

5 Filter Screen

Verinder K Syal

verinder@thoughtfulsimplicity.com

The 5 Filter Screen

Syal's Canvas 

1. What is the problem?
2. What is your solution and product / service?
3. Who is your customer?
4. Who is your competition?
5. How will you make money (business model)?

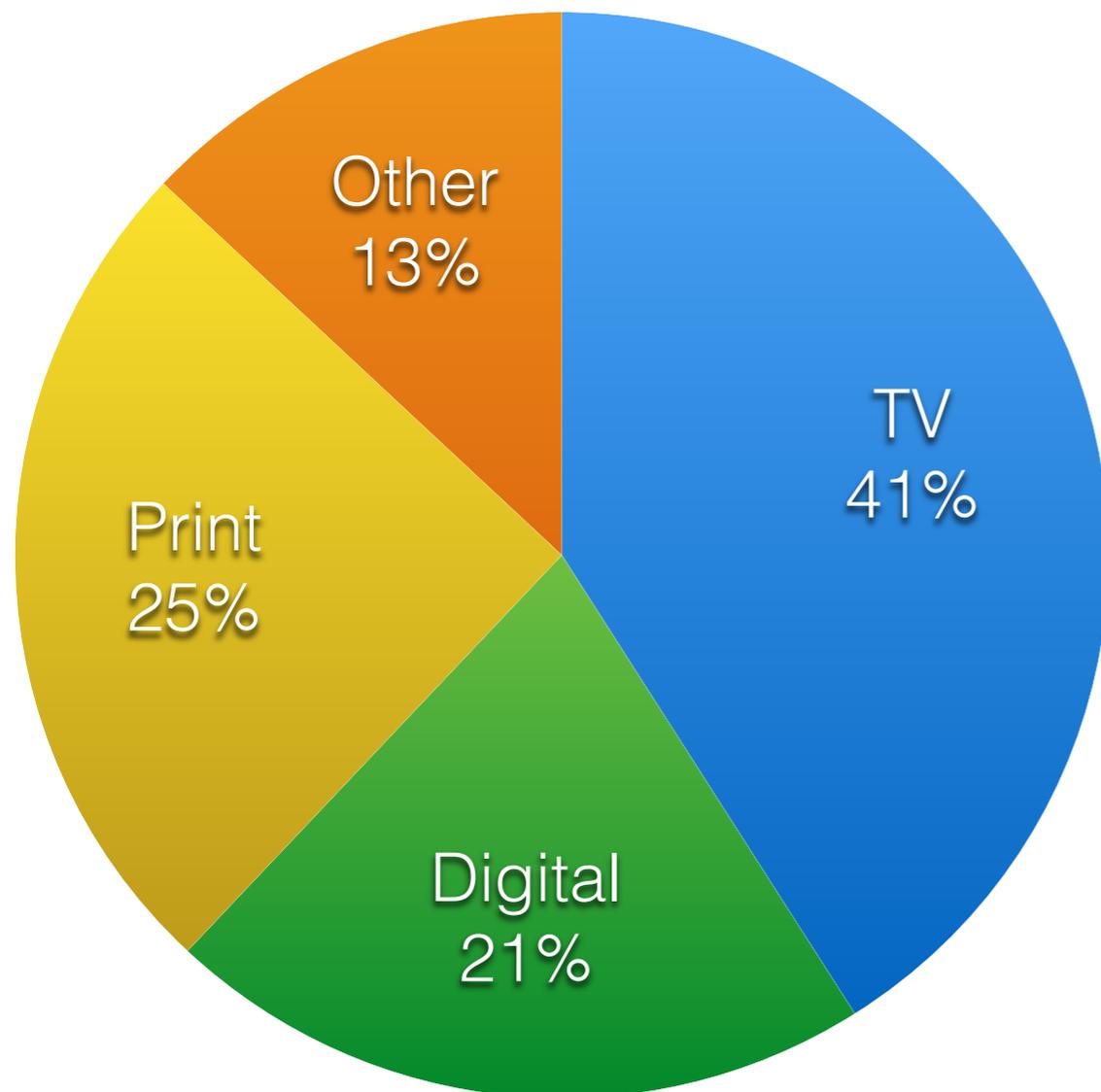
5 questions before you start

- 1. What is the problem - solution?**
2. What is your product / service?
3. Who is your customer?
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#1 Problem - Solution



