

# Kravis Competition

*Workshop: January 31, 2024*

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# Agenda

- **Welcome and Introduction**
- **Elements of the Concept Plan**
- **What We Are Looking For/What's Important**
- **Specific Questions**
- **Important Dates**
- **Resources**
- **Roles and Mentoring Directions**

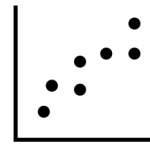
# Elements of the Concept Plan

No single outline is appropriate for every new venture. The following outline covers most of the areas that are appropriate for the Kravis Concept Plan Competition:

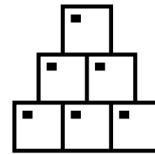
- **Cover Sheet**
- **Table of Contents**
- **Executive Summary** (Limited to 10 pages single-spaced maximum, but appendices are permitted)



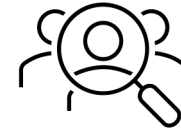
## I. Background & Purpose of Venture



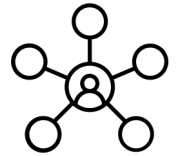
## II. Market Analysis



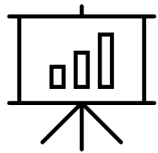
## III. Products & Services



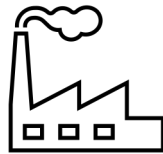
## IV. End-User/ Customer Analysis



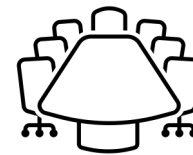
## V. Value Proposition & Core



## VI. Business Model & Pricing Framework



## VII. Development, Production & Operations



## VIII. Ownership & Control



## IX. Financial Information

Sources: 1) Entrepreneurial Finance, Richard Smith & Janet Kiholm Smith (Wiley: New York, 2000) p.78-9. 2) Disciplined Entrepreneurship, Bill Aulet (Wiley: New York, 2013) Steps 5, 8, 10, 15, & 16.

# Elements of the Concept Plan

## **I. Background and Purpose of the Venture:** *Describes the history and current status of the venture.*

- Describe very succinctly the concept and the objectives of the venture.
- Tell a short but compelling story about how you came up with this idea. Did the issue arise out of a personal or professional experience? Keep your story extremely brief and to the point.
- What is the current status of the venture?

## **II. Market Analysis:** *Describes the market for your product/service/solution.*

- What industry are you competing in? What is the overall market and its potential size?
- What is your beachhead market?
- Provide the TAM for the beachhead.
- Who is your customer? Provide a high-level customer profile/persona.
- Who are the key competitors? Position your concept, along with product features, against key competitors. Identify the top 2 priorities of your customer and position your concept/product against the competitors. What are the advantages and disadvantages of your proposed product/service to the customer?
- What is your value proposition for the target customer?
- How will you reach the customer, i.e. your distribution channel strategy?
- What are critical market and market-related risks?
- Uses all the above factors to develop a very high-level sales forecast for the venture for one to three years. You may include high-level estimates for costs as well. (See Section IX).

# Elements of the Concept Plan

**III. Products and Services:** *Describes the product/service, providing a product overview, detailed description of features/advantages/benefits) along with sources of competitive advantage and product-related risks.*

- Provide a product overview. Very often this is an image.
- Provide a detailed product description that includes features, advantages, and benefits.
- Describes where you are in the life cycle of product development, intellectual property issues, and status of development efforts.
- Identifies any sources of competitive advantage or disadvantage related to the product or service.
- Identifies critical product-related risks.

**IV. End-User/Customer Analysis:** *Developed after the beachhead market is selected. This is related to/connected with the market section.*

- Identify the individual (a real person!) who will use your product. Often described as a customer profile and/or customer persona, provide a detailed description of a real person, including:
  - fact sheet about person's life and personal information,
  - job and career choices,
  - overall environment,
  - geographical location,
  - purchasing criteria, and
  - top priority for targeted service/product usage.
- The end-user is typically the person that uses the product/service. The customer may be the distributor or company that purchases the product/service in a B2B environment.

