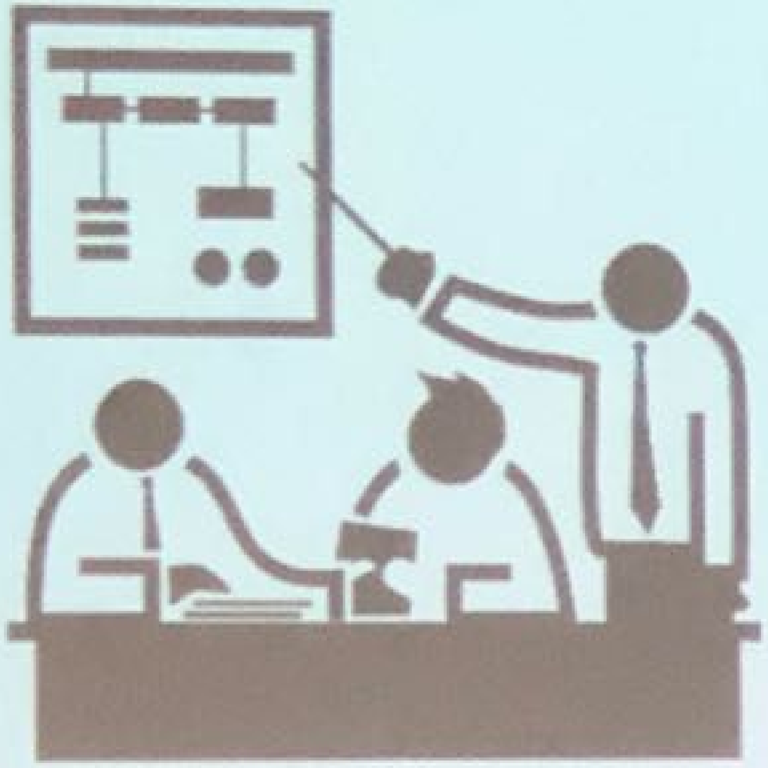
Assessment #2

- Due Week 8 (12.00pm, 7 September)
- Electronic lodgement only
- Reference to scholarly articles is required
- What time-frame to contextualise your idea and it's analysis?
  - Now! (i.e. 2018)
- Include a Business Model Canvass that identifies your thinking
  - Place this as an Appendix to the document

Customer Focus for your Idea

- Who is your customer?
- How will you reach key customer market segments?
- What might determine customer choices to buy or not buy your product/service idea?
- Why would your product/service be a compelling choice for the customer?
- How would you price your product/service for the customer?
- Other considerations
  - How much does it cost to make and deliver your product/service?
  - How much does it cost to attract a customer?
  - How much does it cost to support and retain a customer?

