

A Beginner's Guide to

# BUSINESS

# MODEL

# CANVAS

A Guidebook for Innovators  
and Gamechangers.

ASHTON MCGILL

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# Business Model

## Partners



Who are our partners?  
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Where are we acquiring from partners?  
What do partners perform?

**QUESTIONS**  
What is our business model?  
What are our key resources and activities?

## Key Activities

What Key Activities?  
Our Distribution Channels  
Customer Relationships  
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Platform/Network

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Intellectual/Brand  
Human  
Financial

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What are the most important costs inherent in our business model?  
Which are most expensive?  
Which are most expensive?

**QUESTIONS**  
What is our cost structure, low-price value proposition, maximum automation, extensive outsourcing?  
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**VIEW**

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# INTRODUCTION

## WHAT IS THE BUSINESS MODEL CANVAS?

It is a creative tool used to map out your business, allowing you to design, challenge and improve your business model or to create one for a new business idea. It fosters new ways of thinking by mapping out your business model into strategically placed categories.

You can download a copy of The Business Model Canvas [here](#).

## WHAT ARE ITS BENEFITS?

The most obvious benefit is that this tool allows you to really understand how any business works, providing a key overview of the whole business model on one page.

We use this tool with our customers to help understand their business so we can really get to know them and consistently provide value to them, so this tool is invaluable to us when improving our own service.

# OUTLINING THE CANVAS

THE CANVAS IS COMPOSED OF 9 BASIC BUILDING BLOCKS:



## CUSTOMER SEGMENTS

These are the people for who you're creating value, or the different segments of your market.



## VALUE PROPOSITIONS

Each customer segment has a specific value proposition, which can be mapped out in this section.



## CUSTOMER RELATIONSHIPS

This is the kind of relationship between you and your customers.



## CHANNELS

How you interact and communicate with customers, in other words, your touchpoints.



## KEY ACTIVITIES

What you need to do to be successful.

## KEY RESOURCES



What resources you need for your business.

## KEY PARTNERS



Important people that can help leverage your business model.

## REVENUE STREAMS



These are the ways in which you generate revenue for your business.

## COST STRUCTURE



The cost structure of your business model should detail all of your important costs, for example, which key partnerships and activities are the most expensive?

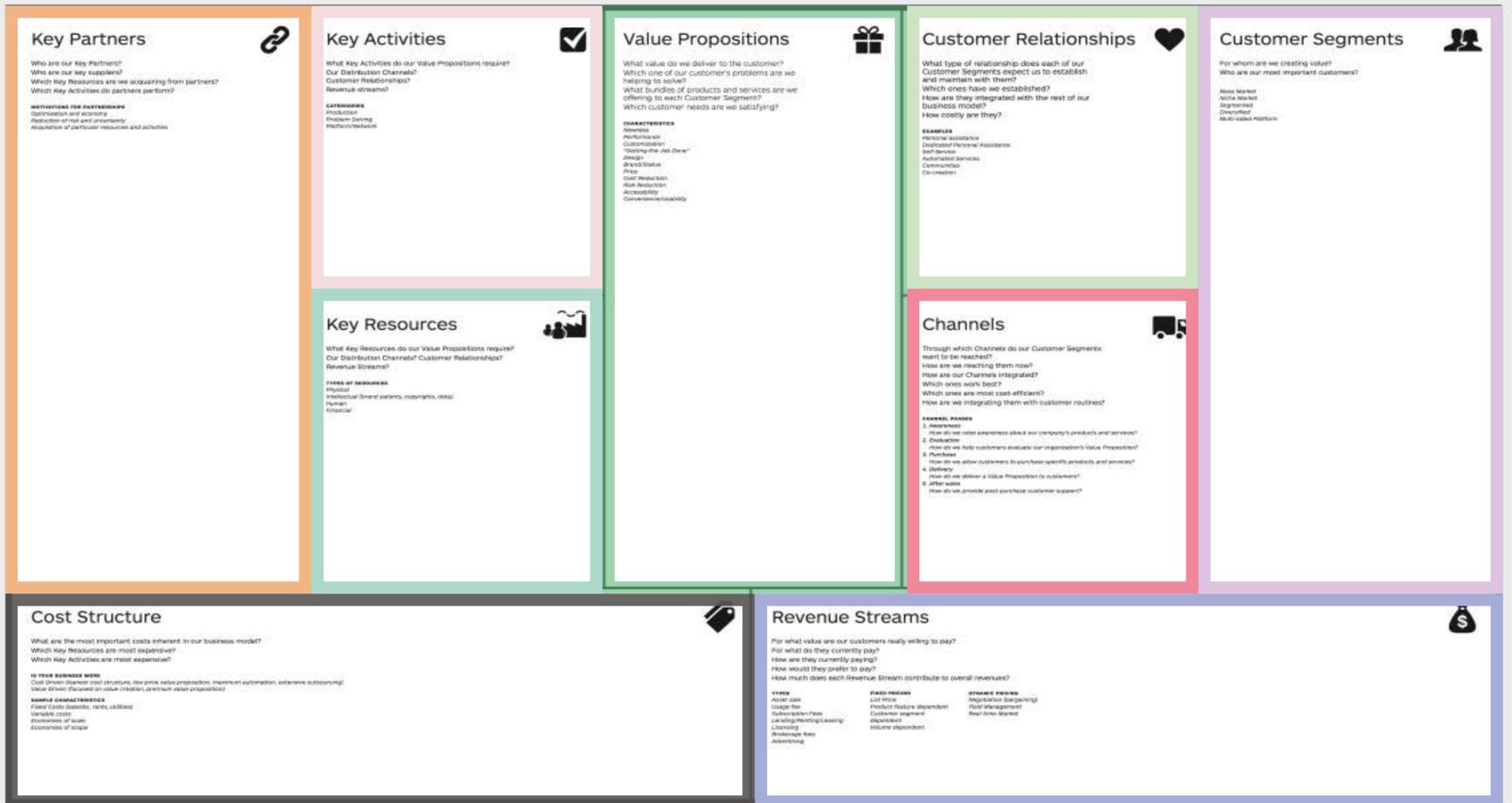
# The Business Model Canvas

Designed for:

Designed by:

Date:

Version:



DESIGNED BY: Business Model Foundry AG  
 The makers of Business Model Generation and Strategyzer  
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“A BUSINESS MODEL DESCRIBES THE RATIONALE OF HOW AN ORGANISATION CREATES, DELIVERS, AND CAPTURES VALUE.”

## THERE ARE 2 ADDITIONAL CANVASES WHICH CAN BE USED TO MAP OUT SOME ELEMENTS OF YOUR BUSINESS MODEL:



### EMPATHY MAP

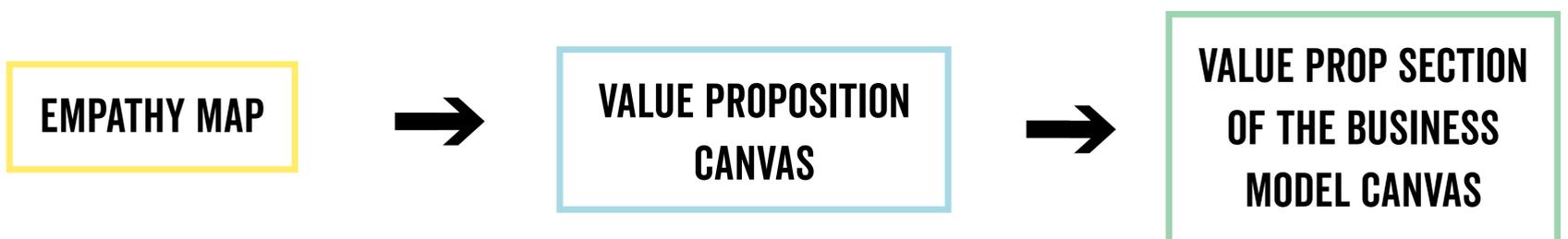
A research tool which allows you to get inside the head of your customer by mapping out their thoughts, feelings, emotions and experiences.

