

Presentation of the Business Model Generation framework

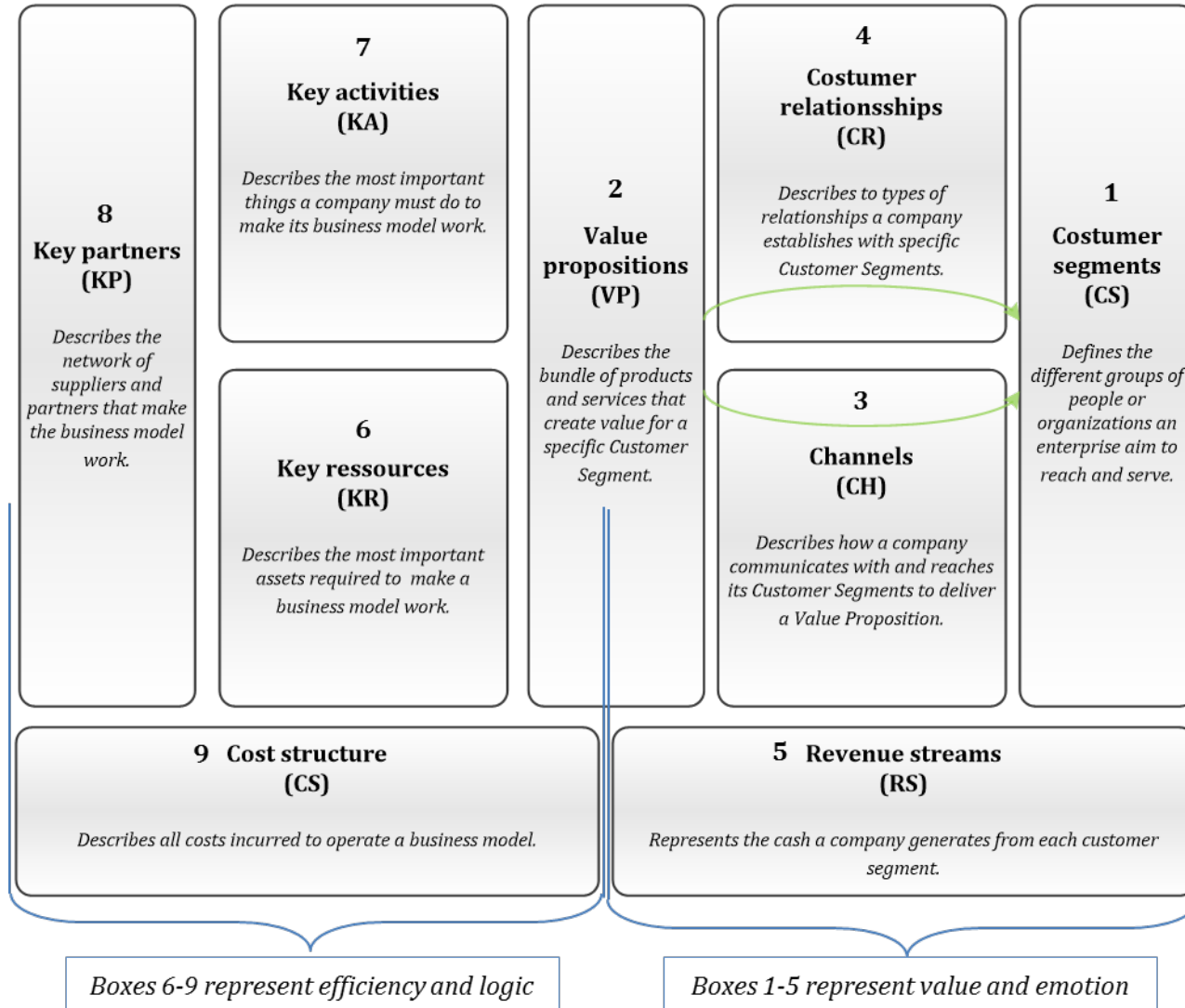
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Stratego Business Model Canvas – the backbone



1. Customer Segment

The customer segment building block defines the different groups of people or organizations the DH Company aims to reach and serve.

Customer Segments of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- Whom are we creating value for?
- Who are the most important customers?



Ex. Building owners.

2. Value proposition

The value proposition building block describes the bundle of products and services that creates value for a specific customer segment.

Value Proposition of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- What value do we deliver to our customers?
- What bundles of products and services are we offering to each customer segment?



Ex.

- Stable secure heat supply
- Fixed, long term prices

3. Channels

The channels building block describes the different ways a company communicates with and reaches its customer segments to deliver value proposition.

Channels of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- Through which channels are we reaching our customers?
- How are our channels integrated?



Ex.

- Technical visits
- Emails and brochures

4. Customer relationships

The customer relationships building block describes the types of relationships a company establishes with specific customer segments.

