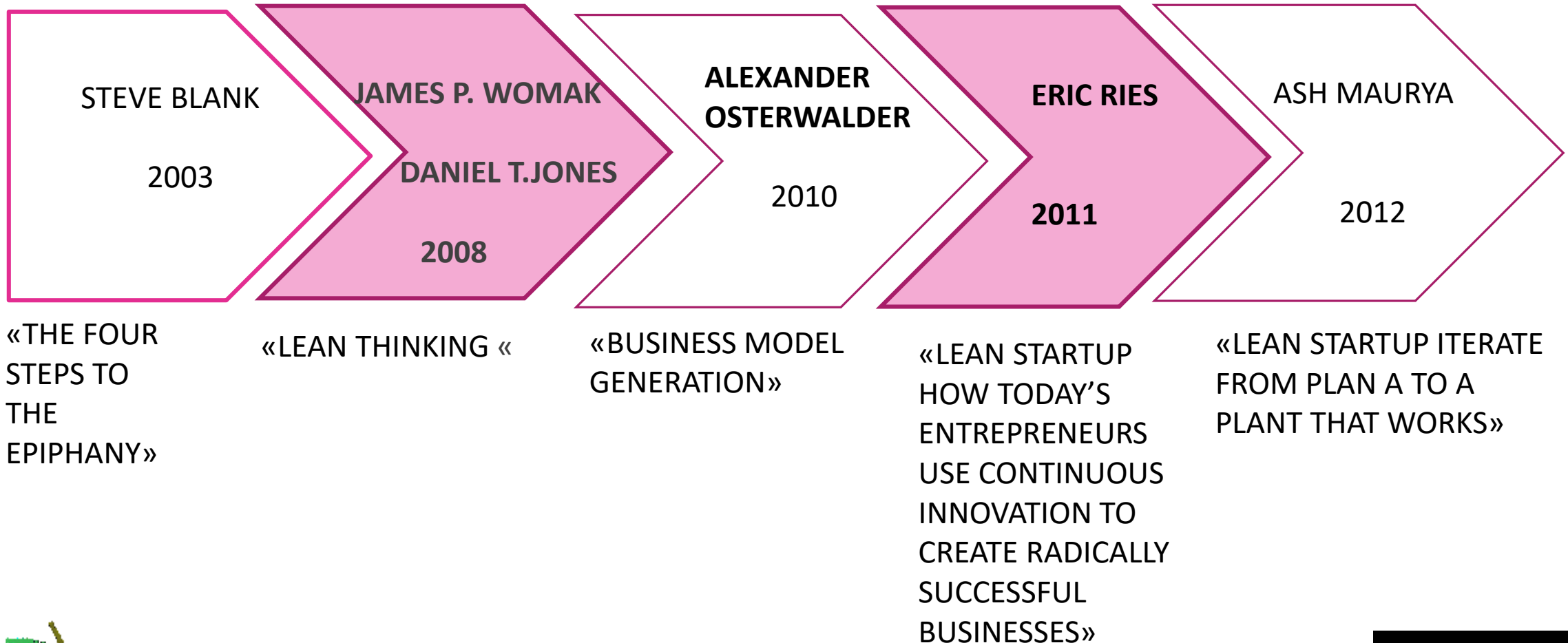




Contamination Lab Pisa

STUDIO
BONFANTI
COMMERCIALISTA DI **IMPRESE INNOVATIVE**

BUSINESS PROCESS MANAGEMENT



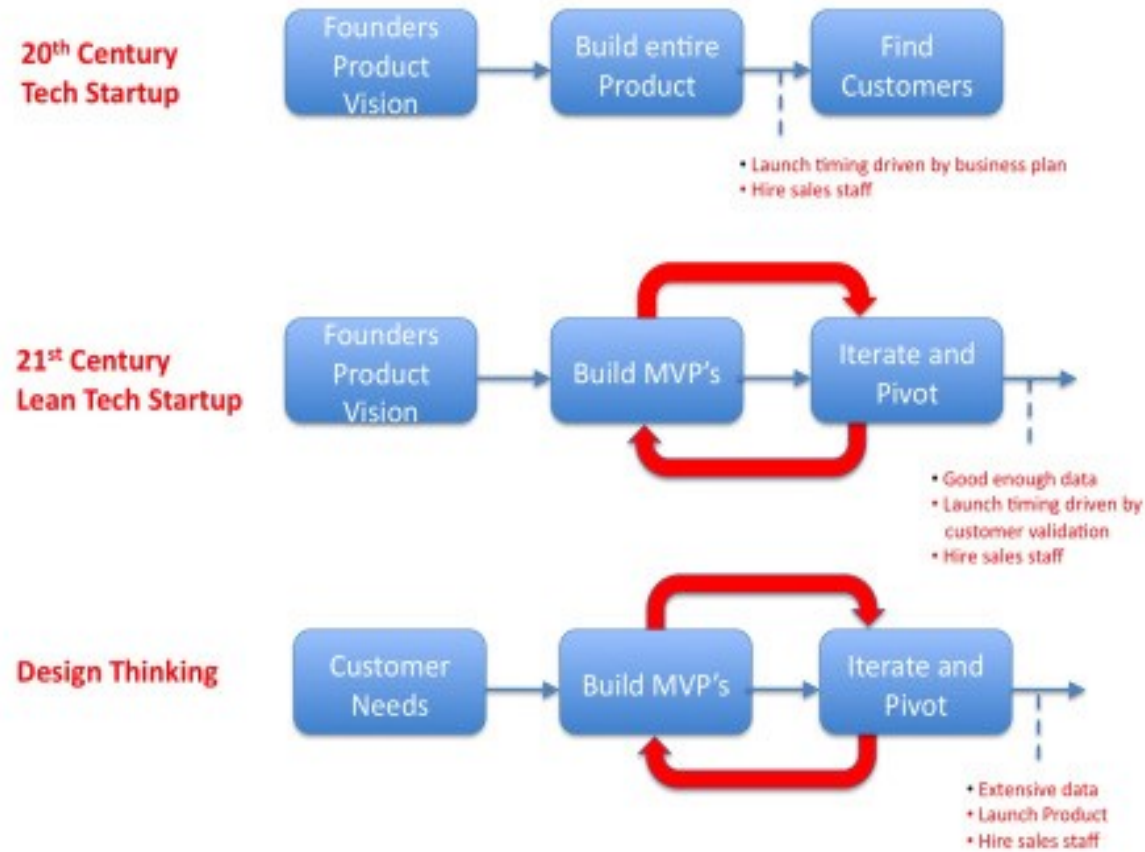
LEAN STARTUP MANIFESTO STEVE BLANK

A Startup Is a Temporary Organization Designed to Search for a Repeatable and Scalable Business Model

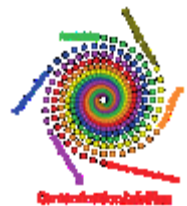
1. There Are No Facts Inside Your Building, So Get Outside : «uscire dalla Confort zone»
2. Pair Customer Development with Agile Development
3. Failure is an Integral Part of the Search for the Business Model
4. If You're Afraid to Fail You're Destined to Do So
5. Iterations and Pivots are Driven by Insight
6. Validate Your Hypotheses with Experiments
7. Success Begins with Buy-In from Investors and Co-Founders
8. No Business Plan Survives First Contact with Customers
9. Not All Startups Are Alike
10. Startup Metrics are Different from Existing Companies
11. Agree on Market Type— It Changes Everything
12. Fast, Fearless Decision-Making, Cycle Time, Speed and Tempo
13. If it's not About Passion, You're Dead the Day You Opened your Doors
14. Startup Titles and Functions Are Very Different from a Company's
15. Preserve Cash While Searching. After It's Found, Spend
16. Communicate and Share Learning
17. Startups Demand Comfort with Chaos and Uncertainty



DRIVING CORPORATE INNOVATION: Design Thinking vs. Customer development

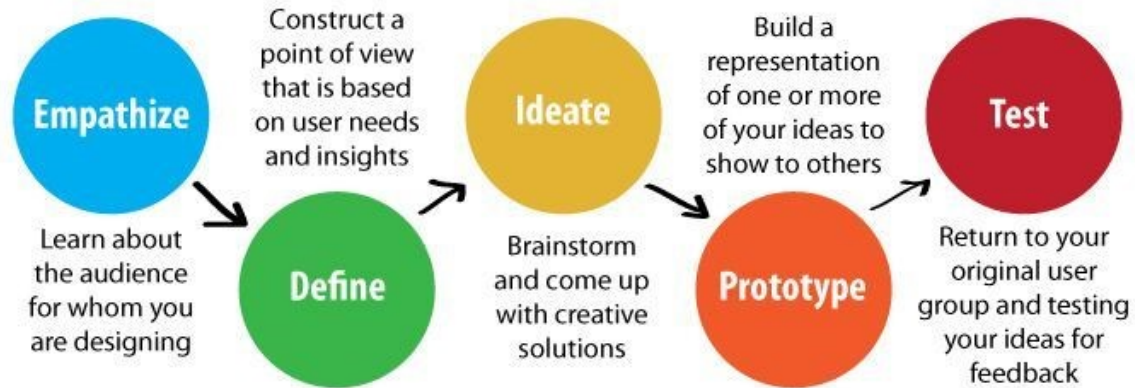


<https://steveblank.com/2014/07/30/driving-corporate-innovation-design-thinking-customer-development/>

