

# **BUSINESS DEVELOPMENT & ENTREPRENEURSHIP**

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**THE BUSINESS DEVELOPER'S TOOLS TO BE EFFICIENT AS  
AN ENTREPRENEUR**

**CAPSTONE PROJECT**

**Master's degree in Management Sciences with a special focus on  
Entrepreneurship**

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**Academic Supervisor:**  
Fabrice Pirnay

**Capstone Project presented by**  
Julien Cornet

**Coach :**  
Aude Bonvissuto

**HEC ENTREPRENEURS**

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## Executive Summary

The question of development in an entrepreneurial project is at the heart of this capstone project, which is structured in two main parts:

First, it will study the concept of business development and the function of business developer by illustrating its usefulness, its relevance for the entrepreneurial project on the basis of scientific literature. The development of a start-up requires the contribution of a transversal synergy connecting the sales, marketing and communication aspects in order to achieve its growth objectives. Business development offers start-ups new tools to convert economic transformations into opportunities.

The second part of this capstone project is dedicated to the analysis of the business developer's work methodology while illustrating a set of technological or personal development tools useful for the growth of start-ups. This analysis will be based on field interviews with various business developers. The contribution of business development should be highlighted from the identification of a problem to the implementation of the financial plan, including the decisive phase of the sales process.

The purpose of this capstone project is to provide a practical guide through a listing of business development tools useful to the entrepreneur in the context of the growth of a start-up. Through the illustration of the business developer's professional approach, our study will demonstrate that he is a central actor in the construction of the Business Model. He is in direct contact with the client in the field, while at the same time developing strategies for business growth.

## Introduction

Developing a "business", anticipating market trends, diversifying its services, identifying the needs of new customers, being an actor in the change of a company, all essential skills for the creation and development of a business. Changes in the economic, demographic, political and technological environment are opening the way for new growth prospects for a company. The question of development is at the heart of this capstone project, which is structured in two major parts.

## Situational Analysis

The purpose of this simulation is to define all the theoretical aspects of academic work, define the concept of business development and modulate the business developer function. This step aims to provide a contextualization of key concepts within the framework of the entrepreneurial project.

### The concept of Business Development

Growth is a central issue in the life of a company, business development is an economic terminology derived from the Anglo-Saxon expression "Business Development". This concept is not new, it was initiated in the field of supply marketing strategy in the 1980s and 1990s, namely the study of market segmentation and the creation of an offer through differentiation. Business Development focuses the processes and tasks that help to develop the organization's growth opportunities, with the objective of creating long-term value.

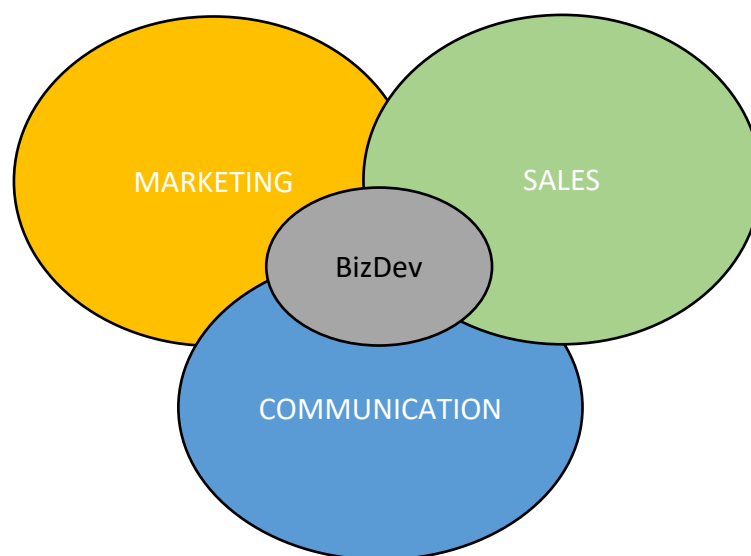
The acceptance of business development is evolving with the acceleration of innovation in companies in response to an increasingly competitive environment as a result of globalization in the 2000s. The new density of available information impacts the ability of companies to innovate, no longer only in the Research & Development department. Innovation is becoming the new centre of gravity of business competitiveness, so business development is focused on the development of innovation in the field through technical knowledge. The objective is to respond quickly to market needs through appropriate innovation, the "time to market".

The third business development matrix is associated with the notion of "blue ocean". A company creates new markets by responding to an unexplored demand in its field of expertise. These are therefore unexplored markets and the growth potential is very high for the innovative company, allowing it to become a reference in the market segment and justify a policy of price increases. In contrast, we have the "red oceans" which are competitive markets based on traditional commercial strategies of price-to-cost ratios. Therefore, the Bizdev is also concerned with the creation of an innovative offer responding to a demand not discovered by a product or service.

