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## I've got a good online idea but how can I make it take shape?



James Caan

*Dear James*

I have an idea in the social media and networking sector. I have bits and pieces on paper but would like to put it together in a more structured way. What's your advice?  
*Baljeet Dogra*

Being able to articulate a concept into a proposition is not easy, but if you do it well it can be very powerful. Start by defining the business model by listing all the key elements of the business and incorporating them into a management tool such as a value chain. You can find out more about these online.

A value chain identifies who is creating value and who benefits from it. Creating value may mean manufacturing a product, or in your case something less tangible such as introducing people to one another. In that instance, the person making the introduction is creating value and would want remuneration from the person benefitting from that value.

Imagine the process involved when a customer engages with your company; the steps that they would have to take and what you would have to do to deliver a service and receive payment.

Lots of online businesses provide free content but charge advertisers to feature products on their site. They are creating value for visitors to the site, which in turn drives traffic and page views, and that creates value for

advertisers wishing to promote their goods. By understanding this, they can shape their business plan accordingly to maximise visitors and increase the number of advertisers.

Once you have worked out this process of value creation, you have the makings of a business model. You can then put together a business plan.

■ For the full article and news of James Caan's free app, go to [standard.co.uk](http://standard.co.uk). His new book, *Start Your Business in 7 Days*, is out now.