

# (Digital) Business Models

IT-STRATEGIEN & DIGITALISIERUNGSMANAGEMENT WS 2024/2025



Kathrin Auer, M.A.

A busines model is:

"a plan for the successful operation of a business, identifying sources of revenue, the intended customer base, products, and details of financing."

Remember:

- A company can have more than 1 business model(s)!
- A company can change its business model(s)!

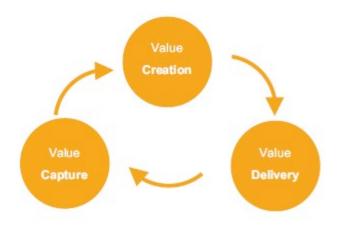


### THE BUSINESS MODEL CANVAS

Key partners	Key activities	Value proposi	tion	Customer relationships	Customer segments
	Key resources			Channels	
Cost structure	1	1	Revenue strea	ams	
					<b>marketing</b> bright

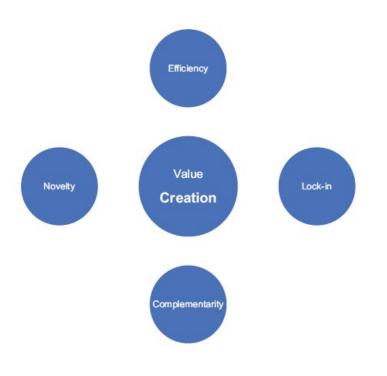


### VALUE-DRIVEN APPROACH OF A BUSINESS MODEL





### VALUE DRIVERS BEHIND E-BUSINESS



Adapted from Amit & Zott, 2001

### DIGITAL PLATFORMS WE ARE IN A PLATFORM ECONOMY

2018			2008				
Rank	Company	Founded	USBn	Rank	Company	Founded	USBn
1	Apple*	1976	890	1	PetroChina	1999	728
2	Google*	1998	768	2	Exon	1870	492
3	Microsoft*	1975	680	3	General Electic	1892	358
4	Amazon*	1994	592	4	China Mobile	1997	344
5	Facebook*	2004	545	5	ICBC	1984	336
6	Tencent*	1998	526	6	Gazprom	1989	332
7	Berkshire Hathaway	1955	496	7	Microsoft	1975	313
8	Alibaba*	1999	488	8	Shell	1907	266
9	Johnson & Johnson	1886	380	9	Sinopec	2000	257
10	JP Morgan	1871	375	10	AT&T	1885	238
*Companies based on a platform model							

Most valuable companies 2018 vs 2008

(source: Bloomberg, Google)

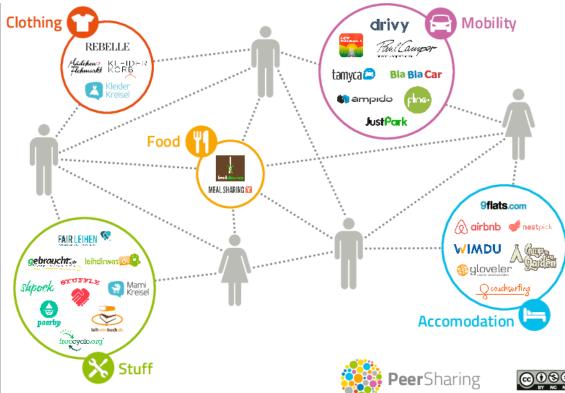


### MULTI-SIDED PLATFORMS





### **PEER-TO-PEER PLATFORMS**





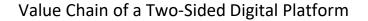
www.neer-sharino.de



### TRADITIONAL BUSINESSES VS PLATFORMS



Value Chain of traditional Businesses



Platform

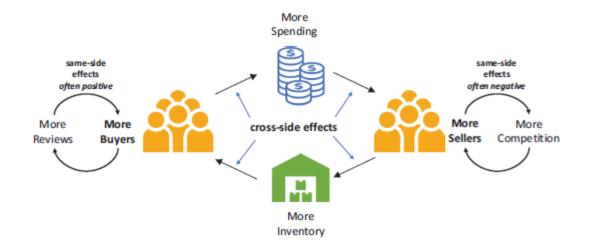
Value

Producers

(Supply side)

