



optimus | NOVA
Entrepreneurship Academy



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Startup:

Temporary organization used to search for a repeatable and scalable business model.

As defined by Steve Blank.

5 THINGS
STARTUPS
SHOULD CONSIDER



“No business plan survives
the first customer contact.”

Steve Blank

Business Plans Suck

Plans are for the known future, do not work in the start-up context



Business Model

2

It's the Business Model that really matters

Explain Your Business Model

Explain your business
(model) to your seat
neighbor!

5 min



Explain Your Business Model

How did it go?





3

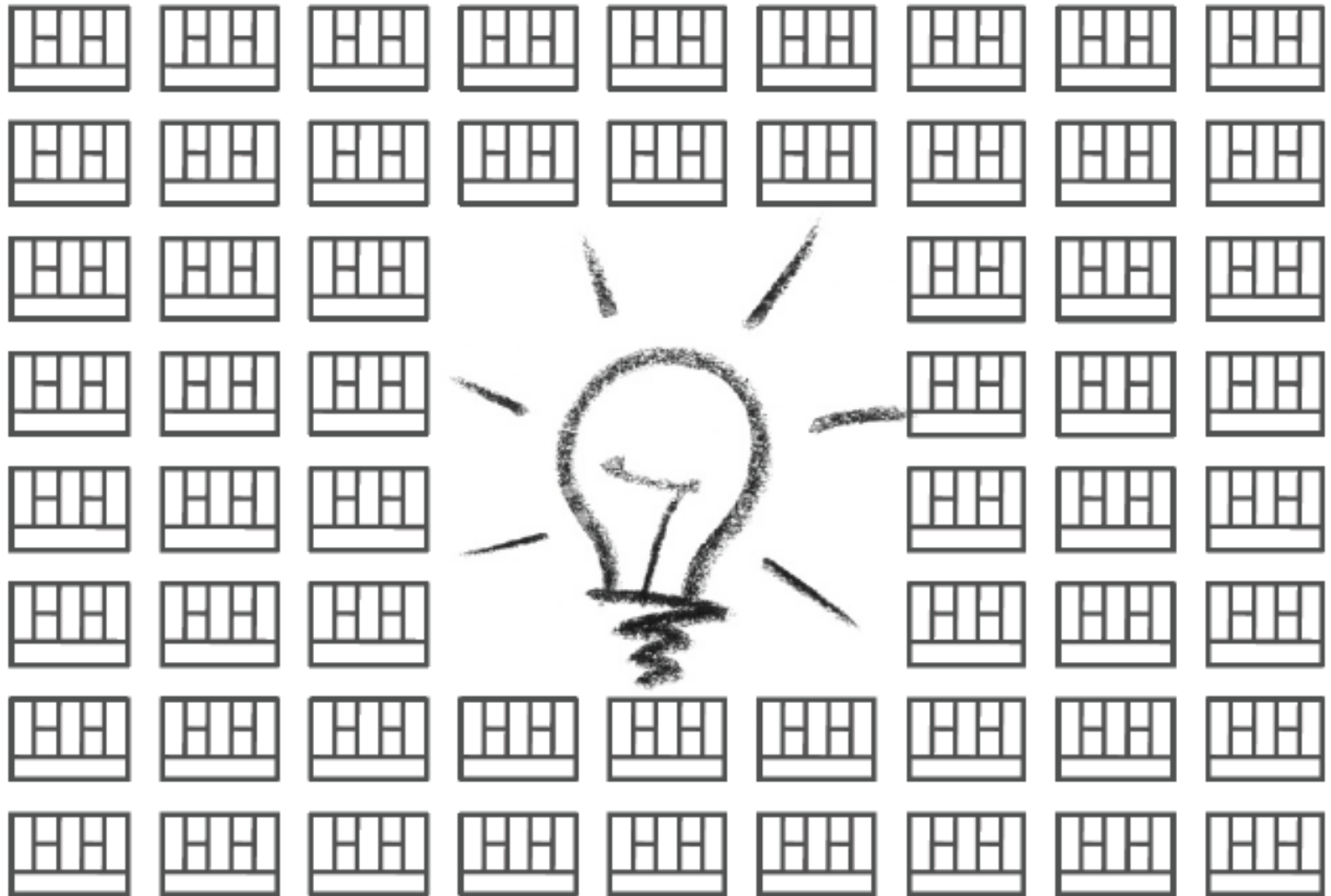
Take time to think through alternative possibilities.

The Art Of Pivoting

The same technology,
product, or service can have
numerous business models



The Art Of Pivoting



Hypotheses

4

Your business model idea is just a set of hypotheses

Test Your Hypotheses

You need to adapt the
business model until you can
prove it works



Hypotheses

5

Don't build your company, until you've verified your Business Model

Test Your Hypotheses

Build when you've found your model, otherwise you're burning cash really fast



Do You Have A Business Model?

“A business model describes
the rationale of how an
organization creates, delivers,
and captures value”

Definition

From Wikipedia, the free encyclopedia

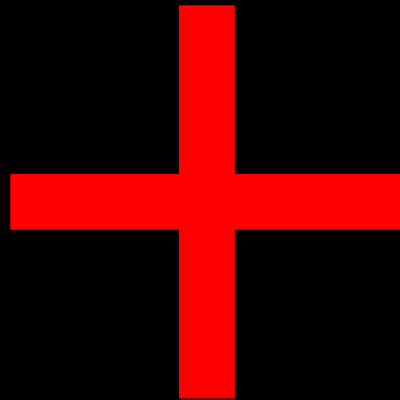
*To get the definition of another word, try using
For other uses of the word "definition" itself, see*

A **definition** is a statement that explains the *meaning* of a word or phrase. The term may have many different meanings, but it always defines that term (and clarifies the speaker's intent). For example, the word "Vegan" itself must be given a definition (actually, a definition of "Vegan" and another definition is "someone from a place called...").

A definition will vary in aspects like precision or scope. For example, a definition of "Vegan" might be "someone who does not eat or drink any animal products" or "someone who does not eat or drink any animal products and also does not use any animal-derived products". There are also different types of definitions, such as "Vegan" (which is a definition of "Vegan") and "Vegan" (which is a definition of "Vegan").

