# STARTUPS RESOURCE GUIDE:
# HOW THE US MODEL COULD BENEFIT ROMANIA

Strengthening Romania's
Startup Community

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# 01 Introduction

As students attending Worcester Polytechnic Institute (WPI), we are required to complete a semester-long interdisciplinary project known as the Interactive Qualifying Project (IQP). For this project, students typically work in teams to research a real-world problem and deliver actionable results. For our IQP, in collaboration with the American Chamber of Commerce in Romania (AmCham Romania), we set out to find ways of strengthening the Romanian startup community.

Through our research, we found that networking is incredibly important to startup communities as it allows them to find mentors, investors, support organizations, and business partners. We also found that, while the startup community in Romania offers resources comparable to those in the US (where the startup community is very well established), the community's limited size makes these resources much less accessible. The resources that currently exist in Romania operate fairly independently of each other and can be consolidated to increase efficiency. Because of this, the best way to strengthen the Romanian startup community is to increase accessibility and collaboration so the ecosystem can accommodate more startups. As such, we have determined that AmCham Romania should:

- **Promote Networking and Events**

- **Provide Membership Options for Startups**

- **Collaborate with Support Structures**

- **Gain Corporate Support and Partnerships**

- **Host Website Enhancement Programs**

- **Advertise Resources Available to Startups**

# 02 Networking and Events

Startups rely on networking and collaboration to access resources they would not otherwise have (including, but not limited to, investors, support organizations, and mentors). Startups network through various platforms such as events, online forums, and workspaces. One of the most beneficial ways to network is through events. Events provide the opportunity to interact with various community stakeholders in a goal driven way. There are different types of events that cater to different needs and demographics. Understanding the target audience of events allows them to be planned around people's needs, ultimately benefiting them more. For example, if the target audience are people in the initial stages of development with little experience, a more relaxed location, such as a pub, would be most ideal. Furthermore, we suggest working with co-working spaces to provide startups with opportunities to network and collaborate with a variety of companies.

# Membership Tiers

**Currently, startups do not qualify for membership to AmCham Romania. This limits AmCham's ability to connect with startups and help them succeed. Therefore, it would be beneficial to offer membership for startups. To achieve this we suggest offering tiered membership options where the benefits that a business receives (and membership cost) scale based on business size (typically measured by headcount). Three US Chambers of Commerce that do this well are Austin, Seattle, and Washington DC.**

| Company Size | Annual Membership Cost | Description |
|---|---|---|
| 10 or fewer employees | $550 | Access to "core" programs including events, networking opportunities, and advocacy. |
| 25 or fewer employees | $1,100 | "Increased resources" and marketing visibility. |
| 26+ employees | $2,500+ | "Flexible" plan to fit needs or organization. |

Example of Tiered Membership Options Based on Other Chambers of Commerce

# Drop the References

**Stop requiring two references from current AmCham Romania members to apply for membership. This requirement would make it challenging for startups to become members of AmCham Romania because they often do not have existing connections with large companies. We have not seen this requirement at other Chambers of Commerce which indicates that it is not necessary.**

Aside from scale, one major difference between the US and Romanian startup communities is that, in the US, many startup support organizations network and collaborate with other organizations. This allows them to provide more resources to startups and direct startups to existing resources (instead of forcing each organization to build the same offerings). There are varying types of support structures, all of which assist startups in different ways, the most popular being incubators, accelerators, and workspaces.

We recommend contacting startup support organizations and collaborating to create a program that gives startups access to resources so they can expand their networks. Chambers of Commerce service a wide variety of industries and are well connected in the business community, hence they have the ability to broaden startup's connections. We propose a free or low cost program for startups based on collaborations with support structures and sponsors. We modeled our proposed program after the Worcester Regional Chamber of Commerce's "Startup Worcester" Program in the US. The program would offer:

