

# Business Model Canvas

Method to the madness of entrepreneurship

An introduction

# What in hell is a “business model”?

- *an abstract conceptual model that represents the business and money earning logic of a company*
- *a business layer (acting as a sort of glue) between business strategy and processes.*

Alex Osterwalder

“Running a crappy friterie around the corner takes as much time and work as running a global corporation...”

Jean Derely

Founder, Woorank and BetaGroup

09/378.54.75  
info@defrieterie.be

# DE WAARSCHOOT FRIETERIE

## OPENINGSTIJDEN

	Gesloten	Gesloten
MA		
DI		
WO	11u30 - 14u00	17u00 - 23u00
DO	11u30 - 14u00	17u00 - 23u00
VR	11u30 - 14u00	17u00 - 24u00
ZA	11u30 - 14u00	17u00 - 24u00
ZO	11u30 - 14u00	17u00 - 23u00



*Bij Peter & Nathalie*





# Ontdek ons nieuw restaurant in Ronse

OPENING IN

4

DAGEN

17

UREN

14

MINUTEN



RONSE

McFLURRY™ MARS

BESTE WINKELKETEN

BELGISCHE APPELTJES

McWRAP

ONZE DESSERTEN

So how do they  
compare?

Peter and Natalie...

vs.

Jim Skinner

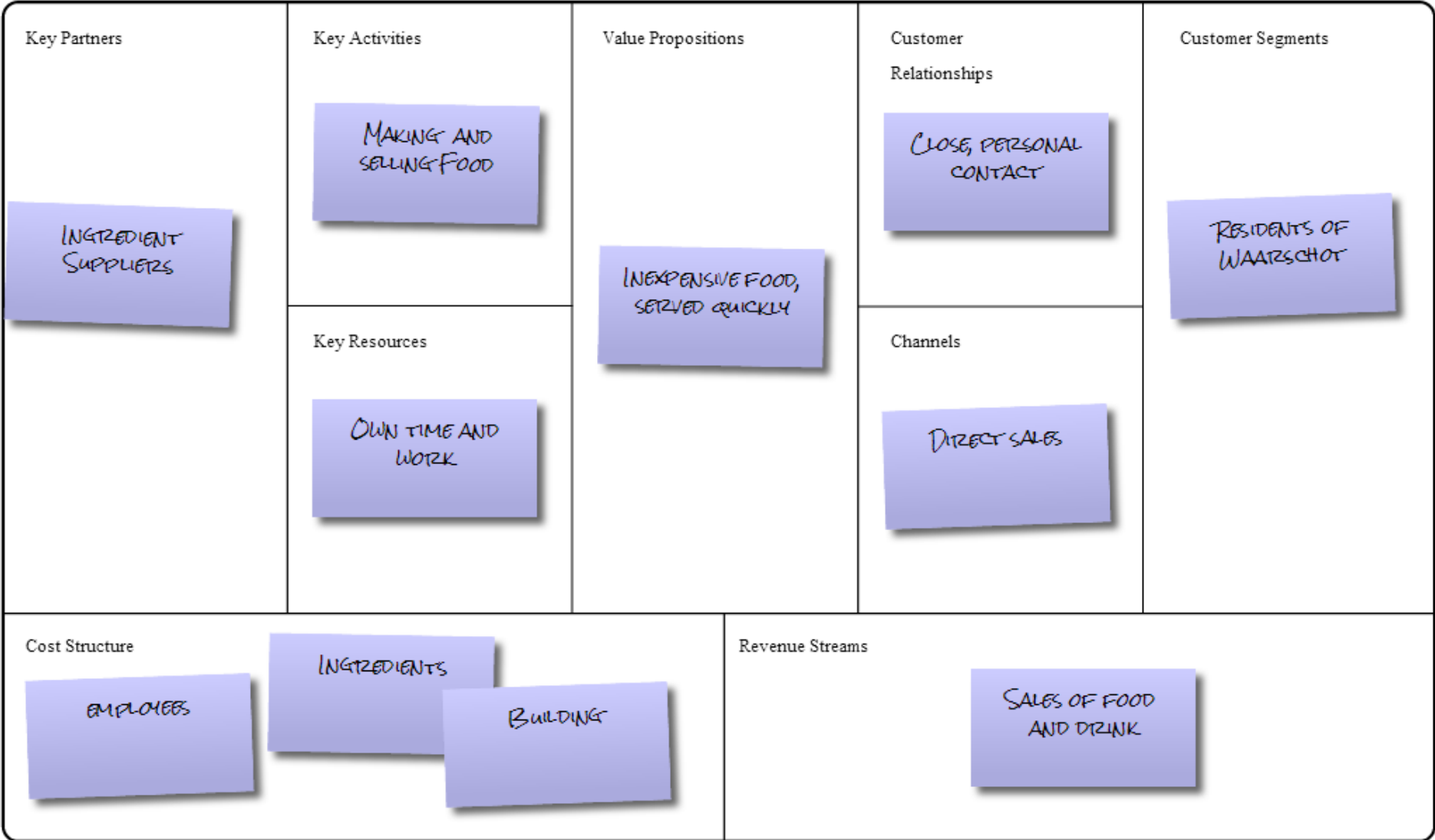
Several 100,000s of Euros

vs.

