

Creating a Quick Business Plan (Using the Lean Canvas)

SMALL BUSINESS ESSENTIALS WEBINAR SERIES

About SCORE

As a resource partner of the SBA, we help small businesses by:



Providing free
business advice
and mentoring



Offering low or
no-cost business
training



Sharing free business
templates and
resources

SCORE's Small Business Essentials Webinar Series

Small Business Startup Task	Planning Activity	Webinar Name	Mentor Meeting
<ul style="list-style-type: none"> Understand the importance of business planning and the planning process. Create an "Value Proposition." Create a "Lean Canvas." 	Basic Planning	Creating a Quick Business Plan	Mentor Review & Feedback
<ul style="list-style-type: none"> Choose your business entity. Make state/local business license applications. Determine your business insurance needs. 	Creating a Business Structure	Setting Up a New Business Entity	Mentor Review & Feedback
<ul style="list-style-type: none"> Define your target market. (Part 1) Create your product or service descriptions. (Part 1) Decide on your pricing strategy. (Part 1) Write your marketing message: value prop, benefits & features. (Part 1) Create a promotional plan for your business. (Part 2) 	Creating a Marketing Plan	Marketing Part 1 Marketing Part 2	Today's Webinar Mentor Review & Feedback
<ul style="list-style-type: none"> Calculate your startup costs. Project your sales for your first year of business. Create a projected P/L statement for the first year in business. 	Creating a Financial Plan	Developing Financial Projections	Mentor Review & Feedback
<ul style="list-style-type: none"> Connect with your fellow entrepreneurs Introduce your business Start achieving your networking goals Walk away with new contacts 	Network	Networking: Building Connections for Business Success	Mentor Review & Feedback

- Webinars are focused on helping you complete the SB tasks; Mentoring provides advice and guidance to make the most out of the SB tasks
- Request a SCORE mentor at www.score.org/find-mentor

Your Presenter



- **Christopher A. Taylor** enjoyed a 40+ year career in the insurance industry in a variety of leadership, strategic, and management roles, retiring from Zurich as Head of Healthcare and Financial Institutions. As a SCORE Mentor he uses his experience in working with entry level staff up through senior executives, to help entrepreneurs with all aspects of their journey including business planning, strategy, marketing, sales, and creative thinking.

Webinar Objectives

- Get started on your business planning process
 - Learn to write your Value Proposition
 - Know how to use the Lean Canvas to capture key ideas, concepts and strategies about your business.
- When you leave today's webinar, you'll be able to draft your own one-page business plan

“Profiting” from the Webinar

- Ask questions as we go along using the Q&A icon!
- Use these resources*
 - PDF of the workshop presentation
 - Do your homework using the worksheet -- your planning guide to support you in making your decisions and plans
- We will not have time to fully resolve every issue so consider getting a mentor!

POLL

*Links to workshop materials are posted on the webinar event page. A link to this web page was included in your registration confirmation email.

Meet “The Dude!”



We will use fictitious companies to illustrate how typical clients make decisions and create plans.

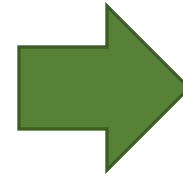


Agenda

1. Introduction
- 2. The Importance of Business Planning and the Planning Process**
3. Creating a Value Proposition
4. Defining Your Unique Advantage and Path to Customers
5. Completing Your One-Page Plan: Key Metrics, Revenue Streams and Cost Structure
6. Closing

New Businesses: Plan or Perish!

- Why do small businesses fail?
 - Lack cash “cushion” to sustain business.
 - Poor revenue/cost model.
 - Poor marketing strategy:
 - Lack of product uniqueness
 - Not able to connect to customers
 - Poor management/operational control.
- What are these caused by?
 - Lack of Planning!



What Planning does:

- Turns great ideas into great products/services
- Keeps bad ideas from losing you money.

A 3 Phase Planning Process for New Businesses

Quick Planning

Create a one-page business plan using the Lean Canvas (and reviewing with your mentor.)

Formal Planning

Create a formal business plan (with support from your mentor)

Detailed Planning

Create your business structure, marketing plan and financial plan (and meeting with your mentor).

Business Launch!

Quick Planning with the Lean Canvas

Lean Canvas

Problem Top 3 problems	Solution Top 3 features	Value Proposition Single, clear, compelling message that states why you are different and worth paying attention to	Unfair Advantage Can't be easily copied or bought	Customer Segments Target customers
	Key Metrics Key activities you measure		Channels Path to customers	
Cost Structure Customer acquisition costs Distribution costs Hosting People, etc.			Revenue Streams Revenue model Lifetime value Revenue Gross Margin	

Quick Planning: The Lean Canvas

- A one-page summary with 9 building blocks that define and describe your business concept.