Business Plan =

Snapshot of the **Business Model**



Customer Development Process

BUSINESS MODEL

Description of all the parts of
the company necessary to
make money

Purpose

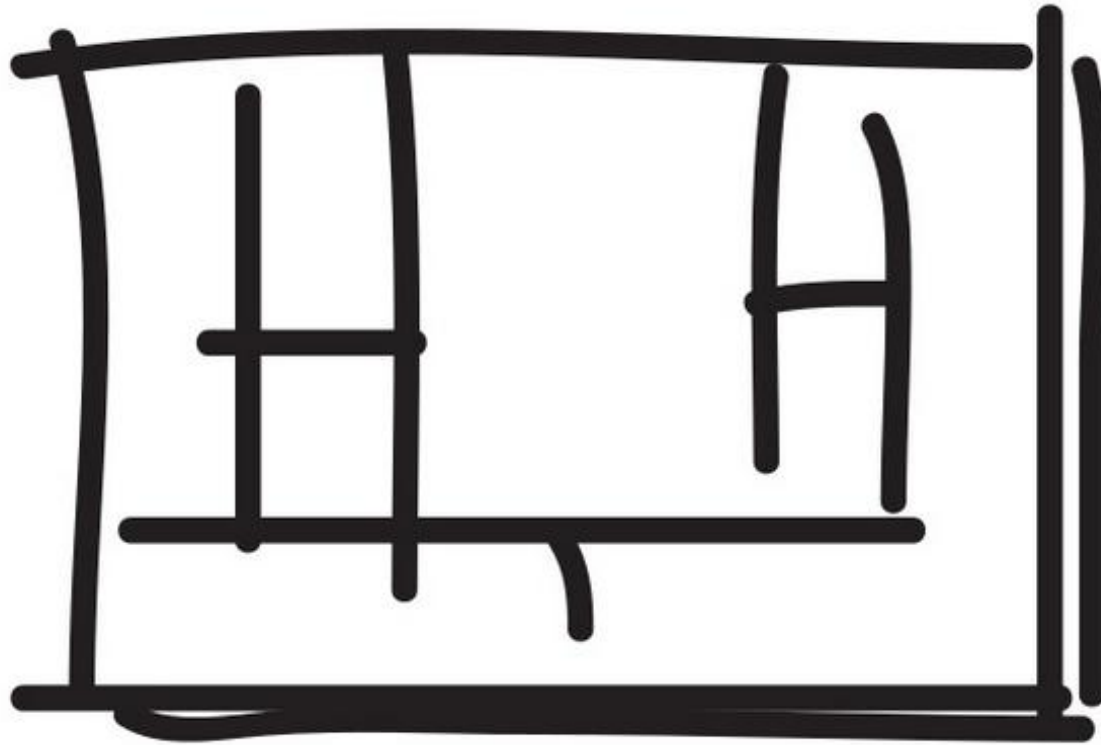
Reality Check

Strategy and Guide

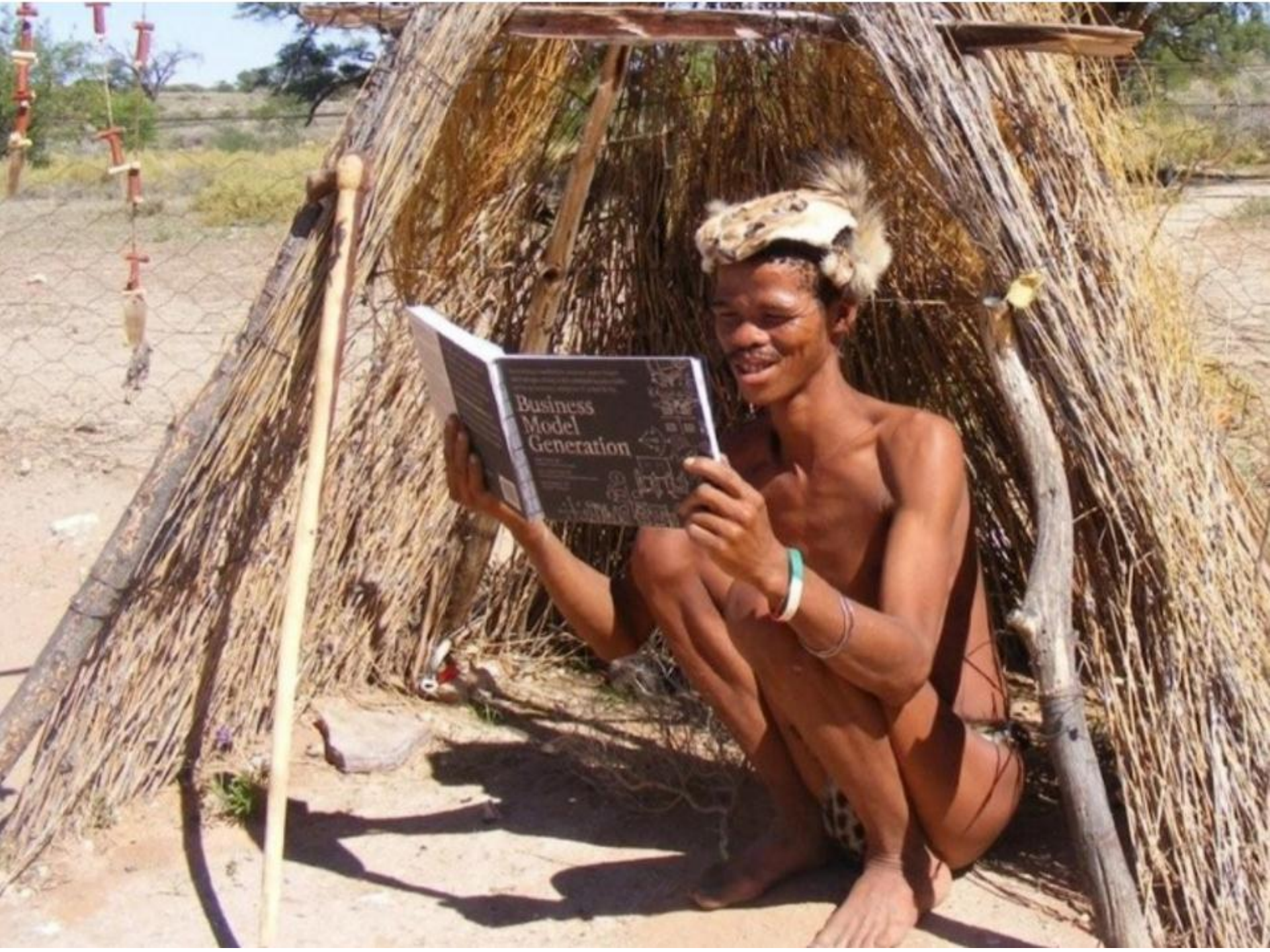
Communication



**Traditional business models are
dead...**



We need new tools...



Business
Model
Generation

**WE NEED TO
RETHINK THE WAY
WE DO BUSINESS!**

TODAY...

**...WE SEE FORCES
WE HAVEN'T SEEN
BEFORE...**

**...I CALL THEM
NEW RULES
OF THE BUSINESS
GAME.**

DRIVER #

1

SUSTAINABILITY



Driver #

2

CREDIT CRISIS





Driver #

3

**“IT’S MY TURN”
ECONOMY**

UPCOMING MARKETS



**OR MARKETS THAT
CAME UP?**



号已达万



BRAZIL

RUSSIA

INDIA

CHINA

Driver #

4

DIFFERENT CUSTOMER BEHAVIOR



generation y

GÉNÉRATION



Beaudet
2008



Driver #

5

THE ONLINE REVOLUTION





Driver #

6

TECHNOLOGY



**RE-IMAGINATION
NEWS AND
INFORMATION
FLOW...**

An aerial view of a city skyline, likely New York City, with several tall buildings and a river in the background. The sky is blue, and there are some white clouds. A large yellow banner is overlaid on the bottom left of the image.

BREAKING NEWS

HELICOPTERS CRASH IN NEW JERSEY
Wreckage could be in Hudson River

LIVE
CNN

From reporters...

<http://twitpic.com/135xa> - There's a plane in the Hudson. I'm on the ferry going to pick up the people. Crazy.

12:36 PM Jan 15th from TwitPic



jkrooms

Janis Krums

...to twitter

RE-IMAGINATION OF BOOKS



From books...

