Company name:

Your name:

# 1.Industry/branch description

**Brief Market & Solution Description.** Describe your market focus and solution description to provide sufficient context (How has the business field’s situation developed in the past few years?

How is the business field estimated to develop in the future?).

# 2. BUSINESS MODEL

A business idea is a description of the company´s means to be successful and create profit in its chosen field. A business idea answers to four basic questions: **what** is the company selling, **whom** is it selling it to, **how** is it sold and what kind of **image** does the company have?

What is the advantage that your product or service offers to the customer? Who are the most important customers and why? What are the customers´ needs? What is the company´s operation mode? How is the product or the service prepared and transferred to the customer?

What is the company´s image like?

Even though all the elements mentioned above are well considered, the central part is resources. A company can´t maintain for example modern machinery, if there are not enough economical resources. Mental resources are also good to know and admit the possible lack of resources.

|  |  |
| --- | --- |
| **Needs/advantage for the customer** | **Image (Company image)** |
| **Customers/customer groups** | **Products/Services** |

|  |
| --- |
| **Mode of operation** |

|  |  |  |
| --- | --- | --- |
| **Resources** | | |
| **Physical** |  | **Intellectual** |

# 3.Market segmentation

Customers

Segmentation is the division of unintegrated markets into separate groups of buyers which the company chooses its target group from and for which it builds a marketing program matching the needs and courses of action for the group.

**Identify Customers and End Users.**For your solution/innovation, provide a brief description for each Customer and End User (if they are different).

Define the main segments of customers. What kind of customers are being focused on and why? Define the main customer group as precisely as possible.

* What is appreciated by the customer group?
* Who and where are the customers of the enterprise located?
* The number of potential customers and how many could be acquired?
* Most important potential customer groups.
* How are the customers reached?
* Who makes the purchase decision?
* What are the deciding factors in the purchase decision?
* Customer loyalty in the field?
* The customer’s median buy?
* What are the customer needs that are satisfied?
* What do the customers consider important factors in the operations of the enterprise and its products?
* What sort of customers bring in the best margin and who are the futile (but compulsory) customers?

Segment 1

|  |  |
| --- | --- |
| Description of the target group: | **Geographic:** |
| **Demographic:** |
| **Psychographic:** |
| **Behauvioral** |
| The needs of the target group: |  |
| The amount/size of the target group: |  |

Segment 2

|  |  |
| --- | --- |
| Description of the target group: | **Geographic:** |
| **Demographic:** |
| **Psychographic:** |
| **Behauvioral:** |
| The needs of the target group: |  |
| The amount/size of the target group: |  |

Segment 3

|  |  |
| --- | --- |
| Description of the target group: | **Geographic:** |
| **Demographic:** |
| **Psychographic:** |
| **Behauvioral:** |
| The needs of the target group: |  |
| The amount/size of the target group: |  |

**8 End User/Customer Interviews.** Conduct interviews with at least 8 different end users/customers of your solution. If your end users are different from your customers, conduct at least 6 interviews with end users and 2 with your customers. Attach interview notes as yourdeliverable. **REMEMBER:** not to ask closed-ended, leading questions, and not to focus interviews on your solution. **DO**let them speak. Let them express what pains they need to resolve and how urgently. Let them tell you if they would be willing to pay someone to solve their pains for them. Let them tell you how they solve these pains now (other competitors, workarounds, etc.). Let them suggest ideas for a solution (if they have any ideas). **BUT, DO NOT** tell them about your solution and do not ask them to tell you what they think about your solution - you will be getting that feedback when piloting/prototyping.

**Develop Persona Description(s).** Create and enclose a Persona Description for your End Users and Customers (if different).

**PERSONAS**

|  |  |  |
| --- | --- | --- |
| **PERSONA NAME** |  | **SECTION 1: WHO?** |
| BACKGROUND  Job? Career path? Family? |  | |
| **DEMOGRAPHICS**  Male/female? Age? Income? Location? |  | |
| **IDENTIFIERS**  Demeanor? Communication preferences? |  | |
|  | **SECTION 2: WHAT?** | |
| **GOALS**  Primary goal? Secondary goal? |  | |
| **CHALLENGES**  Primary challenge? Secondary challenge? |  | |
| **WHAT CAN WE DO**  …to help our persona achieve their goals?  …to help our persona overcome their challenges? |  | |
|  | **SECTION 3: WHY?** | |
| **REAL QUOTES**  About goals, challenges, etc. |  | |
| **COMMON OBJECTIONS**  Why wouldn’t they buy your product/service? |  | |
|  | **SECTION 4: HOW?** | |
| **MARKETING MESSAGING**  How should you describe your solution to your personas? |  | |
| **ELEVATOR PITCH**  Sell your persona on your solution! |  | |

# 4. USP

**Value Proposition.**Based on the work up to this point develop a comprehensive value proposition statement for your venture/innovation. Ensure that you develop separate value propositions if you need to address both end users and customers (if they are different). Remember that value proposition should be a statement of *benefits to your end users/customers*, and not a statement of features/functions your solution provides.

