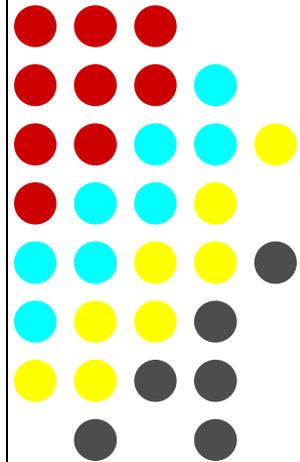


Your Business Model



About the Presenter

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Learning Objectives

At the end of this presentation, participants should be able to:

1. Describe a business model.
2. Discuss different types of business models.
3. Develop a business model statement.
4. Explain components of a Business Model Canvas (BMC).
5. Develop a business model.

How?

The learning objectives would be achieved by:

- Unit 1: Business Model Overview
- Unit 2: Introduction to Types of Business Models
- Unit 3: Developing a Business Model Statement
- Unit 4: Basic Introduction to BMC
- Unit 5: Filling Your BMC

Before Starting

What I Do

Mechanism + Electronics =
Mechatronics

Academics + Entrepreneurship =
Acadopreneurship

Artificial + Intelligence =
Artificial Intelligence

Spiritual + Intelligence =
Spiritual Intelligence

Distance + Virtual + Online + Learning =
Borderless Learning



Prof. A. M. Aibinu



What is AcadoPreneurship?

How do we want to solve it?

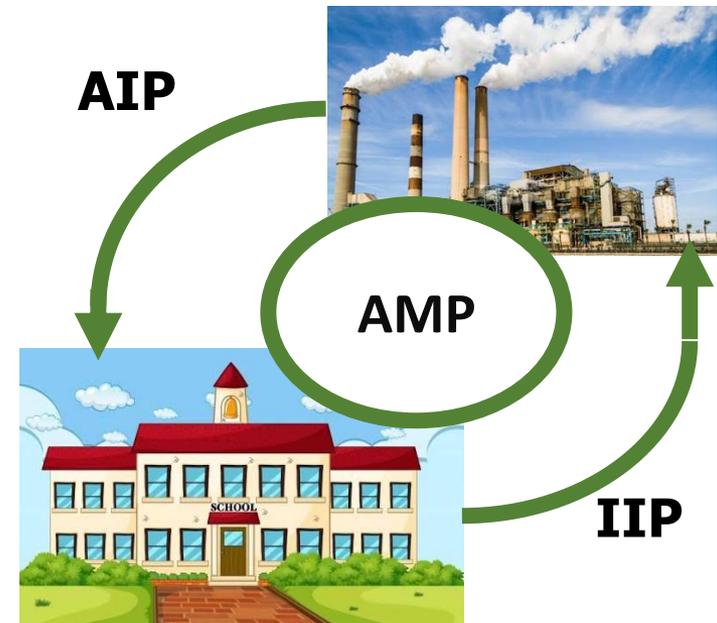
- The word “**AcadoPreneurship**” was coined from the portmanteau of “academia” and “entrepreneurship”.
- **AcadoPreneurship** simply means turning academic ideas and research outputs into viable business and start-up ventures.

ACADOPRENEURSHIP



How to Achieve AcadoPreneurship

- **AcadoPreneurship** is achieved by synergistic integration and collaboration between **academia**, **regulators/Government** and **industry experts** in developing approaches required for turning academic ideas, research outputs and innovations into new start-up and business ventures.



How To Launch a Start-up

How To Launch A Startup – 8 Step Process!

1. Come Up With an Enriching Idea – (Final Year Project)
2. Do Some Market Research – (AcadoPreneurship Startup Loop)
3. Prepare the Business Plan – (AcadoPreneurship Startup Loop)
4. Build Your Team – (AcadoPreneurship Startup Loop)
5. Incorporate Your Business – (AcadoPreneurship Startup Loop)
6. Look Out for Funding – (AcadoPreneurship Startup Loop)
7. Set Up the WorkSpace- – (AcadoPreneurship Startup Loop)
8. Work On Sales & Marketing Strategies – (AcadoPreneurship Startup Loop)

Let us start

UNIT 1

Business Model Overview

Overview

One of the most important keys in setting up a successful startup that would transcend into a virile company is having a suitable business model that meets the current market demands and business plan.

Hence, in this unit, we would learn about business model.

Learning Outcomes

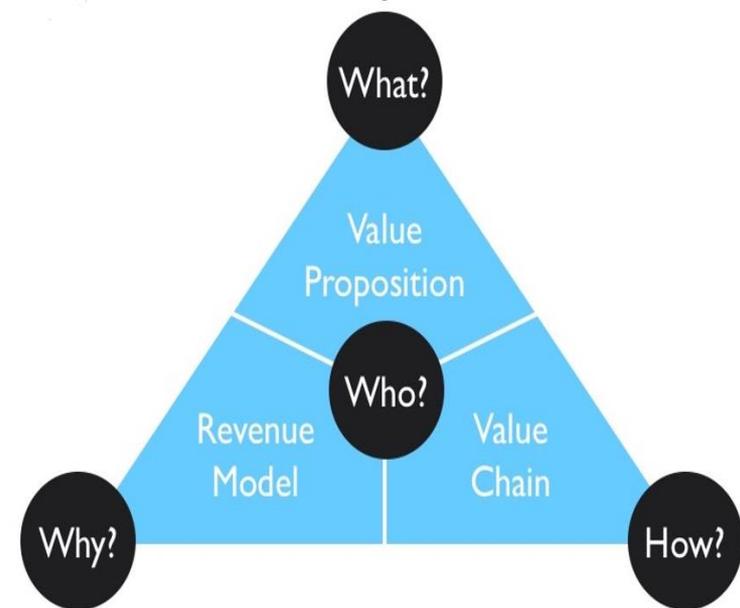
At the end of this unit, participants would have learnt:

1. Business Model: What, Why, Who and How
2. Differences between a Business Model and Business Plan.

What is a Business Model?

A Business Model (BM):

- Is a conceptual structure that describes **who the business serves, what it delivers, how it offers it, and how it achieves its goals and supports the profitability of the firm.**
- Explains **how a company creates, delivers, and captures value in economic, social, cultural, or other contexts.**

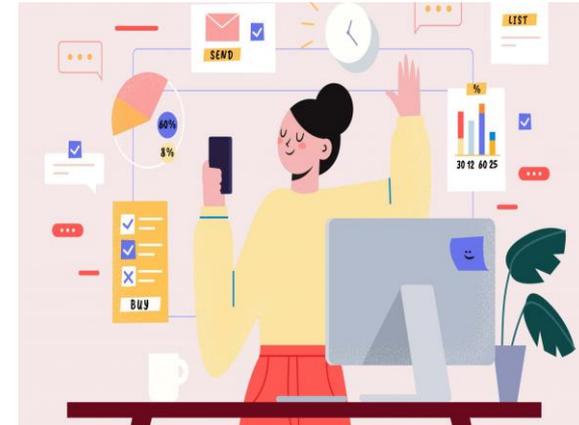


Just understand that business model could be summarized as the how, what, who and why of value proposition.

What is a Business Model?

The term "business model" also refers to a:

- Variety of informal and formal descriptions of core aspects of a business, such as **purpose, operational processes, target customers, promotions and opportunities, strategies, facilities, corporate structures, purchasing, transactions, and operational strategies.**
- Company's profit-making strategy. It specifies the items or services that the company intends to offer, its target market, and any projected expenditures.



Kindly Note

**Business
Model**

= How you planned to make money

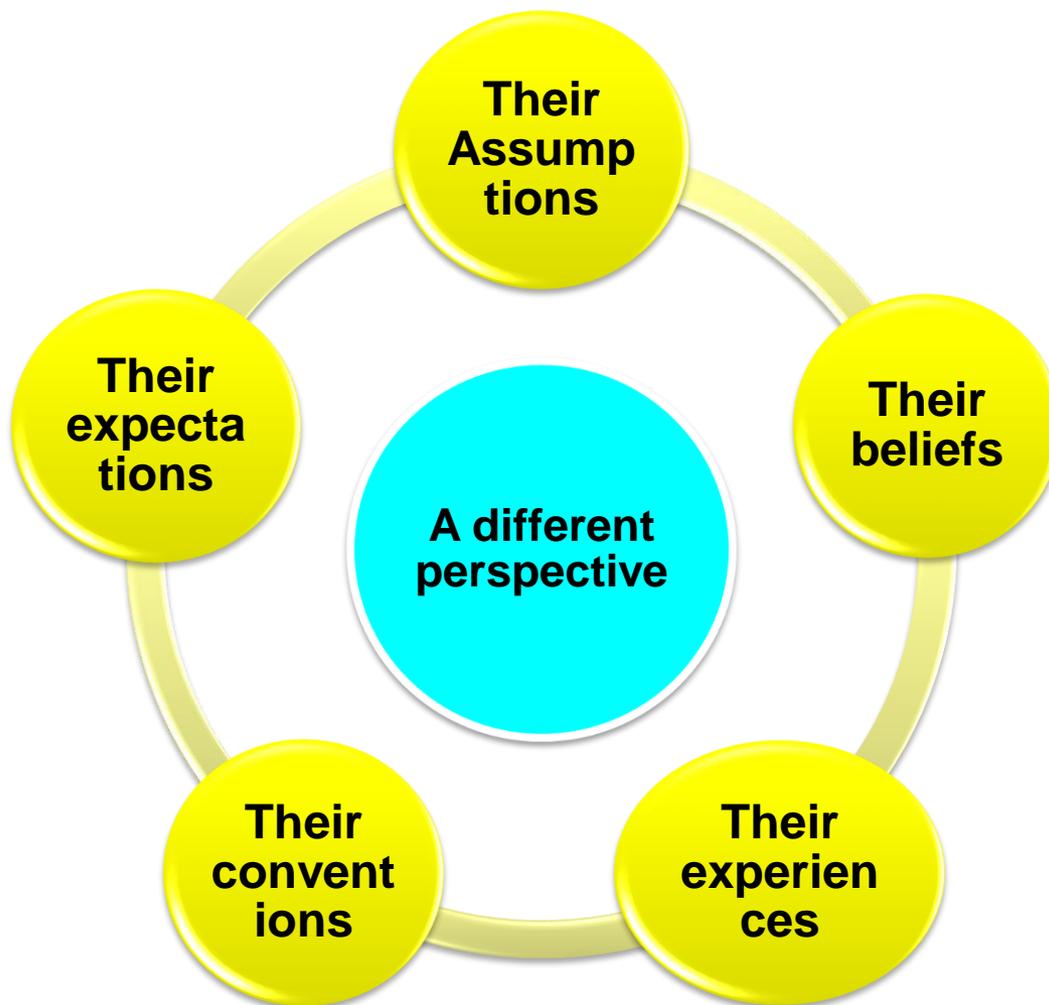


**Business
Model**

= Creating, Delivering and Capturing Value

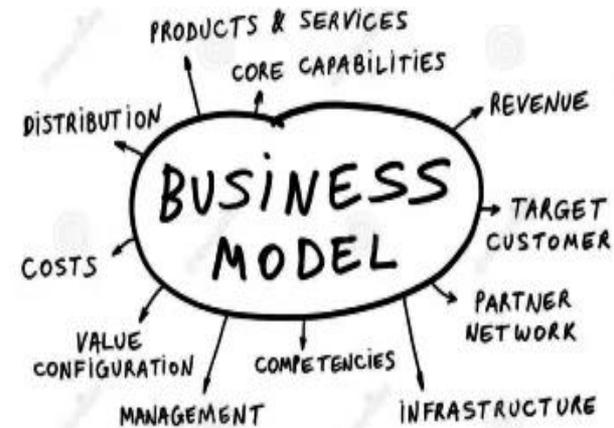


Kindly Note



Importance of a Business Model

- Critical for both new and existing companies/start-up.
- Assist new and emerging businesses in attracting investment, recruiting talent, and motivating management and personnel.
- Used in predicting future trends especially in Post COVID-19 era.
- Investors use BM to analyse firms that they are interested in.
- Development of a good BM is important to the success of the business.

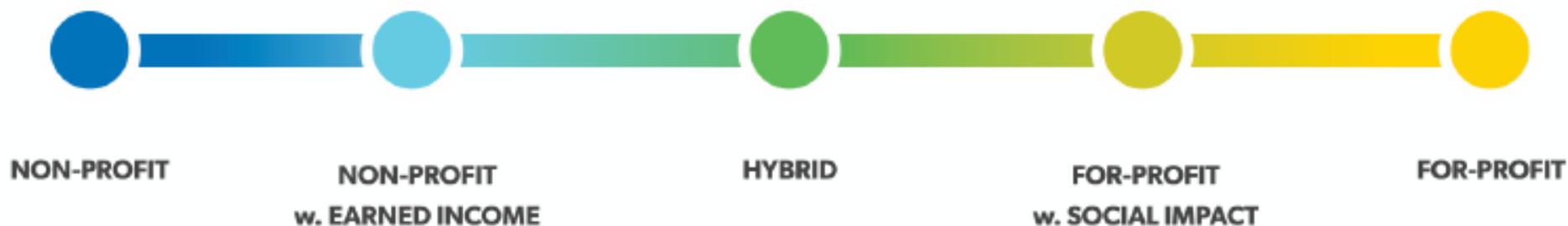


Understanding a Business Model

- The main component of a business model is the value proposition. This is a description of the products and services that the firm provides to its target customers and why those services are attractive and wanted by the customers.
- The value proposition also explains how the business is unique or different from its competitors.

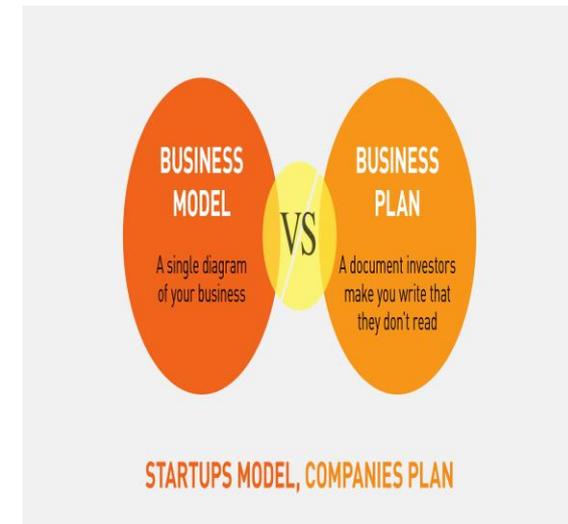


Business Model is for ???



