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10 Lean Canvas Examples or How to Create Business Plan for Startup

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All businesses start with a business plan.

But what comes into your mind when you hear this word? Probably, a large document with complex numbers and 100+ pages of text.

Actually, this means thorough preparation, which is never too bad.

But, in reality, business plans never work perfectly. So why waste so much time on it.

In the modern dynamic world, you should be quick or be dead. There's no time for lengthy business plans.

It's only about your ability to be as flexible as possible in order to adapt and prevail.

Imagine two competitive [tech founders](#) aiming to take the same market niche.

The first one aims to take the vacant place as fast as possible and sets flexibility as his top priority.

The second founder thoroughly analyzes all market entry aspects and prepares a detailed business model plan.

As a result, it is perfectly prepared for taking the target niche, but...



...it's already too late because this niche is taken by the first organization.

So, don't act like a founder of the second business. Focus on being flexible instead.

That's when the lean canvas approach comes into action.

We at Softformance start our cooperation with each client with a workshop that helps us come up with the most flexible approach.

Lean startup and its deviations are among our favorites.

What does this concept mean? And how can it help your emerging tech idea?

Read this article to get your answers.

Here I provide a comprehensive overview of the lean canvas methodology and support it with the greatest lean canvas examples of successful companies.

If you read and follow this article's guidelines, you'll have a business plan in 20 minutes and your odds for success will grow 20 times.

What is a lean canvas?

Before we dive into the promised success stories, let's clarify what a lean startup actually is.



Basically, this term derives from the lean startup methodology that was developed in 2011 by Eric Reis in his book [The Lean Startup](#).

And the key point about the latter is flexibility. Lean startup companies should be extremely flexible while launching their product and business.

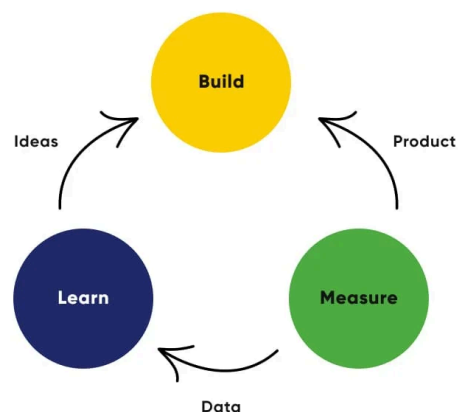
There may be various deviations of a lean startup, but it's always about taking the product development cycle as short as possible.

Actually, there's nothing new about such a strategy.

To some extent, it is as old as time. Even a cook that creates a new dish and doesn't clearly understand what reaction to expect from the audience follows this approach.

You may see a visualization for the core lean startup principles in the image below.

Think Lean!



As for a lean canvas, it is the way to visualize the basics of the lean startup approach.

It goes about a table that includes all key considerations concerning lean startup principles.

You may see a blank lean canvas below.

<div>● Build</div> <div>List your top 1-3 problems</div> <div>Existing alternatives</div> <div>List your top 1-3 problems</div>	<div>● Solution</div> <div>Outline a possible solution for each problem</div>	<div>● Unique value proposition</div> <div>Outline a possible solution for each problem</div> <div>High-level concept</div> <div>List your X for Y analogy e.g. Youtube = Flickr for video</div>	<div>● Unfair advantage</div> <div>Something that cannot easily be bought or copied.</div>	<div>● Customer segments</div> <div>List your target customers and users.</div> <div>Early adopters</div> <div>List the characteristics of your ideal customers.</div>
	<div>● Key metrics</div> <div>List the key numbers that tell you how your business is doing.</div>		<div>● Channels</div> <div>List your path to customers (inbound or outbound)</div>	
	<div>● Cost structure</div> <div>List your fixed and variable costs.</div>		<div>● Revenue streams</div> <div>List your sources of revenue.</div>	

Let's also clarify what each block in this table means.

Problem

If the market fails to satisfy people with some services or offers, it is a problem. In a lean startup, a problem means an opportunity.

In other words, it is a specific demand gap or market niche that you aim to take with your product.



Solution

It goes about your product created for solving the problem and filling the market gap.

Unique value

It is a unique selling point that a startup can offer its clients. It is something that helps your startup stand out from the competition.

Unfair advantage

It is a specific advantage of your solution or business model that cannot be replicated by your competitors.

