



VSR | EDU

**CORONA
EMERGENCY
LECTURE**

Cloud & Web Anwendungen

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PART I

■ Business



CHAPTER://1

- Relationships: Evolution is key - Change of perception, expectation, value proposition



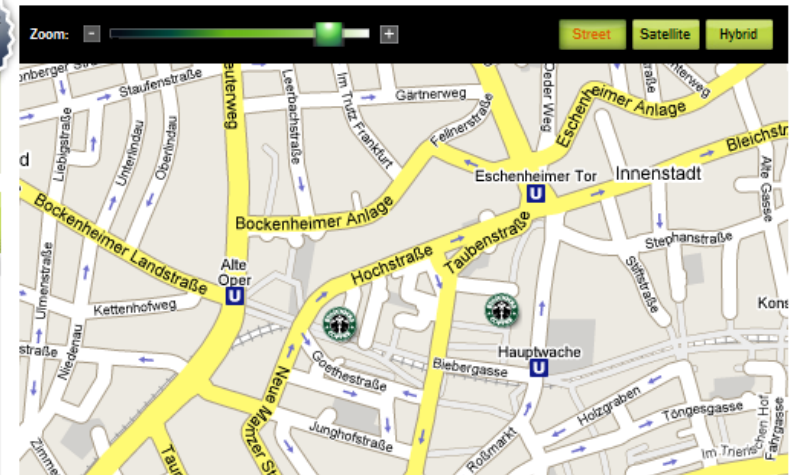
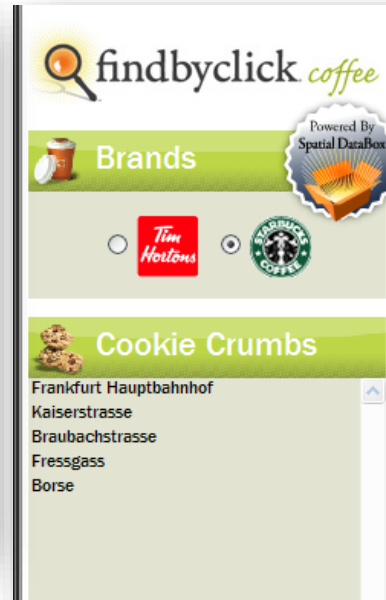
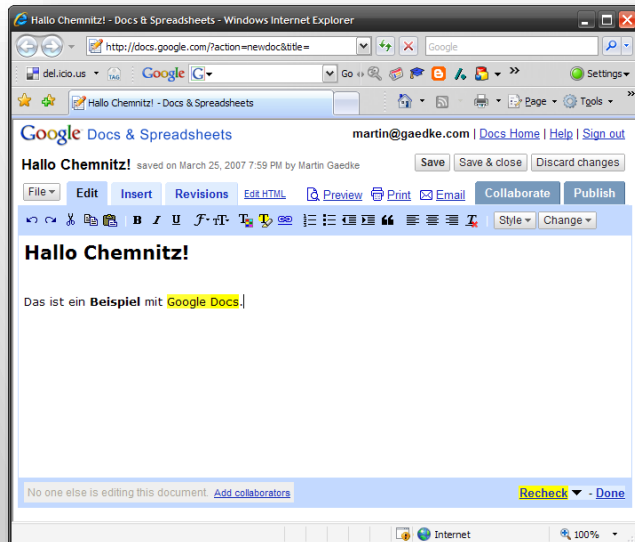
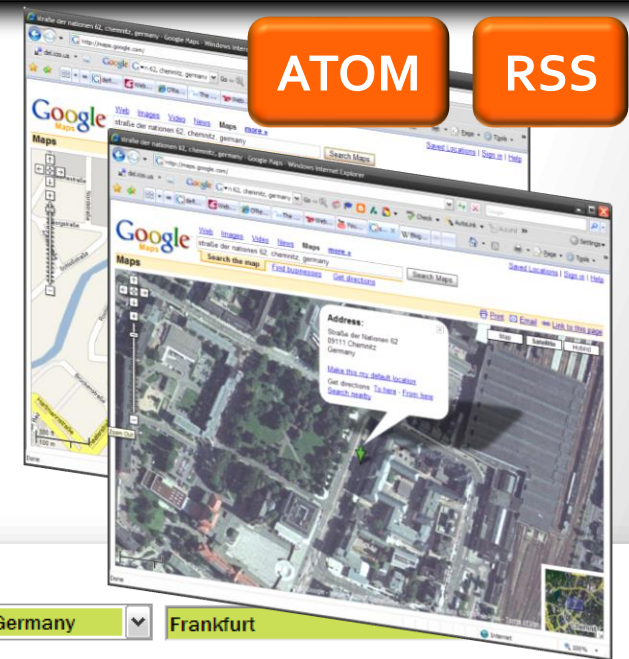
Technology Drivers

