# Startupspro

## A — Angel Investor

An early-stage investor who provides capital, mentorship, and network access. **Example:** Naval Ravikant is a well-known angel investor in Silicon Valley.

## B — Bootstrapping

Building a startup using personal funds or revenue without external investment. **Example:** Mailchimp scaled to millions without VC funding.

## C — Cap Table (Capitalization Table)

A breakdown of ownership stakes, including founders, investors, and option pools. **Used in:** Fundraising rounds, equity negotiations.

## D — Due Diligence

A thorough review of financials, legal docs, and team before investment or acquisition. **Includes:** IP audits, revenue validation, founder background checks.

## E — Exit Strategy

A plan for founders/investors to realize returns via IPO, acquisition, or secondary sale. **Example:** Instagram's exit via Facebook acquisition.

## F — Founder's Agreement

Outlines equity splits, vesting schedules, decision-making rights, and dispute resolution. **Tip:** Always include a vesting clause to protect against early departures.

## G — Growth Hacking

Rapid experimentation across marketing channels to find scalable growth tactics. **Tools:** A/B testing, viral loops, referral programs.

## H — Hackathon

Time-boxed event where teams build prototypes or solve problems. **Outcome:** MVPs, new features, or hiring opportunities.

## I — Incubator

Supports startups with mentorship, office space, and resources. **Example:** Y Combinator (also an accelerator).

## J — J-Curve

Visualizes initial losses followed by exponential growth — common in VC-backed startups. **Used in:** Investor pitch decks to show long-term potential.

## K — KPI (Key Performance Indicator)

Metrics that track progress toward business goals. **Examples:** CAC, LTV, churn rate, monthly active users.

## L — Lean Startup

Methodology focused on validated learning, MVPs, and iterative development. **Book:** *The Lean Startup* by Eric Ries.

## M — MVP (Minimum Viable Product)

The simplest version of a product that solves a core problem. **Goal:** Validate assumptions before scaling.

## N — Network Effect

Product becomes more valuable as more users join. **Examples:** WhatsApp, Airbnb, LinkedIn.

## O — Onboarding

Process of introducing users or employees to your product or company. **Includes:** Tutorials, welcome emails, walkthroughs.

## P — Pivot

Strategic shift in product, market, or business model. **Example:** Slack pivoted from a failed game to a workplace chat tool.

## Q — Quick Ratio

Formula: (New MRR + Expansion MRR) / (Churned MRR + Contraction MRR). **Used to:** Measure SaaS growth efficiency.

### R — Runway

Time left before cash runs out. **Formula:** Cash / Monthly Burn Rate.

### S — Seed Funding

First institutional funding round, often from angels or seed-stage VCs. **Used for:** MVP development, early hiring, market validation.

### T — Term Sheet

Outlines investment terms: valuation, equity, liquidation preference, board rights. **Tip:** Negotiate founder-friendly terms early.

### U — Unicorn

Startup valued at $1B+ while still privately held. **Examples:** Stripe, ByteDance, Canva.

### V — Venture Capital

Equity-based funding from firms investing in high-growth startups. **Stages:** Seed, Series A, B, C, etc.

### W — Wireframe

Low-fidelity design mockup showing layout and user flow. **Tools:** Figma, Balsamiq, Sketch.

### X — XaaS (Anything as a Service)

Cloud-based delivery of services: SaaS, PaaS, IaaS, etc. **Trend:** Rise of vertical SaaS and niche XaaS models.

### Y — Yield

Return on investment, often used in financial modeling. **Formula:** Income / Investment Cost.

### Z — Zero to One

Creating something entirely new vs incremental improvement. **Book:** *Zero to One* by Peter Thiel.