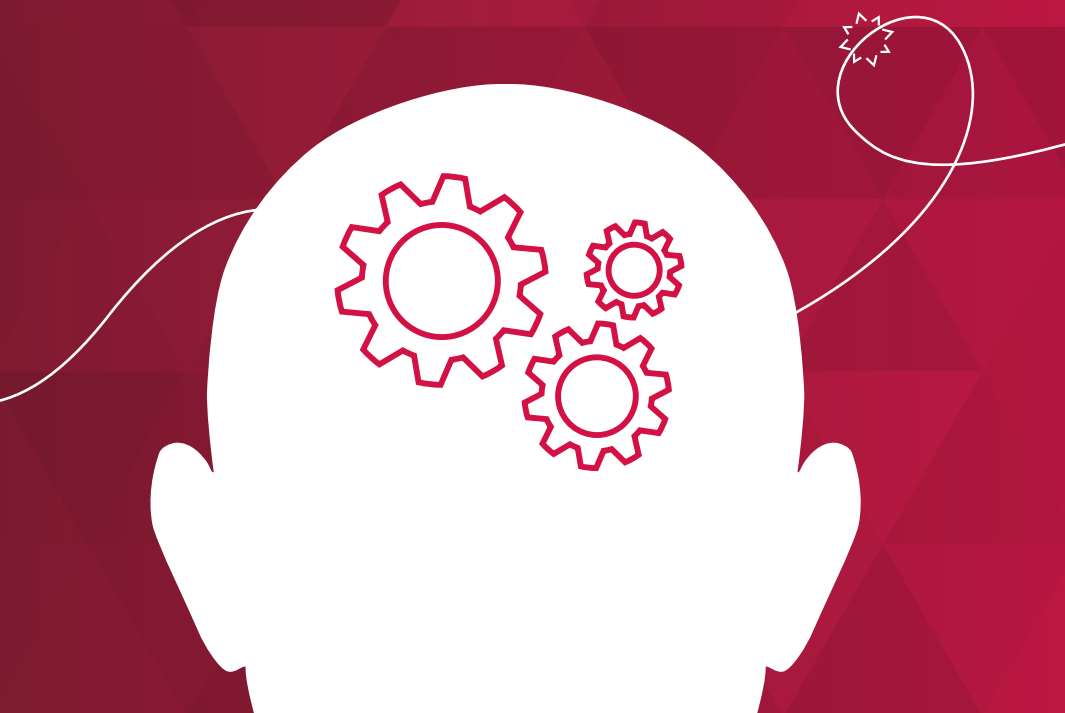


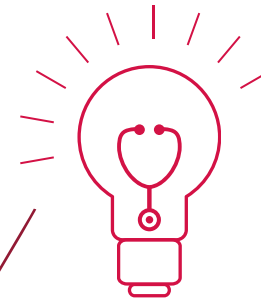
Accelerate to Startup Success



A guide to fuel the
entrepreneurial mind

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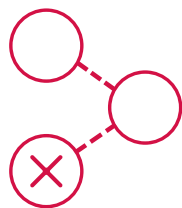


INTRODUCTION

Through the AIA Accelerator programme, AIA, the largest independent publicly listed pan-Asian life insurance group, aims to transform healthcare through innovation. Over the course of 12 weeks, we fostered eight startups and connected them to over 40 mentors and potential investors.

Now, we want to share the knowledge and passion we saw through AIA Accelerator with other entrepreneurial minds. Whether you have entrepreneurial aspirations or are already established, use this guide to inspire your own venture.

“WE ARE ON
A MISSION TO
TRANSFORM
HEALTHCARE
THROUGH
INNOVATION”



WHAT IS YOUR STARTING POINT?

It doesn't take any specific experience or educational background to start your own business - people from all sorts of backgrounds can become an entrepreneur. However, do make sure you examine your strengths and weaknesses before kicking off so that you're able to ask for help when you need it.

Just until 2014, Jitesh had a nine-to-five job as a videogame programmer in India. One day out of spontaneity, he and his wife decided to travel and explore new opportunities, which led Jitesh to a one-year entrepreneurship programme at Hong Kong University of Science and Technology. Jitesh joined AIA Accelerator with his classmates, who are now his business partners. Together they are creating a smart ankle sleeve that guides athletes in their training after an injury.



