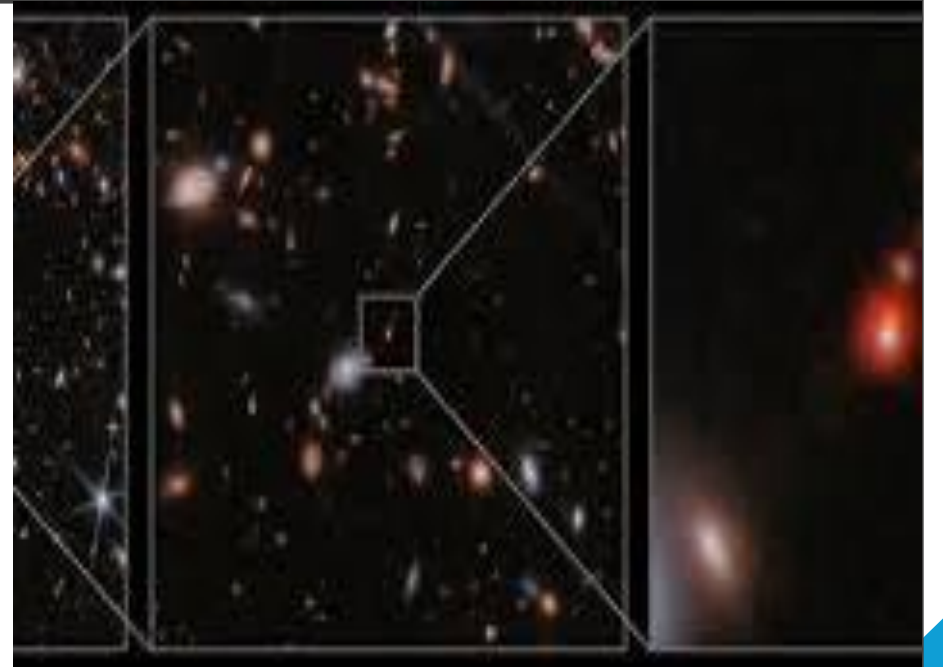


The Start Up Primer

Rise Accelerator

ISB + Niti Aayog + CSIRO Australia Initiative

Indian + Australian Start Ups



Indian start up eco system last decade

- **DPIIT recognizes 117,254 start up as of Dec 31, 2023**
- **Total funding of \$8.4 billion in 2023**
- **Top sectors are Retail, Enterprise applications, Fintech, Supply chain, Food and Agriculture, Travel , Edtech**
- **Deeptech investment of \$6.7 billion in last decade**
- **EV industry has seen \$ 4.8 billion funding in last decade**
- **India ranks 7 th in space tech funding globally**
- **111 unicorns so far, 20 are women founded**
- **Women led start ups got \$ 1.1 billion funding in 2023**
- **Generated more than a million jobs in the last decade**

Australia start up eco system

- **As of Feb 2024, Australia had 1800 tech start ups**
- **Total businesses in Australia is 2.5 million**
- **Top start up sectors – Fintech, Software, E Commerce, Cyber security**
- **60 % of start ups fail in 3 years, 20 % in Year 1**
- **Reasons for Year 1 failure – failing to raise capital, Doing it all alone, premature scaling, failing to pivot, Poor marketing**
- **Top reasons for 3 year failure – Lack of market fit, Poor marketing, lack of funding, failure to pivot, changing market conditions**



**“ When you see a
successful business,
someone once made
a brave decision” –
Peter Drucker**



Paradox of business

All big companies
want to think small
while all small
companies want to
think big!





Start Up Strategy Questions



What is the need we are serving?

Who is serving the need in anyway today?

Restaurant/Chef rating



Is the need in *education*, in *product*, in *service*, in *after sales*, or a *combination* of a few?



How **big** is the
addressable
market and at
**what value
points?**



MBA education, continuing education





Payments is another example

**Websites is
another
example**



SWI ↓ **CHING**
COSTS ↑

There is a switching cost in every eco system.

There is a Risk attached to switching.

What is the switching cost?



