

# 3 – Design Sprint and Business Model Canvas.

Speck Product Academy 2024

# Overview

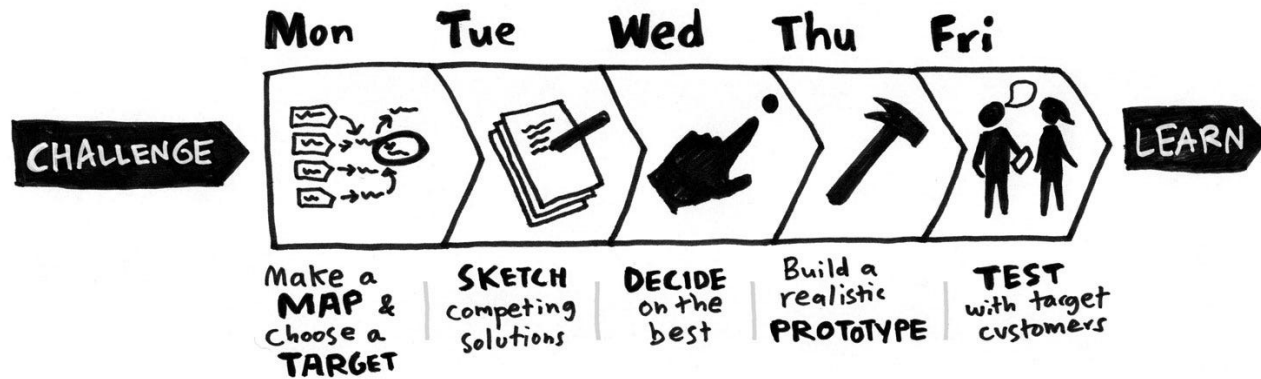
- Design Sprint
- Business Model Canvas
- Discussion

# Design Sprint



# Design Sprint - definition

- Five day process developed by Google Ventures to validate ideas and solve big challenges through design, prototyping, and testing ideas with customers
- **Purpose** – to quickly validate product and service ideas to avoid building something that customers don't want



# Design Sprint - origins

- Developed at Google Ventures by Jake Knapp
- Inspired by agile methodologies and Lean Startup principles



# Design Sprint - benefits

- **Risk reduction** – test ideas before making large investments
- **Speed** – move from idea to tested prototype in just one week
- **Collaboration** – brings together cross-functional teams to focus on a single challenge

# Design Sprint – key components

- **Team** – diverse group from various backgrounds (e.g. UI/UX, marketing, business development, technical roles)
- **Time and space** – uninterrupted time and space for team collaboration
- **Tools** – utilizes tools like customer journey maps, sketching, storyboarding, and prototyping

