

TAKING
COOPERATION
FORWARD




Business Models – How to Design, Test, and Pivot Business Models



CHAIN REACTIONS, Bernhard Kölmel

WHAT IS A BUSINESS MODEL



what's a
business
model?



WHAT IS A BUSINESS MODEL

A **Business Model** describes the rationale of how an organization creates, delivers, and captures value.



BUILDING BUSINESS MODEL



Design



Strategies



Experiment





Design

BUSINESS MODEL CANVAS



BUSINESS MODEL CANVAS

1 Design

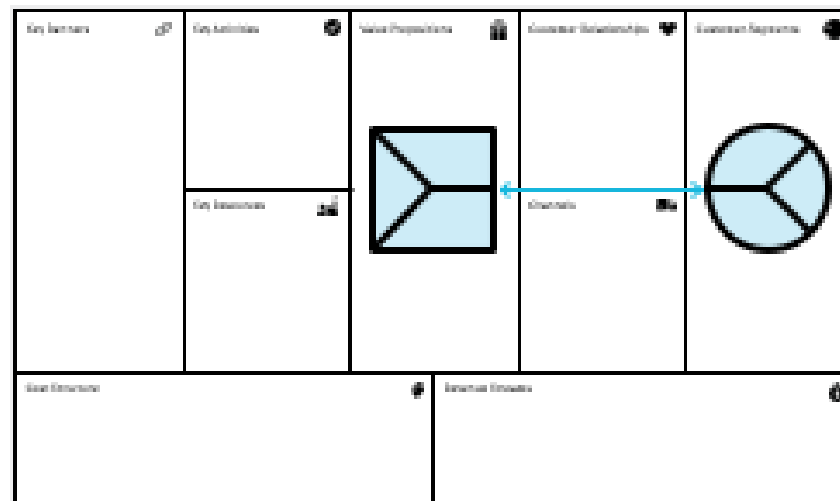
A **Business Model** can best be described through nine basic building blocks cover the main areas of a business: customers, offer, infrastructure



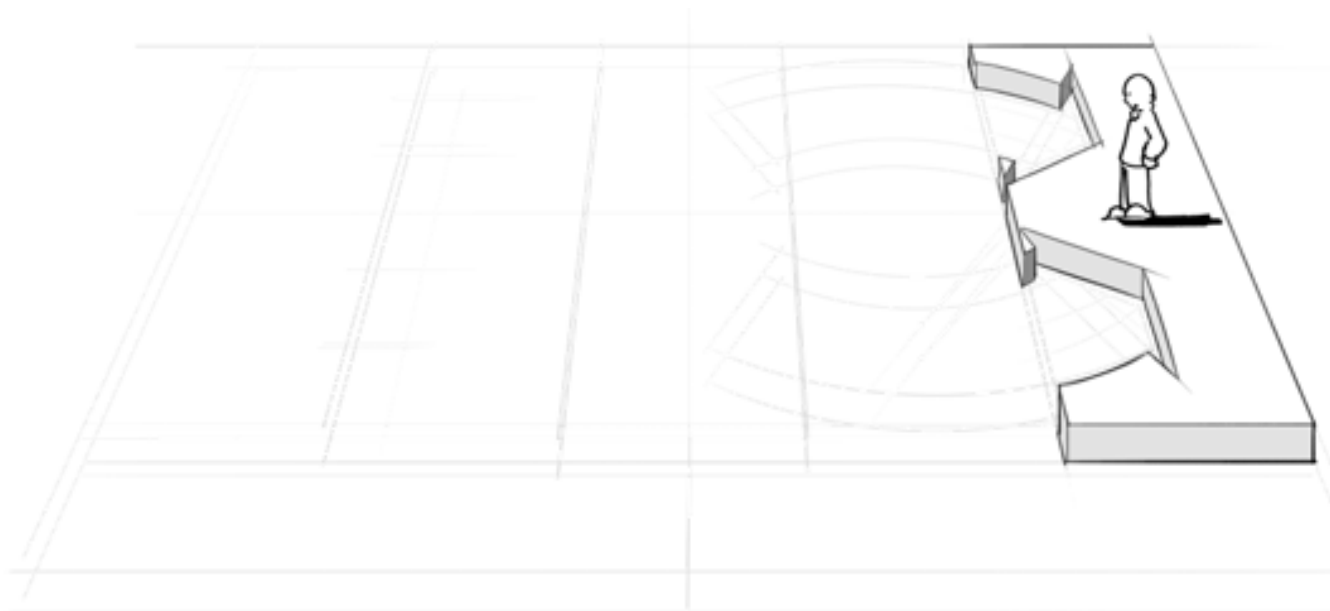
BUSINESS MODEL CANVAS

1 Design

A **Business Model** can best be described through nine basic building blocks cover the main areas of a business: customers, offer, infrastructure



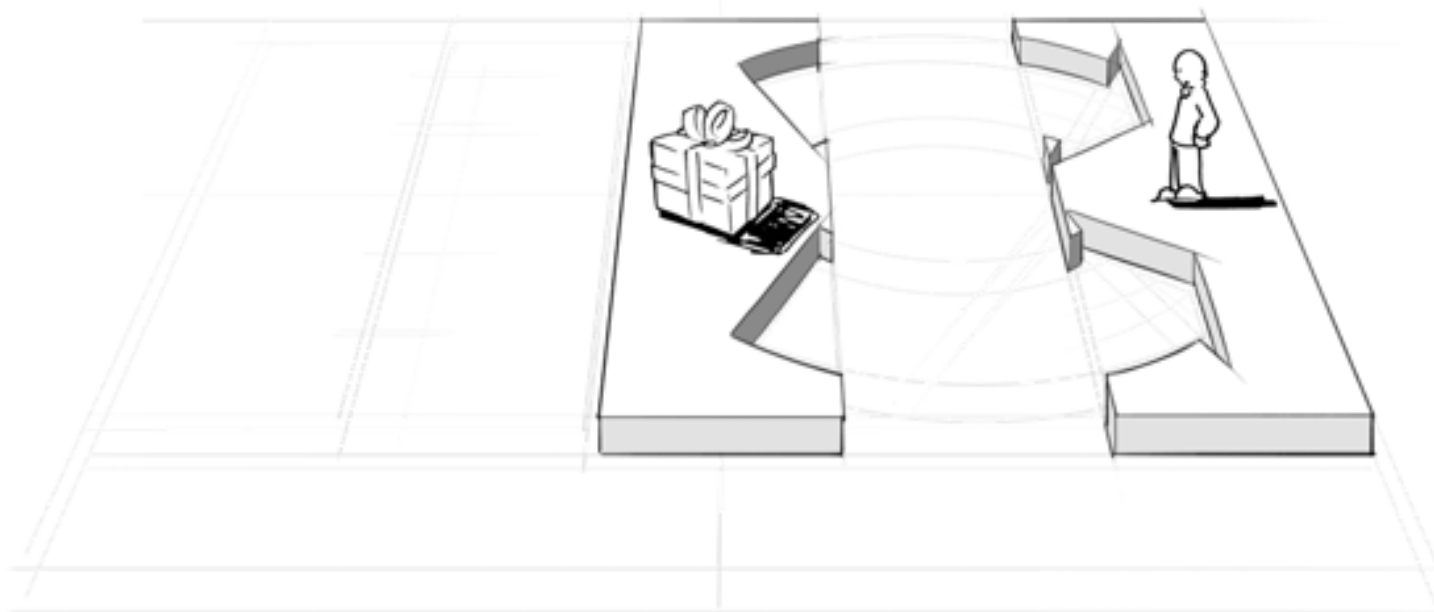
CUSTOMER SEGMENTS



which customers and users are you serving?
An organization serves one or several Customer Segments.



VALUE PROPOSITIONS

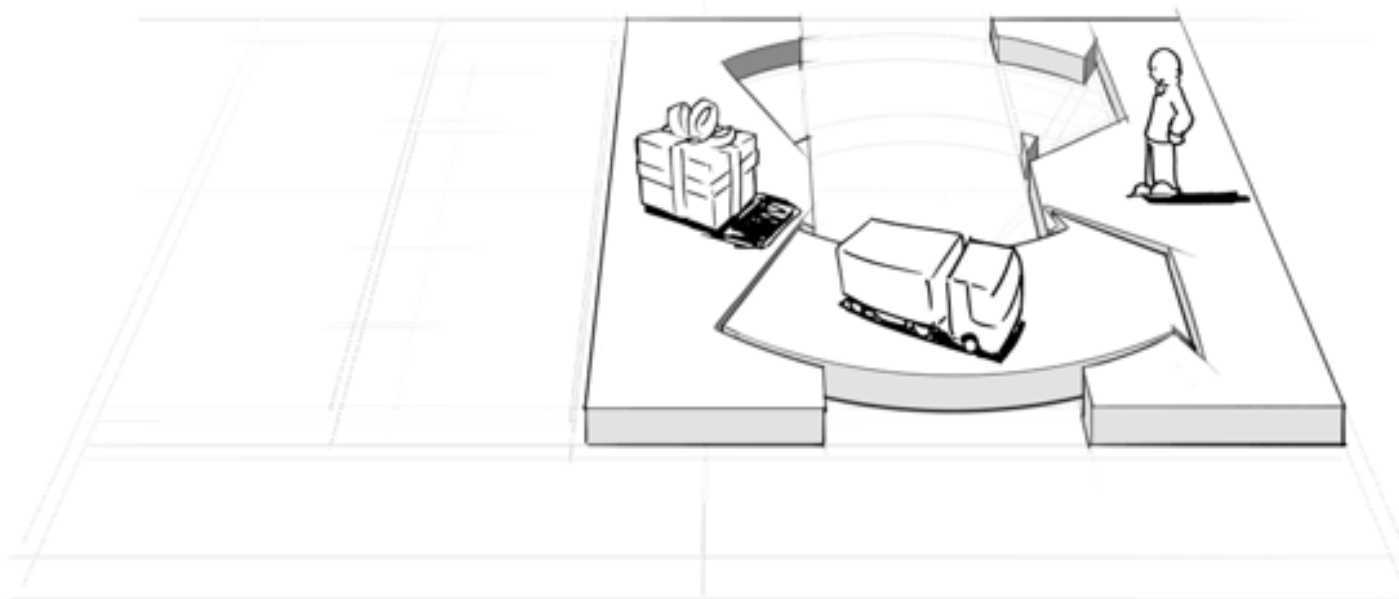


what are you offering them?

It seeks to solve customer problems and satisfy customer needs with value propositions.



CHANNELS

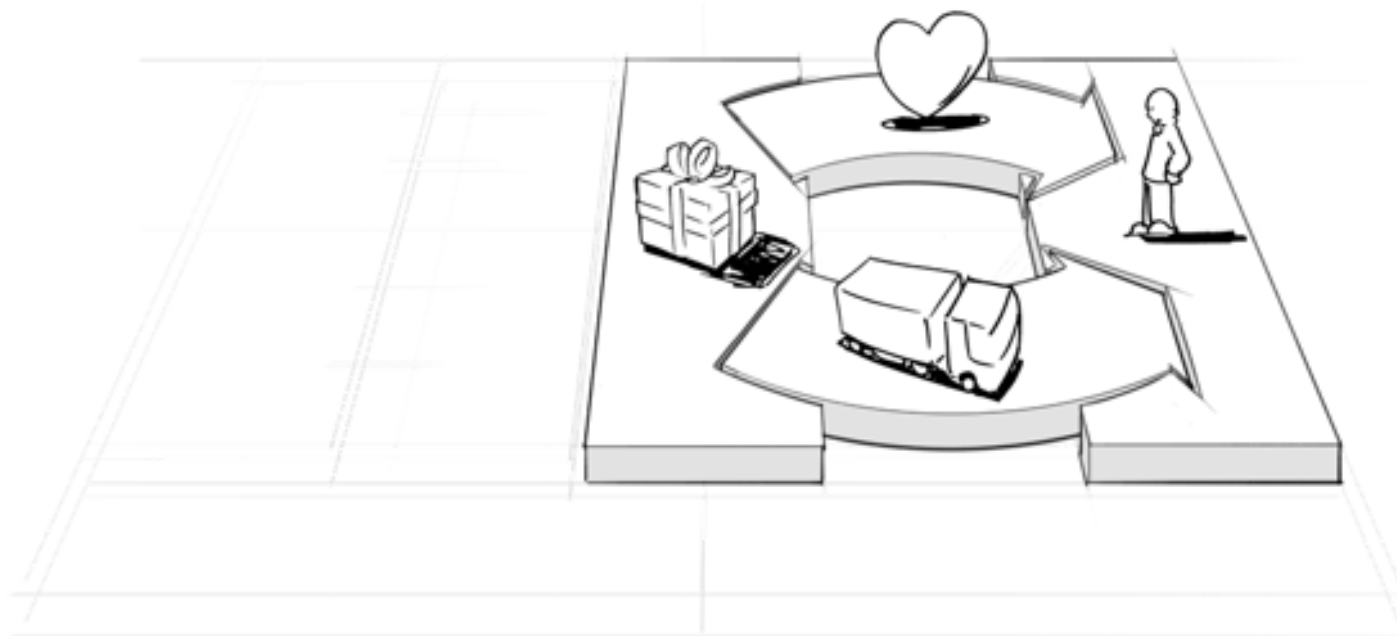


How does each customer segment want to be reached?

Value propositions are delivered to customers through communication, distribution, and sales Channels.



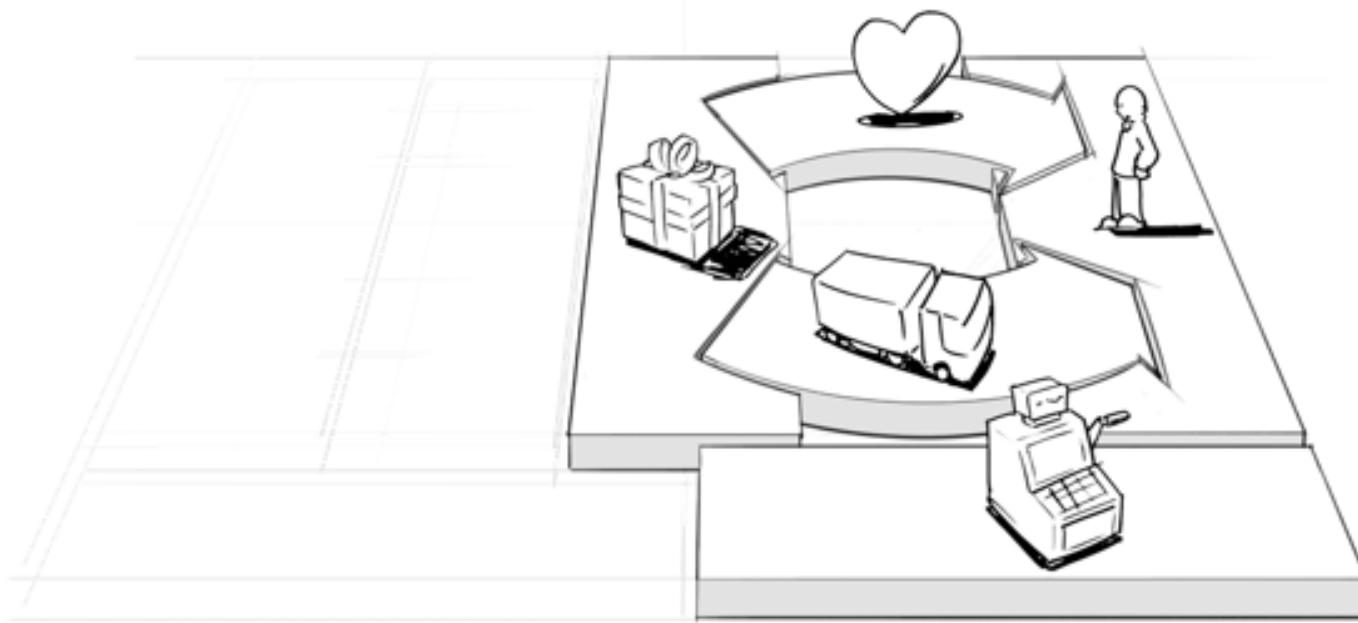
CUSTOMER RELATIONSHIPS



What relationships are you establishing with each segment?
Customer relationships are established and maintained with each
Customer Segment.



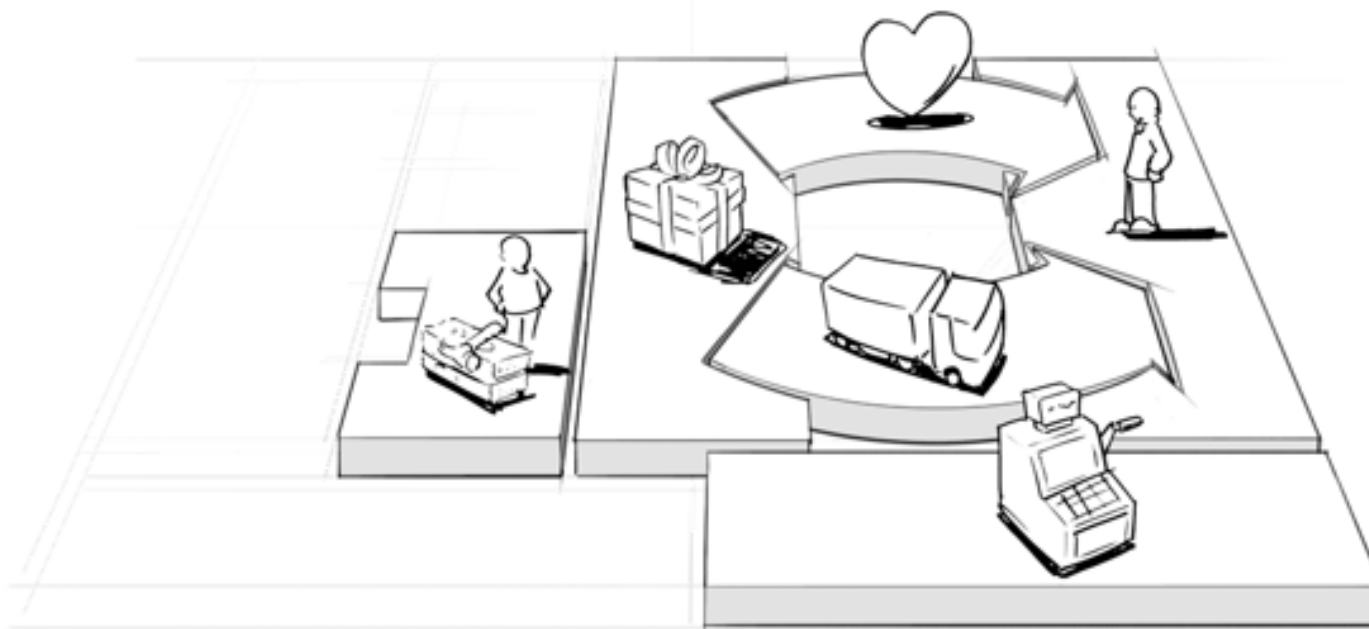
REVENUE STREAMS



What are customers really willing to pay for? how?
Revenue streams result from value propositions successfully offered to customers.



KEY RESOURCES

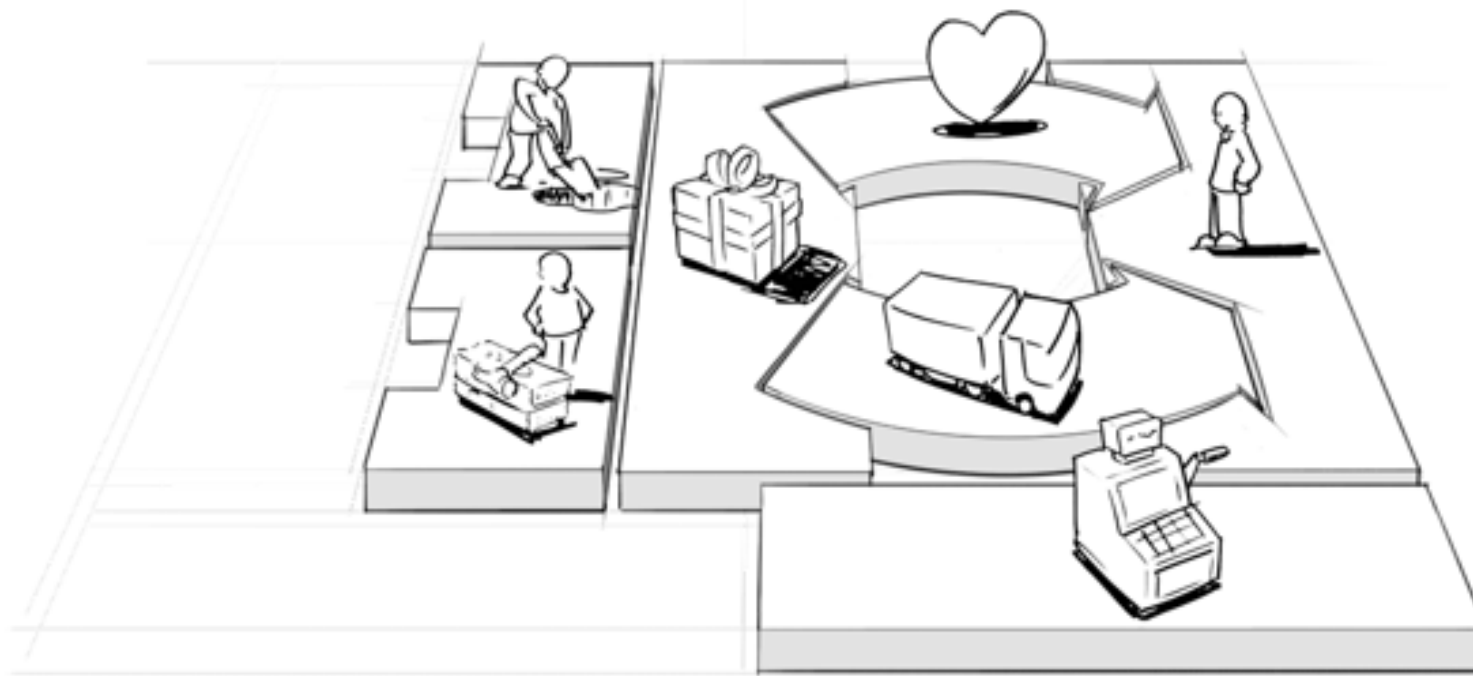


Which resources underpin your business model?

Key resources are the assets required to offer and deliver the previously described elements ...



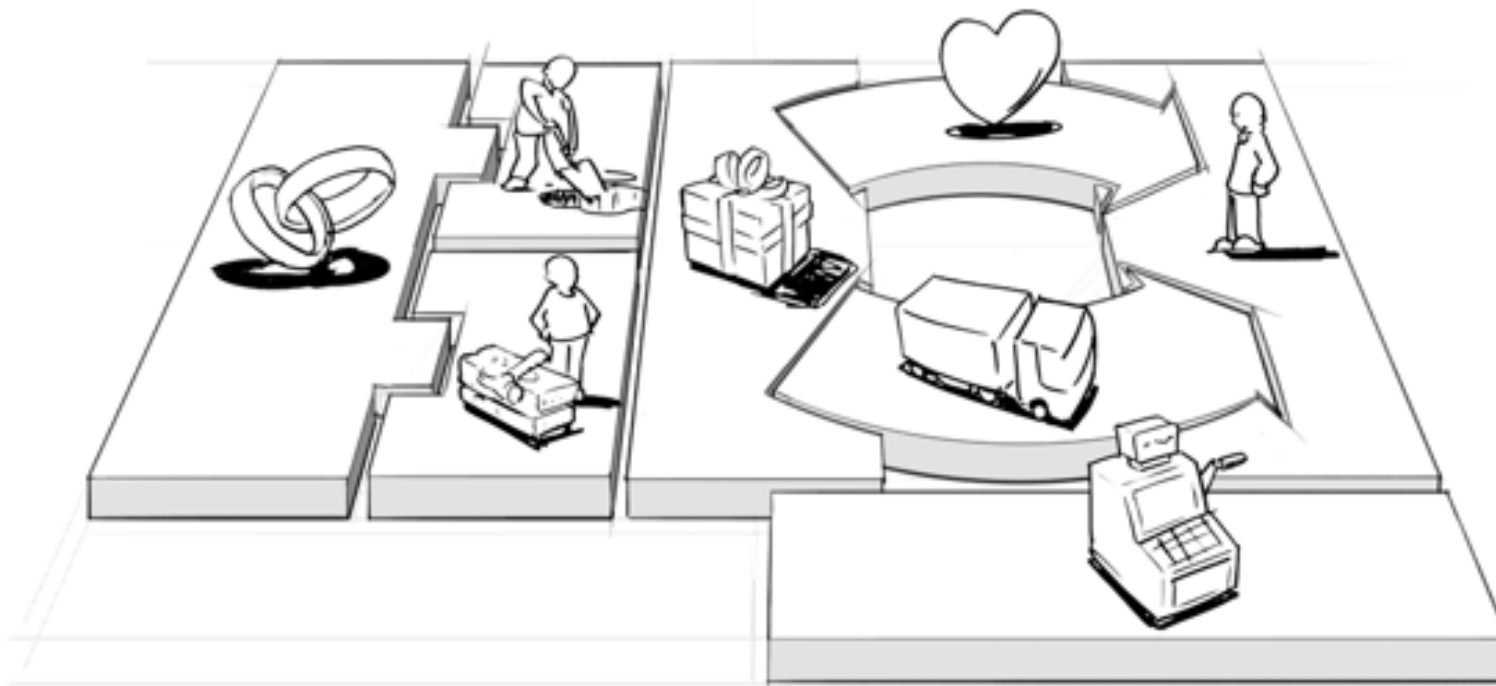
KEY ACTIVITIES



Which activities do you need to perform well in your business model?
...by performing a number of Key Activities.



KEY PARTNERS

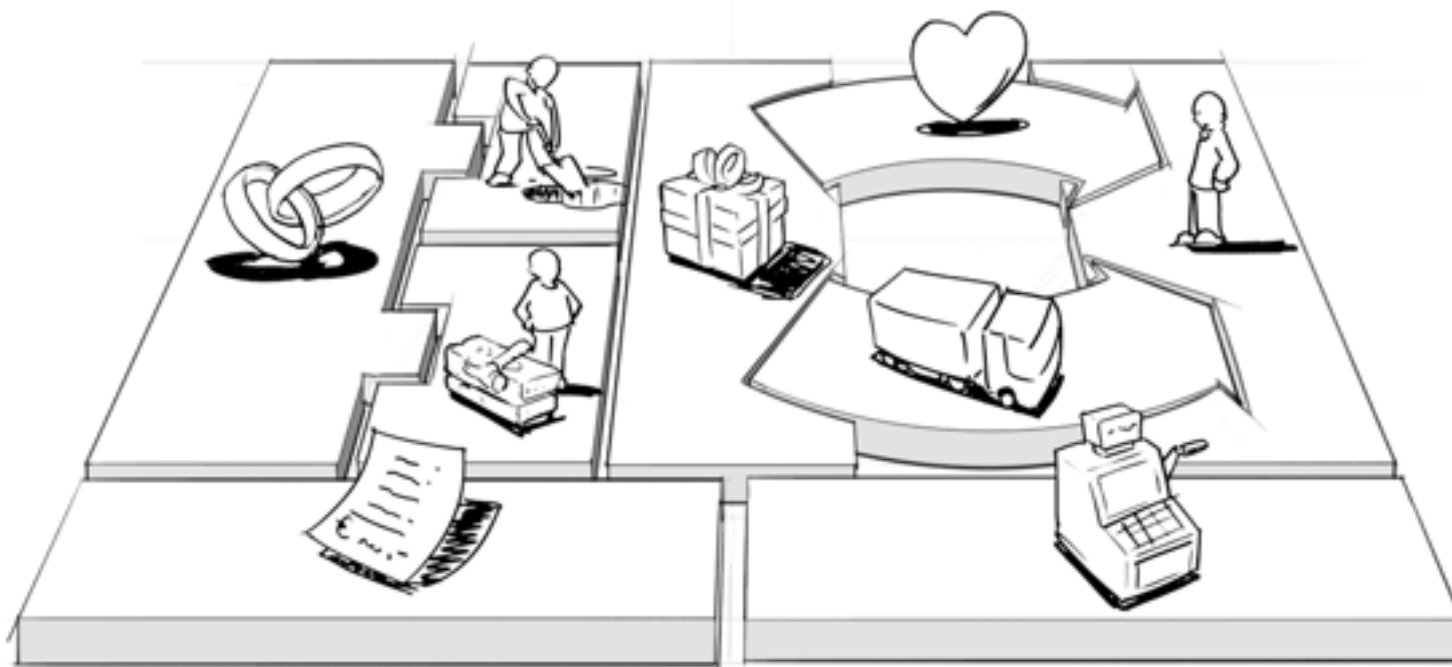


Which partners and suppliers leverage your model?

Some activities are outsourced and some resources are acquired outside the enterprise.



COST STRUCTURE

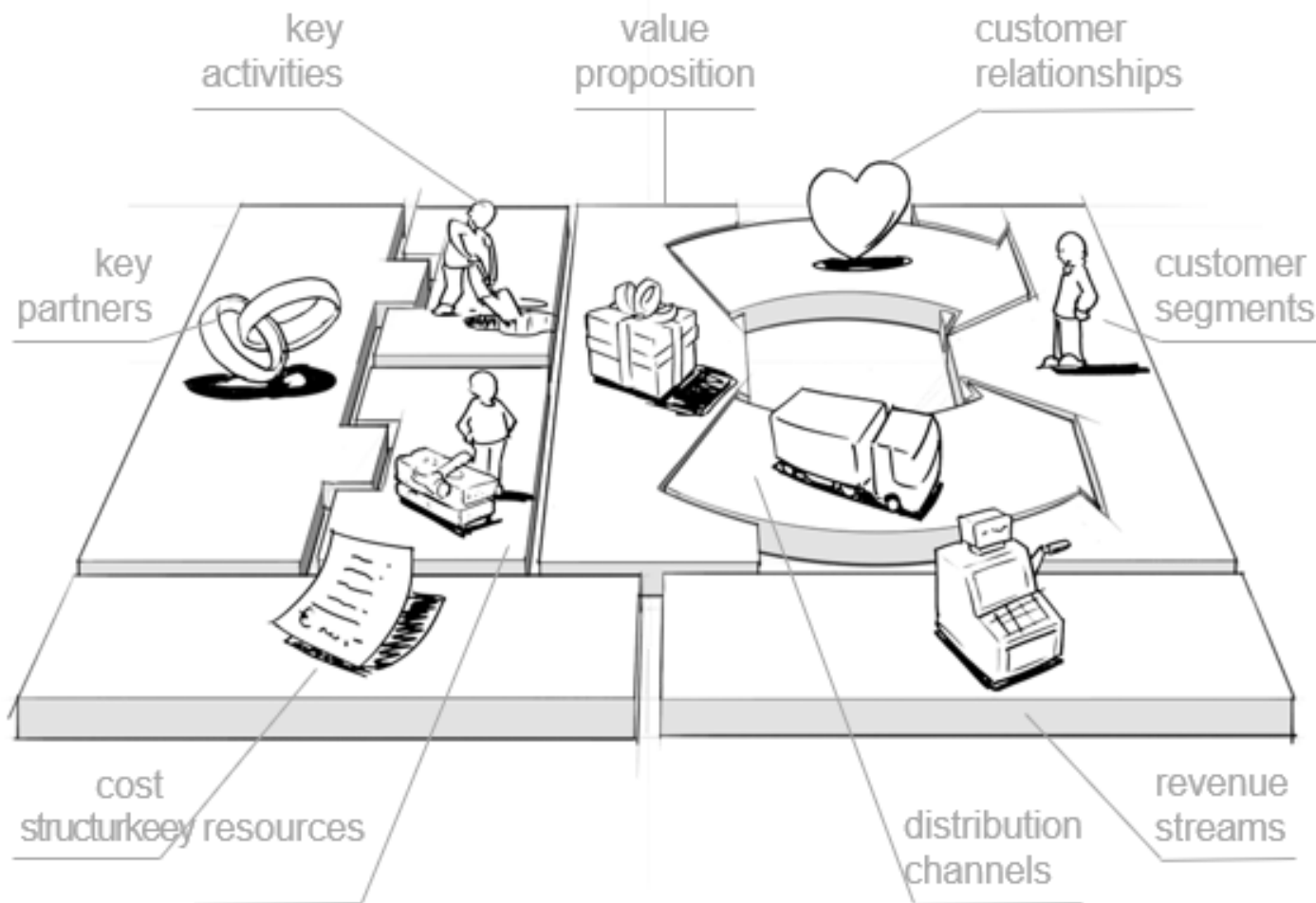


What is the resulting cost structure?

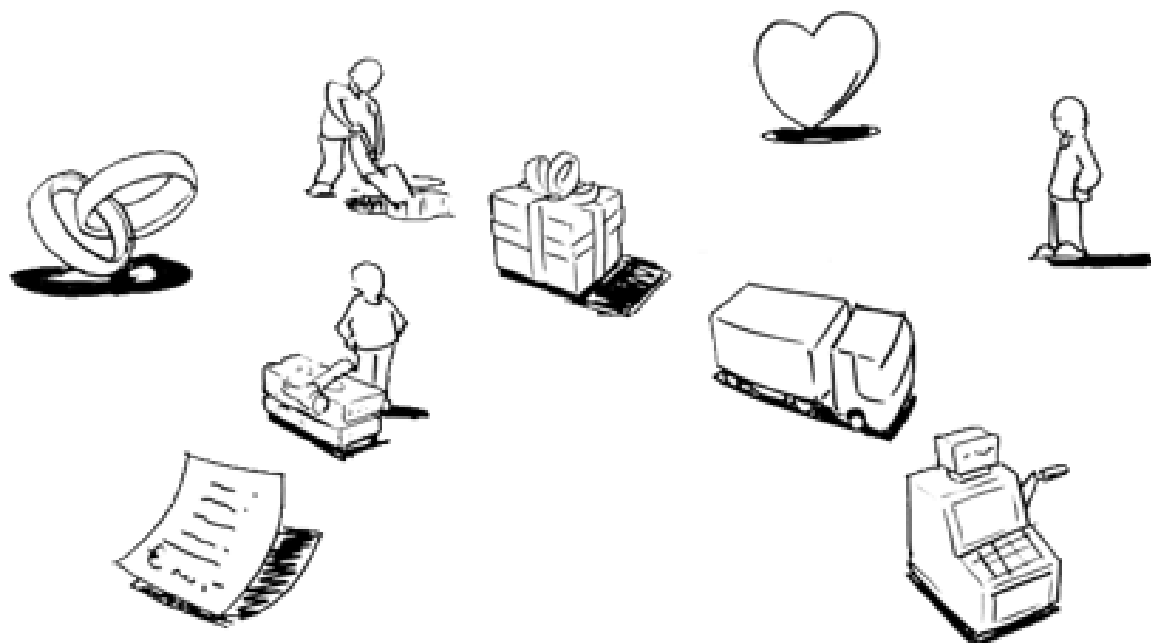
The business model elements result in the cost structure.



BUSINESS MODELS



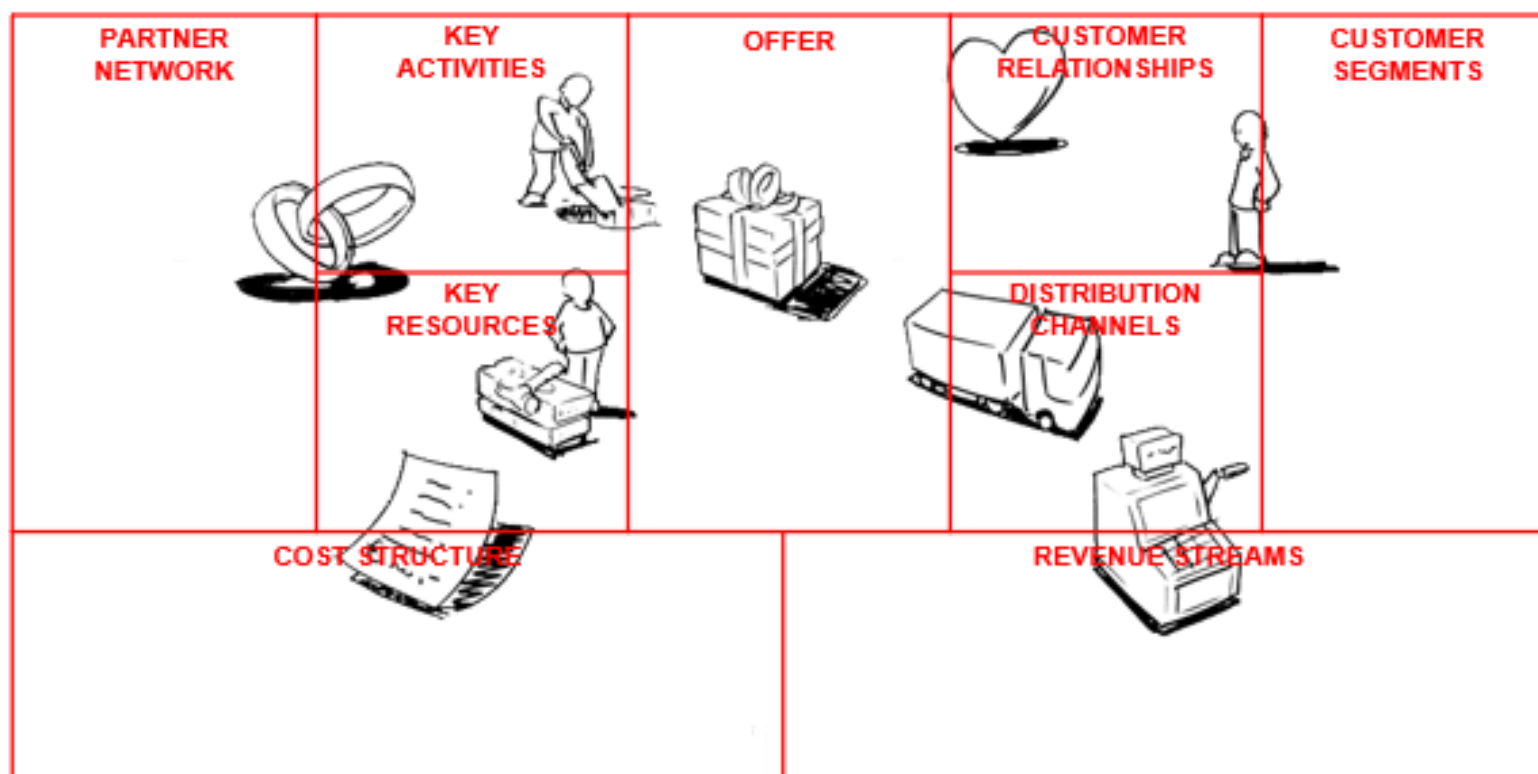
BUSINESS MODELS



images by JAM



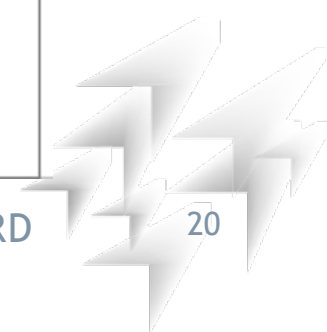
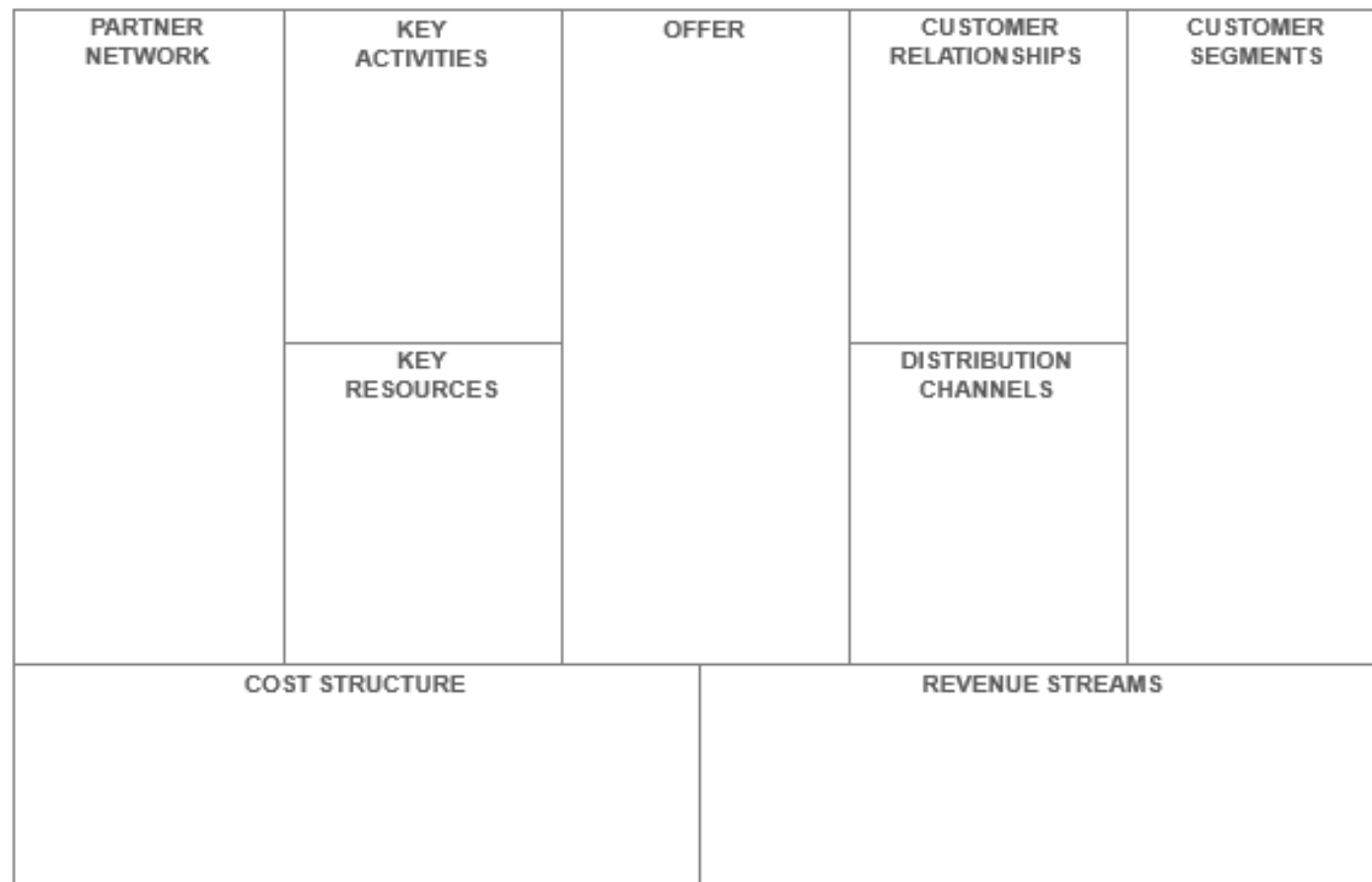
CANVAS OVERLAY



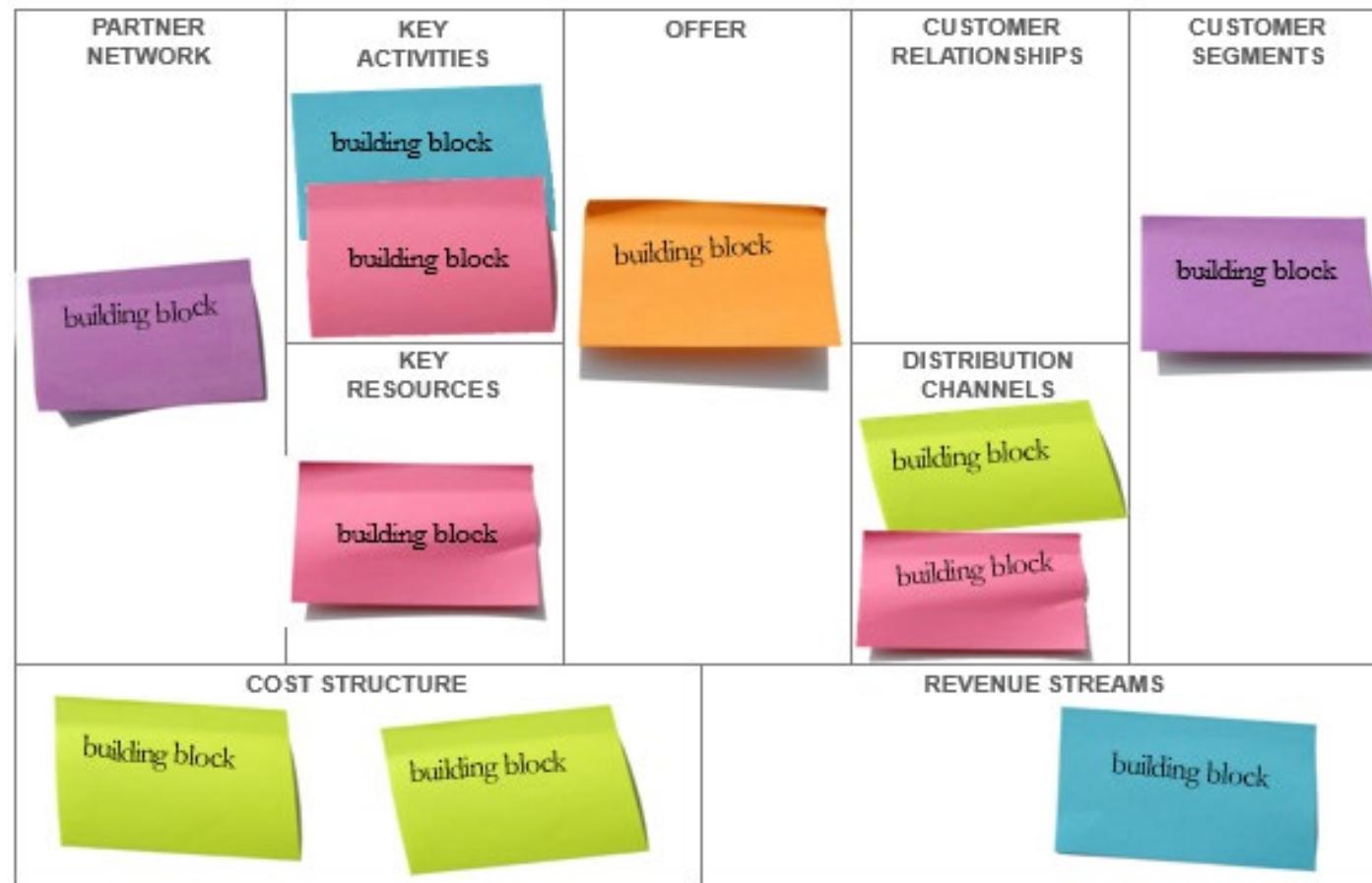
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THE BUSINESS MODEL CANVAS



THE BUSINESS MODEL CANVAS



EXAMPLE



CASE STUDY— IFOOD

Food ordering platform (Mobile App & Web)

Order food online from around 1000 restaurants around Jordan.

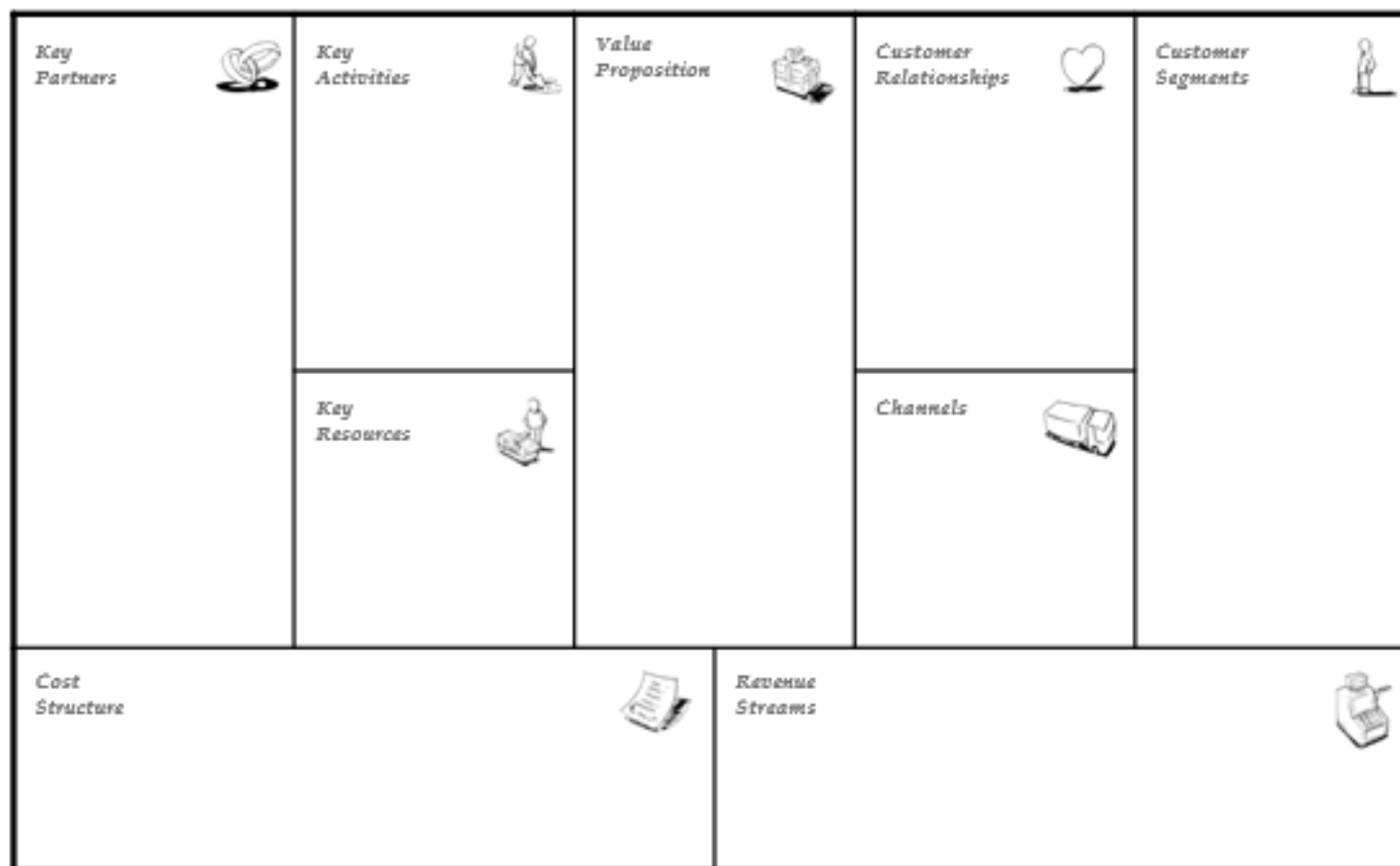
Covers Amman, Irbid, Salt, Zarqa, Madaba & Aqaba.