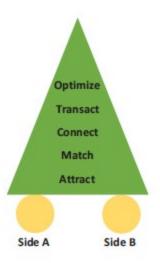


### SAME-SIDE AND CROSS-SIDE NETWORK EFFECTS





### PLATFORM LAUNCH ROCKET



Adapted from Launchworks



### PLATFORMS - TACKLING THE "CHICKEN-AND-EGG-PROBLEM"

Tactics	Definitions	Impacts On		
Single Target Group e.g., Uber setting up in a specific city to replicate and scale globally after.	It consists of reducing the total market size and the required critical user mass. Fewer resources and less time are required to reach the critical inflexion point from which the MSP can grow to other market segments.	Mutual-Baiting Problem Ghost-Town Problem		
Platform Staging e.g., Amazon for bestseller books, OpenTable with a B2B value proposition	It consists of evolving in two distinct steps: from a traditional vendor-based (pipeline) business model in the first stage to a platform-mediation business model in the second stage after reaching the critical user mass.	Mutual-Baiting Problem Double Company		
Subsidising e.g., YouTube	It typically consists of a subsidy side that allows the use of the platform with discounts or even for free, and a monetary side that is charged for participation or transactions.	Mutual-Baiting Problem		
Platform Envelopment e.g., Spotify integrated into mobile operators' plans, Internet Explorer embedded in Microsoft OS	g., Spotify integrated leveraging the shared relationships with   to mobile operators' (other) established platforms and their   ans, Internet Explorer networks to strive to combine value   nbedded in Microsoft propositions and benefit from a multi-			
Side Switching e.g., eBay with collectors; Airbnb where (with incentives) travellers can become hosts	This involves making a two-sided platform one-sided by finding a platform design that allows users to fill both market sides of the MSP simultaneously.	Mutual-Baiting Problem Ghost-Town Problem		



(Adapted from Stummers et al., 2018).<sup>3</sup>

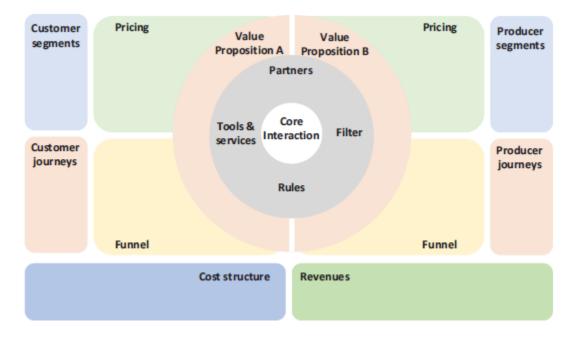
### PLATFORMS – TWO-SIDED VALUE PROPOSITION CANVAS



Figure 3-F: A Two-Sided Value Proposition Canvas. (Adapted from Osterwalder et al. 2010)

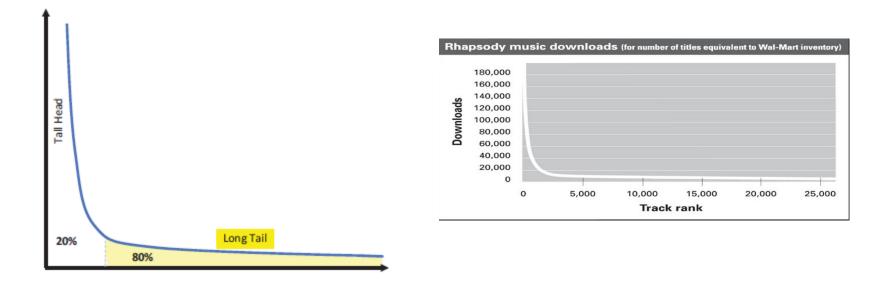


### **ALTERNATIVE DIGITAL PLATFORM CANVAS**





### LONG TAIL ECONOMICS



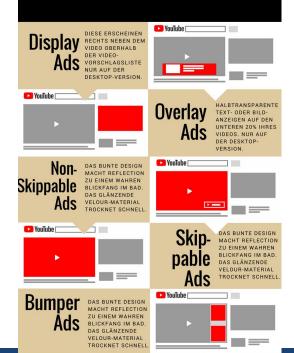


### LONG TAIL (2/2)

# YouTube

#### WERBEFORMATE

YouTube bietet vielfältige Werbeformate für Advertiser. Sie erscheinen um Videos herum, wenn diese zur Monetarisierung freigegeben werden.