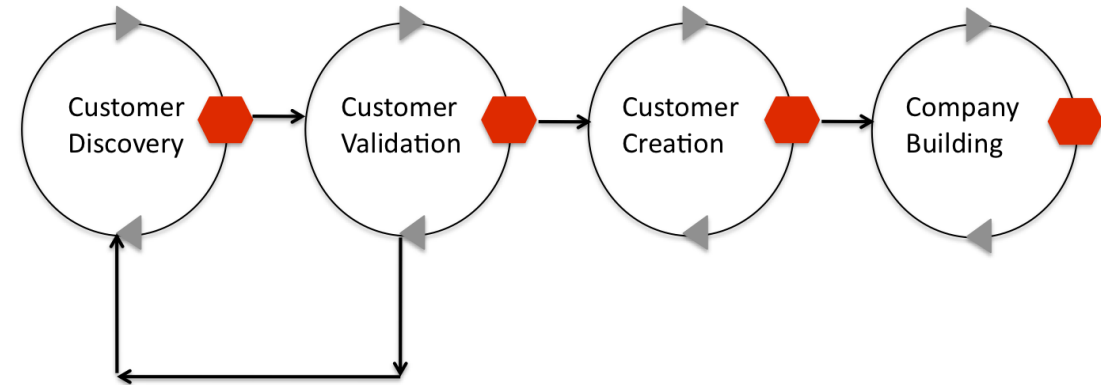


LEAN STARTUP: 2 MODELS

DESIGN THINKING



CUSTOMER DEVELOPMENT



PLAN DEVELOPMENT METHODOLOGIES AND ANALYSIS OF THE SINGLE PHASES

The «Running Lean» method, it provides for 3 steps:

- a) How to document your plan – BUSINESS MODEL CANVAS
- b) Identify the riskiest parts of your plan
- c) Systematically test your plan

Building a successful product means reduce the risk before to finish your resources

« Waste is any human activity which absorbs resources but creates no value. » LEAN THINKING James P. Womak and Daniel T. Jones



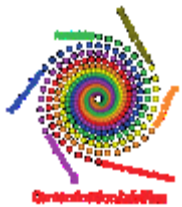
Thinking as the customer, **acting** for the customer

Designing your business model through iterations and testing

Determine role and responsibility in customer focus;

- Set a definition for 'customer';
- Determine the customer's norms and values;
- Determine the organization's framework conditions;
- Customer-oriented think and acting ;
- Acquire customer focused skills and learn to listen;
- Assertive communication and remaining customer focused;
- Customer-oriented presentation;
- Determine the customer's need and translate it into your own customer-oriented acting;
- Learn to apply a customer-oriented complaint procedure;
- Define and implement internal customer focused.





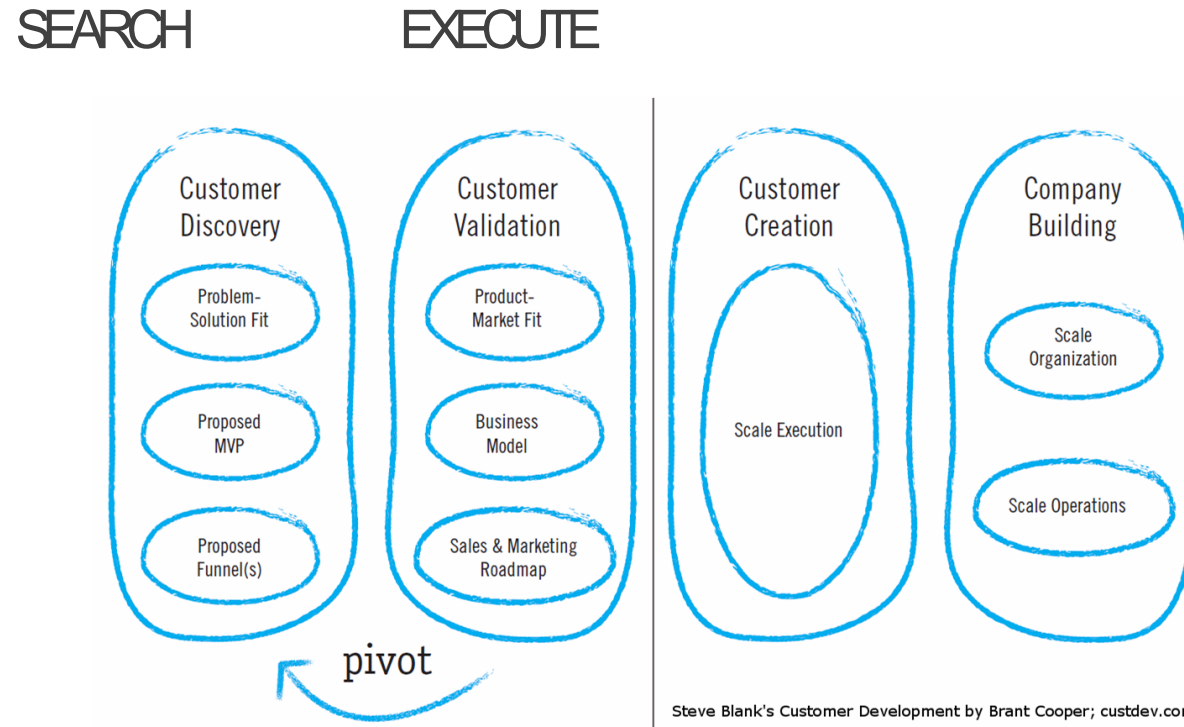
“DON'T FIND CUSTOMERS FOR YOUR PRODUCTS, FIND PRODUCTS FOR YOUR CUSTOMERS”

- SETH GODIN

ReferLinks

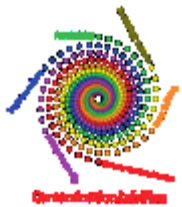


CUSTOMER DEVELOPMENT PROCESS



Focus: Validated Learning
Experiments: Pivots
Terrain: Qualitative

Focus: Growth
Experiments: Optimizations
Terrain: Quantitative



CUSTOMER DEVELOPMENT PROCESS

Focus: Validated Learning
Experiments: Pivots
Terrain: Qualitative

Customer Discovery

Captures the founders' vision and turns it into a series of business model hypothesis. Then develops a plan to test customer reactions to those hypothesis and turns them into facts.

Customer Validation

Tests whether the resulting business model is repeatable and scalable. If not, you return to customer discovery.



THE LEAN STARTUP METHOD – “Eric Ries”

The 5 principles of the Lean Startup:

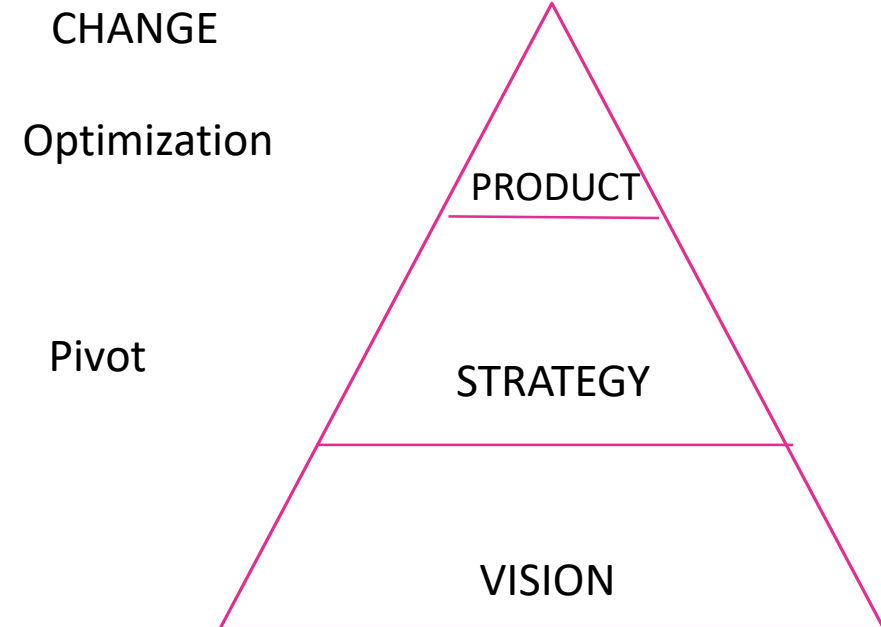
- **Entrepreneurs are everywhere**
- **Entrepreneurship is management**
- **Validated learning**
- **Build-Measure- Learn**
- **Innovation accounting**



