

The 2022 Harriet Stephenson Business Plan Competition

SEATTLEU.
ALBERS SCHOOL OF
BUSINESS AND ECONOMICS



INNOVATION &
ENTREPRENEURSHIP
CENTER



www.seattleu.edu/businessplan

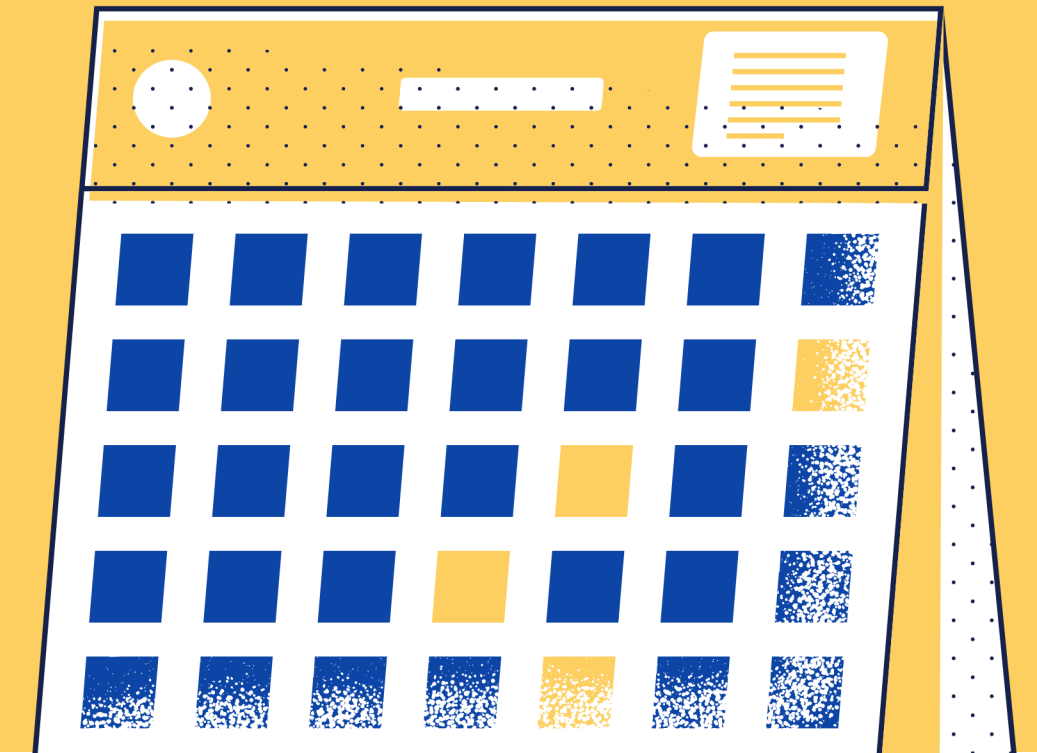


Peter Rowan



Executive Director
prowan@seattleu.edu
206.954.1973

THREE ROUNDS



SCREENING ROUND

Date: March 22, 2022

- 2-3 page business plan summary (8-10 Judges per plan)
- Template, rubric, and examples on the BPC website

SEMI-FINALS

Date: April 19 & 22

- 2-Minute Elevator Pitch (7-9 Judges)
- Tradeshow Booth (~75 Judges + Community Choice Vote)
- Template and rubric on the BPC website

FINALS

Date May 20, 2022

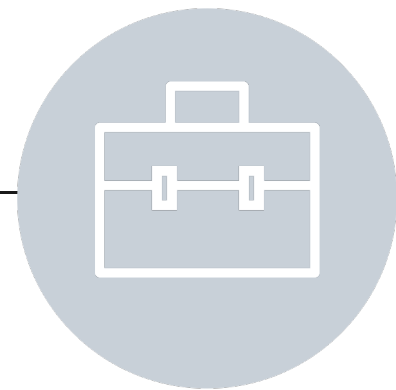
- 10-Minute Investor Pitch (7-9 Judges)