#1 Problem - Solution



“Half the money I spend on advertising is wasted; the trouble is I don't know which half.” - John Wanamaker

#1 Problem - Solution



**Busy
lives**

Lil



**Like to cook at
home**

5 questions before you start

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- 2. What is your product / service?**
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#2 Product

iPod + iTunes Timeline

2001

January

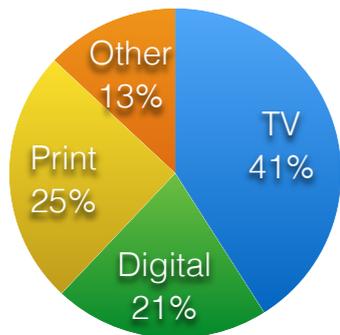
iTunes digital jukebox software introduced

October

Apple presents iPod, offering "1,000 songs in your pocket"



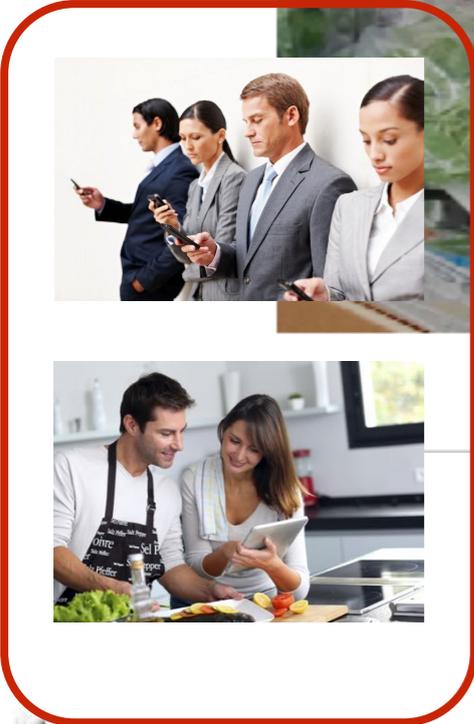
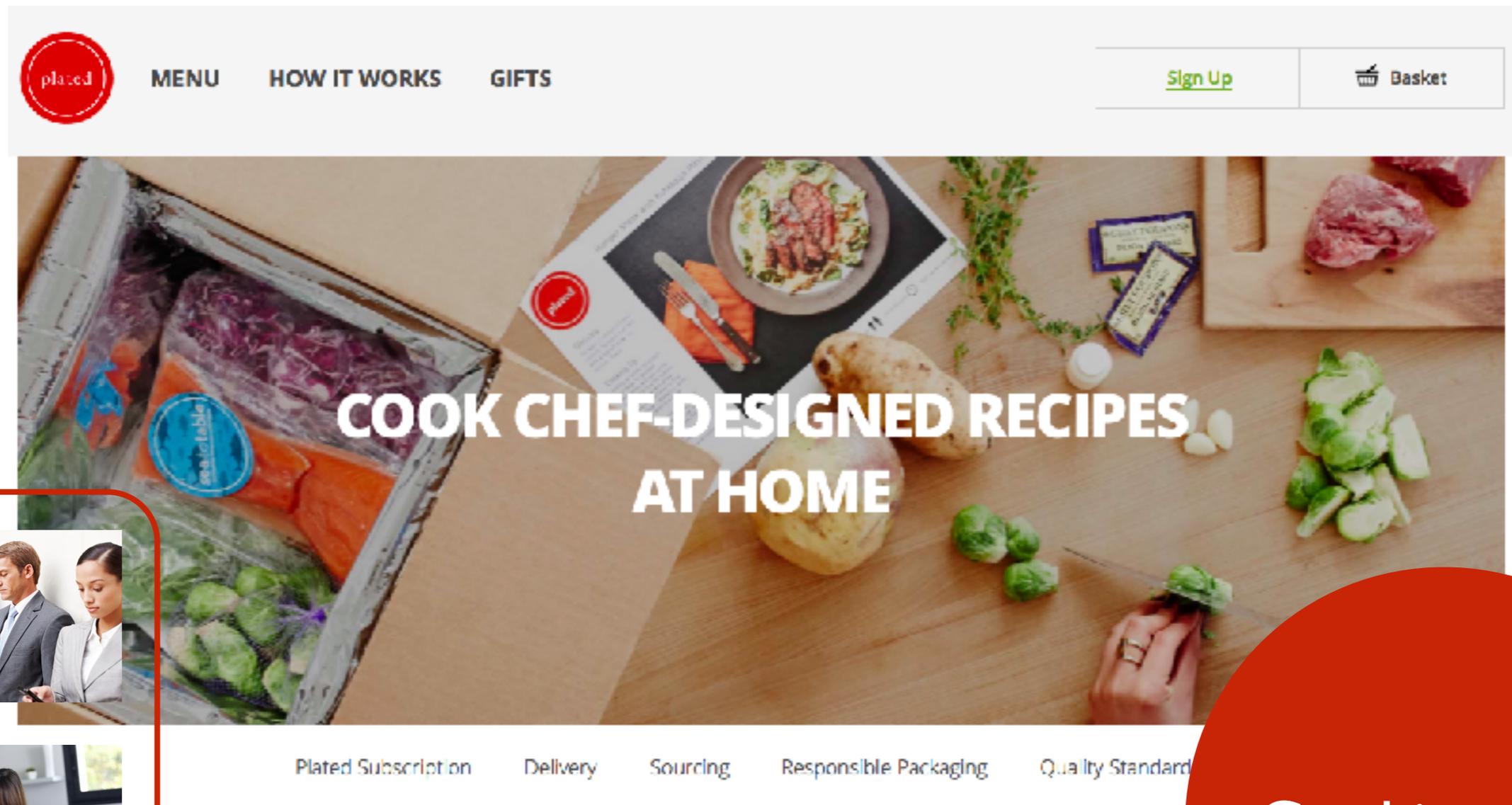
#2 Product



