



University of Essex

Essex Startups



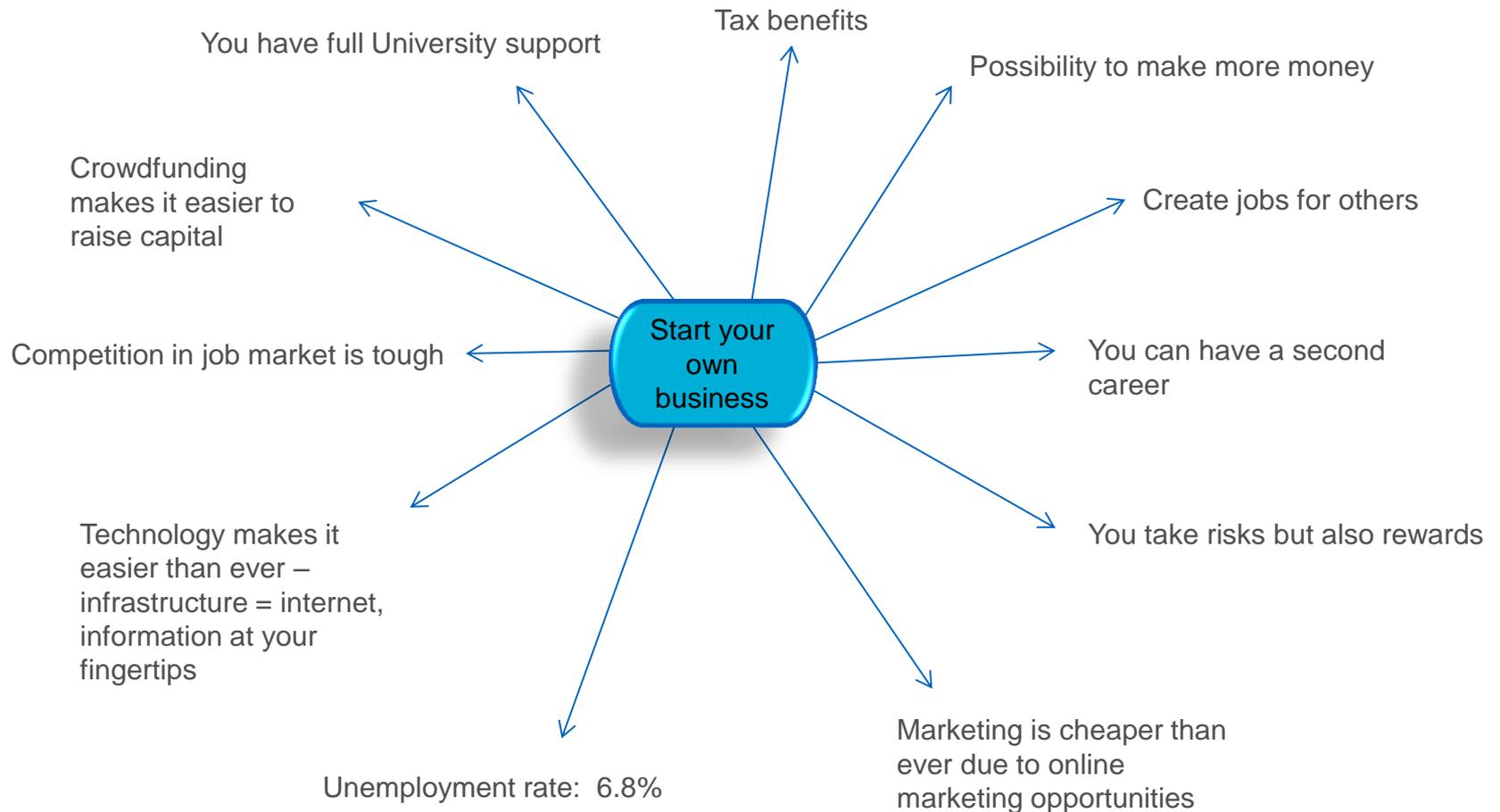
ESSEX
STARTUPS

Essex Startups Guide

Reasons to start your own business



Reasons to start your own business





Set your business goals

Set your goals to:

- be motivated
- be accountable
- make progress
- take control
- know which direction you want to go in
- recognise when you achieve it
- celebrate when you have achieved it

Ensure you have the right mind-set:

- Do you deserve to achieve your goal?
- Do you want to achieve your goal?
- Is it your goal, not somebody else's?