Internal Analysis



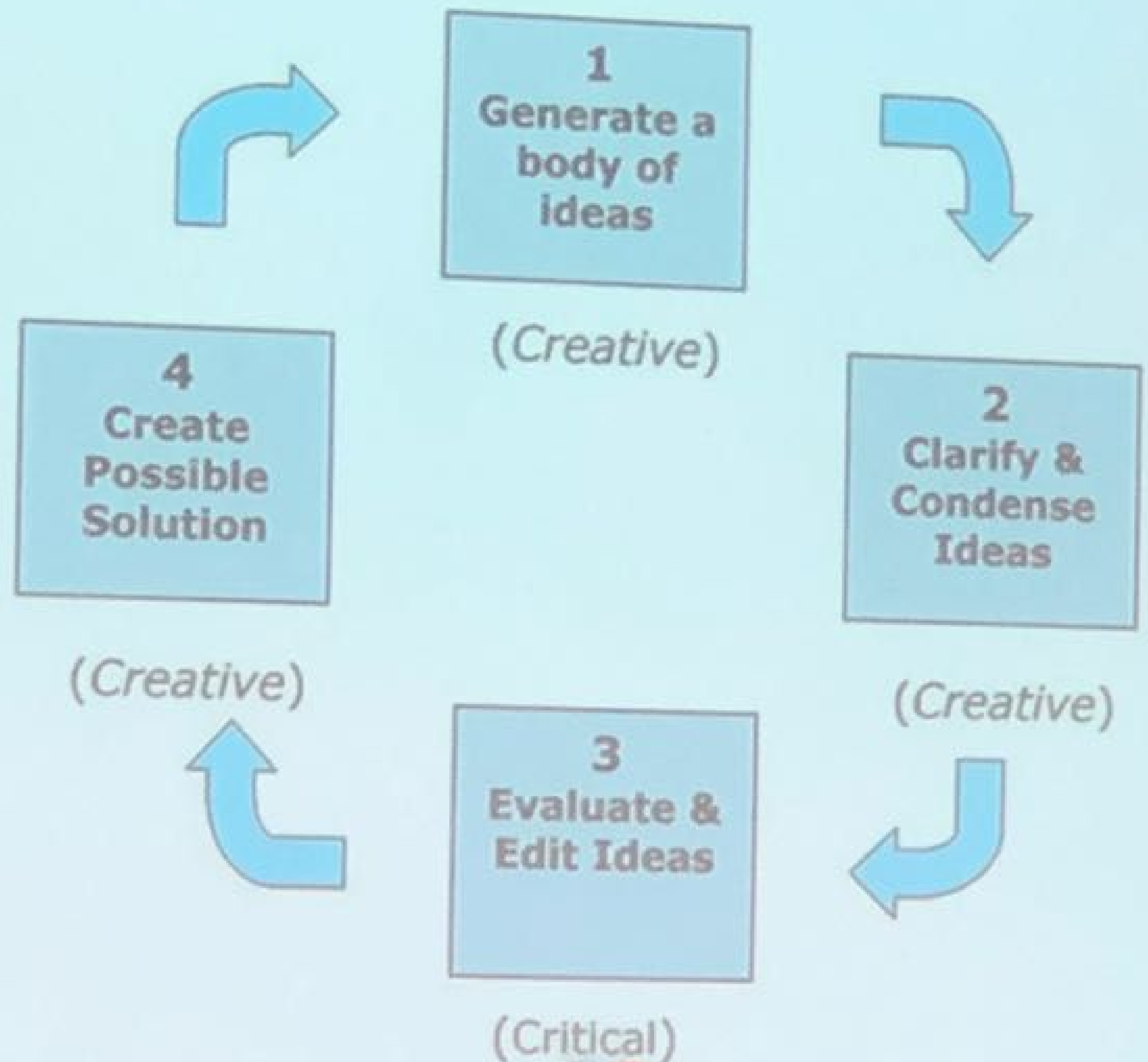
→ Unique resources, capabilities, and competencies (*required for sustainable competitive advantage*)

