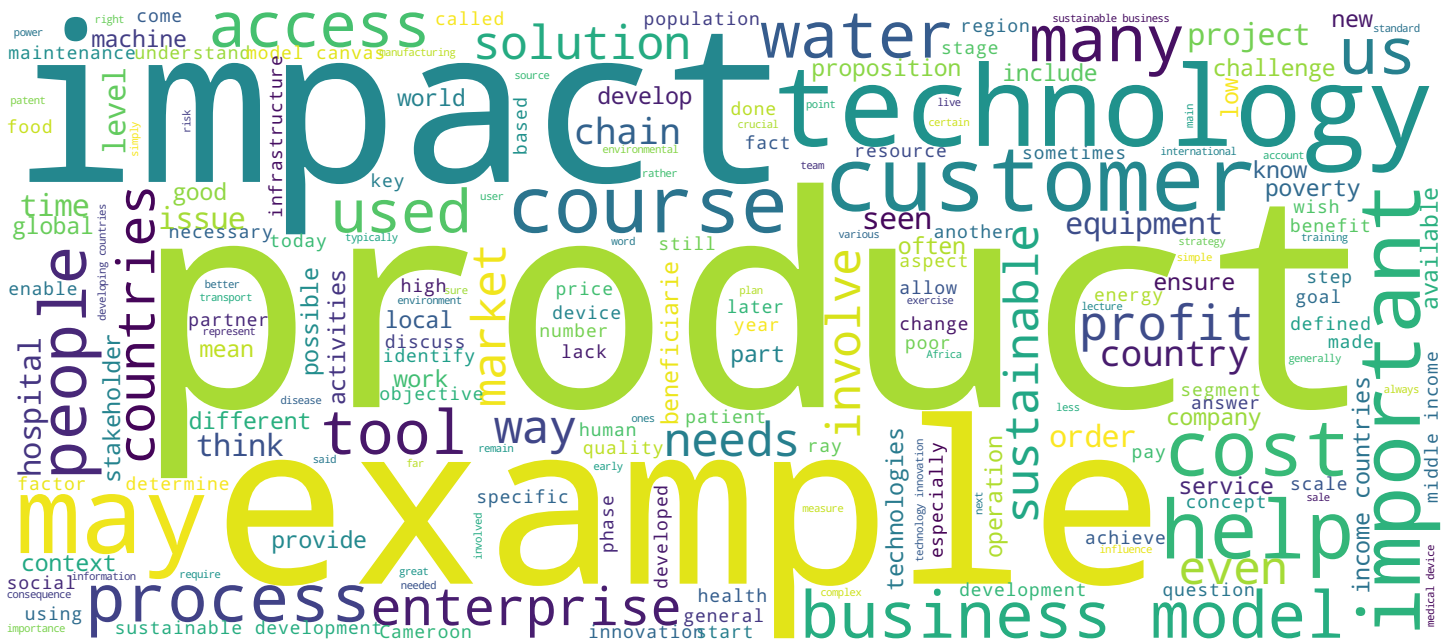
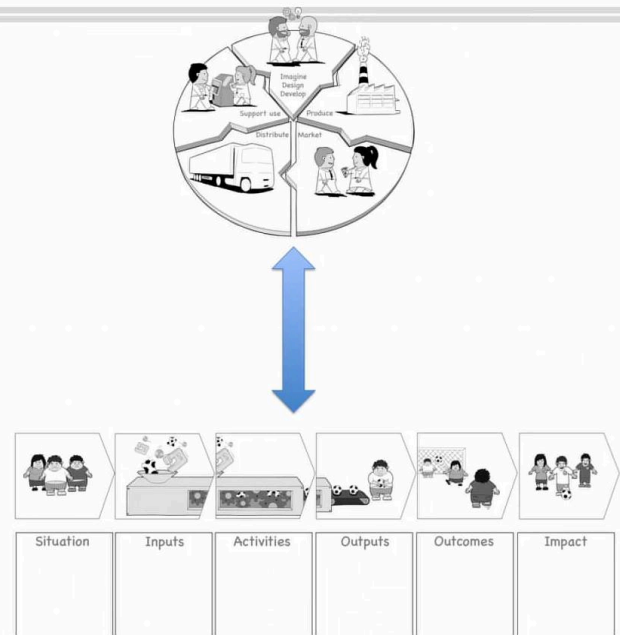




