

THE

A to Z

GUIDE TO SURVIVE

Startup Funding Winter

BROUGHT TO YOU BY

 Startup Banking



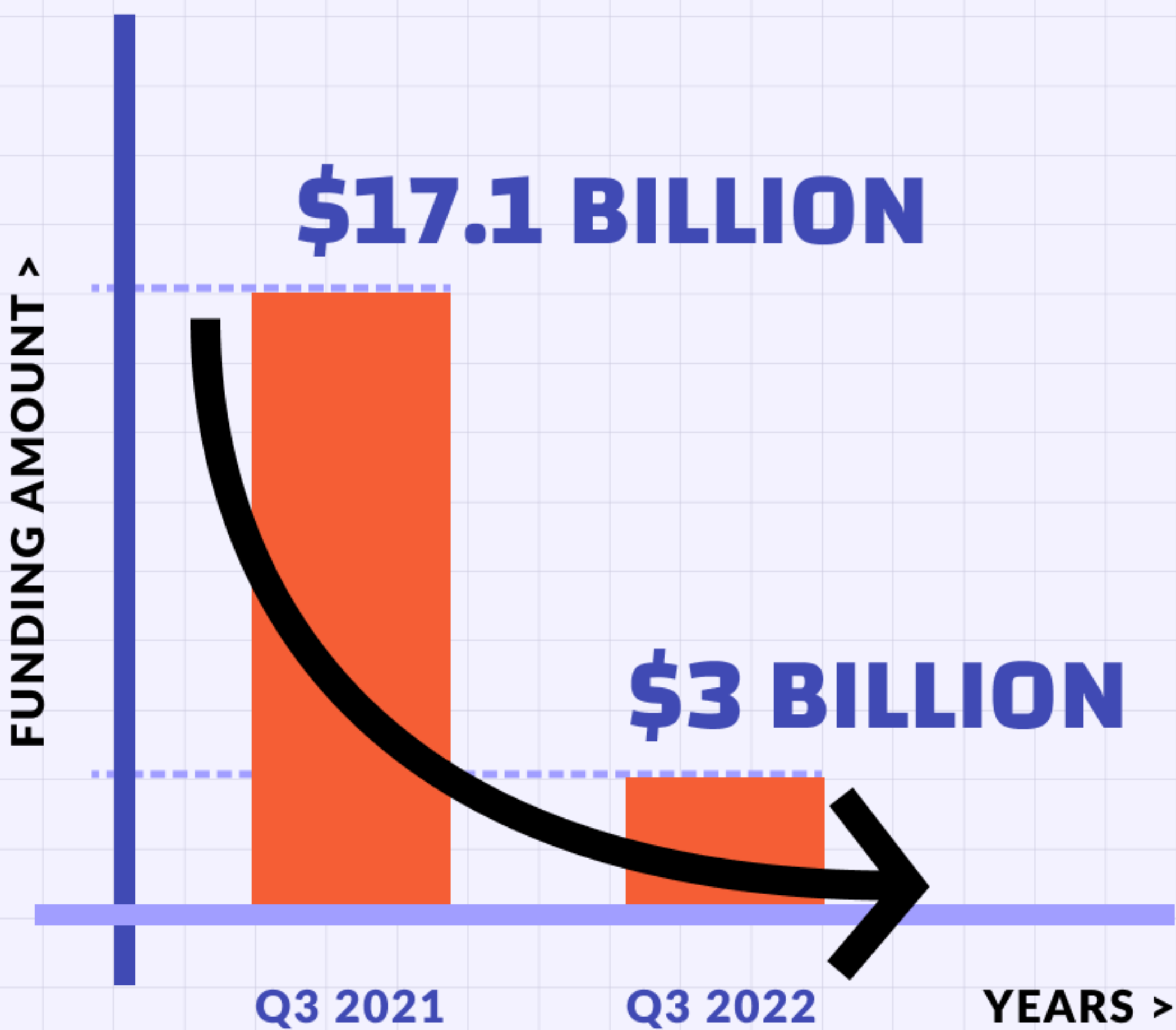
DEAR FOUNDER,

Has the funding
winter put a
pause on your
growth plans?

