

SMARTer starter



SMARTer start-ups 2021



SMARTer entrepreneurs
Make more money

SMARTer start-ups 2021



Building a start-up is a challenge at the best of times. The world is oversupplied in almost every way. There is too much competition offering too many products and services to too few people and businesses. It is hard to attract attention, it is hard to develop peoples' interest, it is hard to make the sale.

Right now, it is even more challenging. Demand is fragile, the CBI, FSB and even our government are warning us we face the most significant economic downturn since records began. People don't know what to expect, and behaviours have changed, and uncertainty does not encourage spending or consumption. Clearly, you are more motivated to start your own business than most. You have taken the trouble to find our site and download this **SMARTer** starter. You are far more likely to start a business than people who just dream dreams.

We help a lot of entrepreneurs get **SMARTer** and make more money. Many people are not sure how to make a start-up work, and we spend a lot of time helping them with simple, fundamental issues. This starter provides this help for free.

This **SMARTer** starter provides the necessary information, asks business coaching questions, and gives simple examples to address these issues. It's an excellent way to start becoming a **SMARTer** entrepreneur and building a **SMARTer** start-up.

The starter has two sections



Research & analysis

Helps you research and analyse your strengths, Trends for 2021, Budget business ideas and Business opportunities



Plan

Helps you build a business model to optimise your start-up. It helps you answer key questions; Who are my customers? How do I meet my customer's needs? What customer relationships do I need? What partnerships do I need? Which channels will I use? What are my key activities? What resources do I need? What are my costs? What are my revenues?

How to.....

The bit you fill in with the thoughts and ideas you get as you progress through the starter. Don't worry if you can't print, it works just as well reading each template and using your own paper, Word, Excel, OneNote, in fact, there are loads of ways to capture your findings and plans.

If you can print and intend to use the whole of each template, we recommend you use either

- Index markers – best option because they are so easy to move around. One point on each tab. The ones I use come from Tesco <https://www.tesco.com/groceries/en-GB/products/260881376> , but others are available on Amazon, go for the tabs and markers but not the flags.
- Or a pencil and rubber – Not quite as easy to adapt your input as you progress but still better than biro or markers.

If you want some help with this starter book a 30minute “Start-up support and development” Zoom session for £49 at <https://www.smarterentrepreneurs.co.uk/book-online>



Get the maximum from this SMARTer starter

About

Tells you a bit about the building block to help you start your research, analysis and planning.

Business coaching questions

- Gets you started by asking a few questions
- Maybe you can add a few of your own?

Areas to consider

- Areas you might like to consider

Examples

- Examples to help you get the idea



Research & analysis



Research and analysis are essential business activities. They protect entrepreneurs from making horrible and expensive decisions because they uncover and use data that helps develop knowledge and wisdom.

Let us look at research first. There are two types of core research, qualitative and quantitative. Quantitative research is drill-down research that involves numbers, computational, mathematical and statistical research. Qualitative research is more of an overview or big-picture take that gives a sense of mood or overall impression, rather than digging into specifics. It hinges on things like people's feelings and consumer feedback.

There are two approaches for research, primary and secondary. Primary involves person to person, surveying, interviewing and observation. It is good because businesses come up with the questions, decide what's relevant and control what goes into the data set. Secondary research is also called desk research. It uncovers and uses data that already exists.

Research & analysis

There are many ways to gather information about an industry, its competition, and the opportunities available. For example, scouring the internet, libraries like the British Library, Judge Business School, Business organisations like the FSB (Federation for Small Businesses) and CBI (Confederation of British Industry).

If the business does not have the resource to conduct the research itself, there is a wide choice of companies and individuals that can do it. Small businesses are catered for on sites like www.bark.com, www.fiver.com and www.upwork.com that offer truly massive choice.

This starter concentrates on secondary research and comprises four templates;

Your strengths. This based on the "S-Strengths" component of a SWOT (Strengths, Weaknesses, Opportunities and Threats). SWOT is a situational analysis tool that we will use to build a picture of what you bring to your business.

Trends for 2021. Society and our economy changed more in 2020 than at almost any time in living memory. Some business sectors have profited, some have not. This has resulted in definite trends for 2021. We have captured a few to see if you can take advantage of them.

Budget business ideas. Start-ups come in all shapes and sizes, some need massive funding, some don't. We have come up with a few suggestions at the lower end of the financial scale.

