The Business Model Canvas—Udacity.com

Key Partners (6)

- Who are our key partners?
- Who are our key suppliers?
- Which Key Resources are we acquiring from partners?
- Which Key Activities do partners perform?

Motivation for partnerships

Optimization and economy
Reduction for risk and uncertainty
Acquisition of particular resources and activities

Key Activities (7)

- What Key Activities do our Value Propositions require?
- Our Distribution Channels?
- Customer Relations?
- Revenue Streams?

Categories

Production
Problem Solving
Platform/Network

Key Resources (8)

- What Key Resources do our Value Propositions require?
- Our Distribution Channels? Customer Relationships? Revenue Streams?

Resources

Physical
Intellectual (brand patents, copyrights, data)
Human
Financial

Value Propositions (1)

- 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
Cost Reduction
Risk Reduction
Accessibility
Convenience/Usability

Customer Relations (4)

- 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

Channels (3)

- 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, 2. Evaluation, 3. Purchase, 4. Delivery, 5. After Sales

Customer Segments (2)

- For whom are we creating value?
- Who are our most important customers?

Examples:

Mass Market
Niche Market
Segmented
Diversified
Multi-sided Platform

Cost Structure (9)

- What are the most important costs inherent in our business model?
- Which Key Resources are most expensive?
- Which Key Activates are most expensive?

Is your business more

Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing)

Value Driven (focused on value creation, premium value proposition)

Example Characteristics: Fixed Costs (salaries, rents, utilities), Variable Costs, Economies of scale, Economies of scope

Revenue Streams (5)

- For what value are our customers really wiling to pay?
- For what do they currently pay?
- Howe are they currently paying?
- How Would they prefer to pay?
- How much does each Revenue Stream contribute to overall revenues?

Types: Asset sale, Usage fee, Subscription fees, lending/Renting/Leasing, Licensing, Brokerage fees, Advertising

Fixed Pricing: list Price, Product feature dependent, Customer segment dependent, Volume dependent

Dynamic Pricing: Negation (bargaining), Yield Management, Real-Time Market