



Introduction to entrepreneurship

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Aalto Ventures Program

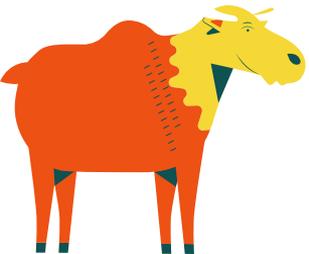


A!
Aalto University

**Aalto
Ventures
Program**

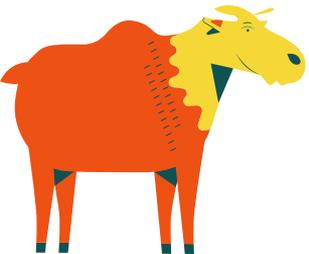
Purpose of the week

-
1. Create a business proposal around wastewater treatment in rural areas.
 2. Learn the basics of user-centered new business design



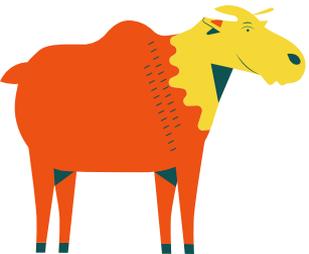
Some preparations

-
1. You will be doing exercises in teams. The help, please prepend your name with your team number
 2. Please choose one person to act as notes-taker for the exercises, should preferably have a laptop with e.g. PowerPoint



Purpose of the day

-
1. Introduction to entrepreneurship
 2. Introduction to outcome-based design, i.e. understanding the concept of “solving a problem” in entrepreneurial context
 3. Introduction to conducting interviews
 4. Feel free to ask or interrupt me at any time with questions and/or comments!



Program today

Intro session - today

09:00 – 10:30

Hints and tips for an interview

11:00 – 12:00

Interviews

13.00 – 16:00

Bonus support session to help document your findings

16.30 – 17:00

Program of the rest of the week

Wednesday - Workshop

09:00 – 11:00 Analyzing data

11:00 – 12:00 Intro to pitching

Home/team work to develop concept/idea and prepare pitch

GIS system could be a great marketing tool to help find customers

Friday – final presentations

09:00 – 10:00 dress rehearsal

10:00 – 13:00 finalize pitches based on feedback in dress rehearsal

13:00 – 15:00 final presentations and feedback

What is entrepreneurship?

Assignment 1

How would you define entrepreneurship?

Why would learning
about it be relevant to you?

10 minutes

Breakout rooms

Collect at least 10 points on eg Powerpoint

Steve Blank (paraphrased)

Entrepreneur, Professor, Creator of the Customer Development Method

Entrepreneurship is the
search for a repeatable and
scalable business model

Dave McClure (paraphrased)

Angel Investor, Founder of the 500 Startups business accelerator

Entrepreneurship is about coping with being confused about

1. What the product is
2. Who the customers are
3. How to make money

As soon as it figures out all 3 things, it ceases being
a startup and becomes a real business
Except most times, that doesn't happen

Confusion

Uncertainty

Slim Chances

We can do better than this!

Entrepreneur



Customer



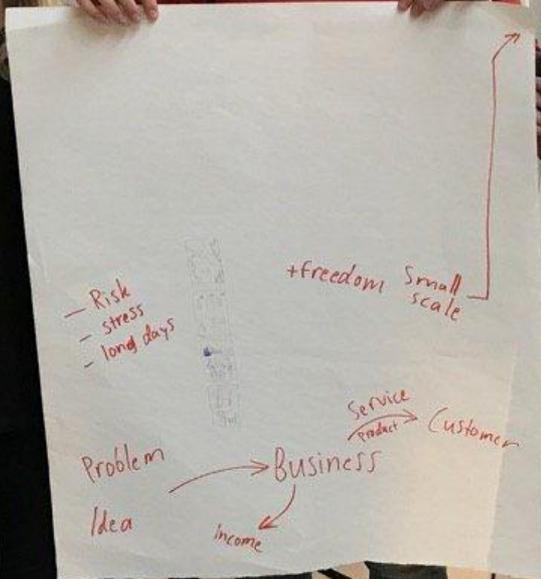
One simple “rule”:

In the long term, the compensation from the customer is big enough so that the entrepreneur can continue helping customers.

**1) Systematic
discovery and validation
of customer needs**

**2) Fulfilling those needs
in a sustainable* way.**

- * Sustainable here has a double meaning:
1. Business sustainable (i.e. profitable)
 2. Environmentally and socially sustainable



Cows need lots of water!

Don't be afraid to change directions!

Iterative process of ideation

User research → be sure to tackle a real problem

Difference between presentation and pitch

IMPROVED
Presentation SKILLS

You can improve presentation a lot!

Let the ^{potential} customer talk

Focused scope
↳ clearer solution

Consider all ideas

Goal of the week

**Introduction to user centric
development of new business**

Case

**Waste water treatment
in sparsely populated areas**

Making business out of it

Concrete outcome

Business proposal

(initial hypothesis)

