

Commercialisation And Strategy Deck for JDR Consulting

Business created in 2023 – Initial plan to serve as an example



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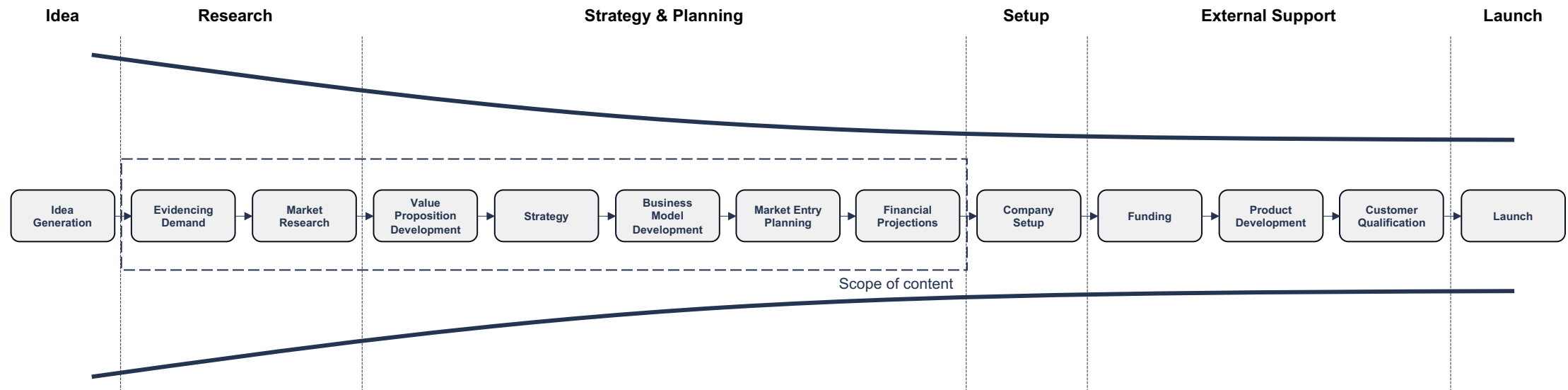
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Some information such as competitor profiling has been anonymised.

Introduction

This deck **examples the commercialisation process** of JDR Consulting for people to use as a **reference when creating their own**, intended to be used with the accompanying Startup Handbook. As such, this deck follows the **commercialisation flow**, outlined in the handbook and below.

Example of a typical business commercialisation process



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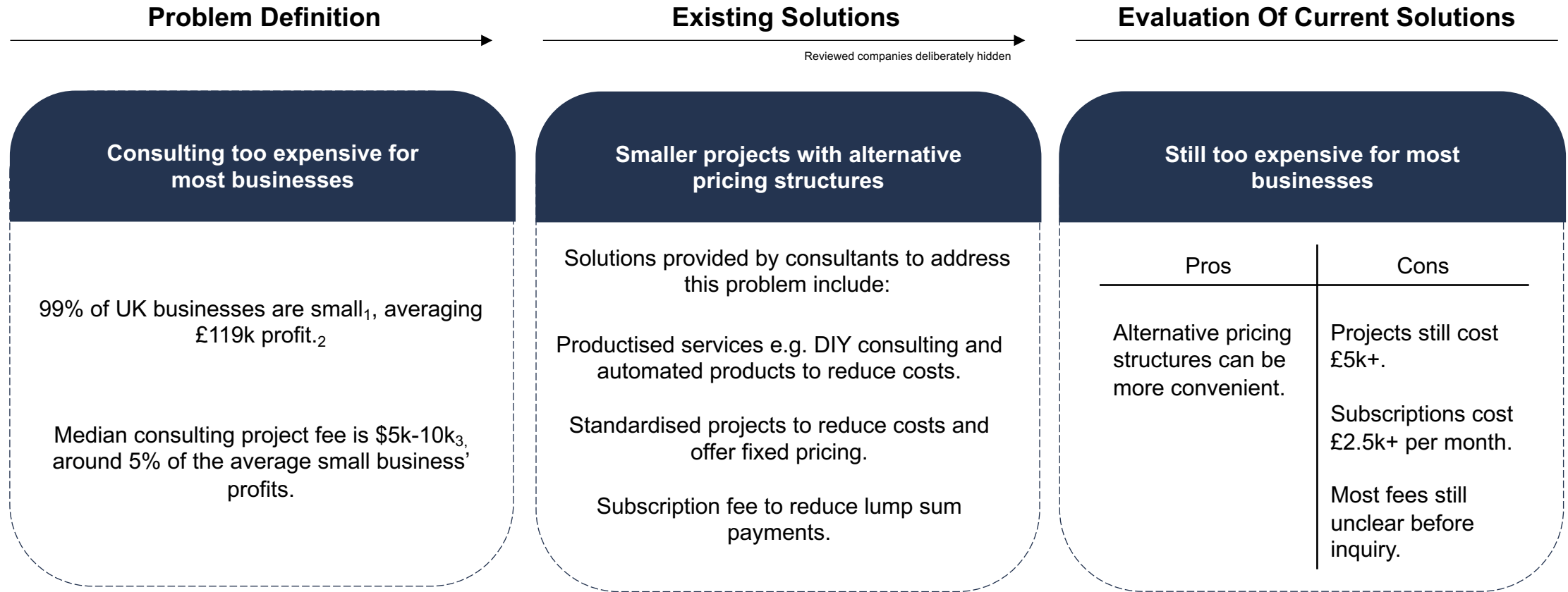
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The Problem Hypothesis Is That Strategy Consulting Is Too Expensive For Most UK Business



¹Gov.UK (2023) Business population estimates for the UK and regions 2023: statistical release

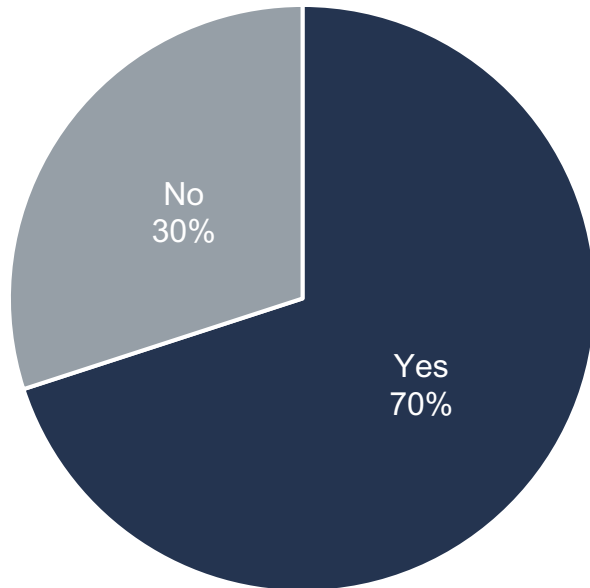
²Statista (2023) Median profit made by small and medium enterprises (SMEs) in the United Kingdom in 2022, by enterprise size

³Statista (2023) Average consulting project fees worldwide in 2018. May not reflect UK project size and USD converted to GBP at of 3/11/23

