

**Check In**



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# **Business Models and Going to Market**

**UNSW** FOUNDERS



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We help UNSW students, staff, researchers, and alumni translate ideas into great businesses and amazing start-ups, all the way **from developing an idea to raising millions.** All for ***FREE!***

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got an  
idea?

growing your  
startup?

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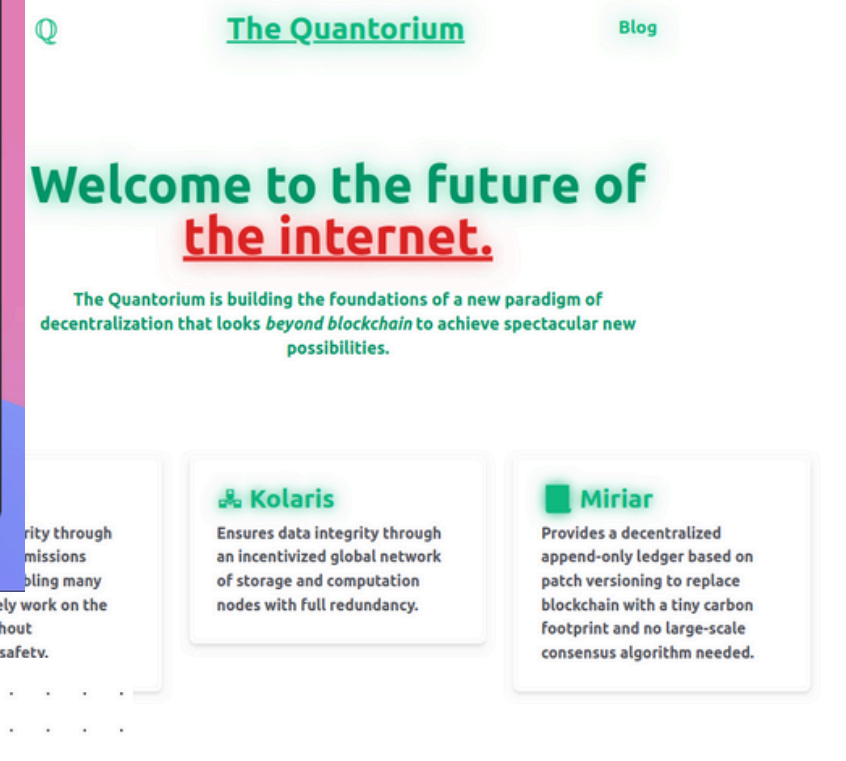
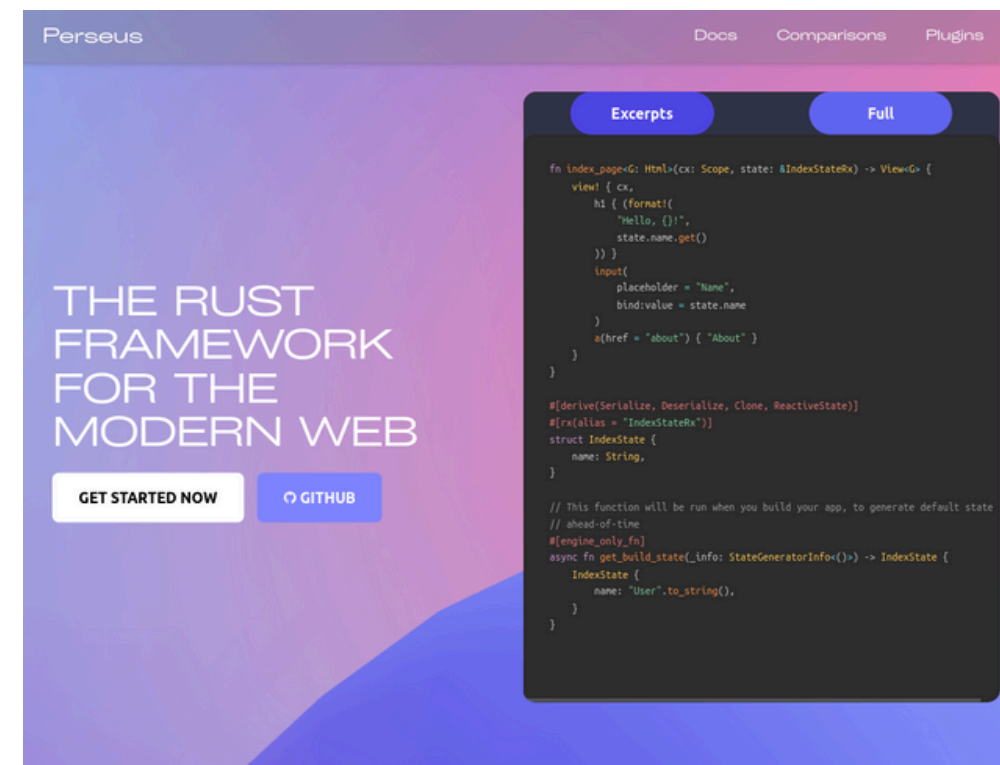
**Coach &  
Connect**

