

# Business Model Canvas

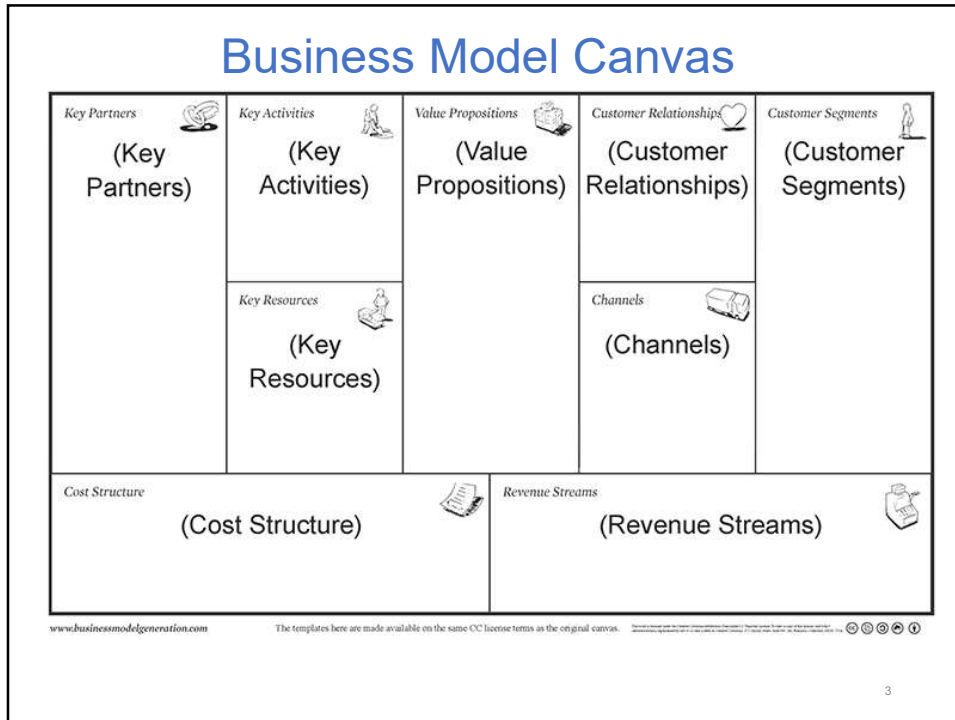
BA291



## What is a Business Model?

a clearly stated outline of how the business intends to generate revenue.



