

TAKING
COOPERATION
FORWARD

📍 D.T2.4.2 Joint Social Entrepreneurial Skills and Competences training

💬 Business Model Training

👤 IN SITU, STEP RI PP8, Boris Golob



What it takes
to make your idea work



Customers

Implementation

Business model

Agenda

Business models intro

Business model canvas logic

- How to use it when...

BMC and social entrepreneurship

- BMC Multisided Platform
- Mission Model Canvas
- Expanded & adapted canvases
- ...



?

“...superior
business
model.”

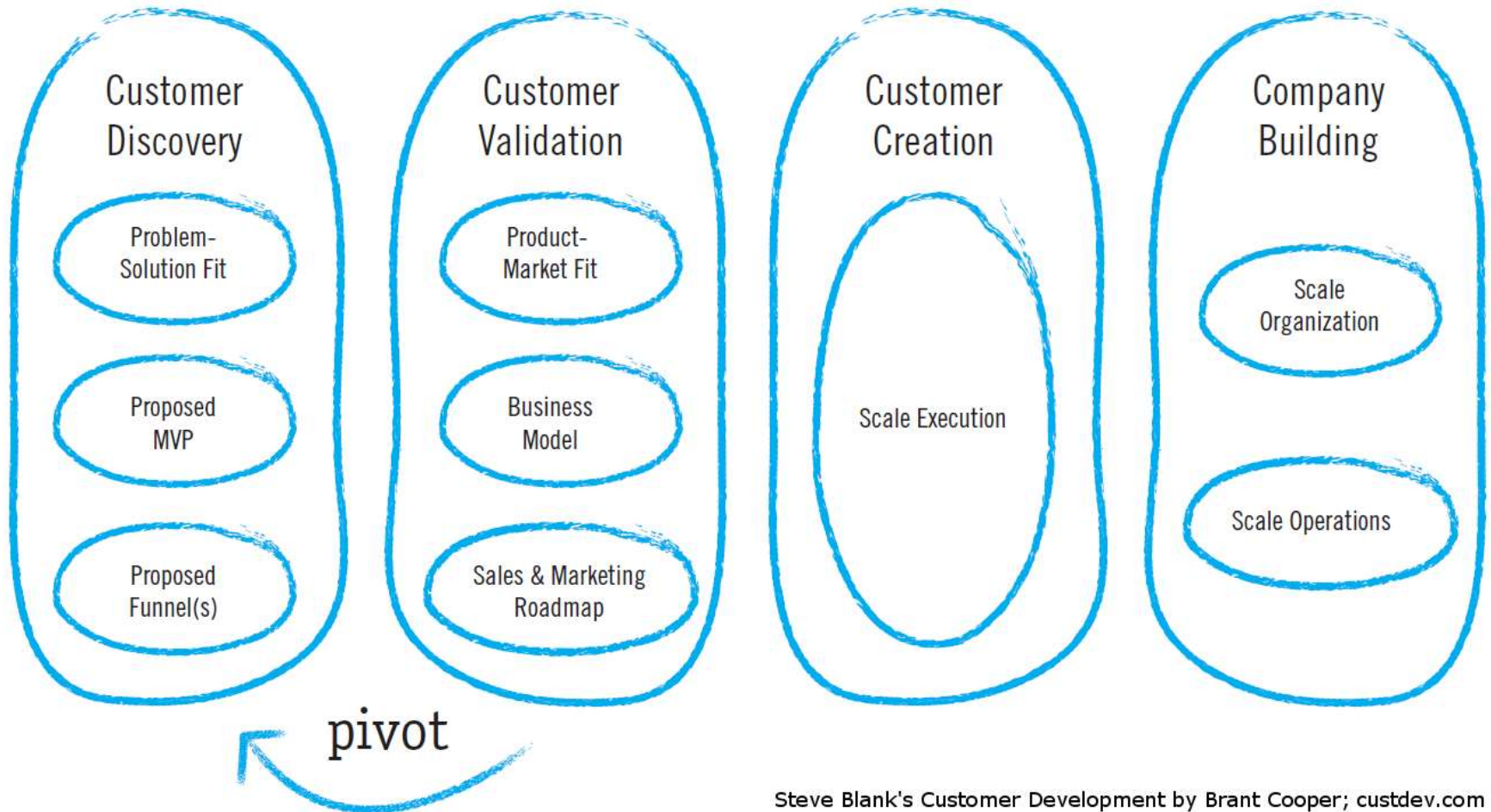


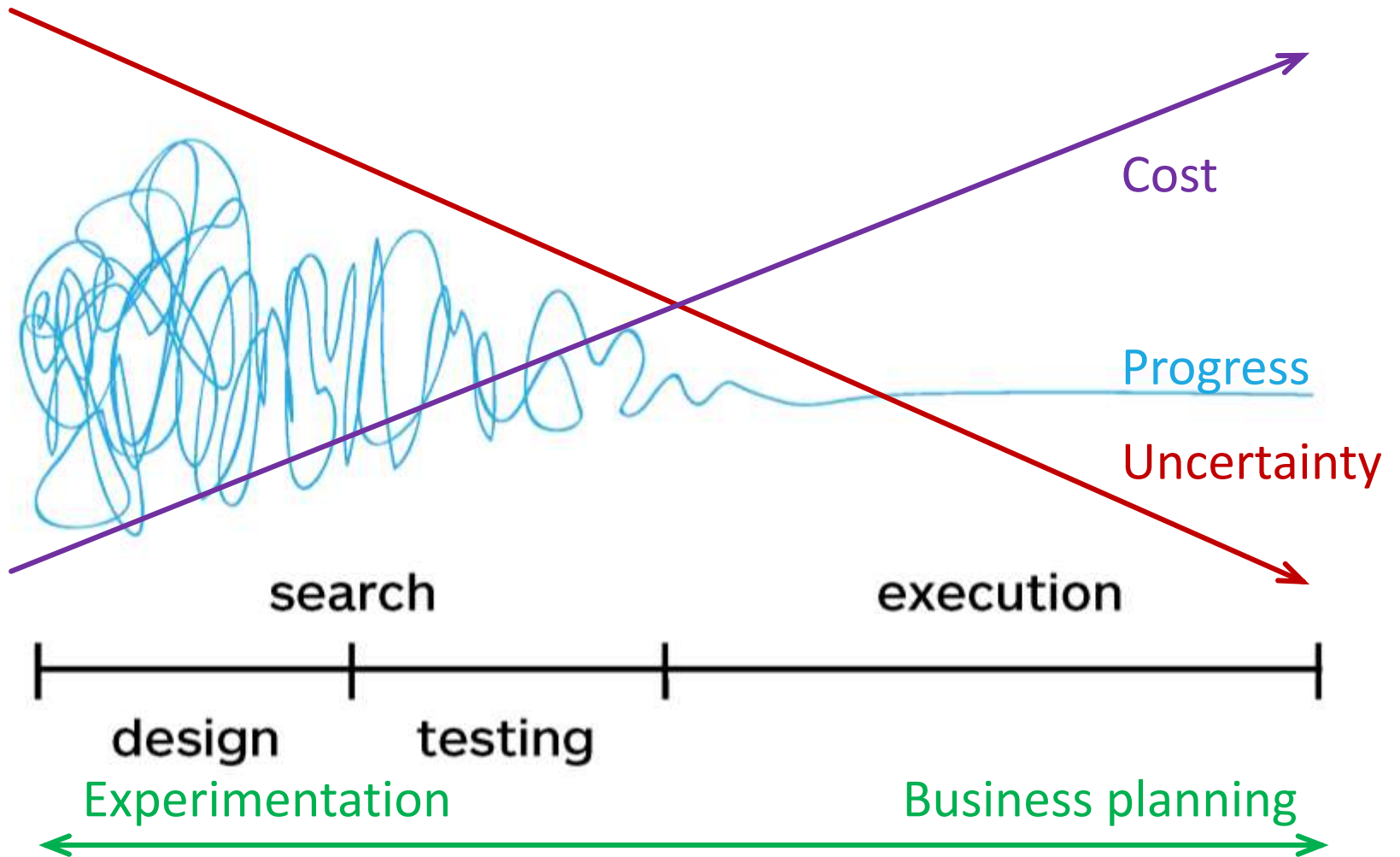
How do *you* make ~~money~~?
impact

Business model is
the rationale of how an
organization creates, delivers and
captures value

= makes money
+ impact

Customer Development



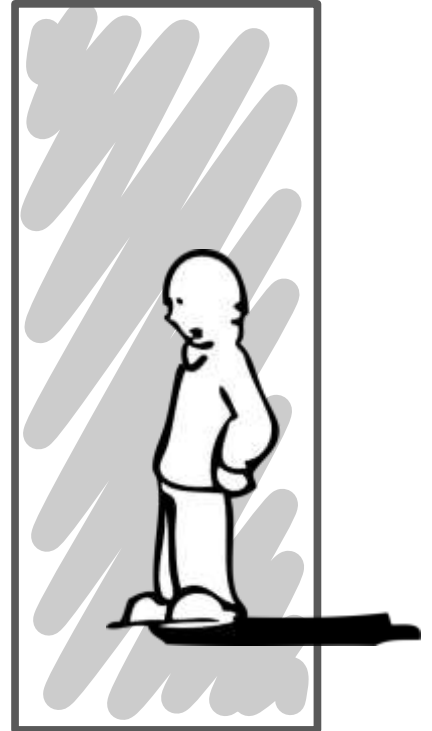


The Business Model Canvas.

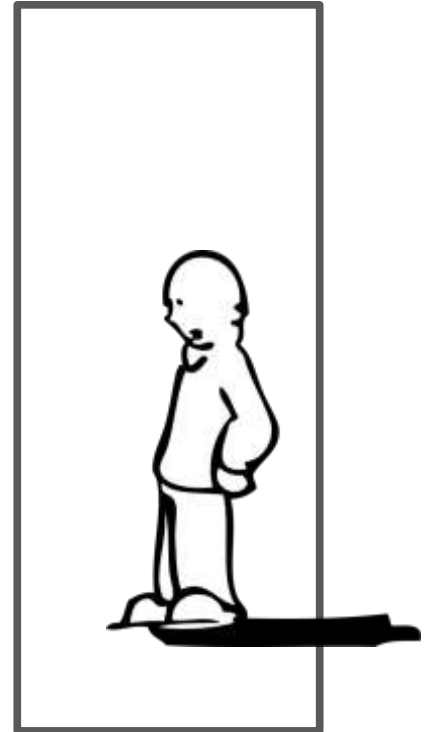
It allows you to describe, design, challenge, invent, and pivot your business model.



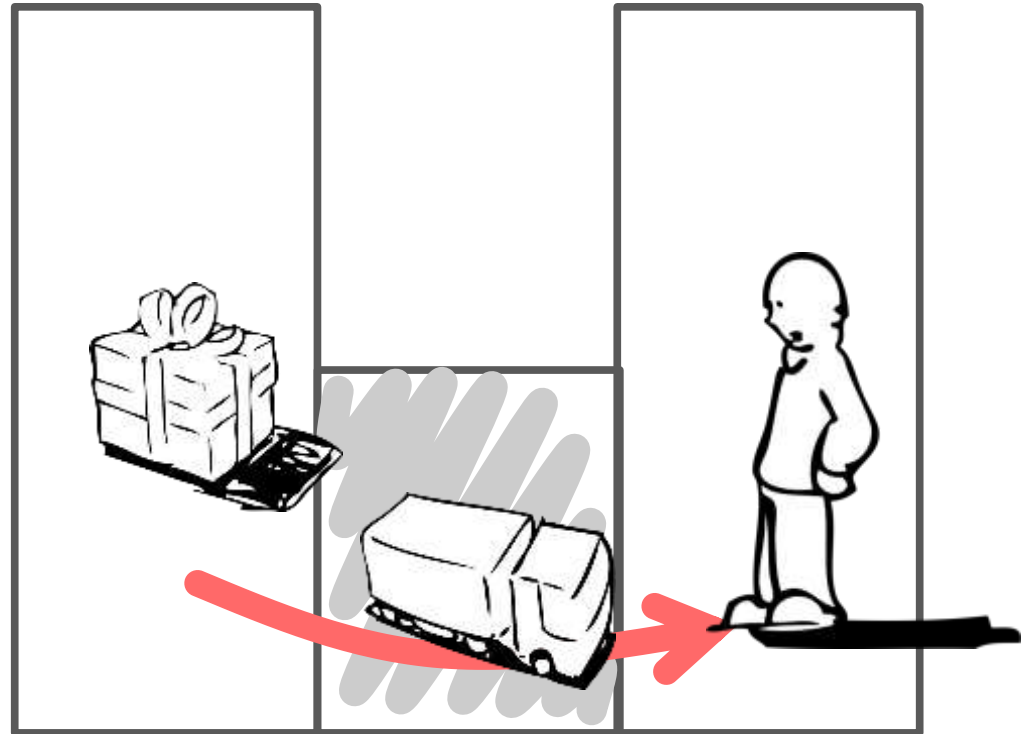
Customer Segments



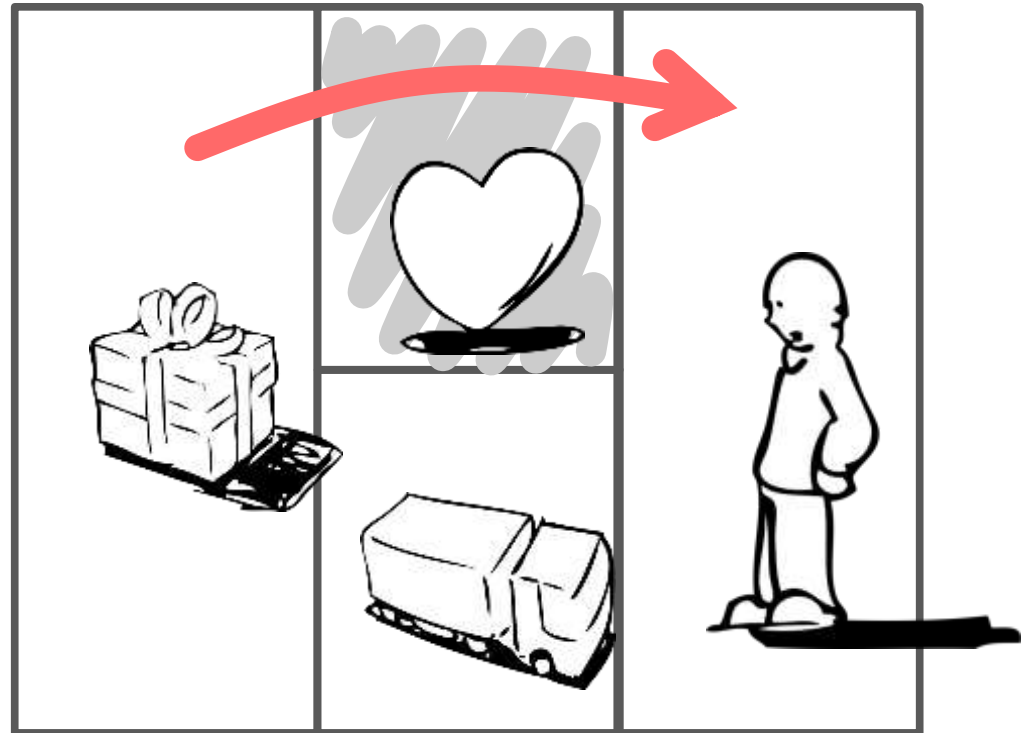
Value Proposition



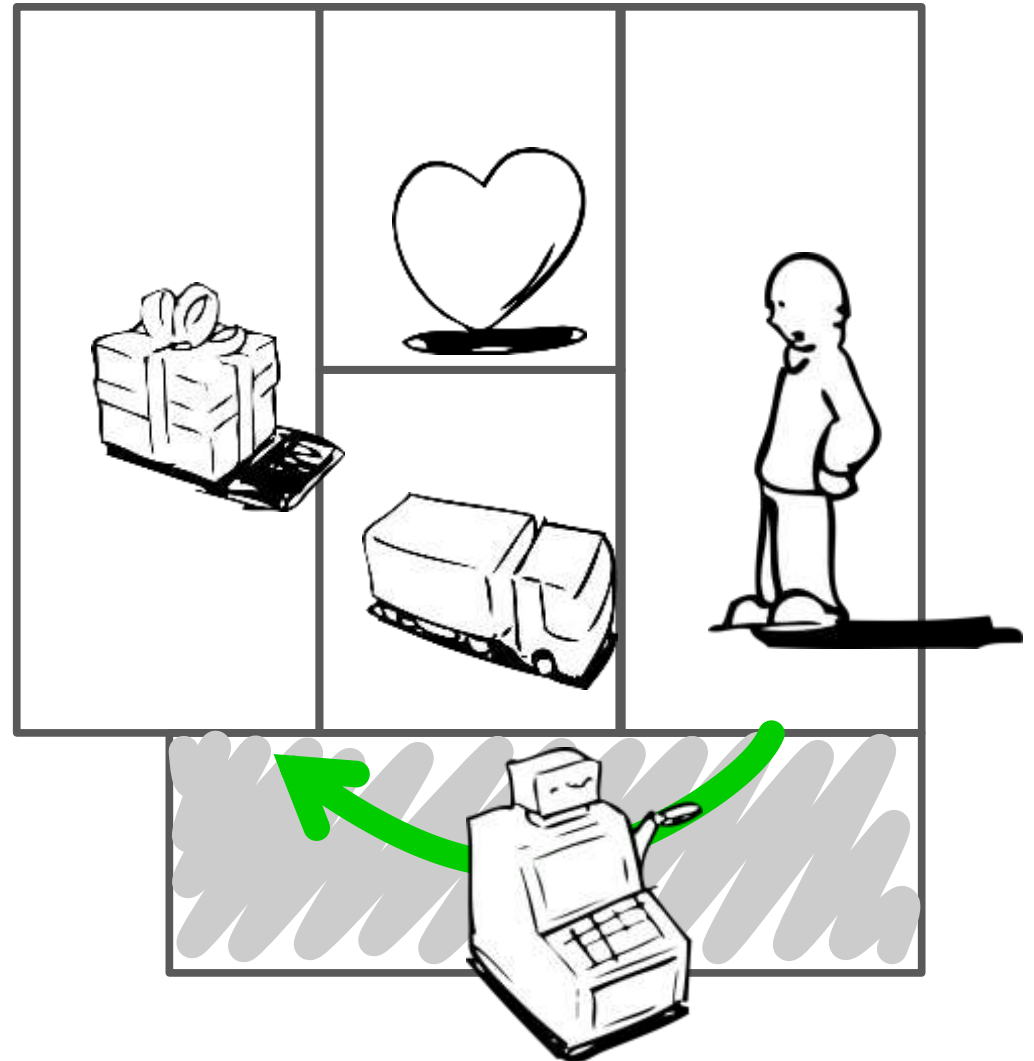
Channels



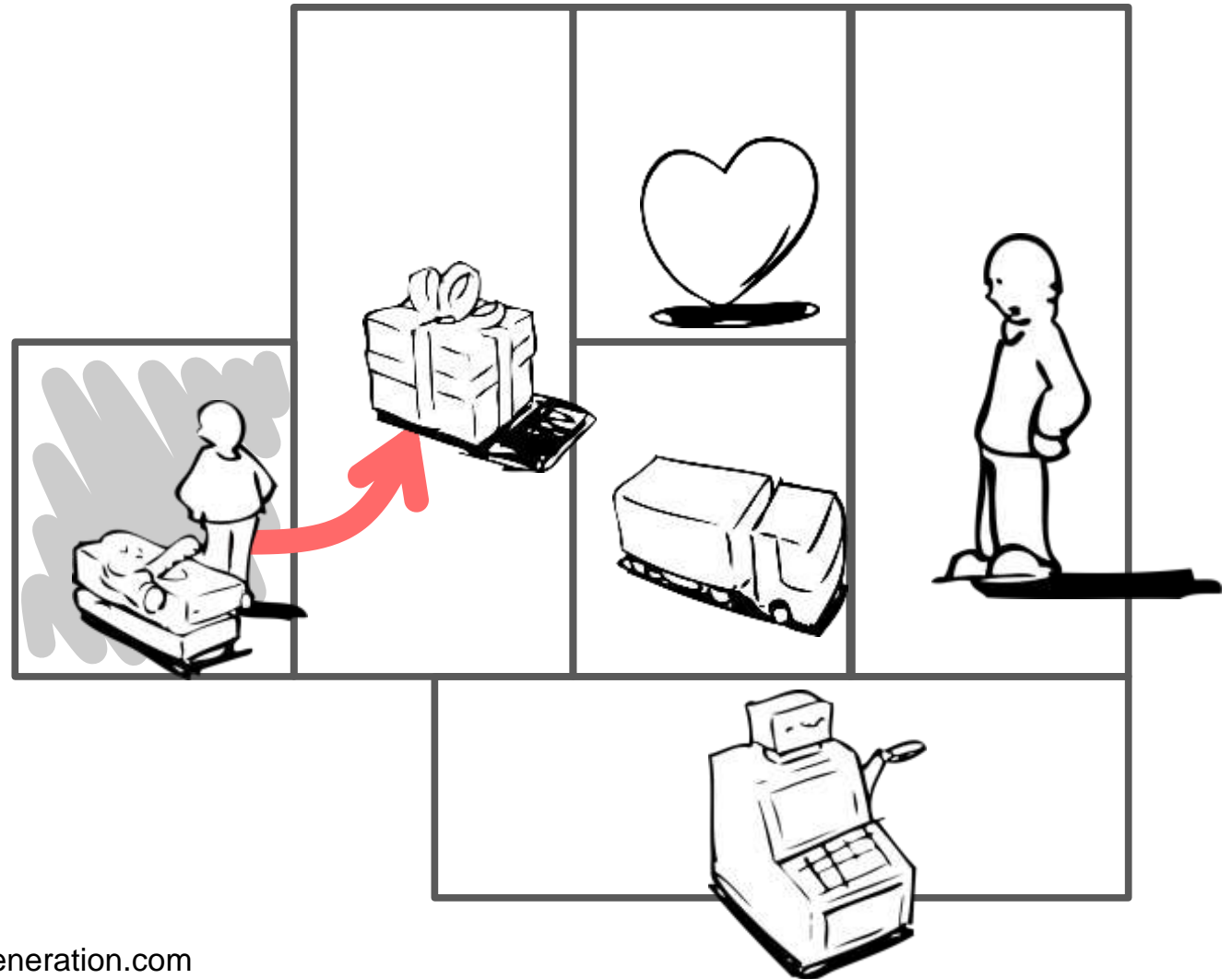
Customer Relationships



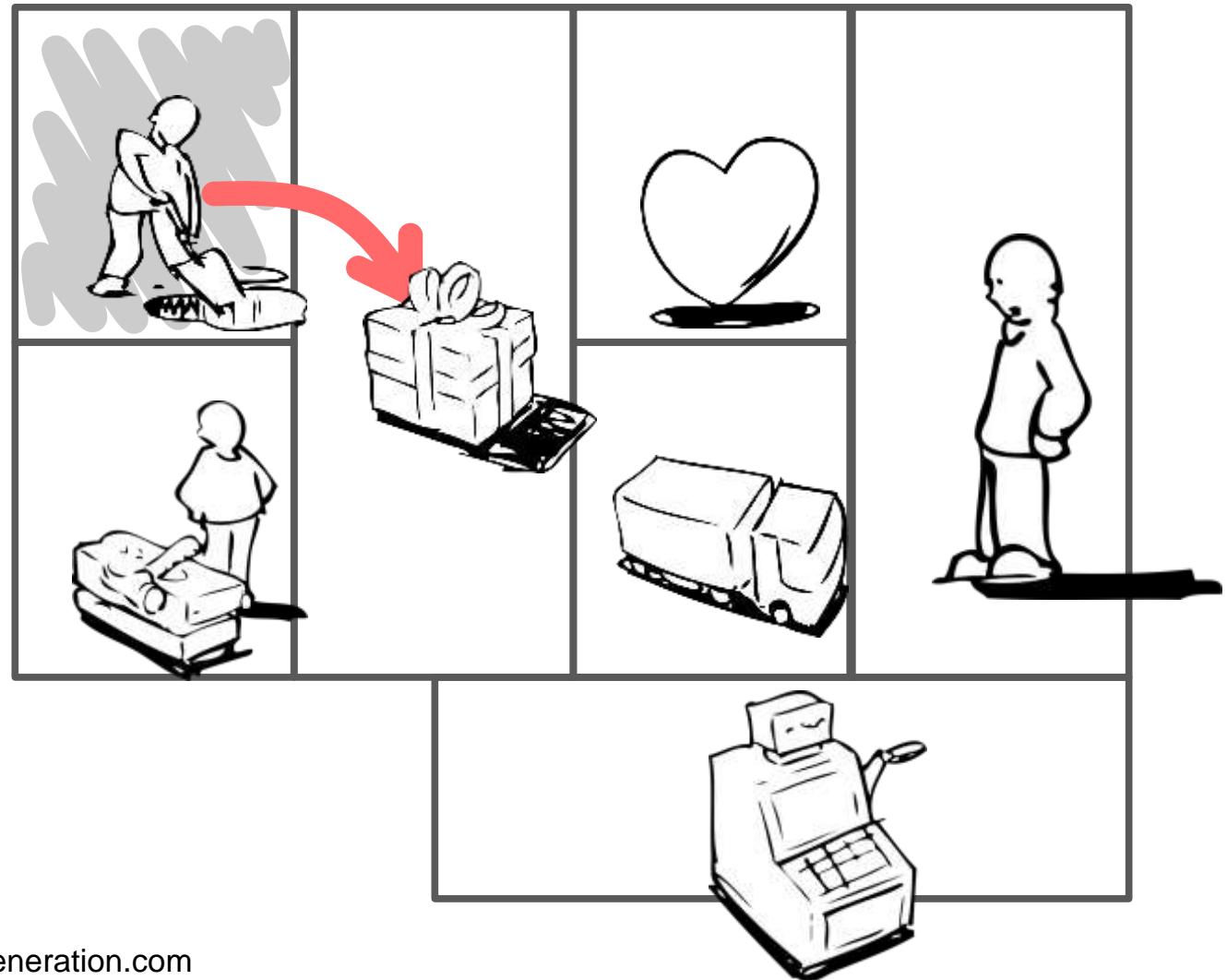
Revenue Streams



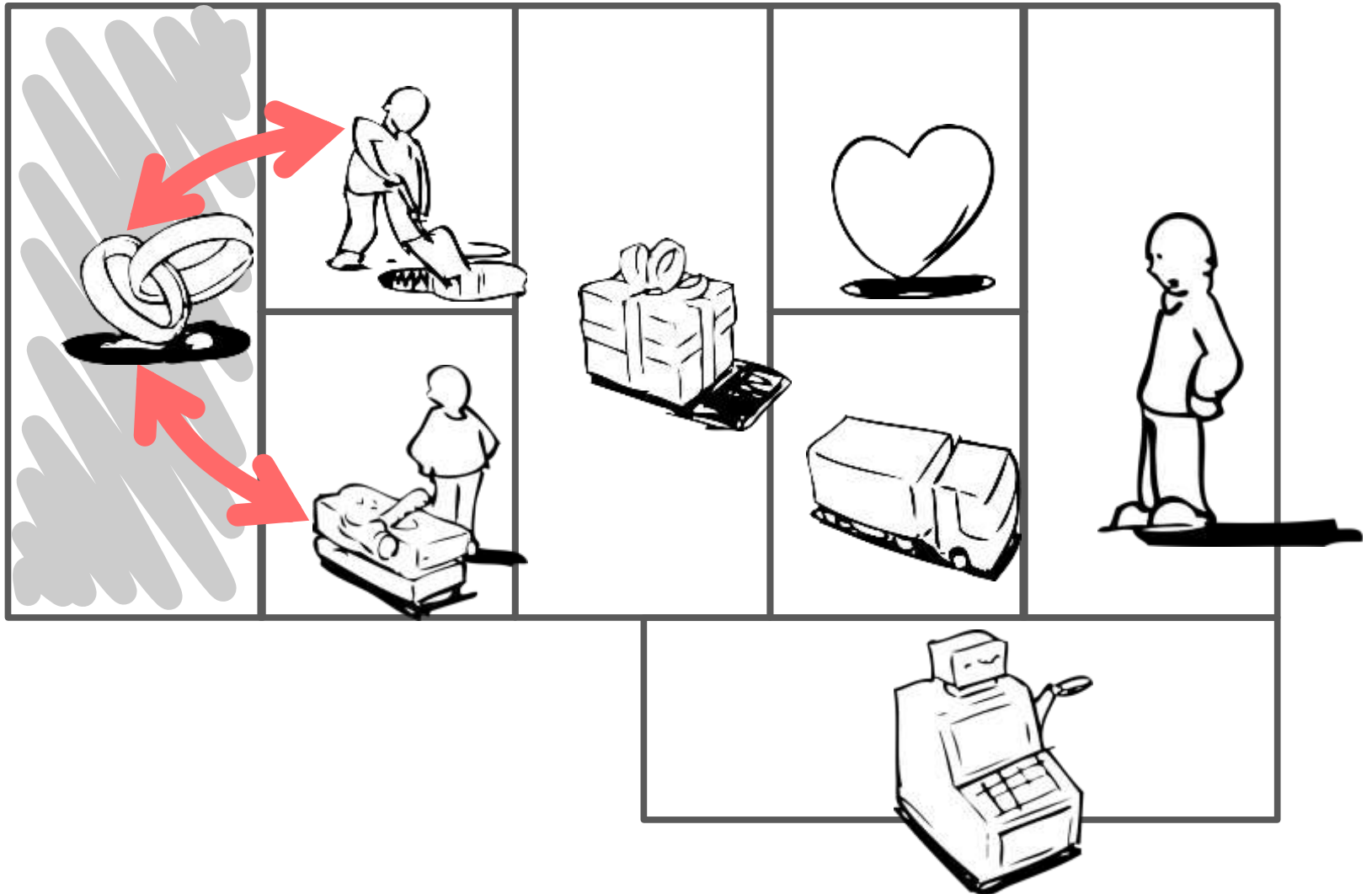
Key Resources



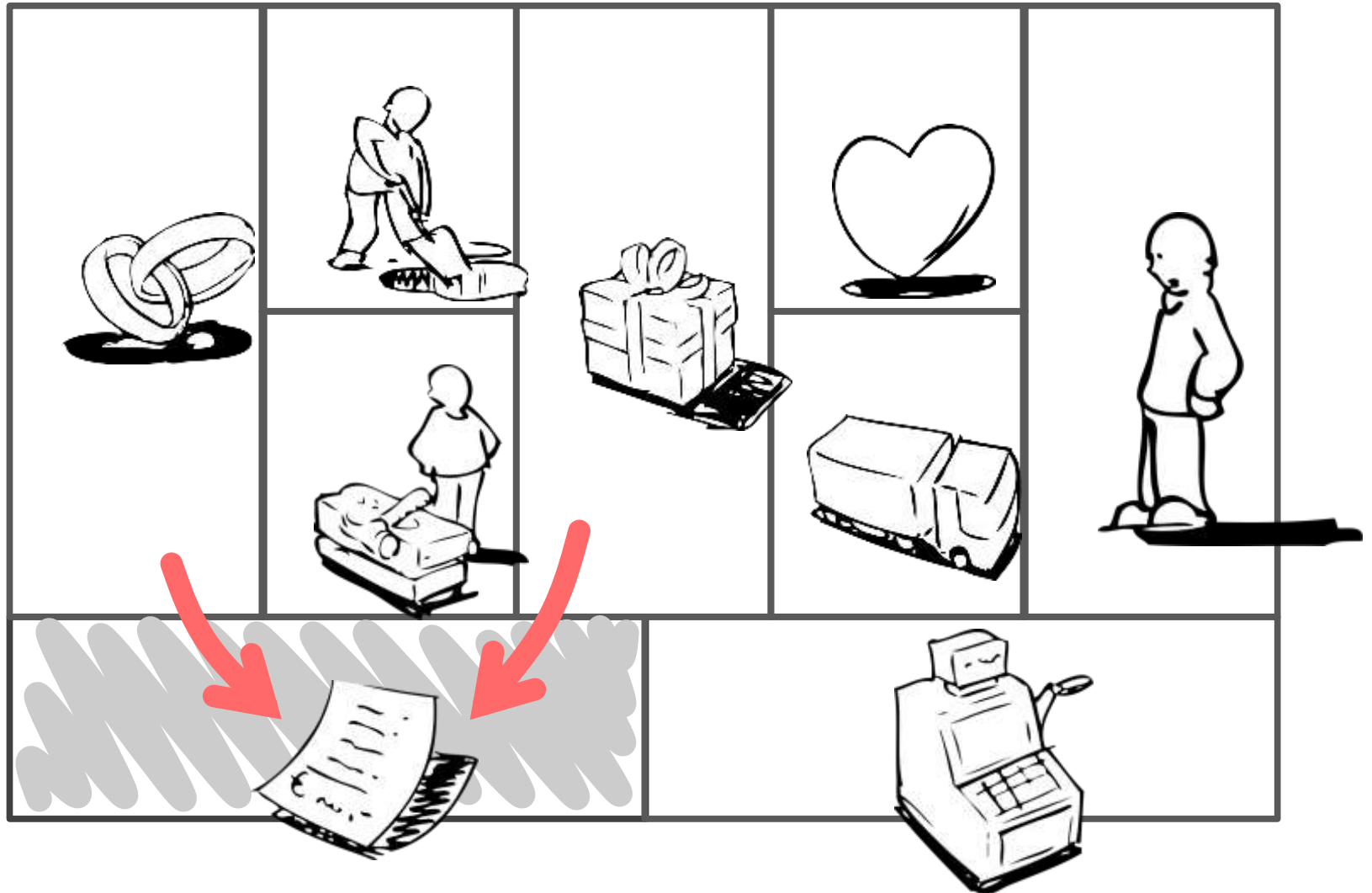
Key Activities



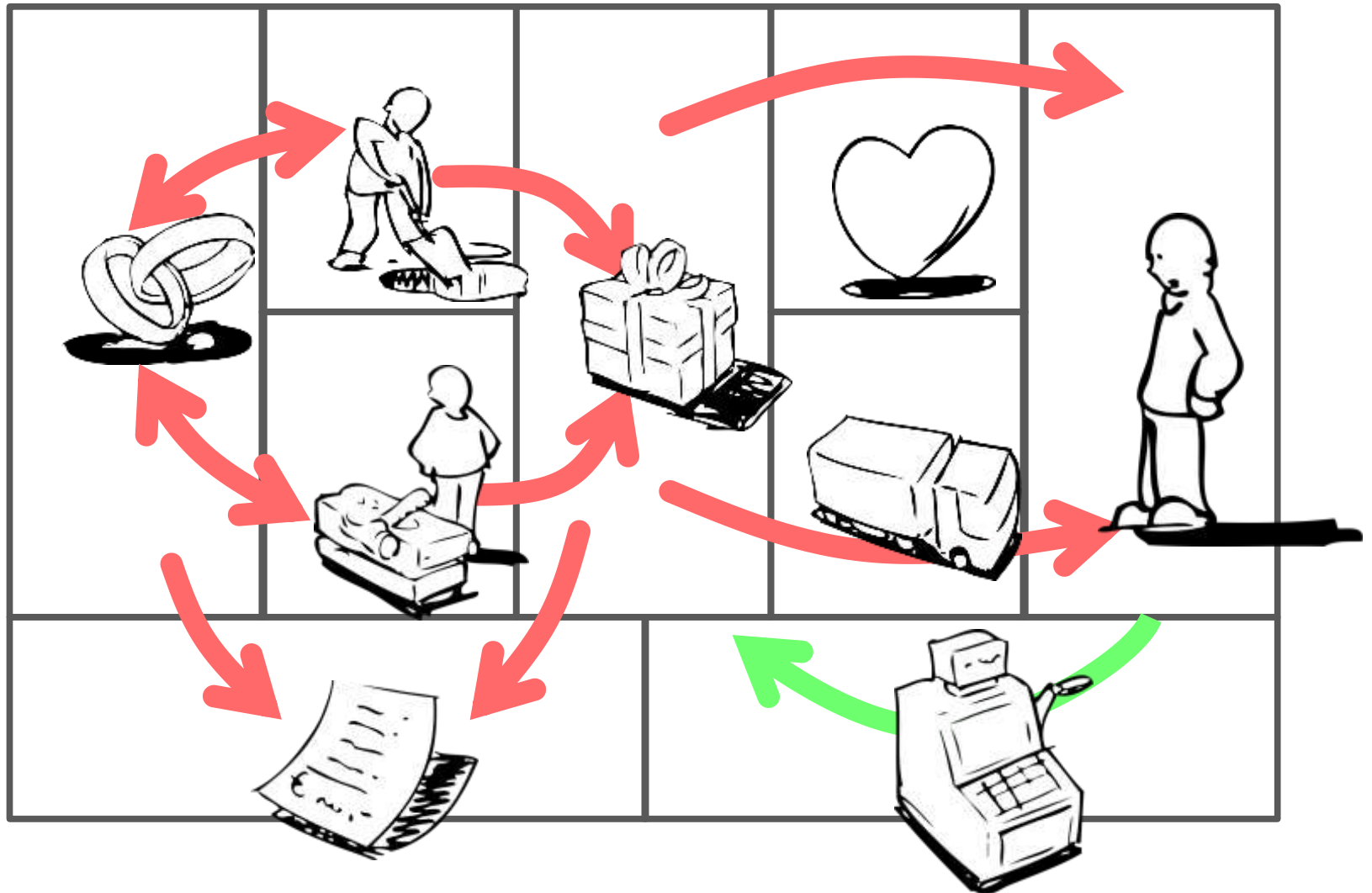
Key Partners



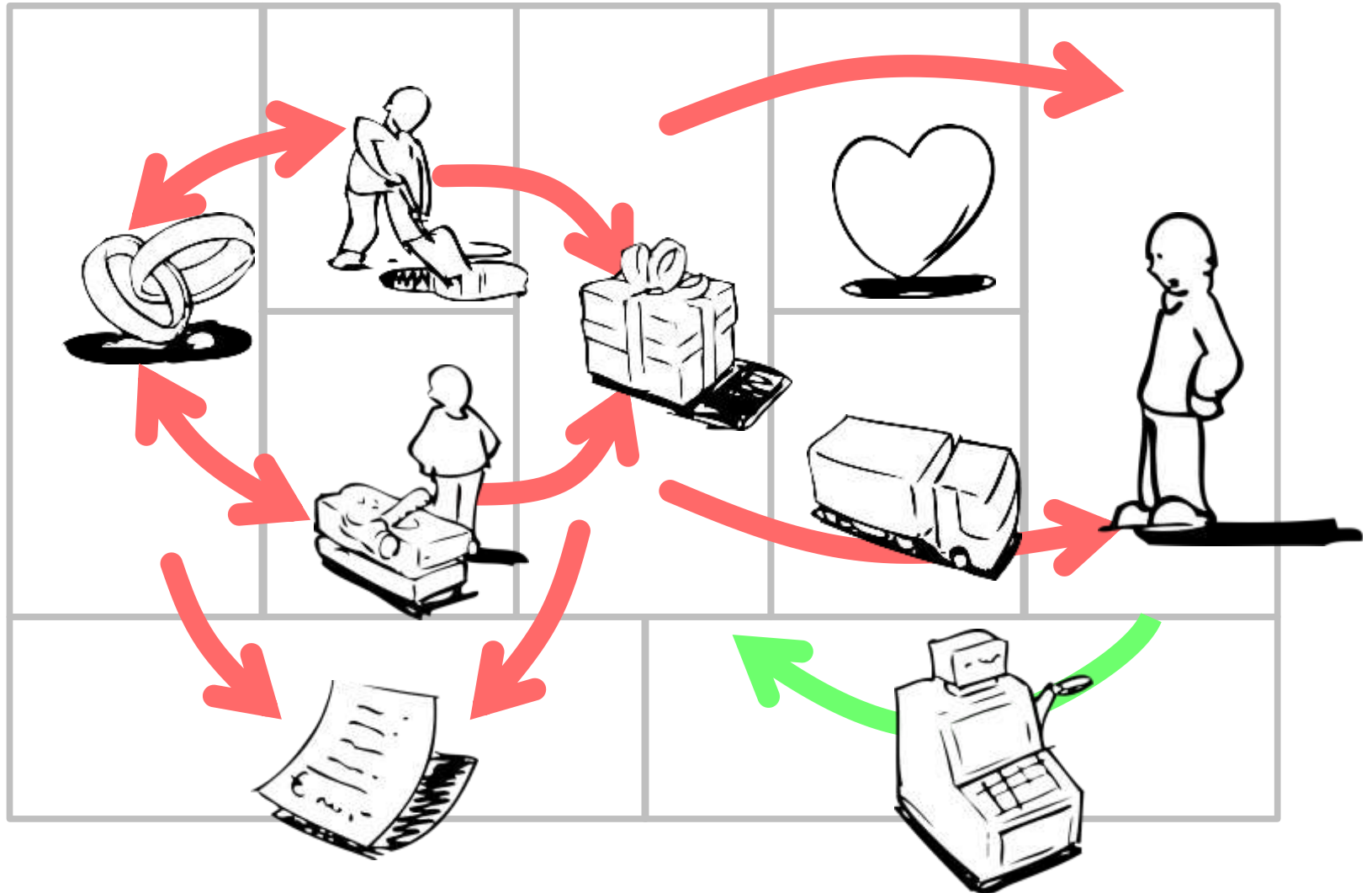
Cost Structure



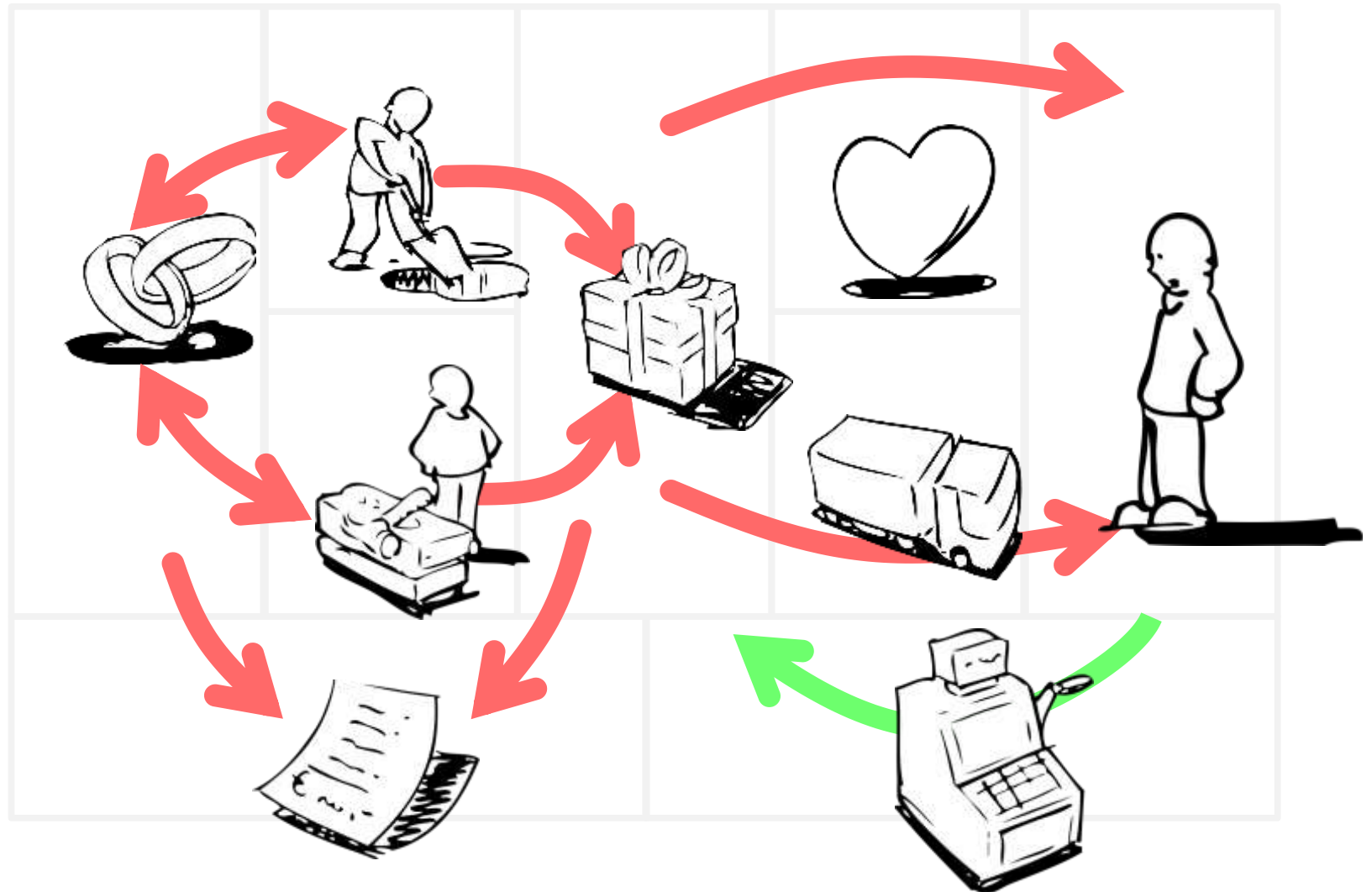
Business Model Canvas



Business Model Canvas



Business Model Story



Ground Rules

RULE #1

Avoid writing directly on a canvas



RULE #2

Don't get stuck with
Blah Blah Blah



RULE #3

Start with any building block



RULE #4

Never use bullet points



RULE #5

Avoid too much detail



too much info



too granular

RULE #6

Be precise for every building block














Create your
business model



Define value proposition, customers, revenues

The Business Model Canvas

Designed for: _____ Designed by: _____ Date: _____ Version: _____

Key Partners 	Key Activities 	Value Propositions 	Customer Relationships 	Customer Segments 
	Key Resources 		Channels 	
Cost Structure 		Revenue Streams 		

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Define channels and customer relationships

The Business Model Canvas

Designed for: _____ Designed by: _____ Date: _____ Version: _____

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
	Key Resources		Channels	
Cost Structure		Revenue Streams		

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Define resources, activities and partners

The Business Model Canvas

Designed for: _____ Designed by: _____ Date: _____ Version: _____

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
	Key Resources		Channels	
Cost Structure		Revenue Streams		

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Define cost structure

The Business Model Canvas

Designed for: _____ Designed by: _____ Date: _____ Version: _____

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
	Key Resources		Channels	
Cost Structure			Revenue Streams	

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Your business model?

The Business Model Canvas

Designed for: _____ Designed by: _____ Date: _____ Version: _____

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
	Key Resources		Channels	
Cost Structure		Revenue Streams		

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Business model idea

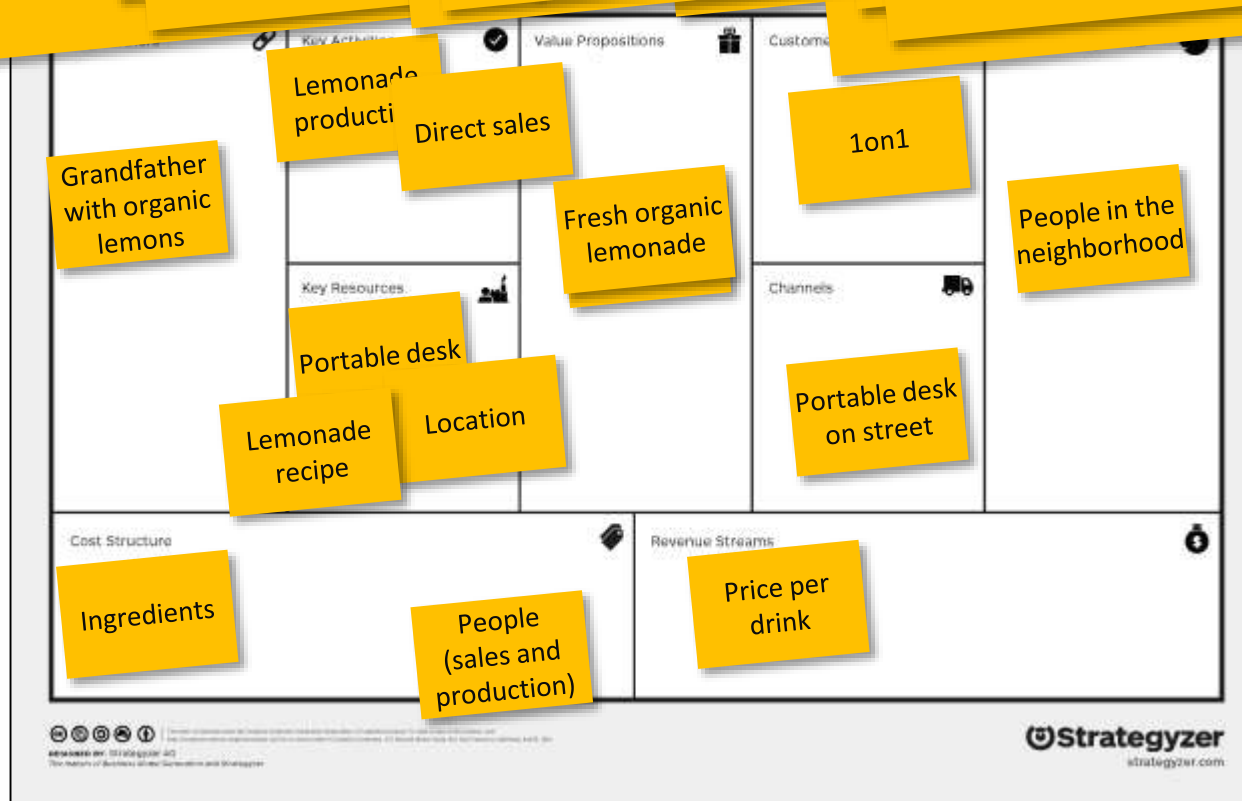


1on1

Ingredients

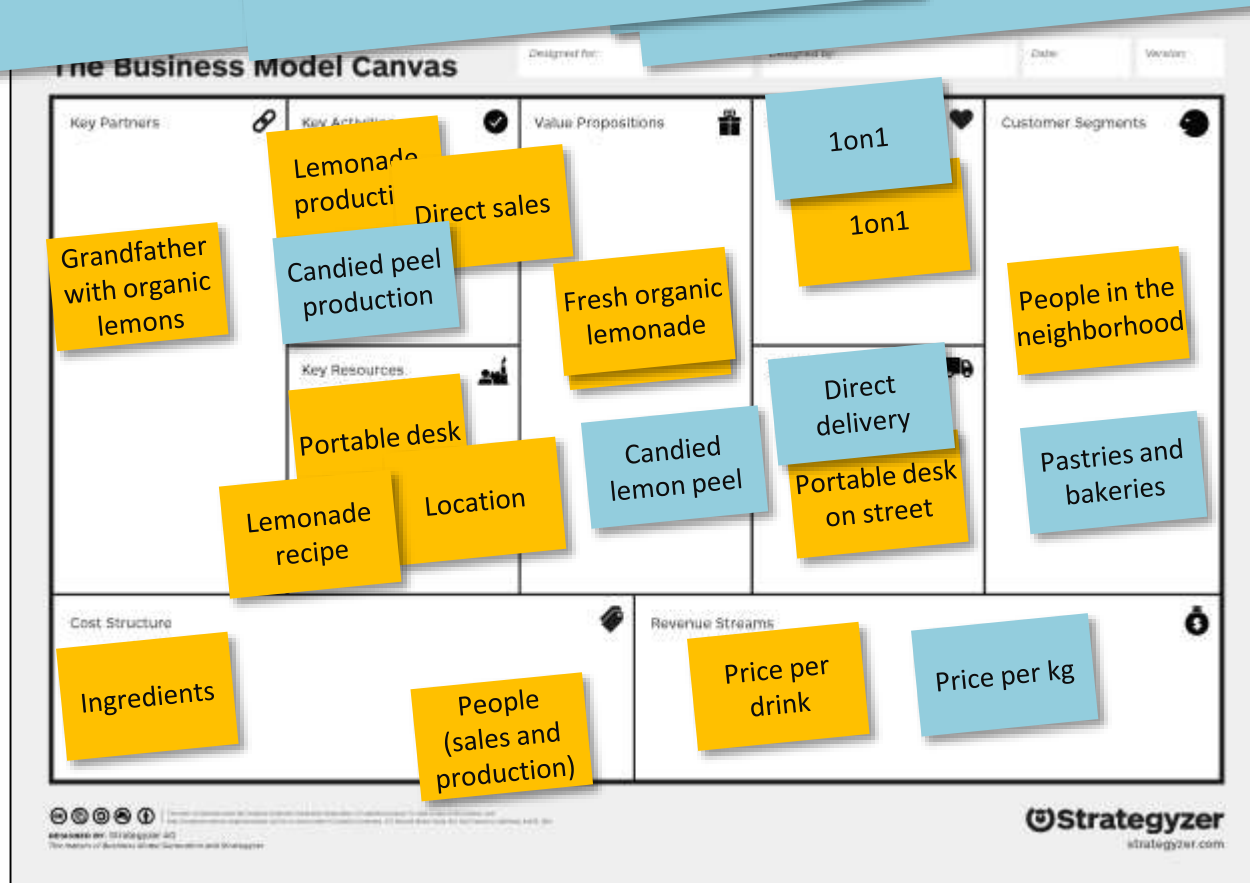
People
(sales and
production)

Grandfather
with organic
lemons





10 Candied peel direct production delivery



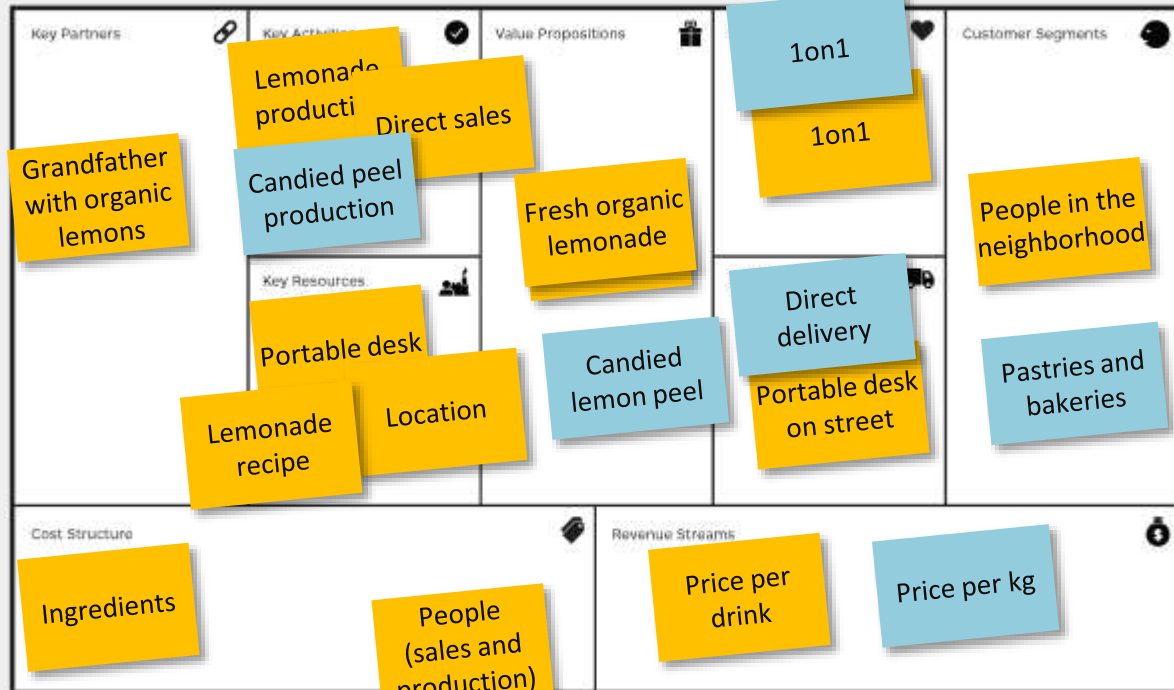
The Business Model Canvas

Designed for:

Designed by:

Date:

Version:



Best Practices

Practice #1

Use colour to separate segments



Practice #2

Separate 'as-is' and 'to-be'



Practice #3

Distinguish between fact and assumption



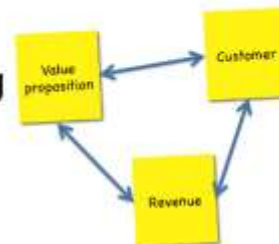
Practice #4

Design a BM with a story



Practice #5

Connect the building blocks



Practice #6

Different ideas and stories in separate canvases



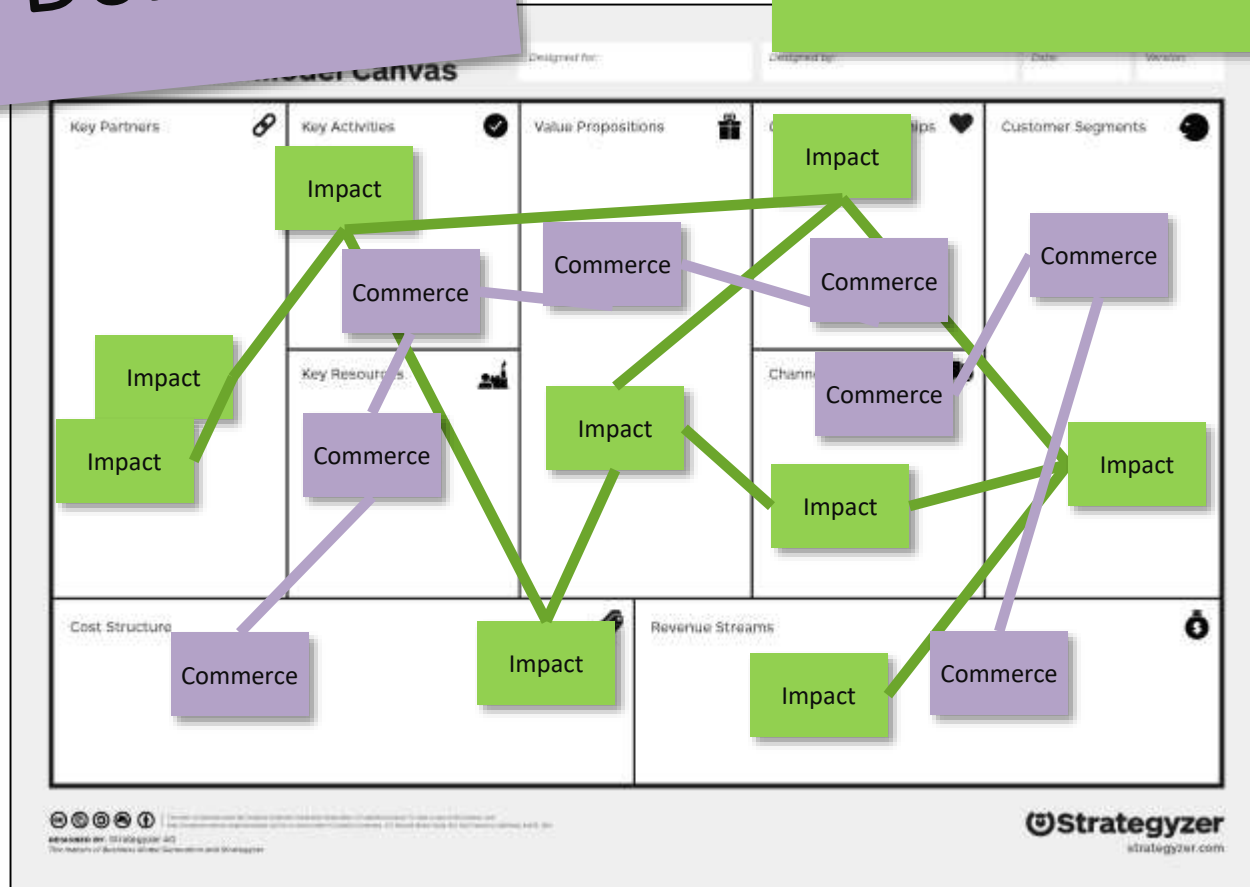


Non for profit
business model

Business model is
the rationale of how an
organization creates, delivers and
captures value
captures value
= makes money
that enables impact

Commerce
Donors

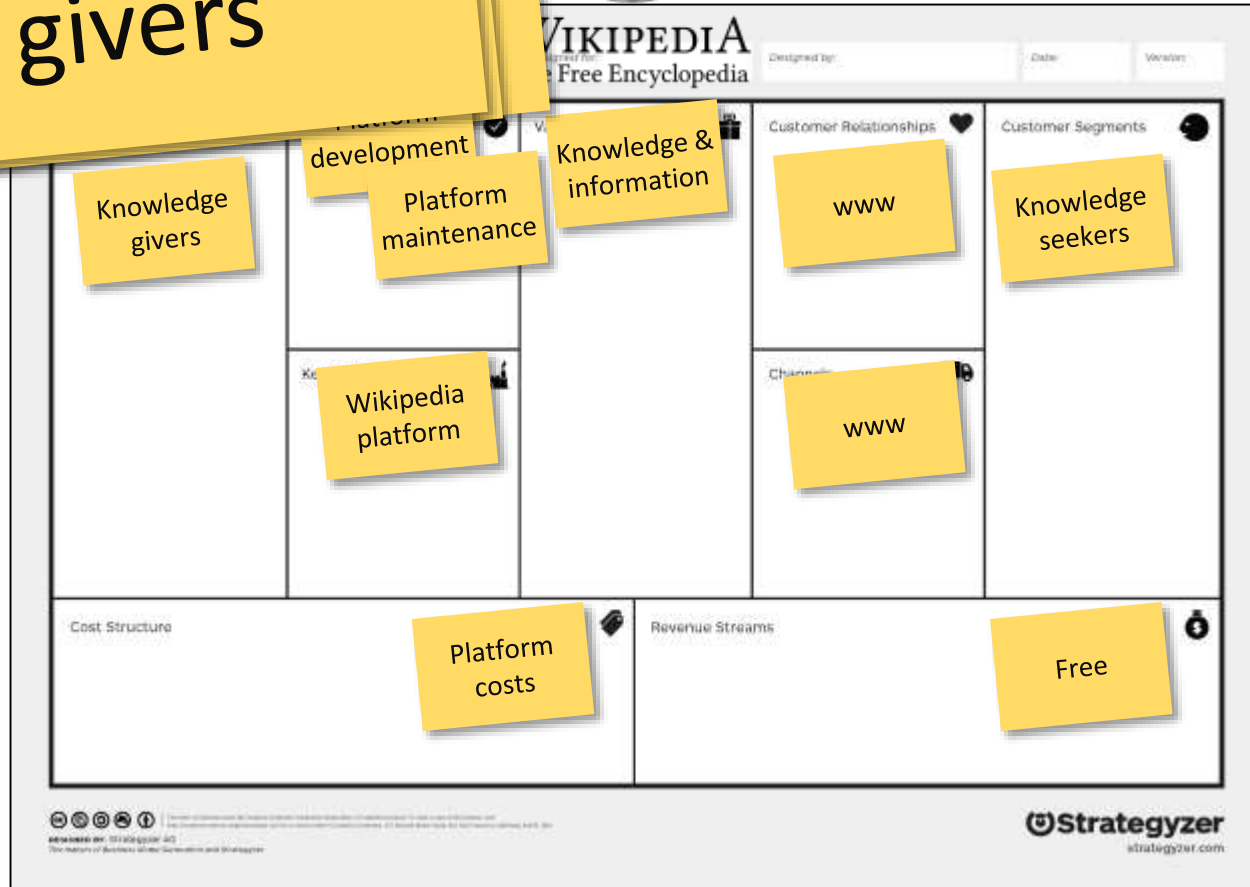
Impact
Beneficiaries





WIKIPEDIA
The Free Encyclopedia

Knowledge givers





We ask you, humbly, to help.

We'll get straight to the point: Today we ask you to defend Wikipedia's independence.

We're a non-profit that depends on donations to stay online and thriving, but 98% of our readers don't give; they simply look the other way. If everyone who reads Wikipedia gave just a little, we could keep Wikipedia thriving for years to come. The price of a cup of coffee is all we ask.

When we made Wikipedia a non-profit, people told us we'd regret it. But if Wikipedia were to become commercial, it would be a great loss to the world.

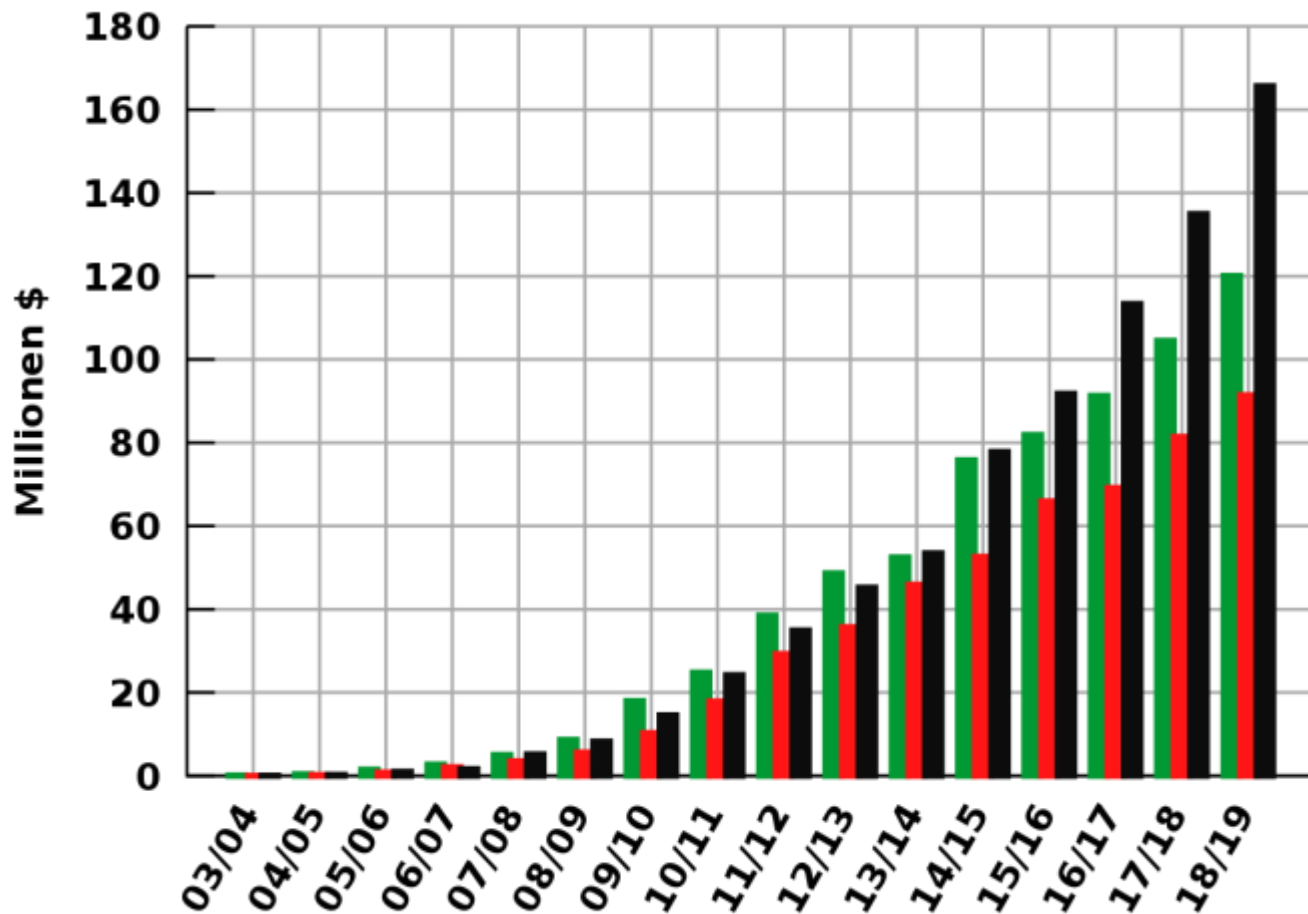
Wikipedia is a place to learn, not a place for advertising. The heart and soul of Wikipedia is a community of people working to bring you unlimited access to reliable, neutral information.

We know that most people will ignore this message. But if Wikipedia is useful to you, please consider making a donation of \$5, \$20, \$50 or whatever you can to protect and sustain Wikipedia.

Thanks,

Jimmy Wales

Wikipedia Founder



Financial development of the Wikimedia Foundation (in US\$), 2003–2018
Black: Net assets Green: Revenue Red: Expenses



We ask you, humbly, to help.

We'll get straight to the point: Today we ask you for your independence.

We're a non-profit that depends on donations to thrive, but 98% of our readers don't give; they just read. If everyone who reads Wikipedia gave just a little, Wikipedia could thrive for years to come. The price of our ask.

When we made Wikipedia a non-profit, people told us that if Wikipedia were to become commercial, it would ruin the world.

Wikipedia is a place to learn, not a place for advertisement. The soul of Wikipedia is a community of people working to provide unlimited access to reliable, neutral information.

We know that most people will ignore this message, but if it's useful to you, please consider making a donation of whatever you can to protect and sustain Wikipedia.

Thanks,

Jimmy Wales

Wikipedia Founder

Donation amount (CAD)

Just Once	Give Monthly
-----------	--------------

\$2.75	\$5	\$10	\$20
\$30	\$50	\$100	Other <input type="text"/>

VISA Mastercard AMEX

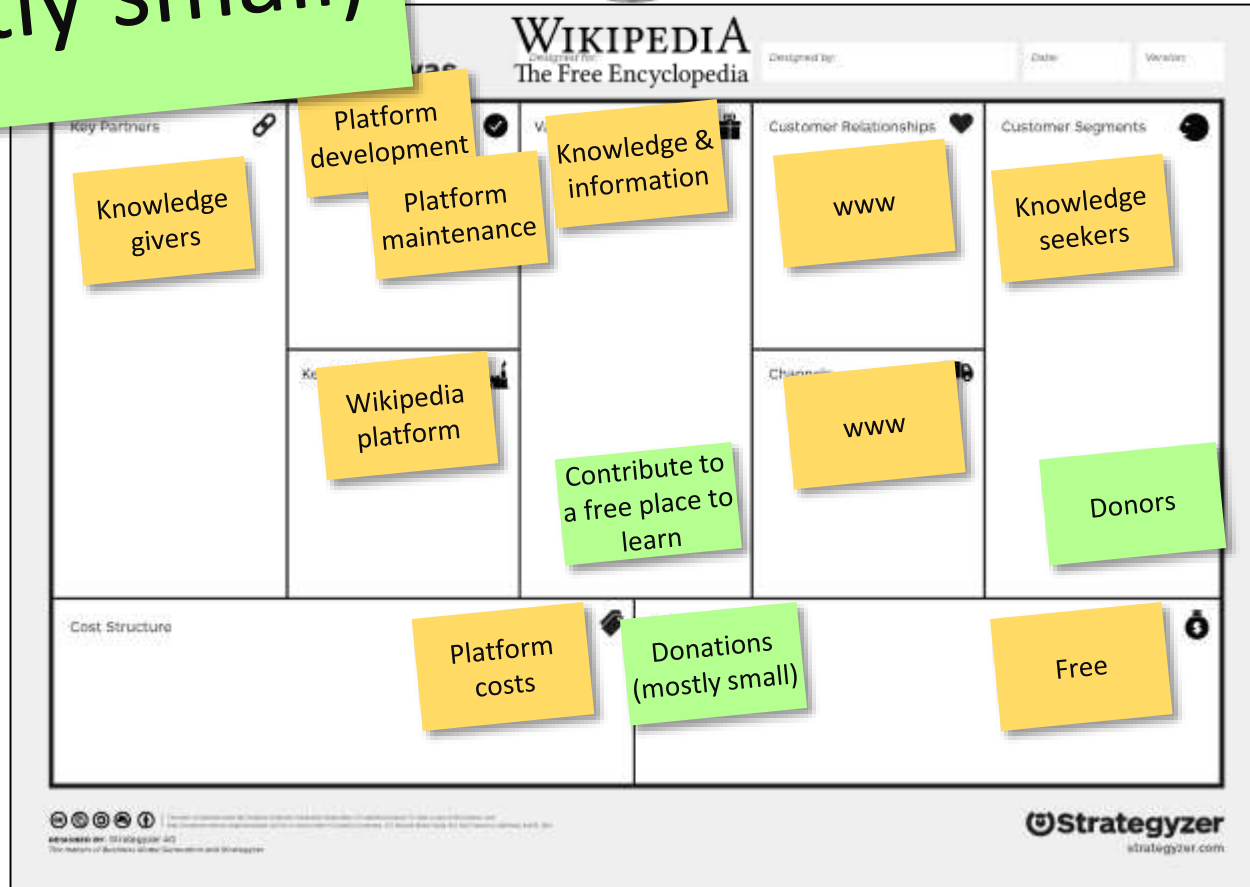
PayPal

Where your donation goes

Technology: Servers, bandwidth, maintenance, development. Wikipedia is one of the top 10 websites in the world, and it runs on a fraction of what other top websites spend.

People and Projects: The other top websites have thousands of employees. We have about 400 staff and contractors to support a wide variety of projects, making your donation a great investment in a highly-efficient not-for-profit organization.

Donations
(mostly small)





Wikipedia is in the palm of your hand—all you need to do is edit an article.

https://en.wikipedia.org/wiki/Wikipedia:Wikipedians

Number of editors

The English Wikipedia currently has 39,174,239^[2] users who have registered a username. Only a minority of users contribute regularly (145,069^[3] have edited in the last 30 days), and only a minority of those contributors participate in *community discussions*. An unknown but relatively large number of *unregistered Wikipedians* also contribute to the site.

As of February, 2015, when about 12,000 editors were eligible to vote in the *Wikimedia Stewards Elections*, their eligibility was based on their English Wikipedia edit count. It applied to those who had an edit count of at least 600 overall and 50 since August, 2014. This was about one-quarter of the number of Wikipedians who had 600 edits overall. (See the *Talk* page for details.)

User permissions

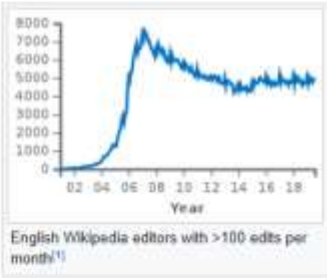
See also: *Wikipedia human administrative structure*

Some accounts have special permissions, including:^[4]

- 35 account creators
- 1,140 administrators
- 4,092 autopatrolled
- 309 bots
- 19 bureaucrats
- 43 checkusers
- 437 confirmed users
- 150 edit filter managers
- 130 event coordinators
- 50,797 extended confirmed users
- 403 file movers
- 1 founder^[note 1]
- 2 importers
- 419 IP block exempt users
- 59 mass message senders
- 724 new page reviewers
- 45 oversighters
- 309 page movers
- 7,370 pending changes reviewers
- 3 researchers
- 6,281 rollbackers
- 184 template editors

Some user groups (such as stewards) act globally and thus they do not get local flags and local rights.

Human Administration
Wikimedia Board of Trustees
Wikimedia Staff
Stewards
Arbitration Committee
Bureaucrats
Administrators
Wikipedians
Readers

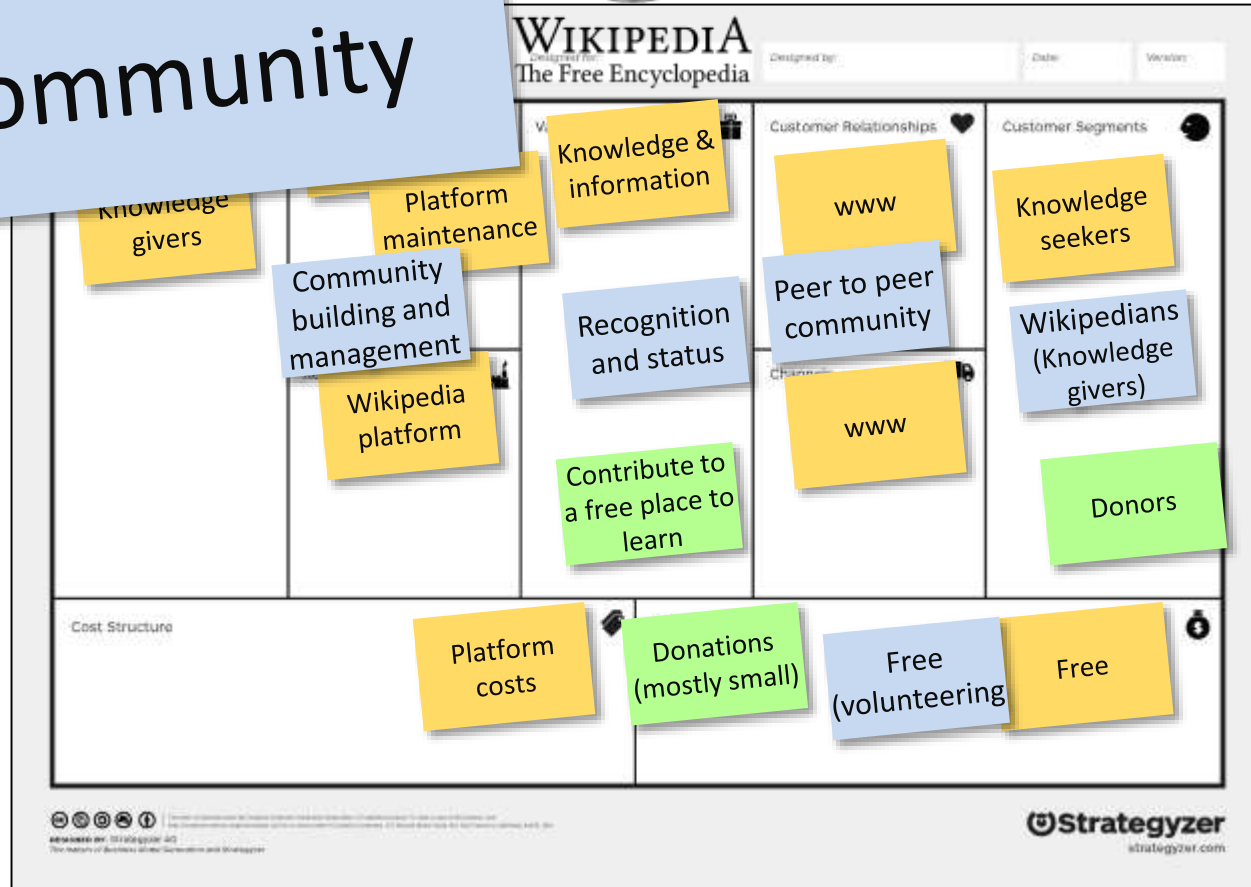


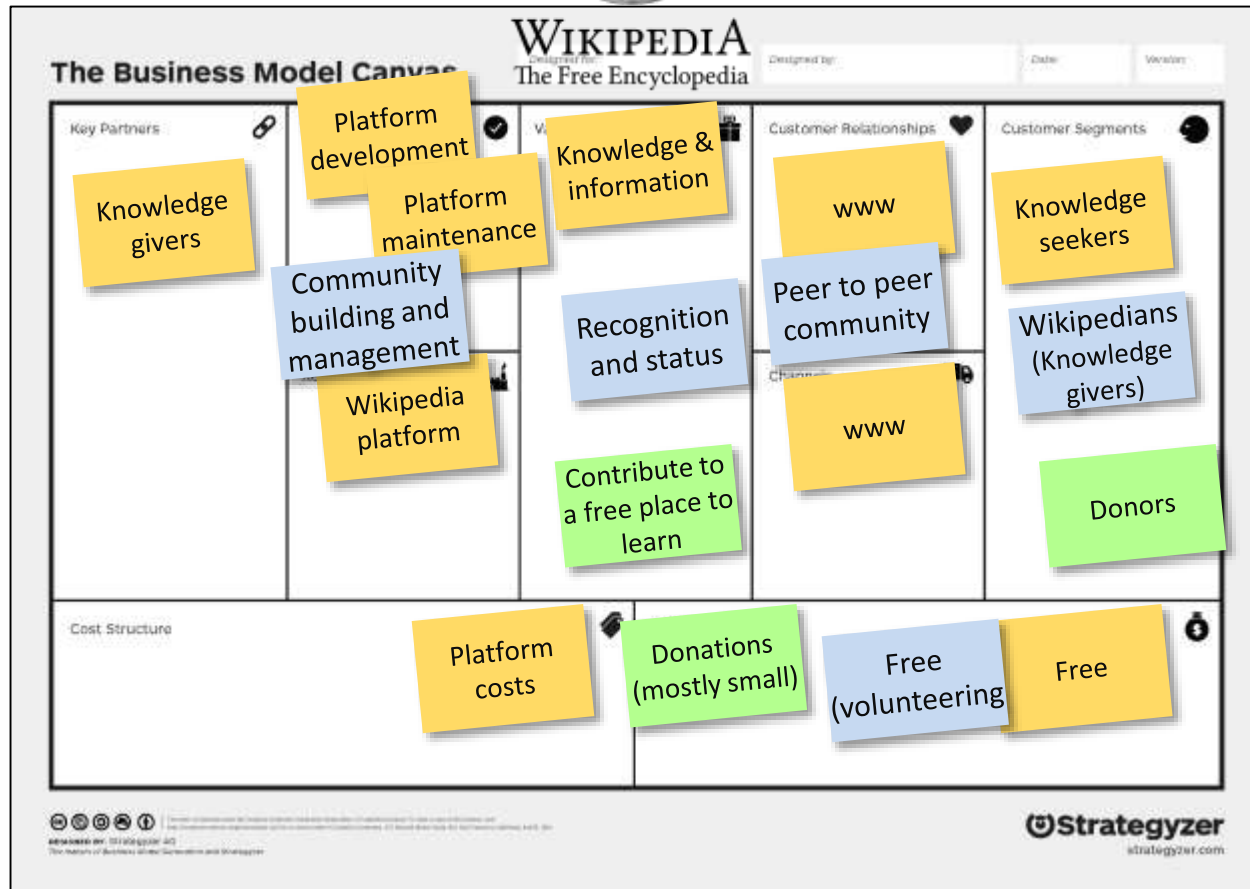
Gender

84 / 100

The 2013 study *The Wikipedia Gender Gap Revisited* measured gender bias in survey completion and estimated that as of 2008, 84% of English Wikipedia editors were male. In the worldwide *Wikipedia Editor Survey 2011* of all the Wikipedias, 91% of respondents were male.

Peer to peer community

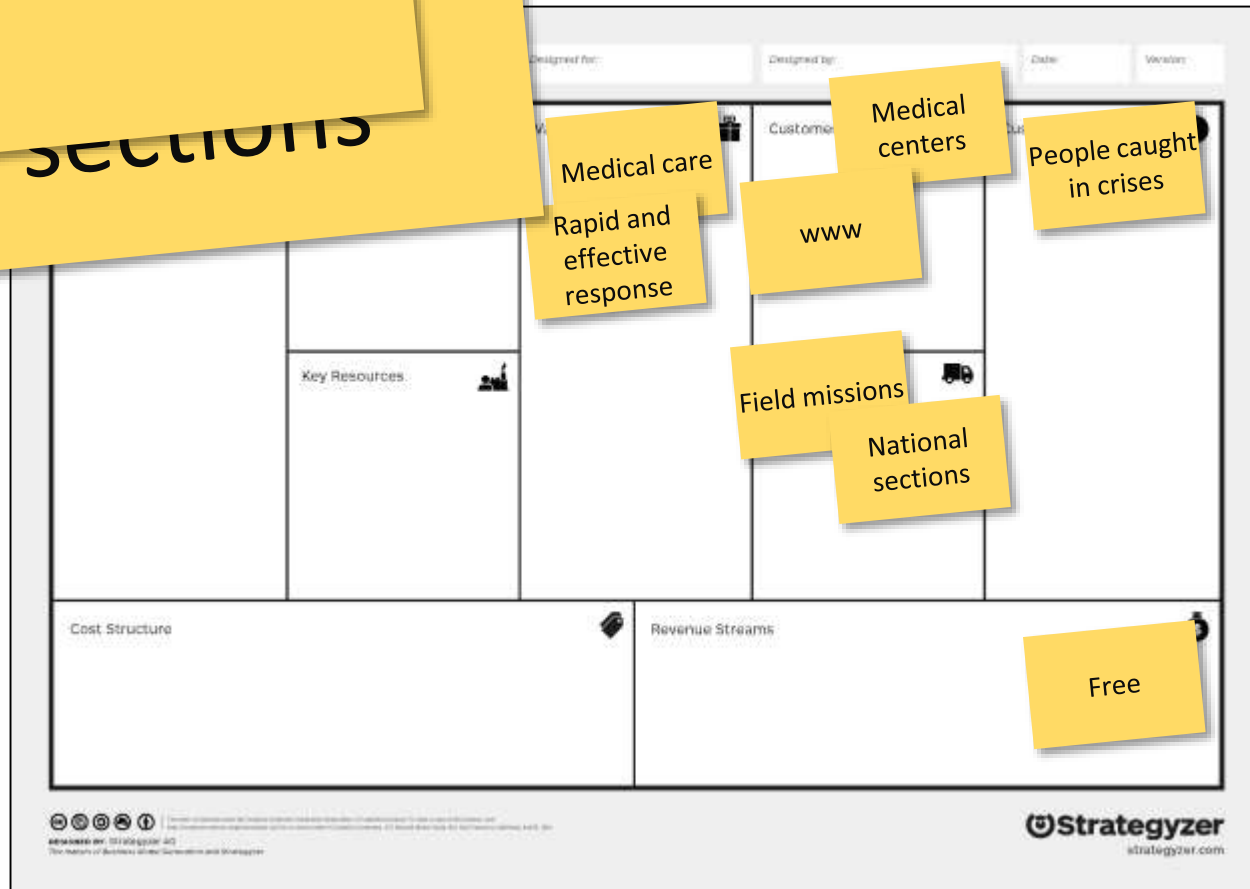




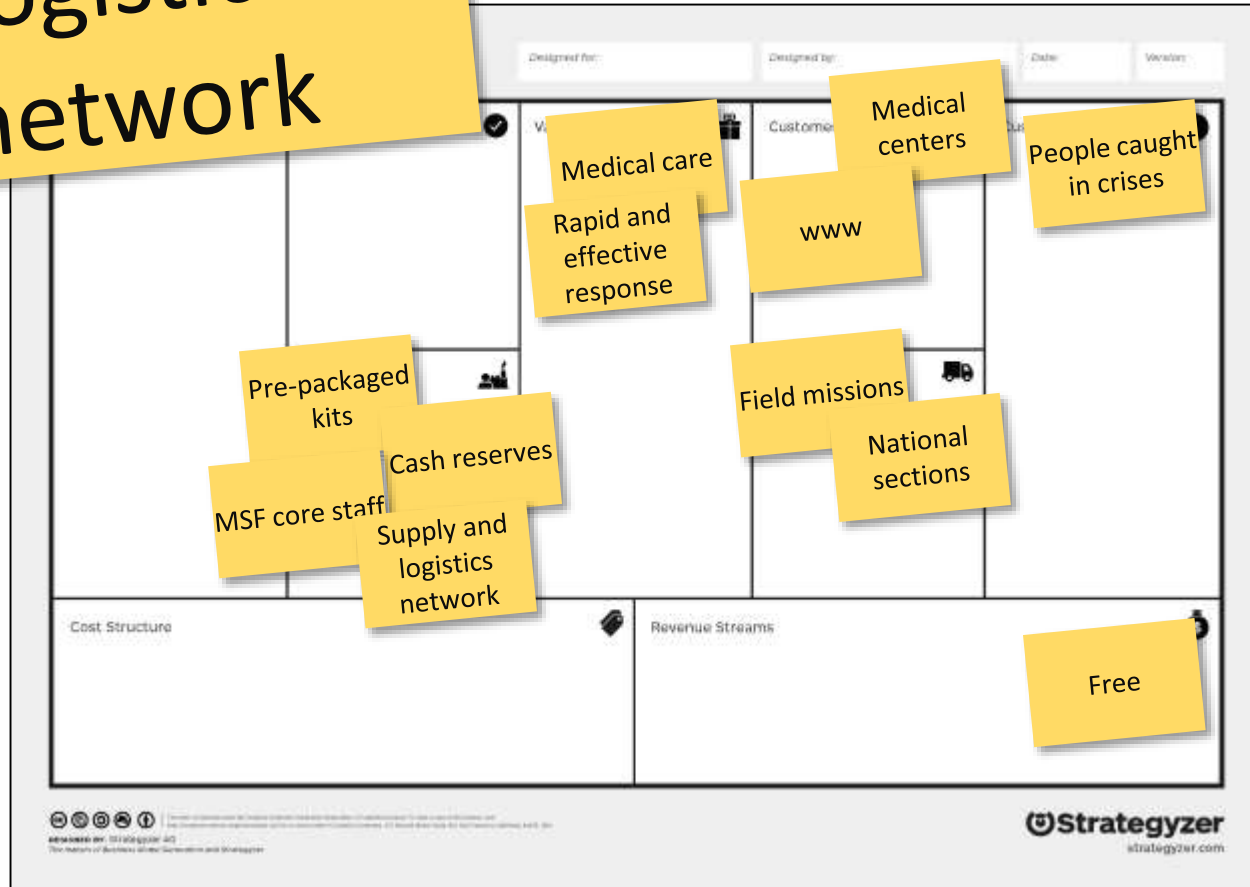


WWW

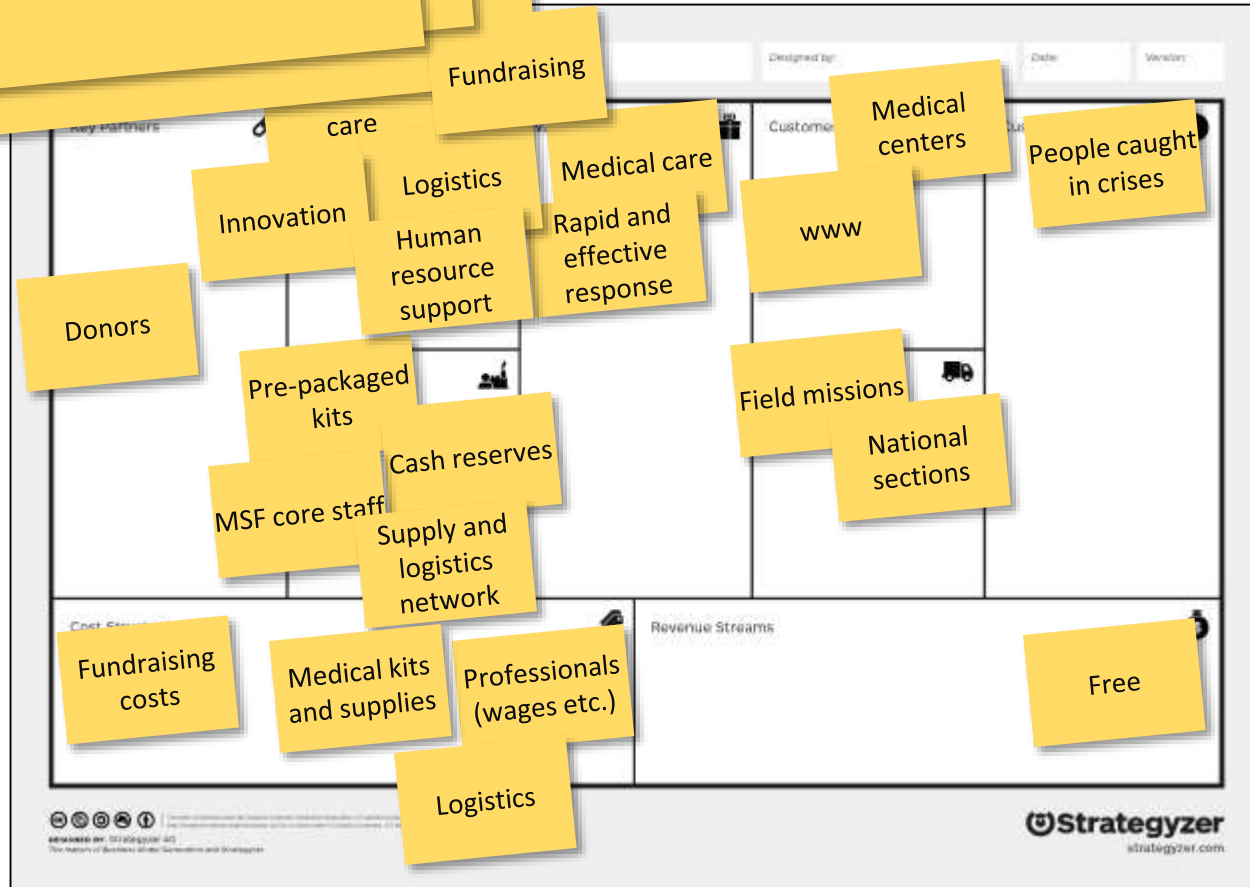
SECTIONS

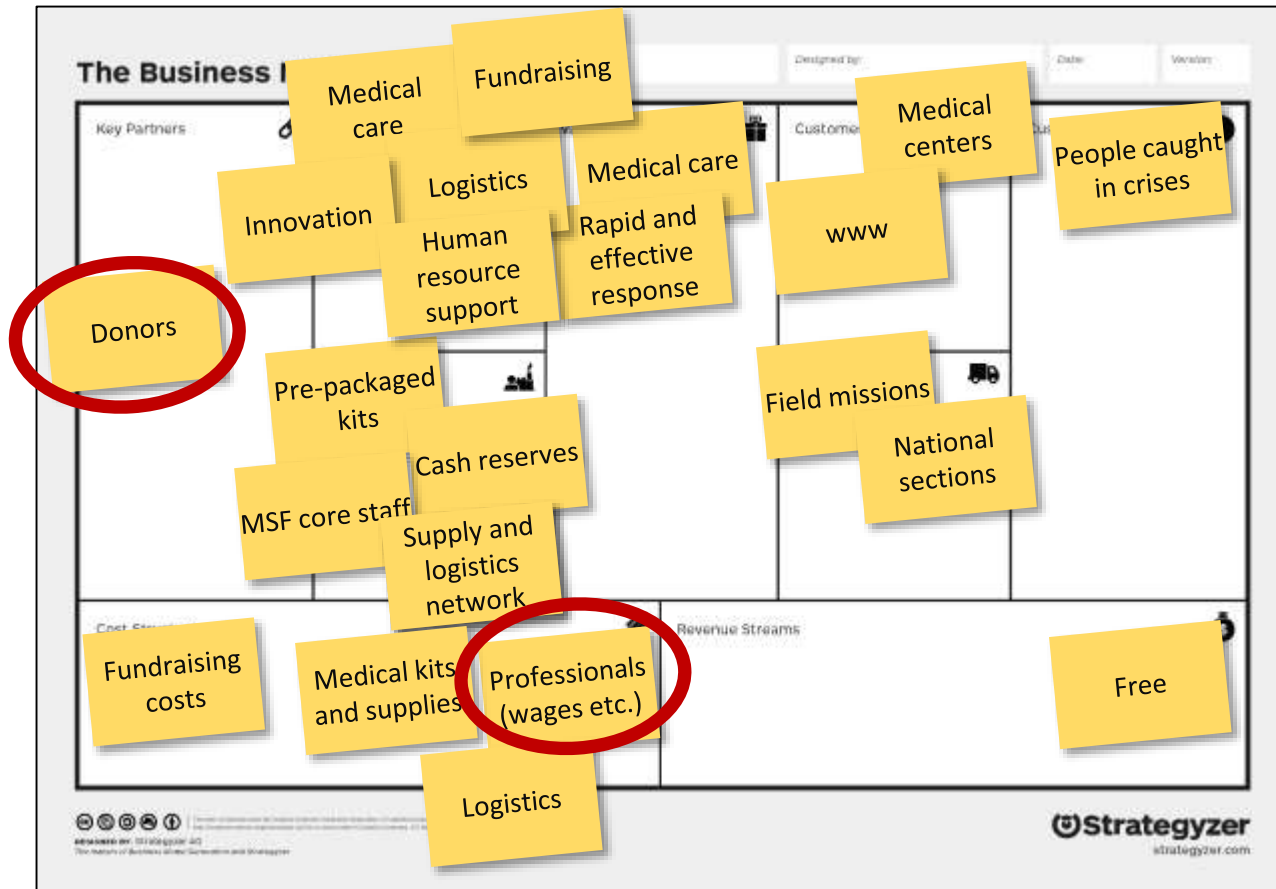


Supply and logistics network

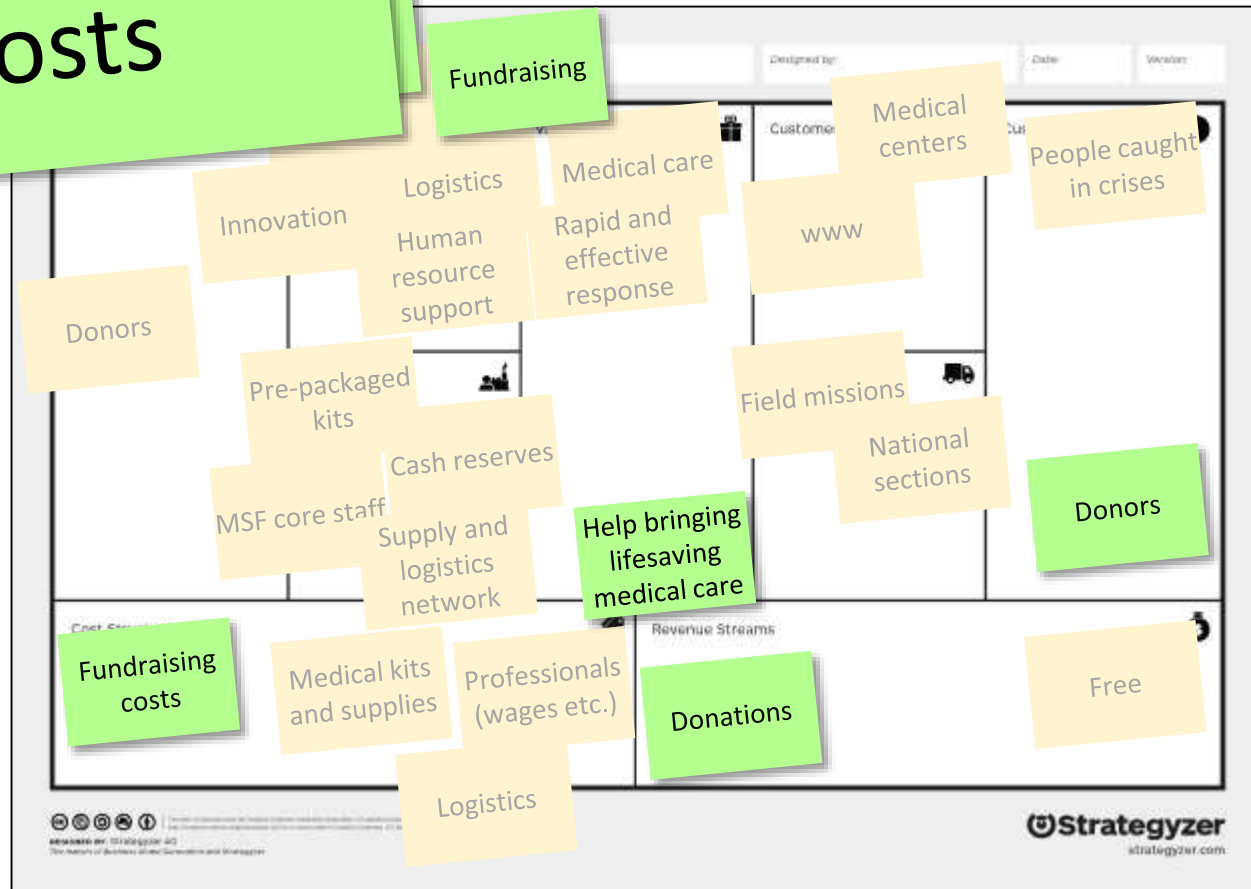


Fundraising costs





Fundraising costs



Explore donation options

- > Give stocks
- > Workplace giving & matching gifts
- > Donate advised funds (DAF)



THE IMPACT OF YOUR GIFT



\$15 a month
(50¢/day)

Can purchase treatment for **17 children** suffering from malaria.



\$30 monthly
(\$1/day)

Can purchase a **month of lifesaving therapeutic food** to treat a severely malnourished child.



