

BMC & VPC

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Business Model Canvas

1. is a strategic management and lean startup template for developing new or documenting existing business models. It is a visual chart with elements describing a firm's or product's value proposition, infrastructure, customers, and finances. It assists firms in aligning their activities by illustrating potential trade-offs.
(en.wikipedia.org)
2. *model bisnis yang terdiri dari 9 blok area aktivitas bisnis, yang memiliki tujuan memetakan strategi untuk membangun bisnis yang kuat, bisa memenangkan persaingan dan sukses dalam jangka panjang.* (pustaka nasional)

Nine Block Areas of BMC

KEY PARTNERS

Who are our key partners?
Who are our key suppliers?
Which key resources are we acquiring from our partners?
Which key activities do partners perform?

KEY ACTIVITIES

What key activities do our value propositions require?
Our distribution channels?
Customer relationships?
Revenue streams?

KEY RESOURCES

What key resources do our value propositions require?
Our distribution channels?
Customer relationships?
Revenue streams?

VALUE PROPOSITIONS

What value do we deliver to the customer?
Which one of our customers' problems are we helping to solve?
What bundles of products and services are we offering to each segment?
Which customer needs are we satisfying?
What is the minimum viable product?

CUSTOMER RELATIONSHIPS

How do we get, keep, and grow customers?
Which customer relationships have we established?
How are they integrated with the rest of our business model?
How costly are they?

CHANNELS

Through which channels do our customer segments want to be reached?
How do other companies reach them now?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

CUSTOMER SEGMENTS

For whom are we creating value?
Who are our most important customers?
What are the customer archetypes?

COST STRUCTURE

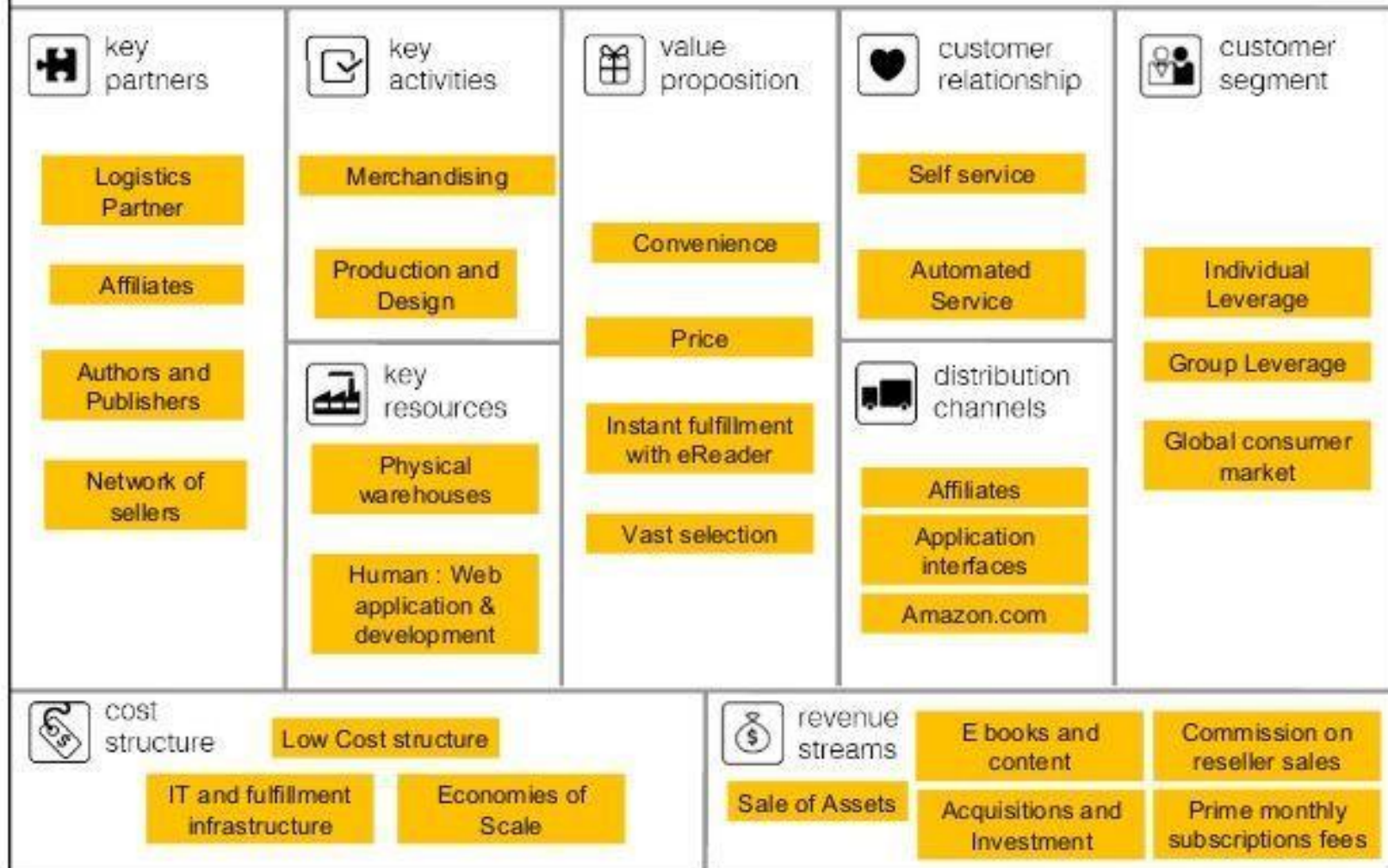
What are the most important costs inherent to our business model?
Which key resources are most expensive?
Which key activities are most expensive?

