

The Business Model Canvas

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Abstract

With global and local markets being transformed by the new techno-culture of digital and social technologies, more and more entrepreneurs need to be guided through their entrepreneurial journey. Whilst the management literature declares that there are numerous widely recognised tools available which the entrepreneur can use to help build or develop their business model in order to keep abreast of technological changes such as the business plan, lean start up and experimental lab, we propose that the Business Model Canvas (BMC) is a better fit for the market - orientated entrepreneur. This paper applies the Business Model Canvas to a single case study in order to investigate how a real entrepreneur relies on the nine blocks of the BMC namely; value proposition, key activities, key resources, cost structure, key partners, customer relationships, customer segments, channels, and revenue streams.

Keywords: Business Model Canvas; Market-Driven Management; Entrepreneurship Oriented Market; Ecosystem; Start-Up

1. Market Driven Approach in an Entrepreneurship - Orientated Market

Entrepreneurs are particularly oriented to take opportunity from the market and create new products, making solid and strong collaborations with actors within their ecosystem (Narver & Slater, 1990; Vallini & Simoni, 2009). The aim is to generate an idea with recognised value (Schumpeter, 1934) and customer orientation, competitor orientation, and inter-functional coordination provide the means to cope with highly-competitive global markets (Brondoni, 2008; Cappiello, 2012; 2005). Each of these orientations is incorporated in the market-driven approach (Day, 1998; 1999; 1994). The market – driven approach links entrepreneurs to their ecosystem and helps them to stay abreast of market needs by overcoming competitors and making long term relationships with external actors such as consumers, suppliers, and government (Kyriakopoulos & Moorman 2004).

Growth in the economy, changing consumer preferences, the climate for labour relations and technological progress are all exogenous events, part of an external environment to which an organisation reacts and which it does not fully control. These events all highlight the borderless nature of risk (Smith & Fischbacher, 2009;

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Gilberto & Cappiello 2016). To ensure the success and progression of the business or enterprise, entrepreneurs and managers require the ability to seize the opportunities identified and avert the threats presented by the external environment (Vallini & Simoni, 2009; Covin & Slevin, 1991; Casson, 2003; Schindehutte et al., 2008; Lumpkin & Dess, 1996, 2001). Large organisations can and do take large risks and withstand a high level of uncertainty whilst new business ventures or existing businesses at their early stage need a guide in order to recognise and exploit intensive changes in the existing markets as well as new markets. In line with this the Business Model Canvas has been identified as a supportive, efficient guide for the entrepreneurial journey (Händler, 2012). It offers a holistic approach that pushes business to be more focused on their consumers whilst providing a better overview on their costs and revenue (Teece, 2010). It also enables entrepreneurs to experiment day by day with their business, relying on a trial and error approach (Brown, 2009; Osterwalder & Pigneur, 2010; Ries, 2011; Curley & Formica, 2013). Moreover, a Business Model Canvas maps out an entrepreneurial journey focusing on the key aspects of the business itself.

A number of business models have been identified such as ‘design thinking’, ‘lean start-up model’, ‘experimental lab’, and ‘business model canvas’ (Curley & Formica, 2013) however despite this there is no single, consistent definition of what a business model is though there are various factors recognized as the key elements to develop and run a business or a new strategy namely; value proposition, key activities, key resources, cost structure, partner network, client relationships, client segments, distribution channels, and revenue flows (Chesbrough 2006; Teece 2010; Magretta 2002; Zott & Amit 2010).

The research argues for a theoretical overview of business models, attempting to define what the business model actually is. To this end a single case study was developed focusing on the nine building blocks of the business model canvas. The empirical research has been conducted on an existing business operating in Scotland (UK). The business under discussion is a small business known as Paul’s Butchers where the use of a Business Model Canvas from start up until present is researched. In conclusion, the paper ends with academic and managerial implications, limits and further research.

