

Published based on [Market Opportunity - What Express Market Segment Are You Targeting?](#)

# **Market Opportunity - What Express Market Segment Are You Targeting?**

Is it your intention to build up your own company, but nervous to do so because of lack of funding? If this is so then, this work is for you. Keep on reading to gain advice on the best way to get the required capital for your business. With the start of recession and with the stern policies that most money establishments have, it is troublesome for you to get the required capital to start up your suggested company. Not all business ventures can exist without venture capital ( VC ) or starting capital. Here's a tick list of eight things to address that will raise the chances of gaining interest from Venture Capital firms : Be truthful with yourself - Is your company a reasonable applicant for Venture Capital? If you go thru all of the steps in preparing an Executive Outline / Business Plan, you could have the solution to that question. Problem or Opportunity - What express problem or opportunity are you addressing with your product? You have to be clear about the discomfort or opportunity and how you are going to trim costs, increase cash, reduce time-to-market, for example. the pre-money valuation of the company is US\$4,000,000. Solution - How are you going to sort the problem? What hardware, software, and services are you offering? Market Opportunity - What precise market segment are you targeting? Remember, there are wealth in niches! You will show that you have done the analysis wanted to have a powerful go-to-market methodology.

Price per share : Each share is priced at  $\$4,000,000 / 5,000,000 = \$0.8$  ( figured out on a fully-diluted basis ). the post-money valuation of the company will be US\$ ( 4,000,000 + 2,000,000 ). Post-money valuation : Now, Financier An invests US\$2,000,000 into Venture Tech L.T.D . = US\$6,000,000. = 2,500,000 Series A shares. Number of new shares provided to Financier An in the Series A round : Since each share is costed at \$0.8, Financier A gets (  $\$2,000,000 / \$0.8$  ). What's Venture Capital? This can sound like a loan with an attached private guarantee, but it's a little different. Since it's a financier putting down the money, they are expecting to gain a bigger profit from the company matched against what they invested in it. An Investment capital firm will also occasionally wish to have some rights over how your company is run, considering that they'd like to make a giant profit.