Tools for Business Model Canvas Design

14 November – Interactive Workshop

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haute école neuchâtel berne jura arc gestion neuchâtel delémont
Hes·so
Haute Ecole Spécialisée de Suisse occidentale
Fachhochschule Westschweiz
University of Applied Sciences and Arts Western Switzerland

Topics

Computer-Aided Business Model Design

Elicitation

- From paper to screen
- A different view
- Design a better model

Assessing

- Rule Of Thumb Calculations

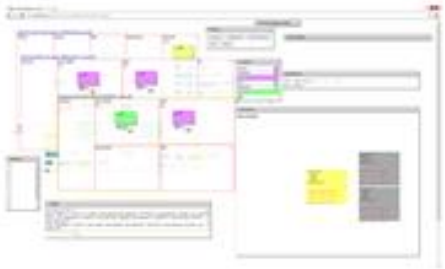
Evolution

- Using layers to visualize transformation

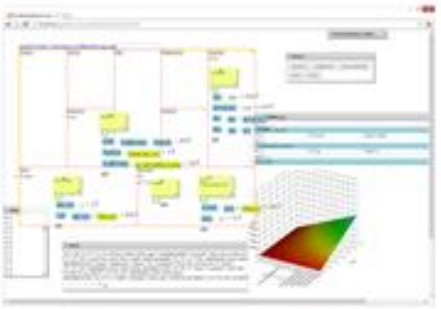
http://www.fritscher.ch/blog/workshop/tools-for-business-model-canvas-design/

Prototypes

A.1 Business Model Designer



A.2 Business Object Modeler



A.3 Business Model Calculation

A.4 Business Model Diver

A.5 Business Model Rules

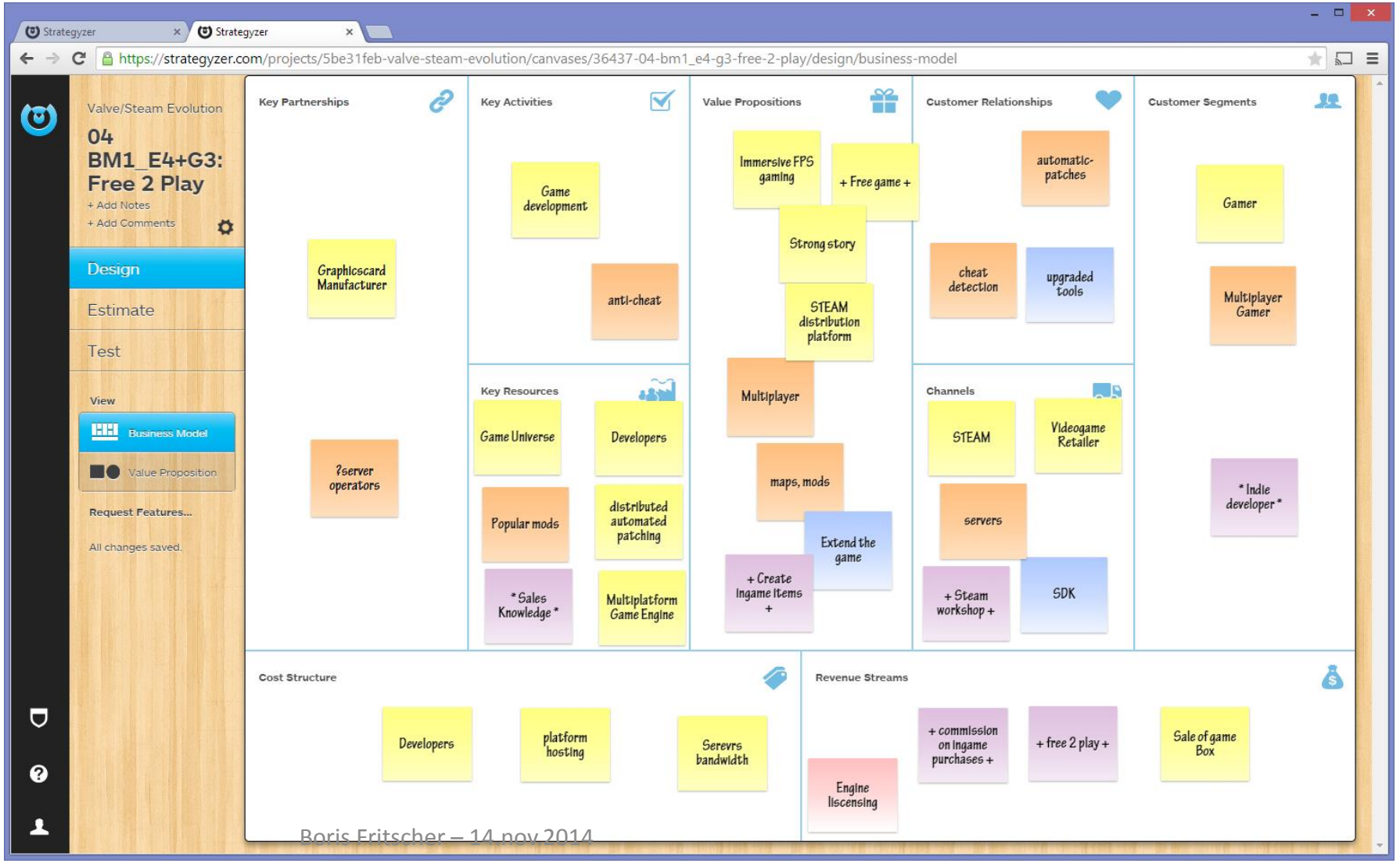
A.6 Business Model Layers

A.7 Strategy Canvas

A.8 Business Model Text

A.9 Business Model Types

Application: Strategyzer.com



Computer-Aided Business Model Design

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Context

Faster production cycles

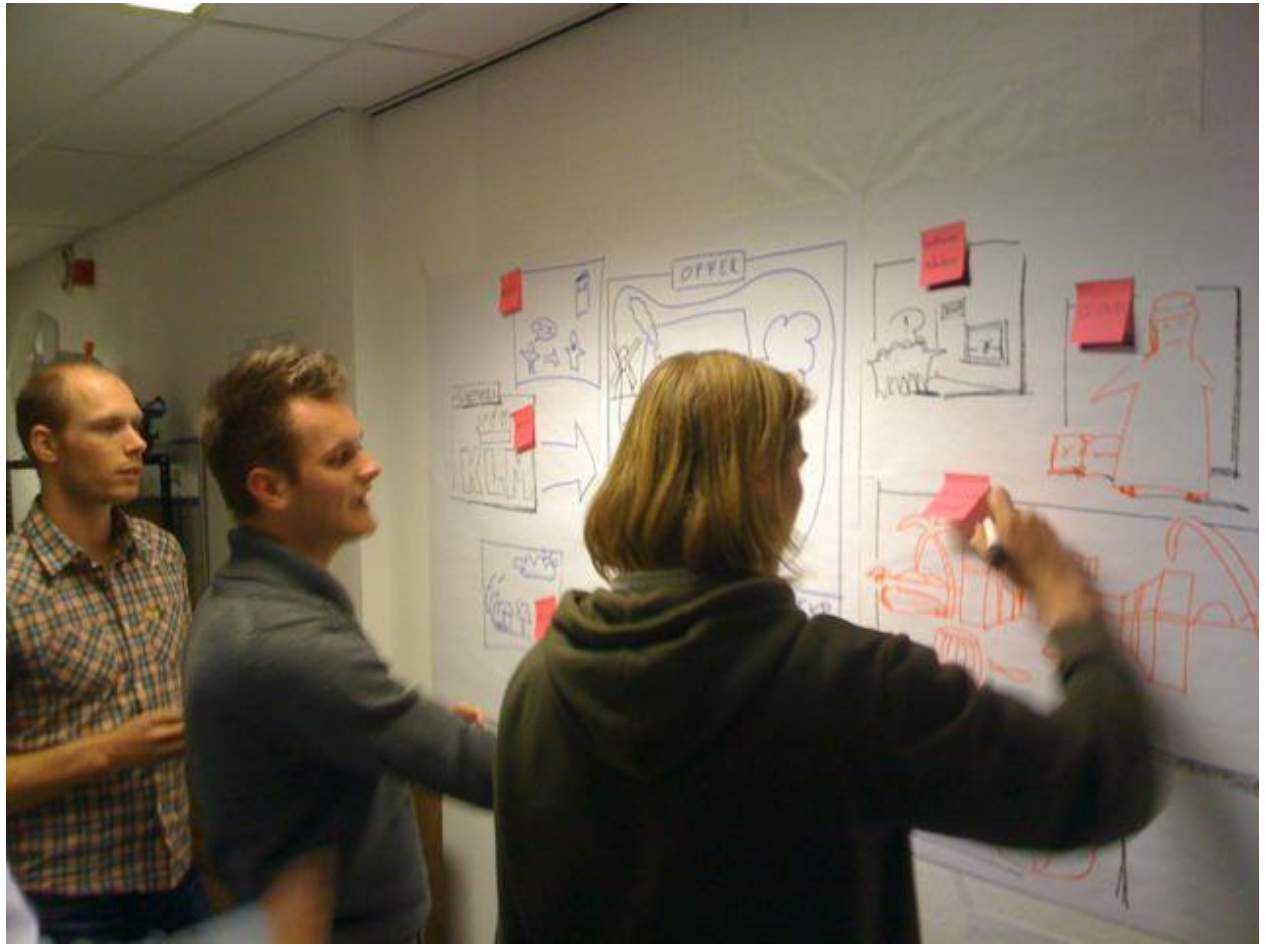
Strategic level

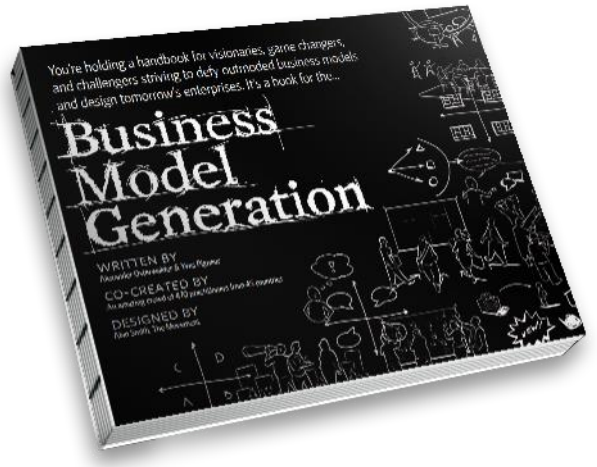
business model unit of analysis

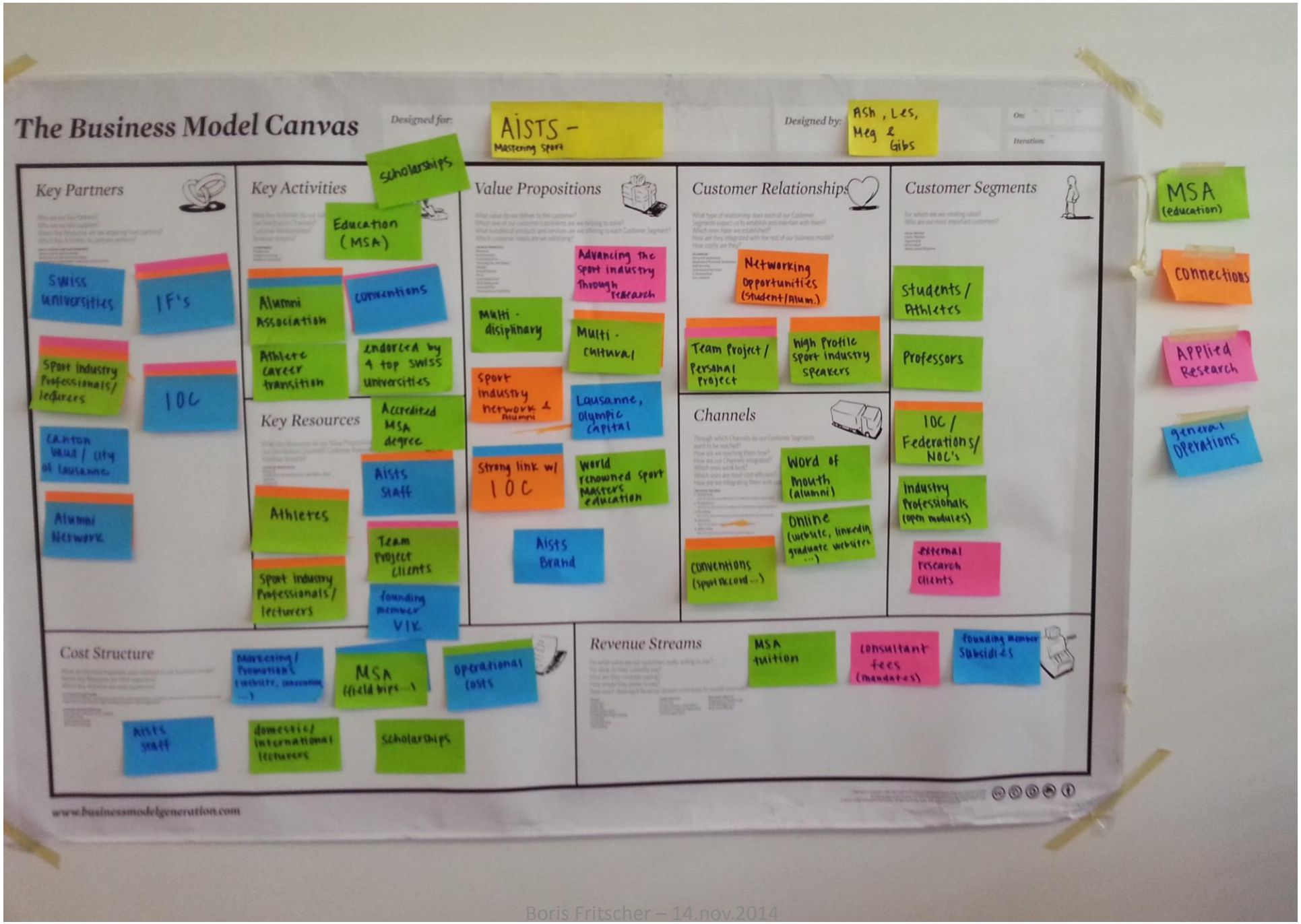
Current tools generic

or too constraining

Business Model Design






The Business Model Canvas
Designed for:
AISTS – Mastering Sport
Designed by:
Ash, Les, Meg & Gibs
On:
Iteration:
Key Partners
Swiss universities
IF's
Sport industry Professionals/ lecturers
IOC
Canton Vaud / City of Lausanne
Alumni Network
Key Activities
Scholarships
Education (MSA)
Alumni Association
Conventions
Athlete career transition
Endorced by 4 top Swiss universities
Key Resources
Accredited MSA degree
AISTS staff
Athletes
Team Project clients
Sport industry Professionals/ lecturers
founding member VIK
Value Propositions
Advancing the sport industry through research
Multi - disciplinary
Multi - cultural
Sport industry network & Alumni
Lausanne, Olympic capital
Strong link w/ IOC
World renowned sport Masters education
AISTS Brand
Customer Relationships
Networking opportunities (Student/Alum.)
Team Project / Personal project
High profile sport industry speakers
Channels
Word of Mouth (alumni)
Online (website, linkedin graduate websites ...)
Conventions (sportaccord ...)
Customer Segments
Students / Athletes
Professors
IOC / Federations/ NOC's
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External research clients
MSA (education)
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Applied Research
general Operations
Cost Structure
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Operational costs
AISTS staff
domestic/ international lecturers
Scholarships
Revenue Streams
MSA tuition
Consultant fees (mandates)
founding member Subsidies
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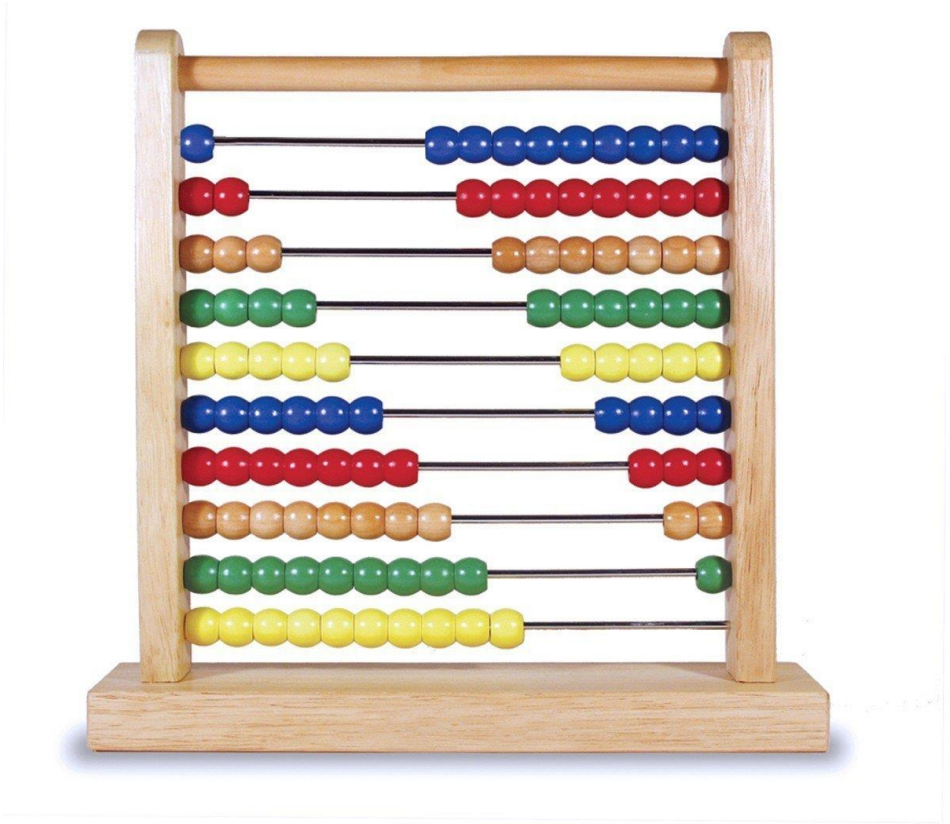
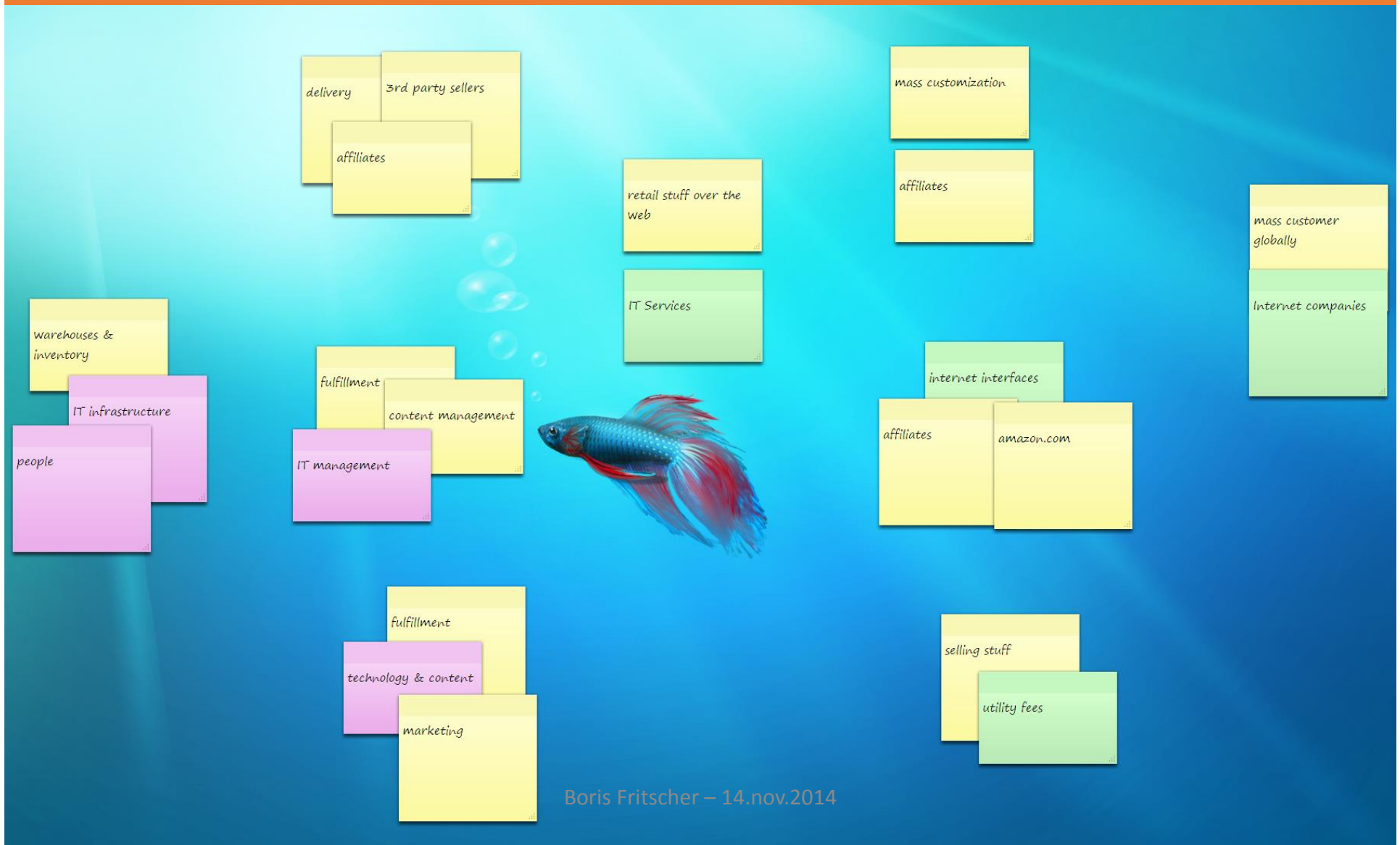
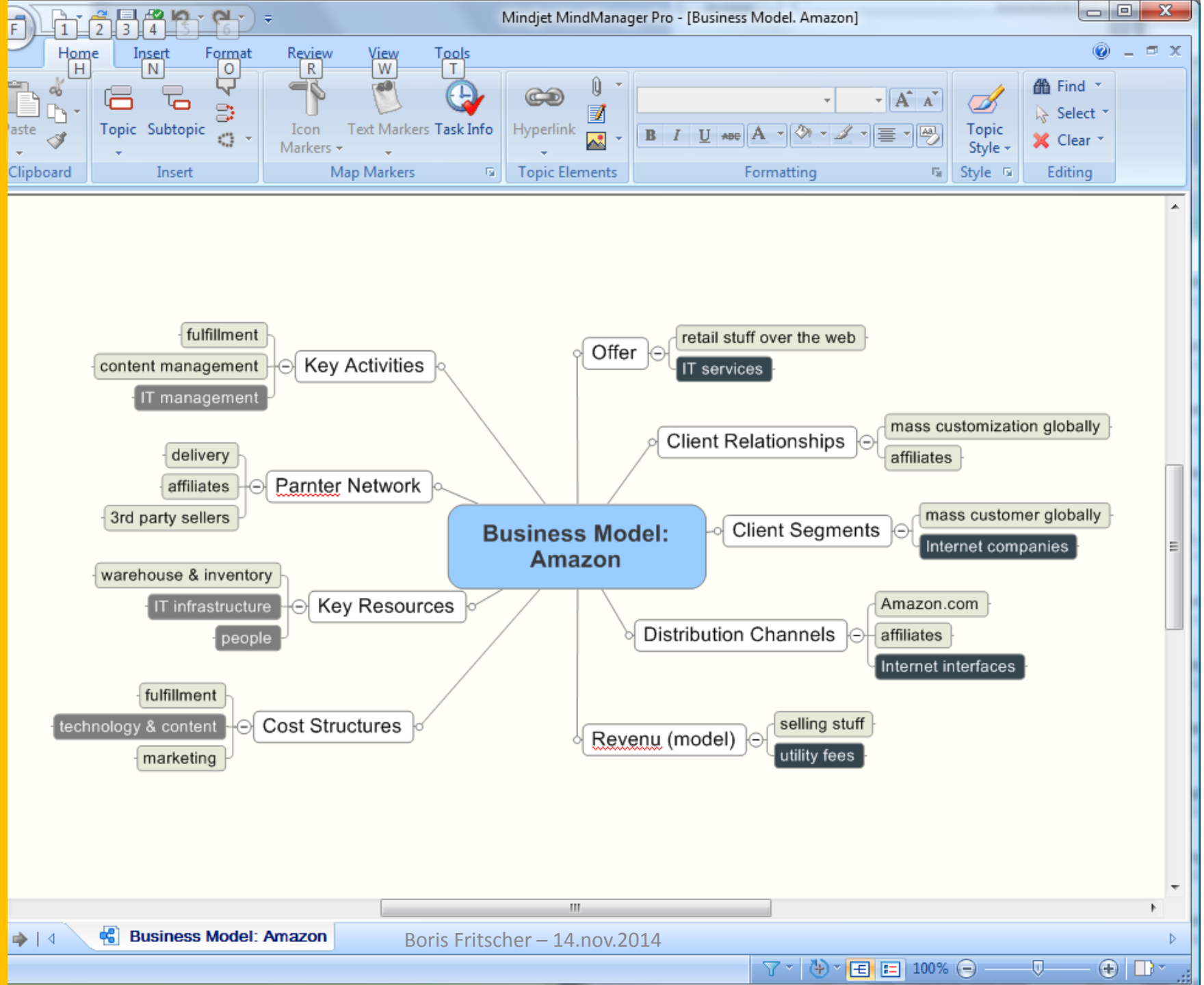
Computer Aided Design

