Service Science UniMiB F9101Q022

Business Model Canvas

Instruments & Purposes

- Goal
 - To communicate important information to investors
 - To reason and discuss about the business/service/...
- Instruments
 - Business Plan
 - Very large document (till 100 pages)
 - Provides information to justify the entrepreneur assumptions about the problem, opportunity, market size, solution, competitors, and team
 - Business Model Canvass
 - one page
 - illustrates how a company creates, delivers, and captures value and the interactions between the different parts of the company

Business Model Canvass

Overview

Not Confirmed Tale

- Two groups looking for funds
 - The first group
 - They spent four months writing a 60-page business plan with 12 pages of spreadsheets. They focused on collecting information to justify their assumptions about the problem, opportunity, market size, solution, competition and team
 - They prepared a 5-year sales forecast, a five-year Profit & Loss statement, balance sheet, cash flow ... They prepared a 15 slide presentation and were ready to go pitch
 - However, once they got their product to actual users, they realized that at least half of their key assumptions were wrong
 - The second group
 - They decided not to spend time writing a detailed business plan. Instead, they focused on **building and testing their business model**
 - A business model is best presented through a business canvas (more on next slide)

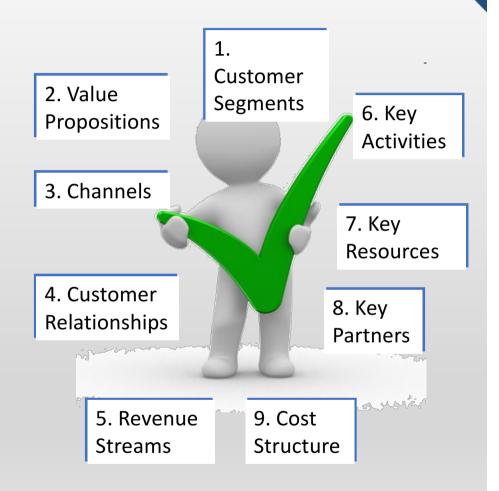
https://articles.bplans.com/how-to-write-a-business-plan/

Business Canvas vs Business Plan

- The level of detail
 - A business plan can top 100 pages (though, that isn't recommended!)
 - A business canvas has 1 page!
- A business plan, once created, it is expected to be a static document
 - The typical business plan plots economics through 3 to 5 years
 - Milestones not met require corrective actions
- The business canvas
 - spends a lot less time trying to back up assumptions since it realizes that they are just assumptions
 - focuses on quickly identifying and testing broader assumptions or hypotheses
- The business canvas is a dynamic document
 - If assumptions are adjusted the business canvas will be updated accordingly

Business Canvas

- A Business Canvas is usually a one page document (e.g., A4, or a poster)
- It illustrates how a company creates, delivers and captures value by presenting the interactions between the different parts of the company
- E.g.. The Profit-First Business Model Canvas →
 - It focuses on the 9 questions to be profitable



A Business Canvas Framework Example

Key Partners	Key Activities	Val	ue	Customer	Customer
		Propos	sitions	Relationships	Segments
				Channala	
	Key Resources			Channels	
Cost Structure		Revenue Streams			

 Some explaining videos <u>https://www.youtube.com/watch?v=QoAOzMTLP5s</u> <u>https://www.youtube.com/watch?v=IP0cUBWTgpY</u>

Questions behind Each Section

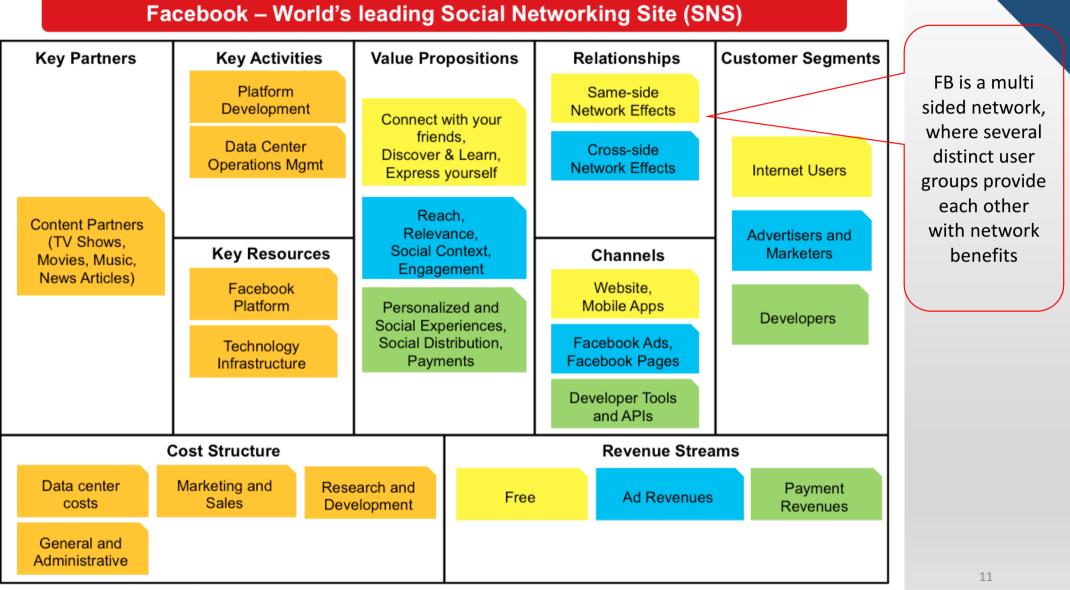
- 1) Value Proposition. What are the customer needs or problems addressed?
- 2) Customer Segments. Who are they, why they buy, ...?
- 3) **Channels**. How does the product/service/... reach the customers?
- 4) Customer relationships. How does a company get, keep, and grow customers?
- 5) **Revenue streams**. **How do you make money**? Revenue models, pricing, What value are the customer paying for?

