# Entrepreneurship Coursework 1 Business Plan

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| **Set:** 6th February 2025  **Due:** 21st March 2025 8pm  **Percentage of overall unit mark:** 50% of total unit grade  **Submission Location:** Moodle (group submission)  **Submission Format**: A link to the Markdown file on GitHub/GitLab  **Anonymous Marking**: No  **Generative AI Assessment Categorisation-** Type B ([Guidance here](https://www.bath.ac.uk/announcements/academic-integrity-in-the-generative-artificial-intelligence-genai-context/)) |

*Coursework Specification Version 1.0 (The specification may be updated/extended in response to queries in order to help you with your work. If anything is unclear at all, please ask Neil or Bhagy using the Moodle Forum!)*

This coursework constitutes 50% of the overall assessment of this unit and is to be completed in teams of 5-10 people. Feedback on your submission will be provided to you in Moodle a maximum of three working weeks after the submission date. Make only one submission per team, i.e. only one team member should submit to Moodle.

**Motivation**

If you want someone to invest in your business, they will ask for a business plan. This assignment will give you what you need to apply for investment funding. It also enables you to enter entrepreneurship competitions, which are a good way to gain experience, connections and funding. Business plans are not just important for commercial ventures: a good business plan will help convince people about your venture or campaign, not matter what it is, and give them confidence in your success.

# Learning Outcomes Tested

Upon completion of this coursework, you will have addressed:

* LO1: Identify and analyse a market opportunity.
* LO2: Develop a business strategy to take advantage of that opportunity.
* LO3: Critically consider key operational issues.
* LO4: Investigate alternative funding and financial strategies.
* LO5: Identify and address any relevant IPR, legal, social, ethical and professional issues.
* LO6: Locate and use entrepreneurial resources.
* LO7: Develop a business plan.

## Your Team

Your team is a cornerstone of success. It is important that you meet regularly, plan your progress, assign tasks and then review your progress together. Please do not let your team down. If you cannot complete a task assigned to you in time, let your team know ASAP. It is good to agree a contingency plan with your team in advance in case tasks are not completed in time.

Not everyone has to contribute equally: as a team you can agree on an individual contribution percentage for each team member, and this will affect your individual grades. The common approach for this is the “Slicing the Pie” method presented in the lecture. For larger teams more work will generally be expected overall, and your grade will be determined by the size of your “slice of the pie” using the equity split method explained in the lecture.

Try to discuss expectations right from the beginning and try to resolve any conflicts in your team yourself – it will make you stronger if you succeed and will give you valuable experience. It is generally expected that every team member seeks and considers feedback from the whole team, and that the whole team continuously reviews the whole work. Everyone in the team bears some responsibility for the overall work, not just for parts. Do not blame each other for problems – it is much more effective to let everyone explain the situation from their view and then discuss a solution for the future. Past experience has shown that it is best to address team problems early on; by waiting things usually just get worse. If you need help, ask Neil or Bhagy.

## Plagiarism and Unfair Practice

Your submission must be your own team’s work.If you are using any research papers or work carried out by anyone outside your tea, make sure you clearly acknowledge that work by appropriately referencing. If you are using GenAI, make sure you appropriately reference it.

# Business Plan (100 Marks)

Create a business plan that describes your product or service, the market validation that you have undertaken, and the strategy you have chosen to bring the product successfully to market. The business plan document(s) should have the following structure:

1. **Title Page**: team member names, BUCS identifiers and optionally your team logo. The sections of the business plan should start on the next page.
2. **Product Section** (30 marks): Description of the product or service you are developing.
3. **Market Section** (40 marks): description of the market validation and competitor analysis that you have undertaken.
4. **Strategy Section** (30 marks): description of how you will bring your product to market, i.e. describe your startup business, your team, your operational plan, your approach to funding, your initial sales/marketing strategy, your financial projections, and how you are dealing with risks.
5. **Contributions Split**: A table with the full names and BUCS usernames of all team members, with a percentage for each member reflecting their contribution. All percentages must sum up to 100%. Every team member must agree on the contribution percentages you submit and must sign the contribution split. The contribution split will affect your coursework marks: if not all team members have the same contribution percentages, then those with lower contributions will receive lower marks, according to the equity split method explained in the lecture. It is important that you discuss the contribution split (and how you will adjust it in response to the contributions everyone does) early on. The earlier you talk about your expectations with regard to the contribution split, the better! If you need help resolving disagreements, please contact Neil or Bhagy. If your project is based on any previous work, e.g. a previous project of one or more of your team members, state this clearly and make sure the whole team is happy with this. All contributions in the contribution split can relate only to work done during the unit, not previous work. Use the group contribution form from Moodle to submit with your coursework.
6. **Appendix (optional)**: material used for market validation and data collected from it. The appendix will not be marked but will be looked at in case parts of your business plan are unclear or unconvincing.

