

COURSE LESSONS

FIRST SEMESTER

Please note: All dates are tentative and may change slightly as the school year progresses.

**Indicates coach taught lesson.

Unit 1: Ideation

1.1 – Introduction 8/19 – 8/25 (5 days)

This lesson will set the tone for the start-up like atmosphere that will be created in class. Students will get excited to be part of this new and innovative entrepreneurial classroom and teaching format.

1.2 – Business Model 8/26 – 8/28 (3 days)

The focus of this lesson is to explain the Business Model Canvas in depth. This can be taught by the Teacher or by a Coach if the coach is familiar with using the Lean Canvas and fully understands the importance of the 9 sections that make up the BMC. The INCubatoredu class uses a BMC most similar to the Lean Canvas Model used by Ash Maurya in Running Lean. The objective of this lesson is to get students familiar with all 9 components of a business model canvas so they can begin using this format to capture their assumptions for their business idea. The BMC will then be used as a tool to track progress as students begin to test, learn, and validate the different components of their plan.

1.3 – Group Ideation** 8/31 – 9/4 (5 days)

Introduce students to “ideation” as a part of the innovation process. Inspire group to begin identifying meaningful problems to solve that will become the source of their business opportunities. It is important to start the process by generating a Problem/need/or want to brainstorm around. Do NOT start with the solutions. The lesson begins with understanding the importance of consumer insight, “the why” behind strong product/service ideas. Successful products are ones solving a customer problem/need/want that has high relevance. Once teams are clear on what problems are worth solving, then they can begin generating ideas that represent potential solutions to the problem. We review that meaningful problems to solve are issues that matter to a good amount of people, will have a big impact if solved, can realistically be solved, and are something people are willing to pay for. This lesson will also begin the process of identifying customer targets.

1.4 – Canvas Refinement 9/8 – 9/11 (4 days)

The Business Model Canvas is the perfect format to capture business opportunities, prioritize where to start testing assumptions, and track ongoing learning. This lesson will build a deeper understanding of the BMC and have students applying their business ideas to the model. Students will spend this time working to complete all 9 sections of their business model canvas. They will become very familiar with the system the class employs for creating and tracking BMC’s. Schools will need to establish a tracking system for creating, labeling, and tracking team BMC’s. The benefit of keeping track of BMC’s from the beginning of class to the end helps illustrate the entrepreneurial process in motion. The core of this lesson should also reinforce the BMC as a tool/scorecard in constant iteration throughout this process.

Building a BMC is a tough practice as it requires teams to articulate a business idea in very few words. This is good practice for distilling their ideas to the core. It also makes sharing the idea much easier. The goal is to create a business model that can be shared to gain feedback so that it can develop and grow into a viable business.

1.5 – Competitive Analysis 9/14 – 9/18 (5 days)

Students should already have a start with the identified “existing alternatives” from the problem section of their BMC. This lesson will have students researching to understand direct and indirect competitors. They will learn to use a competitive analysis grid to capture key features about their business idea. They will then use the research to refine their BMC (solution and/or existing alternatives section). It will also feed the next lesson plan on Value Proposition as it will help discover what unique and meaningful value they must deliver to customers. The lesson begins with teaching the basics of researching online. It is important they fully understand existing alternatives to understand the strength of their idea. A common problem with a failed business idea is not mapping out competitive solutions to understand strengths and weaknesses until too late.

There are always competitors to research and monitor as a start-up. Establishing a culture that monitors the market and customer choices will help refine and direct the team’s business model.

1.6 – Value Proposition 9/21 – 9/25 (5 days)**

Refine the Unique Value Proposition (UVP), briefly introduce, and review concept of dollarization, and develop and present the team’s elevator pitch for their business model. The idea of creating an “elevator pitch” to summarize their business key value proposition helps set the stage in preparing to speak publically to communicate their business idea. This lesson stretches over 5 days with a combination of learning days followed by preparation and practicing pitch materials. Coach and teacher feedback is very helpful in guiding students to creating a unique and meaningful UVP. As with all the components of the canvas, this is also an assumption that students will then test, learn, and adapt from. They will begin gaining feedback now.

Unit 2: Customer Discovery

2.1 – Customer Segmentation 9/28 – 9/29 (2 days)**

Understanding and talking to your customer segments is the critical difference between just having an idea and creating a successful business. It is likely the problem identified earlier applies to multiple people across different categories. Before students can talk to their customer segments they need to understand and define them beyond using a demographic label. In this lesson, students use exercises to profile customer personas. Once students have a better understanding of their customers, they will be better prepared to get out and talk with these customers. This lesson is helped by using diagrams. Empathy maps and customer profile sheets are both usefully tools to incorporate. By the end of this lesson students should have further defined Customer Segments and each segment should be matched with a meaningful value proposition. Students will diagram out the customer segments, linked to their UVP and identify which assumptions are the most risky. Students will filter customer segments and target early adopters first.

2.2 – External Advice (Mentor Match) 9/30 – 10/2 (3 days)

Students will spend time preparing to meet with mentors and outside advisors. They will spend time with mentors getting feedback on their business ideas and talking through the completed components of the BMC. Problem, Solution, Customer Segments and Unique Value Propositions. Interaction will come easy for some students and be difficult for others. Therefore, it is important to set the stage of interaction and teach how to build meaningful relationships with adults who will be volunteering and committing to advising them throughout the process. There is direct correlation between team success and mentor involvement. The skills they learn in this module will help prepare them for all future meetings they will conduct as they seek customer feedback and gather information on building their business.

2.3 – Problem Interview 10/5 – 10/13 (7 days)

This lesson introduces the core principle that PROBLEM AND SOLUTION INTERVIEWS NEVER END. Problem and Solution interviews are the process to test your assumptions and hypothesis. There is a strong correlation between successful businesses and the number of interviews conducted. At a collegiate level more than 100 interviews with various stakeholders are required. This should also be shared with students so they understand the importance. This lesson requires students to conduct minimum of 10 and the setting a goal of 2 per week following.

In this module students learn how to conduct interviews, not just gather data, but pull insights from what they learn. They develop a questionnaire and begin the process of gaining customer feedback that will be cataloged throughout the class. Importance of customer feedback, quantity and tracking mechanism should be covered. In addition to the lesson plan provided there are numerous online resources for the teacher/and or students to watch for learning and are listed below. Teacher viewing is recommended.

2.4 – Market Sizing 10/14 – 10/16 (3 days)**

Students identify the market opportunity for their business idea by estimating market size. This will help determine if investors deem the market potential large enough to warrant an investment. It should help the student teams at this stage determine if the business model they are building is large enough to warrant further development. The concepts of estimating market size using the principles of TAM and SAM will be explained. Students will calculate using Excel models.

This lesson assumes a base understanding of Excel mechanics. Extra time may need to be incorporated. Teacher prep should include familiarization with financial model for class. Day 1 will focus on calculating TAM, Day 2 moves into SAM and market share. They will research the size of their customer segments on-line, and learn to calculate the TAM total addressable market, SAM serviceable addressable market, and market share to capture in Excel spreadsheets. While the TAM and SAM are calculated on a specific spreadsheet, the inputs from this model will feed the team’s master financial model. This is a good time to introduce and begin understanding the master financial model.

2.5 – Solution Interviews 10/19 – 10/30 (10 days)

Covers a total of 11 days; including 3 days of instructional lessons and 8 days of building, interviewing, and preparing. Students learn how to develop a demo that represents a reasonable “stand in” for the real product or service. The goal of a demo is to create something to help potential customers visualize the solution and validate if what they have created solves the problem. Students build a solution Demo and use this tool as they continue getting customer feedback through customer solution interviews. Interviews begin during this lesson and continue after this lesson. There are no end dates to customer interviews. Interviews are a critical part of the customer discovery process and cornerstone of the lean startup methodology. Through customer discovery entrepreneurs test assumptions, learn and adapt their business model.