# Design Sprint – Day 1: Map & Sketch

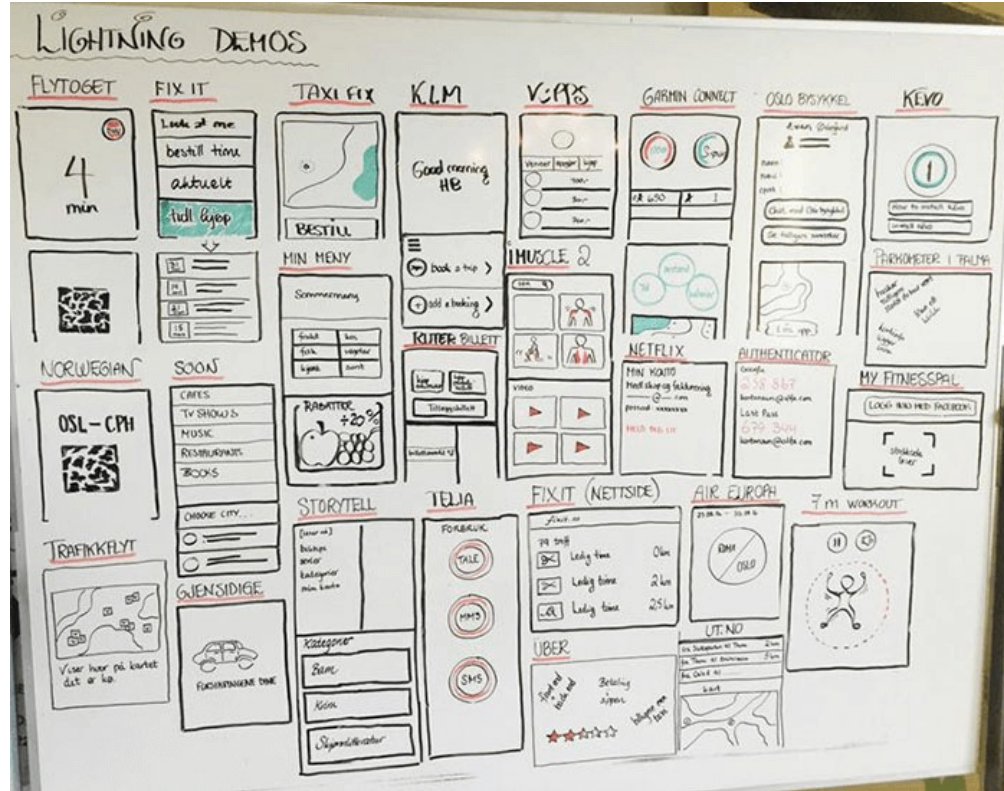
- **Introduction** – introducing methodology and the agenda, agreeing on the problem
- **Expert interviews & „How Might We” questions** on post-its, voting on questions
- **Long term goals**
- **Sprint question** – coming up with the main question after voting
- **Mapping** – main touchpoints where stakeholders discover and use the product/service (Discovery, Learning, Using, Goal), adding HMWs to the map
- **Lightning Demos** – finding inspiration from existing products or services
- **4 Step Sketch**
  - ◆ **Notes** – organizing own notes
  - ◆ **Ideas** – sketching some ideas from the notes
  - ◆ **Crazy 8’s** – 8 variations of the same idea
  - ◆ **Solution sketch** – sketching a potential solution



