

BUSINESS MODELLING WORKSHOP

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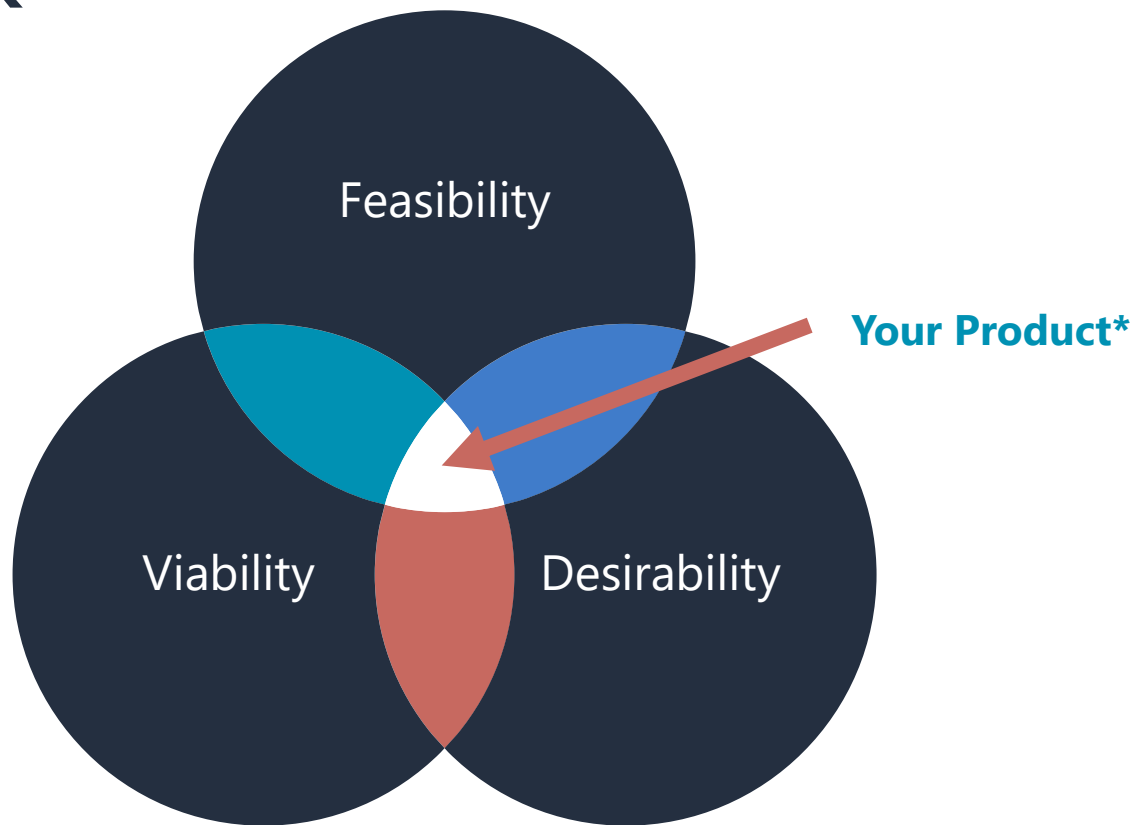
BUSINESS MODELS



BlueHealth
Innovation
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Flash Back



*hopefully



**WHY DO WE NEED A
BUSINESS MODEL?**

(AND NOT A BUSINESS PLAN)





EVERYTHING STARTS
WITH A PLAN.

BUT A BUSINESS PLAN
TAKES TIME.

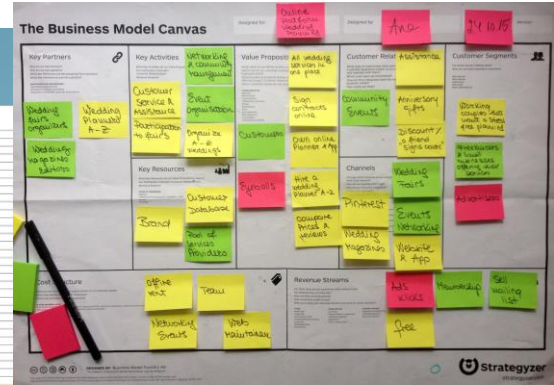
START-UP = TIMEHACKING



BUSINESS PLAN TEMPLATE

Executive Plan	Executive Plan
1. Executive Summary	1.1. Executive Summary
2. The Company	2.1. The Company
3. Market Analysis	3.1. Market Analysis
4. Management Team	4.1. Management Team
5. Financial Projections	5.1. Financial Projections
6. Marketing Strategy	6.1. Marketing Strategy
7. Operations	7.1. Operations
8. Risk Management	8.1. Risk Management
9. Appendix	9.1. Appendix
10. Glossary	10.1. Glossary
11. Bibliography	11.1. Bibliography
12. Index	12.1. Index

A few weeks to a few months of work



1 day of work



"A business model describes the value an organization offers to various customers and portrays the capabilities and partners required for creating, marketing, and delivering this value and relationship capital with the goal of generating profitable and sustainable revenue streams."

~Alex Osterwalder


IN SHORT...



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Business model

From Wikipedia, the free encyclopedia

A **business model** describes the rationale of how an organization creates, delivers, and captures value^[1] (economic, social, cultural, or other forms of value). The process of business model construction is part of [business strategy](#).


In theory and practice the term business model is used for a broad range of informal and formal descriptions to represent core aspects of a [business](#), including purpose, offerings, strategies, infrastructure, organizational structures, trading practices, and operational processes and policies. The literature has provided very diverse interpretations and definitions of a business model. A systematic review and analysis of manager responses to a survey defines business models as the design of organizational structures to enact a commercial opportunity.

^[2] Further extensions to this design logic emphasize the use of narrative or coherence in business model descriptions as mechanisms by which entrepreneurs create extraordinarily successful growth firms.^[3]



IN SHORT...

A business model describes the way in which an organization creates, delivers and sells value.



DIFFERENT MODELS ARE POSSIBLE



Product



Service



Experience

BUSINESS MODEL COMPONENTS

Value Capturing Model

- Customer and Market Segment
- Communication and Distribution Channel
- Customer Relationship

[illegible]

Value Offering Model

Value Proposition
Product and Service Offering
Competitive Model
Competitive Advantage

Value Creation Model

- Organizational Structure
- Resource Model
- Competence Model
- Activities and Processes

Cooperation Model

Structure and Position
Coordination
Maturity

[illegible]

Financial Model

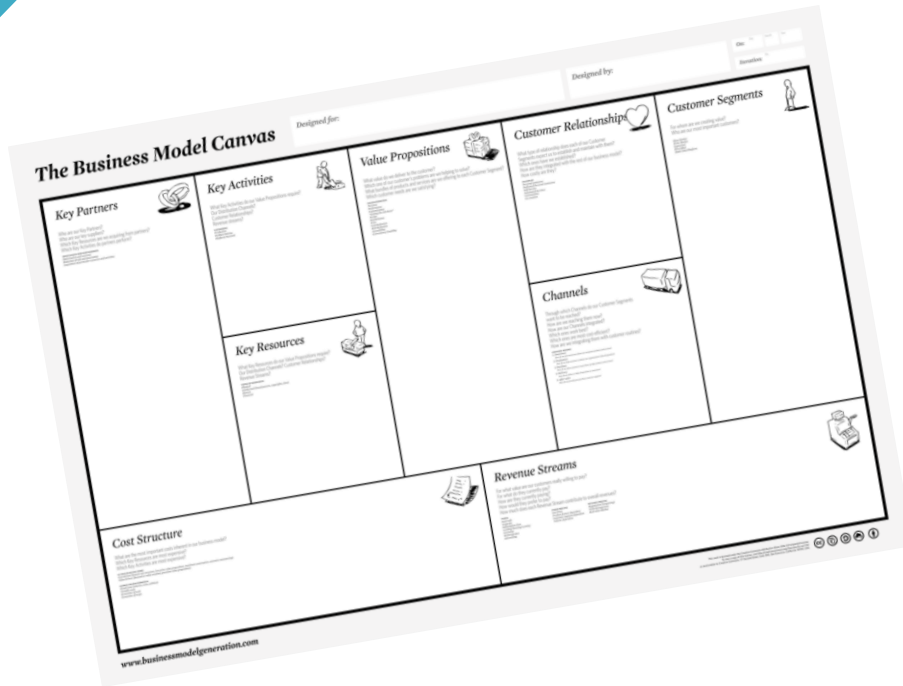
Pricing Model
Funding Model
Revenue Model
Cost Model
Profit Model
Distribution Model