2. Business Models as tools for Market-Driven Entrepreneurs

Through using business models, entrepreneurs capture the distinctiveness of recognised values so as to improve existing markets or generate new ones (Magretta, 2002, Morris et al., 2005, Amit & Zott, 2001; Zott & Amit, 2010). Business models are efficient guides to discovering how to create value, how to identify consumers’ needs, how to exploit external opportunities, to identify what resources are needed, how to make money, and what the projections in the short, medium, and long term may be. A business model is also identified as a reflection upon an implemented strategy so as to evaluate outcomes and benefits (Johnson et al., 2008).

Curley and Formica (2013) declare that running a business involves daily experimentation. The market even in the organizational setting is considered a laboratory where entrepreneurs along with their employees and stakeholders adopt a trial and error approach. For other authors, an entrepreneur develops his own

business through a statement where the role of each actor, mission, vision, values, and revenues are stated (Stewart & Zhao, 2000; Afuah, 2004; Brousseau & Penard, 2006; Trimmer, 1998) or a theoretical model that will be planned in advance (George & Bock, 2009; Seelos & Mair, 2007; Osterwalder, 2004; Osterwalder, Pigneur, & Tucci, 2005; Amit & Zott, 2001; Afuah & Tucci, 2001). This model is known as the business model and describes different stages of how a business might be run (Applegate, 2000; Weill & Vitale, 2001; Morris, Schindehutte, & Allen, 2005; Shafer, Smith, & Linder, 2005; Dubosson-Torbay, Osterwalder, & Pigneur, 2002).

However despite the aforementioned studies, there is no single, consistent definition of what a business model is. Scholars provide a holistic approach identifying different business models. For instance, Brown (2009) introduces the “Design Thinking” model based on customer-orientation. In line with Drucker’s (1985) thoughts this model places at the center of any strategy the consumers themselves whom may be able to propose innovative solutions (Buchanan, 1992). Entrepreneurs build up their journey empathizing with costumers’ needs, identifying and ideating how to satisfy their needs with an innovation that will be prototyped and tested. This represents an iterative cycle where ongoing feedback is provided (Mueller & Thoring, 2012).

As with the Design Thinking model, the “Lean Start-up model” is also customer-centre oriented (Ries, 2011). This kind of model was designed for labour-intensive firms like high-tech and electronics businesses. In order to develop innovative solutions in a climate of uncertainty new business ventures or existing firms need to have a deep knowledge of their consumers (Blank, 2013). The idea behind this approach relies substantially on user-centred orientation. Consumers are intensively involved in the whole innovation development process. Here innovations are pre and post-tested creating a constant, ongoing feedback loop (Maurya, 2012).

Moreover, in order to support entrepreneurs in the highly competitive, chaotic market, a new, avant-garde business model was designed by Curley and Formica (2013). The experimental laboratory model allows entrepreneurs to experiment with their innovation day by day, exploiting external opportunities and collaborating with external actors such as consumers, government, research centres, and other businesses amongst others. By adopting this model, entrepreneurs learn how to run a business and experience both failure and success. The greatest value of the aforementioned models has been recognized as being in the early stages of the entrepreneurial journey. However, for a better understanding of either a new strategy or existing one, the Business Model Canvas (BMC) provides a valuable support. In summary when using a BMC entrepreneurs tend to be more and more reactive to the market changes as well as responsive to stakeholders’ requirements (Brondoni, 2005; Zott & Amit 2007; Slevin & Covin, 1990; Stevenson & Jarillo, 1990; Shane & Venkataraman, 2001).

3. The Use of a BMC in a Market –Driven Scenario

By developing his ability and skills for market sensing Paul Conway adapted his capabilities to accommodate consumers' needs. Paul Conway is the owner of Paul's Quality Butchers a traditional butcher retailing locally produced Scottish beef, pork and to customers within Lanarkshire and the surrounding areas. Since the beginning of his entrepreneurial journey in 2002, Paul has been promptly reactive to market requirements. Being market-driven, Paul started to serve the existing market with a new variety of high-quality of products which were reasonably priced. The consumer has always been his main focus and Paul believed that looking after the customer and giving them what they want is just as important as the profit margin and strived to provide the best possible quality at an affordable price. Paul quickly established himself in the market place and from a standing start demonstrated that he was able to compete on level terms with established competitors with over a hundred years of experience. Following his early success and the perceived relative weaknesses of his direct competitors Paul felt that there was clear potential to expand the business and quickly opened additional shops in Bonnybridge, Grangemouth and Kirkintilloch and a dedicated factory unit in Kilsyth to service his own shops and other customers. In recent years the business has experienced a range of challenges such as increased competition, rising costs, management capacity and also changes in buyer behaviour.