TIMELINE



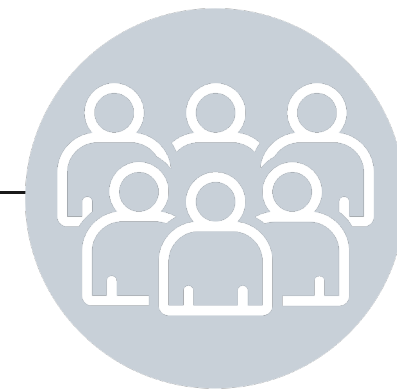
PREPARE TO ENTER

- Resource Nights
- Personal Coaching



SCREENING ROUND ENTRIES

- **March 22, 2022**
(Business Plan Summary due)
- Judges Comments



SEMI-FINALISTS

- April 19 & 22, 2022
- (Elevator Fast Pitch & Trade Show)
- Team Coach Matched



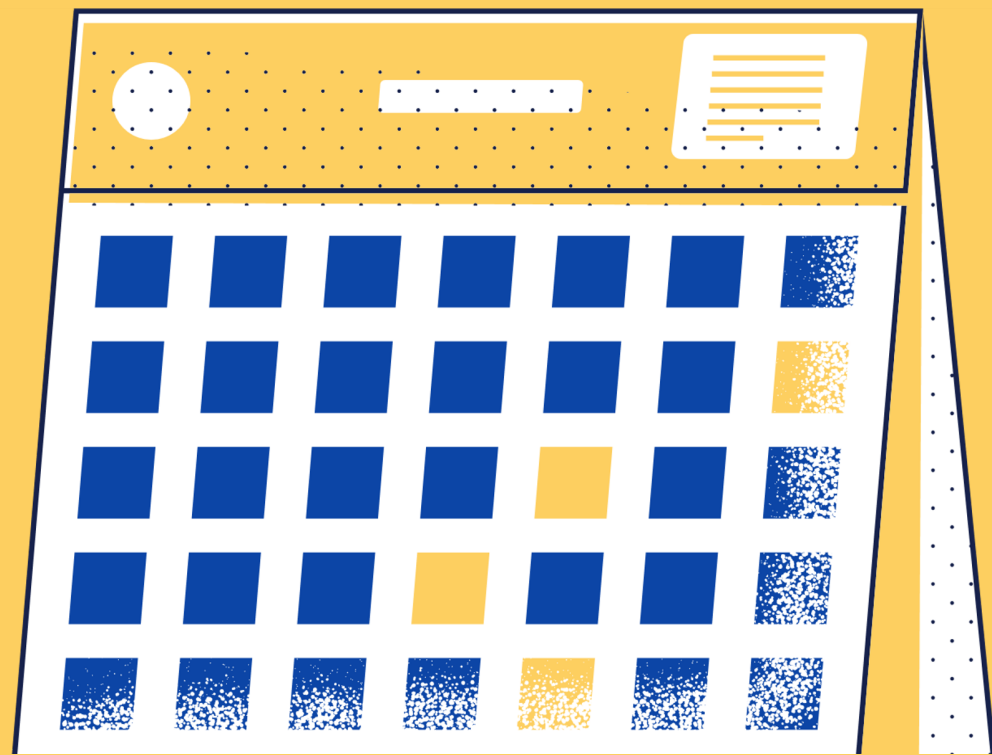
FINALISTS

- **May 20, 2022**
(Finals)
- Expert Coaching Sessions



15 SECOND INTRO

- Name
- Program/Major
- Your Target Customer



Workshop Recap

- 1) Find a real problem
- 2) Find people with problem and solve it for them
- Now: Building bridges

The plan of how an organization will **deliver their unique value proposition to customers** and achieve competitive advantage

Go to
Market
Strategy

Go to Market

1. Target Customer
2. Market Size
3. Revenue Model
4. Pricing

Also: Sales & Marketing!

A large orange triangle is positioned in the bottom right corner of the slide, pointing upwards and to the left.

Target Customer

Focus on the CUSTOMER



Customer

Pays you money



Consumer

User of product/service



Be Careful of complex cases



Customers and Markets



MARKET: Place where people can sell goods and services

- » **Supply:** the sellers that compete for customers in the marketplace
- » **Demand:** the desire held by prospective customers for the goods and services available.

