

WHAT IS IT?

gives you the structure of a business plan
without the overhead








The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

<h2>Key Partners</h2>  <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p>INCENTIVES FOR PARTNERSHIPS Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities</p>	<h2>Key Activities</h2>  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams?</p> <p>CATEGORIES Production Problem Solving Platform/Network</p>	<h2>Value Propositions</h2>  <p>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?</p> <p>CHARACTERISTICS Novelty Performance Customization "Getting the Job Done" Design Brand/Status Price Cost Reduction Risk Reduction Accessibility Convenience/usability</p>	<h2>Customer Relationships</h2>  <p>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?</p> <p>EXAMPLES Personal assistance Dedicated Personal Assistance Self-Service Automated Services Communities Co-creation</p>	<h2>Customer Segments</h2>  <p>For whom are we creating value? Who are our most important customers?</p> <p>Mass Market Niche Market Segmented Diversified Multi-sided Platforms</p>																											
<h2>Cost Structure</h2>  <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p>IS YOUR BUSINESS MORE Cost Driven (lowest cost structure, low price value proposition, maximum automation, extensive outsourcing) Value Driven (focused on value creation, premium value proposition)</p> <p>SAMPLE CHARACTERISTICS Fixed Costs (salaries, rents, utilities) Variable costs Economies of scale Economies of scope</p>		<h2>Revenue Streams</h2>  <p>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?</p> <table border="0"> <tr> <td>FIXED PRICES</td> <td>FIXED PRICES</td> <td>FIXED PRICES</td> </tr> <tr> <td>TYPE</td> <td>LIST PRICE</td> <td>NEGOTIATION</td> </tr> <tr> <td>Asset sale</td> <td>Product feature dependent</td> <td>Field Management</td> </tr> <tr> <td>Usage fee</td> <td>Customer segment dependent</td> <td>Real-time Market</td> </tr> <tr> <td>Subscription Fees</td> <td></td> <td></td> </tr> <tr> <td>Licensing/Leasing</td> <td></td> <td></td> </tr> <tr> <td>Licensing</td> <td></td> <td></td> </tr> <tr> <td>Brokerage fees</td> <td></td> <td></td> </tr> <tr> <td>Advertising</td> <td></td> <td></td> </tr> </table>			FIXED PRICES	FIXED PRICES	FIXED PRICES	TYPE	LIST PRICE	NEGOTIATION	Asset sale	Product feature dependent	Field Management	Usage fee	Customer segment dependent	Real-time Market	Subscription Fees			Licensing/Leasing			Licensing			Brokerage fees			Advertising		
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DESIGNED BY: Business Model Foundry AG
The makers of Business Model Generation and Strategyzer

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Key Partners  <p>Why are you here (channel)? Who are you the leader of? Which key Resources are we acquiring from partners? Which key Relationships are being acquired?</p> <p>Partnership types and models: Distribution partnerships Production partnerships Research and development partnerships Procurement partnerships</p>	Key Activities  <p>What key Activities do our Value Propositions require? Our Core Activities (processes) Customer Relationship Management Business Model Management</p> <p>Processes: Production Distribution Procurement</p>	Value Propositions  <p>What value do we deliver to the customer? Which set of our customer's problems are we helping to solve? What is unique of products and services we are offering to attract customers' attention? Which customer needs are we addressing?</p> <p>Product Features: Performance Reliability Customization Flexibility Portability Price Quality Convenience Speed Security Compatibility Interoperability</p>	Customer Relationships  <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which value types are we providing? How are they engaged with the rest of our business model? How costly are they?</p> <p>Relationship Channels: Personal Assistant Self-Service Community-Based Co-creation Automated Systems Partnership Intermediaries</p>	Customer Segments  <p>For whom are we creating value? Who are our most important customers?</p> <p>Segmentation: Demographics Geography Psychographics Behavioral</p>
HOW?		WHAT?		WHO?
Cost Structure  <p>What are the most important costs inherent in our business model? Which key Resources are most expensive? Which key Relationships are most expensive?</p> <p>Cost Structure Types: Our chosen business model has different cost structures. Is it a high-volume, low-margin business, or a low-volume, high-margin business? Is it a high-volume, high-margin business, or a low-volume, low-margin business?</p> <p>Fixed & Variable Costs: Fixed Costs: rent, salaries, utilities Variable Costs: materials, shipping, packaging, etc.</p>		Revenue Streams  <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying?</p> <p>Revenue Model: How do we make money? How do we monetize our value proposition? How do we make money? How do we monetize our value proposition?</p> <p>Revenue Channels: Direct sales Indirect sales Partnerships Intermediaries Co-creation Automated Systems Partnership Intermediaries</p>		