A 6x20 grid of blue squares. White circles are placed in the following positions (row, column):

- Row 1: (1,1), (1,3), (1,10), (1,11), (1,13), (1,14), (1,16), (1,17), (1,19), (1,20)
- Row 2: (2,1), (2,2), (2,4), (2,5), (2,6), (2,7), (2,8), (2,9), (2,10), (2,11), (2,12), (2,13), (2,14), (2,15), (2,16), (2,17), (2,18), (2,19), (2,20)
- Row 3: (3,1), (3,2), (3,3), (3,4), (3,5), (3,6), (3,7), (3,8), (3,9), (3,10), (3,11), (3,12), (3,13), (3,14), (3,15), (3,16), (3,17), (3,18), (3,19), (3,20)
- Row 4: (4,1), (4,2), (4,3), (4,4), (4,5), (4,6), (4,7), (4,8), (4,9), (4,10), (4,11), (4,12), (4,13), (4,14), (4,15), (4,16), (4,17), (4,18), (4,19), (4,20)
- Row 5: (5,1), (5,2), (5,3), (5,4), (5,5), (5,6), (5,7), (5,8), (5,9), (5,10), (5,11), (5,12), (5,13), (5,14), (5,15), (5,16), (5,17), (5,18), (5,19), (5,20)
- Row 6: (6,1), (6,2), (6,3), (6,4), (6,5), (6,6), (6,7), (6,8), (6,9), (6,10), (6,11), (6,12), (6,13), (6,14), (6,15), (6,16), (6,17), (6,18), (6,19), (6,20)

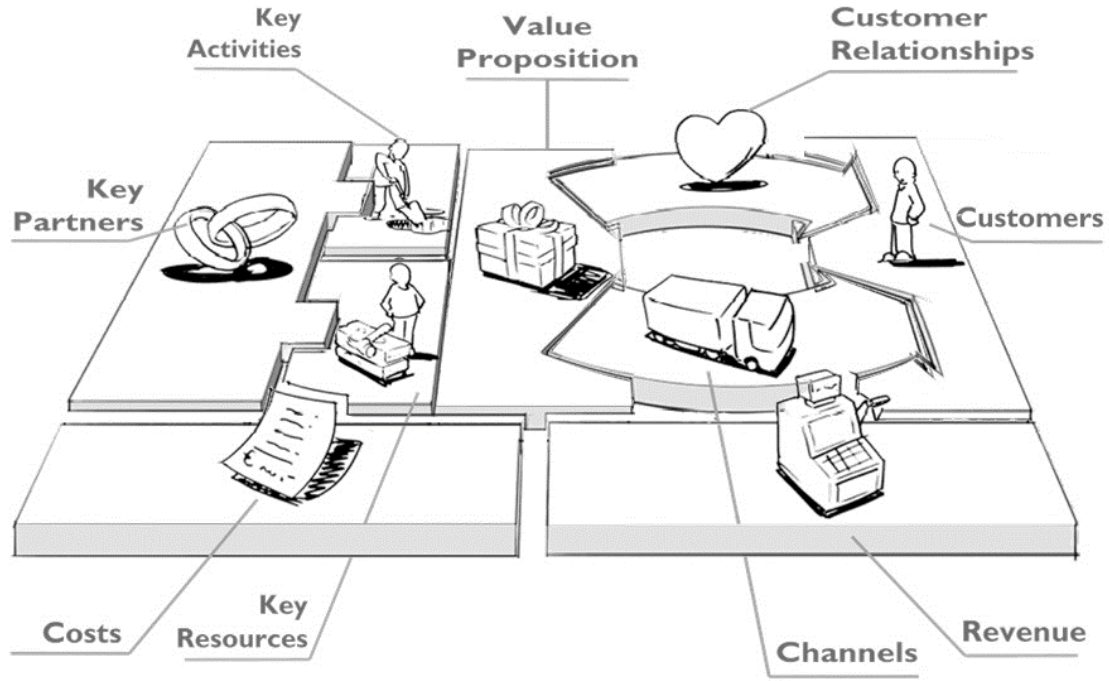
Slywotsky (1996)
Linder and Cantrell (2000)
Mahadevan (2000)
Atuah and Tucci (2001)
Alt and Zimmermann (2001)
Petrović et al. (2001)
Stähler (2001)
Wirtz (2001)
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Chesbrough and Rosenbloom (2002)
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Haaker et al. (2004)
Yip (2004)
Morris et al. (2005)
Ostenwalder et al. (2005)
Schweizer (2005)
Shafer et al. (2005)
Grimscheld (2006)
Kallio et al. (2006)
Aziz et al. (2008)
Ballon (2008)
Johnson et al. (2008)
Lambert (2008)
Richardson (2008)
Shi and Manning (2009)
Al-Debei and Avison (2010)
Demil and Lecocq (2010)
Onetti et al. (2010)
Ostenwalder et al. (2010)
Bieger and Reinhold (2011)

THE BUSINESS MODEL CANVAS



The business model canvas consists of 9 building blocks, which allows you to see in one glimpse how a company or organization is constructed.

