

[Start-up Name]
(Include the Mission Statement of the opening slide)

Table of Content (including instructions and suggestions on how to structure the business plan)

1. Introduction
 - Present yourself and the team
 - Present the product
 - Briefly describe what is the purpose of the company/product
 - Give the mission statement
2. Current situation

(This part of the business plan feeds into the value proposition segment and the target customer segment. The purpose is to address what is the current situation (what is the problem that you try to solve) and what is the potential opportunity that the company can take advantage of. In this part we are trying to identify what is the pain that we try to relieve. By default, the bigger the pain, the more the customer is willing to pay.)
3. Competitors

(In this section consider which are your potential competitors. Do not consider only VR companies, but also other traditional safety training companies, that solve the problem you are trying to solve. Here, the focus should be on how they solve the problem, how does the employee safety training process looks like (is it online, is it in person training, what are the benefits for each type, what are the drawbacks).)
4. 'The solution to a problem' - [Your product]
 - In this part you have to present your **Value Proposition** or the product idea. Focus should be on how do you solve the problem of the customer in a way that is: A) More efficient- less time consuming or more convenient for the customer; B) Cheaper; C) Ideally- BOTH
- 4.1. Core Functions and Underlying Magic
 - Describe what is the purpose of the product and what are the functions that make it stand out from competitors. Here is the time to go deep into the technical stuff. Try to explain the underlying technology in an understandable way considering your audience. Focus on what is different about your product and why should somebody consider buying from you.

5. Target Customer

- In this section the focus is on the target customer and purpose is to nail down exactly who they are. Since we are talking about a B2B business model, one way to go about identifying customers is to ask the following questions:

- A) Where is the company located (USA, Europe, Asia);
 - B) In what industry does it operate (Finance, Manufacturing, Pharmaceuticals);
 - C) Is it a private or a public company;
 - D) How big is the company (in terms of employees and in terms of annual revenue)
- ***This is particularly important, because it sets the table for understanding which is the most appropriate monetization model given the budget that the potential customer allocates towards safety training.

NB: Identifying the target customer as precisely as possible is very important since the information we gather in this section will help us in creating a robust marketing strategy. Since start-up companies are almost always restricted in terms of capital and time, quickly identifying the target customer and tailoring the marketing message is crucial because it allows the firm capitalize quickly, and fuel its growth.

6. Market size

- How big is the market in terms of \$ amount per year?
- What is the expected growth rate of the industry?
- What is the expected market share in terms of % and \$ amount that the company is expected to capture.

(This information and the assumption presented in this part will feed in the financial forecast and will give a ground for valuing the company, which is important when raising capital)

7. Go-to-Market strategy

The purpose of this section is to inform the reader/listener, how do you plan to take an idea and turn it into a product, the product into a business and finally how do you plan to make this business profitable.

As a rule of thumb, the go-to-market strategy is consisted of the following steps:

- S1- Idea validation/ Testing the waters
- S2- MVP/ Minimum Viable Product Development
- S3-MVP testing > feedback > improvement
- S4-Final Product Development
- S5-Final Product testing
- S6- Final Product launch/ Time to hit the market
- S7- Feedback > Improvement > Growth

More detail and suggestions on the go-to-market strategy will be given in the body of the report.

8. Financials

In this part of the report the focus will be on the following topics:

Cost structure- How much it will cost to start operations and run the company for at least 1 year?

Revenue Streams- Where are the revenues coming from?

Customer Growth Rate- how much customers do you expect to capture in your first year of operations?

Financial Forecast - incorporate the above sections (A,B,C) and present the assumptions in a spreadsheet format.

9. Financing

In this sections we go over the potential ways to finance the operations of the firm until it reaches profitability. More details in the body of the report

10. Missing pieces

In this part of the report we go over the things that are not clear yet in terms: For example this section may include legal considerations as an obvious missing piece (rights over intellectual property, patents and so on).

11. Overview and closing words

It is recommended to include a Business Modell Canvas as a visual representation of the business model.

Suggested Content

1. Introduction

Hello everyone, My name is [Your name] and today our team will present you [Name of the product/company].

[Name of the product/company] is an innovative VR software, that makes accessible safety training possible!

Our mission as a company is to deliver high-quality safety training software to businesses and governments, with the aim of promoting a safer work environment that empowers employees.

2. Current Situation

(Stats are for USA)

As of 2020/2021, companies have spent over \$1 billion per week on direct workers' compensation costs for non-fatal disabling workplace injuries. Work-related deaths are even more costly for businesses, totalling \$151 billion. Braking down the budget that companies allocate for safety can be very complex task, mainly because measuring the ROI (return on

investment) of a strong safety program is about both, considering how much the program saves, but also how much the education, rescues and equipment cost per employee. However, the price a company pays for a robust safety program can be offset by the significant savings created by avoiding even a single injury.

