SOCI-FACTION

the logbook

INTRO

We hope that the SOCIFACTION social business accelerator
will be a game-changer for you.

During the following months we will challenge your
stereotypes, unleash your creativity, teach you the tools
needed to become a great entrepreneur and we will provide you
with a network of mentors, experts and who will help you to
succeed in your business.

There is one general rule for this program :

Engage.

The only way what it takes to be an entrepreneur is by doing;
have no stereotypes, limitations and, most importantly, have
fun!

We hope that you will remember this program for long and you
will find it useful irrespective of your life path.

You will face constant challenges for your attitude and
creativity; be ready not to be ready, turn your inner Nike
shoe on and "Just Do It ! "

And finally congratulations: you are the experiment rabbit
standing on the edge   of cliff, so close
your eyes and take   the first step
forward! The plane we   will build on the
way !!!

you made
ill here
you are
p... ...e
movement
you ro...

THE TEAM

_____

"ideas are great but execution is the
key"

And for execution you need the right team thats what this
page is all about your team, your skills and field of
expertise , its about why you rock. Its about why we love you.
Describe the key players on your management team, board of
directors and board of advisors, as well as your major
investors. you don't have any investors yet ? no worries if
you work hard you will . but for this you need the right team.
So if t there are still competencies missing no worries, all
startups have holes in their team—what's important is whether
you understand that there are holes and you are willing to fix
them. Everyone has there own special skills which will be a
added value for your assignments .While some are good in
analyzing data some may be great at creating visuals for
presentations. Every skill can be an advantage if used
properly.

If something doesn't work, make changes –
switch roles in the team, the location of
your meetings,anything .You're smart. You
will figure it out. And if you don't, you
can always come to us for advice.
If someone in your team is not performing
well, doesn't do his workload ore is
letting the team down in any other way,
then talk with him. By accepting bad
performance from a team member you are
letting your team down yourself.You will
go through a lot of things together, so
do it with joy!

Task #1
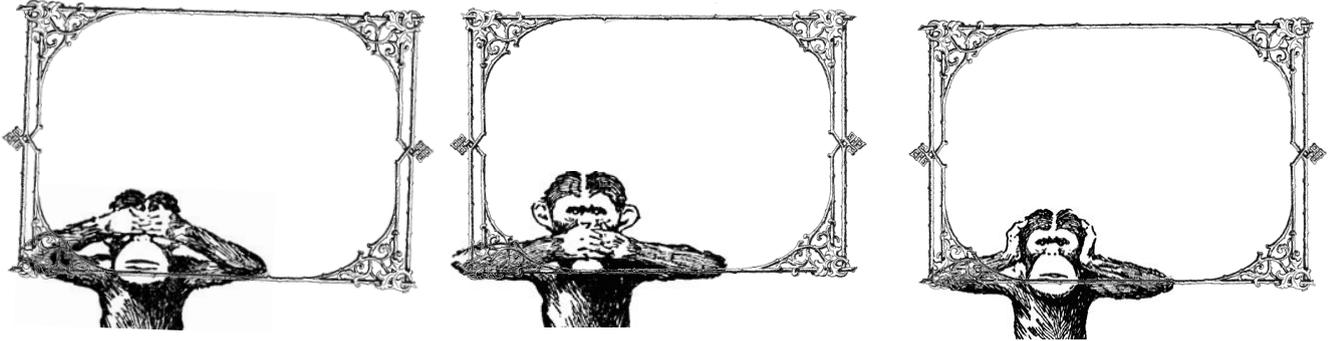
replace the monkeys with your team pics and profile

Create a Team Slide

Task #2

Values of the Group

YOUR BRAND

well to be honest ,I think this is a page you can skip for now
since you just started your company. but you can come back
later and fill this blank page .

But anyhow here a few things you should be aware of when
developing it.

1. Do you remember your first kiss? I'm guessing yes. Do you
   remember your fourth kiss? Hmmm.... not easy isn't it. About
   40 years ago, marketing strategists Al Ries and Jack Trout
   offered the world a way to think about making a brand
   memorable. And they nailed it. The best way to be remembered
   is to be first into your prospect's mind representing a
   clear perception. Think about all the brands that have
   become synonymous with their function: Scotch tape,
   Kleenex, Xerox. It's no accident they were also the first.