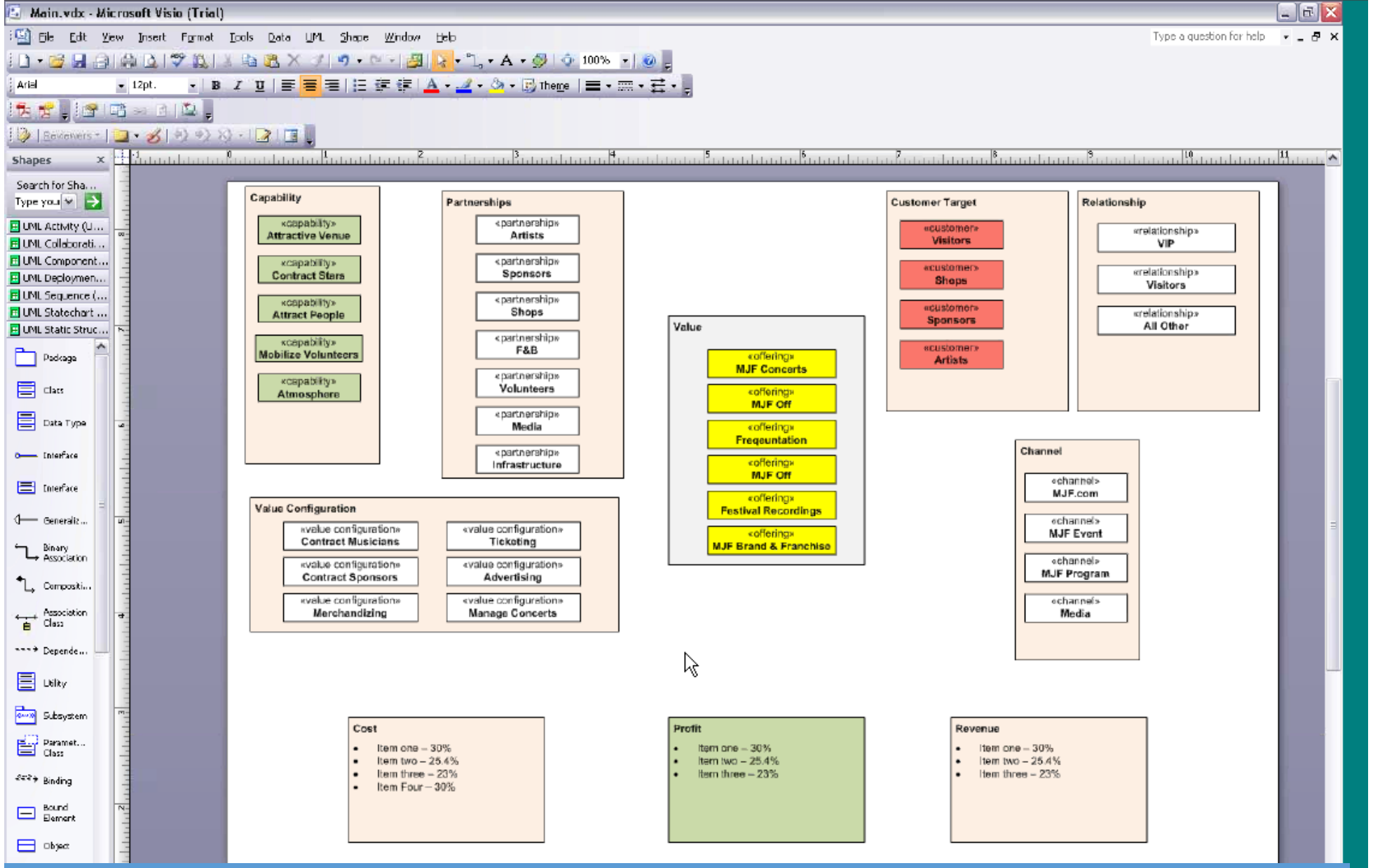


Digital Copy Paper Pattern

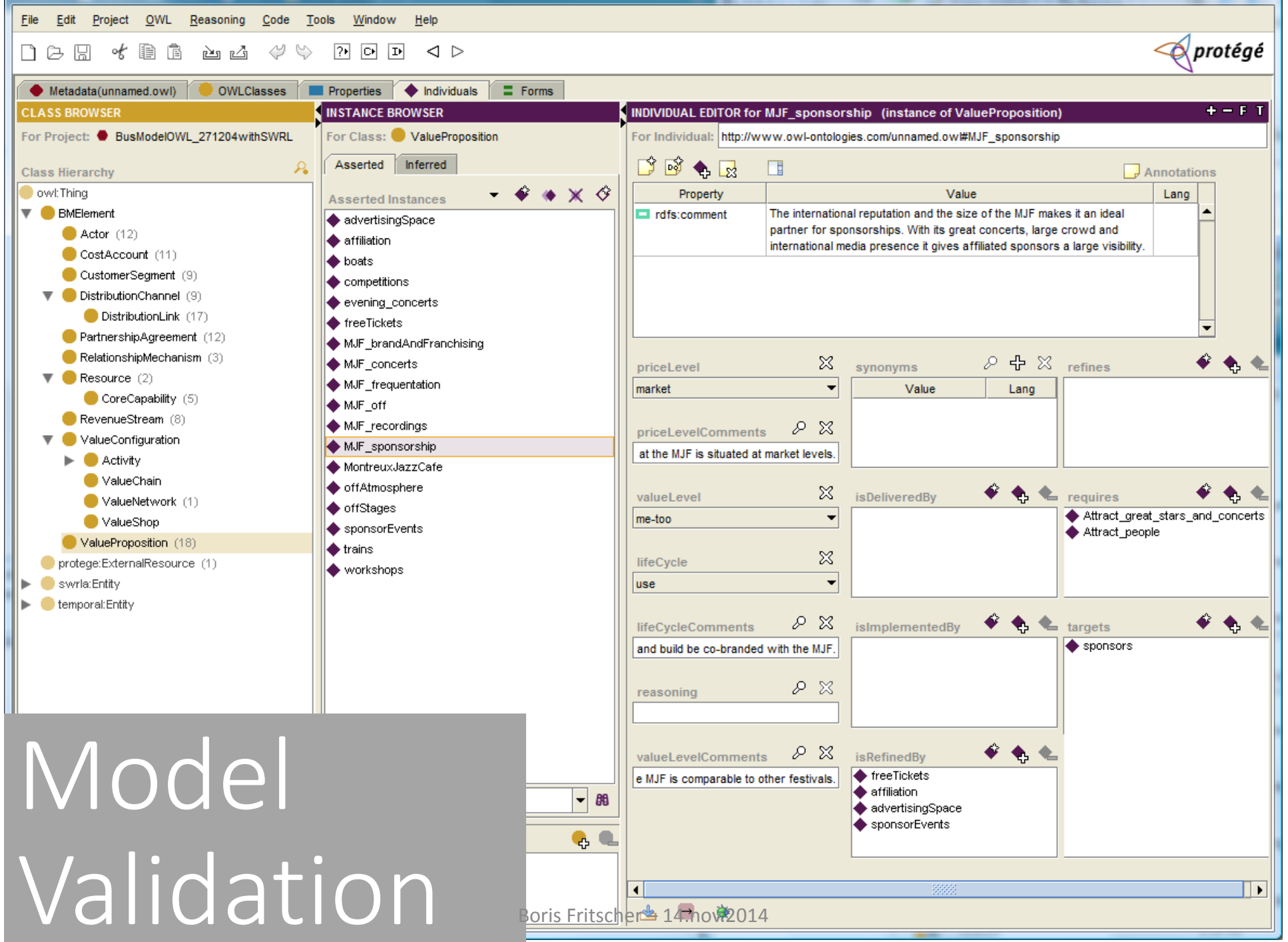


Digital Flexible Model



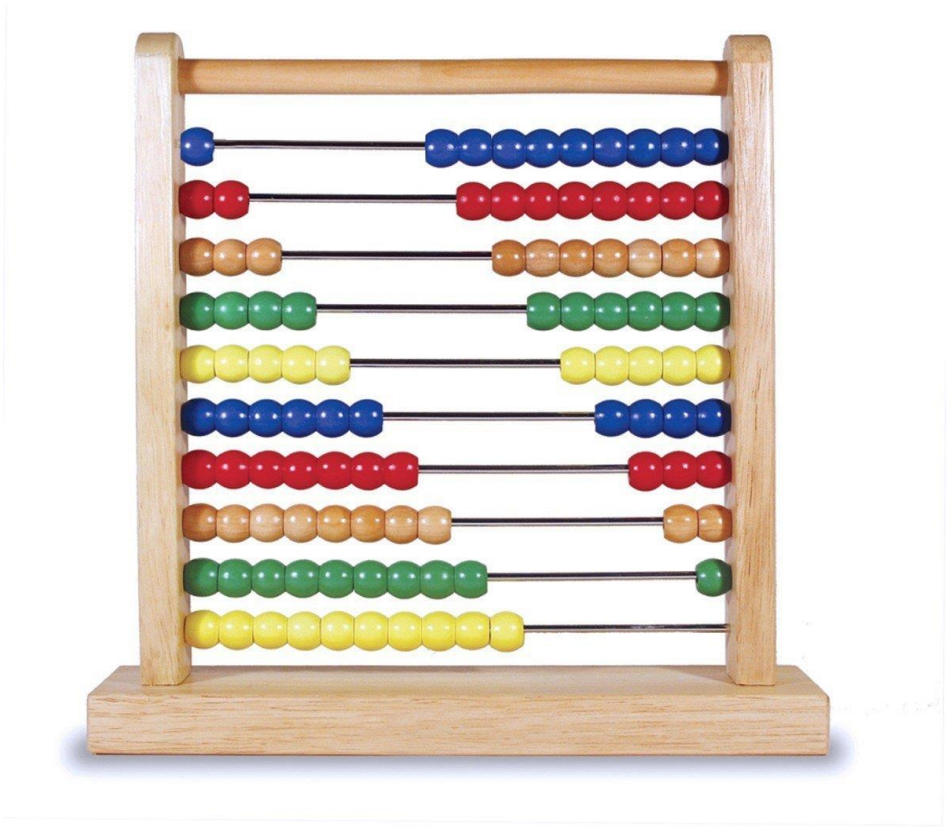


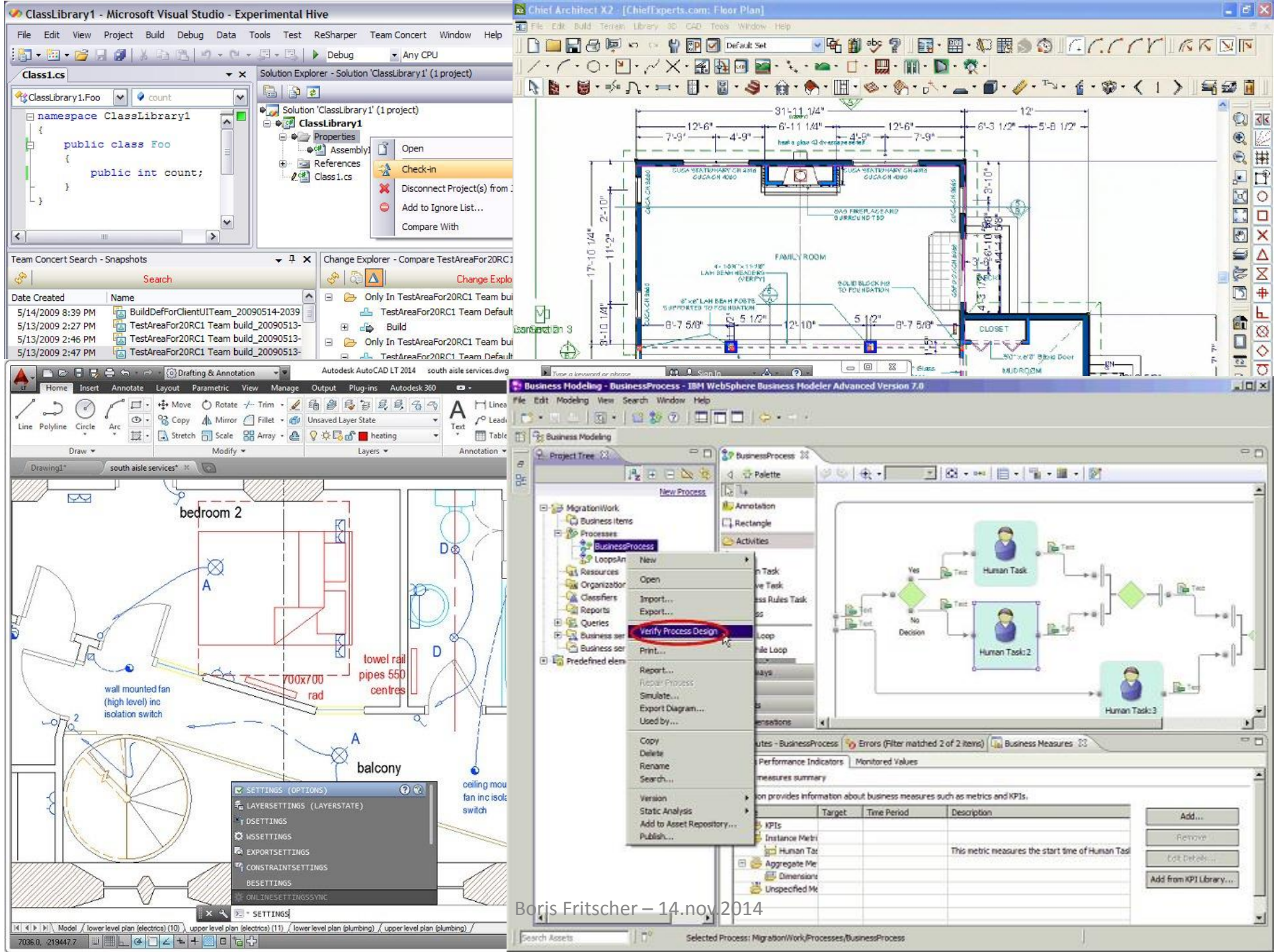
Digital Generic Technical



Model Validation

Computer Aided Design in other areas




ClassLibrary1 - Microsoft Visual Studio - Experimental Hive
Chief Architect X2 - [ChiefExperts.com: Floor Plan]
Autodesk AutoCAD LT 2014 south aisle services.dwg
Business Modeling - BusinessProcess - IBM WebSphere Business Modeler Advanced Version 7.0
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Computer Aided Business Model Design