“Half the mone spend is wasted...”

Google
AdWords -
advertising

#2 Product



Cooking apps

5 questions before you start

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#3 Who is your customer?

- **Demographics**
- **Psychographics**
- **Why will they buy your product?**
- **Can you visualize them?**





CHIPOTLE

| | | | | | |
|---|---|--|---|--|--|
| <p>Dips & Guacamole</p> <ul style="list-style-type: none"> Chip & Guac 1.39 Chip & Queso 1.75 Guacamole 1.99 Chips 1.25 <p>Bottled Drinks</p> <ul style="list-style-type: none"> 250 2.50 500 1.80 1.90 <p>Hot Drinks</p> <ul style="list-style-type: none"> 1.49 2.10 | <p>Served with soft chips and salsa</p> <ol style="list-style-type: none"> Cheese Quesadilla 3.25 Meat Quesadilla 3.75 Single Taco 3.75 Taco Kit 4.25 <p>Hot Drinks</p> <p>Juice, Milk or Chiquito Organic Milk</p> | <p>BURRITO BOWL</p> <p>Naturally raised grilled chicken, with cilantro-lime rice, black beans, roasted chili-corn salsa and cheese.</p> <p>6.25</p> | <p>CILANTRO-LIME RICE</p> <p>PINTO™ OR BLACK BEANS</p> <p>SALSA</p> <p>CHEESE OR SOUR CREAM</p> <p>GUACAMOLE (ADD 1.00) <small>*Cooked with lard</small></p> | <p>BURRITO</p> <p>BOWL</p> <p>TACOS</p> <p>SALAD</p> | <p>SALADS</p> <ul style="list-style-type: none"> CHICKEN 6.25 STEAK 6.55 CARNITAS 6.55 BARBACOA 6.65 VEGGIE 6.25 |
|---|---|--|---|--|--|

