

# The Business Model Canvas

Designed for:  
Lucid Motors

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<p><b>Key Partners</b></p> <p>Who are our <b>Key Partners</b>? Public Investment Fund of Saudi Arabia (Investment) Churchill Capital (Investment) Electricity America (nationwide charging network) Final County (land for the factory in Arizona) speculation about partnership with Apple ZincLight (solar-powered purchase journey for customers) Who are our <b>key suppliers</b>? Mobileye (8 cameras for driver assist features) Amazon (voice assistant Alexa) Samsung SDI and LG Chem (batteries) Mitsubisi Applied Technologies and Sony (battery packs) Which <b>Key Resources</b> are we acquiring from partners? land batteries and battery packs cameras Which <b>Key Activities</b> do partners perform? manufacturing of key component cloud based service providers financial investment</p> <p><b>MOTIVATIONS FOR PARTNERSHIPS</b> Optimization and economy Reduction of risk and uncertainty Acquisition of particular resources and activities - key components and services</p>	<p><b>Key Activities</b></p> <p>What <b>Key Activities</b> do our <b>Value Propositions</b> require? reach markets, maintain customer relationships, earn revenues <b>Our Distribution Channels?</b> Direct sales in showrooms and online <b>Customer Relationships?</b> High-end direct customer services, personalization also available</p> <p><b>Revenue streams?</b> selling EV vehicles, possible using the brand in the future</p> <p><b>CATEGORIES</b> Production: EV vehicles <b>Problem Solving:</b> post-luxury product, reducing CO2 emissions, offering comfort <b>Platform/Network:</b> .com website and branded showrooms around the US and later in key cities around the world</p>	<p><b>Value Propositions</b></p> <p>What value do we deliver to the customer? high-end quality product, high-end customer service and personalization, post luxury feeling and comfort Which one of our customer's problems are we helping to solve? offering a high-end product for affluent buyers who care about environment and need to move from A to B</p> <p>What bundles of products and services are we offering to each Customer Segment? EV vehicle + customer service and personalization Which customer needs are we satisfying? affluence, post-luxury, comfort, sustainability, image <b>CHARACTERISTICS</b> <b>Newness:</b> sustainability, design, high-tech <b>Performance:</b> longest range, fast charging <b>Customization:</b> various colours, materials "tailoring the job done"</p> <p><b>Design:</b> high-end, innovative, sustainable <b>Brand/Status:</b> luxury, post-luxury <b>Price:</b> \$77,400 - or \$66,900 <b>Cost Reduction:</b> 3,200 gov incentive <b>Risk Reduction:</b> in-house production, sales and customer service <b>Accessibility:</b> showrooms across US and later globally, possible to reserve the car on the website <b>Convenience/Usability:</b> the longest range from all EV cars very fast battery charging (20 min), large and spacious storage, suitable for intercity travel</p>	<p><b>Customer Relationships</b></p> <p>What type of relationship does each of our Customer Segments expect to establish and maintain with them? high-end first-hand customer services Which ones have we established? the strategy is to offer exactly this How are they integrated with the rest of our business model? looks like the strategy is quite integrated as they started from a clean page How costly are they? quite costly due to human capital cost &amp; training</p> <p><b>EXAMPLES</b> Personal assistance: offered Dedicated Personal Assistance: offered Self-Service: offered on the website Automated Services: no Communities: unknown Co-creation: partnerships</p>	<p><b>Customer Segments</b></p> <p>For whom are we creating value? Affluent customer who care about environment Who are our most important customers? Affluent buyers who have a high paying job and high in developed countries or in preponderantly urban areas</p> <p><b>Mass Market:</b> US, Western and Northern Europe, China <b>Niche Market:</b> Northern Europe <b>Segmented:</b> 35-45s, men mostly probably, but also women <b>Diversified:</b> buyers with tech jobs, politicians, doctors, lawyers <b>Multi-sided Platform:</b> website, showrooms</p>
<p><b>Cost Structure</b></p> <p>What are the most important costs inherent in our business model? human capital, technology, know-how, production, land, suppliers and key components purchased from suppliers Which <b>Key Resources</b> are most expensive? human capital and technology, raw materials Which <b>Key Activities</b> are most expensive? reach markets, display adds, train and retain talent, get raw materials, construct production facilities, pay taxes</p> <p><b>IS YOUR BUSINESS MORE: Cost Driven, LEAN -</b> yes, it is not focused on low cost value proposition and it produced key things in-house so not a lot of outsourcing, automation probably on the production site, but not for customer relationships <b>Value Driven:</b> focused on premium value proposition, offering a high-end product to express post-luxury</p> <p><b>SAMPLE CHARACTERISTICS</b></p>	<p><b>Key Resources</b></p> <p>What <b>Key Resources</b> do our <b>Value Propositions</b> require? Skilled workforce starting with design, production, then sales, after-sales, maintenance and customer service availability of raw material availability of land availability of technology and key suppliers for main components such as battery and cameras</p> <p><b>Our Distribution Channels? Customer Relationships?</b> revenue from selling the EV vehicles</p> <p><b>REVENUE STREAMS</b> Revenue Streams? direct sales on the website and showrooms, personalization, revenue from selling the EV vehicles</p> <p><b>PHYSICAL RESOURCES</b> Physical: factory in Arizona Intellectual: brand patents, copyrights, data Human: 2,000 employees as of Feb 2021 Financial: 1.3 bn USD (\$ investment: Churchill Capital, Saudi Arabia's Public Investment Fund, Mitsui &amp; Co, Jafco Life Science, China Environmental Fund, Warwick</p>	<p><b>Revenue Streams</b></p> <p>For what value are our customers really willing to pay? post-luxury, quality, longer battery life, design For what do they currently pay? yet to be discovered How are they currently paying? cash, credit card, installments - will be available in the future, at the moment possible to pay a deposit online to reserve the car How would they prefer to pay? cash, credit card, installments How much does each Revenue Stream contribute to overall revenues? this is to be defined when first car model is available on the market</p> <p><b>TYPES:</b> Asset sale (EV car), Leasing (EV car) <b>FIXED PRICING:</b> List Price, Product feature dependent, Customer segment dependent, Volume dependent <b>DYNAMIC PRICING:</b> Negotiation (bargaining), Yield Management, Real-time Market - possible different compared to geographies</p>	<p><b>Channels</b></p> <p>Through which Channels do our Customer Segments want to be reached? social media, email, phone How are we reaching them now? website, social media, TV, adds How are our Channels integrated? online, quite well Which ones work best? FB, Youtube, IG, LinkedIn Which ones are most cost-efficient? all How are we integrating them with customer routines? permanent contact and availability</p> <p><b>CHANNEL PHASES</b> 1. Awareness - in the news, on social channels 2. Evaluation: in progress, learned from Tesla feedback 3. Purchase - this is yet to be established, but one can reserve a car on the website by paying a deposit 4. Delivery - this is yet to be established 5. After sales: this is yet to be established</p>	<p><b>CHANNLES</b></p> <p>Through which Channels do our Customer Segments want to be reached? social media, email, phone How are we reaching them now? website, social media, TV, adds How are our Channels integrated? online, quite well Which ones work best? FB, Youtube, IG, LinkedIn Which ones are most cost-efficient? all How are we integrating them with customer routines? permanent contact and availability</p>