

The Business Model Canvas

Key Partner



shows the network of suppliers and partners that bring in external resources and activities.

Key Activities



are the most important activities an organization needs to perform well.

Key Resources



are the most important assets required to offer and deliver the product and services

Value Proposition



are based on a bundle of products and services that create value for a customer segment.

Customer Relationship



outline what type of relationship is established and maintained with each customer segment, and they explain how customers are acquired and retained.

Channel



describe how a value proposition is communicated and delivered to a customer segment through communication, distribution, and sales channels.

Customer Segments



are the groups of people and/or organizations a company or organization aims to reach and create value for with a dedicated value proposition.

Cost Structure



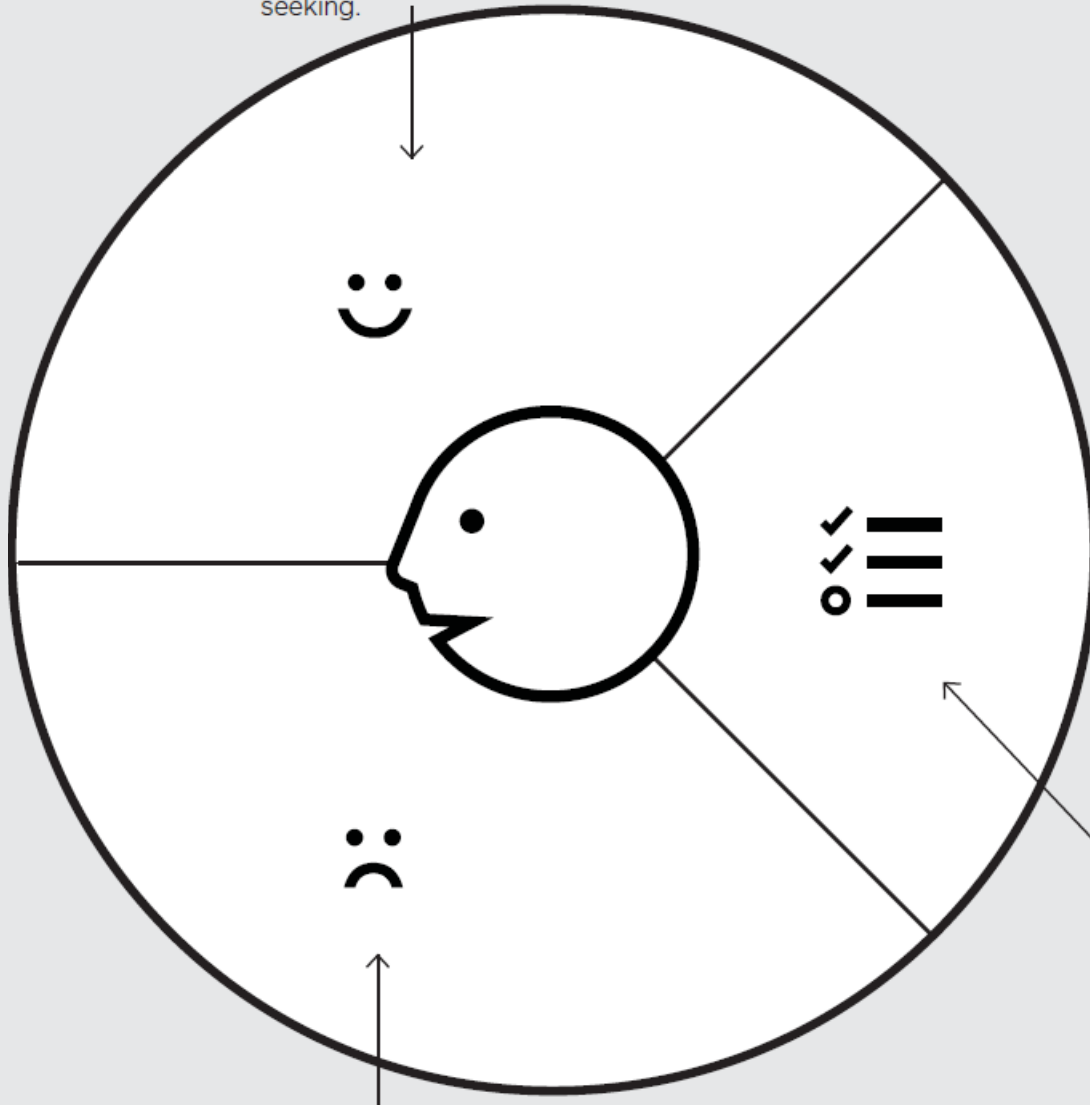
describes all costs incurred to operate a business model.