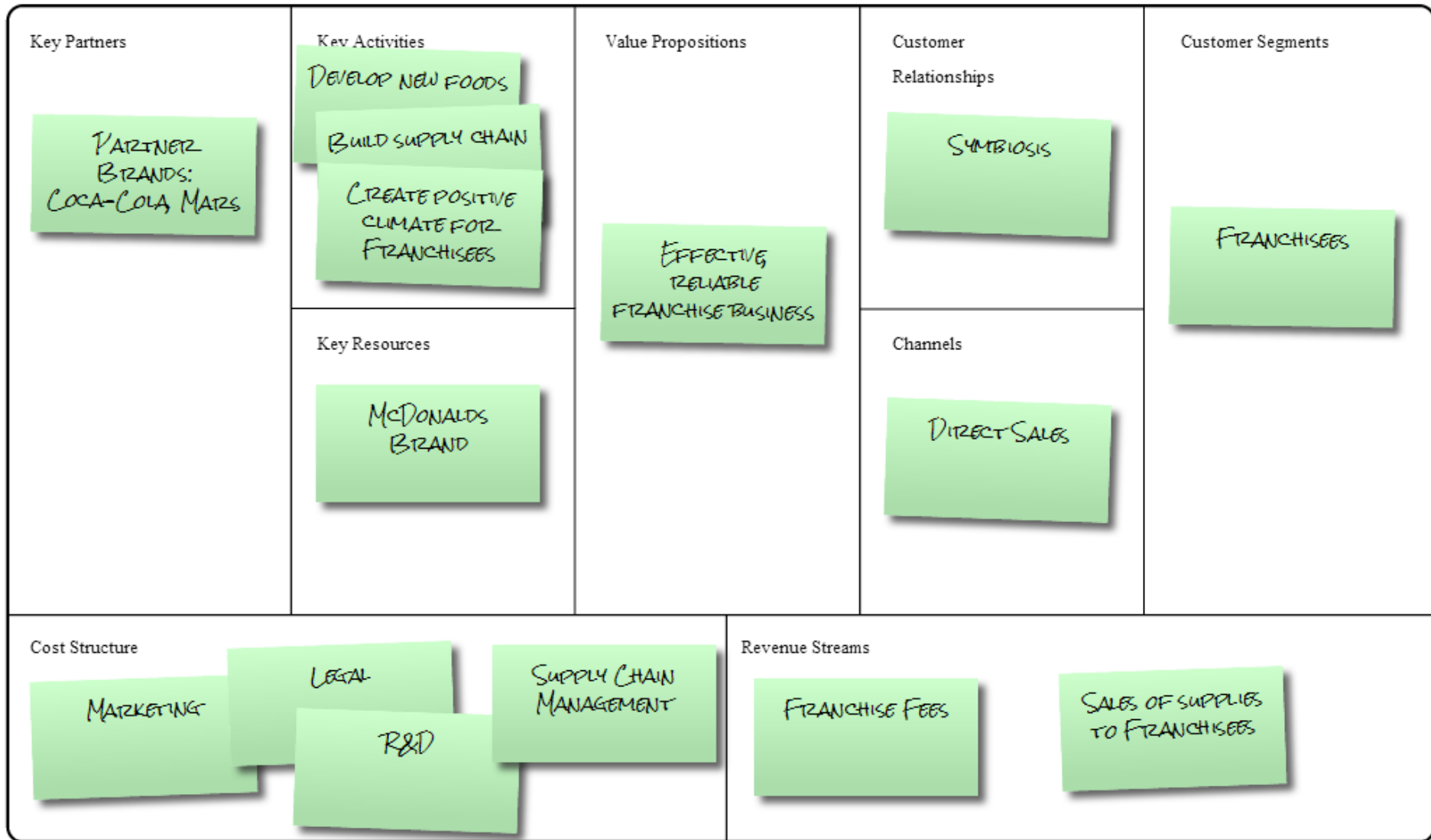
**\$27 billion**



# DEFTRIETRIE.BE



# MCDONALD'S (GLOBAL CORPORATION)





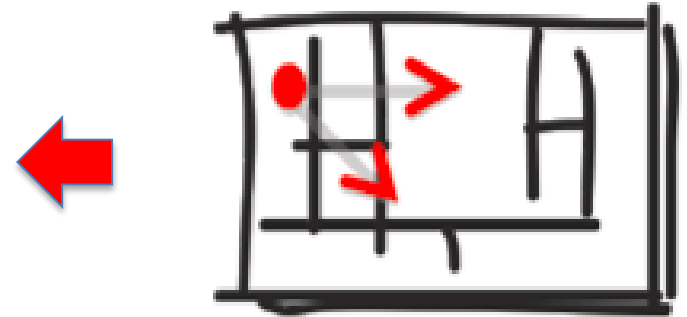
# BMC is not an abstract exercise...

