The Business Success Workbook

Strategize, Track, and Achieve Your Business Goals

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The Business Success Workbook: Strategize, Track, and Achieve Your Business Goals, written by Molly Rizkallah

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The Business Success Book

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Strategize, Track, and Achieve Your Business Goals

Molly Rizkallah

Note from the Author

"Welcome to the next chapter of your life. Whether you have the next big idea or are still learning about business development, this workbook includes the steps you need to take to succeed as a business owner. I have studied international business accelerators and incubators, was awarded Cincinnati's Forbes 30 Under 30, and started my own company Cincy Carbon, to gather the best insights for this workbook. With an engineering B.S. degree and an MBA, I wish my experiences provide you with the insight to be successful. Thank you for starting your entrepreneurship journey with me, and I wish you all the best in your development."

-Molly Rizkallah

Success Tip! Take notes in the wide margins about ideas or insights you want to refer back to. Words in **bold** have additional definitions in the glossary at the end of this workbook.

Table of Contents

Start!

1. **Business Plan** — Outlines your goals and strategies.
2. **Pitching** — Develop how to introduce your idea.
3. **Legal** — Decide how to register your business legally.
4. **Finance** — Calculate your spending, and learn how to track it.
5. **Marketing** — Process of promoting and selling your products or services.
6. **Summary** — Conclusion of what you have learned.

Finish!

Success Tip! Find bonus templates beyond the summary chapter in this workbook for a daily planner, weekly schedule, and goal planning.

1. Business Plan

> **In times of adversity and change, we really discover who we are and what we're made of.**
>
> **- Howard Schultz**

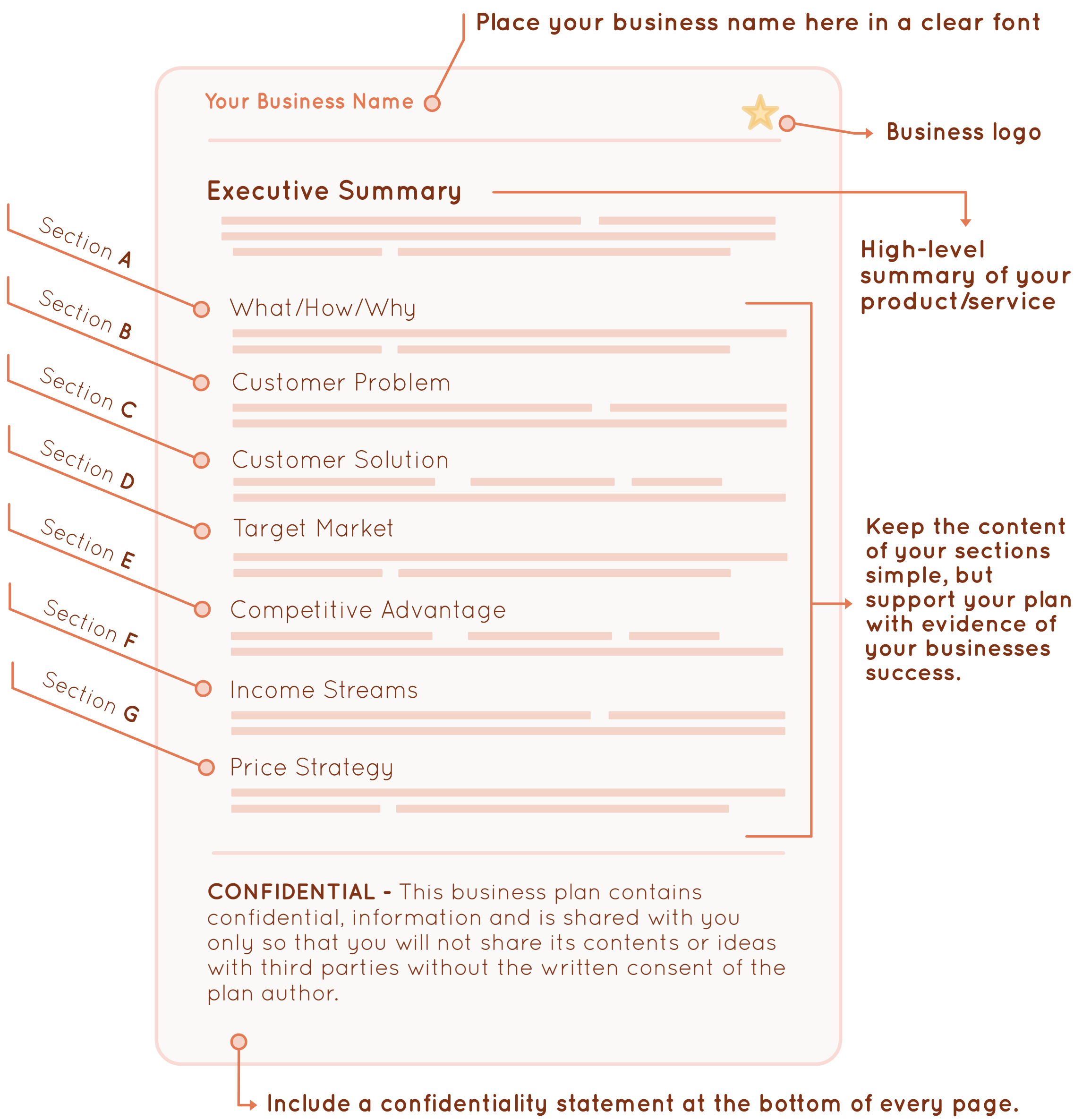
By picking up this workbook, you are now an entrepreneur—congrats! Building a business plan can be a time-intensive process and will require a lot of conceptualizing, but with these tips, you will be ready in no time. This workbook highlights the essentials of common elements you need to scale up your business idea.

