

INTERNATIONAL BUSINESS MODEL COMPETITION

inspiring
futures

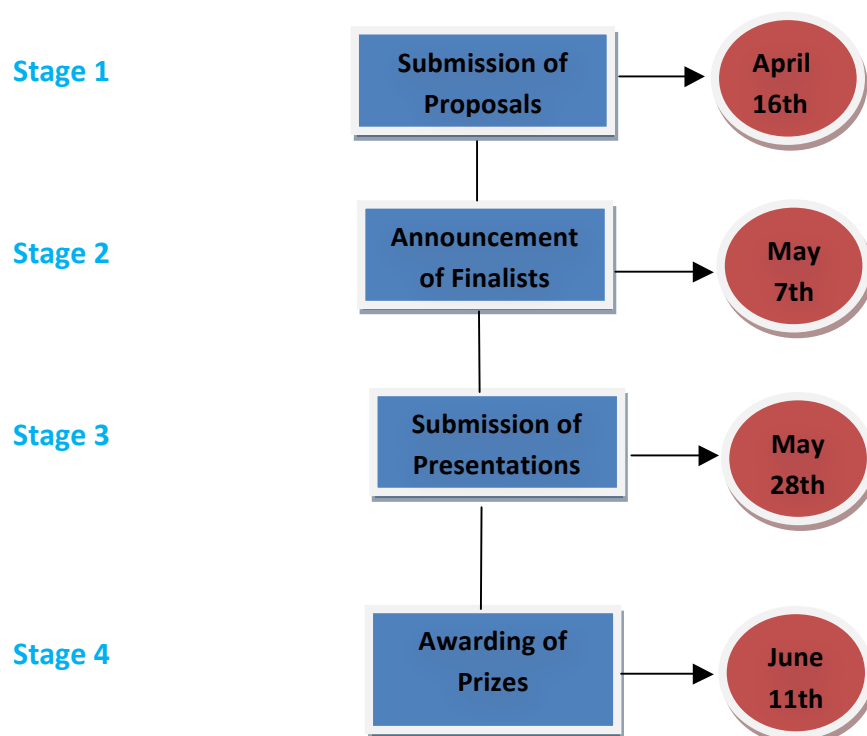


Prizes to be awarded:

- **1ST PRIZE: 100% OF TUITION FEES**
(PRIZE VALUE: 23,840€)
- **2ND PRIZE: 50% OF TUITION FEES**
(PRIZE VALUE: 11,920€)



Competition Timeline



ESADE INTERNATIONAL BUSINESS MODEL COMPETITION

FOR ENTREPRENEURIAL & INNOVATIVE GRADUATES

[ESADE Business School](#) is running an [MSc Programme in Innovation and Entrepreneurship](#) and we want to have the best innovative, creative and entrepreneurial young graduates that want to develop a professional career in the fields of managing innovation, intrapreneurship or entrepreneurship.

We propose this INTERNATIONAL BUSINESS MODEL COMPETITION (IBMC) as a challenge for creative and entrepreneurial recent graduates with talent and initiative who have a business idea that can be the base of a large opportunity, and who know how to design and test a suitable business model.

Prizes

The winner will be the candidate who submits the best proposal and will receive a grant to cover 100% of the tuition fees (this is a prize value of **23,840€**) of the [MSc in Innovation and Entrepreneurship](#).

The finalist will receive a scholarship for 50% of the tuition fees (prize value of **11,920€**) of the [MSc in Innovation and Entrepreneurship](#).

What is a Business Model Competition?

A big percentage of new businesses fail within a few years after their creation. Very often, writing a business plan has no correlation with success factors. The International Business Model Competition (IBMC) concept represents a radical departure from the past and the crest of a new paradigm in entrepreneurship. Participants will not be rewarded for doing lots of library research, drawing fancy graphs, or crafting the perfect sales pitch to venture capitalists. Instead the IBMC rewards students for:

- 1) Looking for an innovative business idea that can be the base of a large business opportunity
- 2) using the Business Model Canvas (1) as a frame to break down their idea into the key business model hypotheses
- 3) testing the underlying business model assumptions with customers and the stakeholders involved
- 4) applying Customer Development (2) principles to nail the solution,
- 5) learning to pivot (or change) until they have a customer(stakeholder)-validated business model with radically improved chances of success

The IBMC requires a focus on testing assumptions rather than the typical approach of gathering secondary data, developing validated learning rather than writing a business plan, getting outside the building rather than researching inside the building, applying lean development rather than relying on product development, and “reinventing” or changing course rather than executing on the plan.