So, What is the cost of Safety?

The cost of safety training per employee varies significantly between companies, depending on the industry, size and budget. On average, the results from the 2020 Training Magazine Industry Report show that, companies are spending \$1,111 on safety training per employee per year. This translates into \$20/h for 55.6h of training per year. So on average every employee spends approximately 1 and a half work weeks of the year, without contributing any value to the company they work for, and on top of that the employer is paying both salaries and training expenses.

When we look deeper into the statistics, it is evident that a trend emerges: Smaller companies, with less employees are paying more for the same services, compared to medium and large firms. Here is the breakdown:

- Small Companies (100-999 employees) spent on average \$1678 on training per employee.
- Mid-size companies (1,000 - 9,999 employees) spent on average \$581 on training per employee
- Large companies (10,000+ employees) spent on average \$924 on training per employee

Breaking down the costs compared to the average hours of training per employee, the results show that:

- Small companies spent an average of \$40/h
- Mid-size companies spent roughly \$16/h
- Large companies spent roughly \$9/h

Employees in Large companies received an average 102.5h of training compared to employees in small companies (41.7h) and medium size companies (34.7h).

Going further, Lets consider the cost of reducing the cost for safety training. The direct costs of a workplace injury average \$41,003 and can increase significantly when indirect costs, such as stopped work and OSHA fines, are included. However, investing in safety can prevent injuries and improve efficiency, leading to significant savings for the company, since the resources that are drained by a single preventable incident can quickly outpace the entire safety budget, not to mention the toll it would take on the organization as a whole.

3. Competitors

Here is a list of potential competitors that specialize in providing Health and Safety training services.

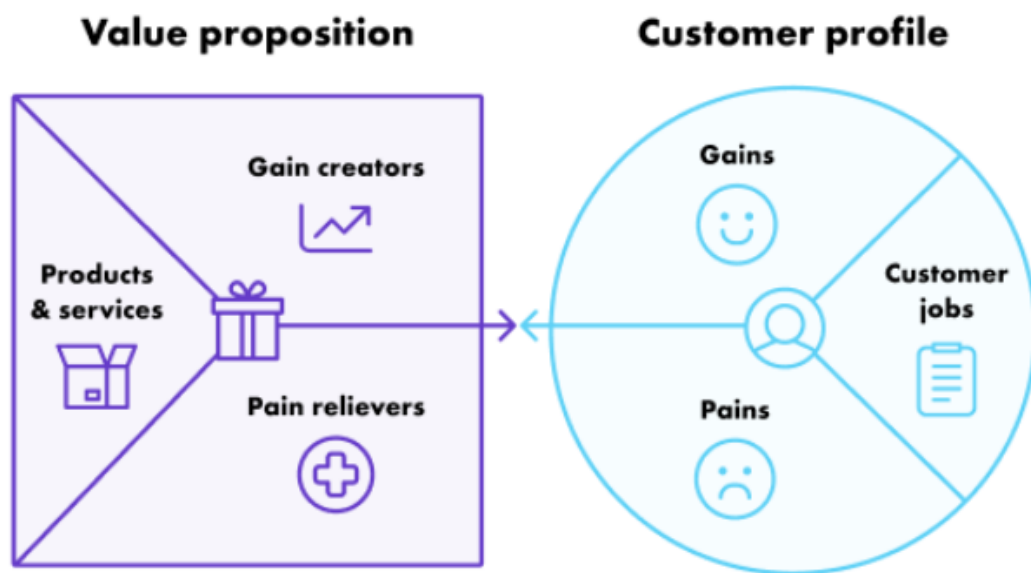


NB: When analyzing the competitors it is important to note what are the exact product range they offer and at what price point. It is also important to note how are their revenue streams

structured (subscription based, licensing fee, usage based, one standard fee). It is also worth to understand what is the exact process that follows after a purchase of the service is made. Online reviews, forums, ex employees and ex customers can give away some of the problems in the service that these companies provide, which is a potential for your business to add value.

4. Value proposition/ The product

- List the features of the product and how they work
- Include information on the underlying technology
- Why is it so special
- What is different in your service that that provided by your competitors
- How do you solve the problem



Value proposition



1. Products and Services:

the place to list all your products, services, and features.