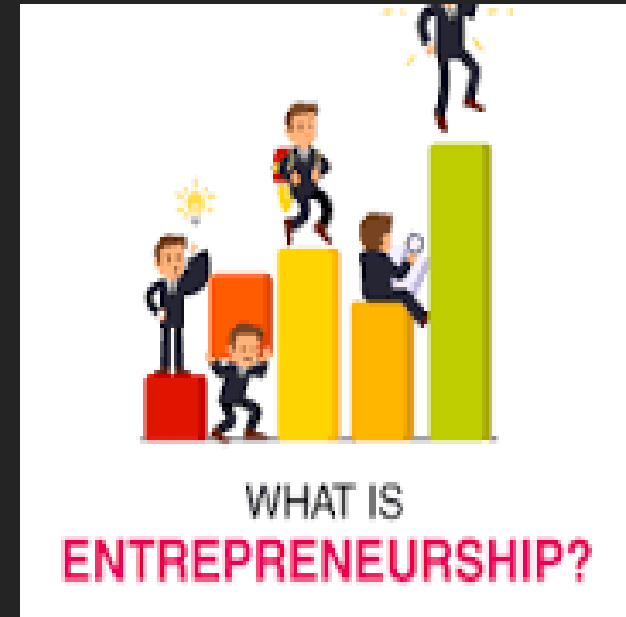
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Where is the Value?





