



How to develop a commercial idea – Tips for HR pros.

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1. Intro

All HR Professionals are in a pretty unique position in that we have exposure to all areas of the companies in which we work. We have the opportunity to talk to people in operational and commercial functions and at all levels. This internal network and overview means that we are well positioned to spot trends, connect themes and therefore identify commercial opportunities. We then have a choice to make, we can flag the opportunity and pass on the baton so that someone else can develop it further, or, we could shape it into a proposal that we could take forward ourselves. Much in the way I did when I founded the Style Studio at River Island. It's my belief that most people who work in HR could (and should) do the same so I've collected a few tips here that I found useful on my journey and that I hope will be useful to you too.

I'm going to start by saying there is no one set template for developing a commercial idea that I think you should use. Also, I'm not proposing to give you a magic template here and suggest that it will be everything you need and more. You need something that's going to suit your niche, reflect your personality and be right for your idea. You need to create a live working document so it needs to be a format that you're comfortable with.

I'll make some suggestions and give you a few pointers but then it's up to you to take it and run with it. Make it your own, create your own template and let me know how you get on. There are some great tech platforms and tools available if you want to have a virtual plan, I personally use Trello for working through elements of mine and it's a great way to keep things moving. It's perfectly fine to stick with a traditional format too. Go with what feels best for you.

These points will help you shape your thinking and bring your idea to life.

Good luck, let me know how you get on and let's make AMAZING things happen!

Karen

2. Identify your unique skills, experience and resources

Most great commercial ideas are formed by people who have followed their passion. They have a relentless drive because the work they do matters to them, they have a vision and a dream that they set out to realise. It goes deeper than just seeing a commercial opportunity, it's in their DNA, the idea becomes an extension of them. It's clear to see that they have capitalised on their unique skills and experiences, they know their field of expertise and are connected and embedded in it.

It's not to say that you can't do something that's completely new to you but it's a harder journey for sure. It takes longer to get to market and it's easier to trip up along the way. For that reason, I'd say for now, go with what you know and play to your strengths. You'll get to the results more quickly and you probably already have all of the resources you need in order to be a success.

Your skills, experiences and resources

Briefly describe your unique skills, experiences and the resources that are available to you:

My skills:

My experiences:

Resources available to me:

Outline any gaps in your skills, experience and resources and detail how you will address these:

3. Define the opportunity

Before anything else you need to see and define the parameters of the opportunity that you are going to go after. Opportunity is all around us every day, you just need to lift your head up to see it. It's rare that it will come knocking on your door though so you have to seek it out and go after it. This becomes easy when you know how and it's just a matter of staying connected with news, industry developments and people. Join and participate in relevant networks and if you're working in a business already, network internally. I have great conversations while I'm standing in ques for coffee and when I talk to customers and members of the sales team on the shop floor. Ideas can and do come from anywhere. Be aware of trends. Particularly working in HR you can be in the unique position that you get a holistic view that other people might miss, you know the people, what motivates them and what blocks productivity. This is your opportunity. Maximise it!

When you see an opportunity and the idea starts to form in your head, you then need to articulate it and think about how you can refine it and determine the parameters. Quite often the opportunity you have seen will be linked to others and you'll see the links and potential for scope growth. You need to determine what elements of the opportunity you are going to go after right now. Know it's ok to scale it over time so focus on what can be achieved first. How would you get to a minimum viable product to get you started? Can you articulate your opportunity in one concise statement? When you can do that, you're ready to move on and start to bring it to life.

Define the opportunity
Define the opportunity as you see it today:
Describe the full opportunity, what is it? Where could it lead?
<hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
The opportunity – One concise statement:
<hr/> <hr/> <hr/>

4. Articulate the purpose for your business

Articulate the purpose for your business

Purpose gives you the connection to why people will want to buy your products or use your services. It's important. It gives you the emotional connection to why you do what you do and it's what compels people to interact with you.

An example of this in the case of fashion retail could be a scenario where a customer wants to buy a pair of shoes. You could look at this on face value and the surface level of the transaction to purchase footwear. E.g. 'My purpose is to sell shoes'. Or you could look at the purpose of the interaction. The customer might need the shoes for an interview for a new job that they REALLY want to get, they might be going on a first date with someone that they REALLY want to impress or they might need them because they're getting married and want the PERFECT shoes for their PERFECT day. Your purpose then becomes about selling something much greater, it's about an experience and memories and it's important.

Purpose is about 'why' and it's about emotion. When you can link your purpose with realising why people need your service or your product you're onto a winner. People connect with you more when they know you get them, when they know you understand them, that you care, and that the things that are important to them are also important to you. This is what helps to make your commercial idea a success. Do work that matters and that people care about.