# Elements of the Concept Plan

## V. Value Proposition and Core

*The value proposition converts the benefits your Persona gets from your product into a tangible metric that aligns with the Persona's top priority. Focuses on what potential customers want to gain rather than going into detail on technology, features, and functions.*

- Provide the value proposition for the customer. Describe how this describes the product-market fit.

*The core describes the single aspect that allows you to deliver the benefits your customers value with much greater effectiveness than any other competitor; that will make it very difficult for the next company that tries to do what you do. Some examples include network effect, customer service, lowest cost, or user experience.*

- Provide the core for your concept and solution.

## VI. Business Model and Pricing Framework

*The business model describes the framework by which you share the value your product creates for customers, and how you will make money. It addresses four key factors: customer (what they are willing to do); value creation and capture (how much value your product provides to your customer and when), competition (what your competition is doing), and distribution (right incentives for your channel to sell your product).*

*The pricing framework uses the business model and quantified value proposition to determine an appropriate pricing framework. Sets price based on the value the customer gets from your product, rather than on your cost. Examples: one-time upfront charge plus maintenance; consumables; hourly rates, advertising, licensing, etc.*

- Identify the business model and pricing framework for your concept.

# Elements of the Concept Plan

**VII. Development, Production and Operations:** *Describes the status of research and development efforts and what remains to be done to achieve marketable product. Sets out a timeline for reaching start-up. Describes the status of production efforts, including production processes, production requirements, delivery capabilities, and quality control.*

- Identify the R&D, production, and operations strategy for your concept.
- Identify any competitive advantages or disadvantages related to development or operations.
- Identify critical risks of development and operations.

**VIII. Ownership and Control:** *Describes legal and control structure of the venture. Gives details of managerial ownership, proposed ownership by outside investors, and the composition of the board of directors.*

- Provide the ownership and control structure for the venture.

**IX. Financial Information:** *Reports the current and historical financial status of the venture, estimates total funding requirements over time, with pro forma financial statements for an appropriate period. Identifies assumptions underlying the financial projections, with support for the assumptions.*

- Provide a high-level spreadsheet for revenues and costs. This only needs to be a SWAG, estimated for either one year or three years in time.
- Provide high-level assumptions that underlie your financial projects.
- We do NOT want to see any detailed income statement, cash flow, or balance sheet as part of this presentation. Your concept is meant to be early stage; this information would only “clutter” your message, even if it is developed.

# Criteria: What We Are Looking For?

**Focus your work for the Executive Summary with Steps I through VI, especially if you are in the earliest stages of your concept plan. If your concept is more developed, please address Steps VII through IX as appropriate to your concept.**

**Begin by identifying your audience** (e.g. investors, partners, end-users, customers, suppliers, management team candidates, etc.).

**Write to your audience**, focusing on their anticipated needs and interests.

**Tell a compelling story**; integrate your main points.

**Later:** Develop compelling slides. **Use more pictures, less words.** Be able to answer in depth questions from judges.

**Please follow the guidelines for the Kravis Competition.**

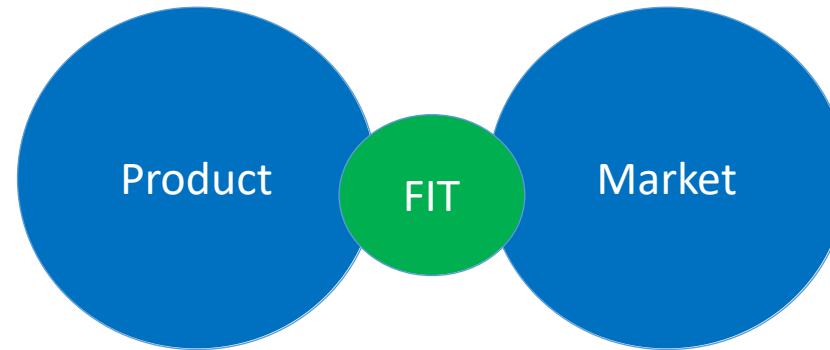
***If you already have work completed for another purpose, you must amend it to meet these guidelines. Do not turn in a document or PPT that was completed for another course or project.***

