



## Consistency scan© Demo

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## Consistency scan

## Demo

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**Reading guide**  
In this report, the Actual Stage of Demo is described first. The Behavioral Stage for each core dimension is then described. Finally, the points of attention for Demo that require focus and action in order to reach the next lifecycle are described per core dimension.

# Company info

## General info

Company: Demo

Founded: 8-2020

Website: <https://www.demo.com>

E-mail: [Stephan@gritd.nl](mailto:Stephan@gritd.nl)

Phone: 0612345678

Entrepreneur: Stephan

## Who is your customer?

Managers of Tech  
Operators of Tech

## What is the customer problem?

Production of products is too slow

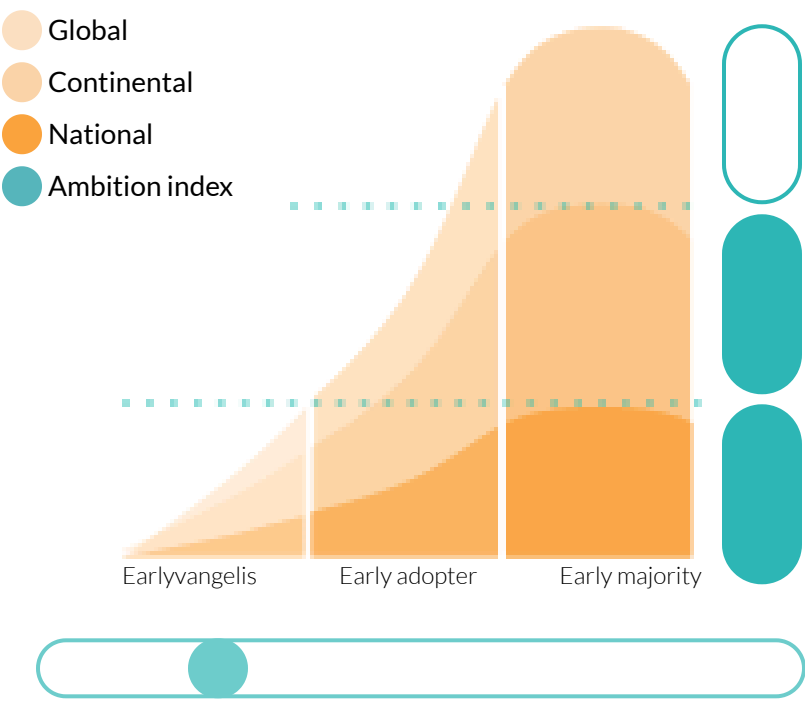
## What is your solution?

Faster production of products

## What is your product?

TechRobot

Sector: hightech



	Last year	Current year	Next year	Ambition
Revenue	€ 0	€ 0	€ 500.000	€ 10.000.000
Number of customers	0	0	20	400
Investment need	-	€ 2.000.000	-	€ 5.000.000
Number of employees	-	6	-	-

# Where are you now?

## Actual stage

Demo is currently in lifecycle 1. The purpose of the first phase of life is to find out who the customer is and whether the problem the start-up wants to solve is important enough for the customer. To find out if the assumptions about the first customer segment are true, a start-up must conduct customer interviews to learn what problems customers experience, what the best solution is for them, and who is willing to pay for it. This also requires investigating who influences the buying process (DMUs). In lifecycle 1, there are no customers yet. There may be a few (un)paid users who test parts of the product in practice (for example testing a Proof of Concept)

## Achieved milestones

1. Discover a customer segment whom all experiencing the same problem (earlyvangelist)
2. Find the best solution for the problem of the earlyvangelist (P/S fit)
3. Get commitment from the earlyvangelist on purchasing the solution
4. Develop a standard product that earlvangelists are fan of (P/M fit)
5. Develop a repeatable and scalable sales process
6. Achieve a scalable business model (B/M fit)
7. Transform into an execution-driven organization
8. Position company and product to early adopters
9. Create demand among a large group of early adopters
10. Transform to mission-driven functional departments
11. Tailor the solution to the needs of the early majority
12. Achieve market leadership