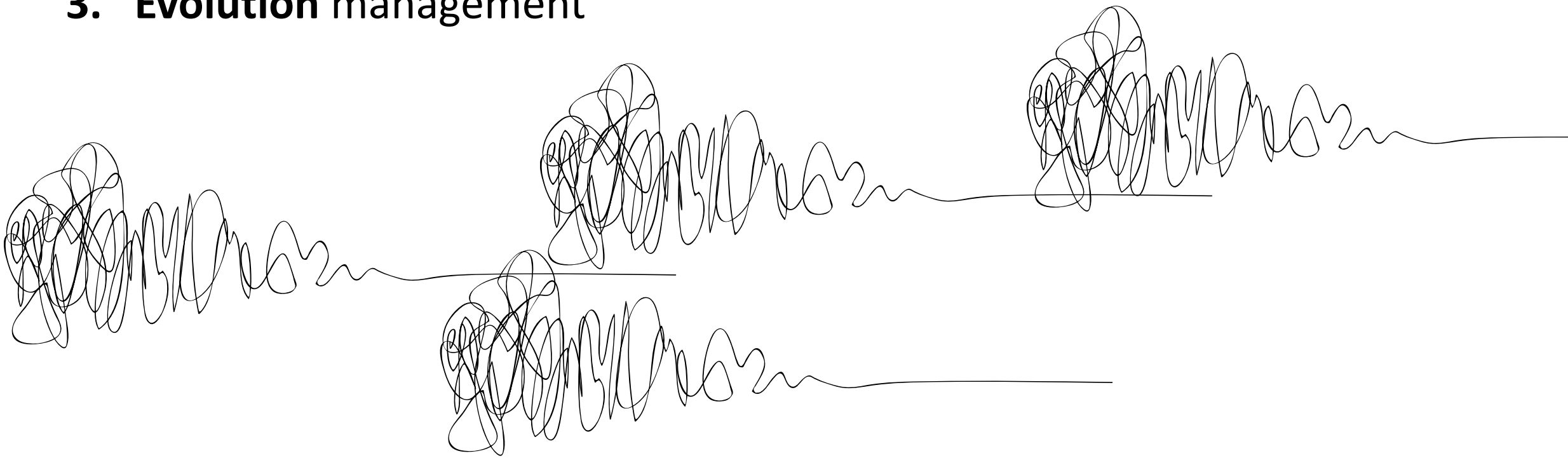
Target users in “management”

=> needs to be easy to use

Allow for creativity, draw outside the box

Three usages

1. Creative design **elicitation**
2. Assessing / **evaluation** of the design
3. **Evolution** management



The Business Model Canvas

Designed for:	Designed by:	Date:	Version:

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
	Key Resources		Channels	

Cost Structure	Revenue Streams

DESIGNED BY: Business Model Foundry AG
The makers of Business Model Generation and Strategyzer

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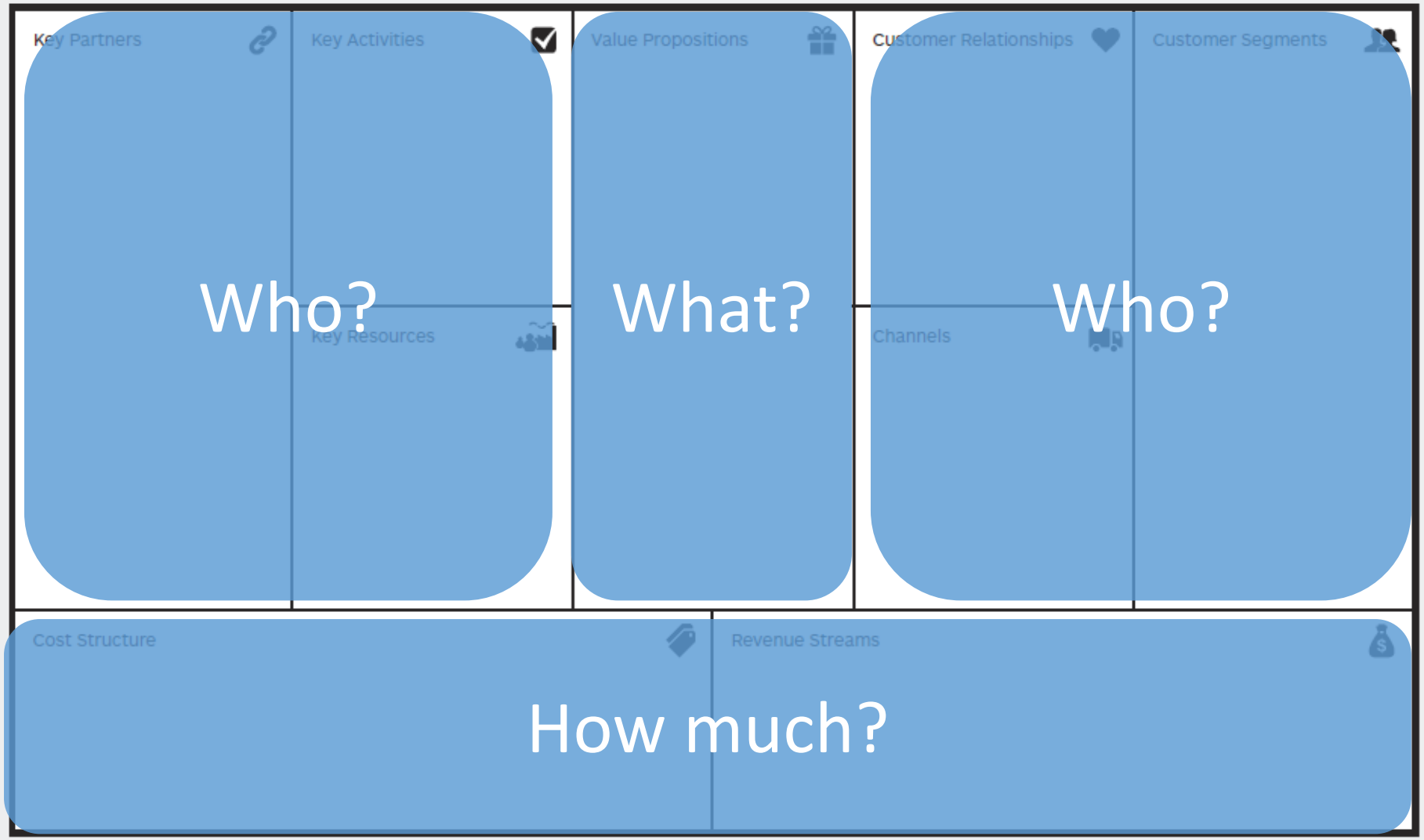
Strategyzer
strategyzer.com

The Business Model Canvas

Designed for:	Designed by:	Date:	Version:



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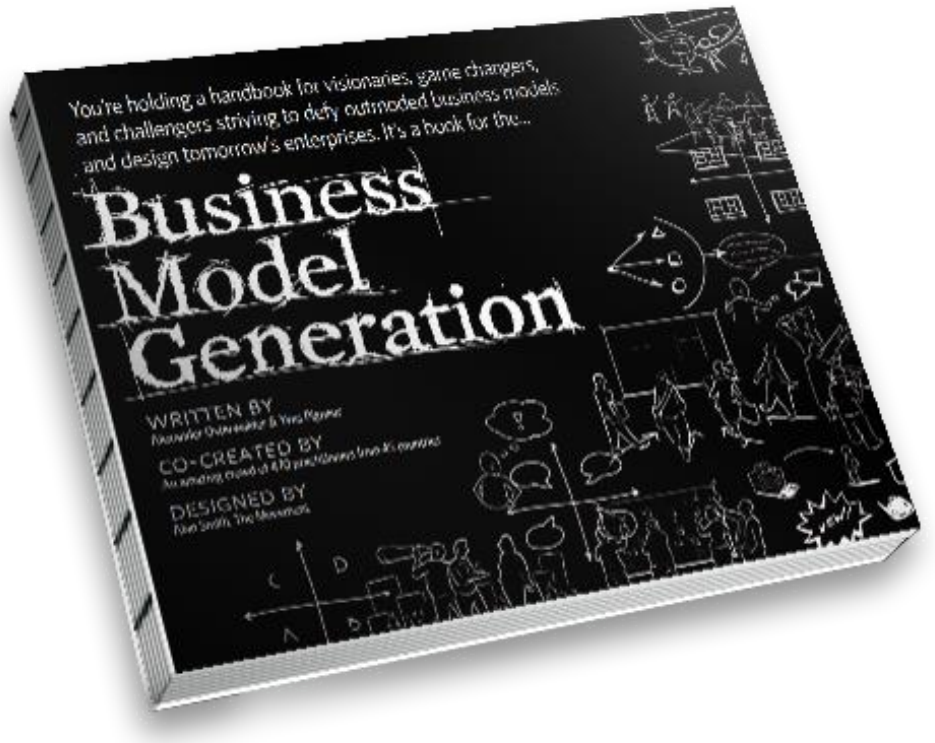
Strategyzer
strategyzer.com

Why the Business Model Canvas?



Visual

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IF's
Sport industry Professionals/ lecturers
IOC
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Key Activities
Scholarships
Education (MSA)
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Athlete career transition
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Accredited MSA degree
AISTS staff
Athletes
Team Project clients
Sport industry Professionals/ lecturers
Founding member VIK
Value Propositions
Advancing the sport industry through research
Multi-disciplinary
Multi-cultural
Sport industry network & Alumni
Lausanne, Olympic Capital
Strong link w/ IOC
World renowned sport Masters education
AISTS Brand
Customer Relationships
Networking Opportunities (Student/Alum.)
Team Project / Personal Project
High Profile sport industry speakers
Channels
Word of mouth (alumni)
Online (website, linkedin, graduate websites ...)
Conventions (sportaccord ...)
Customer Segments
Students / Athletes
Professors
IOC / Federations/ NOC's
Industry Professionals (open modules)
External research clients
MSA (education)
Connections
Applied Research
general Operations
Cost Structure
Marketing / Promotions (website, insurance ...)
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Operational costs
AISTS staff
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MSA tuition
Consultant fees (mandates)
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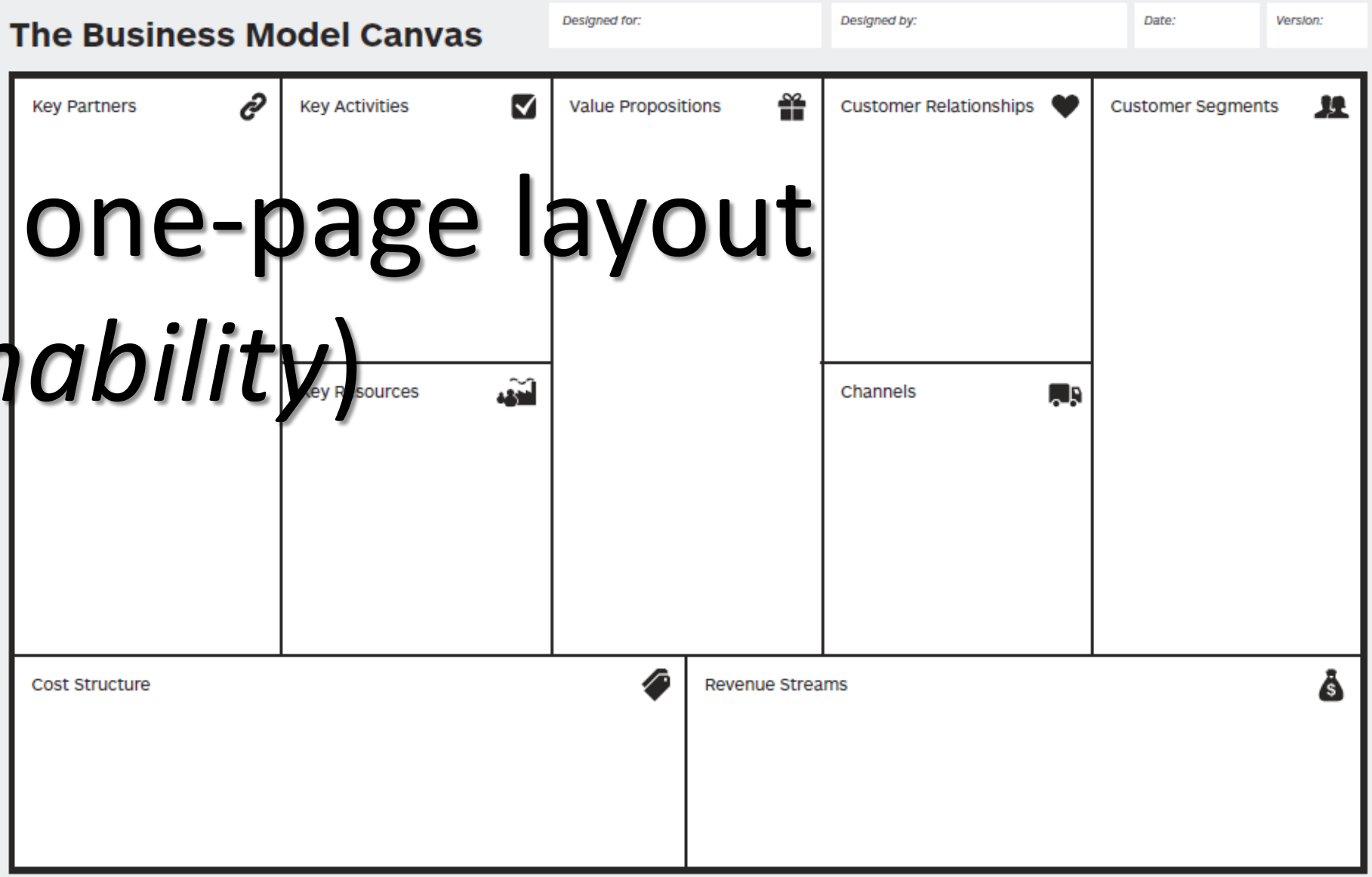
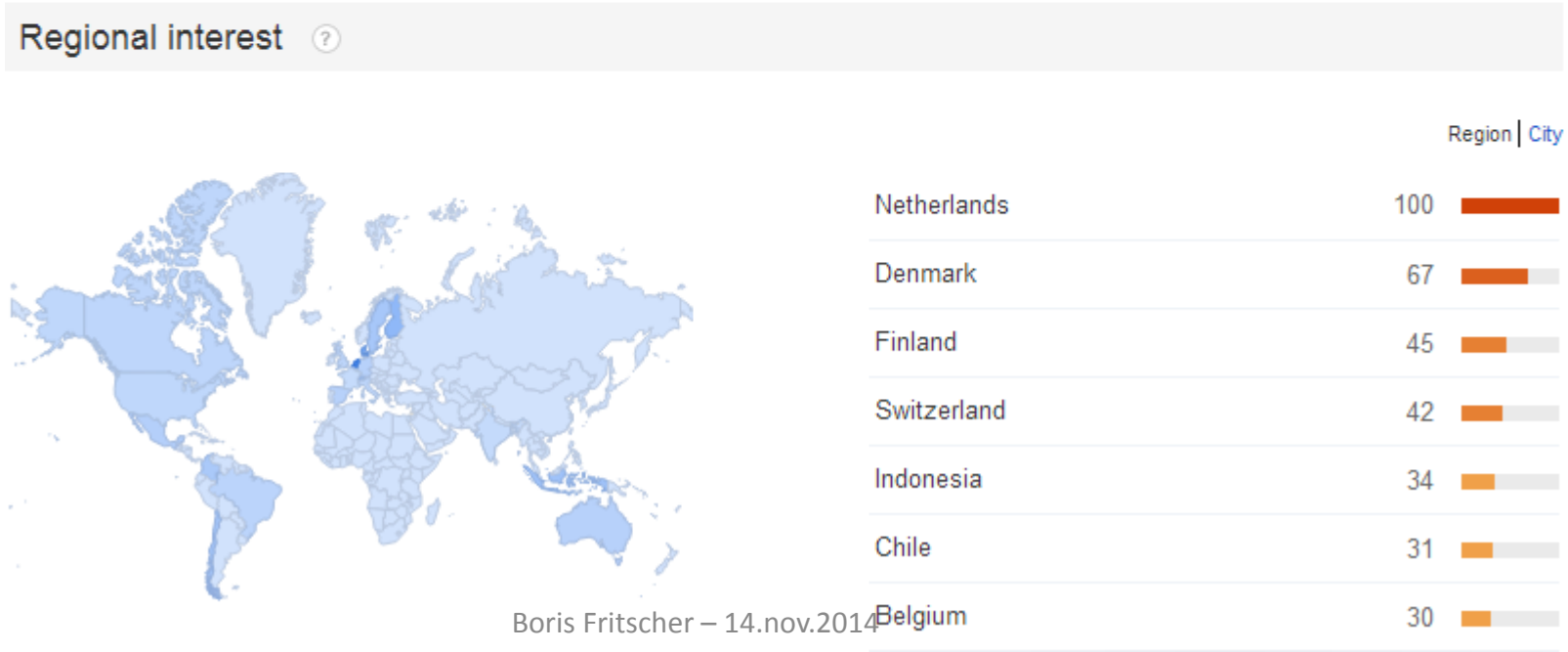
Fixed one-page layout (*learnability*)

