



RESPOND → PLAN → RETURN STRONGER










The Business Model Canvas

PRESENTED BY










Tom Argiro, Executive Director
North Phoenix Chamber of Commerce












Business Model Canvas

The Business Model Canvas		Designed for:	Designed by:	Date:	Version:			
Key Partners  <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>NEWSPAPER AND MANAGEMENT Distribution and economy Production of ads and advertising Acquisition of particular resources and activities</p>	Key Activities  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>NEWSPAPER Production Content Writing Platform/Network</p>	Value Propositions  <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>NEWSPAPER/NEWS News Performance Customization "Quality" (by job done) Design Brand/Status Price Our Reaction Risk Reduction Accessibility Convenience/Usability</p>	Customer Relationships  <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>EXAMPLES Personal Assistance Development Personal Assistance Self-Serve Automated Services Communities Co-creation</p>	Customer Segments  <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>	Key Resources  <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>TYPES OF RESOURCES Physical Intellectual (brand patents, copyrights, etc.) Human Financial</p>	Channels  <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels integrate? Which ones work best? Which ones are most cost-efficient? How are we integrating them with Customer Routines?</p> <p>CHANNEL MIXES 1. Awareness 2. How do we have awareness about our company's products and services? 3. Evaluation How do we help customers evaluate our organization's Value Proposition? 4. Purchase How do we allow customers to purchase specific products and services? 5. Delivery How do we deliver a Value Proposition to customers? 6. After sales How do we provide post-purchase customer support?</p>	Cost Structure  <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>BY COST STRUCTURE TYPE Cost Structure: Fixed cost, variable cost, economies of scale, economies of scope</p> <p>SCALE AND RANGING COSTS Fixed costs: salaries, rent, utilities Variable costs Economies of scale Economies of scope</p>	Revenue Streams  <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>PRICE MECHANISMS Asset sale Usage fee Subscription Fees Licensing/Leasing/Leasing Advertising Advertising fees Advertising</p> <p>PERFECT MARKET Lottery Product/Service Auctioneer Customer segment Marketplace Volume dependent</p> <p>IMPERFECT MARKET Regulation (Bar pricing) Word-of-mouth Real-time Market</p>

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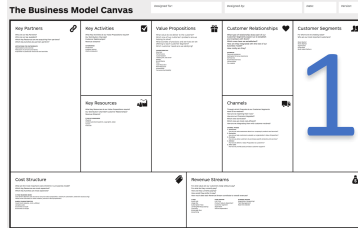
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Key Partners  <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p>WHICH KEY RESOURCES Contractual and equity Production of risk and uncertainty Acquisition of particular resources and activities</p> <p>9</p>	Key Activities  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>EXAMPLES Production Problem Solving Platform/Network</p> <p>7</p>	Value Propositions  <p>What value do we deliver to our customers? Which one of our customer's jobs 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>EXAMPLES/RESOURCES Innovation Performance Convenience Customization "Getting the job done" Design Brand/Status Price Cost Reduction Risk Reduction Accessibility Convenience/Liability</p> <p>2</p>	Customer Relationships  <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>EXAMPLES Personal assistance Dedicated Personal Assistance Self-Service Automated Self-Service Community Co-creation</p> <p>4</p>	Customer Segments  <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> <p>1</p>	
	Key Resources  <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>TYPES OF RESOURCES Physical Intellectual (Brand patents, copyrights, etc.) Human Financial</p> <p>6</p>	Channels  <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels integrate? Which ones work best? Which ones are most cost-effective? How are we integrating our Channels (distribution)?</p> <p>CHANNEL PHASES 1. Awareness 2. Evaluation 3. Purchase 4. Delivery 5. After Sales How do we provide post-purchase customer support?</p> <p>3</p>	Cost Structure  <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>BY HOW RESOURCES USED Our Cost Structure (based on structure, low price value proposition, maximum automation, extensive outsourcing) Fixed Cost (Relevant for sales creation, customer value proposition)</p> <p>EXAMPLES/RESOURCES Fixed Costs (Salaries, rent, utilities) Variable Costs Economies of Scale Economies of Scope</p> <p>8</p>	Revenue Streams  <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?</p> <p>BY HOW RESOURCES USED Asset Intensive Capital Intensive Subscription Fees Licensing/Partnership Licensing Advertising Advertising Risk Intensive Fixed Price Product/Service-Independent Customer Engagement Relevant Real-time/Usage-based Volume dependent</p> <p>5</p>	

