



RESPOND → PLAN → RETURN STRONGER

# The Business Model Canvas

---

PRESENTED BY

Tom Argiro, Executive Director  
North Phoenix Chamber of Commerce



# Business Model Canvas

The Business Model Canvas		Designed for:	Designed by:	Date:	Version:	
<p><b>Key Partners</b> </p> <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p><b>KEYWORDS AND MANAGEMENT</b> Outsourcing and economy Reduction of risk and uncertainty Acquisition of particular resources and activities</p>	<p><b>Key Activities</b> </p> <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>KEYWORDS</b> Production Problem Solving Platform/Network</p>	<p><b>Value Propositions</b> </p> <p>What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?</p> <p><b>KEYWORDS/TERMS</b> Innovate Performance Customization "Solving the job done" Design Brand/Status Price Our Reaction Risk Reduction Accessibility Convenience/Usability</p>	<p><b>Customer Relationships</b> </p> <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p> <p><b>EXAMPLES</b> Personal assistance Development Personal Assistance Self-SERVICE Automated Services Communities Co-creation</p>	<p><b>Customer Segments</b> </p> <p>For whom are we creating value? Who are our most important customers?</p> <p>Mass Market Niche Market Segmented Diversified Multi-sided platform</p>	<p><b>Key Resources</b> </p> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>TYPES OF RESOURCES</b> Physical Intellectual (brand patents, copyrights, etc.) Human Financial</p>	<p><b>Channels</b> </p> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels integrate? Which ones work best? Which ones are most cost-efficient? How are we integrating them with Customer Routines?</p> <p><b>CHANNEL STRATEGIES</b></p> <ol style="list-style-type: none"> <li>1. Awareness</li> <li>2. Attraction: How do we have awareness about our company's products and services?</li> <li>3. Evaluation: How do we help customers evaluate our organization's Value Proposition?</li> <li>4. Purchase: How do we allow customers to purchase specific products and services?</li> <li>5. Delivery: How do we deliver a Value Proposition to customers?</li> <li>6. After sales: How do we provide post-purchase customer support?</li> </ol>
<p><b>PRICE</b> Asset use Usage fee Subscription Fees Licensing/Leasing/leasing Advertising Advertising fees Advertising</p>	<p><b>PERFECT MARKET</b> Lottery Product/Service/Impact Customer segment Reputation Reputation dependent</p>	<p><b>IMPERFECT MARKET</b> Regulation (Bar passing) Word-of-mouth Real-time Market</p>				

# Business Model Canvas

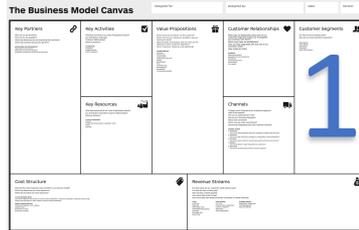
The Business Model Canvas		Designed for:	Designed by:	Date:	Version:
<b>Key Partners</b>  <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p><b>WHICH KEY RESOURCES</b> Contract and equity Production of sub and assembly Acquisition of particular resources and activities</p> <p>9</p>	<b>Key Activities</b>  <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>EXAMPLES</b> Production Problem Solving Platform/Network</p> <p>7</p>	<b>Value Propositions</b>  <p>What value do we deliver to our customers? Which one of our customer's jobs are we helping to solve? What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?</p> <p><b>EXAMPLES/RESOURCES</b> Innovation Performance Customization "Getting the job done" Design Brand/Status Price Cost Reduction Risk Reduction Accessibility Convenience/Liability</p> <p>2</p>	<b>Customer Relationships</b>  <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p> <p><b>EXAMPLES</b> Personal assistance Dedicated Personal Assistance Self-Service Automated Services Community Co-creation</p> <p>4</p>	<b>Customer Segments</b>  <p>For whom are we creating value? Who are our most important customers?</p> <p>1</p>	
	<b>Key Resources</b>  <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>TYPES OF RESOURCES</b> Physical Intellectual (Brand patents, copyrights, etc.) Human Financial</p> <p>6</p>	<b>Channels</b>  <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels integrate? Which ones work best? Which ones are most cost-effective? How are we integrating our Channels (distribution)?</p> <p><b>CHANNEL PHASES</b> 1. Awareness 2. Evaluation 3. Purchase 4. Delivery 5. After Sales How do we provide post-purchase customer support?</p> <p>3</p>	<b>Cost Structure</b>  <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p><b>BY COST STRUCTURE</b> Cost-driven (Retailer) Customer-driven (Restaurant) Asset-light (Software) Fixed-cost (Manufacturing) Variable-cost (Retailer) Economies of scale Economies of scope</p> <p>8</p>	<b>Revenue Streams</b>  <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute?</p> <p><b>REVENUE STREAMS</b> Asset sale Usage fee Subscription Fees Lending/Leasing/Financing Advertising Licensing Share of Revenue Freemium Selling/Leasing/Rentals Customer segment dependent Usage-dependent Real-time/usage</p> <p>5</p>	