It helps you answer two important questions:

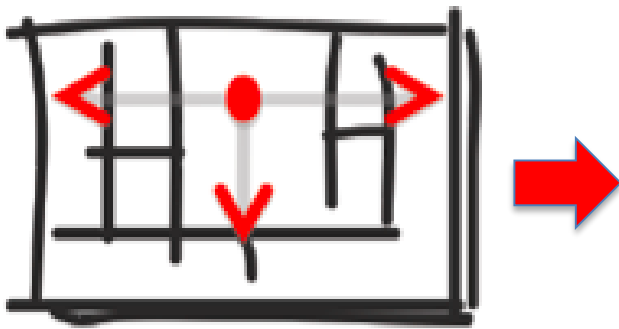
- Is this a business or a hobby?
- If it's a hobby, how can you turn it into a business?

# 2 ways to start your Canvas

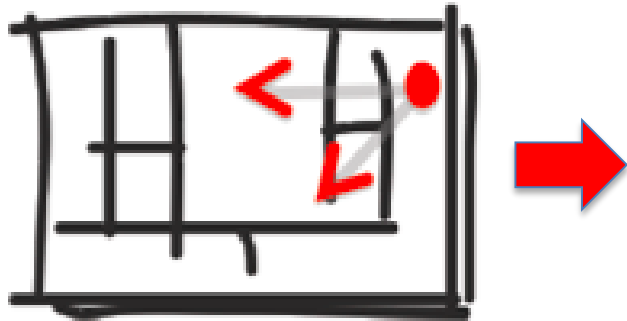
Specific resources, some  
specific competences, a  
license (IP),  
a specific know-how, ...



A specific Value Proposition  
... a well-defined offer : you  
have a solution looking for a  
problem to solve, or a  
customer to satisfy.

