 **IDEAFEST Student Business Idea Competition 2018**

**Student details**

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**Entry Form**

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| **IDEAFEST STUDENT BUSINESS IDEA COMPETITION** Starting a new venture is a big step to take and having clarity about your idea and whether there is an opportunity for that idea is a first step. Here is a simple plan to help you assess the clarity of your thinking on the new venture you have in mind.Summarise clearly and succinctly your new venture in the following parts. Please limit your completed questionnaire to 2000 words.  |
| **Part 1 – What is your business idea?**Describe your business idea (max 100 words) **Enter the description of your business idea (together with your video link) below:**Norma delivers a new food innovation, the veggie brownie. Norma uses a two product line strategy, first the veggie brownie mix and second the ready-to-eat veggie brownie. Its unique recipe uses the most recent scientific research to deliver the typical brownie taste without using milk and eggs, with less flour and being higher in fiber and minerals. Our veggie brownie mix is easy to bake with only 3 steps. Pour, mix, and bake with your vegetables; then you will get a tasty, fresh, and healthy brownie, which make you feel less guilty having it for a dessert. Through the universal formula, consumers can use any leftover green leaf vegetables/salad to bake delicious and healthy Norma brownies, while reducing home food waste. The ready-to-eat veggie brownie snack is made from remaining green leaf vegetable from the supermarkets as the main ingredient, which is good for consumer health and great for the environment in term of reducing food waste on an industry level. **Norma Video Pitch**:         <https://youtu.be/d-hx4jES6LA> **Website:**                           <https://normahouse.wixsite.com/home>   |
| **Part 2 – Does a market exist for your business idea?** What is the opportunity (whether that is a problem or gap) that is addressed by your business idea? Who is your customer who will buy your product? What are the needs of your customer that you wish to satisfy with the benefits of your product or service? How large is your market in terms of number of customers and how much do they spend on the type of product and/or service you provide? An important question to answer is ‘what evidence do you have there is a market for your business idea?’ At this early stage of developing your idea you might not know the details and have numbers however it will be important to talk with potential customers and justify starting a business with strong evidence that there is a market of sufficient size to exploit. Answer the question ‘what do your potential customers say about your idea?’ **Enter details below:****Opportunity**We identified a gap in the dessert market (baking mixes & ready-to-eat snacks). Norma is the first and only veggie brownie mix as well as the ready-to-eat veggie brownie, which makes vegetables part of the dessert, while creating an authentic brownie taste, without using egg and dairy products as ingredients. **Customers:**Norma addresses 3 main customer segments:1. **The family chef**: looking for healthy alternatives to existing unhealthy products, such as brownies. They also need to give children important nutrients from vegetables with a great taste and consider vegetarian & vegan alternatives for teenager’s dietary needs.2. **Student**: lives in dorm home, appreciates convenience (fast, easy to make & tasty or even ready-to-eat) considering food. Lots of vegetarians and vegans in the generation, which have special dietary needs to fulfil.3. **Busy business people**: have little time to cook, therefore often need to use convenient products that are healthier, due to dietary interest. Low movement due to office jobs and lower fat burning rate due to age, which makes the reduction of their amount of daily calories a problem. **Market:**The baking food market overall in UK shifts more and more to home baking. This trend is mainly pushed by influencers, such as the queen of home baking Mary Berry’s (TV series). Baking mixes within this market make home baking more convenient and easy for people who have less time or skill to bake. Homebaking product sales have risen by nearly 10% during 2016-2017, to 12.5 million people shopped it 2017. A third of 16-24 year olds bake at least twice a week. 45% of 25-34 year olds say they do and 41% of 35-44 year olds do. (UK Research) Competitor prices for relatable products range between 2.00 - 3.00 GBP per package (415-480g). The Norma Veggie Mix will have two sizes and standard prices: 2.20 pound for 250g (for 2 people) and 3.50 pound for 500g (family size)As additional product offering, Norma will offer a Veggie Brownie snack, ready-to-eat for people who like to have a nice brownie but have even less time to use a baking mix or just wanna have a convenient lunch or coffee break. The Norma Veggie Brownie Snack Price is 1.99 pound (regular size). **Feedback:**Our customers said that they cannot notice any vegetable in Norma brownies, and they enjoyed its taste, being very chocolate like, and authentic. Its texture is chewy inside and crusty outside. In addition, they also would love to repurchase our product to improve their eating habits. |