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	<p>Key Resources </p> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>TYPES OF RESOURCES Physical Intellectual (Brand patents, copyrights, etc.) Human Financial</p>		<p>Channels </p> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels integrate? Which ones work best? Which ones are most costly (to our Customer Segments)? How are we integrating (with other Channels)?</p> <p>CHANNEL PHASES 1. Awareness 2. Evaluation 3. Purchase 4. Delivery 5. After Sales How do we provide post-purchase customer support?</p>		
<p>Cost Structure </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>BY COST STRUCTURE Cost driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing, fixed Cost Structure) or variable creation, customer value proposition?</p> <p>EXAMPLES OF COST STRUCTURE Fixed Costs (rent, utility, etc.) Variable Costs Economies of scale Economies of scope</p>	<p>Revenue Streams </p> <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>FIXED REVENUE Asset sale One-time fee Subscription Fees Licensing/royalty/licensing Licensing Share/age fees Advertising</p> <p>RECURRING REVENUE Full Price Product/Service Repurchase Customer segment dependent Recurrent</p> <p>ADAPTIVE REVENUE Usage-based (usage-based) Usage-based Real-time Market</p>				


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Customer Segment



- Start by identifying your ideal client
- Detailed as possible

(I like the Growth Wheel Persona worksheet for this)

Y4.06b


BUSINESS CONCEPT /Customer Portfolio

DECISION SHEET

v3.4.2

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.

Licensed to: _____


Developed by: 

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

TYPE OF PERSONA

Age

Gender

Education

Position

Report to

Industry

Location

CUSTOMER PERSONA'S CURRENT SITUATION

Challenges	Needs	Circumstances	Environment	Resources	Other

Date: _____

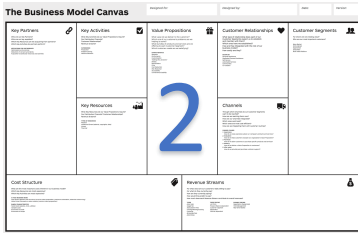
Name: _____

Company: _____

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Value Proposition

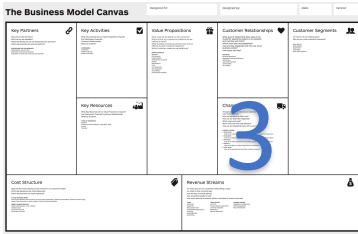


How do you solve the challenges and needs that your target audience is:

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

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Channels

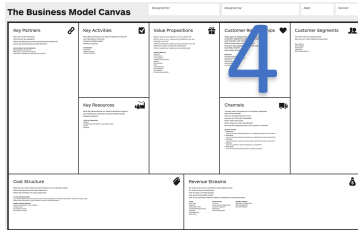


- How does your ideal client want to be reached? (social platform, phone, email, face-to-face, etc)
- Where do they hang out?
- How is each channel integrated with the sales cycle (awareness, evaluation, purchase, delivery, ongoing)

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Customer Relationships

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

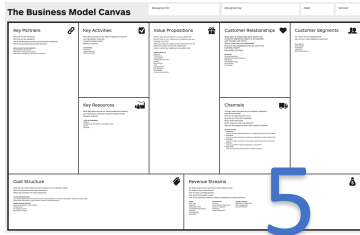


Examples

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

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Revenue Streams



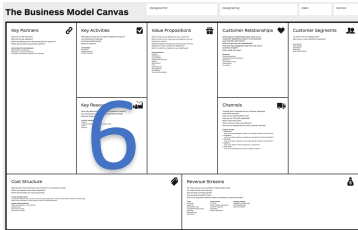
- What value are customers willing to pay for?
- What are they currently paying?
- How are they currently paying?
- What percentage of each revenue stream contribute to overall revenue?

