

# BOOTSTRAP YOURSELF INTO A UNICORN

**WERK1 LUNCH & LEARN**  
**DECEMBER 4, 2019**

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# DO YOU ACTUALLY WANT EXTERNAL CAPITAL ... NOW?



**“Start raising money only when it is actually going to make a difference for your company!”**

Hanno Renner,  
Founder/CEO, Personio

# DO YOU ACTUALLY WANT EXTERNAL CAPITAL ... NOW?

## Ask yourself:

- ➔ Do we actually need the money?
- ➔ Will it make a huge difference for our company?
- ➔ Do we need the money *now* – or can we wait?

# HOW TO GET STARTED WITHOUT EXTERNAL CAPITAL

- 1 Saving and saving**
- 2 Day job**

# HOW TO GET STARTED WITHOUT EXTERNAL CAPITAL

## 1 Savings and saving

- ➔ Get creative
- ➔ Inspire people

Team Spyra working from a university-sponsored lab only accessible by crawling underneath a test channel (2017)



# HOW TO GET STARTED WITHOUT EXTERNAL CAPITAL

## 2 Day job

“Without a day job I wouldn't have been able to afford founding a company.”

Rike Brand,  
Co-founder, Spyra



# HOW TO GROW YOUR STARTUP WITHOUT EXTERNAL CAPITAL

- 1** Few physical investments
- 2** Product market-ready soon
- 3** Supportive pilot customers

# HOW TO GROW YOUR STARTUP WITHOUT EXTERNAL CAPITAL

## 1 Few physical investments

- ⇒ Software development, innovative services
- ⇒ “Hardware is hard”





# HOW TO GROW YOUR STARTUP WITHOUT EXTERNAL CAPITAL

## 2 Product market-ready soon

“Our product was good enough from the start, so we could finance ourselves with customer projects.”

Bastian Nominacher,  
Co-founder/CEO, Celonis



# HOW TO GROW YOUR STARTUP WITHOUT EXTERNAL CAPITAL

## 3 Supportive pilot customers

“ Our customers need to be ready to pay for the innovation partnership. ”

Oliver Stahl,  
Co-founder/CEO, Robotise



# THE ADVANTAGES OF INTERNAL FINANCING

- 1 Demand orientation**
- 2 Freedom of decision-making**

# THE ADVANTAGES OF INTERNAL FINANCING

## 1 Demand orientation

“ Bootstrapping allows you to grow close to the market instead of building pipe dreams for investors. ”

Lin Kayser,  
Founder/CEO, Hyperganic



# THE ADVANTAGES OF INTERNAL FINANCING

## 2 Freedom of decision-making

“ We only started to realize what pressure we were under before when we began to only spend our own money. ”

Freya Oehle,  
Co-founder, 3tausendsassa



# THE DOWNSIDES OF INTERNAL FINANCING

- 1** Dependence on customers
- 2** Lack of strategic focus

# THE DOWNSIDES OF INTERNAL FINANCING

## 1 Dependence on customers

- ➔ If customers “invest” in you, they become your investors
- ➔ Avoid financial dependence on any individual customer
- ➔ Avoid exclusivity in contracts



# THE DOWNSIDES OF INTERNAL FINANCING

## 2 Lack of strategic focus

“Without discipline you lose sight of your goal.”

Bastian Nominacher,  
Co-founder/CEO, Celonis





# TAKE-AWAYS: IF YOU WANT TO BOOTSTRAP YOURSELF INTO A UNICORN ...

- ➔ remember that **not every startup needs capital from the start**
- ➔ **make your company as valuable as possible** with your own funds before you take up external capital
- ➔ find out whether your startup is **suited to make bootstrapping your core company strategy**

➔ Read more in my book  
“Startup-Finanzierung”:

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