Business Model vs Business Plan

- A business model is the core idea of the company, as well as a description of how it operates. The business plan goes into great depth to demonstrate how this concept may operate.
- A business model is a company's logic and plan for profit. A business plan is a document that not only puts a company concept on paper, but also specifies the personnel and procedures that will be taken to ensure the success of the firm.
- If the business plan is a road map that outlines how much profit the company expects to make over a specific time period, the business model is the skeleton that explains how that money will be generated.



Understanding a Business Model (cont.)



Business Model	Business Plan
Diagrams, Infographics, Pictures	Words, Numbers
Helps to make a pitch	Helps in getting funding
Describes the business	Describes how to build the business
Helps you get started	Helps your business become successful
Focus on customer value	Focus on business from both owner and customer perspective

Practice Questions

Which of these is not an aspect of a business model?

- a. A conceptual structure that describes who the business serves
 - b. A conceptual structure that describes what a business delivers
 - c. A conceptual structure that describes how a business complies with tax regulations
 - d. A conceptual structure that describes how a business offers its services
 - e. A conceptual structure that describes how a business achieves its goals
-

Practice Questions

All these are advantages of a business model except

- a. It identifies services a company offers
 - b. It identifies target customers
 - c. It identifies projected expenditure
 - d. It helps in recruiting talent
 - e. It highlights the salaries and wages for staff
-

Practice Questions

Which of these is not a component of a business model?

- a. Talent requirements
 - b. Value proposition
 - c. Capital and start-up costs
 - d. Target consumers
 - e. Marketing Strategies
-

Additional Resources for Understanding and Building Business Models



- Business Model Overview
 - ✓ <https://articles.bplans.com/what-is-a-business-model-business-models-explained/>
 - Business Model Types
 - ✓ <https://fourweekmba.com/what-is-a-business-model/>
 - Business Model Vs Business Plan
 - ✓ https://www.thebusinessplanshop.com/blog/en/entry/business_model_vs_business_plan
 - Business Model Canvas
 - ✓ <https://www.businessmodelsinc.com/about-bmi/tools/business-model-canvas/>
 - YouTube Links
 - ✓ <https://www.youtube.com/watch?v=IP0cUBWTgpY>
 - ✓ https://www.youtube.com/watch?v=_C-vGu2mL38
-

UNIT 2

Business Models

Learning Outcomes

At the end of this unit, participants would have learnt:

1. The details of various types of Business Models.
2. How to choose a suitable Business Model.

Types of Business Models

Before we consider the modern types of Business Model, Let us quickly make an overview of the ancient type of the business model (Ancient Three) from where all other BMs take their roots.

- **Manufacturer:** Deals with the production of the goods or services. Generally, creates finished products only. The sales may be handled by the parent company or outsourced.
- **Distributor:** Acts as the middle men between the manufacturers and retailer.
- **Retailer :** They purchase from the Distributor and sells to the public or the final consumers



Types of Business Models

Now, let us quickly run through some major types of Business Models.

Subscription Model: In this model, customers pay a monthly or daily fee to continue using your services or products. This is very good for Content driven businesses. Continual improvement is required here for business to grow as subscribers must be satisfied at all times. Examples of business that practices this model are NETFLIX, DSTV, Startimes etc.



Types of Business Model

- **Bundling Model:** In this model, business sells two or more products together as a single unit, often for a lower price than they would sell products separately. This model allows business to generate greater volumes of sales especially for products that are difficult to sale. However, profit margin may shrink. This is mostly practiced by Fast Food Venders and confectionaries.
- **Freemium Model:** This combination of “free” and “premium” has become a widely used approach amongst startups over the last decade. Broken down, the model offers a basic service to consumers for free, while charging for premium services (advanced features and perks) to paying members.

 LinkedIn Skype Evernote

Types of Business Model

- **Razor Blade Model:** In this model, certain aspect of products offered are sold at extreme low cost to sell high volumes of another of another component. The most common instance is the case of Razor Blade: They give away the razor handle for free and make their money back on the high volume of blades you buy over the lifetime of the product.
- Another common example of this is a printer. You buy the printer once, and you have to buy replacement ink cartridges time and time again. In addition to the traditional razor blades model, you'll also see companies use the **reverse razor blades model** — in which they offer customers a high-margin product and then promote the sales of lower-margin products that accompany that initial product.



Types of Business Model

- **Leasing Model:** In this model, a company buys a product from a seller. That company then allows another company or individual to use the product they purchased for a periodic fee. Leasing agreements work best with big-ticket items like manufacturing and medical equipment. Examples of companies that practices this model includes: U-Haul, Entreprise and Rent-a-Center.
- **Crowdsourcing Model:** Crowdsourcing involves receiving opinions, information, or work from many different people using the internet or social media. These types of business models allow companies to tap into a vast network of talent without having to hire in-house employees.

 IMDb

Types of Business Model

- **One for One Model:** This model appeals to the charitable nature and social consciousness of customers to encourage them to purchase a product or service, while also allowing both the business and the customer to actually engage in philanthropic efforts. This is usually practiced by well established businesses. Businesses like TOMS, Soapbox practices this model.
- **Franchise Model:** Franchise is an established business blueprint that is simply purchased and reproduced by the buyer, the franchisee. The franchiser, or original owner, works with the franchisee to help them with financing, marketing, and other business operations to ensure the business functions as it should. In return, the franchisee pays the franchiser a percentage of the profits



Types of Business Model

Hidden Revenue Business Model: In this model, the business does not charge based on the services but based on information sale and advert services. Have we ever wonder why is facebook and google so rich when we have never paid for any of the services rendered.

For instance google charges its users not in money but in data. The keywords searched are sold to the highest bidder who then sends you ads relevant to your searches. Also, the ads you see on many webpages are 'spaces' rented out to advertisers. Every click or action pays the website owner a commission. Google has adopted an advertising business model within a hidden revenue model. Facebook works similarly using targeted ads.

facebook



Google

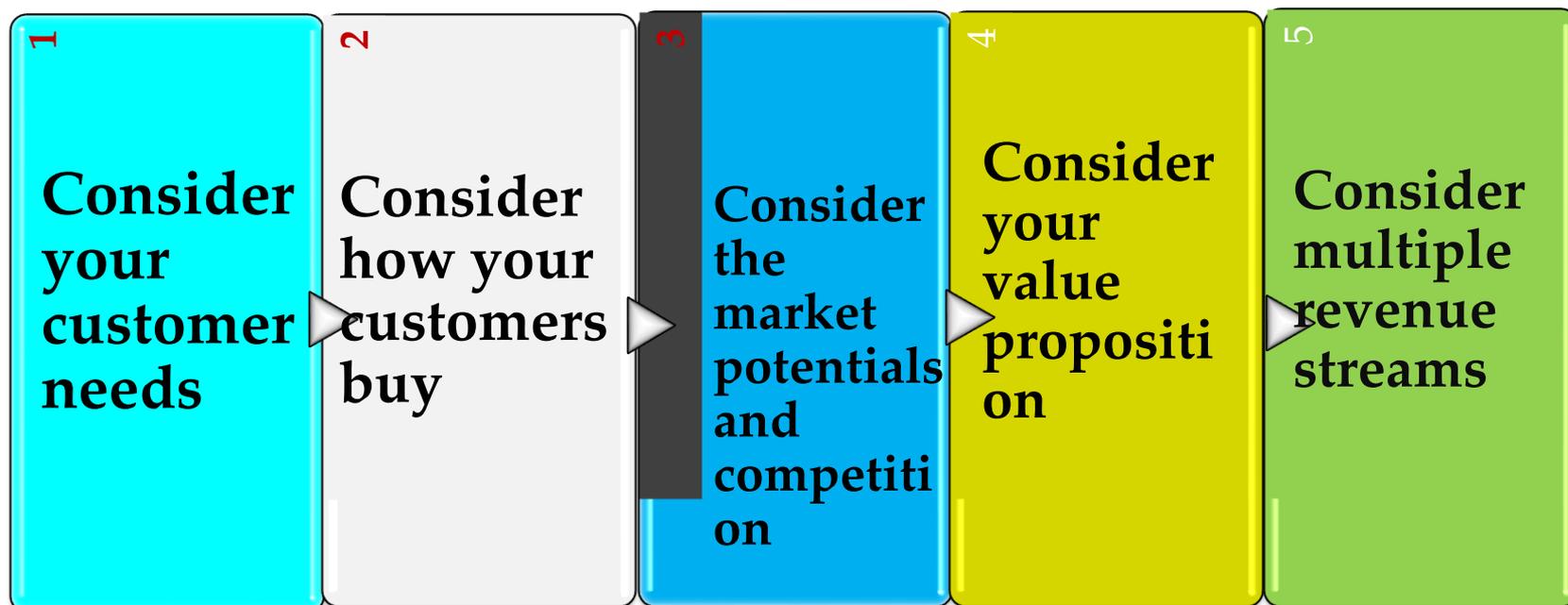
Practice Questions

Which Business Model is the Best?

- a. Hidden Revenue Business Model
 - b. One for One Model
 - c. Franchise Model
 - d. Crowdsourcing Model
 - e. Leasing Model
 - f. Razor Blade Model
-

How to Choose a Model

Here are five(5) key points to consider before choosing a business model for you business/organization.



Practice Questions

You can type your responses to the following questions on the chat box or write them in your notebook.

- a. Why would the freemium model be considered as a good model for a startup to practice?
 - b. Most social media based organization practice the hidden revenue model. Why?
 - c. The customer needs is considered a important factor when choosing a model, Why?
-

Further Readings/Studies

- What is a Business Model? by Havard Business Review:
https://www.youtube.com/watch?v=_C-vGu2mL38
 - 10 Business Models for Every Entrepreneurs by Patrick Bet-David
<https://www.youtube.com/watch?v=6dKIOSe2A2o>
 - The 9 Most Successful Business Model of Today by Bernard Marr and Co
https://www.youtube.com/watch?v=DL6myRFdC_g&t=93s
 - How to use the Business Canvas Model
<https://www.businessmodelsinc.com/about-bmi/tools/business-model-canvas/>
 - Business Models:
<https://www.investopedia.com/terms/b/businessmodel.asp>
 - Fundamentals of a winning business model:
<https://helloadvisr.com/blog/fundamentals-of-a-winning-business-model/>
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UNIT 3

Business Model Statement

Overview

- The Business Model Statement unlike the Mission Statement emphasize the economic sustainability of the business.
- Specifically identify the economic drivers of a business

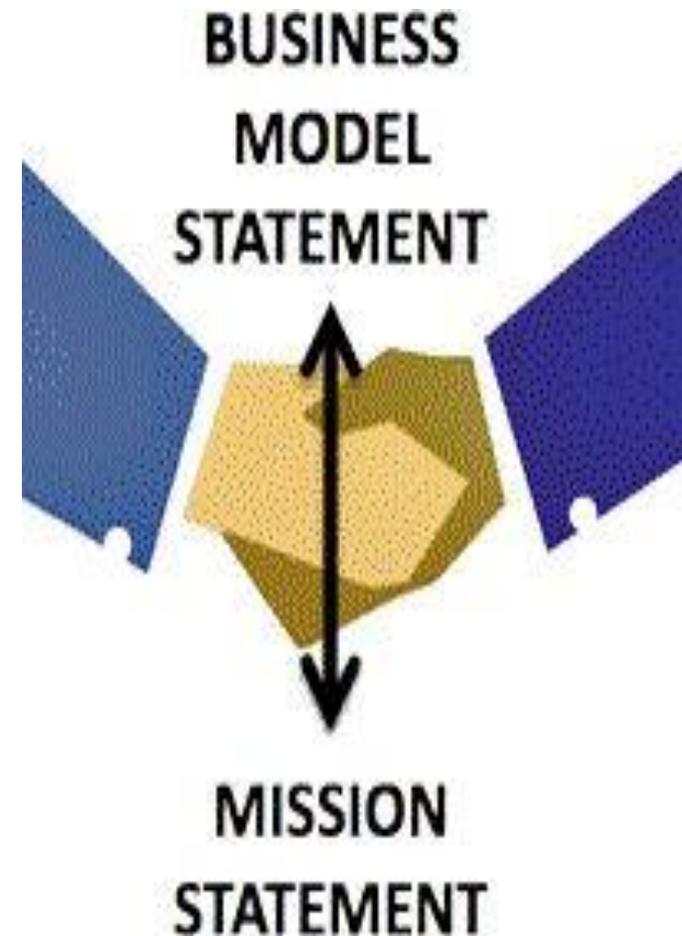
Learning Objectives

At the end of this unit, participants should be able to:

1. Differentiate between Business Model Statement (BMS) and Mission Statement (MS)
2. Identify the economic drivers of a business
3. Articulate clearly the BMS of their proposed businesses

Business Model Statement

- **Business Model Statement (BMS):** a brief summary spelling out the economic drivers for an organization.
- Similar to Mission Statement, BMS acts as a touchstone: a reminder and a guide for the organization's focus and strategies.
- While mission statements are external messages as well as internal guides, **BMS is primarily for internal use.**
- **BMS help leaders focus their attention on what keeps the organization sustainable.**



Develop Business Model Statement

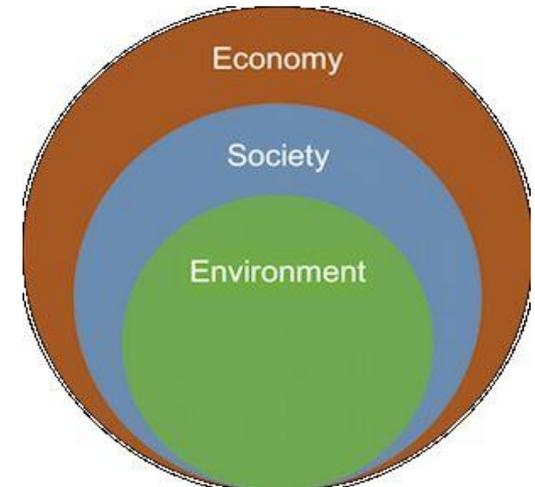
A way to developing BMS is to solicit ideas at a management board meeting.

- Write down the answer to this question:
What is your organization's business model?

A written replies to the follow-up question:

What is our organization's strategy for financial sustainability?