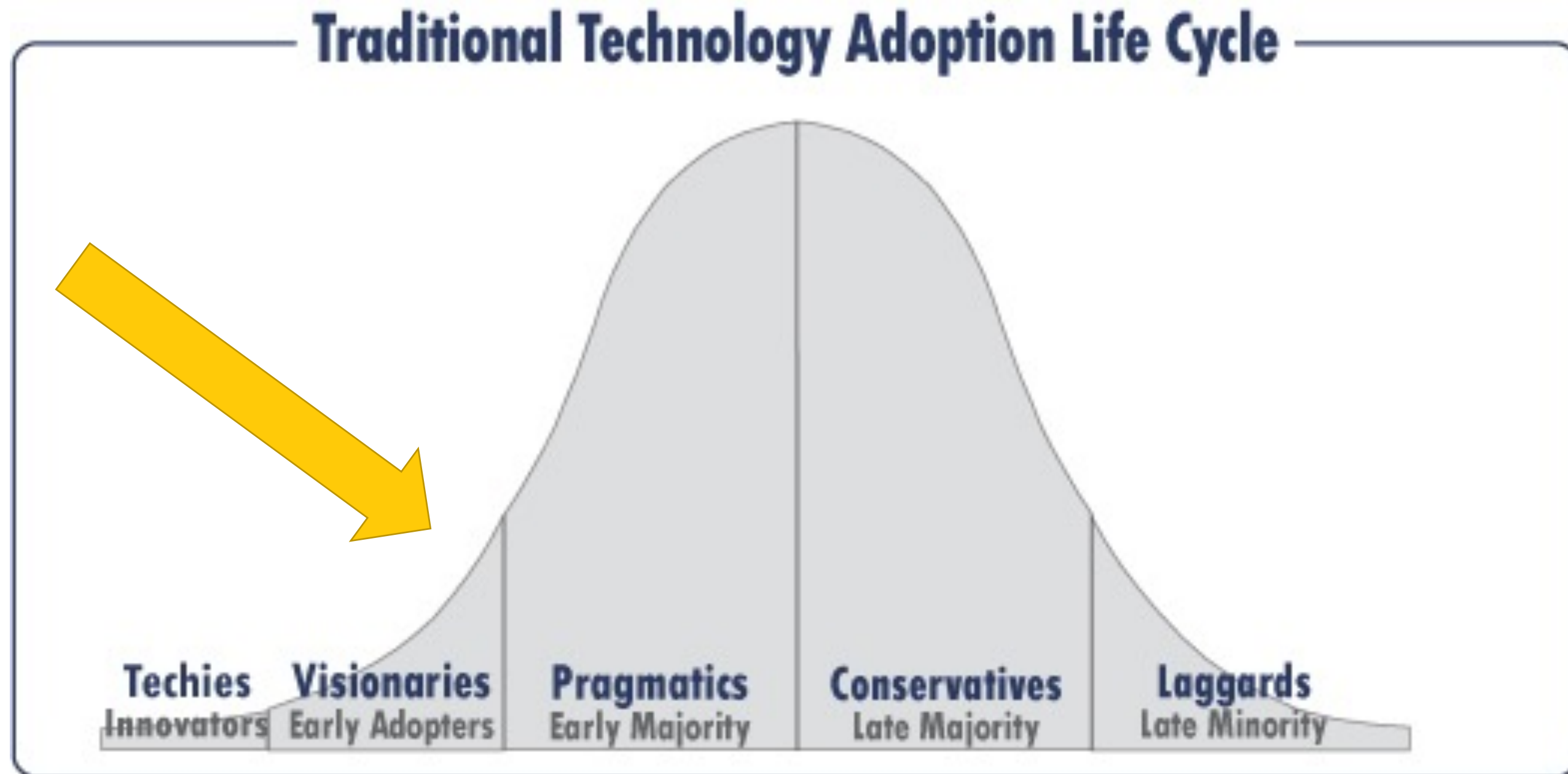
Your Beachhead Market

What is it?