Revenue Stream



result from a value proposition successfully offered to a customer segment. It is how an organization captures value with a price that customers are willing to pay.

Gains describe the outcomes customers want to achieve or the concrete benefits they are seeking.



Pains describe bad outcomes, risks, and obstacles related to customer jobs.

Customer Profile

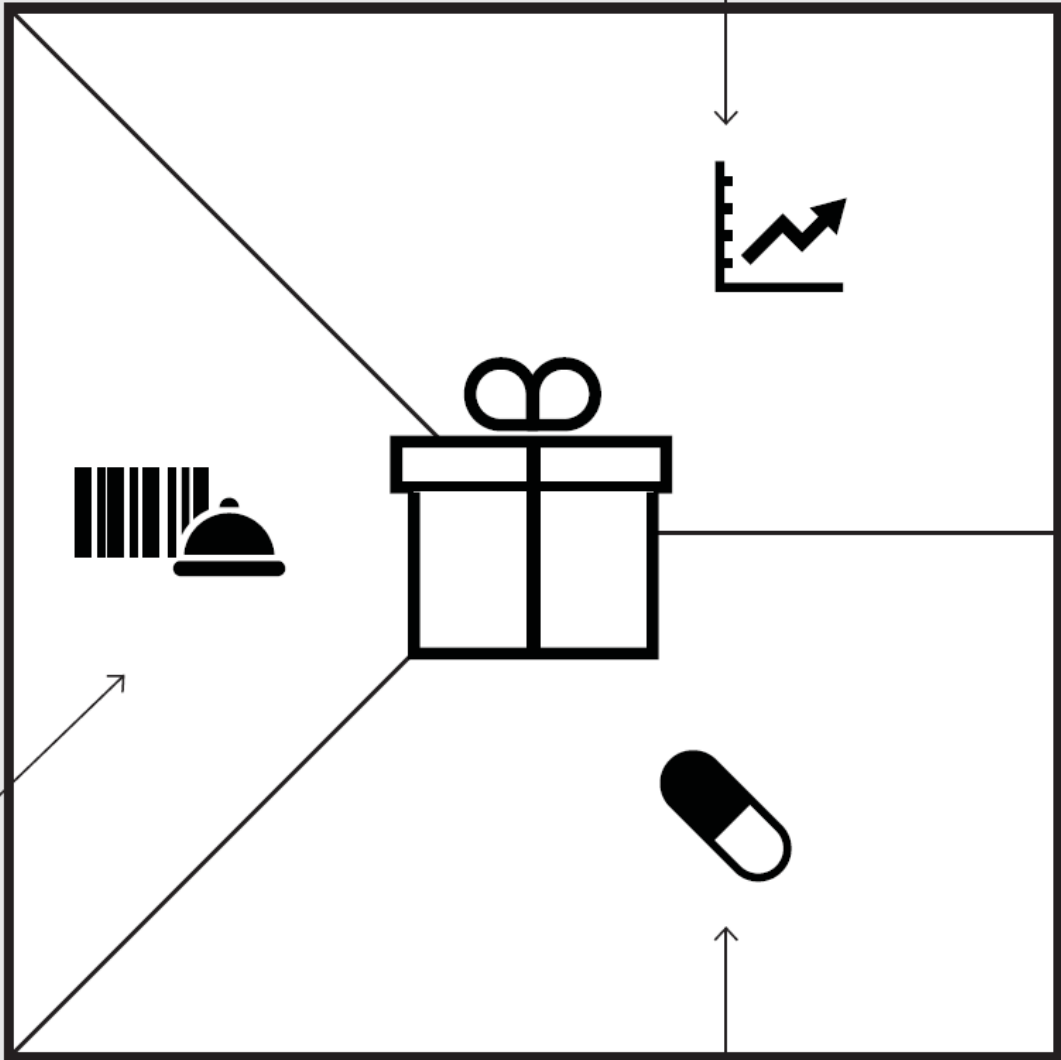
The Customer (Segment) Profile describes a specific customer segment in your business model in a more structured and detailed way. It breaks the customer down into its jobs, pains, and gains.