### VALUE PROPOSITION CANVAS



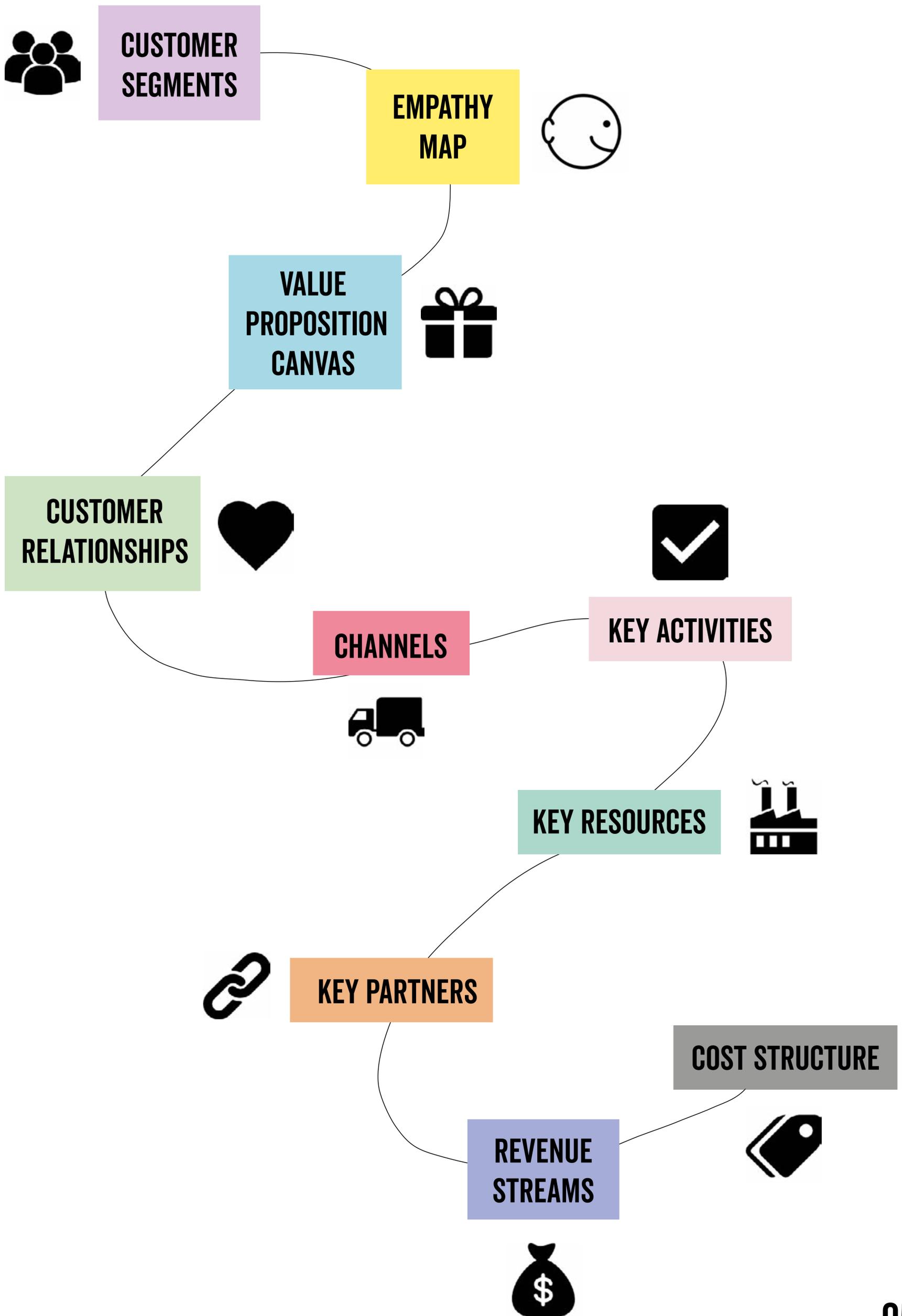
A canvas composed of a Customer Profile Map and a Value Map. Its core purpose is to design a value proposition. This is essentially what will provide value for your customers.

The information you collect from these canvases can then be transferred onto the business model canvas. (We'll go into more detail on this on pages [\\_](#) and [\\_](#).) (hyperlinks)



Data gathered from your empathy map can be transferred onto the value proposition canvas. Once you've completed the value proposition canvas, this can then be mapped out on the value proposition section of the business model canvas. Then you can begin mapping out the remaining blocks of the business model canvas.

# HOW TO USE THE CANVAS



**BREAKING**

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**DOWN**

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**THE**

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**CANVAS**

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# CUSTOMER SEGMENTS

When mapping out your business model, the first place to start is with your customer base. A successful business will design their products or services to solve peoples' needs and problems and to deliver them value. So first you need to define who these groups of people are. This is a customer-centric approach which involves putting your users at the heart of what you do.

## HERE'S SOME EXAMPLES OF DIFFERENT TYPES OF CUSTOMER SEGMENTS:

### MASS MARKET

You might be delivering value to a broad range of customers with very similar needs and problems.

### SEGMENTED

You may have customers with different needs and wants who require different types of relationships. These make up different customer segments of your customer base.

### NICHE MARKET

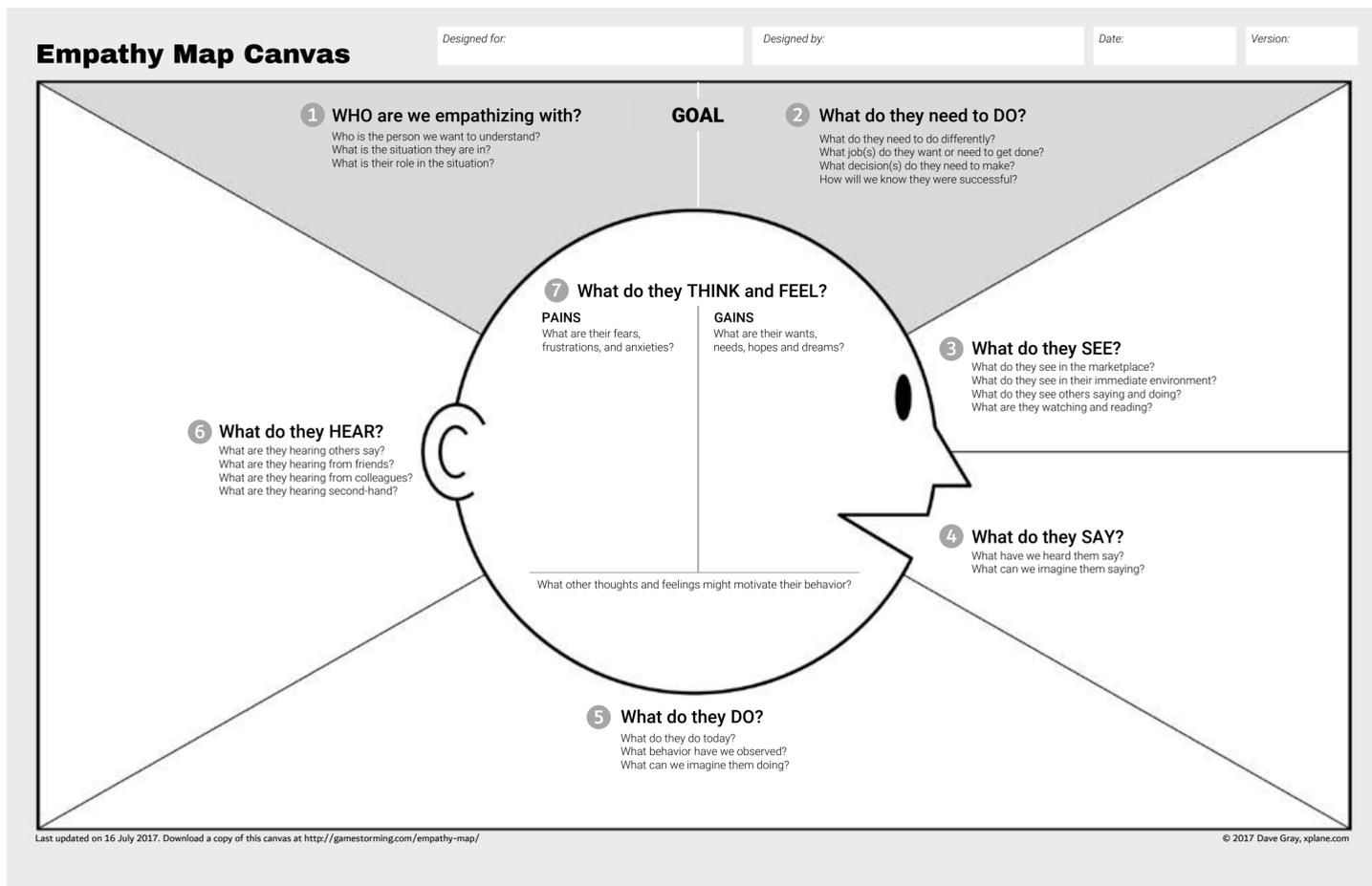
Other businesses might target very specific, niche markets and therefore tailor their services to these requirements.

