


What is the biggest  
cause of failure for  
Startups / New Products?



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**LACK OF CUSTOMERS**

# TOP 10

## STARTUP MISTAKES



**100**<sup>TM</sup>  
First Hits

[www.100FirstHits.com](http://www.100FirstHits.com)

8. Spending Too Much Money **18** (2,1%)  
 9. Failing To Ask For Help **12** (1,4%)  
 10. Ignoring Social Media **6** (0,7%)

5. Not Having The Right Co-Founders **66** (7,9%)  
 6. Chasing Investors, Not Customers **45** (5,4%)  
 7. Not Making Sure You Have Enough Money **28** (3,3%)





**FOUNDERS** RUN A  
*CUSTOMER  
DEVELOPMENT TEAM*

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NO SALES, MARKETING OR  
BUSINESS DEVELOPMENT



*Business Models  
&  
Customer Development*

# Business Models

How a company creates, delivers and captures value

Or more clearly,

*how a company makes money!*

We use the Business Model Canvas as a representative tool to help us catalogue our thoughts

Key Partners



Key Activities



Value Propositions



Customer Relationships



Customer Segments



Key Resources



Channels



Cost Structure

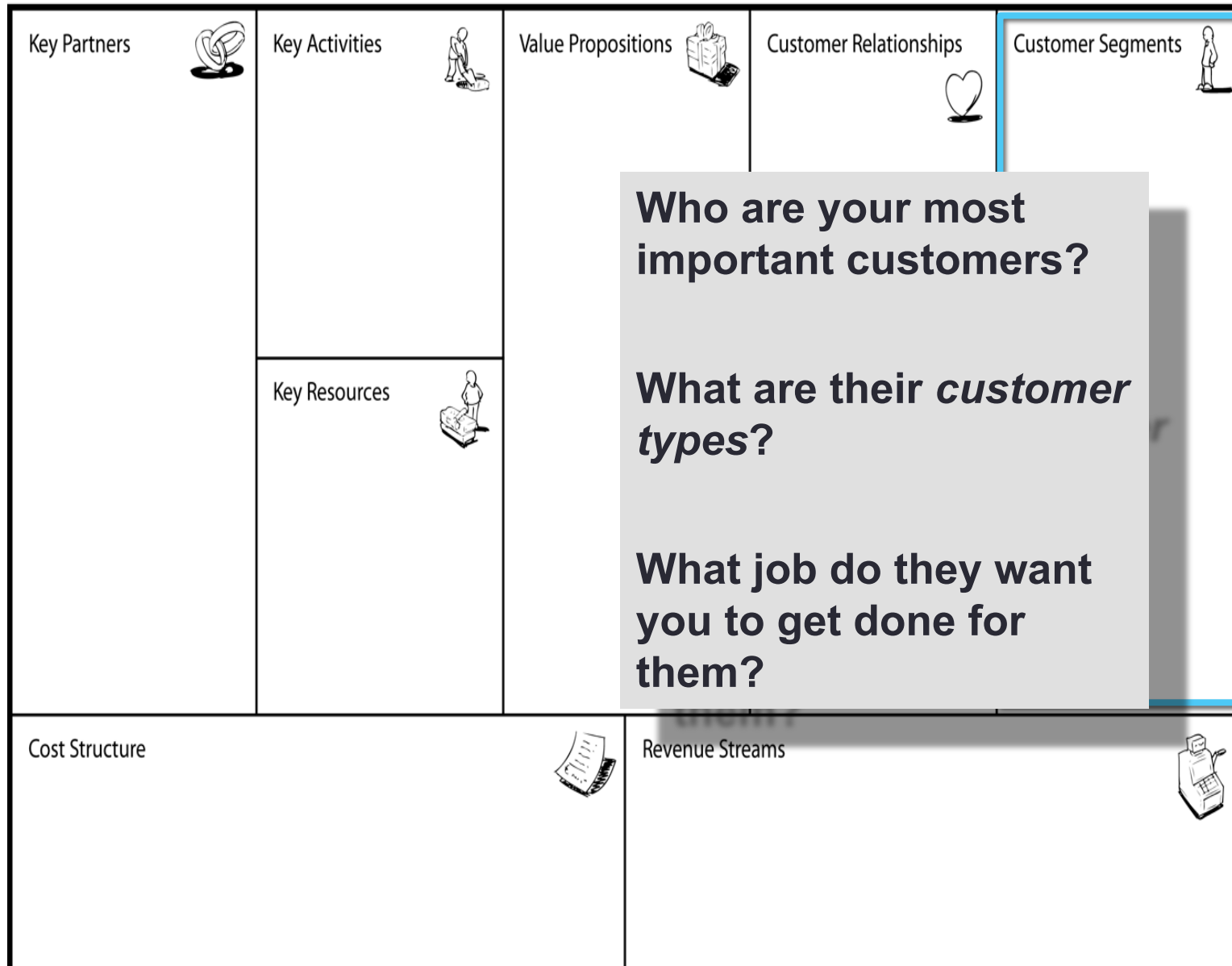


Revenue Streams

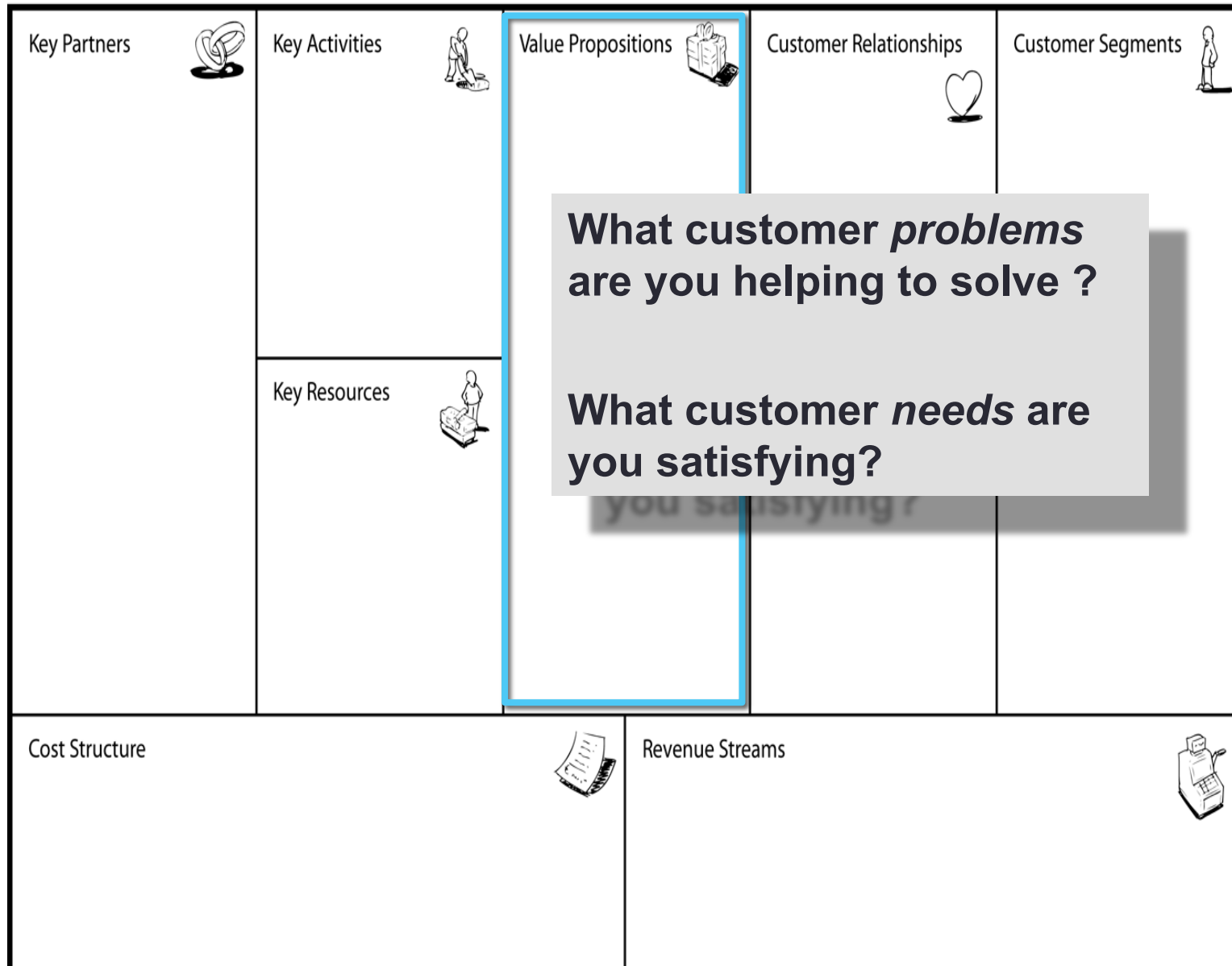




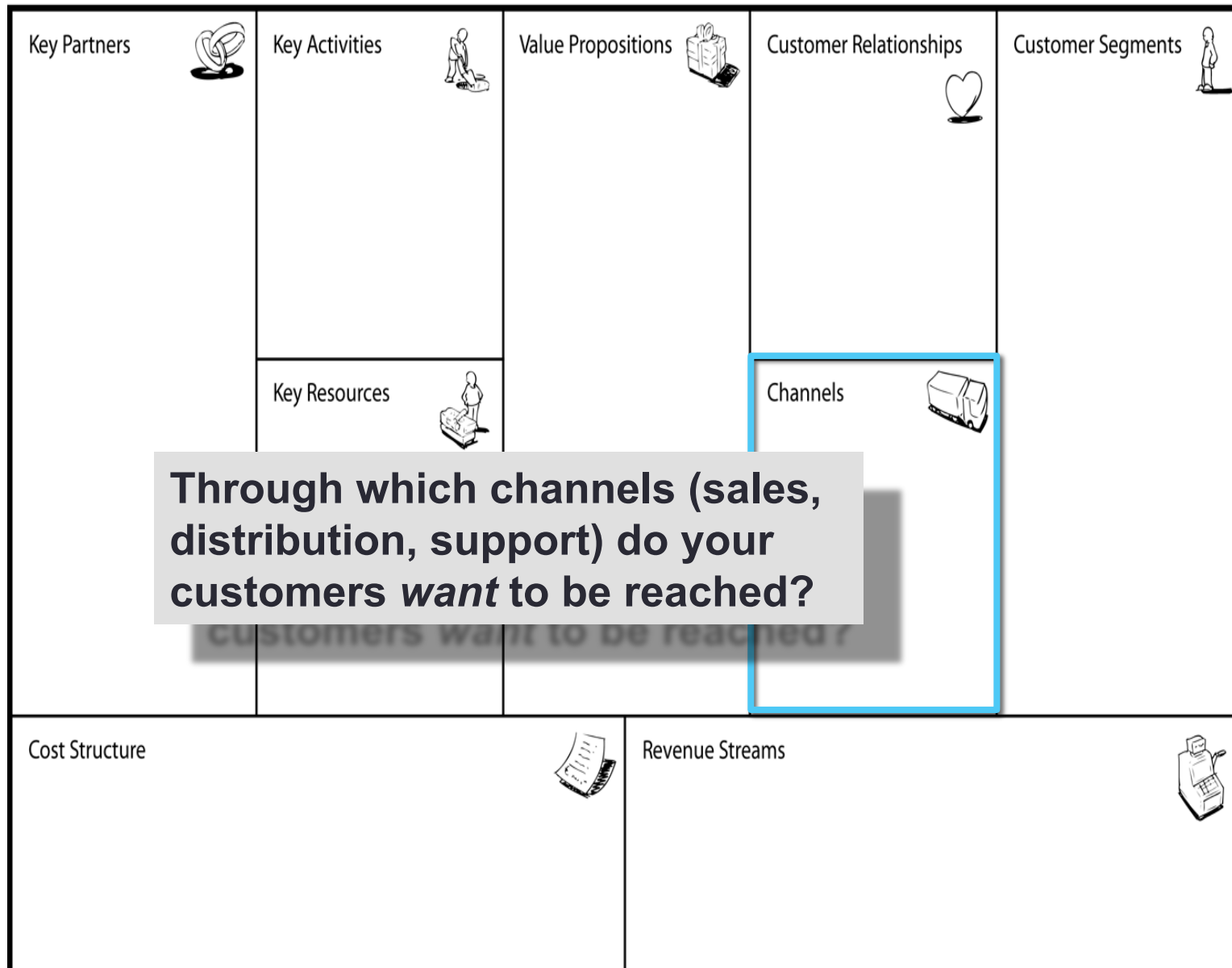
# Customer *Segments*



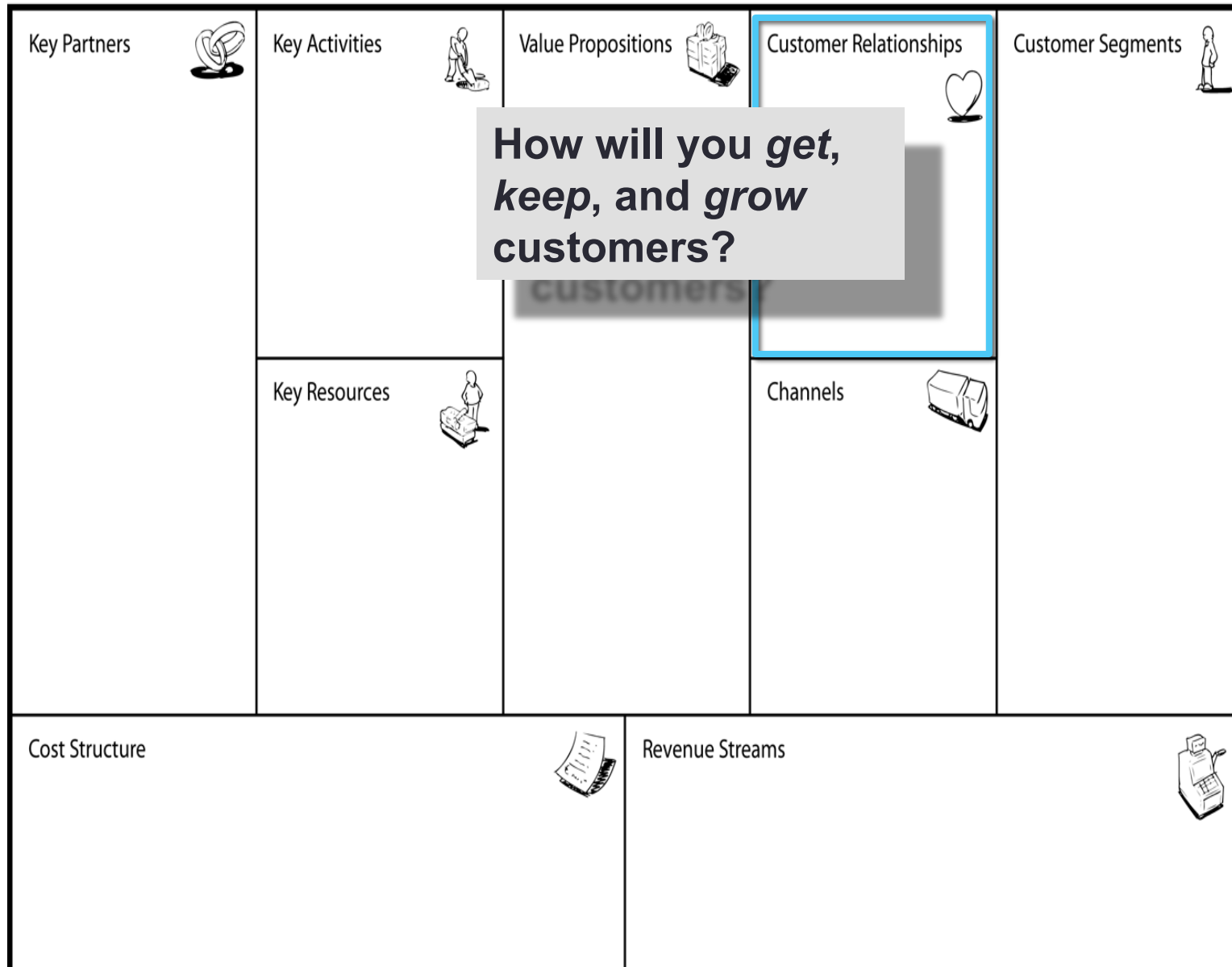
# Value *Propositions*



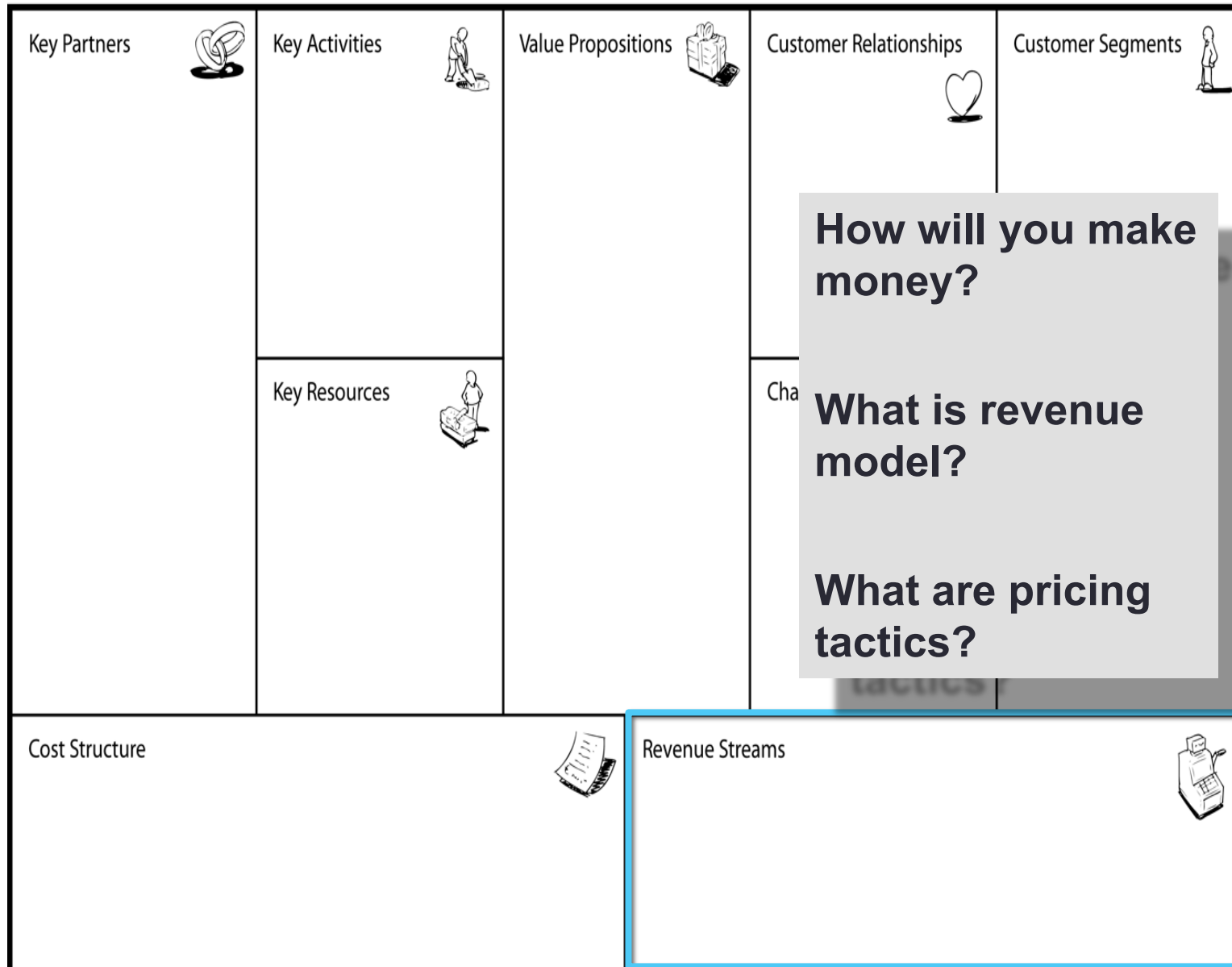