Customer Jobs describe what customers are trying to get done in their work and in their lives, as expressed in their own words.

Value Map

The Value (Proposition) Map describes the features of a specific value proposition in your business model in a more structured and detailed way. It breaks your value proposition down into products and services, pain relievers, and gain creators.

This is a list of all the **Products and Services** a value proposition is built around.



Gain Creators describe how your products and services create customer gains.

Pain Relievers describe how your products and services alleviate customer pains.

Customer Jobs

Jobs describe the things your customers are trying to get done in their work or in their life. A customer job could be the tasks they are trying to perform and complete, the problems they are trying to solve, or the needs they are trying to satisfy. Make sure you take the customer's perspective when investigating jobs. What you think of as important from your perspective might not be a job customers are actually trying to get done.*

Distinguish between three main types of customer jobs to be done and supporting jobs:

Functional jobs

When your customers try to perform or complete a specific task or solve a specific problem, for example, mow the lawn, eat healthy as a consumer, write a report, or help clients as a professional.

Social jobs

When your customers want to look good or gain power or status. These jobs describe how customers want to be perceived by others, for example, look trendy as a consumer or be perceived as competent as a professional.

Personal/emotional jobs

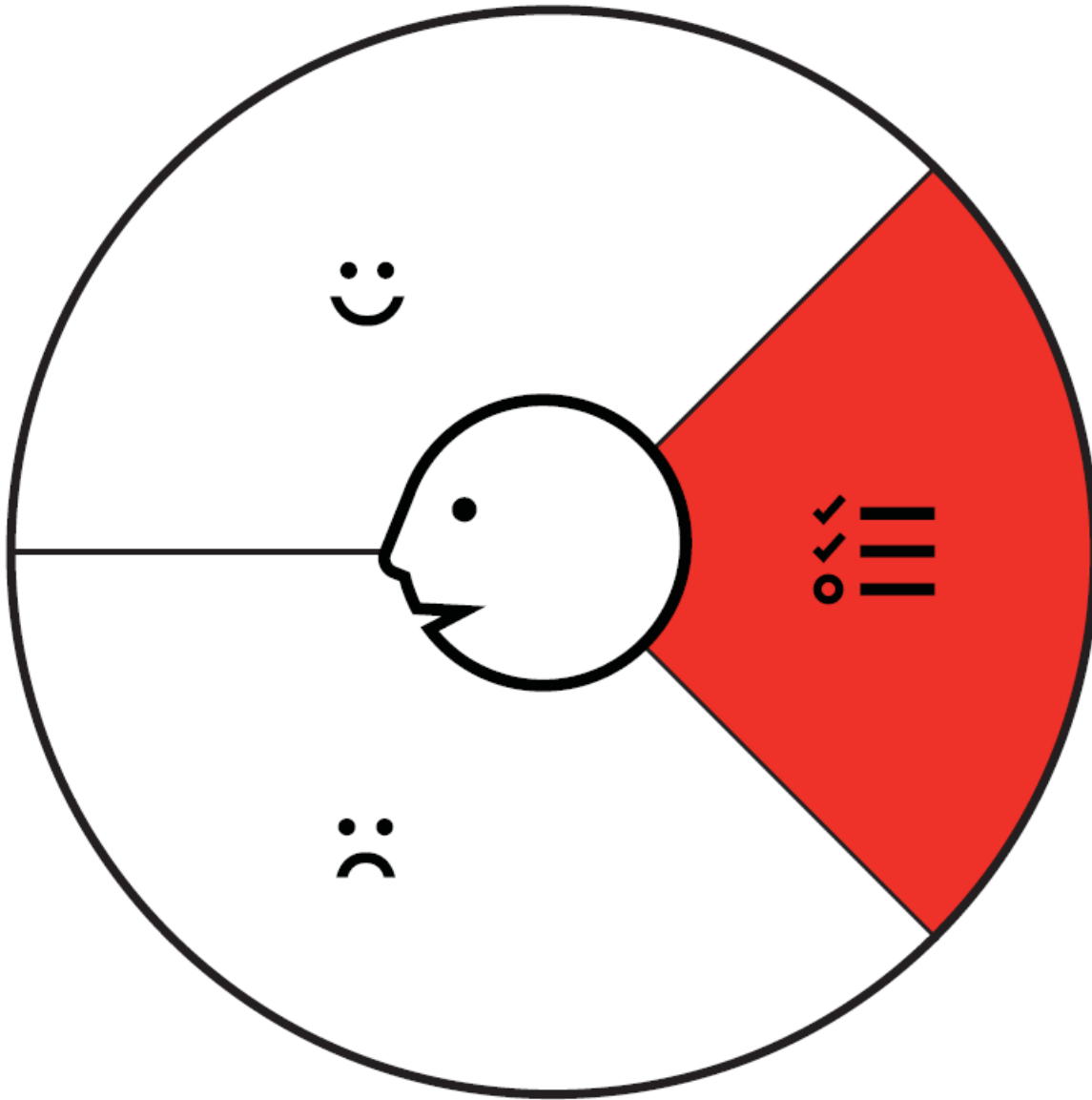
When your customers seek a specific emotional state, such as feeling good or secure, for example, seeking peace of mind regarding one's investments as a consumer or achieving the feeling of job security at one's workplace.