# Business Model Canvas

The Business Model Canvas		Designed for:	Designed by:	Date:	Version:
<p><b>Key Partners</b> </p> <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform? Which Revenue Streams do partners perform?</p> <p><b>EXAMPLES OF KEY RESOURCES</b> Contract and equity Production of oil and energy Acquisition of particular resources and activities</p>	<p><b>Key Activities</b> </p> <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>EXAMPLES</b> Production Problem Solving Platform/Network</p>	<p><b>Value Propositions</b> </p> <p>What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? Which bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?</p> <p><b>EXAMPLES/RESOURCES</b> Innovation Performance Convenience Customization "Selling the old Diner" Design Brand/Status Price Cost Reduction Risk Reduction Accessibility Customization/Liability</p>	<p><b>Customer Relationships</b> </p> <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p> <p><b>EXAMPLES</b> Personal Assistance Dedicated Personal Assistance Self-Service Automated Services Communities Co-creation</p>	<p><b>Customer Segments</b> </p> <p>For whom are we creating value? Who are our most important customers?</p> <p><b>EXAMPLES</b> Kids Market Segmented Demographic Multi-Sided Platform</p>	
	<p><b>Key Resources</b> </p> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p><b>TYPES OF RESOURCES</b> Physical Intellectual (Brand patents, copyrights, etc.) Human Financial</p>		<p><b>Channels</b> </p> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How do our Channels integrate? Which ones work best? Which ones are most cost-effective (lowest Customer Acquisition Cost)? How are we integrating (or planning to integrate) our Channels?</p> <p><b>CHANNEL STRATEGIES</b></p> <ol style="list-style-type: none"> <li><b>Direct</b> How do we take assessment about our products and services?</li> <li><b>Indirect</b> How do we help customers evaluate our key Value Proposition?</li> <li><b>Partners</b> How do we allow customers to purchase our products and services?</li> <li><b>Distribution</b> How do we deliver a Mass Customized product?</li> <li><b>After Sales</b> How do we provide post-purchase customer support?</li> </ol>		
<p><b>Cost Structure</b> </p> <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p><b>BY COST STRUCTURE</b> Cost driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing, total Cost Reduction or value creation, customer value proposition)</p> <p><b>EXAMPLES OF COST STRUCTURES</b> Fixed Costs (rent, utility, salaries) Variable Costs Economies of scale Economies of scope</p>			<p><b>Revenue Streams</b> </p> <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <p><b>FIXED REVENUE</b> Asset sale One-time fee Subscription Fees Licensing/royalty/licensing Licensing Share/age fees Advertising</p> <p><b>RECURRING REVENUE</b> Full Price Product/Service Repurchase Customer segment dependent Recurrent</p> <p><b>ADDITIONAL REVENUE</b> Integration (Surge pricing) Cross-Selling Real-Time Market</p>		

# Business Model Canvas

## Customer Segment



- Start by identifying your ideal client
- Detailed as possible

(I like the Growth Wheel Persona worksheet for this)

Y4.06b

### BUSINESS CONCEPT /Customer Portfolio

## DECISION SHEET

v3.4.2

**Job to be done**  
By getting to understand who our customers are and what they think, feel, and do, we can better figure out how to create value for them and communicate with them in the best way.

A good communication about a product that also fits our customers' needs gives good chances of selling.

**How to do it**  
Start by noting which type the persona is that you want to describe. Use the checklist for inspiration. Then write down any facts you know about one of your typical customer personas.

Continue by noting keywords on how you imagine that your customer thinks, what he/she feels, does, and where he/she is going in life.

Finish by writing down details about your customer persona's current situation as for challenges, needs, circumstances, environment, and other elements you can think of.

**Next step**

- Decide if it is useful to describe other customer personas.
- Use your notes to write a more coherent description of your typical customer.
- Decide what to change in your product and/or communication to better fit your customer persona.

