

# Startup London Programme

Designing your business to make money

February 2024



South Bank

**STARTERS**

Enterprising  
Futures at **LSBU**



# Today

## 10am-12:15pm

Intros & House Rules

Icebreaker

Mindset and Approach

Customer persona

## 12:15pm-1pm

Networking lunch

## 1pm-3pm

Value proposition

Validate



# Intros & House Rules

# Intros

**Rui  
Barros Silva**



Entrepreneurship Manager  
Enterprising Futures

**Kadeza  
Begum**



Entrepreneurship Consultant  
Future Space

**Mirela  
de Lacerda Barbosa**



Enterprise Consultant  
Graduate Futures

# Intros

**Clare  
Jones**



Startup Manager  
Enterprising Futures

**Mohammed  
Ali**



Head of Entrepreneurship  
Enterprising Futures

**Paige  
McKinnon**



Engagement & Enhancement Officer  
Enterprising Futures

# House Rules

## Check in please

If you haven't done so already, please check in!



# House Rules

## Get a name tag

Hello, my name is...





# House Rules

## Have fun

You learn more and better when you're having fun.

## Meet new people

Meet someone new, mingle, network with one another.

## Be curious

Learn something new, don't be afraid to explore.

## There's no 'i' in 'team'

And teamwork makes dreamwork right?!





# House Rules

## Going forward

Attend 4 or more sessions to get a SUL certificate!

## Feedback first

Your feedback matters – please share it with us!

## But where can I find...

Complete the feedback and you'll get the link to presentations, recordings and other supporting materials.

We aim to shared it with you within 72 hours after each session.

# Weeks ahead

Session	Dates	Location	Topic	Skill
Start-up London x1	7th Feb	LSBU	Designing your business to make money	Value Proposition
Start-up London x2	14th Feb	LSBU	Developing your business model	Business Model Canvas
Start-up London x3	21st Feb	Lboro	Setting up the core of your business	Operations
Start-up London x4	28th Feb	Lboro	Sourcing and managing finances	Money and Funding
Start-up London x5	6th March	Lboro	Getting your first customers	Marketing & Sales
Start-up London x6	1st May	LSBU only	Talking about your business with confidence	Pitching
10am - 3pm				



For the full schedule, visit



[www.bit.ly/ignite-startup-cohort](http://www.bit.ly/ignite-startup-cohort)



**Now, put your hands together**



**and welcome our guest**

# Icebreaker





- Everyone in the room is part of the game
- A person can only be used for ONE box
- No shouting/screaming/hollering/crying/ticking
- Winner will be the first submission with all/the most completed boxes
- If your name is not on your sheet, you cannot win
- 10 minutes
- I will check your answers

- GO!

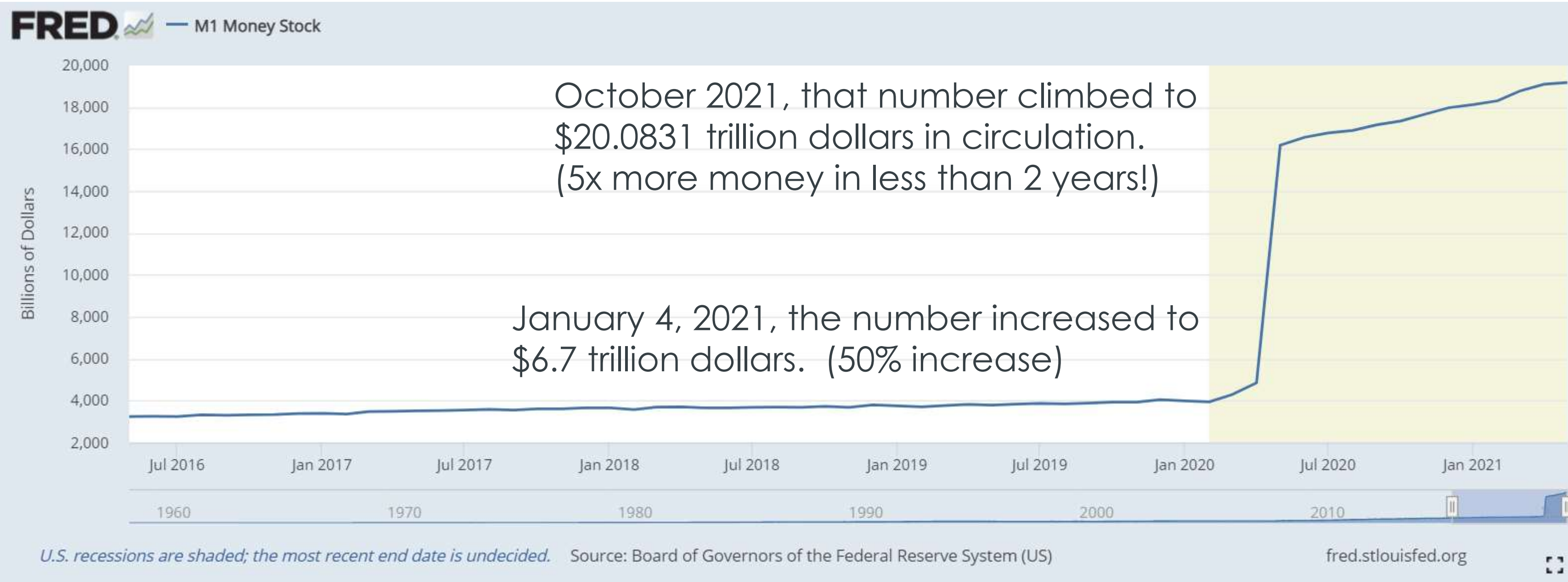
**And the winner  
is...**

# MINDSET SHIFT, NOW!





# An abundance of money?



\$4 trillion (liquid) in circulation January 2020.



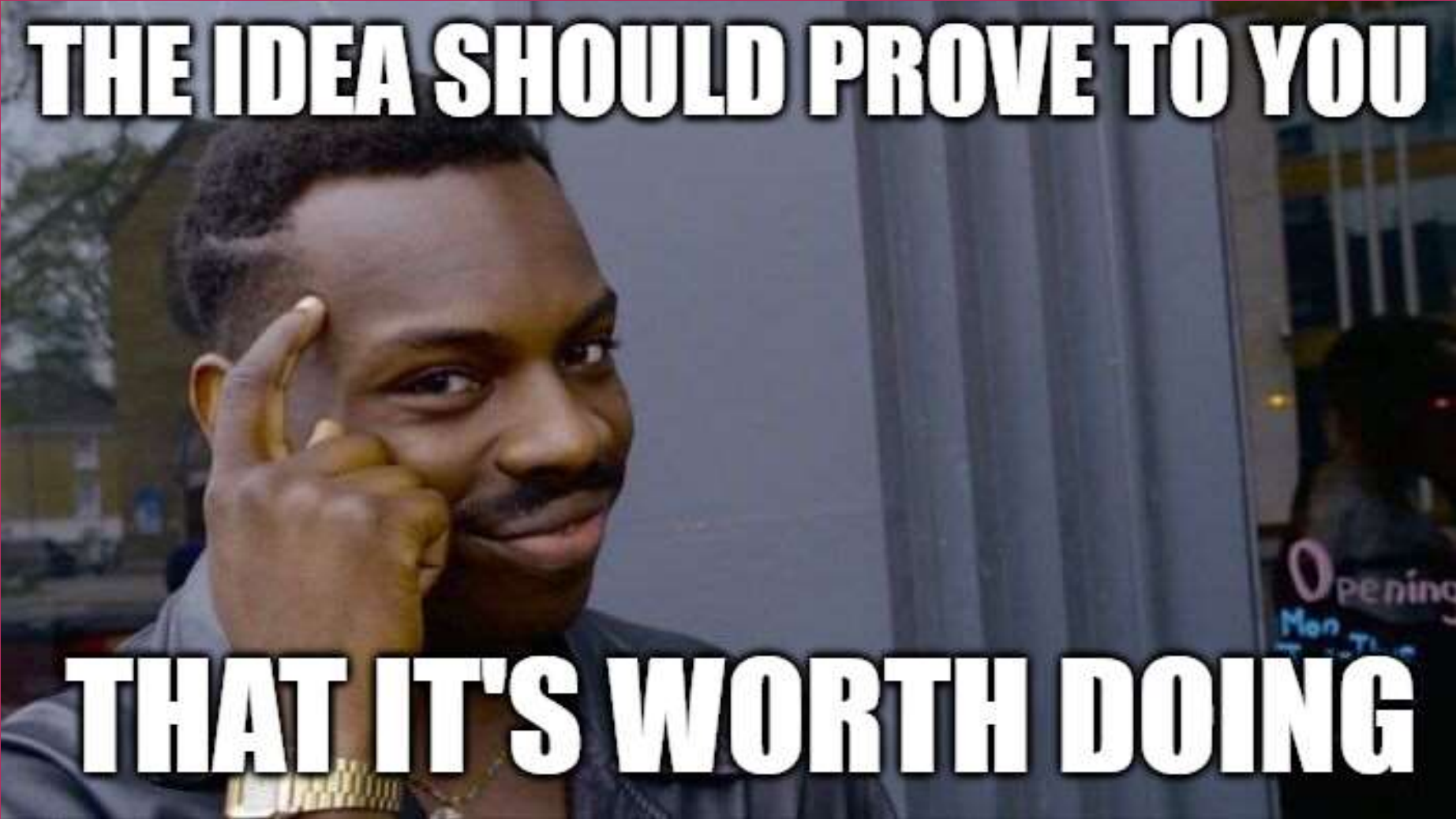
Read more: <https://www.investopedia.com/terms/m/m1.asp>

There is a methodology to entrepreneurship.

