

Social Innovation

Integrating 'Social' into business models

Social Innovation

The schedule

- ~~Week 1: Definition and Concept of Social Innovation~~
- ~~Week 2: Theories and Frameworks of Social Innovation~~
- ~~Week 3: Types and field of Social Innovation~~
- ~~Week 4: Who is a Social Innovator?~~
- ~~Week 5: Design Thinking~~
- ~~Week 6: Designer's mindset~~

Social Innovation

The schedule

- ~~Week 7/8: New Business Models~~
- Week 9: Integrating social into business models
- Week 10: Turning ideas into minimum viable product
- Week 11/ 12: Sustainability and Social Innovation
- Week 13: Network and capacity building
- Week 14: Supporting social Innovation
- Week 15/ 16: Good practices in Social Innovation

Social Innovation

Integrating 'Social' into business models

Contents

- What does integrating 'social' into business model mean
- How can we do that
- Why is it necessary

Learning Objectives

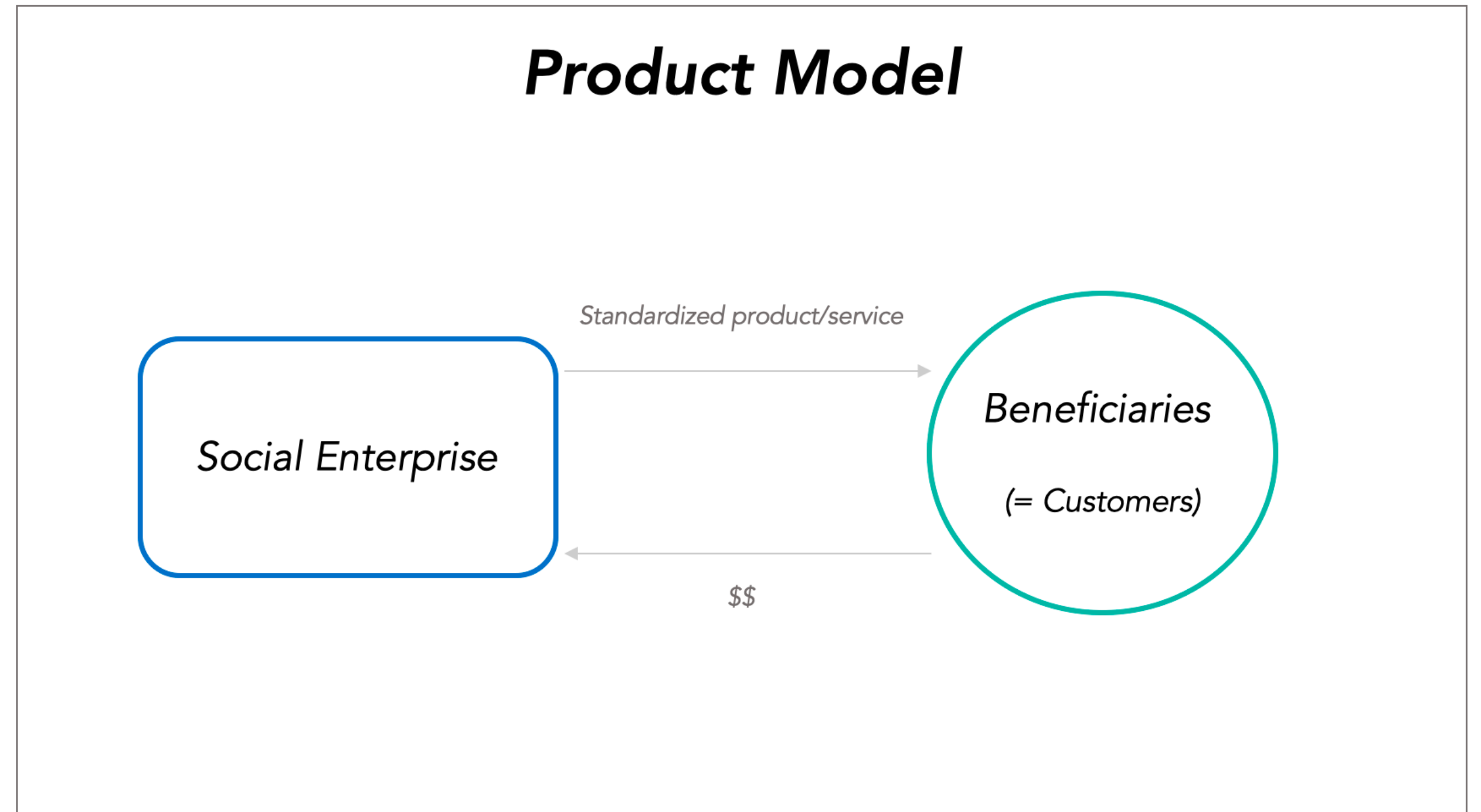
- To look at the business model and tools from a social perspective
- To be able to integrate these concepts into practice
- To understand the societal concerns
- To acquaint ourselves for further sessions