THE BUSINESS MODEL CANVAS





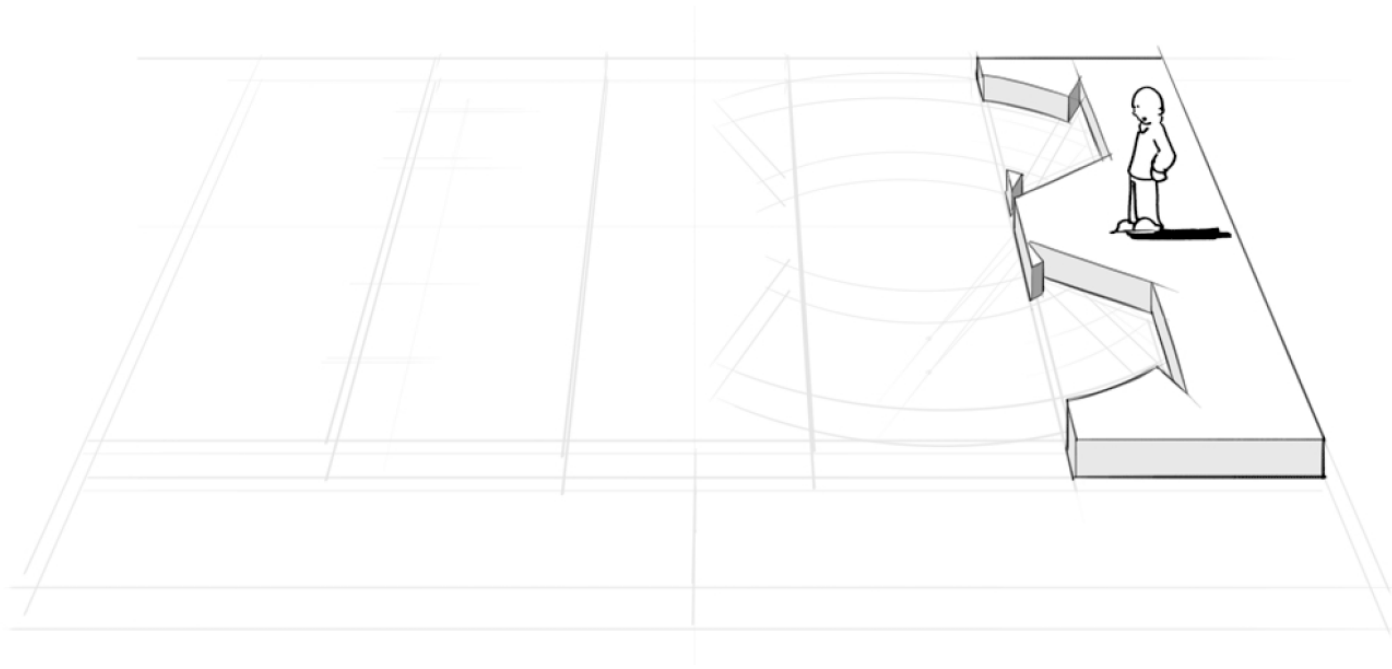
YOUR BMC



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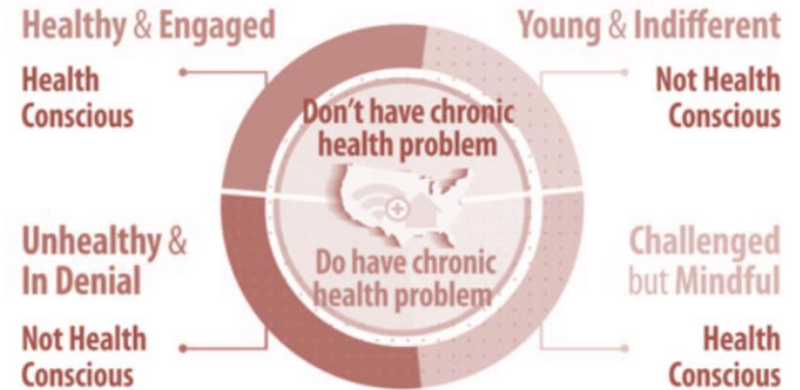
CUSTOMER SEGMENTS



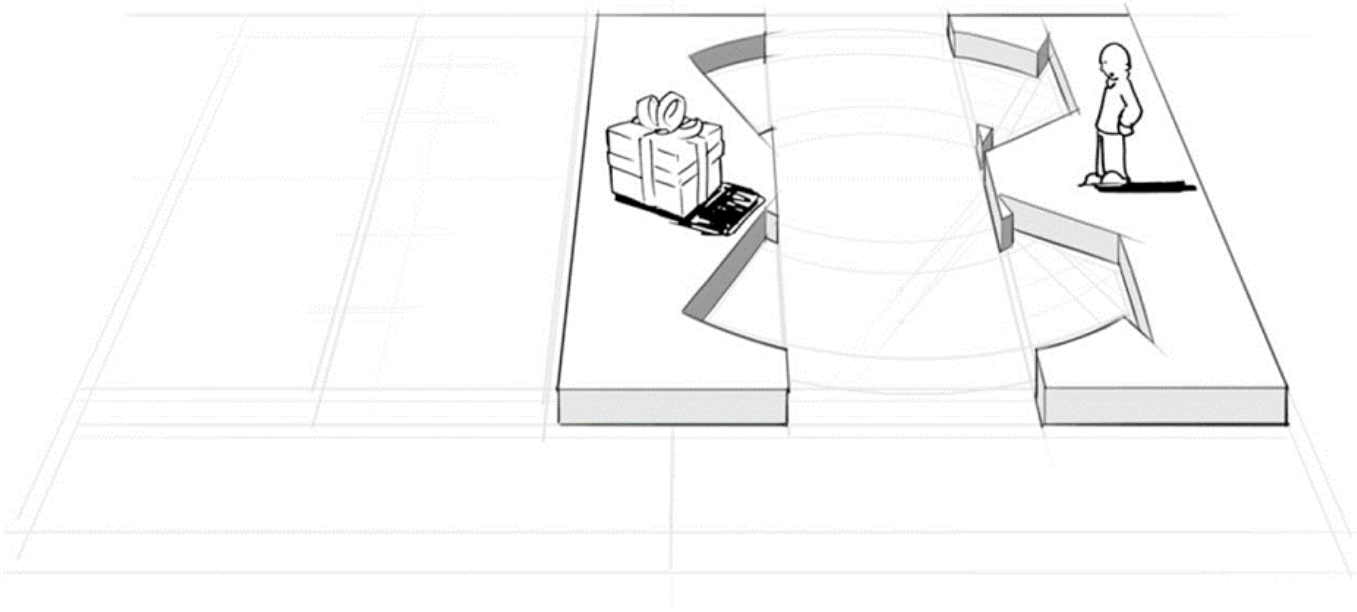
For whom do you create added value?
Who are your most important customers?

CUSTOMER SEGMENTS

- One or many?
- Mass market
- Niche markets
- Segmented (eg insurers)
- Diversified
- Multi-sided



VALUE PROPOSITION

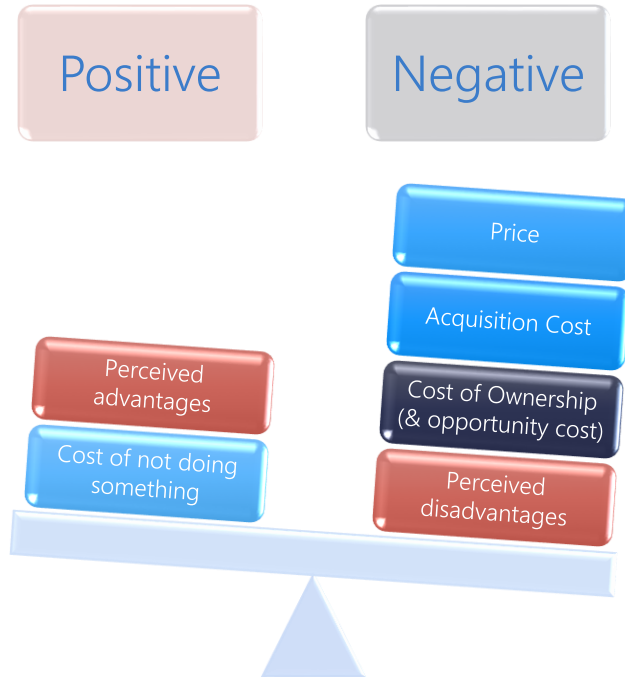


What added value do you deliver for your customer? Which problem do you solve?
What needs to you fulfill? What bundle of products or services do you offer to each segment?

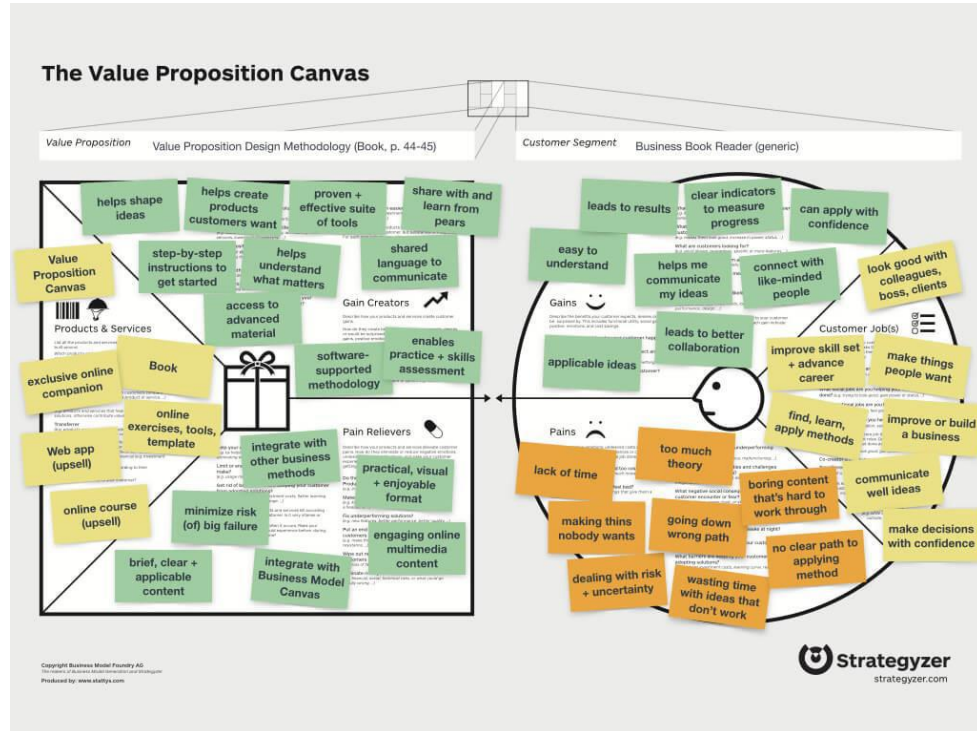
WHAT IS VALUE?



WHAT IS VALUE?



VALUE PROPOSITION CANVAS



WHAT IS VALUE?