ADVENTURRITO
WIN FREE BURRITOS FOR 20 YEARS*

IT'S OUR 20TH ANNIVERSARY TREASURE HUNT



*It starts on July 31st, Chipotle's Anniversary and the grand prize is 20 years of FREE Burritos (not a typo). Go to adventurrito.com to play.



3 P / 3C Model

Why do people buy?

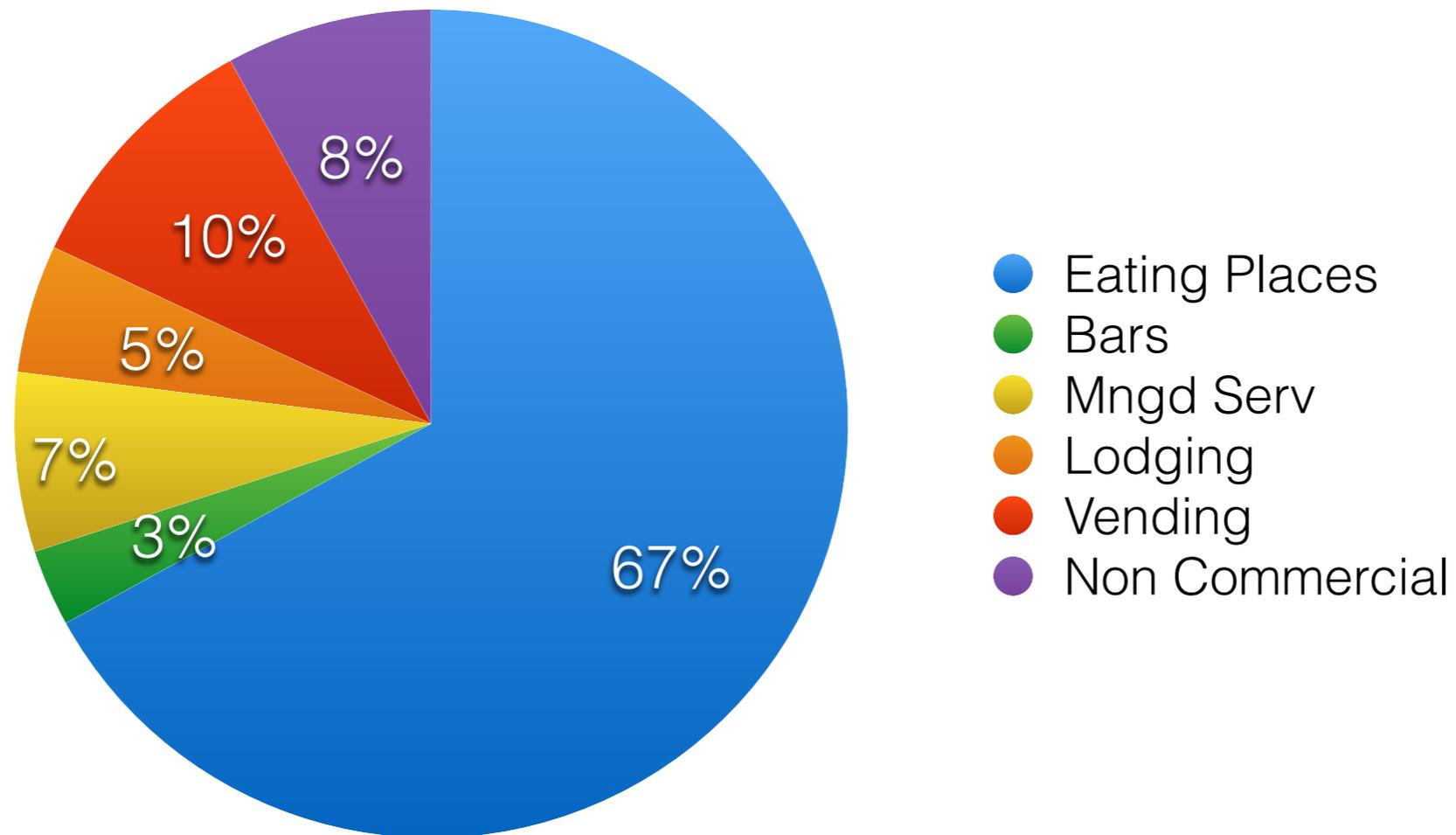


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Competition: A Case Study

The US Restaurant Industry



About 1 million restaurants, \$680 Billion

13.5 million people, 3% growth rate

Competition: A Case Study