special offers

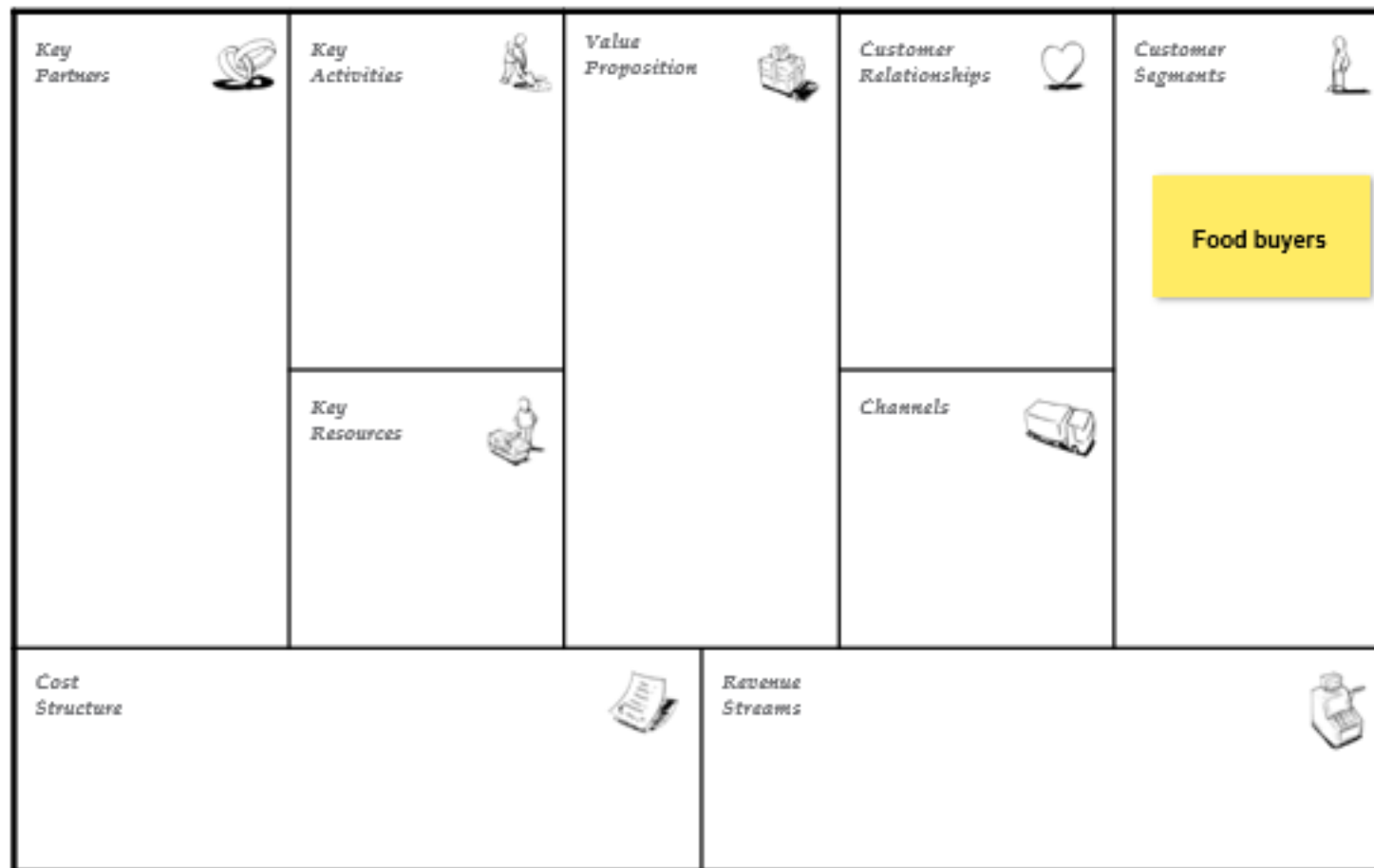
100% Free Service



BUSINESS MODEL – IFOOD



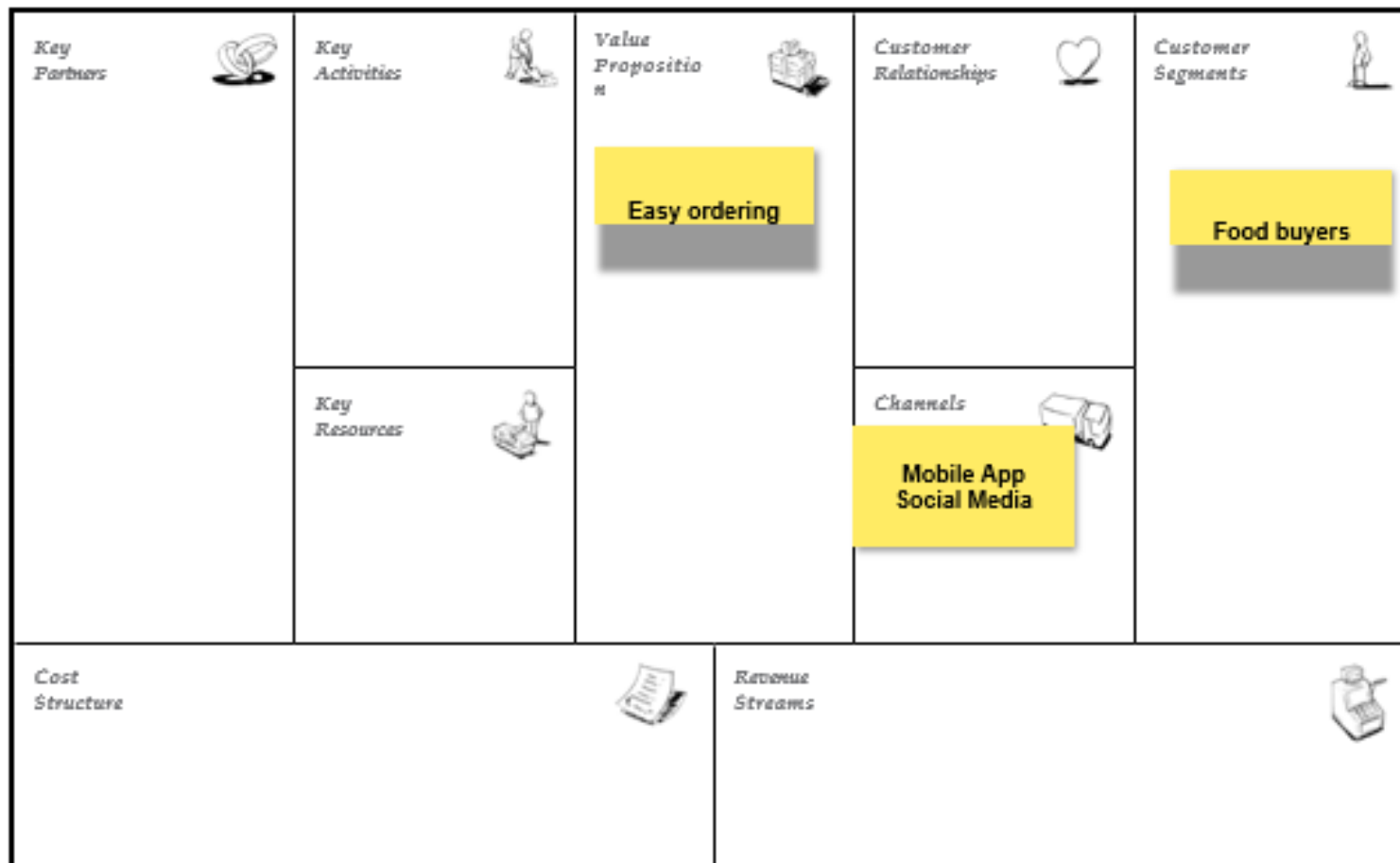
BUSINESS MODEL – IFOOD



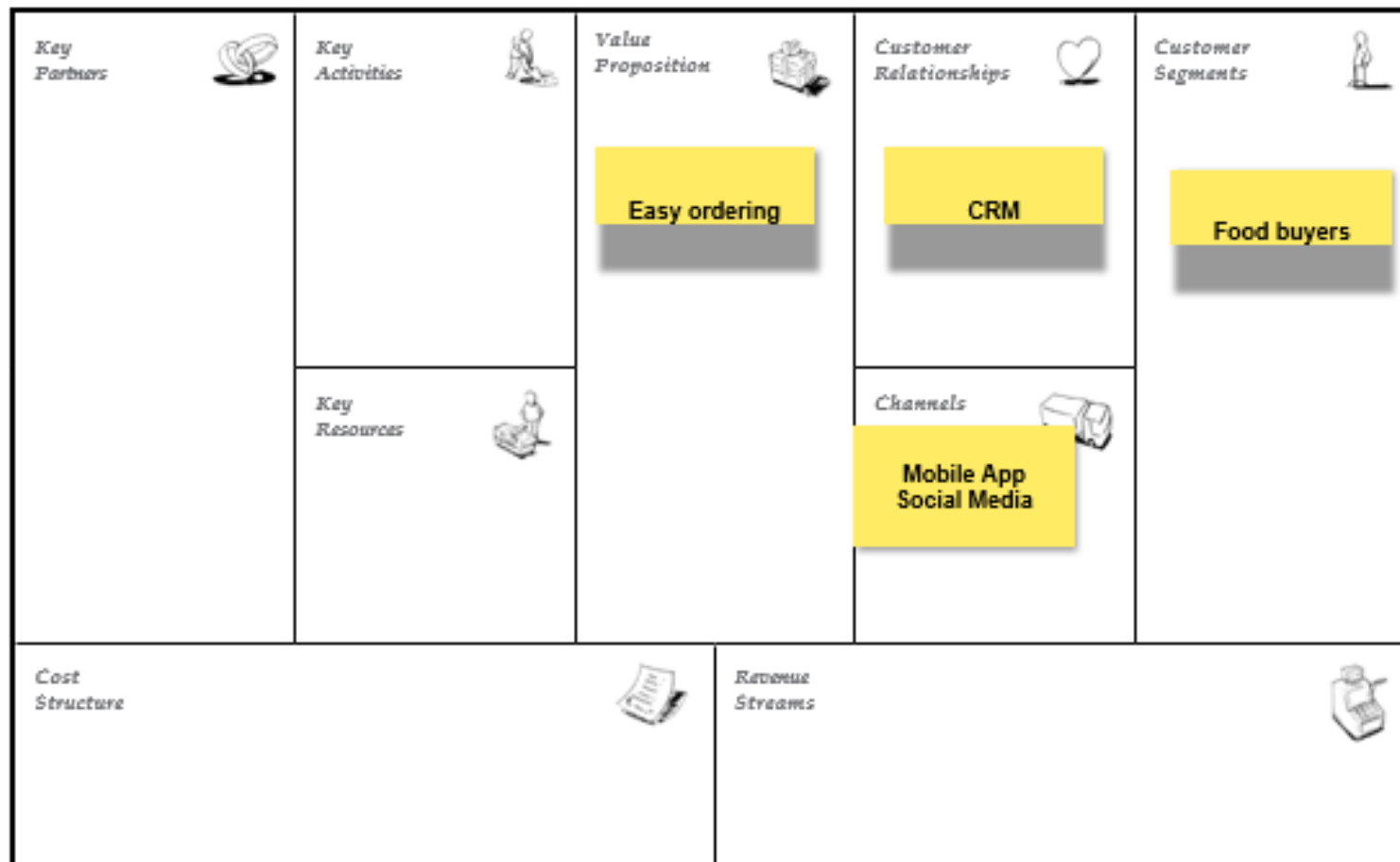
BUSINESS MODEL – IFOOD



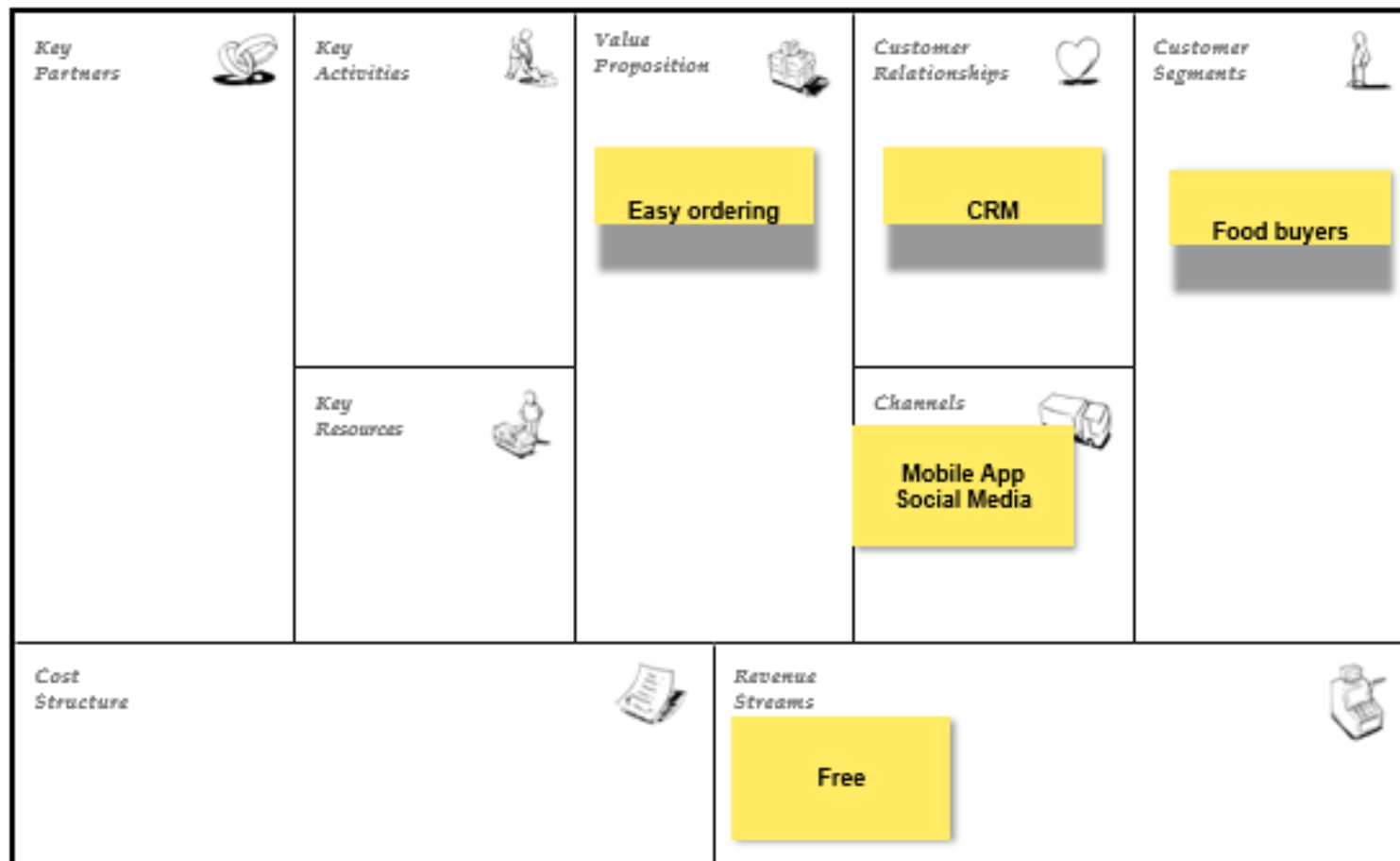
BUSINESS MODEL – IFOOD



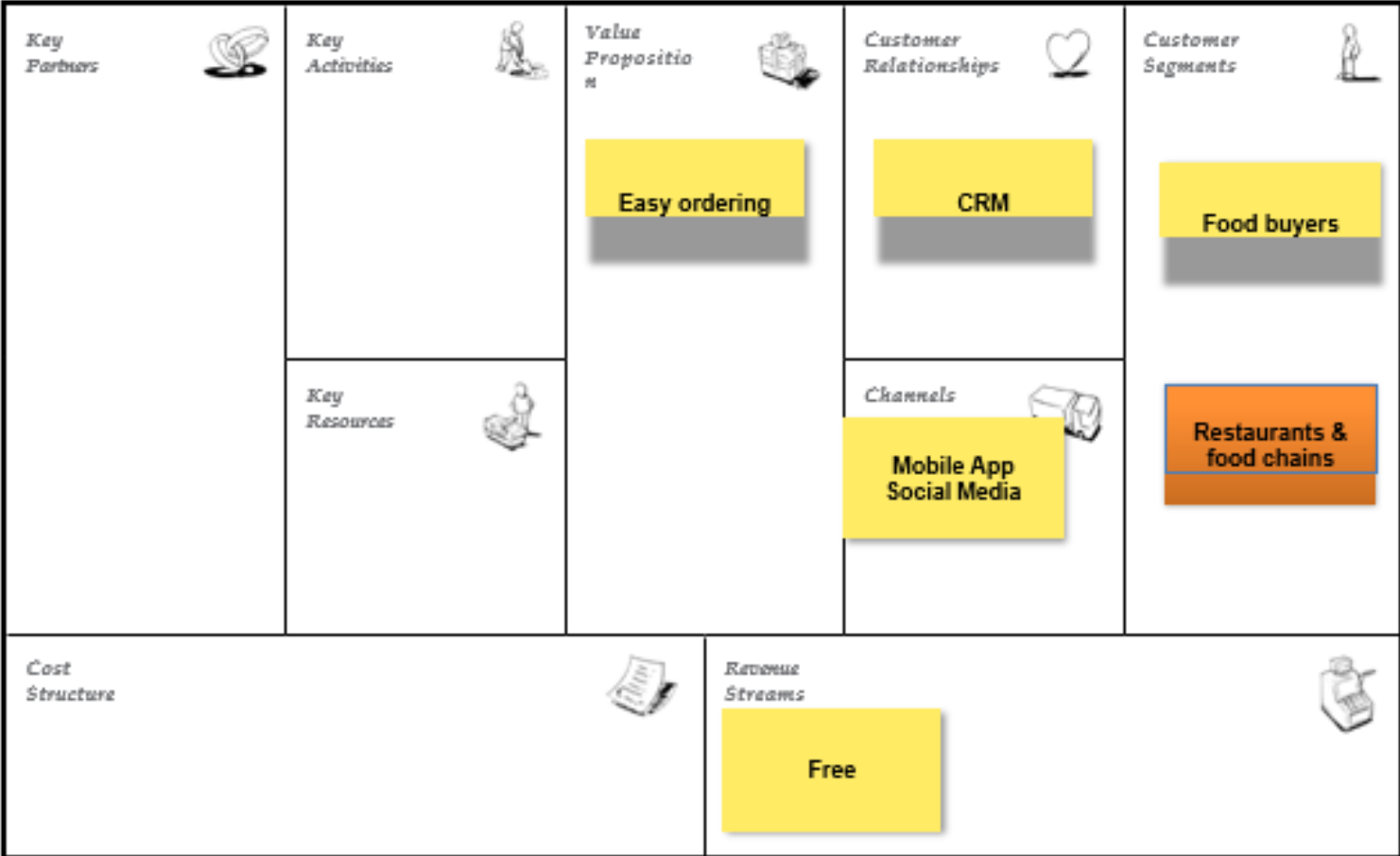
BUSINESS MODEL – IFOOD



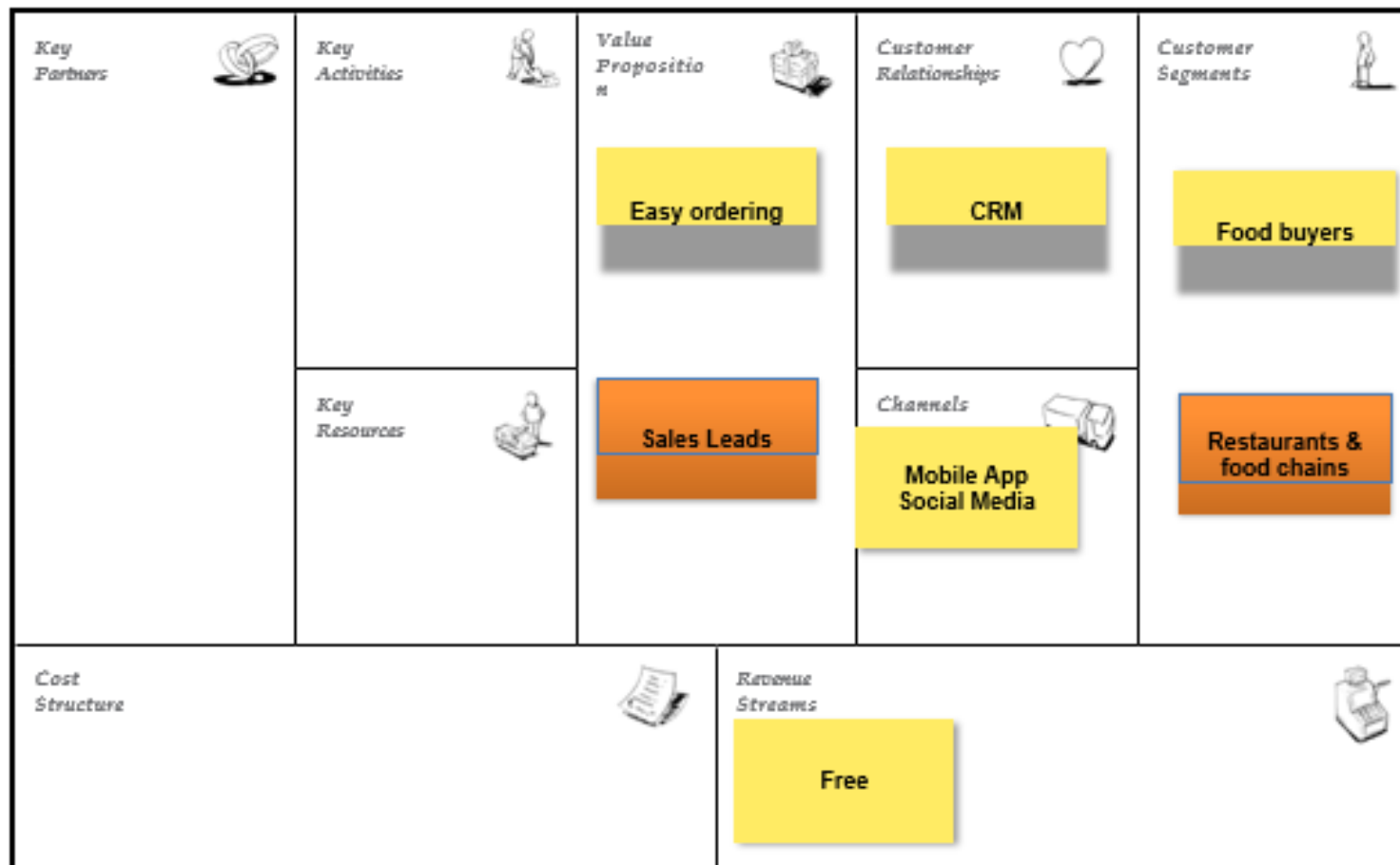
BUSINESS MODEL – IFOOD



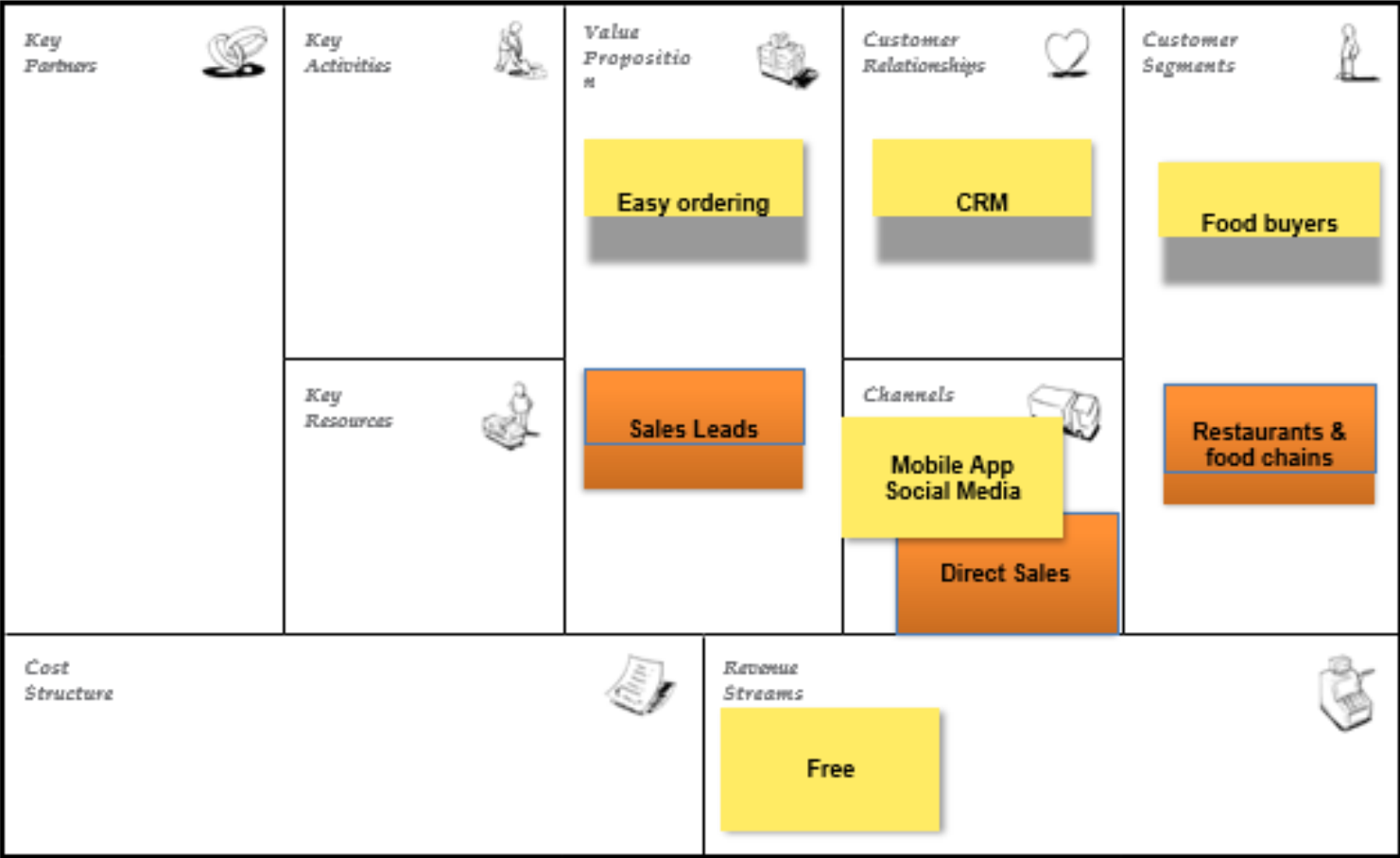
BUSINESS MODEL – IFOOD



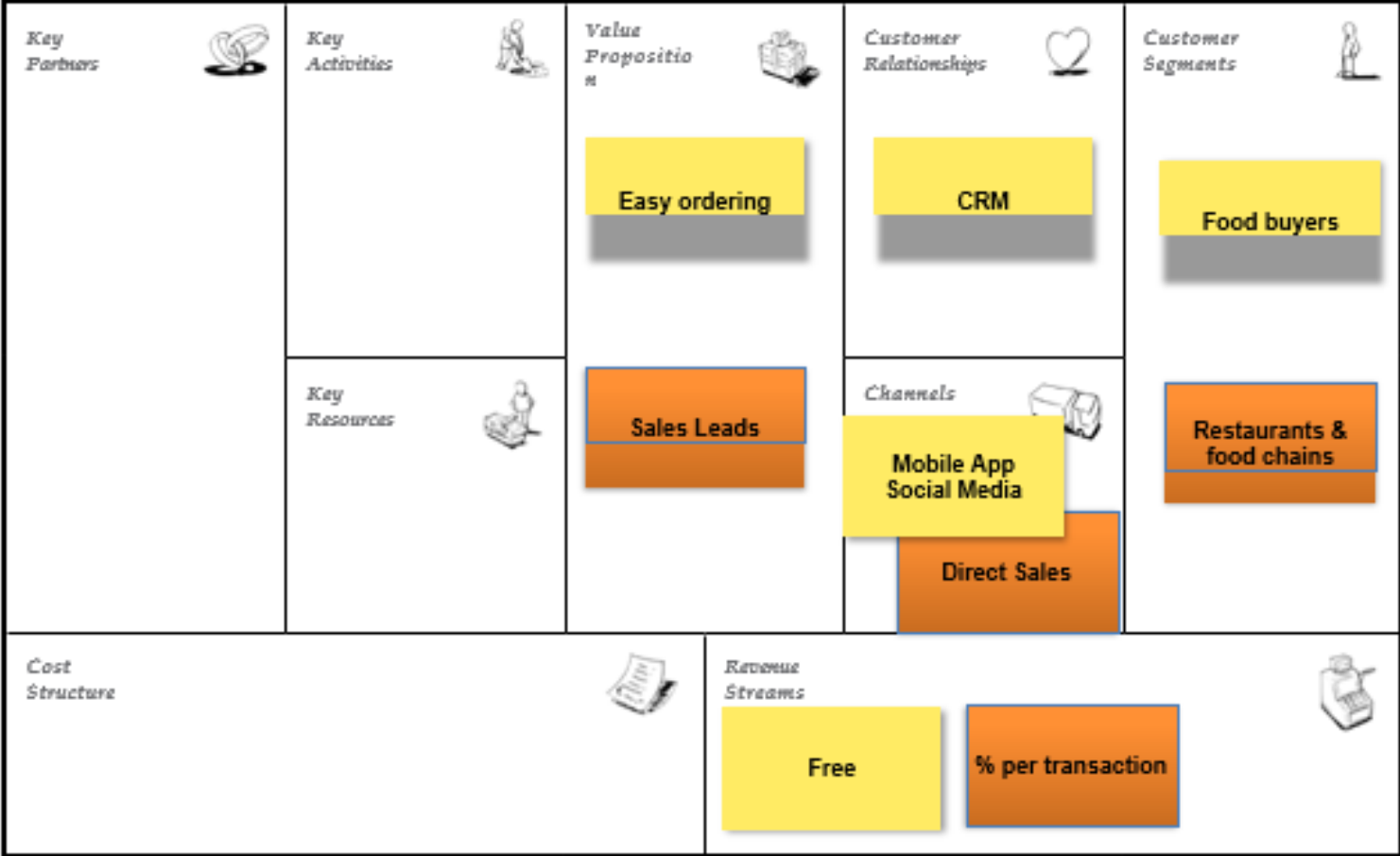
BUSINESS MODEL – IFOOD



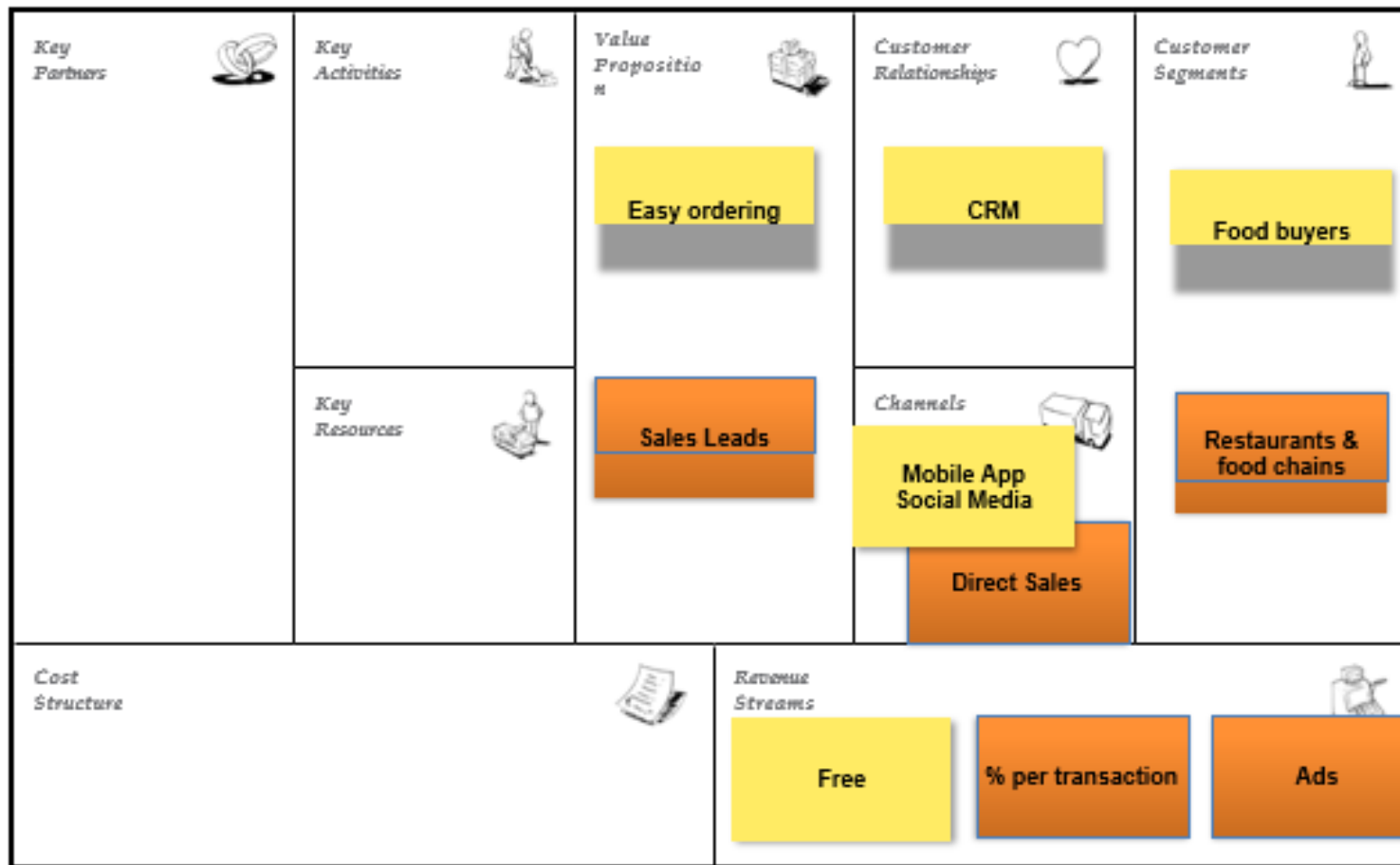
BUSINESS MODEL – IFOOD



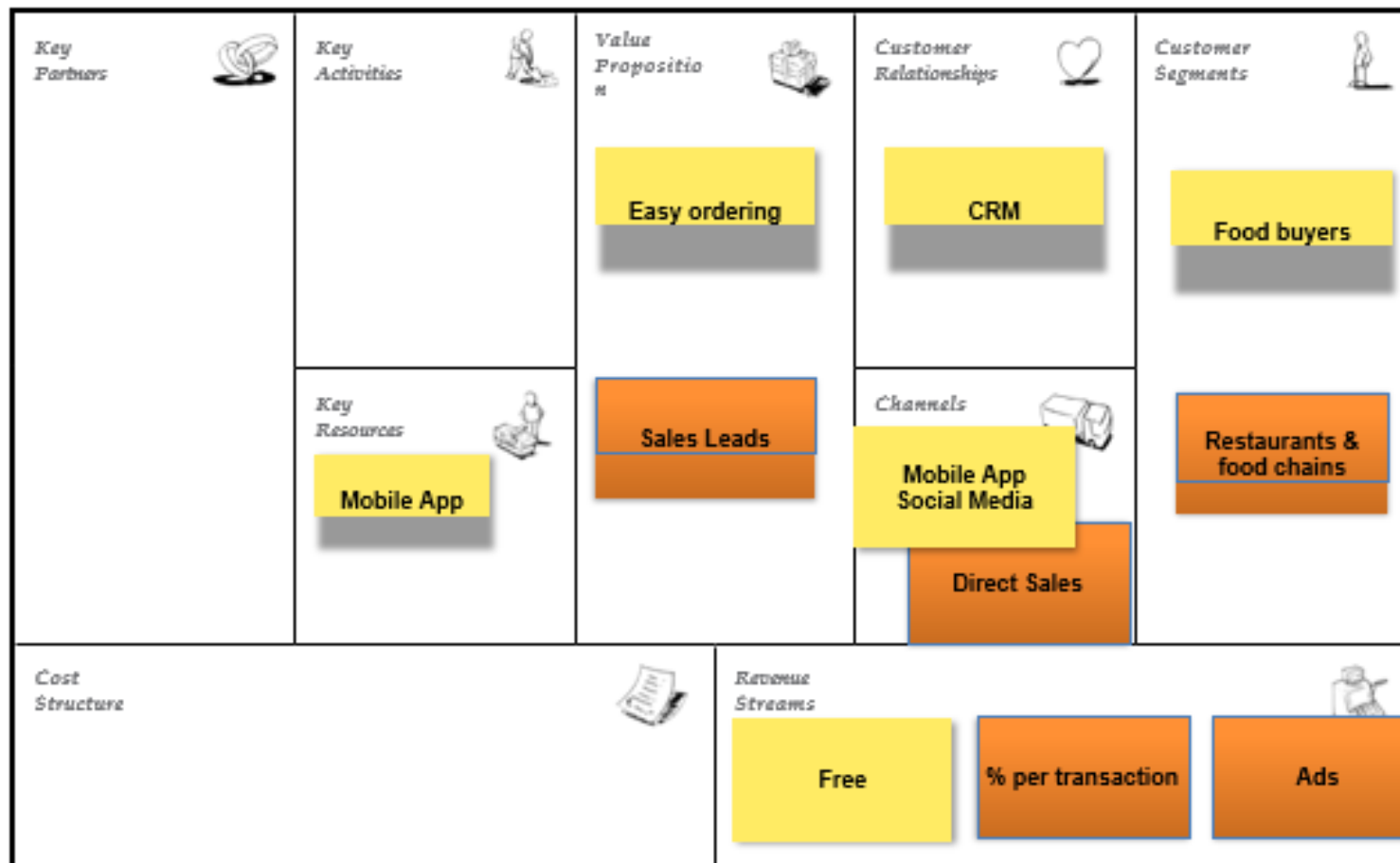
BUSINESS MODEL – IFOOD



