

The background of the cover features large, stylized letters. The letters 'i', 'c', 'i', 'a', and 'l' are in black, while 'r', 't', and 'u' are in a dark grey. The letters are thick and rounded, with a modern, sans-serif feel. A thin green vertical line is positioned to the left of the title.

Social Startup Toolkit

PHILIP ELY

Toolkit

Everything you need to know. Start here.

Worksheets

The Idea Model
Build Your Social Start-up
Your Customers
Blueprint Modelling

Case Studies

Eight inspiring stories.



Toolkit

PHILIP ELY



Thinking About You

9



Exploration

15



Developing the Idea

23

[+ 2 worksheets](#)

The Idea Model

Build your Social Start-up



Getting Started

29

[+ 2 worksheets](#)

Your Customers

Blueprint Modelling



Sustaining the Venture

43



Useful Resources

55

Who is this toolkit for?

We've designed this toolkit for anyone with an ambition to do a social good, through the creation of projects or ventures, that (ultimately) will become financially sustainable. We call this social entrepreneurship.

To start a social venture all you need is: a social problem to solve, the seed of an idea and an eagerness to learn.

Why a toolkit?

The challenge of starting a social venture is compounded by the range of methods, approaches, advice and available guidance. We've designed this interactive toolkit for budding social entrepreneurs and educators alike, enabling you to develop your idea (or support others) piece-by-piece without breaking the bank – or your soul. We developed the toolkit out of a frustration that there are an overwhelming number of tools out there and not all of them are fit for the purposes of social entrepreneurs. We've re-designed or improved some of these tools for people like you – who want to get on and build that social venture.

What you'll find inside

We've structured this toolkit in a way that allows you to – iteratively – build up a model for your social venture until you are ready to trade. We've referenced a number of helpful tools that are available as open source materials, and added a few of our own, that we think make building a social enterprise more enjoyable and more realistic.

We've included case study material that we think provide you with examples of social entrepreneurship in action. There are many more online and we've included references to extra resources in the **Useful Resources** section at the end. In all, there are six sections in this toolkit:

1. **Thinking About You**
2. **Exploration**
3. **Developing the Idea**
4. **Getting Started**
5. **Sustaining the Venture**
6. **Useful Resources**

How to use it

The toolkit is designed as a practical guide to get your idea off the ground. Whilst we have arranged the toolkit into distinct sections or phases, we don't expect you to start at the beginning and complete every task strictly page-by-page. You can dip in and out at any point that feels right for you. There is no prescribed way of building a social enterprise (indeed, it's far more enjoyable to be creative and let the idea emerge slowly) but there are useful tools out there that we introduce to you, that will let you organise your thoughts more effectively, so that you make the most of the day(s) ahead.

We've included practical tools that you can use throughout the development and operation of your social enterprise. Like any start-up, the business model you adopt for your social enterprise may change many times in the first few years of operating – use the tools here to re-visit key aspects of the enterprise and then re-design accordingly.

If you support other budding social entrepreneurs, we've included '*Tutor Tips*' that allow you to run a group session or other structured activity.

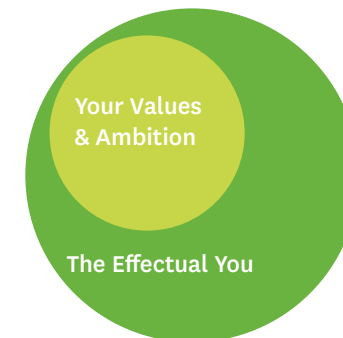
Thinking About You

- 1.1 Starting with Your Values and Ambition
- 1.2 The Effectual You



We believe that the starting point for any great idea is the person holding this toolkit. It isn't all about you of course, but without your energy, enthusiasm and expertise there simply isn't a social enterprise to be born.

The tools in here help you to reflect on what drives your desire for doing a social good – your values and ambition – and who or what 'out there' might be applied to make this happen. In the social network of human existence you need others to help you survive and successful social ventures are no different. We've borrowed two tools – one from Nesta and one from the world of 'effectual entrepreneurship'. Combined they allow you to understand not only your outlook on the world, but also the under-utilised resources around you.



1.1 Starting with Your Values and Ambition

Understanding what drives or motivates you goes a long way to understanding whether a certain kind of venture is right for you. It also helps you decide who to do business with – your key partners, suppliers and employees.

On the following page, we've listed a mixture of 'values' or words that might describe your outlook on life. They include everything from job tranquillity to economic security; from decisiveness to humour.

Photocopy and cut out each word, then re-arrange them by how important they are according to you, on a chart like the one below. You can download the Nesta version at:

https://media.nesta.org.uk/documents/creative_enterprise_toolkit_english.pdf

YOUR VALUES & AMBITION			
Always Important	Sometimes Important	Rarely Important	Never Important

Achievement	Freedom	Harmony
Advancement and promotion	Meaningful work	Aesthetics
Influencing others	Power and authority	Humour
Independence	Money	Work life balance
Honesty	Public service	Excitement
Helping society	Recognition	Excellence
Helping other people	Reputation	Economic security
Growth	Quality of what I take part in	Decisiveness
Financial gain	Supervising others	Creativity
Fame	Status	Co-operation
Integrity	Stability	Competition
Personal development	Self respect	Community
Knowledge	Work under pressure	Competence
Innovation	Time	Change and variety
Leadership	Wisdom	Challenging problems
Job tranquility	Working with others	Art
Responsibility and accountability	Ecological awareness	
Intellectual status	Working alone	
Physical challenge	Respect	



1.2 The Effectual You

Researchers across the world have been looking at what makes successful entrepreneurs (of all kinds) the successes that they are. Whilst there is no guaranteed formula for success, Saras Sarasvathy's research uncovered a different logic at play in the minds of 'effectual' (and successful) entrepreneurs.

Through a series of case studies, Professor Sarasvathy reveals that these entrepreneurs 'fabricate' opportunities using the resources available to them from everyday life. This is a different logic than the one promoted in business schools, which suggest that you can pre-conceive an idea and then hope to develop a product or service from there. Instead the effectual model makes full use of the resources around you.

Whatever idea you have, forget it for a moment. Instead, try the exercise below from Stuart Read, Saras Sarasvathy et al's book *Effectual Entrepreneurship* (2011).

MAKE AN INVENTORY		
Who You Know	What You Know	Who You Are
Your contacts (Facebook, LinkedIn, Phonebook)	Your prior knowledge and education (School/university)	Tastes, values and preferences
Classmates, colleagues, alumni, old friends	Knowledge from your current job	Passions
Serendipitous encounters	Knowledge from your life	Hobbies
The strangers in your life	Informal learning, hobbies	Interests

Based on 'Inventory Your Means' from *Effectual Entrepreneurship* (Read, Sarasvathy, Dew, Wiltbank, Ohlsson: 2011) p.72.

Exploration

- 2.1 Horizon Scanning
- 2.2 Get Out There
- 2.3 Ideas Development



You may have decided already what social enterprise you want to build, or you may want to start something, but don't know what to start. Either way, the **Exploration** stage can help.

We consider early-stage exploration an essential part of successful social enterprise building. There are a number of tools you can use that allow you: to look for an initial idea, to develop the seed of an idea you already have or even evaluate what is already out there in the area of work that you want to develop.

In this section we explore idea generation, problem-finding and opportunity-spotting.

2.1 Horizon Scanning

Horizon scanning is a methodology used in new technology development, policy making and product innovation. Horizon scanning is usually a desk-based research activity that encourages you to explore future scenarios, current problems, issues, forthcoming technologies and emergent new ways of doing – whether it's exploring the latest technology emerging from research labs that haven't yet been released, or hearing about a clever new way that medics are delivering vaccinations in far-off countries.

In *Value Proposition Design*¹, we found a great method for horizon scanning – inviting 'Big ideas to the table with books and magazines'. As the authors explain, this is a great way to bring the world's great thinkers, groundbreaking ideas and futurologists into your office or home. Immerse yourself in them to see how inventors, entrepreneurs and philanthropists are changing the world.

Some of our favourites include:

- *Everyday Legends: The Ordinary People Changing Our World* (Baderman & Law, 2006)
- *Worldchanging: A User's Guide for the 21st Century* (Ed. Steffen, A, 2011)

¹ Osterwalder, A., Pigneur, Y, Bernardu, G, & Smith, A (2014) *Value Proposition Design*, Wiley, see p.92–93.

- *The Open Book of Social Innovation* (Murray, Caulier-Grice & Mulgan, 2010)
- *Where Good Ideas Come From: The Seven Patterns of Innovation* (Johnson, 2010)

We've also found resources online that can help you:

- <http://socialinnovator.info/reading-room/reading-groups/reading-groups>
- <http://www.producthunt.com/books>

2.2 Get Out There

Nothing is better for generating ideas than adopting the role of an ethnographer. The word ethnography derives from the Greek *ethnos* (folk, people) and *grapho* (I write) meaning the writing about people. In essence, ethnography is the systematic study of people and cultures. Ethnographers – and designers like Ideo² – observe, note and analyse how people live their everyday lives in an attempt to help others design or create a better world to live in.

Go and spend time 'in the field' – public spaces, workspaces, residential areas. Watch. Talk to people. What pains are they experiencing? How difficult are they finding it to do certain everyday tasks? What problems do you observe? Make notes. Collect problems. Look out for how other people find solutions. You might have a problem in one domain (e.g. childcare) and find solutions in another (e.g. technology).

2.3 Ideas Development

There are a number of creative tools out there, which help us to generate new ideas or work on the seeds of ideas that we have, including our favourites – *Idea Napkin*, *The Merlin Trick* and *Fake Evidence*.

The *Idea Napkin* is taken from *Value Proposition Design*, the source for *The Merlin Trick* are from the useful *The Idea Agent: The Handbook on Creative Processes*³, whilst *Fake Evidence* is a tool we use widely in our start-up workshops and comes from the Nesta *Creative Enterprise Toolkit*⁴.

² <http://www.ideo.com/uk/>

³ Michanek, J., & Breiler, A. (2014) *The Idea Agent: The Handbook on Creative Processes*, Routledge

⁴ <https://www.nesta.org.uk/toolkit/creative-enterprise-toolkit/>



Tutor Tip

You can start with simple idea sharing, validating and increasing the size of the paper you use as ideas become more developed. Keep in mind that a small work surface encourages students to keep ideas focused.

IDEA NAPKIN

For this method, you'll need:

- Lots of napkins.

In response to a given problem, you can (literally) draw your idea. Using a ballpoint or marker pen, sketch the idea – what are you offering? (Don't try to explain the 'how', simply draw the concept.) For example, below on the left is an idea presented in response to the problem of declining public transport services in the city of Portsmouth; this idea clearly requires further explanation, which you can do with other social entrepreneurs or friends in a 'pitch' of ten–30 seconds.

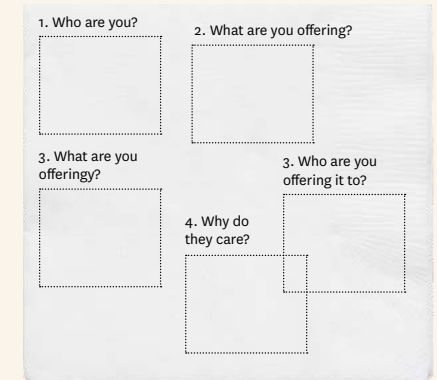
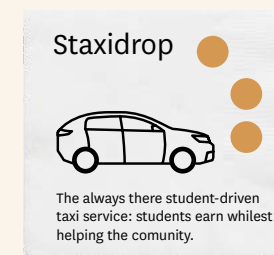
Invite ideas from other entrepreneurs, or develop ideas of your own. Once you have five or more of them, present them one after the other.

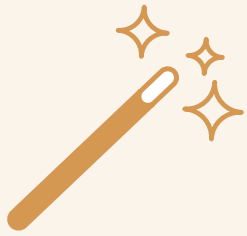
In a group, or with a friend, masking tape your ideas to a wall or a window and ask others to vote for their favourites using self-adhesive coloured dots (otherwise known as 'dotmocracy').

The idea with the most dots is the idea you might further develop or refine. Alex Bruton also uses the *Idea Napkin* concept and takes it further by asking entrepreneurs to describe their idea in more detail. His version is pictured here below on the right:

Available from: <https://www.straightupbusiness.institute/tools/idea-napkin/>

You might need larger napkins, but you'll find this useful for developing the idea further.





THE MERLIN TRICK

For this method, you'll need:

- A magic wand
- Flip chart paper
- Marker pens

We use this idea development method often in our start-up workshops and it is a great way of getting you to think in convergent and divergent ways; just as designers do on a day-to-day basis. Convergent thinking encourages you to hone in on an aspect of an idea – focussing the mind in a rationale or reductive way. We tend to think of convergent thinking as being attributable to pragmatists – like accountants. Divergent thinking encourages you to explore multiple possibilities, generating wild ideas, that might provide you with a ground-breaking idea or 'eureka' moment. We tend to think of divergent thinkers as being dreamers – like artists.

