Drafting a Business Plan. The Lean Model Canvas Business tool

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Business Model Definition

The plan implemented by a company to generate revenue and make a profit from operations

> Investopedia
Alternative definition

The plan to escape competition and win the market.
Things to Think While Defining Your Business Model

• Your ultimate goal
• Global market
• Local market
• 6-12-18 months plan
Building the plan

4 Key questions to start:

➢ Who is “he/she”
➢ What is “his/her” problem
➢ How does he/she solve the problem now
➢ Is our product more efficient in solving this issue?
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Ash Maurya – Running Lean

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step by step:
What we need to look at
Early adopters - Who Are Your First Clients?

New ventures fail before reaching out the early majority.

Early adopters are the ones to address.

Understand them.
Solving Problems = Building Client Base

Every customer has a problem, every problem has a solution

Not every solution has a problem
Not every problem has a customer
Early adopters

1st

Problem
Top 3 problems

Solution
Top 3 features

Unique Value Proposition
Single, clear, compelling message that states why you are different and worth buying

Unfair Advantage
Can’t be easily copied or bought

Customer Segments
Target customers

Key Metrics
Key activities you measure

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Cost Structure
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Revenue Streams
Revenue Model
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Alternatives

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- Customer Acquisition Costs
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### Revenue Streams
- Revenue Model
- Life Time Value
- Revenue
- Gross Margin

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Client needs

Point of Parity

Competitor value

Your value

Point of Difference

Do not imitate/mirror competitors.

Keep in mind customers, not competitors

Point of Irrelevance
\[ \geq 10 \times X \]

\[ X = \text{best product in the market} \]

faster & -or better & -or cheaper

**UVP**

Facts and data:

- We will fix your iPhone **fast**
- We will fix your iPhone, in **less than 1 hour**
- We will fix your iPhone in **less than 1 hour, wherever you are**

Any decision needs to be based on facts, data, not on your opinions.
Best mover

Google still the best after 20 years

UVP

Being the best is not technology but in most of the case is how you build “distribution”

What wins is the whole package, not just technology.

Do not confuse UVP with the solution.
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Don’t Lie

UVP vs Solution

Seriously, don’t lie
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