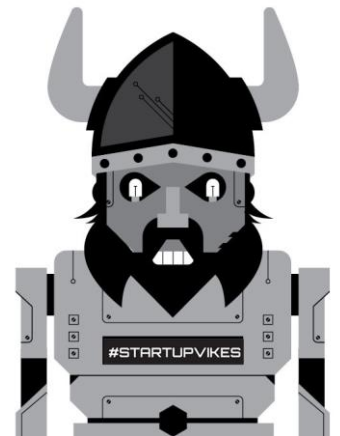


# Workshop 1

## Business Modeling



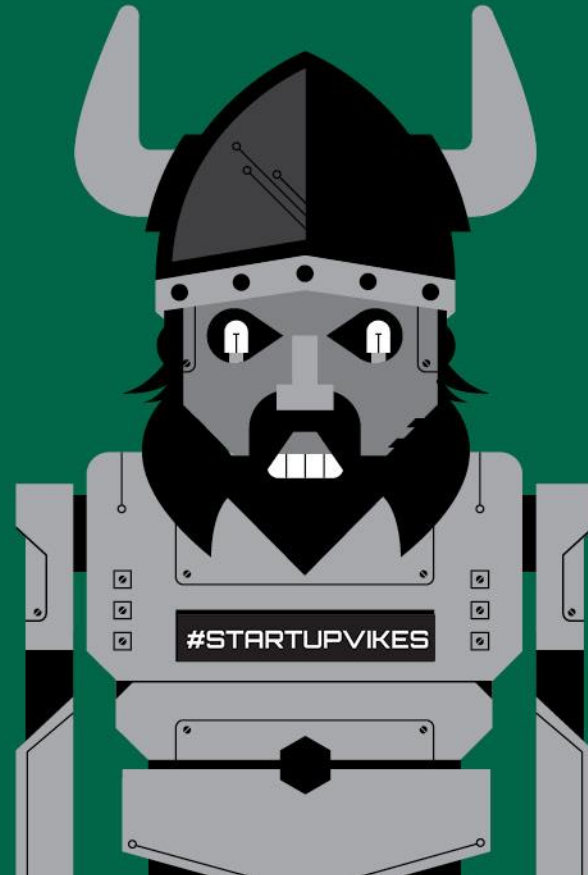


Katie Van Dyke

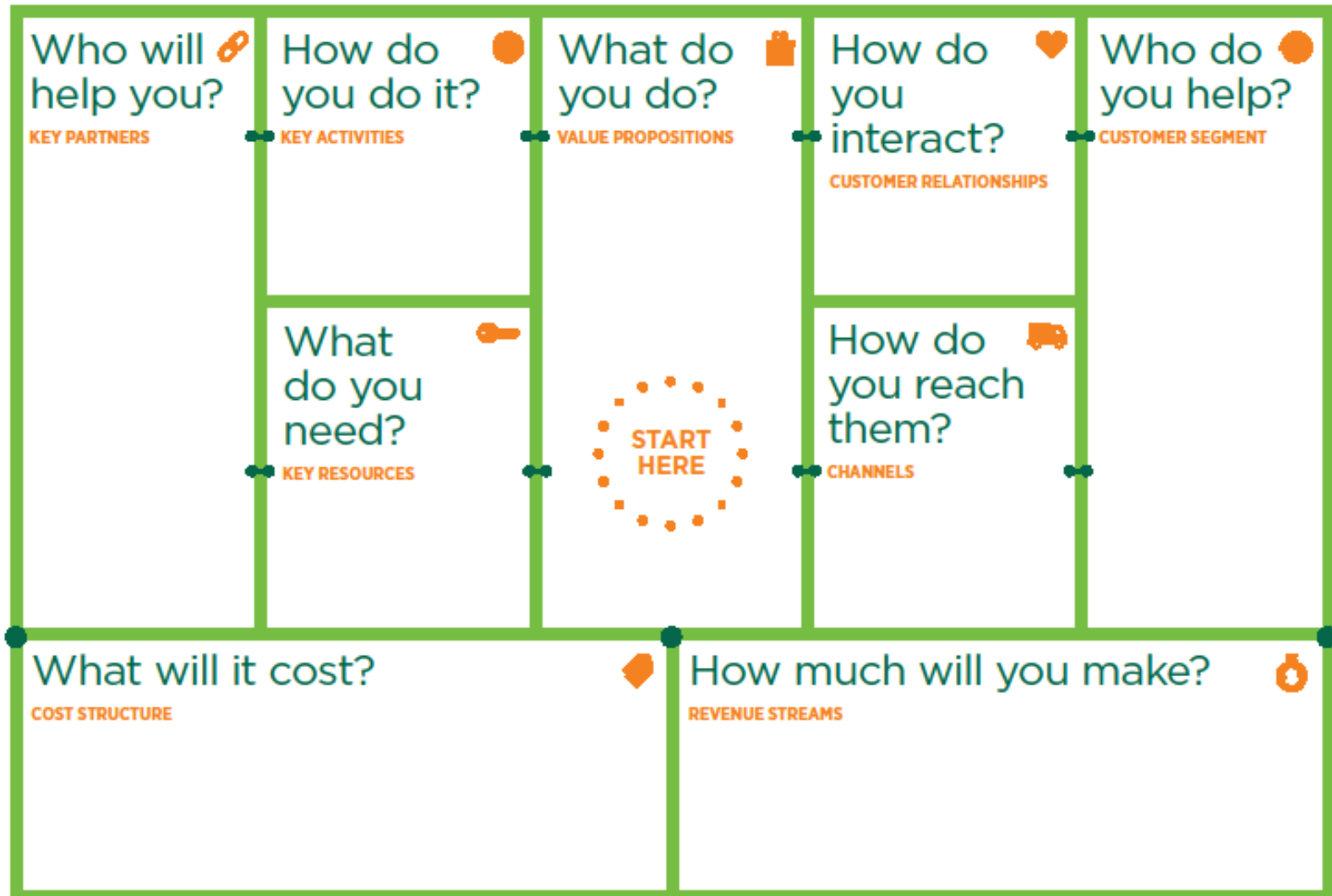
Director Cleveland State University  
Small Business Development Center

