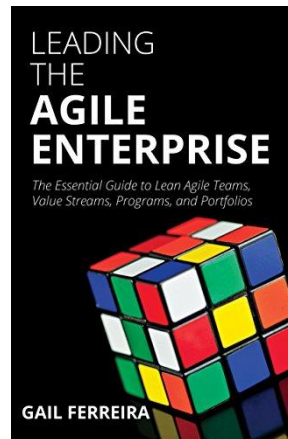


Show Me the Money!



Defining Enterprise Value at Scale



@LeanAgilist
@DrGail

Agenda



Introduction



Blue Ocean Strategy & Shift



Lean Startup – Defining MVP



Discuss: MVPs that made it big



Innovation Accounting



Debrief

Blue Ocean Strategy



Blue Ocean Strategy

1. Creates uncontested market space of high demand and profitable growth
2. Pursues differentiation and low cost (must be and-and) – what is called value innovation.
3. Uses value innovation to determine patterns of buyer behavior for products, services and strategies

Blue Ocean Shift



Blue Ocean Shift

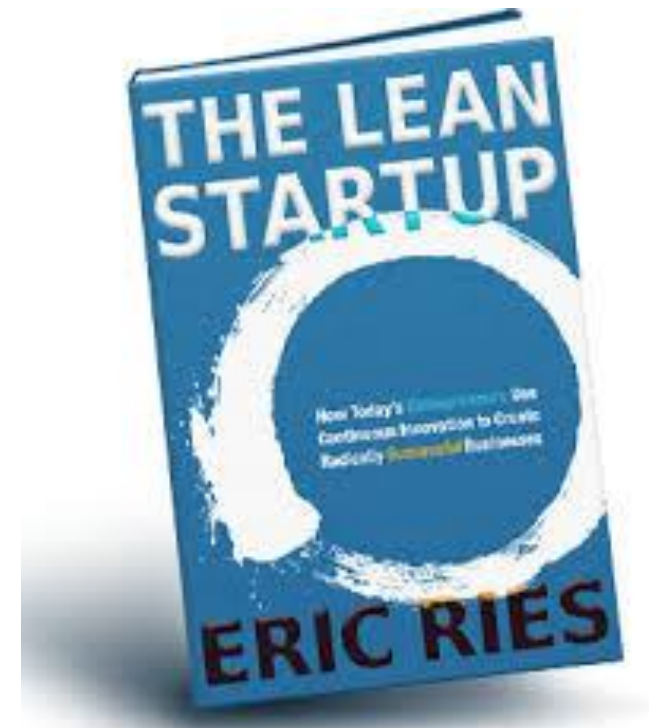
Find market creating strategies

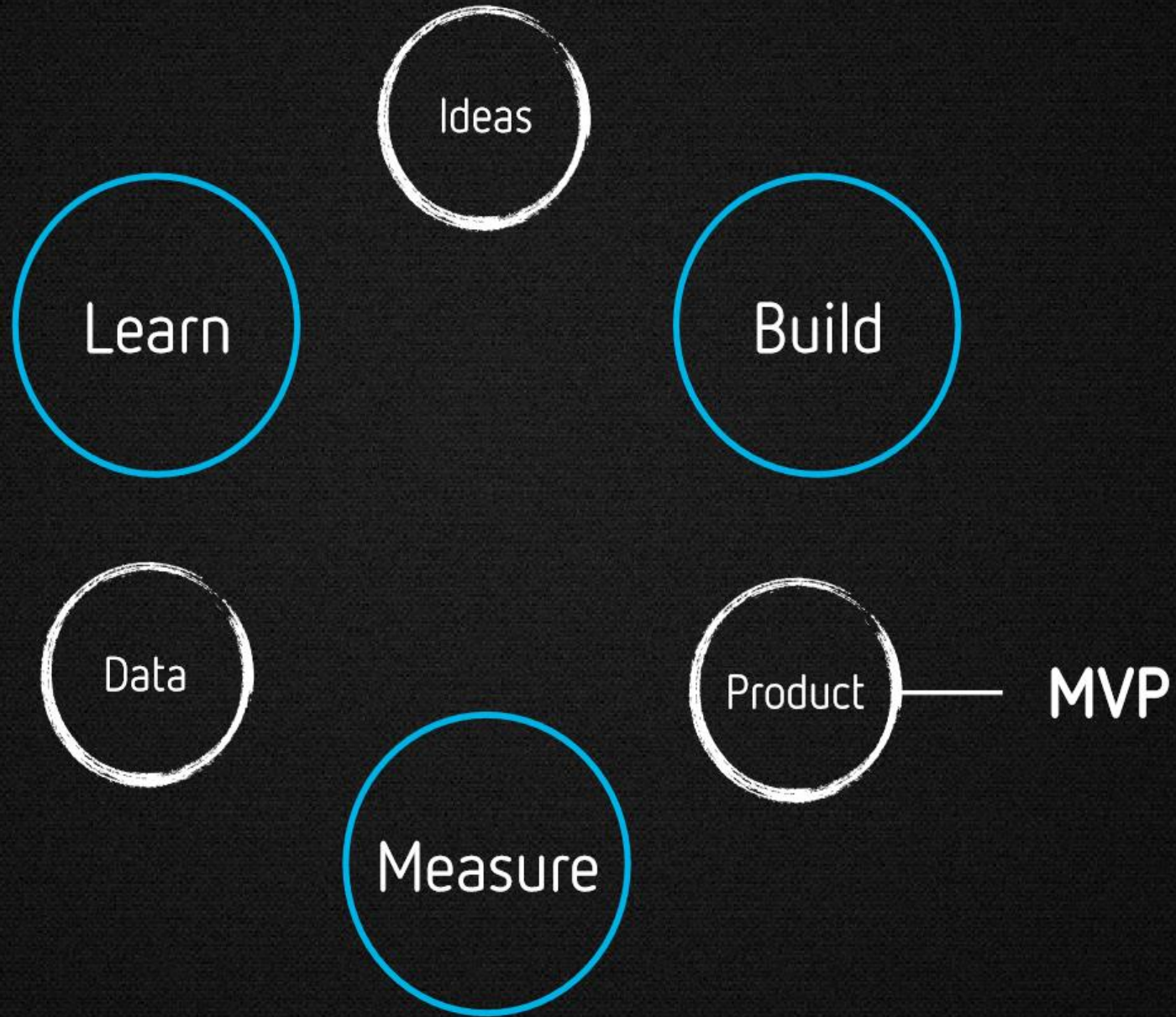
- 1. Creative destruction and innovation are only part of the picture*
- 2. Nondisruptive creation also generates new markets and growth*