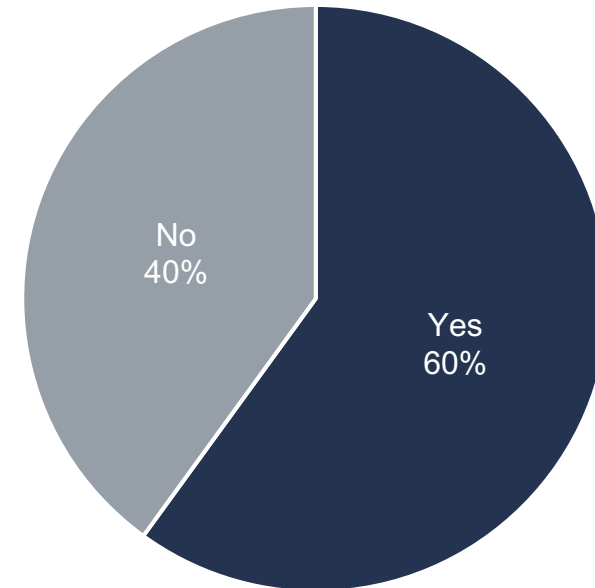
How can we prove this hypothesis?

Significantly More Small Businesses Would Consider Consulting If Prices Were Cheaper And More Transparent

Survey shows 70% of small businesses would consider consulting if it was more affordable



Survey shows 60% of small businesses would consider consulting if pricing was more transparent



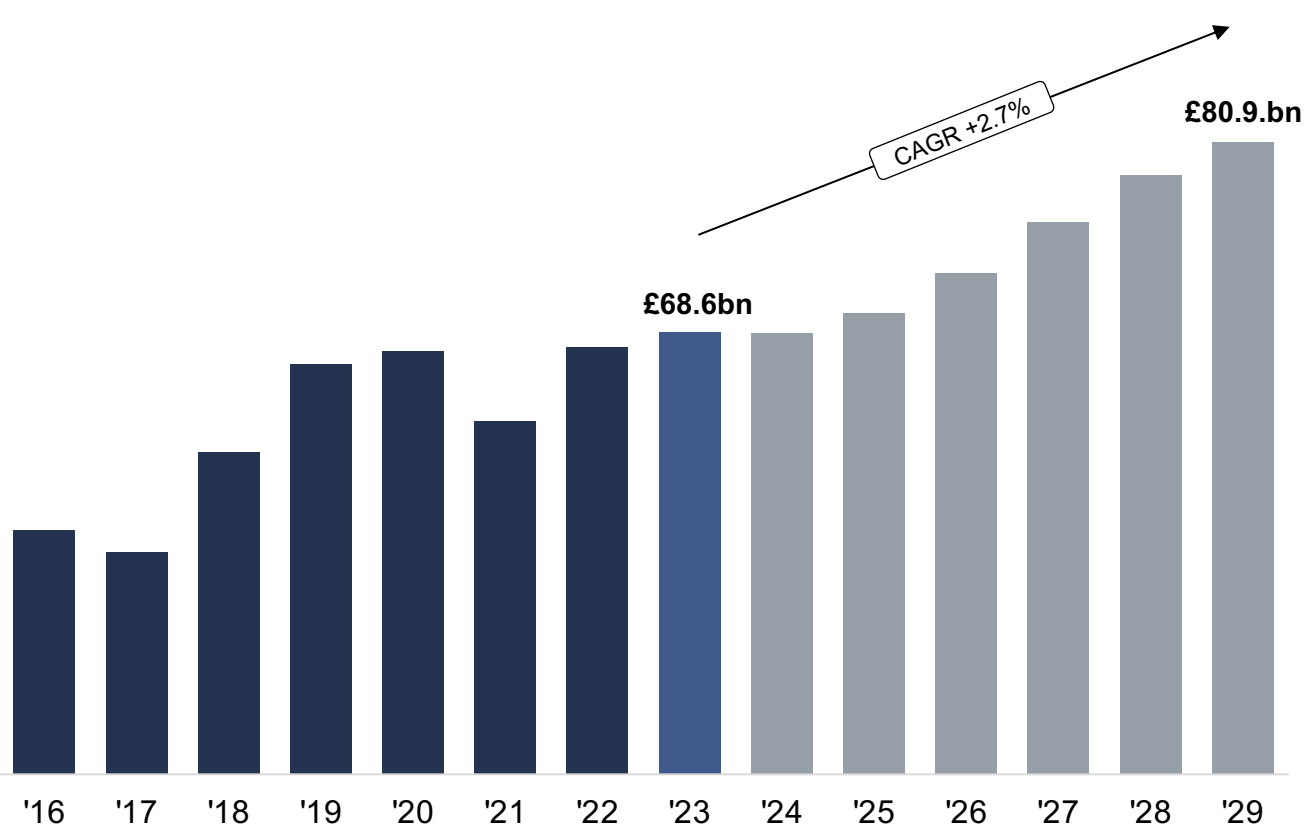
Example: Survey Monkey (2023) Small business responses when asked if they would consider consulting if prices were cheaper and more transparent

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Size And Growth Of UK Management Consulting Suggests Broad Customer Base And Increasing Revenue Opportunities

The UK Management Consulting industry is estimated at £68.6bn by revenue, with a steady 2.7% CAGR forecast to 2029¹



¹IBISWorld (2022) M70.229 Management Consultants in the UK

The market has steady forecasted growth across all fronts¹



+46% Market growth by revenue
2023-29



+17% Employment growth
2023-29



+25% Revenue per business
2023-29



+36% Quantity of business
Across 2023

Industry Growth Is Supported By High Growth Segments And Expanding Service Offerings

Tailwinds

Headwinds



Increasing demand for **IT consulting**.

- Continual increase of tech adoption, proliferated by COVID-19 lockdowns [LT].



Increasing demand for **project and programme management consulting**.

- Increase in national infrastructure projects, although slowed by axed HS2 [LT].



Expanding service offerings.

- Increasing demand for implementation of recommendations [LT].
- Incumbents expanding into fast growing segments to capture new demand [MT].



Poor and uncertain macro **economic conditions** reducing **business spending power**.

- Interest rates increasing cost of capital and reducing consumer spending, lowering demand [MT].
- High inflation putting pressure on salary increases and reducing customer spending power and therefore demand [MT].



Sizable And Growing Strategy Segment Further Supports Increasing Revenue Opportunities

Strategy consulting is a significant and growing segment of UK management consulting¹

11.9% Corporate Strategy

- A growth segment driven by sustainable growth plans in economically volatile times.
- Project include growth strategies, business model reviews, advice for major changes and evaluating underperforming businesses.

Target subsector

12.3% Operations Management

- Focussed on driving efficiency.
- Segment share expected to decline over the next 5 years as companies focus on growth in the poor economic climate.



