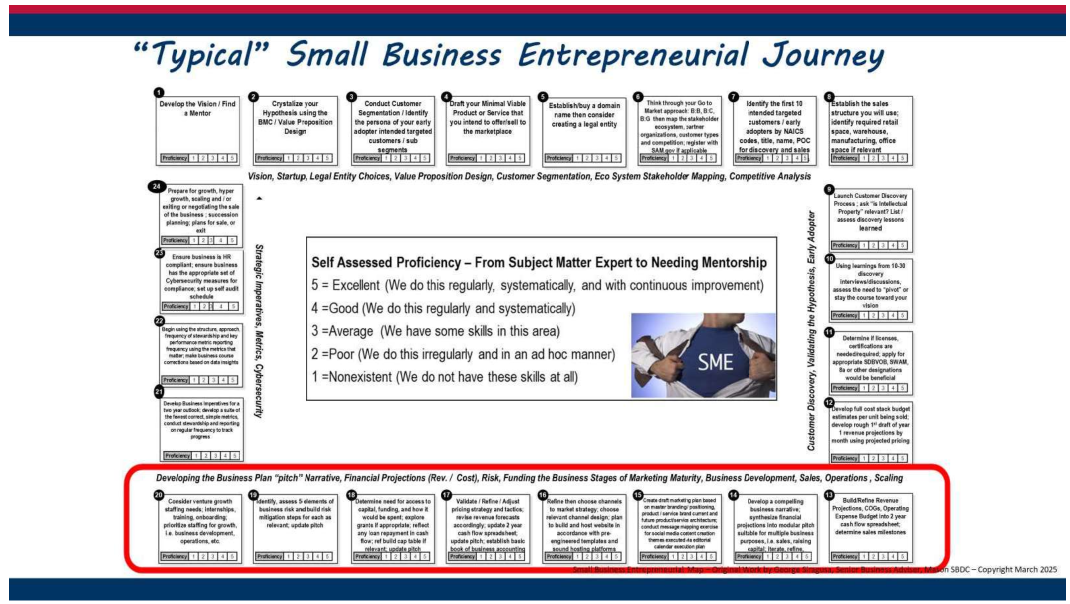
Thank you for your attention, questions and engagement today!

The Anatomy of a Typical Small Business Entrepreneurial Journey

+ hindsight of 8 Lessons Learned

Leg #3 of the journey



"Typical" Small Business Entrepreneurial Journey

1. Develop the Vision / Find a Mentor — Proficiency 1 2 3 4 5
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Strategic Imperatives, Metrics, Cybersecurity

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Step # 13 Points of Emphasis

"Ground truth" assumptions that will underpin the revenue projections and costs

Develop your 2-3 year cash flow spreadsheet

Step # 14 Points of Emphasis

Create your business plan modular briefing narrative

Suggested DRAFT Storyboard Outline Flow for your Investor Pitch Deck

- useful *starting point* PowerPoint template to create a compelling "story" that can be made relevant for a variety of targeted audiences (i.e. Investor, Bank, Customer, Client, etc.)
  - modify pages depending on presentation objectives and type of audience
  - create a draft for review, iteration and edit
    - ***create the template by making each bolded element its own page title***
    - ***build 3 bulleted phrases per PowerPoint page to reflect key points to emphasize***

- ***Intro: What do you do ? + your "WHY"***
- ***Investment Need Summary***
- ***Scene Set, Context, Statistics, Facts***
- ***The Problem***
- ***The Solution and Value Proposition***
- ***Competition***
- ***Strategic Competitive Advantage***
- ***The Team***
- ***Your Business model***
- ***Route / Path to Market***
- ***Financials: Startup & Operating Cost/Budget Estimates; Revenue Projection Summary***
- ***Traction/Early Adopter Sales/Proof of Concept***
- ***Major Milestone Timeline / Phases***
- ***Strategic Marketing Plan Elements***
- ***Investment Request; Detailed Use of Funds***
- ***Risk Mitigation***
- ***Call to action / Points of Contact***

Source for more power: Storyboarder - The best and easiest way to storyboard. | Wonder Unit

Step # 14 Points of Emphasis

Integrate your P&L as a summary into the narrative

Category	Year 1	As Percent	Year 2	As Percent	Year 3	As Percent
Coffee Shop Revenue	$256,410	52%	$367,302	54%	$448,921	55%
Beer & Wine Revenue	$124,339	25%	$171,629	25%	$180,547	22%
Coffee Bags & Wholesale	$64,207	13%	$98,947	14%	$132,527	16%
Farmers Market	$43,464	8.9%	$47,996	7.0%	$52,528	6.4%
less returns	($15,647)	-3.2%	($22,148)	-3.2%	($25,869)	-3.2%
TOTAL Revenues	**$488,420**		**$685,874**		**$814,523**	
Costs Of Goods Sold	*$167,987*	34%	*$234,189*	34%	*$277,165*	34%
Payroll Expenses	*$191,456*	39%	*$223,034*	33%	*$296,741*	36%
General & Administrative	*$117,140*	24%	*$122,446*	18%	*$125,859*	15%
TOTAL Expenses	**$476,583**	98%	**$579,669**	85%	**$699,764**	86%
GROSS PROFITS	**$11,838**	2%	**$106,205**	15%	**$114,758**	14%

