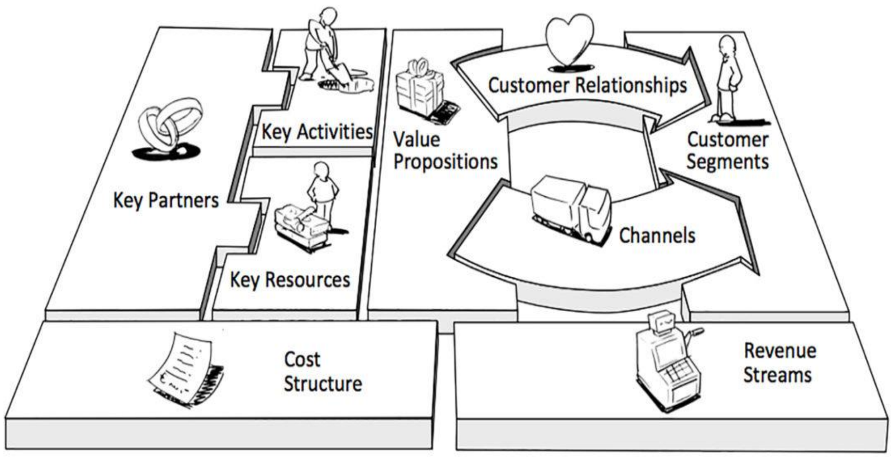
Module title	“Business Development: Strategic Business Planning” module
Developed by	Zsuzsanna Sándor-Majoros
Introduction *(brief summary of what participants will learn)*	The module entitled “Business Development: Business Planning at a Strategic Level” is designed to convey the most important aspects and criteria of business model creation and development to participants with varying levels of knowledge and prior experience, emphasising the importance of conscious planning and continuous evaluation. The course material, along with the accompanying presentation and teaching guide, has been compiled with a view to comprehensiveness, i.e. it presents the full spectrum covered by the Business Model Canvas (Osterwalder and Pigneur), with examples, conceptual explanations and summary tables and diagrams that can serve as a practical ‘menu’ for start-ups and existing businesses should they wish to review or develop specific areas of their business model. Thanks to the above, the course material is particularly well-suited to allowing the Reader to skip certain chapters, whilst spending more time delving deeper into other subject areas, and, where appropriate, to study the supplementary materials as well. We invite the reader on a journey during which they can explore nine closely interlinked and interdependent areas and discover the tools and models that are right for them. The explanations and examples provided will assist in identifying these. Drawing on numerous references from the specialist literature, we can confidently state that the development of these nine model areas enables the establishment of a stable and sustainable operational structure, upon which a sufficiently precise and detailed business plan can be created, thanks to the entrepreneur’s proactivity and strategic planning.
Duration	4 x 45 minutes (4 hours)
Learning objectives *(1–2 sentences, referring to the Competence Framework)*	Upon mastering the course material and completing the practical tasks, the participant will be able to: ● be able to identify the costs and revenues arising during the operation of a business; ● be familiar with at least two pricing models and strategies; ● be able to market their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning;

	● will be able to draw up an action plan to help implement the plan; ● be able to apply the empathy map and the value proposition canvas; ● be able to complete a sample business model for their own business; ● understands how the market works, has identified at least 3 market trends, and can adapt their business to these; ● in addition to the above, is capable of developing innovative products and/or services where necessary.
Module structure (chapter titles)	Introduction Chapter 1: Understanding the Business Model Canvas (BMC) and the basics of business planning Chapter 2: Customer segments Chapter 3: Value proposition Chapter 4: Customer relationships Chapter 5: Channels Chapter 6: Key Activities Chapter 7: Key Resources Chapter 8: Key Partners Chapter 9: Cost Structure Chapter 10: Revenue, Pricing, Trends Conclusion, summary

Chapter title	Understanding the Business Model Canvas (BMC) and the fundamentals of business planning
Competencies to be developed *(selected from the Competency Framework)*	● is able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan; ● will be able to complete a sample business model for their own business;
Core material	As mentioned above, a business idea that proves viable in the long term must meet numerous criteria, right from the idea generation stage.

	Firstly, we need to consider how (by what means, in what way, in response to what kind of inspiration) business ideas might take shape, following the identification of a market gap (i.e. an unmet consumer demand or need). The following scenarios are most common: ● Family 'legacy', generational handover: in this case, the future entrepreneur has been involved in the operation and development of the family business since childhood, utilising and building upon the skills they currently possess. Thanks to their existing experience and knowledge, they hold their own in the market as adults (as entrepreneurs), continuing to build on their ancestors' legacy. Key assets in this case are practical experience, various development achievements, and an understanding of the risks involved and potential failures. ● Thinking through current consumer trends and identifying unmet market needs: a wealth of market and public opinion research findings are available today in both online and offline forums; these are produced either by independent experts or commissioned by businesses already operating in the market. However they are produced, they are suitable for understanding how the market (and the specific industry within it) operates, the current and anticipated future behaviour of consumers, and for assessing whether there is currently a market gap that our business aims to fill. ● Surveying a wider circle of acquaintances: the most basic market research method focuses on mobilising existing human connections (human capital); in other words, it is not based on global market trends, but rather on the opinions and thoughts of real, accessible people. Its advantage lies in its honesty and tangibility, which for many entrepreneurs equates to stability, credibility and predictability. ● Adapting ideas from other geographical areas (Hawaiian chimney cake, Budapest kebab): As a result of globalisation, there are products and services that have already proven their strength and value in certain cultures and geographical areas, but which, following appropriate adaptation, can also be sold in other locations, as they provide an appropriate response to some culture-independent need or demand. By purchasing a particular product, the customer may feel that they are part of that culture without having to use tourist services. ● Adopting established business models from other organisations (e.g. franchises or licences): in a franchise, the franchisee not only takes over a well-known brand name and a uniform corporate identity from the franchisor, but also a

	developed business model, as well as the associated knowledge, experience and reputation, which plays a significant role in reducing risk when operating the model. In the case of a licence, the author may, subject to certain conditions, grant permission for others to use their work; this is the subject of the licence agreement relating to the work in question. This stipulates that although the author remains the owner of the work, certain persons, such as buyers, users, etc., may use the work, or copies or reproductions thereof, under certain conditions. ● Conscious application of creative techniques (e.g. brainstorming, mind mapping, design thinking, etc.): innovative and specifically creative techniques have been adopted from the business world into the realm of training and development programmes. Brainstorming involves gathering ideas and their associated evaluation and organisation, whilst mind mapping involves systematising emerging thoughts and formulated associations, and identifying hidden and obvious connections. Design thinking encompasses business, product and service development activities that are fundamentally realised through adopting the mindset of the potential customer and mobilising particularly strong empathic skills. ● Reflecting on one's own competencies: What do I really understand? What am I good at? From an entrepreneurial perspective, the most significant internal motivation always lies in identifying existing strengths and mobilisable competencies, which requires a truly developed sense of self-awareness on the part of those involved. However, if the business idea is built on these fundamental motivations, there is a high probability that the business will remain on the market in the long term. For a business idea developed with the appropriate resources to be viable, the following conditions must be met: ● Marketable: it meets an existing or potential customer need for which repeat, solvent demand can be expected. ● Competitive: it can be sold despite expected competitors because it is superior to competitors in terms of quality, price (cost) or other aspects important to customers. ● Feasible: the business is capable of producing the product or providing the service in accordance with parameters important to the customer (e.g. quantity, quality, deadline). ● Profitable: profit can be achieved using available or obtainable resources (or, at a minimum, long-term financial sustainability).

	● Aligned: with values, mission, objectives, criteria and competencies. Why is it important to consciously develop a business model and plan operations? Every business has a business model (even if only in a latent, unconscious form). We have an idea of who buys or will buy our products or services, and why our product or service is good. If we do not check these ideas or reflect on them, we can easily become their prisoners! A narrowed perspective and missed development opportunities can quickly lead to failure and the bankruptcy of the business. As an intermediate stage, the most common outcomes are the loss of human resources (high staff turnover), a continuous decline in financial resources, and the loss of key partners, all of which essentially render the business unviable. The original Business Model Canvas (BMC) was published by the Swiss business theorist Alexander Osterwalder whilst he was studying business models for his thesis. His research also resulted in a book, translated into several languages, entitled 'Business Model Generation', of which numerous versions and supplementary publications have become available in recent years.
Summary *The theoretical section should conclude with a summary, highlighting the key points and emphasising the learning objectives (max. 2–3 sentences)*	The 9 areas of the BMC cover the following focus areas, whilst helping to answer a number of fundamental questions:  Customer groups (target market) and value proposition:

	• What actually characterises the customers I am targeting? • What groups could they be categorised into? • What are their needs/problems? • How does my product or service address these? • Who would be willing to pay for this? Are there enough of them? • Should I narrow down or change the target group? Should I modify the product or service? Customer relationships and channels: • What is the best way to make customers aware that we exist? • How can we encourage them to choose us? • How can the purchase be made? • Is there anything else we need to do after the purchase? • How do I retain the customer? • How can we do all this cost-effectively? Key activities and resources: • What are the critical issues that require particular attention during implementation? • What do I need to be able to actually produce and create value? • ...to operate the channels and customer relationships effectively? • ...generate revenue? Key partners: • What are we / should we be really good at? What do others do better? • What can we achieve with others by working together with less risk / at a lower cost / with better quality / more quickly? • What do we do ourselves, and what do we leave to others? • Are we sure we need our own...? Cost structure: • How much does all this cost, or could it cost? • Have I considered all the costs? (Taxes, contributions, duties, wastage, sick leave, etc.) • When will these costs arise? • How can I reduce costs? • What happens if I can sell less? Revenue: • What kind of revenue are we targeting?

