



GRIT

# The New Fundraising Terminology

**THEN**

**Pre-Seed**



**Seed**



**Series A**



**Series B**

**Powerpoint/  
Concept**

**Product  
Market Fit**

**Go-To-  
Market**

**Scale**

**NOW**

**Angels**



**Pre-Seed**



**Seed**



**Series A**

# FUNDRAISING TERMINOLOGY

**Angels,  
Incubators,  
Grants**

**Pre-Seed**

**Seed**

**Series A**

**Prototype**

**Product  
Market Fit**

**Go-To-  
Market**

**Scale**

- \$250-750k
- Some customer validation
- Tech plan

- \$1-2M
- Prototype
- Secured/securing Pilot

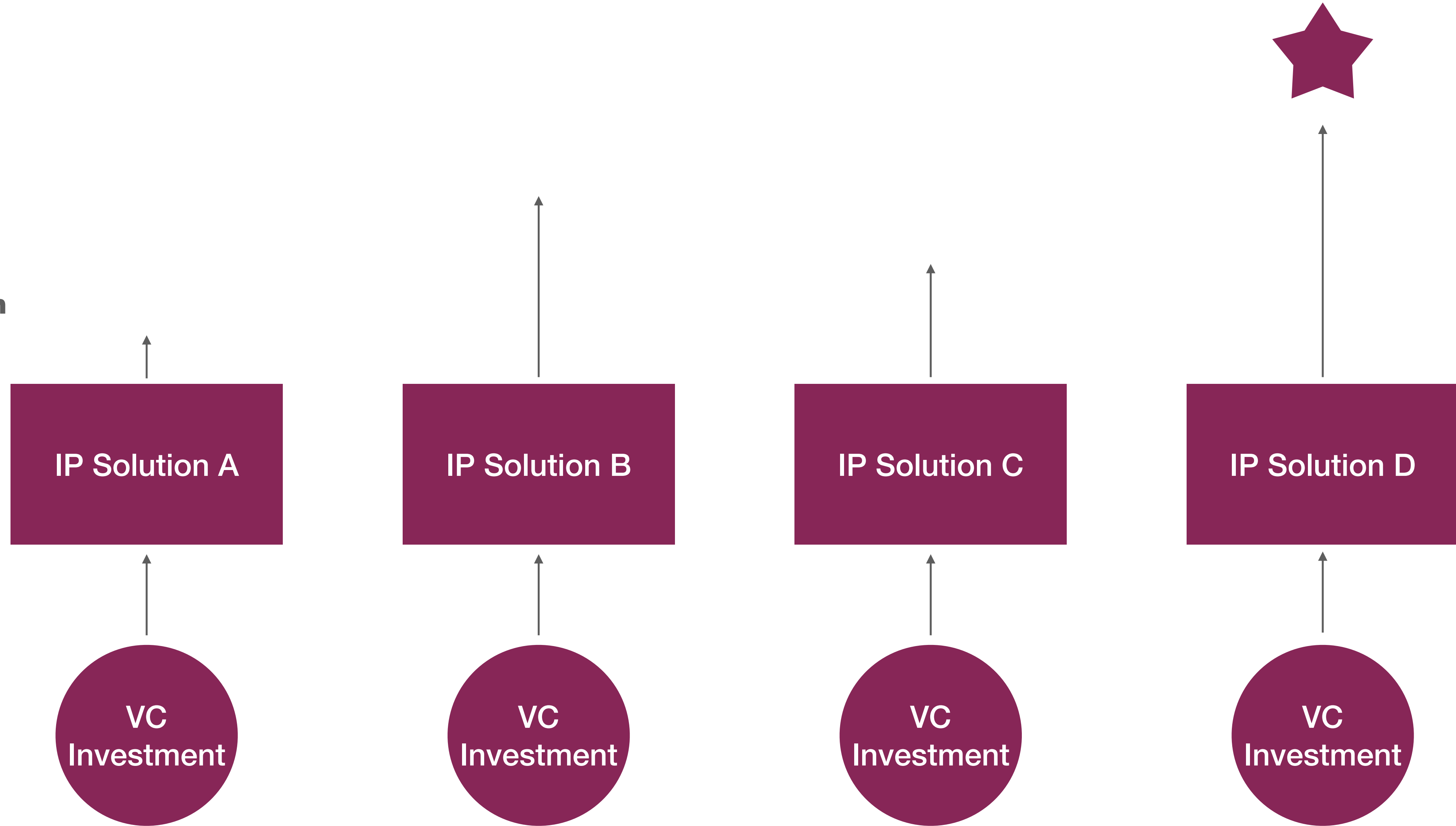
- \$3-5M
- Multiple pilots
- \$500k-\$1M in BOOKED ARR
- Converted to revenue for at least one contract