Whatever your market, it's important to establish who you are creating value for and who your most important customers are. That way you can ensure you are meeting their needs.





# EMPATHY MAP



Now it's time to identify your customers' needs and pain points using The Empathy Map. It maps out customers' thoughts and feelings, their primary senses of seeing and hearing and their pains and gains. It can be used to research your users or different segments of your customer base. A great way of collecting information is by interviewing your customers. You can download an Empathy Map [here](#).

## INTERVIEWING YOUR CUSTOMERS.

When interviewing your customers, it's vital that you do so without any cognitive bias— don't make

assumptions and don't ask leading questions. The best way to interview is face-to-face or over the phone as opposed to form-filling or emailing as it allows you to have a real conversation with your customers. It's important to tailor your interview questions to the individual customer—don't use the empathy map questions, create your own templates that are relevant to each user. The questions you ask should get to the customer's emotions to present the most subjective answers possible.

It can be helpful to use prompts to let the customer tell their story rather than actively leading the interview yourself, for example, you could present an introduction and an overview of the interview topic, then move on to explore the specifics by really getting to know about the customer's emotions and understanding, before concluding the interview by opening the conversation up to them.

Interviewing is more than just asking questions: it is a conversation that works through showing and telling. You will be gathering information through observation and listening—remember to take into account the customer's body language and their tone of voice and what additional emotions these are revealing. Ultimately, the questions you ask are to learn about the customer as opposed to validate a preexisting bias.



**AN INTERVIEW IS  
MORE THAN JUST  
ASKING QUESTIONS:  
IT'S A CONVERSATION.**

## VISUALISING YOUR INFORMATION ON THE EMPATHY MAP.

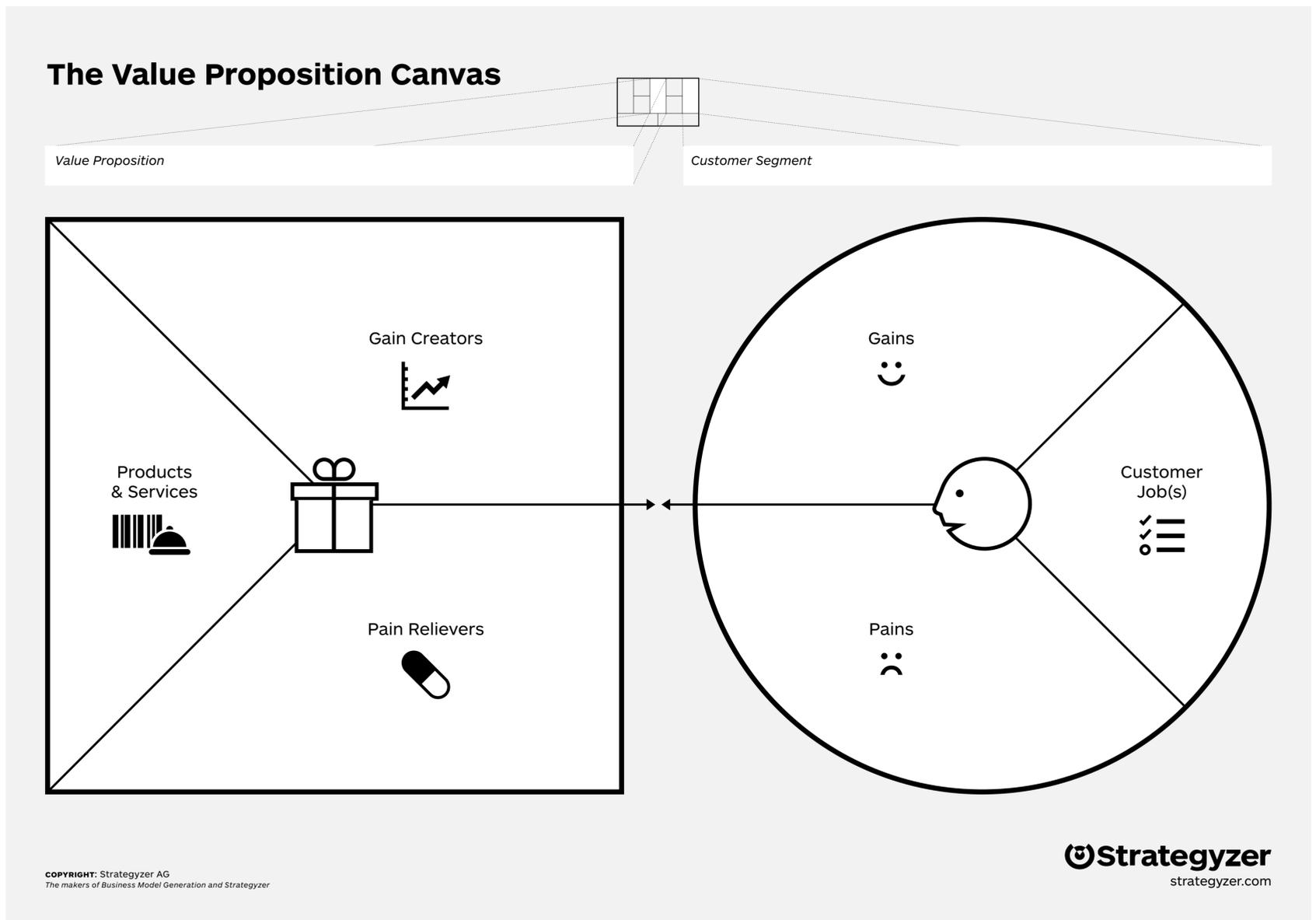
After interviewing your customers, this information can then be mapped out on The Empathy Map using sticky notes. This exercise is all about empathising with your customers and adopting a user-centred design approach to the services you provide for them. Designing services that really solve people's needs and wants will create customer loyalty, so they become your biggest source of marketing. So, delivering for your clients is integral for their value and for your own success.

This is an iterative process which takes time, so don't be disappointed if you don't get instant results. With proper research and determination, you will learn more about your customers and your research techniques which will ultimately generate long-term success.

In the next section, we'll outline how to transfer your user research from The Empathy Map to The Value Proposition Canvas and then how to map all of this onto The Business Model Canvas.



# THE VALUE PROPOSITION CANVAS



After you've completed The Empathy Map, it's time to transfer this information onto The Value Proposition Canvas. This is a section of The Business Model Canvas which can be mapped out as its own canvas. It synthesizes the Value Proposition section and the Customer Segments section of The Business Model Canvas. The map is composed of a Customer Profile Map and a Value Map and its core purpose is to design a value proposition.

You can download a copy of the Value Proposition Canvas [here](#).