By studying the internal environment, organisations identify what they *can do*

Generating Ideas

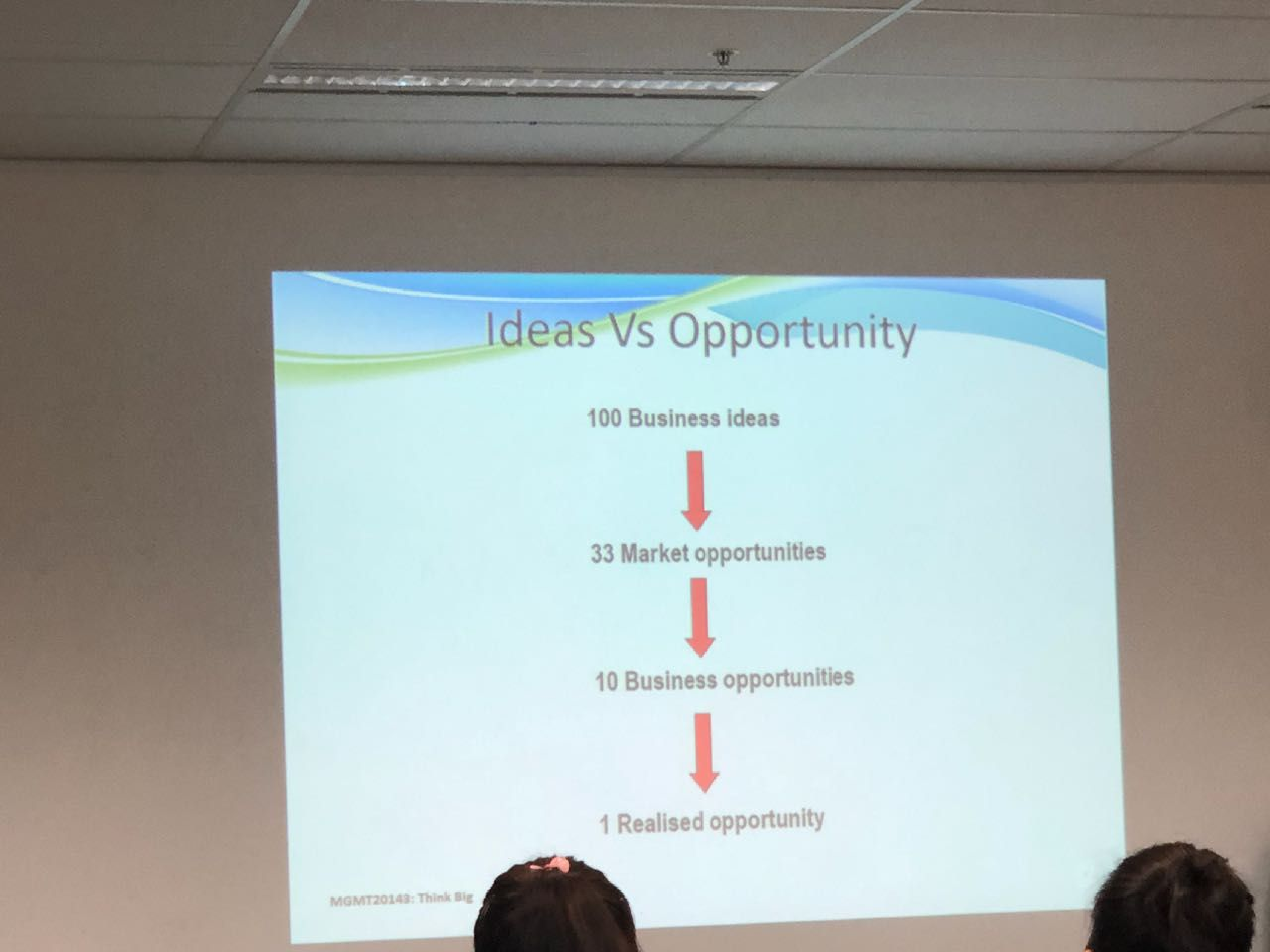
- Two pre-requisites to viable ideas are :
  - Domain knowledge; and
  - Process knowledge
- Design ideation uses current process knowledge on current domain knowledge to generate new knowledge
- Idea generation cycle commences with
  - Find
    - (from available domain knowledge)
  - Modify
    - (where new knowledge is generated using process knowledge