Both these views are disparaging to both types of thinker. In reality, everyday life is full of moments when we demonstrate convergent and divergent thinking. Using Michanek & Breiler's *Merlin Trick* allows you to apply both types of thinking to an emergent idea that you might have. The method works best in groups of five-20 participants. If there are only two of you, you can adapt the method we suggest for tutors below.

1. Depending on the size of your group, ask up to 20 participants in your workshop to draw their ideas in the centre of the flip chart paper – a brief one-liner and drawing will suffice. (Perhaps use the ideas from the voting exercise in *The Idea Napkin* method).
2. Now organise the room into groups of four or five with each group assigned to one idea. Ask the person whose idea it is (the Idea Champion) to briefly present or explain the idea to the rest of their group (two minutes maximum).

Now that they have explained the idea, this is when we introduce the magic...

3. Ask each group to nominate a magician and pass them a magic wand. You will then ask each magician to cast a spell on the idea. They have one of four choices:

- To enlarge
- To shrink
- To vanish
- To reverse

You are going to ask the groups to apply their spell to the next development stage of the idea. For example, if I cast a spell on a wearable health monitoring device I might end up with the following outcomes:

- I might enlarge the wearable device into a walk-through kiosk that instantly scans my vitals and gives me a printout of my state of health
- I might shrink the wearable device to one that I swallow that monitors my internal organs and travels around my body
- I might make the health-monitoring aspects vanish entirely and just design an attractive but non-functioning piece of faux-tech jewellery
- I might reverse the product idea so that instead of monitoring my health, it will instead tell me (through automated voices and alerts) what I should be eating and doing

Ask each group to cast their first spell and, between them, generate a developed idea (or new idea entirely) based on the original idea presented. Allow five-ten minutes for this development.

4. Once they have come up with some ideas in response to the spell, ask your Idea Champions to move around the room to the next group, taking their now developed idea with them. Give them five minutes to explain the original idea and how it has developed. Now ask the group magician to cast a new spell – one they have not cast before.

The process should continue until all four spells have been cast. Once completed, you can ask the Idea Champions to return to their original group where they can summarise the changes that have been made.

It is possible, and it has happened in our groups, that ideas have been changed so dramatically that they do not resemble the original idea or that entirely new ideas have spawned from the original.

This is the beauty of this method – it encourages divergent and convergent thinking around the seed of an idea. In the next section, we'll explore how you can critique ideas constructively to help future development. Before we move on to **Developing the Idea**, we're going to share one final useful idea development method.



FAKE EVIDENCE

For this method, you will need either:

- A set of markers
- A blank sheet of paper
- Scissors and glue

or

- Photo-editing software
- Access to the Internet

The *Fake Evidence* method is a particularly useful tool for sole entrepreneurs, but can work for groups too. Think of *Fake Evidence* as being an early-stage version of a prototype, but without all the pain of actually building anything.

The idea of *Fake Evidence* is to create a visual of you and/or your product as it/you might feature in, say, five years time. You can imagine your product on a billboard, featured in a magazine or TV commercial. Below is one we developed showing a social entrepreneur on the front of an imaginary magazine called *Fabriek* showing his ambition to be a cover feature!

You can see that *Fake Evidence* serves as visual shorthand for your vision and intentions.



Developing the Idea

- 3.1 Idea Validation
- 3.2 Modelling the Idea



So you have the beginnings of a great idea, now you have to turn that idea into a viable social enterprise.

In this section, the meat of the toolkit, we provide you with thinking tools that allow you to model your social enterprise and test its' viability. Don't do anything – company incorporation, marketing, buying expensive equipment – until you've developed the idea further.

3.1 Idea Validation

Once you've generated an idea, its time to start to develop it further. We call this mini-stage 'ideas validation'. Alex Bruton, aka 'The Innographer', has developed a useful early-stage tool that we think is worthwhile – *The Idea Model*⁵. He has developed a number of useful tools for innovators like you as part of what he calls the *Idea Design Kit*, and we think *The Idea Model* is a great tool for explaining/visualising what your idea is and to analyse whether it might be a viable idea to take forward.

The Idea Model has a number of sections for you to complete:

Who are you?

Briefly describe the expertise you bring to the idea or your background. For example, "Five years in fashion retailing" or "single mum with three kids; currently studying social work degree" or "Masters student, graduate of engineering, passion for sailing".

Do you have any core competencies?

These are the specific skills, expertise or knowledge that you bring to the idea.

What are you offering?

Explain what the service or product is that you are planning to offer as part of your social enterprise. For example, you might be offering an "affordable/free cleaning service to vulnerable groups subsidised by paying customers".

⁵ Visit <https://www.straightupbusiness.institute/courses/idea-maker/> for more info.

Who are you offering it to?

Be specific about who you are offering it to and how many people you think might want your product or service. There may be multiple groups; list them all.

Why do they care?

This is your 'value proposition' (more on this later). In the cleaning example it may simply be "certain vulnerable groups have mobility issues and are unable to fend for themselves" or "there are no providers in the community for them".

Tutor Tip

Use the Idea Model (A3 size) in workshops. Pair entrepreneurs and ask each to complete their worksheet (maximum 10 minutes). Then ask each, in turn, to present their idea to the other (maximum five minutes). Then ask the reviewer to complete the axis on the right. Ask the reviewer to suggest ways of improving the idea.

Once you've completed the left side of *The Idea Model*, you can – as the worksheet suggests – invite a critique from potential customers, partners and suppliers. See *what they think of the idea*.

This is a constructive method for getting feedback on your idea. Use this tool to test at least five potential customers or partners – but not your friends or family. They'll often be overly positive or critical (depending on your relationship with them) – what you need is constructive criticism.

3.2 Modelling the Idea

Now that you've got the sketch of an idea and, assuming you've already had some positive feedback (there is a real need for your product/service/venture), it's time to get planning for the next stage.

We've developed a tool based on another one widely used across the globe for all types of start-ups: *The Business Model Canvas*⁶. We developed *The Social Enterprise Blueprint* in a similar spirit to the authors of *Business Model Generation* (Alex Osterwalder and others) and start-up guru, Steve Blank. These so-called 'lean start-up' experts view the venture-creation process as being creative, iterative and interactive. They advocate for an approach that goes against the idea of writing detailed business plans from the get-go, instead promoting the idea of 'modelling' the idea and testing various propositions along the way. So, here is our blueprint...

From this point onwards, we'll be using *The Social Enterprise Blueprint* (*SEB*) to help you build a business model for your idea that is financially sustainable. This is what distinguishes social enterprises from charitable organisations or community projects: the focus on generating profits for the benefit of the social good.

Look at the bottom of *The SEB* and you'll see '*Intended Benefits: People, Profit, Planet*'. To be a successful social enterprise, you'll need to ensure that you can deliver at least *People* and *Profit*; delivering on benefits to the *Planet*, will make you sustainable in every dimension.

The *SEB* is here to help guide you through the planning and development process. Print it off large and use sticky notes to complete the sections. Every time you add a sticky note to answer the questions in each section, you are making a provisional statement about that aspect of the social enterprise. Your goal is to get away from the screen or desk (now) and test those provisional (or hypothetical) statements. Everything you have is guesswork at the very beginning and the business model will evolve over the first one or two years. Start-ups (social start-ups in particular) are constantly looking for the business model that works for them. Your blueprint will change throughout the time of the business so keep working on it...it is your guide to success.

In the following section, we will talk you through each part of the *SEB*. You don't have to complete each part in the order they appear here –you'll be constantly changing one part in relation to another. So, for example, a change to your products or services will change your income levels and the costs required to deliver them.

Remember:

Guess.

Test.

Iterate.

⁶ <https://strategyzer.com/canvas/business-model-canvas>

The Idea Model

These are the parameters to think about – and change – when you want to take a hunch and turn it into a ‘Really Big Value Idea’. *The Idea Model* began life as *The Super Hunch Sketch Pad*, designed by Alex Bruton (also known as ‘The Innographer’).

Who are you?

Who are you offering it to?

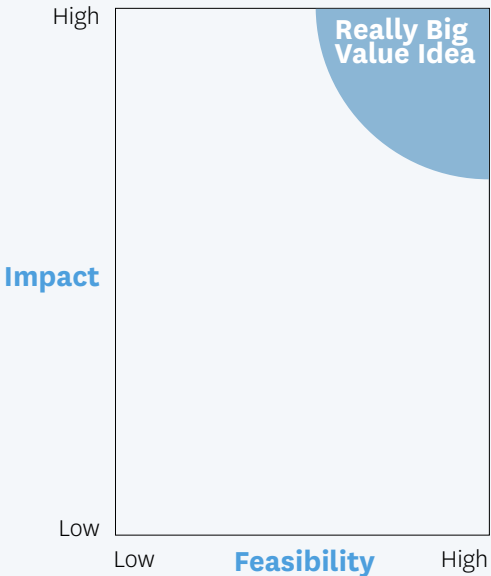
Do you have any core competencies?

Why do they care?

What are you offering?

Directions

1. “Sketch” your hunch by writing the answers to each of the five questions on post-it notes.
2. Put the Post-Its on the sketch pad in the marked areas.
3. If you don’t have enough room, then simplify.
4. Tell at least five different people about your hunch.
 - get each to tell you how feasible they think it is
 - get each to tell you how impactful they think it is.
5. Chart the feedback you get in the assessment grid below.
6. Ask yourself if you *really* care about it.
7. Repeat steps 1–6 above, making sure to change your answers to the five questions until your hunch makes it into the ‘super hunch’ zone and until you do really care.



STEP 1

Social Mission
Exploration

Horizon Scanning

- Problems
- Issues
- Solutions
- Models

You



Idea Development

- Using methods such as:
- The Ideas Napkin*
 - Thinking Hats*
 - The Merlin Trick*
 - Fake Evidence*

STEP 2

Social Enterprise Blueprint

Social Enterprise Mission

What are products/services are you offering, to whom and what problems are you addressing?

Customers

Who is actually going to pay you for your products and services? Describe the different segments (or groups) of customers/clients.

→ Go to 'Your Customers' worksheet

Marketing

Through what channels will you reach your customer base?

Products or Services

List the full range of products and services. Why is each product/service important to a particular customer segment?

→ Use 'Value Proposition Canvas' worksheet

Key Activities

Think about the planning, production and delivery tasks required

- e.g.
- Customer discovery
 - Brand development
 - Sourcing products
 - Securing office/shop space
 - Negotiating partnerships
 - Developing marketing plan

→ Go to 'Blueprint Modelling' worksheet

Key Resources

- Key partners
- Assets (buildings, equipment)
- Specific skills
- Expert knowledge

Costs

- e.g.
- Rent
 - Utilities
 - Insurance
 - Stock
 - Salaries
 - Marketing & advertising
 - Loan repayments

→ Use the 'Cashflow Forecast' template

Income

You may have Primary (product sales) and Secondary (grants) sources of income. Explore them here.

- e.g.
- Membership fees
 - Product sales
 - Hire fees
 - Consultancy
 - Product sales
 - Service sales
 - Seed investment
 - Grant

→ Use the 'Product Pricing Calculator' or 'WOW Sales Pipeline Calculator'

Intended Benefits

Your social enterprise will need to demonstrate benefits in at least two of these areas:

People

Who are the end beneficiaries of your social enterprise? How many are there?

Profit

To survive, your venture must generate profits. What is the financial surplus you are creating?

Planet

Your venture may offer environmental benefit. Specifically, what form will this take?

Getting Started

- 4.1 Social Enterprise Mission
- 4.2 Products & Services
- 4.3 Customers
- 4.4 Marketing
- 4.5 Key Activities



You have all the tools you need to get your social enterprise off the ground right here. Use *The Social Enterprise Blueprint (SEB)* as your guiding light.

Part-by-part, we'll explain each aspect of *The SEB*.

4.1 Social Enterprise Mission

Your 'Social Enterprise Mission' is a short introduction to what you do and why. It is the one aspect that will give you the most angst – just like giving yourself a name. You might want to revisit your mission as you develop the rest of the sections on the remainder of *The SEB*.

We've noticed some good examples of mission statements from other organisations (not all of them are social enterprises). See if you can identify who they are:

1. [XYZ] works for social change in the UK by researching the root causes of social problems and developing solutions. Together with the [XZA], we use our evidence and practical experience of developing housing and care services to influence policy, practice and public debate.
2. We work to create a better future every day. We help people feel good, look good and get more out of life with brands and services that are good for them and good for others. We will inspire people to take small, everyday actions that can add up to a big difference for the world. We will develop new ways of doing business with the aim of doubling the size of our company while reducing our environmental impact.
3. We are dedicated to improving the quality of human life by enabling people to do more, feel better and live longer.

