









The Mandela Washington Fellowship is a program of the U.S. Department of State with funding provided by the U.S. Government and administered by IREX.

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Student Updates

In 60 seconds, tell us:

- How many people you talked to since last class?
- Have you changed your Business Model Canvas?
- What do you plan to do before our next class?





Questions?



Customer Channels

Designed for: Designed by: Date: Version: **The Business Model Canvas** 0 Customer Relationships **Key Partners Key Activities** Value Propositions **Customer Segments** ... Key Resources 24 Channels Ğ Cost Structure Revenue Streams

What are channels?

- Channels are the ways your product or service reaches your customer segments.
- Product types: Physical and Virtual
- Channel types: Direct, Indirect, and Hybrid



Different Types of Channels

- OEM
- Retailers
- Value-Added Reseller
- Distributor
- Web Sites and eCommerce
- Direct Sales
- Aggregators



Channel Test

- What is the best way to meet my customer's needs?
- Pick from the list on the last slide based on how you interface with your customers and the type of products you sell.



Direct vs. Distributor Sales

Direct Sales

- They are employees
- Risky if hired too fast
- Loyalty to you

Distributor Sales

- Not your direct employees
- Risky if better competitors emerge in your space
- Loyalty is to the customer, not you



Customer Channels as Customer Discovery

Make customer channels part of your customer discovery!

- How do you buy products like ours?
 - o Direct, distributor, online, retail?
- How do you learn about new or improved products?
- What is the deciding factor in using that channel?





Activity

- Find a partner and discuss:
 - Your product type
 - 2. What channel(s) you are going to use in order to sell your product?
 - 3. Are you going to sell directly or through a distributor? Why?

[5 minutes]





Homework

- Continue customer discovery interviews
- Begin to fill out Customer
 Channels box on BMC
- Be prepared to give update on customer discovery and your learnings

