

# YLAI Network Toolkit

Startup Smart: A Handbook  
for Entrepreneurs



## **Welcome to the YLAI Network toolkit complementing Startup Smart: A Handbook for Entrepreneurs!**

After you read chapters 2, 4, and 5 of the [\*Handbook for Entrepreneurs\*](#), return to this toolkit and complete the corresponding activities to apply what you learned to your own business progress. Challenge yourself and complete the Entrepreneurship Assessment at the end!

# Worksheet 1 (Chapter 2): What Customers Want

Complete this activity after reviewing Chapter 2, "Building Your Business Block by Block," of the *Handbook for Entrepreneurs*. Filling out this worksheet will help you segment your customers so you know how you can best service each group's needs.

What is a **customer segment**? It's a group or groups of customers whose members have similar characteristics relevant to marketing, who have specific reasons they use your product/service, and who care about the values your business provides them.

### What is the core value or service your business provides?

Answer this clearly and accurately in only one sentence below.

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### Below, describe the three main reasons customers would choose to use your service/product.

Make sure the reasons are clearly different from each other.

Reason 1	Reason 2	Reason 3

### Each of these reasons can also be considered a defining trait of an audience group.

Defining core needs as you have just done can be an effective way to identify different audience groups (but there are also others). Now it's time to figure out your approach to reaching and serving these segments.

Think about the motivations and characteristics of the kinds of people that would fall into the groups above.

**In each of the boxes below, jot down as many adjectives as you can that describe what characteristics each segment will value from your business.**

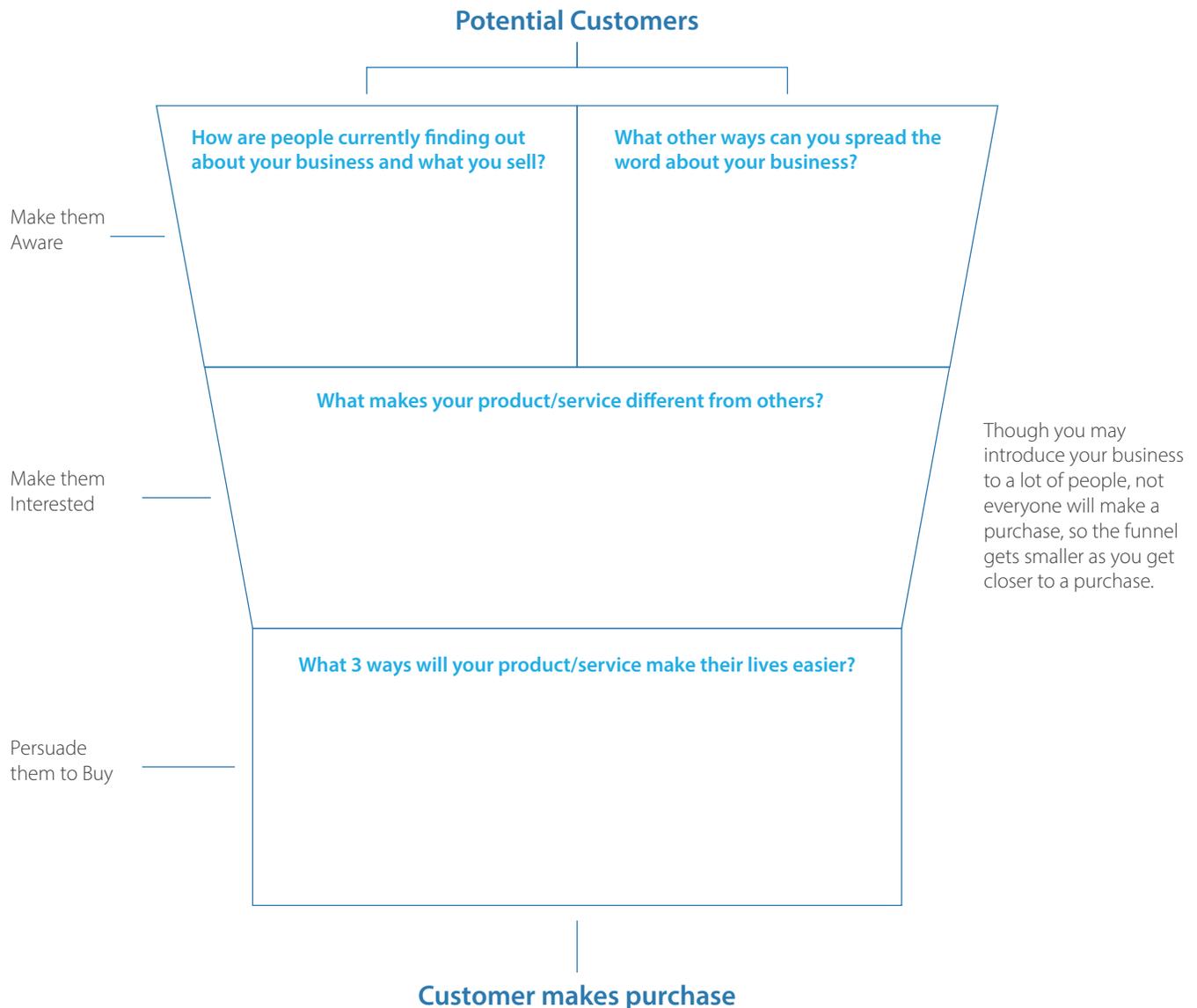
Example: A rushed businessperson (segment) may expect a coffee shop to be quick, tasty, and cheap (adjectives).