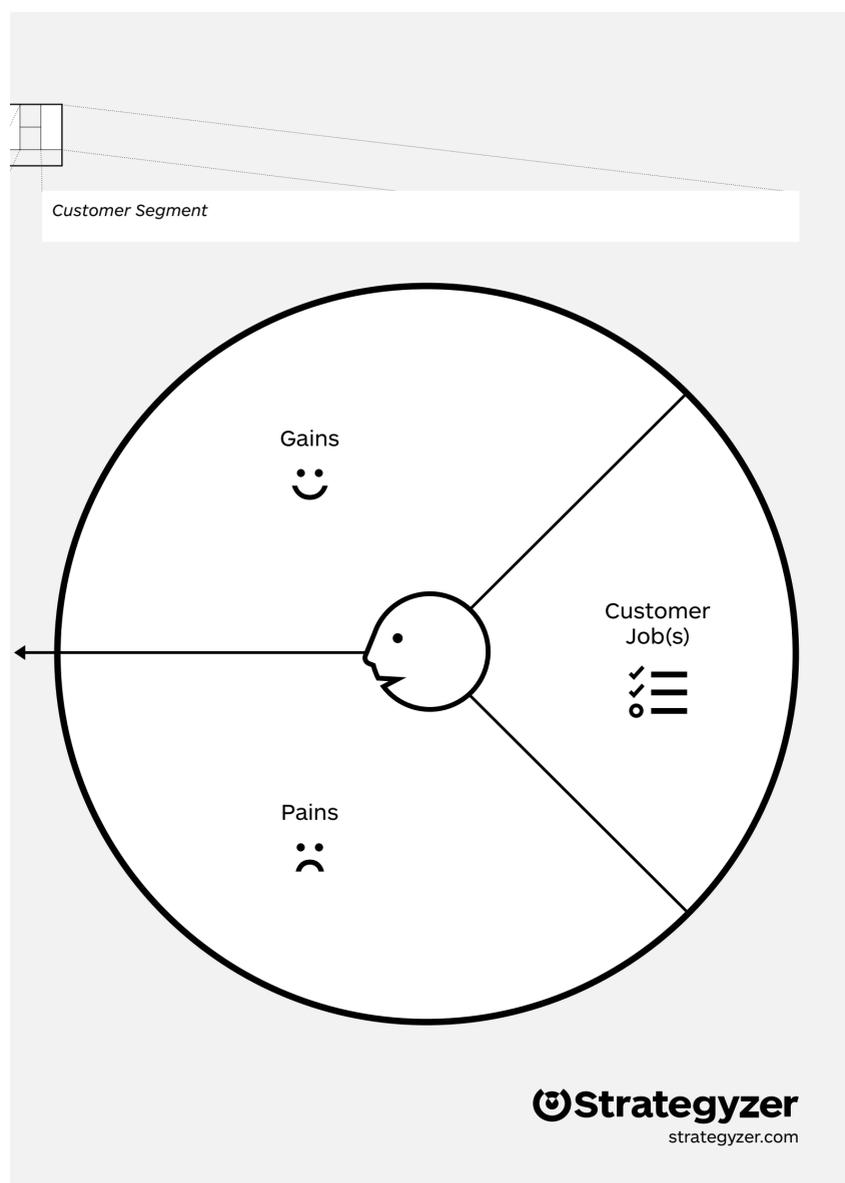
## WHAT'S A VALUE PROPOSITION?

Your value proposition is essentially what it is that will provide value for your customer. This can be a product, service, feature, or any promise of value that you will deliver for them. In a nutshell—how can your product or service meet the customer's wants or needs better than your competitor can?

## HOW DO YOU USE THE VALUE PROPOSITION CANVAS?

The core purpose of this tool is to design a value proposition, which requires a deep understanding of your customers. However, you can use it in any way you want to, for example to shape your marketing plan. You can use some of it, all of it or none of it—the canvas isn't necessarily prescriptive so you don't have to follow any rules. But it can be helpful to start with The Customer Profile Map on the right-hand side.

### BREAKING DOWN THE VALUE PROPOSITION CANVAS: SECTION 1—THE CUSTOMER PROFILE MAP.



The Customer Profile Map is composed of your customer's characteristics and can be used to map out each of your customer segments. For example, our customer base is composed of ambitious people who want to do things differently. So, you will essentially complete a value proposition canvas for each of your customer segments. This can be a great place to start—once you really know your customers inside out, you can start designing your business model around their core needs. This section of The Value Proposition Canvas is composed of Customer Jobs, Pains and Gains:



#### CUSTOMER JOBS

The things the customer does with your product or service. These can be functional, social or emotional. For example, if you're an architect providing a home extension, your customer's job might be to entertain family or friends within their newly designed home.



#### CUSTOMER PAINS

The things stopping them from buying your product or service. For example,

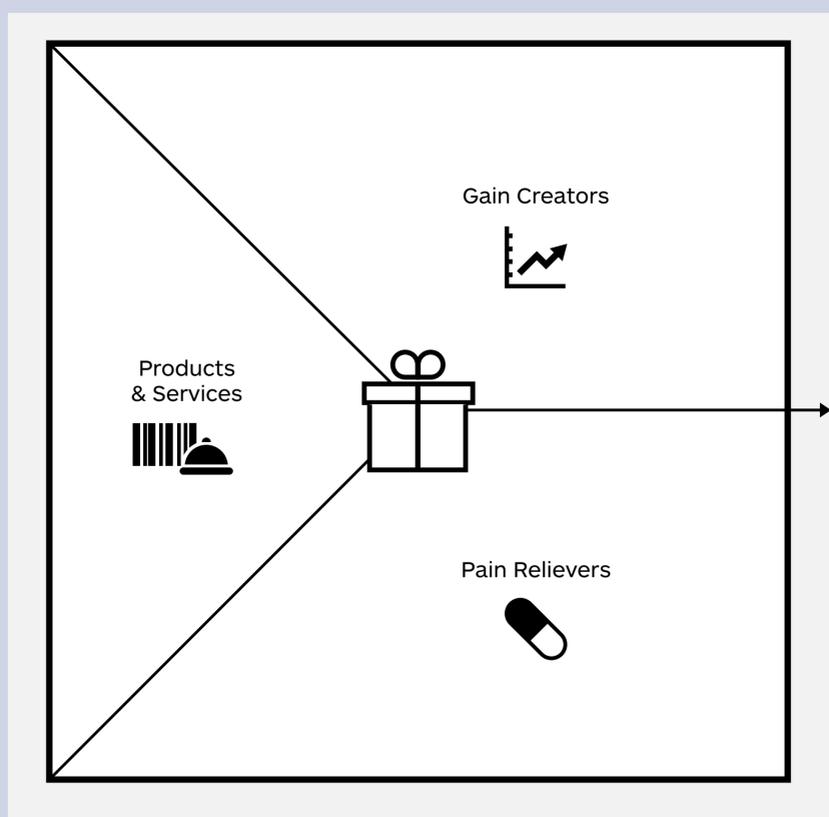
it might be too expensive, they may not know the cost, or have other uncertainties related to the customer job.

## CUSTOMER GAINS

Positive outcomes or benefits for your customer—essentially, how they measure success. These can also be functional, social and emotional and can be expected or unexpected. When mapping these out, consider what value you can deliver for your customers.

Once you've filled out this section, you're ready to move on to The Value Map.

### **BREAKING DOWN THE VALUE PROPOSITION CANVAS: SECTION 2—THE VALUE MAP.**



Now that you've mapped out your customers' characteristics, you can start designing your products or services to meet their needs. This section of the canvas is composed of Products & Services, Pain Relievers and Gain Creators. Each of these relate back to your Customer Map: your Products & Services provide Customer Jobs; your Pain Relievers alleviate Customer Pains and your Gain Creators ensure their Gains.

## PRODUCTS & SERVICES

The things you provide for this particular market segment. These allow your customer do to do their Customer Jobs and directly address their Gains and Pains.

## PAIN RELIEVERS

The things that aid your customers and make their lives easier. When mapping out this section, consider how your products and services are Pain Relievers. What problems do they solve? These should directly alleviate the Customer Pains you identified on The Customer Profile Map.



For example, a common pain our customers shared was not understanding the language their previous accountant spoke to them in. We alleviated this by speaking to them human to human, without any technical jargon and in a language they understand. Remember to keep in mind that your Pain Relievers should always provide an answer to a specific customer problem.

## GAIN CREATORS

The additional values provided to your customer as a result of alleviating their pains. Gain creators maximise customer outcomes and benefits.

Ask yourself—how do your products or services provide Customer Gains? And how can you really provide that value that your customers are looking for?

Overall, The Value Proposition Canvas enables you to design, test, and iterate your products and services. It can also be used to help understand the customer, which relates back to the central idea of empathy. This is all about really understanding and being responsive to your customers' needs and wants.

In the next section, we'll outline in more detail the Customer Relationships and Channels blocks of The Business Model Canvas.



# CUSTOMER RELATIONSHIPS



This is a key building block of The Business Model Canvas which defines the kinds of relationships you form with each of your Customer Segments. Consider what the perfect relationship would be—should it be personal, automated, or somewhere in between? Put yourself in the customer's shoes—what would the ideal relationship look like from their point of view?

The relationships you have with your customers will heavily impact their customer experience. It's up to you to shape that and to design the best experience for your customers as possible. It's all part of the service you provide and extending your brand and your personality across everything you do, including communication touchpoints.

Your customers may have certain expectations about the kinds of relationships you should establish with them. It can be helpful to think about what these might be and how best to implement them.

## **HERE ARE SOME CATEGORIES OF CUSTOMER RELATIONSHIPS TO CONSIDER:**

### **PERSONAL ASSISTANCE**

As the title suggests, this relationship is concerned with human communication. This could be via phone, email, face-to-face or any other means of communication.

### **DEDICATED PERSONAL ASSISTANCE**

This relationship is more personal as it is individually tailored.

