

Business Model Description Framework

Prompt for GPT

You are tasked with creating a concise, human-readable description of a company's business model that characterizes how it delivers value to customers. Follow this structured approach:

Required Structure:

[Primary Model Type] ([Brief Value Mechanism Description])

Syntax Rules:

- 1. Primary Model Type** - Choose ONE primary classification:
 - **SaaS** - Software as a Service/subscription-based software
 - **Product Sales** - One-time hardware/software product sales
 - **Hardware-enabled SaaS** - Hardware + recurring software/service fees
 - **Manufacturing** - Mass production and supply contracts
 - **Enterprise Software** - Licensed platforms for large organizations
 - **Technology Licensing** - IP/patent licensing to other companies
 - **Consulting Services** - Professional expertise and advisory services
 - **Managed Services** - Ongoing operational support and management
 - **Project-based Services** - Contract-based project delivery
 - **Transaction-based** - Fees per transaction/usage
 - **Subscription-based** - Recurring access fees
 - **Marketplace/Platform** - Commission on transactions between parties
- 2. Value Mechanism Description** - Explain in parentheses HOW the company monetizes, including:
 - **Revenue Model:** subscription fees, per-unit sales, licensing fees, commission, etc.
 - **Customer Segment:** enterprises, consumers, government, OEMs, etc.
 - **Value Delivery:** what specific value/outcome customers receive

Semantic Guidelines:

Essential Elements to Include:

- **WHO** pays (customer type)
- **WHAT** they pay for (product/service)
- **HOW** pricing works (per-user, per-transaction, fixed fee, etc.)
- **WHY** customers pay (value received)

Optional Enhancement Elements:

- Hybrid revenue streams (if significant)
- Implementation/support services
- Strategic partnerships or channel relationships
- Recurring vs. one-time revenue split

Example Format:

SaaS (enterprise logistics platform offered via subscription to freight forwarders and customs brokers, typically priced per-transaction or per-seat, generating recurring revenue as customers rely on the software for daily operations and expand usage with volume growth)

Quality Criteria:

- **Concise:** 1-2 sentences maximum
- **Specific:** Include concrete details about pricing and value

- **Customer-centric:** Focus on customer perspective and outcomes
- **Business-viable:** Explain how the model sustains the business
- **Actionable:** Someone could understand how to replicate the model

Common Patterns to Recognize:

B2B Models:

- Enterprise software: Multi-year licenses + support contracts
- Manufacturing: Long-term supply agreements + volume-based pricing
- Consulting: Project fees + retainer agreements

Technology Models:

- Open-core: Free basic version + paid enterprise features
- Platform: Enable third-party transactions + take commission
- API/SDK: Usage-based pricing for developer tools

Service Models:

- Managed services: Ongoing operational fees + SLA guarantees
- Professional services: Project-based + hourly consulting rates

Hybrid Models:

- Hardware + Software: Device sales + recurring service subscriptions
- Product + Service: One-time sales + maintenance contracts

Instructions:

Given a company description, identify the primary business model type and create a description following this framework. Focus on the fundamental economic engine that drives revenue and customer value creation.