- Newness
- Performance
- Customisation
- Getting the job done
- Design
- Brand or status
- Price
- Costreduction
- Risk reduction
- Accessibility
- Usability

VALUE PROPOSITION CANVAS

VALUE:

Benefits you design to attract customers

CUSTOMER SEGMENT:

Characteristics you assume, observe and verify in the market

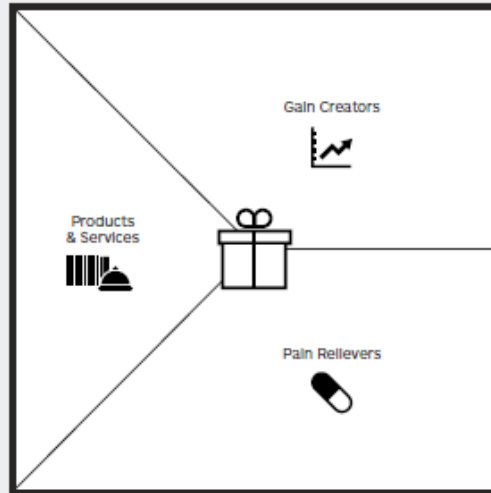
FIT:

The way in which your value prop answers the demand of the customer segment

VALUE PROPOSITION:

Benefits customers can expect from your product or service

The Value Proposition Canvas



WITHIN YOUR CONTROL

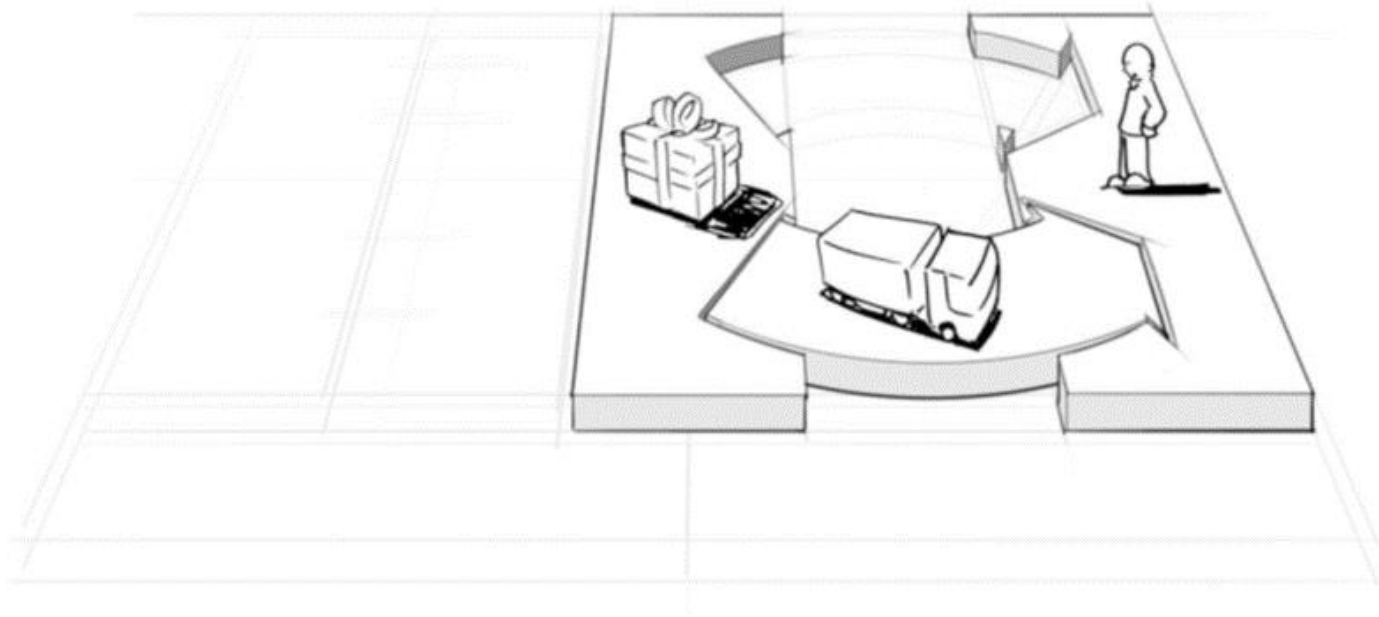


OUTSIDE YOUR CONTROL

ONE PHRASE

Our <solution> helps <customer> who
<JTBD> by <verb> <painpoint> and
<verb> <profit> despite <competition>

CHANNELS

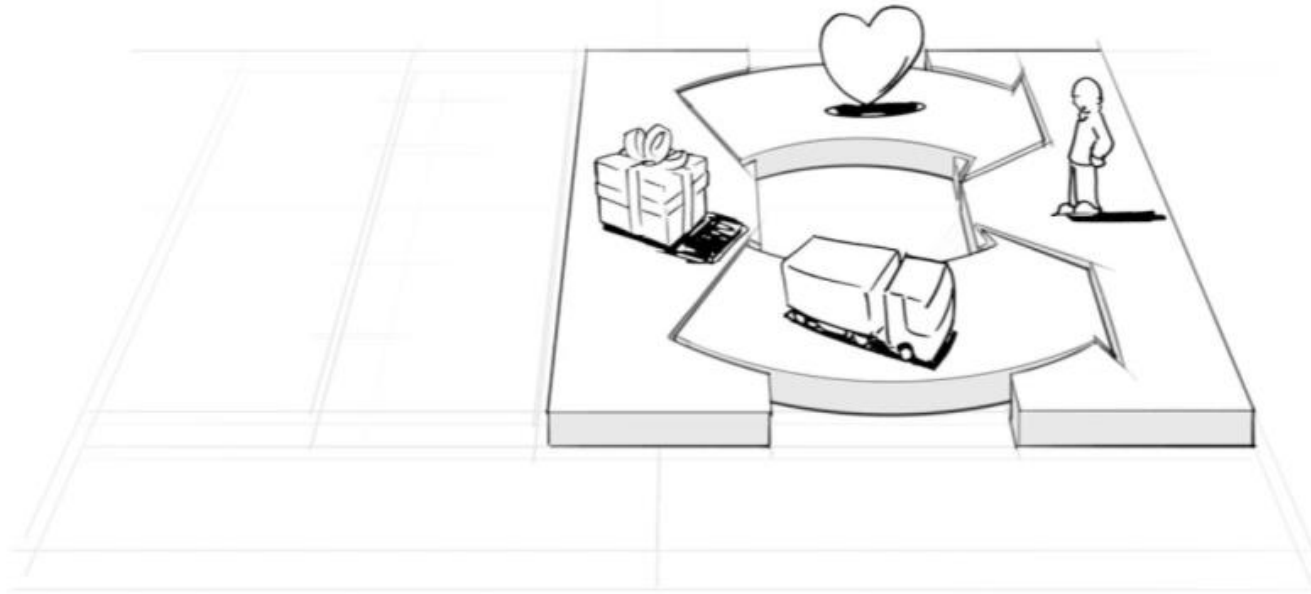


Through which channels will you reach customers? Which channels work best?
How do we integrate channels in the buying behavior of our customers?

