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A list of **35 commonly used start-up terminologies** along with examples and meanings

1. MVP (Minimum Viable Product)
  - ☐ Meaning: The simplest version of a product that can be built to test its viability in the market.
  - ☐ Example: Dropbox initially launched with a basic file-sharing feature as its MVP.
2. Pivot
  - ☐ Meaning: Making a significant change in a company's business model or product strategy in response to market feedback.
  - ☐ Example: Instagram started as a location-based check-in app called Burbn before pivoting to a photo-sharing platform.
3. Bootstrapping
  - ☐ Meaning: Building and growing a startup using personal finances and revenue generated by the business, without external funding.
  - ☐ Example: Many successful startups, such as Mailchimp and Basecamp, were bootstrapped initially.
4. Angel Investor
  - ☐ Meaning: An individual who provides capital to startups in exchange for ownership equity or convertible debt.
  - ☐ Example: Peter Thiel was an early angel investor in Facebook, providing \$500,000 in funding in 2004.
5. Venture Capital (VC)
  - ☐ Meaning: A type of financing provided by professional investors to startups and small businesses with high growth potential.
  - ☐ Example: Sequoia Capital, a renowned venture capital firm, has invested in companies like Google, Apple, and Airbnb.
6. Seed Round
  - ☐ Meaning: The initial round of funding raised by a startup to support product development and market research.
  - ☐ Example: A startup might raise a seed round of \$500,000 from angel investors and early-stage venture capital firms.
7. Series A, B, C Funding
  - ☐ Meaning: Subsequent rounds of financing raised by a startup as it scales and grows its operations.
  - ☐ Example: After a successful seed round, a startup may raise Series A funding, followed by Series B and Series C rounds.
8. Accelerator
  - ☐ Meaning: Programs that provide mentorship, resources, and funding to early-stage startups in exchange for equity.
  - ☐ Example: Y Combinator and Techstars are well-known accelerator programs that have helped launch numerous startups.
9. Incubator
  - ☐ Meaning: Organizations or programs that support the development and growth of startups by providing office space, resources, and mentorship.
  - ☐ Example: The Stanford StartX incubator provides support to Stanford-affiliated entrepreneurs.
10. Burn Rate
  - ☐ Meaning: The rate at which a startup or company is spending its capital to fund operations and growth.
  - ☐ Example: A startup with a monthly burn rate of \$50,000 is spending that amount to cover expenses such as salaries, rent, and marketing.
11. Runway
  - ☐ Meaning: The length of time a startup can operate before running out of funds, based on its current burn rate.
  - ☐ Example: If a startup has \$500,000 in the bank and a monthly burn rate of \$50,000, its runway is 10 months.



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12. Unicorn

- ☐ Meaning: A startup company valued at over \$1 billion, typically in the technology sector.
- ☐ Example: Airbnb and Uber are examples of unicorns that have achieved significant valuations in the startup world.

13. Exit Strategy

- ☐ Meaning: A plan for how startup founders and investors will realize a return on their investment, typically through acquisition or IPO.
- ☐ Example: The founders of a startup may plan to sell the company to a larger corporation as their exit strategy.

14. Vesting

- ☐ Meaning: The process by which ownership of equity or stock options is earned over time, typically subject to certain conditions.
- ☐ Example: A startup employee may have a four-year vesting schedule, with 25% of their shares vesting each year.

15. Run Rate

- ☐ Meaning: An extrapolation of a company's current financial performance to estimate future revenue or expenses.
- ☐ Example: If a startup generated \$100,000 in revenue in the first quarter, its annual run rate would be \$400,000.

16. Disruptive Innovation

- ☐ Meaning: The introduction of a new product, service, or business model that fundamentally changes an industry or market.
- ☐ Example: Uber disrupted the taxi industry by introducing a new model of on-demand transportation.

17. Customer Acquisition Cost (CAC)

- ☐ Meaning: The cost associated with acquiring a new customer, including marketing, sales, and advertising expenses.
- ☐ Example: If a startup spends \$10,000 on marketing and acquires 100 new customers, its CAC is \$100.

18. Churn Rate

- ☐ Meaning: The rate at which customers or subscribers cancel or stop using a product or service over a specific period.
- ☐ Example: A subscription-based startup may have a churn rate of 5% per month, meaning 5% of its customers cancel their subscriptions each month.