Jitesh, AIA Accelerator participant.



Paul's fascination about creating his own products began when he attended engineering school in the U.S. However, he pursued a career in business consulting where he was exposed to a large network of Fortune 500 companies. Years later, the urge to build his own company finally became a reality. Today Paul is creating new audio technology as part of AIA Accelerator.

Paul Lee, AIA Accelerator participant.



WHO IS YOUR ROLE MODEL?

People who are striving to reach their dreams and make a difference often have role models.

A role model can be a great source of inspiration and motivation throughout your business endeavour.



Winston Churchill's whole life was quite fascinating and I like that he was funny and sarcastic: "If you're going through hell, walk faster". In spite of the odds he was facing he always showed up with a big cigar in his mouth. That attitude was inspiring and made a lot of people follow him.

Paul Lee,
AIA Accelerator participant



My grandmother had tenacity, she just didn't stop. She went to the U.S. penniless and saved up to buy her own house.

Angelo Umali,
AIA Accelerator participant



My guru, **Sri Sri Ravi Shankar** is in my opinion the world's biggest NGO and inspiration. I've done a lot of courses and voluntary work with him and he gives me a lot of advice".

Jitesh Chhabria,
AIA Accelerator participant





TEST

HOW ENTREPRENEURIAL ARE YOU?

If you can answer 'yes' to these typical characteristics of successful entrepreneurs, you are more than ready to go!

- ☐ I work well under pressure
- ☐ I'm a great networker and sales person
- ☐ I'm passionate about what I do
- ☐ I never forget that it's all about the customer
- ☐ I know how to ask for help for what I'm not good at
- ☐ I know how to plan ahead and stay organised
- ☐ I'm not afraid of failing
- ☐ I'm self-motivated
- ☐ I handle rejection well
- ☐ I know the importance of taking time off to unwind



FACT



The **quicker** you turn
around drafts, duct-taped
prototypes and decisions,
the **better**.

Studies show that the quicker
you move, the better you **innovate**.

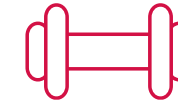


EXERCISE

SUPERCARGE YOUR BRAIN FOR INNOVATION

Think about the startups that made headlines this past year. What made them relevant and worth talking about? The entrepreneurs with innovative ideas were the ones that truly stood out.

The below six questions, paired with our expert tips, may help you examine your ideas so you can select and refine the best one. At the end of this exercise you should have a strong overview of an idea that you can translate into a proper business idea. Take some time to jot down your answers and you may be well on your way to a breakthrough.



1 How much does a problem bother you?

Innovation stems from the lack of something that should exist. Whether you're at the hospital or on the train, do you see a problem that could be addressed better, faster, cheaper?



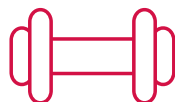
Try: Sight and write down the 'problems' you see. You don't necessarily need solutions right then and there, but compile a list on your phone or notepad so you can go back and review.

2 What are your unique solutions to existing problems?

After spotting the need for something, brainstorm how you can improve the situation using your expertise or existing technology.



Try: Browse your network. Do you have access to experts in a certain field that could help?



3 How do you remain creative?

It's easy to get caught up in one or two ideas once you get the ball rolling, but step back and clear your mind every now and then. You might come across a fresh realisation.



Try: If your favourite pastime doesn't do the trick, try something else like speaking to new people about your idea or immersing yourself in a different atmosphere.

4 How much do you prioritise creativity?

Innovation makes a statement because it exemplifies a new way of thinking. On a scale of one to 10, how much does the creative factor matter to you? If creativity is something you highly value, do not settle for a seemingly mundane idea.



Try: Do your market research and see if something similar to your idea already exists. How much does this bother you?



5 What are the limits to your ideas?

Can you find inspiration anywhere, any time? Do you analyse other industries to apply similar concepts to your field? Innovation sometimes means transferring technology or concepts from one industry to another.



Try: Take something - anything - that exists and make it something new. Give it a new angle or purpose.

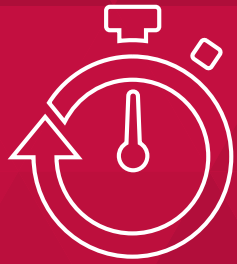
6 Can you think like a consumer? Like an investor?