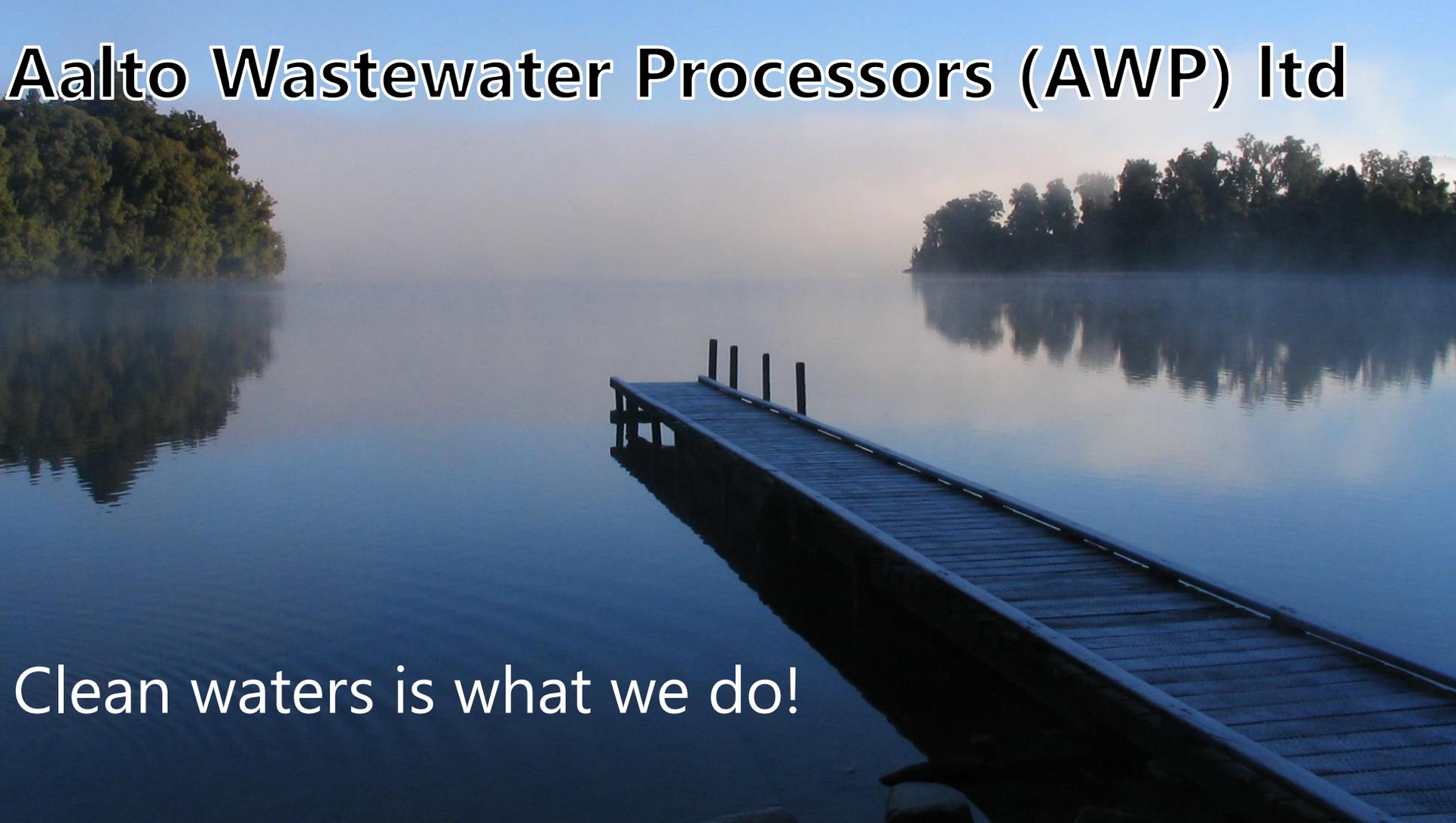
Present your proposal as a pitch

Who is the customer?

What is the customer's problem?

How can we solve the problem?

Aalto Wastewater Processors (AWP) Ltd

A serene landscape photograph of a calm lake at dawn or dusk. The water is still, reflecting the soft light of the sky and the silhouettes of trees on the distant shore. A long, narrow wooden dock extends from the foreground into the water, leading the eye towards the horizon. The overall mood is peaceful and clean.

Clean waters is what we do!

Aalto Wastewater Processors (AWP) Ltd

- Finnish start-up in the cleantech business
- No product currently on the market
- 5 person team
- Mainly engineering background
- Wants to focus on solutions for wastewater processing in rural areas
- First address Finnish market and then go international

Your mission

- Each team is **Aalto Wastewater Processors**
- Mission: Find a new business for AWP
- First iteration during this week

Assignment 2

What could be the goals of AWP?

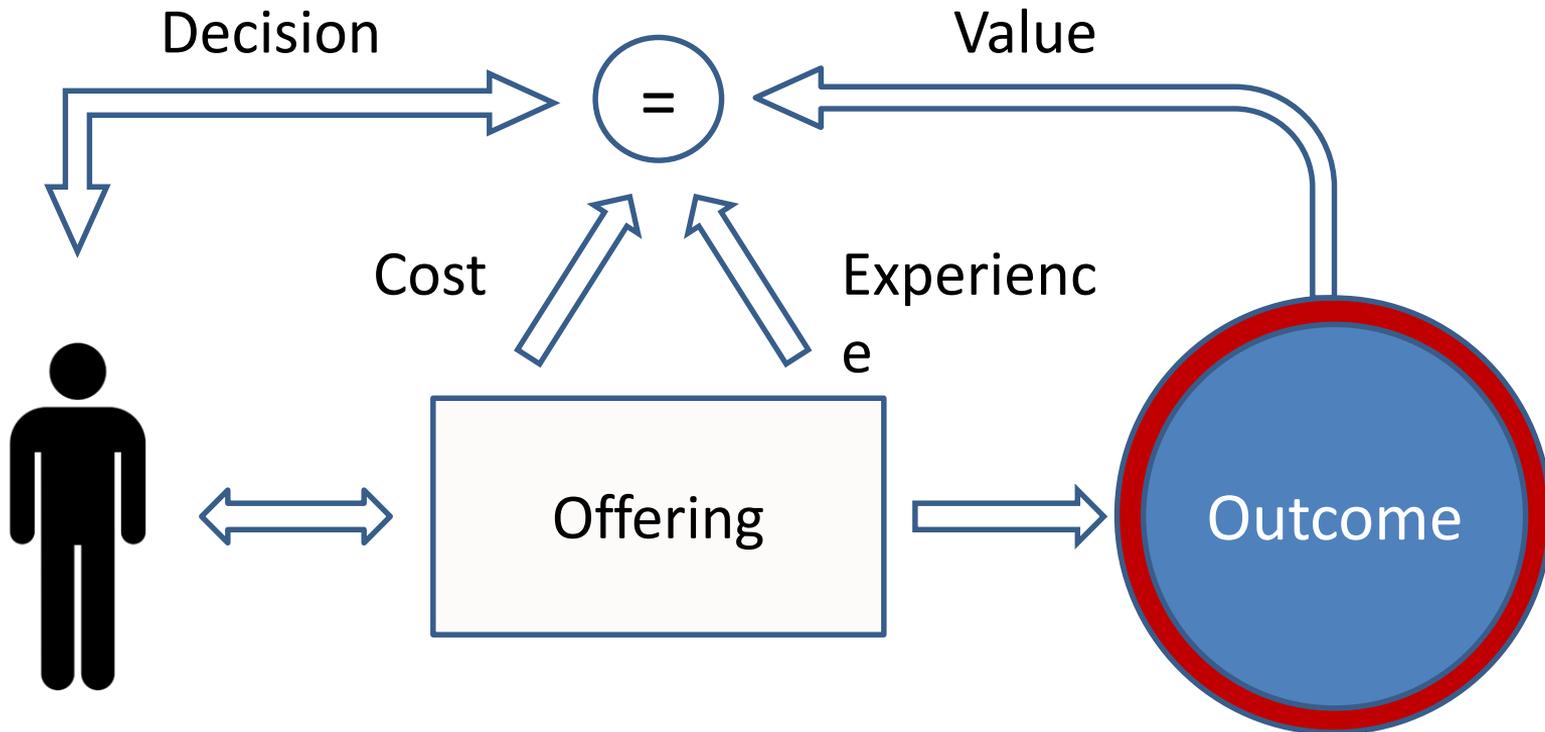
10 minutes

Breakout rooms

Collect 10 points on e.g. Powerpoint



Today: customer in focus





Type of outcome	Design for
Values	Personal fulfilment
Activities	Experience, habits
Actions	Effectiveness, skills, muscle memory