The US Restaurant Industry

| | <u>%*</u> | Top 5 |
|----------------------|-----------|--|
| Casual Dining | 32 | Applebee's, Olive Garden, Chili's, Buffalo Wild Wing, and Outback. |
| Fast Casual | 27 | Panera, Chipotle, Five Guys, Qdoba, and Einstein Bagels |
| Quick Service | 27 | McDonald's, Subway, Starbucks, Burger King, Wendy's |
| Family Dining | 32 | IHOP, Denny's, Cracker Barrel, Waffle House, Bob Evans |

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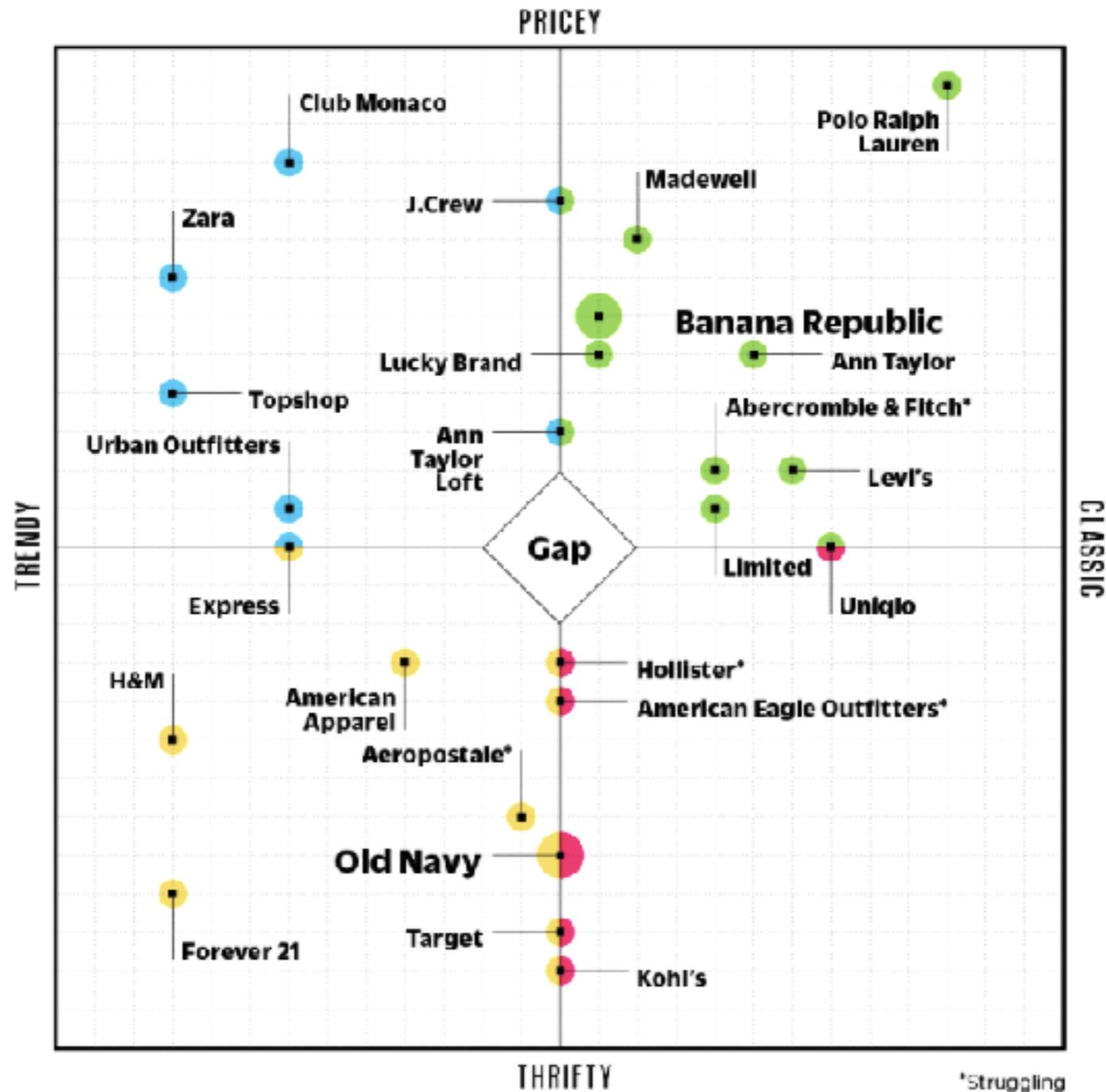
Some Key Trends