You may have an incredibly fresh, innovative idea at hand. But will it translate well into the consumer market? Will investors find it sensible?



Try: Speak with someone who has a strong background in business development, finance or logistics. Ask to be challenged with the tough questions.





FACT

It's safe to believe that **timing really is everything**. A study shows that timing is the most **important indicator** as to whether or not a startup is going to **succeed or fail**.

An example is airbnb. The company was notoriously passed-by by investors because "no one was going to rent out space in their homes to a stranger." But then timing kicked in as airbnb launched at the height of the recession when most families were watching their finances.



GET A MENTOR

WHY?

Did you know that 70% of mentored businesses survive for at least five years? That's double the average survival rate of non-mentored businesses. A mentor can help you avoid a lot of obstacles on your way because s/he has experience within your field. It isn't the mentor's job to boost your self confidence – your mentor is supposed to give you advice and push you to get the most out of your potential as an entrepreneur.

WHO?

When searching for a mentor assess your strengths and weaknesses and figure out what you need help for. Be specific. Then find a person who has already succeeded in the things you would like to do. Meet with the person to figure out if you have the chemistry it takes to make the relationship a good one.

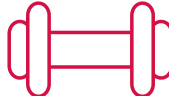
HOW?

Successful people seldom have a lot of time so you'll need to earn it. Start by consulting your network to see if you might already know some people that have valuable knowledge. Figure out what do you have to offer in a relationship with the potential mentor so s/he feels it's worth spending time helping you out. Once you have found a mentor remember to align your expectations to the relationship and continue to invest in and take responsibility for building it.



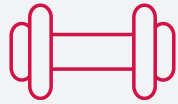
EXERCISE

DEFINE YOUR BUSINESS IDEA



Now that you have defined your product or service idea it is time for you to translate it into a proper business idea. A well-defined business idea will help you stay clear on your goals, prioritise and make the right decisions as you move along.

For this exercise you'll need a pen, paper and plenty of time. It is okay if you aren't able to find all your answers the first time around. You might need to do some research and get back and finish the exercise later...



Answer the questions below:

- **Does my idea already exist?**

If it does, it's certainly not the end of the world. Simply ask yourself if you can find a unique angle or a different, better approach to the idea.

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- **What problem does my product or service solve?**

Why will people feel a need for your product?

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- **Does my product or service have special features?**

Is there a patent issued or pending on your idea?

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- **Who will buy my product or service?**

How old are your customers, where do they live, what is their income, needs etc.?

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- **Where will they buy it?**

Will your product or service be sold online, by distributors or in your own stores?

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- **What do I need to charge and sell to make a healthy profit?**

Will people be willing to pay what you are planning to charge for your product, what will your cash flow look like and is it realistic in the long run?

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- **What products or services will mine be competing with?**

Who are your competitors? They might not be offering a similar product to yours, but something that fulfills a similar customer need.

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“**THINK BIG** and don’t listen to people who tell you it can’t be done. **Life’s too short** to think small.”

– **TIM FERRISS**, angel investor, author and entrepreneur



MANAGE YOUR RISK

Risk is an unavoidable part of launching a new business idea. If there were no risks taken, our world would not move forward. But this doesn't mean starting up your own business has to be hazardous. There are many things you can do to manage your own risk.



Set a deadline

How long are you able to pay your bills without a salary? That is the deadline you should set for when your business should be profitable, consider a part-time job or have investors.



Define the terms of a partnership

If you partner up with someone, make sure you set some rules of engagement. How long should you keep pursuing your dream if business is not taking off? How much money should you each invest? And what happens if one of you wants out?



Always expect a higher cost

When making budgets always anticipate that your expenses will be higher than you expect. It is almost inevitable that costs will exceed your expectations or unexpected costs will appear as you move along.



Don't bet more than you can afford to lose

The best entrepreneurs never bet more than they can afford to lose. This might be frustrating if a tempting opportunity arises, but many underestimate the opportunity cost of staying put instead of jumping into a new endeavour.



FACT

If you're worried that your **risk tolerance** is too low to become an entrepreneur, **think again.**

Several studies have shown that high risk tolerance is not the most crucial factor for success. A high ability to **perform under pressure** is far **more important.**



WHAT PAUL LEARNED

“FAIL OFTEN AND FAIL EARLY”

- **Paul Lee**, *AIA Accelerator participant*.