CHANNELS

- Channels for various phases of the GTM lifecycle:
 - Awareness
 - Evaluation
 - Purchase
 - Delivery
 - Aftersales support
- Direct or indirect
- Own channels or partner channels

CUSTOMER RELATIONSHIPS



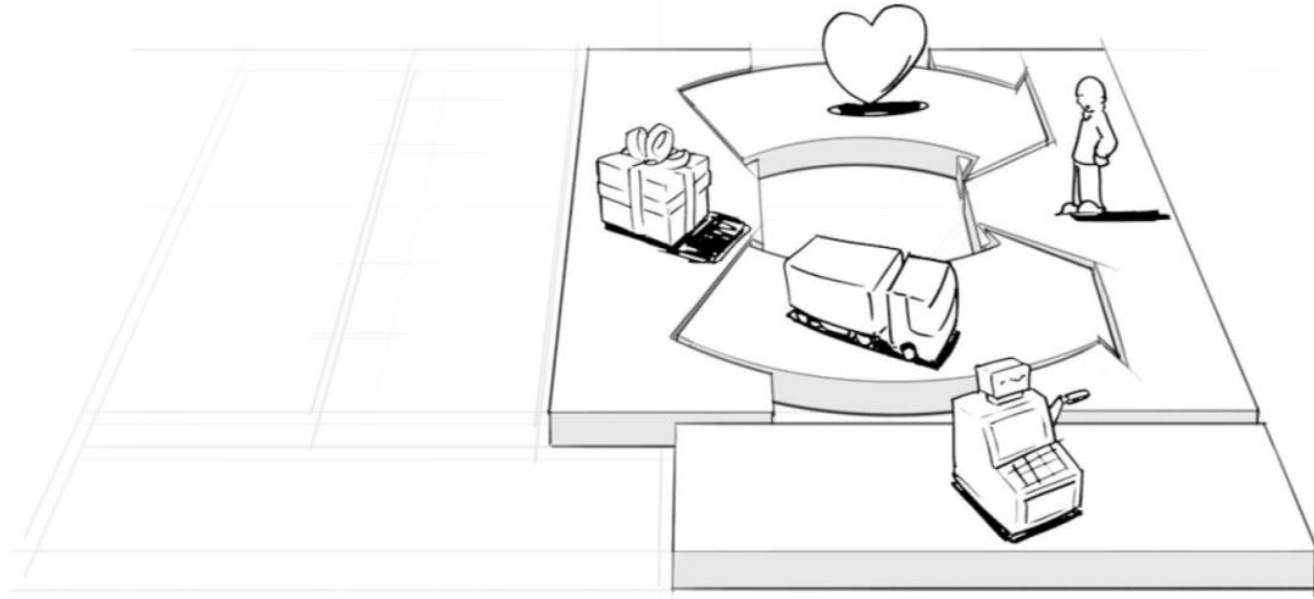
What kind of relationship does our customer want? How do we approach these? How do we maintain these? How much do they cost? How will we integrate these with the rest of our business model?

CUSTOMER RELATIONSHIPS

- Dedicated relationship (named)
- 1:1 personal relationship (physical, phone, email, socialmedia...)
- Self-service
- Automated services
- Communities
- Co-creation



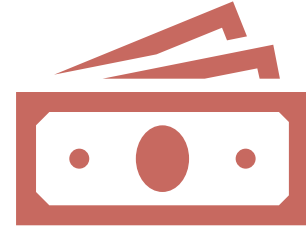
REVENUE STREAMS



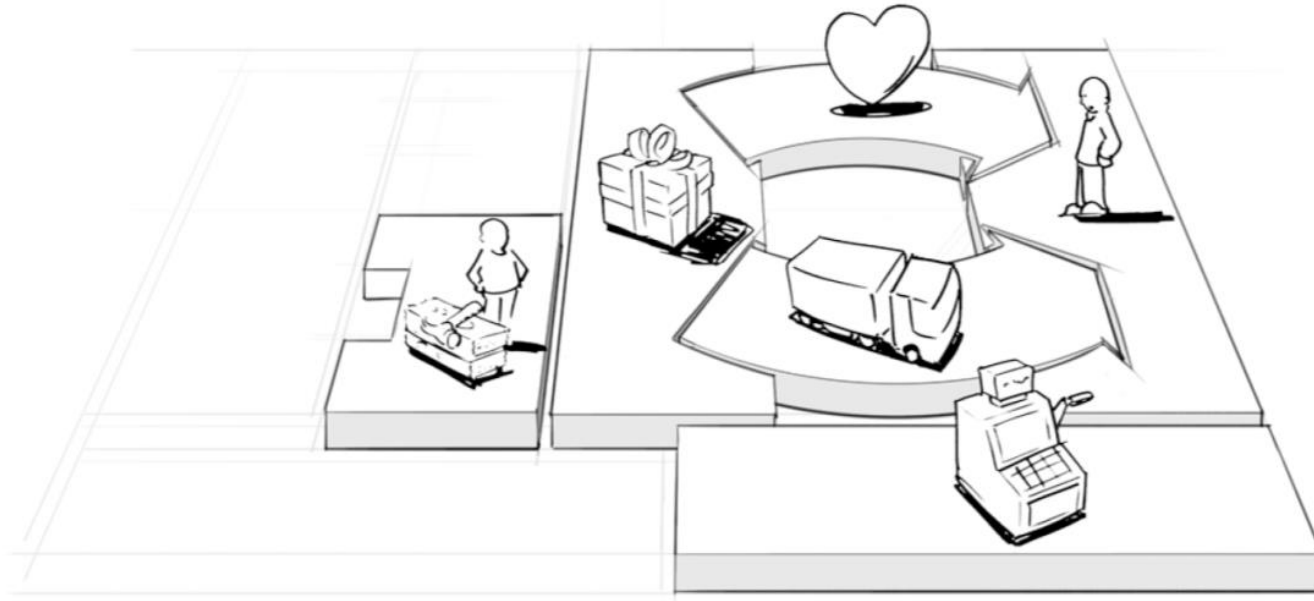
For what value are customers willing to pay? What do they pay for now?
How do they want to pay? How much does every stream generate?

REVENUE STREAMS

- Two basic types of revenues:
 - One-time
 - Recurring
- How?
 - Asset sale
 - Usage-based
 - Subscription fee
 - Leasing
 - Licensing
 - Brokerage fees
 - Advertising
- Fixed: fixed; feature dependent; segment dependent; volume dependent
- Dynamic: negotiation; yield; real-time; auctions



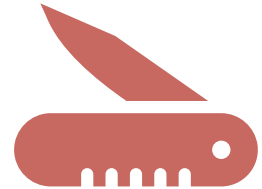
KEY RESOURCES



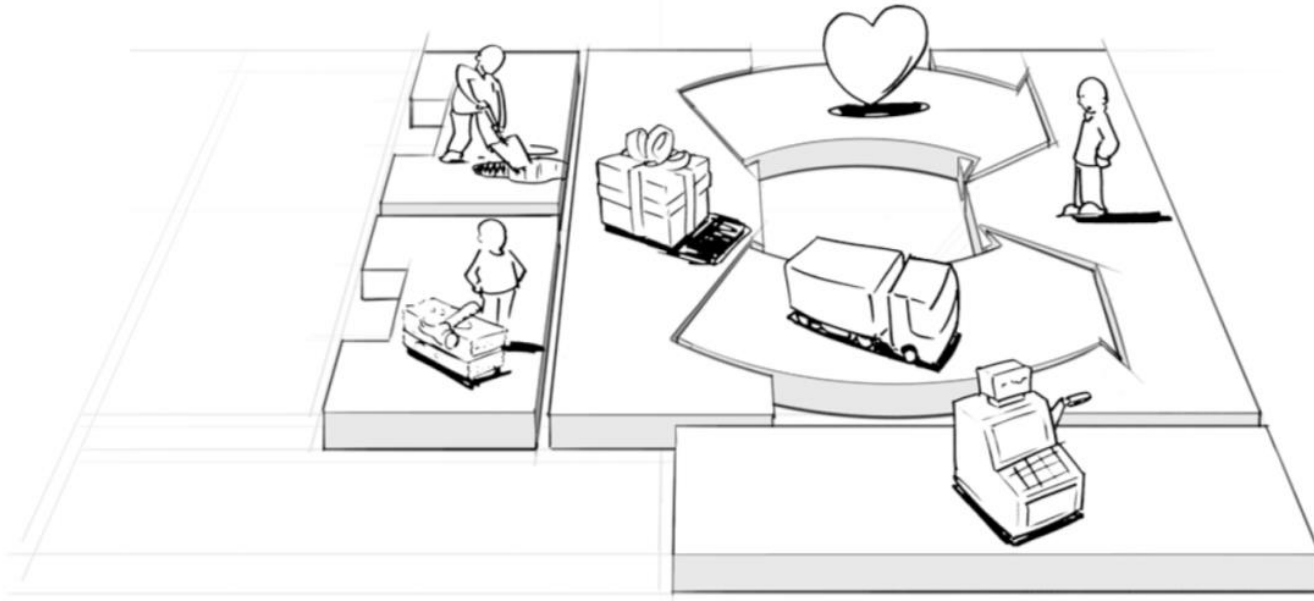
What resources do we need? What do our distributors need?
Customer relations? Revenue streams?