By Ash Maurya

Why Use the Lean Canvas?

- Helps you describe and analyze your product or service idea and start thinking of it as a business.
- Quickly defines the problem to be solved and the solution which is provided.
- Places the focus on your **Value Proposition**
- Provides a solid starting point for more detailed planning.
- Allows you to test your idea early on and modify it.

Lean Canvas

Problem Top 3 problems	Solution Top 3 features	Value Proposition Single, clear, compelling message that states why you are different and worth paying attention	Unfair Advantage Can't be easily copied or bought	Customer Segments Target customers
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By Ash Maurya

Detailed Planning SCORE's Small Business Essentials Startup Tasks

Detailed Planning: The Next Steps

- Selecting your business structure, developing a marketing strategy and financial plan.

Detailed Planning	Planning Task	SCORE Webinar
Creating a Business Structure	<ul style="list-style-type: none"> • Choose your business entity. • Make state/local business license applications. • Make a plan for getting business insurance. 	Setting Up a New Business Entity
Creating a Marketing Plan	<ul style="list-style-type: none"> • Define your target market • Create your product or service descriptions. • Decide on your pricing strategy. • Write your marketing message: value prop, benefits and features. 	Marketing Part 1: Developing Your Marketing Plan
	<ul style="list-style-type: none"> • Create a promotion plan for your business. 	Marketing Part 2: Promoting Your Business
Creating a Financial Plan	<ul style="list-style-type: none"> • Calculate your startup costs. • Project your sales for your first year of business. • Create a projected P&L statement for the first year of business. • Create a Cash Flow Statement for your first year of business 	Developing Financial Projections for Your New Small Business

SCORE's Business Plan Template for a Startup Business

Formal Business Planning

- Essential in the financing process; helpful even if you don't need outside financing.

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<https://www.score.org/resource/business-plan-template-startup-business>

How Much Planning Do You Need?

Plan	Who Needs it? and When?
1. Lean Canvas	
2. Detailed Planning	
3. A Formal Business Plan	POLL

How Much Planning Do You Need?

Plan	Who Needs it? and When?
1. Lean Canvas	All startups. Early stage
2. Detailed Planning	All will perform some level of detailed planning (the more the better!) Before or soon after you open.
3. A Formal Business Plan	Some startups, where: <ul style="list-style-type: none">• Any substantial amount of money is at risk.• Significant funding is required to start.• Requesting external financing (bank, etc.).• You must have a physical site (building lease).• Have a complex product or business (employees).• Existing business planning a significant growth or new line of business.

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Value Proposition is at the Center of the Lean Canvas

Lean Canvas

Problem Top 3 problems	Solution Top 3 features	Value Proposition Single, clear, compelling message that states why you are different and worth paying attention to	Unfair Advantage Can't be easily copied or bought	Customer Segments Target customers
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By Ash Maurya

What is a Value Proposition?

- A single sentence combining the info below:
 - My product/service is “xxxxxxx”
 - and I will sell it to “xxxxxxx”
 - and it provides them the value of “xxxxxxx.”



Describe Your Value as Customer Benefits

- Describe the value of your product or service as the benefits it provides to your customers.
 - This should be differentiated in your market.
- Describe the benefits your customer receives in their words.
 - Benefits are generally expressed in gain or loss.
 - Only list the main features.
- It's NOT what the customers buy, it's what they receive, experience and value.

GREAT Example!

After the webinar, watch the Mad Men “Carousel Pitch”
(Search online)



It's Not What Customers Buy, It's What They Receive

- Examples:

What the customer buys:	The benefits they receive:
A high efficiency household, electric space heater.	Keeps you warm and comfortable as it saves you money.
A household security camera.	Improves family safety and provides peace of mind.
One-hour personal massage.	Lowers stress and improves health.

- Where to start? Identify the top customer **problems** your product/service idea is designed to solve, and how your product/service provides the **solution** to those problems.

Focus First on the Problem, Solution & Target Customer

Lean Canvas

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By Ash Maurya

Lean Canvas: Problem and Solution

The Problem:

- Top 3 Customer Problems
- What are the alternatives?

The Solution:

- Top 3 features that solve the problems.

The Problem:

- What is the customer problem (opportunity) your product/service is solving?
- What keeps them up at night?
- What are the alternatives / who are your competitors?



Problem (Customer Needs):

- How will your product/service solve for that?
- What are the top features (tangible aspects) that solve the problems.
- Describe in terms of customer benefits
- How is your product/service different, and why does that difference matter?

Problem and Solution: Example

The Problem:

- Top 3 Customer Problems
- What are the alternatives?