# CSU

## STARTUP VIKES

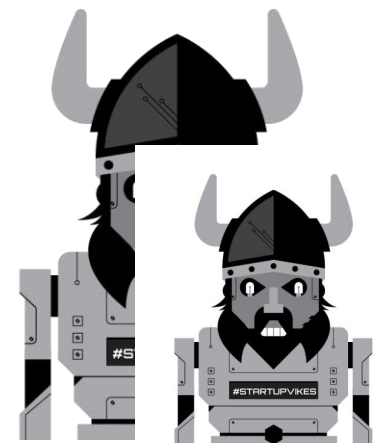
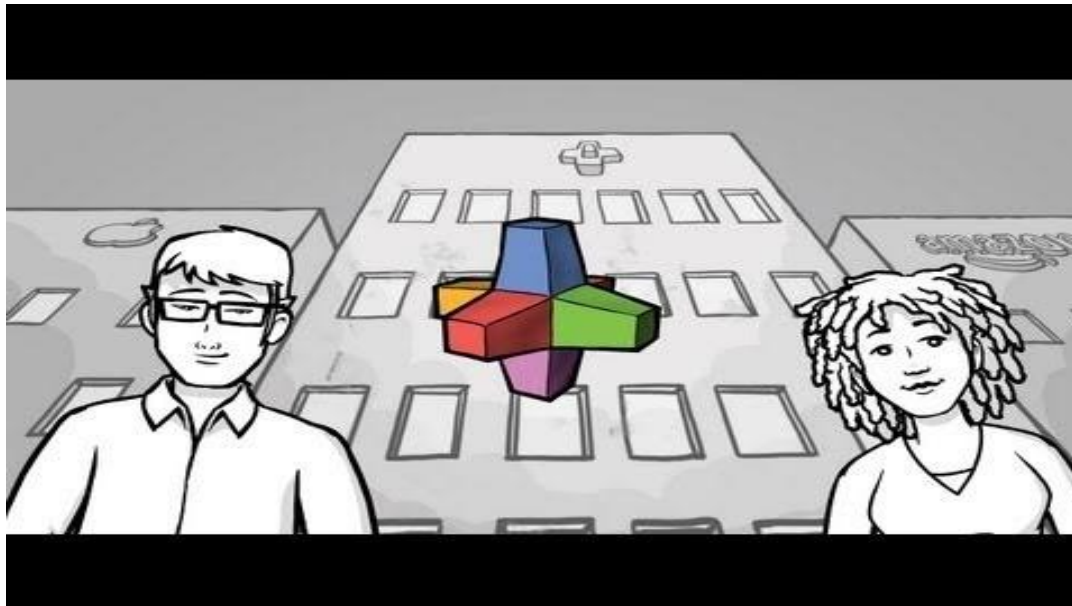


# THE BUSINESS MODEL CANVAS

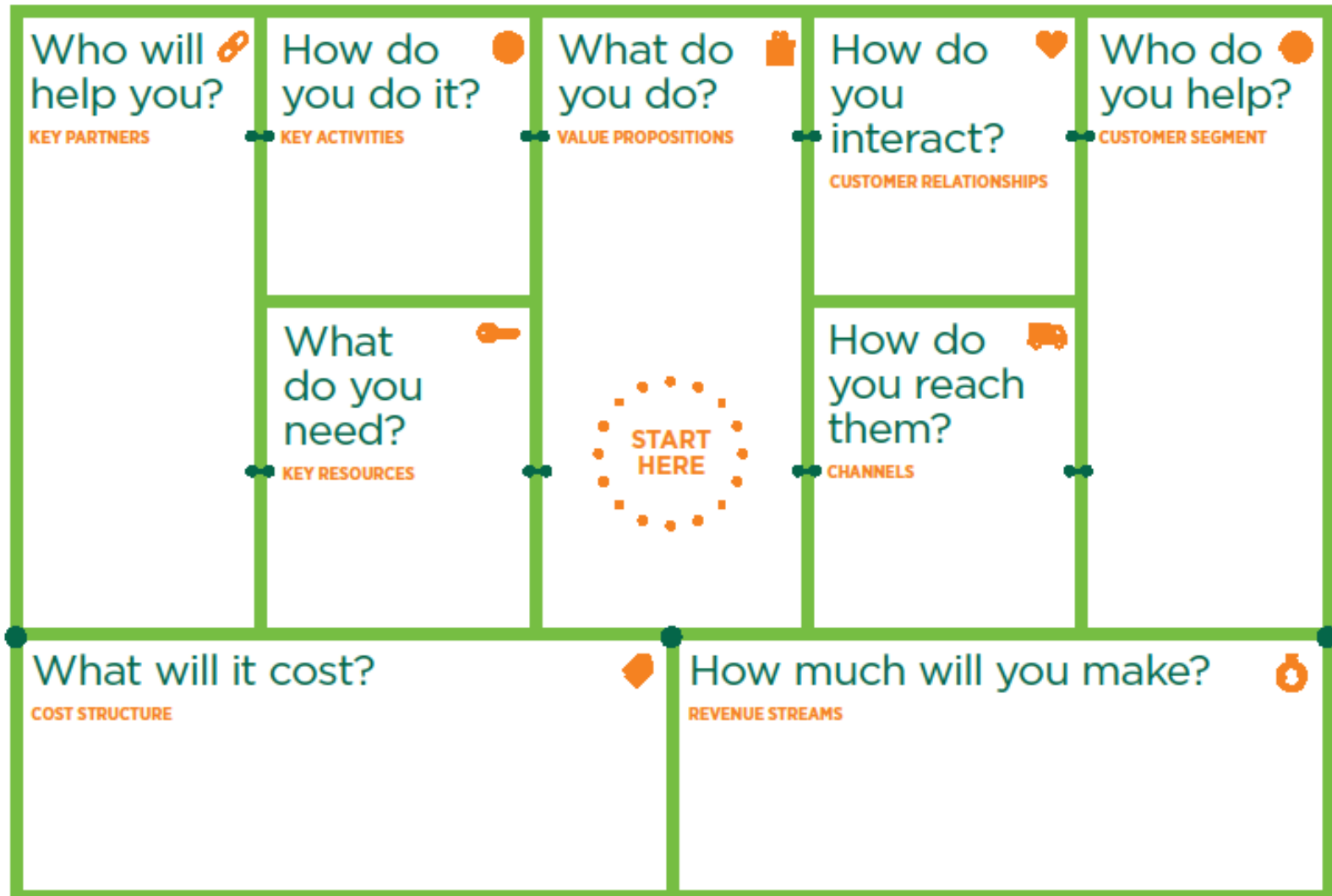


# What is it?

The **Business Model Canvas** is a strategic management and lean startup template for developing new or documenting existing **business models**. It is a visual chart with elements describing a firm's or product's value proposition, infrastructure, customers, and finances.