**Submit the business plan in Moodle as a link to a Markdown file or files in GitHub or GitLab.** There is no limit to the length of your business plan. In previous years, most plans have been about 10 pages in length, and many have included appendices as well of a similar length. You are not bound by these limitations however- the limits are just for guidance.

It is important that you stick to the structure outlined above, which is a proven format, especially suited for people new to business plans. This will make it easier for you to create a logical flow between the parts and helps ensure that all the business plans can be marked consistently. There are some other templates for business plans out there, and they are not wrong: they all contain sections about product, market and strategy in some form, so the content of any common business plan can be fit into these main sections. Please feel free to get inspired by other business plan templates, but then fit all the content into our three-section structure for consistency. How you structure each of the three sections internally is up to you.

If your business plan scores highly, it may be used as an example for future Entrepreneurship students (it is an honour if it gets selected for this; only the best do – good PR for your startup company). If you don’t want that, state this clearly on the contributions split page.

**Marking Criteria**

When writing a business plan, it is useful to think about who your readers are and about the specific messages you want to communicate to your readers. Usually, business plans are used to convince people to put money into your business. That means your readers are most likely investors or judges of an entrepreneurship competition. And the main message you need them to understand is that it makes business sense to invest in your startup. This is precisely the main criterion by which your business plan will be marked.

So what you are essentially doing is trying to “sell” your startup to an investor. Imagine someone has a million pounds to invest, and they are looking at different business plans to choose the one business to put their money in. Which one will they choose? The one that convinces them most that the business will be successful.

To break that down a little bit more, your readers want to be assured that you have a good product idea that makes sense with regards to your potential customers, that your product would have a market (i.e. a sufficient number of people really willing to pay for it), and that you have a convincing strategic plan to take the product successfully to market. In the following the messages you need to send and the relevant criteria to consider will be explained in more detail. But note that the points and questions below may be not exhaustive, i.e. there may be other important messages and criteria that are important for your particular product. Similarly, the points and questions below will not all be equally important for you.

In order to decide what is important for your business plan, always apply common sense: does it help to convince someone to invest in your business? Do not forget that in order to be convincing, important arguments need to be spelled out. Do not assume that your readers will implicitly understand how or why your business will work.

Everything in your business plan should help in convincing an educated reader that your business will be a success. Remember, your reader is smart: they will notice if you oversell your plan with unfounded assumptions or promises. What they trust is good, realistic arguments about your business based on facts and evidence (e.g. the evidence you collect). A smart reader will also know that there are always problems and risks in a business, so no use hiding them. The best way to deal with problems and risks is to identify the most important ones and address them. A balanced view on your own business will make you trustworthy in your reader's eyes, and trust is a big step towards getting investment.

**Product Section** (30 Marks)

Introduce your product or service:

1. What are the customer needs that you hope to satisfy (pains & gains)?
2. What are the product(s) or service(s) that will meet that need (value proposition)? How?
3. What analysis led you to identify that product or service as a promising option?

Give enough detail about the design of your product/service to show that you have a good idea of how it works and what value it will deliver, giving justifications for your design. Show them that you are a good product/service designer! Design means the whole product or service, not just its appearance. Ideally, the focus should be on the most important or most complicated or difficult parts. Describe what the challenges are (there are always challenges that your product has to deal with) and how you solved or worked around them with a smart design. Many product ideas have weaknesses, e.g. risks where things could go wrong. It is important that you address these risks convincingly, e.g. by designing your product to avoid or mitigate those risks. Investors want robust ideas that are unlikely to fail when it gets real.

Explain your product concisely in a way that non-tech-experts (which investors often are) can understand it. The product should be well described and illustrated (with figures) in a way that is convincing, i.e. making clear that the product idea really works (at least in principle) and how it works (at least to a level of detail that makes it very plausible). Illustrations help to convince readers that the idea is real, i.e. that you have at least a prototype (seeing is believing). The way you describe your idea should show that you are experts in the technology you are using. There is nothing worse than giving the impression that you don’t really know what you are doing, so try to avoid that.

