

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

Strategic Vision

*The Business idea?
The Startup's Vision
The Startup's Mission
The Startup's SMART Objectives*

Entrepreneur

*What is your focal competency set?
What resources do you have access to?
What are your core values?*

Key Partners

*Who are our key partners?
Who are our key suppliers?
Which key resources are we acquiring from partners?
Which key activities do partners perform?*

Key Activities

*What key activities do our value propositions require?
What key activities do our distribution channels require?*

Value Proposition

*What value do we deliver to customers?
Which one of our customer's problems are we solving?
What is your company's competitive advantage?
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Customer Relationship

*What type of relationship does each of our customer expect us to establish and maintain with them?
Which ones have we established?
How costly are they?
How are they integrated with the rest of our business model?*

Customer Segments

*For whom are we creating value?
Who are our most important customers?*

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Channels

*Through which channels do our customers want to be reached?
How are we reaching them now?
How are these channels integrated?
Which channels works best?*

Cost Structure

*What are the most important costs inherent in our business model?
Which key resources are the most expensive?
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Revenue Streams

*For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
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 Stakeholders of the business?
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What reporting structure will you have*



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:

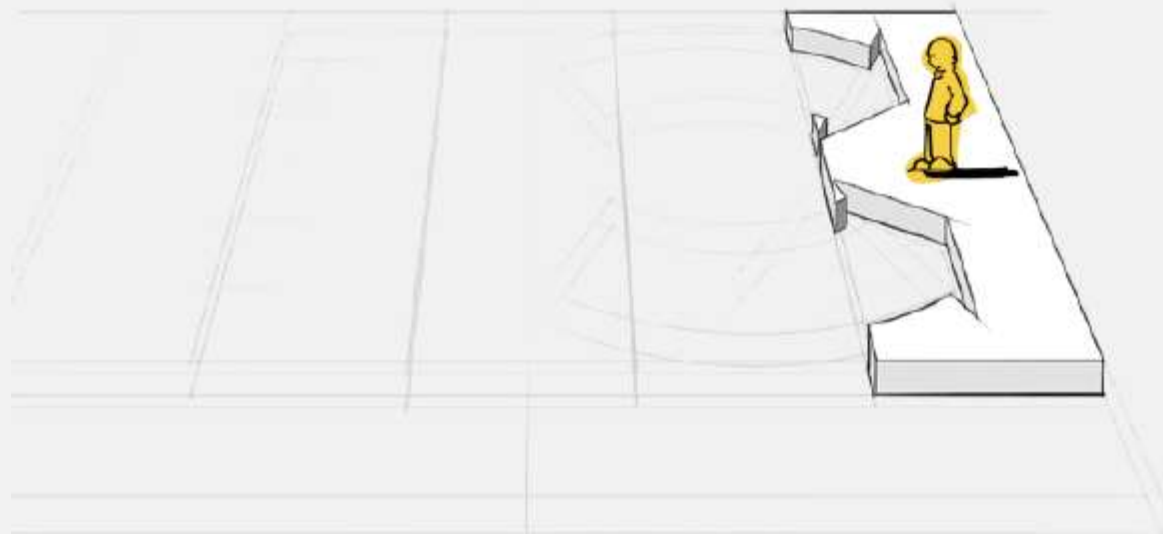
Entrepreneurs have:

- **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**.



