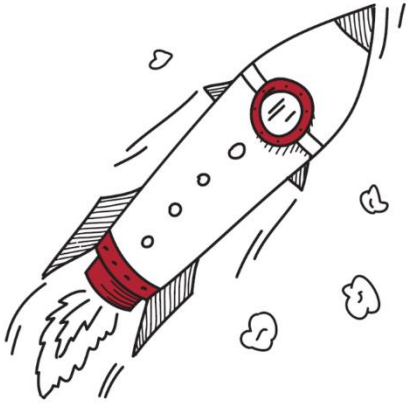


Aluflexpack Innovation **challenge #3**

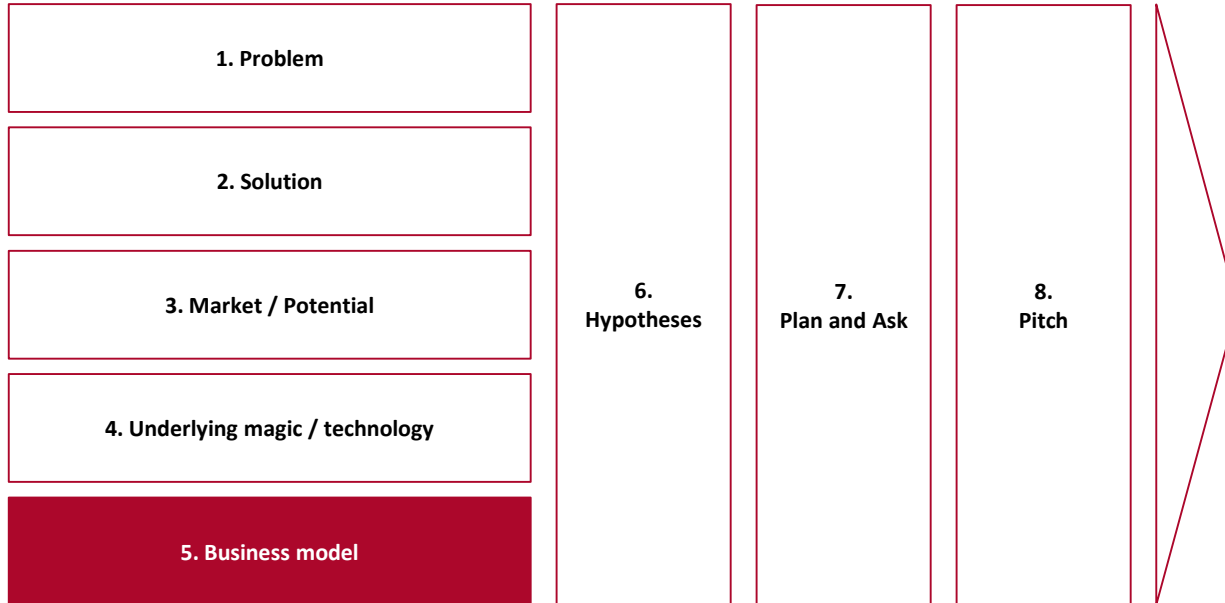


Business Model

11 September 2024

“We become the most integrated success maker for a lasting packaging experience!”