Recently, the advent of the digitalization of the economy has once again brought added value to the notion of business development. Digital represents a set of computer applications, it has

become essential in managerial decisions. The digital revolution allows entrepreneurs to see new opportunities for growth and business opportunities.

Business development is a constantly evolving concept, it is at the crossroads of three pillars: marketing, sales and finally communication. It challenges traditional organizations through transversal strategies, the digital wave and by challenging pre-existing business models. Business development is therefore a cross-functional process to effectively build growth strategies and organizational reflections of companies.



### Business Developer, a commercial strategist

Business Developer is a key element at the heart of the business strategy. He has transversal skills. He is a true multifaceted player, focused on change and able to seize and create growth opportunities while analyzing risks for the company. He is a strategist capable of negotiating, innovating and communicating regardless of the commercial sector in which he operates.

He is first of all a marketing expert for targeting customers by studying consumer behaviour, market segmentation, product differentiation and price analysis. Secondly, he is a negotiator with an excellent sense of sales and customer relations. Finally, the business developer is a communicator who knows how to adapt his speeches according to the environment and the type of actor he has in front of him.

The business developer carries out strategic and analytical business missions:

- *Look for new types of products or services that the company could produce, while highlighting products that create bridges between the company's current and future activity,*
- *Attract new consumers by implementing innovative business strategies and targeting the needs of these future customers,*
- *Entry into markets where the company is not yet present.*

These functions are fundamental for any company that wants to increase its competitiveness, turnover and market presence. The work of the business developer is at the heart of sales management and marketing management actions, so it is essential for large companies, SMEs and fundamental for start-ups.

#### *Commercial vs Business Developer*

The two functions have many points in common from prospecting to negotiated sales. However, bizdev is a more strategic function upstream of direct sales, its mission is to win new market shares and acquire new customers to ensure the constant development of the company.

Unlike the sales representative, the business developer is not only focused on sales, he configures strategies to adapt or modify the product/service in order to perform in the market. The bizdev is therefore an actor in both sales and innovation through the various field feedbacks obtained from customers.

In order to ensure the achievement of his objectives, the business developer must master or have a very good knowledge of the goods, services or technologies he markets and actively monitor developments in his market.

### Business Developer, the driving force behind the growth of the start-up project

The acceleration of the change in trends in markets supported by globalization and technological progress is forcing start-ups to constantly question the relevance of their business model. The start-up faces the challenge of converting changes into business strategies.

All the economic, ecological and social upheavals are opportunities for a business developer to seize, this process is naturally combined with the entrepreneur's missions.

The start-up is at the crossroads of many challenges intertwined with business development:

- *Problem identification & understanding of customer needs,*
- *Construction & validation of a Business Model Canvas (BMC) - Value Proposition,*
- *Growth & development of the Business Model.*

The business developer is present throughout the start-up's development in order to succeed in all challenges. The bizdev uses a set of tools that we will illustrate through its working method.

The exponential growth of start-ups is leading to an explosion in sales management functions. The business developer is a kind of micro-entrepreneur with a spirit of conquest, a steel mind in order to investigate potential new customers through a process of evangelization of the product/service.




Business development is the engine of growth, it follows two guidelines:

- *The increase in turnover through the conclusion of commercial contracts. In reality, this function reflects two sub-objectives: first, it aims to make the company's activity profitable. Then it tries to generate margins to invest in the production cycle as well as in innovation.*
- *The bizdev performance indicator is not only focused on quantified aspects, the customer is not only a source of income, it is also a source of information at the service of innovation. Customer inputs can be integrated into a possible modification or improvement of the product/service in order to make it more competitive on the market.*

According to the methodology of the capstone project and in order to carry out a pedagogical analysis, we will establish the complete approach of bizdev's work by linking it to the development needs of entrepreneurial projects. The objective is to present the business developer's tools through each key step of this function.

The tools can be both technologies and soft skills, they have become numerous with the transformations of organizations and the digitalization of the economy. The identification of the tools is based on three interviews conducted in three companies with business developers.

- ⇒ Robin Crunenbergh, *Business Development Manager*, MicroSpir.
- ⇒ Phillipe Amato, *Senior Business Developer*, Gallys.
- ⇒ Hervé Closon, *Business Development Manager*, WideTech.