34.1% IT Strategy

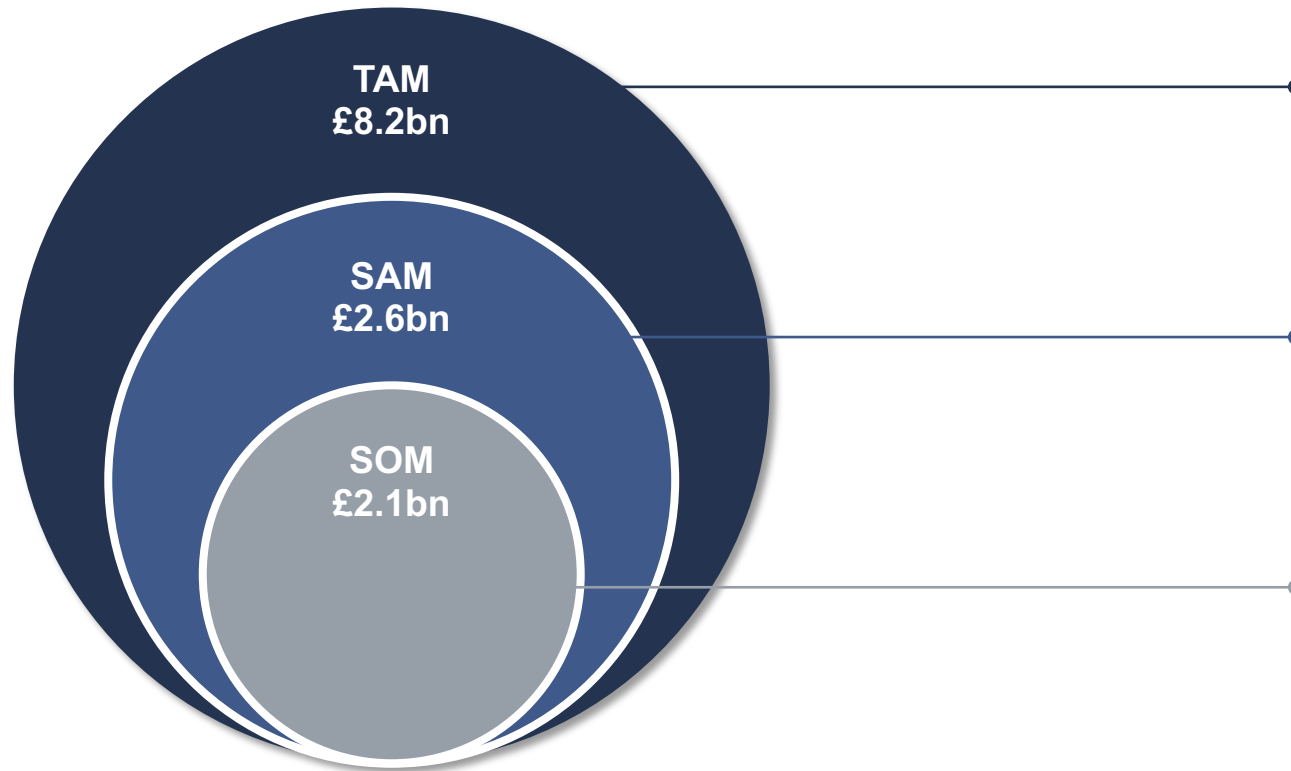
- The largest and fastest growing subsector of Management Consulting.
- Demand driven by digital transformation, accelerated through COVID-19.
- Projects relate to digital strategy, IT programme management, CX digitisation, application development and robotics process automation.

41.7% Other

- Predominant subsectors include programme management (11.5% of total market), risk management (7.3%) and human capital (6.6%).

¹IBISWorld (2022) M70.229 Management Consultants in the UK

There Could Be a £2.1bn Opportunity For Small Business Strategy Consulting In The UK



Total Addressable Market

- Revenue from strategy segmentation of UK management consulting industry.¹

Serviceable Addressable Market

- £500 fixed fee strategy project for each of the 5.1m small UK businesses.*²
- Calculated as 500 X 5.1m.

Serviceable Obtainable Market

- 84% of medium business use consultants.³ Assumption is small business will share a similar proportion.
- Calculated as 84% of unrounded SAM.

¹IBISWorld (2022) M70.229 Management Consultants in the UK

²Gov.UK (2023) Business population estimates for the UK and regions 2023: statistical release

³Consultancy.uk (2019) 8 out of 10 UK companies hire consultants, and are satisfied

* Company considered 'small' if it has any 2 of the following: a turnover of £10.2 million or less. £5.1 million or less on its balance sheet. 50 employees or less.

Strategy Consulting Growth Is Supported By Expanding Service Offerings And Improved Efficiencies

Tailwinds



Increased demand for **market research**.

- Market research services increased 20% due to companies wanting to better understand volatile economic conditions [ST].
- Increasing globalisation driving a need to understand foreign markets [MT].



Growing demand from **public sector**.

- Governments using consultants to create plans to grow startup clusters [MT].
- Increase in national infrastructure projects, although slowed by axed HS2 [LT].



Improving **operating efficiencies through technology**.

- Digitisation of consultancy business models reducing and eliminating costs.
- Increasing adoption of technology such as data lakes, RPA, APIs and improving CX [LT].
- Introduction of micro and standardised modular services to improve efficiency [LT].



Expanding **service offerings**.

- Increasing demand for implementation of recommendations [LT].
- Incumbents expanding into fast growing segments to capture new demand [MT].



Headwinds



Poor and uncertain **macro-economic conditions** reducing small business **spending power**.

- Interest rates increasing cost of capital and reducing consumer spending, lowering demand [MT].
- High inflation putting pressure on salary increases and reducing customer spending power and therefore demand [MT].



Rising competition from '**alternative**' **services**.






- Growing adoption of DIY consulting and productised services [LT].
- Investment into AI based advice [LT].



Security and data **privacy concerns**.

- Privacy concerns may limit the demand for digital CX consultancies [MT].

Competition Is Reasonable With Biggest Threat From Larger Consultancies Providing Cheaper Micro Services

Threat	Threat Level	Opportunities	Threats
Incumbent Rivalry Small consultancies targeting SME clients		<ul style="list-style-type: none"> • Low concentration of competitors, suggesting low incumbent power • Marketing spend only makes up 0.6% of costs, indicating marketing may be more impactful than in typical markets. • Incumbents are too expensive to serve most small businesses. • Most incumbents state they are unable to reduce prices. 	<ul style="list-style-type: none"> • Increasing M&A can increase concentration and therefore incumbent power. • Increasing strategic alliance with tech providers give incumbents greater capabilities. • High switching costs due to established commercial relationships reducing demand capture opportunity.
Substitutes Primarily corporate consultancies			<ul style="list-style-type: none"> • Economies of scale could create price competition. • Established brand recognition and credibility in consulting. • Capability to deliver high quality service, such as market data and technology, specifically big data.
New Entrants From the perspective of a new entrant		<ul style="list-style-type: none"> • Low regulation limits entry complexity. • Low capital requirements makes market entry cheaper. • Low concentration of incumbents, suggesting little retaliation power. • No distribution channels to penetrate increasing time to revenue. 	<ul style="list-style-type: none"> • AI / tech-based advisory could be introduced and create even more affordable services for the small business demographic.
Suppliers May include research companies		<ul style="list-style-type: none"> • Low concentration limits supplier dependency. • Low threat of forward integration. 	
Buyers SME UK business		<ul style="list-style-type: none"> • Lack of transparency of service between competitors may reduce buyer information. 	<ul style="list-style-type: none"> • Low spending power could promote DIY consulting. • Relatively standardised industry services.

