



NSU Florida

Foundation for Innovation Success:
Business Planning and Financing

Why do I
need a
business
plan?

JOE JACKSON

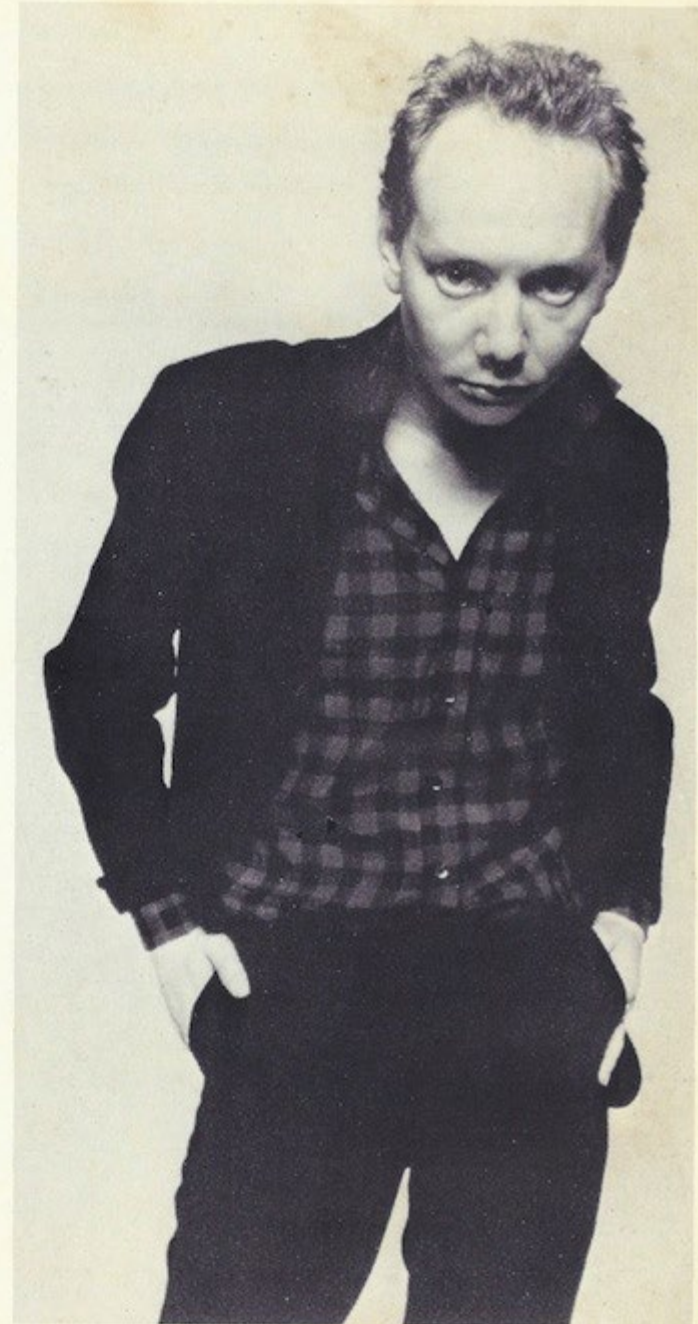
YOU CAN'T GET
WHAT YOU WANT
(TILL YOU KNOW
WHAT YOU WANT)

VOCÊ NÃO PODE TER O QUE QUER
(ATÉ SABER O QUE QUER)

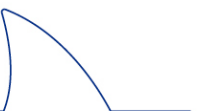
J.Jackson

CHA CHA LOCO

J.Jackson



Ok, I got your idea,
but what is it that you really
want?






Are you
the One?