## Important indicators that show where you stand now

### Customerproblem validation

20%

### Solution validation

0%

### Retention

0%

### Referral

0%

### CLTV/CAC

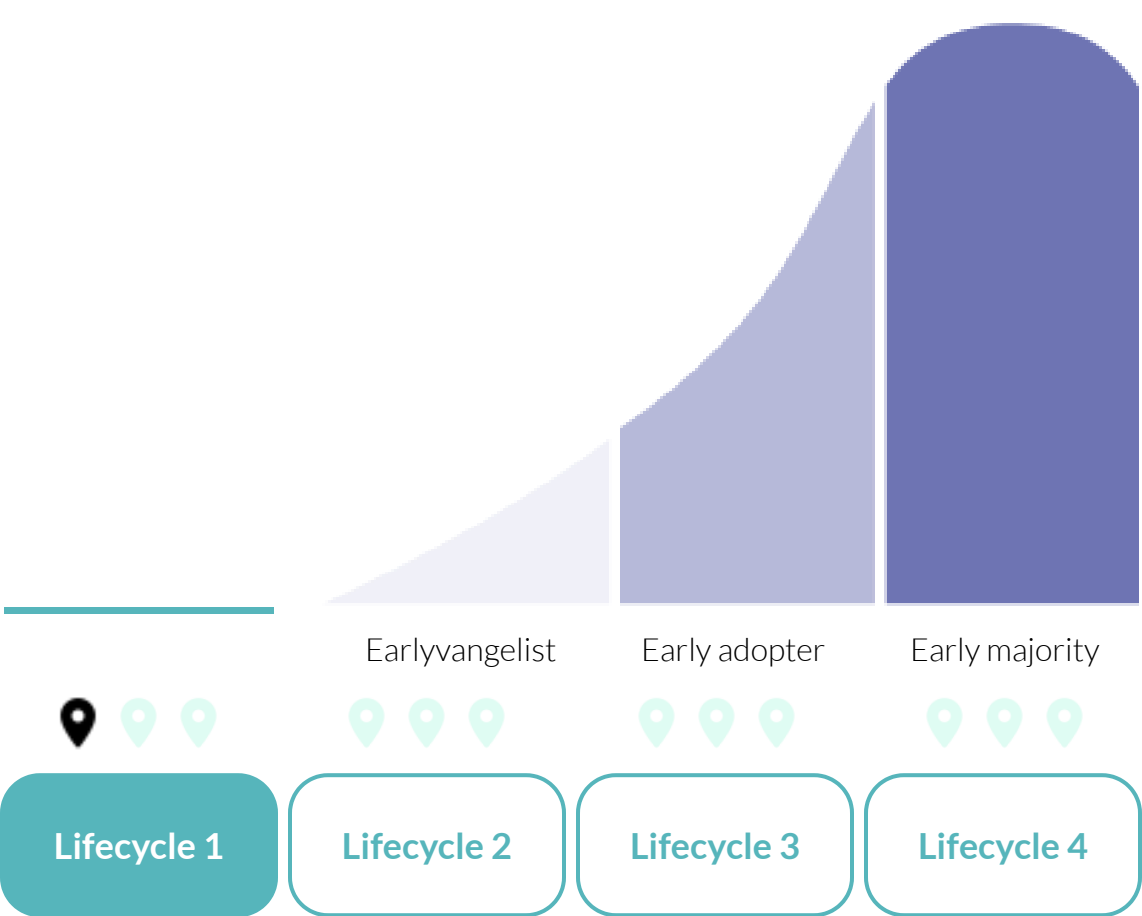
0

# What do you need to do?

## Next milestone

To reach milestone 1 it is important to discover within this group of customers which segment or niche confirms Production of products is to slow. Your goal is to speak to as many customers as possible and validate this customer problem. At this moment, 20% confirm the customer problem.