**Simplicity is the key!**

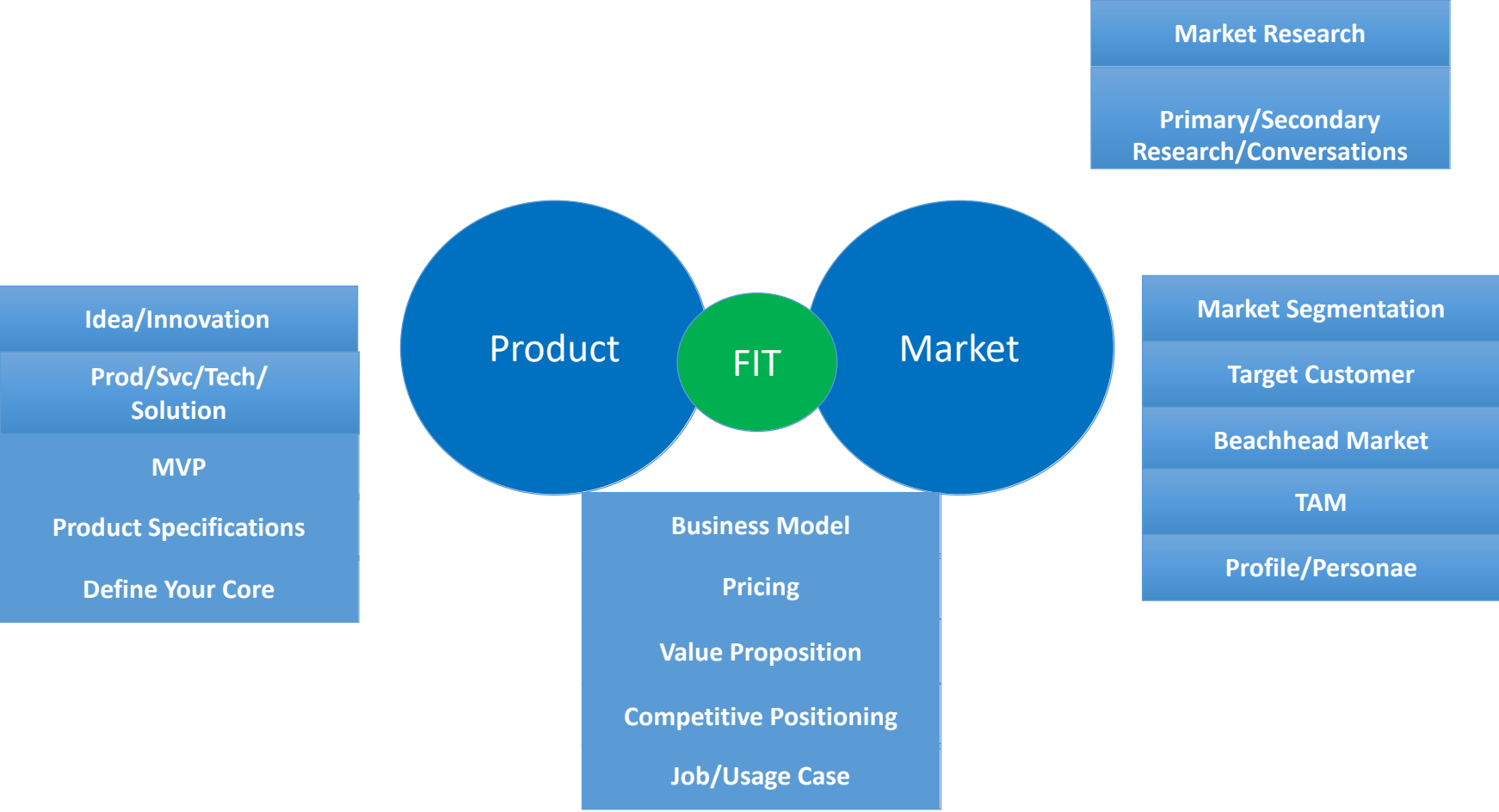


# What's Important:

1) Focus on Building a Connection with Product-Market-Fit



# What's Important: Product Market Fit Diagram



# What's Important?

1. **Market:** Good understanding of market and how they will reach them
2. **Product:** Overview, Features, Advantages, Benefits
3. **Customer/End User:** Good understanding of end user, their need, problem/solution match, value proposition. Talk to them!!
4. **Job:** What is the job its designed to do; flow chart of current vs proposed job; usage
5. **Business Model and Pricing:** How it will be monetized through the business model and suggested pricing framework (NO MADE-UP NUMBERS)
6. **Viability:** Viability of the concept
7. **Execution:** How the plan will be executed
8. **Challenges:** Potential problems and how they will address