Don’t forget that it is not just about technology, but most of all about addressing needs. The needs can be a niche, but they must be real and your product should address them convincingly.

**Market Section** (40 Marks)

Describe the market validation that you have undertaken with potential stakeholders:

1. What are the important questions you need to find answers to?
2. What relevant secondary research did you find?
3. Which people (customers, industry experts, …) have you approached? How have you approach them (methods)? Why? Which answers did you find?
4. What are your main competitors (direct and indirect)? How are they positioned (strengths and weaknesses)? What is your unique selling proposition?

Even with the best designed product, investors will want to see evidence that a sufficient number of people are really willing to spend money on it. In order to create a good business plan, you need to collect that evidence using an accepted methodology and present the methodology and the results convincingly. This is what your market section is about. Ideally, you will also estimate how big your market is, based on market statistics and plausible assumptions (e.g. how many people or how many pounds the market has).

What counts here is to show hard facts, i.e. valid and objective results that have been obtained in a valid and objective manner. These facts can come from various sources such as secondary research, market statistics, interviews and/or questionnaires with potential customers and experts, and others. A good place to start is to do some interviews, using the Mom-test to avoid bias. In order to be convincing, the collected facts have to be interpreted and assembled into a cohesive picture, giving a clear idea about your product’s potential market success. Again, do not expect your readers to understand what a piece of information means for the potential success of your business – tell them.

Everything your write should be connected to your business. It should help the reader understand how likely it is that you will be successful, in a realistic manner. For example, when looking at competitors, the question is: how likely am I to be able to compete with them? Usually you are able to compete by being different to them in a way that makes sense – your unique selling proposition. It is not enough to be just different – the difference must be something that customers want, i.e. that will make you successful.

Ideally you want to show clear positive signals for your business, but you also need to come across as honest and realistic. The methods you are using to collect evidence are never perfect, so it is better to be honest about this. If investors get the impression that you are exaggerating, withholding negative evidence or presenting your business in an unrealistically positive manner, then alarm bells will ring. Showing them also the negative sides, the assumptions and the risks, and addressing them in the strategy section, will be much more convincing.

**Strategy Section** (30 Marks)

Describe the strategy with which you will bring your product or service to market:

1. What is the legal status and structure of your business?
2. Who is your team and what are their roles and capabilities?
3. Which resources do you need and how will you get them?
4. What is your approach to financing?
5. What are your plans for sales and marketing?
6. What is your operational plan?
7. What are the main risks to the success of your business and how will you address or mitigate them?

This section is about the “how”, i.e. how will you make your company successful by bringing your product to market. Have a look at the slides of the Strategy lecture. What will you do to make it successful? A good approach for structuring this section is to give a timeline of the steps you need to do. Where do you start? What do you need in each step? You need to build your product. That may cost money, or at least time, and require skills. Do you have the time and the skills in your team that you need? If not, where do you get the skills from (e.g. new team members or hiring freelancers to do the work for you)? How much money do you need and what for? A good business plan will help you to get that money from investors. How do you get into the market? For example, who are your early adopters? How do you get to them, i.e. how do you reach them with marketing? How does your startup operate, i.e. what does it need to do day to day to be successful? There will likely be different stages.

What are the risks that may affect your business? That is, what could go wrong? There are many things that could go wrong, so choose the ones that are most likely to go wrong and focus on describing them. Write also what you could do to prevent it from going wrong or at least mitigate the effect, or how to get it back in order if it does go wrong. The biggest risks are usually flaws in the business idea, i.e. that the need or unique selling proposition are not strong enough for customers to buy your product in the current market. If this may happen, it is good to have a vague idea of how you may be able to adapt the product to get your customers. Another big risk is usually the team, so it is best to be honest about it: perhaps it is hard for you to find the time for a startup, or you are lacking some necessary skills in your team. Other risks may relate to competitors: how easy is it to copy your idea? Can you do anything to make it harder for customers to switch to competitors? If your product aggregates value for customers (like Facebook, which has more and more posts and photos of you the longer you use it), then they will think twice before switching to your competitor. Another risk is finance: can you afford to build the company? Could there be unexpected expenses, e.g. for development work or infrastructure?

