

# DLD Tel Aviv Innovation Festival 2017

## Insights & Wisdom derived



### Idea Startups

The most important aspect of innovation and entrepreneurship is to dare to take the next step. The only way forward is by doing. Israel is ranked amongst the top innovation countries on earth. Eight teams from IDEA, both current & alumni, had the opportunity to participate in DLD Tel Aviv Innovation Festival.

#### Why is Israel an innovation nation?

While visiting we made sure to ask local investors and entrepreneurs, and try to understand what makes Israel rank so high in innovation and entrepreneurship. Their answers were revealing!

#### ***"We provide support"***

- We are one big family where everyone embraces entrepreneurship. Friends encourage each other.
- We do not look in a domestic future. We look for global outlook, something universal, technology driven. Ambition is the world.

- We have an idea? We execute quickly, we overcome obstacles quickly, we evaluate more, we take advice again and again, and we change it!
- Doors are never closed.
- We have strong ties with technology in military

#### ***"We teach innovation in schools"***

- We start from the age of 12 years old.
- We teach children what are each one's strengths. We teach them that there is no right or wrong. Each one has something to offer. Even children with autism / Asperger have a lot to offer, as much as the others.

#### ***"We are not afraid to fail. Failure is part of success."***

- Israeli youngsters feel free to do what they feel.
- Start-ups need to overcome the fear of becoming "silly". "Don't be afraid to become / look silly".

For example:

- Why was Harry Potter turned down by 17 publishers?
- Why everybody laughed at Marconi's wireless?

#### ***"We have Israeli patriotism and ethos"***

- Mentors come from the business community; they offer their advice for free.
- Israeli businessmen support Israeli young people. They feel they need to invest private equity in Israeli start-ups. There is a cultural connection.
- We have state funding.

## Future Trends

The sessions of the conference were quite apocalyptic on the future technological trends and most agreed on...

- Blockchain is the new internet. It will change everything. It will give the ability to see into the supply chain. Promotes the idea of a circular economy.
- AI will be developed in specific verticals (e.g. Amazon Alexa), not only the common forms.
- Autonomous trends in AI in automotive (Tesla) will increase.
- Ambient intelligence – we will see more health care solutions, medical devices.
- Robotics will be everywhere.
- Banking: Data Analytics Science will be employed, for more informed decisions.
- Face recognition will be spread: We will not have to introduce ourselves anymore.
- Speech recognition will spread.
- Security solutions will become consolidated – aggregate solutions will be found.
- The start-up industry will become more diverse.
- The education system will change – EdTech companies will use AI & Big Data.

## Golden Advice from Investors to Start Ups

- The entrepreneurs need to be excited about their idea – otherwise why should an investor be?
- Passion and quality of founder's team is the most important thing by far, in early stage investing, as investors rely highly in their "gut feeling"
- Investors want to see a "hero"
- One of the founders must be full time as team must put "skin in the game"
- CTOs are very important. If they own only i.e. 5%, then this is a problem...
- Need to see a business plan with assumptions, where the business is aiming, and be ready to give explanations for everything.



## The era of Digital Transformation

- **Banking** is here to stay: personalised, smarter, more digital.
- Digital transformation (pre)requires business transformation. If your managers refuse to do business the digital way, then what?
- The middle management is the most difficult to change.
- Digitisation means cultural transformation. The role of the CEO, the role of leaders is changing. CEO should lead by example.
- Manager of the past vs. the Leader of today = leader of entrepreneurs.
- New DNA, fresh thinking should be allowed to reach to the top.
- Hackathons should be used to recruit talent



## Messages from Cyprus Embassy in Israel

- Israeli business people like to work with people from Cyprus. They like the ethos which we conduct business with.
- The Embassy looks with admiration the initiative to take a whole delegation for an innovation visit – it is the first delegation from Cyprus!
- The Embassy is looking forward to assist deepen our relationships with the Israeli start-up world.





## Advice from Consultants to the Start Ups

- Show why are you the best to do this. Why you? Why are you unique? Why do you have the right to exist? What is your secret sauce? [it does not necessarily have to be a tech advantage, you can be unique in business]
- Start small and then go big. Focus on a niche.
- You must show that you spent equal time in "the product" (technology/science) as much as "going to market" (business part)
- Go to market strategy is very important
- Visuals need to be on market edge. Modern.
- Present assumptions and have a good explanation on everything.
- Seek for online solutions to your product, in parallel.



All IDEA Teams had the opportunity to listen to CEO's describe success stories from prominent global startups such as **UBER**, **AIRBNB**, **GETT** and how they are successful because they removed the pain of "pay"!

## Testimonials and Wisdom Gained



- ✓ **For Team Gnous**, the most important lesson gained was the feedback provided from Moti Krispil at Deloitte offices, on how to approach the way we conduct our presentation in front of multiple kinds of audiences such as investors, potential clients or large seminars
- ✓ The second one was the networking at DLD and EdTech seminar that can lead to great cooperations



- ✓ **For Team Prediti** the most important lesson we learned was that CYPRUS level of entrepreneurship has the prerequisites to reach Israeli's one. Thus, it boosted our confidence to compete in a global level. Another valuable lesson is to focus on the 4 M's when we are asking for investment (Momentum, Management, Market, and Money)
- ✓ We have already adjusted our Investors presentation and Pitch deck in order to deliver clearly the message which covers the 4



- ✓ **For Team MyBook Heroes** the most important lesson is feedback and suggestions we received from various advisors and specifically from Moti Krispil at Deloitte office
- ✓ On a broader level, we had the opportunity to listen to various speeches and gain in depth understanding on how leaders of big companies think and assess situations. The networking is an obvious benefit, but it is worth mentioning as well



- ✓ **For Team StudyFinder** the most valuable lesson we learned is that any hesitation to talk to anyone is not justified. The best example was being approached by a person who ended up being Guy Klajman, CMO of examPAL. On the same note we also met with Yako Dayan and CEO of Edtech Israel
- ✓ We intend to keep alive a communication bridge and continue the discussions with them. Our goal is to try to convince one of them to be part of our board, else introduce us to other people from the Edtech space who could be interested



- ✓ **For Team Guardian Angel**, the most important lesson learnt is that in order to be successful we have to be able to adapt to the "rules of the game"! We cannot afford to insist on our existing ideas and strategy, if these will not have the desired outcome. Various advisors and consultants gave us their opinion of our strengths and weaknesses. They were succinct and straight to the point. It is up to us now to implement their advice
- ✓ The personal feedback we have received came from the Head of "Fast-Growth Value Creation Advisory Strategy & Operations" of Deloitte, whose clients include international powerhouses like "Facebook". Their feedback should be considered as dogma and



- ✓ **For Team Syndseas** we gained valuable interactions by discussing and exchanging ideas with other participants/exhibitors provided us with valuable insights and a positive boost towards working harder and more efficiently in order to make our project a success
- ✓ For us, the most valuable experience was by far the chance to pitch for Deloitte experts and the invaluable feedback received. The feedback did not only cover the presentation itself, but also included useful advice on how it is better to approach and present SyndeSeas to perspective clients



- ✓ **For Team iCheers** talking with several entrepreneurs in the ecosystem there, we understood that any company valuation is valid once you have some traction and an interested investor
- ✓ We will create a better pitch deck and start contacting investors. The other thing we plan on doing is improving our application as we have managed to talk with a lot of people over our visit and got very excited about it as we discussed together areas of improvement