Customer segments

Basically, it goes about the essential segments of the target market.

Existing alternatives

This subsection is about the competitors who provide the same or similar to your startup solutions.

Key metrics

It goes about specific measures that help you understand whether your business is successful.

In other words, these are specific results of numbers that help you evaluate the overall efficiency of your strategy.



High-level concept

The high-level concept lean canvas part is about how you envision your idea on the highest level. In other words: what do you want your startup to become and how do you want people to perceive it.

Channels

These are the ways you use for promoting and improving your product. It goes about the way you choose to communicate with your audience.

Early adopters

These are the basic users of your product. Usually, it goes about people who interact with the earliest version of your product and provide you with much-needed feedback.

Cost structure

Basically, it goes about costs that the business occurs through its operations. These are expenses on its key operations and practices.

Revenue streams

These are lean startup strategies that your business uses to generate revenues from each customer segment.

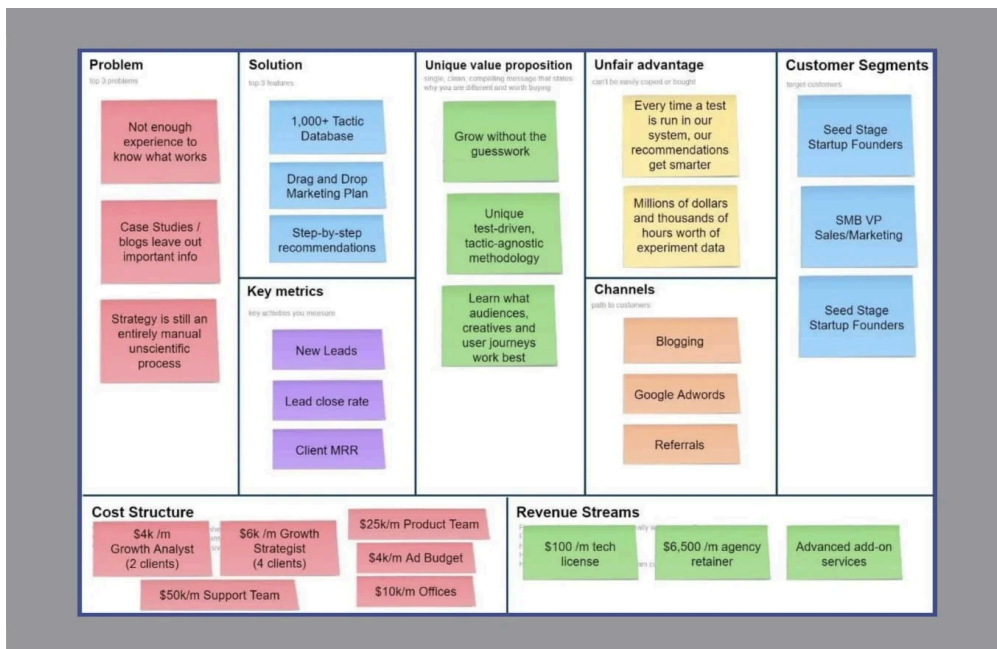


There's no specified order for all these blocks.

As the key feature of this approach is flexibility, you're free to experiment.

I, personally, prefer going from problem to solution, but you may thrive with another approach.

Everything depends on your needs, and if you feel unsure about the way you should approach the development of your startup idea, don't hesitate to [contact us](#) for a relevant piece of advice.



Why do we need Lean Canvas?

From my experience, I may say that rapid discovery of new demands and business models, as well as continuous experimentation, are the pillars of the lean startup strategy.

Anyway, in the diversity of its variations, a lean canvas brings software founders a great number of benefits.

These are:

The ability to be closer to your customer

A lean canvas motivates you to keep in contact with your customer. After all, user feedback is the best way for you to determine further development directions.

So, if you're building something like a [campground booking](#) app, communication with clients helps you to determine its main issues and ways of adapting its functionality to the clients' needs.

You can run on low marketing sales

If you're launching something like a [photostock web portal](#), you may start with testing its basic functionality as an MVP app. In this case, you should collect general user feedback, so there's no need to introduce your early product version to the general audience.

Can you feel it? This meets cutting marketing costs, at least during the earliest stages.

So, if you run your marketing at a shoestring budget, the lean canvas model is a great solution.