**Hypothesis-driven entrepreneurship** is the most effective method of discovering and creating value.



# Has your mindset shifted yet?



A photograph of two men sitting at a wooden table in a casual setting. The man on the left is smiling broadly and looking at a laptop. The man on the right is looking at the laptop screen. The image has a semi-transparent purple overlay.

# Let's learn

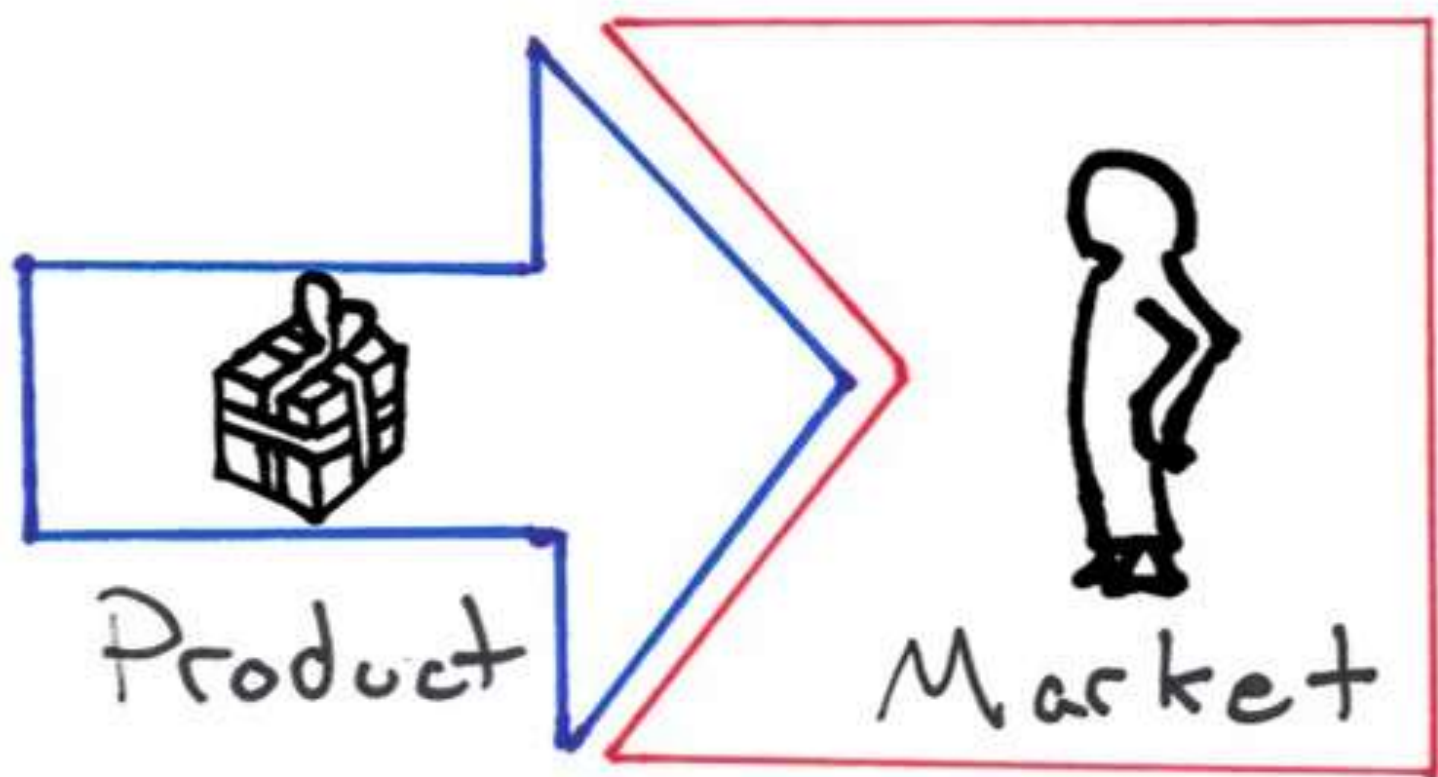
1. How value is created
2. Minimise risk
3. Value proposition and the customer
4. Business model
5. Validating

**YOUR IDEA,  
ALONE,  
HAS NO VALUE.**



# How value is created





## Product/Market fit

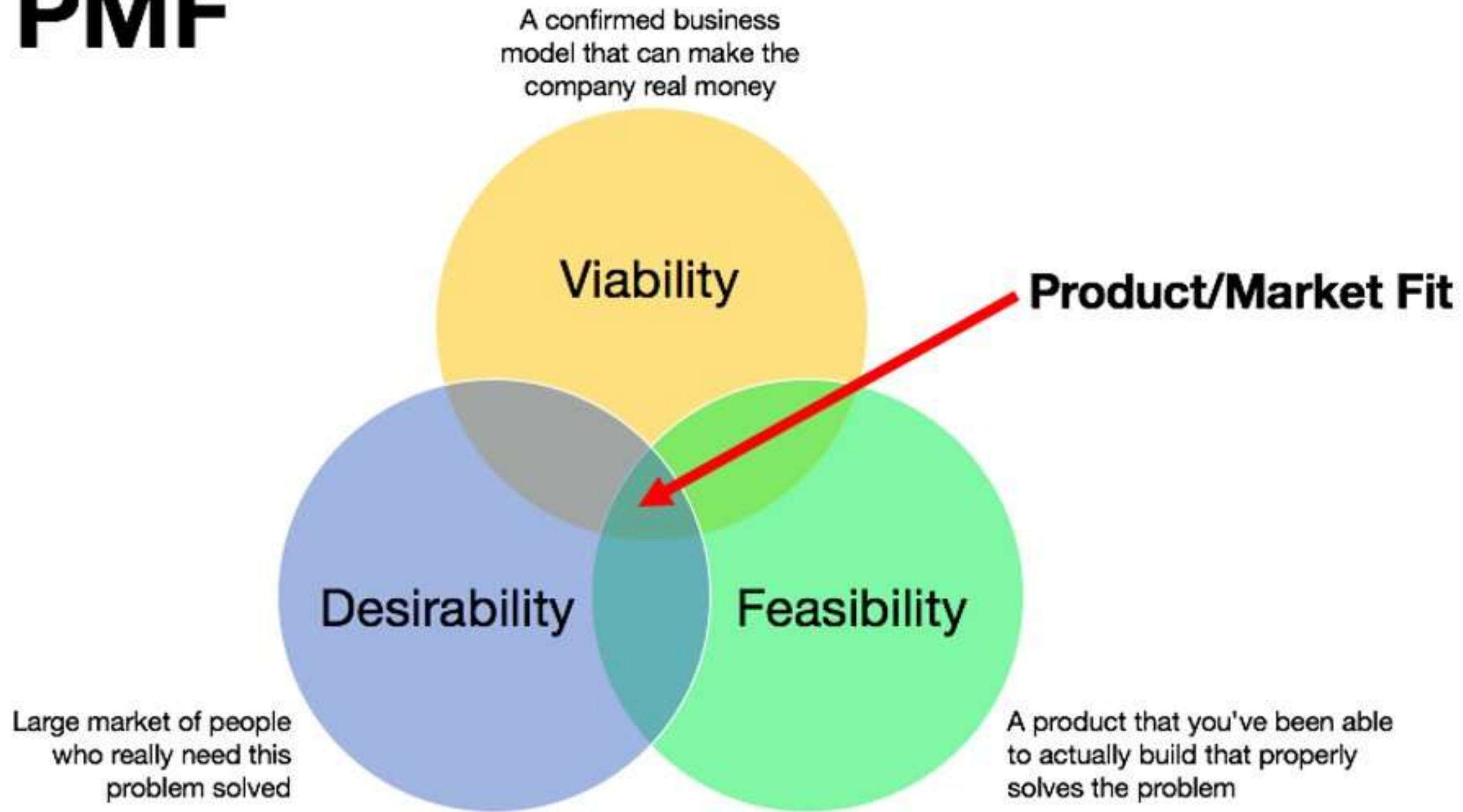
is the bare minimum

you need;