2.here a little experiment, which one of those shapes is
called "bouba" and which one is called "kiki" ?
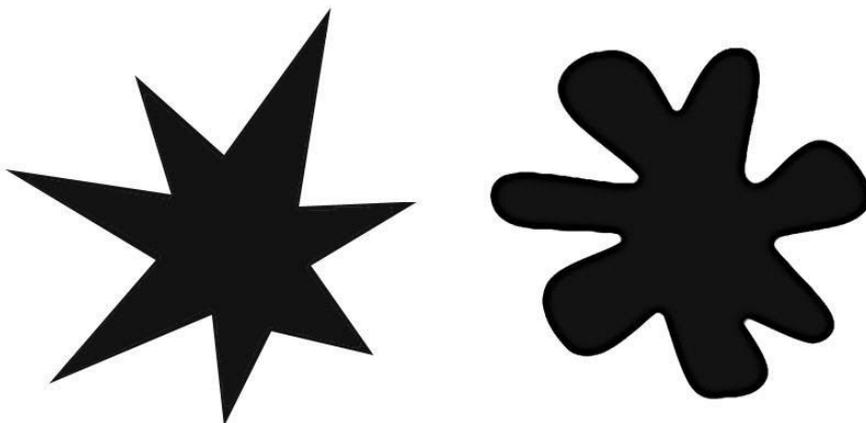
When scientists Vilayanur S. Ramachandran and Edward Hubbard
did presented the same shapes to American college students and

Tamil speakers in India and asked which was "bouba" and which was "kiki"? Over 95% of each group said kiki was the angular shape and bouba was the rounded shape.

Words often make our mouths feel a certain way, <u>which in turn cues our brains into visualizing shapes</u>. A name and a logo, therefore, have to work together, and jointly express what a company stands for in a single impression.
In this age and time, if you want your business to flourish, it's probably a must to bring it to the Internet. Therefore, you have to ensure if the brand name you'll be coming up with is "web-friendly". The brand name should be "web-friendly" in the sense that the name can be put on the web with Internet users having few issues finding and accessing it to gain information about the business.

Just as your business should have a unique selling preposition to distinguish yourself from your competitors, your brand name should also manifest that which is distinct from the others. It can also be used to reflect the strength of your business or give a hint on what kind of services/products it actually provides.
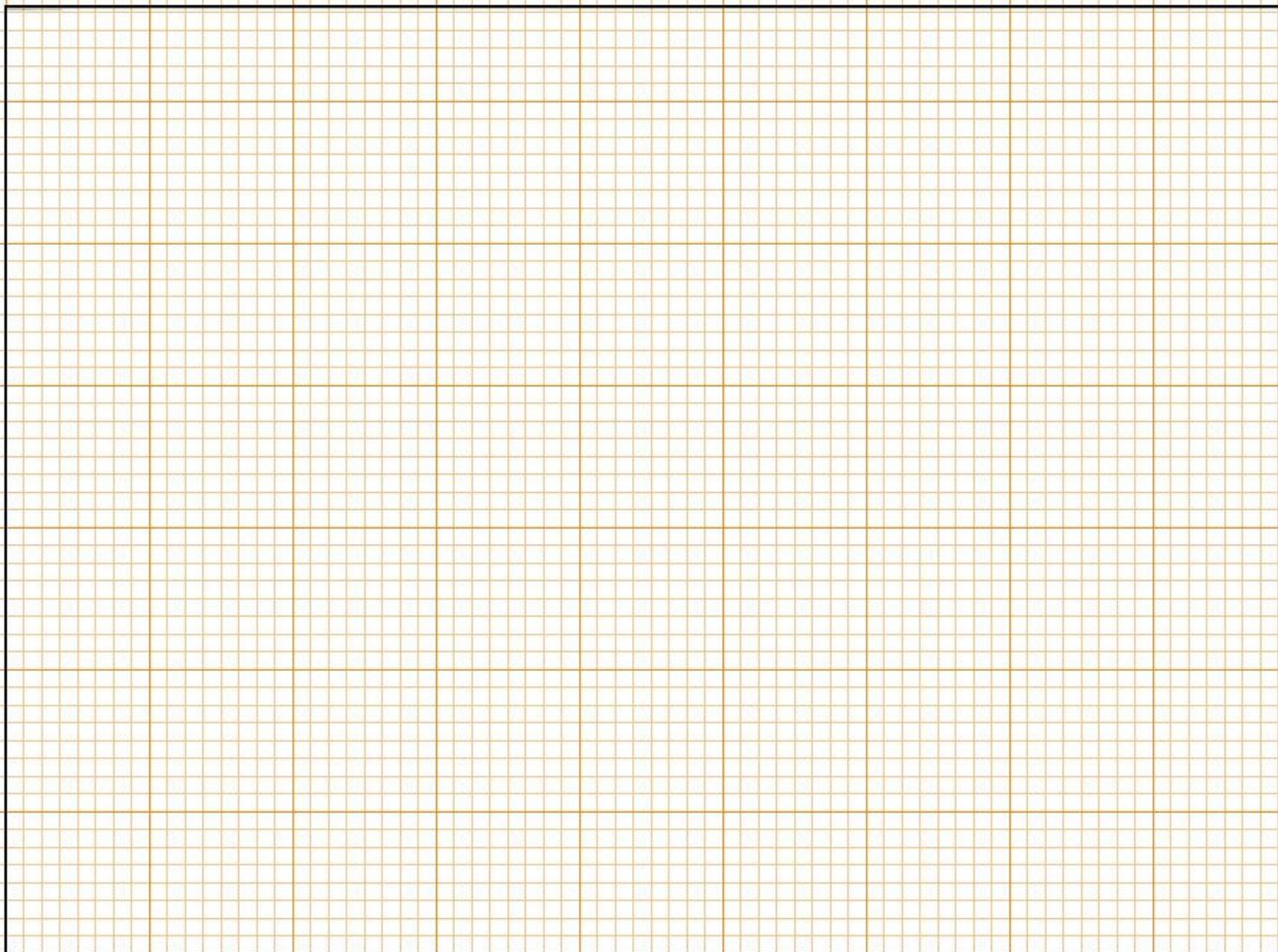
You want more advices ? then wait for the second SOCIFACTION workshop in march where we will address the topics of branding, marketing strategies, sales, investments strategies and pitching .

