

# The Unfair Advantage

How You Already Have  
What It Takes to Succeed

ASH ALI & HASAN KUBBA

P

PROFILE BOOKS

First published in Great Britain in 2020 by  
Profile Books Ltd  
29 Cloth Fair  
London EC1A 7JQ  
[www.profilebooks.com](http://www.profilebooks.com)

Copyright © Ash Ali, Hasan Kubba 2020

2 4 6 8 10 9 7 5 3 1

The moral right of the authors has been asserted.

All rights reserved. Without limiting the rights under copyright reserved above, no part of this publication may be reproduced, stored or introduced into a retrieval system, or transmitted, in any form or by any means (electronic, mechanical, photocopying, recording or otherwise), without the prior written permission of both the copyright owner and the publisher of this book.

All reasonable efforts have been made to obtain copyright permissions where required. Any omissions and errors of attribution are unintentional and will, if notified in writing to the publisher, be corrected in future printings.

A CIP catalogue record for this book is available from the British Library.

ISBN 978 1 78816 331 6  
eISBN 978 1 78283 597 4

Text design by [sue@lambledesign.demon.co.uk](mailto:sue@lambledesign.demon.co.uk)

Printed and bound in Great Britain by Clays Ltd, Elcograf, S.p.A.



# Contents



	Introduction	1
PART ONE	<b>UNDERSTAND</b>	
	1 Life is unfair	13
	2 Our entrepreneurial journeys	20
	3 Success is both hard work and luck	40
	4 Introducing Unfair Advantages	52
PART TWO	<b>AUDIT</b>	
	5 Introducing the MILES Framework	63
	6 Mindset	71
	7 Money	82
	8 Intelligence and Insight	95
	9 Location and Luck	115
	10 Education and Expertise	140
	11 Status	153
PART THREE	<b>THE STARTUP QUICK-START GUIDE</b>	
	12 The why	179
	13 The type of startup	185
	14 The idea	194
	15 The people	206
	16 The business	216
	17 Fundraising	228
	Conclusion	242
	Acknowledgements	247

# Introduction



‘How does a startup become so successful?’

As the first marketing director of Just Eat UK, and the number 3 hire on the senior management team, I have been asked this question over and over again. After the phenomenal £1.5 billion initial public offering (IPO) of our online food ordering startup in 2014, people would ask:

‘Ash, you were there from the beginning. What is the secret?’

My mind would spin in all different directions trying to think of an accurate answer ... Was it the idea? The technology? The ‘growth hacks’? The team? The timing? Maybe it was just the sheer hard work and hustle that we put in? What *really* led to one of the largest tech startup IPOs the UK had seen in almost a decade?

We were touted as an extraordinary London-based success story (launched originally in Denmark), and we got a lot of attention. However, every answer I gave about the cause of our success felt as if it was missing a crucial piece of the puzzle ... and I could never *quite* put my finger on it.

The beginnings of a theory for startup success began to brew in the back of my mind as I moved on from Just Eat and started a few other companies: first founding my own fully bootstrapped (without external funding or investment) startup called Fare Exchange, a private hire taxi platform, then

venturing abroad to start Washplus, an on-demand mobile laundry app – the first of its kind in Dubai.

With Fare Exchange, we developed smart software and digital marketing systems that took taxi bookings which were then serviced by local taxi companies. This was in 2010, years before Uber entered the scene. I grew it at blinding speed, from £0 to £25 million in bookings revenue in just three years – with only five full-time staff. My next startup, Washplus, became Dubai's fastest-growing laundry and dry-cleaning startup.

I developed the reputation for being a 'growth hacker', someone who's good at growing a startup really, really fast. Meanwhile, with the hard-earned money I'd made from my own startup ventures and especially the big Just Eat IPO, I also became an angel (individual) investor and advisor, putting my own money on the line by investing in startups and mentoring them.

I've recently started a social impact adult education startup, Uhubs, where the goal isn't just profit; rather it's both profit and positive impact on society. At Uhubs we help people upskill and learn directly from experts in an easy and affordable way.

As my work with startups took me all around the world, from Europe to America, the Middle East to Southeast Asia, I kept thinking about the underlying secret to success in starting businesses. I noticed that founders and investors the world over were running into the same issues and asking me the same questions. Everyone I met was working really hard, but some startups were succeeding while others were failing.

## The lie of meritocracy

If I have learned anything on my entrepreneurial journey, it is that the media narrative on startup success can be very misleading. Around every corner, you're bombarded with

endless myths, hero-worship, PR, and hype around successful entrepreneurs who are heralded as living testaments to the power of hard work, meritocracy and the American Dream. (Yes, even in the UK and in much of the world in general.)

