Web Business Model

Business Model

The basic process flow indicating how a business operate to make a profit

Business Model Components

Value Proposition

Revenue Model

Market Opportunity

Competitive Environment

Competitive Advantage

Market Strategy

Organizational Development

Management Team

Value Proposition

Why should the customer buy from you?

Revenue Model

What marketplace do you intend to serve?

What’s your niche?

Competitive Environment

Who else occupies your intended marketplace?

Number of competitors

Size of each competitor

Market share

Pricing

Competitive Advantage

What special advantages does your firm bring to the marketplace?

Product/service differentiation

Price leader

Scope (local/regional/national/global)

Competitive Advantage (Differentiation)

Speed & first mover advantage

Second mover advantage?

Optimization

Ex. Microsoft, Google

Brand name

Portal & marketplace

Niche market

Customer relationship

Market Strategy

How do you plan to promote your products to attract your target audience?

Ex. Yahoo, AOL, YouTube, Hotmail

Yahoo and AOL are Affiliation

YouTube and Hotmail are Viral Marketing

Trends of Business Models

Transaction vs. relationship

Focus is more relationship (long-term) and make them loyal

Value distribution vs. value creation

Focus is more on value creation

Isolated correspondence vs. ongoing access of individualized interaction

Individualization is better here.

Single purchase vs. customer life time value

Customer life time value is better to make better trends

Closed Loop Marketing

Marketing action 🡪 customer response

Tracking

Has become more important lately because everything comes fast

Measuring

Learning & improve

Site Optimization for Organic Search Results

Have the site indexed

Structure site contents

Cultivate inbound links (inlinks)

Importance voting: quantity & quality

Cautious on “link farms”

Page Optimization