200597 M2|L2 Lab Business Case Format Worksheet

**Introduction:** Use this worksheet to develop a Final Business Case for the solar water heating scenario.

This worksheet contains:

1. Business Case Template Overview
2. Business case Example
3. Blank Business Case Template

**Business Case Template Overview**

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| Business Case Component | Components Defined |
| Summarize the marketing need and opportunity | * Reiterate the market problem and need that is driving the product concept * Provide specific data to support your assessment |
| Define the primary competition | * List primary competitors in the market * Provide specific examples of competing products if known |
| Define product capabilities | * Provide a list of functions and features that your product will offer * Provide a list with a brief description of the feature or function |
| Summarize the Product Vision | * Review the Product Vision * Summarize the Product Vision |
| Provide the value proposition and positioning statement | * Provide a brief statement of your value proposition * Briefly describe how you will position your product |
| Outline how this product concept aligns to strategic objectives | * Show how this product concept aligns with the firm’s strategic objectives * Provide a reference to substantiate if possible |
| Describe go to market plans | * Review the Product Roadmap * Briefly describe key phases, deliverables, and milestones |
| Provide a summary financial analysis | * Share an initial financial analysis * Focus on IRR and NPV |
| Provide a summary risk assessment | * Provide an initial risk assessment * List key risks to consider and their impact |
| List any open issues | * Share any open issues * List issue and proposed actions to address the issue |

**Note:** Initial business case approval is authority is normally an approving sponsor or a product management committee.

**Business Case Example**

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| Business Case Component | 3D Printer Example |
| Summarize the marketing need and opportunity | * The 3D Printer market continues to expand * The market is estimated to grow from $23B in 2023 to $94B in 2030 |
| Define the primary competition | * Competition is growing. Primary competitor products include:   + 3D Systems Fab Pro 1000   + Voxel jet VX 4000   + EOS P810   + 3D Systems Pro X 950   + Ultimaker S5 |
| Define product capabilities | * High print quality: Resolutions, accuracy and consistency * Print volume: Ability to print large objects * Reliability: Low maintenance needs. Minimal downtime and high reliably rates * Automated bed leveling: Ensures that the 3D printer’s print bed is level and at the correct height * Color touchscreen * Multiple connectivity options to include USB, wireless, and HDMI |
| Summarize the Product Vision | * Our 3D printer features the highest print volume and lowest cost of all comparable printers on the market today. |
| Provide the value proposition and positioning statement | * Our printer reduces printing time, costs, and waste * Our printer can be shipped and installed in less than one week and be ready for use on day 1 |
| Outline how this product concept aligns to strategic objectives | * Key management initiative is to increase market share through improvement of current product mix * This product concept aligns to the current corporate vision |
| Describe go to market plans | * Refer to Product Roadmap   + Design and Development: Q1   + Beta Testing and Launch Preparation: Q2   + Launch and Delivery: Q3 |
| Provide a summary financial analysis | * Initial financial analysis disclosed the following:   + IRR: 37%   + NPV: $280,000 |
| Provide a summary risk assessment | * Initial risk assessment   + Slow adoption rates may reduce financial benefits   + Competitor substitutes may reduce market share   + Supply chain issues may delay development and delivery |
| List any open issues | * Current parts inventory levels are low and must be replenished * Amazon contracts are up for renewal and must be expedited |

**Blank Business Case Template**

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| Business Case Component | Components Defined |
| Summarize the marketing need and opportunity | * The market demand for energy-efficient and environmentally friendly water heating solutions presents a significant opportunity for SRU to capitalize on growing consumer interest in renewable energy technologies. |
| Define the primary competition | * Primary competitors include General Electric, Rheem Manufacturing, Racold, and other established players in the solar water heating market. |
| Define product capabilities | * State-of-the-art solar collector systems * Multiple water storage options * User-friendly mobile app for real-time monitoring and control * Wireless residential system management console with automated optimization features |
| Summarize the Product Vision | * To provide customers with cost-effective, environmentally friendly solar water heating solutions that offer advanced technology, ease of use, and significant energy savings. |
| Provide the value proposition and positioning statement | * Solar-R-Us offers a comprehensive solar water heating system that combines groundbreaking technology, user-friendly design, and competitive pricing to deliver unmatched value and performance in the market. |
| Outline how this product concept aligns to strategic objectives | * The development and launch of the solar water heating system align with SRU's strategic objectives to expand market share, drive innovation, and establish leadership in sustainable energy solutions. |
| Describe go to market plans | * Establish partnerships with distribution channels for product sales * Implement targeted marketing campaigns to raise awareness and generate demand * Provide comprehensive customer support and after-sales service. |
| Provide a summary financial analysis | * Internal rate of return (IRR): 98% * Net present value (NPV) at 15%: USD 3,376,810 * Projected three-year profitability window |
| Provide a summary risk assessment | * Design and development delays * Supply chain issues * Distribution channel issues * Cost overruns * Slow customer adoption rates |
| List any open issues | * Recruitment of two new developers to address potential skill and capacity issues * Resolution of potential funding shortage to ensure project viability and sustainability |