Task #3

create a brand

THE TENSION

We live in extraordinary times.

Financial crises and economic crises are looming large in many parts of the world. Social problems are prevailing in developing countries, as well as developed countries with the only major distinction being that the type of social problem differs across countries.

But we also live in extraordinary and exciting times.

Your generation is the most powerful of any young generation in history. You have the capabilities and the technology to overcome any of the social problems that exist and have not yet been solved. People all around the globe are better connected than ever before. The power of technology enables access to information of any type, and also enables communication in even far away, remote places.

Your Own Social Business

First steps in setting up a social business are to understand the causes for social injustice in your environment and develop a change model, we call them tensions: Ask questions and listen to people in your area to identify concrete social problems. Be aware and open to talk to people with biographical, cultural, social backgrounds different from your own. Now become concrete about what you want to achieve.

Brainstorm with others about possible entrepreneurial solutions for the social problems you identified. What you need is a very good idea, just think of all the mediocre or bad ideas that waste money and lead to disappointment for you and all your partners. Therefore, you and persons familiar with the field in which you want to get started should really believe in your idea and you should have an answer to every "but..." comment. Otherwise it might be that you did not yet develop them very well. As soon as you have your brilliant idea and a convincing concept, be prepared for the challenges and constraints you will face in the next months and years. Ups and downs are a normal part of a start up period. Innovation often means breaking down barriers that resist change.

Social Business

With the idea of social business, Prof. Muhammad Yunus has introduced a new dimension for capitalism: a business model that does not strive to maximize profits but rather to serve humanity's most pressing needs.

Thus, the first motive of a social business is not profit, and second, it does not pay its investors dividends. Instead, it aims at solving social problems with products and services at affordable prices, or giving the poor and marginalized people ownership in a business allowing them to share in its profits.

A social business pays back only its original investment and reinvests its profits in innovations or further growth that advance its social goals. Although the social business is pioneering in its aims, it is traditional in its management. Its workforce is professional and paid according to market wages.

This type of business may or may not earn profit, but like any other business it must not incur losses in order to be able to sustain itself.
In every sense the social business is sustainable: in its direct environmental impact, its impact down the value chain, and critically, in its financial independence.

This is a key difference between social business and charity. Once its initial investment is repaid, the social business aims to be financially self-sustaining, giving it the independence and security to focus its efforts on the long-term improvement of the lives of the disadvantaged.

Thus a social business is a new type of company and "social business entrepreneurs" are a new type of entrepreneurs who are not interested in profit- maximization. They are totally committed to making
a difference in the world. They want to give a better chance in life to other people and they want to achieve this objective through creating and supporting sustainable social businesses.

The 7 principles

1. Business objective will be to overcome poverty, or one or more problems (such as education, health, technology access and environment) which threaten people and society; not profit maximization.