# THE BUSINESS MODEL CANVAS



# Value Proposition –

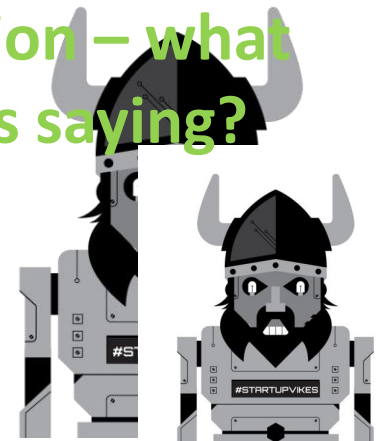
## Questions to answer:

- Which one of our customer's problems are we solving?
- How are we solving the customer's problem?
- What value do we deliver to the customer that is different from competition?
- What is the competition doing well and what is it lacking?

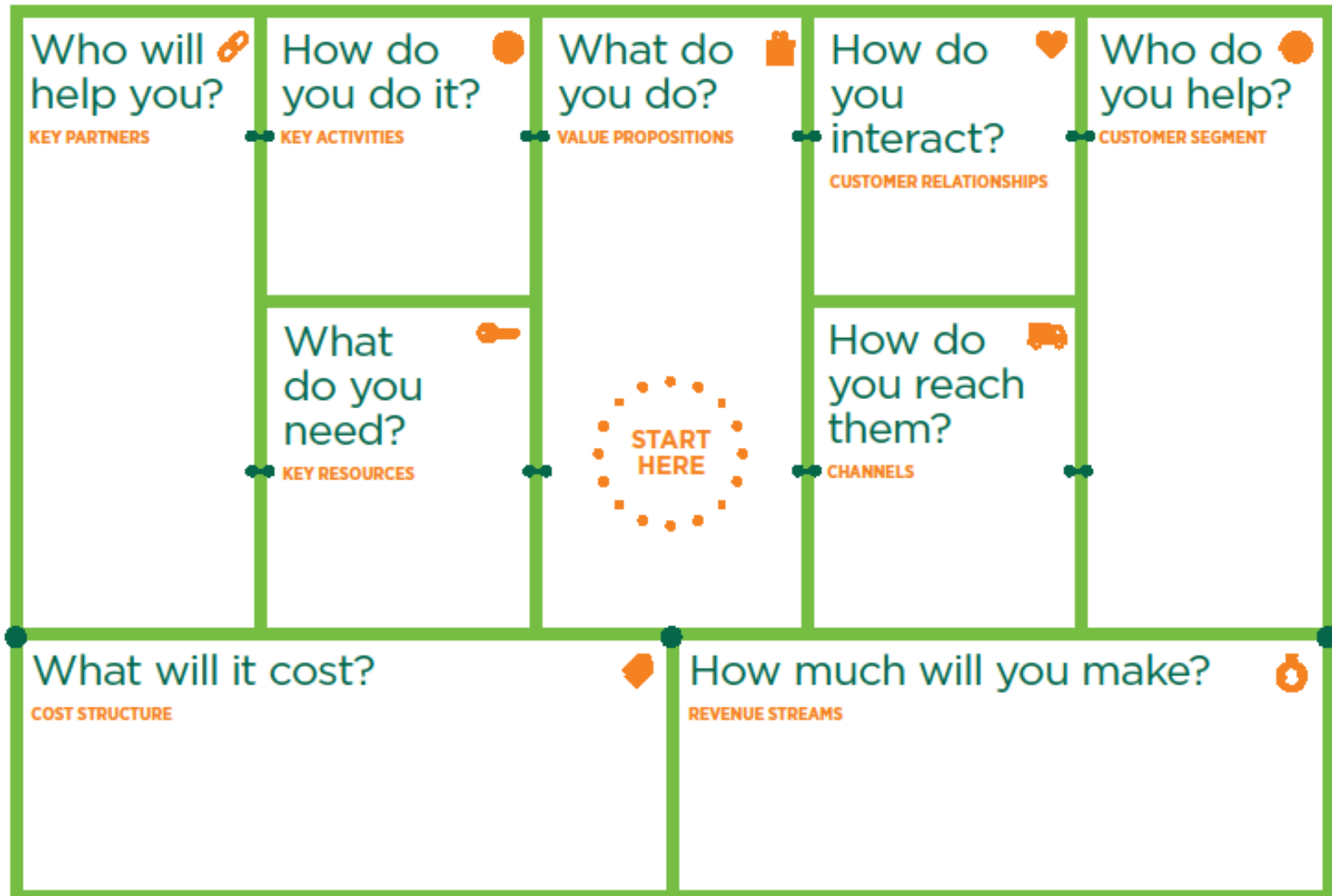
**\*\*\*REMEMBER to do your homework: research the industry for trends and look at your competition – what are they doing well? What are their customers saying? What they are not doing could be your gain!**