- Computing power
 - ▶ Still doubling every 18 months
 - ▶ PC-based data centers
- Connectivity
 - ▶ Low cost, broad reach Internet
 - ▶ Wireless, broadband access
- Device proliferation (THE Clients and Servers of the distributed System)
 - ▶ PDAs, cell phones, gas pumps
 - ▶ Towards a digital devices decade
- Internet standards
 - ▶ XML-based integration
- User Interface
 - ▶ Many (!) possibilities
- Human Aspects
 - ▶ Relationships
 - ▶ Friends and Likes



*-Experience

- Trends are a major driver for change
 - ▶ Example user interface experience, e.g. Netscape's <blink> and today's **Web2.0** developments, e.g. desktop experience
 - ▶ Example content, integration & sharing, like napster, mashups

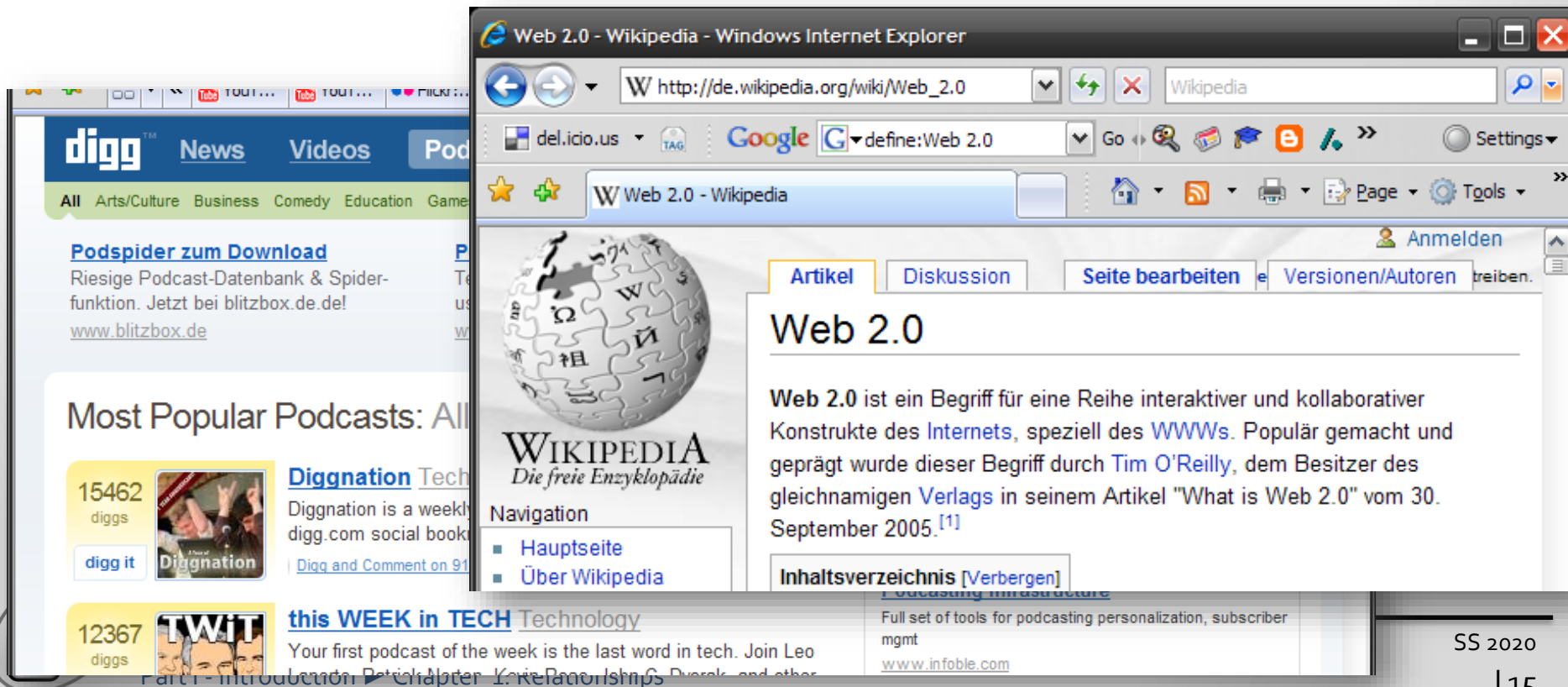


Mass Collaboration & Web 2.0

■ **Mass collaboration** changes the ways in thinking about creating solutions

■ A key result of the Web 2.0 era:

▶ ***Users add value***
