**Idea Venture Paper**

*Entrepreneurship for Engineers*

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| Assignment Overview  Type: Individual assignment.  Format: 12-point font, single-spaced, include page numbers, make it into a PDF.  Page Range: 10 to 15 pages  Due: 1 November  Instructions: Generate and analyze an original and new idea for a new startup (business or social venture) that is innovative, financially viable, and technically feasible. (Our focus is on original ideas for innovative and impactful business or social ventures, not copycat ideas, simple projects, inventions, or processes.) Treat the most important material with more depth.  Venture Idea Criteria:  1. Original (your own) and new (for this course) idea  2. Innovative in its context  3. Financially strong (e.g., robust profits and growth); note: must be financially viable and  entrepreneurial even if it is a social venture  4. Organization with employees, not a project  5. Venture you are interested in and could launch (or co-found) and raise money for (if  necessary)  (Recommendation: Think big.)  Important Things to Avoid: Finding ideas online or elsewhere and passing them off as your own; not mentioning similar ventures or products that are already in the market or in development; plagiarism.  Note: The intent is for you to develop your ideation skills by developing a new idea for this course. If you have a pre-existing project or idea that you would like to work on, it can be used.  *(Note: Delete this section before submitting the paper.*  *In the paper, leave the question #s and question headers (in bold) for clarity.)*  *Use in this Idea Venture Paper primarily what you have learned from the books “Lean Startup” and “Business Model Generation”.* |

**Name:**

**1. Summary.** *Name the startup venture and describe its product(s) or service(s).*

**2. Idea Generation.** *How did you come up with the idea? Describe your idea generation*

*process (e.g., frameworks or techniques used (if any), who else contributed (if anyone), how*

*long the process took, number of idea iterations). Be specific.*

**3. Idea Testing.** *A) What have you done to get feedback from potential customers and/or*

*industry experts, if any? (Be specific about your process here, including any or all of the following—customer interviews, landing pages, demos, prototypes, MVP tests, surveys, focus groups,*

*tc.—and what you learned from them). B) For each customer interview you conducted*

*(I would suggest minimum: three customer interviews), describe the interview (information about the person interviewed, how you found him/her, where it was conducted, how long, in person or virtual, key take-aways).*

**4. Idea Pivots.** *How did the idea change because of the testing you did, if you did any? (If possible, list the different versions of the idea to show its evolution.)*

**5. Innovation.** *How is the venture innovative in its context? Make a case.*

**6. Problem (or Delight).** *A) What is the customer problem (or delight) it will address? B)*

*Make a quantitative case for how bad (or big) the problem is.*

**7. Market Analysis.** *A) Market size (including number of customers and total spending in the*

*category) and segmentation. B) Recent and forecasted market growth rate. C) Trends*

*(favorable and unfavorable). D) To what extent does the idea take advantage of a trend, solve*

*a problem, and/or address a gap in the marketplace?*

**8. Value Creation.** *How much does the product or service add value to the target customers,*

*given their circumstances, goals, and other available options?*

**9. Founder (You).** *A) How well are you positioned to launch or co-found this startup (e.g.,*

*what skills, strengths, experience, and networks do you have that are relevant)? B) (Make a*

*case.) B) How does this venture fit with your values and aspirations?*

**10. Industry.** *A) Name the industry. B) Assess the industry attractiveness. C) Which industry*

*forces most significantly impact the industry, positively and negatively? D) How can you*

*position your venture to be successful in its industry, given industry players and trends?*

**11. Rivals.** *A) Most important competitors and substitutes (name at least two of each),*

*including similar ventures in the market or in development (if any). B) How is your venture*

*different from or better than its top rivals?*

**12. Pricing.** *A) Your pricing and how it compares to the pricing of your most relevant rivals.*

*B) Evidence of customer willingness to pay.*

**13. Financial.** *A) Analyze the financial attractiveness of this opportunity. Identify important*

*assumptions and potential gaps in the analysis. As you consider adoption of the product in the*

*market, factor in awareness and distribution of the product, and financial performance of*

*similar ventures.*

**14. Idea Screen Score:** *Rate this venture and fill in the scores and total below (it is a “self-evaluation” so no “right answers” do exist. This is what you yourself think).*

**Section Score Summary Comments about the Scores**

A. Idea Strength \_ (out of 20)…The more innovative the higher point. But if you suggest an idea that is just “science fiction” then give yourself a low score.

B. Industry \_ (out of 20)…Is this an industry where you think it is possible to even enter or is too much “in your way”?

C. Market \_ (out of 20)…The more testing you have been able to do the higher point (and vice versa). Do not value “how much money” you think you can make out of it here. Estimate instead the likelihood to be able to succeed…which always tend to be about what customers feel about it. The less you know about the customers, and less tested, the lower grade.

D. Founder \_ (out of 20)…How well prepared do you feel yourself to be in doing this for real?

E. Financial \_ (out of 20)…Do you think you could be able to fund this idea? High score if you either think you can fund it yourself (if starting very small it is often possible to do, and then gradually develop your business towards your “end goal”) or you feel you have great arguments for someone else funding it (comes down to your likelihood on being able to earn a lot of money and/or your possible pitch towards someone that might have the money you need for developing this idea for real).

**Overall Score \_ (out of 100)**

*(Optional): Any comments to add?*

**15. Risk.** What do you think is the major risk with this venture and would you suggest to do in order to avoid it?

**16. Summary.** *Add, as some kind of summary of your idea, a Business Model Canvas for it. Either make it yourself or for instance you can download a dummy to work on at for instance* [*https://www.strategyzer.com/canvas/business-model-canvas*](https://www.strategyzer.com/canvas/business-model-canvas)