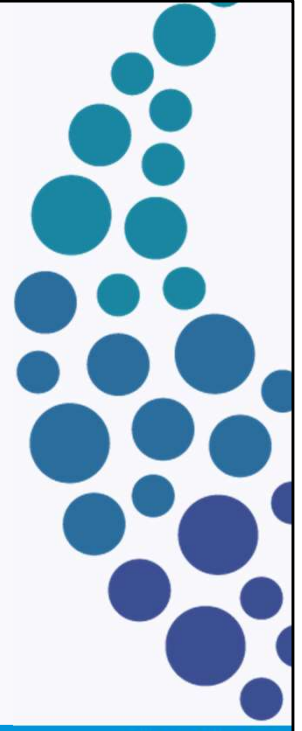




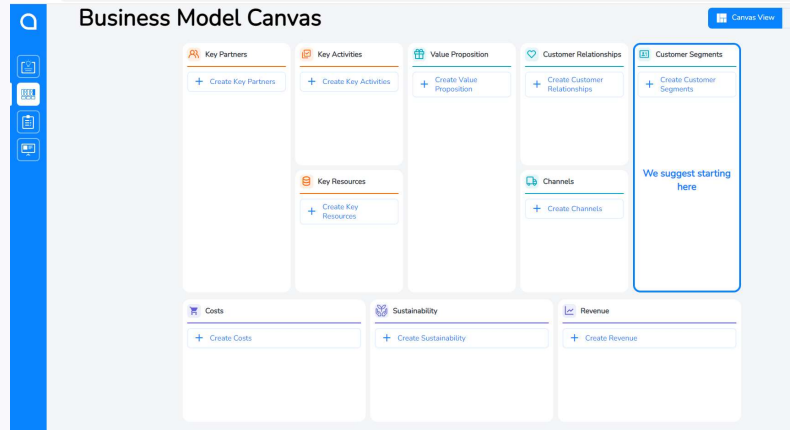
Validate



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Introduction to SimVenture Validate



Introduction to SimVenture Validate

SimVenture Validate is an online interactive start-up ideas platform that helps individuals and teams ideate, plan and think through the validity of their ideas.

Validate

Sign up process

Your Startup starts here

Brainstorm business ideas | Build your Business Model Canvas | Test your ideas and get feedback | **Present your Portfolio**

Description: Showcase your work with Validate. We automatically curate all your answers and inputs in a beautiful and customizable Portfolio. This can be shared to present and communicate any idea.

Customer Segment

We have two customer segments. These customers have three things in common - they have a love for good design, they are willing to spend for quality, and they surround themselves with others who do the same.

Segment	Age range	Type of Segment
The Socialite	34 - 55	Business to Consumer (B2C)

The Socialite

Young Professionals

Description: High Income, Confident, Good Taste, Respected

What are their goals?
To be successful, to be happy, to live life to the max and to do it in style. They also want to be healthy, and look after themselves.

What frustrates them?
People that are unhealthy and don't look after their bodies. Poor quality products that break quickly. Boring design that doesn't inspire.

What problem are you solving for them?
They recently brought some make grooming products made by a well known brand. But within 2 weeks the items were broken or faulty.

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Follow these simple steps to set up your SimVenture Validate account:

- Click your unique class link listed below or it may have been sent to you by you tutor- we recommend that you use Chrome
- Fill out your contact details and add a password. **Please note: the email address is case sensitive.** We recommend you use your University email address.
- Enter a name for your first project. You can change this at any time.
- Answer the question 'Do you have a business idea?' This will determine your opening screen. However, you can always switch between sections easily once you are logged in to SimVenture Validate.
- Now you're signed in to SimVenture Validate. Read through the helpful prompts to understand how each section works. The four sections are: Ideation, Canvas, Testing, and Portfolio.

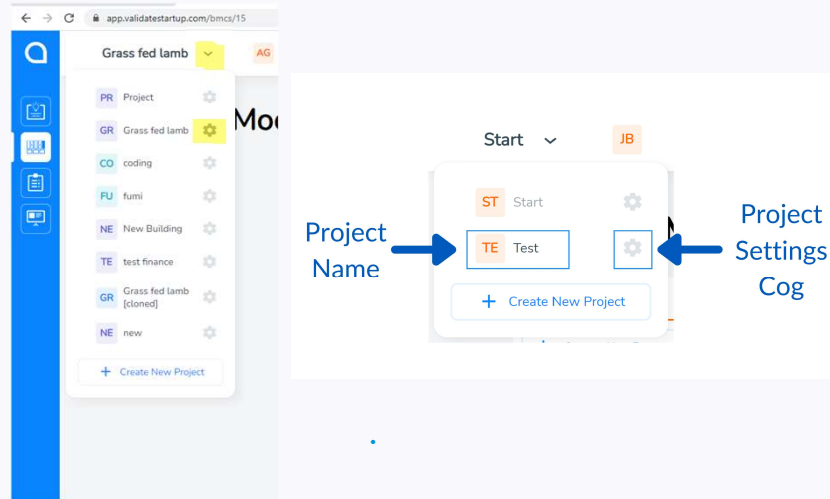
Class link: (insert class link)

If you need a more detailed guide, it can be found here <https://simventure.com/log-in-to-simventure-validate/>

Sign up video link:

<https://www.youtube.com/watch?v=0CEZCwt8eqM&list=PLSsP2bQOgaaAzLKzqmcmLhN2fCwoWoahw&index=1>

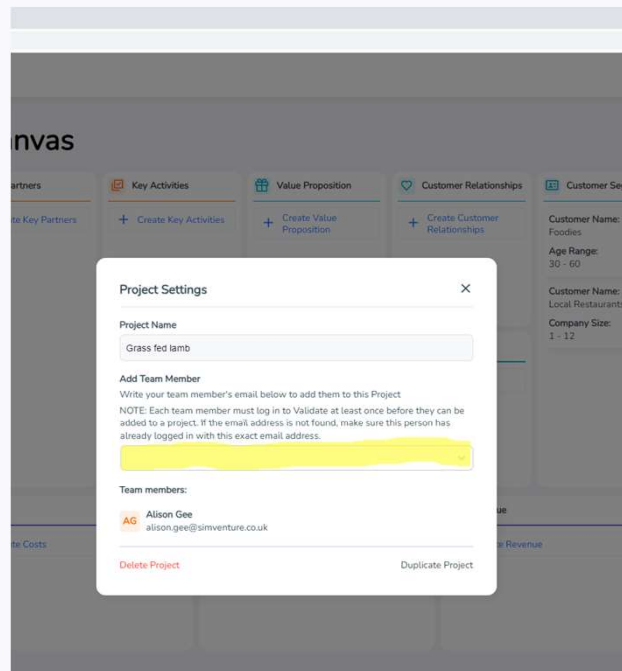
Create a Team



Ensure all team members have logged in to SimVenture Validate for the first time, otherwise you won't be able to add them to a project.