| **Part 3 – How will you reach the market?** Describe how you will reach your customer? Will you sell direct or through an intermediary e.g. a reseller? What will you market and sell your products and/or services?**Enter details below:** In the first phase, Norma will sell through its website and plans to enter supermarkets and healthy stores in phase 2. Further potential online resellers will be evaluated after first traction is gained and distribution and sales processes have been optimized. As marketing strategy, Norma will aim to build trust and educate its customers through social media in combination with established influencers in the different customer segments.-      **Family Chef:** Enjoys doing his/her big grocery shopping in their favorite supermarket. Also follows food influencers, who inspire him/her to try new recipes or products. Show great trust and recognition to the influencers opinion/recommendation.-      **Students:** Do most of their shopping online, spend most of their time on social media, follow many different influencers, more or less food oriented. Big trend on fitness dietary and training. Besides online shopping, spontaneous little trips to supermarkets and/or specialised supermarkets for healthy products.- **Busy Business People:** Big grocery shopping in their favorite supermarket, short after work trips for a few products to (specialised) supermarkets. Also growing trend to online shopping in order to save time. Value recommendations of colleagues and spend time rather on news and business websites (PR) or social media channels. Also follow business influencers to hear latest trends, innovations.  |
| **Part 4 – What is the competition and what advantages does your product and/or service offer?**In your assessment of the idea it is essential that you explore competition to your idea in detail. Completing Porter’s Five Forces analysis is advised. If you face a lot of competition and the analysis reveals unfavourable forces you will need to thinking seriously about whether to go ahead and invest as you will just be another player in the market.In this part you should also summarise how you are different from and superior to competition. In other words what are your competitive advantages?’ It is important to answer the key questions your potential customers will ask ‘why should I buy from you?’, ‘how are you better, cheaper and faster?’, ‘what’s in it for me?’‘Why will the competition (your market leader or Google) not beat you?’ **Enter details below:****Competition****Rivals among competitors** – High. Competitors: The brownie mix brand; Betty Crocker, Paul Hollywood, Cadbury, Tesco, Sainsbury’s, etc. Brownie from bakery supplier and bakery shop; Artisan Biscuits (Starbucks’ bakery supplier), Lenôtre (Pret A Manger’s bakery supplier), Johnstone's Food Service (Costa’s bakery supplier), Paul, Le Pain Quotidien, Gail's Artisan Bakery and etc.**Power of buyers** – Low, due to unique product from Norma’s recipe.**Power of suppliers** – Low, because there are many suppliers that can provide the ingredients.**Threat of substitute** – Middle, recipe might be copied but the product design and branding will be a trademark.**Threat of entries** – Low, the food research to create the Norma recipe took long time. Also, laboratory cost. **Differentiation**Norma is the healthiest baked brownie and brownie mix in the current market while providing the typical authentic brownie taste and is suitable for vegetarian & vegan dietary needs. Competitive pricing with higher value.Also Norma will produce relevant content for consumers such as mix with other ingredients (ice cream & strawberries). Additionally, left over green leaf vegetables can be mixed with the veggie mix to reduce household food waste (one of the 3 biggest waste stream channels in the UK). Also, the additionally needed ingredients are cheaper than what needs to be added with competitor mixes (milk, eggs & butter).**Why will the competition not beat you?**Innovative recipe, time advantage. We will add further value through content for consumers and higher convenience through product design. Targeted marketing strategy will build higher trust for a premium product, in a low cost dominant market convince people of our product before following competition enter the market. |
| **Part 5 – Why will your idea sell?**Provide reasons why you think your idea will sell.Have you shown the idea will sell? What evidence do you have that the customer will buy? If the product is not designed or developed yet you will need to think about the likely scope and scale of the work needed to get that done and the attendant investment needed to do it? In this section it is also important to write down your ‘sales value proposition’. This is the statement of benefits your product and/or service delivers that fulfils customer needs and creates real value (in terms of reducing time/costs, increasing efficiencies or improving revenues or margins for the business customer and making life better in some way for the consumer) **Enter details below:**Norma is the only one vegetable baked brownie and vegetable brownie mix in the marketthat customer can have or mix it with vegetable by the secret ingredients in Norma which the competitors do not have in this time and also that the good taste of Norma brownie which other brands cannot follow. Everyone who have try Norma brownie cannot notice that there is 50% of vegetable in the brownie and they love its delicious taste. Norma makes people eat healthier with authentic taste by the delicious brownie. It has lower calories and also higher fibre and mineral than an ordinary brownie. The veggie brownie mix is also easy to bake, even people who never baked before can easily create a tasty & healthy brownie with the easy 3 steps procedure; pour, mix and bake. Moreover, Norma helps the world to reduce food waste because salad is the number one food waste in UK from the short life shelf. Norma can extend vegetable life with processing it into a brownie and also save kitchen cost by turning leftover salad into fresh baked brownies.  |