Questions behind Each Section (2)

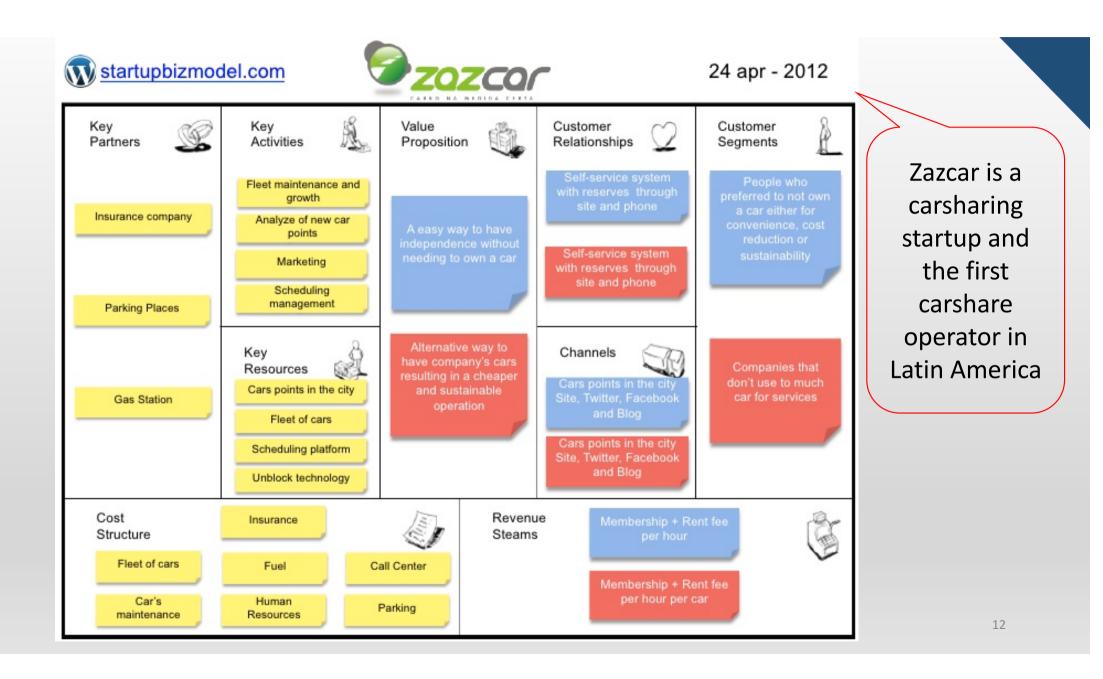
- 6) Resources. What are the most important assets and key resources? E.g., Finance (Raising money, line of credit, ...), physical (manufacturing, machines, vehicles), Intellectual (Patents, Customer lists, ...), human (key people)
- 7) **Key partnership**. Who are the key partners and suppliers? What key resources are we acquiring from them? What **key activities** do they perform?
- 8) Key activities. What are the most important things to do to make the business model work? E.g., production, problem solving, supply chain management, ...
- 9) Costs. What are costs and expenses to operate the business model? What are the most important costs? What are the most expensive resources? What key activities are the most expensive? Fixed costs / Variable Costs, Economies of scale