Silicon Valley and the startup world loves to present itself as a progressive, meritocratic place – with those talented and hardworking enough inevitably rising up above the parapet and reaping the rewards for all the blood, sweat and tears they have put in.

Meritocracy means that those who ‘merit’ it are the ones who achieve it. In other words, those who deserve to get rich, get rich.

The underlying idea is that we can all be like those amazing billionaire entrepreneurs, if only we pulled our socks up. If only we got up at 4am and hustled hard enough. We read articles and watch news segments about their tips and tricks for success, we read books that tell us we can all be like them if we were simply disciplined enough, hardworking enough, and had enough grit and perseverance.

Bullsh\*t.

At a time when inequality is at an all-time high, and as someone who’s ‘made it’ and can now be considered very privileged, I want to relieve us of the *collective delusion* that we’re living in an actual pure meritocracy.

Because, over my two decades in the startup game, I have begun to see distinct patterns emerge as to which startups succeed and which ones fail. And I’m ready to answer that question: How does a startup become so successful?

In this book, Hasan and I want to break down the factors of success in a way that’s both eye-opening, brutally honest, yet still ultimately empowering.

Yes, as a society we have made leaps and bounds in becoming more meritocratic and fair, and that’s fantastic. As

the son of immigrants who grew up poor in the poorest part of Birmingham, I am grateful that we no longer live in the Middle Ages, when you were either a rich lord or a poor peasant.

However, my experience in the startup scene tells me that we still have a long way to go. The reality is that there are still problems, barriers and un-level playing fields too numerous to count.

As an insider who's been on all sides of the table – from poor to privileged, from employee to entrepreneur, startup founder to angel investor, and mentee to mentor – I'm more convinced than ever of the fact that the path to success is not just self-discipline, belief and hard work.

My co-author Hasan and I see it every day – plenty of hardworking, dedicated, passionate startup founders come to pitch to us at our central London office. Unfortunately, we have to turn away almost all of them and point them in a new direction.

Why? Often it's because they don't understand a simple truth. A truth which defies almost every book title or business headline you see today:

**Success in the startup world is not simply awarded to the hardest workers. It is awarded to those who develop and use their Unfair Advantages.**

By 'unfair advantage' we do *not* mean an unethical or illegal advantage (although we're sure there are many of those). An unfair advantage is a competitive upper hand, and your set of unfair advantages is unique to you. It's more than just a unique selling point, it's a fundamental leg-up over the competition, and sometimes it's not one that is 'earned' or worked for.

Let's take a very simple example from sport. Being tall is a simple and significant unfair advantage in basketball. It doesn't matter how hard a short basketball player works; they have

less of a chance of becoming a professional. That doesn't mean, of course, that there has never been a short professional basketball player; it just makes it much less likely, regardless of whether they work hard or not.

Startup businesses are not physical sports, but similar rules apply: if you're privileged, educated, richer, smarter, you're more likely to win. But, luckily, that's not the full extent of it, and unfair advantages can be found in a range of ways in anyone's life.

Virtually every person we speak to agrees with this radical new way of looking at successful startups – whether they're a founder, early employee, venture capitalist or angel investor.

This book is unique in that the primary focus is not the idea, the product, or anything else in the business. This book is about you, the founder, the entrepreneur behind the business (whether you've already launched your startup or are still thinking about it). It also applies if you're planning to lead any kind of project. And the simple reason is that it all starts with you. Startups at the early stage have nothing to show and it's the founder or co-founders who set it up for success.

The business idea is important, and we will talk about it, but before the idea comes *you*. Here's what influential venture capitalist Eileen Burbidge, founding partner and investor at Passion Capital, had to say:

When we first meet a company or business seeking investment, we're simply judging the people. Ideally, we want to assess the team, its tech and any momentum the company has. But since we invest so early, we almost never find all three. Often the only thing we have to gauge is the team – the founders.

Likewise, that's what we look at before investing in a company, and what any investor worth their salt will look at, too.

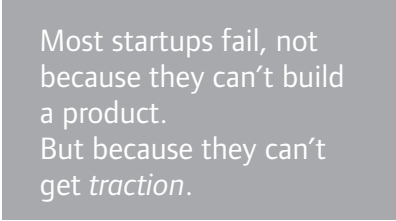


## The goal of traction

Now, the fact that we mention investors and venture capitalists (VCs) is not because every founder should be looking to raise money from them. Far from it: some businesses are better bootstrapped without investors, and kept lean (keeping costs and overheads low). But whether or not you need to raise funding in the first place depends on your unfair advantages, and in that sense funding is a useful way to show how your unfair advantages, the things that sell *you*, are present even before you've got a business bank account. It's very rare to raise funding without having any 'momentum', as Eileen Burbidge calls it. Momentum means getting more and more people to buy or use your product. This is also known as 'traction', in the sense that you're starting to make progress in your startup rather than just 'spinning your wheels' getting nowhere, like a car stuck in deep snow.