The Solution:

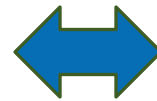
- Top 3 features that solve t' problems.



EXAMPLE: **The Dude's School of Roping and Riding!**

The Problem:

- They don't know how to ride or care for these large beasts.
- They want to ride safely and not get hurt or have their kids get hurt.
- They don't have horse trailers or don't want to leave their barn!
- Alternatives: Lessons at barns and riding stables in the area

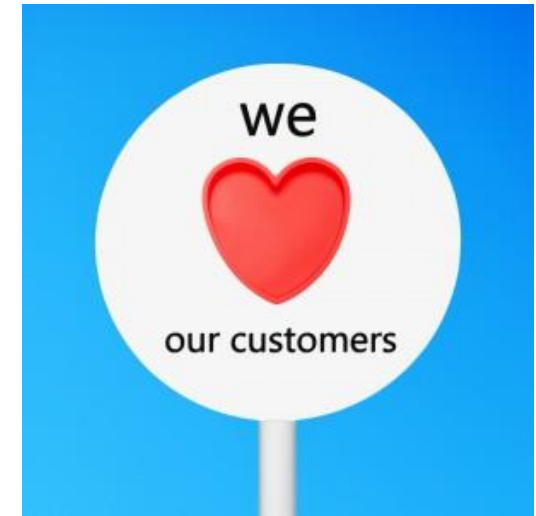


The Solution:

- We come to you – no need to travel to a barn
- One-on-one training on your own horse
- We'll get you started and build your confidence and skills

Define Your Target Customer (Customer Segment)

- Describe who your best customers will be.
- Be specific:
 - Not consumers, but “parents with kids who play soccer in the Arlington, VA area.”
 - Not businesses, but “orthodontists in Montgomery County, MD.”
- Find a way to describe your best customers as a group so that you can easily identify ways to promote your business to them.



POLL

Lean Canvas: Customer Segments

Customer Segments:

- Who are your target customers?
- Demographics
- Who are your early adopters?

EXAMPLE: **The Dude's School of Roping and Riding!**



Customer Segments:

- Describe the purchaser most likely to purchase your product first.
- Where are they?
- How many?
- What is their budget?



Customer Segments:

- Target customers: People who own horses within 25 miles of Devon, PA
- Early adopters: First time horse owners with money to spend
- Parents whose kids are nagging them to get a horse

Describe Your Product or Service Idea

- Describe your product / service in 15 words or less.
- Focus on what your business will be at the beginning. Don't include all the products and services you will add after launch.
- What is your best idea (most profitable) to start your business?
- Describe it factually from the perspective of your customer.
- No “marketing speak;” that comes later.

EXAMPLE:

**The Dude's School of
Roping and Riding!**



*“One on one training
on your horse at your
stable.”*

Bring It All Together into Your Value Proposition

Value Proposition:

- Simple, clear compelling message that states why you are unique and worth buying.
- Briefly describe the product/service
- Who will you sell it to?
- Do the customer benefits in your value:
 - Solve your customer's problems?
 - Do they express the benefits (expressed in gain or loss) customers receive from your product features?



**The Dude's
School of Roping
and Riding!**

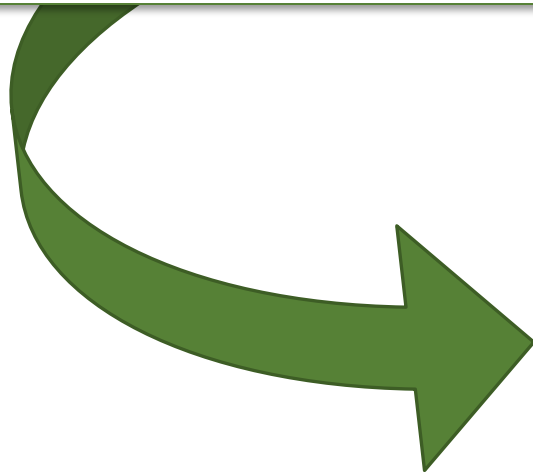
- **My product/service is:**
 - The Dude's School of Riding and Roping! One on one training on your horse at your stable.
- **I will sell it to:**
 - People who own and ride horses within 25 miles of Devon, PA.
- **It provides them the value of:**
 - Increases rider's confidence and safety by improving their riding skills on their own horse.

Value Proposition: More Service Business Examples



Value Proposition:

- Simple, clear compelling message that states why you are unique and worth buying.



