APPENDIX A

Company Questionnaire

Please circle the extent to which you agree or disagree with these statements where 1 represents strongly agree and 5 represents strongly disagree.

	Statement	Score				
	Strategy and leadership					
1	The product strategic plan is effective and used	1	2	3	4	5
2	The service strategic plan is effective and used					
3	Product/ service strategy is clearly defined and communicated to all employees	1	2	3	4	5
4	The product innovation programme has a long term thrust and focus	1	2	3	4	5
5	The service innovation programme has a long term thrust and focus	1	2	3	4	5
6	Product/ service strategy is used to align priorities with other functions	1	2	3	4	5
7	Strategies are flexible enough to respond to changes in the environment	1	2	3	4	5
8	Senior management is responsible for new product results	1	2	3	4	5
9	Leaders visibly drive innovation	1	2	3	4	5
10	Leaders adopt a consensus and shared approach to decision making	1	2	3	4	5
11	Leaders adopt a participative decision making style	1	2	3	4	5
12	Senior management actively encourages the submission of new product/ service ideas	1	2	3	4	5
	Culture and climate					
1	The organisation permits the emergence of intrapreneurs or product/ service champions	1	2	3	4	5
2	The organisation provides support in terms of autonomy, time and rewards	1	2	3	4	5
3	Money is available for internal projects	1	2	3	4	5
4	Adequate resources are available and committed to achieve project goals	1	2	3	4	5
5	All employees participate in generating ideas	1	2	3	4	5
6	Senior management is committed to risk taking in product/ service innovation	1	2	3	4	5
7	Failures and mistakes are tolerated and not punished	1	2	3	4	5
8	Knowledge sharing is encouraged and rewarded	1	2	3	4	5
9	All operations are driven by customer needs	1	2	3	4	5
10	There is a formal idea generation process in place	1	2	3	4	5
	Planning and selection					
1	An effective product innovation process is consistently implemented	1	2	3	4	5
2	An effective service innovation process is consistently implemented	1	2	3	4	5
3	A formal process is used to determine and update project priorities	1	2	3	4	5
4	Concepts are selected using pre-defined, multiple and explicit criteria	1	2	3	4	5
5	Pre-development market and feasibility studies are rigorously undertaken	1	2	3	4	5
6	Projects are terminated if and when necessary	1	2	3	4	5
7	Project proposals are tested for alignment with organisational goals	1	2	3	4	5
8	The project and the spending breakdown mirrors the organisations goals and measures	1	2	3	4	5
9	There is a good balance of projects which maximises the value of the portfolio	1	2	3	4	5
10	The product/ service portfolio is matched to the company's competencies and capabilities	1	2	3	4	5
11	The voice of the consumer is built into all product/ service innovations	1	2	3	4	5

PIM Scorecard Part 1

Structure and performance

1	Projects are developed using effective cross-functional teams	1	2	3	4	5
2	Project teams are organic, flexible and agile	1	2	3	4	5
3	All team operations are driven by customer needs	1	2	3	4	5
4	Team leaders are involved in setting the product/ service performance objectives	1	2	3	4	5
5	All team members are mutually accountable	1	2	3	4	5
6	Team members are empowered to make decisions	1	2	3	4	5
7	Virtual team members are equipped with effective ICT tools	1	2	3	4	5
8	Team members' rewards are equitable	1	2	3	4	5
9	Performance indicators are aligned with the organisations goals	1	2	3	4	5
10	Performance indicators encourage desired behaviour	1	2	3	4	5

Communication and collaboration

1	Gatekeepers are in place to continuously span the external environment	1	2	3	4	5
2	Customers and suppliers are involved in the product innovation process	1	2	3	4	5
3	Customers and suppliers are involved in the service innovation process	1	2	3	4	5
4	Alliances are often formed with other organisations for mutual benefit	1	2	3	4	5
5	Communication among team members is efficient and effective	1	2	3	4	5
6	Communication between project teams is efficient and effective	1	2	3	4	5
7	Information on ideas generated, problems raised and project status is accessible	1	2	3	4	5
8	User needs analyses are undertaken and communicated to all	1	2	3	4	5
9	Product/ service strategy and performance measures are clearly communicated to all	1	2	3	4	5
10	Individual skills are effectively leveraged within and between project teams	1	2	3	4	5
11	Virtual team members seamlessly communicate with each other					

PIM Scorecard Part 2

APPENDIX B

Semi-structured Interview Questions

1. What do you consider innovation to be?

2. What is your primary value offering?

3. Do you provide a service?

   If Yes:

   How is this service structured?

   How is it integrated with your product?

   Is your services as valuable as your product offering?

   What did you feel were the main issues/ difficulties when providing both a product and service?

   If no:

   Have you considered providing a service?

   If not, why not?
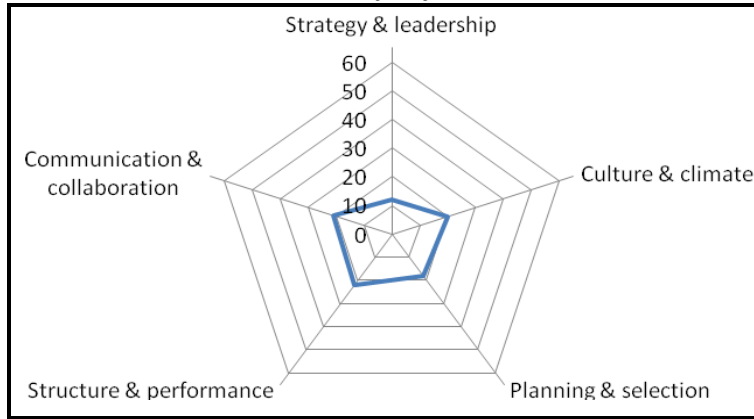
4. Do you consider yourself to be innovative?

   How do you manage/ implement change?

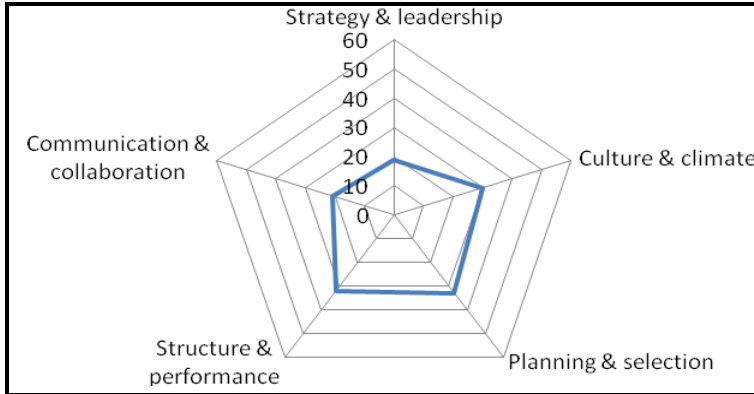   What is the staff approach/mindset to change?

5. What are the aims of innovation management in your company? (e.g. process, product, product service, service).

6. How do you see your company developing in the future?
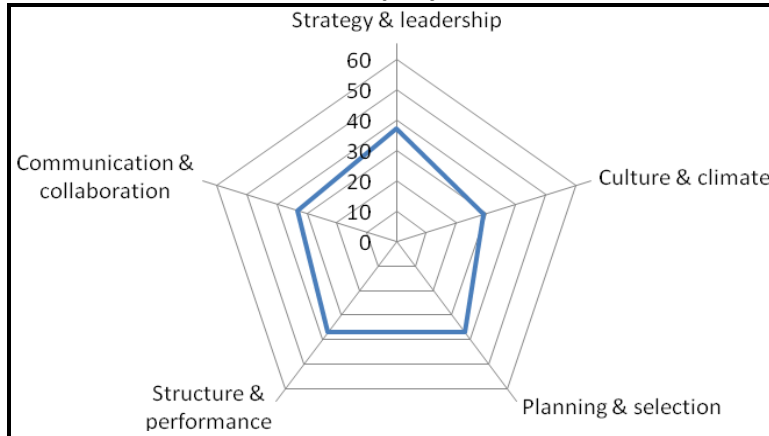
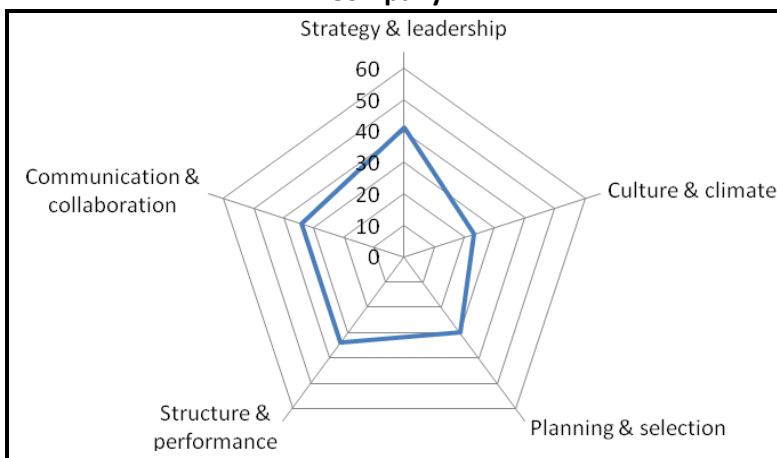# APPENDIX C

QUANTITATIVE DATA SPIDER DIAGRAMS

Company 1

Strategy & leadership
Culture & climate
Planning & selection
Structure & performance
Communication & collaboration

(radar chart, scale 0, 10, 20, 30, 40, 50, 60)

Company 2

Strategy & leadership
Culture & climate
Planning & selection
Structure & performance
Communication & collaboration

(radar chart, scale 0, 10, 20, 30, 40, 50, 60)

Company 3

Strategy & leadership
Culture & climate
Planning & selection
Structure & performance
Communication & collaboration

(radar chart, scale 0, 10, 20, 30, 40, 50, 60)

Company 4

Strategy & leadership
Culture & climate
Planning & selection
Structure & performance
Communication & collaboration

(radar chart, scale 0, 10, 20, 30, 40, 50, 60)