90% Of Startups Fail: Here's What You Need To Know About The 10%




Neil Patel Former Contributor 


Entrepreneurs

I cover entrepreneurship, conversion optimization, marketing and sales

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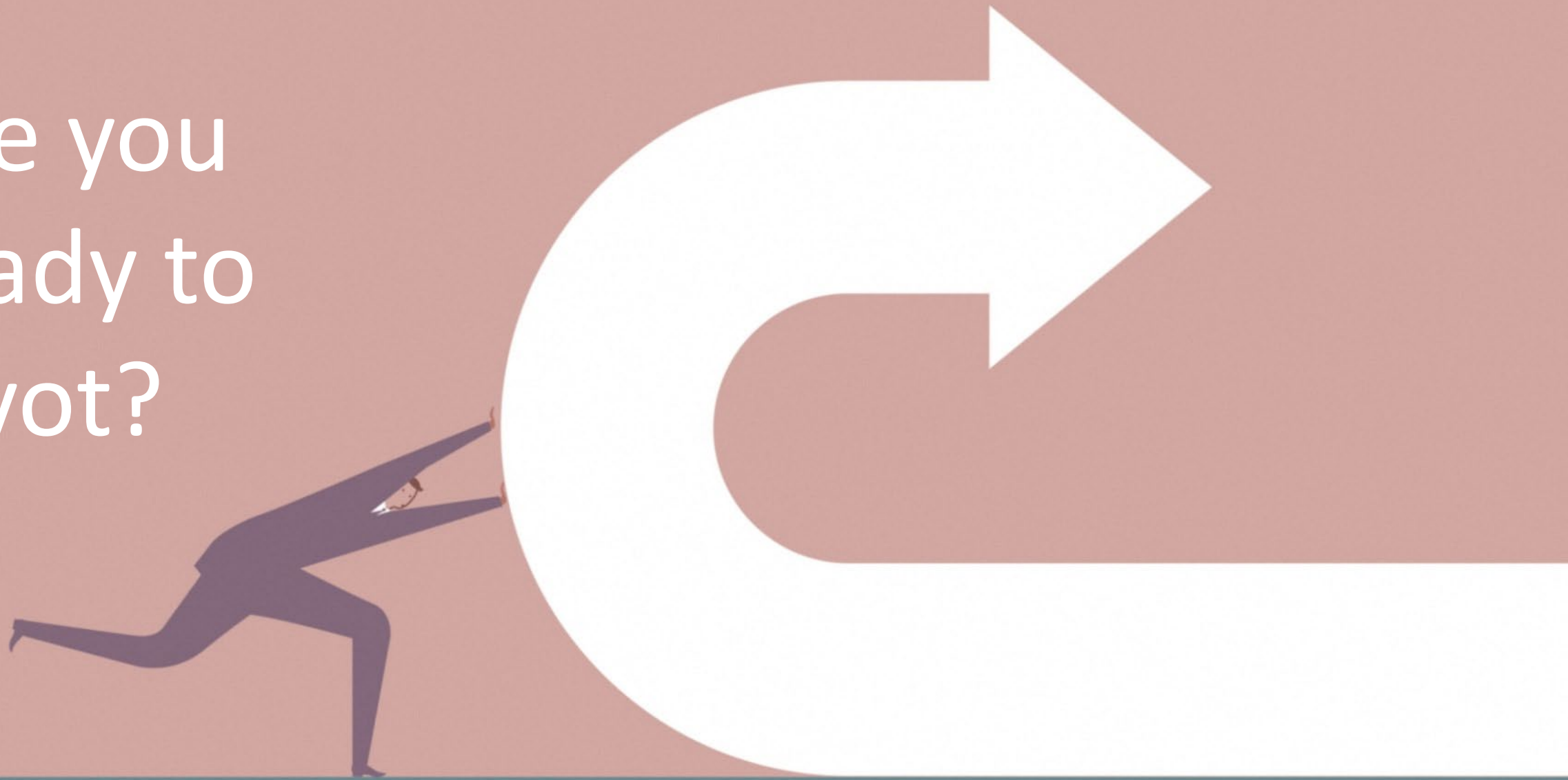
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 As an entrepreneur, [I know about failure](#). I've made mistakes, [pretty stupid ones](#). At the same time, though, I've been fortunate enough to succeed a few times, too.

 Along the way, I've been able to understand some of the lesser-known reasons that some [startups](#) fail, and more importantly why a few succeed.



Are you
ready to
pivot?



Humans
have
been
telling
stories for
a while



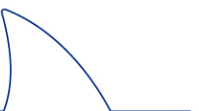
Why do I
need a
business
plan?

1. A business plan
can help you decide
on **WHAT YOU
REALLY WANT.**



Why do I
need a
business
plan?

2. A business plan
will help you
understand if you
are **THE ONE.**



Why do I
need a
business
plan?

3. A business plan
will help you **TELL
THE STORY** of your
business idea in the
business language.

The US Small Business Administration (SBA)
states:



“There’s no right or wrong way to write a
business plan. What’s important is that your plan
meets your needs.”



The Lean Business Plan

- Identity
- Problem
- Solution
- Target Market
- Competition
- Revenue Streams
- Marketing Activities
- Expenses
- Team and Key Roles
- Milestones

Wooden Grain Toy Company

(SBA's Sample Lean Business Plan)



- **Identity**
 - Wooden Grain Toys manufactures high-quality hardwood toys for children aged 3-10.
- **Problem**
 - Parents and grandparents are looking for high-quality, durable toys that will entertain kids and foster creativity.
- **Our solution**
 - Our handcrafted toys are made from solid hardwoods, and are designed with sufficient moving parts to engage young children without limiting imagination.
- **Target market**
 - The target audience is adults, specifically parents and grandparents who wish to give toys to their children or grandchildren.
- **The competition**
 - Wooden toys are part of a niche market with companies of all sizes. Large companies include Plastique Toys and Metal Happy Toys, which sell internationally. Smaller companies sell locally in shops, craft fairs, or online.