Presenting several of these statements to the board is an effective way of engaging the board in thinking through the organization's financial strategy



Typical Business Model Statement

1. CHILDCARE CENTRE

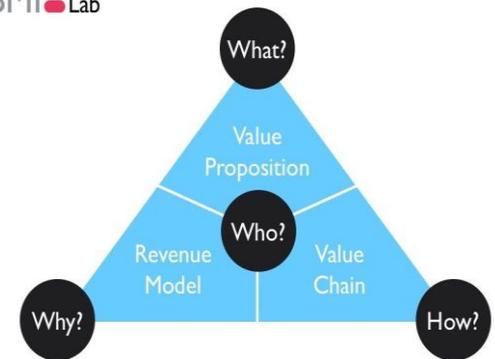
- **Mission statement:** We provide high quality child care in a cross-cultural setting.

BMS First Draft: Our funding comes from government, parent fees, and fundraising.

- **Remarks:** This statement lists all the types of funding, **but doesn't speak to the strategy for financial sustainability of the centre.**
- **Focus BMS:** We provide high quality child care for children with diverse backgrounds, by **combining government subsidies for low-income children with full-pay tuitions, supplemented with some parent fundraising**



BMI Lab



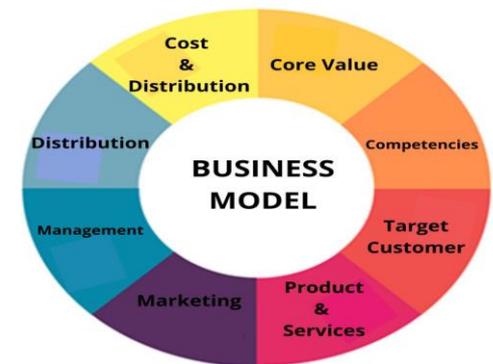
Typical Business Model Statement

2. LATINO THEATRE

BMS First Draft: We produce plays and conduct youth workshops, sustained through mixture of ticket sales, foundation grants, workshop fees, and an annual benefit.

Remarks: while it lists the programs and revenue streams, **it's not specific about the drivers for either the programs or finances.**

Focus BMS: We produce Spanish and English plays supported by ticket sales and foundation grants, and supplemented by ne income from youth workshops and an annual gala

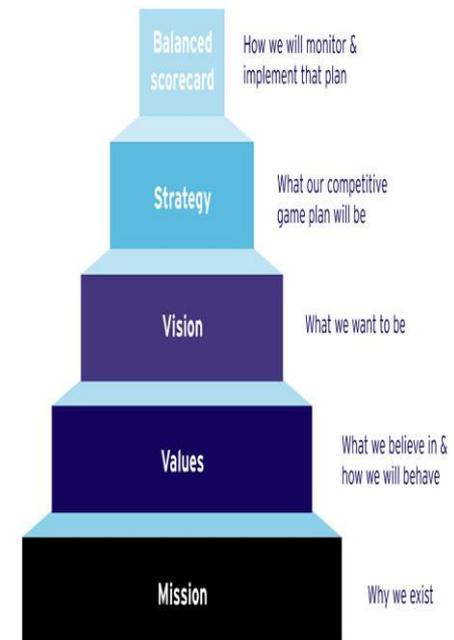


Typical Business Model Statement



- **Education reform mission statement:** Our mission is to apply current learning theory and best management practices to improve outcomes for primary school students in the District.
- **Education reform business model statement:** We bring current learning theory and best management practices to the district, led and supported by a few committed individual and foundation donors who share the same vision for education reform.

Hierarchy of company statements



Practice Questions

1. BMS lend itself more to internal messages and usage:
 - a. True
 - b. False

 2. Which of the following is concern with the economic sustainability of a business
 - a) Vision Statement
 - b) Mission Statement
 - c) Business Model Statement
 - d) Mandate
-

Practice Questions

3. The following are features of a BMS except
- a) A reminder organization's focus and
 - b) A guide for business sustainability strategy
 - c) Identify the economic drivers
 - d) An external message
4. The following are ways of developing BMS except
- a) Use the value proposition
 - b) Combine Vision and Mission Statement
 - c) Seek ideas by from a management meeting
 - d) Use the research problem statement
-

Practice Questions

5. In developing BMS, the question to ask basically is:
- a. What is the value proposition?
 - b. What is the tax payment plan?
 - c. Where do I situate the business?
 - d. Why do I need the BMS?
-

UNIT 4

Basic Introduction to Business Model Canvas

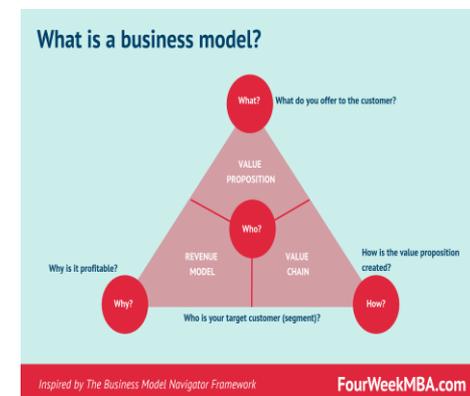
Learning Outcomes

At the end of this unit, participants would have learnt:

1. The details of the Business Canvas Model (BMC) template and how to complete the template.
2. The details of various types of Business Model
3. How to choose a suitable Business Model

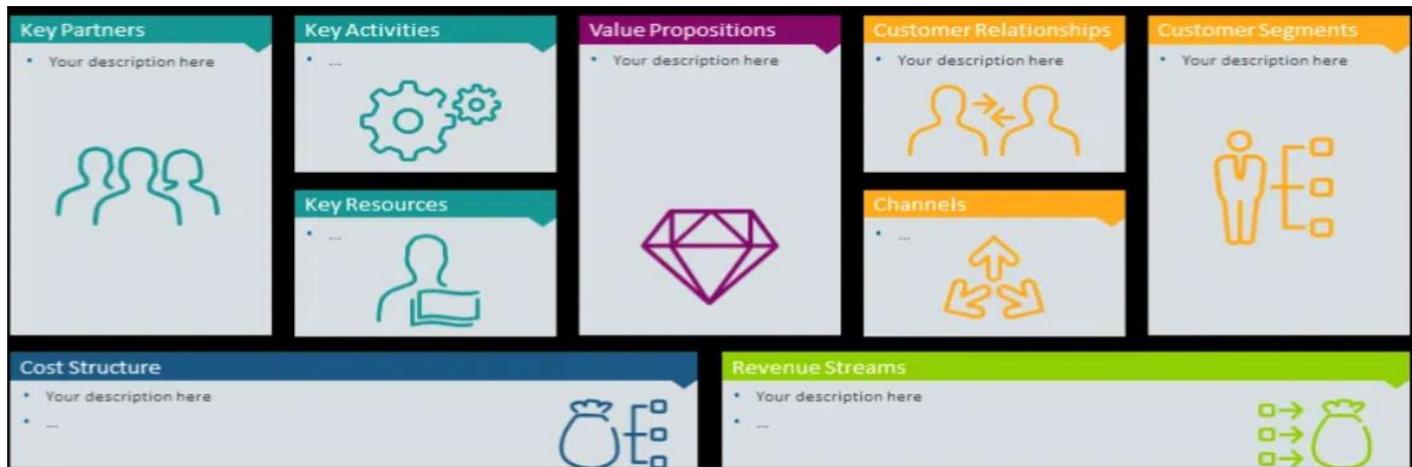
Review: Business Model

- Basically the Business Model (BM) defines the business and shows the plan of the business towards success.
- The BM also defines the Product or services; the intended market; the envisaged expenses as well as the profit forecast.
- Hence, good BM contains:
 - A plan for the operation of the business
 - The sources of Revenue
 - The Customer Base
 - The Product and its specification.
 - The Production Process
 - The Marketing Structure
 - The details of Financing.



What is a BMC?

- These essential elements of the BM are often depicted as the Business Canvas Model (BMC). The BMC highlights the major elements that must be present in every BM.



Essential Elements of a BM

- The Business Model Canvas provides a way to show the key elements of any business model on a single sheet of paper.
 - The canvas is based on nine building blocks and interrelationships between them.
 - Through the examples, you should be able to see just how easy it is to represent the complete business model of any company on just one sheet of paper.
-

You Remember this???

What I Do

Mechanism + Electronics =
Mechatronics

Academics + Entrepreneurship =
Acadopreneurship

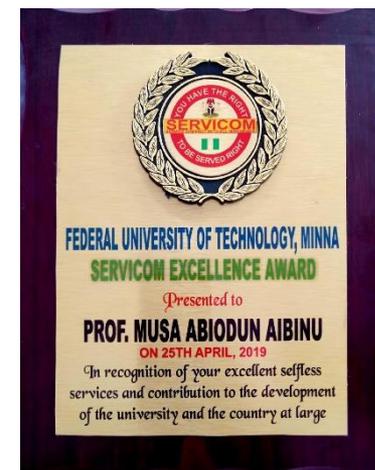
Artificial + Intelligence =
Artificial Intelligence

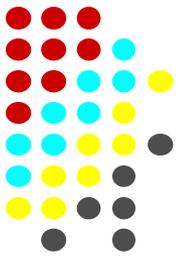
Spiritual + Intelligence =
Spiritual Intelligence

Distance + Virtual + Online + Learning =
Borderless Learning



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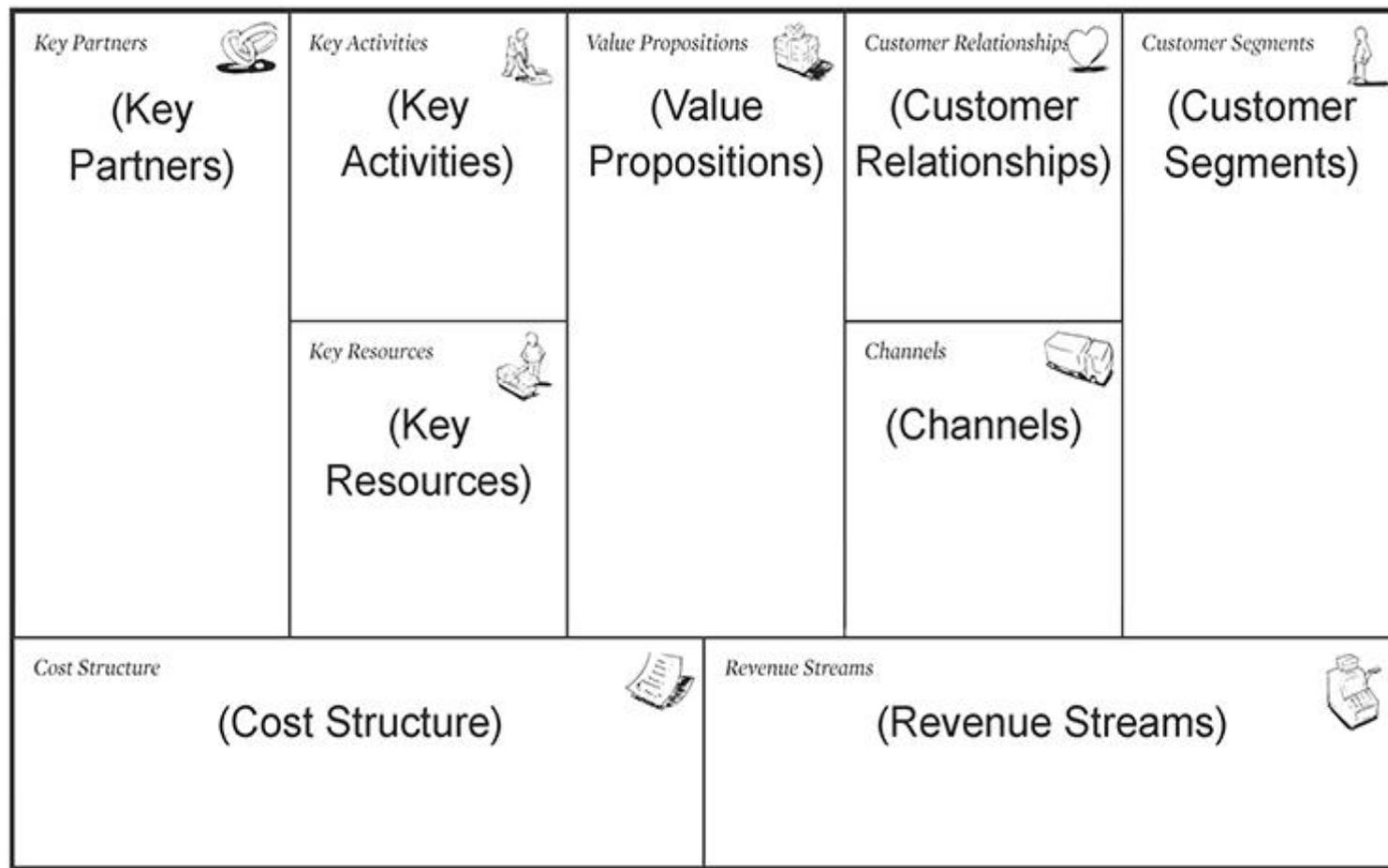


Again and Again.....

The idea of **BMC** is to create a **storyboard** that you can use to articulate all aspects of the business on an operational basis



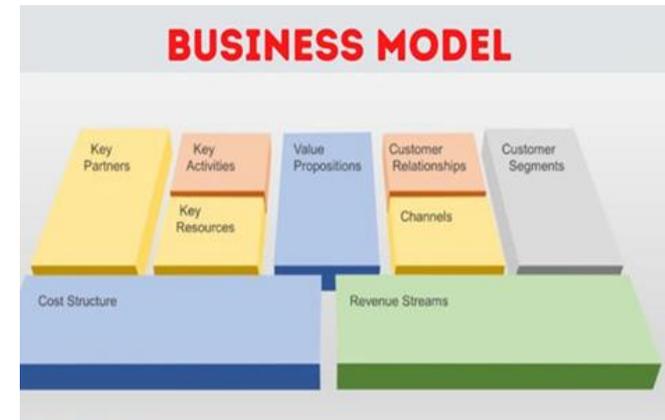
Essential Elements of a BMC



Essential Elements of a BMC

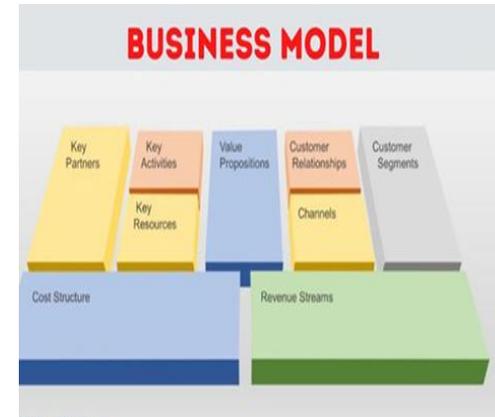
From the BMC we can deduce that BM are not just about income alone but about the entire process involved in the business. Thus, here are some essential elements:

- **Unique Value Proposition:** What feature makes your products/services attractive to customers. What is your customers pain point and what solutions are you offering?
- **Viable Target Market:** Are they specific group of consumers willing to buy your products/services. Are they new markets or old markets?
- **Competitive Advantage :** What is your strength over other competitors in the market? Is it pricing strategy? Is it Service delivery ?