Don't worry,
we got you.



THE NUMBERS ARE REAL & SO IS THE FUND CRUNCH



Learn from experienced founders, VCs & experts to emerge stronger from the funding winter of 2022.

A FOR Agility

Adapt & pivot quickly based on the current market downtrend. The mantra will be to **fail fast & learn faster.**



B FOR Back to Business Basics

Take stock of core fundamentals & **curb any unnecessary expenditure** to stretch your working capital to the hilt.

C FOR Capital Reserve

Maintain an emergency **capital reserve of 24 months.** Spend mindfully to survive this winter.



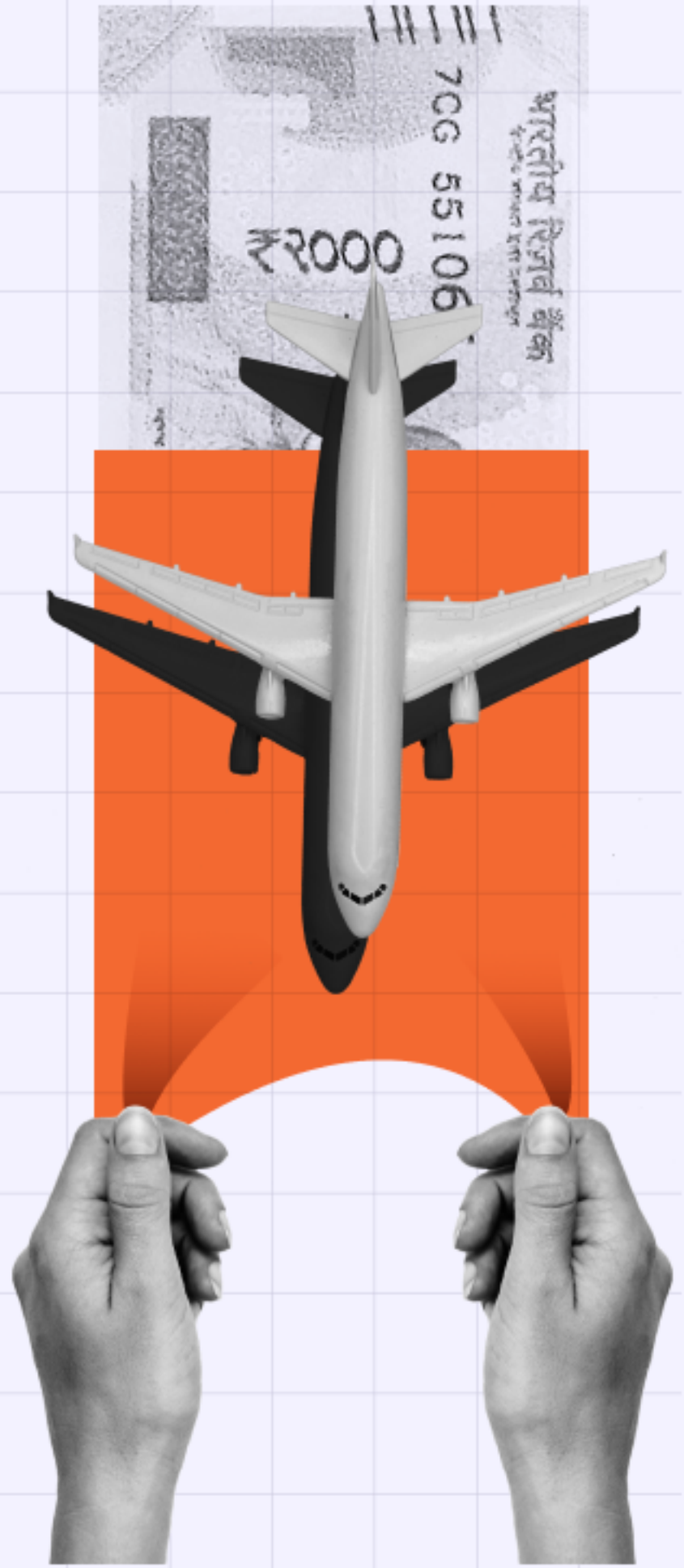


D FOR Due Diligence

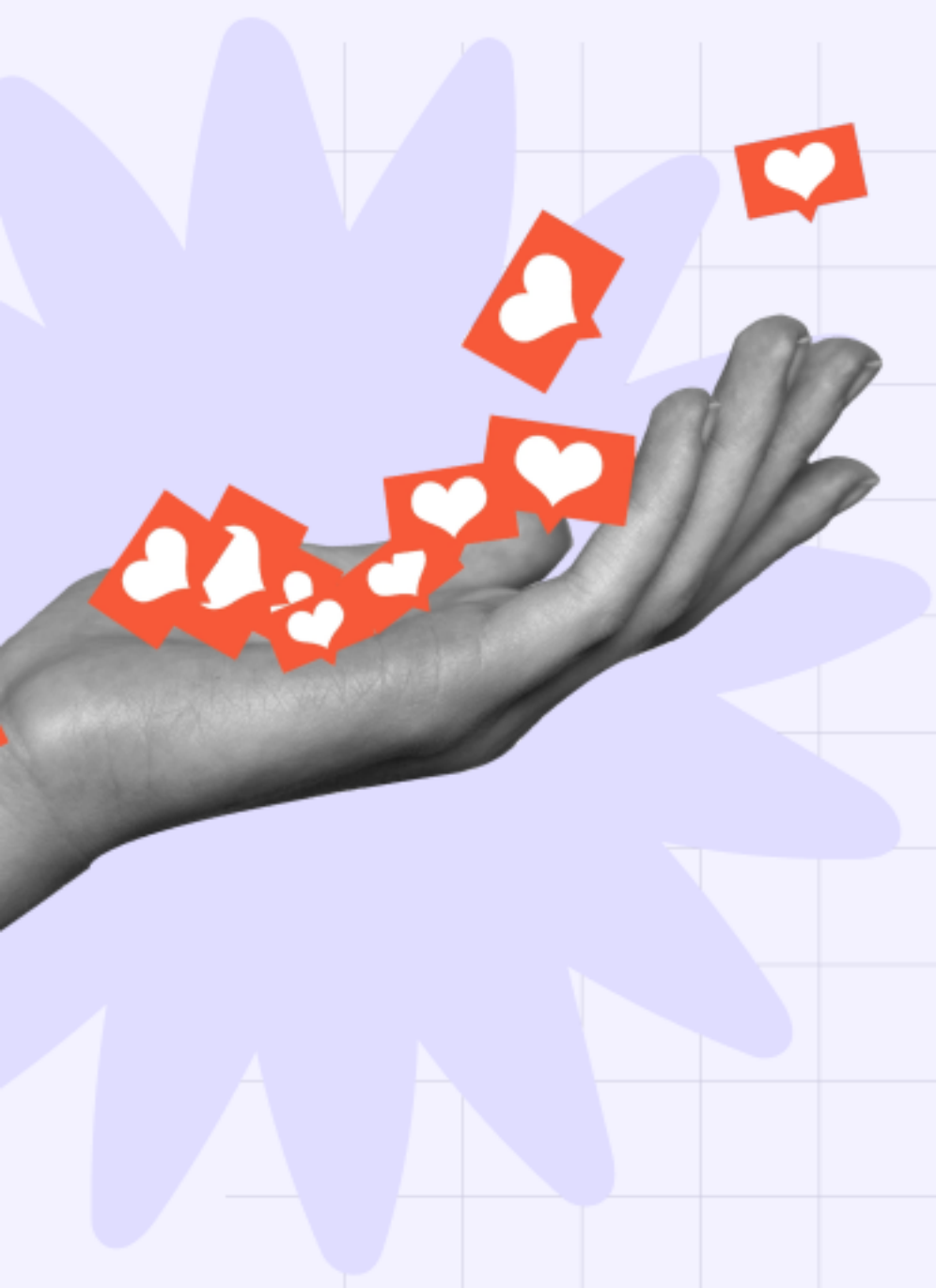
Since the capital flow is diminished, **expect stern due diligence & tougher valuations** from investors.