# Channels



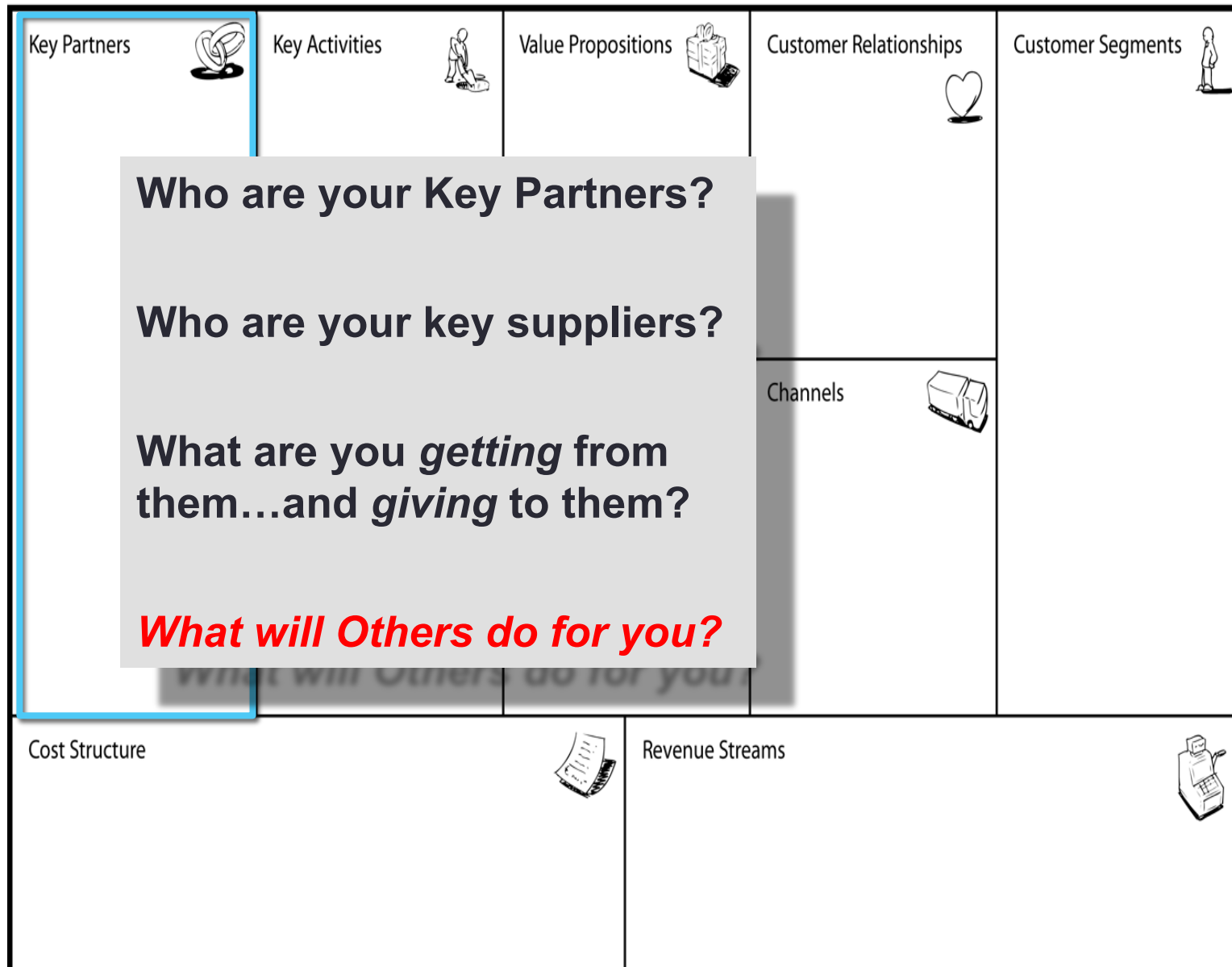
# Customer *Relationships*



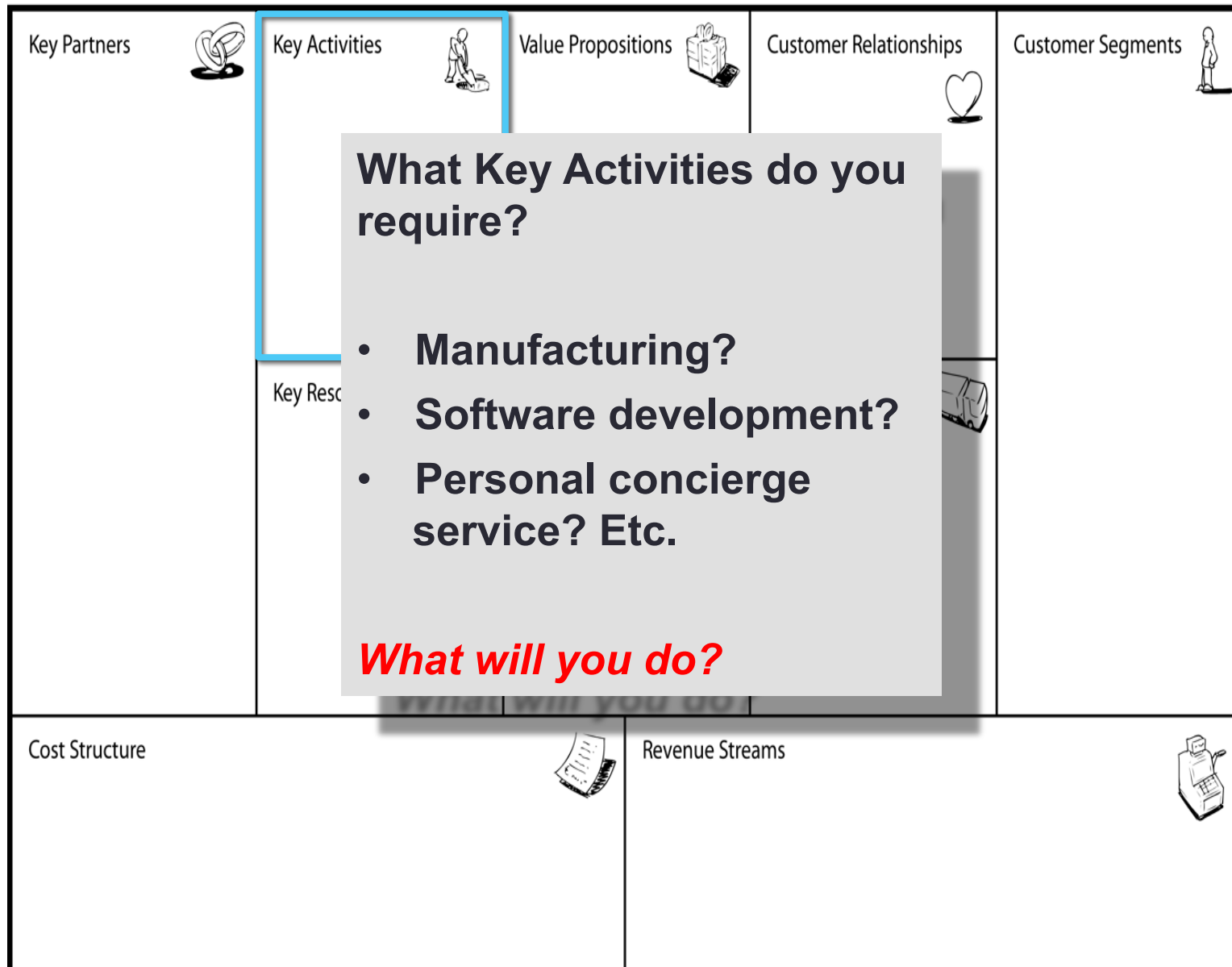
# Revenue *Streams*



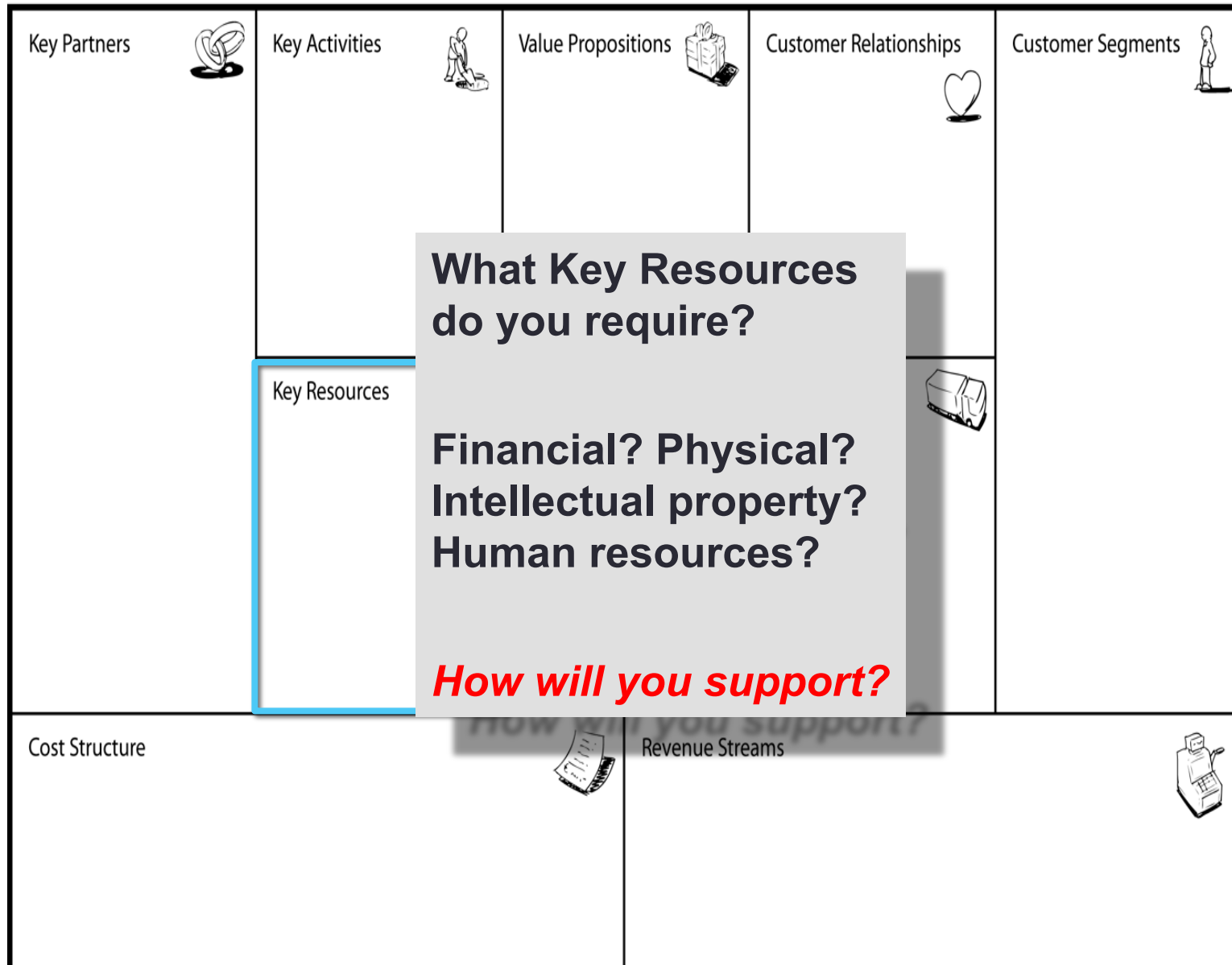
# Key *Partners*



# Key *Activities*

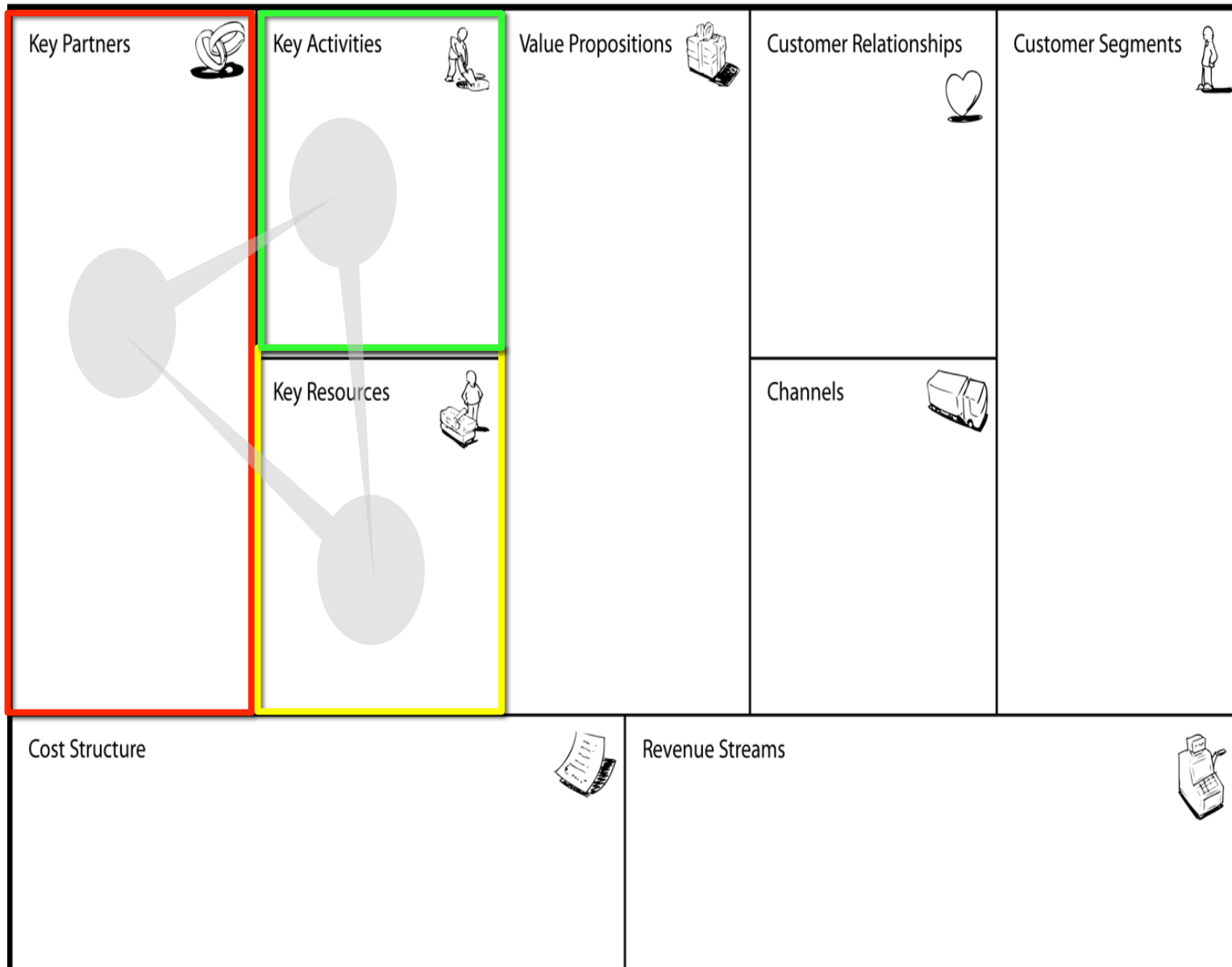


# Key *Resources*





# Balancing *Act*



Key Partners



What will  
*others do?*



Key Activities



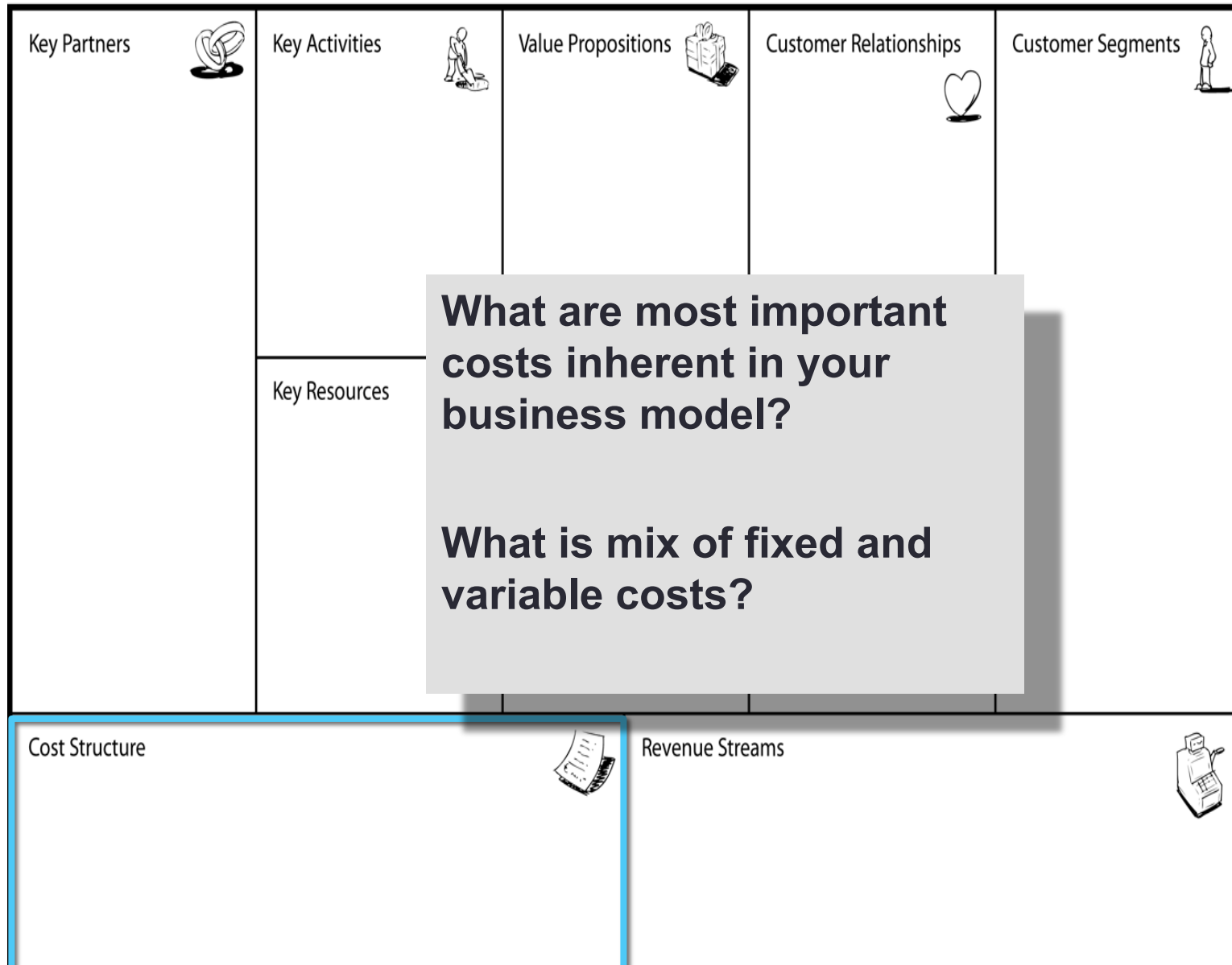
What will  
*you do?*

Key Resources

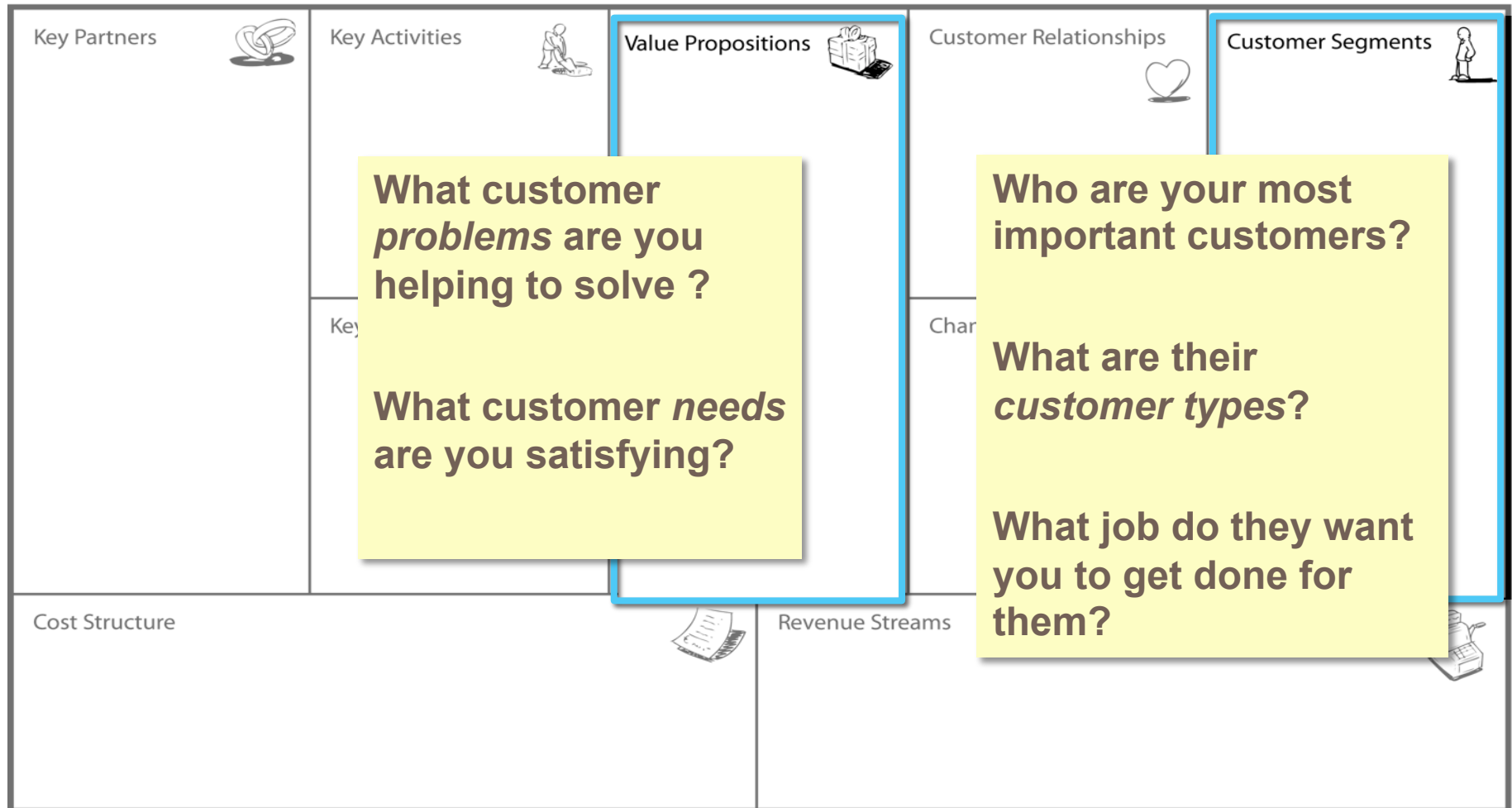



How will *you*  
*support?*

# Cost *Structure*



# Customer Discovery starts here...





*...describe the **benefits** your customers derive from your products or services.*