Essential Elements of a BMC

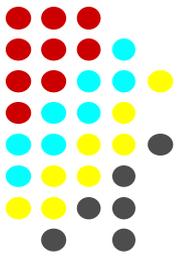
- **Cost Structure:** What is the fixed and variable expenses in your proposed business and how would they affect your pricing?
- **Key Metrics:** There is a need to have KPI. This helps to measure your growth, success and failure rate as well as creates room for continual improvement.
- **Resources:** What are the physical and non-physical resources and assets required. It could be the funds, specific skills and even intellectual assets.
- **Revenue and Profit:** Here emphasis is on the various streams of income to pursue. What are the various ways revenue can be generated. It also entails the framework to be able to identify the various source of revenue and the policy to adopt. Here in the profit margin is also established.



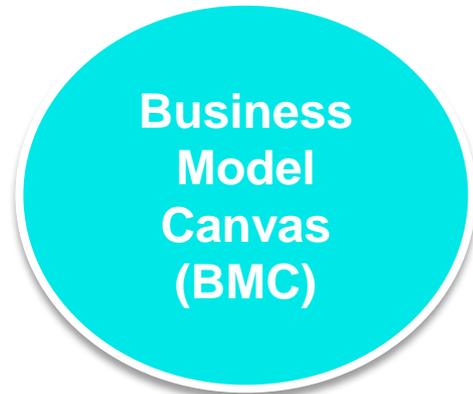
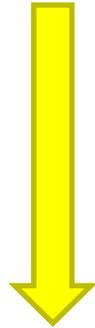
10 Questions come to mind in Developing a BM

- 1) Who are you going to sell this to first?
 - 2) Why do they need your product/service so badly?
 - 3) What is your value proposition to them?
 - 4) Why is it better than the next best alternative?
 - 5) How are you going to make money?
 - 6) Who are the key people/activities/resources/partners you will need to deliver?
 - 7) What is your implementation roadmap?
 - 8) How much money do you need?
 - 9) What are you going to do with it?
 - 10) Why should we believe you?
-

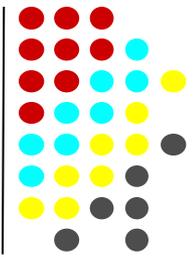
What is a BMC?



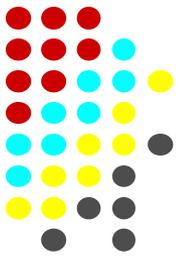
Nine (9) Interconnected components



Why Use BMC?

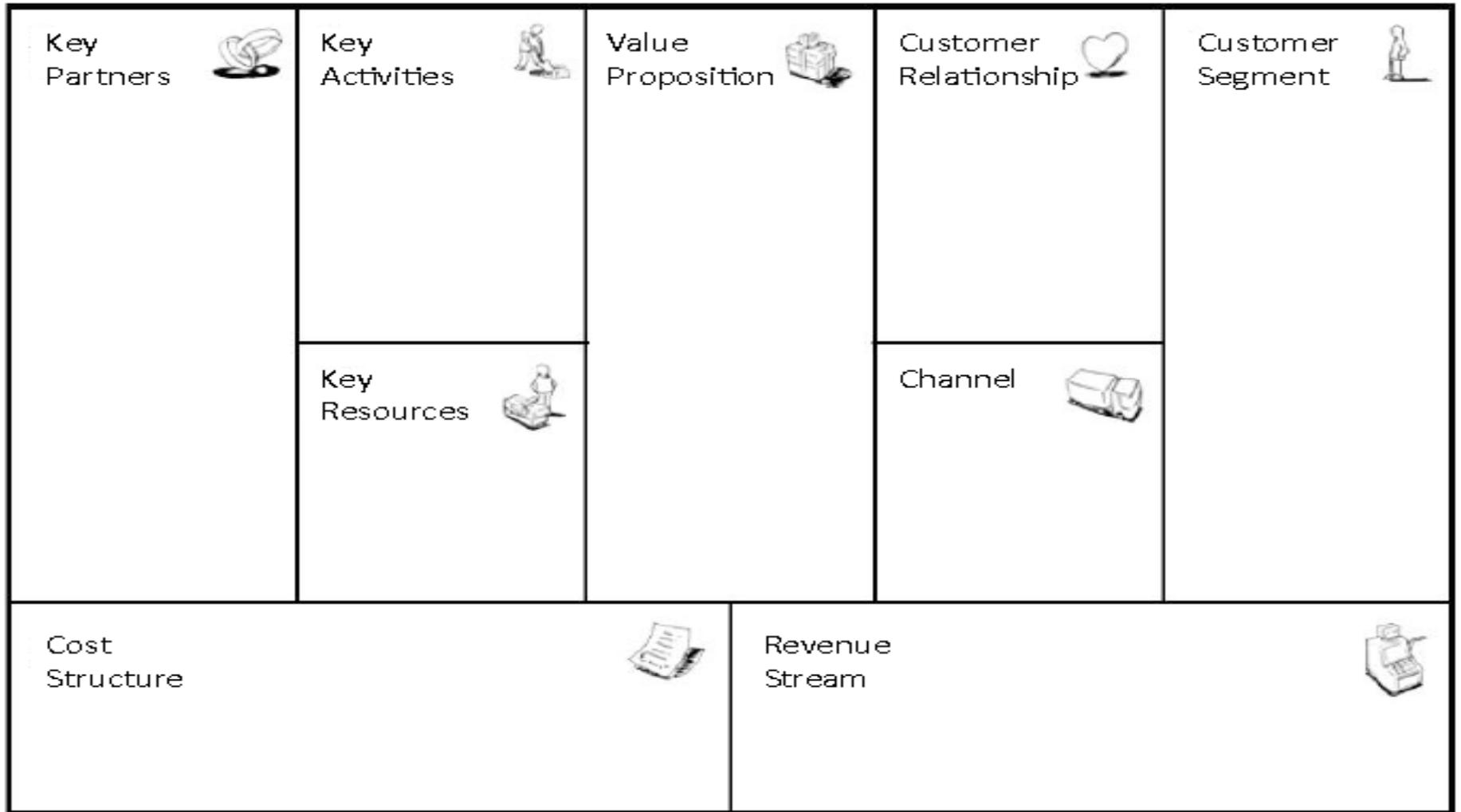


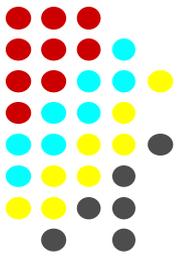
- Easy to understand
 - Focused
 - Flexible
 - Customer Focused
 - Shows connections
 - Easy to communicate
-



How do you do the mapping?

- 1. Start with Value Proposition – What are you selling?
To whom?**
 2. Talk about how you will deliver this value and identify what is needed to deliver this value
 3. Form the first “sketch” of how all the pieces fit together
 4. One item per post
 5. The idea is to create a storyboard that you can use to articulate all aspects of the business on an operational basis
-





Value Proposition

Describe the value you deliver to each customer segment:

Google:

Free and Fast search

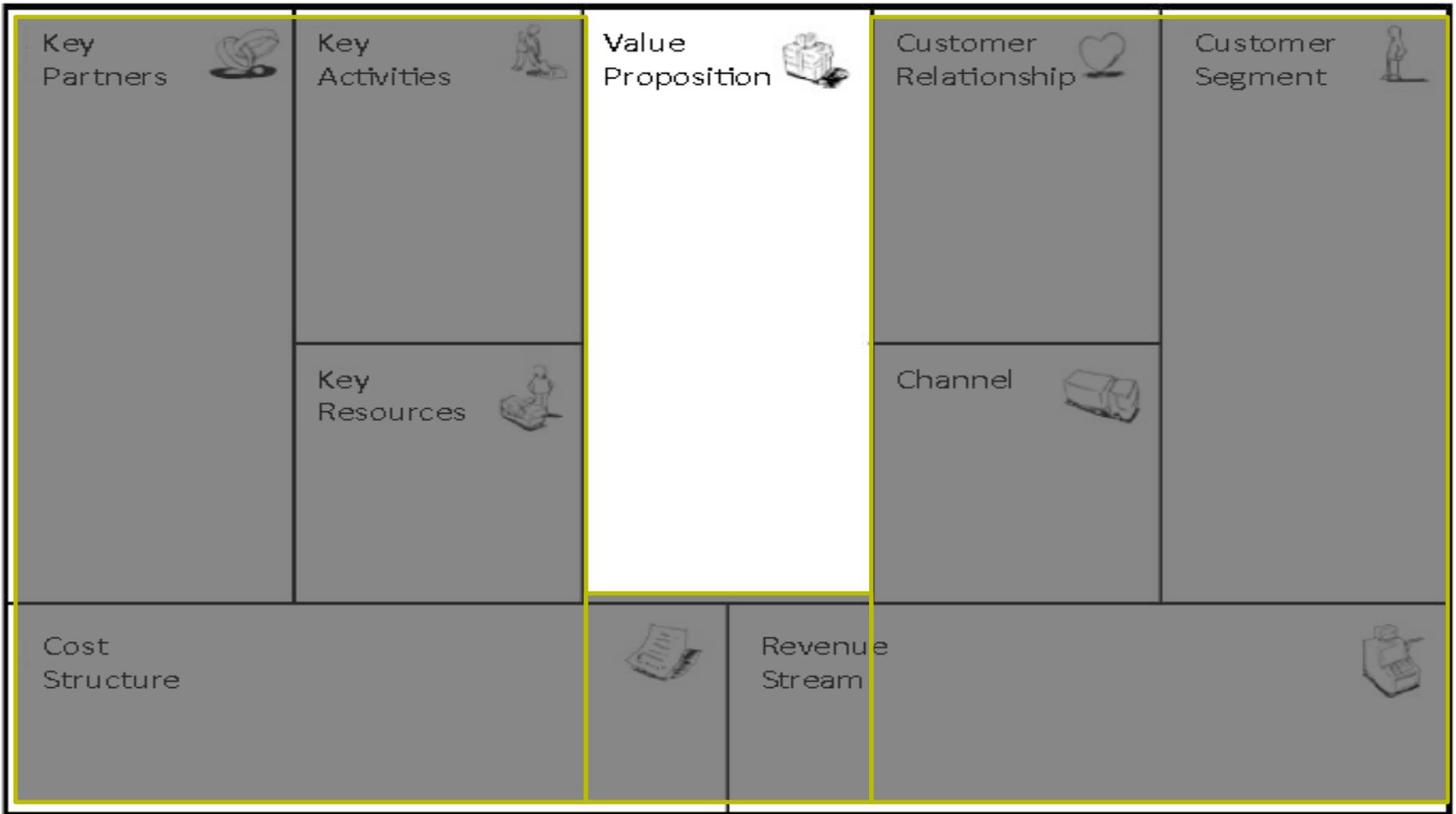
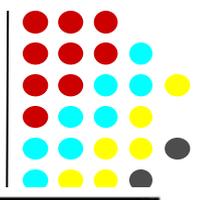
Search Adverts

Display Adverts

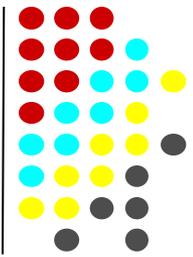
Skype:

Free Internet and Video Calls

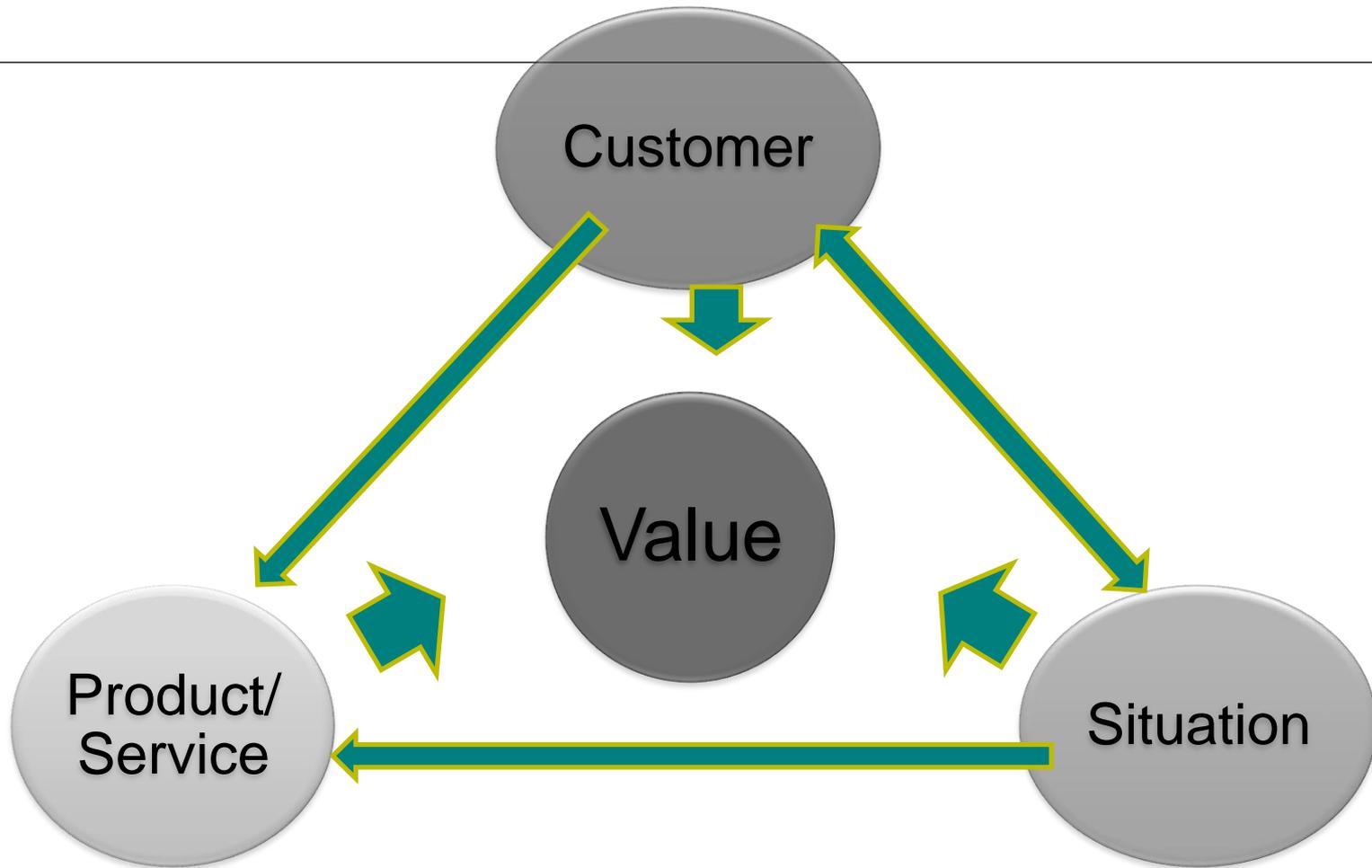
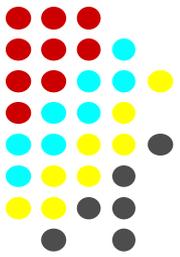
Cheap Calls to Phone

