



Module III Business

Pitch
Course

Topic 2 Structure of the pitch.

Lesson 4: Business Plan



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ONCE THIS LESSON IS COMPLETED AND APPROVED, LEARNERS WILL BE ABLE TO:



1. Contextualize their project in a business market
2. Select the relevant key performance indicators
3. Present expected results from a business perspective

IN THIS LESSON, WE WILL LEARN:

HOW TO JUSTIFY THE VIABILITY OF OUR PROJECT IN A BUSINESS MARKET,
SHOWING ITS VALUE AND POTENTIAL TO REACH SUCCESS

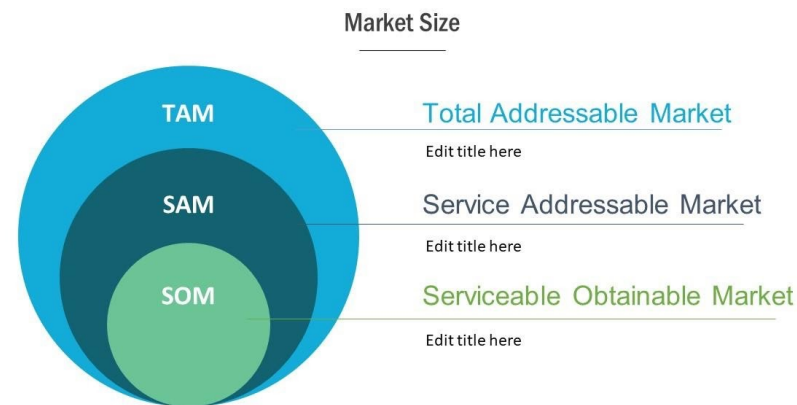


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1. PRESENTATION OF YOUR MARKET

For a short introduction to your market size, you can use a TAM – SAM – SOM model, for instance based on this kind of template:



slidemodel.com



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1. PRESENTATION OF YOUR MARKET

Another important factor would be to talk about the annual growth of this market, showing if it is an emerging market or a mature one.



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1. PRESENTATION OF YOUR MARKET

If you opt for the presentation of a **SWOT analysis**, keep it very simple, with no more than one or two key elements in each of the categories.



Do not deny weaknesses and threats, but as your objective is to sell your project idea, insist on the strength and opportunities.



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2. KPI

KPI stands for Key performance indicators.

They can refer to financial indicators and level of sales, but not only: you can also refer to customers, people inside the organisation and HR, social and environmental impact, etc.



Some examples:

- Growth in Revenue
- Profit margin
- Cost of goods sold
- Cash flow
- Turnover
- Number of customers
- Cost of Customers acquisition
- Customer Lifetime value
- Customer satisfaction
- Quality of products (% of defects)

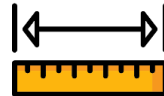


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2. KPI

The use of metrics and indicators comes to present numbers that support the business aspect of your idea, with concrete elements and numbers that will comfort the idea of your project economic viability.

In order to be valuable, those KPI need to be:



Available and **measurable** (so they can be analysed)



Periodical, so they allow comparison



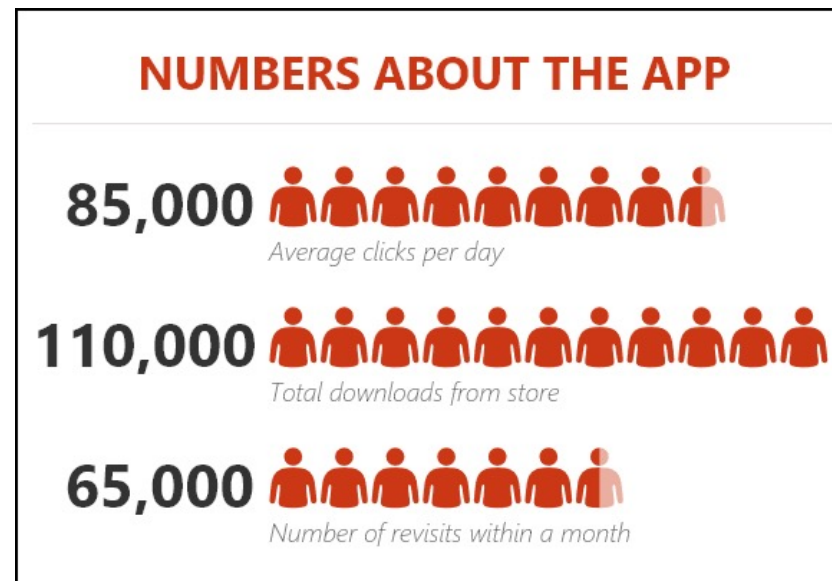
Relevant, and being associated with concrete results.