KEY RESOURCES

- Types of resources:
 - Physical (facilities, raw resources, technology)
 - Intellectual (Brand, IP, SW, Data...)
 - Human
 - Financial
- Own resources or partners' resources



KEY ACTIVITIES



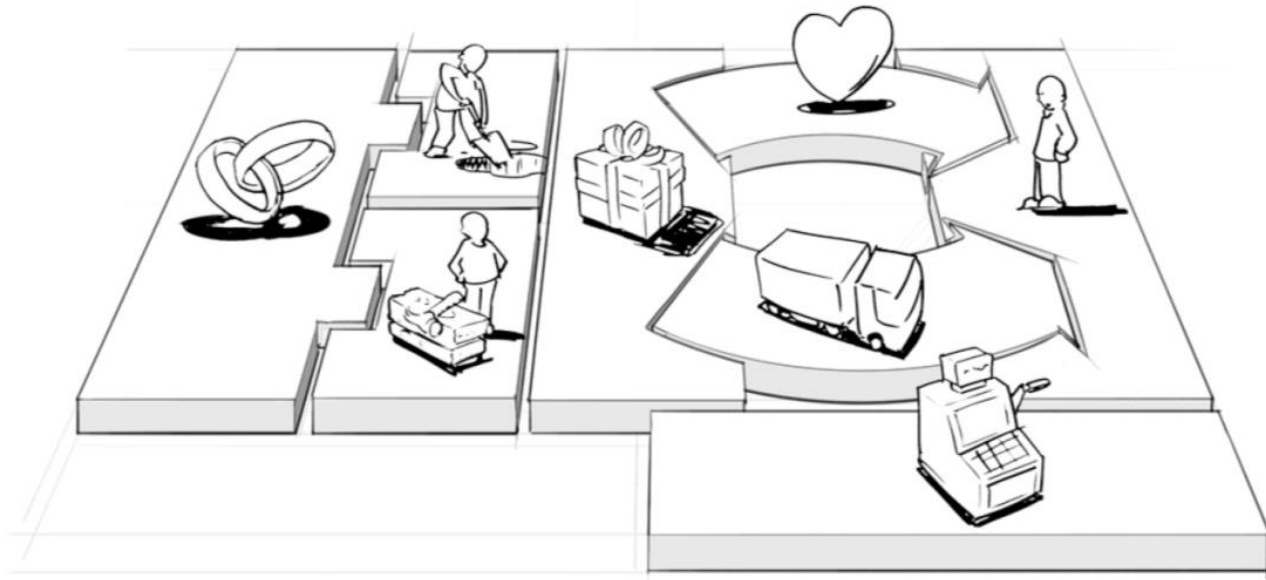
What do we need to do to create our value? For our distributors?
Customers? Revenue streams?

KEY ACTIVITIES

- Internal organisation
- Who does what?
- Types of activities:
 - Production
 - Problem solving
 - Relationship building
 - Intellectual labor (eg software development)



KEY PARTNERS



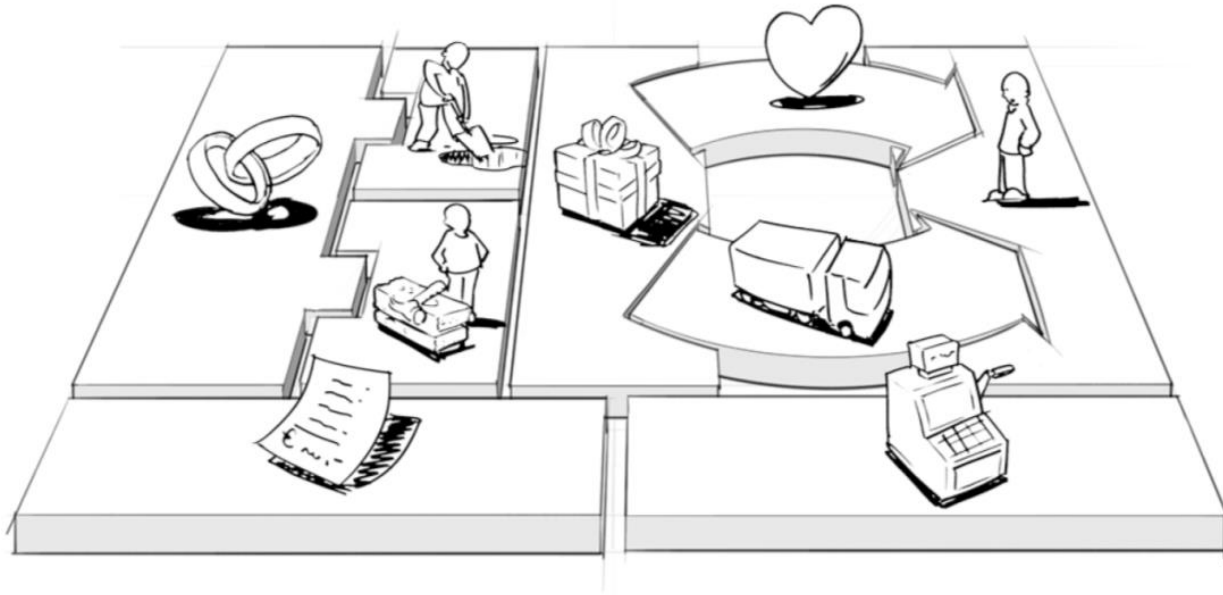
Who are our key partners? Who are the most important suppliers?
What will we insource? With whom?

KEY PARTNERS

- Types of partnerships:
 - Strategic (non-competitive)
 - Coopetition
 - Joint ventures
 - Buyer-supplier
- Why?
 - Economy of scale
 - Risk avoidance (eg standards)
 - Necessity/ efficacy/ speed

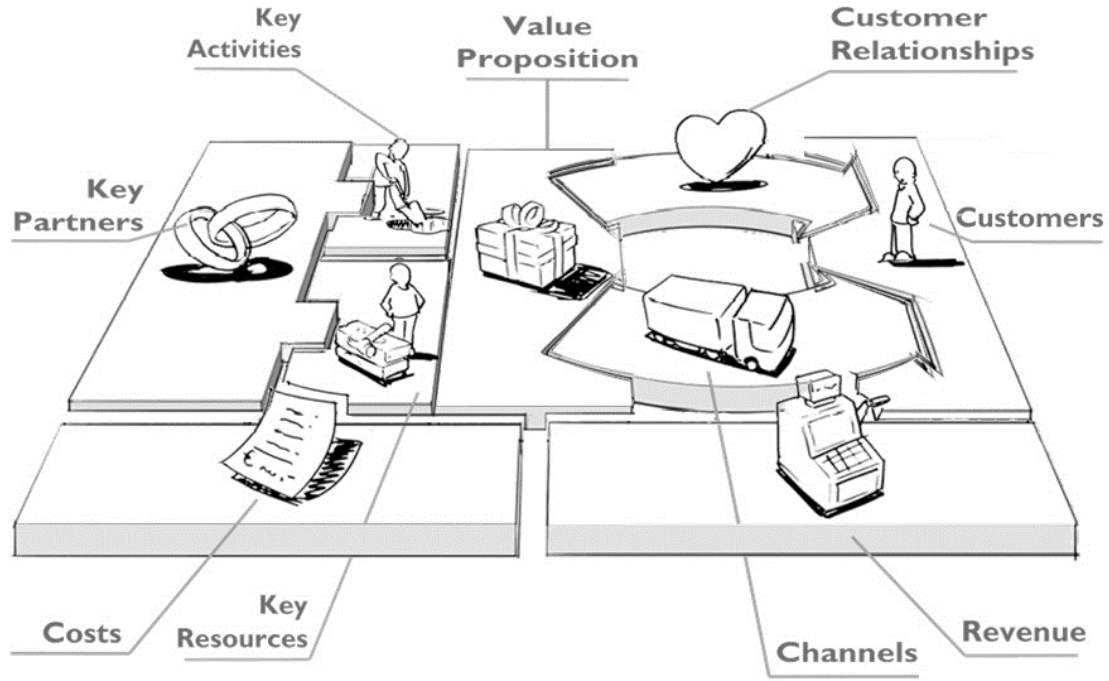


COST STRUCTURE



What are the most important cost components? What resources are the most expensive? Which activities cost the most?

