

Chapter 3 Review

Create and Design

Instructions

To successfully launch a business, entrepreneurs need a plan and idea that will be of value to customers. In Part 1 below, research tools used to help entrepreneurs develop a business plan. Then, in Part 2, analyze the effectiveness of value propositions and create your own.

Part 1

A business plan serves as the foundational structure for capturing all business operations and activities. Using the resources below, identify the best business plan tools-including outlines, templates, and other resources—to use when starting a new venture. Then, answer the questions about business plans.

Business Plan Resources

- www.sba.gov/tools/business-plan/1
- http://www.bplans.com •
- www.leanstack.com/lean-canvas
- www.businessmodelgeneration.com/canvas/bmc
- 1. What are the purposes, uses, and values of a business plan?

2. Why do entrepreneurs need a well-orchestrated business plan?

3. Which resources that you researched will help you create a successful business plan and why?



Part 2

Recall what you learned about value propositions. A value proposition clearly outlines the value a product or service brings to a customer segment. In other words, it is a promise of value and can apply to an entire organization, parts of an organization, or certain products or services. Value represents the reason customers choose to buy from one business over another.

A value proposition can be a powerful way to encourage customers to use a business's product or service. A good value proposition should identify how the product solves customers' problems, explain the benefits, and address why the product is better than the competition. In addition, they should be concise, easy to understand, and clearly define what the product or service does.

Answer the questions below to analyze a business's value proposition and create your own.

Value Proposition Analysis

Review Lyft's value proposition, then answer the questions below. Lyft is a rideshare company that offers a cheaper alternative to taxi services.

A ride in minutes. Request a ride and you'll be on your way in minutes. Request. Ride. Repeat.

Serious about safety. From knowing the color of your driver's car to our 24/7 Trust & Safety Team, we got you.

Happy drivers. Happy riders. Ride with us and you'll see why 9 out of 10 rides end with five stars.

1. What do you notice about this value proposition?

2. Why does it work?



Create Value Propositions

Using what you have learned, create value propositions for businesses of your choice in three different industries.

1. Food Service Industry

Company name (McDonald's, Wendy's, Subway, etc.):

Your value proposition:

2. Automotive Industry

Company name (Toyota, Ford, BMW, etc.):

Your value proposition:

3. Consumer Electronics Industry

Company name (Apple, Bose, Canon, etc.):

Your value proposition: