

## Part 02

*Startups using the Business Model Canvas can create a business model that is comprehensive, where product or service ideas can be fleshed out with clarity - ultimately attracting investors.*

We all need a **compass for success**. The Business Model Canvas (BMC) is fantastic for startups of all types to create a structural framework from inception to MVP to market. I found the BMC via Stanford University's Technology Entrepreneurship program and honestly fell in love with this business modeling tool for its simplicity and effectiveness.

### 1/ **definition of The Business Model Canvas**

The Business Model Canvas is a strategic management and entrepreneurial tool. It allows you to describe, design, challenge, invent, and pivot your business model.

The BMC provides a concise, visual framework that encapsulates how organizations create, deliver, and capture value. This article aims to explore the BMC in-depth, offering insights and practical advice on leveraging this tool to its fullest potential.

**Business Model Canvas** is a strategic management tool designed to visualize, design, and reinvent business models. It's your canvas (pun intended!) to paint a comprehensive picture of how your organization creates, delivers, and captures value.

## 2/ Key components of the Business Model Canvas:

<b>Key Partners</b>  Local municipality and housing society	<b>Key Activities</b>  Making lemonade Making snacks Marketing Selling	<b>Value Propositions</b>  Cold tasty lemonade and snacks on-the-go	<b>Customer Relationships</b>  Direct & personal	<b>Customer Segments</b>  Everyday people and neighbors walking by
	<b>Key Resources</b>  Booth Staff Ingredients		<b>Channels</b>  Walk-by Email Online	
<b>Cost Structure</b>  Ingredients Booth equipment Salaries Promotions			<b>Revenue Streams</b>  Lemonade and snack sales Tips	

### 1. Value propositions

Your value proposition is the core of your Business Model Canvas. It essentially answers the question: What sets you apart from your competitors, and why would customers choose you over them?

### 2. Customer segments

Who are you creating value for? This section requires you to segment your market into groups of customers with similar needs, behaviors, or characteristics

### 3. Channels

Channels are the touchpoints through which you communicate with your customer segments and deliver your value propositions

### 4. Customer relationships

How do you intend to establish and sustain relationships with your customers?

#### 5. Revenue streams

Revenue Streams refer to how your business can generate income by converting value into financial returns.

#### 6. Key resources

Key resources are the assets required to make your business model work. They can be physical (buildings, vehicles), intellectual (brands, patents, data), human (expertise, knowledge), or financial.

#### 7. Key activities

What must you do to ensure your business model functions effectively? Key activities in the Business Model Canvas could involve production, problem-solving, or platform/network maintenance, depending on your business type.

#### 8. Key partnerships

Few businesses operate in isolation. Key partnerships and networks can help you optimize your business model, reduce risks, or acquire resources and activities

#### 9. Cost structure

Finally, the cost structure outlines the major costs of operating your business model.