innovation and business models

what types of innovation are we talking about?







business model innovation

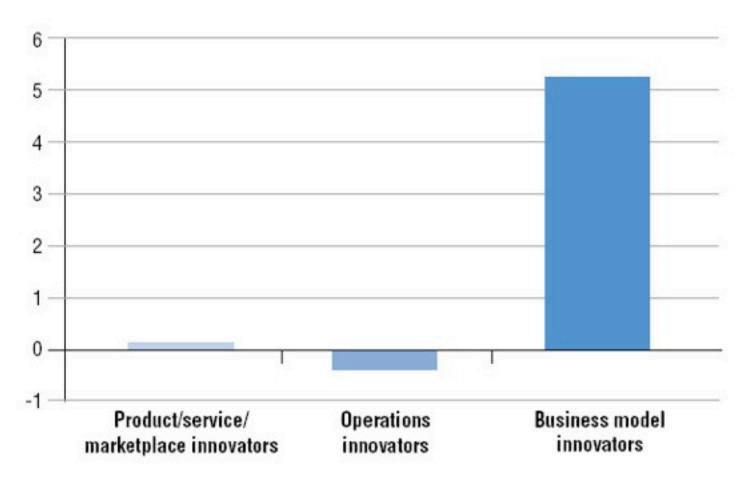




why business model innovation?

Operating Margin Growth in Excess of Competitive Peers

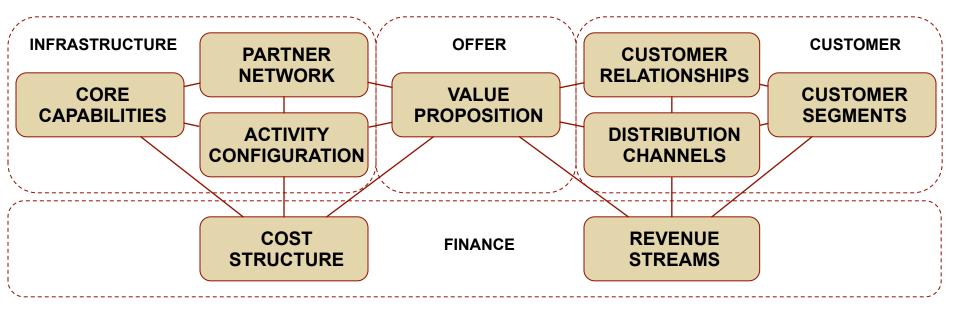
compound annual growth rate over five years



[Source: IBM, CEOs are expanding the innovation horizon: important implications for CIOs]

what is a business model?

business model framework



a business model describes the value an organization offers to various customers and portrays the capabilities and partners required for creating, marketing, and delivering this value and relationship capital with the goal of generating profitable and sustainable revenue streams

describing a company's business model

INFRASTRUCTURE

CORE CAPABILITIES

outlines the capabilities required to run a company's business model

PARTNER NETWORK

portrays the network of cooperative agreements with other companies. Used to operate core activities and mobilse resources

ACTIVITY CONFIGURATION

describes the arrangement of activities and resources necessary to value delivery

OFFER

VALUE PROPOSITION

gives an overall view of a company's bundle of products and services

CUSTOMER RELATIONSHIP

explains the relationships a company establishes with its customers

DISTRIBUTION CHANNEL

describes the channels to communicate and get in touch with customers

CUSTOMER

TARGET CUSTOMER

describes the customers a company wants to offer value to

sums up the monetary consequences to run a business model. Generated by operating activities and acquisition of assets

COST STRUCTURE

FINANCE

REVENUE STREAMS describes the revenue streams through which money is earned

case study



describe YOUR club's business model



what value proposition do you offer, to which customer segments? (model)

OFFER

VALUE PROPOSITION

value proposition 1 value proposition 2

. .