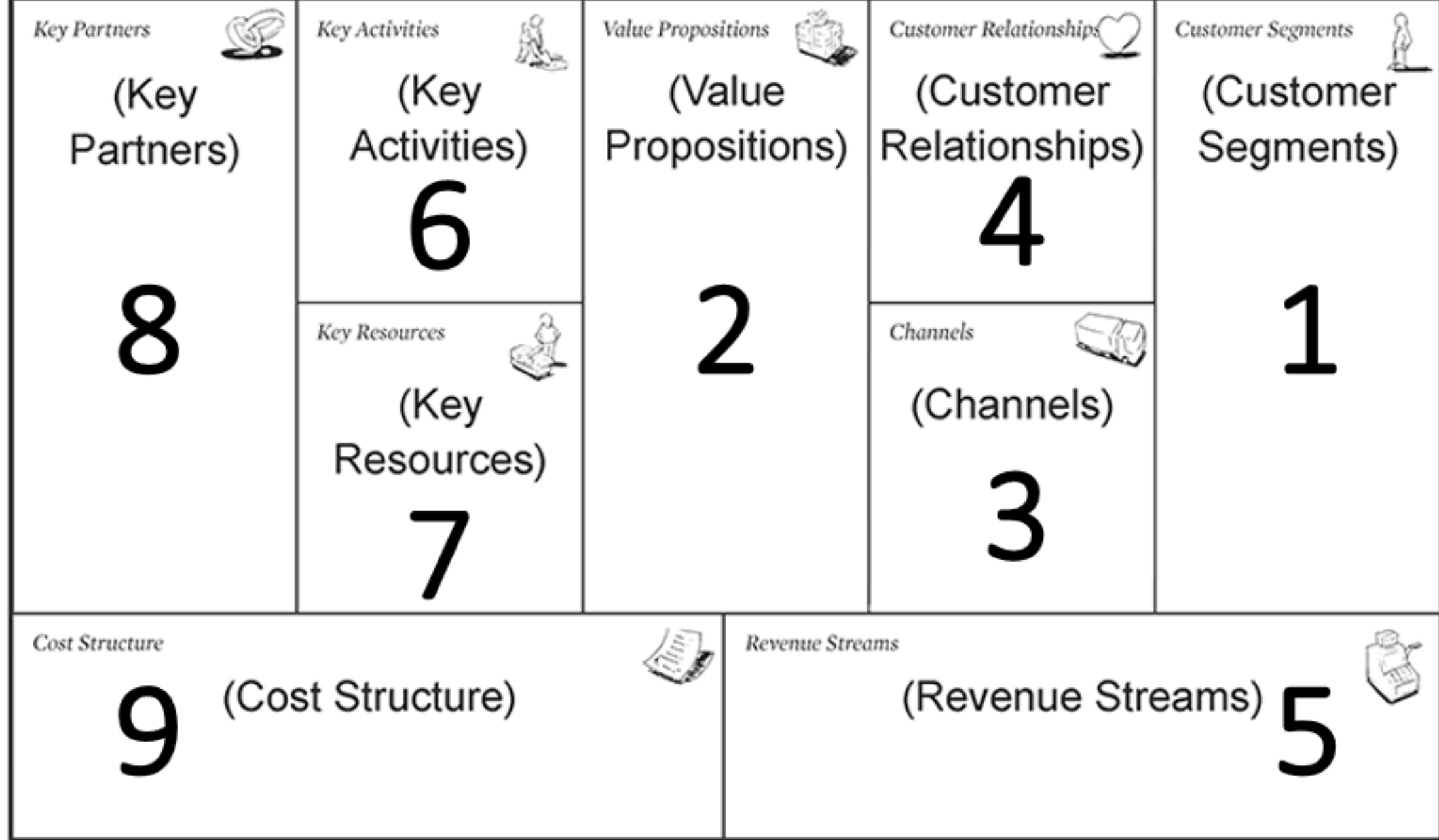


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KEY IMPORTANCE

- Focus
- Flexibility
- Transparency



CUSTOMER SEGMENTS



Mass market

- focuses on the general population or a large group of people with similar needs.

Niche market

- the focus is centered on a specific group of people with unique needs and traits.

Segmented

- Based on slightly different needs, there could be different groups within the main customer segment.

Diversified

- includes customers with very different needs.

Multi-sided markets

- this includes interdependent customer segments.



VALUE PROPOSITION



represents your unique solution (product or service) for a problem faced by a customer segment, or that creates value for the customer segment.

Value propositions can be either quantitative (price and speed of service) or qualitative (customer experience or design).