# What about my *idea / product*?

Your idea / product is **one** of the many critical pieces necessary to build a company.

Your Value Proposition **informs** your product features.

Customers **don't care about your product...**  
they are trying to solve a problem or satisfy a need.

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**Product Features**

**≠**

***Value Propositions***

...but they do ***deliver it.***



**What, How, Why?**

***Product, Features, Value***



# Pain *Killers*

**Functional – doesn't work well, has negative side effects**

**Emotional – “I feel bad every time I do this”**

**Ancillary – Running at the gym is boring,  
or the design is ugly!**

**Obstacles – Time, money, regulatory, corporate inertia.**

**Risks – “I might lose credibility,” or  
“we are scared by NEW!”**

# Gain *Creators*

**Required Gains – solution won't work without it!**

**Expected Gains – Basic, but necessary!**

**You can't raise prices!**

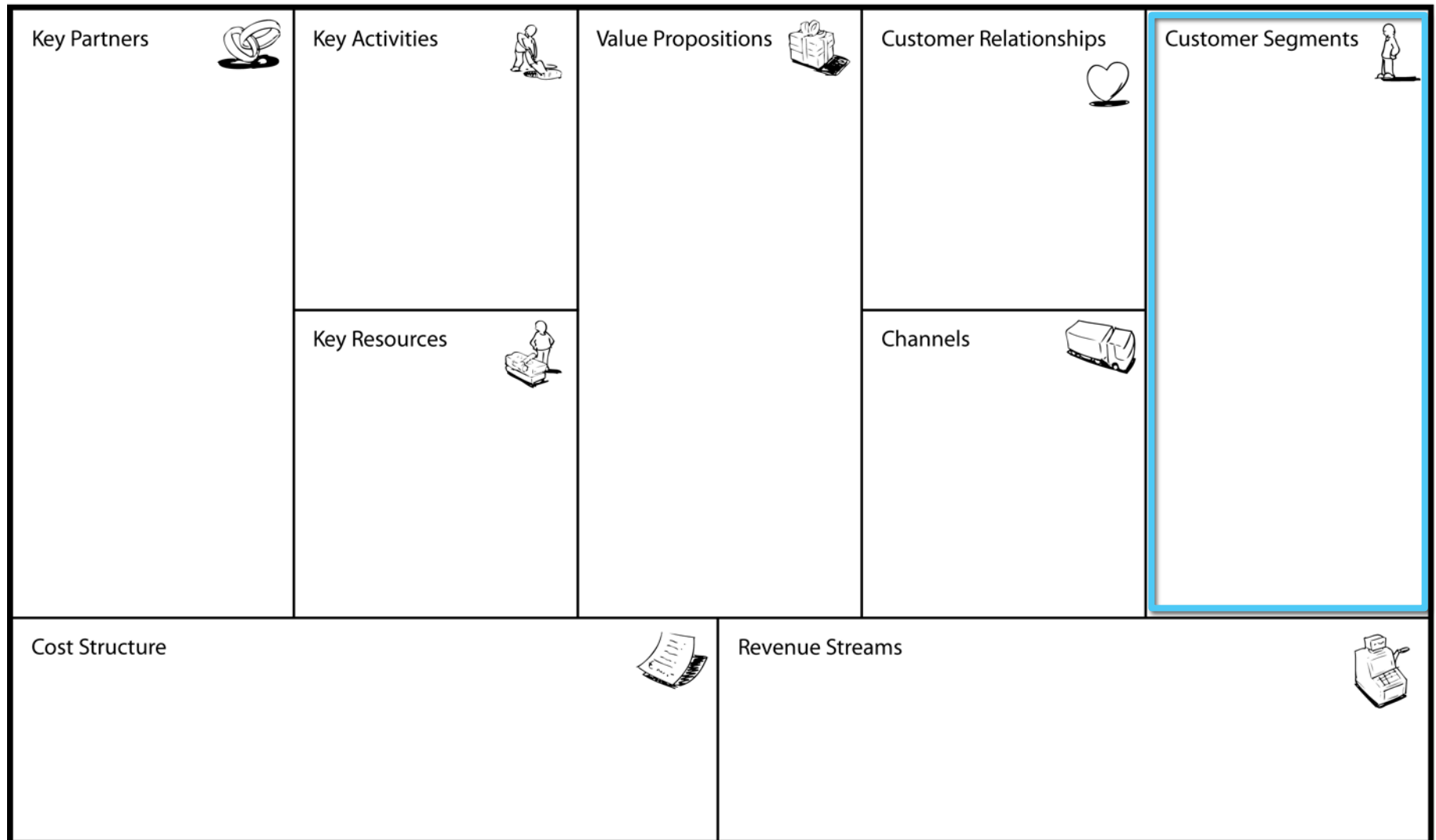
**Desired Gains – Beyond what we expect, and we love it!**

**Unexpected Gains – Customers won't say it,  
even when you ask.**



# Customer *Segments*

# Customer *Segments*





*Who* are your most important customers?

What are their *customer types*?

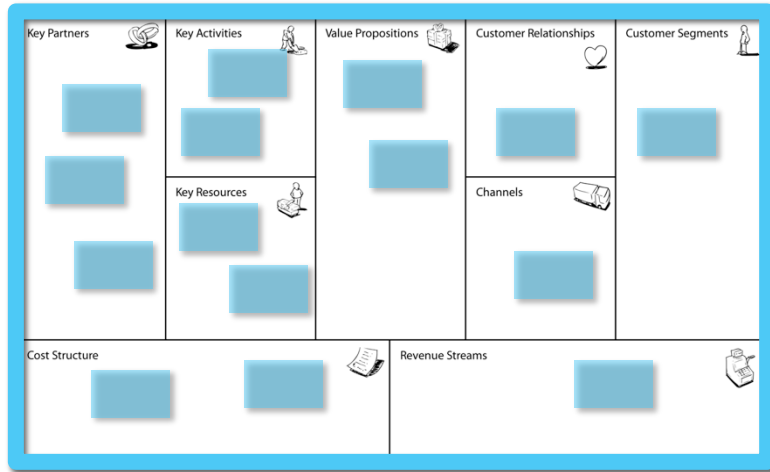
What **job** do they want you to get done for them?