- Locally sourced products
- Environmental sustainability
- Gluten Free
- Healthy meals for kids
- Spicy

Some Liquor Trends

- Artisan spirits
- Local
- Onsite barrel-aged drinks
- Culinary cocktails
- Regional signature cocktails

Industry Segmentation



*Struggling

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Business Model

Fancy way of asking: How will I make money?

- Revenues
- Cost of good
- Overhead structure
- Working Capital
- Fixed Capital
- Money needed to start

**When should
these
question be
asked?**

Business Model

- 2 Basic Types
 - Low Price / Low Service / Low Overhead
 - High Price / High Service / High Overhead
 - Infinite number in between
- Money can be made with any model
- Provided the Price = Bundle of Value

2 Types of Business Model

| | Gross Margin | Operating Overhead | Operating Income |
|-------------|--------------|--------------------|------------------|
| Whole Foods | 35% | 28% | 7% |
| Supervalu | 15% | 12% | 3% |
| | | | |
| Macy's | 40% | 30% | 10% |
| TJ Maxx | 28% | 16% | 12% |



ABOUT STARBUCKS

TAKING ITS NAME FROM A CHARACTER IN HERMAN MELVILLE'S CLASSIC, MOBY DICK, **STARBUCKS** HAS GROWN FROM ITS HUMBLE BEGINNINGS (A SINGLE LOCATION IN SEATTLE) TO BE THE WORLD'S LARGEST COFFEEHOUSE