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2. KPI

When talking about numbers, you should think at different forms of presenting those in a visual way, for instance **using figures of people**:



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2. KPI

Or inserting **bubble graphs**:

Risk Assessment for Q1 Opportunities

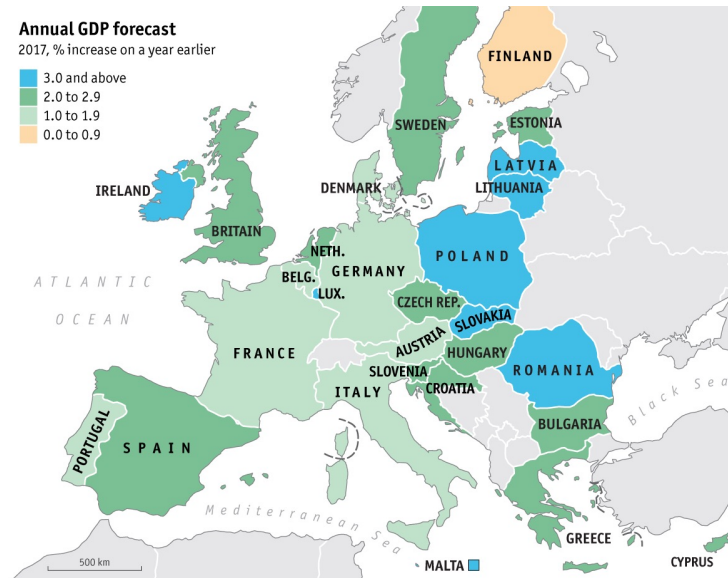


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2. KPI

Or maps:

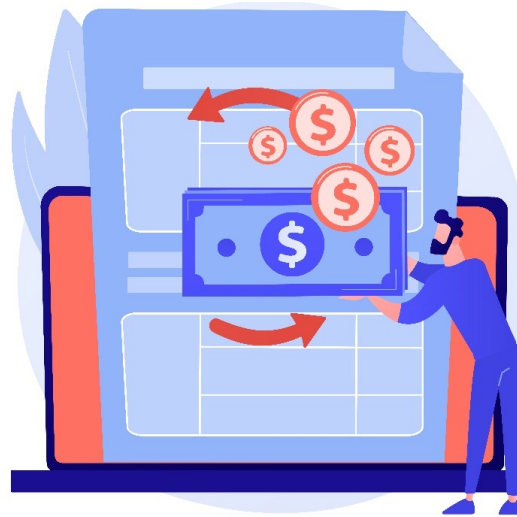


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3. CURRENT INVESTORS/BUSINESS PARTNERS

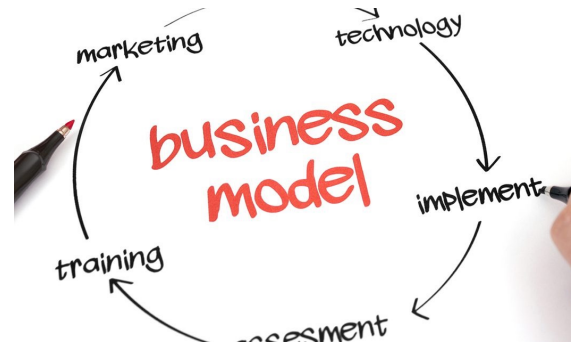
If you already have investors, or if you already count with powerful business partners, and especially if those are known, don't hesitate to mention them to add credit to your project.



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4. BUSINESS MODEL

If your **business model presents any particularity**, regarding your way of developing your product, your social involvement, or specific distribution channels, for instance online, **you can also present them** as part of your business plan.




If you are engaged in a **circular economy process**, also present this particularity as an asset.



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5. TECHNOLOGY READINESS LEVEL - TRL

If your project involves the development of new technologies, or technological innovation, it might be interesting to mention its level of development, using the following scale, that is normally used as a reference in Europe in this field:



Technology Readiness Levels

- TRL 0: Idea.** Unproven concept, no testing has been performed.
- TRL 1: Basic research.** Principles postulated and observed but no experimental proof available.
- TRL 2: Technology formulation.** Concept and application have been formulated.
- TRL 3: Applied research.** First laboratory tests completed; proof of concept.
- TRL 4: Small scale prototype** built in a laboratory environment ("ugly" prototype).
- TRL 5: Large scale prototype** tested in intended environment.
- TRL 6: Prototype system** tested in intended environment close to expected performance.
- TRL 7: Demonstration system** operating in operational environment at pre-commercial scale.
- TRL 8: First of a kind commercial system.** Manufacturing issues solved.
- TRL 9: Full commercial application,** technology available for consumers.



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CONCLUSION

This part of the pitch is probably the most difficult to handle, as it has more technical content and you need to make sure not to lose your audience's attention on the way.



The challenge is to **keep it simple** but **providing strong evidence** of the value and viability of your project on a business market and economic aspects.



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