- **Revenue streams**
 - Wooden Grain Toys will sell directly to customers at craft fairs and online.
- **Marketing activities**
 - Wooden Grain Toys will communicate with customers with an email newsletter, targeted Google and Facebook ads, social media, and in person at craft fairs.
- **Expenses**
 - Materials for toys including wood, steel, and rubber. Craft fair fees and travel costs. Inventory space for products
- **Team and key roles**
 - Currently, the only team member is the owner, Andrew Robertson. As profits increase, Wooden Grain Toys will look to add an employee to assist with social media and online marketing.
- **Milestones**
 - As business grows, Wooden Grain Toys will advertise in target markets—especially in advance of the holiday season.

What the lean startup plan should cover:

Key partnerships

Note the other businesses or services you'll work with to run your business. Think about suppliers, manufacturers, subcontractors, and similar strategic partners.

Key activities

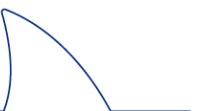
List the ways your business will gain a competitive advantage. Highlight things like selling direct to consumers, or using technology to tap into the sharing economy.

Key resources

List any resource you'll leverage to create value for your customer. Your most important assets could include staff, capital, or intellectual property.

Value proposition

Make a clear and compelling statement about the unique value your company brings to the market.



What the lean startup plan should cover:

Customer relationships

Describe how customers will interact with your business. Is it automated or personal? In person or online? Think through the customer experience from start to finish.

Customer segments

Be specific when you name your target market. Your business won't be for everybody, so it's important to have a clear sense of whom your business will serve.

Channels

List the most important ways you'll talk to your customers. Most businesses use a mix of channels and optimize them over time.

Cost structure

Will your company focus on reducing cost or maximizing value? Define your strategy, then list the most significant costs you'll face pursuing it.

Revenue streams

Explain how your company will actually make money. Some examples are direct sales, memberships fees, and selling advertising space. If your company has multiple revenue streams, list them all.

The Traditional Business Plan Format (SBA)

Executive
summary

Company
description

Market
analysis

Organization
and
management

Service or
product line

Marketing
and sales

Funding
request

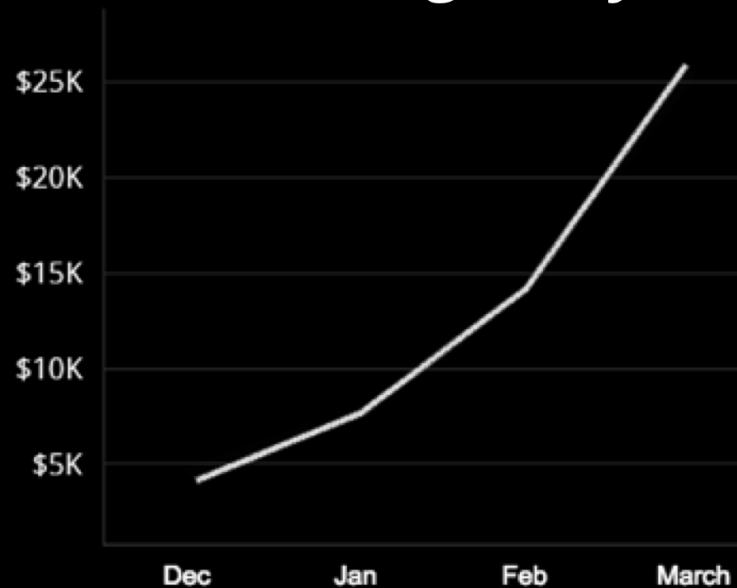
Financial
projections

The Pitch Deck



The Pitch Deck: Recommendations from Y combinator.

Revenue doubling every month



- Make it legible
- Make it simple
- Make it obvious

What should I include in the Pitch Deck?

- The Problem
- The Solution
- The Competition
- The Value Proposition
- The Market
- The Marketing
- The Team
- The Business Model
- The Financials
- Use of Funds

Will your pitch
move the investor?



what are the
motivations
behind early-
stage investors?

Entrepreneur/Founder Attributes

- Experience
- Passion
- Leadership
- Personality
- Knowledge
- Stamina
- Good communicator
- Evaluates risks appropriately



what are the
motivations
behind early-
stage
investors?

Team Attributes

- Complimentary skills
- Marketing Skills

Market Attributes

- High Market growth rate
- Proof of Market
- Market size
- Access to market
- Time to Market



what are the
motivations
behind early-
stage
investors?

- Product Attributes
- Competitive Advantage
- Intellectual Property
- Functioning Prototype
- High Tech Product
- Freedom from Regulation



what are the
motivations
behind early-
stage
investors?

- Financial Attributes
- Large returns
- Investment size
- Business plan
- Opportunities for exit
- Realistic Valuations



what are the
motivations
behind early-
stage
investors?

- Investor Attributes
- Familiar with target market
- Investor location
- Getting a meaningful stake
- Who else is in the deal





But ultimately:

Investors invest in teams not in slides (Y Combinator)

Investors invest in teams not in business plans

Thank you