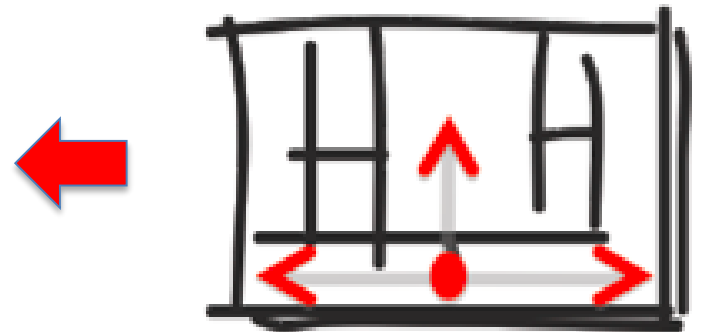


# 2 more ways to start your Canvas

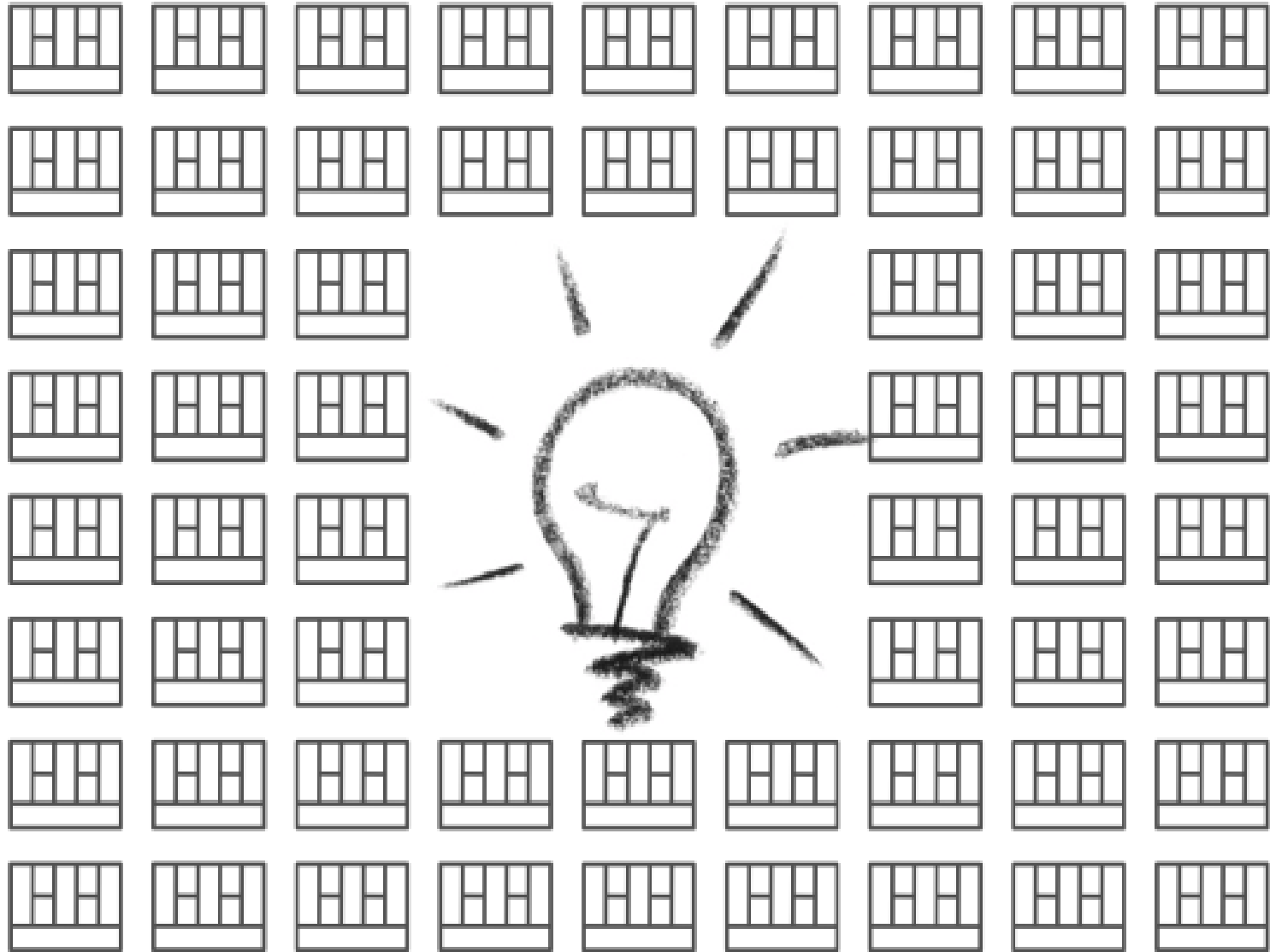


A well-defined segment of customer having a problem you intend to satisfy

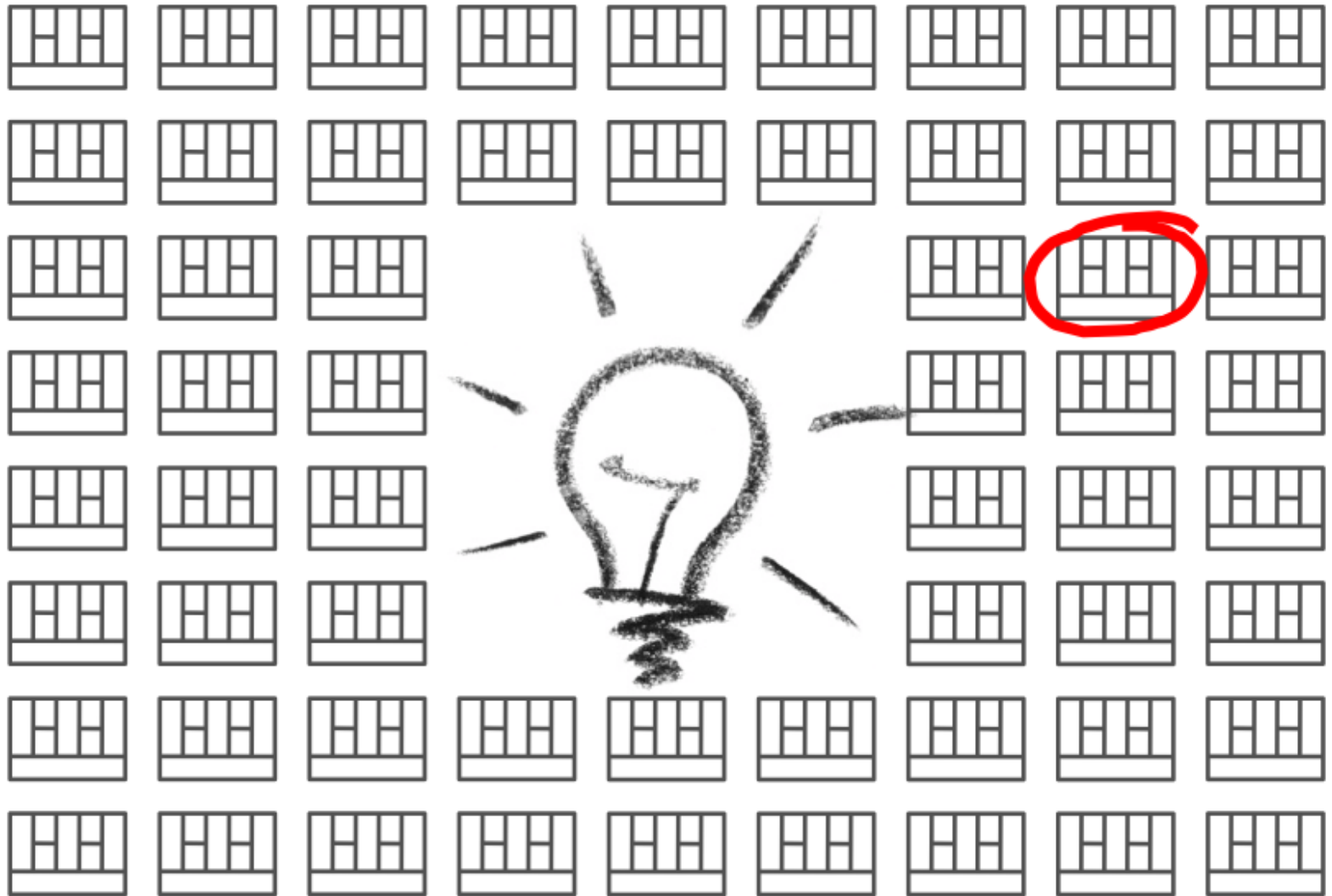
A low-cost model where more customer can access a product or a service