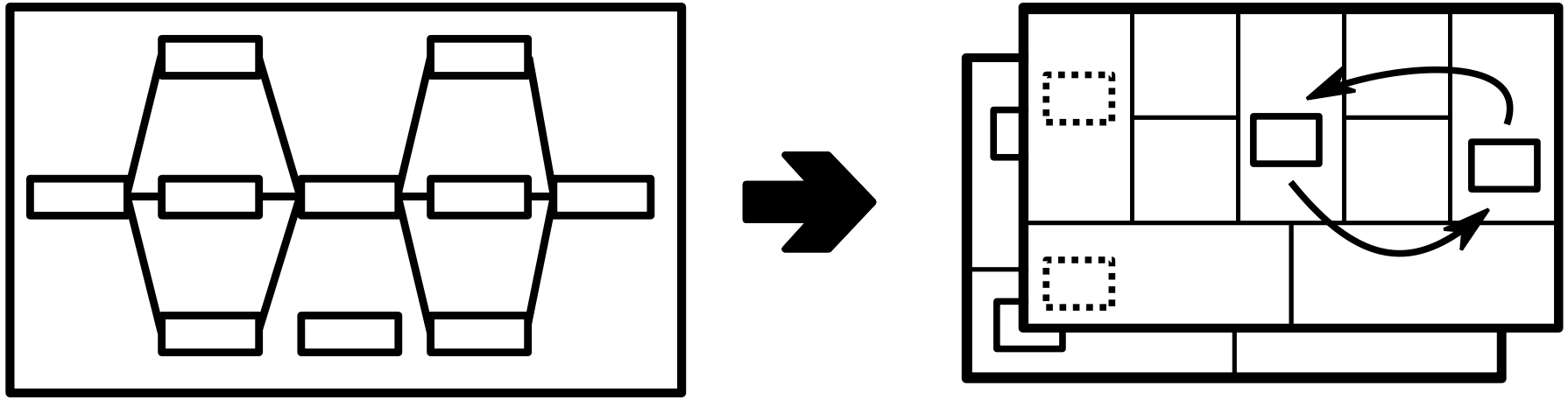


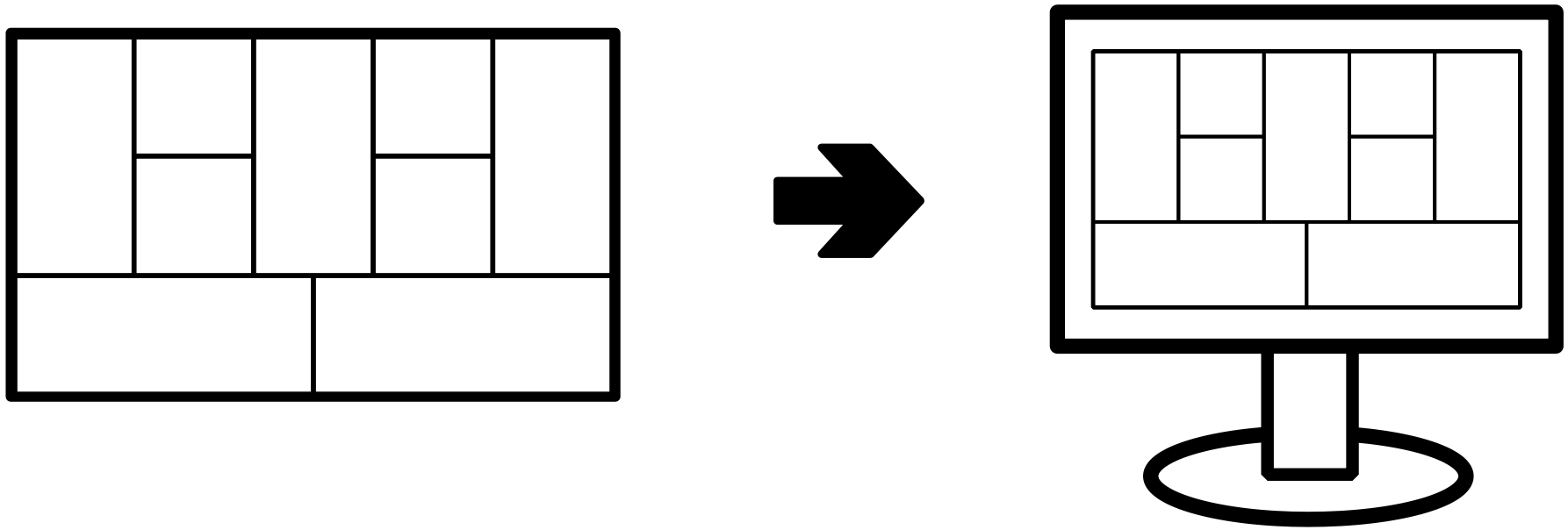
simple…

…yet expressive enough

Adopted by practitioners, target of CAD tool



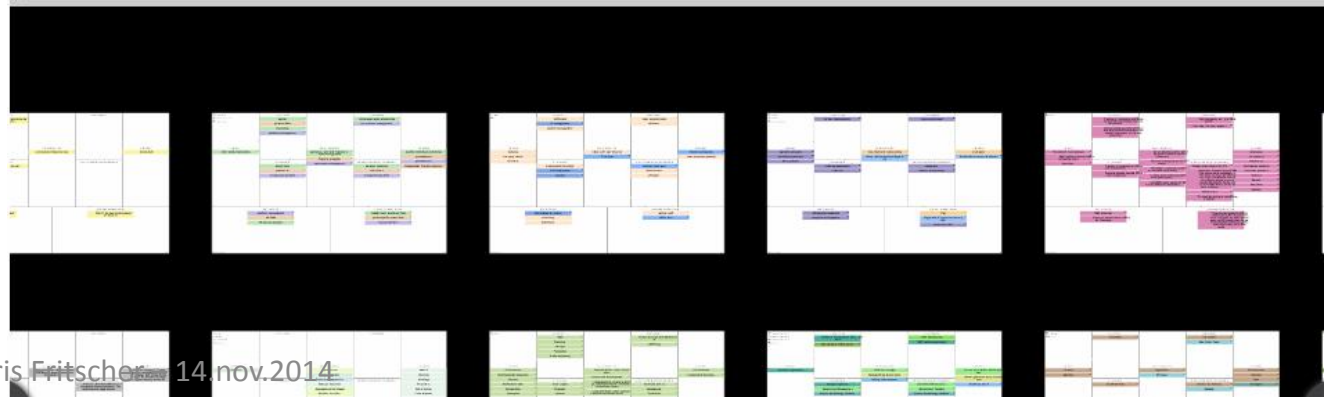




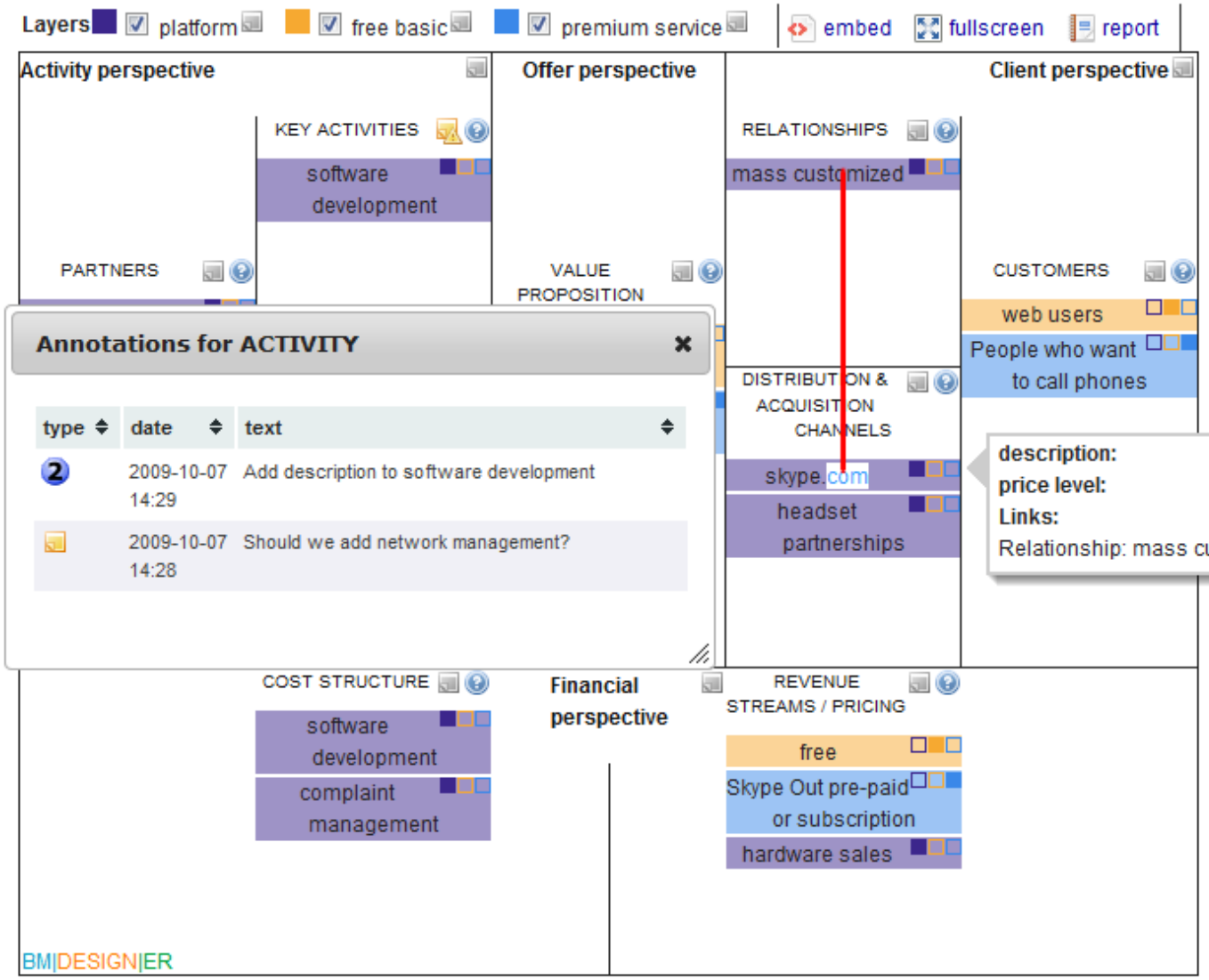
YouTube of Business Models?

#	name	company	date	rating	votes	comments
1	Cirque du Soleil		2011-07-27 19:18:02.0	0.0	0	2
2	EXHIBERE	iValueFlux LLC	2012-09-02 23:43:39.0	5.0	2	2
3	Magret de Pato		2013-04-10 00:52:10.0	5.0	1	1
4	advertising	pattern	2011-07-27 19:18:42.0	2.0	1	1
5	S3	Amazon	2013-10-31 16:36:57.0	4.25	4	0
6	Beef		2012-05-10 22:43:25.0	0.0	0	0
7	Innovacion X	IPHOENIX	2013-02-14 02:55:58.0	0.0	0	0
8	KM_GRII_Pociąg dla Kibiców		2014-03-16 14:41:50.0	0.0	0	0
9	Patrones desagregados		2011-12-15 13:18:00.0	0.0	0	0
10	Albània		2011-09-21 17:39:35.0	0.0	0	0

previous next



Skype



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Post a Comment

There are 0 comments

Comments Feed

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Edit Business Model

Speciality: disrupting telco with software
Company:
Industry:
Last Updated: 2009-10-07
Tags: bookchunk8 freemium

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flickr (Yahoo)
bait & hook (pattern)
Gaming Console
TL
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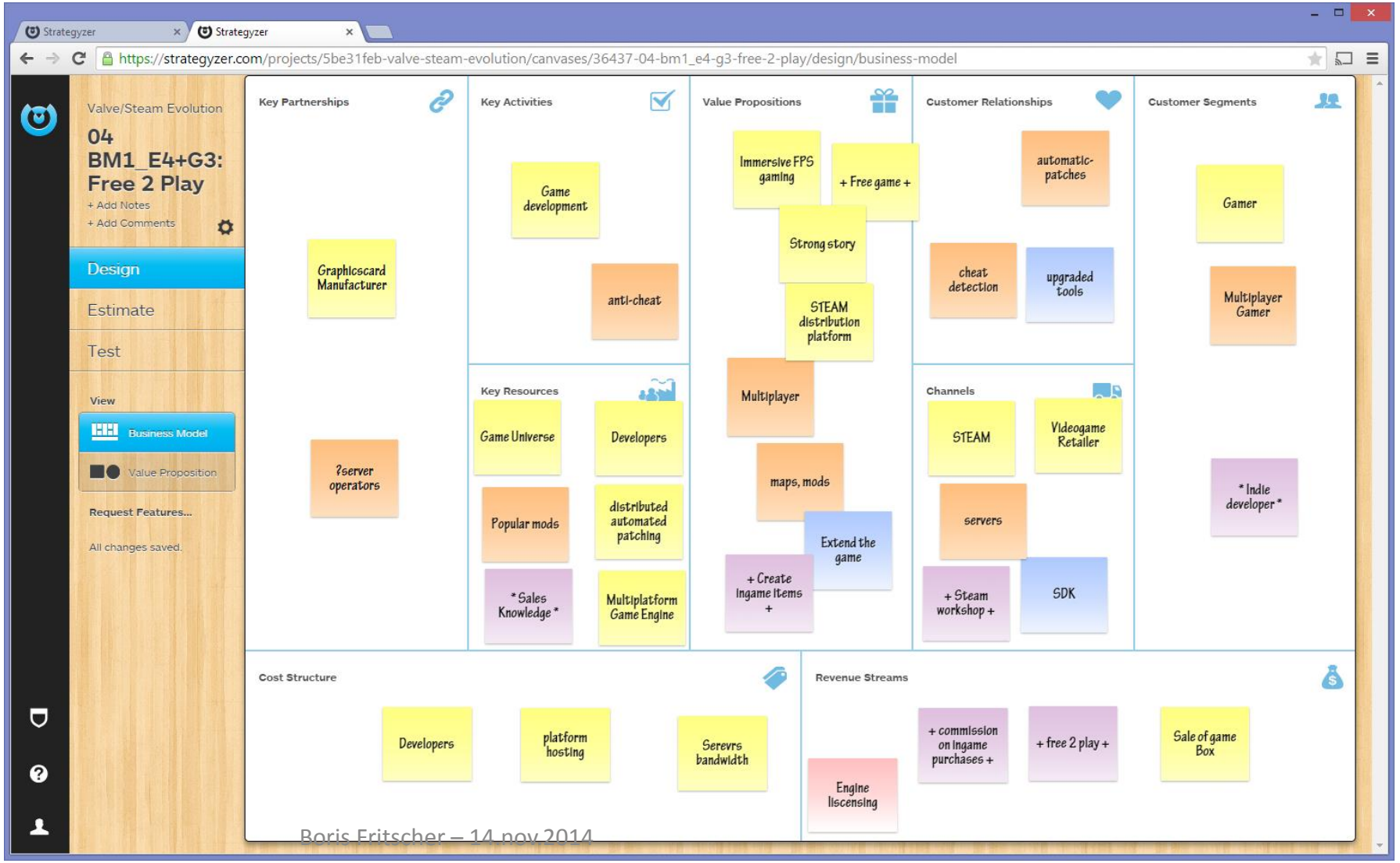
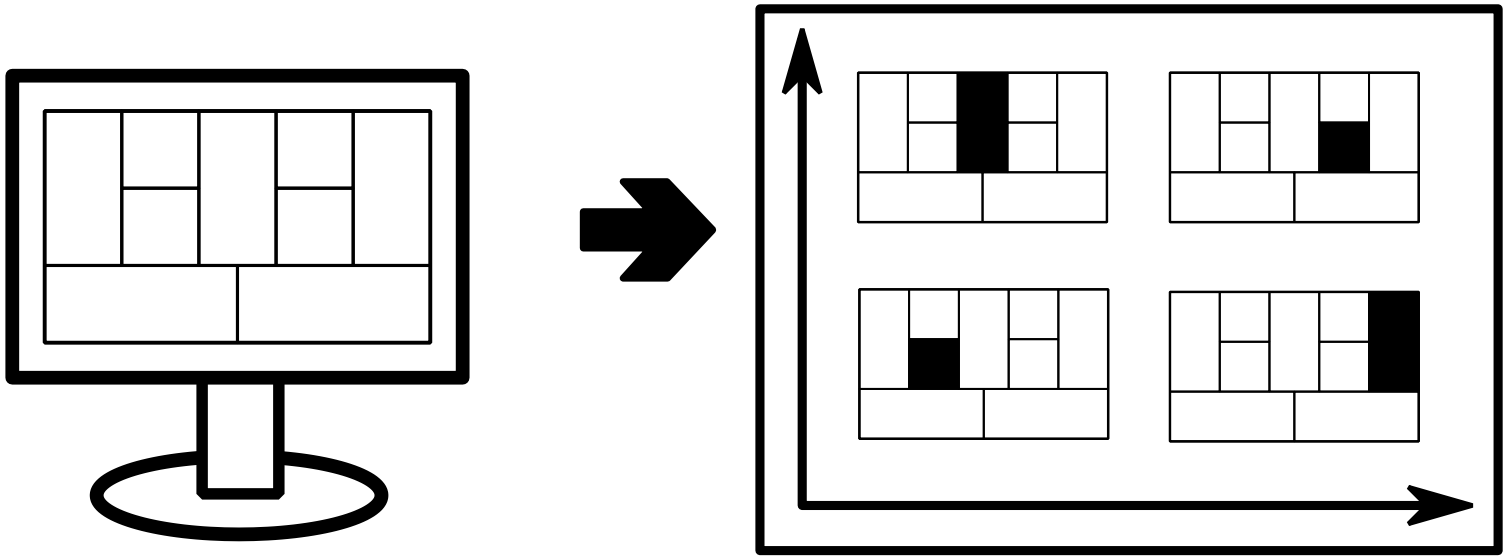
metro
SuperToast
Wii (Nintendo)
Open Source (redhat)
Future of (Twitter)

Application: Strategyzer.com

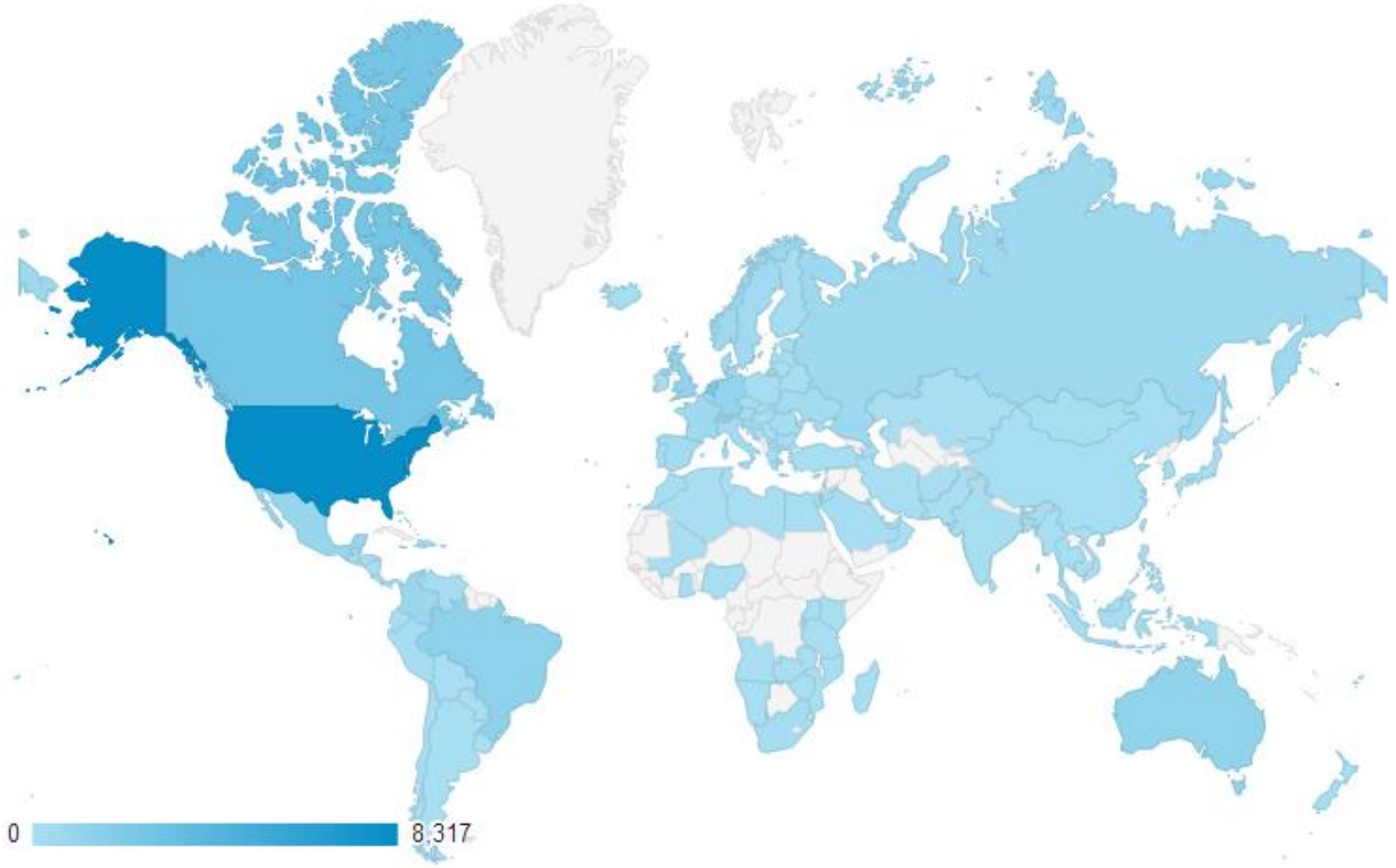


Computer Aided Business Model Design: Analysis of Key Features Adopted by Users



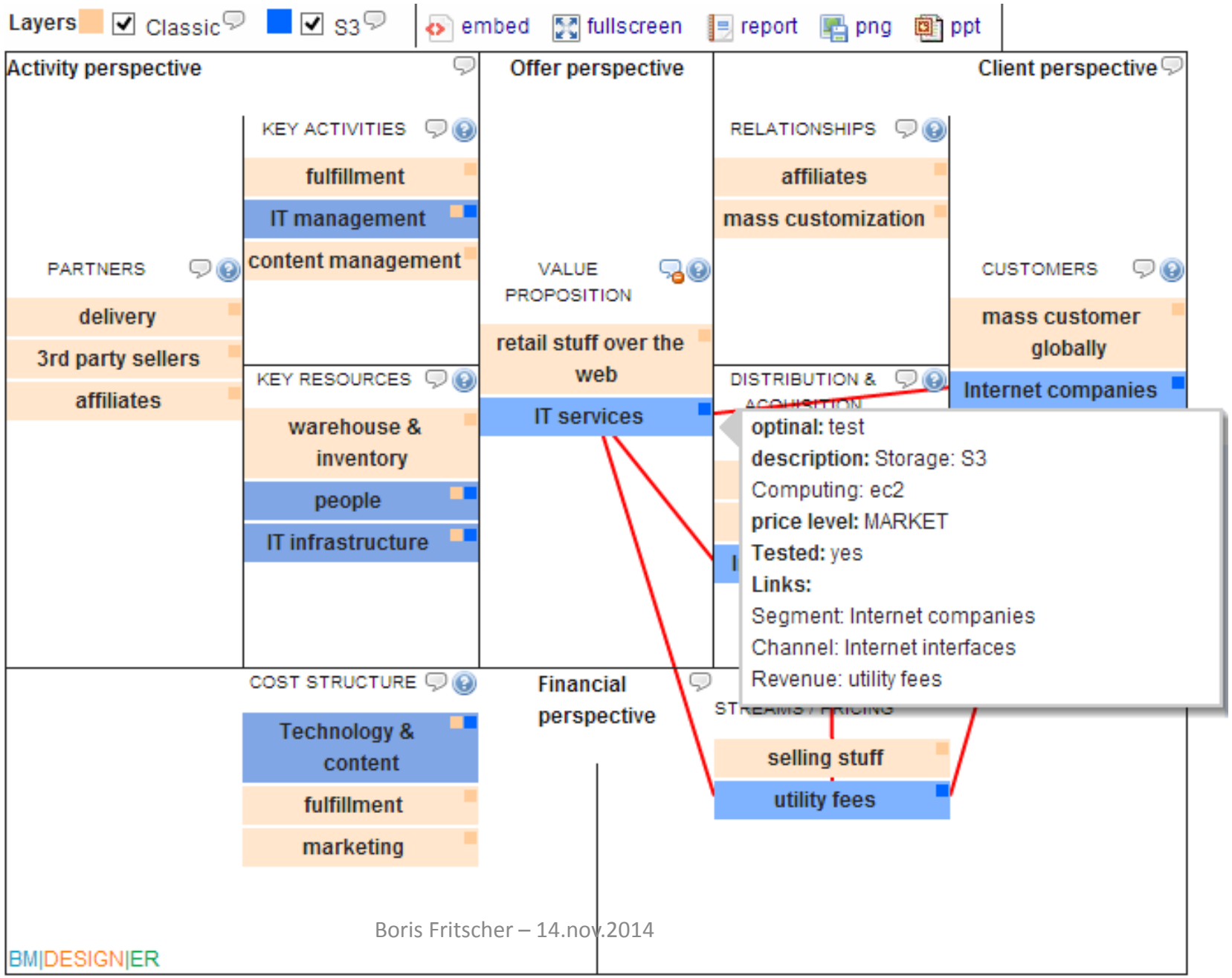
Published in Proceedings of the 47 Annual Hawaii International Conference on System Sciences, Computer Society Press (Ed.), 2014

