## 3PO633 BUSINESS MODELS



EVROPSKÁ UNIE Evropské strukturální a investiční fondy Operační program Výzkum, vývoj a vzdělávání



### **ENTREPRENEURIAL OPPORTUNITY**

- Internal view of the opportunity:
  - New way of getting results
  - Ability to create solution
  - Ability to perception of the entrepreneur to see the opportunity
- External view of the opportunity:
  - Opportunity already exists and must be discovered by the entrepreneur
  - Opportunity is the result of the entrepreneurial creativity
     (Hansen et all 2011)

### **BUSINESS MODEL**

• 3 categories of business model (Geissdoerfer, Vladimirova, Evans, 2018):

"The concept is either described as a **model of an organisational system** (e.g. Baden-Fuller and Morgan, 2010; Knyphausen-Aufsess and Meinhardt, 2002), as **an abstract characteristic of an organisational unit**, (e.g. Osterwalder and Pigneur, 2010; Teece, 2010), or with a reduced scope that equates the term with individual elements of other authors' definitions or reduce it to achieve certain means (e.g. Doganova and Eyquem-Renault, 2009).

There is a central role of value in most definitions, roughly following the categorisation of Richardson (2008), value proposition, value creation and delivery, and value capture, with some authors also adding the value network (e.g. Zott and Amit, 2010)."

### **Business model definitions**

#### Model

As a model of an organisational system

#### Abstract concept

As an abstract characteristic of an organisational unit

#### Reduced scope

With a reduced scope that equates the term with individual elements of other authors' definitions or reduce it to achieve certain means

### **BUSINESS MODEL DEFINITION**

..simplified representations of the value proposition, value creation and delivery, and value capture elements and the interactions between these elements within an organizational unit. (Geissdoerfer, Vladimirova, Evans, 2018)

### **Business model innovation**

#### Start-up

There is no current business model, and a new business model is created

## Business model transformation

There is a current business model that is changed into another business model

## Business model diversification

The current business model stays in place, and an additional business model is created

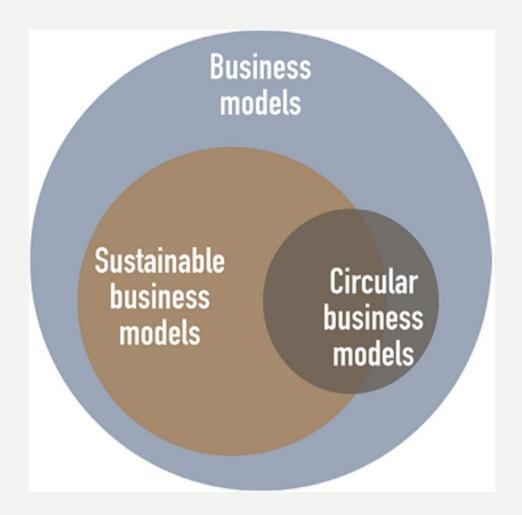
## Business model acquisition

An additional business model is identified, acquired, and integrated

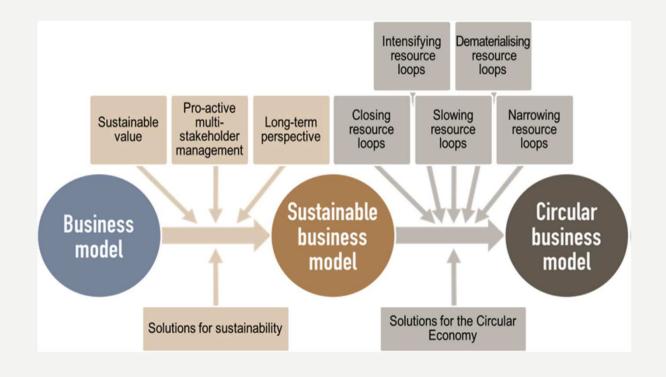
# SELECTED SUSTAINABLE BUSINESS MODEL INNOVATION DEFINITIONS

- "Boons and Lüdeke-Freund, 2013: Sustainable business model innovation is understatood as the adaption of the business model to overcome barriers within the company and its environment to market sustainable process, product, or service innovations. (p. 13)
- Loorbach and Wijsman, 2013: Sustainable business model innovation describes businesses' "searching for ways to deal with unpredictable [...] wider societal changes and sustainability issues." (p. 20)
- Bocken et al., 2014 "Business model innovations for sustainability are defined as: Innovations that create significant positive and/or significantly reduced negative impacts for the environment and/or society, through changes in the way the organisation and its value-network create, deliver value and capture value (i.e. create economic value) or change their value propositions." (p. 44)
- Geissdoerfer et al., 2016 "Sustainable business innovation processes specifically aim at incorporating sustainable value and a pro-active management of a broad range of stakeholders into the business model." (p. 1220)

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# BUSINESS MODEL - SUSTAINABLE - CIRCULAR BM