2. Pain relievers: focus on elements that remove a current frustration for the customer.

3. Gain creators: everything that offers something new or improves the user experience.

1. Jobs: what task can the customer complete with your product?

2. Pains: which problems does the customer eliminate when using your product?

3. Gains: what benefits does the customer get when using your product?

Customer profile



5. Target customer

As mentioned earlier, the statistics show that smaller companies in USA are paying much higher prices per hour for the same health and safety training procedures, which indicates that there is an opportunity for a startup to capture a significant market share if it manage to provide a service which is relatively cheaper to this of competitors.

When we talk about large companies, the data shows that even though those firms pay the least amount of money per hour per employee, they also put their employees through the more than double the hours of training. Considering that large companies have more than 10 000 employees, if the startup is able to provide the a service which is at the same price or even more expensive, but more convenient and easier in terms of logistics, this is a sufficient enough value proposition that can capture this customer segment.

Additional Customer segment:

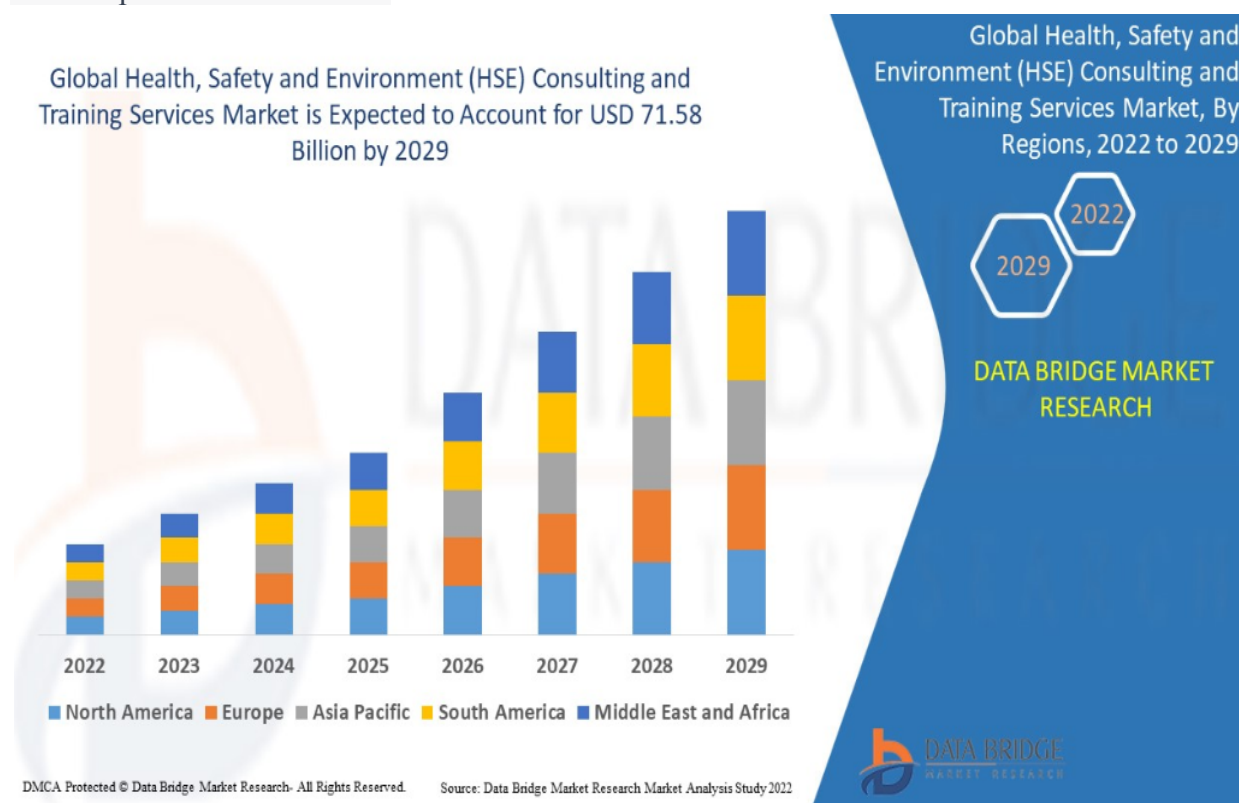
Government sponsored organizations such as

- 1) Schools and Universities- fire safety
- 2) Police
- 3) Municipalities

NB: Mind that the value proposition for each of this government sponsored entities may vary drastically.