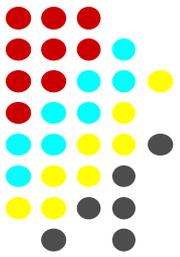


Value Proposition



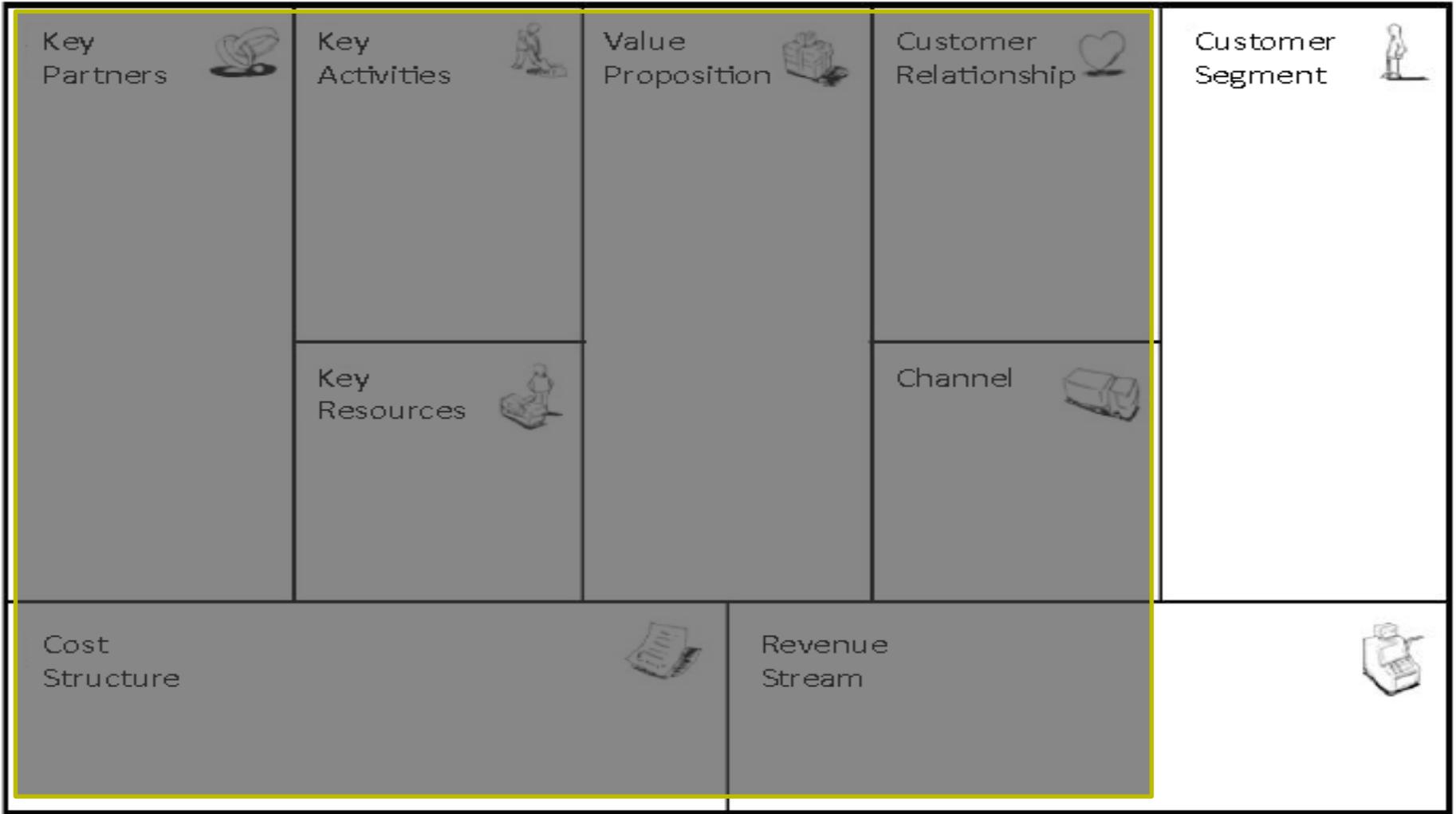
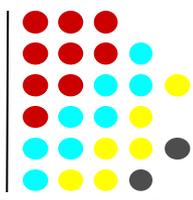
- New needs/ Newness
 - High Performance
 - Customization
 - Getting the job done
 - Design
 - Brand
 - Price
 - Cost reduction
 - Risk reduction
 - Accessibility
 - Convenience
-

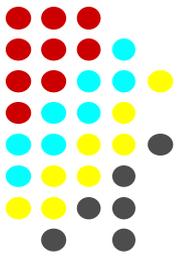




Components of BMC

- Customer segment
 - Value proposition
 - Channels
 - Customer relationships
 - Revenue model
 - Key resources
 - Key activities
 - Key partnerships
 - Cost structure
-





Customer Segment

- Mass Market
- Niche Market
- Segmented
- Diversified
- Multi-sided Platforms

Google:

Search User

Advertiser

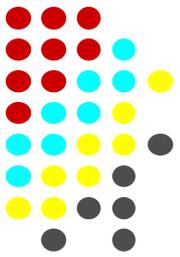
Content Owners

Skype:

Free Users

Users Who Wants to

Call Phones



Let's Link the Two

Value Proposition

Customer Segment

Google:

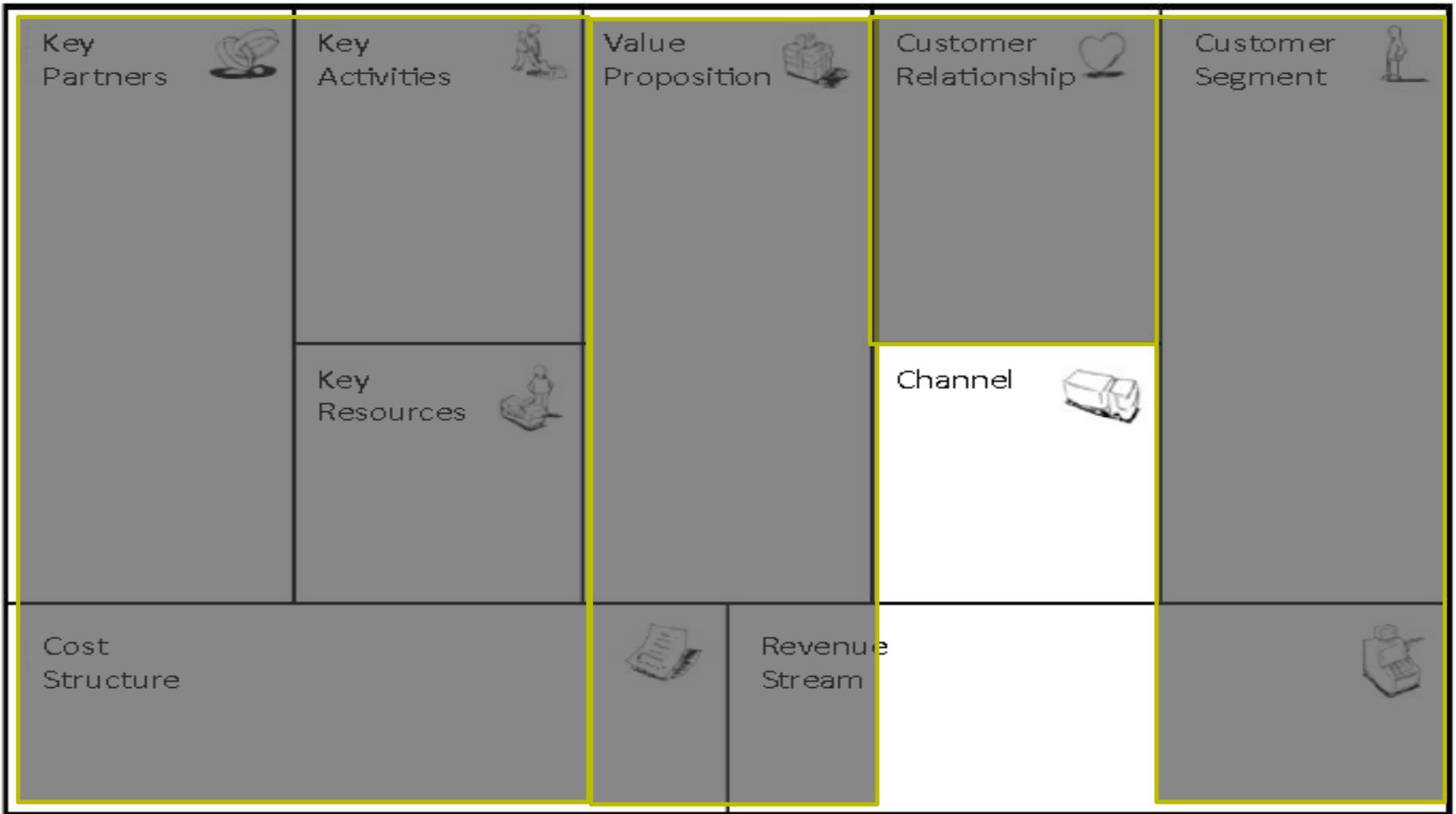
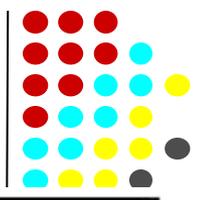
Google:



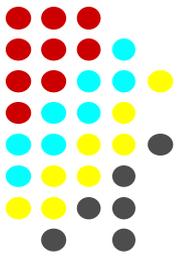
Skype:

Skype:

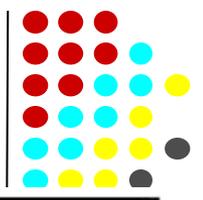




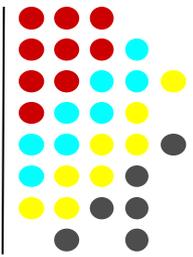
Channels



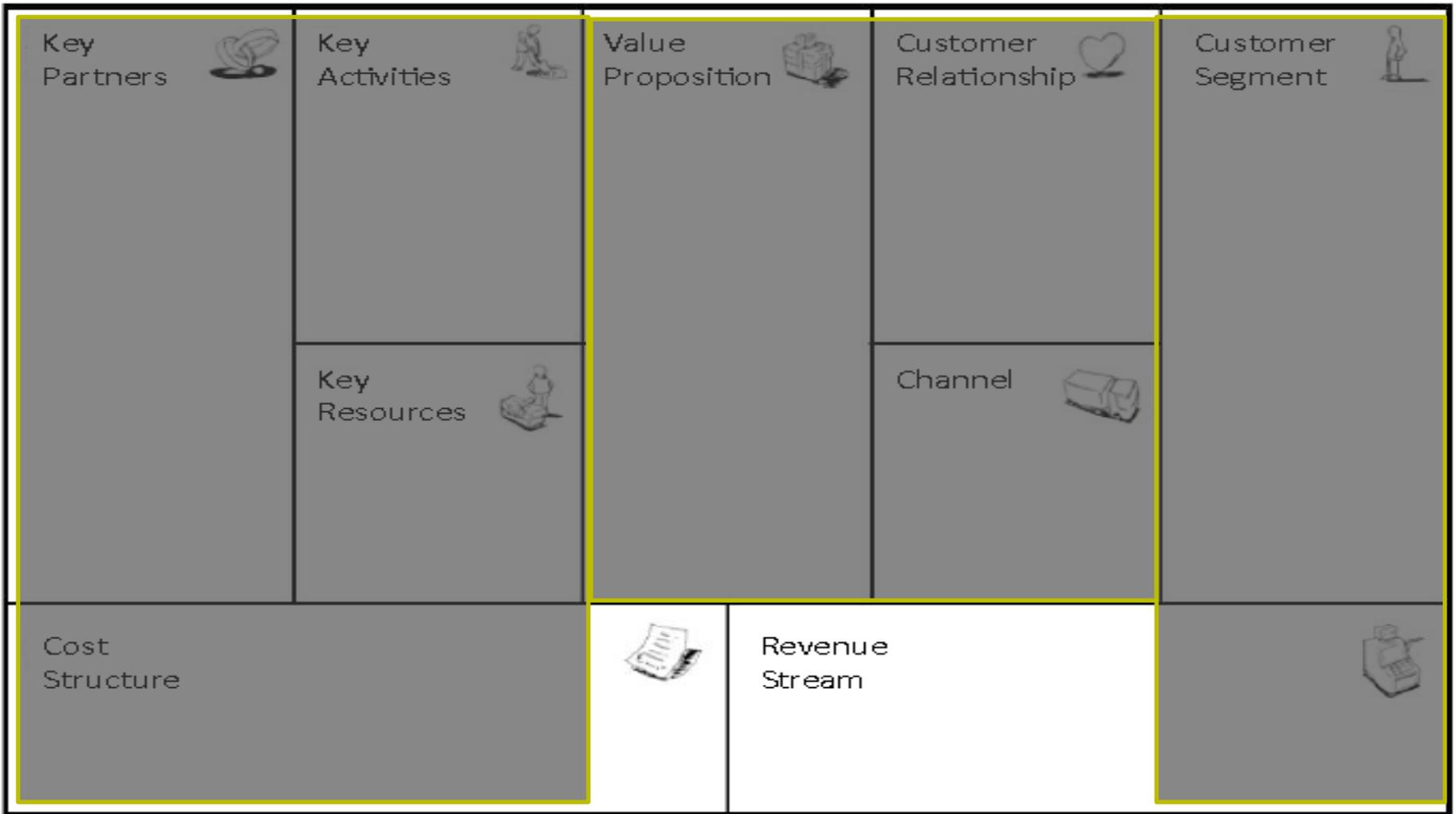
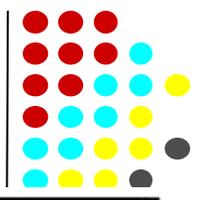
- How do we raise awareness about our company products and services?
 - How do we help customers evaluate our Value Proposition?
 - How do we allow customers to purchase?
 - How specifically do we deliver the Value Proposition to customers?
 - How do we provide post-purchase customer support?
-