You have more time to take a specific market niche

While using the lean startup approach, you may start with a general market domain.



For example, you launch a fintech app that works with various documents.

As you go further with your project, you see that there's a great demand for [invoice analysis software](#).

As a result, you recognize this niche and adapt your product to it down the road.

So, after starting with a generic fintech app idea, you end up with a highly-demanded AI-powered tool for invoice analysis.

More efficient innovation and flexibility

One more time, let's return to the question of flexibility.

As you are free to adapt your product to market demands down the road, you are free to foster innovation.

For example, you create a SaaS for [hospital management](#) with some basic functionality.

Down the road, you see that there's an emerging trend for building [AI-powered](#) assistants for medical software.

As you have not yet developed your final product, you are free to adapt it to the trends and add the above-mentioned assistant.

The result is simple: you come out with a more innovative version of your app.



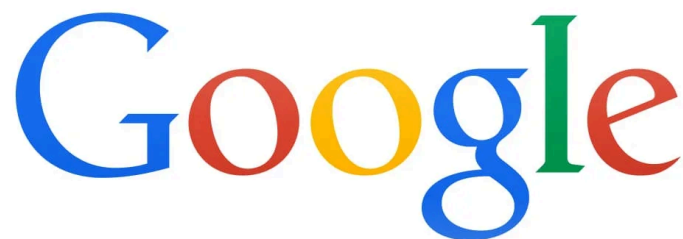
Now that you know what is a lean canvas and why it works perfectly for software products tools and apps, we're finally ready to learn from some great lean canvas examples out there:

10 examples of software businesses that have relied on a lean canvas

In the list below you'll find some popular industry examples as well as a few of our own client projects where we did workshops along with the lean canvas process:

Google

One of the world's [greatest digital businesses](#) has achieved remarkable success, largely, because of some quality implementation of a lean canvas.



Back then, in 1998, the world of Internet search tools was dominated by Excite and Yahoo.

However, two ambitious entrepreneurs, namely Sergey Brin and Larry Page, saw the gaps in these technologies.

They decided to build their own search engine that will prevail over the worldwide web.

Flexibility and experiments became the core values allowing them to achieve eventual success.

This is what a lean canvas online for Google would look like.

Problem:

Existing search engines provided irrelevant results to the users of the Internet due to non-flexible algorithms.

Solution:

A technology that understands content connections and context, which allows it to provide more precise search results.

Unique value:

- Much faster search;
- users can truly find the content they're searching for.

Unfair advantage:



Google CitationRanking technology is a completely unique citation ranking tool owned by Google.

Customer segments:

Any web users.

Main competitors:

Yahoo, AltaVista, Excite.

Key metrics:

- The number of search results provided by a search engine.
- How many users end their search on the first page.

High-level concept:

Fast web search that is, finally, convenient to the user.

Channels:

- Feedback was collected from early users and implemented with attention to the smallest detail.
- Word of mouth.
- Cooperation with websites.

Early adopters:

Stanford University students.

Cost structure:



Hosting, development.

Revenue streams:

Advertising, investment.

Facebook

One of the world's most popular social media can also serve as a lean canvas example.

The Facebook logo, consisting of the word "facebook" in a bold, blue, sans-serif font.

It started as a project of Harvard students. These guys created Facemash, a website allowing students to rank each other's photos.

Eduardo Saverin and Mark Zuckerberg quickly recognized the potential of this idea.

They developed the concept of Facemash into Thefacebook, a rough yet very promising social media platform.



What came next was the development of this idea according to user needs.

Nowadays, Facebook originated from Thefacebook is a media giant with 2.9 billion active users.

If we consider Facebook to be one of the lean canvas examples, here's how this model would look like:

Problem:

Students needed a solution for fun and online communication.

Solution:

Social media is where students can communicate, share files, connect with friends, and have fun with each other.

Unique value:

The only online communication platform oriented on Harvard students. Later, it expanded on the students of other colleges.

Unfair advantage:

A brand new type of website – a unique student network with the most demanded social features developed by students.

Customer segments:



Harvard students, students of other universities and colleges.

Existing alternatives:

There were literally no full-fledged competitors. The closest concepts were implemented by MySpace, Hi5, and Friendster.

Key metrics:

DAU/MAU, the North Star metric.

High-level concept:

A web platform that brings college students great socialization opportunities.

Channels:

- Expanding the network by referring various college students.
- Collecting user feedback through the app and reviewing the key metrics to adapt the product to the needs of the audience.

Early adopters:

Harvard university students.

Cost structure:

Hosting, development, payroll.



Revenue streams:

Investment, advertising revenue.

YouTube

The world's largest video hosting can also be viewed as one of the best lean business plan examples.



The founders of YouTube, namely Jawed Karim, Steve Chen, and Chad Hurley, developed their concept in a small flat above the pizzeria.

What had started in 2001 as an idea of a video hosting that would surpass its competitors by being closer to the audience, was acquired by Google for \$1.7 billion in 2006.

Its founders focus on experiments and are ready to adjust their ideas to the market needs. These are important factors behind the eventual success of YouTube.



What does it mean in the context of this article? We may view YouTube as a decent lean startup example.

The lean canvas for this iconic website would probably look this way.

Problem:

An evident lack of adequate video hosting websites on the Internet.

Solution:

Creating a website where people will be able to upload and share their amateur videos.

Unique value:

- The ability to watch and share video content on a single platform.
- Star-based rating system.
- TV service where content is created and uploaded by ordinary people.

Unfair advantage:

- Most competitors were unable to recreate a video hosting of such size because of scalability issues.
- Users of the platform constantly attract new users to it because of various social elements of YouTube.

Customer segments:

Bloggers, advertisers, mass-market users.



Existing alternatives:

Google Video, Vimeo, ShareYourWorld.

Key metrics:

A number of views per video, DAU, videos per session, the overall timing of watched videos, etc.

High-level concept:

To launch a new Flickr, but for the world of videos.

Channels:

- Expanding the network through referrals;
- Continuously collecting the user feedback and researching Internet trends;
- Promotion through technology magazines;
- Direct communication with clients through emails.

Early adopters:

College students and teenagers, video enthusiasts, filmmakers.

Cost structure:

Hosting, development, payroll.

Revenue streams:

Advertising revenue, investment.

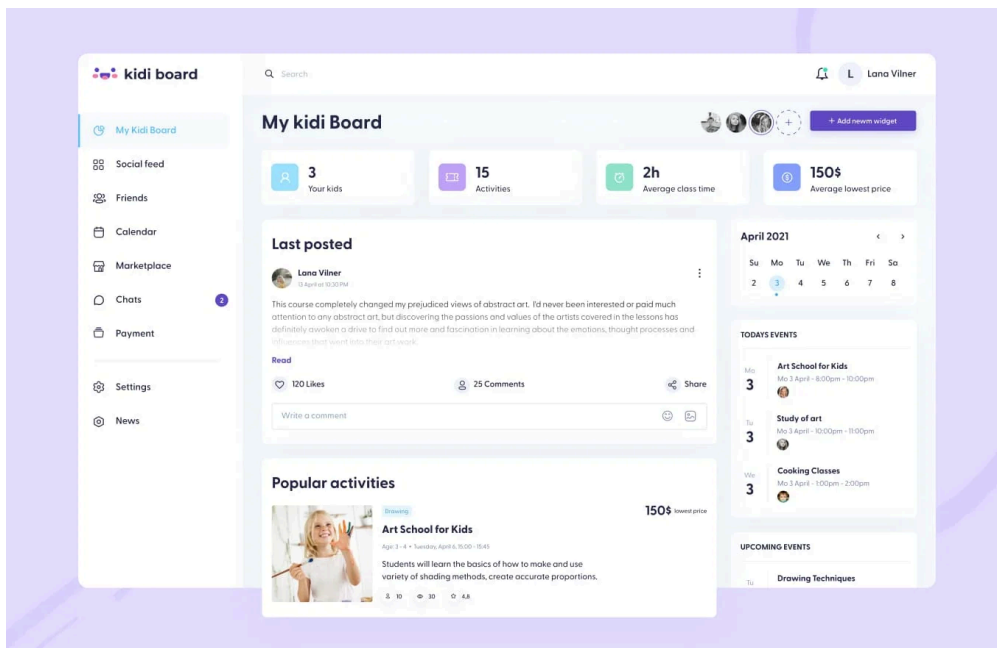


KidiBoard

It is one of my favorite success stories on this list.

