

## COOPERATIVE BUSINESS PROJECT GUIDE

### ❖ DESCRIPTION OF THE BUSINESS PROJECT

**Recommended period:** 18 to 28 November

**Maximum length of the document:** 1 page

In this section the team must explain **its business idea and the company model** on which it will be based.

**IMPORTANT:** Remember that the project must be based on a cooperative model.

Provide a brief description of the project's activity and the steps taken to date to implement it. This explanation **cannot omit the following basic data:**

- Name of the project/product/service.
- Corporate purpose (purpose for which a business is incorporated).
- Location.
- Start date.
- Legal format.
- Type of cooperative (examples: associated work cooperative, health cooperative, consumer cooperative, agrofood cooperative etc.)
- If your project goes ahead, do you think it would be important for it to be based on a cooperative model? Please explain your answer.
- Brief explanation of the activity to be carried out.
- Mission, vision and values of the cooperative project to be undertaken.
- Which problem are you addressing with the project? How will you make the world a better place by implementing this?
- N° of employees needed.
- General quantification of the investment required and its funding.
- Overall assessment of the project: strengths and weaknesses

\*If the activity has already begun, a general summary will be provided of the process carried out since it was incorporated, along with the major features.

### ❖ ANALYSIS OF THE BUSINESS PROJECT

**Recommended period:** 29 November to 23 December

**Maximum length of the document:** 5 pages

The team's analysis of the business project must **cover two essential objectives:**

- 1.- **Demonstrate the feasibility** of the project.
- 2.- Provide the necessary information to **demonstrate the existence of a gap in the market for our product or service.**

To do this we will provide information on the market, competitors, those targeted, and the environment's conditioning factors.

**\*MARKET: Describe the traits of the market we will be focusing on.**

- Estimated size.
- Development and growth rates.
- Type of market (regional, national, international etc.)
- Sector we are focusing on.

**\*COMPETITORS: We will conduct a detailed analysis of competitors.**

- Description of the competition: who they are and where they are, what they are like and which services they offer, how they sell, sizes of companies and market positioning.
- Define strengths and weaknesses in relation to the competition

**\*THOSE TARGETED: We will define the potential customers we intend to target. It is important to make a distinction between those who make the decision to buy and those who finally buy the product or service.**

- Describe the consumer profile (sex, age, region, social-economic level).
- Analyse their behaviour.
- Size the potential market.
- Future trend.

**\*THE ENVIRONMENT'S CONDITIONING FACTORS: The environment is everything that is outside the scope of our company, i.e. that which we cannot control but we can influence. It is usually changing and complex because many actors and scenarios are involved, they cannot be controlled and not very predictable.**

-Macroenvironment, general or generic

This refers to a more global framework of the environment, for example: the combination of political, economic and social factors that can affect all the businesses located in a specific geographic area in the same way.

-Microenvironment, specific-competitive

These are considered the most localised factors affecting a group of companies that have common features or operate in the same sector. The leading factors in this kind of environment are:

- Customers
- Suppliers
- Competitors
- Intermediaries

❖ **STRATEGY AND PORTFOLIO OF PRODUCTS/SERVICES AND ACTION PLAN**

**Recommended period:** 26 December to 20 January

**Maximum length of the document:** 4 pages

**STRATEGY AND PORTFOLIO OF PRODUCTS/SERVICES**

**Marketing strategies define how our company's business objectives will be met.** This means we must:

- Choose the public** we intend to target (segmentation: non-differentiated strategy, differentiated strategy or concentrated strategy).
- Define the brand positioning** we wish to achieve in the mind of customers, defining: benefit of the product, quality/price ratio, attributes, use/application, categories and competitor (in comparison).
- Work strategically on the different variables making up the marketing mix** (product, price, distribution and communication).

## ACTION PLAN

**Action to launch project and sustainability over time.** The action plan draws up a way of meeting the strategic objectives already established beforehand. Any action plan must contain descriptions and specifications of the following aspects:

- Analysis: includes an analysis of the situation and the needs to be worked on.
- Objectives: We must define the specific goals we wish to reach.
- Activities: this describes the courses of action, tasks and strategies we must carry out.
- Responsibilities: we will assign and distribute tasks and responsibilities.
- Resources: we will determine the resources that will be necessary for implementation and distribution.
- Timelines: start date and finish date.
- Indicators: these determine the management indicators that will be used to monitor and assess the process, and also for decision-making.
- Adjustments: since this is a task that is constantly developing and evolving, any changes or corrections that may be necessary will be made in the course of the process.

## ❖ COSTS AND SOURCES OF REVENUE

**Recommended period:** 21 January to 17 February

**Maximum length of the document:** 2 pages

**In this section we will state all the costs and sources of revenue we need to set up our business.** This is another of the essential parts of our business plan, because by examining it we can validate the economic viability of our future company.

-Costs structure = How much does it cost?

What the major costs in our business model are

Which resources cost more

Which key activities cost more

-Sources of revenue = What do you get?

What price customers are willing to pay

What price they pay at present

What the methods of payment are

How they prefer to pay

What percentage of revenue is accounted for by each source of revenue

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## OBLIGATORY FORMAT TO BE APPLIED IN THE FINAL DOCUMENT:

- o The length of the final document will be **at least 6 pages and no more than 12 pages**, including appendices if need be. Paper dimensions **DIN A4**.
- o **No plagiarisms will be accepted.**
- o **Text format:** The font that must be used is "**Times New Roman**". The lettering size will be **12**. No handwritten documents will be accepted. The **lines** in the text must have separation of **one and a half spaces** (1.5 lines). The right and left **margins** will be three (3) cm, and the upper and lower margins will be two and a half (2.5) cm. These margins will be used throughout the entire document.
- o Text of document: descriptions must be accessible and simple, with correct spelling.
- o Entries must be sent to the [www.mondragoncitychallenge.com](http://www.mondragoncitychallenge.com) platform in **PDF format** when the team has completed the **final version**.
- o **Submission deadline:** 17 February 2025.