



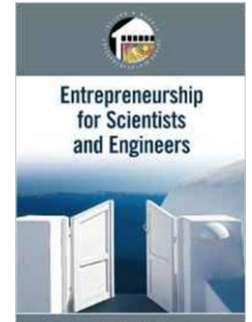
# Hello!

Please call me..

"Coach S."



 **GrowthWheel®**  
CERTIFIED BUSINESS ADVISOR



**Presents:**  
***Best Practices***  
***in***

***Preparing your Business Plan Briefing***

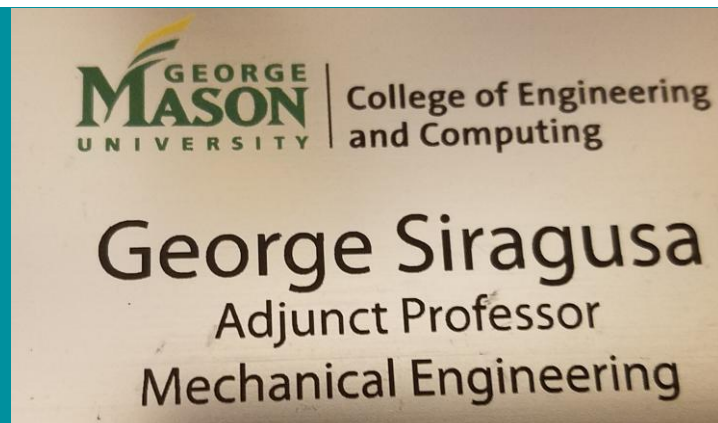
*Your Presenter for today's discussion:*



Senior Business Adviser SBDC  
Growth Wheel Int'l Cert. Biz Adviser  
Adjunct Professor @ GMU's  
School of Engineering  
GMU Mentor in Residence

Mentor @ 3 NoVA Tech Accelerators  
Entrepreneur, Investor  
Co-Founder Marketing Strategy Firm

Retired U.S. Navy Captain  
BS Engineering U. S. Naval Academy  
Masters CMU  
Former Executive, ExxonMobil  
Kellogg, Thunderbird Schools  
Lean Process GBelt  
Published



# Thanks to Our Community Sponsors



# Hello again to:

**Pre-Venture & Startup Companies!**

**Growth and Venture Companies !**

**Mature Businesses!**



# Welcome!



Please call me...

**"Coach S."**

<https://www.linkedin.com/in/georgesiragusa/>



*Best Practices  
in Preparing your  
Business Plan Pitch!"*



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Published

*Sponsored by:*



*Presented by: George Siragusa  
Sr. Business Advisor, Mason SBDC*



# FYI: Small Business Development Centers

- over 1000 Centers Nation-Wide
- 27 Virginia SBDC Centers
- Guidance, Coaching, Resources, Educationn, Access to Capital and more!

No Cost 1-on-1 Business Counseling!

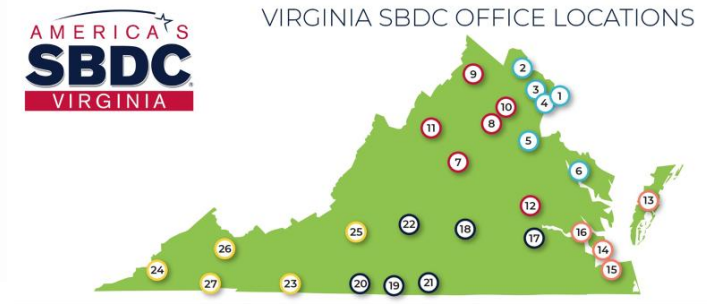


U.S. Small Business  
Administration



American Samoa  
Pacific Islands (Guam)

Puerto Rico  
U.S. Virgin Islands



George Mason  
SBDC  
Home - Mason SBDC

[Find Your SBDC - America's SBDC \(americassbdc.org\)](http://americassbdc.org)

Thank  
you!



HELLO  
my name is

"Coach S."

George Siragusa  
Senior  
Business  
Adviser

<https://www.linkedin.com/in/georgesiragusa/>

Seeking our ***NO-COST*** Business  
Assistance?

Mason SBDC  
10306 Eaton Place  
Suite 180

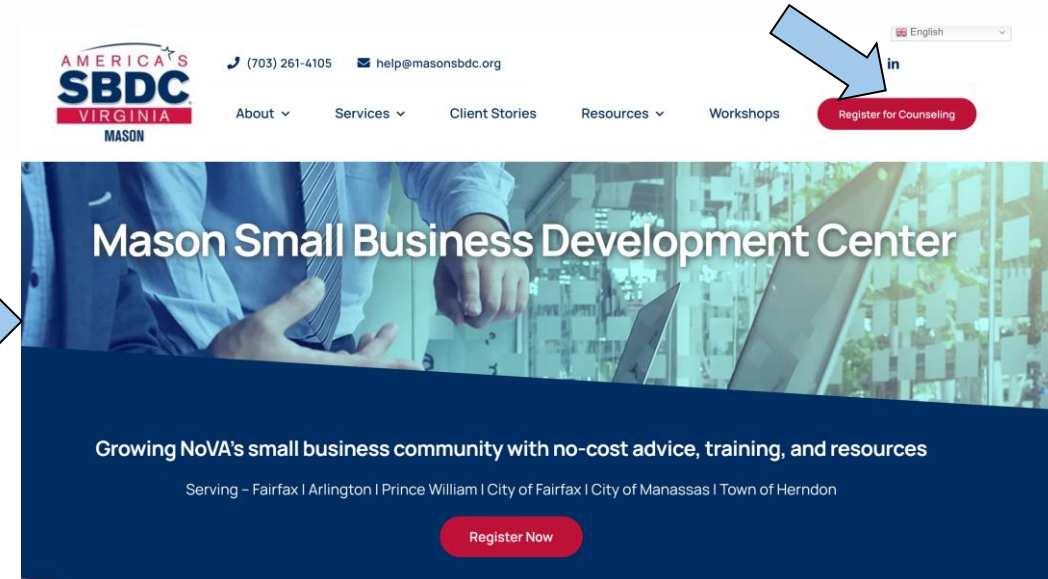
Fairfax, VA 22030  
(703) 261-4105

Our Website:

[www.masonsbd.org](http://www.masonsbd.org)

- **Resources:** <https://www.virginiasbd.org/>
- **Contacts:** [help@masonsbd.org](mailto:help@masonsbd.org) or (703) 261-4105
- **1:1 Counseling:** <https://clients.virginiasbd.org/reg.aspx?mode=counsel&center=46110&subloc>
- **Workshops:** <https://masonsbd.org/workshops/>

AMERICA'S  
**SBDC**  
VIRGINIA  
MASON



- *Anatomy of a Typical Small Business Entrepreneurial Journey (NEW!) *
- *Legal & Admin Steps to Starting a Business*
- *Value Proposition Design*
- *Small Business Financing*
- ➔ ***Preparing your Business Briefing / Narrative / Pitch***
- *Marketing 101*
- *Government Contracting 101*
- *Digital Marketing – SEO and Social Media Marketing*
- *Accounting, Budgeting, Financial Management;*
- *Performance Management – Guide to Key Performance Indicators / Biz Dashboards*
- *Business Operations:*
  - *Taxes, HR, Legal, Real Estate,*
  - *Management, Leadership*
- *Cyber Security for Small Business*

[Find events | U.S. Small Business Administration \(sba.gov\)](#)



In Summary...Mason SBDC can offer:

- Perspectives / Coaching / Advising
- Resources
- Education
- Access to Capital
- Mentorship
- Guidance along your Journey!





*During today's webinar you will.....*



- ...*become **aware of "5 scenarios"*** in the life of almost any business **when a business plan briefing may be needed and very useful**



- ...*follow a **5 step checklist*** to ensure your business is built on solid **Lean Foundational Principles**

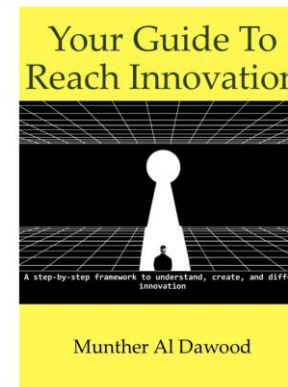
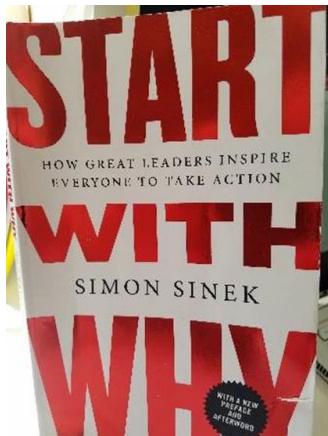
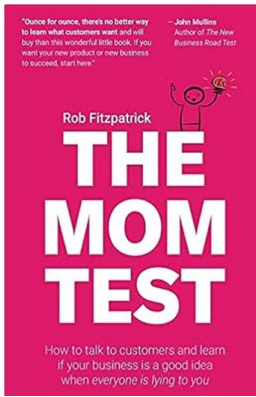
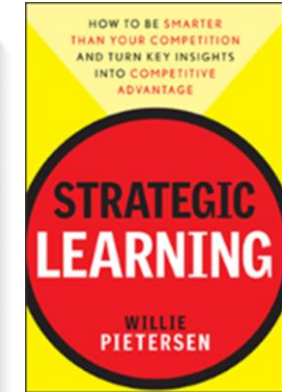


- ...*obtain an **actionable, easy to use, step by step outline*** that forms the **basis of a "Story Board"** to help you create your compelling narrative!



- ...*receive an **actual business briefing file template / example you can follow*** that came from a local business, complete with speaker notes and section-by-section explanations

# Pitch Related References



[EC Pitch Deck Teardowns | TechCrunch](#)

[Startups, here's everything you need to know to raise VC funding | TechCrunch](#)



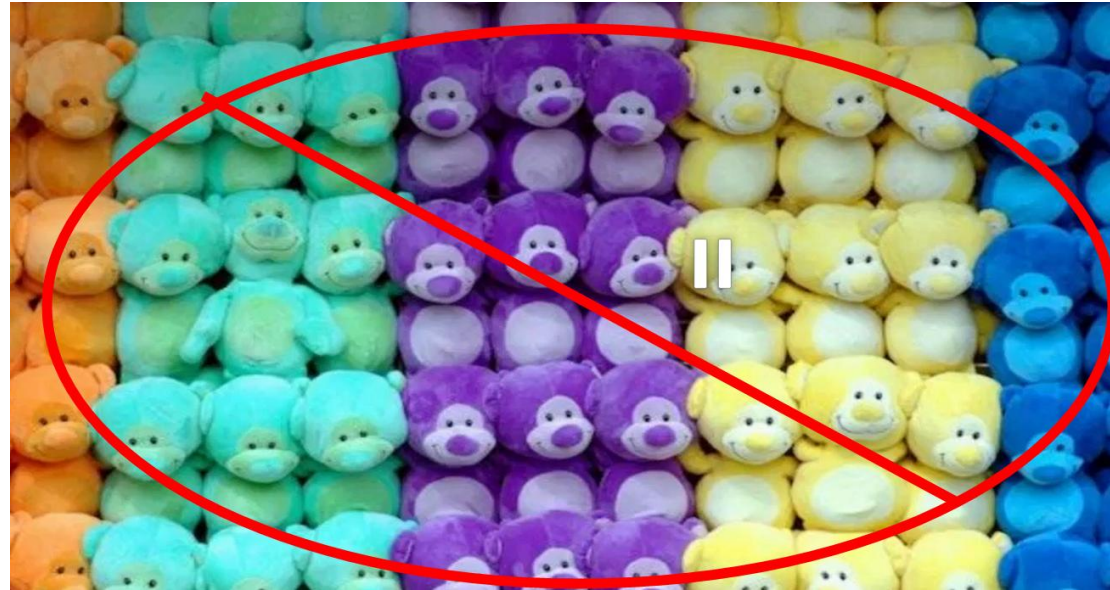
As a reminder....  
Registered Participants received  
3 documents in their email:

1. Today's Video and Presentation Package
2. Suggested Business Plan Pitch Outline
3. Actual Client Pitch/Business Briefing

Your Business Briefing  
is the *Compelling Narrative*  
that *Communicates* the  
*Problem you are Solving*  
and therefore the  
*Value you are Creating*  
in the Marketplace...  
...which then becomes  
your *de facto business plan*



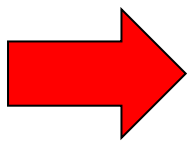
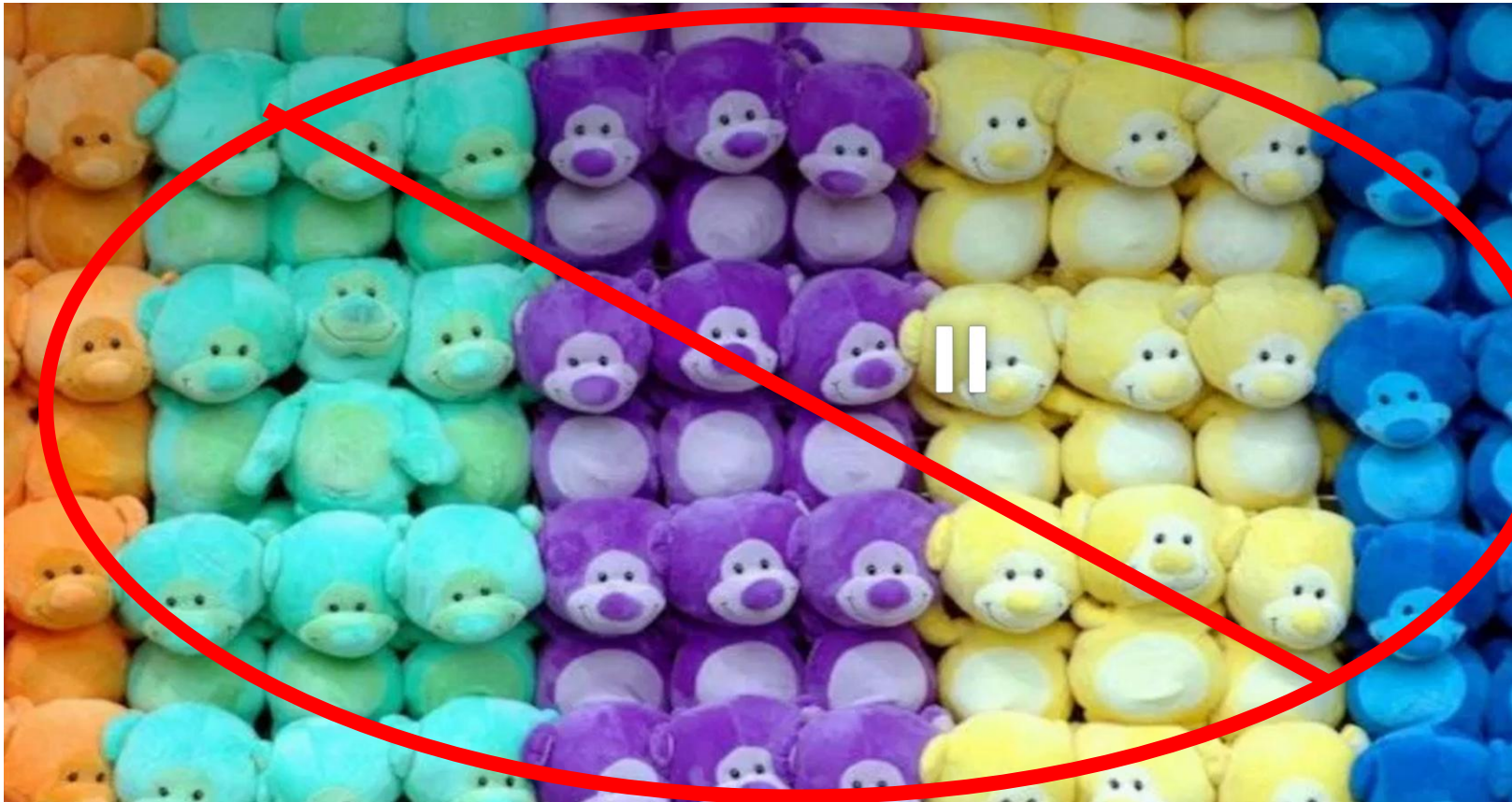
# Real World Business Coaching Perspective



Building your Business Narrative  
*is not a*  
“squishy, academic” exercise!



# There is NOTHING “squishy” about Preparing your Business Plan Briefing

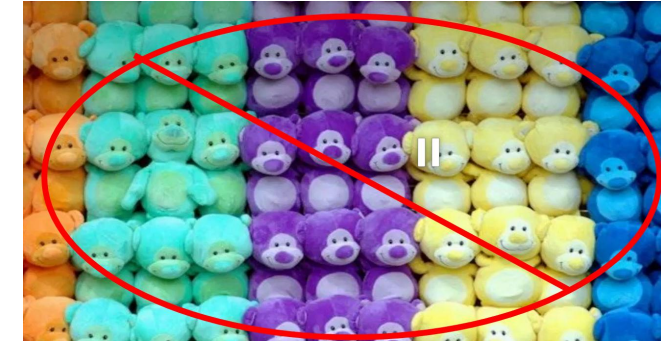


***Please be prepared to dedicate time and focus to  
developing your business briefing and its compelling narrative***

# Real World Business Coaching Perspective

- This is not a “squishy” “academic” exercise

The Mason SBDC is here to help with all of this!