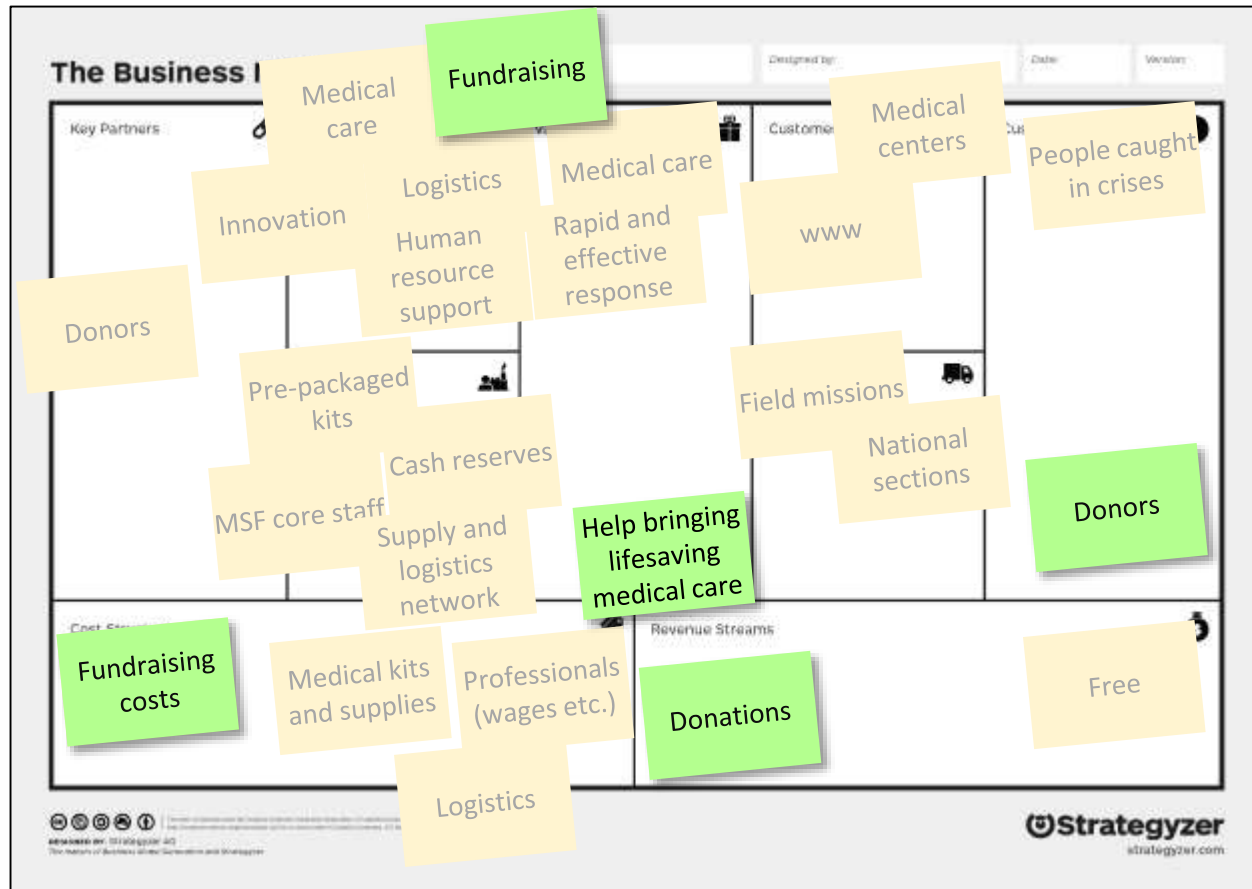
\$60 a month
(\$2/day)

Can purchase a month of clean water for **40 refugee families**.



\$15 a month
(\$3.33/day)

Can purchase medication to prevent and treat life-threatening hemorrhages in **187 new mothers**.



Is



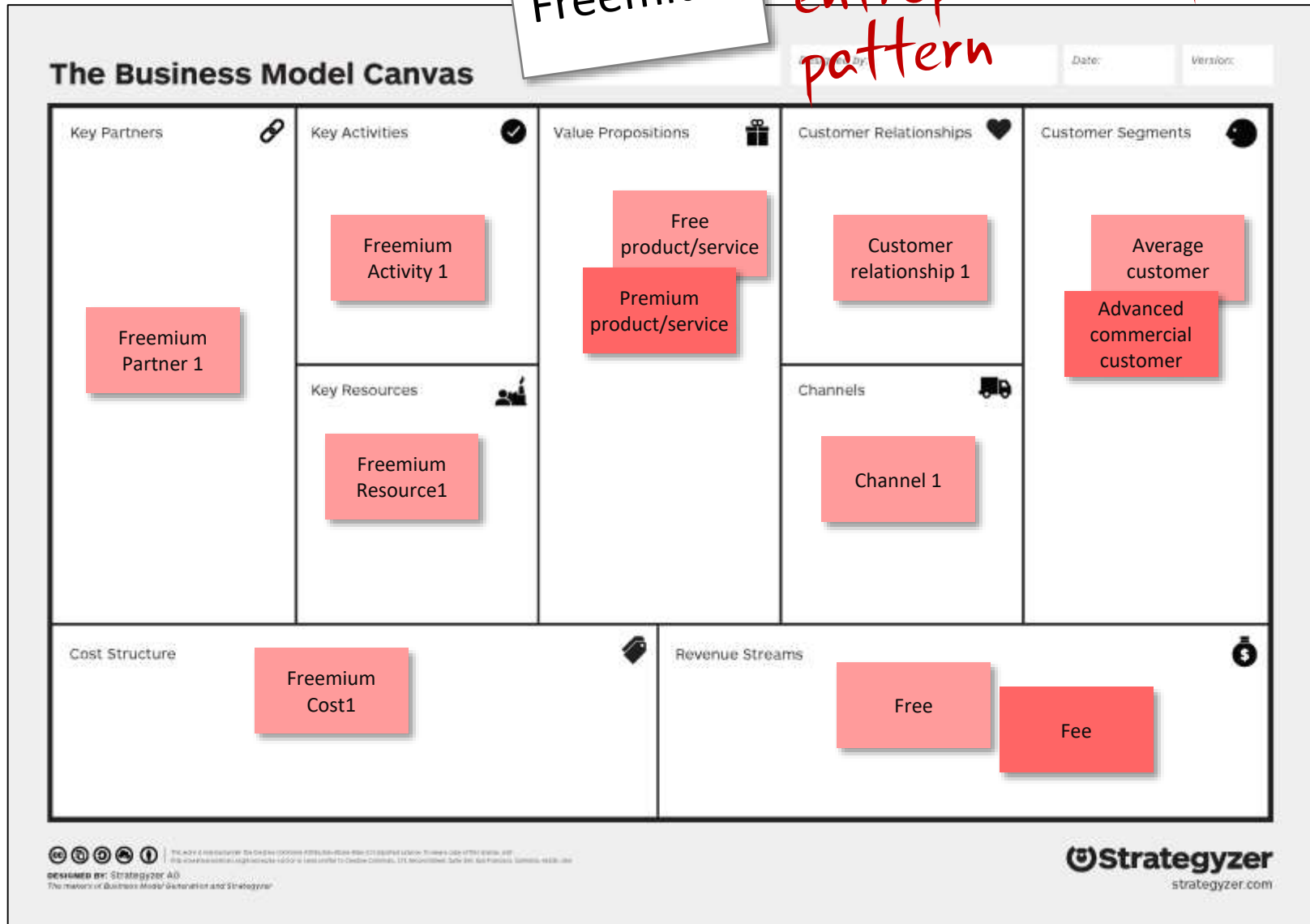
Business model is
the rationale of how an
organization creates, delivers and
captures value

~~Makes money~~

& scaling/growing
through impact

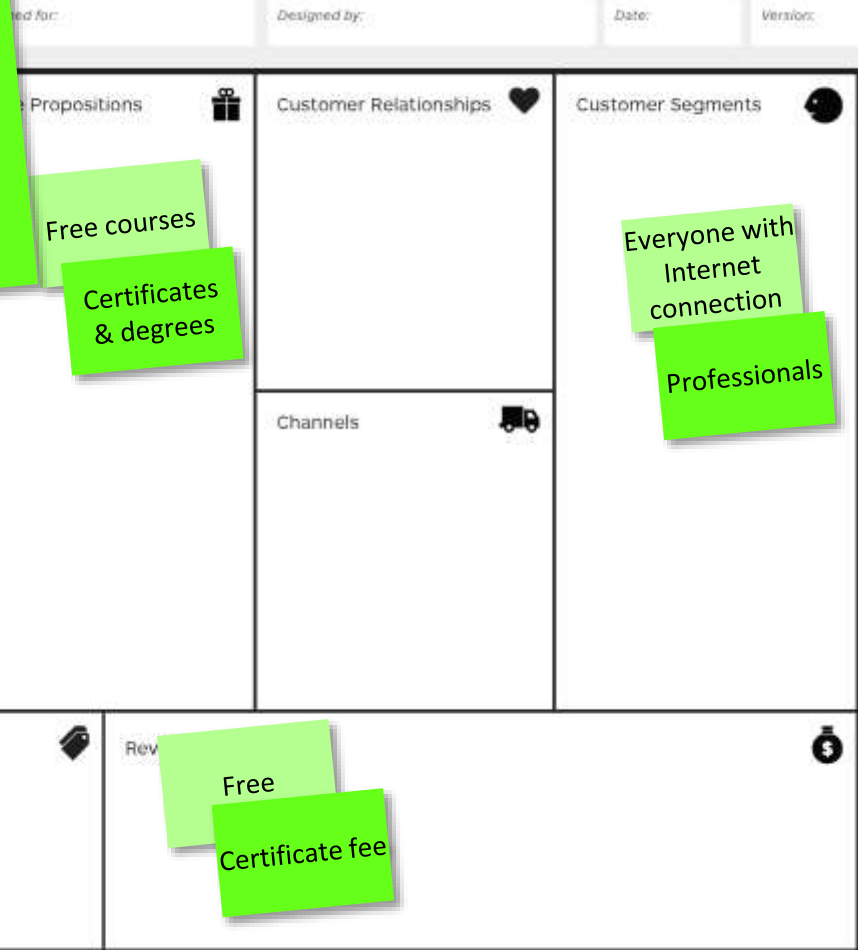
Freemium

As a social entrepreneurship pattern



coursera

Certificate fee



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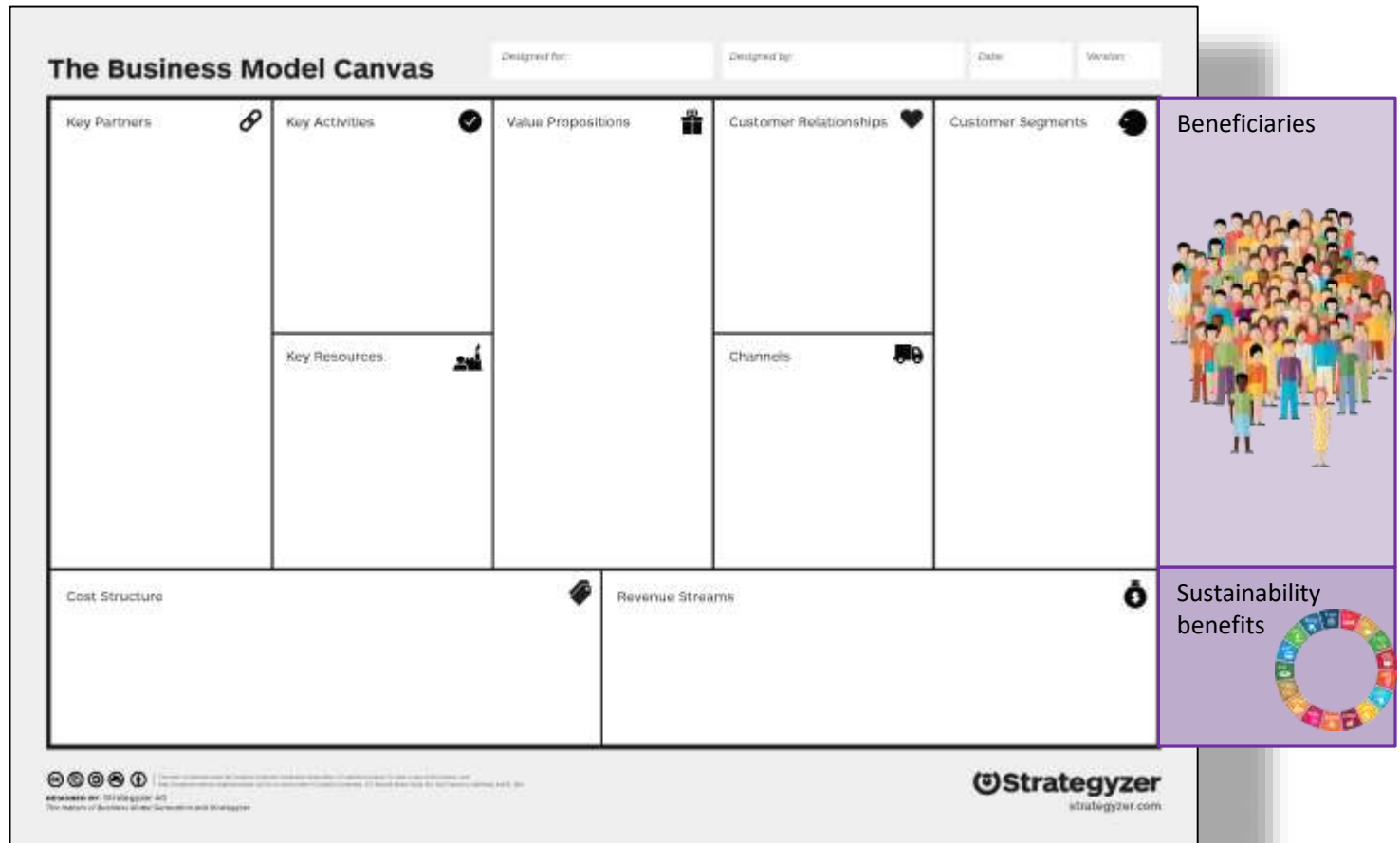
Business model is
the rationale of how an
organization creates, delivers and
captures value

~~Makes money~~

+ benefits

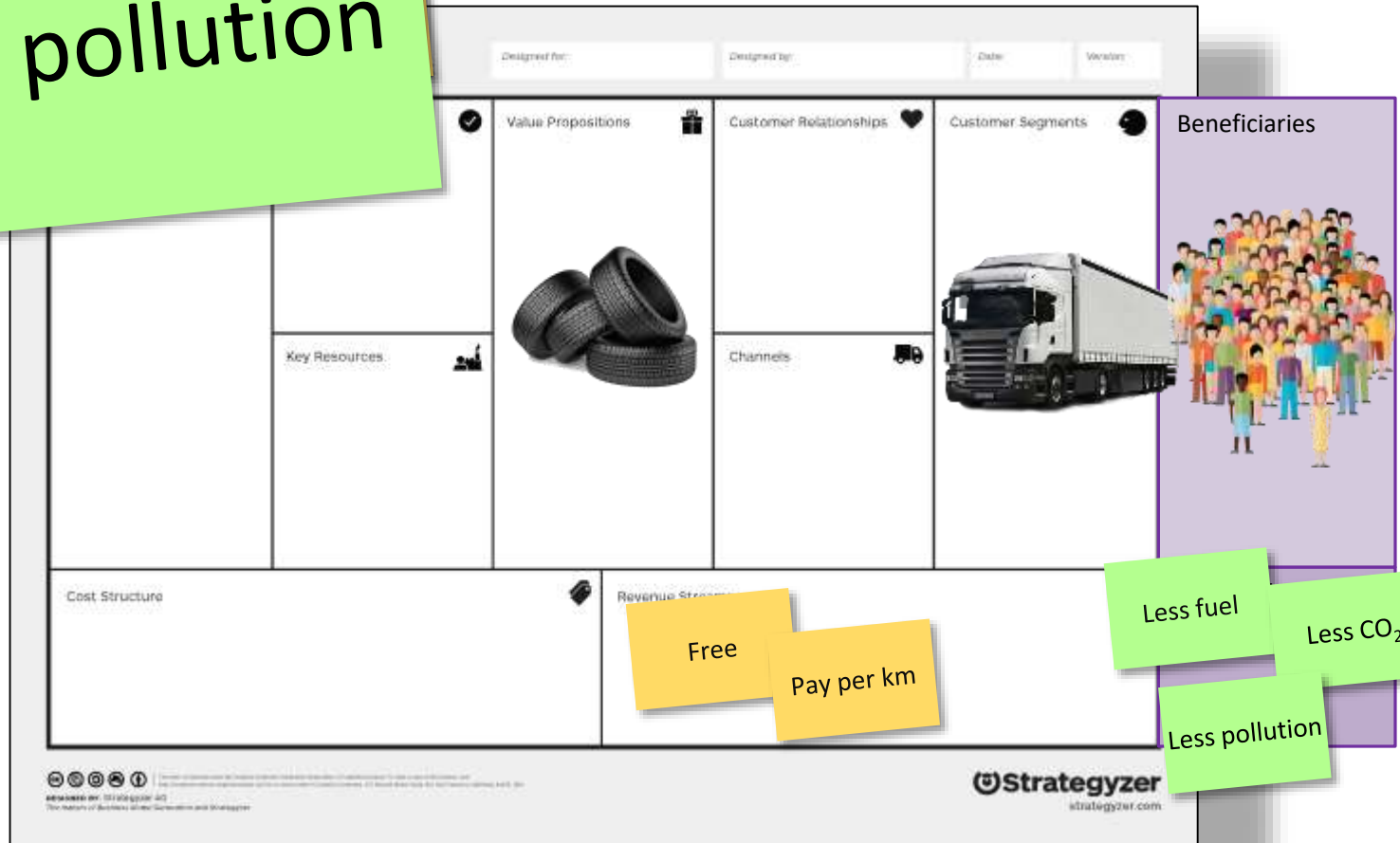
e.g. SDGs, CSR, values...

BMC expanded with beneficiaries & benefits



Solutions „Pay By The Mile”

Less pollution



Business model is
the rationale of how an
organization creates, delivers and
captures value

~~makes money~~

+ impact
social & environmental

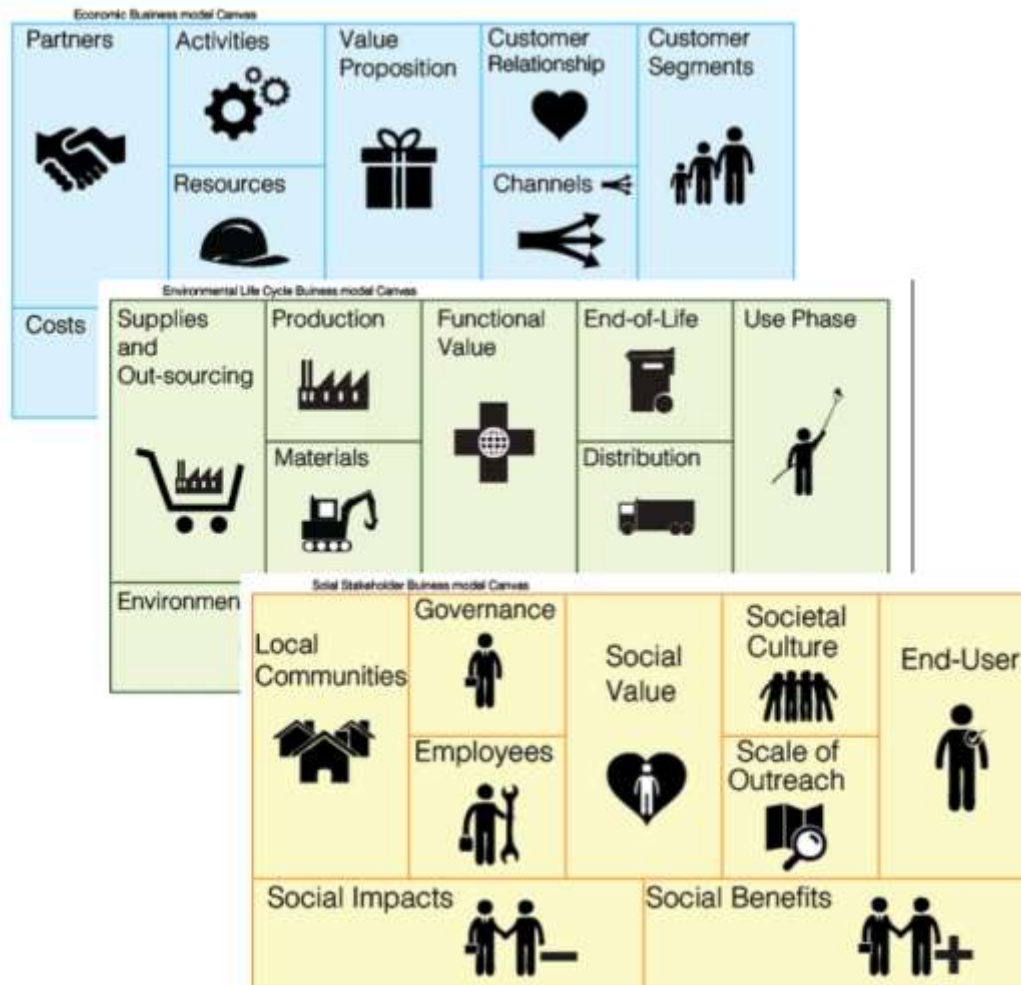


Impact on
environment?