2. Financial and economic sustainability.

3. Investors get back their investment amount only. No dividend is given beyond investment money.

4. When investment amount is paid back, company profit stays with the company for expansion and improvement.

5. Environmentally conscious.

6. Workforce gets market wage with better working conditions.

7. ...do it with joy.

Task #4

1.decide on the tension you are going
to fight against.

IDEATE

generate solutions for the tension
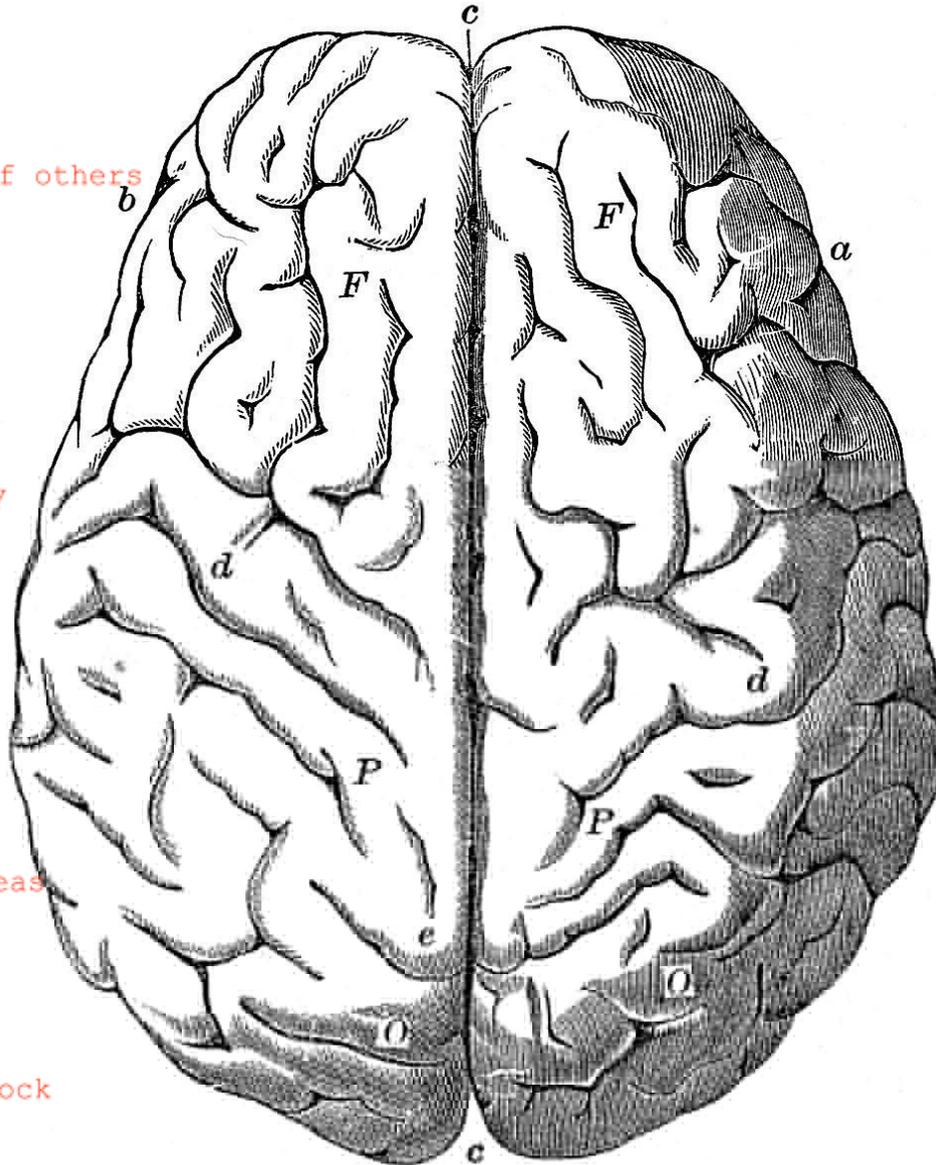
one conversation at a time

build on ideas of others

go for quantity

encourage wild ideas

dont juge or block

visual

ay on topic

quality

Brainstorming is a great way to come up with a lot of ideas
that you would not be able to generate by just sitting down
with a pen and paper. The intention of brainstorming is to
leverage the collective thinking of the group, by engaging with
each other, listening, and building on other ideas. Conducting
a brainstorm also creates a distinct segment of time when you
intentionally turn up the generative part of your brain and
turn down the evaluative part. Brainstorming can be used
throughout a design process; of course to come up with design
solutions

Task #5

1. Brief description of the social venture.

2. Solution.

3. Idea Mockup

Brief description of the social venture.

