



Transitions

Wake Up to Enterprise

Test bed for Ideas

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Will my idea work?

Three golden rules

- Understand exactly why anyone will buy your product or service
- 100% focus on *CUSTOMERS'* needs, not just yours!
- Network like crazy

The rest flows from here



What are your customers' needs?

- Understanding their needs = understanding why they will buy
- So, is your idea :

A Pain Killer or Vitamin ?

A 'must have' or simply 'nice to have'



Who are they and where are they?

- To understand their needs you must understand your customers
- Who they are / what they want / what they look like / how they behave / what they value / where they are.....
- Identify your accessible market – those you can reach and sell to most readily
- ‘Market segmentation’ to ensure best sales



Benefits *not* Features

Customers buy because of the benefits you offer them,
whether **Real** or **Perceived**

- Problem solving
- Cost saving
- Increased sales/revenue
- Time saving
- Entertainment
- Health

‘It is so much easier to describe the ‘features’ of my
business, as I passionately believe in it, so I’ll stick to
that, thanks’



Is there a market out there?

You have to realise and accept that:

- The world will *not* beat a path to your door

Market testing and research is ***BOORING!***

- Much easier (and more fun) to focus on other things
- You need friends and others who will be brutally honest with you, and I mean ***BRUTALLY***. If not, who are you kidding?



So, why do I need to do it and where do I look?

WHY

- To determine the size and value of the market
- To refine both the opportunity and your product

HOW

- Network, network and network again
- Ask questions of anyone you think might know and help
- Of course, the Internet
- Press and trade journals
- Identify potential competitors and establish what they offer and how they make their money – their 'Business Model'



'I have no competitors, my idea is unique'

- If this is what you think, file for bankruptcy right *NOW!*
- What alternatives does your customers have if they don't buy your product?
- For a start, they can just carry on as they are!
- What other choices do they have?
- Dig, dig, and dig more to find who is doing what out there, even remotely similar
- NB All competing products are NOT rubbish!



Turning your idea into action

First, what about you?

- You can't do it on your own
- All successful ventures are centred around an entrepreneurial team, however small
- Know your strengths and weaknesses
- What other skills or experience will you need and when might you need them?
- Investors invest in the team, not the product



Turning your idea into action

Making it happen - planning

- **What is your approach to meeting customers' needs?**
- **Your 'business model'**
 - Who is the customer?
 - What do they value?
 - How do I make money in the business?
 - How am I going to reach my customers and make sales?
- **The business model forces us to think rigorously about the business – how it fits together and works**
- **Business models fail for two reasons**
 - The narrative test – the story doesn't add up
 - The numbers test – the forecasts don't add up



How do I get started?

Some essential questions

- When will the business need your full time commitment?
- When will you need to give up your 'day job'?
- Will the business be self funding – 'boot strapping'?
- What will you live on at the beginning?
- Will you need external cash?



What next?

- **Develop a realistic and achievable *action plan* and test it with others**
- **Plan your networking strategy and start immediately**
 - Magic words
 - So-and-so suggested you might be able to help me
 - Can you spare me 30 minutes? I would like your advice/pick your brains about an idea I have
 - Can you possibly suggest the names of two other people I could talk to?
 - Plan your questions and, depending on who they are, be clear what you want from them
 - LISTEN.....
- **Which leads me to your:
*ELEVATOR PITCH!***



Elevator Pitches

- Two minutes maximum – you have only until you reach the 8th floor
- Your ‘target’ may have heard hundreds of new business ideas, so how can you grab their attention and get them to want to fix a meeting?
- This may be your only chance
- How
 - The market opportunity
 - What you are offering and the need it satisfies – Benefits not Features
 - The unique selling points – why customers will buy
 - Why **you** are the right person for this opportunity
 - Your ‘team’, the key people whose support you already have
- **Rehearse, rehearse and rehearse** until you hardly have to think about it



Takeaway Messages

- Customer focus and needs
- The benefits to them
- Know your competitors
- You can't do it on your own
- How you will make money out of it – Business Model
- Understanding the finances and funding
- Networking
- AND
- Your elevator pitch