- \$8-20M
- \$2M+ in ACTUAL ARR
- Significant revenue from multiple clients

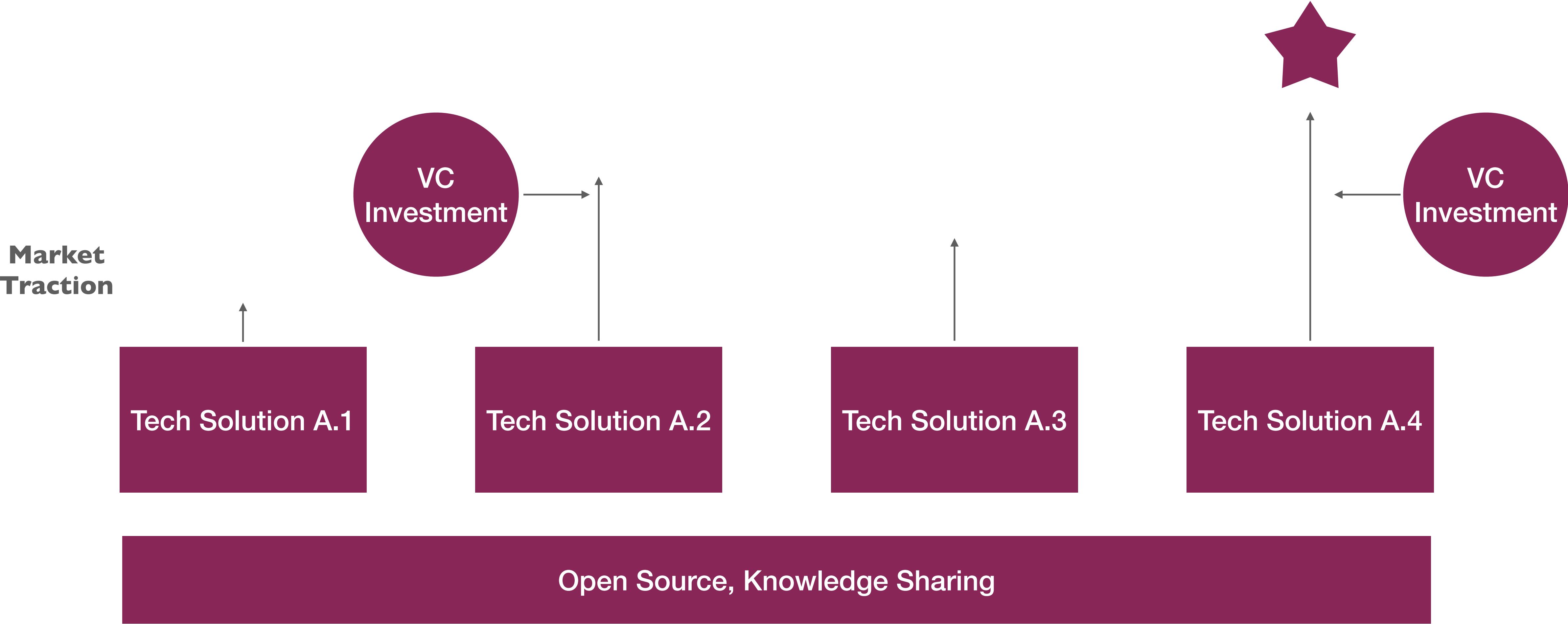
GTM Traction is King