A basis of a trust & risk evaluation

Customer Relationships of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- What relationship do our customers expect us to establish and maintain?



A variation of:
Automated self-service
Personal assistance

5. Revenue Streams

The revenue streams building block describes the cash a company generates from each customer segment

Revenue Streams of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- What value are our customers willing to pay for?

And/or:

- How much are the value worth to the customer?



The heat customer revenue typically consists of:

A subscription fee

+

A consumption fee per used kWh heat

6. Key resources

Key resources refer to the internal resources necessary to allow a company creating an offer or value proposition, reach market, and maintain relationships with customers and thereby creating a revenue stream.

Key Resources of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- What key resources do our value propositions require?
- What key resources are needed to deliver the value?



Ex.
Surplus heat

7. Key activities

Key activities are fundamental in order to create and deliver a product or service offer also known as value proposition.

Key Activities of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- What key activities do our value propositions require?

And/or:

- What key activities are crucial for the business to succeed?



Ex.
Design of production
Heat planning

8. Key partnerships

The key partnerships building block describes the network of suppliers and partners that make the business model work.

Key Partnerships of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

- Who are our key partners? [type of companies]
- Who are our key suppliers? [type of companies]
- What are we requiring from them?



Ex.
DH utility
Financial institutions

9. Cost structure

The cost structure describes all cost incurred to operate a business model in relation to creating and delivering value, maintaining customer relationships and thereby generating revenue.

Cost Structure of district heating in your country:

Key questions to ask within this building block of the business model canvas is:

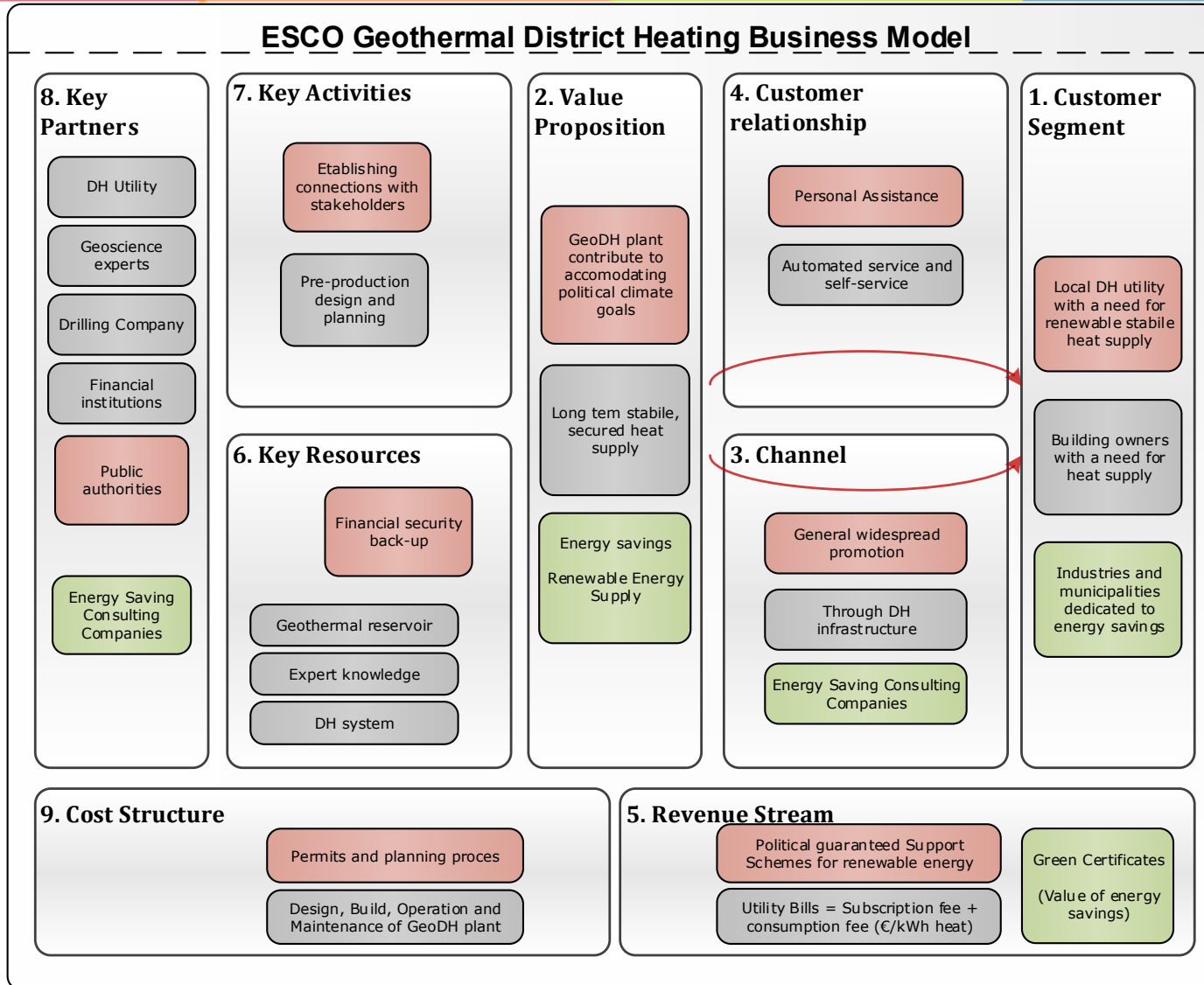
- What are the most important costs?
- What are the most expensive activities and resources?
- Can costs be reduced by partnerships?



