

# Business Model Canvas

If you have an income-generating idea, then this simple guide - called a 'Business Model Canvas' - can help you start to make a plan. To get started: gather together the people behind your idea; draw a template like the one below on a big piece of paper; and then - using the guidance on the following page - start to fill in each section. Good luck!

1. What Are You Selling And Why Is It Valuable?

2. Who Are Your Customers?

3. Where Will You Sell It?

4. How Will You Generate Income?

5. What Activities Are Key To Your Business?

6. How Will You Build Customer Relationships?

7. What Are Your Costs?

8. What Resources Do You Need?

9. What Partnerships Do You Need to Form?

## **1. What Are You Selling, And Why Is It Valuable?**

Explain how your product / service will help customers do what they could not do already. And if there are other products / services like yours, explain how yours might be more valuable.

## **2. Who Are Your Customers?**

Who do you hope to sell to? List the different kinds of people (e.g. young mothers). Be as specific as you can.

## **3. Where Will You Sell It?**

Are you selling your product / service online? At a market? To a wholesaler? In a shop?

## **4. How Will You Generate Income?**

How do your customers purchase your product or service? Is it a one time sale of a physical product? Or do people hire something? Or is there a subscription fee? Or a combination of these things?

## **5. What Activities Are Key To Your Business?**

What will your business do with its resources? Activities usually

fall into three categories: production; problem solving; platform/network (this refers to maintaining resources).

## **6. How Will You Build Customer Relationships?**

How will you start, keep and grow these relationships? For example, will you offer advice before sale? Or a repair service afterwards? You may find it useful to split this section into three: start, keep, grow.

## **7. What Are Your Costs?**

List each cost for your business (like materials, labour and transport) to your business model canvas. Also, reflect on how you view costs: are you more value driven, focusing on high value, or cost-driven, focusing on low cost?

## **8. What Resources Do You Need?**

List all the products, people and money that you think you will need to get started and keep running.

## **9. What Partnerships Will You Need To Form?**

These could be relationships with suppliers, or even competi.

Don't forget, once you have completed these 9 squares, you can still update or refresh your Business Model Canvas as your idea develops and you learn more. For example, you might gain new knowledge of potential customers (this could come from doing a questionnaire or survey) or what customers want. You might have to revise your costs.

If you're a Cluster member and you have questions about any of this then you can email [robins@arukahnetwork.org](mailto:robins@arukahnetwork.org) - he will be happy to help.