1. Chapter 3
   1. Design
      1. A designer’s job is to extend the boundaries of thought, to generate new options, and ultimately to create value for users. This requires the ability to imagine “that which does not exist.”
      2. Customer Insights
         1. Innovation requires a deep understanding of customers, including environment
         2. Examples
            1. Telenor

They wanted to gain insight to photo sharing as the seventh largest telecommunications company

* + - 1. Changing from You to Them
         1. What can we sell customers?

What job(s) do(es) our customer need to get done and how can we help?

What are our customer’s aspirations and how can we help him live up to them?

* + - * 1. How can we research customers most efficiently?

How do our customers prefer to be addressed?

How do we, as an enterprise, best fit into their routines?

* + - * 1. What relationships do we need to establish with customers?

What relationship do our customers expect us to establish with them?

* + - * 1. How can we make money from our customers?

For what value(s) are our customers truly willing to pay?

* + 1. Ideation
       1. Definition
          1. A creative process for generating a large number of business model ideas and successfully isolating the best ones
       2. Business model innovation is about challenging orthodoxies to design original models that meet unsatisfied, new, or hidden customer needs
       3. Ideation has two phases
          1. Idea generation

Where quantity matters and synthesis in which ideas are discussed, combined, and narrowed down to a small number of viable options.

Options do not necessarily have to represent disruptive business models.

They may be innovations that expand the boundaries of your current business model to improve competitiveness

* + - * 1. You can generate ideas for innovative business models from several starting points

Epicenters of business models

Innovate using business model canvas and “what if” questions

Four epicenters

Resource-driver

Originate from existing infrastructure or partnerships to expand or transform eh business model

Example

Amazon AWS

Offer-driven

Create new value propositions that affect other business model building blocks

Example

CEMEX

Customer-driven

Based on customer needs, facilitated access, or increased convenience

Examples

23andMe

Finance-driver

Innovations driven by new revenue streams, pricing mechanisms, or reduced cost structures that affect other business model building blocks

Examples

Xerox and when they first started

Multiple-epicenter driven

Innovation driven by multiple of the above

Example

Hilti, the tool example

* + - 1. Ideation Process
         1. Team composition

Is it sufficiently diverse?

* + - * 1. Immersion

What must be studied before generating business model ideas?

* + - * 1. Expanding

What innovations can we imagine for each business model building block?

* + - * 1. Criteria Selection

What are the most important criteria for prioritizing our business model ideas?

Ie chop ideas that don’t have x revenue potential, implementation time, etc

* + - * 1. Prototyping

What does the complete business model for each shortlisted idea look like?

Sketch out 3-5 business models

* + 1. Visual Thinking
       1. Use of pictures, sketches, diagrams, and post-it notes to construct and discuss meaning
       2. Value in visual thinking
          1. Indispensable to working with business models
          2. Makes the model tangible and allows for clearer discussions and changes
          3. Gives “life” to a business model and facilitate co-creation
          4. Visually depicting a business model will unearth logical gaps and facilitate their discussion
       3. Visualizing with drawings
          1. People react more strongly to images than words
       4. Four processed improved by visual thinking (cont. notes from 152)
          1. Visual Grammar
          2. Capturing the big picture
          3. Seeing relationships
          4. Collective reference point
          5. Shared language
          6. Joint understanding
    2. Prototyping
    3. Storytelling
    4. Scenarios