to have any chance

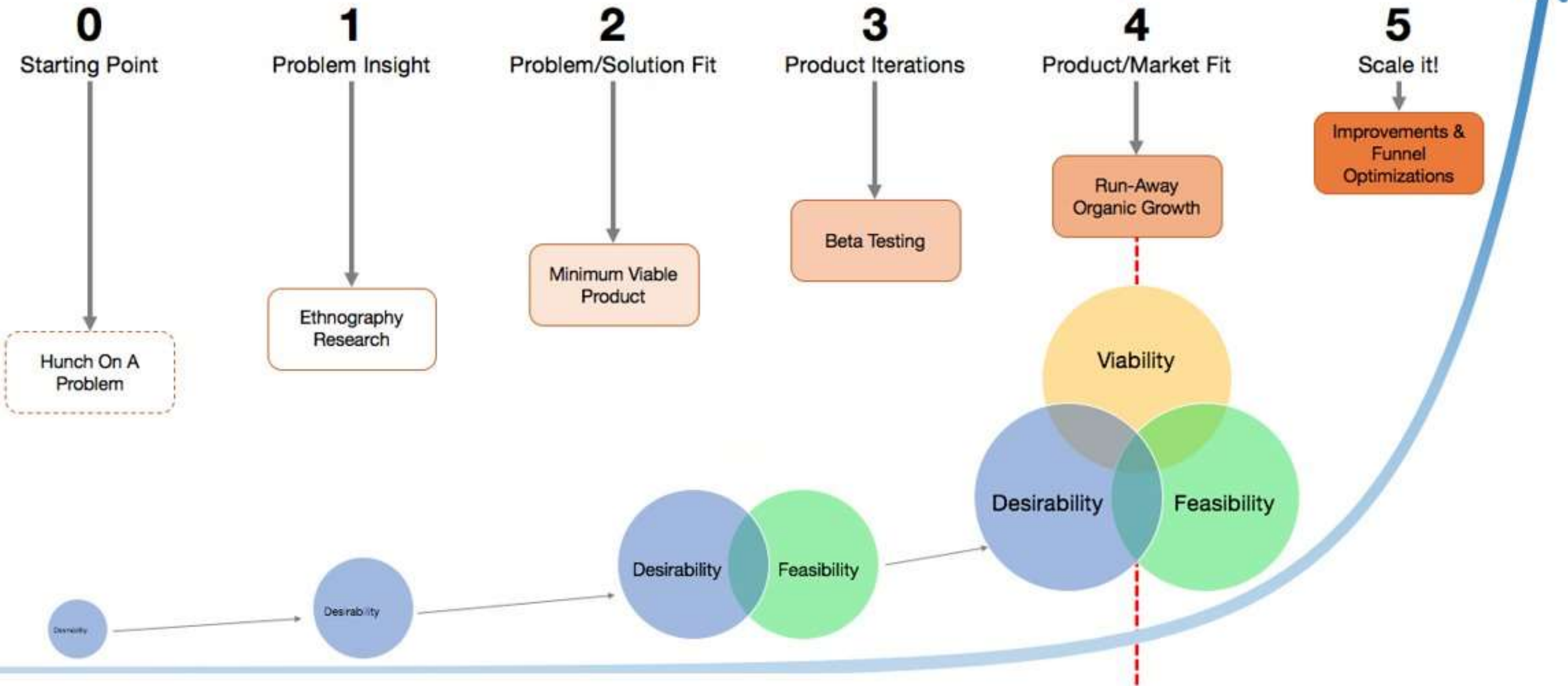
in business

# Defining PMF





# The Process Towards PMF

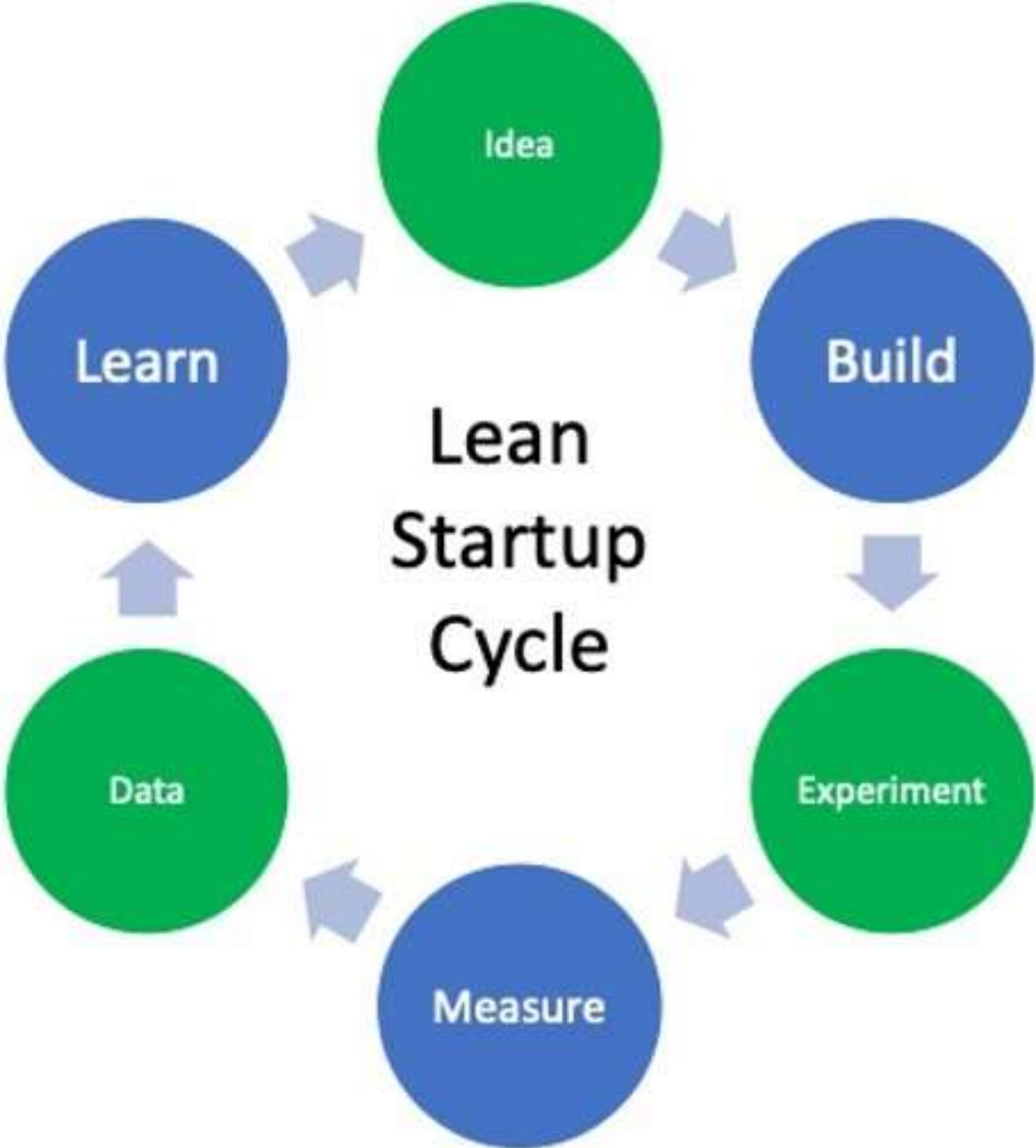


# Entrepreneurial Cornerstone 1/4:

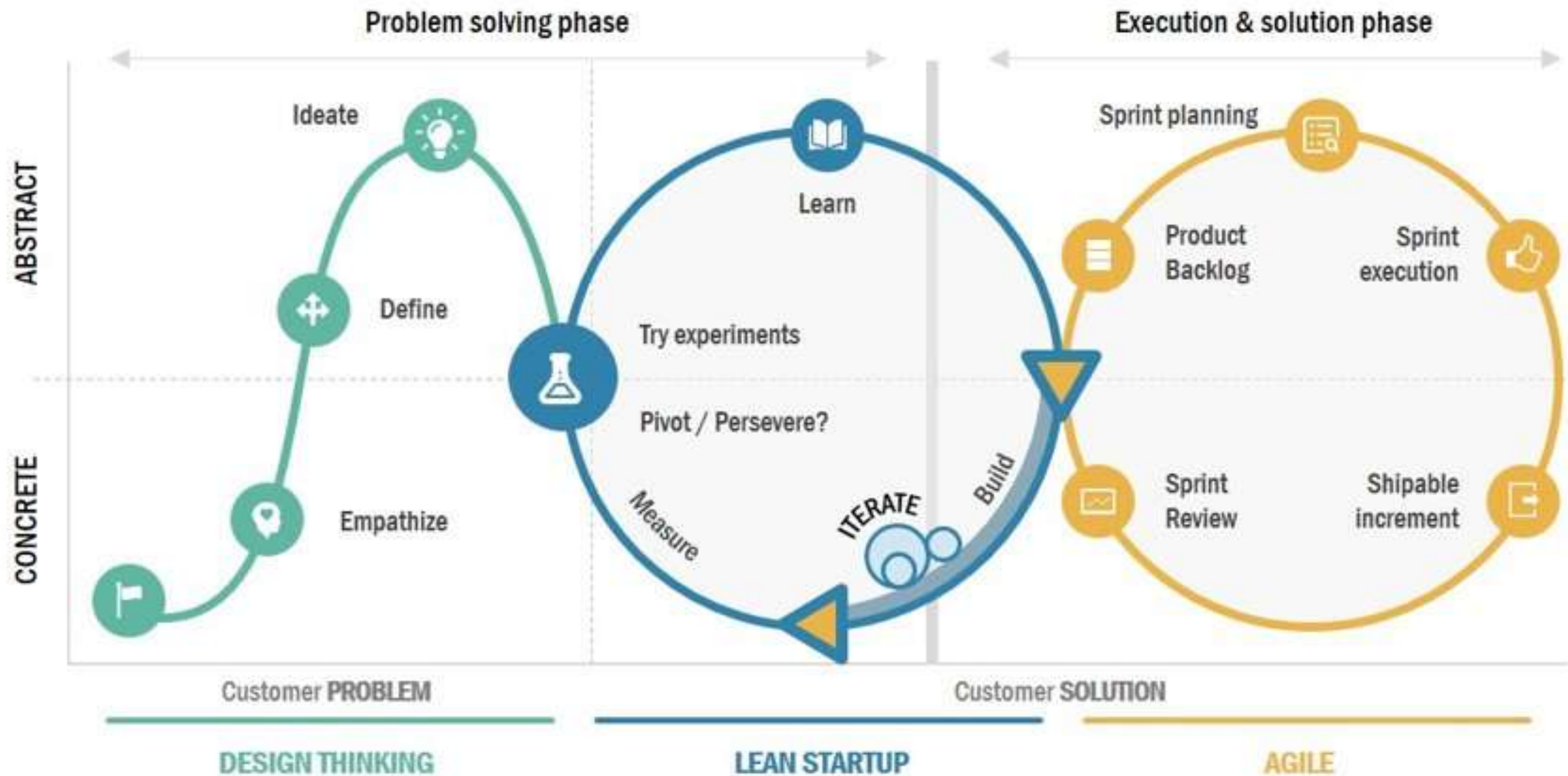
Minimising the risk  
to discover the  
upside.



**Minimising risk. Maximising upside.**



# Design Thinking + Lean Startup + Agile Diagram



# Entrepreneurial Cornerstone 2/4:

Hyper focus on  
the customer.



# Start with the end in mind

How do we achieve  
product/market fit?

Problem/solution fit

How do we get  
problem/solution fit?

Customer development