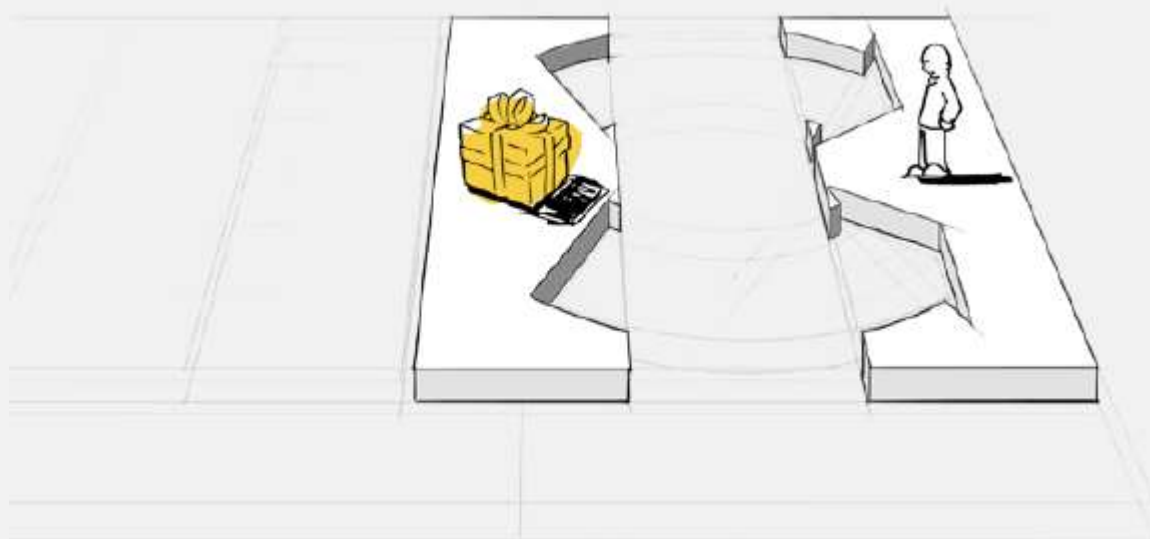
Extended Info:

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?

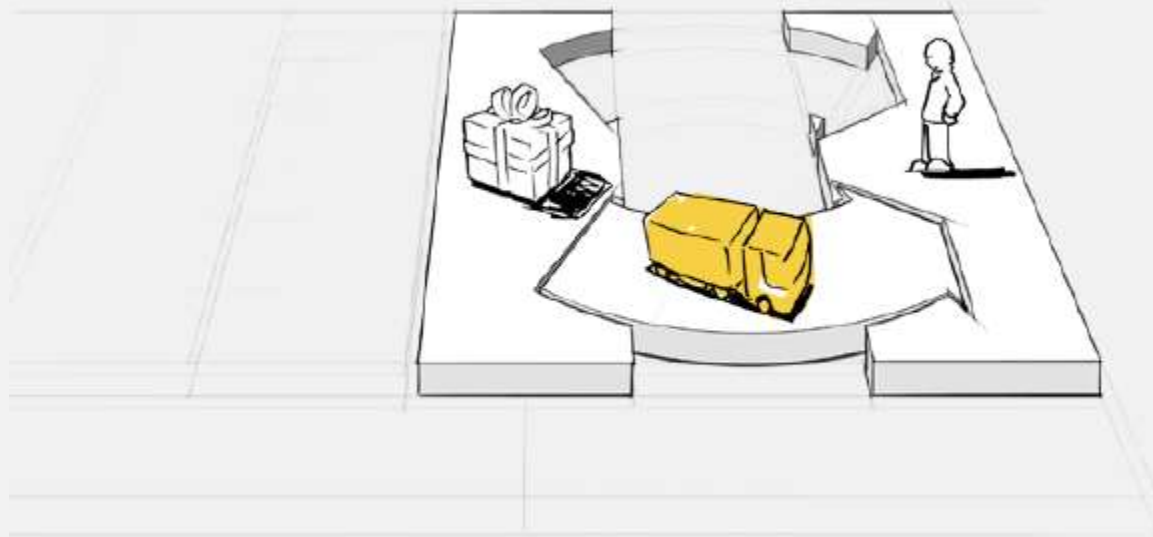
Values can be **quantitative** (price / speed of service) or **qualitative** (design / experience).

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.



