

Workshop # 2



**Creating A Big Idea To
Solve The Problem**

Zingale Big Idea Competition

- **\$20,000 In Prizes**
- **Funding Pitch Competition**
 - April 28-29
- **Power Point Pitch**
 - Final Round
 - 15 Minutes and 10 Slides
- **Templates On Website**



The Schedule

- **Thursday, April 27**
 - Optional Practice Round
- **Friday, April 28**
 - First Round
- **Saturday, April 29**
 - Championship Round
 - Awards Ceremony



Upcoming Workshops

- **Tuesday, March 28**
 - **Marketing Your Big Idea**
- **Tuesday, April 4**
 - **Developing Your Big Idea's Financial Plan**
- **Tuesday, April 11**
 - **Pitching Your Big Idea**

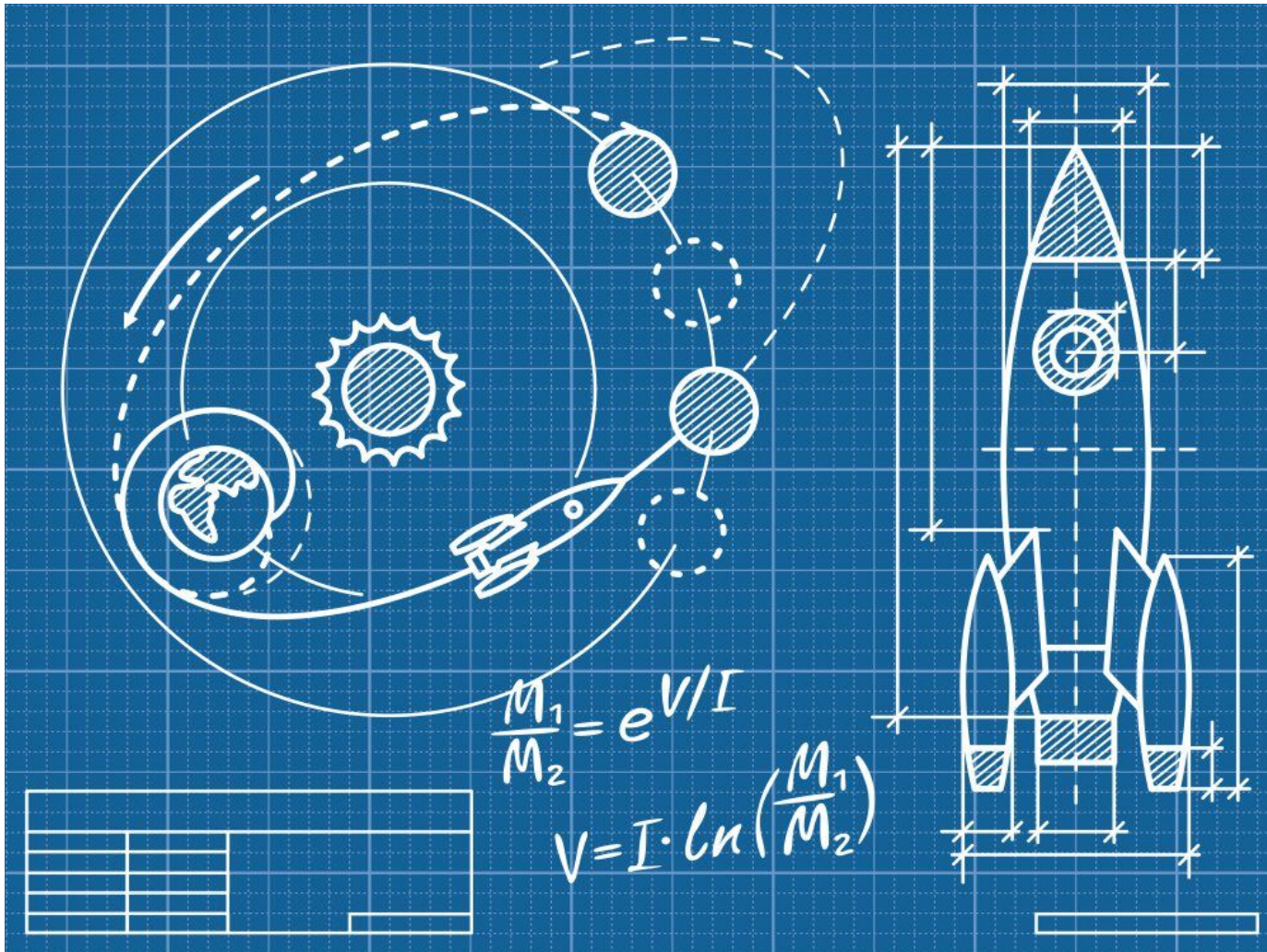


**YOU'VE IDENTIFIED THE PROBLEM
YOU WANT TO SOLVE**

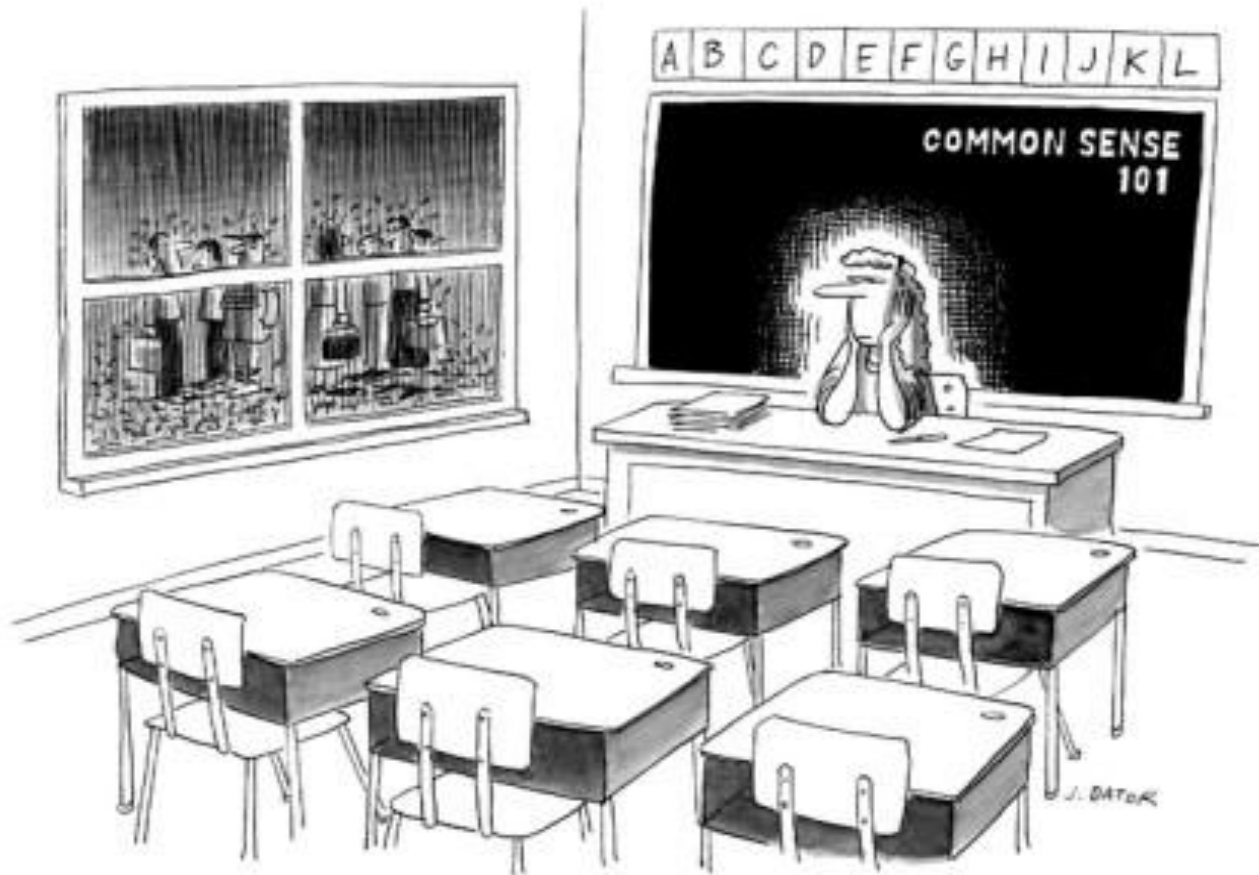


NOW LET'S DEVELOP A SOLUTION!