- If you are offering a new product, it should be innovative and disruptive.
- If you are offering a product that already exists in the market, it should stand out with new features and attributes.

UNIQUE SELLING PROPOSITION

VS

VALUE PROPOSITION

VS

SLOGAN

UNIQUE SELLING PROPOSITION

a method to market your product or service in a way that is different than other competitor's marketing strategies

Unique Selling Proposition



Winning Zone. Clear point of difference that meets the needs. Make it even bigger.



Losing Zone. Your competitor meets the consumer needs better than you do. You'll be crushed.



Risky. Competitive Battle ground. Use emotion, innovative, superior execution.

Package Shipping Industry

- Pain - I have to get this package delivered quick!
- USP - "When it absolutely, positively has to be there overnight."



VALUE PROPOSITION STATEMENT

Businesses must always ask these three questions when creating a value proposition:

What is it?

For whom?

How is it useful?

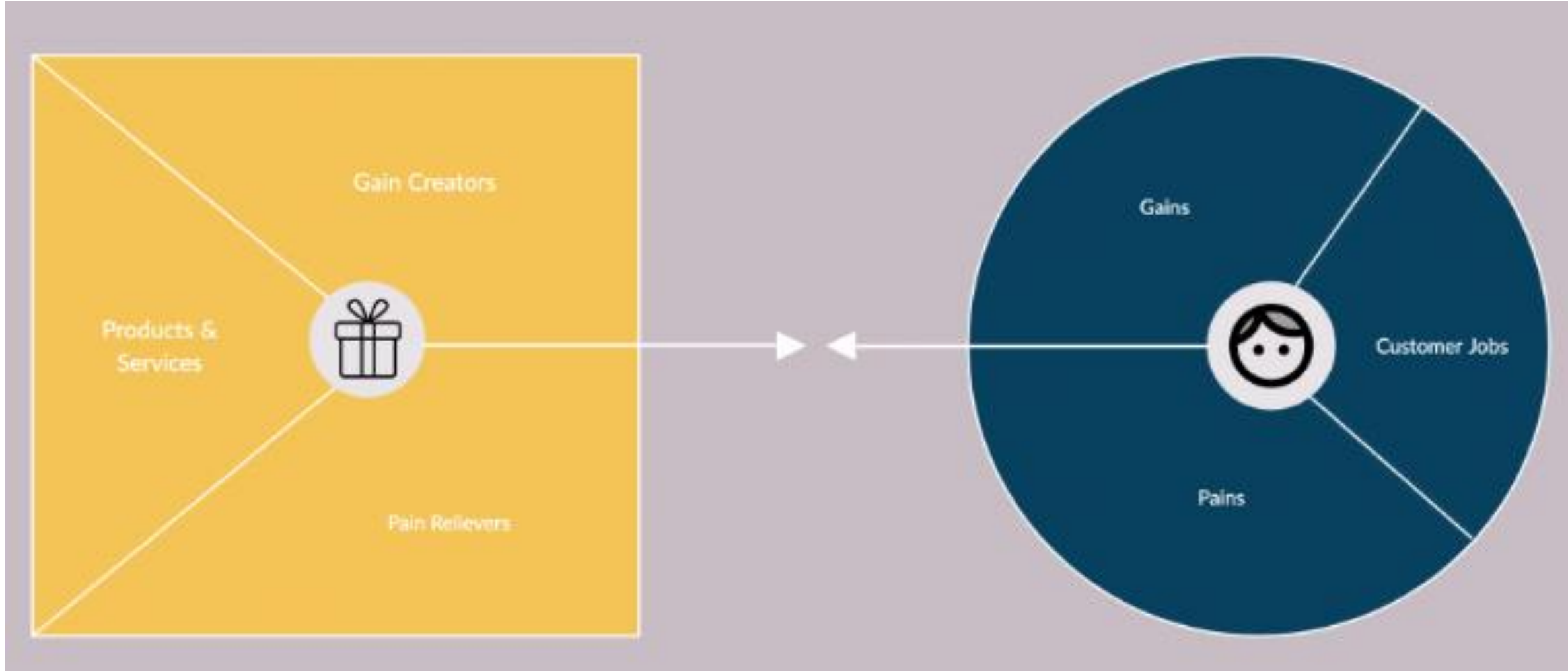
"We help large companies reduce the cost of building new software without impacting product quality."

Businesses don't need to be completely unique. **They only have to be unique in the customer's mind.**



SLOGAN

- simply a short, memorable phrase that companies use in their advertising campaigns.
- An example of a slogan is "***Nike. Just do it.***"



CHANNELS



This block is to describe how your company will communicate with and reach out to your customers.