Articulate your purpose

Define your purpose in a way that connects 'why' you do what you do and customer experience:

Why will people want to buy your products or use your services?

Considering the above, state your purpose in one concise statement.

6. Define your business model

You will need to decide on what business model you will operate and which channels you will operate through. If you know your market and are playing to your unique skills, experience and knowledge as mentioned earlier this will be a breeze for you as you'll already know what works and where the gaps are in your field of expertise. It's important here to have your eye on trends and new developments too. You want to be forward thinking and progressive enough that your model is reflective of what works now and can also scale and flex for the future. You also want to be sure that you're not so 'out there' and 'experimental' that you end up in completely uncharted territory (unless you're comfortable with that level of risk). Sometimes it can be better to be a fast follower, and to be second, first and capitalise on learning from others rather than throw yourself out there as a pioneer unless that's your thing and you're damn sure you can be that person and be the test pilot for those who will follow.

Define your business model

Briefly describe your business model, outlining the different channels you will operate through:

Description of my business model:

The channels I will operate through:

7. Identify your target customer

It's important to think about who your customer is up front, much as in the same way that if you were going to write a book, you would need to think about who your readers were going to be up front too. This links back to the work we did on purpose. When you know who your customers are, you can start to think about how they might live their lives, what problems do they have that your product or service will solve. What experiences are they likely to have that will give them a specific need that you can tap in to.

You need to think about who they are, where they are and how you can reach them and best connect with them.

Your target customers

Some things to think about:

Age range:	Gender:	Disposable Income:	Types, e.g. Individuals, Families, Businesses etc:	Location, e.g. Local, National, International:
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How many potential customers do you want to secure in your first year?

What customer need or problem do your product(s) and/or service(s) address?

Explain the pricing model for your product(s) and/or service(s) linking this with the disposable income levels you have stated above:

8. Know your market and competition

Unless you are in a very unique position it's highly likely that you will be competing for your customers in a potentially crowded marketplace. Also, if you're fortunate enough to operate in a marketplace that isn't crowded yet, prepare for it to be that way soon as it's inevitable that if you tap into a winning concept others will follow quickly on your tail.

You need to know your market to be able to capitalise on opportunities within it. You need to read trade press, online journals, whitepapers and reports. Stay connected with industry insiders and network like crazy building contacts and relationships. You need an edge and that doesn't happen by accident or on its own. It takes research through multiple sources and requires a good understanding of what your competitors do and how they operate.

Your market and competition

What research have you conducted to understand your market, including your industry, customers and competitors?

Competitor Analysis

Competitor 1:

Name and overview:

Average cost of services/product:

What they do well:

What they don't do that I will do:

Competitor 2:

Name and overview:

Average cost of services/product:

What they do well:

What they don't do that I will do:

Competitor 2:

Name and overview:

Average cost of services/product:

What they do well:

What they don't do that I will do:

9. Set Top Line Objectives

When you've done your research and have clarity on the points we've been through so far it's time to set some top line objectives. I'd just suggest top line at this stage as you start to shape your plan because they can then be broken down further into more detailed actions when you're ready to progress. These objectives should give you the direction you want to move in and indicate a timescale that's going to get you there.

It's ok to change course along the way and objectives can shift as needed but remember to stay focused on your purpose and have vision for what you want to achieve. For that reason I would suggest articulating a specific goal and then adding objectives that help you move towards that goal.

Goals and Objectives:

Goal - Short term (3 – 6 months):

Objectives:

Goal - Medium term (next 6 – 18 months):

Objectives:

Goal - Longer term (18 months plus):

Objectives:

10. Define the marketing plan

It's not going to be enough to rely on word of mouth alone to make your commercial idea a success. You're going to need to think through how you are going to promote it and through which channels. Again, the key here is knowing your market as that gives you a massive head start on this.

You need to think about the role of your website, is it for information only or is it for e-commerce? Are you going to advertise online, if so where and how? Are you looking at other forms of advertising e.g. print, radio, TV? What are you going to do about search engine marketing and of course how are you going to use social media?

Have you considered events and exhibitions, what about third party partnerships and hook ups. What else works in your industry? How do your competitors make people sit up and take notice?

Also, here I should note that it's highly valuable to connect with your colleagues in marketing here. You don't need to be rewriting the rule book on the above points, they'll have this covered and if you can connect in the right way (remember the value of your internal network) I'm sure they will be more than happy to help. There is also a wealth of info available via Google and YouTube here too to help you build your foundation knowledge in this area.