REVENUE STREAMS

For what value are our customers really willing to pay?
For what do they currently pay?
What is the revenue model?
What are the pricing tactics?

Example of BMC

Amazon's Business Model Canvas



Value Proposition Canvas

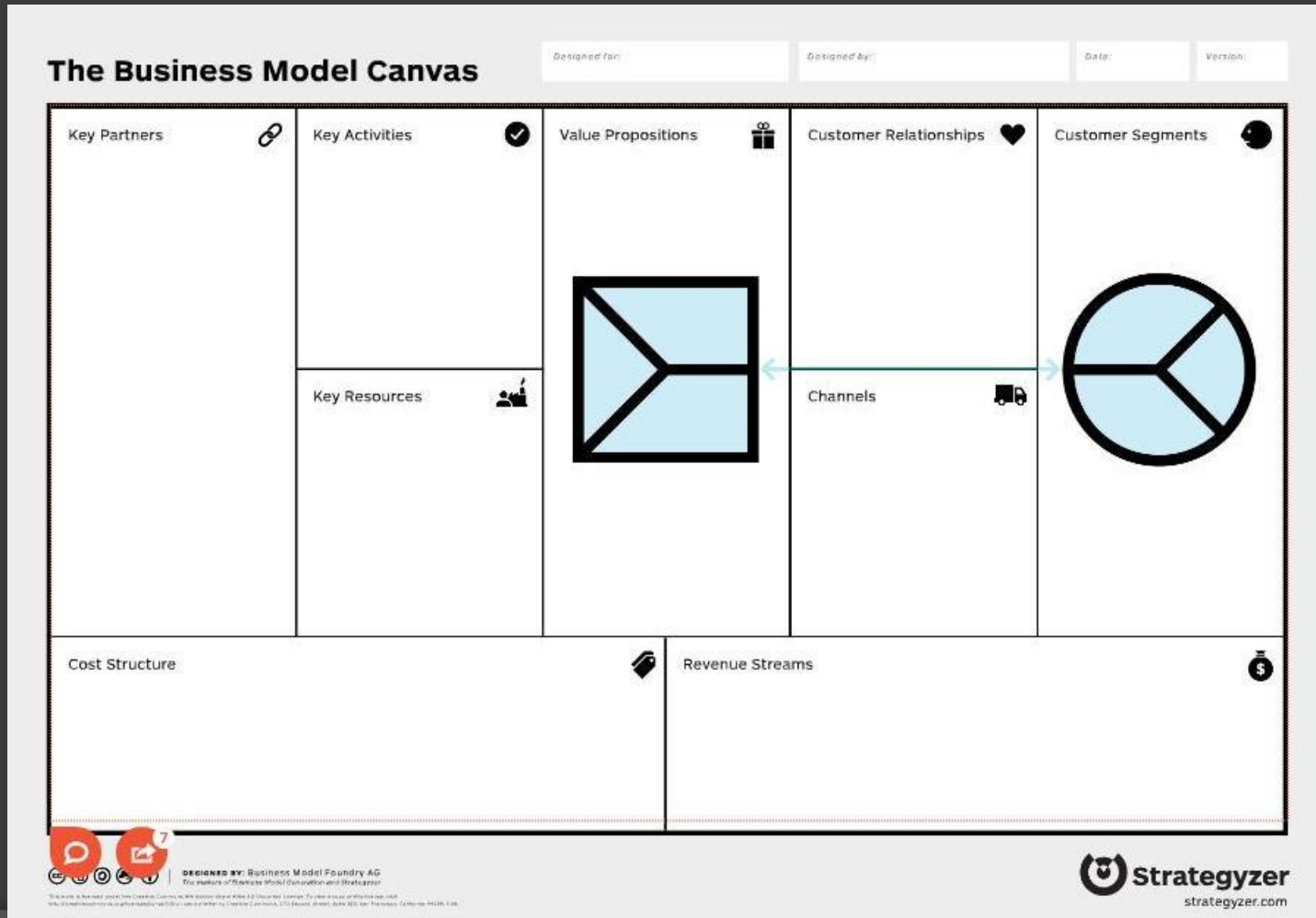
1. A value proposition is where your company's product offer intersects with your