



LESSON CONTENT TEMPLATE

 <p>Erasmus+</p>	<p>Project funded by: Erasmus+ / Key Action 2 - Cooperation for innovation and the exchange of good practices, Knowledge Alliances.</p>
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1. Lesson Document

Topic 2: Starting a New Venture

Lesson 1

Lean Start-Up, Online Start-Up and Social Venture

Introduction

An entrepreneur is very often passionate about his product or service and does not have a clear plan on how to turn a product or service into a sustainable business. Although neglecting the financial aspect of the company is fatal, in the same time it is important to stay true to the entrepreneurial vision and passion. In this lesson, we will talk about the key factors that an entrepreneur should consider while developing a business model.

Basic questions that every entrepreneur should answer at the beginning of each venture include (*Book Entrepreneurial Finance Concepts and Cases, 2020*):

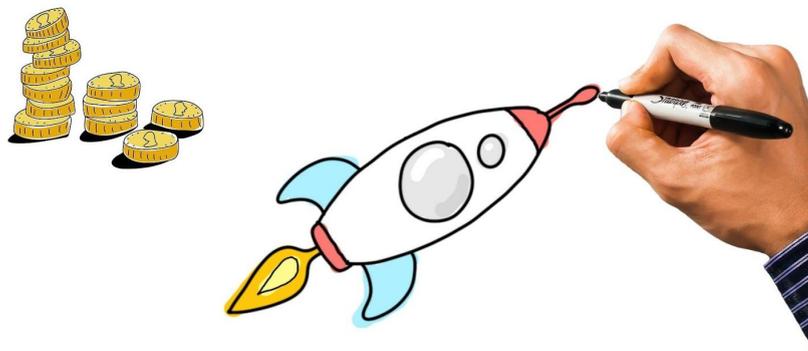
1. Who is the customer?
2. What does the customer value?
3. How do we make money in this business?
4. What allows us to provide value to customers at an affordable price?

While designing your business model you need to consider the following factors:

The position of the company in the value chain - You need to answer the question: Are you the creator of products or services or you enabling the delivery of the product or service?

Business Development - How will you attract your customers?

Sustainability - Can your product lead you to a sustainable business?



Start Up 

Resource: [Pixabay](#)

Lean Start-up

Lean Startup is a business and product development methodology that aims to shorten product development cycles and quickly discover whether the proposed business model is sustainable. (*Lean Startup*, 2019).

- The first step in a Lean Startup approach is testing the hypotheses.
- Establishing direct contact with potential customers and key partners as soon as possible is crucial for a lean startup.
- In the second step, entrepreneurs receive feedback from potential customers, buyers, suppliers, and other partners on all elements of the business model and use these inputs to revise their assumptions, including product characteristics, prices, and key activities.
- They quickly repeat the cycle, testing redesigned products and processes, and making additional adjustments until they establish a proven business model.
- The advantage of a lean start approach is that it requires fewer resources because you only need to develop a minimum viable product before you receive feedback from customers.

Online Start-up

The difference between a traditional and an online startup is that key online startup activities take place online and do not require a fixed physical location. Recent technological developments have made launching over the Internet cheaper and more affordable for non-software engineers.



Resource: [Pixabay](#)

Some factors that you need to consider if you chose an online startup:

1. Is it easy to use?
2. Does it have help and support at any time?
3. Is design flexible?
4. Security?

5. Scalability?
6. What about marketing?

Social Venture

Social Venture include business skills and techniques in order to provide innovative solutions to enduring social problems. Social entrepreneurship allows entrepreneurs to balance their own personal, social, and economic values while satisfying consumer demand.

Conclusions

Starting a business involves a lot of steps such as planning, making key financial decisions, and completing a series of legal activities.