Supporting jobs

Customers also perform supporting jobs in the context of purchasing and consuming value either as consumers or as professionals. These jobs arise from three different roles:

- **BUYER OF VALUE:** jobs related to buying value, such as comparing offers, deciding which products to buy, standing in a checkout line, completing a purchase, or taking delivery of a product or service.
- **COCREATOR OF VALUE:** jobs related to cocreating value with your organization, such as posting product reviews and feedback or even participating in the design of a product or service.
- **TRANSFERRER OF VALUE:** jobs related to the end of a value proposition's life cycle, such as canceling a subscription, disposing of a product, transferring it to others, or reselling it.

* The jobs to be done concept was developed independently by several business thinkers including Anthony Ulwick of the consulting firm Strategyn, consultants Rick Pedi and Bob Moesta, and Professor Denise Nitterhouse of DePaul University. It was popularized by Clay Christensen and his consulting firm Innosight and Anthony Ulwick's Strategyn.

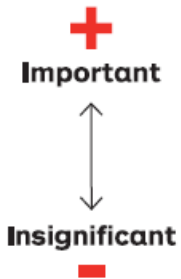


Job context

Customer jobs often depend on the specific context in which they are performed. The context may impose certain constraints or limitations. For example, calling somebody on the fly is different when you are traveling on a train than when you are driving a car. Likewise, going to the movies with your kids is different than going with your partner.

Job importance

It is important to acknowledge that not all jobs have the same importance to your customer. Some matter more in a customer's work or life because failing to get them done could have serious ramifications. Some are insignificant because the customer cares about other things more. Sometimes a customer will deem a job crucial because it occurs frequently or because it will result in a desired or unwanted outcome.



Customer Pains

Pains describe anything that annoys your customers before, during, and after trying to get a job done or simply prevents them from getting a job done. Pains also describe risks, that is, potential bad outcomes, related to getting a job done badly or not at all.

Seek to identify three types of customer pains and how severe customers find them:

Undesired outcomes, problems, and characteristics

Pains are functional (e.g., a solution doesn't work, doesn't work well, or has negative side effects), social ("I look bad doing this"), emotional ("I feel bad every time I do this"), or ancillary ("It's annoying to go to the store for this"). This may also involve undesired characteristics customers don't like (e.g., "Running at the gym is boring," or "This design is ugly").