The Role of Creative & Critical Thinking



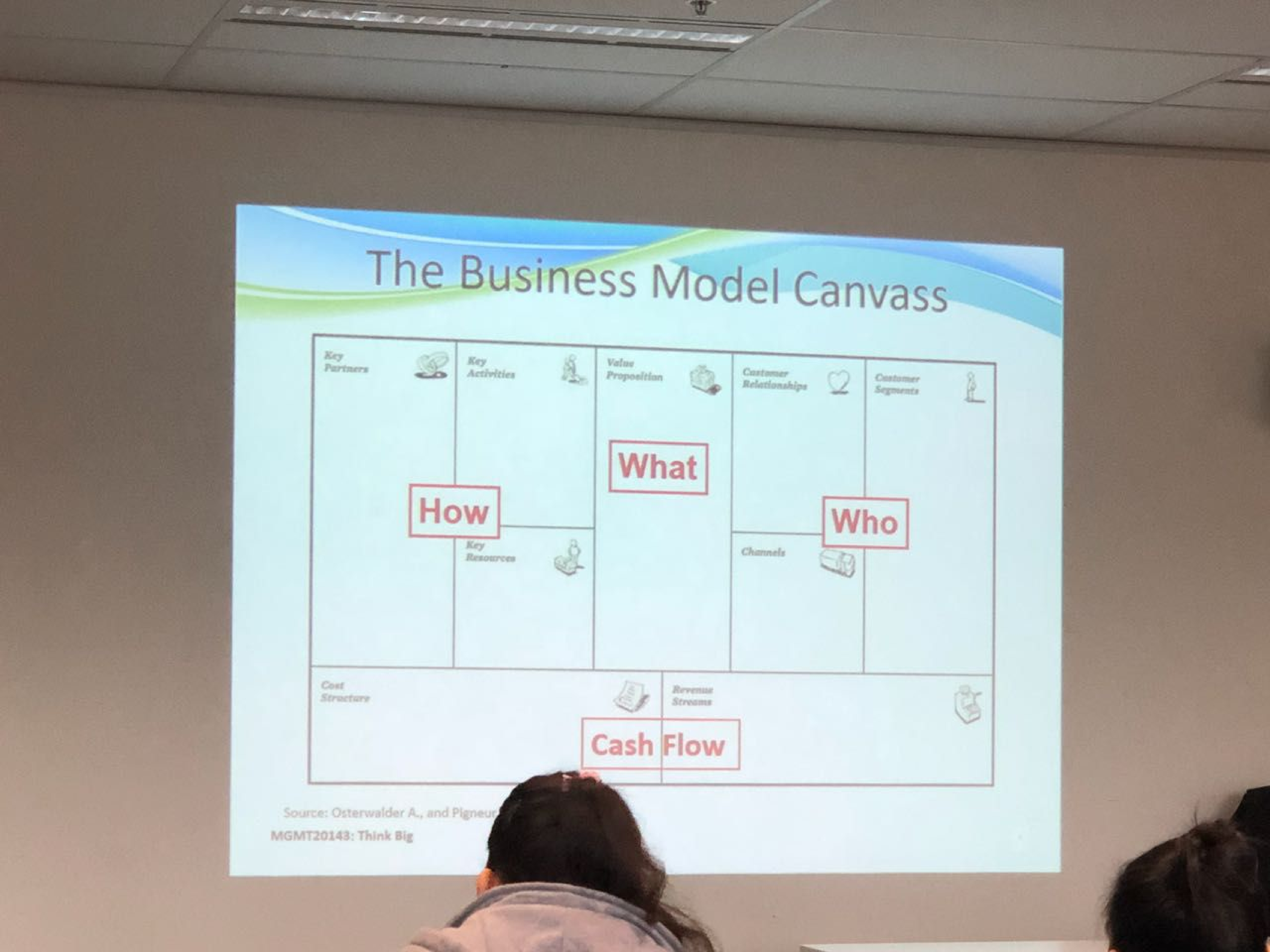
What's an Attractive Opportunity?

- Context
  - A favourable industry and regulatory situation
- Important
  - The customer considers the problem (or need) important
- Profitable
  - The customer will pay for the solution and allow the enterprise to make profit
- Solvable
  - A problem than can be solved in the near future with accessible resources
- Timely
  - A contemporary need or prob[illegible]


Ideas Vs Opportunity
100 Business ideas
33 Market opportunities
10 Business opportunities
1 Realised opportunity
MGMT20143: Think Big

The Business Model Canvass

- Use the Business Model Canvass to help with your Idea…
- Also, can your idea be of benefit to an existing organisation?