	● What is the value to my customer, and what price can I set? What pricing strategy should I use? ● How much can I expect to sell? ● What will my total revenue be as a result? Over what timeframe?
Sources *(all sources used to develop the training material must be listed, including both paper-based and online sources)*	https://franchise.hu/mi_a_franchise/elonyok_hatranyok/ https://hu.wikipedia.org/wiki/Licenc https://promanconsulting.hu/business-model-canvas/

Chapter title	Chapter 2: Client groups
Competencies to be developed *(selected from the Competence Framework)*	● will be able to sell their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan; ● be able to apply the empathy map and the value proposition canvas; ● be able to complete a sample business model for their own business;
Core material	One of the most important fundamental questions of the BMC is exactly who makes up my group of potential customers, and what characteristics I can use to define them most accurately. An accurate definition is essential, on the one hand, for determining their numbers, and on the other, for addressing them, reaching them, and establishing customer relationships and channels. The definition of a given customer group can be considered sufficiently detailed if, based on the description, I know where and through which online and offline channels my customers can be reached, in which spaces they appear, and on the basis of which criteria they make a positive purchasing decision. On the basis of which group-forming characteristics can we classify potential customers into different groups in a way that is relevant to us? What groups will there be? Who do we target and who do we not? There are many different ways to categorise the consumer market; we must select those that are relevant to us. When identifying the characteristics of customer groups, we can distinguish between demographic characteristics and psychographic variables. Demographic

characteristics are generally captured using statistical data and indicators managed by multiple data providers , whilst psychographic variables focus much more on soft, personality- and behaviour-related characteristics and fundamental human values. Knowledge of both indicator groups is necessary for identifying customers.

Demographics, other		**"Psychographic" variables**
▪ Sex ▪ Age ▪ Family size ▪ Family lifecycle ▪ Place of residence	▪ Studies ▪ Occupation ▪ Income, social class (lower-, middle- and upper class)	▪ Personality (anxious, sociable, ambitious, etc) ▪ Lifestyle (strivers, waverers, survivors, etc) ▪ Value prefences ▪ hobbies

It is particularly important to examine how we can identify narrower, smaller segments within broadly defined customer groups. The following characteristics can assist us in segmentation:

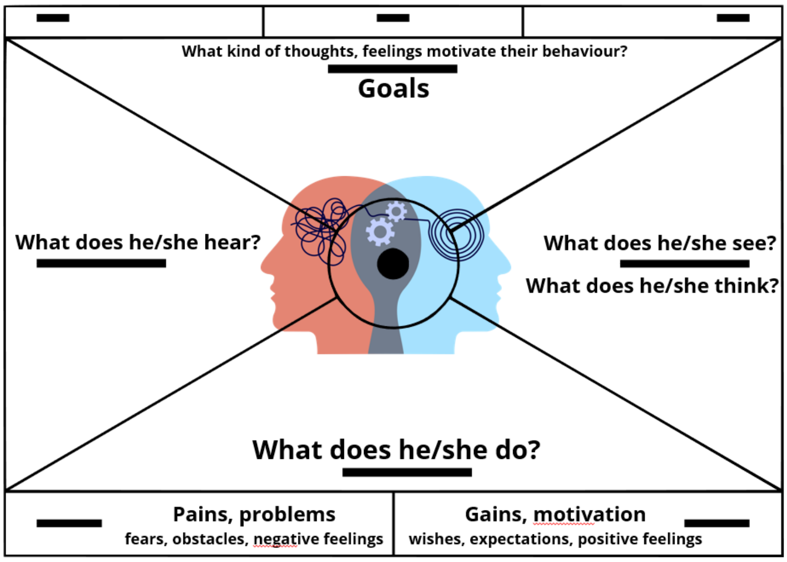
- Brand loyalty: strong, moderate, weak, variable, fickle.
- Personality traits: assuming that consumers with different personalities exhibit differences in product usage, which is a relevant observation for certain products/services.
- Product usage: users (low, high, medium) / non-users (winnable, unwinnable).
- Product benefits: which product attributes do consumers prefer?
- Compromise choice: when product benefits are equally important, consumers tend to choose intermediate solutions
- By stages of the purchasing process (relating to the specific product/service): unaware / aware / well-informed / interested / desiring it / wanting to buy it.

To define the target market (i.e. the realistically attainable customers and their numbers), knowledge of the above categories is essential. Different customer relationship models, channels, value propositions and – in many cases – pricing strategies are required for each group. Awareness of this is the foundation of sustainable operations.

To define our 'typical customer' (persona) and the size of the target market, in many cases research carried out in-house is required. In such cases, the following methods are recommended:

- Online research
- Statistical data analysis
- Online surveys
- Joining online groups
- Observation of participants
- Interviews
- Focus group interviews

	● Online research: this essentially involves online research, website and content analysis, whether of online platforms operated by consumers (or competitors), or of research findings, market and industry analysis articles, and studies. ● Analysis of statistical data: this refers exclusively to what the term itself implies, namely the analysis of data managed by the Central Statistical Office, OPTEN, state institutions, etc., based on one's own research questions and hypotheses. ● Questionnaires (online): a quick and inexpensive research methodological tool which allows us to pose our questions to a wide audience and collect the most important inputs. Distribution takes place via email and social media platforms; we can also involve our own networks in the distribution. The results can be processed efficiently and in a short space of time. ● Joining online groups and participant observation: in both methods, it is the entrepreneur's task to infiltrate those online or offline communities where their customers and partners are most likely to be found. In this way, we can obtain the information and input that is important to us without having to worry about the distortion of responses based on self-reporting (see: questionnaire, interview, focus group interview). The methodological foundations of participant observation are rooted in cultural anthropology, so it can certainly be regarded as a suitable tool for conducting market research as a member of the community. ● Interviews and focus group discussions: similar to questionnaires, these involve individual or group discussions based on pre-defined questions and criteria, and have been regarded as a fundamental tool in marketing and business development research for decades. Their advantage lies in the opportunity to establish personal connections and share additional thoughts and ideas; however, their implementation is particularly resource-intensive. Empathy Map One of the most important tools for getting to know and understanding customer groups (and, through them, the target market) is the empathy map, developed as a supplement to the BMC, which centres on our company's persona (typical customer). The task of the idea generator is to identify the stimuli, thoughts, information, market trends and social processes that influence potential customers. The basis for using this tool is putting oneself 'in the customer's shoes', understanding their emotions,

	frustrations, expected benefits, needs and demands – an approach closely linked to the design thinking methodology mentioned above. 
Summary *The theoretical section should conclude with a summary, highlighting the key points and emphasising the learning objectives (max. 2–3 sentences)*	In summary, it is therefore essential that we identify our potential customers using the most precise indicators possible, and that we determine who we definitely do not wish to sell our product or service to.
Sources *(all sources used in the development of the training material must be listed, including both the paper-based and online sources)*	

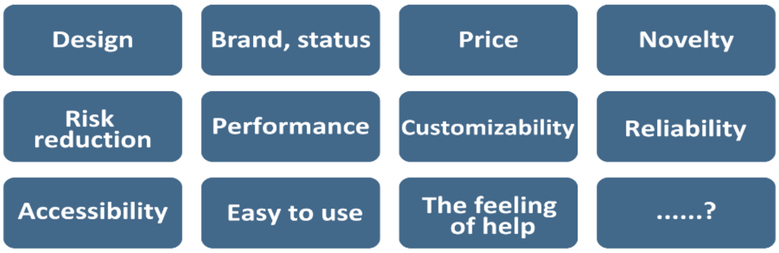
Chapter title	Chapter 3: Value proposition

Competencies to be developed *(selected from the Competence Framework)*	● will be able to market their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan; ● be able to apply the empathy map and the value proposition canvas; ● be able to complete a sample business model for their own business;
Core material	We expect something in return for every product we spend money on (a benefit, a reduction in 'pain'), which is why we often make purchasing decisions based on emotion. If we want to sell something, we too must promise something that is valuable to our customers, and we need to establish (and maintain) an emotional connection with them. This promise is the product's value proposition: the value proposition is the sum of the characteristics that will make consumers buy specifically our product or service, rather than those of our competitors. These are the values inherent in our product or service which, taken together, address the thoughts and perspectives outlined in the empathy map and provide solutions to the customer's problems. A carefully crafted value proposition is based on a precise understanding of customers; it is suitable – through the appropriate channels – for the long-term management of customer relationships and for generating revenue. Its creation is based on the existence and agility of the business model. A truly well-defined value proposition can be summarised as follows: ● A profitable business model can be built around it. ● The value proposition addresses needs that are genuinely important to customers. ● Ideally, these are needs that other products do not fulfil. ● I don't intend for the value proposition to solve everything, but for the needs it does address, my value proposition is exceptionally good! ● It addresses not only functional needs, but also emotional and social needs / pain points. ● The value proposition addresses needs or pain points that affect many people, or, if only a few, then those people are willing to pay a lot for it. ● It stands out from other alternatives in terms of the needs, pain points and tasks it addresses.

- In summary: It stands out from the competition in at least one respect.
- DIFFICULT TO COPY!

The list above can be used as a sort of ‘checklist’ and can be helpful whenever we want to check the validity of our value proposition.