Obstacles

These are things that prevent customers from even getting started with a job or that slow them down (e.g., "I lack the time to get this job done accurately," or "I can't afford any of the existing solutions").

Risks (undesired potential outcomes)

What could go wrong and have important negative consequences (e.g., "I might lose credibility when using this type of solution," or "A security breach would be disastrous for us").

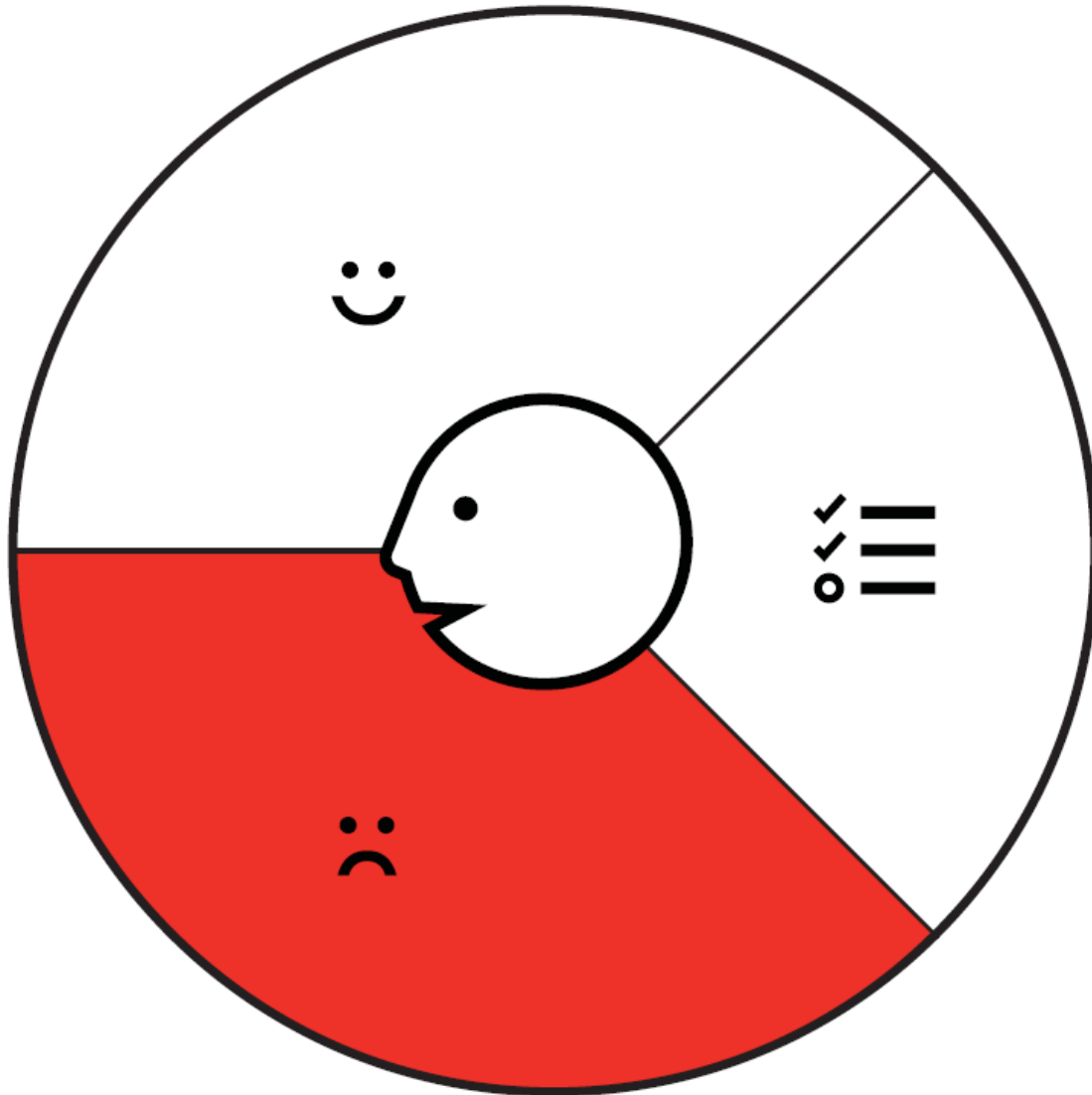
Pain severity

A customer pain can be extreme or moderate, similar to how jobs can be important or insignificant to the customer.