### FREEMIUM BUSINESS MODEL





### **AFFILIATE MARKETING**

### Waschmaschinen Test

Testsieger, Berichte und Empfehlungen

FRONTLADER - TOPLADER - VERGLEICH RATGEBER

#### **amazon**PartnerNet

#### Hilfe | Kontaktieren Sie uns | Land auswählen: Deutschland

### Geld verdienen mit Amazon

Verdienen Sie bis zu 10 % Werbekostenerstattung mit Links zu Amazon



Links erstellen

Verlinken Sie direkt auf

einzelne Produkte, Ihre

Suchergebnisse oder jede

andere Seite auf Amazon.

Lieblingsseiten

Mehr erfahren

Amazon-Links und besuchen die Amazon Internetseite

Nutzer klicken auf Ihre Sie verdienen bis zu 10 %, wenn Ihre Nutzer bei





#### Geld verdienen

Sie erhalten eine Werbekostenerstattung auf den gesamten vermittelten Warenkorb und nicht nur auf die Produkte, die Sie bewerben.

Mehr erfahren



Amazon-Produkt in einem eigenständigen Onlineshop, der direkt in die Webseite eingebunden wird.

Mehr erfahren

Nehmen Sie bereits teil? Loggen Sie sich ein, um auf Ihr Konto zuzugreifen.

#### E-Mail-Adresse

Passwort

Angemeldet bleiben

Login Passwort vergessen?

> Es dauert nur wenige Augenblicke, ein Konto einzurichten!

Jetzt kostenios anmelden

#### Aktionen & Schnäppchen Promotions

Geld verdienen mit:

- Amazon Prime und Prime Instant Video 30-Tage-Test-
- Mitgliedschaften Handys mit Vertrag
- Spezielle Programme
- Amazon Partnerprogramm für

#### Waschmaschinen Test 2017 – die Testsieger im Vergleich

Auf unserem Waschmaschinen Test Portal analysieren wir die besten Modelle die es derzeit auf dem Markt gibt. Durch einen detaillierten Vergleich und ausführlichen Testbericht helfen wir Ihnen eine Waschmaschine für Ihre Bedürfnisse zu kaufen. Zudem finden Sie unter der Rubrik Ratgeber Hinweise und Ratschläge für die optimale Waschmaschinen Nutzung. Folgend sehen Sie den Waschmaschinen Testsieger aus unserem umfangreichen Test 2017:

#### Die besten Waschmaschinen 2017 aus unserem Test

#### 1. Platz: Beko WMB 71643 PTE

Die Beko WMB 71643 PTE Waschmaschine ist der aktuelle Testsieger von Stiftung Warentest aus dem Jahr November 2015 und Bestseller unter der Kategorie Waschmaschinen im Amazon Shop, Top-Argument ist die Energieeffizienz Klasse A+++, wodurch Umwelt und zugleich die Haushaltskasse geschont wird. Highlights sind der Baby Schutz Programm für besonders empfindliche Haut und der Pet Hair Removal zum entfernen von Tierhaaren. Insgesamt hat der Waschmaschinen Testsieger 16 Programme im Portfolio.

#### » Beko WMB 71643 PTE Testbericht



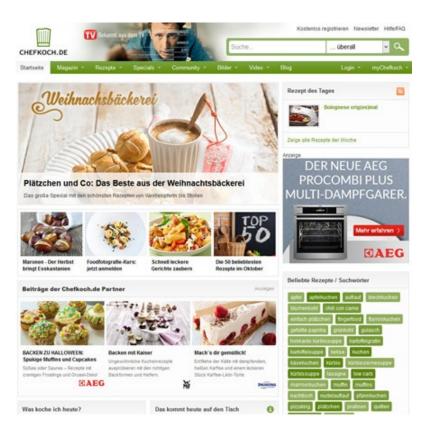


Bestseller Nr. 2

Reko WMI 15106 NF



### AFFILIATE MARKETING (2)





### SOLUTION PROVIDER

### **PRODUCT / SOFTWARE + SERVICE**







### SOLUTION PROVIDERS (2)



Schluga – Camping, Mobilehomes, Apartments Camping bei SCHLUGA in Kärnten bedeutet pures Urlaubsvergnügen: Im Süden



Landvergnüg

Genießen Sie das

KNAUS Campingpark Viechtach 3,9 ★★★★★ (225) · Campingplatz Viechtach · 09942 1095

"Feiner, aber altbackener Campingplatz!"

#### KNAUS Campingpark Lackenhäuser

4,2 ★★★★ (321) · Campingplatz Neureichenau · 08583 311

"Habe mir von Knaus da viel mehr erwartet."