Company internal

Customer facing

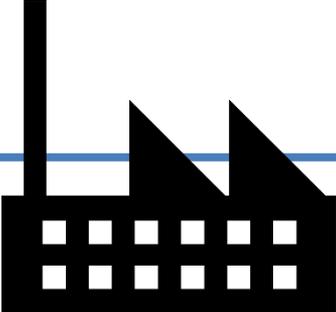
Produce
cheaper

Efficient
operation

Customer
value

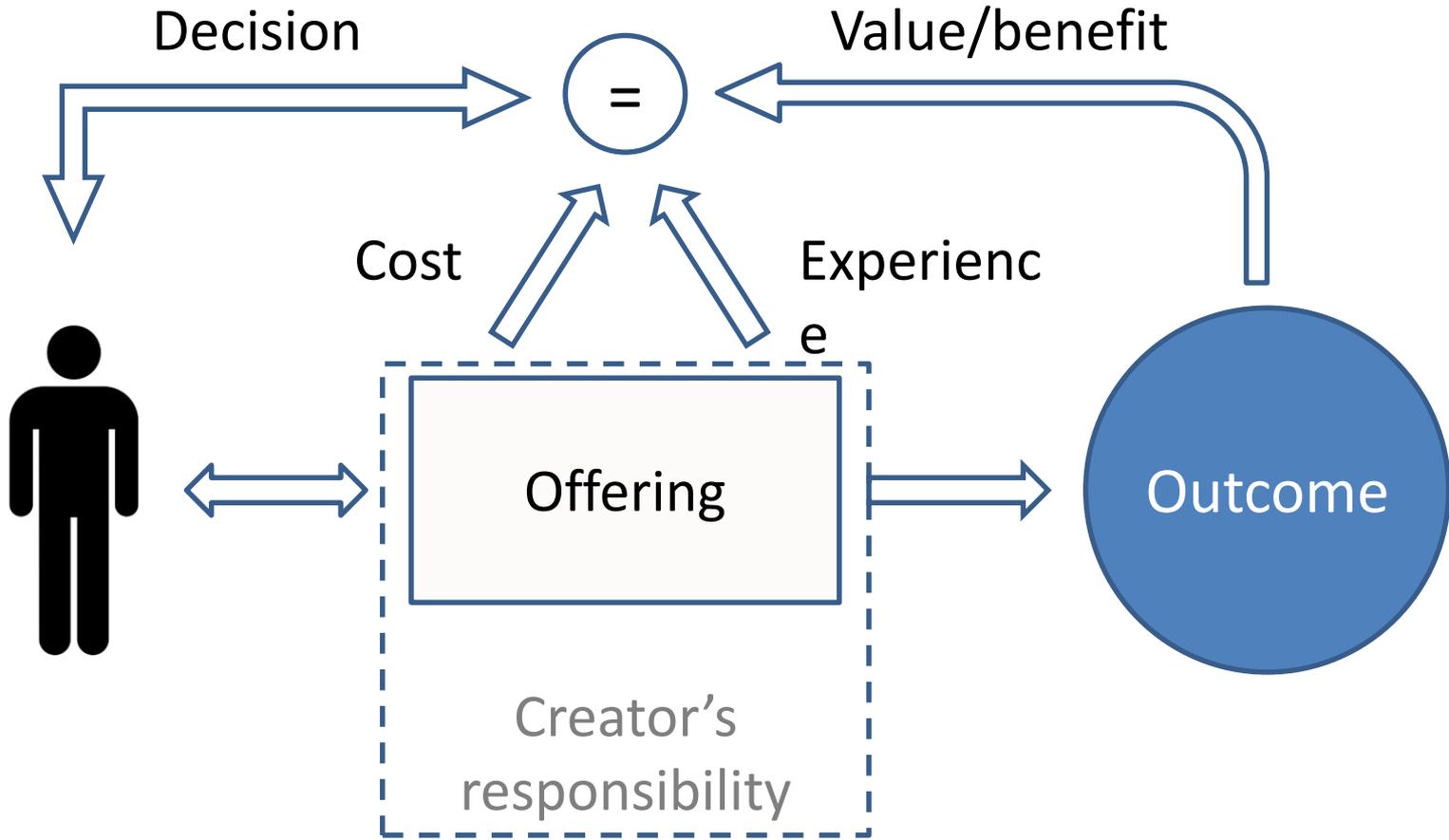
Sell
more

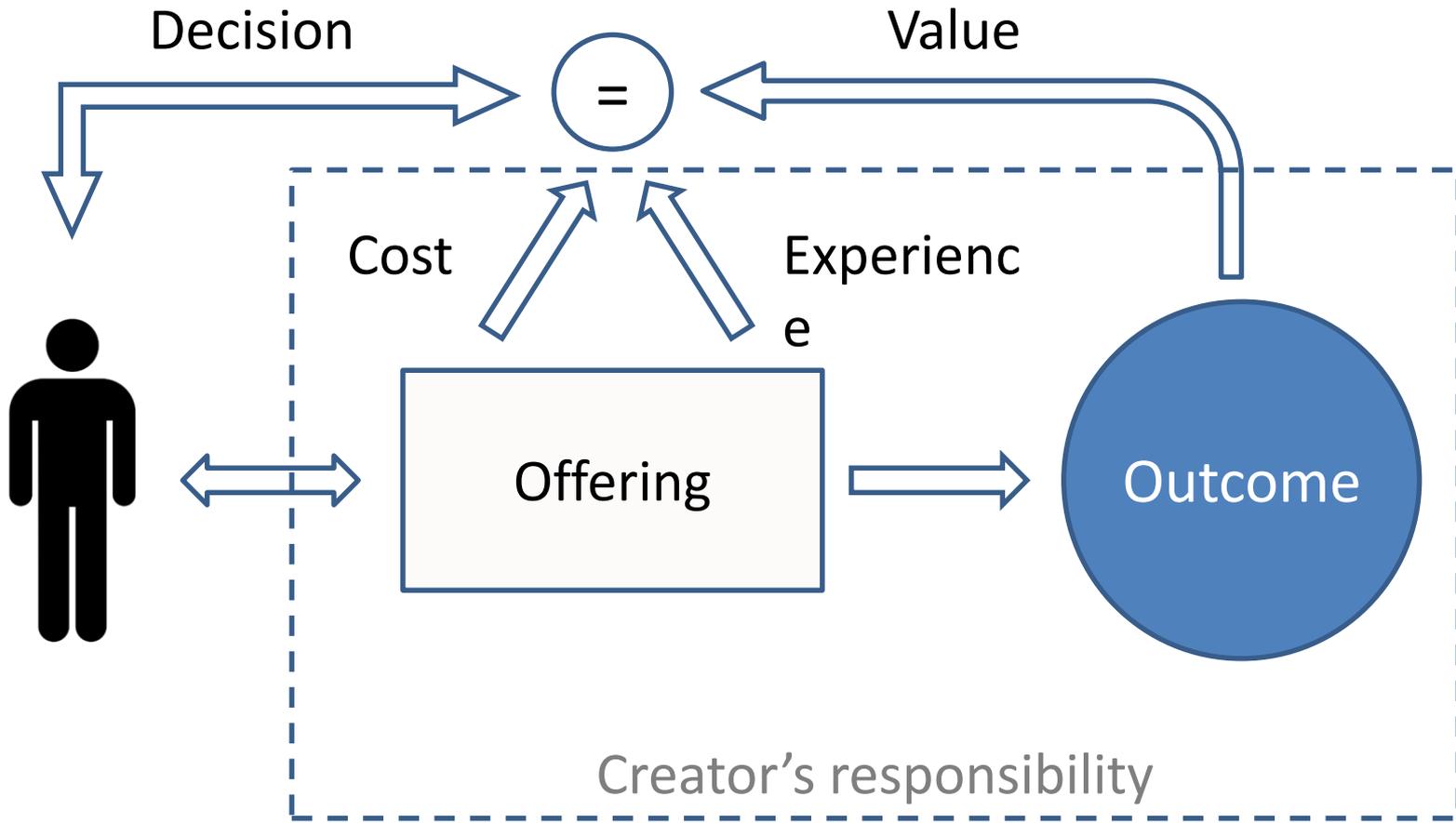
Sustainability

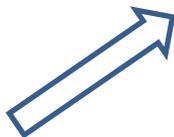


Policy

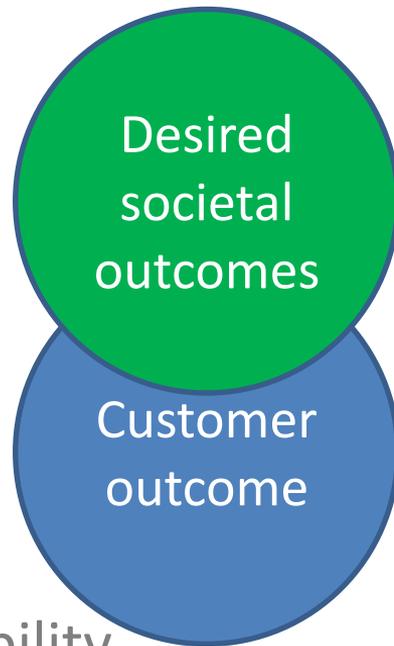
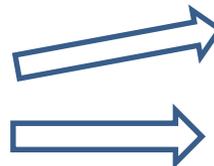
Inbound: Corporate Social Responsibility (CSR)
Outbound: Lobby







Creator's responsibility



Creator's responsibility

Assignment 3

What could be societal outcomes
that AWP could aspire to?

5 minutes

Breakout rooms

Collect 10 points on eg Powerpoint



Trust the process

2 paradigms for creating the offering

- Technology/research driven
 - Innovate and implement technology
 - Try to commercialize the end result
- User driven
 - Understand user/customer/stakeholder needs
 - Find a problem worth solving
 - Solve the problem + design business model
 - Implement
 - Go to market

2 paradigms – what is success?

- Technology driven
 - Success criteria: it works (as planned)
- User driven
 - Success criteria: customer takes it into use

How to create products and
services customers want.
Get started with...