Business model generation is the core of any product/service idea as it outlines how your company will add value. Take, for example, Tide laundry detergent from Procter and Gamble (P&G). P&G first had to come up with a problem statement, which was that laundry needed to be stronger than the current solution of soap flakes. They then developed a solution that would save hours for the end user by letting the detergent do the scrubbing. After creating a marketing and sales strategy in 1920, Tide Detergent has grown into the billion dollar product it is today.

In this chapter, we will dive into how you can create your vision into a valuable end product or service. We will dive into sub-chapters of:

- **What/How/Why**
- **Customer Problem**
- **Customer Solution**
- **Target Market**
- **Competitive Advantage**
- **Income Streams**
- **Price Strategy**

Some sub-chapters will come with an activity to help you better understand the topic. In these subchapters, you can create a structure for your business plan. Remember your business model is an ever-changing and evolving document. You will keep improving based on market conditions and customer products and needs. Lastly, reference the graphic below for a visual representation of all the subsections in a business plan.



A. What/How/Why

By answering these three questions: What/How/Why, you can better grasp how to communicate your business and break your business down to its most basic components. Follow the example below by reading through Shelly's Premium Dog Groomers, a high-end dog grooming service.

Example: Shelly's Premium Dog Groomers

What You Do:

At Shelly's Premium Dog Groomers, we offer baths, de-matting, and grooming services for any breed or size of dog, all at a competitive price. We use only top-of-the-line, hypoallergenic products specially selected for each pet's needs based in Cincinnati, Ohio

How You Do It:

The staff at Shelly's Premium Dog Groomers is compassionate and professionally trained caring for dog breeds. With our experience with all dog breeds, we specialize each appointment to fit your dog's needs. Dog owners schedule an appointment through our website to bring their dogs into our shop. We are open 6 days a week (Monday through Saturday, 8:00am to 7:00pm).

Why You Do It:

Since opening in 2015, Shelly's Premium Dog Groomers has brought joy and hygiene to thousands of dogs. Every dog needs something unique and different when it comes to grooming, which is why our team's mission is to continue improving the lives of dogs of all breeds and sizes.