Segment 1	Segment 2	Segment 3

Take a look at the words you've written in the boxes above. These words, or *values*, reflect what you should try to be to each of these three most important customer segments. If you can consistently deliver the above values to customers, they will continue to choose your business.

# Worksheet 2 (Chapter 4): Your Customer's Journey

Complete this activity after reviewing Chapter 4, "Your Customers," of the *Handbook for Entrepreneurs*. Let's look at your business's interaction with customers as a funnel: Your Number 1 goal is to get them all the way through to purchase. Fill out the questions below to help you gain a better understanding of how to "convert" potential customers into buyers or people who use your service.



Now that you have figured out what makes your product/service different and how it will make someone's life easier or better, you should communicate this to your customers. Letting them know the true value of your product/service will help convince them to buy from you.

# Worksheet 3 (Chapter 5): Funding Options

Complete this activity after reviewing Chapter 5, “Financing Your Startup,” of the *Handbook for Entrepreneurs*. Understanding what type of funding you should pursue for your business is an important part of deciding the scope of your business, and how much you can afford to expand it. To help you understand the different types of funding you could pursue, use what you learned in Chapter 5 to complete the activity below.

Connect the type of funder to its correct description.	
1) Bootstrapping	A) Can come from a family member, a friend or an unrelated investor, but you have to pay this type of funding back, typically with interest.
2) Donation	B) When you try to appeal to a “crowd” of regular people who may have some money to spare and may be willing to invest it in your product, typically via the internet.
3) Loan	C) A smaller amount of loaned funding, but be careful to read the fine print.
4) Microloans	D) Using your own savings combined with your resourcefulness.
5) Shared Ownership	E) Loan from a financial institution that is reluctant to lend to entrepreneurs because they often don’t have collateral for repayment of a loan.
6) Crowdfunding	F) A firm that collects millions of dollars from individuals, companies, and investment firms and pools this money together into an investment fund.
7) Angel Investor	G) Can come from a family member, a friend or an unrelated investor, and you do not have to pay this person back for the money you receive.
8) Venture Capital	H) Funding from someone who is providing money as a loan that may become equity later or for a percentage of ownership in the business.
9) Bank Loan	I) This type of funding results in another person or people having a stake, or equity, in your business.

1-D 2-G 3-A 4-C 5-I 6-B 7-H 8-F 9-E

**ANSWER KEY**

# Worksheet 4: Entrepreneurship Assessment

Once you have read the *Handbook for Entrepreneurs* and completed the three other activities in this toolkit, apply what you've learned to your own business with the following entrepreneurship assessment.

## 1) What are the four steps potential customers go through on their way to buying your product/service?

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_

## 2) Which of these four steps do you need to improve the most for your business to succeed, and why?

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Remember this answer! It will be important as you grow your business skills and challenge yourself.

## 3) Which customer segments are most important to your business, and why?

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## 4) Which three financing options do you think will be best for the current stage of your organization, and why?

Financing Option 1	Financing Option 2	Financing Option 3

Again, remember the **why** response to this question. Knowing why a funder is the right fit for you is an important part of successfully convincing a funder to go into business with you.

