Business Models and the Business Model Canvas

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About Me

- Healthcare IT Professional for 22+ Years
 - (Vendor) Project Manager, Asian Hospital
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What is a Business Model?

- A business model is a plan for how a company will make a profit
- A high-level plan for operating a business in a specific marketplace
- Describes how a business creates, delivers, and captures value
- Identifies the products or services a business plans to sell, its target market, and anticipated expenses
- Describes how a business will take its product, offer it to the market, and drive sales

Sample Business Models

Retailer:

• This is a common model where a business buys finished goods from manufacturers or distributors and sells them directly to customers

Manufacturer:

 This model involves a business sourcing raw materials to produce finished products using internal labor, machinery, and equipment

• Subscription:

 In this model, customers pay a recurring fee, typically monthly or annually, to receive a service or product for a fixed duration

• Freemium:

 This model attracts customers with basic, limited free products, and then attempts to convert them to premium products or services that require payment

Brokerage:

This model involves a business that connects buyers and sellers, and then receives a
percentage of the amount paid when a deal is finalized

Sample IT Business Models

Software as a Service (SaaS):

• This model involves providing cloud-based software on a subscription basis, where customers pay a recurring fee (monthly or annually) to access the software. This is a very common model for software companies.

• Freemium:

• In this model, a company offers a basic version of its software or service for free to attract users, while charging for premium features or advanced functionality. This is often used by tech companies, particularly in the SaaS or app business models.

• Subscription:

 This model allows customers to access software or services for a recurring fee, typically monthly or annually.

Advertising:

• Although not as prominent in the top companies, some software and IT companies use advertising as a revenue stream, often relying on attracting a large user base.

What is the Business Model Canvas?

• The BMC was created by Alex Osterwalder and Yves Pigneur and introduced in their book 'Business Model Generation'.

What is the Business Model Canvas?

- The Business Model Canvas (BMC) is a strategic management tool that provides a visual framework for planning, developing, and testing business models.
 - It is a one-page document with nine interconnected building blocks that represent essential elements of a business.
- The BMC simplifies business planning by offering a concise, visual template, unlike traditional, lengthy business plans.
 - It helps businesses to clearly outline their strategy and how all the different components interconnect.

The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

Key Partners Who are our key suppliers?

Key Activities Our Distribution Channels? Customer Relationships?

Revenue streams?

Production Problem Solving Platform/Network

What Key Activities do our Value Propositions require?

Value Propositions

Customer Relationships



Who are our most important customers?



Which Key Resources are we acquiring from partners? Which Key Activities do partners perform? Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

What value do we deliver to the customer? what value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to each Customer Segment?

Which customer needs are we satisfying?

CHARACTERISTICS
Nowness
Performance
Customization
"Getting the Job Done"
Design
Brand/Status
Price
Cost Reduction

Customer Segments

What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our

How costly are they?

Key Resources



What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?

TYPES OF RESOURCES

Physical Intellectual (brand patents, copyrights, data) Human Financial

Channels



Through which Channels do our Customer Segments want to be reached? How are we reaching them now?

How are our Channels integrated? Which ones work best? Which ones are most cost-efficient?

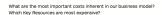
How are we integrating them with customer routines?

CHANNEL PHASES

How do we allow customers to purchase specific products and services

4. Delivery How do we deliver a Value Proposition to customers? After sales
 How do we provide post-purchase customer support?

Cost Structure



IS YOUR BUSINESS MORE
Clost Driven Geanest cost structure, low price value proposition, maximum automation, extensive outsourcing) Value Driven (focused on value creation, premium value proposition)

SAMPLE CHARACTERISTICS Fixed Costs (salaries, rents, utilities) Variable costs Economies of scale Economies of scope

Revenue Streams

For what value are our customers really willing to pay? For what do they currently pay?

How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?