# Come up with a ton of options

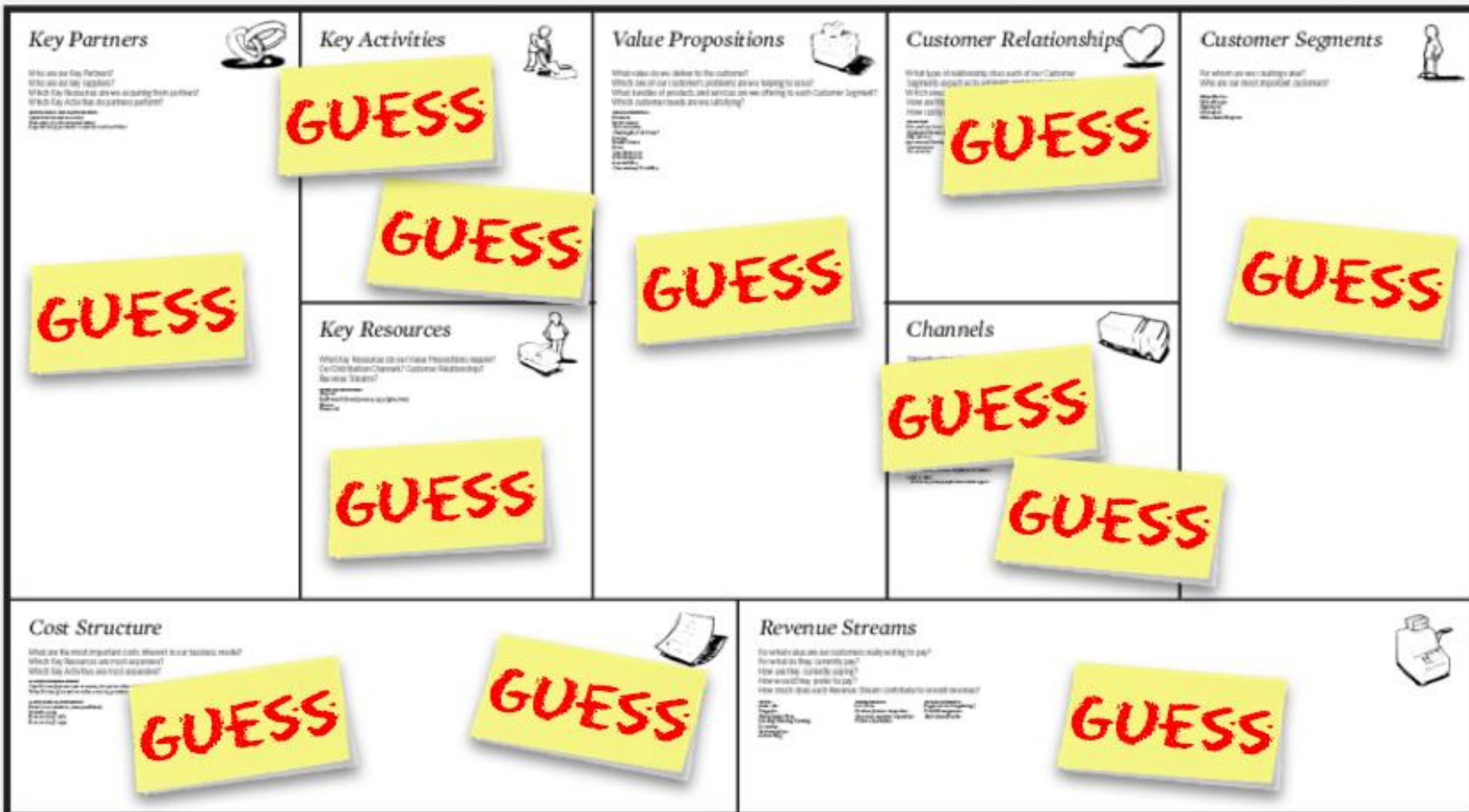


# Choose one that sounds reasonable



# Start with guesses...

# Fill them in with knowledge. Quickly.



**Canvas without numbers = bullsh\*t**

# Check it against these four criteria

- Are there customers who will buy what you sell?
- Are you different enough from competition?
- Is this more profitable than another business?
- Can you build a “factory” for doing what you do and vastly increase output?