Brief description of the social venture.

Solution #1

Idea Mockup

THE CUSTOMER

"Entrepreneurship is about matching people's needs with what is technologically feasible and viable as a business strategy."

You want to understand a person's thoughts, emotions, and motivations, so that you can determine how to innovate for him or her. By understanding the choices that person makes and the behaviors that person engages in, you can identify their needs, and design to meet those needs. Needs are things they are trying to do and insights ways they want to feel.

USER PROFILE :

Besides understanding the needs of your potential future customer you should be able to picture them, create a profile of them . Understanding his live concept will help you later to find more similar customers. Build a Persona that very clearly and viscerally visualizes the target customer decision maker/end user to all involved.The persona should be a person that is representative of the larger cohort such that if you meet their needs,the others will also buy.The persona description should not just be a factual description of the buyer but also social and emotional factors such as what moves them, their priorities, what they fear, what industry groups they belong to and other systemic factors that will influence the purchase and adoption of your product.

HOW to interview

Ask why. Even when you think you know the answer, ask people why they do or say things. The answers will sometimes surprise you. A conversation started from one question should go on as long as it needs to. Never say "usually" when asking a question. Instead, ask about a specific instance or occurrence, such as "tell me about the last time you _____"

Encourage stories. Whether or not the stories people tell are true, they reveal how they think about the world. Ask questions that get people telling stories.

Look for inconsistencies. Sometimes what people say and what they do are different. These inconsistencies often hide interesting insights.

Pay attention to nonverbal cues. Be aware of body language and emotions.

Ask questions neutrally. "What do you think about buying gifts for your spouse?" is a better question than "Don't you think shopping is great?" because the first question doesn't imply that there is a right answer.

Don't ask binary questions. Binary questions can be answered in a word; you want to host a conversation built upon stories.

Make sure you're prepared to capture. Always interview in pairs. If this is not possible, you should use a voice recorder—it is impossible to properly engage a user and take detailed notes at the same time.

PERSONA PROFILE EXAMPLE

QUESTION GUIDE

What does she think and feel (preoccupations)
What is important to her ?
What are here dreams?
What are her unspoken desires ?
What moves her ?
What keeps her up at night

What does she see ? (environment)
What does it look like ?
Who surrounds her ?
Who are her friends ?
What type of offers are exposed to her ?
What problems does she encounter ?

What does she say & do ? (behavior)
What is her attitude ?
What image does she portray?
What conflicts between whats being said and what she really
feels and thinks ?

What does she hear ? (influences)
What do her friends say ?
Significant others ? Spouse ?
Who really influences her ?How ?
Which media channels are influential ? Books, mags , tv ?

Pain (fear, frustrations, obstacles)
What is the clients pain ?
What are the biggest frustrations ?
What obstacles hold her back ?
Which risks might she fear taking ?
What boundaries need to be set ?

Gain (wants, needs, measures of success)
What does the clients gain ?
How does she measure success ?
What strategies & shortcuts might help her to her goals ?

Task #6

1.Interview 3 future customers to understand their needs & to validate the problem/solution. summarize the interview.

2.Create a profile of each customer.

3. Create a conclusion for each customer.

PERSONA PROFILE 1.

Interview summary 1.

Conclusion 1.

PERSONA PROFILE 2.

Interview summary 2.

Conclusion 2.

PERSONA PROFILE 3.

Task #7

1.Target customer profile

2.User journey mapping /
ethnographic research /
understanding user needs

3.Total Addressable Market
calculation (TAM)

Interview summary 3.

Conclusion 3.