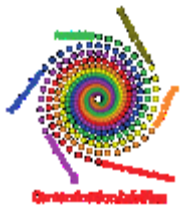
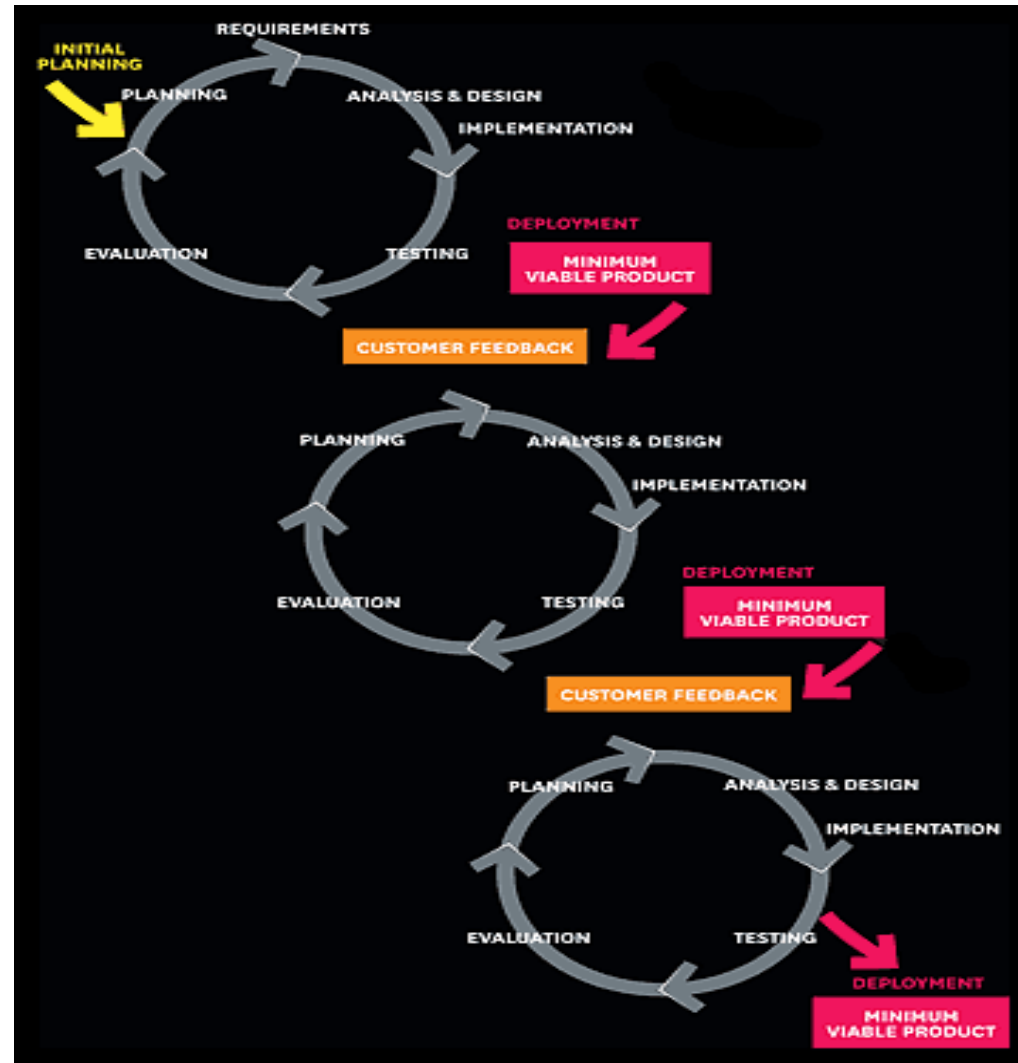
THE LEAN STARTUP METHOD – “Eric Ries”

The 3 parts of the Lean Startup:

- **Vision**
- **Steer**
- **Accelerate**



THE LEAN MODEL: RAPID AND RESPONSIVE DEVELOPMENT

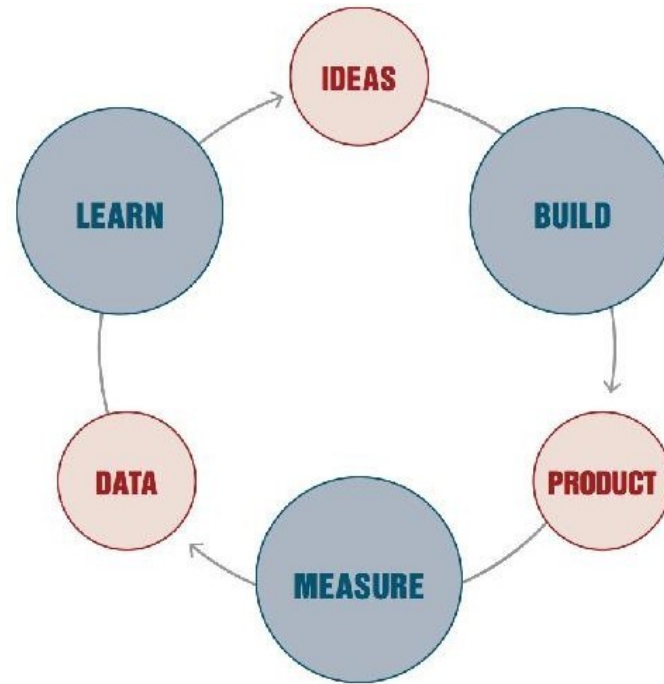


BUILD-MEASURE-LEARN LOOP

Maximize learning through incremental and iterative engineering

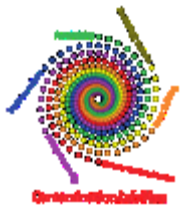
Minimize the total time through the loop

Product features, customer needs, the right pricing and distribution channel, etc



Minimum Viable Products

Customers Response



AN EXPERIMENT IS A PRODUCT

In the Lean Startup model, an **experiment** is also a **first product**.

It allows the manager to get started with his or her campaign:

- enlisting early adopters,
- adding employees to each further experiment or iteration,
- and eventually starting to build a product.

By the **time that product is ready to be distributed widely**, it will already have **established customers**. It will have

solved real problems and offer **detailed specifications** for what needs to be built.

Get feedback on what is working today rather than in anticipation of what might work tomorrow.

-> MINIMUM VIABLE PRODUCT



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MINIMUM VIABLE PRODUCT

The minimum amount of functions needed to provide speedy feedback to determine the viability of a product (Rob Kelly)

Minimum

There is usually just one or two core problems that excellent products are trying to solve.

iPod: store a bunch of your music and play it on the go;

Facebook: find friends and share information with them; eBay:

sell used stuff or buy usedstuff;

Google: find information on theWeb.

Viable

Will people use it?

Will someone pay for it?

Product

A commercial product A

service

An entire business

Any organism that generates value

Source: Rob Kelly <http://robdkelly.com/blog/entrepreneurship/minimum-viable-product-mvp/>



MINIMUM VIABLE PRODUCT

HOW NOT TO BUILD A MINIMUM VIABLE PRODUCT



1



2



3



4

ALSO HOW NOT TO BUILD A MINIMUM VIABLE PRODUCT



1



2



3



4

HOW TO BUILD A MINIMUM VIABLE PRODUCT



1



2



3



4

FRED VOORHORST

WWW.EXPRESSIVEPRODUCTDESIGN.COM



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MVP Case Study – Google Glass

In 2012 Google announced development of Google Glass opening the field to smart eyewear



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MVP Case Study – Google Glass

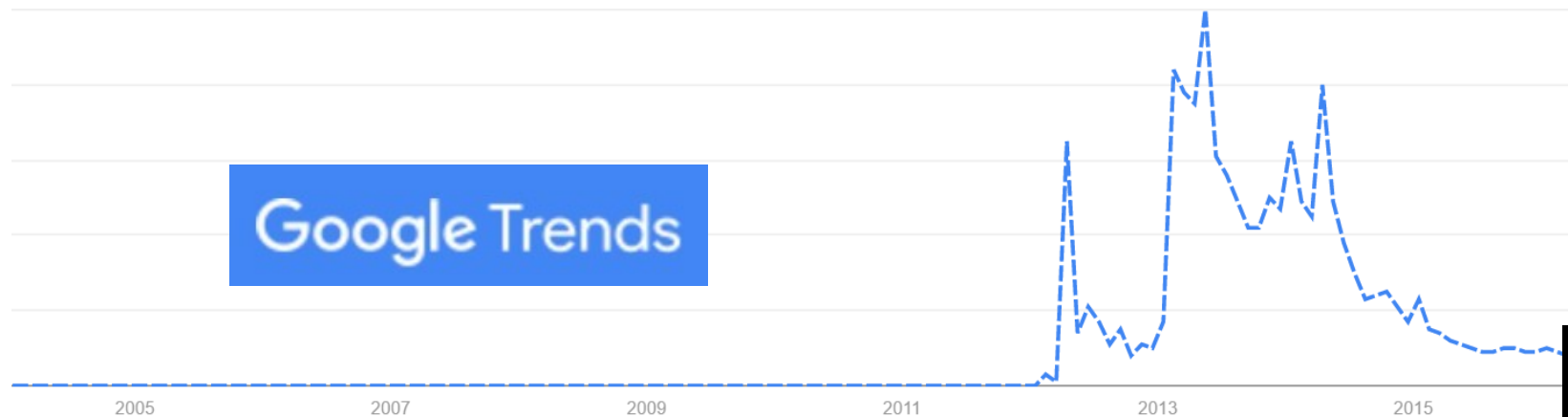
Results

2013: Google selected a group of “**qualified glass experts**” to test the prototype and sold them the first Google Glasses

April 2014: Google opened the sales to the US general public for one day on April

2014 Customers identified software bugs and privacy concerns

Google stopped the development of Google Glass (Jan, 2015)