It includes assigning a customer representative to a specific customer so they are consistently engaging with the same person. This provides familiarity, builds trust and allows the customer representative to really get to know and understand that particular client. Additionally, this personalised service can foster deep and meaningful relationships with important customers over a prolonged period.

## **SELF-SERVICE**

In contrast, this relationship entails no direct relationship between a business and their clients. Customers are entirely self-sufficient so there is no need to establish any human interaction with them.



## **AUTOMATED SERVICES**

This relationship combines self-service with automated processes. These processes can identify specific customers and provide information regarding orders or transactions. Additionally, automated services can be designed to emulate a personal relationship, providing excellent and efficient customer service.

## **COMMUNITIES**

These types of relationships foster community connections between customers which can be done online, for instance. This enables them to get to know each other, perhaps solve each other's problems and gives businesses a better understanding of their customer base. For example, we use Slack to communicate with our customers and it also enables them to talk to each other. We're online pretty much 24/7, so we can provide a very personalised type of customer service.

## **CO-CREATION**

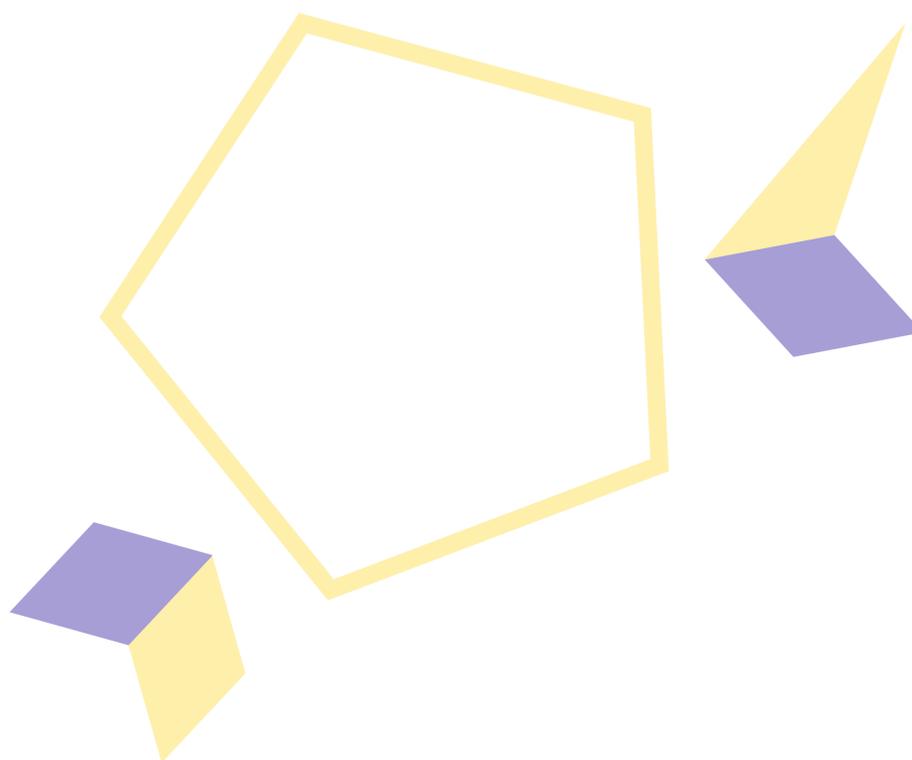
This is one step ahead of the typical customer-vendor relationship.

It allows businesses to establish a mutually beneficial relationship with each other. For example, some businesses ask their customers to help them design new products or services. This benefits the business by enabling them to provide an improved product or service and it also benefits the client by designing it around their needs.

#### **THE KEY TAKEAWAY:**

Whatever types of customer relationships you choose, make sure to implement them with your customers in mind. Consider the costs incurred for each type of relationship and how these can be integrated with the rest of your business model.

“**PUT YOURSELF IN THE CUSTOMER’S SHOES— WHAT WOULD THE IDEAL RELATIONSHIP LOOK LIKE FROM THEIR POINT OF VIEW?**”





# CHANNELS

This building block outlines how you communicate with customers to deliver your Value Proposition. This could be done through either offline or online channels such as face-to-face or via social media.

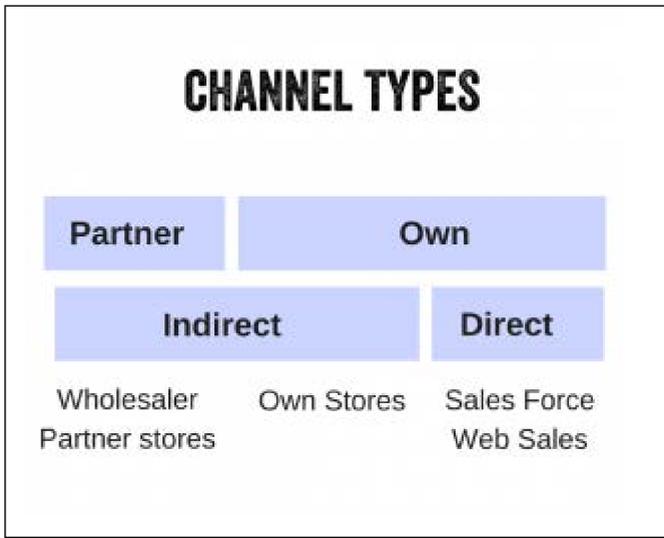
Customer Channels, Distribution Channels and Sales Channels are all important touch points that heavily influence the customer experience. So, it's important to think about what you're going to say to your customers and also how you're going to deliver that message. Consider what the best and most convenient channels of

communication would be for your customers. And also what the most cost-efficient channels are for your business. Are these direct channels such as your website or indirect channels such as through a wholesaler?

## CHANNEL TYPES

You can communicate with customers through Own Channels and Indirect Channels. Owned Channels can be direct such as a website or they can be indirect such as the organisation's retail stores. Partner Channels are always indirect and can range from a wholesaler to a partner store.





**CHANNEL PHASES**

There are 5 different channel phases which might include some, or all your channels. These range from Owned Channels to Partner Channels and from Indirect Channels to Direct Channels:

**AWARENESS**

How you make customers aware of your products and services.

**EVALUATION**

How you help customers evaluate your Value Proposition.

**PURCHASE**

How you enable customers to purchase these products and services.

**DELIVERY**

How you deliver your Value Proposition to customers.

**AFTER SALES**

How you provide additional support to customers after they purchase your products or services.

**THE KEY TAKEAWAY:**

Whatever channels you use to communicate with, ensure that you find a good balance between the different channel types. The ideal goal is to design a cost-effective solution that best meets the customer's needs and wants whilst providing the most revenues.





# KEY ACTIVITIES

These are the main things you need to do to have a successful business model and to deliver your product or service. This building block of The Business Model Canvas allows you to map out the vital activities you need to undertake to properly function as a business. These activities enable you to deliver your Value Proposition, reach markets, nurture Customer Relationships and create revenue.

Key Activities will differ from business to business depending on your product or service. So, firstly you should establish what your Key Activities are for your Value Proposition. Then consider how these integrate with your Distribution Channels, Customer Relationships and Revenue Streams.

## KEY ACTIVITIES CAN BE SPLIT INTO THREE MAIN CATEGORIES:

### PRODUCTION



These activities involve the design, manufacturing and delivery of a product.

### PROBLEM SOLVING



These activities are more strategic and involve ideation of solutions for specific customer problems. This is a large part of what we do for our customers at Ashton McGill: we help them redesign their businesses to better meet the needs of their customers. Problem Solving is a Key Activity for service organisations.

## PLATFORM/NETWORK



If your business has a platform as a Key Resource, this will be one of your Key Activities. Platforms can range from networks, to software and even brands, for example eBay or Microsoft. Platform/Network Key Activities involve

service provisioning and the management and promotion of your platform.

### THE KEY TAKEAWAY:

As your business grows, a good way to regularly evaluate if these activities remain key within your business model is to establish what value they provide for your customer. Your Key Activities should always allow you to deliver your Value Proposition to meet your customers' needs.





# KEY RESOURCES



These are the main assets required for a successful business model. Like your Key Activities, Key Resources enable a business to deliver their Value Proposition, reach markets, nurture Customer Relationships and create revenue. Your Key Resources depend entirely on the type of business you have. They can be owned or rented by your company, or obtained from Key Partners.

