



**EnerCmed** 



# **BUSINESS MODELS**

The Business Model Canvas VS The Lean Canvas



## **Business Model Canvas**

One of the most crucial success factors for a product launch is an ability to ensure its sustainability long-term. It is vital to envision correctly who its beneficiaries will be, what stakeholders might be interesting in collaborating or investing and what and whether a product will be generating profit.

One of the most widespread tools for planning and representing the project's integration into the market realities (into the ecosystem), including in the energy sector, are a Business Model Canvas (BMC) and the Lean Canvas.

#### The Business Model Canvas

The BMC consists of the following nine blocks: Value Propositions, Customer Segments, Channels, Customer Relationships, Revenue Streams, Key Resources, Key Activities, Key Partnerships, and Cost Structure. Each of these components is essential for the effective operation of a business model, as they represent distinct dimensions that collectively contribute to its overall performance. The elements highlighted in blue ("Key Partners," "Key Activities," and "Key Resources") signify the foundational aspects that drive the creation of the Value Proposition, which serves as the central block of the canvas, marked in pink. The blocks on the right, shaded in yellow, illustrate how the created value is delivered to its intended beneficiaries.

However, some authors view the BMC as redundant because it relies heavily on building and maintaining a customer database, structuring the entire process around human interactions. Some consider it more reputation-oriented rather than process-centered.

#### **BUSINESS MODEL CANVAS**









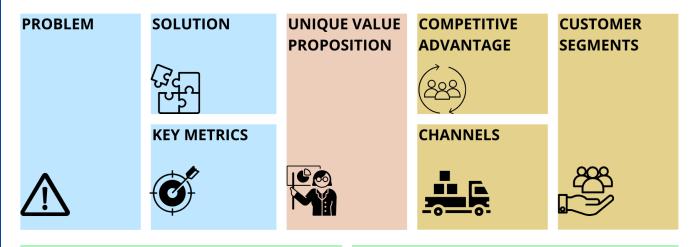
### Lean Canvas

#### The Lean Canvas

An alternative framework, the Lean Canvas (LC), has been introduced in 2010. Although the LC incorporates some concepts from the Business Model Canvas, it also introduces several new components. The LC emphasizes the need to validate the feasibility of a business model by incorporating more operational terms such as "Key Metrics," "Problem," and "Solution." This shift moves the focus from the company/community 's interpretation of value creation to a more objective, results-oriented approach.

While LC retains the components "Channels," "Customer Segments," and the elements in green — "Cost Structure" and "Revenue Streams", it uses the term "Unique Value Proposition" instead of just "Value Proposition", in order to emphasize the distinctive characteristics of the product or service, rather than the product itself. The BMC's "Customer Relationships" is replaced in the LC by "Competitive Advantage," which focuses on the company/community's market positioning relative to competitors.

### **LEAN CANVAS**



**COST STRUCTURE** 



**REVENUE STREAMS** 



To sum up, both tools possess their pros and cons but are considered by most project planners as generally reliable and interchangeable. In the projects which regard energy efficiency, both tools can be applied to the development and promotion of Energy Communities and other services, such as Demand & Response platforms.