FAVOURITE BEVERAGE



SIZE OF THE CUP



An Illustrated History



1971
We start by selling coffee beans in Seattle's Pike Place Market.



1987
We add handcrafted espresso beverages to the menu.



1992
We become a publicly traded company.

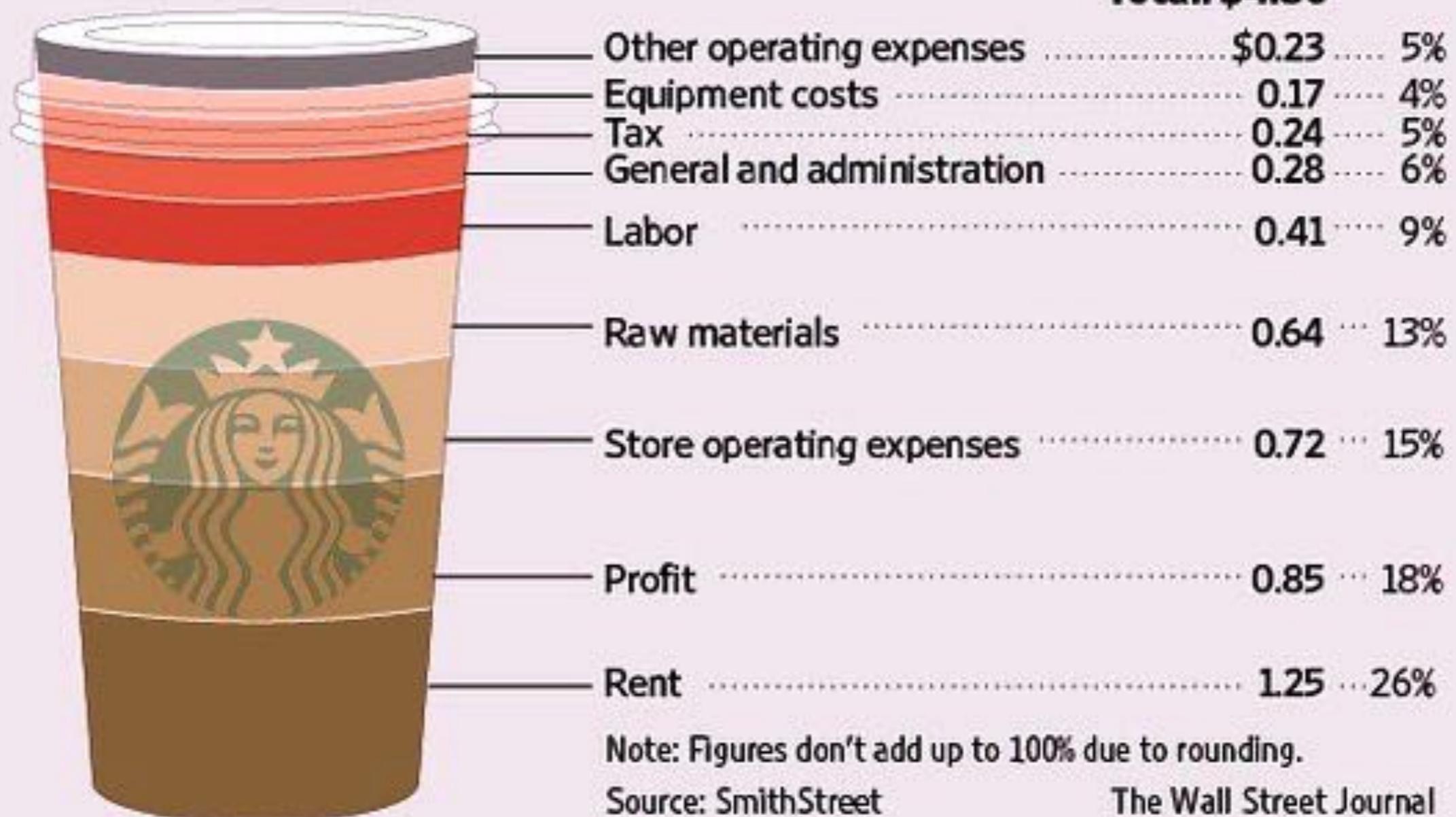


2011
We mark 40 years and begin the next chapter in our history.

Look at every line item

Pricing Grounds | Starbucks grande latte in China

Total: \$4.80



Walmart



Save money. Live better.

Find your business model



Oberoi Hotels & Resorts

**{ THE WORLD'S BEST
HOTEL BRAND }**
Voted by the readers of *Travel + Leisure*, USA in the 2013 World's Best Awards.

Walmart



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5 Filters

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Thank You!