Building a demo is the first step to better understanding what will be needed for the next MVP stage

Unit 3: Customer Connections

3.1 – Positioning 11/2 – 11/4 (3 days)**

This lesson outlines the definition and key components of a traditional positioning statement. Students need to understand the link between product, brand, and positioning statement and how that translates to what they see about that brand in the marketplace. This understanding can be developed by using examples and exercises. Then students will apply the concepts to their own business ideas. At the end of the lesson students should be able to describe how they want their customer target to THINK, FEEL, and CONNECT with their product/service.

3.2 – Channels 11/5 – 11/6 (2 days)

Now that students have defined how they want their customer targets to think, feel, and connect with their product, they need to understand where to reach them. Multiple paths exist to reach your customer target and these are called channels. Channel choice impacts cost, timing, and complexity. Students need to understand the definition of distribution channels and understand direct vs indirect. Students will identify which channels are realistic to choose, and then prioritize. At this stage in development, students are still making assumptions and therefore these choices for channel strategy should also be tested through customer interviews. Start-ups seldom get the channel strategy right the first time. It is helpful to observe the buying patterns and habits for similar products and product categories to understand how customers are spending their money and which channel is preferred.

3.3 – Customer Relationships 11/9 – 11/10 (2 days)

Customer Relationships describe the types of relationships a company establishes with specific customer segments. Student teams need to identify which type of relationship they want to create and what purpose it will serve. Relationship structure is driven by the need to generate awareness to acquire new customers, retain customers, or grow sales. This part of the Lean Startup practice up is often referred to as the company's get, keep, and grow strategy. Creating customer relationships is another way to express how your company will market to gain awareness, acquire, and sell to your customer targets. It has implications to the cost and revenue stream of the developing business model. Students will be choosing physical channels or web/mobile channels to gain awareness and acquire new customers. Given the fast and low cost structure to acquire customers via Web/Mobile channels, the next lesson will focus on understanding the basics of internet marketing tactics and costs.

3.4 – Digital Communication 11/12 – 11/17 (4 days)**

Given the importance of the Web/Mobile as a channel to reach customers, some basics of digital communication will be covered in this lesson. Web/mobile applications are constantly changing and adapting. Having a subject matter expert teach this area should help guide which current and relevant tools should be presented to students. This lesson plan will help students understand what options they should consider as marketing tactics to get customers aware, interested, and purchasing their product or service.

Unit 4: Dollars and Cents

4.1 – Pricing 11/18 – 11/20 (3 days)**

Students will learn about different pricing strategies and determine the optimal price to begin testing with customer segments.

4.2 – Cost Estimating..... 11/30 – 12/4 (5 days)

Provide students the direction needed to estimate the costs of starting their business and cost associated with operating the business.

4.3 – Intro to Income Statements 12/7 – 12/8 (2 days)

This lesson covers the basic purpose of financial statements with a focus on the purpose and construct of income statements. Key vocabulary and correct classification for types of revenue, expenses, and profits are explained and then applied to the student team business.

4.4 – Mechanics of Excel..... 12/9 – 12/11 (3 days)

Students will build confidence using Excel models as a means to capture a variety of financial inputs to outline financial feasibility of a business idea. This lesson should be tailored to class experience. This lesson can be taught through the use of class financial model.

4.5 – Financial Modeling 12/14 – 12/18 (5 days)**

Introduce students to the use of financial modeling in a startup application. Students learn components of a financial model in “bite sized” sections and create assumptions daily to apply in the model. Students will complete a model to evaluate the financial feasibility of their business. The model is a living document requiring changes as product, pricing, market and competition is understood. The financial model is refined by testing “what if” scenarios that optimize profit and value creation. Key vocabulary to cover; financial modeling, sensitivity analysis, revenue streams (product, service, and annuity models), cost of goods sold, selling, general and administrative expenses, profit and loss, cash flow, and market share.