 $\rightarrow$ 





#### 

Alle anzeigen





### TIED PRODUCTS BUSINESS MODELS







### **OPEN BUSINESS MODELS**



Home > Digital Life > Gaming & eSport

### **Minecraft wird teilweise Open Source**



# ınnosabı









 $\mathsf{MARY}\;\mathsf{KAY}^*$ 



HEALTH & BEAUTY

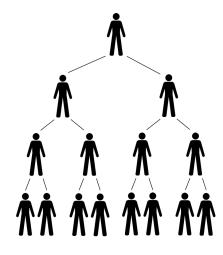








### NETWORK MARKETING/ SELLING (RISKY!)



Ebene 1

erhält eigene Provision und ist beteiligt an Provision von Partnern aus Ebene 2, 3 und 4

#### Ebene 2

erhält eigene Provision und ist beteiligt an Provision von Partnern aus Ebene 3 und 4

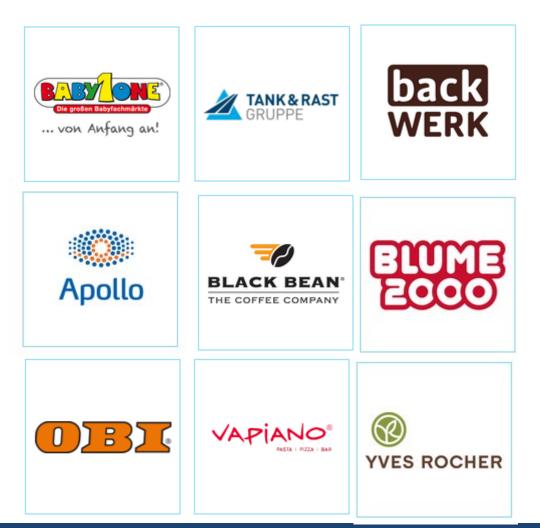
Ebene 3 erhält eigene Provision und ist beteiligt an Provision von Partnern aus Ebene 4

Ebene 4 erhält nur eigene Provision





### FRANCHISING









### LICENSING INTERNATIONAL

**LICENSING FAIR** 





### **RENT INSTEAD OF BUYING**





### **ROBIN HOOD** SOCIAL BUSINESSES





TO A CHILD IN NEED. ONE for ONE."



## MANOMAMA

B'O













### SUBSCRIPTION

















### PERFORMANCE-BASED CONTRACTING





### PAY PER USE











Price: €700

PSS offer



Price: €1 / wash





# **ONLINE BUSINESS ORIGINS**

#### **MERCHANTS**

Business Models behind online merchants:

- Click-and-mortar businesses (physical businesses that have become hybrid)
- Catalogue merchants (started as catalog mailing company)
- Virtual merchants (born virtually)
- Bit vendors digital merchants that deal only in digital goods like music, movies, games, design templates,...



#### **BUSINESS MODELS BEHIND MARKET PLACES**

Business Models behind online merchants:

- Marketplace exchanges (classic marketplace operations)
- Buy/ sell fulfilment (logistics etc.)
- Demand collection systems (financial topics)
- Auction brokers (e.g. eBay)
- Transaction brokers (third-party payment services, e.g. PayPal)
- Search agents (like Google Flights)
- Virtual Marketplaces (online equivalent of shopping mall)



#### MARKET PLACES – WHAT TO CONSIDER

Scale Effects High demand products VS Low demand products Aggregation Effects Higher value when brought together Complimentary products

Buyer & Seller Experiences Fast delivery, favourable returns policy, product avaiability Multi-sided matcher buyers and sellers allowing them to interact

Market Failures Uncertainty of product quality or reliability of buyers and sellers Fearful of exploitation



### HOW DO YOU MEASURE SUCCESS? KPI'S – KEY PERFORMANCE INDICATORS (1/2)

1) **Website KPIs:** Unique visitors, total visits, page views, new visitors, time on site per visit, page views per visit.

2) <u>Sales KPIs</u>: New customers, conversion rate, checkout abandonment, cart abandonment,

checkout abandonment, total orders per day/week/month, average order value.

