

*Innovation Starts  
from Vision and Business Models*

Tallinn University of Technology

# EUROPEAN INNOVATION ACADEMY

**TALLINN  
2013**

Innovation supported by



TALLINN UNIVERSITY OF  
TECHNOLOGY

**Microsoft**

**SAMSUNG**



European Union  
Regional Development Fund



Investing in your future



TEHNOLOGIA  
TALLINN UNIVERSITY OF

**SAMSUNG**

**Microsoft**



European Union  
Regional Development Fund



Investing in your future

# Lean Start-up:

- Ideas, creativity
- Innovation
- Business Models
- Entrepreneurship

# INNOVATION

How to create value from mind  
to market?

**Key topics in the course:**

- Innovation Management and Process
- Corporate and Technology Strategy
- New Product-Service Development
- Creativity and Innovation Culture
- Entrepreneurship Spirit and Skills
- High Tech Products Marketing
- Management of IPR
- Business Model Design
- Competitive Forces
- Competing with Business Models

**European Innovation Academy Sessions:**

- Innovators' Speed Date
- Team Marriage
- Entrepreneurs' Failure Pitching
- James Bond Innovation Challenge
- Star Trek Technology Lab
- Pitching for Venture Capitalists
- Hands on Innovation Lab
- Lego Lab Prototyping
- Entrepreneur Live Kitchen





**Engineering the mind of the future**

European Innovation Academy Classroom:  
23 online screens, computers and cameras,  
sensors to teach innovation and  
entrepreneurship



**EUROPEAN**★  
**INNOVATION**  
**ACADEMY**



**Why 90% of  
new products  
and services  
fail...**

**...and You need to practice  
Innovators' Failure  
Pitching!!!**

**Challenge Yourself @ European Innovation Academy!**



You know the name.

You know the number.

## James Bond Innovation Challenge

- Rapid prototyping
- Bullet speed problem solving
- Master of high tech
- Rival your competitors
- Smooth operator & networker

EUROPEAN  
INNOVATION  
ACADEMY

Challenge Yourself @ European Innovation Academy!



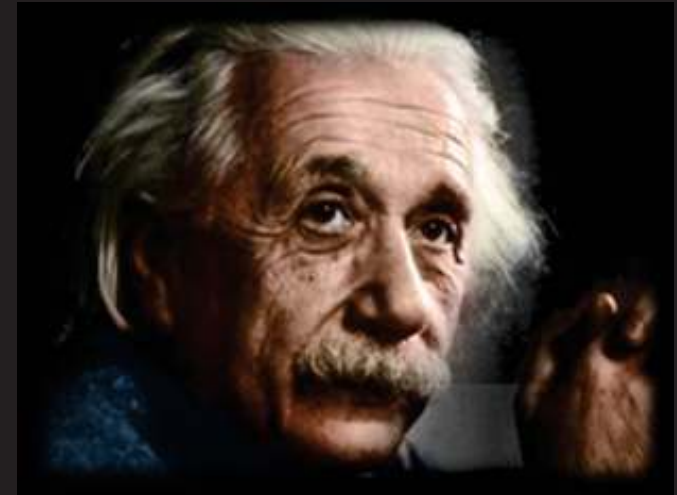
Challenge Yourself @ European Innovation Academy !

# Star Trek Tech Lab



Future Tech Roadmaps  
Mega & Micro Trends  
Technological Singularity

# ARE YOU SOLVING THE RIGHT PROBLEM?



Most firms are not and that undermines their innovation efforts...

Indeed, when developing new products, processes, or even businesses, most companies aren't sufficiently rigorous in defining the problems they're attempting to solve and articulating why those issues are important. Without that rigor, organizations miss opportunities, waste resources, and end up pursuing innovation initiatives that aren't aligned with their strategies.

"If I were given one hour to save the planet, I would spend 59 minutes defining the problem and one minute resolving it,"

