

Lesson 0 – Why? Help?

QUESTION 1:

Do you (really) want to start a company?

QUESTION 2:

What do you expect your company to look like in 5 years?
(\$1 million, \$10 million, or \$100 million in sales? How many employees?)

QUESTION 3:

What do you personally want to be doing in 5 years? 3 years? 2 years? Next year?
(CEO, CTO, sales, product development, advisor to the company, etc.)

QUESTION 4:

Are you prepared to quit your current job and work at the new company full-time?

QUESTION 5:

Do you want to be rich, famous, both, or neither?

QUESTION 6:

At work, what makes you happy? Excited? Eager to start a new day?

QUESTION 7:

Do I start this company alone, or seek a co-founder?

QUESTION 8:

Do I seek a mentor, set of advisors, incubator and/or accelerator?

QUESTION 9:

Are you passionate about your idea?

Lesson 1 – Lean

QUESTION 10:

What problem are you solving?

QUESTION 11:

Who are the people whose problem you are solving?

QUESTION 12:

Are you solving an important problem?

QUESTION 13:

Will your solution create more problems than it solves?

QUESTION 14:

Can you describe the problem, customer, and solution in 10 minutes or less? Without a single word of jargon?

QUESTION 15:

Who is the person responsible for buying your product?

QUESTION 16:

What is the minimal set of features required to get the first few customers to buy your product?

QUESTION 17:

Are you ready to launch your minimal viable product (MVP)? If not, when?

Lesson 2 – Opportunity Size

QUESTION 18:

How many customers need your product?

(Try to create a top-down model of the market opportunity.)

QUESTION 19:

How many copies of your product will each customer buy?

QUESTION 20:

How many customers can each of your sales people close?

(Build a bottom-up model of the market opportunity, based on sales or other resource limitations.)

QUESTION 21:

How long does each of those sales take?

(If you've yet to start selling, make a best guess, including the expected complexity of the sale and importance of the solution to the customer.)

QUESTION 22:

At scale, how many customers do you expect will buy your product per year?

(Take the answer to above question, then make a best guess on what percentage of potential customers will actually buy the product.)

QUESTION 23:

High-price/high-service, small number of sales, or

Low-price/low-service, large number of sales?

QUESTION 24:

What is the selling price of your minimal viable product?

QUESTION 25:

What is your target price of your beyond-minimal product?

QUESTION 26:

How big is this opportunity?

(Multiple the number of projected customers by the average selling price.)

QUESTION 27:

After reviewing the opportunity size, do you need to revisit the market sizing or pricing, or look for additional customers, or go all the way back and to the beginning and change the product?

QUESTION 28:

Is the opportunity worth the effort?

Lesson 3 – Competition

QUESTION 29:

What other companies are solving the same problem?

QUESTION 30:

How does your product compare to the competition? How does it compare feature by feature and benefit by benefit?

	Your company	Competitor 1	Competitor 2	Competitor 3
Most important benefit				
Benefit 2				
Benefit 3				
Benefit 4				
Benefit 5				
Less important benefit				
Least important benefit				

QUESTION 31:

How does the price of your product compare to the competition? Which pricing model are they using (high-price/high-service or low-price/low-service)?

QUESTION 32:

What is unique about your solution?

QUESTION 33:

What is your long term, sustainable, competitive advantage?

Team

QUESTION 34:

How many people do you need in your company?

QUESTION 35:

What is each person responsible for?

QUESTION 36:

Who will develop your product? Who will do the marketing? Who will do the sales? Who will run the company?

QUESTION 37:

Which roles will you fill, and which will you hire?

Lesson 4 – The Business Model Canvas+

The Business Presentation Pyramid

Designed for: _____ Designed by: _____

Qty: _____
Iteration: _____

Purpose
What are we doing that? Why is this important? Why should anyone else care?

Opportunity?
Is this worth doing? How big is the total addressable market? How big is the reachable opportunity?

