



TECH STARTUP SCHOOL

—— Alb ▲ Bodensee ——

**Business Model Canvas –
Tool to structure new business models**

Video - BMC

► <https://www.youtube.com/watch?v=QoAOzMTLP5s>

What's a business model?

A business model is a **company's plan** for how it will **generate revenues** and **make a profit**. It explains what **products or services** the business plans to manufacture and market, and how it plans to do so, including what expenses it will incur.

Business Model Canvas

The Business Model Canvas










Designed for:

Designed by:

On:

Day
Month
Year

Iteration:

<h3>Key Partners</h3>  <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p>Key Partnerships to consider: Distribution and logistics Manufacturing and production Research and development Logistics and distribution Supplier and customer relationships</p>	<h3>Key Activities</h3>  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>Key Activities to consider: Production Distribution Logistics and distribution Research and development Logistics and distribution Supplier and customer relationships</p>	<h3>Value Propositions</h3>  <p>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?</p> <p>Value Propositions to consider: New product New service New business model New distribution channel New customer relationship New revenue stream New cost structure New key resources New key activities New key partners</p>	<h3>Customer Relationships</h3>  <p>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?</p> <p>Customer Relationships to consider: Personal assistance Self-service Automated and self-service Community-based Peer-to-peer Automated and self-service Community-based Peer-to-peer</p>	<h3>Customer Segments</h3>  <p>For whom are we creating value? Who are our most important customers?</p> <p>Customer Segments to consider: New market New customer New business model New distribution channel New customer relationship New revenue stream New cost structure New key resources New key activities New key partners</p>	
<h3>Key Resources</h3>  <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>Key Resources to consider: Human resources Financial resources Physical resources Intellectual resources Social resources Human resources Financial resources Physical resources Intellectual resources Social resources</p>		<h3>Channels</h3>  <p>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?</p> <p>Channels to consider: Direct sales Indirect sales Partnerships Distribution channels Logistics and distribution Research and development Logistics and distribution Supplier and customer relationships</p>		<h3>Cost Structure</h3>  <p>What are the most important costs inherent in our business model? Which Key Activities are most expensive? Which Key Resources are most expensive?</p> <p>Cost Structure to consider: Fixed costs Variable costs Semi-variable costs Fixed costs Variable costs Semi-variable costs Fixed costs Variable costs Semi-variable costs</p>	<h3>Revenue Streams</h3>  <p>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?</p> <p>Revenue Streams to consider: Product sales Service sales Licensing Franchise fees Subscription fees Advertising Commissions Interest Rental Royalties License fees Franchise fees Subscription fees Advertising Commissions Interest Rental Royalties</p>