Step # 15 Points of Emphasis

Marketing Plan Objectives

Your Strategic Marketing Plan should address its purpose

1. Building Your Brand.
2. Building Your Reputation.
3. Creating Community.
4. Generating Leads.
5. Generating Sales.

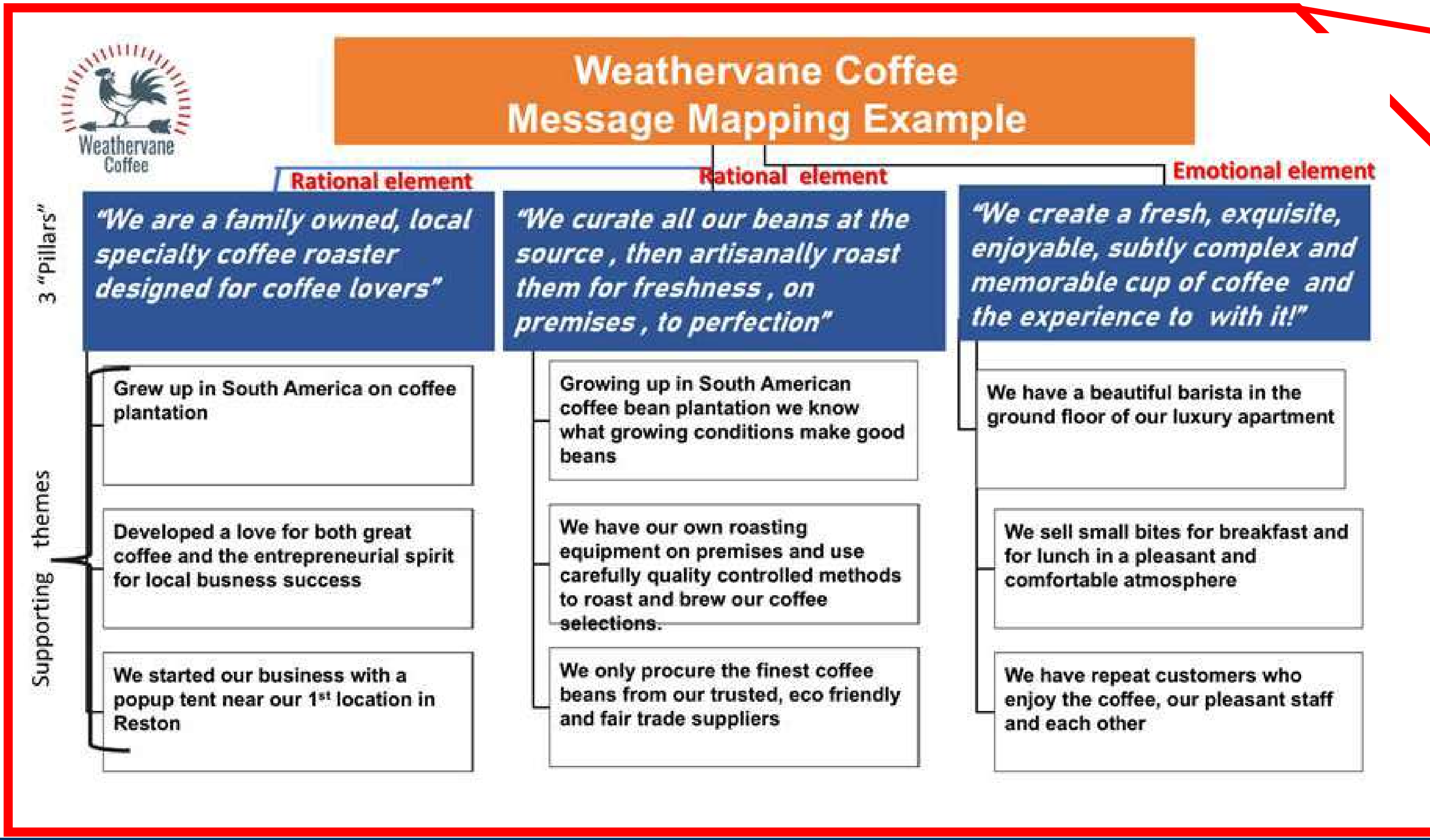
Step # 15 Points of Emphasis

Sales vs. marketing

In its simplest form, the marketing team creates content about a company's products and services to generate brand awareness and fill the prospect pipeline.

From there, the sales team is responsible for converting customers in the pipeline to generate revenue.

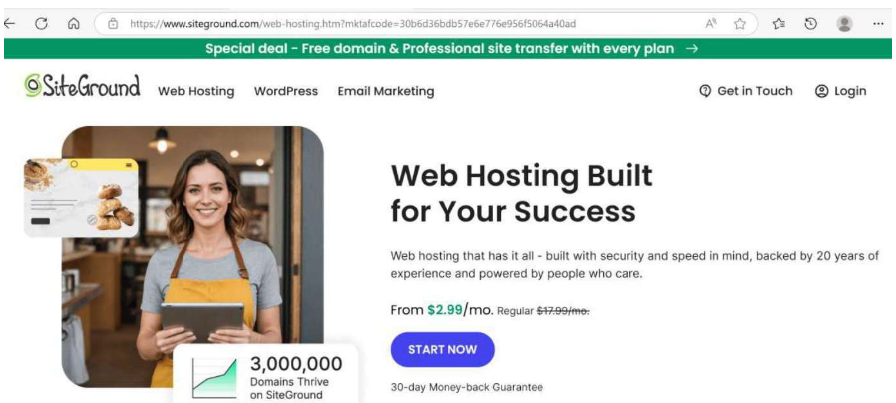
Step # 15 Points of Emphasis



Developed from the thinking coming from your <u>Value Proposition Design</u> and <u>Discovery</u>, build your <u>Message Map.</u>

This is your strategic framework around which you can plan, develop, schedule, execute and tactically launch your digital marketing content campaign.