Whether or not you intend to get investment into your startup, a big question to address is this: *how* do you attain that elusive traction in the first place? After all, most startups fail not because they can't build a product, but because they can't get enough customers and/or users.

I'm often invited to talk about startups and growing a startup. I always like to start with this slide:



Most startups fail, not  
because they can't build  
a product.  
But because they can't  
get *traction*.

To get that momentum, growth and subsequent success in your startup, you need to have strong unfair advantages as

your foundation. By knowing, developing and leveraging your unfair advantages, you will work on the right idea, partner with the right co-founders and develop a strong foundation.

Starting a company from scratch and then growing it is one of the hardest things you can do. But, with the right unfair advantages, and the right mindset, you can be in with a shot.

### The book

When Hasan and I first spoke about the Unfair Advantage concept on stage, it resonated in a way we weren't expecting. At the end of each talk, we'd have a long line of attendees – founders, aspiring founders, investors – all lining up to ask us to help them find *their* unfair advantages (and, in the case of the investors, to help them find the startups with the unfair advantages so that they could invest in them).

That's why we decided to write this book.

I met Hasan at a business dinner in London. He came across as an astute and humble young entrepreneur who was generating a good (and mostly passive) income for himself with his boutique digital marketing agency. While I had a more intuitive inclination to entrepreneurship from a young age, Hasan's journey began with him investing in an online course. He explained how he got into it for the freedom and independence, and he *got it* straight away when I began to talk about my developing theory of unfair advantages. We became friends and he soon started working with me as my investment partner, sitting through hundreds of startup pitches with me when founders were trying to get investment. The insights we were able to glean together developed into our investment thesis and formed part of a tech startup we began working on. Subsequently we've worked together to develop this concept and put together this book.

We have since advised, mentored and consulted with hundreds of founders at the early stages of their startups. We've each presented the Unfair Advantage model in TEDx talks at top London universities, and Hasan has been flown out to Dubai as a speaker and mentor at a large international startup summit attended by hundreds of startups. We've spoken to corporations looking to maintain their dominance, launch new products or enter new markets by applying lean startup and Unfair Advantage methodologies.

Now we want to share what we know with you. We want to help you find your own unfair advantages to succeed in your startup, whether you already have one or are planning to start one. It can also massively help you with the launch of any kind of project or endeavour.

After reading this book, you'll walk away with:

1. A strong understanding of what an Unfair Advantage is for both an individual and a startup.
2. An understanding of how to find and use your own Unfair Advantages to succeed in business.
3. The Startup Quick-Start Guide – to get you going with a really solid foundation on this crazy journey.

In the world of business, the odds are stacked against you. And startups have a habit of failing, sometimes quite spectacularly. You don't want to be one of the 90 per cent that fail.

**Stack the deck in your favour to succeed.**

This book is your roadmap to putting those odds in your favour – to succeed in starting that startup, to raising that funding, to getting that traction and hopefully getting that big exit if that's what you're after. Hasan and I wish we could have had a book like this at the beginning of our entrepreneurial journeys.

It will help you no matter the challenges you may be facing, whether you need to find a co-founder, get your first customer, juggle a full-time job while getting your startup off the ground, get funding, build an MVP (minimum viable product – which we'll explain in Part Three), get users, develop your sales, marketing and growth hacking, generate enough cash to extend your 'runway time' to keep your startup afloat, handle competitors, attract mentors and advisors, and more.

This book is our official answer to the questions we get asked about the success we've been fortunate enough to have in startup businesses. We truly believe that you'll find life-changing value in this book, and a radical and brutally honest, yet still inspirational, way of looking at the world of business success.

If you're thinking of starting your entrepreneurial journey, this book is for you. We can relate so strongly to aspiring founders and that feeling of freedom that you crave, as well as the fear that you feel and which is holding you back.

And if you're already running a startup, but are struggling with some of those early-stage challenges, this book is also for you.

It is your first step to the fast track. With the information you'll gain from the 'Understand' section (Part One) and the practical steps and MILES Framework in the 'Audit' section (Part Two), you will look at success and your own personal *and* circumstantial strengths and weaknesses like never before.