<p>Key Partners</p> <p>Who are our key partners? Who are our key suppliers? Which key resources are we acquiring from partners? Which key channels do partners partner?</p>	<p>Key Activities</p> <p>What key activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p>	<p>Value Propositions</p> <p>What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to solve it? Which customer needs are we satisfying?</p>	<p>Customer Relationships</p> <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which relationships are most profitable? How are we engaged with the rest of our business model?</p>	<p>Customer Segments</p> <p>For whom are we creating value? Who are our most important customers?</p>
<p>Key Resources</p> <p>What key resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p>		<p>Channels</p> <p>Through which Channels do our Customer Segments gain the product? How are we reaching them now? What are our channels' segments? Which ones are most cost-effective? How are we integrating them with customer resources?</p>		
<p>Cost Structure</p> <p>What are the most important costs inherent in our business model? Which key resources are most expensive? Which key activities are most expensive?</p>		<p>Revenue Streams</p> <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each channel/segment contribute to overall revenues?</p>		
<p>Financial Plan</p> <p>Will this idea even make a profit? If so, when? If not, how much money will be needed to reach profitability?</p>	<p>Immediate Needs</p> <p>What do you need to make this plan real? Cash? People? Resources?</p>		<p>Competition</p> <p>How are the customers solving their problem(s) today? What does the competition's Canvas look like? What makes your solution unique? How will you continue to attract customers as the competition increases?</p>	

businessmodelgeneration.com and lunarmobiscuit.com/pyramid

LEARNING FROM THE CANVAS:

1. Fill out your Business Model Canvas
2. Narrow down each box to the top three most likely answers
3. Pick a box, assume those answers are incorrect, make changes to fix the business model
4. Repeat across 2-3 other boxes
5. With those learnings, go back and fill out the answers that now seem most likely

THE PYRAMID:

When all the questions and other exercises are complete, fill in the other five boxes of the pyramid

Lesson 5 – The Financial Model

UNIT SALE:

What is your unit sale?

On average, how many units does each customer purchase?

On average, what does each customer pay per unit?

QUESTION 42:

Can this be a profitable venture?

Back-of-the-Envelope Financials			
REVENUES			
Projected Revenues	R1		
Cost of Sales	R2		
TOTAL REVENUES	R	$R1 - R2$	
EXPENSES			
Total Salaries	E1		
Estimated Taxes & Benefits	E2	$E1 * 0.20$	
Total Other Expenses	E3		
TOTAL EXPENSES	E	$E1 + E2 + E3$	
ESTIMATED PROFITS	P	$R - E$	

QUESTION 43:

When will this company be profitable?

QUESTION 44:

How much capital is needed to start your company?

Lesson 6 – The Realities of Funding

FUNDABLE?

Do you have the personal means to launch this company from savings, credit cards, other personal credit?

Is your company pursuing a high-growth opportunity?

Is your company ready for crowdfunding?

Is your company ready for Angel or VC funding?

QUESTION 47:

Should you bootstrap your company or seek outside investors: friends and family, grants, incubators, Angels, or Venture Capital?

FUNDING?

Create a list of potential funding sources.

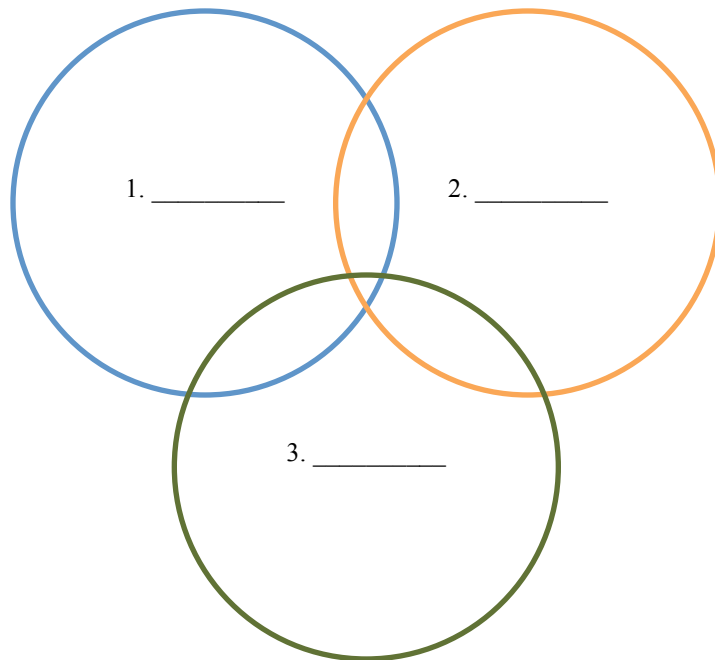
1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

