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COMPETITIVE RESPONSE

Gale Small Business Builder Promotes Success for Public Libraries and Entrepreneurs Alike

This summer, Gale launched the Gale Small Business Builder, a unique public library tool bridging software, reference, and mentoring to support entrepreneurs in the complex, early stages of launching a new business.

Important Details

The Gale Small Business Builder utilizes Gale's existing products designed for managers of small businesses — including Gale's Small Business Resource Center and Business Plans Handbook — to provide a tool that can guide entrepreneurs through the full process of creating a business plan and financial analysis for a new for-profit or non-profit business.

Many public libraries, which have the space and information that small businesses need and have been traditional centers for community support, are repositioning themselves to encourage local economic development. There's an increasing trend of libraries creating co-working spaces and mentoring programs, and lending themselves to business incubation — from the [NYC Small Business Resource Center](#) at the New York Public Library's Science, Industry, and Business Library to the Illinois Naperville Public Library's [NaperLaunch](#).

Gale Small Business Builder guides an entrepreneur through a logical sequence of steps in the full business planning process and helps them generate a plan, financial projections and graphics, and a presentation that they can export and then take to lenders. The product walks entrepreneurs through five stages, which they can do in order or pick and choose the pieces that fit their needs. The stages include:

1. Entrepreneur Profile: Designed to help entrepreneurs assess whether entrepreneurship is right for them.
2. Business Ideation: Designed to help entrepreneurs assess whether their business idea is valid and sufficiently differentiated from others.
3. Break-Even Analysis: Designed to answer at what point a business's sales will cover its expenses.
4. Business Plans: Designed to guide entrepreneurs in assembling the information they need to obtain a loan.
5. Financial Projections: Templates to generate a comprehensive view of the company's financial future.

The business plan section allows an entrepreneur to create a business plan using the planning method they prefer — lean canvas, business model canvas, or SWOT analysis. It also includes a marketing plan tool and instructions for creating a pitch deck to present to potential investors.

The product's financial projections section includes an exhaustive collection of templates entrepreneurs can complete, and three executive statements — income, cash flow, and balance sheet — that they can download or receive via email.

Throughout, the product provides definitions of business and financial terms and prompts to assist the entrepreneur in filling out the forms. Written in a conversational style, the definitions and prompts assume little knowledge of terminology and business planning. Each section of the product also includes access to articles from Gale's Small Business Resource Center, including articles that touch on legal aspects of starting a business.

Strengths

Gale Small Business Builder promises to serve two communities: public libraries, who are expanding their remit in providing increased business support, and entrepreneurs, who need information and planning support at a time when they typically don't have a lot of capital to spend on consultants and attorneys. For public libraries, the product will enable librarians who may not be business specialists, themselves, to support business patrons with services that go beyond the reference materials they currently provide. For entrepreneurs, the product will provide support and tools they need at a critical time in the planning of the business.

A particular strength of the product is that it is both very accessible and also thorough enough to support more experienced managers. The user interface is clean and not overly complex, the path through the product is clear, and prompts use plain language to support even novice businesspeople, yet it also supports the needs of more experienced managers. Entrepreneurs looking at running their first business will appreciate the handholding the product will give them, while more experienced entrepreneurs will appreciate the tools for constructing the detailed financial projections any business owner needs to analyze.

Risks

The hurdle for Gale Small Business Builder will be making sure that the entrepreneurs for whom Gale has designed the product know to go to their public libraries to find it. Younger entrepreneurs, in particular, are accustomed to thinking in terms of mentors, LinkedIn groups, and Slack communities, but many of them may not think of their public libraries as a primary resource for this kind of guidance. Gale and public libraries together will need to creatively position the product to draw in the wide range of

entrepreneurs who can benefit from it.

Analyst Ranking: Positive

In Gale Small Business Builder, Gale has developed a product that satisfies needs of both public libraries and entrepreneurs as both of these customer and end user groups are shifting into new roles. The platform arrives at a time when librarians of all kinds are integrating themselves more tightly into the strategic thinking of their clients and when they need new tools to support them in that effort. Entrepreneurship, meanwhile, continues to thrive with the enthusiasm for launching new technology businesses, and entrepreneurs of all kinds need thorough, authoritative, and low cost (or free) resources to help get them started.

Recommended Vendor Actions

In future versions of the product, Gale could strengthen its value by making the platform responsive to the financial content an entrepreneur enters. For example, pointing out if a business's total salary cost seems to be out of balance with anticipated revenues, and suggesting modifications. For beginning entrepreneurs, who may not have an idea of how to balance different aspects of a financial plan and who may not have a mentor to review the results with them, this kind of analysis would be useful.

Expanding the product's legal resources, tools, and forms, as Gale has mentioned it is considering, would round out another area in which entrepreneurs need significant support. Since legal counsel can be very expensive for them to get on an individual basis, the ability to cover even some of their basic legal needs through the platform would be valuable.

Although it is currently possible to give a business partner permission to access to all or part of a plan, Gale is considering allowing mentors access to help guide an entrepreneur through the platform. Additionally, making it possible for entrepreneurs to interact and network with others inside the platform, sharing and commenting on aspects of business plans, opens even more possibilities.

Recommended Competitor Actions

Most of the competition Gale Small Business Builder faces will come from textual reference materials and business consultants, both of which serve different purposes than this product, though users could make use of both simultaneously or at different times in the business process. Traditional reference materials don't provide the step-by-step instructions and tools of Small Business Builder, while consultants offer very customized guidance but at a price many entrepreneurs can't afford.

Technology incubators and accelerators like the ones launched in the last year by Thomson Reuters and LexisNexis (see Insights, [Thomson Reuters Follows Its Customers and Launches a Tech Incubator](#), July 20, 2017), provide entrepreneurs with access to data sets and content, mentoring, networking opportunities, and investments. However, only a small percentage of new businesses are able to win a spot in an incubator. Gale's tool will provide valuable support for the many entrepreneurs who are going it alone.

Outsell advises providers of small business information and guidance to be aware of Small Business Builder, which will give them a chance to assess whether they can use it in conjunction with their own products and services or as an additional resource to recommend to customers.

Recommended Customer Actions

Public libraries serving communities that include small business people need to evaluate Gale Small Business Builder to see if it fits with their business information portfolio. Entrepreneurs who do not already have a complete business and financial plan may want to contact their local public libraries to see if they have access to the product through one of them.

Outsell's Bottom Line

As information has become more readily available outside the library and simple information searches have become easy for library patrons to conduct on their own, information professionals have found increased opportunities to assist end users with more complex research and planning work. This evolution of their role has the potential to increase the quality of work library patrons are able to accomplish with library resources. Gale Small Business Builder is an example of an information provider partnering with libraries to provide higher level service, with a specific potential of improving business innovation and economic development.

Going further in future versions of the product, following the ongoing trend toward platform development and convergence of information sources, Gale has the opportunity to pull in additional resources such as expanded legal information, company data, analytics, and tailored feedback to round out this offering to address all the needs an entrepreneur might have.

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