3.1 The Path of a Market-Driven Entrepreneur

Paul has been working in the butchering sector since the age of 13 where he learned his trade whilst working after school and on weekends. During this time, he gained an in depth awareness of the customer and their needs. From there he worked in a factory preparing meat, buying in the raw materials and calculating and controlling costs. In 1993 Paul began working with one of the largest butcher chains in Central Scotland, Malcolm Allan. There he received a considerable amount of on the job training with the Scottish Meat Federation and achieved his qualification in Meat Processing levels 1, 2, 3 and 4, with additional modules covering customer care and stock rotation. Upon completion of his apprenticeship in 1997 Paul began working with Food Fayre in Cumbernauld as a Butcher Supervisor. A year later he became Manager of the Stewart Paton Family Butcher concession shop and in 2001 took over the post of Assistant Manager with Food Fayre in Drumchapel with overall responsibility for 3 shops. Paul came full circle in September 2002 when he decided to set up in business for himself. With an award of a £4000 loan from PSYBT and a personal investment of £2100 Paul took over the Malcolm Allan shop in Kilsyth where he had started as an apprentice. Paul's Quality Butchers opened its doors to the public on the 19th of September 2002 and quickly made a real impact in both the domestic and commercial supply Market. Paul's second shop in Bonnybridge began trading on the 6th November 2006. In the following years the business grew significantly incorporating a portfolio of 5 retail shops and a dedicated factory unit for boning, preparing and manufacturing. By 2009 the business had grown beyond Paul's ability to manage it effectively and the last 10 years have been extremely challenging particularly in the climate of the economic downturn. The implications of this for the meat industry were greatly increased costs and a reduction in the price the consumer was prepared to pay.

3.2 A Market – Driven Scenario

The UK meat and meat product market is an established industry and in terms of Gross Valued Added is in the region of £3 billion (Annual Business Survey (ONS) 2015). Total meat consumption in the UK is at its highest levels ever, standing at 1.15 million tonnes in 2014, and this figure has grown year on year. Although in the last years, a 10% decrease of this industry due to the change of consumers' diet (AHDB Beef and Lamb, Defra, GTIS/HMRC, 2015). The 8,300 butcher's shops in the UK sell 25% of the meat consumed by households in this country. Poultry is the most popular type of meat in the UK with a consumption of 33 kg per head, followed by pork with 24 kg per head (AHDB Beef and Lamb, Defra, GTIS/HMRC, 2015). Supermarkets like Asda, Sainsburys and Tesco account for over two-thirds of all UK meat and poultry retail sales and stock an increasingly wide range of meats. Online ordering businesses selling and delivering fresh and frozen meat to customers are growing in popularity with consumers. Online shopping is becoming increasingly popular in the UK, and customers are willing to pay premium prices for the convenience and flexibility of ordering food online and having it delivered to their home. For example, Tesco takes more than 100,000 online orders, worth over £10 million, each week. Eating out is very popular and reduces the need for people to purchase groceries and cook at home on a regular basis. Pub meals, for example, account for 3.5 million meals a day, Chinese restaurants and takeaway meals account for approximately 13% of all meals eaten or prepared outside the home, and there are well over 4,000 Italian restaurants in the UK. Additionally, there are over 8.5 billion sandwiches eaten per year and fast food and burgers are also very popular and these trends will undoubtedly have some impact on the business. The total household expenditure of meat, poultry, and meat product is in the region of 24% (Data Food Survey, 2013).