Worldwide

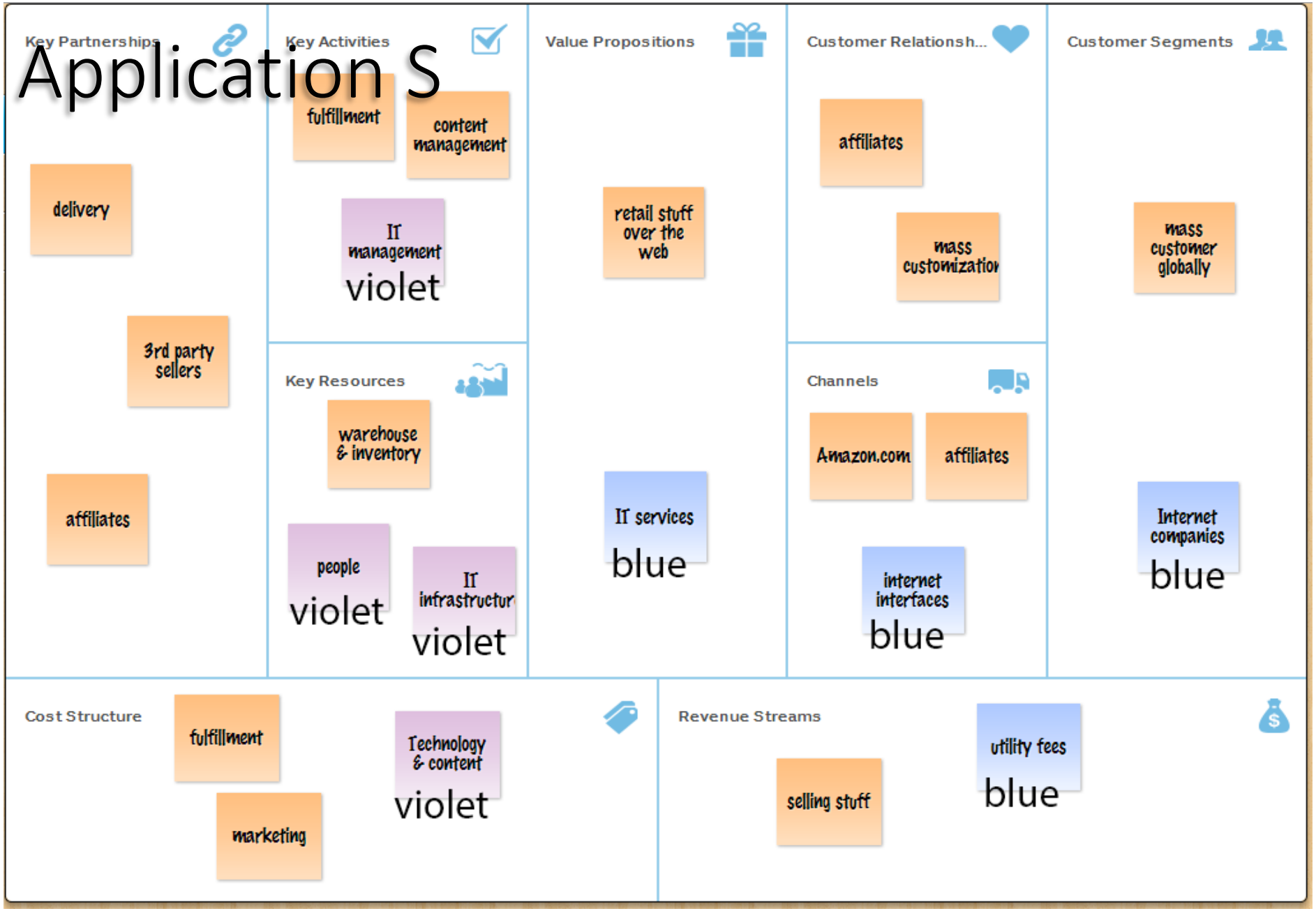


Colors

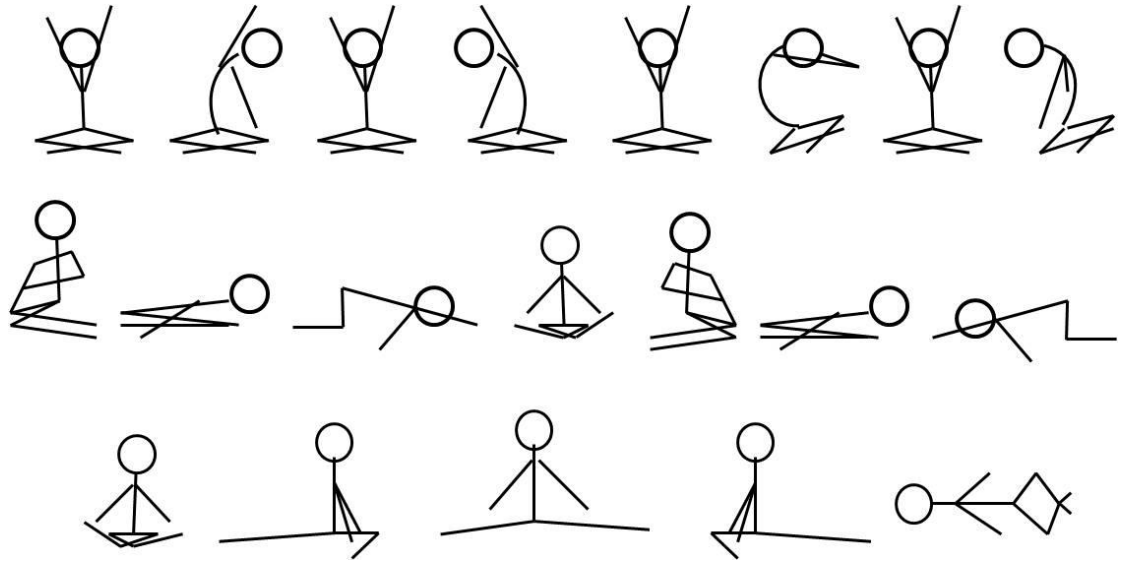
Application B



Application S



Position



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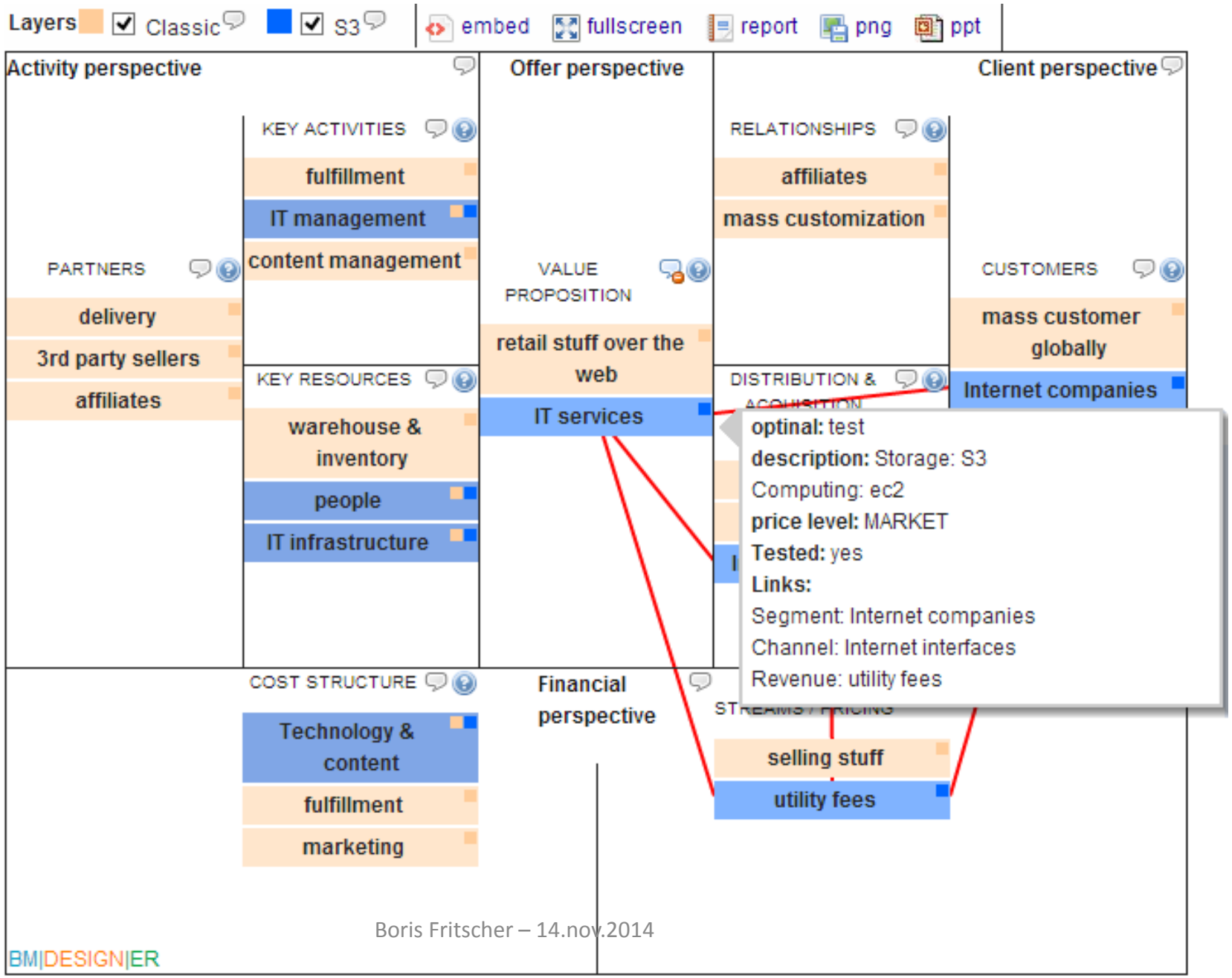

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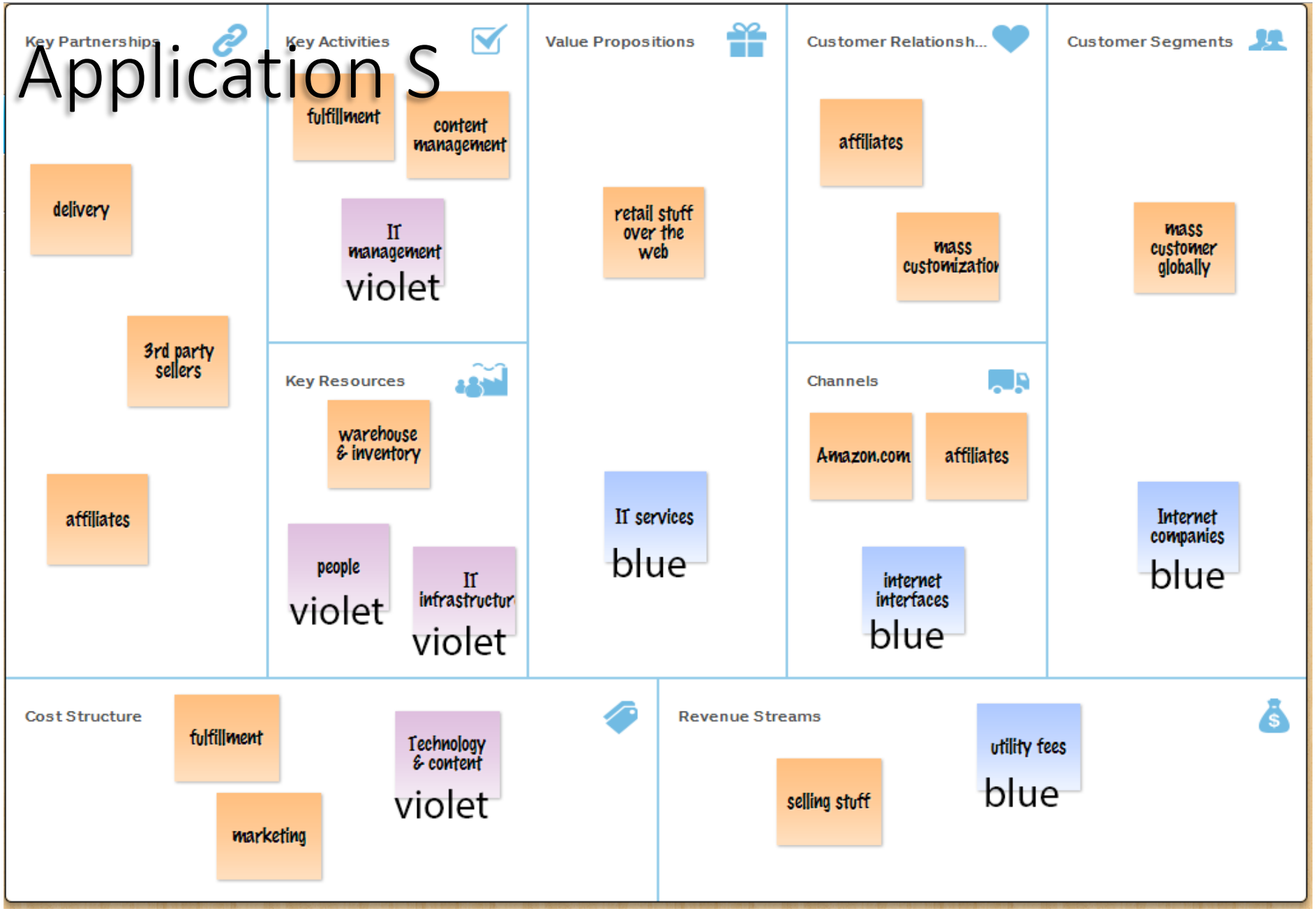
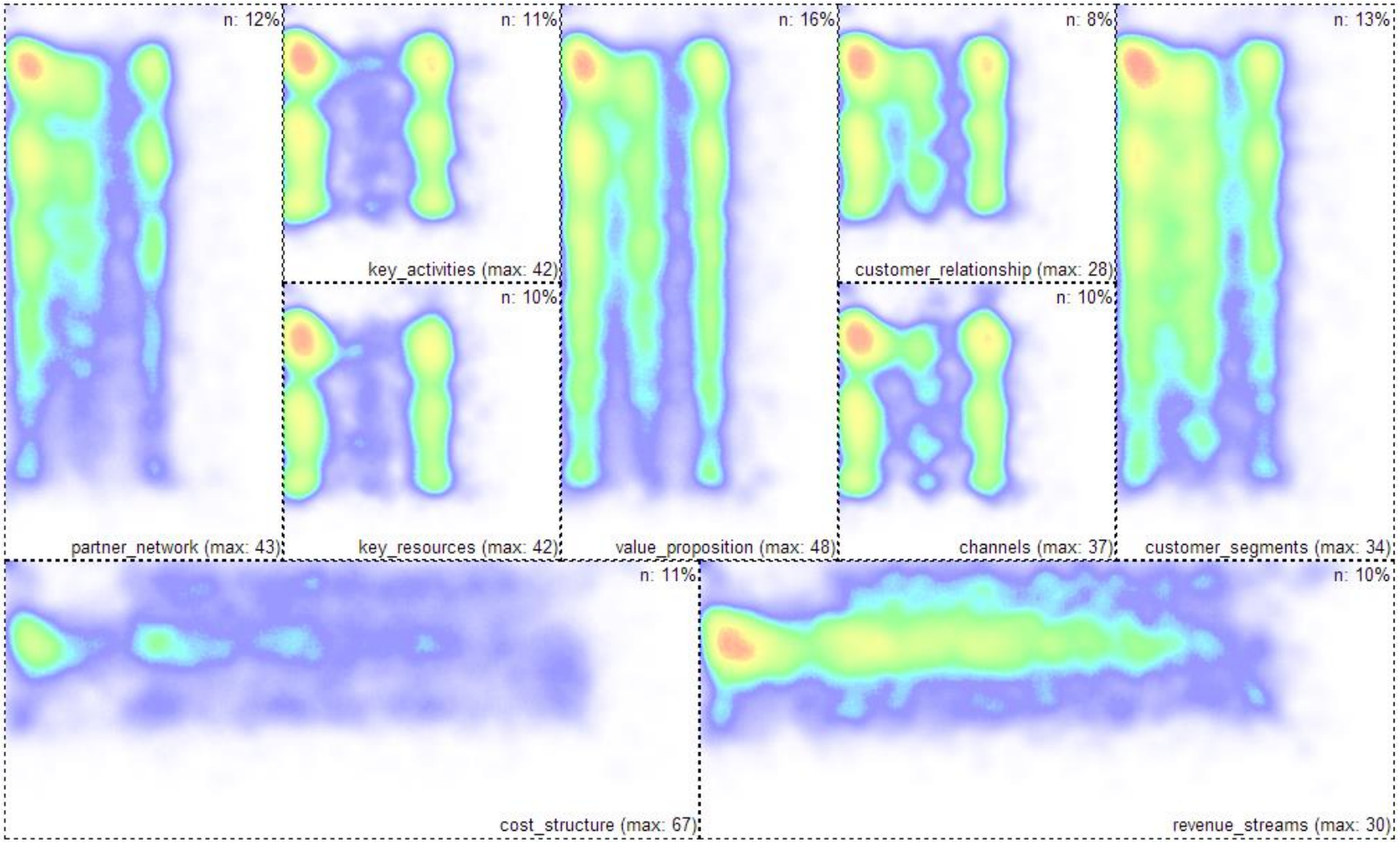
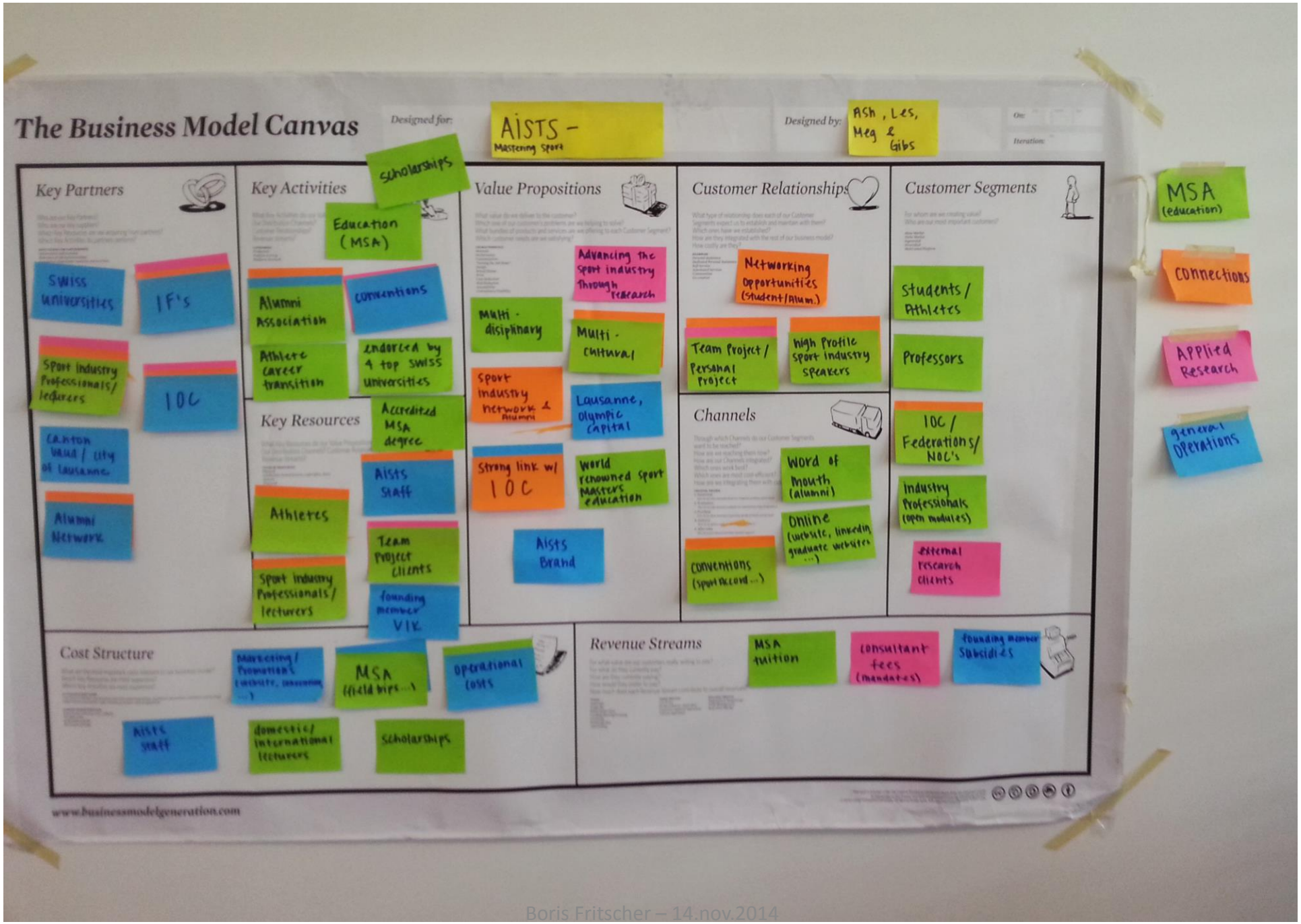