Licensed to: \_\_\_\_\_

Developed by: GrowthWheel®

---

### Client Company Persona

Decide which clients to target by describing typical profiles

**CHECKLIST: PERSONA TYPES**

- User
- Buyer
- Initiator
- Influencer
- Decider

**CUSTOMER PERSONA: THINKING**

Ideas

Assumptions

Opinions

**CUSTOMER PERSONA: FEELING**

Concerns

Interest

Preferences

**CUSTOMER PERSONA: DOING**

Responsibilities

Projects

Activities

**CUSTOMER PERSONA: GOING**

Direction

Changes

Opportunities

**FACTS ON TYPICAL CUSTOMER PERSONA**

**TYPE OF PERSONA**

Age

Gender

Education

Position

Report to

Industry

Location

**CUSTOMER PERSONA'S CURRENT SITUATION**

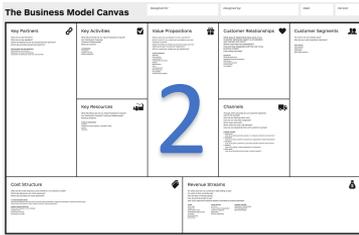
Challenges	Needs	Circumstances	Environment	Resources	Other

Date: \_\_\_\_\_ Name: \_\_\_\_\_ Company: \_\_\_\_\_

© 2009-2019 GrowthWheel International Inc. All rights reserved. May not be reproduced without permission from GrowthWheel. growthwheel.com

# Business Model Canvas

## Value Proposition

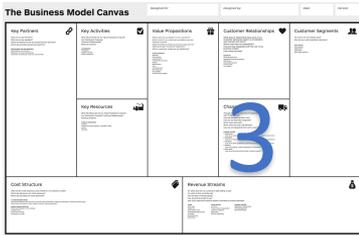


How do you solve the challenges and needs that your target audience is:

- **Thinking?**
- **Feeling?**
- **Doing?**
- **Where they're going?**

# Business Model Canvas

## Channels

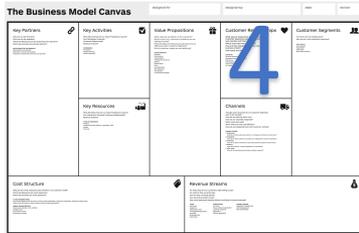


- How does your ideal client want to be reached? (social platform, phone, email, face-to-face, etc)
- Where do they hang out?
- How is each channel integrated with the sales cycle (awareness, evaluation, purchase, delivery, ongoing)

# Business Model Canvas

## Customer Relationships

How does your ideal client want us to fulfill our service to them?

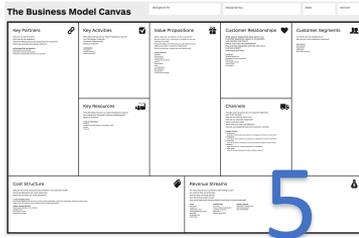


### *Examples*

- Self-serve
- Automated
- Personal assistance
- Dedicated support person
- In a community
- Collaborative

# Business Model Canvas

## Revenue Streams



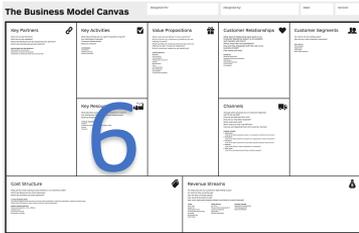
- What value are customers willing to pay for?
- What are they currently paying?
- How are they currently paying?
- What percentage of each revenue stream contribute to overall revenue?

### *Some Pricing Model Considerations*

- One-time
- Subscription
- Barter
- Volume-dependent

# Business Model Canvas

## Key Resources



### *What key resources are required?*

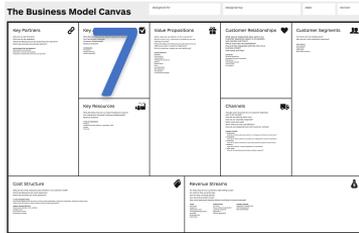
- Delivering the value proposition
- Channel management
- Customer relationships
- Revenue stream

### *Types of Resources*

- Physical
- Intellectual
- Human
- financial

# Business Model Canvas

## Key Activities



### *What key activities are required?*

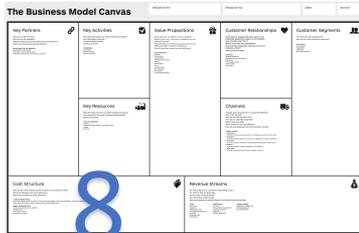
- Delivering the value proposition
- Distribution channels
- Customer relationships
- Revenue stream

