



RESPOND → PLAN → RETURN STRONGER

# The Business Model Canvas








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PRESENTED BY

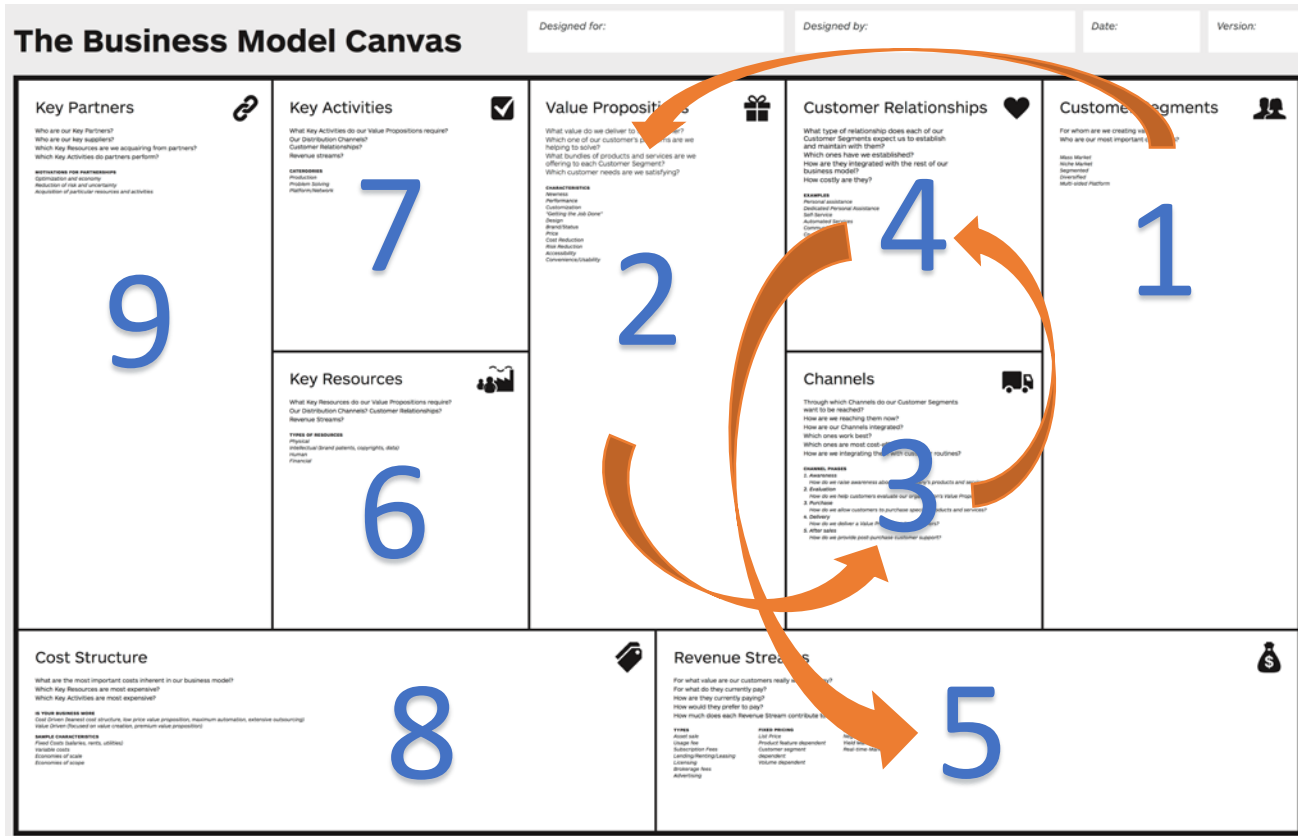
Tom Argiro, Executive Director  
North Phoenix Chamber of Commerce












