What is a business model

Bruce Hohne
“A business model describes the rationale of how an organization creates, delivers and captures value.”

—Osterwalder & Pigneur Business Model Generation
“The business model is like a blueprint for a strategy to be implemented through organizational structures, processes and systems.”

—Osterwalder & Pigneur Business Model Generation
What are the 9 building blocks of a Business model
1. Customer segments: *an organization serves on or more customer segments*
2. Value propositions: *solve customer problems and satisfy needs*
3. Channels: *value propositions delivered through communication, distribution + sales channels*
4. Customer relationships: *established + maintained with each customer*
5. Revenue streams: *result from value propositions successfully offered to customers*
6. Key resources: *assets required to offer and deliver above ...*
7. Key activities: *...by performing key activities*
8. Key partnerships: *activities outsourced and resources acquired outside*
9. Cost structure: *business model elements result in the cost structure*