

Virtual Advanced Dragon's Den Project

Dragon's Den

Description

In entrepreneurial pairs, you and your partner will develop a unique business idea with branding. You will then create a prototypical design of the product or description of a service and pitch your product/service to Dragon's Den venture capitalists.

Project Information

In this project, you and your partner will brainstorm business ideas to arrive at a unique product or service that you agree is worth pursuing. The product or service must not knowingly be copied from any that already exist in the chosen industry. Your product or service may or may not be internet based.

Once you have established your idea, the next phase is to design a representation of the product or a concise description of the service. This design or description must have visual or graphical elements as they will be key to your later product/service pitch.

With a good design in hand, you will then prepare and present your pitch. The purpose of the pitch is to convince a panel of venture capitalists to invest in your idea. They will come armed with various questions to test your product or service knowledge and the soundness of your business idea.

Instructions

1. Determine the product or service idea that you and your partner would like to develop:

- What industry are you and your team members interested in?
- Is there something about how businesses in this industry operate that creates unique challenges?
- With these challenges in mind, are there identifiable gaps or needs in the marketplace that your product or service can fill?
- What would lead you to believe that your product or service can find success?

2. Create a prototype design or service description:

- If your idea is a product, draw a precise image of the product from different angles or perspectives. (Use design software if it can help you to render the product precisely—otherwise design on paper with as much precision as you are able. In this case it would be helpful to scan the image so that it can be shared online.)

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- If your idea is a service, create a graphic (with textual and visual elements) that describes the dynamics of the service and the steps involved in providing it.

3. Develop a business plan that sets out how you would bring your product or service to market:

- If your idea is a product, how would you manufacture it?
 - Would you need a large manufacturing facility with complex and custom machinery, involving large capital expenditure?
 - Or could the product be produced with minimal manufacturing and lower capital expenditure?
 - What transportation or distribution systems would be necessary to bring your product to market?
 - What would be your total costs?
- If your idea is a service, what capital expenditures would be necessary as infrastructure to support the service?
 - Would you need machines to provide the service?
 - Would you need a transportation network to provide the service?
 - What amount of human capital would be necessary to provide the service?
 - What would be your total costs?
- What suggested price for the product or service would you establish?

4. Prepare your pitch to convince investors to provide financial backing:

- Prepare to convince investors of the value of your product or service.
 - What need does it satisfy? Why would customers choose your product or service over another?
 - Prepare the design materials that will showcase your product or service.
- Share the necessary costs and estimated profit margins for your product or service.
 - Establish how much money you would need to get your product or service off the ground.
 - What would be your ongoing operational costs?
 - What profit margins could be expected?
- Determine what stake in your company you would offer the investors in exchange for the investment.
 - How much money are you seeking?

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- What stake would you offer? Would it be 10%, 30%, 60%?
- Would your offer entail a licencing arrangement? Royalties?

4. Deliver your pitch to investors:

- Think of an interesting, dynamic way to attract the investors' attention.
 - What kind of hook could you employ to grab attention?
- Use graphics (PowerPoint) to enhance your presentation.
 - Think of attractive ways to display design/description features.
 - Remember that you will need to share your screen to accomplish this.
- Demonstrate some aspect of the service if your idea is a service business.
 - Think of creative ways online to dramatize the essence of your service.
- Be sure each member of your team speaks equally.