Value Proposition Design

strategyzer.com/vpd

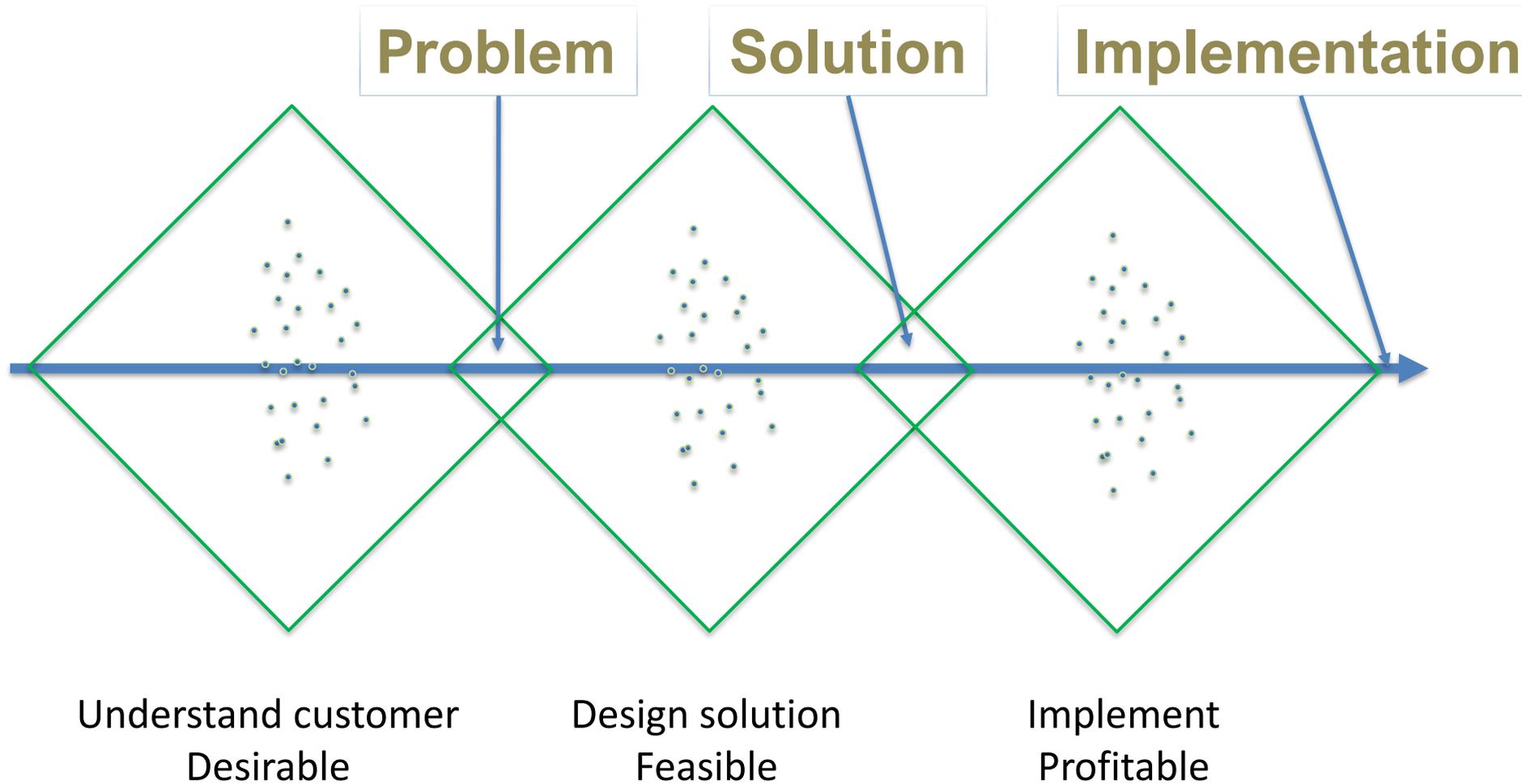
Written by
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