- Ensure all team members have logged in to SimVenture Validate for the first time, otherwise you won't be able to add them to a project.
- Designate one person from your team to complete the following steps. This person will have ownership over who has access to the project.
- Select the project title to view all projects.
- Select the settings cog next to the project name that you would like to add team members to.
- In the settings window, enter the team members' email addresses you would like to add to the project. Please ensure you enter their email address correctly as this field is case sensitive.
- Select your team mates email address from the drop down list that appears. Now they are added.
- Repeat this process for each team member. Once team members are all successfully added, you will see their names listed in the project settings.
- For a quick view, team members' initials will also appear next to the project title on the top menu bar of the screen when using a PC.

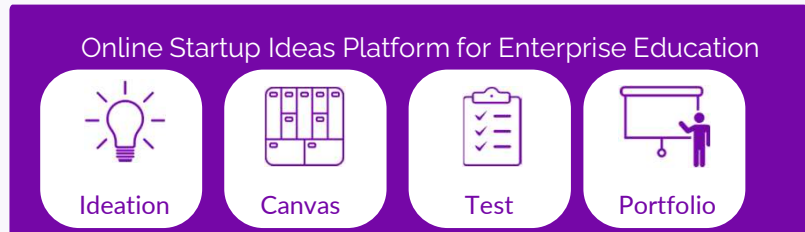
Create a Team



- Type your team members email in the space provided
- Please ensure you enter it correctly – it is case sensitive
- Select your team-mates email from the drop down that will appear
- Repeat the process for each team member

- In the settings window, enter the team members' email addresses you would like to add to the project. Please ensure you enter their email address correctly as this field is case sensitive.
- Select your team mates email address from the drop down list that appears. Now they are added.
- Repeat this process for each team member. Once team members are all successfully added, you will see their names listed in the project settings.
- For a quick view, team members' initials will also appear next to the project title on the top menu bar of the screen when using a PC.

Validate: 4 sections



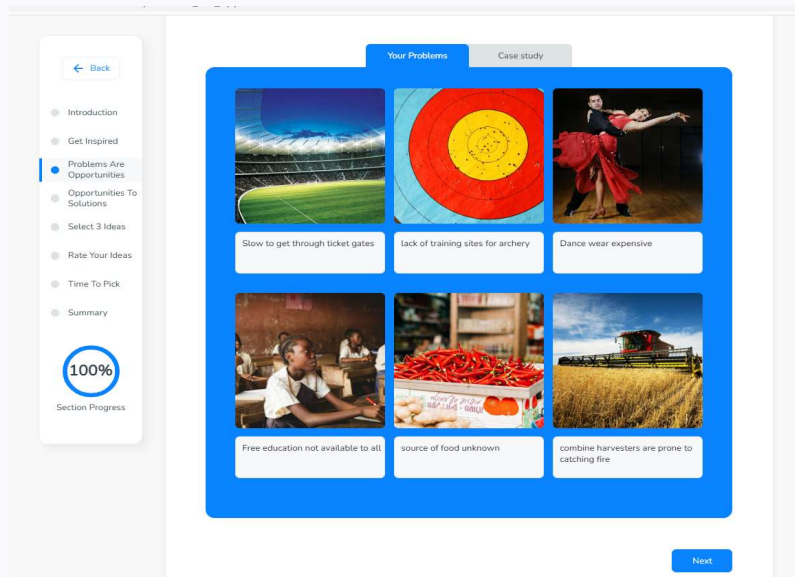
Validate is made up of four section:

- Ideation : Business Idea Generator
- Canvas : 10 block Interactive Business Model Canvas
- Test: Guided testing and validation journey
- Portfolio: An customisable portfolio that can be shared

You can start at ideation if you want help coming up with an idea or if you already have an idea you can go straight to Canvas.

Information you complete in Canvas and Tests will be automatically pulled through to the portfolio section where you have the opportunity to add further information and images.

Ideation



Creating and assessing ideas.

Throughout this course you will be working on developing a business model for a business idea.

Need some inspiration in coming up with a business idea? The Ideation section of Validate can help.

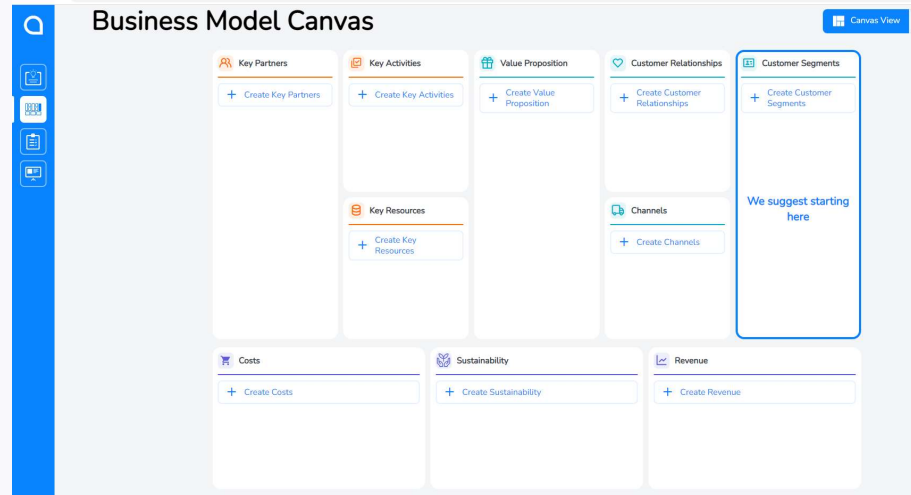
Do you already have a business or business idea you want to develop?

