# BM Business Model Components Map It represents how a company intends to create value.

## **Company Value**

Market Value · Expectations Earning-Capacity Value · Free Cash Flows Asset Values Customer Base

Moat (Defendability) of Business Model

## Markets

Home market / key markets Market size & market share Entry barriers Distance and presence Local / cultural knowledge

## Owners & Capital

Ownership behavior Capital usage and invest (Non-)Profit objectives Investment horizon · Liquidity Protection of the reputation

Value Chain (right to left)

Assets become Resources

## Environment, Society, Governance

Societal contributions · Values and behavior Technological, societal trends, developments and changes Expectations, needs & demands of market participants Market barriers, rules, governance, regulations & compliance, legal requirements, authoritative taxes & expenses

## Competition

Comparison and reaction Product & value analysis Customer & market base Strength & weaknesses Size & financial situation

## **Asset Building**

Customer base · collaborating teams and work force · operational competence and deep knowledge, experience brand name, culture · physical assets, intangible assets, patents · cash, financial assets, reserves, data

## Branding & Marketing

Differentiation / recognition USP / promises Values / belief sets

## Company Mgt, Organization, Culture

Vision, culture & identity · success factors, master plan · strategic support Efficient organizational model · waste-free collaboration of resources Decision taking, leadership, agility, digital capability, sustainability Mgt of complexity, ownership · modularization and clarity New products / developments for future company prosperity

## Cost Mgt of

Operations, production and functions · resources · funding Branding & marketing Sales & administration Delivery, logistics, distribution

## Partners for

Pursuing common objectives, eg sales, production, servicing Longer-term relationship Mutual trust

## Operating Income, Profit, Cash Flow & Liquidity Solid income and cash flow from core business

Reasonable asset investments Stringent liquidity management

## **Revenue Generation** Reach out to and connect with customers

Ability to sell and cross-sell Monetization of customer base Secondary income Income from contributions or preventions

## Customers

Potential customers New / existing customers Known / unknown customers Conversions, retention, lock-in Network effects, communities

## Sales & Channels

Value Proposition

Lead conversion, distribution, direct / indirect / online channels, negotiation

## Products with Cust. Benefit

Product idea / innovation Design / concept thinking Primary product line Secondary product line Products / platforms for new, existing or repeat customers Life cycles and horizons

## & Pricing

Algorithmic- / market-based Subscription / freemium

## Operations &

Product management Production (Value-Added-Chain) Fulfillment

## **Functions**

Resources management functions Internal service functions Control functions

## Resources (incl. Assets)

Human skills & ingenuity, R&D, power to innovate, labor and workforce, brand, data, Al, analytics, robotics, IT-systems, communication, technology, infrastructure, factories, machines, buildings, equipment, supplies, raw materials and components, energy, water, power, financial liquidity and capital

## Services from

External specialists for internal operations or functions Expertise Reasonability Availability

## Suppliers & Supplies of

Components, parts & material Delivery capability & reliability Quality standards

# **Origination** Value (

Value- / cost-based

**1** "Start"

Value Contribution

# Business Model Components Map It represents how a company intends to create value.

## Company Value Market Value · Expectations

Earning-Capacity Value · Free Cash Flows Asset Values Customer Base Moat (Defendability) of Business Model

## Markets

Home market / key markets Market size & market share Entry barriers Distance and presence Local / cultural knowledge

## Owners & Capital

Ownership behavior Capital usage and invest (Non-)Profit objectives Investment horizon · Liquidity Protection of the reputation

Value Chain (right to left)

Assets become Resources

Origination

Value

## Environment, Society, Governance

Societal contributions · Values and behavior Technological, societal trends, developments and changes Expectations, needs & demands of market participants Market barriers, rules, governance, regulations & compliance, legal requirements, authoritative taxes & expenses

## Competition

Comparison and reaction Product & value analysis Customer & market base Strength & weaknesses Size & financial situation

## **Asset Building**

Customer base · collaborating teams and work force · operational competence and deep knowledge, experience brand name, culture physical assets, intangible assets, patents · cash, financial assets, reserves, data

## Branding & Marketing

Differentiation / recognition USP / promises Values / belief sets

## Company Mgt, Organization, Culture

Vision, culture & identity · success factors, master plan · strategic support Efficient organizational model · waste-free collaboration of resources Decision taking, leadership, agility, digital capability, sustainability Mgt of complexity, ownership · modularization and clarity New products / developments for future company prosperity

## Cost Mgt of

Operations, production and functions · resources · funding Branding & marketing Sales & administration Delivery, logistics, distribution

## Partners for

Pursuing common objectives, eg sales, production, servicing Longer-term relationship Mutual trust

## Operating Income, Profit, Cash Flow & Liquidity Solid income and cash flow from core business

Reasonable asset investments Stringent liquidity management

## **Revenue Generation** Reach out to and connect with customers

Ability to sell and cross-sell Monetization of customer base Secondary income Income from contributions or preventions

## **Customers**

Potential customers New / existing customers Known / unknown customers Conversions, retention, lock-in Network effects, communities

## Sales & Channels

Sition

Value

Lead conversion, distribution, direct / indirect / online channels, negotiation

## Products with Cust. Benefit

Product idea / innovation Design / concept thinking Primary product line Secondary product line Products / platforms for new, existing or repeat customers Life cycles and horizons

## & Pricing

Algorithmic- / market-based Subscription / freemium

## Operations &

Product management Production (Value-Added-Chain) Fulfillment

## **Functions**

Resources management functions Internal service functions Control functions

## Resources (incl. Assets)

Human skills & ingenuity, R&D, power to innovate, labor and workforce, brand, data, Al, analytics, robotics, IT-systems, communication, technology, infrastructure, factories, machines, buildings, equipment, supplies, raw materials and components, energy, water, power, financial liquidity and capital

## Services from

External specialists for internal operations or functions Expertise Reasonability Availability

## Suppliers & Supplies of

Components, parts & material Delivery capability & reliability Ouality standards

Value- / cost-based

Contribution

Value (

## Business Model Components Map It represents how a company intends to create value. Owners & Capital **Company Value** Competition Environment, Society, Governance Markets "Finish" Value Chain (right to left) Company Mgt, Organization, Culture **Asset Building** Cost Mgt Branding & **Partners** Marketing Assets become Resources Products with Operations & Services Operating Income, Profit, Resources Customers Cash Flow & Liquidity Cust. Benefit & **Functions** (incl. Assets) Generation Proposition Origination Pricing Sales & Suppliers & Revenue Generation Channels Supplies Value ( Value Value

© Prof. Dr. Ulrich Anders

1 "Start"

License: CC BY-NC-ND 4.0 · 8.1.0