Heat map of element positions (top left corner) n= 163’589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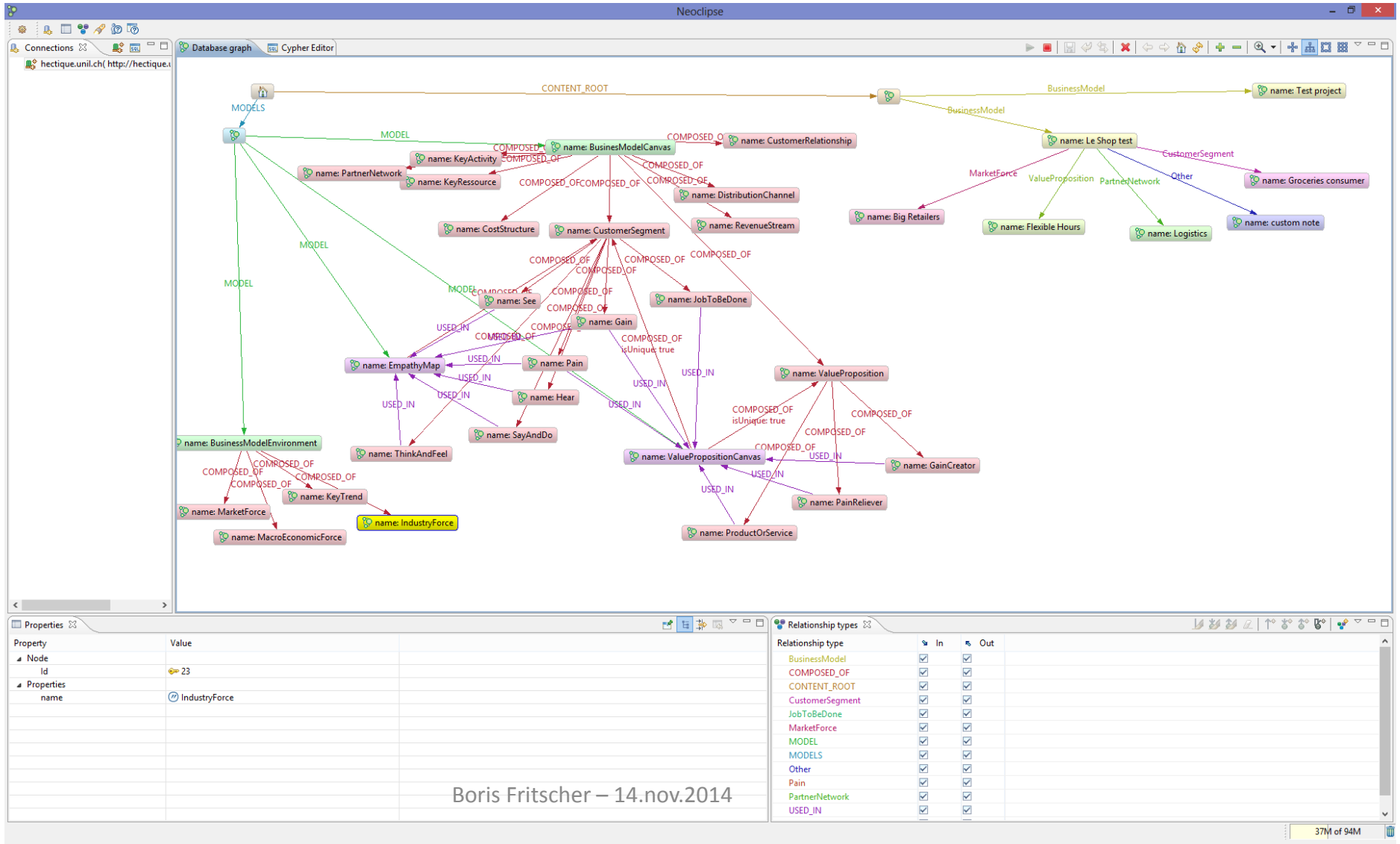
Exercice 1: Design a business model

Freemium

Connecting to other models



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Business Model Diver

-- chose project -- ▾ add

Perspective: Busines Model Canvas | Business Model Environment | Empathy Map | Value Proposition Canvas

Cost Structure add

Partner Network add

Logistics x display children: 0

Perspective: Busines Model Canvas | Business Model Environment | Empathy Map | Value Proposition Canvas

Key Ressource add

Key Activity add

Revenue Stream add

Customer Relationship add

Distribution Channel add

Customer Segment add

Groceries consumer x display children: 2

Family with working parents x display children: 0

Perspective: Busines Model Canvas | Business Model Environment | Empathy Map | Value Proposition Canvas

Commuter x display children: 3

Perspective: Busines Model Canvas | Business Model Environment | Empathy Map | Value Proposition Canvas

Job To Be Done add

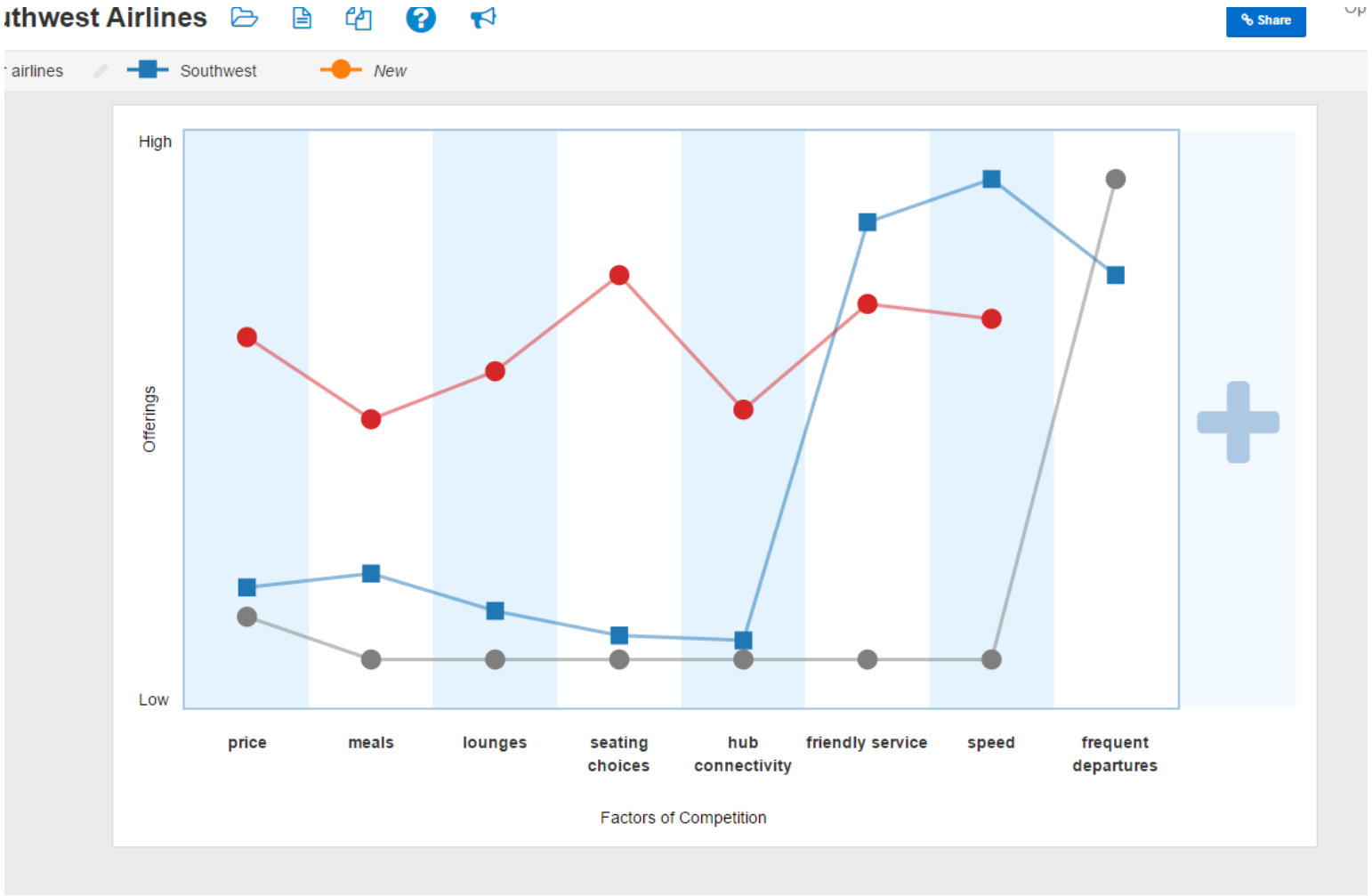
Get groceries x display children: 0

Gain add

Pain add

Parcel delivery hours x display children: 0

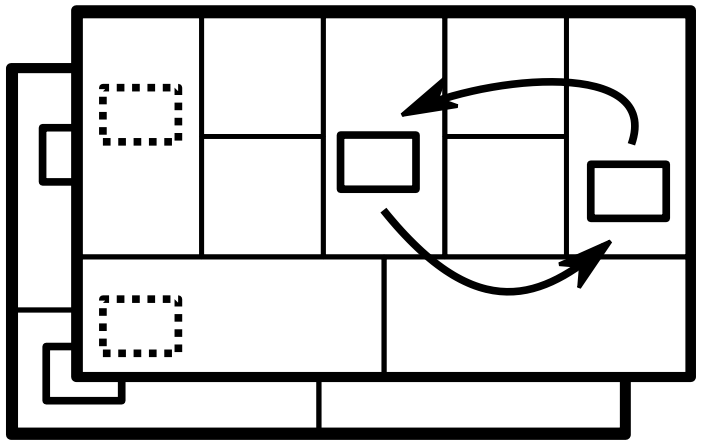
Applying same interaction principals to other models



DESIGN A BETTER BUSINESS MODEL

Best practice checking, with rules

Storytelling (Business Model Mechanics)



Strategyzer Zumba

APPAREL | BOTH | FITNESS

Key Partnerships

- Apparel manufacture / distribution?
- Music Artists

Key Activities

- Media Designed
- Community (ZIN) Management
- Licensing / Training Instructors
- Logistics (e-shop, events)
- Content production / Choreographies

Key Resources

- Zumba© / "Beto"
- Tiered Instructor network
- Content (Choreographies)

Value Propositions

- Apparel line
- Zumba content (DVD, Games, Music)
- Instructor training (certification)
- Zumba Instructor Network
- Instructors' convention / Events

Customer Relationships

- FEJ
- Community (ZIN)
- Affiliate program

Channels

- Instructor
- Online Shop
- Gyms
- ZIN platform

Customer Segments

- mass-market
- Instructors

Cost Structure

- Instructors
- Refereal
- Content production
- Marketing
- Logistics Shop

Revenue Streams

- Apparel sales
- Other sales
- Licensing / Training course
- ZIN subscription
- Events

Boris Fritscher

Strategyzer Zumba

APPAREL | BOTH | FITNESS

Key Partnerships

- Apparel manufacture / distribution?
- Music Artists

Key Activities

- Media Designed
- Community (ZIN) Management
- Licensing / Training Instructors
- Logistics (e-shop, events)
- Content production / Choreographies

Key Resources

- Zumba© / "Beto"
- Tiered Instructor network
- Content (Choreographies)

Value Propositions

- Apparel line
- Zumba content (DVD, Games, Music)
- Instructor training (certification)
- Zumba Instructor Network
- Instructors' convention / Events

Customer Relationships

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...yms

ZIN platform

Customer Segments

mass-market

Instructors

content

Sale

Awareness

Subscription

Training

Cost Structure

Instructors

Refereal

Content production

Marketing

Logistics Shop

Revenue Streams

Apparel sales

Other sales

Licensing / Training course

ZIN subscription

Events

BMC Design guideline

A. Discover Business Model Elements

B. Improve Business Model through Connections

C. Highlight Business Model Mechanics

Guidelines applying to any individual element

- These guidelines help in maintaining a visually understandable BMC.
- There is only one idea per sticky note.
- Ideas are written with keywords, or presented with a simple illustration.
- The meaning of the element is understandable by all stakeholders.
- The element is a key component in explaining the business model; indeed, without it the business model cannot be explained.

Guidelines applying to individual building blocks

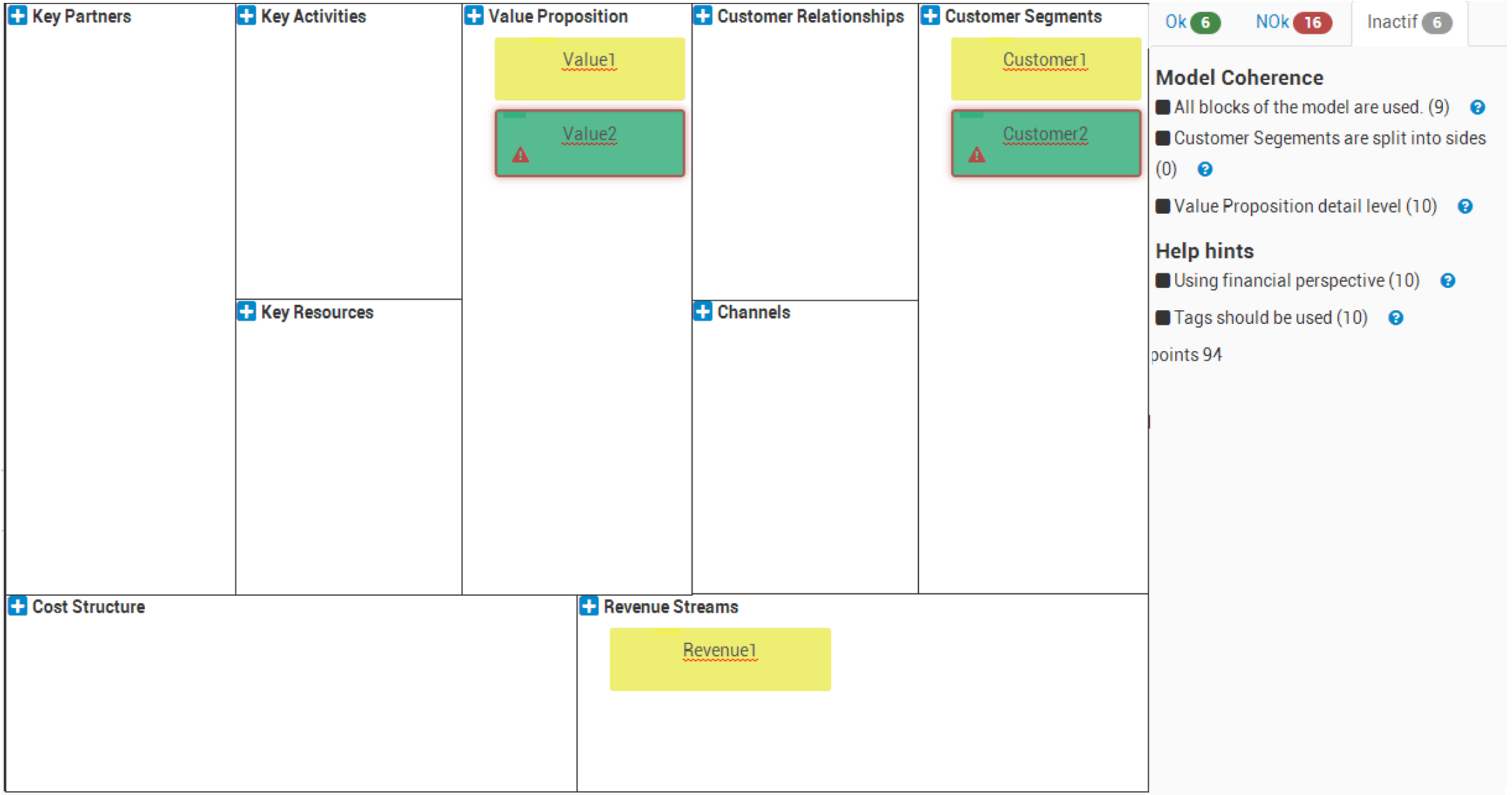
- These guidelines help to identify the right amount of detail for the BMC.
- All nine building blocks of the model are used, or have at least been considered.
- Elements that are too detailed have been grouped into a simpler element.
- Elements that are too generic have been split into more detailed elements.
- The detail level of the elements are adequate (there are not too many detailed elements, nor to few which are too generic).

Guidelines applying to connections between elements in different building blocks

- These guidelines help with the coherence of the BMC.
- Colors are used on elements to highlight their connections according to the BMC's meta-model (Fritscher and Pigneur, 2010)
- Each color is labeled and has a specific meaning.
- Client perspective is valid:
  - Each customer segment is addressed by one or more value proposition.
  - A channel supports a value proposition-customer segment set.
  - If present, a customer relationship targets a customer segment.
  - In case of multiple customer segments, colors distinguish each business side.
- Activity perspective is valid:
  - Each value proposition is produced/delivered by a key activity, a key partner or offers a key resource.
  - Key resources or key partners support an activity.
- Financial perspective is valid:
  - Revenue stream is generated from a value proposition-customer segment set. (A revenue stream can also be "free").
  - Major fixed costs are listed.
  - Major variables costs are listed.
- There are no orphan elements: all elements are connected to another element (in a different block to themselves).

Guidelines & Rules

Guideline	
▪ Client perspective is valid: - Each customer segment is addressed by one or more value proposition. - A channel supports a value proposition-customer segment set. - If present, a customer relationship targets a customer segment.	
Rule	Each color set has to have at least an element of a value proposition, a customer segment and a revenue stream. Optionally it should include an element of a channel and a customer relationship.
Resolution Hint	Complete the color set by adding the missing mandatory elements.


