

# **Agritourism Business Design**



# What We Will Cover Today

- What is your "WHY"
- Business Model  
Canvas versus  
Business Plan
- Customer Development

# Business Design

*What is your WHY?*

1. **Who** do you want to help?
1. **Why** do you want to help them?
1. **What's** their biggest problem?

My Example:

*“To help startup founders clearly communicate their value proposition to investors so they can gain the funding they need to start and grow their businesses.”*

# Find Your Why

*your contribution*



**To** \_\_\_\_\_  
Help who do  
what?

**So that** \_\_\_\_\_  
They can benefit  
how?

*your impact*



My Example:

*“To help startup founders clearly communicate their value proposition to investors so they can gain the funding they need to start and grow their businesses.”*

# Customer Problem Solution

“My best customers are \_\_\_\_\_,  
who cannot \_\_\_\_\_ because \_\_\_\_\_,  
so, I can offer \_\_\_\_\_”

## Customer Segment

- *“I believe my best customers are business startup founders”*

## Problem

- *“who cannot raise funding because they struggle to easily communicate their marketing strategy to investors”*

## Solution

- *“a low cost, online marketing template designed for startup founders who need to professionally communicate their marketing strategy to investors.”*

# Business Model

*A single diagram of your  
business*

**Versus**

# Business Plan

*A document you write for  
investors that they don't  
read*

# 5 Key Benefits

## Business Model Canvas

1. Fast
2. Concise
3. Targets customer needs
4. Portable
5. Reduces the risk of failure

# The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

<div>Key Partners</div> <div>With what partners will the business collaborate?</div>	<div>Key Activities</div> <div>What activities are required to deliver the service or product?</div>	<div>Value Propositions</div> <div>What problems does the business solve for its customers, what customer needs are satisfied?</div>	<div>Customer Relationships</div> <div>How will customers be served?</div>	<div>Customer Segments</div> <div>Who are the most valuable customers to the business?</div>
	<div>Key Resources</div> <div>What resources the business needs to undertake key activities?</div>		<div>Channels</div> <div>What is the best way to reach each customer segment?</div>	
<div>Cost Structure</div> <div>What are the most important costs, which resources and activities are most expensive?</div>			<div>Revenue Streams</div> <div>What will customers pay for? What do they currently pay and to whom?</div>	





# OXYPONICS

## KEY PARTNERS

- Hydroponic farms and companies
- Agricultural sensor companies
- Academic community
- Investors

## KEY ACTIVITIES

- Research and development
- Product development
- Promote benefits of oxidative stress monitoring

## KEY RESOURCES

- Partnership with farmers
- Cornell community
- Technology

## VALUE PROPOSITION

- **Improved hydroponic systems:** controlling and monitoring oxidative stress can improve plant growth and nutrient intake
- **Farm gain:** 1-2 more harvesting cycles

## CUSTOMER RELATIONSHIPS

- Provide monthly bacteria refills
- Help farmers interpret oxidative stress

## CHANNELS

- **Community connection:**
  - Website
  - App
  - Social Media
  - Outreach Events

## CUSTOMER SEGMENTS

- Hydroponic farming is a rapidly-growing industry in agriculture
  - DWC (Deep Water Culture)
  - NFT (Nutrient Film Technique)
- **Geographic segmentation:** Target agricultural communities in rural US
- **Psychographic segmentation:** Target farmers who are motivated to improve crop quality and yield using innovative technology

## COST STRUCTURE

- **Manufacturing the sensor:** labor, materials, bacteria
- **Research and development**
- **Maintenance**
- **Procurement**
- **Marketing**

## REVENUE STREAMS

- **Subscription plan:** \$50 per month for replenished fluorescent bacteria, installation, maintenance
- **Direct purchase:** sell products at one time to accommodate customers with less commitment

*Why: To provide real-time oxygen-sensing technology to hydroponic farmers that will optimize farming processes and crop yields.*

