Getting Started - Your first Lean-Case in 20 min

A **Business Model** is a combination of things.

It's what you sell, how you deliver it, how you acquire customers, and how you make money from them.

GET-A-CUSTOMER		KEEP- AND-GROW-A-CUSTOMER		MANAGE-AND-RUN-THE-BUSINESS
Lead Generation	Sales Strategy	Revenue Model	Product Model	
How the visitor, customer, or user finds out about the business?	What the business does to convince the visitor or user to become a paying customer?	How the business extracts money from its visitors, users, or customers?	How much it costs to make, deliver and support each product unit the business sells to a customer?	How much it costs to make, deliver and support each product unit the business sells to a customer?

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A **Business Case** links the Business Model to the Metrics

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Lead Generation	Sales Strategy	Revenue Model	Product Model	
How the visitor, customer, or user finds out about the business?	What the business does to convince the visitor or user to become a paying customer?	How the business extracts money from its visitors, users, or customers?	How much it costs to make, deliver and support each product unit the business sells to a customer?	How much it costs to run your business over a period of time?
Cost-of-Marketing	Cost-of-Selling	Revenues and Churn	Cost-of-Goods-Sold	Expenses (G&A, R&D, S&M)
Customer-Acquisition-Cost (CAC)		Customer Lifetime Value		Overhead

Case Study: B2B SaaS Company "SecurUs"

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• To fill the pipeline, Lead Generation on Events with a Cost per Lead of €60 • Sales Teams convert 1% of leads into paying customers	• Going to market with Sales Teams – hiring 1 team per quarter for the first 2 years • Each Sales Team has a target to acquire 10 new customer per month • Sales Team Cost of €5000/month	Subscription Revenues • Average monthly subscription revenues of €500 per customer • Billed quarterly in advance • Customer Churn of 3% upon renewal Integration Service Revenues • Upselling to 60% of customers: • 3 days at €1000/day • delivered over 3 months • Upselling delay 1 month	• Cost of Goods Sold of 20% of Revenues	• Founder Team CEO and CTO with €5000/monthly (50% base and 50% variable) as employees • Contracted Team of 5 Software Engineers at €2500/month • Adding one per quarter for first 2 years • Rent of €2000/monthly increasing 5% yearly • Admin cost of 2% of revenues • Exceptional IT cost of €1000 in year 2 growing 10% per quarter

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Template Business Case Assumptions:

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Cost-of-Marketing	Cost-of-Selling	Revenues and Churn	Cost-of-Goods-Sold	Expenses (G&A, R&D, S&M)