6. Market Size

The growth of the health, safety, and environment (HSE) consulting and training services market has been fueled by various global regulations that aim to improve employee health and safety. Governments are increasingly focusing on the well-being and safety of their workers to reduce the number of accidents, illnesses, and fatalities. For example, the Australian government's Work Health and Safety Act 2011 aims to protect the safety, health, and environment of all workplaces, as well as the health and safety of anyone who may be affected by the work. Employees receive training in health, safety, and the environment to prevent harm before it occurs. These growth drivers are expected to contribute significantly to the market's growth. According to a market report by Data Bridge Market Research, the global HSE consulting and training services market was valued at USD 39.84 billion in 2021 and is projected to reach USD 71.58 billion by 2029, with a CAGR of 7.60% during the forecast period of 2022-2029.



-Consider the following

with 0.5% market share a company would generate \$199.2 million PA (per annum) in 2022 and E\$357,9 million PA in 2029

with 1% market share a company would generate \$398.4 million PA in 2022 and E\$715.8 million in 2029

7. Go-to-Market strategy

S1- Idea validation/ Testing the waters

- The purpose of this stage is to validate the idea or in other words to find out if there is actually a customer willing to purchase/rent such software. The objective is to spend as little money as possible, which means that at this stage there is not a ready product yet. Instead, the main focus of the team is to go and market/pitch the idea to potential clients e.g companies/businesses/government sponsored entities, with the aim of establishing a list of potential customers, who are willing to test the prototype and the MVP and give a feedback. The main costs in this stage are related to marketing. In order to consider this stage a success, there should be clear objectives in place, for example:
[If we spend X amount of money for marketing, we expect to reach Y amount of companies. From those, we expect to sign Z amount of companies and it is going to take us 30 days]. Only if the objectives are met, the next stage can begin.

S2- MVP/ Minimum Viable Product Development

- In this stage the development of the MVP begins. Here it is important to have a good understanding of the time and money that will go into the development. As a rule of thumb, the MVP is the most stripped out version of the final product, which means that design is not a priority and bugs can be tolerated.

S3-MVP testing > feedback > improvement

- In this stage the MVP is given to the companies that have shown interest in the product, with the aim of collecting feedback that can be used for improving the UI and UX of the software. Here, there are two ways which can be taken: First is to provide the MVP for free, which can increase the number of potential trial users; Second is to price the product at lets say 25% of the final product price, which can generate some revenue.

S4-Final Product Development and Testing

- When the feedback from the MVP is collect and it is clear what are the key points that require improvement, the final product development can begin. Again in this stage it is also very important to keep in touch with the clients and give them access to the updated versions of the product. In this stage marketing should also be priority. The objective here is to create community of companies which are interested in using the software. The reason is that when you launch, you already have an established customer base.

S5- Final Product launch/ Time to hit the market

S6- Feedback > Improvement > Growth

8. Financials

In this part of the report the focus will be on the following topics:

Cost structure- How much it will cost to start operations and run the company for at least 1 year?

- Consider salaries, office space, equipment and other resources which are vital for running the company on a day-to-day business

Revenue Streams- Where are the revenues coming from?

- Consider the monetary model that will be utilized: Is it going to be subscription based, licensing fee, one time fee, or usage based
Consider also the price at which the software will be offered to customers.

Customer Growth Rate- how much customers do you expect to capture in your first year of operations and how do you plan to acquire those customers (what is the marketing strategy and how much it will cost)

Financial Forecast - incorporate the above sections (A,B,C) and present the assumptions in a spreadsheet format. You can use a cash flow statement format with the following sections: Cash at the beginning of period > Cash in (Revenue, Loans, Other Financing) > Cash Out (Expenses) > Cash at the end of period.

9. Financing

After collecting information and building the assumptions using Cash Flow Forecast in the previous segment, here it is time to consider how are you going to finance the business. Below I am going to lay down the potential methods that can be used.

- Bootstrapping (own capital) + Friends and Family
- Loans (not preferable, due to the high uncertainty and risk of default)
- Government grants and schemes (not great, not terrible- generally it is a fix for a short period of time)
- Seed Funding/ Angel investors/ Angel investor networks or syndicates- probably the best option. Although this method is associated with giving equity away, you get the benefit of working with an experienced entrepreneur with large network of connections in the finance and business world.
- Crowdfunding- also a good option, similar to the previous one but without the benefit of a mentor alongside you. Involves raising capital from a large number of non-professional investors through online networks.
- Venture capital or private equity- very difficult, in most cases such funding happens at a later stage of the development, when there are already established operations and the company is somewhat profitable. Investments from VS and PE funds are almost

always associated with the so-called liquidity events (simply put, founder/s decides to exit the company and sell its shares).

10. Missing Pieces

Think about the topics that are part of the process but you do not understand. Most commonly these are the topics that investors can easily spot.

11. Conclusion

Here you can briefly summarize the information by providing the audience with the so-called business model canvas, which as tool used for clearly defining how companies create, and deliver value to customers.