Company 5

Company 6

Company 7

Company 8

Company 9

Company 10

Company 11

Company 12

Company 13
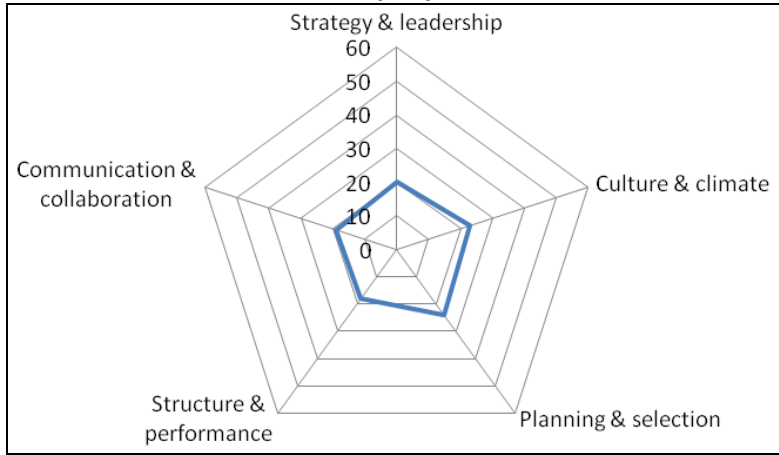
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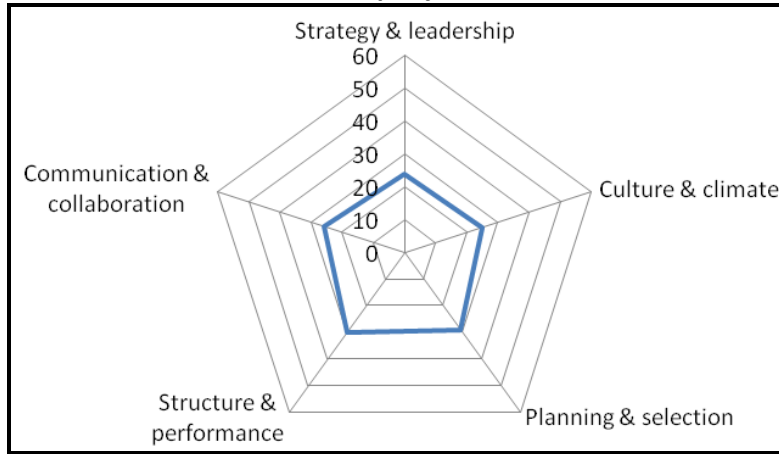
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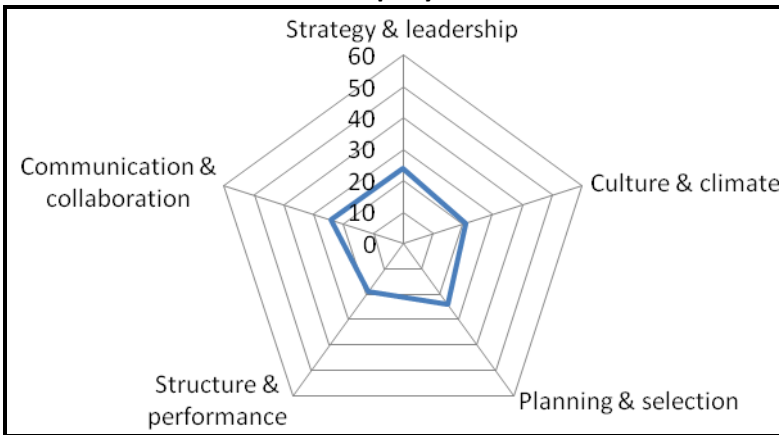
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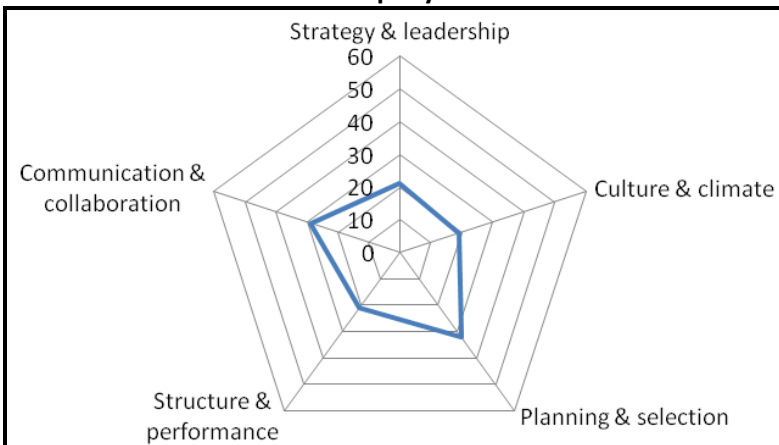
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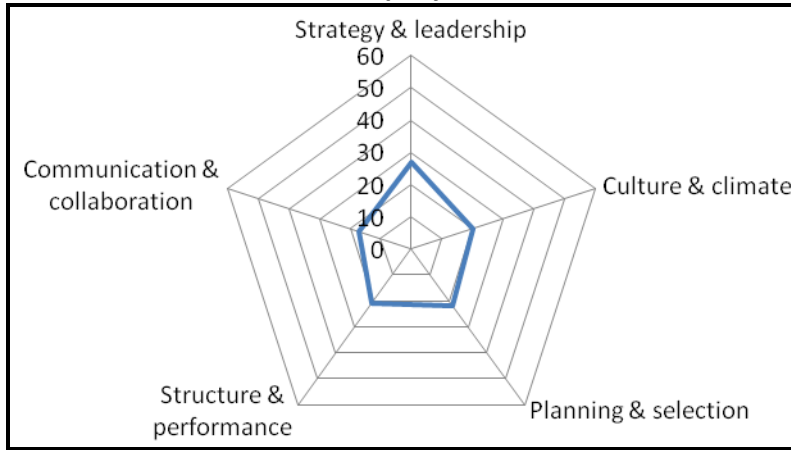
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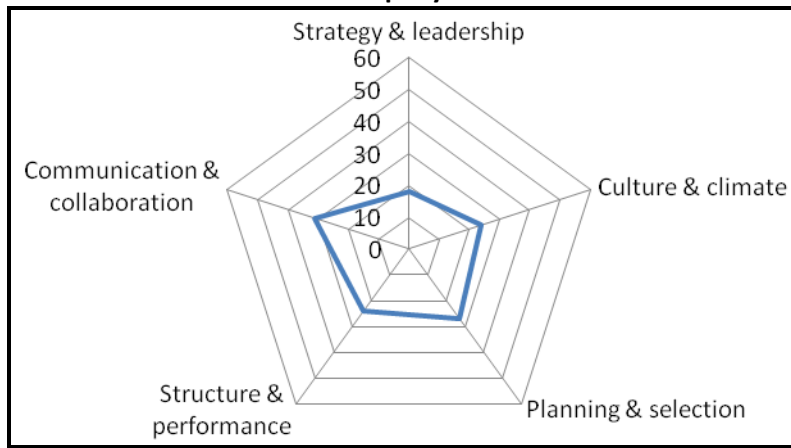
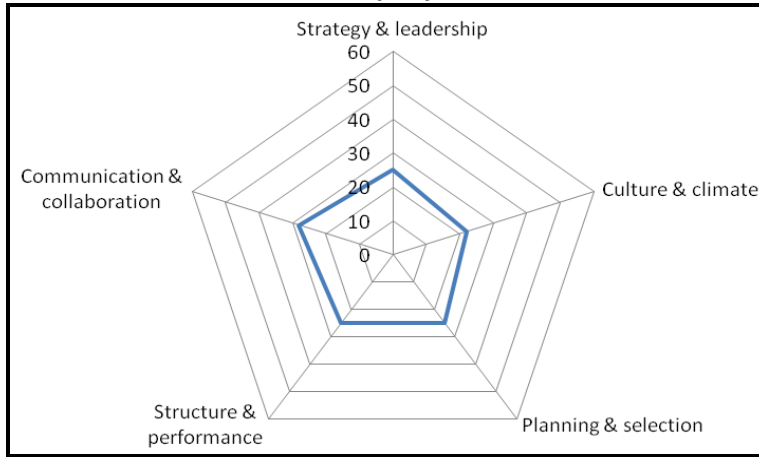## Company 19

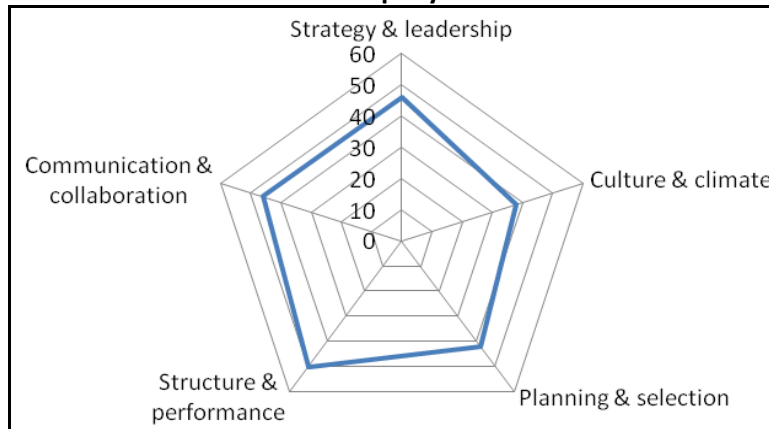## Company 20

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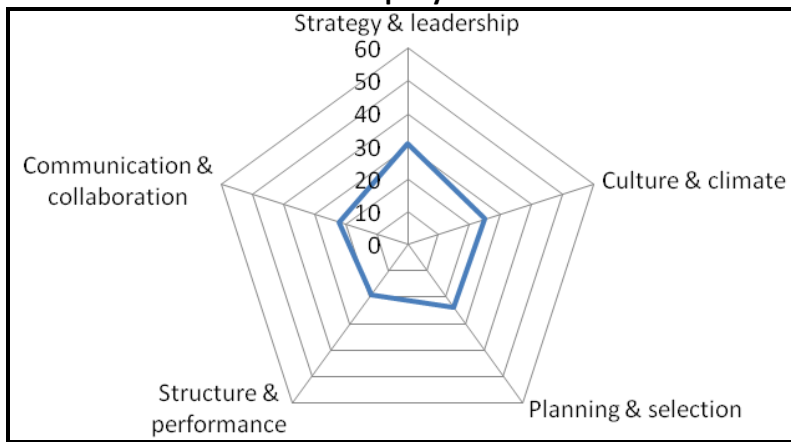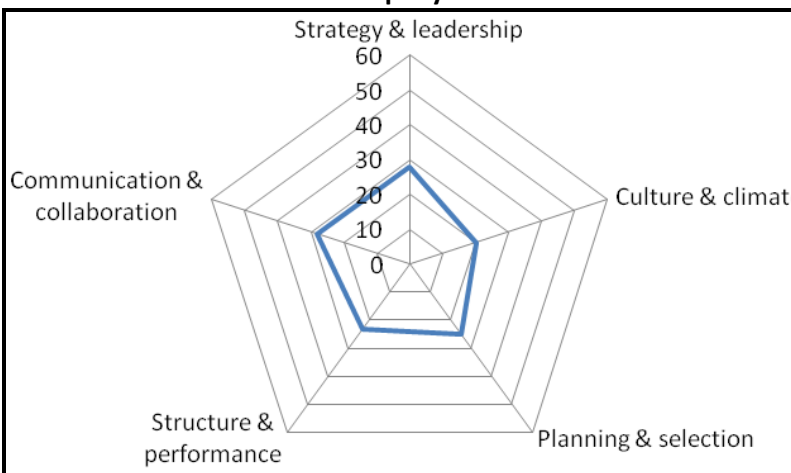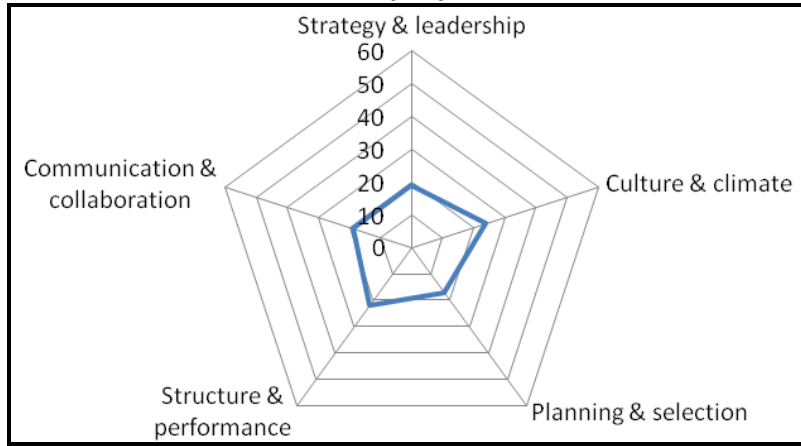
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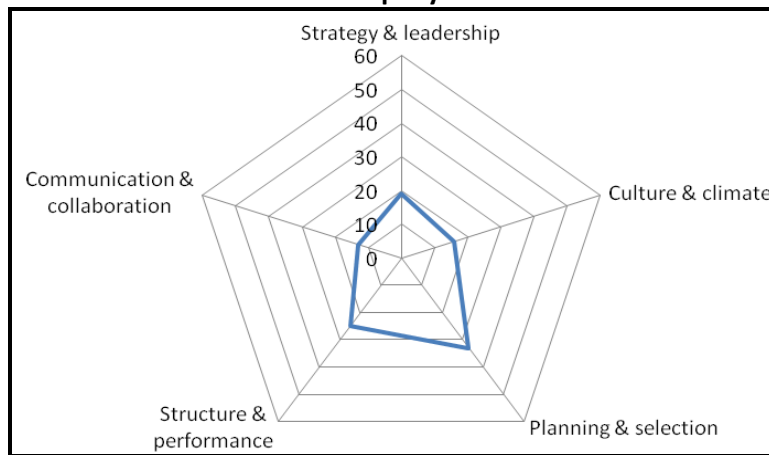## Company 22
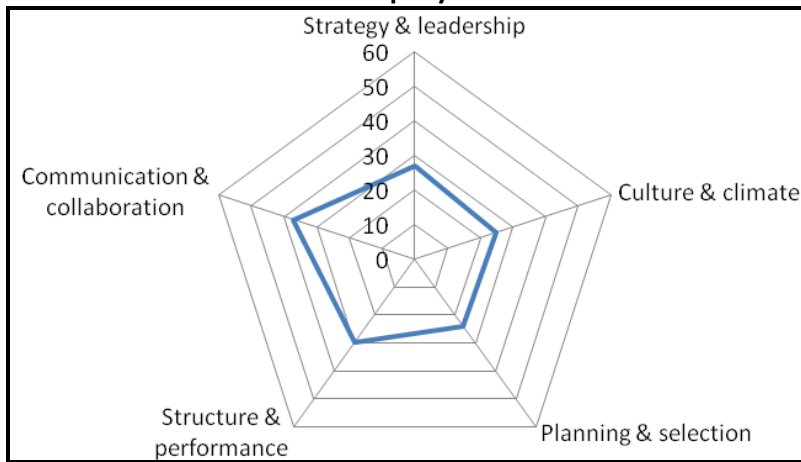
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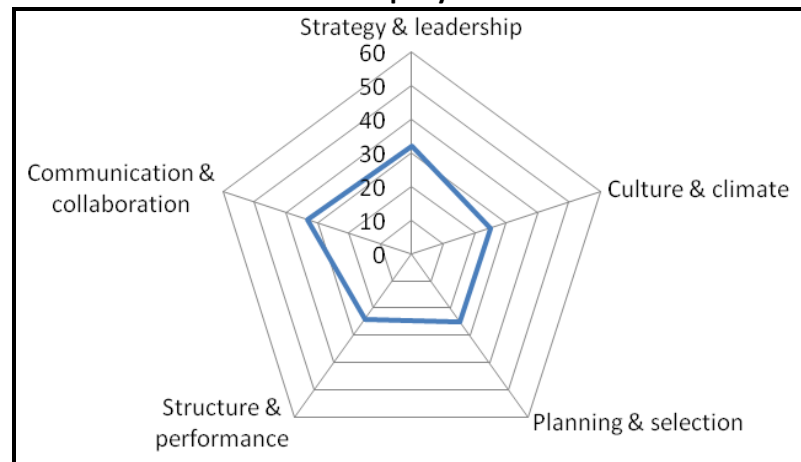
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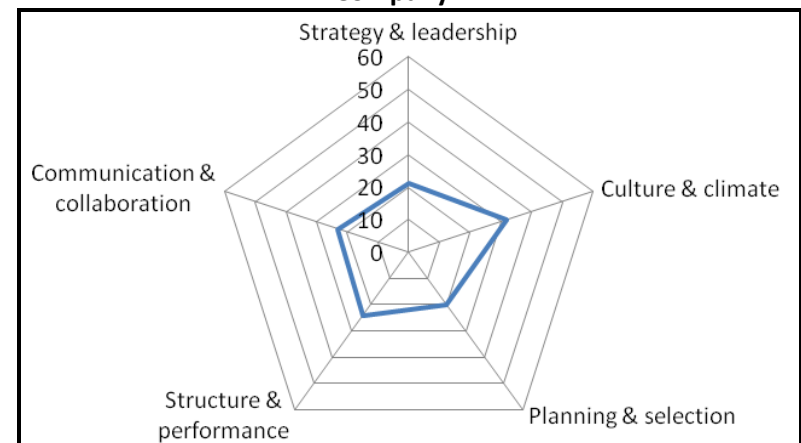
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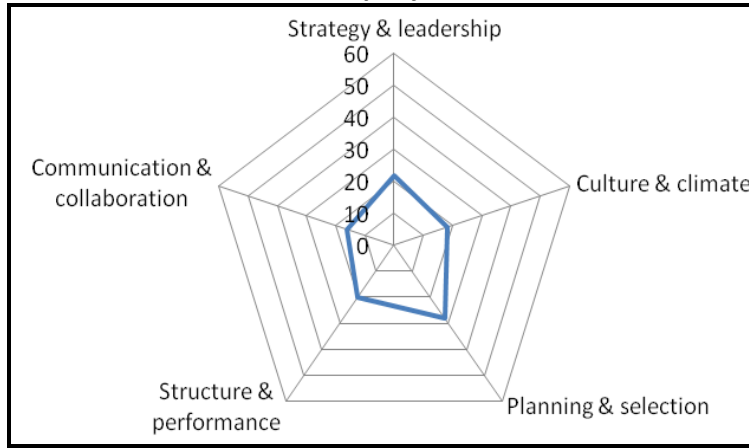
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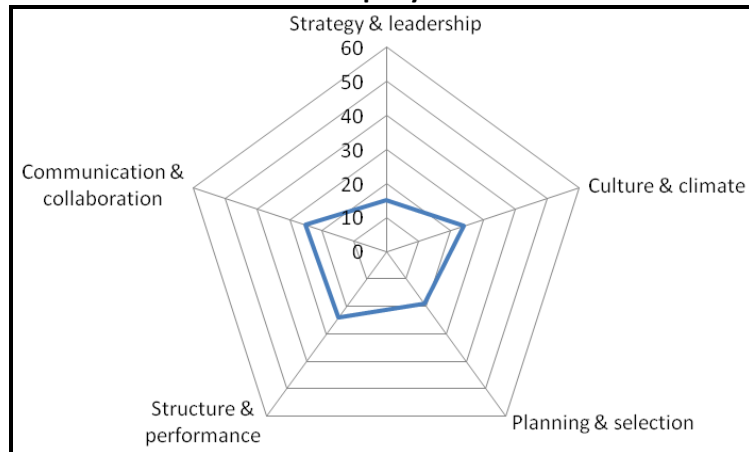
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Company 28