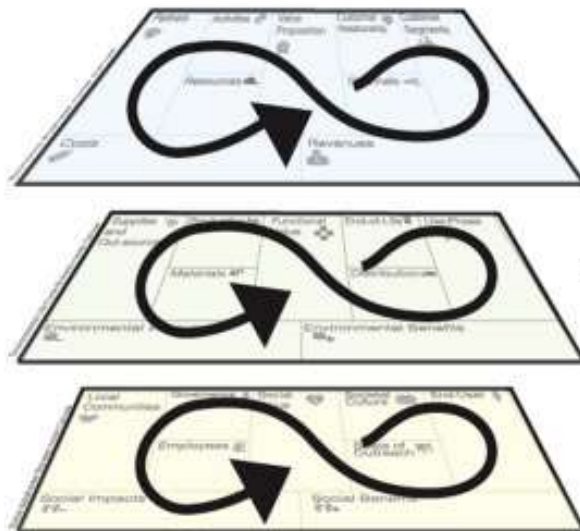
Impact on society?

Triple layered BMC



Triple layered BMC

Horizontal coherence

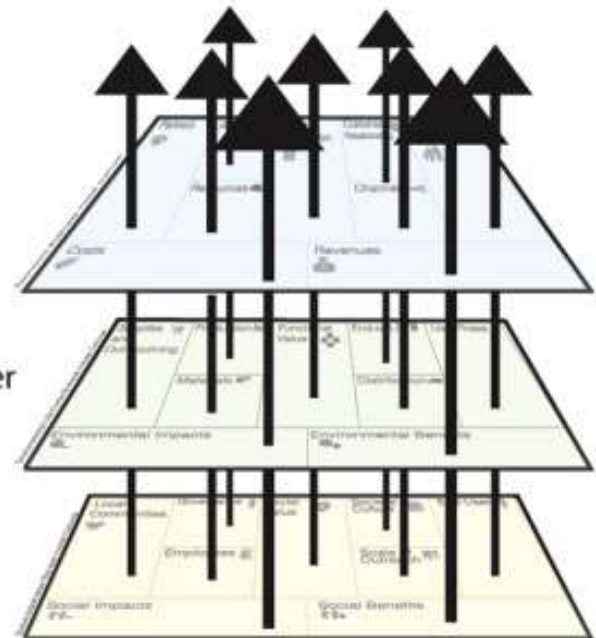


economic layer

environmental layer

social layer

Vertical coherence



3 Pillars Business Model

Key partners	Key Activities	Value propositions	Customer Relationships	Customer Segments
	Key Resources		Channels	
Cost structure			Revenue streams	
Societal Costs			Societal Benefits	
Environmental Costs			Environmental Benefits	

The Sustainable Business Model Canvas

Designed for:

Designed by:

On:
Expires:

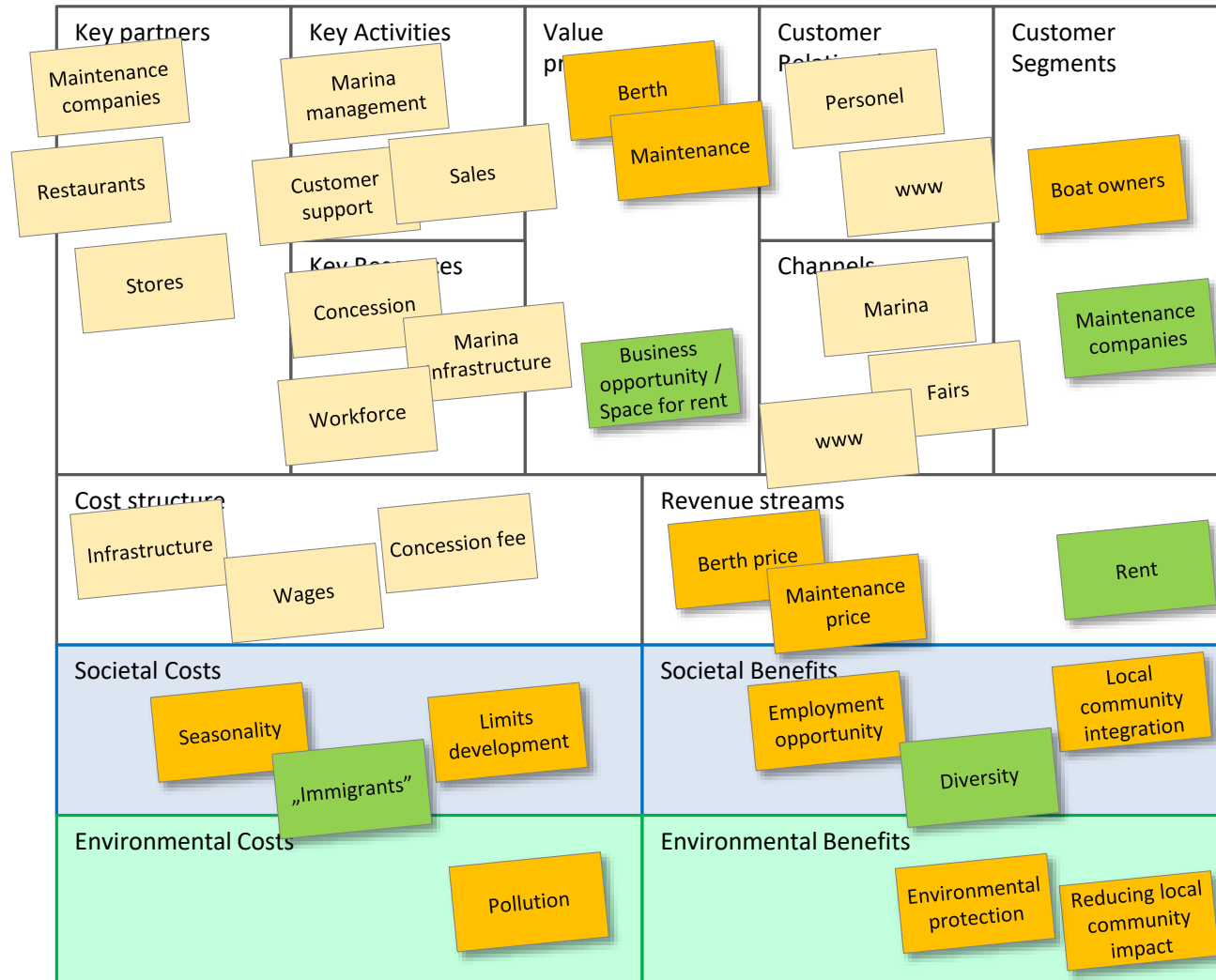
<h3>Key Partners</h3>  <p>Who are our key partners? Why are we key partners? Which key partners can we acquire from partners? Which key partners do partners join us?</p> <p>QUESTIONS FOR PARTNERSHIPS: Dependencies and resources Reduction of risk and increasing Requirement of particular resources and activities</p>	<h3>Key Activities</h3>  <p>What key activities do our Value Proposition require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>CATEGORIES: Production Problem Solving Platform Network</p>	<h3>Value Propositions</h3>  <p>What problems are we solving for the customer? Which needs of our customers' problems are we helping to solve? What bundles of products and services are we offering to solve? Which customer needs are we satisfying?</p> <p>CHARACTERISTICS: Novelty Performance Customization Convenience "Getting the job done" Design Status/Social Price Cost Reduction Risk Reduction Accessibility Convenience/Usability</p>	<h3>Customer Relationships</h3>  <p>What type of relationship do we seek with our customers? Do we need to acquire, maintain and increase with them? Which needs have we addressed? How are they integrated with the rest of our business model? How easily can they be lost?</p> <p>EXAMPLES: Personal Assistant Dedicated Personal Assistant Self Service Automated Services Community Co-Creation</p>	<h3>Customer Segments</h3>  <p>Who are our segments? Which are our most important segments?</p> <p>PRIORITIES: Mass Market Niche Market Segmented Segmented Niche value/Custom</p>
<h3>Cost Structure</h3>  <p>What are the most important costs inherent in our business model? Which key resources are the most expensive? Which key Activities are most important?</p> <p>IS YOUR BUSINESS MODEL: Cost Driven (lowest cost position, low price value proposition, economies of scale, economies of scope) Value Driven (premium product, premium position, value proposition)</p> <p>SAMPLE CHARACTERISTICS: Fixed Costs (salaries, rent, utilities) Variable Costs Economies of Scale Economies of Scope</p>		<h3>Revenue Streams</h3>  <p>For what value are our customers really willing to pay? How would they like to pay? How would they prefer to pay? What are the main revenue streams (products, services, etc.)?</p> <p>EXAMPLES: Subscription Licensing Freemium Usage Fee Usage Fee Usage Fee Usage Fee</p> <p>TYPE: Asset Sale Usage Fee Usage Fee Usage Fee</p> <p>FIXED PRICE: Cost Plus Premium (Premium dependent) Customer segment dependent Volume dependent</p> <p>DYNAMIC PRICING: Segmented (Segmented) Bulk (Bulk) Bulk (Bulk)</p>		
<h3>Eco-Social Costs</h3>  <p>What ecological or social costs is our business model causing? Which key resources are most responsible? Which key Activities are most responsible?</p> <p>EVALUATION INSTRUMENTS: Life Cycle Assessment (LCA) and other tools Carbon Footprint (CF) and other tools</p>		<h3>Eco-Social Benefits</h3>  <p>What ecological or social benefits is our business model generating? Which key resources are most responsible? Which key Activities are most responsible?</p> <p>INSTRUMENTS: Social Return on Investment (SROI) Carbon Footprint (CF) and other tools</p>		

Based on: www.businessmodelgeneration.com

Erasmus+ Programme of the European Union



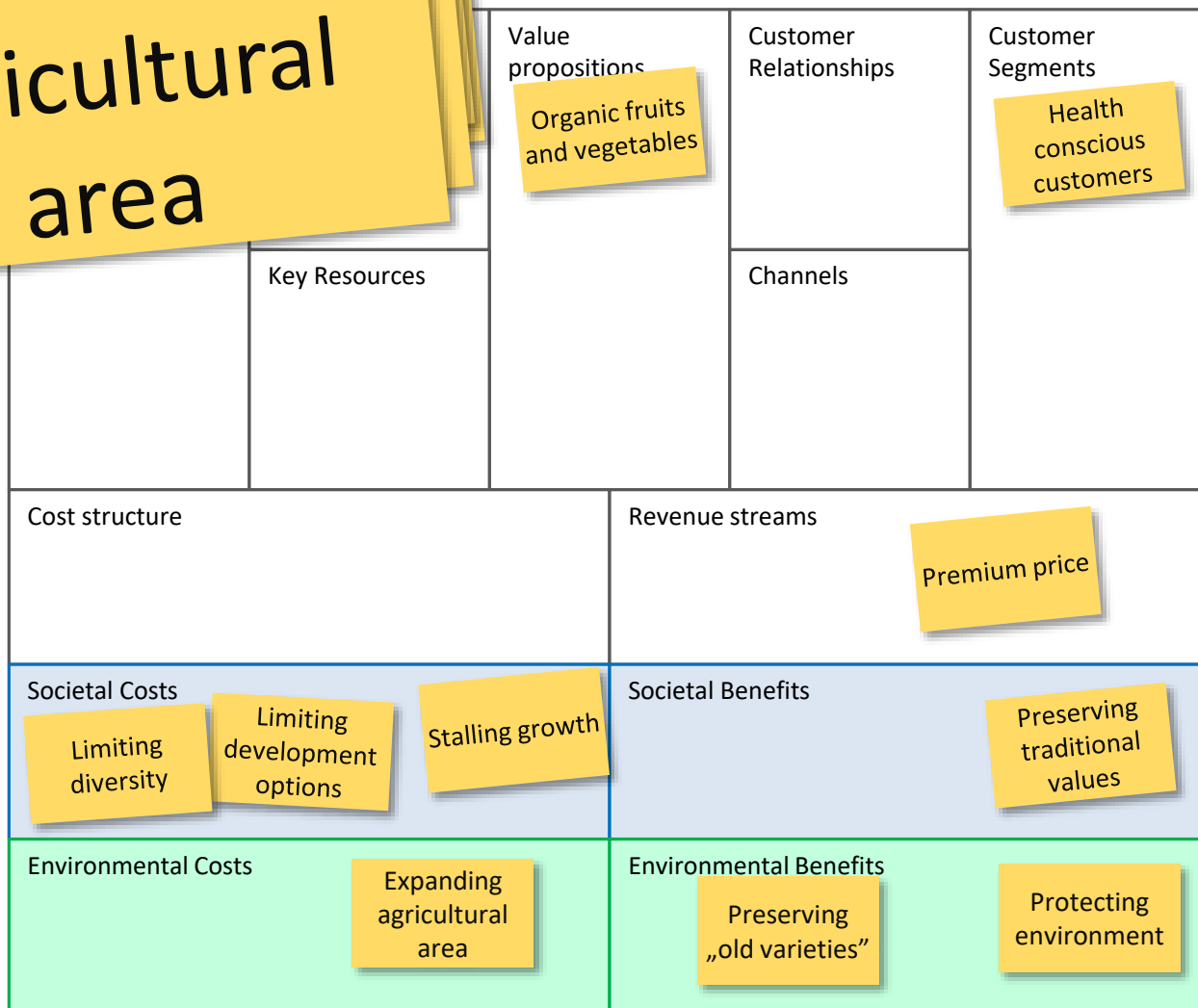
Marina in small island community





Expanding agricultural area

Vegetables production

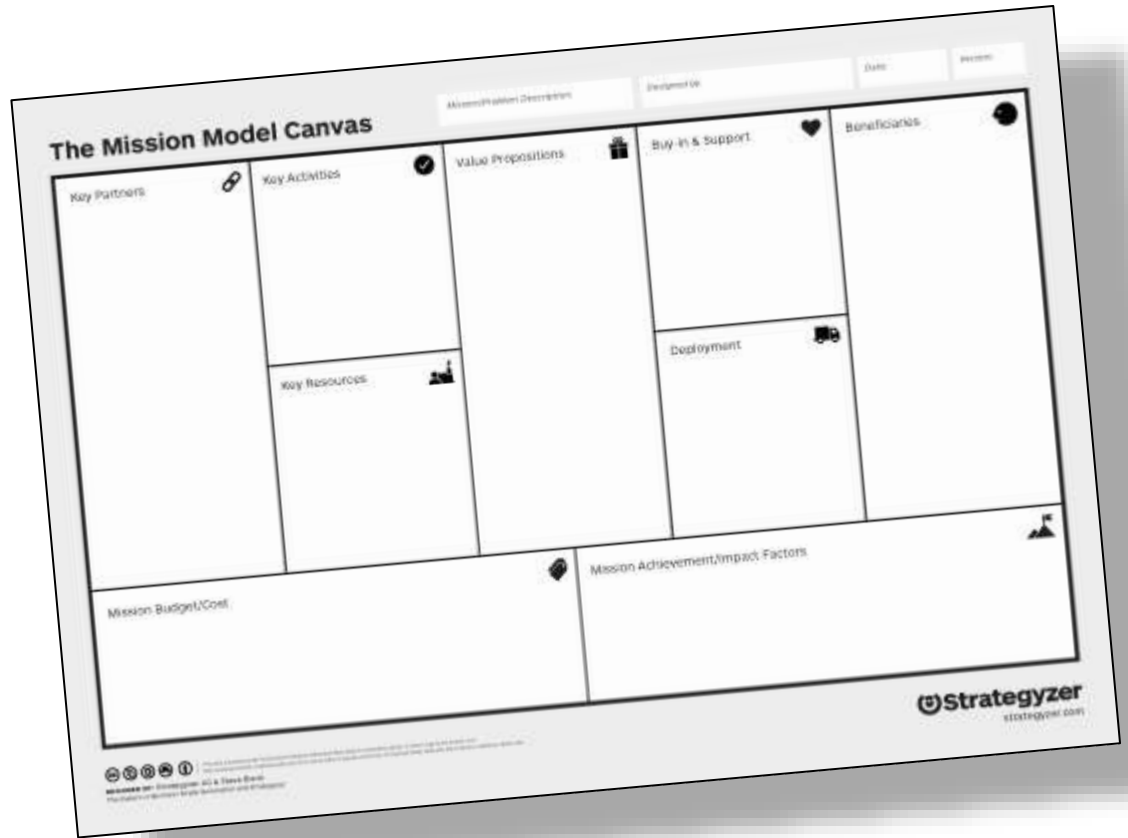


Environ



Business model is
the rationale of how an
organization creates, & delivers ^{mission} ~~and~~
~~captures value~~
~~= makes money~~
within given budget

The Mission Model Canvas.



Appropriate in cases when you mobilize resources and a budget to solve a particular problem and create value for a set of beneficiaries.

When searching for a business model that maximizes benefits within given budget.










The Mission Model Canvas

Mission/Problem Description:

Designed by:

Date:

Version:

Key Partners 	Key Activities 	Value Propositions 	Buy-in & Support 	Beneficiaries 
	Key Resources 		Deployment 	
			Channel to Deployment	
Mission Budget/Cost 			Mission Achievement/Impact Factors 	
Cost Structure to Mission Cost/Budget			Revenue Streams to Mission Achievement	