Idea Maturation framework



Business Model

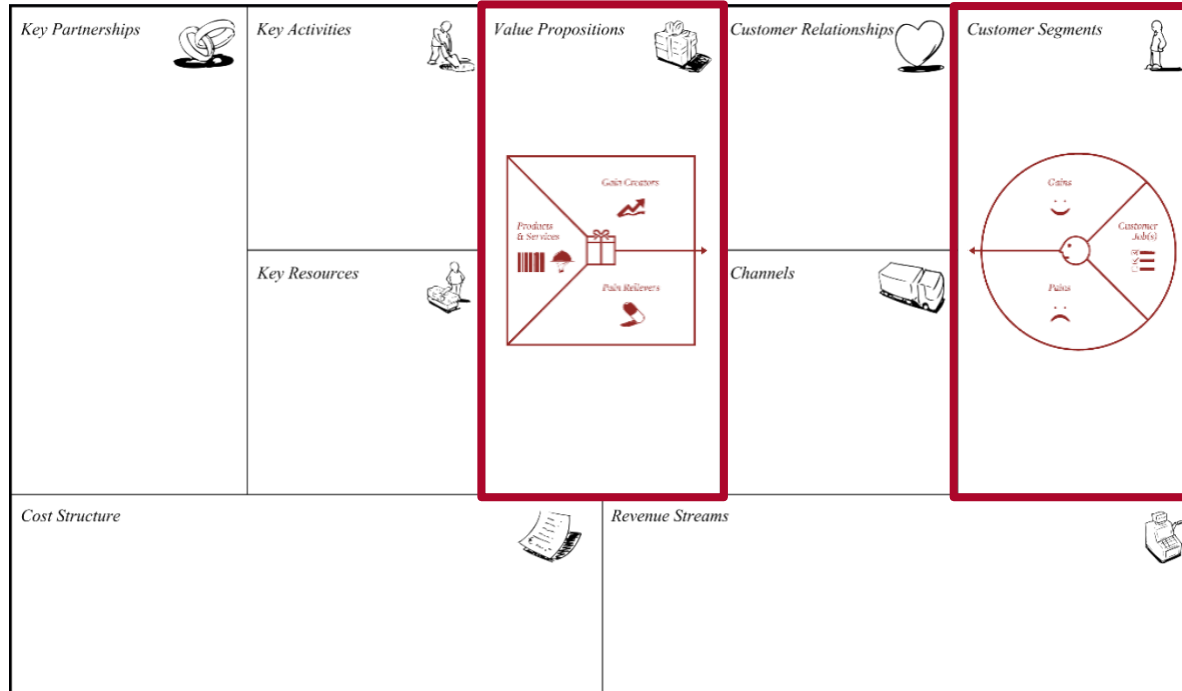
The Business Model Canvas is a tool for developing, discussing, challenging and describing a business model.










A business model is defined as **“a model for how an organization creates, delivers and captures value”**.

