MODULE 1

Introduction

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Why are we here?

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ASSUMPTION #1

WE ARE HERE TO **LEARN** HOW TO **START A BUSINESS #FAST**

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ASSUMPTION #2

WE ARE HERE TO **SET GOALS** THAT ARE **OUT OF REACH**, BUT **NOT OUT OF SIGHT**!

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About Mentors and mentoring

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What is mentoring?

Mentoring is a **positive, supportive relationship**, that encourages people to **develop to their fullest potential.**

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The Role of the Mentor

Mentors **listen objectively and act as a sounding board**. They **ask questions** that encourage mentees to look at issues from a variety of perspectives and focus on problem-solving, decision-making and solutions. **They challenge traditional ways of thinking and encourage strategies outside of their mentee's comfort zone.**

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What Mentors DO

Mentors **Inspire**,

Mentors **spark ideas,**

Mentors **push**,

Mentors **are silent business partners**

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What Mentors DON’T DO

Mentors

don’t do work

for their mentees

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What I expect from you, and what I promise you

I promise you **respect**, **transparency** and **trust**. I **expect** the **same from you**

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Two important recommendations before we start

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First Recommendation

TRELLO

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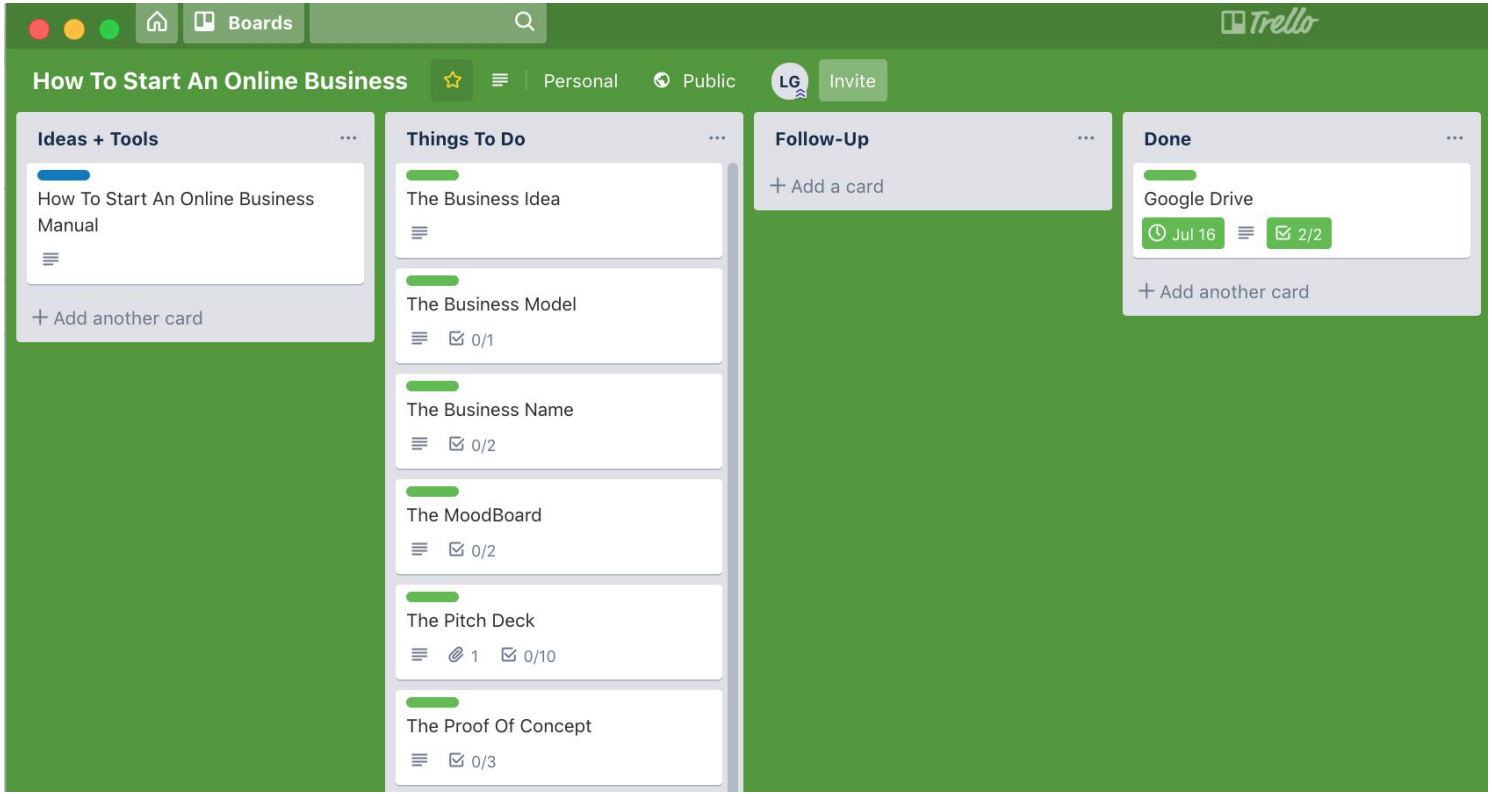
Boards
Trello
How To Start An Online Business
Personal
Public
LG
Invite
Ideas + Tools
How To Start An Online Business Manual
+ Add another card
Things To Do
The Business Idea
The Business Model
0/1
The Business Name
0/2
The MoodBoard
0/2
The Pitch Deck
1
0/10
The Proof Of Concept
0/3
Follow-Up
+ Add a card
Done
Google Drive
Jul 16
2/2
+ Add another card