	<b>MICROSPIR</b>	<b>GALLYS</b>	<b>WIDETECH</b>
			
<b>Type of business</b>	SPIN-OFF ( <i>ULIEGE</i> )	SME	START-UP
<b>Type of market</b>	Product	Service	Technology
<b>Sector of activity</b>	Pharmaceutical industry, Spirhome, An autonomous photobioreactor that grows and collects spirulina	Finance, Financial Consulting, Due Dilligence and Business Intelligence	IT engineering, Software for validation and data reconciliation in the industrial production process
<b>Sales channel</b>	B2C	B2B	B2B
<b>Scope of commercial action</b>	Regional, National and International Market	Regional and national Market	Regional, National and International Market

In order to identify the business developer tools used in different environments, we have therefore voluntarily opted for a multidimensional approach. As a result, we conducted interviews with three companies of different sizes and sectors.

## Development of key lessons related to the theme

In accordance with the methodology, the coach's vision and the desire to present the tools effectively to the entrepreneur, the lesson development part includes the questioning and illustration parts, examples.



## *Business Development, an entrepreneurial way of working (Questions and Illustrations)*

The work of a business developer is based on a planned and organized methodology, it must stick to its agenda in a rigorous way. Like the life of a Sales manager, time is short, tasks must be divided into action deadlines.

He must establish an Action Plan, which will never be fixed and which he will constantly have to challenge. The 3 main phases of bizdev's business are prospecting, appointments, financial results and reports.

### 1. Prospecting phase

Prospecting is the starting point of any business developer's professional approach. It is essential for him and for the entrepreneur to know perfectly the type of market in which the company operates. Prospecting in the broad sense is divided into several sub-steps:

#### *Market analysis (environment)*

After having defined your project, have set the objectives and the main lines of questioning:

- ⇒ How the market is structured, who are my competitors, what is our positioning on the market (strengths and weaknesses of my product/service) ?
- ⇒ Who are my prospects and customers (persona, needs identification) ?
- ⇒ Who are my suppliers, who are my partners ?

It is necessary to proceed to the hypothesis verification stage using many useful tools in your information collection:

- *Qualitative research (on a small number of people, precise information) depending on the purpose of your research you can use different tools such as telephone calls, face-to-face interviews, focus group and group meeting, mailing.*
- *Quantitative survey (on a large number of people) you can use google forms or calling and mass emails via mailing software such as Sendinblue, Gmail or Outlook.*
- *The press: generalist and specialised (the local press to keep you informed of the local economic fabric),*
- *Federations, professional associations and approved management centres,*
- *Directories and company files,*
- *The Internet as a generic source of a data set, the "Big data",*

- *The websites of public institutions: the Crossroads Bank for Enterprises, the National Bank, the Planning Office, the National Accounts Institute (NCI) will provide you with many statistics and directories.*

### *Development of business strategies*

The entrepreneur, like the business developer, must quickly be able to analyze and synthesize all the information processed in the market analysis and hypothesis validation. The development of business strategies is at the heart of bizdev's activity. Throughout the business process, it is important to systematically sort and save information on tools such as Google Drive or OneDrive.

At the macro level, the bizdev can rely on theoretical tools to build the broad outlines of its business orientations. Porter highlighted two strategies, on the one hand, cost strategies aimed at producing cheaper products in order to reduce prices, the aim of which is to gain competitiveness and market share. On the other hand, differentiation strategies, product adaptation to better meet the needs of specific market segments, the logic of "first mover". Differentiation is also used to justify a policy of raising prices and/or margins.

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**Segmentation**, an analytical function, consists of identifying subsets or segments within a group of individuals, most often buyers or consumers. Divisions can be made on the basis of all kinds of criteria, crossed or not: gender, age, geographical location, income level. This method aims to establish a precise profile by category of people to better group their behaviours and interests, in order to refine their business intelligence and obtain a clear vision of their audiences.

**Targeting**, a strategic function, comes after the segmentation stage as part of a business development strategy, it consists in selecting one market segment rather than another, i.e. determining a priority category of people. The objective is to focus our communication and marketing strategies on the core target group. There are two main targeting criteria, the company criteria (turnover, investments,

business projects, workforce) and decision-making criteria (training and qualification, professional background).

In the context of digitalization, "data management" becomes essential, the intelligible condition for a good managerial decision is based on updated and relevant data. To do this, you must use datamining, which is a marketing management technique designed to explore the data collected from the set of tools presented above and extract information relevant to your customer relationship (financial and behavioral analysis).

This method makes it possible, among other things, to address very precisely one or more categories of customers, prospects, influencers, distributors' consumers or investors to increase its effectiveness. The tools mentioned above make it possible to collect this data, there are also tools to analyze the data in order to draw conclusions.

