

Report on Business Model Canvas

Design Thinking: Understanding the customers, ways to do user research, feasibility study, crystalizing your business idea.

Ms. Ridhima Mahabal welcomed everyone to the session by greeting everyone who participated and helped in organising this workshop. She then introduced the Facilitators for all 3 days. She introduced Dr. Kaustubh Dhargalkar who is an entrepreneur turned academician, a speaker at TedX, he is also a mentor to 150 start ups till date, He trains executives & is also a guest speaker at various institutions.

Dr. Kaustubh started the session by welcoming everyone to the session and then he shared some agreements (norms) for the session as he wanted it to be a dialogue. He said it is equally important to have a good business idea and the business model too, to create a sustainable business, He asked how do you test that the idea/concept you have might turn into a profitable business. If not turn into a good business what corrections need to be made? He shared research on why do start up fails? Then he said that most of the startup fails because they provide solutions which are not needed in the market or they do not understand the user's needs. He said understanding the user is an important part and for that one must develop a deep empathy towards the user, which leads to user centricity. He then spoke about Last Mile user connect, to explain the last mile user connect he stated an example of the car IKON- ver 1.0 which was launched in India in the late 90's with the price range of 5.5 - 7 lakhs which meant it was a premium car back then. He then said that when a company from a developed country launches their products into a developing country they believe that they will have to sell their product at a cheaper price and therefore they cut down on many features of the products. Therefore when Ford IKON- ver 1.0 was launched in India they eliminated the Power windows of back two doors and only provided power windows on the front doors. The company did not consider the fact that a premium car in India at that period of time meant that there would be a driver to drive the car and the owner will be sitting on the back seat, so technically the driver had the luxury of the power window and the owner would actually roll down the window if they needed to. Then Kaustubh sir said that this is a classic example of how the company didn't understand the need of the user in the context where the product was going to be launched. He then also gave example of Sharp company who made slim TV but it was not a success in India.

He then said now we will talk about what happens with last mile user connect. he shared one of his experiences, so he said that he had given a task to one of his student group where they were asked to observe the day to day life of housewives who have hearing and speech imparity and find out what are the difficulties/problems they face within their house. So when the students went for observation they were unable to find anything as they weren't able to communicate. Later Dr. Kaustubh accompanied them and they chose a time when the housewives would be the busiest, so that they could observe all the issues faced by them. When they went for observation they understood that when the housewives cook anything in a cooker they do not leave the kitchen as they can not hear, so they had to stand and count the times the whistle blows. They also observed that when the doorbell rings or the microwave is done they are unaware of it unless they go and check the door or microwave themselves. Then he said that after these observation within 10 days the students group came up with a device which looked like a wrist band. This device had a bluetooth module and similar bluetooth were put in various home appliances of the wives so if the doorbell rang the wristband will vibrate a red colour led light and if the microwave was done then a blue colour light would be vibrated, similarly each appliance was given a light and

this is how the lady got to know that they needed to respond to some of their house appliance. Then Dr. Kaustubh concluded the discussion by sharing that they were able to create a better and useful product by observing the user's need and this is what happens when the last mile user connect is there. Then the students were asked to do a research of the market and after that they realised that their product may not last long in the market as the chinese companies may take over by building a better & cheaper similar product. Then Kaustubh sir shared that it was impossible to compete with the chinese when it comes to cost cutting, patenting the product was not a very good idea because it was a simple wristband with bluetooth on it. So they decided that they will let others have this idea and they said we will create a cloud based platform and we will go to appliance manufacturers and give them a proposition that if your electronics connect with our clouds platform then your appliance will become a deaf and drum friendly appliance. He then shared about API-it's an application Programing interface, which enables different appliances to connect to each other. So with the API if the doorbell rings the appliance with their cloud will connect to any wristband (providing it has a bluetooth connect)

Dr. Kaustubh also shared that while analysing the research of the needs do not forget or ignore the side line problems as they usually help build a good product. He said that whatever solution one creates should satisfy User's needs, Tech possibilities, business goals. He then spoke about DUOLINGO which is a language app. Apps like these usually end up into sales and marketing, and earning. They also source their manpower from the users. He also shared how can one grow their business, he said one can do it by introducing more products. He also spoke about Business Model Innovation Framework (5H 1W). A break was given and the session resumed.

Dr. Kaustubh asked how do we find if the idea is sustainable or not using the 5H 1W framework. He then gave a hypothetical situation that there are some college students who recently discovered that there are no north India food (Takeaways) available near their college area. So they came up with an idea to start a small north indian food joint. He said to analyse this idea one must know who their customers segment. He then said that they must first know what number of people can be their potential customers.