The butcher's shop is a national institution in the UK and despite fierce competition from supermarkets the independent butcher can still compete by offering a different range to large supermarkets, concentrating mainly on the rising demand for organic and locally sourced food, alternative meats, speciality and premium goods.

The meat industry is currently enjoying increasing demand for alternative and unusual meats such as wild boar, venison, water buffalo, ostrich, quail and duck. This demand is growing as consumers become more adventurous in their cooking and eating habits thanks to travelling, cookery programmes and celebrity chef endorsement. Restaurants in particular often have these meats on their menus.

Speciality products are currently very much in favour with the British public. Speciality sausages, for example, are enjoying increasing popularity with an average of six billion being eaten each year. There are currently over 400 varieties and are increasingly regarded as a luxury item when good quality meat such as venison, water buffalo, or wild boar, is used. Regional meat produce is also very popular both with locals and visitors to the area and many butchers sell a selection of regional produce from around the UK, and even abroad. Trends in eating also affect demand, as the recent popularity in the Atkins diet has shown.

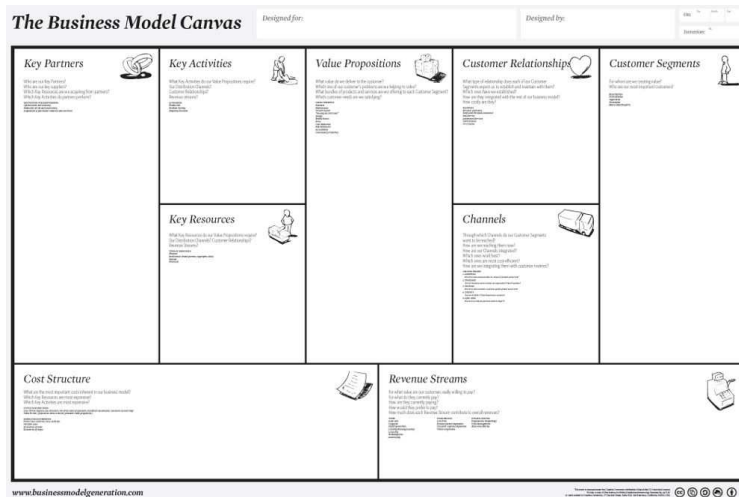
Vegetarianism is thought to be on the decrease. Approximately 5% of adults in the UK claim to be vegetarian but half of these eat fish, one third eat chicken, and one quarter eat red meat, leaving less than 3% of the UK population who are true vegetarians. However, there are a number of popular meat substitutes available,

including quorn, soya, textured vegetable protein (TVP) and vegemince, all marketed as healthy alternatives to meat.

4. Applying the Business Model Canvas and the Market Driven Approach

By using the BMC, Paul was able to map his business pathway and transfer the firm's logic of earning money to his employees (Osterwalder 2004; Osterwalder & Pigneur 2011; Teece, 2009). The nine key segments of the BMC (figure 1) were analysed with clear focus on the key partners. Paul believes that people can really make a difference for his business. He used the business model canvas to start his journey and evaluate step by step how his firm works. A number of questions were posed when interviewing Paul. These questions are as follows: 1. Who is the final consumer? 2. Where do your revenues come from? 3. What are the Unique Selling Propositions? (Magretta (2002). Paul himself identified four key drivers for the business namely; product, customer interface, infrastructure management, and financial aspects (Pironti et al., 2015).

Figure 1: *The Business Model Canvas*



Source: Osterwalder & Pigneur, 2011

4.1 Value Propositions

Paul manufactures a broad range of products including sausages, burgers, black puddings, savouries and haggis. He also prepares and sells a variety of traditional butcher produce such as steak and mince. Paul is in the process of creating his own brand label of pre packed products including breakfast packs and barbecue packs which he intends to sell both through his own shops and also to other businesses involved in catering industry. Paul has widened his range to include gluten free products and new speciality sausages. He will also be offering more organic produce. Initially a few new lines will be introduced to test the level of demand. Paul's pricing strategy allows him to offer an extensive range of well-presented, high quality butcher meat at affordable prices. Although some of his competitors are able to provide a comparable service Paul's research has shown that the product