Did you recognise them? We'll reveal the answers on the following page, but notice how direct they are about what they do. Your social enterprise mission is not a strapline; neither should it be lengthy (no.2 above is perhaps too long). In *The Art of the Start 2.0*, Guy Kawasaki suggests that start-ups require a three or four word 'mantra' that instils a sense of positivity, is short and sweet and has an 'outward focus' (expressing what you do for your customers or society). Rather than give yourself a challenging task of three-four

words, try three or four sentences to create your mission statement. If you don't know who or what you are yet – come back and revisit once you've developed your blueprint. Many of the methods we introduce over the coming pages will allow you to build this stronger picture of your enterprise's mission.

Oops. We almost forgot. The answers...

1. Joseph Rowntree Foundation (JRF)
2. Unilever
3. GlaxoSmithKline

No apologies here for choosing two large, dastardly corporates. Their mission statements sum up what they do well. Whether they follow through with their missions is another question altogether (see values previously) but the focus on what they aim to do, and for who, is immediately understandable without dwelling on technical details about the products they provide. By contrast, JRF is slightly more descriptive of what it actually does (researching the root cause of social problems) with the added positivity of 'influenc[ing] policy, practice and public debate'. We like it.

You can apply some of the words that describe your values – but don't make it so abstract (e.g. 'we aim to change the world') that you don't sound credible or believable.

Now, moving clockwise around *The SEB*, let's look at the next part: your products and services.

4.2 Products & Services

For your social enterprise to succeed you are likely to need a portfolio or bundle of products and services to serve the particular needs of a group of customers; the creation of products and services should be done in tandem with an understanding of what customers need.

So, you might be developing an idea that includes the hiring out of office or community space. What is unique about this space? What features/extra offerings does it provide: free wifi, access to easy parking, tall ceilings or walls that act as blackboards? How would you describe this product to one of your potential customer groups? How can you generate enough income from this space every day of the week? How often do customers need to use your space? Hourly? Daily?

For every product or service idea that you think you have, you raise even more questions about what customers want from you, and ultimately, *how much they are prepared to pay for it?* You won't have a social enterprise for long if you provide space for free; you need to generate a cash income.

Let's take another idea.

Imagine you're developing an app that is in the mental health arena. Let's imagine that it is providing essential help for teenage girls, part safety and part security, with confidentiality built in. You will need to describe its features, e.g. 'It allows anonymous posts on personal issues to be shared with our network of online advisors'. A great app with useful features – but consider the challenge of sustaining it. Teenage girls may be *beneficiaries* of the service you offer, but how might you generate income from it?

The end users of your product or service are not necessarily the *paying customers* of your service. On your '*Customers*' section, you'll need to be clear about who the people paying for your enterprise and your services are. If you don't have any paying customers in this part of the canvas (whether they are government agencies, commercial companies or individuals) you'll be struggling to survive as a social enterprise.

This relationship between your '*Products & Services*' and '*Customers*' is a critical part of your social enterprise business model. Finding a relationship between '*Products & Services*' and '*Customers*' is often described in terms of 'finding the right fit'. Find a perfect match between what you have to offer and what customers want, and you'll experience the kind of fit that leads to profitable business.

To help us with our '*Products & Services*' and '*Customer*' parts of our SEB, we make use of *The Value Proposition Canvas*⁷, developed by Strategyzer.

The value proposition element is our equivalent to '*Products & Services*'. You can start by listing the products and services you think you might be offering and then bundle them under one value proposition. For example, you might be offering one-on-one mentoring, group training and online learning resources for care providers. This group of products/services might be offered to address a problem in relation to reducing staff training costs or reducing the risk of mistakes by staff. In the latter instance, your value proposition for this particular bundle is about providing 'high quality, accessible training to prevent risks in social care'.

It is unlikely that you will be able to offer lots of value propositions to all of your customers. Businesses of all kinds are rarely able to offer cheap, affordable, high quality, bespoke, timely and accessible products all at once – customers just don't believe you can offer all that you promise.

⁷ <https://strategyzer.com/canvas/value-proposition-canvas>

You can begin by listing the types of products and services you think you will be offering them, and then consider what your overall value proposition is from these. There are a number of characteristics that you can articulate to your customers about a bundle of products and services. Examples include:

Newness

You might be the first to offer a kind of product or service and this in itself is enough to draw people in. A widely cited example here is the mobile phone, which nobody really needed when it was launched, which soon became a worldwide phenomenon because people felt they simply had to have one. Don't underestimate the power of newness to get customers hooked.

Performance

Your product or service may offer some benefits to customers that are performance-enhancing. In many cases, this might be about a faster way to connect, more capacity or more power. For example, your new environmentally friendly solar powered product may afford a 50% longer battery life.

Customisation

In the late-1990s/early noughties, web sites offering customization became the great promise of the dotcom era. Finally, in the 2010s, we're experiencing customisation for: greetings cards, website hosting, home textiles and e-learning. So-called 'white-label' services and platforms allow customers to tweak their products to suit their needs. Your social enterprise could offer levels of customisation never seen before in your market – as long as customers actually need it. Don't be tempted to say that you offer a customised consultancy as all consultancy is customised; that won't be enough to distinguish you from competitors.

'Getting the job done'

Your product and services may meet the needs of a customer which are solely focussed on, alleviating the pressure of customers, being able to undertake tasks or provide their own services. For example, you might provide a service that helps a third sector organisation fulfil its statutory obligations – say in accreditation or incorporation. Or you provide an essential piece of infrastructure that allows others to go about their business – office space, contract staff or accounting.

Design

Many will equate design with the world of fashion and consumer electronics. In fact, as Thomas J. Watson Jnr., former CEO of IBM in the 1950's says: "good design is good business". Your product or service may be distinguishable by its design; not just in styling but in ease-of-use and functionality. Design, as a characteristic of your offer,

may range: from the quality of the brand you create for your company, through to the design of the user interface (UI) of your product; or the design of the 'touchpoints' that your customers come into contact with: business cards, reception and meeting rooms, packaging and/or the physical product itself. Customers make decisions based on how well products are designed.

Brand/Status

You may find customers will choose your company, product or service simply based on the attractiveness of your brand. Many well-known brands started off underground with a small but dedicated following which creates a sense of cult status (e.g. Fat Face or Howies). The 'coolness' of a brand – the mystery and intrigue – can often be enough for early followers to associate with you. Your brand image can be as essential as the usefulness of your product.

Price

Being attractive to customers on price can always be a risky business. Chances are you won't be able to compete against competitors for long, solely on price, but it can be a way to establish a new customer base. Be creative in your pricing; explore freemium models as well as offering early-bird discounts.

Cost Reduction

When you offer a product or service that saves customers money, you're offering cost reduction, for example if you offer a process that reduces staff time (which equates to cost) through the use of a productivity app or if you provide a service that monitors water and electricity usage. You might offer virtual customer management services which reduce staff and office overheads – these are all cost reduction value propositions.

Risk Reduction

When you are looking to buy a home in the UK and you employ a solicitor to sort out the legal transactions, it is possible to take out home-buyers insurance. For a one-off fee, a house buyer can mitigate against incurred legal costs should a house purchase fall through (something that happens often in long purchasing chains). What can you offer to reduce customer exposure to risk?

Accessibility

Social enterprises are motivated by supporting under-represented and under-privileged groups or communities. Offering products and services to those who have not previously had access can be an attractive value proposition. For example, offering low-cost consumer technology to an ageing community or designing products that allow disabled customers to realise their dreams in extreme sports. Questions of accessibility are not always about affordability – they can also be about accessible design.

Convenience/Usability

Connected to notions of accessibility, though clearly distinct in its own right, convenience and usability are about making access to the products or services you offer vastly improved from what has been available. An often cited example here is the Apple iTunes and iPod bundle of products/services. Before iTunes, searching for (and downloading) good quality music from major record labels (and independents) was an arduous (and illegal) process. The iTunes store changed that – making searching, browsing, exploring, purchasing and downloading really simple. It was worth paying a few pence or cents instead of breaking the law. Add to that the ease-of-use of the MP3 player ‘iPod’; listening and sharing music has never been easier. Think about a product or service that makes everything a lot easier (and convenient) for your target customer, from purchasing right the way through to recycling.

We’ve mapped out a few examples above of the distinguishing characteristics of products and services.

4.3 Customers

Developing products and services that sell – that make money – has to be your priority. Whether this is directly to customers or via third parties, you need to have in mind the demand for what your business has to offer. There are a number of useful tools out there that help entrepreneurs consider the customer dimension to business, but the one tool we’ve used often is this simple worksheet developed by Nesta:

The idea of the ‘*Your Customers*’ worksheet is to consider each segment of customer that you are likely to serve. You might, for example, be selling your product to “busy commuters” and label this as your first customer group. Further exploration or thought might help define this customer segment more precisely. Your “busy commuters” might actually be further segmented by age group – for example school pupils/university students or professional office workers. Such differences in customer type may be slight, but they can mean that you offer them a different type of product.

Once you have defined them as a segment, now describe them – using words and/or pictures. Here, you’re trying to paint a picture of: the type of products and services they already buy, what they do, what they wear and possibly what is important to them. In the world of user experience design (UX design), this picture is often described as a persona. These personas are often fictional representations of a type of customer – complete with fake names and a whole narrative about their world. Personas are archetypal and purely speculative. Our methods require you to go out and understand real customers – so build a profile of your customers based on real-life observations

and conversations. The sections ‘*What are Their Needs?*’ and ‘*What are You Offering Them?*’ give you the chance to think through the specific ways you meet their needs.

Now, here comes the essential bit: the numbers.

‘*How many are there?*’ In other words, exactly how many of them are there? Now, if you are offering a local or bespoke service to a niche customer segment you might be able to literally count them all. If you aren’t able to count them, then use desk-based resources to estimate the total number of people in this segment. Don’t rely on Wikipedia or secondary sources like the BBC or The Daily Mail – use reliable desk-based sources such as Mintel or LexisNexis, Audit Bureau of Classifications (ABC) or Rajar. Use your university or city library. Or even better, if you live in the UK, The British Library. If you can’t find the data, consider using seed funds to buy the data from a reputable source.

Once you have an idea about how many, estimate how many of these will you reach? These are potential customers who you manage to reach in terms of marketing and promotion and then purchase. That’s quite a lot of converting activity taking place there – from prospects into customers. So as a rule-of-thumb, depending on the type of products and services and the size (or volume) of the market, we suggest using anywhere between 1-10% as the figure you estimate. So, for example, if you were selling a business-to-business consultancy service and you estimate there are only 30 potential clients in your market, we would estimate that 10% might become your customers (that’s only three). However, if you were selling a consumer-type product to 200,000 people living in city, we’d err on the side of caution and suggest that you might only reach 1% of these – 2,000. As your social enterprise develops, you’ll be able to see whether these estimations are realistic.

Now you have an estimate of the number of customers you are going to serve, how frequently will you serve them? A coffee shop might sell to them three times a week; an after-school club once a week; an outdoor activity centre perhaps only once a year.

How much will they pay? Ask potential customers directly about what they would be prepared to pay for your product or service – don’t just rely on looking at competitors and guessing. Find out.

Once you know all these figures, do the maths. So, How Many x How frequently x How much. For the coffee shop example:

How many? × How frequently × How much = Potential Total Income
300 × 3 × £2.50 = £2250 per week

That’s a reasonable amount of income selling coffee to those busy commuters.

Once you've developed a picture of each of your customer segments, it is worth making that link back to the products and services that you are offering them; go out and speak to customers about their needs and how you might meet them. This is where your MVP can come in – let customers taste your first batch of coffee; devour the newly baked pies; view screenshots of how your online community platform will work; hold and see the prototype woven basket you've imported. Then watch and listen to what they say about it, test it on more and more customers and then tweak the product until you find that perfect product-customer fit.

Reaching customers can of course be challenging, particularly if you are a new entrant in an emerging market in an area that you are unfamiliar. This is where the power of marketing comes in. Use a marketing brain when speaking to these early customers – describe them as essential to your business, give them discounts if necessary and make them feel part of the brand community that is your business.

Even in these early stages as you test ideas on potential customers, once you have: a presence online, a name of your venture and some prototype or sample product to try, it is time to start mapping out your marketing approach.

4.4 Marketing

Marketing professionals would probably advocate for a detailed and complex marketing and communications strategy or plan. In the world of start-ups - by using tools like *The Social Enterprise Blueprint* – you'll already be working on your marketing by default: you're developing the key messages for your value proposition; you're already considering your target audiences through customer segmentation. So rather than introduce a whole load of other terminology or marketing jargon, we're merely going to encourage you to think about the channels that you are going to use to market your products and services to your customer segments. When using *The Social Enterprise Blueprint* or any of the other tools that we mention here (*Business Model Canvas*, *Value Proposition Canvas*) do not be tempted to start using any other tool or method from the world of marketing. Ignore the “7P's” or any other terminology – simply keep your mind focussed on the channels. How do I reach my customers with my message about what I have to offer?

To help you, we've designed a really simple '*Marketing Matrix*' on pages 40-41. Don't use anything else in combination with *The SEB*.