Google Drive

in list Done

LABELS

Building The Business

DUE DATE

Jul 16 at 7:00 PM

Description

Edit

Before you even start this process, make sure you have created a Google Drive folder where you can easily access all of your content

You'll be generating a lot of information, pictures, logos, icons, text.
You want to have it as structured and labeled as possible, plus you can use Google Docs as your main shareable documents between your team.

https://drive.google.com/

How to Organize Yourself

Hide completed items

Delete

100%

- ~~Create a Google Drive Account~~
- ~~Create Folders to carefully organize the information:~~

Add an item

Add Comment

LG

Write a comment...

Save

ADD TO CARD

- Members
- Labels
- Checklist
- Due Date
- Attachment

POWER-UPS

Get Power-Ups

ACTIONS

- Move
- Copy
- Watch
- Archive
- Share

VIDEO

Second Recommendation

Google Calendar

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Are there different types of entrepreneurs?

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BUT FIRST, WHAT IS ENTREPRENEURSHIP?

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Entrepreneurship is the **creation** and **management** of a **venture** to **accomplish an objective** that **adds value** to a **target market**.

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Not all businesses are the same

Entrepreneurs **seek different objectives** with their businesses. Not all of them have the same goals, and therefore the same type of business. Today we'll cover a few different type of businesses.

- ➔ Lifestyle businesses
- ➔ Small businesses
- ➔ High growth startups
- ➔ Intrapreneurship
- ➔ Social venture
- ➔ Impact Entrepreneurship

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Lifestyle businesses

Businesses run as hobbies or supplemental sources of income

- **Goal:** Enjoy what you are doing
- **Funding:** Usually minimal
- **Scaling:** No scaling
- **Exit:** No exit planned

Example: **Food Trucks**
- Usually they tend to be side businesses to full time employees or to Entrepreneurs that have other running entreprises.

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Small businesses

The most common business type around the world

Goal: “Feed the family,” be one’s own boss
Funded: Usually funded through loans, personal investment, or friends and family
Scaling: Over 2/3 do not want to grow
Exit: No exit planned

Example: **A Pub**
- Small pubs tend to be family owned, and they are enough to pay the family bills!

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High Growth Startup

“The Silicon Valley startup”

Goal: Be the next Google/Uber/Facebook... or be bought by them
Scaling: Goal is to grow quickly
Resources: Venture capital, angel funding
Exit: IPO or Acquisition

Example: **UBER**
- By the end of 2018, UBER had an operational loss of 3bn USD. This type of businesses require high levels of investment to try and make them profitable on the long run

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Intrapreneurship

Startups inside larger companies

Goal: Develop a new and innovative company
Resources: Internal company resources
Scaling: Varies
Exit: Adoption into larger firm

Example: **Sony PlayStation**
- Sony was known for producing high quality audio and TVs, but gaming consoles were not part of their portfolio

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Social Venture

Venture whose primary goal is to do accomplish a social mission

Goal: Creating value for society
Resources: Grants, donations, volunteers
Exit: None planned

Example: **Muhammad Yunus, Grameen Bank**
– Microfinance org providing loans to rural poor in Bangladesh
– Provided loans to over 8M borrowers with repayment rate over 95%

Grameen Bank

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Impact Entrepreneurship

Venture whose primary goal is to make a profit, but at the same time, contribute to society (B CORPS)

Goal: Making a profit by creating value for society
Resources: Investment, VC's, Loans
Exit: None planned

Example: **TOMS**
– One of the first enterprises to use the Buy-One Give-One model

TOMS

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Which one sounds like you?

