**Picking a Business Model for a Startup Business**

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When it comes to opening a new business and building a new framework, a business model is an ideal strategy to use. The business model can help determine if said business is to be successful or not. It can do this by scoping the business’ structure and strategy to then determine if the products or services sold are done so in an efficient and profitable manner, which in turn makes sure the business stays afloat. As Kopp (2019) states, a business model is a company’s plan to generate revenues and make profit. This also includes what products or services the business plans to manufacture or market, and how it plans to do so, including what expenses it will incur. The business model can help determine whether a business can make it or break it, regardless of the products or services being offered. This is because a product is the center of a business model, but it is not a business in and of itself – it can’t succeed without a great business model (Vyge, 2013).

There are several business models, but there are two business models that stand out. The business model canvas design and the ESSO (Environment, Strategy, Structure, Operations) business model design. Both are elegant in their own respects and serve their own purposes. However, as a digital technology entrepreneur, picking the proper business model for your product or service can heighten business structure clarity and expectations. The clearer the business structure is, the better the business can futureproof and sustain longevity. It can also help new developing companies attract investment, recruit talent, and motivate management and staff (Kopp, 2019). It is noted by Kopp (2019), that established businesses should regularly update their business models as well, or they will fail to anticipate trends and challenges ahead. Business plans help investors evaluate companies that interest them, so picking a proper one is essential.

Contrasting the business model canvas design and the ESSO business model design, it is quite clear what is more appropriate for a digital technology entrepreneur. To start, the ESSO business model design only focuses on four primary dimensions; environment, strategy, structure, and operations whereas the business model canvas design is more diverse with a plethora of dimensions. From partner networks to revenue streams. ESSO does not seem to consider specifics within the business structure when it comes to client relations. According to the ESSO model, the operations dimension just focuses on the key aspects of what needs to be understood in terms of their costs and quality relative to customers’ needs and pressure from competitors (Lim, 2010). This disregards what customers and users are being focused on and what the customers and users want as a key focus on how the business operates. The ESSO model does consider these aspects but does it under its strategy dimension. This leaves customers out of the main focal point overall, whereas the business model canvas design notices that the whole structure of a business is determined by what the customers want and need. The business model canvas design includes an in-depth detailed analysis of how the customers will be reached through channels and to also understand customer relations and how to adjust value propositions.

The strategy dimension within the ESSO business model states that it is used to determine where your company has a competitive advantage, and whether the strategy taken should consider your customer base and decide whether you are going to aim broad or focused (Lim, 2010). Although this is a great idea to focus on ideas to help jump start the business, the issue at hand with the approach is it does not directly consider future evaluations of the business. This would be hard going forward to adapt the business and futureproof it if the model itself is not based on the clientele. The customers or users will help determine how the business will grow and in which direction. The business model canvas design focuses on the clientele in this case, which can help reiterate or update the key activities within the business model canvas that will need to be performed to adapt to new market settings, where the ESSO business model may need to be rehashed and redesigned.

These issues noted would make one consider the business model canvas design over the ESSO model as a digital technology entrepreneur. The technological landscape is advancing fast and there are new developments in the technology market every day. As a digital technology entrepreneur picking the business model canvas design would seem more appropriate over the ESSO model, as the business model canvas focuses more so on the clientele, and it is easier to readdress key activities within the business model in such a diverse and ever evolving technology market. The business model canvas does address a complete business core. The business model canvas focuses on key trends, market forces, macro-economic forces, and industry forces. It has key focuses on client relations and client feedback and is an easy-to-use diagram that can demonstrate relationships indicating an “evidence-based” approach. That is why overall a business model canvas design is the more beneficial option.

**References**

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