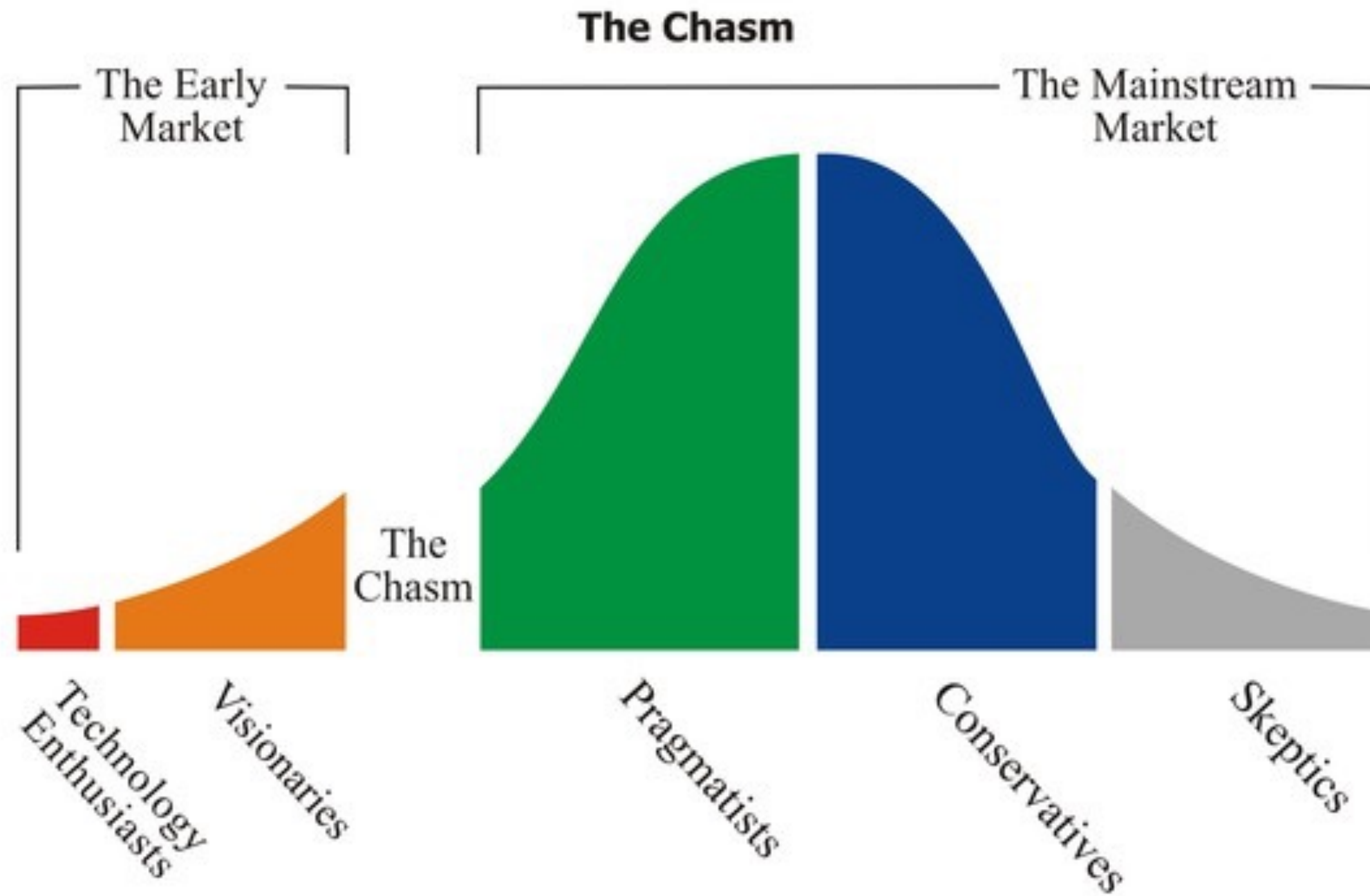
Your Beachhead Market

- **Where is it?**



Your Beachhead Market

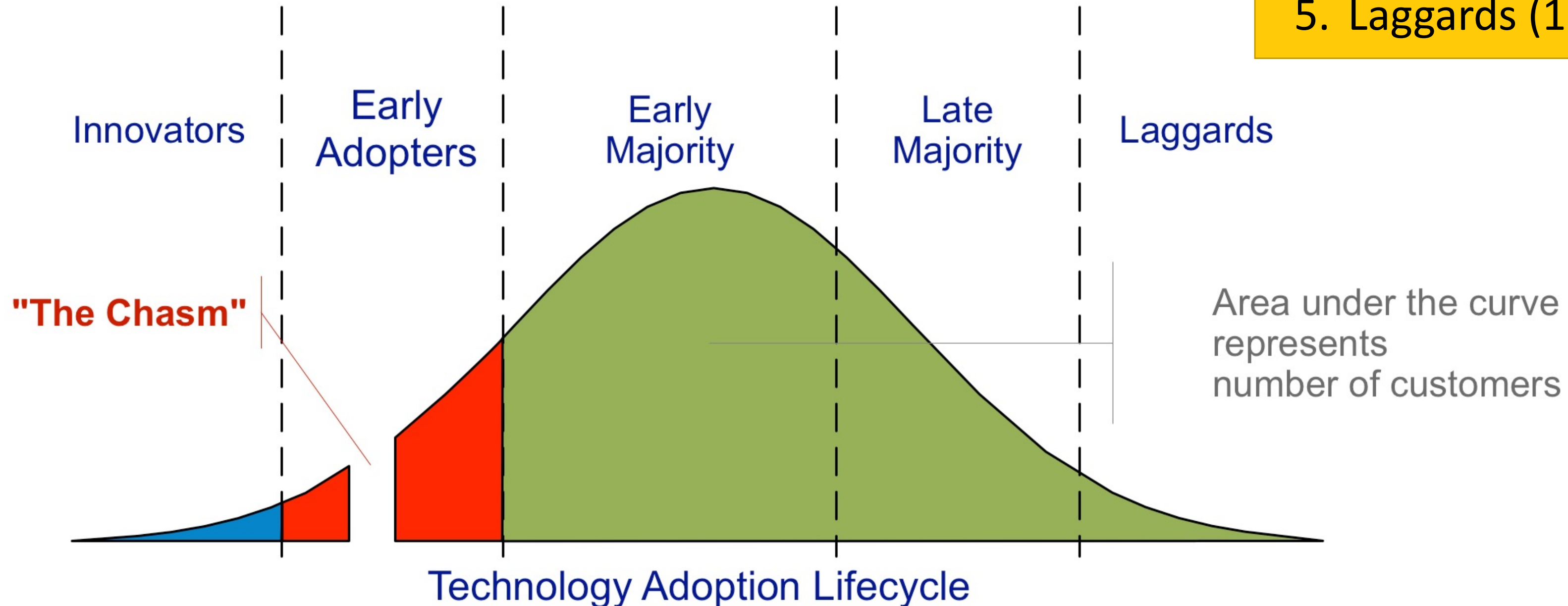
- **Why do you need to focus on it?**



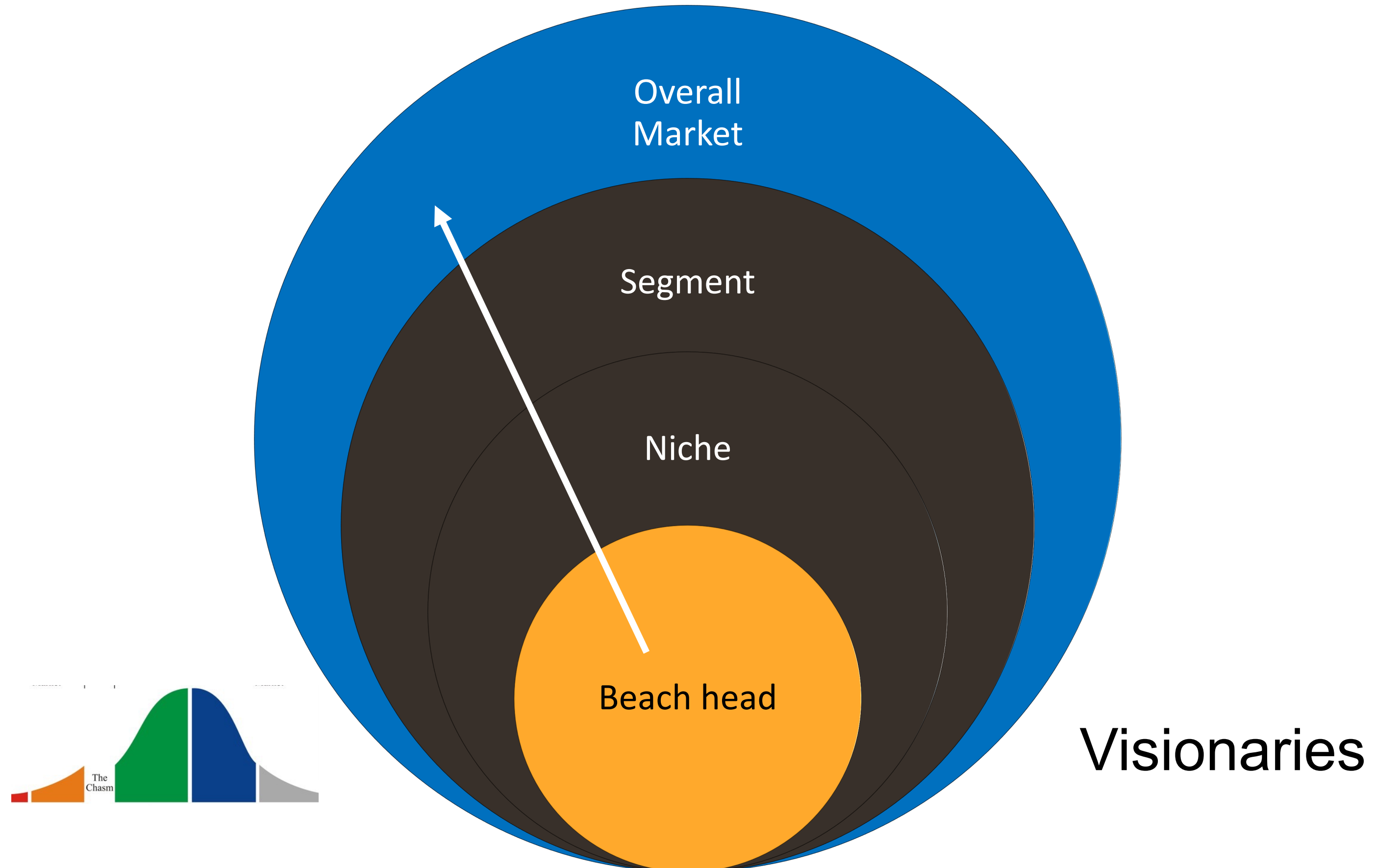
Tech Adoption Life Cycle & THE CHASM

Market Categories of Potential Customers:

1. Innovators (2.5%)
2. Early adopters (13.5%)
3. Early majority (34%)
4. Late majority (34%)
5. Laggards (16%)



Working outward from beachhead



Beachhead Market Selection

- **Does your beachhead market meet these three conditions?**
 1. Similar buying habits
 2. Similar buying cycles
 3. WOMM



The first step(s)...