How do we develop a  
customer?

Discover them first.

# Customer persona task

**Describe your ideal customer**

Give them a name

Be specific

Try and remove as many people from this as possible

**Consider:**

Demographic

*Age, gender, location*

Psychographic

*Beliefs/identity*

Behaviour

*What they do*

**And also focus on:**

What are they trying to achieve/aspire to

What are they trying to fix/avoid

# Time for lunch



# Welcome back



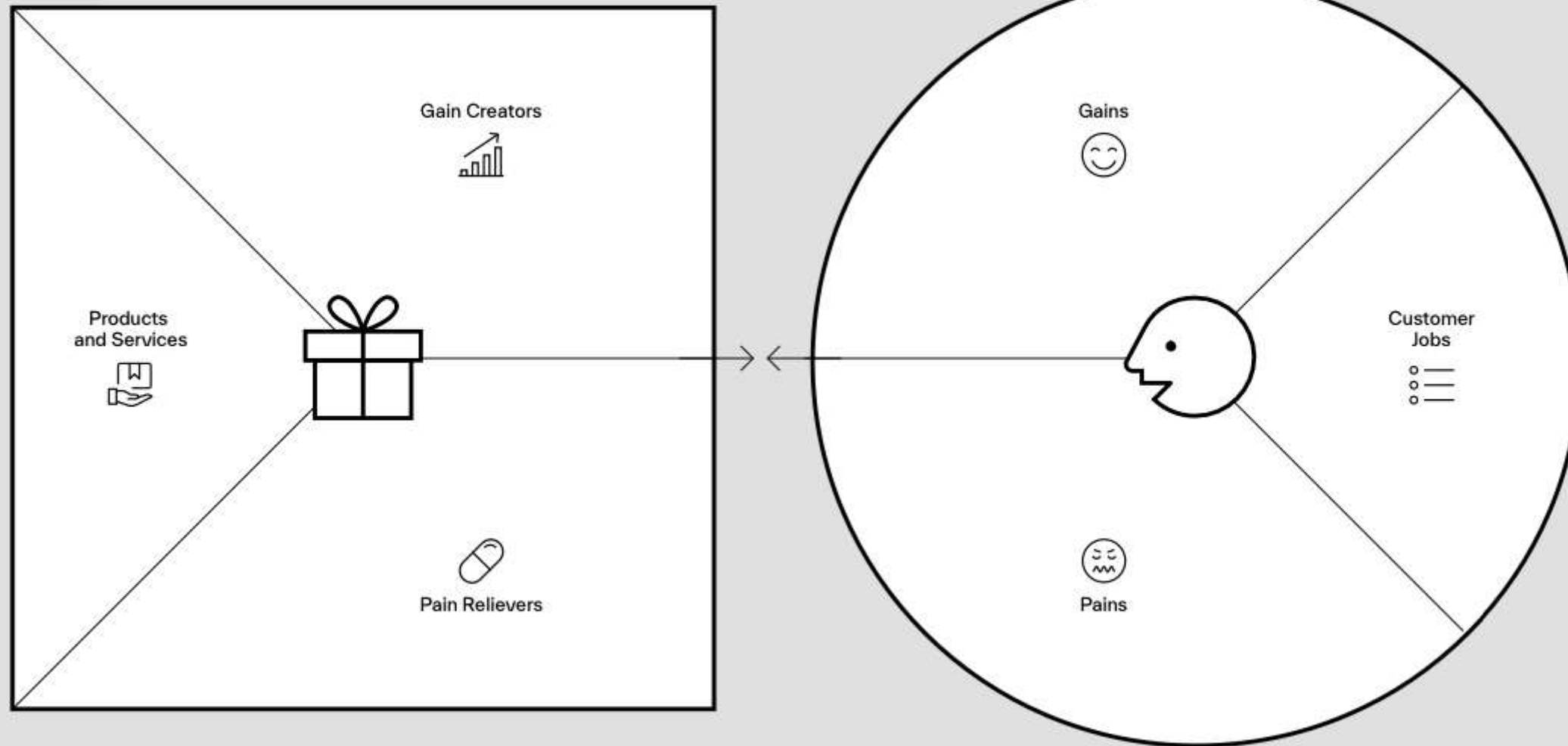
# Give customers what they want – not what you have

## The Value Proposition Canvas

Value Proposition:



Customer Segment:



# Entrepreneurial Cornerstone 3/4:

Bringing it all  
together



# Build out the business model around the value proposition. Use the Business Model Canvas

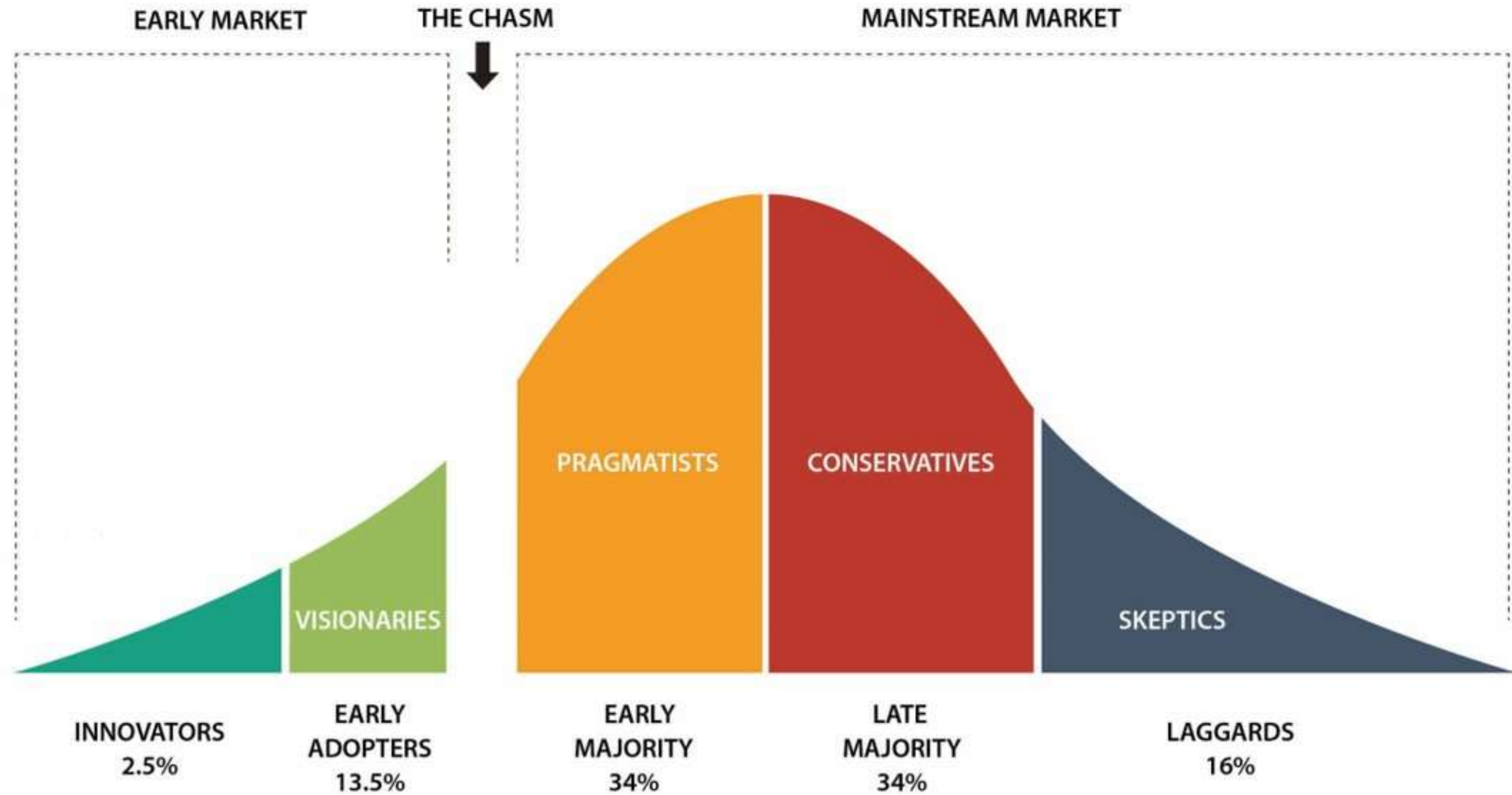
<b>7. Key Partners</b>	<b>5. Key activities</b>	<b>1. Value propositions</b>	<b>4. Customer relationships</b>	<b>2. Customer segments</b>
Who are the key partners required to support the value propositions?	What are the key activities based on the value propositions identified?	What is the value adding activities?	What type of relationships do you want to have with your customers?	What are the different types of customers?
	<b>6. Key resources</b>		<b>3. Channels</b>	
	What are the key resources needed to support the value propositions?		What are the communication channels for reaching the customers?	
<b>9. Cost structure</b>		<b>8. Revenue Streams</b>		
What are the types of costs?		What are the types of revenue streams and pricing strategies?		