# Business or hobby?

- Watch found at a flea market: € 3
- Repairs: € 80
- Sold for: € 200
- Profit: € 117



# Demand

- Dozens of blogs and forums dedicated to “exotic” watches
- “Exotic” watches on Ebay seem to always get sold
- Consistent price levels

# Competition

- Lots of “premium brand” watches, not a lot “exotic” sold online
- Same story in “bricks and mortar” shops

**So far so good...**

# Profitability

- Flea market: 2 hours
- Research: 1 hour
- Repairs: 0.5 hours
- Sale on Ebay: 2.5 hours

**½ day of work for € 117**

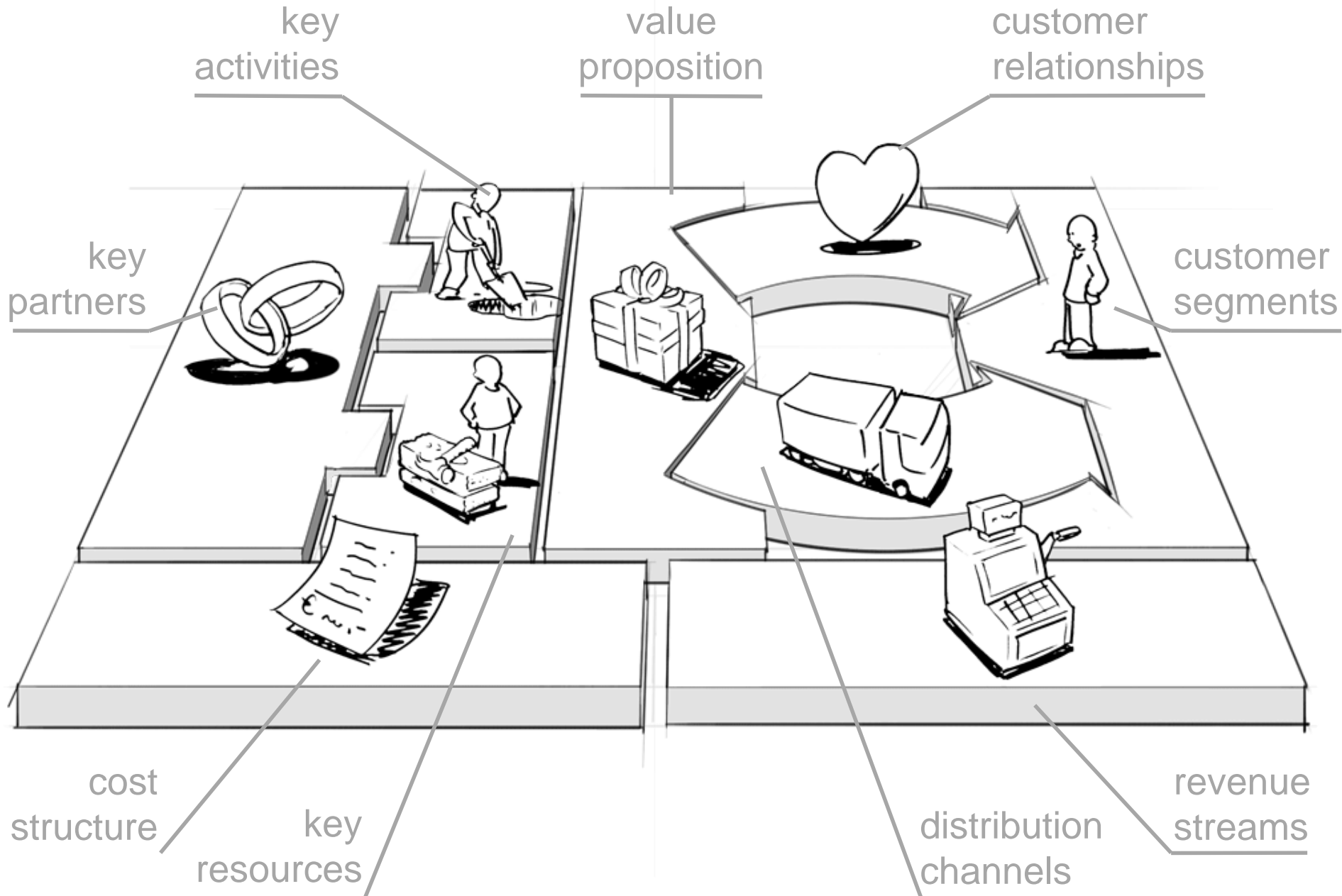
# Scalability

- 1 flea market per week
- Maybe 3 in one day
- Max. 12 watches/month
- Don't forget travel cost

