STARTUP LIFECYCLE



Katarzyna Kulpaczyńska Accounting and Controlling

The purpose of the poster is to present the startup lifecycle and the possibilities of financing their activities at different stages of their development.

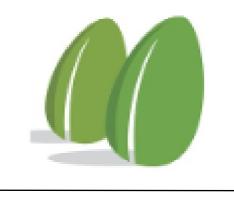
What is a startup?

It is an innovative company founded to develop a unique product or service and bring it to market.



PRE-SEED

- •The appearance of a business idea and preparation of the implementation of this plan.
- Creating initial product concepts that |• The startup has not
- •The need for constant (moderately high) capital supply.
- •The financing of this phase is very risky - a return on investment is possible even after 5-7 years.



- The startup has a prototype of its own product / started offering the finished product on the market. •The need for external
- financing, due to increasing expenditures
- precede the prototype. vet exceeded the break-even point.

EARLYSTAGE

- Increase in profitability of sales.
- •The startup strengthens the market position.
- •Increase in development expenditures – the need for external financing.
- •Low profitability no possibility of selffinancing.

EXPANSION

- •The startup imitates independent companies with an established market position.
- •A more mature business model than in previous phases.
- •Exit stage of highrisk investment funds.

LATESTAGE

- •A proven business model.
- •High profitability.
- •Reduced operational and investment risk – greater opportunities to obtain financing.
- •Financing ceases to come more from equity because foreign capital becomes more available.

Banks; Venture Capital and Private Equity funds

Business Angels; Seed funds

Family, Friends, Fools (FFF); Accelerator



A very important source of funding affecting the functioning of startups is crowdfunding, which is a source of funding available at all stages of their development.



CONCLUSIONS

An inseparable part of a startup is the existence of different stages of development, which present a specific development cycle of the business, resembling the product lifecycle. The availability of funding sources depends largely on the stage of development of the startup. With each successive stage, profitability increases and investment risk decreases, making it easier to attract investors.