## THERE ARE FOUR DIFFERENT KINDS OF KEY RESOURCES:

### PHYSICAL RESOURCES

Physical assets can include buildings, vehicles or machines and are often capital-intensive.

### INTELLECTUAL RESOURCES

These include brands, patents and copyrights, partnerships and customer databases.

### HUMAN RESOURCES

Human Resources are vital in any company, particularly within creative businesses, for example. These require individuals who have highly specific skills within their niche.

### FINANCIAL RESOURCES

These resources include financial guarantees, cash and lines of credit.





# KEY PARTNERS

This is essentially your network of partners and suppliers which enable you to achieve your Key Activities and provide your Value Proposition. Forming alliances with other organisations can strengthen your business model, limit risks and provide new resources, however it's important to distinguish between which relationships are key to your business and which ones are not. This section of the Business Model Canvas is used to map out these central partnerships.

**NOW THAT WE'VE OUTLINED THE BENEFITS OF FORMING ALLIANCES, LET'S CONSIDER THE MOTIVATIONS FOR CREATING THESE PARTNERSHIPS:**



## **OPTIMISATION AND ECONOMY OF SCALE**

The most common reason for forming business relationships is to maximise resources and activities. These partnerships can help to limit costs through the outsourcing of Key Activities, for example.

## **REDUCTION OF RISK AND UNCERTAINTY**

Tactical partnerships can be formed between companies to limit risk and uncertainty between competitors. However, companies can often still compete in other areas despite having formed strategic partnerships.

## ACQUISITION OF PARTICULAR RESOURCES AND ACTIVITIES

Businesses will often rely on other organisations to provide resources and implement specific activities instead of having all their resources and activities in-house. The benefits of this can be to gain knowledge, licenses or new customers.

## THE MAIN TAKEAWAY- LINKING IT BACK TO YOUR VALUE PROPOSITION.

Every element of the Business Model Canvas should enable you to deliver your Value Proposition to customers. So remember to consider what value you are creating through your Key Relationships: how can you effectively outsource Key Activities whilst still delivering on value?

“EVERY ELEMENT OF THE BUSINESS MODEL CANVAS SHOULD ENABLE YOU TO DELIVER YOUR VALUE PROPOSITION TO CUSTOMERS”



# REVENUE STREAMS

Underpinning any business plan is profitability and cash flow. This section of the canvas can be used to map out the income generated from each of a company's Customer Segments. It's important to note that this building block represents the cash generated from each Customer Segment, not the profit. This can be calculated by subtracting costs from the revenues created by your Customer Segments.

In a customer-focused business model, Revenue Streams are key. So, to generate your Revenue Streams successfully, it's important to have a customer-centric approach—always consider what value your customers are willing to pay for. That way, your products or services will be priced fairly based on their estimated worth.

**THERE ARE TWO DIFFERENT TYPES OF REVENUE STREAMS WHERE INCOME CAN COME FROM:**



## TRANSACTION BASED REVENUES

This type of revenue is earned from customers making a one-time payment of your product or service.

## RECURRING REVENUES

These come from continuous payments for the delivery of the value proposition or for customer care post-purchase.

## SO, HOW DO YOU GENERATE REVENUE STREAMS?

### ASSET SALES

This type of sale comes from selling the rights for a physical product to a buyer. For example, Amazon and eBay sell the rights to physical products online.

## **USAGE FEES**

This type of Revenue Stream comes from the use of a specific service. The price of the service increases the more the customer uses it. For example, telephone operators often charge for usage per minute.

## **SUBSCRIPTION FEES**

These are generated by selling constant access to a service. For example, monthly subscription fees for Spotify or the Adobe Creative Cloud.

## **LENDING/RENTING/LEASING**

This type of Revenue Stream is produced by giving a fee-paying customer temporary access to an asset for a set period.

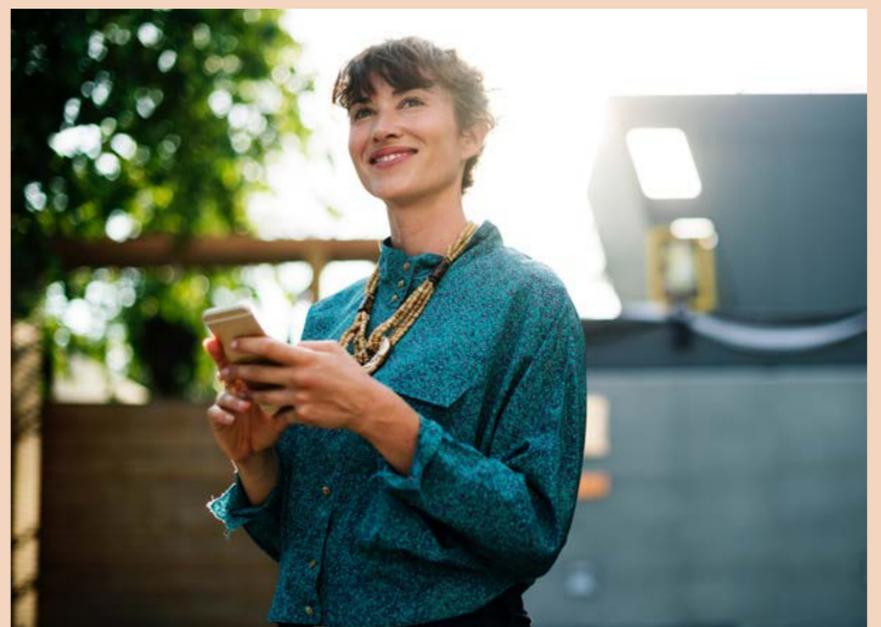
## **LICENSING**

This is generated by charging customers licensing fees for granting them access to use protected intellectual property.

Licensing is beneficial as it allows a business to generate revenues without manufacturing products or selling services. It's common within the media industry and in technology sectors.

## **REVENUE STREAMS— THE KEY TAKEAWAY:**

When mapping out this section of The Business Model Canvas, it can be helpful to think outside the box, for example, generating revenue streams through advertising. Try and be creative and always try to bring it back to the customer: what do they currently pay for and is there a better way for them to pay? And most importantly, what value are they willing to pay for that you can provide?





# COST STRUCTURE



This is essentially all the most important costs for operating your business model. But notice how this is one of the last posts in our series despite being such a key aspect for businesses. That's because defining your Key Activities, Key Resources and Key Partners first will enable you to establish all your key outgoing costs. Also, building a great business model that will truly provide value to your customers starts with the customer.

When mapping out this section, consider how you can minimise unnecessary costs whilst still delivering value.

**BUSINESS MODEL COST STRUCTURES CAN EITHER BE COST-DRIVEN OR VALUE-DRIVEN:**

## **COST DRIVEN**

This kind of approach concentrates on reducing costs as much as possible. This can be done through outsourcing and automating wherever possible.

## **VALUE DRIVEN**

This is a more value centred approach to your Cost Structure which focuses on maximising worth for the customer. At Ashton McGill, this is the approach we take: we aim to provide a highly personalised and tailored service that really focuses on minimising Customer Pains and increasing their Gains.

**ONCE YOU'VE MAPPED OUT WHAT COST STRUCTURE YOUR BUSINESS MODEL HAS, LET'S THINK ABOUT THE DIFFERENT TYPES OF COSTS AND THEIR CHARACTERISTICS:**