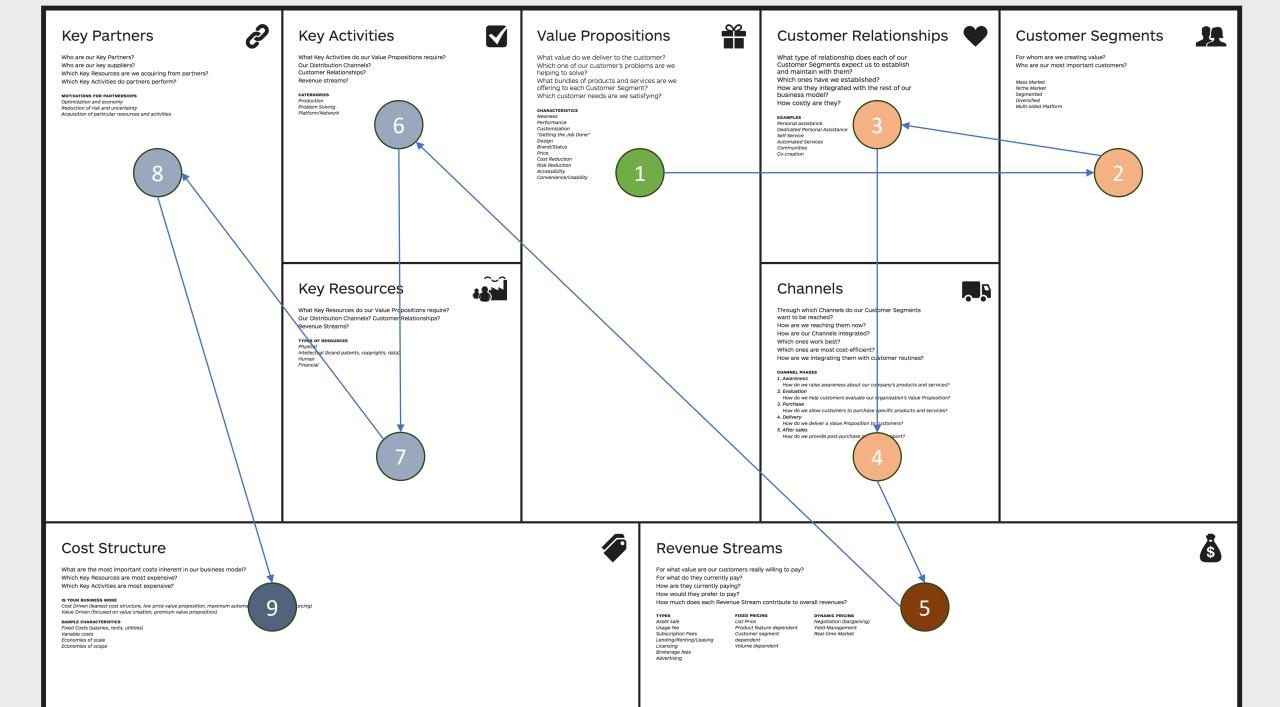






What is the Business Model Canvas?

- The right side of the canvas focuses on the customer or the market (external factors)
- The left side focuses on the business (internal factors) and
- The middle is the value proposition, which represents the exchange of value between a business and its customers.



Who are our Key Partners?

Which Key Resources are we acquiring from partners?

MOTIVATIONS FOR PARTNERSHIPS

Who are our key suppliers?

Which Key Activities do partners perform? Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

Key Activities

What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships?

Revenue streams? CATERGORIES

Problem Solvina

Value Propositions

What value do we deliver to the customer? Which one of our customer's problems are we helping to solve?

What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?

Accessibility Convenience/Usability

Customization "Getting the Job Done Brand/Status Cost Reduction Risk Reduction

Customer Relationships What type of relationship does each of our

Customer Segments expect us to establish

Customer Segments



For whom are we creating value? Who are our most important customers?

and maintain with them? **Value Propositions**

The products and services that create value for a specific customer segment.

Guide Questions:

- What value do we deliver to customers?
- Which problems are we solving?
- What bundles of products/services are we offering?
- Which customer needs are we satisfying?
- What makes our offering unique?

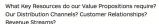
Key Concepts:

- Pain points addressed
- Gains delivered
- Unique selling points
- **Customer benefits**
- Problem-solution fit

Sample Content:

- Time savings
- Cost reduction
- Better performance
- Convenience
- Accessibility
- Customization
- Design
 - **Brand status**

Key Resources



Intellectual (brand patents, copyrights, data)

Cost Structure

What are the most important costs inherent in our business model: Which Key Resources are most expensive? Which Key Activities are most expensive?

Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing Value Driven (focused on value creation, premium value proposition)

Fixed Costs (salaries, rents, utilities) Variable costs Economies of scale Economies of scope



Revenue St

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Asset sale Usage fee Subscription Fees Lending/Renting/Leasing

Licensing Brokerage fees

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Convenience/Usability

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Which ones have we established? How are they integrated with the rest of our husiness model?

How costly are they?

Personal assistance dicated Personal Assistance

Customer Segments

For whom are we creating value?

Who are our most important customers? Mass Market

Seamented Multi-sided Platform

Value Propositions

The products and services that create value for a specific customer segment.

Key Resources

What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships?

Intellectual (brand patents, copyrights, data)



Guide Questions:

- What specific healthcare problems does your solution solve?
- How does your solution improve current healthcare processes?
- What metrics demonstrate the value of your solution?
- How does your solution compare to existing alternatives?
- What evidence supports your value claims?