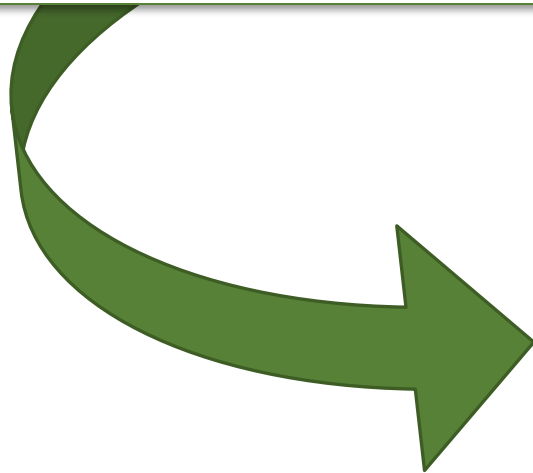
The Dude's Your Small Biz Accountant	The Dude's Local Landscaping
<p>My product/service is: The Dude's Your Small Biz Accountant – Accounting and bookkeeping for your small business.</p>	<p>My product/service is: The Dude's Local Landscaping – Landscaping services for local homeowners, specializing in maintenance contracts.</p>
<p>I will sell it to: Retail shop owners and personal service businesses with less than \$500K revenues based in Annapolis MD, Baltimore MD and surrounding areas.</p>	<p>I will sell it to: Homeowners in the Bergen and Passaic Counties NJ who don't have the time and energy to maintain their own lawn and garden.</p>
<p>It provides them the value of: Personalized, quality accounting and bookkeeping for businesses just starting out.</p>	<p>It provides them the value of: Dependable lawn and garden maintenance services at affordable prices.</p>

Value Proposition: Product Business Examples



Value Proposition:

- Simple, clear compelling message that states why you are unique and worth buying.



The Dude's Cowboy Chili Parlor	The Dude's Online World of Chili
My product/service is: The Dude's – A Cowboy Chili Parlor and Old Time Saloon.	My product/service is: The Dude's Online World of Chili – Your source for chili and hot sauces from around the world.
I will sell it to: Families in the Charlottesville, VA area who are Tex-Mex fans and dine out regularly.	I will sell it to: People who love chili, hot sauces and Tex-Mex foods in all its forms.
It provides them the value of: Easily accessed, value priced family Tex-Mex dining in a fun cowboy experience.	It provides them the value of: The fastest and easiest way to get most chili and hot sauce information, products and recipes from around the world.

Why Write a Value Proposition?

- Encourages you to think how to make your product, service or collection unique in some way in your market.
 - “Me too’s” or direct copies have a lot of risk.
- Provides you with a quick way to describe your business to others.
- Using 15 words per line makes you choose what your business does and does not do.
 - It’s a method to scope and focus your business at startup.



Homework: Write Your Value Proposition

My product/service is “(15 words or less)” and I will sell it to “(15 words or less)” and it provides them the value of “(15 words or less)”

Lean Canvas By Ash Maurya

1 Problem <small>Top 3 problems</small>	2 Solution <small>Top 3 features</small>	4 Value Proposition <small>Single, clear, compelling message that states why you are different and worth paying attention</small>	5 Unfair Advantage <small>Can't be easily copied or bought</small>	3 Customer Segments <small>Target customers</small>
	7 Key Metrics <small>Key activities you measure</small>		6 Channels <small>Path to customers</small>	
9 Cost Structure <small>Customer acquisition costs Distribution costs Hosting People, etc.</small>		8 Revenue Streams <small>Revenue model Lifetime value Revenue Gross Margin</small>		

HOME WORK Complete the Problem, Solution, Customer Segments and Value Proposition sections of your Quick Business Plan Worksheet