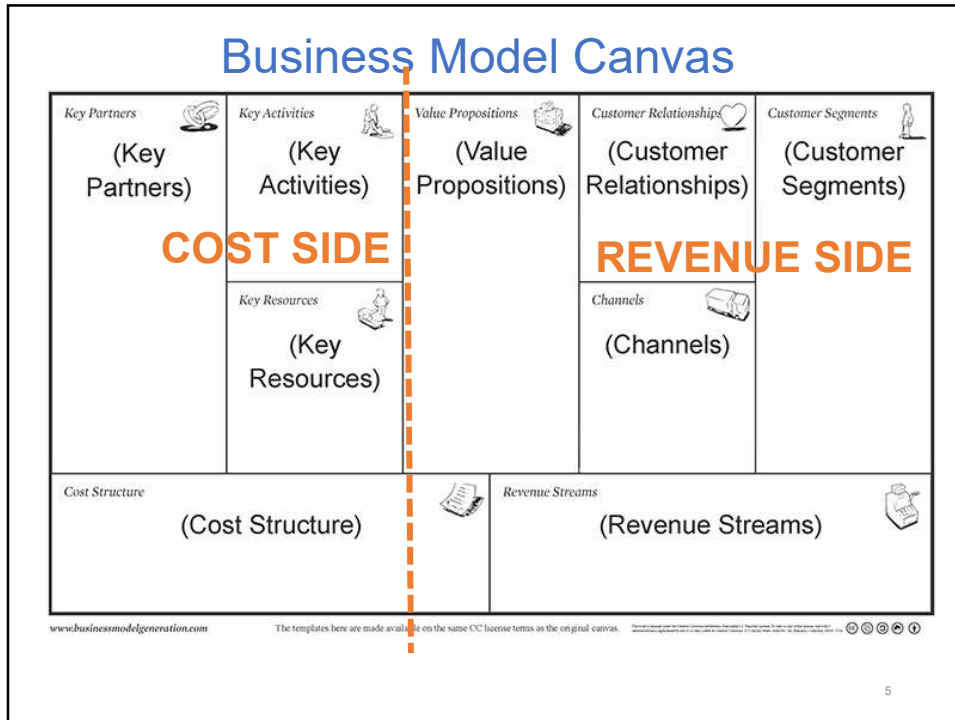


### Some ideas for your business model canvas activity

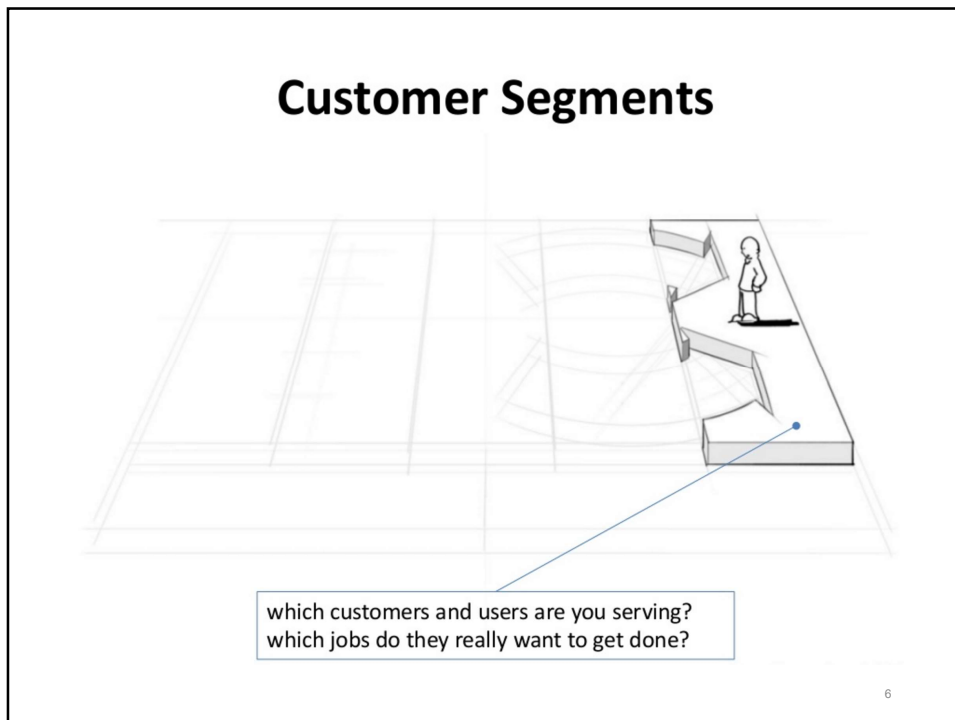
- Netflix
- Grab...
- Alibaba
- Private bank
- CPN
- Diamond Grains
- More sheet TU
- Meb e-book
- SOS multi-brand store
- Refinn



