



THE ABC'S OF STARTING A BUSINESS





NO SMALL BUSINESS LEFT BEHIND

Believe • Belong • Succeed



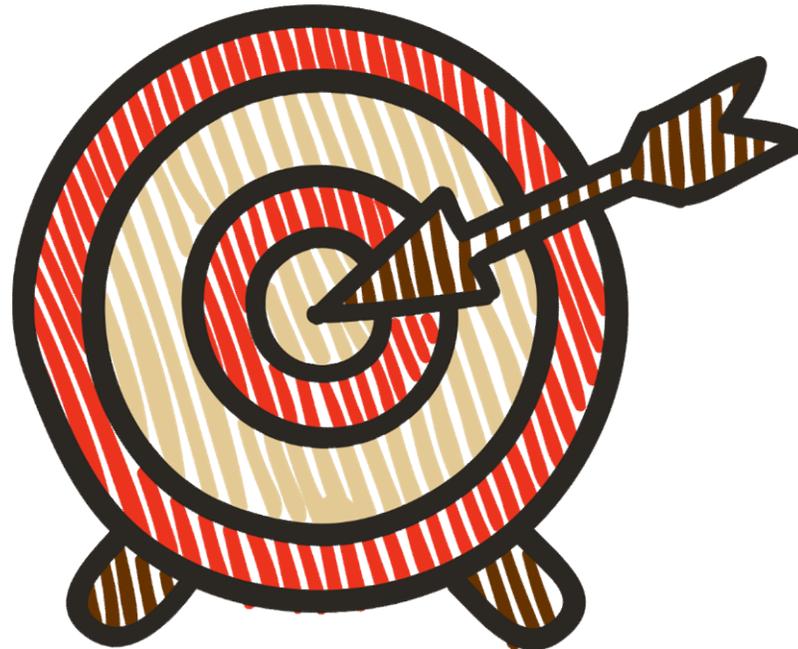


A small business is the same as the person who owns it

- No one business template will work for every business

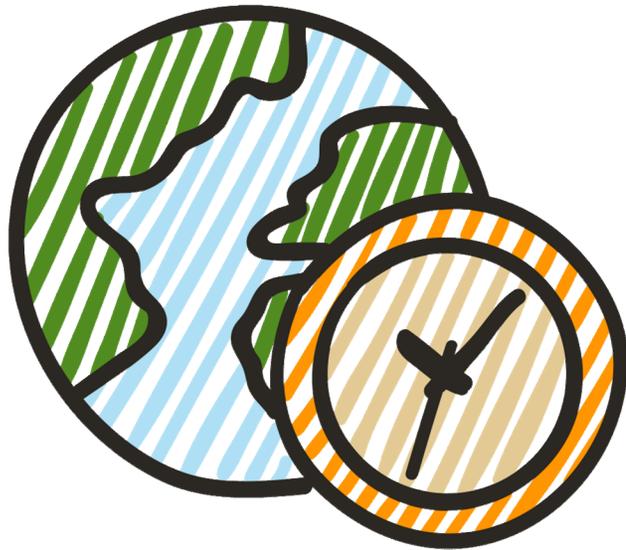
GOAL OF A START-UP

Figure out the right thing to build – the thing customers want and will pay for – as quickly as possible.



From: *The Lean Startup*

Eric Ries



Any business, start-up or established, has to change faster on the inside than the world is changing on the outside.

OVERVIEW: World of Small Business

- Close to 600,000 new businesses start each month in the US
- 52% are home based
- 99.7% of US employer firms are small businesses
- Of approx. 28 million small businesses in US, over 22 million are self-employed with no additional payroll or employees
- In Arizona approx. 520,000 small businesses of which 420,000 have no employees.
- Arizona has 98,000 employer firms of which 86,000 have between 1 and 19 employees
- SBA identifies a small business as one with 500 or less employees

The Kauffman Index of Entrepreneurial Activity & The Small Business Association



AN INWARD LOOK

- Why do you want to start a new business?
- What are your personal values that you bring to this new venture?
- Why did you pick the product/service you are considering?
- How much time are you willing to devote each week to this business?
- Do you have the support of your family?
- How much money have you set aside to begin this new venture?
- Will this new business place a financial hardship on the family?
- What business or other experience are you bringing to this new business?
- When do you plan on opening your “business doors” ?
- What is your anticipated income from this business?
- Is this income necessary for your everyday needs?
- What is the anticipated time frame for positive cash flow from this business?



FIRST OUTWARD LOOK

- Write a brief description of your new product or service.
- Is this product/service available from another source?
- If the answer is yes, have you studied your competition? What conclusions did you draw?
- Will you produce your product/service or purchase it for distribution?
- What makes your product/service different than what is already available on the market?
- With whom have you discussed your new business idea?
- Have you identified a support team?
- What type of business structure will you use?
- Do you have an attorney or CPA to consult?

SECOND OUTWARD LOOK

Identify in detail your target market by addressing the following:

1. Is your target market a business or a consumer?
2. What are the benefits that your target market will receive from your product/service?
3. What is your distribution method?
4. Where is your target located?
5. Will you be a home-based business or do you need to rent space?