EUROPEAN  
INNOVATION  
ACADEMY

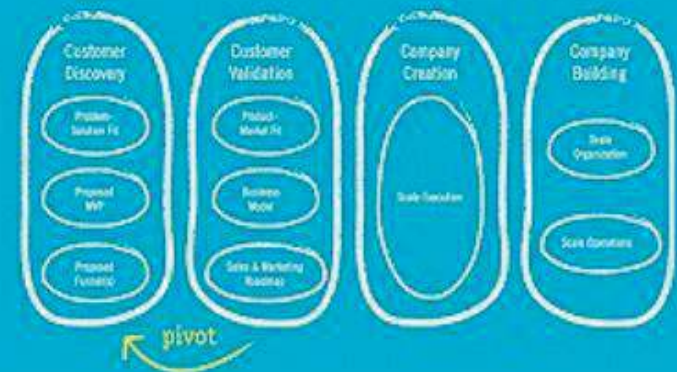
# THE STARTUP OWNER'S MANUAL

The Step-by-Step Guide for  
Building a Great Company

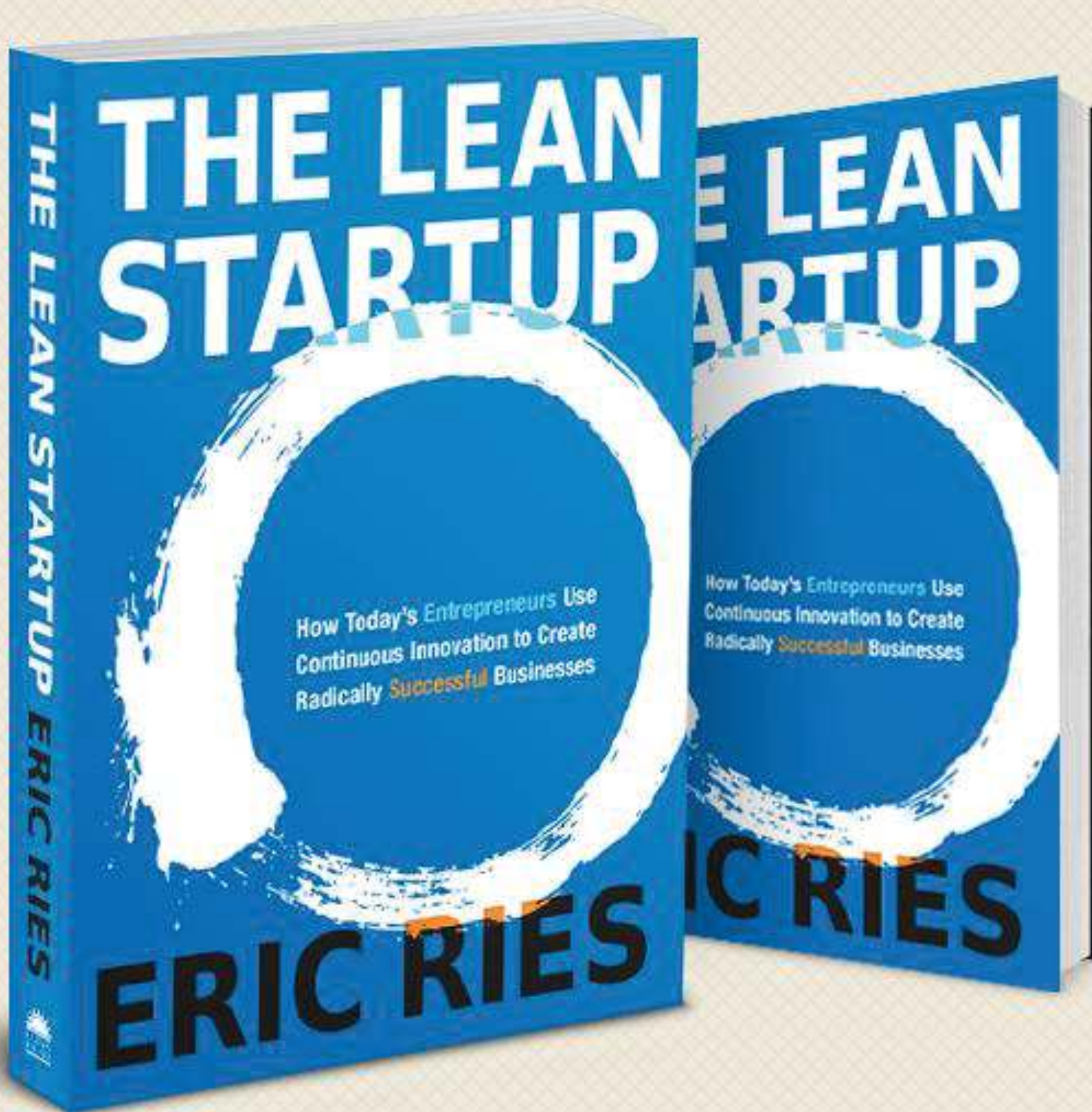
Steve Blank and Bob Dorf

# The Entrepreneur's Guide to Customer Development

A "cheat sheet" to *The Four Steps to the Epiphany*