- *Facebook Analytics* allows you to visualize the data around your publications, the people who like and follow your publications in order to establish a typical customer profile.
- *Google Analytics* is the equivalent of Facebook Analytics but the application is extensible to other applications.
- *All data analysis software for commercial purposes* (e.g. Fibercheck Pro) allowing hypotheses to be established based on raw data.

**The sales channel** of a company is one of the most strategic elements in the lead generation process, which directly influences the implementation of sales and marketing policies. The sales channels are in the numbers of 3: BtoB, BtoC and finally BtoBtoC. The business developer is at the heart of sales strategies, he must be able to adapt to the type of customer he is targeting.

#### *Fulfilling and follow-up of the prospecting file*

The business developer, after having segmented and targeted, must not only articulate his strategy to the chosen channel but also choose the appropriate tools to reach the entire targeted segment. The objective is to automate prospecting procedures via templates by testing different approaches, targeted or mass.

- BtoB (Business to Business) represents the sale to companies or public institutions

B2B sales are sales made by one company to another. B2B sales relationships are constantly developing. They generally last longer and the sales process is longer. B2B sales involve a decision-making process that usually requires the approval of more than one person, it is necessary to build a coherent business strategy based on segmentation and targeting. There are several tools to first reach this type of customer segment:

- *Calling* remain a preferred route for first contact.
- *Trade fairs and exhibitions.*
- *Social networks*, mainly *LinkedIn* (through the use of publishing and tags), *Twitter* (less reactive tool) and *Facebook Business*.
- *Webmecanik* is an open source automation solution specialized in B2B.
- *EmailHunter* is a software that automatically finds all the emails of companies linked to a specific domain.
- *Datananas* is a powerful application to send mass campaigns of personalized emails.
- *Corporama* is an ultra-targeted prospect file that can be integrated into a CRM.
- *Predict - Sparklane* is a predictive B2B lead scoring solution.

In terms of follow-up of prospects and leads in B2B, bizdev has various tools and CRM (Customer Relationship Management):

- *Pipedrive* is a CRM that is both financially and operationally accessible and very easy to use. It allows you to qualify your lead according to the progress of the customer relationship.
- *VTiger* is a lead management module that allows you to track the progress of ongoing contacts.
- *Close More Deal* is an application that integrates into Outlook and Gmail, it allows you to sort hot leads from prospects who are not interested. This application notifies each time the recipient consults an email and gives information on the most visited pages or attachments. This way, you can call your prospect back at the right time. (Same type of application: *Streak*, *NetHunt*)
- *Microsoft Office, Excel* is useful for creating relatively small prospecting files, it is not an interactive tool.

- BtoC (Business to Consumer) represents the sale to consumers:

Consumer sales are sales to individual consumers. This type of sale includes retail sales, as the items are sold to consumers in a targeted manner and consumed by individuals. In general, the B2C sales cycle is shorter, as the consumer is encouraged to buy the product locally. In addition,

this type of sale generally does not require the approval of more than one person. B2C is easier to reach because it is a large mass of prospects with the following tools:

- *Mass mailing software: Sendinbleu, Gmail, Outlook, etc...*
- *Social networks: Facebook, Instagram, etc...*
- *Telephone calls.*
- *Audiovisual advertising (television, radio and press).*

At the level of monitoring the B2C prospecting file, there are also tools:

- *CRM specialized in mass lead management: SalesForce, HubSpot, these are very complete sales pipe management solutions suitable for tracking mass data.*
  - *Excel is always useful for storing mass information.*
- BtoBtoC (Business to Business to Consumer) represents the indirect reach of consumers not through the intermediary of sales to companies or public institutions:

It is a combination of the two sales channels BtoB and BtoC, depending on the value proposition its name can change, BtoUser as an example. The objective of this commercial approach is to go through the intermediary of selling to companies so that this service can be used or resold to final consumers. The bizdev can use the same tools as presented above while incorporating the "*net influencers*" channel through Snapchat or other applications to reach the mass audience.

### Strategic Monitoring

Competitive intelligence is the last sub-step of the prospecting phase, in reality it is always present in the professional life of a business developer. It is important to have information about the latest innovations or changes in competitors' strategies. The bizdev has 3 main tools:

- *Open source internet (social networks, competitors' websites, etc...)*
- *Trade fairs and exhibitions*
- *Alerting applications such as Google Alerts will allow you to keep up with information through the use of keywords.*

## 2. Execution phase of customer appointments

The customer appointment is an essential part of the sales process, the business developer considers the customer as both a source of income and a source of information to support his

business strategy. He must demonstrate advanced personal development; he develops a soft-skill culture. The bizdev must be an expert in relational skills, he must have the qualities of empathy and benevolence in order to identify the client's needs and expectations.

