

Business Model Canvas

<http://www.businessmodelgeneration.com>

The Business Model Canvas

Designed for:

Designed by:

On: Day Month Year
Iteration: No.

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?

INTEGRATIONS FOR PARTNERSHIPS
Integration and network
Allocation of risk and responsibility
Allocation of particular resources and activities

Key Activities



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

CATEGORIES
Production
Platform/Service
Platform/Service
Platform/Service

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
"Convey the Job Done"
Design
Price
Cost Reduction
Risk Reduction
Accessibility
Convenience/Usability

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
Tailored Personal Assistance
Self-Service
Automated Services
Community
Co-creation

Customer Segments



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

Mass Market
Niche Market
Segmented
Diversified
Multi-sided Platform

Key Resources



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

TYPES OF RESOURCES
Physical
Intellectual (Patents, designs, copyrights, data)
Human
Financial

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 PROSES
1. Awareness
How do we raise awareness about our company, products and services?
2. Evaluation
How do we help customers evaluate our organization's Value Proposition?
3. Purchase
How do we help customers purchase, specify 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?

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?

IN WHICH BUSINESS SECTOR
Cost Structure (direct and indirect costs, low-price value proposition, maximum automation, extensive outsourcing)
Value Stream (direct and indirect costs, premium value proposition)

SCALES & CHARACTERISTICS
Fixed Costs (salaries, rent, utilities)
Variable costs
Economies of scale
Economies of scope



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?

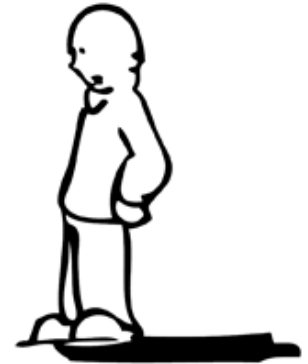
TYPES
Asset sale
Usage fee
Licensing fee
Licensing/Reselling/Leasing
Advertising
Risk/reward fees
Advertising

FIXED PRICES
List Price
Product/Service dependent
Customer segment dependent
Volume dependent

ADJUSTABLE PRICES
Negotiation/Bartering
Fixed Management
Real-time Market



Customer Segments



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

Mass Market
Niche Market
Segmented
Diversified
Multi-sided Platform

Customer groups represent separate segments if:

- *Their needs require and justify a distinct offer*
- *They are reached through different Distribution Channels*
- *They require different types of relationships*
- *They have substantially different profitability*
- *They are willing to pay for different aspects of the offer*

Value Propositions

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

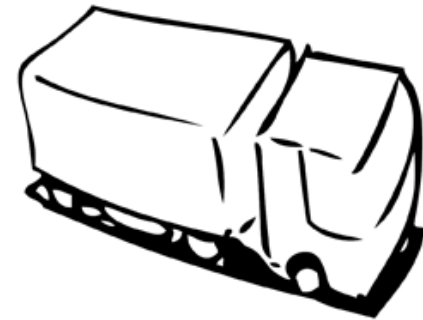
Accessibility

Convenience/Usability

Channels

“TouchPoints”

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?

Channels serve several functions, including:

- *Raising awareness among customers about a company's products and services*
- *Helping customers evaluate a company's Value Proposition*
- *Allowing customers to purchase specific products and services*
- *Delivering a Value Proposition to customers*
- *Providing post-purchase customer support*

Channel Types			Channel Phases				
Own	Direct	Sales force	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?
		Web sales					
		Own stores					
Partner	Indirect	Partner stores					
		Wholesaler					

Customer Relationships

Customer Relationships



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How costly are they?

EXAMPLES

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

Key Activities

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

CATEGORIES

Production

Problem Solving

Platform/Network



Key Resources

Key Resources

What Key Resources do our Value Propositions require?
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TYPES OF RESOURCES

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Financial



Key Partners

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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

We can distinguish between four different types of partnerships:

- ***Strategic alliances between non-competitors***
- ***Coopetition: strategic partnerships between competitors***
- ***Joint ventures to develop new businesses***
- ***Buyer-supplier relationships to assure reliable supplies***

Revenue Streams

Revenue Streams

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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