by Brant Cooper & Patrick Vlaskovits  
Foreword by Steven Gary Blank



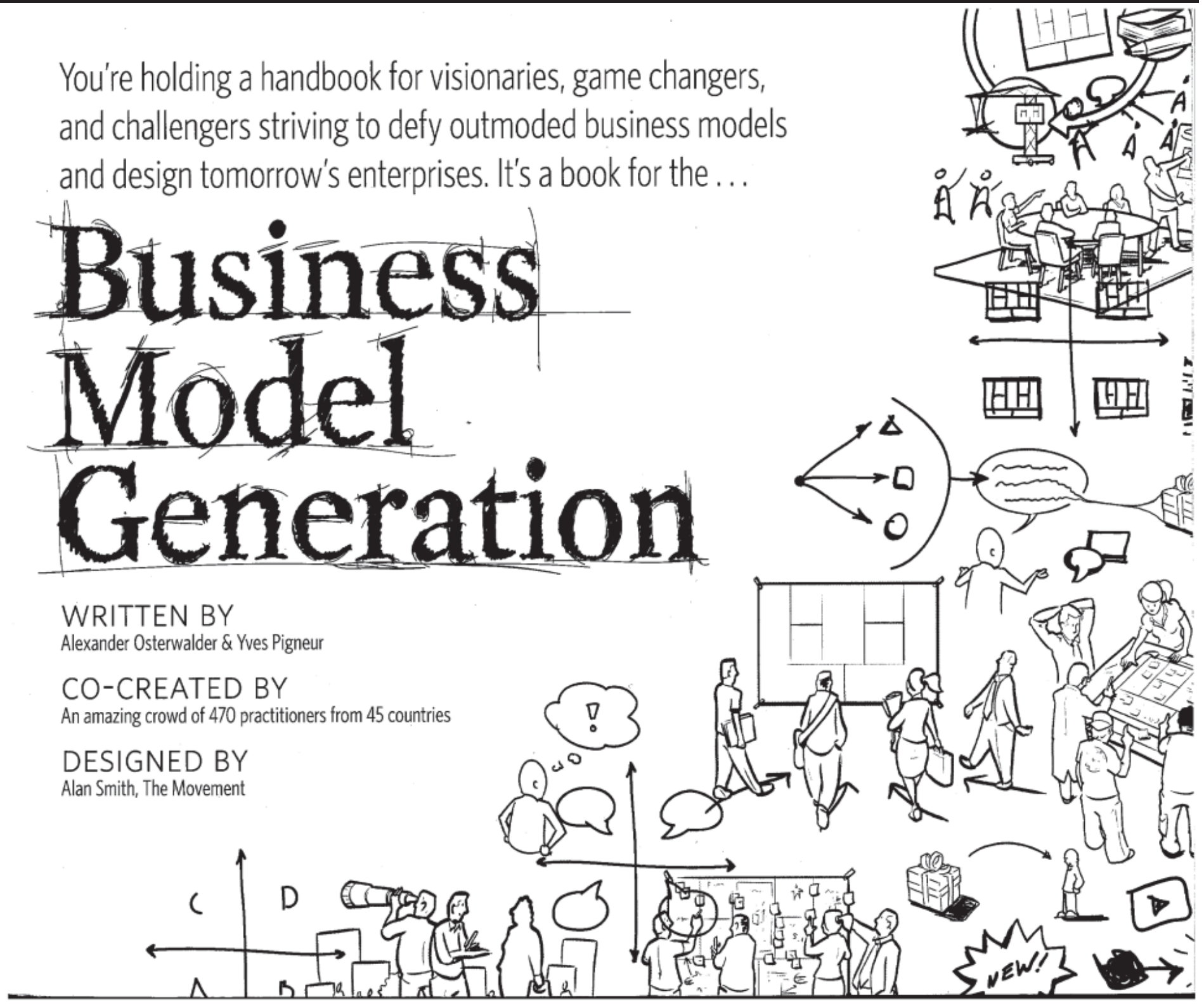
You're holding a handbook for visionaries, game changers, and challengers striving to defy outmoded business models and design tomorrow's enterprises. It's a book for the ...