Business model for Social Enterprises

- Product model
- Solution model
- Matchmaking model
- Multi - sided model

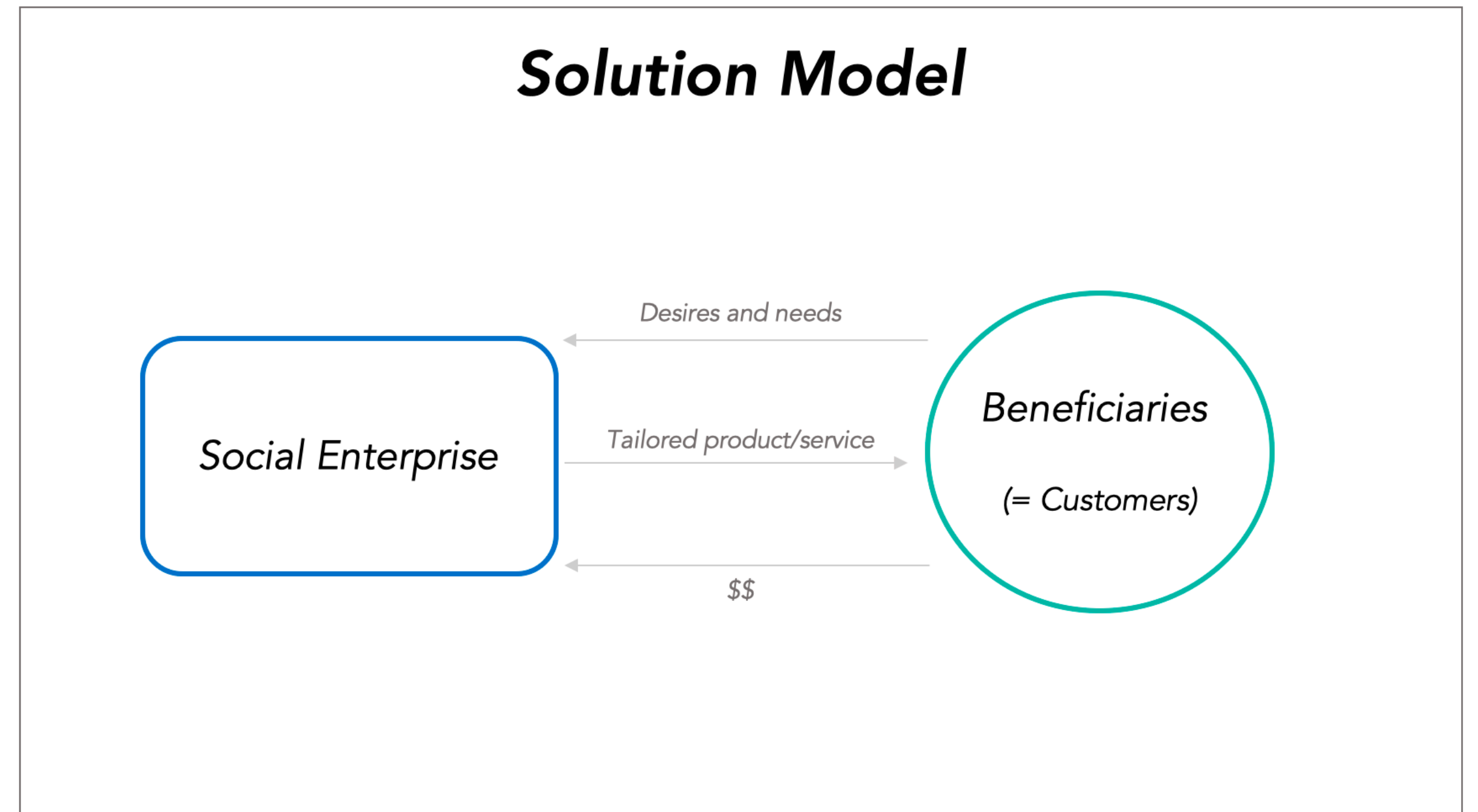
Product model

- Customers and beneficiaries the same
- Also known as 'beneficiary as customer model'



