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What is a Business Plan for the CCI



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Syllabus

- Definition of a business plan;
- Steps/parts of a business plan;
- Relevance and importance of a business plan;
- Business plan and the CCIs
- Definition of pitch;
- How to build an effective pitch;
- How to give the perfect pitch



Definition of a Business Plan

- Business plan is a document that describes, in detail, a business and the way it is conducted. It should contain as much information as possible and be written in simple - but professional, rigorous and careful - language that is understandable to third parties.



Definition of a Business Plan

- Why creating a Business Plan?
 - Identify opportunities and threats;
 - Support the decisions to be taken in order to become successful;
 - Be an instrument that allows the entrepreneur to condense the information that is obtained in and about the market;
 - Raise awareness among partners and investors;
 - To evaluate the various environmental (contextual) influences on its new business, thus being able to minimize its risk.



Steps/parts of a Business Plan

- Generally speaking, a business plan follows a basic structure, which can then be more or less developed by each entrepreneur:
 - Executive summary
 - History of the company and/or promoters
 - Market study
 - Project positioning
 - Product and project analysis
 - Commercial strategy
 - Business management and control
 - Investment required
 - Financial model and projections



Relevance and importance of a business plan

- Why create a Business Plan?

1. It is a risk reduction instrument

- When making the Business Plan, the entrepreneur studies the viability of a product under all aspects.

2. It is an instrument of communication between the entrepreneur and himself

- Yes, it is an instrument of reflection on the company: is it worthwhile?
- Is it the business I dreamed of?
- It is a way of evaluating the business idea

3. Once made, the Business Plan indicates new paths...

- ... among them, even giving up on the idea.



Relevance and importance of a business plan

- Why create a Business Plan?
 4. It is a space where mistakes come cheapest ...
 - ...on paper or on the computer screen.
 5. It's a communication tool between the entrepreneur and his...
 - partners
 - collaborators
 - investors
 - banks
 - governmental promotion and financing agencies
 - etc.



Business Plan and the CCIs

- Issues related to the definition of the business model:
 - There is a need for constant innovation, along the several stages of the business' life cycle:
 - This may cause pressure to change periodically according to the Market, and not according to the process involved in the creation of cultural products and services;
 - The lack and/or misunderstanding of the language used in the cultural sector:
 - Cultural and arts organisations often affirm that they are not businesses – therefore, business rules are difficult to be implemented by them;



Definition of Pitch

- Pitch is a quick presentation, usually made to "sell" something or an idea to a specific person
- A pitch is a short and direct presentation aimed at selling your startup's idea to a potential investor.
- In it, it is important to highlight the most relevant aspects of your company, such as:
 - What is the problem you want to solve?
 - What is the market like?
 - What is your company's differential?
 - Who are the professionals that make up your team?



How to build an effective pitch

- Define what the next steps are for your startup and what kind of investment you need
- Know how to clearly explain the problem and the solution
- Study very well the market in which your business is inserted
- Know the main metrics for your type of company and, if possible, have encouraging numbers
- Make a good support material to help both you and your audience at pitch time
- Always be objective!



How to give the perfect pitch

- A successful pitch can be structured following these steps:
 - **Step 0:** Personal presentation of the entrepreneur(s).
 - **Step 1:** Present the context in which your business idea is inserted and explain that in this context there is a "big" problem that has not yet been (well) solved.
 - **Step 2:** Present your product or service.
 - **Step 3:** Present your business strategy to sell the product (service) as profitably as possible.
 - **Step 4:** Present your expected financial results (revenues, profit, net cash flow) for the next five years.
 - **Step 5:** Present your investment needs and how you intend to apply the resources.
 - **Step 6:** Save your competitive/comparative advantages for last.



How to give the perfect pitch

- Pitch Types

	1 Minute	3 to 5 minutes	7 to 10 minutes	Up to 20 minutes
Focus On	Objectivity	Deepen the data	Prepare quality support material	Keeping the audience's attention
Main topics	Basic Points (problem, solution, audience and differential)	+ team, growth and market	+ Financial projections	+ Objective and intriguing narrative
Support material	No	Depends (if it is a short and objective presentation, yes!)	Yes	Yes





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