The Business Model Canvass
Key Partners
Key Activities
Value Proposition
Customer Relationships
Customer Segments
What
How
Who
Key Resources
Channels
Cost Structure
Revenue Streams
Cash Flow
Source: Osterwalder A., and Pigneur
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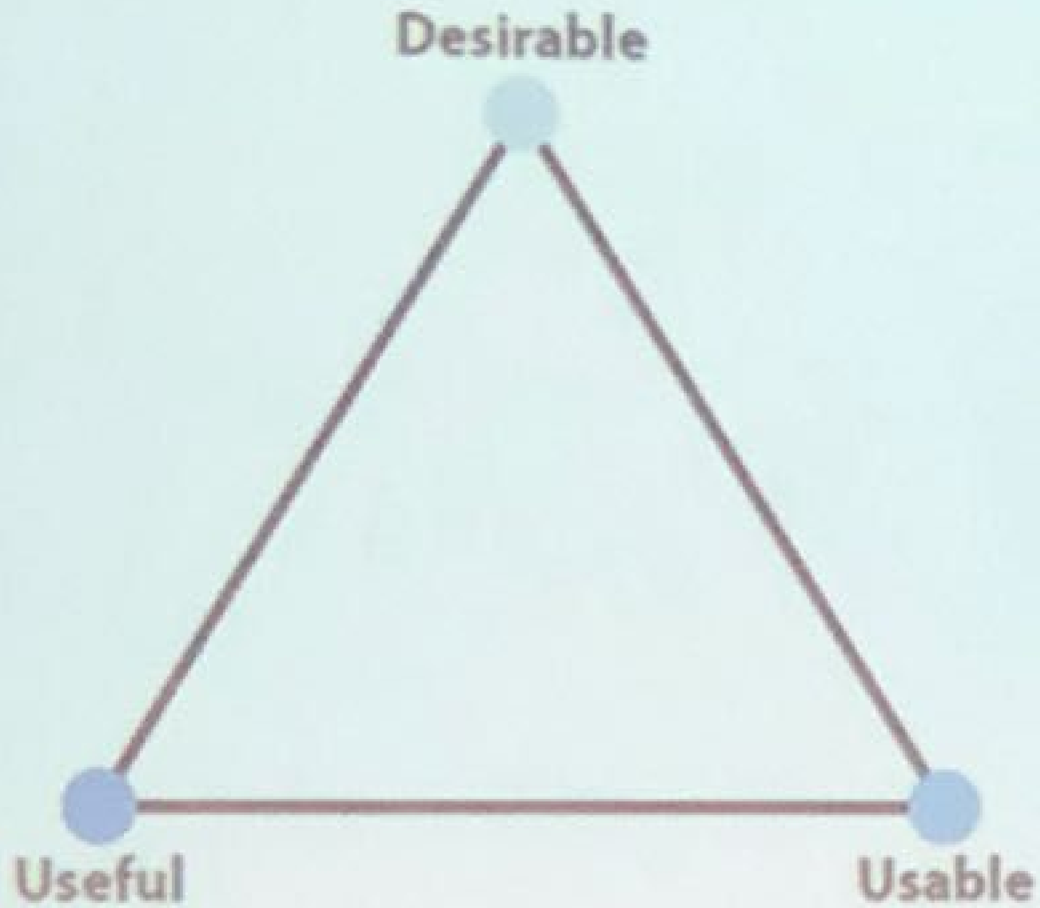
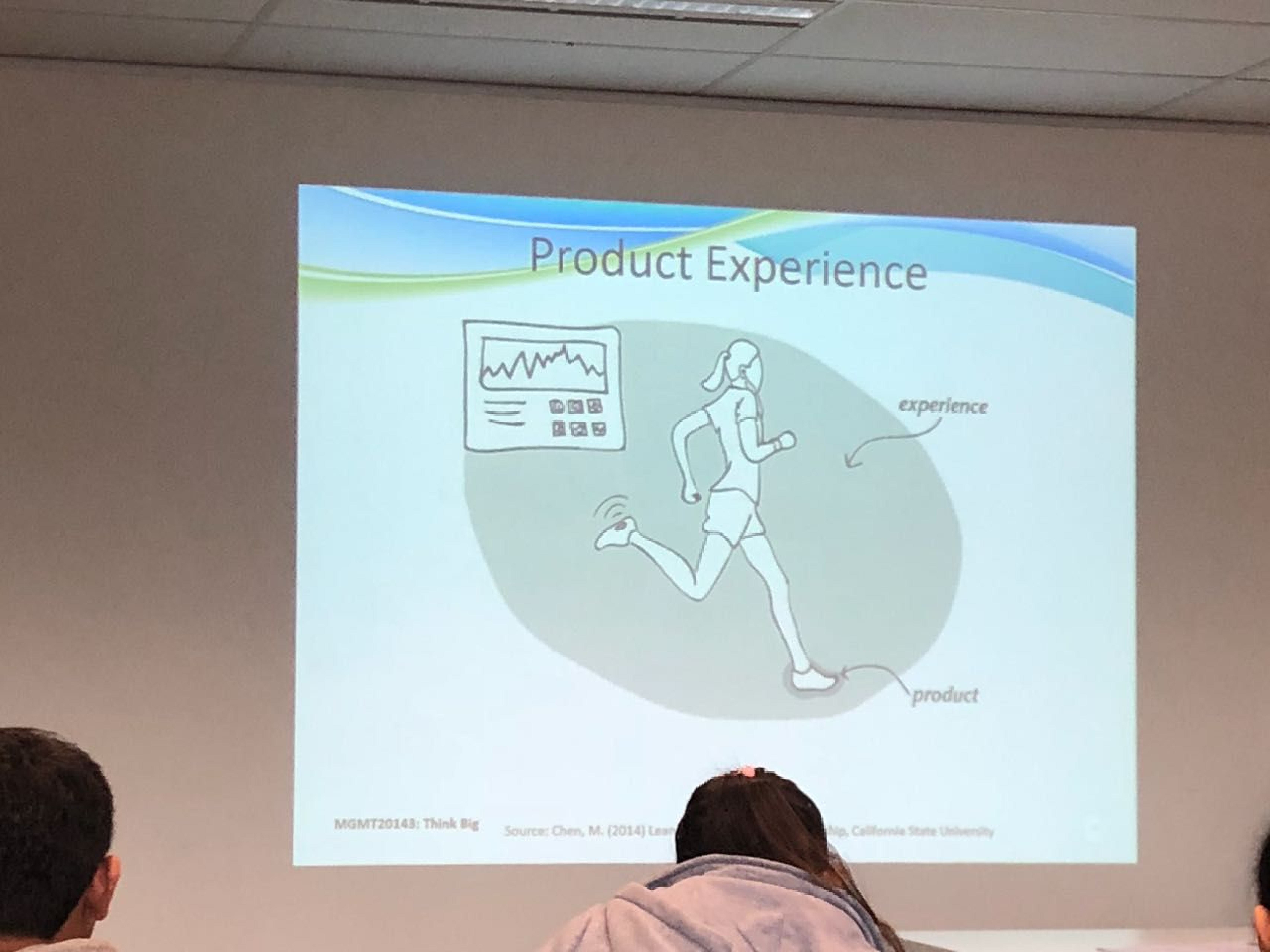
The User Experience