Pricing Mechanisms

Fixed "Menu" Pricing Predefined prices are based on static variables		Dynamic Pricing Prices change based on market conditions	
<i>List price</i>	Fixed prices for individual products, services, or other Value Propositions	<i>Negotiation (bargaining)</i>	Price negotiated between two or more partners depending on negotiation power and/or negotiation skills
<i>Product feature dependent</i>	Price depends on the number or quality of Value Proposition features	<i>Yield management</i>	Price depends on inventory and time of purchase (normally used for perishable resources such as hotel rooms or airline seats)
<i>Customer segment dependent</i>	Price depends on the type and characteristic of a Customer Segment	<i>Real-time-market</i>	Price is established dynamically based on supply and demand
<i>Volume dependent</i>	Price as a function of the quantity purchased	<i>Auctions</i>	Price determined by outcome of competitive bidding

Cost Structure

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:

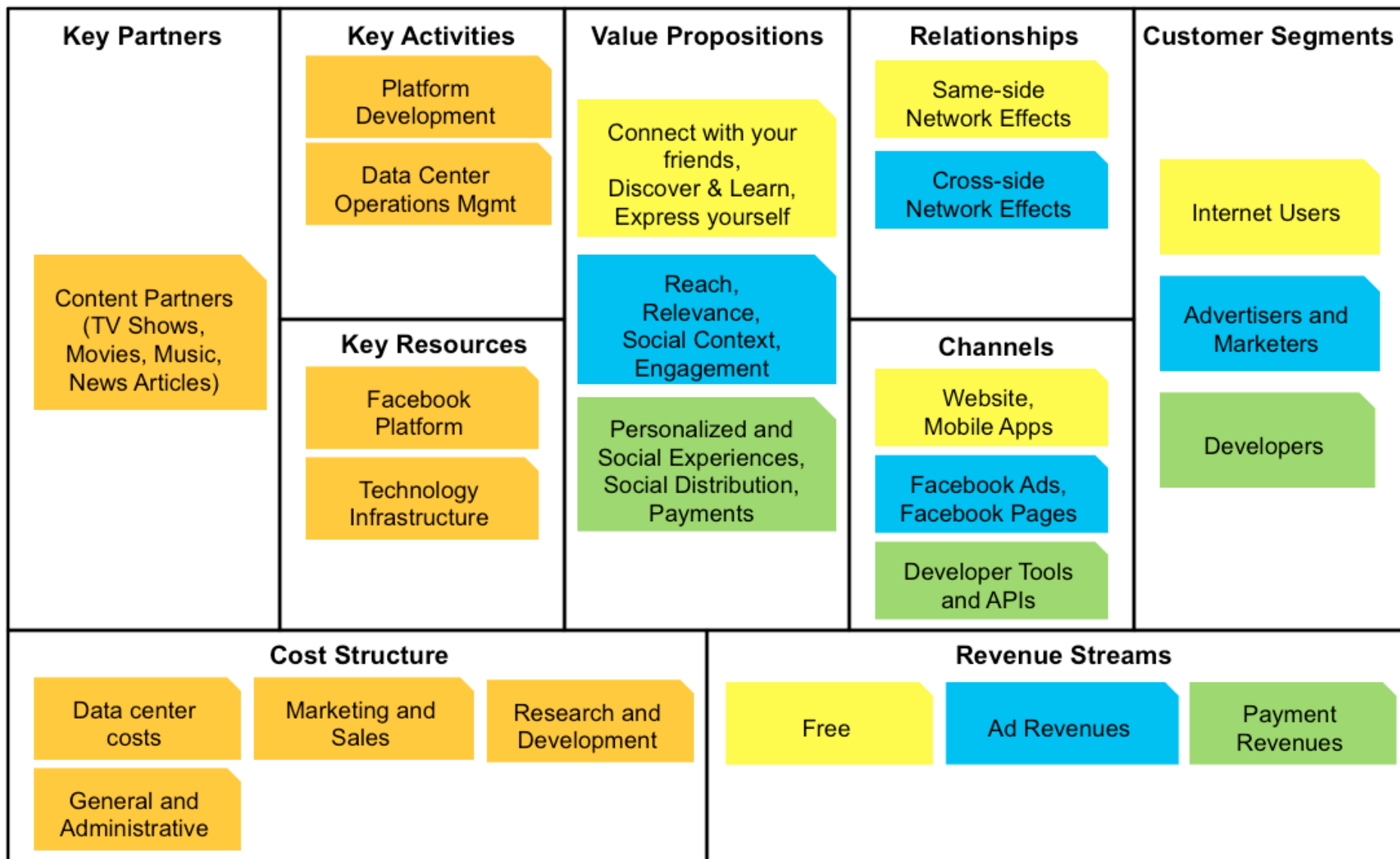
Fixed Costs (salaries, rents, utilities)

