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# **Key Activities**

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## Key Activities: Definition

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The Key Activities Building Block describes the most important things a company must do to make its business model work

# Every business model **calls for** a number of Key Activities.

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These are the most important actions a company must take to operate successfully. Like Key Resources, they are required to create and offer a Value Proposition, reach markets, maintain Customer Relationships, and earn revenues.



Key Activities differ depending on business model type

For software maker Microsoft  
Key Activities include  
software development

For PC manufacturer Dell  
Key Activities include  
supply chain management

For consultancy McKinsey  
Key Activities include  
problem solving

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# Key questions

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

Key Activities can be categorized as follows

# Key Activities categories (1/2)

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Element	Description
Production	These activities relate to designing, making, and delivering a product in substantial quantities and/or of superior quality. Production activity dominates the business models of manufacturing firms.
Problem solving	Key Activities of this type relate to coming up with new solutions to individual customer problems. The operations of consultancies, hospitals, and other service organizations are typically dominated by problem solving activities. Their business models call for activities such as knowledge management and continuous training.

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# Key Activities categories (2/2)

Element	Description
Platform/Network	<p>Business models designed with a platform as a Key Resource are dominated by platform or network-related Key Activities. Networks, matchmaking platforms, software, and even brands can function as a platform. eBay's business model requires that the company continually develop and maintain its platform: the Web site at <a href="http://eBay.com">eBay.com</a>. Visa's business model requires activities related to its Visa® credit card transaction platform for merchants, customers, and banks. Microsoft's business model requires managing the interface between other vendors' software and its Windows® operating system platform. Key Activities in this category relate to platform management, service provisioning, and platform promotion.</p>