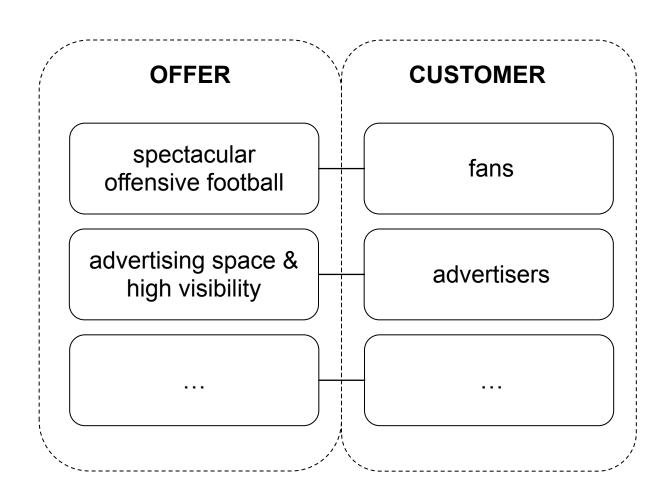
CUSTOMER

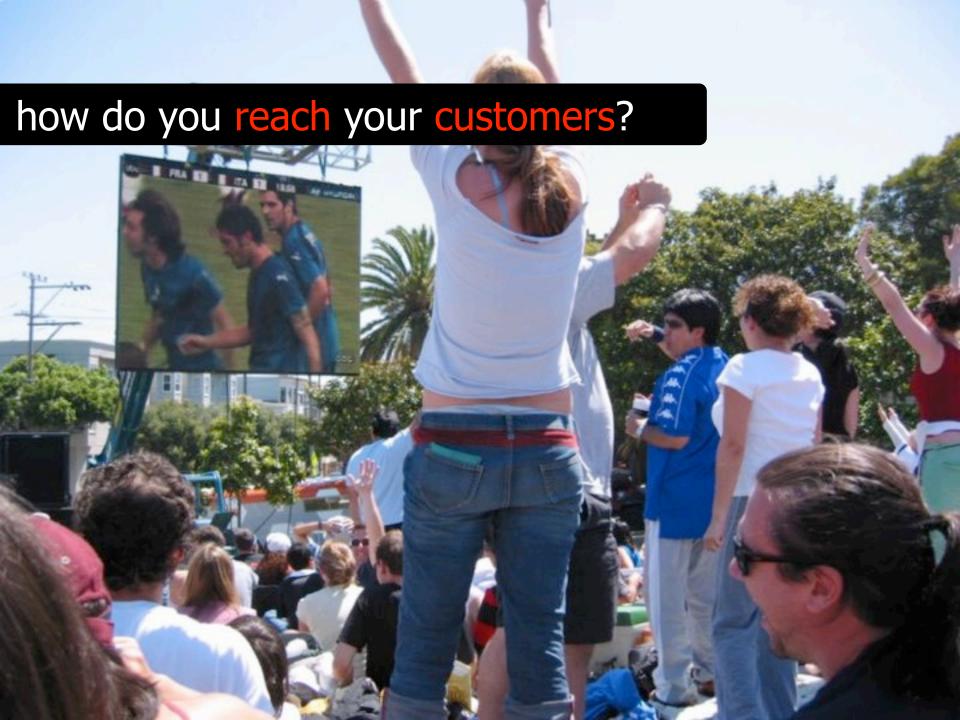
CUSTOMER SEGMENTS

target customer 1 target customer 2

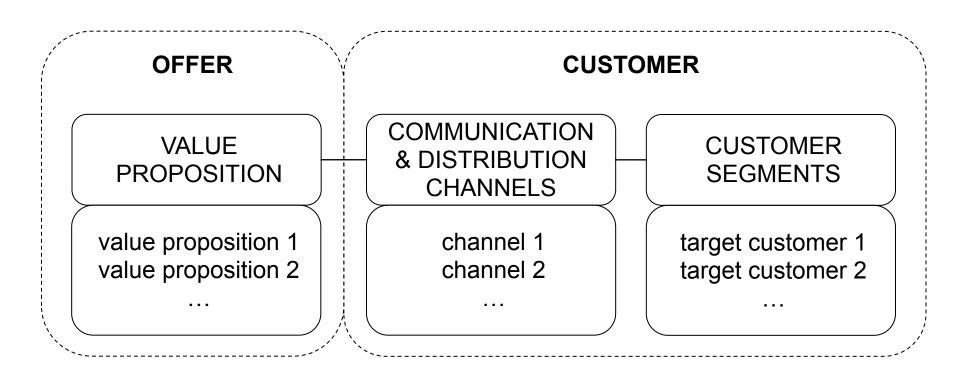
• •

what value proposition do you offer, to which customer segments? (example)