1:1 coaches and mentors  
to guide your journey



Meet  
**SAM**

Programmer, teacher  
and founder



# 10X APPLICATION

- 01** SHORT OVERVIEW
- 02** PROBLEM
- 03** CUSTOMER DISCOVERY
- 04** SOLUTION
- 05** PRODUCT
- 06** TECHNICAL READINESS
- 07** GO-TO-MARKET
- 08** TRACTION
- 09** COMPETITORS
- 10** MILESTONES
- 11** REVENUE
- 12** TEAM

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# PLAN

- 01 BACKGROUND TO MARKETS**
- 02 BUSINESS MODELS**
- 03 UNIQUE VALUE PROPOSITION**
- 04 DETAILED MARKET ANALYSIS**
- 05 EARLY ADOPTERS**
- 06 MARKET SIZING**

# Customers and Users

## Customers

- Purchase your product
- Hand over actual money
- Decision-makers
- May not *use* your product
- Business motives

## Users

- Use and interact with your product
- Do *not* hand over money
- Motivated completely differently
- Probably don't even know how much it costs

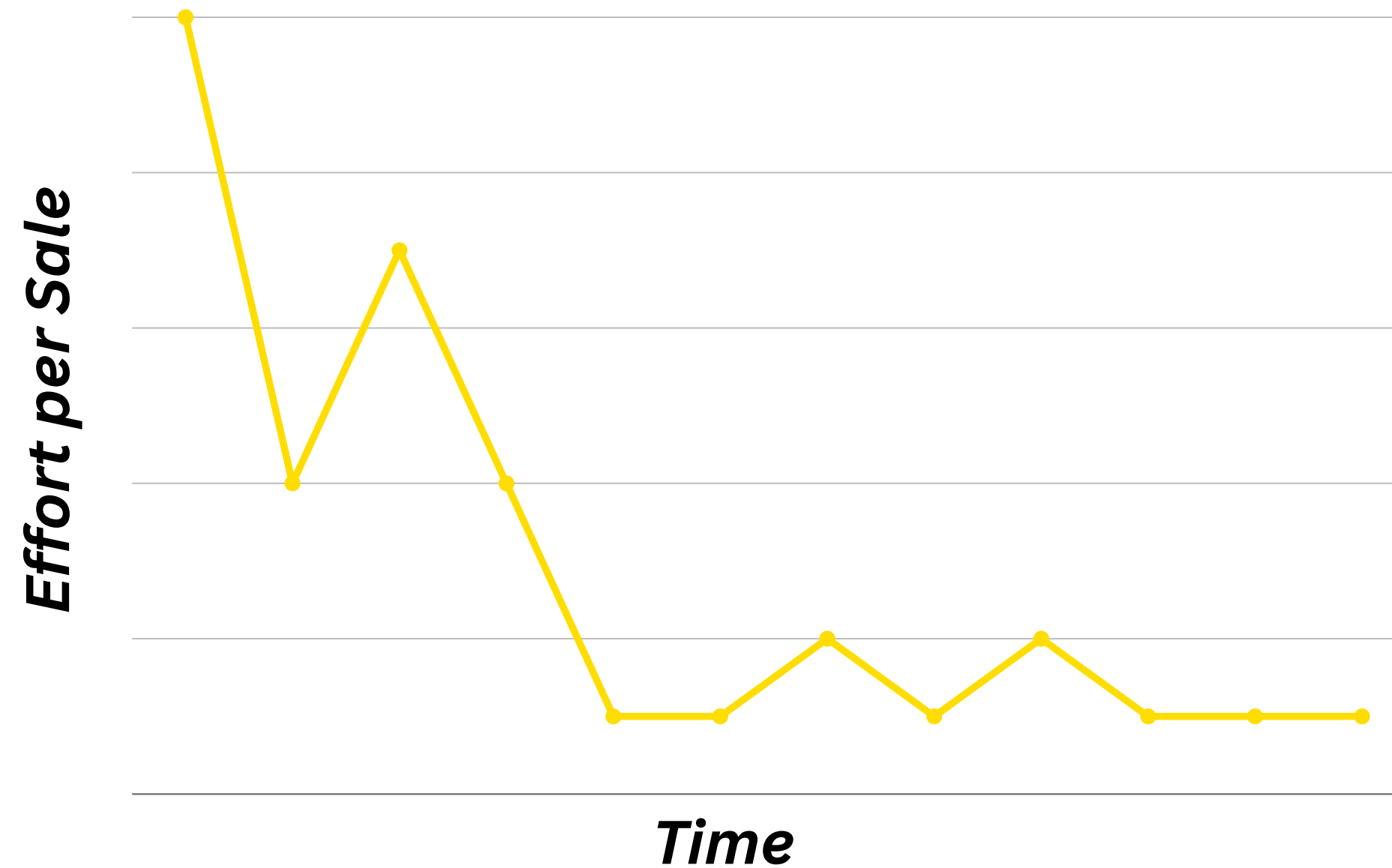
# Customers and Users



A large yellow circle is partially visible in the top right corner. A yellow shape, resembling a stylized cloud or a series of overlapping circles, is in the bottom left corner.

**A startup is a search for a  
repeatable business model**

# Your **First Sales** are the Hardest



# Business Models

- Freemium
- Subscription/membership
- Marketplace
- Data-supported
- Retail
- Licensing
- COSS

# Product-Led vs. Sales-Led Growth

## Product-Led

- Product “sells itself”
- Shorter cycles
- Market is highly connected, awareness spreads rapidly
- Simple decision pipelines

## Sales-Led

- Actively selling
- Longer cycles
- More resource-intensive
- Larger clients, higher-value customers