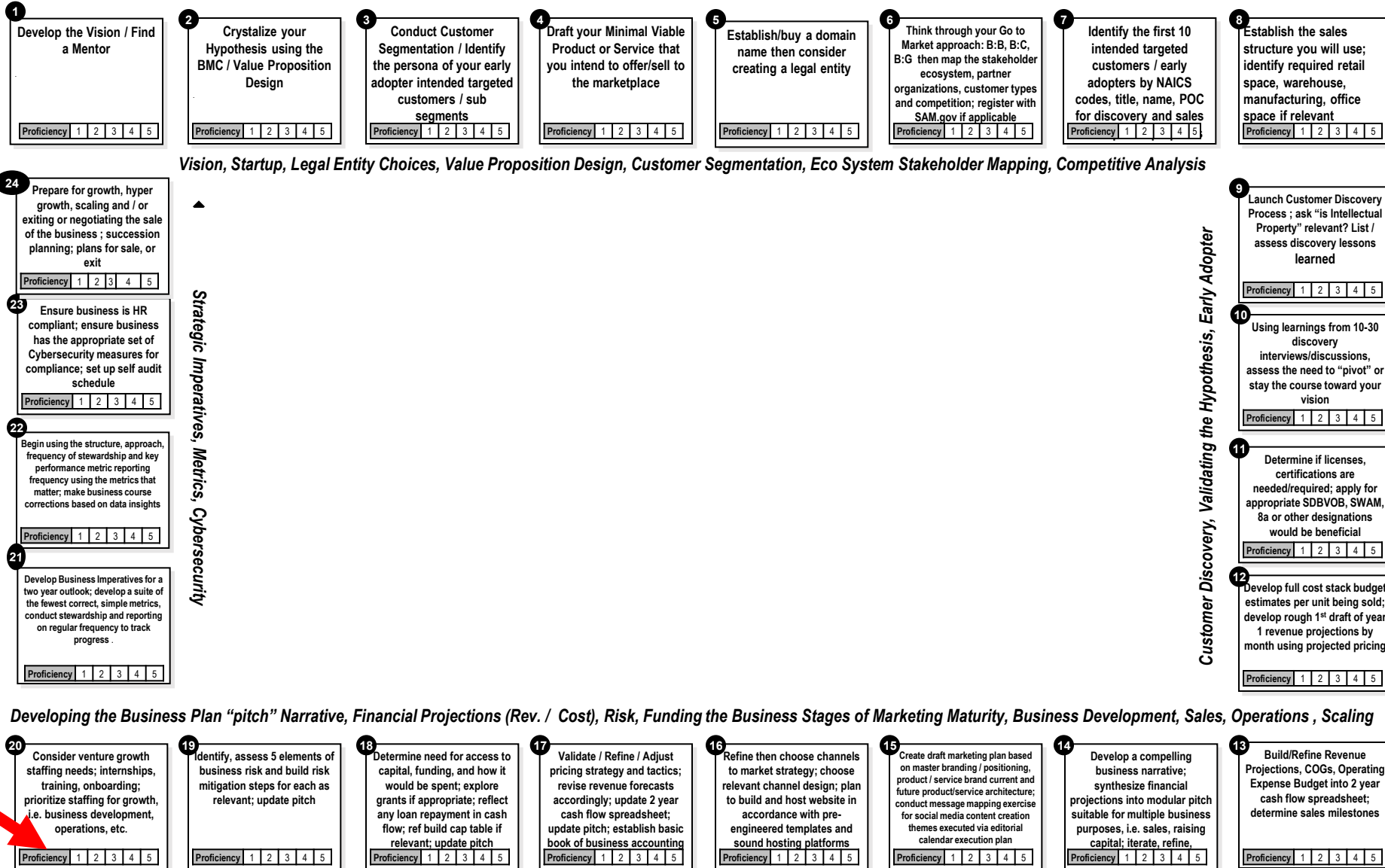
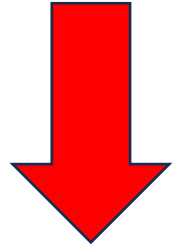


- Pitch narrative ***reflects the clarity of your value proposition***
- Perfecting your “pitch” is critical to funding/sales success
- Founders / CEOs are coached to create/deliver a compelling narrative that speaks to their unique solutions/benefits/market fit  
...AND...
- It’s a later step along the path of your entrepreneurial journey

**Prepare yourself by  
dedicating some focused  
time to become a Subject  
Matter Expert, an *SME*,  
*in all things related to your  
business ecosystem!***



# Introducing the “typical” Entrepreneurial Journey Framework!!!



“Journeys”  
are not  
always the  
same

Themes  
and work  
block  
elements  
not always  
linear

Proficiency  
Matters!

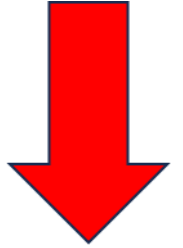
4 Broad  
“themes”

24  
Work Blocks  
or “Action”  
Elements

Self -  
Assessment  
“Proficiency  
Ratings”  
Per block



# Introducing the “typical” Entrepreneurial Journey Framework



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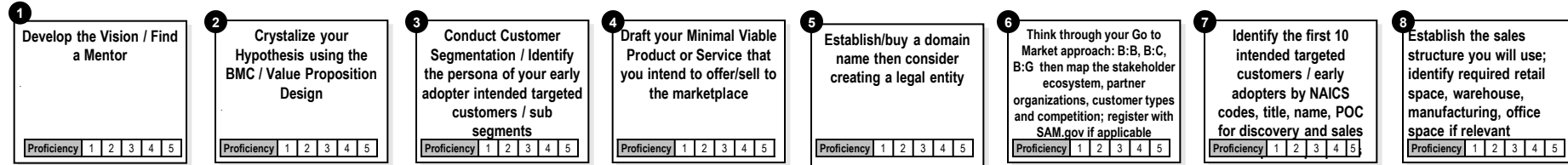


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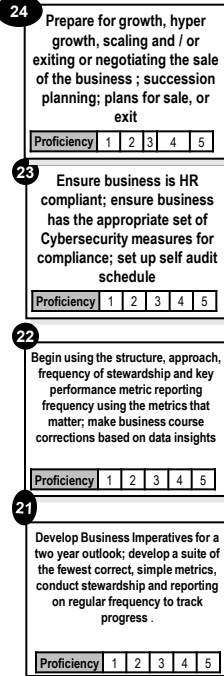
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# Introducing the “typical” Entrepreneurial Journey



Vision, Startup, Legal Entity Choices, Value Proposition Design, Customer Segmentation, Eco System Stakeholder Mapping, Competitive Analysis



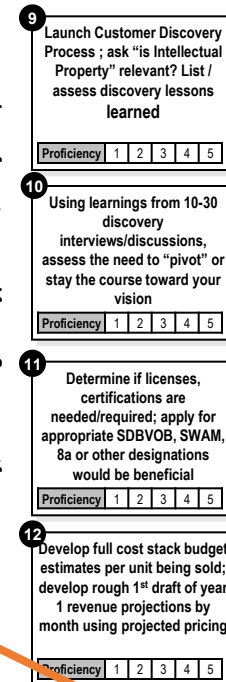
Strategic Imperatives, Metrics, Cybersecurity

## Self Assessed Proficiency – From Subject Matter Expert to Needing Mentorship

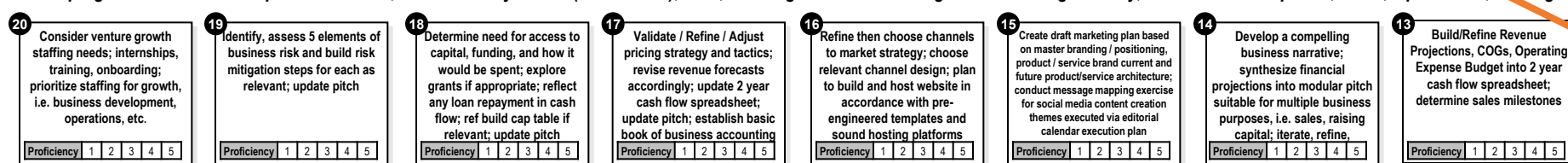
- 5 = Excellent (We do this regularly, systematically, and with continuous improvement)
- 4 =Good (We do this regularly and systematically)
- 3 =Average (We have some skills in this area)
- 2 =Poor (We do this irregularly and in an ad hoc manner)
- 1 =Nonexistent (We do not have these skills at all)



Customer Discovery, Validating the Hypothesis, Early Adopter



Developing the Business Plan “pitch” Narrative, Financial Projections (Rev. / Cost), Risk, Funding the Business Stages of Marketing Maturity, Business Development, Sales, Operations , Scaling



“Journeys”  
are not  
always the  
same

Themes  
and work  
block  
elements  
not always  
linear

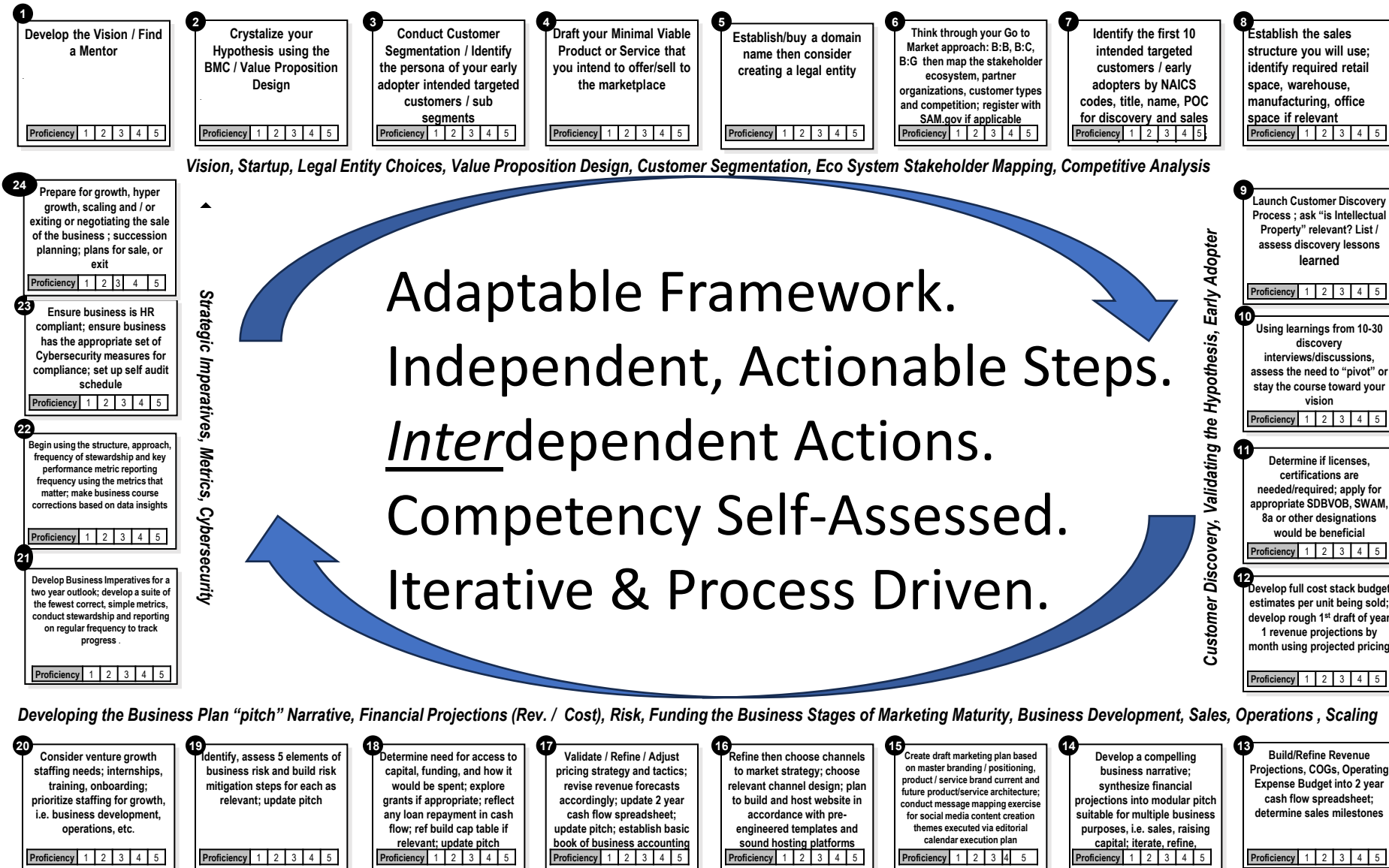
Proficiency  
Matters!

4 Broad  
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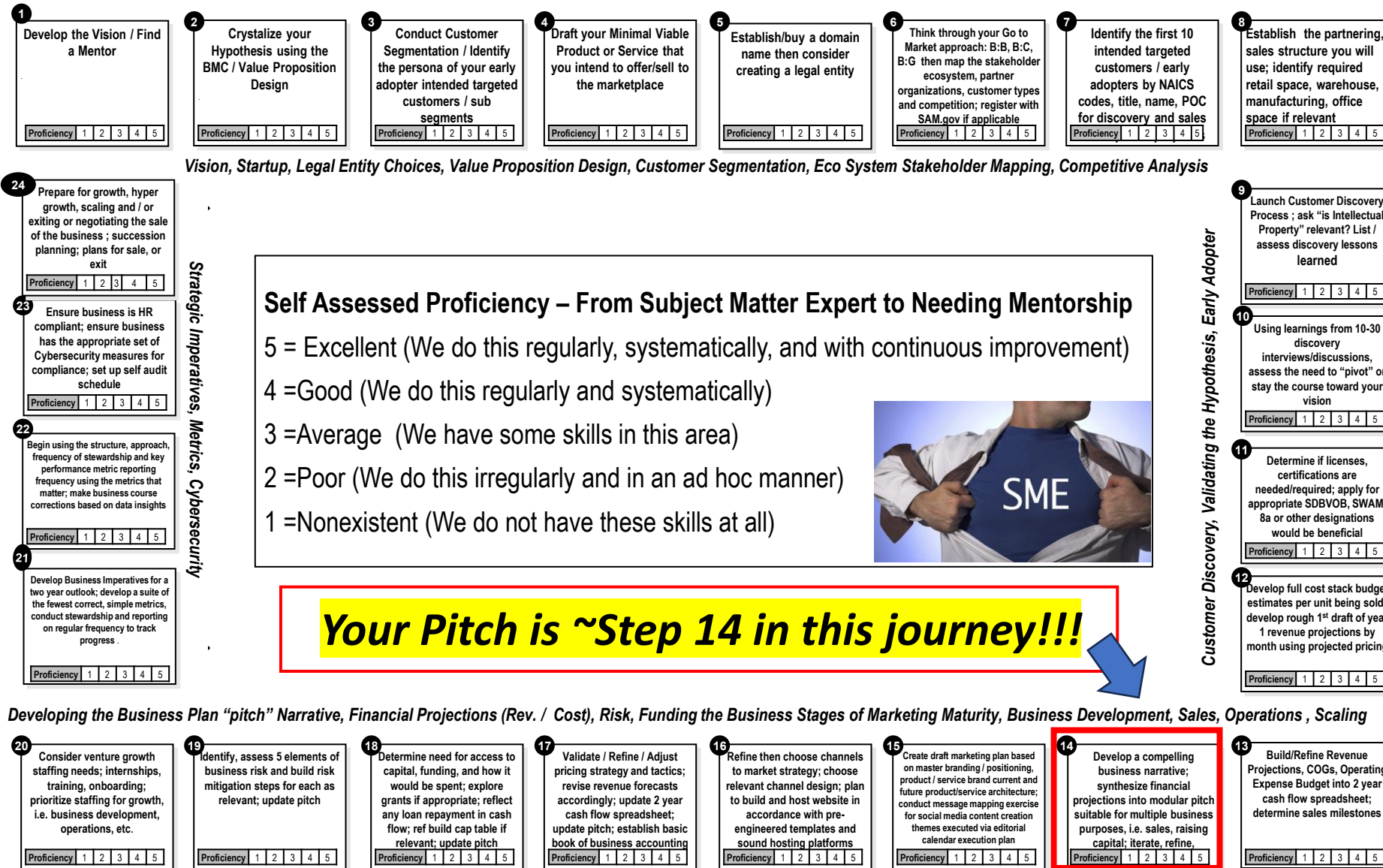
24  
Work Blocks  
or “Action”  
Elements

Self -  
Assessment  
“Proficiency  
Rating”

# "Typical" Small Business Entrepreneurial Journey



# This “Typical” Entrepreneurial Journey Map Features:



**“Typical” Roadmap**

**4 Broad “themes”**

**24 Work Blocks or “Action” Elements**

**Self - Assessment “Proficiency Rating”**



# This “Typical” Entrepreneurial Journey Map Features:



“Typical”  
Roadmap

4 Broad  
“themes”

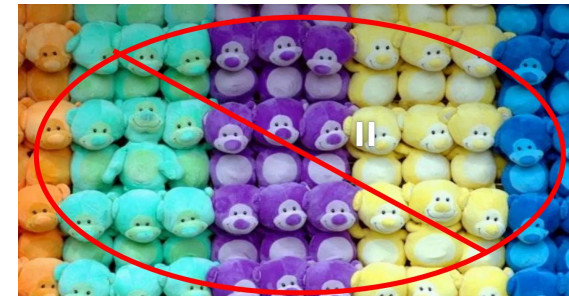
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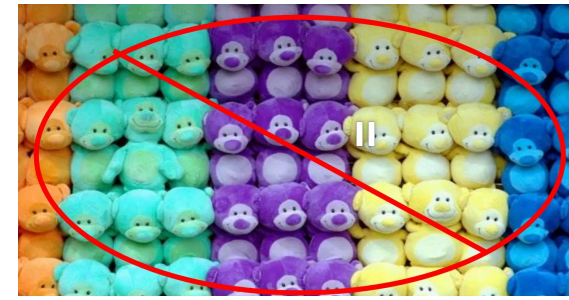


# Context and Perspective: My SBDC Clients Currently Developing their Business Plan Briefings



- Professional Services Consultancy – *for Sales / Customer Acquisition*
- Non Profit Human Services Co. – *Presentation to Major Donor(s)*
- Fintech Financial Technology Co. – *Seeking VC Funding for IT DevOps*