customer's desires. It's the magic fit between what you make and why people buy it. Your value proposition is the crunch point between business strategy and brand strategy.

(www.peterjthomson.com)

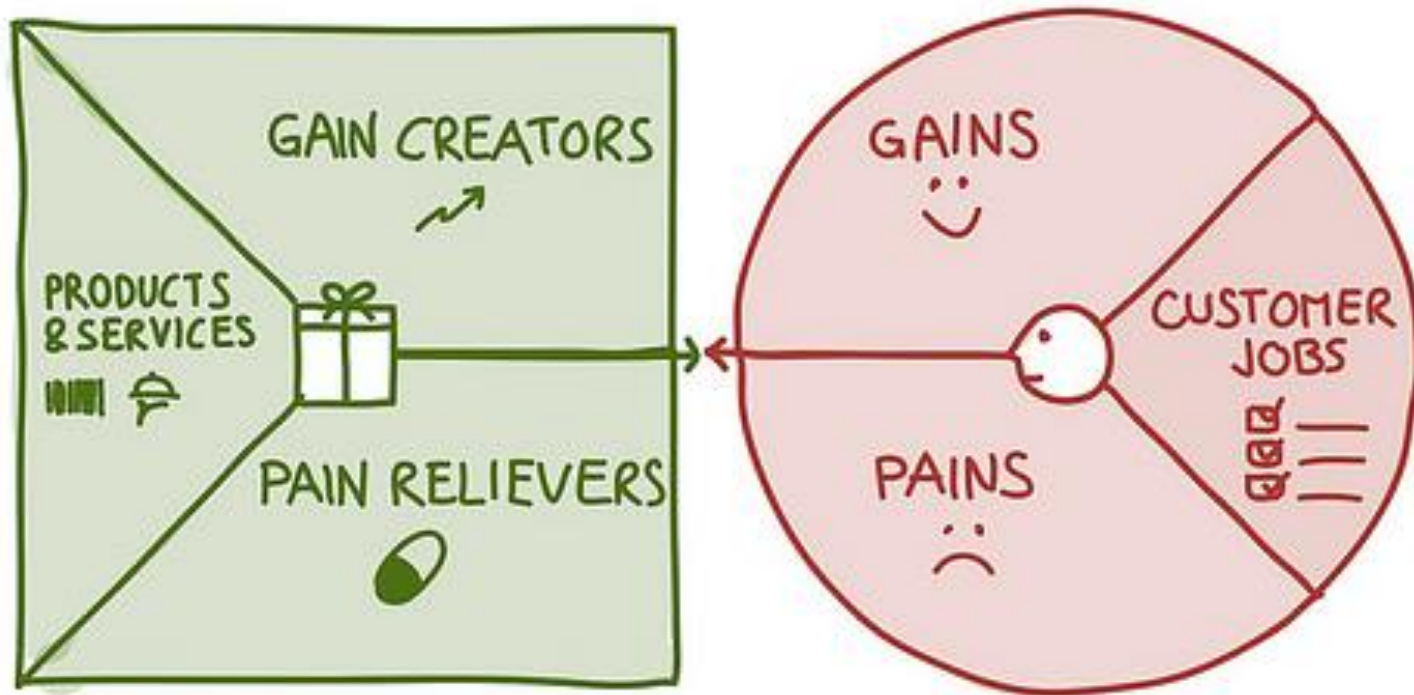
2. Value proposition canvas *merupakan alat untuk membantu kita menciptakan value untuk customer.* (<http://henimurhana.com>)