THIS ISN'T ROCKET SCIENCE



RELY ON YOUR COMMON SENSE



Companies ...

- Find Customers & Solve Their Problems.
- Design Products & Services.
- Sell Products & Services.
- Manufacture Products or Deliver Services.
- Companies Ship Products.
- Companies Collect Payment.
- Companies Pay Salaries, Expenses & Taxes.
- Keep What's Left Over.



Take A Markets First Approach

The 10 Fastest-Growing Industries in the U.S.

| | Industry (NAICS code) | Sales % Change |
|----|---|---------------------------|
| 1 | Support Activities for Mining (2131) | 44.9% |
| 2 | Other Heavy and Civil Engineering Construction (2379) | 17.1% |
| 3 | Beverage Manufacturing (3121) | 17.1% |
| 4 | Other Personal Services (8129) | 16.5% |
| 5 | Direct Selling Establishments (4543) | 16.0% |
| 6 | Building Finishing Contractors (2383) | 15.5% |
| 7 | Offices of Real Estate Agents and Brokers (5312) | 15.1% |
| 8 | Miscellaneous Durable Goods Merchant Wholesalers (4239) | 15.0% |
| 9 | Specialized Freight Trucking (4842) | 14.9% |
| 10 | Architectural, Engineering, and Related Services (5413) | 13.7% |

sageworks

| Services Sectors | 5-Year Growth |
|------------------------------------|---------------|
| Real Estate, Rental & Leasing | 47% |
| Finance & Insurance | 38% |
| Administrative, Support & Waste | 37% |
| Prof., Scientific & Tech. Services | 35% |
| Arts, Entertainment & Recreation | 30% |
| Other Services | 30% |
| Information | 29% |
| Health Care | 21% |
| Transportation and Warehousing | 21% |
| Utilities | 19% |
| Accomodation | 14% |
| Educational Services | 11% |

What Is A Market?



Markets

- A market is a group of individuals and organizations, or both, that need products in a given category and that have the ability and willingness, and authority to purchase them.



Market Groups

- **Consumer Markets**
 - Purchasers and/or household members who intend to consume or benefit from the purchased products and who do not buy products to make profit.
- **Business-to-Business Markets**
 - Purchasers of specific kinds of products for use in making other products for resale or for day-to-day operations.



B2C

- Personal Use
- Fixed Price
- Single Piece

- No Bargain
- Emotionally Driven
- Consumer Marketing

B2B

- Business Consumption
- Variable Price
- Bulk Purchase

- Always Bargain
- Rationally Driven
- Business Marketing

Different Types of Markets

- **Mass Market** ☐ large group of customers with similar needs.
- **Niche Market** ☐ small market with specific needs.
- **Segmented Market** ☐ breaking markets into groups with different needs.
- **Diversified Market** ☐ a variety of services to serve two or more customer segments.
- **Multisided Market** ☐ two segments that are linked but are independent of one and other.

Mass Market Major Consumer Goods Companies



Niche Market

Global Photographer Booking



Segmented Market Banking For Small

**You've Got Goals.
We've Got Solutions.**

We're in the business of providing what your
business needs.