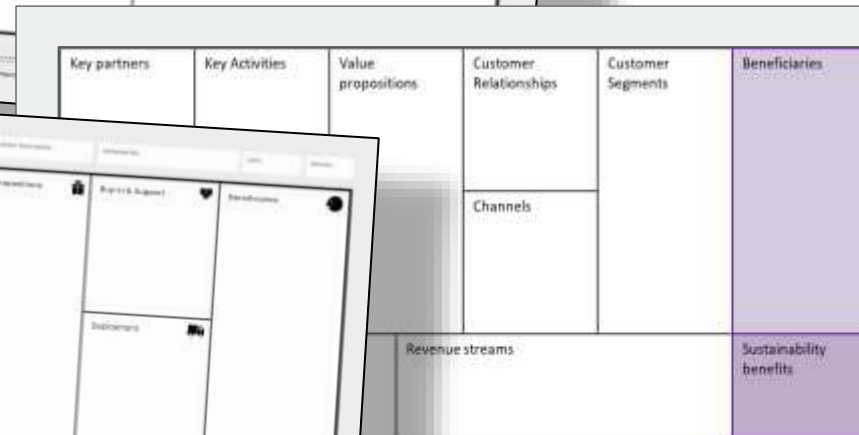
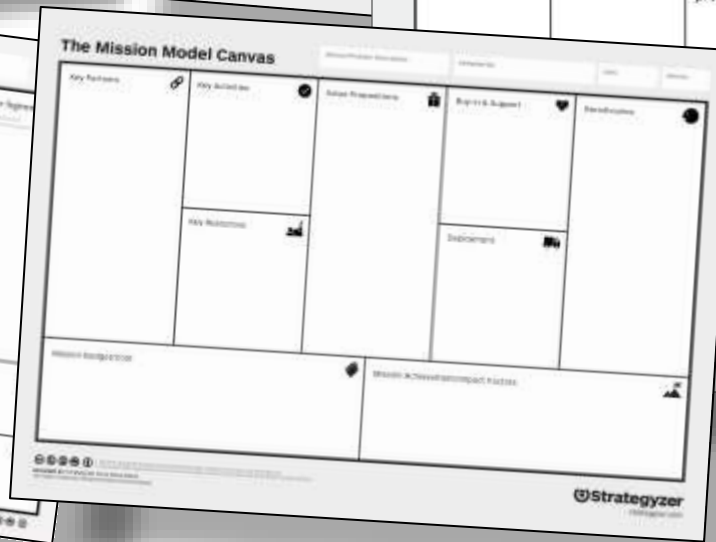
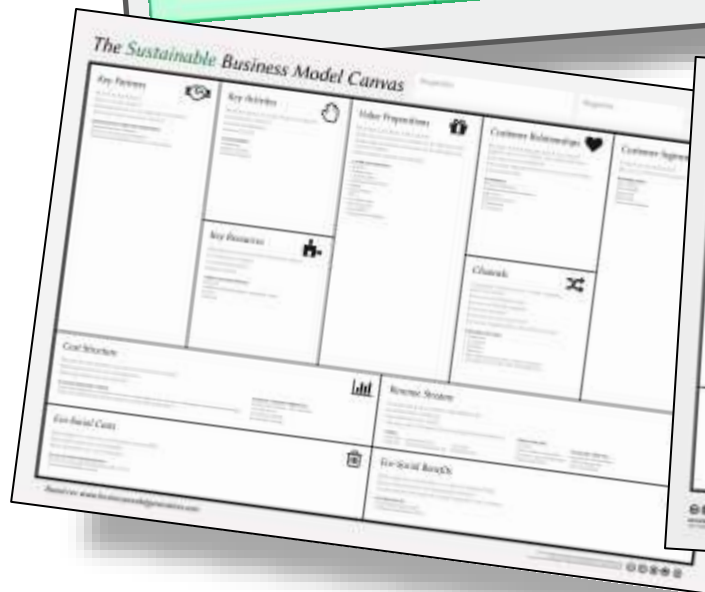
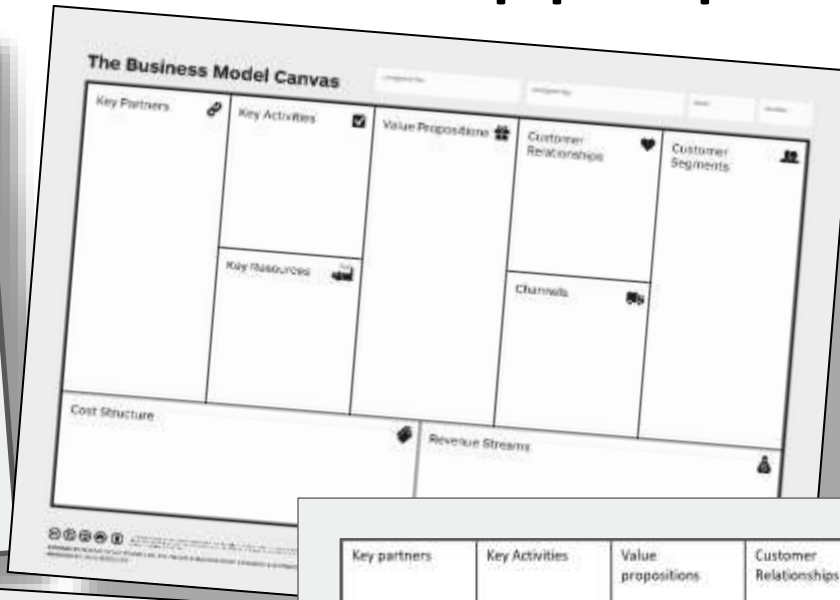
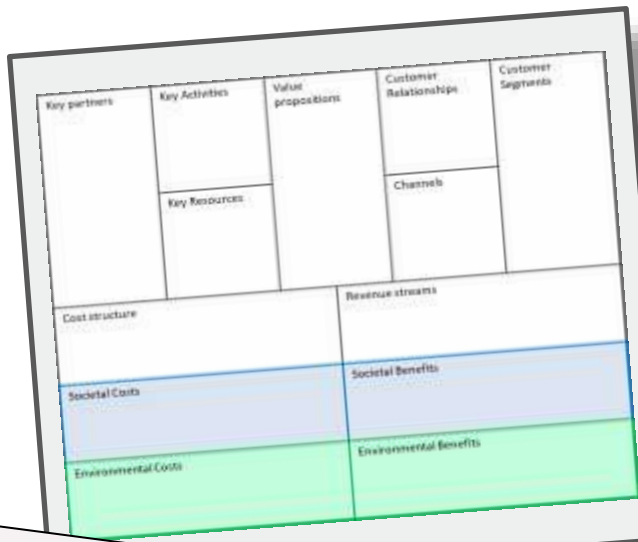


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How to choose the most appropriate...



How to choose the most appropriate...

The Business Model Canvas

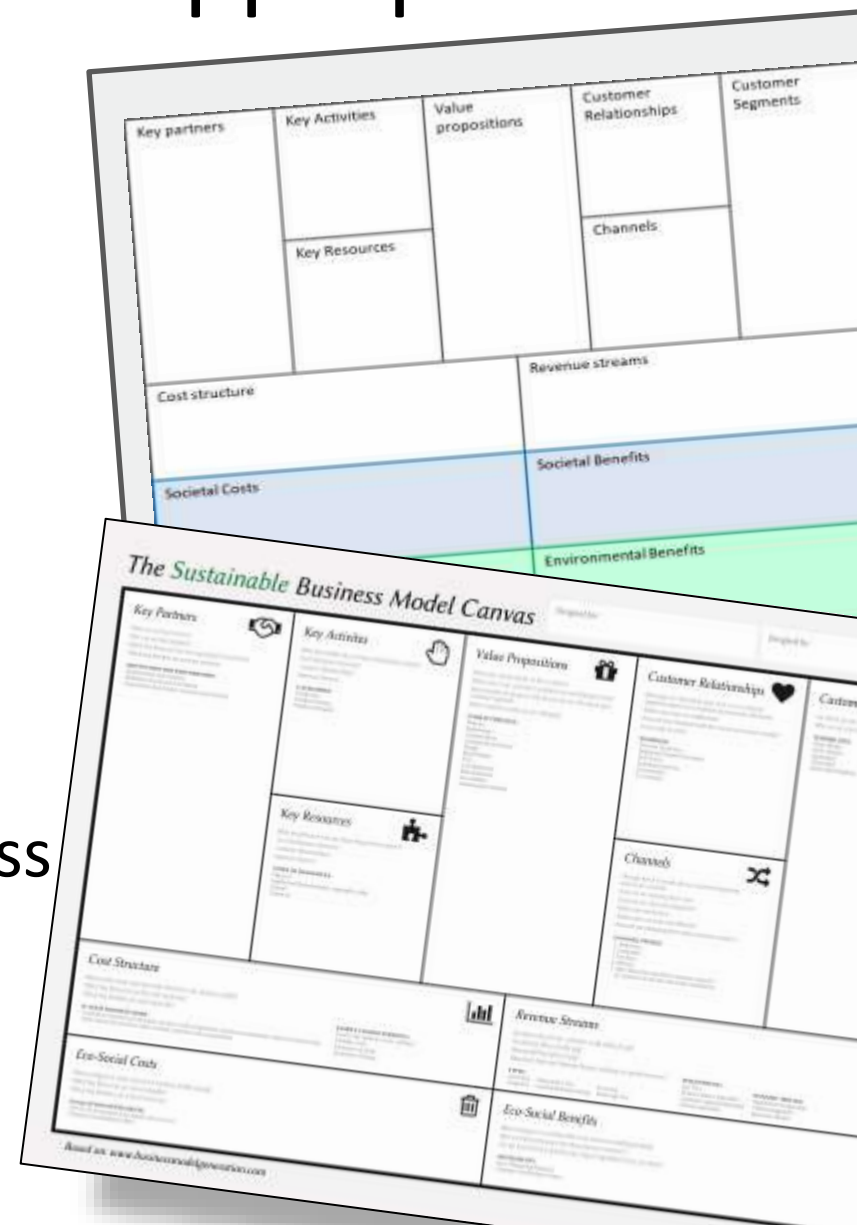
- When revenue streams and fundraising are important aspects of the business model
- When competing with for-profit businesses
- When solving efficiency and operational excellence challenges



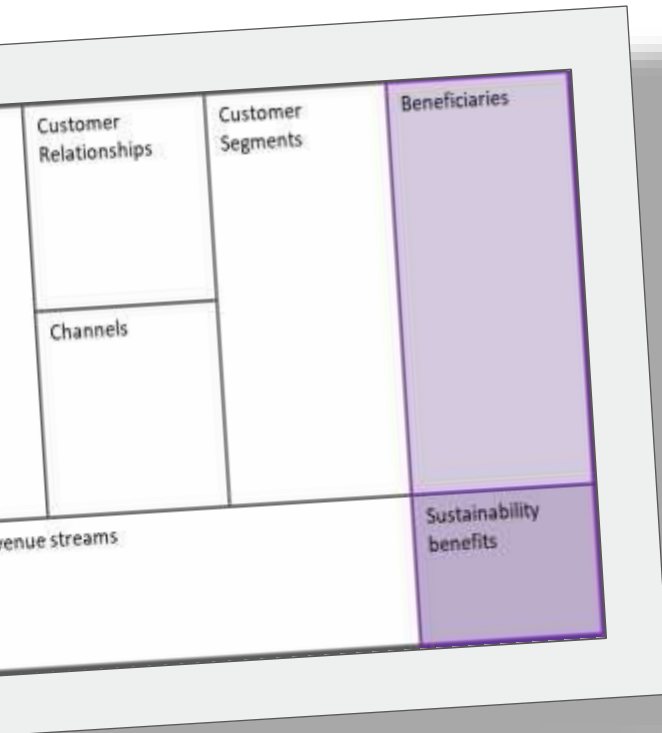
How to choose the most appropriate...

3PBM/Sustainable Canvas

- When environment and society elements play important role in business model logic
- When managing impact to society and environment is important for overall business model sustainability



How to choose the most appropriate...



BMC expanded with beneficiaries and benefits

- When business model creates collateral benefits to particular groups – stakeholders and/or customers
- To emphasize and leverage positive business model effects

How to choose the most appropriate...

The Mission Model Canvas

- When available funds/budget are fixed and challenge is to create the impact and results
- Government departments, local authorities & agencies, military & intelligence community operations, fire departments, nature protection and preservation agencies...



Homework

Document business model of an existing local social entrepreneurship initiative:

- Choose the most appropriate canvas type (BMC, BMCB, SBMC, 3PBMC, MMC)
- Identify business model elements
- Understand „the story” – relationships between BM elements with focus on sustainability
- Prepare short presentation (up to 5 min)
- Send ppt by Jun 13th, presentations June 15th

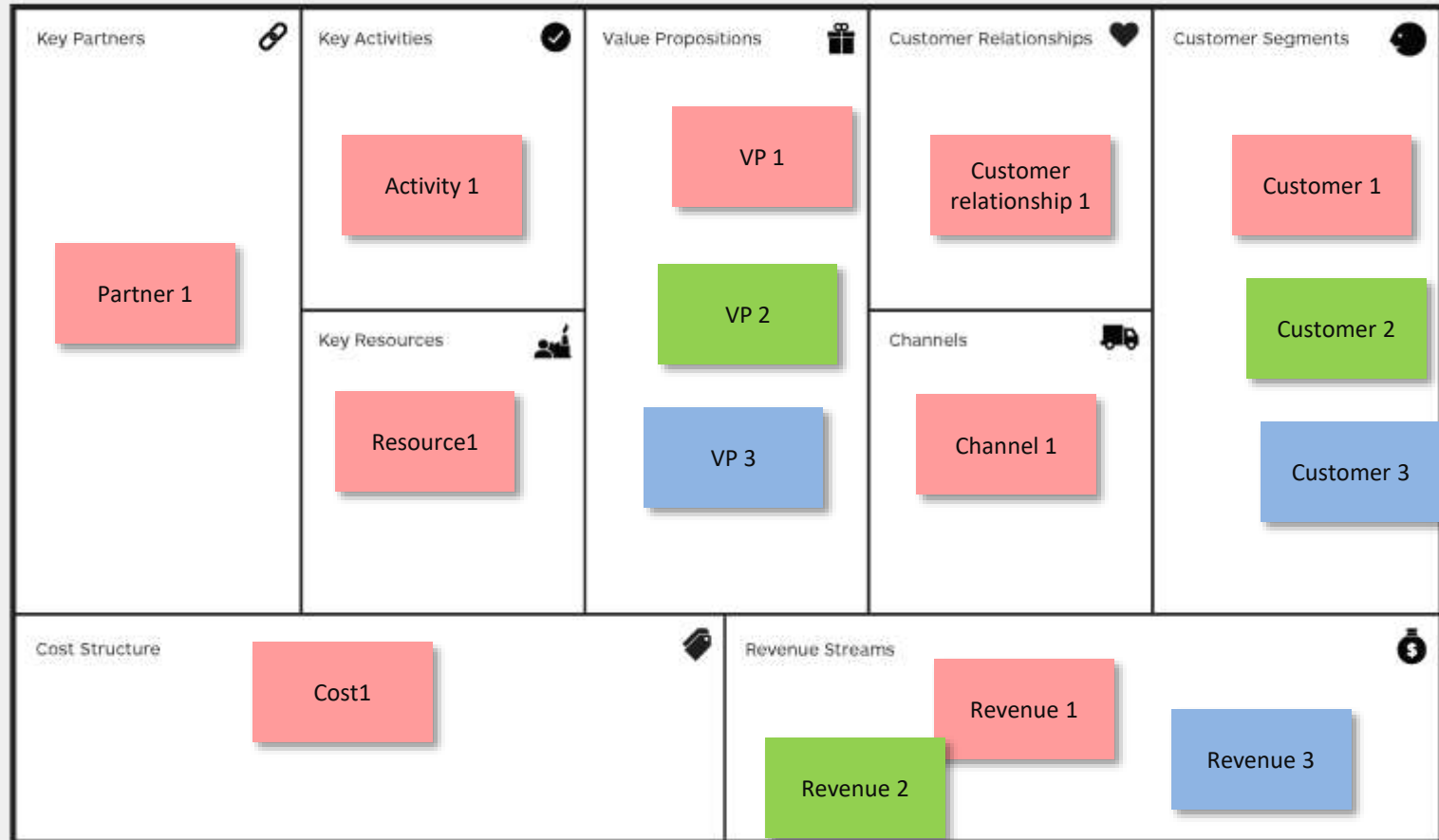
The Business Model Canvas

Designed for:

Designed by:

Date:

Version:



The only 4 icons for the Business Model Canvas are the only 4 icons for the Business Model Canvas. The only 4 icons for the Business Model Canvas are the only 4 icons for the Business Model Canvas. The only 4 icons for the Business Model Canvas are the only 4 icons for the Business Model Canvas.

DESIGNED BY: Strategyzer AG
The makers of Business Model Generation and Strategyzer

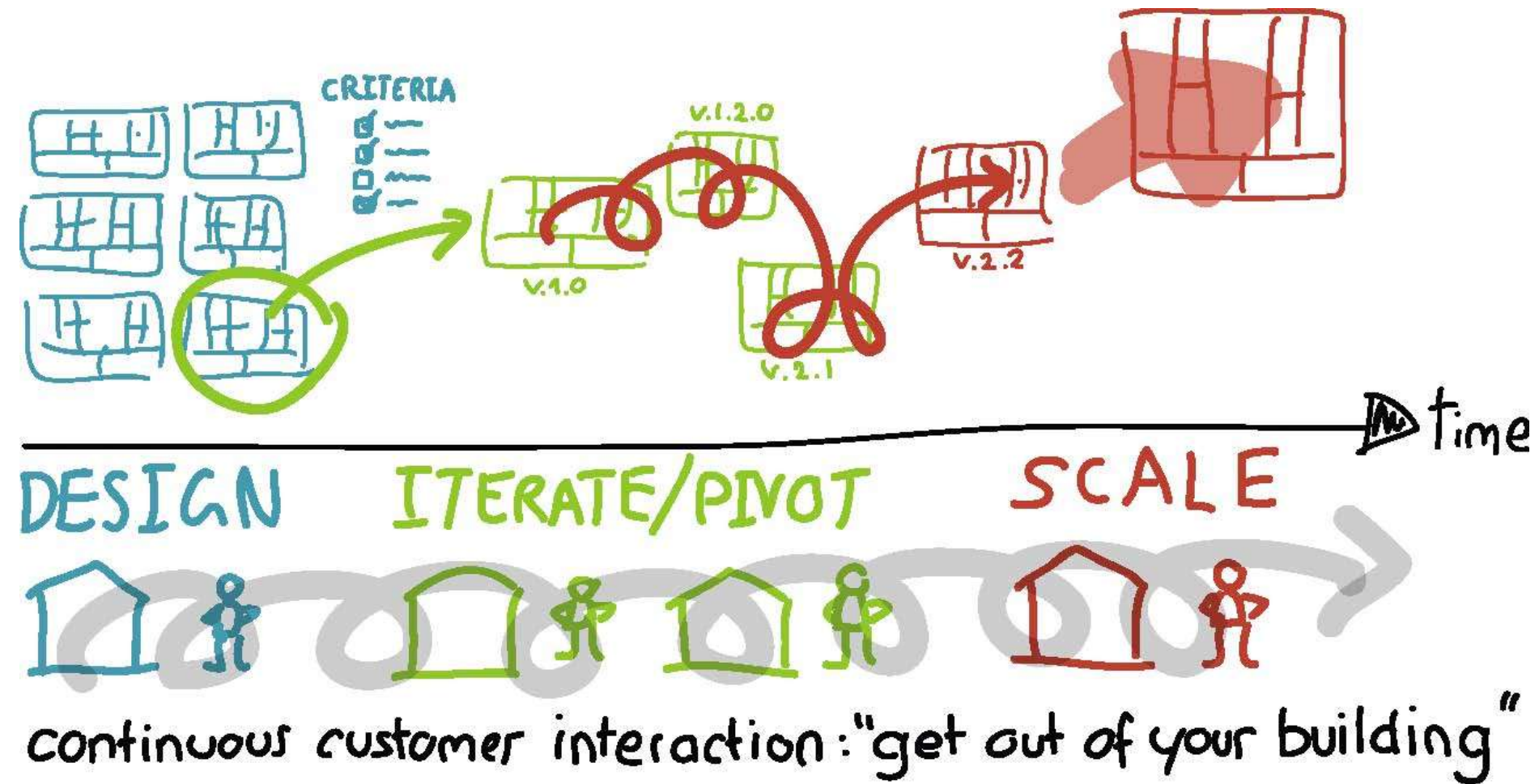
Strategyzer
strategyzer.com

Social entrepreneurship patterns?

- Freemium with social benefits
- Reuse of supplies
- Crowd / community based activities
- Crowd / shared use of resources/equipment
- New use of something already available
- Use of someone else's resources/activities
- Impact timeline perspective - No up-front impact vs long term impact regardless of the activity

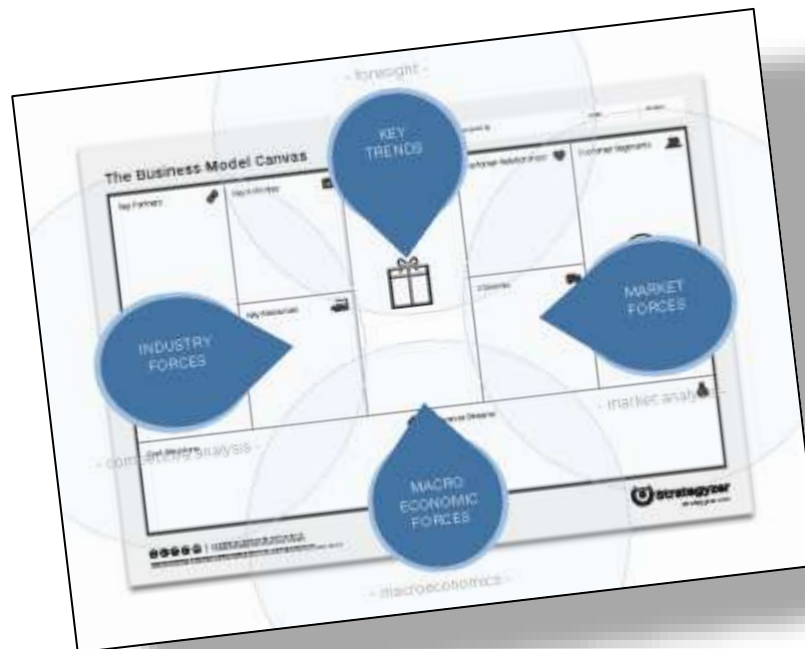


Customer development logic:
develop business model using
assumptions and hypotheses



Risks

Technology, Market, Society, Implementation
Trends, Market forces, Industry forces, Macro economic
forces



Assumptions, risks & opportunities

Business model elements & their relationships

Environment, natural resources, culture...

Technologies, society, competitors...

Customers/donors/beneficiaries...

- reasons & willingness to buy/pay/use/benefit
- life/work circumstances,
- problems/jobs/preferences

Keywords, resources & reading

Business Model Canvas

Strategyzer Youtube channel: From Idea to Business - Animated Series

Strategyzer.com (commercial website with some free resources)

Steve Blank Mission Model Canvas

<https://steveblank.com/2016/02/23/the-mission-model-canvas-an-adapted-business-model-canvas-for-mission-driven-organizations/>

<https://www.strategyzer.com/blog/posts/2016/2/24/the-mission-model-canvas-an-adapted-business-model-canvas-for-mission-driven-organizations>

Business Model Generation (book)

Sustainable Business Model Canvas(es)



Questions?

THANK YOU FOR YOUR ATTENTION!



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