Equipped with those advantages, you'll be confident and ready for Part Three – 'The Startup Quick-Start Guide'. You'll be set to take the startup world by storm, and make those dreams a reality.

Let's dive in!

Ash Ali and Hasan Kubba  
London, UK

## PART ONE



# UNDERSTAND



## Life is unfair

*'I am a young, white, educated male ... I got really, really lucky.  
And life isn't fair.'*

Those are the words of Evan Spiegel, the billionaire co-founder of photo-messaging app Snapchat. In our research into startup success, we found his story particularly interesting. According to Forbes, Spiegel was the world's youngest self-made billionaire (before Kylie Jenner, that is – more on her later). Born in 1990, he reached \$1,000,000,000 aged just 24.

**'I got really, really lucky. And life isn't fair.'**

This part of the quote really stood out to us. Was Evan implying that his success was simply luck? He's led a privileged life, and he knows it. To give you an idea of how 'lucky' he was, let's dive deeper into his background.

Evan Spiegel grew up in a multimillion-dollar household in Los Angeles, surrounded by countless fancy cars and ultra-exclusive country clubs, and taking luxury holidays all over the world at Four Seasons resorts.

His early years were spent at an expensive private school in LA, which curiously enough was also attended by Tinder co-founder Sean Rad, plus a host of Hollywood stars such as Kate Hudson, Jack Black and Gwyneth Paltrow. His parents

also reportedly got him and his sisters elite private tutors at a cost of up to \$250 an hour.

Evan's parents were powerful lawyers, his father working on high-profile cases such as the BP oil spill in the Gulf of Mexico and actor Charlie Sheen's infamous \$100 million suit against Warner Brothers. His mother held the distinction of being Harvard Law's youngest female graduate. When Evan finished high school, his father's powerful connections and considerable clout as an alumnus and donor to Stanford University certainly didn't hurt his son's prospects of getting into the ultra-competitive and prestigious Silicon Valley dream school. Evan's family connections also got him introduced to Peter Wendell, a big-time venture capitalist (VC) and one of Forbes's 100 top venture investors in the United States, with investments in hundreds of successful startups and numerous IPOs.

Not a bad connection to have.

Through Wendell, Evan also met titans like Eric Schmidt, former CEO of Google, Chad Hurley, co-founder of YouTube, and Scott Cook, founder of financial software giant Intuit.

Eric Schmidt later said this about Evan: 'He has superb manners, which he says he got from his mother. He credits his father's long legal calls, which he overheard, as giving him perspective on business and structure as a very young man.'

Scott Cook decided to mentor Evan, gifting him with a wealth of business wisdom as he took his first steps into the tech startup world. Later, Cook put his money where his mentorship was and contributed to Snapchat's first round of funding.

Although he started young, Evan had already received over a century's worth of combined wisdom and business lessons by the time Snapchat began to grow. While many twenty-somethings might have been nervous in big meetings with powerful investors, Evan Spiegel famously stared down one

VC who was unwilling to adjust his firm's standard investing terms, telling him: 'If you want standard terms, invest in a standard company.' That VC firm went on to invest in Snapchat's third financing round in 2013.

This is what we're looking at when we talk about unfair advantages. These factors all stacked one on top of the other and contributed in powerful ways to Evan's success with Snapchat and to him becoming Forbes's youngest self-made billionaire. This connection to wealth, influence and power directly impacted his success. He was able to climb the ladder at such a young age because he had been largely set up to do so. In fact, he didn't climb the ladder, he went up in a rocket ship.

That's not to say we're attributing *all* of Snapchat's success to Evan's privileged upbringing. Not at all. Plenty of privileged kids amount to absolutely nothing. As with all success stories, there are many factors that play a role. For example, Evan was very smart, and Snapchat had a brilliant insight at its core – that people want to communicate with photos that would 'self-destruct', i.e. disappear after a few seconds. This is something that none of the established social media giants Facebook, Twitter and Instagram had even thought of. Evan not only had access to the funding, the contacts and the mentors, he executed *brilliantly* on a very timely product. He was in the right place, at the right time, with the right idea. He, his co-founders and his employees worked really hard *and* really smart to make it a success.

The refreshing thing about Evan? He's upfront in acknowledging how many breaks he's enjoyed along the way. Contrary to the 'buckle down', 'burn the midnight oil' and 'hustle your ass off' advice thrown around all too often in the tech world, Evan says this:

**'It's not about working harder. It's about working the system.'**



‘Working the system’ has unethical connotations, like ‘gaming the system’ or even ‘cheating the system’. We don’t mean it in that way; we simply mean that it’s not about working harder, it’s about working *smarter* to succeed.