EDP Day 2 - Creation of business model canvas by Hasina Sayed.

Ms. Ridhima Mahabal started the session by welcoming everyone. She introduced the speaker Dr. Hasina Sayed who is the associate professor at Jai Hind college, and has more than 30 years of experience in her field. Dr. Hasina started the workshop by sharing the timeline for the workshop. She defined Business plan canvas by stating that it is a one page blueprint of your business plan. Dr. Hasina stated that a business model describes the rationale of how an organization creates, delivers & captures value in economic, social, cultural & other contexts. She stated that the canvas is required to describe, design, challenge & pivot the business model, therefore a Canvas is important. She shared a simple business canvas model. She explained the Business model canvas to all the participants and gave some examples too.

She then spoke about value proposition and target audience, she gave an example about the office people feeling hungry and wanting some snacks at 4pm. She then asked if we supply snacks then we must know which place to supply and what value proposition will your business hold. She also spoke about key resources, key activities and revenue streams. She also shared that before starting any business do a thorough research on every part relevant to your business

market. A big discussion was done on what will be the best snack for the office people who want a good taste yet healthy snack. She stated that if your business has a secret ingredient or something that is very unique it will be an advantage. She also stated that advertising will be an important aspect but learning it from people who are actually experiencing will be the best. She shared that learning from street vendors is one of the best ways to learn. She said one must understand what is one of the biggest factors for their business and always keep an emphasis on that factor to keep your business successful.

Then she spoke about customer segment elaborating by stating about the target group (age group, locality, gender, etc)- who are your customers? What is the solution you are offering? She also spoke about customer relations. She gave Javed Habib's example. She also shared that the experience customers receive is important because a customer always remembers how you treated them.

Dr. Hasina then asked students to take the business canvas model and put their ideas in the canvas model. She asked them to go into the break out rooms. After giving them some time she discussed the business canvas answers that the participants had written for their own business. Each team presented their Business canvas and Dr. Hasina helped them by giving feedback to make their canvas better. After all the teams were done with the presentation Ms. Ridhima Mahabal concluded the workshop by thanking Dr. Hasina.

Report on EDP Day 3 How to develop basic cost & revenue by CA, Sushrut Chitale.

Ms. Ridhima Mahabal started the workshop by welcoming Sushrut Chitale sir, who is a PTVA alumni and is one of the business mentors for COEI. He is a partner with Mukund & Chitale Company & a CA. Sushrut sir shared the timeline for the session. He started the session by asking the participants, "Why are we all here today?" Then he stated that we all are here because we have a business idea and want to start up with that idea. He stated that everyone in the session has some idea but does not have proof of execution. He shared that in a typical start up you need to be giving a solution or a product that will have a place in the market, he also shared that an idea in order to be executed needs to have funds.

He spoke about the importance of a good business/financial model. He shared that it is always good to have a particular plan and then work on it. He shared about Investors and how to get investments. He shared that Investors usually give 1-2 minutes to pitch for your business. He shared characteristics of a good financial model. He shared mostly the financial models are made in excel sheets as the calculations, linking becomes easier. It also gives a clarity of the entire cost & revenue structure. Secondly in a financial model there will be assumptions on the revenue & cost. It is better to keep all the assumptions on one tab/sheet. He also said that in the financial model some cells are editable and some uneditable. Lastly there has to be assumptions & those assumptions later will be calculated in cost, revenue & other sheets. He shared at the starting point of any business a statement of profit and loss accounts needs to be made/given to the investors. He defined Revenue, balance sheet, asset, liability & other financial terms for the participants. He then shared the components of revenues, by firstly defining the revenue. He stated that a clear understanding & communication of the business will be helpful. He stated an example of a central kitchen. So he said one must keep in mind the capacity of their utilization. He stated one must keep in mind the cost of the things they will need to deliver the final product. One must keep in mind the cost and if it is variable or fixed. He shared that employee cost,



administrative cost will be fixed cost. He shared that the fixed cost will increase over years. He shared that variable costs are purchase/consumption, direct expenses & taxes. He then stated different characteristics of profits. He said profit is revenue minus cost. He also explained components of the balance sheet where he spoke about cash flow of different financial activities. Mr. Chitale then summarized the session and then opened the Q&A round. The participants asked their questions and Mr. Chitale answered all of their questions and solved their doubts. Ms. Ridhima Mahabal thanks Mr. Chitale for conducting the session and the session ended.
