TO: LMI Sandler Competition Judges

FROM: Team Sahara

DATE: Wednesday, April 15, 2020

SUBJECT: Sahara's updated plans for the quarantine

Sahara's core objective is to solve physical product development for distributed teams. While the COVID-19 pandemic is a challenging experience for all of us, the lockdowns taking place across the country and around the world actually strengthen our mission to make remote product development the industry standard, and we plan to take full advantage of this collective shift in attitude towards remote-work. On one hand, we are doubling-down on R&D activities and planning on offering over twice as many development platforms by this year's end. On the other, we have immediately shifted our marketing focus towards paid advertising, branding, and community outreach. We believe that the current pandemic, though painful and uncertain, underscores our purpose and place in the market, now more than ever. The large-scale and enduring shift to remote-work as a result of quarantine is an opportunity to provide a vital product, solidify our positioning, and gain a lead in the remote development market.

Prior to the pandemic, we had planned to scale up relatively quickly with datacenters by the end of this year. However, we will now focus our efforts on R&D for at least the next two quarters, while offering our platform by hosting the hardware at our homes. Because we have engineering lab equipment within our homes already, we are able to configure and host devices locally. Each one of our devices can support hundreds of customers, allowing us to keep up with projected initial demand. We also plan to move the hardware to co-location datacenters if the quarantine extends into the fall. We expect this to be a positive effect for us as we will be able to negotiate favorable rates at local datacenters because of sluggish business in this economic environment. This positions us to more rapidly and cheaply expand once the quarantine restrictions eventually loosen.

The shift in the work environment towards remote-work also gives us an opportunity to take significant steps in our marketing efforts. Paid advertising is becoming cheaper due to tightening marketing budgets around the world. Entering the market in this low-cost advertising environment will allow us to lower our CAC and bootstrap our sales funnel. Hardware startups unable to let employees come into the building are a prime target for this kind of advertising. This will also let us hone in on our SEO and community engagement strategy, something that is naturally long-term and will grow quickly now that developers are staying at home.

Overall, the quarantine is something that is actually expanding our target market beyond our initial predictions. Whether it is 4 months or even longer, our team is ready to adapt and leverage the natural benefits of remote product development. We hope that after all this is over, we will have a lasting effect on how remote teams work together and change the narrative on how new products are developed.