# Business Model Generation

WRITTEN BY  
Alexander Osterwalder & Yves Pigneur

CO-CREATED BY  
An amazing crowd of 470 practitioners from 45 countries

DESIGNED BY  
Alan Smith, The Movement



# Customer Discovery, Phase One

## State Your Business Model

### The Business Model Canvas

#### Key Partners

Who are our Key Partners?  
Who are our key suppliers?  
Which Key Resources are we acquiring from partners?  
Which Key Activities do partners perform?

**BENEFITS FOR PARTNERSHIP:**  
Distribution and economy  
Reduction of risk and uncertainty  
Acquisition of particular resources and expertise

#### Key Activities

What Key Activities do our Value Propositions require?  
Our Distribution Channels?  
Customer Relationships?  
Revenue Streams?

**CATEGORIES:**  
Production  
Problem Solving  
Platform/Network

#### Value Propositions

What value do we deliver to the customer?  
Which one of our customer's problems are we helping to solve?  
What bundles of products and services are we offering to each Customer Segment?  
Which customer needs are we satisfying?

**CHARACTERISTICS:**  
Novelty  
Performance  
Customization  
"Getting the Job Done"  
Design  
Brand Status  
Price  
Cost Reduction  
Risk Reduction  
Availability  
Convenience/Usability

#### Customer Relationships

What type of relationship does each of our Customer Segments expect us to establish and maintain with them?  
Which ones have we established?  
How are they integrated with the rest of our business model?  
How costly are they?

**EXAMPLES:**  
Personal Assistance  
Dedicated Personal Assistance  
Self-Service  
Automated Services  
Communities  
Co-creation

#### Customer Segments

For whom are we creating value?  
Who are our most important customers?

Mass Market  
 niche Market  
Segmented  
Diversified  
Multi-sided Platform

#### Key Resources

What Key Resources do our Value Propositions require?  
Our Distribution Channels?  
Customer Relationships?  
Revenue Streams?

**TYPES OF RESOURCES:**  
Physical  
Intellectual (Brand, patents, copyrights, etc.)  
Human  
Financial

#### Channels

Through which Channels do our Customer Segments want to be reached?  
How are we reaching them now?  
How are our Channels integrated?  
Which ones work best?  
Which ones are most cost-efficient?  
How are we integrating them with customer routines?

**CHANNEL PHASES:**  
1. Awareness  
2. Evaluation  
3. Purchase  
4. Delivery  
5. After sales

#### Cost Structure

What are the most important costs inherent in our business model?  
Which Key Resources are most expensive?  
Which Key Activities are most expensive?

**IS YOUR BUSINESS MODEL:**  
Cost Driven (lowest cost structure, low price value proposition, maximum scalability, or limited advertising)  
Price Driven (focused on value creation, premium value proposition)

**SAMPLE CHARACTERISTICS:**  
Fixed Costs (salaries, rents, utilities)  
Variable costs  
Economies of scale  
Economies of scope

#### Revenue Streams

For what value are our customers really willing to pay?  
For what do they currently pay?  
How are they currently paying?  
How would they prefer to pay?  
How much does each Revenue Stream contribute to overall revenues?

**TYPES:**  
Asset sale  
Usage fee  
Subscription Fee  
Licensing/Renting/Lending  
Licensing  
Endowment Fee  
Advertising

