

eServices Europa

Business plan development

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Lisbon-Oreiras, 26 November 2009

AGENDA

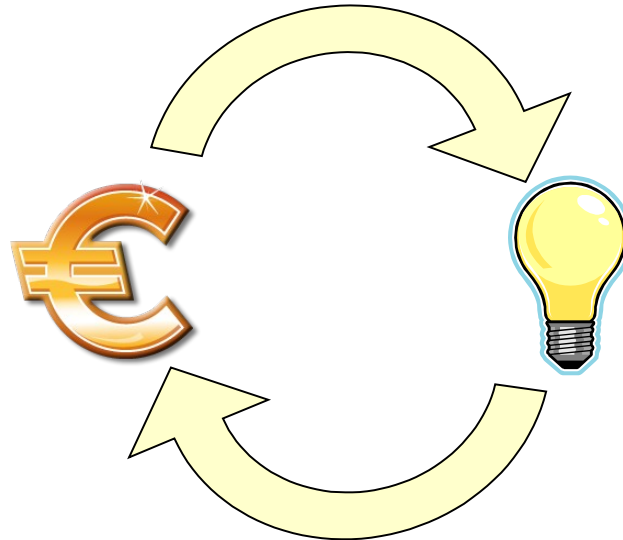
- Why speaking about business planning (BP)?
- Business Plan, IPR and exit strategy for EU funded projects
- The objective of a Business Plan
- BP overall structure
- The importance of the Marketing Plan (MP)
- Different exit strategies for EU funded projects
- Resources available on BP

Let start with an example

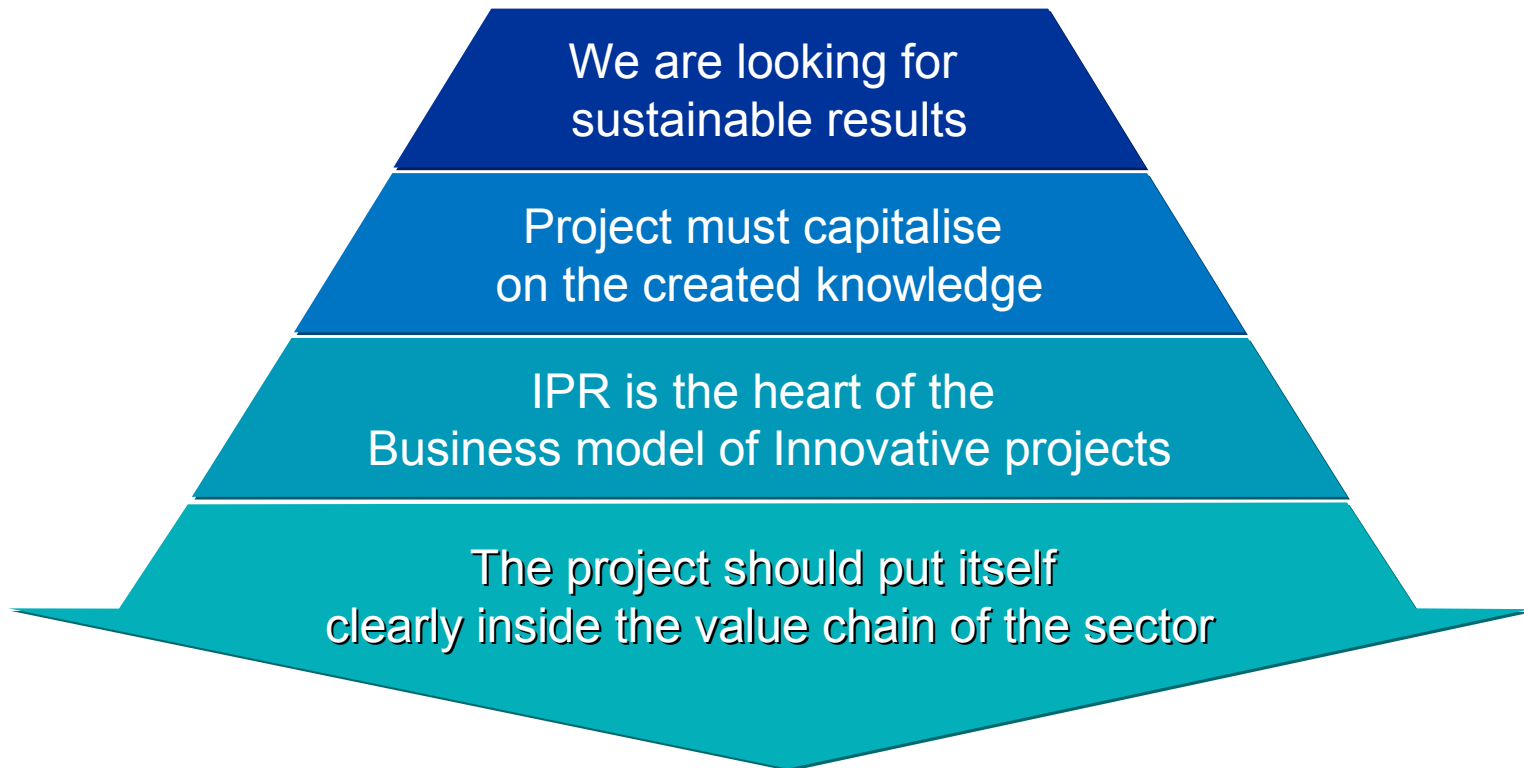
- Creation of a Financial Facility to support Innovative Companies in the Mediterranean Region.
 - Based on a study identifying a potential deal flow of 4000 start-up projects
 - Consortium of a VC company, an association for consultancy and Web-based application provider
- Initial pilot project funded through the EC