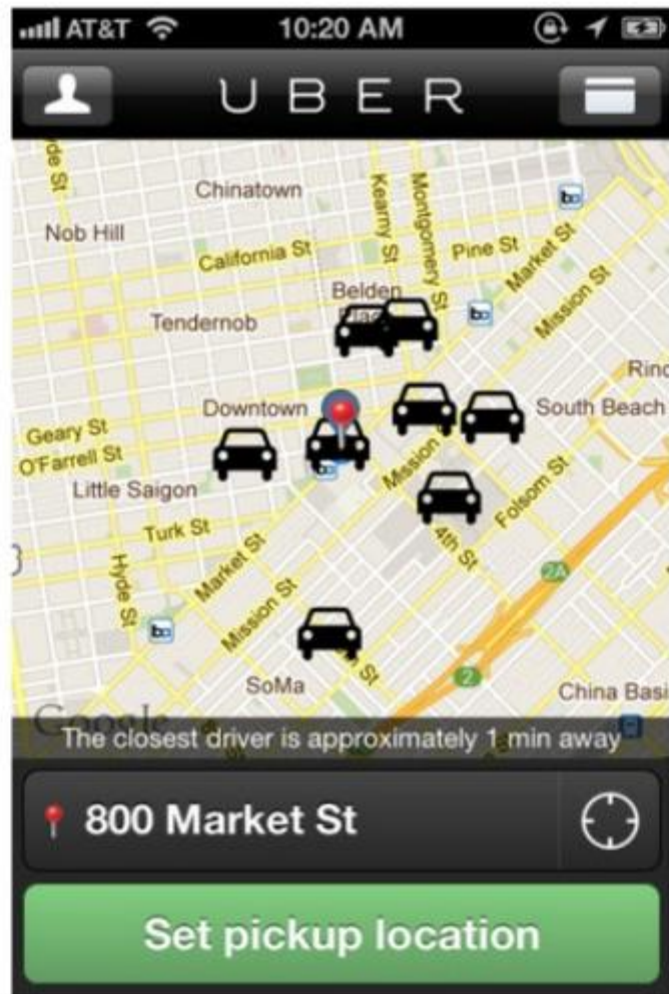


...to kindle

RE-IMAGINATION OF CALLING A CAB



From waiting in the rain...



...to a single push of a button

RE-IMAGINATION OF VIDEO



From video store...

Evolution of Dance



0:04 / 1:00

Rate: ★★★★★ 434,260 ratings
Views: 103,982,637

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The funnest 8 minutes you will ever see! Remember h...
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Views: 20,211,740
- Evolution Of Dance - pt 1**
00:29 From: [p3p3d0p3as](#)
Views: 3,305,065
- YouTube Worst Video of All Time- vote 1 star, leave comment**
00:06 From: [d0n0t0c0u0t](#)
Views: 92,154,546
- Evolution of Dance for the rest of us**
00:27 From: [DC Luq](#)
Views: 3,347,374

Promoted Videos



...to youtube

RE-IMAGINATION OF NAVIGATION



From map...



...to navigon

SO...

**DE WORLD HAS
REALLY CHANGED.**

**BUT DO YOU SEE
THIS ALSO?**



NEW PROBLEMS...

REQUIRE NEW TOOLS

**SO WHAT ARE NEW
TOOLS?**

**WHAT IS A
BUSINESS MODEL?**



**WHAT ARE
BUSINESS MODELS?**



**THE
GREATEST
LOVE STORY
EVER TOLD**
NICOLE KIDMAN
MAKES HISTORY
IN A
TWO-MINUTE
MOVIE

**IS THE NEXT
CANCER HOPE
ALREADY IN
YOUR MEDICINE
CABINET?**



Definition_ **Business Model**

A business model describes the rationale of how an organization creates, delivers and captures value

It's **not**...

...a mission statement

...a revenue model

...a value proposition

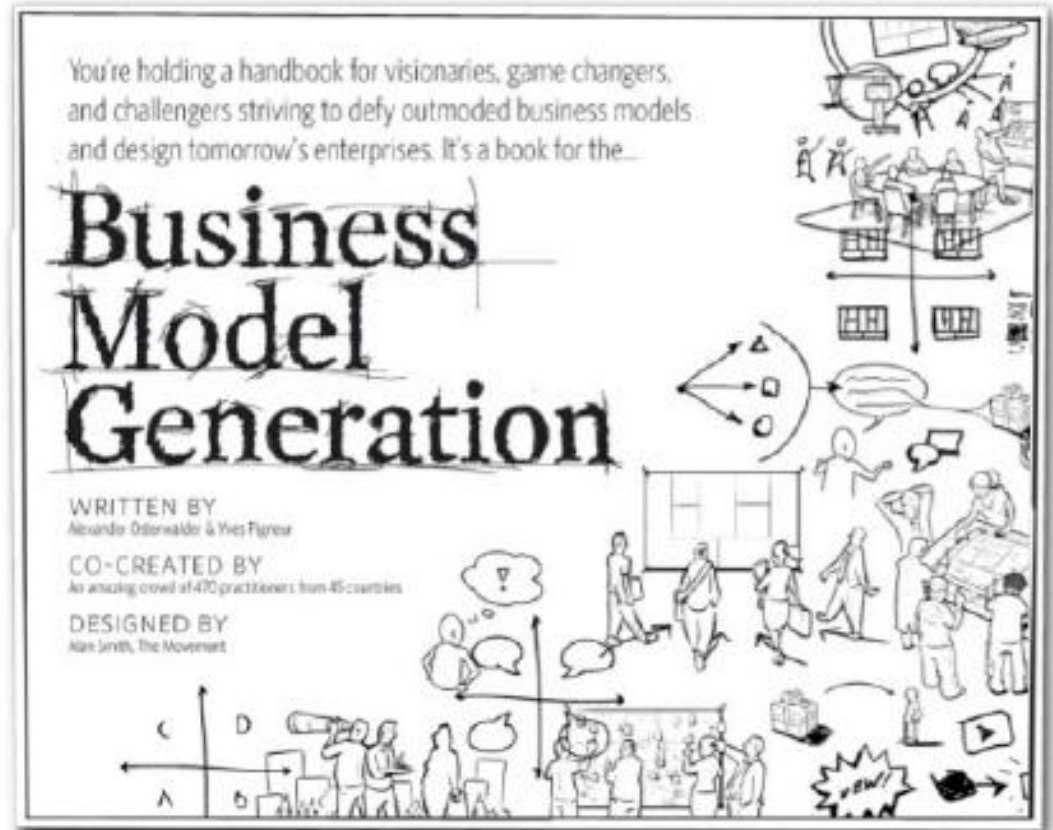
...a strategic plan

...a business plan

**WE NEED NEW
TOOLS TO
UNDERSTAND AND
CRAFT NEW
BUSINESS MODELS**

THE
BUSINESS MODEL
CANVAS

Based on
Business Model
Generation
by
Alexander
Osterwalder



The Business Model Canvas is a **strategic management template** for developing new or documenting existing business models. It is a **visual chart** with elements describing a firm's value proposition, infrastructure, customers, and finances. It assists firms in aligning their activities by **illustrating potential** trade-offs.

The Business Model Canvas was initially proposed by **Alexander Osterwalder** based on his earlier work on Business Model Ontology.

Since the release of Osterwalder's work in 2008, new canvases for specific niches have appeared, such as the Lean Canvas.



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?

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

Key Activities



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

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

Value Propositions



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

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

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?

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

Customer Segments



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

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

Key Resources



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

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

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?

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

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?

