



Table of Contents

Registering for the VentureOut Challenge.....	1
Competition Eligibility.....	2
Focus of the application:.....	3
Supporting Documents	4
The Market.....	4
Stage of Development	6
Types of ideas	7
Financials & Funding:	8
The Team	8
Disclosure of sensitive information	9
Judging Criteria	9
Training and Entrepreneurship Summit in Moldova	9

Registering for the VentureOut Challenge

Where can I find information about the VentureOut Challenge?

Go to www.ventureoutchallenge.org

When is the competition deadline?

Monday, September 2, 2013 at 11:59pm EST

How can I register for the VentureOut Challenge?

After you have read the details of the competition, click on "[Apply today](#)" on the left margin of the website

Can I share my complete idea with you before the deadline, if I do not know whether my application will be accepted or rejected?

We will not review applications before the deadline. Sometimes as an entrepreneur you just need to take the leap forward and try it. If you press submit, you are able to enter your profile and make edits any time before the deadline.

What if I missed the VentureOut Challenge webinar?

We will be recording them to be viewed later.

What is the purpose of the info sessions and webinars?



The purpose is to help explain the competition, provide advice to participants, and answer any questions you might have. You can [click here](#) to see information on webinars and locally-based outreach events.

Competition Eligibility

How do I know if I am eligible to participate?

You may find the rules and eligibility of the competition [here](#).

Are competition participants from all over the world?

Participants are from selected countries in Africa and Eastern Europe and Central Asia.

If I live in an eligible country but my nationality is from a country that is not eligible, can I apply?

Yes. If you are a permanent resident or a citizen of an eligible country you may apply to the competition. At least one member of the team must have an eligible citizenship and therefore must be the one to apply to the competition.

If I live in an ineligible country but I have the nationality of an eligible country can I apply?

Yes. If you are the national of an eligible country you can apply to the VentureOut Challenge.

I am a student with a bachelor's degree. Can I participate?

Yes.

Is there an age restriction to participate?

Yes. Aspiring entrepreneurs under 18 years of age are not eligible to participate.

Can organizations that only buy and sell goods be eligible to apply?

No. For example restaurants or stores that only sell goods are not eligible to apply.

Can purely research projects apply?

If you are testing your prototype from a research project, you may apply. If you are in the gestation period where your product is still very far from being commercialized and you want funding to continue your research you cannot apply to the competition.

If the project is still in the research and development stage or in a trial stage, can I apply if I am almost ready to take it to market?

Yes. Although we will not fund the research, we will fund your efforts to commercialize your product or service.

If my venture is at an idea stage, can I apply?

No. The mobile app needs to be functioning, if not up on the market.

Do we have to have a prototype in order to apply?



Yes, you at least need a prototype. You can submit the picture of a mockup, storyboard or a diagram that shows how the product would work.

Can we submit an application about a service or does it have to be a technology?

A service like a restaurant will not qualify for this competition but a service based on a mobile technology like a mobile wire transfer would qualify (another example could be travel services like priceline.com). Services are often great innovations and we are happy to review those.

I have multiple projects that need funding. Can I submit more than one business plan application for this competition?

No, please submit only one application.

Can I submit my narrative (internationalization summary) in the form of slides?

No. You must fill out all the required boxes. What you fill out in the boxes will be what the judges will pay the most attention to. You can upload charts, diagrams, infographics, and pictures to complement your narrative via the supporting documents section.

Is it acceptable for me to submit an application for a project that uses the API of big websites (e.g., Facebook) to serve millions of online customers in an innovative way?

Yes.

Focus of the application:

What key aspects should my application focus on?

It is important that you answer every question. We want to know about your aspirations to expand to new markets (either geographies or demographics). We want to see that you have done your research and that you are looking to expand into new markets or to enter a market for the first time. Whatever you tell us about your past or your present needs to show that it is a good base for your future. The support documents are supposed to be a visual representation of your narrative not the main source of information about your venture. Please attend one of the outreach events or webinars if you have questions or concerns.

Is there a model for the narrative (Internationalization Summary) we should follow?

Because all applications are different there is no exact model but you should aim to make it easy for the reader to understand where you want to take your venture and that you have done your homework in understanding your customers and the way you can access your market. We recommend you search for [Steve Blank](#)'s examples of the work he does with his students.

In my application, should my responses focus more on the technical part or the commercial part of the project?

Your application should focus more on the commercial part, where you convey how you will be accessing a new market, what you need to get there, and what you know about your customers. We only need a basic understanding of what your product or service is and how it

works. The Internationalization Summary is brief, so focus on describing what customers would want to know about your idea or startup.

Should we focus more on the cost of the product or customer need, even if the cost of the product is too expensive?

75% of your application should focus on your customer need. If you realize that the cost to the customer would deter them of buying it, then you need to show that you have a plan to reduce your price so that it becomes marketable.

Supporting Documents

If I would like to show a prototype, what suggestions do you have?

You may include a link to your webpage and encourage judges to download your app you're your app is not available for download, or not the type that a person can access in this matter (like an enterprise solution) then you can have a mockup, a storyboard, a simulation or a diagram that shows how your product would work. The aim is to demonstrate your solutions clearly. You should focus on how your product or service solves the problem your customer has.

