

Find the Value Proposition Through Ideation

Helping you move ideas to impact through new ventures.

*Evan Rocheford
Purdue Innovates & NutraMaize*

Introduction to Firestarter

Tuesday, June 25th

What kind of startup are you starting up?

Start with the Why?

- Lifestyle Business: Work to Live Your Passion
- Small Business: Work to Feed Your Family
- Social Enterprise: Driven to Make a Difference
- Large Company: Innovate or Evaporate
- Buyable: Born to Flip
- Scalable: Born to be Big

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- Bootstrapping
- Bank Loans
- Grants
- Internal cash flow/existing assets
- Friends & Family/Angels
- Venture Capital

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Perspective of Investors

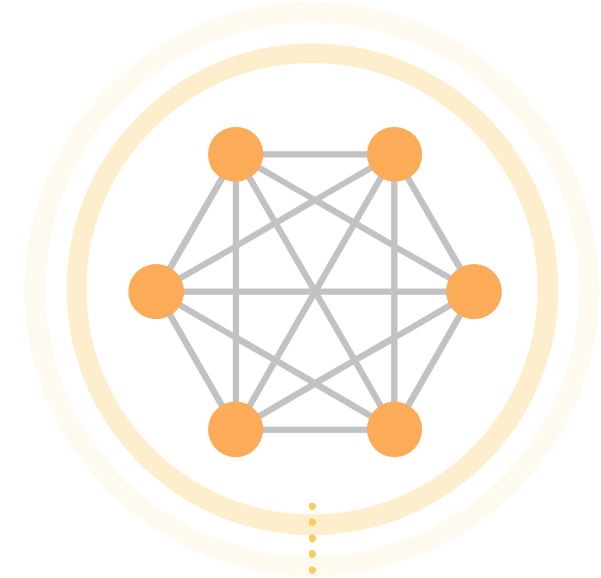
An investor is someone who gives time, money and resources.



Time



Money



Resources

Risk & Return

Evaluating from an investor's perspective.

Idea to Impact



Risk & Return

Evaluating from an investor's perspective.



Technology Risk

- Can it be protected?
- Reliant on other technologies?
- How long to build it?

Risk & Return

Evaluating from an investor's perspective.



Financial Risk

- Market Size
- Clear business model
- How much do you need?
- Future exit scenario

Risk & Return

Evaluating from an investor's perspective.



People Risk

- Right skills
- Domain expertise
- Startup experience
- Network
- Culture

Risk & Return

Evaluating from an investor's perspective.



