

SUMMARY

Building a successful business takes more than just a great product or idea. It takes careful planning, talented employees, convincing marketing, and a little bit of luck. In this Challenge, you will explore a list of products and select one (or do your own research and choose another product), then create a plan for developing it into a business.

SITUATION

The world is filled with amazing inventions that could help a lot of people. There are flashlights powered by body heat and soccer balls that generate electricity. There are sensors that can detect lead in drinking water and solar-powered bikes that can help bring clean water to remote villages. But just because an idea is great, doesn't mean it will be a successful product. Great products need great business plans to succeed.

The best entrepreneurs are able to take a great idea and create a **plan** for turning it into a business. This includes recognizing when an idea has potential and finding the best **business model** for getting it to customers. The plan includes defining a **key business proposition** that convinces investors that there are customers who will want to pay for the idea. The **financial business plan** includes **analyzing revenue and expenses** to show investors that the business can make a profit.

CHALLENGE

In this challenge, you will review a list of products and select one (or research and choose another) to develop into a business. Your challenge is to **build a plan and pitch that will convince investors to fund your business for your chosen product.** Your plan and pitch must:

1. Explain what the product does and how it works.
2. Describe your target customers and why they will want to buy your product, using the key business proposition.
3. Include a financial business plan that accounts for financial factors. Review the sample key business proposition and the business models.
4. Describe for investors when your business will begin to make a profit.