Variable costs

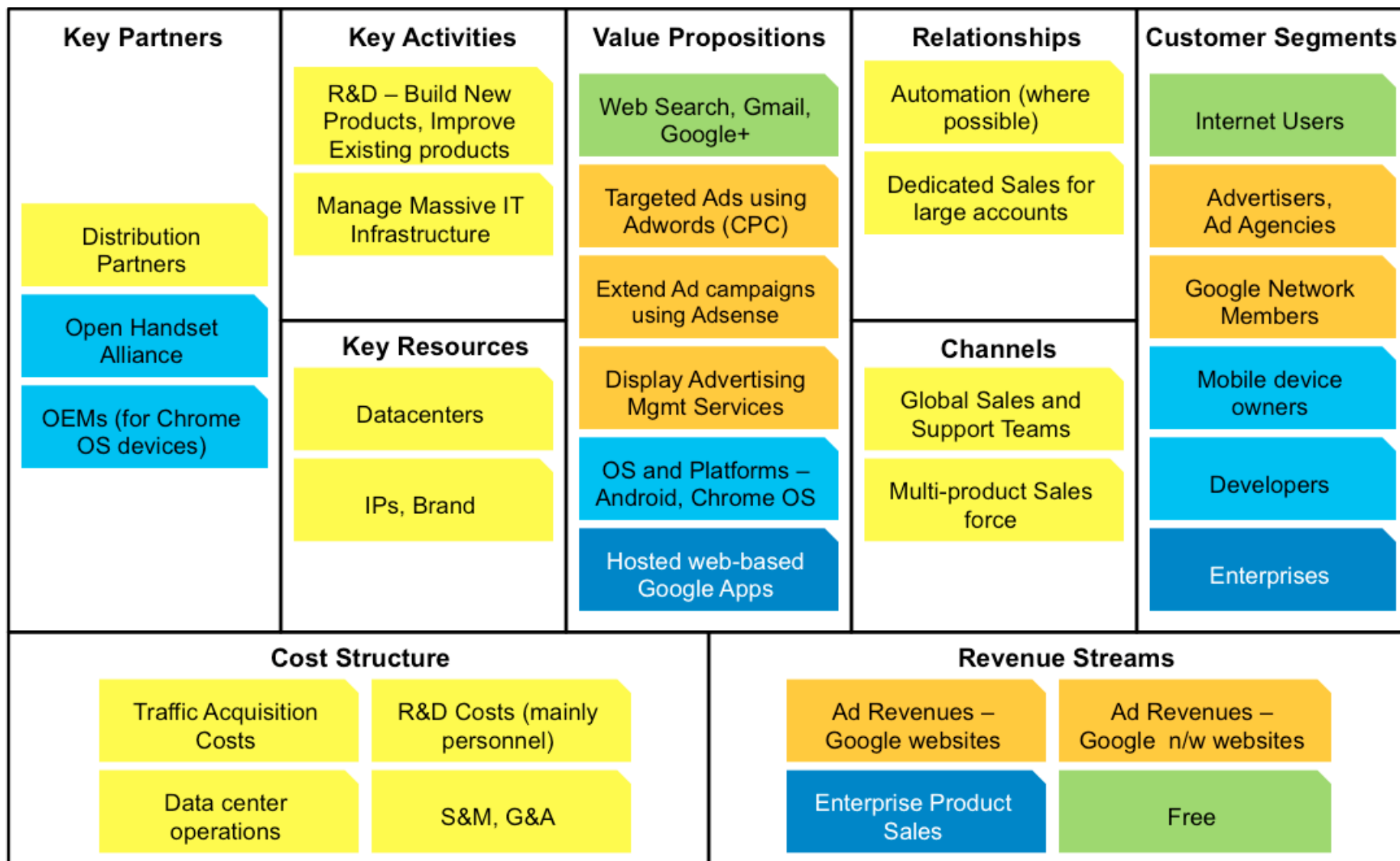
Economies of scale

Economies of scope

Facebook – World's leading Social Networking Site (SNS)



Google Business Model



Twitter Business Model