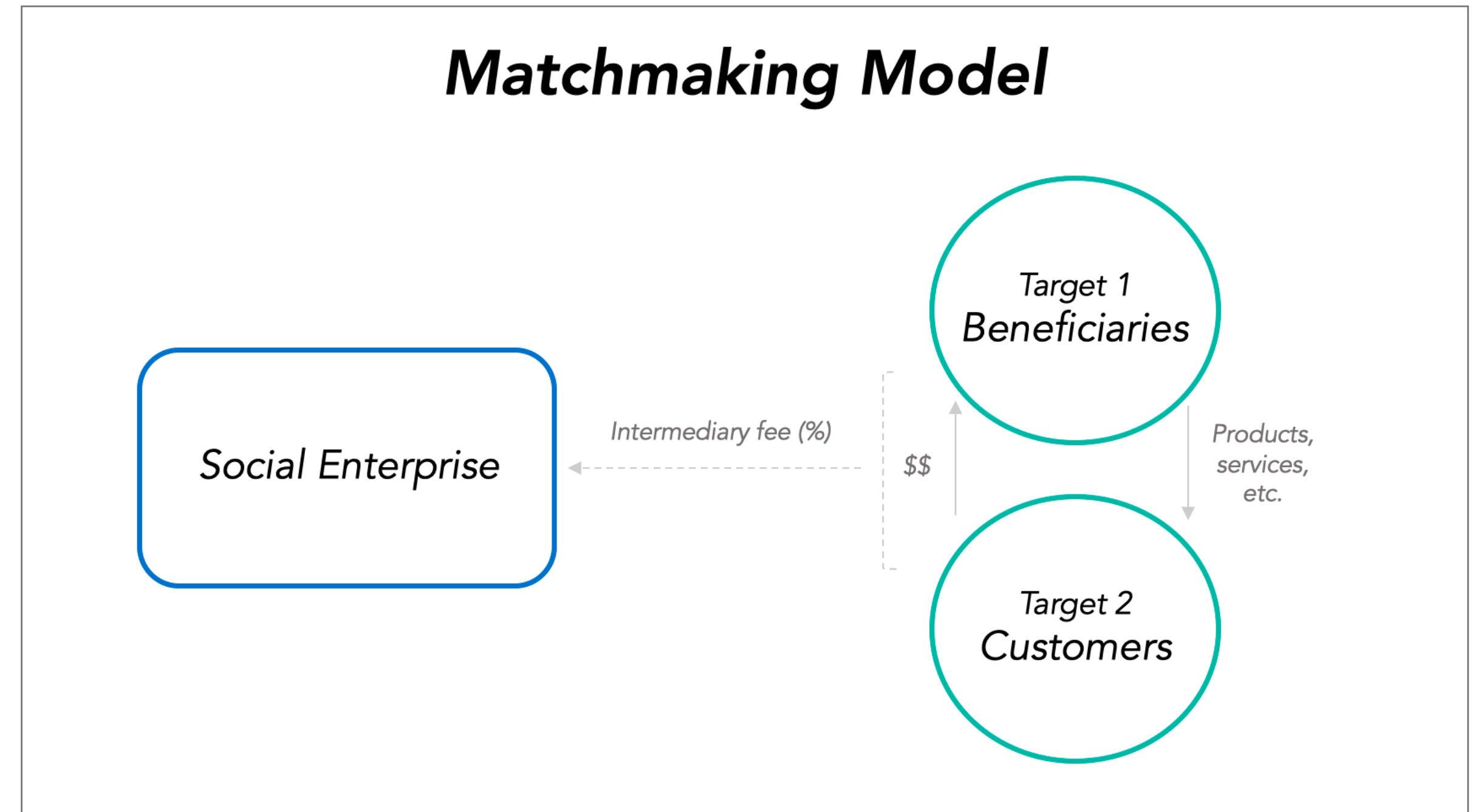
Solution model

- Tailored product/ services
- Engagement with customer first
- Cooperative model
- Beneficiary as business owner model



