Business Model Canvas

What it is

In the words of Alex Osterwalder, "a business model is the architecture of how an organisation creates, delivers and captures value."

This canvas will help us at any time of the development of our project. It's useful to analyze what is the business model at the starting point, to decide what opportunities we have for improvement, and also, it works good at ideation, to create completely new business models to differentiate from other products or services.

Why use it

It helps us realistically evaluate our idea's potential for success. It also helps conceptualise the business idea, how we will capture clients and distribute our solution, how to be competitive and how to anticipate the costs and the profits that we could obtain.

How to use it

Fill in the sections of the canvas in this order:

1. Client segment: Write in post-its all actors your idea is creating value for and who are the most important.

2. Value proposal: write your value proposition you might have done before using the value proposition canvas. B

3. Distribution channels: write all channels your potential users want to be attended and which of them will be integrated in your idea / project.

4. Relationship with the client: write a description of main type of relationship you will have with your potential users.

5. Sources of income: write price and payment methods that match with your idea and your users.

6. Key resources: write which physical, intellectual, human or financial resources requites your value proposition.

7. Key activities: write main activities needed for your value proposition.

8. Key associates: write key associates and providers **H**

9. Structure of costs: write the main costs in your business model .



Tips & Tricks

TEAM

1 to 5 people.

TIME

Between 20 and 40 minutes. Making several canvases of different business models for the same idea is a powerful activity.

MATERIALS

A large sheet of paper on which to draw the canvas' boxes, sticky notes, markers, masking tape to put the sheet up on the wall.

FOR BEST RESULTS

- Invite people who can contribute knowledge to work on all of these parts.
- Use colour-coding if you have more than one client. One colour for each when filling in the canvas boxes.
- If you have time, focus on the value proposal for your client, or start by doing the Value Proposition canvas. Remember that these tools are focused on our user, and not on our company objectives.

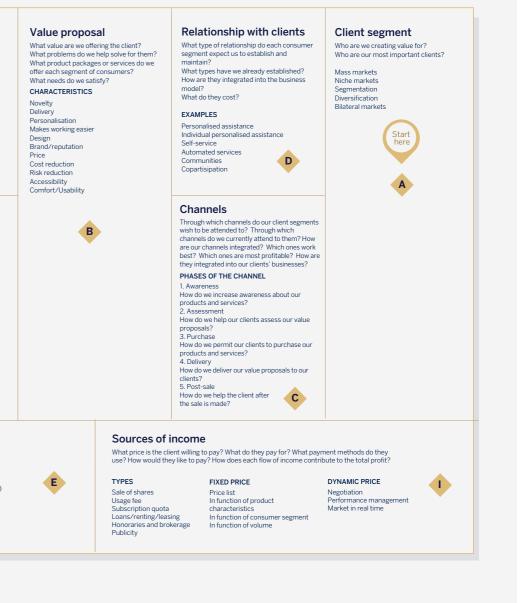
WHAT IT HELPS YOU ACHIEVE

- Determining key aspects that will make our idea work.
- · Estimating the idea's viability, and iterating it if necessary.
- Identifying how to improve the value proposition.

FOR AGILE

Ensuring consistency is part of quality control and assists design decisions during the development and implementation phases.

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TOOLS AND ACTIVITIES BEFORE YOU START

- Persona
- Ideation
- Concept map (optional)
- Optionally, an alternative type of prototype
- Value proposition canvas (highly recommended)

