



**Rationale:**

This subject will make the student understand the need for the business model which will help to target the customer base for the company. Through business model the student will learn making marketing strategies, projection of revenues and expenses through different types of Business models. Unit economics allows companies to understand whether their product is overpriced or undervalued. This can help them identify what should be optimized and evaluate a product's future potential. Relying on unit economics, businesses may analyze what customers love more.

Teaching Scheme			Credits	Examination Marks				Total Marks
L	T	P		C	Theory		Practical	
					ESE (E)	PA(M)	ESE (V)	PA (I)
4	0	0	4	70	30	0	50	150

**Course Content:**

Unit No.	Content	Hrs
<b>1</b>	<b>Introduction to Business Model</b> <ul style="list-style-type: none"> <li>What is business model?, need for Business model, Characteristics of a Business model</li> <li>Differences between strategy, tactics and Business model</li> <li>Conceptualising and Designing a business model – various approaches, Changes in a business model</li> <li>Types of Business Models</li> <li>Differences between Revenue stream, revenue model and business model</li> </ul>	<b>12</b>
<b>2</b>	<b>Business Model relations</b> <ul style="list-style-type: none"> <li>Business model and strategy</li> <li>Business model and competitive advantage</li> <li>Business model and innovation management</li> <li>Business model and economic theory</li> <li>Reasons of Business Model Failures</li> </ul>	<b>8</b>
<b>3</b>	<b>Business Model Canvas (BMC)</b> <ul style="list-style-type: none"> <li>Definition, structure of BMC</li> <li>BMC to develop a Product Roadmap</li> <li>Lean and Agile Canvas</li> <li>Validation of BMC</li> </ul>	<b>8</b>
<b>4</b>	<b>Unit Economics</b> <ul style="list-style-type: none"> <li>Definition of unit economics, Importance of unit economics</li> <li>Unit Economics models</li> <li>Contribution margin, Customer Acquisition Value (CAV), Customer Life Time Value (LTV), Customer Acquisition Cost (CAC), relationship between CAV and LTV</li> <li>Predictive and Flexible LTV</li> </ul>	<b>12</b>



**GUJARAT TECHNOLOGICAL UNIVERSITY**

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**Semester: 1**

**Branch: Innovation, Entrepreneurship and Venture Development**

**Subject Name: Business Models & Unit Economics**

**Subject Code: 2519404**

<b>5</b>	CEC Component Identification of business models, BMC, CAV, LTV and CAC, for each startup model, Identification of various parameters of UE	
	<b>Total Hours:</b>	<b>40</b>

**Suggested Specification Table For Question Paper Design:**

Un it No.	Unit Title	Teachin g Hours	Distribution of Theory Marks (Assessment as per Revised Bloom's Taxonomy Level*)						Total Marks
			RM	UN	AP	AN	EL	CR	
I	<b>Introduction to Business Model</b>	12	0	14	7	0	0	0	21
II	<b>Business Model relations</b>	08	0	7	14	0	0	0	21
III	<b>Business Model Canvas (BMC)</b>	12	0	0	0	14	0	0	14
IV	<b>Unit Economics</b>	08	0	0	0	4	10	0	14
	Total			21	21	18	10		70

**\*RM: Remember, UN: Understand, AP: Apply, AN: Analyse, EL: Evaluate, CR: Create**

*Note: This specification table provides general guidelines to assist student for their learning and to teachers to teach and question paper designers/setters to formulate test items/questions to assess the attainment of the UOs. The actual distribution of marks at different taxonomy levels in the question paper may slightly vary from above table.*

**Suggested Learning Resources:**

Sr. No.	Title of Book	Author	Publisher	Year of Publication
1	Business Model Generation	Alexander Osterwalder & Yves Pigneur	Wiley	Latest Edition
2	Business Model Book: Design, Build & Adapt Business Ideas that Drive Business Growth	Adam J. Bock and Gerard George	Pearson	Latest Edition



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3	Growth Units	Paul Orlando	Independently published	2020
4	Applying the Business Model canvas	Steven Imke	Independently published ISBN 10-1533677980 ISBN 13-978-1533677983	2016

**Software / Learning Websites**

<https://www.strategyzer.com/>

<https://www.startupindia.gov.in/>