Furthermore, while using the above example, try answering for your own company.

Success Tip! Check that you do not use legal/technical jargon or confusing words. When banks or investors read through your business plan, they want to know what your business is, with minimal questions.

What You Do:

How You Do It:

Why You Do It:

B. Customer Problem

Your business idea must **solve a problem** for the customer. Whether they are seeking your product or service for a large or small problem, ensuring the necessity of your solution will pre-determine the level of success in your company. By answering the below questions, imagine how customers are impacted by this problem, and why the current competition is not solving it.

Example: Sunny's Solar Panels

How it Impacts the Customer:

The company, Sunny's Solar Panels, solves the energy problem by allowing buildings to develop their own sustainable energy. This **differentiator** provides a solution from what the current market cannot accomplish because power is generated from a power plant.

Why the Competition is Not Solving the Problem:

Buildings primarily get their energy from power plants. Although power plants cannot provide their customers with the ability to generate their independent energy or develop sustainable energy. This is the problem the customer has compared to th current solution in the market.

Success Tip! Look into funding opportunities or incentive programs business solution stakeholders are pushing. If such opportunities are being developed for your business idea, there may be a forecasted demand or need. This makes your emergence into the market easier with this extra funding/incentive program support.

Furthermore, by using the above example, try answering these questions for your own company on what your customers' main problems are, and how the current competition is not solving them.

How it Impacts the Customer:

Why the Competition is Not Solving:

Additionally, to validate your customer problem, conduct customer discovery interviews. Customer discovery interviews are a fundamental tool for ensuring that your solution truly addresses the needs of your target market. These interviews involve directly engaging with potential customers to understand their pain points, needs, and preferences. Rather than pitching a product, the goal is to listen and gather insights that inform product development, marketing strategies, and business decisions. Conducting customer discovery interviews is necessary because it helps businesses avoid assumptions, minimizes the risk of building something the market does not want, and uncovers new opportunities that may not have been considered previously. This process ultimately leads to better-aligned solutions and a stronger product-market fit.

Ensure that you ask open ended questions to probe the interviee for their open thoughts. Here are some open-ended questions you can use during customer discovery interviews to uncover valuable insights about your target customers' needs, pain points, and behaviors:

1. What are the biggest challenges you face in [specific area related to your product/service]?

- This helps you understand their key pain points.

2. Can you walk me through how you currently handle [problem/need]?

- Learn about their current solutions and processes.

3. What do you like or dislike about your current approach to solving this problem?

- Explore areas where they are dissatisfied with current solutions.

4. How do these challenges impact your day-to-day operations or goals?

- Understand the broader consequences of their challenges.

5. What's the most frustrating part of dealing with [problem]?

- Understand the core challenge more.

6. If you could change anything about how you handle [problem], what would it be?

- Gauge their ideal solution and unmet needs.

7. How do you typically go about finding solutions to challenges like this?

- Discover how they seek out new tools or products.

8. What other tools or services have you tried, and why did you stop using them?

- Understand competitors and reasons for switching.

9. How much time or money do you currently spend dealing with [problem]?

- Gather insights on the economic impact of the problem.

10. What would make a solution worth adopting for you?

- Understand the key features or value propositions they're looking for.

These questions encourage customers to share detailed, candid responses, allowing you to gather the insights you need to develop a solution that truly meets their needs.

Success Tip! To find people to interview, start by leveraging your personal and professional network. You can also engage with online communities and social media platforms like LinkedIn to identify potential interviewees. Attend industry events, both in-person and virtual, to meet individuals also facing the challenges you are exploring.

C. Customer Solution

Determining the **customer solution** is about identifying what problem your product or service solves for your customers. Start by understanding your target audience's needs, pains, and desires. Research their challenges and what they value most in a solution. Once you have this insight, clearly define how your solution meets these needs better than competitors. Explain the benefits and unique features that make your product or service the best choice. This helps potential investors and stakeholders see the value in your business, ensuring that your solution is relevant and compelling to your target market.