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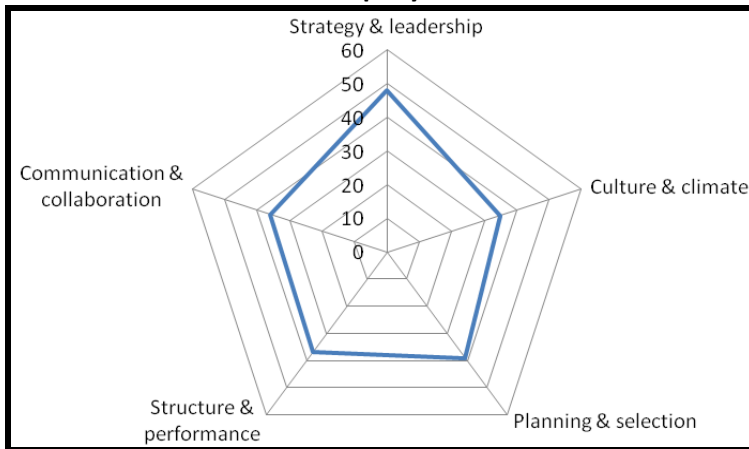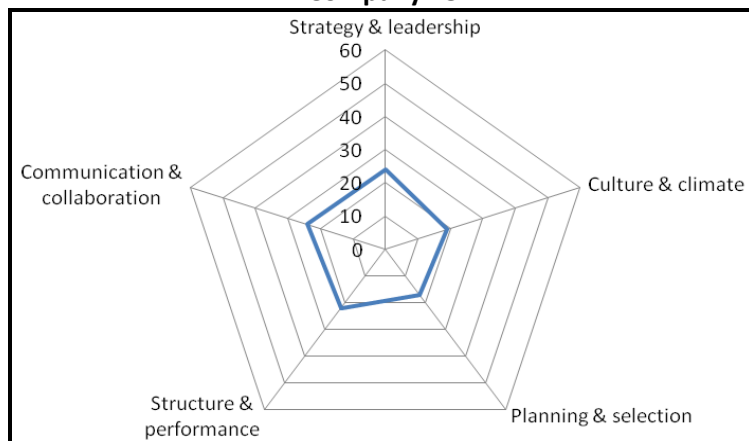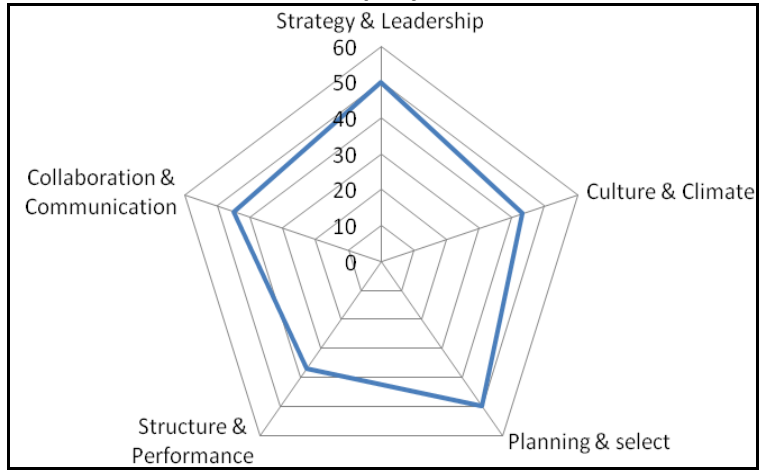
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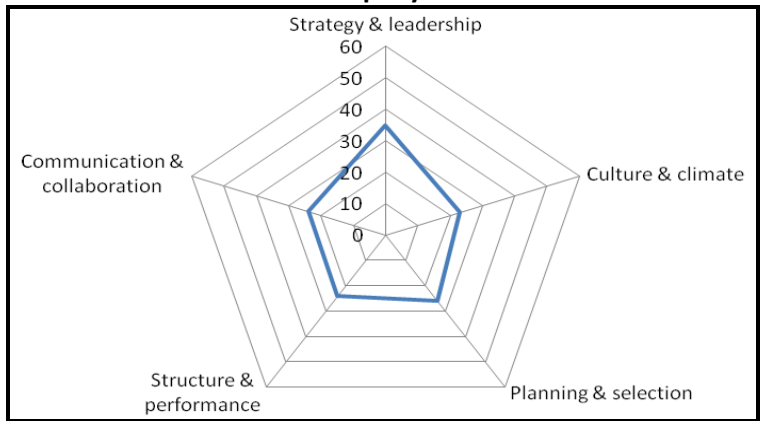
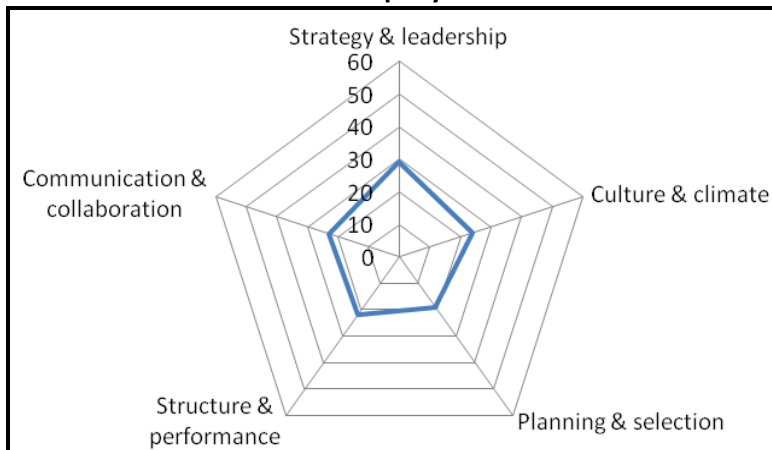
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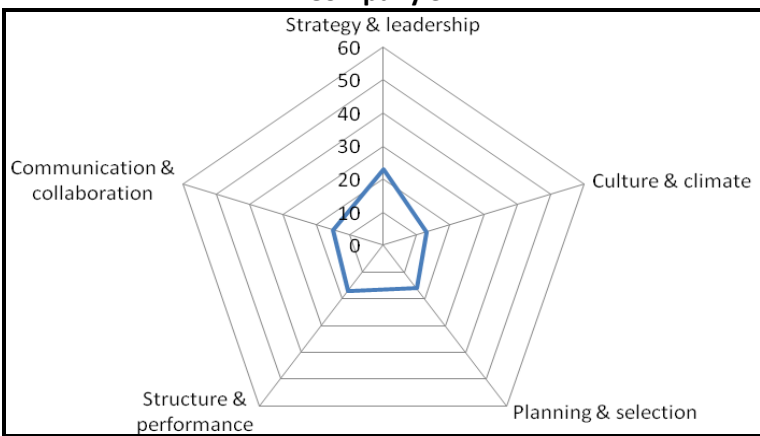
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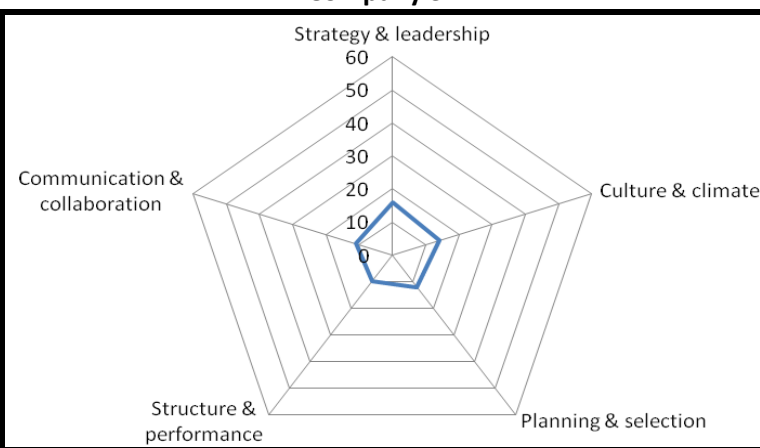
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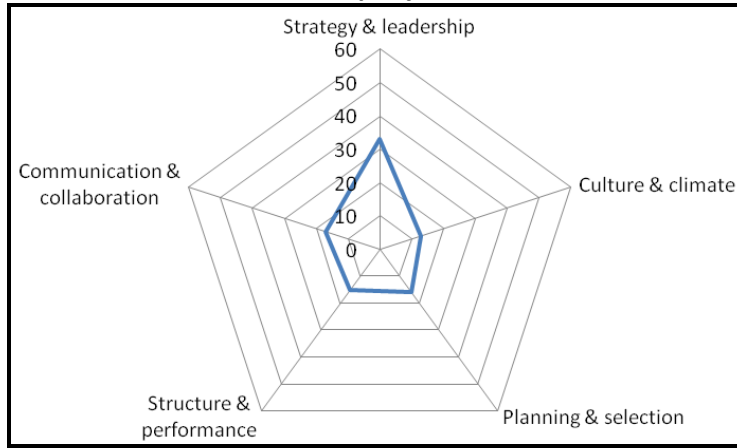
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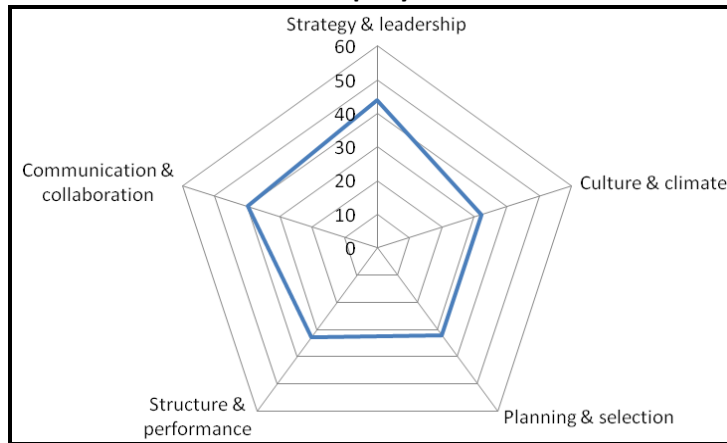
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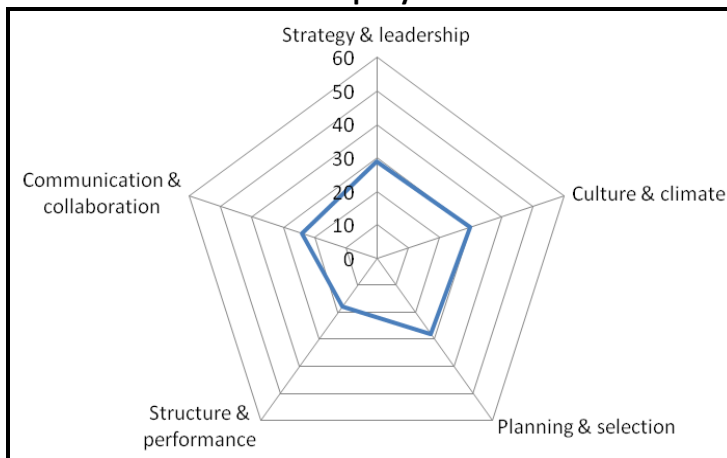
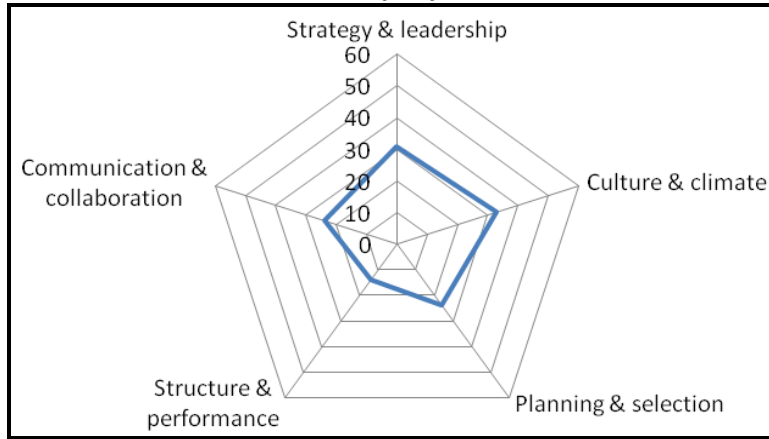## Company 36
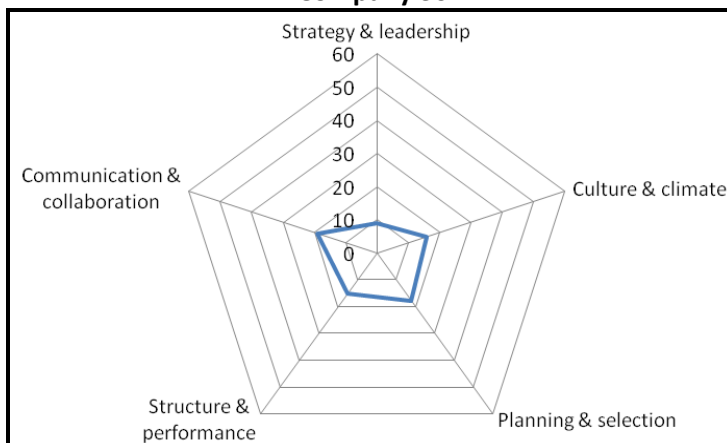
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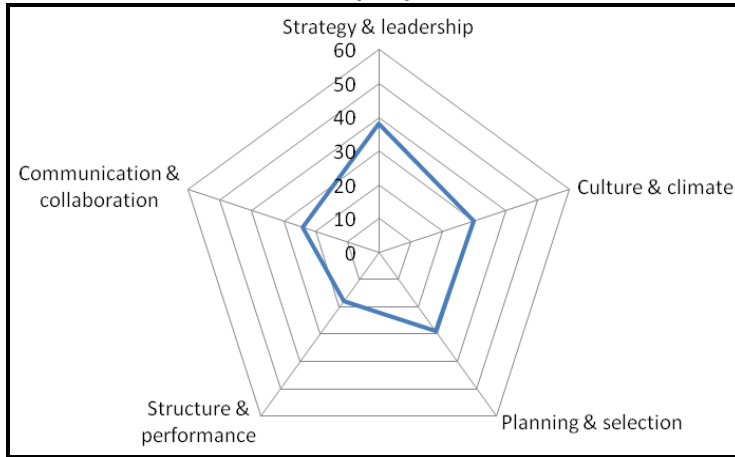
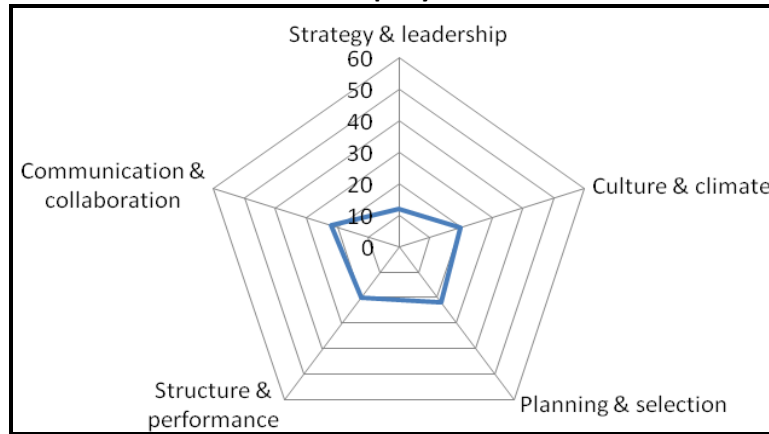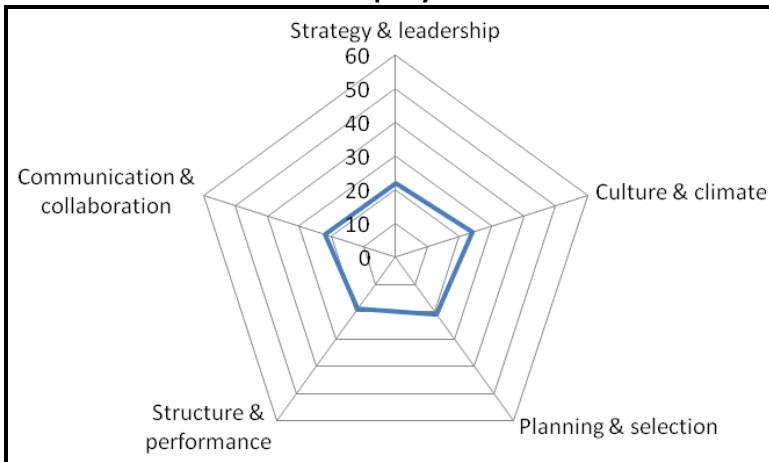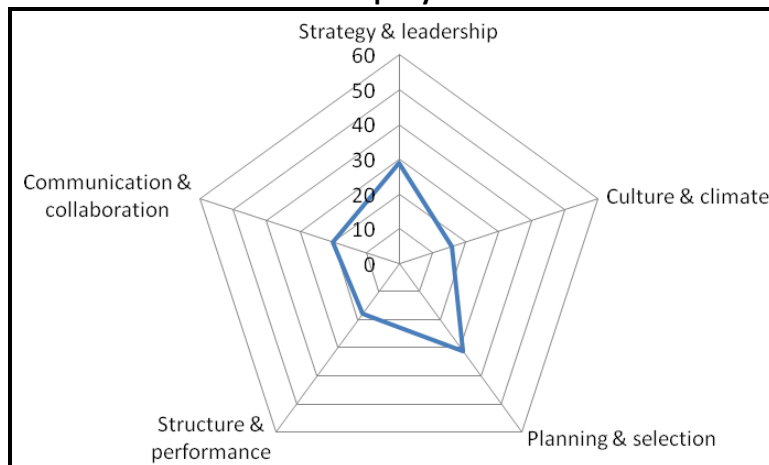## Company 38
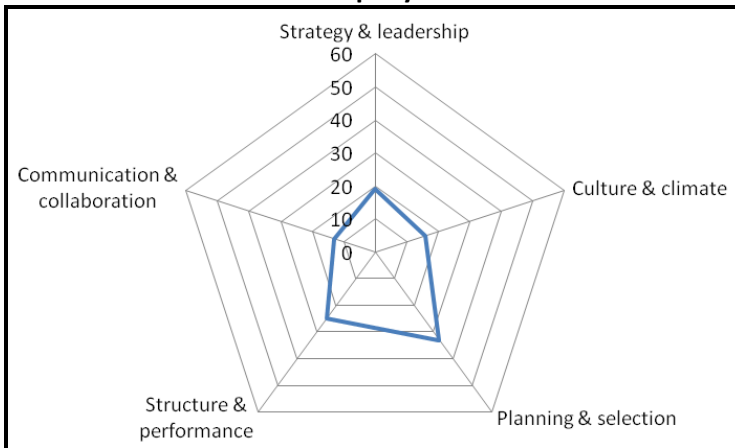
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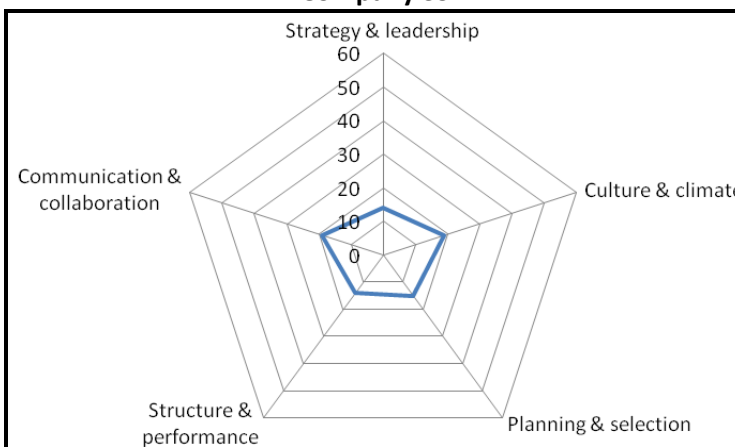
Company 40