Entrepreneur Professional





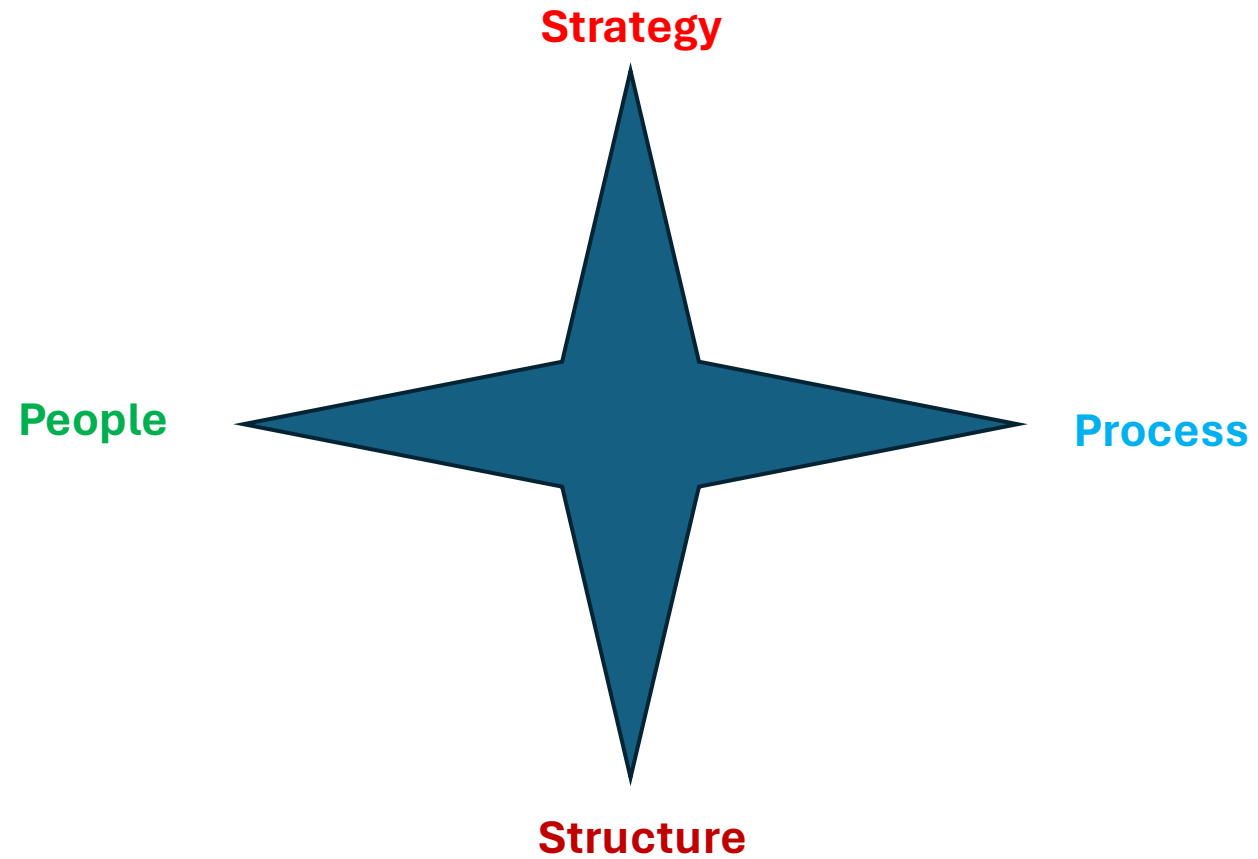
EP

PP

PE

EE





Structure follows strategy.

Big companies are always changing structures and failing!

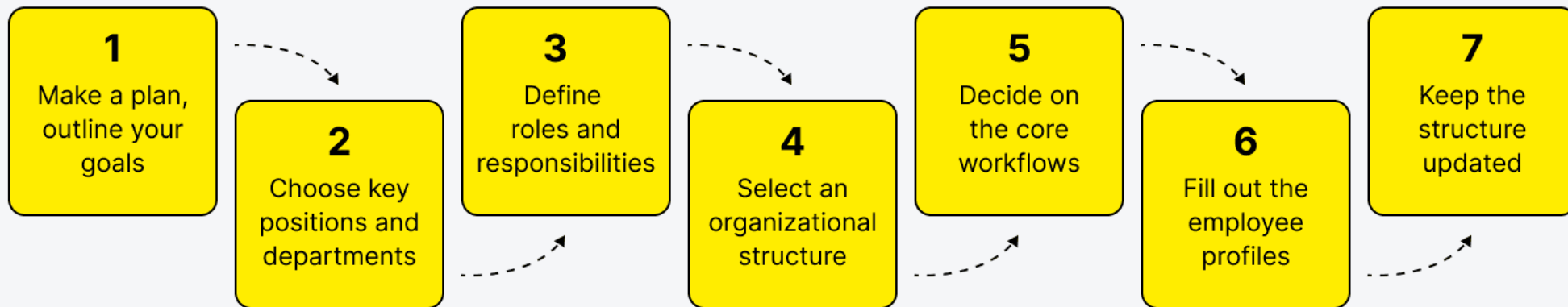


**Structure
divides people
but people unite
structures.**



When does a start up need structure?

Building an Organizational Structure for Startups in 7 Steps





100 people

For decision making clarity

For capital allocation

For Business Development



Horizontal vs Vertical structures.