Business opportunities. This is to look at your strengths and match them to trends for 2021 and budget business ideas to create a shortlist to take forward to the plan stage.

You may have noticed that we crossed over to analysis in the first and fourth templates. They are part of SWOT, which is a situational analysis tool. This happens all the time, research uncovers information, entrepreneurs analyse their findings and discover that they need more research. Equally, analysis and the tools used, create a need for more research to answer the questions they pose.

Anyhow, here we are at analysis. It takes many forms and needs to cater to the information you have uncovered. Some of it will be quantitative, some will be qualitative. Quantitative analysis (QA) is a technique that uses mathematical and statistical modelling, measurement, and research to understand behaviour. This helps you look at performance data, primarily financial and sales and marketing and project management related. The techniques include regression analysis, linear programming and data mining. The tools used include Excel, Business Objects and IBM Watson.

Qualitative analysis uses subjective judgment to analyse businesses based on non-quantifiable information, such as strengths or threats. It is based on "soft" data which can be challenging to collect and even harder to measure. Entrepreneurs can struggle to reach decisions because the information is often difficult to interpret. Often, looking at the business through a customer's eyes helps drive understanding and, subsequently, better decisions. Tools include SWOT analysis, PESTLE analysis, Value proposition canvas and customer empathy mapping.



Your strengths

About

Your strengths are things you do well, skills, experience and other elements you bring to your business. They will distinguish you from the competition and help you win business and delight customers. If you are thinking of a service lead business and are the key provider, they are crucial.

Running a business requires a wide range of skills. Perhaps you are great at communication, organisation, sales, marketing or financial planning?

Mindset plays a key role. Start-ups are hard work, things go wrong more often than right. Success is often slow, while failure is fast. Do you have valuable personal qualities like positivity, resilience or persistence?

Business coaching questions

- What do you do best?
- What advantages do you have?
- What do other people say you do well?
- What is your greatest achievement?

Areas to consider

- Experience
- Skills
- Qualifications
- Mindset
- Resources (See the resources template in the Plan section)

Examples

- B2B Sales
- Sales and marketing
- MBA
- Positive
- Laptop, Zoom account



Trends for 2021

About

Trends for 2021 have been created by the global pandemic that started last year.

People are really working from home. This opens up a lot of business opportunities for entrepreneurs with a value proposition that supports homeworkers.

Peoples spending habits have changed. Spending as a whole is reduced, and it looks like we are going into the most significant depression in living memory. There is a pronounced switch from spending on the high street to spending on -line.

People are spending far longer at home. Lock-downs, levels 1-5 mean people cannot entertain, socialise and exercise in the usual way. This opens up opportunities for entrepreneurs who can help do these things at home.

Business coaching questions

- Can you identify trends that play to your strengths?
- Can you identify the business opportunities they create?

Areas to consider

- People working from home
- On-line retail and services
- Helping face to face businesses move online
- Others , and there are loads

Examples

- IT support
- Food delivery
- Leisurewear
- Dog walking



Budget businesses

About

Some businesses are much cheaper to get started than others. They don't need a lot of resources and are more doable and less risky.

If you have the experience and qualifications, mobile hair and beauty are great. People want to look good, and you avoid the expense and complication of running a salon.

Gardening is excellent if you have green fingers. Many people don't have the time or capability to keep their patch of heaven looking spick and span.

Personal trainer. People can't get to the gym right now, so if you can do the Joe Wicks thing, the opportunity beckons.

Schools out and students are homeschooling. If you have the qualifications, there is lots of demand for virtual home tutors.

Business coaching questions

- Can you identify budget businesses that make best use of your strengths?

Areas to consider

- Your strengths
- Gardening
- Personal trainer
- Home tutoring
- Other businesses that are cheap to set up and operate

Examples

- Digital marketing freelance
- Contract gardening
- Virtual tutor
- Business advice
- Sales and marketing freelance
- Copywriter
- Virtual assistant



Business opportunities

About

We have looked at your strengths, trends for 2021 and budget businesses. The next step is to look for some synergies, business opportunities that play to what you are best at. It's a cut-throat world out there, and you need an edge to win business.

It is a much stronger approach to build on strengths than compensate for weaknesses. That's why you don't see the W (Weaknesses) and T (Threats) of SWOT in this starter.

Look at the three templates and find the link. Which opportunities suit you best? Make a shortlist, then take the number one business opportunity to the next stage, plan.