1. Problem – Solution Fit

2. Customer Evidence – Early traction

3. Product Market Fit

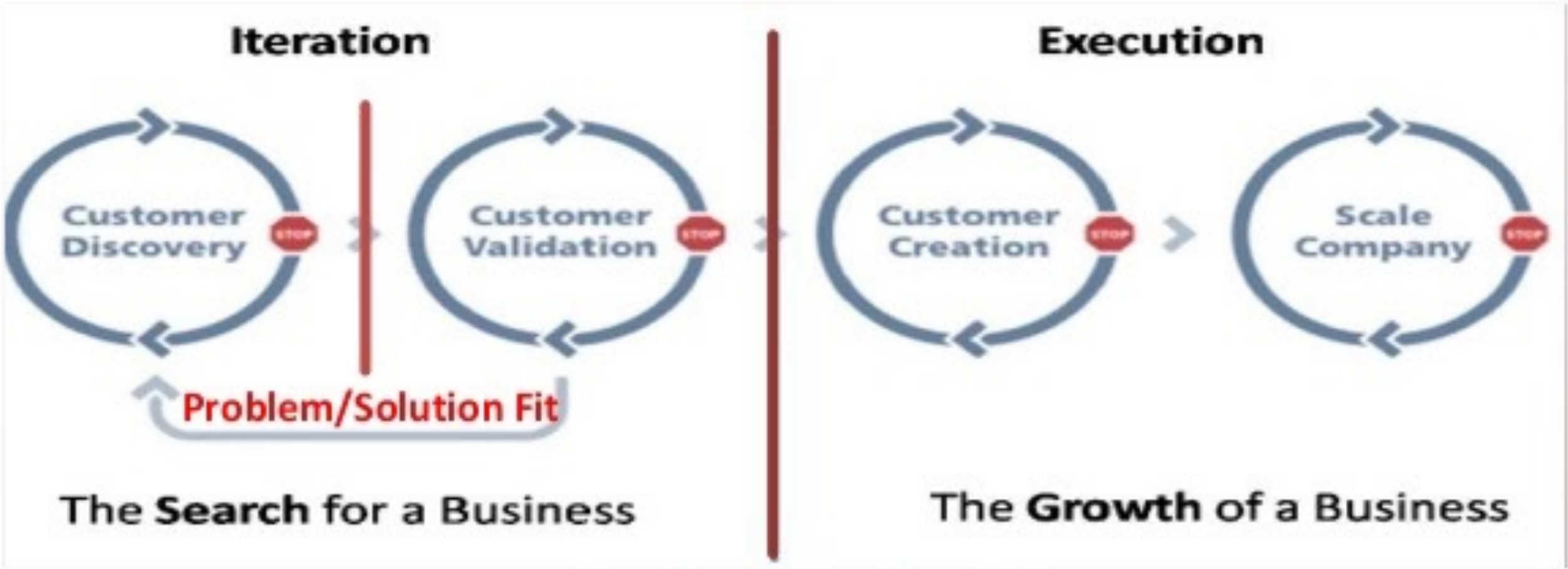
Problem-
Solution Fit

Evidence

Product
Market Fit

Product Market Fit

Faith vs. PM fit



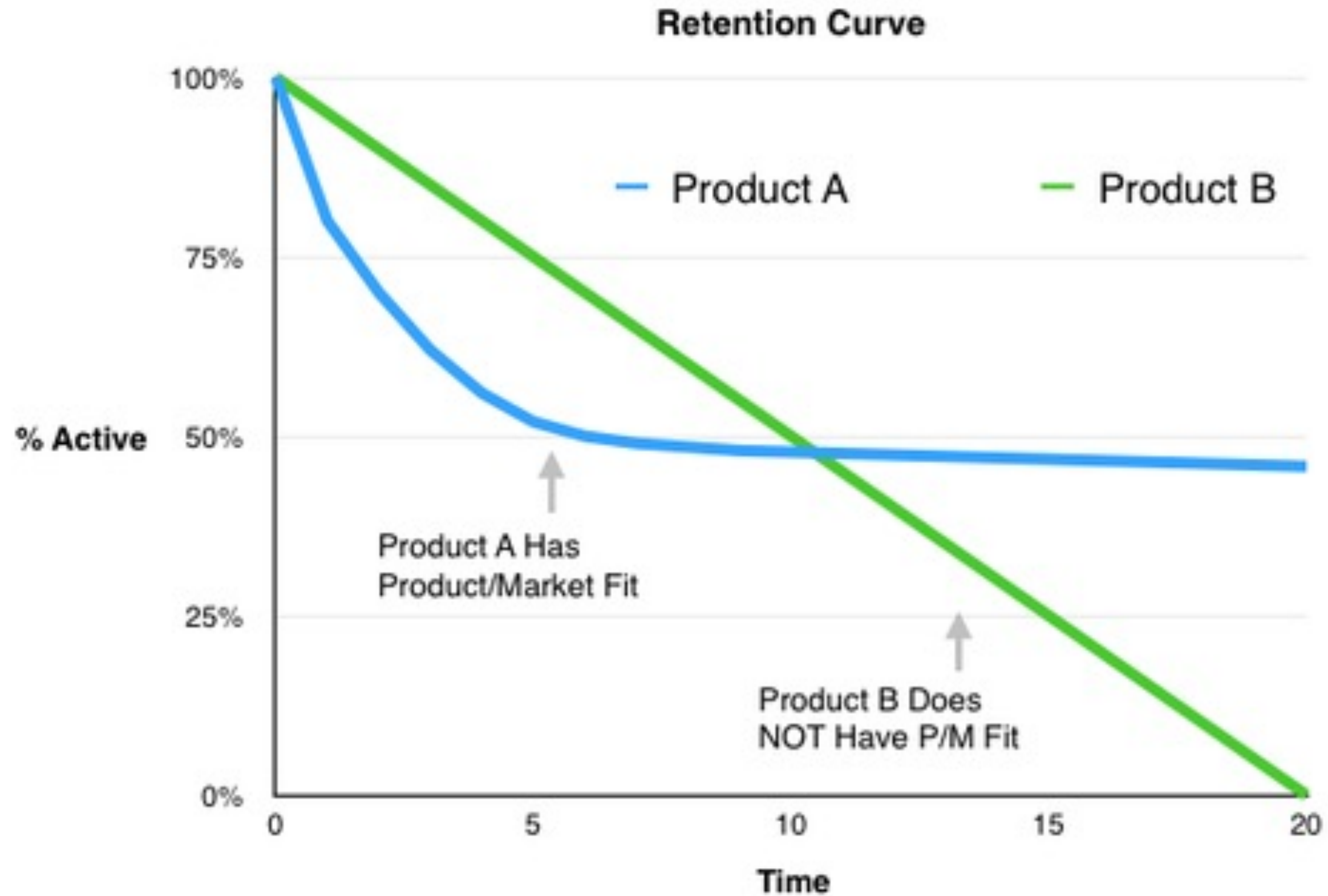
Product/Market Fit

Source: Steve Blank

Test in beach head markets

Scale to larger markets