### **TOOLS FOR BM**

- Business model canvas
- Business lean canvas
- Sustainable business canvas
- Social business model canvas
- Social lean canvas
- Triple-layered business model canvas
- Value mapping tool

### **BUSINESS MODEL CANVAS**

The Mission Things that cost money Things that make money **Customer Relations Key Activities** How do we talk to our market What do we need to do in about our solution? order to produce, market, and deliver our solution? How do we get more customers? Market & Customer Seaments **Key Partners** Value Proposition Who needs our solution? Who do we need to work with What problem do we solve, How many people need our in order to produce and solution right now? and how do we solve it? deliver our solution? How many will eventually need it? Channels **Key Resources** How do we deliver our What do we need to have in solution to our customers? order to produce, market, and deliver our solution? Where will customers find our solution? **Cost Structure Revenue Streams & Pricing Model** How much will our key activities, resources, and partners cost us? How will we get paid for the solution we provide?

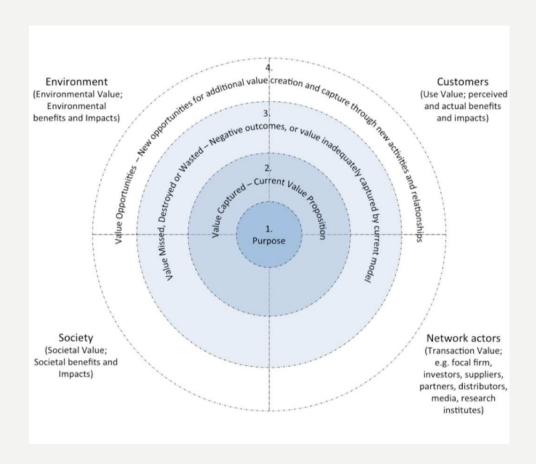
https://www.lucidchart.com/blog/quick-and-dirty-guide-to-the-

business-model-canvas

## LEAN CANVAS

PROBLEM List your top 1-3 problems.	SOLUTION Outline a possible solution for each problem.	UNIQUE VALUE PROPOSITION Single, cline, compelling message that states very you are different and worth paying attention		UNFAIR ADVANTAGE Something that cannot easily be bought or copiled.	CUSTOMER SEGMENTS List your farget customers and users.
EXISTING ALTERNATIVES List how these problems are solved today.	KEY METRICS List the key numbers that fell you how your business is doing.	HIGH-LEVEL CONCEPT List your X for V analogy e.g. YouTube = Filickr for videos.		CHANNELS List your path to customers (inbound or authound).	EARLY ADDPTERS List the characteristics of your ideal customers.
COST STRUCTURE List your fixed and variable costs.			REVENUE STRE List your sources of revenue		
1 4 3 9 2 7 6	MEDI NESK				Lean Canvas

### **VALUE MAPING TOOL**

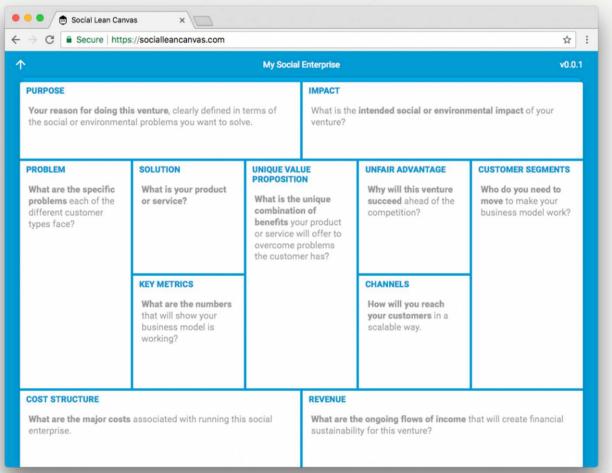


Bocken et all 2013, available from: <a href="http://nancybocken.com/sustainable-business-modelling/?shared=email&msg=fail">http://nancybocken.com/sustainable-business-modelling/?shared=email&msg=fail</a> 20.6. 2019

