Business case template

Once you've identified and explored an idea for a viable new product, feature, market, acquisition, etc., your business case template is the place to document and share the value and business benefits of your proposal, and, hopefully, secure buy-in from the wider business.

Who this is shared with will depend on your company's set-up but it's usually key stakeholders like the CEO, Chief Marketing Officer, VP of Product, Chief Financial Officer, etc.

Executive summary

This is a brief synopsis of what the rest of your document will entail and should clearly define the *why* behind your case. It should top load all the most important information and is usually best written last.

Tip: *Aim to stay within 8-10 lines of standard Word doc and don't forget key info like market size and value. This will help contextualize the rest of your document.*

Market segmentation

"Each organization, instead of trying to reach everyone, should identify the most attractive parts of the market that it could effectively serve." - Philip Kotler, Marketing Management

Clearly define the market segment, including market sizing - i.e. make it clear to everyone in the organization who the idea is focused on versus who it isn't focused on. There are many ways you can segment the market, like demographics, geographics, psychographics, and behavior.

Current problems

What problems are you trying to solve? This could be a gap in the market no-one's yet capitalizing on, a missing feature causing your customers to churn, both, or something completely different.

Tip: *Stick to 3-4 bullet points and explain how you* ***know*** *it's a problem. For example:*

- *No-one in the market currently offers this feature. We have extensively audited all organizations we're directly or indirectly in competition with and not a single one offers this feature. We've also interviewed 25 won and lost prospects and they confirmed our findings and that there's a market-wide need for it.*

Tip 2: *Remember to include evidence of problem verifications - like customer interviews and other data sources (i.e. customer support tickets and enquiries).*

Opportunities on offer

How will addressing the problems you listed benefit your business? For example, will it increase market share, revenue or customer loyalty? Will it save money? Will it help you enter a new market? Whatever these are, tie them back to organizational goals and use data to back-up your argument.

Tip: *Stick to 3-4 bullet points and lead with the benefit, then back it up with proof. Here's a top-level example:*

- *Reduce customer churn - at the moment, we lose 6% of our customer base a quarter which translates into $120,000 in revenue. 58% of these customers said they left because we didn't offer feature X like our competitors do and so introducing it will help us retain more customers in the future.*

Competitive summary

What are the market trends and drivers for growth? Consider using the PESTEL framework to help you with this.

Also, what are your competitive alternatives? Who are your direct and indirect competitors? What markets are they targeting? What are their strengths and weaknesses? And what are the opportunities and threats for you?

Finances

Revenue model

How will the market exchange value? Propose a revenue model (ideas available here) and if possible, get it validated by your market. While you're at it, it's probably worth including the RoI too.

Cost breakdown

Provide an all-encompassing cost with a breakdown of where the money's going. This is usually best completed after the initial solution design phase or prototype design when a better cost estimate can be provided.

For example: *The total forecasted cost for this project is $35,000. $25,000 of this will be spent outsourcing the build of the feature to a third-party agency, $5,000 will be used to license the new software and the remaining $5,000 will be used to put behind marketing tactics like PPC, paid social promotion and guest posts.*

Tip: *Make this information easier to digest by turning it into a chart or graph.*

Resource requirements

How will you take your product to market? Which internal and external teams will you need? How long will you need them for? And who will this impact, directly *and* indirectly?

Tip: *To make sure this is accurate, sense check your predictions with relevant departments/people first.*

Timelines

How long will it take to execute your proposal? Give a top-level launch date plus a guideline of which internal approvers and drivers are needed for each of the stages in between.

Tip: *Don't go into masses of detail here. This document's all about getting buy-in so gather the detail needed to accurately present a strong case, but don't invest an inordinate amount of time into GTM plans just yet. It might also be worth sense checking your predictions for this one too.*

Risk assessment

Outline where the risks lie, what the impact would be if they materialized, and how you plan to mitigate them.

Tip: *Don't shy away from being honest. Almost everything comes with an element of risk and your readers will be all too familiar with that. Open disclosure in this section covers your back.*

Example: *Some customers may not instantly take to the interface and navigation of our new system and this could put them at risk of leaving. To combat this, we'll create a nurture and onboarding campaign pre- and post-launch and offer free, one-on-one demos for customers who need additional help.*

The alternatives

Cover off the alternative options available to achieve the same outcome and briefly outline the benefits, costs, feasibility, risks and issues associated with each, and then rank them from best to worst.

Example:

	Option 1	Option 2	Option 3
Benefits	- Benefit #1 - Benefit #2 - Benefit #3	- Benefit #1 - Benefit #2 - Benefit #3	- Benefit #1 - Benefit #2 - Benefit #3
Costs	Feasible	More expensive	Slightly cheaper but less secure
Risk	- Risk #1 - Risk #2 - Risk #3	- Risk #1 - Risk #2 - Risk #3	- Risk #1 - Risk #2 - Risk #3