Business Planning Workshop

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Do you have an Idea or Opportunity?

An opportunity has:

- **Demand**: actual or potential customer need, ability to pay
- **Innovation**: a product, service or technology can be provided
- **Feasibility**: technology and resources exist and can be sourced
- **Attraction**: benefits and interest for you, customers, investors
**Def Business Model**

A business model describes how an organisation creates, delivers and captures value.
12 Building Blocks: Entrepreneur Startup Canvas

Entrepreneur

Strategic Vision

Governance

Customer Segments

Value Proposition

Channels

Customer Relationships

Revenue Streams

Key Resources

Key Activities

Key Partnerships

Cost Structure
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<tr>
<th>Strategic Vision</th>
<th>Entrepreneur</th>
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<tbody>
<tr>
<td>The Business idea?</td>
<td>What is your target customer?</td>
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<tr>
<td>The Startup’s Vision</td>
<td>What resources do you have access to?</td>
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<tr>
<td>The Startup’s Mission</td>
<td>What are your core values?</td>
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### Key Partners
- Who are your key partners?
- What are their roles?
- What value do they provide to your business?

### Key Activities
- What key activities do you perform?
- What are the challenges you face in these activities?

### Value Proposition
- What is your value proposition?
- How does it differentiate you from competitors?

### Customer Relationship
- What is the nature of your relationship with customers?
- How do you ensure customer satisfaction?

### Customer Segments
- Who are your target customer segments?
- What are their needs and preferences?

### Key Resources
- Which resources are critical to your business?
- How do you acquire and manage these resources?

### Channels
- Through which channels do you reach your customers?
- How do you measure channel effectiveness?

### Cost Structure
- What are the most significant costs in your business model?
- How do you allocate resources to each cost category?

### Revenue Streams
- What revenue streams do you have?
- How do you measure the success of each revenue stream?

### Governance
- What governance structure do you have?
- How do you ensure compliance with regulatory requirements?
Def _Strategic Vision_

Links the present to the future, and shows how you intend to move toward your vision.
Extended Info:

Being SMART early in the startup process:

• The Business Idea?
• The Startup’s Vision
• The Startup’s Mission
• The Startup’s SMART Objectives
Def _Entrepreneur

An *individual* running his or her own business. An entrepreneur demonstrates enterprising approaches and attributes, such as *creativity*, *vision*, *responsiveness* to opportunity, and *ambition* for business growth, which are distinct from business skills and knowledge.
Extended Info:

Entrepreneurs have:

• Your Competency Set
• Your Resources
  – Financial
  – Material
  – Natural
  – Social
  – Intellectual…
• Your Core Values
Def Customer Segments

All the people and organisations for which your creating **value**, this includes **all users and customers**.
Extended Info:

Customers are a separate segment if:

• Their wants / needs justify a different offer.
• They are reached through different channels.
• They require different types of relationship.
• They have substantially different profit abilities.
• They are willing to pay for different aspects of the offer.
Def Value Propositions

For each segment there are specific value propositions; the bundles of goods and/or services that create value for your customers.
What’s the Problem?

What **problem** do we solve?
Which **need** are we satisfying?
What **bundles** are we offering to each segment?

Values can be **quantitative** (price / speed of service) or **qualitative** (design / experience).
Examples:

- Newness
- Performance
- Customisation
- Design
- Brand
- Price
- Task Fulfilment
- Risk Reduction
- Accessibility
Def Channels

These describe the touch points through which you interact with customers to deliver value.
How do we Reach People?

Channels have distinct phases and can be *direct*, or *indirect*.