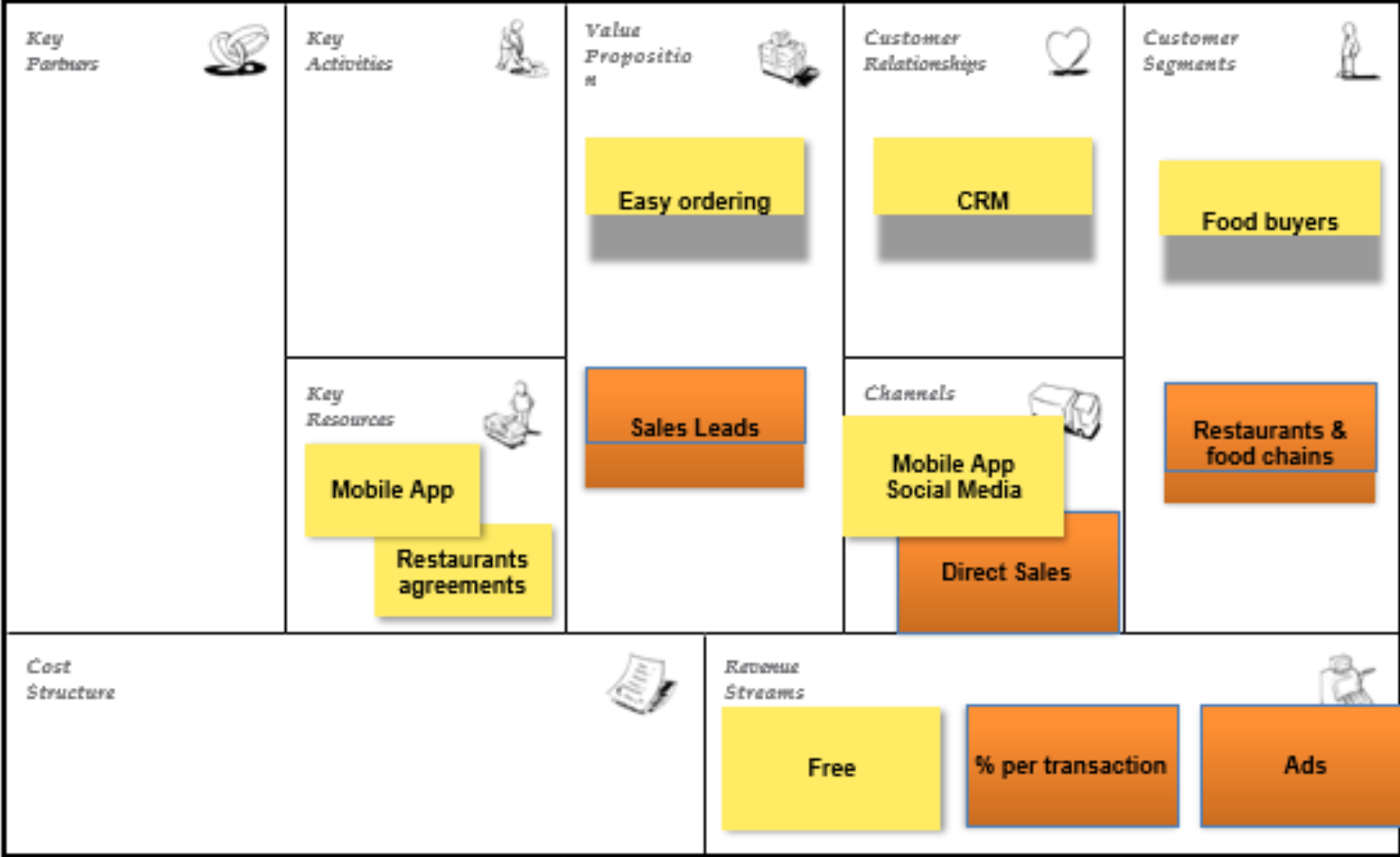
BUSINESS MODEL – IFOOD



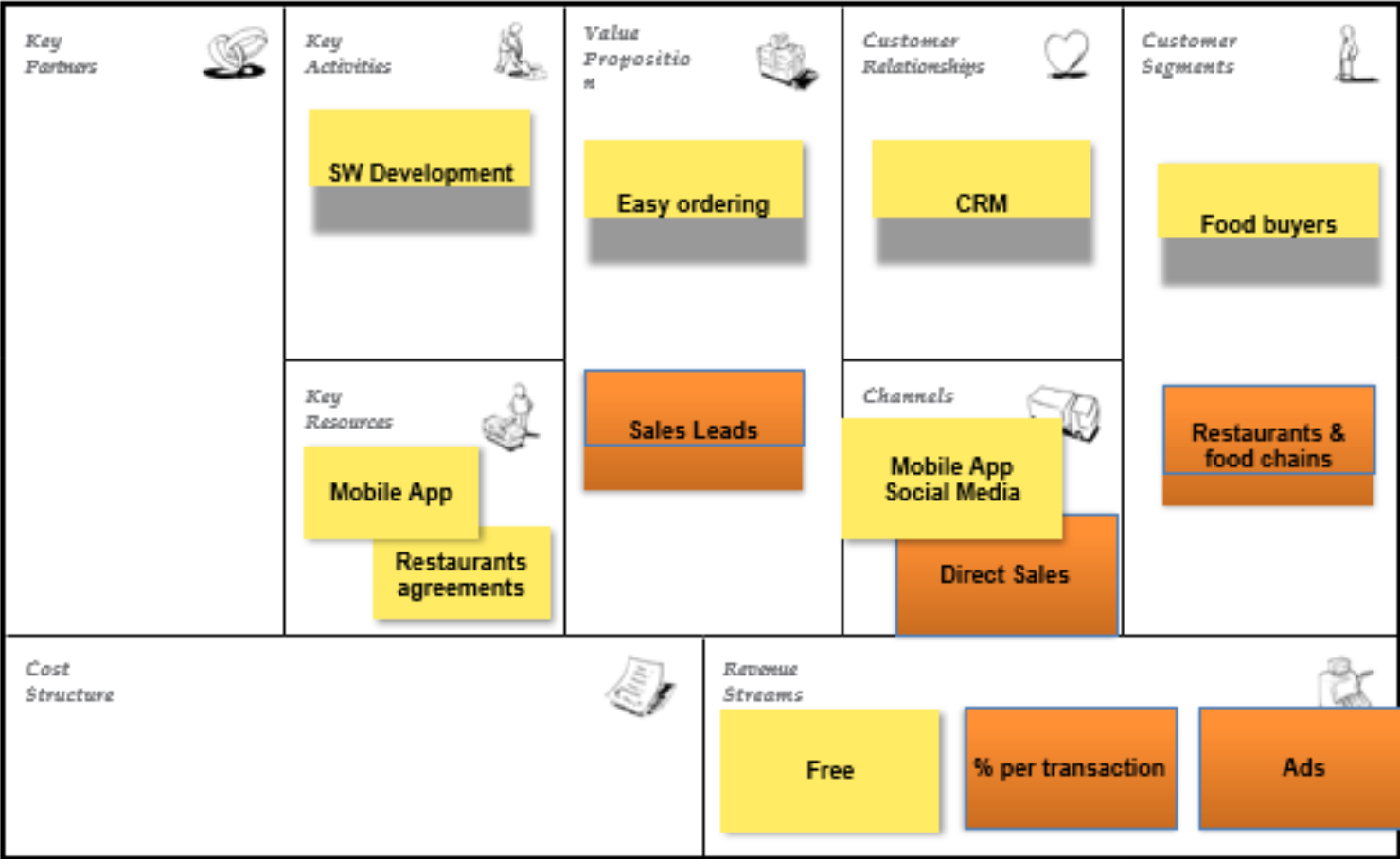
BUSINESS MODEL – IFOOD



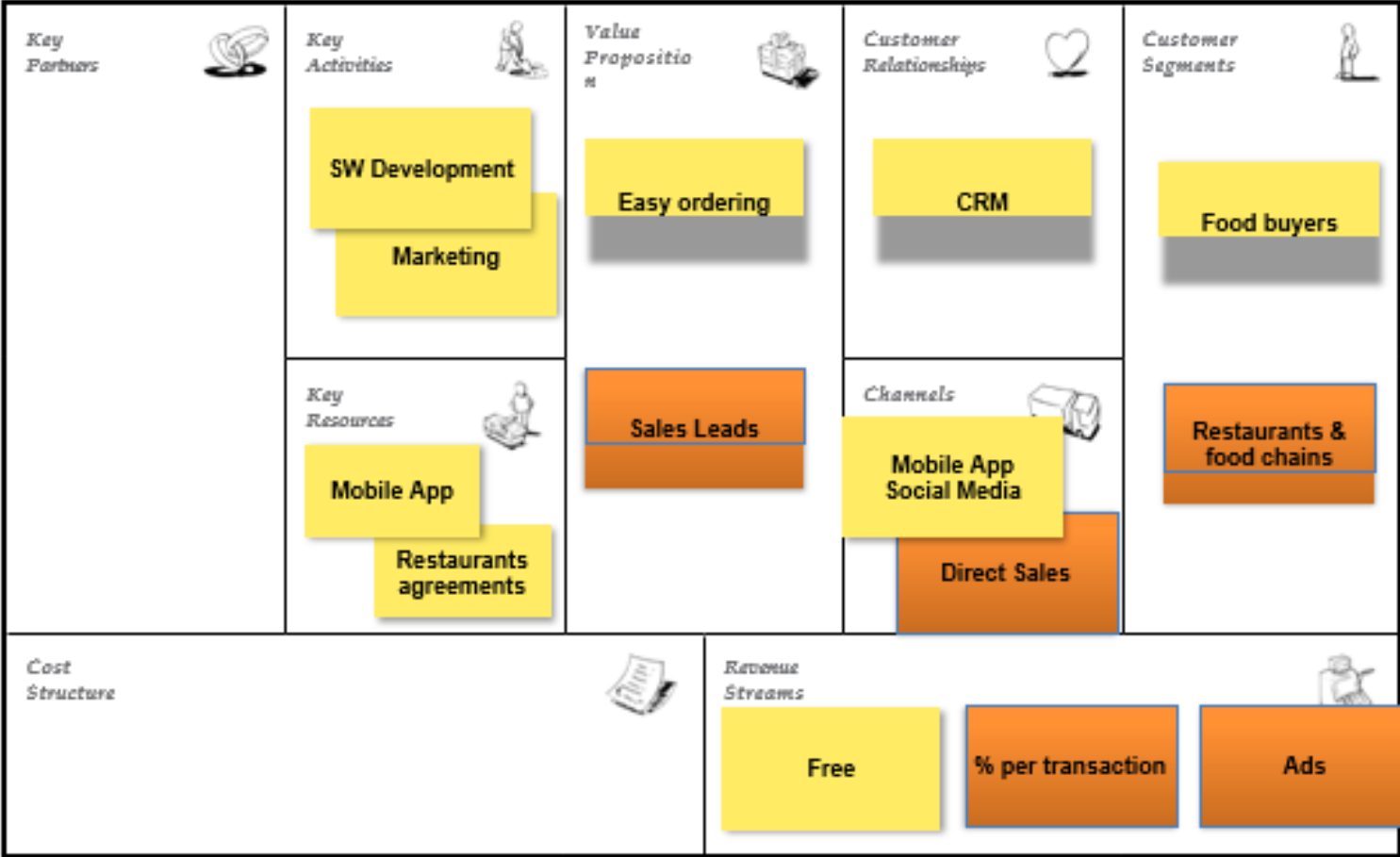
BUSINESS MODEL – IFOOD



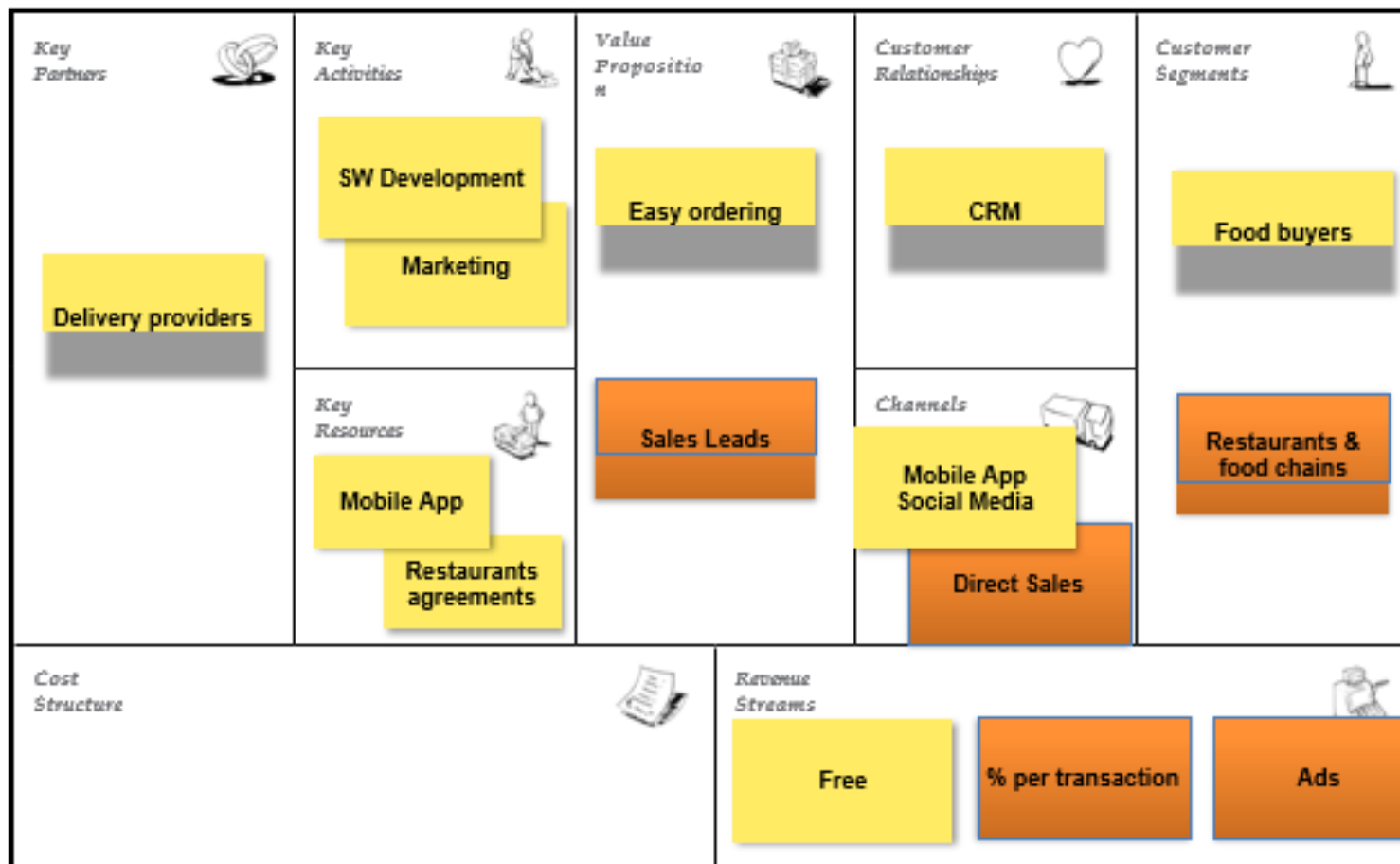
BUSINESS MODEL – IFOOD



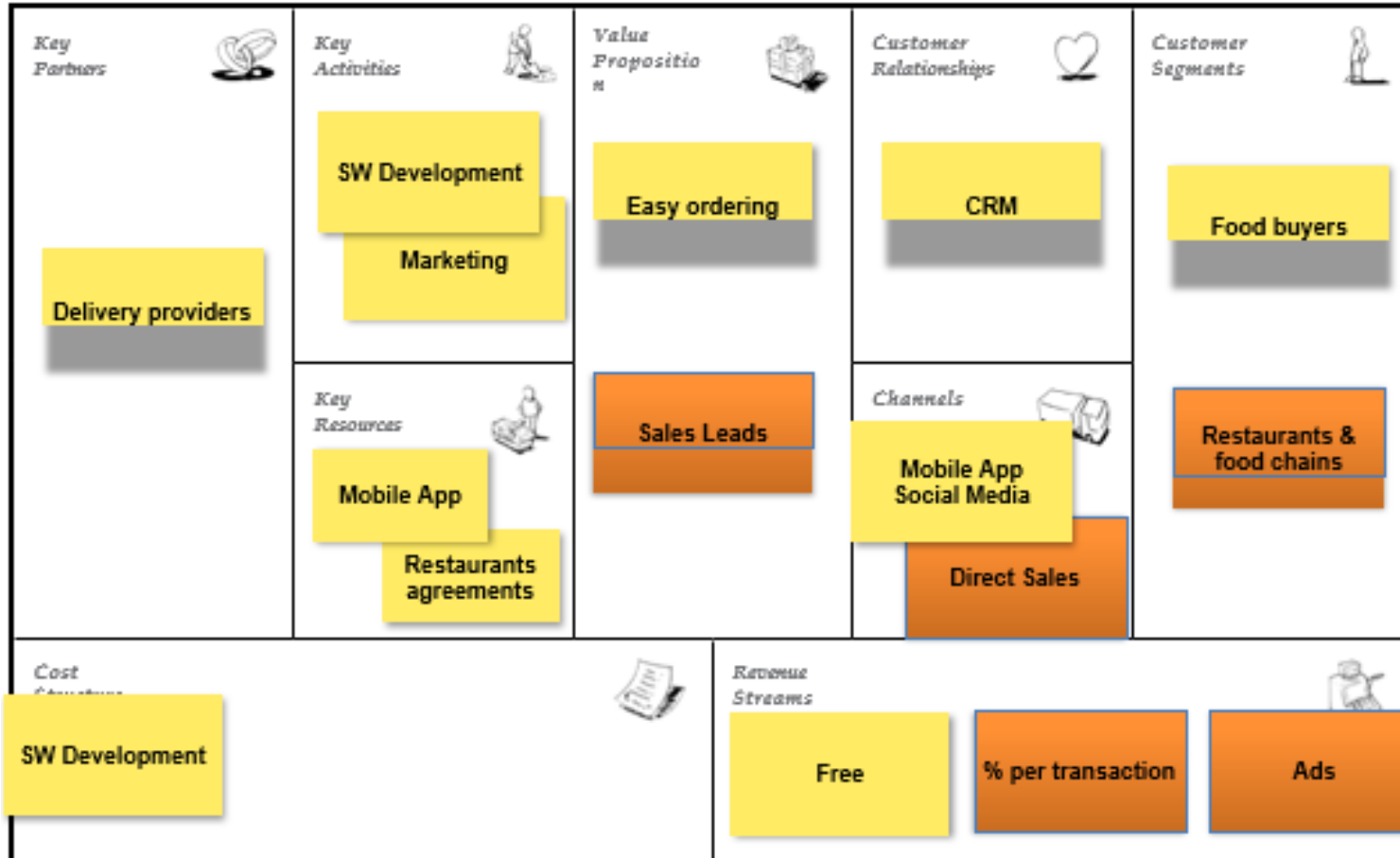
BUSINESS MODEL – IFOOD



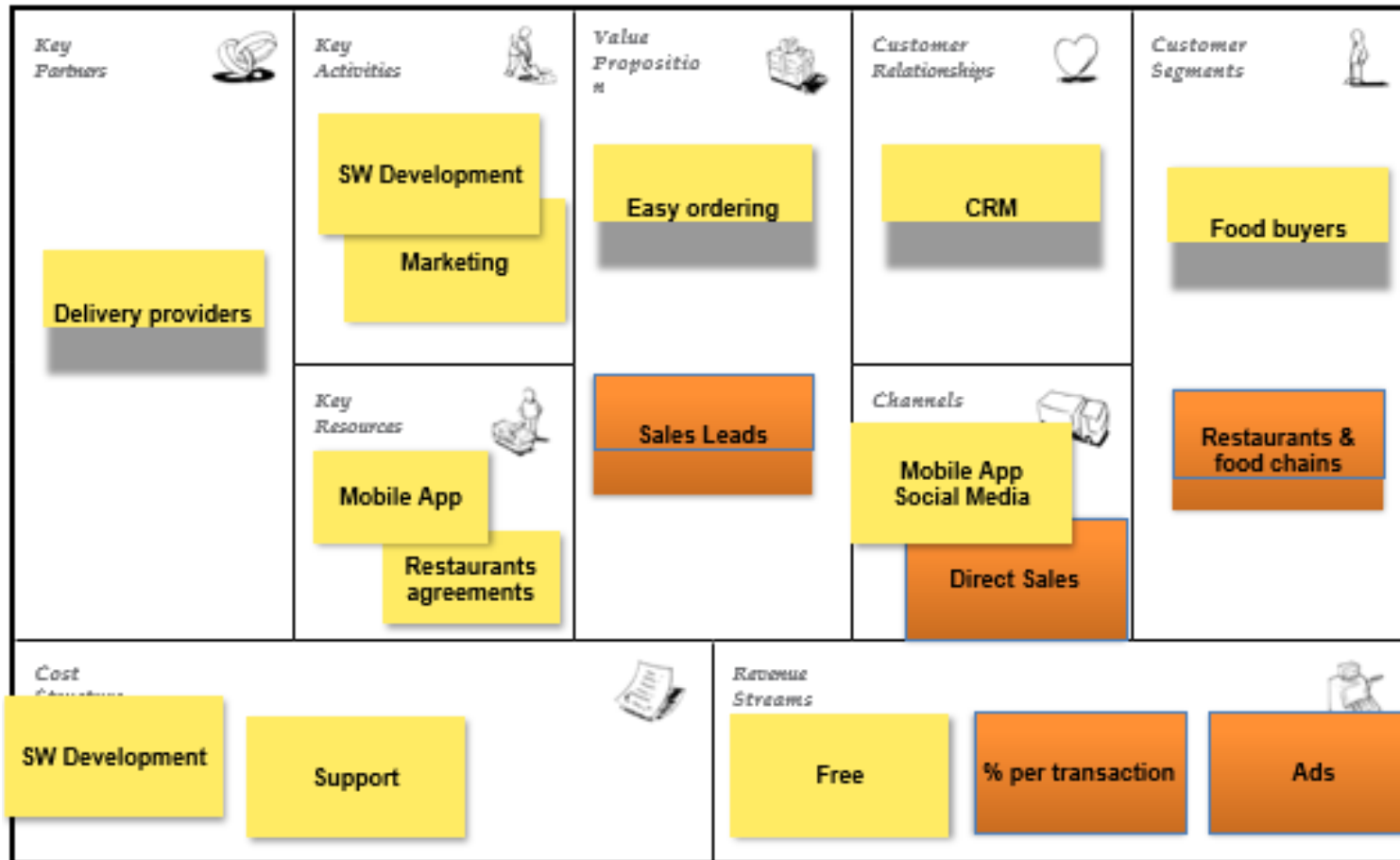
BUSINESS MODEL – IFOOD



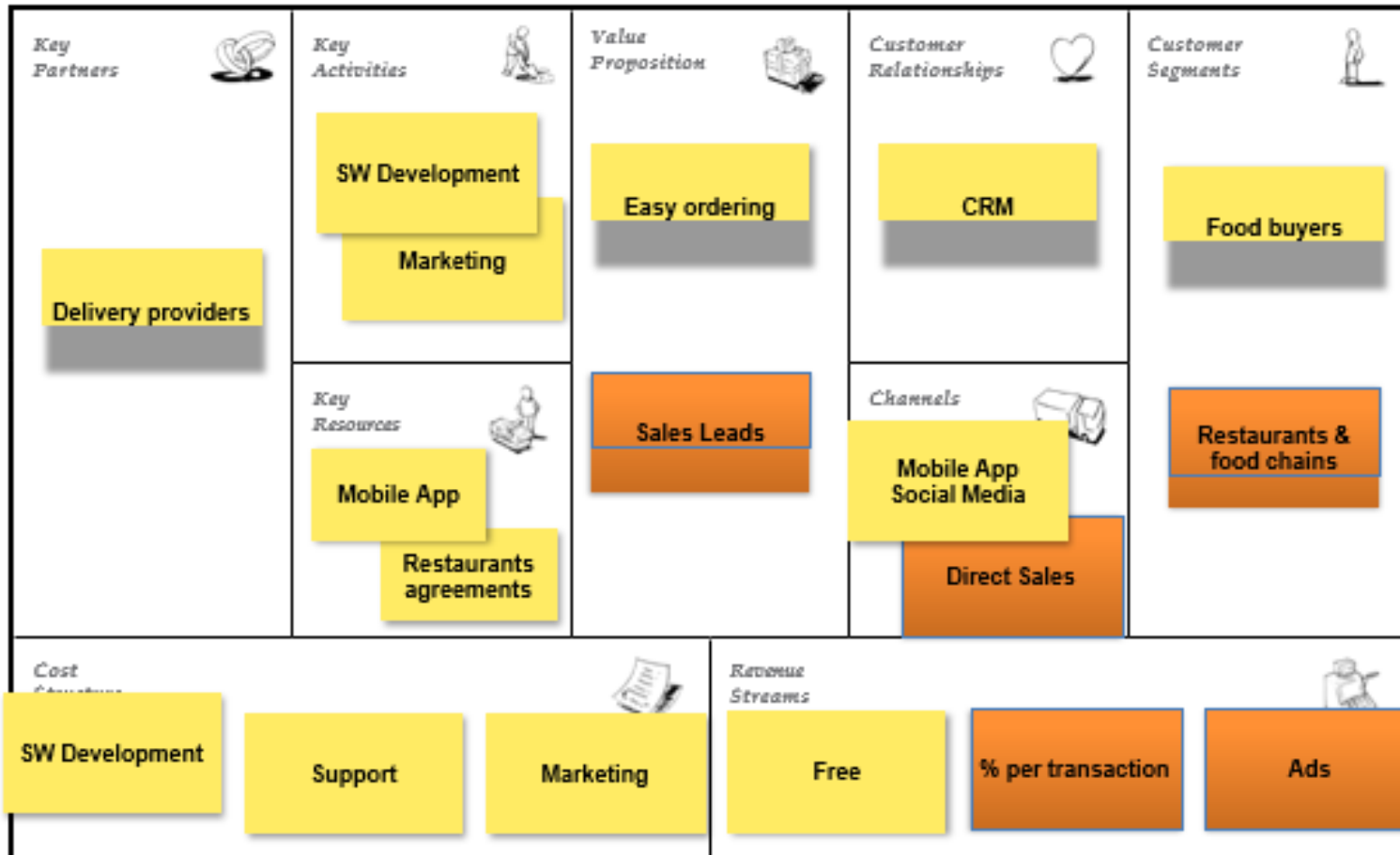
BUSINESS MODEL – IFOOD



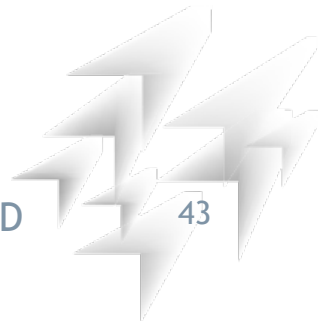
BUSINESS MODEL – IFOOD



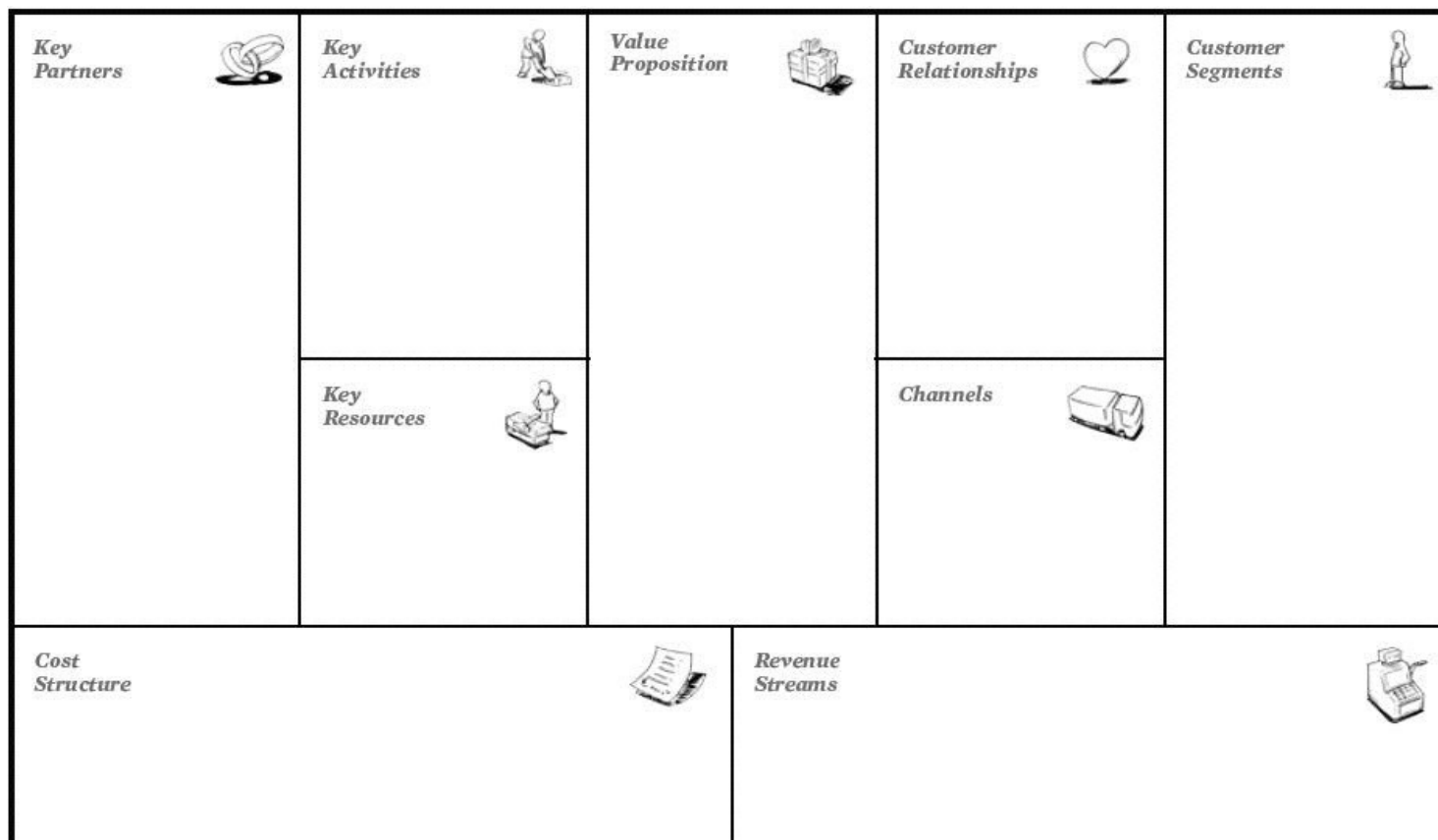
BUSINESS MODEL – IFOOD



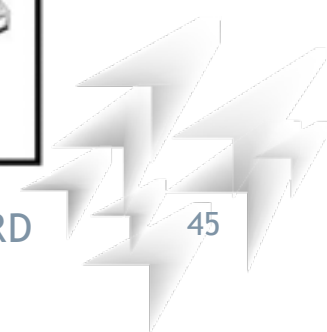
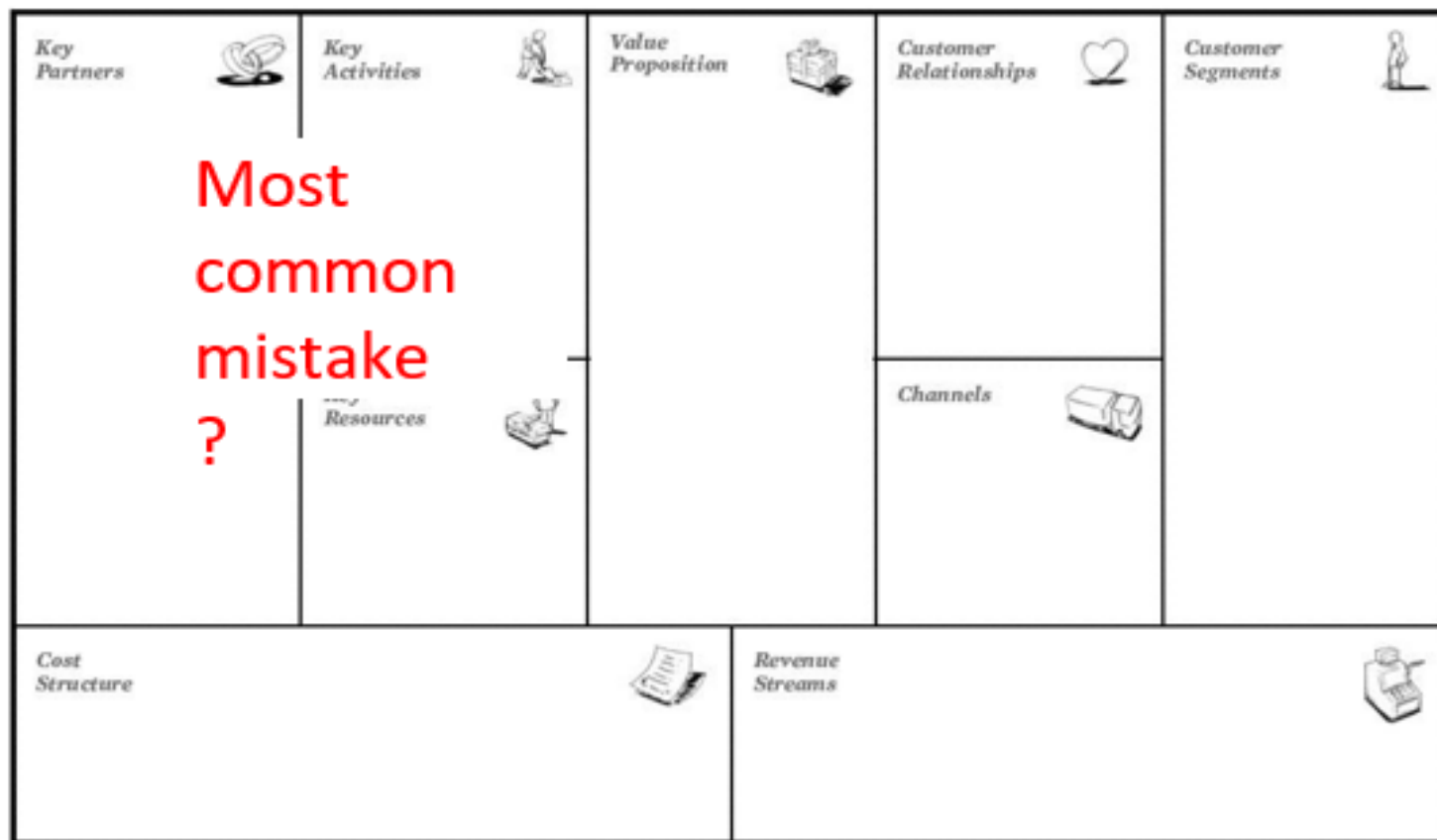
BUSINESS MODEL DESIGN TACTICS