4.5 Key Activities

These are all the key activities you need to undertake to get your business off-the-ground to serve its first paying customers and beyond. They'll be the planning, production and delivery or (as is described in the Nesta worksheet *Blueprint Modelling*) engagement, development and delivery tasks required of any project.

A simple checklist of these tasks may include:

- Customer discovery
- Brand development
- Sourcing products
- Securing office/shop space
- Negotiating partnerships
- Developing marketing plan

If you are comfortable with project management processes and software, use that. However, we've been using a simple project management tool for managing key activities (and people) that requires a few sticky notes and an open mind – don't be intimidated by how much you have to do.

Start by using sticky notes to write down literally all the tasks you can think of. You can use the '*Engagement*', '*Development*' and '*Delivery*' sections to prompt you. You can stick them in one of the four quadrants on the left (Part A) and decide which ones are '*Backstage*' or '*Onstage*'. Backstage tasks are those that are undertaken out of the customers view. Onstage tasks are those that engage the customer or are visible to the customer in some way. So, for example, if you run a series of workshops for adults, often the customer themselves are involved with agreeing and co-ordinating content or activities. That would be onstage. In the same scenario, there may be some development work related to (lets say) handouts or toolkit material (like the one you are holding). As you read this, you would not have seen the author spending hours writing and redrafting and then working with colleagues and editors to get it published. All of that activity is backstage. Your handouts may involve a photographer, illustrator and perhaps even a copywriter or collaborator/trainer, all who remain out of view of the customer.

Once you have written lots of the tasks, you'll see that you'll need to create some semblance of order or sequence. Where to start?!

You'll also notice the first and most obvious point – you have simply too much to do. Now is the time where the effectual you (see page 11) will need to kick in: start to delegate.

Social Startup Marketing Matrix

Who?	CHANNELS			
	Advertising	Direct Marketing	Social Media	Sales Promotion
	Different forms of advertising (press, TV, poster [bus shelter, train station], radio) may feature here. Name the specific channel if you can. Describe here:	These may take the form of both print or digital form. Email campaigns are a form of direct marketing as are leaflet inserts in local newspapers. Describe here:	It is ubiquitous and now the quickest way to spread the meme! Be specific about the channel you use (Facebook, Twitter, LinkedIn for example). Look for new platforms that are relevant to your customers	You can create a buzz around your product through promotions you run with other partners, or alongside already existing services, particularly in the retail domain. So, for example, if your product is available in an independent shop, think of promoting offers at the till point.
Customer Segment 1				
Who?	Describe here:	Describe here:	Describe here:	Describe here:
Customer Segment 2				

		TIMESCALE	AIM	BUDGET
Publicity/PR	Personal Selling/ Field Sales	When is this required by?	What metrics will you use for success? Is it awareness? Sales?	Allocate budget to make it happen.
Whenever you have something to say - write a press release and promote it. Send it to editors, radio presenters and online media. Compliment it with social media follow-up. Host an event to raise your profile. Describe here:	Being out on the street and being visible is still a highly effective way of marketing. You are your business - get out there. Describe here:	Describe here:	Describe here:	Describe here:
Describe here:	Describe here:	Describe here:	Describe here:	Describe here:

Your Customers

Use this worksheet to build a picture of your potential customers and customer groups. You might want to copy the worksheet and try it several times for different customer groups.

Write onto the stickies and place them onto the worksheet. If you want to change it later simply remove the sticky and try again.

You can do this informally, from memory, or with friends or colleagues. Ideally you should be talking to your potential customers who will buy your product or service and, if different, the end users.

Be open to feedback and fresh perspectives as people can come up with the suggestions you haven't considered.

What do you call this customer group?

Draw them – or stick a ‘found’ picture here

What are their needs?

What are you offering them?

How many are there?

How many of those will you reach?

How frequently?

How much will they pay?

Potential total income?

Blueprint Modelling

Use this worksheet to help you visualise how your business will function and describe how business will be done.

PART A: Operational Stages

Every business has these:

- 01 Engagement Stage: The time that it takes to plan who your prospective customers are and how to persuade them to buy from you.
- 02 Development stage: The time that it takes to design and create your offer.
- 03 Delivery stage: The time it takes to get your product or service to your customer.

Activities take place either in front of the customer – ‘Onstage’ – or out of sight of the customer – ‘Backstage’.

Write stickies for your business activities and place them in the relevant boxes. Consider doing this in a small group or as a pair.

Activities in the areas shaded in green represent costs that cannot be charged to the customer.

PART B: Blueprint Modelling

Map out all the steps you will need to take to deliver your product or service, in a linear flow diagram. Map the entire process in very small steps. Use a sticky for each step.

PART A: Operational Stages

Backstage

Onstage

PART B: Blueprint Modelling

Start here

Engagement

e.g. Things like customer and market research

e.g. Things like networking or exhibiting at trade-shows

Development

e.g. Things like developing briefs and ideas

e.g. Things like showing customers early prototypes

Delivery

e.g. Things like design reviews and making decisions

e.g. Things like design reviews and making decisions e.g. things like presenting to a customer or client



Finishing here

With your pile of tasks arranged in their respective quadrants, take a photo on your smartphone or camera and save it. Now try and rearrange the sticky notes onto Part B in chronological order – starting at the top and working down to the bottom. Your end point is your successful launch or serving your first customer.

You will find that some tasks can be undertaken concurrently. On the following page is an example of one that we completed in our workshops showing the tasks to putting on a group art exhibition.

The example pictured below shows just how many concurrent tasks there are when running a project – don't be put off by this, simply stay on top of them.

Putting on an Exhibition

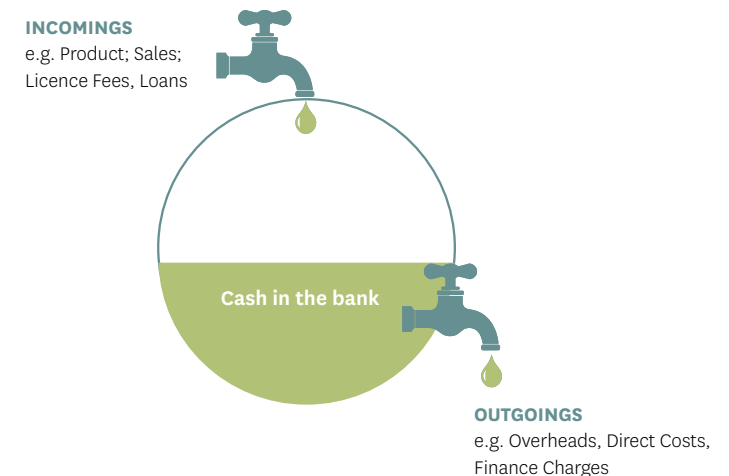


Sustaining the Venture

- 5.1 Income
- 5.2 Outgoings (Costs)
- 5.3 Pricing Strategies
- 5.4 Intended Benefits

The most critical frame of mind that any entrepreneur needs to adopt, is one that focuses on the financial sustainability of the business idea. Social enterprises are no different in this regard. In this section we run through some of the essentials of financial sustainability.

We begin with a look at one of the most useful diagrams that you'll encounter in your social enterprise journey.



Every time we share this diagram, heads nod in acknowledgement or agreement. You see, the secret to being a successful entrepreneur of any kind doesn't necessarily require a comprehensive grasp of accounting – you simply need to balance your outgoings with your income by keeping 'liquid'. Your aim has to be to keep cash in the bank, by ensuring you generate enough income to counter all the financial outgoings (costs). Businesses – and particularly start-ups – fail when not enough attention is paid to the bottom line. You can use the *Cashflow Forecast Template* to help you predict both income and outgoings (costs).

5.1 Income

Let's start with the positive side of business – your income. You may have multiple sources of income. In fact, it is a good idea to develop a business model that does have multiple sources of income or at

least one that doesn't rely on one customer. Too many third sector organisations rely on public funding to sustain themselves. In this section we discuss the different types of income. These may be either a primary source (e.g. product sales) or secondary (e.g. grant income).

Membership or Subscription Fees

Whether you are establishing a networking venue, a special interest community or a monthly publication, membership or subscription fees provide regular income that can sustain a social enterprise well. Registered members or subscribers to products or services not only provide regular income that allows you to more comfortably predict your financial future, they also tend to stay as members for longer than they perhaps originally intended. Have you considered offering products or services that until now have never been offered on a subscription basis?

You can also 'tier' membership and subscription fees so that there are perhaps premium or executive services offered for a higher fee. You can offer value-add services for extra annual or monthly fees – a good example of this is the business model for Evernote. The cross-platform note-taking tool offers extra functionality for a premium price whilst offering basic functions for free. You can explore similar fee structures in areas such as meal provision, health care, cleaning, advisory services or magazine publishing.

Product Sales

If you provide tangible products – for eating, using, sharing or working with – you'll be generating product sales. Depending on the volume of products that you are creating, how you price your products will vary. In 5.3, we'll explore '*Pricing Strategies*' in more detail. See page 51.

Hire fees

As a social enterprise, you may have ownership of capital resources (equipment and/or buildings) that may be useful to community or business groups. Resources that you might use part of the time can be redeployed in 'downtime' for use by others – make the most of them and think about hiring them out.

Consultancy

Consultancy can provide you with high-value income that can underpin your social enterprise in the short-term or can be a core part of your offering. Consultancy work is, by its nature, labour intensive, but consultancy fees can include a huge amount of margin if you think your market can afford it. Consultancy models vary, but work costed out on an hourly basis or fixed-fee basis can generate healthy income. If you have specialist expertise to offer, don't be afraid to charge at least commercial market rates if you can.

Service sales

Service sales are likely to be more contractual in nature – perhaps offering a health advice line to a local government or supplying online services on a monthly basis. Service sales can create more reliable forms of income as you can predict how many service customers you have months in advance. Offering services to large organisations that require it for a large number of end-users are likely to be the most profitable as opposed to single end-users who may not sign up for services in the long term. Encourage service users to join monthly or annual payment plans; think about offering a tiered pricing structure so that premium services can be added for extra fees.

Seed investment

Another source of income is investment from you, your friends and family or outside investors. Seed investment secured amongst friends and family can be essential in the early stages as you take your social enterprise from idea to business venture. All start-ups need cash to get them going, so seek early investments from people you know. Consider only going to external social investment networks once you've proven the potential viability of your venture. In the meantime, use crowdfunding platforms like *Helping B* See Case Study to find investors who have an interest in supporting social enterprises.

Grants

Although we include grants as another important source of income, what distinguishes social enterprises from not-for-profit or the charitable sector is their non-reliance on grant income. Public sector funding in particular is harder to come by and the private sector (e.g. banks, investment funds) is an ever-more important source of grant income. Explore start-up grants from organisations such as The Social Investment Business⁸, UnLtd⁹ or Big Lottery Fund¹⁰ or consider loan/grants from Virgin Startup Loans, Santander or your local economic partnership (LEP).

5.2 Outgoings (Costs)

Now onto the costly bit: your outgoings. You should by now be using the *Cashflow Forecast Template* to predict your anticipated income. Use it now to provide a detailed overview of your anticipated costs on a monthly and annual basis.

Each type of outgoing will vary depending on your business model, so don't stick to the 'line items' that we use as an example here. Change the items in the first column to suit your needs.