It is important to note that, when it comes to the value proposition for a particular product or service, numerous components can be identified, such as (without claiming to be exhaustive):



- Design: in many cases, the external appearance (packaging, colour, font, logo, etc.) has a particularly significant influence on the customer’s decision-making. A sophisticated appearance may even justify a higher price, as it suggests quality, innovation and a focus on value.
- Brand, status: for certain products, the brand (as a status symbol) is more important to the customer than the product’s features and characteristics.
- Price: it is perhaps unnecessary to elaborate on why the price of a product or service fundamentally influences a customer’s value choice. Income level represents limited resources, which their owners (ideally) manage carefully.
- Novelty: think about how the word ‘new’ on a product affects us. A new product available on the market easily catches our attention; we like to see ourselves as innovators, as consumers open to innovation, as this fills us with a sense of satisfaction. This is true even if the product’s features do not justify our choice.
- Risk reduction: we expect certain products and services to help us avoid uncertainty, ensure safety and reduce risks (e.g. buying sports equipment of the right quality, taking an interest in cars that perform best in tests, etc.).
- Performance: a value primarily determined by technical parameters, on the basis of which individual products can be easily compared with one another using objective indicators.

	● Customisability: for certain consumer groups, it is of paramount importance to what extent they can tailor the objects they own (or even the services they purchase) to their own needs and personalities; in other words, how and to what extent their possessions help to express elements of their identity and make their fundamental characteristics or style visible. ● Reliability: alongside risk reduction, this is a particularly important product attribute, viewed through the lens of uncertainty avoidance. Customers who regard reliability as a value carefully research the product before making a purchase decision and also take into account the opinions and experiences of others. ● Availability: if we are honest with ourselves, as consumers we ourselves tend to want to satisfy our needs as quickly as possible for certain products, even if this means pushing other value propositions into the background (e.g. buying a mobile phone or laptop available at the nearest shop, rather than a cheaper and better-performing alternative that can be delivered in 2–3 days). ● Ease of use: if a product is not user-friendly for us (we are not experts), the fulfilment of basic functions and ease of understanding, or simplicity of use, are more significant value proposition elements than performance, reliability, design, etc. ● Sense of contributing, principles: a common purchasing decision, particularly in the case of social enterprises, is when the customer is willing to purchase the product or service offered by the organisation at a higher price than substitute products, knowing that this action generates a positive social impact (e.g. it contributes to the employment of disadvantaged people or those with reduced working capacity). The value proposition canvas is an enhanced version of the empathy map created in the previous chapter; the empathy map itself appears on the right-hand side, whilst the key components of the value proposition are listed on the left. We could also describe it as the left-hand side being the answer itself – the business's innovative response.

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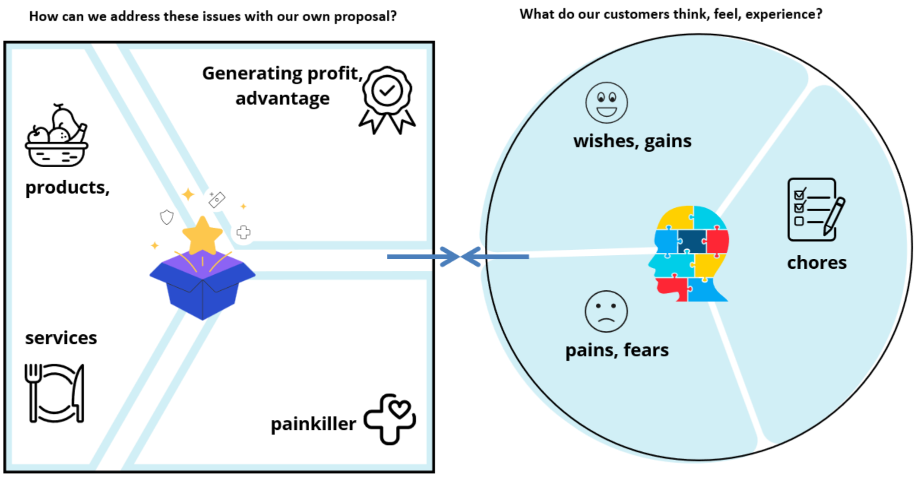

It is important to realise that your value proposition does not exist in a vacuum in the market; there are alternatives that your potential customers could choose instead of yours. These are substitute products, i.e. those products (or services) that our customers would prefer to buy (or, where applicable, in greater quantities) if the product (or service) we are selling is available in limited quantities, its price rises, or its quality deteriorates. This is particularly true if the above occurs suddenly and is clearly visible, or if it is easy to switch to a substitute product, or if it conveys a value proposition that is very similar to that of my product (or service). It is very important to identify substitute products based on a broad definition (taking into account the functions and values fulfilled by the product or service). For a café, for example, alternatives might include another café, our home (games/coffee), a cinema (date), a club (socialising), a co-working space (meetings), or even doing nothing at all!
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<td>Summary

The theoretical section should conclude with a summary, drawing attention to the most important points and emphasising the learning objectives (max. 2–3 sentences)</td>
<td>In summary, therefore, it is of paramount importance that, once we have identified our potential clients, we get to know and understand their needs, requirements, fears and pain points, as only then can we define our value proposition!</td>
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material must be listed, including both paper-based and online sources)	

Chapter title	Chapter 4: Customer Relations
Competencies to be developed *(selected from the Competency Framework)*	• will be able to sell their products/services using a variety of methods and apply new sales techniques; • be able to draw up a business model plan in accordance with the main aspects of strategic planning; • will be able to draw up an action plan to help implement the plan; • be able to apply the empathy map and the value proposition canvas; • be able to complete a sample business model for their own business;
Core material	Customer relationships are the sum of the various connections between the company and customer groups that influence the consumer experience. Fundamentally, they demonstrate how a given business thinks about its customers, what kind of relationship it wishes to build and maintain with stakeholders, and how it intends to convey its value proposition to them. One end of the customer relationship spectrum is about personalisation, whilst the other is about automation. These characteristics help to capture the extent to which the human resources behind the business (managers and staff) become visible to consumers. A shop, for example, allows for the establishment of a fully personal relationship, whilst a forum (chat) operated by artificial intelligence represents impersonal, automated interaction. Positioning on the scale is entirely a strategic decision; naturally, a mix of the above can also be entirely viable. The most common types of customer relationship between the two ends of the scale are illustrated in the table below:

Personal	Priority customer support	Self-service	Automated services	Communities	Shared value
Building personal relationships Communicating with a real-life employee At the point of sale, by telephone, electronically, etc.	A customer relations representative deals with a single key account The deepest, most trust-building Long-term E.g. Private Banking	The company does not establish direct contact with the customer, but merely creates the conditions for the customer to serve themselves	A more sophisticated form of self-service Automated methods E.g. Personal online profiles – direct access to personalised services E.g. bookshop	Relationships with customers are established through communities Communities created and maintained by companies Knowledge sharing, joint problem-solving Understanding customers	Moving beyond the producer/service provider/consumer relationship; involving customers in value creation E.g. Lego; YouTube

In the case of the customer relationships listed above, it can be established that their operation has three objectives: 1. acquiring new customers, 2. retaining existing customers, 3. increasing sales. Numerous studies confirm that retaining existing customers is – in most cases – a far more cost-effective solution for a business than attracting the attention of new customers, building their loyalty and encouraging positive purchasing decisions.

Below, we will examine the stages, associated tools and key decisions involved, from attracting attention right through to post-purchase customer relationship management. Generally speaking, the following stages are relevant to all business models:

1. Engagement
2. Commitment
3. Sale
4. Engagement

1. Engagement:

- **What is the purpose of establishing contact?** (Followers? Newsletter? Sending vouchers? Recommending promotions? Confirming that they made the right choice? Making them feel good?)
- **Through which channel does this take place?** (Email? Paper? Phone? Facebook? In person? Agent?)
- **What information do we want to use?** (Birthday? Marital status? Shopping preferences? Favourite sport? Favourite type of coffee?)
- **How do we obtain the necessary contact details / consent**? (Registration? Questionnaire? Product activation?)
- **How do we manage / store this data**? (Excel? Dedicated 'CRM' application? Online document?)
- **What kind of process are we building on top of them?** (Who? What? How often? For whom?)

2. Integration

Tool	Characteristics	Example
Quality and customer experience	It does not increase loyalty, but is a prerequisite for it	A polite waiter, problem-solving, flexibility...
Subscription	Fixed-term subscriptions, encouraging renewal / cross-selling during the term, often with automatic renewal	Magazines, apps (cheaper annually!), Netflix
Contractual commitment	With a fixed-term contract we force the customer to stay, and during this period / at the end of the term, cross-selling	Loyalty contracts in exchange for a discount, exclusivity agreements
Building a close relationship	Strong personal connection, close knowledge of the customer (see 'KAM' and 'CRM' systems)	Advice, donor management, birthday discounts

Rewarding loyalty	Loyalty / repeat purchases come with benefits (discounts, extra services, exclusive event tickets, etc.)	Yves Rocher (voucher by post), SuperShop
Emotional connection	We build an emotional connection to the product or service	Restaurant, home, therapy / mental health, accommodation
System connection	Cheap / free basic product, expensive consumable component ("bait and hook")	Ink cartridges for printers, Nespresso capsules, Gillette blades
Technology lock-in	Difficult to switch suppliers due to high complexity / integration	Production lines, organisational knowledge, IT systems

3. Sales

Satisfied customers, customer experience, and tailored offers can be tools that boost sales:

- Birthday voucher
- Premium customers' night, exclusive event
- Follow-up project sales: implementation following planning, impact assessment following CSR (Corporate Social Responsibility) services
- Recommendation of related products or upgrades

Similar techniques that work even on the first purchase:

- **Cross-selling** (drink with meal / ketchup with chips / impact assessment with CSR service / "Others bought this together" / gift wrapping / life insurance or loan insurance with a mortgage)
- **Up-selling:** Convincing the customer that by increasing the purchase price by a small amount (10–25%), they will receive a significantly better product (Car extras / Double burger or meal deal / Support for implementation following consultation / 64 GB memory instead of 16 GB) – many people like to choose the middle option!