Tip: Make pains concrete.

To clearly differentiate jobs, pains, and gains, describe them as concretely as possible. For example, when a customer says "waiting in line was a waste of time," ask after how many minutes exactly it began to feel like wasted time. That way you can note "wasting more than x minutes standing in line." When you understand how exactly customers measure pain severity, you can design better pain relievers in your value proposition.



The following list of trigger questions can help you think of different potential customer pains:

- How do your customers define too costly? Takes a lot of time, costs too much money, or requires substantial efforts?
- What makes your customers feel bad? What are their frustrations, annoyances, or things that give them a headache?
- How are current value propositions underperforming for your customers? Which features are they missing? Are there performance issues that annoy them or malfunctions they cite?
- What are the main difficulties and challenges your customers encounter? Do they understand how things work, have difficulties getting certain things done, or resist particular jobs for specific reasons?
- What negative social consequences do your customers encounter or fear? Are they afraid of a loss of face, power, trust, or status?
- What risks do your customers fear? Are they afraid of financial, social, or technical risks, or are they asking themselves what could go wrong?
- What's keeping your customers awake at night? What are their big issues, concerns, and worries?
- What common mistakes do your customers make? Are they using a solution the wrong way?
- What barriers are keeping your customers from adopting a value proposition? Are there upfront investment costs, a steep learning curve, or other obstacles preventing adoption?

Customer Gains

Gains describe the outcomes and benefits your customers want. Some gains are required, expected, or desired by customers, and some would surprise them. Gains include functional utility, social gains, positive emotions, and cost savings.

Seek to identify four types of customer gains in terms of outcomes and benefits:

Required gains

These are gains without which a solution wouldn't work. For example, the most basic expectation that we have from a smartphone is that we can make a call with it.

Expected gains

These are relatively basic gains that we expect from a solution, even if it could work without them. For example, since Apple launched the iPhone, we expect phones to be well-designed and look good.

Desired gains

These are gains that go beyond what we expect from a solution but would love to have if we could. These are usually gains that customers would come up with if you asked them. For example, we desire smartphones to be seamlessly integrated with our other devices.

Unexpected gains

These are gains that go beyond customer expectations and desires. They wouldn't even come up with them if you asked them. Before Apple brought touch screens and the App Store to the mainstream, nobody really thought of them as part of a phone.

