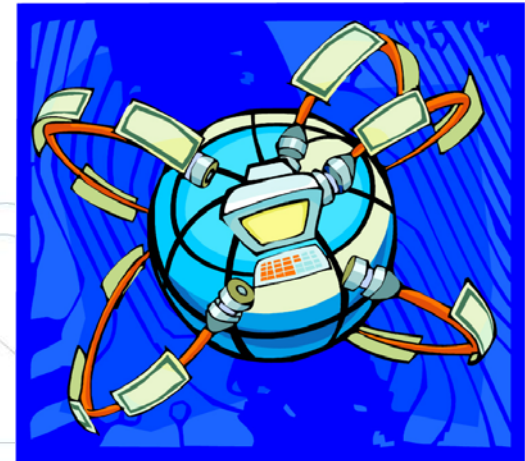


Business Models Overview



Why Business Models?

- To articulate vague business ideas
 - We want to distribute our music electronically
 - We want to outsource our ICT support
 - We want to form a joint venture with a movie-making company



Why Articulating Business Ideas?



For common understanding



For analysis and evaluation



For ICT development



What does a Business Model Answer?

- ❑ Which is our value proposition?
- ❑ How does our company create and market this value?
- ❑ Which actors are needed to offer the value?
- ❑ What value do the actors offer each other?
- ❑ ...



A Business Model is not a Process Model

- A business model focuses on the *what* – it identifies agents, resources, and exchanges of resources between agents
- A process model focuses on the *how* – it deals with operational and procedural aspects of business communication



A Business Model is a Starting Point



For exploring business ideas



For designing business processes



For developing ICT solutions



What is in a Business Model?

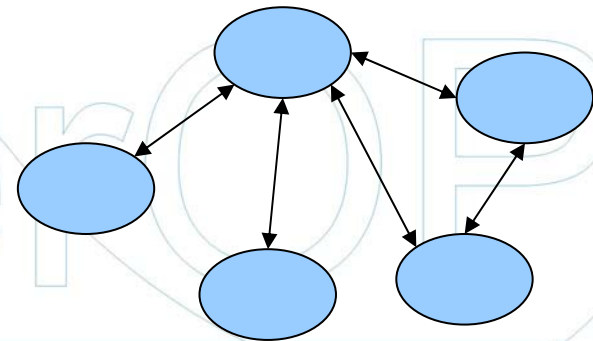
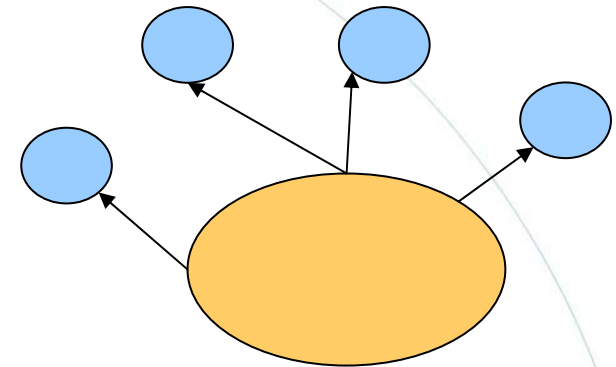
- ☐ Actor
- ☐ Supplier
- ☐ Customer
- ☐ Resource
- ☐ Value object
- ☐ Value proposition
- ☐ Value transfer
- ☐ Value exchange
- ☐ Value port
- ☐ Economic event
- ☐ Duality
- ☐ Reciprocity
- ☐ Compensation
- ☐ Commitment
- ☐ Contract
- ☐ Distribution channel
- ☐ Value chain
- ☐ Capability
- ☐ Trust
- ☐ Customer relationship



Perspectives of Business Models

- Internal perspective
 - Looking from within an organisation

- External perspective
 - Looking at a web of organisations



Business Models in Context - Viewpoints

Viewpoint of Business Idea/Solution	Who Who creates it?	Why Why is it created?	What What objects are in focus?	How How is it represented?
Business Value	Top management	See who will contribute, benefit and make a profit	Values Actors Exchanges	BMO e ³ -value REA, UMM

Introduction to Business Models

Developed by KTH
for **INTEROP Project**
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Published: December, 4th 2006

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