Target customer profile

User journey mapping / ethnographic
research / understanding user needs

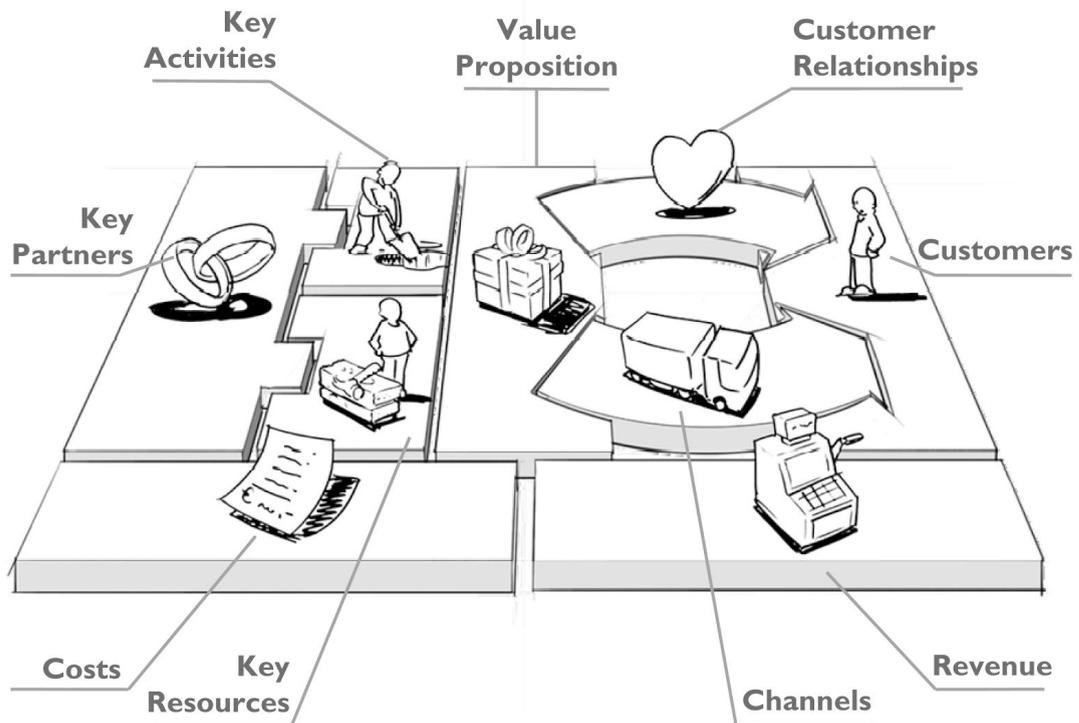# Total Addressable Market calculation (TAM)

THE BMC

BUSINESS MODEL CANVAS

The Business Model Canvas is a <u>strategic management</u> and <u>lean startup</u> template for developing new or documenting existing <u>business models</u>. It is a visual chart with elements describing a firm's <u>value proposition</u>, infrastructure, customers, and finances. It assists firms in aligning their activities by illustrating potential trade-offs.

The Business Model Canvas was launched in 2008, new canvases for specific niches have appeared, such as the <u>Lean Canvas</u> and the Social Business Model canvas which will be the main tool we will be using at SOCIFACTION.

But before I introduce you to it let me give you more insights on the BMC by Osterwalder. The BMC outlines several prescriptions which form the building blocks for the activities. It enables both new and existing businesses to focus on operational as well as strategic management and marketing plan.

The diagram shows a business model canvas with labels: Key Activities, Value Proposition, Customer Relationships, Key Partners, Customers, Costs, Key Resources, Channels, Revenue.

THE 9 Building Blocks

[1]   Key part

1   Key partners
        Who are your key partners/suppliers?
        What are the motivations for the partnerships?

2   Key activities
        What key activities does your value proposition require?
        What activities are important the most in distribution
          channels, customer relationships, revenue stream…?

3   Value Proposition
        What core value do you deliver to the customer?
        Which customer needs are you satisfying?

4   Customer Relationship
        What relationship that the target customer expects you to
          establish?
        How can you integrate that into your business in terms of
          cost and format?

5   Customer Segment
        Which classes are you creating values for?
        Who is your most important customer?

6   Key Resource
        What key resources does your value proposition require?

What resources are important the most in distribution
channels, customer relationships, revenue stream…?

7   Distribution Channel
     Through which channels that your customers want to be
     reached?
     Which channels work best? How much do they cost? How can
     they be integrated into your and your customers'
     routines?

8   Cost Structure
     What are the most cost in your business?
     Which key resources/ activities are most expensive?

9   Revenue Stream
     For what value are your customers willing to pay?
     What and how do they recently pay? How would they prefer
     to pay?
     How much does every revenue stream contribute to the
     overall revenues?

The business model canvas reinvented for social business

The Social Business Model Canvas is a
tool for creating a solid business model
around your social enterprise. It's also
a collaborative tool that helps you
communicate different business models
with your stakeholders and brainstorm new
ones.

download the SBMC under:

http:/www.socialbusinessmodelcanvas.c
om

Task #8

1.Create the Social Business Model
for your enterprise.

2.Revenue model (what do you charge
for?)

3.Sales and distribution channels
(how do you find your customers?)

4.How do you deliver your product or
service?

5.Life cycle scenario (how customers find you, how they choose, acquire, use etc.)