BMC vs VPC

Hubungan antara **business model canvas** dan **value proposition canvas** dapat dilihat pada gambar berikut ini:



VPC Concept

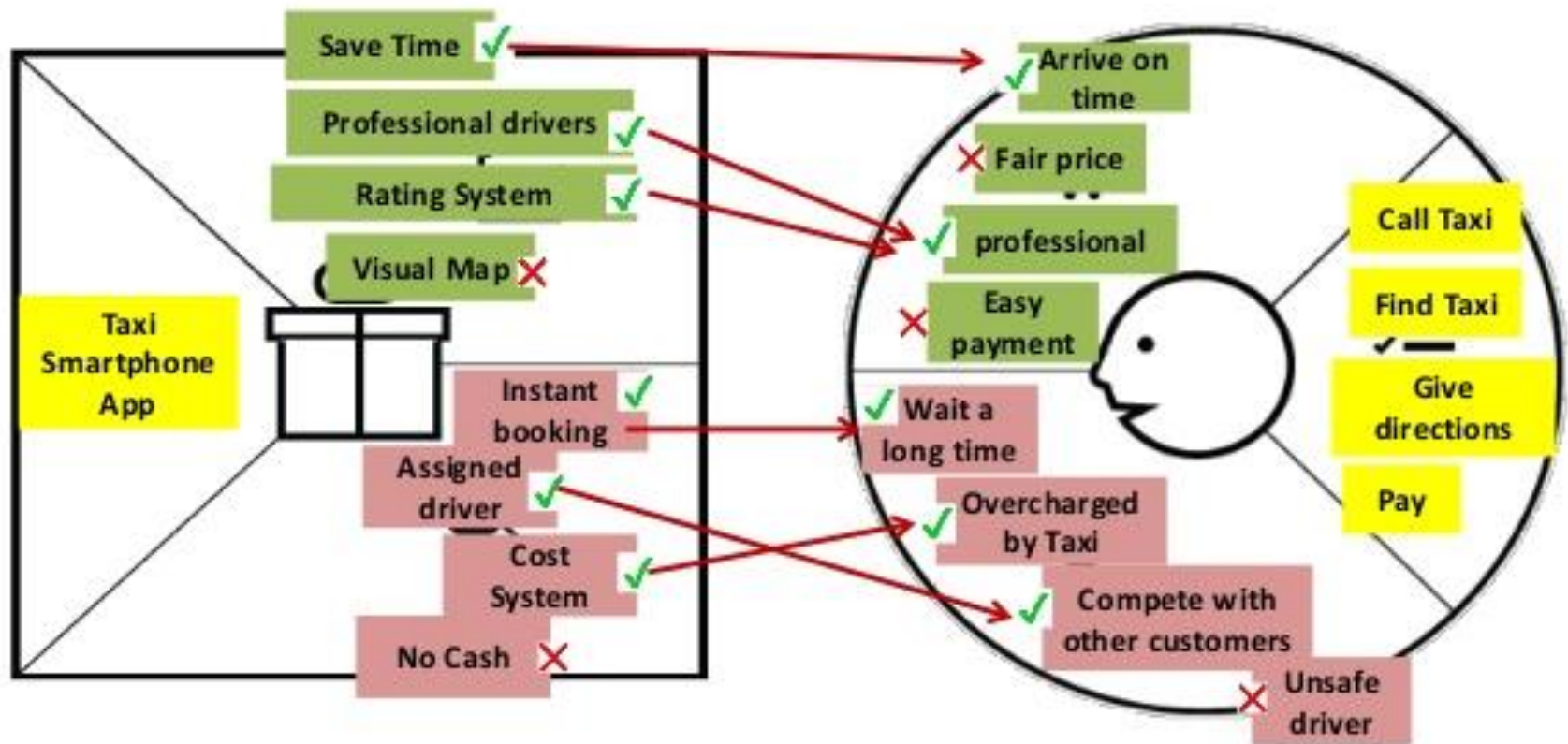


VPC Illustration



VPC Example

Taxi Smartphone Application



Ten Type Innovation

DOBLIN

TEN TYPES OF INNOVATION

TACTICS OVERVIEW

Profit Model

Premium

Price at a higher margin than competitors, usually for a superior product, offering, experience, service or brand.

Cost Leadership

Keep variable costs low and sell high volumes at low prices.

Scaled Transactions

Maximize margins by pursuing high volume, large scale transactions when unit costs are relatively fixed.

Microtransactions

Sell many items for as little as a dollar—or even only one cent—to drive impulse purchases at volume.

Forced Scarcity

Limit the supply of offerings available, by quantity, time frame or access, to drive up demand and/or prices.

Subscription

Create predictable cash flows by charging customers up front (a one time or recurring fee) to have access to the product/service over time.

Membership

Charge a time-based payment to permit access to locations, offerings, or services that non-members don't have.

Installed Base

Offer a "core" product for slim margins (or even a loss) to drive demand and loyalty; then realize profit on additional products and services.

Switchboard

Connect multiple sellers with multiple buyers; the more buyers and sellers who join, the more valuable the switchboard.

Auction

Allow a market—and its users—to set the price for goods and services.

User-Defined

Invite customers to set a price they wish to pay.

Freemium

Offer basic services for free, while charging a premium for advanced or special features.

Flexible Pricing

Vary prices for an offering based on demand.

Floater

Receive payment prior to building the offering—and use the cash to earn interest prior to making margins.

Financing

Capture revenue not directly from the sale of a product, but from structured payment plans and after-sale interest.

Ad-Supported

Provide content/services for free to one party while selling listeners, viewers or "eyeballs" to another party.

Licensing

Grant permission to some other group or individual to use your offering in a defined way for a specified payment.

Metered Use

Allow customers to pay for only what they use.

Bundled Pricing

Sell in a single transaction two or more items that could be sold as standalone offerings.

Disaggregate Pricing

Allow customers to pay exactly—and only—what they want.

Risk Sharing

Waive standard fees/costs if certain metrics aren't achieved, but receive outside gains when they are.

Network

Merger/Acquisition

Combine two or more entities to gain access to capabilities and assets.

Consolidation

Acquire multiple companies in the same market or complementary markets.