What should I put as my supporting document or attachments to my application?

Less is more. Pick things that make it visual, pleasant and easy to understand after you have given a good narrative answering the questions explained in the criteria. Pictures, charts and diagrams can help. The goal is to have the reader fully understand what your product/service is, its potential market value, and how you are seeing it enter or expand in the market.

The Market

Should my product or service be for the international market or can I have a product or service for the local market?

What we want to see are applications with the potential to grow to new markets. You may be starting by building success in your local market (pilot market) and that is great. If you are at a more advanced stage, we would like to see that you have aspirations to enter other markets. These do not have to be geographical markets; they can also be demographic new markets (for example, if you are serving children maybe you want to expand to serving teenagers). It can also be a new geographic market, such as another city or another region of the world. It is important to describe both your current market and the market you want to access. Why is it that your costumers buy what you are selling and why potential customers in new markets would also buy your product or service?

If I don't have a customer analysis, would I be graded poorly?

Customer analysis does not have to be a formal survey of hundreds, but we need to know that you have spoken to some potential customers. This will show that you have done the research that is so important for the success of your business, ensuring that someone would want to buy your product/service.

What if my idea is so new that it does not have an existing market yet?



We are interested in products/services that are already launched or ready to be launched. If your app is about to launch, you will need to prove that there is a demand for your product. In order to do well in this competition you need to show that there is a need for your product and that customers would be willing to buy it. We recommend that you read some of Brad Cooper's material on [Customer Development](#). New products or services can be great, but they need to answer to some need in the market.

Do I have to provide a new idea that has never been introduced to the market?

You do not need to provide a completely new idea, but you need to show how your app approaches the problem in an innovative way. How can you solve this problem better than your competitors who might have a similar product?

Can the idea we submit be replicated in any part of the world or does it have to be local?

It can be replicated to every part of the world. But remember, even McDonalds has different products in different markets. The importance is to see that you have an actual plan on how to get there. A lot of the times the product or service that is sold in one country is not sold the same way in another because of difference in culture or buying power of the customers so you need to adapt your plan to each new market. Think of your customers.

Can I submit an application for a product or system that exists in other countries but does not yet exist in my country?

Yes.

If my idea targets people in a high economic class vs. the middle class or the poor, would that affect how the judges view it?

It is good that you started your product segmentation. We care more that you have identified potential customers than about which segment of the population you target. What we want to know is how you know that a particular customer segment has a problem that you can solve. Show us what you know about the market that you want to enter.

If I cannot provide accurate information on the amount of business a competitor is doing in my target market, will this affect my chances of winning the competition?

You should show that you have done research on your competitors. Of course there is some data that is not always easy to get. The goal is to show that you have enough to evaluate the risks and opportunities that you are facing in moving forward with your product/service.

Are past rewards received considered a source of revenue?

Yes. VentureOut encourages that you mention past rewards that you, your team members or your venture has received on the Track Record section of the application. You may also mention this as miscellaneous venture revenue to strengthen the appearance of your revenue stream.

In which part of the application should we write our mentions, interviews, and awards?

You should place mentions, interviews, and awards under the track record section of your management team.

My application cannot be realized by a low/mid-sized company; what are my chances in the competition?

Your chances do not depend on who would acquire your start up. What we want to see is how you would take your product to the market and what partnerships you would make in order to sell your product service.

If we have already been awarded with similar distinctions from other organizations, will it weaken or strengthen our team application?

Winning awards from other organizations does not weaken your team application. Awards should be mentioned under the management team record section of the application.

How much of my data should be market focused? For example, if I am targeting in terms of customer sales and what the customers are expecting to pay for my product.

VentureOut is looking for a preliminary estimate of cost per unit, cost of services, and profit per unit sold. Also, in your application you should identify what market share you will take and how you will get to that market share.

Can you explain what product/service commercial value means?

Product or service commercial value is measured by two levels: the first level is revenue per unit and gross margin; the second level is the costs associated with your venture.

Stage of Development

How can I establish whether my project is in the startup stage and eligible for the competition? Some people have different perspectives about what this means.

A startup venture is a company that is hunting for a business model or has a business model and is taking it to other markets. An Idea is usually something you have been thinking about and you won't have a prototype available. Ideas only are not eligible.

Here is the definition of Startup stage the VentureOut Challenge uses:

- Venture is for-profit and less than three years old from date of launching the startup
- App is currently in a testing or pilot stage. Pilot stage means the app is on the market, but not necessarily global, and definitely looking to expand.
- Venture is either self-funded or has received external funding (either from public or private sources)

Is it appropriate for me to enter the competition if I have not yet started a company?

Yes. You may have created an app without created a company. Most important is that you have a functioning app that is either on the market or ready for the market. Creating a company may be a next step in your business strategy.

Do we need to show that the model to access new markets has worked before?



**VentureOut
CHALLENGE**

VentureOut Challenge FAQ



The more that you can demonstrate that you have thought the process through and that you have gotten customer feedback, the better. MBA assignments will probably not do well in this competition.