Step # 15 Points of Emphasis



Chose a ***Professionally Managed*** **website hosting service.**

Build your website in WordPress using "pre-engineered" templates that are recognized by organic search to optimize your SEO.

[SEO Tools, Software and Articles | SEO Site Checkup]

Step # 15 Points of Emphasis

Claude [Claude]

Features Pricing FAQ Get started

Free

Try Claude

- Chat on web, iOS, and Android
- Generate code and visualize data
- Write, edit, and create content
- Analyze text and images

$0

Free for everyone

Pro

For everyday productivity

Everything in Free, plus:

- More usage*
- Access to unlimited Projects to organize chats and documents
- Ability to search the web
- Extended thinking for complex work
- Connect Google Workspace: email, calendar, and docs
- Ability to use more Claude models

$17

Per month billed annually

Max

5–20x more usage than Pro

Everything in Pro, plus:

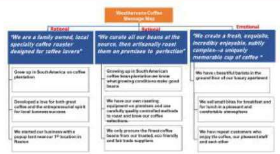
- Choose 5x or 20x more usage than Pro*
- Higher output limits for all tasks
- Access Claude Code directly in your terminal
- Access to advanced Research
- Connect any context or tool through Integrations
- Early access to advanced Claude features
- Priority access at high traffic times

From $100

Per month billed monthly

Consider using an "Ai" platform like *CLAUDE* (the paid version) to aid in finding relevant key words and helping to create your digital Marketing content Campaign.

Step # 15 Points of Emphasis



- 3 "Pillars are Strategic
- Supporting Element themes become your content
- Content Calendar aids in determining, directing, distributing
  - identifies channels
  - Facilitates campaign timing execution

Strategic Marketing Execution Plan Summary for 2H2022

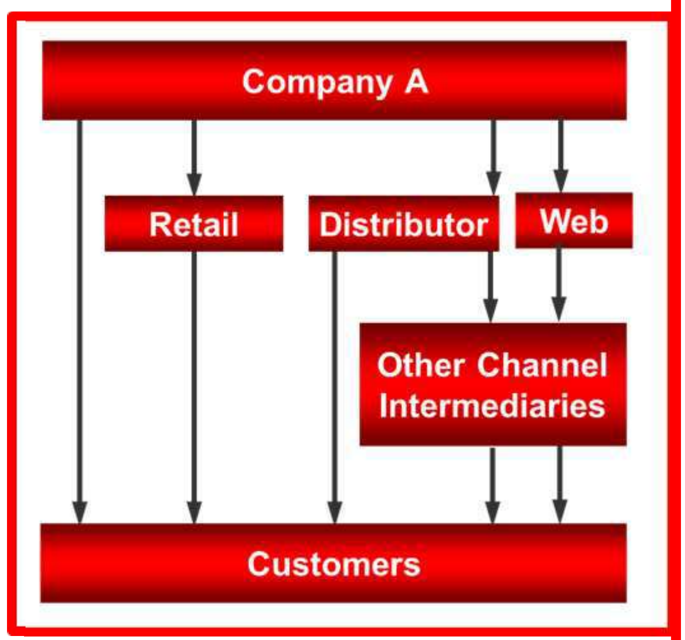
Tactics / Category	Jul	Aug	Sep	Oct	Nov	Dec
Press Releases: soft launch, hard launch, major events, website, testimonials, new markets, byline articles, other				Post to FB		
Major Events: Tradeshows, Conferences, Speaking Ops, Networking						
Digital Footprint: Website (SEO, Analytics), Facebook (Ads), Instagram (Posts), Blogs, Other		Video Blog on website				
Collateral Materials: Posters, Banners						
Sales Development: Lead Generation, Email push, other			1st Email Drip		2nd Email Drip	

ILLUSTRATIVE ONLY

[Social Media Marketing and Management Dashboard - Hootsuite]

