



ILLUSTRATION: ZARIF FAIAZ

How to raise funds for your startup: A guide

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Launching a startup is an exhilarating journey, but one of the greatest challenges lies in securing the necessary funding to turn your vision into reality. In this comprehensive guide, we delve into the strategies and steps that aspiring entrepreneurs can undertake to raise funding for their startups. From crafting a compelling business plan to attracting investors, this article serves as your roadmap to financial success.

Crafting a compelling business plan

The initial step in raising funds for your startup involves creating a compelling business plan that outlines your company's vision, mission, and value proposition. This document acts as a roadmap, helping potential investors understand your business model and growth potential.

Your business plan should start with an executive summary, which is a concise overview highlighting your startup's unique selling points, market analysis, and competitive advantage. The goal is to grab the attention of investors quickly with a succinct yet compelling introduction.

Next, conduct a thorough market analysis, identifying the size, growth potential, and key trends of your target market. This section should demonstrate your understanding of market dynamics and explain how your startup addresses unmet needs or gaps.

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is distinct from existing offerings and the potential for disruption.

Financial projections are another crucial part of the business plan. Develop realistic forecasts, including revenue, expenses, and cash flow analysis. Base these projections on solid research and assumptions, showcasing your startup's growth potential and profitability.

Seeking funding sources

Once you have a compelling business plan, explore various funding sources to turn your vision into reality.

Bootstrapping is often the first choice for many entrepreneurs, who use personal savings, credit cards, or loans to fund their startups. Although this approach requires personal sacrifices, it allows you to maintain control and can attract investors with proof-of-concept.

You might also consider raising funds from friends and family. Approach those who believe in your idea and may be willing to invest. Be clear about the risks involved and establish a formal agreement to protect relationships and interests.

Angel investors are high-net worth individuals or groups providing early-stage funding in exchange for equity. You can find them through angel networks, pitch events, or online platforms. Seek investors aligned with your industry.

Venture capital firms specialise in funding high-growth startups. Develop a targeted list of firms with a track record in your industry, and reach out with a well-crafted pitch deck and business plan.

Crowdfunding is another option, allowing you to raise capital from a large pool of individuals. Create a compelling campaign, highlighting your startup's value proposition and offering rewards to supporters.

Additionally, research grants and competitions offered by government, non-profits, and startup competitions. Demonstrate the societal impact and scalability of your startup to increase your chances of success.

Attracting investors

Once you've identified potential funding sources, present your startup in a way that resonates with investors.

A well-designed pitch deck is crucial. It should effectively communicate your startup's value proposition, market potential, competitive advantage, and financial projections. Keep it concise, visually appealing, and tailored to investor preferences.

Networking is vital. Build connections within your industry by attending conferences, events, and startup communities. Seek opportunities to connect with potential investors and industry influencers who can offer guidance and introductions.

Demonstrate traction to show investors your startup's progress. Highlight revenue growth, user acquisition, or strategic partnerships to instil confidence in potential investors.

Finally, be prepared for due diligence. Anticipate and address investor questions about your business model, competition, intellectual property, team composition, and legal and financial aspects of your startup.

JOBS SPOTLIGHT

MJL Bangladesh PLC.

Sales Engineer

Deadline: May 2



Eligibility:

• B.Sc. in Mechanical Engineering from any reputed university.

Minimum experience: 1-2 years

GPH Ispat Limited

Territory Sales Officer

Deadline: May 3



Eligibility:

• Business graduate in any discipline from any reputed and recognised university. Master's degree or MBA in Marketing preferred.

Minimum experience: 1-4 years

Embassy of Sweden Dhaka

Embassy of Sweden, Dhaka

Chief Accounts Officer

Deadline: May 7

Eligibility:

• Degree in relevant academic background, or other professional courses or certifications within the field.

Minimum experience: 5 years

Helen Keller Intl. Bangladesh

Finance Assistant

Deadline: May 4

Eligibility:

• Bachelor's degree in accounting/ Finance/BBA. Major in Accounting/ Finance preferred.

Minimum experience: 3-5 years



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QUOTE OF THE DAY



“What would you do if you weren't afraid?”

Sheryl Sandberg



Unreal valuations, sweet deals: Shark Tank Bangladesh premieres with a buzz

The much anticipated first episode of 'Shark Tank Bangladesh' on Friday saw three startups on the verge of securing over 1 crore taka in investments and introduced viewers to some innovative ideas. But it also had its share of eyebrow-raising moments.

Md. Azizul Haque's EcoCutler, a startup specialising in eco-friendly wood and bamboo cutlery and straws, revealed revenue figures of only BDT 10,000 and a profit of just BDT 2,000. Despite modest numbers, the entrepreneur asked the Sharks for a valuation of 6 crore taka. No deal was reached during this round and the Sharks suggested the

entrepreneur return in a future season with stronger market traction.

Another moment that garnered attention was Cookoly's deal, in which the brand's founder Shayla Sharmin gave away a whopping 40% equity for a 30 lakh taka investment. Cookoly, which offers organic, preservative-free ready-to-cook mixes, featuring a unique sugar-free masala chai mix, attracted interest from Golam Murshed, Nazim Farhan Choudhury, and Ahmed Ali, resulting in a particularly advantageous deal in favour of the Sharks.

On the brighter side of things, Mehedi

Hasan Nayon presented Booktionary, a platform designed to help university students buy, sell, and exchange textbooks. The concept resonated with Nazim Farhan Choudhury and Sami Ahmed, leading to an investment of 30 lakh taka for a 15% equity stake.

Naznin Akhtar Dalia pitched Beauty Solutions, a skincare brand focused on organic ingredients. The company's impressive revenue and profitability figures led Golam Murshed, Sami Ahmed, and Ahmed Ali to invest 50 lakh taka for an 8% equity stake. It was also the toughest negotiation on this episode.