Company 41

Company 42

Company 43

APPENDIX D
COMPANY PROCESS MAPS

B. Primary research company maps.
Product Company 1

Phase 1: Project initiation

Project Initiation

Key Inputs:
- Initial review of customer requirements.
- Project scope & timelines agreed.
- NDA approved.
- Review of market & outline of regulatory approval plan.
- IP discussions.

Key Outputs:
- Regulatory project.
- User requirements.

Phase 2: Concept investigation

Concept investigation

Key Inputs:
- Developing on URS.
- Review of alternative technology.
- Measurement of complexity.
- Time to market & Manufacturability.

Key Outputs:
- Clinical risk benefit analysis.
- Patent searching.
- Cost of goods estimation.
- Online design development plans.

Phase 3: Development

Outputs:
- Approval of Gate Keepers (Innovation team)
- Appointment of Project Leader & Project Team

Assignment of team members, functions, responsibilities. Flow chart responsibility.

Inputs:
- Outputs from Stage 2 or the Product Development Planning SOP 04-011
- Detailed Investigation of Ideas

Outputs:
- Register No. In Log.
- Open new file.
- Include PSF.

Begin/ Open Design History File

Outputs:
- Sign-off approval.
- Meeting minutes.
- First Design Review.

Detailed project concept:
- Physical characteristics.
- Intended uses.
- Unique attributes.
- Intended markets.

Regulatory Plan.

Inputs:
- Checklist on requirements.
- Customer research.
- Customer complaints.
- Agenda for review.
- Regulatory requirements.

Outputs:
- Gantt hart.
- Flowchart checklist.
- Flowchart timelines.
- Enter revision system.
- Approved by team.
- Minutes of review.

Project Operating Plan (POP)
Timescales-Gantt
Responsibilities-detailed
Narratives, tasks, responsibilities
Associated SOPs
Associated Standards & Regulations

Inputs:
- Departmental responses.

Outputs:
- Checklist.
- Approvals – team.
- Drawings.
- Revision control.
- Format SOP 04-001.

Design Specifications:
- Include all physical requirements.
- Include details from PSF & concept.
- Include all requirements as per SOP 04-004.
- Safety requirements & regulatory approval by team.

Outputs:
- Engineering Requirement review.
- Specified requirements.
- Biocompatibility /Protocol.
- Labelling requirements.
- Packaging requirements.
- Sterilisation.

Outputs:
- Approvals completed.
- Actions agreed.
- Refer to design specification,

Risk management.
FMEA SOP 04-004.
Customer requirements.

Prototype Build/ Verification
- Manufacture.
- Testing.
- Compare to specifications.
- Clinical/ Customer evaluation.
- Budget review.
- Process review.
- Identify critical processes.
- Validate critical processes.

Outputs:
- Prototype drawings.
- Biocompatibility data.
- Prototype documents
  - Control
  - Traceability
  - Inspection
  - Test protocols
  - Lot history record
- Customer evaluation criteria
- Clinical evaluation criteria.
- Other evaluation criteria

Design Check

Meet or exceed Design Specification requirements?

Phase 4: Testing & Validation

Outputs:
- Formally review & approve.
- Validate protocols.
- Bench testing protocols.

Design selection
- Approve
- Manufacture
- Test

Outputs:
- Formally review & approve.
- Validate protocols.
- Bench testing protocols.
- Clinical protocols.

Design confirmation
- Review.
- Approve.

Inputs:
Design Confirmation Protocol
- No. Of units.
- Manufacturing protocol.
- Testing protocol.
- DOE – Process parameters.

Design validation
- Build.
- Bench test.
- Review.
- Approve.
- Clinical.
- Review

Phase 5: Full Manufacture & Market Launch

Final release
- Review & approval.
- Colate device & Master record.

Post Market Release
Monitoring

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Product Company 2

Product Company 3

Phase 1: Concept

Research of market, problems & procedures → Concept

Concept design review
Project Concept Report → Stop project

Phase 2: Technical Feasibility

Risk mitigation matrix

Design & Development Planning
Project Planning

Design Input
Design Input Form

Design studies

Design Outputs
Design Specification Document

Prototype Activities

Risk Management Activity
Risk Management Document

Technical Feasibility Review
Technical Feasibility Review Report

Phase 3: Development & Verification

Review of Verification Plan
Design Verification Test Plan

Design Verification Activities
Verification Documentation

Risk Management Document Update | Packaging, Labelling, IFU
Shelf Life Biostability | Sterilisation verification
Biocompatibility Testing | Clinical & Regulatory affairs

Design Verification Test Report

Project Team Review

Design Verification Review
Design Verification Review Report

Phase 4: Commercial Validation & Production Preparation

Design Freeze
Validation Master Plan

Design Validation | Test Method Validation
Installation Qualification
Operational Qualification | Supplier Qualification
Process Qualification

Design Validation Activities

Project Team Review

Design Validation Review
Design Validation Report

Phase 5: Full Scale Production & Product Release

Process Validation Activities

Project Team Review

Product Company 4

Post Release Review
Post Release Review Report

End change notice ← Design improvement opportunities

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Market — Clinician

Defining the problem & Building the team

R&D

Holistic Ideas Management System

IP System

Ethnographic research

CDA & Commissioning Letter

Ides Disclosure Form

Develop concepts

Lab notebook, secure network, fireproof cabinet

Prototype & proof of principle

Quarterly review

File for patent

Prototyping & iterations

Performance data

Concept Select/ Review[1]

Concept Review Technical Risk Management[2]

Draft DFMEA & DMR

Implement Quality System

Design Select[3]

Approve & Specify DMR[4]

Design Verification[5]

Animal testing & In-house In Vitro studies

Regulatory submission

Design Validation

Process Development & Process Validation

Design Transfer to Production

Regulatory Approval

Physician Preference Testing

Product Launch

1:   Presentation of:
   -   IP generated.
   -   Concepts developed.
   -   Prototype performance.
   -   Proposed concepts for further development.
   Analysed in terms of:
   -   Market opportunity.
   -   Clinical risk.
   -   Technical risk.
   -   Regulatory strategy.
2:   Identify risks in terms of:
   -   Design.
   -   Regulatory.
   -   Path to market.
   -   Cost of development.
3:   Contains Design Spec & Performance Data.
4:   Includes:
   -   Component specs.
   -   Manufacture specs.
   -   Quality inspection procedures.
   -   Test methods.
   -   IFU etc.
5:   Requires DVT & Report.