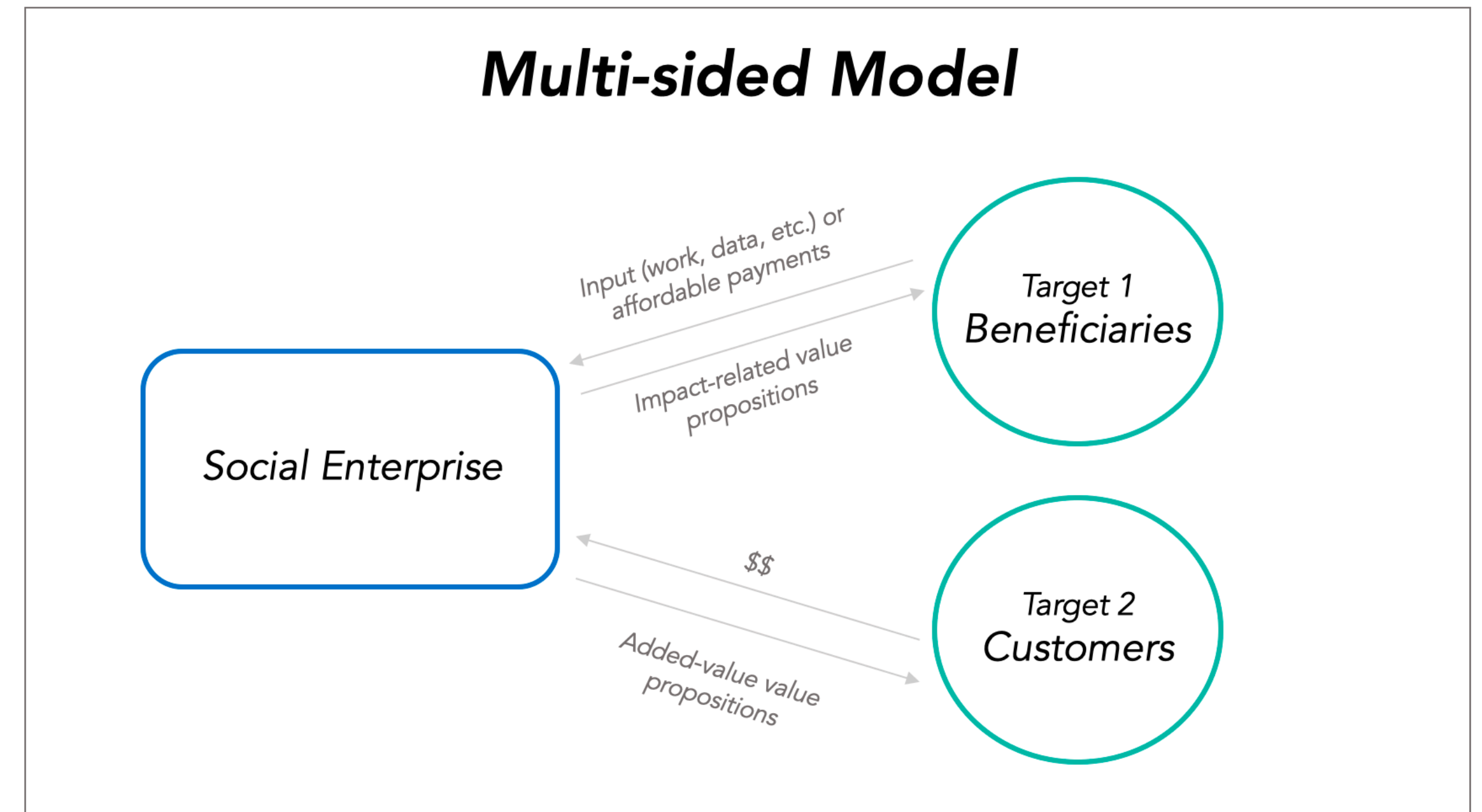
Matchmaking model

- Transactional
- Market intermediary model + platform as intermediary model
- Connects two complementary segments