6.Value creation and 3 Models concept: trade-off, profit generator, lock-step

Create the Social Business Model for
your enterprise.

Revenue model (what do you charge
for?)

Sales and distribution channels (how do you find your customers?)

How do you deliver your product or service?

Life cycle scenario (how customers find you, how they choose, acquire, use etc.)

Value creation and 3 Models concept: trade-off, profit generator, lock-step

THE MVP

You don't want to waste your time and money building a product no one will want to use or pay for. So, first get out of the building and talk to your customers.

But there's a world of difference between talk and action. What your customers say, and what they eventually do. Talking, and putting the product in their hands. And yes: asking money for it.
You want them to put their money where their mouth was.
Sure, but what if you do not have a product yet? This is where the minimum viable product comes to play.

A minimum viable product is "that product which has just those features and no more that allows you to ship a product that early adopters see and, at least some of whom resonate with, pay you money for, and start to give you feedback on".
But why minimal? Because your time and money are severely limited. You want the biggest "bang for your buck": maximum learning with minimal effort.

Here are 7 inspirational MVP examples to get you started.

#1 Explainer Video

Explainer video is a short video that explains what your
product does and why people should buy it. Often a simple,
90 seconds animation. Using an explainer video as a
minimum viable product has served Dropbox very well.
Dropbox is a fast growing company with funding in excess
of $250 million, ~80 employees, 50 million users, and $240
million in revenue. Drew Houston, the founder and CEO, has
turned down an offer from Steve Jobs to buy their company.
But how did they begin?

They started with an explainer video – a 3m screencast
published on Hacker news. The screencast was enough to
give the early adopters a hint of the product experience.
And enough to get many smart people to give them "the same
feedback as if putting a product in their hand", says Drew
on sllconf 2010.

New version of the video had the waiting list (of emails)
jump from 5000 to whopping 75000 in one single day.The
explainer video served them that well that it is almost
the only thing still featured on their landing page.

#2 A Landing Page

A landing page is a web page where visitors "land" after clicking a link from an ad, e-mail or another type of a campaign.

The job of a landing page is to quickly communicate the value of your offering, diffuse objections, and call the visitor to action.

Landing pages are where the excrement hits the fan. Based upon your interviews, surveys, and your product development you build a landing page.

Wait a minute, isn't a landing page a marketing instrument? Sure it is. But it is also an MVP. The landing page validates your value proposition, product-solution fit, sales argumentation and can even validate your pricing. And all that in an environment of brutal and merciless honesty: anonymous Internet browsing.

Here is what to do:

- Craft your landing page
- Set up a Google AdWord campaign and drive traffic to your new landing page. Even here you can let the AdWord engine rotate different messages and test what works best on your prospects
- Set up Google Analytics. The most important thing to measure is conversions – percent of visitors that sign up (or perform another desired action)
- Set up a chat to make it easy for the visitors to raise questions.

#3 Wizard of Oz MVP

A "Wizard of Oz" MVP is when you put up a front that looks like a real working product, but you manually carry out product functions. It's also known as "Flinstoning".
Zappos shoes is the biggest online shoe retailer, with annual sales exceeding $1 billion. In his Lean Startup book, Eric Ries describes how the founder started with a Wizard of Oz product.
The founder didn't start by stocking up big amounts of shoes and investing in an e-commerce backend. Instead, he went to local shoe shops. He would asked the owner's permission to take photos of shoes and put them online. Once the orders started flown in, he went to the shop, bought the pair that was ordered, shipped it, handled payments, returns... all of it himself, and by hand.
This was not a scalable business.
But it was an experiment designed focused on answering one question: is there already sufficient demand for a superior online shopping experience for shoes? And it allowed the founder to validate most of his assumptions with a very little investment.

#4 Concierge MVP

Instead of providing a product, you start with a manual service. But not just any service! The service should consist of exactly the same steps people would go through with your product.

Food on the table provides easy weekly recipe and grocery lists based on sales at your store. They need lots of stuff to make this work. A list of stores and groceries, weekly updates on sales, recipes, algorithms to match your preference to recipes to promotions...

It's a lot.

But the founders did not start by building all these assets. Again, from Riese's book, we learn what happened. Before building anything, the two founders went to their local shop in Austin. They interviewed shoppers until they found one that was interested in their service.

She got a concierge treatment.

The CEO visited her every week. He came with a shopping list and selected recipes, carefully chosen based on (a) her preferences and (b) promotions in the local store. The list was updated on the spot based on her desires and feedback. Most importantly, the CEO would pick a check of $9.95 for this service.