If so, you might still want to put that idea through the ideation process.

Don't worry if you are not 100% sure about the idea or are not sure it will work.

Part of the process will be to refine and change your idea as you go along and maybe even do a total pivot and go in a different direction.

Canvas Overview



Introduction to Business Model Canvas

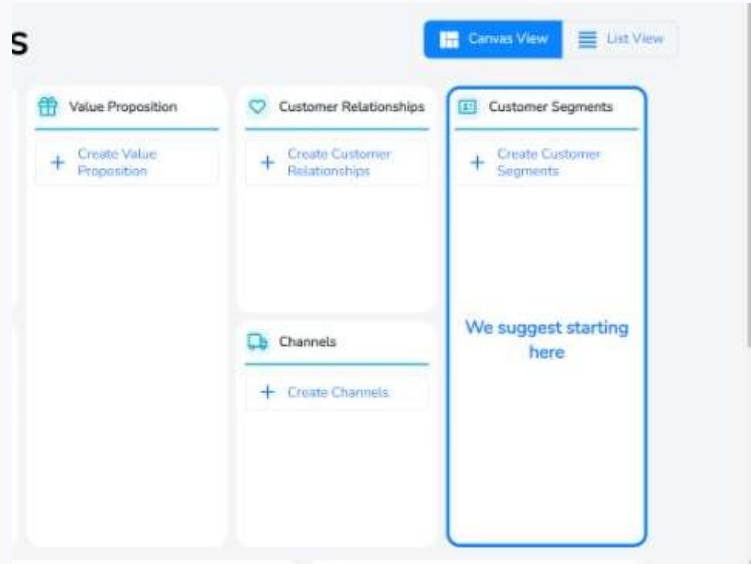
The interactive BMC is made up of 10 sections or blocks - the 9 found in Alexander Osterwalders original canvas plus one added block for sustainability

Intro to Validate Video

<https://www.youtube.com/watch?v=hXGq5pEbOKM&list=PLSsP2bQOgaaAzLKzqmcmLhN2fCwoWoahw&index=2>

The idea is that you map your idea assumptions onto the canvas – quickly building up a picture of the interrelated different components that will make your business model work

Customers and Creating Value



Customers and creating Value

This area of the Business Model Canvas is about how who your customers are and how you connect with them. How your product or service will be desirable to them and create and deliver value.

The right-hand side of the canvas has 4 sections:

Customer Segments

Value proposition

Customer relationships


Channels.

Customer Segments

Build a Customer Persona

Who is your ideal customer? Building a customer persona helps to focus your mind on this person. Businesses create Personas to see the world through the eyes of their customers, and to design products and services from their perspective. Some of these questions below might be hard to answer now. That's normal for every startup. It indicates you don't know your customers well enough. Just take your best guess for now and refine later.

Create your Ideal Customer

 What are their Goals?

What do they want to achieve? This can be in relation to your business, or more generally.

 What frustrates them?

What are their fears and worries? What do they currently get frustrated by?

 What problem or need are you solving for them?

In what context do they need your business. What are they doing? What goes wrong? How do they feel? What could be improved? Paint a picture for us.

Customer Segments

Who are your customers?

Many start-up entrepreneurs incorrectly think that the answer is “everyone”. If you’re very successful, then one day you may sell to many groups of people. But to begin, your time and resources are limited, so focus on those customer groups most likely to buy from you.

In this section Validate helps you define who your early customers might be, helps you build a customer persona and understand what problems you are solving for them.

To get started login in to you Validate account, go to the canvas section and click on Customer segments. Validate will then guide you through the process – don’t forget to look at the case studies on the grey tab if you want to look at some examples.

Value Proposition

Value Proposition In 3 Steps:

1 Step 1. Define Your Product

What are you selling? Describe what your business actually does. List the key features of your product or service.

2 Step 2. Analyze Your Competitors

Who are your main competitors? And what are their strengths and weaknesses?

3 Step 3. Create Your Unique Selling Point

Create a single, clear, compelling message that states why you're different and superior.

Value Proposition

Your Value Proposition is what makes you special. It is the reason why customers choose you over the competition. Every successful business creates value for customers by helping them achieve their goals. Your goal is to create the perfect fit between the needs of your customers (the value they desire) and the value you offer (your value proposition).

As with Customer segments just go ahead and complete this section of your canvas. Again remember these are your assumptions – no right or wrong answers

Customer Relations

Create your Customer Relationships in 4 steps:

1 Get

How will you Get new customers?

2 Keep

Once you have customers, how will you Keep them so they keep returning to buy from you?

3 Grow

How will you encourage these same customers to spend more money with you?

4 Referrals

How will you encourage your loyal customers to refer their friends and recommend your business?

Customer Relations

Without a fantastic marketing plan, no business can succeed. How you Get customers, Keep customers, Grow customers and create Referrals is the key to successful marketing. If your customers don't know that you exist, it doesn't matter how good your product or service is! In a world with so many businesses competing for the same customers you need to have a clear marketing plan. In Customer Relationships you can build that marketing plan.


Channels


Create your Channels below. You can create up to 6 Channels.

Remember to relate your strategy to your Customer Segments.