# Previous Series A Investment Strategy

**Market  
Traction**



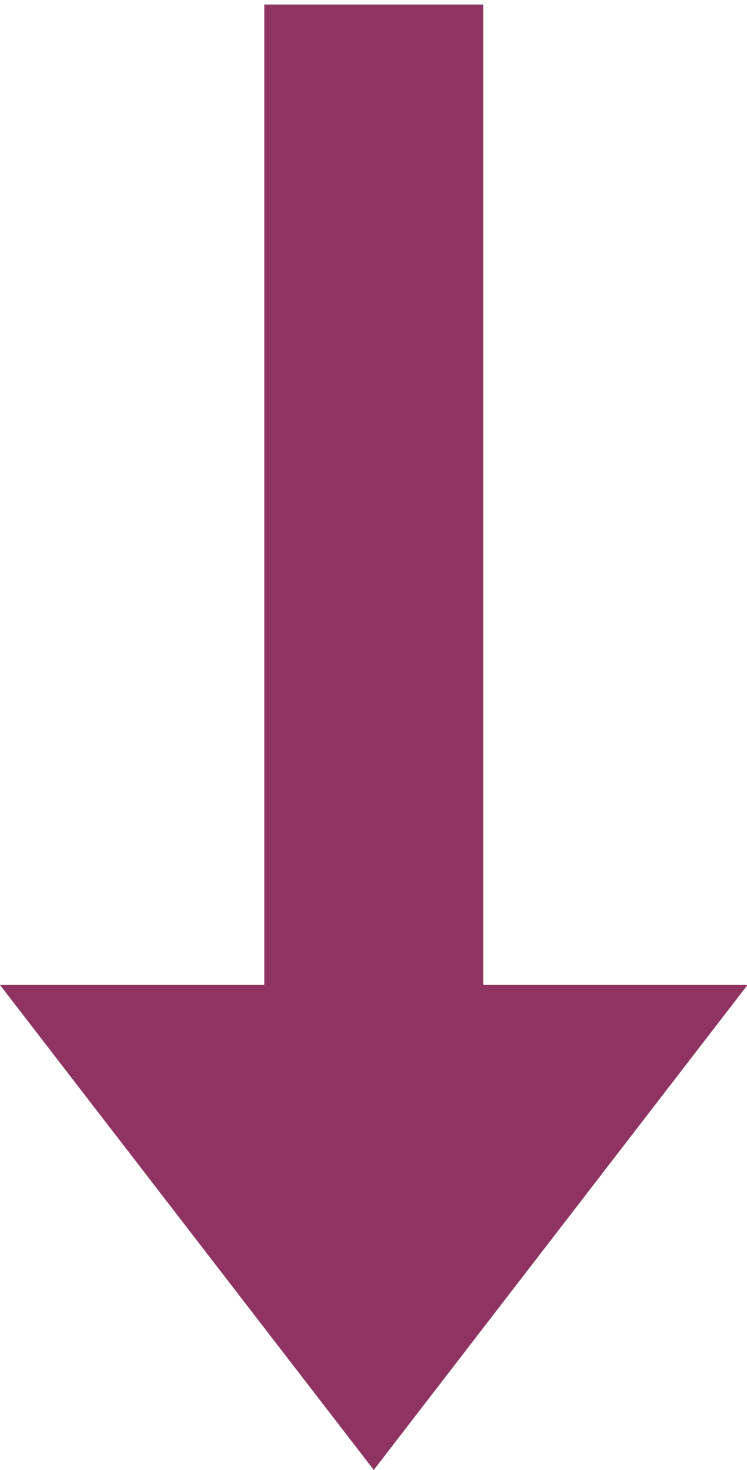
Current World of Investment - Market Traction Drives Series A Funding