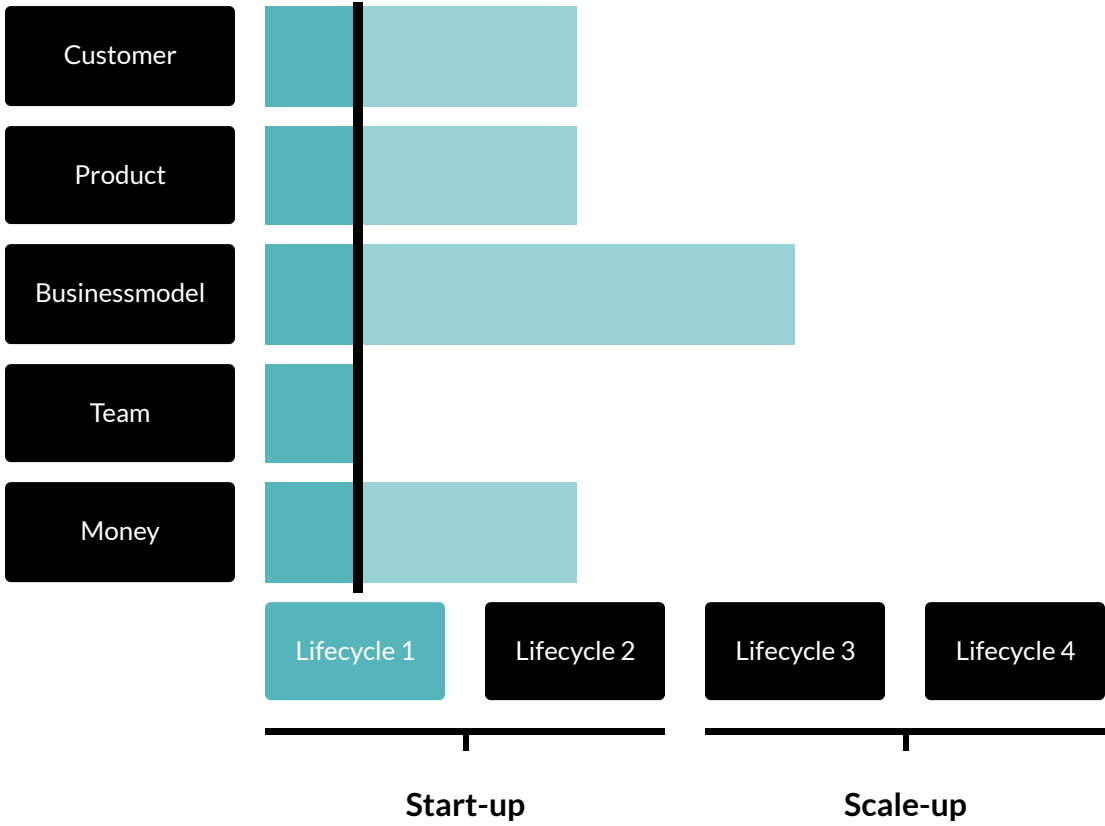
- Market segment
- Actual stage
- Achieved milestones
- Next milestone





# What are you doing?

## Company photo



## Consistency index



## What do you spend your time on?

You have indicated that the team involved spends the most time on Product development. On average, the team spends the least time on Marketing. You indicate that your focus is on Sales and Production . Discuss with your team whether these goals can also be achieved with the current distribution of team activities.

## What do you spend money on?

You have indicated that the last funding round was spent mainly on Product development. In addition, you have indicated that you would like to spend the next funding round on Production. Discuss with your team whether the objectives can be achieved with the future intended allocation of capital.

## StartupFramework

**Consistent behaviour of the start-up team has a major impact on the speed and efficiency with which start-ups grow into mature companies. Since 2018, we have been investigating how consistently Dutch start-ups grow. Our analysis, among 660 start-ups, shows that entrepreneurs lose focus when they raise too much capital and expand the team too quickly. But what exactly is (in)consistent growth and what happens when there is too much capital or the team is expanded too quickly? To analyse this, we will first explain StartupFramework.**

The StartupFramework is designed to make consistent growth visible. It allows us to examine how start-ups grow and the impact of start-up coaching on the growth of start-ups.

The model builds on Startup Genome's (2019) survey of 34,000 US start-ups. It shows that start-ups that grow consistently have higher market adoption (growth in the number of customers). They require fewer resources (time and money) than start-ups that grow inconsistently.

A start-up grows consistently when it balances its daily operations with its market adoption. This means that the company devotes all its resources to achieving the milestones of the current lifecycle.

The opposite of consistent growth is inconsistent growth. A start-up grows inconsistently if it behaves as if it is further along than market adoption indicates. This means that the company is putting its resources into activities that do not contribute to achieving the milestones of the current life stage. Startup Genome's research shows that inconsistent growth is the main reason why 90% of all startups fail or get stuck in their growth.

Gritd.

Survival probability [%]

Age of company [t]

Our data shows that startups that grow more consistently are more likely to successfully enter the market and continue growing. They manage to increase their chances of survival by focusing on activities that contribute to growth and limit themselves to raising capital for these activities.

## StartupFramework

Based on our insights, the most important conclusion is that only 5% of Dutch start-ups grow consistently. The success of start-ups is currently measured mainly in terms of completed rounds of funding and the number of employees they employ. These results seem very positive and useful at first glance, but they do not provide any insight into the value created in the market and thus the chance of becoming an impactful 'mature' company. Both measurement indicators say nothing about the market adoption of the developed solution.