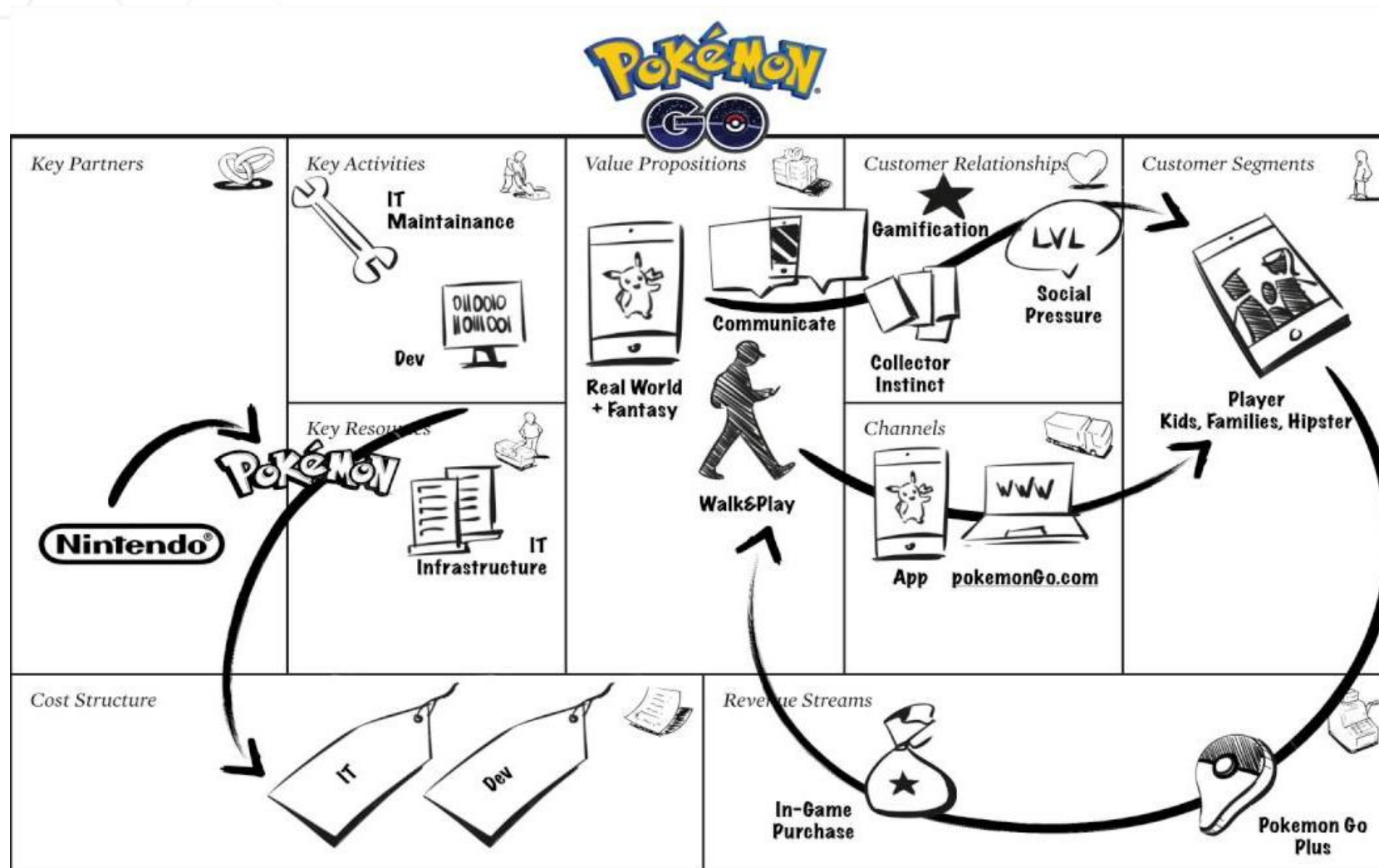
www.businessmodelgeneration.com

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“A strategic management and **lean startup template** for developing new or documenting existing **business models.**”

<https://www.startplatz.de/wp-content/uploads/2013/05/business-model-canvas.pdf>

BMC Example *Pokemon Go*





Infrastructure

Key Activities

Key Resources

Key Partners

Key Activities

Key Activities

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

Production
Problem Solving
Platform/Network



- ▶ What Key Resources do our Value Proposition 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?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

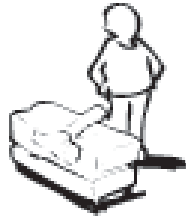
types of resources

Physical

Intellectual (brand names, copyrights, etc.)

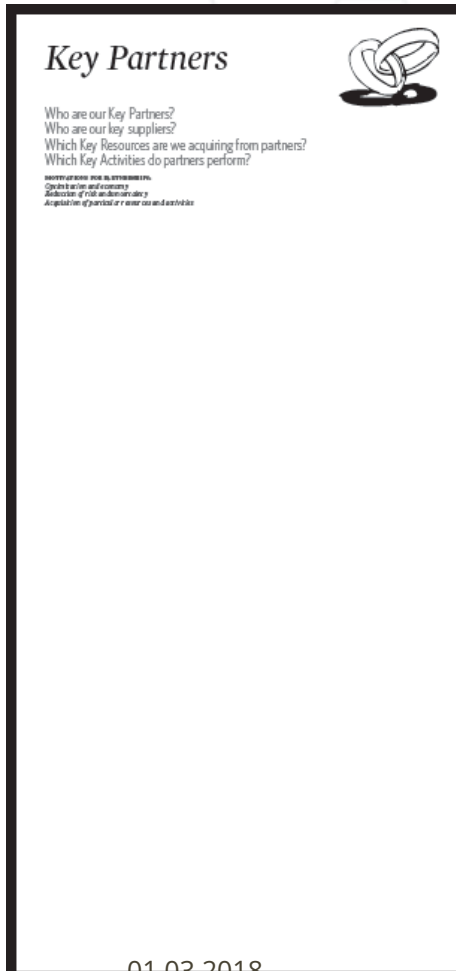
Human

Financial



- ▶ What Key Resources do our Value Proposition require?
- ▶ Our Distribution Channels? Customer Relationships?
- ▶ Revenue Streams?
- ▶ Types of Resources:
 - ▶ Physical
 - ▶ Intellectual
 - ▶ Human
 - ▶ Financial