<http://www.sbdcnet.org>



# THE BUSINESS MODEL CANVAS



# Customer Segment

## Questions to answer:

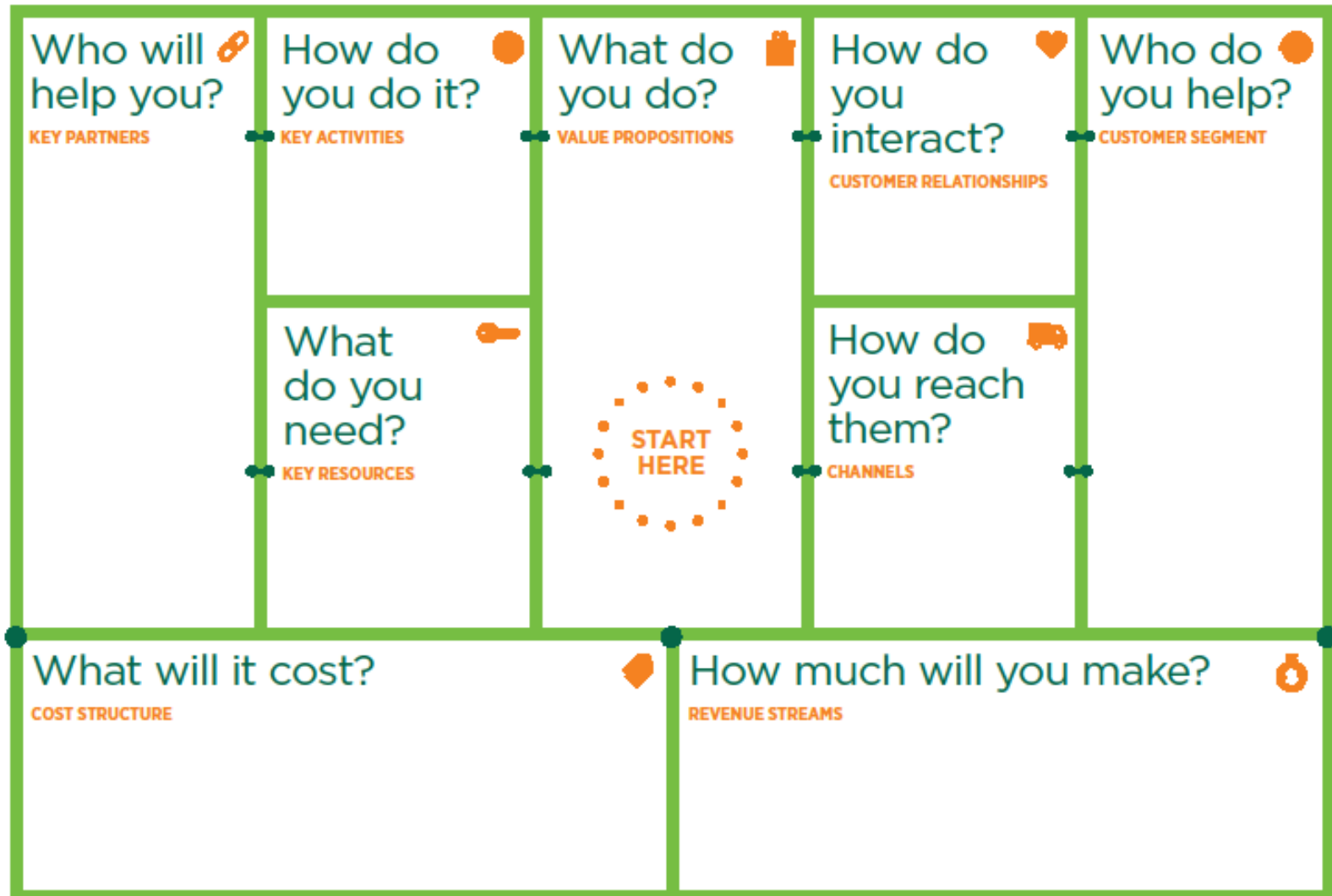
- For whom are we creating value?
- Who are our most important customers (i.e customer demographics)
- What are the benefits through the customer's eyes?

**\*\*\*REMEMBER to do your homework: Learning as much as you can about your customer is crucial to understanding what they value, and what they will want in your product/service – validation and feedback are KEY. Also – what are their demographics (where do they live, age, gender, income level, etc.) What are their buying habits?**





# THE BUSINESS MODEL CANVAS



# Channels

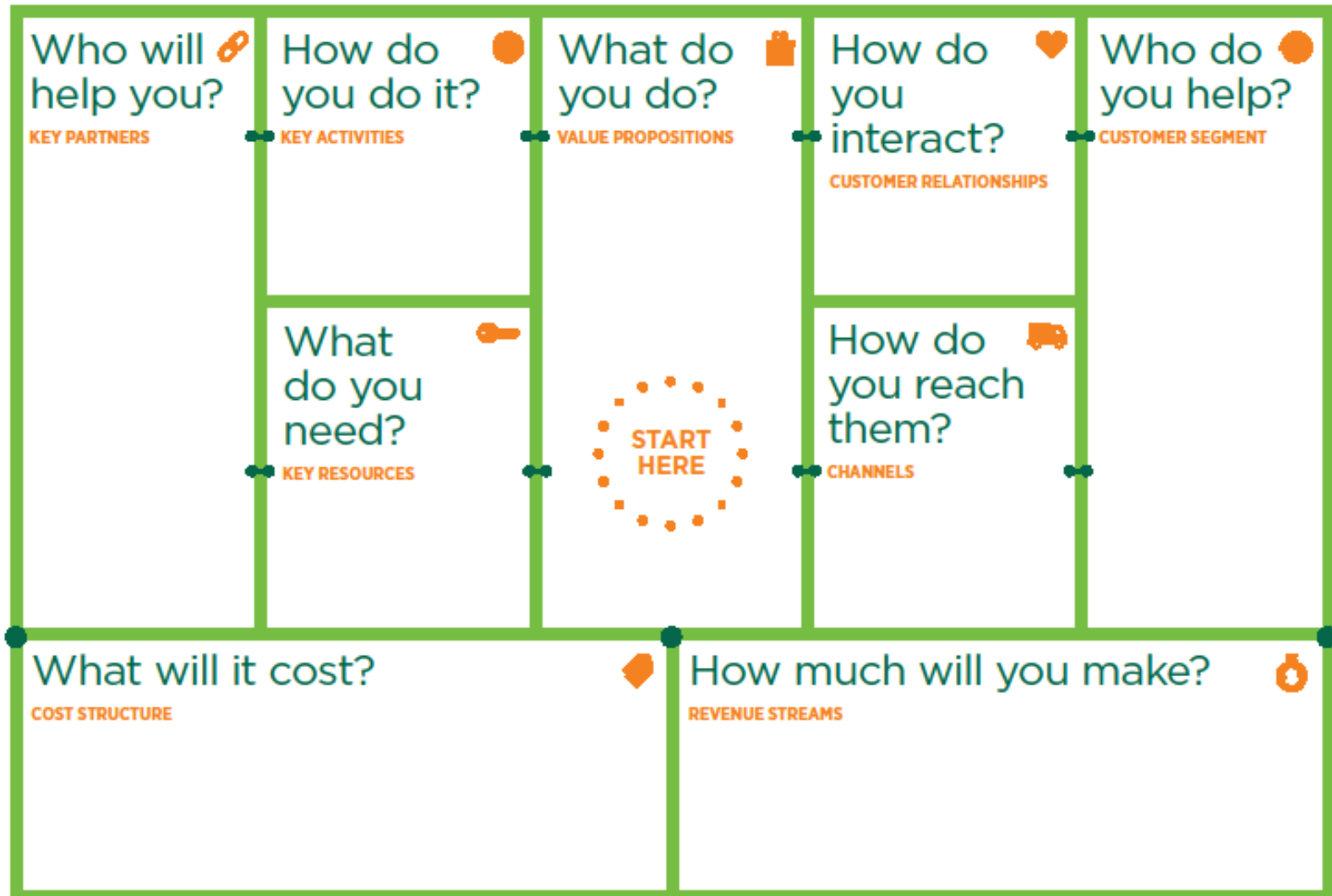
## Questions to answer:

- Through which channels do our customers want to be reached? How do other companies reach them now?
- How are they getting information about what to buy?
- Which channels work best, which are cost effective?
- How are we integrating the channels with customer routines?

**\*\*\*REMEMBER to do your homework: Matching the right channels with your particular customer segment is key to success – the more targeted your marketing and message is, the better you will reach your customer segment.**



# THE BUSINESS MODEL CANVAS



# Customer Relationships

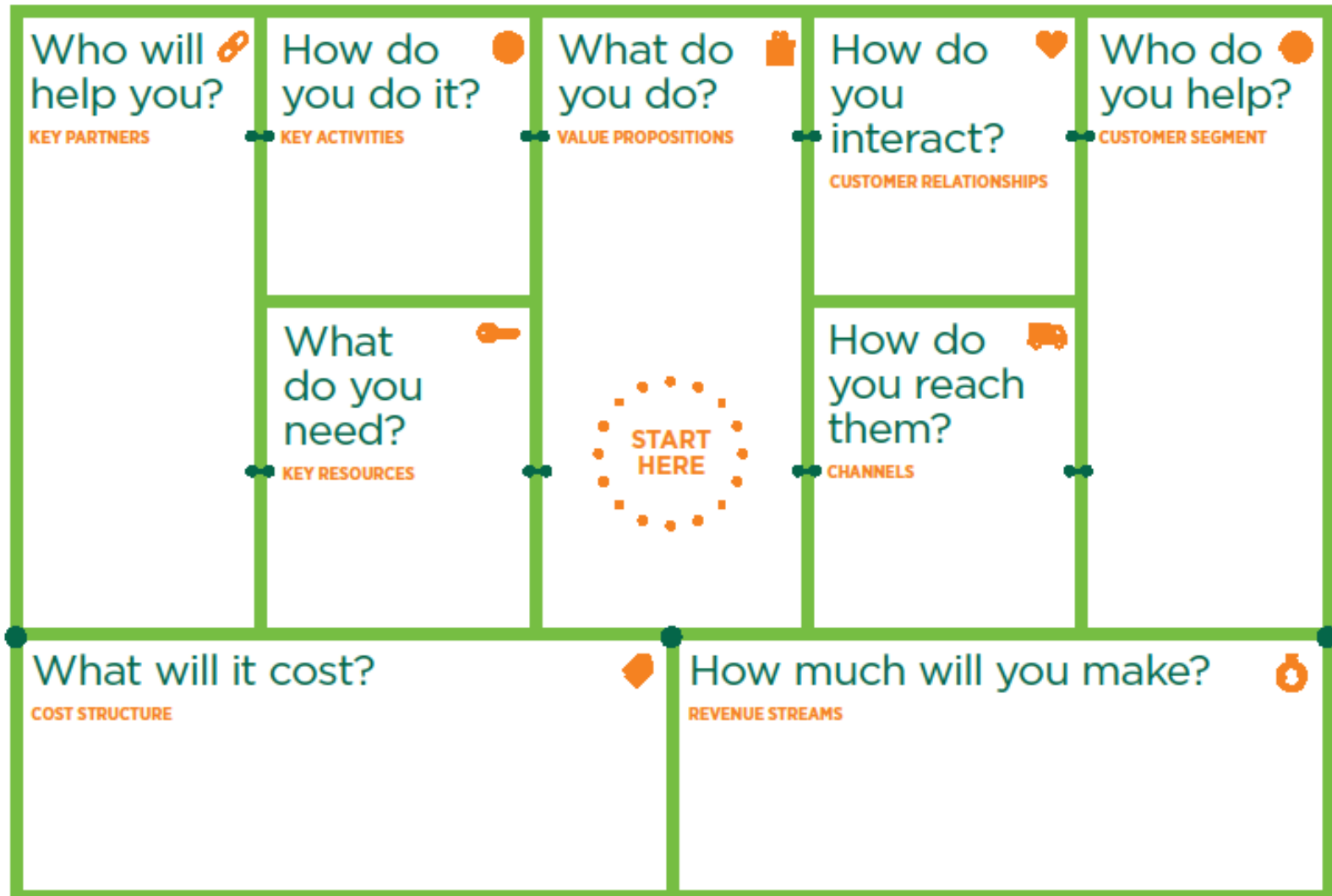
## Questions to answer:

- How do we get, keep and grow customers?
- Which customer relationships will we establish?
- How costly are our customer service programs? How are they integrated with our business model?