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Innovation & technology development for poverty reduction

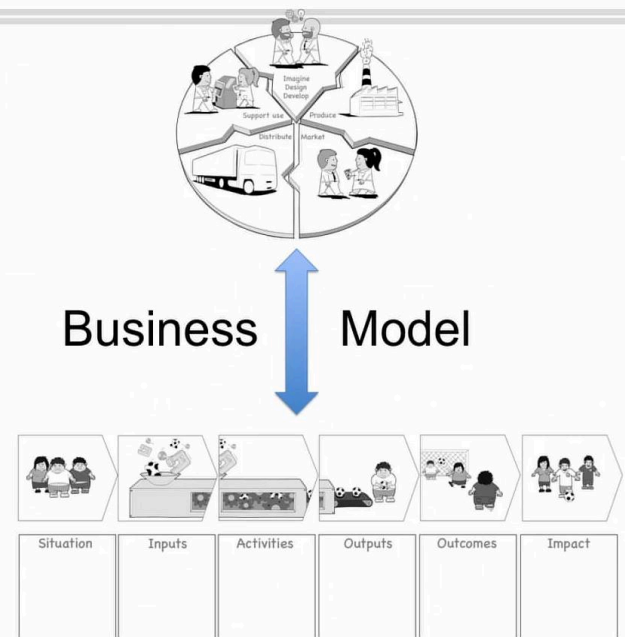
So far we have seen the process for the development of a meaningful innovative technology in the context of sustainable development. We also showed you tools to ensure that the technology you develop will fulfill its function in reaching the intended impact. However, your well-crafted technology will never have any impact if it remains in your garage or if only a single prototype is ever fabricated. Again, in this course, we subscribe to the notion that the wider the essential technologies are deployed and the more people have access to them the greater the impact. So now that you have seen how to develop an innovative technology, the question is how you plan to deploy it at scale, that is, as widely as possible over the long run. The impact value chain canvas that we presented earlier in this course helps you to set your social target goal and define the necessary steps to get to it. It also helps you to identify the stakeholders that you have to involve in the process. The product value chain that was presented in the previous videos allows you to map out the different phases in the life-cycle of your product along with the corresponding actors or partners, while taking into account their constraints when designing your product.

Notes

Summary



0m 20s



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This helps you to establish the technical specifications of your product and enable you to think through the issues related to its production, usage, etc. But none of these tools will help you think through how you will deliver your product to your customers or beneficiaries and how to get paid, by who and why. Remember, unless your enterprise can generate excess revenue or profit from its operations, it is unlikely for it to remain viable and sustainable. So you need to understand how to define, as clearly as you can, how you will derive revenue. This is generally referred to as your business model. However, there is a lot more around your business model than simply collecting revenues, which is the endpoint. Firstly, you make a certain promise to the customer by way of your Value Proposition then you have to make sure that your operations for realizing the product are economically viable to enable you to honor your promise or Value Proposition to the client. Thereafter, you have to ensure that the product is delivered in a manner consistent with the promise or Value Proposition, which may require setting up a set of relationships that will ensure this objective, for example, sales and distribution channels.