Why speaking about business planning (BP)?

- **Research**, or how to transform resources into knowledge
- **Innovation**, or how to transform knowledge into resources

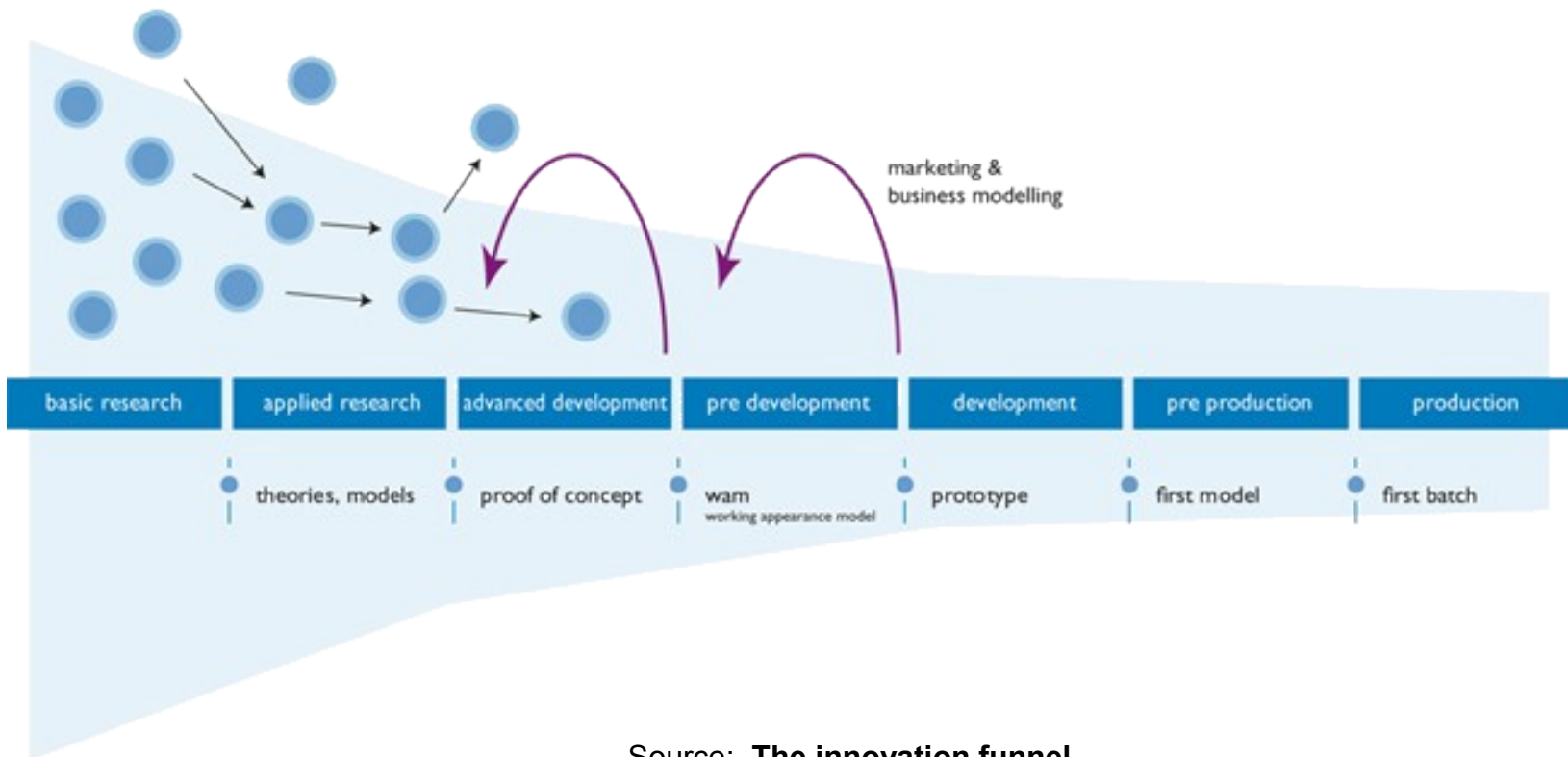


Business Plan, IPR and exit strategy for EU funded projects



This is the role of the business Plan

The integration of the IPR in the production process

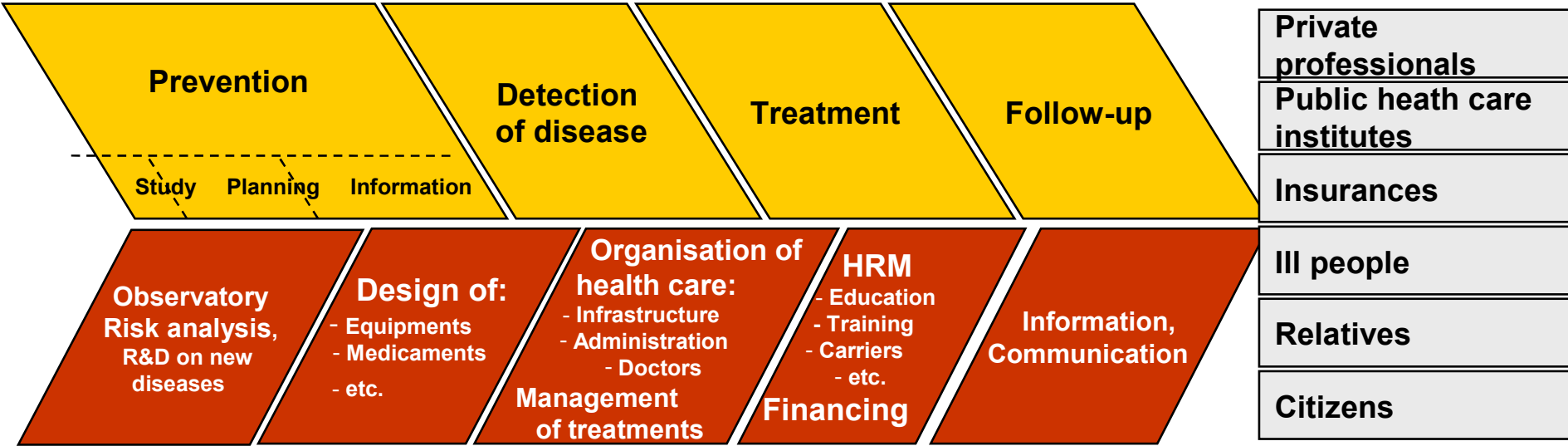


Source: **The innovation funnel**

<http://www.ijdesign.org/ojs/index.php/IJDesign/article/view/305/242>

Example of Value Chain

Value Chain for Health sector - example



Objectives of a Business Plan

- To convince potential lenders or investors to provide financial backing

But also

- A blueprint and step-by-step instructions on how to **translate your idea** into a **profitably marketed service or product**
- It can corresponds to:
 - a reality check
 - your business's resume,
 - a timetable for operations,
 - a modelling tool
 - a vehicle for tracking the progress of your business
 - a blueprint against which you can adjust operations
 - a starting point for future planning

A business plan for whom?

- Internal audience
 - The owner
 - The staff
- External stakeholders
 - The lenders or investors
 - Clients
 - Suppliers
 - Partners
 - Institutions and administrations
 - Society

See chapter “E3. The stakeholders of a business and their perspectives” of Medibtikar
Entrepreneurs’ manual

The key aspects

- What is a striking business plan:
 - It tells a **development story** and **creates empathy**
 - It demonstrates the **capability to deliver** within a difficult (adverse?) environment
 - It shows how you will **deliver valuable outcomes** to the key stakeholders
 - It **responds to** important National / regional development **needs and goals**
 - It shows clearly a **positive return** (social, economic, financial?) on the required investment
 - It demonstrates how activity will be **monitored** and performance and success **evaluated**
 - **It makes a “CLICK!”** in the key players’ minds

The overall structure (1/2)



An important part of the Business

- The Market !
- ***What are the strategic objectives and goals of the project?***

it must examine radically what constitutes real value for customers by asking fundamental questions: what value offering need to be introduced or increased to meet customer needs? what value offerings can be reduced or eliminated, because they do not constitute real value for customers

"The man who will use his skill and constructive imagination to see how much he can give for a dollar, instead of how little he can give for a dollar, is bound to succeed." – Henry Ford

The mix marketing

- Achieve the objectives
- Targeted Market
- Shape the tools available in the company
- Pay strong attention on the 4 P from Porter Extended to 7 for services