➤ **Membership to AmCham Romania**

➤ **Access to a workspace and their amenities**

➤ **Access to mentors, events, and workshops**



The Worcester Chamber of Commerce launched a free online forum called the "Central Massachusetts Startup Community" in collaboration with the organization Venture Forum. All local stakeholders can join the forum to share information and create a more cohesive entrepreneurial community. This has proven successful in creating a startup ecosystem in many locations according to the Worcester Chamber of Commerce staff. We recommend investing in a similar forum.
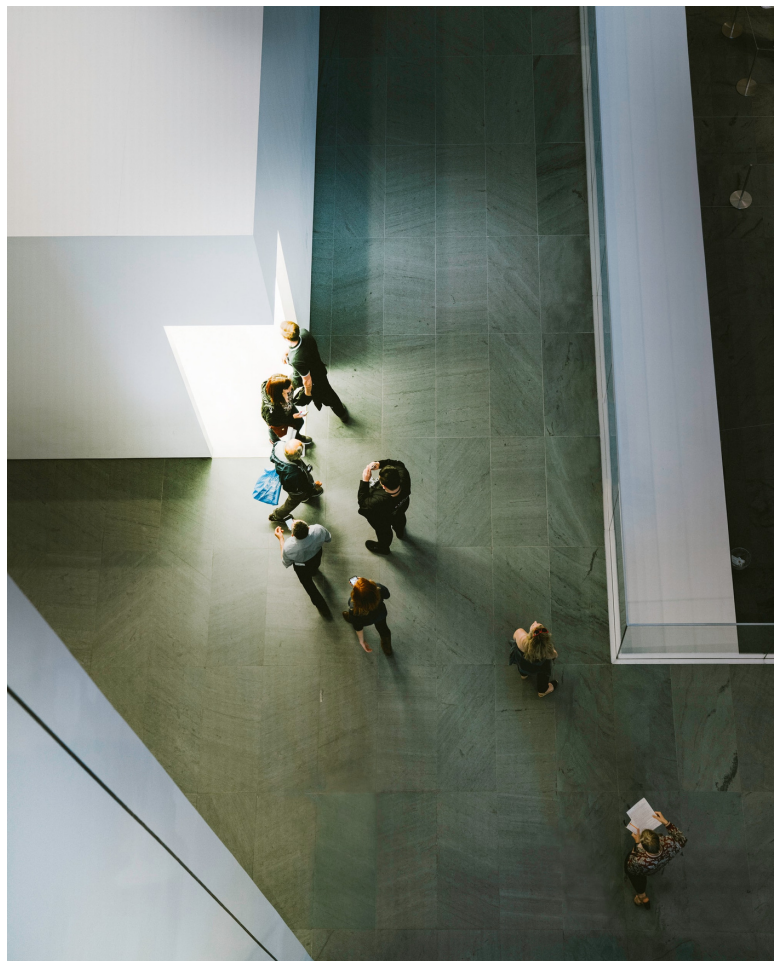
Ultimately, this program would lower the barrier for startups to access education, networking, and resources (i.e., workspace, tools, and online software), giving them a higher chance to succeed.

# 05 Corporate Support and Partnerships

In the United States, many startup support organizations collaborate with companies to provide startups with benefits. For example, the Worcester Chamber of Commerce gained corportate sponsors (such as banks) to fund their startup programs. Also, WorcLab, a co-working space in Worcester, Massachusetts, has a partnership with Amazon Web Services (AWS) to provide members with $10,000 worth of AWS credits. These companies usually have a few motivations for donating resources:

**1**    **Many startup support organizations in the United States are registered as non-profits. This makes donations to them tax exempt.**

**2**    **By offering services to startups, it may influence the startup to continue to use these services going forward.**

We recommend contacting corporations that are members of AmCham Romania to ask if they are willing to collaborate and provide resources startups. To develop these partnerships with businesses, we propose frequently contacting businesses, mentioning AmCham's non-profit status, and asking if they are willing to form partnerships. While these relationships can take time to form, given that AmCham Romania already has contacts with many businesses, we recommend reaching out to its members and asking if any would be interested in contributing to the development of startup support programs.

Many Romanian websites contain less information than their US counterparts. As the Romanian business sector continues to develop, their websites should follow the current trends and practices. Organizations will need to advertise their membership pricing, resources, and other information on their websites. This helps to attract outside investments and collaborations (particularly from the US). In addition, by placing more information on websites, it becomes easier for aspiring entrepreneurs to discover and/or become interested in the startup community and join it (so that they can gain access to resources they may need to be successful).