Step # 16 Points of Emphasis

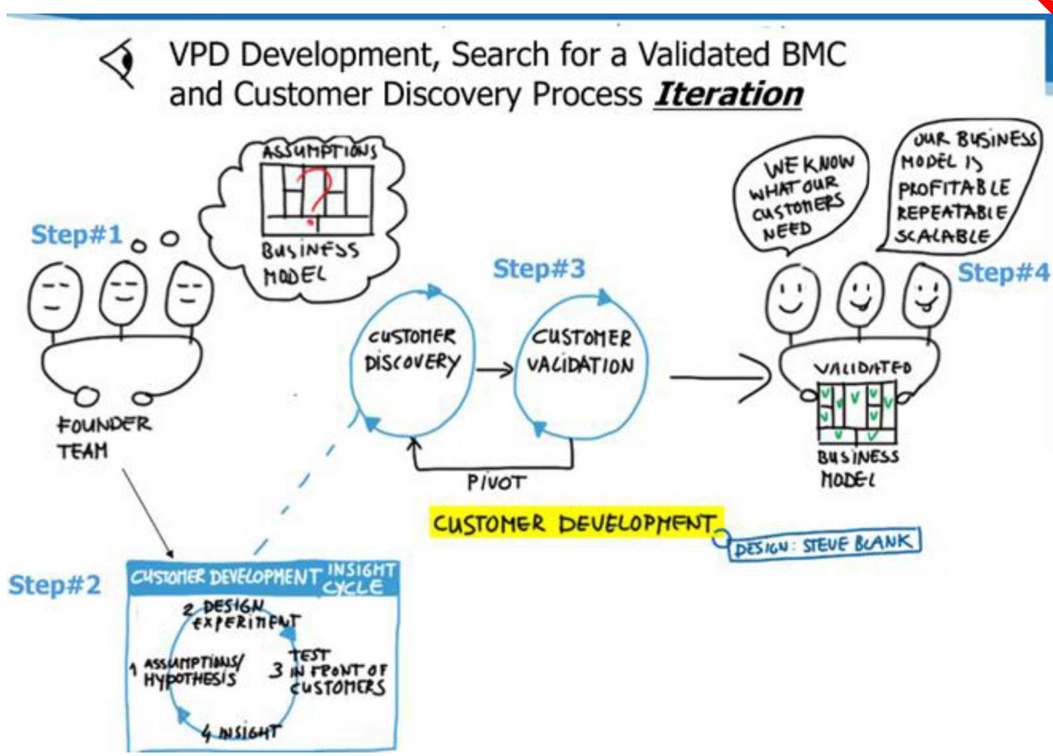
Referencing the Targeted Intended Customer / segment from the VPD, optimize/choose the most relevant Channel / pathway To Market



Step # 17 Points of Emphasis

From everything you learned, refine, polish, iterate with a mentor your:

- **Pitch**
- **Narrative,**
- **Financials**



Step # 18 Points of Emphasis

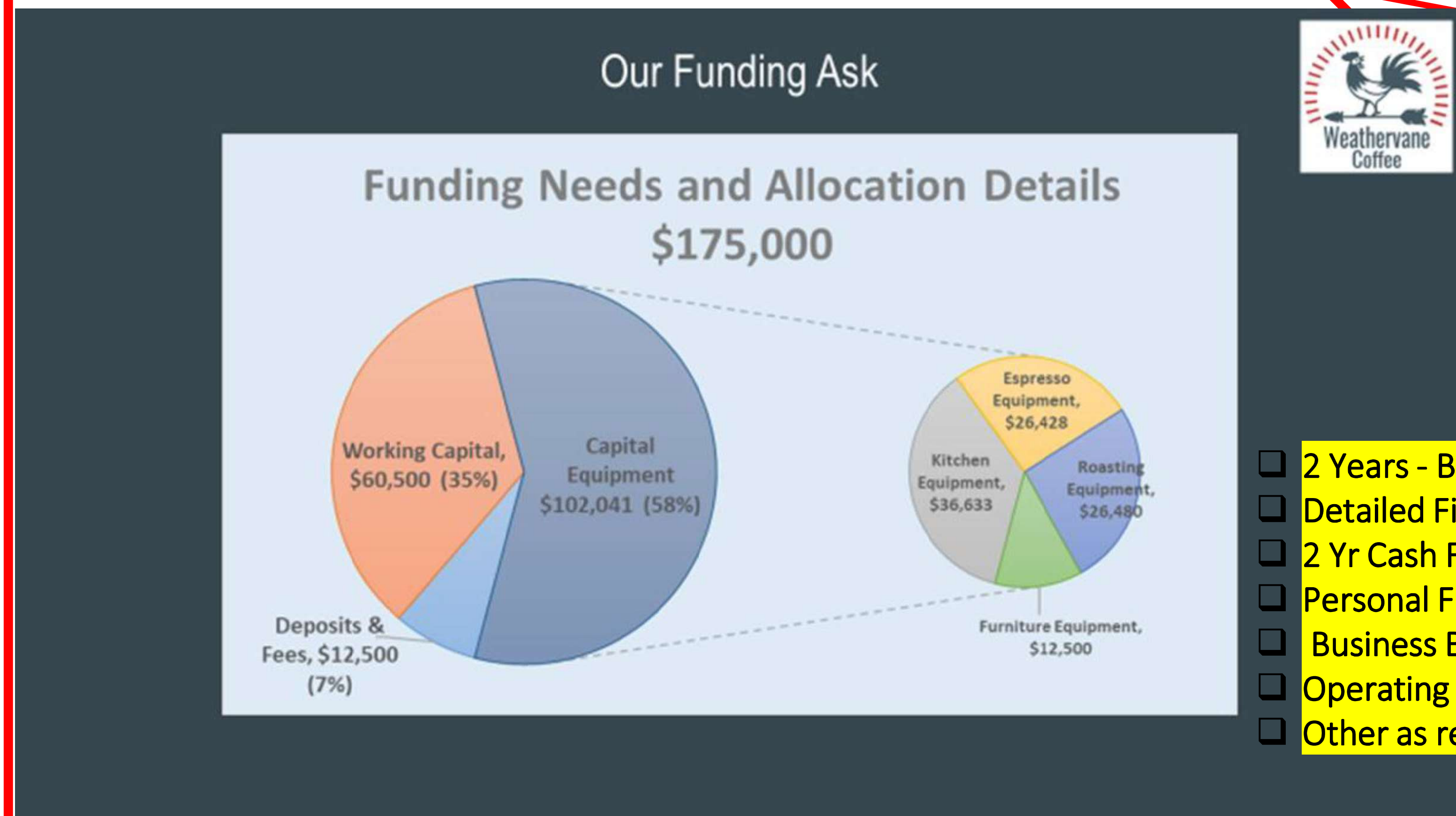
Identify, Quantify your Capital need considerations and the 5 "Cs"