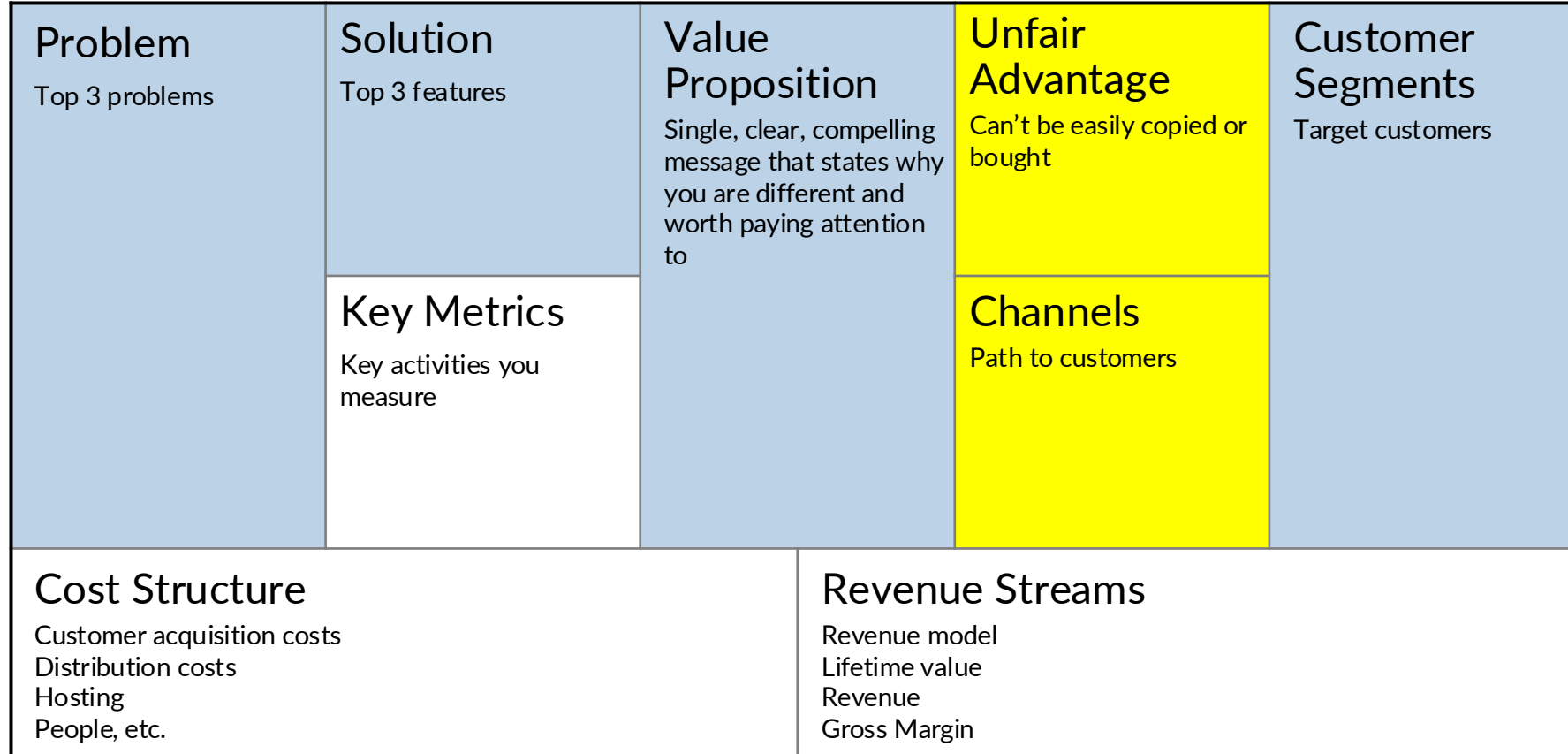
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QUESTIONS?

Continue to Build Out Your Lean Canvas ...

Lean Canvas



By Ash Maurya

What is Your Unfair (Unique) Advantage?

- Unfair Advantage: Can't be easily copied or bought
- What aspects of your product/service make it difficult for competitors to match you?
 - How will you defend against competition?
 - Is it reflected in your value prop?
- Don't think you have one?
 - **Consider it a challenge to develop it!**



Lean Canvas: Unfair Advantage

Unfair Advantage

- Can't be easily copied or bought.

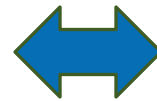
EXAMPLE:

The Dude's Online World of Chili



Unfair Advantage:

- What aspects of your product/service make it difficult for competitors to match you?
- How will you defend against competition?



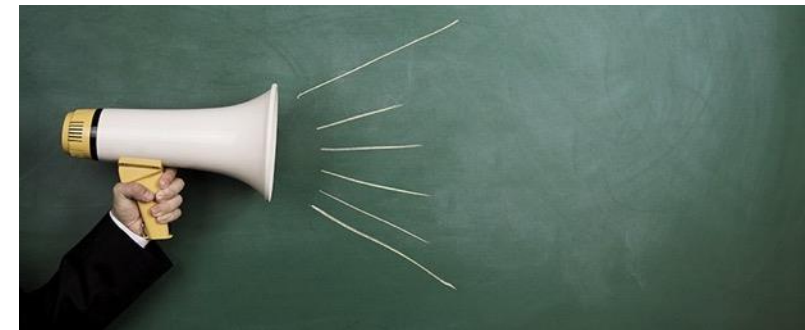
Unfair Advantage:

- The owner is a recognized expert and has an encyclopedic unique knowledge of sauces and chili from around the world.
- The owner has developed personal relationships with numerous manufacturers of sauces and chili from around the world.