If you don't feel like shortlisting anything so far, its time for more research.

Business coaching questions

- Which business opportunities make best use of your strengths?

Areas to consider

- Trends for 2021
- Budget businesses
- Business opportunities that make best use of your strengths

Examples

- Freelance digital marketer
- Virtual trainer
- Virtual tutor
- Cleaner
- Marketing consultant



Plan

Who are my customers?
How do I meet my customer's needs?
What customer relationships do I need?
What partnerships do I need?
Which channels will I use?
What are my key activities?
What resources do I need?
What are my costs ?
What are my revenues ?

There is a saying, "If you fail to plan, you plan to fail." It is very accurate. If you don't have a plan its hard to start or run a business. Communication with potential investors, partners and customers is a challenge as it's not clear what your business is about. A plan, on the other hand, helps you organise resources and activities effectively to achieve goals.

This section is a lean start-up template based on the Business Model Canvas initially proposed in 2005 by Alexander Osterwalder. It helps you plan and describe how your business works. It covers your businesses value proposition, infrastructure, customers, and finances. The plan is high level and asks the critical business questions Who are my customers? How do I meet my customer's needs? What customer relationships do I need? What partnerships do I need? Which channels will I use? What are my key activities? What resources do I need? What are my costs? And, lastly, What are my revenues?



Who are my customers?

About

According to Investopedia "a customer is an individual or business that purchases another company's goods or services"

Customers are crucial to the success of businesses. Without them no business survives for long. Most businesses find they have several different types of customers and that they spend different amounts. Its likely that they have different needs, behave differently and therefore have different expectations.

If this is true for your business, it will pay to identity customer groupings or segments that place similar customers together and treat them in ways most likely to satisfy and please them.

Business coaching questions

Can you identify customers who;

- Are served through different channels?
- Are willing to pay more?
- Have different profitability?
- Have needs that require a distinct offer?
- Want different types of relationships?

Examples

- Small businesses in the UK
- Businesses in the Thames Valley
- People starting businesses in the UK
- High value individuals ages between 50-60
- Communication companies in the USA



How do I meet my customer's needs?

About

Value propositions are bundles of goods and services designed to satisfy a customer's wants and needs. If you have identified several customer segments, it's wise to develop value propositions for each one.

One approach to developing your products and services into compelling value propositions is covered in more detail in another **SMARTer** starter. Here are the headlines, look at what your customers are trying to do and problems they want to solve. Try to imagine the pains they experience, things that challenge them. Imagine the gains they want to make, what motivates them, and what they want to achieve?

Business coaching questions

- What are your customers trying to do?
- What pains are they experiencing?
- What gains do they want to make
- How does your value proposition meet these wants and needs?

Examples

- Run a successful services business
- They can't sell enough
- They want to make more money
- It helps them make more money



What customer relationships do I need?

About

Customer relationships are what a business establishes with its customers to operate a business model. They offer the business the ability to work with customers and visa-versa.

Businesses create and develop relationships for several reasons. Customer attraction, the development of their interest, making a sale, delivering the product and supporting it are common reasons.

Relationships have a massive effect on a business's ability to create a compelling customer experience. This, in turn, plays a vital role in an entrepreneur's ability to work a business model successfully.

Business coaching questions

- What relationships will you need to create and develop to attract customers?
- What relationships will you need to develop their interest?
- What relationships will you need to create to make the sale?
- What relationships will you need to create deliver your product?

Examples

- Personal face to face
- Personal virtual
- Self-service
- Communities



What partnerships do I need?

About

Partnerships are relationships with people and businesses that make business models work.

Businesses forge partnerships to optimise their business model in several ways. Acquiring resources, reducing risk, and improving effectiveness and efficiency are key drivers.

Partnerships take several forms. Customer-centric partnerships help businesses support customers by selling to, supplying, and supporting them. Supplier centric partnerships help businesses reduce costs, increase efficiency and improve operations. HR partnerships help businesses deal with recruitment, personnel management, and off-boarding issues.

Business coaching questions

- Who are your suppliers?
- What partners do you need to delight your customers?
- What partners do you need to run the business?

Examples

- With suppliers
- Resellers
- Virtual assistants
- Accountants



Which channels will I use?

About

Channels are how a business communicates with customers to deliver a value proposition. They are the businesses interface with customers and play a critical role in generating a positive customer experience.

Channels serve several purposes. Raising awareness, helping customers evaluate value propositions, purchase and obtain support are everyday purposes.

