

ITI8740/ITX8522: Software Development Team Project. 2023

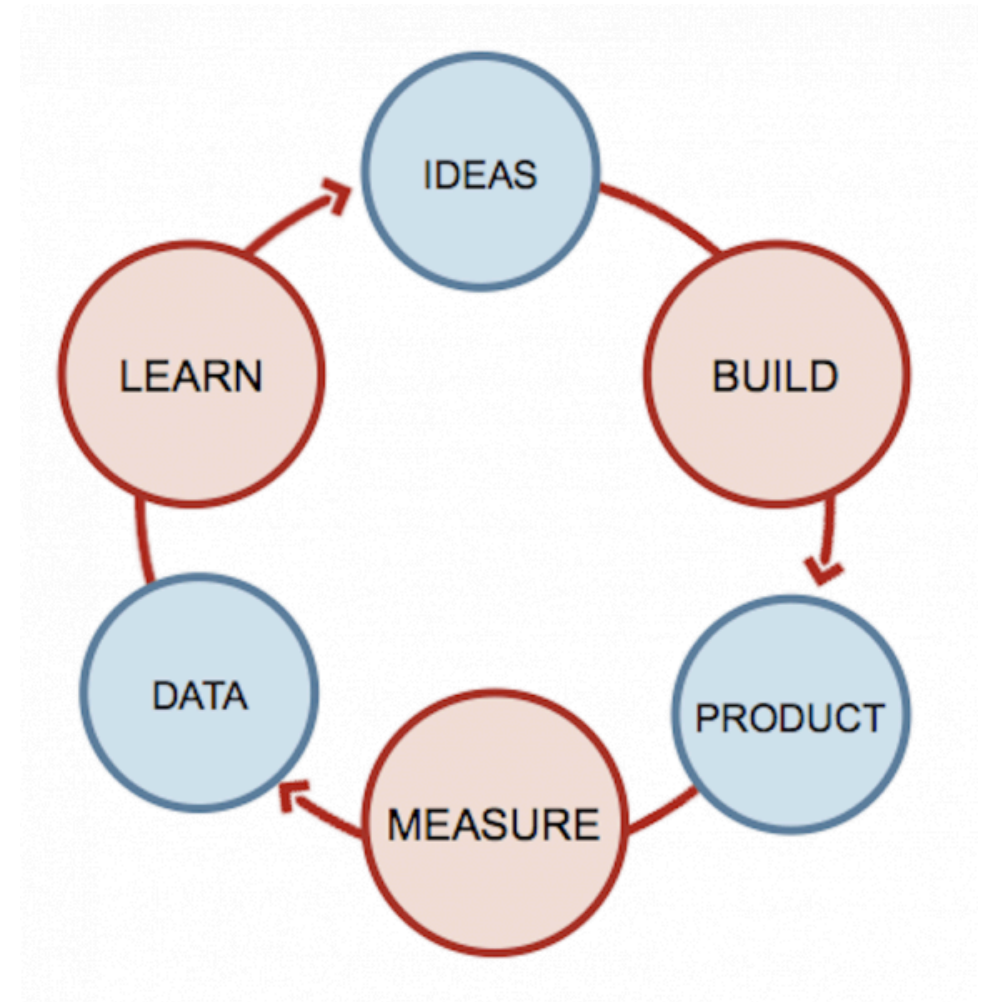
03. The Lean Canvas

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Lean Startup Meta Process

1. Document your Plan A
2. Identify the **riskiest** part of the plan
3. Systematically **test** your plan



The Lean Canvas

An one-page business plan template created by Ash Maurya that helps you deconstruct your idea into it's key assumptions.

<https://leanstack.com/>

PROBLEM

List your top 1-3 problems.

SOLUTION

Outline a possible solution for each problem.

UNIQUE VALUE PROPOSITION

Single, clear, compelling message that states why you are different and worth paying attention.

UNFAIR ADVANTAGE

Something that cannot easily be bought or copied.

CUSTOMER SEGMENTS

List your target customers and users.

KEY METRICS

List the key numbers that tell you how your business is doing.

CHANNELS

List your path to customers (inbound or outbound).

EXISTING ALTERNATIVES

List how these problems are solved today.

HIGH-LEVEL CONCEPT

List your X for Y analogy e.g. YouTube = Flickr for videos.

EARLY ADOPTERS

List the characteristics of your ideal customers.

COST STRUCTURE

List your fixed and variable costs.

REVENUE STREAMS

List your sources of revenue.

Start with Problem & Customer

Underline the main **assumptions / hypotheses** to be checked.

The Problem

- Is there more than one problem?
- Match a problem statement for each segment
- Outline existing alternatives

The Customer Segments

- Are there several segments
- Review segments - customers & users
- Early adopters

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Unique Value Proposition

- What is the value you deliver?
- Primary reason, why the customer should buy from you.
- Why they should spend time with your solution?
- A Single message

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Solution

- Top 3 features / Minimum Viable Product scope (absolute minimum functional prototype to test the market).
- Does your solution deliver on the value proposition?
- Main dependencies to deliver the solution? For example: who are your key partners?

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Channels

- What are ways for you to reach your customers?
- How do you access the market?
- What's the market you can actually reach?
- Based on that - is the problem worth solving?

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Revenue Streams

- What is your revenue stream composed of?
- First guess on how many customers you'll serve after 12 months on the market.
- Monthly income

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Cost Structure (& ROI)

- Initial investment to get to the market (capital investment)?
- Operational costs to stay on the market (monthly burn rate)?
- Rough - Return On Investment calculation. When will you be break even?

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Key Metrics & Activities

- What are the key indicators to say - are you doing good or not so good? How well are you performing?
- What are the things **you have to do** to get the metrics up and where they need to be?

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Unfair Advantage

- It is something that is hard to copy or hard to buy.
Examples: dream team, existing customers over other startups, lightning speed of execution, hard to copy technology / IP protected technology, etc.
- This is actually the hardest question to figure out :D

Well done!

We have done a lot

1. Document your Plan A
2. Identify the __riskiest__ part of the plan
3. **Now we need to test our plan**

The next step

Minimal Viable Product

Tools

- Canvas @Lean Stack: <https://leanstack.com/lean-canvas>
- CNVS <https://cnvs.online/>
- Canvanizer: <https://canvanizer.com/>
- Also the canvas templates from Google Drive (just Google) work really well.

References

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Thank you!