# Judging Criteria at the Contest

Category	1 Poor	2	3 Average	4	5 Excellent
Six minimum areas addressed completely and well.*					
Tells a well-integrated story. All the elements "fit" together.					
Describe a real and compelling market. Identifies a well-defined TAM/beachhead that can be reached.					
Develops a clear, compelling, and appropriate value proposition that is meaningful for the target market. Establishes product-market fit.					
Provides relevant supporting data. (Overall market size, customer segment, beginning revenue/profits, growth rates for staged growth.)					
Identifies and understands the customer/end user. (Customer profile/personae; need).					
Develops pathway for growth. Describes strategy to achieve new segments.					
Overall presentation skills: Presentation is well-delivered. Presenter(s) are passionate/enthusiastic about concept.					

\*Six minimum areas needed: Background and purpose of the venture. Market analysis. Products & Services. End User/Customer analysis. Value proposition and Core. Business Model and Pricing

# Specific Questions: Evaluation

1. What are judges **looking for** when they are evaluating concept plans (i.e. practicality, originality, etc.)?
2. How specific do you get with **financials**? How do you **evaluate** the **financial aspects** of a business plan?
3. What were some of the key drivers/differentiators between a **successful** and **unsuccessful** business concept plan?
4. What is the most **unique** concept plan you've seen? What aspects made it **stand out**?

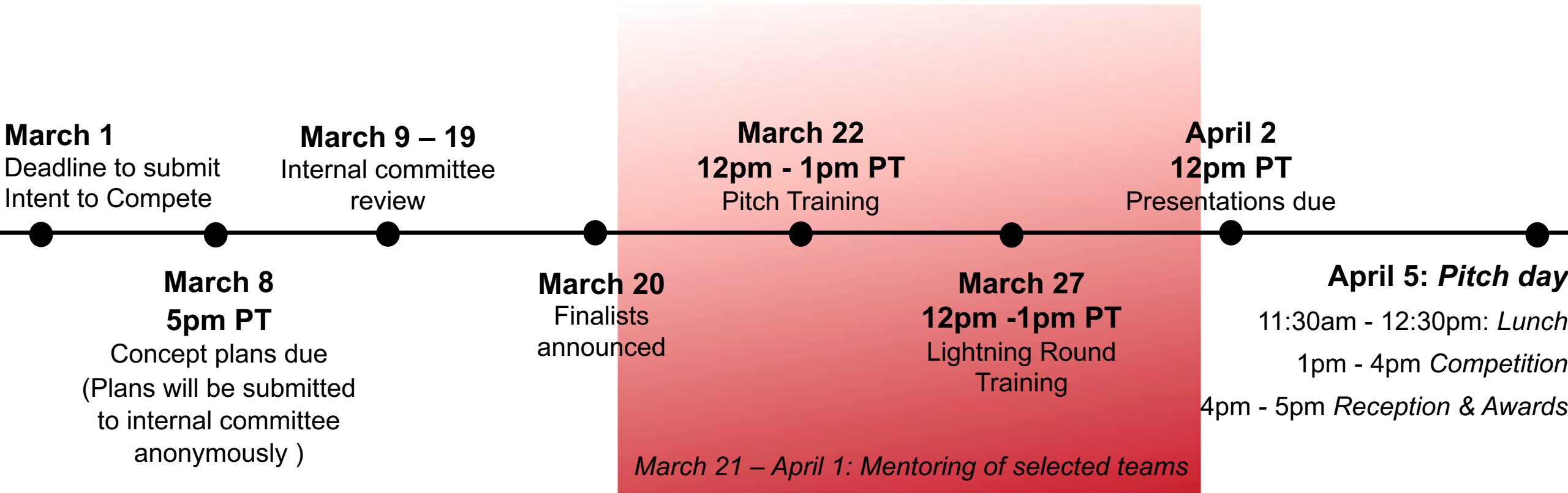
# Specific Questions: General New Venture

