

The Business Model Canvas

The Business Model Canvas (BMC) is a key tool of the lean startup method. The nine boxes/categories are interrelated. Looking at all of them together provides a big-picture view of your business. You may not be ready to complete the BMC yet, but when you are, follow the instructions below. Visit Strategyzer.com to learn more about the BMC. You can also find free videos and additional guidance online from Alexander Osterwalder and Yves Pigneur, the authors of the book **Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers**.

Instructions

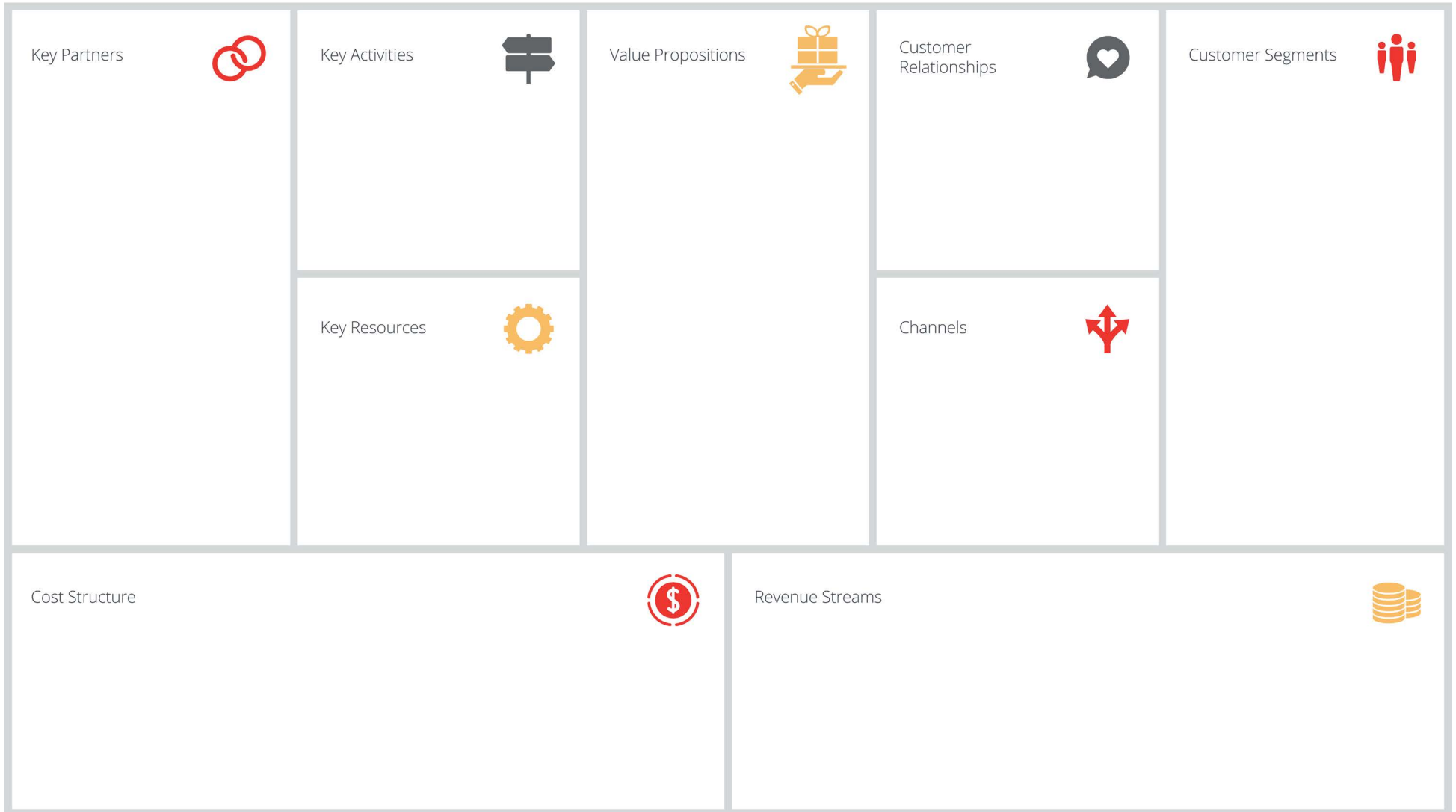
1. In the **Value Propositions** box, list the value proposition for each of your customer segments. Explain what differentiates you from your competitors. These are the “pain relievers,” gain creators, or needs that you are addressing with your product. Quantify it; this is not a list of features. A good example of a value proposition is “Increase revenue by 20%” or “Reduce production time by 20 minutes.”
2. In the **Customer Segments** box, list all the people for which you are creating value and the jobs they need to accomplish. These are the roles of the people in the ecosystem involved with purchasing the product. This includes different roles such as the economic buyer (the person buying the product), the end user (the person using the product), the decision-maker (the person or leader making the final decision to purchase the product), the influencer (the person who is influencing the decision to purchase the product), and the saboteur (the person who is hindering the purchase of the product).
3. In the **Channels** box, list the ways you’re connecting with customers and delivering value, in person and virtually. Channels are the ways your product gets to your customer, such as a retail store or Amazon.
4. In the **Customer Relationships** box, describe the kind of relationship you want to develop with your customers. How will you engage with customers and build loyalty? How will your company get new customers, keep existing customers, or grow existing customers?
5. In the **Key Activities** box, list the most important tasks you need to accomplish to succeed. These are the actions that deliver your value proposition to your customer segment.



6. In the **Key Resources** box, describe the infrastructure of your business and list the assets you need to create, deliver, and capture value. What resources do you need to deliver your value proposition to your customer segment? Don't forget things like skills, labor, manufacturing space, and retail space. Some examples are human capital, supplies and equipment, intellectual property, and investment funding.
7. In the **Key Partnership** box, list all of the people and organizations that can help you acquire key resources and execute key activities. Key partners are stakeholders that you develop collaborations with to deliver your value proposition to your customer segment. They include strategic alliances, joint business development, key suppliers, cooperation, or traffic partners.
8. In the **Revenue Streams** box, indicate the ways you will generate money. How do you make money? Is it an asset sale? A freemium model? You should include your specific pricing tactics as part of your revenue strategy.
9. In the **Cost Structure** box, describe how much capital it will require to make your business work. What are the costs associated with delivering your value proposition to your customer segment?



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