# Entrepreneurial Cornerstone 4/4:

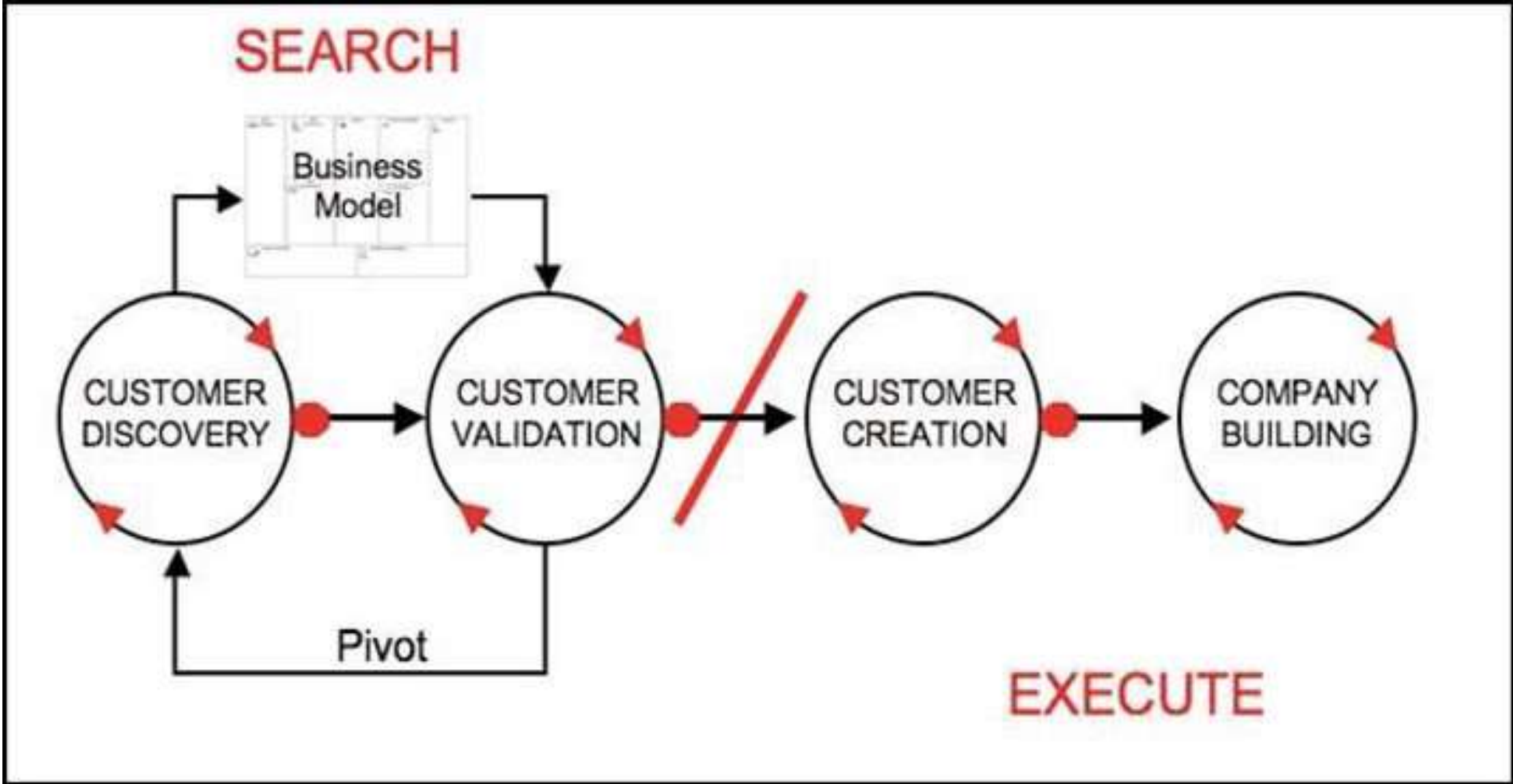
## Validating



# Ignore 97.5% of your market?



# Customer development process



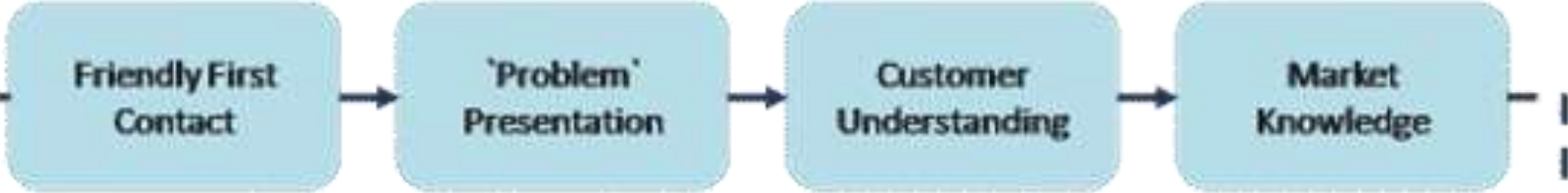
# Customer discovery process

## Customer Discovery Step-by-Step

### State Your Hypotheses



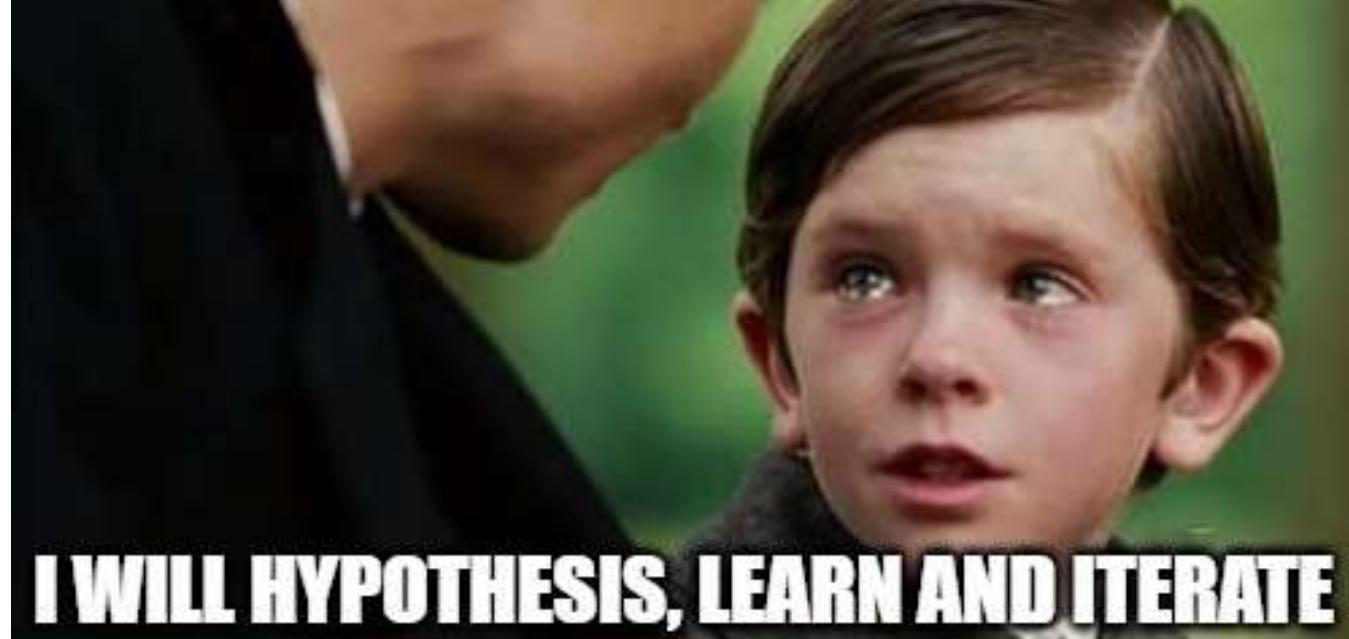
### Test 'Problem' Hypothesis



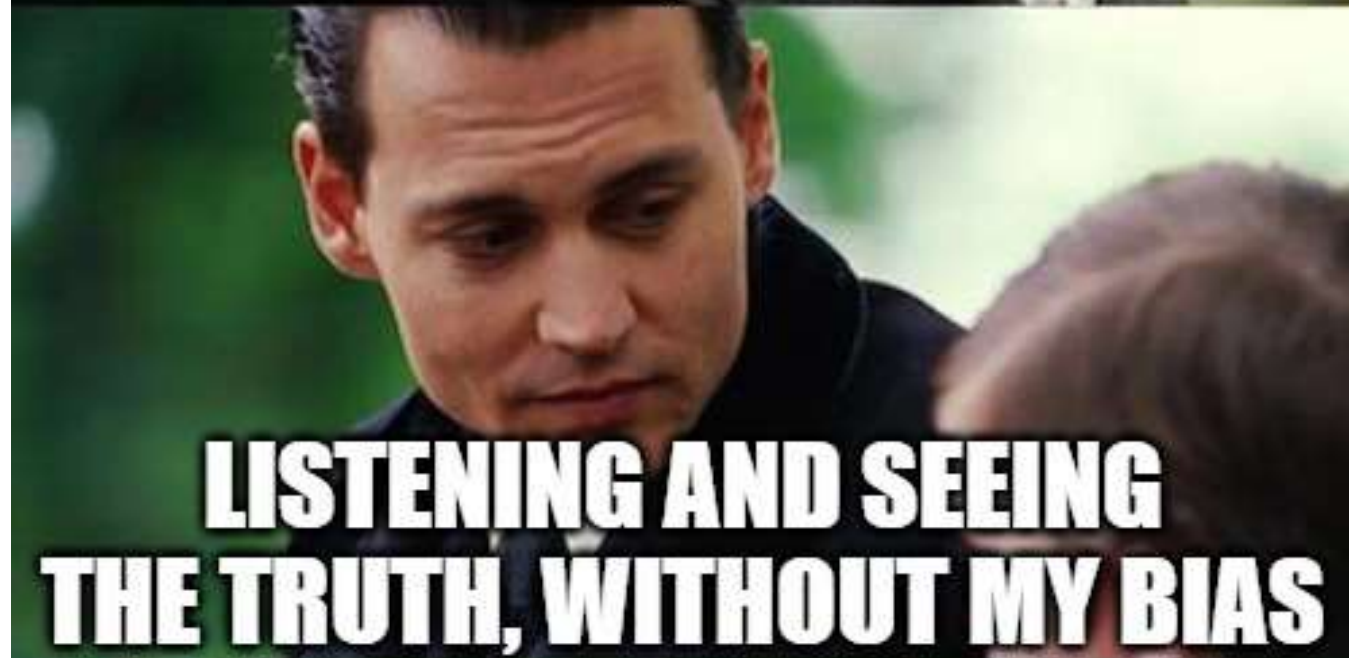
### Test 'Product' Hypothesis







**I WILL HYPOTHESIS, LEARN AND ITERATE**



**LISTENING AND SEEING  
THE TRUTH, WITHOUT MY BIAS**

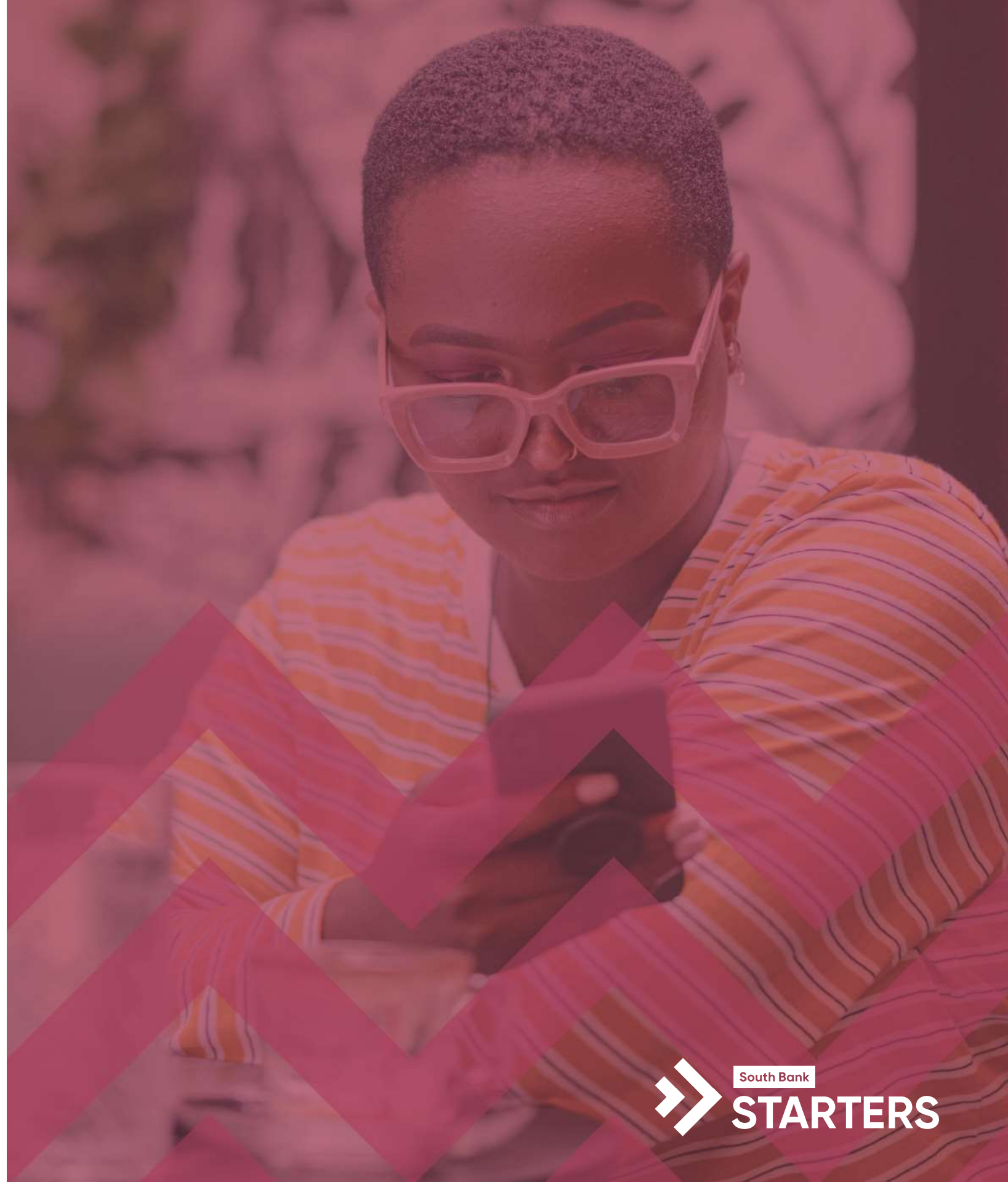


**SO I CAN FIND PRODUCT  
MARKET FIT AND BE SUCCESSFUL**

imgflip.com

# **TOOL RULES**

**DON'T TOUCH THEM  
DON'T MOVE THEM  
DON'T BORROW THEM  
DON'T EVEN LOOK  
AT THEM!**



**Meet your favourite new tool...**

# The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

<h3>Key Partners</h3> <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p><b>KEYNESSES FOR PARTNERSHIPS</b> Administration and economy Reduction of risk and uncertainty Acquisition of particular resources and activities</p>	<h3>Key Activities</h3> <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams?</p> <p><b>CATEGORIES</b> Production Problem Solving Platform/Network</p>	<h3>Value Propositions</h3> <p>What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?</p> <p><b>CHARACTERISTICS</b> Newness Performance Customization "Getting the job done" Design Brand Status Price Cost Reduction Risk Reduction Accessibility Convenience/Usability</p>	<h3>Customer Relationships</h3> <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p> <p><b>EXAMPLES</b> Personal assistance Self-Service Automated Services Communities Co-creation</p>	<h3>Customer Segments</h3> <p>For whom are we creating value? Who are our most important customers?</p> <p><b>MARKET SEGMENTS</b> Mass Market Niche Market Segmented Diversified Multi-sided Platform</p>																								
<h3>Key Resources</h3> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>TYPES OF RESOURCES</b> Physical Intellectual (Brand, Patents, Copyrights, Data) Human Financial</p>		<h3>Channels</h3> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels integrated? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?</p> <p><b>CHANNEL PHASES</b> 1. Awareness How do we raise awareness about our company's products and services? 2. Evaluation How do we help customers evaluate our organization's value Proposition? 3. Purchase How do we allow customers to purchase specific products and services? 4. Delivery How do we deliver a Value Proposition to customers? 5. After sales How do we provide post-purchase customer support?</p>																										
