

ECONOMIC VALUATION OF STARTUPS

SCALABLE BUSINESS MODELS



INTRODUCTION

The figure of startup is conceived recently as a **characteristic actor in the business environment, expanded throughout the international territory**. Startups present an innovative business structure, far from the traditional organizational visions, with scalable business models capable of generating both wealth and employment opportunities through innovation. **In spite of its accelerate growth, quite an amount of startups fail annually because of the lack of financing and unknown of the market needs.**

OBJECTIVES

This research is intended to **estimate the main variables** that determine the evolution of startups, with the aim of **improving the valuation models** that guarantee the success of these companies and, therefore, the economic growth.

MATERIALS AND METHODS

- Bibliographic review of valuation models
- Exploratory and correlational analysis of unicorn startups (valued at over \$1 billion)
- Surveys aimed at startups at all stages

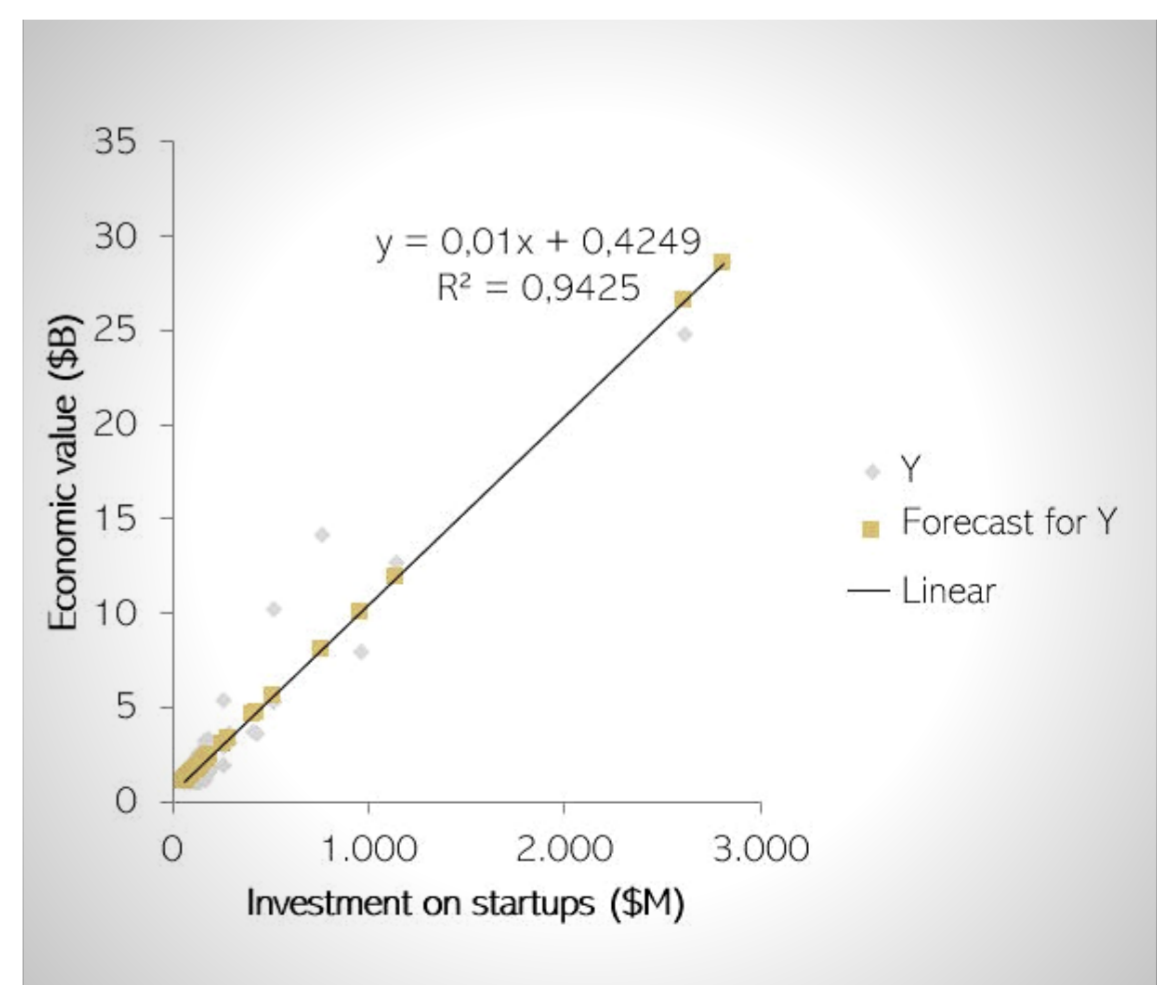
RESULTS

- So far, it has been tested that some of the main variables that determine the value of a startup are: **product, target market, innovation, geographical area, and investment.**
- Through the amount of the investment received, it is possible to estimate the value of the startup by applying the correlation on the right.

CONCLUSSIONS

It is shown that, **the higher the funding received, the greater the economic value of the startup.**

The study is presented as a **starting point** to the thesis, since it should be also analysed the **type of financing, its business impact and the rest of parameters** that could determine the success factors of the organization, implementing thus economic valuation models.



UNIVERSITAT
POLITÀCNICA
DE VALÈNCIA