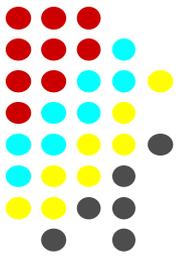


Customer Relationship



- Personal assistance
 - Dedicated Personal assistance
 - Self-service
 - Automated service
 - Communities
 - Co-creation
-

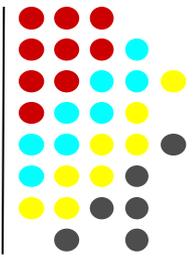




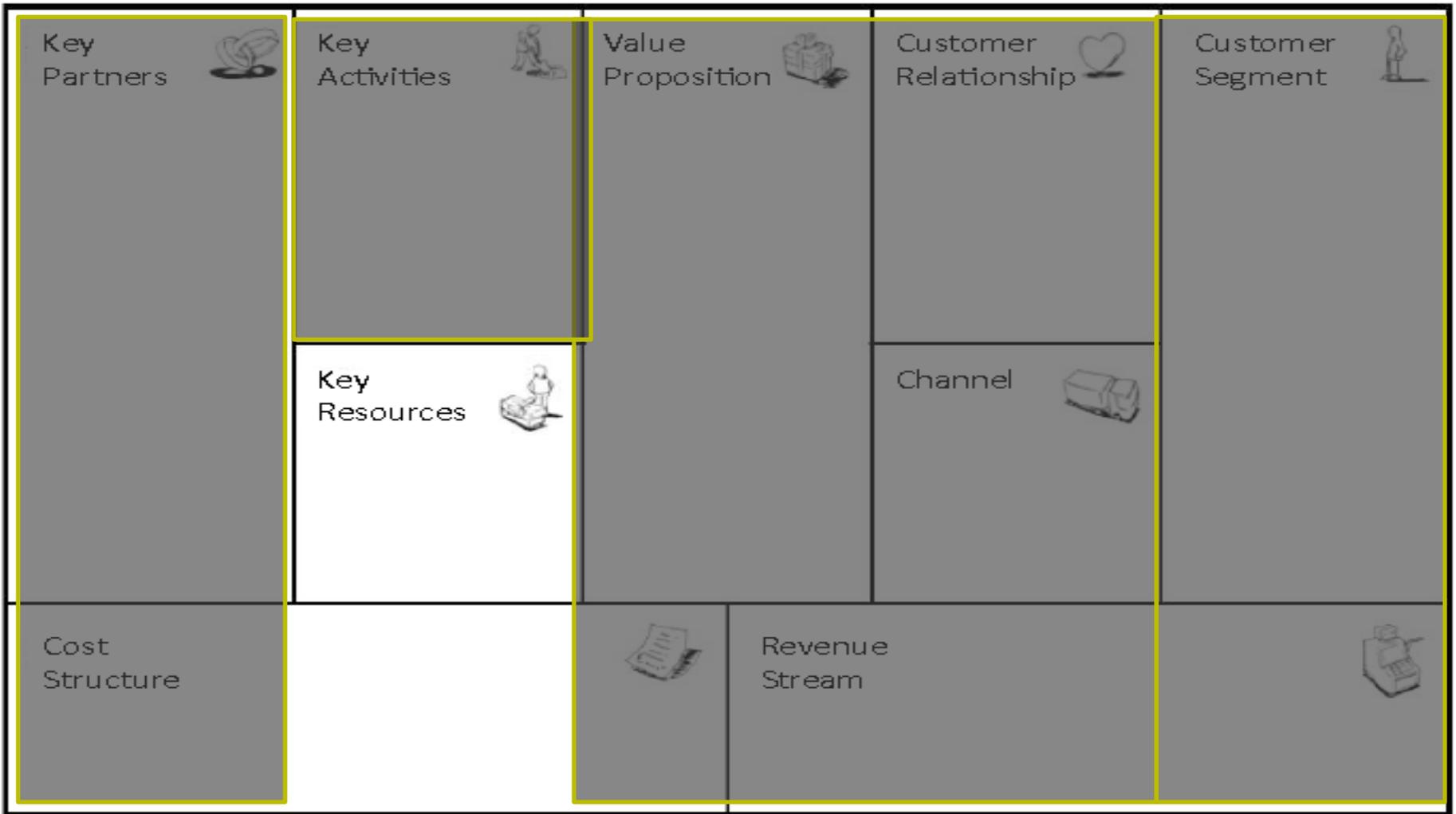
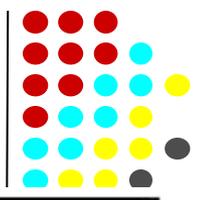
Revenue Streams

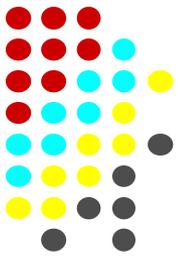
- Asset Sale
 - Usage Fee
 - Subscription Fee
 - Renting/leasing
 - Licensing
 - Brokerage Fees
 - Advertising
-

Pricing Mechanism



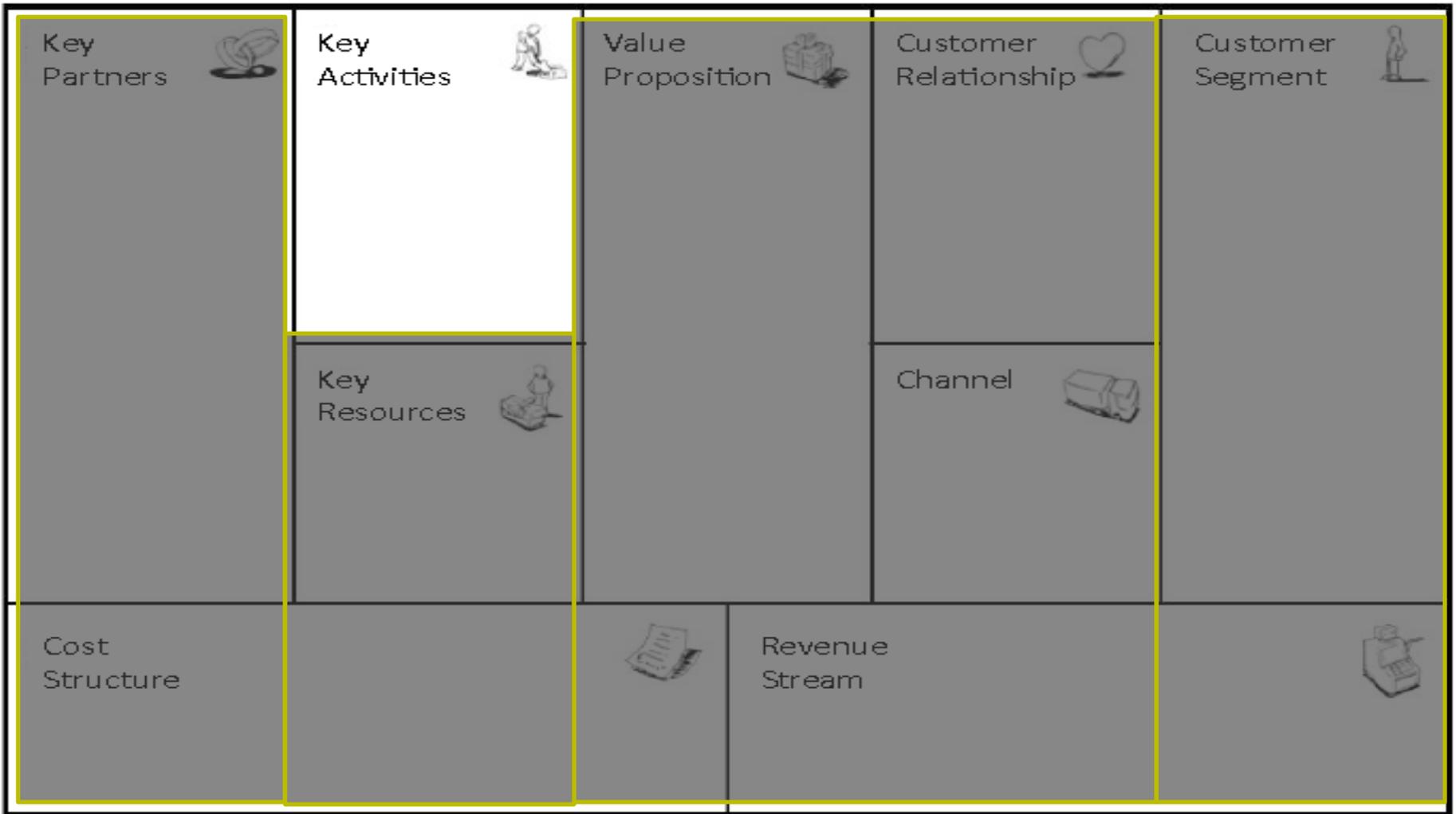
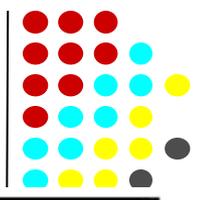
- Fixed Pricing
 - List price
 - Product feature dependent
 - Customer segment dependent
 - Volume dependent
 - Dynamic Pricing
 - Negotiation
 - Yield Management
 - Real-time Market
 - Auction
-



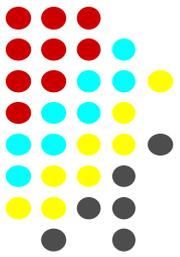


Key Resources

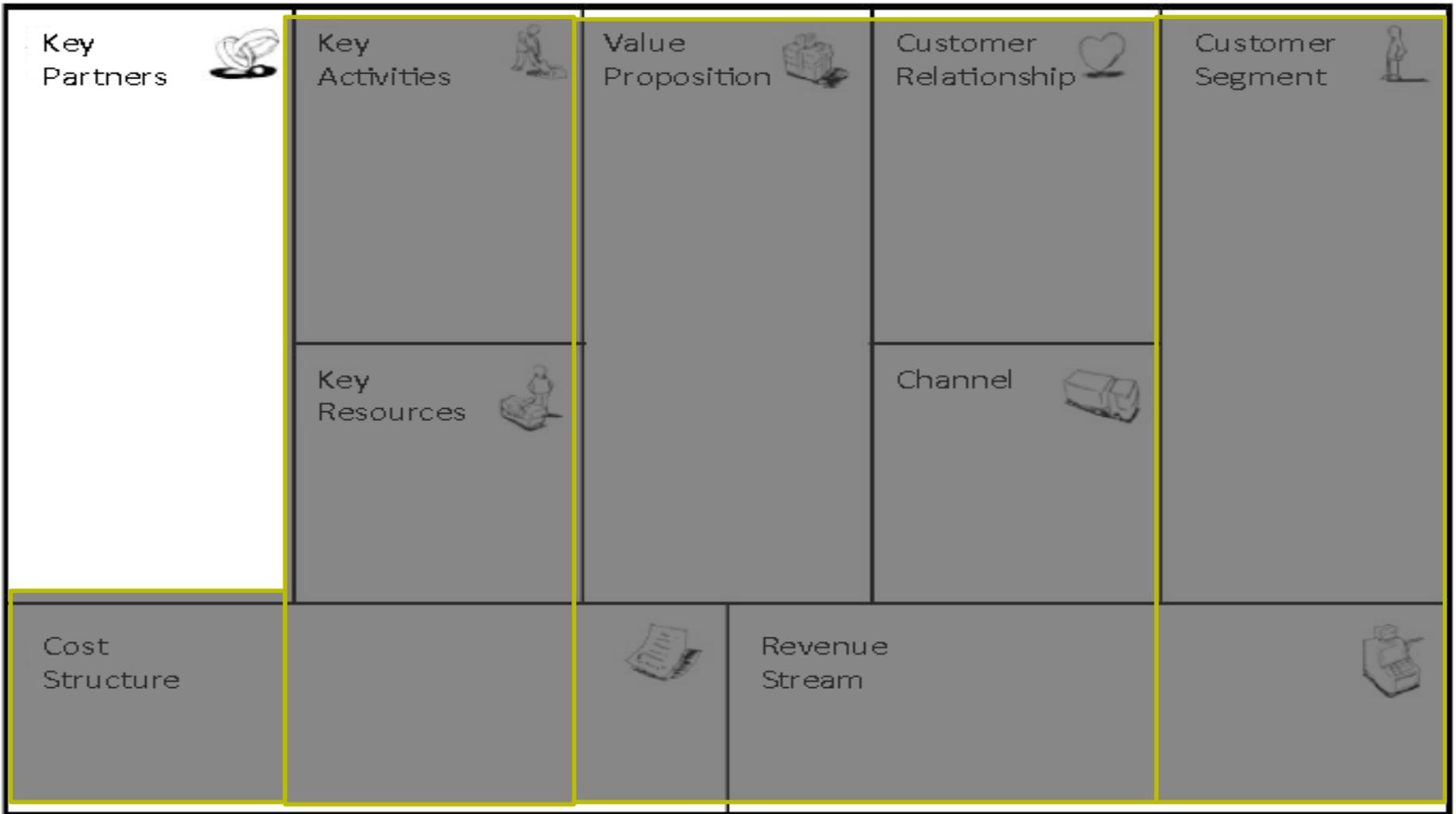
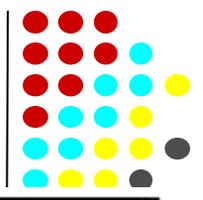
- Physical
 - Facilities, machines, Point-of-sale, distribution networks
 - Intellectual
 - Brands, IP, Partnerships, customer databases
 - Human
 - Who? For what? How?
 - Financial
 - Cash, lines of credit, stock options
-