Product Company 5

Product Company 6

Product Company 7

Clinical Needs/ Customer Requirements

- Risks
- Performance
- Functional
- Regulatory
- Clinical

Design Input Requirements (DIR)

Design Review(s)
Development Plan Arranged

- PEMs[1] Development
- Design & Implement
- Architecture
- Risk control
- Requirement Specifications

Design Verification

Do design outputs meet DIRs?

- DMR[2]
- Device
- IFU
- Labels

Design Outputs

Design Review(s)

Design Validation
Does the device meet the requirements for the customer application?

Risk Management Plan

Design Plan & Procedure

Software Development Cycle

System Development activities (including risk management)

Development Plan

Software Risk Management

Regulatory analysis

Architecture design

Detailed design

Unit implement

Integration & test

System test

Release

System Development activities (including risk management)

Customer needs satisfied

Software Configuration Management

Software Problem resolution

1: Programmable Electrical Medical Systems
2: Device Medical Record

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Product Company 8

Meeting with Physicians
Determine unmet clinical needs

Prototypes

Assessment
Technology feasibility
Technology assessment
Commercial feasibility
IP search

Draft IP
Novel, not already available

Submit USPTO, EPO

Register in territory

Yes/ No decision

Project plan
Resources
Commercially viable

Decision on project

Quality system
FDA, CE, ISO

Project Initiation
Meeting Strategy
Product/ Process Validation
Design freeze

Animal/ Clinical Trials

Deliverable
CE, FDA clearance

Commercial strategy
Unit costs
Unit margin
Margin to manufacturing partner
Margin to distributor partner

Market evaluations
Trials in 4 -5 countries
Preferably with company reps

Next product iterations

Marketing literature

Website

Brochure

Distribution Centre

Exclusive Distribution Contract

Distribution Partner, 3PL

Clinical Input / Prototypes

Service Company 1

Key Partners

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

Key Activities

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

Key Resources

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

Value Propositions

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

Customer Relationships

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

Channels

Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are out Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

Customer Segments

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

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?

Revenue Stream

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?

Efficiency   Value

Landscape

What's the problem we're trying to solve?
What are we designing?
Who are we designing for?
Why change?

Scope, Context & Aim of what is to be achieved.

Discovery

Who are our customers?
What do we know about our customers?
How do they feel, think, speak?
What's important for them?
Why did they choose our product/ service in the first place?
What are they doing with our product/service?
What are their needs?

Profiles & Personas
Experiences
Journey Mapping
Touchpoints
Moments of truth
Observation/ Ethnography

Design

Design the experience.
Get everybody's experience.
What is everyone's role?
Can we make it even better?
What if...?

Co-Design
Ideation
New proposition
Roles
Blieprints

Examine

Try it out.
See what works.
Fail early.
Change it.
Can we deliver to scale?
Do we need to change our operations?
What do we need to do to make everyone aware of the changes?
What's new about our customer journey?

Co-examine
Prototyping
Systemise
Refine Blueprint
New Journey

Roll-out

Does it work?
Can we improve it?
What if...?

Implement
Measure
Monitor
Improve

Service Company 2

Idea accepted
Proposed new service based on one or more of following:
Identify customer requirements currently not satisfied & provide sufficient revenue.
New technology intro to create opportunities for new or existing services.
Development of tools based on new technology or methodology which requires
skilled specialised support to bring benefit to customers.
Skills development in organisation & the opportunity to reapply this
skill to customer network.

Potential service identified

Concept accepted
Assign team to expand original idea towards a workable concept.

High level business case
Justify further development of service based on:
Possible customer base.
Cost to develop & deliver service.
Potential achievable revenue from service delivery.

Solution select
Method of delivery defined
- Company X core engineering?
- Company X local resource?
- Third party?

Fit of service within context of total service offering has been validated
- Correct part of the value chain being focused on?
- Replace or enhance an existing service? Why? How?
- Service already developed elsewhere?

New third party

High level business plan
How the service will be developed & resourced.
Detailed plan for development costs, delivery costs & projected revenue.

Portfolio accepted
Service examined in relation to ongoing service development.
Alignment of ongoing tool, software feature, technology development.

Solution lockdown
Detailed tasks in delivery of the service identified & described, & service deliverables.
Resources needed to develop service quantified.
Individual aspects of service prioritised to determine 'must have' benefits of service in
final deliverable, & as many 'desirable' aspects as possible.

Project initiation
Resources for service development identified &
scope of service delivery clearly documented.

System requirements baselined
Tools required for service delivery identified & available.
Service development team identified.
Deliverable of development activity, the service, is fully understood.

Contract book baselined & approved
The 'Green' state for development to go ahead.

Design readiness
Final review before development commences.

System test readiness
Tests of service delivery made in controlled or lab environment.

Ready for field test
With collaboration with willing customer, service delivery performed on live system.

Ready for controlled introduction
Small population of customer & local office base introduced to service delivery.

Service maintenance

Volume deployment
Service available for delivery as required.

Customer experience of service

Retirement plan approved
Service no longer delivering significant results or is no longer required.

End of life
Service withdrawn from portfolio.

APPENDIX E

TIPSS Workshop Booklet

Product Service Systems

Creating integrated Product Service combinations to maximise Customer Value.

Introduction

Products are often bundled with services to offer additional value for the Customer.

Customers are increasingly demanding accompanying services beyond those based around the physical product (delivery, maintenance, repair etc.).

However, the generation and integration of services into a business can be a difficult task.

This workshop will provide you with tools to facilitate service concept generation, and the integration of services within the context of your company.

It can be broken down into three stages:

Mapping
What does our current business look like?

→

Evaluation
How is our business performing?

→

Advance
How can we strengthen our business?
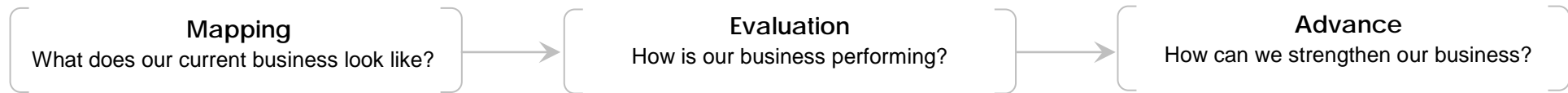
It must be noted the tools are part of a process, not a single step.

Documents are live and must be updated to accurately represent your company.

1 Mapping

The first step in creating an integrated Product Service System is creating a Business Model which maps down current company operations.

Who are our customers?
What value do we offer to them?
How do we deliver this value?
How do we create it?
Where is our value positioned in relation to customers?
How much does our offer cost?
How much money does our offer generate?
How are all these things integrated?

By answering these questions, we can create a shared understanding of the inner workings the company.

This creates a clear picture of the current position of the company and its offerings.

It acts as a blueprint for strategy to be implemented through the company's structures, processes and systems.

It is important to remember that Business Models are dynamic, and maps need to be regularly updated to properly reflect current business operations.

To help generate our Business Model, operations have been broken down into eleven blocks.

The Eleven Building Blocks

1. Customer Segments

An organisation serves one or several Customer Segments.

2. Value Proposition

It seeks to solve customer problems and satisfy customer needs with Value Propositions.

3. Channels

Value Propositions are delivered to customers through communication, distribution and sales Channels.

4. Customer Relationships

Customer Relationships are established and maintained with each Customer Segment.

5. Evaluation

Evaluation indicates how well the product/ service is performing.

6. Revenue Streams

Revenue Streams result from Value Propositions successfully offered to customers.

7. Key Resources

Key Resources are the assets required to offer and deliver the previously described elements...

8. Key Activities

...by performing a number of Key Activities.

9. Key Partnerships

Some activities are outsourced and some resources are acquired outside the enterprise.

10. Cost Structure

The business model elements result in the cost structure.

11. External Environment

The External Environment is the main factors outside the control of organization but which affect its operations.

Customer Segments

The Customer Segments Building Block defines the different groups of people or organisations an enterprise aims to reach and serve.

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

To better manage customer needs, group customers into distinct segments with common needs, behaviours and other attributes.

Customer groups represent separate segments if:

- Their needs require and justify a distinct offer.

- They are reached through different Distribution Channels.

- They require different types of relationships.

- They have substantially different profitability.

- They are willing to pay for different aspects of the offer.

Different types of Customer Segments include:

- Mass market.

- Niche market.

- Segmented.

- Diversified.
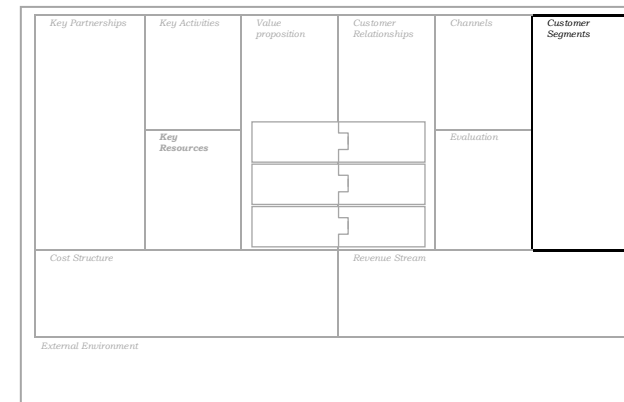
Value Proposition

The Value Proposition Building Block describes the bundle of products and services that create value for a specific Customer Segment.

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

Value is created through a mix of elements catering to a particular Customer Segment's needs.

The Value Proposition can be product based, service based or a combination of both.

Some examples of Customer Value Creation:

- Do our products/ services satisfy entirely new needs that the customer didn't previously perceive?

- Do we offer improved performance with traditional products and services?

- Do we tailor products and services to specific needs of Customer Segments to create value?

- Do we offer superior design and usability of a product or service?

- Do we offer value through our brand?

- Do we offer similar performance at lower prices to our competitors?

- Is our value in helping customers reduce their costs?

- Do we provide a value through low risk offerings?

- Do we offer access to products/ services previously unreachable to our Customer Segments?

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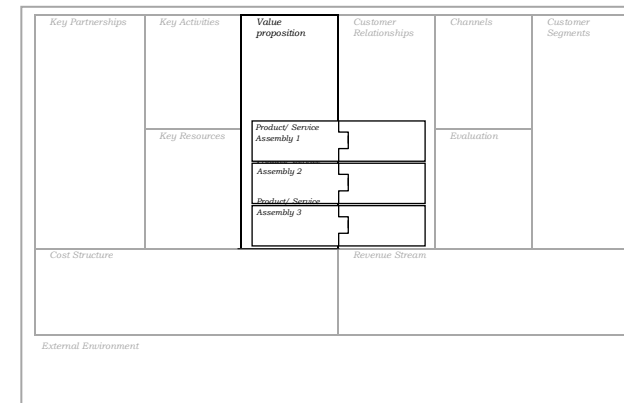
Channels

The Channels Building Block describes how a company communicates with and reaches its Customer Segments to deliver a Value Proposition.

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?

Communication, distribution and front line staff make up a company's interface with the customer.

Channels are customer's touch points that play an important role in the customer experience.

Channels can:

- Raise awareness of a company's products and services.

- Allow customers to purchase specific products and services.

- Deliver a Value Proposition to customers.

- Provide post-purchase customer support.

- Act as an information collection point for Evaluation of the Value Proposition.
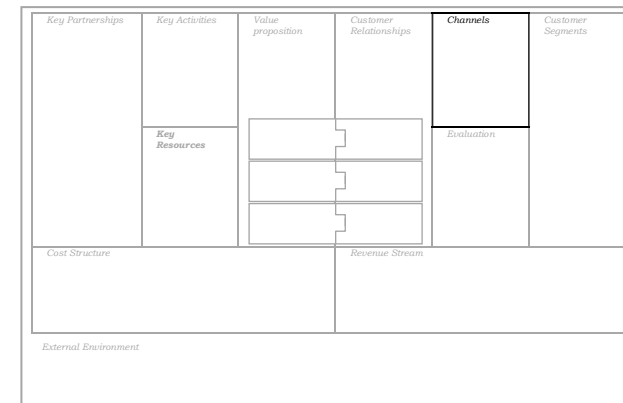
Customer Relationships

The Customer Relationships Building Block describes the types of relationships a company establishes with specific 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 costly are they?
How are they integrated with the rest of our business model?

A company should specify the type of relationship it wants to establish with each Customer Segment.

The type of Customer Relationships should be determined by:

- The level of customer co-creation required.

- Customer expectations.

- The availability of resources.

Customer Relationships with a particular Customer Segment may be:

- Personal assistance.

- Dedicated personal assistance.

- Self-service.

- Automated service.

- Communities.

- Co-creation.
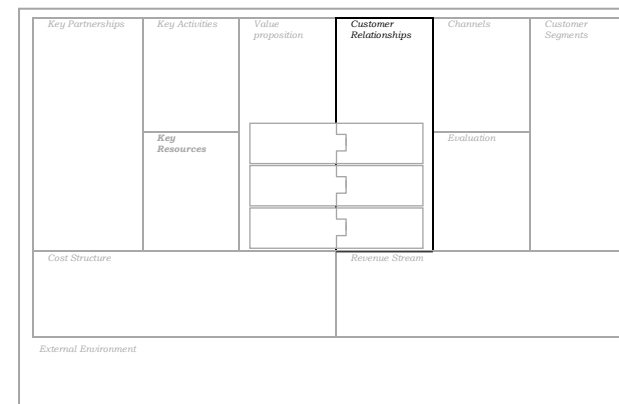
Evaluation

The Evaluation Building Block describes all the actions, channels and information gathered from Customer Segments regarding the Value Propositions.