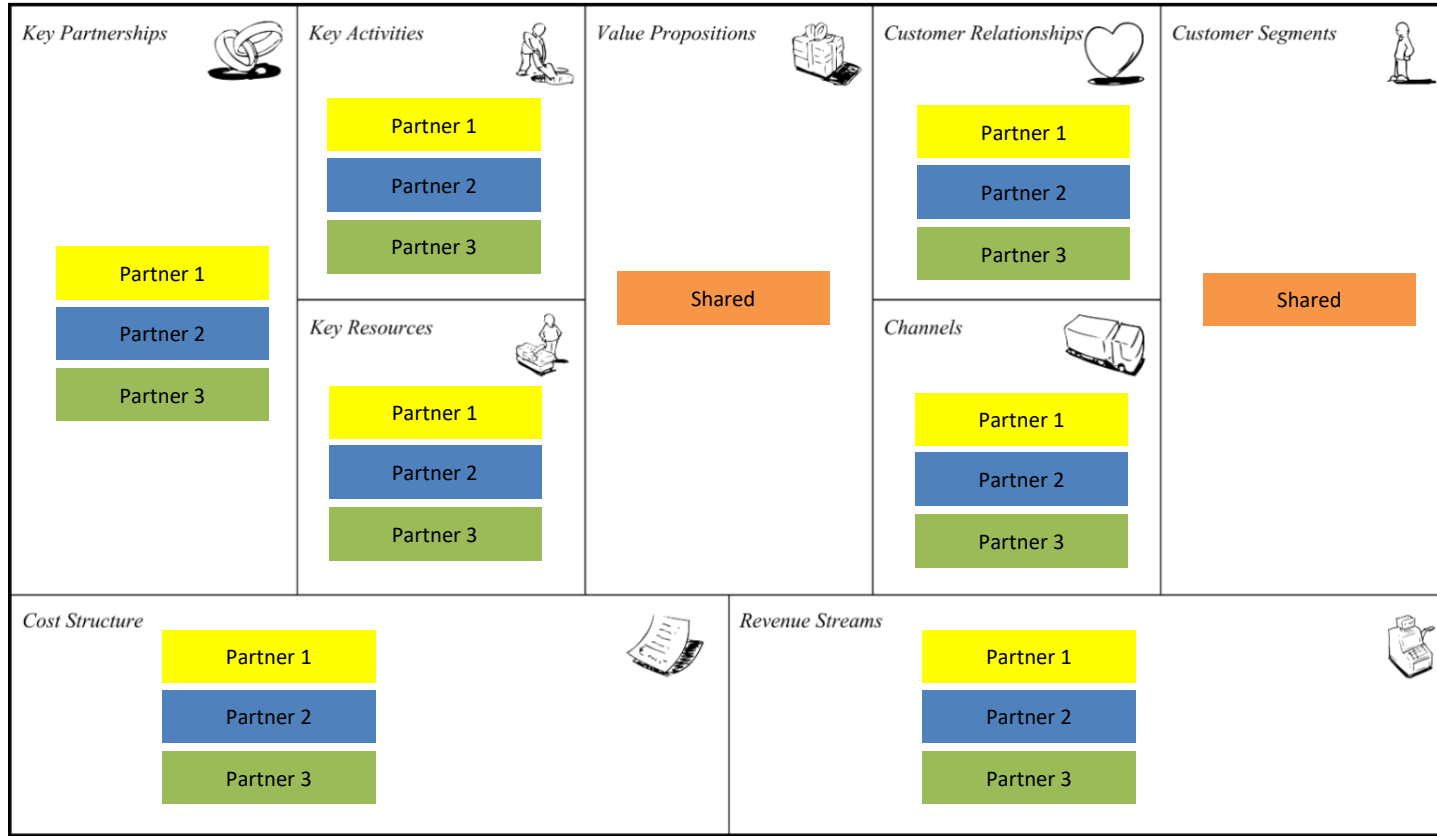
The canvas boils down the business model into 9 building blocks to force us answer the critical questions of:

- ✓ Who are our target customers?
- ✓ What is our value proposition?
 - How will we get, keep and grow customers?
 - How will we get our solution to the customers?
 - How will we make money?
 - What key activities, resources and partnerships are needed to deliver our solution?
 - What are the main cost drivers?

Business Model Canvas



<p><i>Key Partnerships</i></p>  <p>Which key partners do we need?</p> <ul style="list-style-type: none"> • Who are our key suppliers? • Which key resources are we acquiring from our partners? • Which key activities do partners perform? 	<p><i>Key Activities</i></p>  <p>Which key activities do we need to do to deliver our solution?</p> <ul style="list-style-type: none"> • What key activities do our value proposition require? • Our distribution channels? • Our customer relationships? • Our revenue streams? 	<p><i>Value Propositions</i></p>  <p>What value do we deliver to the customer?</p> <ul style="list-style-type: none"> • Which customer problems are we solving / which needs are we satisfying? • What bundles of products and services are we offering to each segment? • What is the minimum viable product? 	<p><i>Customer Relationships</i></p>  <p>How do we get, keep and grow customers?</p> <ul style="list-style-type: none"> • Do we sell to existing customers or is it a new segment? • How do we grow the segment/get new customers? • How do we sell the new solution? 	<p><i>Customer Segments</i></p>  <p>For whom are we creating value?</p> <ul style="list-style-type: none"> • For whom are we creating value? • Who are our most important customers? • What are the customer archetypes? • What are their jobs-to-be done, their pains and their gains?
	<p><i>Key Resources</i></p>  <p>Which key resources do we need to deliver our solution?</p> <ul style="list-style-type: none"> • What key resources do our value propositions require? • Our distribution channels? • Our customer relationships? • Our revenue streams? 		<p><i>Channels</i></p>  <p>How will we get our solution to the customers?</p> <ul style="list-style-type: none"> • Through which channels do customers want to be reached? • How do other companies reach them now? • Which channels work best? • Which are most cost-efficient? 	
<p><i>Cost Structure</i></p>  <p>What are the main cost drivers of our business?</p> <ul style="list-style-type: none"> • What are the most important costs inherent to our business model? • Which key resources are most expensive? • Which key activities are most expensive? 		<p><i>Revenue Streams</i></p>  <p>How will we make money?</p> <ul style="list-style-type: none"> • For what value are customers really willing to pay? • For what do they currently pay? • How are they currently paying? • How would they prefer to pay? • How much does each revenue stream contribute to overall revenues? 		