THIRD OUTWARD LOOK

Taking your product/service to market

1. How well do you know your target market?
2. Do you have any personal connections in your target market?
3. Who will design your web site?
4. What is your company name?
5. What do you know about social media marketing?
6. What marketing outlets will you use?

BizQuack

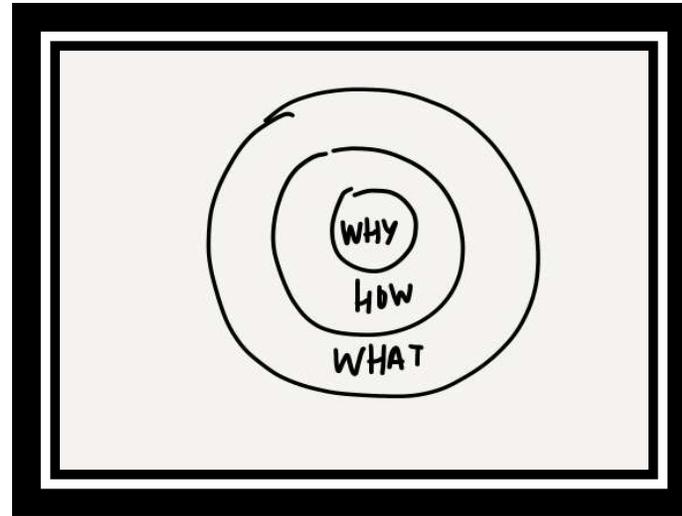
NUGGETS

Each “Nugget” is a piece of the puzzle and becomes a living part of your business. Develop each “nugget” to produce your plan.

WHAT ARE THE NUGGETS?

- Your **WHY**
- Your Vision
- Data Base Management
- Business Plan
- Pitch Deck
- Marketing
 - Pre*
 - Human Touch*
 - Social Media*
- Resources, accounting & budgets
- Legal issues
- Staying current
- Accountability & support
- Community involvement - giving back

DISCOVER YOUR **WHY**



A great place to start is by reading Simon Sinek's Book:

START WITH THE WHY



YOUR VISION

- A vision statement defines where you want your business to be at a future date.
- It is a clearly articulated, result oriented, picture of the future you want to create. It does not, however, include the **how** and **when**.

A vision should:



- Stretch your imagination
- Not be bound by a span of time
- Be inspirational
- Be short (sentence, no more than 2)

EXAMPLE:

Our vision for **BizQuack** is to become the Nation's best, most respected, successful, and sought-after small business information source and support system.

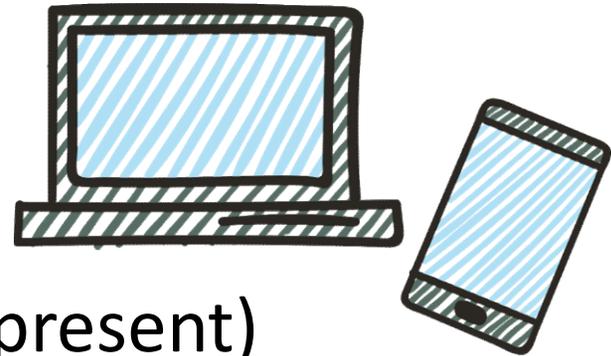


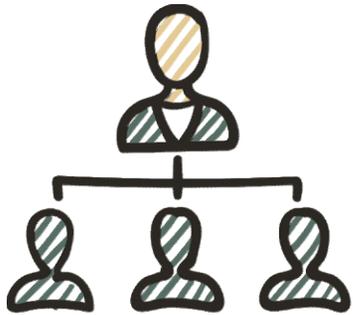
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DATA BASE MANAGEMENT

Everyone has a start to a data base if you look at these sources:

- Family
- Friends
- Coworkers (past/present)
- Neighbors
- Fellow church/synagogue members
- Etc. Etc. Etc.

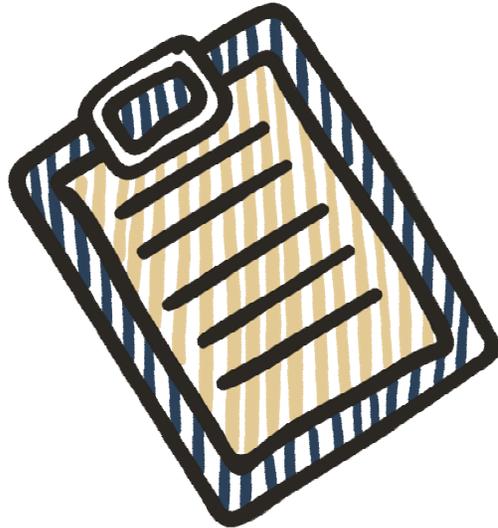




“If I had to name the single characteristic shared by all the truly successful people I’ve met over a lifetime, I’d say it is the ability to create and nurture a network of contacts.”

Harvey Mackay, *Dig Your Well Before You Are Thirsty*





BIZQUACK

BUSINESS PLAN

- What is your product/service? What does it do?
- What problem is your product/service solving?
 - If you are not solving a problem, then you don't have a business.
- What distinguishing features does your product/service have?
- Who will benefit from the solution your product/service offers?
 - This helps us narrow down a target market.
- What characteristics does your target market have?
 - Are you a B2B(business to business) firm or a B2C (business to consumer) ?