# USP Analysis Worksheet

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Criterion | You  (1=poor, 10=good) | Competitor 1 | Competitor 2 | Competitor 3 |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |



|  |
| --- |
| USP Statement |
|  |

# 5.Describe your earning models.

Where you´ll get your revenue?

# 6. Core Strategy Tools:

# The Competitive Analysis

Once you identify your main competitors, answer these questions about each one. And be objective. It's easy to identify weaknesses in your competition, but less easy (and a lot less fun) to recognize where they may be able to outperform you:

Who are my current competitors? What is their market share? How successful are they?

* What are their strengths? Price, service, convenience, extensive inventory are all areas where you may be vulnerable.
* What are their weaknesses? Weaknesses are opportunities you should plan to take advantage of.

Stick to analysing companies you will directly compete with!

|  |  |  |  |
| --- | --- | --- | --- |
| Current competitiors:  3-5 worst competitors | Competitor´s strenghts | Competitor´s weaknesses | Your notes |
|  |  |  |  |
| (Potential competitors:) | Competitor´s strenghts | Competitor´s weaknesses | Your notes |
|  |  |  |  |
| How will your company be different from the competition? What competitor weaknesses can you exploit? What competitor strengths will you need to overcome to be successful?  Which companies/products succeed well in the markets? Why?  Which of your competitors are growing and developing the fastest?  How is the international competition going to move ahead in your field?  What marketing strategies do they use? Look at their advertising, public relations, etc.  How can you take market share away from their business?  How will they respond when you enter the market?  What market do current competitors target? Do they focus on a specific customer type, on serving the mass market, or on a particular niche?  Are competing businesses growing or scaling back their operations? Why? What does that mean for your business?  What will you do if competitors drop out of the marketplace? What will you do to take advantage of the opportunity?  What will you do if new competitors enter the marketplace? How will you react to and overcome new challenges? | | | |

# SWOT Analysis Worksheet

|  |  |
| --- | --- |
| **Strengths**  What do you do well?  What unique resources can you draw on?  What do others see as your strengths? | **Weaknesses**  What could you improve?  Where do you have fewer resources than others?  What are others likely to see as weaknesses? |
|  |  |
| **Opportunities**  What opportunities are open to you?  What trends could you take advantage of?  How can you turn your strengths into opportunities? | **Threats**  What threats could harm you?  What is your competition doing?  What threats do your weaknesses expose you to? |
|  |  |

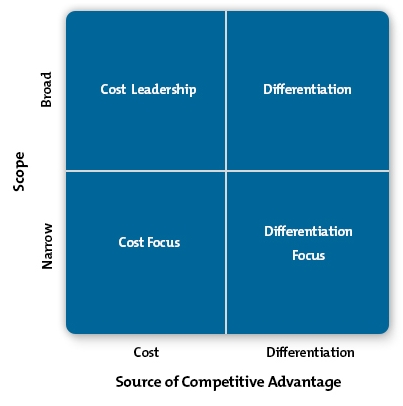
# (PESTEL)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Factor** | **Opportunity** | **Threath** |
| **Political** |  |  |  |
| **Economic** |  |  |  |
| **Social** |  |  |  |
| **Technological** |  |  |  |
| **Environmental** |  |  |  |
| **Legal** |  |  |  |

Answer the following questions after you have done the SWOT

* How do you harness strengths and opportunities?
* How do you improve weaknesses?
* How do you prepare/counter threats?

# Choosing the Right Generic Strategy



Which strategy do you choose and why?

# 7. Vision and goals

**Vision**

Vision is the desired state, i.e. the state in which the entrepreneur sees the company in e.g. three year’s time.

**Goals**

It is important to define the objectives which are central to the success of the company. The objectives should be quantitative. They help the company to achieve its vision.

The following are some examples of objectives:

- What is the magnitude of the company’s turnover in your chosen timeframe?

- What are the goals set for profitability and financial state?

- How should the market share of the company develop in the customer base and competitive environment?

- What goals can you set in relation to new customers, market areas, your marketing activities?

- What are the main challenges set for product development, production, organisation and personnel?

- What objectives can be aspired for in quality and effectiveness of the operations?

The plans and solutions with which the set objectives and the means for success in competing can be achieved will be detailed later in the business plan.

# 8. Risk analysis

Estimate what kind of risk factors there are in the future and how probable the risks are. Contemplate how the risks could be avoided, how they can be safeguarded against and what actions does the safeguarding require.

When considering the risks associated with your business, answer the following questions:

* What are the risks associated with the operation and how to protect against them (your plans and whether insurance can be taken out).
* Risks related to the entrepreneur and staff and preparedness for them (accidents, ability to work, illness, change of job, personnel selection, skills, use of experts, etc.):
* Property-related and preparedness (fires, leaks, equipment breakdowns, security issues, criminal activity, transport damage, etc.):
* Risks related to operating conditions and preparedness for them (machinery and equipment, access to raw materials, waste and emissions, premises, quality of products and services, demand and competition, etc.):
* Risks related to the company's stakeholders and preparedness for them (customers, financiers, subcontractors, authorities, company dependencies, contractual and liability issues, etc.):
* Financial risks and preparedness (profitability, solvency, liquidity, etc.):
* Industry development (technical environment, political environment, etc.):

And in the end answer the following question: Would you start your business?