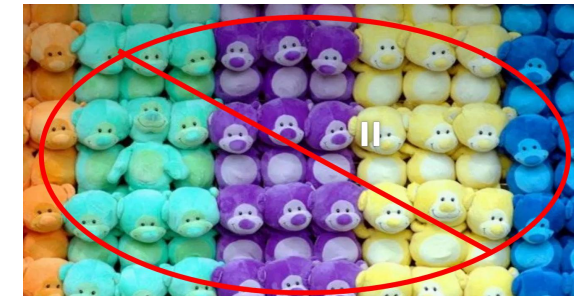
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- Fintech Financial Technology Co.
  - Seeking VC Funding for IT DevOps
- Ai-enabled SaaS Company
  - *Seeking VC Funding for IT Dev Ops*
- Construction Company
  - *Seeking Lender for Capital Equip.*
- Distillery Company
  - *Seeking Lender for Capital Equip*

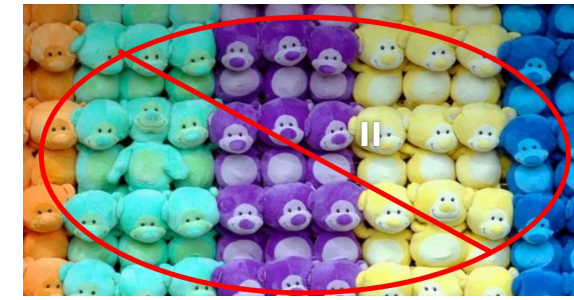


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- Construction Company
  - Seeking Lender for Capital Equip.
- Distillery Company
  - Seeking Lender for Capital Equip
- Bakery/Food Company
  - *Applied for Microloan - Kitchen Equip.*
- Non-RE metals EV Motor Eng. Co
  - *Seeking Seed capital for full scale model*
- Defense Warfighting Innovation Co.
  - *Seeking investment for R&D, platforms*
- Custom Blinds Manufacturing Co.
  - Seeking financing for growth, scaling

# Context and Perspective: My SBDC Clients Currently Developing their Business Plan Briefings



- Professional Services Consultancy
  - for Sales / Customer Acquisition
- Non Profit Human Services Co.
  - Presentation to Major Donor(s)
- Fintech Financial Technology Co.
  - Seeking VC Funding for IT DevOps
- SaaS Software as a Service Co.
  - Seeking Lender for IT Dev Ops
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  - Seeking Lender for Capital Equip.
- Distillery Company
  - Seeking Lender for Capital Equip
- Bakery/Food Company
  - Applied for Microloan - Kitchen Equip.
- GMU BioTech Engineering Team
  - Seeking Seed capital for BioTech research
- Non-RE metals EV Motor Eng. Co
  - Seeking Seed capital for full scale model
- Educational Services Company
  - Seeking Govt. Grant for development

**...even clients selling their businesses and many others!**

# Questions?



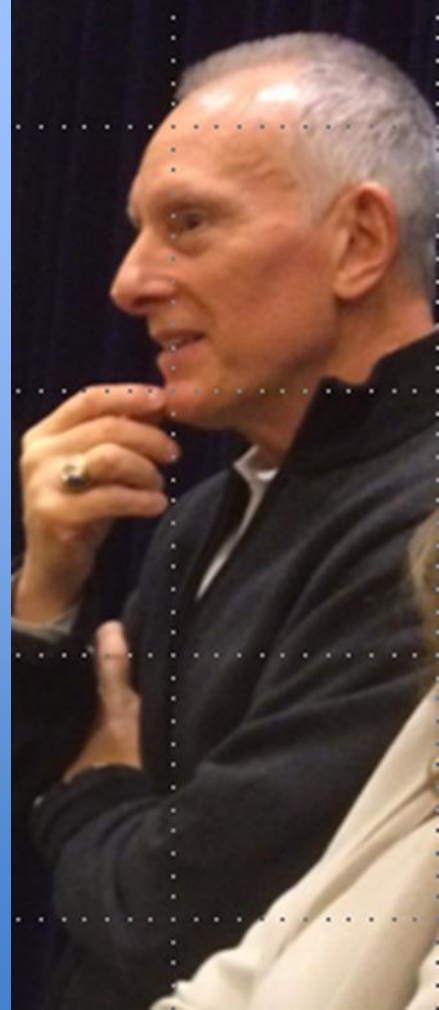


# Context Question: How many different versions do I need?

Your business plan “pitch” might be built with *different “versions” in mind.*

The different “versions” will depend on your :

- Audience
- Purpose
- Circumstances

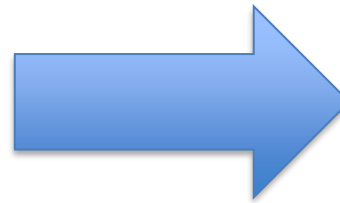




# A Point of Perspective

As a Business Owner, Business Leader,  
CEO, Startup, part of a Business Venture...

...you will need several  
“versions” depending on the  
Situation.



1. **The teaser deck.**
2. **The send-ahead deck.**
3. **The presentation deck.**
4. **The leave-behind deck.**

# We build different “Versions” for Different Objectives

1. Seek Funding
2. Proposal Response
3. Product/Service Sales
4. Purely Informational
5. Networking

As a Business Owner,  
Business Leader,  
CEO, Startup, part of a  
Business Venture...

...you are your company's  
best “Ambassador” and so  
you are ALWAYS in a sense,  
“Selling”

The Business Briefing is an Enabler !

# Slightly Different Emphasis for Different Use Cases:

- ☐ Introduce yourself and your business
- ☐ Raise awareness for your company, product, service
- ☐ Deliver a Proposal / Sell something
- ☐ Seek Funding –Bank or Investor
- ☐ To get a future appointment
- ☐ Initiate a partnership
- ☐ Discovery to understand stakeholders, ecosystem
- ☐ Call to action (e.g. to get next appointment, etc.)
- ☐ In response to a request / interest from someone
- ☐ As an onboarding tool for new employees
- ☐ To educate your targeted customer segment(s)
- ☐ As a tool for follow-up campaigns
- ☐ Other uses

1. The teaser deck.
2. The send-ahead deck.
3. The presentation deck.
4. The leave-behind deck.



Initial  
Interest;  
Organic  
Search



Prospective  
Client /  
Customer

***“XYZ” Company can influence  
a proposal outcome***

- Simplicity, clarity of well communicated **Value Proposition**
- Adherence to **Lean Principles** resulting in deep mkt insights

**Points of Parity**

- ☐ Strict Compliance with all Requirements
- ☐ Cost Competitiveness; Price Competitively
- ☐ Technical Capability / Financially Sound
- ☐ Ethical with Positive Referrals

**Potential Points of Supplier Differentiation**

- ✓ Seen as Strategic and Innovative
- ✓ Strategic Mission aligns well
- ✓ Mgmt. Team is credible, believable
- ✓ Organization has capacity, competency
- ✓ Brand is Professional with mkt presence
- ✓ Reputation: “easy to do business with”
- ✓ ***Solution better than next best alternative***

Possible  
Outcome? :



**Professional. Rational. Clear. Aligned. Personal.**

Your Business Briefing

May we  
Have your  
Business ?





# Perspective on the importance of your business briefing

- ***Your business briefing “pitch deck” is the new business plan***
- ***The deck is the “lingua franca” (i.e. adopted as a common language between speakers whose native languages are different) of modern startup investment.***
- ***People will ask for it constantly. So be prepared to deliver it.***
- ***Your “pitch deck” is your business calling card When you send it to someone, you expect a call back, second look, a chance to explain your business.***

Source: Venture Capitalist Guy Kowowalski

# Perspective on the importance of your business briefing

***“In order to build conviction, we rely on founders to tell us a compelling story, almost always in the form of slides.***

***We’ve funded companies almost entirely because of the quality of their seed decks.***

***Poor deck? We’ll likely pass on the opportunity.”***



From a VC speaking to

 **PitchBook**

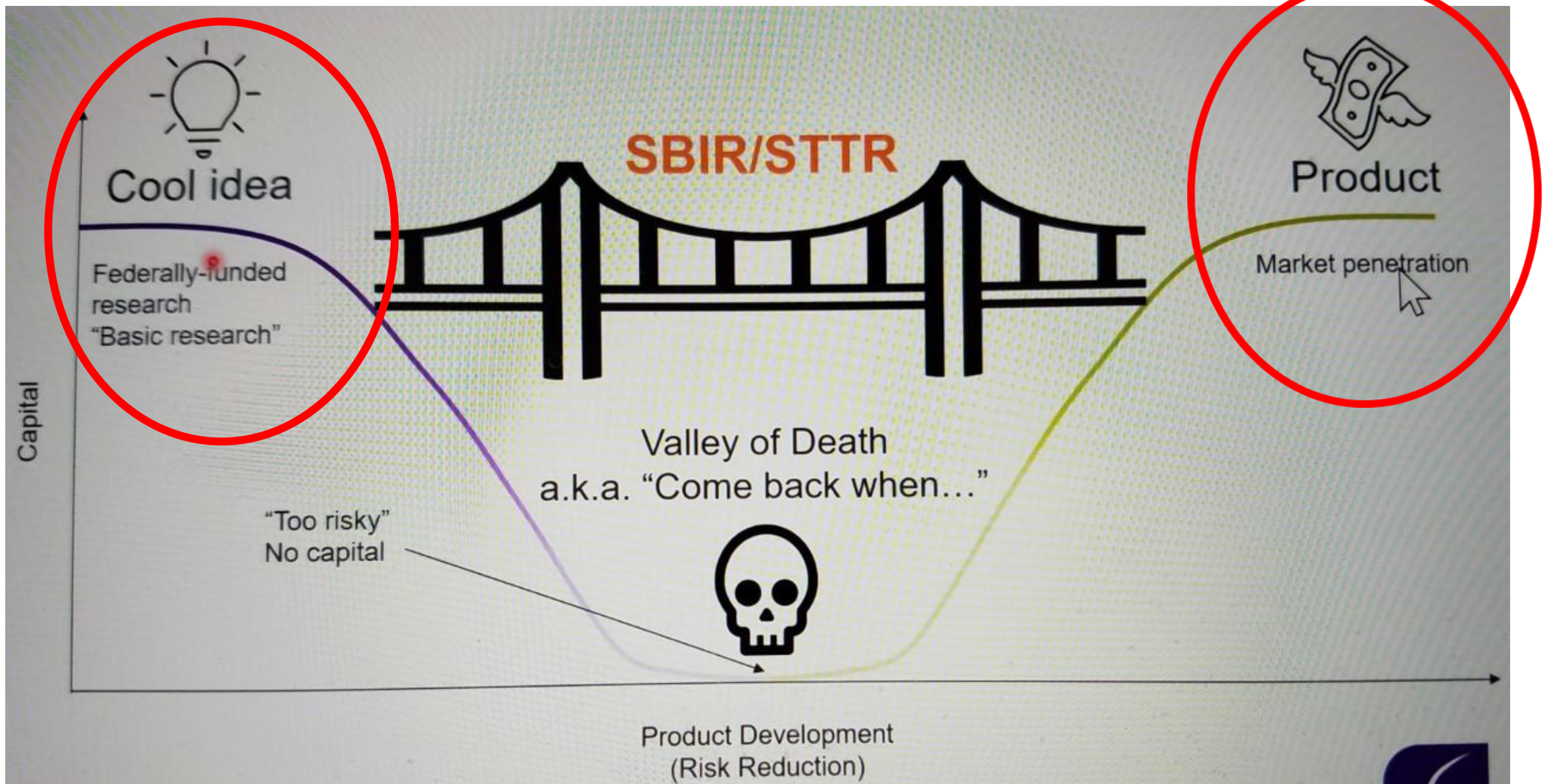
For GovCon...

Q: What is the Relevance of your  
Business Briefing  
(and its elements)  
in a Government Contracting  
Scenario / Context?



A: Your “*Pitch*” is an essential commercialization element!





The Small Business Innovation Research (SBIR) program is a United States Government program, coordinated by the Small Business Administration, intended to help certain small businesses conduct research and development. Funding takes the form of contracts or grants. The recipient projects must have the potential for commercialization and must meet specific U.S. government R&D needs. The Small Business Technology Transfer Research Program



<https://sbir.nasa.gov/solicit-detail/66886>



Chapter 3 / Proposal Preparation Instructions and Requirements

...

Sec. 3.4 Phase II Proposal Requirements

3.4.4 Technical Proposal

Part 7: Commercialization and Business Planning (Required minimum of 2 pages; no more than 8 pages)

***NASA is requiring Phase II offerors to provide commercialization and business planning information in the proposal*** and is enforcing a requirement that firms provide a minimum and a maximum amount of information as required by page length. Firms that do not meet this requirement may be considered nonresponsive to this requirement and the proposal may not receive a score under Section 4.4.2: Factor 4: Commercialization and Business Planning, which could result in an overall lower score for the proposal.

The Commercialization Plan should provide the following information to communicate and validate that the firm has the knowledge and ability to commercialize the innovation being proposed and to validate the company's future viability and financial viability.

Example of Commercialization Language

“ Below are a minimum set of specific requests for information that firms should provide in the Commercialization Plan. The Commercialization Plan should validate that a **quantitative market analysis** has been completed and that the innovation has a **convincing value proposition**. The Commercialization Plan should demonstrate that **pro forma financial projections** for the firm have been **developed and validated** to confirm **the stability of the company**.

The Commercialization Plan should also **address how to protect intellectual property (IP) that results from the innovation** and **whether the firm plans to receive any assistance and mentoring**.

Example of Commercialization Language

## Commercial Potential—Quantitative Market Analysis

Describe the market segment and potential commercial total addressable market (TAM) that is appropriate to the proposed innovation.

- Indicate how the market was validated and what assumptions were used in the analysis.
- Indicate the market size by providing the scope in dollars if possible.
- Indicate market segmentation and/or TAM in dollars if possible.
- Indicate the projected percentage of the offeror's market share in 2 to 3 years after entry into the identified market.

Describe the proposed innovation in terms of target customers (e.g., NASA, other Federal agency, or commercial enterprise).

Describe the competitive landscape, by identifying potential competitors.

- Indicate potential competitors by company name within the identified market.
- Discuss the barriers to entry and how many years it would take a competitor to enter this segment in terms of capitalization, technology, and people.
- Describe how the proposed innovation is different from current and future competitors.

Example of Commercialization Language

## Commercial Intent—Value Proposition

Describe the commercial development.

- a. Include the development **timeline** to bring the innovation to market.
- b. Describe the **applicable business model** (spin-out, license, original equipment manufacturer (OEM), etc.) the offeror would use to bring the innovation to market.
- c. Indicate the **channels of distribution** (direct sales, distributors, etc.) that would be used in bringing the innovation into the identified market.
- d. Indicate the **pro forma 2- to 3-year revenue dollar projections** based on the proposed *innovation's penetration of the identified market*.
- e. Describe any follow-on development (long term > 5 years) plans to expand your proposed innovation's market presence.

Describe the **risks to the commercial development plan and what mitigations**, if any, can be taken over a reasonable period of time to lessen the risks.

Chapter 3 / Proposal Preparation Instructions and Requirements

...

Sec. 3.4 Phase II Proposal Requirements

3.4.4 Technical Proposal

Part 7: Commercialization and Business Planning *(Required minimum of 2 pages; no more than 8 pages)*

Example of Commercialization Language

## Commercial Capability—How Will the Innovation Enter into a Market?

Describe the current and future company capitalization efforts.

- a. Provide a pro forma forecast based on income statements, balance sheet(s), and statement of cash flows. These forecasts should indicate current and projected revenues, expenses, and other items that are calculated as a percentage of future sales.
- b. Discuss the operations/manufacturing and business staff conducting the project and how they will be utilized to achieve commercialization.
- c. Describe the physical plant, including facilities and the capital equipment, tooling, and test equipment used to conduct the investigation and how they will be utilized to achieve commercialization.
- d. Discuss consultants, incubators, and research institutions that will be utilized to achieve commercialization.
- e. Indicate how the innovation will enter into production (i.e., in house or through a licensee or other means) and what changes (if any) will be made to company capitalization for commercialization.

As applicable, describe the approach, path to market, and revenues from past commercialization(s) resulting from SBIR/STTR awards disclosed in the Commercial Metrics Survey (CMS). (Companies with no SBIR/STTR awards or only fairly recent SBIR/STTR awards will not be penalized under past performance for the lack of past SBIR/STTR commercialization.)



Part 7: **Commercialization and Business Planning** *(Required minimum of 2 pages; no more than 8 pages)*

Example of Commercialization Language

## Assistance and Mentoring

Describe the existing and future business relationships in terms of any formal partnerships, joint ventures, or licensing agreements with other companies/organizations.

Describe the plans for securing needed technical or business assistance through mentoring, partnering, or through arrangements with state assistance programs, **Small Business Development Centers (SBDCs)**, Federally-funded research laboratories, Manufacturing Extension Partnership centers, Federal programs, or other assistance providers.

- *“Commercially viable, dual-use technologies that address strategic gaps in defense capabilities.”*
- *“Innovations that demonstrate potential for scalability, cost-effectiveness, and operational impact.”*

### [About the Defense Innovation Unit](#)

The Defense Innovation Unit (DIU) strengthens national security by **accelerating the adoption of commercial technology** in the Department of Defense and bolstering our allied and national security innovation bases. DIU partners with organizations across the DoD to rapidly prototype and field dual-use capabilities that solve operational challenges at speed and scale. DIU is the Department's gateway to leading technology companies across the country.