Download the 'Set your business goal' document here:

<http://www.essex.ac.uk/careers/enterprise/getting-started>



Idea creation

Look at your passions as well as your skills

Ask family, friends, colleagues what you are good at

Evaluate the market to see if your idea is valid

Decide what kind of business you would like to set up:

- Online/On premises
- Home-based
- Family
- Social enterprise
- With a partner/alone
- Franchise

Online resources:
<http://www.essex.ac.uk/careers/enterprise>



Idea validation

- Check to ensure your idea will create a sustainable business
- Do proper market and competitor research
- Analyse trends
- Find your USP (Unique Selling Point)
- Validating your idea maximises your chances of running a successful business
- Download the Market & Competitor research document on our website:
<http://www.essex.ac.uk/careers/enterprise/getting-started>



You and your company's values

Values = Principles or standards of behaviours;
One's judgement of what is important in life

Discover your company's values and align all decisions with them.
Examples of values on the right hand side

Happiness

Creativity

Fun

Passion

Adventurous

Honesty

Integrity

Respectful

Professionalism

Authenticity

Courageous



Your ideal client/customer

What type of people do you love having around you?

What gender is your ideal client?

How old are they?

What motivates them?

What type of organisation is ideal to work with and why?

Define your ideal client/customer to:

- Define your tone of voice
- Build the basis for all your marketing activities
- Talk to them directly
- Don't waste money on people who don't want/need your product/service

How much do they earn?

What are their values?

What are their issues?

What are their family circumstances?

What are their highest dreams/ambitions?



Business Plan

Depending whether or not you need funding, you will need an in-depth business plan.

One page business plan:

<http://www.businessmodelgeneration.com/canvas>

For in-depth business plan structure, check out our template:

<http://www.essex.ac.uk/careers/enterprise/getting-started>

No matter how detailed your business plan will be, you should always include a SWOT analysis. You can download a template on our website as part of the business plan template (see link above).



Funding possibilities

Banks

- Loans
- Awards, i.e. Santander Universities Enterprise Award

Crowd funding

- Crowd Cube
- Seedrs.com
- Indigogo
- Kickstarter
- Crowdfunder.co.uk
- Fundingcircle
- Syndicate Room

Other

- Startup Loans
- Foundation East
- NACUE
- Foundation East
- Technology Strategy Board (innovateuk.org) – Funding for research and development
- Business Angels
- Government Grants and Awards
- Competitions



Branding

What is a brand?

- Association that a person or group makes with a company, product, service, individual or organisation
- What do you stand for?

Before you build a brand, think about:

- Competitors
- Market
- Your purpose
- Your promise
- The values of you and your company
- Target audience
- Image what that you want to represent/personality
- Being consistent