E FOR Extend Runway

Reflect on your startup's financial health. Extend your runway using **this formula:**



$$\text{RUNWAY (IN MONTHS)} = \frac{\text{CASH IN THE BANK}}{\text{EXPECTED MONTHLY BURN}}$$



F FOR Find your Evangelists

Find & nurture customers who want to see you win as they build **loyal communities of like-minded people.**



G FOR Get Innovative

RISKY EXPERIMENTATION < INNOVATIVE PROBLEM-SOLVING

Combat resource scarcity with **scrappy thinking** to maximise your efficiency & productivity.

H FOR Honest Expectation Setting

Avoid the heartache of losing incredible people. **Be transparent, rally the troops** & prepare to fight the good fight by their side.



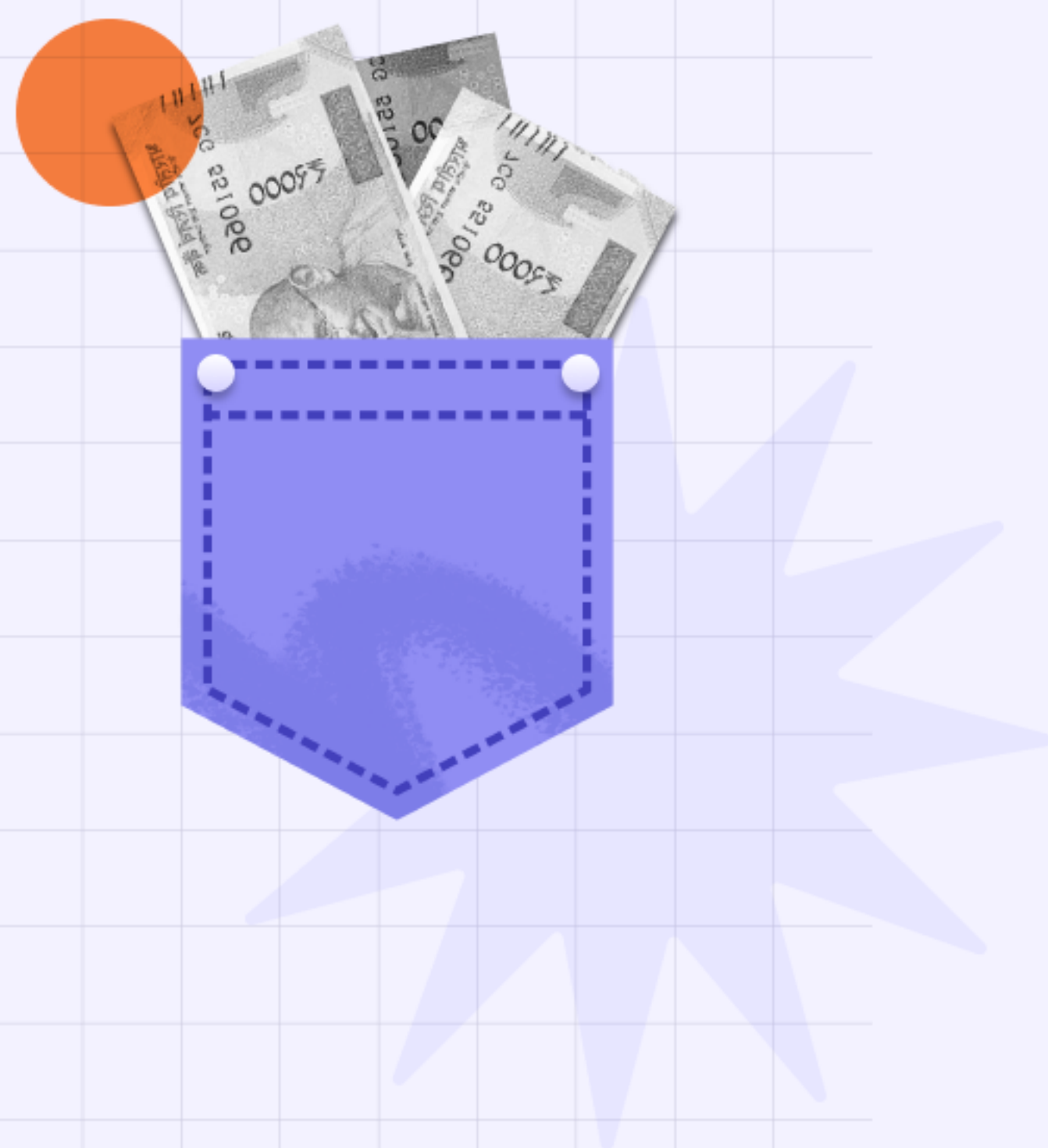


I FOR Invest in Customer Retention

Simplify your customer journeys & use next-gen Martech tools to delight & engage your customers.

J FOR Judicious Spending

Exercise financial restraint to prolong that all-important runway.



K FOR Keep Calm & Hustle On

Have a solid plan to tide this winter. This will infuse confidence in your investors & team alike.



L FOR Lower Acquisition Costs

Reducing CAC to ensure
the best ROI on your
marketing spends =
Sustainable Growth.



M FOR Mergers & Acquisitions

Be on the look out for M&A
possibilities as companies
battle fund crunch.