Sample Healthcare IT Content:

- Reduced medical errors through Al-powered decision support
- Improved patient engagement through mobile health apps
- Enhanced clinical workflow efficiency
- Better population health management
- Real-time health analytics

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FIXED PRICING Product feature dependent Customer segment Volume dependen



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Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

Key Activities



Value Propositions



Customer Relationships



Customer Segments

For whom are we creating value?

Who are our most important customers?



What Key Activities do our Value Proposit Our Distribution Channels? Customer Relationships? Revenue streams?

Problem Solvina

Customer Segments

The different groups of people or organizations you aim to reach and serve.

Guide Questions:

- For whom are we creating value?
- Who are our most important customers?
- What characterizes different customer segments?
- How are segments different or similar?
- Which segments are most valuable?

Key Resources

What Key Resources do our Value Propositions Our Distribution Channels? Customer Relations

Intellectual (brand patents, copyrights, data)

Key Concepts:

- Market segmentation
- Target market
- Mass market vs. niche market
- Multi-sided platforms
- B2B vs. B2C

Sample Content:

- Mass market
- Niche market
- Segmented market
- Diversified markets
- Multi-sided platforms
- Geographic segments
- Demographic segments

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Seamented Multi-sided Platform



our Customer Seaments

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out our company's products and services



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Cost Structure

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Key Activities

Value Propositions



Customer Relationships



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What Key Activities do our Value Proposit

Our Distribution Channels? Customer Relationships? Revenue streams?

Key Resources

Intellectual (brand patents, copyrights, data)

Revenue Streams?

Problem Solvina

Customer Segments

The different groups of people or organizations you aim to reach and serve.

Guide Questions:

- Who are the primary users of your solution?
- Who makes the purchasing decisions?
- Who pays for your solution?
- How do different stakeholders influence the buying process?
- What are the specific needs of each segment?

What Key Resources do our Value Propositions Our Distribution Channels? Customer Relations

Sample Content:

- Healthcare providers (hospitals, clinics)
- Insurance companies
- Pharmaceutical companies
- Patients/consumers
- Research institutions
- Government agencies

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Seamented Multi-sided Platform



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Revenue Streams

For what value are our 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?

Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokerage fees

FIXED PRICING Product feature dependent Customer segment Volume dependen



Value Propositions



Customer Relationships





Channels

How an organization communicates with and reaches its customer segments.

Guide Questions:

- Through which channels do customers want to be reached?
- How are we reaching them now?
- Which channels work best?
- Which channels are most cost-efficient?
- How do we integrate channels with customer routines?

Key Concepts:

- Distribution channels
- Sales channels
- Communication channels
- Direct vs. indirect
- Owned vs. partner channels

Sample Content:

- Own website
- Partner stores
- Wholesaler
- **Retail stores**
- Sales force
- Online platforms
- Social media

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ach Customer Segment? mer needs are we satisfying?

What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model?

Personal assistance

Dedicated Personal Assistance Self-Service Automated Services Communities Co-creation

How costly are they?

Customer Segments

For whom are we creating value? Who are our most important customers?

Mass Market Seamented Multi-sided Platform

Channels



Through which Channels do our Customer Segments want to be reached?

How are we reaching them now? How are our Channels integrated?

Which ones work best?

Which ones are most cost-efficient? How are we integrating them with customer routines?

How do we raise awareness about our company's products and services

How do we help customers evaluate our organization's Value Prop

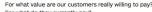
How do we allow customers to purchase specific products and service.

How do we deliver a Value Proposition to customers?

How do we provide post-purchase customer support?



Revenue Streams



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FIXED PRICING Product feature dependent Customer segment Volume dependen

DYNAMIC PRICING Yield Management







Key Activities



Value Propositions



Customer Relationships





Channels

How an organization communicates with and reaches its customer segments.

Guide Questions:

- How do healthcare organizations prefer to be reached?
- Which channels are most cost-effective?
- How do you integrate with existing systems?
- What regulatory requirements affect your channels?
- How do you support post-purchase implementation?

Sample Content:

- Direct sales force
- Healthcare conferences
- Provider networks
- App stores
- System integrators
- Value-added resellers

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Mass Market Seamented Multi-sided Platform

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Channels



- How do we allow customers to purchase specific products and services:
- How do we provide post-purchase customer support?

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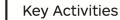
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FIXED PRICING Product feature dependent Customer segment Volume dependen







Value Propositions



Customer Relationships



Customer Segments

For whom are we creating value?

Who are our most important customers?



Customer Relationships

The types of relationships established with specific customer segments.