# Fixed vs. Marginal Costs

## Fixed Costs

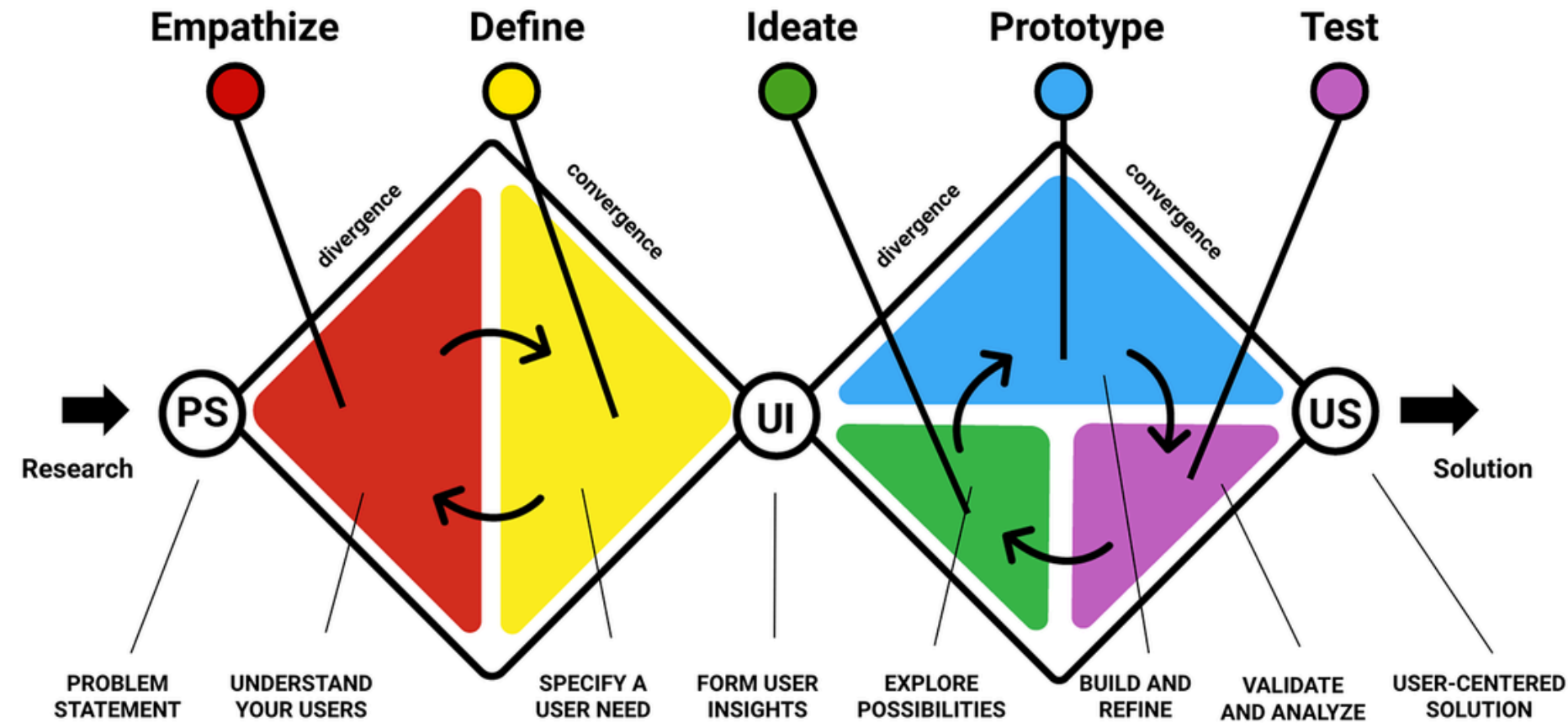
- Upfront
- Not dependent on number of products you sell
- Often needs more funding to cover *before* first sale
- Higher → barriers to entry

## Marginal Costs

- Incurred every time you sell another product
- Need to be more than covered by revenue from each customer
- Software typically has almost zero
- Lower → more expansion



# Iteration and talking to your users



# Features and Applications

Define the specific features of your offering, and how those combine in different *applications* (micro-problems).



**5 minutes**

# Markets

Now brainstorm 3-5 markets that face those micro-problems, where your product can provide a valuable solution.



**10 minutes**

# Unique Value Proposition

For each market, write a UVP: “*we help X to do Y by doing Z*”. Make it market-specific, detailed but concise.



**10 minutes**

# Market Analysis

Let's rank each market on some key scales.



**30 minutes**

# Customer Awareness

- **Intensity of Pain**

- How strongly do your customers feel this problem?
- How highly do they rank it on their list of priorities?

- **Resonance**

- How well does the market understand your value proposition?
- How much work does it take to explain your solution to them?

# Reachability

- How easily can you reach your customers?
- How well-connected are you within this market?
- How much organic *pull* are you getting?
- How *intrinsically reachable* are your customers? (Do they pick up the phone?)

# Customer Characteristics

- **Lifetime value**
  - How much revenue do you get from one customer over their time buying from you?
- **Market size**
  - How large is the market?
- **Sales complexity/acquisition costs**
  - How complex are your customers' decision-making processes?
  - How much does it cost (time, money, effort) to acquire each new customer?



# ***Your* Characteristics**

- **Solution fit/readiness**
  - How long would it take to adapt your product for this market if you had a customer ready to buy *right now*?
  - How well does your solution fit this market's specific problem?
- **Market understanding**
  - How well do you understand the market?
  - How well connected are you within the market?

