

## **Monetising your ideas - Part 4:**

### Choosing the right business model

**Focus:** In short, a business model is a description of how your company will go about making a profit. The way you approach generating revenue from your business idea will have different ramifications on the structure of your business and the costs that come with it. Finding the right business model that can make a profit deserves careful attention and is a key component to launching a successful start-up and ensuring that established businesses can pivot, grow and adapt as the market or their customers need change.

### **Common problems/mistakes:**

- Little to understanding of the different business models options;
- Generating profit is an afterthought;
- Established businesses stunt their growth from lack of understanding the options available as they grow.

### **Why is it important:**

- Your business model outlines the approach you choose to generate profit;
- It can make or break your business;
- If you are thinking of seeking investment it is the first thing investors will ask about.

### **Screen share:**

- **Business model examples**

### **Template/checklist:**

Business model clarification statement

### **Tips for success:**

- Keep it simple;
- Research the business models of successful businesses in your sector;
- Think long-term, is it sustainable?

### **Task:**

Complete the Business model clarification statement template to define your current and future business model approach. Also complete the Marketing Mix template provided in the workbook if you have not done so already to help define your position in the market.