The Business Model Canvas

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Strategyzer's **Business Model Canvas** (Alexander Osterwalder) is a one-page way to understand and visualise a business model, split into nine blocks. In COMP1100 it doubles as the artefact the team submits — it holds both the current thinking *and* the record of what has been learned.

The nine blocks

Block	The question it answers
Customer segments	Which customers and users are we serving? Which are their problems/pains?
Value propositions	What are we offering them? What is getting done for them — do they care?
Channels	How does each customer segment want to be reached? Through which interaction points, and how do we deliver this?
Customer relationships	What relationships are we establishing with each segment? Personal? Automated?
Revenue streams	What are customers really willing to pay for? Are we generating transactional or recurring revenues?
Key resources	Which resources do we need to deliver our business model? Which assets are essential?

Block	The question it answers
Key activities	Which activities do we need to perform to deliver our business model? Which are crucial?
Key partners	Which other organisations do we rely on to deliver our business model?
Cost structure	What are the expenses we incur delivering our business model? Salaries, rent, services, technology subscriptions?

Front stage and back stage

The canvas divides down the middle:

- **Front stage** — customer segments, value propositions, channels, customer relationships, revenue streams. Everything that faces the customer.
- **Back stage** — key partners, key activities, key resources, cost structure. Everything that makes delivery possible.

COMP1100 focuses on the front stage. The five questions that matter here: who are our customers, what are we offering them, what relationships are we establishing with them, how do we deliver our service to them, and will they pay for this — and how?

The canvas as a record of learning

This is the part that makes the canvas more than a planning template. Every cell starts life as a **hypothesis** and becomes a **fact** only once it has been tested — so the canvas visibly tracks progress through the customer-discovery[1] loop:

Stage	State of the canvas
1. Define hypotheses	Every filled cell says *Hypothesis*
2. Test the problem	Customer-segment and relationship cells start turning into *Fact*
3. Test the solution	Value-proposition cells turn into *Fact*
4. Verify, pivot, or refine	A mix — and the remaining hypotheses are the next round's work

A canvas that is still all hypotheses after several weeks is itself the finding.

[1] courses/comp1100/customer-discovery.pdf

A template is available from the course notes: business_model_and_testing_templates.pptx.

Key takeaways

- The business model canvas is a way to understand and visualise business models.
- The value-proposition-canvas[2] is a way to understand and visualise the value proposition and market fit.
- These **guide our thinking AND represent our learnings**.

[2] courses/comp1100/value-proposition-canvas.pdf