Lesson 7 – Startup Marketing

CORE ESSENCE:

What three words/concepts best (and completely) describe your company?

1. _____
2. _____
3. _____



QUESTION 38:

How will your customers know your company exists? How will they know the benefits of your product?

QUESTION 39:

What do you call this company?

Lesson 8 – Startup Sales

SALES FUNNEL:

What are the stages of your sales funnel?

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

SALES TEAM:

When you have a team of 10 salespeople, how are you going to organize the team?

SALES INCENTIVES:

When you have a team of 10 salespeople, how are you structure the sales quotas and incentives?

QUESTION 40:

What is your sales process?

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

QUESTION 41:

What are you going to do to keep your customers happy, once you have customers?

Risks & Legalities

QUESTION 45:

What are the risks of failure? What might go wrong? Which of your assumptions might be wrong?

QUESTION 46:

Do you own your idea? Can you legally start your company?

Ready for Market? Measure, Learn, and Update!

QUESTION 48:

Is your product sellable today?

QUESTION 49:

How often will you update the product?

QUESTION 50:

What did you learn today?

QUESTION 51:

What are you measuring?

1.

2.

3.

4.

5.

Lesson 9 – Corporate Culture

CULTURE:

What are the five core features of your corporate culture?

1. _____
2. _____
3. _____
4. _____
5. _____

NEXFLIX:

What did you like within the Netflix culture of Freedom and Responsibility?

VALVE:

What did you like in Valve's or Treehouse's implementation of a flat organization?

METHOD:

What did you like within Method Soap's culture of keeping it weird, fast, and beautiful?

Lesson 10 – A Great Pitch

YOUR PITCH:

Below is the outline, how will you make your pitch stand out?

Investor Pitch	Recruiting Pitch	Sales Pitch
1. Title	1. Title	1. Title
2. Problem	2. Problem	2. Company overview
3. Solution	3. Solution	3. Problem
4. Customers/Market	4. Customers	4. Solution
5. Opportunity size	5. Market	5. Benefits to customers
6. Competition	6. Opportunity size	6. Price
7. Uniqueness	7. Benefits to customers	7. Uniqueness
8. Team	8. Uniqueness	8. Team
9. Financial Overview	9. Team	9. Q&A
10. Amount and planned use of funding	10. Financial overview	10. Next steps
11. Q&A	11. Q&A	11. Thank you
12. Next steps	12. Thank you	12. [Appendix]
13. Thank you		
14. [Appendix]		

IMPACT:

If you are pitching impact investors or any other impact-oriented audience, don't forget to include your impact.

What is that impact? How will it be measured?

(This is commonly found within the problem, adjacent to the business model in the financial overview, or between the financial overview and ask.)

Final Question

FINAL QUESTION:

Do you still want to start this company?

If **no**, return to question 1 and repeat for the next idea.

If **yes**, return to question 1 and iterate through the answers given the knowledge gained in answering all the other questions.

Remember, the plan you create from these answer is wrong. No matter how many times you iterate through it, it will always be wrong. The key is to iterate enough times to convince you that this business is worth doing, enough times to convince the team you need to recruit to the team, and the funders you need to fund the startup costs.

In the end, you'll never have all the answers. You just need enough to believe that success is possible.