Five steps

1. Scope out the initiative – what are your goals –
2. Understand where you are now (current state)
3. Imagine where you could be
4. Find out how you get there
5. Make your move – conduct small market tests using MVP

MVP and the Lean Startup





MVP and the Lean Startup

- The prime directive of an MVP is first and foremost racing to deliver on **customer value**.
- Furthermore, there is no business in your business model without revenue which also tends to be one of the riskier parts of the business model.
- This is why whenever your users are also your customers, I am a strong advocate of capturing back some of that value which is just a fancy way of saying “**charge from day one and get paid**”.

MVP Definition

- *A **Minimum Viable Product** is that version of a new product which allows a team to collect the maximum amount of validated learning about customers with the least effort.*
- Over time it got simplified to: **“the smallest thing you can build that lets you quickly make it around the build/measure/learn loop”**. The problem with this simplified definition is that everything shown in the image below would qualify as an MVP:
- **MVPs** can be anything from launching landing pages, to building working prototypes. And both are **labeled as MVPs**.

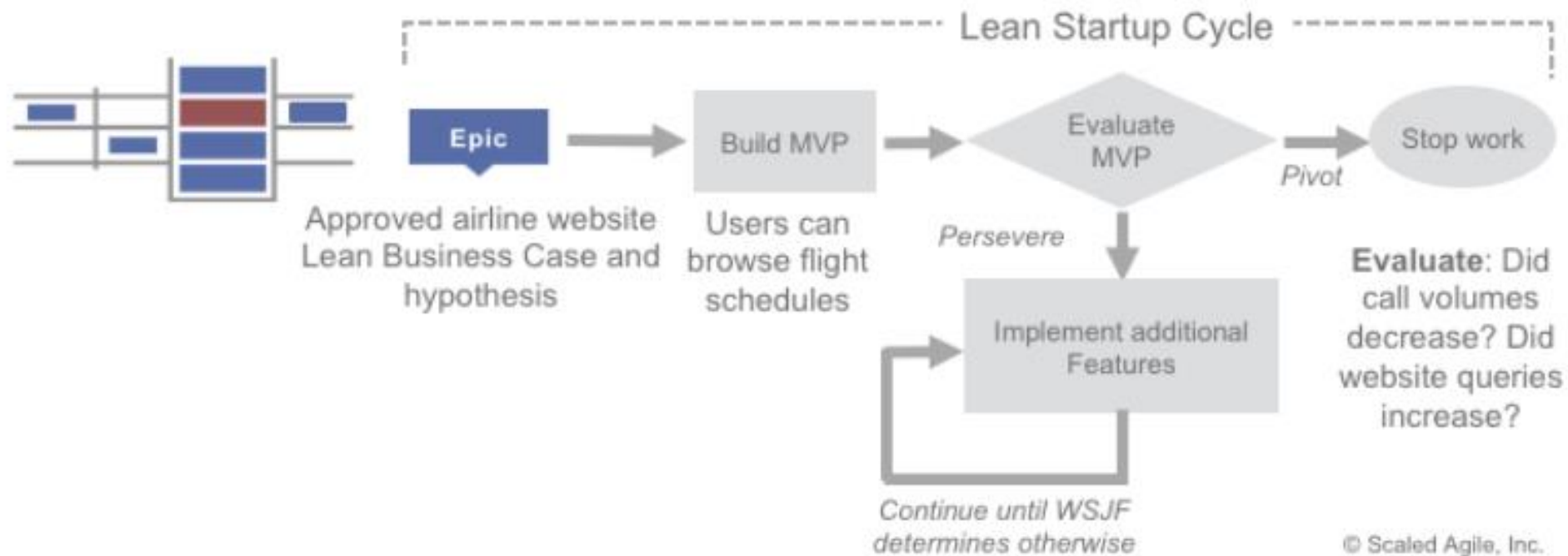


Figure 1. Lean Startup cycle with SAFe

MVPs that made it big



https://www.amazon.com/gp/video/storefront/ref=dvm_us_lc_cs_sh_nvr_yugeblitz_t2h3_i0?ie=UTF8&filterId=OFFER_FIL

MVPs that made it big



MVPs that made it big



MVPs that made it big

facebook

The image displays three overlapping screenshots illustrating the evolution of Facebook:

- Top Screenshot (Thefacebook MVP):** Shows the early interface with a blue header containing "[thefacebook]" and navigation links "login register about". Below is a registration form with fields for "Email:" and "Password:", and buttons for "register" and "login". The main content area says "Welcome to Thefacebook!" and describes the site as an online directory that connects people. It lists features like searching for people at school and finding friends' friends. A "Register" button is at the bottom.
- Middle Screenshot (The Evolution Of Facebook):** Shows a more refined version of the site with a search bar and navigation links like "Home" and "Profile". It features a post by Lady Gaga with a photo of her performing, a "Like" button, and a "Wall" tab. The post text says "Lady Gaga Lady Gaga is up for 5 awards at the 2010 MTV European Music Awards! Fans can vote for Gaga in the Best Song, Best Live Act, Best Pop & Best Female categories - click below to vote now!".
