

Business Model Canvas

A Model for Business Plans

Alexander Osterwalder identified [PhD thesis 2005, book 2010] nine common elements addressed by good business plans:

Infrastructure:

1. Key activities
2. Key resources
3. Partner network

Offering:

4. Value proposition

Customers:

5. Customer segments
6. Channels
7. Customer relationships

Finances:

8. Cost structure
9. Revenue streams

Business Model Creation

Methodology for creating and evaluating business plans: *Convert these nine elements into questions, and investigate/develop how your idea for a product and a business will answer these.*

Infrastructure:

1. What are our key activities?
2. What are our key resources?
3. Who is our partner network?

Offering:

4.

What value do we provide to the customer? How does that differ from the competitors?

Customers:

5. Who are our customers?
6. What are our distribution channels?
7. What will our relationship with our customers be?

Finances:

8. What is our cost structure?
9. What is our revenue streams?

Start with 4). If this question cannot be answered satisfactorily, your business idea is very likely doomed, and you should move on to another.

Further Reads

Additional descriptions of the Business Model Canvas method can be found at:

- ▶ Wikipedia:
https://en.wikipedia.org/wiki/Business_Model_Canvas
- ▶ Amanda Athuraliya/Creately: <https://creately.com/blog/diagrams/business-model-canvas-explained/>
- ▶ Alex Cowan: <https://www.alexandercowan.com/business-model-canvas-templates/>
- ▶ Martin Luenendonk/Cleverism: <https://www.cleverism.com/business-model-canvas-complete-guide/>
- ▶ OpenLearn Create course: <https://www.open.edu/openlearncreate/course/view.php?id=2211>