



## **What's The Problem Statement?**

Create an app and business concept that helps businesses build a competitive strategy.

### **Business strategy sounds daunting. What if I don't know much about it?**

If you aren't familiar with business strategy, don't worry. We've broken it down to help you learn it (and we hope it will help make you a better working professional in your other endeavors as well). One way to think about business strategy is that it answers three questions:

1. Where will I play?
2. How will I win?
3. Is it worth it?

### **So this is a business challenge. What if I don't know much about business strategy?**

Yes. All app and business challenges require participants to learn about an industry or cause. Developers and entrepreneurs, often with no previous experience in that area, must dive into the nuances and people affected in order to make an app that solves a problem.

In fact, challenges are often created for this very purpose: outside perspectives can bring the most innovative solutions.

Health care is a perfect example. Health care tech challenges tap into the tech entrepreneurship community because health care needs more forward-thinking developers and entrepreneurs than they have now. Participants in health care challenges must dive into the industry to understand what health care leaders and decision makers need most in order to create something that solves a problem (and wins the competition).

For Go Code Colorado, participants must understand business—what business strategy is, what makes a business succeed when other businesses are vying for the same customers, and how businesses go about deciding if they want to create a new product or service or expand into a different market (or if an entrepreneur wants to start a new business in the first place).

### **How did you get to this problem statement?**

In previous years we've tackled more focused elements of running a successful business. Things like site location, supply chain partner matching, and industry benchmarking. But there's always been a common theme among all the problem statements: essentially, businesses are asking us to help them operate more competitively. So this year we've zoomed out to make the challenge more open and broad.

We surveyed thousands of business decision makers and received hundreds of responses on what types of problems they face and how public data can help them make better, more-informed decisions. Think of it as initial market research.

**That sounds like it might be a little *too* broad.**

You can address the challenge with a solution that is as broad or as specific as you like. For instance, your app and business concept could just touch upon “Where will I play?” and even focus on a specific sector. Or your app could answer multiple issues raised by many types of business owners. It’s up to you.

## **I’m a developer and I’m used to these challenges just telling me what to build. So, what am I supposed to build?**

We don’t want to tell you exactly what to build because we want you to tell *us*. We’re in the business of gathering and managing data, you’re in the business of making meaning of it and we don’t want to bridle your creativity.

Now, if you think you’re more of a problem solver than a problem definer, then we encourage you to find a teammate or two who can bring that strength to your team. It will definitely help if you have some business expertise on the team as well. After two years of running this challenge, we’re amazed by creative solutions that we would have never thought of—and we’re looking forward to more of that brilliance from the tech entrepreneurship community as we define the challenge a bit more broadly.

### **OK. Tell me more.**

Let’s dive a bit deeper into each strategy question to understand them. We’ve added quotes and examples—some directly from our survey responses—under each question to help you understand how each one works in the real world.

The examples are illustrative; they are not exhaustive. We always try to give voice to the businesspeople we are trying to help. But don’t let the examples limit your creativity. If you have an idea that helps answer the question and make businesses more competitive, run with it.

### **1. Where will I play?**

Where in the competitive landscape does my business compete? Who else is in this space—who are my competitors? If my business has a physical location where is it best to locate it based on my access to potential customers and employees?

Several respondents wanted an easier way to research varying sales tax rates across the state, to understand what their final prices would be to consumers.

Echoing a desire from many survey respondents, one business owner asked for “heat mapping based on census data and property tax data to better understand demographics of neighborhoods in terms of socioeconomic potential.”

Another business person said recruiting good employees is a problem and asked for a solution that “show[s] areas in the state that have the best schools and most affordable housing,” so that she can locate the business nearby.

### **2. How will I win?**

How do I develop a competitive advantage? What can set me apart from the competition? What intelligence is available for me to get an edge?

One business decision maker asked for “the ability to get public data on contracts awarded...to help small businesses get a better understanding of cost for services.”

Another, who is challenged to find and keep employees, wants to know “Migration trends of professional workers. Where are they moving, why?”

Other respondents asked for a better understanding of potential business partners and suppliers that are nearby.

### **3. Is it worth it?**

What are the costs associated with my line of business so I can forecast profits? Costs include regulatory costs from state or local permitting or licensing, to what businesses pay employees , to the electric bill to keep the lights on.

How can I plan on margins for new lines of business or a new business altogether?

One business owner told us he could use “Streamline[d] permit pricing and requirements for building and mechanical” needs.

Another wants information to help make smarter hiring decisions. “How many people in the state...are freelance technologists?” she asked us.

[when this becomes a blog post, we will use this last paragraph to link to the data-mapping page as the next resource they should pursue] <http://gocode.colorado.gov/data/challenge-relevant-data/>