The Business Model Canvas (BMC) – Guide and Key Info on 9 Building Blocks

8) Key Partners (KP)

Who are your key suppliers?

In addition to your key suppliers, who are the key partners that can leverage your business model, that can turn your business model into something more powerful and help optimize and scale your business?

Which resources do you plan to acquire from your partners?

Which activities do you plan to work with your partners?

What are the motivations for the partnerships? Is it optimization and economy of scale, reduction of risks, acquisition of a particular resources etc.

7) Key Activities (KA)

What activities are crucial that you need to excel at to deliver value to your customers and make your business model work? Is it Marketing & Sales, R&D, Managing services etc.?

How do you plan to do it? Do you plan to leverage any partnerships?
What are the activities that drive revenue & retention?

6) Key Resources (KR)

What key resources do you really need to create the value that you are promising to your customers? Is it factory, a brand, intellectual property, people etc.?
What resources are the most important in distribution channels, customer relationships, revenue streams etc.?

2) Value Propositions (VP)

- The VP describes the bundle of products or services that create value for a specific customer segment.

What core value do you deliver to the customer?

(Factors that can contribute to customer value creation: newness, performance, customization, "getting the job done", design, brand, status, price, cost reduction, risk reduction, accessibility, convenience, usability etc.)

Which customer needs are you satisfying?

What bundle of products or services are you offering to each customer segment?

Why should they buy from you?

What are the top 3 features of your product or service that demonstrates the UVP?

4) Customer Relationships (CR)

What type of relationships needs to be established for each customer segments? (Personal, self-service, automated etc.). Which ones have you established?
How costly and scalable are they? E.g. Personal, automated, self-service etc.

3) Channels (C)

How does each customer segment want to be reached? Is it digital, physical, direct or indirect channels?

How do you plan to reach, acquire, keep and grow your customer segments?

Which channels work best?

Which ones are most cost effective?

Start building from Day 1

Finding initial prospects

1) Customer Segments (CS)

For whom are you creating value?

Who is your most important customer?

What are their needs or problems that you are trying to meet or resolve?

How do you plan to target profitable customers?

Who are your potential early adopters?

Is it a mass or niche market? Can they be further segmented?

9) Cost Structure (CS)

What is the most important cost in your business? This becomes easier once you understand what is needed to create and deliver the promised value to your customers.
Which key resources/activities are most expensive?
Which key elements drive your costs?
What are your fixed and variable costs?
What's your profit margin?

5) Revenue Streams (RS)

How do you plan to generate revenue?
What are your revenue streams? Examples: Sales/Retail, subscription fees, licensing, installation fees, franchising, white label etc.
One-time or recurring revenue?
For what value is each customer segment is truly willing to pay and how?
How are they currently paying? How would they prefer to pay?

Note:

The side shaded blue is the **Customer Side** and the unshaded side is the **Infrastructure Side** of the BMC

Additional Information on Business Model Components: (You can use this section to elaborate any of the points identified in the above canvas):

1) Customer Segments:

2) Unique Value Proposition (UVP)

3) Channels

4) Customer Relationships

5) Revenue Streams

6) Key Resources

7) Key Activities

8) Key Partners

9) Cost Structure