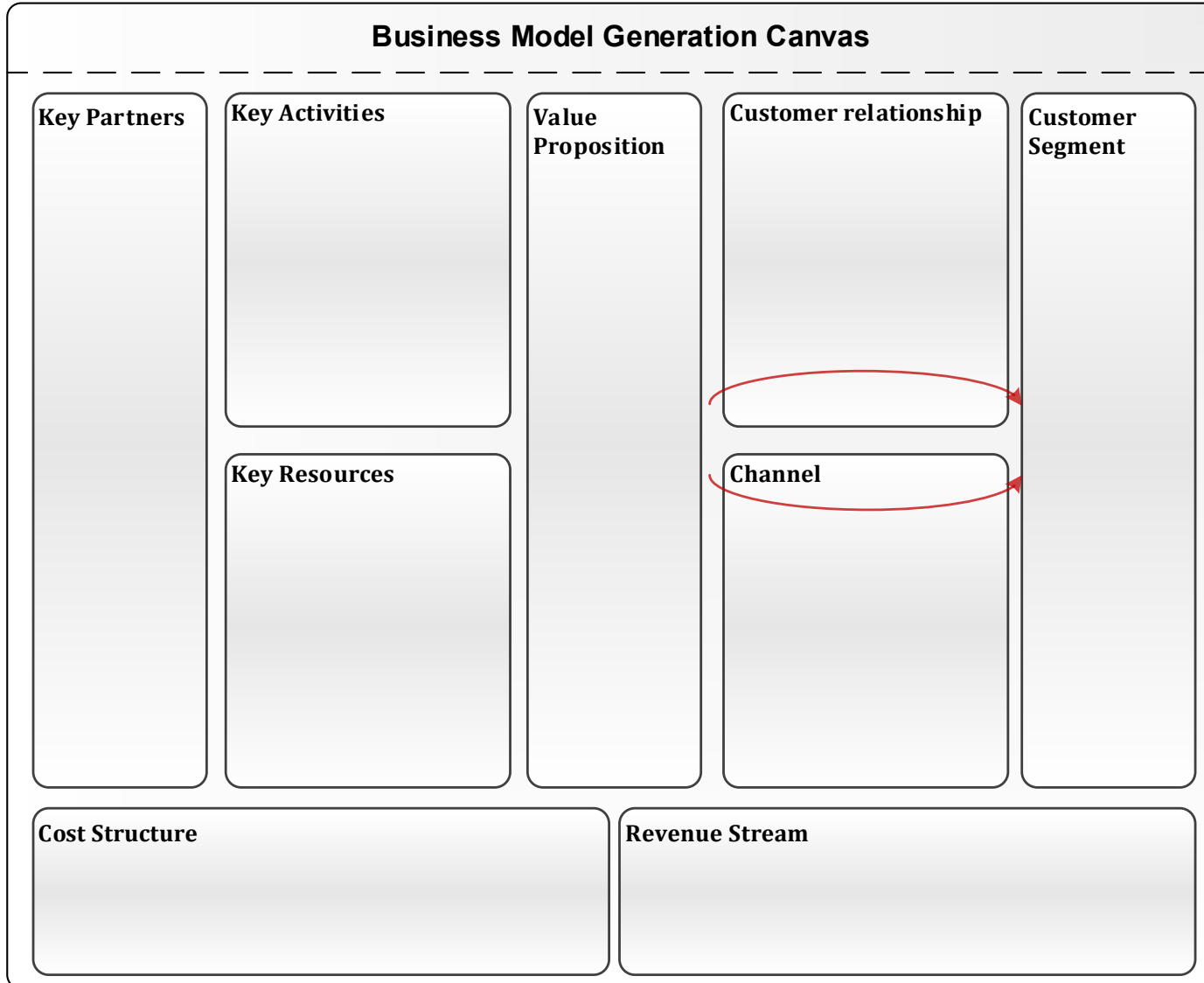
Cost-driven or value driven
cost structure?



Stratego Example ON Geothermal ESCO business model



Source:
GeoDH project
Geodh.eu



Grøn Energi – The analysis and development unit of Danish District Heating

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