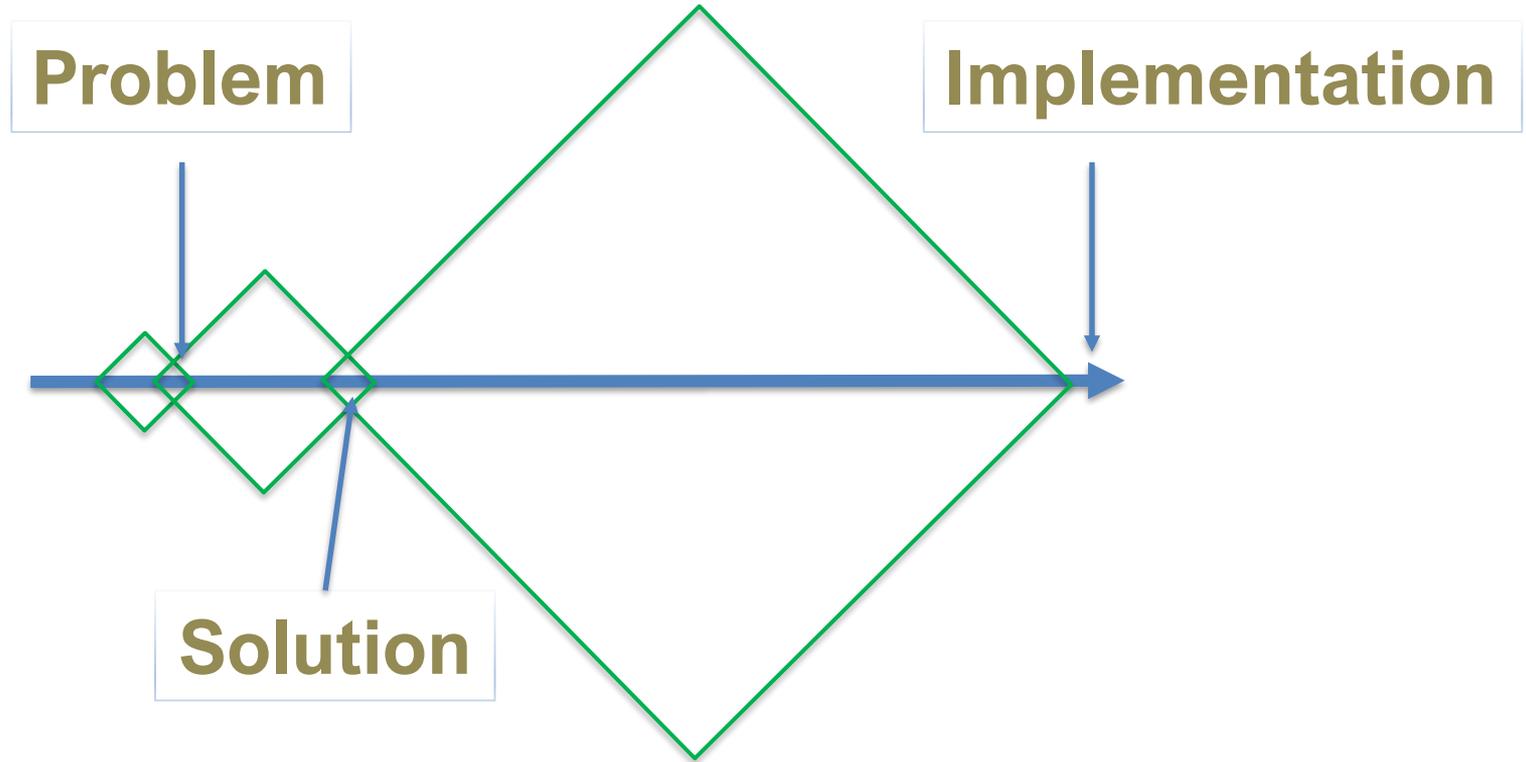
WILEY



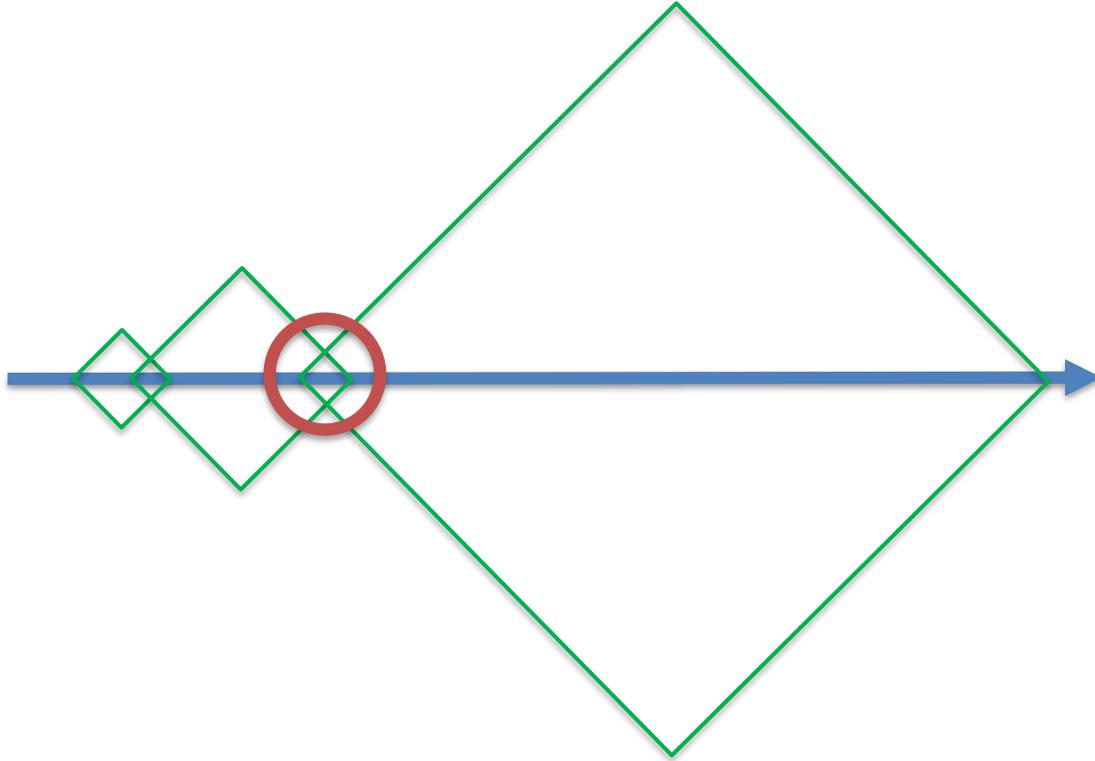
Pages 1-100: <https://strategyzer.com/value-proposition-design>



