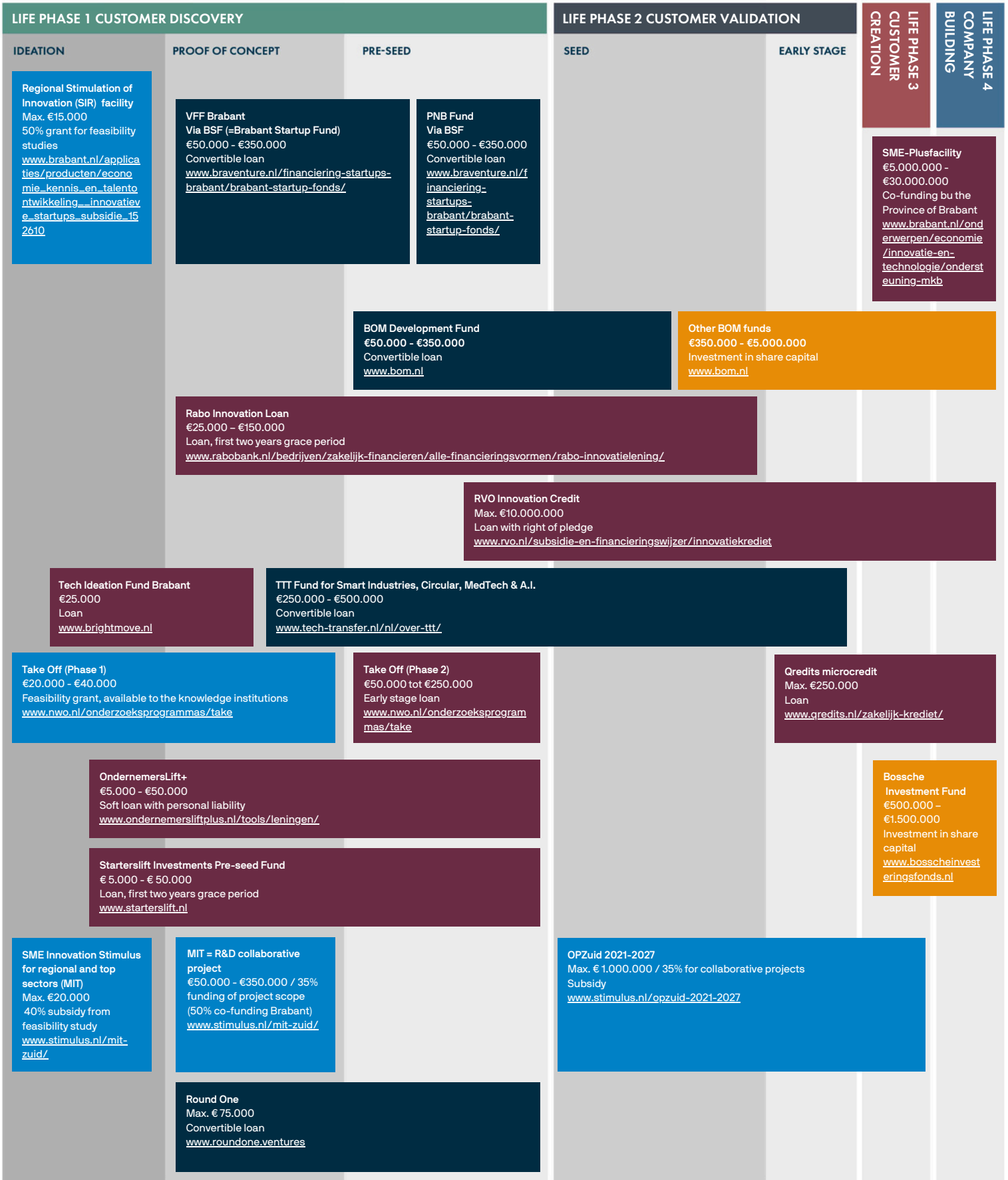


EARLY STAGE FUNDING FOR INNOVATIVE STARTUPS IN BRABANT

MAY 2024



We have listed the most relevant general financing options for you. This leaflet does not include regional schemes, nor does it include schemes for specific sectors. Please contact one of our partners for specific financing options related to themes and key technologies. You can find more funding opportunities in the [SME Financing Guide](#). No rights can be derived from the information provided.

 SUBSIDY

 LOAN

 CONVERTIBLE LOAN

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LIFE PHASES OF STARTUPS AND SCALEUPS



STARTUP

SCALE-UP

CUSTOMER DISCOVERY

CUSTOMER VALIDATION

CUSTOMER CREATION

COMPANY BUILDING

LIFE PHASE 1: CUSTOMER DISCOVERY

The starting phase concentrates on the iterative process for uncovering your first potential client (the earlyvangelist). What are the requirements and where are the obstacles located? During this initial life phase your startup does not yet have any clients. There could be a few users that perform practical tests on components of the product for a fee or free of charge (such as testing a proof of concept).

It is crucial that many client interviews are conducted during this life phase for the purpose of finding the startup's initial client segment.

The three milestones in this life phase:

- 1 Discovering the initial client segment, where all potential buyers are experiencing the same issue (earlyvangelists)
- 2 Finding the best solution to the issue faced by earlyvangelists (problem/solution-fit)
- 3 Getting the earlyvangelists to commit to buying the solution

LIFE PHASE 2: CUSTOMER VALIDATION

The second phase entails the development process. What steps are required to make your solution repeatable and scalable so that it can be brought to market? You will test assumptions and hypotheses involving the client issue, the market, and the product.

During this second phase the initial clients (the earlyvangelists) try out the first version of your product (up to 2.5% of the total market). The number of repeat purchases and lost clients are significant indicators for determining the product/ market fit.

The three milestones in this life phase:

- 1 Developing a standard product that earlyvangelists are fans of (product/market fit)
- 2 Setting up a repeatable and scalable sales process
- 3 Setting up a scalable business model (business model/market fit)

LIFE PHASE 3: CUSTOMER CREATION

The third phase sees you turning your startup into a scaleup (or scalable company) by creating product demand. This marks the start of the execution phase. More clients (the early adopters) are now using the second version of your product (up to 16% of the total market).

The growth in client numbers and acquisition costs offset against the total value generated by clients for the startup are significant indicators for determining the scalability of the business model.

The three milestones in this life phase:

- 1 Transforming into an execution-driven company
- 2 Positioning the company and product with early adopters
- 3 Creating demand among a large group of early adopters

LIFE PHASE 4: COMPANY BUILDING

The fourth phase involves implementing the validated business model through repeatable processes. Your business is now completely in the execution phase, with many clients (the early majority) now using the fully developed version of the product (upwards of 16% of the total market).

Aside from the previous indicators, cross-selling is an important measurement for influencing total client value.

The three milestones in this life phase:

- 1 Transforming into mission-driven, functional departments
- 2 Matching the solution to the requirements of the early majority
- 3 Achieving market leadership