Guide Questions:

- What type of relationship does each segment expect?
- Which relationships have we established?
- How costly are they?
- How do they integrate with our business model?
- How do we build and maintain these relationships?

Key Concepts:

- Relationship types
- Acquisition
- Retention
- **Growth strategies**
- Service levels

Sample Content:

- Personal assistance
- Self-service
- **Automated services**
- Communities
- Co-creation
- **Dedicated support**
- Loyalty programs

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What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established?

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Personal assistance Dedicated Personal Assistance Self-Service Automated Service: Communities Co-creation

Seamented Diversified Multi-sided Platform

Channels



Through which Channels do our Customer Segments want to be reached?

How are we reaching them now?

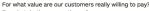
How are our Channels integrated? Which ones work best?

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- How do we help customers evaluate our organization's Value Prop 3. Purchase
- How do we allow customers to purchase specific products and service.
- How do we deliver a Value Proposition to customers?
- How do we provide post-purchase customer support?

Revenue Streams



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?

Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokerage fees

FIXED PRICING Product feature dependent Customer segment dependent Volume dependen





Key Activities



Value Propositions



Customer Relationships





Customer Relationships

The types of relationships established with specific customer segments.

Guide Questions:

- How do you build trust with healthcare organizations?
- What level of support do different segments need?
- How do you maintain relationships post-implementation?
- What role does customer success play?
- How do you gather and incorporate feedback?

Sample Content:

- 24/7 technical support
- Implementation specialists
- Training programs
- User communities
- Clinical advisory boards

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Seamented Diversified Multi-sided Platform

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FIXED PRICING Product feature dependent Customer segment dependent Volume dependen





Key Activities



Value Propositions



Customer Relationships





Revenue Streams

The money generated from each customer segment.

Guide Questions:

- For what value are customers willing to pay?
- What are they currently paying for?
- How would they prefer to pay?
- How much does each revenue stream contribute?
- What pricing strategies work best?

Key Concepts:

- Revenue models
- Pricing mechanisms
- Fixed vs. dynamic pricing
- One-time vs. recurring
- Monetization strategies

Sample Content:

- Asset sale
- Usage fees
- Subscription fees
- Lending/Renting/Leasing
- Licensing
- Commission fees
- Advertising

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Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokerage fees

FIXED PRICING Product feature dependent Customer segment Volume dependen

DYNAMIC PRICING Negotiation (bargaining) Yield Management



Fixed Costs (salaries, rents, utilities Variable costs Economies of scale Economies of scope



Value Propositions



Customer Relationships



Customer Segments



Revenue Streams

The money generated from each customer segment.

Guide Questions:

- What are customers willing to pay for?
- How do different segments prefer to pay?
- How does regulatory compliance affect pricing?
- What revenue sharing models exist?
- How do you demonstrate ROI?

Sample Content:

- Software licensing fees
- Implementation fees
- Subscription models
- Usage-based pricing
- Value-based contracts
- Data monetization

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Lending/Renting/Leasing

Brokerage fees

How much does each Revenue Stream contribute to overall revenues?

Usage fee Subscription Fees Licensing

Volume dependen

FIXED PRICING Product feature dependent Customer segment



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Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?

MOTIVATIONS FOR PARTNERSHIPS

Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

Key Activities

Our Distribution Channels?

Customer Relationships?

Revenue streams?

CATERGORIES

Problem Solvina

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Value Propositions What value do we deliver to the customer? Which one of our customer's problems are we

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Customization

Brand/Status

Cost Reduction Risk Reduction Accessibility

"Getting the Job Done

Convenience/Usability



Customer Relationships

Customer Segments



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Personal ass Self-Service Automated S Communities

want to be

How are we How are our Which ones Which ones

How are we

1. Awareness How do we 2. Evaluation How do we

3. Purchase How do we 4. Delivery

How do we

Key Resources

The most important assets required to make the business model work.

Guide Questions:

- What key resources does our value proposition require?
- What resources do our distribution channels need?
- What resources do customer relationships need?
- What resources are needed for revenue streams? Char •
- Which resources are most expensive? Through wh

Key Concepts:

- Physical resources
- Intellectual resources
- **Human resources**
- Financial resources
- Technological resources

Key Resources



Intellectual (brand patents, copyrights, data)

Cost Structure

Which Key Activities are most expensive?

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FIXED PRICING Product feature dependent Customer segment dependent Volume dependent

Sample Content:

- **Facilities**
- **Systems**
- Equipment
- **Patents**
- **Brand**
- Staff
- Capital
- Data

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Our Distribution Channels?

Customer Relationships?

Revenue streams?