**More Advice**

Learn from others whenever you can, e.g. from those other players in the market you are trying to get into. What can you learn from others with regard to the success of your company? For example, perhaps your idea is a novel health app, and you are looking at the industry segment of health apps / e-health providers. Just knowing that health apps are a growing field is good, but what does it mean for your company? Perhaps it means that there is a growing demand? If more players are coming into the market, perhaps it means that there is still space for new business entries? Those could be conclusions related to your own business which could help convince a reader to support you. Similarly, what can you find out about successful competitors that would help you be successful in the market? What are their best practices? If you can understand, say, how good competitors deliver their products or do their pricing etc. then you can consider these lessons in your own business. It shows that you know what is happening around you and that you are prepared to use that knowledge for your business.

Tools such as SWAT and PESTLE can give you some things to think about, but in the end you have to make an informed choice what points are most relevant for your business' success: focus on those points! Not all the letters in PESTLE will likely be relevant for you, but if you can find the ones that are and show that you know how to deal with the opportunities and challenges in that area, then you will impress your reader! Similarly, if your business depends on other businesses such as suppliers, do you know how these other businesses work? This is important to show that your business will be compatible with those other businesses, i.e. that they will accept the way you work without confusion and friction. Naturally, they will not be happy if they have to significantly change the way they work in order to do business with you (unless you can show that you are making it better for them, but many businesses are averse to change, so careful!). A good way to find out about the industry is to talk to someone who is working there.

The following table will give you an idea of how your plan will be marked:

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| 70 – 100 | * Introduces a well-designed, promising (and perhaps even innovative) product and the needs it addresses, with convincing explanations and justifications. * Presents a very good amount of convincing evidence about the market potential of the product, with clear, plausible interpretations and a realistic discussion of limitations. Competitors are analysed concisely and convincingly in a way that demonstrates a unique selling proposition. * Outlines a clear and convincing plan to success with realistic, well-justified assumptions and projections. All important risks are identified and addressed. * Professionally presented, i.e. well-written, well-formatted, well-illustrated and using an appropriate style. |
| 60-69 | * Introduces a fairly well designed, fairly promising product and the needs it addresses, with explanations and justifications. * Presents a good amount of convincing evidence about the market potential of the product, with fairly plausible interpretations and a discussion of limitations. Competitors are analysed fairly convincingly in a way that demonstrates a unique selling proposition. * Outlines a clear and fairly convincing plan to success with well-justified assumptions and projections. Most important risks are identified and addressed. * Well presented, i.e. fairly well-written, well-formatted, well-illustrated and using an appropriate style. |
| 50-59 | * As above, but product not as promising and/or design effort has some weaknesses or is unclear in some places. * As above, but only fair amount of convincing evidence. Not clear and/or convincing in all aspects. * As above, but with gaps and some assumptions and projections vague or unrealistic. Some risks unaddressed. * May have some weaknesses in the presentation. |
| 40-49 | * As above, but product has clear weaknesses or is unclear. * As above, but only small amount of convincing evidence. Much of it not clear and/or convincing. * As above, but major gaps or weaknesses in assumptions and projections or unaddressed risks. * Clear weaknesses in the presentation. |
| 0-39 | * Product has major weaknesses or is largely unclear. * Little convincing evidence. Mostly unclear or unconvincing. * Major gaps or weaknesses in assumptions, projections or handling of risks. * Clear weaknesses in the presentation. |

**Some Frequently Asked Questions**

*Can we refer to ourselves ("we") in the report?*

Yes.

*Where does all the collected data (interviews, surveys etc.) go?*

Into the appendix, with summaries to support your market validation in the Market Section. You do not need that data in the Product Section, which states the customer needs and how your product/service addresses them without validating those needs there (that can be done later in the Market Section).

*Do I need to include all the points (e.g. a)-c) for the Product Section)?*

The points are just guidance for you. You may want to consider more points or in some cases different points, depending on your startup idea. The main objective is to show you know the commercial environment your startup will be placed in and that you are convincing about its feasibility and success.

*Can the business plan draft be longer than 10 pages (i.e. the three main sections)?* Yes, but make sure it’s succinct. People who read business plans such as investors usually do not have the time to read long documents. Conciseness and a focused, convincing argument are key.

*Do I need references? Where do I add them?*

A good business plan will make references, e.g. to point to market research reports, existing products and competitors. Please make these references inline (e.g. in brackets in the text) and/or use footnotes (e.g. for URLs). Include a separate reference section only if this is necessary, e.g. if you refer to the same sources in multiple places.

*Do I need a table of contents or title page?*

No, but you may add them if you like.