Branding

Benefits

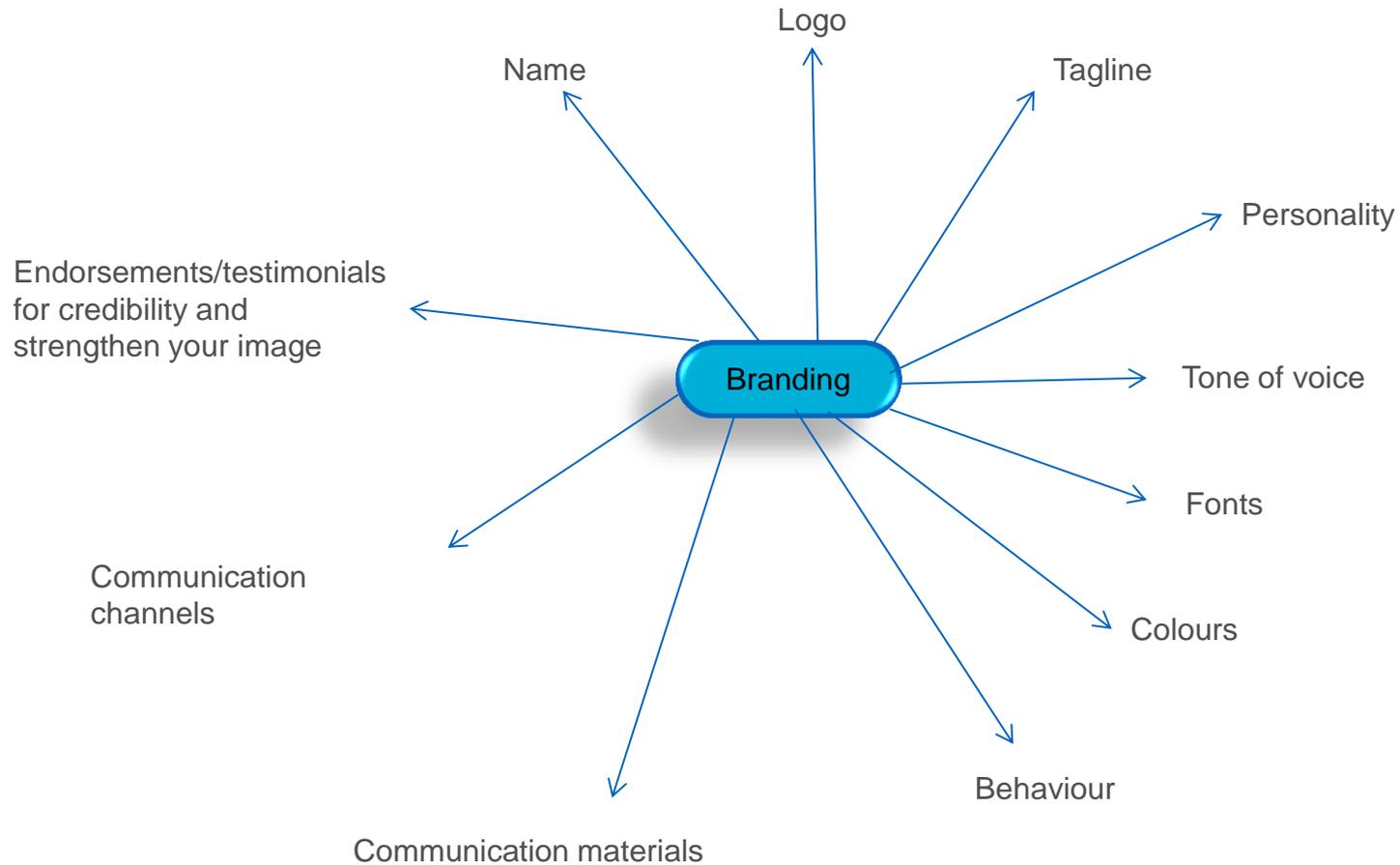
- Familiarity
- Creates differentiation between you and your competitors
- Adds value
- Connects with people emotionally
- Creates loyalty
- Communicates features and benefits
- Helps product evaluation
- Creates interest/character for product/service
- Helps targeting and attracting customers

Makes it easy for customers to:

- Identify
- Associate
- Remember you



Branding





Legal entity

Sole Trader

- You operate as self-employed
- All profits go to you
- Personal liability for everything
- Taxed as individuals
- Register with HMRC (www.hmrc.gov.uk)

Partnerships

- Run by more than one individual
- Unlimited Liability: Partners share costs, profits and debts
- Partnership agreement is in place
- Property of partnership must be owned jointly by partners