POLL

Lean Canvas: Channels—The Paths to Your Customers

- How will you communicate your unique advantage to potential customers?
- Start with your Customer Segments - thinking about how you will get to the customers most likely to purchase your product first (early adopters)
- What methods will you use to promote your product/service to your customers?
 - How will you interact with consumers, inform them of your product/service?
 - Print ads, social media platforms, promotional events, or even word of mouth—consider the most effective ways to reach your customers.
- Do they work with your customer segments?
 - Modify your segments if needed.



Segments and Channels: Example

Customer Segments:

- Who are your target customers?
- Who are your early adopters?

Channels:

- Paths to Customers



EXAMPLE: **The Dude's School of Roping and Riding!**

Customer Segments:

- Target customers: People who own horses within 25 miles of Devon, PA.
- Early adopters: First time horse owners.



Channels

- Work with local stable owners, horse breeders and tack shops.
- Attend related festivals and fairs.
- Customer referrals.

Homework: Your Unique Advantage & Path to Customers

- My product/service can't be easily copied because:
 - Xxx
 - Xxx
- I will use the following channels to reach my product/service's early adopters:
 - Xxx
 - Xxx

Lean Canvas By Ash Maurya

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Lastly, Identify Key Metrics, Revenue Streams & Costs

Lean Canvas

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Cost Structure Customer acquisition costs Distribution costs Hosting People, etc.			Revenue Streams Revenue model Lifetime value Revenue Gross Margin	

By Ash Maurya

How Will You Measure Success?

- How will you measure success other than financial statements?
 - How will you track consumer engagement, excitement, and usage of your product/service?
 - How will you track your success relative to competitors / alternatives?
- Key Metrics:
 - The activities that you measure.



Lean Canvas Key Metrics: Examples



The Dude's Cowboy Chili Parlor

- Number of customers per serving (lunch and dinner).
- Average total sales per customer.
- Average beverage sales per customer.
- % premium entrees sold per serving.
- Number of repeat customers.

The Dude's Local Landscaping

- Number of customers.
- Average total sales per customer.
- Number of repeat customers.
- Number of referrals.

Key Metrics

The activities that you measure.

The Dude's Online World of Chili

- Website visits and visitors
- Average time on website
- Discussion board usage rate
- Conversion rate (sales).

The Dude's Your Small Biz Accountant

- Number of customers.
- Revenue per customer.
- Number of referrals.
- Leads generated per month.
- Conversion rate.
- MRR – monthly recurring revenue.

How Will You Generate Revenue?

Revenue Stream Examples

- Basic Types:
 - Transactional: One time, one and done (large purchases; cars, houses)
 - Recurring: Ongoing delivery of the value proposition (club memberships)
 - Repeat: Back for more (restaurants)
- Unit of sales:
 - Sale of an asset or physical product
 - Sale of a service (consulting/hours)
 - Subscription fee (continuous access: membership or subscription)

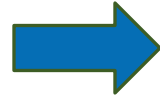
Revenue Streams: Example

EXAMPLE: **The Dude's School of Roping and Riding!**



Revenue Streams:

- Revenue model
 - Describe your pricing model – how do you charge?
- Volume estimates
 - Per unit sales
 - By the hour
 - By the plan
- Compared to competition



Revenue Streams:

- Revenue model:
 - Bill hourly (\$100/hour).
 - Multi month training plans with higher discounts on longer contracts. (\$200/4 lessons per month)
- Volume estimates:
 - By the hour: 20 lessons/week.
 - By the plan: 10 monthly plans.

What Will it Cost to Launch and Maintain Your Business?

Cost Structure Examples

- Start-Up Costs:
 - Funds needed to open the door
 - Usually one time or infrequent
 - Includes location, improvements, equipment, furniture, deposits, websites, technology, beginning inventory, several months of working capital, etc.
- Ongoing Operating Costs:
 - Operating Expenses: costs that do not directly change with the number of products or services delivered (salaries, rent, plant & equipment financing costs, software)
 - Cost of Goods Sold (COGS): Costs that directly related to the number of product units sold (materials, contract labor)

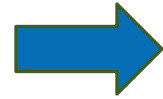
Cost Structure: Example

EXAMPLE: **The Dude's Cowboy Chili Parlor**



Cost Structure

- List the items you need funding for to start your business
- List the items that will be part of your ongoing operating expenses
- List the items that will be a part of your product or service's cost of goods sold



Cost Structure

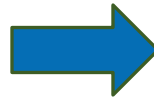
- Startup costs:
 - Building and site improvements
 - Equipment and furnishings
 - Food and liquor inventory
 - Staff training salaries
 - Licenses
- Monthly operating expenses:
 - Rent, salaries, utilities, insurance, bookkeeping, etc.
- Cost of goods sold:
 - Food and liquor costs.



