Analyzing Business Domains

In this chapter, we will learn domain-driven design tools for analyzing a company’s

business domain and its structure: its **core**, **supporting**, and **generic subdomains.**

# What is a Business Domain?

A business domain **defines a company’s main area of activity**. Generally speaking, it’s

the **service the company provides to its clients**. For example:

• FedEx provides courier delivery.

• Starbucks is best known for its coffee.

**A company can operate in multiple business domains**. For example, Amazon provides

both retail and cloud computing services. Uber is a rideshare company that also provides food delivery and bicycle-sharing services.

# What is A Subdomain?

To achieve its business **domain’s goals** and targets, a company has to **operate in multiple**

***subdomains***.

A subdomain is **a fine-grained area of business activity**.

**All of a company’s subdomains form its business domain**: the service it provides to its customers.

**Implementing a single subdomain is not enough for a company to succeed; it’s just**

**one building block in the overarching system**.

The subdomains have to interact with each other to achieve the company’s goals in its business domain. For example, Starbucks may be most recognized for its coffee, but building a successful coffeehouse chain requires more than just knowing how to make great coffee. You also have to buy or rent real estate at effective locations, hire personnel, and manage finances, among other activities. None of these subdomains on its own will make a profitable company. All of them together are necessary for a company to be able to compete in its business domain(s).

subdomains bear **different strategic/business values**. Domain-driven design distinguishes between three types of subdomains: core, generic, and supporting. Let’s see how they differ **from a company strategy point of view.**

## Core Subdomains

A core subdomainis **what a company does differently from its competitors**. This may

involve inventing new products or services or reducing costs by optimizing existing processes.

Let’s take Uber as an example. Initially, the company provided a novel form of transportation: ridesharing. As its competitors caught up, Uber found ways to optimize

and evolve its core business: for example, reducing costs by matching riders heading in the same direction.

To maintain a competitive advantage, core subdomains involve inventions, smart optimizations, business knowhow, or other intellectual property.

### Core Subdomains are Naturally Complex

A core subdomain that is simple to implement can only provide a short-lived competitive advantage. Therefore, core subdomains are naturally complex.

There should be high entry barriers for a company’s core business; it should be hard for

competitors to copy or imitate the company’s solution.

### Core Subdomains are the Source of Competitive Advantage and are not Necessarily Technical

Not all business problems are solved through algorithms or other technical solutions. A company’s competitive advantage can come from various sources.

Consider a jewelry maker selling its products online. The online shop is important, but it’s not a core subdomain. The jewelry design is. **The company can use an existing off-the-shelf online shop engine, but it cannot outsource the design of its jewelry**. The design is the reason customers buy the jewelry maker’s products and remember the brand.

### Core Domains vs Core Subdomains

Core subdomains are also called core domains. in the original domain-driven design book, Eric Evans uses “core subdomain” and “core domain” interchangeably.

Although the term “core domain” is used often, I prefer to use “core subdomain” for a number of reasons. First, it is a *subdomain,* and I prefer to avoid confusion with *business domains*. Second, as we will see that it’s not uncommon for subdomains to evolve over time and change their types. For example, a core subdomain can turn into a generic subdomain. Hence, saying that “a *generic* subdomain has evolved into a *core* subdomain” is more straightforward than saying “a generic *subdomain* has evolved into a core *domain.*”(*I think they made a typo here but the point is still there.*)

## Generic Subdomains