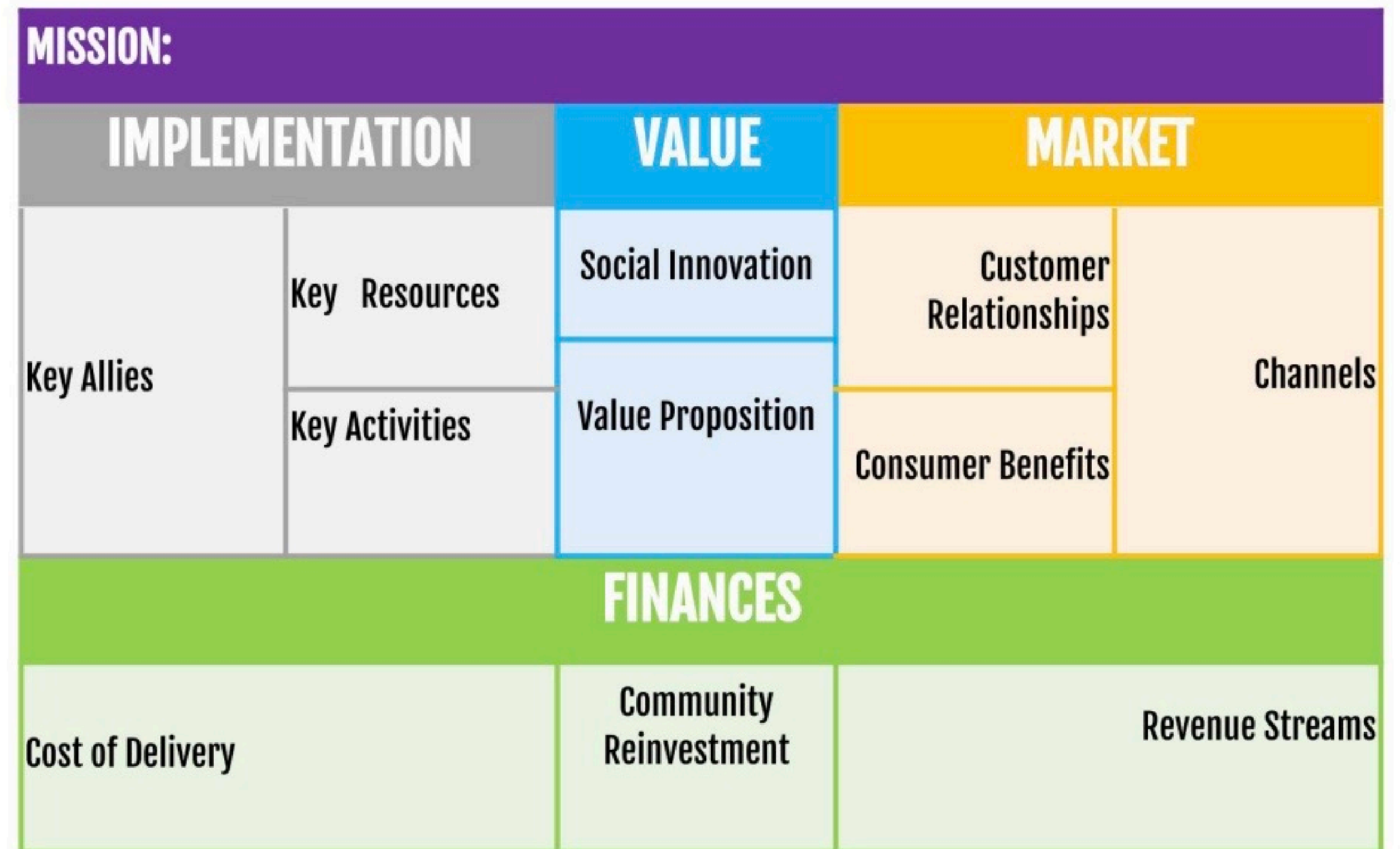
Multi - sided model

- Customer segment cross - subsidization model
- Product line cross - subsidization model
- Cross - subsidization with parent company model
- Donation model
- Employment model



Social Business Model Canvas

- Mission
- Implementation
- Value
- Market
- Finances



Filled up SBMC

- TOM'S shoes
- One of the leading brand world

MISSION: With every product you purchase, TOMS will help a person in need. One for One®.				
IMPLEMENTATION		VALUE	MARKET	
Key Allies <ul style="list-style-type: none"> • Suppliers provide environmentally sound materials • Shoe retailers sell product to customers • Humanitarian organizations collaborate on social programs • In-country volunteers distribute shoes for free in target countries 	Key Resources <ul style="list-style-type: none"> • Working capital • Large workforce • Manufacturing facilities • Volunteer base 	Social Innovation <p>One-for-one concept is distinctive from traditional charitable giving</p>	Customer Relationships <ul style="list-style-type: none"> • Brand conscious millennials and hipsters • People experiencing first-world consumer guilt 	Channels <ul style="list-style-type: none"> • Social media • Global awareness raising events • Campus and schools programs • Corporate cause marketing partnerships • E-commerce and online advertising • International network of shoe retailers
	Key Activities <ul style="list-style-type: none"> • Product development • Manufacturing process • Online selling • Tracking and shipping • Customer service • Social programs 	Value Proposition <ul style="list-style-type: none"> • Meaningful cause • High quality product • Ethical company <ul style="list-style-type: none"> • Status symbol • Fresh way to donate 	Consumer Benefits <ul style="list-style-type: none"> • Children educated • Better family health • Economic opportunity 	