# Business Model Canvas

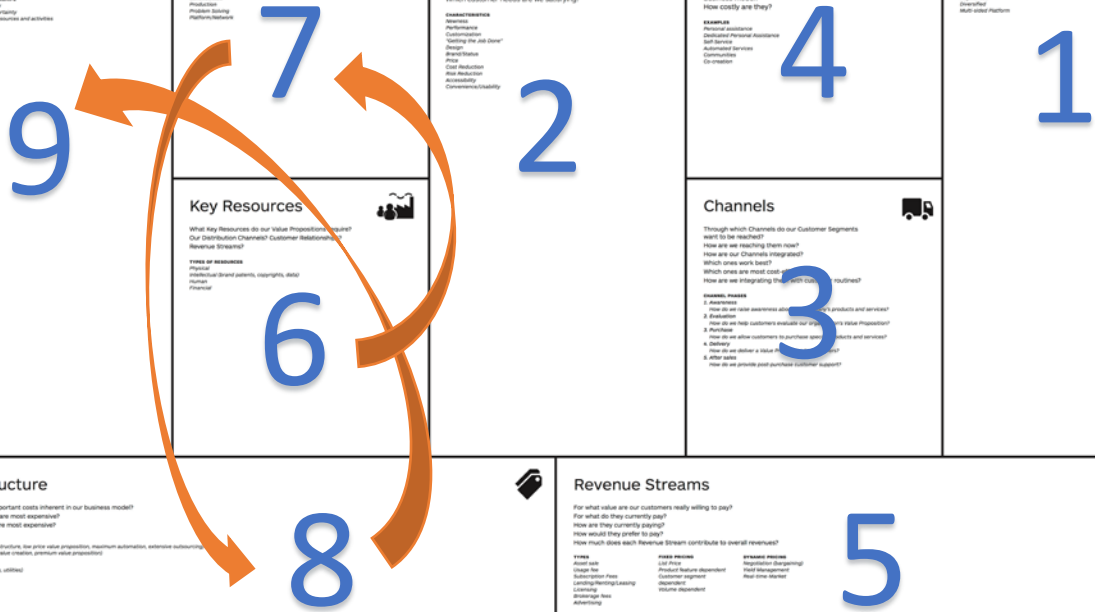
The Business Model Canvas		Designed for:	Designed by:	Date:	Version:
<b>Key Partners</b>  <p>Who are our Key Partners? Who is our key supplier? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p><b>KEY RESOURCES AND RELATIONSHIPS</b> Supplier and economy Reduction of risk and uncertainty Acquisition of particular resources and activities</p>	<b>Key Activities</b>  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>CATEGORIES</b> Production Problem Solving Platform/Network</p>	<b>Value Propositions</b>  <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><b>CATEGORIES/VALUES</b> Novelty Performance Customization Convenience "Getting the job done" Design Brand/Status Price Our Relation Our Resources Accessibility Community/Compatibility</p>	<b>Customer Relationships</b>  <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><b>EXAMPLES</b> Personal assistance Dedicated Personal Assistance Self-SERVICE Automated services Communities Co-creation</p>	<b>Customer Segments</b>  <p>For whom are we creating value? Who are our most important customers?</p> <p>Mass Market Niche Market Segmented Diversified Multi-sided platform</p>	
<b>Cost Structure</b>  <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p><b>BY COST STRUCTURE TYPE</b> Cost driven (Retailer) or value driven (software value proposition)</p> <p><b>SCALE ECONOMIES/ENTRIES</b> Fixed costs (rent, utility, salaries) Variable costs Economies of scale Economies of scope</p>		<b>Revenue Streams</b>  <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How should they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <p><b>PRICE MECHANISMS</b> Asset sale Usage fee Subscription fees Licensing/royalty/licensing Advertising Exchange fees Advertising</p> <p><b>FIXED REVENUE</b> Lump sum Product/feature dependent Customer segment dependent Volume dependent</p> <p><b>ADAPTIVE REVENUE</b> Regulation (licensing) Third-Party payment Real-time market</p>			