Business Model Development

1. Find a big customer problem
2. Develop a value proposition and design a suitable business model (1)
3. Interview customers face to face to understand the problem (the pain) and the proposed solution (for the pain). Pivot when you find out that you are wrong (2).
4. Develop a marketing strategy: Get outside the building to understand the complete customer buying process and the market communication and

- distribution structures, and then go, find and interview face to face the stakeholders involved in the business model designed.
5. Use all the facts to validate the revenue model for the business.
 6. Pivot: Throughout the process learn to change course whenever you discover you are wrong.
 7. Lessons learned: Identify what you learned throughout the process and how your business model has changed along the way. What is the new, validated business model? Is it worth pursuing?

Presentation Guidelines

Although there is not one format for successful models, we suggest that business model submissions contain certain components to communicate effectively. Along with the presentation, you are required to send us **an introductory letter** where you should introduce yourself and briefly tell us about your motivation for participating in the competition. This letter should not be longer than two pages. As per the PowerPoint presentation (10-15 slides), please make sure it contains the following:

- a) **Title Slide:** Who are you and what does the business do?
- b) **Assumption Slides:** What were your initial hypotheses? Did you identify a customer problem? What were the key hypotheses about the business model? Remember some of your most important hypotheses are about customer pain and your solution to that pain.
- c) **Action Slides:** How did you test these hypotheses? What specific tests did you conduct? What did you discover? What facts were uncovered? What facts remain to be uncovered? One of the major purposes of the competition is to see if you have truly understood the problem and the pain—but what data do you have?
- d) **Pivot Slides:** How were your initial assumptions proved right or wrong? What pivots did you make?
- e) **Validated Business Model Slides:** Diagram your business model and present the facts? How does the business make and deliver value? Consider the following critical points to communicate:
 - a. **Solution Slides:** Explain your current solution to the customer problem. What evidence do you have of this solution (customer statements, pilot commitments, purchase orders?)
 - b. **Go-to-Market Strategy:** Indicate the decision-makers and influencers of getting to a consummated sale. Share the facts and opinions you have gathered from customers that show you understand and can convincingly communicate with customers.
 - c. **Size of Market:** Be able to show the size of your target market, and your estimated entry cost into the market.
- f) **Lessons Learned:** Be sure to communicate the lessons learned, including pivots and failure.
- g) Optional **Appendices (if necessary)** Appendices should be included only when they support the body of the model.

Eligibility Criteria

The competition is open to anyone applying to the MSc Programme in Innovation and Entrepreneurship: graduated, post graduated or student in the final year of an undergraduate programme from any university, but to be eligible for the grants, the candidate must have satisfactorily completed the admission process. Thus, to get to Stage 4 of the competition the participants must have been accepted in the [MSc in Innovation and Entrepreneurship](#) programme.

More information about the admission process is available at

<http://www.esade.edu/management/eng/admissions/application-process>

Structure of the Competition

Stage 1 - Submission of the proposals: The proposals containing an introductory letter of the participant and of the project (1-2 A4 pages) and a PowerPoint Presentation (10-15 slides) have to be submitted by e-mail to: mscinnovation@esade.edu not later than **Monday, 16th of April 2012**. Any proposals received at a later date than the deadline stipulated in the rules of this competition will not be accepted.

Stage 2 - Announcement of the finalists: By **Monday, 7th May 2012** the finalist will be announced.

Stage 3 – Submissions of the presentations: The finalist will prepare a 5-10 minutes long video to present the major point of the business model in a persuasive and professional manner. A file or a link to a file, with the video should be send by e-mail to: mscinnovation@esade.edu not later than **Monday, 28th May 2012**.

Stage 4 – The Prizes: The jury will inform the finalists of its verdict the on **Monday, 11th June 2012**.

Any proposals or documents received at a later date than the deadline stipulated in the rules of this competition will not be accepted.

Instructions for the presentation of the documents

- All the documents will be presented in English
- The introductory letter must contain the title of the project and the details of the candidate: name(s) and surname(s), studies, university, e-mail, address and contact telephone number.

Resources

1) Steve Blank:

- a. <http://steveblank.com/2010/10/25/entrepreneurship-as-a-science-%e2%80%93-the-business-modelcustomer-development-stack/>

2) Alex Osterwalder:

- a. http://en.wikipedia.org/wiki/Business_Model_Canvas
- b. <http://www.slideshare.net/Alex.Osterwalder/successful-entrepreneurship-5747012>