Challenges and opportunities for entrepreneurs during the pandemic

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With the arrival of the pandemic last year and the need for accelerated digitization , more was said about entrepreneurship, innovation and digital transformation. When conducting a search for notes related to entrepreneurship, it is very likely to come across successful cases of companies that started from scratch to become unicorns. Unfortunately, the reality of most of the stories related to this ecosystem is not like that.

A large part of startups fail due to various factors such as lack of capital, not achieving the desired product market fit, not achieving market traction at the expected level or simply poor timing, among others. Everyone can imagine a challenge to start a company, and surely entrepreneurs have faced it at least once.

Regardless of whether it is a startup looking for its first

sales or a startup with operations in 5 countries, it is never easy and there are simpler and less demanding ways to earn a living.

The entrepreneur is a person who arouses admiration, because despite adversity and being in constant struggle against the traditional, he seeks to bring his vision to reality. His passion defines him, to contribute to the world through a product or service to solve someone's problem somewhere.

Here are some of the main challenges and opportunities that entrepreneurs must face in an increasingly changing environment:

1. Leadership at a distance: Social distancing measures have involved work methods and team management that maintain synergy and promote it throughout the organizational structure. Today startup leaders must open up more space for the growth, empowerment and trust of their collaborators.

2. Digital transformation: In the first five weeks of confinement, society and economies were digitized more than in the previous five years in accordance with the Telefónica Movistar Digital Pact. Regardless of size, companies have realized the need to adopt new technologies and implement new flexible and innovative ways of working such as telecommuting and *off-site* customer service, to achieve profitability and even for survival.

Digital companies have grown considerably, in the latest figures published by the US technology giants GAFAM (Google , Apple , Facebook , Amazon and Microsoft) there is a double-digit growth in their income, defying the crisis and global paralysis.

3. Corporate investors: Venture Capital funds or corporate investors also face risks in their business model in conjunction with the entrepreneur, and despite economic conditions they continue to bet on them, according to figures

from the Association for Investment of Private Capital of Latin America (LAVCA), fundraising increased 30% in the first half of 2020 compared to the same period of the previous year. As an example, Wayra has invested more than 49 million euros in startups and almost 500 million euros have historically been invested by third parties in the companies of its global portfolio.

The key is to convince the investor with the passion to solve a problem through a product or service different from the traditional, for being disruptive in the market and setting the trends that will define it.

4. Value proposition: Considered as the basis of the business, it is in the very heart and DNA. It is essential that startups know the added value of their product and its differentiating elements in the market, what it contributes, adds value and solves problems to companies and people in different locations.

2020 presented unexpected challenges and without a doubt the first months of 2021 have not been different, among the main learnings of the exceptional moment we are living in, startups are the protagonists of change, they have responded to the challenges, being great allies at times of adversity and uncertainty, thanks to its resilience, rapid adaptation and its desire to change the world by providing the latest technology.

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