Your strategy Case study

Channels 1

 Channel Name

 Channel Strategy

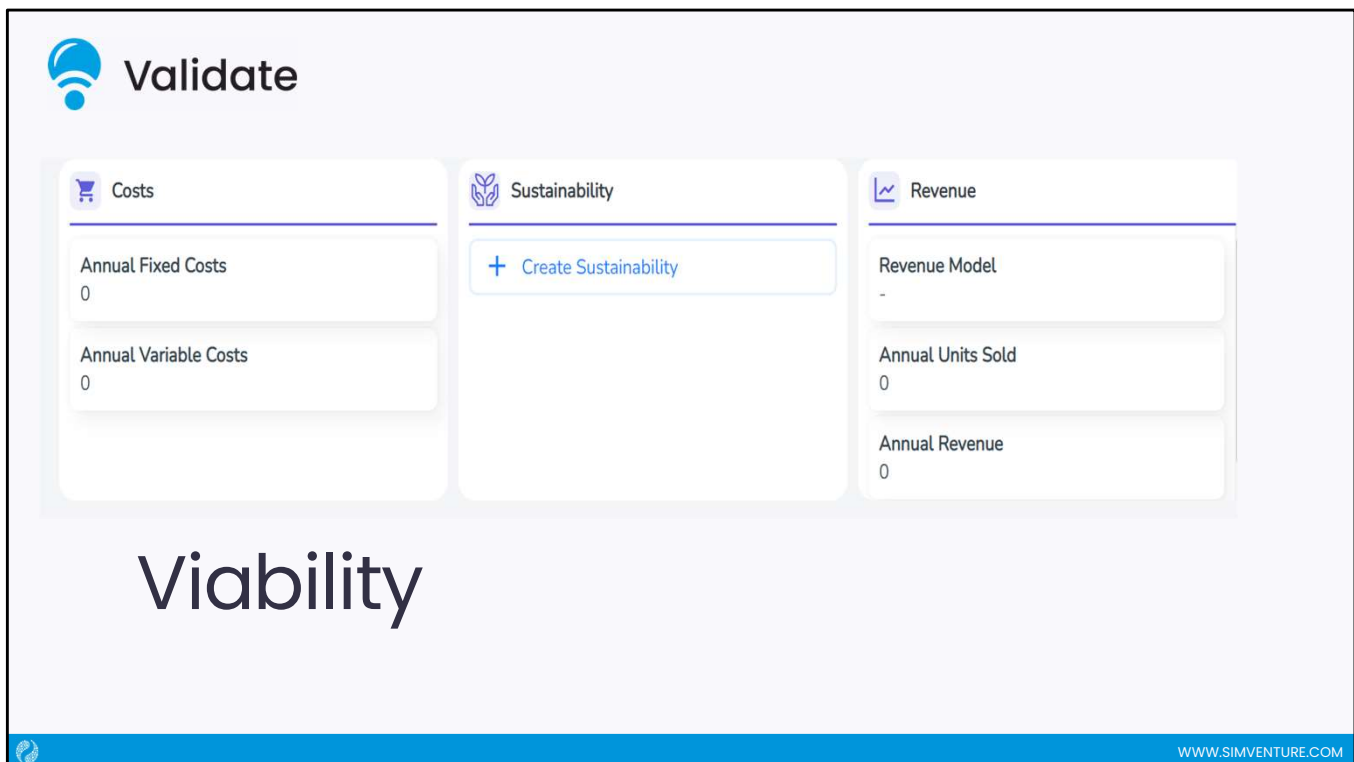
Channels

Channels are the routes used to sell and distribute your products or services to your customers. They are the touch points that you have with your customers.

Will your customers come to a shop? Buy online? Order by phone? Or perhaps you deliver to them directly? You could even sell through partners.

The Channels you choose will have a big impact on your business. They will define how accessible you are to customers. The kind and regularity of interaction you have with customers. And your choice of Channels will have a big impact on your costs as physical space is expensive.

You might have different channels for different customer segments



Viability

Viability has traditionally just been about money. Making money is important to run a viable business. But the extreme inequalities and climate crisis we face requires us to think bigger. True viability requires financial, environmental, and social sustainability.

We will start of by looking at financial viability

Validate helps you to understand the financial implications of your business idea.

Two sides to the equation

What it costs to run your business and produce products and services and what income you can receive from selling your goods and services.

Validate takes you through some basic steps to get a rough view of the numbers.

On Validate the sides are linked so when you complete some data in one side it is pulled across to the other.

We can break this down into 2 steps:

1 Fixed Costs

These costs remain the same regardless of how much you sell and how much money you make. For example, shop rent is a fixed cost; it is the same no matter whether you sell 10 t-shirts or 5,000 t-shirts.

2 Cost Per Unit

The next step is to work out your Cost per unit. By this, we mean the average cost to produce each product or service. If you are producing bicycles, then how much is it to make one bike? If you are selling 1-hour of personal training, then what cost do you incur to do a 1-hour training session?

Costs

In this section we'll define your Cost Structure. Costs are all the things you spend money on in setting up and running the business. Some of these costs are fixed - they remain the same regardless of how much you sell and how much money you make. And some will be variable - they change depending on how much you sell.

Fixed Cost

1. Name the Cost

List the fixed costs that you expect to incur. These could be one off costs for things like machinery. Costs like rent where you pay the same amount each month. Staff that receive a fixed salary. Insurance, bills, legal costs and many more.

2. Add the Amount

For each cost, how much will you pay? What do you anticipate the cost to be?

3. Define the Period

How often will you be required to pay this cost? Daily? Weekly? Monthly? Yearly? Or just a one off?

Cost Per Unit

The next step is to work out your Cost Per Unit. By this, we mean the average cost to produce each product or service. If you are producing bicycles, then how much is it to make one bike? If you are selling 1-hour of personal training, then what cost do you incur to do a 1-hour training session? You can work this out by adding together all your

variable costs and dividing by the number of units produced (you will need to do some maths offline for this - see below!)

If the product is bicycles and the total parts cost is \$5000 for 20 bicycles, the variable cost Per Unit (the cost to produce 1 bike) is calculated as $\$5000/20 = \250

Revenue

1 Decide Your Revenue Model

How will you charge for your products and services?

2 Set Your Prices

What products are you going to sell and how much are you going to sell them for?

3 Project Your Sales

How many units of each product do you think you will sell for the next 12 months?

Revenue

Revenue is the income generated from the sales of your goods or services. It is all the money that you make.

Total units sold x Selling price = Revenue

E.g. 100 cans of Cola sold x £1 price per sale = £100 revenue

3 steps required.

1. Decide your revenue model
2. Set your prices
3. Project your sales



Validate

Revenue Model

- How will you charge for your products or services?
 - Unit sales
 - Chargeable hours
 - Subscription
 - Charge per service
 - Occupancy rate
 - Usage fee - eg call minutes
 - Leasing
 - Licencing
 - Advertising

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Revenue Models

Revenue streams may be different for different customer segments

Businesses can charge in many different ways.