Example: Wimsical Wedding Venue

Problem Your Solution Solves:

The Whimsical Wedding Venue solves the problem of finding a unique, enchanting, and stress-free location for couples seeking to create a memorable wedding experience. Many couples struggle with the challenge of securing a venue that offers both aesthetic appeal and comprehensive services, often having to compromise on one or the other.

Why Your Solution is Better than Competition:

The Whimsical Wedding Venue addresses this by providing a picturesque, fairy-tale setting that is meticulously designed to capture the magic of a storybook romance, while also offering all-inclusive packages that simplify the planning process. From customizable decor and gourmet catering to professional coordination and ample guest accommodations, the venue ensures a seamless and extraordinary wedding day, allowing couples to focus on celebrating their love without logistical concerns.

Furthermore, through using the next example, try answering for your own company on what your company's solution is against what the current competition provides.

Problem Your Solution Solves:

Why Your Solution is Better than Competition:

D. Target Market

A crucial step in developing a successful business plan is discovering your **target market**. It involves identifying the group of people most likely to buy your products or services. Start by thinking about who will benefit most from what you are offering. Consider factors like age, gender, income, location, and interests. You can gather this information through surveys, interviews, and market research. Understanding your target market helps you tailor your marketing efforts, product features, and pricing strategies to meet the customer's needs and preferences. This approach not only attracts the right customers but also maximizes your chance of success by ensuring your resources are used efficiently.

Use the exercise below to determine the core characteristics of your target market.

Example: Candy's Cupcakes

Candy's Cupcakes: Target Market Characteristics

Demographics:

Age	10-35 Years
Gender	Female
Income Level	Middle Class Income
Education	High School
Occupation	Part-Time
Relationship	Single

Technology:

Technology Usage	Enjoys Technology
Device Preference	N/A
Online Behavior	Connecting

Geography:

Location	Midwest
Climate	N/A
City/Suburban/Rural	Rural

Economic Factors:

Spending Power	Has Cash
Economic Stability	Semi-Stable
Market Conditions	N/A

Lifestyle Factors:

Lifestyle	Likes Movies
Values	N/A
Interests	Trying New Things
Attitudes	Happy
Social Norms	Enjoys Community
Beliefs	Celebrates Events
Traditions	N/A

Behavioral Characteristics:

Brand Loyalty	Yes
Usage Rate	Monthly Purchases
Buying Patterns	Random

Furthermore, use the next example to try answering for your own company in determing the characteristics of your target market.

: Target Market Characteristics

Demographics:

Age
Gender
Income Level
Education
Occupation
Relationship

Technology:

Technology Usage
Device Preference
Online Behavior

Geography:

Location
Climate
Urban vs Rural

Economic Factors:

Spending Power
Economic Stability
Market Conditions

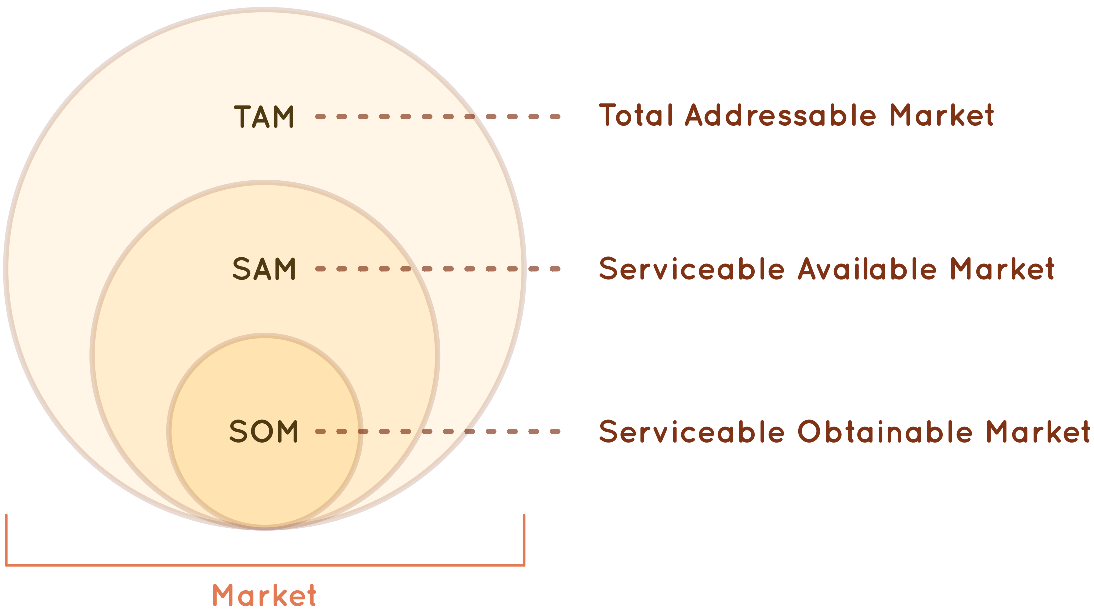
Lifestyle Factors:

Lifestyle
Values
Interests
Attitudes
Social Norms
Beliefs
Traditions

Behavioral Characteristics:

Brand Loyalty
Usage Rate
Buying Patterns

Additionally, you can define your target market by calculating your market size. Understanding market size is crucial for any business stage. Three key metrics help with this: Total Addressable Market (TAM), Serviceable Available Market (SAM), and Serviceable Obtainable Market (SOM). Each of these metrics offers a different perspective on the potential market for your product or service, which helps you strategize and plan effectively. Use the graphic below to visualize all three markets.



Total addressable market (TAM) represents the total demand for a product or service if every potential customer within the market were to make a purchase. It is the broadest measure of market size, encompassing everyone who could benefit from your product/service. For example, if you are launching new software for small businesses, your TAM would include all small businesses globally that might need your software. TAM provides a high-level view of the potential revenue and helps businesses understand the maximum market opportunity.

Serviceable available market (SAM) narrows the focus from TAM to customers within the TAM that your business can realistically reach and serve. This includes geographic limitations, regulatory constraints, and market segments your business plans to target. Using the same software example from above, your SAM might be small businesses within a specific country or region where you can effectively market and distribute your product. SAM helps businesses get a more realistic view of the revenue opportunities available.

Serviceable obtainable market (SOM) is the portion of SAM that you can realistically capture, considering your current resources, competition, and market strategies. It represents a short-term, achievable market share. Considering, your marketing budget, sales force, and current brand recognition, your SOM might be a smaller fraction of small businesses within your SAM that you can attract within the first few years. Essentially, SOM sets practical sales targets while guiding marketing and sales efforts.

By understanding TAM, SAM, and SOM, businesses can effectively plan their market entry and growth strategies. TAM gives a sense of the broad opportunity, SAM focuses on the realistically reachable market, and SOM focuses on the market share you can capture in the future. This layered approach ensures that businesses can set realistic goals, allocate resources wisely, and track their progress in the market.

E. Competitive Advantage

According to the Bureau of Labor Statistics, 20% of businesses fail within the first year after starting[1]. By understanding your competition, you can determine advantages for the highest chances of success.

Discovering your **competitive advantage** is key when setting your business apart in a crowded market. It involves identifying what your company does better than anyone else. Ultimately, the best competition is no competition. Start by evaluating your strengths, such as unique products, superior customer service, innovative technology, or exceptional team expertise. Compare these strengths with your competitors to see where you excel. Listen to customer feedback to understand what customers value most about your offerings. Your competitive advantage is something that is hard for competitors to replicate and provides real benefits to your customers. Clearly defining this advantage will help you attract and retain customers, and give you a distinctive edge in your business plan.

Think of your **top 3 competitors** and rank them in the provided chart.

