

Week 2: Business model development

Introduction week 2 Oncourse

Welcome to the second week of the course Technology Entrepreneurship. In week 1 you created an 'initial business idea'. Now it is time to transfer this initial business idea into a real value proposition. This is the first core challenge of every business when developing a proper business model. The value proposition shows how your product or service provides value to the customer by offering a solution to a problem the customer is facing or providing benefits to the customer. It is the point of intersection between the product/service you develop and the reason behind the customer's decision to buy, pay and use it. Often start-ups fail to define their value proposition before they launch their product or service. This is because the entrepreneur tends to give too much credence to the 'idea' as opposed to exploring how this idea would actually perform in the market.

The value proposition occupies a central position within the business model canvas. Consequently, the configuration of all other building blocks (e.g. the key resources, key activities, the channels, the revenue model etc.) has to deliver the value the value proposition is proposing. The weblectures have shown that developing and executing a new (or different) business model is a true entrepreneurial act, that requires insights in and mapping between the technical domain (e.g. your idea/technological invention/product) on the one hand and the economic domain (e.g. the value offered to the customer) on the other hand. In the end, build business models that work, and value propositions that sell.

At the end of this week you are able to:

- Understand what a business model is as well as its two most important functions
- Develop a proper value proposition for an identified customer segment
- Apply the value proposition canvas in your search for great value propositions
- Enhance your design thinking skills

Structure week 2

Before Wednesday 18 November

Preparatory activities before session on Wednesday 18th of November

- Watching web lectures
 - The Business Model Defined
 - Designing a viable Business Model
 - The Business Model's Functions
 - Business Model Innovation
 - The degree of Business Model Innovation
- Read Case "Uber" and prepare the following question:
 - What is according to you the value proposition of the UberBlack service?
 - Use the OnCourse Forum to indicate your value proposition and provide a brief description of the solution it is offering to a specific customer problem.
 - All students are required to participate in this discussion by Tuesday 17th of November by 18:00

- Read papers / book chapters
 - Chesbrough and Rosenbloom, 2002
 - Chapter 5 of the course handbook by Paul Burns

Wednesday 18 November

Face-to-face lecture on Wednesday 18th of November: Discussion of Uber case.

Before Friday 20 November

Preparatory activities before session on Friday 20th of November

- On Friday we organize a coaching session during which you get the opportunity to develop a proper value proposition for an identified customer segment with the help of the value proposition canvas. Coaches will be available to answer your questions and to give advice. Attendance is required.

Follow-up: Deadline is Friday 27 November

Follow-up activities relating to week 2

- Assignment related to week 2: submission deadline is Friday 27th of November