Open Innovation

Obtain access to processes or patents from other companies to leverage, extend, and build on expertise and/or do the same with internal IP and processes.

Secondary Markets

Connect waste streams, by-products, or other alternative offerings to those who want them.

Supply Chain Integration

Coordinate and integrate information and/or processes across a company or functions of the supply chain.

Complementary Partnering

Leverage assets by sharing them with companies that serve similar markets but offer different products and services.

Alliances

Share risks and revenues to jointly improve individual competitive advantage.

Franchising

License business brands, processes, and brand to paying partners.

Cooperation

Join forces with someone who would normally be your competitor to achieve a common goal.

Collaboration

Partner with others for mutual benefit.

Structure

Organizational Design

Make form follow function and align infrastructure with core qualities and business processes.

Incentive Systems

Offer rewards (financial or non-financial) to provide motivation for a particular course of action.

IT Integration

Integrate technology resources and applications.

Competency Center

Cluster resources, practices and expertise into support centers that increase efficiency and effectiveness across the broader organization.

Outsourcing

Assign responsibility for developing or maintaining a system to a vendor.

Corporate University

Provide job-specific or company-specific training for managers.

Decentralized Management

Distribute decision-making governance closer to the customer or other key business interfaces.

Knowledge Management

Share relevant information internally to reduce redundancy and improve job performance.

Asset Standardization

Reduce operating costs and increase connectivity and modularity by standardizing your assets.

Intellectual Property

Protect an idea that has commercial value—such as a recipe or industrial process—with legal tools like patents.

User Generated

Put your users to work in creating and curating content that powers your offerings.

Predictive Analytics

Model past performance data and predict future outcomes to design and price offerings accordingly.

Process

Process Standardization

Use common products, processes, procedures, and policies to reduce complexity, costs, and errors.

Localization

Adapt an offering, process, or experience to target a culture or region.

Process Efficiency

Adapt an offering, process, or experience to target a culture or region.

Flexible Manufacturing

Use a production system that can rapidly react to changes and still operate efficiently.

Process Automation

Apply tools and infrastructure to manage routine activities in order to free up employees.

Crowdsourcing

Outsource repetitive or challenging work to a large group of semi-organized individuals.

On-Demand Production

Produce items after an order has been received to avoid carrying costs of inventory.

Lean Production

Reduce waste and cost in your manufacturing process and other operations.

Logistics Systems

Manage the flow of goods, information and other resources between the point of origin and the point of use.

Strategic Design

Employ a purposeful approach that manifests itself consistently across offerings, brands, and experiences.

Intellectual Property

Protect an idea that has commercial value—such as a recipe or industrial process—with legal tools like patents.

User Generated

Put your users to work in creating and curating content that powers your offerings.

Predictive Analytics

Model past performance data and predict future outcomes to design and price offerings accordingly.

Product Performance

Superior Product

Develop an offering of exceptional design, quality, and/or experience.

Ease of Use

Make your product simple, intuitive and comfortable to use.

Engaging Functionality

Provide an unexpected or newsworthy experiential component that elevates the customer interaction.

Safety

Increase the customer's level of confidence and security.

Feature Aggregation

Combine existing features found across offerings into a single offering.

Added Functionality

Add new functionality to an existing offering.

Performance Simplification

Omit superfluous details, features, and interactions to reduce complexity.

Environmental Sensitivity

Provide offerings that do no harm—or relatively less harm—to the environment.

Conservation

Design your product so that customers can reduce their use of energy or materials.

Customization

Enable altering of the product or service to suit individual requirements or specifications.

Focus

Design an offering specifically for a particular audience at the expense of others.

Styling

Impart a style, fashion or image.

Product System

Complements

Sell additional related or ancillary products or services to a customer.

Extensions/Plug-ins

Allow first- or third-party additions that add functionality.

Product Bundling

Offer several products for sale as one combined product.