they provide is generally of a lesser quality and in some cases they also charge higher prices. Whilst researching the potential to start his business Paul identified that there appeared to be no competitor providing a high quality product and service at a competitive price and that any business that was able to do this could quickly secure a share of the market. Paul took a tremendous risk in setting up his business in Kilsyth. In 2002 the town centre was run down with very few shops on the main street itself. An additional concern was that amongst these was an established direct competitor. Paul was convinced however that with his personal knowledge of the town and the local community that there was clear potential to establish and develop his business there. He believed that in the absence of a shopping centre or large retail development the inhabitants of Kilsyth really had no alternative but to shop in the town centre unless they were prepared and able to travel further afield to other larger towns such as Falkirk, Cumbernauld or Glasgow. All Paul's shops are in High Street locations with adequate car parking within walking distance. Paul's shops all have an attractive, bright and distinctive shop frontage and eye catching signage to attract customers. Products are fresh and well presented with prices clearly displayed and simple to understand.

We believe that Paul's Quality Butchers story is, in itself a powerful USP – Scottish people in particular love to be part of a “local boy done good” story and Paul typifies this phenomenon. His involvement within the community i.e. supporting local schools and football teams etc. is held in high regard and this has created valuable publicity opportunities. Investing back into the local community where his family has grown up is extremely important to Paul whilst also being good for business. His son is now part of the business which only adds to the success story, raises his profile and adds to the brand.

4.2 Customer Segments

Paul's Quality Butchers has a broad customer base with a good mix of working class and middle class customers with varying income levels ranging from customers on benefit to individuals with substantial disposable income. Paul has regular customers travelling from as far afield as Loch Lomond, Milgavie, Grangemouth and Glasgow but he feels the majority of his custom comes from within a 10-mile radius of each shop. In terms of catering revenue Paul actively targets local businesses within a 15-mile radius and arranges meetings with key contacts with a view to setting up accounts with Paul's Quality Butchers. Paul's main street location makes him very accessible to the customer and Paul also provides a free delivery service for purchases over £10. Feedback from customers who use this service has been very positive and this has had considerable benefits in terms of customer retention and differentiation from direct competitors who do not provide this service.

Customers are able to make payment by cash, cheque or credit card and Paul also offers credit terms to a number of local businesses up to a maximum of 4 weeks in some cases. New business customers will initially be offered 14 days credit and after 6 months the terms may then be extended to a calendar month. Paul has in the past considered introducing an online shopping facility but feels that further research would be required and that at this point it is not appropriate.

Market Research shows that Paul's customers will fall into one of the following categories;

1. Customers seeking top quality, fresh meat that has a known origin. This is fuelled by outbreaks of diseases like foot and mouth and BSE, which have led to the growth in the number of customers purchasing food from a known source. Some of these will make regular purchases, some may order meat in advance, or just purchase goods when cooking for guests or planning a special celebration meal, such as at Christmas.
2. Customers looking to purchase organic produce. Most consumers who want organic food are aged below 30, or fall within the 50 to 70 year old age bracket. Higher disposable income among these consumers means that price is less of an issue. There is a greater consumption of meat among men than women, with the heaviest consumption being among 45 to 64 year olds.
3. People who live close to the business or those who are reliant on local transport services and who find it difficult to visit major supermarkets, usually located out of town. This group is more likely to prefer to pay a local business rather than large supermarket chains.
4. Enthusiastic cooks seeking unusual meats, premium cuts, and specialist produce for their recipes. These are people for whom food plays an important part in their lives. A large percentage of this group is comprised of married women aged 55 and over, who enjoy cooking, and are willing to build on their existing skills.
5. Young people wanting to be more adventurous cooks and experiment with premium and unusual produce, enjoying tasty and healthy food.
6. Commercial customers, including proprietors of restaurants, cafés, pubs and other eateries who need a variety of meats and meat products delivered on a regular basis from a reliable source. They may want meat prepared to their specifications and other goods, such as sausages and pies that are prepared by their local butcher.
7. Paul has ongoing contracts to supply a number of local businesses including providers of wedding catering, bars, fish and chip shops, snack bars and bakers.