1. How does a **concept plan** differ from a **business plan**?
2. What makes a good **business idea**?
3. How do you develop ideas that are **unique** when it seems like everything has been done before?
4. How do you **sell** your idea in your concept plan? How can I convince people to **trust** my idea?
5. How do we **start** and where do we find **funding**?
6. How can one **scale** an idea?
7. Is the concept plan **location specific**?

# Specific Questions: Plan Production & Logistics

1. What are the **key areas** that we should spend the most time on?
2. How do I make the **technical** and **mathematic** underpinnings of my proposal more understandable to non-technical people?
3. Can we craft a concept plan for **any type of business venture**? Are non-profit concept plans accepted?
4. Are we required to create a **prototype/proof of concept**, or will the competition be strictly **business plans**?
5. What is more important: the **idea** or the **writing** of the plan?
6. Are there any **limitations**?
7. Is there a **minimum** and **maximum** of number of people allowed per group?

# Important Dates for 2024 Competition





# Resources



## Concept plan guidelines available on website

- <https://www.cgu.edu/kravis>



## Books:

- Aulet, B. (2013). *Disciplined Entrepreneurship*. Wiley.
- Osterwalder & Pigneur. (2010). *Business Model Generation*. Wiley
- Osterwalder, Pigneur, Bernarda, Smith. (2014). *Value Proposition Design*. Wiley.



## Center for Writing and Rhetoric

- <https://my.cgu.edu/writing-rhetoric/>

# Resources: Websites

<https://www.thinkwrongbook.com/shop>

<https://www.shareable.net/blog/11-platform-cooperatives-creating-a-real-sharing-economy>

<https://guykawasaki.com/the-only-10-slides-you-need-in-your-pitch/>

<https://venturewell.org/exit-strategy/>

<https://www.techstars.com/content/accelerators/startup-fundraising-pitch-deck-financial-modeling/>

<https://medium.com/corl/how-to-calculate-lifetime-value-customer-acquisition-cost-ratio-for-your-saas-business-332510188726>

<https://dot.la/videos/>

<https://www.unusual.vc/chapters-enterprise/hiring>

[https://incubate.usc.edu/pitch\\_comp/](https://incubate.usc.edu/pitch_comp/)

<https://www.forentrepreneurs.com/saas-business-models-slide-deck/>

<https://siliconhillslawyer.com/seed-rounds/>

<https://siliconhillslawyer.com/startup-formation-issues/>

<https://startupvoice.blogspot.com/2012/01/documenting-startup-expenses-by.html>

<https://egannelson.app.box.com/v/seed-convertible-note>

<https://app.founderhub.io/templates>

<https://captable.io/>

<https://playbook.cio.gov/#play4>

<https://www.forentrepreneurs.com/author/david/>

# Resources: Websites Continued

<https://steveblank.com/books-for-startups/>

<https://angel.co/>

<http://blog.gust.com/startup-valuations-101-the-venture-capital-method/>

<http://fundersandfounders.com/how-startup-valuation-works/>

<http://paulgraham.com/startupfunding.html>

<https://www.ycombinator.com/resources/>

<http://fundersandfounders.com/how-funding-works-splitting-equity/>

<http://www.entrepreneur.com/article/237926>

<http://blog.gust.com/valuations-101-the-risk-factor-summation-method/>

<http://ownyourventure.com/equitySim.html>

<http://strategy.sauder.ubc.ca/hellmann/pdfs/ERBC%20Syllabus%202011%20May%202011%20Final.pdf>

[http://www3.weforum.org/docs/AMNC14/WEF\\_AMNC14\\_Report\\_TheBoldOnes.pdf](http://www3.weforum.org/docs/AMNC14/WEF_AMNC14_Report_TheBoldOnes.pdf)