**MAYBE € 1000 / month**

**Don't quit the day job...**

# Try again, use canvas as inspiration.



# How can I improve my watch business?

- **(key activities)** Reduce cost of repairing watches
  - Croatia: € 15 per watch instead of € 100
- **(key partners)** Source more watches to repair and sell
  - Recruit flea market traders as my “supply chain”
- **(resources)** Source more watches to repair and sell
  - Hire “cheap” part-time assistants in major cities
- **(distribution channels)** Make more money per watch
  - Create my own online community of exotic watch fans
- **(customer segment)** Make more money per watch
  - Open a shop at Sablon (Brussels)
- **(value proposition)** Make more money per watch
  - Add more expensive watches from known brands



You need knowledgeable people around the table

# One last bit of Canvas wisdom





This is the right  
kind of a  
Swiss Army Knife.



Now let's talk about

**YOUR**

business

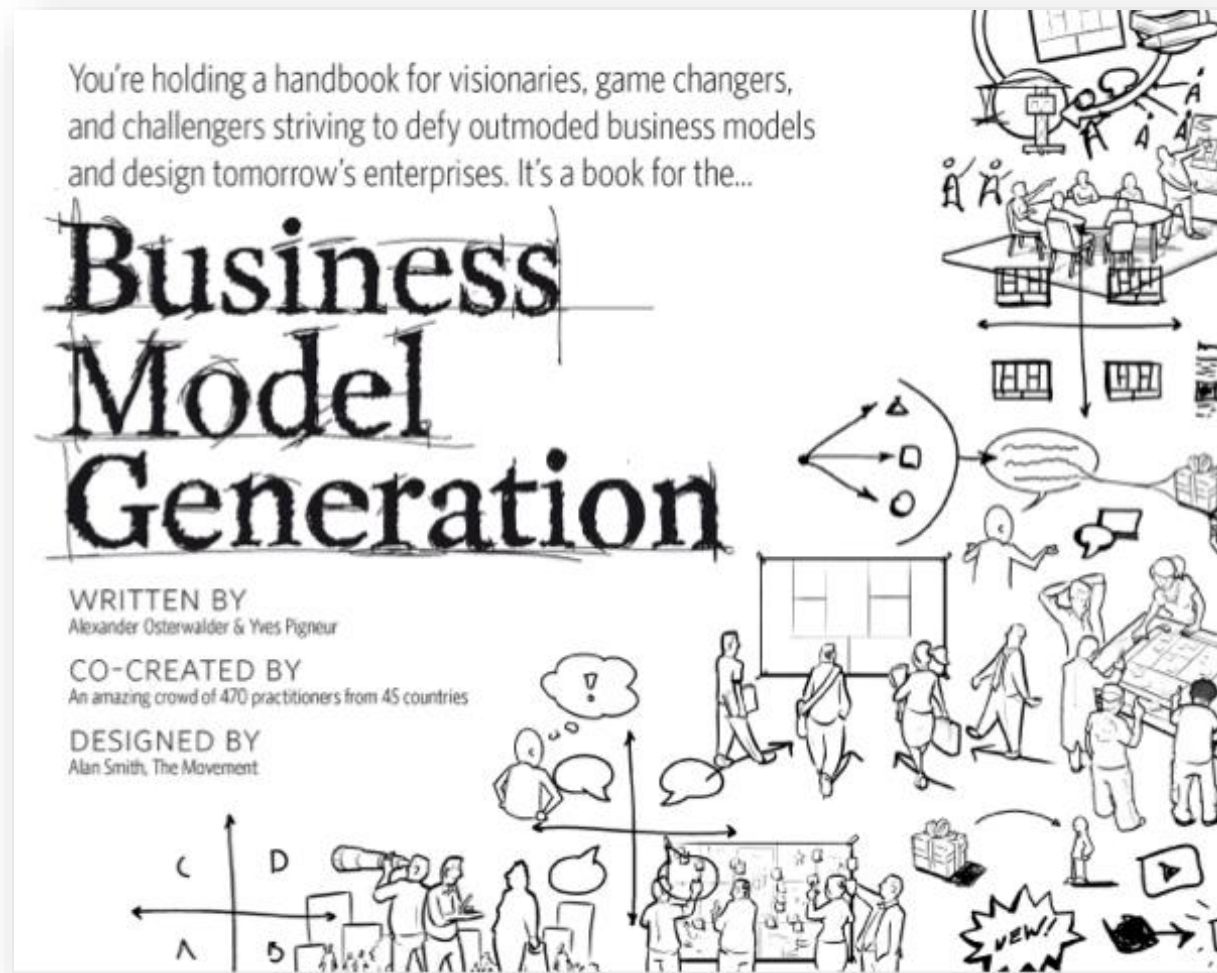
[leo.exter@weststartup.eu](mailto:leo.exter@weststartup.eu)