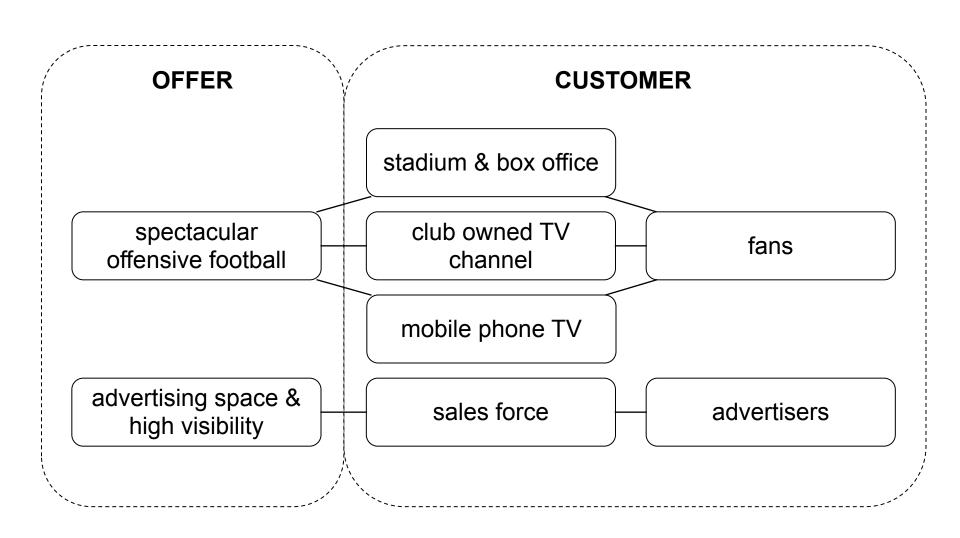




how do you reach your customers? (model)



how do you reach your customers? (example)

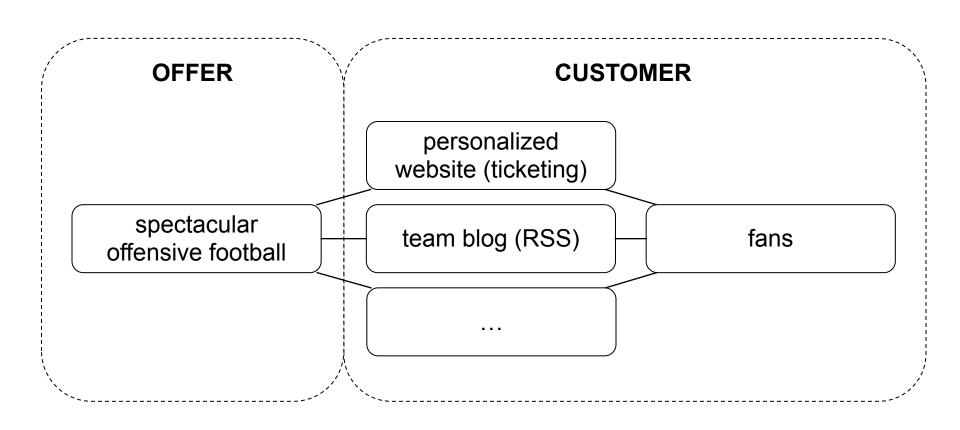




how do you build relationships with your customers? (model)

VALUE PROPOSITION Value proposition 1 value proposition 2 ... value proposition 2 ... value proposition 2 ... value proposition 2 ... customer customer segments customer segments customer segments target customer 1 target customer 2 ...

how do you build relationships with your customers? (example)





how do you earn your money with this business model? (model)