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Time to tell us a bit more about you...

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Activities

What does it mean to be successful for you?

Objective:

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What do you want to get out of the course?

Objective:

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What type of entrepreneur do you want to become?

- Lifestyle Entrepreneur
- Small Business Entrepreneur
- Startup Entrepreneur
- Intrapreneur
- Social Entrepreneur
- Impact Entrepreneur

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What do you want to achieve as an entrepreneur in the next 5 years?

My goal as an entrepreneur is:

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Do you currently have a business or clear business idea?

YES

NO

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If ‘yes’ tell us more about it...

My business (idea) is...

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Are you willing to join someone else's project?

YES

NO

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How do you want us to mentor you?

GIVE ME SPACE, let me come to you

FOLLOW UP REGULARLY

PRESSURE ME TO PERFORM

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How can we find you online?

My facebook link is:

My Instagram @ is:

My LinkedIn link is:

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The Lean Canvas

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THE MOST IMPORTANT TOOL AS AN ENTREPRENEUR

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PROBLEM

List your customers' top 3 problems

1

EXISTING ALTERNATIVES

List how these problems are solved today

SOLUTION

Outline possible solution for each problem

4

KEY METRICS

List key numbers telling how your business is doing today

8

UNIQUE VALUE PROPOSITION

Single, clear, compelling message that turns an unaware visitor into an interested prospect

3

UNFAIR ADVANTAGE

Something that can't be easily copied or bought

9

CHANNELS

List your path to customers

5

CUSTOMER SEGMENTS

List your target customers and users

2

EARLY ADOPTERS

List characteristics of your ideal customer

COST STRUCTURE

List your fixed and variable costs

7

REVENUE STREAMS

List your sources of revenue

6

Case study: Facebook

Year of foundation: 2004
Venue: Cambridge, MA
Original name: Thefacebook
Founded by: Mark Zuckerberg, Dustin Moskovitz, Eduardo Saverin, Andrew McCollum, and Chris Hughes
Total funding amount: $2.3 billion (last funding in 2012)
IPO: raised $18.4 billion in 2012

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1. Problem

A problem is a pain point you've identified that needs to be solved. In this box try listing the one to **three high priority problems** that your Customer Segment has. Without a problem to solve, you don't have a product/service to offer.

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Case study: Facebook

2. Problem

- Harvard university's online network is very limited in functionality and not fun.
- I don't know the names of my classmates.

Existing Alternatives: MySpace, Hi5, Friendster

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2. Customer Segments

The problem and **Customer Segments** can be viewed as intrinsically connected — without a customer in mind you can't think of their problems, and visa-versa.

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Case study: Facebook

1. Customer Segments

College students
Students from other colleges and universities

Early Adopters

Harvard university students

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3. Value Proposition

In the middle of the canvas is the UVP. A **value proposition** is a promise of value to be delivered. It's the primary reason a prospect should buy from you. A way to get your head around this is to think why are you different and why should your CS buy/invest time in you.

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Case study: Facebook

3. Unique Value Proposition

Connect and communicate with your college friends through an simple and beautiful student-oriented platform.

High-level concept
Friendster for college-students

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4. Solution

Finding a solution to **the problem** is the golden egg! You're probably not going to get this right off — it's OK, as that's what Lean is all about. the solution is not in your office, it's out there in the streets. So go interview your customer segment, ask them questions, and take those learnings. Remember the Lean Startup is validated learning through a continual Build — Measure — Learn cycle.

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Case study: Facebook

4. Solution

Online communication platform for Harvard students with the possibility to connect with friends (share photos, interests), chat and other fun stuff.

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5. Channels

Channels are ways for you to reach your CS. Try to think **which channels will give you enough access** to your CS at the same time give you enough learning. Channels can be email, social, CPC ads, blogs, articles, trade shows, radio & TV, webinars etc.

IMPORTANT: you don't have to be on all of them, just where your CS are.

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Case study: Facebook

5. Channels

Referral among Harvard students society.

Cross-friends of Harvard students in other colleges.

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6. Revenue Streams

How you **price your business** will depend on the type of model it is, however, it's quite common for startups to lower their cost, even offer it for free to gain traction, however, this can pose a few problems. The key being it actually delays/avoids validation. Getting people to sign up for something for free is a lot different than asking them to pay.