Diversified Market



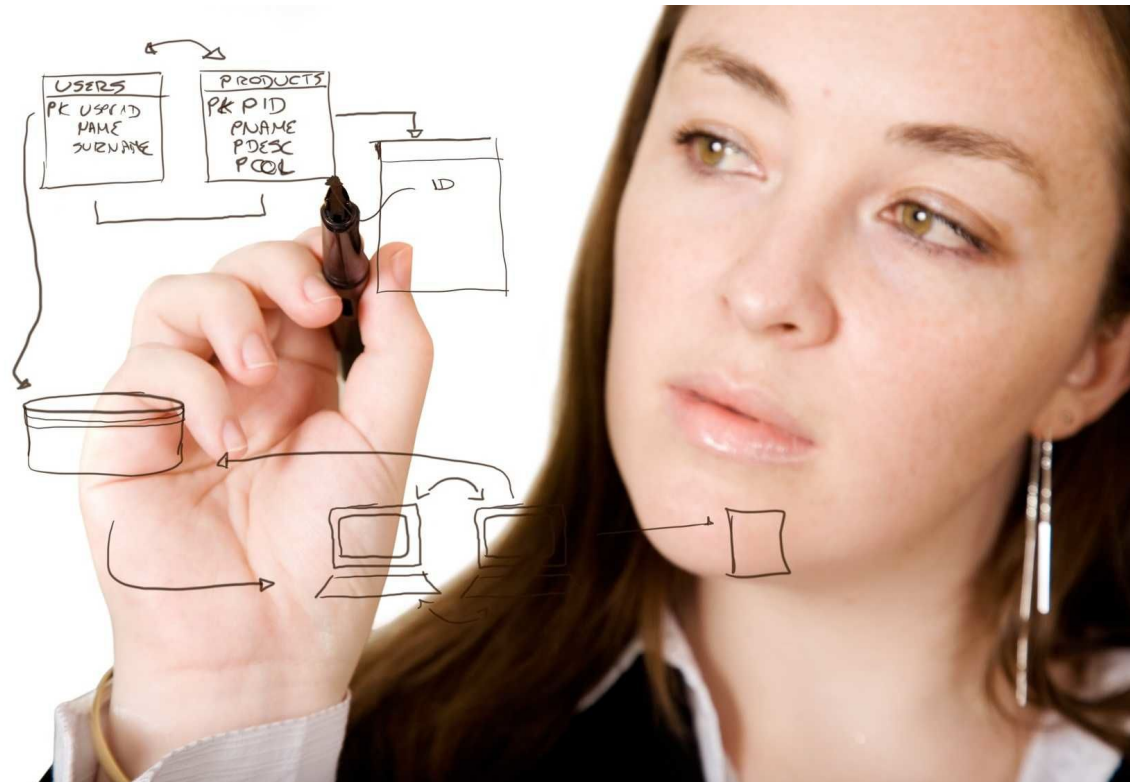
Target Market

- **A group of individuals or organizations, or both, for which a firm develops and maintains a marketing mix suitable for the specific needs and preferences of the group.**
- **Managers attempt to determine whether the organization has the resources to produce a marketing mix that meets the needs of the particular target market.**

Look For Problems First Then Find Solutions Second



Solutions To RELEVANT Problems



Look For Everyday Annoyances and Solve The Problems



Look For Things In Society You Want To Change



How Could You Make Your Lives Better



Help and no help baskets



Avocado colour chart



Tie that cleans mobiles



Chair with bag holder



Skateboard lock



Lift buttons for feet

Solving Problems Created By Change = New Product or Service



- **New**
- **Knowledge**
- **Demographic**
- **Changes**
- **Marginal Practices**

Unexpected Occurrences:
Unexpected successes or failures;
outside events.



Incongruities:

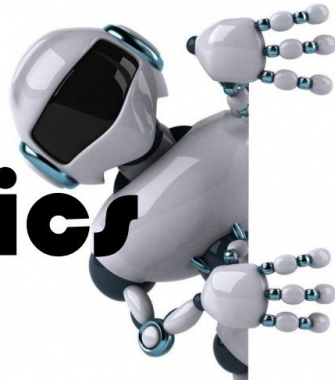
A gap between reality and
common
belief; aspects that do not fit
together



Process Needs:

A bottleneck in a critical process

Robotics



Google™



Industry And Market Structure: *New business models,* *distribution channels, and modes* *of business*



Demographic Changes:

Changes in groups by age,

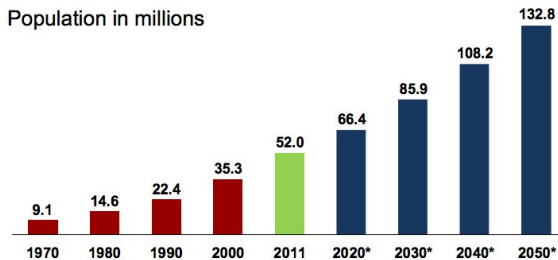
politics, religion, income, and so

on.



Hispanics: 1970 to 2050

Population in millions



Census Estimate Projections

United States
Census
Bureau

*Projected Population as of July 1

Sources: U.S. Census Bureau, 1970, 1980, 1990, and 2000 Decennial Censuses; July 1, 2011 Population Estimates; 2008 National Population Projections



Changes In Mood or Perception: Change in the way people see the world (for example 9/11 terrorism), of fashion, convention, and so on.