A gym might charge a monthly membership fee in exchange for use of the gym. Or it could charge a usage fee each time a customer comes to use the gym. It could rent out it's space by the day to corporate clients. If it had a particularly innovative method of exercise, it could licence this intellectual property to others to use in their own gyms. It could sell other products in the gym, for example yoga and wellbeing holidays, healthy snacks, and charge a commission on each sale. Or they could sell advertising space in the gym.

As you can see, a business has many different potential strategies, and some will work better than others depending on the needs and desires of its customers.

In Validate you need decide what revenue model or models work for your business and explain your strategy.

Pricing

Your turn. How will you price your product?

List your Products, define the unit for each, and enter the sale price of each item. You can create a maximum of 10 products. Any Products already entered in the Costs section will automatically appear here.

Your strategy
Case study

🏠 Product	% Unit	\$ Sale Price
Freemium	per user	0
Company audit	per audit	8000
Premium Subscription	per user	1

+ Add New Product

Pricing

Pricing can be determined through a number of approaches.

Here are 4 of the most common pricing strategies.

Strategy 1 - Look at what your competitors are charging, and set your prices accordingly.

Strategy 2 - Work out how much you need to charge to make a profit you are happy with.

Strategy 3 - Price based on the value you believe you provide to customers.

Strategy 4 - Try selling your product at different prices and find out what customers are willing to pay.

Remember whatever strategy you choose you should always check that it is going to be financially viable (profitable) in the long run!

Validate gets you to list:

Product Name

List the products or services that your business will sell. If you sell lots of products, try to group them for simplicity. You can add a maximum of 10 products.

Unit definition

For each product or service decide the definition for 1 unit sold (e.g. per pack, per kilo, per cup, per crate etc.)

Sale Price

How much are you selling this product for? This is the price that customers will pay.

Projected sales

To determine annual revenue, you need to predict how many units of each product you will sell each month.

By working your way through the costs and revenues sections of the canvas you will get a financial forecast for your business that is shown in both table and graph format.



Sustainability

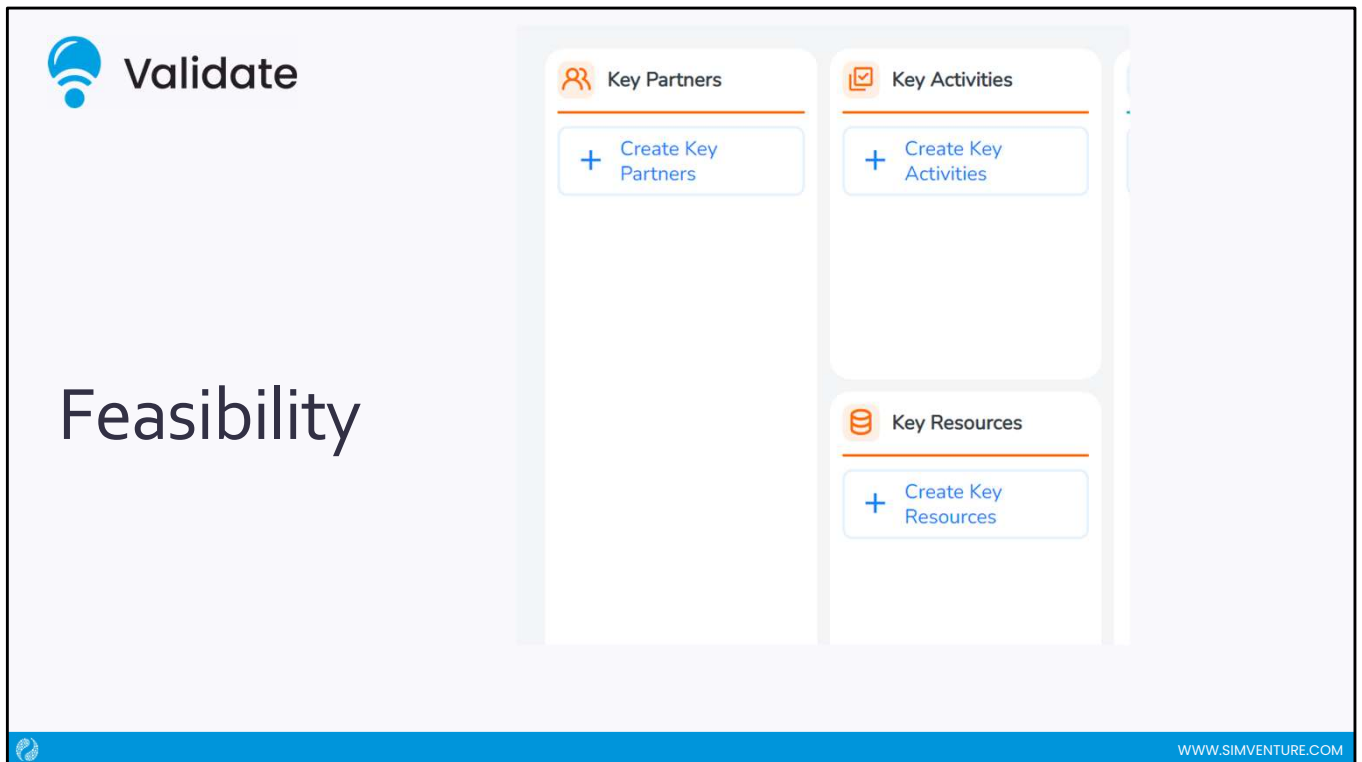
Sustainability

Whether you want to run a charity or social enterprise with a clear ethical purpose, or you want to set up a for-profit company, we all have a responsibility to work sustainably. In this section, Validate lets you explore and explain how your venture can have a positive impact.

Social Sustainability is about creating value and equality for people. Environmental sustainability is about protecting and regenerating the environment. The United Nations Sustainable Development Goals (SDGs) is a globally accepted framework to live sustainably.

Two steps are involved.

1. Pick the Sustainable Development Goal that you want to tackle. Think about the problem linked to this SDG that you will solve. Explain the problem.
2. How will you solve the problem identified to create sustainable value and contribute to the SDG? Explain your approach and how this will create positive impact.



The "back stage" of your business is covered on the left side of the Business Model Canvas. It explains what you do, what you will need, and who you will work with in order to **feasibly** deliver value to your customers.