Resource use



Starting with the "solution"

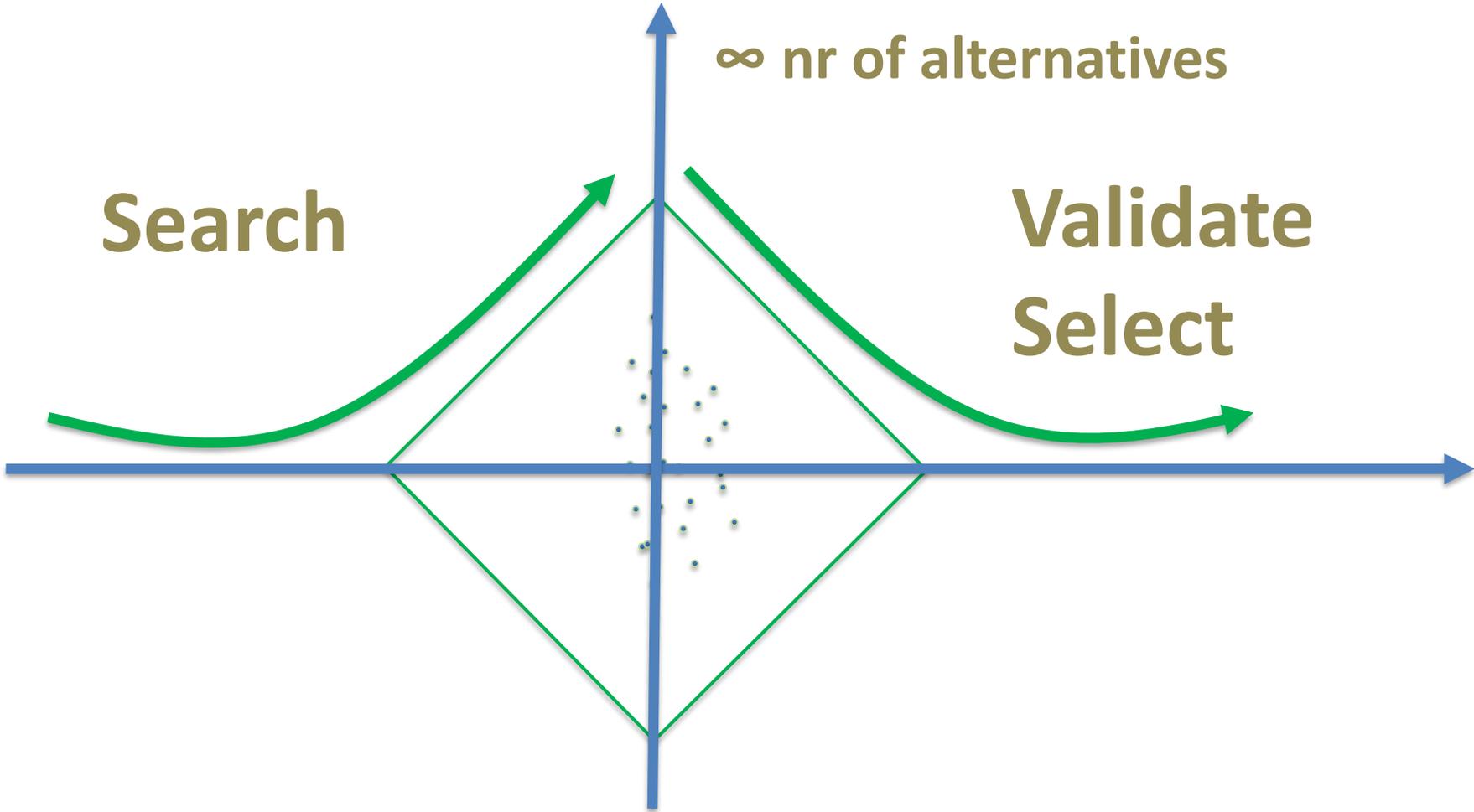


∞ nr of alternatives

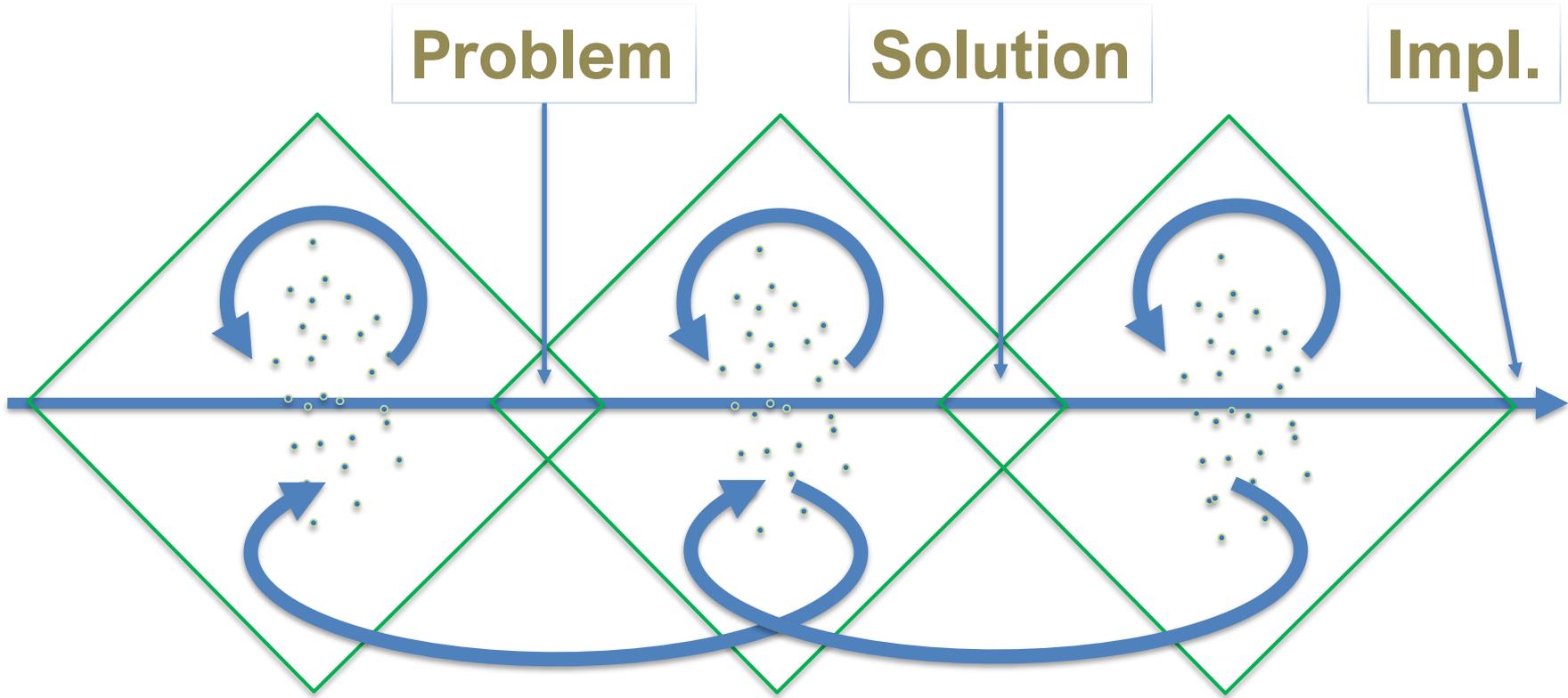
Search

Validate

Select