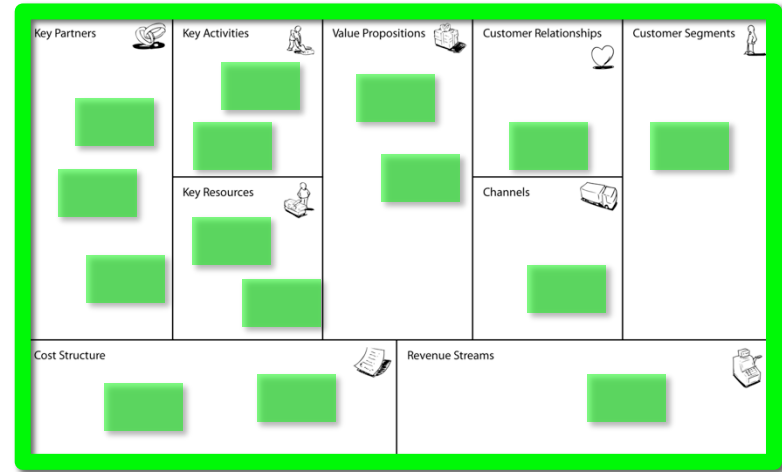
**Different Customer Segments  
often have**

***Different Business Models***

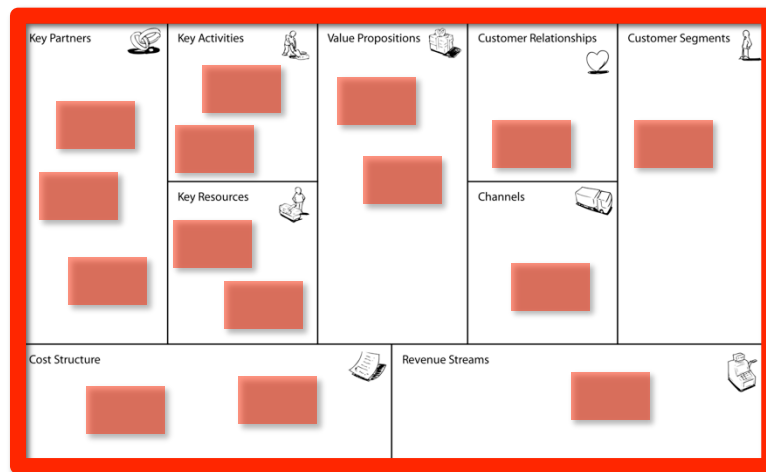
# Customer Segment #1



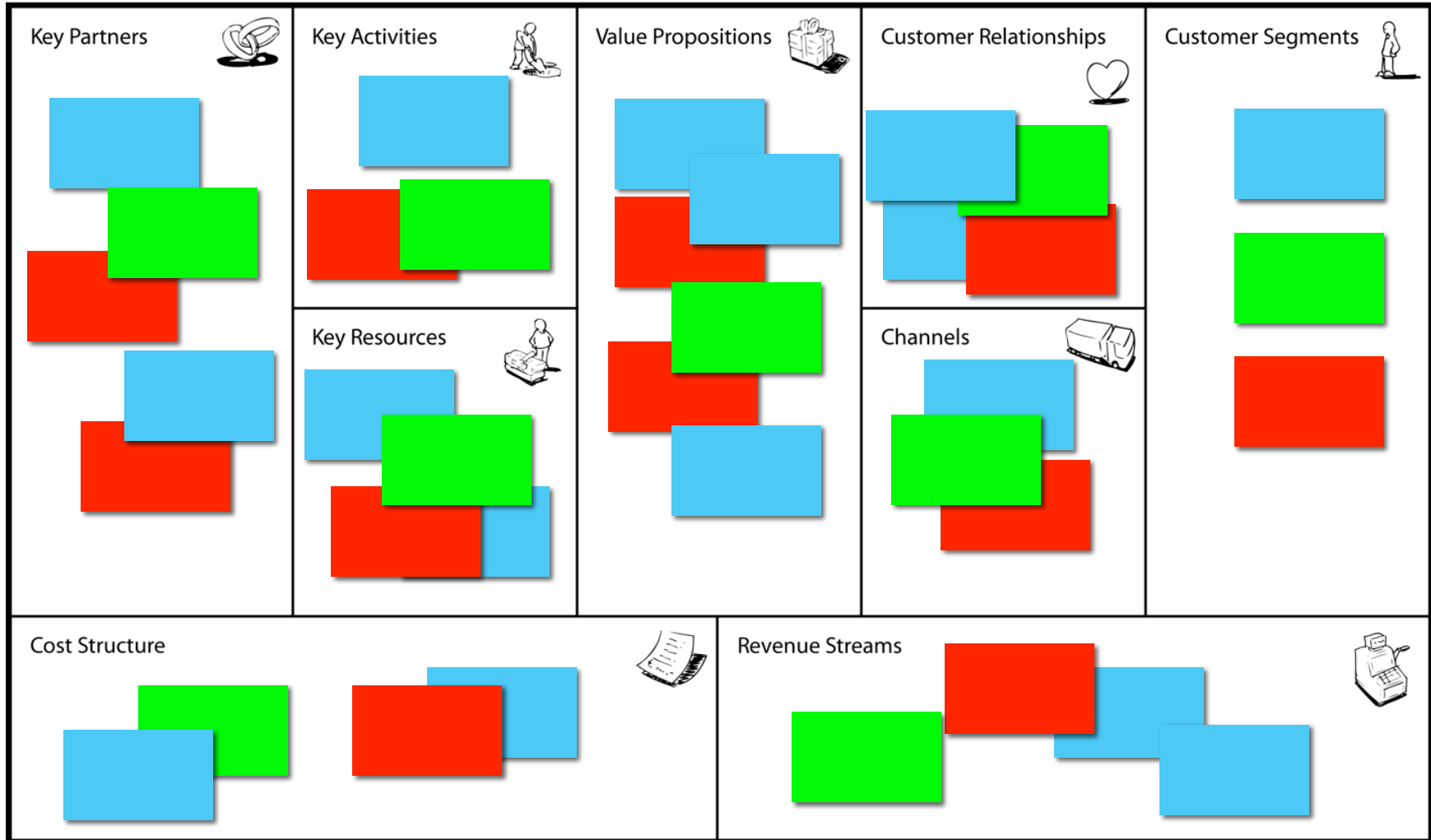
# Customer Segment #2



# Customer Segment #3



# Customer Segments #1, #2, #3

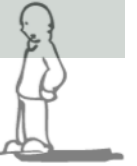






**Customer Segments can be  
sub-divided into**

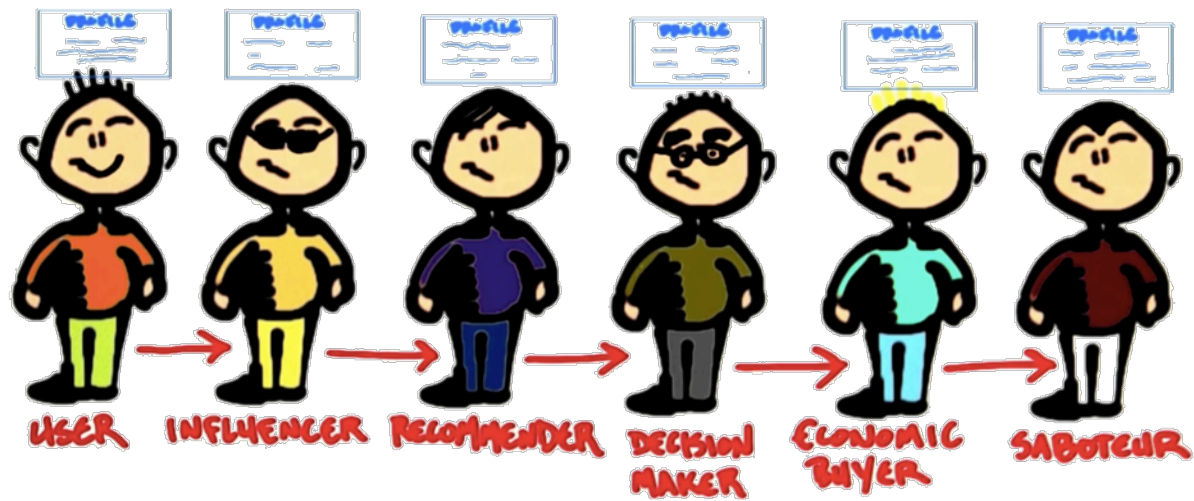
***Customer Types***



## Customer Segments have *Customer Types*

- *End User*
- *Influencer*
- *Recommender*
- *Decision Maker*
- *Payer*
- ***Saboteur***