Because of this changing cultural tradition, we recommend developing and distributing a short document or hosting an event educating organizations and startups on the best website practices. This program could benefit anyone in the startup community including support structures, startups, and investors. As such, we suggest distributing this information publicly (not just to AmCham members). This would have the added benefit of increasing AmCham Romania's recognition.

TechStars, an accelerator, and WorcLab, a co-working space, are good examples of US websites that use the best practices.



Romanian Support Organization

American Support Organization
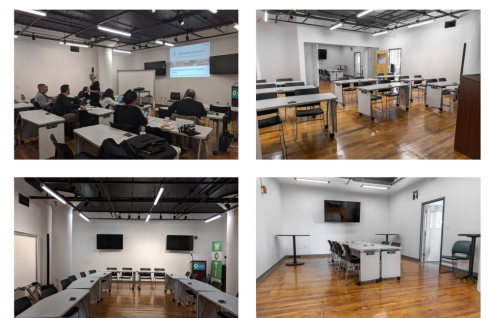
## 07 Advertise Resources to Startups

Organizations providing support for startups must use marketing strategies to expand the reach of their resources. Romania's fast broadband speeds and high percentage of connected households makes online marketing well suited to the country's infrastructure. We spoke with the community manager of a startup workspace in the US who stressed the importance of search engine optimization (SEO). Organizations draw more viewers to their websites by earning higher spots on search engines using strategies such as providing consistent relevant content and targeting key search terms.

Additionally marketing through word of mouth, networking, online advertisement, social media, press releases, and mailing lists have proven successful in gaining an audience. Innovation Studio, a startup incubator in Boston, often draws applicants to their accelerator programs during in person events. They have also gradually built followings on social media platforms and reached thousands of subscribers on their mailing list.

One can directly establish long-term relationships with an audience by distributing high-quality and visually appealing content such as videos, images, blogs, emails, and graphics.  We recommend providing consistent digital content relating to resources that will benefit entrepreneurs to attract them to your organization.

# 08 Recommended Events

### Pitch Night
A night for entrepreneurs to practice and recite their 5-minute pitch to a panel of judges (often there are prizes). The community is also encouraged to watch. A 5-minute pitch is a monologue that explains the most important details of a business to an investor. The goal is to convince people to invest and explain the importance of an idea or business.

### Demo Day
An opportunity for investors and entrepreneurs to connect. Entrepreneurs present their companies to several different investors and larger companies. Throughout the day there are breaks intended for the startups to talk to larger companies or investors. This is an application or invite only event that provides networking which can lead to funding and working relationships with industry experts.

### Networking Meetups
Meetup groups that help people network naturally. These events can be set up as organized meetings and include social activities for people to meet other like-minded individuals in the same or similar industry. Networking meetups can be organized virtually or in-person. Depending on the time these meetups are held, it could attract various types of communities. For example, entrepreneurs usually prefer evenings because they often have day job.

### Industry Shows/Conferences
Educational business events where people involved in similar companies come together to network and discuss opportunities and developments. Often hosted by startup support organizations in collaboration with government bodies or financial sponsors. Include talks from successful entrepreneurs and experts on various subjects including law, finance, banking, and marketing. Can offer open networking sessions, exhibitions and recruiting opportunities.

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Rachel is a third-year student double majoring in Biomedical (BME) and Mechanical Engineering with a BME concentration in biomechanics. She is passionate about creating medical devices that could improve society's quality of life. She enjoys running and hiking. Her favorite part of this project was getting the opportunity to learn about people's experiences with startups.

## Alex Friedman

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Alex is a third-year student (out of 4.5) studying Computer Science and Professional Writing with a variety of interests including business and entrepreneurship. Alex's favorite part of the project was getting the chance to connect, talk with, and learn from a variety of people in the startup community.

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Alexandra is a third-year biomedical engineer, who is passionate about designing the next generation's cardiac devices. She enjoys baking and playing volleyball. Her favorite part of this project was getting to talk to and learn about different people's experiences.

## Rory Veguilla

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Rory is a third-year aerospace engineering major passionate about technology that will push the boundaries of human innovation, improve lives, and place us closer to the stars. He enjoys reading, writing, movies, and playing guitar. His favorite part of the project was learning how startup communities develop and benefit society.