

Session 3 – Activity 6

Overview

What is it?

The LEAN CANVAS is a template that allows you to encapsulate an entire business model on a single page, allowing you to quickly develop and iterate on business models and collaborate around them.

Why does it matter?

Building a business model is traditionally a long process and often it is complex to communicate it to others. Business models in the shape of the Lean Canvas get you to focus on the customer, but also on the viability of serving them.

How do I use it?

- List the top three problems that need solving or the jobs-to-be-done for the customer segment(s) that you are working on.
- List the customer segment(s) you will target.
- List the existing alternatives that you have identified.
- List who could be your early adopters.
- Explain what your Unique Value Proposition is. This is the marketing promise that your solution offers to the customer problem. It is the basis of your positioning statement in the marketplace.
- List the key aspects of the solution you have created for the customer problem at hand.
- List the channels you will be using to deliver/sell the solution. Remember that different channels need testing.
- What are your revenue streams? How are we going to get money?
- What are your costs? You might take into account development costs and running costs, both quite tightly coupled to your solution.
- List the key metrics that will allow you to understand how well your business is performing.
- If you can at this point, state your unfair advantage, the one thing none of your competitors have.
- There are some comprehensive notes in the VFQ Product Management Book to help you understand each of these aspects further.

Use this Lean Canvas to capture a first iteration of your business model.

<p>PROBLEM List the top 1-3 customer problems</p>	<p>SOLUTION Outline a possible solution for each problem</p>	<p>UNIQUE VALUE PROPOSITION Single clear, compelling message that states why you are different and worth paying attention to</p>	<p>UNFAIR ADVANTAGE Something that cannot easily be bought or copied</p>	<p>CUSTOMER SEGMENTS List your target customers and users</p>
<p>EXISTING ALTERNATIVES List how these problems are solved today</p>	<p>KEY METRICS List the key numbers that tell you how your business is doing</p>		<p>CHANNELS List your path to customers</p>	<p>EARLY ADOPTERS List the characteristics of your ideal customer</p>
	<p>COST STRUCTURE List your fixed and variable costs</p>		<p>REVENUE STREAMS List your sources of revenue</p>	