4.3 Key Activities

From his very first day of trading Paul exceeded all expectations and turnover increased consistently year on year. As the business grew Paul struggled to maintain a tight control on his expenditure, striving to keep wastage down to the absolute minimum. He constantly looks at ways to lower his material cost without compromising on quality. The trade from the local snack bars helped Paul to some degree to maintain relatively good stock rotation and manage wastage. Although there is a seasonal aspect to the Business Paul has to an extent compensated for this by providing a diverse range of produce such as cooked meats, steak pies and barbecue products and through the revenue he generates through supplying local catering businesses. Generally January, February and March tend to be quieter periods due to people recovering from the Festive Season and subsequent economising. Catering revenue drops as people choose to eat out less. Sales in April and May level off as customers begin to think about holidays and catering

revenue remains level. June, July and August are relatively quieter during the summer holiday season but catering revenue increases as the Wedding Season begins. In September, October and November both retail and catering sales become increasingly stronger and in December sales in both areas are exceptionally high due to festive celebrations.

4.4 Advertising and Promotion

Paul focusses heavily on marketing the business using tried and tested promotional opportunities, such as he has used to great effect so far.

Word of Mouth

Paul strives to intensively promote the business through his reputation, as this approach has proved successful to date. He views the continued development of a strong brand as being absolutely critical to the success of his business. Paul is committed to strengthening the name of Paul's Butchers within the market place whilst striving to promote his "quality at an affordable price" philosophy. As well as looking for new business Paul works very hard to maintain excellent relations with existing customers to ensure continued growth through repeat business and positive referrals. He achieves this by striving to provide a high quality and reliable service whilst welcoming customer feedback. Paul believes in going the extra mile in all areas. If a customer requests a product which is not on display, they will make every attempt to provide it, or offer a suitable alternative. His most powerful advertising tool remains word of mouth as in the food industry a good reputation is crucial.

Special Promotions

Paul regularly runs special promotions designed to stimulate interest in his products such as two for one and 50% off deals on selected products.

Signage

Paul insists on high quality shop front signage to make the best use of his favourable location on busy main streets thus maximising the potential for passing trade.

Newspaper Advertising

Paul regularly takes out block adverts in local press such as the Falkirk Herald, which also encompasses the Cumbernauld News and the Kilsyth Chronicle. This is frequently backed up with free editorials which have helped to raise the profile of Paul's Quality Butchers considerably. Paul closely monitors the business turnover to gauge the optimum time to advertise.

Radio

Paul has investigated the potential for utilising radio advertising to promote the business. Although he is in no doubt of the potential benefits of radio until now the cost has prevented him from taking this further. Paul intends to test this medium and will be monitoring feedback to determine what impact this will have on his business.

4.5 Key People

Paul Conway (Owner/Director)

Paul has over 14 years experience within the Butcher Trade at all levels and possesses both the relevant formal qualifications and the necessary technical expertise. Paul himself is the driving force behind the business and he is an exceptionally hard worker, which has helped the business to secure new custom and also to retain it. His discipline and focus has been instrumental in the sustained growth of the business. He personally oversees the day-to-day running of the business, managing all food related matters including purchasing, ordering and food preparation. He also has direct responsibility for all administrative duties including accounts, invoicing, customer relations and human resources. When starting up on his own Paul experienced his fair share of problems with staff, pricing, sourcing materials, marketing and managing the business cash flow. With no direct previous business experience Paul has had to very quickly learn about the key aspects of running a small business such as how to market the company, understanding customer trends and financial control. Paul manages his own shop and the business as a whole. Several of Paul's direct competitors' shops are drab and uninviting and in some cases in need of a complete overhaul. In Paul's experience customers associate an attractive shop with cleanliness and this will obviously impact on turnover. Paul purchases all meat through reputable agents and all meat is hand-picked to the quality that Paul insists upon. All staff are trained by Paul himself in house. They are enthusiastic, courteous and clearly very knowledgeable about the produce.