<h3>Cost Structure</h3> <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p><b>BY HOW BUSINESS MODELS</b> Cost Driven (Pricing) Cost Structure, low price value proposition, maximum automation, selected outsourcing Value Driven (Pricing) Cost Structure, premium value proposition</p> <p><b>SAMPLE CHARACTERISTICS</b> 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? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <table border="0"> <tr> <td><b>TYPES</b></td> <td><b>FIXED PRICING</b></td> <td><b>STANDARD PRICING</b></td> </tr> <tr> <td>Asset sale</td> <td>List Price</td> <td>Regulation (Governing)</td> </tr> <tr> <td>Usage fee</td> <td>Product feature dependent</td> <td>Hour Management</td> </tr> <tr> <td>Subscription Fee</td> <td>Customer segment</td> <td>Real time Market</td> </tr> <tr> <td>Licensing/Franchising/Licensing</td> <td>Usage-based</td> <td></td> </tr> <tr> <td>Licensing</td> <td>Revenue dependent</td> <td></td> </tr> <tr> <td>Advertising fee</td> <td></td> <td></td> </tr> <tr> <td>Advertising</td> <td></td> <td></td> </tr> </table>		<b>TYPES</b>	<b>FIXED PRICING</b>	<b>STANDARD PRICING</b>	Asset sale	List Price	Regulation (Governing)	Usage fee	Product feature dependent	Hour Management	Subscription Fee	Customer segment	Real time Market	Licensing/Franchising/Licensing	Usage-based		Licensing	Revenue dependent		Advertising fee			Advertising		
<b>TYPES</b>	<b>FIXED PRICING</b>	<b>STANDARD PRICING</b>																										
Asset sale	List Price	Regulation (Governing)																										
Usage fee	Product feature dependent	Hour Management																										
Subscription Fee	Customer segment	Real time Market																										
Licensing/Franchising/Licensing	Usage-based																											
Licensing	Revenue dependent																											
Advertising fee																												
Advertising																												

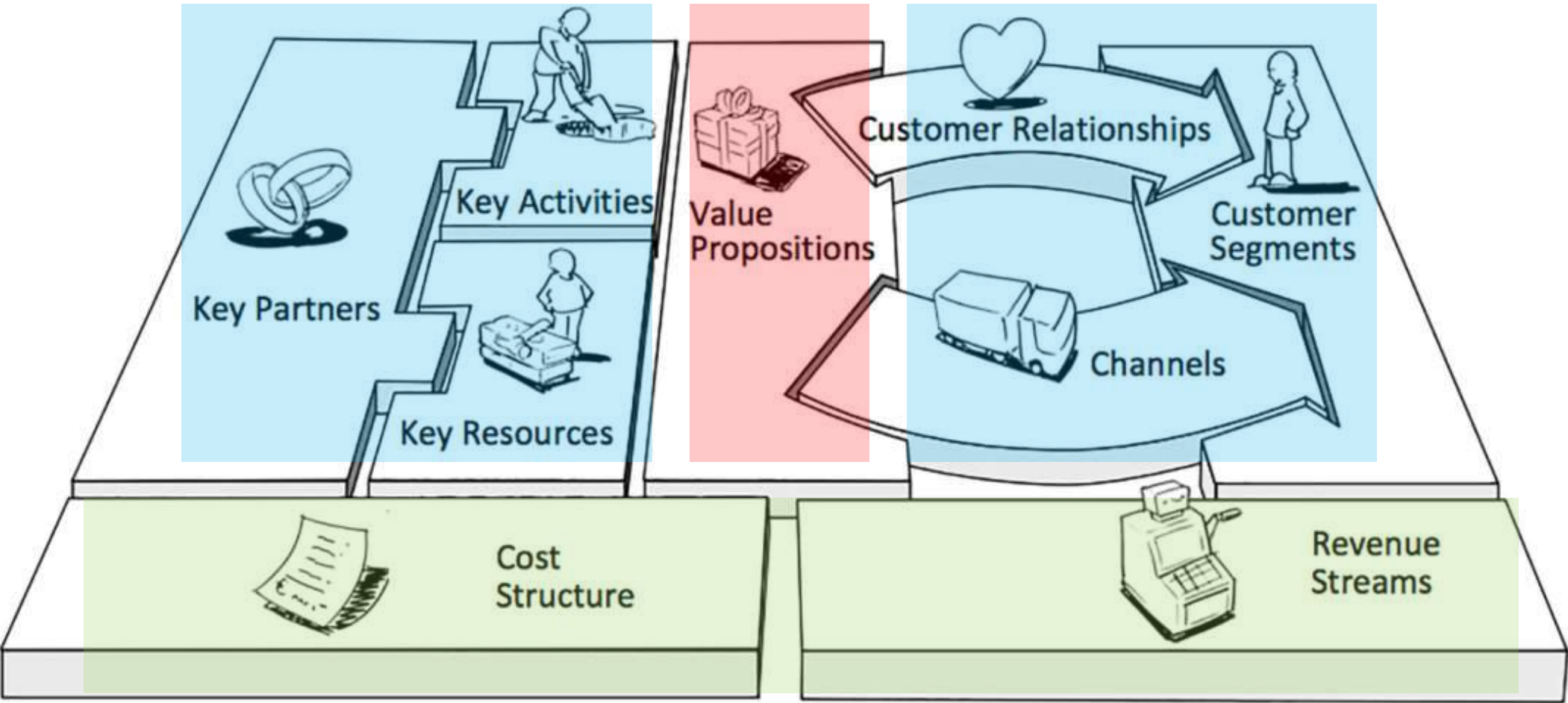


DESIGNED BY: Business Model Foundry AG  
The makers of Business Model Generation and Strategyzer

This work is licensed under the Creative Commons Attribution-ShareAlike 4.0 International License. To view a copy of this license, visit: <http://creativecommons.org/licenses/by-sa/4.0/> or send a letter to Creative Commons, 171 Second Street, Suite 300, San Francisco, California, 94105, USA.