### *Types of Activities*

- Production/Delivery
- Problem-solving
- System-wide maintenance

# Business Model Canvas

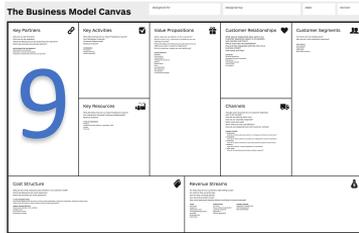
## Cost Structure



- What are your most important, core costs?
- Which key resources are the most expensive?
- Which key activities are the most expensive?
  
- Fixed costs:
- Variable costs:
  
- Is there enough revenue to cover the costs?

# Business Model Canvas

## Key Partners



- Who are your suppliers?
- What activities do they perform?
- Who are your power partners (shared ideal client for a different product/service)?

### *Reasons To Build Partnerships*

- Optimization and economy
- Risk management
- Acquisition of key resources and activities

Critical  
Next  
Step #1:  
  
TEST  
YOUR  
ASSUMPTIONS

# Test Your Assumptions

*Take this immediate action:*

- Leave your desk, Go outside, and [Talk To Humans](#) (86 page PDF)

**TEST** the most critical assumptions you've made:

- Does your value proposition truly address their needs?
- Will they pay for it?
- Can you build & deliver it?
- Are you asking the customer to consume your service differently than they are accustomed to?



## Key Activities: Define Repeatable Processes

**Bonus Tip:**

**How To Focus  
On Key  
Activities**

The back-office boxes (on the left side of the BMC) represent all the hard work it will take to execute your plan and run your business on a daily basis.

As you begin to define the **KEY ACTIVITIES** needed to run your business, think about these activities in terms departments:

- Marketing
- Sales
- Operations
- Finance
- HR
- Legal

## Key Activities: Define Repeatable Processes

### Bonus Tip:

## How To Focus On Key Activities

Each time you reach for one of your **KEY RESOURCES**, consider which “department” would be using that resource if you were a bigger organization.

- Marketing
- Sales
- Operations
- Finance
- HR
- Legal

## Key Activities: Define Repeatable Processes

**Bonus Tip:**

**How To Focus  
On Key  
Activities**

Document what you are doing with that KEY RESOURCE.

- Why are you using this resource?
- What am I preparing to do with the resource?
- Did I perform any steps prior to this point that helped me prepare for now?
- What steps am I taking with this resource?
- What other resources do I need to perform this activity?

## Key Activities: Define Repeatable Processes

### Bonus Tip:

## How To Focus On Key Activities

Also, document how you perform a specific task

- Write down a checklist of actions you're taking to perform a specific task
- Include all the key resources needed to perform this task
- Capture screen shots, video, other documents, etc
- Organize the workflow in a logical sequence
- EXTRA BONUS TIP: use a template to document these activities so there's a consistent format

## Key Activities: Define Repeatable Processes

### Bonus Tip:

## How To Focus On Key Activities

How to use your checklist(s):

- Run through a process a few times and fine-tune your checklist, screen shots, etc,
- Next, have someone else in your organization attempt to perform the same activity while following your documentation
- Have them make notes and ask questions as they go through the process
- Every question asked is an indication that the documentation isn't as clear as it should be (yet)
- Repeat the exercise with a few individuals

## Key Activities: Define Repeatable Processes

**Bonus Tip:**

**How To Focus  
On Key  
Activities**

Gather these checklists and activity guides into one place, perhaps a shared folder (yet secure from outside eyes)

This becomes the basis for your SOP, which I like to refer to as a **playbook**

This documentation can be used for

- on-boarding new employees
- Cross training existing team members
- Discovering process improvements
- Help you eventually exit the company voluntarily

# Business Model Canvas

## Tom Argiro

---



Executive Director, North Phoenix Chamber of Commerce  
16042 N 32<sup>nd</sup> St, Suite D-10  
Phoenix AZ 85032  
602-482-3344  
[Targiro@NorthPhoenixChamber.com](mailto:Targiro@NorthPhoenixChamber.com)

Owner, HBG Consulting LLC  
530-424-8665  
[Tom@HBGConsulting.com](mailto:Tom@HBGConsulting.com)