Customer contact is a crucial moment, it is the concretization of the commercial strategy. The business developer uses these appointments as experiences to improve his sales methods. This logic is even more true in the start-up environment because processes do not always exist, they must be built methodically.

Before the meeting with the client, it is important to prepare professionally for this interview. The business developer must be fully familiar with the solution he is marketing in order to detect his strengths and weaknesses. There is also a tool to help the business developer, the Charlie application provides briefings on customers and companies before appointments.

It is then necessary to develop your sales techniques in 3 axes:

- Develop a simple and effective product definition to facilitate customer understanding. The speech must be tested off-market beforehand in order to be constantly refined and challenged.
- Demonstrate your added value by differentiating yourself from your competitors. It is important to desacralize sales on the assumption that the prospect needs your solution and that they do not necessarily have the money and time to look for other solutions.
- Highlight the final contribution of our solution, the benefits derived from this competitive advantage in order to trigger the act of purchase.

The role of the business developer, unlike the sales representative, does not end when the contract is signed. He must support the customer in the implementation of the solution by validating KPIs (*Key Performance Indicators*). Developments of excellent interpersonal skills are essential to establish a relationship of trust. Listening remains an essential quality in order to propose the most appropriate solution to the customer's expectations. The interest is twofold, first in order to build customer loyalty and secondly in order to obtain the maximum feedback for a new innovation or improvement, more precisely to modify the Value Proposition Canvas.

Throughout the prospecting and meeting phases, the business developer is an ambassador for the company. He meticulously takes care of his image, in the jargon of business development, it is a question of professionally managing his "street cred". Consequently, it is always necessary

to demonstrate impeccable communication both internally and externally, many tools are at its disposal:

- Internally, the business developer's communication must be efficient and fast so that decision-makers can take action. As a result, communication applications (Messenger, Whatsapp,...) are very useful. It is also possible to improve your speeches with pitch workshops for short presentations using Microsoft Office, PowerPoint.
- Externally, bizdev will enrich its network with trips to trade shows and targeted use of professional social networks such as LinkedIn, Shapr or Followerwonk, which provides access via keywords to a list of contacts on Twitter of influential people in your business sector.

### 3. Financial results and reporting phase

The business developer's work is mainly evaluated on the basis of financial results, revenue growth and the number of new contracts signed. This assumption is particularly true in the field of SMEs and large companies. In the start-up environment, the evaluation indicators are financial but also extended to field feedbacks, feeding on the one hand innovation for the benefit of the proposed solution and on the other hand the improvement of commercial strategies.

The bizdev evaluates its financial impact based on estimates of projected results through 3 referents of financial analysis:

- *The estimate of the potential turnover,*
- *The provisional income statement,*
- *The provisional cash flow statement.*

The most common tool for making financial projections is the Microsoft Office Excel spreadsheet. It is also possible to download standard financial plan templates from the open source Internet.

All financial results and feedback from the field will be used by the business developer to modify its commercial strategy in the broadest sense, including the Business Model. It can reconfigure commercial communication, pricing policy, distribution channels and the budget allocated to the implementation of this strategy.

The formalization of interdepartmental meetings in the company with the business developer is a prerequisite for the proper transfer of information within the technical, operational and management sections. In a start-up, this interaction between different sections is facilitated by the proximity of the actors. The transversal nature of the bizdev function explains its complementarity with startup structures, managerial methods such as agile organization in the company are often conducive to the exercise of this work.

## Conclusion

Start-up and business development are two managerial innovations at the heart of changing economic trends and digital transformation. The entrepreneur must be reactive, anticipatory towards his market and attentive to the players in his sector of activity to ensure the growth of his project. Throughout the business developer's professional approach, the entrepreneurial challenge is present. The entrepreneur is continually challenged in the development of sales business strategies.

In order to accomplish these tasks in an optimal way, the entrepreneur must effectively apply the bizdev methodology while letting his creativity, his power of proposal and his curiosity speak for themselves. We can conclude by offering entrepreneurs an advisory listing in order to achieve their growth objectives:

- A strict organization and to comply with the execution of its work schedule,
- Rigorously carry out and monitor the sales Pipeline and CRM,
- To acquire the most efficient technological tools,
- Build and automate its prospecting through customer testing,
- Develop your sales techniques by constantly challenging them,
- Know your market and understand your customer perfectly,
- Manage your image as a professional.

All these key advices mobilize both the methodology and the tools of the business developer. The complementarity of entrepreneurship and business development is inherent in their common base, freedom and entrepreneurial spirit.



## To know more about it

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