- Spotify, QQ, Wongnai, Lineman,



5

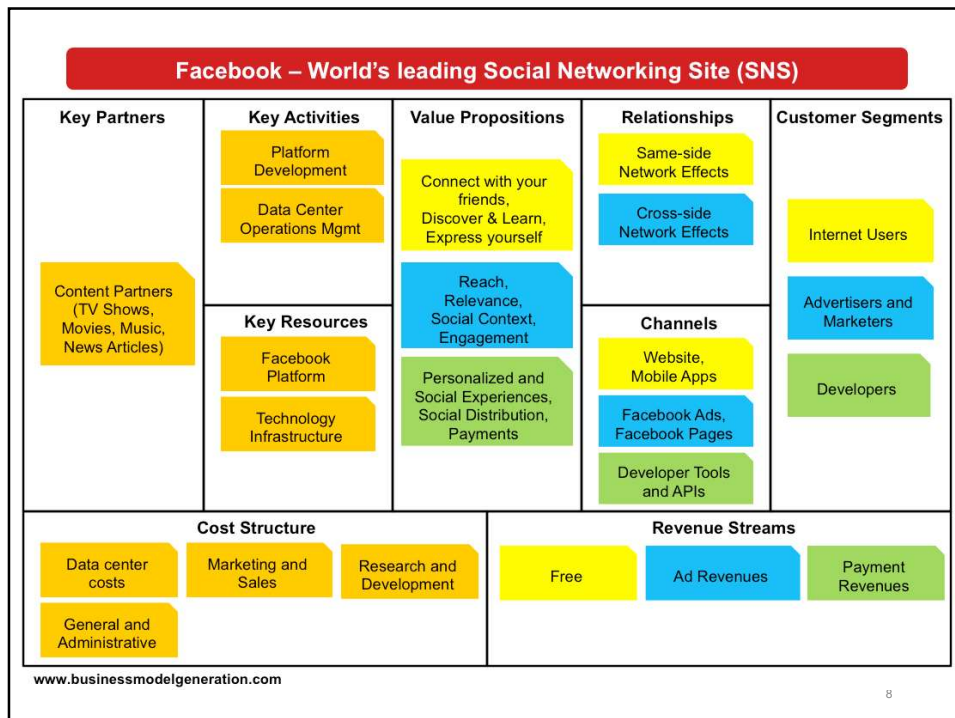


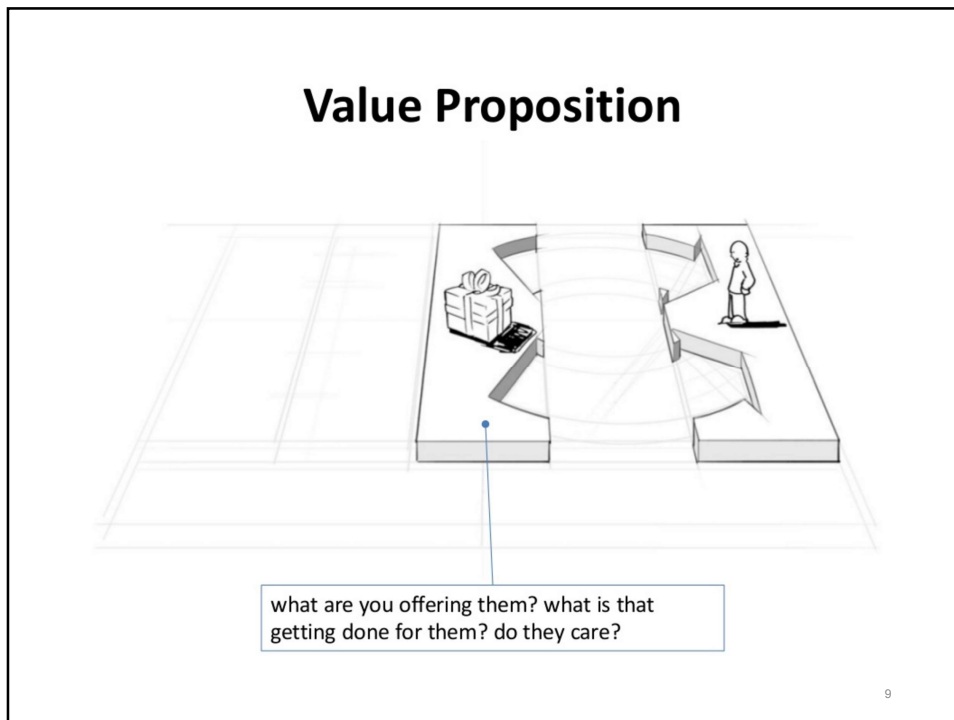
6

## Customer Segments

- For whom are we creating value?
- Who are our most important customers?
  - **Mass Market** Often found in consumer electronics sector
  - **Niche Market** Often found in supplier-buyer relationships
  - **Segmented** Market segments with slightly different needs and problems
  - **Diversified** Unrelated Customer Segments with very different needs and problems
  - **Multi-sided Platform** Two or more interdependent Customer Segments e.g. a credit card company or a free newspaper

7





## Value Proposition

- 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	○ Brand/Status
○ Performance	○ Price
○ Customization	○ Cost Reduction
○ "Getting the job done"	○ Risk Reduction
○ Design	○ Accessibility
	○ Convenience/ Usability