# The Business Model Canvas



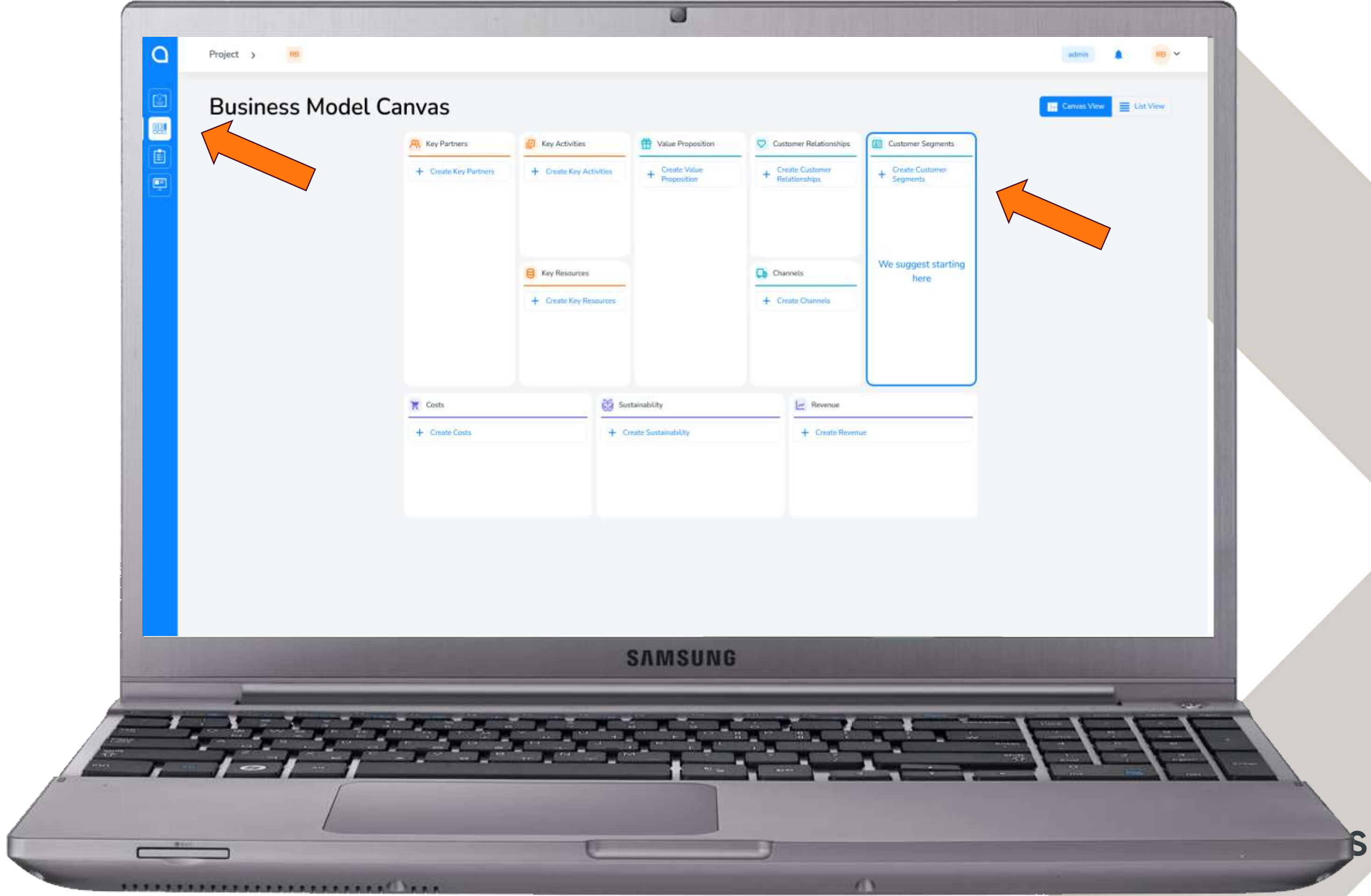
 Adapted from 'Business Model Generation', Alexander Osterwalder, Wiley 2012.  
[www.businessmodelgeneration.com](http://www.businessmodelgeneration.com)  
Licensed under a Creative Commons Attribution-ShareAlike 3.0 Unported License.

Validate



SCAN ME

<https://bit.ly/ValidateSUL0124>



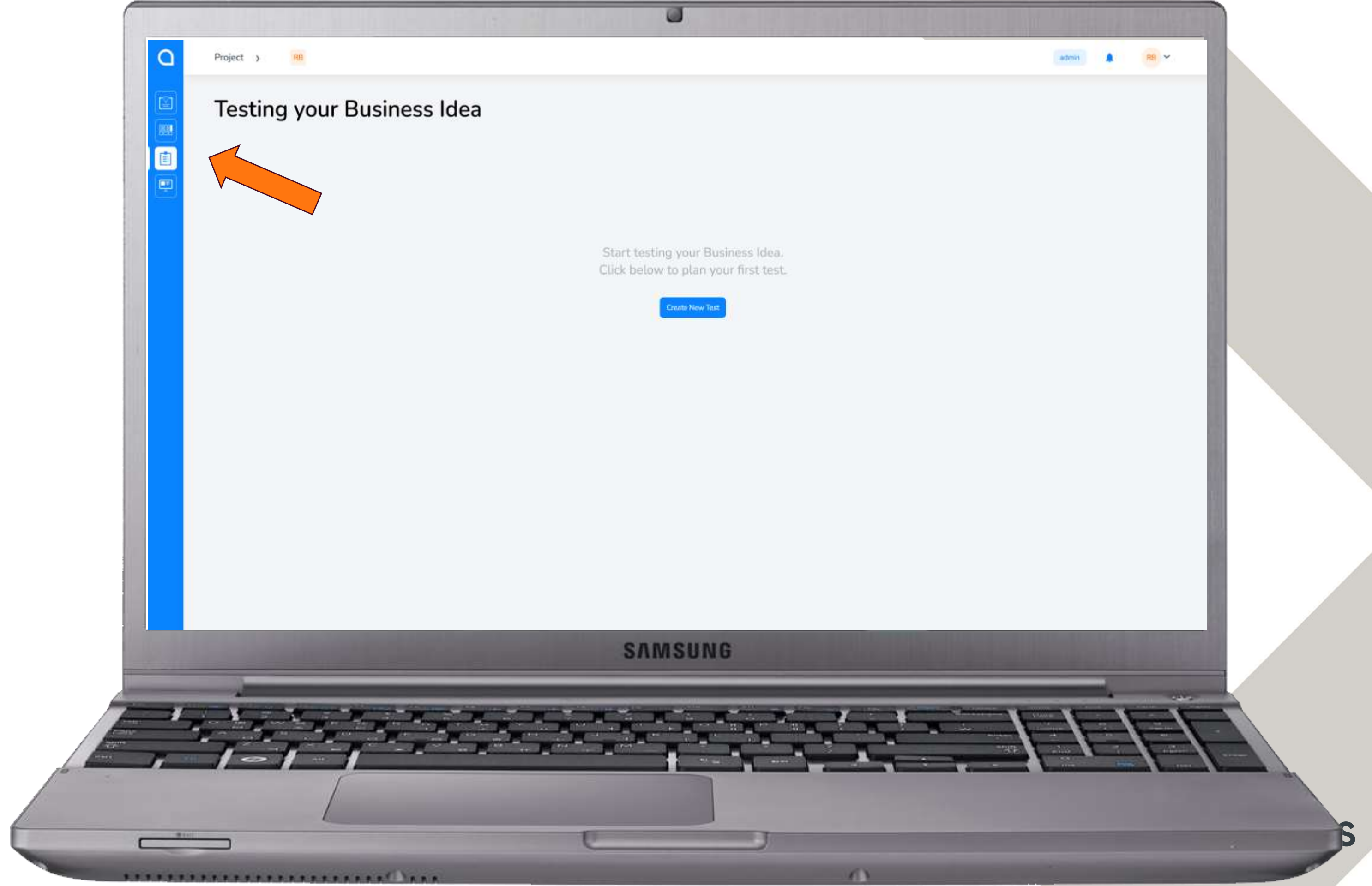
# Business Model Canvas

Canvas View List View

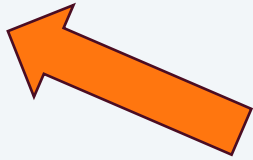
<b>Key Partners</b> + Create Key Partners	<b>Key Activities</b> + Create Key Activities	<b>Value Proposition</b> + Create Value Proposition	<b>Customer Relationships</b> + Create Customer Relationships	<b>Customer Segments</b> + Create Customer Segments  We suggest starting here
<b>Costs</b> + Create Costs	<b>Key Resources</b> + Create Key Resources	<b>Sustainability</b> + Create Sustainability	<b>Channels</b> + Create Channels	<b>Revenue</b> + Create Revenue

SAMSUNG





## Testing your Business Idea



Start testing your Business Idea.  
Click below to plan your first test.

Create New Test

SAMSUNG

S

## One more thing...

### Keep at it

Ask questions, take notes, repeat

### Progress, not perfection

It's all about progress at this stage

### A.B.C

Always be curious

### The chosen path

Follow problems and you will find solutions

### Just do it

Ask questions, take notes, repeat

## House Rules