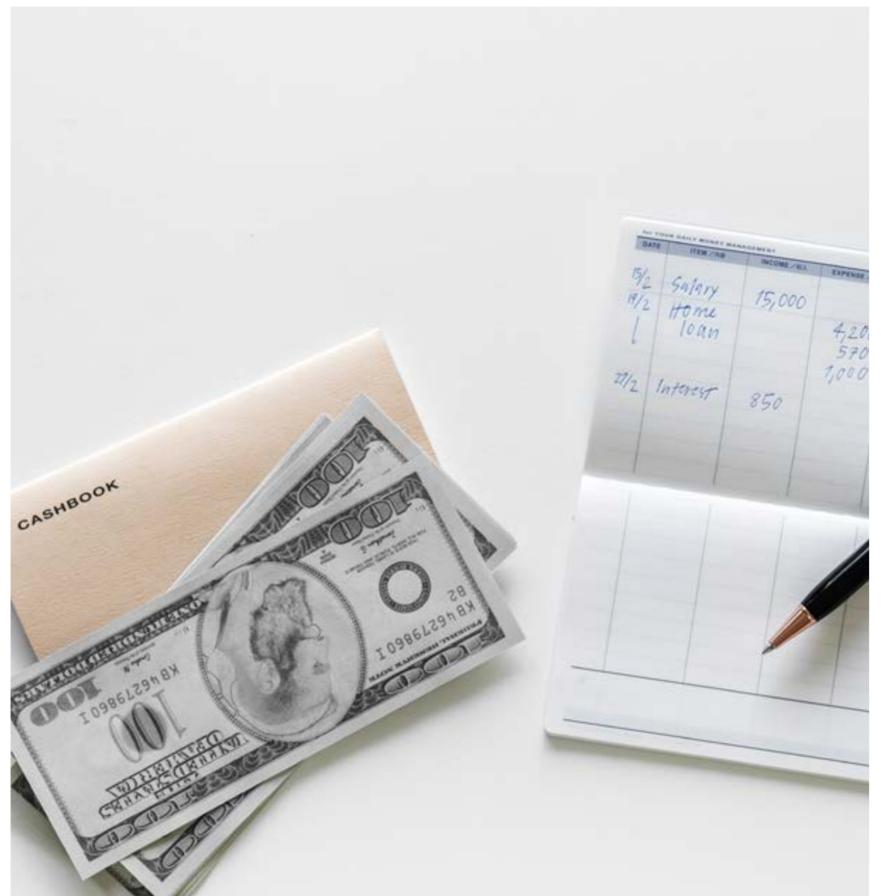
### **FIXED COSTS**

These costs remain unaffected even as your business changes. These include rent and staff salaries.



### **VARIABLE COSTS**

These types of costs change depending on the quantity of goods and services produced by a business. These include things like raw materials and shipping costs.



### **ECONOMIES OF SCALE**

These are cost savings generated from increased levels of output, resulting in the reduction of per-unit costs.



### **ECONOMIES OF SCOPE**

Economies of Scope are savings generated when the cost of producing a range of products together is cheaper than manufacturing them individually.

## **COST STRUCTURE— THE KEY TAKEAWAY:**

Once you've established if your business model is Cost driven or Value driven, consider which of your Key Resources and Key Activities are the most expensive. And always remember to match these costs to your Value Propositions to ensure your business model is always designed with your customers at its core.

## **REVENUE STREAMS AND COST STRUCTURE— CONCLUSION:**

Remember to take a holistic approach and think about how your incomings and outgoings effect your wider business model: how much do each of your Revenue Streams contribute to your overall revenues? Which of your Key Resources are the most cost-effective, and which are the most expensive? These are key aspects underpinning any business model so take your time to really make sure you have these nailed down.

Next, we'll take a look beyond the Business Model Canvas to consider the risks involved in a business plan and in the market.

ators

TRAINING  
WORKSHOPS

DESIGN-  
LED  
INNOVATION

CUSTOMER  
JOURNEY  
MAPPING

**THINKING**

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**BEYOND**

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**THE**

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**CANVAS**

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# RISK



**THE BUSINESS MODEL CANVAS IS AN INVALUABLE TOOL FOR DESIGNING, CHALLENGING AND IMPROVING YOUR BUSINESS MODEL. BUT THE ONE THING THE CANVAS DOESN'T OUTLINE IS RISK.**

DJCAD Masters student Rebekka Merget has identified the value of risk underpinning everything in The Business Model Canvas.

There's an element of risk which underlies any business, whether it be in your model or in the market. Your business model is ultimately based on assumptions, and if you've done your market research well, these should be fairly accurate. However, there's still a possibility that your assumptions about consumer behaviour, the economy and your competitive environment could be wrong.

Numerous other factors beyond your control such as sales volume and the current economic environment can also cause potential risk through lowered profits.

**SO, HOW CAN YOU GO ABOUT CONSIDERING RISK IN YOUR BUSINESS PLAN?**

PESTLE Analysis (or PEST analysis) is a marketing concept which is used to keep track of your business environment. It can also be used as a tool for strategically identifying and calculating the various elements of risk within your business model. The framework is universally applicable to any business and it's at the core of strategic business management. You can access a PESTLE Analysis template [here](#).

## SO, WHAT DOES PESTLE STAND FOR?

Political, Economic, Social, Technological, Legal and Environmental factors. These are the different areas you can analyse for potential risks. The acronym gives a wide view of your whole business environment so you can consider risks from every angle.

Here's some key questions you can ask yourself for each area of risk:

### POLITICAL RISK

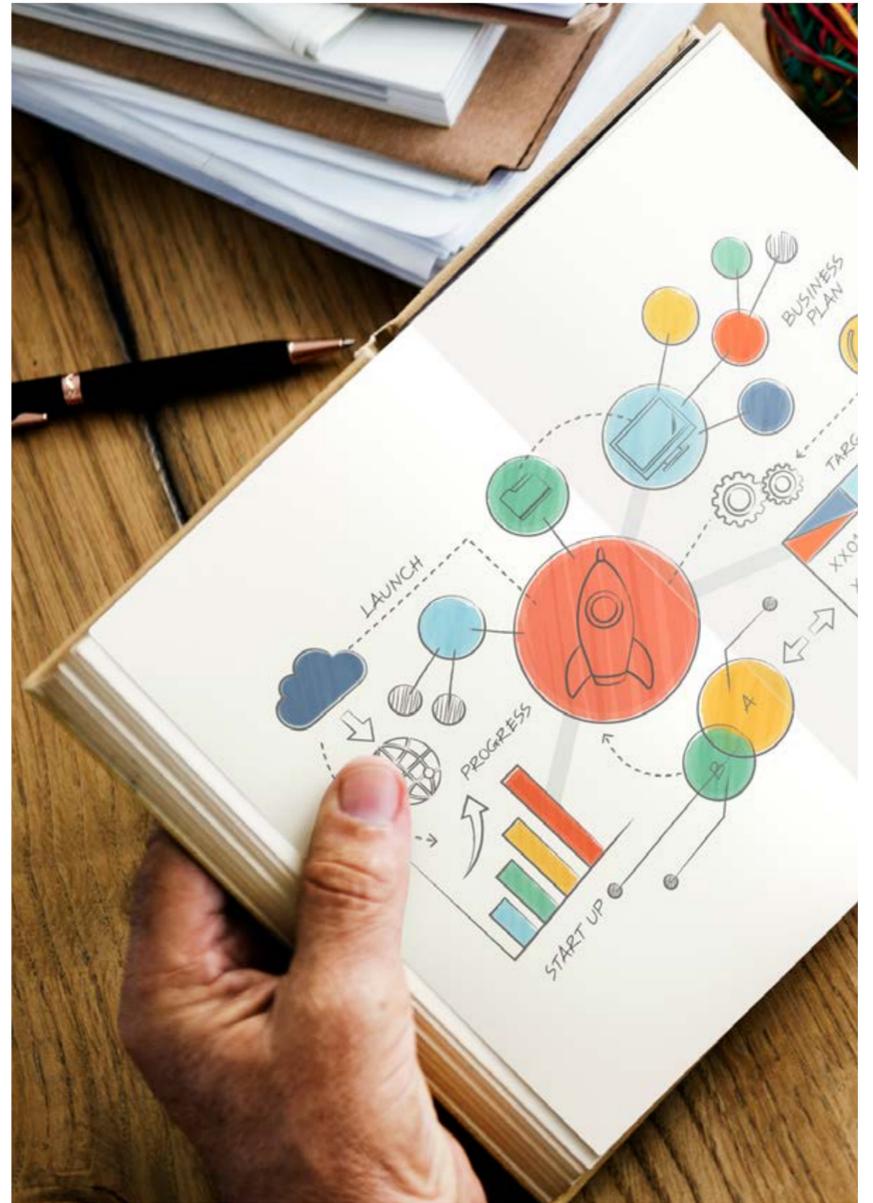
How might the political situation in your country affect your business model? For example, if you import EU goods, how might Brexit impact tax and trade?

### ECONOMIC RISK

How might economic conditions such as exchange rates impact an investment?

### SOCIAL RISK

How might social and cultural conditions impact the market? Think about how your consumers' needs and mindsets are shaped by their lifestyle attitude and education, for example.



### TECHNOLOGICAL RISK

How could innovations in technology disrupt the market, such as automation?

