










Social Venture Design Framework Example 2

 **Anchor Purpose**



• To help economically challenged families become healthier

 Key Partners	 Key Activities	 Value Propositions	 Stakeholder Relationships	 Stakeholders
<p>Partners</p> <ul style="list-style-type: none"> • Community based organizations • Retail associations • Local organic farmers • Technology partners for platform <p>Investors</p> <ul style="list-style-type: none"> • Impact Investors focused on LMI or Food/Health • Traditional Investors focused on CPG 	<ul style="list-style-type: none"> • Year –round Local Sourcing • Design the education/ knowledge • Efficient local distribution • Business development/sales with Grocery and Corner Stores <p>Key Resources</p> <ul style="list-style-type: none"> • Below market produce • Simple inexpensive food formulas • Inexpensive manufacturing 	<p>Organic shelf-stable goods with healthy food education packaging</p> <ul style="list-style-type: none"> • Peace of mind • Affordable healthy food • Better health • Greater awareness • Impact • Financial returns 	<ul style="list-style-type: none"> • Loyalty from trust • Perception of care and great customer service • Respect among ownership • Inclusive and stable • Responsive to guidance <p>Channels</p> <ul style="list-style-type: none"> • Direct-Online • Direct-Farmers Market • Indirect-Grocery • Indirect-Corner Store • Word of Mouth • Service Providers 	<p>Customers</p> <ul style="list-style-type: none"> • LMI Mothers 25-45 <p>Beneficiaries</p> <ul style="list-style-type: none"> • LMI Families • LMI Communities <p>Employees</p> <ul style="list-style-type: none"> • Founders • Staff

<p> Costs</p> <ul style="list-style-type: none"> • Primarily variable costs, almost all outsourced • Packagers • Farmers 	<p> Revenue Streams</p> <ul style="list-style-type: none"> • Primarily in-direct sales through retail outlets • Online sponsored education
<p> Differentiation</p> <ul style="list-style-type: none"> • Affordable • Quality and familiar taste • Education packaging • Brand awareness 	<p> Magnitude</p> <ul style="list-style-type: none"> • IROI: 40 million low-income individuals in the US are at risk for chronic illness • FROI: The US LMI grocery market is \$250 billion a year

Social Venture Design Framework Example 2: Insights

Anchor Purpose

To help economically challenged communities

10 or 11 LMI Mothers in focus group ranked affordable as most important product attribute