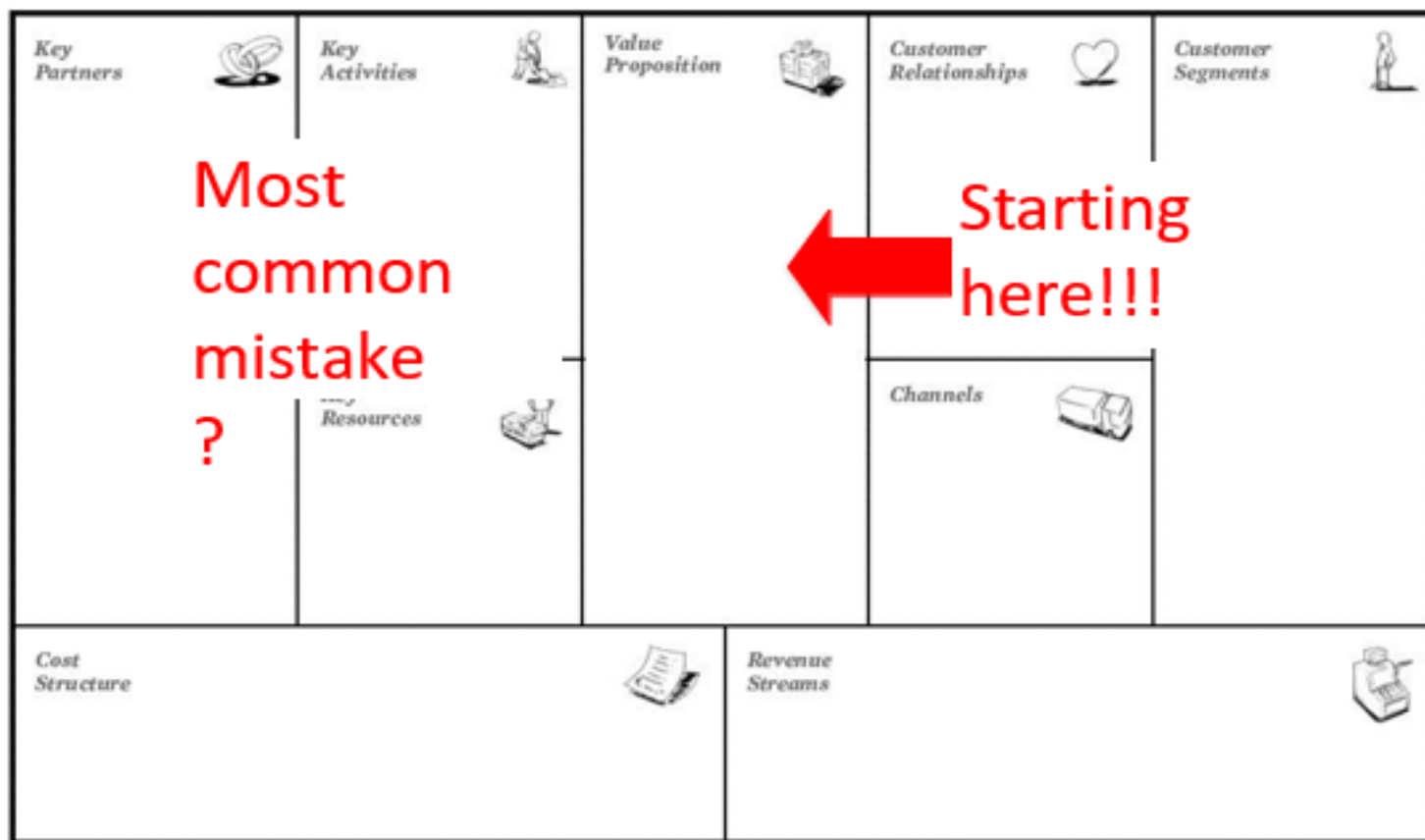
BUSINESS MODEL DESIGN TACTICS



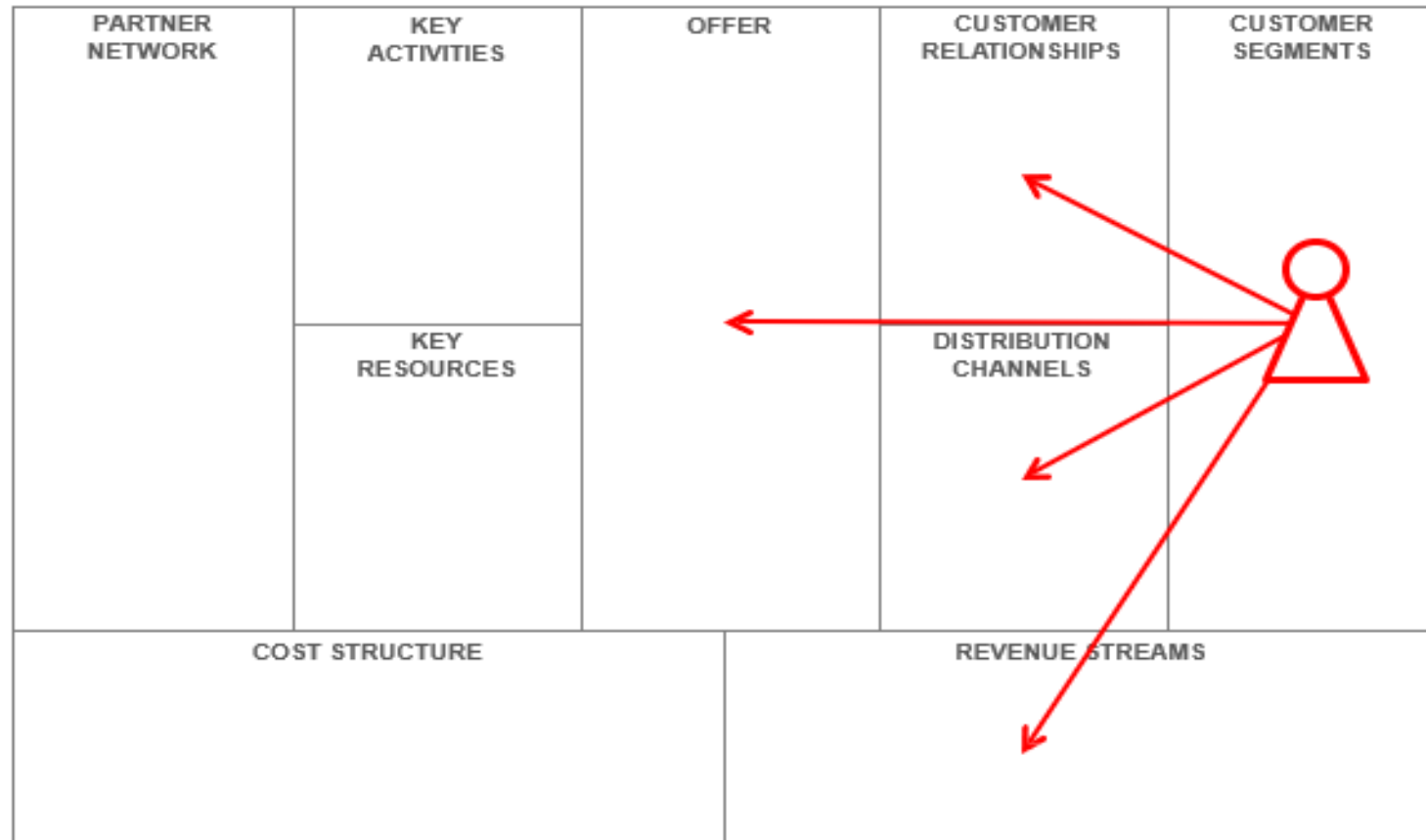
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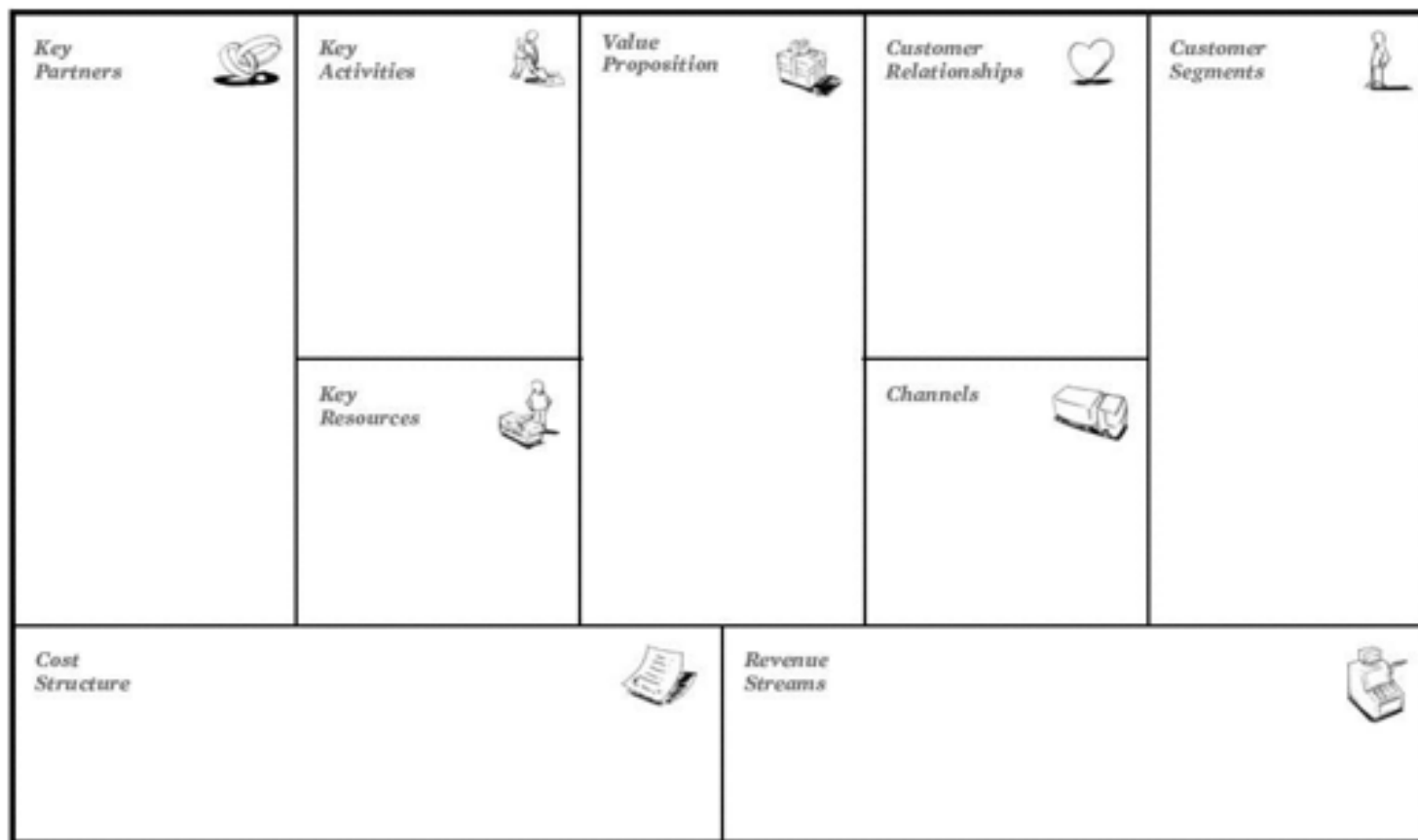
BUSINESS MODEL DESIGN TACTICS



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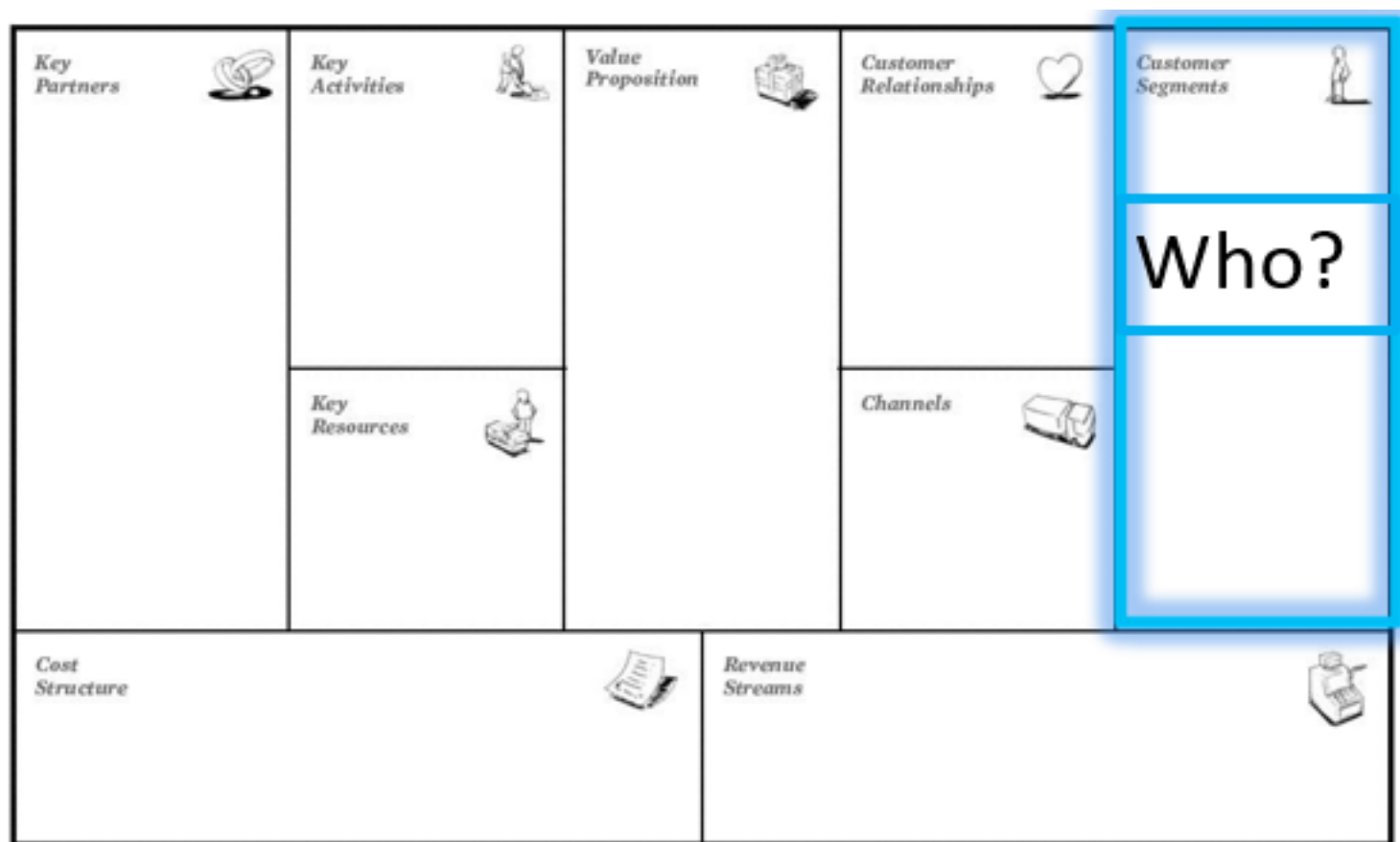
BUSINESS MODEL DESIGN TACTICS



Source: Osterwalder, A, and Y. Pigneur. 2010. *Business Model Generation*. Hoboken, New Jersey: Wiley.



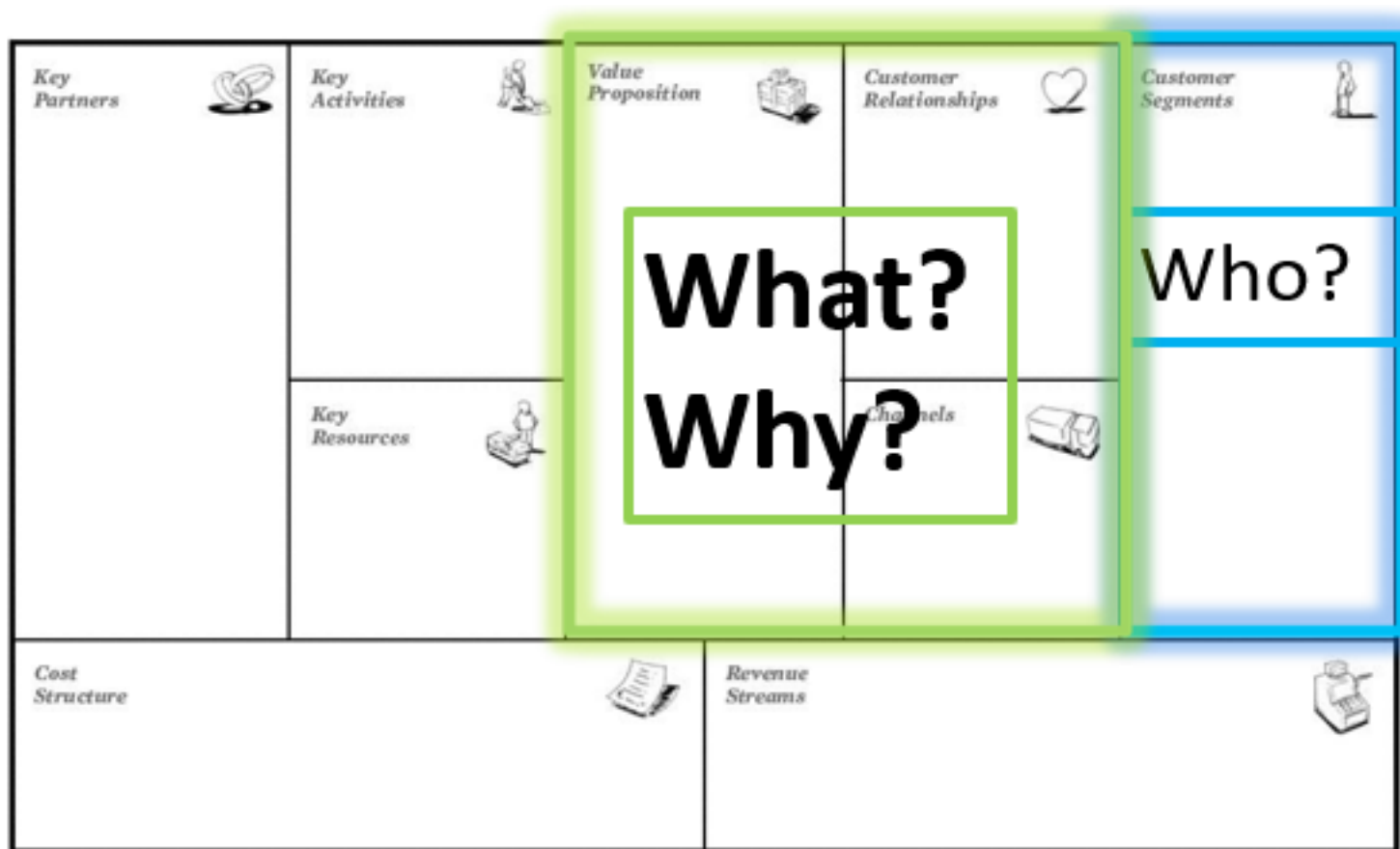
BUSINESS MODEL DESIGN TACTICS



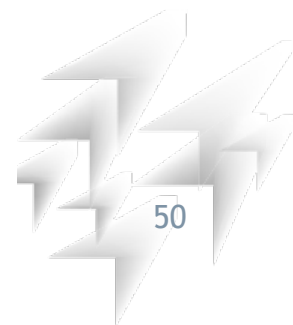
Source: Osterwalder, A, and Y. Pigneur. 2010. *Business Model Generation*. Hoboken, New Jersey: Wiley.



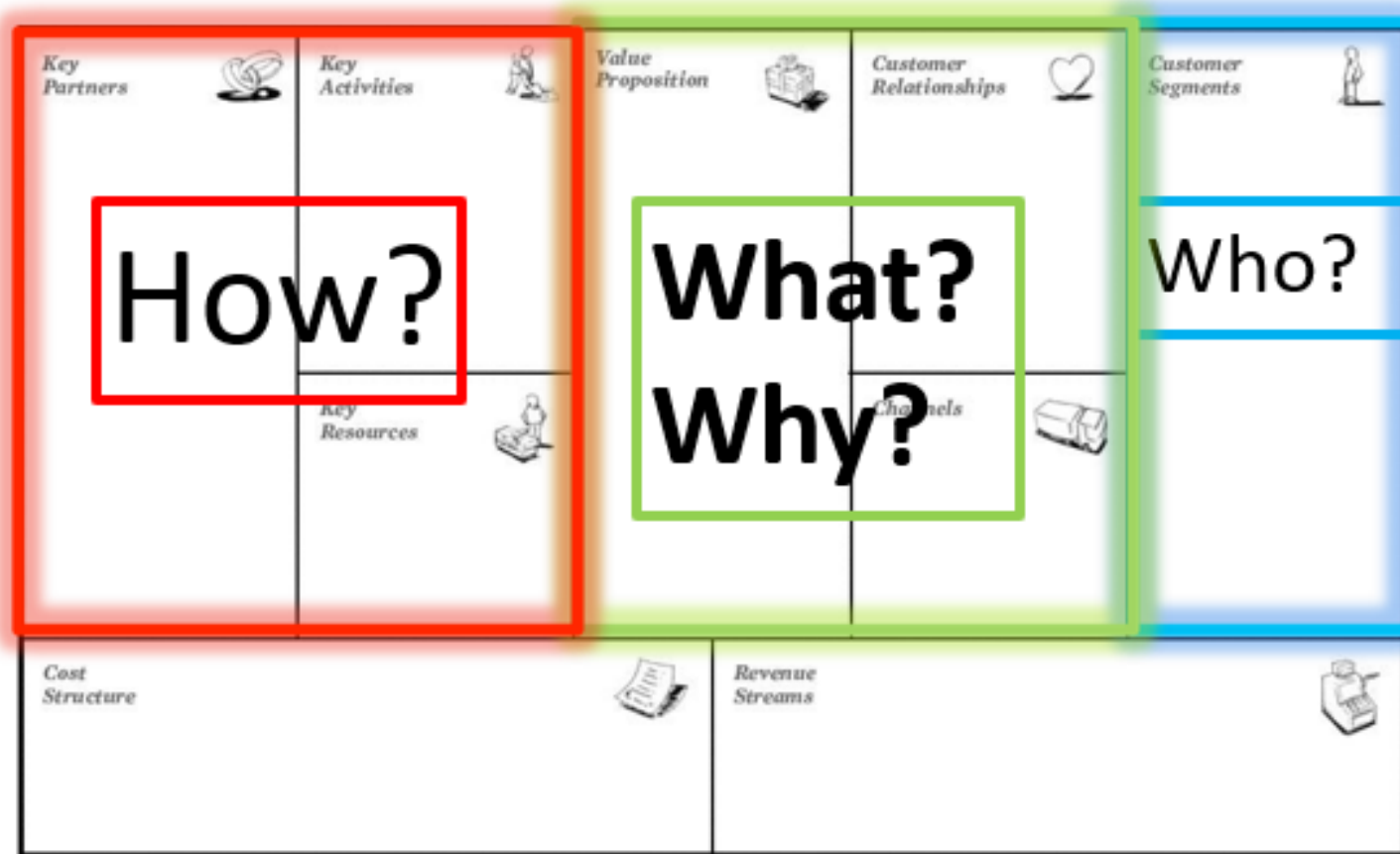
BUSINESS MODEL DESIGN TACTICS



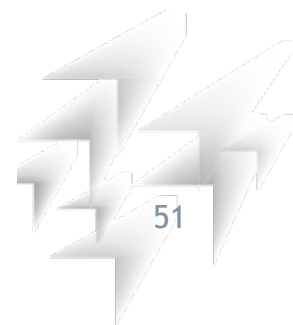
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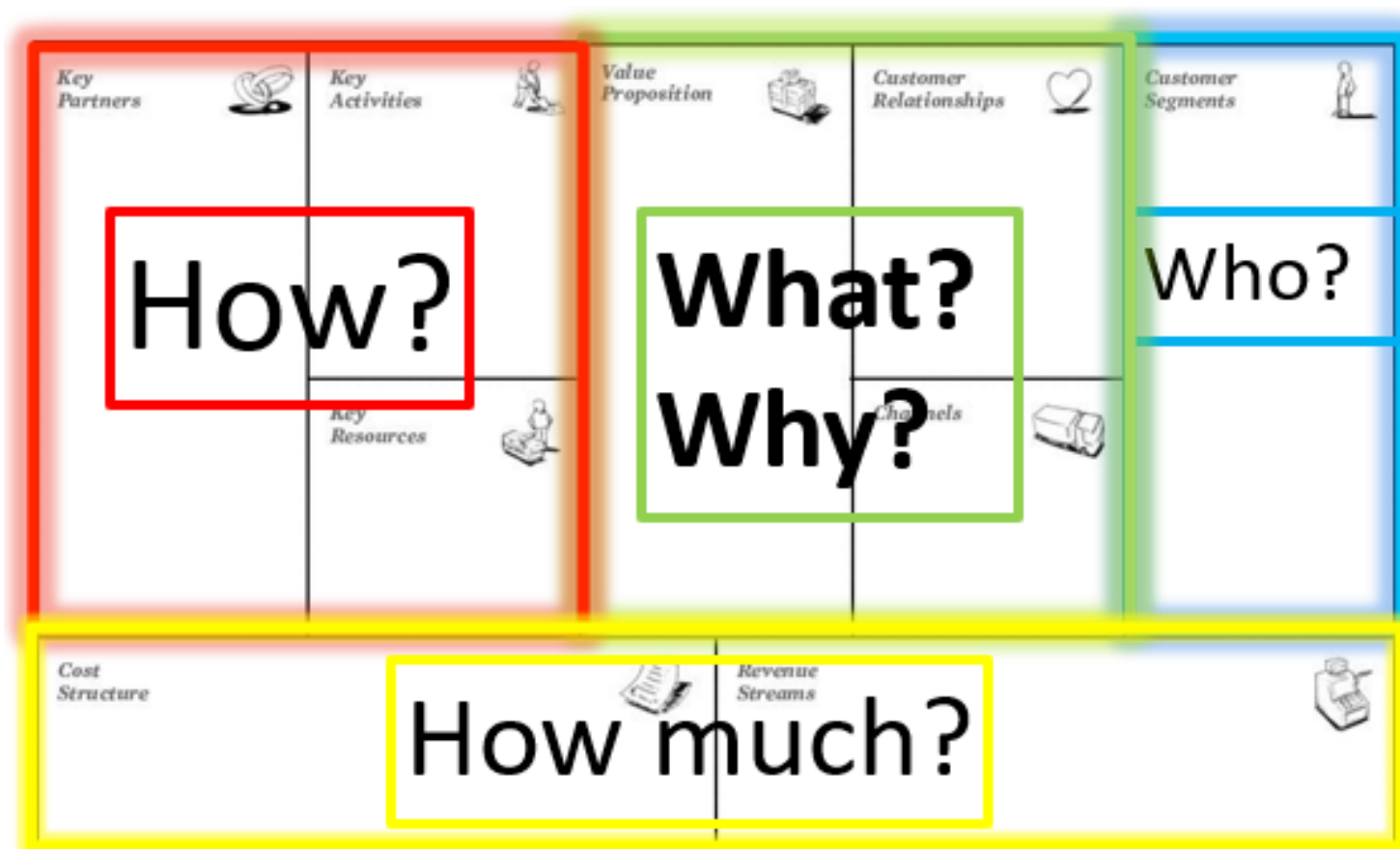
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Source: Osterwalder, A, and Y.Pigneur. 2010. *Business Model Generation*. Hoboken, New Jersey: Wiley.



BUSINESS MODEL DESIGN TACTICS

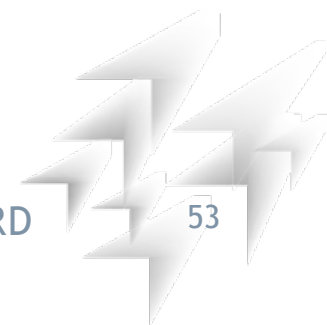


Source: Osterwalder, A, and Y. Pigneur. 2010. *Business Model Generation*. Hoboken, New Jersey: Wiley.