4.6 Employees

People are defined as "human capital resources" in reference to "the experience, judgement and intelligence of those individuals who work in the firm" (Barney 1991, P.53). Paul is very aware that people are the greatest asset within an organization and started to employ new people, assign them under the following four criteria:

- Add positive value to the firm
- Be unique and rare among competitors
- Be inimitable
- Not be substituted with another resource by competing firms (Barney 1991).

Substantially it is possible to get a competitive advantage by recruiting the right people and considering them as "human resource advantage" (Boxall, 1996). Through having a set of key questions around key competencies such as customer service Paul selected his employees considering that their level of experience and ability should exceed the standard competencies for the role they were expected to fulfil going beyond simply "the ability to perform activities within an occupation to a prescribed standard" (Fletcher 1997, p.6). For example, the first shop senior manager has over 25 years experience in the butcher's trade from shop floor to

Senior Management level. He is still able to completely rely upon to uphold Paul's high standards in all areas.

4.7 Competitors

Paul's research and knowledge of the local market identified a number of direct competitors within the catchment area.

1. A family run business, which has been supplying the community for over 100 years. They have an excellent reputation for quality but do however charge higher prices.
2. Trading for well over 100 years and perceived to have failed to move with the times. Although their prices remain quite competitive the range of products on offer is poor and the shop is clearly in need of refurbishment.
3. Operating for approximately 60 years this is a good traditional butcher with excellent promotional skills and a reputation for innovative products. However, they are perceived as being very expensive.
4. Over 100 years of experience within the butcher trade but the entire business is in need of an overhaul. The shop is very shabby and the product range and quality is very low with prices very high when compared with other competitors.
5. A large chain supermarket which has an in store butcher section. The range is fairly limited and whilst low priced is of low quality.

4.8 Cost Structure

Starting the business involved significant costs and the following cash flow provides an overview of these.

Paul's Quality Butchers	VAT % =	17.5%														
Cashflow	Loan Months	60														
YEAR 1	Loan Rate (%)	4.00%														
	Pre-Start	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Income																
Sales		6,100	13,000	20,000	36,000	20,000	17,000	17,000	17,000	17,000	20,000	20,000	25,000	228,100		
Owners Investment (assets and cash)	2,000													2,000		
Loan	4,000													4,000		
Other Funding														0		
Grant Funding	0		0											0		
VAT		1,068	2,275	3,500	6,300	3,500	2,975	2,975	2,975	2,975	3,500	3,500	4,375	39,918		
TOTAL	6,000	7,168	15,275	23,500	42,300	23,500	19,975	19,975	19,975	19,975	23,500	23,500	29,375	274,018		
Expenses																
Stock	1,500	0	0	0	0	0	0	0	0	0	0	0	0	1,500		
Purchases	0	3,660	7,800	12,000	21,600	12,000	10,200	10,200	10,200	10,200	12,000	12,000	15,000	136,860		
Furniture	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Equipment	350	0	0	0	1,000	0	0	0	0	0	0	0	0	1,350		
Computer (Hardware and Software)	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Rent and Rates	0	600	600	600	600	600	600	600	600	600	600	600	600	7,200		
Vehicle Purchase	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Motor and Travel Costs	0	120	120	120	120	120	120	120	120	120	120	120	120	1,440		
Vehicle Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Other Insurances	0	50	50	50	50	50	50	50	50	50	50	0	0	500		
Telephone	0	40	40	40	40	40	40	40	40	40	40	40	40	480		
Refurbishment, Repairs and Maintenance	1,000	0	0	0	0	0	0	0	0	0	0	0	0	1,000		
Professional Fees (Legal, Accountancy etc)	0	150	150	150	150	150	150	150	150	150	150	150	150	1,800		
Postage and Stationery	0	10	10	10	10	10	10	10	10	10	10	10	10	120		
Bank Charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Advertising + Promotion	0	100	100	100	100	100	100	100	100	100	100	100	100	1,200		
Heating + Lighting	0	920	920	920	920	920	920	920	920	920	920	920	920	11,040		
Sundries	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Loan Interest	0	13	13	13	13	13	13	13	13	13	13	13	13	160		
Loan Capital Repayment	0	67	67	67	67	67	67	67	67	67	67	67	67	800		
Employee Wages	0	2,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	29,500		
ERNI (National Insurance)	0	216	270	270	270	270	270	270	270	270	270	270	270	3,186		
Owners' Drawings	0	800	800	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	21,600		
VAT	499	980	1,705	2,440	4,295	2,440	2,125	2,125	2,125	2,125	2,440	2,440	2,965	28,698		
VAT Payment					1,220			3,917			2,552			7,688	3,532	
TOTAL	3,349	9,726	15,145	21,280	34,954	21,280	19,165	23,081	19,165	19,165	23,831	21,230	24,755	256,122		
Net cash flow	2,651	-2,559	131	2,221	7,346	2,221	811	-3,106	811	811	-331	2,271	4,621	17,896		
Opening balance	0	2,651	93	223	2,444	9,790	12,010	12,821	9,715	10,525	11,336	11,005	13,275			
Closing balance	2,651	93	223	2,444	9,790	12,010	12,821	9,715	10,525	11,336	11,005	13,275	17,896			

