

# E-commerce Business Plan Event, 2007 or Entrepreneurship Written Event, 2007

*Entrepreneurship Written Event sponsored by the  
Ewing Marion Kauffman Foundation*

## Purpose (E-commerce Business Plan Event)

The purpose of the E-commerce Business Plan Event is to provide an opportunity for the participants to research and design a plan to start an e-commerce business or enhance a component of an existing e-commerce business.

The E-commerce Business Plan Event will provide participants with an opportunity to

- ◆ design and conduct a marketing research study to identify the potential for e-commerce
- ◆ prepare a written proposal for an e-commerce business based on the market research
- ◆ request financing for the proposal in a role-playing interview with a bank or venture capital official

## Definitions

The following definition relates specifically to these events:

### ◆ *e-commerce or electronic commerce*

The buying and selling of products and services by businesses and consumers over the Internet. Typically there are three types of e-commerce transactions: business-to-business (e.g., Cisco), business-to-consumer (e.g., e-tailers) and consumer-to-consumer (e.g., eBay).

Source: <http://www.investorwords.com/e1.htm#e-commerce>

- ◆ E-commerce sites are sometimes called electronic storefronts. Electronic commerce can also include the electronic transfer of funds.

## Purpose (Entrepreneurship Written Event)

The Entrepreneurship Written Event involves the development of a proposal to start a new business, a self-analysis (including the willingness to take risks), an analysis of the business situation, a description of the way the business will operate and detailed plans for financing the business through its first three years of operation. Any type of business may be used.

The Entrepreneurship Written Event will provide the participants with the opportunity to

- ◆ design and conduct a marketing research study to identify the potential for entrepreneurship
- ◆ prepare a written proposal for a new business based on the research
- ◆ request financing for the proposal in a role-playing interview with a bank or venture capital official

## Procedure

- The project consists of two major parts: the **written document** and the **oral presentation**. The written document will account for 60 points and the oral presentation will account for the remaining 40 of the total 100 points.
- Each event entry will be composed of **one to three** members of the DECA chapter. All participants must present the project to the judges. All participants present must respond to questions.
- The body of the written entry must be limited to **30 numbered pages**, including the appendix (if an appendix is attached), but excluding the title page and the table of contents.
- The **Written Event Statement of Assurances** must be signed and submitted with the entry. Do not include it in the page numbering.

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- The participants will bring all visual aids to the event briefing. Only approved visual aids may be used during the presentation.
- The oral presentation will be a maximum 15 minutes in length. The first 10 minutes will include an explanation and description of the project followed by 5 minutes for the judge's questions.
- The judge will evaluate the presentation, focusing on the effectiveness of public speaking and presentation skills and how well the participants respond to questions that the judge may ask during the 5 minutes following the presentation.

### Skills Developed

The participants will demonstrate skills described by the performance indicators for general marketing as well as learn/understand the importance of

- communications skills—the ability to exchange information and ideas with others through writing, speaking, reading or listening
- analytical skills—the ability to derive facts from data, findings from facts, conclusions from findings, and recommendations from conclusions
- critical thinking/problem-solving skills
- production skills—the ability to take a concept from an idea and make it real
- teamwork—the ability to be an effective member of a productive group
- the ability to evaluate group presentations
- priorities/time management—the ability to determine priorities and manage time commitments and deadlines
- identification of competitive conditions within market areas

Complete lists of performance indicators are available from DECA's Web site, [www.deca.org/celisting.html](http://www.deca.org/celisting.html).

### Format Guidelines for the Written Entry

Your written entry must follow these specifications. Refer also to the Written Entry Checklist and the Written Entry Evaluation Form.

**Title page.** The first page of the written entry is the title page, which lists the following in this order:

Name of the event (one of the following)  
E-COMMERCE BUSINESS PLAN EVENT  
ENTREPRENEURSHIP WRITTEN EVENT  
Type of business proposed  
Name of DECA chapter  
Name of high school  
School address  
City, State/Province, ZIP/Postal Code  
Names of the participants  
Date

The title page will *not* be numbered.

**Table of contents.** The table of contents should follow the title page. The Roman numeral of each section, the section title and the page of the section must appear in the table of contents. The table of contents may be single-spaced and may be one or more pages long. The table of contents page(s) will not be numbered.

**Body of the written entry.** The body of the written entry begins with Section I, Executive Summary and continues in the sequence outlined here. The first page of the body is numbered 1 and all following pages

are numbered in sequence. The numbered pages continue through the bibliography (required) and appendix (optional).