**\*\*\*REMEMBER to do your homework: Customer service and providing great customer experiences go a LONG way in developing customer loyalty and sharing with their friends about you!**



# THE BUSINESS MODEL CANVAS



#StartupVikes



# Key Resources

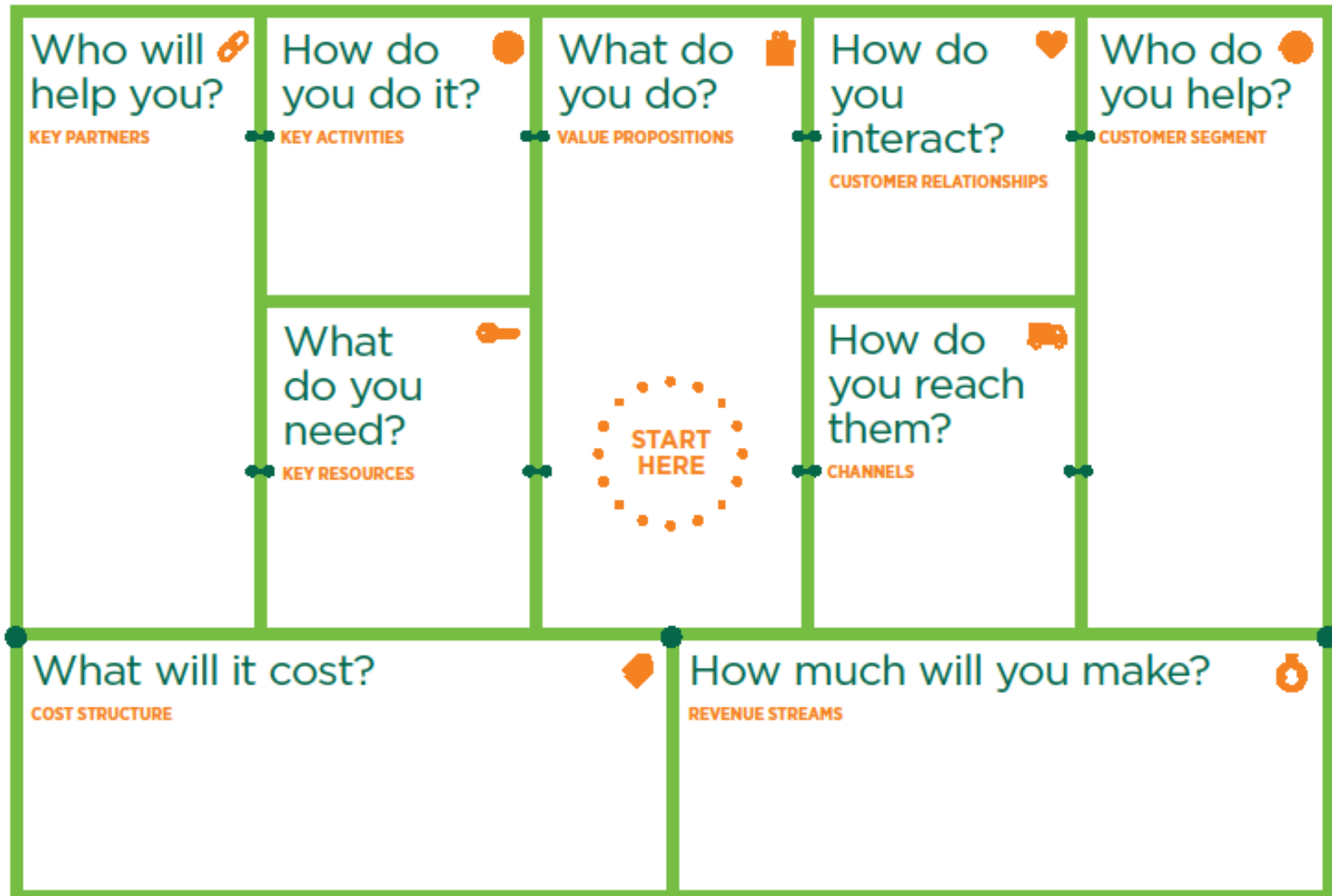
## Questions to answer:

- What key resources (new equipment, ingredients) do our value propositions require?
- If we started business tomorrow, what would we need to do so? (Start Up Costs)

**\*\*\*REMEMBER to do your homework: Make a list of all of the things you would need to create your product/service and sell it to a customer (ingredients, equipment, software, space) – these are your START UP COSTS!**