- ✓ **Character**
- ✓ **Capacity**
- ✓ **Capital**
- ✓ **Collateral**
- ✓ **Conditions**

- Funding sources & financing programs
- Misconceptions of small business financing
- Bank financing basics
- Preparing for financing
- Strategies for your bank presentation
- And much more!

How and for what would you spend the capital?

Step # 18 Points of Emphasis



How would you spend that capital.

Prepare these docs:

- ❑ 2 Years - Business & Personal Tax Returns
- ❑ Detailed Financial Statements
- ❑ 2 Yr Cash Flow Forecast (Excel version)
- ❑ Personal Financial Statement
- ❑ Business Brochure/Capability Statement
- ❑ Operating Agreement
- ❑ Other as requested

Step # 19 Points of Emphasis

Identity the relevant risk for your business and the mitigation strategies and tactics for each

Elements of risk to consider:

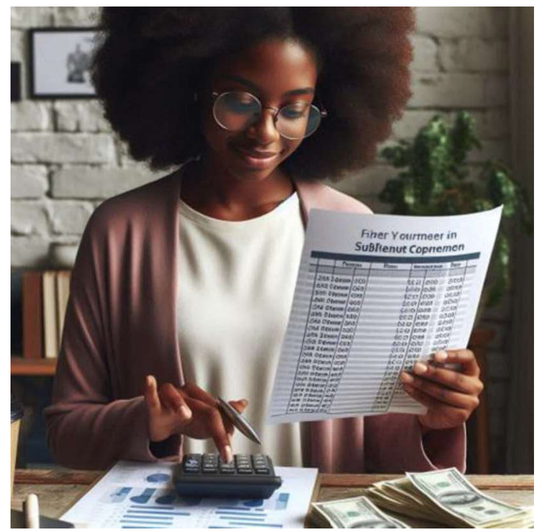
- **Business risk**
- **Brand Reputational risk**
- **Financial risk**
- **Legal Risk**
- **Cyber Risk**
- **Other/Uncertainty/AmbIguities**

Step # 20 Points of Emphasis

Ensure / Assess that your financials (cash flow, P&L, etc., will support the hiring of an intern or a fractional / part time / full time employee to help grow the business.

Define the role of that new employee.

Ask…who is doing the selling for your business?



MSBDC "How To" Webinars Associated with Phase 3

[Workshops & Events - Mason SBDC]

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Anatomy of a Typical Small Business Entrepreneurial Journey
Legal & Admin Steps to Starting a Business
Value Proposition Design and Message Mapping
Government Contracting 101
Small Business Financing
Preparing your Business Briefing / Narrative / Pitch
Marketing 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

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Highlights / Points of Emphasis For "Theme" 2 of 4

- ❑ Understand there are generally 5 different times and circumstances in the life of a business when a pitch narrative is needed*
- ❑ Rehearse your pitch with a mentor; pitch to any of the 6 sources of capital; refine your pitches
- ❑ Work through how you intend to mitigate the 5 elements of risk relevant to nearly every industry/biz*

*Indicates Topic is Discussed in No Cost MSBDC Webinar

Points of Emphasis For "Theme" 3 of 4

Coach G's Key Takeaways

- To expect to extract value for your offer with price, you must sustain a mindset to *create, communicate, deliver* value to the marketplace every day*
- Get assistance to understand how to move through the 3 levels of marketing maturity*
- Understand the connection between your value proposition and your digital marketing strategy - the marketing plan execution campaign* Use a message mapping framework to develop the essence of your master brand and product brand BEFORE any website development*

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Any discussion about your self-assessed proficiency for elements in "Theme" 3 of 4 ?

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Referencing leg 3 of the "map", lets pause for Questions and Discussion!