# Pre-Seed Stage

Idea + Prototype + Pilot

- Launch Strategy Bootcamp
- Beta Matrix Build
- Financial Forecasting
- Business Model Creation
- Team Formation Guidance
- Digital Landscape Analysis
- Grit GTM Hackathon



Product Market Fit + GTM Plan + Launch Plan + Messaging + Partnerships + Channel Strategy

# Series A

**MVP**

(Working Prototype)

**Customer  
Traction**

(Paid Pilot)



# Beta Program

# The Components of a Testing Program

## Gates

EVT

DVT

PVT

Use Case	First Gate	Second Gate	GTM GATE
	Metric 1 - 1st Goal	Metric 1 - 2nd Goal	Metric 1 - 3rd Goal
	Metric 2 - 1stGoal	Metric 2 - 2nd Goal	Metric 2 - 3rd Goal
	Metric 3 - 1st Goal	Metric 3 - 2nd Goal	Metric 3 - 3rd Goal

Example: A robot meant to “shadow” a human

Gates

EVT		DVT		PVT	
Use Case	First Gate	Second Gate	GTM GATE		
Robot follows walking human	Robot follows human with maximum 30 feet gap	Robot follows human with maximum 20 feet gap	Robot follows human with maximum 9 foot gap		
Robot keeps pace with running human	Robot can move at 1 foot per second	Robot can move at 5 feet per second	Robot can move at 10 feet per second		
Robot stops when human stops	Robot stops within 5 seconds of human stop	Robot stops within 3 seconds of human stop	Robot stops within 1 second of human stop		