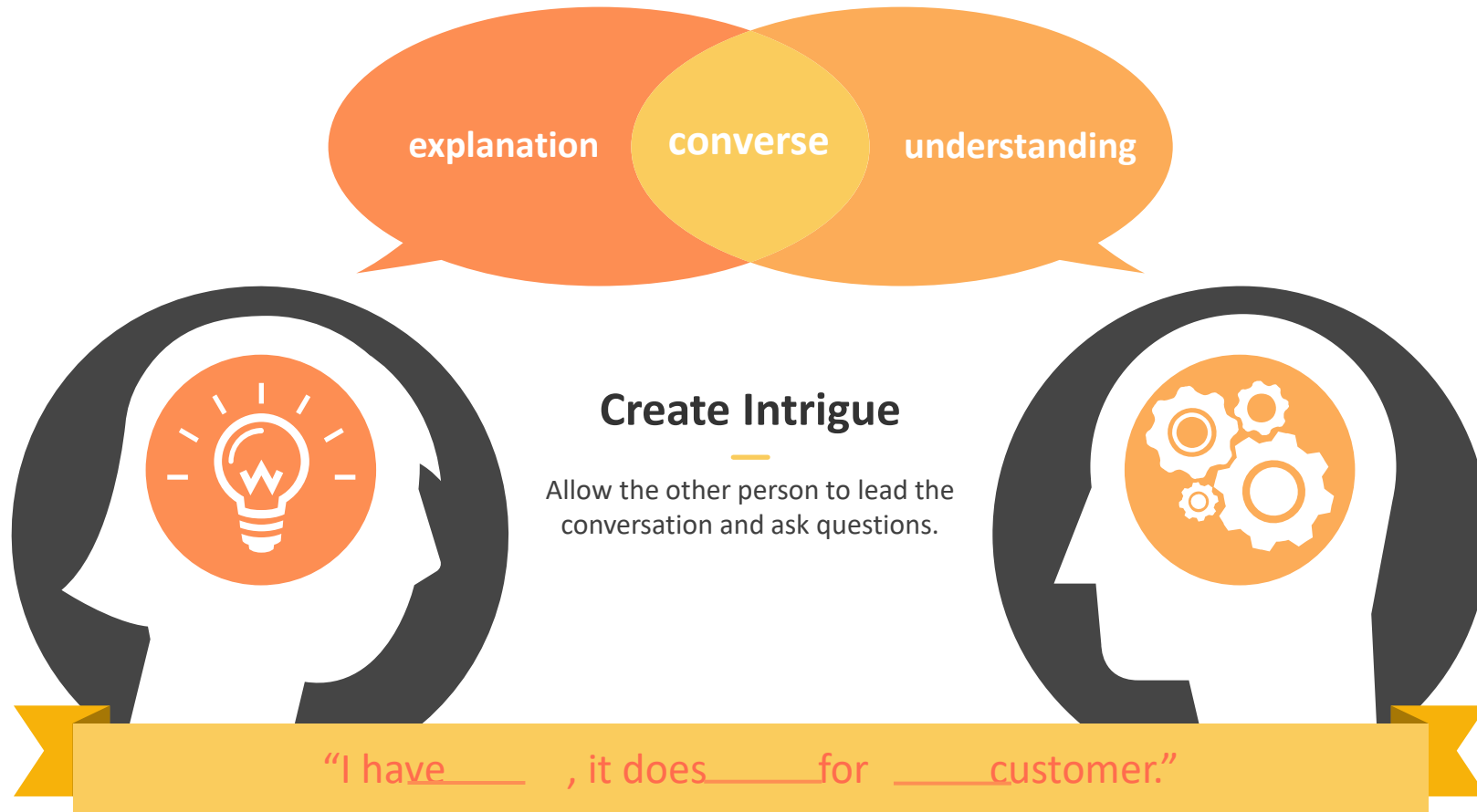
Market Risk

- Customer willing to pay?
- Product-market fit
- Right timing?
- Competition
- Barriers to entry

