Introduction to the Business Model Canvas

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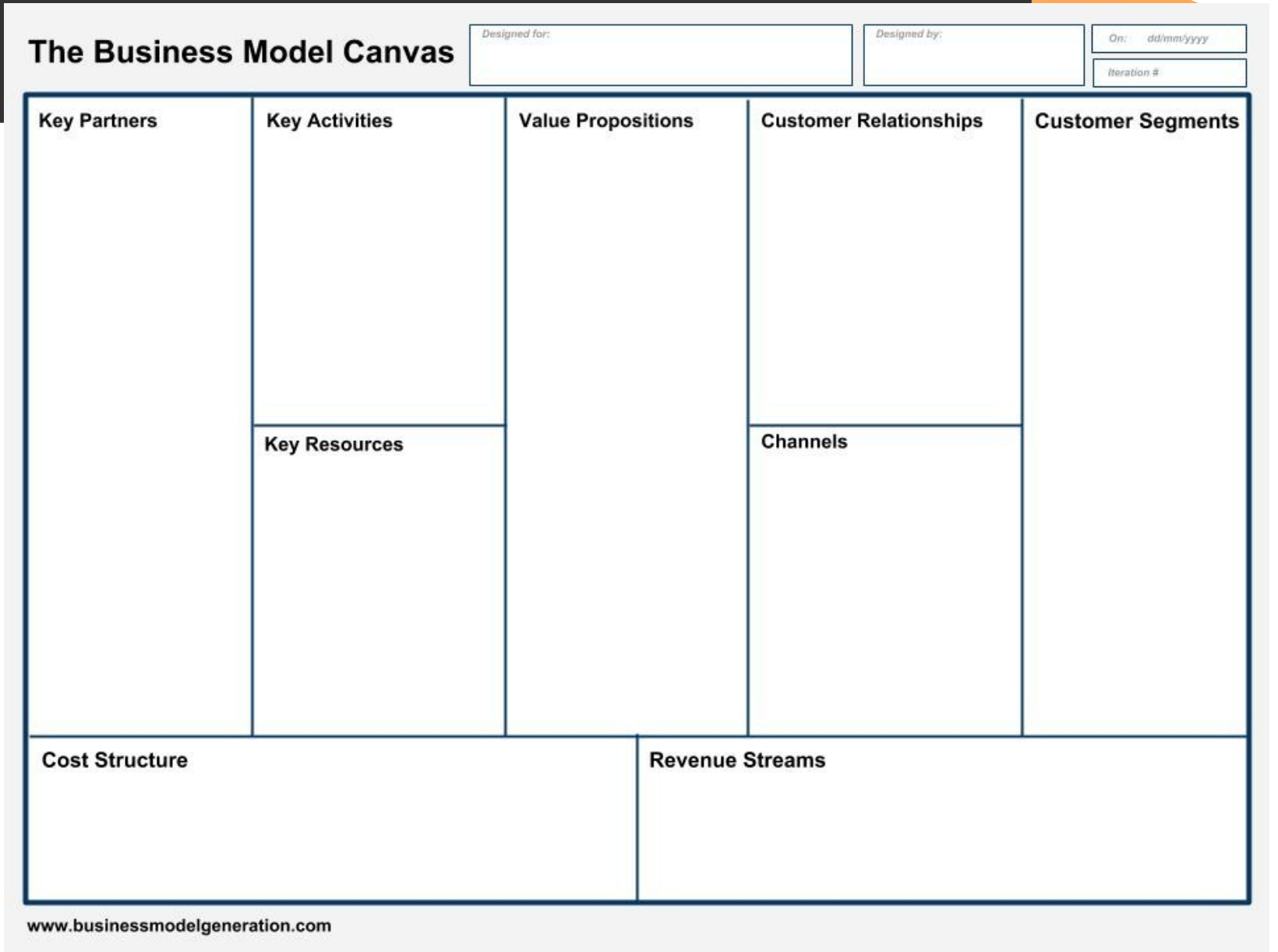

Background Information

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

The Business Model Canvas

Designed for:

Designed by:

On: dd/mm/yyyy

Iteration #

Key Partners 7

Key Activities 5

Key Resources 6

Value Propositions 2

Customer Relationships 3

Channels 4

Customer Segments 1

Desirability

Feasibility

Cost Structure 9

Revenue Streams 8

Viability/Sustainability

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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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Who is the Customer?
What is the Value Proposition?
How do we acquire the Customer?
How does the Customer get the Product?

What are our Key Activities?
What Resources do we need?
What Partners will we need?
Where do we get Revenue?
What are our primary Costs?

The Business Model Canvas

Designed for: Nespresso

Designed by:

On: dd/mm/yyyy

Iteration #

Idea to Impact

Key Partners

7

Machine Manufacture

Key Activities

5

Marketing

Logistics

Key Resources

6

Distribution

Patents

Production

Value Propositions

2

Restaurant Quality Espresso And Coffee At home

Customer Relationships

3

Espresso And Coffee Club, Retail Machine Sales

Channels

4

Direct Delivery To Consumers, Web, App

Customer Segments

High End Espresso And Coffee Consumers

1

Cost Structure

9

Channel/ Distribution

Marketing

Manufacture

Revenue Streams

Coffee and Espresso Capsules

Machine Sales

8

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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