| **Part 6 – What is your business model and how will you make money?** It is important to know how you intend to carry on a business and in particular you need to answer the question ‘how will you make money?’ Include a description of the potential revenue streams that your venture will deliver at least in the first 2-3 years. Preparing a business model canvas will help you. Consult ‘Business Model Generation’ by Alex Osterwalder and Yves Pigneur. This will ultimately help you prepare your business plan.Preparation of the business plan should be left until you have demonstrated there is a demand for your product and service. How to prepare a business plan will be described during the New Venture Development elective.**Enter details below:**As our product is food commodities, our revenue stream at the first stage (1st year) is based on how efficient we manage our cost and how we set the price. We aim to use a price strategy, which is the price skimming strategy, that sets Norma’s products at a premium rate. After generating more revenue, the price will be adjusted according to the price elasticity of customer’s demand and cost that Norma handles and reduces through economies of scale. The two product lines for Norma are set together as following: Brownie mix will be 2.20 pound for 250g (for 2 people) and 3.50 pound for 500g (a family pack). However, our cost per package depends on how many products we produce due to economic of scales. We aim to produce 1,000 units, which turns the cost to approximately 1 pound for two-people package (250g) and 1.7 pound for family package (500g). Our product has a shelf life of about 6 months, which is extendable through the baking process and production of veggie brownie snacks. In addition, we will provide, our second product, Ready-To-Eat brownie for customers with a price of 1.99 per piece and a cost of 0.50 pound per piece.     |
| **Part 7 – What do you bring and who else do you need to involve in your venture?** A key question for investors is ‘Can you (and others you will involve) deliver the business idea and build a successful venture?’What experience, knowledge and skills do you bring to the venture? What connections do you have in the industry Who in addition to yourself will need to be involved? Will it be you at the start? Will you and the others be working full time or part time? If you need other people what experience, knowledge and skills do you need them to have?Have you and the others worked together before? What initial organisation will be required and how will it be structured including board and directors? Will you work with advisors? What services do you want advisors to provide and how will they be compensated?Where will you work from? **Enter details below:**Norma will emphasize to use its marketing strategy with a sophisticated marketing plan, considering time and expenditures to reach out and deliver our value proposition to customers. Our team shares the same vision, driving our value of business even though we have a different background and lifestyle. We believe this is a big advantage, as we bring in different skill sets and knowledge such as cooking skills, product design, marketing, economic and finance. Also one of us have experiences in real start-up business and specializes in sales. We have the strength with our good connections and partner with the food science department in order to obtain the healthy recipe. In a February 2018, Norma has received the first runner-up award from the Start-up Samaggi contest 2018 in London. This competition is held by Thai Samaggi Samagom. We have worked hard as a united team in order to develop our business idea and want to create traction in the real business within the UK. As a team we are all Postgraduate students and developed our business idea part-time, while each of us brought in their bold skills. Nevertheless, to start-up we will need a part-time accountant and part-time R&D worker. Our initial company structure will be 4 of us as Chief Executive Officer, Chief Finance Officer, Chief Marketing Officer and Chief Sales Officer. Additionally, we are looking for strategic partners to lead and help us achieve our goals. |
| **Part 8 – What are your projections of revenues and costs and how will you finance your venture?** What are your rough projections for revenues and costs based on the business model you have described above?How much money will it take to get your venture off the ground? Will you (and your partners) be financing the early stages of your venture? How much will your venture need to get it through year 1? Having sufficient funds or access to funds to support your venture is crucial. **Enter details below:**In the first stage, we obtained our secret recipe for free from our friend in a food lab. Our initial cost of Norma establishment will be mostly based on how much products we produce. The following numbers exclude the cost of hygiene and food regulation as we are still identifying those costs. We aim to start our production with 1,000 units for the Brownie Mix (250 units for 2-people packs and 750 units for family packs), with costs of 1,525 pound.Additionally, 1,000 units for the veggie brownie snack, with costs of 500 pound. Total costs: 2,025 pounds. In term of our financial projection, we project that we can sell around 1,350 units out of a total of 2,000 units of our product in the first 3 months. * 250 units of 2-people packs - 2,20 pound per unit