TOOLS AND ACTIVITIES FOR AFTERWARDS

- Further prototyping
- Iteration

Business Model Canvas

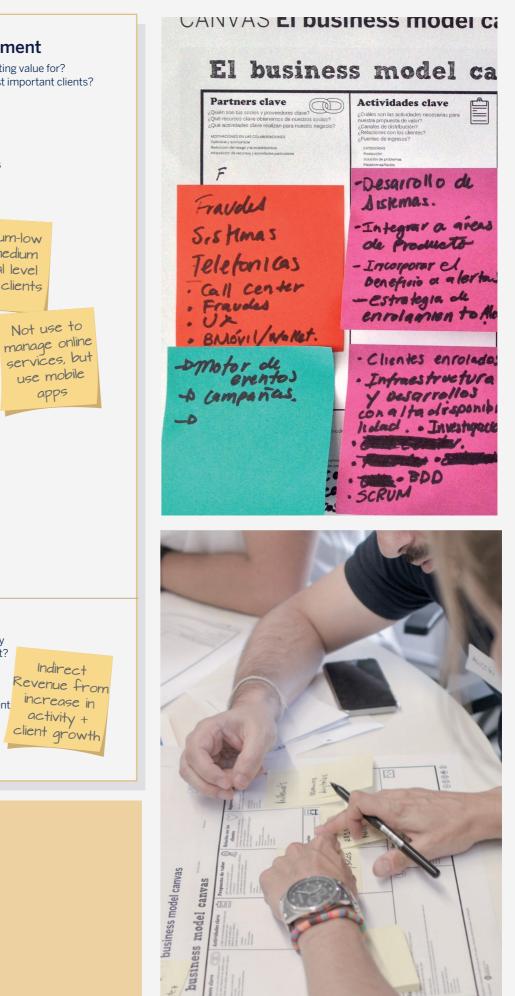


About the Business Model Canvas

Here are some suggestions and tips that might help you getting the most of your business model canvas.

- It is important to start focused on your client segment and the value proposition your idea offers.
- All other boxes of the canvas need to be filled to make viable and real your idea and also it means that your team need to make sense as a business: channels, keys activities, resources, costs, source of income.
- You might need to fill one business model canvas for each persona or segment of potential users if they have different pains, needs, and you have different value proposition for each of them.

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Business Model Canvas

Key partners

Who are your key associates and providers? What key resources do we obtain from our partners? What key activities do they perform for our business?

COLLABORATION DRIVERS

Optimising and economising Mitigation of risk and uncertainty Acquisition of resources and private activities

Key activities

What activities are necessary for our value proposal? Distribution channels? Relationships with clients? Sources of income?

CATEGORIES

Production Problem solving Platforms/networks

Key resources

Which key resources does our value proposal require? Distribution channels? Relationships with clients? Sources of income?

TYPES OF RESOURCES

Physical Intellectual (patents, brands, author's rights, data) Human Financial

Value proposal

What value are we offering the client? What problems do we help solve for them? What product packages or services do we offer each segment of consumers? What needs do we satisfy?

CHARACTERISTICS

Novelty Delivery Personalisation Makes working easier Design Brand/reputation Price Cost reduction **Risk reduction** Accessibility Comfort/Usability

Relationsh

What type of relati segment expect us maintain? What types have w How are they integ model? What do they cost

EXAMPLES

Personalised assis Individual persona Self-service Automated service Communities Copartisipation

Channels

Through which chan wish to be attended do we currently atter channels integrated? Which ones are most integrated into our cl

PHASES OF THE (

1. Awareness How do we increase a and services? 2. Assessment How do we help our proposals? 3. Purchase How do we permit ou products and service 4. Delivery How do we deliver our 5. Post-sale How do we help the c

Structure of costs

What are the main costs in our business model? Which key resource is the most expensive? Which key activity is the most expensive?

IS YOUR BUSINESS MORE ORIENTED TOWARD...

Costs (simple structure of costs, value proposals at low prices, maximum automation, high level of outsourcing of services) value (focused on value creation, premium value proposals)

EXAMPLES OF CHARACTERISTICS

Fixed costs (Salaries, leases, equipment) Variable costs Economies of scale Economies of scope

Sources of income

What price is the client willing to pay? What do they pay for? What payment methods do they use? How would they like to pay? How does each flow of income contribute to the total profit?