CATERGORIES

Problem Solvina

What Key Activities do our Value Propositions require?

What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we

offering to each Customer Segment?

Which customer needs are we satisfying?

Customization "Getting the Job Done" Brand/Status Cost Reduction Risk Reduction Accessibility Convenience/Usability

Value Propositions



Customer Relationships

What type of relationship does each of our

Customer Segments expect us to establish



Customer Segments



For whom are we creating value? Who are our most important customers?

and maintain

Which one How are th husiness n How costly

Personal assi

Self-Service Automated Se

Key Resources

The most important assets required to make the business model work.

Guide Questions:

- What technical resources are essential?
- What expertise is required internally?
- What certifications are needed?
- How do you protect intellectual property?
- What infrastructure is critical?

Key Resources



Intellectual (brand patents, copyrights, data)

Char •

Through wh want to be How are we Which ones Which ones How are we

1. Awareness

- How do we 2. Evaluation How do we
- 3. Purchase How do we
- 4. Delivery How do we

Sample Content:

- Development team
- Clinical experts
- Data centers
- Patents and algorithms
- Regulatory certifications
- Security infrastructure

Cost Structure

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

Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing Value Driven (focused on value creation, premium value proposition)

Fixed Costs (salaries, rents, utilities) Variable costs Economies of scale Economies of scope



Revenue Streams

For what value are our 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?

Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokerage fees

FIXED PRICING Product feature dependent Customer segment dependent Volume dependen





Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

MOTIVATIONS FOR PARTNERSHIPS

Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

Key Activities



What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships?

Revenue streams?

Production
Problem Solving

Key Resources



What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?

TYPES OF RESOURCE

Physical Intellectual (brand patents, copyrights, data) Human

Value Propositions

What bundles of

offering to each

Which custome

Customization
"Getting the Job Don
Design
Brand/Status

Price Cost Reduction Risk Reduction Accessibility



Customer Relationships



Customer Segments



Which one of our helping to solves

The most important things an organization must do to make its business model work.

Guide Questions:

- What key activities does our value proposition require?
- · What activities are needed for our channels?
- What activities maintain customer relationships?
- What activities support revenue streams?
- Which activities are most important?

Key Concepts:

- Production
- Problem-solving
- Platform/Network
- Operations
- Development

Sample Content:

- Manufacturing
- Software development
- Supply chain management
- Problem solving
- Platform maintenance
- Marketing
- Service delivery

Cost Structure

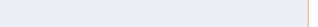
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IS YOUR BUSINESS MORE

Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing, Value Driven (focused on value creation, premium value proposition)

SAMPLE CHARACTERISTIC

Fixed Costs (salaries, rents, utilities)
Variable costs
Economies of scale
Economies of scope







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Customization "Getting the Job Don Design Brand/Status

Price Cost Reduction Accessibility



Customer Relationships



Customer Segments



Key Activities

The most important things an organization must do to make its business model work.

Guide Questions:

- What activities are critical for your value proposition?
- How do you ensure compliance?
- What activities require the most resources?
- How do you maintain quality?
- What activities could be outsourced?

Sample Content:

- Software development
- Security management
- Clinical validation
- Regulatory compliance
- **Customer support**
- Data analytics

Key Resources



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Intellectual (brand patents, copyrights, data)

Cost Structure

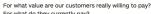
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Usage fee Subscription Fees Lending/Renting/Leasing Licensing Brokerage fees

FIXED PRICING Product feature dependent Customer segment Volume dependen



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OTIVATIONS FOR PARTNERSHIP

Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

Key

What Key Our Distrik

Production Problem Sol

Key Partnerships

The network of suppliers and partners that make the business model work.

Guide Questions:

- Who are our key partners?
- Who are our key suppliers?
- Which resources do we get from partners?
- Which activities do partners perform?
- What makes a partnership strategic?

Key

What Key Our Distrit

Key Concepts:

- Strategic alliances
- Coopetition
- Joint ventures
- Buyer-supplier relationships
- Optimization and economy of scale

Sample Content:

- **Suppliers**
- Strategic partners
- Technology providers
- Service providers
- Distribution partners
- Marketing partners
- Financial partners

Customer Relationships





What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established?

How are they integrated with the rest of our husiness model?

How costly are they?

Personal assistance Dedicated Personal Assistance Self-Service Automated Services Communities

Customer Segments

For whom are we creating value? Who are our most important customers?

Mass Market Seamented Multi-sided Platform

Channels



Through which Channels do our Customer Segments want to be reached?

How are we reaching them now? How are our Channels integrated?

Which ones work best?

Which ones are most cost-efficient?

How are we integrating them with customer routines?