2 Strategies

PROTOTYPING



CASE STUDY – NESPRESSO

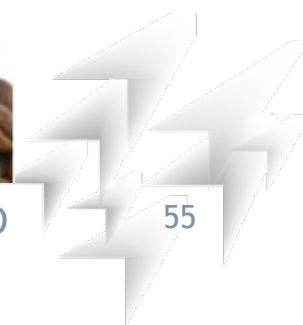


Nespresso
changed the
business model
for espresso



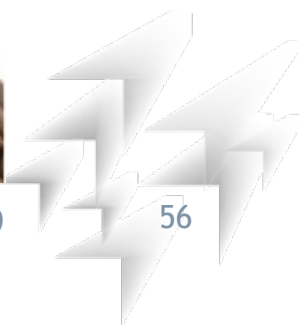


- One of the fastest-growing businesses in the **Nestlé group**
- Average growth of **30%** p.a. since 2000
- Over **3.5 billion CHF** annual revenue with 1 product line (**3.8 billion USD**)

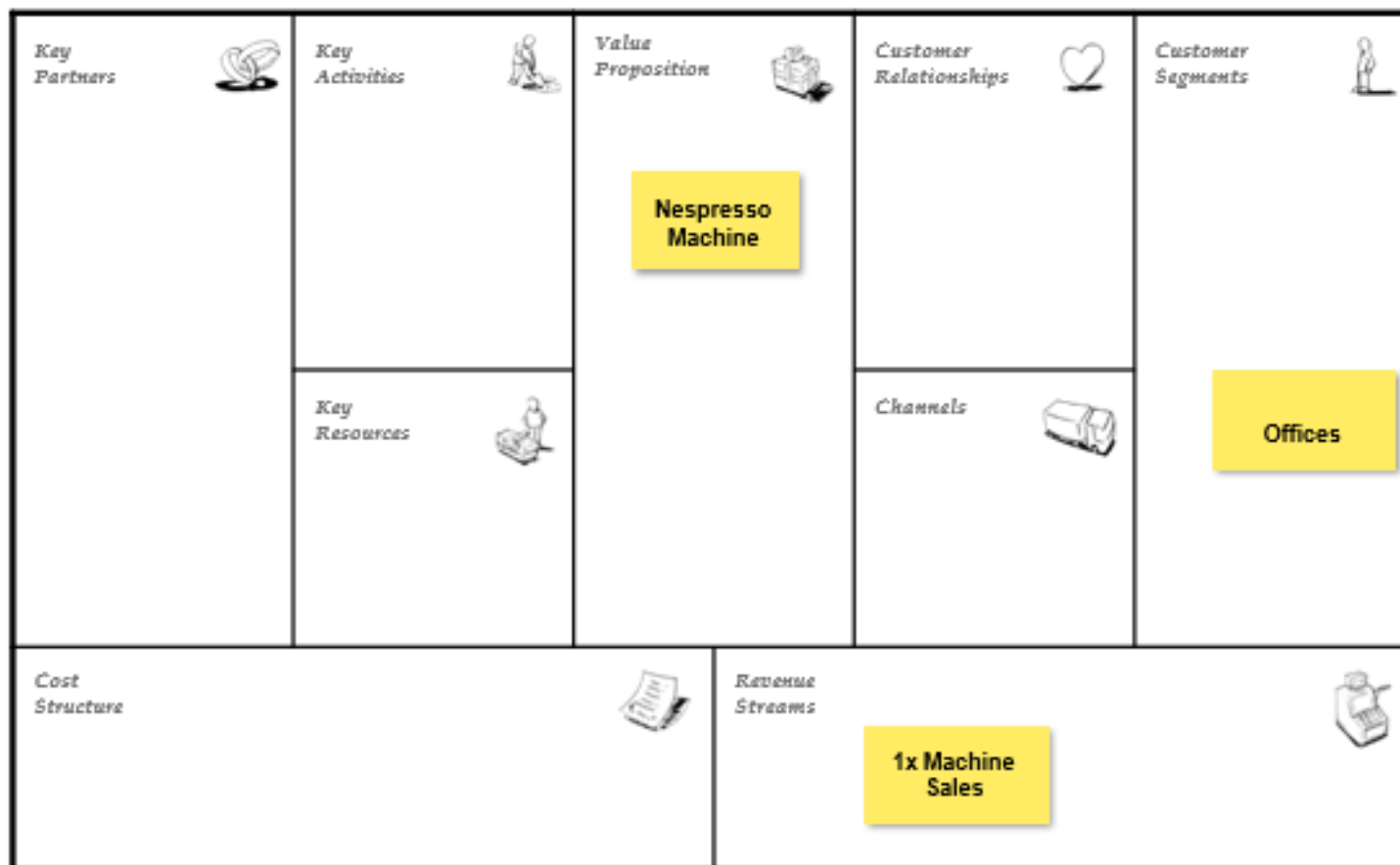




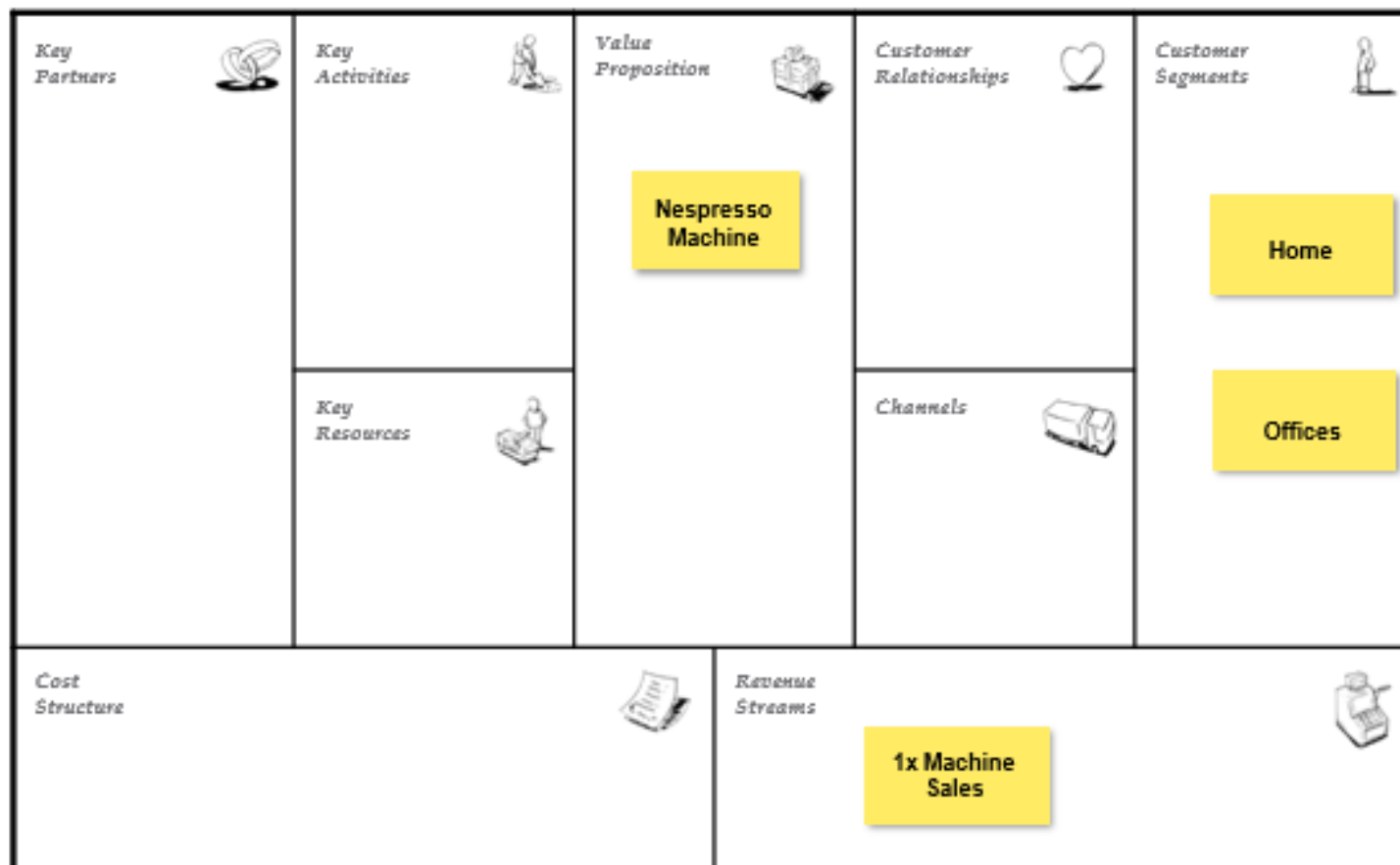
**Nespresso almost failed in 1987 and was
about to close due to a
nonperforming business model**