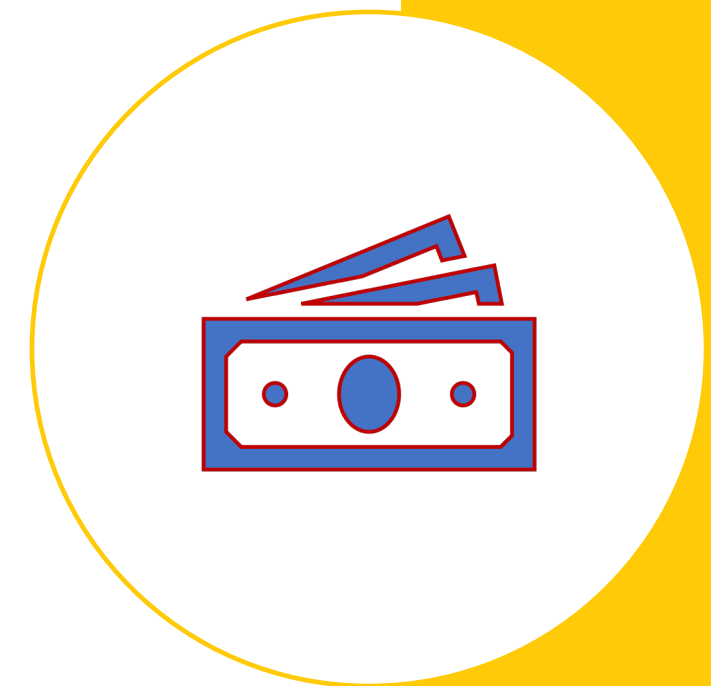
Love leads to Higher Retention



Market Size

Market Sizing

- » Estimating potential customers.
 - *Investors want to know your target market.*
- » Subgroups of the market:
 - **TAM**, or Total Available Market
 - **SAM**, or Serviceable Available Market
 - **SOM**, or Share of Market
- » Entrepreneurs: Establish a **beachhead market.**



