The Business Model Canvas

Designed for BUS 3303-01 Entrepreneurship 1 UoP Designed by: Sana Ur Rehman Arain Date: 2024/07/14

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Key Partnerships



E-commerce platforms and online

Local businesses for potential delivery hubs

Environmental organizations for credibility and impact assessment

Technology providers for AI and autonomous vehicle systems

Sustainable packaging suppliers

Key Activities

scheduling

initiatives

Key Resources

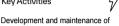
autonomous delivery technology

Route optimization and delivery

Sustainable packaging solutions

Ongoing customer discovery and product improvement

Customer education and trust-building



Value Propositions

Eco-friendly last-mile delivery using modular electric pods

Improved delivery time predictability and flexibility

Reduced packaging waste

Transparent eco-impact information for each delivery

Community-based delivery options

Customer Relationships Self-service through app and website

Community engagement through shared delivery options

Educational content on environmental impact and autonomous technology

Responsive customer support for addressing concerns about new technology

Customer Segments

Urban and suburban residents

Frequent online shoppers (2-4 times per week)

Environmentally conscious

Tech-savvy individuals open to innovative solutions



Fleet of modular electric delivery pods

Al and autonomous vehicle technology

Mobile app and website infrastructure

Charging stations and maintenance facilities

Customer data and analytics platform



Mobile app for real-time tracking and delivery management

Website for order placement and

customer education

Channels





Social media for marketing and

Partnerships with e-commerce

Cost Structure

Research and development of autonomous technology

Manufacturing and maintenance of electric delivery pods

Software development and IT infrastructure

Marketing and customer education campaigns

Staff for operations, customer support, and technology oversight

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Revenue Streams

Tiered pricing model for delivery services

Premium pricing (5-15% higher) for eco-friendly options

Potential subscription model for frequent users



Our unique value proposition centers on revolutionizing last-mile delivery through modular electric delivery pods that combine environmental sustainability with unparalleled flexibility and efficiency. This solution differentiates us from competitors by offering a scalable, autonomous delivery system that can adapt to varying urban and suburban landscapes while significantly reducing carbon emissions. In contrast to conventional delivery services, our solution tackles the main issues raised in customer discovery interviews, including erratic delivery schedules, a lack of flexibility in delivery, and guilt related to the environmental impact of frequent online purchasing.

Our target market is made up of people who live in cities and suburbs, are tech-savvy, environmentally sensitive, and shop online two to four times a week. The level to which these customers struggle to strike a compromise between their environmental ideals and the ease of online shopping—often feeling guilty about their delivery habits—was a startling revelation from our interviews. By emphasizing how our service eases this tension, we could use messaging that highlights "guilt-free convenience" or "wise, sustainable buying," which could have a substantial impact on our marketing strategy. When developing new products, we might put top priority to adding features that allow consumers to have greater control over how their deliveries affect the environment, such the ability to combine orders or select slower, greener delivery windows.

Regarding partnership potential, collaborating with local businesses to establish community-based delivery hubs could significantly enhance our value proposition and reach. This partnership would address the interest in community-based solutions expressed in the interviews while potentially reducing costs and further minimizing environmental impact. Additionally, partnering with environmental organizations could provide credibility to our eco-impact claims

and help develop a robust system for measuring and communicating the environmental benefits of our service to customers. These collaborations may be essential to establishing confidence, effectively growing our network, and enhancing our standing as a sustainable delivery choice.

A tiered pricing structure for delivery services underpins our venture's business model, with ecofriendly solutions carrying a premium. We predict that customers will be prepared to pay an additional 5–15% for sustainable delivery, based on customer discovery interviews. We also plan to explore a subscription model for frequent users. The two most significant issues we foresee are controlling the possible volatility in demand for premium eco-friendly solutions and figuring out the best pricing tiers to strike a balance between profitability and client uptake. In order to address these issues, we intend to put in place dynamic pricing algorithms that modify prices in response to changes in demand and overhead, as well as carry out continuous customer research to improve our pricing approach. To stabilize demand, we will also think about providing incentives or awards for regularly using eco-friendly solutions.

Based on the size of the worldwide last-mile delivery industry, we compute our Total Addressable industry (TAM) for market estimations, which comes out to \$200 million. Our \$40 million Serviceable Addressable Market (SAM) focuses on urban and suburban areas in industrialized nations where e-commerce is widely used. We project our Serviceable Obtainable Market (SOM) at \$2 million for the first five years of operation, targeting environmentally conscious frequent online shoppers in select metropolitan areas. These figures are based on market research reports and demographic data, assuming a growing trend towards e-commerce and increasing environmental awareness. However, these estimates could be adjusted based on further research into adoption rates of autonomous delivery technology and the actual premium customers are willing to pay for eco-friendly options.

Considering our market size and revenue model, we anticipate significant funding needs for our venture. It will cost a lot of money up front to build and implement autonomous electric delivery pods, as well as the required technology platforms and infrastructure. We project that the initial financing required to cover software development, fleet acquisition, R&D, and initial market penetration will be between \$50 and \$100 million. A combination of venture capital, strategic alliances, and government grants concentrating on sustainable transportation breakthroughs would probably be needed to reach this level of funding. As we grow, we might require more investment rounds to extend our fleet and penetrate new areas; this could require a total of \$200–300 million over the course of five to seven years before turning a profit. Our growth pace, technology developments, and the degree of market adoption will all influence the precise amount of capital required.