# Business Model Canvas



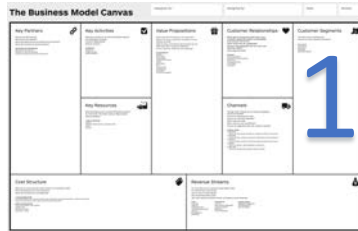
# Business Model Canvas

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	<p><b>Key Resources</b> </p> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>TYPES OF RESOURCES</b> Physical Intellectual (brand patents, copyrights, data) Human Financial</p>		<p><b>Channels</b> </p> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels "fit together"? Which ones work best? Which ones are most cost-effective? How are we integrating Channels "outbound"?</p> <p><b>CHANNEL PRACTICES</b> 1. Awareness 2. Evaluation 3. Purchase 4. Delivery 5. After sales How do we provide post-purchase customer support?</p>			
<p><b>Cost Structure</b> </p> <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p><b>BY HOW RESOURCES USED</b> Can I share (leverage) my cost structure, for price value proposition, maximum automation, extensive subcontracting, total (near) Outsourcing or make-or-buy, externalize repeat production</p> <p><b>EXAMPLE CATEGORIES/EXAMPLES</b> Fixed Costs (salaries, rents, utilities) Variable Costs Economies of Scale Economies of Scope</p>		<p><b>Revenue Streams</b> </p> <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How should they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <p><b>BY HOW RESOURCES USED</b> Asset sale Usage fee Subscription Fees Licensing/royalty/licensing Licensing Advertising</p> <p><b>BY HOW RESOURCES USED</b> Flat Price Product feature dependent Customer engagement dependent Real-time dynamic Volume dependent</p> <p><b>BY HOW RESOURCES USED</b> Registration (signup) High Engagement Real-time dynamic Volume dependent</p>				



# Business Model Canvas

## Customer Segment



- Start by identifying your ideal client
- Detailed as possible

(I like the Growth Wheel Persona worksheet for this)

74.06b

### BUSINESS CONCEPT /Customer Portfolio

## DECISION SHEET

11.1.1

**Job to be done**  
By getting to understand who our customers are and what they think, feel, and do, we can better figure out how to create value for them and communicate with them in the best way.  
A good communication about a product that also fits our customers' needs gives good chances of selling.

**How to do it**  
Start by noting which type the persona is that you want to describe. Use the checklist for inspiration. Then write down any facts you know about one of your typical customer personas.  
Continue by noting keywords on how you imagine that your customer thinks, what he/she feels, does, and where he/she is going in life.  
Finish by writing down details about your customer persona's current situation as for challenges, needs, circumstances, environment, and other elements you can think of.

**Next step**

- Decide if it is useful to describe other customer personas.
- Use your notes to write a more coherent description of your typical customer.
- Decide what to change in your product and/or communication to better fit your customer persona.

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### Client Company Persona

Decide which clients to target by describing typical profiles

CHECKLIST: PERSONA TYPES  
 User  
 Buyer  
 Initiator  
 Influencer  
 Decider

**CUSTOMER PERSONA: THINKING**  
Ideas  
Assumptions  
Opinions

**CUSTOMER PERSONA: FEELING**  
Concerns  
Interest  
Preferences

**CUSTOMER PERSONA: DOING**  
Responsibilities  
Projects  
Activities

**CUSTOMER PERSONA: GOING**  
Direction  
Changes  
Opportunities

**FACTS ON TYPICAL CUSTOMER PERSONA**

Age	
Gender	
Education	
Position	
Report to	
Industry	
Location	

**CUSTOMER PERSONA'S CURRENT SITUATION**

Challenges	Needs	Circumstances	Environment	Resources	Other

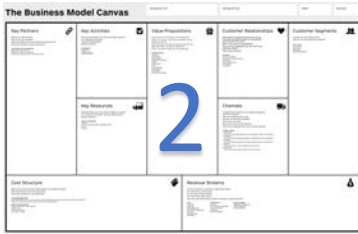
Date: \_\_\_\_\_ Name: \_\_\_\_\_ Company: \_\_\_\_\_

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# Business Model Canvas

## Value Proposition



How do you solve the challenges and needs that your target audience is:

- **Thinking?**
- **Feeling?**
- **Doing?**
- **Where they're going?**

# Business Model Canvas

## Channels

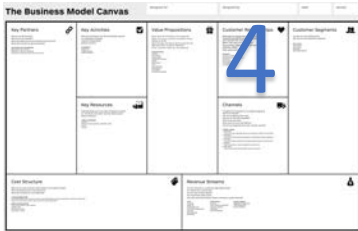


- How does your ideal client want to be reached? (social platform, phone, email, face-to-face, etc)
- Where do they hang out?
- How is each channel integrated with the sales cycle (awareness, evaluation, purchase, delivery, ongoing)

# Business Model Canvas

## Customer Relationships

How does your ideal client want us to fulfill our service to them?