Insights synthesised from: IBISWorld (2022) M70.229 Management Consultants in the UK, Allied Market Research (2022) Strategy Consulting Market, Source Global Research (2022) The UK Consulting market in 2022, Consultancy.UK (2023) SME consulting firms book solid growth but face challenges

Opportunities And Strengths Outweigh Threats And Weaknesses

Strengths and weaknesses are personal attributes as business model not yet created.

Key Strengths

- Experience in management consulting across a broad business demographic.
- Experience selling consulting to SMEs.
- Experience in complex implementation projects.
- Willingness to make less income than incumbent consultants.

Key Weaknesses

- Young age may be perceived as less experienced and capable.

Key Opportunities

- Evidenced demand for more cost-effective SME strategy consulting.
- Large addressable market suggesting large revenue opportunity.
- Growing revenue opportunity from growing market.
- Low risk due to low barrier to entry with incumbents reluctant to lower prices.
- Potential for impactful marketing due to current low marketing spend.

Key Threats

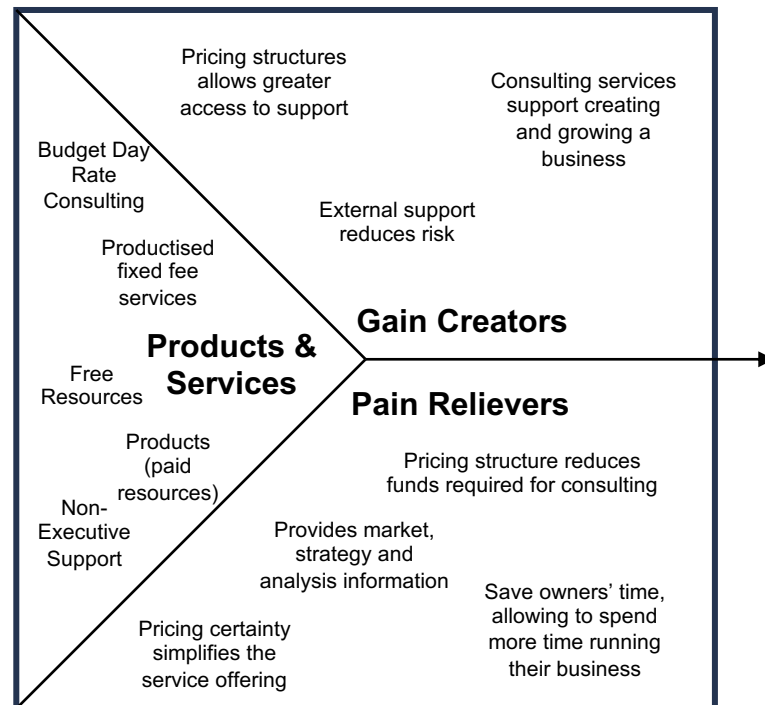
- Big consultancies can compete with micro / modular services with existing brand recognition and credibility.
- Customer spending power is low due to macro-economic conditions.
- Low barrier to entry for other new entrants.
- Increasing competitor capability through M&A and strategic alliances.
- AI / tech-based advisory could provide affordable consulting to small businesses.

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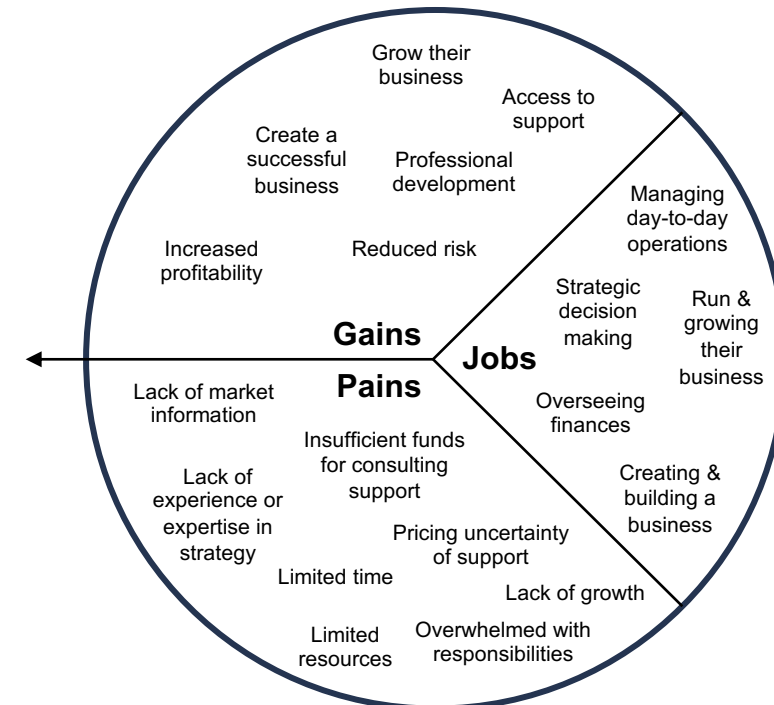
Value Propositions Fit The Needs Of Small Business Owners

Value Propositions



Core value propositions can be summarised as affordable, simple and transparent management consulting.

Customer Profile



The main target audience are owners of small UK businesses.

JDR Consulting Is Differentiated From Other Constituencies with 3 Core Value Propositions



Affordable

Market leading prices.



Simple

Short, hassle free projects with actionable solutions and implementation options.