Source: Business Model Generation by Alexander Osterwalder (2010)

The Hilti fleet management case

ALU
FLEX
PACK

Traditional business model. Selling high quality power tools to professional constructions.



The Business Model Canvas

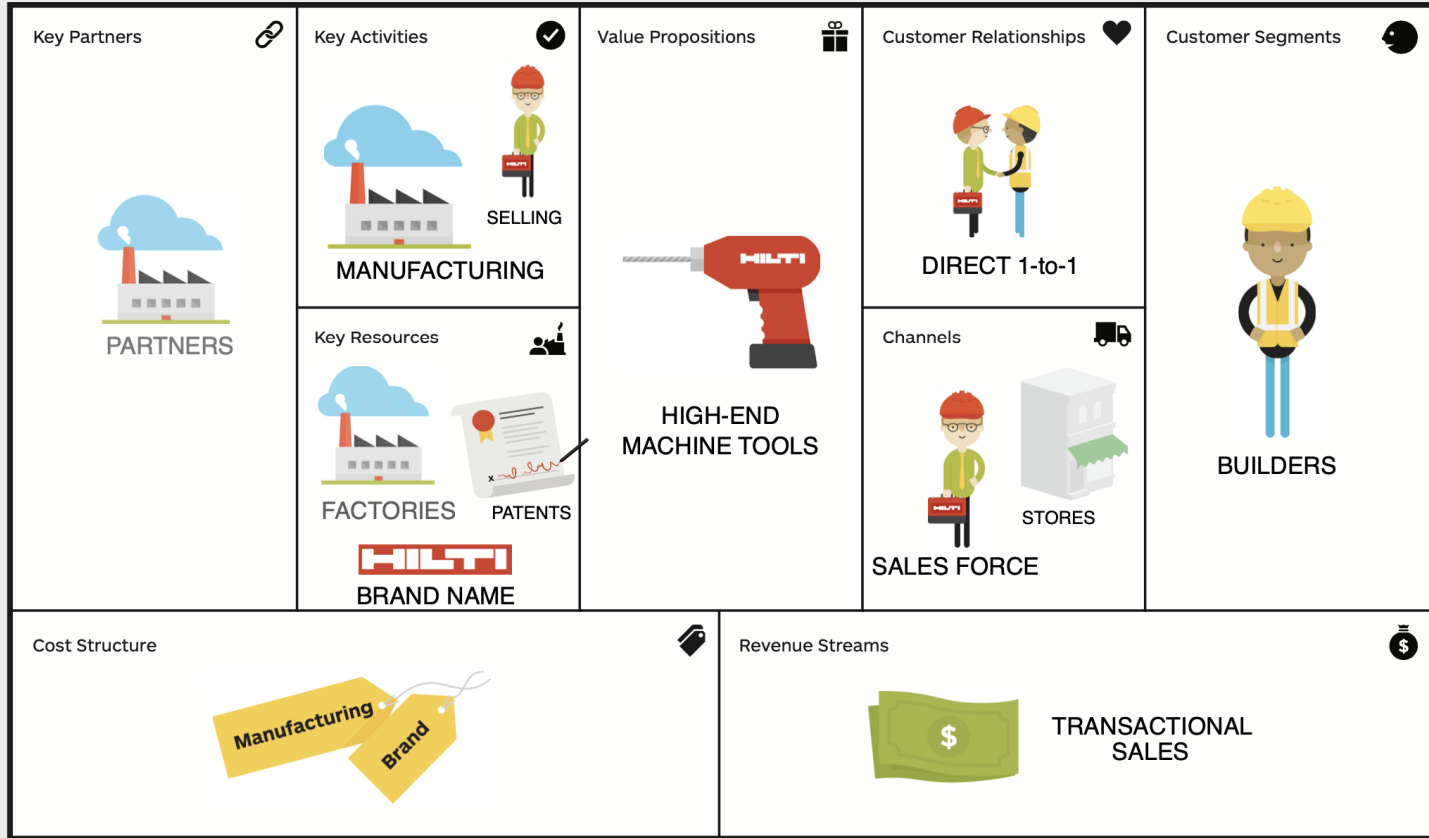
Designed for:



Designed by:

Date:

Version:



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The Hilti fleet management case

In the early 2000's the Hilti market team conducted a series of interviews with customers.

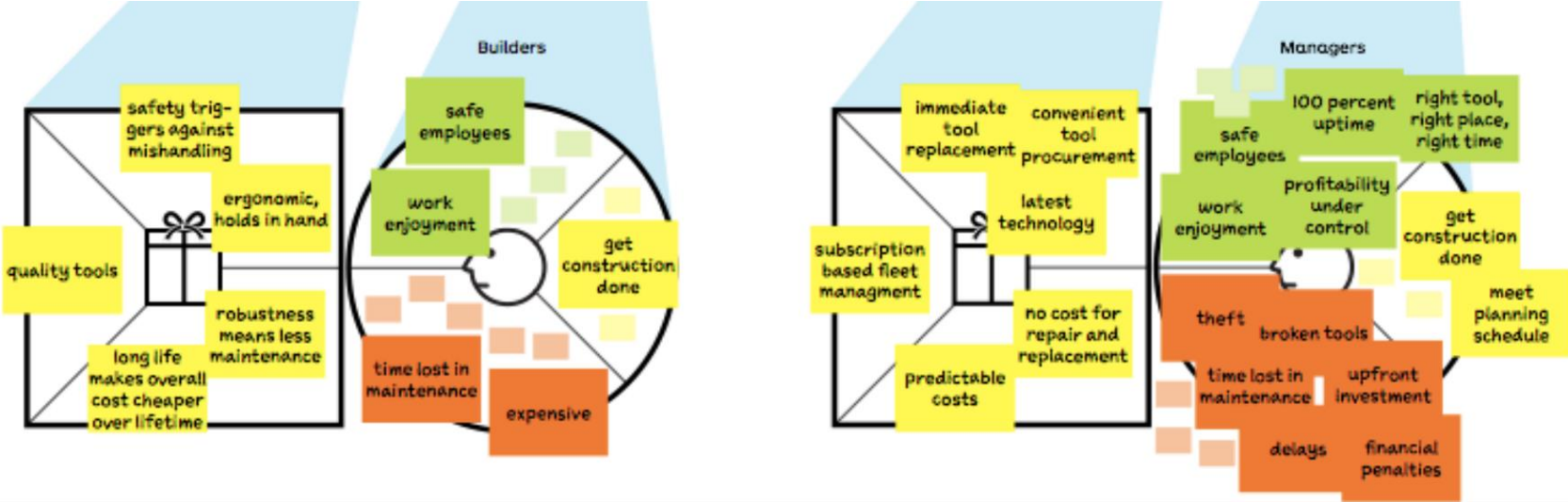
Identified two segments:

- Builders (Construction workers)
- Managers (developers/ managers of construction companies)