<table>
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<th>Channel Types</th>
<th>Channel Phases</th>
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<tr>
<td><strong>Own</strong></td>
<td></td>
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<tr>
<td>Direct</td>
<td>1. Awareness How do we raise awareness about our company’s products and services?</td>
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<tr>
<td>Web sales</td>
<td>2. Evaluation How do we help customers evaluate our organization’s Value Proposition?</td>
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<tr>
<td>Own stores</td>
<td>3. Purchase How do we allow customers to purchase specific products and services?</td>
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<tr>
<td><strong>Partner</strong></td>
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<tr>
<td>Indirect</td>
<td>4. Delivery How do we deliver a Value Proposition to customers?</td>
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<tr>
<td>stores</td>
<td>5. After sales How do we provide post-purchase customer support?</td>
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<tr>
<td>Wholesaler</td>
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Def_Customer Relationships

These outline the types of relationship you’re establishing with your customers.
Examples:

- One time transactional
- Personal Customer Service
- Dedicated Personal Assistance
- Self – Service
- Automated Services, e.g. Online
- Communities
- Co-Creation
Def Revenue Streams

You need to make clear how and through which pricing mechanisms your business model is capturing value.
Examples:

- Product (Asset) Sale
- Usage Fee
- Subscription Fee
- Lending / Renting / Letting
- Licensing
- Brokerage Fees
- Advertising
Def Key Resources

These show what assets are indispensable to your business model.
Examples:

- Natural
- Physical
- Intellectual
- Human
- Financial
Def Key Activities

These show which things (the central actions relevant to the model) you need to do to perform well.
Examples:

- Management
- Operations
- Finance
- Sales
- Marketing
- Production
- Customer Service
- Information Technology
- Human Resources
Def **Partnerships**

The *relationships* you need to leverage to make your business work.
Def **Cost Structure**

When you understand all the model and its *infrastructure* you should have an idea of how much it will **cost**.
Examples:

• Cost Driven (Minimise Costs)
• Value Driven (Premium Products)

Features:

• Fixed Costs
• Variable Costs
• Economies of Scale
• Economies of Scope
Def. **Governance**

Business governance is the **mechanisms, processes and relations** by which ventures are controlled and directed.
Extended Info:

You will need to think about:

- What company vehicle type will you use?
- Who are the Stakeholders of the business?:
  - Directors, Shareholders, Financiers, Family
- What are the government policy & disclosure requirements?
- What reporting structure will you have?:
  - Boards, Management, Managers, Staff, Community
### Entrepreneur Startup Canvas

**Strategic Vision**
- The Business Idea?
- The Startup's Vision
- The Startup's Mission
- The Startup's SMART Objectives

#### Key Partners
- Who are key partners?
- Who are key suppliers?
- Which resources are acquired from partners?
- Which activities do partners perform?

#### Key Activities
- What activities do our value propositions require?
- What activities do our distribution channels require?

#### Value Proposition
- What value do we deliver to customers?
- What are our customer's problems we resolve?
- What is your company's competitive advantage?
- Which customer needs are we satisfying?

#### Customer Relationship
- What type of relationship does each of our customers expect to establish and maintain with those?
- Which ones have been established?
- How well are they?
- How are they integrated with the rest of our business needs?

#### Customer Segments
- For whom are we creating value?
- Who are our most important customers?

#### Key Resources
- What resources do our value propositions require?
- What resources do our distribution channels require?

#### Channels
- Through which channels do our customers want to be reached?
- How are we reaching them now?
- How are these channels integrated?
- Which channels work best?

#### Cost Structure
- What are the most important costs inherent in our business model?
- Which resources are the most expensive?
- Which activities are the most expensive?

#### Revenue Streams
- For what value are our customers really willing to pay?
- For what do they currently pay?
- How would they prefer to pay?
- How much does each revenue stream contribute to overall revenues?

#### Governance
- What company vehicle type will you use?
- Who are the shareholders of the business?
- What are the governance and disclosure requirements?
- What reporting structure will you have?
School of Business and Entrepreneurship

Degree Programmes

• FdSc Business & Enterprise
• BSc(Hons) International Business Management
• BSc(Hons) Agri-Business Management
• BSc(Hons) Rural Entrepreneurship & Enterprise

• MSc Business Management
• MBA Innovation in Sustainable Food & Agriculture

Executive Education
Business Research
Knowledge Exchange Projects

We develop the entrepreneurial leaders of the rural economy
Thank You
Entrepreneurial Mindset

“Entrepreneurship is finding and developing opportunities to create value.”

• 6 Attributes & Behaviors
  – Commitment & Determination
  – Leadership
  – Opportunity Obsession
  – Tolerance of Risk, Ambiguity & Uncertainty
  – Creativity, Self-Reliance & Adaptability
  – Motivation to Excel