Mentor Swarm



Verbal Communication



Methods for Sharing

2 Sentence Intro

- Product
- Differentiator
- Target customer

Story

2 Minute Pitch

- + Customer Problem
- + Market Size/ Landscape

20 Minute Pitch

- + Go to market
- + Milestones
- + Competitors
- + Financials

Firestarter Session 1

Wednesday, June 26th

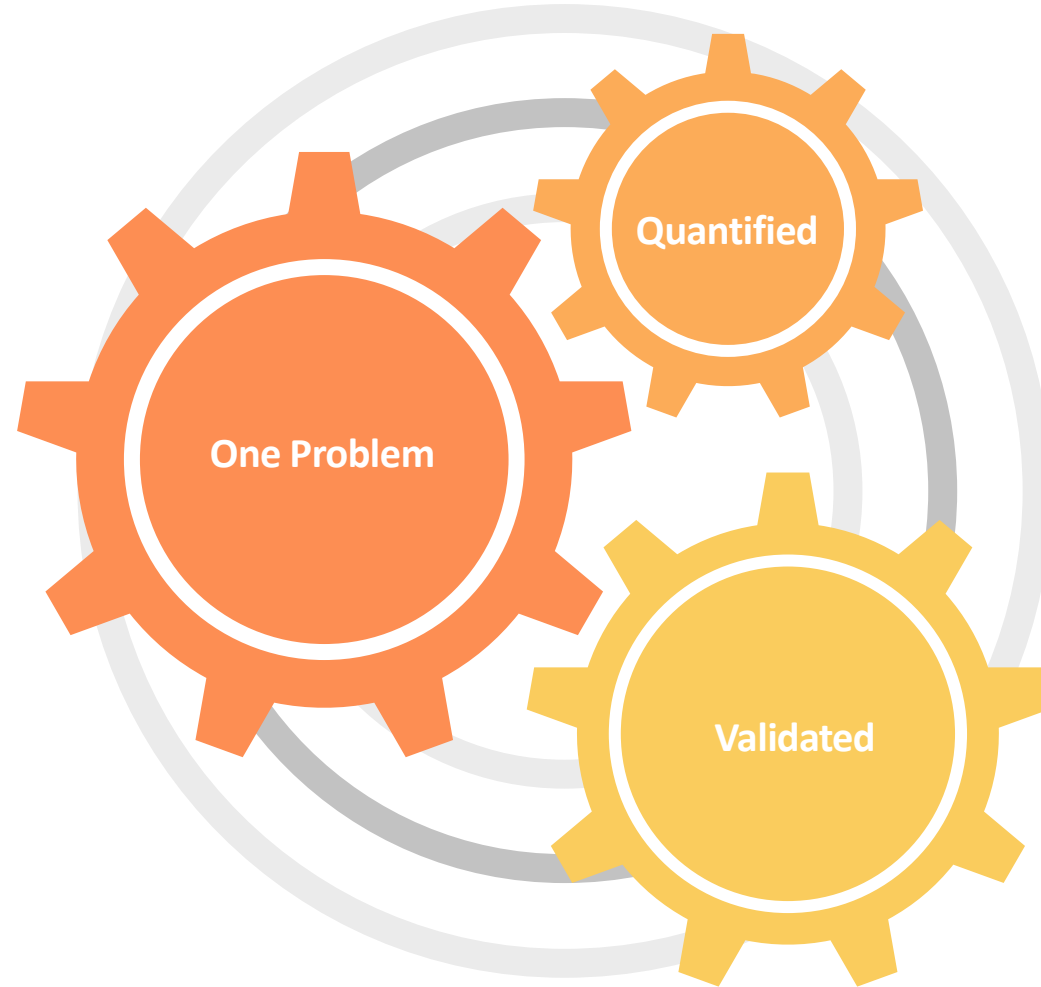


Problem Statement

What problem does your customer have?

Problem Statement

Components of a problem statement



Problem Statement Example

Cordian

Cardiac Diagnostic Image Analysis: The facts about your heart

According to the CDC, Cardiovascular disease (CVD) is the number one killer in the US and its costs are expected to exceed \$1.3 trillion by 2030.

CVD affects more than 75M people every year in the US.

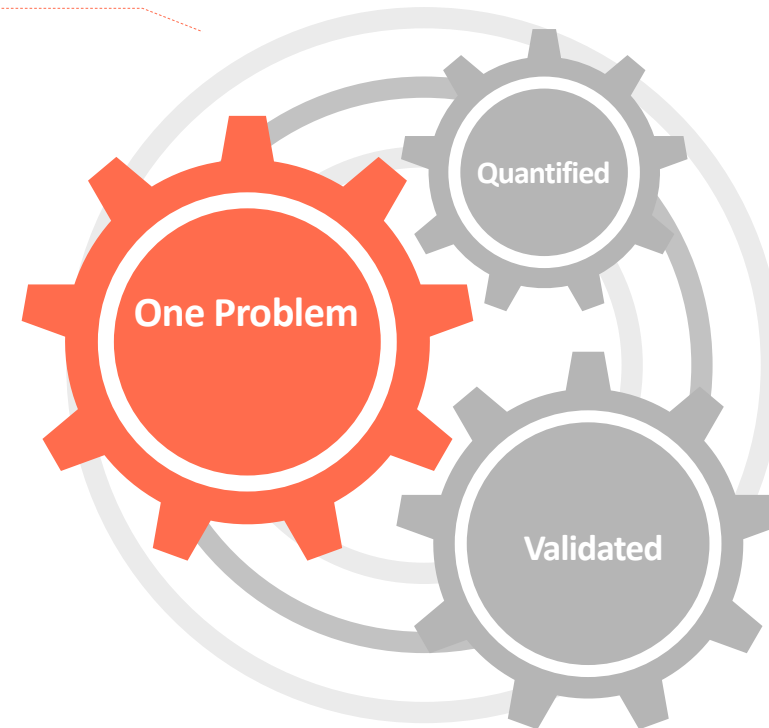
But more than 50% receive the wrong diagnosis.