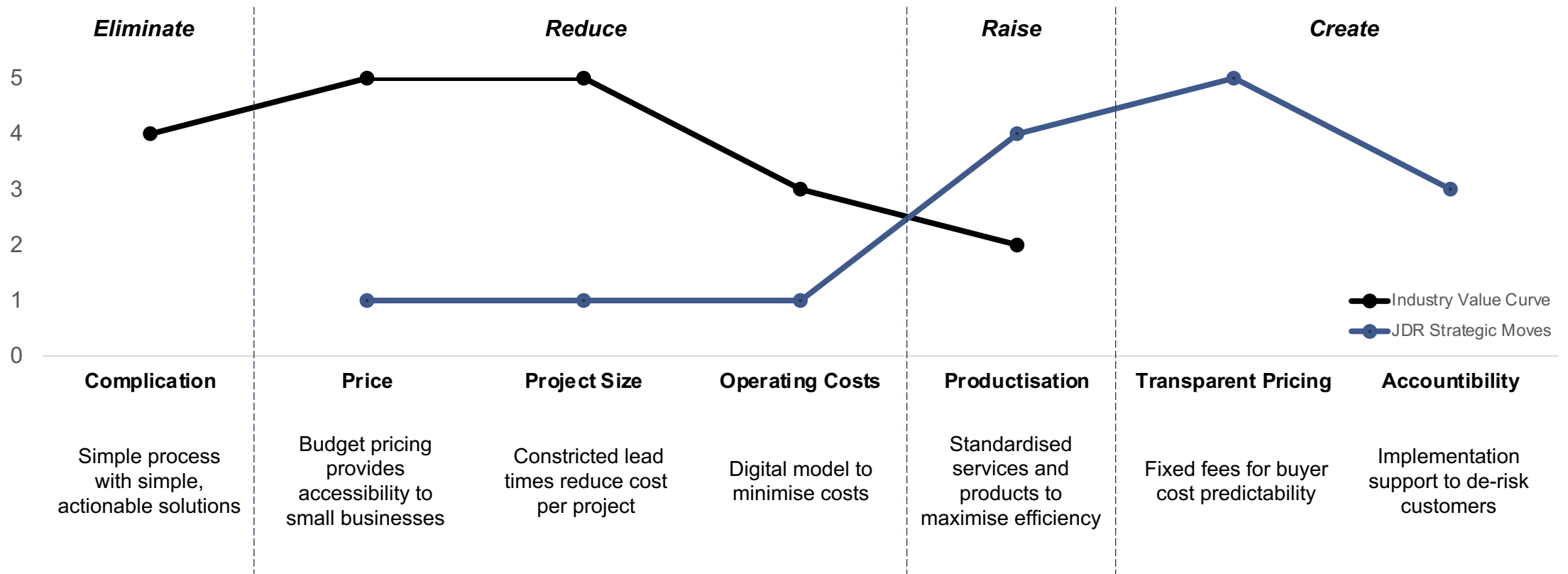


Transparent

Clear pricing and process from the start.

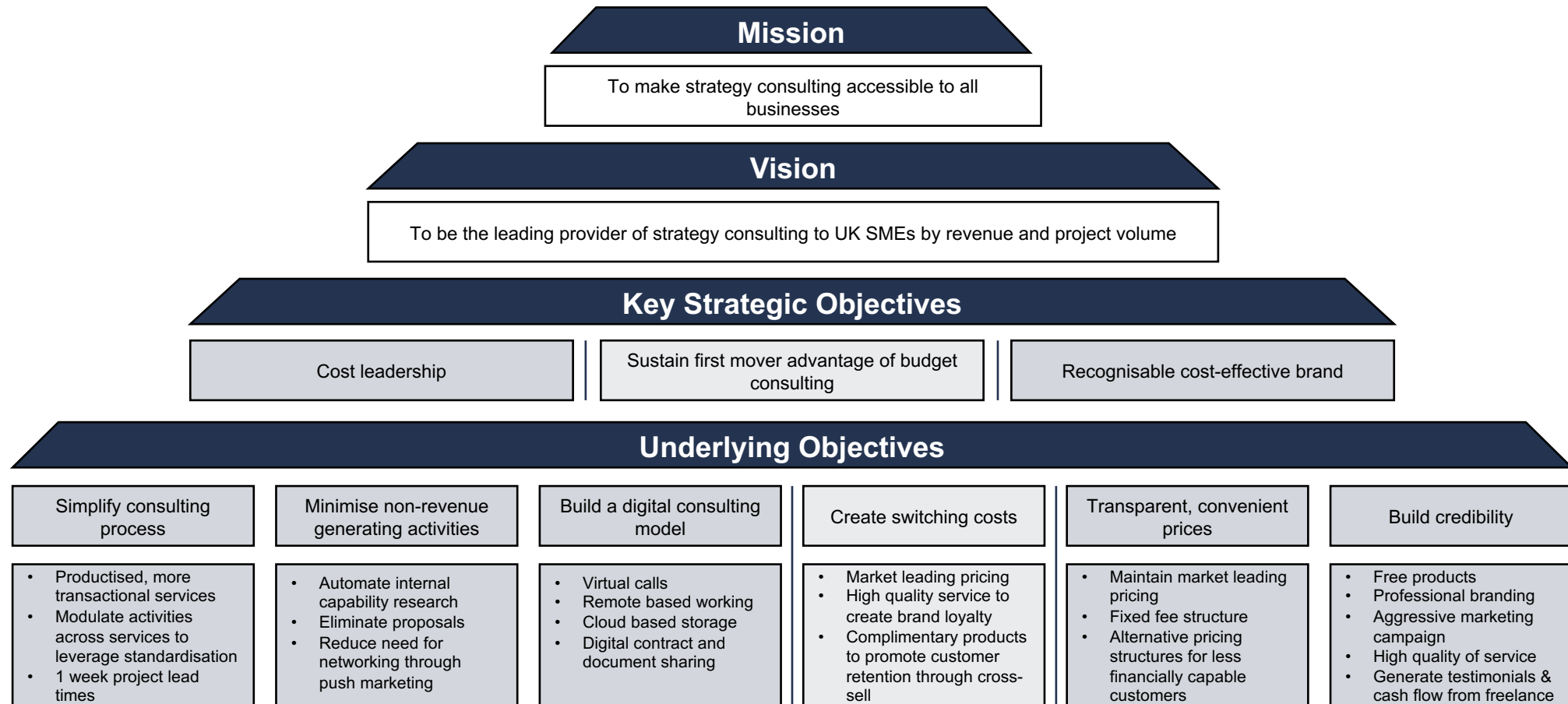
Differentiation Through Smaller Projects, Low Transparent Prices And Greater Accountability, Creating Budget Consulting

Blue ocean strategy is a framework that **helps differentiate** businesses by eliminating, reducing, raising and creating competitive factors of the industry, a reasonable strategy for **entering a fragmented market** of numerous competitors with low concentration such as management consulting.



JDR Consulting Exists To Make Strategy Consulting Accessible To All Businesses Through Smaller, More Standardised Projects

Initial corporate-level strategy draft for JDR Consulting



The Strategy Is Aligned To The External Environment By Addressing Each Key Opportunity & Threat