Some Pricing Model Considerations

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

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Key Resources



What key resources are required?

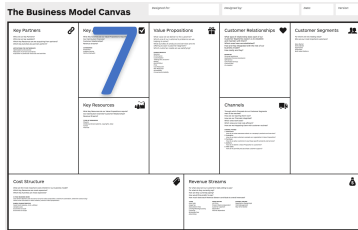
- Delivering the value proposition
- Channel management
- Customer relationships
- Revenue stream

Types of Resources

- Physical
- Intellectual
- Human
- financial

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Key Activities



What key activities are required?

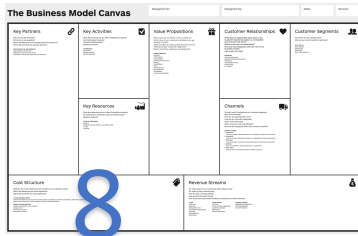
- Delivering the value proposition
- Distribution channels
- Customer relationships
- Revenue stream

Types of Activities

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

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Cost Structure



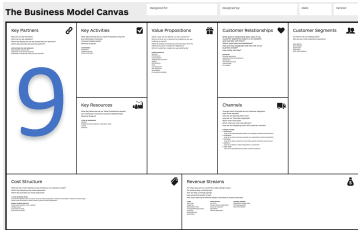
- What are your most important, core costs?
- Which key resources are the most expensive?
- Which key activities are the most expensive?

- Fixed costs:
- Variable costs:

- Is there enough revenue to cover the costs?

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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

Critical Next Step #1: TEST YOUR ASSUMPTIONS

Test Your Assumptions

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?
- Are you asking the customer to consume your service differently than they are accustomed to?



Critical
Next
Step #2:

SET NEXT
QUARTERLY
GOALS

Week 1 Goals

- Complete a BMC for your business
- Test your assumptions

Week 2 Goals

- **Customer Segment:** identify your IDEAL client and fully understand them.
- **Value Proposition:** document how you address how your ideal client thinks, feels, and acts. What are their true pain points? What are your pain relievers?
- **Key Resources & Activities:** be sure to have all of these tools in place and you are clear about how to use the tools. Develop playbooks for each activity.
- **Revenue Streams & Cost Structure:** build/revisit your budget, cashflow projections, P&L. Get your financial house in order.

Critical
Next
Step #2:

SET NEXT
QUARTERLY
GOALS

Week 2 Goals (*continued*)

- **Channels & Relationships:** Shure up your marketing strategy.
 - Is your website the best it can be?
 - Create a content calendar
 - social media (1 post per day)
 - Video (first 1000 subscribers, 35 videos)
 - Blogs (1 per week; drives traffic to video and lead magnets)
 - Lead magnets (1 per week; includes creating an opt-in landing page)
 - Newsletter (1 per week; drives traffic to blog)
 - press releases (1 per month; keyword rich)
 - Webinars (1-2 per month)
 - Define your tracking metrics
 - Focus on **LEAD ACTIVITIES**
 - Monitor **LAGGING INDICATORS**

Critical
Next
Step #2:

SET NEXT
QUARTERLY
GOALS

Weeks 3-12 Goals

- Execute your marketing calendar for 9 solid weeks.
- Use time blocking to take daily action.
- For example:
 - **Monday**: schedule social media posts for 2-3 weeks
 - **Tuesday**: record 2 videos
 - **Wednesday**: create a lead magnet and landing page
 - **Thursday**: write a blog post
 - **Friday**: create a curated newsletter (schedule to send early next week ie: Monday morning)
 - Highlight the most recent blog post
 - highlight a social media post
 - one of last week's videos
 - offer the lead magnet (through the landing page)
 - Promote a webinar or press release
 - Run a contest
- Document your weekly actions (lead activities)
- Track your weekly results metrics (lagging indicators)

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