What key factors are we measuring?
How are they measured?
Is our evaluation process pro-active or reactive?
Where does the information gathered go? How is it used?

Evaluation provides an opportunity to gain insight into each Customer Segments.

These insights can then be used to develop new Value Propositions, or improve, expand or retire current Value Propositions.

Evaluation also helps in establishing, building and maintaining Customer Relationships.

Sources for Evaluation information;

- Customers.

- Frontline staff.

- First-hand experience.

- Sub-contractors.

- Suppliers.

- Distributors.

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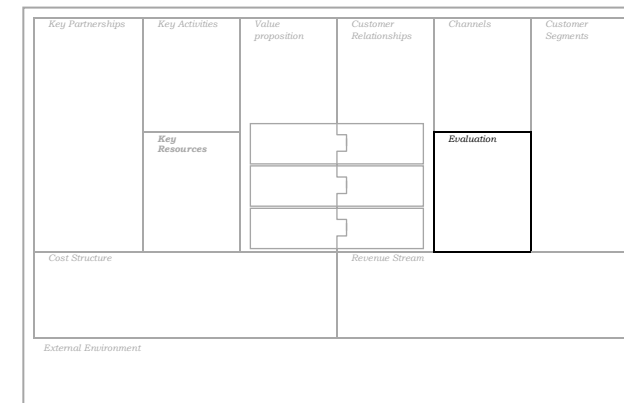
Revenue Streams

The Revenue Streams Building Block represents the cash a company generates from each Customer Segment (costs must be subtracted from revenues to create earnings).

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?

Determining what value each Customer Segment is willing to pay for, allows a company to generate one of more Revenue Streams from each Customer Segment.

Revenue Streams can have different pricing mechanisms, such as fixed list prices, bargaining, auctioning, market dependent, volume dependent or yield management.

There are several ways to generate Revenue Streams:

- Asset sale,

- Usage fee.

- Subscription fees.

- Lending/ Renting/ Leasing.

- Licensing.

- Brokerage fees.

- Advertising.
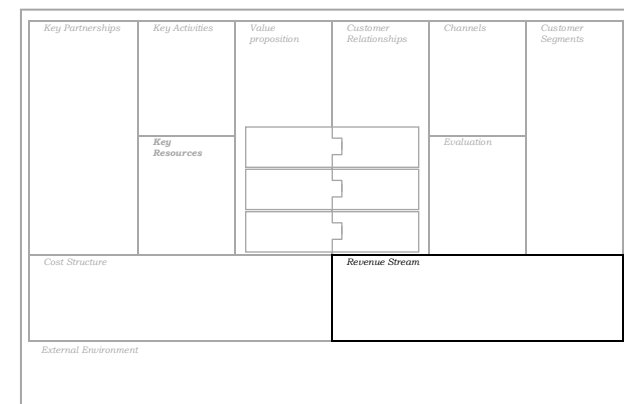
Key Resources

The Key Resources Building Block describes the most important assets required to make a business model work.

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

Resources allow an enterprise to create and offer a Value Proposition, reach market, and maintain relationships with Customer Segments.

Key Resources can be:

- Physical.

- Financial.

- Intellectual.

- Human.

They can be owned, leased by the company or acquired from Key Partners.
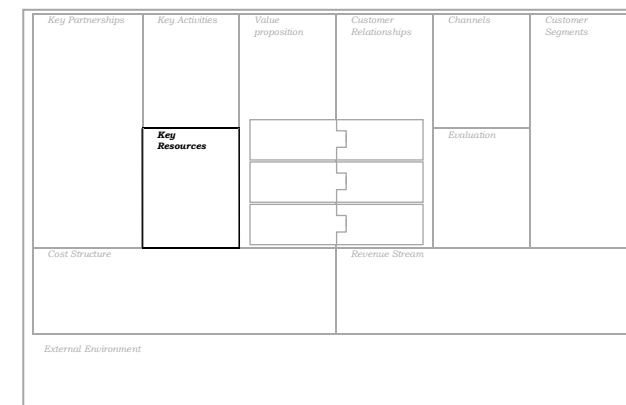
Key Activities

The Key Activities Building Block describes the most important things a company must do to make its business model work.

What Key Activities do our Value Propositions require?
Our Distribution Channels? Customer relationships? Revenue Streams?

Key Activities are the most important actions a company must take to operate successfully.

Like Key Resources, they are required to create and offer a Value Proposition, reach markets, maintain Customer Relationships, and earn revenues.

Key Activities can be categorised as follows:

- Production.
- Problem solving.
- Platform/ Network.
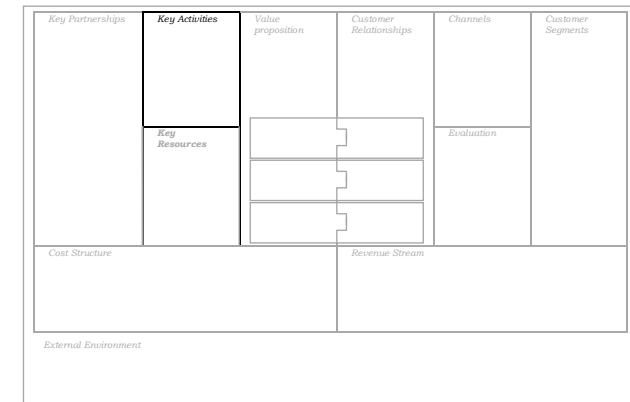
Key Partnerships

The Key Partnerships Building Block describes the network of suppliers and partners that make the business model work.

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

Companies create alliances to optimise their business models, reduce risk or acquire resources.

Some of the motivations for partnerships can be:

- Optimisation and economy of scale.

- Reduction of risk and uncertainty.

- Acquisition of particular resources and activities.

There are four types of partnerships:

- Strategic alliances between non-competitors.

- Cooperation: Strategic partnerships between competitors.

- Joint ventures to develop new businesses.

- Buyer-supplier relationships to assure reliable supplies.

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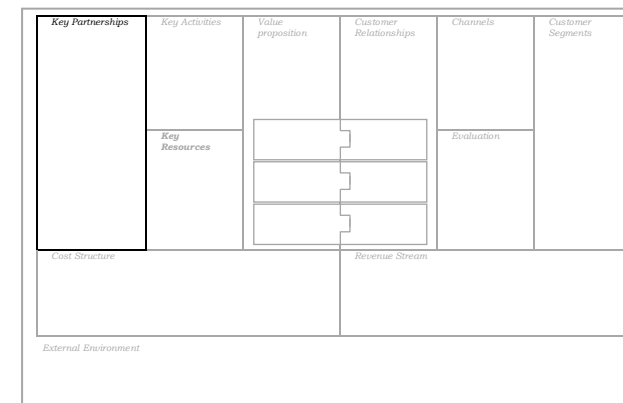
Cost Structure

The Cost Structure describes all costs incurred to operate a business model.

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

Creating and delivering value, maintaining Customer Relationships and generating revenue all incur costs. Such costs can be calculated after defining Key

Resources, Key Activities and Key Partnerships.

Cost Structures can have the following characteristics:

- Fixed costs.

- Variable costs.

- Economies of scale.

- Economies of scope.
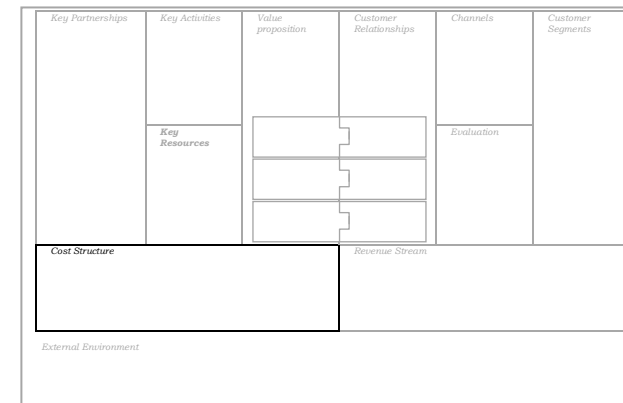
External Environment

The External Environment Building Block describes the main factors (conditions, trends, and forces) outside the control of organization but which affect its operations.

Who are our main competitors? Emerging competitors?
Where are they positioned in relation to our Value Proposition?
What are the emerging market/ technology trends?
What are the market opportunities and threats?

Awareness of developments in the External Environment helps determine and manage changing expectations of Customer Segments and establish and maintain

product differentiation from competitors.

When determining the External Environment, consider:

- Key trends.

- Market forces.

- Industry forces.

- Market forces.

- Macro-environment forces.

- Technological advancements.
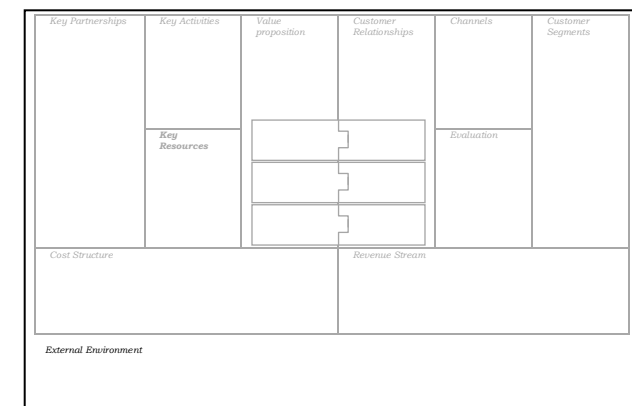
2 Evaluation

Now the Business Model is complete, it can be evaluated.

Evaluation helps determine if the current model will support future growth.

Identifying areas of strength provide an opportunity to expand on current Value Propositions, or develop new Value Propositions.

Identifying areas of weakness highlight areas where change is needed and improvements can be made.

As with mapping, Evaluation is a process, not a single step.

Business Models need to be regularly evaluated in order to determine the health its market position and adapt accordingly.

Customer Segments

Customer return rates are high.	5 4 3 2 1	Customer return rates are low.
Customer base is well segmented.	5 4 3 2 1	Customer base is unsegmented.
Our customer segments are prioritised.	5 4 3 2 1	Our customer segments are not prioritised.
We are aware of each segments needs.	5 4 3 2 1	Our offerings are not targeted to specific segment needs.
We know the motivators of each segment.	5 4 3 2 1	We do not know what motivates each segment.
We are aware of trends within each Customer Segment.	5 4 3 2 1	We are unaware of trends within Customer Segments.
Segment needs are prioritised.	5 4 3 2 1	Segment needs are given equal weighting.
Information on customer segments is readily available to staff.	5 4 3 2 1	Staff do not have information on customer segments.
We are continually acquiring new customers	5 4 3 2 1	We are failing to acquire new customers.
The Customer Segments we serve are growing in size.	5 4 3 2 1	The Customer Segments are shrinking.

Total

6 8 **10** 12 14 16 18 **20** 22 24 26 28 **30** 32 34 36 38 40 42 44 46 48 50

Notes:

Value Proposition

We deliver a solution to a genuine market problem.	5	4	3	2	1	We are unaware of market needs & demands.
Our Value Propositions are well aligned with customer needs.	5	4	3	2	1	Our Value Proposition and customer needs are misaligned.
We continuously work to expand/ improve our Value Proposition.	5	4	3	2	1	Our value proposition is static.
We use product service combinations to differentiate ourselves.	5	4	3	2	1	Our product service combinations are available from competitors.
There are strong synergies between our products and services.	5	4	3	2	1	There are no synergies between our products and services.
Our product service bundles are varied for different customer needs.	5	4	3	2	1	Our product service combinations are limited & standardised.
Our product service combinations are clearly communicated.	5	4	3	2	1	Our product service combinations are complex & difficult to understand.
Customer's service expectations match our offering.	5	4	3	2	1	Customers are surprised/ disappointed by our service.
Customer roles in the services are clear.	5	4	3	2	1	Customers are unclear of their role in our service.
Our channels facilitate customer co-creation.	5	4	3	2	1	It is difficult for our customers to contribute to the service.

Total

6	8	**10**	12	14	16	18	**20**	22	24	26	28	**30**	32	34	36	38	40	42	44	46	48	50

Notes:

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Channels

Customers can avail of our offering through a variety of channels.	5 4 3 2 1	We have a limited number of channels to access our service.
Channels are efficient and effective.	5 4 3 2 1	Channels are inefficient and ineffective.
Channel reach is strong among customers.	5 4 3 2 1	Channel reach among customers is weak.
Customers can easily see our channels.	5 4 3 2 1	Prospects fail to notice our channels.
Channels are strongly integrated.	5 4 3 2 1	Channels are poorly integrated.
Channels provide economies of scope.	5 4 3 2 1	Channels provide no economies of scope.
Channels are well matched to customer segments.	5 4 3 2 1	Channels are not matched to customer segments.
Front line staff understand & promote our offerings.	5 4 3 2 1	Front line staff do not fully understand our offerings.
Front line staff are competent & efficient in delivery of our offerings.	5 4 3 2 1	Front line staff are not competent & efficient in the delivery of our offerings.
Front line staff are empowered to handle emerging situations.	5 4 3 2 1	All decisions are made by management.

Total

6 8 **10** 12 14 16 18 **20** 22 24 26 28 **30** 32 34 36 38 40 42 44 46 48 50

Notes:

Customer Relationships

We have a strong relationship with our customers.	5 4 3 2 1	We have a weak relationship with our customers.
Relationship types vary with the customer segment.	5 4 3 2 1	One type of Relationship is used for all customer segments.
Our brand is strong.	5 4 3 2 1	Our brand is weak.
Our services are personalised for customers.	5 4 3 2 1	Our services are standardised.
Front line staff work to establish Customer Relationships.	5 4 3 2 1	Frontline staff do not work to establish Customer Relationships.
Front line staff work to maintain Customer Relationships.	5 4 3 2 1	Front line staff work to maintain Customer Relationships.
Our customer relations meet customer expectations.	5 4 3 2 1	Our customer relations fall below customer expectations.
Customer relations are well integrated into the business model.	5 4 3 2 1	Customer relations do not fit well into the business model.
We are aware of the financial cost of establishing and maintaining relations.	5 4 3 2 1	We are not aware of the financial cost of establishing and maintaining relations.
We ensure Relationships are profitable & adjust if not.	5 4 3 2 1	Relationship profitability is not reviewed.