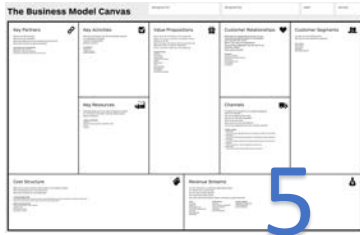
### *Examples*

- Self-serve
- Automated
- Personal assistance
- Dedicated support person
- In a community
- Collaborative



# Business Model Canvas

## Revenue Streams



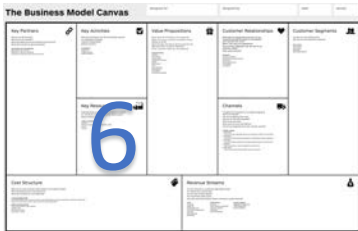
- What value are customers willing to pay for?
- What are they currently paying?
- How are they currently paying?
- What percentage of each revenue stream contribute to overall revenue?

### *Some Pricing Model Considerations*

- One-time
- Subscription
- Barter
- Volume-dependent

# Business Model Canvas

## Key Resources



### *What key resources are required?*

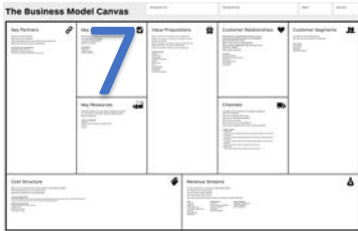
- Delivering the value proposition
- Channel management
- Customer relationships
- Revenue stream

### *Types of Resources*

- Physical
- Intellectual
- Human
- financial

# Business Model Canvas

## Key Activities



### *What key activities are required?*

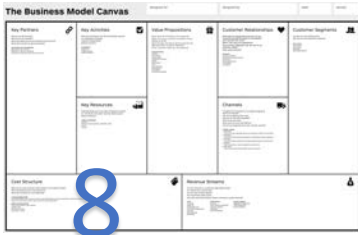
- Delivering the value proposition
- Distribution channels
- Customer relationships
- Revenue stream

### *Types of Activities*

- Production/Delivery
- Problem-solving
- System-wide maintenance

# Business Model Canvas

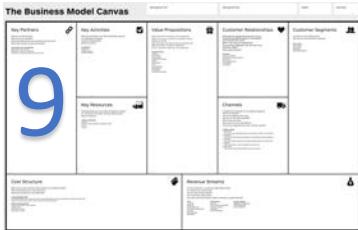
## Cost Structure



- What are your most important, core costs?
- Which key resources are the most expensive?
- Which key activities are the most expensive?
  
- Fixed costs:
- Variable costs:
  
- Is there enough revenue to cover the costs?

# Business Model Canvas

## Key Partners



- Who are your suppliers?
- What activities do they perform?
- Who are your power partners (shared ideal client for a different product/service)?

### *Reasons To Build Partnerships*

- Optimization and economy
- Risk management
- Acquisition of key resources and activities

# Test Your Assumptions

CRITICAL  
NEXT  
STEP



# CRITICAL NEXT STEP

## ***Take this immediate action:***

- Leave your desk, Go outside, and [Talk To Humans](#) (86 page PDF)

**TEST** the most critical assumptions you've made:

- Does your value proposition truly address their needs?
- Will they pay for it?
- Can you build & deliver it?

# Business Model Canvas

## Ways To Use The Business Model Canvas

- Explore new business venture/idea
- Fine-tune existing process
- Test assumptions
- Communicate business model others
- Layout for dashboard



# Business Model Canvas

## Tom Argiro

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