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 & Economy
 - ▶ Reduction of risk & uncertainty
 - ▶ Acquisition of particular resources & activities



Offering

Value Proposition

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
Risk Reduction
Accessibility
Convenience/Usability

- ▶ What value do we deliver to the customer?
- ▶ Which one of your 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



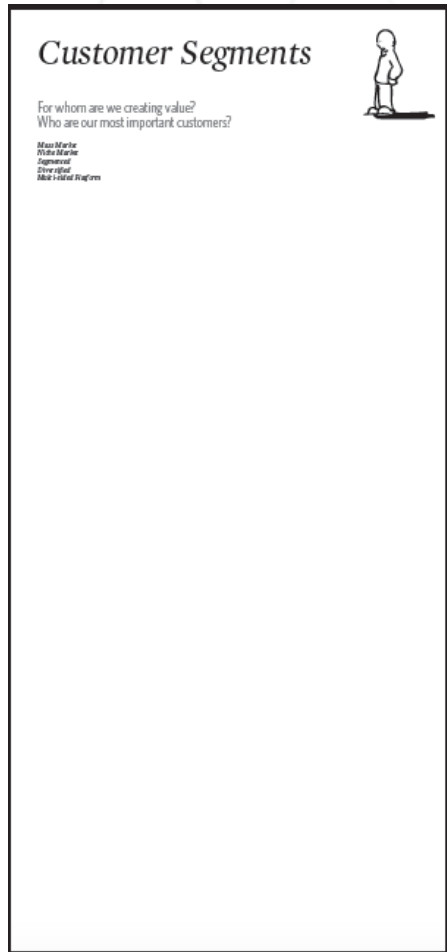
Customer Management

Customer Segments

Channels

Customer Relationships

Customer Segments



- ▶ For whom are we creating value?
- ▶ Who are our most important customers?
- ▶ Types of Customer Segments:
 - ▶ Mass market
 - ▶ Niche market
 - ▶ Segmented
 - ▶ Diversified
 - ▶ Multi-sided Platform

Channels

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?

- ▶ 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:
 - ▶ Awareness – how do we raise awareness about our company's products and services?
 - ▶ Evaluation – how do we help customers evaluate our organization's Value Proposition?
 - ▶ Purchase – how do we allow customers to purchase specific products and services?
 - ▶ Delivery – how do we deliver a Value Proposition to customers?
 - ▶ After sales – how do we provide post-purchase customer support?

Customer Relationships

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

- ▶ 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



Finances

Cost Structure

Revenue Streams

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
 - ▶ Value-driven
- ▶ Sample Characteristics
 - ▶ Fixed Costs
 - ▶ Variable Costs
 - ▶ Economies of Scale
 - ▶ Economics of Scope

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?

to your business model
Cost Driven (focus on cost structure, low price value proposition, maximum economies of scale, economies of scope)
Value Driven (focus on value creation, premium value proposition)

SAMPLE CHARACTERISTICS
Fixed Costs (salaries, rent, marketing)
Variable Costs
Economies of scale
Economies of scope



Revenue Streams

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?



Revenue Streams	Revenue Streams	Revenue Streams
Asset Sale	List Price	Negotiation
Usage Fee	Product feature dependent	Yield Management
Subscription Fees	Customer segment dependent	Real-time Market
Lending/Leasing/Renting	Volume dependent	
Licensing		
Brokerage Fees		
Advertising		

- ▶ 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 of revenue streams
 - ▶ Asset Sale – most common
 - ▶ Usage Fee
 - ▶ Subscription Fees
 - ▶ Lending/Leasing/Renting
 - ▶ Licensing
 - ▶ Brokerage Fees
 - ▶ Advertising
- ▶ Fixed Pricing
 - ▶ List Price
 - ▶ Product feature dependent
 - ▶ Customer Segment dependent
 - ▶ Volume dependent
- ▶ Dynamic Pricing
 - ▶ Negotiation
 - ▶ Yield Management
 - ▶ Real-time Market



Now you!

- ▶ Start to fill out your Business Model Canvas regarding your project.



Frohes Schaffen! 