Total

6 8 **10** 12 14 16 18 **20** 22 24 26 28 **30** 32 34 36 38 40 42 44 46 48 50

Notes:

Evaluation

We actively contact Customers for feedback.	5 4 3 2 1	We wait for Customers to contact us with feedback.
Specific elements of product/services are evaluated.	5 4 3 2 1	General Customer Satisfaction is evaluated.
Both tangible & intangible elements of products and services are evaluated.	5 4 3 2 1	Only tangible elements are evaluated.
Tangible &intangible elements are well integrated.	5 4 3 2 1	Tangible & intangible elements to not fit well together.
Evaluation results are fed back to staff.	5 4 3 2 1	Our staff are unaware of the Evaluation results.
We have a service recovery procedure.	5 4 3 2 1	There are no service recovery procedures in place.
Recovery procedures are easily communicated to customers.	5 4 3 2 1	Recovery procedures are difficult for customers to understand.
Front line staff are competent & efficient in service recovery.	5 4 3 2 1	Front line staff are unsure of recovery procedures.
Recovery is used to gain information on customer needs.	5 4 3 2 1	Information from recovery is not collected.
We measure customer satisfaction levels.	5 4 3 2 1	We are unaware of customer satisfaction levels.

Total

6 8 **10** 12 14 16 18 **20** 22 24 26 28 **30** 32 34 36 38 40 42 44 46 48 50

Notes:

Revenue Streams

We are confident in our pricing strategy.	5	4	3	2	1	Our pricing strategy needs review.
Our revenue is predictable.	5	4	3	2	1	Our revenue is unpredictable.
Our Revenue Streams are diversified.	5	4	3	2	1	We depend on a single revenue stream.
Our Revenue Streams are sustainable.	5	4	3	2	1	Our Revenue sustainability is questionable.
We have recurring Revenue Streams & frequent repeat purchases.	5	4	3	2	1	Our Revenues are transactional with few repeat purchases.
Payment methods are matched to Value Propositions.	5	4	3	2	1	The same payment method is used for all Value Propositions.
We know which customer segments generate the most revenue.	5	4	3	2	1	We do not know which customer segments generate the most revenue.
We know the percentage contribution of each segment to overall revenue.	5	4	3	2	1	We do not know the percentage contribution of each segment to overall revenue.
We know which value proposition generates the most revenue.	5	4	3	2	1	We do not know which value proposition generates the most revenue.
We charge for what customers are willing to pay for.	5	4	3	2	1	We fail to charge for things customers are willing to pay for.

Total

| 6 | 8 | **10** | 12 | 14 | 16 | 18 | **20** | 22 | 24 | 26 | 28 | **30** | 32 | 34 | 36 | 38 | 40 | 42 | 44 | 46 | 48 | 50 |

Notes:

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Key Resources

Key Resources are used efficiently.	5	4	3	2	1	Key resources are inefficient.
Key Resources are used effectively.	5	4	3	2	1	Key resources are not used effectively.
The supply of Resources is reliable and steady.	5	4	3	2	1	Resources can be unreliable and disruptive.
Demands on Resources are predictable.	5	4	3	2	1	We are unsure of future demands on Resources.
Resources can provide economies of scale.	5	4	3	2	1	Resources cannot provide economies of scale.
We sell/ trade inhouse resources to other companies.	5	4	3	2	1	We retain all resources within the company.
The capital resources needed for each Value Proposition are clear.	5	4	3	2	1	The capital resources needed are unclear.
The financial resources needed for each Value Proposition are clear.	5	4	3	2	1	The financial resources needed are unclear.
The human resources needed for each Value Proposition are clear.	5	4	3	2	1	The human resources needed are unclear.
The intangible elements needed for Value Proposition are clear.	5	4	3	2	1	The intangible elements needed are unclear.

Total

| 6 | 8 | **10** | 12 | 14 | 16 | 18 | **20** | 22 | 24 | 26 | 28 | **30** | 32 | 34 | 36 | 38 | 40 | 42 | 44 | 46 | 48 | 50 |

Notes:

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Key Activities

Key Activities are executed efficiently.	5	4	3	2	1	Key Activities are inefficient.
Key Activities are executed effectively.	5	4	3	2	1	Key Activities are ineffective.
Key Activities are difficult to copy.	5	4	3	2	1	Key Activities are easily copied.
The resources required by Key Activities are clear.	5	4	3	2	1	The resources required by Key Activities are unclear.
Key Activities needed for each Value Proposition are clear.	5	4	3	2	1	Key Activities needed for each Value Proposition is unclear.
Activities needed for service provision are clear to staff.	5	4	3	2	1	Staff are unclear on the activities needed for service provision.
We have a mix of standardised and customisable activities.	5	4	3	2	1	All activities are standardised.
Where possible, Key Activities are run in parallel.	5	4	3	2	1	All activities are in sequence.
We are satisfied with the balance of inhouse and outsourced activities.	5	4	3	2	1	The balance of inhouse and outsourced activities need review.
Activities progress the strategic objectives of the company.	5	4	3	2	1	Activities fulfil immediate needs only.

Total

6	8	**10**	12	14	16	18	**20**	22	24	26	28	**30**	32	34	36	38	40	42	44	46	48	50

Notes:

Key Partnerships

We are focused & work with Partners when necessary.	5	4	3	2	1	We are unfocused & fail to work sufficiently with partners.
We have good relationships with Key Partners.	5	4	3	2	1	We regularly have conflicts with Key Partners.
We maximise on tangible resources offered by Key Partners.	5	4	3	2	1	We use very basic or no tangible resources from Key Partners.
We maximise on intangible resources offered by Key Partners.	5	4	3	2	1	We use very basic or no intangible resources from Key Partners.
The relation between Key Partners & Key Resources is clear.	5	4	3	2	1	The relation between Key Partners & Key Resources is unclear.
The relation between Key Partners & Value Propositions is clear.	5	4	3	2	1	The relation between Key Partners & Value Propositions is unclear.
The relation between Key Partners & Channels are clear.	5	4	3	2	1	The relation between Key Partners & Channels are unclear.
The relation between Key Partners & Customer Relations is clear.	5	4	3	2	1	The relation between Key Partners & Customer Relations is unclear.
Key Partners can be substituted.	5	4	3	2	1	We are reliant on Key Partners.
We retain key knowledge within our company.	5	4	3	2	1	Key partners have a level of knowledge to become potential competitors.

Total

| 6 | 8 | **10** | 12 | 14 | 16 | 18 | **20** | 22 | 24 | 26 | 28 | **30** | 32 | 34 | 36 | 38 | 40 | 42 | 44 | 46 | 48 | 50 |

Notes:

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Cost Structure

Our costs are predictable.	5	4	3	2	1	Our costs are unpredictable.
Our operations are cost efficient.	5	4	3	2	1	Our operations are cost-inefficient.
Our Cost Structure is correctly matched to our business model.	5	4	3	2	1	Our Cost Structure & business model is poorly matched.
We know the total cost of each Value Proposition.	5	4	3	2	1	We do not know the total cost of each Value Proposition.
We know which Key Activities are most expensive.	5	4	3	2	1	We do not know which Key Activities are most expensive.
We know which Key Resources are most expensive.	5	4	3	2	1	We do not know which Key Resources are most expensive.
Costs can be easily connected to each business model building block.	5	4	3	2	1	It is difficult to determine costs for each business model building block.
We can accurately predict the variable costs of the business.	5	4	3	2	1	We are unsure of the variable costs of the business.
We invest time and money in frontline staff.	5	4	3	2	1	Frontline staff are not a cost priority.
We continually aim to reduce costs without compromising quality	5	4	3	2	1	Cost must be reduced by any means.

Total

| 6 | 8 | **10** | 12 | 14 | 16 | 18 | **20** | 22 | 24 | 26 | 28 | **30** | 32 | 34 | 36 | 38 | 40 | 42 | 44 | 46 | 48 | 50 |

Notes:

External Environment

We have a strong competitive advantage.	5	4	3	2	1	Our competitors offer the same/ similar products & services.
We are aware of current & emerging competitor products.	5	4	3	2	1	We are unaware of competitor products.
We are aware of current & emerging competitor services.	5	4	3	2	1	We are unaware of competitor services.
We are aware of emerging market developments.	5	4	3	2	1	We are unaware of emerging market developments.
We are aware of emerging industry developments.	5	4	3	2	1	We are unaware of emerging industry developments.
We are aware of emerging technological developments.	5	4	3	2	1	We are unaware of emerging technological developments.
We strive to stay current/ ahead of trends.	5	4	3	2	1	Our offers have remained unchanged for some time.
We are capable of making adaption's to facilitate changes.	5	4	3	2	1	None of our processes allow for flexibility.
Information on the external environment is regularly updated.	5	4	3	2	1	Information on the external environment is not updated.
Gathered information is shared with staff.	5	4	3	2	1	Information is not shared with staff.

Total

| 6 | 8 | **10** | 12 | 14 | 16 | 18 | **20** | 22 | 24 | 26 | 28 | **30** | 32 | 34 | 36 | 38 | 40 | 42 | 44 | 46 | 48 | 50 |

Notes:

279

3   Advance

Now we've evaluated our business, we can generate ideas.

Advance uses tools to generate ideas which build and expand areas of strength, and improve areas of weakness.

The tools can be used to further develop existing product service bundles and identify potential areas of growth for the future.

Any ideas which emerge from the progression tools can be brought through Mapping and Evaluation.

This will give an indication of the affect of the proposed changes on your business.

There are many ways to generate concepts, but we will use Personas and Brainstorming.

Personas

Personas are archetypes of potential users or customers.

To create personas, we collect information from our staff, our customers, surveys, and research reports.

For this workshop, we will look at three types of personas: The Average; The Evangelist; and the Hater.

The Average persona is your typical customer or user. They make up the bulk of your customer/ user base.

The Evangelist persona loves everything about your product and service. In their eyes, you can do no wrong.

The Hater persona is the opposite to the Evangelist. They used your products and services once and didn't return.
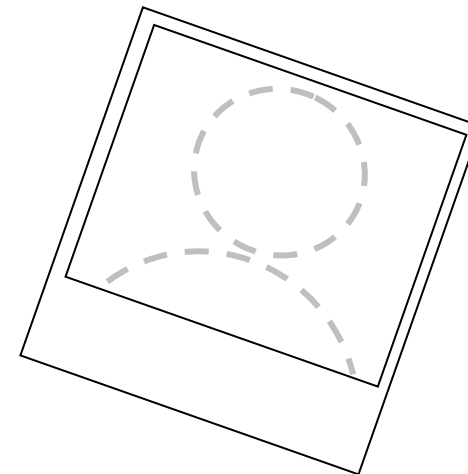
These three personas will give a good coverage of users.

However, once you are comfortable with personas, you can start making them more specific to your company.
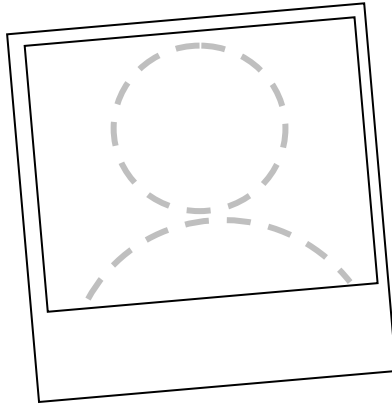
They can even be based on actual customers who embody a Customer Segment.

Don't be afraid to doodle what you think these people look like.

A visual representation can help us see from their stand point.

Personas: The Average

Name: ....

Age: ....

Location: ....

Technical comfort: ....

Title: ....

Background: Tell us something about their lives

Motivations: What concerns do they have? Why do they need this product/ service? How have they found or heard about the product/ service?
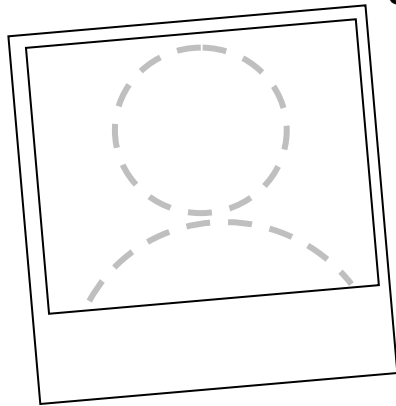
Barriers/ Frustrations: What's stopping them from choosing the product/ service? What annoys them about the product/ service?

The ideal experience: What features and context will help them have a great experience

Quote: Sum up their experience, either positive or negative.

Personas: The Evangelist

Name: ....

Age: ....

Location: ....

Technical comfort: ....

Title: ....

Background: Tell us something about their lives

Motivations: What concerns do they have? Why do they need this product/ service? How have they found or heard about the product/ service?
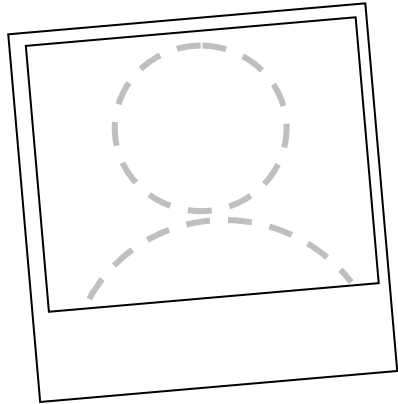
Barriers/ Frustrations: What's stopping them from choosing the product/ service? What annoys them about the product/ service?

The ideal experience: What features and context will help them have a great experience

Quote: Sum up their experience, either positive or negative.

