The Business Model Canvas

Key Partners 🔗

Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

MOTIVATIONS FOR PARTNERSHIPS
Optimization and economy
Reduction of risk and uncertainty
Acquisition of particular resources and activities

The key partners will include the government in providing the data required to track the housing prices.

The key resources we are acquiring are data and the only activities performed by these partners is the collection and distribution of the data. However the data is usually distributed in an open way via the .gov.uk system.

If the government cannot or no longer will provide the data we require we will have to partner with other collectors of data. The government not collecting and distributing this data is a risk however it can be overcome by keeping an eye on those who are already going through the same process and we can find and employ those with the skills to find, mine and collate the data.

The acquisition of this data is free and the visualisation and interpretation is something that is valuable, so to begin with this is a fairly risk free venture and will continue to be so until we have to collect our own data or partner with those who collect data.

Key Activities ✔

What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

CATERGORIES
Production
Problem Solving
Platform/Network

Our key activities are the sorting and munging of the data and allowing visualization of the data. Distribution channels will first be via social networking and then expanded to online business. The revenue stream is the small price that house buyers, investors and portfolio managers are willing to pay to visualize their (or the governments) data and allow interpretation and explanation of this data.

Key Resources 🏭

What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

TYPES OF RESOURCES
Physical
Intellectual (brand patents, copyrights, data)
Human
Financial

The only resources required are the data and the physical computers that are used to interpret the data, the programs used are free to use.

Value Propositions 🎁

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

CHARACTERISTICS
Newness
Performance
Customization
"Getting the Job Done"
Design
Brand/Status
Price
Cost Reduction
Risk Reduction
Accessibility
Convenience/Usability

The value that we deliver to customers is the specialist knowledge of how to clean the data and usefully visualize many millions of data points. The interpretation of this will also be of value to the customer although possibly less so than the primary function of sorting and analyzing the data.

We are solving the problem of allowing customers to see where and possibly why house prices are increasing fastest, possibly being able to eventually predict the house prices using certain variables input into the system. This prediction of house prices based on data fed into the system as opposed to the fairly subjective view of an estate agent will be far better, cheaper and eventually more trusted than using an estate agent to value the property.

Our analysis also allows us to point investors in the direction of the best area (geographically) to invest. This is a fairly new service of analysis and prediction of house prices that will allow our customers to get the best return on investment. It will be simple and although the data set will have to be kept up to date a single analysis can be used to satisfy many customers needs, this is a very cost effective way to use the data and will allow for maximum return.

The price will initially be low enough to attract enough customers to test the concept on and then will be increased as we take on more and more customers.

Customer Relationships ♥

What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

EXAMPLES
Personal assistance
Dedicated Personal Assistance
Self-Service
Automated Services
Communities
Co-creation

This is a personal assistant service, almost a consultancy service. However as the idea is developed it is expected to expand into an automated service where customers can pay a subscription to access the analysis that they require.

Channels 🚚

Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

CHANNEL PHASES
1. *Awareness*
   How do we raise awareness about our company's products and services?
2. *Evaluation*
   How do we help customers evaluate our organization's Value Proposition?
3. *Purchase*
   How do we allow customers to purchase specific products and services?
4. *Delivery*
   How do we deliver a Value Proposition to customers?
5. *After sales*
   How do we provide post-purchase customer support?

We can raise awareness through social networking and online presence. A website will allow customers to evaluate and purchase our services. We can deliver the service through email or personal meetings. Post purchase customer support will be available via email.

Customer Segments 👥

For whom are we creating value?
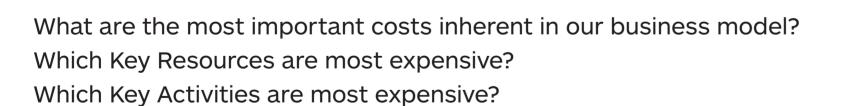Who are our most important customers?

Mass Market
Niche Market
Segmented
Diversified
Multi-sided Platform

We are creating value for a variety of different consumers.

Firstly, we can see the value created for large businesses to use this analysis in investing money is significant. This however would only be a niche market of those who have enough money and likely already have a housing portfolio.

To access a larger market we can target at the general house buyer and seller. They can see in which areas it is good to be buying houses and which area it is good to be selling houses. A full analysis of the current and predicted future situation of the housing market can be presented.

For the investor we can provide a large overview of anything up to the whole of the UK, or up to where we have data provided for.

For the general house buyer and seller we can release an analysis of a specific geographical area and charge the consumer per area that they need analysis for. This would come at a fraction of the cost of having access to the analysis of the whole of the data set that we have.

Cost Structure 🏷

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
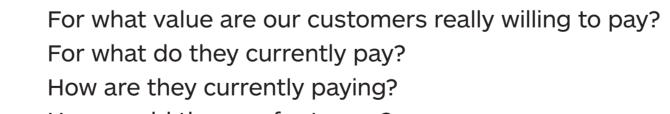Which Key Activities are most expensive?

IS YOUR BUSINESS MORE
Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing)
Value Driven (focused on value creation, premium value proposition)

SAMPLE CHARACTERISTICS
Fixed Costs (salaries, rents, utilities)
Variable costs
Economies of scale
Economies of scope

The most important costs will be that of getting access to a larger data set, this may well be free if the government has some useful open source data. However it may be that to scale the business up we need to purchase data sets. The second most important cost is the opportunity cost to whoever is running the business (myself), so if the datasets are free then the physical cost is actually very small.

The key resources are the datasets, the cost of which will hopefully be free.

Revenue Streams 💰

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

TYPES
Asset sale
Usage fee
Subscription Fees
Lending/Renting/Leasing
Licensing
Brokerage fees
Advertising

FIXED PRICING
List Price
Product feature dependent
Customer segment dependent
Volume dependent

DYNAMIC PRICING
Negotiation (bargaining)
Yield Management
Real-time-Market

The customers should be willing to pay for an analysis of a dataset, we are providing a service of analysis that the consumer would not be able to perform themselves. We could also add a consultation revenue stream in which we add a consultation, advice or our own interpretation of our analysis that can assist the customer in making future choices.

There will be a fixed price for access to the entire dataset which will be set at many times the price for access to a specific geographical area, this is so we can service both large investors and individual homeowners. The revenue from each of these should end up being equal, however if one of the services is bringing in a significantly larger proportion of the revenue then we will seek to streamline and focus on that part of the business.

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