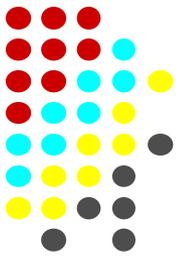


Key Activities



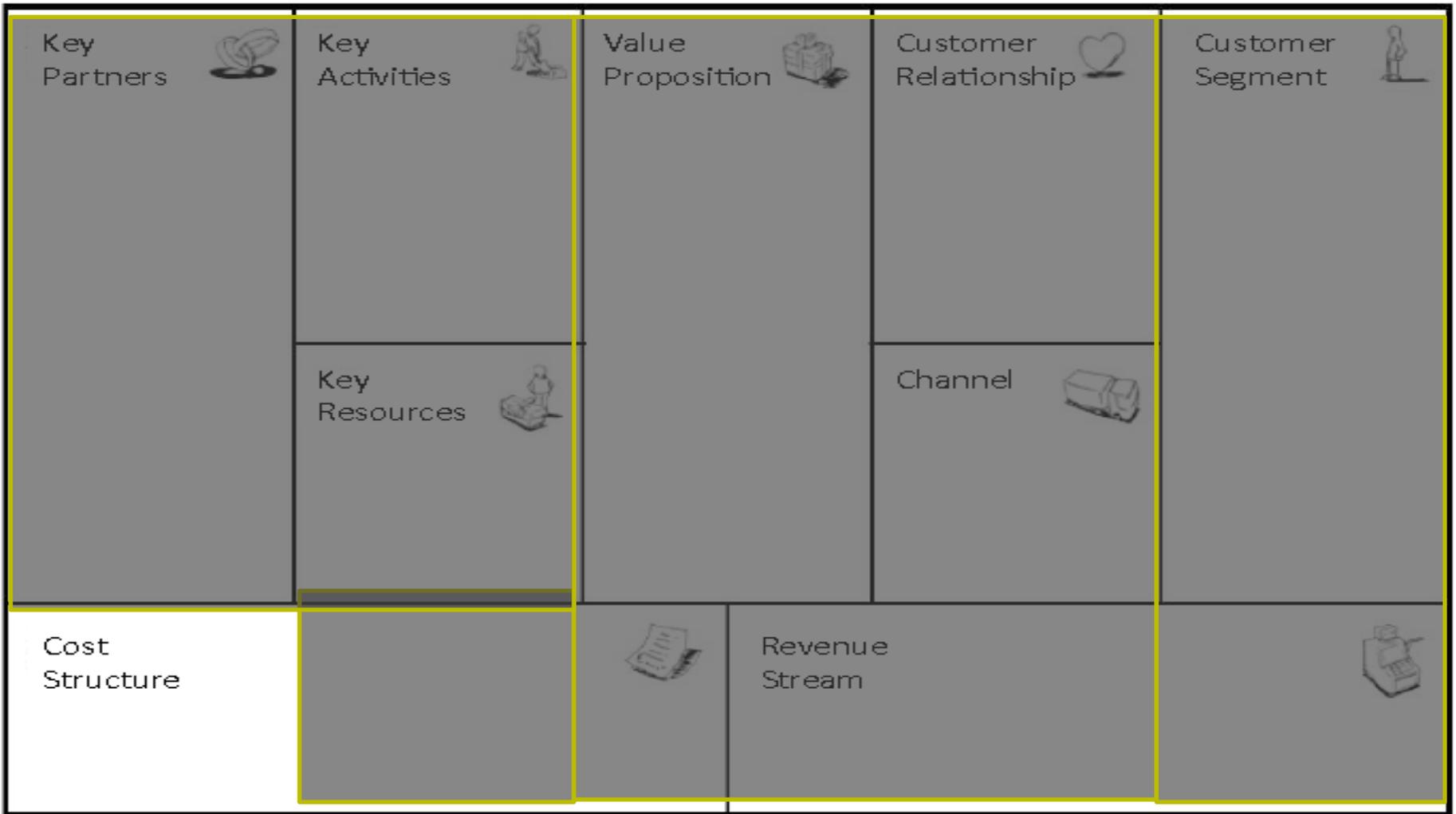
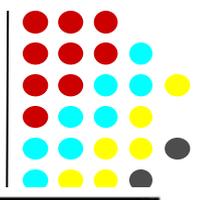
- Production
 - Design
 - Making
 - Delivering
 - Problem solving
 - New solutions to customer problems
 - Knowledge management
 - Platform/network
 - Management
 - Scaling
 - Deployment and maintenance
-



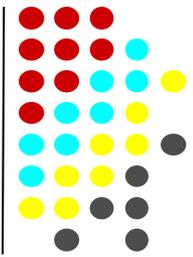


Key Partnerships

- Optimization and economy of scale
 - Reduction of risk and uncertainty
 - Acquisition of resources and activities
-

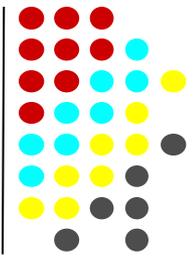


Cost Structure

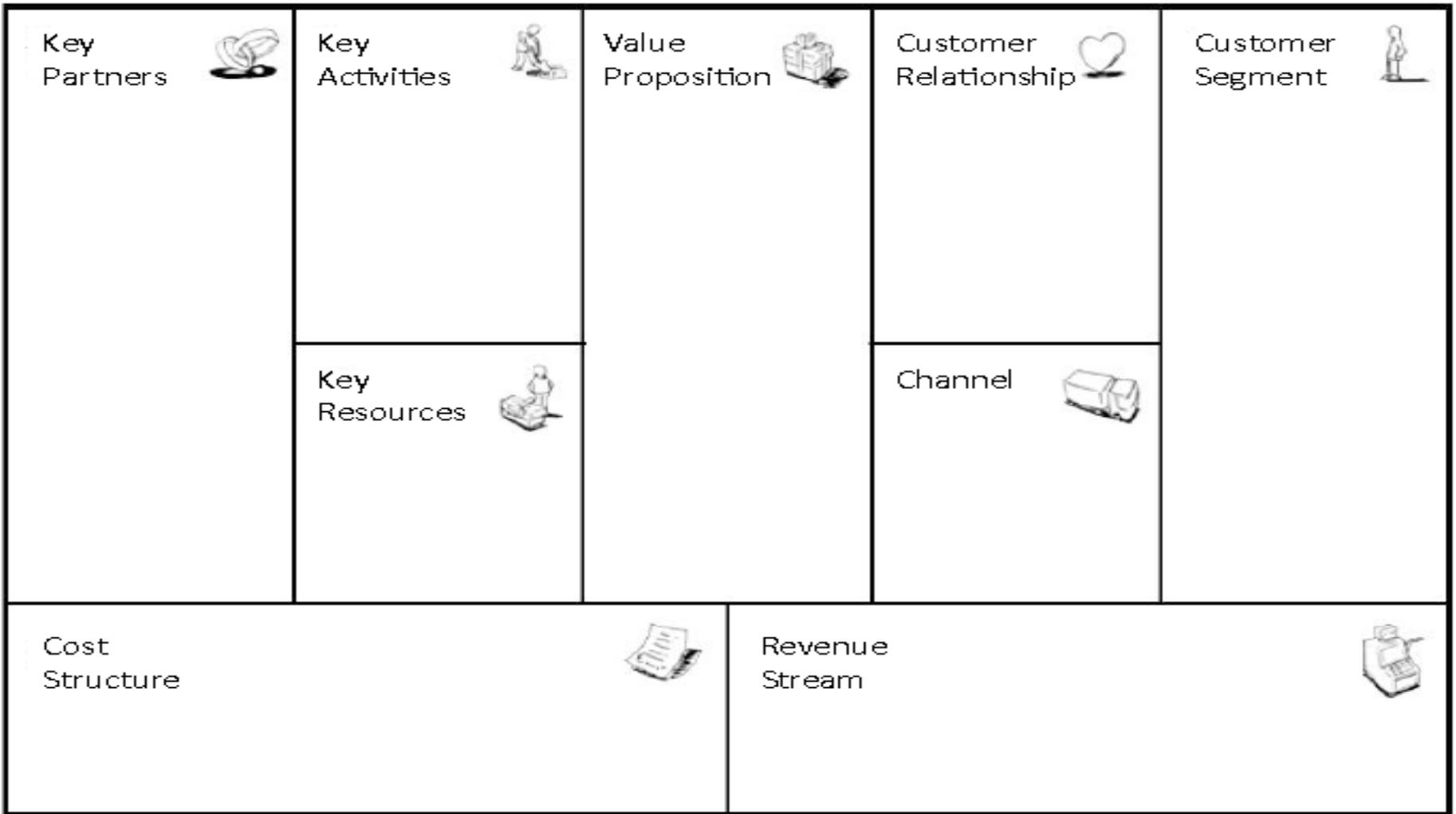
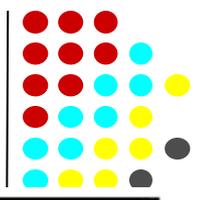


- Cost driven
 - Keep costs as low as possible
 - Value driven
 - Enhance value as primary concern
-

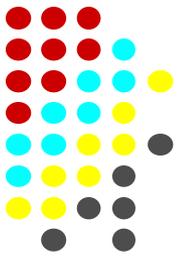
Cost Structure



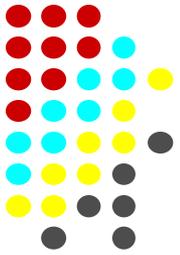
- Variable costs
 - Economies of scale
 - Economies of scope
-



Review the questions and see if the BMC helped you to answer all



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 7. What is your implementation roadmap?
 8. How much money do you need?
 9. What are you going to do with it?
 10. Why should we believe you?
-



Does it?

Further Readings/Studies



-
- What is a Business Model? by Havard Business Review:
https://www.youtube.com/watch?v=_C-vGu2mL38
 - 10 Business Models for Every Entrepreneurs by Patrick Bet-David
<https://www.youtube.com/watch?v=6dKIOSe2A2o>
 - The 9 Most Successful Business Model of Today by Bernard Marr and Co
https://www.youtube.com/watch?v=DL6myRFdC_g&t=93s
 - How to use the Business Canvas Model
<https://www.businessmodelsinc.com/about-bmi/tools/business-model-canvas/>
 - Business Models:
<https://www.investopedia.com/terms/b/businessmodel.asp>
 - Fundamentals of a winning business model:
<https://helloadvisr.com/blog/fundamentals-of-a-winning-business-model/>
 - **Idris Ayodeji Bello:** Business Model Canvas Development
-

UNIT 5

Filling Your BMC

Overview

- Beyond drafting a business plan, business model shows how your business create values, add value to your customers and stand the competitive market
- Creating business model could be a daunting task, in this presentation, it has been simplified into a powerful 8-steps.

Learning objective

- At the end of this unit, participants should be able to:
 1. Identify the steps to create your business model
 2. Create your own business model.

Introduction

- Creating a business model is more than simply about completing your business plan or determining which products to pursue.
- Rather, it is a plan on how you will create ongoing value for your customers.
- Where will your business idea start, how should it progress, and when will you know you've been successful? How will you create value for customers?

Step 1: Create your Business Brand

- Collect information about your business and analyze it so that you can create a visual description of your company.
- Use the information plus your business idea to generate a business brand
- Keep your business model simple.



Step 2: Identify your target Market

- This will allow you to focus on customers who truly need your services and products.
- Guide in revenue planning
- Key information to identify:
 - Demographics of the market
 - Common challenges
 - Existing solutions
 - Strong competitors



Learning Activity

- The instructor give a popular product and ask the class to identify the value proposition and target market.

 - Google
-

Step 3: Determine your Business Process

- Identify the key activities that can make your business model work
- Identify key technological tools
- Identify key raw material supplier
- Identify key service partners



Step 4: Identify your Business resource

- What does your business need to carry out daily, find new customers and reach business goals?
- Document essential to ensure your business model is adequately prepared to sustain the needs of your business

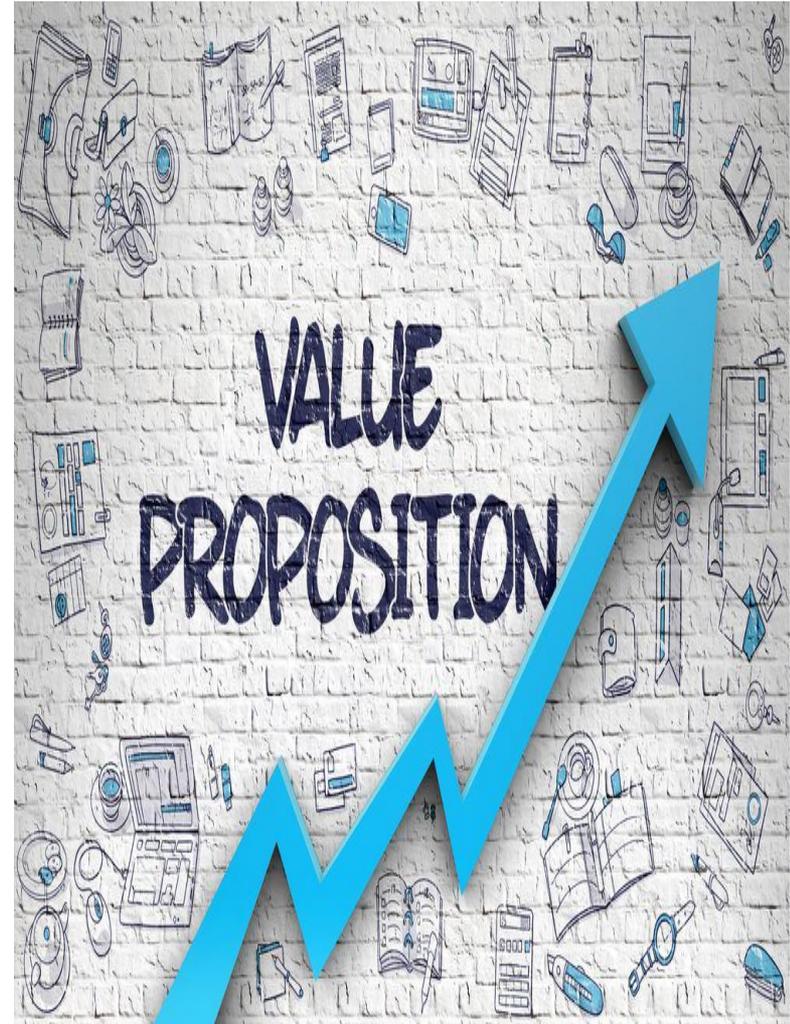
What resources do you currently have:

- Capital
- Infrastructure
- Expertise
- Technical know-how



Step 5: Establish your Value Proposition

- An effective business model relies on clear definition of valuable features and benefits associated with your product or service
- How will your company stand out among the competition?
- Are you providing a better distribution system?
- Offering a more innovative solutions to customer problems?
- Do you offer lower pricing or faster delivery?



