

Session 7: Using a Business Model Canvas

Overview This session introduces the notion that businesses can be decomposed into ideas about the customer, problem, solution, unique value proposition, revenue model, and other components.

- Key Points**
- ❖ No business plan survives first contact with customers; therefore, it is better to start by trying to validate a business concept.
 - ❖ Your job as a startup is to develop a business model-- a description of how an organization creates, delivers and captures value.
 - ❖ The best place to start the process of developing a new business model is by considering: who the customers are, what their problem is, what solution you will provide, and how/why your solution is better than current offerings.

- Discussion Questions**
1. How is it possible that an entrepreneur can spend a lot of time writing a business plan and still fail when he or she actually tries to go to market?
 2. When does it make sense to spend time writing a business plan?
 3. With the amount of effort and resources that are needed to transform an idea into a successful business, do you think ideas are assets or liabilities?

Additional Resources [Guide to the Lean Business Model Canvas](#)
[Lean Canvas Video from Ash Maurya](#)

- Possible Assignments**
1. Pick a business model that attracts you and brainstorm other business ideas that could use a similar model.
 2. Download a copy of the [lean canvas](#) and begin to fill in the first draft of your idea. If you don't have an idea yet, practice using the canvas with a [business model](#) that attracts you.
 3. Pick two or three companies you are familiar with and compare their business models, e.g., Apple, Google, Amazon, Microsoft, Facebook, Skype, etc.