Iterative work with deep feedback



Iterative process

Idea



Learn



Hypothesis



Build

(experiment,
prototype)



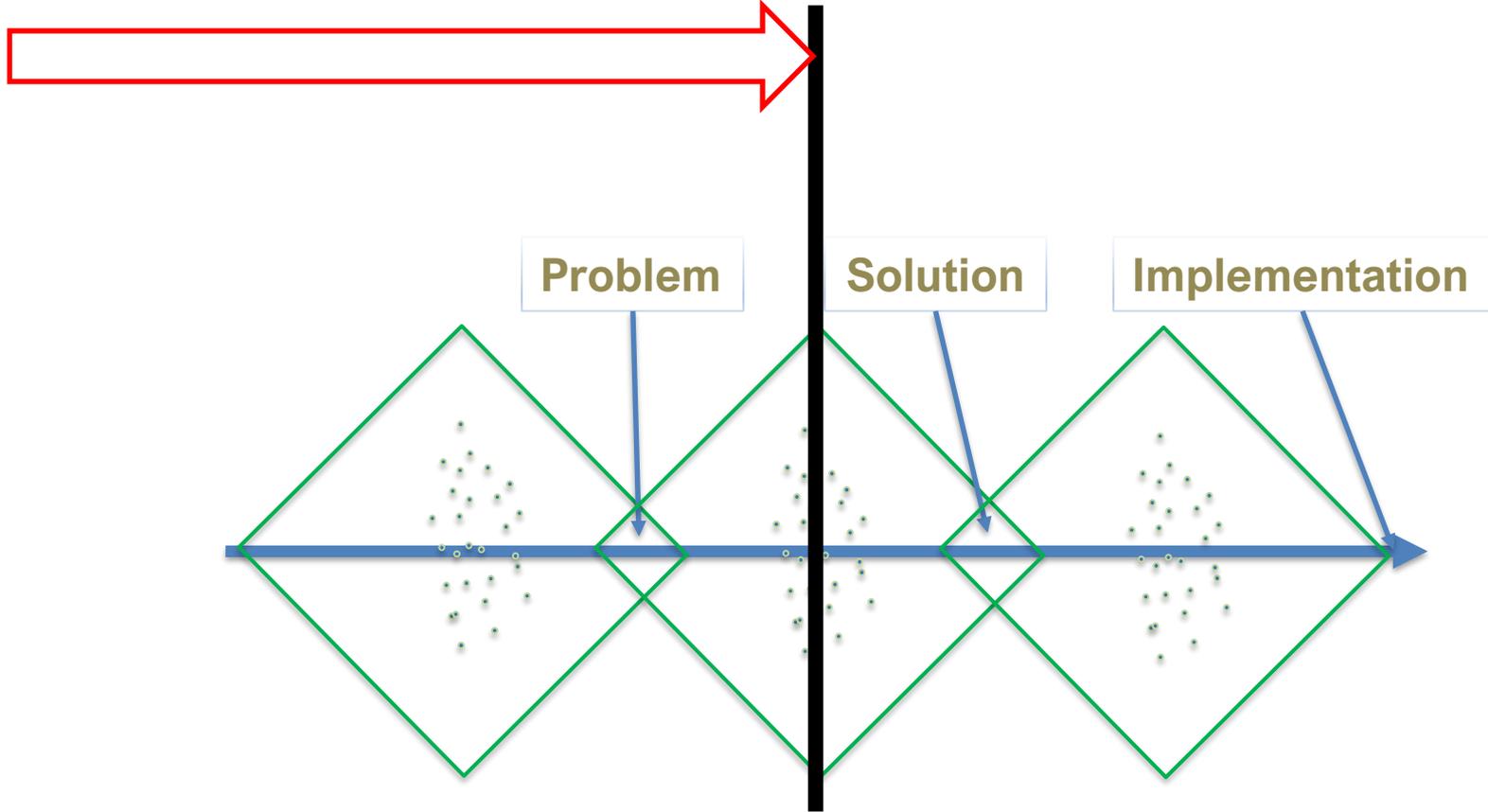
Test



Decision!