### LEGAL RISK

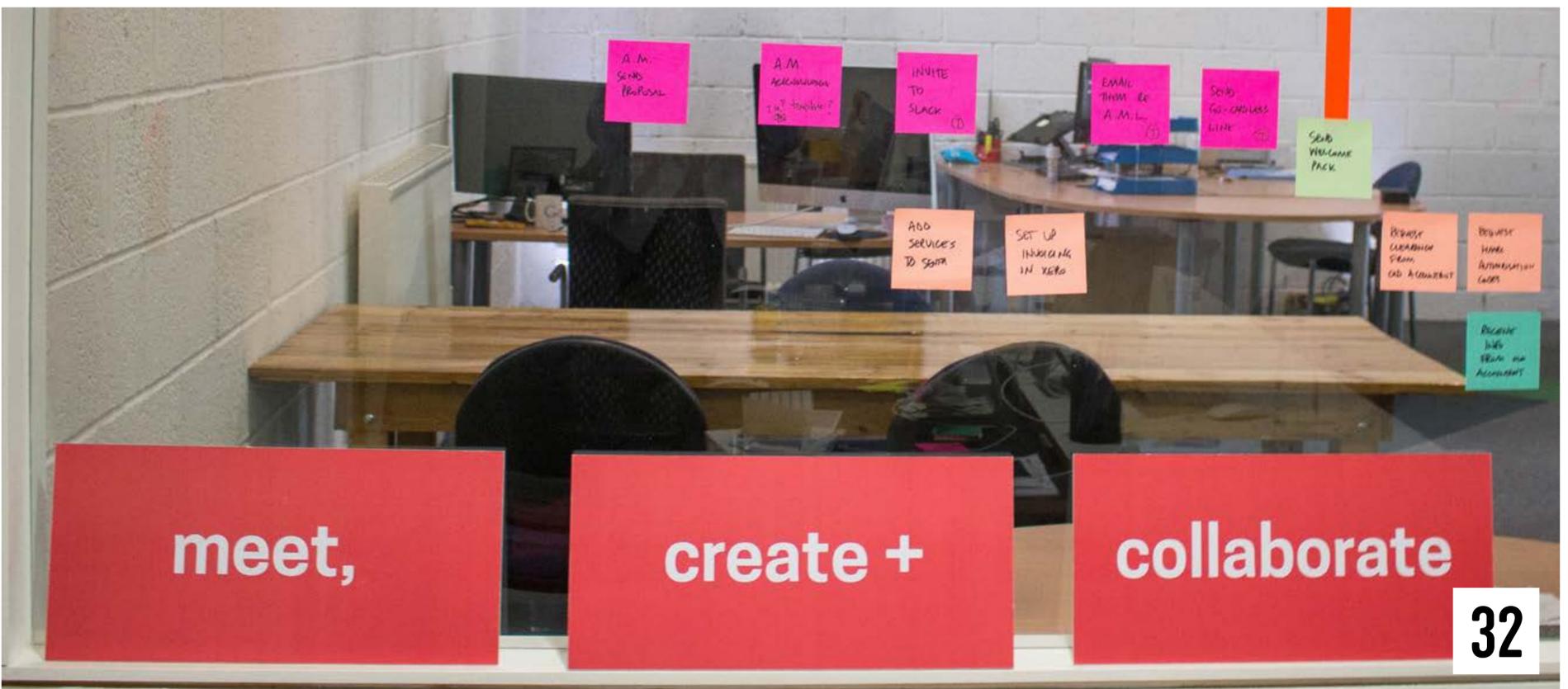
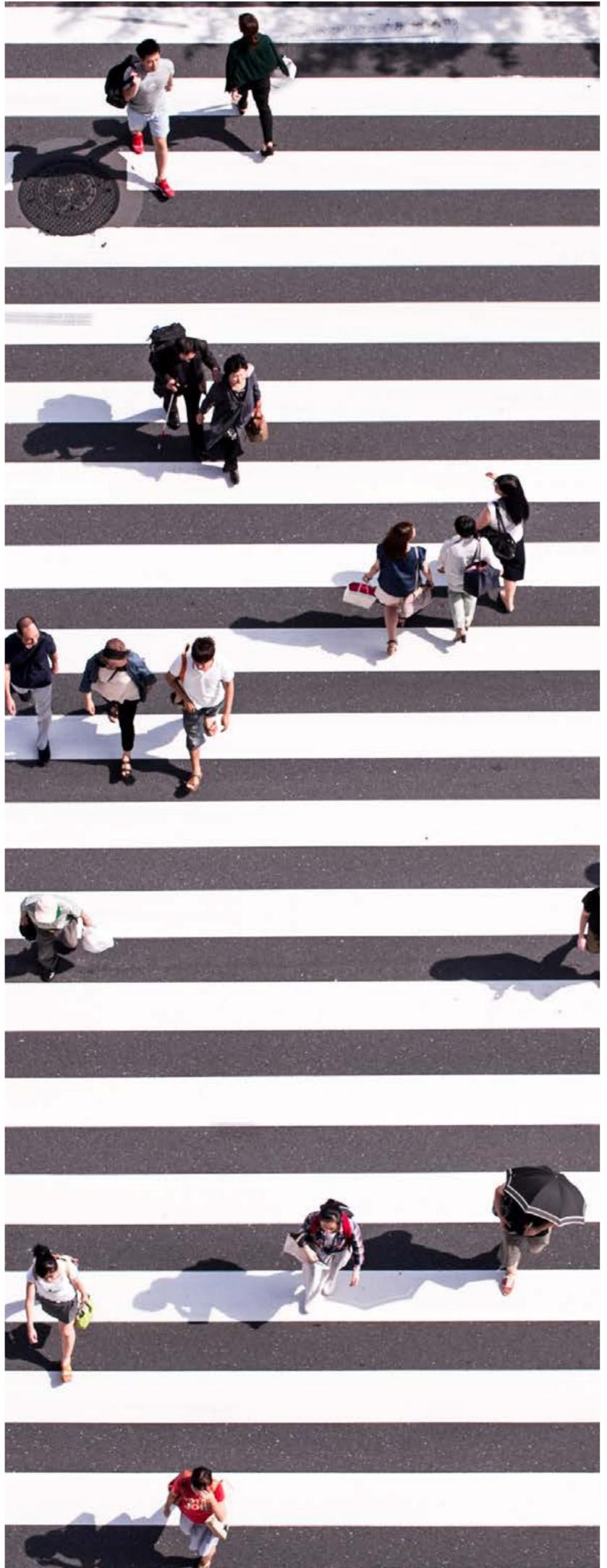
How might certain legislation impact your business such as copyright and patent laws or health and safety laws? (Or GDPR— aargh!)

### ENVIRONMENTAL RISK

How might environmental factors impact your industry? These could include weather and climate change or the use of eco-friendly products and services.

## THE MAIN TAKEAWAY

The PESTLE Analysis model is an invaluable tool for giving a comprehensive view of your business model. And when used creatively, it allows you to assess the various financial risks in the delivery of your product or service. Combine this with The Business Model Canvas and the creative possibilities for designing and challenging your business model are endless!



# CONCLUSION

So that's the end of our Business Model Canvas intro! We hope you've found this guide valuable in thinking about how to design, challenge and improve a new or existing business model.

Tools like the Business Model Canvas provide a great introduction to design thinking and looking at things differently. Research from the Design Council has shown that implementing design in business can have huge benefits for revenues and profits. Also, taking a design-led approach can help you stand out from the crowd and most importantly, create happy customers.

You don't have to be good at drawing or even know how to use Photoshop to be a designer— anyone can use design thinking techniques to make a difference. It's all about questioning

things, asking why they have to be that way and constantly seeking to evaluate and improve your business model to better meet the needs of your clients. Design, first and foremost, is all about people.

When using the Business Model Canvas, there are no hard and fast rules. You can use some of it, or all of it, but considering it holistically can be really valuable for providing an in-depth overview of each element of your business model. The canvas can even be used for non-profits, government services or any product, service or innovation with a client or end-user. The possibilities are endless.



# WHAT NEXT?



Now that we've gone over how to use the canvas, it's up to you to implement that to map out your business model. At Ashton McGill, we use creative tools like the Business Model Canvas with our clients to help them build better businesses. It helps us get to know you and your business goals, so whether you want to scale your business, or even cut down your hours, we can figure out how best to help you achieve them.

If this is something you're interested in, we'd be more than happy to have a chat about how we can work together to help you move your business forward. Feel free to DM us, drop us an email or give us a call, we'd love to hear from you.

Happy Business Model  
Canvassing!

—The Ashton McGill team.



# ASHTON MCGILL

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