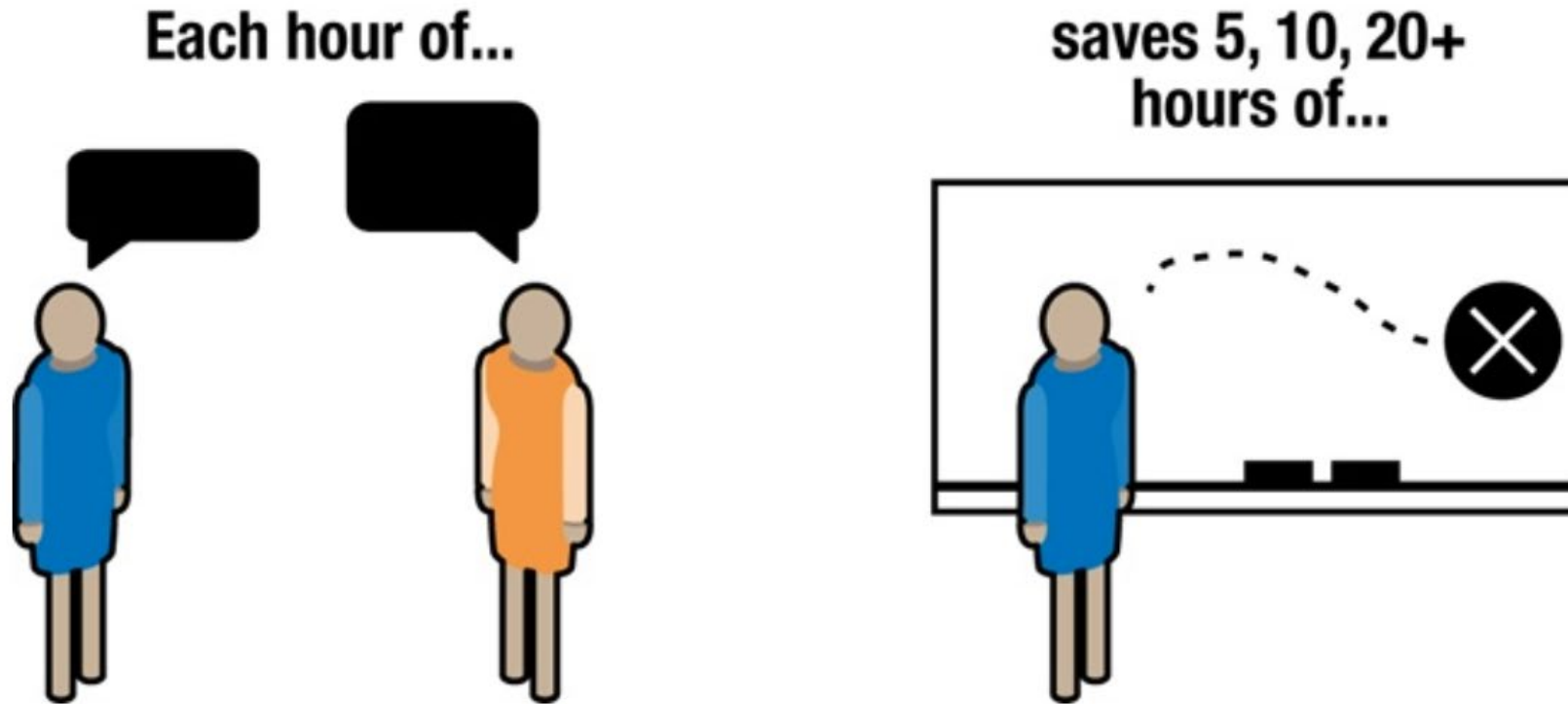
# Customer Development

How to empathize, understand and test business ideas with your customers



*The opposite of “If we build it, they will come”*

# Why Do Customer Development?



- 75% of venture-backed startups fail
- 40% - 90% of new products fail to gain significant market adoption
- Not you!!!

# 5 Steps to Customer Development

- Forming business assumptions
- Finding potential customers to talk to
- Asking the right questions
- Making sense of the answers
- Figuring out what to build to keep learning

# Assumptions

"I Think"



"I Know"

- **Your Business**
- **Your Product**
- **Your Funnel**

# Get out of the Building!

Conversations with living, breathing people to determine the validity of your assumptions

- Research
- Observations
- Interviews
- Surveys
- Focus Groups

[illegible]

# Whew! What We Covered Today

Customer Development Basics

- Your "WHY"
- Business Model Canvas
- Customer Development



# Resources

Following is a list of resources from customer development experts mentioned in this work:

[The 20 Minute Business Plan](#), by Alexander Cohen  
[Strategyzer](#), Value Proposition Canvas

[The Lean Startup](#), by Eric Reis

[Customer Development Labs](#), by Justin Wilcox

[Moves The Needle](#), by Brant Cooper

[DemandMetric](#)

[28 Resources to Help You Master Customer Development](#)  
by Neil Patel



# What Questions Do I Ask?

**S**ituation

**P**roblem

**I**mplication

**N**eed/payoff

## SPIN Questions

### Situation

- Tell me how you're handling the situation now?

### Problem

- What is your biggest challenge in a particular area?
- What is the most frustrating part of the problem?
- How are you trying to solve this problem now?

### Implication

- Why didn't the solution work?
- What are the implications if you don't solve this issue? What if you do?
- How much money are you spending trying to solve the problem right now?

### Need / Payoff

- What do you feel is the ideal solution?
- How can \_\_\_\_ help you?
- What is the payoff if you get this solved?

# Introducing the Cal Poly SBDC



## Who We Are

- A national program with over 1,000 locations.
- Helps stimulate economic growth through business development.
- A proud resource partner of the U.S. Small Business Administration (SBA).
- Serving 14 counties in the Central California Regional Network.

## What We Do

Provide professional no-cost, no-obligation business consulting, training and resources to small businesses.

Services include:

- Sourcing funding
- Business planning
- Social Media Marketing & Much More!

**Contact Us for a No-Cost, No-Obligation Consultation**

[casbdc.biz/cpsignup](https://casbdc.biz/cpsignup)

# Upcoming Events

## Coffee & Conversation

**February 10**

8:30–9:30 am

**Intro To Raising Money**

Donica Forensich

Rolando Locci

**Register at:**

[ucmsbdc.ecenterdirect.com/events/13816](http://ucmsbdc.ecenterdirect.com/events/13816)

## Contact Us

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