MVP Case Study – Google Glass

Google Glass is back with hardware focused on the enterprise

Darrell Etherington @etherington / Jul 18, 2017

Comment



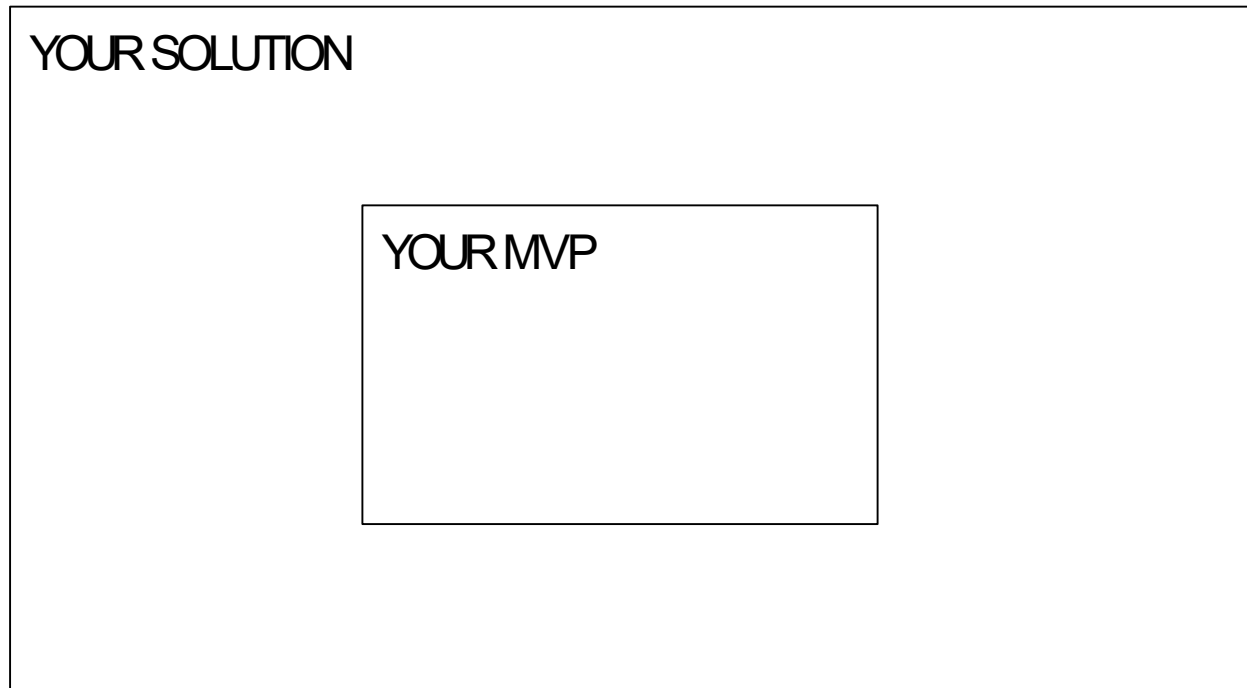
<https://android.hdblog.it/2017/07/25/google-glass-enterprise-edition-analisi-specifiche/>



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Exercise 1: Build Your MVP

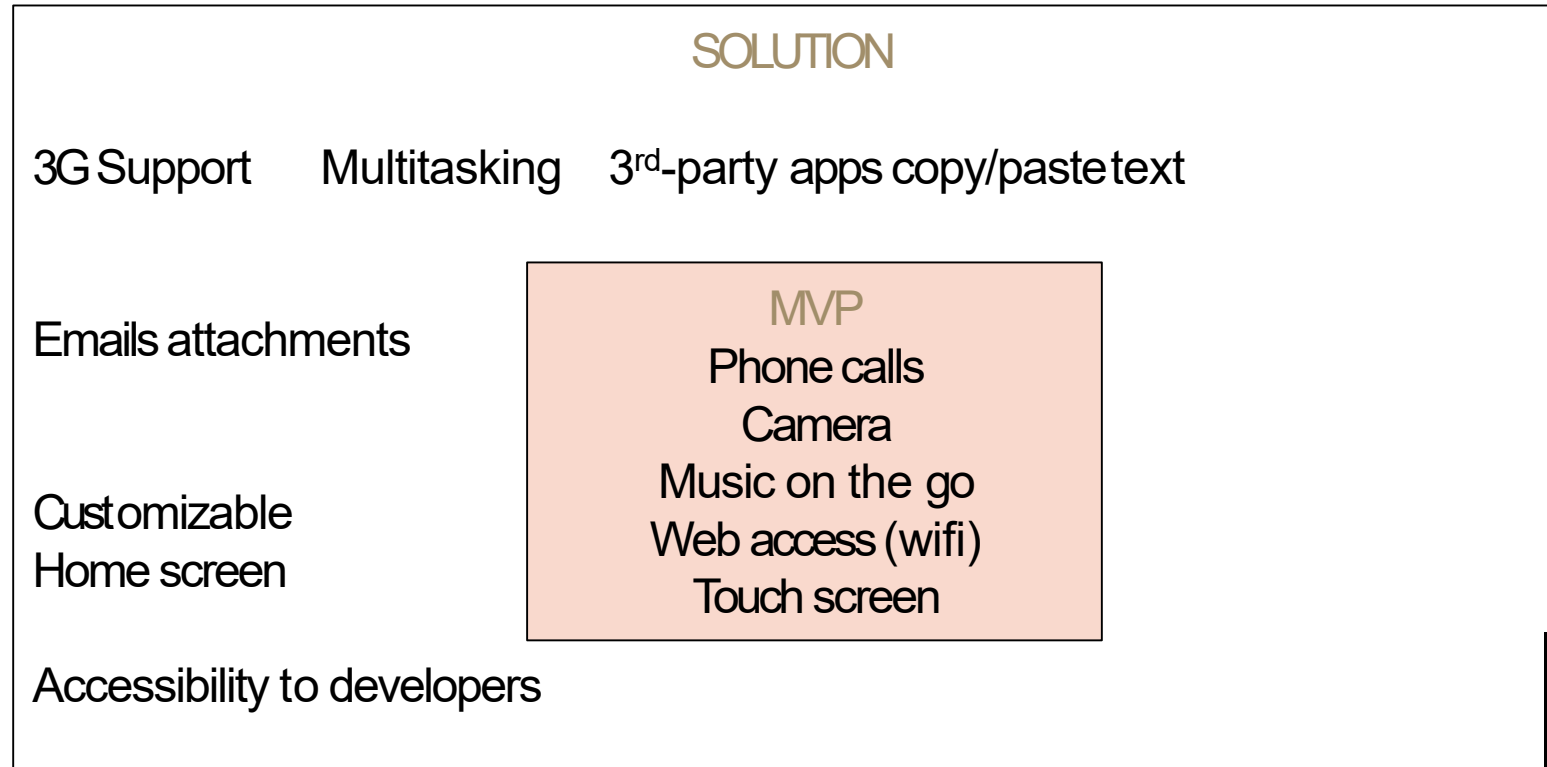
List the main features of your product and concentrate on the MVP's features Will people use it?
Will someone pay for it?



Exercise 1: Build Your MVP

Will people use it?

Will someone pay for it?



LEAN CANVAS

Based on the first customers – focus on early stage Begins with the customer and the problem

Is built up of hypotheses: "I think that"

The hypotheses need to be tested and "proved" – validated (market, channel and pricing) New hypotheses and insights lead to new business models

Prioritize - which are the most critical ones to your business?

PROBLEM List your top 1-3 problems 2	SOLUTION Outline a possible solution for each problem 4	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	CUSTOMER SEGMENTS List your target customers and users 1
EXISTING ALTERNATIVES List how these problems are solved today	KEY METRICS List the key numbers that tell you how your business is doing 8		HIGH-LEVEL CONCEPT List your X for Y analogy (e.g. YouTube = Flickr for videos)	CHANNELS List your path to customers 5
COST STRUCTURE List your fixed and variable costs 7		REVENUE STREAMS List your sources of revenue 6		

Lean Canvas is adapted from The Business Model Canvas (BusinessModelGeneration.com) and is licensed under the Creative Commons Attribution-Share Alike 3.0 Un-ported License.