Total Addressable Market

- **Counting “noses”**

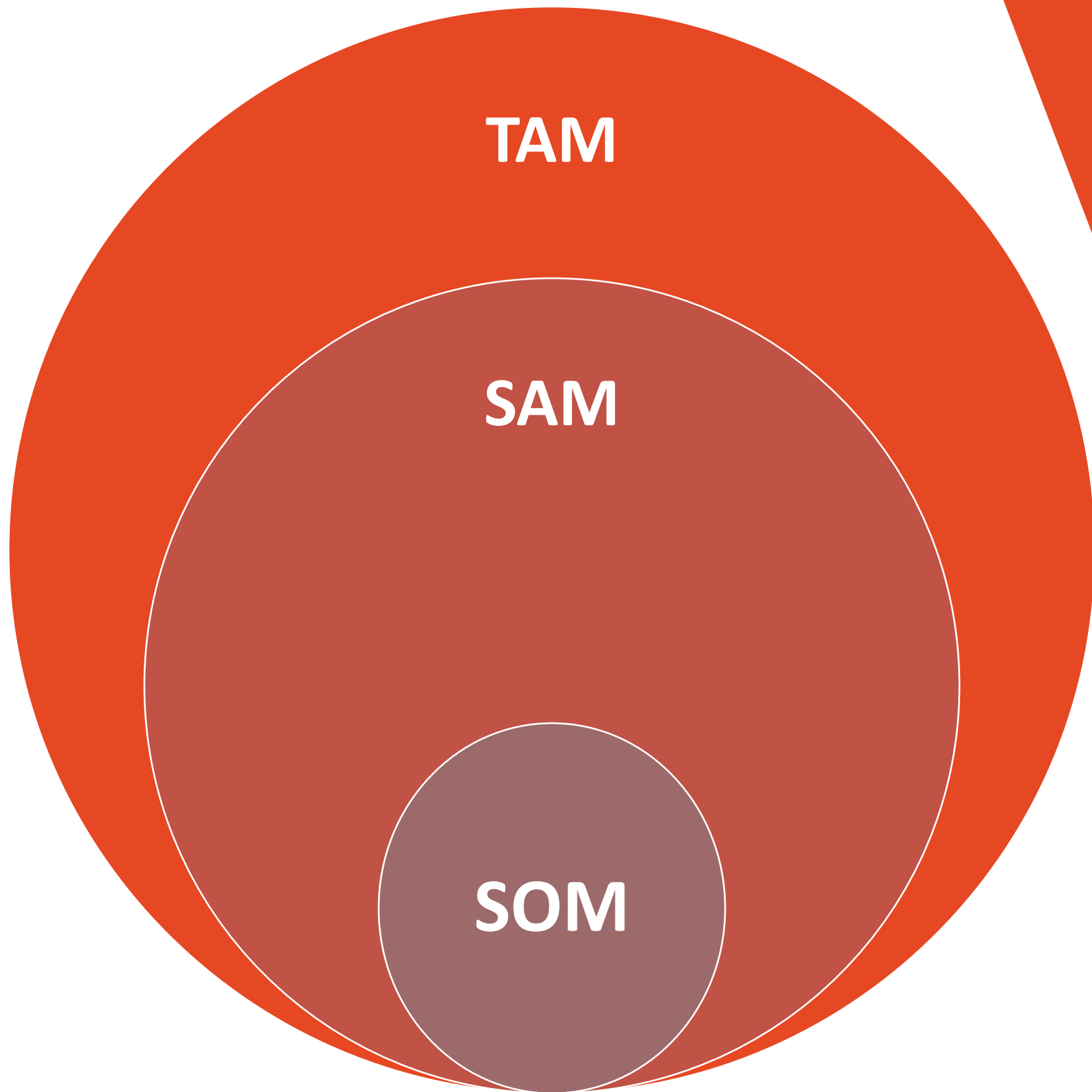


Calculating TAM

- 1. How many end users are there in your beachhead market?**
- 2. Estimate the amount of revenue per end user per year for your product**
- 3. Multiply 1 X 2**



TAM/SAM/SOM



Calculating Market Size

- 1. Define the segment:** Define your segment of the market.
- 2. Top-down market sizing:** determining the total market, and then estimating your share of the market.
- 3. Bottom-up analysis:** A bottom-up estimating potential sales using calculations in order to arrive at total sales figure.
- 4. Sanity checks:** You might have gathered all your data and research, but does it make logical sense?
- 5. Check out the competition:** Research on other options; is your industry crowded; what companies are leading the way in selling products or services similar to yours?



Revenue Model

Ten Types of Revenue Models

1 Unit Sales

2 Advertising

3 Data

4 Intermediation

5 Licensing

6 Franchising

7 Subscription

8 Professional

9 Utility and Usage

10 Freemium

Pricing

Pricing Strategies

How much to charge for products or services

- Create consistent revenue streams.

Competition and planning the pricing strategy.

- Understand your competition, your target market, and how your qualifications measure up against others – and plan your pricing strategy from there

No right way to determine pricing strategy.

- Prices will adjust as per demand.
- Positioning and brand of product or service will affect how much it sells for.

Pricing Strategies

1. **Competition-led pricing:** Copy the prices of other businesses.
2. **Customer-led pricing:** Ask customers.
3. **A loss leader:** Offering a product or service at a below-cost price.
4. **Introductory offer:** Encourage people to try your new product by offering it for free.
5. **Skimming:** For new products or services.
6. **Psychological pricing:** Encourage customers to buy based on their belief.
7. **Fair pricing:** Both businesses and customers believe that the pricing is reasonable.
8. **Bundled pricing:** Packaging a set of goods or services together.



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Questions?