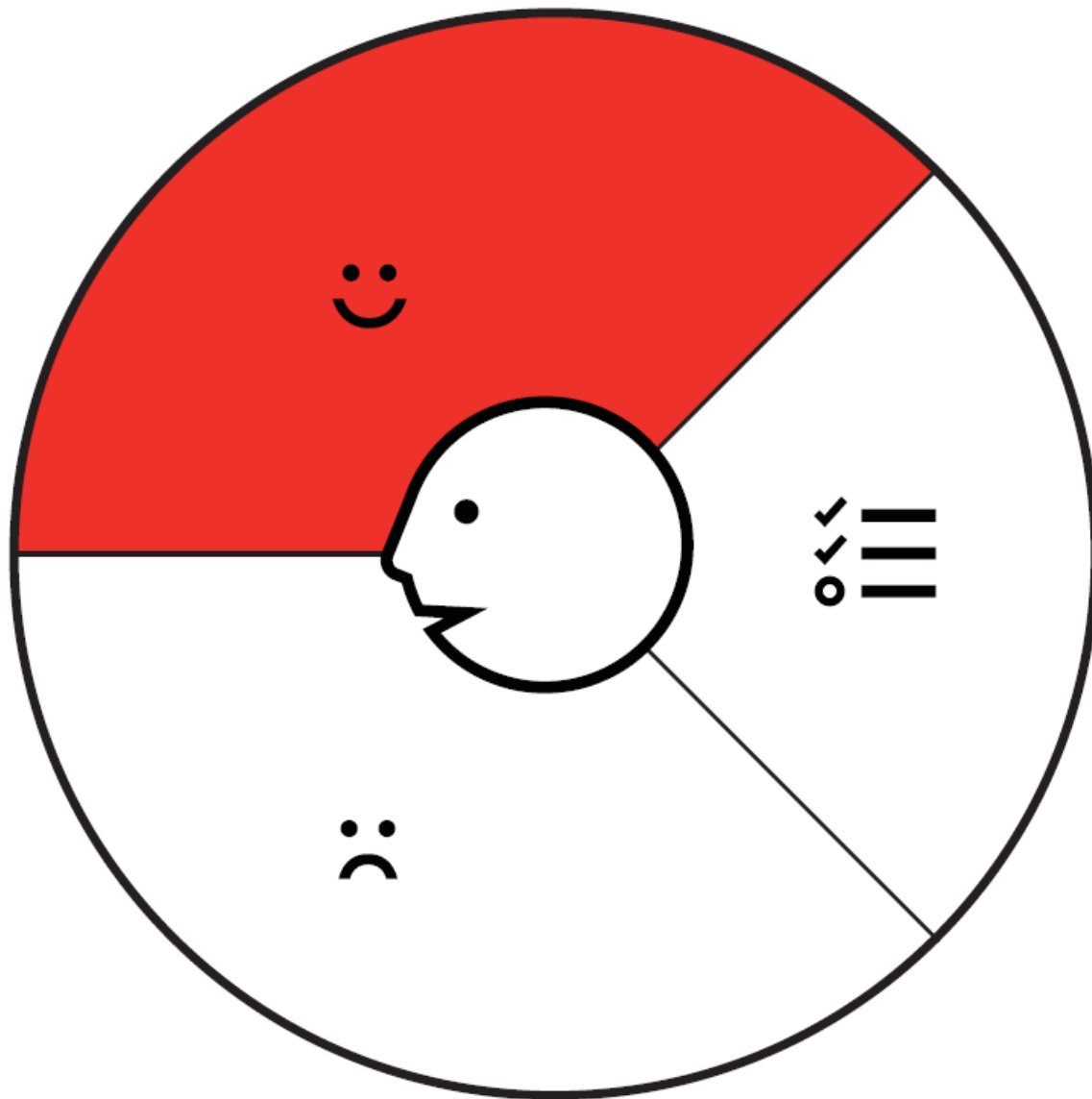
Gain relevance

A customer gain can feel essential or nice to have, just like pains can feel extreme or moderate to them.



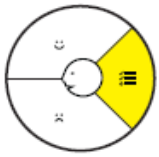
Tip: Make gains concrete.

As with pains, it's better to describe gains as concretely as possible to clearly differentiate jobs, pains, and gains from one another. Ask how much they'd expect or dream of when a customer indicates "better performance" as a desired gain. That way you can note "would love an increased performance of more than x." When you understand how exactly customers measure gains (i.e., outcomes and benefits), you can design better gain creators in your value proposition.



The following list of trigger questions can help you think of different potential customer gains:

- Which savings would make your customers happy? Which savings in terms of time, money, and effort would they value?
- What quality levels do they expect, and what would they wish for more or less of?
- How do current value propositions delight your customers? Which specific features do they enjoy? What performance and quality do they expect?
- What would make your customers' jobs or lives easier? Could there be a flatter learning curve, more services, or lower costs of ownership?
- What positive social consequences do your customers desire? What makes them look good? What increases their power or their status?
- What are customers looking for most? Are they searching for good design, guarantees, specific or more features?
- What do customers dream about? What do they aspire to achieve, or what would be a big relief to them?
- How do your customers measure success and failure? How do they gauge performance or cost?
- What would increase your customers' likelihood of adopting a value proposition? Do they desire lower cost, less investment, lower risk, or better quality?



Job importance

Rank jobs according to their importance to customers.



Pain severity

Rank pains according to how extreme they are in the customers' eyes.



Gain relevance

Rank gains according to how essential they are in the customers' eyes.

+
Important



Insignificant



+
Extreme



Moderate



+
Essential



Nice to have