One of our clients came up with the idea of a social media platform for parents, where they can find courses and attractions for their kids, as well as share knowledge with other parents.

The customer was very much into a flexible approach, so we suggested them to go with a lean canvas.



As a result, KidiBoard, a unique parent-centered platform appeared.

Here is what the lean canvas for this project looks like.

Problem:

- Hard to find activities for kids in small locations.

- Weak logistics/calendar management on the go (mobile).
- Hard to find trusted providers online.

Solution:

A social media platform for parents that includes a calendar sync and locations not covered by competitors.

Unique value:

Combine a marketplace between parents and providers with a social network exclusively for parents. Parents get access to full and organized information they can trust and can easily manage childcare-related issues with a click of a button.

Unfair advantage:

There are 5 founders, all of them are parents.

Customer segments:

- TIM (busy professionals) moms and dads;
- Tech-savvy moms and dads;
- Mid-income moms and dads;
- Parents with 2-3+ kids.

Existing alternatives:

KidPass.com

Key metrics:



Number of users, transactions, number of social interactions.

High-level concept:

KidiBoard should become a TripAdvisor for parents.

Channels:

- FB groups for parents in North New Jersey.
- Word of mouth.
- Parent references.
- Influencer marketing.
- Offline ads.
- Paid online ads.

Early adopters:

Parents from a limited area in New Jersey.

Cost structure:

Customer acquisition cost, distribution costs, hosting, monthly support.

Airbnb

This is, by far, one of the most inspiring startup stories.





Back in 2008, three neighbors, namely Brian Chesky, Joe Gebbia, Nathan Blecharczyk, decided to earn some money by sharing spare space in their San Francisco accommodation with the guests of a popular conference hosted in this city.

In 10 years, it was already one of the world's biggest tourist accommodation platforms with funding that exceeds \$4.4 billion.

Airbnb is a perfect example of how flexibility and a creative approach helped transform a small idea into a giant of the online tourist market.

Most probably, the lean canvas for this startup would look the following way.

Problem:

- It is very challenging to find cheap and affordable accommodation for tourists.



- Traditional hotels lack authenticity, so travelers may have issues with finding truly authentic accommodations in the countries to which they travel.
- People with some extra space or accommodations may not know how to monetize them.
- Home-sharing culture is far from being cultivated.

Solution:

A web service that allows travelers to find affordable accommodations, and helps homeowners to earn extra money by renting out their accommodations on a day-by-day basis.

Unique value:

- Travelers can get an authentic living experience at an affordable price.
- Homeowners can earn extra money by renting out their vacant areas.

Unfair advantage:

- The option of renting out space is available to any homeowner.
- Flexible bi-directional rating system for both tourists and homeowners.
- Insurance by default by hosts.

Customer segments:

- Travelers searching for affordable and authentic accommodations.



- People that are interested in renting out their extra space.

Existing alternatives:

Booking.com, Hotels.com.

Key metrics:

Number of bookings, number of accommodation hosts on the platform, NPS, DAU/MAU.

High-level concept:

An app that establishes a host-sharing economy.

Channels:

Interaction with the audience, word of mouth, online ads, referrals.

Early adopters:

People that are ready to share their residences and become hosts.

Cost structure:

Development, hosting, payroll, marketing, insurance, photography.

Revenue streams:

Fees from travelers.



Amazon

The world's largest technology giant started in 1994 as a book-selling website built by Jeff Bezos.



Later on, the entrepreneur took many experiments and adapted to various market trends to develop his idea and grow his startup.

What we see now is a ponderous company involved in all tech spheres and e-commerce domains.

In 1997, the budget of this platform already reached \$50 million.

This means that Bezos did everything right almost from the very start.

The lean canvas for his startup would probably look like this.



Problem:

- Lack of online bookstores.
- People had issues with selecting books in traditional bookstores due to the lack of ratings and reviews.

Solution:

An online bookstore with billions of titles.

Unique value:

An opportunity to buy books from home by using a PC.

Unfair advantage:

- No premises and fewer employees, which means lower prices.
- No competitors in the domain of e-commerce.

Customer segments:

- Book readers, book collectors.

Existing alternatives:

Interloc (future Alibris), local booksellers, Barnes & Noble.

Key metrics:

CAC, user traffic, website's ROI.