Donald J. Trump
@realDonaldTrump

Following

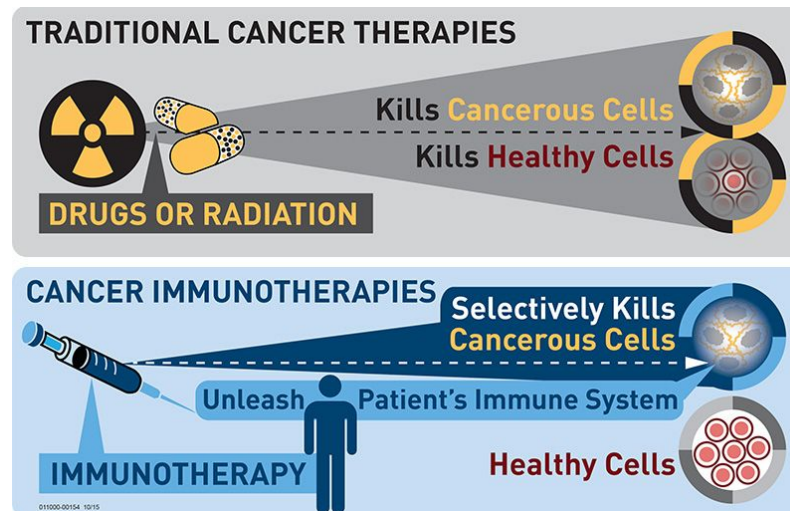
May God be w/ the people of Sutherland Springs, Texas. The FBI & law enforcement are on the scene. I am monitoring the situation from Japan.

12:06 PM - 5 Nov 2017



New Knowledge:

*Application of new knowledge,
often involving scientific advances
and convergence of different
areas.*



Marginal Practices:

*Fringe Practices that may resolve
persistent breakdowns in current
central practices*



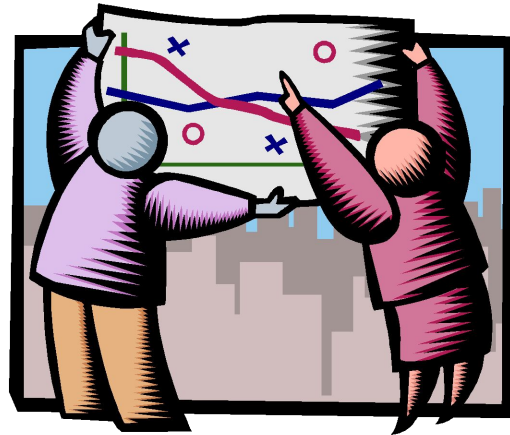
Apply your skills to an entirely new field.

- Think about your skills and whether they might be useful in a new area, suggests Bill Fischer, professor of innovation management



Think About Your Business Model

- A business model is a summation of the core business decisions and trade-offs employed by a company to earn a profit.