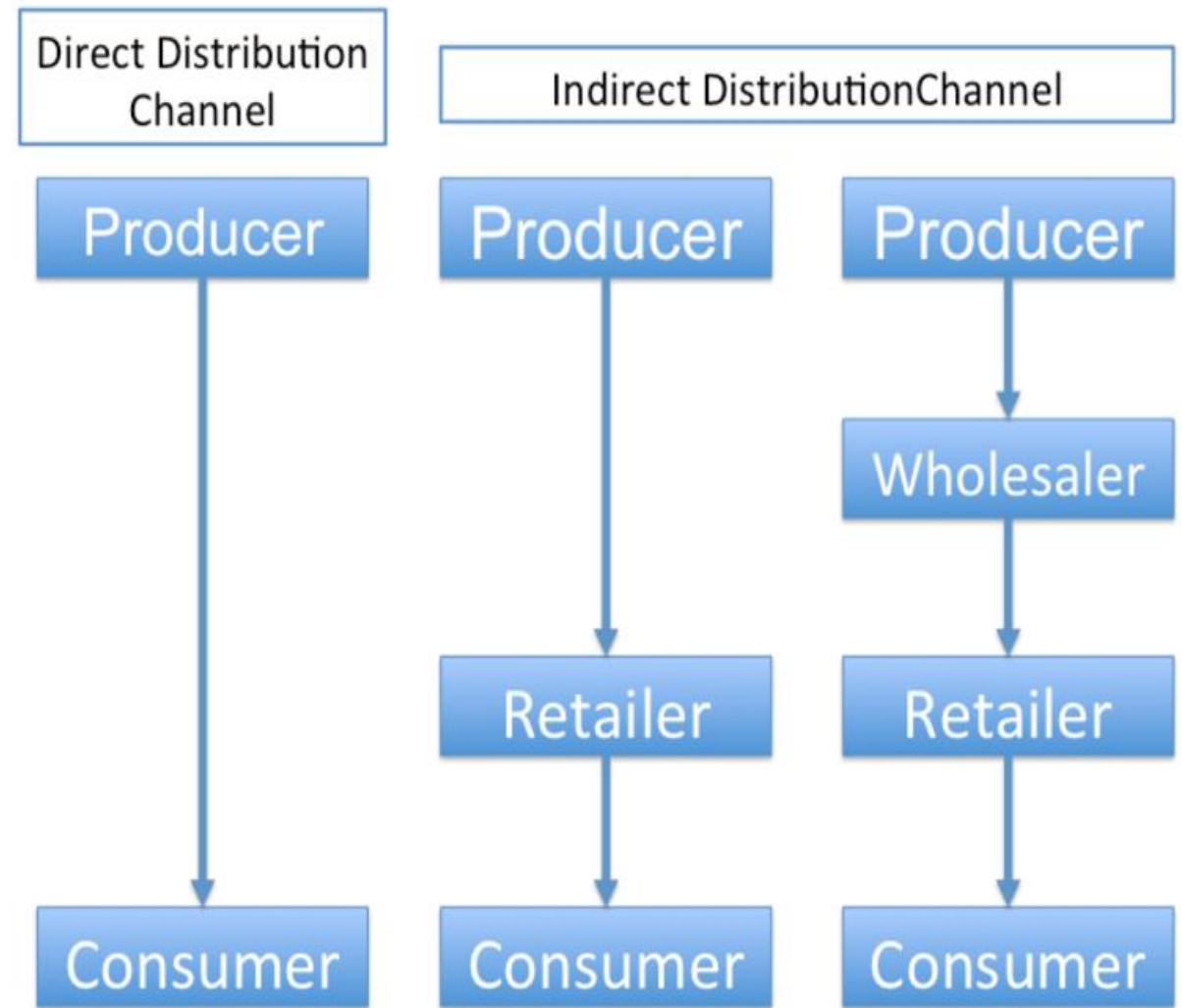
Play a role in raising awareness of your product or service among customers and delivering your value propositions to them.

❑ Owned channels or direct channels:

company website, social media sites, in-house sales, etc.

❑ Partner channels or indirect channels:

partner-owned websites, wholesale distribution, retail, etc.



CUSTOMER RELATIONSHIP



how you will interact with them throughout their journey with your company.

There are several types of customer relationships

Personal assistance:

you interact with the customer in person or by email, through phone call or other means.



There are several types of customer relationships

Dedicated personal assistance:

you assign a dedicated customer representative to an individual customer.



Self-service:

maintain no relationship with the customer, but provides what the customer needs to help themselves.