High-level concept:

The biggest bookstore in the world.

Channels:

Affiliates, resellers.

Early adopters:

- Book enthusiasts searching for rare books;
- Ordinary Internet users that are interested in online bookstores.

Cost structure:

Website development, hosting, operational costs, payroll.

Revenue streams:

Direct sales.

Apple

It is one of the oldest picks on this list.





Apple started as a startup of ambitious technology enthusiasts, Steve Jobs and Stever Wozniak, in 1976.

These guys wanted to change the way people interact with computers and came through many experiments.

As a result, by the end of the 20th century, Apple became one of the global tech leaders, while in the 21st century, its dominant place in the technology domain is undoubted.

Surely, in 1976, nobody implemented a lean canvas methodology. However, we think that the lean canvas for Apple would look this way.

Problem:

Computers were very inconvenient and far from being user-friendly.

Solution:



A portable computer that provides an excellent user experience.

Unique value:

The portable computer of a new generation with good productivity and colorful design.

Unfair advantage:

A clear strategy for further releases, such as Apple 2, and unique technical background of the startupper.

Customer segments:

Office workers, students.

Existing alternatives:

IBM, Intel.

Key metrics:

ROI, the number of loyal customers.

High-level concept:

A personal computer of a new generation.

Channels:

Advertising, continuous interaction with users, direct communication with business owners, word of mouth.



Early adopters:

Business executives and office workers.

Cost structure:

Production, payroll, development.

Revenue streams:

Public sales.

Tesla

Tesla emerged in 2003 as a response to the failed attempt of General Motors, an automotive giant, to launch its electric vehicle EV1.

The Tesla logo, consisting of the word "TESLA" in a stylized, bold, sans-serif font. The letters are dark gray and have a unique, blocky design.

Two ambitious US entrepreneurs, Martin Eberhard and Marc Tarpenning, came up with the idea of an affordable

electric vehicle.

What had emerged as an ambitious dream, soon became one of the world's most well-known automotive brands.

In 2004, Eberhard and Tarpnenning started cooperating with one of the most ambitious modern entrepreneurs, namely Elon Musk.

Since that moment, Tesla has been experiencing unprecedented growth.

Its lean canvas model example would, most probably, look this way.

Problem:

The need to promote the idea of eco-friendly electric cars available to a broad audience.

Solution:

Production of electric vehicles with resource-efficient performance.

Unique value:

Highly-efficient battery-electric cars.

Unfair advantage:

Roadster, an electric vehicle developed by Tesla, became the first well-branded and recognized electric vehicle in the industry.



Customer segments:

Ecology-aware drivers, sports car lovers.

Existing alternatives:

EV1 by General Motors.

Key metrics:

ROI, the number of buyers.

High-level concept:

The world's first high-performance electric vehicle in mass production.

Channels:

Advertising, branding, interaction with potential buyers, retail stores, word of mouth.

Early adopters:

Eco-aware and wealthy car enthusiasts.

Cost structure:

Car production, payroll.

Revenue stream:

Advertising, venture capital, direct product sales.



Skype

One of the world's most popular video communication tools had also been only an ambitious startup one day.



In 2003, Niklas Zennstrom & Janus Friis got inspired by the idea of free Internet voice calls.

By 2006, they had already penetrated the market with their idea of a video calling platform.

Top-notch flexibility was the pillar of Skype's success.

Hence, we can imagine one of the lean canvas examples for this startup.

Problem:

A lack of user-friendly video calling software in the market.

Solution:



A video calling platform with social media components and a live chat.

Unique selling point:

Cheap phone calls, free video calls.

Unfair advantage:

Skype was the first platform to implement free video calls and establish a unique connection quality that left all the competitors behind.

Customer segments:

Ordinary web users, teams of employees.

Key metrics:

CAC, user traffic, website's ROI.

High-level concept:

One of the world's most popular social media with free video calls and instant text messaging.

Channels:

Constant communication with users, online ads, referral bonuses, cooperation with companies using Skype as a professional communication tool.

Early adopters:



Ordinary web users, representatives of professional working teams.

Cost structure:

Development, payroll.

Revenue stream:

Acquisition, investment, paid phone calls, advertising.

Ziscuit

It is one more success story we took part in.

Ziscuit is a unique grocery store that automatically provides you with the cheapest offers related to your desired products.