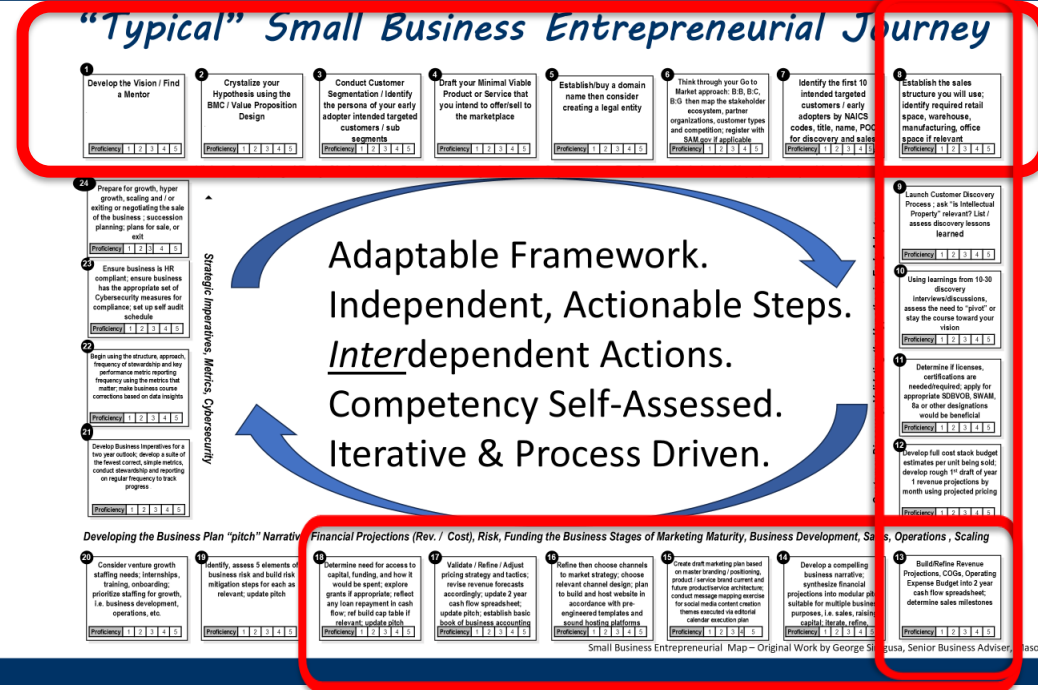
# Questions Thus far ?



Lets take a quick look at  
some **Cautionary Steps**  
needed **BEFORE**  
beginning to develop  
your  
Business Briefing.



Ideally, Mentor Guided



Ideally, Mentor Guided



# CAUTION



## Solid Foundation Needed !

- *Validated Value Proposition Design?*
  - Products/Services create and communicate value / benefits
- *Validated Problem -Solution -Market Fit?*
  - Differentiated Products/ Services Relieve customer “pain profile”
- *Validated Business Model?*
  - Products / Services will capture value, help monetize, grow, scale

Lean Principles apply to :

- aspiring businesses
- start-ups
- early and seed stage business
- established / mature businesses

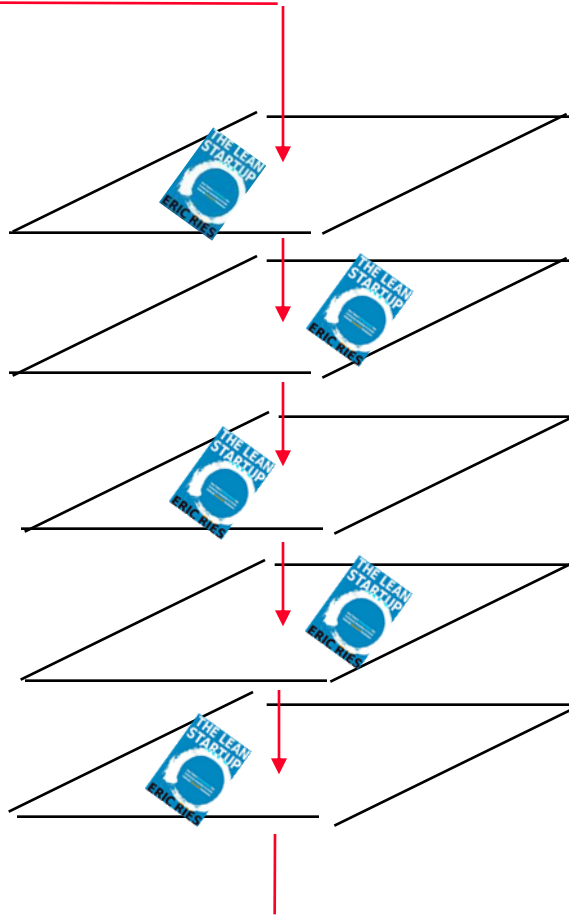
# Lean Startup Principles - “*Filters*” for Developing the Business Briefing

*Q: Have we taken those “foundational steps” **prior to** building our “Pitch” ?*

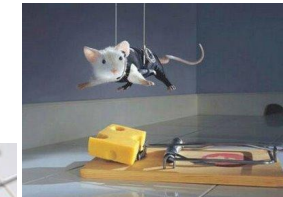
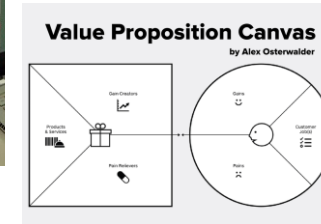
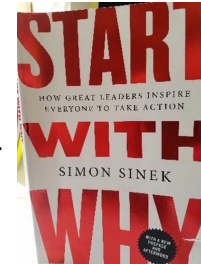
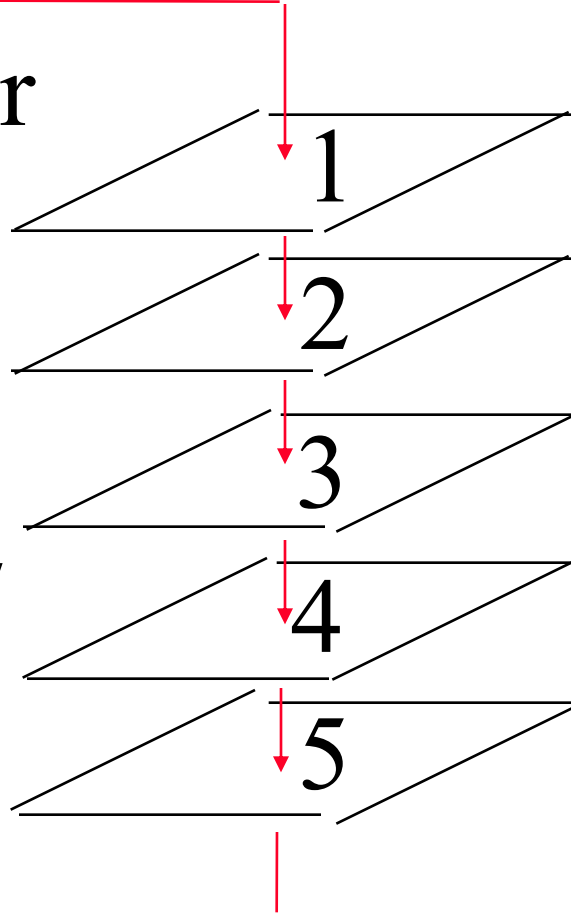
## CAUTION

Lean Principles apply to :

- aspiring businesses
- start-ups
- early and seed stage business
- established / mature businesses



5 Filters to consider  
*Prior* to  
Developing  
Your  
Business Briefing /  
Business Plan  
Narrative :



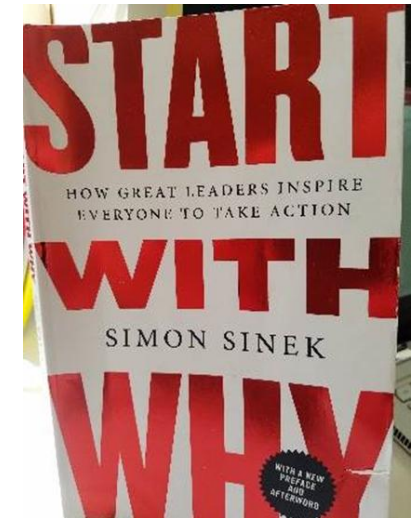
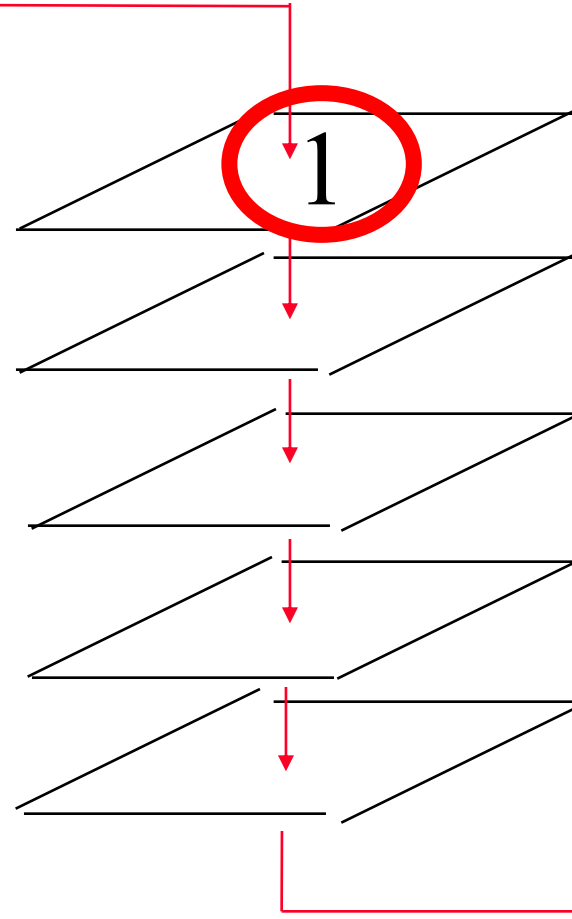
?

*How prepared are we to answer these critical questions?*

# Lean Startup Principles - Filters Prior to Developing the Business Briefing

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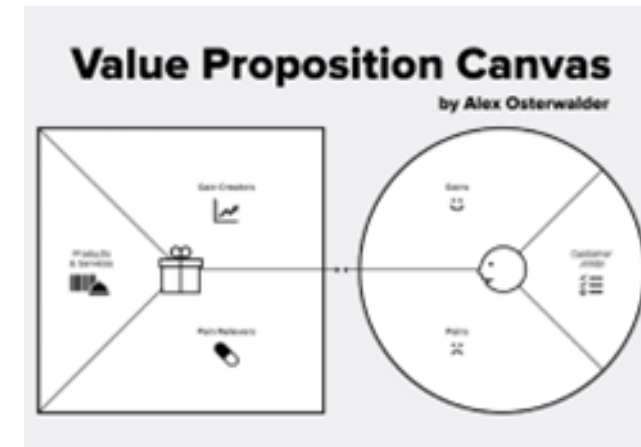
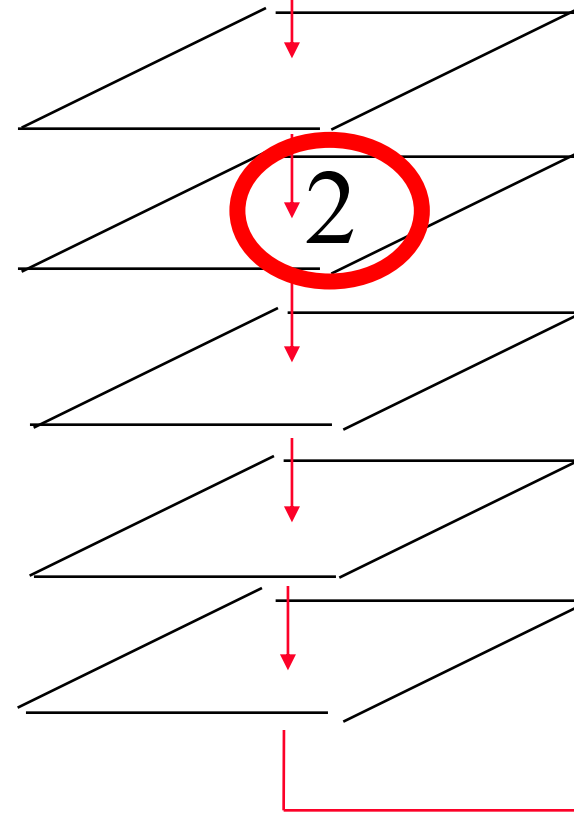
We can describe in  
clear and compelling  
language company  
*values and “why” our  
company exists?*





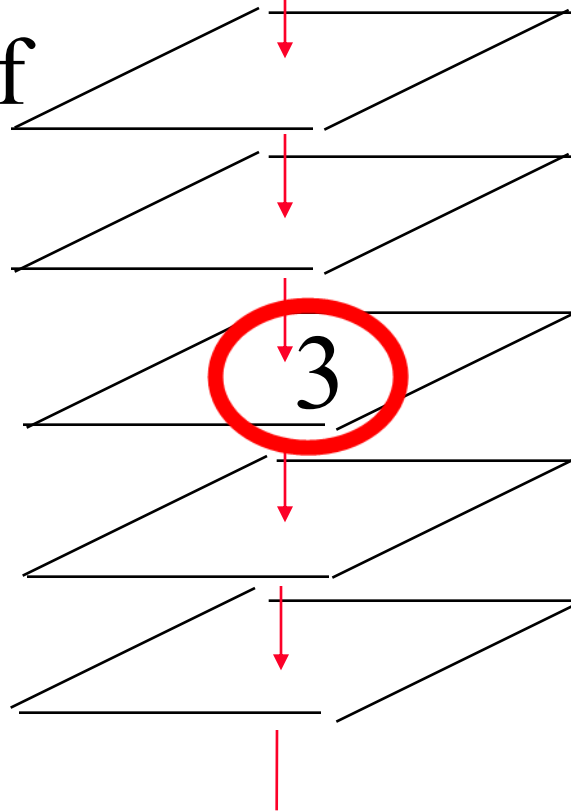
# Lean Startup Principles - Filters Prior to Developing the Business Briefing

- We have a validated **Value Proposition Design (VPD)** worksheet.
- We know (with specificity) our targeted customer segments.
- We have a unique and differentiated solution to a market problem



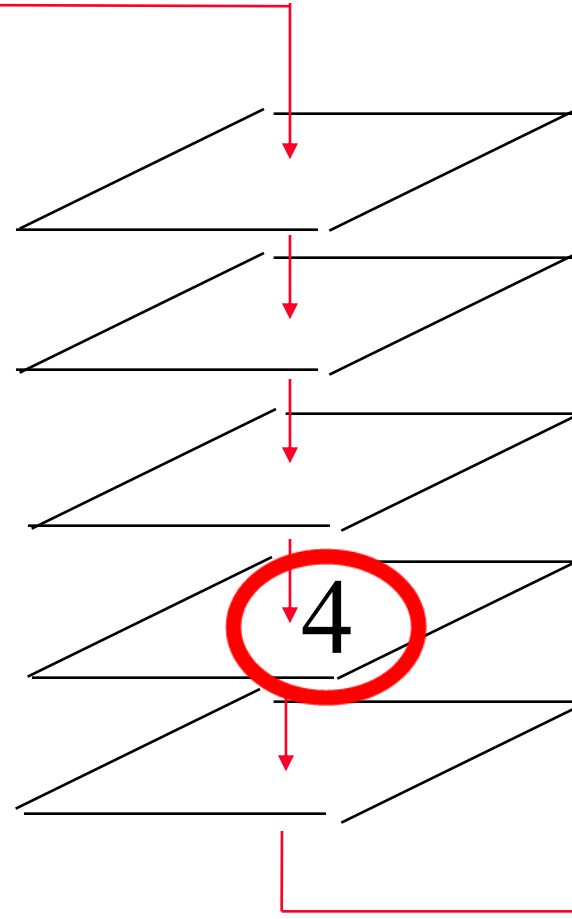
# Lean Startup Principles - Filters Prior to Developing the Business Briefing

We are *subject matter experts (SMEs)* in the issues and statistics of our industry and can *place our offering in perspective and in context of the bigger industry ecosystem?*



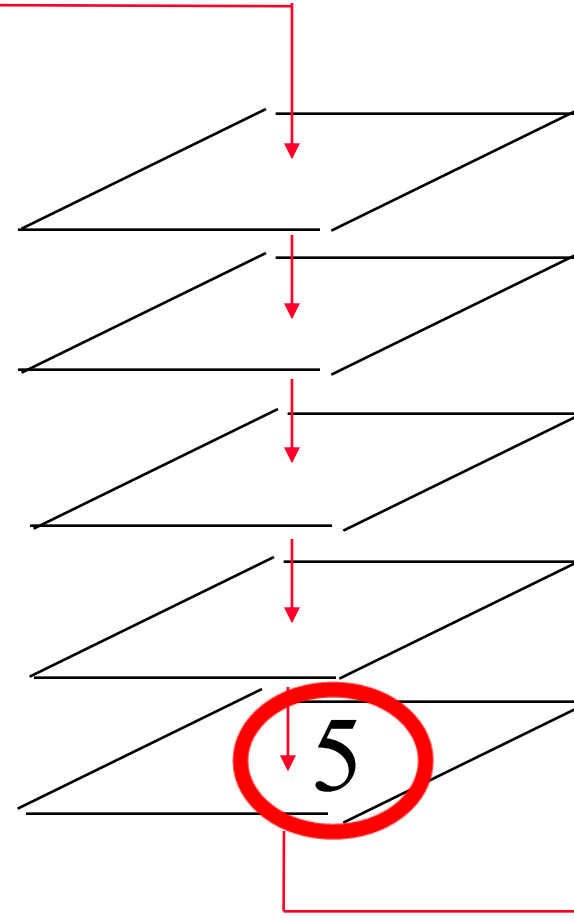
# Lean Startup Principles - Filters Prior to Developing the Business Briefing

We can *describe the problem we are solving*, and *how our unique and novel solution, vs. competition, works to create benefits* for a *specific group of clients and customers*



# Lean Startup Principles - Filters Prior to Developing the Business Briefing

We have done market validation *that our products and services, our business model and price points, create and communicates value* to our specific target customer segments and our business is sustainable and scalable