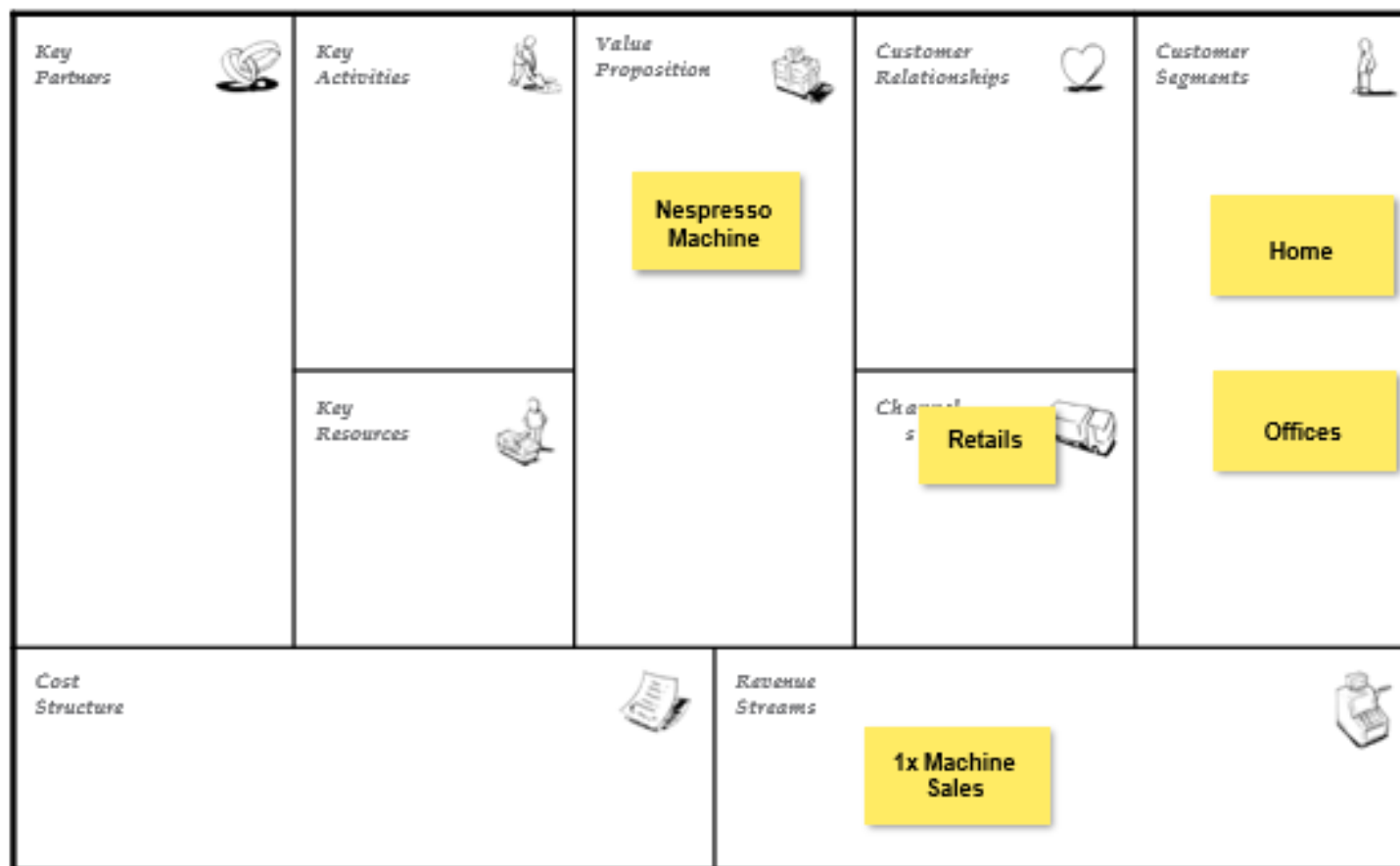
BUSINESS MODEL – NESPRESSO



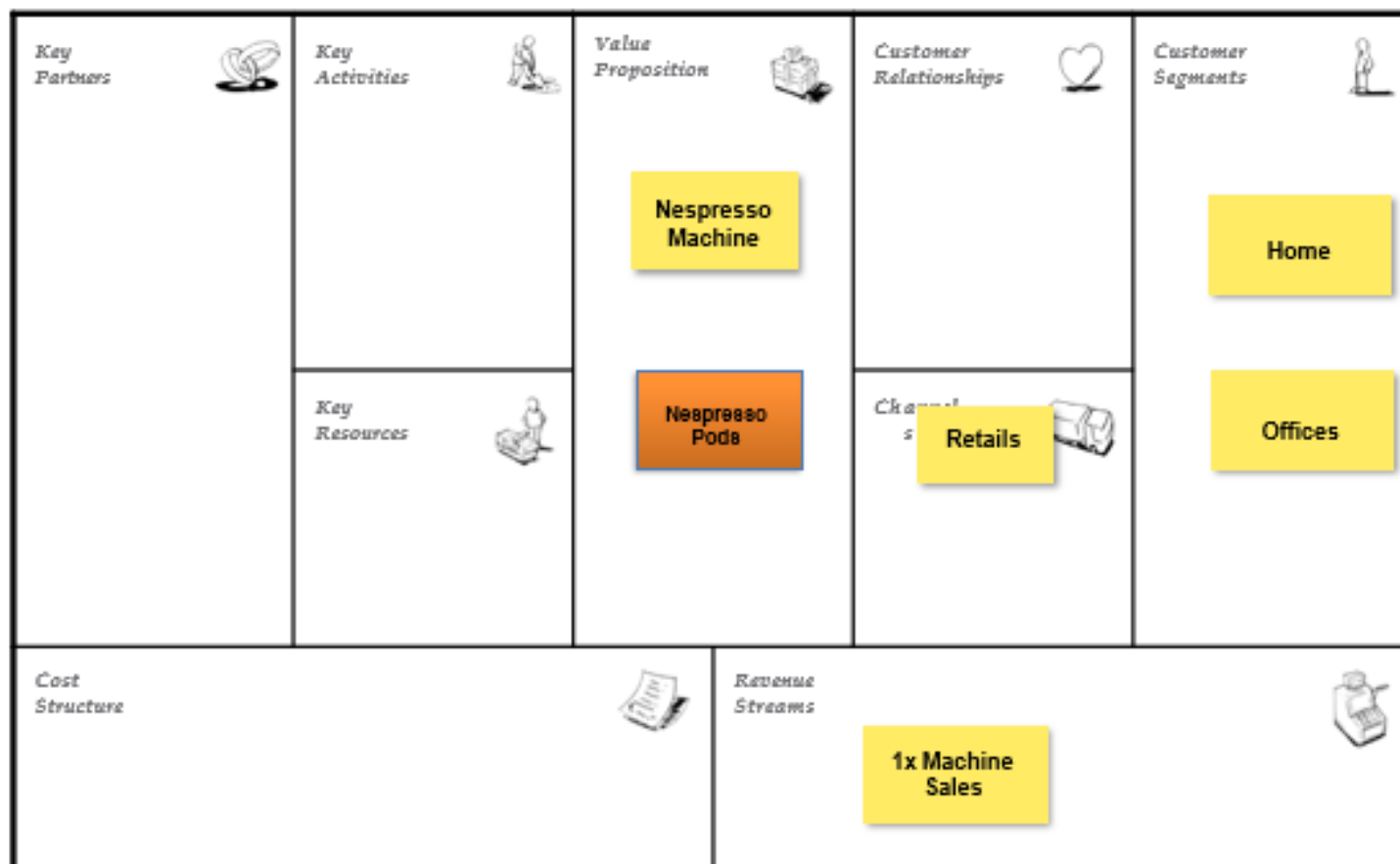
BUSINESS MODEL – NESPRESSO



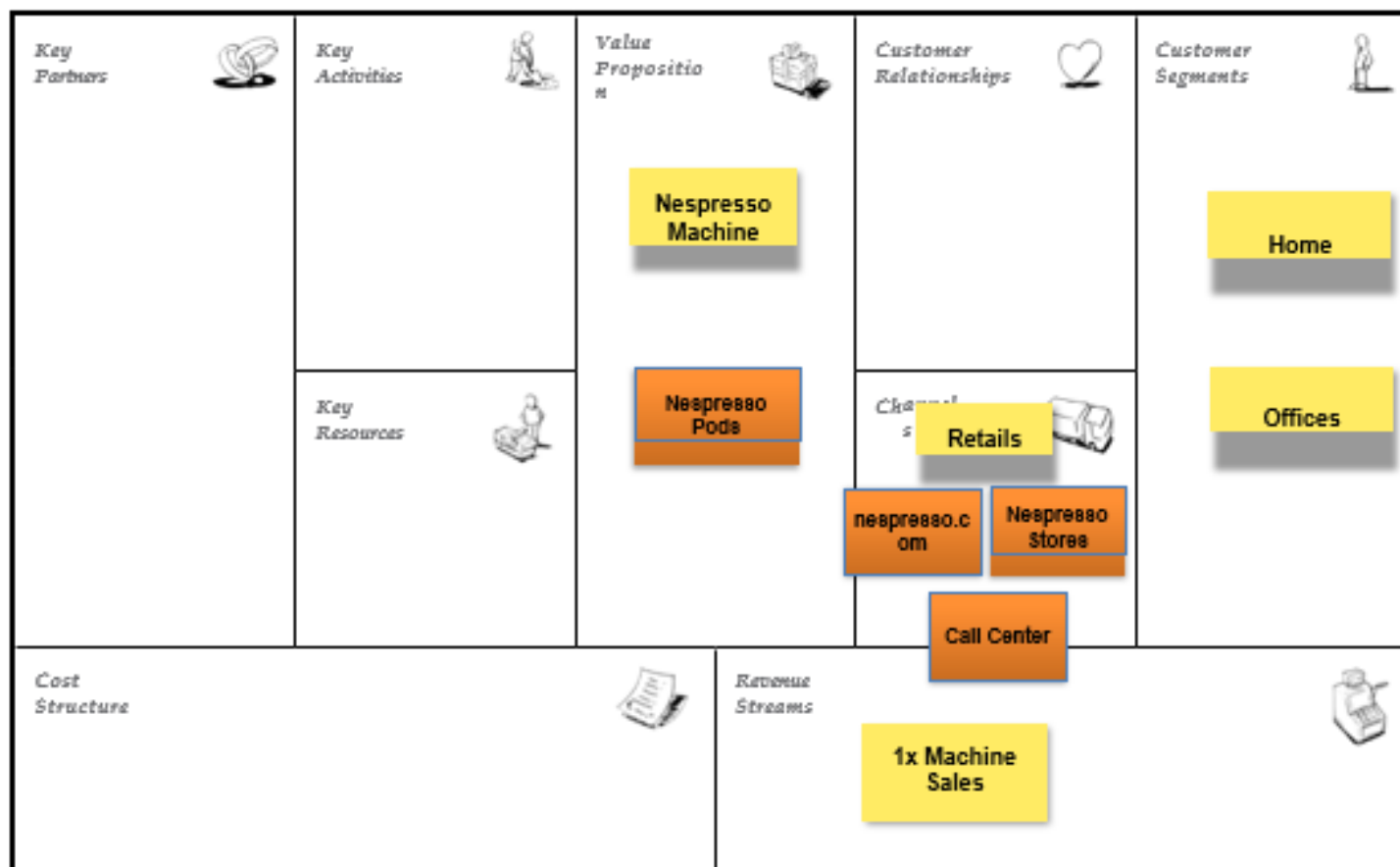
BUSINESS MODEL – NESPRESSO



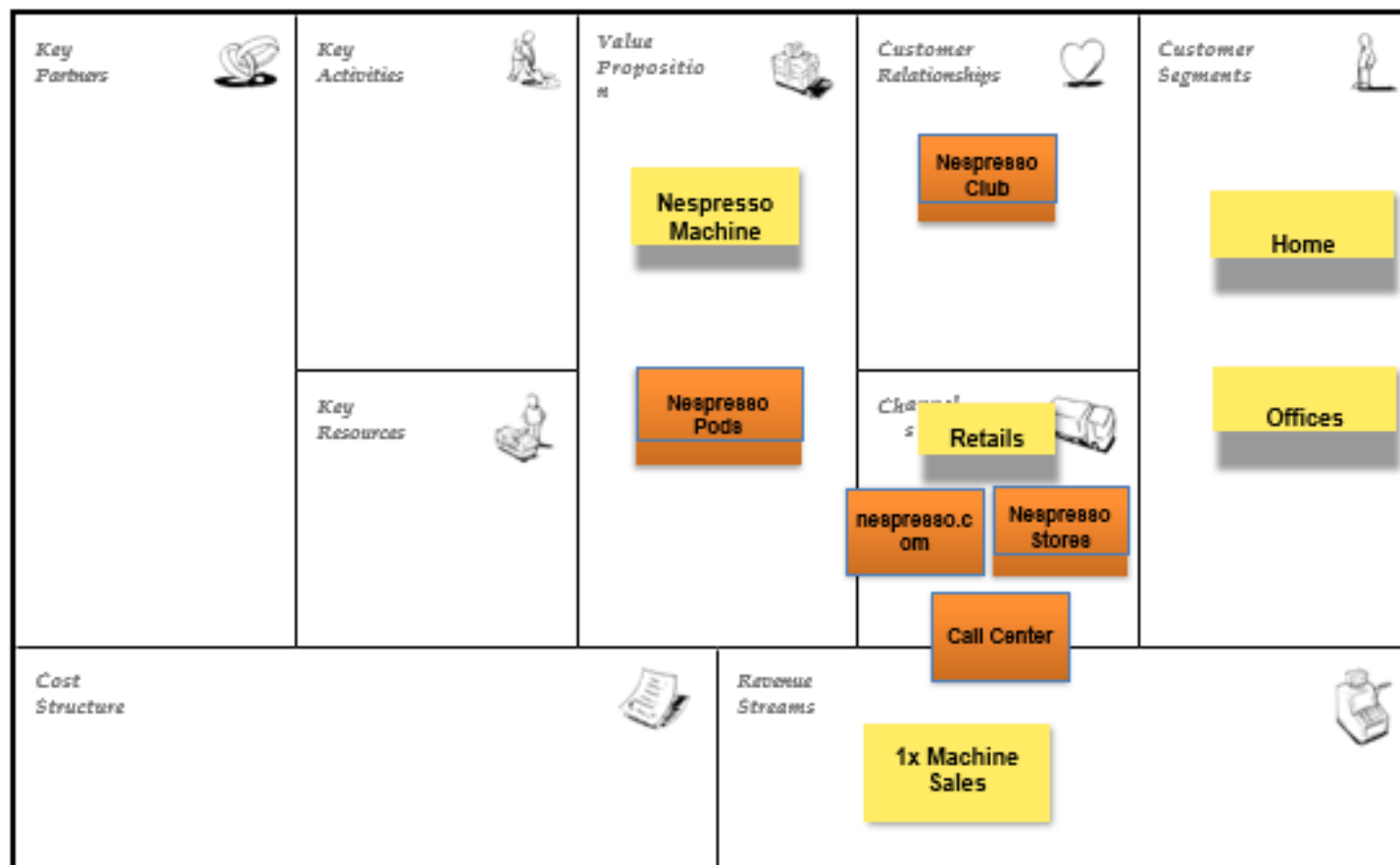
BUSINESS MODEL – NESPRESSO



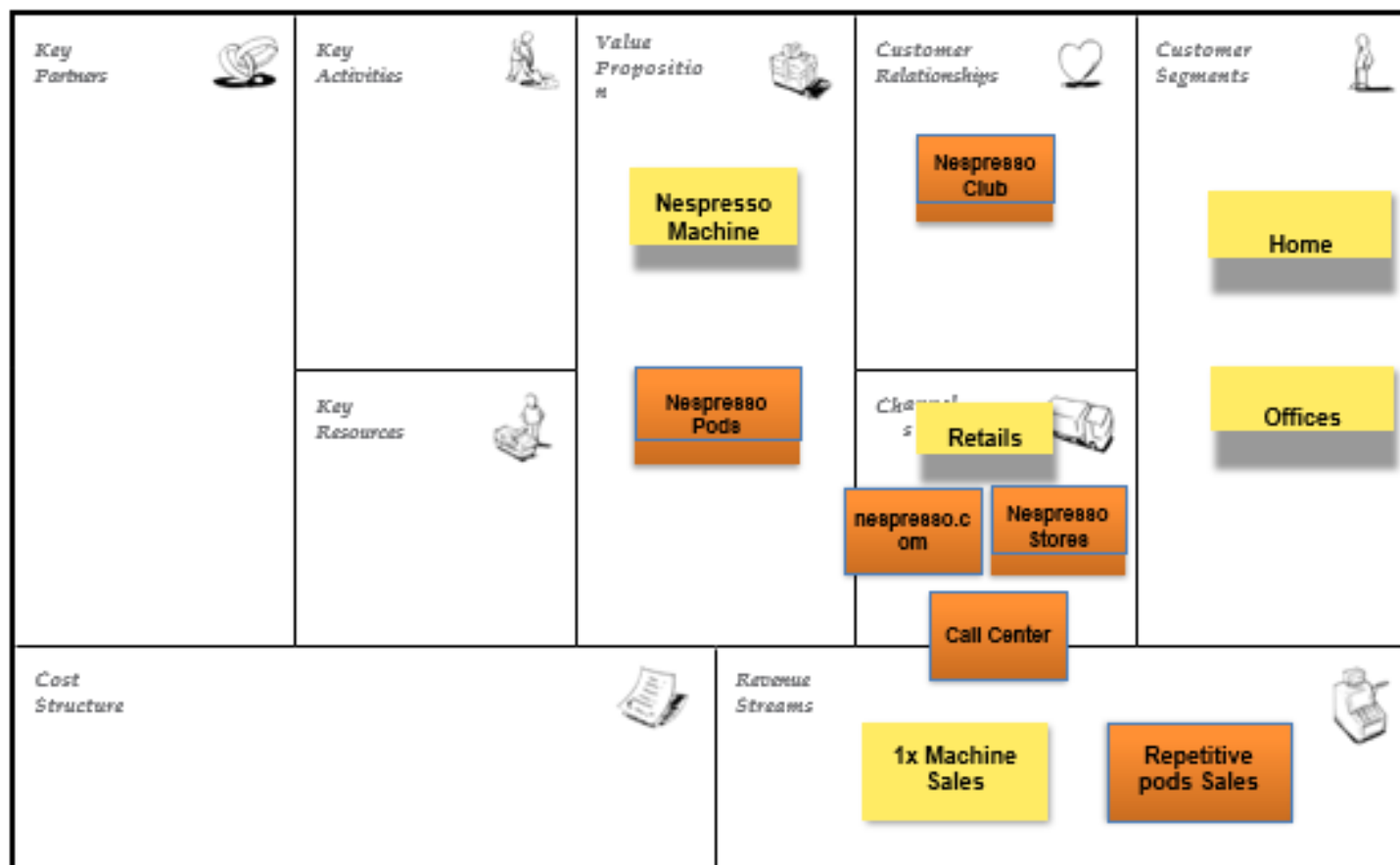
BUSINESS MODEL – NESPRESSO



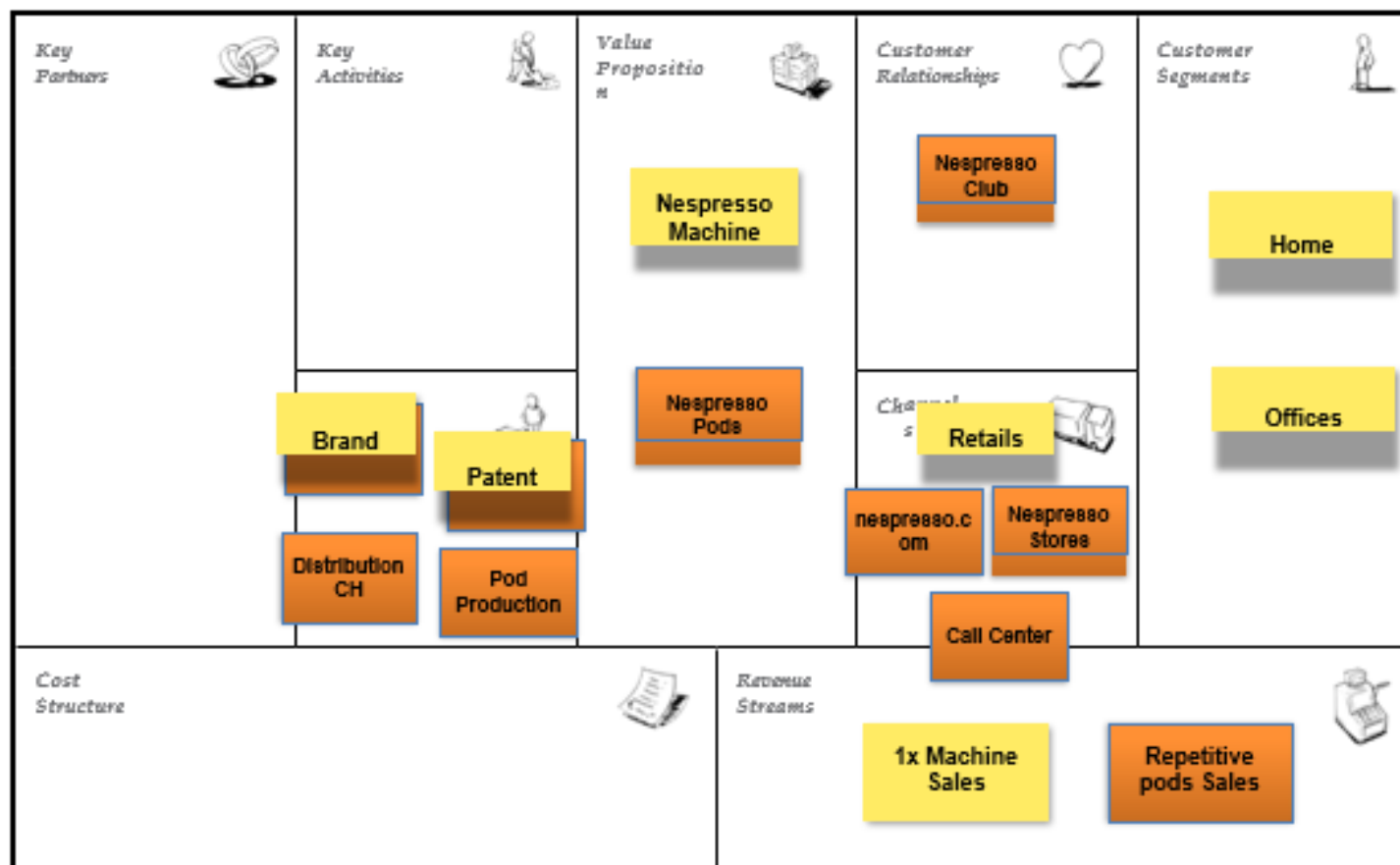
BUSINESS MODEL – NESPRESSO



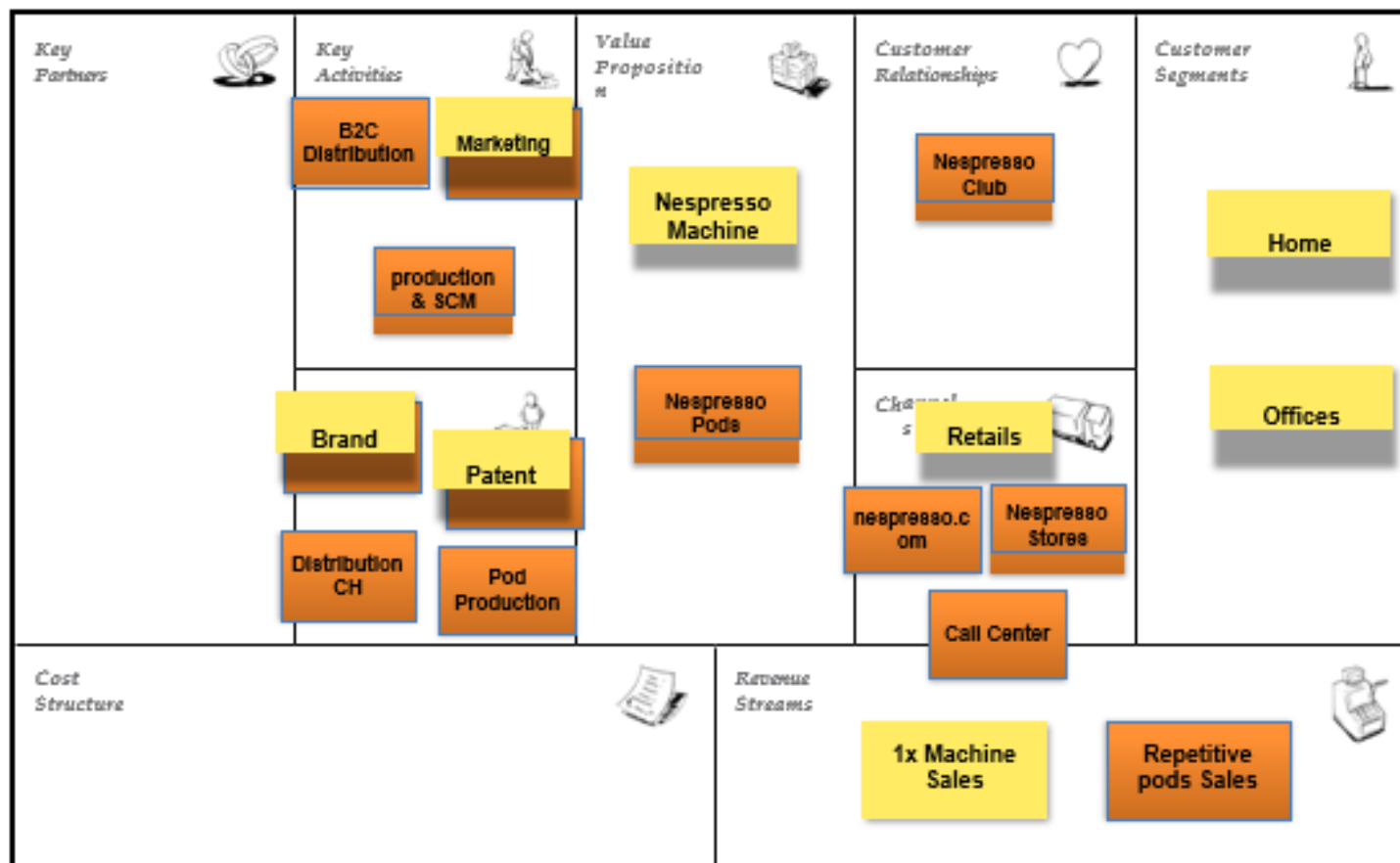
BUSINESS MODEL – NESPRESSO



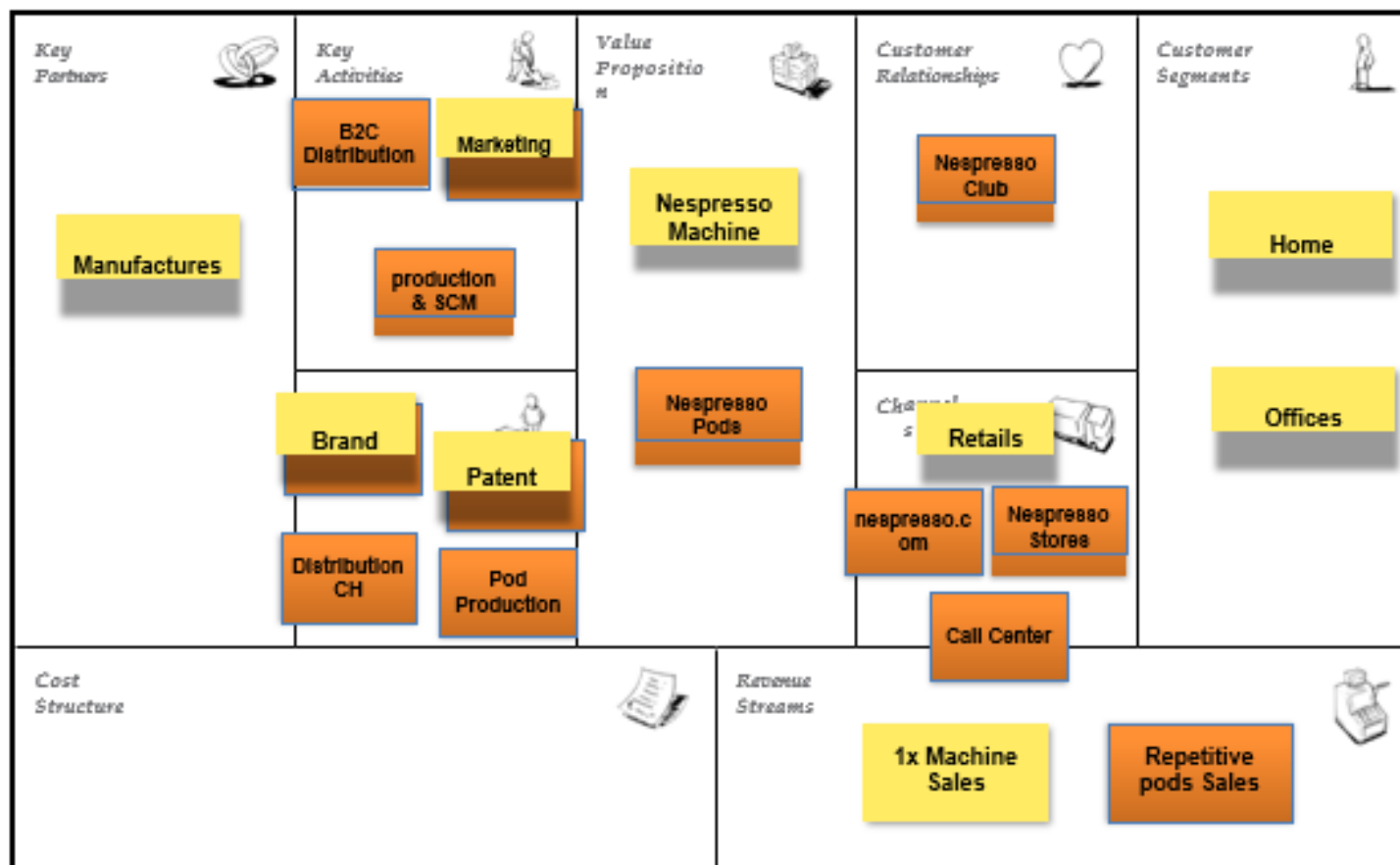
BUSINESS MODEL – NESPRESSO



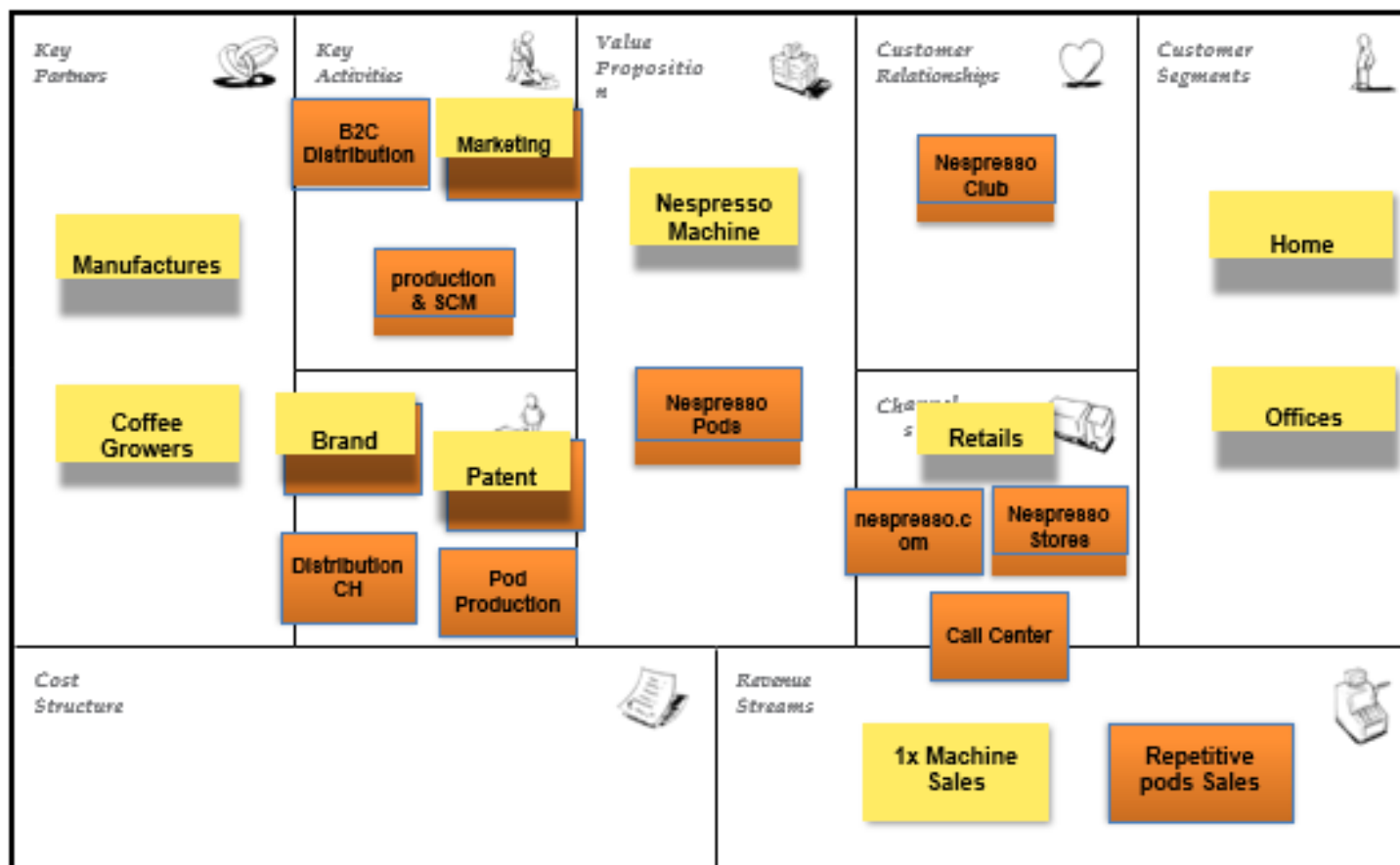
BUSINESS MODEL – NESPRESSO



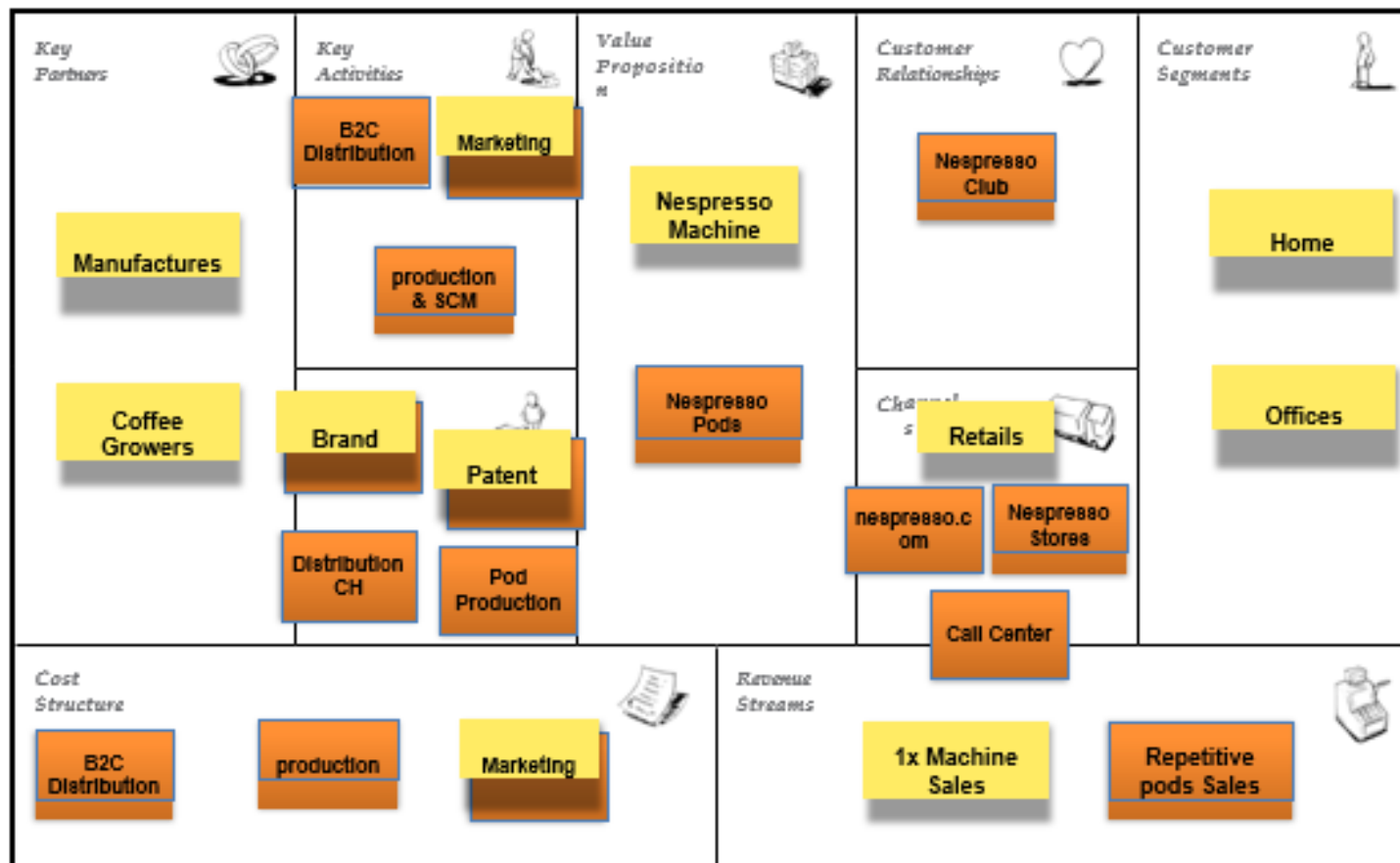
BUSINESS MODEL – NESPRESSO



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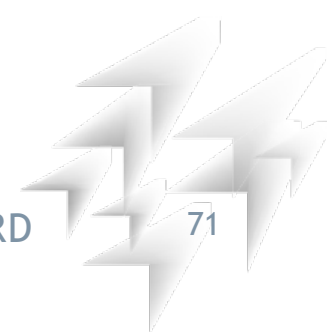
BUSINESS MODEL – NESPRESSO

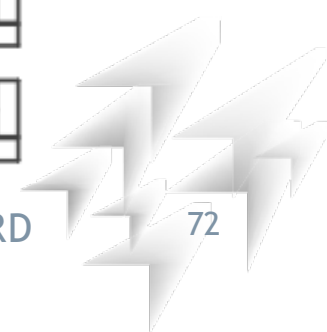
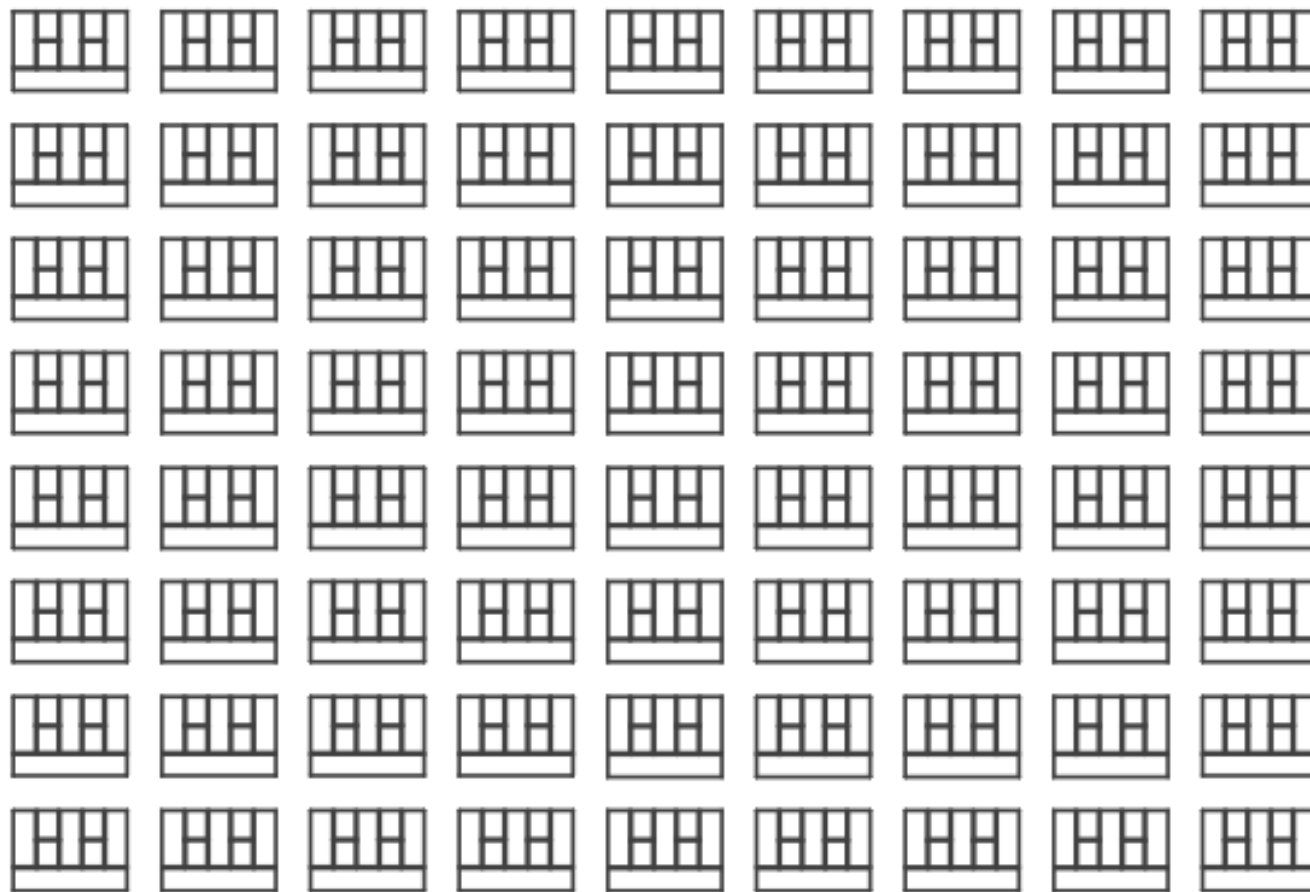


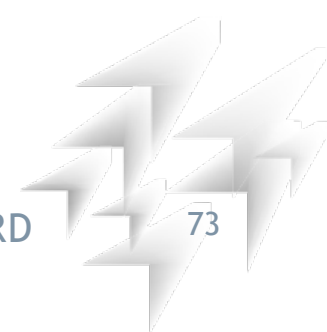


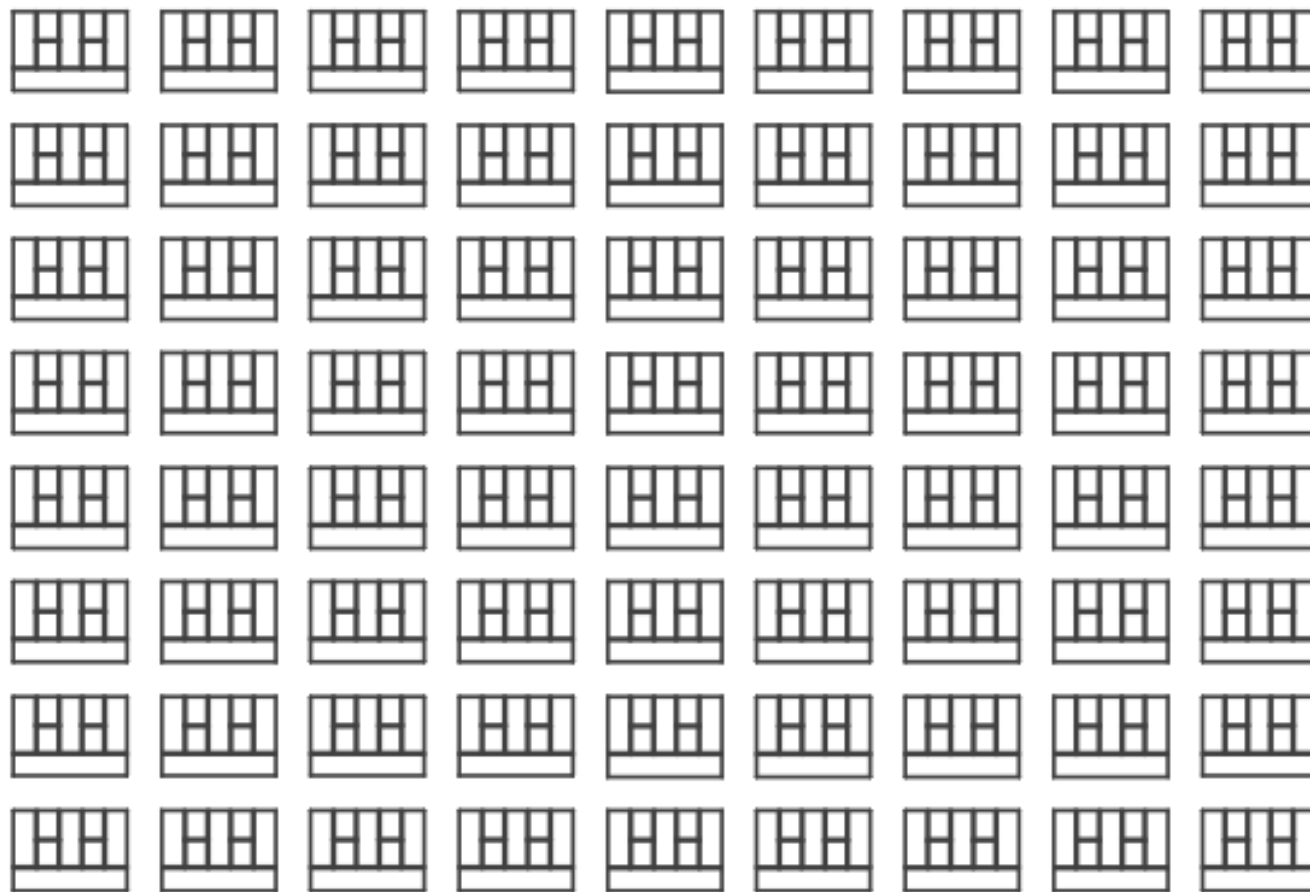
How do we do that?

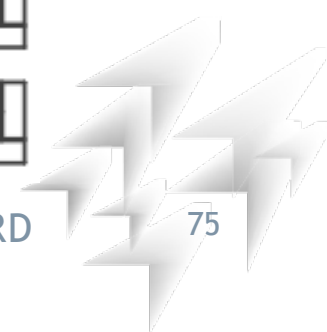
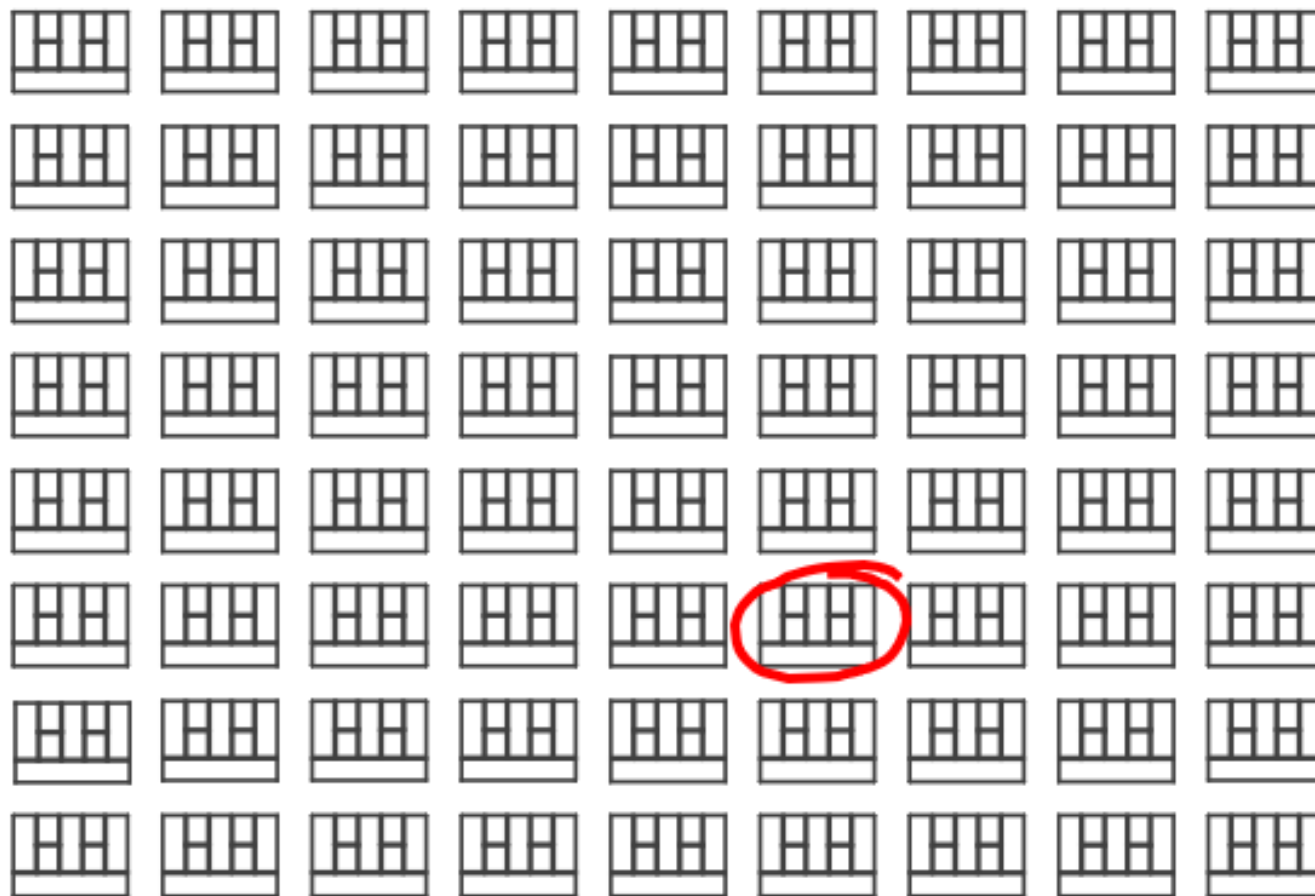