Horizontal Organizational Structure



**Music as a
metaphor for
start ups**





The one - man band

The Duo



**The heavy duty
band, sound
engineer et al.**



**The rock star
band**



The Orchestra



The Experience Curve

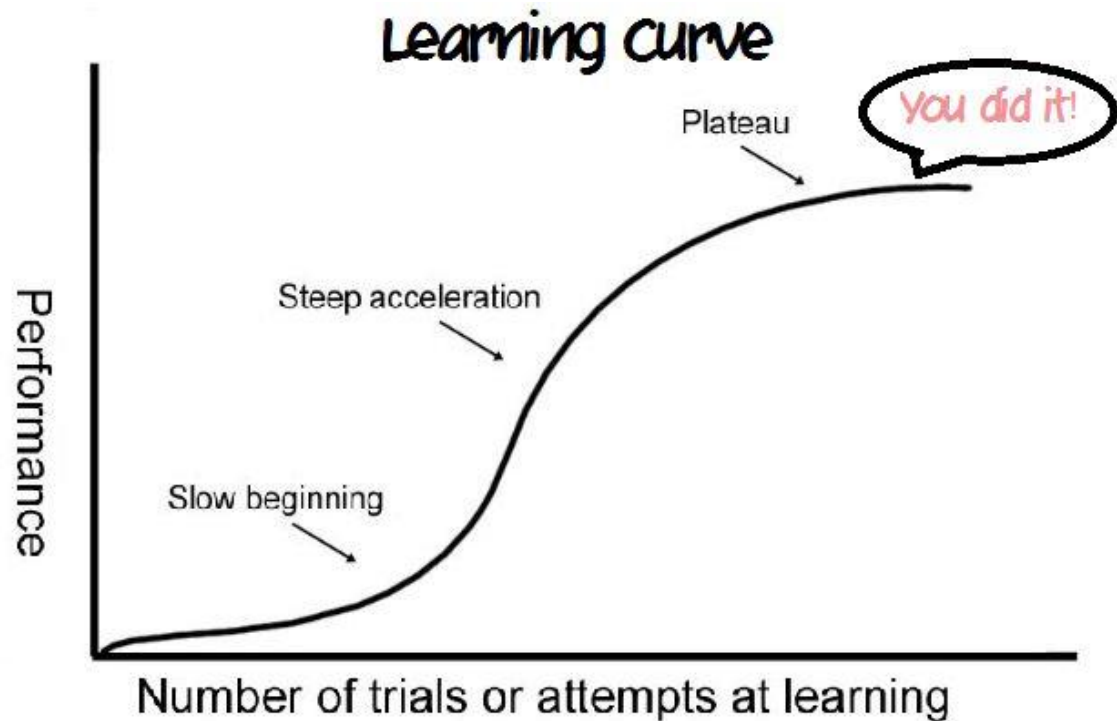
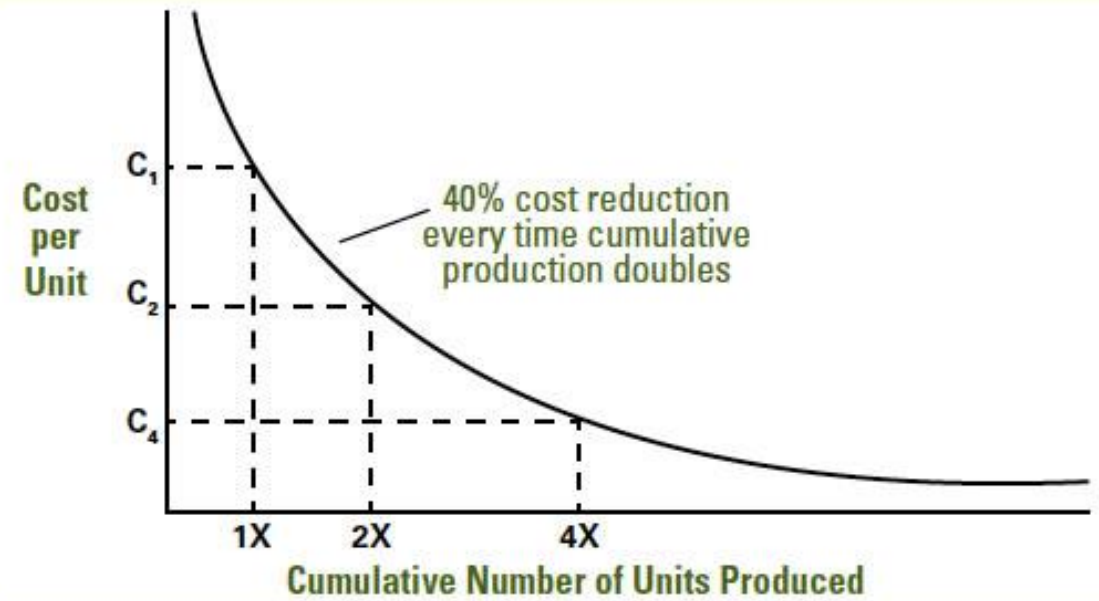


Figure 1. Forty-percent experience curve



What is CORE?



BYD



Technology products have advantage of being in beta mode.

Physical products are in shelf life mode.



Small vs small

Small vs big

**Part of eco
system**



Founder distractions

Too many agenda points

Hobby Horses

Fame

Wanting to opine on everything



Does a Start up Grow up?



Capability



Is scale good?



Summary

- **Structure follows strategy**
- **Need and size**
- **EP**
- **Music as metaphor**
- **Founder distractions**