FIXED PRICE

Sale of shares Usage fee Subscription quota Loans/renting/leasing Honoraries and brokerage Publicity

TYPES

Price list characteristics

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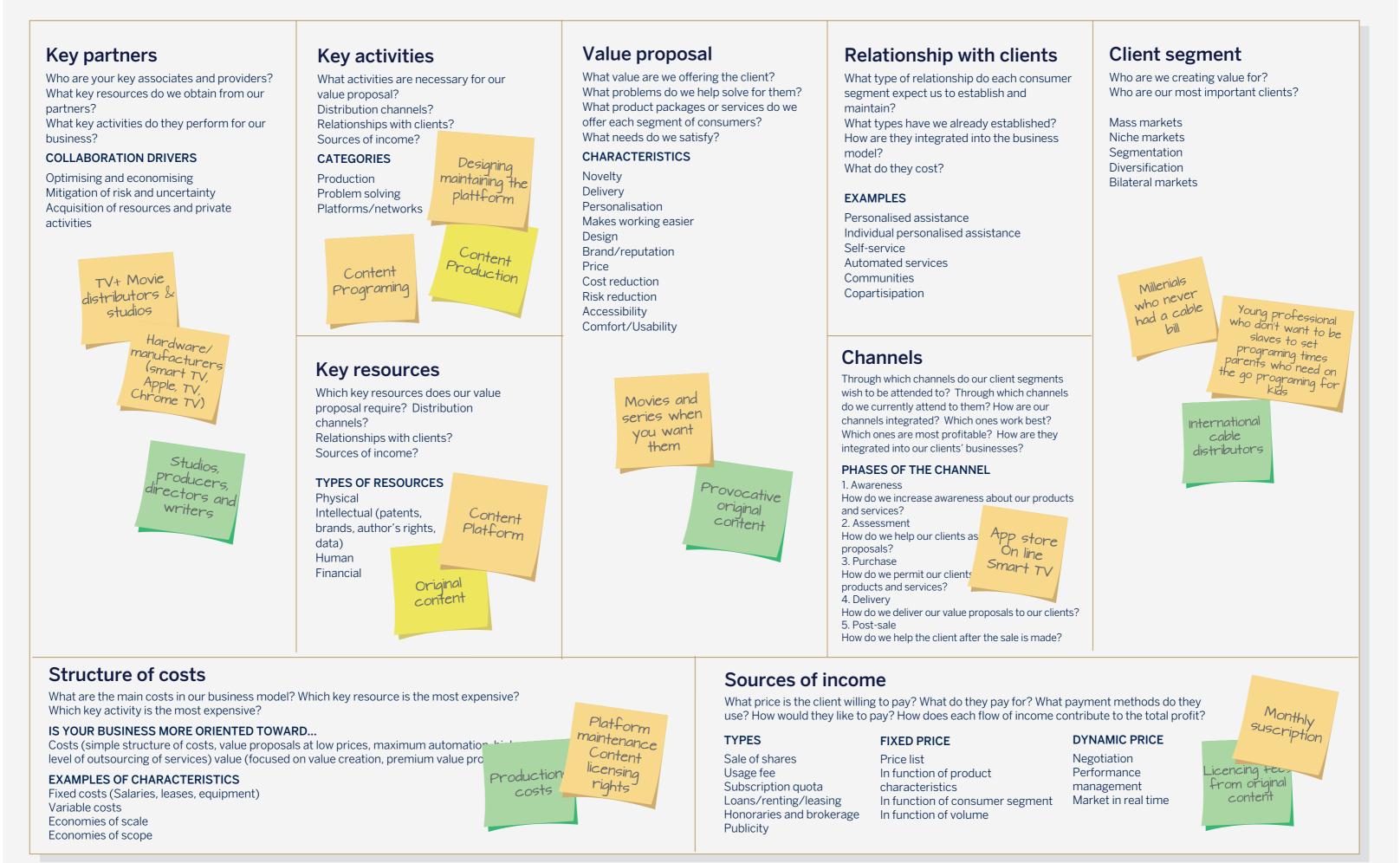
ip with clients	Client segment
ionship do each consumer s to establish and	Who are we creating value for? Who are our most important clients?
ve already established? grated into the business ?	Mass markets Niche markets Segmentation Diversification Bilateral markets
stance ilised assistance	
es	
nels do our client segments to? Through which channels nd to them? How are our ? Which ones work best? t profitable? How are they lients' businesses?	
CHANNEL	
awareness about our products	
clients assess our value	
r clients to purchase our s?	
r value proposals to our clients?	
lient after the sale is made?	

DYNAMIC PRICE Negotiation

In function of product In function of consumer segment In function of volume

Performance management Market in real time

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