

**Business Model Canvas** - is a **strategic planning tool** used by managers to illustrate and develop their **business model**. The business model canvas template clearly **identifies the key elements** that make up a business. Additionally, it simplifies a business plan into a **condensed form**. In this way, the business model canvas template acts like an **executive summary** for the business plan. It helps entrepreneurs and managers design, analyze, and manage a business model in a simplified and cohesive way.

## 9 building blocks of Business Model Canvas

1. **Customer Segments** - define the **specific groups of people or organizations** a business **aims to reach and serve**. These are the **target audiences** that give **purpose** to a company's **products or services**.

Example: For Netflix, customer segments include individual entertainment subscribers and families looking for affordable on-demand movies and shows.

2. **Value Propositions** - This describes the **unique value** a company delivers to its customers — **what** makes the product or service attractive and **why** customers should choose it over competitors.

Example: Apple's value proposition is providing high-quality, innovative, and user-friendly technology that seamlessly integrates across all devices.

3. **Channels** - are the ways a company **communicates** with and **delivers its value proposition** to its **customer segments**. These include distribution, sales, and communication channels.

Example: Coca-Cola uses supermarkets, vending machines, and restaurants as channels to reach its customers.

4. **Customer Relationships** - This defines how a company **interacts with its customers** — from **personal assistance to automated services** — and how it builds **loyalty and trust**.

Example: Amazon maintains customer relationships through personalized recommendations, responsive customer service, and loyalty programs like Amazon Prime.

5. **Revenue Streams** - represent the **ways a business earns money** from each customer segment. This includes **sales, subscriptions, rentals, licensing, or advertising**.

Example: Spotify earns revenue from two main streams: premium subscriptions and advertising on free user accounts.

6. **Key Resources** - are the critical **assets needed to deliver** the value proposition — such as **employees, technology, capital, and intellectual property**.

Example: Tesla's key resources include its battery technology, manufacturing facilities, and skilled engineers.

7. **Key Activities** - These are the **main actions** a business **must perform to operate successfully** — such as **production, marketing, platform management, or customer service**.

Example: YouTube's key activities include maintaining the video platform, managing content, and advertising operations.

8. **Key Partnerships** - refer to the external companies, suppliers, or organizations that help a business achieve its goals or deliver value.

Example: Starbucks partners with coffee bean suppliers and logistics providers to ensure consistent product quality and availability.

9. **Cost Structure** - This outlines all the costs involved in operating the business model — including fixed and variable expenses like salaries, rent, and production costs.

Example: Airbnb's main costs include platform maintenance, marketing, and payment processing

Hook – Catch attention

Problem – What issue are you solving?

Solution – Your idea/product

Value – Why it's better/unique

Call to Action – What you want from the audience