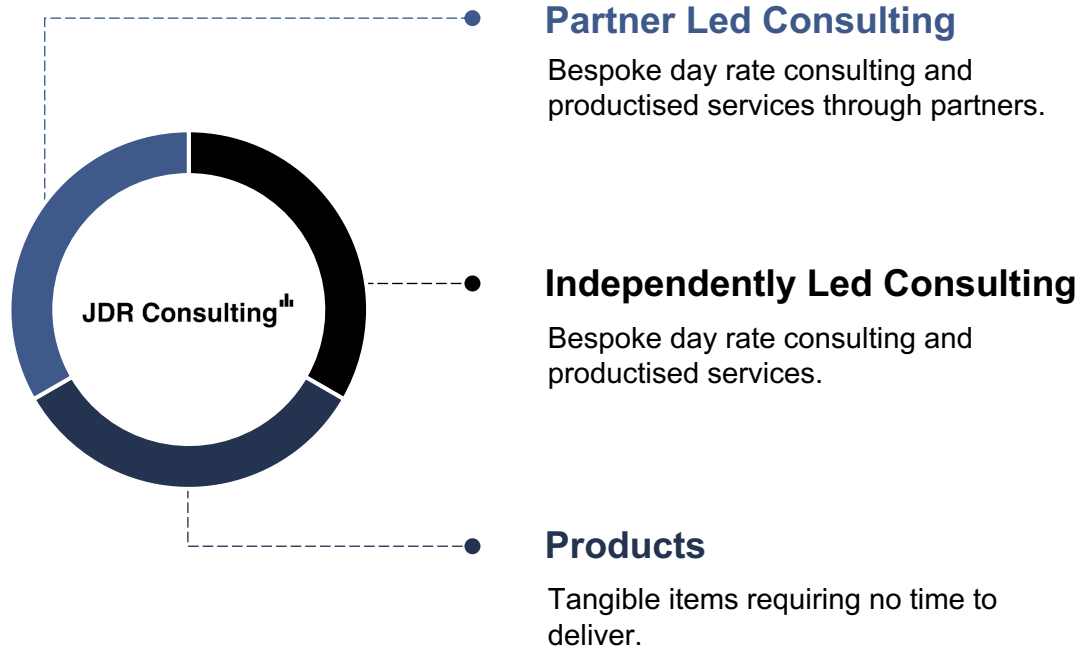
Key Objective	Underlying Objective	SWOT Findings Addressed
Cost Leadership	Simplify consulting process	<ul style="list-style-type: none"> Evidenced demand for more cost-effective SME strategy consulting. Customer spending power is low due to macro-economic conditions. Low risk from low entry barrier with incumbents reluctant to lower prices.
	Minimise non-revenue generating activities	<ul style="list-style-type: none"> Evidenced demand for more cost-effective SME strategy consulting. Customer spending power is low due to macro-economic conditions. Low risk from low entry barrier with incumbents reluctant to lower prices.
	Build a digital consulting model	<ul style="list-style-type: none"> Evidenced demand for more cost-effective SME strategy consulting. Customer spending power is low due to macro-economic conditions. Low risk from low entry barrier with incumbents reluctant to lower prices.
Sustain first mover advantage of budget consulting	Create switching costs	<ul style="list-style-type: none"> Big consultancies can compete with micro / modular services with existing brand recognition and credibility. Low barrier to entry for other new entrants. Increasing competitor capability through M&A and strategic alliances.
Recognisable cost-effective brand	Transparent, convenient prices	<ul style="list-style-type: none"> Evidenced demand for more cost-effective SME strategy consulting. Customer spending power is low due to macro-economic conditions.
	Build credibility	<ul style="list-style-type: none"> Young age may be perceived as less experienced and capable. Potential for impactful marketing due to current low marketing spend. Evidenced demand for more cost-effective SME strategy consulting. Large addressable market suggesting large revenue opportunity. Growing revenue opportunity from growing market.

05 Business Model

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JDR Delivers Value Propositions Through 3 Segments Of Business

JDR has 3 segments of business



Delivering value propositions to 4 core target audiences



Startups

UK sector agnostic startups wanting strategy and commercialisation support.



Small Businesses

UK sector agnostic business <£10m turnover wanting to grow without the time or knowledge capability.



Consultancies & Freelancers (partner led)

Consultancies needing extra capacity in strategy.



Digital hubs (partner led)

Accelerators, incubators and VCs needing a stronger strategy capability.

Next slide for services, productised services and product examples

Product Ecosystems Group Complimentary Products & Services For Customer Simplicity & Promote Cross-Sell

Starting A Business



- Startup Handbook – Free
- Startup Toolkit - £99
- Market Reports - £595
- Consulting Support - £500 / day or alternative pricing

Growing A Business



- Identify Opportunities - £600
- Growth Strategy - £2,500
- Bespoke Consulting - £500 / day
- Implementation – Success based pricing

Business Model



- Understand & Communicate Your Model - £500
- Business Model Innovation - £2,000

Ongoing Support



- Non-Executive Director – £1,000 / month subscription
- Non-Executive Director – Equity

Market Research



- Market Reports - £595
- Opportunity Threat Analysis - £500
- Competitive landscape - £500
- Full Market Assessment - £1,000

Raising Capital



- Pitch Deck Template - £50
- Customer Pitch Deck - £500
- Grant Funding Application - £1,000

