THE

Business Model

Canvas

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Agenda

6:30
- Business Model Canvas & Examples

7:00
- Group Workshop

7:30
- Presentations & Discussion

8:00
- Group Workshop

8:30
- Presentations & Discussion

9:00
First Plain Paper Photocopier - 1950

- Easy to use
- No risk on originals
- Low operating cost
- Use plain paper

TOO EXPENSIVE!

to sell to customers!

Lease

$25/month

+ 4¢/copy (min of $49/month)
“A business model describes the rationale of how an organization creates, delivers, and captures value”
BUSINESS MODEL

Create

Product/Service

Deliver

Organization

Capture

Customers

Revenue ($)
business model canvas
tool to create & analyze business models...
YOU CAN

• Create new business models easily

• Analyze & update your existing business model
9 building blocks
Customer Segments

Which customers and users are you serving?
Which jobs do they really want to get done?
Value Proposition

what are you offering them? what is that getting done for them? do they care?
how does each customer segment want to be reached? through which interaction points?
what relationships are you establishing with each segment? personal? automated? acquisitive? retentive?

drawings by JAM
Revenue Streams

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

which resources underpin your business model?
which assets are essential?

drawings by JAM
Key Activities

which activities do you need to perform well in your business model? what is crucial?
Key Partners

which partners and suppliers leverage your model? who do you need to rely on?

drawings by JAM
Cost Structure

what is the resulting cost structure?
which key elements drive your costs?
Business Model Canvas

drawings by JAM
Your Business Model Canvas

- **Key Partners**: Guess
- **Key Activities**: Guess
- **Value Proposition**: Guess
- **Relationships**: Guess
- **Customer Segments**: Guess
- **Revenue Streams**: Guess
- **Cost Structure**: Guess
- **Key Resources**: Guess
- **Key Activities**: Guess
- **Channels**: Guess
- **Key Partners**: Guess

20
Example 1

Refreshing lemonade to joggers at public parks

Example 2

Affordable VOIP calls
## Kelly’s Lemonade Stand: Refreshing Lemonade

<table>
<thead>
<tr>
<th>KEY PARTNERS</th>
<th>KEY ACTIVITIES</th>
<th>VALUE PROPOSITION</th>
<th>RELATIONSHIPS</th>
<th>CUSTOMER SEGMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipalities</td>
<td>Making lemonade</td>
<td>Cold tasty natural lemonade on-the-go</td>
<td>Personal</td>
<td>Park visitors</td>
</tr>
<tr>
<td></td>
<td>Marketing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Selling</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KEY RESOURCES</th>
<th>CHANNELS</th>
<th>COST STRUCTURE</th>
<th>REVENUE STREAMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ingredients</td>
<td>Booth sale</td>
<td>Ingredients</td>
<td>Lemonade sales</td>
</tr>
<tr>
<td>Sales people</td>
<td><a href="http://WWW.Kellyslemonade.com">WWW.Kellyslemonade.com</a></td>
<td>Equipment</td>
<td>Tips</td>
</tr>
<tr>
<td>Booth &amp; equipment</td>
<td></td>
<td>Flyers</td>
<td></td>
</tr>
</tbody>
</table>
Example 3

Photo sharing online

Example 4

Smooth shave for men & women
Flickr: Photo Sharing

**KEY PARTNERS**
- Yahoo!

**KEY ACTIVITIES**
- Platform management
- Selling

**VALUE PROPOSITION**
- Free basic photo sharing
- Premium photo sharing

**RELATIONSHIPS**
- Mass customized

**CUSTOMER SEGMENT**
- Casual users
- High volume users

**KEY RESOURCES**
- Flickr platform brand

**CHANNELS**
- Flickr.com
- Yahoo.com

**COST STRUCTURE**
- Platform development
- Storage cost

**REVENUE STREAMS**
- Free limited basic account
- Annual subscription pro account
Gillette: Razors & Blades

**KEY PARTNERS**
- Manufacturers
- Retailers

**KEY ACTIVITIES**
- Marketing
- R&D
- Logistics
- Brand
- Patents

**VALUE PROPOSITION**
- Razor handle
- Blades

**RELATIONSHIPS**
- Built-in “Lock-in”
- Mass customers

**CHANNELS**
- Retail

**CUSTOMER SEGMENT**
- Mass customers

**COST STRUCTURE**
- Marketing
- Logistics
- R&D

**REVENUE STREAMS**
- 1x handle purchase
- Frequent blade replacements
Break...
GROUP WORKSHOP
1. Assemble in teams
2. Create canvas
3. Write key words on sticky notes
4. Place sticky notes on the canvas
5. Present your canvas
Create a **CANVAS** of your enterprise project
1 minute

Presentations
Discussion
so what’s beyond the CANVAS?
you need to validate your model assumptions with the customers until you get it right!
You're holding a handbook for visionaries, game changers, and challengers striving to defy outmoded business models and design tomorrow's enterprises. It's a book for the...

Business Model Generation

Written by
Alexander Osterwalder & Yves Pigneur

Co-created by
An amazing crowd of 470 practitioners from 45 countries

Designed by
Alan Smith, The Movement

www.BusinessModelGeneration.com
THANK YOU!

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