Customers and beneficiaries (who are influencers) may have different priorities

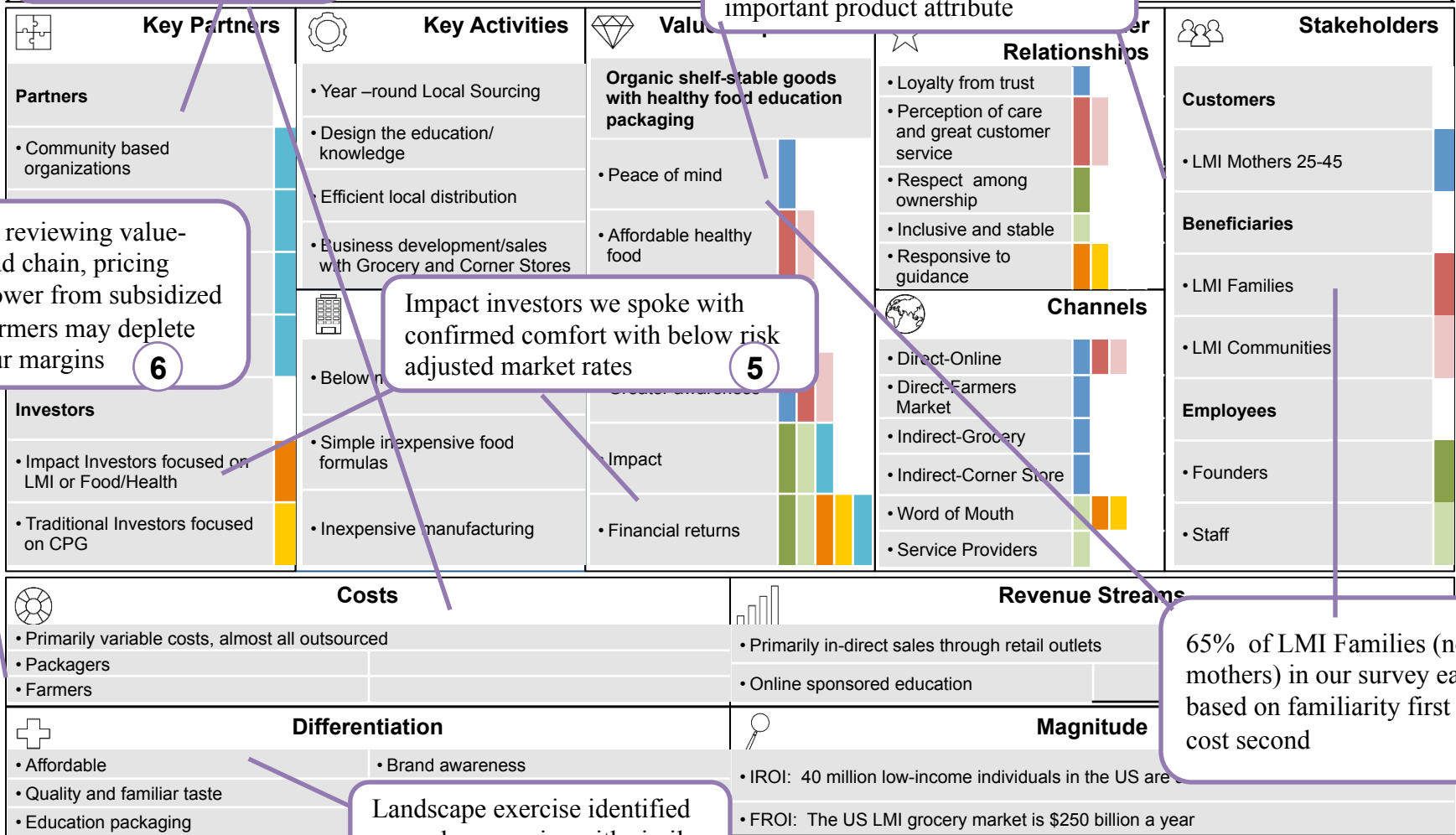
The two CBO's we talked to are very eager to be supportive, however they want to be in the form of revenue-share

In reviewing value-add chain, pricing power from subsidized farmers may deplete our margins

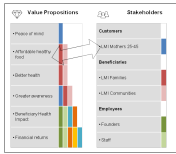
Impact investors we spoke with confirmed comfort with below risk adjusted market rates

65% of LMI Families (not mothers) in our survey eat out based on familiarity first and cost second

Landscape exercise identified several companies with similar value propositions



Social Venture Design Example 2: Insight Validation Detail



Hypothesis Tested: Affordability is one, if not the most, important factors in purchasing food for LMI Mothers.

Primary Research Input

- Week 4-5: Previous direct interviews with LMI Mothers led us to believe that affordability was a factor, but we were not sure how important it was.
- Week 6: During interviews with Partner CBO's, we discovered that the CBO's perceive that familiarity was more important than affordability.
- Week 7: 10 or 11 LMI Mothers in focus group ranked affordable as most important product attribute

Secondary Research Input

- 65% of purchasers in East Palo Alto buy based on brand and taste familiarity (source: eMarket 2012)
- 3 in 5 consumers in the US buy based on affordability (source: Grocery Market Report 2011)