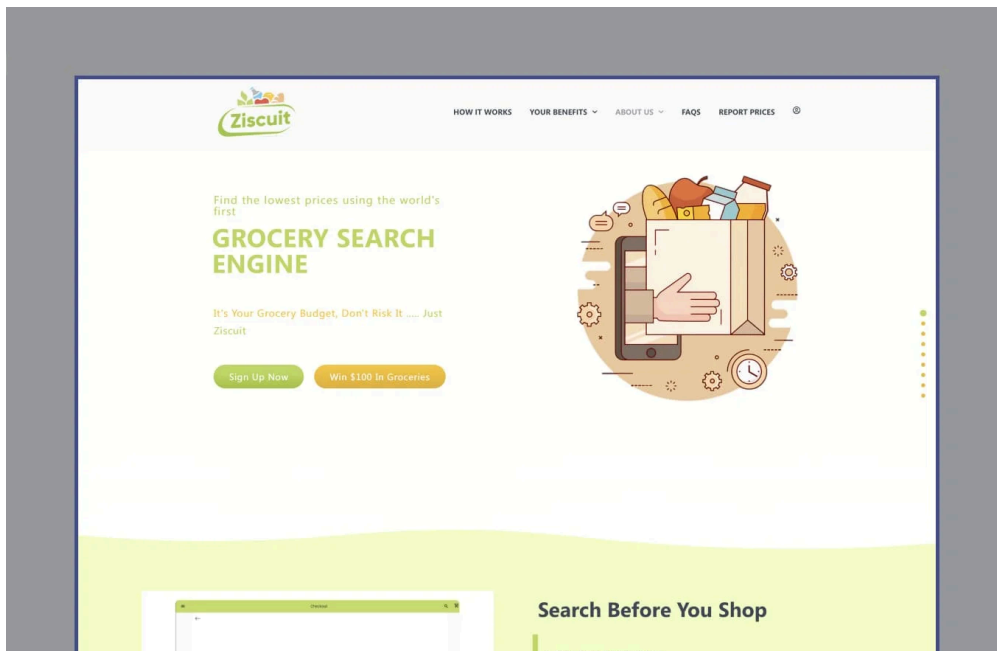
What started as one more grocery store, became a unique product with the lean startup strategy.

Ziscuit provides its users with a roadmap for savings, and the platform keeps on improving according to market demands.

I am proud of helping these guys to come up with a lean canvas example for their project.

And our team helped them implement their idea and launch a successful application that is demanded in the market.





Here are some basics of this canvas for Ziscuit.

Problem:

- High prices for groceries.
- Social distancing makes grocery shopping less convenient.
- Buying groceries may be very time-consuming.

Solution:

- Online app for remote shopping with bidding functions.
- A shopping app with scheduling and 100% matching functions.
- An app that provides the users with the most cost-efficient purchase suggestions.

Unique value:

A user can pick the cheapest groceries on the market with a single click.

Unfair advantage:

Tech founders had many contacts and connections among store owners.

Customer segments:

Millennials, couples, 4 people households, female baby boomers, males aged 24-60.

Existing alternatives:

Walmart, small offline grocery stores.

Key metrics:

Avg. ticket/transaction size, active customers, ROI, customer consistency.

High-level concept:

An app that becomes a Priceline for groceries.

Channels:

Social media (paid and organic ads), referrals, word of mouth, radio management service.

Early adopters:

Millennials, female baby-boomers.

Cost structure:

- Customer acquisition costs: projected from eBay (auction site), 1-2\$/c., 7-10\$/c.
- Distribution Costs: customer support (outsource).
- Hosting.

Revenue streams:

- Subscriptions (like in the case of Amazon Prime).
- Pay-as-you-go, per-transaction fee.
- Ads from retailers.
- Cashflow emerging from the growing user base.

Best books on lean startup

The material in this article will be more than enough to put your software lean canvas quickly. But if you want to dive deeper into the topic, here we prepared for you further reading:

The Lean Startup | Eric Ries

It is one of the most valuable [business texts](#) ever. In this work, Eric Ries defines his principles of the lean startup methodology.

This is where the concept that shapes today's digital world begins.

The book is largely centered around the concept of a [minimum viable product](#) (MVP). It also cherishes the adventurous spirit of experiments in entrepreneurship.