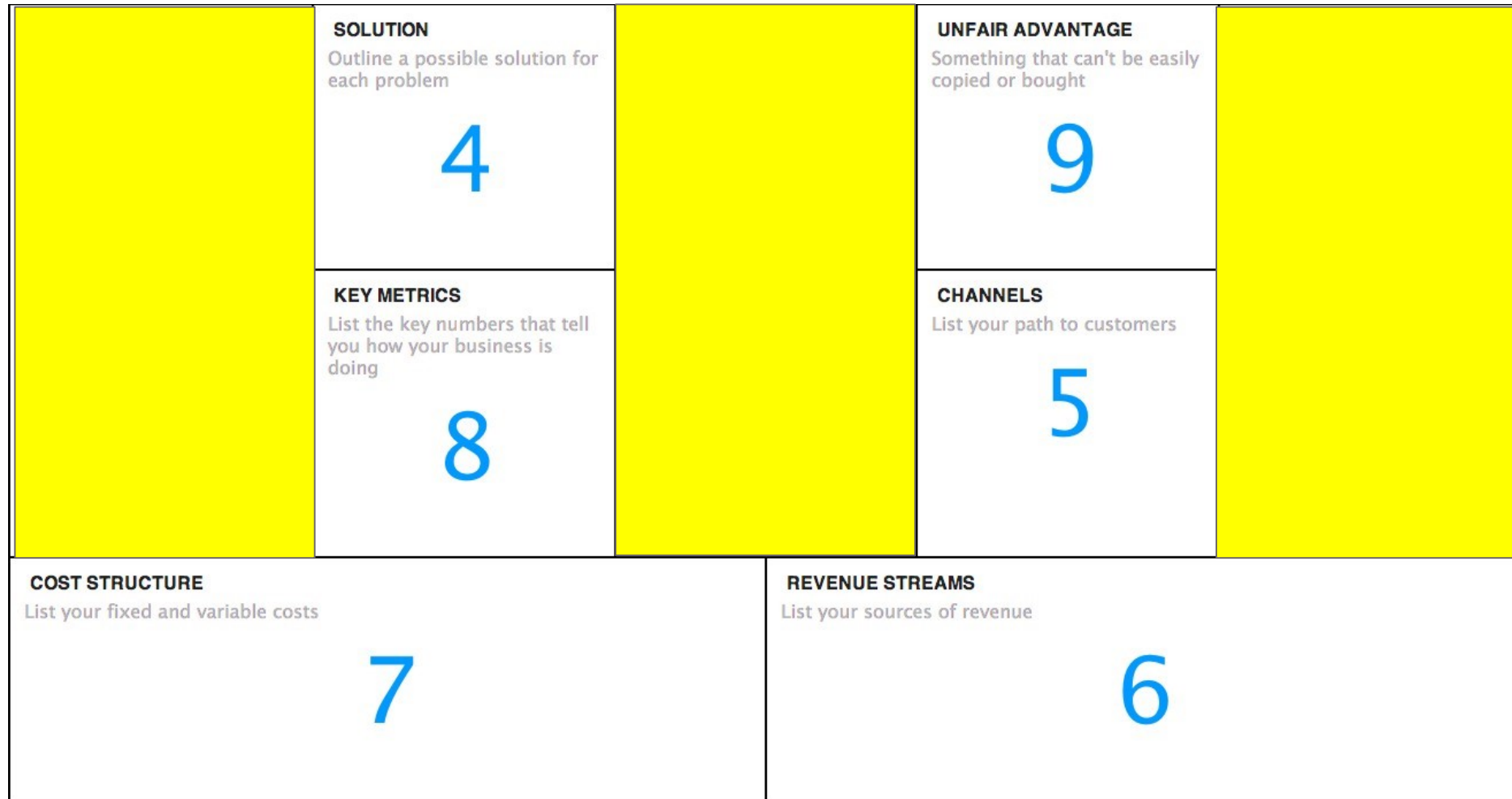
LEAN CANVAS

<p>PROBLEM List your top 1-3 problems</p> <p>2</p>	<p>SOLUTION Outline a possible solution for each problem</p> <p>4</p>	<p>UNIQUE VALUE PROPOSITION Single, clear, compelling message that turns an unaware visitor into an interested prospect</p> <p>3</p>	<p>UNFAIR ADVANTAGE Something that can't be easily copied or bought</p> <p>9</p>	<p>CUSTOMER SEGMENTS List your target customers and users</p> <p>1</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>8</p>	<p>HIGH-LEVEL CONCEPT List your X for Y analogy (e.g. YouTube = Flickr for videos)</p>	<p>CHANNELS List your path to customers</p> <p>5</p>	<p>EARLY ADOPTERS List the characteristics of your ideal customers</p>
<p>COST STRUCTURE List your fixed and variable costs</p> <p>7</p>			<p>REVENUE STREAMS List your sources of revenue</p> <p>6</p>	

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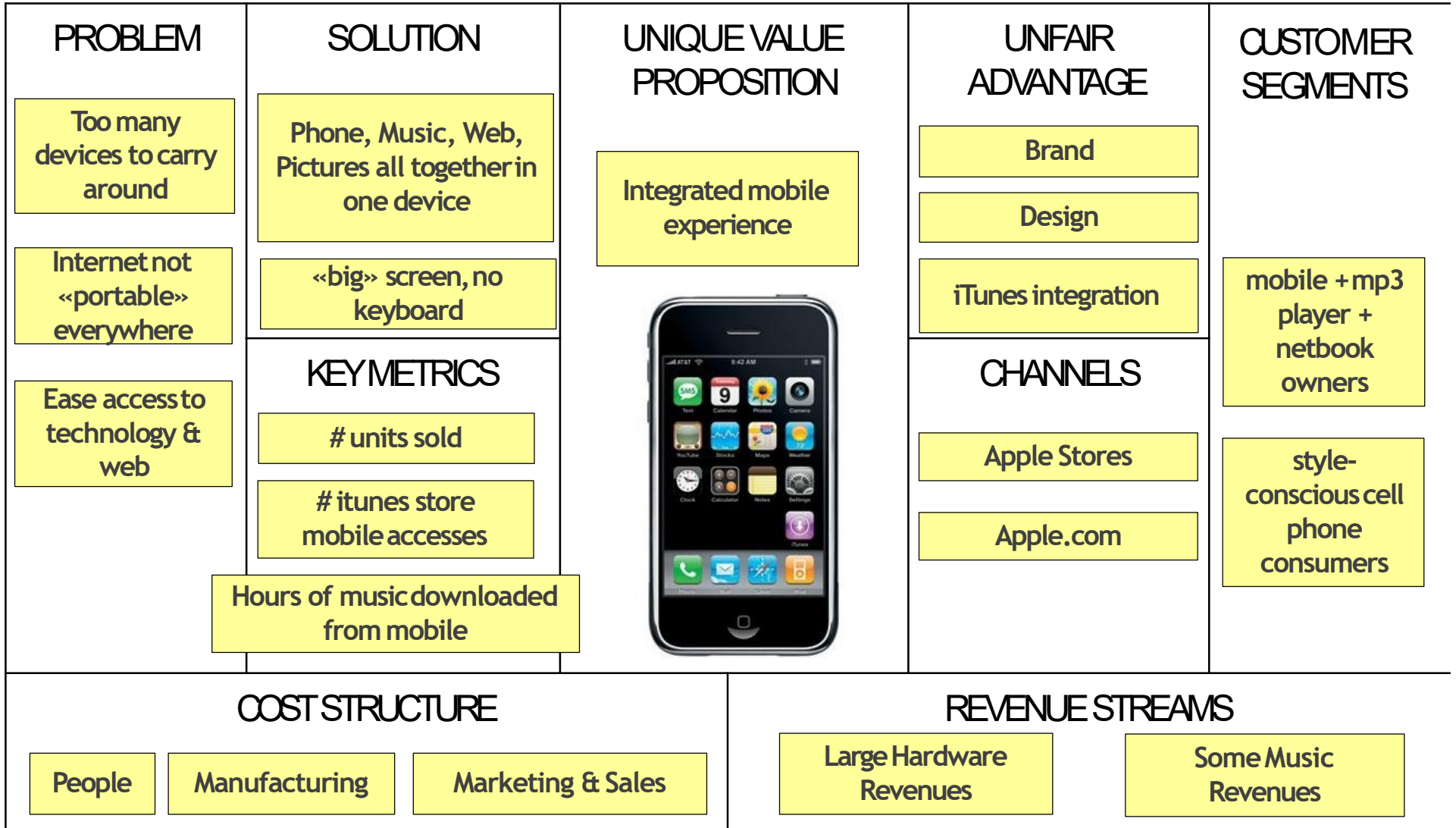
LEAN CANVAS



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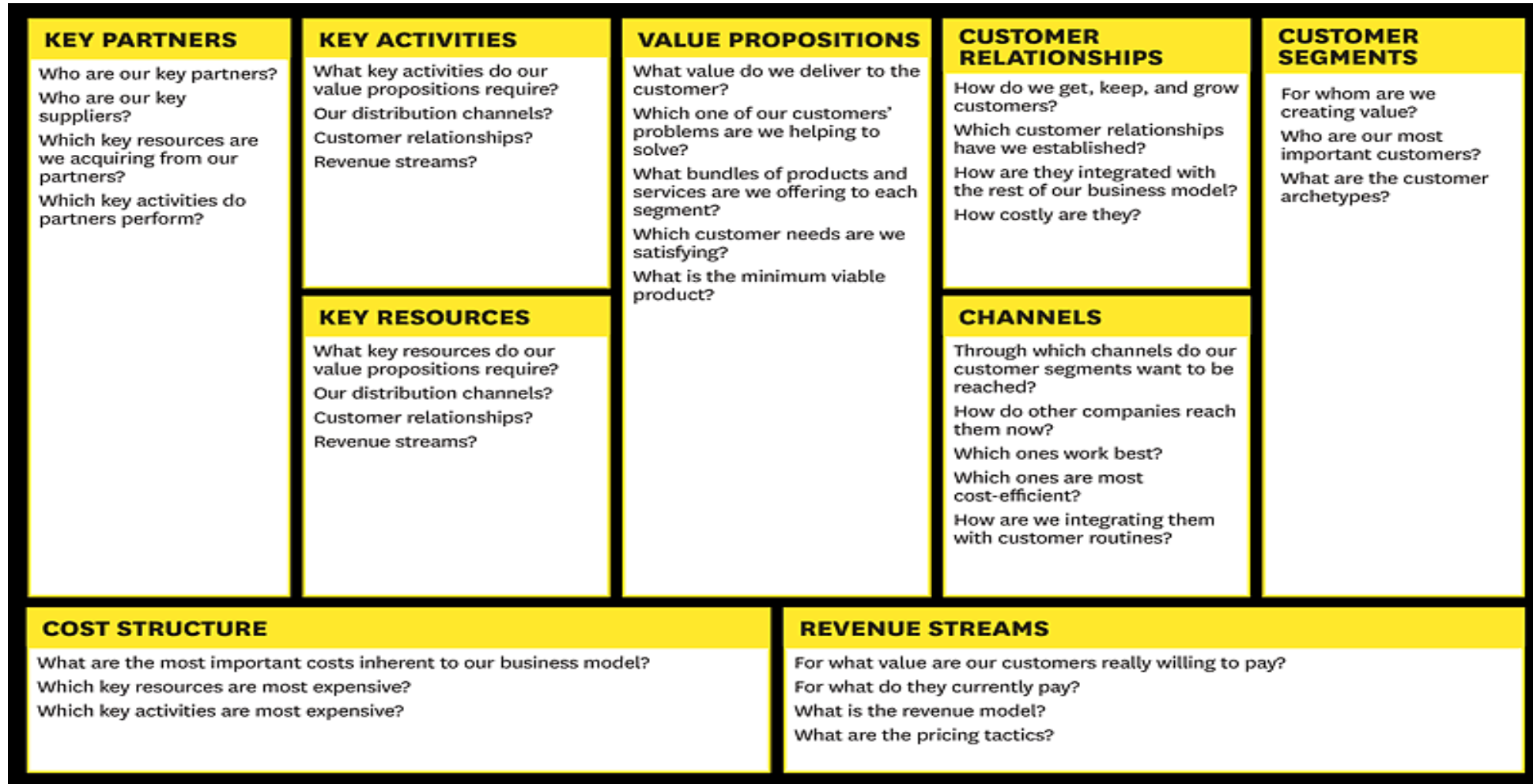