We have talked to 30 people in the Proposed “eco system”

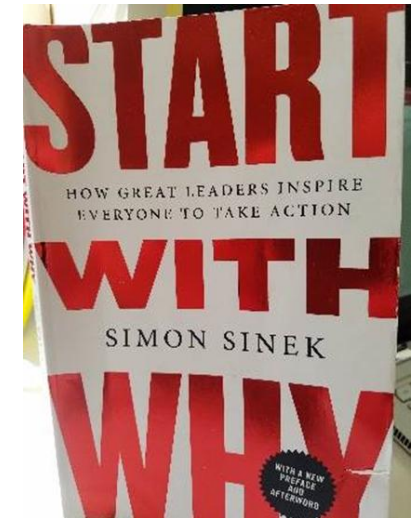
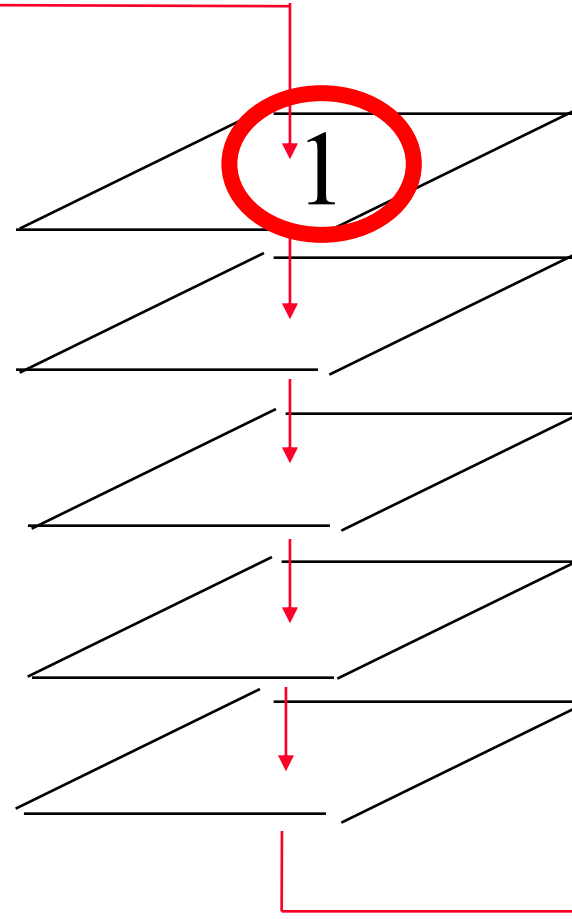


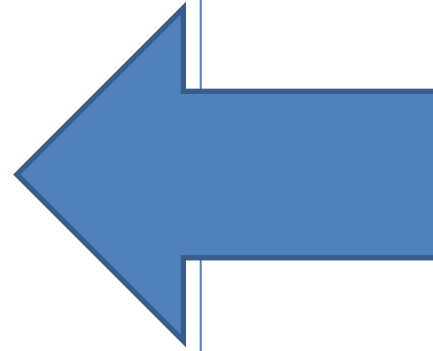
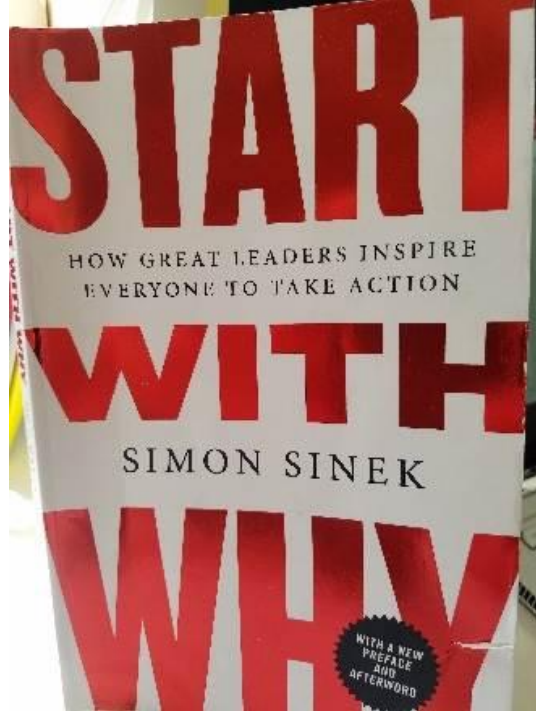


# Lean Startup Principles - Filters Prior to Developing the Business Briefing: A closer Look

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We can describe in  
clear and compelling  
language company  
*values and “why” our  
company exists?*



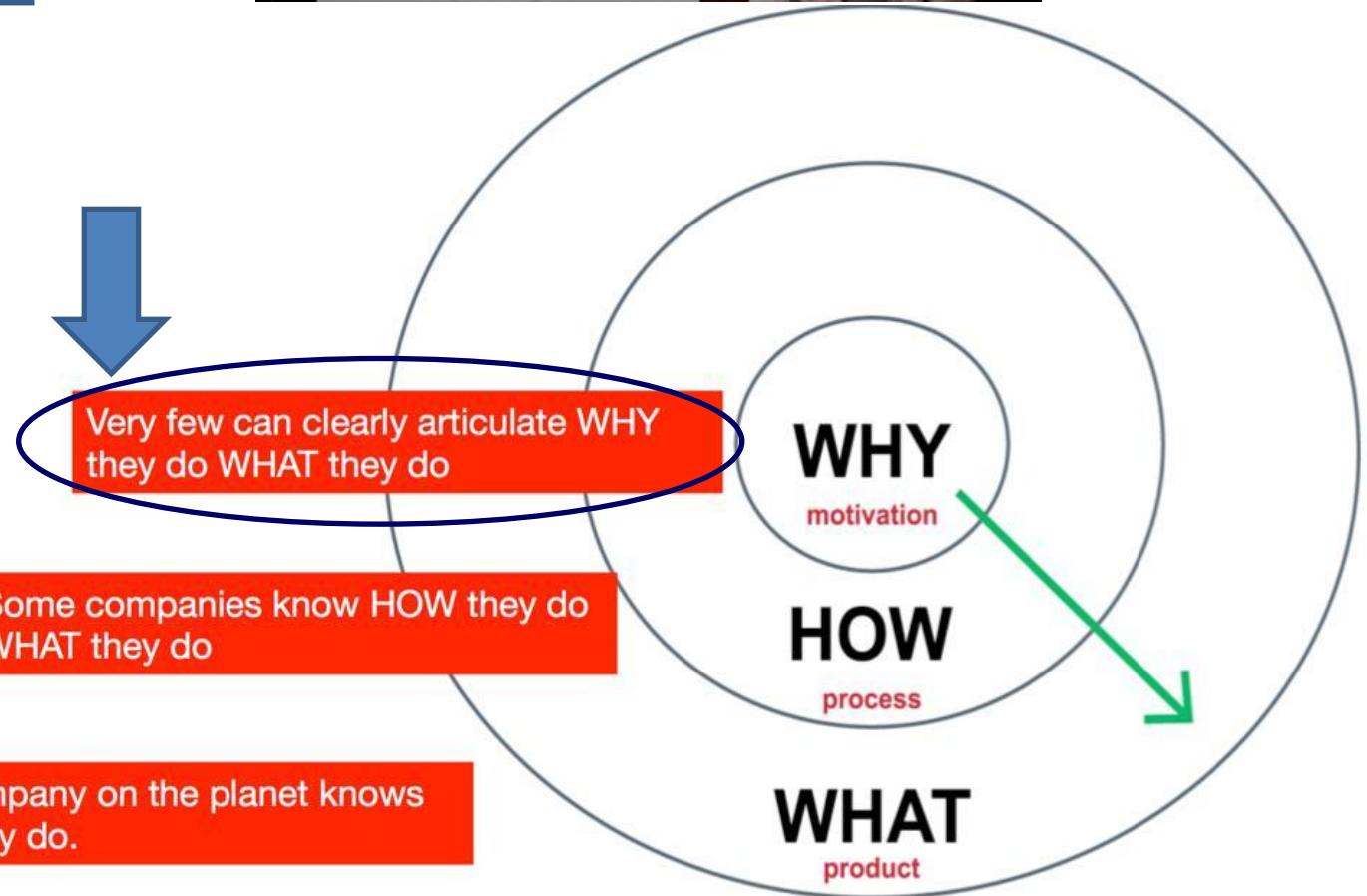


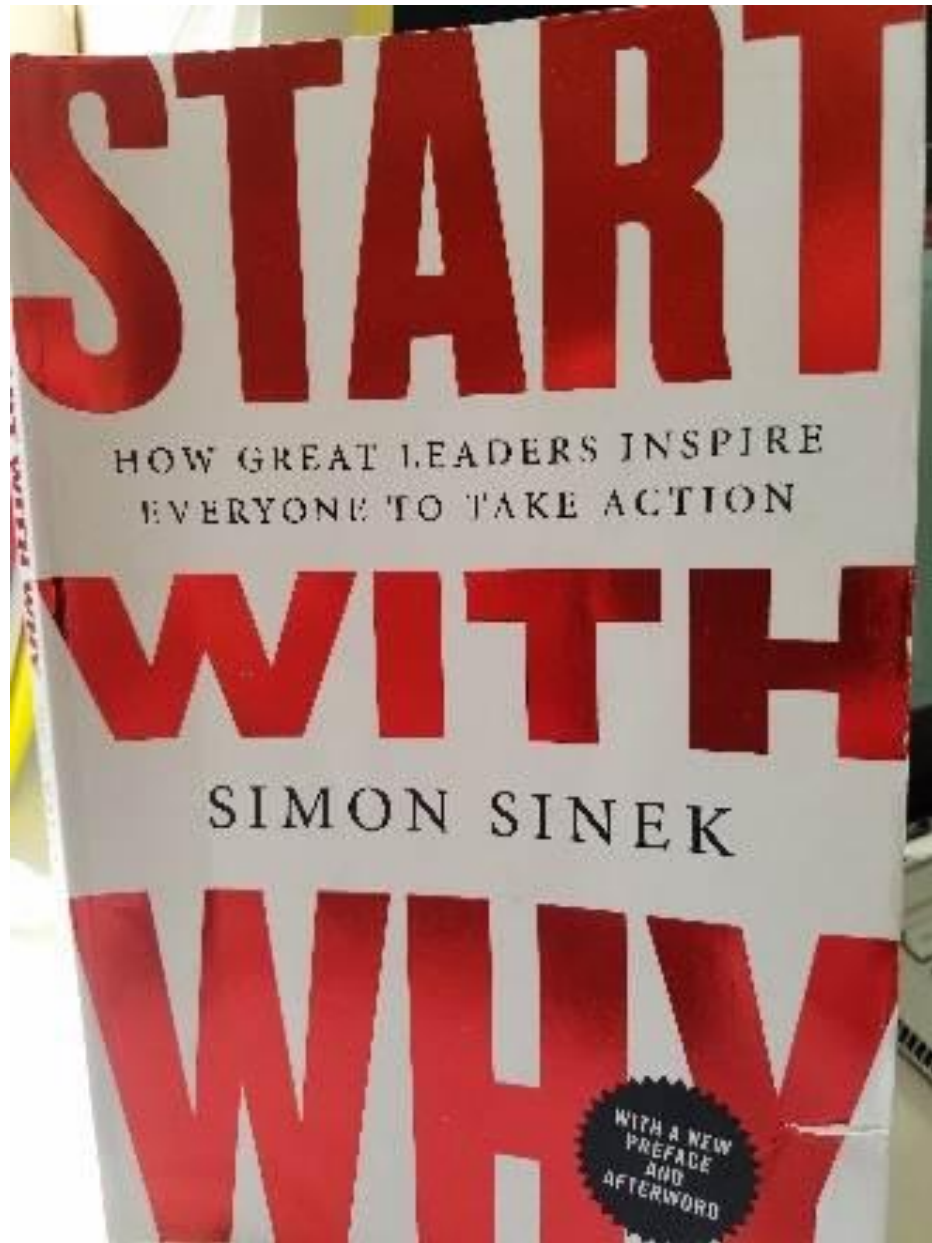
*What purpose, cause or belief underpins your Business ?*

*Why did you start this ?*

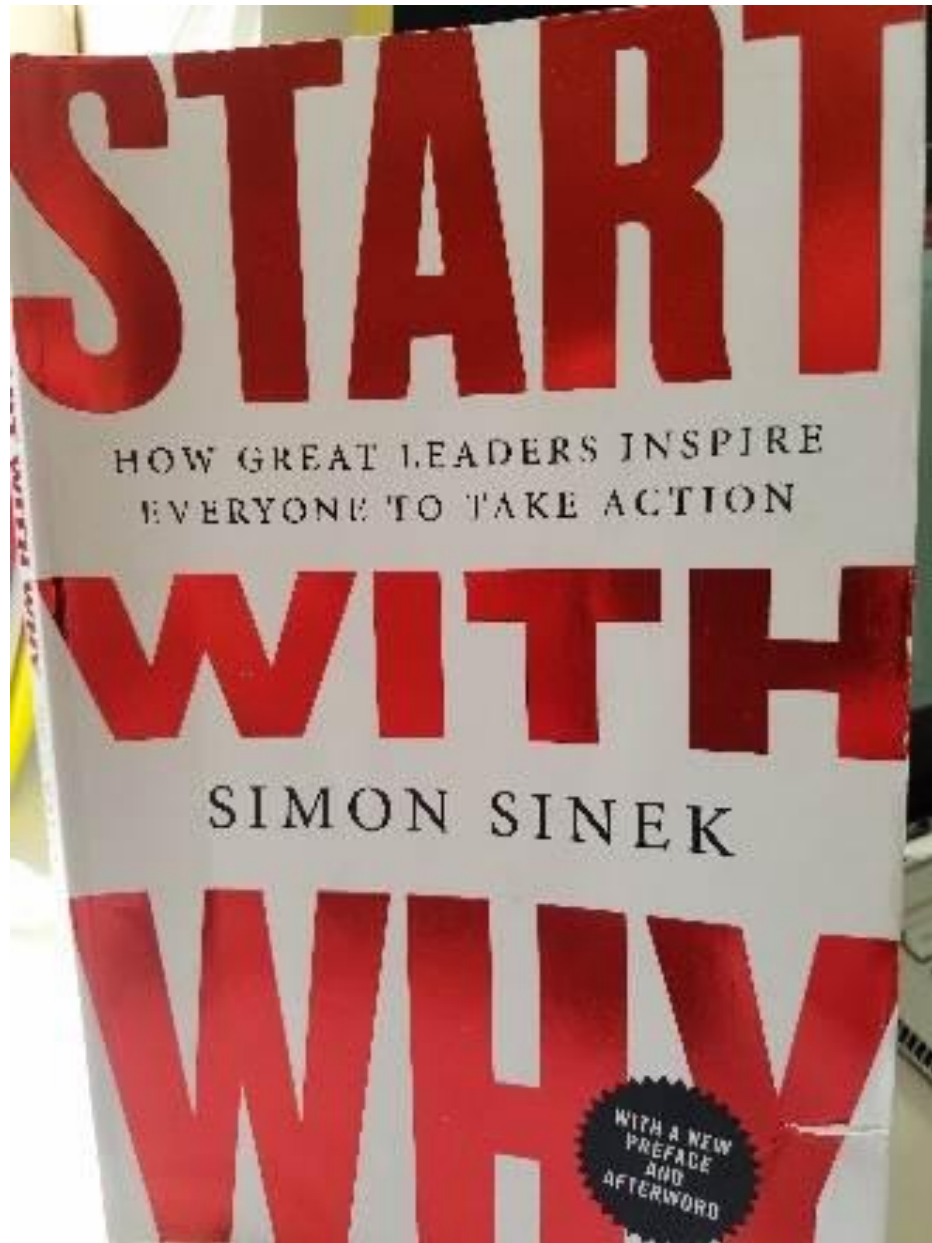
*Why do you do what you do ?*

*What is your company's Core Values which you will never stray from ?*





# Two Notable *“WHYS”*



# Two Notable *“WHYS”*

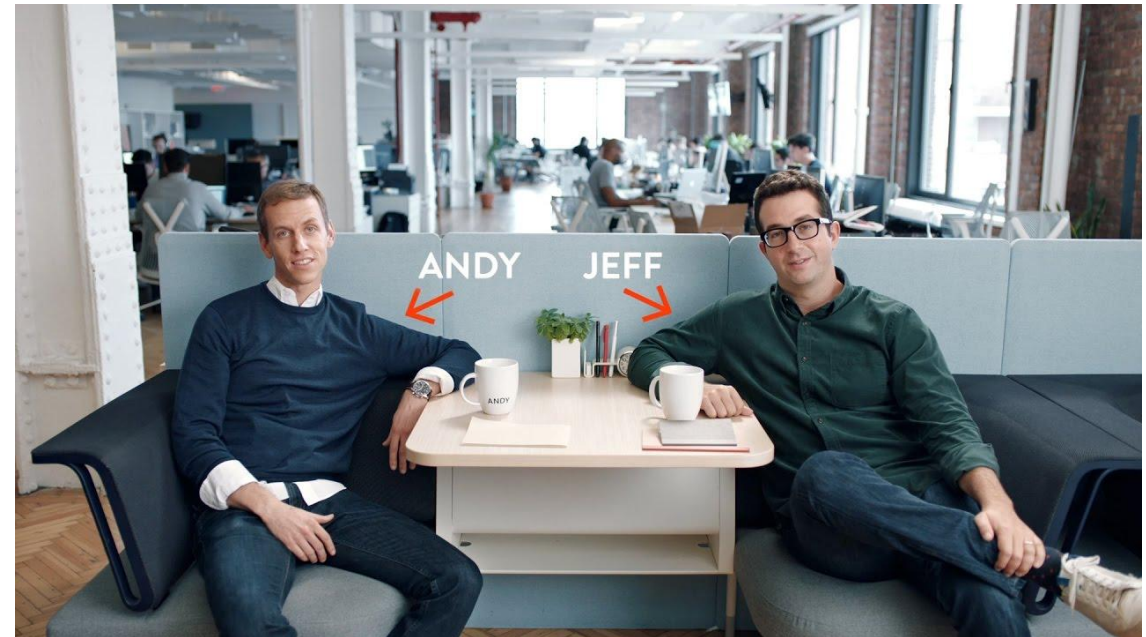


Jeff Raider created **Harry's** in 2012 because he was sick and tired of overpaying for overdesigned **razors**.