Cost Structure: More Examples

Cost Structure

- List the items you need funding for to start your business
- List the items that will be part of your ongoing operating expenses
- List the items that will be a part of your product or service's cost of goods sold



The Dude's Local Landscaping

- Startup costs:
 - Trucks
 - Mowers and other landscaping equipment
 - Licenses
- Operating Expenses:
 - Vehicle lease payments, employee salary, insurance, bookkeeping, etc.
- Cost of Goods Sold:
 - Gas for landscaping equipment, vehicle maintenance (standard mileage expense).

The Dude's Your Small Biz Accountant

- Startup costs:
 - Accounting Software
 - Website
 - Licenses
- Operating Expenses:
 - Insurance, website maintenance social media marketing, office supplies, equipment/software licenses
- Cost of Goods Sold:
 - Customer acquisition cost.

Homework: Complete Your One Page Plan

- Key Metrics
- Revenue Streams
- Cost Structure

Lean Canvas

By Ash Maurya

1 Problem Top 3 problems	2 Solution Top 3 features	4 Value Proposition Single, clear, compelling message that states why you are different and worth paying attention	5 Unfair Advantage Can't be easily copied or bought	3 Customer Segments Target customers
	7 Key Metrics Key activities you measure		6 Channels Path to customers	
9 Cost Structure Customer acquisition costs Distribution costs Hosting People, etc.		8 Revenue Streams Revenue model Lifetime value Revenue Gross Margin		



Complete the Key Metrics, Revenue Streams and Cost Structure sections of your Quick Business Plan worksheet to complete your Lean Canvas.

Agenda

1. Introduction
2. The Importance of Business Planning and the Planning Process
3. Creating a Value Proposition
4. Defining Your Unique Advantage and Path to Customers
5. Completing Your One-Page Plan: Key Metrics, Revenue Streams and Cost Structure
- 6. Closing**

Recap: Using the Lean Canvas to Create a One-Page Plan

Complete the 9 Blocks in this sequence:

1. Define the Problem you're solving
2. Address how your product/service provides the Solution
3. Describe your target Customers
4. Now you can create your Value Proposition!
5. Do you have an "Unfair Advantage"?
6. What channels will you use to reach customers?
7. Which Metrics will you measure?
8. Define your Revenue model
9. Identify your Cost structure

Lean Canvas

Problem Top 3 problems <div style="text-align: center; font-size: 2em; color: green;">1</div>	Solution Top 3 features <div style="text-align: center; font-size: 2em; color: green;">2</div>	Value Proposition Single, clear, compelling message that states why you are different and worth paying attention <div style="text-align: center; font-size: 2em; color: green;">4</div>	Unfair Advantage Can't be easily copied or bought <div style="text-align: center; font-size: 2em; color: green;">5</div>	Customer Segments Target customers <div style="text-align: center; font-size: 2em; color: green;">3</div>
	Key Metrics Key activities you measure <div style="text-align: center; font-size: 2em; color: green;">7</div>		Channels Path to customers <div style="text-align: center; font-size: 2em; color: green;">6</div>	
Cost Structure Customer acquisition costs Distribution costs Hosting People, etc. <div style="text-align: center; font-size: 2em; color: green;">9</div>			Revenue Streams Revenue model Lifetime value Revenue Gross Margin <div style="text-align: center; font-size: 2em; color: green;">8</div>	

PRODUCT

MARKET

By Ash Maurya

What's Next?

- When you leave today, fill out your worksheet and Lean Canvas and then ... Congrats – you have a high-level draft business plan!
- This creates a framework for a new business, but you still have important decisions and critical plans to make.
- Each box is an area for more (detailed) planning.
 - Review “Score Small Business Essentials Task List” for your next actions.
 - Consider attending one of our “detailed planning” workshops.
- Always be testing and refining your idea/product/service (and updating your written plans.) Do this with your mentor!

Webinar Go-Do's

- Using your completed Quick Business Plan (Lean Canvas) Worksheet, and review with your mentor:
- Recommended: Take these two webinars next:
 - Setting Up a New Business Entity
 - Marketing Part 1: Developing Your Marketing Plan
- If you do not have a SCORE mentor, request one at www.score.org/find-mentor