BE A REJECTION JUNKIE

“I love being an entrepreneur... But I’m pretty sure it’s not a fit for everyone. You have to be kind of like a rejection junkie and you have to be pretty good at taking ‘no’ for an answer.”

MAKE ITERATIONS

“When you meet resistance, accept the fact that this is not the right way to go and stop following it. Either you’ll know your idea is a go or no-go after the first meeting, or after some exploration. If you know it’s right in your heart but you’re not getting it, you have to pivot. You’ll quickly learn if something is not a good fit... Make a decision, change something or regroup”.

KEEP GOING

“This is not an easy reality for most people. It worked for me, but you have to understand that this road is all about tenacity and persistence. You have to be smart about not persisting the stupid things”.





THE FOUR PILLARS OF A STARTUP

It's tempting to group with like-minded people but not always the most beneficial for your young startup. When building a powerful team for success, look for people that are better at things that you're not so great at. It's important that each person in your team is experienced and confident in taking on one of the following four roles respectively:

1

THE LEADER

The face of your company. A strategic thinker who knows which way to steer the business, enjoys networking and is the energy-driver that carries the team forward through difficult times.

2

THE CFO

The credibility of your company when pitching to investors. Has strong bookkeeping skills, ensures that budgeting and cash flow is well thought out.

3

THE SPECIALIST

This could be a tech guru, a fashion designer or a skilled chef, depending on your product. Responsible for product development, production and quality.

4

THE MARKETING MANAGER

The voice of your company. A salesperson by nature and has good insight on marketing and media. This person knows how to tell a compelling story about your product and brand.

A common weakness of entrepreneurs is not being fully prepared: physically, mentally, emotionally. A lot of the time, getting started demands unstable and tough working hours.

To ensure that you will focus and power through without hindrance, make sure you have the support system you need in place.

YOU WILL NEED YOUR
FRIENDS AND FAMILY TO
BE **UNDERSTANDING AND
SUPPORTIVE**



GETTING YOUR SUPPORT SYSTEM IN PLACE



OBSERVE

Observe what is going on in your market



ORIENT

Determine how you are positioned in relation to your customers and competitors



DECIDE

Decide if you need to make any changes and plan them carefully

ACT

Execute your plans



TIP

This framework for rapid decision-making in fast-changing environments was created by Col. John Boyd, a U.S. Air Force fighter pilot.

It is a useful model to keep you questioning your assumptions to move quickly from one decision and iteration to the next.



RAISING CAPITAL

Successfully raising capital to expand your business is the real test. To do this, you will need a strong business plan and a dream.

Optimise your selling points:

Before you approach a potential investor, be sure to work out how you'll sell your idea and develop trust. Find inspiration in the selling points below.



Reputation:

Image sells. When you get good feedback from investors, companies, media or consumers make sure to highlight it.



Track record:

List the small proven successes of your startup.



What values will the investor get?

Define exactly what you're willing to offer in return for an investment.



What is the synergy with their existing business?

Is there a reason you approached this specific investor? Can your idea monetarily or indirectly add value to an existing company of theirs?



What are backers looking for in an investment opportunity?



Crowdfunding...

...if your idea is what the consumers would like to see come alive, consider crowdfunding. Sources like Indiegogo and Kickstarter are backed by the consumers.



Angel funds...

...have a reputation of 'buying the dream', but are becoming more revenue-driven. The "Silicon Valley model," which was once known to favour investing in dreams, is actually transforming into the "Wall Street model," which favours profitable business plans.



Other investors...

...want to know that your idea will work. Often you will receive a smaller sum of money first for proving that your idea will be profitable. If your idea is proven to work, you will have a better chance at receiving bigger sums - however, the investor may ask for a higher share of your profit.



IF IT DOESN'T WORK OUT

One failed venture cannot dictate your potential as an entrepreneur. Rather, approach the journey with the attitude of learning and improving. Rejection is a common and essential part of the process and should fuel you to innovate and improve.

“For me,
IT'S ALL OR NOTHING.

I will push this to the very end
and if it doesn't work, at least
I know I did my very best.

And with the experience I've
gained, even with no salary
almost, it's **INVALUABLE.**”

- ANGELO UMALI,
AIA ACCELERATOR PARTICIPANT