# Identify *customer type*



*to understand purchase decision*



**Business to Business (B2B)**

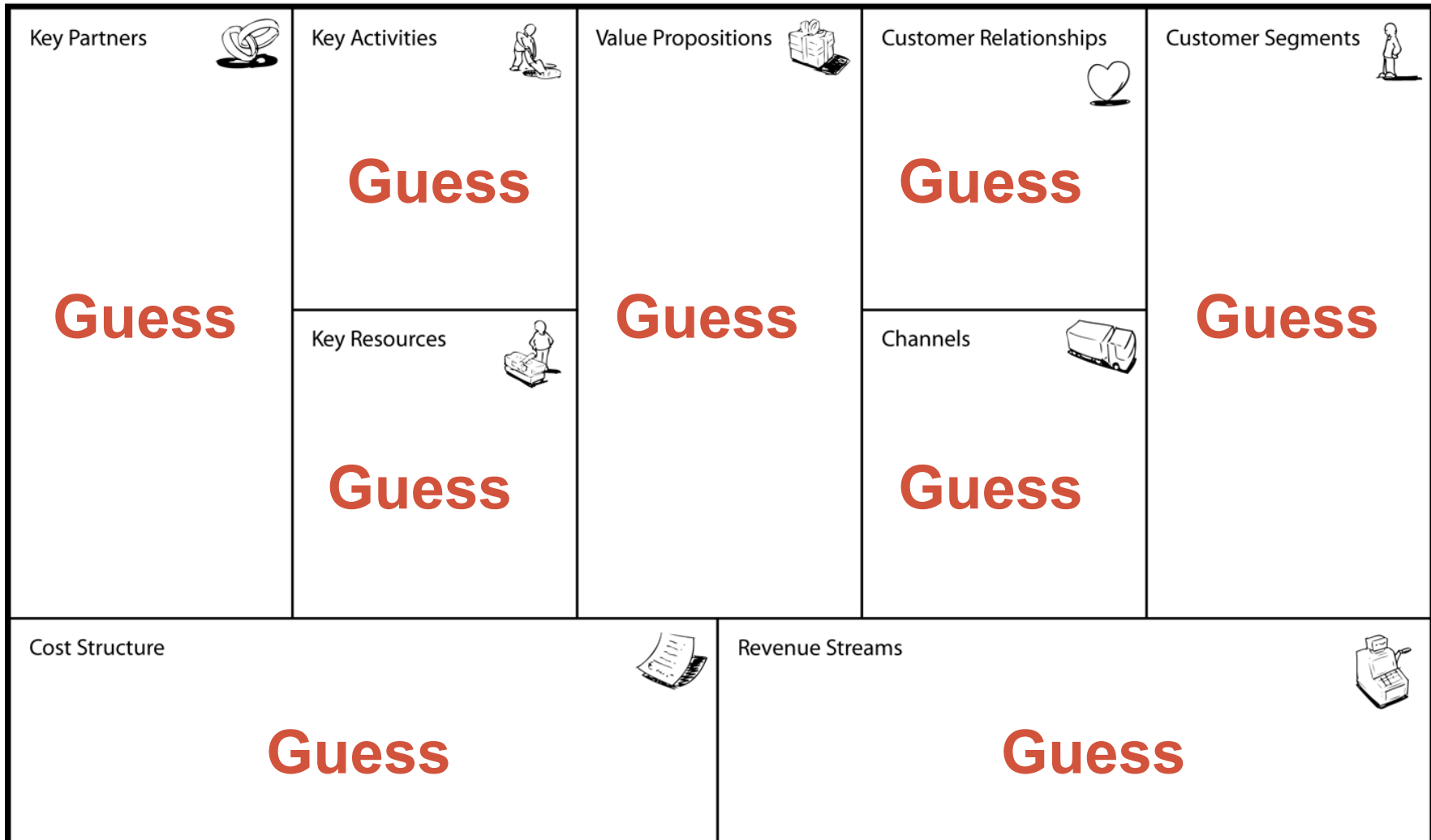
**VS**

***Business to Consumer (B2C)***



How do we build a  
*Business Model?*

# Use the canvas to capture your **assumptions** across the business



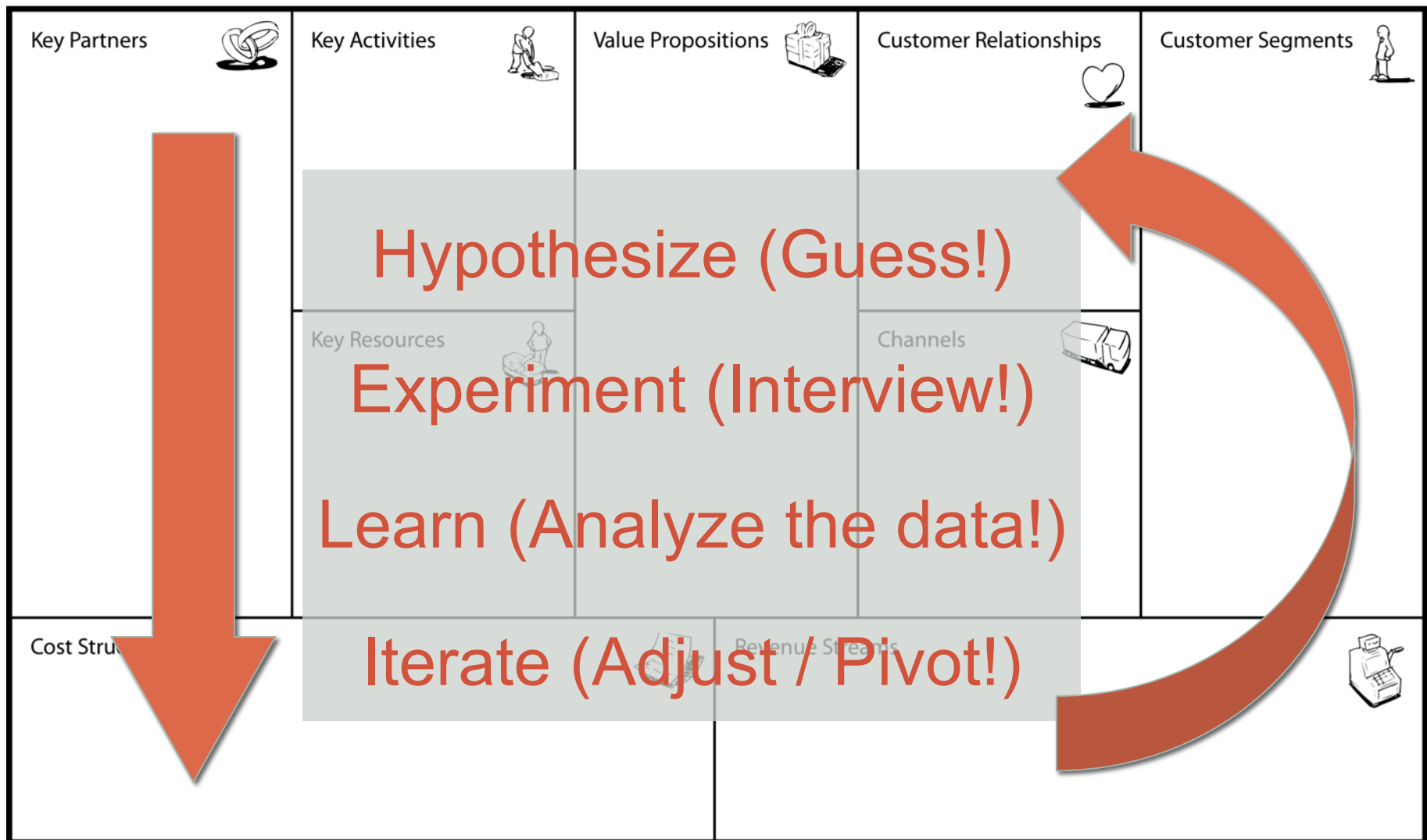
# The Business Model Canvas

- It's a tool, not a report!
  - You have to use a tool for it to be useful
- Every entry is a Guess (Hypothesis)