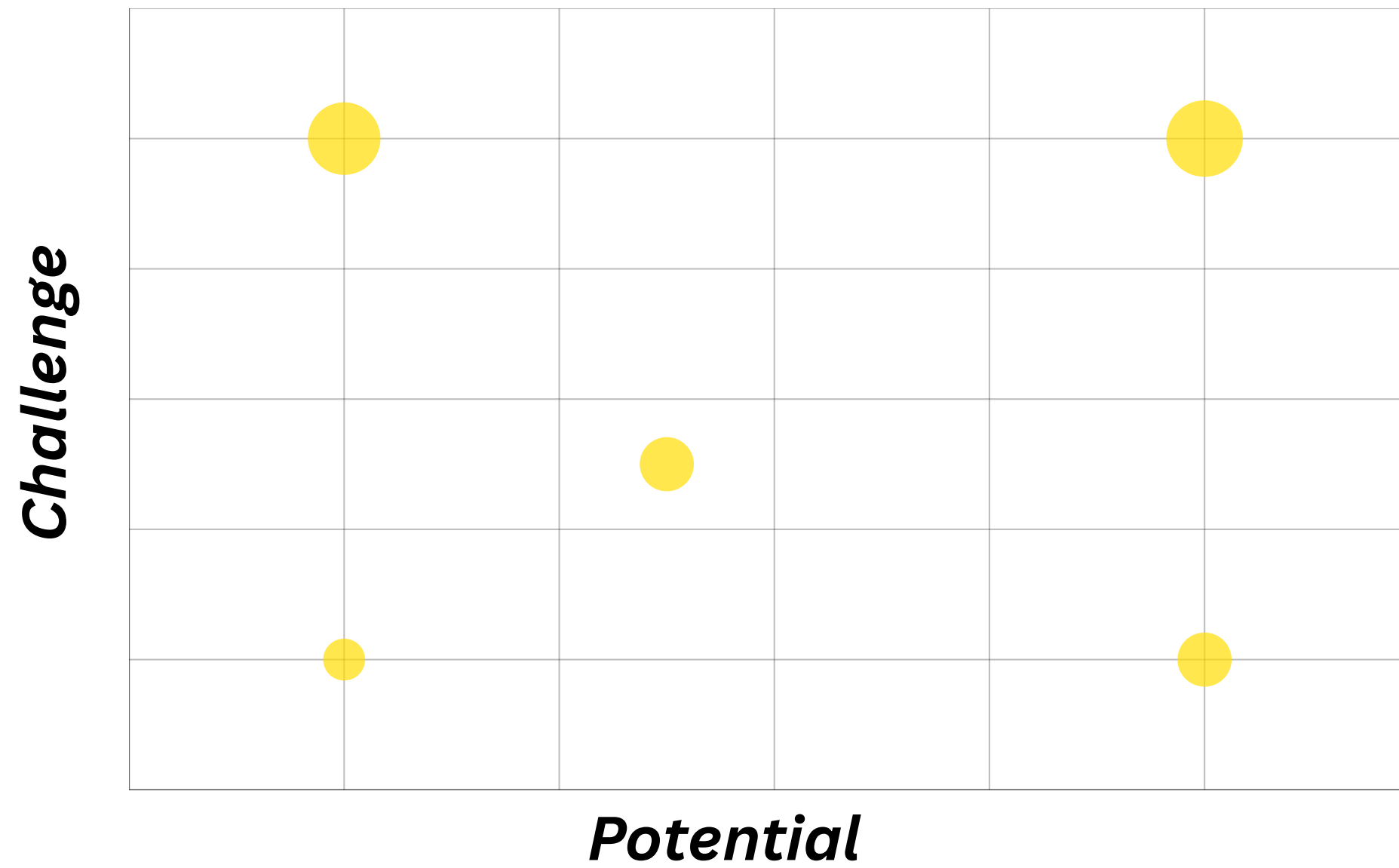
# Market Hurdles

- **Barriers to entry**
  - What regulatory hurdles do you have to overcome to sell in this market?
  - Do you need any special permit/accreditation?
  - How much *reputation* do you have in this market?
- **Strength of competition**
  - How strong and concentrated is the competition?
- **Fixed costs**
  - How expensive is it to start in this market?