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Case study: Facebook

6. Revenue Streams

- Advertising Revenue
- Investment

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7. Cost Structure

Here you should **list all the operational costs** for taking this business to market. How much will it cost to build / landing page? What is your **burn rate** — your total monthly running costs?
How much will it cost to interview your customer segment?
How much do market research papers cost? etc.
You can then use these costs and potential revenue streams to calculate a rough break-even point.

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Case study: Facebook

7. Cost Structure

- Laptops
- Hosting
- Software Development
- Staffs' Salaries

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8. Key Metrics

Every business, no matter what industry or size, will have some key metrics that are used to **monitor performance.** The best way to help with this is to visualize a funnel top down that flows from the large open top, through multiple stages to the narrow end.

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Case study: Facebook

8. Key Metrics

Daily Active Users (DAU) measures the number of active users who visit your app in a single day.

Monthly Active Users (MAU) measures the number of unique users to your app over a 30-day period.

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9. Unfair Advantage

A good **unfair advantage** is one which cannot be copied or bought.

What is your competitive advantage?

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Case study: Facebook

9. Unfair Advantage

- Product is 10x better than the competition
- Monopoly effect
- Growing industry

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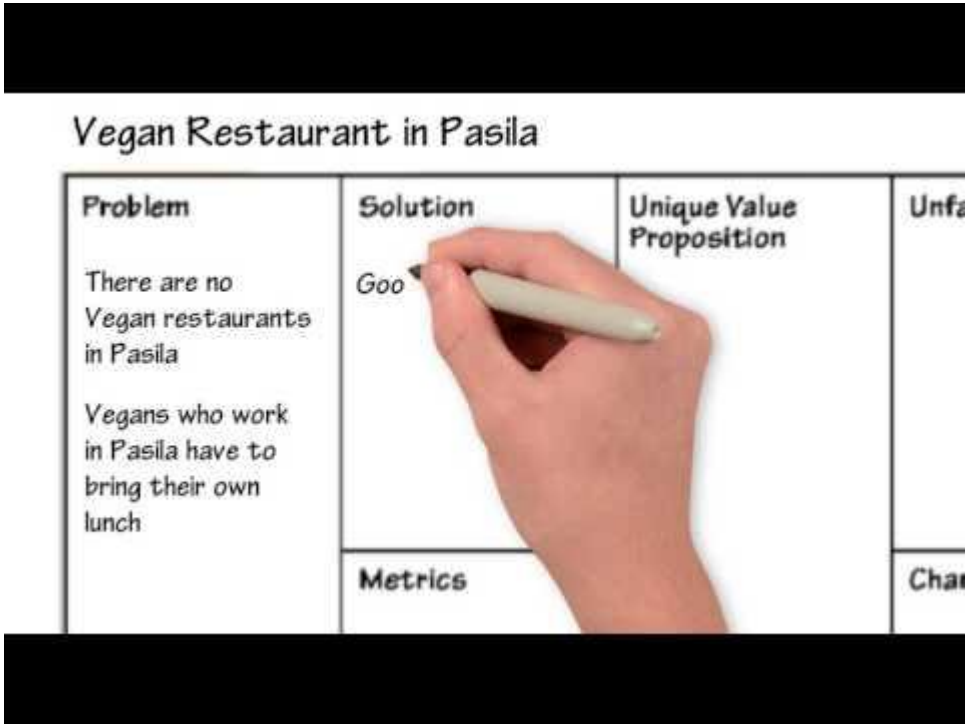
VIDEO!

How to Fill in a Lean Canvas?
Uber Example
PROBLEM
SOLUTION
UNIQUE VALUE PROPOSITION
UNFAIR ADVANTAGE
CUSTOMER SEGMENTS
EXISTING ALTERNATIVES
KEY METRICS
HIGH-LEVEL CONCEPT
CHANNELS
EARLY ADOPTERS
COST STRUCTURE
REVENUE STREAMS

VIDEO!


Vegan Restaurant in Pasila
Problem
There are no Vegan restaurants in Pasila
Vegans who work in Pasila have to bring their own lunch
Solution
Goo
Unique Value Proposition
Unfa
Metrics
Char

Activity

Activity: Your Canvas

Before we continue, we want you to try and give the Lean Canvas a go. Take it seriously, but don’t overthink it. We haven’t even broken up the sections yet, but it will be interesting to see the difference in a few weeks time.

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TOOL: canvanizer.com

It's more than Sticky Notes on a whiteboard:

Canvanizer

Brainstorm better concepts. Together with your team.

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