(Users are key – not content any more)



Social Networks

- **Social networking and providing content** change the ways in thinking about connecting people
 - ▶ ...and creating solutions
- **Consumer are Producer "Prosumer,"**
 - ▶ "wikinomics - how mass collaboration changes everything" by Dan Tapscott

friends

Relationships
by

environment

context



Power and Love: A Theory and Practice of Social Change by Adam Kahane

★★★★★ (28)
\$15.60

Thinking in Systems: A Primer by Donella H. Meadows

★★★★★ (44)

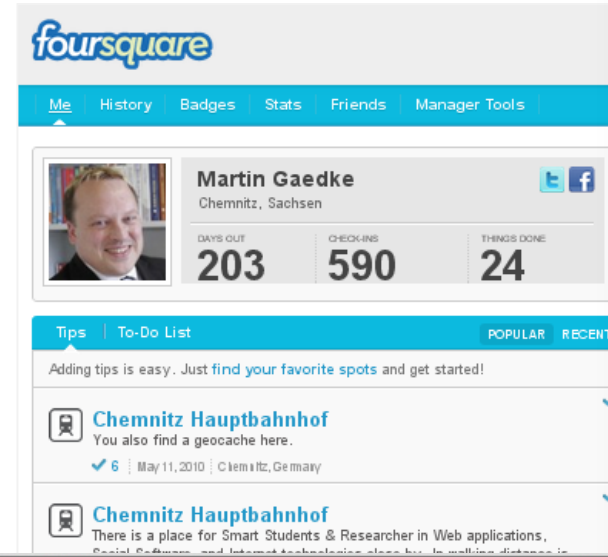
\$17.18

The Emergent Order by Adam Kahane

★★★★★ (28)
\$23.00

Gamification

- **Gamification** - the application of game play mechanics and entertainment, emotion, and enchantment to create positively and psychologically stimulating applications and incentives for engaging people to activate problem solving capacities of the unknown and global crowd



And there is much more to relationships...