A large yellow semi-circle is in the top right corner, and a yellow abstract shape is in the bottom left corner.

**How bad is it if you screw up in this  
market?**

# Potential vs. Challenge



# EARLY ADOPTERS

## Ahead of the Curve

They want to be on top of new solutions. They're craving a solution to *this specific problem*. They have a high risk appetite, and are willing to work with a startup.

## Familiar with Your UVP

They understand your value proposition immediately and see how it applies to them. They've bought things like this before.

## Fast-Moving

They can greenlight a sale quickly and have efficient decision-making processes. They're ready to pay.

# Choose Your Market

Graph the challenge/potential of each market and choose your most promising one(s).



**15 minutes**

The image features a white background with two large, solid yellow shapes in the corners. One is a quarter-circle in the top right, and the other is a larger, more complex shape in the bottom left. Centered on the page is the text "Do things that don't scale!". The words "do", "n't", "s", "c", "a", "l", "e", and "!" are highlighted in yellow, while "Do things that" is in black.

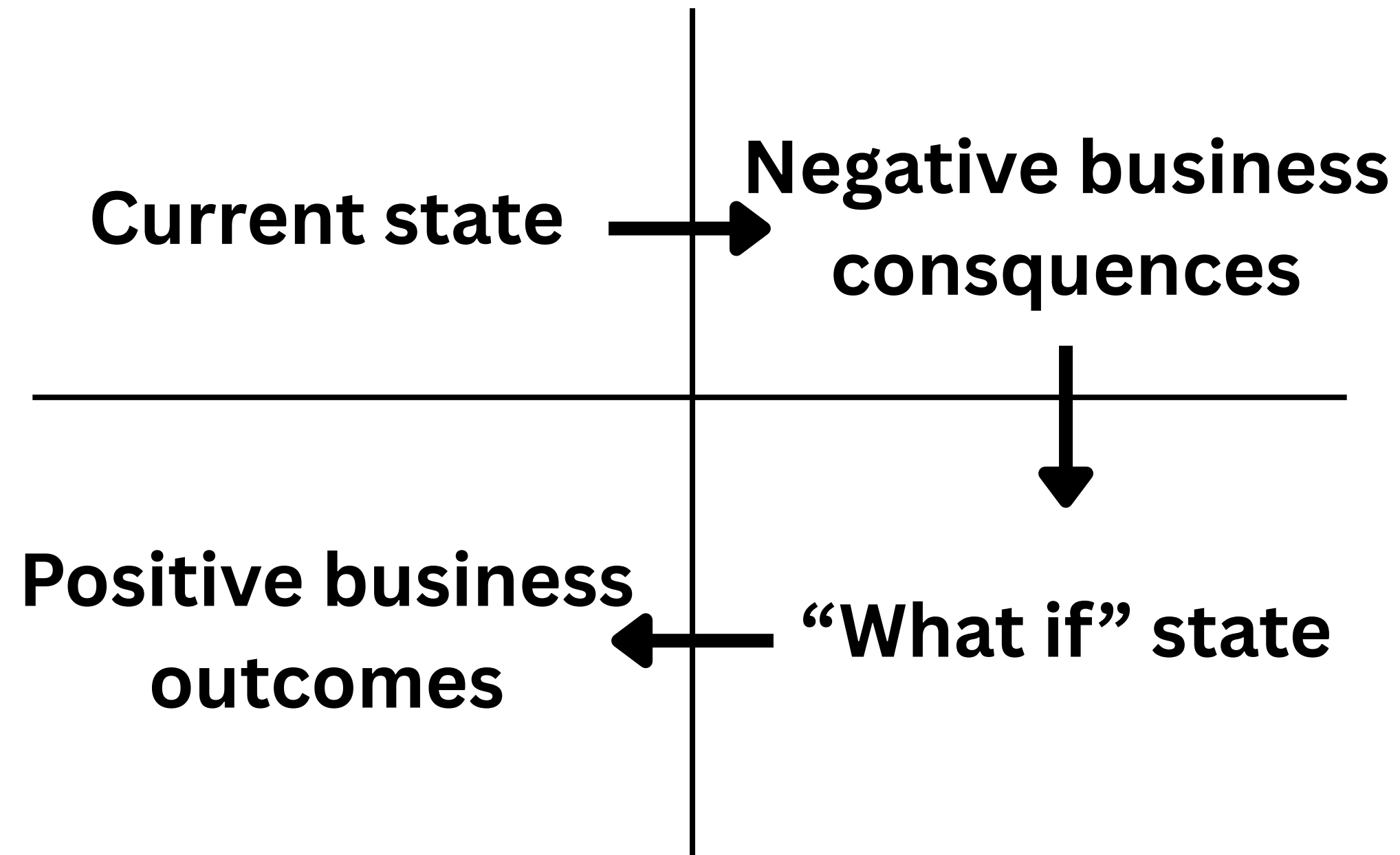
**Do things that don't scale!**

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**If you build it, they will do  
absolutely nothing**