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

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



Revenue Streams

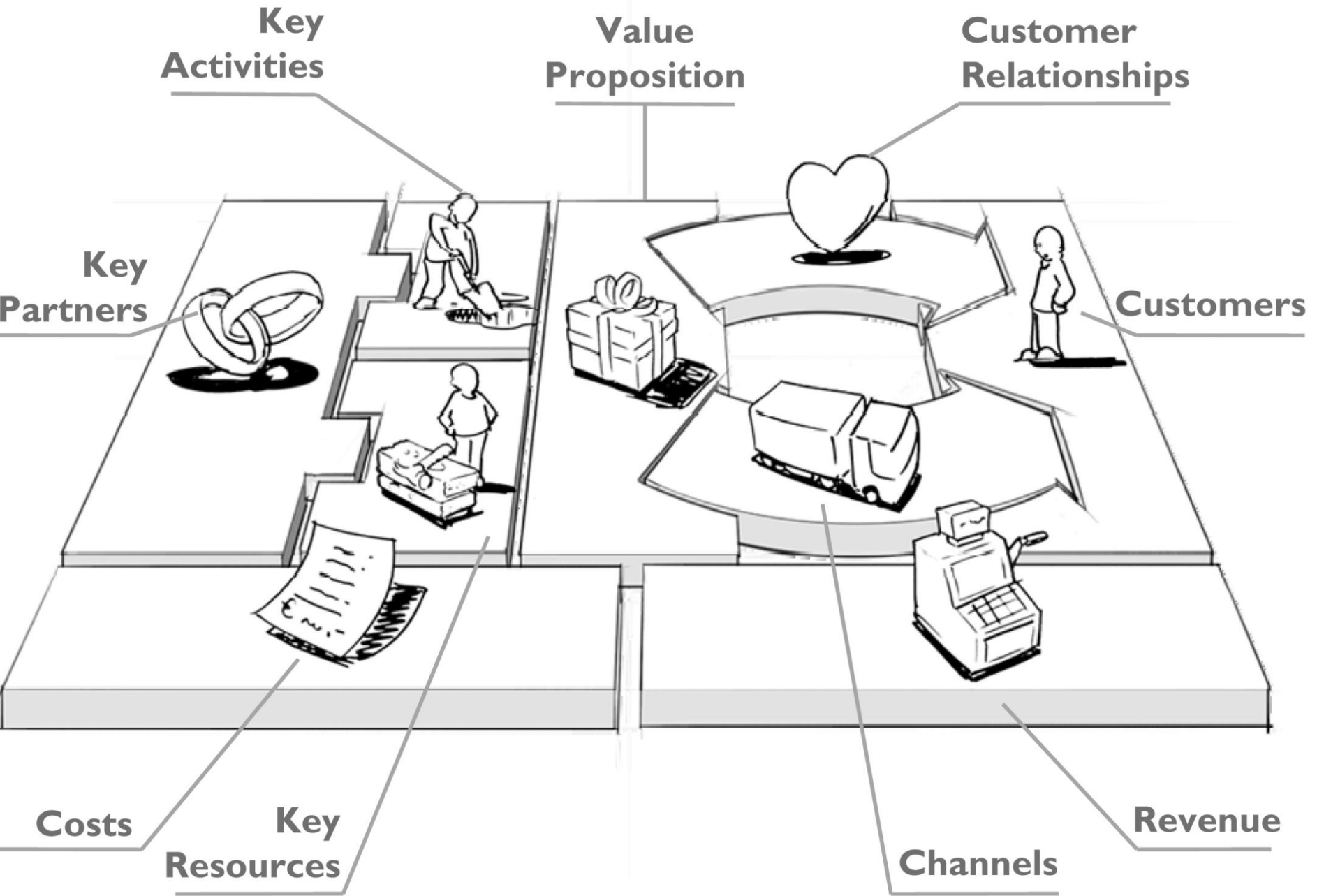
For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

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



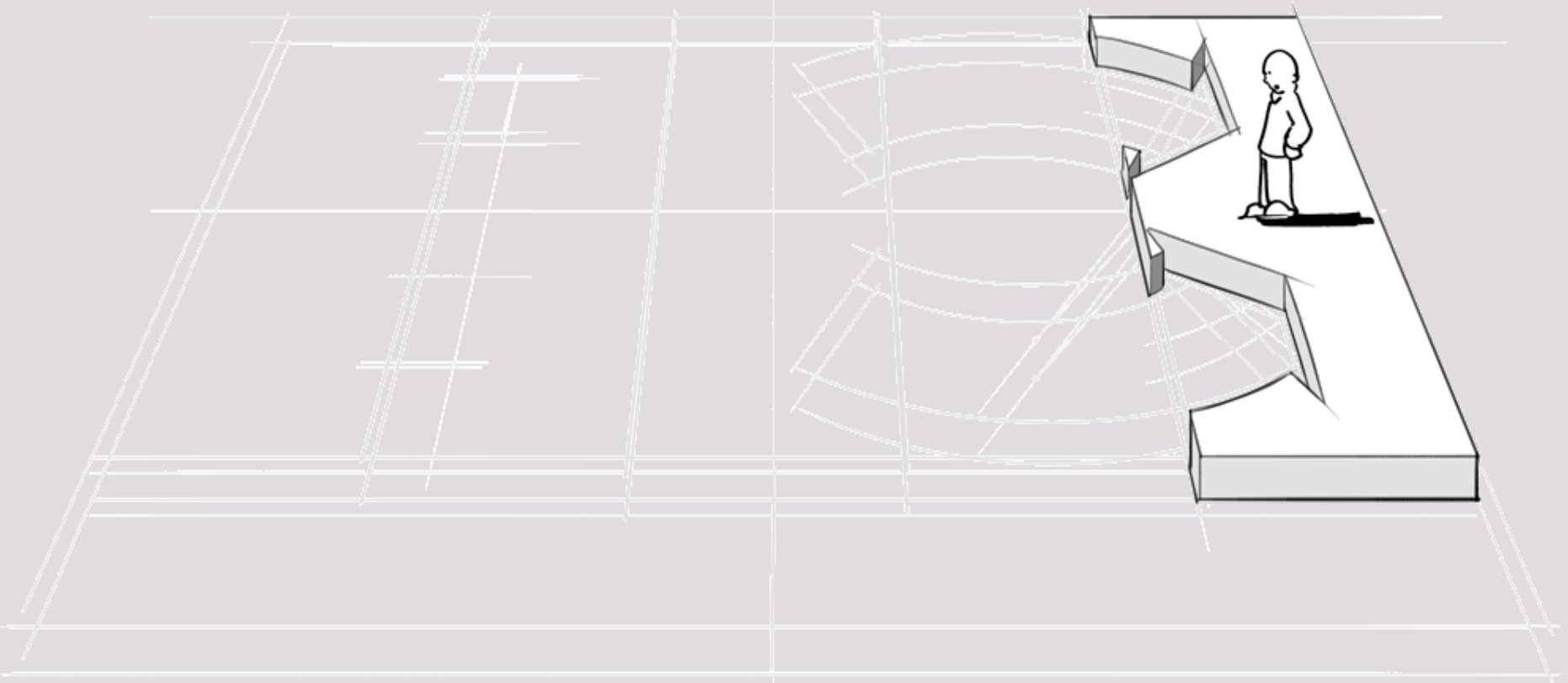
9

**Building
Blocks**



drawings by JAM

CUSTOMER SEGMENTS



Customer Segments

the different groups of people or organizations an enterprise aims to reach and serve

For whom are we creating value?

Who are our most important customers?