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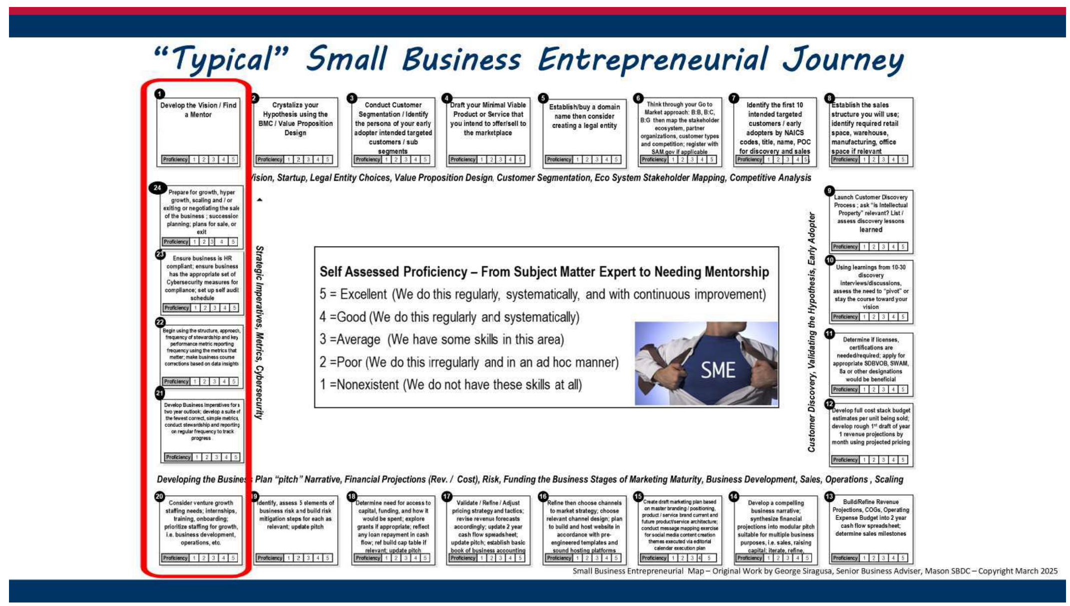

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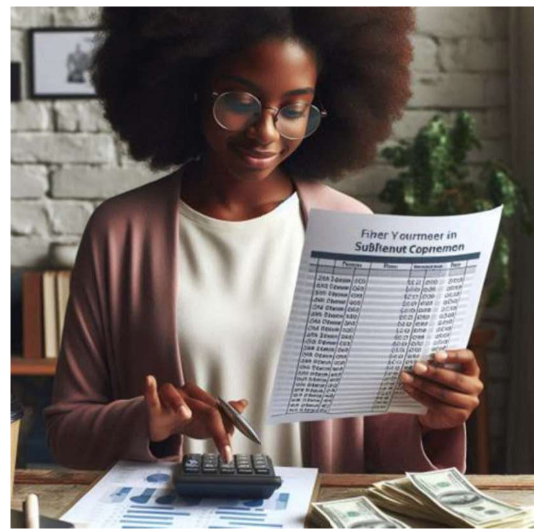


Define the role of that new employee.

Ask…who is doing the selling for your business?

Step # 21 Points of Emphasis

Illustrative Only

Develop Strategic Imperatives for a 2-year time horizon then identify metrics to measure progress

CORE VALUES and VISION for XYZ Comp.:

XYZ Co. operations and its leadership team will always be guided by 4 uncompromising Core Principles:

1. We never place profit over people
2. We work to delight our customers every day
3. We continuously Innovate to hedge uncertainty
4. We aspire to create, communicate, deliver and then extract market value

Our Vision is to be considered a thought leader and rank # 1 in customer satisfaction

STRATEGIC "IMPERATIVES", AIMS / GOALS for the *next 2 Years* are:

1. Increase topline revenue by 10% via expanded services
2. Reduce operating expenses by 2%
3. Build loyalty, target 95% customer retention
4. Build a dashboard targeting 1% improvements
5. Create incentives and reward employee innovation

PERFORMANCE METRICS in 4 KEY THEMES designed specifically to MEASURE PROGRESS against our goals are:

1. Financial Metrics

- New product/svc sales less op expenses — Net income in $USD
- Customer Acquisition Costs — Mo. Cost / Cust. Sales
- Begin monitoring cash flow statement — Ist report Dec 2024

2. Customer Experience Metrics

- Website Customer conversion rate — Monthly % Conversion
- Customer net promoter scores — Monthly Summary
- 1st Annual Customer Sat Survey — Launch Dec 2025

3. Internal / Process Metrics

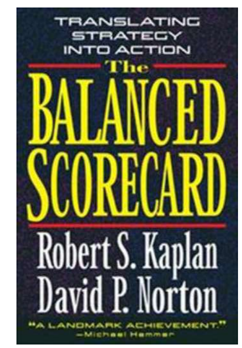
- Act on identifiable inefficiencies — YTD % Improvement $s
- Marketing Return on Investment — Mkting as % of Sales
- 9 metric dashboard report created — 1st briefing Jun 2025

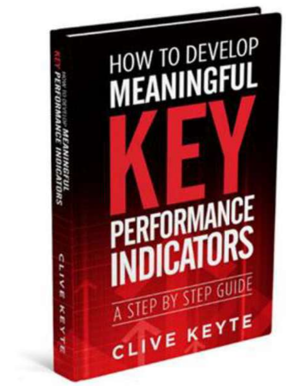
4. Organizational / Cultural / Diversity/Inclusion Metrics

- Launch of 2 profitable new ventures — Science to Sales $s
- Increase employee satisfaction — Annual HR Sat Survey
- Create / Invest in Innovation HUB — Program viable 6-2026