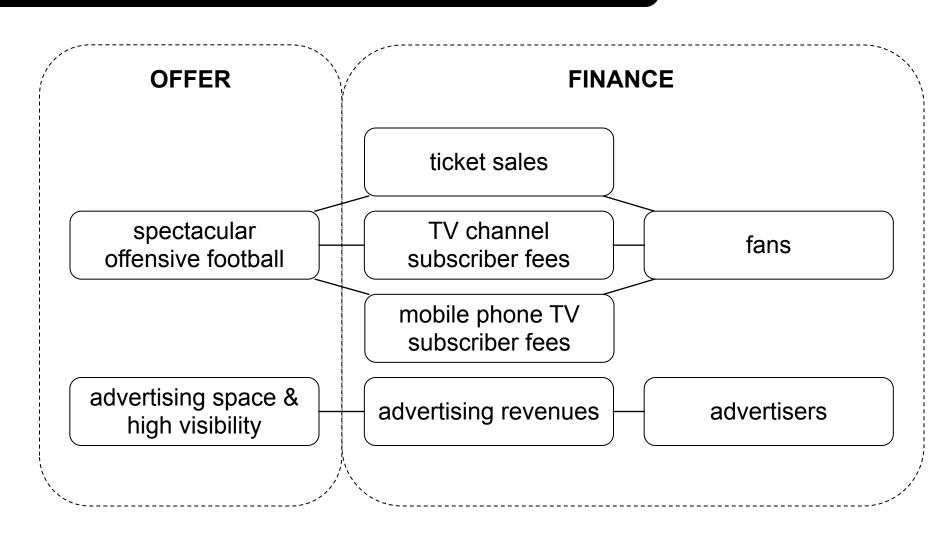
VALUE PROPOSITION

Value proposition 1 value proposition 2 ...

value proposition 2 ...

revenue stream 1 target customer 1 target customer 2 ...

how do you earn your money with this business model? (example)





the big picture

Partner Network

- food & beverages
- ticketing services
- promoters
- ad placement
- telecom operator
- TV operator
- ...

Customer Relationship

- · personalized web profile
- newsletter
- team blog (RSS)
- VIP events with team
- •

Core Capability

- play attractive & win games
- brand management
- video images
- channel management

Activity Configuration

- team management
- event management
- venue management
- ticketing
- VIP relationship management
- video crew
- ...

Value Proposition

- attractive soccer
- 360° event (match, dining, shopping)
- exclusive VIP lounges
- merchandising
- renting out stadium
- · ..

Distribution Channel

- stadium
- POS networks
- club website (+online TV)
- club cable TV channel
- mobile phone TV channel
- ٠..

Target Customer

- fans (families, etc.)
- fan groups
- companies
- event/concert organizers
- advertisers
- ...

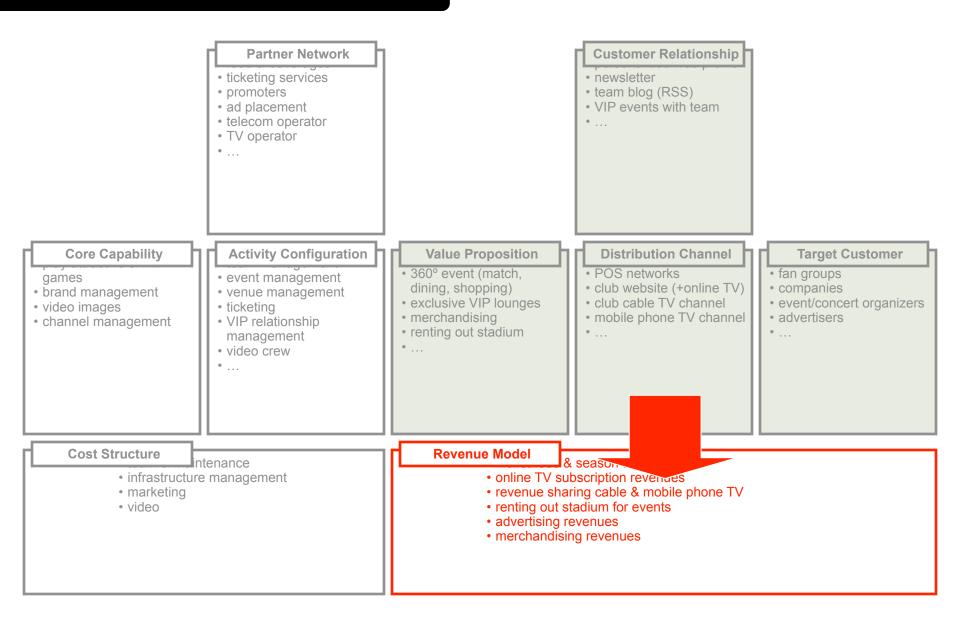
Cost Structure

- team & maintenance
- infrastructure management
- marketing
- ...