⁸ <http://www.sibgroup.org.uk>

⁹ <https://unltd.org.uk>

¹⁰ <http://www.biglotteryfund.org.uk>

Cashflow Forecast Template

Cash Flow Projections	Start-up Costs	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
CASH INFLOWS									
Jeans Sales	£0	£0	£0	£0	£0	£0	£0	£0	£0
Blouse Sales	£0	£0	£0	£0	£0	£0	£0	£0	£0
Party Dress Sales	£0	£0	£0	£0	£0	£0	£0	£0	£0
Additional Wholesale Income	£0	£0	£0	£0	£0	£0	£0	£0	£0
Directors Loan	£2,000	£0	£0	£0	£0	£0	£0	£0	£0
Bank Loan	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Cash Inflow	£2,000	£0	£0	£0	£0	£0	£0	£0	£0
CASH OUTFLOWS									
Direct Costs									
Materials	£0	£0	£0	£0	£0	£0	£3,050	£3,700	£4,800
Direct Labour	£0	£0	£0	£0	£0	£0	£0	£0	£0
Delivery / Postage	£0	£0	£0	£0	£0	£0	£0	£0	£0
Marketing	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Direct Costs	£0	£0	£0	£0	£0	£0	£3,050	£3,700	£4,800
OVERHEADS									
Salary	£0	£0							
Office / Shop Rent	£0	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000
Software / Web Service	-£70	£0	£0	£0	£0	£0	£0	£0	£0
Telephone	£0	£0	£0	£0	£0	£0	£0	£0	£0
Utilities	£0	£0	£0	£0	£0	£0	£0	£0	£0
Travel	£0	£0	£0	£0	£0	£0	£0	£0	£0
Printing	£0	£0	£0	£0	£0	£0	£0	£0	£0
Equipment Rentals	£0	£0	£0	£0	£0	£0	£0	£0	£0
Accounting	£0	£0	£0	£0	£0	£0	£0	£0	£0
Legal	£0	£0	£0	£0	£0	£0	£0	£0	£0
Insurance	£0	£0	£0	£0	£0	£0	£0	£0	£0
Repairs / Maintenance	£0	£0	£0	£0	£0	£0	£0	£0	£0
Supplies - Office	£0	£0	£0	£0	£0	£0	£0	£0	£0
Postage	£0	£0	£0	£0	£0	£0	£0	£0	£0
Bank Charges	£0	£0	£0	£0	£0	£0	£0	£0	£0
Training and Development	£0	£0	£0	£0	£0	£0	£0	£0	£0
Other	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Overheads	-£70	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000
Capital Expenditure									
Vehicles	£0	£0	£0	£0	£0	£0	£0	£0	£0
Machinery and Equipment	£0	£0	£0	£0	£0	£0	£0	£0	£0
Computers and Other IT	£0	£0	£0	£0	£0	-£1,000	£0	£0	£0
Total Capital Expenditure	£0	£0	£0	£0	£0	-£1,000	£0	£0	£0
FINANCE COSTS / RECEIPTS									
Repaid Loans: OUT	£0	£0	£0	£0	£0	£0	£0	£0	£0
Interest Paid / Received	£0	£0	£29	£23	£15	£36	£18	£17	£40
Total Finance Costs	£0	£0	£29	£23	£15	£36	£18	£17	£40
Total Cash Outflow	-£70	-£2,000	-£1,971	-£1,977	-£2,964	£1,068	£1,717	£2,840	£1,992
Net Cash Flow	£1,930	-£2,000	-£1,971	-£1,977	-£2,964	£1,068	£1,717	£2,840	£13,292
Opening Bank Balance	£0	£0	-£2,000	-£5,948	-£7,933	-£10,897	-£9,829	-£8,112	-£5,272
Closing Bank Balance	£1,930	-£2,000	-£3,971	-£5,948	-£7,933	-£10,897	-£9,829	-£8,112	-£5,272

Sep-19	Oct-19	Nov-19	Dec-19	Total Year 1	Year 2 % change	Assumed Amount	Year 3 % change	Assumed Amount
£1,500	£2,999	£3,599	£4,499	£12,596	0%	£12,595.80	25%	£15,745
£2,800	£4,200	£4,200	£4,200	£15,400	50%	£23,100.00	25%	£28,875
£7,000	£7,000	£10,500	£7,000	£31,500	0%	£31,500.00	0%	£31,500
£0	£0	£0	£0	£0	0%	£0	0%	£0
£0	£0	£0	£0	£0	0%	£0	0%	£0
£0	£0	£0	£0	£0	0%	£0	0%	£0
£11,300	£14,199	£18,299	£15,699	£59,496		£67,196		£76,120
£3,950	£0	£0	£0	-£15,500.00	5%	-£16,275	5%	-£17,089
£0	£0	£0	£0	£0	5%	£0	5%	£0
£0	£0	£0	£0	£0	5%	£0	5%	£0
£0	£0	£0	£0	£0	5%	£0	5%	£0
£3,950	£0	£0	£0	-£15,500.00		-£16,275		-£17,089
£0	-£2,000	-£2,000	-£2,000	-£6,000	5%	-£6,300	5%	-£6,615
-£2,000	-£2,000	-£2,000	-£2,000	-£24,000	5%	-£25,200	5%	-£26,460
£0	£0	£0	£0	£0	5%	£0	5%	£0
£0	£0	£0	£0	£0	5%	£0	5%	£0
£0	£0	£0	£0	£0	5%	£0	5%	£0
£0	£0	£0	£0	£0	5%	£0	5%	£0
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£0	£0	£0	£0	£0	5%	£0	5%	£0
£0	£0	£0	£0	£0	5%	£0	5%	£0
-£2,000	-£4,000	-£4,000	-£4,000	-£30,000		-£31,500		-£33,075
£0	£0	£0	£0	£0		-£1,000		-£1,000
£0	£0	£0	£0	£0		£0		
£0	£0	£0	£0	-£1,000		-£2,000		-£2,000
£0	£0	£0	£0	-£1,000		-£3,000		-£3,000
£0	£0	£0	£0	£0		-£3,400		£0
£42	£44	£68	£70	£402		£871		£916
£42	£44	£68	£70	£402		-£2,529		£916
-£3,956	-£3,932	-£3,930	-£3,930	-£3,930		-£53,304		-£52,248
£10,243	£14,367	£11,769	£11,769	£11,769		£13,892		£23,872
£8,020	£18,263	£32,629	£32,629	£32,629		£44,398		£58,290
£8,020	£18,263	£32,629	£44,398	£44,398		£58,289.60		£82,162

You'll have a series of outgoings, which are described under '*Direct Costs*', '*Overheads*' and '*Capital Expenditure*' in this example.

Direct costs are related to expenses incurred in the direct production of a product or service. So, for example, a fashion designer will have materials costs directly related to the products she makes. If you are running a social enterprise café, your direct costs might include the cost of coffee beans, bought-in cakes or buns. You might include specific labour costs or agency/marketing costs here which are brought in specifically for the delivery of a specific product or service. They may not be associated with year-long marketing costs – for example 'search engine optimisation' (SEO) costs which you might pay for on a rolling basis. Direct costs tend to be costs which are variable. Indeed, the type of expenses listed under '*Direct Costs*' can vary from business to business, so always seek the advice of an accountant or qualified finance professional in this area.

Overheads are the category of costs that relate to the regular day-to-day running costs of your business. They are costs that are likely to be always there, regardless of the number of products, and services you offer. If you offer regular employment, all of your employment costs – salary, national insurance and pension contributions – would be part of your overheads. It is common for early-stage entrepreneurs to defer from drawing a salary from the business (if they can afford it) until they start to generate some income. In the example above, the designer defers taking a salary until October 2019 and already loaned the company £2000 for start-up costs.

Capital Expenditure (also known as Capex) are costs incurred for the acquisition or maintenance of fixed assets. These can be land, machinery, vehicles, buildings or electronic equipment (for example). What is termed capital expenditure can vary country-to-country, so check with your accountant or on government websites. Capital expenditures can be spread over a long period of time (years) for accounting purposes or may be shown as one-off payments in a particular year. In our example here, our entrepreneur spends £1000 on a laptop.

5.3 Pricing Strategies

One of the challenging aspects to creating a sustainable social enterprise is how you price your products and services. Many social enterprises think first and foremost about customer affordability and set arbitrary prices for their products. However, it is useful to take a broader view of how you price and position the products you offer in the marketplace. This we call a *Pricing Strategy*. In the start-up world, new ventures are as creative with how they price their products as they are with the products themselves. And social enterprises can be

just as creative. Let's explore the different ways of pricing your products and services – see if any of them might work for yours.

5.3.1 Value-Based Pricing

This form of pricing describes products or services that are based on customers' perceived value of your product and what they are willing to pay. Value-based pricing is prevalent in the world of consulting services where service agencies offer a piece of consulting work often based on intangible or 'priceless' outputs. So, for example, if you were creating a wholly new type of service in the area of staff development, you might be able to price varying according to the perceived benefit this might bring an organisation – ranging from a few 100 pounds to 1000's. Value-based pricing works well for innovative or costly products where the time you spend on provision to a customer can be substantial. Graphic designers use value-based pricing a lot in their work for a variety of clients with different spending needs and with different ideas (for example) about the value of a new brand identity. Sometimes, value pricing goes hand-in-hand with seller reputation: if you provide something special or are likely to improve the reputation of a client/customer through them doing business with you, you can consider value pricing.

5.3.2 Competitive Pricing

This form of pricing describes products or services that are priced in relation to competitors in the market. Often, when considering competitive pricing, businesses choose to offer a cheaper alternative. This could, ultimately be a costly strategy to take – if you lower your prices, chances are your competitors will too and you all end up in vicious spiral of downward pricing. Competitive pricing can also work the other way – upwards. You can price your product higher if you believe you are offering a premium service compared to competitors (or if you feel this will help distinguish you as a quality provider). It works well for the John Lewis Partnership, with John Lewis chain of stores operating under the promise of 'Never Knowingly Undersold'. This allows John Lewis to charge premium prices in the knowledge that the products they sell are the best in quality (and in some cases come with an extended warranty). You too can price your products or services with an added premium if you believe your product is superior to a competitor.

5.3.3 Volume Pricing

If you're selling multiple products to one customer, you can consider pricing according to how large their order is. So, for example, if you are selling sustainably sourced handbags made in Africa to a retail chain, you can think about charging less for an order of 100's compared to selling a smaller order to a local shop who are likely to only want a handful. Volume pricing takes into account that it is worth offering volume discounts as the size of the

order still reaps good margins. Volume pricing is particularly useful if your customers are guaranteed sources of income. You can use volume pricing as a way of incentivising your customers to buy more of your product whilst offering value for money. You should always make sure you cover your costs of producing the product (unit cost) in the first place regardless of how many you make!

5.3.4 Portfolio Pricing

Social enterprises that develop a range of products – particularly textiles or home accessories – should consider the pricing of each product in relation to another. For example, if you're selling air plants in jars of varying sizes, alongside other accessories such as coloured stones, kits and jars, you would need to price them so that your core products aren't 'undercut' by others in your portfolio. Apple® prices its mobile phones in relation to all the models in the range; if it offered similar products at extreme pricing levels (high and low), its customers would be highly confused resulting in some of those models not selling at all. You can also use 'Portfolio Pricing' as a way of encouraging your customers to 'step-up' in quality or expenditure – offering 'entry-level' products at affordable prices and 'premium-level' products at higher prices. Use your portfolio of products to 'cross-sell'; just be consistent in your pricing strategy.

5.3.5 Razor/Razor Blade Model

Also known as the 'Printer/Printer Cartridge Model', this pricing strategy encourages you to adopt the strategies of companies like Gillette or Epson. Here, these companies offer a core product – a razor blade handle or printer – at a seemingly affordable price. These are often sold close to unit cost, where margins are small. Where they make their money is selling razor blades or printer cartridges at inflated prices – once you're 'locked in' to a particular razor handle or printer, you can't help but buy the accompanying blades or cartridges. These are then sold in large volumes, creating huge profits. You too might consider this option. A variant of this model has been adopted in coffee bars, where customers are sold branded mugs and cups in return for discounts on coffee bought during the week. It's a form of loyalty scheme and shows how the razor/razor blade model can work in other product categories.

5.3.6 Subscription

Pricing your products/services through subscription is a healthy way of maintaining financial sustainability for a social enterprise. Whether these are weekly, monthly, quarterly or annual subscriptions, a regular income from subscribers is always good for business. As we explored on earlier pages, a subscription for physical or virtual services can work well for social enterprises. When pricing for this, make sure you again provide incentives for longer term commitments or for premium-level services. *The Freemium Model*

(made popular by *Wired* editor Chris Anderson's *The Long Tail*) is still a good model for social ventures looking to provide short-term incentives to customers who might eventually pay a lot more in the future. A word of caution though: people expect too much from the social good sector for free, so make sure that you have a structured plan to turning free-paying customers into fee-paying ones as soon as possible!

5.3.7 Leasing Model

Pricing products to lease should always balance covering your costs (usually to acquire or make the product) with the monthly or yearly budget of your customer. Remember, if you are leasing equipment or buildings to a customer, you are saving them money in the short term so that they don't have to raise capital. In the longer term, you still need to make a profit, so make sure you calculate a monthly or annual rate that will guarantee this. For example, the lease of a room in a building, where it is unclear if a customer will continue to use it often should command a higher price. A customer who is committed (contractually to you and not simply word-of-mouth) could be paying less than the short-term customer on a monthly basis but over the life of the contract should still be giving you good profits.

5.3.8 Product-Based Pricing

This approach to pricing is useful for all kinds of physical products from: T-shirts to ceramic pots; handbags to smart watches. The starting point for this is a detailed understanding of the costs involved in making the product. Then you can consider your 'mark-up' on that base unit cost, providing the 'margin' on each. So, if you produce T-shirts at £5.00 cost to you, you might mark up the T-shirt at 400% to sell at £20. Depending on your potential customer, you might offer a discount price on this base unit price, or perhaps recommended retail price, or wholesale price depending on who you are dealing with – but it should never be greater than the percentage mark-up you have included. And a tip here: never reveal all your costs to your customers. Your mark-up will probably also have to take into account all your overheads (marketing, promotion, administration etc), so a base unit price is really only the actual cost of the product itself.

