Business Model Canvas created by Alexander Osterwalder and Yves Pigneur | Strategyzer.com

Business Model Canvas

Visualise how your business creates, delivers, and captures value.

Key Partnerships
Who helps your business create and deliver value?

Key Activities
What are the most important things your business must do to succeed?

Key Resources
What resources are required to deliver your value proposition?

Value Propositions
What value do you create for your customers?

Customer Relationships
How do you attract, support, and retain customers?

Channels
How do customers discover, access, and receive your offering?

Customer Segments
Who are your customers, users, or beneficiaries?

START HERE

Cost Structure
What are the major costs involved in operating your business?

Revenue Streams
How does your business generate revenue?

TIP

A strong business model clearly shows who your customers are, the value you create, and how your business delivers and captures that value.

USE FOR

Understanding Your Business | Identifying Customers | Planning Operations | Generating Revenue | Creating Value

Waipapa Taumata Rau University of Auckland

SCAN HERE

HOW TO USE THE BUSINESS MODEL CANVAS

The Business Model Canvas, developed by Alexander Osterwalder and Yves Pigneur, is a visual tool for designing, analysing, and communicating business models. It consists of nine building blocks that help you understand how your business creates, delivers, and captures value.

STEP 1: PREPARE YOUR WORK AREA

Complete the canvas somewhere free from distraction. If working in a team, choose a collaborative space and capture ideas using short notes or keywords.

STEP 2: FILL IN YOUR CANVAS

Proceed to populate each section of the canvas. It is often helpful to start with the **Customer Segments** and **Value Proposition**, as they form the foundation of your business model. Once these are defined, you can explore how value is delivered, supported, and monetised.

Customer Segments: Identify who your customers are. Consider their demographics, behaviours, needs, and characteristics. e.g. university students, small business owners, busy parents

Value Propositions: Determine what problems you are solving or needs you are fulfilling for each customer segment. Consider what makes your offering valuable, different, or desirable. e.g. saving time, reducing costs, improving convenience

Channels: Identify how customers discover, purchase, receive, and experience your products or services. e.g. website, social media, retail stores, mobile app

Customer Relationships: Define how you attract, retain, and support customers. Consider the type of relationship customers expect, such as personal assistance, self-service, communities, or automated services. e.g. customer support, loyalty programmes, online communities

Revenue Streams: Establish how your business generates revenue from each customer segment. Consider pricing models, subscriptions, transactions, licensing, or other income sources. e.g. subscriptions, one-off sales, advertising, commissions

Key Resources: List the assets required to operate your business and deliver your value proposition. These may include physical, financial, intellectual, or human resources. e.g. staff, technology, equipment, intellectual property

Key Activities: Identify the most important actions your business must perform to create, deliver, and capture value. e.g. product development, marketing, customer support

Key Partnerships: Recognise the partners, suppliers, or organisations that help your business operate, reduce risk, access resources, or deliver value. e.g. suppliers, distributors, technology providers, strategic partners

Cost Structure: Identify the major costs involved in operating your business model. Consider fixed costs, variable costs, staffing, production, technology, marketing, and partnerships. e.g. salaries, rent, software subscriptions, marketing expenses

STEP 3: ANALYSE AND ITERATE

- **Review:** Check for alignment across the different building blocks of your business model.
- **Feedback:** Seek input from customers, teammates, mentors, or stakeholders.
- **Refine:** Update the canvas based on feedback and new insights.

STEP 4: VALIDATE YOUR MODEL

- **Test Assumptions:** Engage with customers and stakeholders to test key assumptions within your business model.
- **Market Research:** Gather evidence to validate customer demand, market opportunities, and feasibility.
- **Prototype:** Test ideas through low-cost experiments, prototypes, or minimum viable products (MVPs).

STEP 5: DOCUMENT AND SHARE

- **Record:** Capture your completed canvas digitally or with photographs.
- **Communicate:** Use the canvas to communicate and discuss your business model with others.
- **Update:** Revisit and refine the canvas as new insights emerge.