- How do we raise awareness about our company's products and services
- How do we help customers evaluate our organization's Value Proposition
- 3. Purchase How do we allow customers to purchase specific products and services
- How do we deliver a Value Proposition to customers?
- How do we provide post-purchase customer support?

eams

rs really willing to pay?

Usage fee Subscription Fees Lending/Renting/Leasing Licensing

FIXED PRICING Product feature dependent Customer segment Volume dependen

DYNAMIC PRICING Yield Management



Fixed Costs (salaries, rents, utilities) Variable costs Economies of scale Economies of scope

Cost Structure

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MOTIVATIONS FOR PARTNERSHIPS

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Production Problem Sol

Key Partnerships

The network of suppliers and partners that make the business model work.

Guide Questions:

- What partnerships are essential?
- How do you manage integration partners?
- What activities should partners handle?
- How do you structure partnerships?
- What risks exist in partnerships?

Key

What Key Our Distril

TYPES OF RE

Sample Content:

- **EHR** vendors
- Healthcare systems
- Research institutions
- Technology providers
- Regulatory consultants
- Distribution partners

Customer Relationships



Customer Segments



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Revenue Streams

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FIXED PRICING Product feature dependent Customer segment Volume dependen

DYNAMIC PRICING Yield Management





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Which Key Activities are most expensive?

SAMPLE CHARACTERISTICS

Variable costs

Economies of scale Economies of scope

Fixed Costs (salaries, rents, utilities)

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

Value Driven (focused on value creation, premium value proposition)

Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive of

Kev Activities

Our Distr



Value Propositions



Cost Structure

All costs incurred to operate the business model.

Guide Questions:

- What are the most important costs?
- Which key resources are most expensive?
- Which key activities are most expensive?
- How do costs scale with growth?
- Where can costs be reduced?

Key

Physica. Human

Key Concepts:

- Fixed costs
- Variable costs
- **Economies of scale**
- Economies of scope
- Cost-driven vs. value-driven

Sample Content:

- **Product costs**
- Staff costs
- Marketing costs
- **Technology costs**
- Facility costs
- Administrative costs
- Distribution costs

Customer Relationships



Customer Segments



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Personal assistance Dedicated Personal Assistance Self-Service

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le Streams

our customers really willing to pay? currently pay?

ently paying? refer to pay?

ach Revenue Stream contribute to overall revenues?

FIXED PRICING Product feature dependent Customer segment Volume dependen

DYNAMIC PRICING Negotiation (bargaining) Yield Management

Brokerage fees



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MOTIVATIONS FOR PARTNERSHIPS

Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities

Key Activities



Value Propositions







Our Distr

Cost Structure

All costs incurred to operate the business model.

Guide Questions:

- What are your most significant costs?
- How do costs scale with growth?
- What compliance costs exist?
- How do you optimize costs?
- What investments are needed?

Key

Physical

Sample Content:

- **Development costs**
- Infrastructure costs
- Compliance costs
- Support costs
- Marketing expenses
- Implementation costs

Customer Relationships

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Customer Segments

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Mass Market Seamented Diversified Multi-sided Platform

Channels



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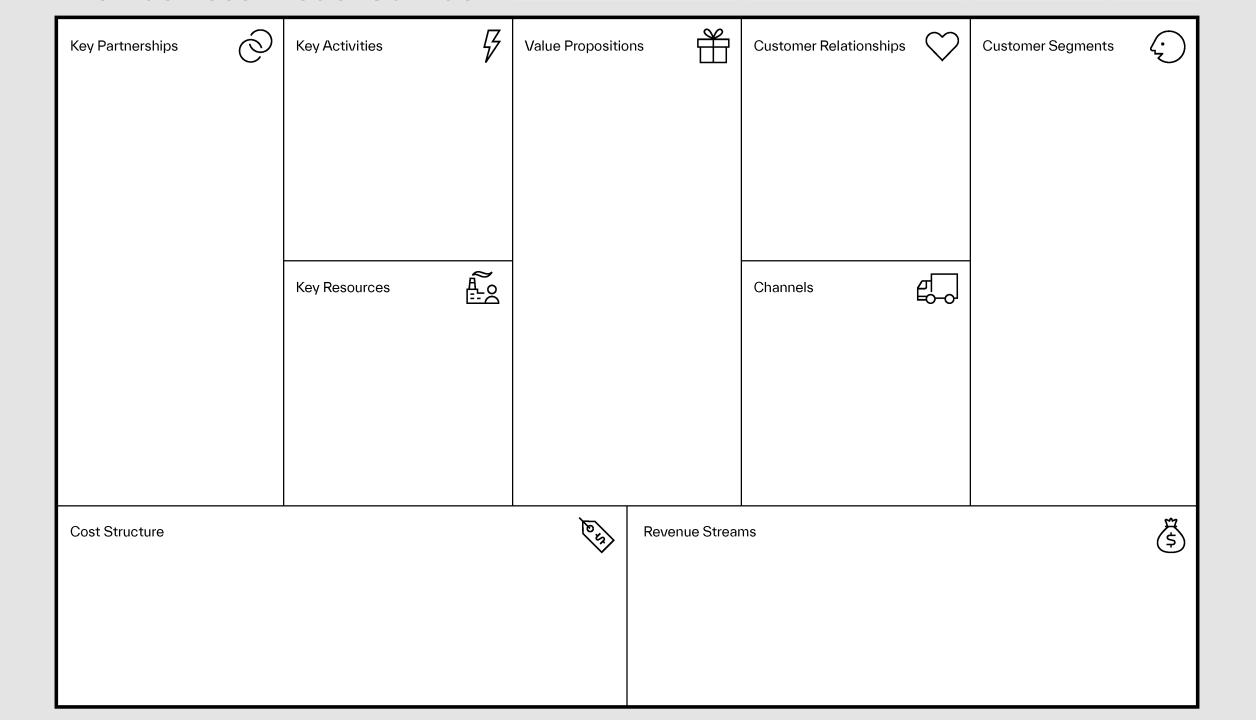
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Practice Fusion: Company Overview