* 600 family packs and - 3,50 pound per unit
* 500 veggie brownie snacks. - 1,99 pound per unit

Our revenue will be 3,645 pounds, with a profit of 1,620 pound. In addition, there are 2 reasons why we produce more than what it is expected to be sold. First, we want to provide 500 veggie brownie snacks as free trials to customers, as we want to evoke the action to purchase one of our products through tasting it for free. Second, we want to consider unexpected events such as a Norma boom period, in which we want to fully be able to deliver our product and creating further revenue. After our experimental period, we will understand more clearly about the production amounts and demand curve to decrease costs. We are expecting a minimum profit of about 31,380 pounds in the first year. In the second stage (after 1st year), Norma will use its generated profit from the first stage, to bring its products into supermarkets which Brownie Mix and Ready-To-Eats’ prices will be adjusted again because there will be some commission from large supermarkets and other unexpected factors that can result in higher prices and costs. For our initial funding, we will use family's support to boost our project and reward from startup competitions. Needed extra funding for unexpected situations can also be obtained from family funding. We estimate 2,025 pounds for production, around 500 pound for cafe and booth entry, and 250 for distribution, so overall requirement of initial investment will be equal to around 2,775 pounds. |
| **Part 9 – What potential risks might your venture face?** This is a key issue and will certainly arise if you seek external funding for your venture. What are the key risks faced by your business? These could be competition (for competition will respond to your entry and there will be followers, copiers and imitators of your idea should it get market traction), new technology, on-going funding and loss of key people among others.You must take a rigorous approach to evaluating all aspects of your planned actions in the event of such risks arising and the likelihood of success. **Enter details below:**In terms of risks, Norma faces challenges from competitors in terms of copiers of the recipe and will therefore focus on product design (convenience), additional value adding content and a focused marketing strategy. Another risk for Norma exists within networking to resellers (supermarkets), finding the right spot in the supermarket. As new entrant, Norma lacks network to these companies and need to find the right partners and establish a productive relationship with them. Further risks are involved by partnering with influencers as bad actions of key influencers partnering with Norma will have a negative effect towards our brand.Therefore, Norma will choose their influencers carefully and make sure the brand image is not affected negatively.In addition, the first or second stage can be altered across according to circumstances that Norma encounters, such as customers’ needs, an ability to contact with large supermarkets, velocity to receive food protection and hygiene requirement. We will therefore make sure that a good partner management is developed and maintained.Also, there is a financial risk within the veggie mix stock and its shelf life. Therefore, Norma will pay a lot of attention to shelf life, and produce the Norma Brownie Snack to sell in small cafes, events, pop-up stores to minimise risk of wasting the expenditures. |
| **Part 10 – What are your longer term intentions and personal objectives?** Is the venture that you are starting a lifelong business venture that you will want to own and run or is it you intention to make a profit in a specific timeframe and then exit the business? If you are seeking to exit what might that be? What is your personal motivation? Is your motive to make money, create wealth and improve the environment? Your motivations are key and will determine in a large part the issues of funding and raising finance. Investors will be highly interested in what is motivating you when you seek finance. **Enter details below:**For Norma’s second stage plan, we will sell both mix and baked brownie in the supermarket to increase the brand revenue. Moreover, we plan to expand the business into a various product & service offering. Our vision is to create healthy & delicious food, while reducing food waste at the same time. In case of great success, we will aim for an IPO & sell the company with the long term road map to turn our position into a more managerial, because we would like to start the next business that aims to solve another global challenge. Norma brings 4 people from a different background and business perspective to run the business with an entrepreneurial spirit and mindset. One of our motivation in studying master degree here is not just to study in the classroom, but to apply the knowledge in a real situation. This leads us to decide to submit our business idea to idea & start-up competitions as much as we can to practice and learn from it. Moreover, we developed a passion during the way in the competition that is why we seriously think about starting the business in the UK. Our belief in running this business is not just to gain a revenue, but rather making a change to the society. |



Submit your entry (student details, questionnaire and link to your 3 minute video) to jurek.sikorski@henley.ac.uk

Closing date midnight on **Friday 23 March 2018**