[1] U.S. Bureau of Labor Statistics. (2016, April 28). Entrepreneurship and the U.S. economy. U.S. Bureau of Labor Statistics. https://www.bls.gov/bdm/entrepreneurship/entrepreneurship.htm

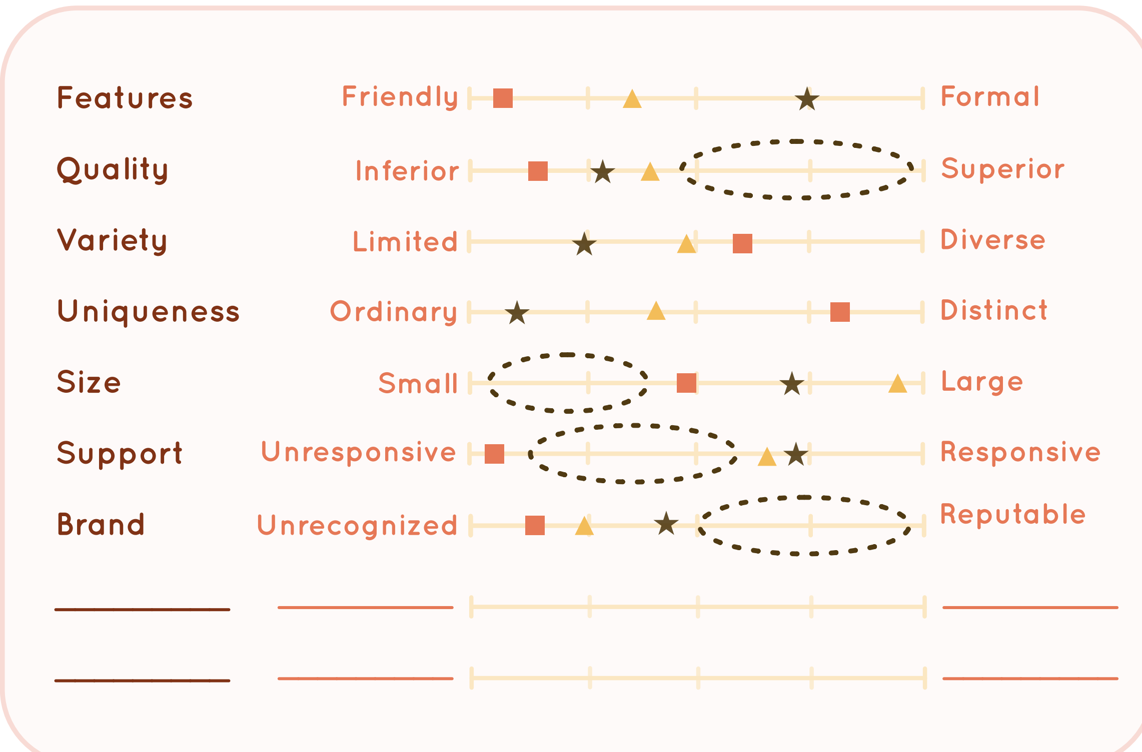
Example: Buddy’s Organic Farm

Competitive Analysis Framework

Competitor #1 = ■ Tony’s Farm

Competitor #2 = ▲ Cindy’s Co-op

Competitor #3 = ★ Green Gardens



= Buddy’s Organic Farm Advantages

Success Tip! Look for gaps in the framework where your competitors are lacking, such as the areas in the dotted circles. Target these areas to gain an advantage in the market, and you can find additional customers.

Competitive Analysis Framework

Competitor #1 = ■ ______ Competitor #2 = ▲ ______ Competitor #3 = ★ ______

Features	Friendly	Formal
Quality	Inferior	Superior
Variety	Limited	Diverse
Uniqueness	Ordinary	Distinct
Size	Small	Large
Support	Unresponsive	Responsive
Brand	Unrecognized	Reputable
______	______	______
______	______	______

Add Your Own

F. Income Streams

Income streams are the various ways your business can generate revenue. Identifying and diversifying these streams is crucial for financial stability and growth. Common income streams include selling products or services directly to customers, offering subscription-based models, licensing intellectual property, and earning income through advertisements.