<http://www.forentrepreneurs.com/startup-killer/>

<http://caps.fool.com/Blogs/the-pmarca-guide-to-startups/410455>

<http://www.ftrstrategy.com/#>

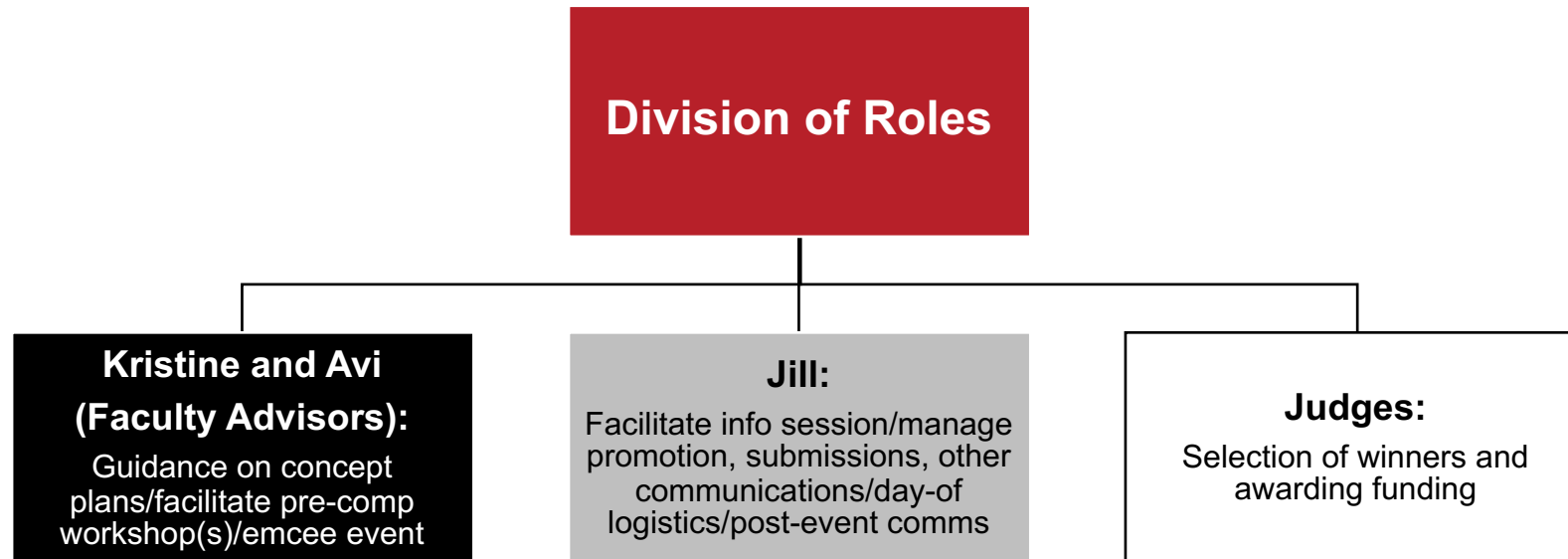
<https://www.futurepartners.is/think-wrong-why-it-works>

# Roles and Mentoring Directions

## Mentoring and Seed Funding

### Faculty advisors

- Act as **mentors** and **consultants** for all participants
- Serve as **internal committee** for first stage of competition, meaning reading concept plans over spring break and selecting finalists (at least 4, no more than 6)
- Provide **written, bulleted feedback** for ALL plans
- Facilitate **pitch workshop(s)** for finalists only
- **\$10,000 total award** in the 2024 competition. Judges have authority on if/how that's divvyed up among finalists



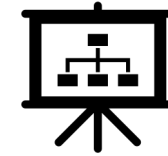
# Next Steps



Complete the **Intent to Compete** Form



Review **submission requirements** on the website  
(cover letter, plan, waiver of confidentiality + W-9)



**Start working on your plan!**  
Remember, this is NOT a PowerPoint presentation right now

# Contact Information

Questions about concept  
plans/mentoring?



**Kristine Marin  
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**Faculty Advisors**



**Avimanyu (Avi) Datta,  
PhD**

Questions about submission  
requirements/competition logistics?



**Jill Steggall**

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**Competition Administrator**