This week's plan



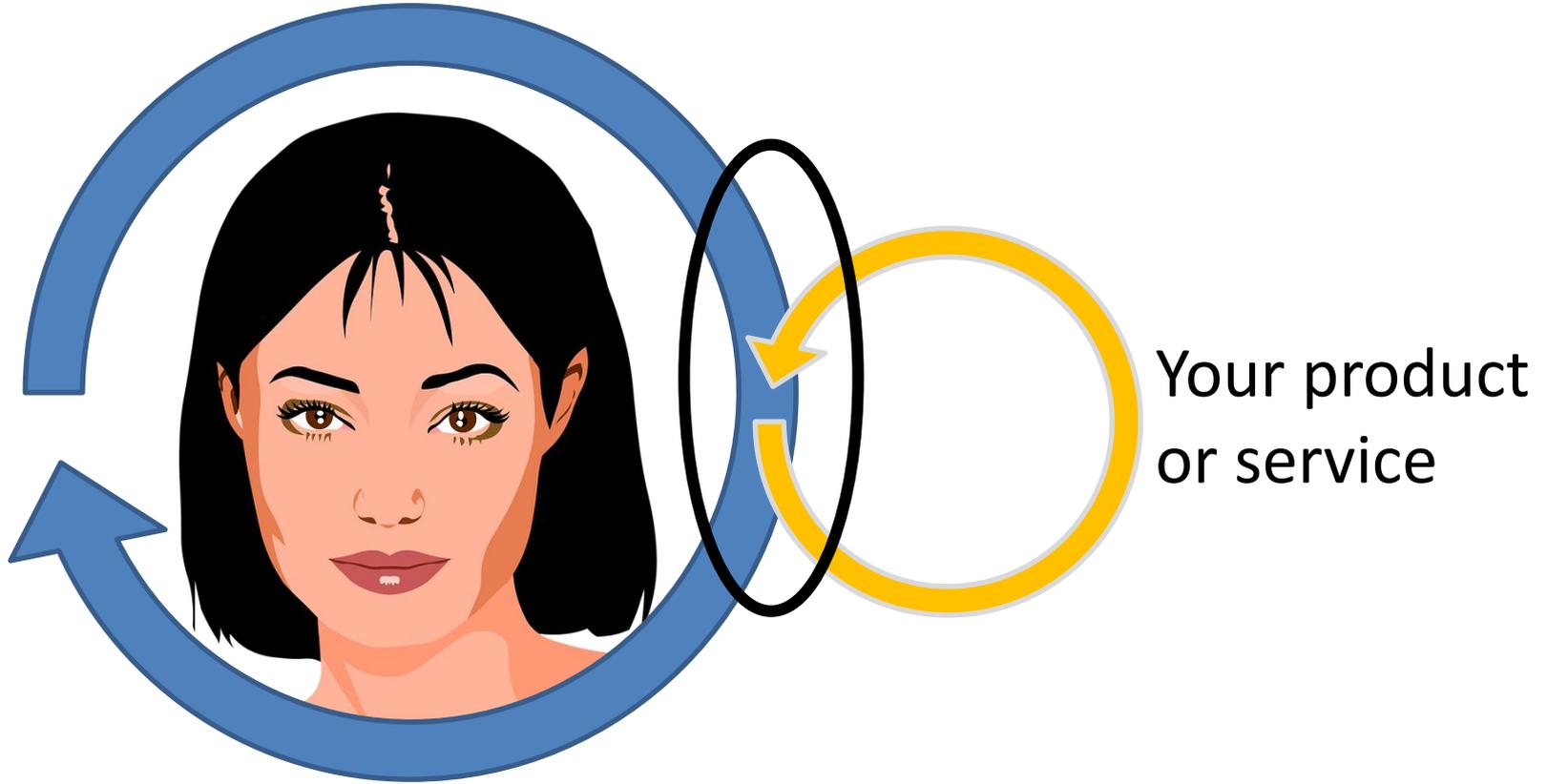


Interviewing



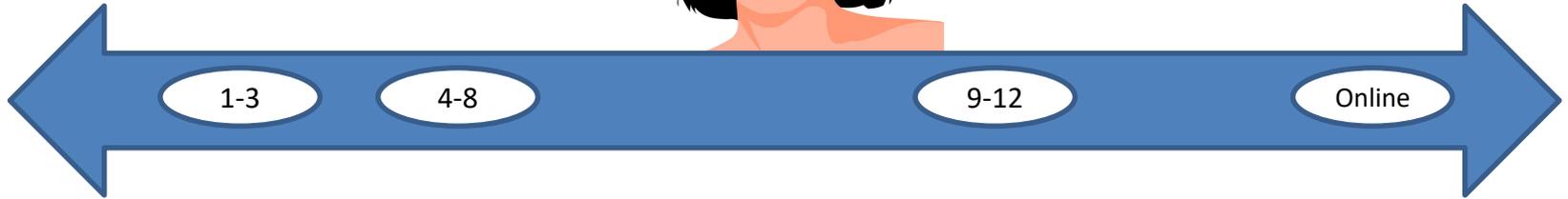
Interviews = verbal communication

Method to gain new data	Goals and examples	Stakeholder involved	Artefact	Price/performance	Pre-requisites
User research	Understanding user situation and problem, using eg interviews, contextual research, observations	Yes	No	Low reliability	Almost none
Other research	Competitor analysis, expert interviews, benchmarking, calculations, modelling ...	No	No	Variable, mostly setting context and boundaries	Experts, software, specific qualification
Experiments	Analysing user behaviour and preferences in a more neutral way	Yes	Yes, but not of the end-product	Improved reliability, a bit higher cost	Almost none
Prototyping	Testing solution acceptance, eg. features, customer experience, usability, design and aesthetics	Yes	Yes, subset of end-product	Best reliability, highest cost	Materials, certain qualification



A day in the life of your customer

Interviewing is not an event, it's a process



Open-ended interview
Learn about what you do not know

Survey/poll
Check that you have understood it right

Progression of interview

1-3

Open interview to learn about the problem area

4-8

Open interview but with some specific talking points
More specific selection of interviewees

9-12

Advanced interview technique such as on location
Well-qualified (e.g beta customer) group

Online

Quantitative survey, either f-2-f or online
Qualified user base

The 3 main points of an interview

- Good target group
 - Too wide vs too narrow
- Helping customer express themselves
 - You want to learn what the customer thinks!
- The work ain't over 'till the paperwork's done
 - Analyze and react to the results

Understanding the customer

- Current state
- Problems/needs/wants
- Competing solutions (substitutes/alternatives)
- Where and how now (time and space)
- How to reach the customer (channels)
-

Yes

Find out things you did not know before
(and therefore did not know to ask about!)

No

You are not selling your idea

You don't need to convince the customer

You should not (just) validate your own thinking

Interview vs survey

Interview

- Learn about customer
- Find out new insights
- Qualitative understanding
- Results via interpretation of data
- Low number of customers

Survey

- Validate assumptions
- Find frequency of insights
- Quantitative understanding
- Numerical analysis and cross-correlation of data
- Statistically meaningful numbers of customers

Avoid interviewer induced bias

Make sure that the interviewees can voice their
opinions

Do not give hints as to what is the “right”
answer

Recognize interviewee bias

Adhering to social and other norms

Presenting one-self in a “good light”

The 5 why's

Get to the root cause

Also good technique if you run out of questions

Practicalities

- Even for open interview, have a rough plan
 - How to direct your interviewee towards your topic
- 1 + 1
 - One person doing the interview, the other person taking notes
- Permissions
 - Photos, video and recording are good
 - Always make sure that the interviewee understands how the interview is recorded and used

Assignment 4

Plan your 2 initial questions
for the first interview!

10 minutes

Breakout rooms

Collect points on eg Powerpoint

Homework

- For the interviews today
 - During lunchbreak, make an initial plan for your interviews
- For tomorrow morning
 - We will start tomorrow morning with analysis of your interviews
 - To speed up your progress tomorrow, you need to prepare your data before tomorrow 09:00
 - Transfer your findings/observations from the interview to your Jamboard (30-40 observations)
 - Each observation as a separate **Jamboard sticky note** of about 4-6 word sentences

Documenting your findings

Your insight in
4-6 words

- Document on Jamboard sticky notes
- 1 observation/sticky note
- 10-20 observations per interview
- 30-40 overall

Support session

- Voluntary session 16:30 – 17:00
- To help you with the documentation -> Jamboard
- Workshop to get your started with filling your Jamboard in a good way
- Join the fun on Zoom:
<https://aalto.zoom.us/j/64971566869>