Example Illustrative Only

Our Leadership Team will start reporting progress in (June 2025) and will do so on a (monthly) basis using a simple traffic light (other) format





Step # 22 Points of Emphasis

From the development of your Strategic Imperatives for a 2-year time horizon, develop your suite of Business Performance Indicators and Dashboard to track your performance forward

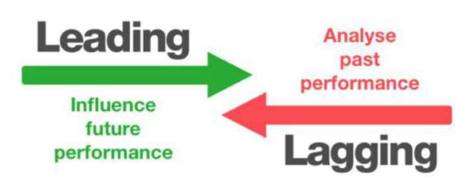
Develop Your:

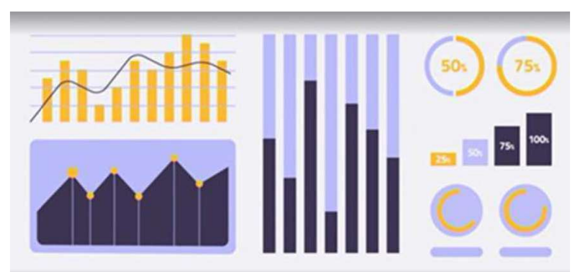
Metrics/Measures – 2 Year Imperatives

Stewardship Process

Reporting Format and Frequency

Dashboard





Register for the webinar:
"Building your Business Performance Metrics/ Scorecard/Dashboard"
June 5th, 10am-noon

[Building your Business Performance Dashboard Metrics - A Step by Step Guide - *Live Webinar* - PW]

Step # 23 Points of Emphasis

Ensure business *compliance*
in both
***HR* and *Cyber Security* related areas**

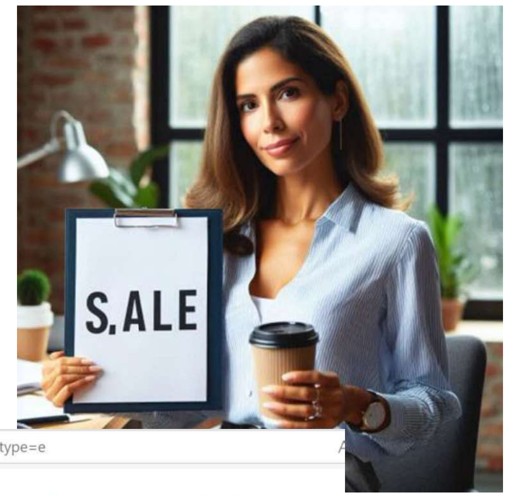
HR Non-Compliance Areas
Affordable Care Act (ACA) Violations
Americans with Disabilities Act (ADA) Non-Compliance
COBRA Compliance Failures
Employee Misclassification
Equal Pay Act Violations
Family & Medical Leave Act (FMLA) Mismanagement

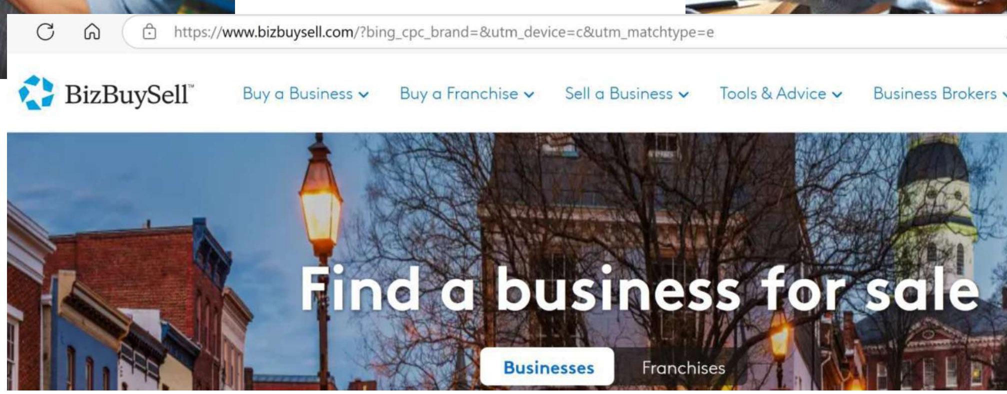
Cybersecurity Threats

	Likely to Affect
Virus	64%
Spyware	62%
Phishing	52%
Firmware Hacking	34%
IP Spoofing	32%
Ransomware	31%
Attacks on Virtualization	30%
Social Engineering	26%
Hardware-Based Attacks	26%
DDoS	24%
IoT-Based Attacks	23%
Botnets	22%
Rootkits	21%
Man in the Middle Attacks	20%
SQL Injection	18%

Step # 24 Points of Emphasis

Consider exit/sale, scaling, growth, via expansion, acquisition





Ensure / Assess that your financials (cash flow, P&L, etc., will support a purchase or expansion plan

MSBDC "How To" Webinars Associated with Phase 4

[Workshops & Events - Mason SBDC]