Do I need to demonstrate that my model/project works and that it is practical?

It would be ideal to have applicants who have shown that their concept is likely to succeed in a market or who have already started to prove their concept in a market. But whether the product is actually finalized and working is not as critical.

If I have an app that is in the Idea stage, should I submit it or wait until it is ready for global market expansion?

We encourage applications for projects in the Idea stage. The most important thing is to show that you have done background research and that you are prepared for the market you want to enter. We look for products that serve a customer need in a market.

Types of ideas

Can I submit an application for a mobile education project?

Yes.

Can I submit an idea for a model that generates new startups?

If you can create a business that utilizes mobile technology to support other successful businesses or industries around them then we will definitely consider it. We have seen that businesses that create surrounding industries are most successful. Your service or product needs to be based on a technology or on science.

Can I submit an idea that is for trainings?

Yes as long as it is based on a technology like training software. What you would need to show is how it actually meets the need of your market in an innovative or more effective way. For examples there were sales trainings that were done as videos or power point presentations that are now done as simulations. You need to think of what makes your product more relevant.

My project is more related to social welfare than it is to business. Is it acceptable to submit an application for a project that reduces poverty, unemployment, etc.?

It is acceptable if your project is based on mobile technology. For example, a fine socially-motivated project would be one that proposed a way for farmers to receive farming advice by SMS in rural Africa and thereby increase their yields.

Can I submit an idea for an existing product that could benefit from innovation or new materials?

Yes.

What if an idea costs more than \$10,000 to implement?

VentureOut does not set limits on how much it costs to implement your project. You should try to do testing or prototyping cheaply. We recommend also finding a second source of funding.

Should I try to find a solution to a problem in my country?

VentureOut does not set a geographic limitation. You must make sure you have a unique understanding of the problem and that you are ready to bring a solution. VentureOut often suggests using your own country or city as a kind of lab to test your product.

Is it Okay that a startup is aimed for b2b (business to business)?

Yes.

Financials & Funding:

How can I create an appropriate financial projection for an entirely new project?

Look at the [Steve Blank Materials](#). He can show you how to do it with his students.

Does the amount of funding that I need affect my chances of winning the competition? Please state what the minimum & maximum are.

No. There is no average, minimum or maximum. It depends on the project. What we want to understand is how you reached that estimate. The amount of funding you need is not a deciding factor.

The Team

What are the key aspects of the winning teams?

Winning teams are qualified and dedicated to the success of their venture. These are people with relevant skills to enter and grow the venture in a new market.

Can the team be comprised of only one member?

Yes the team can be comprised of only one member, especially when you are at an early stage of development. In that case we would like to see that you have done enough research to know what type of people you would need in your management team to be successful. When you are in a more mature stage of development, we would like to see that you are at least two in your management team.

How many people can be on one project team?

You may have as many team members as you want, but please remember that the number of people is not as important as the quality of skills and dedication that your team members bring to the project. Also remember that only one person from the team can apply for your team and that is the person who will need to be able to communicate in English for the finalist competition in Chisinau, Moldova.

Do you value having a board of directors vs. a board of advisors?

VentureOut advises having an advisory panel after two years. We strongly advise not adding board members until you know them well and have the capital to spend on salaries for board members.

Is there an age restriction for an advisor on the team?

VentureOut does not set limits on the age of the advisor. You should focus more on the role of the advisor on the team in the application.

Disclosure of sensitive information

I am designing a product I would like to patent. Meanwhile, what is the process for ensuring that my idea is protected throughout the course of the competition?

You should not share confidential or sensitive information in your materials. What we want to know is what market you want to access and how you are planning to get there. The description of your product or service is secondary and should not include confidential information.

Judging Criteria

How will you choose the winners of the competition? Will technicians participate in choosing the winners?

Experts in the field will be evaluating the applications after they have gone through the eligibility review. You can find the review criteria in the program rules document.

Do the judges have a preference for projects that are already growing?

There is a preference for apps that show great promise to be successful in multiple markets. So the internationalization strategy should be well developed and formulated in order for it to compete with already established mobile apps.

How will the semi-finalist projects be selected?

The top 90 projects are selected through a panel of judges who are experienced entrepreneurs or venture capitalists.

Training and Entrepreneurship Summit in Moldova

How long is the training in the Moldova?

9 semifinalist teams will be invited to participate in business training sessions, the Dragon's Den pitching competition & Award Ceremony during the infoDev Conference in Moldova this October 29-31, 2013. CRDF Global will help arrange visas, plane tickets & accommodations for anyone who is chosen as a finalist.

If I'm selected to pitch in Moldova, will investors on the judging panel invest in my idea/startup?

No. Investors are at the competition to judge the pitches. However, investors may ask you to pitch them your idea/startup at a later time.



VentureOut Challenge FAQ



Do you have any advice for creating a pitch to investors in Moldova?

GIST recommends reviewing the following resources for pitching tips:

- [David S. Rose on Pitching to Venture Capitalists](#)
- [Stanford Entrepreneurship Corner: Tips for a Good Pitch](#)
- This is a basic, yet solid template presentation provided [here](#)