Step 6: Demand generation planning

- How do you generate an image of your company in the heart of your consumer?
- How will your consumers find you?
- How much resources will you allocate to advertisement?
- What advertisement policy or strategy will your business adopt?



Step 7: Customer Satisfaction and feedback

- Operations with extensive technical support and customer service tend to incur high warranty costs but maintain high levels of customer satisfaction, retention and loyalty.
- How much resources will you allocate to customer service?
- How easy will the customer service process be?
- Cost of customer service on the customer will determine how much of feedback you will gather



Step 8: Innovation strategy

- When launching a company and developing a business model, your business plan is based on many assumptions.
- For this reason, it's important to leave room for future innovations.
- Don't make a critical mistake by thinking your initial plan is a static document. Instead, review it often and implement changes as needed.



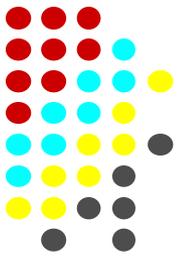
Conclusion

- Business is all about value creation and value addition. Modelling a business around this core concept invariably makes the business stand out.
 - Innovation is key. You cannot figure it out all at once, leave room for improvement.
-

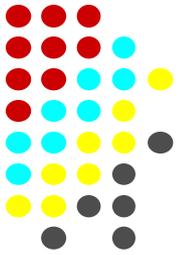
Further Reading

- <https://www.productdevelopmentrisk.com/10-key-steps-to-developing-a-business-model/amp/>
 - <https://www.growthlabfinancial.com/10-step-approach-to-business-modeling>
 - <https://fourweekmba.com/how-to-create-a-business-model/>
 - <https://www.entrepreneur.com/amphhtml/243753>
-

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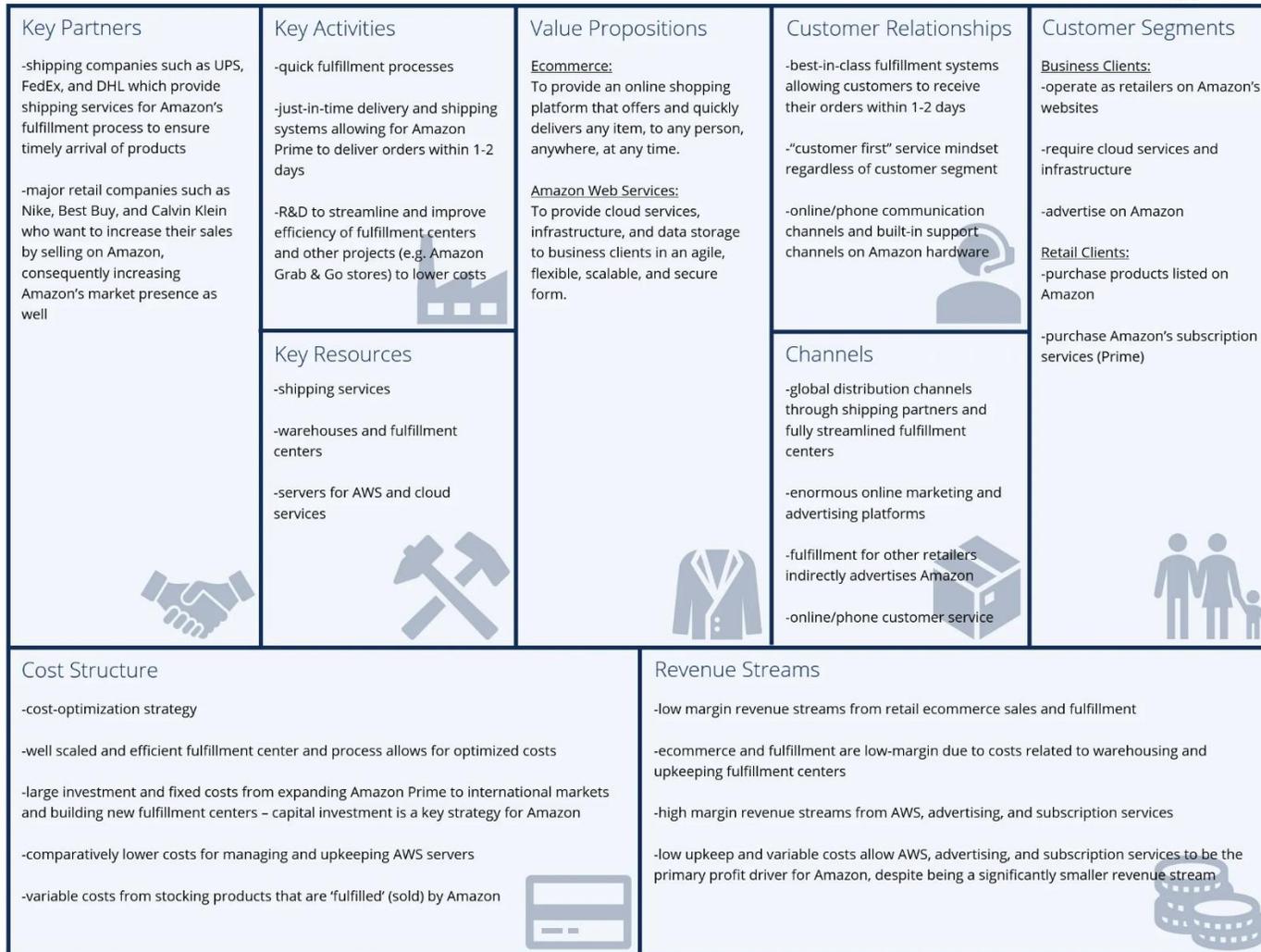


Does it?

Lastly

- Case Study of AcadoPreneurship
 - Google
 - Skype

 - Two Filled Examples of BMC are presented herewith:
 1. Automobile
 2. Sweet Company
-



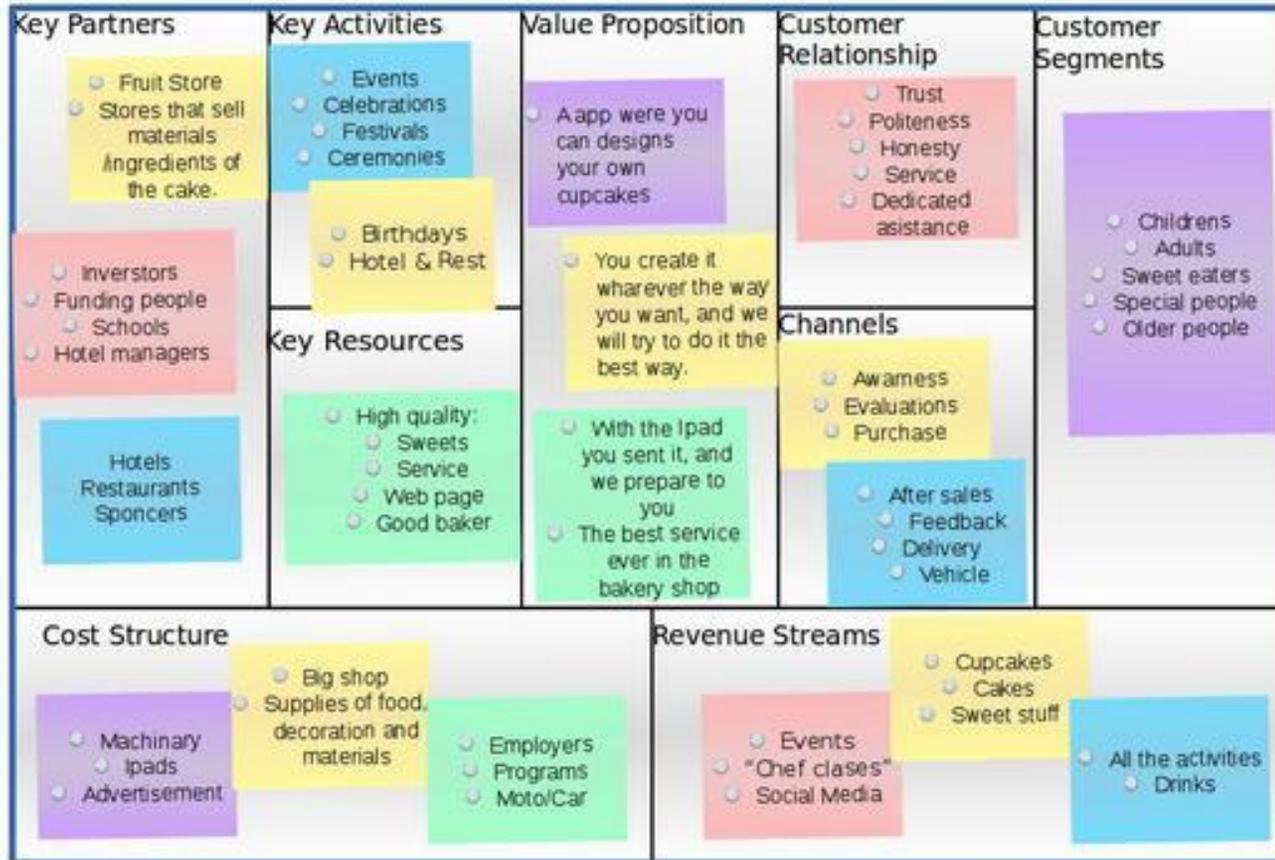
Sample of BMC for an Automobile Logistic Company.

Business Model Canvas

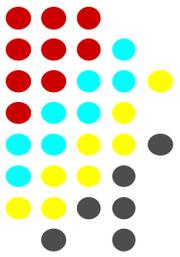
Sweet Me & A

11-Feb-2015

By Sonia, Mill, Susana
Elena & Lara.K

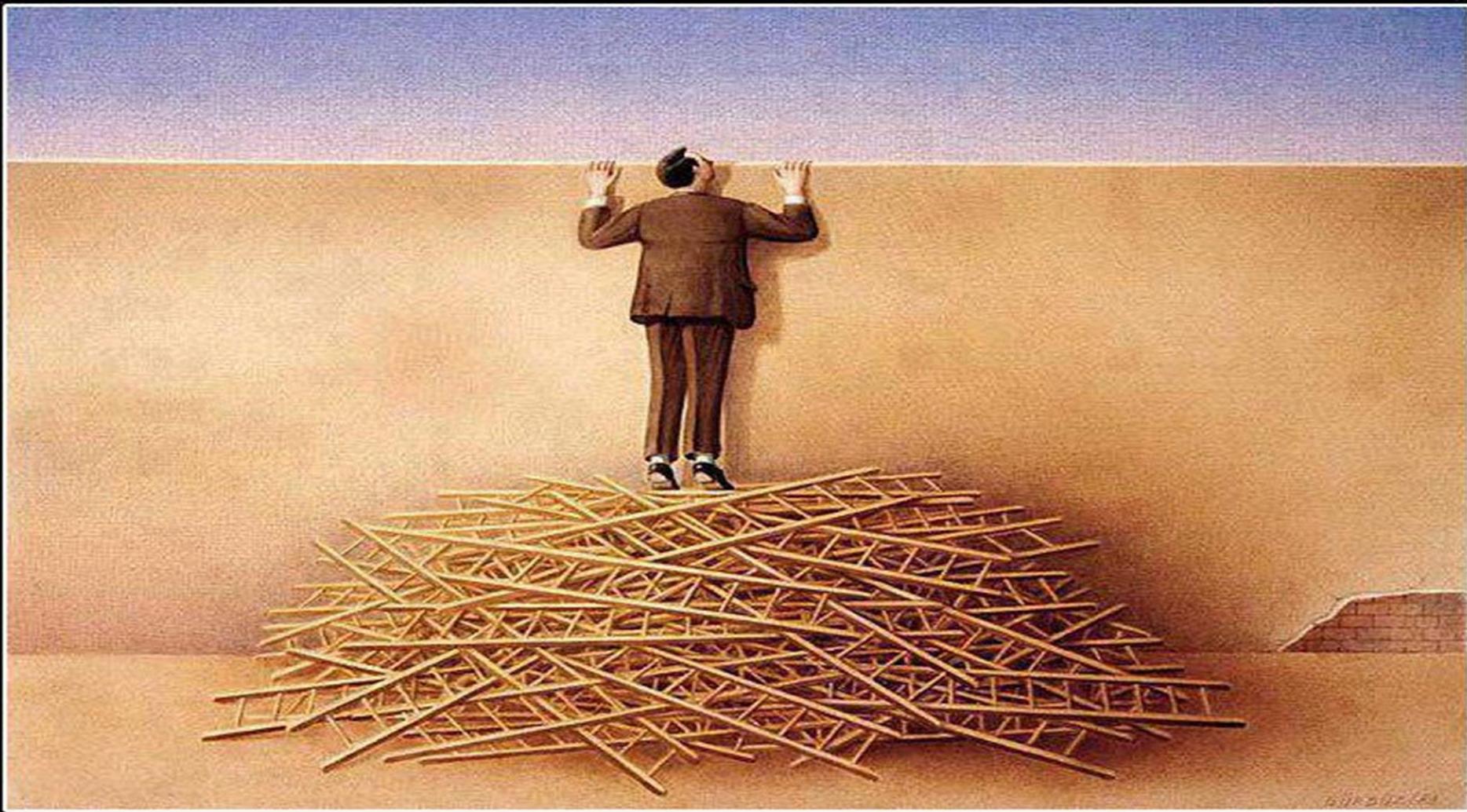


Sample for a confectionary (Sweet Company)



CHEERS

It doesn't matter how many resources you have.



If you don't know how to use them,
it will never be enough.