Competitor Analysis

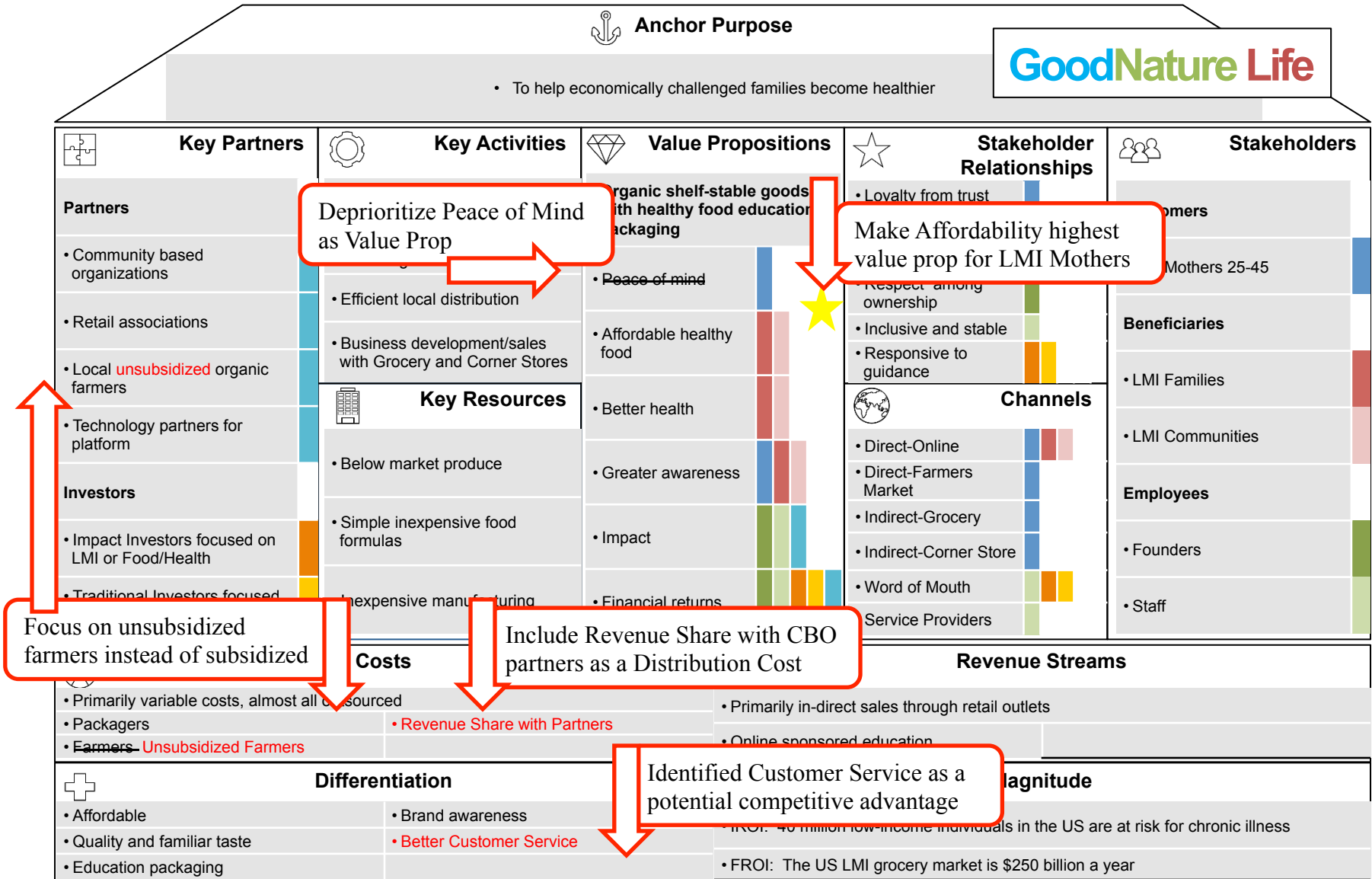
- Majority (20 or 22) identified direct competitors market themselves as better tasting, of which 10 use the word "value" in their brand campaigns

Key

- Positive
- Negative
- Neutral

Discovery: There is considerable evidence that affordability is the primary motivator for our customer, the LMI Mother. We believe this hypothesis is proven but we will revisit when our MVP is ready to show and receive feedback from customers.

Social Venture Design Framework Example 2: Updates/Changes



Social Venture Design Framework Example 3: Hypothesis to Test