### SOCIAL BUSINESS MODEL CANVAS

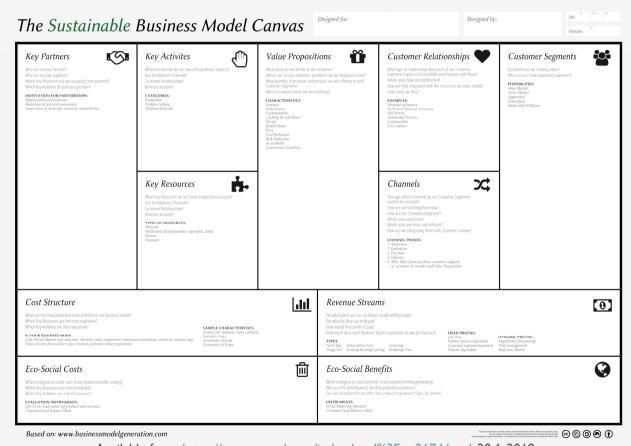
Key Resources	Key Activities	Type of Intervention	Segments	Value Proposition
What resources will you need to run your activities? People, finance, access?		What is the format of your intervention? Is it a workshap? A service? A product?	Who benefits from your Beneficiary intervention?	User Value Proposition Impact Measures
Partners + Key Stakeholders		Channels	Customer	How will you show that you are creating social impact?
				Customer Value Proposition
Who are the essential groups you will need to involve to deliver your programme? Do you need special access or permissions?	What programme and non-programme activities will your organisation be carrying out?	How are you reaching your users and customers?	Who are the people or arganisations who will pay to address this issue?	What do your customers want to get out of this initiative?
Cost Structure		Surplus	Revenue	
What are your biggest expenditure areas? How do they change as you scale up?		Where do you plan to invest your profits?	Break down your revenue sources by %	

### **SOCIAL LEAN CANVAS**



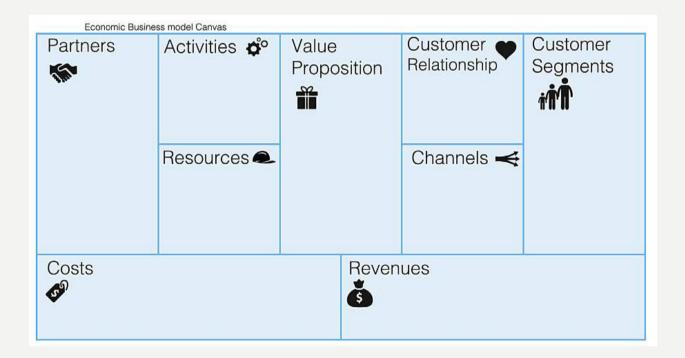
Available from: https://oecd-opsi.org/toolkits/social-lean-canvas/, 20.6. 2019

### THE SUSTAINABLE BMC



Available from: <a href="https://www.case-ka.eu/index.html%3Fp=2174.html">https://www.case-ka.eu/index.html%3Fp=2174.html</a>, 20.6. 2019

# TRIPLE-LAYERED BUSINESS MODEL CANVAS – PART 1



Joyce, Paquine, 2016, available from:

https://www.researchgate.net/profile/Raymond\_Paquin/publication/304026101\_The\_triple\_layered\_business\_model\_canvas\_A\_tool\_to\_design\_more\_sustainable\_business\_models/links/5a072299a6fdcc65eab3a65c/The-triple-layered-business-model-canvas-A-tool-to-design-more-sustainable-business-models.pdf

# TRIPLE-LAYERED BUSINESS MODEL CANVAS – PART 2

Environmental Life Cycle Buiness model Canvas						
Supplies with and Out-sourcing	Production 444  Materials 47	Functi Value	According to the second	End-of-Life   Distribution   ■	Use Phase	
Environmental Impacts  —_			Environmental Benefits  —+			

Joyce, Paquine, 2016, available from:

# TRIPLE-LAYERED BUSINESS MODEL CANVAS — PART 3

Social stakeholder Buiness model Canvas						
Local Communities	Governance 🛉	Social Value	•	Societal Culture	End-User 🛉	
	Employees 👬			Scale of Outreach		
Social Impacts			Social Benefits			

Joyce, Paquine, 2016, available from:

https://www.researchgate.net/profile/Raymond\_Paquin/publication/304026101\_The\_triple\_layered\_business\_model\_canvas\_A\_tool\_to\_design\_more\_sustainable\_business\_models.pdf

### REFERENCE

- Hansen, David J. and Shrader, Rodney and Monllor, Javier, Defragmenting Definitions of Entrepreneurial Opportunity (April 2011). Journal of Small Business Management, Vol. 49, Issue 2, pp. 283-304, 2011. Available at SSRN: <a href="https://ssrn.com/abstract=1799121">https://ssrn.com/abstract=1799121</a> or <a href="http://dx.doi.org/10.1111/j.1540-627X.2011.00325.x">https://dx.doi.org/10.1111/j.1540-627X.2011.00325.x</a>
- Geissdoerfer, Martin and Vladimirova, Doroteya and Evans, Steve, Sustainable Business Model Innovation: A Review (October 10, 2018). Geissdoerfer, M., Vladimirova, D. and Evans, S. 2018. Sustainable Business Model Innovation: A Review, Journal of Cleaner Production, 198, pp. 401–416. doi: 10.1016/j.jclepro.2018.06.240. Available at SSRN: <a href="https://ssrn.com/abstract=3221448">https://ssrn.com/abstract=3221448</a>
- Joyce, A., Paquin, R.L., The triple layered business model canvas: A tool to design more sustainable business models, Journal of Cleaner Production (2016), http://dx.doi.org/10.1016/j.jclepro.2016.06.067