3 areas to complete:

Key Activities

Key Partners

Key Resources

As with all other sections SimVenture Validate guides you through each section. We suggest starting off with identifying the key activities you need to undertake and then identify the resources and partners you need to enable you to complete those key activities

Key Activities

Key Activities



Key Activities are the most important tasks a company must carry out in order to deliver their product or service. Notice the word KEY. Don't make a list of everything that you need to do. Instead, consider the most important aspects that create value. Also consider if you need to do them or you maybe will contract them out to a key partner.

Key Partners

Add up to 6 Key Partners. **Review your Key Activities below to help.** Think about who you need to work with to successfully deliver these activities. Which will you do independently, and which will you need help to complete?

Your Key Activities are:

[Step 1](#)->[Step 2](#)->[Step 3](#)->[Step 4](#)

Your strategy Case study

Key Partners

What people and organisations will you work with?

Key Partners

Who will you work with to deliver your Key Activities and create value for customers? Partners could be suppliers of raw materials. They could be marketing partners helping you to engage with customers. They could be distribution partners who help you get your product to your customers. They could also be regulatory bodies who grant you licences to operate. Think about the steps listed in your Key Activities. This is the process by which your product or service is made and delivered. Who else is involved in each step? What will you need help with?

Key Resources



Adventurous Kate

Key Resources

- Stories and experiences from 82 countries visited to share in the blog
- Expertise of digital marketing in order to promote the blog and drive traffic
- Excellent writing and blogging skills
- A laptop, high quality digital camera, and good internet connection
- Knowledge of affiliate marketing to convert the blog traffic to revenue

Key Resources

What do you need? Create a list of the Key Resources required to run your business.

Resources can be tangible like buildings, machines, raw materials, computers, technology, vehicles, stock. Or they can be intangible like knowledge, skills, recipes and intellectual property.



BMC
completed
– what
next?

Initial assumptions mapped on
canvas

How do you know they are
correct?

Testing can help refine your
canvas

With a BMC of initial assumptions mapped out now is the time to do some testing. Validate will guide you through some testing options.



4 Steps to Testing:

1

Critical Assumptions

What are the biggest assumptions (guesses) you are making, that if incorrect, could kill your startup?

2

Choose The Test Type

How will you investigate this assumption? Pick your method.

3

Plan Your Test

Create a test plan. Design your test in detail to give it the greatest chance of success.

4

Analyse The Results

Run the test and analyse the results. What happened, what did you learn, and what should you do next?

Testing Assumptions

Testing Assumptions

No idea survives first contact with Customers.

So you have an idea. This is a great start, but don't get too excited just yet.

The hard truth is that your original idea has a high chance of failure. In fact, most start-up ideas fail.

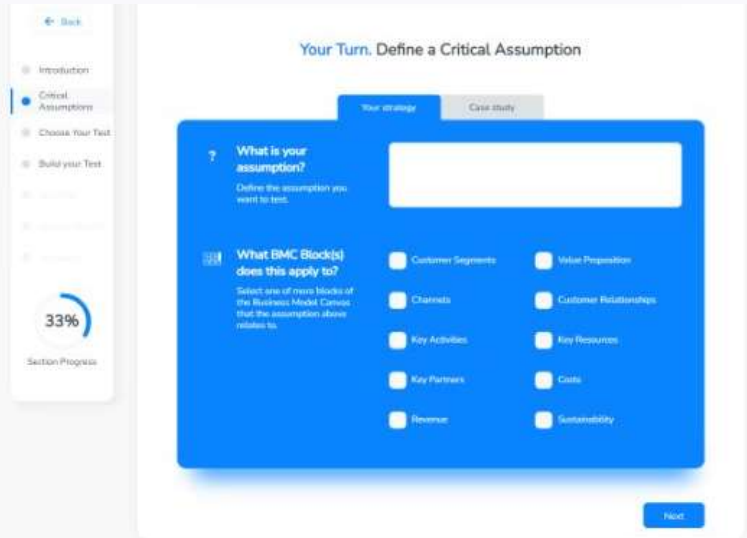
It is easy to assume that customers want what you're selling. Sadly, they often don't. But this is okay! Because by getting feedback from customers, you can quickly learn what they do want and adapt.

We like to think of entrepreneurship as enlightened trial and error.

Testing is a process to quickly and cheaply collect feedback on your idea. Through interviews, surveys, prototypes, and many other methods you can learn quickly what customers do and do not want. And by adapting based on this evidence, your chances of building a successful start-up skyrocket.

We will work through 4 steps in this section to help you design, create and analyse tests.

Critical Assumptions



The screenshot shows the 'Your Turn. Define a Critical Assumption' screen. On the left is a navigation sidebar with steps: Introduction, Critical Assumptions (selected), Choose Your Test, Build your Test, and a progress indicator showing 33% completion. The main content area has two tabs: 'Your strategy' (active) and 'Case study'. The 'Your strategy' tab contains two sections: 1. 'What is your assumption?' with a text input field and a 'Define the assumption you want to test.' label. 2. 'What BMC Block(s) does this apply to?' with a grid of 12 Business Model Canvas blocks, each with a checkbox: Customer Segments, Value Proposition, Channels, Customer Relationships, Key Activities, Key Resources, Key Partners, Costs, Revenue, and Sustainability. A 'Next' button is at the bottom right.

The first step in testing is to identify the critical assumption you want to test. Your critical assumptions can come from any part of your business model. However, for 99% of startups, the key areas to focus on are Customer Segments and Value Proposition. These two blocks address the critical question - Do customers want what you are selling?

Read through the 12 common start up assumptions that are listed on the platform. Is your key assumption one of these or is it something else?