1. Develop the Vision / Find a Mentor — Proficiency 1 2 3 4 5
2. Crystalize your Hypothesis using the BMC / Value Proposition Design — Proficiency 1 2 3 4 5
3. Conduct Customer Segmentation / Identify the persona of your early adopter intended targeted customers / sub segments — Proficiency 1 2 3 4 5
4. Draft your Minimal Viable Product or Service that you intend to offer/sell to the marketplace — Proficiency 1 2 3 4 5
5. Establish/buy a domain name then consider creating a legal entity — Proficiency 1 2 3 4 5
6. Think through your Go to Market approach: B:B, B:C, B:G then map the stakeholder ecosystem, partner organizations, customer types and competition; register with SAM.gov if applicable — Proficiency 1 2 3 4 5
7. Identify the first 10 intended targeted customers / early adopters by NAICS codes, title, name, POC for discovery and sales — Proficiency 1 2 3 4 5
8. Establish the sales structure you will use; identify required retail space, warehouse, manufacturing, office space if relevant — Proficiency 1 2 3 4 5

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

9. Launch Customer Discovery Process ; ask "is Intellectual Property" relevant? List / assess discovery lessons learned — Proficiency 1 2 3 4 5
10. Using learnings from 10-30 discovery interviews/discussions, assess the need to "pivot" or stay the course toward your vision — Proficiency 1 2 3 4 5
11. Determine if licenses, certifications are needed/required; apply for appropriate SDBVOB, SWAM, 8a or other designations would be beneficial — Proficiency 1 2 3 4 5
12. Develop full cost stack budget estimates per unit being sold; develop rough 1st draft of year 1 revenue projections by month using projected pricing — Proficiency 1 2 3 4 5

Customer Discovery, Validating the Hypothesis, Early Adopter

13. Build/Refine Revenue Projections, COGs, Operating Expense Budget into 2 year cash flow spreadsheet; determine sales milestones — Proficiency 1 2 3 4 5
14. Develop a compelling business narrative; synthesize financial projections into modular pitch suitable for multiple business purposes, i.e. sales, raising capital; iterate, refine. — Proficiency 1 2 3 4 5
15. Create draft marketing plan based on master branding / positioning, product / service brand current and future product/service architecture; conduct message mapping exercise for social media content creation themes executed via editorial calendar execution plan — Proficiency 1 2 3 4 5
16. Refine then choose channels to market strategy; choose relevant channel design; plan to build and host website in accordance with pre-engineered templates and sound hosting platforms — Proficiency 1 2 3 4 5
17. Validate / Refine / Adjust pricing strategy and tactics; revise revenue forecasts accordingly; update 2 year cash flow spreadsheet; update pitch; establish basic book of business accounting — Proficiency 1 2 3 4 5
18. Determine need for access to capital, funding, and how it would be spent; explore grants if appropriate; reflect any loan repayment in cash flow; ref build cap table if relevant; update pitch — Proficiency 1 2 3 4 5
19. Identify, assess 5 elements of business risk and build risk mitigation steps for each as relevant; update pitch — Proficiency 1 2 3 4 5
20. Consider venture growth staffing needs; internships, training, onboarding; prioritize staffing for growth, i.e. business development, operations, etc. — Proficiency 1 2 3 4 5

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

21. Develop Business Imperatives for a two year outlook; develop a suite of the fewest correct, simple metrics, conduct stewardship and reporting on regular frequency to track progress. — Proficiency 1 2 3 4 5
22. Begin using the structure, approach, frequency of stewardship and key performance metric reporting frequency using the metrics that matter; make business course corrections based on data insights — Proficiency 1 2 3 4 5
23. Ensure business is HR compliant; ensure business has the appropriate set of Cybersecurity measures for compliance; set up self audit schedule — Proficiency 1 2 3 4 5
24. Prepare for growth, hyper growth, scaling and / or exiting or negotiating the sale of the business ; succession planning; plans for sale, or exit — Proficiency 1 2 3 4 5

Strategic Imperatives, Metrics, Cybersecurity

- *Anatomy of a Typical Small Business Entrepreneurial Journey*
- *Legal & Admin Steps to Starting a Business*
- *Value Proposition Design and Message Mapping*
- *Government Contracting 101*
- *Small Business Financing*
- *Preparing your Business Briefing / Narrative / Pitch*
- *Marketing 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***

Actions 20 - 24:
Strategic Imperatives, Metrics, Cybersecurity

20. Consider venture growth staffing needs; internships, training, onboarding; prioritize staffing for growth, i.e. business development, operations, etc.

21. Develop Business Imperatives for a two year outlook; develop a suite of the fewest correct, simple metrics, conduct stewardship and reporting on regular frequency to track progress

22. Begin using the structure, approach, frequency of stewardship and key performance metric reporting frequency using the metrics that matter; make business course corrections based on data insights

23. Ensure business is HR compliant; ensure business has the appropriate set of Cybersecurity measures for compliance; set up self audit schedule

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Highlights / Points of Emphasis For "Theme" 2 of 4

Coach G's Key Takeaways

- ❑ Build out a 2 year cash flow; it will inform your path forward and guide your growth plans*
- ❑ Build a 2 year view of strategic imperatives and a set of relevant metrics to guide you forward*
- ❑ Seek resources to remain compliant and safe in all things HR and Cyber Security related
- ❑ Seek guidance to buy, sell or exit a business

*Indicates Topic is Discussed in No Cost MSBDC Webinar

Any discussion about your self-assessed proficiency for elements in “Theme” 4 of 4 ?

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 ; need helpl)

Referencing leg 4 the "map", lets pause for Questions and Discussion!