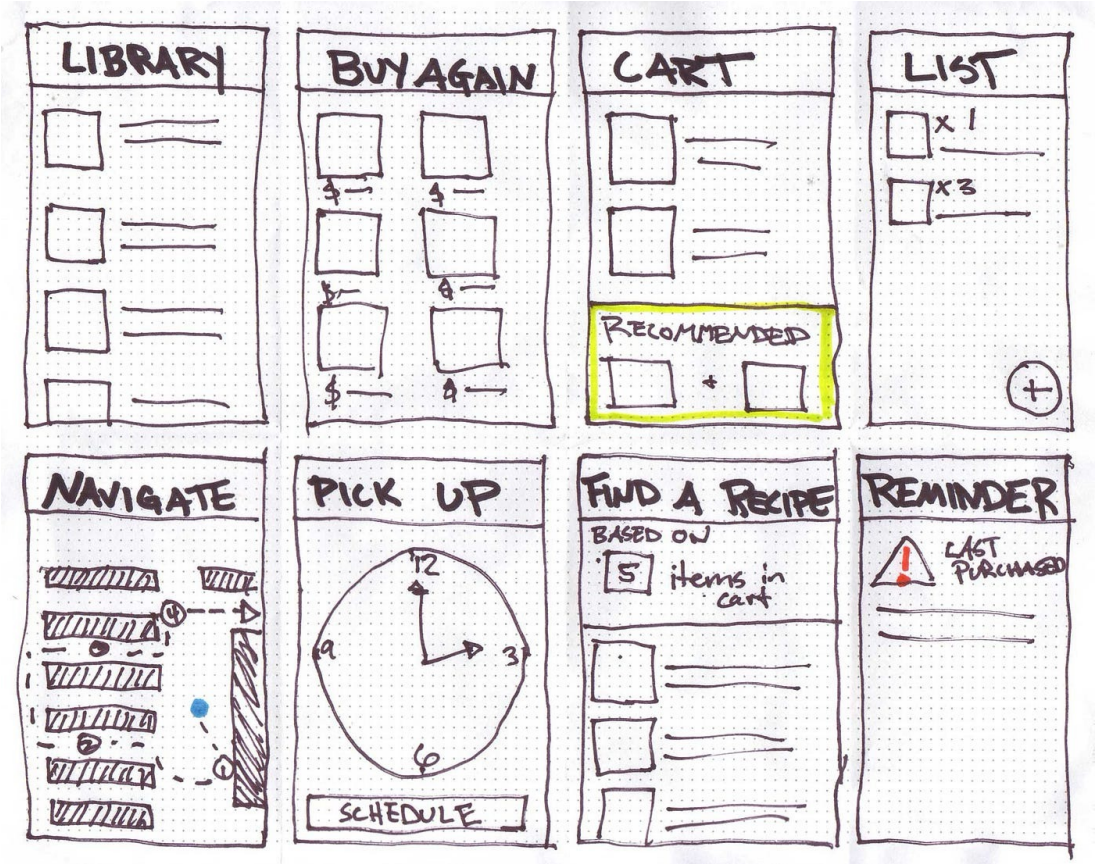
# Design Sprint – Day 1: Map & Sketch



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# Design Sprint – Day 1: Map & Sketch



# Design Sprint – Day 2: Decide & Storyboard

- **The Art Museum** – showcasing solutions from yesterday
- **Heat Map Vote** – red dots for all interesting idea
- **Speed Critique** – mutual discussion
- **Straw Poll Vote** – team picks one concept to prototype
- **Supervote** – final decision of the decisionmaker (if needed)
- **User Test Flow** – each team member creates their own storyboard and then the team votes on which version should be storyboarded and prototyped
- **Storyboarding** – final detailing on the winning storyboard

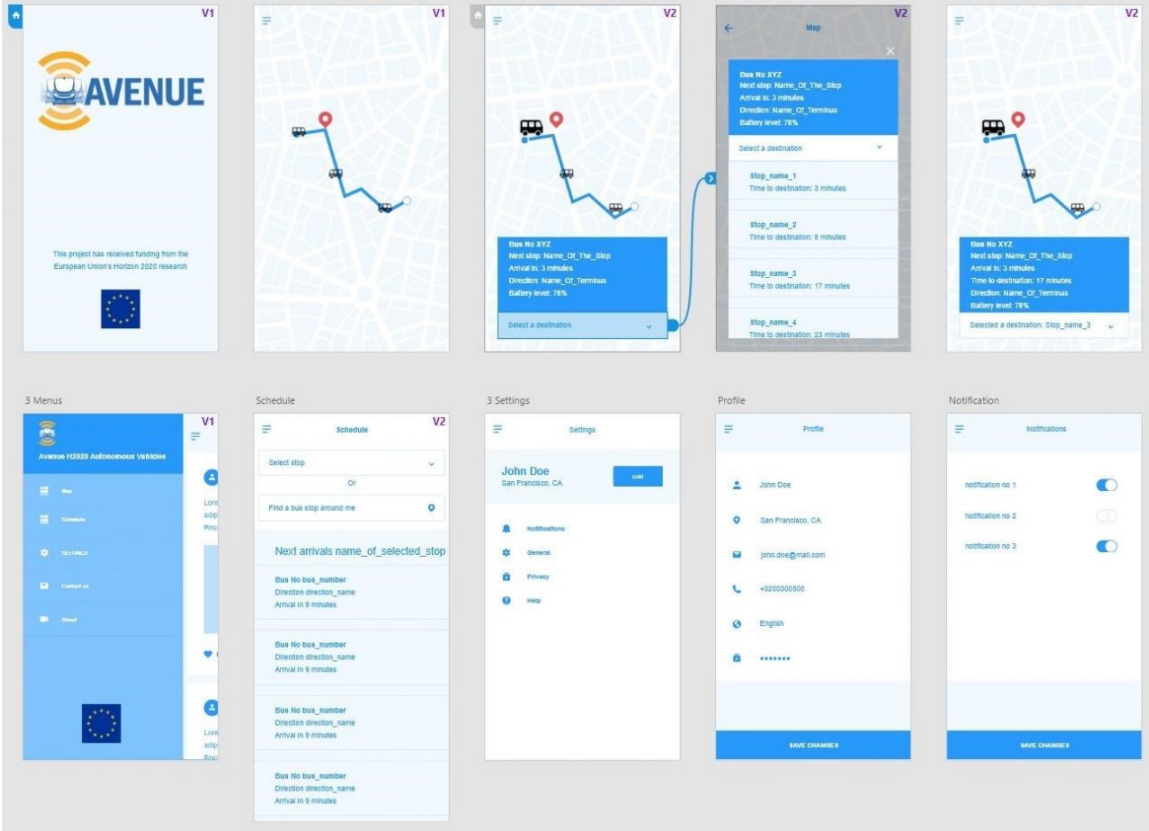
# Design Sprint – Day 2: Decide & Storyboard