Desirable: Appeal to emotions
Usable: Provide easy access to value
Useful: Offer value

- Experience, Expectancy, Envy
- Excitement, Enjoyment, Enforcement
- Entertainment, Esthetic, Escape, Education

Source: Chen, M. (2014) Lean Startup and Entrepreneurship, California State University


Product Experience
experience
product
MGMT20143: Think Big
Source: Chen, M. (2014) Lean
hip, California State University

Lastly.....

- Is your Idea domestic or international?

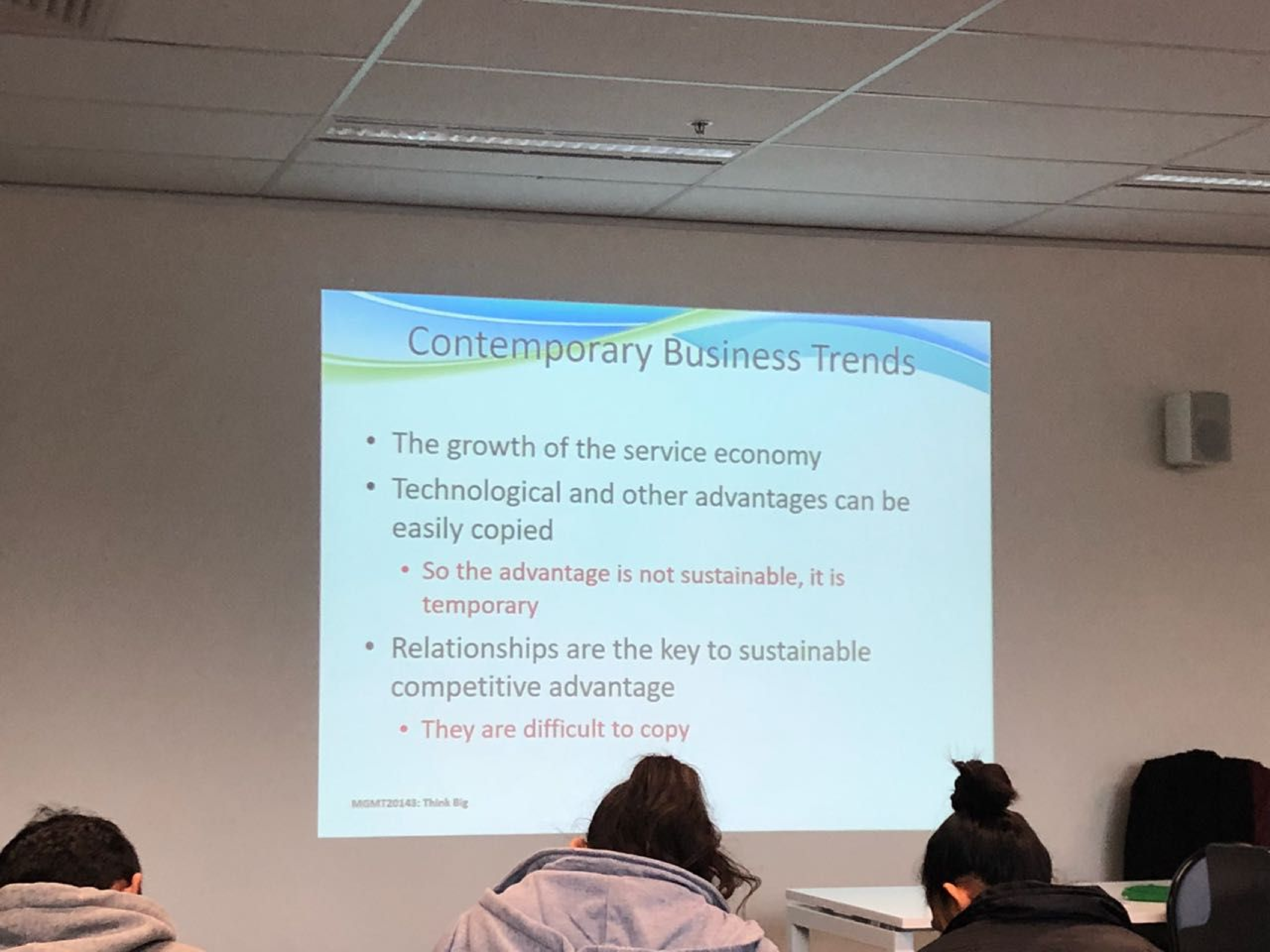
- If International (some considerations)
  - Do you need a domestic partner?
    - Mode of Distribution?
  - What about the role of Government?

The Literature

- It is expected that Masters Level students will engage with the contemporary literature *and* demonstrate evidence of this engagement.
  - For every 100 words, it is expected a minimum of one (1) different references apart from the subject textbook will be taken from peer reviewed journals.
  - A submission with fewer than this number of references, while it may not fail against the rubric (marking criteria) it will also not excel against the marking criteria.