19. Freemium

- ☐ Meaning: A business model in which a basic version of a product or service is offered for free, with premium features available for a subscription fee.
- ☐ Example: Dropbox offers a freemium model, providing free storage space with the option to upgrade to a paid plan for additional features.

20. Lean Startup

- ☐ Meaning: A methodology for developing businesses and products that emphasizes rapid iteration, customer feedback, and minimal viable products.
- ☐ Example: Dropbox used lean startup principles to test its product idea with a simple MVP before investing in full-scale development.

21. Growth Hacking

- ☐ Meaning: Strategies and tactics used by startups to rapidly acquire and retain customers, often leveraging data-driven marketing techniques.
- ☐ Example: Airbnb used growth hacking techniques such as referral programs and targeted email campaigns to fuel its early growth.

22. Disintermediation

- ☐ Meaning: The removal of intermediaries or middlemen from a supply chain, often facilitated by technology.
- ☐ Example: E-commerce platforms like Amazon have disintermediated traditional retail channels by connecting buyers directly with sellers.



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23. Acqui-hire

- ☐ Meaning: The acquisition of a company primarily for the purpose of hiring its talent, rather than for its products or services.
- ☐ Example: Google's acquisition of Android in 2005 was largely an acqui-hire, as it aimed to bring on board the company's talented engineers.

24. Pre-seed Funding

- ☐ Meaning: The earliest stage of financing for a startup, typically provided by friends, family, or angel investors to support product development and initial operations.
- ☐ Example: A founder might raise pre-seed funding to build a prototype or conduct market research before seeking larger investments.

25. Crowdfunding

- ☐ Meaning: A method of raising capital from a large number of individuals, typically through online platforms, in exchange for rewards, equity, or debt.
- ☐ Example: Kickstarter and Indiegogo are popular crowdfunding platforms where startups can launch campaigns to raise funds for their projects.

26. Hackathon

- ☐ Meaning: An event, often lasting several days, where programmers, designers, and other participants collaborate intensively on software projects or problem-solving challenges.
- ☐ Example: Facebook's annual hackathons have led to the development of new features and innovations for the social media platform.

27. Blue Ocean Strategy

- ☐ Meaning: A business approach that focuses on creating new market space and uncontested market space, rather than competing in crowded or saturated markets.
- ☐ Example: Cirque du Soleil revolutionized the circus industry by creating a new form of entertainment that appealed to adults as well as children.

28. AngelList

- ☐ Meaning: An online platform that connects startups with investors, angel investors, and job seekers.
- ☐ Example: Startups can use AngelList to raise funding, recruit talent, and network with other entrepreneurs and investors.

29. Product Hunt

- ☐ Meaning: A website and community that allows users to discover and share new products, apps, and tech innovations.
- ☐ Example: Startups often launch their products on Product Hunt to gain visibility and early adopters among tech enthusiasts.

30. Convertible Note

- ☐ Meaning: A type of short-term debt instrument used by startups to raise capital, which can be converted into equity at a later date, typically during a future financing round.
- ☐ Example: A startup might issue convertible notes to angel investors in exchange for early-stage funding.

31. Network Effect:

- ☒ Meaning: The phenomenon where the value of a product or service increases as more people use it.
- ☐ Example: Social media platforms like Facebook and Instagram benefit from network effects.

32. Long Tail:

- ☐ Meaning: A strategy focusing on selling a large number of niche products in small quantities to a wide audience, rather than selling a small number of popular products.
- ☐ Example: Amazon's marketplace enables sellers to offer a wide range of niche products.



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33. A/B Testing:

- ☐ Meaning: A method of comparing two versions of a webpage or app to determine which one performs better in terms of user engagement or conversion rates.
- ☐ Example: A start-up conducts A/B testing on its website to optimize its landing page design.

34. Viral Marketing:

- ☐ Meaning: A marketing technique that relies on social networks or word-of-mouth to promote a product or service.
- ☐ Example: Dropbox's referral program incentivizes users to invite friends, leading to viral growth.

35. Stealth Mode

- ☐ Meaning: Operating in stealth mode refers to a startup keeping its activities, plans, and product development hidden from the public and competitors until it is ready to launch.
- ☐ Example: The startup operated in stealth mode to maintain secrecy around its innovative technology and avoid premature competition or imitation.

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