Modular Systems

Provide a set of individual components that can be used independently, but gain utility when combined.

Product/Service Platforms

Develop systems that connect with other, partner products and services to create a holistic offering.

Integrated Offering

Combine otherwise discrete components into a complete experience.

Service

Try Before You Buy

Let customers test and experience an offering before investing in it.

Guarantee

Remove customer risk of lost money or time stemming from product failure or purchase error.

Loyalty Programs

Provide benefits and/or discounts to frequent and high-value customers.

Added Value

Include an additional service/function as part of the base price.

Concierge

Provide premium service by taking on tasks for which customers don't have time.

Total Experience Management

Provide thoughtful, holistic management of the consumer experience across an offering's lifecycle.

Supplementary Service

Offer ancillary services that fit with your offering.

Superior Service

Provide service(s) of higher quality, efficacy, or with a better experience than any competitor.

Personalized Service

Use the customer's own information to provide perfectly calibrated service.

User Communities/Support Systems

Employ a communal resource for product/service support, use and extension.

Lease or Loan

Let customers pay over time to lower upfront costs.

Self-Service

Provide users with control over activities that would otherwise require an intermediary to complete.

Channel

Diversification

Add and expand into new or different channels.

Flagship Store

Create a store to showcase quintessential brand and product attributes.

Go Direct

Skip traditional retail channels and connect directly with customers.

Non-Traditional Channels

Employ novel and relevant avenues to reach customers.

Pop-up Presence

Create a noteworthy but temporary environment to showcase and/or sell offerings.

Indirect Distribution

Use others as resellers who take ownership over delivering the offering to the final user.

Multi-Level Marketing

Sell bulk or packaged goods to an affiliated but independent sales force that turns around and sells it for you.

Cross-selling

Place products, services, or information that will enhance an experience in situations where customers are likely to want to access them.

On-Demand

Deliver goods in real-time whenever or wherever they are desired.

Context Specific

Offer timely access to goods that are appropriate for a specific location, occasion, or situation.

Experience Center

Create a space that encourages your customers to interact with your offerings—but purchase them through a different (and often lower-cost) channel.

Brand

Co-Branding

Combine brands to mutually reinforce key attributes or enhance the credibility of an offering.

Brand Leverage

"Lend" your credibility and allow others to use your name—thus extending your brand's reach.

Private Label

Provide goods made by others under your company's brand.

Brand Extension

Offer a new product or service under the umbrella of an existing brand.

Component Branding

Brand an integral component to make a final offering appear more valuable.

Transparency

Let customers see into your operations and participate with your brand and offerings.

Values Alignment

Make your brand stand for a big idea or a set of values and express them consistently in all aspects of your company.

Certification

Develop a brand or mark that signifies and ensures certain characteristics in third-party offerings.

Customer Engagement

Process Automation

Remove the burden of repetitive tasks from the user to simplify life and make new experiences seem magical.

Experience Simplification

Reduce complexity and focus on delivering specific experiences exceptionally well.

Curation

Use a distinct point of view to separate the proverbial wheat from the chaff—and in the process create a strong identity for yourself and your followers.

Experience Enabling

Extend the realm of what's possible to offer a previously improbable experience.

Mastery

Help customers to obtain great skill or deep knowledge of some activity or subject.

Autonomy and Authority

Grant users the power to use your offerings to shape their own experience.

Community and Belonging

Facilitate visceral connections to make people feel they are part of a group or movement.

Personalization

Alter a standard offering to allow the projection of the customer's identity.

Whimsy and Personality

Humanize your offering with small flourishes of on-brand, on-message ways of seeming alive.

Status and Recognition

Offer cues that infer meaning, allowing users—and those who interact with them—to develop and nurture aspects of their identity.