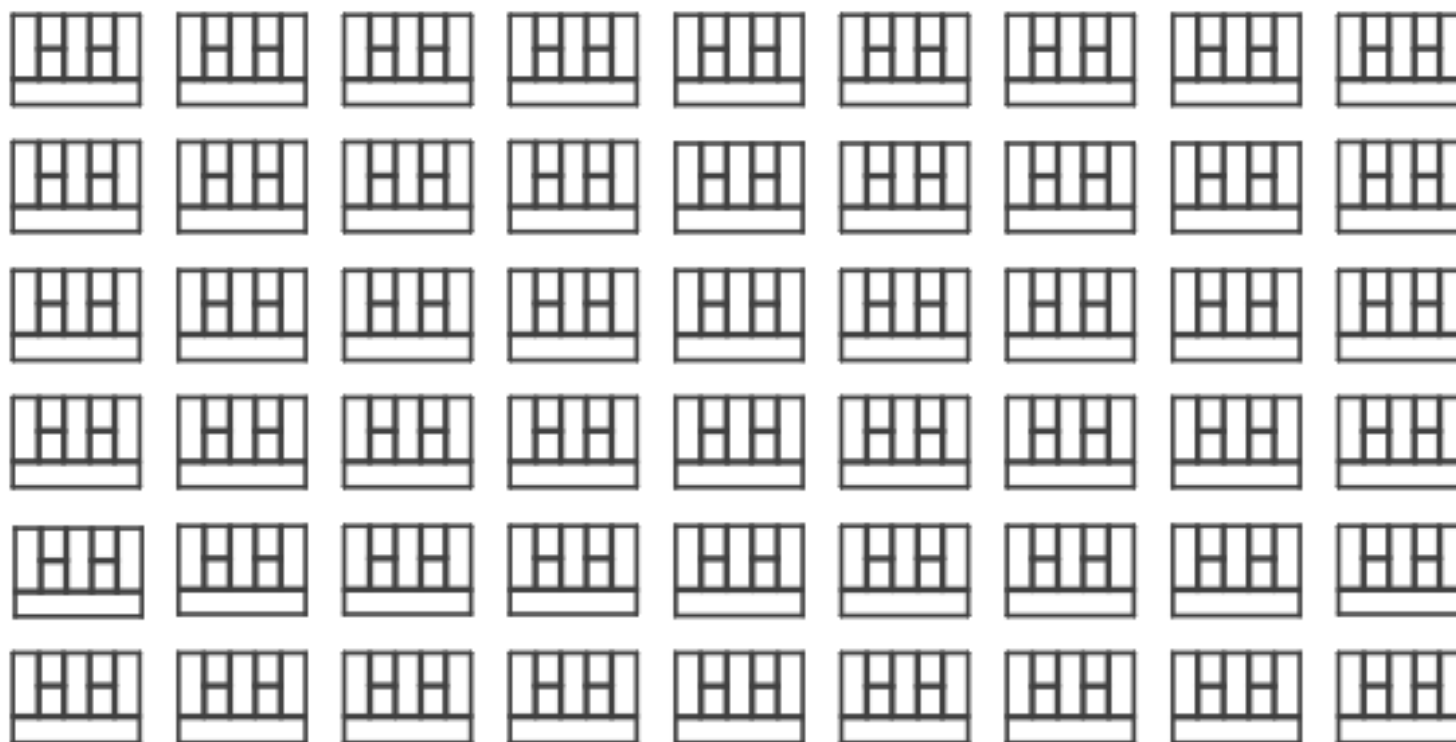
3 Experiment

BUSINESS MODEL VALIDATION



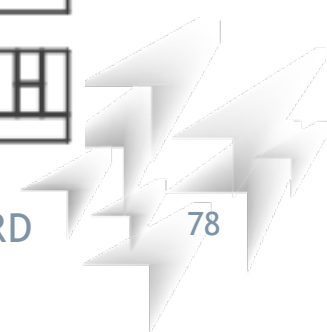
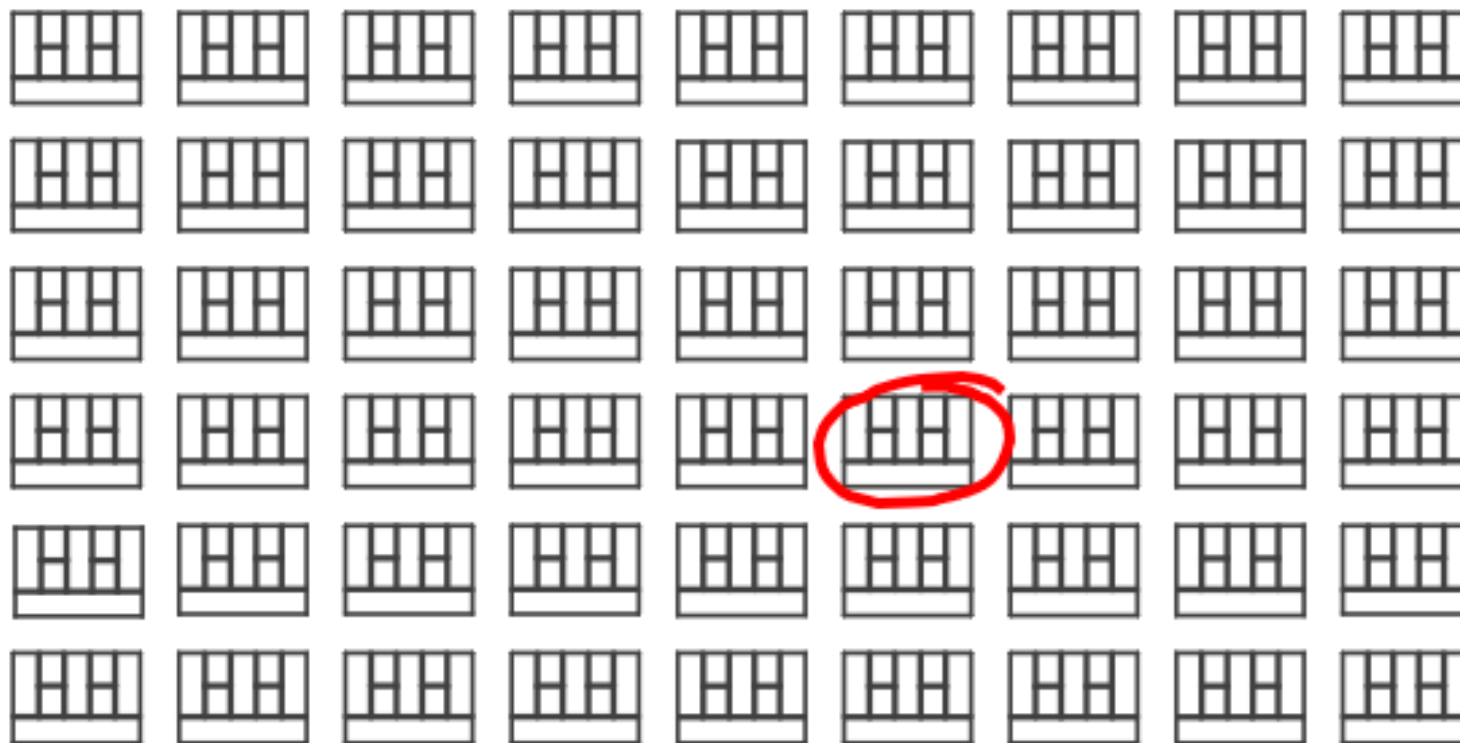
BUSINESS MODEL VALIDATION

3 Experiment

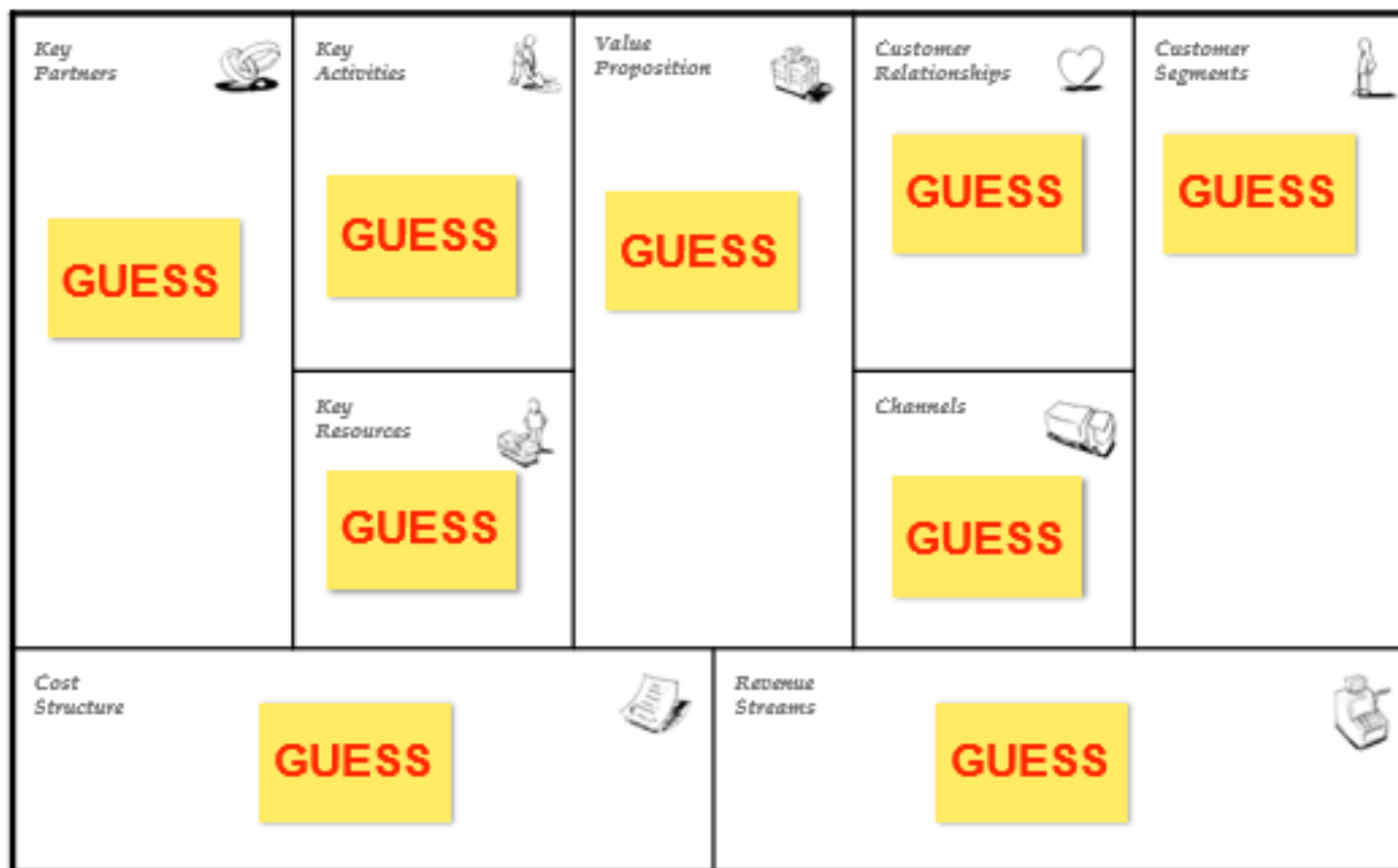


BUSINESS MODEL VALIDATION

3 Experiment



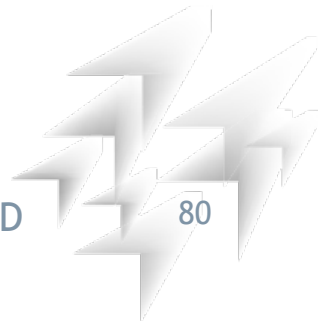
BUSINESS MODEL VALIDATION

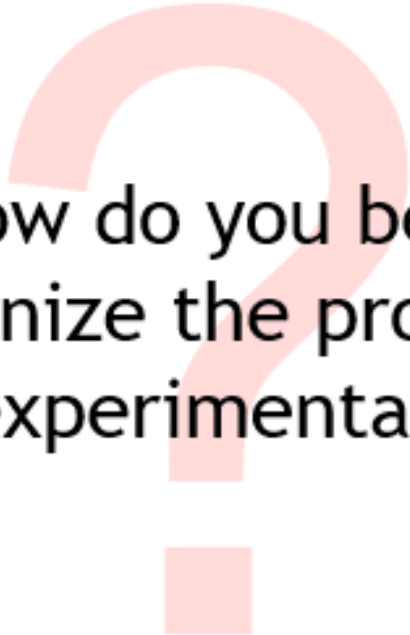




Steve Blank
entrepreneur & thought leader

“No business plan survives the first contact with customers.”





How do you best
organize the process
of experimentation?

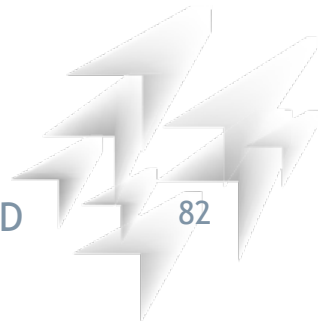


HOW TO VALIDATE A BUSINESS MODEL

1. **Document** your planA

2. **Identify** riskiest part of the model by stage and type

3. **Select** the right experiment maximizing Learning, Speed & Focus.



HOW TO VALIDATE A BUSINESS MODEL

Brainstorm possible models



Time

TAKING COOPERATION FORWARD



HOW TO VALIDATE A BUSINESS MODEL

Prioritize where to start



Based on

- 1- Customer pain level
- 2- Ease of reach
- 3 Market size
- 4 Price / Margin

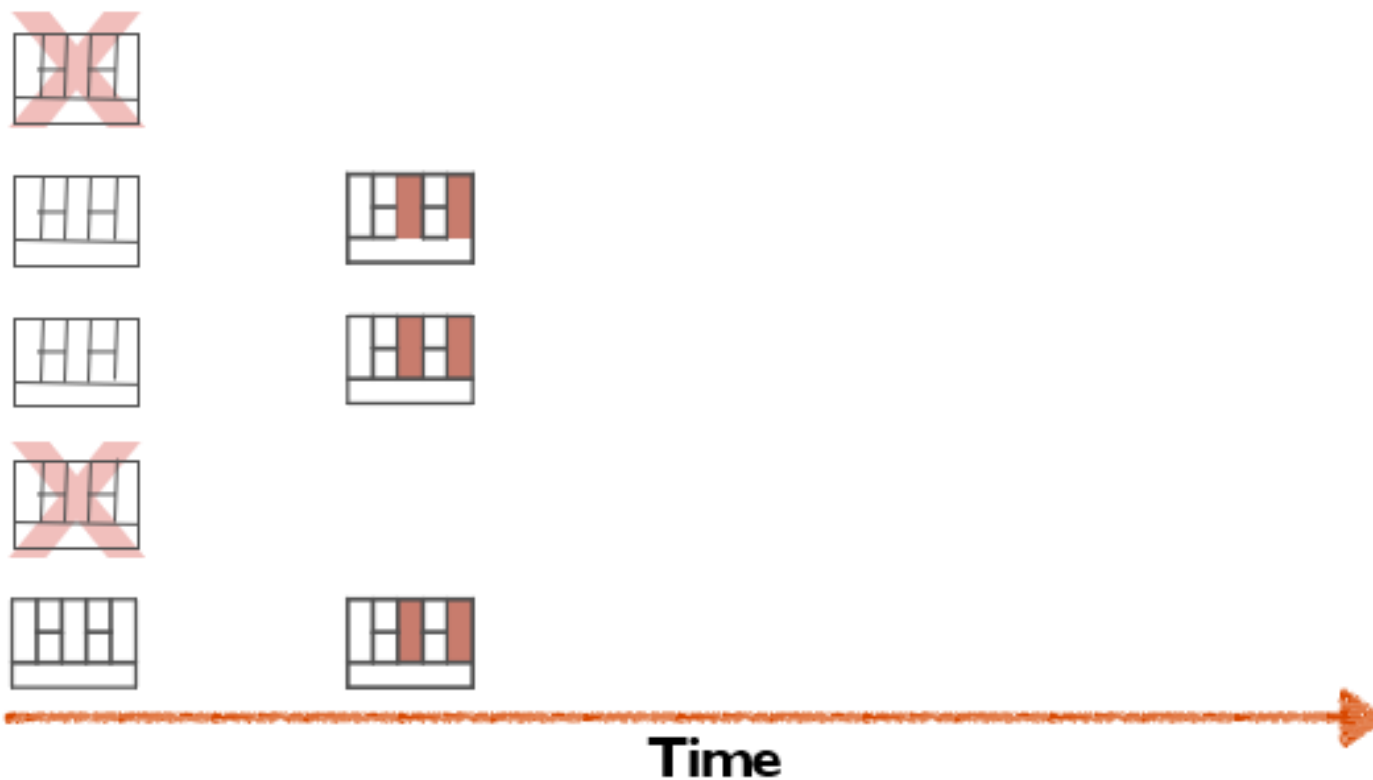
Time

TAKING COOPERATION FORWARD



HOW TO VALIDATE A BUSINESS MODEL

Identify riskiest part of the model



HOW TO VALIDATE A BUSINESS MODEL

Test riskiest part of the model



Testing Methods

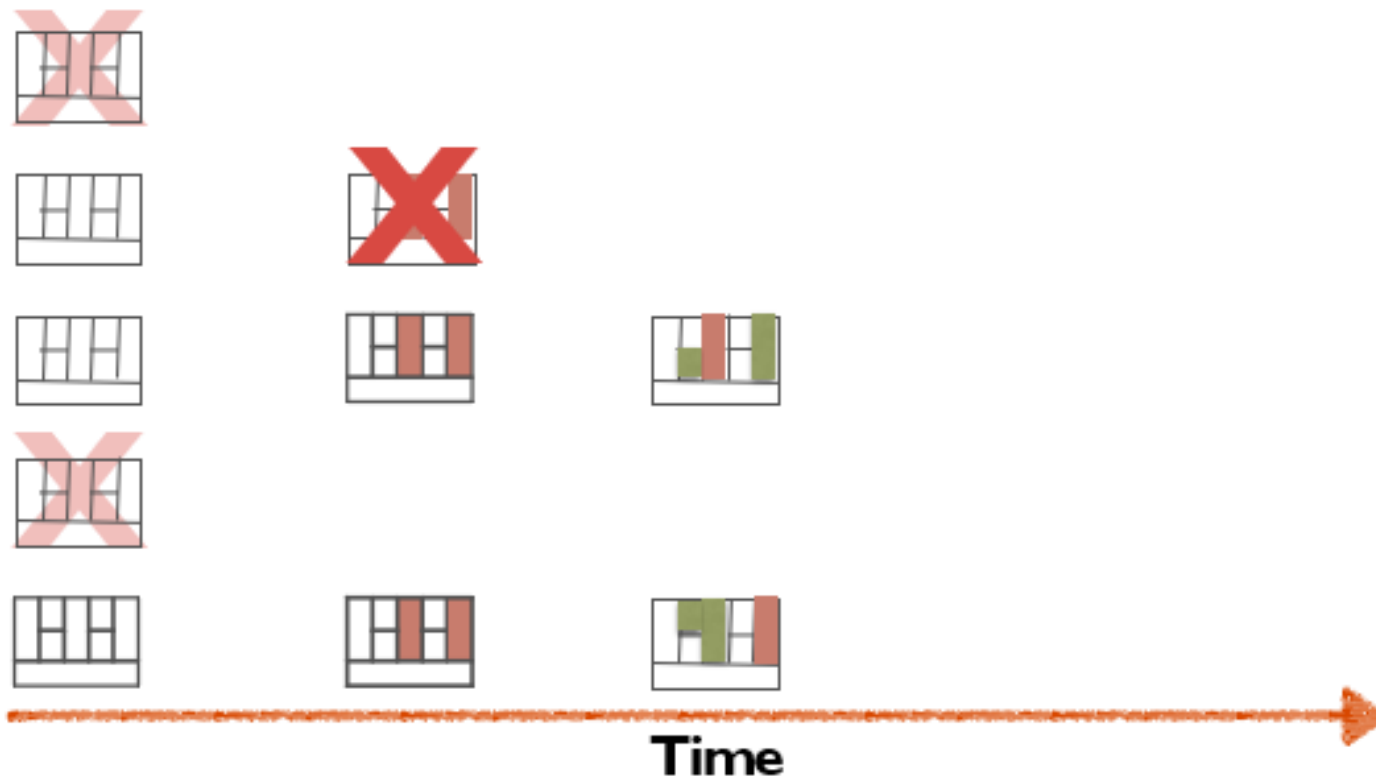
- 1 Customer Interviews
(Understand problem)
- 2 Pre-Sales (Measure demands)
- 3 MVP
(Deliver customer expectation)

Time



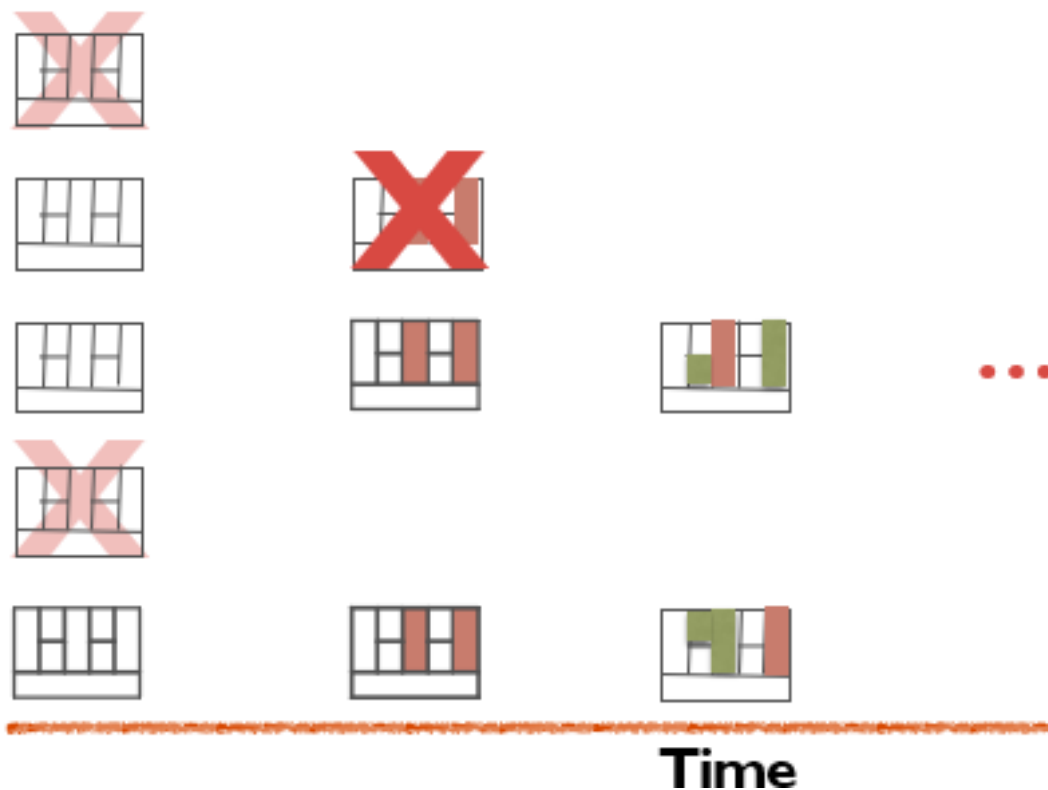
HOW TO VALIDATE A BUSINESS MODEL

Systematically test your business model



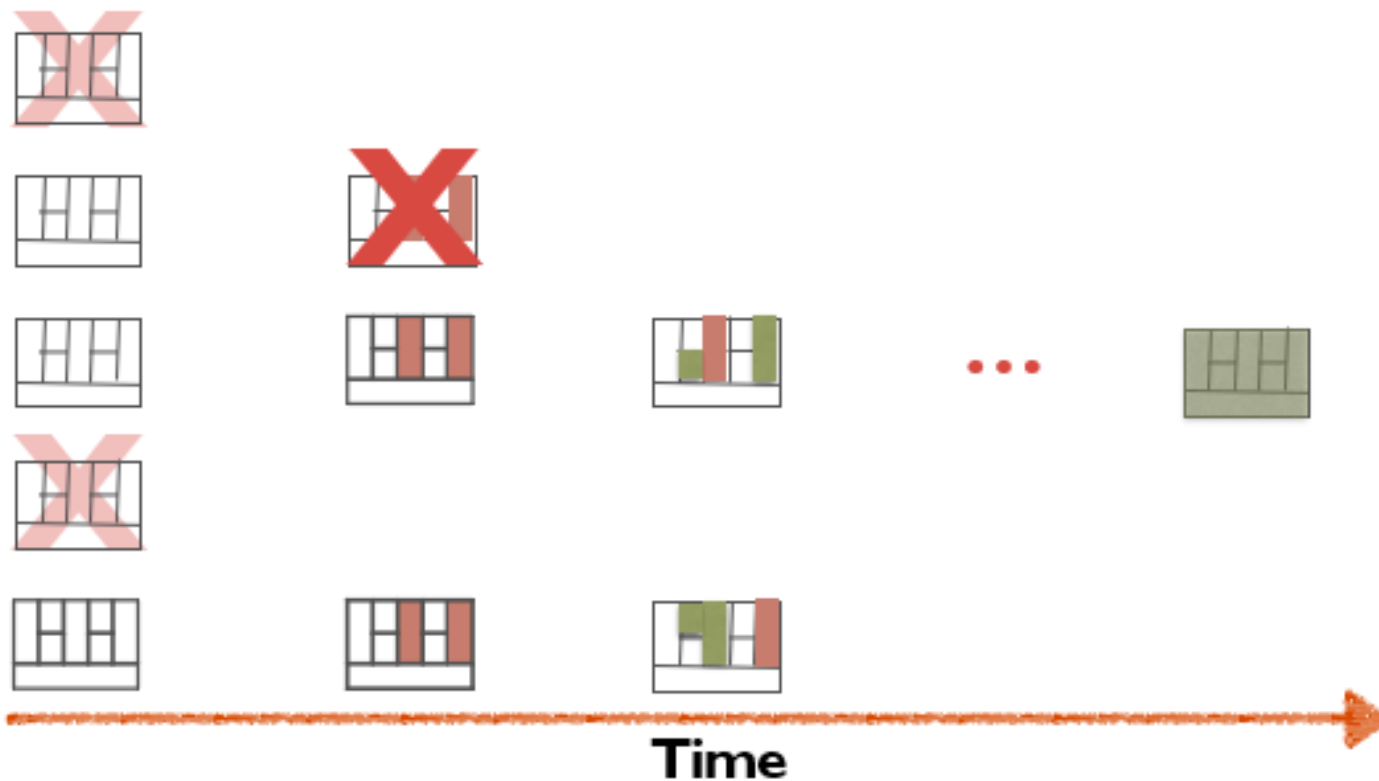
HOW TO VALIDATE A BUSINESS MODEL

Systematically test your business model

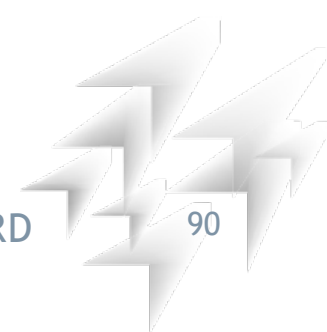


HOW TO VALIDATE A BUSINESS MODEL

Systematically test your business model



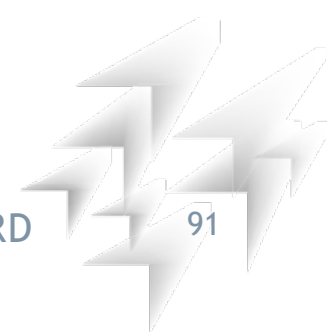
3 STAGES OF STARTUP



3 STAGES OF STARTUP



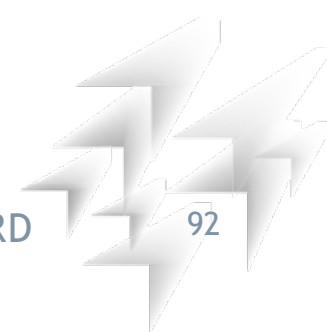
Do you have a problem worth solving?



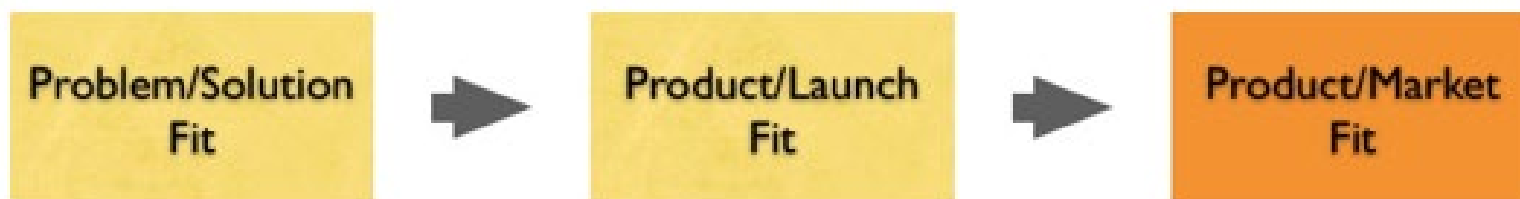
3 STAGES OF STARTUP



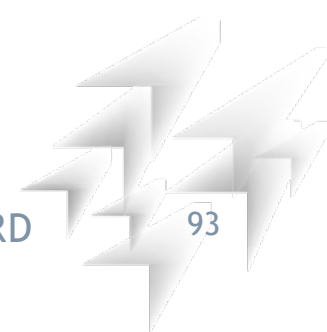
Are you ready to learn from customers?



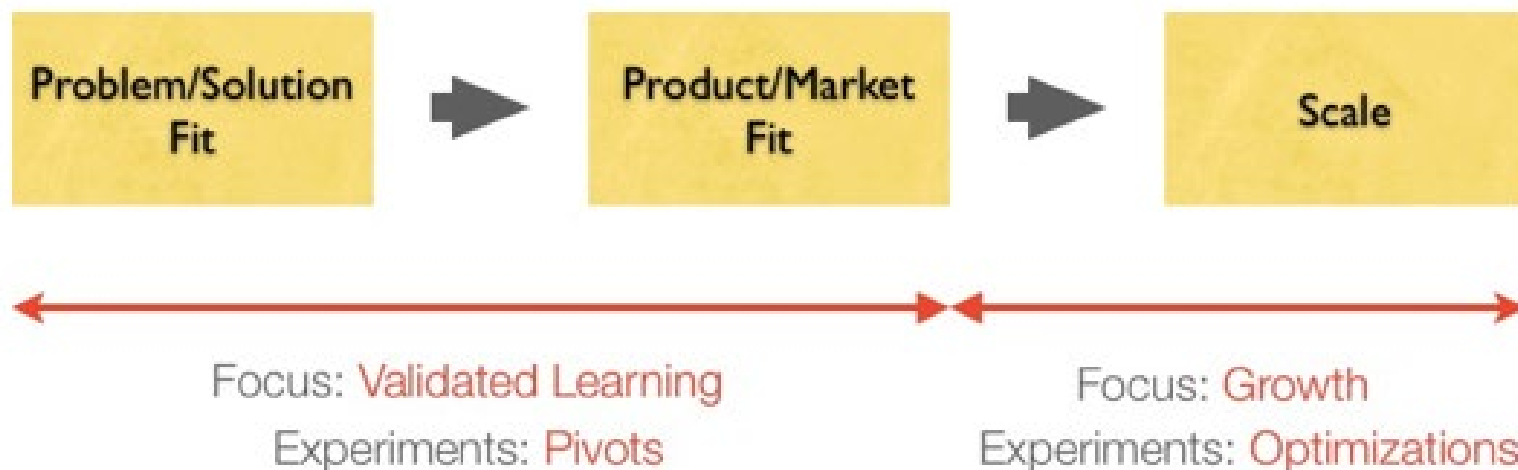
3 STAGES OF STARTUP



Have you built something people want?



3 STAGES OF STARTUP



THANKS

Q & A