First, focus on being the best in a narrow niche, then if it is successful, expand. Too many income streams can be a distraction, so decide what works best for you. Additional ways businesses can generate revenue include affiliate marketing, partnerships, and franchise models, as a few examples. By having multiple income streams, your business can better withstand market fluctuations and maximize profitability. Understanding and strategically developing your income streams ensures a robust financial foundation for your business. Here are some examples:

1. **Product Sales**: Selling physical goods directly to consumers.
2. **Subscription Models**: Offering products or services regularly, such as monthly or annually.
3. **Licensing**: Allowing other companies to use your intellectual property for a fee.
4. **Advertising**: Earning revenue through ads placed on your website, app, or other platforms.
5. **Affiliate Marketing**: Earning commissions by promoting other companies' products or services.
6. **Franchising**: Allowing others to open and operate branches of your business in exchange for fees or royalties.
7. **E-commerce**: Selling products online through your website or third-party platforms like Amazon or eBay.
8. **Consulting**: Offering expert advice and strategies to other businesses or individuals.
9. **Digital Products**: Selling non-physical products like e-books, online courses, software, or music.
10. **Membership Programs**: Offering exclusive content or services to members for a recurring fee.
11. **Events and Workshops**: Generating income through paid events, seminars, or workshops.
12. **Renting or Leasing**: Renting out property or equipment to others.

13 **Service Fees**: Charging for professional services provided to clients.

14 **Crowdfunding**: Raising small amounts of money from a large number of people, typically via platforms like Kickstarter or GoFundMe.

15 **Grants**: Receiving funds from government bodies, nonprofits, or other organizations for specific projects or initiatives.

16 **Investments**: Earning returns from investments in stocks, bonds, real estate, or other ventures.

17 **Royalties**: Earning a percentage of sales from products that use

By leveraging multiple income streams, businesses can create a more stable and resilient revenue base, mitigating risks associated with reliance on a single source of income.

G. Price Strategy

Price strategy is a critical aspect of your business which involves setting the right price for your product/service to attract customers and achieve maximum profitability. A well thought out pricing strategy considers factors such as production costs, market demand, competitor pricing, and perceived value. Common or popular pricing strategies include cost-plus pricing, competitive pricing, and value-based pricing. Additionally, businesses might use discount pricing, penetration pricing to gain market share, or premium pricing to signal high quality. Choosing the right price strategy helps ensure your products are attractive to customers while generating profit.

Businesses can use various pricing strategies to achieve different goals, such as maximizing profit, gaining market share, or positioning their brand. Here are some common pricing strategies:

1 **Cost-Plus Pricing**: Adding a fixed percentage or amount to the cost of producing the product to ensure a profit margin.

2 **Competitive Pricing**: Setting prices based on competitors' pricing, either by matching or slightly undercutting.

3. **Value Based Pricing**: Setting prices based on the perceived value to the customer rather than the cost of production.
4. **Penetration Pricing**: Offering a low price initially to attract customers and quickly gain market share, then gradually increasing the price.
5. **Skimming Pricing**: Intially setting a high price to target customers willing to pay a premium, then lowering the price over time to reach a broader audience.
6. **Economy Pricing**: Keeping prices low by minimizing production and marketing costs, appealing to price-sensitive customers.
7. **Bundle Pricing**: Offering a set of products or services at a lower price than if purchased individually, encouraging customers to buy more.
8. **Psychological Pricing**: Using prices that have a psychological impact, such as $9.99 instead of $10, to make the price seem lower.
9. **Discount Pricing**: Offering reduced prices through sales, promotions, or seasonal discounts to attract customers and clear inventory.
10. **Geographic Pricing**: Adjusting prices based on the geographical location of the buyer due to differences in market conditions, taxes, and shipping costs.
11. **Dynamic Pricing**: Changing prices based on real-time supply and demand, customer behavior, or competitor prices. Often used in airlines and hospitality industries.
12. **Freemium Pricing**: Offering basic products or services for free while charging for premium features or services, common in software and digital services.
13. **Hourly Pricing**: Charging customers based on the time spent providing a service, often used by consultants, lawyers, and freelancers.
14. **Project-Based Pricing**: Setting a fixed price for a specific project, regardless of the time and resources involved, is often used in

creative and construction industries.