[www.weststartup.eu](http://www.weststartup.eu)

[@leoexter](#)



# Book describes the Canvas



Download the book :

<http://www.businessmodelgeneration.com/book>

# Bibliography

- Download the canvas :  
<http://www.businessmodelgeneration.com/canvas>
- Download the app to play with the canvas :  
<http://www.businessmodelgeneration.com/toolbox>

# Plenty of free digital tools

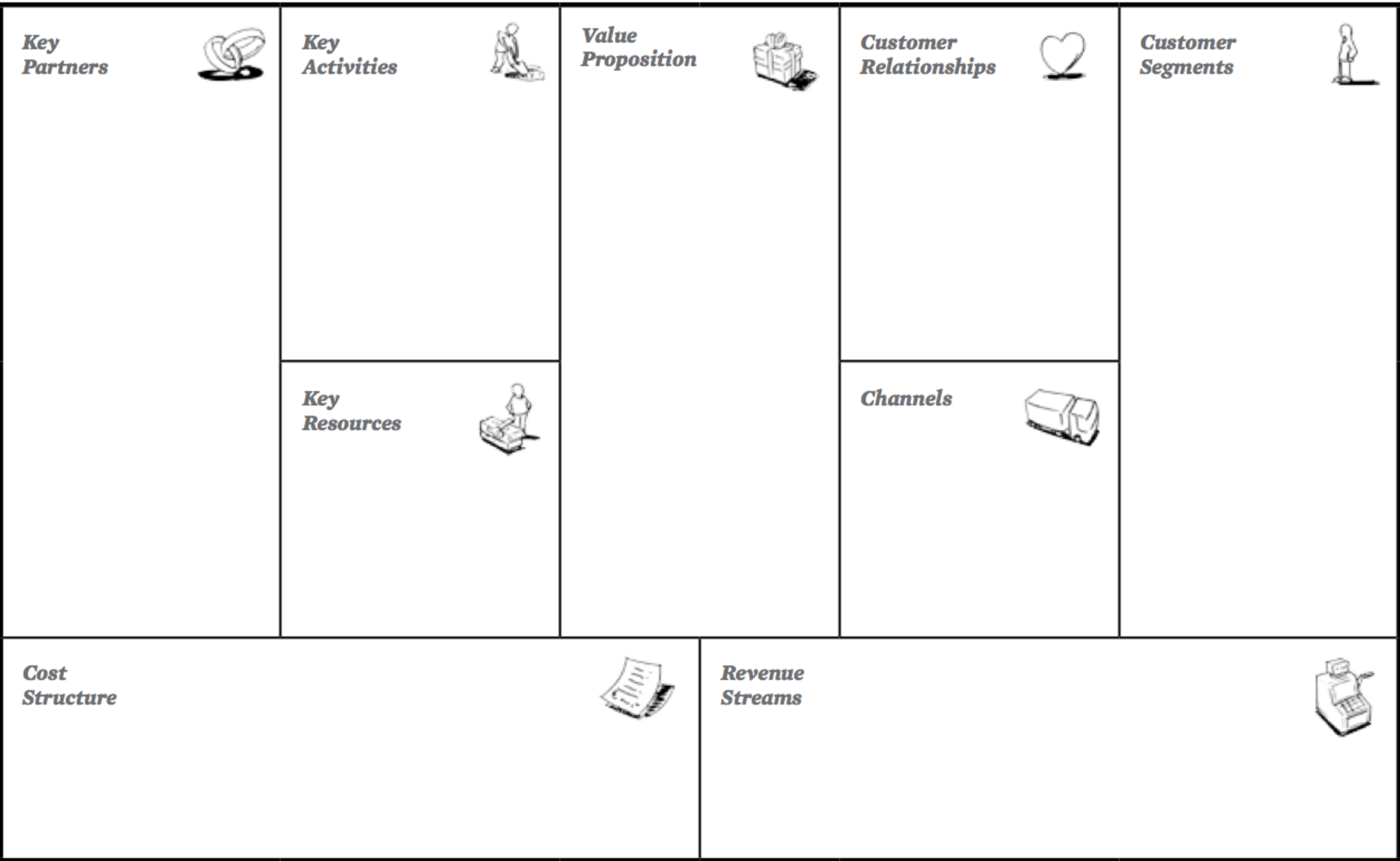
- Simplest web app in existence:

<http://www.bemcoapp.com/>

- A bit more sophistication:

<http://canvanizer.com/>

# The Business Model Canvas



Download :

[http://www.businessmodelgeneration.com/downloads/business\\_model\\_canvas\\_poster.pdf](http://www.businessmodelgeneration.com/downloads/business_model_canvas_poster.pdf)