Problem Statement

Components of a problem statement

One problem

- Focus on one specific problem
- Big enough that the customer is willing to pay to solve it
- Urgency to solve it
- It either 'saves money or makes money'
 - Business to Business (B2B)
 - Business to Consumer (B2C)

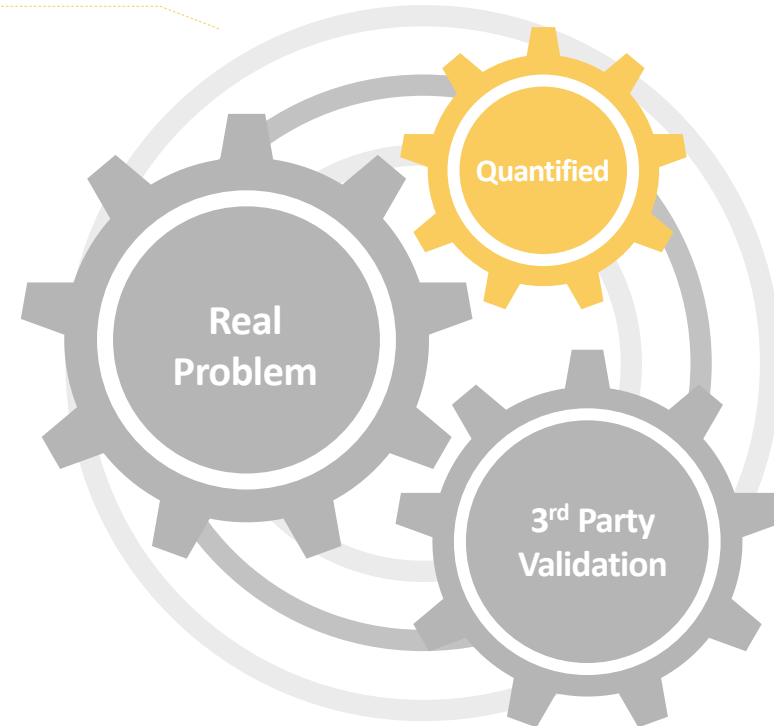


Problem Statement

Components of a problem statement

Quantified

- Know the key metrics of the problem
- How big is the problem?
- Examples of metrics or data points
 - Number of people affected
 - \$ spent on the problem
 - Amount of time lost