- Brand guru's - focus on the next level of trademarks (creating love-connections between people and brand)
 - ▶ A lovemark is a product, service or entity that inspires loyalty beyond reason
 - ▶ "The Lovemarks Effect: Winning in the Consumer Revolution: Mystery, Sensuality and Intimacy at Work", by Kevin Roberts, Saatchi & Saatchi of Publicis Groupe

<http://www.lovemarks.com/>



www.mcdonalds.com/



www.sonyericsson.com

CHAPTER://2

■ Model & Structure



Value Proposition

- A **value proposition** is a promise of value to be delivered and a belief from the customer that value will be experienced.
 - ▶ A value proposition can apply to an entire organization, or parts thereof, or customer accounts, or products or services.
- Creating a value proposition is a part of **business strategy**.
 - ▶ Kaplan and Norton say "Strategy is based on a differentiated customer value proposition. Satisfying customers is the source of sustainable value creation."
- Osterwalder (2004) - a company's value proposition is what distinguishes itself from its competitors.
 - ▶ The value proposition provides value through various elements such as newness, performance, customization, "getting the job done", design, brand/status, price, cost reduction, risk reduction, accessibility, and convenience/usability.

[http://en.wikipedia.org/wiki/Value_proposition]

[http://en.wikipedia.org/wiki/Business_Model_Canvas]



The Business Model Canvas

Designed for:

Designed by:

On:

Iteration:

Key Partners



Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

Key Partnerships:
• Supplier partnerships
• Distribution partnerships
• Complementary products and services
• Joint ventures and strategic alliances

Key Activities



What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

Key Activities:
• Production
• Logistics
• Distribution
• Sales and marketing
• Service

Value Propositions



What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundle of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

Value Propositions:
• New products
• Improved performance
• Lower prices
• Convenience
• Customization
• Design
• Service
• Speed
• Reliability
• Flexibility
• Risk reduction

Customer Relationships



What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

Customer Relationships:
• Personal assistance
• Self-Service
• Dedicated personal assistance
• Community-based
• Peer-to-peer
• Co-creation
• Crowdsourcing

Customer Segments



For whom are we creating value?
Who are our most important customers?

Customer Segments:
• Mass
• Niche
• Segments
• Niches
• Markets

Key Resources



What Key Resources do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue Streams?

Key Resources:
• Physical
• Intellectual
• Financial
• Human
• Social and organizational capital
• Channels
• Infrastructure

Channels



Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

Channels:
• Direct
• Indirect
• Sales force
• Partners
• Retailers
• Distributors
• Wholesalers
• Agents
• Brokers
• Intermediaries
• Resellers
• Suppliers
• Manufacturers
• Producers
• Providers
• Suppliers
• Providers
• Suppliers
• Providers

Cost Structure

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

Cost Structure:
• Fixed costs
• Variable costs
• Semi-variable costs
• One-time costs
• Recurring costs
• Sunk costs
• Opportunity costs
• Externalities
• External costs
• External benefits
• External risks
• External rewards
• External penalties
• External incentives
• External disincentives
• External constraints
• External enablers
• External facilitators
• External barriers
• External obstacles
• External challenges
• External opportunities
• External threats
• External risks
• External rewards
• External penalties
• External incentives
• External disincentives
• External constraints
• External enablers
• External facilitators
• External barriers
• External obstacles
• External challenges
• External opportunities
• External threats



Revenue Streams

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

Revenue Streams:
• Sales
• Licensing
• Royalties
• Franchising
• Leasing
• Rental
• Advertising
• Commission
• Brokerage
• Service fees
• Subscription
• Usage-based
• Performance-based
• Outcome-based
• Risk-based
• Equity-based
• Debt-based
• Hybrid
• Other



Literature for Business Model Generation

- Where it all started: PhD thesis by Alexander Osterwalder
 - ▶ http://www.hec.unil.ch/aosterwa/PhD/Osterwalder_PhD_BM_Ontology.pdf
- Business Model Canvas – PhD thesis redesigned
 - ▶ <https://www.strategyzer.com/books>
- Business Model Canvas – Applied for You
 - ▶ <https://businessmodelyou.com/>
- Business Model Canvas – Applied for Teams
 - ▶ <https://www.businessmodelsforteam.com>
- Latest in the series
 - ▶ The Invincible Company, Strategyzer Series, Wiley (a.k.a. an ambidextrous organization)