<p>Form label</p> <p>Next</p> <p>Next</p> <p>Next</p> <p>Plain form!</p>	<p>Phew! Nice work We estimate you'll hear back in 1-3 months</p> <p>Next Steps</p> <p>Refresh timeline</p> <p>Am I restricted while I wait?</p>	<p>Submitted &amp; NEXT: BIOMETRICS</p> <p>What do I need to do?</p> <p>FRANCOIS music:</p>	<p>Welcome to your personal signon</p> <p>Name</p> <p>Email</p> <p>Pressing for</p>	<p>OSCAR</p> <p>OSCAR</p> <p>collect name, email, etc.</p>
<p>More vaguely</p> <p>Answer this question</p> <p>More info here</p> <p>see next vaguely</p> <p>Details here</p>	<p>STEP 1: FILL OUT PACKET</p> <p>STEP 2: BIOMETRICS</p> <p>STEP 3: <u>what to expect</u></p> <p>STEP 4: <u>what to expect</u></p>	<p>FAQ</p> <p>What if I get rejected?</p> <p>What if time vs a messes</p> <p>Am I allowed to work?</p>	<p>step 1</p> <p>Fill out your app</p> <p>CREATE AN ACC</p> <p>Name</p> <p>Email</p> <p>App type</p> <p>Payment details</p>	<p>What you get</p> <p>collect sign up details</p> <p>collect payment info</p>
<p>I'm talking!</p> <p>speech to text</p> <p>I'm talking!</p> <p>translator to English</p>	<p>Gets Email after 1 month waiting</p> <p>We're keeping an eye on things! you're still waiting....</p>	<p>How to prepare for your upcoming interview</p>	<p>Choose a Plan</p> <p>Learn more about the plan</p>	<p>You're In! Have you started an application somewhere else already?</p> <p>OR collect what's already been done</p>
<p>About this section</p> <p>Hot tip!</p> <p>cheat sheet</p> <p>why this matters</p>	<p>Hey! I wanted to check in and see if you need help preparing for doing your biometrics</p>	<p>Hey! You have a status update from the team</p> <p>Don't know is it?</p> <p>You're approved</p>	<p>Sign Up</p> <p>Connect LinkedIn</p> <p>Connect Facebook</p>	<p>FAQ</p> <p>Can I interact and feedback to make people who sign up</p>

# Design Sprint – Day 3: Prototype

- The goal is to build a realistic prototype of the solution from the storyboard that simulates a finished product – „fake it till you make it”
- Picking the right tools
- Splitting up the team
- Prototyping – you are NOT building an actual solution!
- Organizing a trial run
- Preparing for testing

# Design Sprint – Day 3: Prototype



# Design Sprint – Day 3: Test

- Preparing tools, equipment and scenarios
- Carrying out user tests/interviews – allocate 45-60 minutes per users, 5 users
- Concluding and wrapping up