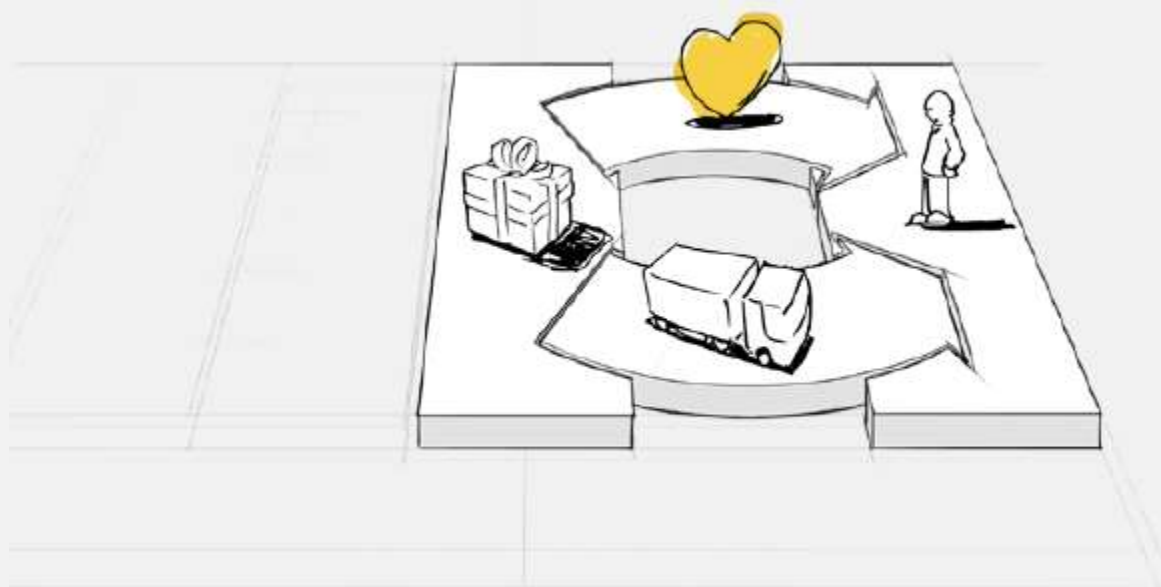
How do we Reach People?

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

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

Def_Customer Relationships

These outline the types of **relationship** you're **establishing** with your customers.

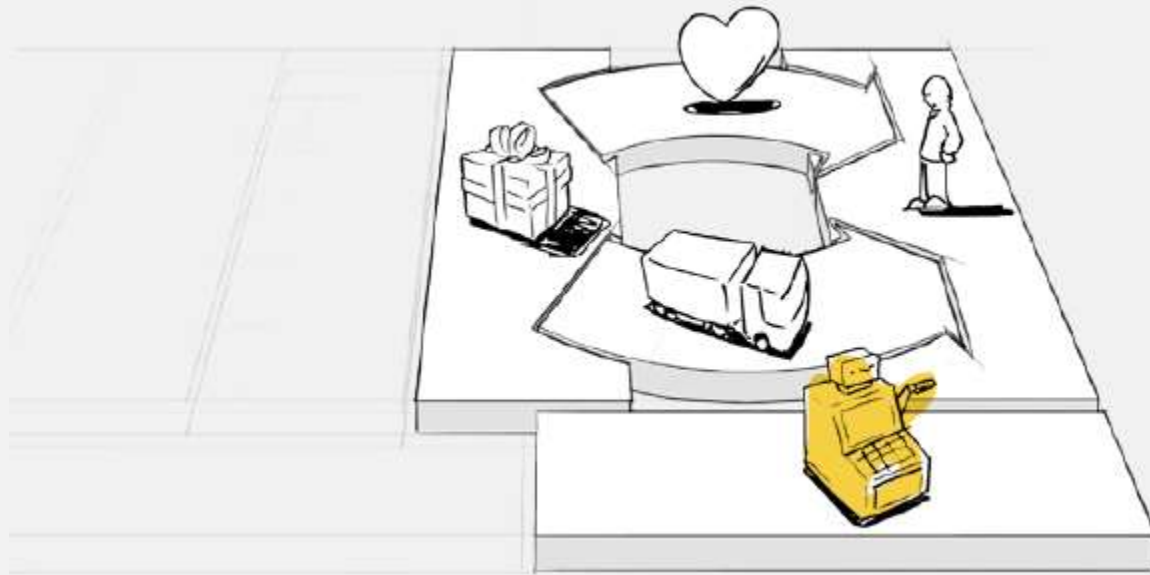


Examples:

- **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**.