LEAN CANVAS



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https://hbr.org/2013/05/a-better-way-to-think-about-yo?referral=03758&cm_vc=rr_item_page.top_right



Exercise 2: create your LeanCanvas

- Start from the Business Model canvas you have done
- Be CONCISE and SPECIFIC
- Start from the 3 key elements, fill the rest if you have time
- Each element has to be a demonstrated FACT or an ASSUMPTION to be tested

	SOLUTION Outline a possible solution for each problem <div style="text-align: center; font-size: 2em; color: blue;">4</div>		UNFAIR ADVANTAGE Something that can't be easily copied or bought <div style="text-align: center; font-size: 2em; color: blue;">9</div>	
	KEY METRICS List the key numbers that tell you how your business is doing <div style="text-align: center; font-size: 2em; color: blue;">8</div>		CHANNELS List your path to customers <div style="text-align: center; font-size: 2em; color: blue;">5</div>	
COST STRUCTURE List your fixed and variable costs <div style="text-align: center; font-size: 2em; color: blue;">7</div>		REVENUE STREAMS List your sources of revenue <div style="text-align: center; font-size: 2em; color: blue;">6</div>		



Let's set up the test



- ASSUMPTION 1
- ASSUMPTION 2
- ASSUMPTION 3
- ASSUMPTION n

KEY ASSUMPTIONS	LEAN CANVAS ELEMENTS	PRIORITY (1 – 2 - 3)	HYPOTHESIS	TESTING METHOD AND GOAL	OUTCOMES

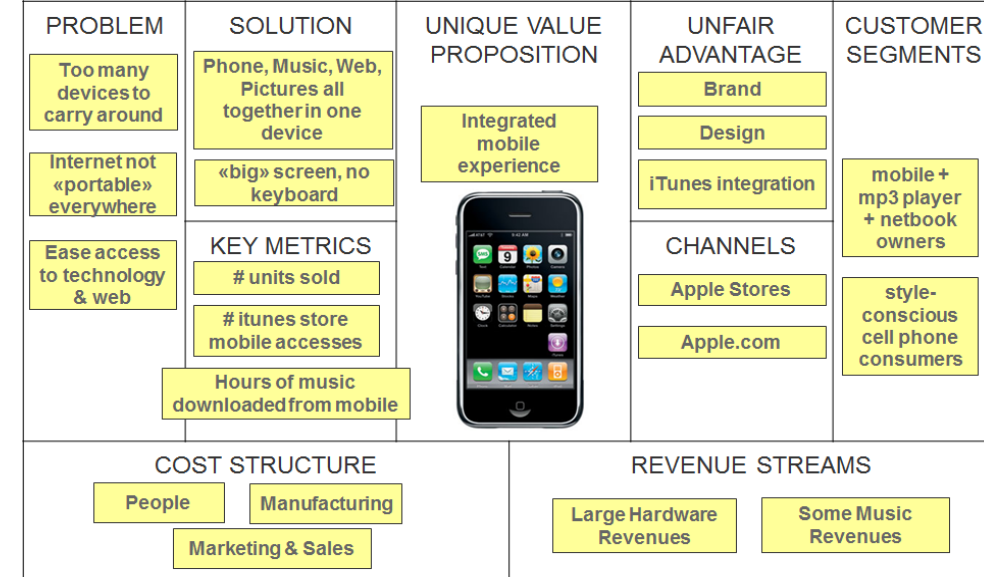



VALIDATION DASHBOARD

KEY ASSUMPTIONS	LEAN CANVAS ELEMENTS	PRIORITY (1 - 2- 3)	HYPOTHESIS	TESTING METHOD	VALIDATION
Assumption belonging to one or more elements of your business model	List numbers of elements of the lean canvas	3 High priority ... 1 Low priority	Precise hypothesis provable with a precise test with a YES/NO result	Methodology and plan to test the related hypotheses	Outcome from the test



VALIDATION DASHBOARD



KEY ASSUMPTIONS	LEAN CANVAS ELEMENT	PRIORITY (1 - 2 - 3)	HYPOTHESIS	TESTING METHOD	VALIDATION
1) People don't want to carry around too many devices	PROBLEM	1	90% of netbook owners had at least one experience of not bringing the PC with them for space/battery reasons	50 Interviews asking personal stories on use on netbook use on the go	
			75% of Mac and iPod owners would like to use just one portable device when commuting	100 interviews in the store with specific customers sample	
2) Integrated mobile experience	VALUE PROPOSITION SOLUTION	1	50% potential users have positive reaction on ergonomics and usage on the go of a 3,5" device for music and reading	Pretotype it! Case Study (A. Savoia) "If I had a Pilot, would I actually carry it with me and use it?"	

ERM (Enterprise Risk Management)

The phases of the ERM process:

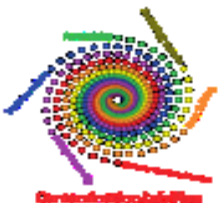
1- **Identify the events** in terms of risks and opportunities based on the risk map, quantified and correlated to KPI.

2- **Evaluating risks**, through estimates or probability measurements.

For SMEs, not very structured, it is possible to use the SWOT analysis related to the Risk Map.

3- **Give answers to the risks**, the 4 alternatives.

4- **Check the risk parameters** through rules and procedures for collecting and analyzing the performance through KPI.



ERM (Enterprise Risk Management)

SWOT Analysis

	Opportunities (external, positive)	Threats (external, negative)
Strengths (internal, positive)	Strength-Opportunity strategies Which of the company's strengths can be used to maximize the opportunities you identified?	Strength-Threats strategies How can you use the company's strengths to minimize the threats you identified?
Weaknesses (internal, negative)	Weakness-Opportunity strategies What action(s) can you take to minimize the company's weaknesses using the opportunities you identified?	Weakness-Threats strategies How can you minimize the company's weaknesses to avoid the threats you identified?



ERM (Enterprise Risk Management)

RISK ANALYSIS

Kind of Risk

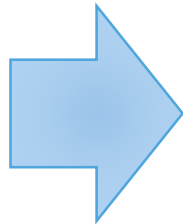
Product Risk:

Build a product desired by consumer



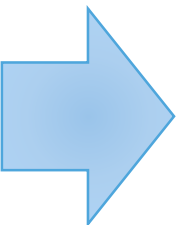
Client Risk:

To find a way towards the client through validated offers



Mkt Risk:

Create a financial sustainable business



CANVAS AREE

**PROBLEM / SOLUTION
+ UVP +KPI**

CONSUMER / CHANNEL

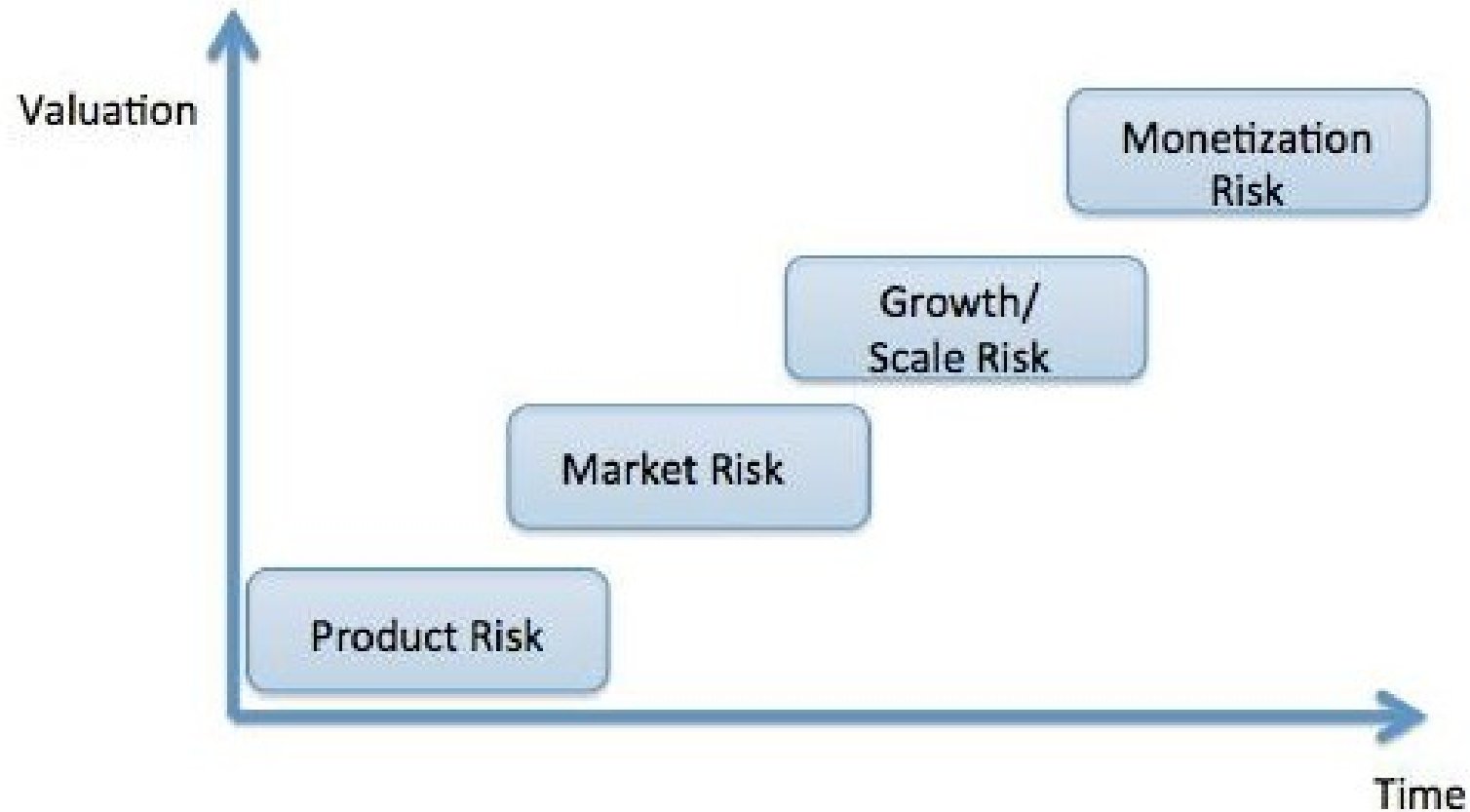
**COSTS / REVENUES STRUCTURE
+ COMPETITIVE ADVANTAGE**



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ERM (Enterprise Risk Management)

RISK Analysis



THE PROCESS OF INTERACTION WITH THE CUSTOMERS

Consumer can give us information that we can use to learn and rebuild new idea and products.

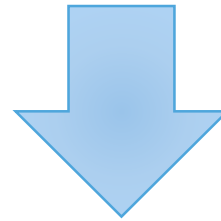
1. **Measure the product**  quantitative and qualitative data
2. **Learn**  elaborate data for obtain new idea
3. **Rebuild**  build a new product based on new data/idea



MARKET AND STRATEGY ANALYSIS

The market: set of all potential and real buyers of a product / service.

The potential market: the configuration of aggregate demand around homogeneous characteristics such as: product attributes, type of needs, target behavior and distribution channels.



What should we look at before we get involved?

The characteristics of the Demand and the Offer



MARKET AND STRATEGY ANALYSIS

The five forces that influence the environment



MARKET AND STRATEGY ANALYSIS

DEMAND:

Segmentation

Who we address? What is our mkt?

Individuate different segmentations :

Segmentation is a particular group of consumers that possess similar characteristics.

We individuate on the base of:

- Demographic, geographic, economic and social
- Specific consumption situation and behaviour
- Benefit

Segments must be relevant in terms of sales potential, growth rate, describable, quantifiable and profitable



MARKET AND STRATEGY ANALYSIS

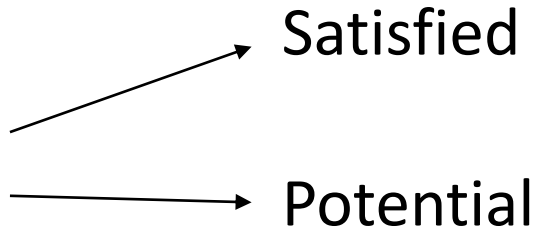
DEMAND:



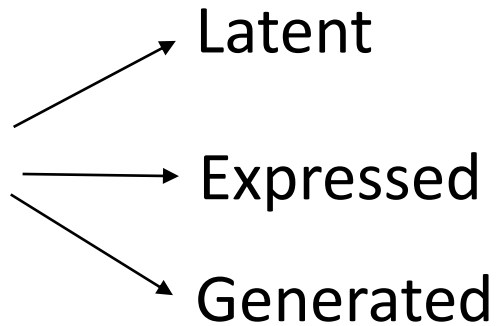
Individuate our «Target Segment»:
Group of consumer to direct our action and attention.



Kind of target consumer



Kind of Desire



MARKET AND STRATEGY ANALYSIS

OFFER:

Competitive
Advantage

What we have to different from competitor?

The competitive advantage is what make us different

It can be:

- ❖ Cost leadership
- ❖ Differentiation
- ❖ Focus

The competitive advantage define OUR positioning and OUR strategy



BONFANTI
IMPRE INNOVATIVE

MARKET AND STRATEGY ANALYSIS

OFFER :

**Competitive
Advantage**

What is our **Value proposition**?

La Value proposition is the value created for a consumer segment in based on mix elements in enable to satisfy their needs.

Factors of differentiation can be: Resource, Activity, Distribution channel, Supplier and Skills.

res: Defendable, irreproducible, inimitable, non-transferable and durable



BONFANTI
IMPRESE INNOVATIVE

MARKET AND STRATEGY ANALYSIS

OFFER :

Positioning

How our consumer can be perceive our goods/services?

It depend on the values of different elements such as:

- **Product attributes**
- Satisfied **needs** or **benefits** offered
- Specific **groups of users**
- Relative **position** of the **competitors** with respect to the same attributes

Alternative to other product categories



Market and strategy analysis

OFFER:

**Innovation
and
Tecnology**

Innovation is related to the ability of economic actors to "translate" an invention into something concrete, which changes the current state in terms of product, segment or market.

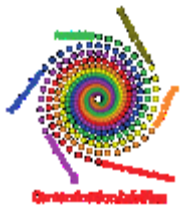
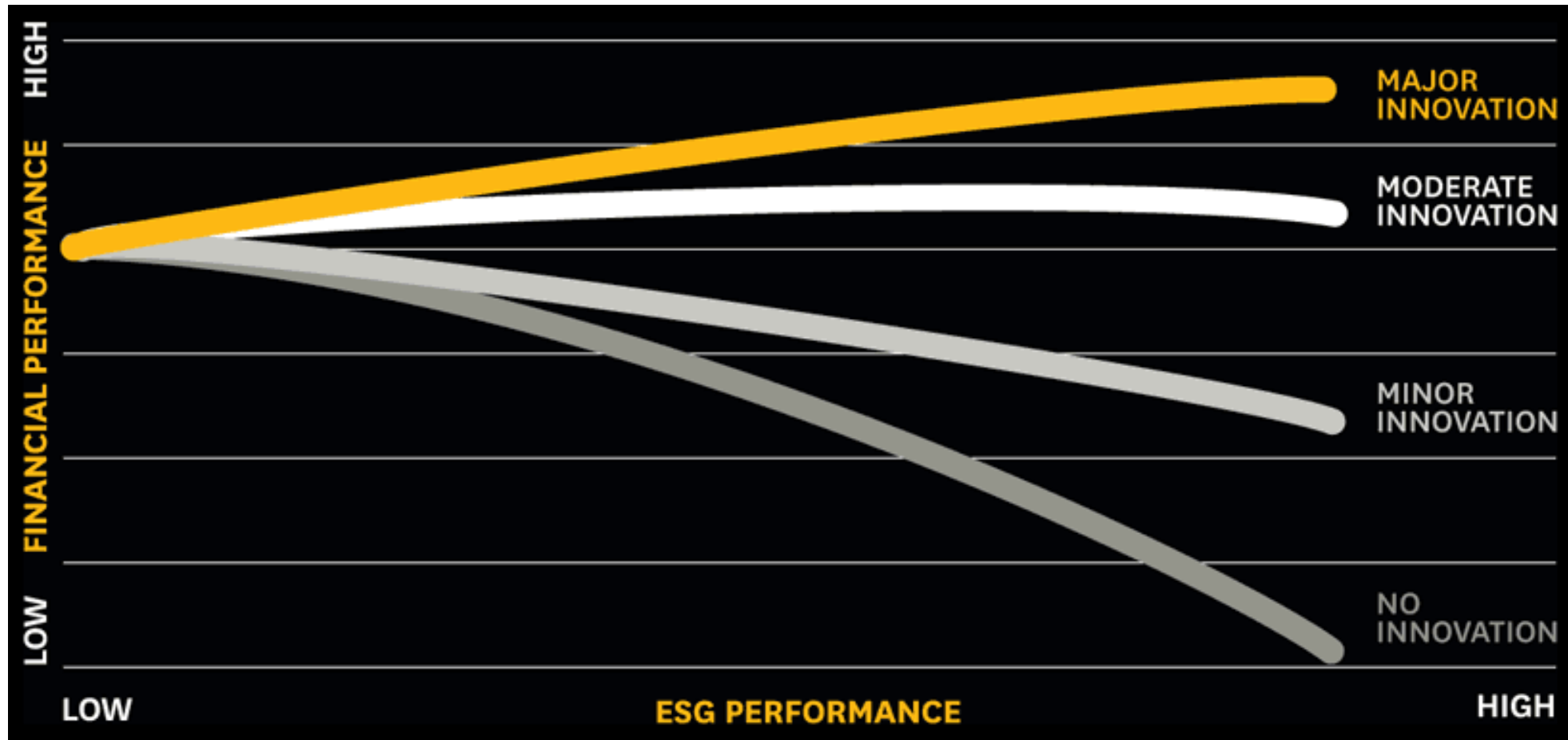
The **Innovation** can be disruptive or incremental;

The object of innovation: products, process or organizational.

