

## PROJECT 2 PREP - 2/11/25

### MARKET (1 slide) - **does it align w focus of who has pain refed prior?**

- Overall market size, target market and size (market broken down into segments with target market being who you are going to sell to) and location
  - More start-up knows about the consumers in its target market, the more it can tailor its product or service appropriately.
  - Often look at market as Total Available Market, Serviceable Available Market and Serviceable Obtainable Market (or Share Of Market)
- TAM: Overall # of people who could buy your product.
  - Think of as if owned whole market (ie. there was no competition)
  - How much could you make if everyone bought your product?
  - Total # of customers in a market X the average annual revenue you expect to generate from a customer in that market
- SAM: narrow down your TAM by who targeting based upon some factor.
  - Ex: geographic reach, have income to buy product, regulatory constraints, cultural reasons, features.
  - Calculate # of potential customers that are a good fit x avg annual revenue per customer
- SOM: portion of the SAM that you are targeting when you launch.
  - This is your short term target.
    - If you can't succeed in this slice of the market, you won't capture a larger market.
    - Driver for 1st 1-2 years of financial projections
- If selling a product that you purchase 1x plus a service or refillable that MUST be purchased by all customers, show the TAM, SAM and SOM for 1st year total revenue annual revenue for both (if applicable)
- For yearly revenue from annual renewables that you must purchase (ex. razor blades to go with a razor), verbally state "we also expect to have yearly recurring revenue of \$x."
- EXAMPLE OF TAM, SAM, SOM (from Live Plan.com)
  - Concierge service focusing on doing tasks and errands for busy people and people who need additional assistance (eldery,

handicapped, etc).

TAM = # of people in that might need this service

SAM = # of handicapped who need this service

SOM = # of people your business model can realistically service

(ex. Only have x# of staff to provide service, each working y # of hours and each call takes z amount of time

- BE SURE TO LIST EACH AS # OF CUSTOMERS TOO!

### **COMPETITION slide** (1 slide) - NEVER say you have no competition.

- Use a table to lay out attributes as the row headers and columns for the names of the companies or offerings that compete for the dollars you are trying to have spent on your solution.
  - Include your company too!
  - I suggest using check marks in each box to denote what attributes fit for that solution.
  - Talk briefly about the main differentiator for each competitor and end with stating your competitive advantage(s): why you see your solution being the best fit for your target audience.

### **MARKETING**

Represents a business's overall plan for reaching prospective consumers and turning them into buyers.

MUST align with who targeting specifically and where that audience consume content (ex. Online, publications, trade shows, etc)

Slides and/or talking points about marketing should contain:

- **Key Brand Message** (spoken or at the top of the 1st Marketing slide)
  - Create a short sentence or phrase that succinctly and quickly communicates your value proposition, allowing your company to stand out.
    - Ex. "Never stop exploring" is North Face's brand slogan.
    - If verbal, can say something like "At <company name>, we believe <insert slogan>"
- **Marketing** (likely 2-4 slides):
  - Show and discuss the why of/for examples of your strategy and plan to create awareness and promote your product.
    - State how these avenues align with your target market.

- Create examples of marketing materials.
- If advertising online and/or via social media, state how will you reach your target audience vs posts anyone on that platform sees.
  - Social media and online targeting examples include groups, paid ads, keywords, demographics, influencers who serve your audience and you can afford, geofencing.
- **Sales Channel** (verbal or 1 slide)
  - Tell where your customer is able to buy your product.
    - State why this channel (or channels) is the most effective pathway to sell through.

NOTE: each sales channel will produce different net revenue!  
Remember that when doing financials later in the term.

## OPERATIONS:

- **Team** (1 slide):  
Use an Org chart to clearly show key roles need to launch and grow.
  - Roles must align with what you have told us in this and in the last presentation.
  - Show what roles you each take to start the company and tell why (ex. Due to your major or something in your background)
    - May include C-suite roles (ex. CMO, COO, CEO, CFO, etc.) IF truly needed to start the company
    - Includes people to service your customers.
  - Include boxes for internal roles that you need as you prepare to begin selling.
  - Include boxes for staff that you need in your first year of revenue creation (aka selling product).
  - Off to side, include boxes for rolls filled by outside parties.
    - If don't need person full-time, outsourced role is a cost-effective solution
      - May include (but not limited to) HR, programmers, legal, bookkeeper
      - May not need everyone in C-suite. Ex: CFO could be a fractional person. Not all team members need to have a role in the Company.

- Use different colored boxes for who you need now, who you will hire as you grow and who are outside parties.
- **Location** (1 slide):
  - Where HQ is for your business and why
    - Often HQ location is for a strategic reason.  
Ex. key suppliers or customers proximity, special resources required, # of prospective customers, tax advantages, access to skilled labor.
    - This location may not be same as where your 1st customer(s) are.
  - State whether lease or will own the location.
    - Co-working space or out of homes are viable options instead!
- **Daily operations**(1-2 slides):
  - Use a flow diagram, with images, to lay out what major activities need to do on a daily basis to meet demand and to satisfy your customer.
    - Discuss what you make/do internally or what you have made for you to sell...or both!
      - Explain why you made that production choice that you did.
    - State equipment and services required to operate daily.
  - List any key Partners & vendors that allow you to be successful.
    - Include who makes your product.
    - Think about marketing, promotion, etc.
    - State why they are critical to have as a partner vs a reliable vendor

Strike a careful balance between adequately describing this topic and providing too much detail. Keep it short and crisp!