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Productivity Tracking For Start-ups During & Post COVID-19

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Being agile and continually learn from the constantly changing environment is the need of the hour for many start-ups around the world. Start-ups would be needing to get out of their comfort zone and diversify their offerings including their existing value propositions. They will have to adapt a modern and collaborative approach with various stakeholders and initiate a different storytelling process of their actual origins.

Although, for many start-ups, this current pandemic provides an opportunity to adapt Go to Market Strategies (GTM). These start-ups can be from industries like SaaS, online education, skill-based gaming & mobility and what would make them scalable in future is proprietary technology along with network effects. The current situation in fact reinstates Peter Thiel's view in his book 'Zero to One' that, technology matters more compared to Globalization, as to the contrarian view that world will be defined by globalization.

In 'Zero to One' Thiel has also given a framework for new entrepreneurs on how to build a monopoly. The first step he suggests is to start small – target a niche market where competitive intensity is very low and the opportunity is being left unaddressed. Next, monopolize the market while building strong barriers to entry and then slowly scale up the business by moving to adjacent or related categories. He suggests a focus on four characteristics of building a monopoly – a) Proprietary technology, b) Network effects, c) Economies of scale, and d) Brand.

In the current times, it would be important for start-ups to understand what they would want to achieve out of their business when pricing their products, some would like to maximize their profits or some would like to maximize their market share. For Example, Bhavish Aggarwal of Ola is trying to win market share from Uber as the market contracts and simultaneously also trying to expand in areas better suited to the new environment along with cutting costs.

As it is a well-established fact, it costs at least five times as much to attract a new customer than to keep an existing one, this is the time for start-ups to focus on Customer retention strategies rather than customer acquisition strategy as this would result in a two-fold benefit, building a royal relationship with their existing client base and saving on customer acquisition cost. In order to achieve this, customer experience under the new normal would be a key factor driving customer loyalty and retention. Additionally, a study conducted by Bain found that a 5% increase in retention rate can lead to an increase in profit between 25% to 95%.

The current situation reminds of Rachleff's Law of start-up success, which states that in a terrible market, you may have the best product in the world and an absolutely killer team but it doesn't matter – you might fail as when a great team meets a lousy market, market wins.

In the end, start-ups should always remember that 'every moment in business happens only once' and it becomes a game-changer for many of them along with that they should not forget that in a rapidly changing market like this, it would require continuous business model iteration and customer development as we saw how Zomato adopted to liquor delivery.

To conclude, keep hustling, expand on the success and don't contract on failure.

The article can be read online, [here](#).