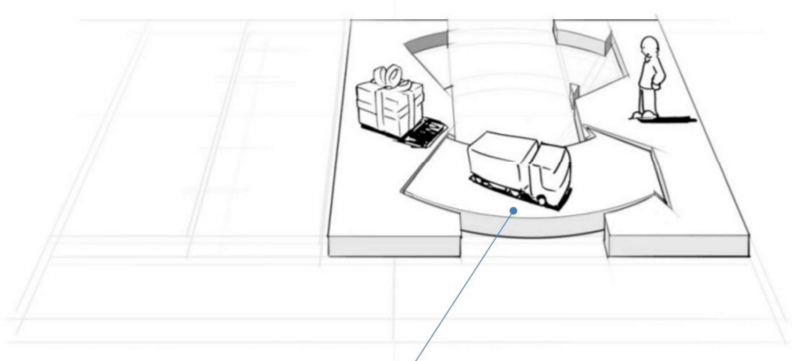
---



---

10

## Channels



how does each customer segment want to be reached?  
through which interaction points?

11

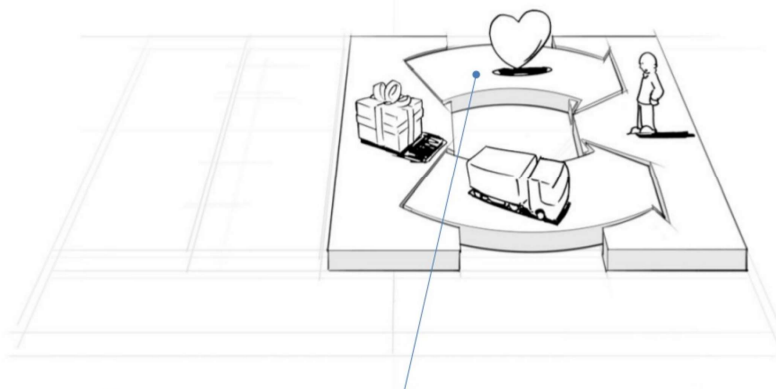
## Channels

- 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?

---

12

## Customer Relationships



what relationships are you establishing with each segment?  
personal? automated? acquisitive? retentive?

13

## 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
- Dedicated Personal Assistance
- Self-service
- Automated Services
- Communities
- Co-creation

14

## Revenue Streams

what are customers really willing to pay for? how?  
are you generating transactional or recurring revenues?

15

## 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:**

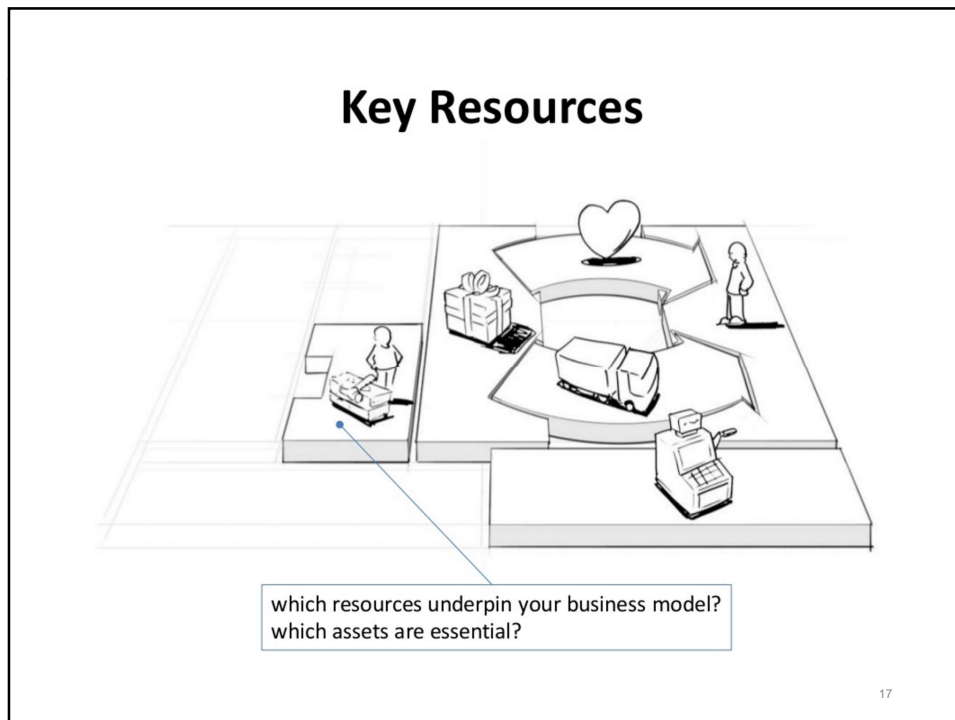
- Asset sale
- Usage fee
- Subscription fees
- Lending/ Renting/ Leasing
- Licensing
- Brokerage fees
- Advertising