Customer Segment Types

Mass market

Niche market

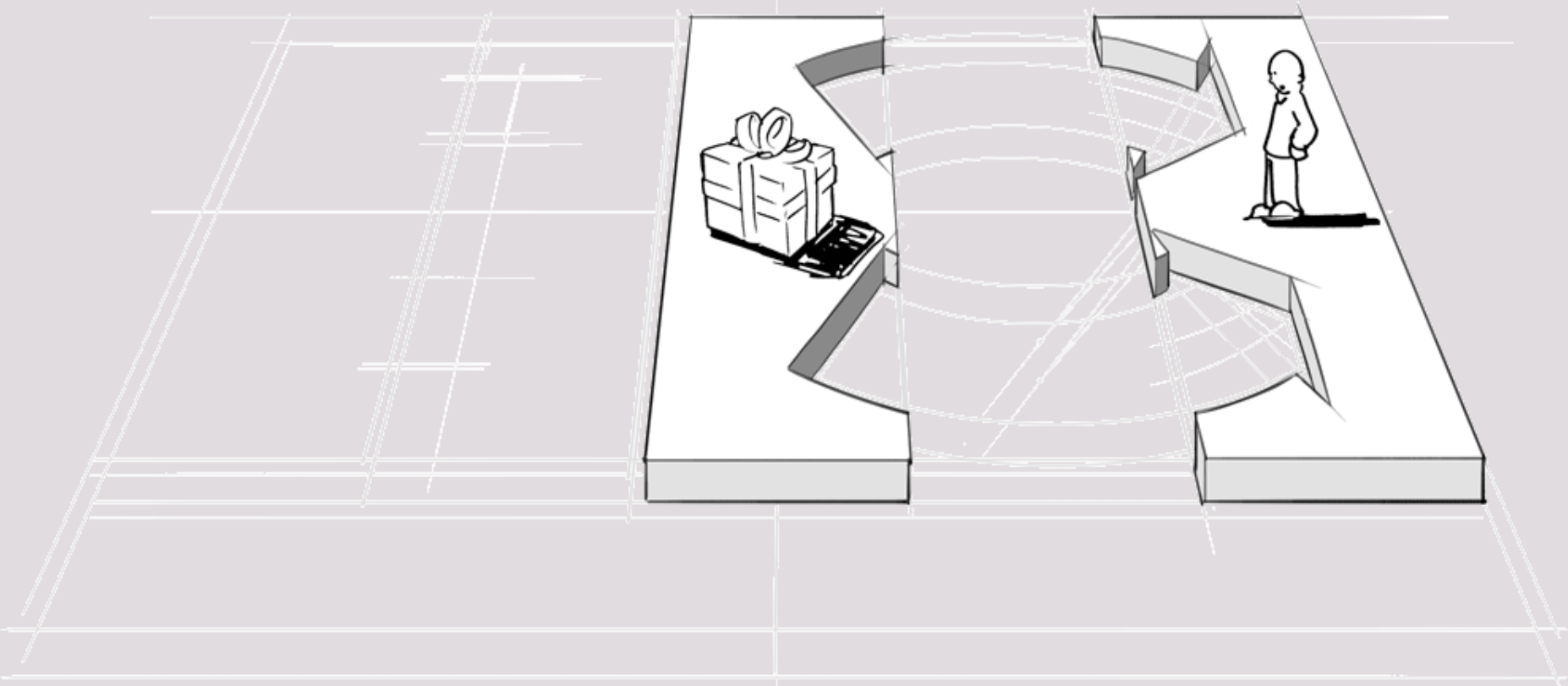
Segmented market

Diversified market

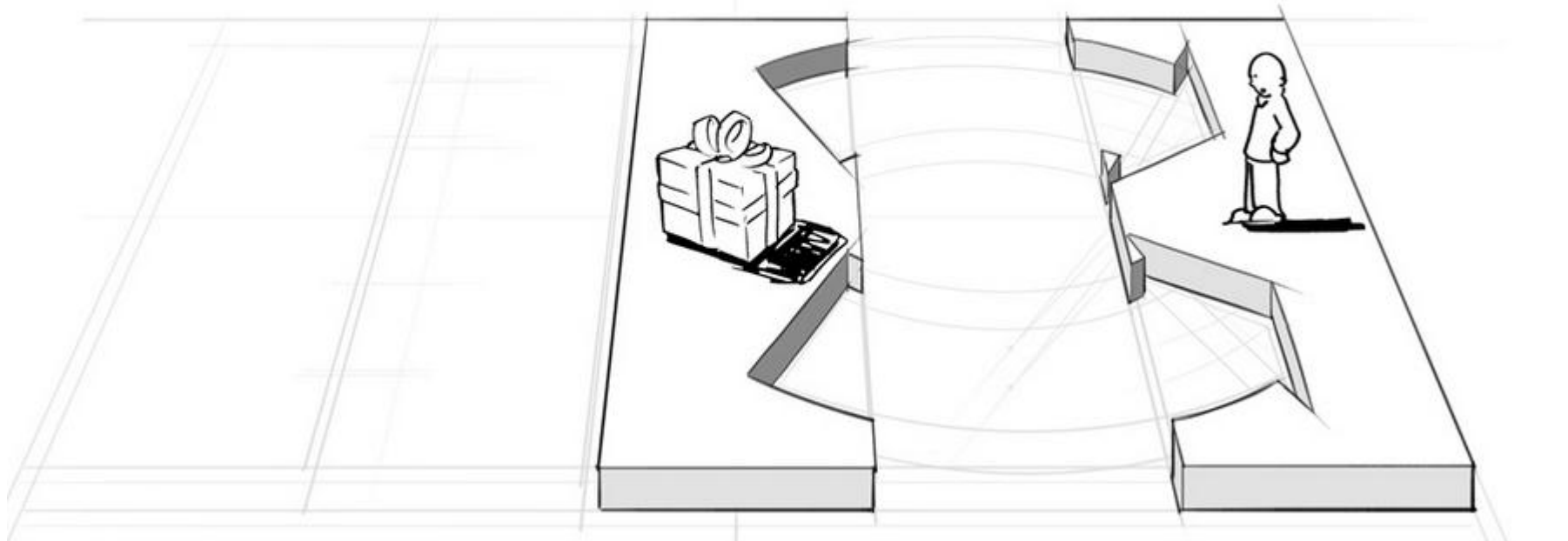
Multi-sided platforms



VALUE PROPOSITIONS



What is my value proposition?



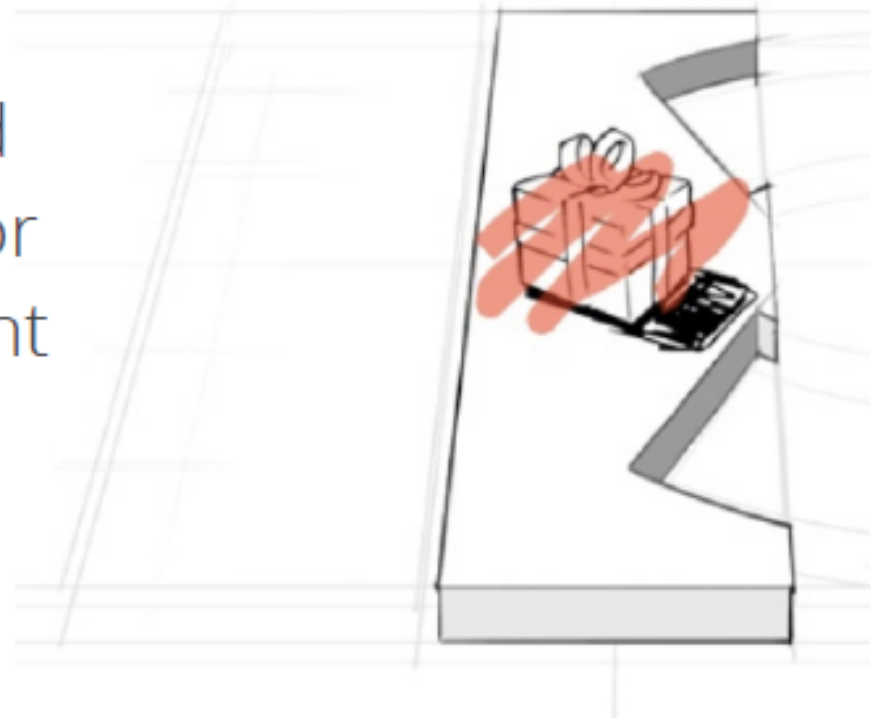
What are you offering them?