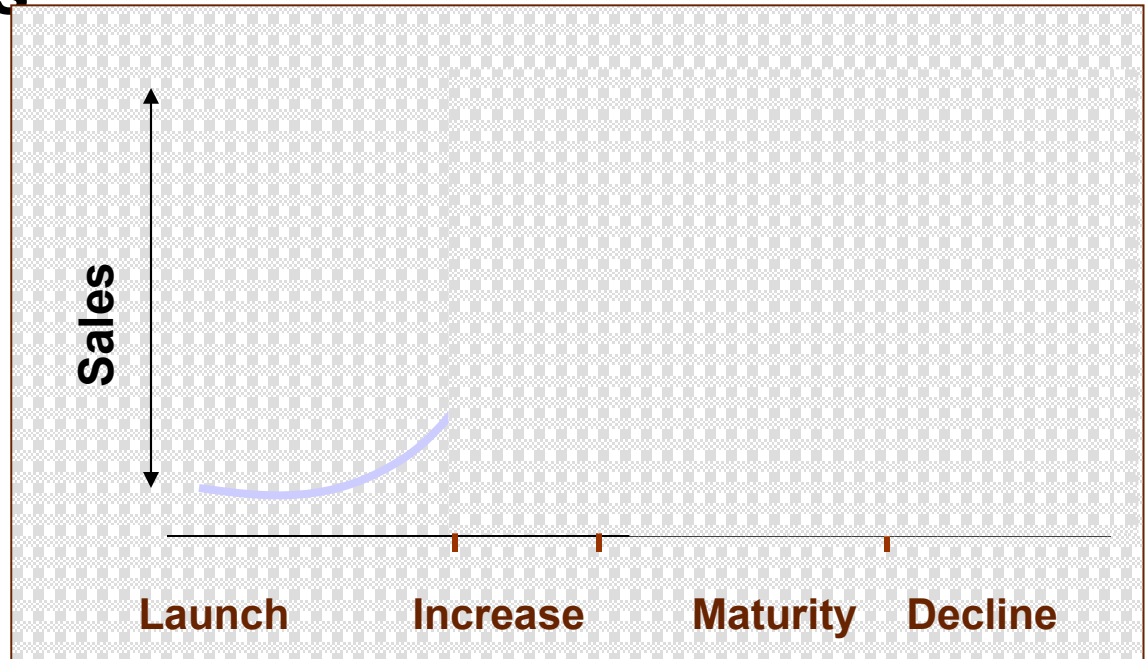
The 7 P

- **P**roduct
- **P**rice
- **P**lace
- **P**romotion
- **P**eople
- **P**rocess
- **P**hysical evidence

Product key factors

- **Quality**
- **Characteristics**
- **Trade Mark**
- **Style**

- **Life Cycle**



Price – the positioning

- **Price**
- **Discount**
- **Reduction**
- **Conditions of Payment**
- **Loan**

	Quality	
	Economy	Gift
Price	Exploitation	Luxury

- **Psychological price**
- **Option price**
- **Combined Offers**
- **Promotion**

Place (distribution)

- Role of the distributors
- Complementarities (A and B / A or B)
- Internet

Promotion

- Promotion the services
- Public relations
- Tools
 - Direct e-mails, Forums / Exhibitions, Publicity, Sponsoring, Etc.

Additional Marketing Mix Elements

- **People:** direct contact between customers and service personnel, some services involve high levels of contact, high levels of trust and dependency.
- **Physical evidence:** this may be an actual physical component or a cue to indicate or represent the existence quality of the service purchased (often referred to as 'Servicescape').
- **Process:** the order and/or system of service delivery.

The Marketing plan

It should :

1. Derive from the corporate plan
2. Present
 1. The Analysis of the environment
 2. The Objectives (SMART principles – **S**pecific|**M**easurable|**A**chievable|**R**ealistic|**T**ime)
 3. The Strategy (Segmentation, growth, targeting and positioning)
 4. The use of the marketing mix (7 Ps)
 5. The control (monitoring of the achievements)

Example

- Creation of a solution for Telecom companies
- Creation of a billing solution for Information service provider
- Creation of a solution for e-procurement.

Examples of possible exit strategies

1. Creation of a joint venture – mutual interest of the partners, complementary situation
 - Importance on the exit conditions
1. Mutual uses of the IPR
2. Capitalisation on the project by one partner
 - Case of a project where there is one provider and potential clients.

Key Elements to pay attention to

- Start first with the positioning and the segmentation
- Be clear on the Success Factors of the project
- Pay attention on the partnering agreement
- See how each partner will benefit out of the project

Example of the BP structure

- Several format are available. Two guides:
 - Gate2Growth
 - US Chamber of Commerce
- Other useful sources of information:
 - Alpha Neuron Business Blog
 - Exit strategy planning Blog

Examples

- Technology business plan 1
- Service Provider's Business Plan

Thanks for your attention

- Eric Chataigné

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