Business Model Parts

- Business Model

Business Model Parts

- Business Model

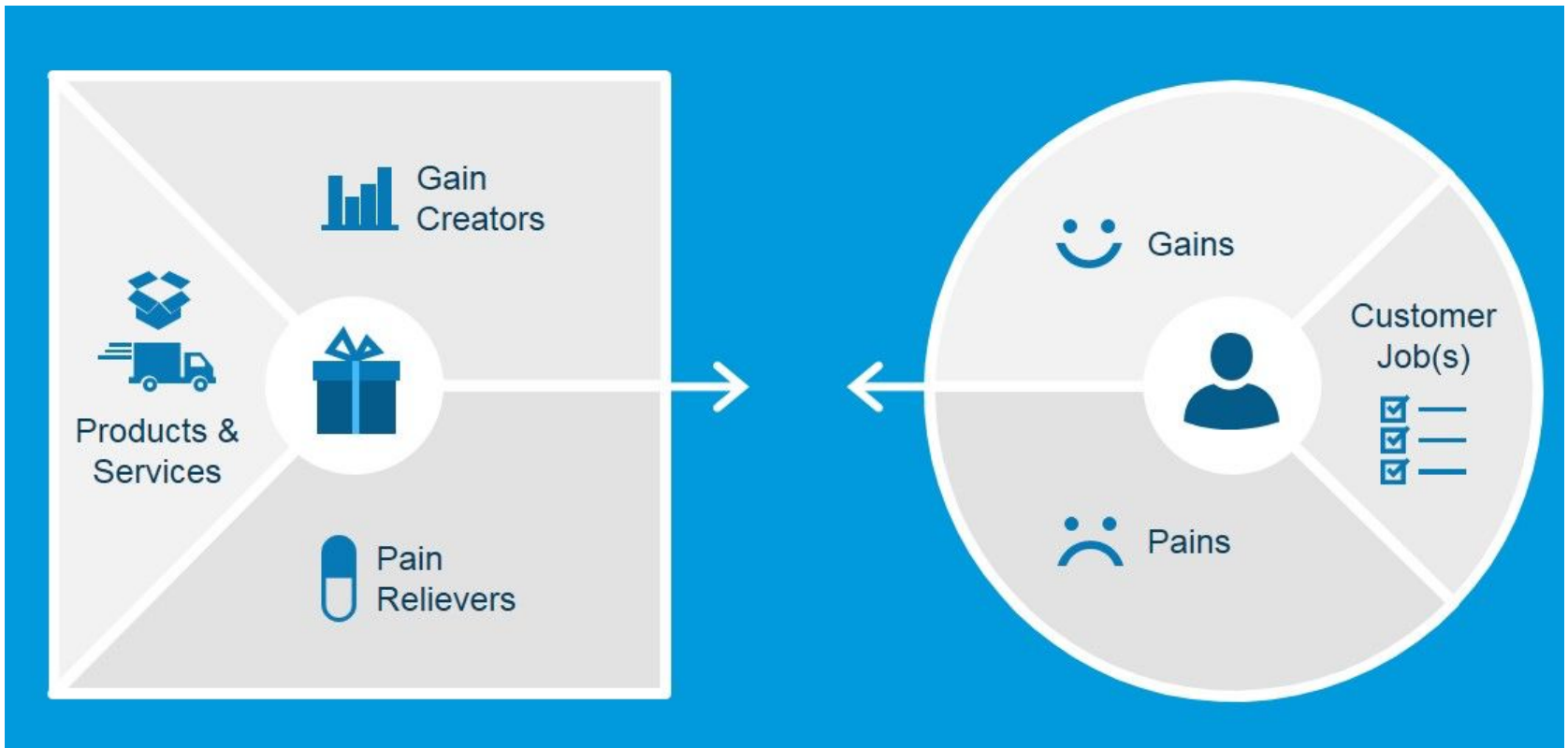
Revenue Models

- **What Are The Different Revenue Models?**
 - **Subscriptions or Membership**
 - **Volume or Unit Based**
 - **Advertising Based**
 - **Licensing or Syndication**
 - **Transaction Fee**

Revenue Model Examples

- Different Revenue Models
 - Subscriptions or Membership
 - **Netflix**
 - Volume or Unit Based
 - **Restaurant, Clothes or Beauty Parlor**
 - Advertising Based
 - **Facebook, Newspapers or Magazine**
 - Licensing or Syndication
 - **Coca-Cola or iTunes**
 - Transaction Fee
 - **Fidelity or You ATM**

What Is A Value Proposition?



What Is A Value Proposition?

- **The value generated for the customer and how this value is then captured by the business in the form of profit.**
- **Must:**
 - **Offer better value than the competition.**
 - **Measurable in monetary terms.**
 - **Be Sustainable.**
 - **Different from environmental sustainability.**

Develop A Business Case

- How Will You Add Value To Your Customer?
- How Will You Make Them Money?
- How Will You Save Them Money?
- Quantify Savings Over 1 Year.
- How Do You Communicate That Savings?



Must Think About Competition

- **Where do you exist in the larger overall Market Space?**
- **What are your Advantages?**
- **How is your place in the market unique to you, and the right one for your company growth and customers?**
- **Who are the competitors, why have they succeeded, and how do you truly differentiate from them?**



Form Follows Function

- **Every Company Is Different.**
- **Map Out Typical Daily Activities Based On Your Business.**
- **Break Them Down Into Job Types.**
- **Search On Internet**
 - **Typical Salaries In Your Industry For Each Job.**
 - **Startups Pay Less.**