Limited Liability Partnership (LLP)

- Limited liability
- Additional protection for partners & reporting requirements
- Pays no corporation tax
- Partners are responsible for paying their own tax

Limited Company (Ltd)

- At least one shareholder & one director
- Not personally liable for debts
- Makes sense to set up when profit reaches a certain level per year
- Register with Companies House (www.companieshouse.gov.uk)

Social Enterprise

- Trade for social purpose
- Profit is reinvested in the company or community
- More information: www.socialenterprise.org.uk

Charity

- Trade for social purpose
- Profit is reinvested in the company or community
- Funded by grants



Intellectual Property Management – ipo.gov.uk

Copyright

- For literary, artistic, dramatic and musical works
- Covers the way in which ideas are expressed
- Does not cover ideas as such
- Owner has the right to prevent others from using it by copying, broadcasting or adapting

Trade Marks

- For brands, names, words, sounds and smells
- Symbols, words, shapes or anything capable of graphical representation
- Sign which is used to identify the products or services of a specific business
- There are unregistered and registered trademarks

Registered Design Rights

- Two types: registered and unregistered
- Register new design to protect shape, texture, features, colours and contours of products
- Must be new and have individual character
- Up to 25 years
- Unregistered design rights: when original designs are created and recorded; lasts for 15 years

Patents

- Technical solutions, new inventions and products
- Protects rights of invention
- Idea must be novel, involve an inventive step and capable of industrial application
- Patents are obtained for specific countries or groups of countries
- Cannot be obtained for an invention which has been published or used in public



Other legal stuff

VAT registration

You may have to register VAT when your sales are higher than a certain amount. Check online for the latest figure

If you employ people you have to meet certain regulations:
<http://www.hmrc.gov.uk/employers/index.shtml>

Data Protection Registration

If you hold and handle data of clients, customers, suppliers etc. you will have to register with the Information Commissioner:
www.ico.gov.uk

Licensing

You might need licensing depending on what you are doing (i.e. software, alcohol, data protection etc.)



Accounting

All businesses are liable to pay tax. The taxes you are liable for might include:

- Income Tax
- National Insurance
- Corporation Tax
- VAT
- Import and Export Duties
- Local Property Tax
- Capital Gains Tax
- Inheritance Tax

- Keep track of your income and expenses
- Accounting Template can be found here for Sole Traders:
<http://www.essex.ac.uk/careers/enterprise/in-business>
- You can set up a business account. Most banks offer 18 months free of charge accounts.



Insurances

Check what insurances are necessary for your kind of business

Examples:

- Commercial Liability
- Public Liability
- Employer's Liability insurance (if you employ people)
- Product Liability
- Indemnity Insurance
- Property Insurance
- Business Interruption
- Fidelity Guarantee
- Directors & Officers Liability
- Key Person Protection
- Partnership Protection
- Shareholder Protection
- Fee Protection Insurance
- Motor insurance
- Home insurance
- Professional Indemnity



Finding premises

Check if you can start working from home first

- Incubation space at University (Parkside)
- Business Centres
- Hot-desking (15 Queen Street)
- Regus.co.uk
- Bizspace.co.uk



Other useful things to know

Pension

Having your own business means that you have to look after your own pension. Check out the different options and choose the one that is right for you.

National Insurance exemption

You can apply for a 'Certificate of Small Earnings Exception' if you earn less than a certain amount. Go to the HMRC website for more information

Bank account

You don't have to have a business bank account but if you have a lot of expenses and income it is easier to keep track of them.

Most banks offer 18 months free business bank accounts if you are already with them as a customer

Licences

Many businesses do not need a licence to trade; others are subject to a raft of regulation. New businesses such as pubs, taxi services, child-minders etc. will have to apply for licences to operate. Check what you need before starting your business.