On top of the RRP you'll want to charge for packaging and distribution. So again, depending on the type of customer, always make this clear in your pricing strategy. If you're dealing directly with retail customers, you'll still want to charge packaging and delivery charges and you'll still have costs if you have your own store and customers come to you – so think about that markup. A widely-used formula is helpfully publicised by online store platform Shopify¹¹:

¹¹ <https://www.shopify.com/retail/120028547-9-strategies-for-profitably-pricing-your-retail-products>

Retail Price = [(cost of item) ÷ (100 – markup percentage)] × 100

Say you want to put a 30% markup on a product that costs you £10 to produce, the retail price would be expressed as:

Retail Price = $[10.00 \div (100 - 30)] \times 100$

which is $[(10 \div 70)] \times 100 = £14.28$

That's a markup of £4.28 per item. Perhaps your markup isn't high enough?!

5.4 Intended Benefits

This section of *The SEP* is the one most important: what are the likely positive outcomes - measured in at least two of three ways – of your social venture? If your venture is to be defined as a social venture it *has* to demonstrate that it serves the community or the environment (or both) but it should demonstrate its financial sustainability in the form of '*Profits*'. This focus on the so-called 'triple bottom line' – '*People*', '*Profit*', '*Planet*' – is what will make your venture more financially and environmentally sustainable in the longer term. Your business might not have a particular focus on the '*Planet*' but you should consider responsible ways of doing business.

Where many social enterprises fail is on this aspect of '*Profit*'. Many social entrepreneurs rightly say that they are starting the venture with the community in mind and do not want to make lots of money. However, the reason that many of these projects fail in the longer term is that there is insufficient focus on generating enough surplus cash to re-invest in further growth or unexpected costs. Running any organisation costs money and charging to use your business' products or services is a necessary part of running a social enterprise.

You can use the '*Intended Benefits*' section of *The SEB* as a way of setting goals for your venture. Indicate here just how many '*People*' you intend to benefit – either directly or indirectly. You might include here not only end-users of your service (n=1000's) but also organisations that pay for that service (n=10's). It may be worth creating a performance dashboard that shows how you are benefitting '*People*', '*Profit*' and '*Planet*'. Choose key performance indicators (KPI's) here that match your type of venture. For example, if you were running a coffee shop like Pravin you might measure: the number of staff you've employed (and given a new start in life), the number of people you've trained to become baristas and the number of customers you've served as an indicator for performance. In the same scenario, you might choose to measure the number of recycled assets (the volume/weight of coffee bean grounds) as a benefit to the '*Planet*'.

Not every social enterprise is established to benefit all three dimensions, but the commonality for all should be '*People*'; to be a social enterprise, you need to demonstrate your social good.

Useful Resources



Beyond the extremely helpful tools and methods in this Toolkit, there are a number of other sources of helpful information and advice.

We have curated a few of them here and encourage you to visit our website for up-to-date links and downloads at socialstartuptoolkit.com

Exploring Social Enterprises

Social Good Guides

<http://www.socialgoodguides.com>

The Social Good Guides cover a range of subjects including accounting & taxes, branding & identity, marketing, legal, evaluation and impact. Written by experts in their field, they provide digestible nuggets of useful information.

Community Tool Box

<https://ctb.ku.edu/en/table-of-contents/finances/grants-and-financial-resources/financial-sustainability/main>

Community Tool Box is another comprehensive and detailed repository for information for charities and social enterprises borne out of the University of Kansas. This particular section explores financial sustainability and provides useful templates for downloading.

Personal Development

MindTools

<https://www.mindtools.com>

From leadership to stress management, personal creativity to team management, the MindTools toolkit provides the budding social entrepreneur with personal development factsheets and exercises to help develop the next generation leader and manager.

Novoed

<https://course.novoed.com/business-models-2016-2>

Free online learning for entrepreneurs – with regularly updated classes. Check novoed.com and search for more recent courses (as here in print, we're already out of date).

Unreasonable.is

<https://unreasonable.is/solutions/>

TED-style videos from entrepreneurs making a difference in the world, primarily tackling social issues in emergent economies and developing countries.

Kauffman Founders School (Entrepreneurship.org)

<https://www.entrepreneurship.org/learning-paths/leadership-and-motivation>

Leadership & motivation is covered in this series of modules from Kauffman. Entrepreneurship.org has a wide selection of learning resources for start-up entrepreneurs of all types beyond social enterprises, so explore some of these too to get a wider picture of entrepreneurship at work.

Funding & Finance

Funding Central

<https://www.fundingcentral.org.uk/default.aspx?ncvo-practical-support>

Lists of funding and finance opportunities for third sector and social enterprises. It also features: support and advice, partner zone, funder zone and jobs.

Community Door

<https://communitydoor.org.au/resource/grant-moneyseed-funding-for-start-up-social-enterprises>

Useful funding links for Australian-based social enterprises.

Legal

UnLtd Legal Help Guides

<https://www.unltd.org.uk/our-support/learning-area/legal-help-guides>

Comprehensive help sheets to help you overcome challenges and queries related to legal structures, intellectual property (IP), employees, consultants, services, property and privacy and confidentiality.

UnLtd's legal structure table allows you to compare and contrast different forms of social organisation so that you pick the structure that might suit your venture at:

<https://www.unltd.org.uk/our-support/learning-area/determining-the-right-legal-structure-for-your-social-enterprise/>

An interactive *Select-a-Structure Tool* is published by Co-Operatives UK at:

<https://www.uk.coop/developing-co-ops/select-structure-tool>

An Australian (low-fi) version of the Co-Op guide is available at:

<https://www.coopdevelopment.org.au/cselinks.html>

Networks & Stories

Ashoka Foundation

<https://www.ashoka.org/en>

Ashoka has been a leading light for social entrepreneurship since the 1980's and is seen as a network of social entrepreneurs, educators and investors. Through a number of programmes – including the Ashoka Everyone a Changemaker® programme at www.changemakers.com – Ashoka has transformed communities through social entrepreneurship across the world.

Skoll Foundation Perspectives

www.skoll.org/perspectives

This resource, from the Skoll Foundation features a number of inspiring stories of social entrepreneurship in action. Skoll itself was set up by Jeff Skoll who has invested over \$400 million in doing good things. Skoll runs an annual World Forum at the University of Oxford each year bringing together over 1000 social entrepreneurs, academics and business leaders.

Schwab Foundation for Social Entrepreneurship

<https://www.schwabfound.org>

The Schwab Foundation was created by the founders of the World Economic Forum, Klaus and Hilde Schwab. Social Entrepreneurs are invited to submit themselves as members of the network of Schwab social entrepreneurs, which gives them access to executive education at institutions like Harvard Business School, Stanford University and INSEAD. Importantly, Schwab social entrepreneurs get access to world leaders, business leaders and changemakers from across the world through the World Economic Forum.

Pioneers Post Quarterly

A dead-tree press publication from Pioneers Post CIC with an accompanying website at www.pioneerspost.com. This beautifully designed printed publication provides in-depth coverage of stories emergent online. The website contains regularly updated social entrepreneur stories. A fabulous resource.

Textbooks

Although we wouldn't encourage you to read too many books (we'd rather you just got out there), there are nevertheless good reads out there that may inspire you. Aside from the books we've already mentioned (*Business Model Generation*; *Value Proposition Design*), here are a few that provide food-for-thought for budding entrepreneurs:

Social Entrepreneurship and Innovation: International Case Studies and Practice (2016) edited by Ken Banks (Kogan Page).

Based on his earlier *The Rise of the Reluctant Innovator*, Banks edits these stories of international projects. It comes with an endorsement from Klaus Schwab of the World Economic Forum and Schwab Foundation.

Understanding Social Enterprise: Theory & Practice (2011) by Rory Ridley-Duff & Mike Bull (Sage).

For a very expansive overview of social enterprise, with detailed theoretical and practical assessment of social enterprise over the years.

How They Blew It: The CEOs and Entrepreneurs Behind Some of the World's Most Catastrophic Business Failures (2010) by Jamie Oliver & Tony Goodwin (Kogan Page).

Not *the* Jamie Oliver but the journalist Jamie Oliver. This book looks at what happens when entrepreneurs get carried away. It provides an insight into what happens when greed and self-fulfilment in the commercial sector goes wrong.

Bounce (2008) by Barry J. Moltz (Wiley).

Looks at how failure is a natural part of success-building and offers perspectives from business, philosophy and culture to provide you with different ways of looking at failure(s). You'll experience failure at some point – here's a way of using it to build great new things.

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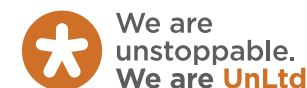
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Sheeza Ahmad

UpEffect



Sheeza Ahmad **founded UpEffect to help businesses trying to solve social and environmental problems with financially sustainable and scalable models. Crowdfunding allows social entrepreneurs to raise seed capital and build a community around their idea before they take it to market**

UpEffect is a crowdfunding platform for socially conscious businesses.

UpEffect supports social entrepreneurs through crowdfunding capital to help them develop their ideas without having to give up equity or pay interest on a loan. This also allows the entrepreneurs to walk away with an entire community for their business; a community which believes in what they're trying to do and wants to see the idea thrive in the world.

I was also attracted to crowdfunding due to its relationship to Islamic principles – communities coming together to make a business succeed

After graduating with an MSc in Computer Science and Entrepreneurship, I worked in marketing and PR for startups in social enterprise. From there I progressed into the technology sector as an IT Project Manager and qualified as a PRINCE2 Practitioner. Alongside this, I pursued my side passion of running entrepreneurship workshops to inspire young people to get involved in enterprise. These opportunities allowed me to combine my experiences working in tech and social enterprise to understand the market gap and build a solution using UpEffect.

As a Muslim woman with an interest in Islamic finance (which advocates the need for alternate financing models,) I was also attracted to

crowdfunding due to its relationship to Islamic principles – communities coming together to make a business succeed and sharing in the risk and benefits. Crowdfunding has been around for decades but technology has allowed for it to become an essential tool for startups. We wanted to make this model available for social impact businesses to help them become financially sustainable in their approach to solving social problems. Rewards-based crowdfunding (where funders are given tangible rewards for their support) is an excellent model for startups as it helps secure pre-orders and customers much earlier in their business cycle and if the campaign is unsuccessful, direct market feedback encourages them to refine their model and try again.

When we started UpEffect (initially as HelpingB), we did a lot of research and spoke to a large number of companies and entrepreneurs to make sure we were addressing the right problem. We went to lots of networking events and contacted a large number of entrepreneurs directly to learn about their challenges. They all echoed the same problem: lack of access to funding, reluctance in sacrificing equity and high interest rates. We launched in November 2014 and since then social entrepreneurs have raised over £50,000 through crowdfunding on UpEffect. Our team has also grown from one to five.

Winning a place on MassChallenge as one of 219 startups internationally, opened a number of doors for us. They started in Boston and in 2014 ran their first cohort in the UK which we have been a part of. Startups on the programme get access to free office

space, a wealth of resources and an incredible community of experts, mentors, investors and supporters, a network that we've been able to tap into to accelerate our idea.

I think because many social entrepreneurs come from charitable or non-profit backgrounds, they're used to saying no to profit. I personally believe that there's nothing wrong with being a profitable company and using that profit to create social impact. Without it, it's incredibly challenging to sustain your impact – you're constantly fundraising which is time you could spend on growing your business. Sustainable social enterprise is still a new concept but more and more customers want to know that the companies they are buying from also give back to communities.

The enterprises and entrepreneurs we support come from a variety of industries including fashion, publication, film and education – we don't set criteria. We are looking for the next revolutionary innovation which will change the world, companies like TOMS shoes or Innocent Smoothies. We look at what kind of organisation they are, what impact they're having, their business model and their team. Crowdfunding is hard work and without a strong team, campaigns have a low chance of success. It's in our interest that they succeed too, which is why the all-or-nothing model is perfect – UpEffect benefits only when a campaign is successful. We work closely with entrepreneurs and we're equally invested in their idea.

Over the next five years we aim to become a global leader for launching socially conscious products. We want to create more awareness of how social enterprises should be operating in a sustainable way and we'd like to see our projects going strong five-ten years from now; continuously delivering social value for communities around the globe.

My advice to anyone thinking of starting a social enterprise is focus on the business first. How is it going to create impact? Where is the money going to come from? What revenue streams will help you sustain your idea? Is there a market for what you want to do and are there customers out there willing to pay for it? You can embed social impact into any business model, but without the business model, your enterprise can't create any social impact. Focus on your product, really get it right. Take it to market, test it, go back and improve it and launch it again. Keep doing that until you achieve market fit and only then start optimising your sales and marketing strategy. Without your product you don't exist so make sure it addresses the customers' needs in the best way possible

Pravin Isram Canvas Coffee



Pravin Isram **founded Canvas with the aim of making the best coffee on the south coast of England. As well as serving speciality coffee, they offer volunteer work experience opportunities and barista skills courses to people in recovery, helping them to build self-esteem, confidence and new skills.**

To our customers, we're simply a great coffee shop. We tend not to talk about the social cause we support because I think it's secondary to the customer and it's not fair to our beneficiaries for customers to know they are in recovery. No one you see in our shop knows we're a social enterprise. They come to us because we're a great business and the products we sell are really good.

I didn't want to start a project, I wanted to start a great business that could also help people.