# Design Sprint – Tips & Tricks

- Detailed agenda - [https://app.sessionlab.com/sessions?ids\[\]=hdqhfj](https://app.sessionlab.com/sessions?ids[]=hdqhfj)
- Sprint by Jake Knapp - <https://www.thesprintbook.com>
- Miro - <http://miro.com>

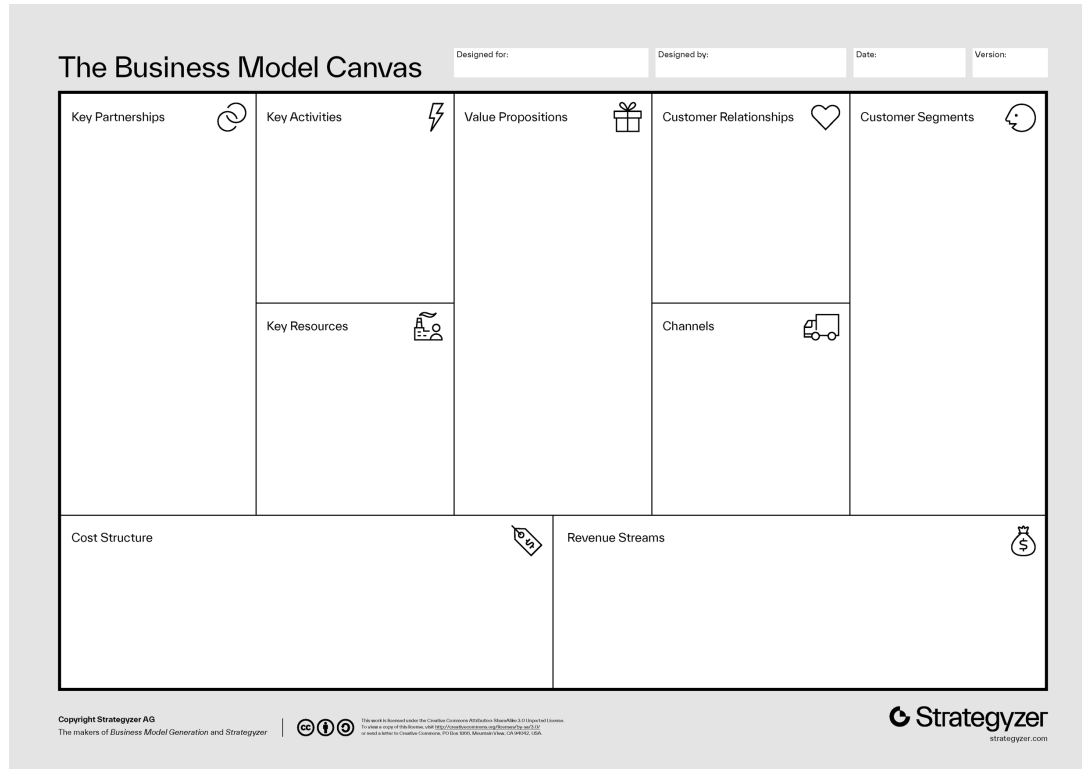
# **Business Model Canvas**



# Business Model Canvas - definition

- Strategic management tool that allows organizations to develop, describe, and analyze their business models across 9 components
- **Purpose** – to clearly display how a company intends to make money and deliver value to its customer base
- Developed by Alexander Osterwalder in 2008

# Business Model Canvas - definition



<https://www.strategyzer.com/library/the-business-model-canvas>

# Business Model Canvas – Customer Segments

→ **Purpose:** Defines the different groups of people and organizations a company aims to reach and serve. Each segment has distinct needs, behaviors, and attributes.