Marketing

Before spending any money on marketing, ask yourself:

- Will you reach your target audience?
- Will this communicate the product's/service's benefits to your target audience?
- What are the business benefits of this activity?
- What do you need to achieve to make it worthwhile?

Download our how to guides and marketing plan template:
<http://www.essex.ac.uk/careers/enterprise/in-business>



Low cost marketing ideas





Networking tips

Be confident not arrogant – be genuine

Have enough business cards with you

Tell them what you do by focusing on benefits

Be yourself

Have your elevator pitch ready

Tell a story

Wear appropriate clothes

Smile



Networking tips

Listen to what they have to say

Arrive on time

Follow up after the event

Make friends

Don't dismiss anyone as irrelevant

Tell them why you are doing what you are doing

Provide value by offering free help

Share success stories



Time Management



FAQ's

Workspace for start-ups

I was wondering if you know any affordable solution to have a small - medium space desk available in the campus for a little office ?

Yes, we do have free hot desks available in Colchester and Southend. There is a certain process to follow to get this space. For more info, please contact Simon Mead (smead@essex.ac.uk). There is also the possibility to get a virtual tenancy meaning you can register your business there.

Visa enquiries

We can't give you any visa advice. Please make sure you read your visa restrictions carefully. If you are on a Tier4 visa for example, you are not allowed to start your own business. You can however start working on your business idea. This will count towards your volunteering hours though. If you need any further advice, please contact our visa team using this form:

<https://www.essex.ac.uk/immigration/enquiry>



FAQ's

What is involved in starting my own business?

Registering

When do I have to register my business and how can I do this?

As soon as you start trading, meaning taking money, you will have to register your business. There might be reasons why you want to register your business sooner. This is something that we could discuss in person if you like.

There are different legal entities that you can choose from. Have a look at the government website to see which one is right for you: <https://www.gov.uk/set-up-business-uk/register-your-business-in-the-uk>

If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.

I may need to register as a business to sell to the university and there are a few other areas I'd like some advice on, including what the university would expect of me if I was to formally position myself as a supplier.

First thing is to find the right legal entity for your business. Have a look at the government website and choose the one that is right for you:

<https://www.gov.uk/set-up-business-uk/register-your-business-in-the-uk>

Here is some info how to register a business: <https://www.gov.uk/topic/company-registration-filing/starting-company>

Usually the university will then have to set you up as a supplier. The department who will hire you should send you the supplier form that needs to be filled in. Also, depending on your services/products that you are supplying, you will need insurances.

If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.



FAQ's

How can I register my business?

First thing is to find the right legal entity for your business. Have a look at the government website and choose the one that is right for you:

<https://www.gov.uk/set-up-business-uk/register-your-business-in-the-uk>

Here is some info how to register a business: <https://www.gov.uk/topic/company-registration-filing/starting-company>

If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.

The business plan

I need a business plan but don't know where to start.

Don't worry; writing a business plan can be overwhelming. We are here to help you with it. You can download a business plan template here: <http://www.essex.ac.uk/careers/enterprise/getting-started>

Start with the market and competitor analysis. You can also download a document on the same page. Make sure you include all the sources of where you got the information from. Also: For every fact and information you find, make sure you ask yourself 'What does that mean for me and my business?'

FAQ's

The business plan

Look at three sections: the market, your target audience, and your competitors.

Once you have put the analysis on paper, you can send it to us and we will have a look through and give you feedback. From there, we will then go through the next bit of the business plan. If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.

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Licensing

I don't know the law that applies for selling alcoholic drinks.

You will need a license to be able to sell alcohol. Have a look at the following website for some information:

<https://www.gov.uk/alcohol-licensing>

You will need to talk to the SU to discuss if you will be able to sell alcohol on campus. Also find out which insurances you will need.

If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.



FAQ's

Licensing

I want to start a catering company, what licences will I need?