Follow this outline when you write your entry. Points for each section are shown on the Written Entry Evaluation Form. Each section must be titled, including the bibliography and the appendix.

- I. EXECUTIVE SUMMARY
  - One-page description of the project
- II. INTRODUCTION
  - Type of business, product and/or service proposed and a brief description
- III. ANALYSIS OF THE BUSINESS SITUATION
  - A. Trading area analysis
    1. Geographic and demographic information
    2. Market segment analysis of target market (age, income level, population estimate, other specific demographic and economic information)
    3. Customer buying behavior related to proposed business, product and/or service
    4. Analysis of the potential location (availability, cost [lease or buy], traffic patterns, destination shopping and proximity to competition)
  - B. Competitors
    1. Primary competitors' strengths and weaknesses
    2. Competitive advantages and disadvantages of the proposed business, product and/or service
- IV. PLANNED OPERATION OF THE PROPOSED BUSINESS/PRODUCT/SERVICE
  - A. Proposed organization
    - Type of ownership and rationale; advantages/disadvantages of the type of ownership selected; start-up steps to form the business; planned personnel (or functional) needs; proposed staffing to handle managerial, financial, marketing, legal, production (if applicable) functions; proposed organization chart, brief job descriptions, if necessary
  - B. Proposed business/product/service
    - Details of business(es)/product(s)/service(s) to be proposed; include potential suppliers, manufacturing plans, inventory policies, if applicable. If the business is a service business, appropriate information about plans to provide the service, including necessary supplies
  - C. Proposed strategies
    1. Proposed pricing policy; what currency will be used (dollar, mark, etc.); costs, markups, markdowns, relation to competition; factors that could affect the price of the product/service (i.e., competition, political conditions, taxes, tariffs, transportation costs)
    2. Proposed promotional program; promotional activity(ies); media availability, costs, one-year promotional plan outline
- V. PLANNED FINANCING
  - A. Projected income and expenses
    - (The following are recommended items to be included. You may select the appropriate items for your business.)
    - 1. Projected income statements by month for the first year's operation (sales, expenses, profit/loss)
    - 2. Projected cash flow for the first year
    - 3. Projected cash flow by month for the first year's operation
    - 4. Projected balance sheet, end of first year

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5. Projected three-year profit/loss statement
6. A brief narrative description of the planned growth of the proposed business, including financial resources and needs
- B. Proposed plan to meet capital needs  
(The following items are recommended for inclusion. You may select the appropriate items for your business.)
  1. Personal and internal/external sources
  2. Earnings, short-term and long-term borrowing, long-term equity
  3. Plan to repay borrowed funds or provide return on investment to equity funds
- VI. CONCLUSION  
Specific request for financing, summary of key points supporting the financial request
- VII. BIBLIOGRAPHY
- VIII. APPENDIX  
An appendix is optional. Include in the appendix any exhibits appropriate to the written entry but not important enough to include in the body; these might include sample questionnaires used, letters sent and received, general background data, etc.

### Checklist Standards

In addition to following the outline above, when preparing your written entry, you must observe all of the following rules. The purpose of these rules is to make competition as fair as possible among participants. Refer to the Written Entry Checklist.

1. The Written Event Statement of Assurances must be signed and submitted with the entry or the entry will receive 15 penalty points.
2. The entry must be submitted in an official DECA written event folio. Folios are available from DECA IMAGES (WEF000). No markings, tape or other material should be attached to the folio. One photocopy or the original typed document must be submitted. Participants may keep a copy for use in the interview.
3. Sheet protectors may not be used.
4. The body of the written entry must be limited to 30 numbered pages, including the appendix (if an appendix is attached), but excluding the title page and the table of contents page.
5. The pages must be numbered in sequence, starting with the executive summary and ending with the final page of the appendix. Do not use separate sheets between sections or as title pages for sections.
6. Major content of the written entry must be at least double-spaced (not space-and-a-half). The title page, table of contents, executive summary, bibliography, appendix, footnotes, long quotes (more than three typed lines), material in tables, figures, exhibits, lists, headings, sample letters, forms, etc., may be single-spaced.
7. The entry must be typed/word processed (not handwritten). Only material in exhibits and participant-created artwork, charts and graphs may be handwritten. Handwritten corrections to typed text will be penalized. (Judges will be instructed to ignore attempts to achieve a competitive advantage due to the quality of word-processing equipment available.)
8. All material must be shown on 8½-inch x 11-inch paper. Pages may not fold out to a larger size. No extraneous information may be attached to the pages and tabs may not be used.
9. Decorative artwork or desktop publishing techniques may be used throughout the manual. Photographs in the manual must be scanned and placed as digital files.
10. The entry must follow the sequence outlined. No sections or subsections may be added.
11. The Roman numeral of each section, the section title and the page number of the section must appear in the table of contents.