I have friends and family who have been affected by drugs and alcohol, and through their and my own experiences, I've been involved in voluntary work in that area for the last nine years. I started to notice that there are difficulties learning how to live life clean and sober – when people are trying to integrate back into society it's really easy to slip up. What I wanted to do was to create a café that was an alternative late night place to go. Not people going there out of pity or supporting a great cause, just because it's great and has a good atmosphere.

In 2012 I did a course with the School for Social Entrepreneurs in London where I worked on and researched the concept, while I was still working in the corporate world. Then I met my colleague James Cartwright who had run a café previously that was quite similar. James doesn't have a recovery connection and to me that's really important. I didn't want to start a project, I wanted to start a great business that could also help people.

We spent a lot of time thinking and talking together about the concept until we felt like we hadn't done anything! So at Christmas in 2013, we gave away cups of coffee on the street as a pop-up. That really opened doors and gave us something we could talk to people about, and we were later offered a little pop-up at the Kings Theatre, Southsea. Then one day I walked past the train station and saw an empty kiosk space there. I felt it was a no-brainer that we go there and we got it. In 2014, we registered the company and we're still based in the same train station today, just in a different space.

Because we did everything in the early stages in such a lean way, we have no debt so we've been sustainable in the truest sense. We've grown organically from me and James to nine staff. Now we're in a position where we can move to more permanent premises and it will be less risky for us.

Originally we thought we'd just open a café and have people volunteer with us, but there were lots of things we'd not considered. For example, we're a speciality coffee shop – we need people who drink coffee or who know a little bit about it. But our first volunteer wasn't interested in coffee – she just wanted to do something to help. It was a good

experience, but in hindsight I think we started too early. At the beginning, we were sustainable but not stable, we were working it out as we went along. At the end, we were all really happy with the outcomes. But it made me rethink our whole approach.

Idealistically, I thought we could just start an enterprise and help people, but our experience has been completely different! We've had to realign what success looks like for our volunteers. Success for this person might not be that they get a job in six weeks' time, it might be that they develop lots more confidence, learn something new and feel good about themselves.

We'd already decided to deliver barista courses, but we decided to use them as a kind of screening process: see if people like it, and if they do, they might want to volunteer. It was interesting because we had a really mixed take-up. What we found was that people in recovery loved integrating with people who weren't in recovery – to get out of the 'recovery bubble'. So we changed the course and we work with partners that send their employees on our courses alongside people in recovery.

The most important thing has been to treat Canvas as belonging to the community rather than 'my' private business. That's one of the main reasons it's a great place to work. The principles for us are love and service.

In the next 12 months we'll be moving to a permanent location in a different train station. Our plan is to grow, to do more events and festivals, maybe another pop-up. I don't think it's unrealistic for us to be one of the best coffee shops on the south coast. Maybe we can turn that into a business that funds a foundation or we turn what we're doing now into an academy, which along with the coffee shop funds our social impact. That's going to be the plan over the next five years.

If I could go back in time, I'd worry less and take more risks! What I learned from my course is to ask people why your idea won't work. I always ask people, 'What's the biggest weakness in what we're doing right now?' I think if you focus on the potential weakness in what you're doing, it's a different way to look at it. Don't talk, don't take it personally, just listen and then go do something about the feedback you're given.

Andrew Martin

Inkpact

Inkpact enables organisations to send handwritten notes and letters to their clients and customers at the touch of a button.

Inkpact provides handwritten communication that disrupts the direct marketing model and provides employment pathways for 'harder to employ' groups including mothers wanting to return to work and former offenders rehabilitating after leaving prison.

We can work all around the world. And as the business grows, so does the impact we have in the community.

We've been working on Inkpact full time for just over six months. The idea originally came from my co-founder, Charlotte, who had the idea at the University of Southampton when meeting with some business coaches. One of them had the idea for a personal way to get through to potential prospects by hand-writing messages. Charlotte knew some people with excellent handwriting, and thought, I'll match the two together. And it snowballed from there.

It was a part time project until we met just over 12 months ago on the Entrepreneur Foundation Programme, an entrepreneurial programme to help build scalable large businesses. I said we could take this business further, and we banded around ideas, until we came up with the idea of a tech platform that not only would allow clients to create their order but also to push work out to writers. It means the business doesn't have to be in one city or even one country.

We can work all around the world. And as the business grows, so does the impact we have in the community.

Our first major milestone was on-boarding our first students as writers. Initially we went at it gung-ho and we boarded about 30 writers very quickly. We on-boarded too many writers too quickly without having the jobs for them, so they became disinterested. It required a lot of communication to bring them back in. Now they're fully engaged with what we're doing and how we're moving forward. We've now got a team of nine full time staff working from our office in London that manages everything from online marketing, to the brand, sales, and a team of 50 writers all over the UK. We were revenue generating from day one, we were turning over £25,000 in our first six months. Launching the tech platform was by far our biggest milestone because it enabled us to scale.

We typically work with big companies like Santander, as well as smaller enterprises. We work with wedding planners on invitations for weddings, follow ups and thank you notes. We send out notecards for clients, e.g. working with boutiques to say thank you for buying this lantern, we really appreciate your custom. We seek to add value to what other businesses are doing.

All our communications are handwritten by real people. We target mothers looking to get back into work after having children and also other 'hard to employ' groups such as people rehabilitating after prison. They might not be able to hold down a job straight away so we help them back into full time employment, or at least to create some residual income. Working with us enables them to build some credibility before stepping back out there into the workplace.

Our writers don't have to commit to a set schedule, it's as and when there's a job available; they've got the option to request work.

Currently we've got writers all over the UK – anybody can write for us, they apply on our website and go through our online training.

We also run training days if they're in London.

We break down each campaign into a set of jobs. Different writers bid for these jobs; it's entirely flexible. We equip all our writers with materials, lightboxes, pens, absolutely everything. There's no barrier to entry. We subsidise everything. We've got a Head of Community whose job developing programmes with our writers to deliver direct benefits to them. That's in the early stages, but it's about how you work as a freelancer, how you build your own business. Our first programme is all about being independent, being able to have an income.

We've put a heavy focus on technology. Our clients order through our web platform and it takes five business days to turn a campaign around. Clients customise their campaign completely to their brand, from selecting the paper, to their logo, the copy and the text for each letter, a wax seal on the back of the envelope – it's all part of what we offer. The client chooses the style of handwriting they want, such as traditional, contemporary or even doctor's handwriting! Our communications are more personal – they increase the customer's engagement and enjoyment. Our quality control is currently in-house but in time that will be done by an algorithm, an entirely automated quality control process. In the next five years we want to scale into Europe and into Asia. We're hoping to have a team of over 500 writers with multinational clients.

The key is to not only focus on the social aspect of the business. You've got to focus on revenue and the enterprise first. If you don't have the enterprise, you don't have the social impact. It's having that balance. We've learned that the hard way. It's making sure that you balance the people that you're trying to help with the business that you want to produce to enable that to happen.

Fiona Ollerhead Pantry Partnership

Pantry Partnership aims to bring communities together via the medium of food, by cooking, sharing and eating together.

Pantry Partnership draws on the food resourcefulness of developing countries in Africa to highlight the need to make the most of the food available to us and make it the centrepiece of community.

There was an underlying interest in the environment and how developing countries make so much of their food and we chuck it all away.

I was brought up in a frugal household where we wasted nothing. My mum would get anything from the fridge and make it into something that seemed to be delicious to everybody. Her parents were missionaries: they saved all their money so that they could help people. On the other side of my family were travellers – as in travelling across the oceans – and on their journey they found limes. So one side of my family is this world of excess that collides with this world of not very much at all. Within all that, I fell in love with food.

The first thing I did to form Pantry Partnership was quit my job. I knew I wanted to do something about food and travel. There was an underlying interest in the environment and how developing countries make so much of their food and we chuck it all away. I did a big

fundraiser and raised a lot of money and to buy fuel efficient stoves for women in Africa. Then I went out there, delivered the stoves and I saw life-changing things that happened from it.

I cooked with a woman on a farm and they'd been to the market and bought a fish head because I was there. They shared that out among 20 people, we made it into a meal on a stove, which was absolutely amazing.

The fish head was the only thing really that was adding any sort of flavour. It inspired me to think about how we use food at home. One of the women I gave a stove to had made herself an oven from biscuit tins. She placed this oven on top of the stove we donated and made pies to sell at the market. She was providing for her family and neighbours and became a local celebrity overnight – she had all these people standing around and watching her. It was unbelievable. People in developing countries may not have much but we've got a lot to learn from them.

I came back to the UK and wanted to do something around food waste. I linked up with FoodCycle in Salisbury and set up their first franchise hub there, but I moved away from that because there's a lot of provision in Salisbury. So we scaled it back and kept just one week of the month, which we still run with FoodCycle. Pantry Partnership now does a lot of other things as well. We've got 18 volunteers, myself, one person who works on a freelance basis and two people who help from an advisory point of view. I use a venue associated with St Thomas' Church in

Salisbury, they give it to us for free sometimes and for certain events we pay a cut price fee. We are looking at getting a permanent venue, partnering with the Church and the local Prince's Trust that will also give local young people the opportunity to access training.

We do a meal with the elderly once a month, who live in rural areas around Salisbury. There's 25 of them, they really look forward to it and it's great. We do drop-in cooking sessions where instead of just coming and having a meal, people come and learn how to cook frugally with us and then they enjoy whatever we produce at the end of it. We've also got a community garden and we produce food from that. We have a number of ways of earning income, including public events. We have a regular café, once a month, where we make a two-course meal and it's become a bit of a community café. We have regulars who come back every month and share a table with someone. We've also just started doing a 'Surplus Supper Club' with people who are mainly working about raising awareness and getting people engaged with what we're doing in the community.

We've been commissioned to do cooking workshops for young carers and we've worked with the Trussell Trust a lot on the development of their cooking programme, which we've been credited for. We've run two courses with Alzheimer patients and we go into a residential home and cook with the residents – they're not all elderly, there are also people with. We're helping them set up their own café. We go in and run the café and they're gradually going to take it over, doing the washing up and managing the money themselves. All the money they make will go into activity pots for the residents.

Pantry Partnership is not fully sustainable at the moment. That's the first thing, to become completely sustainable, including being able to pay myself a decent amount for doing it. I hope it will involve some further international projects, still around cooking and being frugal. In the long run I'd love to set up a restaurant or café project at a very local level and have communities involved in that, not necessarily foodbank customers but people who might fall into food poverty. By providing meals, cooking workshops and opportunities to get involved, you can really help people to get a lift up in life. We also want to expand public awareness of food waste in the corporate sector – we can all get involved. If people in wealthier parts of the world stopped wasting their food it would have a massive impact.

My advice to social entrepreneurs is: be open to the journey. I see people that have a set idea of how they want to do it rather than why they want to do it. Hang on to the why and don't worry about the how. Be open to changing the how. Do what it takes.

Grant Kennedy

Edu-Care Recycling

Edu-Care Recycling is an office clearance and relocation service working throughout the UK that gives all its profits to Portsmouth charity, Learning Links.

Edu-Care Recycling was created in response to the rapidly changing funding landscape that has historically supported the charitable and voluntary sector. Along with sister enterprise, Training Links, Edu-Care donate all their annual profits to Learning Links with a view to increasing the charity's autonomy and sustainability

We go into buildings, schools, corporates, government buildings and so forth and decant the whole building for the client. We remove everything that's not a fixture or fittings, but anything else leaves! The cost to our client covers our vehicle, staffing, and fuel costs. Where we get our money is from the resale of the furniture and equipment. Our USP is that we are a Community Interest Company whereby one hundred percent of our profits by law goes to charity.

The historic funding streams for the charitable sector are gone, particularly for small to medium sized charities like Learning Links.

The historic funding streams for the charitable sector are gone, particularly for small to medium sized charities like Learning Links. My objective is that the key operating costs for Learning Links are covered entirely by its trading arms. These trading arms empower Learning Links to cover its overhead costs so we can use the profits to do the impactful, community-oriented

projects that work with and help people in the community.

Edu-Care is just over three years old. The first year was difficult, an investment of £20,000 was made into the business and we had nothing. We set up Edu-Care in partnership with a private company: we were going to do the marketing and the sales and they were going to do the clearances, deliveries and warehouses – but the partnership fell apart. We ended up doing it all ourselves. So in the first year, we didn't make a profit. Second year we covered our expenses and the third year we've made a small profit and developed.

In hindsight, I would have gone into the whole set-up with another partner. It's been really difficult from a financial point of view to get a business growing with little to no investment. There's a lot of commitment, time and effort that's been put in to get where we are now and it's been a strain on key people to get it off the ground. I think it would have gone a lot easier and smoother with partners than the way we did it.

We're doing around £700,000 a year turnover. Our profit margin teeters on about £10,000 a month. We've got two warehouses, a showroom and the warehouse where the work is done. We couldn't afford buildings so we took on both in a derelict state and we fixed them up and got a really good rate from the landlord for both units. We've worked hard for them! We've got two branded vehicles, and a branded pool car the sales staff use.