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4. Engagement

A satisfied customer is often the best salesperson; you should aim to involve them in the sales process!

• Sharing specific content (e.g. on Facebook – not related to the product, but important to the customer, e.g. healthy lifestyle, medical advice)
• Branded accessories or gifts (e.g. bag, T-shirt, pen)
• Seeking customer feedback, customer advisory panel
• Storytelling: encouraging customers who are truly grateful for your products or services to share their exciting and personal stories
• Free subscription / discount for referring a new customer...
• DO NOT try to persuade someone who has already clearly said no!
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<tr><td>Summary
The theoretical section should conclude with a summary, highlighting the key takeaways and emphasising the learning objectives (max. 2–3 sentences)</td><td>
In summary, it can be concluded that managing customer relationships based on the three-part motivational framework can be achieved by following the stages outlined above, whilst weighing up different objectives and tools. The decision as to which customer relationships can be used to deliver a given value proposition to consumers in the most effective way is always the entrepreneur’s, and reveals a great deal about the company’s organisational culture, mission and vision.

In customer relationship systems, from attracting attention right through to post-purchase customer care, we can identify the following main stages:

1. Relationship, data management
2. Commitment
3. Sale
4. Mobilisation
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must be listed, including both paper-based and online sources)	

Chapter title	Chapter 5: Channels
Competencies to be developed *(selected from the Competence Framework)*	● will be able to market their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan; ● will be able to adapt a sample business model to their own business;
Core material	The channels operated by the business are designed to serve as resources for managing customer relationships. Defining them provides answers to the following questions: How does the company communicate with its customers? How does it reach them, and how does it present and convey its value proposition to them? Communication, distribution and sales channels therefore enable the establishment and maintenance of a direct relationship between the company and consumers, thereby playing a crucial role in shaping the consumer experience. The selected channels must be suitable for performing the following tasks: ● To attract customers' attention to the company's products and services. ● To help customers assess/evaluate the value proposition. ● Enabling customers to access the products/services. ● Deliver the value propositions to customers. ● Maintain customer relationships even after the purchase. Of course, this does not in any way mean that a business should operate only a single channel. A key task is to combine direct and indirect channels in such a way as to achieve the best possible customer experience and profit. There is no one-size-fits-all solution on the market; the relevant

channels are determined by the target market, the value proposition and the defined elements of the customer relationship.

If we wish to categorise existing channels, the following system may be of

Types of channels			
Own channels	Direct	Agents	Higher profit, Lower reach Higher costs
		Online sales	
	Indirect	Own shops	
Partner channels		Partner shop	Greater reach, Lower profit Lower costs
		Wholesale	

assistance:

Stages of the channels				
1. Attention-grabbing: How do we spark customers' interest in our products and services?	**2. Evaluation** How do we help consumers evaluate our products?	**3. Purchase** How do we enable consumers to purchase specific products/services?	**4. Distribution** How do we deliver our value proposition to consumers?	**5. After purchas** How do \ provide custom support after t purchase?

For every business, the question arises as to whether, given the cost structure (fixed and variable costs), it is absolutely necessary to operate own channels, weighing up the potential profit, reach and costs involved. Of course, in order to foster more personal customer relationships, operating a web shop or physical store owned by that enables direct contact with customers is highly recommended for certain products, whilst other value propositions can be effectively delivered via automated online channels.

	The role of these channels is to support the management of customer relationships across the following stages: 1. **Awareness** In this initial phase, our task is to signal to potential consumers that we exist, have entered the market, and that our product or service is now available to them. Businesses already operating in the market – in the vast majority of cases – use the following tools; naturally, the right combination can also generate a significant impact here: • Viral marketing • PR (public relations) • Social media advertising • Offline advertising • Search engine optimisation • Content marketing • Email marketing • Related (thematic, community-based) programmes • Appearance on existing platforms • Trade fairs • Offline events • Delivering presentations (in an expert capacity) • Community building We can therefore see that the use of individual attention-grabbing tools and channels requires different specialist knowledge and skills. An online marketing expert, for example, is highly capable of developing social media advertisements, email marketing processes, and the parameters required for search engine optimisation. In contrast, a competent manager or employee with relevant expertise regarding the products or services sold by the business can credibly represent the company's interests at a professional event, workshop, or community-building (or indeed business networking) occasion. 2. **Evaluation** Once consumers have become aware of our existence and we have become visible to them, our task is to support them – using professional tools – in forming a realistic picture of our value proposition, so that they can assess what we offer and make their purchasing decisions. During this evaluation process, we can support our customers with the following tools:

	● Comparisons: preparing and communicating comparisons of products and services whilst upholding the principles of business ethics. It is of paramount importance that we work with genuine and verifiable data, including customer satisfaction survey results, and that the benefits we highlight can be substantiated. ● Articles: publishing professional and PR articles (even in conjunction with sponsorship) can effectively bolster our professional credibility, spreading the word about our value proposition to the social groups we most wish to reach. The downside is that – compared to other tools – it can be considered particularly costly, unless we publish our own online or print media. ● Sending product samples: a classic hook technique whereby we enable potential customers to familiarise themselves with our product or service at low cost (or free of charge), in a reduced volume which must, however, be sufficient to allow them to understand and evaluate the value proposition. ● Workshop visit: product demonstration and hands-on workshops, during which potential customers can familiarise themselves (through their own experience) with our product or service, helping them to evaluate it and make a decision. It is essential to select the right human resource (facilitator) who can lead the interested groups and group members in a goal-oriented manner. ● Presentation: a product demonstration in the traditional sense (not specifically interactive), which makes the benefits and value propositions identified by the business accessible to consumers. ● Forum, comments: as highlighted above, customer reviews, feedback, and the conversations, debates and exchanges of views generated by (or related to) the product or service are of paramount importance in influencing a positive purchasing decision. Monitoring these can influence consumers during the decision-making process. 3. Purchase At this stage, we need to determine, based on the customer profile and market research, how my customers would like to make their purchases. Is it worth providing the specific payment method (additional costs, e.g. the cost of maintaining two legal entities)? How high is the commission (e.g. when using PayPal)? Could I lose out on revenue as a result (e.g. tips paid by bank card or SZÉP card)? It is necessary to weigh up how much profit can be made by using this method: is it possible that I might even make a profit on this additional

service (e.g. an extra service with a higher margin in the case of gift vouchers)?
I also need to consider how I can monitor the impact on revenue (e.g. if no receipt was issued, goods were consumed for free, or, in the case of businesses, incorporating legal penalties for non-payment), as well as how I structure my invoicing process (e.g. which invoicing software do I use)?

Interesting tools and considerations from a channel management perspective:

- PayPal
- Online payment
- SZÉP card, vouchers
- Vouchers
- Prepayment / cash on delivery
- Credit card / cash
- Shop (location, accessibility, opening hours)
- VAT?

4. Intermediation

The delivery of the value proposition to consumers takes place during the delivery phase – following a positive purchasing decision. Naturally, this can be achieved in various ways (depending on preferences), in which case the following must be considered:

- Based on my customer profile and market research, what delivery method do my customers require?
- What additional revenue can I expect to generate through this channel (more orders, higher customer loyalty, cross-selling opportunities, e.g. Provident: Home Service – 150% repayment, unchanged APR, huge profit)?
- What are the associated additional costs? What proportion of this is borne by the customer (e.g. Amazon / eBay – fees paid by the customer for using the channel – e.g. delivery charges)?
- How do my competitors do it? Is this an insignificant factor in the market, a competitive advantage, or even something without which we would exclude ourselves from the competition?

It is easy to see that if our competitor undertakes to deliver the product in question (even immediately) to the customer's door, then offering only in-person collection clearly puts us at a competitive disadvantage, as in this case the chosen distribution channel is unable to fulfil the urgency and convenience features specified in the value proposition and expected by customers.

	5. After purchase As we indicated above, retaining existing and committed customers is always a more cost-effective solution than acquiring new ones; therefore, within the business model, it is of paramount importance to determine how (and through which channel) we facilitate the customer retention and support process. At this stage, therefore, we need to find answers to the following questions: • Based on my **customer profile and market research,** what post-purchase services do my customers require? • How much **additional revenue** can I expect to generate from this service (more orders, greater customer loyalty)? • What are **the** associated **additional costs**? What proportion of this will the customer bear (e.g. warranty fees, invoicing for after-sales support, infrastructure and time required for newsletters, etc.)? • **How do my competitors handle** this? Is this an insignificant factor in the market, a competitive advantage, or even something without which we would exclude ourselves from the competition? • How can I **utilise the information** gathered from post-purchase services (e.g. typical subjects of complaints/faults, outcomes of follow-up discussions)? • Are these services available **to all customers**, or only to a specific group? It is clear that, when it comes to selecting the right channels, the importance of understanding and analysing the business models operated by competitors is already evident, as our market position and role in the competition depend, in part, on this. Tools that can be used following this assessment (for example): • Warranty (e.g. DACIA 5+1 years) • Waste collection (Nespresso) • Product support (personal contact person) • Newsletter (tips, tricks, news) • Satisfaction survey • Follow-up meeting
Summary *The theoretical section should conclude with a summary, highlighting the key points and*	Overall, it becomes clear how closely customer relationships and the communication, sales and distribution channels are intertwined. This provides an opportunity to convey our value proposition to our customers through these channels. We need to allocate costs to the operation of the selected channels, which will be significant in later chapters of the course material (following the identification of key activities and resources).