- 2007 2013
- Practice Fusion emerged as a groundbreaking player in the Healthcare IT landscape by introducing the first widely-adopted free, web-based Electronic Health Record (EHR) system in the United States.

Practice Fusion: Key Innovations

- Free EHR Model: Disrupted traditional high-cost EHR market
- Cloud-Based Delivery: Eliminated need for expensive on-premise infrastructure
- Ad-Supported Revenue: Pioneered alternative revenue model in healthcare IT
- Focus on Small Practices: Targeted underserved market of small physician practices

Key Partnerships



Technology Partners

- Cloud service providers
- Security vendors
- Integration specialists

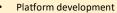
Healthcare Partners

- Laboratory systems
- Imaging centers
- Pharmacies
- Medical device companies

Industry Partners

- Pharmaceutical companies
- Research organizations
- Medical billing services
- Practice management consultants

Key Activities



- Feature updates
- Security maintenance
- Compliance updates
- Customer support
- Sales activities
- Marketing campaigns
- Partner management
- Data collection
- Analysis
- Reporting
- Privacy protection

Kev Resources



- Cloud infrastructure
- EHR software
- Security systems
- Database management
- Software developers
- Security specialists
- Customer support
- Sales and marketing
- Compliance officers
- HIPAA compliance
- Meaningful Use certification
- Security certifications

Value Propositions

System

Differentiators

months)

Additional Benefits

Lab integration

Patient portal

Integrated Features

Core Value Propositions

Zero upfront costs

Free Electronic Health Record

No ongoing maintenance fees

Free updates and upgrades

Cloud-Based Implementation

Rapid deployment (hours vs.

Automatic backup and updates

Accessible from anywhere

E-prescribing functionality

Basic practice management tools

Meaningful Use compliance tools

No server infrastructure needed

Built-in Meaningful Use

certification support





Customer Relationships Self-Service Resources

- Online knowledge base
- Video tutorials
- User forums
- FAQ documentation

Technical Assistance

- · Email support
- Phone support
- Live chat
- Remote troubleshooting

User Engagement

- Online user community
- User conferences
- Webinar series
- Best practices sharing

Channels



- Company website
- Online advertising
- **Email marketing**
- Social media presence
- Medical conferences
- Trade shows
- Professional associations
- Practice management consultants
- Online training resources
- · Virtual onboarding sessions
- Implementation specialists

Customer Segments

Primary Segments

- Small Medical Practices
- 1-5 physician practices
- Primary care physicians
- Specialists in small practices
- New medical practices
- Rural healthcare providers

Secondary Segments

- Healthcare Industry Partners
- Pharmaceutical companies
- Clinical researchers
- Medical device manufacturers
- Laboratory services
- Imaging centers

Cost Structure

- · Cloud hosting
- Software licenses
- Security systems
- Core staff salaries
- Customer support
- Sales commissions
- Marketing expenses
- · Partner revenue sharing Certification maintenance
- Security audits
- Privacy protection
- Legal compliance



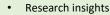
Revenue Streams

Advertising

- · Pharmaceutical advertising
- · Medical device advertising
- · Healthcare services advertising

Data Monetization

- Analytics Services
- · De-identified clinical data
- · Population health trends