Starting a catering company comes with certain certifications that you will need as well as licences and insurances. You can have a look at this link:

<https://www.food.gov.uk/sites/default/files/multimedia/pdfs/publication/starting-up-booklet.pdf>

It really depends on what you are offering and where you are selling your food. Different locations will require different certificates, licenses and insurances (with different insurance levels).

If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.

Trading at university

If would like to sell you product on market day at the university you will need to contact the S.U for the details.

Insurance

I want to sell my product online only; do I need insurances for this?

Every business will need some kind of insurances. It really depends on your products/services that you offer which ones you need. There is some more information about online business insurances here:

<http://startups.co.uk/a-guide-to-online-business-insurance/>

Best to also contact a couple of insurance brokers asking them what kind of insurances they recommend to you and what insurances the minimum would be.



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Best to also contact a couple of insurance brokers asking them what kind of insurances they recommend to you and what insurances the minimum would be.

Do I need insurance for my business?

Every business will need some kind of insurances. It really depends on your products/services that you offer which ones you need. Best to contact a couple of insurance brokers asking them what kind of insurances they recommend to you and what insurances the minimum would be. Also, if you are running workshops for example in different venues, they will all have their guidelines of what kind of insurances and what level you will need.



FAQ's

Building a website

There are many sites that offer free websites. Are they too good to be true?

Depending on what you want to do with your website, the free offers might be enough for you. However, we would suggest you ask them what platform they are using to build the website and what kind of SEO optimisation they are doing exactly. And also what exactly is included for your website: how many pages, if it is an ecommerce platform, what is included for that (is there a limit for the products you are selling etc.).

There are different platforms out there that you can use to build your own website. Wordpress for example is one of them. We run workshops around that topic as well. You can create a wordpress.org account and when you bought your URL and hosting package (with any company), you can build your website using Wordpress. You can buy a nice design for a one off fee of about £35 (depending on the design) at Themeforest <https://themeforest.net> The costs for hosting and URL are usually about £24 per year.

Of course you can use other platforms such as Square Space etc. You need to know what you want the website to be able to do and then find the right website builder. If you have any other questions or need help with that, let us know.

Should I buy a domain name first? How much should I be paying?

There are different providers for URLS and hosting. Depending on what you need the costs for that start at about £24 per year. You might need a more expensive package if you have high volume of data. If you know your company name already and know which URL you would like, it is worth buying it to ensure that no-one else will.

FAQ's

What are the biggest mistakes new business owners make?

Not doing market research.

Just because you have a great idea doesn't mean you have a business. The Hollywood belief that "If you build it, they will come" does not apply here. Taking a business idea to an informal focus group of friends and colleagues is a good start.

Thinking that business plans are only for the big guys.

It's a sad fact that many new business owners don't see this obvious relationship between planning and success. They think they can "wing it" and make their plans as they go along. Some feel that a business plan would limit their creativity or spontaneity, or that their business isn't large enough or complex enough to warrant a plan. Every business can benefit from a business plan, no matter what size it is. The process of making a plan organizes your thinking and helps you sort out your priorities.

Thinking you can do it all by yourself.

Working solo is not working alone. Success depends on developing and using a network of colleagues, friends, mentors and professionals that can provide advice, assistance and direction in tough times.

Thinking that success will come quickly or easily.

There are a lot of myths bound up with the concept of starting a business. Success takes long hours, strategic planning, and a commitment to the work involved. The rewards are great, but the effort is, too. Patience is one of the key words when being an entrepreneur.

FAQ's

What's the best way for someone to price their product or service?

It may seem like stating the obvious to say that the profitability of any business hinges on the accurate pricing of its products or services, but many entrepreneurs miscalculate this variable, often with disastrous results. If you price your product or service too high, the result will be a low level of sales; if you price too low, though you may reap short-term sales, over-time the business itself will not be profitable and may fail.

There are two opposing views about how to establish proper pricing. The first is to calculate what the product or service cost to produce, mark this up according to industry guidelines, and establish the price. The second is to experiment selling the product or service at different price points and try to determine what the buyers will pay.