THE BUSINESS MODEL CANVAS



THE CHECKLIST

1. Do the 9 blocks create a consistent and logical story?
2. Is your model sufficiently unique to protect against competition?
3. Do you have recurring incomes?
4. How scalable is your business model?
5. How easy can customers migrate to the competition?
6. Does your model take advantage of new trends?
7. What's a concrete first step?

ARCHETYPES

- Freemium (Skype)
- Reverse Freemium (Insurance)
- Two sided market (Uber)
- Robin Hood (TOMS)
- Branching (Fibricheck)
- Bricks-and-Clicks (Colruyt)
- Open Business Model (inside-out / outside-in) (P&G)
- Long Tail (Sharing Economy) (Helpper)
- Mosaic Financing (mixed reimbursement)



Two-Sided Market



Share Tail Economy

Helper verbindt mensen die thuishulp zoeken voor dagdagelijkse taken met hulpvaardige buurtbewoners die een centje willen bijverdienen.

Ik zoek een helper



Ik heb een PVB/PAB budget



Ik wil helper worden



Hoeveel betaal ik?

Per (half)uur

Per gepresteerd uur betaal je **€9** (of €4,50 voor 30 minuten). Dit bedrag omvat:

- ✓ de vergoeding van de helper
- ✓ twee verzekeringsproducten (meer info op de pagina [verzekering](#))
- ✓ de kost van de financiële transacties
- ✓ de kost van onze administratie

En hoeveel krijgt mijn helper?

Jouw helper ontvangt **€7 per gepresteerd uur**.

Dankzij de Onbelast Bijklossen en Deeleconomie wetgeving, betaalt de helper hier geen belasting op.

Wat overblijft dekt de BTW, de kost voor de verzekeringen, de kost van de financiële transacties en onze ondersteuning voor jou en je helper(s).



Robin Hood



1 PAIR OF GLASSES = SIGHT FOR 1 PERSON

Optical frames that improve your sight and help restore sight to an individual by supporting a full eye exam and sight-saving surgery, prescription glasses or medical treatment.

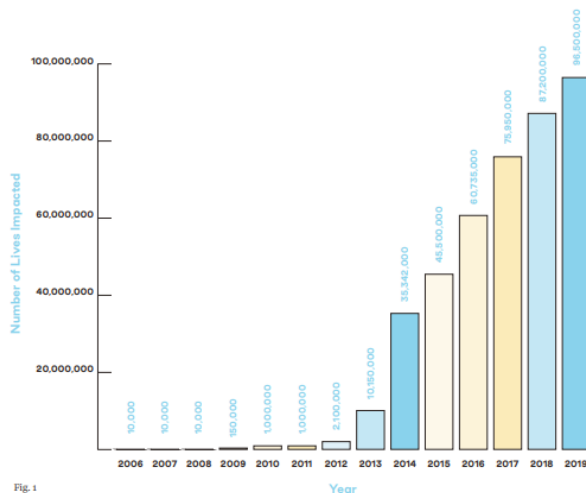
Find the closest store and try our frames on in person. [Find a retailer >](#)



13 Years of Giving at TOMS®

6 **Our mission is using business to improve lives.**

Lives Impacted



96.5 million lives impacted—and counting

Number
of Shoes
Given

95 million pairs

**Top 3
Shoe
Giving
Benefits**

1
Basic Protection

TOMS Giving Shoes help to protect against infections, as well as injury and disease.

2
Greater Access
to Education

Families no longer need to spend money on shoes for school, and can focus on other needs.

3
Emotional
Well-Being

TOMS Giving Shoes help increase a sense of well-being and self-worth among recipients.