emphasising the learning objectives (max. 2–3 sentences)	The role of the channels is to support the management of customer relationships across the following stages: **Stages of the channels** 1. Attention-grabbing: | 2. Evaluation | 3. Purchase | 4. Mediation | 5. Post-purch After:
Sources *(all sources used to develop the training material must be listed, including both paper-based and online sources)*	

Chapter title	Chapter 6: Key activities
Competencies to be developed *(selected from the Competence Framework)*	● be able to identify the costs and revenues arising during the operation of the business; ● be able to market their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan; ● will be able to adapt a sample business model to their own business; ● in addition to the above, be capable of developing innovative products and/or services where necessary.
Core content	By ‘key activities’ we mean the processes and activities necessary for the business model to function, creating and delivering the value proposition

	to customers. In the case of the most important – enterprise-level – activities, the associated costs can be clearly identified based on the resources allocated to them, meaning that the **activities serve planning objectives**. Identifying key activities enables the preparation of process descriptions, as well as the definition of job roles (and, through this, the organisational hierarchy). Once we are clear about the primary and supporting activities carried out by the organisation, we can easily 'bring our business model to life' and gain a realistic picture of exactly what path leads (or could lead) to the achievement of each strategic objective. By reviewing the activities required to achieve the objective, the objective itself can be validated (in terms of how realistic it is), thereby ensuring that the **activities also support monitoring.** It can be concluded that**,** in addition to the above**, identifying the** organisation's key **activities enables efficient operation** and **the designation of key tasks**, as in most business models, streamlining processes and making them more efficient can result in significant cost savings. Only with a clear understanding of these activities can management make decisions regarding the outsourcing of specific functions, the involvement of volunteers, and so on. The core functions of each key activity can be classified into the following four categories: ● Value creation ● Reaching markets ● Building customer relationships ● Generating revenue However, we must recognise that alongside these relatively homogeneous core functions, there may be key activities that vary by industry, value proposition, customer and objective. For certain activities, for example , the statement holds true that a supporting (back-office) activity in one business may be a key activity in another business model (e.g. the role of cleaning as an activity differs between a restaurant and a cleaning service). Furthermore, the list of activities of two businesses producing the same value proposition may differ (e.g. the installation and maintenance of coffee machines vs. the operation of a café), as they may shape the customer experience in different ways. The table below provides the most comprehensive overview of the key activities that support value creation:

	
Summary *The theoretical section should conclude with a summary, drawing attention to the most important points and emphasising the learning objectives (max. 2–3 sentences)*	In summary, therefore, our task as entrepreneurs is to identify the primary (directly contributing to value creation) and secondary (supporting, providing the organisational backdrop) activities necessary for operating the business model. To this end, we are aided by the process description familiar to us from customer relationships and channels, which helps to identify the individual stages of value creation. It is crucial that we are able to identify the activities that can be outsourced, the performance of which – although they play an important role in the business model – does not need to be (directly) coordinated by the organisation. The core functions of each key activity can be classified into the following four categories: ● Value creation ● Market access ● Building customer relationships ● Generating revenue
Sources *(all sources used in the development of the training material must be listed , including both paper-based and online sources)*	

Chapter title	Chapter 7: Key resources

<table>
<tr><td></td><td></td></tr>
<tr><td>Competencies to be developed (selected from the Competence Framework)</td><td>

can identify the costs and revenues arising during the operation of a business;
become familiar with at least two pricing models and strategies;
be able to market their products/services using a variety of methods and apply new sales techniques;
be able to draw up a business model plan in accordance with the main aspects of strategic planning;
will be able to draw up an action plan to help implement the plan;
will be able to adapt a sample business model to their own business;
in addition to the above, will be able to develop innovative products and/or services where necessary.

</td></tr>
<tr><td>Core elements</td><td>
Key resources are nothing other than the most important ‘tools’ required to operate the business model, which are essential for generating the value proposition, entering the market, maintaining customer relationships, and generating revenue – in short, for ensuring that the key activities defined above can be carried out.
Key resources can be classified into four categories that reinforce one another synergistically:
<table>
<tr><th colspan="2">Types of key resources</th></tr>
<tr><td>Tangible resources</td><td> Physical assets (machinery, hardware, buildings, vehicles, point-of-sale systems, distribution networks) E.g. TESCO, DUNAFERR, Amazon </td></tr>
<tr><td>Intangible resources</td><td> Brand name, intellectual property, patents, copyright, partnerships, databases, know-how. E.g. Coca-Cola, Nike, Samsung, Microsoft, Qualcomm, Béres </td></tr>
<tr><td>Human resources</td><td> Required skills, experience, competencies, expertise... Particularly relevant in creative and knowledge-based industries. E.g. Richter Gedeon, Prezi </td></tr>
<tr><td>Financial resources</td><td> Capital, cash, cash reserves, reserves, credit facilities, share options, guarantees. </td></tr>
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Of the examples above, we consider it particularly necessary to explain the concepts related to financial resources, highlighting the following three:

- Capital: money, material and intellectual assets that can be invested for a longer period. According to classical economics, capital is the totality of the basic factors of production necessary for starting and maintaining a business.
- Share options: in this case, employees do not receive a securities allowance from their employer or its parent company, but are granted a type of purchase option for remuneration and incentive purposes, which entitles individuals to purchase shares in the parent company after a specified period of time.
- Warranty: commonly known as a guarantee. A warranty is a promise made by the manufacturer or seller of a product that the product will function properly for a certain period of time. The warranty period and conditions may vary depending on the product and the manufacturer.

The key resources required to operate the business model can be easily identified if we interpret the activities defined above as a process, a process to which we can allocate resources for each stage. The four resource categories above can also be described universally, regardless of the characteristics of the product or service offered by the business.

Physical	Intellectual	Human	Material
Physical assets, vehicles, buildings, machinery, IT systems	**Brand name, intellectual property, partners, client/supporters database, methodology**	**Necessary skills, experience, professional competences**	**Cash on hand, reserves, loans, capital, guarantees, credit lines**
Briquettes: machinery, raw materials, workshop, drying facility, packaging materials Consultation: laptop, conference room Restaurant: building, kitchen utensils, appliances, cutlery	Briquettes: chipping and pressing technology, Business for Better Life brand Consultation: Name, project experience, methodology, professional partners Restaurant: recipes, client database, brand/franchise name	Briquettes: project manager, production manager, semi-skilled workers, volunteer salesperson, technology developer Consultation: professional knowledge, experience, communication (skills), project manager, consultants, administrator, sales manager (roles) Restaurant: chefs, waiters, cashiers, cleaning persons	Briquettes: Minimal Consultation: steady cash flow, adequate profit margin, cash reserves Restaurant: Initial investment/loan, steady cash flow

Summary *The theoretical*	Overall, it can be concluded that to define activities and resources, we need to understand the industry. For larger costs, consider which is more

section should conclude with a summary, drawing attention to the most important points and emphasising the learning objectives (max. 2–3 sentences)	cost-effective: to buy or to manufacture? To outsource to a subcontractor or to develop the expertise in-house? To buy or to lease our machinery? Possible considerations for answering the above questions: ▪ Duration and scale of demand (One-off or ongoing? Small or large?) ▪ Replicability / uniqueness (Is it widely available, or do we have to compete for it?) ▪ Quality (How high are the expectations? How important is it to meet them?) ▪ Costs and financial resources (What is the best approach in the long and short term?) ▪ Risks (Does this help me avoid significant risks? Is it likely? Is it serious?) ▪ Importance (Is it really necessary? Does it need to be this good, e.g. fabric for clothing?) All resource categories are suitable for continuously reviewing and optimising our operations. This is, of course, only possible if we can quantify the individual resources required for value creation (how much of what should we have at our disposal?).
Resources *(all resources used to develop the training material must be listed, including both paper-based and online resources)*	https://hu.wikipedia.org/wiki/T%C5%91ke_(k%C3%B6zgazdas%C3%A1gtan) https://kiszamolo.hu/reszvenyopcio-adozasa/ https://jogegyszeruen.hu/pontosan-mi-is-az-a-garancia/

Chapter title	Chapter 8: Key partners
Competencies to be developed *(selected from the Competency Framework)*	● is able to identify the costs and revenues arising during the operation of a business; ● is familiar with at least two pricing models and strategies; ● be able to market their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan;

<table>
<tr><td></td><td>

be able to apply the empathy map and the value proposition canvas;
be able to complete a sample business model for their own business;
in addition to the above, they will be able to develop innovative products and/or services where necessary.

</td></tr>
<tr><td>Core material</td><td>
Our key partners are those suppliers and collaborators who contribute to the success of the business model from outside the organisation. Their added value is significant, and their place and role within the model must be clearly identified.
Contrary to everyday usage, we understand the term ‘partnerships’ to refer to the following forms of cooperation:

Strategic alliance (between non-competitors): strategic-level cooperation between businesses that bring non-substitute products to market, capable of reinforcing each other’s value proposition.
Strategic partnership (between competitors): strategic-level cooperation between competitors producing identical or similar value propositions and/or offering substitute products, which is of paramount importance for the continuous development of the industry in question.
Joint ventures (development of new business lines): we can regard individual divisions of large companies or multinational corporations as partners, in which case a unique condition is also met, namely that the partners continuously share certain activities and resources with one another (HR, legal, PR, communications) are managed by separate departments serving all business units, so costs are shared between them).
Customer-supplier relationship: one of the ‘classic’ forms of partnership, in which both parties contribute to the operation of the other’s business model, as partners, albeit in relation to different areas of the BMC.