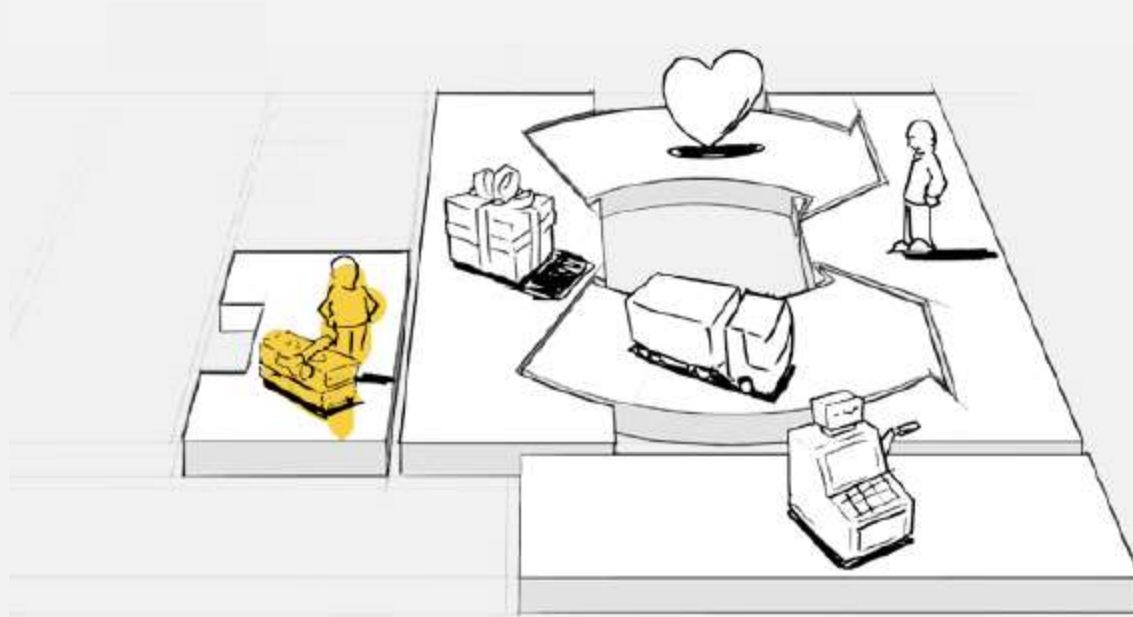


Examples:

- **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.

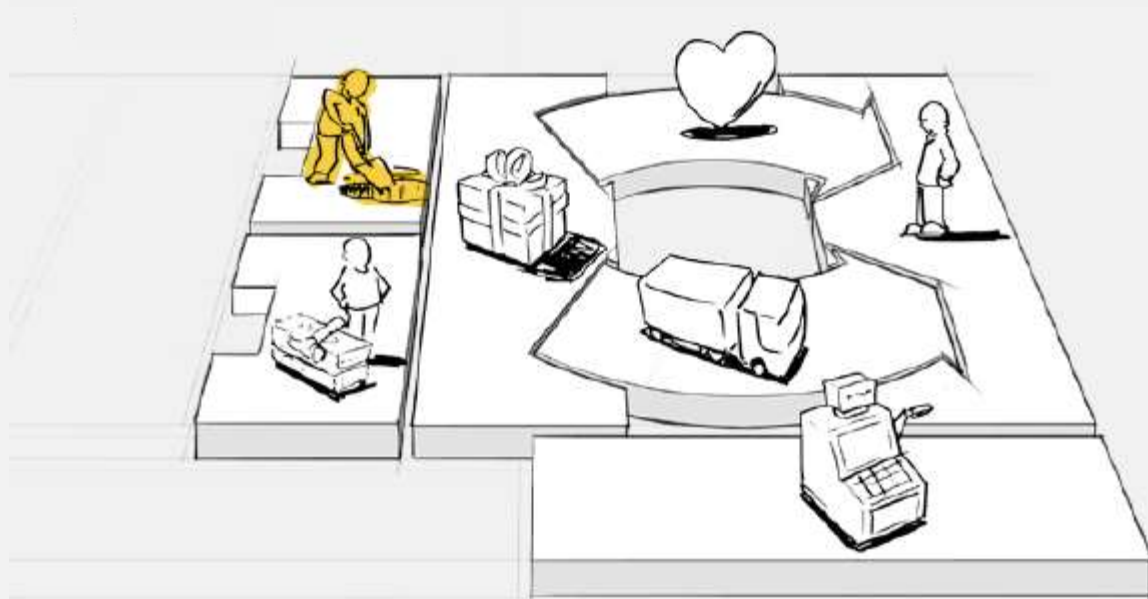


Examples:

- 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.