Number of
Sight Restorations
780,000

Weeks of Safe
Water Given
722,000

**Amount Dedicated to Impact Grants:
\$6.5 Million Committed**

205
Giving
Partners

Certified



®

Corporation

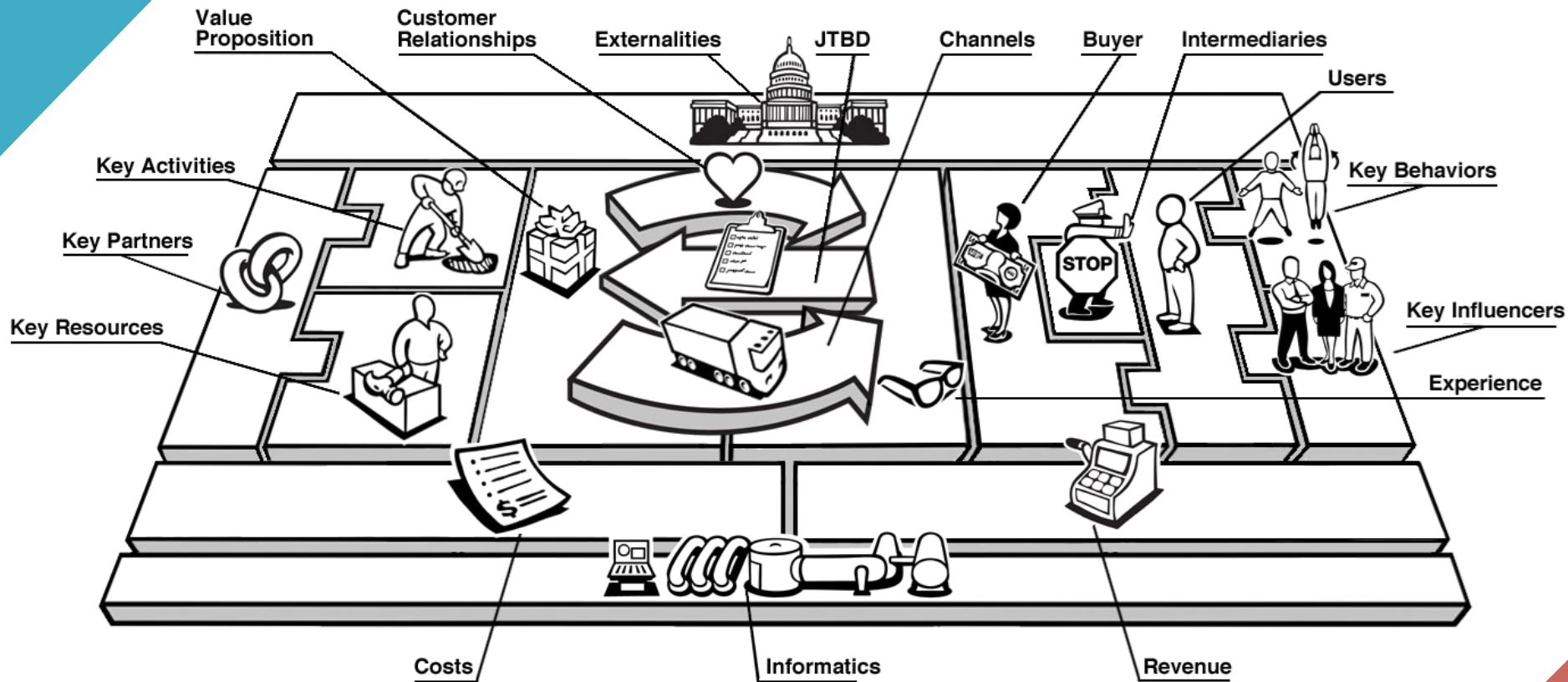


MODELH

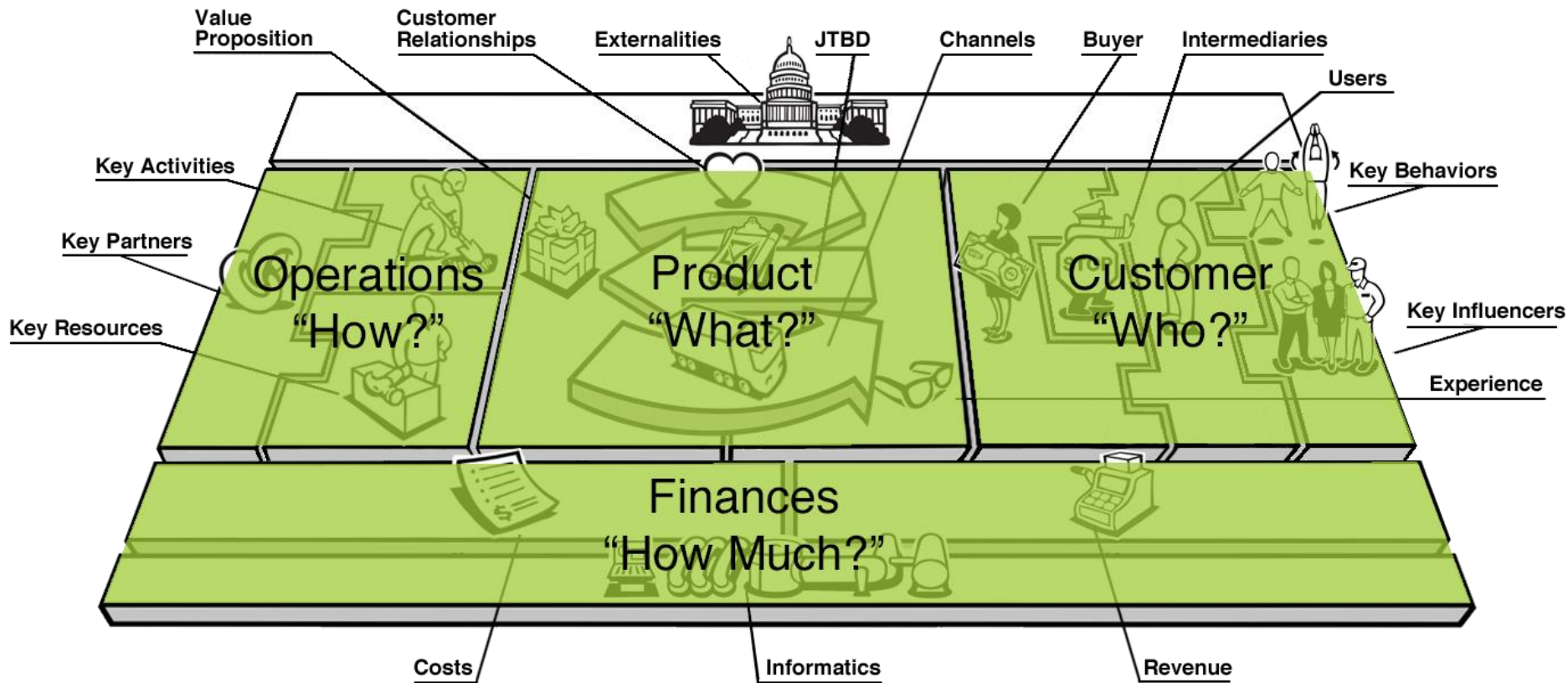


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Source: [modelH](#) Business Model Canvas for Healthcare by Kevin Riley & Associates. Drawings by Mike Werner.



Source: [modelH](#) Business Model Canvas for Healthcare by Kevin Riley & Associates. Drawings by Mike Werner.

Who is the customer?



BUYER



USER

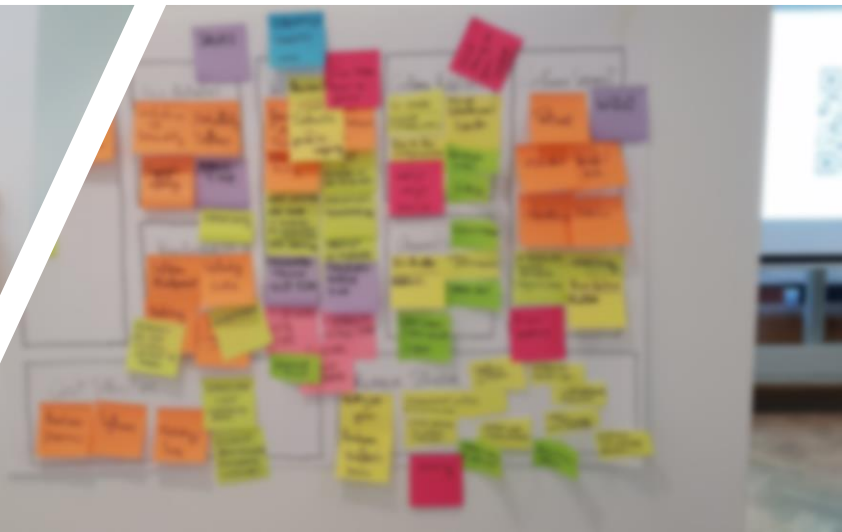


INTERMEDIARIES

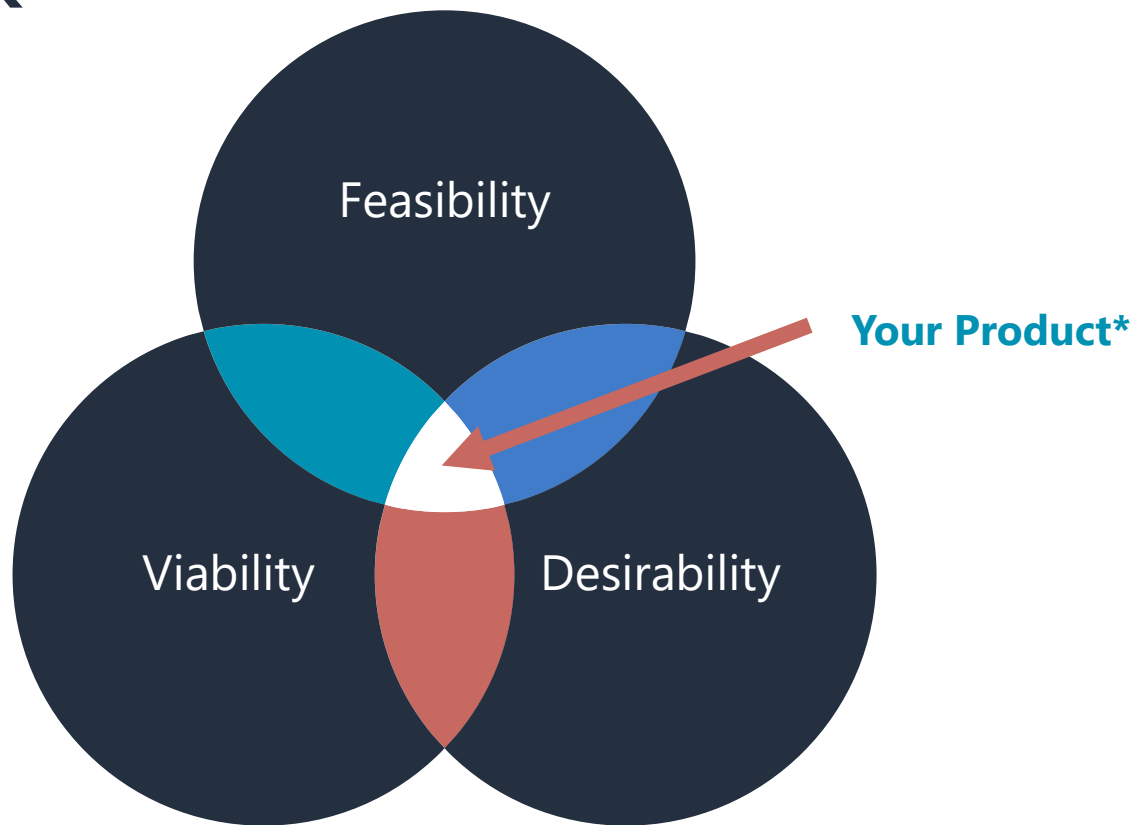


KEY
INFLUENCERS

KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITION	J OBS TO BE DONE (J TBD)	BUYER	KEY BEHAVIORS
	KEY RESOURCES	EXPERIENCE		USER	KEY INFLUENCERS
		CHANNELS	CUSTOMER RELATIONSHIPS	INTERMEDIARIES	
		COSTS		REVENUE	
EXTERNALITIES			INFORMATICS		



Flash Back



*hopefully



**It's all 'bout the money
It's all 'bout the dun dun do do do dumb**

IT'S ALL 'BOUT THE EXECUTION...





Questions





BlueHealth Innovation Center

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THANK YOU!

C-Mine Crib
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3600 Genk

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Lange Gasthuisstraat 29
2000 Antwerpen

De Krook
Miriam Makebaplein 1
9000 Gent