**He was tired** of standing around waiting for the person in the drugstore to unlock the cases so they could actually buy them.

He wanted to serve people in a real way. **His “WHY” was a question :**

- ***“Should it really take over 10 minutes and cost \$25 for a few razor blades and some shaving cream?”***



<https://www.forbes.com/sites/alejandrocremades/2019/04/14/the-entrepreneur-behind-warby-parker-and-harrys-founded-not-one-but-two-billion-dollar-companies/#5d4e4e76193f>

**Bombas** launched in 2013, after **founders** Randy Goldberg and David Heath learned that socks are the most requested clothing item in homeless shelters.

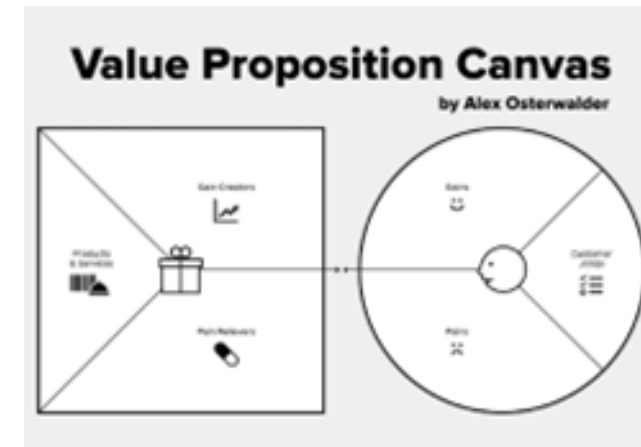
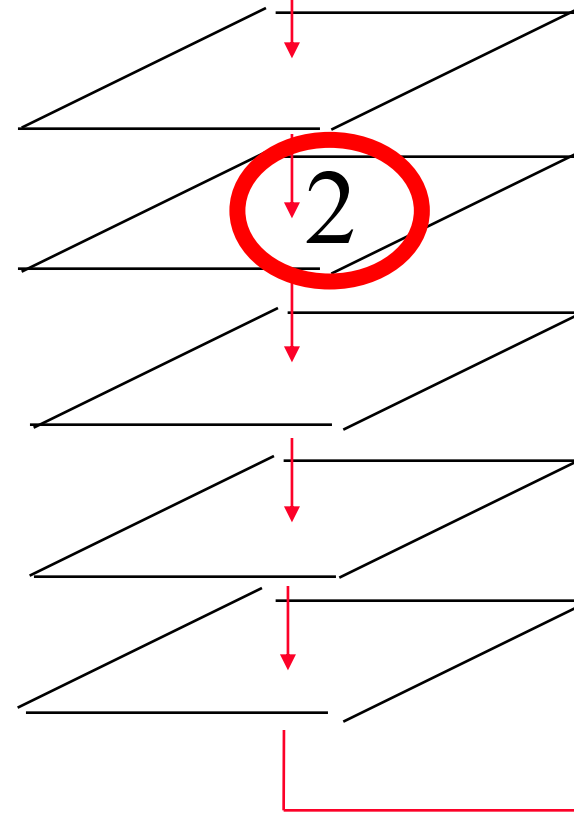
**Their “WHY” was to establish the brand's mission to donate one pair of socks for every pair purchased.**

By April 2020, **Bombas** had donated 35 million pairs of socks.



# Lean Startup Principles - Filters Prior to Developing the Business Briefing

- We have a validated **Value Proposition Design (VPD)** worksheet.
- We know (with specificity) our targeted customer segments.
- We have a unique and differentiated solution to a market problem



# A Value Proposition Perspective



“Value proposition is **essential** for achieving **business success**.”

“By understanding your target customers, analyzing the competition, and creating a compelling and unique value proposition, you can **differentiate your business**, **attract and retain customers**, and drive long-term **growth**.”

“Continuously **refine and optimize your value proposition** (product or service) based on customer feedback and market trends **to ensure it remains relevant and impactful**.”

Source: Clive Keyte at Intrafocus Limited

[Value Proposition - A Comprehensive Guide - Intrafocus](#)

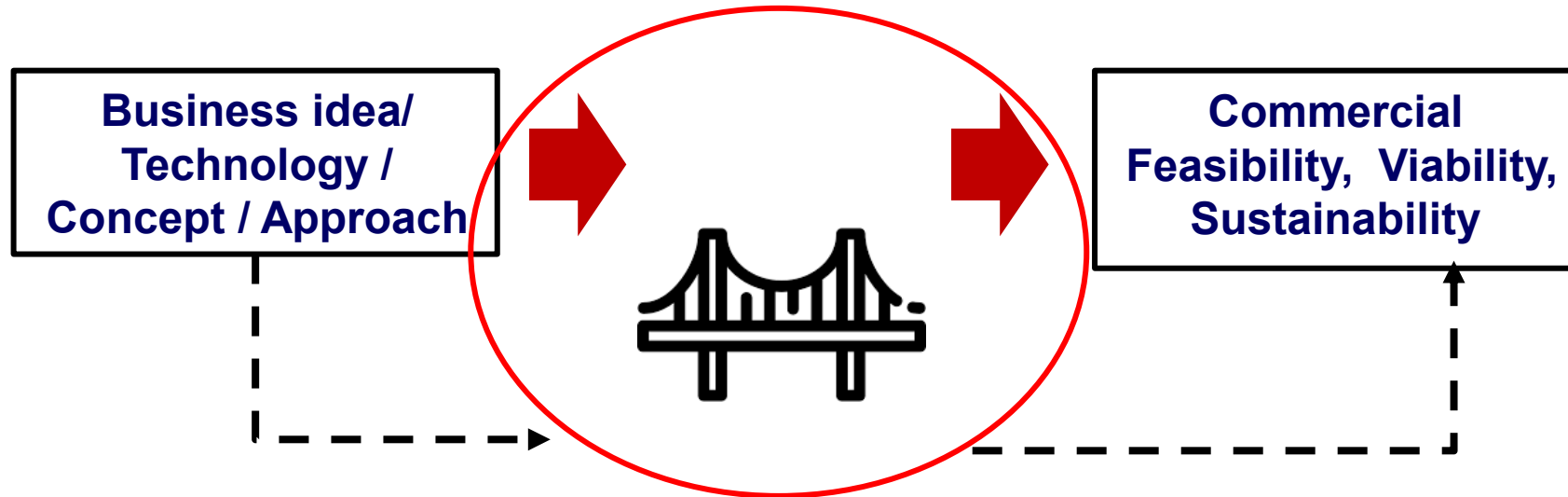


The VPD forms a rock solid business foundational platform.

It is a framework to better position and align your capabilities to your customers' needs.

It helps you create real value...which attracts buyers.





**Business must aspire to**  
**1)Create, 2)Communicate, 3)Deliver,**  
**and 4)Capture (Market) Value...**

**...to ensure we get across the valley of death!**

# ...and the Value Proposition Design (VPD) is at the heart of the Business Model Canvas

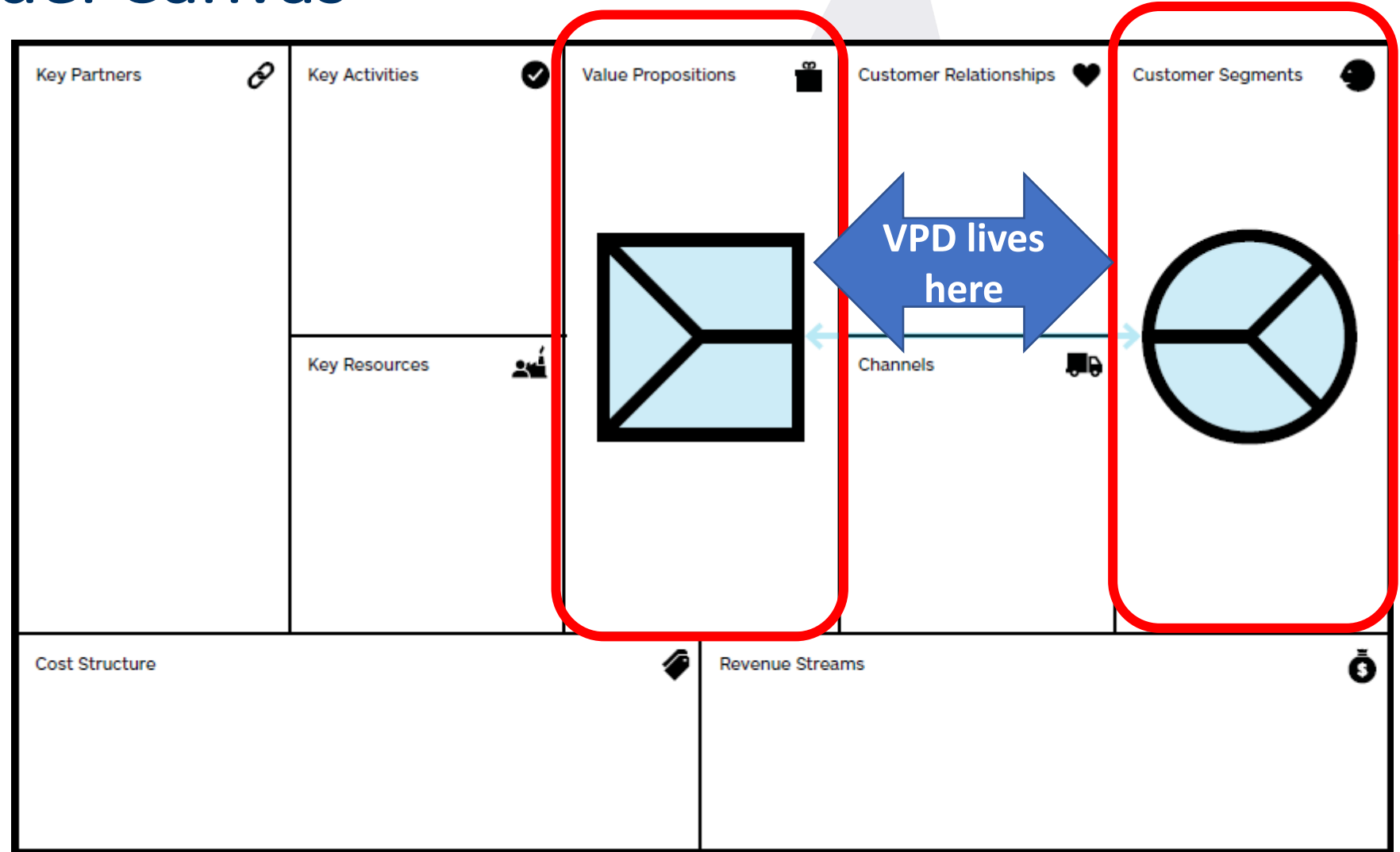
It is a strategic management and lean template for developing new (or documenting existing) business models.

It is a simplified visual map having 9 elements describing a firm's product's / service value proposition, relationships, customers, and financials.

It creates common language and a shared understanding around the firms' business approach.

It is an alignment tool that helps firms manage highly inter-related activities.

[Source: en.wikipedia.org](https://en.wikipedia.org)



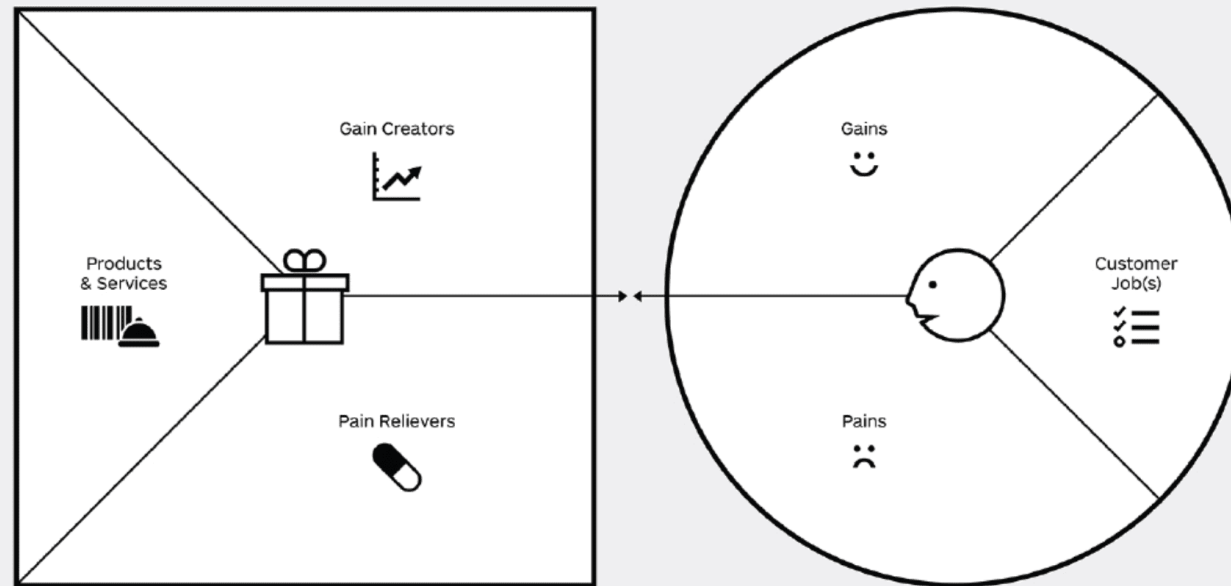
# A clear value proposition is at the core of every good business model and business briefing

Defining your Value Proposition clearly can take your business to the next level

- **Your Value Proposition** drives new customer acquisition and fosters customer loyalty over time

## Value Proposition Canvas

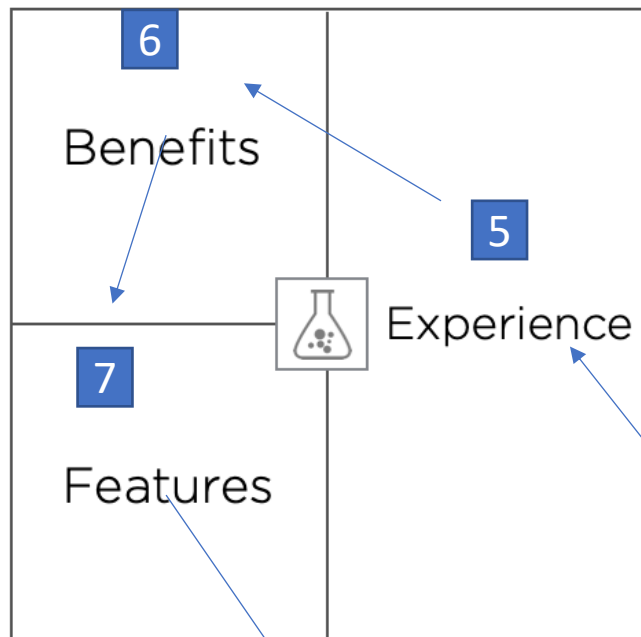
by Alex Osterwalder





# Value Proposition Canvas

## Your Product/ Service



Company:  
Product:  
Ideal customer:

8

## Customer



Start on the Customer Side  
...steps 1-4

Value Proposition  
Design starts with a  
*focus on :*  
*customer jobs to be*  
*done, needs, and*  
*available*  
*substitutes...*

*...competitors,*  
*incumbents*

VPD continues by examining the level of *alignment between your (hopefully) differentiated market offering and your segmented, targeted client/customers' needs*

**Move to your Offering Side.**

...steps 5-8

Synthesize your findings and align it with your products/ service offering

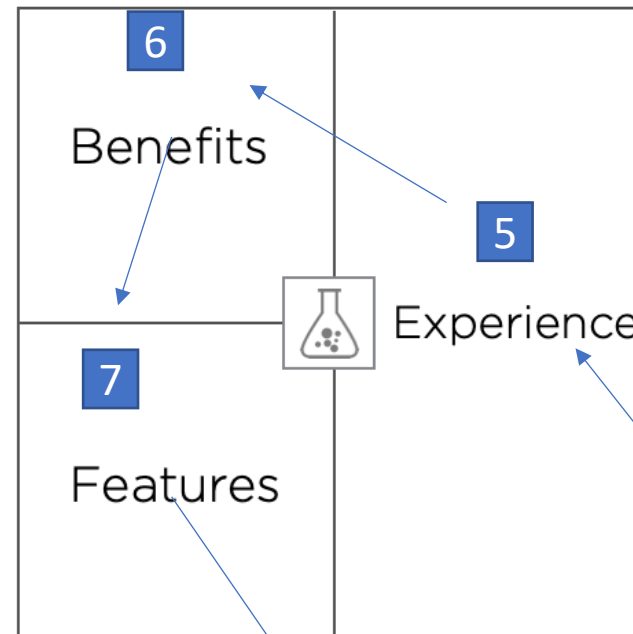


Your Product /  
Services Offer/ Cap  
Statement / Website

Benefits  
Features  
Points of  
Differentiation

## Value Proposition Canvas

### Your Product/ Service



Company:  
Product:  
Ideal customer:

8

### Customer



Substitutes

4

# We can't overstate importance of *VP Design*

## 10 Characteristics of a Great Value Proposition

1 Is embedded in a great business model



2 Focuses on what matters most to the customers



3 Focuses on unresolved pains



4 Target few jobs, pains, and gains but extremely well



5 Goes beyond functional jobs and address emotional & social jobs



6 Align with how customers measure success



7 Focuses on jobs, pains and gains that people will pay a lot of money for



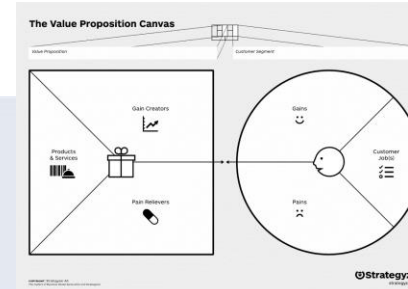
8 Differentiate from competition



9 Outperform competition substantially on at least one dimension



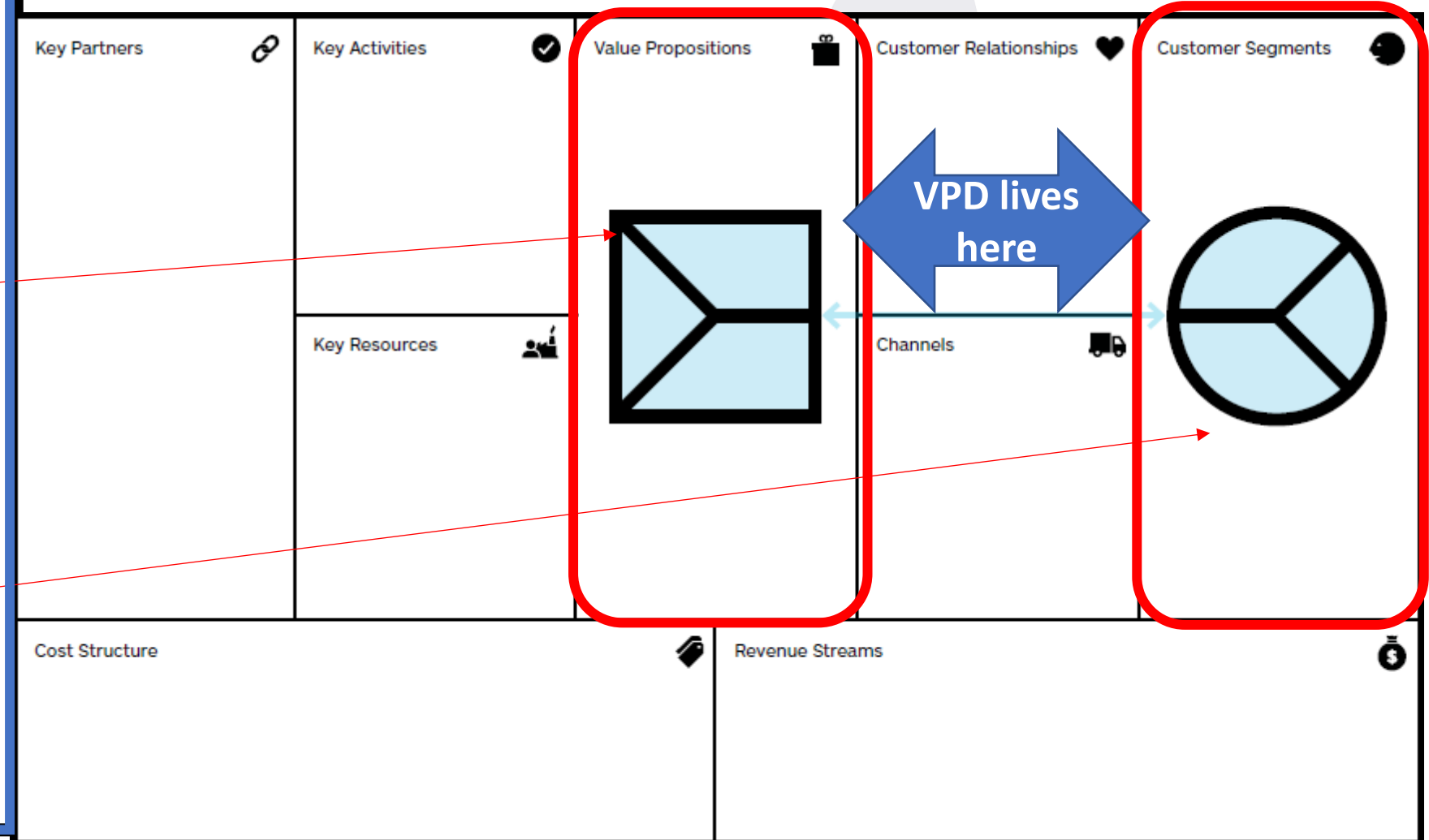
10 It is difficult to copy



Informs strategy and tactics

- Competitive Incumbent strengths & gaps
- Subtle differences in what the customer wants and needs
- A very strong, aligned Capabilities Statement
- Your Business Briefing / pitch
- Your Marketing Strategy Brand Positioning
- Web Site Elements
- Organic Search Tags
- ...and more

NOTE:  
You do not have a sustainable business unless you have a product/service offering (square) that creates real value that a specific client or customer (circle) will pay for.





# NO COST Value Proposition Design Webinar !

Building Your Value Proposition Design (VPD) - \*Webinar  
(Live)\* - PW

**Feb 19th, 10am to  
Noon**

## **Webinar Learning Objective**

Please join Senior Business Counselor, and Adjunct GMU Professor George Siragusa, as he guides you through a step-by-step process of building your Value Proposition Design which is invaluable to startups, early stage companies, growth, or even mature businesses! The Value Proposition Design (VPD) is a **framework** that enables businesses to **develop** and **solidify their foundational ideas** for how they will **create, communicate, deliver and then extract marketplace value** for a **differentiated product or service** intended to **solve a specific problem aligned with a specific customer need** while **delivering tangible benefits**, for an **intended potential customer segment** in a **domain space or industry sector**. It lives inside something called the **Business Model Canvas**, another important foundational business framework.

We are *subject matter experts (SMEs)* in the issues and statistics of our industry and can *place our offering in perspective and in context of the bigger vertical industry ecosystem?*



Q: Are you a “SME”, a Subject Matter Expert in the Domain Space you play in ?

---

Have you put your “story” into a larger context ? Use statistics from reputable sources ? ....

- ...“Market” is very large
  - \$s revenue is \_\_\_\_\_
- ...“Market” is growing
  - x% yr-on-yr (CAGR)
- ...***you know your competitors***
  - ***gaps, weaknesses...***
- ...you have cited references!



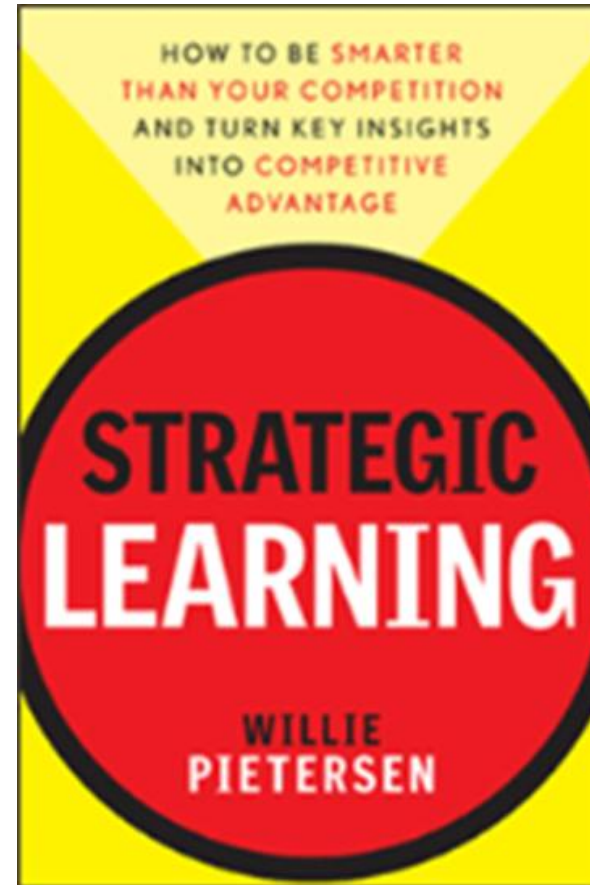
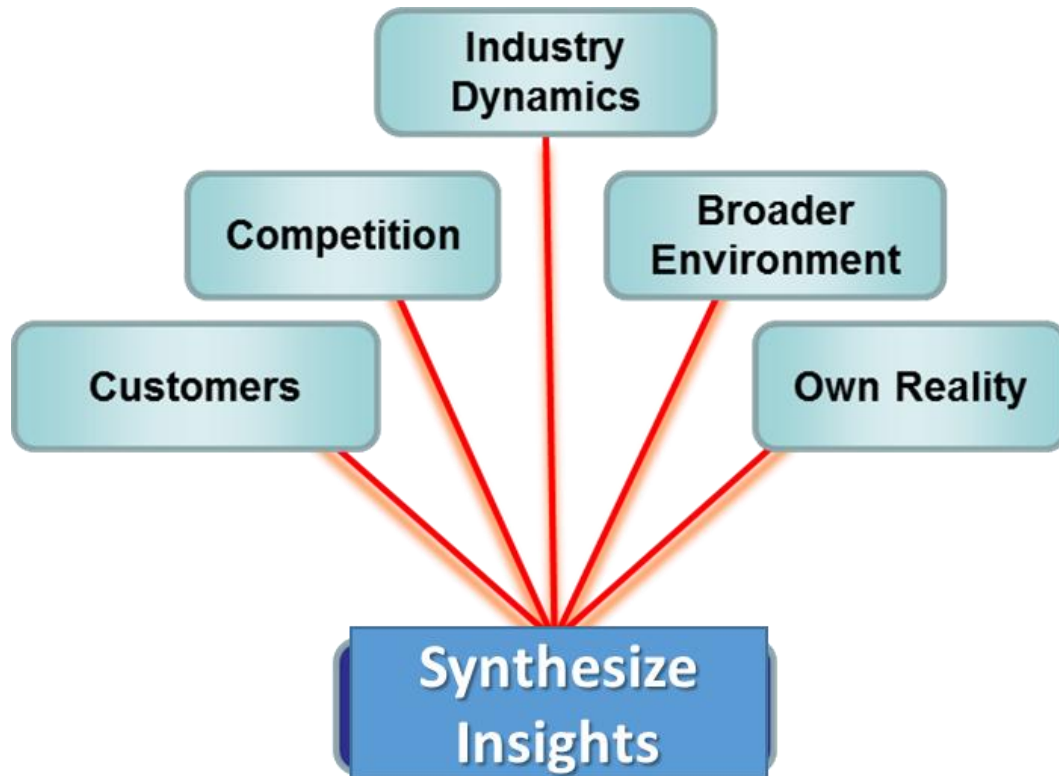
You've done the ***homework*** to be trusted and credible !

---



Q: Are you a “SME”, a Subject Matter Expert in the Domain Space you play in ?

---



Q: Have you “mined” for insights making you trusted and credible?

Q: Have you tested / validated your business hypothesis?

---





Do You Really

KNOW YOUR  
CUSTOMER



?



?

Do You Really

KNOW YOUR

Government  
Customer





Do You Really

KNOW YOUR  
CUSTOMER

---



Segmentation ?





Do You Really

KNOW YOUR  
CUSTOMER



---

Persona?



Do You Really

**KNOW YOUR  
COMPETITORS**





# Do You Really KNOW YOUR

Points of Differentiation?  
Strategic Advantage?  
Your Secret Sauce?

?





# Do You Really KNOW YOUR

Market or Customer  
Feedback?

?







Do You Really

KNOW YOUR  
CUSTOMER



?



- ☐ what domain space, industry sector, segment they are in?
- ☐ how big in US Dollars is the market for the products and services sold into this domain or industry sector or segment?
- ☐ what is the “persona” / personality of the customer/client in this sector/segment?
- ☐ who are these customer / clients by title and function inside their organization?
- ☐ who specifically in the organization, by name, has the (budget) authority to make purchasing decisions?
- ☐ what is their budget for these products or services they seek?
- ☐ what specific solutions do they seek from the marketplace?
- ☐ from which supplier(s) do they purchase those products or services now?
- ☐ how many competitive suppliers are there in this ecosystem, industry sector/segment?
- ☐ what are their fears if they can not find solutions to their problems?
- ☐ what benefits do they perceived as valued?
- ☐ where do they go to learn about products and services?
- ☐ ....and.....more





?

Do You Really

KNOW YOUR

Government  
Customer





## DOE/NSA Sites



Legend  
Operations Office Production/Design Site or Project Office Project Administration Laboratories Field Office Special Purpose Sites or Offices Service Business Center  
as of May 2017  
<http://smallbusiness.energy.gov>



Illustrative Only



## What DOE Buys

### Top 5 NAICS\* Codes – Prime

- 562910 – Remediation Services
- 541611 – Administrative Management and General Management Consulting Services
- 541330 – Engineering Services
- 561210 – Facilities Support Services
- 541513 – Computer Facilities Management Services

### Top 5 NAICS Codes – Subcontracting

- 541330 – Engineering Services
- 541990 – Professional Services
- 541715 – Research and Development in the Physical, Engineering, and Life Sciences
- 562910 – Remediation Services
- 611710 – Educational Services

\* North American Industry Classification System Codes



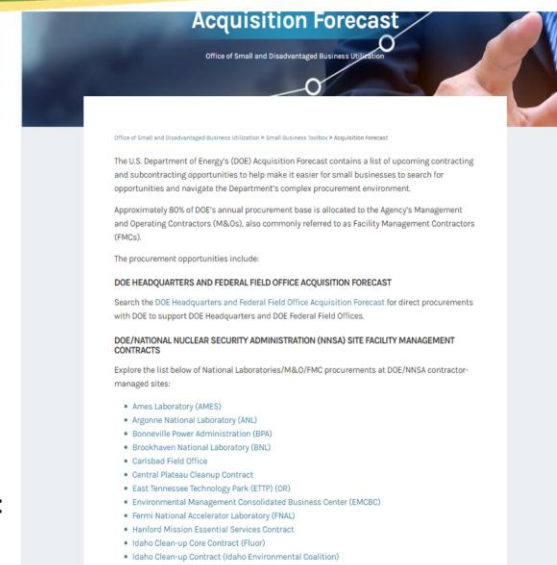
## Acquisition Forecast Opportunities

DOE Headquarters and Federal Field Office Acquisition Forecast

<https://www.energy.gov/osdbu/acquisition-forecast>

- ❖ Provides list of headquarter **prime** forecast opportunities
- ❖ Provide hyperlinks to the various DOE laboratories for **subcontracting** opportunities. (*You must search each lab individually for its opportunities*).
- ❖ Supply Chain Management Center (SCMC): <https://thescmcgroup.com/>

<http://smallbusiness.energy.gov>







# Do You Really KNOW YOUR CUSTOMER



## Market Size ?



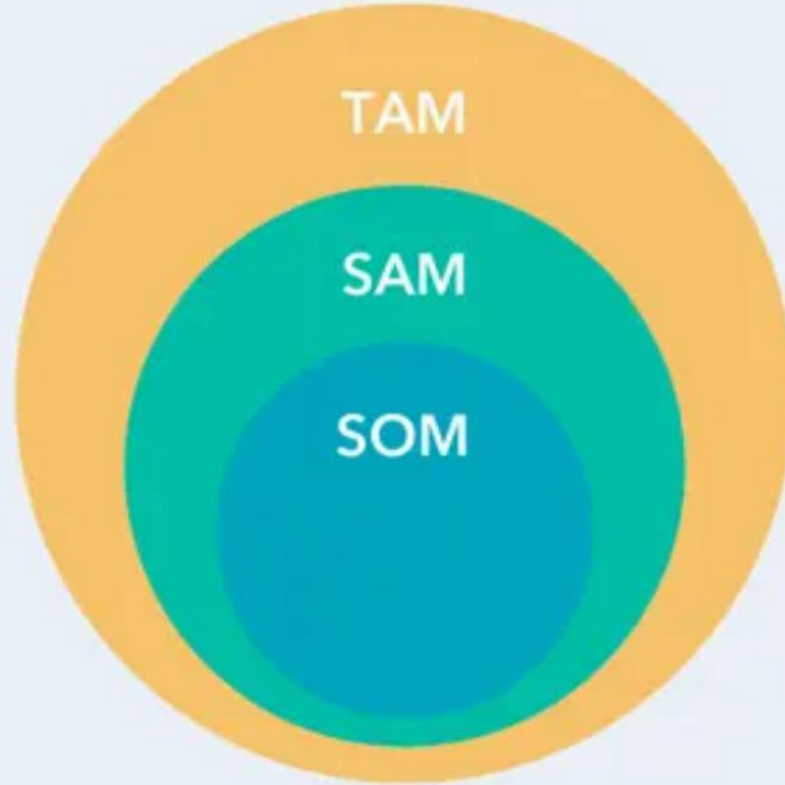
# TAM SAM SOM

## Total Addressable Market

Total market for your product.

## Serviceable Obtainable Market

Percentage of SAM you can realistically capture.



## Serviceable Available Market

Portion of the market you can acquire based on your business model (your targets).



Do you know the “TAM, SAM, SOM for the business EcoSystem you are operating in?