Conversion rate = (Number of Orders/Number of Visitors) \* 100



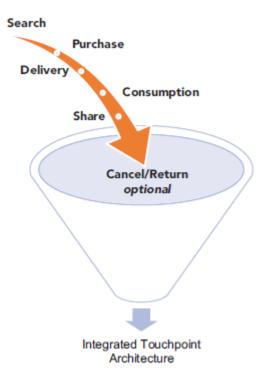
## HOW DO YOU MEASURE SUCCESS? KPI'S – KEY PERFORMANCE INDICATORS (2/2)

3) **Operational KPIs:** return rate, gross margin, order turnaround time, open cases

4) **<u>Digital Marketing KPIs</u>**: Facebook "talking about this" and new likes, Twitter retweets and new followers, Amazon ratings, open rate, click rate, conversion rate, referral sources (percent from search, direct, e-mail, pay-per-click), pay-per-click cost per acquisition, pay-per-click total conversations.



#### THE CUSTOMER SEARCH AND SALES JOURNEY





MOST IMPORTANT CURRENCY IN MARKETING/ SALES?

# Attention

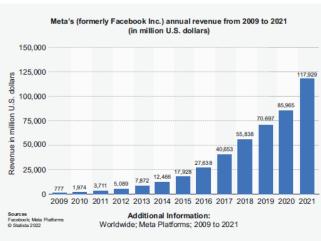


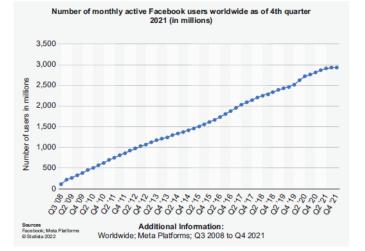
#### **MONETIZING ATTENTION AND DATA**

- Facebook
- Instagram
- YouTube
- Google

....

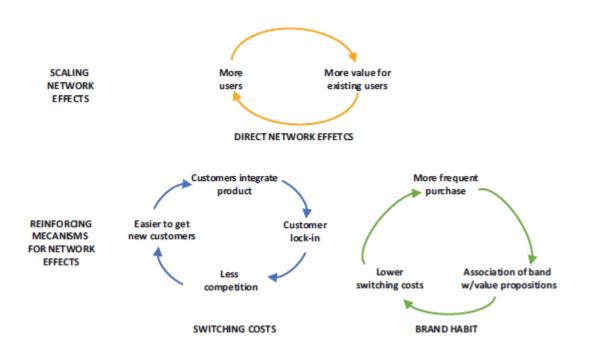
•







#### **NETWORK EFFECTS**





#### **ATTENTION, ACTIVE USERS AND REVENUE**

Name of the platform	Number of monthly active users (in billion)	Average daily time per user in hours	Yearly revenue (in billions)	Average rev per user and per hour
Facebook	2.92	1	117	3.34
YouTube	2.3	2.4	28.8	0.43
WhatsApp	2	0.6	0.7	0.05
Instagram	1	0.48	17.4	3.02
TikTok	1.2	0.83	1.9	0.10
Snapchat	0.53	0.1	4.86	7.64

[Source: Estimated figures compiled from Statista, Backkinko.com, BusinessofApps, Techjury.net, CNBC & SimilarWeb (2021)]



#### **GUERILLA MARKETING**

#### **EXAMPLE: VIDEO: WHITNEY WOLFE-HERD**

https://www.youtube.com/watch?v=1wCz9ZF9MQM





#### ETHICAL CONCERNS: ATTENTION/ DATA-DRIVEN BUSINESS MODELS

• Privacy legislation

3 Dimensions of online privacy behaviour:

- Informational: how much information we share.
- Social: how many people we allow access to that information, and
- Psychological: the intimacy of that shared information.

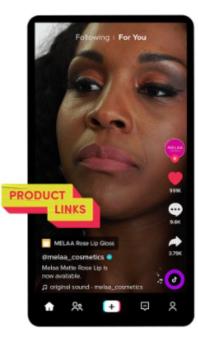


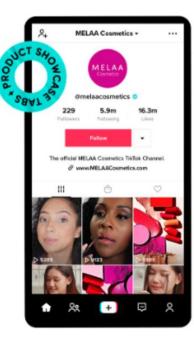
# SOCIAL COMMERCE





#### SOCIAL COMMERCE











#### WHAT BUSINESS MODELS DO THE FOLLOWING COMPANIES HAVE?

- Spotify
- Netflix
- Twitter
- Instagram
- Hilton
- Disney
- Burda
- Google
- Apple
- Meta (Facebook, Instagram, Threads, WhatsApp, Meta Quest, ...)
- Amazon