Gains & Pains : an important part

- **PAINS:** what annoys your customer before, during & after trying to get a job done. Questions to determine :
 - What are the main challenges your customers encounter?
 - What risks do your customers fear?
 - What is keeping your customers awake at night? What is their biggest problem?
- **GAINS:** the outcomes & benefits customers want. Questions to determine:
 - What would make your customers' jobs/lives easier?
 - Which savings in terms of time, money, or effort would they value?

DIFFERENTIATING FACTORS

Create a list of factors that differentiate your product/service from your competitors.

Based on gathered information write a Value Proposition.

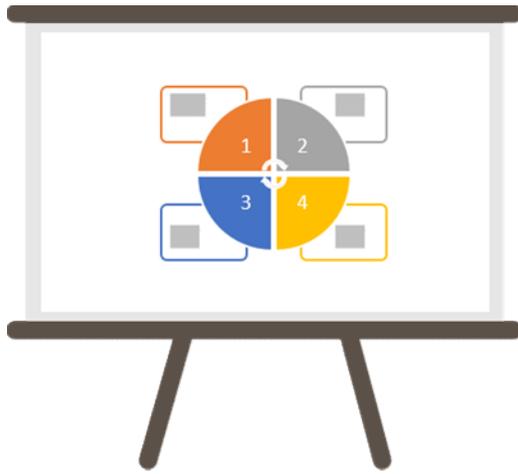
WHAT IS A VALUE PROPOSITION?

1. Describes how you intend to create value for your customers
2. Separates your business from competitors
3. Value Proposition is needed to compete in crowded marketplace.

VALUE PROPOSITION FOR BIZQUACK

BIZQUACK is the best small business source for complete, easily understood, and immediately applicable business information. It is continuously updated to provide new material that will help its members achieve profitability and sustainability in their businesses. It is topped off with a unique *human touch* component to assure that no business owner is ever alone on their path to success.





THE PITCH DECK

A Pitch Deck is a visual summary of your business.

- ✓ Forces articulation of important facts about your business.
- ✓ Can be used to present a new idea, get new customers or look for investors.
- ✓ Explains why your company exists.



A successful marketing effort is identified not by how many people you know, but by how many people know YOU.

YOUR COMPANY STORY

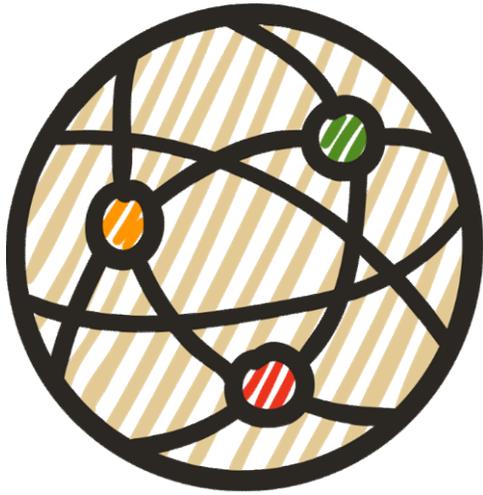
- WHO
- WHAT
- WHERE
- WHY
- YOUR **PASSION** & **PURPOSE**
- SHOW **EMOTION/ENTHUSIASM**
- BE SINCERE
- DIFFERENTIATE 
- HAVE DEPTH
- HAVE GOOD CONTENT





I AM PASSIONATE ABOUT SMALL BUSINESS. With a national failure rate of over 90%, my goal is to help as many small business owners as I can to not only survive, but to achieve profitability and sustainability. After 5 years of effort, I have finally developed a system to make my dream a reality.





A WEBSITE IS IMPORTANT

- DON'T DEPEND EXCLUSIVELY ON A WEBSITE!
- DAILY: AT LEAST 140,000 NEW WEBSITES
- AUTOMATIC COUNTER LAST WEEK SHOWED 1,154,568,287 WEBSITES AND GROWING!

ACCOUNTING



- DON'T WORK OUT OF A CHECKBOOK
- PREPARE A PROFIT & LOSS STATEMENT MONTHLY
- QUARTERLY REVIEW ANNUAL BUDGET
- KNOW YOUR PROFIT MARGIN ON ALL PRODUCT & SERVICE SALES
- SELECT A SMALL BUSINESS CPA
- UNDERSTAND FUNDING SOURCES AND RAMIFICATIONS OF BORROWING

LEGAL ISSUES

OPTIONS FOR BUSINESS ENTITY

Research the best one for your business.

- SOLE PROPRIETORSHIPS
- PARTNERSHIPS
- LIMITED LIABILITY CORPORATION (LLC)
- CORPORATIONS

ACCOUNTABILITY & SUPPORT

MANY SMALL BUSINESS FAILURES WERE NOT DUE TO THE OWNER NOT KNOWING WHAT TO DO, BUT **NOT DOING** WHAT THEY KNEW THEY SHOULD DO.

COMMUNITY INVOLVEMENT