Your sales and marketing plans

How do you or will you promote your business or idea?

What social media channels will you use?

Pick three key promotional activities and describe how they will help you meet your business objectives:

1. _____

2. _____

3. _____

11. Define the operating plan

With any commercial idea there are practical and operational things to consider. I don't intend to cover them all here but instead aim to highlight a few areas to think about and that it's useful to work through as part of creating a plan to support your idea and help you achieve sign off on it.

It's unlikely that you're going to be an expert in all operational areas and really when developing a commercial idea it's likely that most of your focus will need to be on the creative and practical areas of getting your concept to market in addition to financial planning. So, here more than ever I would suggest that you call in help when you need it, get advice when negotiating contracts. Reach out to your network and be curious, asking questions along the way to ensure you set your idea up with solid operational foundations.

Your operational plans	
Are there any suppliers or business relationships that are critical to delivering your products/services?	
Supplier / Relationship 1:	
Organisation or Individual:	<hr/> <hr/> <hr/> <hr/>
Service provided:	<hr/> <hr/> <hr/> <hr/>
Key terms of the relationship:	<hr/> <hr/> <hr/> <hr/>

Supplier / Relationship 2:

Organisation or Individual:

Service provided:

Key terms of the relationship:

Other operational considerations:

Do you need to employ people to deliver your idea?

Outline the key roles for employees needed to progress this. (e.g. job title & overview of responsibilities):

How many employees do you intend to take on in the next 12-months?

Full time:

Part time:

Anticipated Cost:

Anticipated Cost:

Where does or will your idea operate from and what are the associated costs of this?

What laws or regulations are applicable for your idea and / or industry?

What insurance do you currently have in place or do you intend to put in place for your idea?

12. Define the financial plan

If you're going to get this signed off, clearly you need to talk about the money! Operational factors as detailed above are always a good place to start when you are putting your financial plan together. The numbers need to stack up to make this work and a very successful tactic is to start small, identify how to get to your minimal viable product quickly and then scale it at a pace that is reflective of the investment and your comfort level with risk.

Start by working on some initial projections and then shape it as you go until you feel comfortable with the numbers. It's worth really spending some time on this and working through a couple of options before you present your idea to your CEO. Something else I would recommend here is connecting with your colleagues in Finance to get some support with this and also use it as an opportunity to float your idea with a few people to get some feedback and help refine it before you present it for sign off. In addition, it's important that you understand how financial data is usually presented in your organisation so that you can ensure that your proposal follows the same format and therefore it will have a higher chance of being signed off.

It's beyond the scope of this document to expand further on financial planning here but to get you started consider the following.

Costs and income projections	
Costs – Short term (3 – 6 months):	
Source of cost:	Projected value of cost:
_____	_____
_____	_____
_____	_____
	Total Costs: _____
Income Projections – Short term (3 – 6 months):	
Source of income:	Projected value of income:
_____	_____
_____	_____
_____	_____
	Total Value of income: _____
+ / - Variance =	

Costs - Medium term (6 – 18 months):

Source of cost:

Projected value of cost:

Total Costs:

Income Projections – Medium term (6 – 18 months):

Source of income:

Projected value of income:

Total Value of income: _____

+ / - Variance =

Costs – Longer term (18 months plus):

Source of cost:

Projected value of cost:

Total Costs:

Income Projections – Longer term (18 months plus):

Source of income:

Projected value of income:

Total Value of income: _____

+ / - Variance =

13. Review, re-position and re-invent.

When you've completed your plan it's important to remember that you're going to have to go back and review it (many times). It will never be done to the extent that it can be a fixed document and you need to use it as a working document that reflects the agility and pace you will need to operate at in order to make your commercial idea a success.

It's fine to make course corrections and re-position yourself as you go along. Don't be afraid of re-invention when the need calls for it. There is no way that this is one of those things that you get right first time. It takes revisions, adjustments and time to figure out. You'll make mistakes. You'll learn from them. It'll be ok!

Your plan is a guide, it will help you secure sign off for your idea and will help you keep track of where you're going and where you've been. All of the elements detailed in this document are there for you to take, to evolve and expand on, this is not meant to be a comprehensive or exhaustive list. It's a starting point for you. You should be confident to shape your plan as you need to and there will be extra elements you can add and sections you can omit over time.

I wish you luck and success with developing your commercial idea and getting sign off on it. I would encourage you to be brave. Float your idea. Get feedback on it. Make a start and see what happens. You don't need to have all of the answers straight off, you just need to get started. Find something you are passionate about and it's highly likely that you will already have all of the resources and networks you need to succeed.

Good luck!