## Presentation Guidelines

- Prior to the presentation, the judge will evaluate the written portion of the entry. The major emphasis of the written entry is on the content. Drawings, illustrations and graphic presentations (where allowed) will be judged for clarity, not artistic value.
- The participants, assuming the role of an entrepreneur, will have prepared a detailed description of a proposed new business or an enhanced component of an existing business. The role of the judge is that of a potential source of capital for the business as if actually going to approve or disapprove the request for financing.
- The participants will present the proposal to the judge in a 15-minute presentation worth 40 points. (See Presentation Judging.)
- The presentation begins immediately after the introduction of the participants to the judge by the adult assistant. Each participant must take part in the presentation.
- The participants will spend not more than 10 minutes, at the beginning of the presentation, describing the proposal and making the request for financing. Each participant may bring a copy of the written entry or notecards pertaining to the written entry and use as reference during the presentation.
- The judge will spend the remaining 5 minutes questioning the participants. (See the Presentation Evaluation Form.) Each participant must respond to at least one question posed by the judge.
- The participants may use as visual aids only display material mounted on not more than three (3) standard-sized posters not to exceed 22 inches by 30 inches each and/or one (1) standard-sized presentation display board not to exceed 36 inches by 48 inches to be placed on chairs or free-standing easels. Participants may use both sides of the posters, but all attachments must fit within the poster dimensions. Only visual aids that can be easily carried to the presentation by the actual participants will be permitted, and the participants themselves must set up the visuals. Participants are allowed to make use of a desktop flip chart presentation easel not to exceed 12 inches by 10 inches. Participants are also allowed to make use of a personal laptop computer and/or a hand-held digital organizer they provide. No set-up time will be allowed. No sound may be used. If participants use a personal computer, they must bring their own battery power pack, as electrical power will NOT be supplied. No other materials may be brought to or used during the presentation by the participants.
- No material of any kind may be passed to the judge.
- If any of these rules are violated, the adult assistant must be notified by the judge.

## Written Entry Judging

Please familiarize yourself with all of the event guidelines before starting to evaluate the written entry. Penalty points (see Written Entry Checklist) have already been assessed. The Written Entry Evaluation Form follows the outline shown in the section entitled Format Guidelines for the Written Entry, which explains in greater detail what should be discussed in each section. As you read, ask yourself, “Will this work? Is it realistic? Do the writers sound knowledgeable? Are the writers communicating clearly?” Ultimately, you must decide, “Would I approve this proposal if I were the manager?”

The judge should complete the Written Entry Evaluation Form, making sure to

- ◆ place the name and identification number label on the Scantron sheet (unless it has already been done for you).
- ◆ fill in the appropriate score for each section.
- ◆ write the score given in the space at the right. No score filled in or extended means that the participant will receive a zero score for that area.
- ◆ ignore attempts to achieve a competitive advantage due to the quality of word-processing equipment available.

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- ◆ double-check to ensure that you have scored every category.
- ◆ total your score. The series director will double-check all addition.

A maximum score of “Exceeds Expectations” in any category means that, in your opinion, the information is presented effectively and creatively; nothing more could be expected of an employee.

A “Meets Expectations” rating means that the information is presented well. Though there may be a few minor problems or omissions, they are not significant. Creativity, however, is not shown to any great degree. A combined total score of 70 or better on the written and presentation sections will earn the participant team DECA’s Certificate of Excellence at the international conference.

A “Below Expectations” score means that the information presented does not meet minimum standards of acceptability.

A “Little/No Value” score means either that some major flaw has been noted that damages the effectiveness of the information (this may be a major omission, a serious misstatement, poor writing or any other major flaw) or that the information presented is of no value (does not help the proposal at all).

It may help to go through several entries before actually starting to score the entries. Take notes on a separate piece of paper if you wish to ask the participants about specific areas of the written entry during the presentation.

### **Presentation Judging**

Participants will make a 15-minute presentation to you. Remember, you are role-playing a loan officer or a venture capitalist. You may refer to the written entry, or to notes, during the presentation.

During the first 10 minutes of the presentation (after introductions), the participants will explain the proposal and make the request for financing. Allow the participants to complete this portion without interruption, unless you are asked to respond. Each participant must take part in the presentation.