It is very important to active protection mechanisms



THE PERFORMANCE FRONTIER: innovating for a sustainable strategy



ESG ISSUES IN HEALTH CARE		BIOTECH	PHARMACEUTICALS	MEDICAL EQUIPMENT & SUPPLIES	HEALTH CARE DELIVERY	HEALTH CARE DISTRIBUTION	MANAGED CARE	
ENVIRONMENT	Climate change risk	3.75	3.75	1.25	0.75	0.75	1.00	
	Environmental accidents and remediation	0.75	1.25	1.50	1.00	1.00	0.75	
	Water use and management	1.00	1.25	1.25	1.00	1.00	1.00	
	Energy management	2.25	2.50	2.25	3.75	1.00	1.75	
	Fuel management and transportation	0.50	0.75	0.75	0.50	2.25	0.50	
	GHG emissions and air pollution	1.00	1.00	1.75	1.00	1.00	1.00	
	Waste management and effluents	3.00	3.00	2.50	2.25	1.25	0.75	
	Biodiversity impacts	1.00	0.75	1.00	1.25	1.00	1.00	
	SOCIAL CAPITAL	Communications and engagement	1.00	1.00	0.75	1.00	0.50	1.25
Community development		0.50	0.75	0.75	1.75	1.25	0.50	
Impact from facilities		0.50	1.00	1.00	4.00	1.25	1.00	
Customer satisfaction		0.75	0.75	1.00	2.25	1.00	3.00	
Customer health and safety		5.00	5.00	3.00	3.00	1.50	2.50	
Disclosure and labeling		3.00	3.00	2.50	0.75	2.75	0.75	
Marketing and ethical advertising		2.50	2.50	2.50	1.75	2.00	1.75	
Access to services		4.25	4.50	2.50	3.00	3.00	3.00	
Customer privacy		0.75	0.75	1.00	2.25	1.75	2.75	
New markets		3.50	3.75	1.00	0.75	0.75	0.75	
HUMAN CAPITAL		Diversity and equal opportunity	1.25	1.25	1.00	1.25	1.25	1.25
		Training and development	3.00	2.75	2.00	2.50	1.50	2.00
	Recruitment and retention	2.25	2.50	1.50	3.00	1.75	1.50	
	Compensation and benefits	1.75	1.75	1.50	1.25	1.25	1.00	
	Labor relations and union practices	1.75	1.75	1.75	1.25	1.75	1.25	
	Employee health, safety, and wellness	2.00	2.00	2.00	2.00	2.50	1.50	
	Child and forced labor	0.50	0.75	0.75	0.50	0.50	0.50	

ESG ISSUES IN HEALTH CARE		BIOTECH	PHARMACEUTICALS	MEDICAL EQUIPMENT & SUPPLIES	HEALTH CARE DELIVERY	HEALTH CARE DISTRIBUTION	MANAGED CARE	
BUSINESS MODEL & INNOVATION	Long-term viability of core business	0.75	0.75	0.75	0.50	0.75	3.50	
	Accounting for externalities	0.50	0.50	0.50	0.50	0.50	3.00	
	Research, development, and innovation	5.00	5.00	4.75	1.00	0.75	0.75	
	Product societal value	2.75	3.00	3.00	3.00	0.50	2.50	
	Product life-cycle use impact	3.75	3.75	4.50	0.75	2.25	0.75	
	Packaging	1.00	1.00	1.00	0.50	0.75	0.50	
	Product pricing	2.50	2.50	2.50	2.50	2.50	2.50	
	Product quality and safety	5.00	5.00	3.00	5.00	3.00	2.25	
	LEADERSHIP & GOVERNANCE	Regulatory and legal challenges	3.00	3.00	3.00	3.00	3.00	3.00
		Policies, standards, and codes of conduct	2.50	2.50	2.25	1.00	1.75	1.00
Shareholder engagement		0.75	0.75	0.75	0.75	0.75	3.00	
Business ethics and competitive behavior		2.50	2.50	2.50	2.50	3.00	2.00	
Board structure and independence		1.25	1.50	1.25	1.50	1.50	1.25	
Executive compensation		1.00	1.00	1.00	0.75	1.00	0.75	
Lobbying and political contributions		0.50	0.75	0.75	1.25	1.00	0.75	
Raw material demand		0.75	0.75	0.75	0.50	0.75	0.50	
Supply chain standards and selection		2.50	2.25	2.25	0.75	0.75	1.00	
Supply chain engagement and transparency		0.75	1.00	0.75	1.00	0.50	0.50	

 LOWER MATERIALITY
 HIGHER MATERIALITY

THE PERFORMANCE FRONTIER:
innovating for a sustainable strategy

MARKET AND STRATEGY ANALYSIS

The **STRATEGY** :

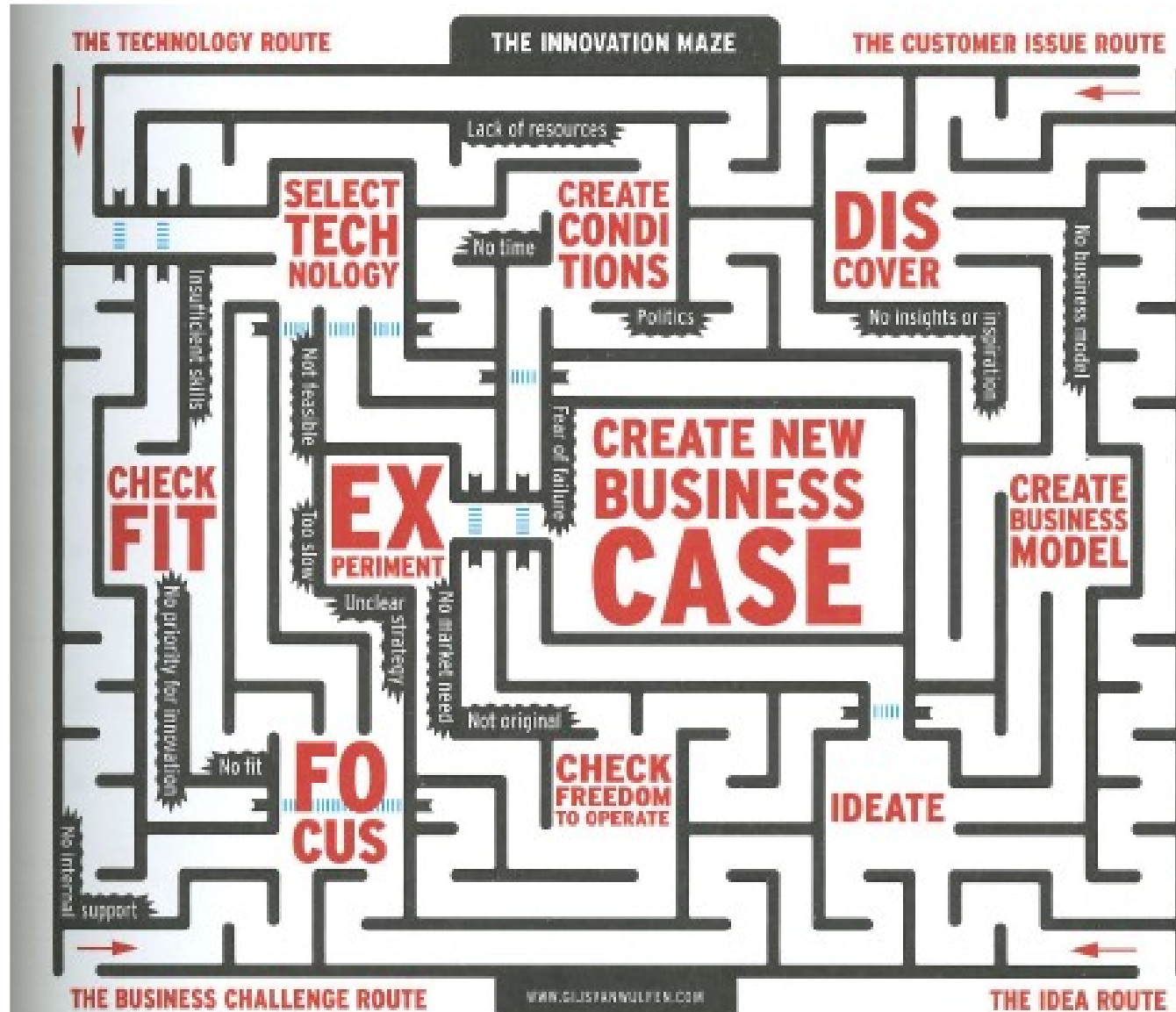
“By a business model, we mean the combination of “who”, “what”, “when”, “why”, “where”, “how” and “how much” an organization to serve its customers, end users and other stakeholders (including employees partners, suppliers, distributors, lenders, shareholders and the communities affected by the organization’s activities”

(Mitchell e Coles 2004)



THE INNOVATION MAZE (Gijs Van Wulfen 2016)

4 ROUTES TO A SUCCESSFUL NEW BUSINESS CASE



Thank you for the attention

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