This was no way to get rich.

But each week, they would learn more about what it takes to make their product a success. They kept adding more customers to their weekly visits, until they couldn't handle the load any more.

Only then they started coding.

One week they start sending lists and recipes via e-mail. A next one they wrote a piece of software to parse promotional store lists. Eventually, they started taking payments online.

Only after validating the basic product with customers of their initial store, they started adding stores, first in their region, to eventually grow into a nationwide business.

#5 Piecemeal MVP

This strategy is a blend between the "Wizard of Oz" and "Concierge" approaches. Again, you emulate the steps people would go through using your product – as you envision it. But instead of delivering them manually, you emulate them using existing tools.

> I thoroughly enjoyed being part of the first experiment.
> As a user, I didn't mind at all that the product was not
> finished

BJ Fogg, a professor from Stanford, has been studying human behavior for more than 18 years. And he has discovered a very simple way to help anyone install a new habit. All it takes is to pick 3 really tiny habits and stick to them for a week.

It is so simple, it took BJ a couple of hours to create a bare bones minimum viable product:

- Sign up form was a Google Docs form
- The instructions were described in a Google Docs document (which BJ was still editing as I was reading it)
- An email reminder was sent manually every day. You had to reply, and write "y" if you've done your tiny habit, and another "y" if you wanted to go on the next day.
- You'd then get a reply back with an encouragement.

I was one of the first users and I loved it. Along with a couple of thousands of others (3500 as of this writing). He has obviously discovered a problem worth solving, and validated a very simple solution.

And what's really cool is that all these steps can easily be automated.

#6 Raise Funds from Customers

This is a special case of "sell it before you build it".
The basic idea is simple: launch a crowdfunding campaign
on platforms such as Kickstarter, IndieGoGo and RocketHub.
Not only will you validate if customers want to buy your
product, but you will also raise money.Double fine
adventure raised over a $1 million in less than 24 hours.

And the benefits do not stop there. What you win in a
successful crowdfunding campaign is a tribe of early
adopters and raving fans. In this ReadWriteWeb article,
Scott Steinberg advises to "embrace them and stay in
constant contact. Not only are they likely to help you
spread the word, but many times they'll also offer to
contribute to your business in other ways".
Of course, crowdfunding will not work for just any type of
product. Most products seem to have a strong consumer
focus, and a value that is easy to communicate.

#7. A Single Featured MVP

Emre Sokullu in a Tech Crunch post points out that some of the most successful applications started out with a simple feature: Google and Dropbox.
In fact, these two remain relatively the same as when they launched.
It is quite remarkable if you start to read the "about us" sections of successful applications. Many relate that their first mistake was to make too many features.
You can't be everything to everybody.
In their Signal To Noise blog 37 Signals points out the value of simplicity:
The key is to restate any hard problem that requires a lot of software into a simple problem that requires much less.
You may not be solving exactly the same problem but that's alright. Solving 80% of the original problem for 20% of the effort is a major win. The original problem is almost never so bad that it's worth five times the effort to solve it.
This is the value of the single featured MVP. Chances are that if you cannot find that one killer feature that can stand on its own – at least in with early users – adding more features will not make the product a must have.

Conclusion

The 20 second summary of this lesson is: don't burn your money on a product no one will want to use. Get creative and think hard about what is the minimum thing you can do now to make sure that doesn't happen:
- Select one MVP strategy you think would work for you
- Create a simple plan to execute on it (remember the "minimal" in MVP)

But which one do you choose? It all depends upon your purpose for creating the MVP. Are you testing the appeal of an idea for a specific type of user? Do you want to learn which are the killer features? Do you need to generate revenue?

It comes down to tackling the biggest risk you have right now.

And then the next one. Ideally, this is the way you will go to market, one small experiment after another.

A minimum viable product is therefore not a product. It is a minimum viable go to market step.

There are many other ways of testing you're business hypotheses, just be creative and develop your own MVP strategy.

Task #8

validate your solution /service or product

1.Value proposition
2.Competitive advantage

3. MVP, prototyping, sample product or landing page

4.List of solution interviews
5.Summary of results
6.Conclusions

7.Proof of customer adoption with actual sales, landing page signups etc

Value proposition

Competitive advantage

MVP, prototyping, sample product or
landing page

List of solution interviews

List of solution interviews

Summary of results

Conclusions

Proof of customer adoption with actual sales, landing page signups etc.

GOODLUCK & DO IT WITH JOY

written by Fionn Dobbin and the internet

supported by