FINANCES				
Cost of Delivery <ul style="list-style-type: none"> • Shoe design and manufacturing • Marketing • Logistics • Distribution of donated shoes 		Community Reinvestment <ul style="list-style-type: none"> • One-for-one product donation • Company giving program 	Revenue Streams <ul style="list-style-type: none"> • Revenue from shoe sales • Sales of accessories 	

Components of Social BMC

- It starts with a social mission
- Social value proposition (Beneficiaries, customers, funding stakeholders)
- Social impact measurement strategy (indicators)
- Channels (beneficiaries, customers)
- Relationships
- Key Delivery partners

Components of Social BMC

- Key activities
- Key resources
- Competitors and cooperation
- Micro - environment/ PESTEL
- Revenue
- Cost
- Surplus

3 P

- People
- Planet
- Profit

BMC for social enterprises

- How do we create value
- Who do we create value for
- How do we distribute the value created
- What is our source of competence
- How do we competitively, cooperatively position ourselves
- How do we secure resources
- What is our social impact
- What are our time, scope and size ambitions

Takeaways from this session

- Social BMC integrates social aspects a components
- There are several Social BMCs
- It is still in a nascent phase
- You can use it to include social aspects

Our learning for next session

- Turning ideas into minimum viable product (MVP)
 - What is a MVP
 - How to go from ideation process to MVP?

Thank You!