Choose and Plan test

6 Types of Testing

- Homepage
- Secondary Research
- Survey
- Interview
- Prototype
- Selling

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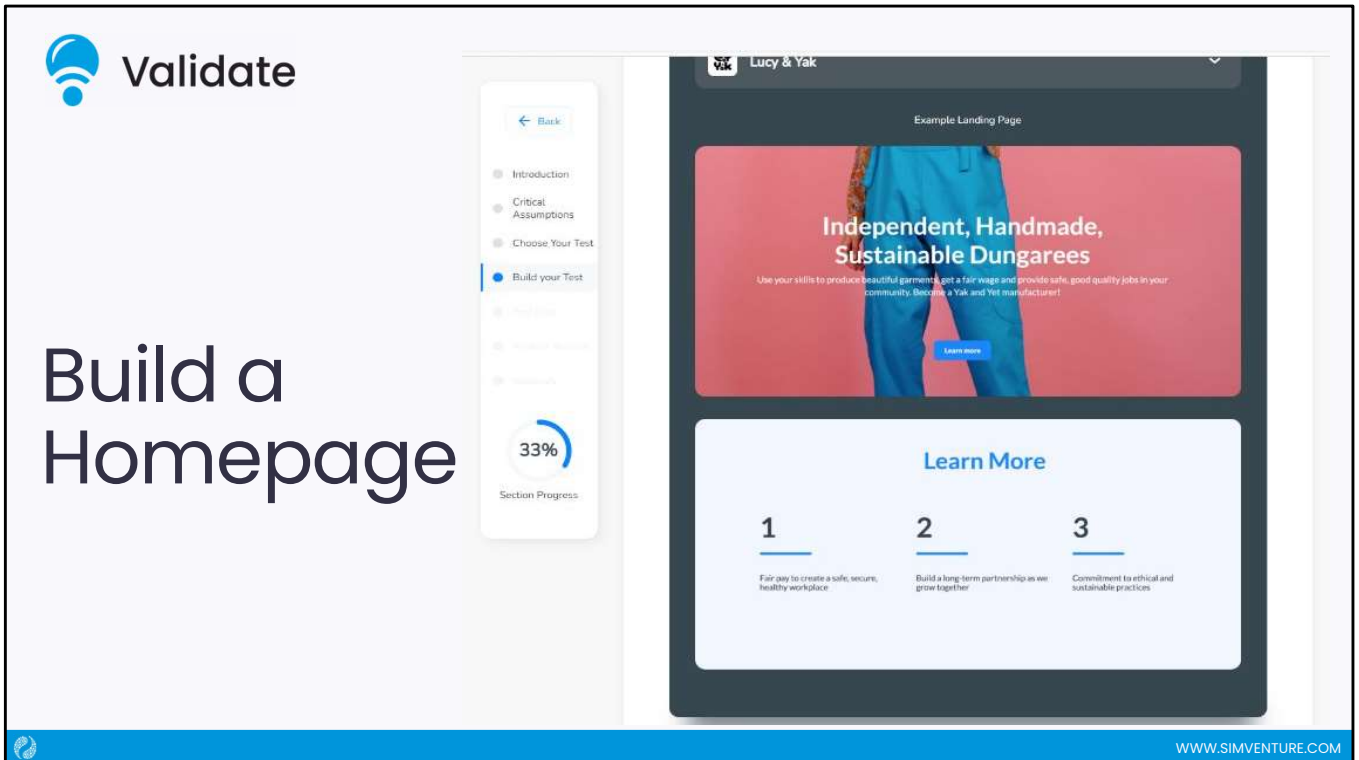
Now you have decided what your critical assumption is it is time to test it.

There are many ways to test assumptions. Different tests require different resources, commitment and time. And they also provide varying levels of certainty and quality of evidence. For example, someone saying they would buy something is nowhere near as compelling as someone actually giving you their money.

Validate explains 6 types of Tests that you can do, arranged from easy to hard.

To get you started we are asking you to use Validate to build a simple homepage. But if you want to do other tests as well that's great – there are no limits to the tests you can do.

You might find it helpful to look at the cases studies on the grey tab if you need inspiration.



Validate has a simple template to follow to help you create a Homepage. You might find it helpful to look at the cases studies on the grey tab if you need inspiration.

Build your Homepage in 4 steps:

Choose Your Template

Choose between 4 different styles and layouts for your Homepage.

Add Image and Text

Upload an image that represents and helps explain your idea. Then complete the text boxes provided to explain your business idea.

Preview The Page

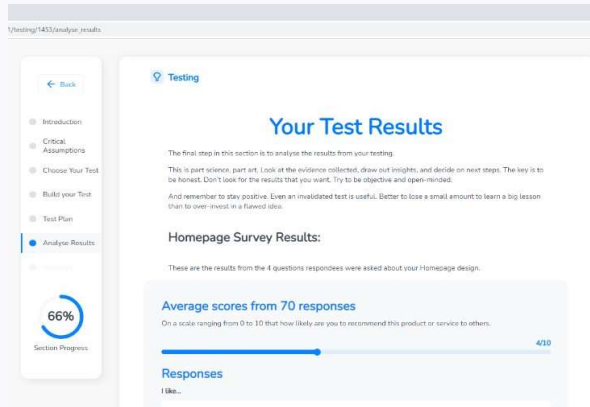
Click on the Preview button to see how your Homepage looks and make any revisions.

Share The Link

When you are happy with the layout, share the link so others can comment. They will be asked 4 questions used by leading Design organisation, IDEO.

1. What do you like about this product or service?
2. What do you wish was different about this product or service?
3. What suggestions do you have to improve this product or service?
4. On a scale of 0-10, how likely are you recommend this to others?

Get Feedback



Once you have created your test and shared it the final step in this section is to record the results from your tests as they come in. If you are not getting much response try sharing the link with another 10 contacts.