Notes

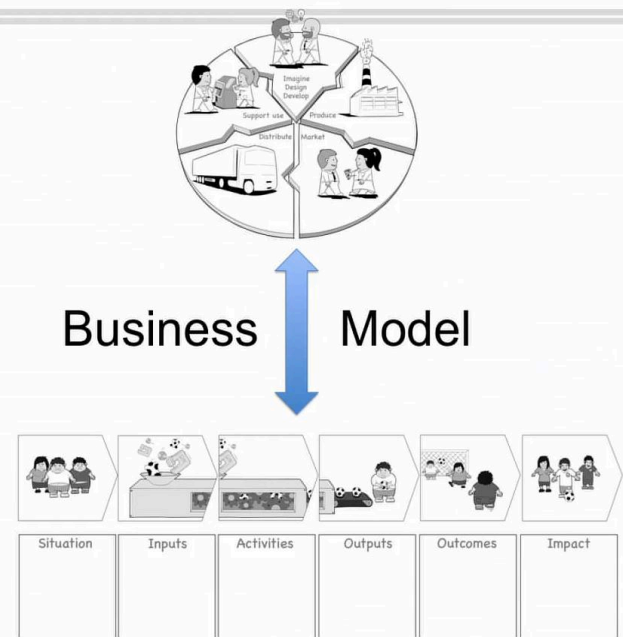
Summary



1m 38s

## Business Model Canvas

- Alexander Osterwalder
- Yves Pigneur



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This then finally triggers the revenue or payment event, and hopefully the commitment to a series of ensuing revenue events at a predetermined frequency. But very importantly, you must ensure that the overall operations is sustainable on all three pillars. That is economically, socially and environmentally, which is termed the Triple Bottom Line. Now the sustainable business model canvas tools that we'll be discussing in the next two to three videos represents all these issues around your business model in a single page. The Sustainable Business Model Canvas we present is a slight variation of the original business model canvas *developed by Alexander Osterwalder and Yves Pigneur in Lausanne, Switzerland*. The canvas tools is made out of several boxes that are all interconnected in some way.

Notes

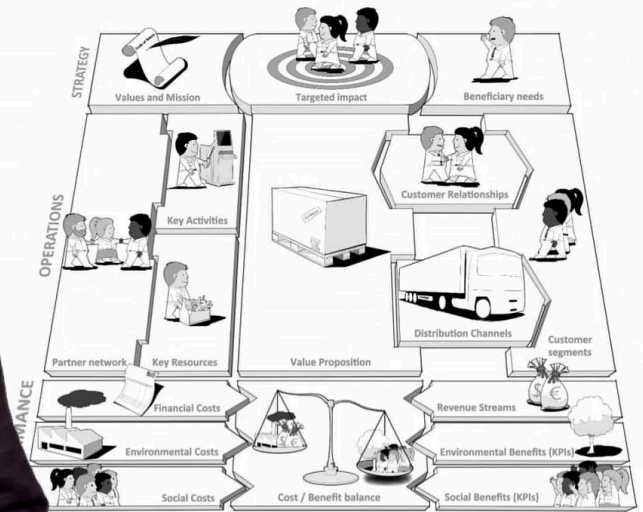
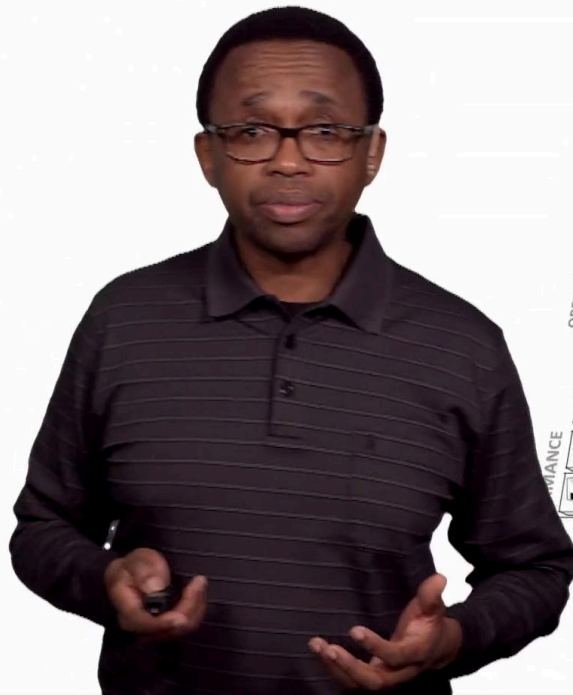
Summary







# The sustainable business model canvas



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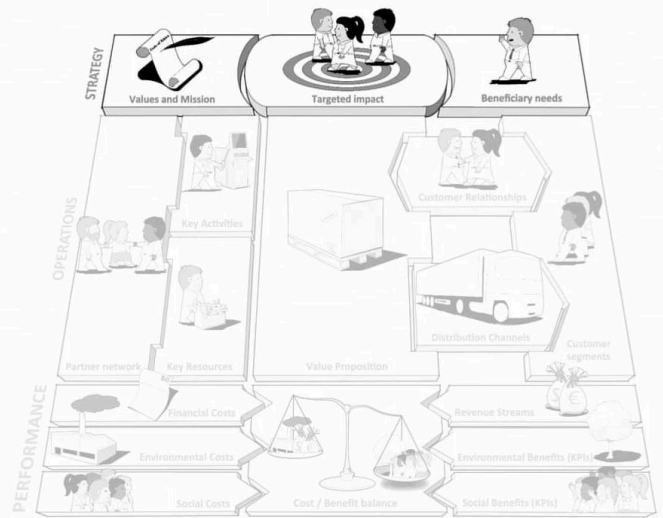
The main difference between this version and the original one is that we also treat the aspects of social impact and sustainability. Whereas, the original version confines itself primarily to economic issues. It may look complex but in fact it's a great tool to help you answer the key questions we evoked before. This tool is really intended to be used as a team involving your colleagues and ideally some of your key stakeholders as well around good food and drinks. But be prepared for lively and passionate discussions though. The exercise itself involves using post-it sticky notes to represent the answers to the questions posed during the exercise. during the exercise. The canvas itself can be split into three broad categories.

