Introduction to the Business Model Canvas

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<th>Key Partners</th>
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**Key Resources**

**Channels**

**Cost Structure**

**Revenue Streams**

www.businessmodelgeneration.com

**Introduction to the Business Model Canvas**
The Business Model Canvas was originally created by
• Alexander Osterwalder and Yves Pigneur
The Canvas was published in Business Model Generation in 2010
The Canvas was popularized by Steve Blank
The Canvas forms the basis of many incubators and accelerators,
• including the National Science Foundation I-Corps program
An Example

Nespresso VertuoPlus
Centrifusion Technology
Barcode Reading for Sizes
Five Brew Sizes/Types Available
An Example

Nespresso VertuoPlus
Centrifusion Technology: This is the core technology
Barcode Reading for Sizes: This is an enabling technology
Five Brew Sizes/Types Available: This is a feature
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Centrifusion Technology: This is the core technology
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Five Brew Sizes/Types Available: This is a feature

Who is the Customer? What are our Key Activities?
What is the Value Proposition? What Resources do we need?
How do we acquire the Customer? What Partners will we need?
How does the Customer get the Product? Where do we get Revenue?
What are our primary Costs?
Nespresso

**Key Partners**
- Marketing
- Logistics

**Key Activities**
- Marketing
- Logistics
- Machine Manufacture
- Distribution
- Patents
- Production

**Value Propositions**
- High End Espresso And Coffee Quality
- At home Direct Delivery To Consumers, Web, App

**Customer Relationships**
- Espresso And Coffee Club, Retail Machine Sales

**Customer Segments**
- High End Espresso And Coffee Consumer

**Key Resources**
- Machine Manufacture
- Distribution
- Patents
- Production

**Channels**
- Direct Delivery To Consumers, Web, App

**Cost Structure**
- Channel/Distribution
- Marketing Manufacture

**Revenue Streams**
- Coffee and Espresso Capsules
- Machine Sales
Conclusions

• The Business Model Canvas represents a set of HYPOTHESES
• The Business Model Canvas invites experimentation
• The Business Model Canvas is flexible

• The Business Model Canvas is a tool – use it wisely.
Questions?

• Feel free to reach out to me: waarnold@prf.org
• Resources:
  • Owlet Video (https://www.youtube.com/watch?v=f-8v_RgwGe0)
  • Udacity Series “How to Build a Startup”
    • (https://www.udacity.com/course/how-to-build-a-startup--ep245)
  • The Startup Owner’s Manual by Steve Blank & Robert Dorf
  • Business Model Generation by Alexander Osterwalder & Yves Pigneur