Whichever approach you choose, here are some crucial pricing do's and don'ts to keep in mind:

- Analyse all the costs that go into producing your product or service, before adding the cost of direct labour, (yours or that of staff), necessary to make the product
- Don't forget to count yourself as a labour component when calculating the cost of sales.
- Don't overlook direct overhead, the expenses such as rent or utilities for the studio, workroom, or office where you perform your labours.
- Be sure to add a profit margin to the above before determining your wholesale cost.



FAQ's

- Learn the range of prices charged by your competition - this information is invaluable.
- Avoid the temptation to "price down."
- Don't get discouraged if you miscalculate your pricing at first. As your experience and reputation grow, the market perception will change over time and you can adjust your pricing accordingly.
- Analyse the market, competitors and know your target audience. This will help you getting an idea of what people are prepared to pay for your products/services and what they actually can spend.

Accounting

I am writing in regards to my own business. I was wondering if you might be aware of any accounting advice that we could get from the University?. Or may be a company that we could turn to for paid service?.

We can recommend two local accountants that offer a free initial consultation:

Peter Disney peter.disney@wood-disney.com

Brenda Coombes brenda.coombes@andraste-accounting.com



FAQ's

Promoting your business

Blogging

I am thinking of starting a blog about my business, is this a good way to help promote my business?

One great resource for bloggers is: <http://www.copyblogger.com/>

To have a look at other bloggers and their statistics: <http://www.blogmetrics.org/>

How to promote your blog really depends on your target audience. Create an ideal client avatar by thinking about demographics (location, age, gender, family circumstances etc.) but also about their hopes, dreams and fears. Once you have that and I have a better understanding about your blog and target audience, we can look at the best way to promote it. One big thing for bloggers is Search Engine Optimisation (SEO). Which basically helps you to come up higher on Google. Two beginners guides can be found here:

<http://moz.com/beginners-guide-to-seo>

http://static.googleusercontent.com/external_content/untrusted_dlcp/www.google.com/en//webmasters/docs/search-engine-optimization-starter-guide.pdf

To research your keywords use the free google keyword research tool. If you have any questions about that, let me know.

Social Media

Is using Social media a good way to promote my business?

How to promote your business really depends on your target audience. Create an ideal client avatar by thinking about demographics (location, age, gender, family circumstances etc.) but also about their hopes, dreams and fears. Once you have that and I have a better understanding about your blog and target audience, we can look at the best way to promote it and which social media channels are suitable. Use the ones where your target audience is. You can find social media how to guides on our website: www.essex.ac.uk/careers/enterprise

Social media can be a great way to engage with your target audience and also can help you with better Search Engine Optimisation (SEO).

FAQ's

Funding

How do I get funding for my business idea?

Different businesses and legal entities will have different funding options. You can read more here:

<http://governmentfunding.org.uk/default.aspx>

The university also offers different funding opportunities such as the Essex Startups Big Pitch event in which you can win up to £3,000, networking events in which you can pitch for £300 or seed corn funding if you are a tenant of the Start-Up Hub. We would need to understand more about your business to direct you to the right funding option. Funding is also part of one of our Mini Bootcamps that are run during autumn and spring term. Make sure you attend those. If you are in the UK on a visa, make sure you read your visa restrictions properly to see if you are allowed to start up a business.

Pitching for funding

What kind of questions should I expect from potential investors?

At the beginning of an investor pitch your audience will want a clear and concise overview of what the company does, why it should be interesting, and why it would eventually lead to a large exit. So, expect that you will need to cover the following:

What does the company do?

What is unique about the company?

What big problem does it solve?

How big is the market opportunity?

What is the best way to pitch my idea?

Find out about the various forms of the Elevator Pitch: <http://www.forbes.com/sites/carminegallo/2013/03/26/six-simple-and-irresistible-alternatives-to-the-elevator-pitch/#7eb3784f78ec>



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