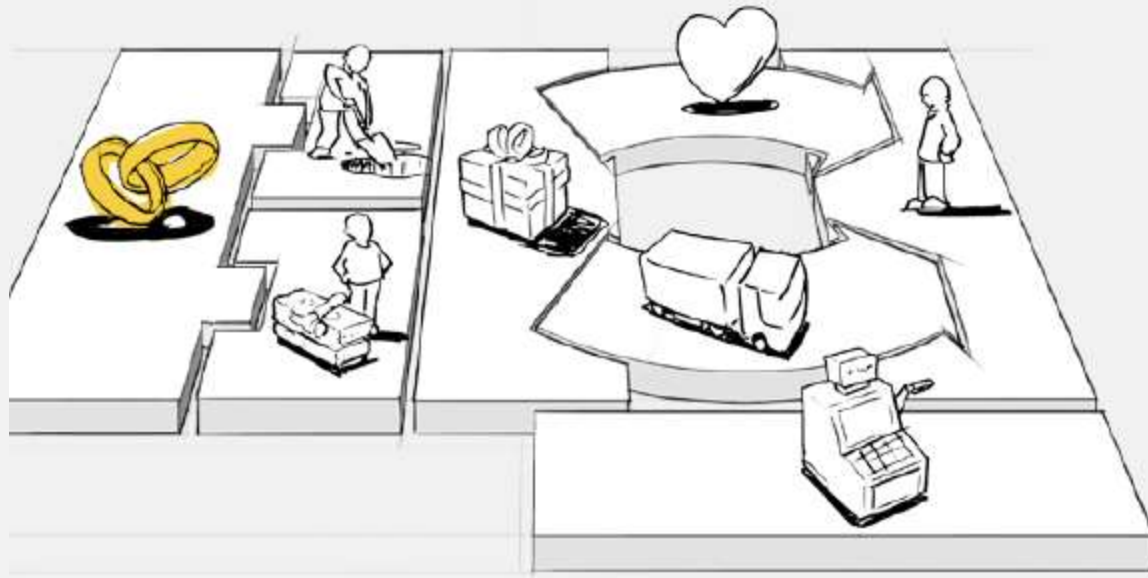


Examples:

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

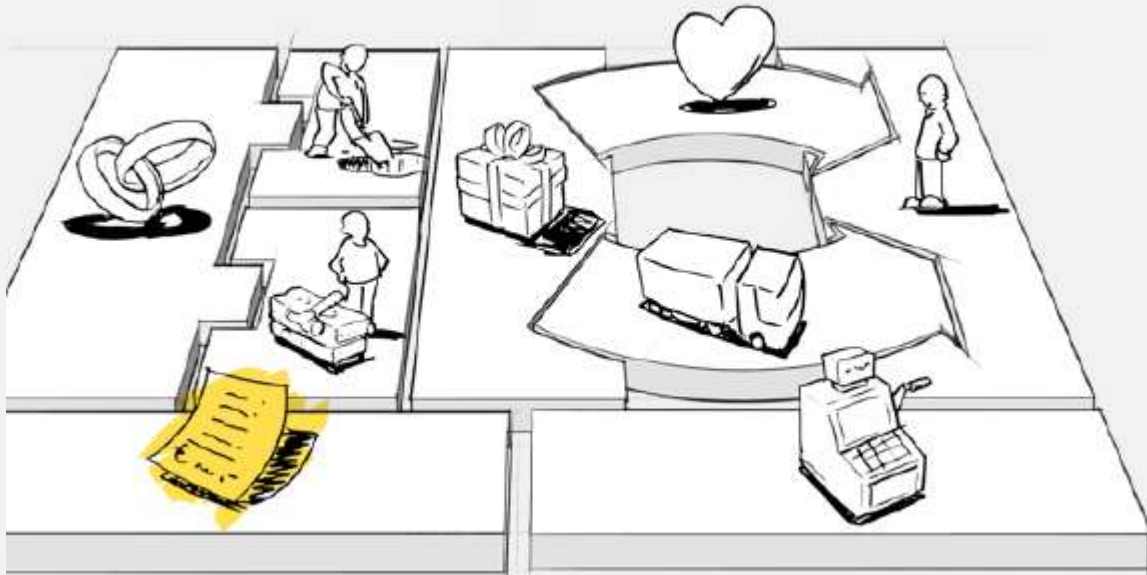
Def_Partnerships

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

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- 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