The establishment and maintenance of partnerships essentially serve three objectives, which the definitions and examples below help to identify:
<table>
<tr><th colspan="2">Objectives of partnerships</th></tr>
<tr><td>Optimisation</td><td>Cost reduction achieved through outsourcing or the operation of shared infrastructure.</td></tr>
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Risk reduction	In uncertain market conditions, partnerships (strategic alliances, partnerships) reduce risks.
Procurement of resources/activities	This involves acquiring resources whose development or maintenance would be uneconomical for the company (e.g. mobile phone manufacturers purchase the rights to use operating systems; insurance companies contract with independent brokers).

Savings or additional revenue	• **Jointly leased or purchased equipment** (office, production equipment, restaurant, retail location • **Outsourced activity or task** (sales, testing, delivery) • **Joint procurement** (better negotiating position) • **Sale of excess inventory** (donation, raw material, space)
Risk reduction	• **With the key suppliers** – secure long-term supply • **Competitors** (cooperation, joint action, good practices, experience) • **Professional partners/network** in case of need
Acquiring resources that cannot be obtained through one's own means	• **Critical suppliers** • **"Pro bono" professionals and services** • **Barter megállapodások**

It is very common, in line with risk mitigation or external resource procurement and development objectives, to involve consultants, coaches and mentors in the operations of a business. It is important to note that in such collaborations, the professionals listed are classified as partners (suppliers) who contribute their own intellectual and human resources to the functioning of the business model. As subcontractors, they are not responsible for the operation of the entire business model; they merely participate in the creation of the value proposition, and primary responsibility in these cases also lies with the manager/owner.

Competitor analysis

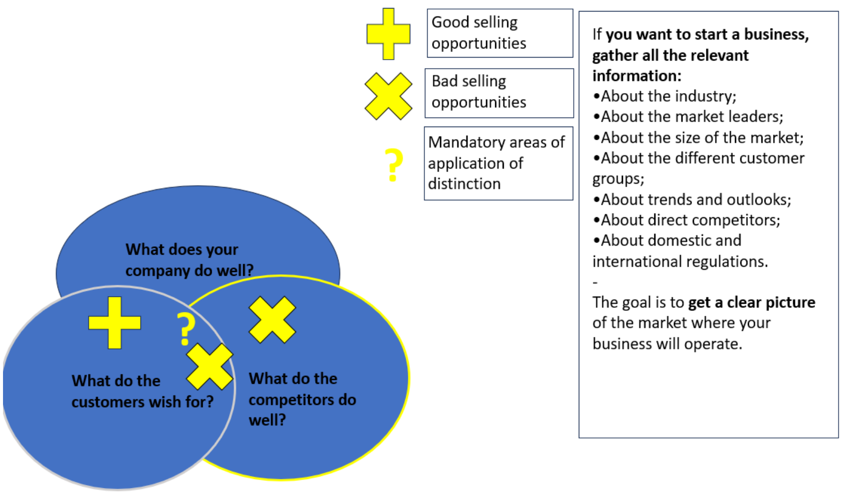
Within partnership relationships, it is particularly worth examining the market position, strengths and weaknesses of competitors. A competitor can be any business or organisation offering a product that attracts the interest of potential customers. Competition always exists, even if there is currently no other company selling the exact same product we are planning to sell! Similar or easily substitutable products are still available on the market.

When identifying competitors, be sure to consider those who:

- Offer the same product/service (direct competitors);

- Offer a similar product/service (indirect competitor);
- Offer a different product/service that is of interest to our potential customers (substitute product).

We have previously discussed the concept and interpretation of a substitute product, but when developing our own value proposition, we must also understand the value propositions of our competitors, for which the diagram below can serve as an excellent guide:



The prerequisite for gaining as thorough and objective an understanding as possible of our competitors is the implementation of competitor analysis. Competitor analysis is a business process during which a company or organisation examines, analyses and gathers data on its competitors in the market in order to understand their strengths, weaknesses and strategies. All of this provides information on how to gain or subsequently maintain a competitive advantage in our target market.

Competitor analysis can be carried out based on the following criteria, amongst others:

- Who are my competitors, and where are they?
- Do they offer identical or substitute products?
- To what extent do our target groups overlap?
- How long have they been in business?
- Have they had any turning points?
- How big are they? What is their financial situation?
- What benefits do they offer customers?
- What are their prices and pricing policies?
- What is their customer service like?
- What is their marketing like? Do they have a brand identity? How active are they in their communications?
- In what ways could we be better than them / in what ways are we better than them?

- What can we learn from them?
- Their possible reactions to our market presence....

It is clear that, in the vast majority of cases, we can rely primarily on the information, experiences and opinions visible as the ‘tip of the iceberg’ when answering the above questions, as there are elements of organisational culture (including in the case of our competitors) that are invisible to external stakeholders, partners and customers. Numerous studies demonstrate, however, that a realistic picture of our potential competitors can be formed even on the basis of publicly available information.

The most commonly used competitor analysis methods are summarised below:

- SWOT analysis: SWOT analysis is an extremely useful tool that can assist in more effective decision-making in many situations. By using it, we can very quickly outline our business’s strengths and weaknesses, as well as the opportunities and threats emerging in our environment and market. By using it, we can outline a comprehensive picture in a relatively short time, which can help us achieve our business goals in many areas.
- Website analysis: a research methodology tool used in the social sciences, based on the methodology of content analysis, which involves examining the key messages of corporate communications available online. Essentially, it helps answer the following questions: who, how, why, what, under what conditions, at what price, for whom, etc.?
- Analysis of e-reports: the financial reports of market players are available in a searchable format on the https://e-beszamolo.im.gov.hu/oldal/kezdolap website; analysing these provides access to valuable information and trends.
- Company analysis (e.g. OPTEN, e-company register): we can obtain a more comprehensive and complex picture of our partners than that provided by financial reports by using the OPTEN company information database (https://www.opten.hu/) and the e-company register (https://www.e-cegjegyzek.hu/). Whilst the electronically accessible Company Registers are rather static, OPTEN also contains information recorded and analysed over a longer period, relating to the company’s network of contacts, ESG indicators, ownership structure, HR workforce, financial indicators, etc.
- Mystery shopping: this analysis and evaluation tool essentially involves infiltrating the target market, i.e. a series of actions where, posing as a customer, we visit our competitor incognito, use their services and purchase their products, whilst recording

	our experiences according to predefined criteria. In this way, we can gain a more detailed picture of how the company communicates with its customers and manages its customer relationships.
Summary *The theoretical section should conclude with a summary, highlighting the key points and emphasising the learning objectives (max. 2–3 sentences)*	Overall, it is important to recognise that whether we are dealing with a strategic partner, an ally or a supplier, the management of partner relationships always involves precisely calculable resource requirements and, consequently, associated costs. However, these collaborations allow us, as entrepreneurs, to avoid having to maintain certain activities and resources 'in-house', but instead to share them with our partners, thereby optimising the organisation's operations.
Sources *(all sources used in the development of the training material must be listed, including both paper-based and online sources)*	

Chapter title	Chapter 9: Cost Structure
Competencies to be developed *(selected from the Competence Framework)*	● be able to identify the costs and revenues arising during the operation of the business; ● be able to sell their products/services using a variety of methods and apply new sales techniques; ● be able to draw up a business model plan in accordance with the main aspects of strategic planning; ● will be able to draw up an action plan to help implement the plan; ● will be able to adapt a sample business model to their own business; ● in addition to the above, be capable of developing innovative products and/or services where necessary.

Core material

It is no coincidence that the visual representation of the BMC is based on the elements named Cost Structure and Revenue. These are the two cornerstones that ensure a constant evaluation/monitoring function over the other areas. Provided that I have developed the first 7 areas with sufficient consistency and a commitment to completeness , determining the cost and revenue structure can be achieved easily and accurately.

At this point, we need to examine whether I have identified all costs arising in connection with each previously identified key activity, resource and partner, together with their estimated (expected) magnitude. These are the three areas that directly contribute to the increase in costs during the operation of the business model.

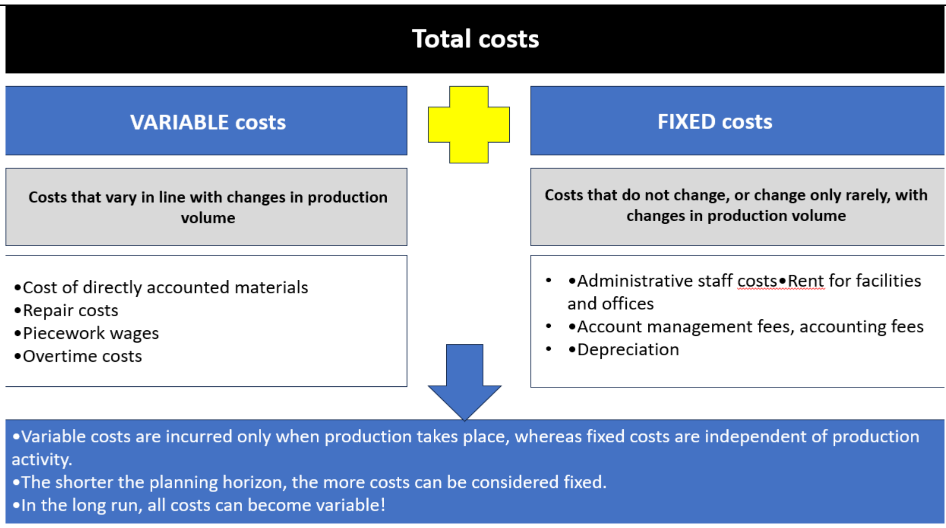
Different models are cost-sensitive to varying degrees, and generally speaking, they can be classified into the following two categories:

Business models from a cost structure perspective	
Cost-oriented model	*Value-oriented model*
The aim is to reduce costs. Maximum cost-effectiveness! Low-cost products Automated processes Significant outsourcing E.g. Low-cost airlines	The aim is to create value Premium value propositions Personalised, exclusive services E.g. luxury hotels

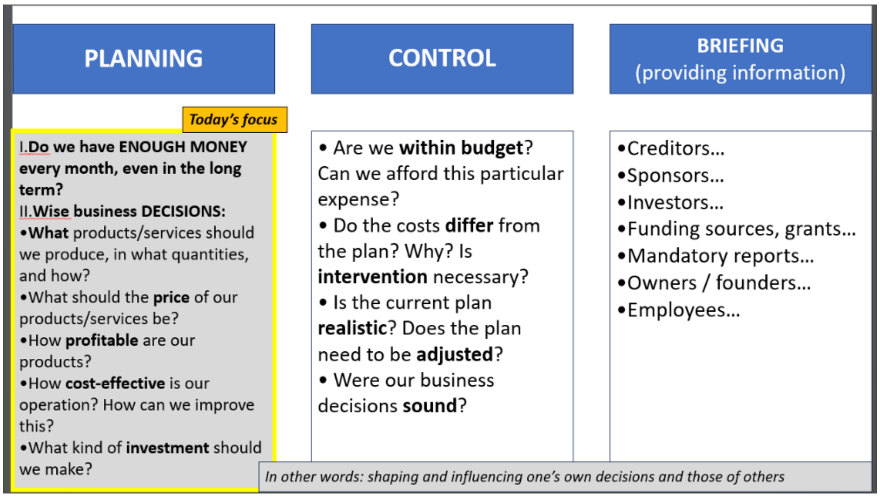
The cost structure – generally speaking – consists of fixed and variable costs, but is fundamentally influenced by the scale of operations and the breadth of the product range.

Scale of operations: the greater the volume produced, the more significantly the cost per product decreases, thereby negatively affecting the price of that product (or product type) (luxury goods vs. mass-market products).

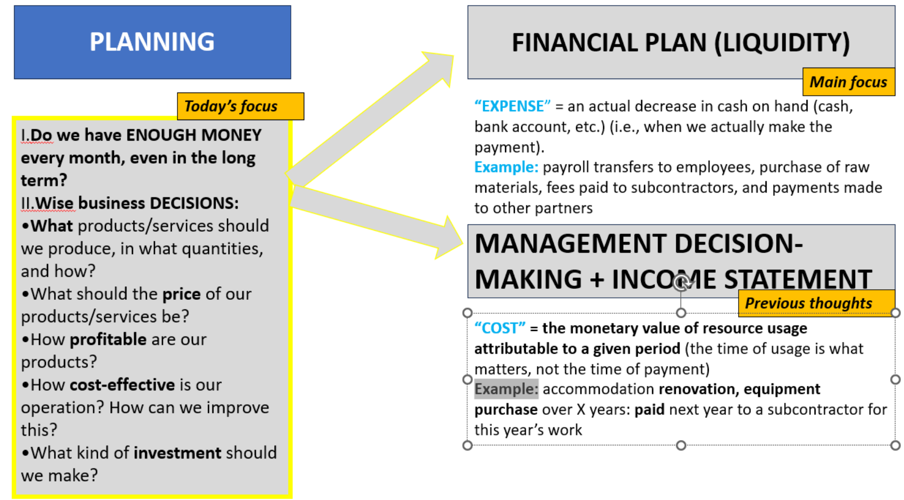
Range of products: the sharing of fixed costs (e.g. marketing, distribution) across different products/services has a cost-reducing effect. Consider, for instance, partnerships between different business units within a company and their cost-reducing impact on individual products or services.



The development and continuous review of the cost structure serves a threefold purpose, summarised in the table below:



The most important benefits of cost planning can be identified, on the one hand, in financial (liquidity) planning and, on the other hand, in profit and loss statements that support management decision-making. Based on the temporal proximity of the planning focus, we can distinguish between the concepts of 'expenditure' and 'cost', which (in part) differ from their everyday interpretations.



Within the cost structure (alongside the dimensions of fixed and variable costs), we distinguish three widely used, standardised cost categories, for each of which we can list numerous practical examples that can be linked to primary, direct and indirect support activities during the planning process, depending on the value proposition.

PERSONAL	RAW MATERIAL	SERVICES UTILIZED
Costs related to the organization's employees	**Costs of the materials used in production**	**Costs of services utilized in production**
• Fixed salary components (base pay, meal allowance) • Variable pay components (daily allowance, overtime, bonuses) • Payroll-related taxes (mandatory employer contributions) • Reimbursement of expenses (transportation, clothing expenses)	• Raw materials • Workwear, protective clothing, safety equipment • Office supplies, printed matters • Food • Fuel • Maintenance supplies	• Mobile phone • Postal taxes • Building utility costs • Rent costs • Insurance costs • Waste disposal • Renovations

From the perspective of cost structure, we must also mention the break-even point:

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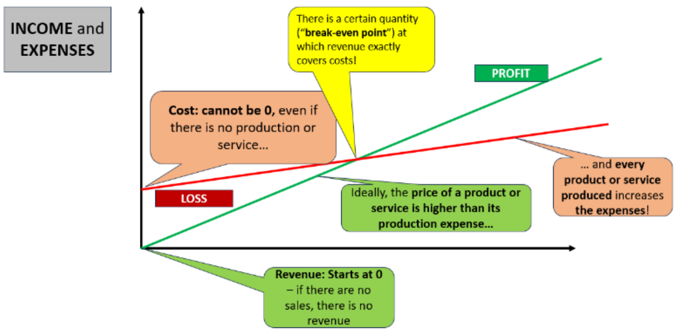

“In microeconomic terminology, the break-even point is the price-quantity combination at which the profit of the company under consideration is exactly zero in both the short and long term; in other words, after making the optimal decision, the company’s revenue is just sufficient to cover all costs incurred during production.” (Varian, 2001). The predictability of the break-even point over time indicates how easy (or, conversely, how challenging) it is to achieve business success in a given industry. Once the break-even point has been reached, the business model becomes capable of optimising profits.
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<tr>
<td>Summary

The theoretical section should conclude with a summary, highlighting the key points and emphasising the learning objectives (max. 2–3 sentences)</td>
<td>
Overall, it can be concluded that developing a cost structure requires entirely different competencies and resources than defining the areas of the BMC covered so far; nevertheless, reality-based planning is of the utmost importance here (and in the case of revenues).
Within the cost structure (fixed and variable costs), we distinguish between three widely used cost categories: Staff costs / Material costs / Services used.
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<tr>
<td>Sources (all sources used in the preparation of the training material must be listed, including both paper-based and online sources)</td>
<td>
Varian, H.R.: Microeconomics at Intermediate Level, KJK Kerszöv, Budapest, 2001
https://features.hu/swot-elemzes/
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<table>
<tr><td>Chapter title</td><td>Chapter 10: Revenue, Pricing and Market Trends</td></tr>
<tr><td>Competencies to be developed (selected from the Competency Framework)</td><td>
be able to identify the costs and revenues arising during the operation of a business;
become familiar with at least two pricing models and strategies;
be able to market their products/services using a variety of methods and apply new sales techniques;
be able to draw up a business model plan in accordance with the main aspects of strategic planning;
will be able to draw up an action plan to help implement the plan;
be able to apply the empathy map and the value proposition canvas;
be able to complete a sample business model for their own business;
understands how the market works, has identified at least 3 market trends, and can adapt their business to these;
in addition to the above, is capable of developing innovative products and/or services where necessary.
</td></tr>
<tr><td>Core material</td><td> We are discussing the component of the BMC that allows us to assess how accurately (adequately) we have defined our value proposition, and whether our customers are actually willing to pay for the product/service at the price we have set following the identification of costs. A fundamental question is: how much is our product or service actually worth to them, and how (based on what criteria) do we determine this amount, and what message do we wish to convey to our consumers through the size of this amount?
Within revenue, we can distinguish between transactional revenue (from one-off purchases) and recurring revenue (from multiple, ongoing purchases), where the main difference lies in the degree of predictability.
We classify the most common types of revenue into the following categories:
<table>
<tr><th colspan="2">Revenue types</th></tr>
<tr><td>Product sales</td><td>The best known. The sale or exchange of ownership of a specific product.</td></tr>
<tr><td>Service fee</td><td>When services are used. Depends on the quantity and characteristics of the services used (e.g. per-minute charge, room rate per night, delivery charge per kilometre)</td></tr>
<tr><td>Usage fee</td><td>Use of a service over a longer period (e.g. monthly gym membership, monthly software subscription fees).</td></tr>
</table></td></tr>
</table>

Rental fee	Exclusive right of use for an extended period (continuous income for the lessor, 'savings' on ownership costs for the lessee).
Interest	A fee paid for the exclusive right to use financial resources.
Leasing	A long-term hire agreement, at the end of which ownership of the product is transferred to the lessee.
Licence	Revenue derived from the sale of copyright, development and publication rights (production and distribution are carried out by the purchaser), (e.g. media, beer production, trade in propagating material).
Intermediary fee/commission	Revenue of a third party acting as an intermediary between two parties (credit card companies, brokers, estate agents).

PRICING

In the case of revenue from product sales or service fees, it is the company's responsibility to decide whether to apply fixed and/or dynamic pricing models. Naturally, it can be observed that, depending on the industry, fixed pricing is more common and widespread.