[TAM SAM SOM: What Do They Mean & How Do You Calculate Them? \(hubspot.com\)](https://www.hubspot.com/marketing/tam-sam-som)



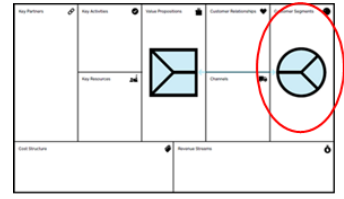
Do You *Really*

KNOW YOUR  
CUSTOMER

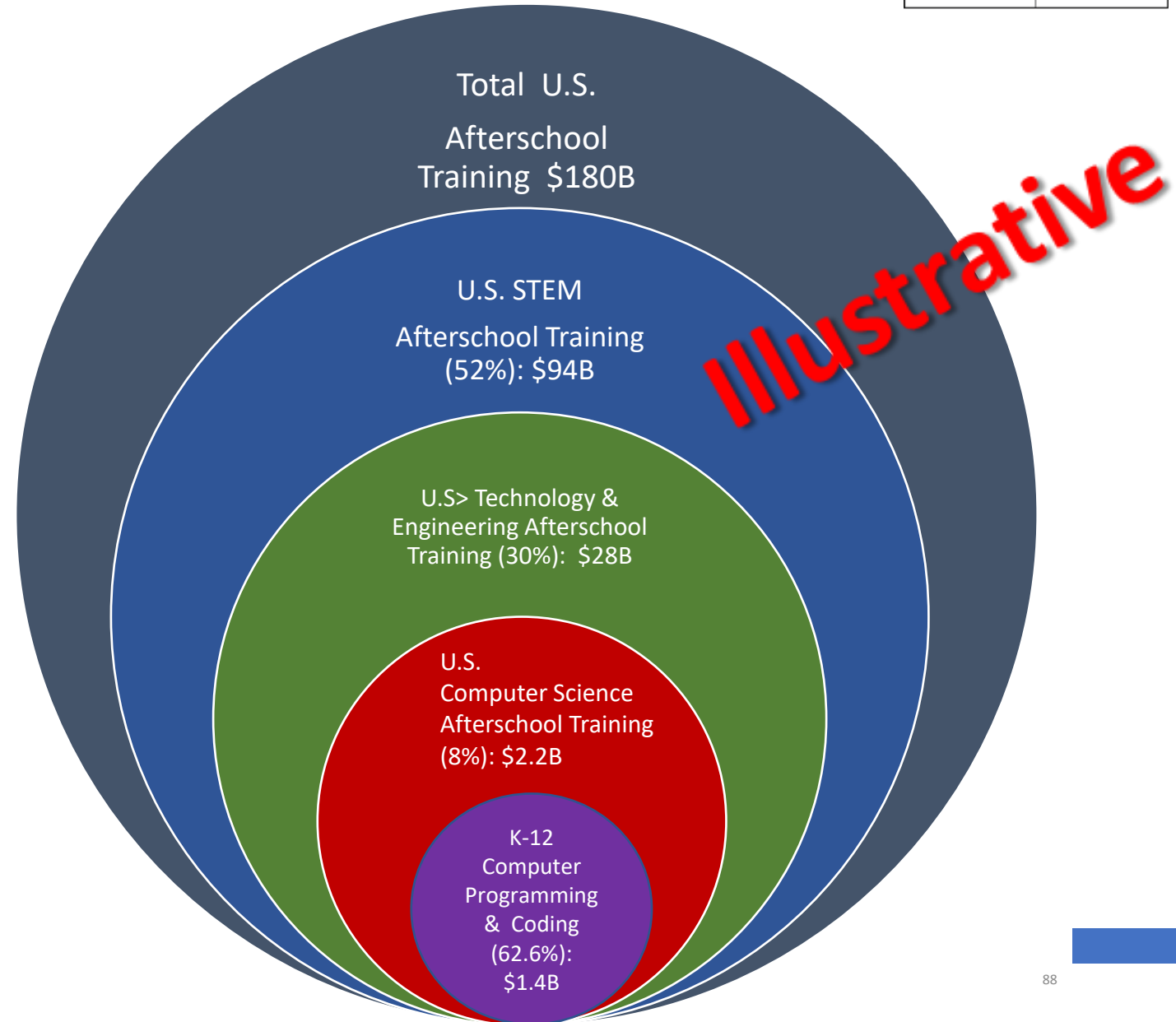


Segmentation ?

# Customer Segmentation for An Afterschool Learning Company focused on Computer Coding



- *Students demand for afterschool training is about 30M **growing 14% Year on Year***
- **10.2 million of students K-12** participate in afterschool programs
- *19.4 million of students K-12 not currently in an afterschool program would be enrolled in a program if one was available to them*
- **Parents pay an average of an average of ~ \$450 per month** on afterschool programs
- Typical afterschool program serves an **area of about 250,000 residents**







Do You Really

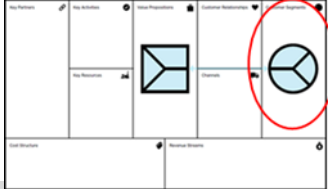
KNOW YOUR  
CUSTOMER



Persona?



# The BMC/VPD suggests you develop a customer “Persona”



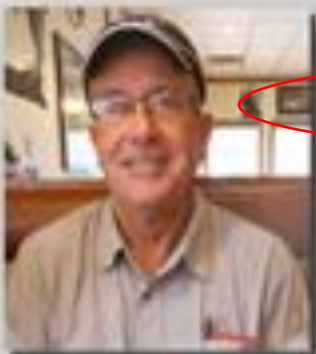
## Demographics

### Profile:

- 45 years old, male
- Oversees entire fleet operation
- 10-15 years experience in transportation industry; started as a driver
- Lives and works in a suburban location (along a trucking route) in the Midwest
- Considers trucking a lifetime career
- Has both technical expertise and project management skills
- Strong passion for his business - likes to be a part of legacy/history
- Grew with the company- worked his way up to manager

### Company Profile:

- Small Medium Size Firm between 100 and 200 employees
- Uses multiple brands of OEMs for trucks; has direct relationships with OEMs across categories



**Daniel**

Heavy Duty Fleet Maintenance Manager  
USA



## Behaviors & Attitudes

- Highly loyal in all aspects of life; generally reluctant to change
- Driven by data when making important decisions
- Open to new technology and willing to try new things as long as others have seen proved benefits
- Treats other employees like family
- Very active on social platforms (e.g. LinkedIn), sharing information and seeking advice
- Reads or subscribes to industry publications to better understand new trends
- Has a strong local network of industry peers
- Eager to learn from larger fleets
- Likely to solely source motor oil from one supplier

## Needs

- To maximize up time for vehicles in his fleet
- To maintain fleet efficiency by managing metrics like fuel economy and total cost of ownership
- To evaluate all key factors in maintaining vehicle efficiency (e.g. coolants, filters)
- To closely monitor the condition of his trucks
- To see value in any increased cost of supply
- Qualified and informed drivers to handle equipment properly
- Access to research conducted by the manufacturers for proof of product performance
- Strategic relationships with service center hubs
- Education on implications of regulatory changes (e.g. PC-11)

**Bold = Future State**

A word cloud with 'MARKET ANALYSIS' in large, bold, red letters at the center. A magnifying glass with a black handle is positioned over the text. Surrounding the central text are various business-related terms in different colors and sizes, including: profitability, strategy, business, channels, cost, growth rate, distribution, success, consumer, trends, size, potential, factors, company, growth, identify, search, cost, and market.



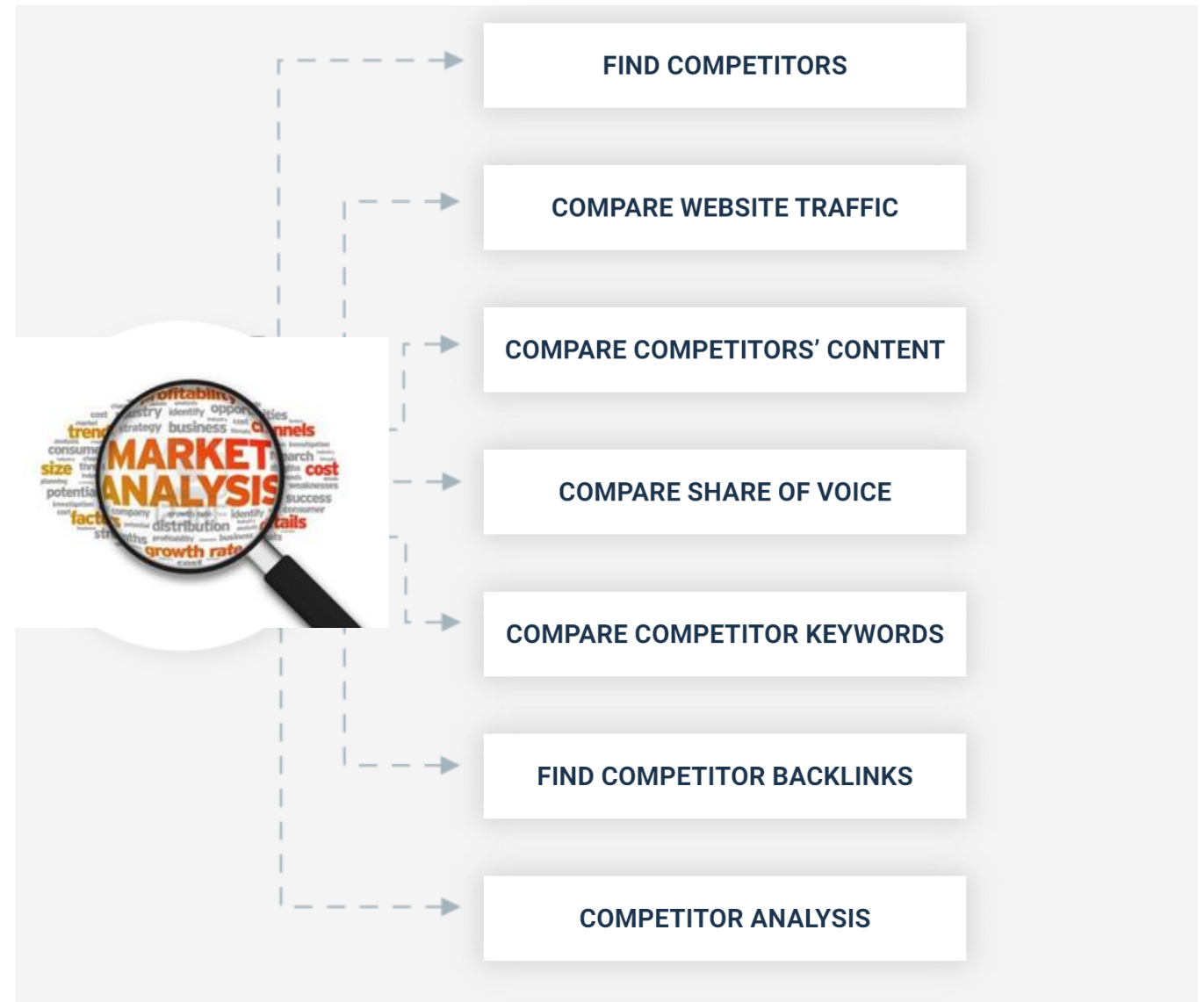


# KNOW YOUR COMPETITORS

A hand-drawn illustration of a head profile with gears inside, symbolizing thought or strategy. The head is drawn with a simple white outline. Inside the head, there are four gears of different sizes and colors (white, grey, and yellow). A hand is shown at the bottom right, holding a white marker and drawing the head profile. The background is dark grey.[illegible]

\_\_\_\_\_

# Find Gaps Compare Best in Class Competitors' Websites





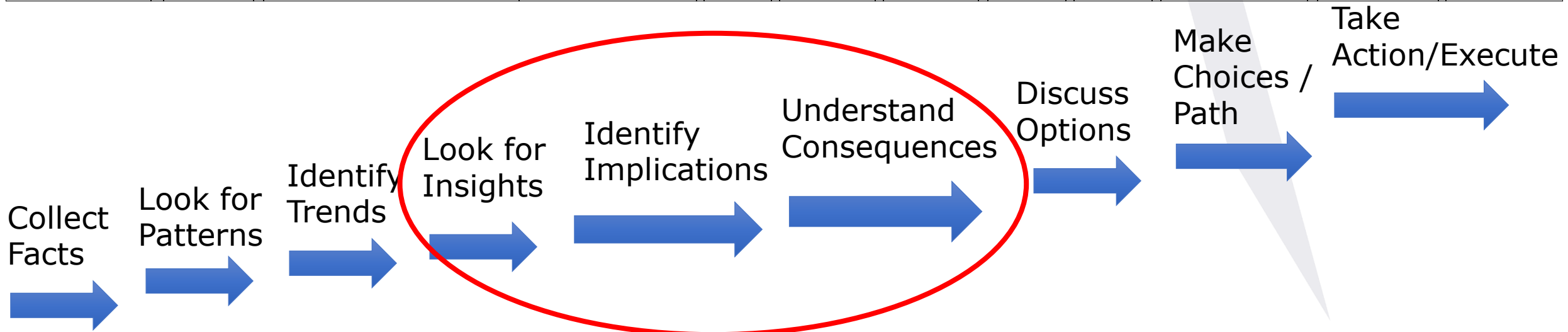
# Competitive Comparative Matrix Insights Exercise Template

NOTE: Create in Excel; minimum of 5 competitors; modify columns as applicable



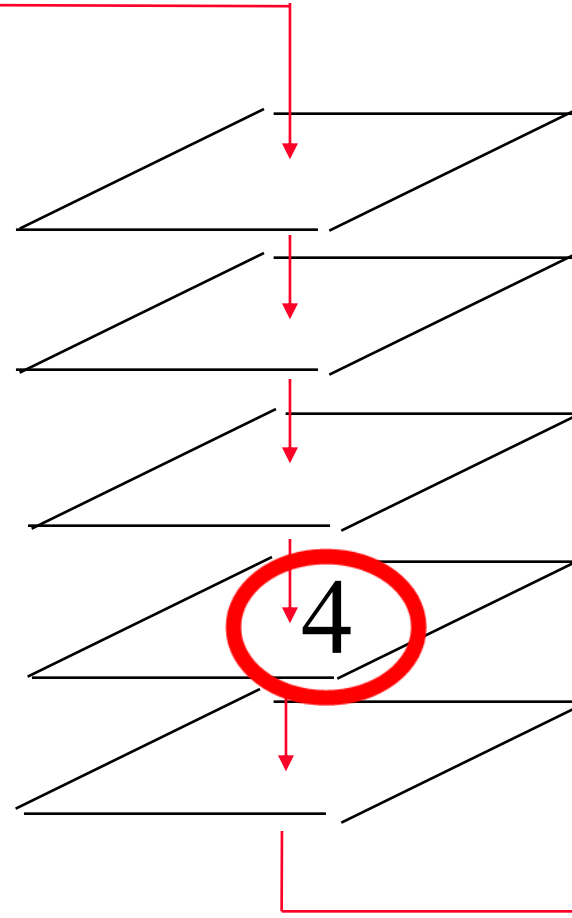
Competitor Businesses	Website URL Link	Industry/ Sector / Segment Competitor is in	Location Geographic Reach	Phone #	Est. Sales \$USD	Unique Branding	Feature #1	Benefit #1	Point(s) of Differentiation	Sell Through Channels?	Relevant Comments
Competitor # 1											
Competitor # 2											
Competitor # 3											
Competitor # 4											
Competitor # 5											

**It is a Side by Side collection of facts, patterns, themes, etc. that lead to insights, implications and then actions**



# Lean Startup Principles - Filters Prior to Developing the Business Briefing

We can *describe the problem we are solving*, and *how our unique, differentiated and novel solution, vs. competition, works to create benefits* for a *specific* group of *clients and customers*



# What (Specific) Problem are you solving for whom ?

**Your Value Proposition (products/services)**

**Given the specific “problem/job” what “pain points” do you remove ? What are the benefits ? Would they pay you ?**





# Do You Really KNOW YOUR

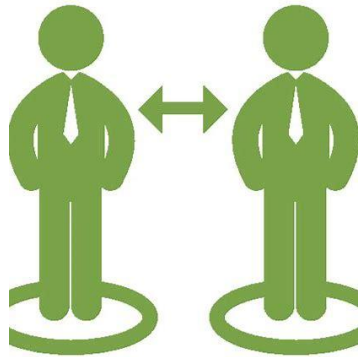
Points of Differentiation?  
Strategic Advantage?  
Your Secret Sauce?

?

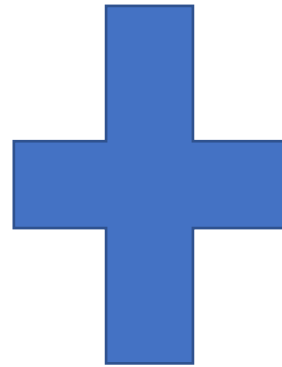




*Value Proposition Design asks you to think about this equation:*



*Your Service / Product Points of Parity*



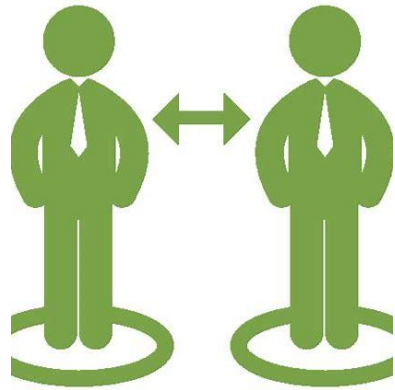
*Your Service / Product / Business  
Points of Differentiation*

*(communicated with clarity), equals...*

*...some level of tangible value created in the Mind of your Customers*

**Q: How can your businesses' perceived market value optimized?**

***The Value Proposition Design asks how are you the same as competition ? :***



**Typical Points of Parity**

- ☐ Strict Compliance with all Requirements
- ☐ Cost Competitiveness; Priced Competitively
- ☐ Technical Capability
- ☐ Financially Sound
- ☐ Prior Experience with Customer is favorable
- ☐ Seen as “Easy to do business with”
- ☐ Favorable reviews

## *The Value Proposition Design asks:*

*“How (specifically and measurably) is your product or service capabilities / offering, better than the next best available (or incumbent) alternative?”*

### Typical and Potential Points of Differentiation

- ☐ Company/Brand is seen as Strategic, Innovative
  - ☐ Leader, among the best
- ☐ Product / Service is:
  - ☐ low risk, high convenience, environmentally friendly, simple to use
- ☐ Strategic Mission aligns well with client
  - ☐ Shared values, attributes, outlooks
- ☐ Management Team is credible, believable
- ☐ Organization has capacity, competency
- ☐ Offering Benefits are tangible, quantifiable
- ☐ Brand is Professional with market presence