Assessment #2

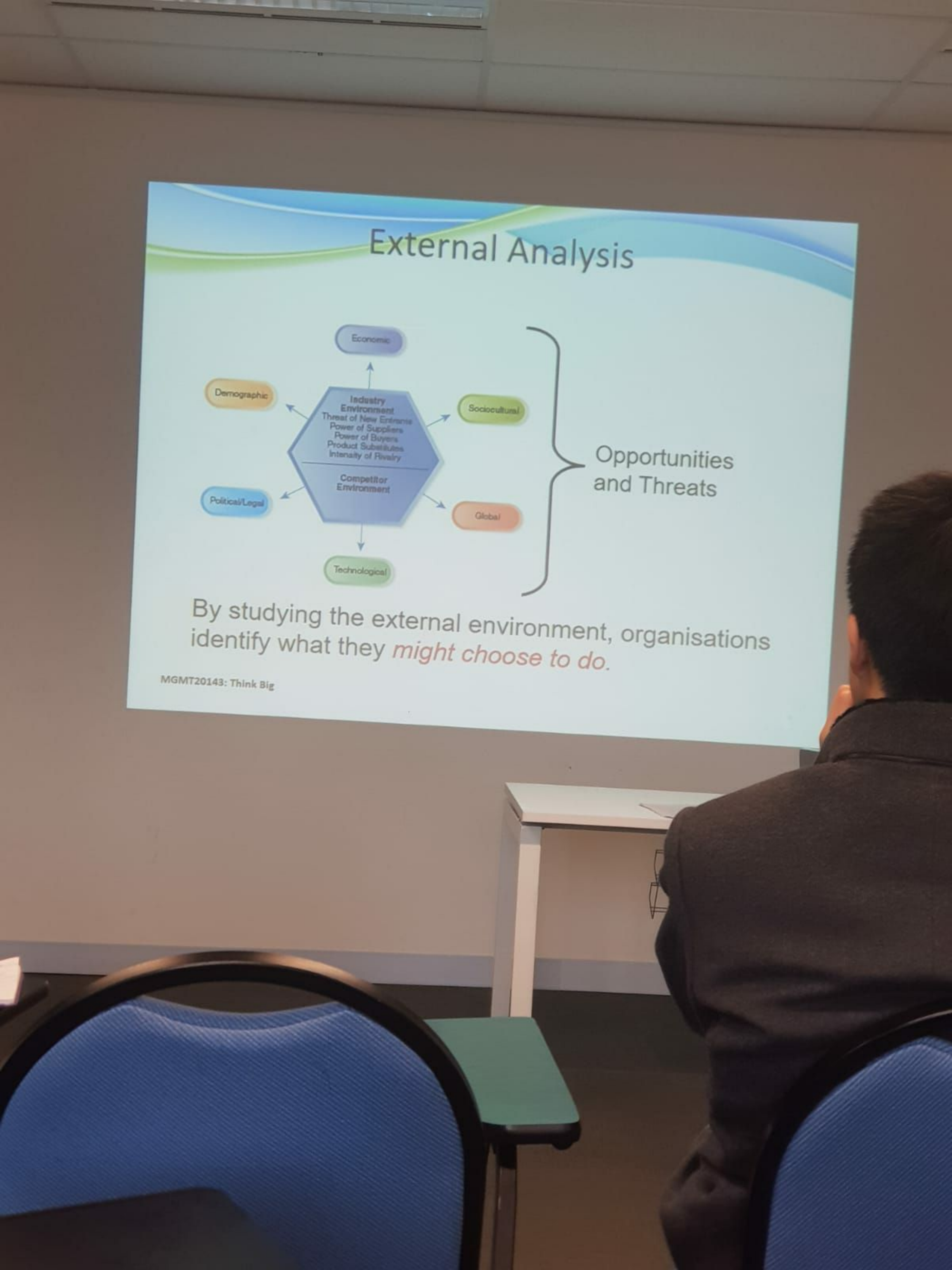
- Case Study: A 5 Page Written Report – 30%
  - Coversheet and Attachments, Appendices, References etc., do not form part of the 5 pages of content for this Report.
- A Business Idea
  - Explain the customer/market problem that needs solving and the innovation required
  - Give persuasive argument of the benefits to be generated by the idea
  - Discuss the proposed business model
  - Identify critical success factors to be managed during the implementation of the idea
  - Evaluation of the feasibility of the idea
  - Quality of the submission (including references)


Contemporary Business Trends
• The growth of the service economy
• Technological and other advantages can be easily copied
• So the advantage is not sustainable, it is temporary
• Relationships are the key to sustainable competitive advantage
• They are difficult to copy

Defining the Business Market for your Idea

A Theoretical Framework that may be useful...

Source: Derek. F. Abell (1980), *Defi[illegible]ness: The Starting Point of Strategic Planning*


External Analysis
Economic
Demographic
Industry Environment
Threat of New Entrants
Power of Suppliers
Power of Buyers
Product Substitutes
Intensity of Rivalry
Competitor Environment
Sociocultural
Political/Legal
Global
Technological
Opportunities and Threats
By studying the external environment, organisations identify what they *might choose to do.*
MGMT20143: Think Big

Finally…

- Businesses Fail
- New Businesses Fail
- Businesses Fail, even though they are profitable
- Do the (necessary) research, and analysis…