*How do you turn Guesses into Facts?*

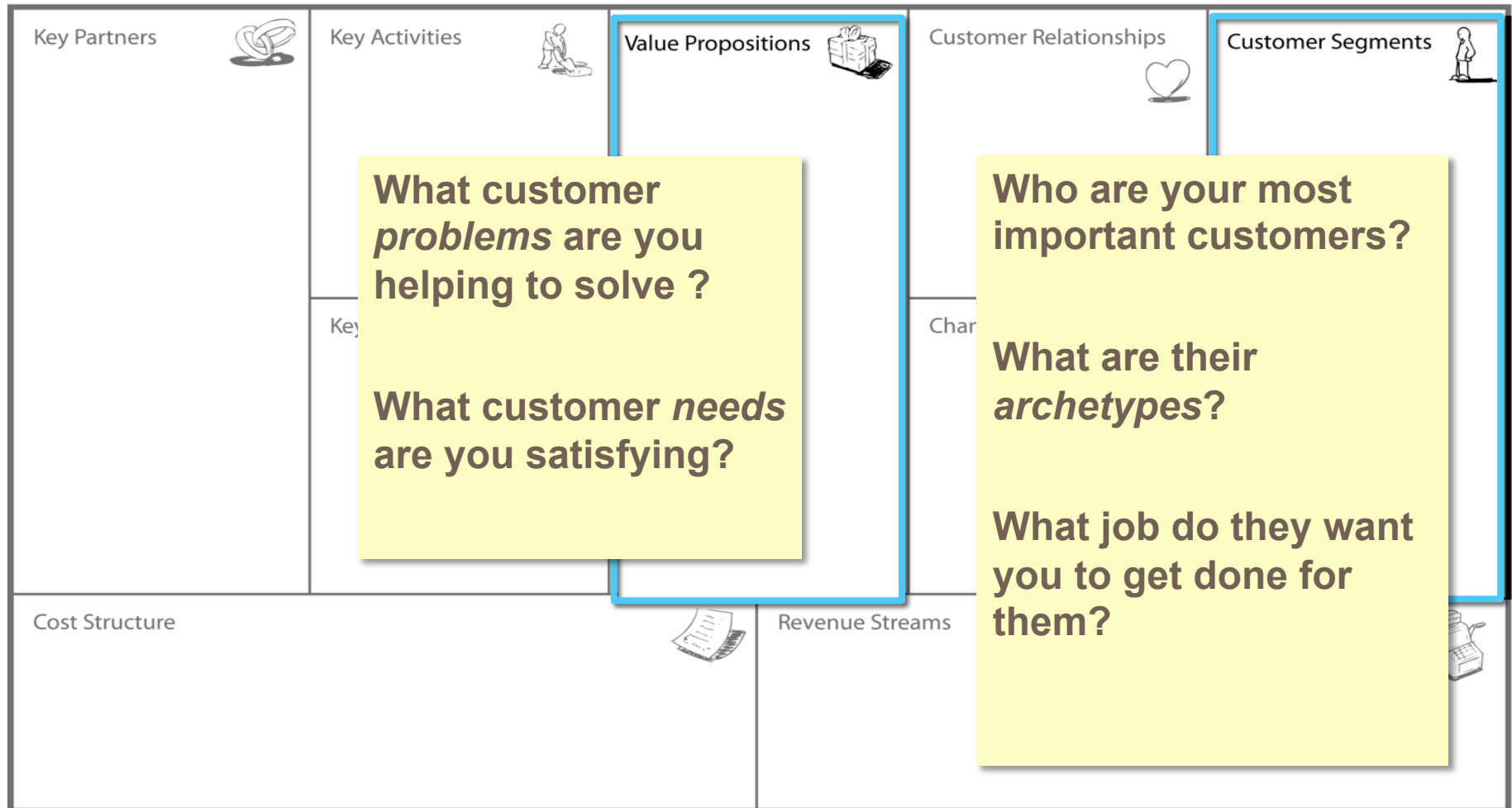
**Collect Data!!**

# The Scientific Method: Explained

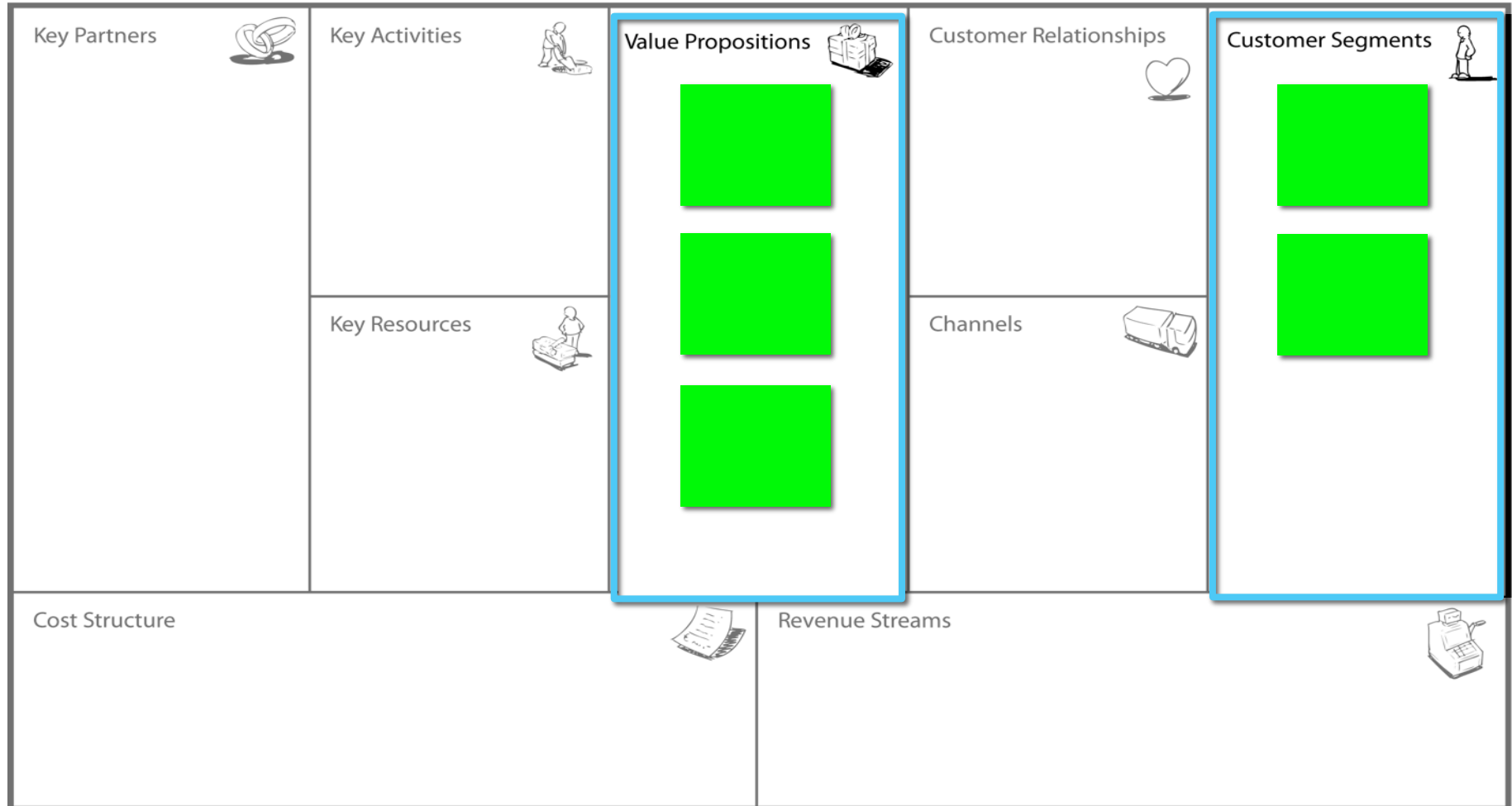




# Customer Discovery starts here...



# State your Guesses...

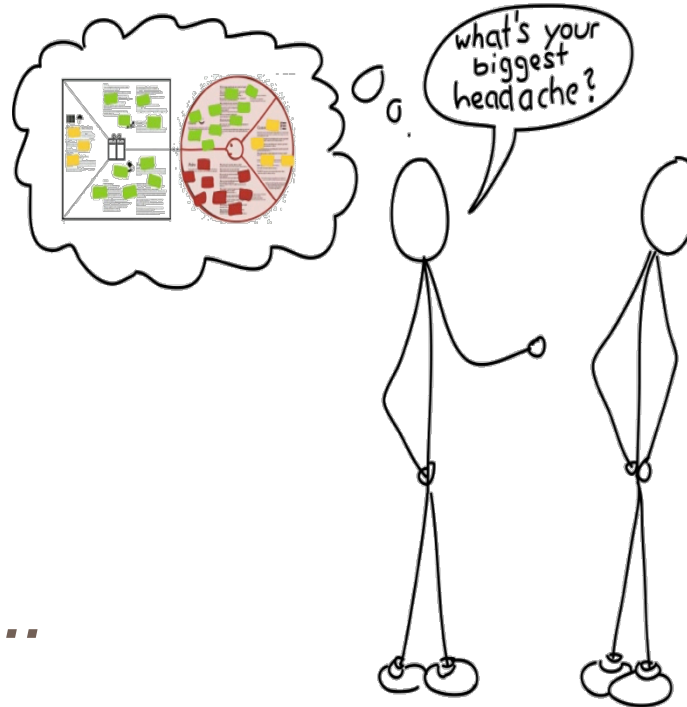


# Test the *Problem*

Value Propositions



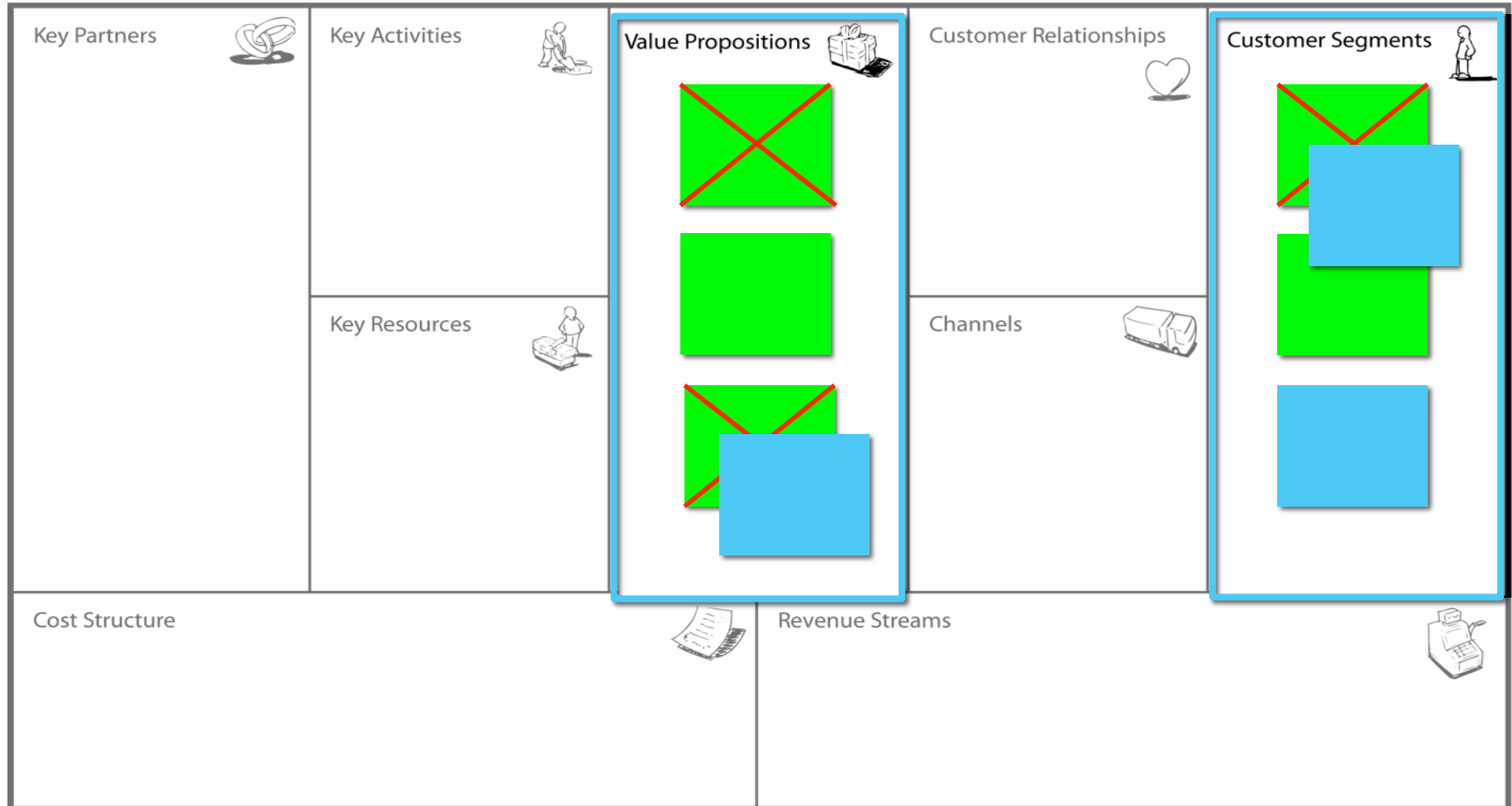
Customer Segments



Identify customer *problems* and *needs*...

focus on customer **pains**, desired **gains**, and **jobs**.

# Iterate and Pivot...



# End Goal: Turn *Assumptions* into *Facts*