Bespoke Consulting



- Consulting - £500 / day

Implementation

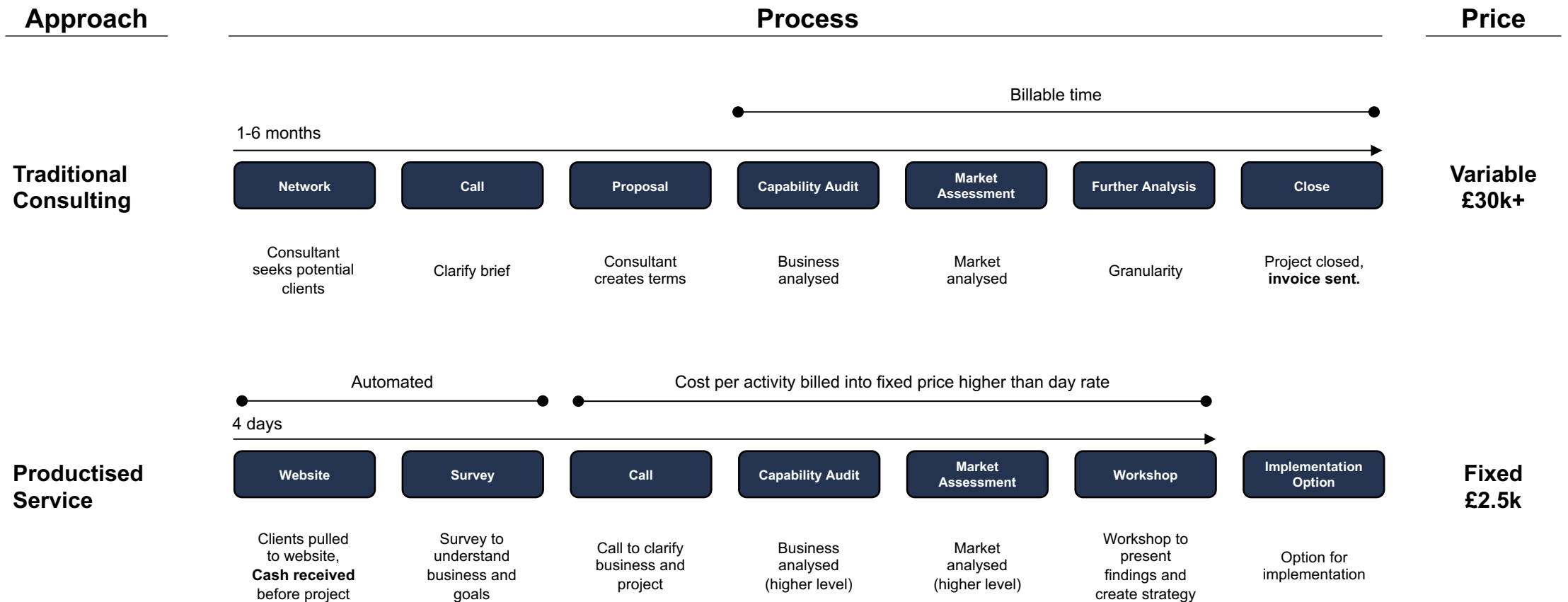


- Transformation – Success based pricing
- Recruitment – Commission

○ Products | ○ Traditional consulting | ○ Everything else, productised services

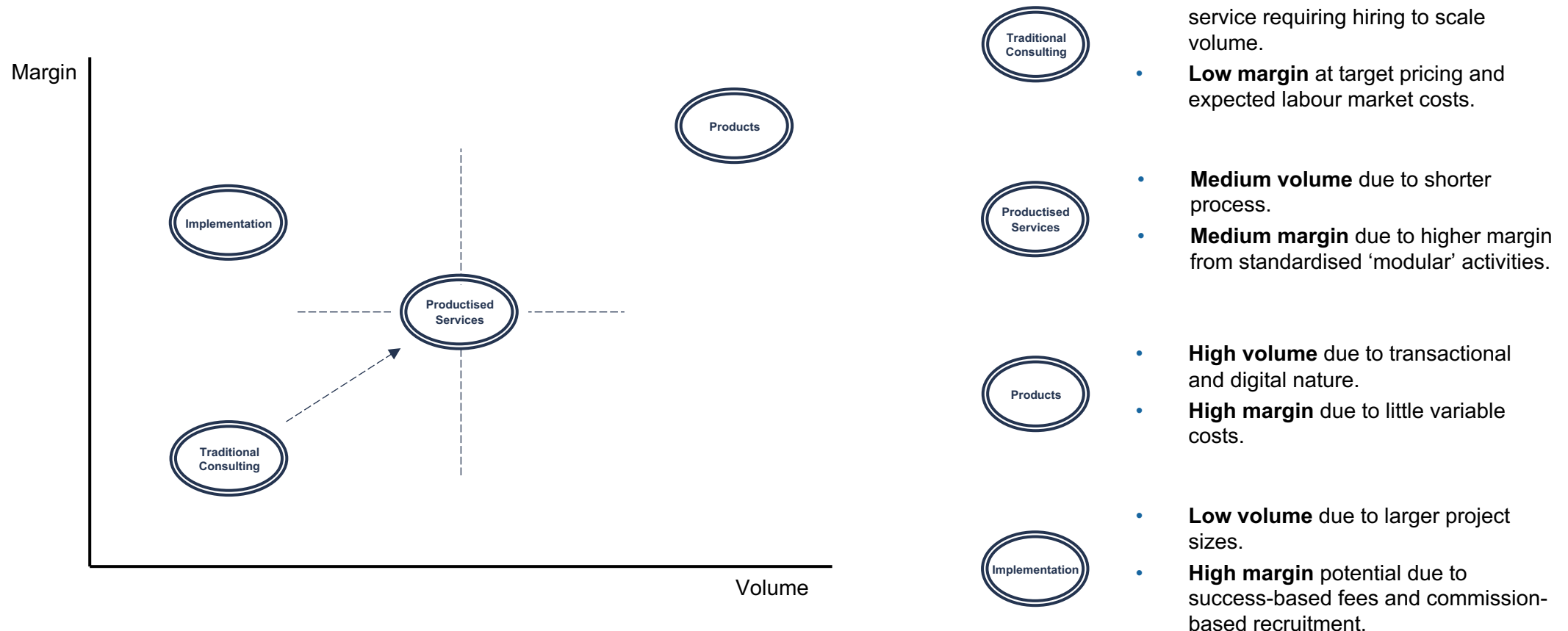
Productised service are specified services packaged like products with clearly defined characteristics and pricing. Why productise?

JDR Productised Services Gives Opportunity To Shorten The Process, Automate Non-Billable Activities & Create Price Transparency



Productisation Also Improves Scalability Due To Higher Margin & Volume Potential Than Traditional Consulting

Products have the highest margin and volume potential



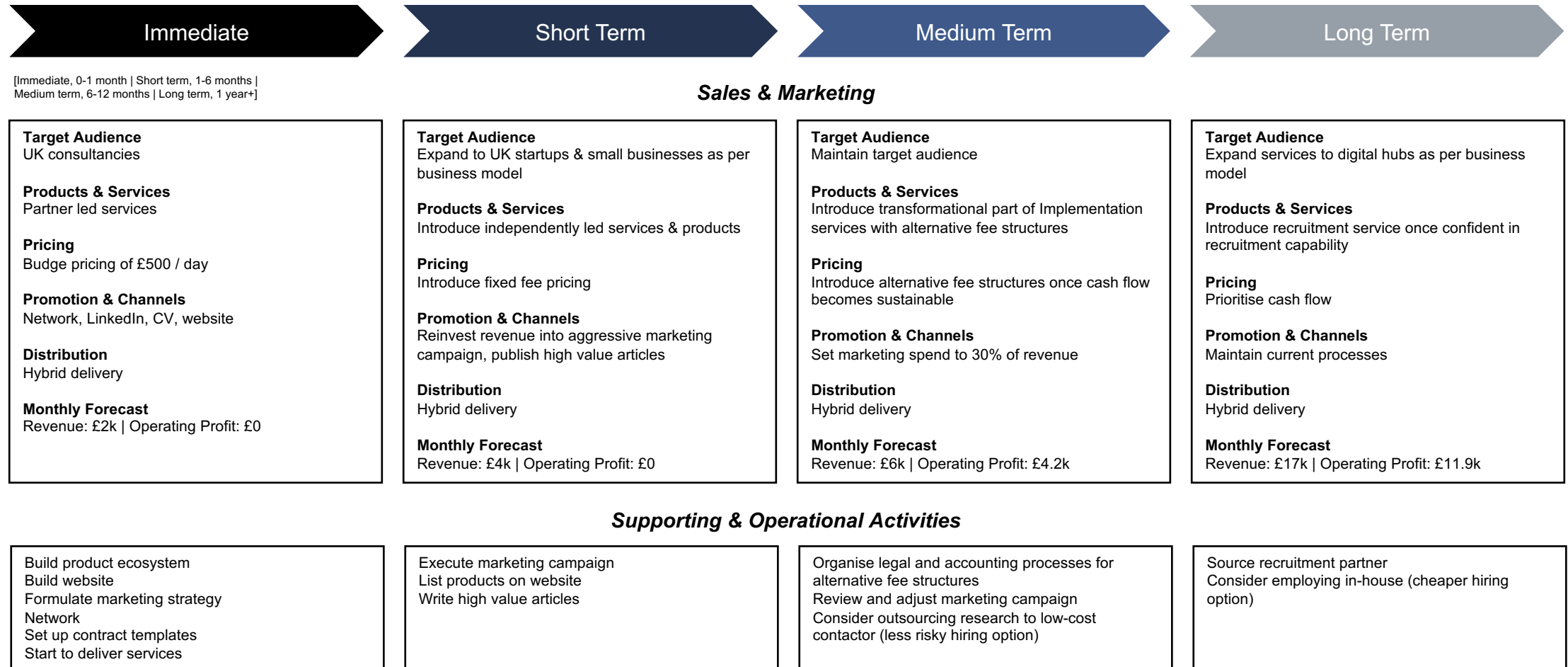
JDR Uses A Low Cost, Digital First Business Model To Deliver Its Strategy