# Sales Box



# MARKET SIZING

## **Total Addressable Market**

Full dollar value of the global market for your product category. Usually found in industry analysis and reports (e.g. cybersecurity market worth \$Xbn in 2025).

## **Serviceable Available Market**

Slice of your TAM you can reach with your current business model, technology, and geography (e.g. Australian cybersecurity worth \$Xmn).

## **Serviceable Obtainable Market**

Share of SAM you think you can win in the next ~2 years. Should be <5% unless you're aiming for a few massive contracts.

# Market Sizing Example

**\$30.25b**

*5% and 10% for document security*  
*(Healthcare) (Defence)*

**\$639.3m**

*2% and 3% for Australia*

**\$36.7m**

*3% and 20% initially*

*All figures in AUD; source: Mordor Intelligence.*

# NEXT STEPS

## More Markets

We've covered frameworks for market analysis, and for better understanding your customers. Apply them to as many potential verticals as you can.

## TAM/SAM/SOM

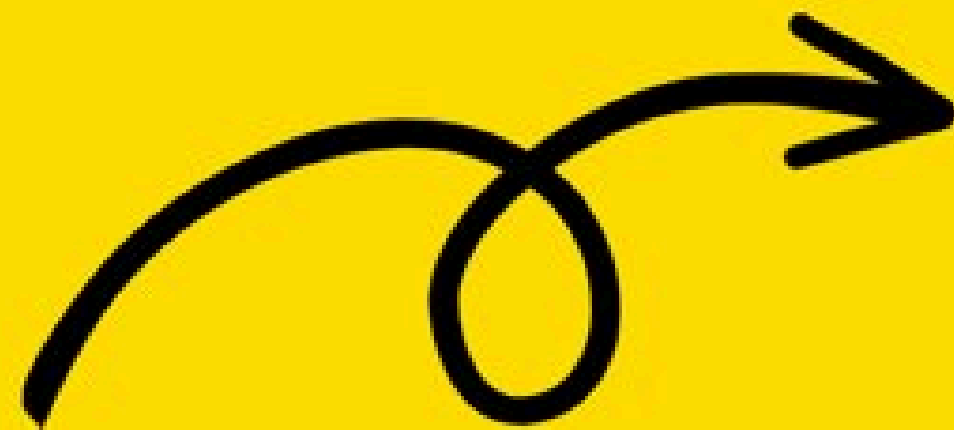
Work out an estimation of your market sizing for your pitch, and be ready to justify it, as well as your choice of verticals.

## GTM Strategy

How do you plan to go to market? What's your beachhead? Have an idea of how you would describe all this to investors. Fill in the rest of the lean canvas.

# Coach & Connect

On-Demand, Expert 1:1 Coaching for  
your ideas!



**Thank you!**