---



---

16



## Key Resources

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

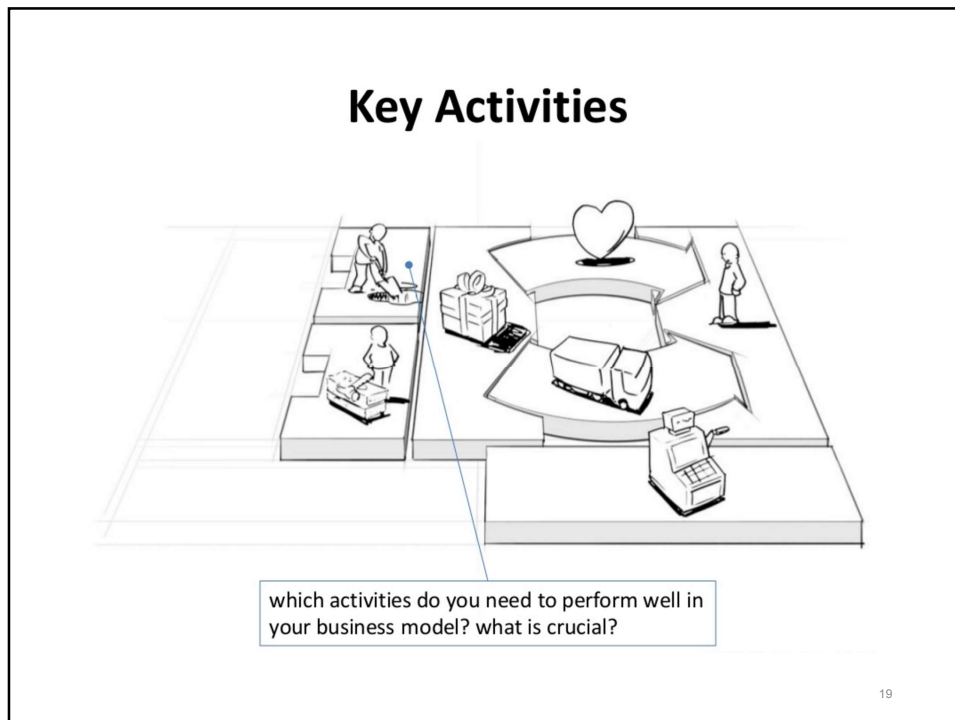
**Types of resources:**

- Physical
- Intellectual (Brand patents, copyrights, data)
- Human
- Financial

---

---

18



## Key Activities

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

**Categories:**

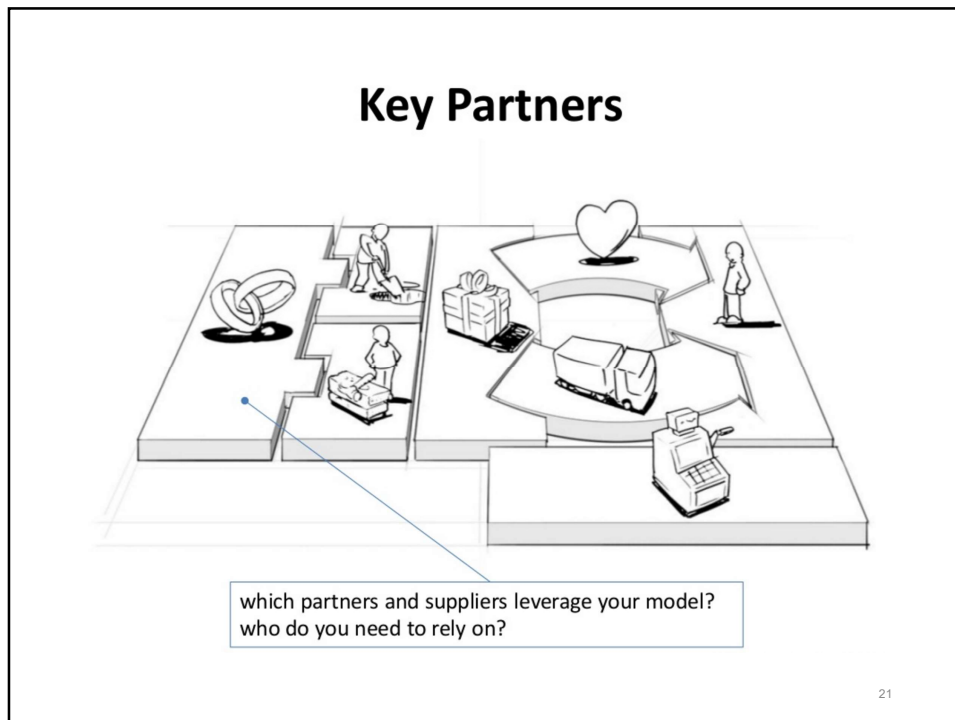
- Production
- Problem Solving
- Platform/ Network