Notes

Summary



3m 39s



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The first part represents the overall mission of your enterprise. While the second category is about the activities or operations of your enterprise. And the third category is about performance metrics of your activities. The purpose of each individual box is to enable to ask questions, organize the answers and see how they influence each other as we will see. The overall mission of your enterprise should be well defined by now, using the Impact Framework tools that we previously introduced earlier in the course. So by defining what social impact you wish to achieve, or which sustainable development goal you wish to target with your technology. This will help you also define who will benefit from your technology But knowing who your beneficiaries are is only a starting point. One of the first questions to ask yourself is: Of all the needs your beneficiaries may have which ones are you actually addressing? At this level it is also important to reflect what your real priorities are for your enterprise activity. Is it impact first-and-above profit? If so, that may mean you may be prepared to give up higher profits in order to achieve more impact.

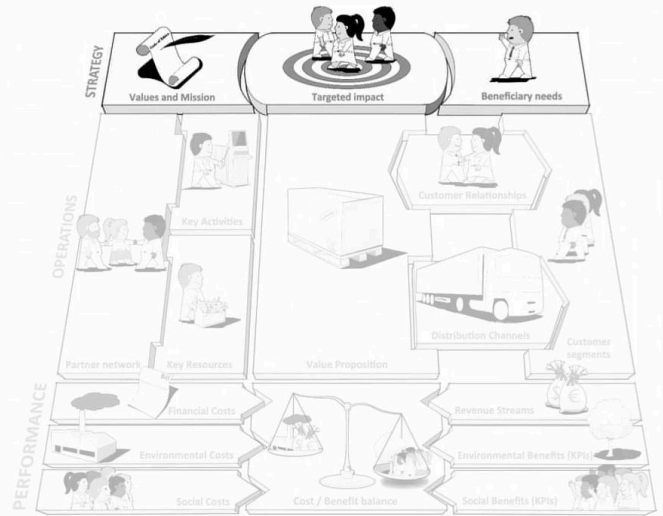
Notes

Summary



4m 31s

- Impact First or Profit First?



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Coming back to profit, before we said that profit was necessary, in general, to ensure long-term viability. But remember profit can be used in various ways. In the most common case, profit is a self-serving benefit, if you like, where the excess revenues received, may be appropriated to a few shareholders of the enterprise. Alternatively, all the profit can simply be reinvested into the enterprise. And in this case be regarded as an engine for growing the scale of the impact. This is usually the case for a lot of not-for-profit foundations, for example. So this part of the canvas allows for you to consider and factor in these issues here.

Notes

Summary



5m 55s



- Identify needs
- Beneficiary  $\neq$  Customer
- Values & Mission

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Later on we'll also discuss the issue of trying to strike a balance between the financial, environmental and social aspects when doing a cost/benefit analysis for the enterprise. So to summarize, thus far we emphasize once more the importance of correctly understanding who your beneficiaries are, their needs and which ones you are aiming for. And making sure in the process not to confuse the beneficiary and the customers as always being the same entity. For example, the beneficiaries can be all those patients who are resistant to antibiotics, who may stand to benefit from your new pharmaceutical product that is effective with all bacteria. In this case, you will generally never sell to the actual beneficiary, which is the patient, directly. But your customers are rather the wholesalers and distributors, state health departments or health insurance companies, who accept to pay for your product when prescribed. And finally, we would like to remind you also that enterprise values and mission are very important aspects for you to define early. They will help you determine what is priority for your enterprise, between impact and profit, which may have consequences on how you define what profit levels are acceptable for you from enterprise operations, for example. We will explore this aspect again later on. Goodbye.

Notes

Summary



6m 45s