→ **Examples:**

- ◆ **Mass market:** A broad customer base without specific segmentation – e.g. consumer electronics
- ◆ **Niche market:** Tailored for specific, specialized customer needs - e.g. medical equipment for hospitals
- ◆ **Segmented:** Slightly varying needs and attributes – e.g. airlines offering different classes
- ◆ **Diversified:** Serving two unrelated customer segments – e.g. company that sells technology to educational institutions and government agencies
- ◆ **Multi-sided platform:** Serving two or more interdependent customer segments – e.g. a credit card company serving both cardholders and merchants

# Business Model Canvas – Value Propositions

→ **Purpose:** Describes the bundle of products and/or services that create value for every outlined customer segment.

→ **Examples:**

- ◆ **Newness:** Product meets new customer needs
- ◆ **Performance:** Improvements to product/service performance
- ◆ **Customization:** Product/service is tailored to individual requirements
- ◆ **„Gets the job done“:** Designed to solve specific customer problems
- ◆ **Design:** Superior design
- ◆ Brand/status
- ◆ **Price:** Similar value at lower price
- ◆ Cost/risk reduction
- ◆ Accessibility and/or convenience
- ◆ ....

# Business Model Canvas – Customer Relationships

→ **Purpose:** Explains the types of relationships a company establishes with customer segments

→ **Examples:**

- ◆ **Personal assistance:** Interaction through human contact – e.g. banking services
- ◆ **Dedicated personal assistance:** A dedicated individual handles all needs and issues of a particular customer
- ◆ **Self-service** - e.g. online check-ins
- ◆ **Automated service:** System of automated processes – e.g. online dashboards
- ◆ **Communities:** A community is created around a product/service – e.g. user forums, customer clubs
- ◆ **Co-creation:** Customers help co-design products and/or services

# Business Model Canvas – Revenue Streams

→ **Purpose:** Explains how the company generates income from each customer segment. This is the crucial aspect of a company.

→ **Examples:**

- ◆ **Asset sale:** Selling ownership rights – e.g. selling a car or a house
- ◆ **Usage fee:** Revenue is generated by the use of a particular product/service – e.g. mobile phone charges
- ◆ **Subscription fee:** Revenue generated by selling access to service – e.g. Netflix, Spotify
- ◆ **Lending/leasing/renting:** Exclusive rights to an asset for a predetermined period – e.g. leasing a car
- ◆ **Licensing:** Revenue generated through charging for the use of protected intellectual property
- ◆ **Brokerage fees:** Intermediation services between two parties – e.g. real estate agents
- ◆ **Advertising:** Revenue generated from charging fees to advertise a product, a service or a brand



# Business Model Canvas – Key Resources

→ **Purpose:** Explains the assets required to offer and deliver previously described products/services

→ **Examples:**

- ◆ **Physical:** Buildings, vehicles, machines, systems, point-of-sale systems
- ◆ **Intellectual:** Brands, knowledge, patents, copyrights
- ◆ **Human:** Employees, experts
- ◆ **Financial:** Cash, credit, stock options, financial instruments

# Business Model Canvas – Key Activities

→ **Purpose:** Outlines the most important activities a company needs to undertake to operate successfully

→ **Examples:**

- ◆ **Production:** Designing, making and delivering a product/service
- ◆ **Problem solving**
- ◆ **Platform/network management:** Managing company platforms (e.g. networking site, marketplace, software system)

# Business Model Canvas – Key Partnerships

→ **Purpose:** Outlines the network of suppliers, partners and stakeholders necessary to make the business model work

→ **Examples:**

- ◆ **Strategic alliances:** Between non-competitors
- ◆ **Coopetition:** Strategic partnerships between competitors
- ◆ **Joint ventures:** Developing a new entity and new assets by combining resources
- ◆ **Buyer-supplier relationships:** To assure reliable supplies