Secondly, it appears that funding alone is not the solution for stage one start-ups. There is a lot of talk in the Netherlands about the shortage of early stage venture capital. Ask a stage one start-up what it needs and the answer is money. However, our insights show that funding is unconsciously a driver of inconsistent growth. The call for more early-stage capital is too one-sided. The conversation should be about how funding can be used as a tool to increase the current life stage and consistency rate of start-ups.

Finally, our insights show that it is possible to increase the consistency rate of start-ups with targeted start-up coaching. The duration, content and form all have an impact on the growth of the consistency rate. In the right composition, the impact of startup mentoring on the growth of startups can be maximised. It is essential that the guidance and funding is tailored to the current life stage.

Gritd.

Survival probability [%]



Milestones achieved (#)

Our data shows that startups that grow more consistently move faster through the various life phases and reach the milestones. This makes them more efficient in the use of time and money and therefore more interesting for investors because the return on investment is higher than an inconsistent startup.





# Questionnaire

## Questionnaire

Let's start, what is your name?

Stephan

On behalf of which company are you completing this assessment?

Demo

What is your role within Demo?

Owner

At which e-mail address can we reach you?

Stephan@gritd.nl

At which phone number can we reach you?

0612345678

What is the website of Demo?

https://www.demo.com

Since when is Demo registered in the chamber of commerce (kvk)? (Or do you intend to do this?)

Year: 2020

Month: 8

Who has asked you to fill in this assessment?

Gritd

How many people work for Demo?

6

How many management layers are at Demo?

0

How often have you, or one of your co-founders, started a company before?

3

What sector is Demo active in?

hightech

What is the name of the key product or service for which you using this consistency scan?

TechRobot

Describe in short your products/services TechRobot:

It is a robot build with new technology.

What is the intended commercial sales price of TechRobot?

25000

How many customers have so far purchased TechRobot for the price of €25000?

0

Who buys TechRobot: Managers of Tech

Who uses TechRobot: Operators of Tech

In addition to TechRobot, how many other products/services are you developing?

3

What is the expected revenue for TechRobot?

last calender year: 0

this calender year: 0

next calender year: 500000

final ambition per calender year: 10000000

How many customers are expected to buy TechRobot:

last calender year: 0

this calender year: 0  
next calender year: 20  
final ambition per calender year: 400

What is you ambition? In how many countries do you eventually want to be active?  
15

How large is the worldwide market for TechRobot expressed in Euro's?  
1000000000

How large is the worldwide market for TechRobot expressed in number of customers?  
2500000

What is the customer problem you're trying to solve with TechRobot? (briefly describe your customer's problem)  
Producotion of products is to slow

What is the solution that you offer to solve the problem? (briefly describe the solution)  
Faster production of products

How many potential customers did you interview over the last 6 months?  
50

How many of the potential customers that you spoke with in the past 6 months wanted to solve the problem?  
10

How many potential customers have you presented your solution to?  
20

How many potential customers were willing to acquire your solution?  
0

How many of the 6 teammembers are involved with TechRobot?  
6

How much time (in hours on average per week) do 6 team members spend on:  
Product development: 180  
Production: 20  
Market research: 0  
Sales: 40  
Marketing: 0  
Leadership management: 0  
Raising funding: 0

How many of the MT members have a background in:  
Knowledge institutes: 4  
Startups: 0  
Scaleups: 3  
Corporates: 3

How much capital (EUR) (loans, investments, grants) have you raised in total so far?  
2000000

The next five questions we would like you to divide the percentage of the total amount of capital raised spent on the following four activities:  
Product development: 80  
Production: 20  
Market research: 0  
Sales: 0  
Marketing: 0

How much capital do you want to raise with the next investment round?  
5000000

The next five questions we would like you to divide the percentage of the total amount of capital you are looking to raise in the next round on the following four activities:  
Product development: 20  
Production: 50  
Market research: 0  
Sales: 30  
Marketing: 0

In which phase is your customer development?  
Selling to first customers.

**In which phase is you product development?**

Scale up production

**What is the primary revenue model of TechRobot?**

Sales of goods

**In which phase is your business model?**

Business model is optimized for maximum growth

**Which goals do you use to steer yourself and your team?**

Sales and Production