#46th Business Club

#74th Marketing Club 18th Jeddah

Startup Filters

Passing VCs Screening Filters

Tuesday 17-1-2023

8 PM EGY **9** PM KSA **10** PM UAE

FOUNDER & HOST

Dr.Mahmoud Bahgat

Marketing Club

INSTRUCTOR

Eng. Salah Shata
Startup Consultant & Eleco CEO

Right listening to investors resonance (Meet Filters)

Jan 2023

When Startups Need Money?
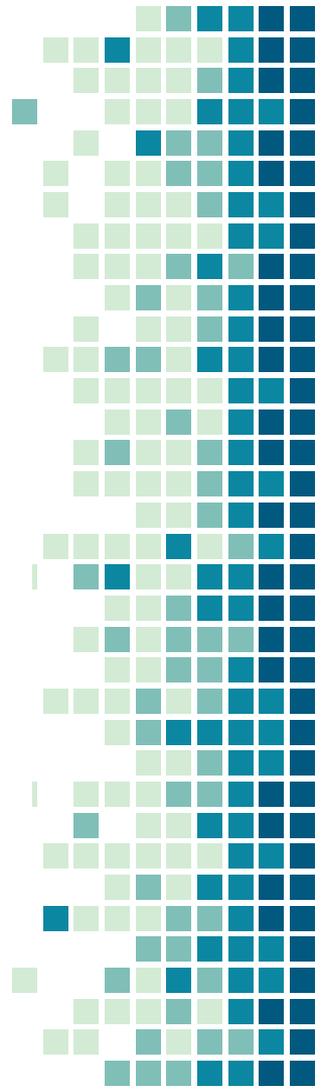
When Startups Need Money

Do I need to raise money?"

Not, "Oh, I'm going to go raise money because I'm doing a startup." That doesn't make any sense.

So the right thing at the right time. If you can bootstrap, if you can build it on revenue, you should.

How To Raise Money for Your Startup

by Anna Vital

1 Decide on Your Main Feature (MVP)

What is the one thing your product does really well?
A lean team can usually build one feature fast without burning out.

2 Create a Prototype

Prototype just that 1 feature. Make 2-5 screens in Photoshop, Balsamiq, on paper, etc – anything that visually shows how the product works.

3 Test with 100-500 customers

Ask people in coffee shops, run Google/FB ads, make a landing page, email.
If the prototype makes sense to them, keep going, if not go back to N°2.

if you tried everything and still no traction, go back to N°1

6 Try Monetizing

Monetizing is not necessary if your traction is high. But if it is not, and you can monetize, your chances with investors will be higher.

5 Get Traction with 10,000 people

Now the Challenge. Get traction.Try everything: FB, Twitter, email, celebrities,bloggers,TV, launch party,partner with another startup, etc

This is the most difficult part

4 Build a Functional Prototype

Now build the functionality. Still just one feature.
To minimize the cost, see if you can do it in Wordpress or AppBuilder.

3

Important things, when you raise money
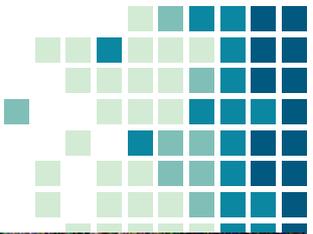
Quick experiment?

1- Find a nice comfortable rocking chair.

2- Sit on it.

3- Start swaying.

4- Relax and enjoy the chair.

5 - STOP.

Lesson? Did you move?

"OVERTHINKING IS LIKE A ROCKING CHAIR, IT WILL GIVE YOU SOMETHING TO DO, BUT IT WON'T GET YOU ANYWHERE." *(~Glenn Turner)*
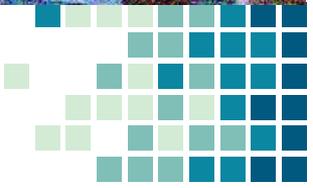
What Investors Look for in Startup Projects

Team, team, team, market, progress, idea

Team… talent of the team, the passion of the team, what's motivating the team, how the team knows each other.

Market… It is one that is either growing rapidly, shrinking or going away or probably not stagnant.

Progress? Investors are looking for people who run through walls and do progress. They do not say, "Well I need to hire a programmer." They start programming. Investors are looking for founder(s) who are doing stuff, not just people saying they want to be entrepreneurs.

Idea. Investors want to make sure that the founders are in love with the problem and not the solution. So your idea is one example of attacking the problem that will probably change over time.

Filter Sample

Startup Early Assessing Fit   *(Pass Filter 80%)*

#		Description	Weight	Gained	Remarks
	Round	Pre-Seed	●		10
		Seed	●		9
		Post-Seed	●		8
		Series A	●		7
1		Round	10		
	Field	Healthcare	●		10
		Education	●		10
		Transportation/Delivery	●		8
		Life Science/Services	●		7
		Fintech	●		10

# What Startups Need to Know About Due Diligence?

Main Due Diligence Pillars:

1- Technical DD

2- Financial DD

3- Operational DD
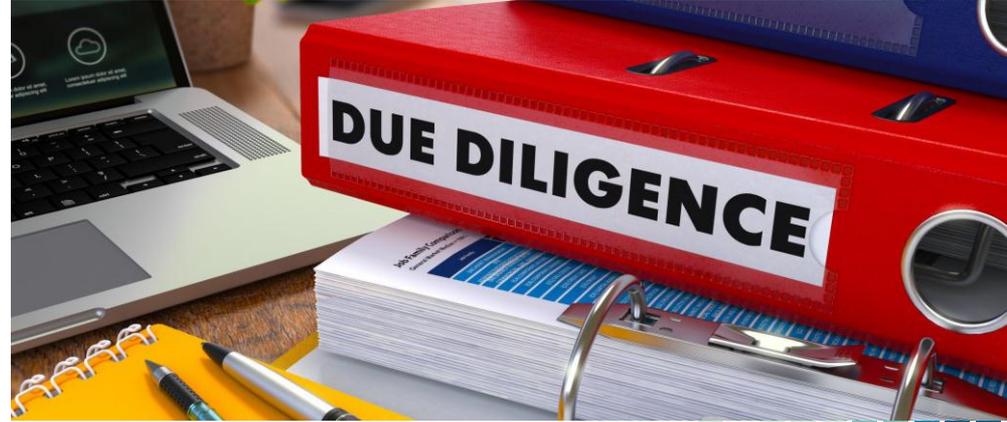
Due diligence can be a lengthy process, sometimes taking weeks or months to complete.

Protect Your Startup

Gradual agreements with investors:

1- Mutual Non Disclosure Agreement (MNDA)

2- Letter Of Intent (LOI)

3- Memorandum Of Understanding (MOU)

4- Work Contract

Difference between MOU

Letter of Intent
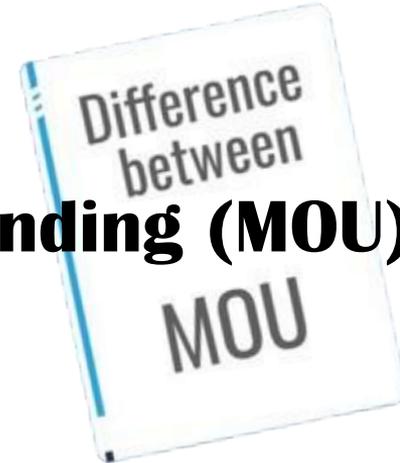
Build a Strategic Relationship With Investors

THANKS!

Any questions?

You can find me at:
sshata@gmail.com