

WEN BOOTCAMP Business Model



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CONCEPTS

- What is a business model and types of business models?
- The Importance of a sustainable business model
- Lean canvas and its components
- How to build a Lean Canvas step by step



By the end of the lesson, you will be able to:

- Understand what is a company's business model.
- Comprehend the importance of building a sustainable venture and how unsustainable business can backlash.
- Learn the importance of the Lean Canvas and create it for your venture

Steps:

- 1. Business model and the existing types.
- 2. Define the type of business model you are going to adopt.
- 3. Build your Lean canvas.

The Business Model





How do you make money? What is the your path to achieving profitability and scale? How will sustain the harsh business environment?

The above questions are going to be definitely some of the questions that you will be frequently asked when you are talking about your business.

What is a Business Model?

A business model describes how an organization creates, delivers, and captures value, in economic, social, cultural or other contexts. The process of business model construction and modification is also called business model innovation and forms a part of business strategy.

Generally speaking, there are a variety of business models that your business can adopt.

Here are some examples of the most commonly used business models:

- 1. Manufacturer
- 2. Distributor
- 3. Retailer
- 4. Aggregator
- 5. E-tailer
- 6. Franchise
- 7. Bricks and Clicks
- 8. Freemium
- 9. Subscription
- 10. SAAS
- 11. Marketplace

All of the above models are ways businesses generate money using. Your goal should to figure out which model fits your offering the most and start using it.



Types of Business models

A Wadhwani Perspective



Refining your Business Model

A Wadhwani Perspective

The Business Model Canvas





What is a Business Model Canvas?

The Business Model Canvas, is a strategic management and entrepreneurial tool. It allows you to describe, design, challenge, invent, and pivot your business model.

The importance of a business model canvas:

A business model canvas is a simple document that can help you cover the different parts of your business. This includes your offering in terms of product or service, your customer segments, your distribution channels, your finances.

- . In addition to this, a business model canvas is a great way for you to share details of your business in a brief and efficient way, in cases like:
- Raising the interest of investors in your business model.
- · New potential hires, who want to learn more about your business

Why use the Business Model Canvas?

Map Existing Business Models - Visualize and communicate a simple story of your business model.

Design New Business Models - Use the canvas to explore new business models whether you are a start-up or an existing business

Manage a Portfolio of Business Models - Use the canvas to easily juggle between "Explore" and "Exploit" business models.



Business Model Canvas ExplainedStrategyzer

Lean Canvas – Introduction





What is a Lean Canvas?

Lean Canvas is a 1-page business plan template created by Ash Maurya that helps you deconstruct your idea into its key assumptions. It is adapted from Alex Osterwalder's Business Model Canvas and optimized for Lean Startups.

Fast: Compared to writing a business plan which can take several weeks or months, you can outline multiple possible business models on a canvas in one afternoon.

Portable: A single page business model is much easier to share with others which means it will be read by more people and also more frequently updated.

Concise: Lean Canvas forces you to distill the essence of your product. You have 30 seconds to grab the attention of an investor over a metaphorical elevator ride, and 8 seconds to grab the attention of a customer on your landing page.

Effective: Whether you're pitching investors or giving an update to your team or board, our built-in presenter tools allow you to effectively document and communicate your progress.

Lean Canvas Template



The 9 blocks of the Lean Canvas Business Model - Business Model - Types - Canvas



Problem: What problems are your customers facing?

Customer Segment is a homogenous group of customers who:

- Experience a similar need
- Can be offered a solution at a similar cost
- Can buy a solution at a similar price

Solution: What is the possible solution that your customer is ready to pay for?

Unique Value Proposition: Unique Value Proposition is a compelling message that states why your solution is different and worth buying.

The **Channels** section should answer the following questions:

- How does each of your customer segments want to engage?
- What should be their points of interaction?
- How do you get, keep, and grow your customers?

Revenue Streams: Revenue is the amount of money your customers are ready to pay for your solution and how. Revenue can be:

- Fixed revenue
- Recurring revenue

The **Cost Structure** section of the Lean Canvas should answer these questions:

- What is the resulting cost structure?
- What are the key elements that drive your costs?

The **Key Metrics** section needs to include:

- · Key activities that you need to measure
- · Actionable, auditable, and accessible metrics

Unfair Advantage: Unfair Advantage is when a solution cannot be easily copied or bought.



<u>Capture Your Business Model in 20 Minutes - Lean Canvas</u> *Ash Maurya*

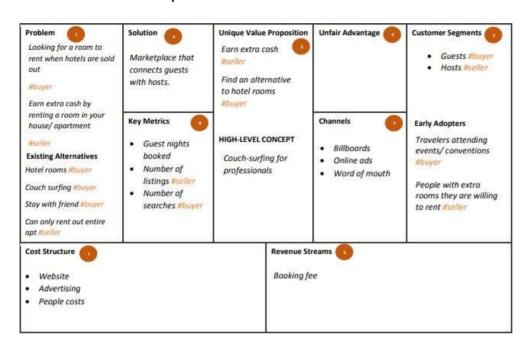
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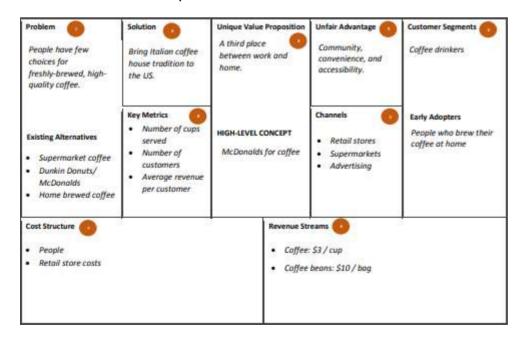
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