CONFIGURATION

OFFERING

EXPERIENCE

Relation Between BMC, VPC & 10 Type Innovation

Your Innovation Process

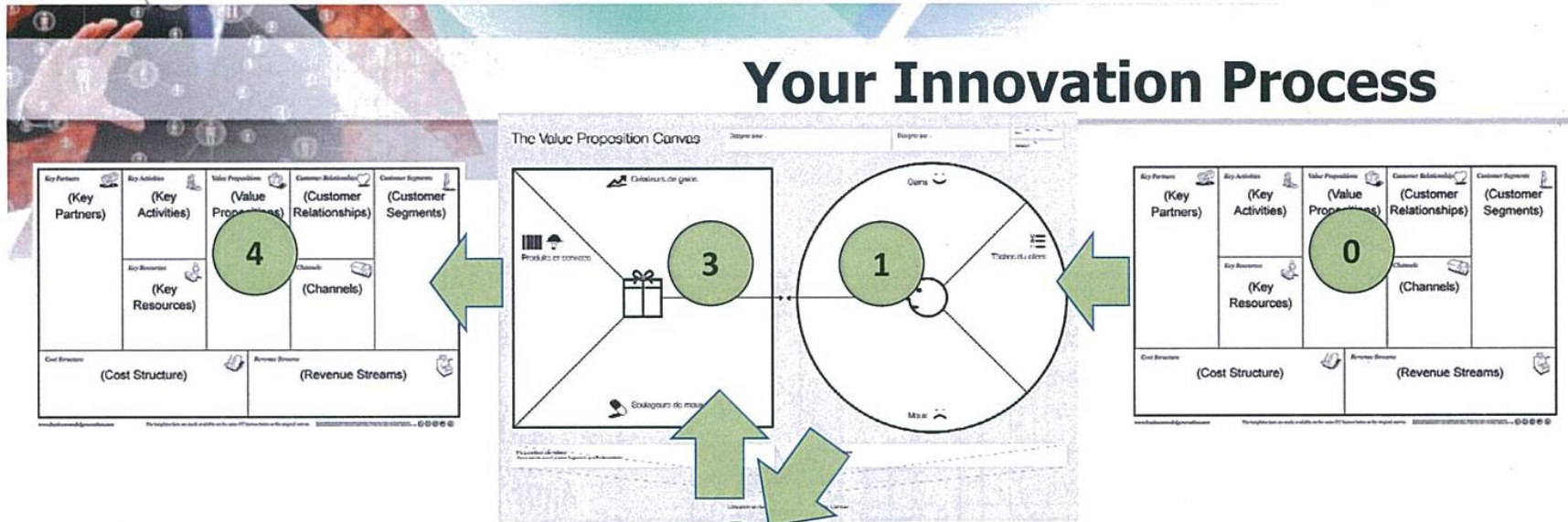
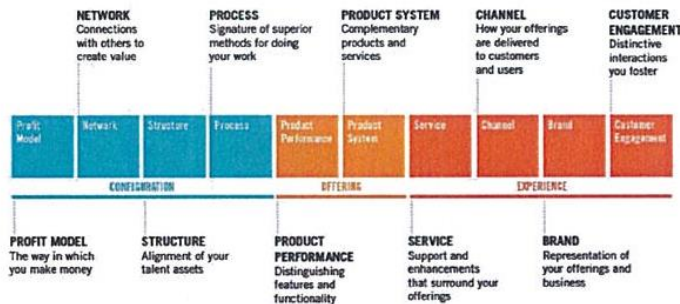


Figure 5. Ten Types of Innovation*



Source: Larry Keeley, Ryan Pikket, Brian Quinn, and Helen Walters, *Ten Types of Innovation: The Discipline of Building Breakthroughs* (Hoboken, New Jersey: John Wiley & Sons, 2013).

Graphic: Dublin.com/TenTypes

- 0 - Starts from here if your innovation will improve the existing business model
- 1 - Starts from here if your innovation will solely fulfill the customer needs although it means you need to revamp your existing business model or establishing a new one
- 2 – use 10 types of innovation to develop gain creator & pain reliever in 3.
- 4- Create new business model