Review Feedback

Review and feedback

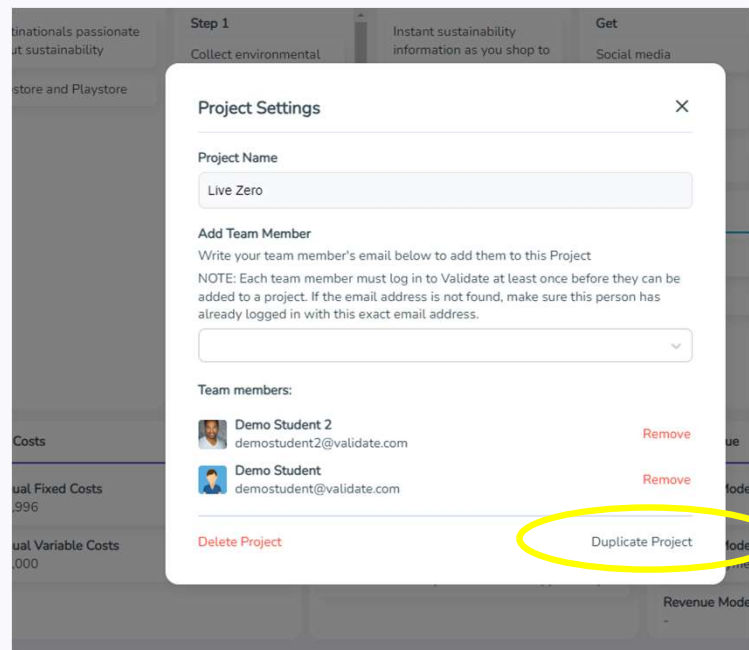
- Now that you have received some feedback on your idea do your assumptions hold up?
- What have you learnt?
- What are the key insights?
- What do you need to do next - do you need to make any changes to your BMC?

This is part science, part art. Look at the evidence collected, draw out insights, and decide on next steps. The key is to be honest. Don't look for the results that you want. Try to be objective and open-minded.

And remember to stay positive. Even an invalidated test is useful. Better to lose a small amount to learn a big lesson than to over-invest in a flawed idea.

On Validate you need to enter your results and learning and set the status of your assumption to either Valid, Invalid or unsure

Changing your Canvas



In light of your feedback you might want to make changes to your canvas. Maybe alter your value proposition or customer segments based on your insights from research.

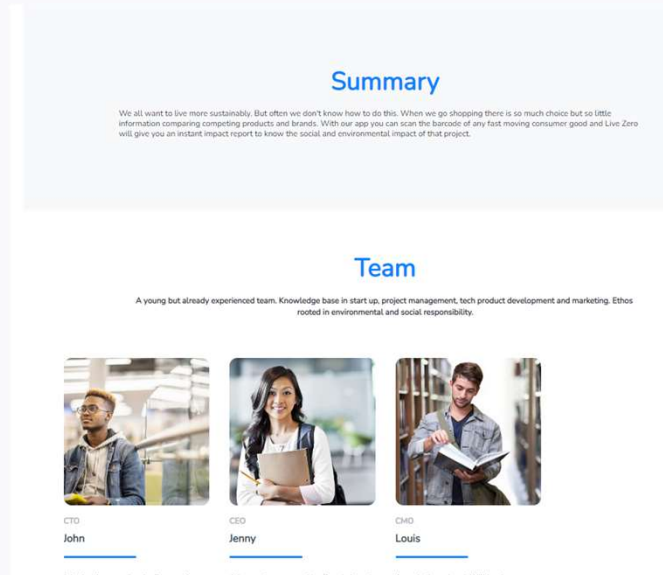
The Canvas is easy to edit, just click on a section to open it up.

If you want to keep a record of your changes you might want to create a duplicate project. This means you can keep version 1 with your original ideas/assumptions and then create V2, V3, V4 etc for subsequent changes.

Follow the steps below to create duplicate project.

1. Click on the project tab in top left
2. Select the project you want to duplicate by clicking the cog next to it
3. In the project settings pop up (as shown above) click the duplicate project button bottom right
4. Click confirm (duplication may take a few minutes)
5. In the project tab at the top right you will now see Project Name [cloned] listed.
6. You can rename the project to whatever you want by clicking the cog and typing in new name.

Building your Portfolio



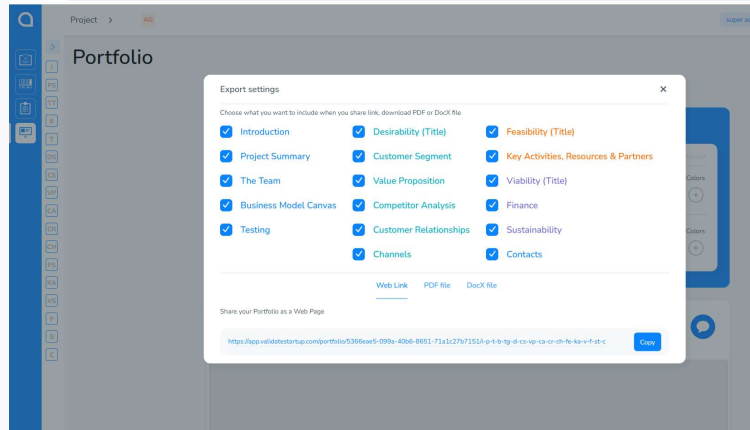
Building your Portfolio

Your Portfolio is the key document that pulls together all the information about your idea that you have worked on in Validate. It makes it easy to share your ideas with others either by a weblink, PDF or Word file.

Validate does a great job of pulling all the key information and data you have put into the Canvas and Testing sections across into your Portfolio. Simply click on the Portfolio button in the blue ribbon on the left-hand side at any time to see what information has been pulled across.

In addition to the data automatically pulled across there is the opportunity to add to your portfolio. You can add text, photos, documents. For example, you might want to write a bit about yourself and any team members you have, add a logo or add some key research documents. Be creative to make your portfolio standout and reflect you. As with any document or presentation think of the intended audience – don't put so much information in that they will get bogged down and miss the key points but make sure detail is included where required.

Sharing your Portfolio



Sharing your Portfolio

Once you are happy with your portfolio you can share it either as a weblink, PDF or a word file.

The web link will take the recipient to a live viewing of your Portfolio. If you make changes after you send the link they will see those changes.

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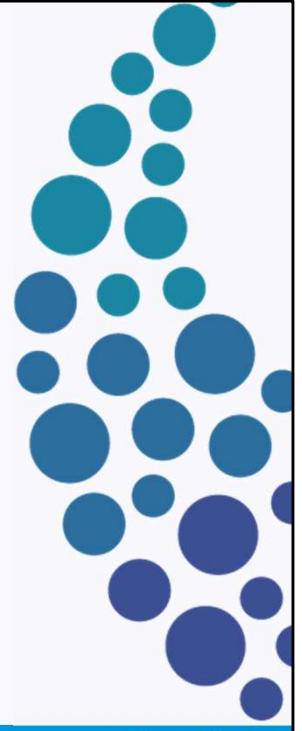
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