BMC, first draft

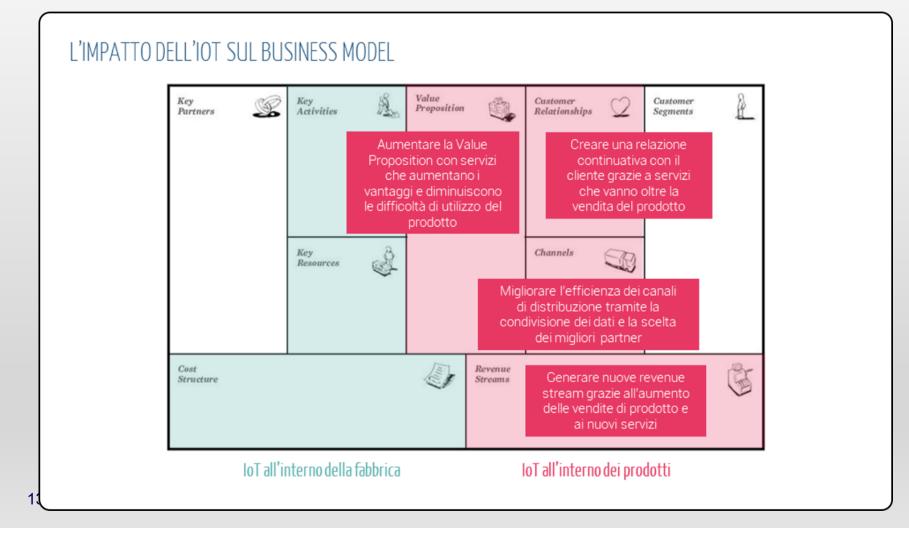




www.businessmodelgeneration.com



IoT Business Model Canvas



Tools

- Power Point
- <u>https://canvanizer.com/</u>
- ...

Proposte per l'attività di laboratorio

- Sviluppare i primi passi di un'idea imprenditoriale
- Attività da svolgere (da portare all'esame):
 - Business Model Canvas
 - Definire i processi per la realizzazione dell'idea di servizio
 - Produrre una relazione/presentazione con la descrizione dell'idea
 - Progettare l'MVP iniziale

Proposta 1

- Proposta libera
- Requisiti minimi
 - Lavorate come se doveste creare una start-up
 - Dovete offrire un prodotto/servizio innovativo basato su, o che abbia a che fare con, l'analisi dei dati

Proposta 2

- Volete creare una start-up che:
 - Fa scraping dei siti che propongono offerte di vendita di case (real-estate web sites)
 - Calcolate informazioni sui prezzi medi per area (suddivisi magari per tipologie di case)
 - ... (il resto dovete deciderlo voi)

Proposta 3

Progetto sugli Open Data della Lombardia

- Fonte dati: Open Data Lombardia https://www.dati.lombardia.it/
- Scegliere un settore (e.g., Ambiente, Sanità ...)
- Scegliere l'idea di azienda/servizio da sviluppare
- Identificare i dati necessari all'idea di azienda/servizio scelti e verificarne la disponibilità e, in parte, la qualità
 - Cercare, se necessario, altri dati
- Identificare i principali indicatori di analisi da estrarre dai dati
- Definire i processi per la realizzazione dell'idea di servizio
- Realizzare il Business Model Canvas dell'idea
- Produrre una relazione/presentazione con la descrizione dell'idea

Modalità di lavoro

- Vi suggeriamo di formare dei gruppi
- Il lavoro si svolgerà
 - Durante le ultime ore del corso di lezione/esercitazione
 - Fuori lezione (homework)
 - Il prodotto finale deve essere presentato all'esame

Esempi progetti passati

Speak-Confident: the Social Lifelong Learning Platform

Key Partners 😰 Insert	Key Activities 💈 <u>Insert</u>	Value Proposition 2 Insert	Customer Relationships 🛛 <u>Insert</u>	Customer Segments 🙎 Insert	
Coaches/Teachers	Declamation Evaluator	Learn	By construction: users will find other users responding to their	Students	
	Filters Matching Needs	Build an Expert Reputation	needs	Professionists/ Speakers	
Audios Re	User Profile Definition & Ranking	Improve Public Speaking Skill	Rewards	Coaches/teachers	
	Audios Recording & Saving	Effective Studying Tool		E-learning Platforms Schools Museums	
		Save Time			
	Key Resources 😰 <u>Insert</u>	Give Effective Feedback	Channels 🛛 <u>Insert</u>		
	Social Learning Platform/App/API		Social Learning Platform/App/API	Exhibitions Every institution in the needs to give audio-explanations	
	Audio-Knowledge Repository		Search Engines		
	Evaluator Algorithm		User's Links to their Audios		
Cost Structure 😰 <u>Insert</u>		Revenue Streams	2 Insert		
IT & Manteinance	Staff	Freemium	Full Subscription		
R&D	Average Client Acquisition Cost	Exchanges Fees	Conventions		

Share Canvas Canvas History Canvas Setting

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