it as one of the most essential business books to read.

🎁 Or you can use the book's cheat sheet* ... which we are happy to offer to you! 🎁

*it is forbidden to use this for negotiating our prices! ✋

11. Closing 🤝

A seed investment is often closed quickly. As previously stated, it is advantageous to utilize standard papers. Negotiation, if any at all, can then take place on relevant points, such as the valuation/cap and potentially a discount.

Deals have momentum, and there is no other way to develop momentum for your offer but to tell a fantastic story, be persistent, and do the homework. Before you get that far, you may have to meet with dozens of investors. Moreover, to succeed, you only need to persuade one of them. Once the first money is in, each subsequent close will get quicker.

When an investor says they're in, you're basically there. This is where you should use a handshake protocol to quickly close the deal. It is most likely your fault if you fail to negotiate after this stage.

The handshake deal 🤝

Some investors purposefully mislead entrepreneurs about their level of interest in investing. The fortunes of startups can shift quickly. So you'll need to protect the deal and close it fast.

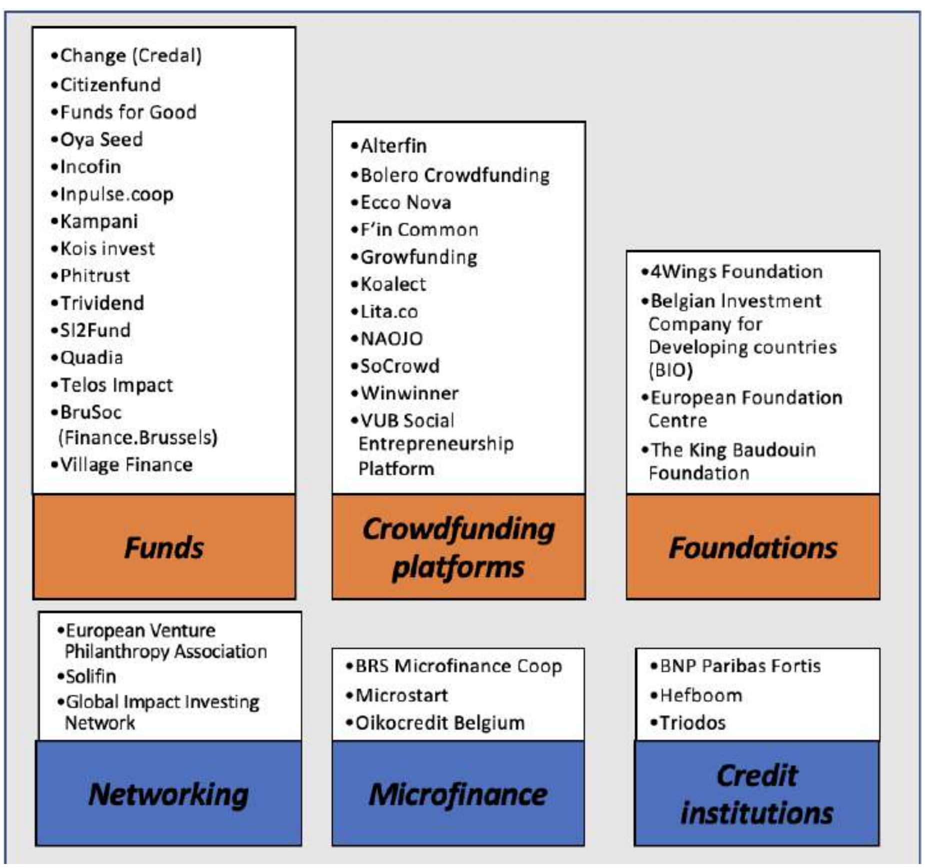
In order to secure the deal you'll have to communicate this way:

1. Define an offer which is the money invested based on the valuation of your company.
2. Then the investor has to say that he's onboard
3. You confirm that they are on board
4. You send them a follow-up email saying: "*This is to confirm you're in for [offer],*" the startup says in an email or text message to the investor. "*This offer is only available for 48 hours, so please confirm acceptance as soon as possible. You promise to finance your investment no later than 10 business days after accepting this offer.*"
5. The investor must confirm

We recommend having the email confirmation with you during the appointment. If he is hesitant to confirm, this is a very poor indicator, and you should consider the trade finished.

There is no handshake agreement unless and until this process is accomplished. So it is in the best interests of investors to finish the fourth stage because the business is under no obligation to accept their money until they do.

In the figure below, you can find all the actors in Belgium who can help you with funding and further growth!



REVIEW MOMENT LEVEL 10 ⭐
Link to the feedback form:
https://tally.so/r/w4PKow

🥳

CONGRATULATIONS on completing Conor's Startup Guide!

🦧

Conor thanks you for the trust and responsibility you had to undertake this journey 🎯

🚀

We will contact you after completing the last feedback form to get an update on your project and the growth you have established during this journey!