Market analysis

Additional Revenue

- Advanced features
- Priority support
- **Custom integrations**
- API access





Practice Fusion: Critical Success Factors

Market Timing

- Launched during Meaningful Use incentive period
- Targeted underserved small practice market
- Leveraged cloud technology adoption trend

Innovative Revenue Model

- Free core product
- Multiple revenue streams
- Data monetization strategy
- Network effects exploitation

Practice Fusion: Critical Success Factors

Strategic Focus

- Small practice specialization
- Simplicity over feature richness
- Low barrier to entry
- Strong user community building

Practice Fusion: Market Impact

- Grew to serve over 100,000 medical professionals
- Managed records for over 100 million patients
- Accelerated EHR adoption among small practices during Meaningful Use era
- Demonstrated viability of cloud-based healthcare solutions

Practice Fusion: Historical Significance

- Proved that alternative business models could succeed in Healthcare
- Helped democratize access to EHR technology
- Influenced pricing and delivery models of competing vendors
- Showed the value of healthcare data monetization

Practice Fusion: Legacy in Healthcare IT

- Changed expectations around EHR pricing
- Accelerated cloud adoption in healthcare
- Demonstrated importance of user experience
- Highlighted tensions between free services and data privacy

Practice Fusion

- In 2018, Allscripts acquired Practice Fusion for \$100 million
- The platform still exists but operates as part of Allscripts (now called Veradigm)
- The free model was discontinued; they now charge a subscription fee

KonsultaMD: Company Overview

 KonsultaMD is a telemedicine platform that provides 24/7 access to licensed doctors through voice and video consultations. The service aims to make healthcare more accessible and affordable in regions with limited healthcare access.

Key Partnerships



Key Activities



Value Propositions



Customer Relationships



Customer Segments



- Telcos (e.g., Globe, Smart) for access and billing
- Pharmacies for prescription delivery
- Laboratories for diagnostic tests (potential future partnership)
- HMOs and insurance companies
- Medical associations.

- · Doctor recruitment and onboarding
- Platform development and maintenance
- · Marketing and sales
- Customer service and support
- Medical record management
- Regulatory compliance
- Partnership management

- 24/7 access to licensed doctors via phone, video, and chat
- Affordable consultation fees
- Convenient and time-saving alternative to traditional clinic visits
- Access to specialists
- Prescription delivery services
- Mental health support
- Wellness programs.

- In-app chat and support
- In-app cnat and suppor
- Dedicated customer service hotline
- Educational content (blog, articles, social media)
- Personalized health recommendations
- Loyalty programs
- Corporate account management.

affordable healthcare access • Licensed physicians

· Individuals and families

seeking convenient and

- Licensed physicians seeking opportunities for flexible work, supplemental income, expanded patient reach, and efficient practice management tools.
- Corporations looking for employee health benefits
- HMOs and insurance companies seeking to expand their service offerings
- Filipinos, both domestic and overseas, needing medical advice and consultations.

Key Resources



- Technology platform (app and website)
- Network of licensed doctors and specialists
- Customer database
- Brand reputation
- Partnerships (telcos, HMOs, pharmacies)
- Regulatory licenses and permits.

Channels



- Mobile app (iOS and Android)
- Website
- Partnerships with telcos (e.g., Globe)
- Social media marketing
- Corporate partnerships
- HMO/Insurance tie-ups
- · Doctor networks.

Cost Structure

- Doctor fees
- Technology development and maintenance
- Marketing and sales expenses;
 Customer service costs
- Salaries and benefits
- Regulatory compliance costs
- · Partnership fees.



Revenue Streams

- Consultation fees (pay-per-use or subscription)
- Corporate health plans
- HMO/Insurance partnerships (per member/consultation fees)
- Prescription delivery commissions

• Advertising/sponsored content (potential future revenue stream).



Healthcare IT Company Analysis & Business Model Canvas Assignment

Assignment Overview

 Analyze a Healthcare IT company of your choice and create a Business Model Canvas (BMC) based on your research. This assignment will help you understand how healthcare technology companies create, deliver, and capture value in the healthcare ecosystem.

Company Selection

- Choose a Healthcare IT company that:
 - Focuses primarily on healthcare technology solutions
 - Has been operating for at least 2 years
 - Has enough publicly available information for analysis

Healthcare IT Company Analysis & Business Model Canvas Assignment

Company Selection

- Examples of company types:
 - Electronic Health Record (EHR) providers
 - Telemedicine platforms
 - Healthcare analytics companies
 - Digital health startups
 - Patient engagement solutions
 - Healthcare AI companies
 - Healthcare cybersecurity firms