



Entrepreneurial project stage 4 – Business model canvas

1. SHORT SUMMARY

- Total duration of this lesson: 45 minutes
- What will the students learn?
 - How a business model canvas can be used in developing one's own green business idea.
- What will the students do during this lesson?
 - Work on developing a business model for their idea using the business model canvas.
- What skills are the students going to improve?
 - Effective communication
 - Research skills
 - Team work
 - Business model development skills
- Cross-curricular links:
 - Geography
 - Economics / Entrepreneurship
 - Foreign languages
 - Philosophy
 - Civic education
- Materials needed:
 - Multimedia projector
 - Laptop / computer with speakers
 - Internet connection in the classroom (if there is no Internet in your classroom, you can download the online videos in this lesson in advance and bring them on a flash drive, or alternatively you can ask students to form groups and use their smartphones/tablets in order to watch the videos)
 - Empty business model canvas templates in A3 format (or even A2) for each team. Print out a high resolution version from here: https://upload.wikimedia.org/wikipedia/commons/1/10/Business_Model_Canvas.png



2. INTRO

CORE

Tell the students that today they will continue working on their ideas using the business model canvas. In lesson No. 24 they already got to know the business model canvas and created one of their own trying to describe a favorite product. Ask them to remember the essence of the business model canvas:

(5 min.)

- What can it be used for? (Describe, discuss, design, challenge, improve, innovate, invent a business model.)
- What are the building blocks of the business model canvas? (Customer segments, value proposition, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, cost structure.)
- What are the limitations of the business model canvas from the point of view of the sustainability principles? (That it looks at things from the perspective of a business' financial viability. It doesn't focus explicitly on the environment, natural resources and society. It doesn't reflect, for example, if a business is undermining an ecosystem service with its activities.)

Tell the students that despite these limitations the Business Model Canvas is a great tool to start working on your idea. They just need to take into account and not forget to include sustainability at the heart of the value proposition.

Tip for the teacher: If you want to skip that intro part, you may consider asking the students to review the lesson about business model canvas (No.24) at home before this class.

3. PRACTICAL ACTIVITY

CORE

Distribute to each team an empty business model canvas template. The teams have 35 min. to discuss and fill it in with information related to the team's idea. They can use everything they already know about the business model canvas.

(35 min.)

If the partners that the teams found are available to visit the class, they will work together with their teams as mentors.

4. REFLECTION

CORE

You can ask the following questions to the whole class and collect several answers from volunteers. Alternatively you could ask the students to fill in their answers individually in written form in the worksheet provided:

(2 min.)

- What did you learn about yourself when working in a team for this activity?

5. HOMEWORK

CORE

The teams will have to watch the following videos at home and try to find answers to the following questions:

- What is one of the key questions at the beginning of a startup? (Who is my user and how to find out who I have to make an interview with.)
- Which is the group of people it is best to interview? (Start with brainstorming on the potential target groups, then narrow down and try to interview people from each target group.)
- How many people is it good to talk to in the very initial phase of the idea? (Usually 7-8 interviews would be enough.)

(3 min. to explain)

- What is the goal of the customer interview? (To understand as much as possible about the habits of the customer and the challenges he/she is facing – it is not about trying to sell our product/idea assuming it is the working solution. Another goal is to identify the early adopters who are actively seeking to solve a problem.)
- What are some good ways to find customers to talk to? (Going to events; being introduced by someone else; “cold” e-mails.)
- What types of questions is it best to ask during a customer interview? (As many open-ended questions as possible; no questions that would bias the answer of the interviewee; questions that let the person describe how they do things today and in the past, not what they want to do in the future.)
- How to structure the customer interview? (Start with finding out about the current habits of the person in relation to the problem you are assuming you are solving with your idea. Continue with asking about their challenges in order to find out if there is a real problem. Ask questions related to finding out if the person is actively trying to solve that problem and how.)

And the videos (total watching time is about 45 min.):

- **“Lecture 16 - How to Run a User Interview”**: <https://www.youtube.com/watch?v=qAw-s7eXItMk> (play from 05:51 min. until 20:15 min.).
- **“Customer Interviews...the Right Way – Webshop”**: <https://www.youtube.com/watch?v=-jUnllmBYHoY> (play from 17:11 min. until 30:11 min.). Students will hear the abbreviation ADHD a lot in this video. ADHD stands for “attention deficit hyperactivity disorder”.
- **“Talk: Customer Development / Problem Interviewing - Lean Startup Meetup Berlin”**: <https://www.youtube.com/watch?v=etSL8hvgU5A> (play from 04:35 min. until 16:24 min.). This video contains shared experience and lessons learned from a German startup that is focused on solving project management problems of companies. This video talks about designing questions and conducting interviews at a little bit later stage in the development of a startup where they have already started building the prototype but still most of the tips are valid for the very initial phase of a startup when trying to discover the problem.

The teams can post their answers to those questions online in your regular communication channel with the class – this way you will know they have viewed and thought through the videos.

6. A LOOK INTO THE FUTURE

Next time the students will be preparing their own interviews with customers in order to discover who their customers actually are.