Personas: The Hater

Name: ....

Age: ....

Location: ....

Technical comfort: ....

Title: ....

Background: Tell us something about their lives

Motivations: What concerns do they have? Why do they need this product/ service? How have they found or heard about the product/ service?

Barriers/ Frustrations: What's stopping them from choosing the product/ service? What annoys them about the product/ service?

The ideal experience: What features and context will help them have a great experience

Quote: Sum up their experience, either positive or negative.

Brainstorming

Now we have an idea of some of our Customers, we can begin to generate ideas of ways to create value for them.

Brainstorming is a great way to generate creative ideas to solve a problem.

It is particularly useful when you want to break out of stale, established patterns of thinking, so that you can develop new ways of looking at things.

Clearly define the question or problem you are trying to solve.
Postpone and withhold your judgement of ideas.
Be wild with your ideas! Exaggerate!
It's about quantity, not quality.
Build on ideas put forward by others.
Every person and every idea has worth.
Keep things visual.

Brainstorming can be done in a variety of ways.

Choose which you think suits your company and staff best.

Structured Brainstorming

Structured Brainstorming takes a systematic form to generate ideas.

This can be as simple as individuals offering their ideas one at a time around a circle.

Alternatively, each person can be given a sheet with a printed table.

Each person defines the problem or question and provides three solutions.

They then pass their sheet to the person on the left.

With the new sheet, people generate solutions for the new problem or question, then pass it on again.

This continues until ideas are exhausted.

Problem statement:		
	Idea 1	Idea 2	Idea 3
1			
2			
3			
4			
5			

Loose Brainstorming

Although structured, Loose Brainstorming takes a more open approach to idea generation then Structured Brainstorming.

Instead of turns, those involved interact with each other and build on each other's concepts to generate large numbers of ideas and solutions.

Loose brainstorming again begins with defining the problem or area.

This can be written in a bubble in the centre of a large sheet of paper.

Ideas are then branched off this bubble.

Any ideas developed from another, are linked back to the parent idea, allowing traceability.

Alternatively, Loose Brainstorming can be done using Post-its.

Everyone writes one idea per post-it.

These can be placed on the wall and placed in loose groups.

When ideas are being reviewed, unwanted or repeated post-its can simply be removed.

APPENDIX F
EVALUATION QUESTIONS

Customer Segments

	5 4 3 2 1	
Customer churn rates are low.	5 4 3 2 1	Customer churn rates are high.
Customer base is well segmented.	5 4 3 2 1	Customer base is unsegmented.
Our customer segments are prioritised.	5 4 3 2 1	Our customer segments are not prioritised.
We are aware of each segments needs.	5 4 3 2 1	Our offerings are not targeted to specific segment needs.
We know the motivators of each segment.	5 4 3 2 1	We do not know what motivates each segment.
We are aware of trends within each Customer Segment.	5 4 3 2 1	We are unaware of trends within Customer Segments.
Segment needs are prioritised.	5 4 3 2 1	Segment needs are given equal weighting.
Information on customer segments is readily available to staff.	5 4 3 2 1	Staff do not have information on customer segments.
We are continually acquiring new customers	5 4 3 2 1	We are failing to acquire new customers.
The Customer Segments we serve are growing in size.	5 4 3 2 1	The Customer Segments are shrinking.

Value Proposition

	5 4 3 2 1	
We deliver a solution to a genuine market problem.	5 4 3 2 1	We are unaware of market needs & demands.
Customer segment needs are prioritised.	5 4 3 2 1	Customer segment needs are not prioritised.
We continuously work to expand/ improve our Value Proposition.	5 4 3 2 1	Our value proposition is static.
We use product service combinations to differentiate ourselves.	5 4 3 2 1	Our product service combinations are available from competitors.
There are strong synergies between our products and services.	5 4 3 2 1	There are no synergies between our products and services.
Our product service bundles are varied for different customer needs.	5 4 3 2 1	Our product service combinations are limited & standardised.
Our product service combinations are clearly communicated.	5 4 3 2 1	Our product service combinations are complex & difficult to understand.
Customer's service expectations match our offering.	5 4 3 2 1	Customers are surprised/ disappointed by our service.
Customer roles in the services are clear.	5 4 3 2 1	Customers are unclear of their role in our service.
Our channels facilitate customer co-creation.	5 4 3 2 1	It is difficult for our customers to contribute to the service.

Channels

	5 4 3 2 1	
Customers can avail of our offering through a variety of channels.	5 4 3 2 1	We have a limited number of channels to access our service.
Channels are efficient and effective.	5 4 3 2 1	Channels are inefficient and ineffective.
Channel reach is strong among customers.	5 4 3 2 1	Channel reach among customers is weak.
Customers can easily see our channels.	5 4 3 2 1	Prospects fail to notice our channels.
Channels are strongly integrated.	5 4 3 2 1	Channels are poorly integrated.
Channels provide economies of scope.	5 4 3 2 1	Channels provide no economies of scope.
Channels are well matched to customer segments.	5 4 3 2 1	Channels are not matched to customer segments.
Front line staff understand & promote our offerings.	5 4 3 2 1	Front line staff do not fully understand our offerings.
Front line staff are competent & efficient in delivery of our offerings.	5 4 3 2 1	Front line staff are not competent & efficient in the delivery of our offerings.
Front line staff are empowered to handle emerging situations.	5 4 3 2 1	All decisions are made by management.

Customer Relationships

	5 4 3 2 1	
We have a strong relationship with our customers.	5 4 3 2 1	We have a weak relationship with our customers.
Relationship types vary with the customer segment.	5 4 3 2 1	One type of Relationship is used for all customer segments.
Our brand is strong.	5 4 3 2 1	Our brand is weak.
Our services are personalised for customers.	5 4 3 2 1	Our services are standardised.
Front line staff work to establish Customer Relationships.	5 4 3 2 1	Frontline staff do not work to establish Customer Relationships.
Front line staff work to maintain Customer Relationships.	5 4 3 2 1	Front line staff work to maintain Customer Relationships.
Our customer relations meet customer expectations.	5 4 3 2 1	Our customer relations fall below customer expectations.
Customer relations are well integrated into the business model.	5 4 3 2 1	Customer relations do not fit well into the business model.
We are aware of the financial cost of establishing and maintaining relations.	5 4 3 2 1	We are not aware of the financial cost of establishing and maintaining relations.
We ensure Relationships are profitable & adjust if not.	5 4 3 2 1	Relationship profitability is not reviewed.

Table 12a: Evaluation questions

Evaluation

	5 4 3 2 1	
We actively contact Customers for feedback.	5 4 3 2 1	We wait for Customers to contact us with feedback.
Specific elements of product/services are evaluated.	5 4 3 2 1	General Customer Satisfaction is evaluated.
Both tangible & intangible elements of products and services are evaluated.	5 4 3 2 1	Only tangible elements are evaluated.
Tangible &intangible elements are well integrated.	5 4 3 2 1	Tangible & intangible elements to not fit well together.
Evaluation results are fed back to staff.	5 4 3 2 1	Our staff are unaware of the Evaluation results.
We have a service recovery procedure.	5 4 3 2 1	There are no service recovery procedures in place.
Recovery procedures are easily communicated to customers.	5 4 3 2 1	Recovery procedures are difficult for customers to understand.
Front line staff are competent & efficient in service recovery.	5 4 3 2 1	Front line staff are unsure of recovery procedures.
Recovery is used to gain information on customer needs.	5 4 3 2 1	Information from recovery is not collected.
We measure customer satisfaction levels.	5 4 3 2 1	We are unaware of customer satisfaction levels.

Revenue Stream

We are confident in our pricing strategy.	5 4 3 2 1	Our pricing strategy needs review.
Our revenue is predictable.	5 4 3 2 1	Our revenue is unpredictable.
Our Revenue Streams are diversified.	5 4 3 2 1	We depend on a single revenue stream.
Our Revenue Streams are sustainable.	5 4 3 2 1	Our Revenue sustainability is questionable.
We have recurring Revenue Streams & frequent repeat purchases.	5 4 3 2 1	Our Revenues are transactional with few repeat purchases.
Payment methods are matched to Value Propositions.	5 4 3 2 1	The same payment method is used for all Value Propositions.
We know which customer segments generate the most revenue.	5 4 3 2 1	We do not know which customer segments generate the most revenue.
We know the percentage contribution of each segment to overall revenue.	5 4 3 2 1	We do not know the percentage contribution of each segment to overall revenue.
We know which value proposition generates the most revenue.	5 4 3 2 1	We do not know which value proposition generates the most revenue.
We charge for what customers are willing to pay for.	5 4 3 2 1	We fail to charge for things customers are willing to pay for.

Key Resources

Key Resources are used efficiently.	5 4 3 2 1	Key resources are inefficient.
Key Resources are used effectively.	5 4 3 2 1	Key resources are not used effectively.
The supply of Resources is reliable and steady.	5 4 3 2 1	Resources can be unreliable and disruptive.
Demands on Resources are predictable.	5 4 3 2 1	We are unsure of future demands on Resources.
Resources can provide economies of scale.	5 4 3 2 1	Resources cannot provide economies of scale.
We sell/ trade inhouse resources to other companies.	5 4 3 2 1	We retain all resources within the company.
The physical resources needed for each Value Proposition are clear.	5 4 3 2 1	The physical resources needed are unclear.
The financial resources needed for each Value Proposition are clear.	5 4 3 2 1	The financial resources needed are unclear.
The human resources needed for each Value Proposition are clear.	5 4 3 2 1	The human resources needed are unclear.
The intangible elements needed for Value Proposition are clear.	5 4 3 2 1	The intangible elements needed are unclear.

Key Activities

Key Activities are executed efficiently.	5 4 3 2 1	Key Activities are inefficient.
Key Activities are executed effectively.	5 4 3 2 1	Key Activities are ineffective.
Key Activities are difficult to copy.	5 4 3 2 1	Key Activities are easily copied.
The resources required by Key Activities are clear.	5 4 3 2 1	The resources required by Key Activities are unclear.
Key Activities needed for each Value Proposition is clear.	5 4 3 2 1	Key Activities needed for each Value Proposition is unclear.
Activities needed for service provision are clear to staff.	5 4 3 2 1	Staff are unclear on the activities needed for service provision.
We have a mix of standardised and customisable activities.	5 4 3 2 1	All activities are standardised.
Where possible, Key Activities are run in parallel.	5 4 3 2 1	All activities are in sequence.
We are satisfied with the balance of inhouse and outsourced activities.	5 4 3 2 1	The balance of inhouse and outsourced activities need review.
Activities progress the strategic objectives of the company.	5 4 3 2 1	Activities fulfil immediate needs only.

Table 12b: Evaluation questions continued.

Key Partnership

We are focused & work with Partners when necessary.	5	4	3	2	1	We are unfocused & fail to work sufficiently with partners.
We have good relationships with Key Partners.	5	4	3	2	1	We regularly have conflicts with Key Partners.
We maximise on tangible resources offered by Key Partners.	5	4	3	2	1	We use very basic or no tangible resources from Key Partners.
We maximise on intangible resources offered by Key Partners.	5	4	3	2	1	We use very basic or no intangible resources from Key Partners.
The relation between Key Partners & Key Resources is clear.	5	4	3	2	1	The relation between Key Partners & Key Resources is unclear.
The relation between Key Partners & Value Propositions is clear.	5	4	3	2	1	The relation between Key Partners & Value Propositions is unclear.
The relation between Key Partners & Channels are clear.	5	4	3	2	1	The relation between Key Partners & Channels are unclear.
The relation between Key Partners & Customer Relations is clear.	5	4	3	2	1	The relation between Key Partners & Customer Relations is unclear.
Key Partners can be substituted.	5	4	3	2	1	We are reliant on Key Partners.
We retain key knowledge within our company.	5	4	3	2	1	Key partners have a level of knowledge to become potential competitors.

Cost Structure

Our costs are predictable.	5	4	3	2	1	Our costs are unpredictable.
Our operations are cost efficient.	5	4	3	2	1	Our operations are cost-inefficient.
Our Cost Structure is correctly matched to our business model.	5	4	3	2	1	Our Cost Structure & business model is poorly matched.
We know the total cost of each Value Proposition.	5	4	3	2	1	We do not know the total cost of each Value Proposition.
We know which Key Activities are most expensive.	5	4	3	2	1	We do not know which Key Activities are most expensive.
We know which Key Resources are most expensive.	5	4	3	2	1	We do not know which Key Resources are most expensive.
Costs can be easily connected to each business model building block.	5	4	3	2	1	It is difficult to determine costs for each business model building block.
We can accurately predict the variable costs of the business.	5	4	3	2	1	We are unsure of the variable costs of the business.
We invest time and money in frontline staff.	5	4	3	2	1	Frontline staff are not a cost priority.
We continually aim to reduce costs without compromising quality	5	4	3	2	1	Cost must be reduced by any means.

External Environment

We have a strong competitive advantage.	5	4	3	2	1	Our competitors offer the same/ similar products & services.
We are aware of current & emerging competitor products.	5	4	3	2	1	We are unaware of competitor products.
We are aware of current & emerging competitor services.	5	4	3	2	1	We are unaware of competitor services.
We are aware of emerging market developments.	5	4	3	2	1	We are unaware of emerging market developments.
We are aware of emerging industry developments.	5	4	3	2	1	We are unaware of emerging industry developments.
We are aware of emerging technological developments.	5	4	3	2	1	We are unaware of emerging technological developments.
We strive to stay current/ ahead of trends.	5	4	3	2	1	Our offers have remained unchanged for some time.
We are capable of making adaption's to facilitate changes.	5	4	3	2	1	None of our processes allow for flexibility.
Information on the external environment is regularly updated.	5	4	3	2	1	Information on the external environment is not updated.
Gathered information is shared with staff.	5	4	3	2	1	Information is not shared with staff.

Table 12c: Evaluation questions continued