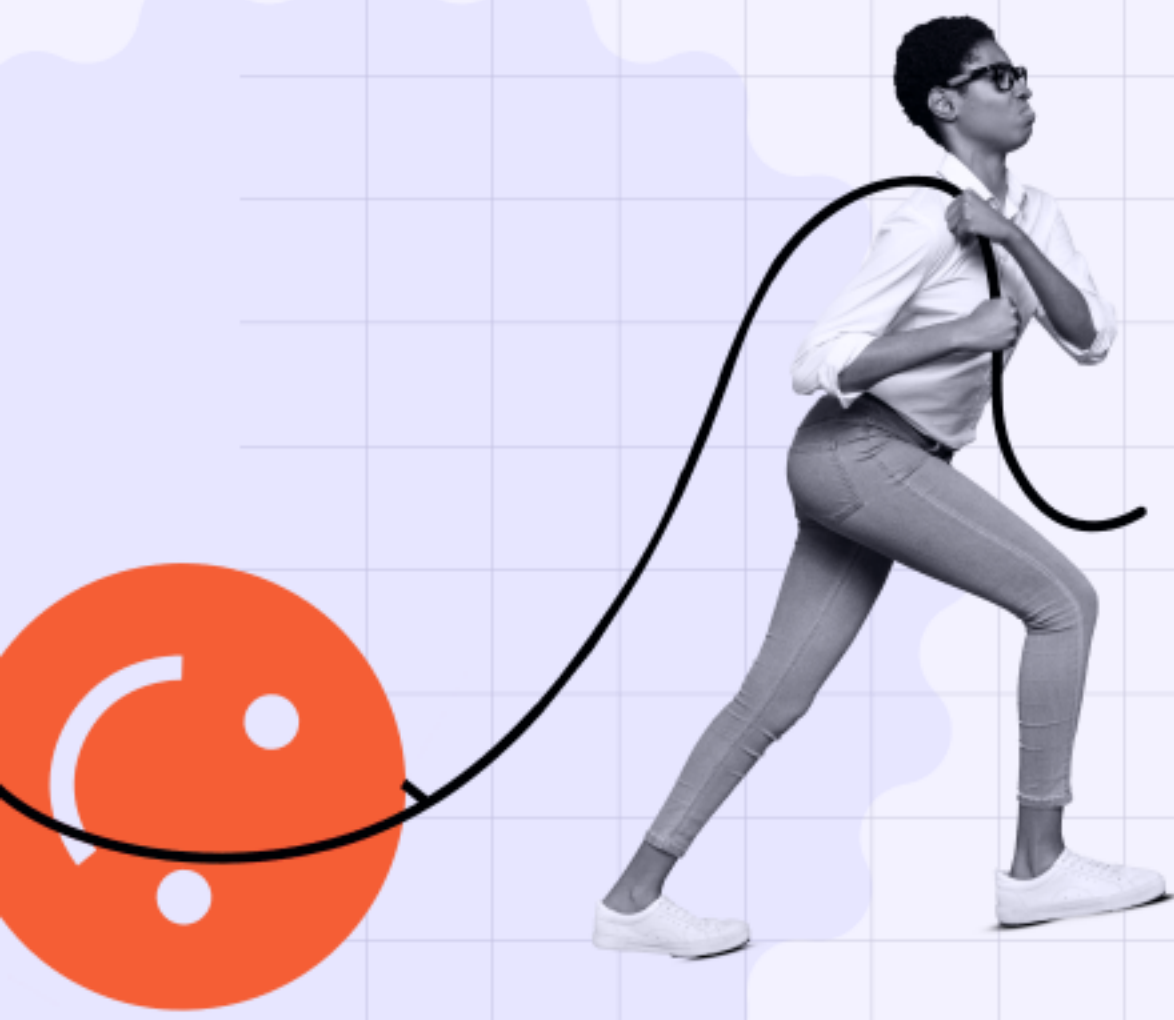
N FOR Networking

VCs rarely invest without
personal introductions.
So make connections at
networking events that see
participation from sought-
after investors, industry
leaders & founders.



O FOR Obsess Over Customer Service

Ensure that your customers are treated like royalty by creating stellar experiences for them. **Happy customers = healthy business.**



P FOR Profitability

Aim for **financial independence.** Investors will deploy capital only in startups that are on a steady path to profitability.



Q FOR Quit Overspending

Keep a close watch on your budgets. **Frugality will be the name of the game.**



R FOR Right-sizing

Practice **honest communication & empathy** within your team when evaluating if a leaner team can achieve more productivity.