**FIXED PRICING:**  
LAI Price  
Product Feature dependent  
Customer segment dependent  
Volume dependent

**DYNAMIC PRICING:**  
Regulation Engineering  
Yield Management  
Real-time Market

# 3D Print of your unborn baby: ultrasound image based



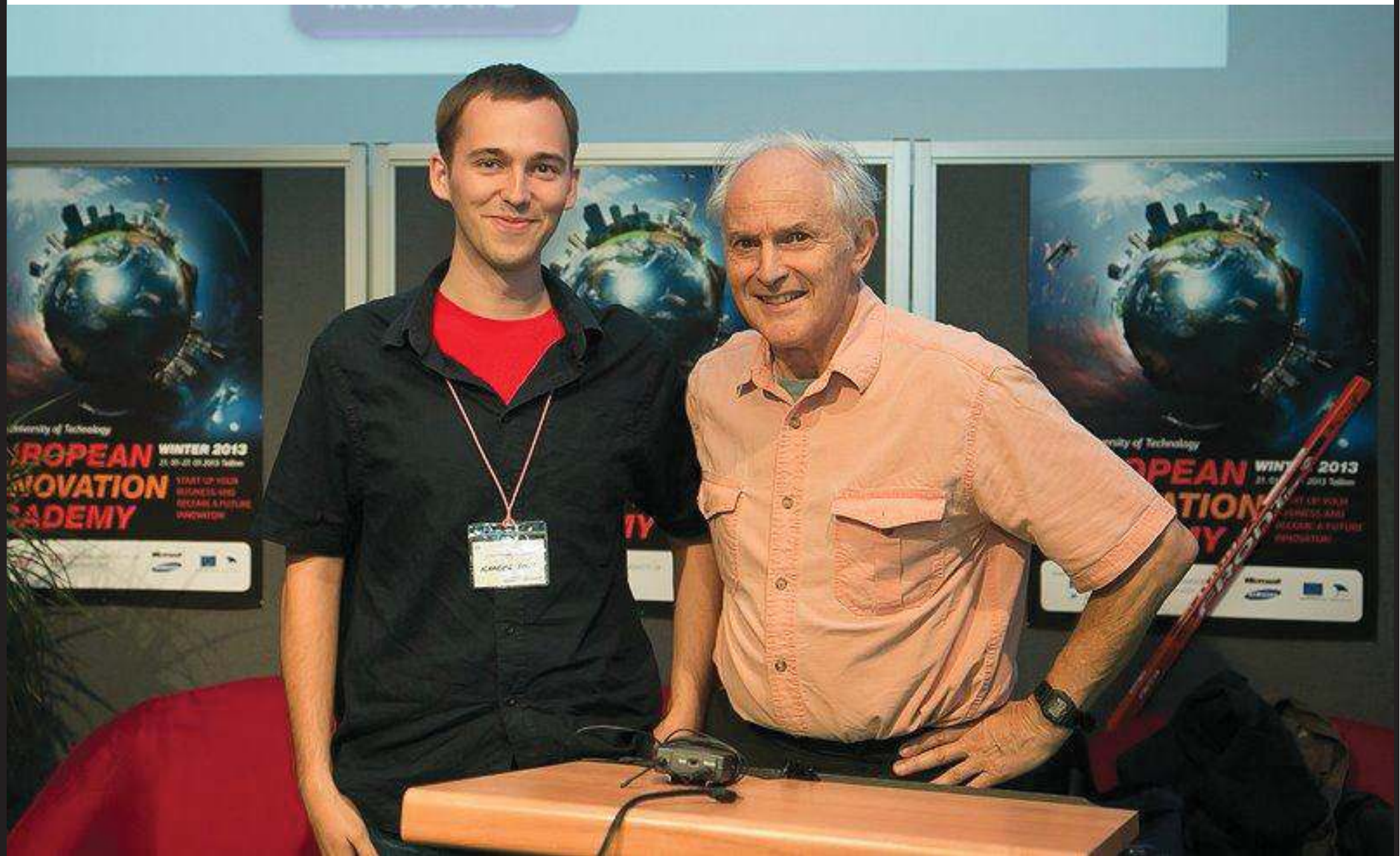
EUROPEAN  
INNOVATION  
ACADEMY



Change has changed...



## The Nobel Prize Winner Sir Harold Kroto



**Prof. Thomas J. Howard (DEN)**



## Prof. Mark Harris, The Former Head of INTEL



## Interactive workshops carried by Lect. Indrek Maripuu (EST)





EUROPEAN  
INNOVATION  
ACADEMY

8-26 July 2013

# Certificate

Offered by: EUROPEAN INNOVATION ACADEMY

*For the ability to transform ideas into real innovation,  
the increased knowledge in Business Modelling and the  
throughout understanding of the innovation process.*

## John Smith

*It are only the ones that have the courage to create and have the  
ability to look forward, who have access to the path of success.*

Course Duration: Total 156 hours, 6 ECTS credits



TALLINN UNIVERSITY OF  
TECHNOLOGY

Microsoft SAMSUNG

**HELSINKI is the 2nd Best Destination  
in 45 Places to Go in 2012  
Recommended by  
*The New York Times***





Tallinn



Stockholm







# July 2013: Tallinn – Helsinki – Stockholm – St Peterburg

*Innovation Starts  
from Vision and Business Models*

Tallinn University of Technology

# EUROPEAN INNOVATION ACADEMY

**TALLINN  
2013**

Innovation supported by



TALLINN UNIVERSITY OF  
TECHNOLOGY

Microsoft

SAMSUNG



European Union  
Regional Development Fund



Investing in your future



TEHNOLOGIA  
TALLINN UNIVERSITY OF

Microsoft

SAMSUNG



European Union  
Regional Development Fund



Investing in your future