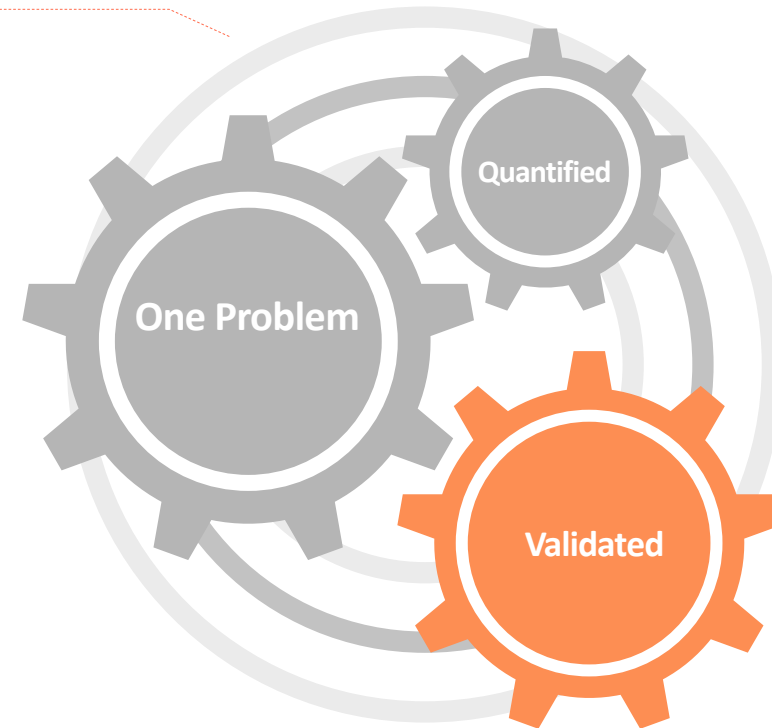


Problem Statement

Components of a problem statement

Validation

- Statistics or data from a 3rd party source
- Great resources for data:
 - Governing bodies
 - Non-profits
 - Non-biased researchers



