

Week 4: Business Model Development

Turning Solutions into Sustainable Businesses

Welcome to Week 4! You've designed a compelling solution - now we need to wrap it in a business model that creates value for customers while generating sustainable revenue for you.

The Business Model Foundation

A business model is more than just how you make money. It's the complete system of how you create, deliver, and capture value. This week, you'll design a business model that turns your solution into a thriving enterprise.

What You'll Build This Week

- A comprehensive Business Model Canvas mapping all key components
- Multiple revenue stream options with validation plans
- Cost structure analysis and unit economics
- Value proposition refinement based on customer insights
- Pricing strategies that maximize both adoption and profitability

Business Model Canvas Mastery

We'll use the proven Business Model Canvas framework to systematically design your business model. You'll map out customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structures.

Revenue Stream Innovation

Explore various revenue models including subscription, freemium, marketplace, advertising, licensing, and transaction-based models. Learn when to use each model and how to combine multiple revenue streams for maximum impact.

Value Proposition Design

Your value proposition is the heart of your business model. We'll refine your value proposition using the Value Proposition Canvas, ensuring perfect alignment between what you offer and what customers need.

Pricing Strategy Development

Pricing isn't just about covering costs - it's a strategic tool that influences customer perception, market positioning, and business sustainability. Learn psychological pricing principles, competitive pricing analysis, and value-based pricing strategies.

Unit Economics and Financial Modeling

Understand the fundamental economics of your business including customer acquisition cost, lifetime value, gross margins, and break-even analysis. Build financial models that guide decision-making and attract investors.

Partnership and Channel Strategy

No business succeeds alone. Identify key partnerships that accelerate growth, reduce costs, or enhance your value proposition. Design channel strategies that efficiently reach your target customers.

Scalability and Sustainability

Design business models that can scale efficiently without proportional increases in costs. Consider environmental and social sustainability as competitive advantages in today's market.

Real-World Business Models

Analyze innovative business models from companies like Netflix's subscription evolution, Amazon's marketplace platform, and Salesforce's SaaS pioneering. Learn how great companies have innovated their business models over time.

Week 4 Deliverable

Create a complete Business Model Canvas with supporting financial projections, pricing strategy, and go-to-market channel plan. This becomes your business blueprint for execution.

From Concept to Commercial Viability

By week's end, you'll have transformed your solution concept into a commercially viable business model ready for market testing and eventual launch.