



CRAFTING **A** **STRATEGY**[®]

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MAKING DECISIONS IN AN INCREASINGLY UNCERTAIN INDUSTRY



YOU CAN'T SEE THE FUTURE THROUGH THE REAR VIEW MIRROR

--PETER LYNCH, BEATING THE STREET, 1994



SOURCE: KPILIBRARY.COM



**WHAT DO EXPERT ENTREPRENEURS DO?
HOW CAN YOU BE STRATEGIC IN AN
UNCERTAIN WORLD?**

MARKETS THAT DON'T EXIST CAN'T BE ANALYZED

--CHRISTENSEN, 2003



BUSINESS MODELS NOT BUSINESS PLANS



TRADITIONAL 3-TIERED SYSTEM



SELF-DISTRIBUTION



BREW PUB



TASTING ROOM

EACH BUSINESS MODEL HAS A DIFFERENT PROFIT STRUCTURE



BUSINESS MODELS **PARADIGM**

OLD – BUSINESS PLANS

PREDICT THE FUTURE

MARKET RESEARCH

FULL SCALE MARKETING PLAN

FIRST TO MARKET



NEW – BUSINESS MODELS

CONTROL THE PRESENT

MARKET ENTRY & EXPERIMENTATION

SHORT TERM – HYPER CYCLE PLAN

FIRST TO MINDSHARE

BUSINESS MODELS PARADIGM (CONT'D)

OLD – BUSINESS PLANS

BE SECRETIVE & BE PERFECT:

**HIDE IN YOUR OFFICE CONDUCTING MARKET
RESEARCH, WRITE THE PERFECT BUSINESS PLAN,
ONLY ENTER THE MARKET AFTER SECURING
OUTSIDE FUNDING**



NEW – BUSINESS MODELS

FAIL FAST & FAIL CHEAP:

**TALK TO EVERYONE, GET OUTSIDE THE BUILDING,
LAUNCH THE BUSINESS AS SOON AS POSSIBLE,
EXPERIMENT, FAIL CHEAP, LEARN, TRY AGAIN**

**UPSIDE MARKET POTENTIAL DRIVES BUSINESS
PLAN FUNDING NEEDS**

**DOWNSIDE MARKET RISK DRIVES BUSINESS MODEL
NEEDS**

RETURN ON INVESTMENT

AFFORDABLE LOSS

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