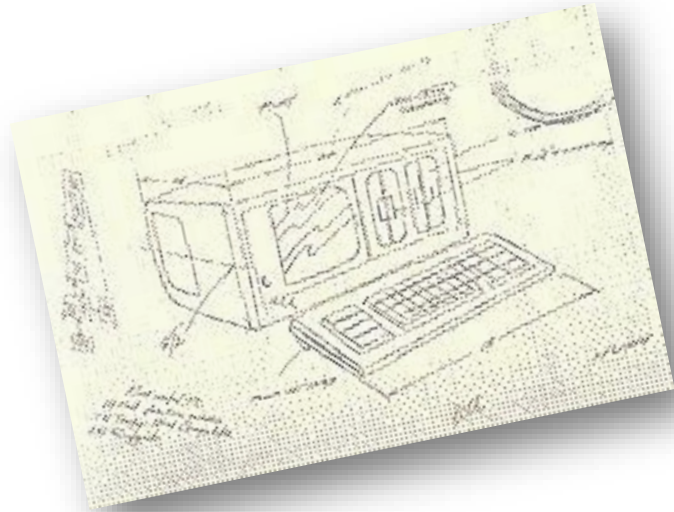


Napkin Drawing

Clearly Communicating Your Idea

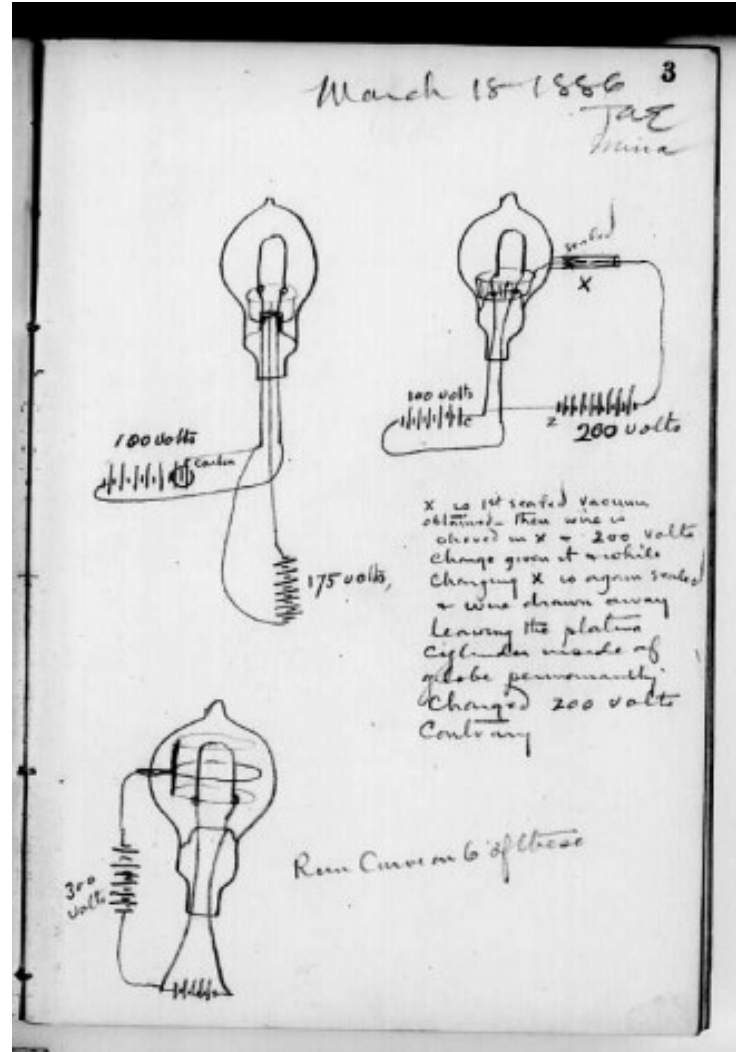
Napkin Drawing

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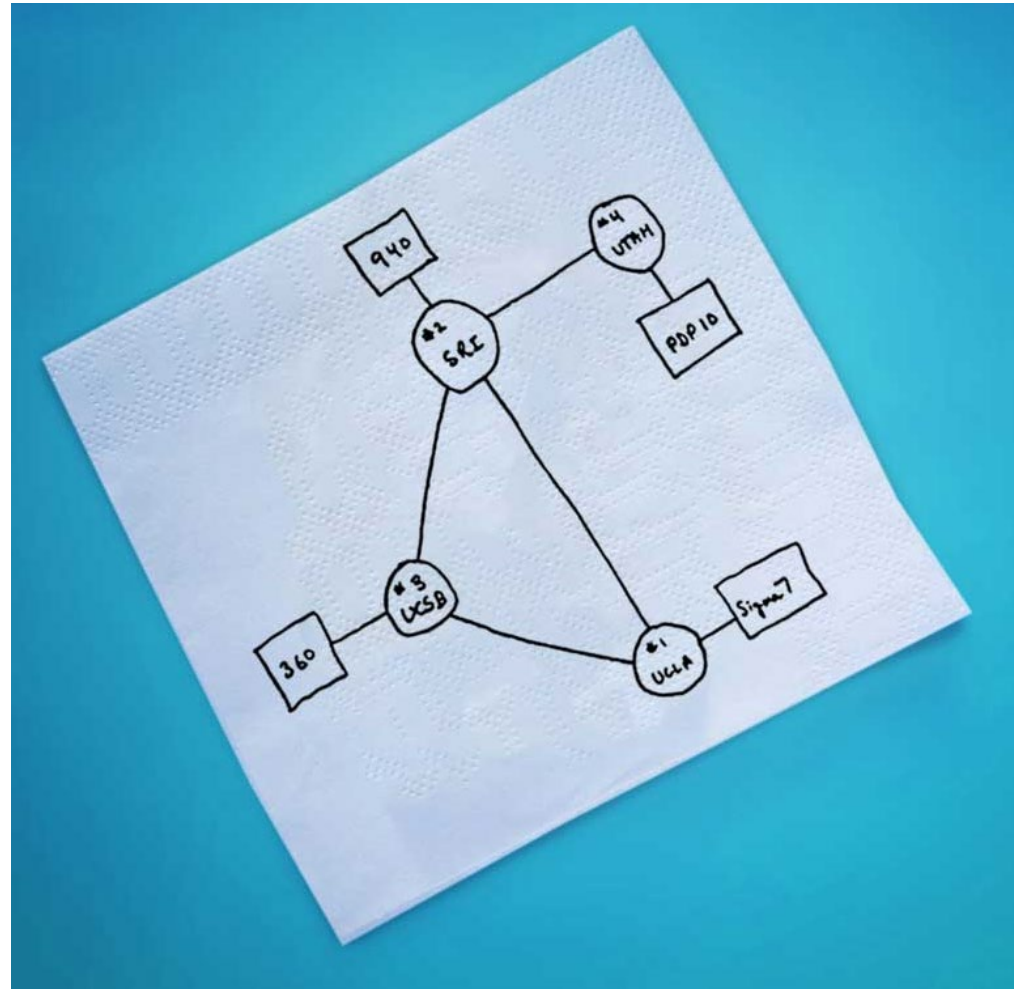


- Clearly communicate through visuals
 - What it is (mechanism)
 - What purpose it serves for the customer
 - NOT how it works
- Articulate what makes it different from what already exists
- Avoid technical jargon

Napkin Example 1



Napkin Example 2



Napkin Example 3