# Pilot Program

## **Finding Your Pilot**

Finding Contacts

Customer Validation  
Process

## **Negotiating Your Pilot**

Identifying Metrics

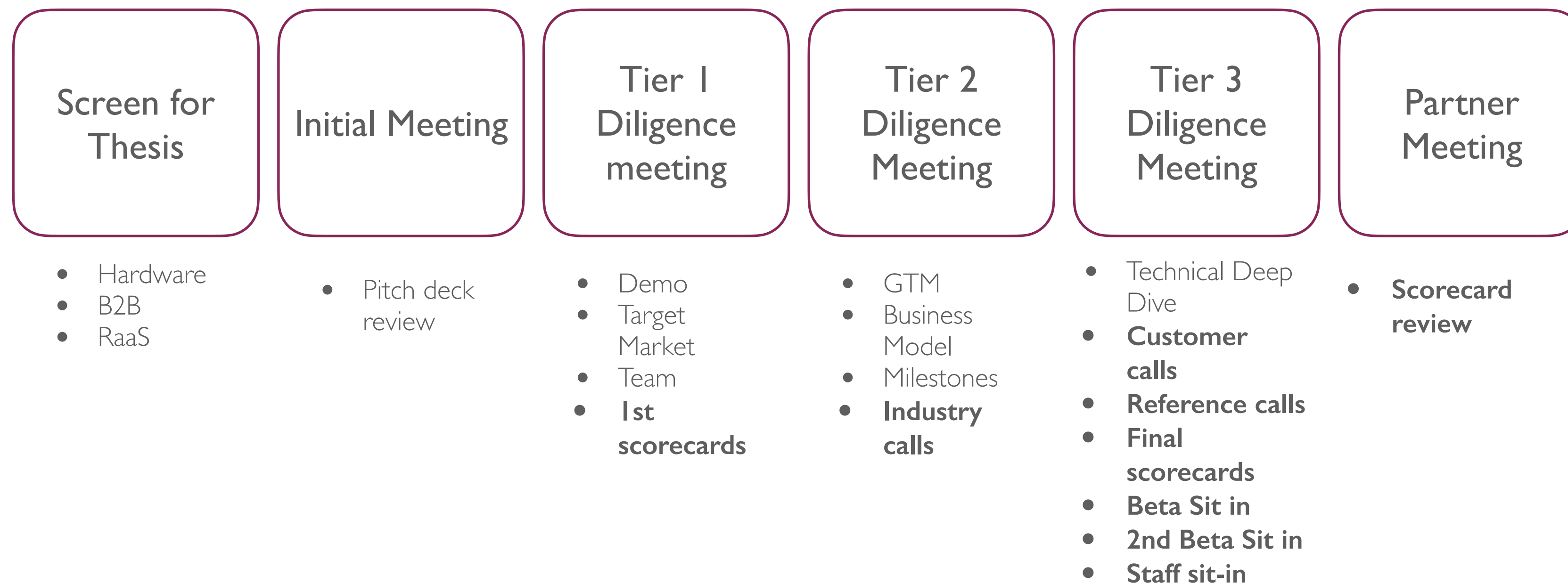
Securing Automatic  
Rollover Contract

## **Achieving Revenue**

Metric Tracking  
Methods

Internal Tracking

# What is “doing diligence” in early stage?



# Appendix

# MVP/Beta

	Hardware	Software
B2B	Initial quality must be within expected parameters of customer pilot/Iteration expected prior to actual sale	Initial quality must be within expected parameters of customer pilot/Iteration expected prior to full paid product
B2C	Initial quality must generate great NPS/ Almost zero ability to iterate after initial sales	Initial quality must be intoxicating/ Continued and constant iteration after initial sales



# MVP

## Hardware

## Software

**PMF**  
**Collaborative/**  
**Customer**  
**Validation/**  
**Contract metrics**

**B2B**

Initial quality must be within expected parameters of customer pilot/Iteration expected

Initial quality must be within expected parameters of customer pilot/Iteration expected

**PMF based on**  
**digital**  
**landscape,**  
**CAC testing,**  
**etc.**

**B2C**

Initial quality must generate great NPS/  
Almost zero ability to iterate after initial sales

Initial quality must be intoxicating/  
Continued and constant iteration after initial sales

Beta

	Hardware	Software
B2B	Initial quality must be within expected parameters of customer pilot/Iteration expected	Initial quality must be within expected parameters of customer pilot/Iteration expected
B2C	Initial quality must generate great NPS/ Almost zero ability to iterate after initial sales	Initial quality must be intoxicating/ Continued and constant iteration after initial sales

Extraordinarily  
rigorous Beta  
testing

Gmail is still in  
“Beta”

# Customer Traction

	Hardware	Software
B2B	Paid pilots have begun/Pilot contract includes automatic rollover into official customer once certain metrics met	Paid pilots have begun/Often these contracts simply rollover to a higher MRR once a certain time barrier occurs
B2C	CAC assessment/Digital landscape review/Beta customer testimony	CAC (actual)/User data/DAU/etc.

# Customer Traction

	Hardware	Software
B2B	Paid pilots have begun/Pilot contract includes automatic rollover into official customer once certain metrics met	Paid pilots have begun/Often these contracts simply rollover to a higher MRR once a certain time barrier occurs
B2C	CAC assessment/Digital landscape review/Beta customer testimony	CAC (actual)/User data/DAU/etc.
	Longer ramp based on HW iteration cycles - test customers early traction data	Shorter ramp assumed - early traction data based on customer willingness to pay or engagement

# Customer Traction

		Hardware	Software
Signed contracts/ARR	B2B	Paid pilots have begun/Pilot contract includes automatic rollover into official customer once certain metrics met	Paid pilots have begun/Often these contracts simply rollover to a higher MRR once a certain time barrier occurs
Actual paid or pre-paid users/MRR/CAC	B2C	CAC assessment/Digital landscape review/Beta customer testimony	CAC (actual)/User data/DAU/etc.