What is that getting done for them?

Do they care?

Value Proposition

The bundle of products and services that create value for a specific Customer Segment



Value Proposition

What value do we deliver to the customer?

Which one of our customer's problems are we helping to solve?

What bundles of products and services are we offering to each Customer Segment?



Elements Of Value Proposition

Newness

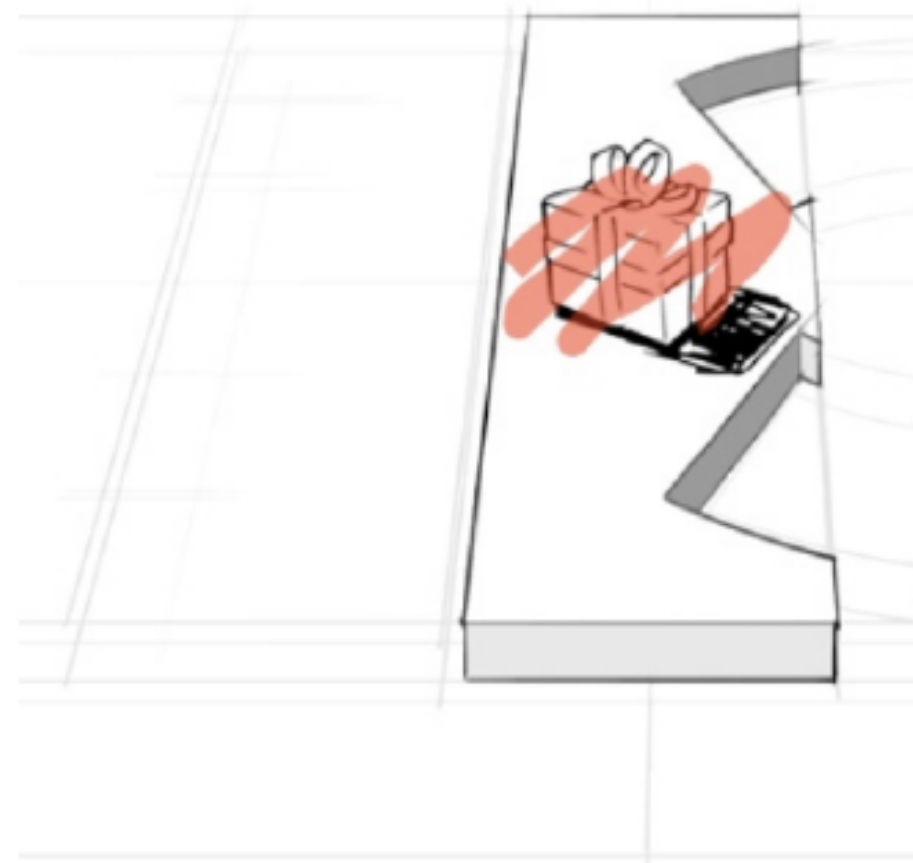
Performance

Customization

Getting the job done

Design

Brand/status



Elements Of Value Proposition