In a nutshell, that’s what this book is all about: *how* to work smarter, and how to work the system in your favour. And, crucially, you don’t have to grow up privileged like Evan Spiegel to do it.

The fact is that, as Evan recognised, the world is not fair. And it’s more unfair for some than others. He was brought up very rich, extremely well educated, with very successful parents and social connections. But what if you didn’t grow up with any of these advantages? Does this mean you are set up to fail?

That might be how it feels sometimes.

Often, you are told that the only answer to a less-than-ideal situation is to work hard. If that doesn’t change anything, work harder! But sometimes, when you’re being told to work harder when already at full pelt, and with all the other obstacles and difficulties life may throw your way, this feels like adding insult to injury.

And yet, in every corner of the web and within the self-help and business section of every bookshop, you’ll hear the same story: ‘Hard work is what makes the difference!’ ‘Hustlers are the ones who make it!’ ‘When you wanna succeed as badly as you wanna *breathe*, that’s when you become successful.’

An entire industry seems to have grown up around this ‘hard-work worship’. After all, how many business self-help gurus and motivational speakers claim effort as virtually the only answer? (Well, that and possibly their cheesy ‘five-step’ programme to becoming a millionaire.) Once you buy the course or book or video series, what do you get? Outdated tactics and generic regurgitated advice and ‘motivation’ to hustle hard.

I mean, don't get us wrong ... obviously hard work and sacrifice is a factor. Sacrifice is required for success because you *do* have to forgo some short-term pleasures for long-term success. That's a given. However, it's simply too reductive to think that, if you don't win, it's because you're being outworked.

This oversimplification of *hard work* = *success* is not only misleading, it can be downright confusing when you don't know *what* to work hard *on*. Remember what Evan Spiegel said: 'It's not about working harder. It's about working the system.' Working *hard* without working *smart* is useless. For example, you can work incredibly hard designing and building a product, but if it's a product that nobody wants, then tough luck, you'll get nowhere, despite your long hours and blood, sweat and tears.

I've seen a lot of hard-working entrepreneurs fail, and I've come to the conclusion that working hard, while never a bad thing, is not really the magic thing that leads to great inventions or successful outcomes.

*Caterina Fake, venture capitalist and co-founder of Flickr*

As a very successful serial entrepreneur and venture capitalist, Caterina Fake should know what she's talking about. Her startup Flickr became one of the world's most popular photo-sharing websites and an early pioneer in social networking, which was very quickly bought by Yahoo for around \$20 million. The quote above is from an article she wrote for Business Insider with the title 'Working Hard is Overrated'. She then went on to found, grow and sell another startup, this time to eBay for a reported \$80 million.

As Caterina says, promoting hustle as the one and only 'key' reduces all the nuance of success in business to a simplistic one-size-fits-all solution.

In the case of Evan Spiegel, for example, we also need to think about the level of society he was born into, the world-class private education he received, the confidence instilled in him by his environment, the social graces he picked up from his accomplished parents, the connections his father gave him, and all the amazing self-made billionaire mentors he just happened to gain along the way. We haven't even mentioned the unknown impact of genetics on intelligence, creativity, problem-solving and people skills that Evan inherited from his incredibly successful parents. Also, what role did good fortune play in his success? Is it reasonable to suggest he may have received the benefit of a touch of luck along the way? These all played a role in making Evan not only successful, but *phenomenally* successful.

Uh-oh. Did we really just say all that? How *dare* we mention genetics, luck and parental endowment all in one paragraph, in a *business* book!

Well, we told you this isn't your typical business self-help book.

Good old Mr Snapchat is not the only person who has noticed that action alone isn't the answer.

Billionaire angel investor, co-founder of LinkedIn and early senior team member of PayPal Reid Hoffman was asked the following question when a guest on the NPR podcast 'How I Built This' by Guy Raz:

'How much of what you accomplished is because of your hard work and your intelligence, and how much of it is because of the luck and the privileges that you've had?'

Without a breath of hesitation, he answered:

'The answer is MASSIVELY BOTH, of course.'

‘Massively both’. This is from one of the most wealthy, successful people in today’s digital world. It seems that the more successful people are, the more willing they are to admit that factors other than simple hard work played into their success.

In case you’re still thinking that this book is about how great it is to grow up privileged like Evan Spiegel, we’ll show you how an Unfair Advantage can take many forms. To illustrate this, we’d like to take a couple of examples that are closer to home. Let’s take a detailed look at a couple of entrepreneurs who transformed their lives.

Us.