During the final 5 minutes, you may question the participants. At least one question must be addressed to each participant. To ensure fairness, you must ask each participant or group of participants the same four questions (based on the Presentation Evaluation Form):

1. one question on the analysis of the business situation
2. one question on the plan for operating the proposed business/product/service
3. one question on the projected income and expenses
4. one question on the plan to meet capital needs

These four questions should be prepared following the written entry evaluation but before the presentation begins.

After asking the four questions, you may ask any other questions that seem appropriate, based on your notes or on the written entry itself (to which you may refer during the presentation).

At the conclusion of the presentation, thank the participants. Then complete the Presentation Evaluation Form, making sure to record a score for all categories. Maximum score for the presentation is 40 points.

We hope you are impressed by the quality of the work of these potential entrepreneurs. If you have any suggestions for improving this event, please mention them to your series director.

*We thank you for your help.*

**E-commerce Business Plan Event, 2007  
Entrepreneurship Written Event, 2007**

**Participant(s):** \_\_\_\_\_

**Written Entry  
Evaluation Form**

**I.D. Number:** \_\_\_\_\_

**Please refer to *Format Guidelines for the Written Entry*  
for a more detailed explanation of these items.**

	Exceeds Expectations	Meets Expectations	Below Expectations	Little/No Value	Judged Score
<b>EXECUTIVE SUMMARY</b>					
1. One-page description of the project .....	4	3	2	1-0	_____
<b>INTRODUCTION</b>					
2. Type of business/product/service proposed and a brief description .....	4	3	2	1-0	_____
<b>ANALYSIS OF THE BUSINESS SITUATION</b>					
3. Trading area analysis Analysis of geographic/demographic information, market analysis, customer buying behavior, and analysis of the potential location .....	8-7	6-5	4-3-2	1-0	_____
4. Competitors Analysis of competitors' strengths/ weaknesses, advantages/disadvantages of the proposed business/product/service .....	4	3	2	1-0	_____
<b>PLANNED OPERATION OF THE PROPOSED BUSINESS/PRODUCT/SERVICE</b>					
5. Proposed organization .....	4	3	2	1-0	_____
6. Proposed business/product/service .....	4	3	2	1-0	_____
7. Proposed strategies Proposed pricing policy and proposed promotional program	10-9	8-7	6-5-4	3-2-1-0	_____
<b>PLANNED FINANCING</b>					
8. Projected income and expenses .....	7-6	5	4-3-2	1-0	_____
9. Proposed plan to meet capital needs .....	7-6	5	4-3-2	1-0	_____
<b>CONCLUSION</b>					
10. Request for financing .....	4	3	2	1-0	_____
<b>APPEARANCE AND WORD USAGE</b>					
11. Professional layout, neatness, proper grammar, spelling and word usage .....	4	3	2	1-0	_____

**Written Entry Total Points (maximum 60 points):** \_\_\_\_\_

Judge: A B C D E F G H (circle one)

**E-commerce Business Plan Event, 2007  
Entrepreneurship Written Event, 2007**

**Participant(s):** \_\_\_\_\_

**Written Entry  
Presentation Evaluation Form**

**I.D. Number:** \_\_\_\_\_

	Exceeds Expectations	Meets Expectations	Below Expectations	Little/No Value	Judged Score
1. Opening presentation and request: description of the project; organization, clarity and effectiveness of the presentation.....	10-9	8-7	6-5-4	3-2-1-0	_____
2. Question on the analysis of the business situation.....	5	4	3-2	1-0	_____
3. Question on the plan for operating the proposed business/product/service.....	5	4	3-2	1-0	_____
4. Question on the projected income and expenses .....	5	4	3-2	1-0	_____
5. Question on the plan to meet capital needs.....	5	4	3-2	1-0	_____
6. To what extent did the participants demonstrate professional appearance, poise and confidence?.....	5	4	3-2	1-0	_____
7. Overall performance, presentation tech- nique, effective use of visual aids and participation of all.....	5	4	3-2	1-0	_____

**Presentation Total Points (maximum 40 points):** \_\_\_\_\_

RECAP: WRITTEN ENTRY (60): \_\_\_\_\_

PRESENTATION (40): \_\_\_\_\_

SUBTOTAL (100): \_\_\_\_\_

LESS PENALTY POINTS: \_\_\_\_\_

**TOTAL SCORE:** \_\_\_\_\_

Judge:    A    B    C    D    E    F    G    H    (*circle one*)