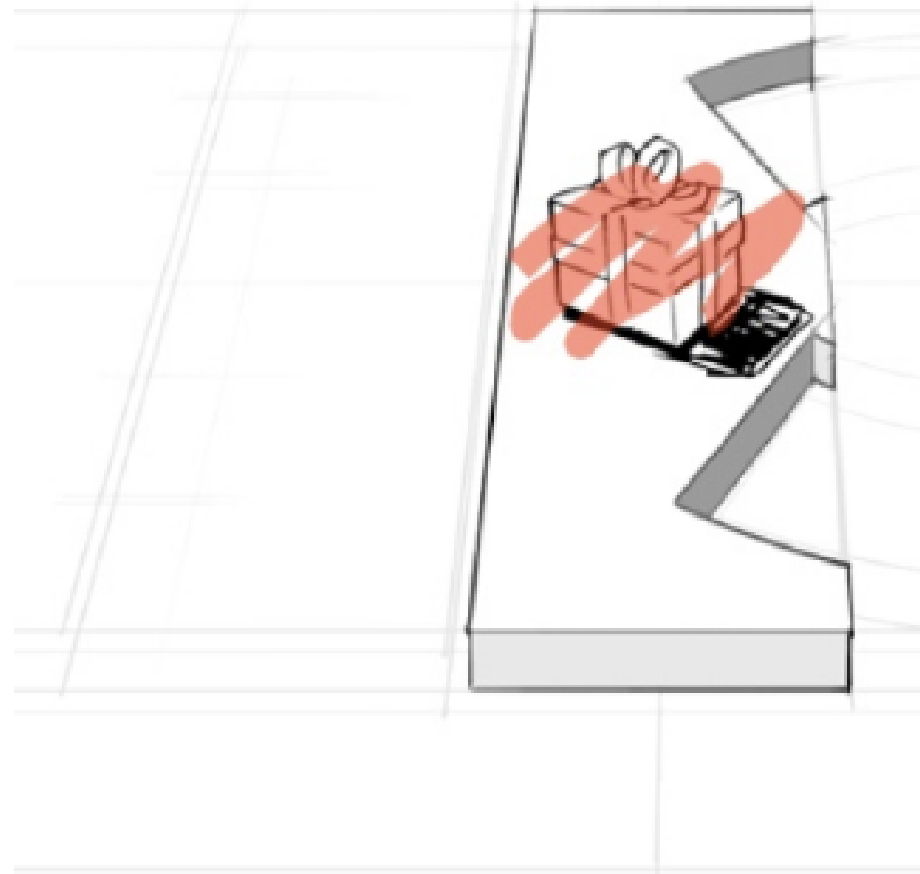
Price

Cost reduction

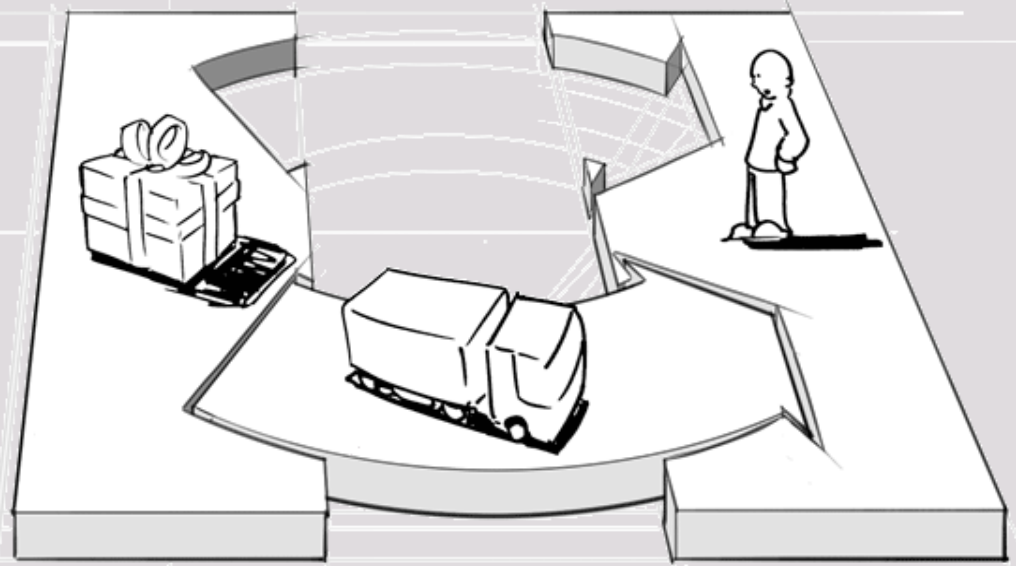
Risk reduction

Accessibility

Convenience/usability

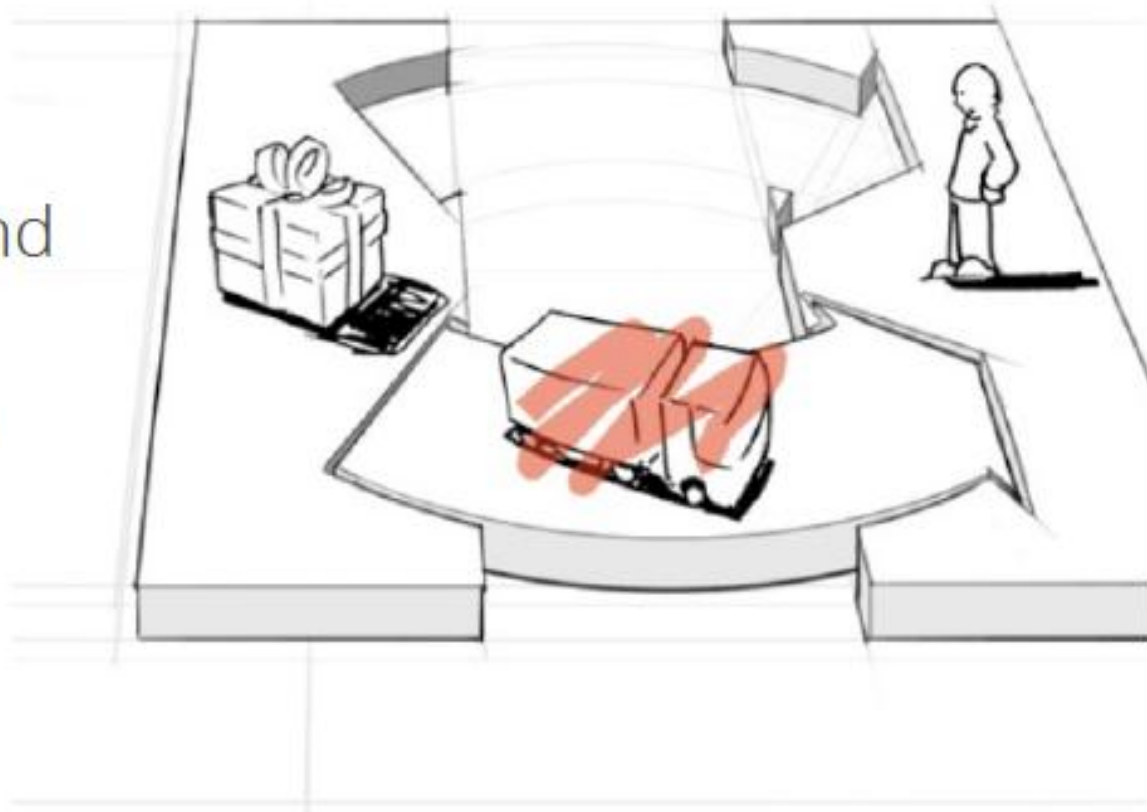


CHANNELS



Channels

How a company communicates with and reaches its Customer Segments to deliver a Value Proposition



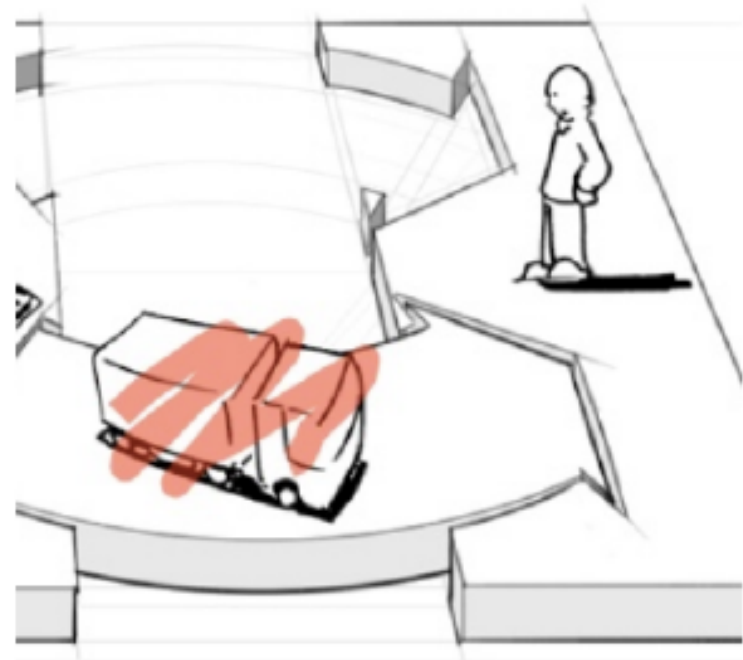
Channels

Through which Channels do our CS want to be reached?

Which channels work best?

Which ones are most cost-efficient?

How are we integrating them with customer routines?