- Bottom Screenshot (Modern Facebook):** Shows a contemporary version of the site with a complex layout, including a navigation bar, a search bar, and a post by Lady Gaga with a photo of her performing. The post text says "Lady Gaga ONE needs your help to ensure no child is born with HIV by 2015". It includes a "Like" button, a "Wall" tab, and a "Share" button.

MVPs that
made it into
product lines

Tesla's Product Line



Roadster – 2008
Model S – 2012
Model X – 2014

**But ... There
Were**



Bookstores before Amazon



Electric Cars before Tesla

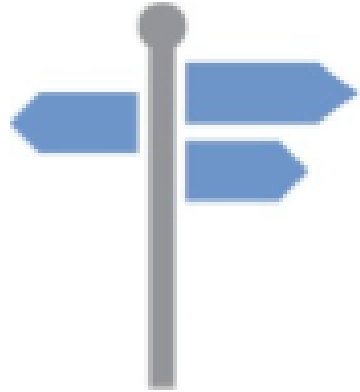


CRM Tools before Salesforce



Social Media sites before Facebook

Innovation Accounting



(/advanced-topics/)

“

To improve entrepreneurial outcomes and hold innovators accountable, we need to focus on the boring stuff: how to measure progress, how to set up milestones, and how to prioritize work. This requires a new kind of accounting designed for startups—and the people who hold them accountable.

—Eric Ries, *The Lean Startup*[1]

Lean Canvas

Project Name

01-Jan-2014

Iteration #x

Problem Top 3 problems	Solution Top 3 features	Unique Value Proposition Single, clear, compelling message that states why you are different and worth paying attention	Unfair Advantage Can't be easily copied or bought	Customer Segments Target customers
	Key Metrics Key activities you measure		Channels Path to customers	
Cost Structure Customer Acquisition costs Distribution costs Hosting People, etc.			Revenue Streams Revenue Model Life Time Value Revenue Gross Margin	

PRODUCT

MARKET

The image features a dark grey background with three overlapping circles in shades of blue. A horizontal white band runs across the middle of the image, containing the text "Questions?".

Questions?

The image features a dark gray background with a central white horizontal band. Behind the band, three overlapping circles in shades of blue are visible, creating a layered, abstract design. The word "Exercise" is centered within the white band in a dark blue, sans-serif font.

Exercise

The image features a dark gray background with a central white horizontal band. Behind the band, three overlapping circles in shades of blue are visible, creating a layered, abstract design. The word "Debrief" is centered within the white band.

Debrief

The image features a dark gray background with a decorative pattern of overlapping circles in two shades of blue. A horizontal white band is positioned across the middle of the image, containing the text "References".

References



Thank you!

References