Key Partners
Key Activities
Value Proposition
Value1
Value2
Customer Relationships
Customer Segments
Customer1
Customer2
Key Resources
Channels
Cost Structure
Revenue Streams
Revenue1
Ok 6
NOk 16
Inactif 6
Model Coherence
All blocks of the model are used. (9)
Customer Segements are split into sides (0)
Value Proposition detail level (10)
Help hints
Using financial perspective (10)
Tags should be used (10)
points 94

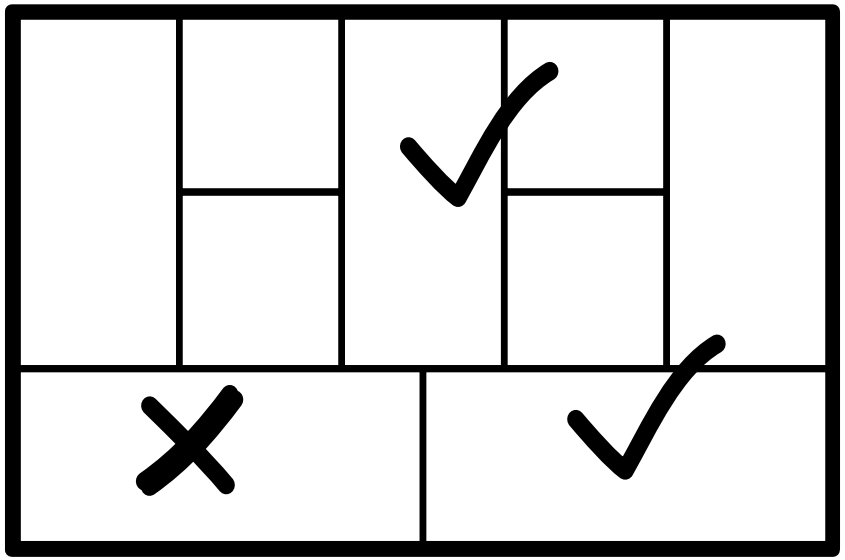
Exercice 2: Checking coherence of the designed business model

Elements

Connections

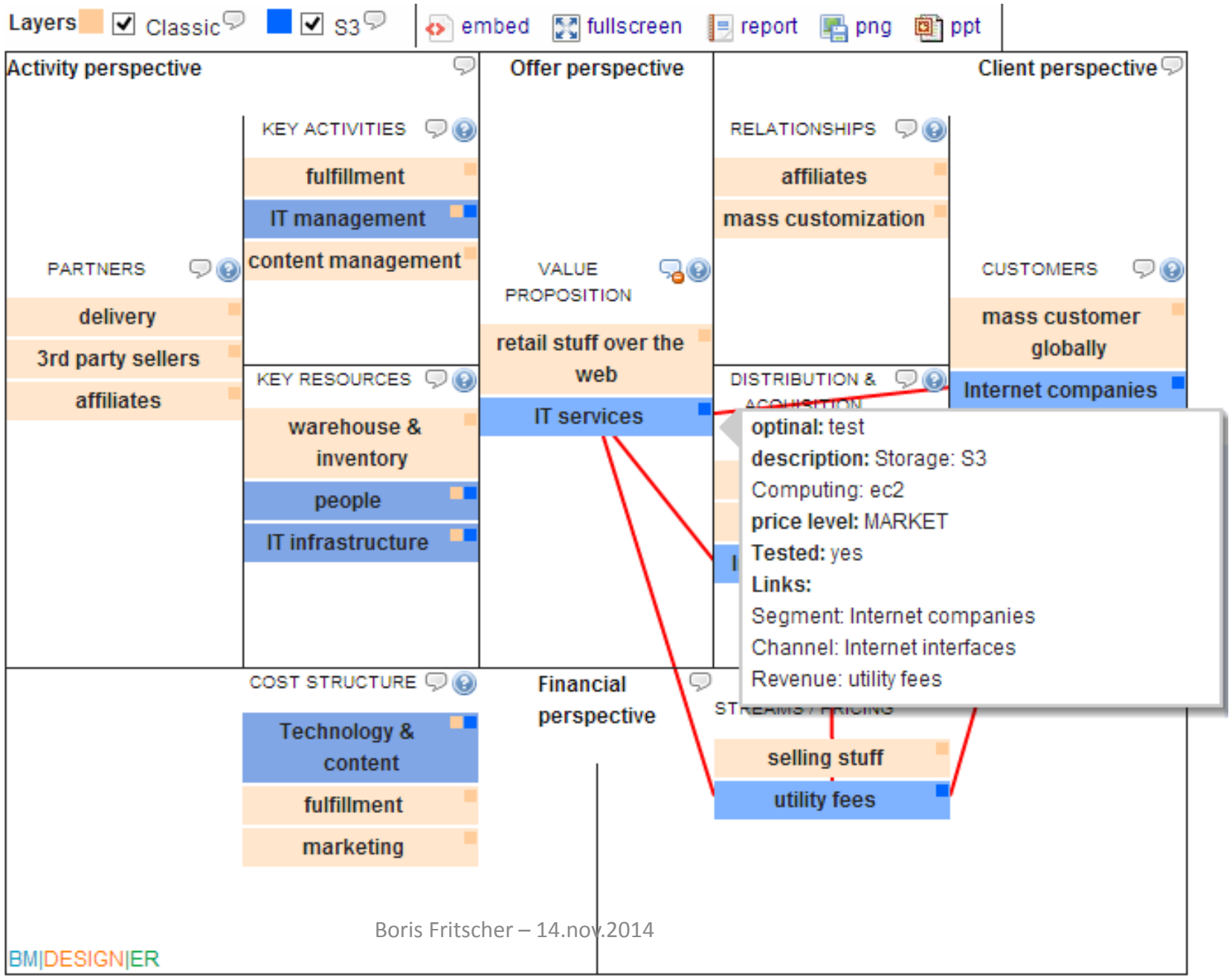
Story (mechanics)

Assessing

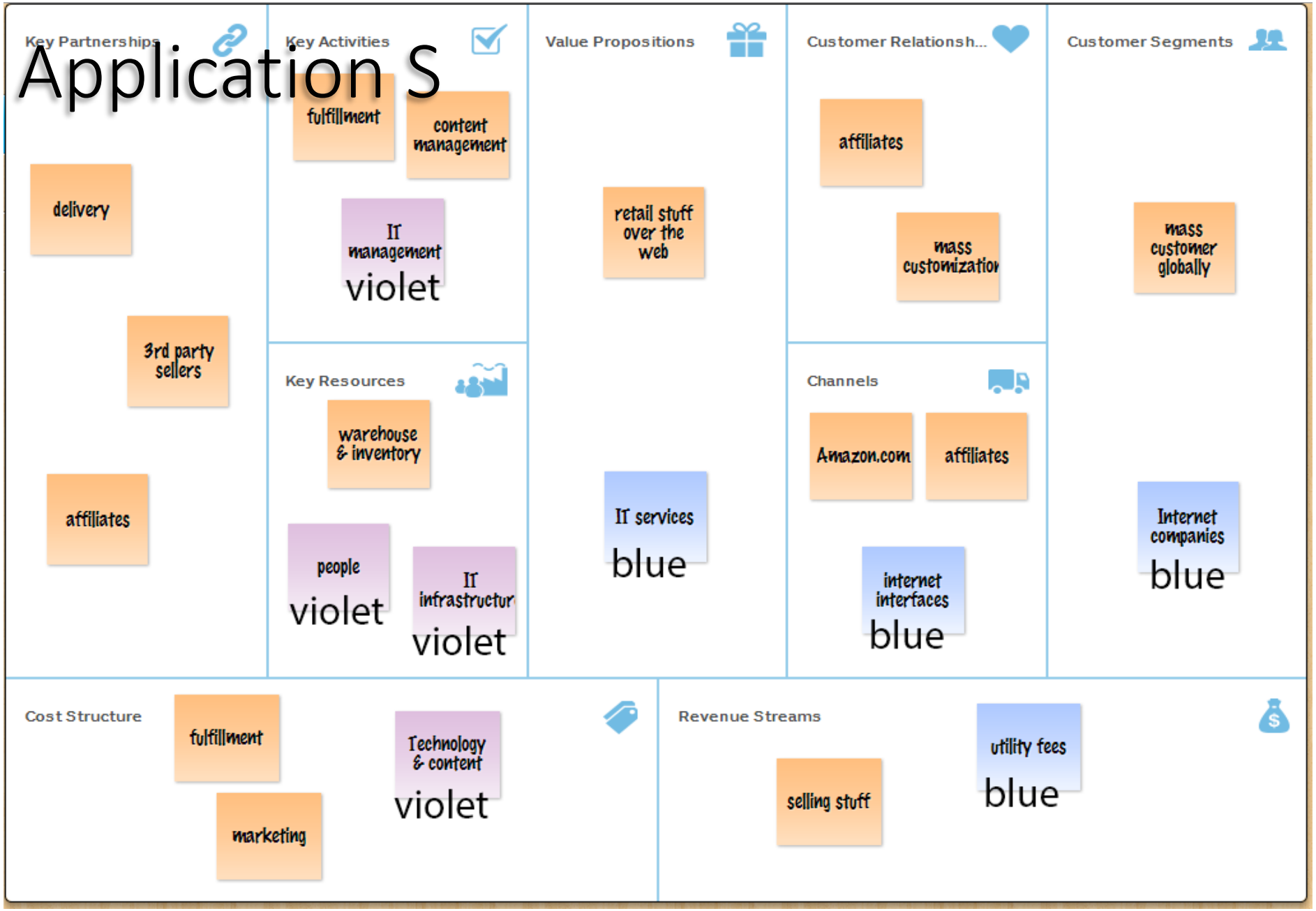


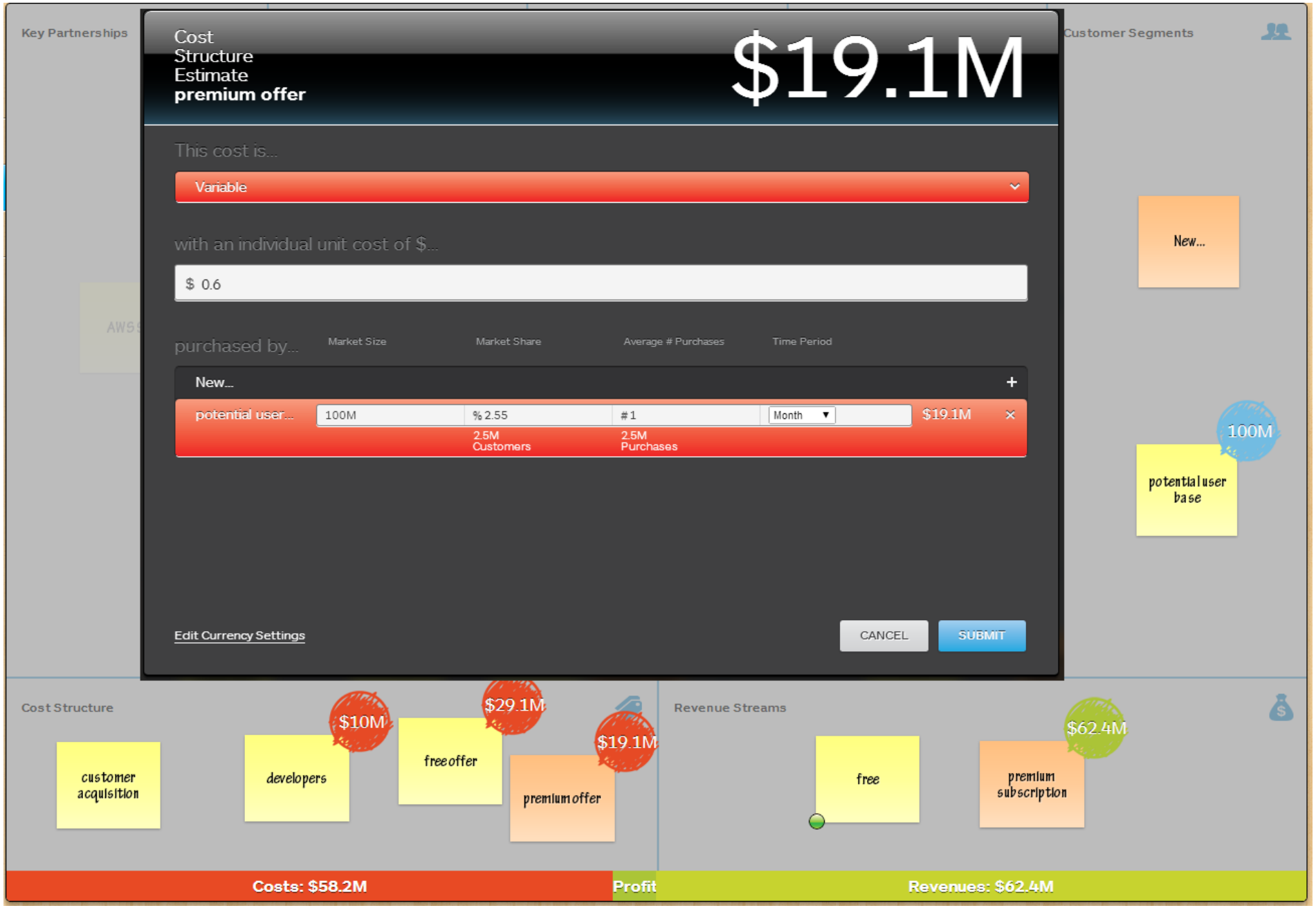
Attributes

Application B

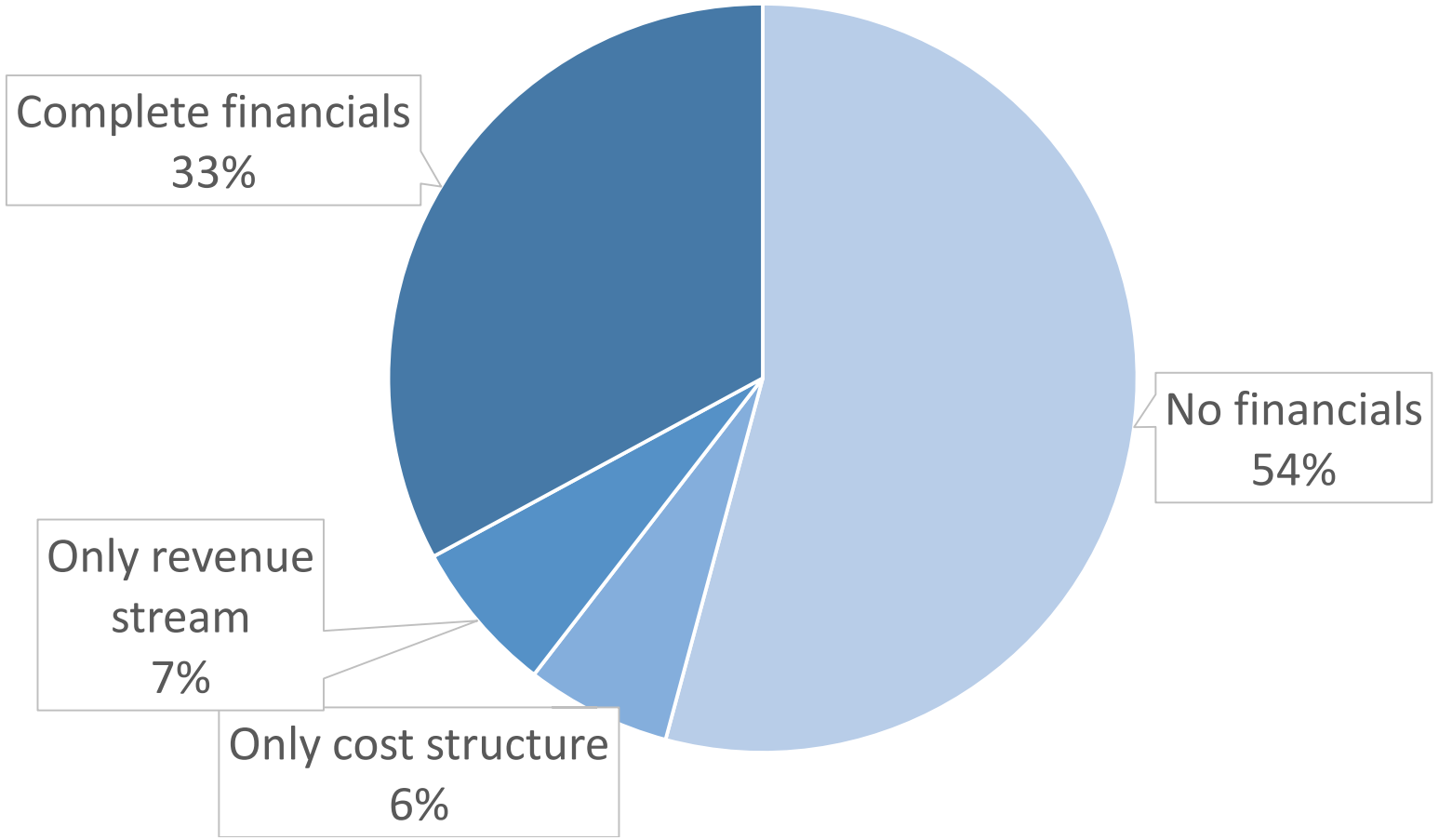


Application S



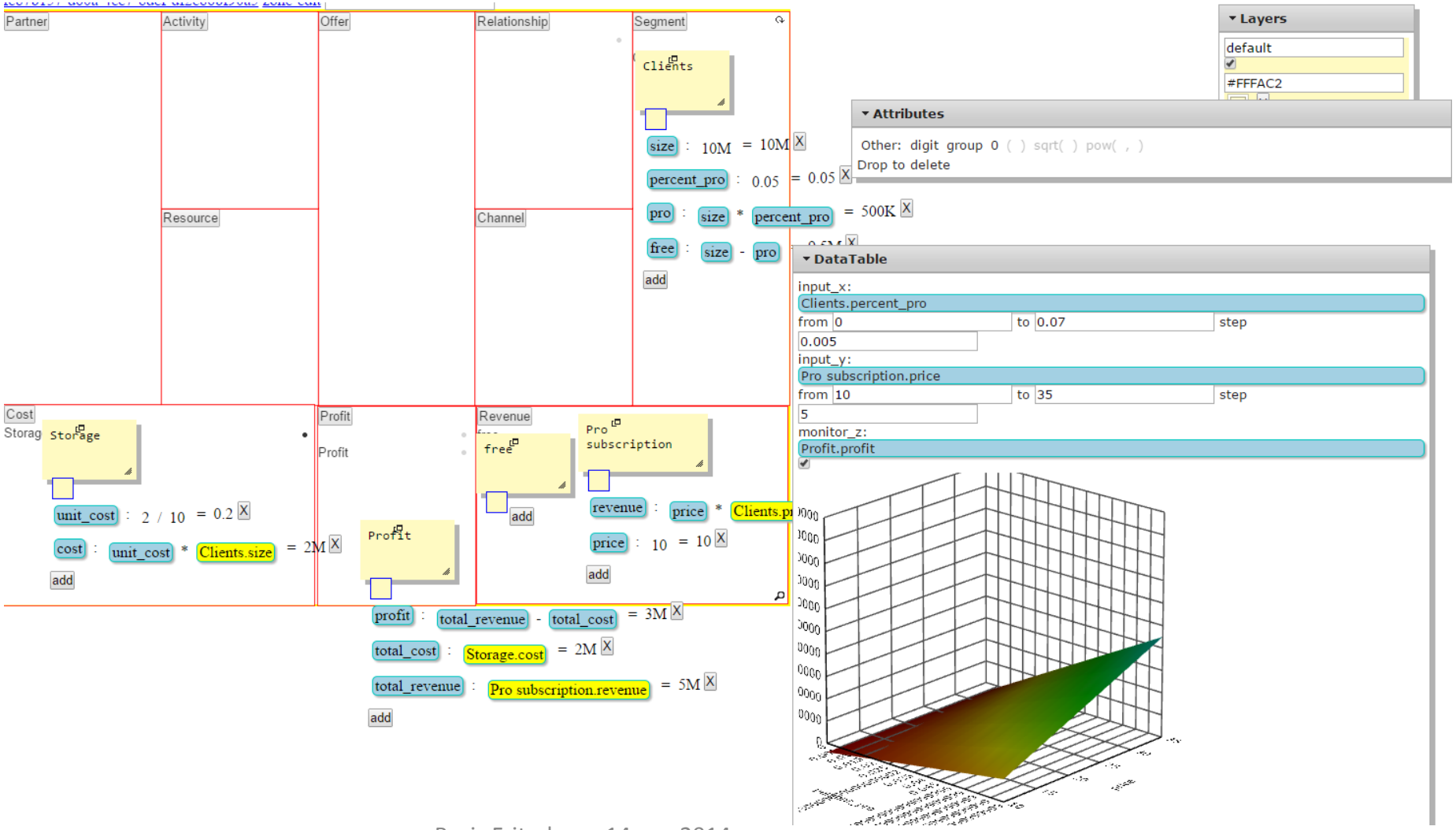

Key Partnerships
Customer Segments
Cost Structure Estimate premium offer
$19.1M
This cost is...
Variable
with an individual unit cost of $...
$ 0.6
purchased by...
Market Size
Market Share
Average # Purchases
Time Period
New...
potential user...
100M
%2.55
2.5M Customers
#1
2.5M Purchases
Month
$19.1M
Edit Currency Settings
CANCEL
SUBMIT
New...
100M
potential user base
Cost Structure
customer acquisition
developers
$10M
free offer
$29.1M
premium offer
$19.1M
Revenue Streams
free
premium subscription
$62.4M
Costs: $58.2M
Profit
Revenues: $62.4M

