



THE COMMERCIALIZATION ACADEMY

The Basic Elements of a Business Case/Business Plan

The following outlines the type of information the Commercialization Academy feels should be included in a business case/business plan. Founders should understand and have given thought to each of these elements.

Businesses in later stages should have more detail for these elements than businesses in earlier stages. If a slide deck is used to communicate these elements, have backup documentation. If a full business plan is available, these elements are likely included.

The Market View

Describe your view of the market you are entering. As a founder, you should have in-depth knowledge of this market. This element should be a high-level view based on both qualitative and quantitative research data, including market size, growth rate, trends, and analysis.

Market Segments

List the market segments which you intend to target. While multiple targets are possible, electing one or two for a “beachhead” might be more effective than the “shotgun” approach. Market segments should be based on qualitative and quantitative research data, including segment size, growth rate, trends, and analysis. Many plans describe Total Available Market (TAM), Served Available Market (SAM), and Target Market here. Listing competitors in or around these segments and providing comparison tables are useful.

Target User

Describe your target user within your market segment. Observations and demographics are usually used here. Your Target User may be different than your customer/buyer, so focus on your user here. Have you done any customer discovery work?

Target User Values

Founders should have an in-depth understanding of their markets, users, and what their users value. This can help companies align their value proposition to the values of their users.

Example: if your user values quality above all else, your value proposition should not revolve around being the cheapest in the market.

Problem

Describe the problem you are trying to solve. Is it a technological problem or a user problem? Does your target user experience this problem?

Traditional problem statements are helpful here. Are there any other researchers or companies working on this same problem?

Solution

Describe your solution and technology. Is your solution unique? Can a patent protect it? How do you know? Have you performed a patent search? Is this technology licensed from someone else? Someone on the team should be an expert on this technology and be able to explain how this technology fits into the industry. Comparison tables that show how your features, benefits, or differing technologies are better than the competition, are helpful here.

Product

What is the final product? How is your technology incorporated? What features and benefits will be included for your target cost? Are you in Minimal Viable Product mode, Prototype, Beta, Alpha, etc.?

Market Price Point

The market view, market segment, competitors, and target users should be factors in your market price points. Comparison tables are helpful here to see where similar products/services are positioned.

Cost

You should have good idea of your COGS (Cost of Goods Sold) and have a Bill of Materials and some labor estimates for your product. Describe your supply-chain. You need to know what the spread is between your costs and selling price.

Go to Market

How do you plan to go to market? Which business model will you select? B2B, B2C, etc.? Describe your distribution channel.

Marketing and Sales Plan

Describe how you plan to market and sell your technology/product.

Use of Funds

Describe how you would use funding or investment. What areas are critical to the next phase of your business development? How much funding do you need?