# THE BUSINESS MODEL CANVAS

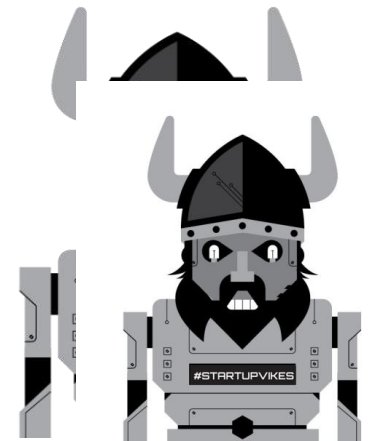


# Key Activities

## Questions to answer:

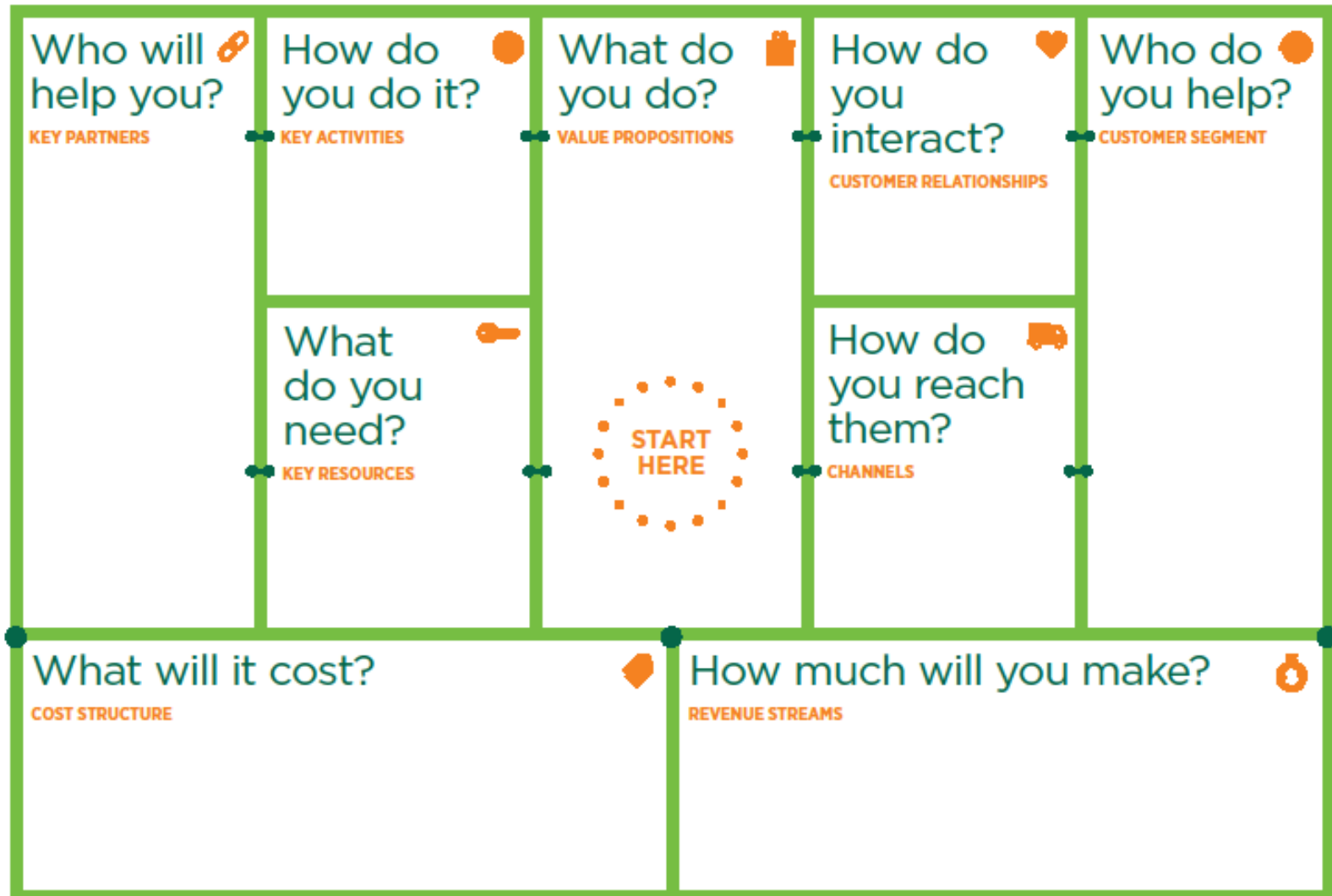
- What key activities do our value propositions require?
- What do we need to do on a daily, weekly and monthly basis to maintain all areas of our business?

**\*\*\*REMEMBER to do your homework: Make a TO DO list (make your product or service, market your service, cold call new customers), list out business expenses – those become your OPERATING COSTS**





# THE BUSINESS MODEL CANVAS



# Revenue Streams

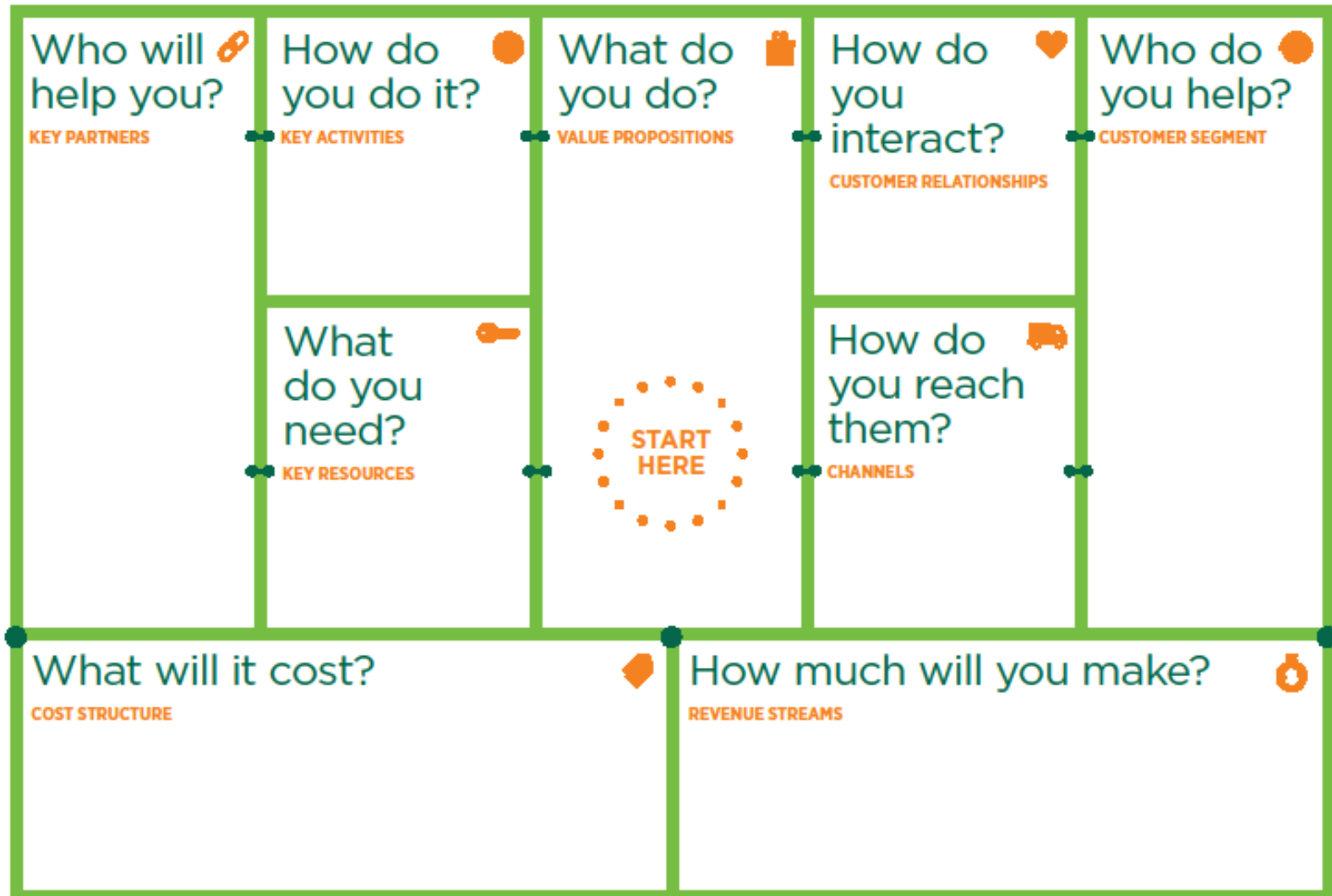
## Questions to answer:

- What are our customers willing to pay?
- What do they currently pay?
- How would they prefer to pay?
- How much does each revenue stream contribute to the overall revenue?

**\*\*\*REMEMBER to do your homework: Pricing your product/service too high or too low can turn away customers, multiple revenue streams can be helpful IF they are contributing to the overall business!**



# THE BUSINESS MODEL CANVAS



# Cost Structure

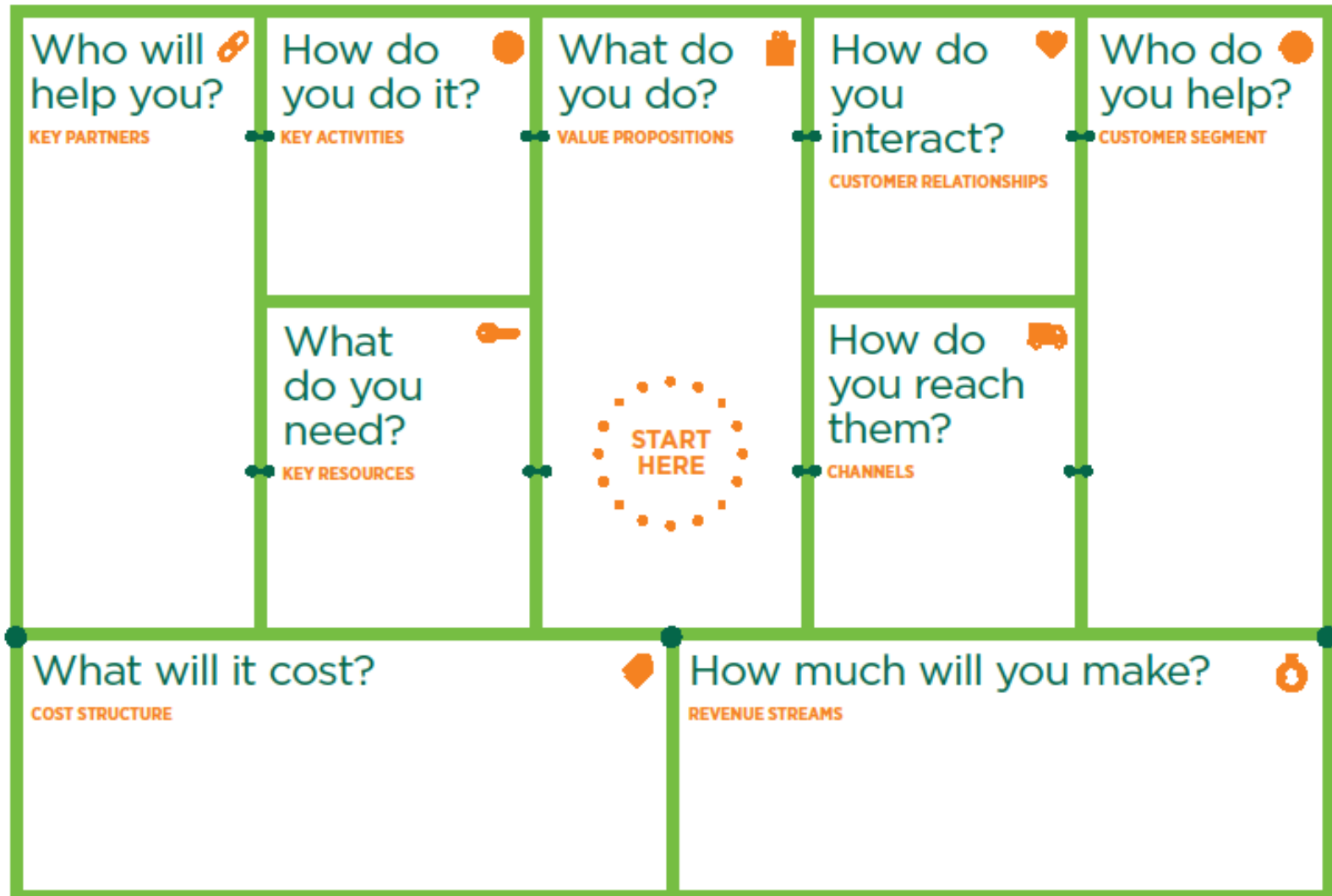
## Questions to answer:

- Which key resources are most/least expensive?
- Which key activities are most/least expensive?
- What are my cost of goods?
- What is my break even, and profit margin?

**\*\*\*REMEMBER to do your homework: Research costs online using competitor information as well as wholesale sites. Lots of information online through trade associations!**



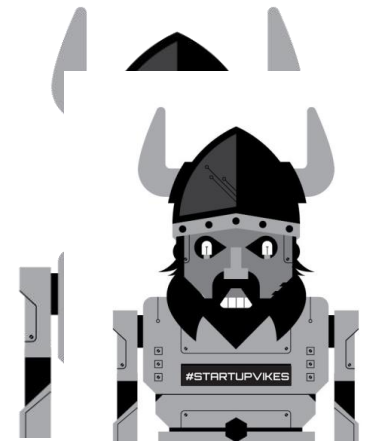
# THE BUSINESS MODEL CANVAS



# Key Partners

## Questions to answer:

- Who are our key partners?
- Who are our key suppliers?
- Who would be a strategic alliance/collaboration?





# CSU

## STARTUP VIKES