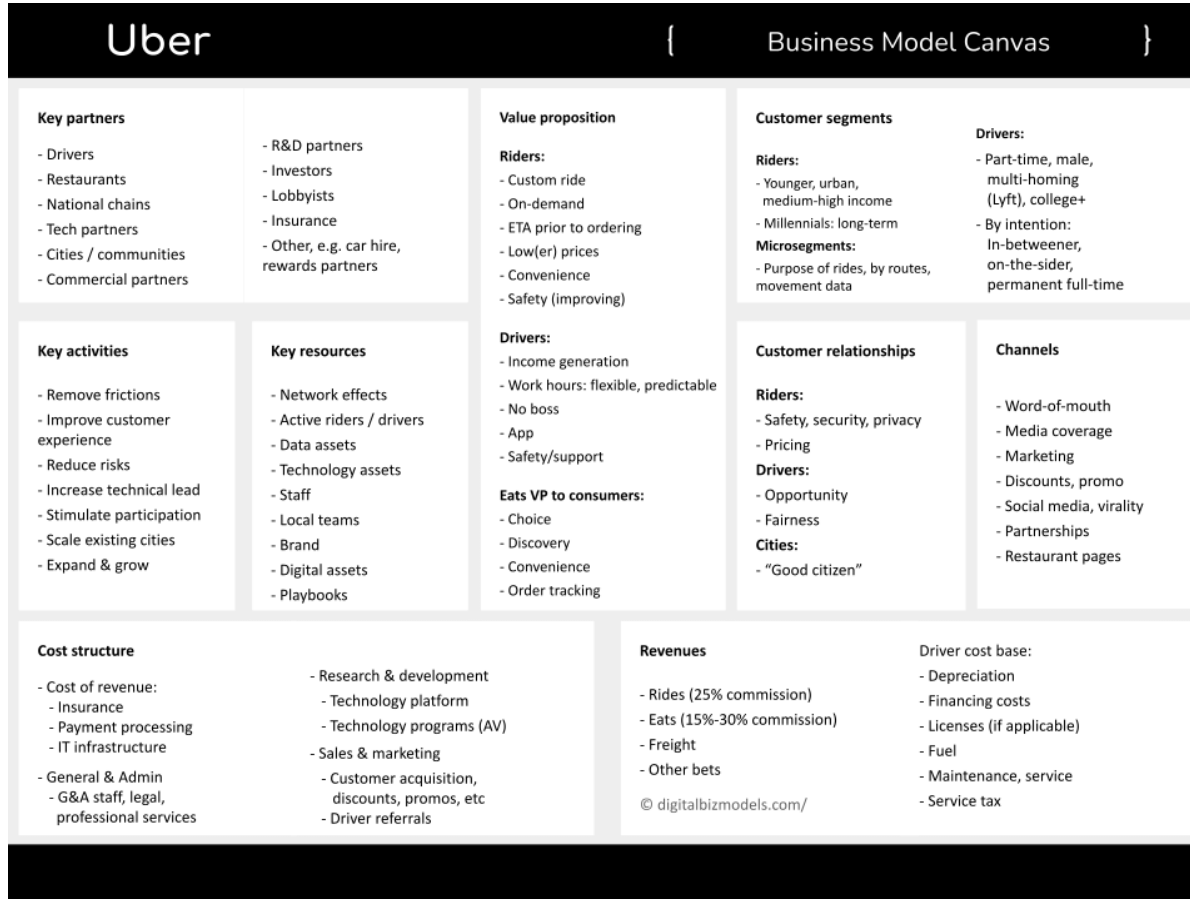
# Business Model Canvas – Cost Structure

→ **Purpose:** Outlines all costs incurred to operate a company

→ **Examples:**

- ◆ **Fixed costs:** Salaries, rent, utilities
- ◆ **Variable costs:** Materials, subscriptions etc.
- ◆ **Economies of scale:** Cost advantages that a business obtains due to expansion
- ◆ **Economies of scope:** Cost advantages due to the scope of operations and synergies between them – e.g. using the same marketing team for different products

# Business Model Canvas – Uber example



# Discussion and homework

Choose a **digital product** and create a Business Model Canvas   you can use <https://next.canvanizer.com/demo/business-model-canvas>, Miro, or fill in the existing Canvanizer PDF template.

**Thanks and see you next week!**