15. Premium Pricing: Setting higher prices to create a perception of exclusivity or superior quality.

Selecting the right pricing strategy depends on your business goals, market conditions, and target audience, and it can significantly impact your profitability and market positioning. Study other business price strategies to determine the best for your business.

Summary

To create a comprehensive business plan clearly defining the **Why, How, and What** of your business. The "Why" represents the core purpose and mission driving your business beyond profits—your passion and commitment to solving a particular problem or serving a specific need. The "How" explains the unique processes and methodologies your business employs to delive its mission. The "What" details the products or services you offer. Together, these elements form a compelling narrative that communicates your business's purpose, approach, and offerings to stakeholders and customers.

Understanding the **customer problem** is the foundation of a successful business. Identify the specific pain points, challenges, or needs your target audience experiences. Conduct thorough research to understand these problems deeply, and ensure that you focus on addressing real and significant issues. By clearly defining the customer problem, you can align your products or services to provide meaningful solutions and resonate more effectively with your market.

Your **customer solution** should directly address identified problems when researching your target audience. Designing products or services that meet their needs and solve their pain points effectively. Your solution should offer clear, tangible benefits and be superior to existing alternatives. Focus on creating value and delivering exceptional experiences, then you can build customer loyalty and differentiate from others in the market.

Identifying your **target market** is crucial for directing your marketing efforts and resources efficiently. Your target market includes the specific group of customers who are most likely to benefit from your products or services. Consider demographics such as age, gender, income level, and geographic location, lifestyle factors, values, and interests. Understanding your target market helps you tailor your marketing strategies to reach and engage the right audience effectively.

Your **competitive advantage** is the unique edge that sets your business apart from competitors. This could be anything from proprietary technology and superior product quality to exceptional customer service or a strong brand reputation. Clearly define your competitive advantage to highlight your strengths and communicate the unique value you offer to customers. Leverage this advantage in your marketing and sales efforts to attract and retain customers.

Developing multiple **income streams** at the right pace, is essential for financial stability and growth. Consider various ways to generate revenue, such as selling products, offering subscription services, licensing intellectual property, and leveraging affiliate marketing. Diversifying your income streams reduces dependence on a single revenue source and helps mitigate risks associated with market fluctuations. Strategically develop income streams to ensure a robust and resilient business model.

A well-thought-out **price strategy** is critical for attracting customers and ensuring profitability. Choose a pricing approach that aligns with your business goals and market conditions. Common stratigies inlciude cost-plus pricing of adding a markup to the production cost, while competitive pricing sets prices based on what competitors charge. Other strategies include penetration pricing to quickly gain market share and premium pricing to signal high quality. Your pricing strategy should reflect your unique value proposition and help position your business effectively.

In summary, a comprehensive business plan encompasses a clear understanding of your “why, how, and what”, identifies and addresses customer problems, offers tailored customer solutions, and targets the right market. It analyzes your top 3 competitors, highlights your competitive advantage, diversifies your income streams, and implements an effective price strategy.

By addressing these sections in your business plan, create a solid foundation for your business, ensuring strategic growth and long-term success.

From Idea to Success, Simplified.

The do it yourself business development workbook

Learn the Steps to:

- Build a Business Plan
- Pitch your Idea
- Legal Set Up
- Importance of Finance
- Develop a Marketing Strategy

The **Business Success Book** is a self-guided business journal designed to help entrepreneurs, creators, and professionals turn vision into action. With guided prompts, reflection pages, and success trackers, this book helps you clarify your goals, plan your next steps, and measure real progress.

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