Acara Challenge Venture Plan Outline

Executive summary: This is a brief description of your venture (less than a ½ page). It sums up the rest of the plan, so that if it were the only thing someone read (and sometimes it is), that reader would get all the highlights and understand the characteristics that are most important. You should clearly state your objectives: What problem will you be solving, and how. Consider a story or visual.

Introduction: Give whatever background you feel is necessary to introduce your plan. This may include information on the place where you are working and how/why you chose it, and background on the problem.

Support for proposed venture: Give evidence for why your idea is a good one. Condense your research so you make a clear and compelling case for your venture. It should address the following areas/questions:

- Customer – What problem are you solving and for whom? Talk about your research and use the “voice of the customer” (their actual words). How do you solve the problem, and what evidence do you have that people would buy your solution?
- The market opportunity: How many people in your area have the problem (number, proportion)? What evidence do you have that the problem exists elsewhere and that your solution would be appropriate? You can use primary and secondary research.
- Comparisons: Is something similar in place elsewhere? How is that situation different from yours? What parts would or wouldn’t translate to your situation?
- Other trends: What else is going on that would support the growth of the problem and feasibility of your solution? Are there recent or upcoming changes to regulations, environment, economy, popular culture, population?
- Competition: What do people do now to solve the problem, if anything? What is the next best alternative and what is its market share (how many of your potential customers use it)? What do your competitors do better or worse than you? Will they grow? Why hasn’t someone tried what you are doing before? If they have, why didn’t it work?

Risks & Assumptions: Discuss the various assumptions you made in different areas (market, product/service, technology, economic, competition, organization, environment). How would they change your plan if you are wrong? What are the risks involved, and what will you do to mitigate, avoid, or prepare for them?

Basic financial projections and objectives: List the major things you will need and how much they will cost (Product costs, production & sales labor costs, license fees, etc.). Also list how much income you expect to make. Include the underlying assumptions. You may have little basis to judge how many units you can sell, for instance, so you will have to make educated estimates in some places. It may be helpful to show a few different scenarios (pessimistic / middle / optimistic). How much will you need to sell and at what price to break even? What will profit be at different growth rates?

Next steps: How will you validate your assumptions? What will you do to get the business up and running, at least on a trial basis? What do you still need to find out?

Required Resources: What resources do you need (money, personnel, permits, etc.) in order to get it done? Be specific about what you are asking for. You should have some research behind the number, but it does not need to be totally precise.

Future Vision: What do you see happening with your project in the longer term? What will you do after your test plan and what will you need to accomplish steps? This is a more general vision; what is feasible and what you will want to do will probably change once you conduct tests and do more research.

This outline is based on one created by Toby Nord for his Corporate Venturing course at the University of Minnesota’s Carlson School of Management.