Pricing strategies	
Fixed pricing A price based on variables but set in advance	Dynamic pricing Price depends on market factors and changes continuously
List price: fixed price for products and services (value propositions)	Negotiated price: agreed upon by two or more parties
Product-dependent price: The price depends on the quantity/quality of the value proposition's characteristics	Yield management: a price determined by inventory and booking time, commonly seen for products with a short validity period (, e.g. flight tickets, hotel rooms, concert tickets)

Customer group-dependent pricing: The price depends on the type and characteristics of the customer group	Real-time market: a price dynamically determined by supply and demand
Quantity-dependent pricing: The price depends on the quantity purchased	Auction: the price is determined by the winning bid generated by bidders.

A realistic, well-founded, accurate and well-documented revenue plan is attractive and essential. It is necessary because without it:

- we get a false picture of the business's sustainability;
- we cannot convince investors or lenders;
- we cannot optimally plan our business model, our work or our financing;
- we cannot benchmark, measure or take action
- we cannot motivate the team based on performance

Yet, many revenue plans are unrealistic, unfounded, inaccurate or not convincingly documented; this is true even for businesses that have been operating in the market for a long time, who repeatedly face unexpected challenges and setbacks in the course of their activities. In such cases, engaging a consultant, organisational developer or coach is always a costly (though undoubtedly useful and justified) decision, the majority of which could be avoided through careful, precise and proactive planning.

The definition of revenue – in its simplest form – can be expressed as follows: revenue = quantity sold × price.

If we take this as our starting point, the validity of the following formula is also readily apparent:

Profit = **Revenue** - **Expenses**

Profit - **Quantity** X **Price** - **Variable expenses**

And like any formula, this one is perfectly suited to examining how adjusting individual items (increasing or decreasing them) affects the other elements of the ‘ ’. Successful businesses often make significant efforts to increase the volume of goods produced and sold, as well as to reduce (fixed and variable) costs. However, they overlook the price, the determination of which always requires ‘in-house’ planning and managerial decision-making (admittedly, using defined strategies). It is therefore possible to raise prices without modifying the entire production and value creation process, and without significant organisational or process restructuring, provided that the aim of the business is to increase profit.

The figure below illustrates the extent of profit growth that can be achieved (in general terms) if the price, the volume produced, or the variable or fixed costs are adjusted (by 10%) in the appropriate direction. It is clear that increasing the price results in a particularly significant increase in profit.

	10% increase		**Profit**		
	Old	**New**	**Old**	**New**	
Price	100	110	10000000	20000000	100%
Volume	1000000	1100000	10000000	14000000	40%
Variable Costs	60000000	54000000	10000000	16000000	60%
Fixed Costs	30000000	27000000	10000000	13000000	30%

When setting prices, we need to consider various factors:

- **Market penetration** – low introductory price, followed by a price increase (risky)/selling additional services or products once the customer has been acquired.
- High price to emphasise **premium quality/reliability** (value proposition).
- Low price – **wide reach** (so that those in need can also afford it).
- Exploiting **price sensitivity** (finding the maximum price that can be charged/acquiring customers through price reductions).
- **‘Smoothing** out’ **fluctuations in demand** within the year (seasonal discounts, e.g. for accommodation).
- **Customised pricing** – customer acquisition, retention, and addressing customer issues.

- Supporting and encouraging desired customer behaviour (discounts for larger purchases, discounts for advance payment, etc.).

After familiarising ourselves with the above considerations and weighing them up carefully, we can determine the pricing strategy relevant to us, with all its advantages and disadvantages:

	COST-BASED pricing	MARKET- BASED pricing	
		COMPETITION-BASED pricing	VALUE-BASED pricing
Specifications	**Based on the cost of producing the product or service** (e.g., price = production and sales costs + 20%)	**It is in line with competitors' prices** (which doesn't mean it's the same—we can also use strategic pricing!	**It sets prices based on how much the product or service is worth to the selected customer segment**
Advantages and disadvantages	+ **Easy to use** (if the cost data is accurate...) + Ensures that **we do not incur a loss** on sales - In most calculations, the **total cost is sensitive**, for example, to the volume produced and to one-time changes. - **It doesn't take into account the customers' perspective or the competition** (we might not even be able to compete on cost...)	+ **We won't be at a competitive disadvantage** because of the price **- It could lead to a price war,** if competitors perceive our entry as a threat. - If there is a **major market player dominating the market with low prices,** it is probably not worth competing on price. - **This only works if we also take into account the quality of our products as perceived by customers.**	+ This approach often results in a **higher price** - **The value created for the customer is difficult to quantify** (requires research), substantiate, and communicate to the customer.

For every strategy, we must consider whether the inputs required for pricing are sourced ‘in-house or externally’, i.e. whether our prices are (primarily) determined by the market or by the operation of our own business model.

Overall, it is particularly true in this area of the BMC that the precise and well-considered development of the other eight areas (starting with the value propositions) has a clearly positive impact on the determination and predictability of potential revenue. If the business plan developed on the basis of the completed business model shows that the business can operate profitably in the long term (once the break-even point is reached, revenue exceeds expenditure), then we can confidently state that we have succeeded in establishing and managing a business that is sustainable from an economic (and, ideally, social and environmental) perspective.

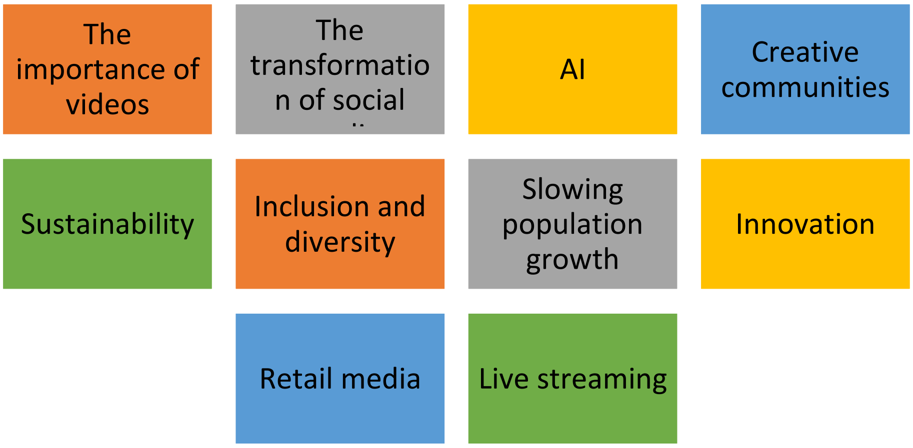
TRENDS

Kantar’s 2025 marketing trends report provides effective assistance in summarising the subject areas and potentially applicable tools covered across the nine areas of the BMC. The report identifies several trends, including:

- Sustainability trends
- Innovation trends

- Social media marketing trends.

Based on the list below, we can examine which response relating to which BMC area can be developed for a given market trend, and select the appropriate methods and models accordingly. The 2025 results of the trend research focus primarily on corporate marketing; however, they also directly affect other elements within the BMC, beyond the customer relationship channels of .



It is clear that, alongside the continued rise of video content within social media, the role and influence of TikTok are also set to grow. Market researchers are attaching increasing importance to artificial intelligence, as well as to the influencer community and the content they generate.

Consumers are increasingly favouring products and services that support sustainability; globally, 80% of them state that this factor positively influences their purchasing decisions. Sustainability can manifest itself not only in the value proposition of a product or service, but also in the identification of key activities and resources. The same applies to diversity as a value, as well as corporate communication that promotes inclusion, which is increasingly seen as an expectation on the part of consumers.

Numerous demographic changes are currently taking place worldwide, including slowing population growth, which reinforces the previously mentioned assertion that retaining customers takes priority over acquiring new ones. Unique and loyalty discounts can also assist in this regard.

The market also expects continuous innovation and the ability to adapt (new technologies, models and tools that respond to market trends, process optimisation, creativity).

	The reach of retail media is growing, enabling businesses to deliver their messages directly to consumers via printed catalogues, online advertisements and mobile apps. It is also worth placing emphasis on live broadcasts and check-ins, the strategic implementation of which requires a learning organisation approach and innovative thinking. It is clear that the above list goes far beyond mere marketing activities; ideally, it fundamentally transforms the organisation's operations.
Summary *The theoretical section should conclude with a summary, drawing attention to the most important points and emphasising the learning objectives (max. 2–3 sentences)*	Summary: We have explored the most commonly used revenue types. One of these is the sale of products and/or services. For this, the appropriate planning and structuring of pricing is essential. Our pricing can follow a fixed and/or dynamic model. It is particularly true for this area of the sales BMC that the precise and well-thought-out development of the other 8 areas (starting right from the value propositions) has a clearly positive impact on the determination and predictability of potential revenue. If the business plan developed on the basis of the completed business model shows that the business can operate profitably in the long term (once the break-even point has been reached, revenue exceeds expenditure), then we can confidently state that we have succeeded in establishing and managing a business that is sustainable from an economic (and, ideally, social and environmental) perspective. In the field of SFSC sales, it is also worth being aware of the nine key trends. We should certainly gain a deeper understanding of consumer habits, sustainability trends, innovation trends (digital consumer habits – e.g. online payments and shopping), and social media marketing trends. We should constantly update our knowledge and examine our own environment from this perspective from time to time.
Sources *(all sources used to develop the training material must be cited, including both printed and online sources)*	Kantar: Marketing Trends 2025 https://performancemarketing.hu/marketing-trendek-2025-ben-keszulj-fel-a-jovore/

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