

## ENTERPRISE PURPOSE



PROBLEM to be SOLVED	SOLUTION	UNIQUE VALUE PROPOSITION	TARGET CUSTOMER SEGMENTS	SUSTAINABLE ADVANTAGE
	PRODUCTS & SERVICES			IMPACT METRICS
COST DRIVERS		REVENUE MODEL		
		Payers		

# Definitions

**Enterprise Purpose/Mission:** Should explain venture's/organization's mission, reason for being

**Problem to be Solved:** From "Customer" perspective, what is the gap that is not being filled? Shouldn't just be the lack of the solution, should be what bothers customer even when they don't know what the solution is. Focus on 1-2.

**Solution:** In broad but succinct terms, define the new approach that addresses the problem

**Products/Services:** Very concretely, what the customer pays for or registers for. Not the place to be fuzzy.

**Unique Value Proposition:** This is something the customer would value so much that they would pick you over everything else out there and/or switch from their stable familiar status quo.

**Target Customer Segment(s):** With limited resources, you can't reach everybody right away. Who do you focus on first (first adopters), that is most likely to buy or participate? Try to be very specific. Focus on 1-3. **Channels:** The easiest way to put yourself in front of target customers.

**Sustainable Advantage:** If you are successful, somebody with more capital than you will try to copy you and steal your customers. What do you have that would be hard for them to re-create?

**Impact Metrics:** How do you know it's working? Pragmatic simple ways for you to determine if, in fact, you are making a difference in the Problem you defined for your Target Customers. Focus on 2-4.

**Cost Drivers:** The big expenses your enterprise will face on ongoing basis (not start-up costs)

**Revenue Model:** How you'll make money. What exactly do you charge for? **Payers:** Sometimes with social enterprises the users are not the same as the Payers.

# TIPS

- **Start with the Customer Segments** – Who do you most care about helping/working with? Do you know these people well, have great empathy/solidarity? Who are your “first adopters” – you have to know and love these people, think of a real person who exemplifies your ideal customer.
- **Then go to define the Problem that really bothers the Target Customer** that you want to address. Make sure you are looking from the Customer’s perspective – what they care about (*not what you think they should care about*). Shouldn’t just be “Lack of Solution,” but something that keeps customer up at night even when they don’t know solution. Shouldn’t be hugely broad like “Poverty” but specific enough that you can make a difference.
- **Then think about your Solution and Value Proposition.** Don’t assume that it would be easy to get anybody’s time, attention, or money for your new different idea. Make sure you have something that addresses the critical Problem well enough that it would motivate the Customer to change long-standing habits and behavior.
- **Keep it all simple**, should fit on one page
- **Everything in the BMC is your hypotheses**, assumptions, that you need to validate through pilots, testing, talking with real customers and getting real sales. **Keep learning and iterating.**