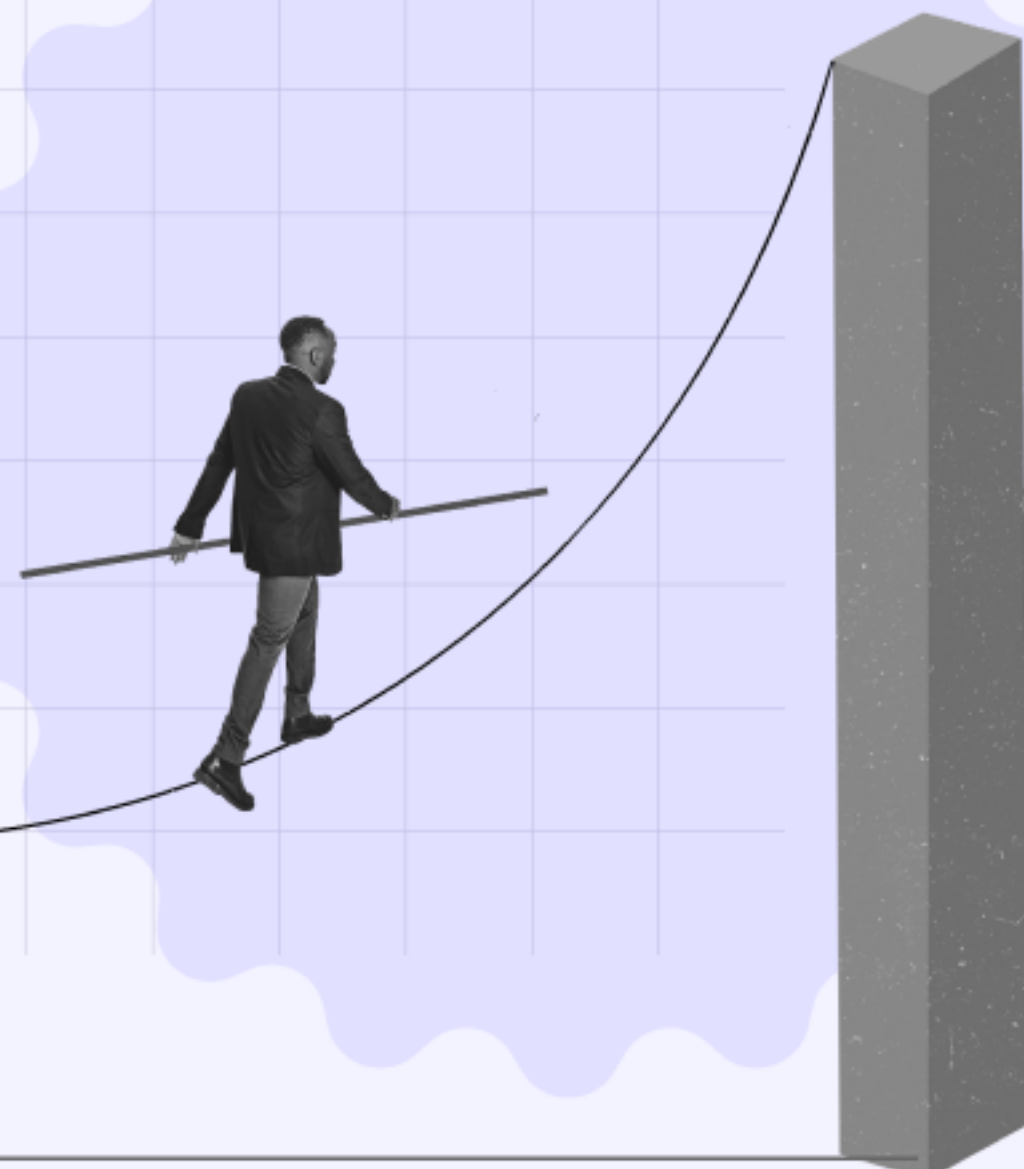
S FOR Smaller rounds & valuations

If you must, **raise small rounds for a shorter duration** of 6 to 12 months to cover expenses.



T FOR The Survival instinct

Adaptability will be the key distinguishing factor between the startups that survive funding winter vs those who don't.





U FOR Unit Economics

There's a renewed focus on strong unit economic factors in the VC community so focus on your core business metrics.

V FOR Value-Based Pricing

Your customer's purchase power might take a hit due to the economic slowdown.

Adjust your price points accordingly.



W FOR Win Investor Trust

Achieve investor trust & credibility by being consistent & over-delivering on your KPIs.

X FOR (E)xplore RazorpayX

RazorpayX with its **full-stack startup banking solutions solves money management** woes that will save you time, money & a whole lot of paperwork.

[Explore RazorpayX](#)



Y FOR Y-Combinator Guidance

YC experts believe that your goal should be to **Default Alive** i.e. to become profitable before your capital runs out.

Z FOR Zero-Based Budgeting

Implement zero-based budgeting to **justify new & recurring expenditures** to maximise your working capital.



**Captains,
Armed with this
manual, steer your
ship towards the
eventual spring.**

**P.S. Did you know that you can save upto
300+ hours with RazorpayX Payroll.**

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