---



---

20



## 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?

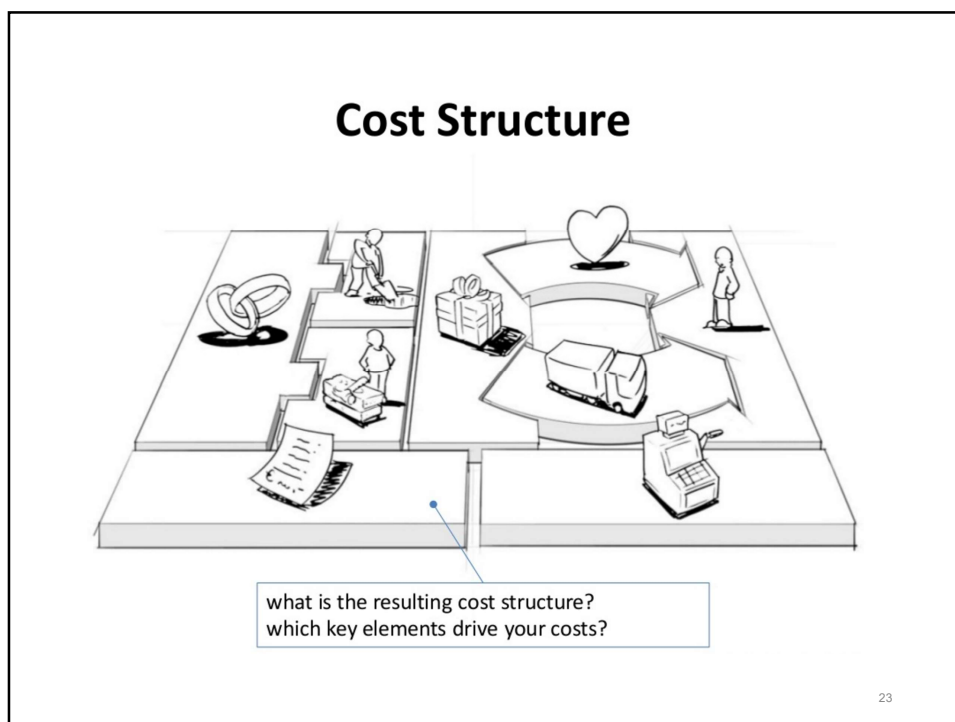
**Motivations for partnerships:**

- Optimization and economy
- Reduction of risk and uncertainty
- Acquisition of particular resources and activities