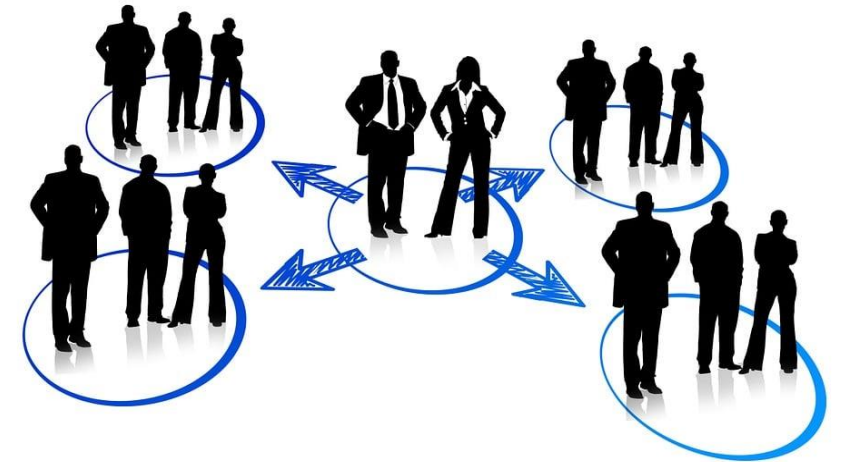
The image shows a screenshot of a worksheet titled "QUICK BUSINESS PLAN (LEAN CANVAS) WORKSHEET". At the top left is the SCORE logo with the tagline "FOR THE LIFE OF YOUR BUSINESS". At the top right is the "POWERED BY SBA" logo. Below the title, a note states: "NOTE THIS IS A FILLABLE FORM. USE THE TAB KEY TO MOVE FORWARD OR PLACE YOUR CURSOR DIRECTLY IN THE SECTION BOX." The form is divided into two main sections: (1) (CUSTOMER) PROBLEM and (2) SOLUTION. Section (1) includes a sub-section "Top 3 Customer Problems Solved by Your Product or Service:" followed by a large empty text box. Below this is the question "What are the alternatives and competitors to your product or service?" followed by another large empty text box. Section (2) includes a sub-section "Product or service description:" followed by a large empty text box. At the bottom of section (2) is the sub-section "Top 3 Features:" followed by a large empty text box.

JOIN OUR **NEW** MONTHLY NETWORKING EVENT

Networking: Building Connections for Business Success

What You'll Do in This 90-Minute Session:

- Connect with your fellow entrepreneurs
- Introduce your business
- Start achieving your networking goals
- Walk away with new contacts



REQUIREMENTS TO ATTEND:

- ✓ Current SCORE Client with a Mentor
- ✓ Active Participant in the current Small Business Essentials Series

First Session Launches This Month!

Moderated by a SCORE Mentor

✓ Free to attend | ✓ Interactive | ✓ Fun & Practical

QUESTIONS?

Helpful Links

- Find SCORE resources for small businesses at www.score.org/templates-resources
- Find more SCORE live and recorded workshops and courses at www.score.org/get-business-training
- Book an appointment with a SCORE mentor at www.score.org/find-mentor





THANK YOU FOR YOUR PARTICIPATION



Funded in part through a cooperative agreement with the U.S. Small Business Administration.

All opinions, conclusions, and/or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the SBA.

Appendix

- Lean Canvas
- Revenue Stream Example
- Cost Structure Example

Lean Canvas

Problem Top 3 problems	Solution Top 3 features	Value Proposition Single, clear, compelling message that states why you are different and worth paying attention to	Unfair Advantage Can't be easily copied	Customer Segments Target customers
	Key Metrics Key activities you measure		Channels Path to customers	
Cost Structure Customer acquisition costs Distribution costs Hosting People, etc.		Revenue Streams Revenue model Lifetime value Revenue Gross Margin		

Refer to your Quick Business Plan Worksheet for a fillable version of the Lean Canvas

By Ash Maurya

Example: Determining Your Revenue Stream



**The Dude's School of
Roping and Riding!**

Revenue Model	Hourly	Packages
Unit Price	\$100 per hour	\$200 per month/4 sessions
Estimated Hourly Sessions	20 week/80 per month	10 packages = 40 sessions per month
Total Monthly Revenue	\$100 x 80	\$50 x 40
Grand Total	\$8,000	\$2,000
Hours per month/week	80 month/20 week	40 month/ 10 week
Total Monthly Revenue = \$10,000		
Total Hours Worked = 120 per month/30 per week		

For detailed information on projecting revenue and costs please attend the SBE Developing Financial Projections for Your New Small Business

Webinar

Example: Documenting Your Cost Assumptions



**The Dude's Cowboy
Chili Parlor**

List Monthly Operating Expenses

Monthly Operating Costs	Fixed	Variable
Rent	\$3,000	
Website, Insurance, other	\$1,500	
Utilities	\$1,000	
Owner salary	\$5,000	
Employee Salary	\$3,000	
Cost of Goods Sold (food & liquor)		65% of Revenue
Credit card fees		3% of Revenue

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Webinar