I've got 14 staff in the organisation working full time: the sales crew, the warehouse crew, marketing crew, and business development. 80% of those people came up via the Work Programme through Learning Links. It's a very strong crew, very target-driven – we have to be to get the sales in to cover costs and get the profit for the charity. We've just become members of the Chamber of Commerce London – the networking opportunities will help us mix with a lot more corporates, and that's where the business is.

Social enterprise is important because of the self-employment opportunities it offers. Every one of the managers here knows that if they feel they have the capability of running a business in deliveries, that's what we'll do. Something I think is important for a new start up is to try and use our trading arms – both Edu-Care and Training Links – to allow micro-business opportunities within them.

In the next five years, I'd like to open up another branch in the Birmingham/Sheffield area. We'll use the same model, another warehouse, another crew and tackle the north of the UK. That's the dream at the moment. When we start a new branch up north, I'll be applying everything we learned setting up here. We'll be taking two key partners to help drive the organisation from scratch with regard to capital investment.

The danger is that people set up social enterprises in the model of a charity and my opinion is you've got to run it like a business or the end user you're trying to help gets lost. Don't lose sight of your aims and goals or your charitable side. Do your homework first. Do your research. Go with your gut feeling, listen to that. Do your homework on your model, on the idea you have. If you were going to fork out the money for the rent, the electricity and so on, would you do it for this business? And if you would, go with it. Otherwise, don't!

What we've done over the last few years is help others in getting their business off the ground because it's really hard if you don't get funding. If there's any organisation or individual out there who wants to set up an enterprise, who has an idea, they're more than welcome to approach Edu-Care or Learning Links for a test panel or question and answer session, or just a cup of tea and some advice! We're there.

Mark Ryan CASE Bars



Mark Ryan, his sister and a university professor came together to create a healthy snack bar that not only benefits the customer, but makes them a 'Snacktivist'. For every bar sold, the company donates a bar to someone in need in that community. If you buy a bar in New York City, CASE Bars will donate a bar there, too.

CASE Bars is a social good company that sells snack bars to benefit the homeless and hungry in local communities.

Mark's Story

The company started about two years ago, as the senior thesis for my undergraduate degree at the University of Arizona. My business partners are my religious studies professor, who was my thesis adviser, and my sister, who came up with the bar flavours themselves. For the last year and a half, we've been in product development and product testing with nutritional analysis. My thesis was completed December 2013 and then the first CASE Bar was sold in August 2015. Two weeks after that we started our social media push. It's been an incredible response so far.

The original idea was never to create bars. It was to create a non-profit that would solicit large companies in the United States that make energy bars to donate to us, then we would hand those bars to the homeless and hungry, partnering with various food banks and homeless shelters. What we found is that these hard bars, like granola bars, are very difficult for homeless people to eat because they have dental issues. So when we were trying to work out a good product that people could eat and it would be healthy, we just decided to make our own.

That was the original intention, to have a communal aspect to the Bars where people are sharing the same thing.

Our name, CASE Bars, stands for Communities Against Starvation Everywhere. That was the original intention, to have a communal aspect to the Bars where people are sharing the same thing. That's why we created the 'I'm a Snacktivist' movement because consumers are often disconnected from social enterprise. People feel this disconnect as they purchase these type of products, 'I've bought this product. They're going to give something away because of my purchase.' Generally, we don't think twice about it after. We don't want people to stop at buying CASE Bars, we want them to hand these bars out to homeless and hungry people in their community. It's really important to us that our customers continue being active, because otherwise hunger and homelessness are issues that we're not going to take care of.

I'm half-Italian, half-Irish so if there's something both those cultures do it's eat and cook! For me, food has always been an important part of family life and our community. If someone wants to start a social enterprise, it's got to be something that they're passionate about because otherwise it makes no difference and you need to make an impact, no matter how small.

We haven't had any investors, it's all been self-funded. My advice is to create strong partnerships from the start. These partnerships create a solid foundation for the company. Talk to people: call the competitors, see how they did it. That's how we accelerated our growth so quickly in the last two months of selling. We've been cold-calling and not being afraid to get rejected every once in a while. I started with hiring a designer who's a really good friend of mine; I hired my brother's best friend who's a marketer in Silicon Valley, he's taken tech start-ups from nothing to everything. We're just a five-man crew, the Directors – Alex, Sara and I; the marketer, Chris; and our designer Ben.

I think it was the perfect combination of luck, a lot of research and a lot of determination between Sara, Alex and I to get this product out there. We built this company kind of backwards. Even before we had the final product, we were calling the Food Network Chefs, we were making partnerships across the country, people were just excited about the concept even before we had the product. We built the infrastructure before we even had the product ready and now that we have the final product, we are able to sell bars and donate bar for bar with every purchase. We're currently working on a database that will allow the consumer to choose the local feeding program they would like to have their donations go to. Our partner organizations you will be able to choose from include mobile units, traditional food banks, and non-profits that put together snack lunches and walk the streets to feed people.

I don't think I'd do anything differently. We want to expand to other product lines in the future. The snack bar is the first one. We're launching a Kickstarter campaign to help us with manufacturing meal replacement bars that will have plant-based proteins and vitamins in it. We are working to expand our line; this is just our first step. In the next three-five years we want to have a manufacturing facility that employs the homeless and hungry people – homeless veterans, at risk youth etc – and give them work opportunities wherever we can in the company. It would be really cool for us to go across the Atlantic and launch in the UK, but for now you can buy them online at casebars.com. We'll figure out how to get across and help the homeless and the hungry in the UK soon enough.

Sue Stokes Southsea Greenhouse



Southsea Greenhouse is a community garden run by a cooperative group of growers and makers.

Southsea Greenhouse was started by Portsmouth resident Sue Stokes in 2010 to bring the community together and increase health and wellbeing. As well as digging and growing in the garden itself, the Greenhouse runs planting and crafting workshops and offers local makers and crafters a space to work and sell their wares. The cooperative is entirely run by volunteers, with one paid member of staff managing the garden.

There are universal benefits: it improves your health to do something active, we're growing stuff which is good for you...

I went on a social entrepreneurs programme (similar to Social Startup) which is where I incubated the idea for the Greenhouse on my own. That gave me an understanding about networking, building a business plan, marketing, everything.

Originally I wanted to open a flower café, growing and selling flowers but I realised quickly we'd never compete with commercial sellers. So we started selling plants in partnership with local charities, the Beneficial Foundation and Shaw Trust, and we began selling fruit and veg boxes which we still do now. We work with a local company Wayside Organics to supply the boxes, they're an ethical supplier and that's important to us.

At first we delivered the fruit and veg boxes to people's homes but that didn't really work. We realised we needed to sell 50 boxes a week to make enough money just to pay for the deliveries. So now people order their boxes from us and it's delivered to the houses of cooperative members or our volunteers for collection. We also supply to a local café.

When we started, we worked with the Council who gave us a little hut on the seafront and we made and delivered our fruit and veg boxes from there. We won some funding for a delivery van and some improvements to the hut. Because of where we were, people just came in and found us; the reason why making and crafts are part of what we do is because some of our first visitors to the little hut were crafters and we started including crafts in the boxes we sold.

What we do has changed a lot over time, it's never stood still since we started our little shop in a hut on the seafront. We've evolved and adapted according to the people who join us. There are universal benefits: it improves your health to do something active, we're growing stuff which is good for you and I think spiritually it's a good thing to be part of a community.

People volunteered for us in the hut for the whole of our first year, but when the winter came it was freezing at the beach and a local leisure centre gave us a base with them instead. In 2012, an opportunity came up for us to take over a garden near Portsmouth Natural History Museum.

It took a year to go through the whole tender process. Then once we got the garden, it was a new project completely. It changed the dynamic for us again because we needed lots of volunteers who could dig and plant and build. And that's what we've been doing ever since!

People get involved with us in different ways, as members of the cooperative, as volunteers working with us or as visitors and customers.

We're a social enterprise in the real sense of wanting to make a difference to local society by what we're doing. We work with the local council to run the 'Portsmouth in Bloom' competition and we've built a partnership with the café next door to us. They share our aim of building community and we work together. But it can be hard work to really deliver on those partnerships with no funding. You've got to be on it 24/7 just to get someone to give you a little bit of money to pay for any of the work we do.

No one gets paid here apart from our lead gardener, who we pay from what we sell. We reinvest all the money we make into things we're passionate about and last year we got a little bit of funding from the EU. Between January and March 2015 we ran 40 skill-shops in gardening, making and crafting, helping people to learn new skills and get into employment.

A cooperative more than any other model is the sum of its parts, it's not about one person. But it's been hard to manage as a co-op, it's hard to find a model that works, in terms of collective decision-making. We're still working that out!

I don't want to leave the Greenhouse, but I'm going back to University to study Sociology with Psychology. I'll always come down and have a garden now and then but I'll be much more project focused on what I do with the cooperative. We're planning to evolve with a more structured decision-making group now and focus on projects we can deliver locally, like the workshops.

If I could do anything differently, I'd have started with the café, as that will be the income stream that could keep us going sustainably. We've recently been in discussions with the Council about a café in a local library, so you never know!

Nicola Youern and Steven Embleton

The You Trust

Nicola Youern **leads the You Trust, which provides care, support and advice services that help vulnerable people lead stable, secure, happy and free lives, including for people with mental ill health, disabilities or fleeing abuse. In 2012, Steven Embleton created My Learning Cloud, a commercial trading company brand that financially and sustainably supports the charity.**

The You Trust developed an innovative learning and development platform, My Learning Cloud, to be a sustainable income stream for the Trust's charitable services.

...I don't care what happens in the background, I just care how easy it to use, how accurately it reflects what I do and that it gives me the information I need.

Nicola: In 2010, I went to Denmark to visit the Kaos Pilots, which is an alternative business school and it inspired me to become a creative leader. Then Steven approached me about the future of learning and e-learning and said, 'Why don't we create our own platform for learning and development in social care?' And being the creative leader I'd become in that moment, I went to the Board and said, 'We have to do this.' The social mission was to spread excellence in learning and development across the sector we work in and because it was a social enterprise, the profit would come back to the charity.

Steven: When I had the idea I'd looked to see what was out there already in the world of e-learning and what I realised was that no one understood our sector, no one understood our requirements from an inspectorate point of view, no one knew what our managers need to see, and so on. In fact, e-learning was pretty boring. I don't believe the staff who work here or anywhere else in the sector deserve that. They deserve better.

So I sat down and stared into space an awful lot and then I started to draw on a piece of paper what I would see on the screen when I logged on to our platform. I always design from that perspective because if I'm a support worker, I don't care what happens in the background, I just care how easy it to use, how accurately it reflects what I do and that it gives me the information I need. We recruited a developer and we started to develop the courseware, at first just for

the You Trust. We began to trial it and we saw attendance rates go from 68% to 92 % and people's compliance (being fully trained and up to date) went from 54% to 100%.

The beauty of My Learning Cloud is that if you've got internet access, you've got access to your learning – on the beach, on a train, in a café. Our e-learning is non-linear, it's engaging and scenario based, putting the learning in a real world context and using videos and games. We felt as part of our values that excellence had to be at the centre of what we do. We had to deliver an amazing product because skilled staff mean great services for our clients.

Nicola: We trialled it in-house for about two years and then we set up the social enterprise to start selling it commercially. The interesting thing is that we are a charity and suddenly we were doing sales and marketing. I went through all my contacts and wrote emails to about 60 organisations! I didn't have a clue about sales. We had a marketing strategy to sell to local authorities, care homes and housing associations but we learned quickly that the private sector really wanted it. We forgot about who we'd planned to sell it to and went where the customers were.

Steven: In the first year we sold it to three or four companies. Today we have over 30 corporate clients and we support 34,000 people on a daily basis with their learning and development. We're growing and growing and we've learned a lot in three years. There are things we could have done more effectively, but everything we've done is a learning experience that helps shape what comes next. I think we have an advantage because we're born from a charity. Our heartbeat is supporting people and because we've designed it that way, people have really bought into the platform.

Nicola: The fact that My Learning Cloud has 30 years of experience and knowledge behind it gives it its strength. We've done remarkably well but it takes time. Our Board expected a quick return. You have to believe in it and be patient.

Steven: In five years' time, we want to be the organisation that the sector comes to for advice, guidance and best practice. We want to be the standard-bearer for excellence. But the ultimate aim of the business is to serve the charity.

Nicola: We'd like to be at the day when My Learning Cloud makes enough money that the charity no longer needs public funding and we can do the work we want to do.

Steven: In terms of advice I'd give to social entrepreneurs, I'd say never lose sight of why you started in the first place. Don't forget you're doing it for the benefit of other people. Don't beat yourself up if you have a bad week or month, but make sure you celebrate when you've had a good one. Don't be closed to change because if you're always focused on the here and now, you'll be out of business in three years when the market moves around you. The thing you think is a minor income stream today could be your best seller in three years' time!