Channels must be created and developed for the convenience and preference of customers. They need to be easily assessable, simple for the user and capable of delivering what the customer wants.

Business coaching questions

- How do customers want to be reached?
- How do my channels work together?
- Which ones work best?
- Which ones are most cost-efficient?

Examples

- Networking groups
- Social media
- Web sales
- Website
- Bricks and mortar



What are my key activities?

About

Key activities are the things an entrepreneur business must do to make a business model work.

They are required to create, offer, and support a value proposition. They are the things you do to attract customers, develop their interest, motivation to buy, make the sale, deliver the product and create loyalty.

Activities will differ dependent on the business model type. For software business Oracle they will include software development, testing, release and support. For Cap Gemini, they will include research, service development, deployment, training and skills development.

Business coaching questions

- What do you need to do to create your product or service?
- What do you need to do to sell your product or service
- What do you need to do to deliver your product or service?
- What do you need to do to support your product or service?

Examples

- Running workshops
- Networking
- Warm calling
- Sales calls
- Social selling



What resources do I need?

About

Resources are the things an entrepreneur needs to work a business model. They help create and offer a value proposition, attract customers, develop their interests, make the sale and deliver the products and services.

Resources are physical, human, financial and intellectual. Physical resources include buildings, equipment, things like offices, warehouses, vans, cars and projectors. Human resources are the people that work in a business. It is all about their experience, skills, motivation and focus. Financial resources are things like revenue streams, loans and lines of credit. Intellectual resources are knowledge-based and include product manufacturing techniques, software algorithms, and even product designs.

Business coaching questions

- What physical resources do you need to deliver your value proposition?
- What human resources do you need to deliver your value proposition?
- What financial resources do you need to deliver your value proposition?
- What intellectual resources do you need to deliver your value proposition?

Examples

- Warehouse
- Sales & marketing skills
- Business loan
- Service content



What are my costs ?

About

The businessjargons.com definition states “The Business Cost includes all the costs (fixed, variable, direct, indirect) incurred in carrying out the operations of the business.”

Business costs are generated when an entrepreneur operates their business model. Creating and delivering value to customers incurs costs. Partnerships, value propositions, channels, relationships all need activities and resources to support them. These all cost money. Fixed costs are constant whatever the amount of goods produced. Variable costs vary in line with the amount of goods produced. Direct costs are directly tied to the amount of goods or services provided. Indirect costs are not tied to the amount of goods or services provided, they are all to do with running a business.

Business coaching questions

- What costs are associated with providing your product or service?
- What costs are incurred running your business?

Examples

- Office rent
- Franchise fees
- Product costs
- Laptops
- Projectors
- Venue costs



What are my revenues ?

About

Revenue streams are the payments a business generates from customers. There are two main types, one-time payments and recurring revenues and they are the result of value proposition delivery or ongoing support.

Each Revenue Stream may have different pricing mechanisms, such as fixed list prices, bargaining, auctioning, market dependent, volume dependent, or yield management.

Each value proposition can involve more than one revenue stream. For example, a software business may charge an upfront license fee, an implementation cost and a support contract

Business coaching questions

- What types of revenue stream will I receive for my value proposition?

Examples

- Purchase price
- Usage fee
- Subscription
- Loan fee



SMARTer entrepreneurs

Make more money



Because they

Have the best business ideas that take current circumstances into account. One moment it's lockdown; next, dine out and go to the pubs, then three tiers, then four, then what? How do they choose the best business idea to thrive in this unpredictable economic climate? How do they choose the best business idea in 2021?

Research and analyse the market, the customers they intend to serve, the competition they will face and, the partners they plan to work with. They self-assess and evaluate their resources, skills, experience, processes and mindset.

Make strategic and tactical plans to drive the business forward. Using the data, knowledge and insight gained in the research and analysis phase, they work out how to use the resources at their disposal in the most profitable way.

Test how effective their strategies and plans are on limited test scale. This provides the opportunity to select the best options, then adjust and tune them before committing serious money.

Achieve, full steam ahead, all systems go, this is where the magic happens. Their business idea is out there in the marketplace competing for business with all-comers. They have to deliver it and adjust as needed to make more money.

We help business entrepreneurs become SMARTer business entrepreneurs and make more money. We have tried, tested and proven processes combined with real-world experience, skills and mindset needed to succeed in these challenging times.