Key Partners Partner Led Services Consultancies and freelancers needing extra capacity Digital hubs needing extra capacity Market Researchers (supplier) <i>Readily available research to cut down project times</i> Ecommerce Provider (supplier) <i>Website and online payment facilitation</i>	Key Activities Project Delivery <i>Researching, strategizing</i> Sales & Marketing <i>Website management</i> <i>Marketing campaign management</i> <i>Networking</i> Key Resources Computer Facilities Website Staff <i>Associate researchers and consultants to lower risk, employ when appropriate</i>	Value Propositions USP: Cheapest & Simplest Affordability <i>Market leading prices to allow small businesses to access consulting support</i> Simple <i>Hassle free transactional based projects with integrated implementation services</i> Transparency <i>Customers understand the service and price without enquiry</i>	Relationships Traditional consulting & implementation <i>Personal, adviser, mentorship-like relationships</i> Products & productised services <i>Transactional</i> Channels Word Of Mouth Digital Marketing Website <i>Organic and pushed</i> Articles On Social Media <i>Organic and pushed</i>	Customer Segmentation Startups <i>UK sector agnostic startups wanting strategy and commercialisation support</i> Small Businesses <i>UK sector agnostic business <£10m turnover</i> Consultancies & Freelancers (partners) <i>Consultancies wanting extra capacity in strategy</i> Digital Hubs (partners) <i>Accelerators, incubators and VCs wanting strategy capability</i> <small>Services may also be used by larger organisations however focus is on smaller businesses</small>
Cost Structure Variable Costs <ul style="list-style-type: none">MarketingAssociate staffT&EEquipment Fixed Costs <ul style="list-style-type: none">In-house staffMarket report subscriptionComputing related subscription		Revenue Streams Independently Led Services <ul style="list-style-type: none">SubscriptionsFixed fee productised servicesBespoke £500 / day feeEquityRevenue share agreement Partner Led Services <ul style="list-style-type: none">Fixed fee productised servicesBespoke £500 / day fee Products <ul style="list-style-type: none">Fixed fee Implementation <ul style="list-style-type: none">Bespoke £500 / day day rateSuccess based feeEquityRevenue share agreementRecruitment commission		

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Market Penetration Achieved Though Consultancy Partnerships & Budget Pricing, Scale Through Aggressive Marketing & Service Expansion



Immediate Actions

Prioritisation	Task	Expected Timeframe
1	Create website Create a website that builds the company's credibility and acts as a platform for product transactions.	7 days
2	Create product ecosystem Build a product ecosystem of free and paid resources and productised services including standardised PowerPoint templates.	30 days
3	Set up business Set up business with Companies House and set up the required tax and account processes.	1 day
4	Reach out to network of consultants & consultancies Initiate business development by reaching out to consultants and consultancies as cost-effective spare capacity, using CV and website as credibility.	0.5 days
5	Create marketing plan Create an aggressive marketing plan to take advantage of first mover advantage of budget / small business consulting.	1 Day

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Low Cost Model Allows Significant Expansion With Little Risk, Breaking Even Immediately And Generating £68k Of Dividends In First 24 Months

JDR Consulting Services LTD

Established August 2023

JDR provides assessable strategy consulting to small businesses via a more affordable price point, greater transparency and more simplicity. It does this through a productised service concept, where organisations can buy off the shelf consulting for a low fixed fee.

Accounting period runs from September - August

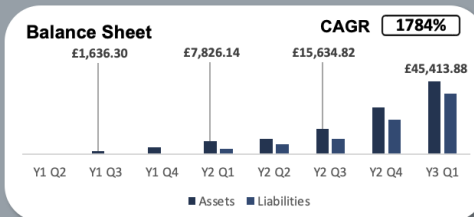
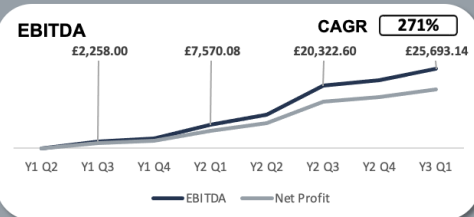
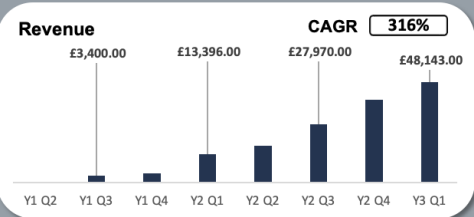
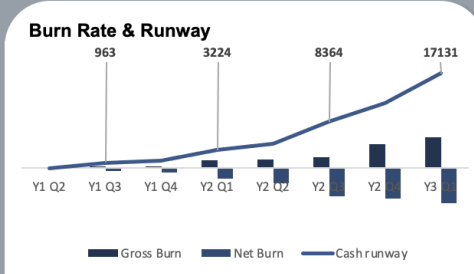
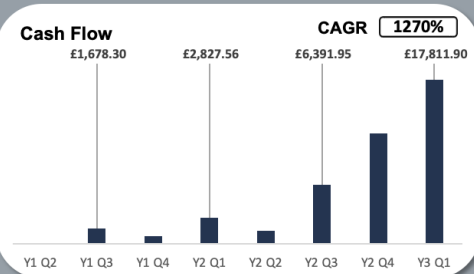
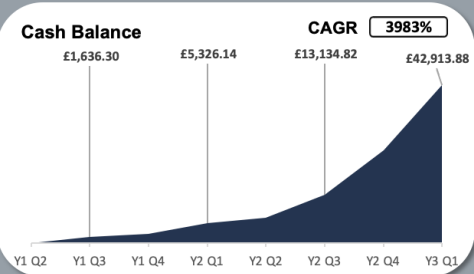
This sheet was edited by Daniel Ryan

Total Dividends across 2 year period (GBP)

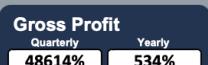
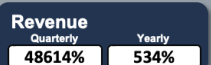
68,000.00

JDR Consulting

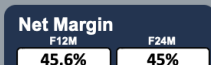
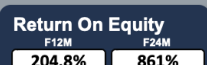
Quarterly Financial Projections For JDR Consulting Services LTD (August 2023 - July 2025)



Trend View (average growth)



Snapshot View



Charts based off accounting periods Quarterly and yearly growth trends based off established date rather than accounting period F12M and F24M refer first 12 months and first 24 months, CAGR calculations run from first positive month to final month

JDR Consulting^{ll}

Simple, Affordable Management Consulting

JDR Consulting's mission is to make management consulting accessible to all businesses through market leading, transparent pricing. Our services include fixed fee support for creating a business, growing a business, raising funding, investment and acquisitions, ongoing non-exec support and affordable traditional consulting.

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