---

---

22



## 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:**

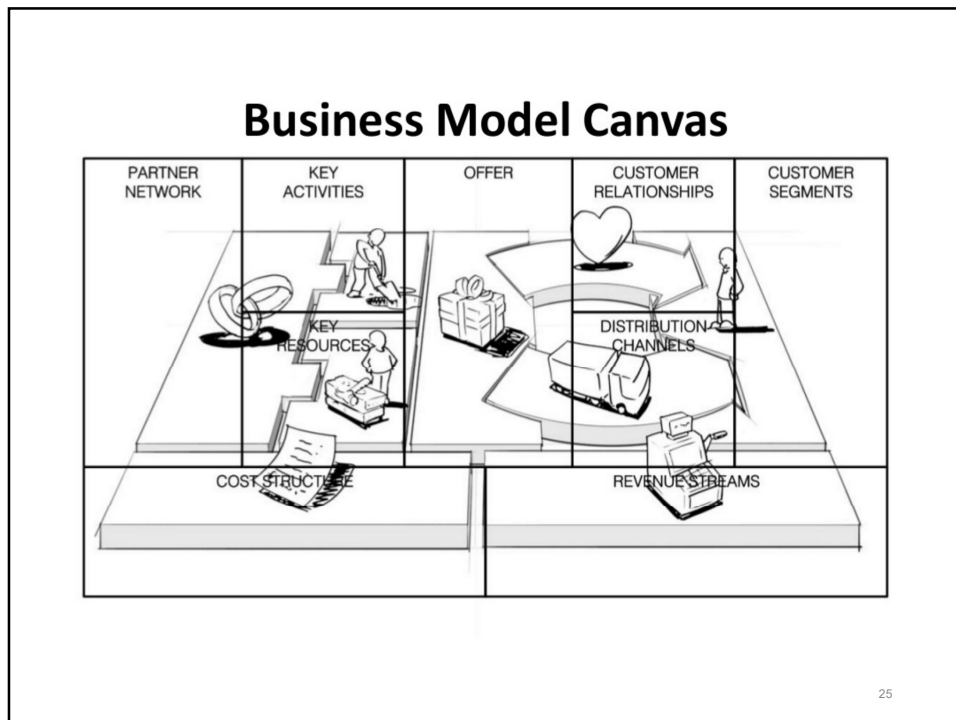
- Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing)
- Value Driven (focused on value creation, premium value proposition)

**Sample characteristics:**

- Fixed costs (salaries, rents, utilities)
- Variable costs
- Economies of scale
- Economies of scope

---

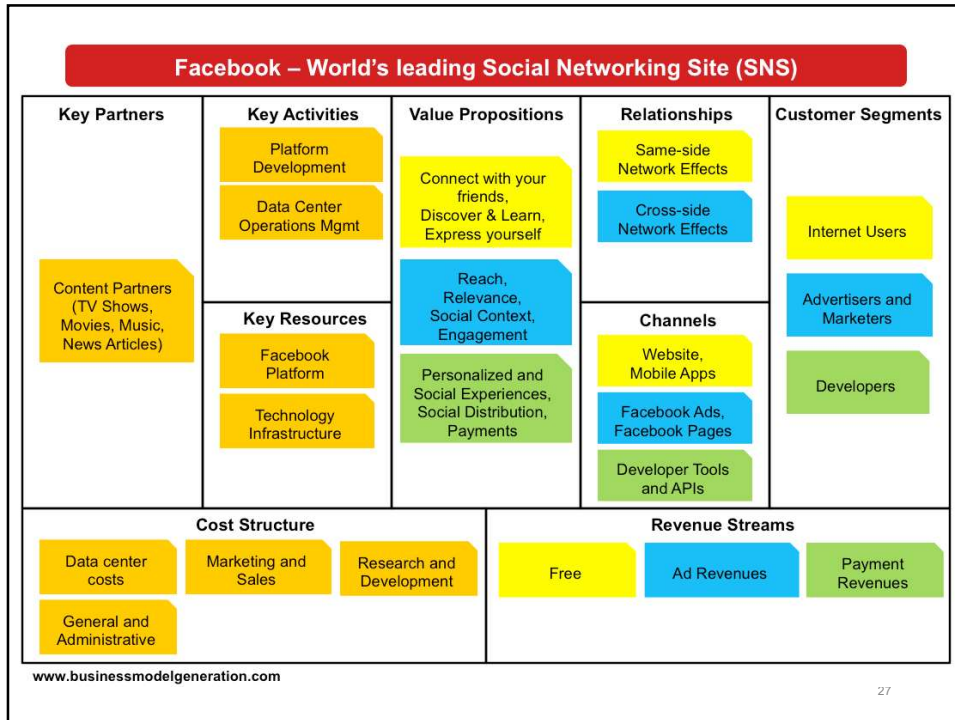
24



## Business Model Canvas Example

**Facebook**

---



Business Model Canvas  
Example

**Traditional Retail**

---