Financial attribute usage on S

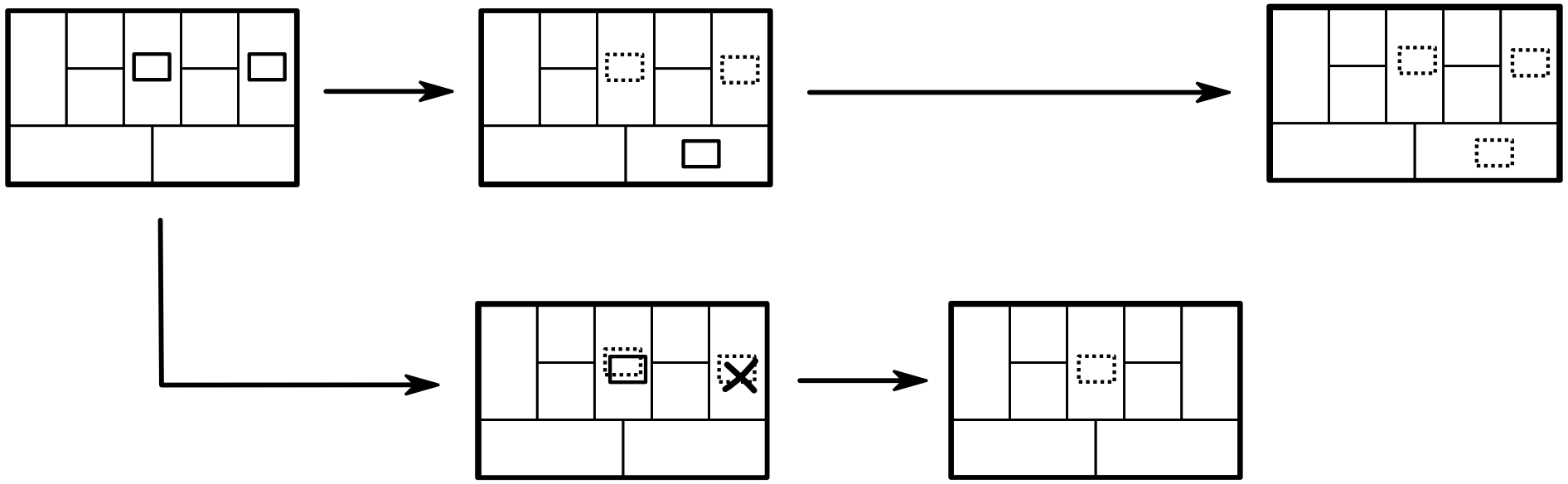


Exercice 3: Checking the numbers

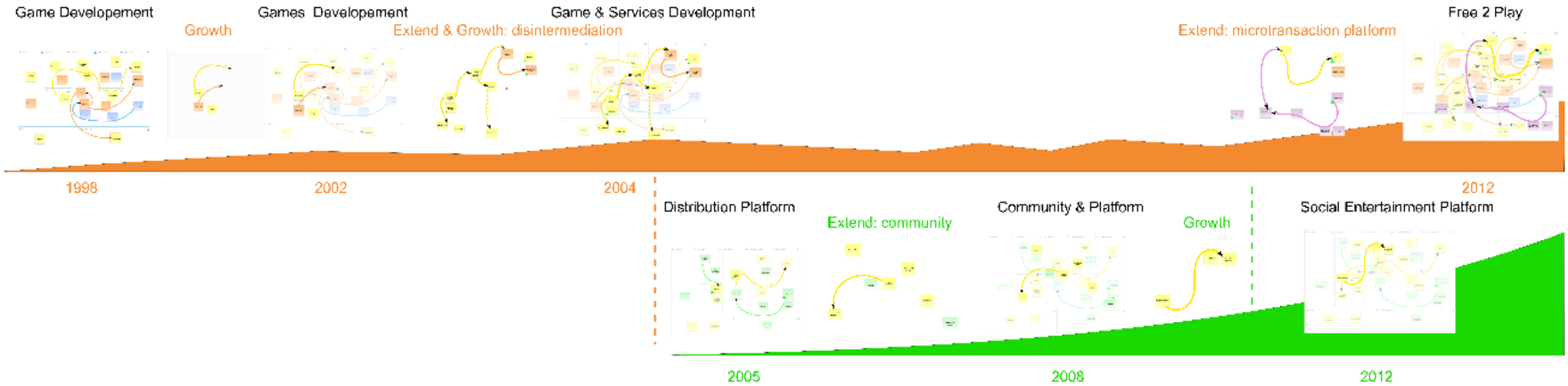
Adding what-if?



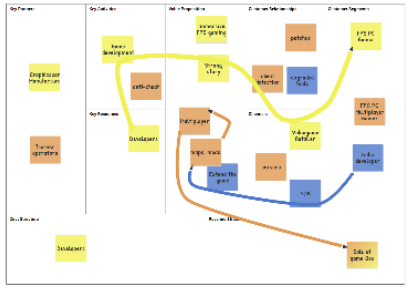
Visualizing Business Model Evolution with the Business Model Canvas: Concept and Tool



Published in Proc. 16th IEEE Conference on Business Informatics (CBI'2014), IEEE Computer Society Press, 2014

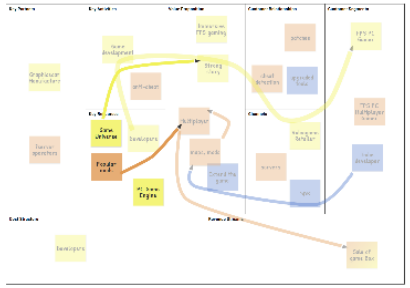

Game Developement
Growth
Games Developement
Extend & Growth: disintermediation
Game & Services Development
Extend: microtransaction platform
Free 2 Play
1998
2002
2004
2012
Distribution Platform
Extend: community
Community & Platform
Growth
Social Entertainment Platform
2005
2008
2012

Game Development



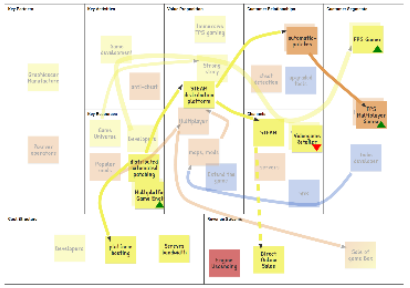
1998

Game Developement



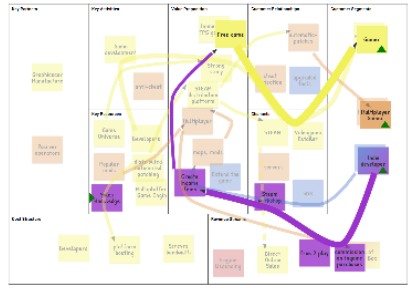
2002

Game & Services Development



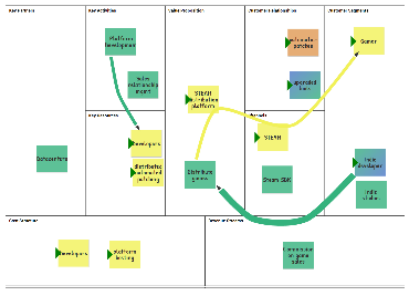
2004

Free 2 Play



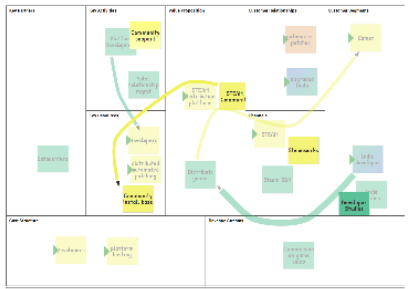
2012

Distribution Platform



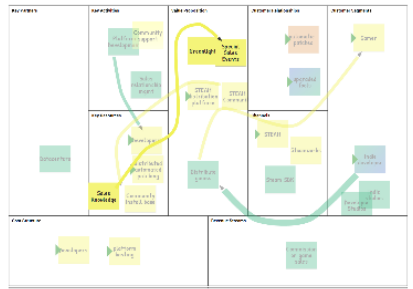
2005

Community & Platform



2008

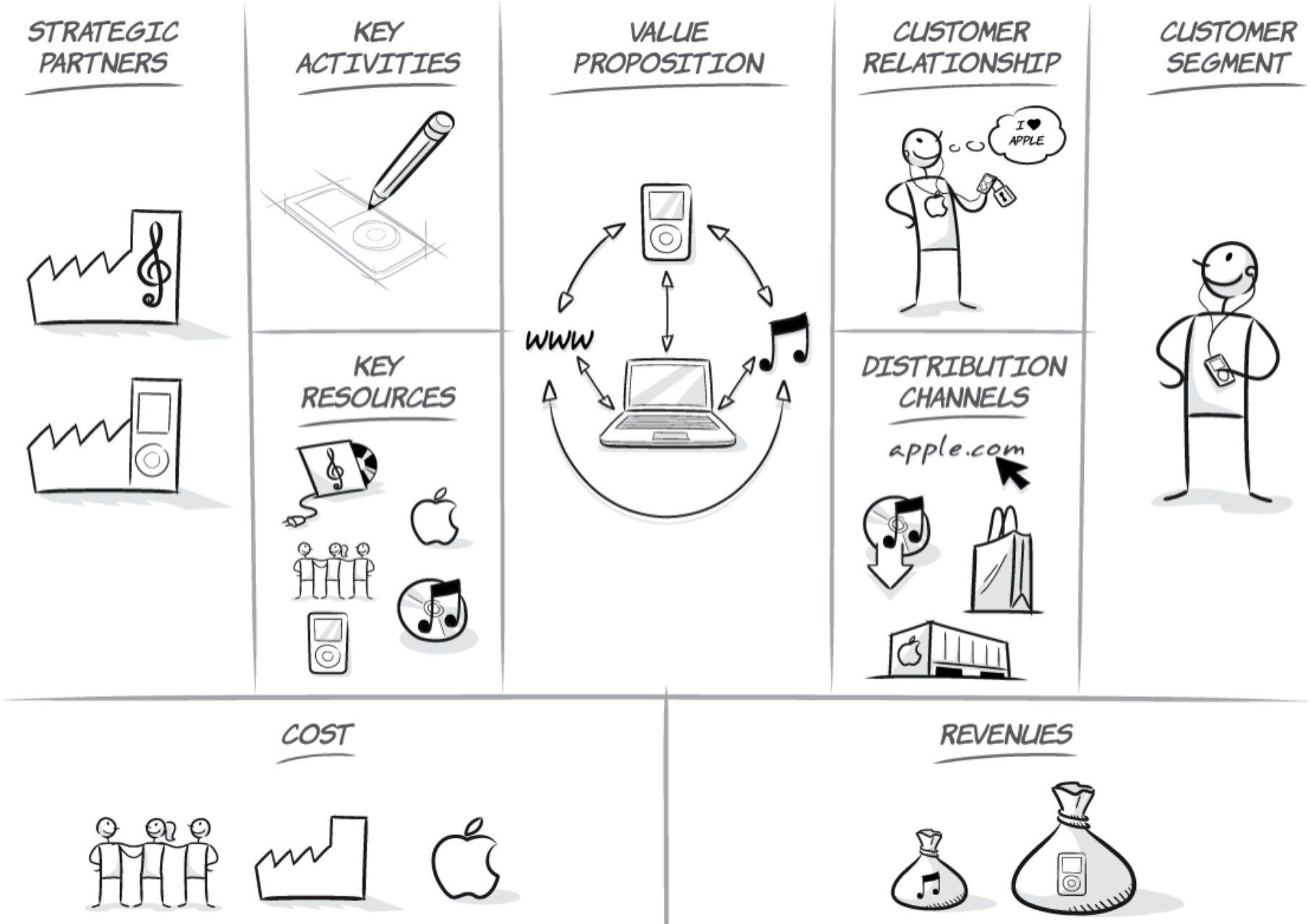
Social Entertainment Platform

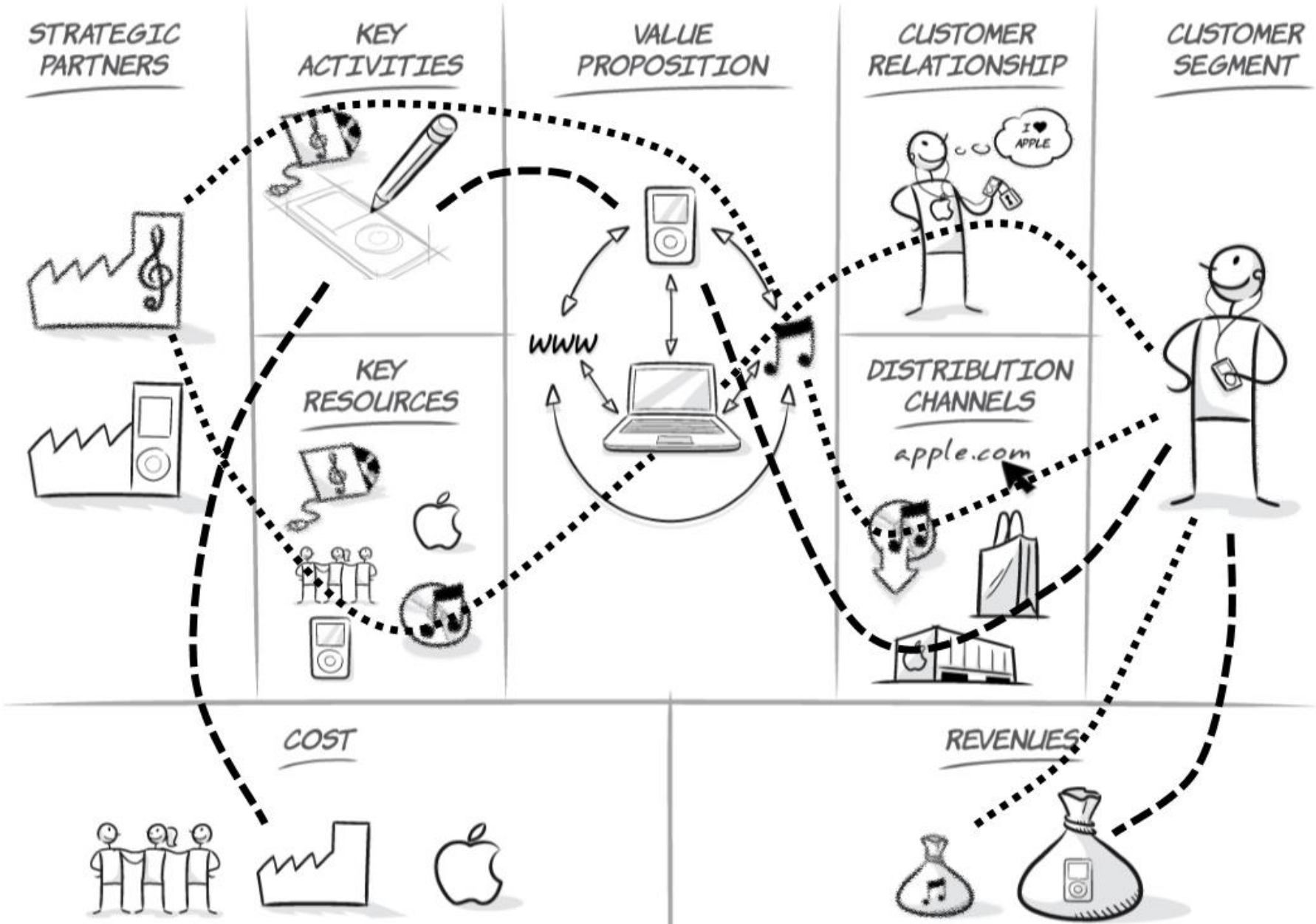


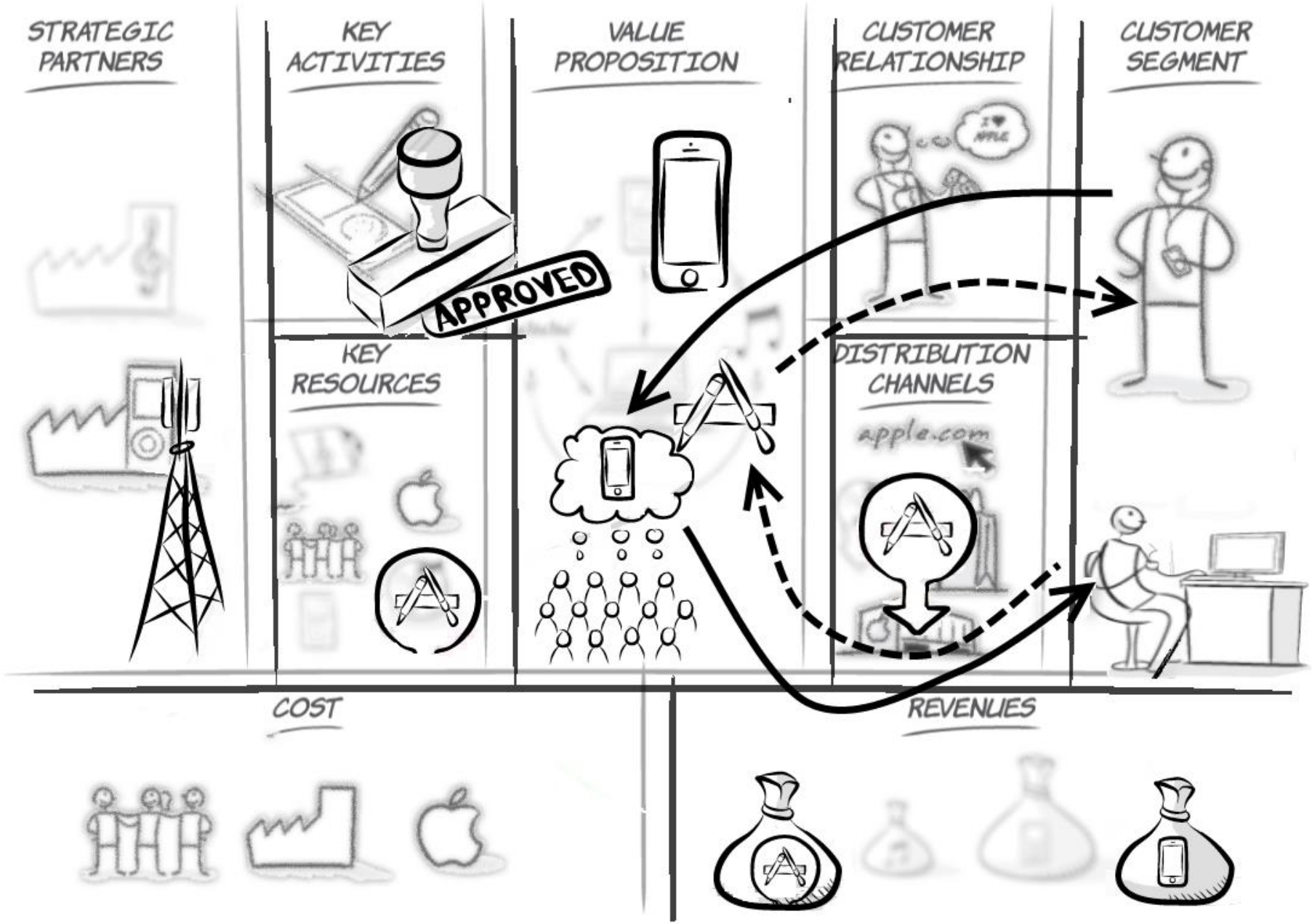
2012

http://phd.fritscher.ch/prototypes/bmlayers/#/evolution/Valve_Corporation_Steam_platform

Exercice 4: Apple iPod/iTunes -> Apps/iPhone


STRATEGIC PARTNERS
KEY ACTIVITIES
VALUE PROPOSITION
CUSTOMER RELATIONSHIP
CUSTOMER SEGMENT
I ♥ APPLE
www
KEY RESOURCES
DISTRIBUTION CHANNELS
apple.com
COST
REVENUES


STRATEGIC PARTNERS
KEY ACTIVITIES
VALUE PROPOSITION
CUSTOMER RELATIONSHIP
CUSTOMER SEGMENT
I ♥ APPLE
WWW
KEY RESOURCES
DISTRIBUTION CHANNELS
apple.com
COST
REVENUES


STRATEGIC PARTNERS
KEY ACTIVITIES
VALUE PROPOSITION
CUSTOMER RELATIONSHIP
CUSTOMER SEGMENT
APPROVED
I ♥ APPLE
KEY RESOURCES
DISTRIBUTION CHANNELS
apple.com
COST
REVENUES

Further Work

- Rules for information
- Rules for financial simulation
- Layers for legal or social concerns
- Cross-section at multiples disciples: requirement engineering, information systems, strategy and user experience.
- This kind of research should be extended to other strategy methods.