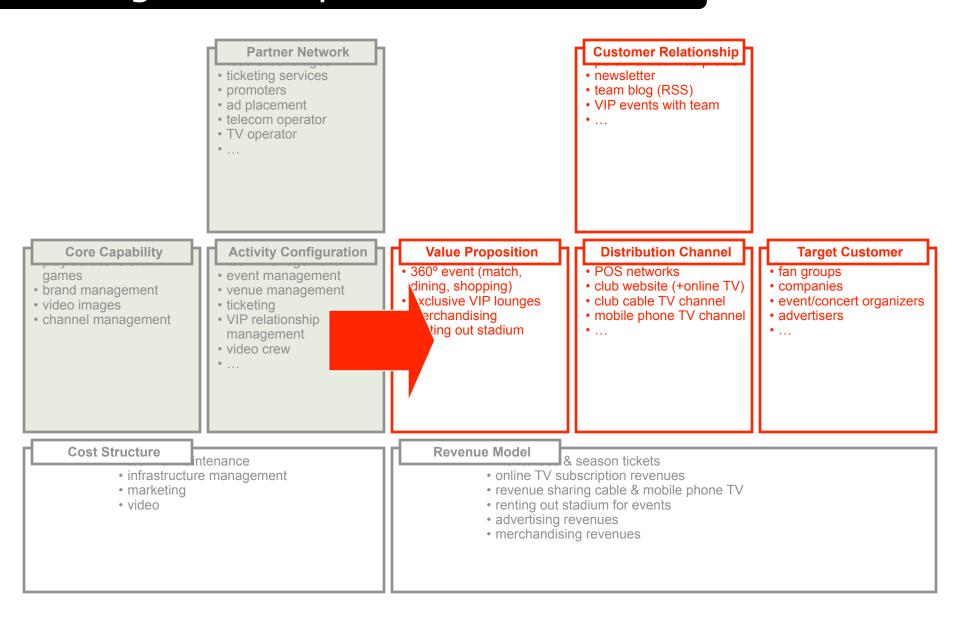
Revenue Model

- Ticket fees & season tickets
- online TV subscription revenues
- revenue sharing cable & mobile phone TV
- renting out stadium for events
- advertising revenues
- merchandising revenues

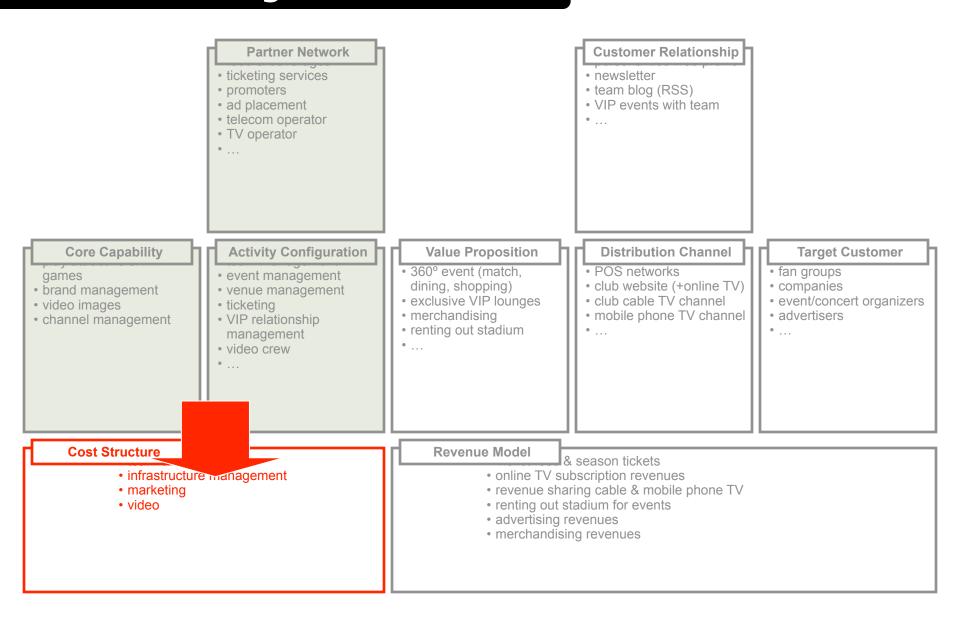
value creates revenues



creating value requires infrastructure



infrastructure generates costs



the profit zone

Partner Network Customer Relationship ticketing services newsletter team blog (RSS) promoters ad placement · VIP events with team telecom operator • ... TV operator • ... **Core Capability Activity Configuration Value Proposition Distribution Channel Target Customer** 360° event (match. POS networks fan groups event management games dining, shopping) club website (+online TV) companies brand management venue management • exclusive VIP lounges club cable TV channel event/concert organizers video images ticketing merchandising mobile phone TV channel advertisers channel management VIP relationship renting out stadium • ... management · video crew • ... **Cost Structure Revenue Model** ntenance & season tickets • infrastructure management • online TV subscription revenues marketing revenue sharing cable & mobile phone TV video · renting out stadium for events advertising revenues merchandising revenues

example

Apple iTunes & iPod