4.9 Revenue Streams

Looking at the figures from 2003 to 2008 Paul was able to increase turnover thanks to his entrepreneurial mind-set. However with the economic crisis which began in 2008 the business progressively saw a fall in sales and profit which ended up with the business in its original form ceasing to trade in 2014. After a fairly challenging period however Paul was able to open up a new business in 2015. The current business is growing fast and performing very well and the projection is that the business will reach turnover of £650k in the trading year 2017.

Table 1: *Paul's Quality Butchers Ltd Financial Performance*

•	Turnover 2003	£228k
•	Turnover 2004	£335k
•	Turnover 2005	£512k
•	Turnover 2006	£890k
•	Turnover 2007	£1.2m
•	Turnover 2008	£1.6m
•	Turnover 2009	£1.4m
•	Turnover 2010	£1.3m
•	Turnover 2011	£1.2m
•	Turnover 2012	£1.2m
•	Turnover 2013	£1.1m
•	Turnover 2013	£900k
Business ceased trading 31/12/14, new business formed 11/01/15		
•	Turnover 2015	£500k
•	Turnover 2016	(projected) - £500k
•	Turnover 2017	(projected) - £650k

5. Discussion and Conclusion

The most relevant contribution of the research relies on the new vision of a market- driven entrepreneur. Focusing on consumers and being active and responsive are the competitive keys of the analysed case study. These catalysts trigger new ideas and long- term survival (Cravens et al., 2000; Hills & Sarin, 2003; Jaworski, 2003)

The challenge of the adoption of a market-driven orientation is based on connecting the entrepreneur's abilities with the external environment (Vallini and Simoni, 2009; Covin & Slevin, 1991; Casson, 2003; Schindehutte et al., 2008; Lumpkin & Dess, 1996, 2001). We suggest that the conceptualizations of the use of the BMC measures entrepreneurial performance and address long-term projections. In turn, highlighting the importance of this model in a market-driven prospective, we also deem that an entrepreneur's broad customer base and wide range of products will ensure that they are able to come up with contingencies to ensure the impact on the business remains within acceptable levels.

For instance, Paul recognizes that drawing the firm's pathway using the business model canvas has been key (Brondoni, 2005; Zott & Amit 2007; Slevin & Covin, 1990; Stevenson & Jarillo, 1990; Shane & Venkataraman, 2001). This model has been leveraged in order to face the challenges of a start-up such as uncertainty, risk management, and ongoing market change. Paul was able to select the right stakeholders such as business partners, customers, and suppliers; and also measure costs and forecast revenue structure. He made hypotheses reflecting upon the nine segments that were tested at his firm's early stage (Blank & Dorf 2012). With the growth of the market competition we believe that the key aspects of Paul's company are "the dominance of intangible assets, competitive adaptability, and managerial flexibility" (Brondoni, 2010, p. 7).

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