They researched the jobs to be done and discovered some new pains and gains



The Hilti fleet management case



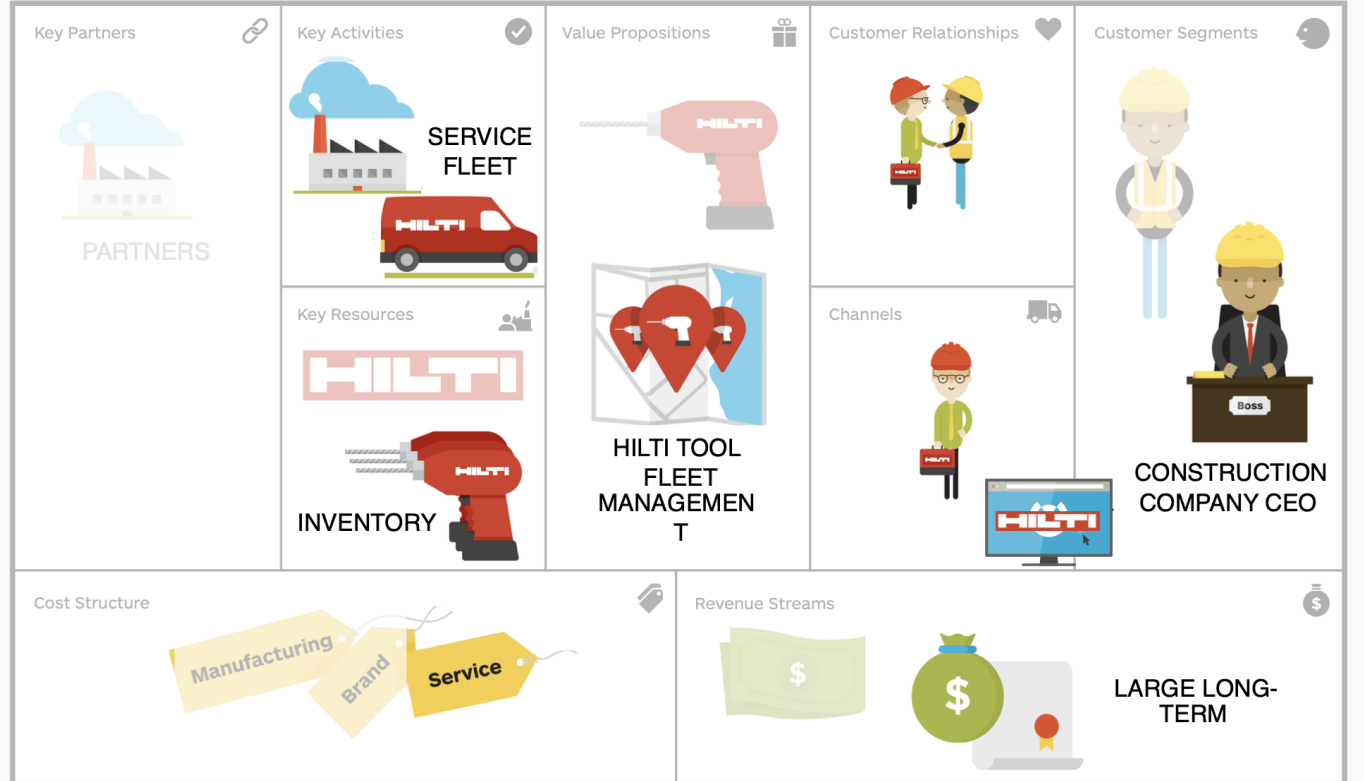
The Business Model Canvas

Designed for: **HILTI**

Designed by: **v2**

Date:

Version:



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A reinvented business model

TRADITIONAL POWER-TOOL COMPANY

vs.

HILTI'S TOOL FLEET MANAGEMENT SERVICE

Builders

Construction company managers

Selling tools

Selling service agreements

Transactional revenue

Long-term contracts with monthly
service revenue

Decreasing margins

High margins

Tool manufacturing and distribution

Fleet management, incl. service cars,
people and inventory of tools

Map your business model

Map your business model

Map the key components of your business model:

- ✓ Customer segments (from Value Proposition – exercise)
- ✓ Value proposition (from Value Proposition – exercise)

Front-end {

- Customer relationships (“sales model”)
- Distribution channels (“distribution model”)
- Revenue streams, incl. Sustainability benefits

Back-end {

- Key resources
- Key activities
- Key partners
- Cost structure