There are several types of customer relationships

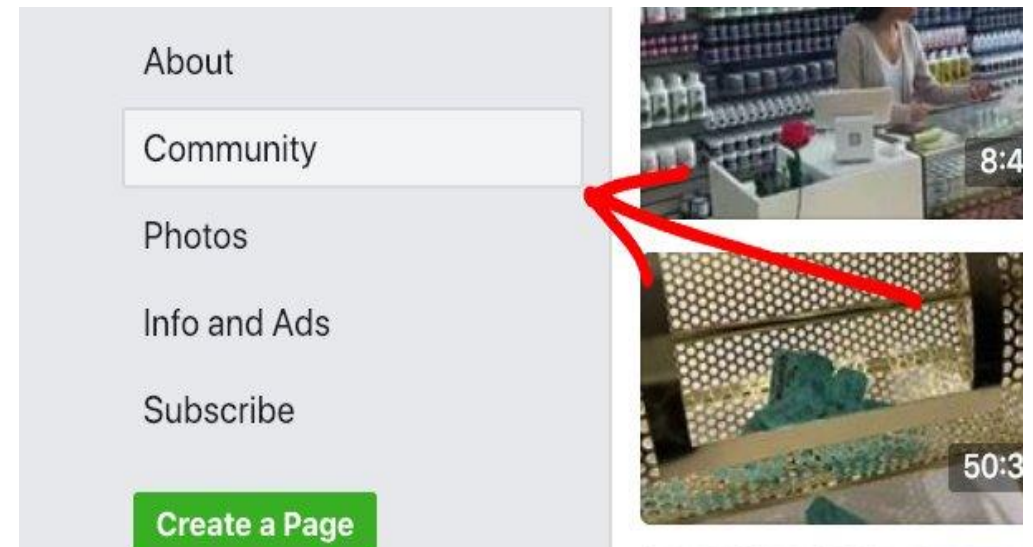
Automated services:

this includes automated processes or machinery that helps customers perform services themselves.



Communities:

these include online communities where customers can help each other solve their own problems with regard to the product or service.



There are several types of customer relationships

Co-creation:

here the company allows the customer to get involved in the designing or development of the product.

For example, YouTube has given its users the opportunity to create content for its audience.



The background of the slide features a blurred image of several stacks of gold coins. Overlaid on this is a white line graph with five data points connected by lines, showing an overall upward trend. The title 'REVENUE STREAMS' is centered in a white box with a red border.

REVENUE STREAMS

are the sources from which a company generates money by selling their product or service to the customers.

A revenue stream can belong to one of the following revenue models

Transaction-based revenue

- made from customers who make a one-time payment

Recurring revenue

- made from ongoing payments for continuing services or post-sale services

There are several ways you can generate revenue from



Asset sales: by selling the rights of ownership for a product to a buyer

Usage fee: by charging the customer for the use of its product or service



There are several ways you can generate revenue from

Subscription fee: by charging the customer for using its product regularly and consistently



Lending/ leasing/ renting: the customer pays to get exclusive rights to use an asset for a fixed period of time

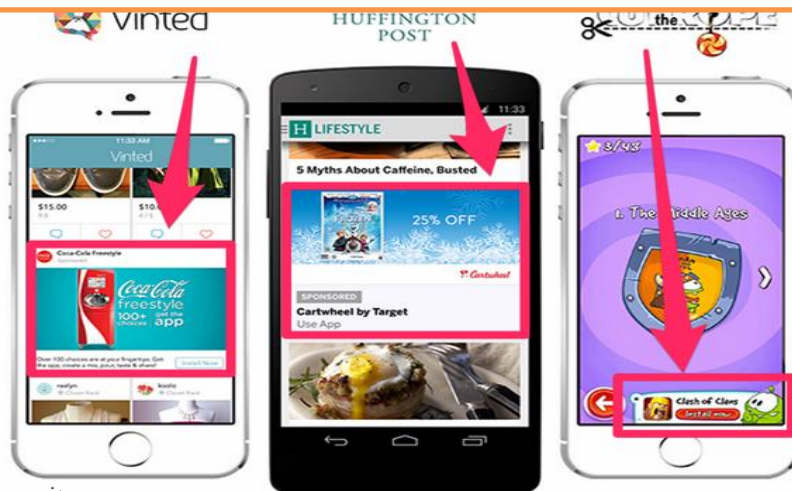


There are several ways you can generate revenue from



Licensing: customer pays to get permission to use the company's intellectual property

Brokerage fees: revenue generated by acting as an intermediary between two or more parties



Advertising: by charging the customer to advertise a product, service or brand using company platforms