Channels Types

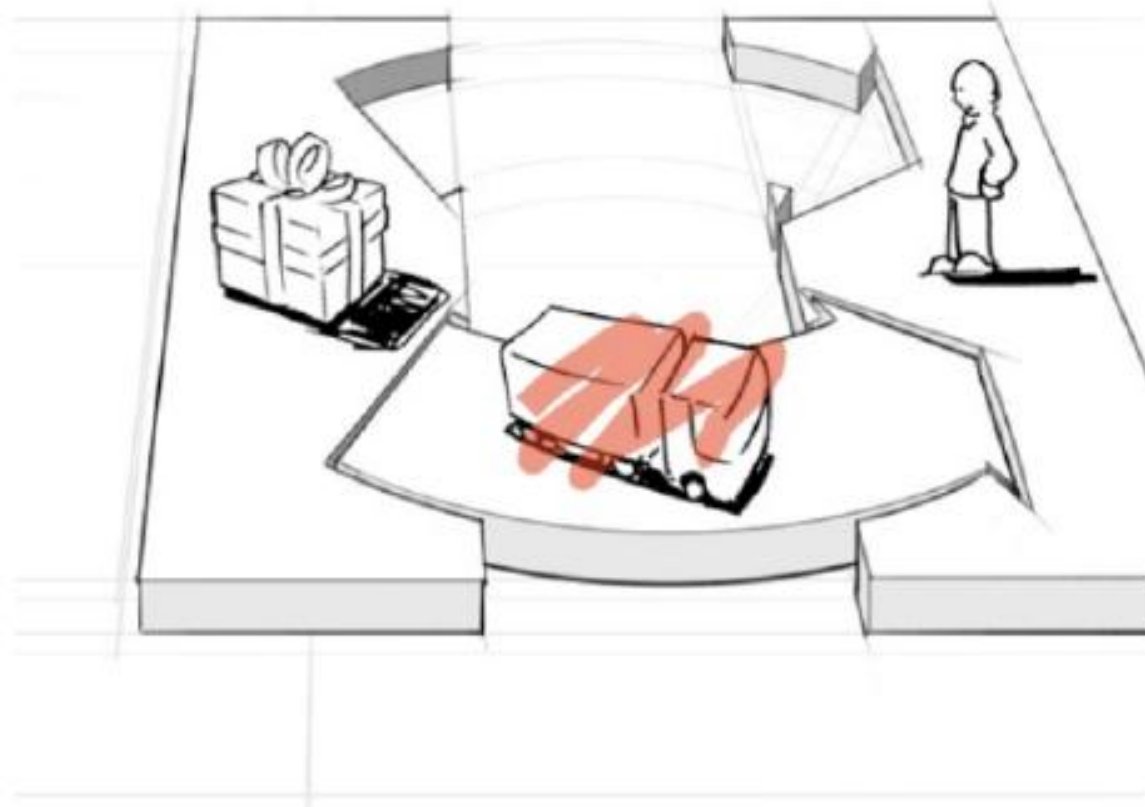
Sales force

Web sales

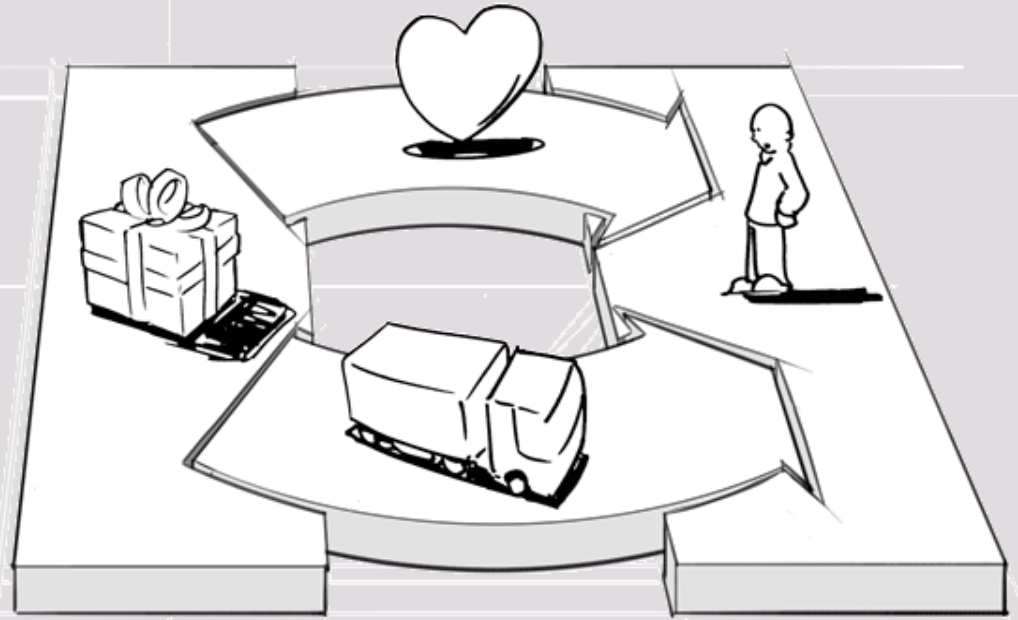
Own stores

Partner stores

Wholesaler

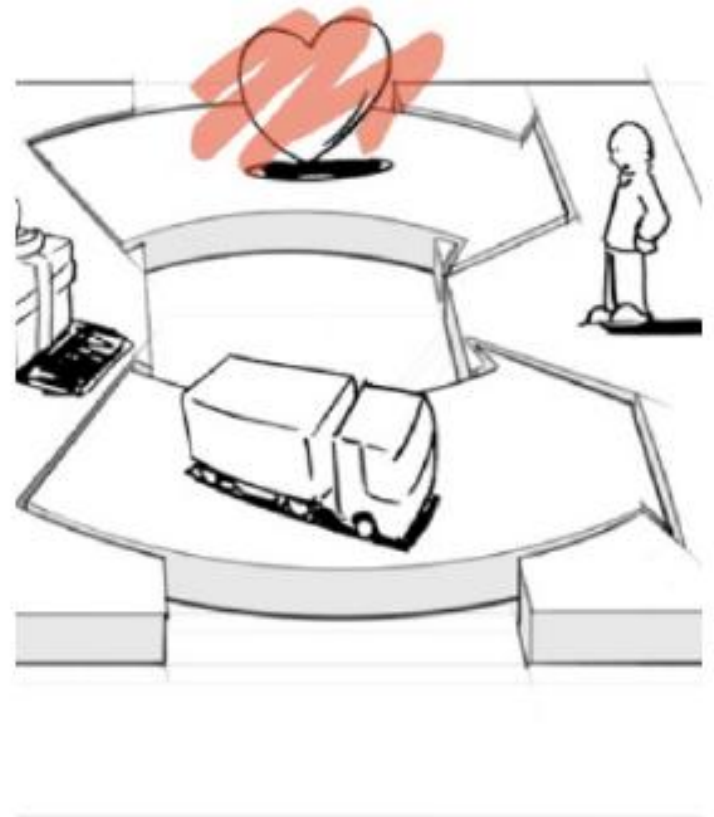


CUSTOMER RELATIONSHIPS



Customer Relations

Describes the types of relationships a company establishes with specific Customer Segments

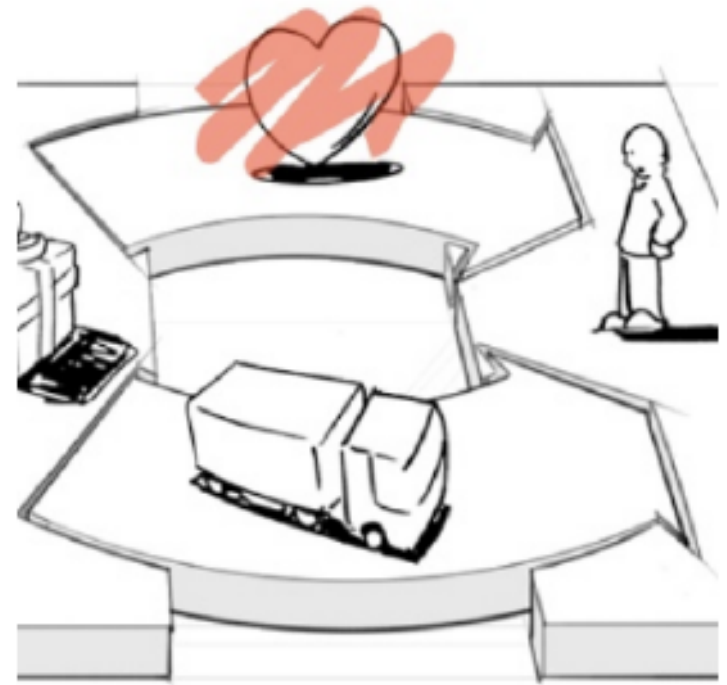


Customer Relations

What type of relationship do we establish and maintain with CS?

How costly are they?

How are they integrated with the rest of our business model?



Customer Relations Types

Personal assistance

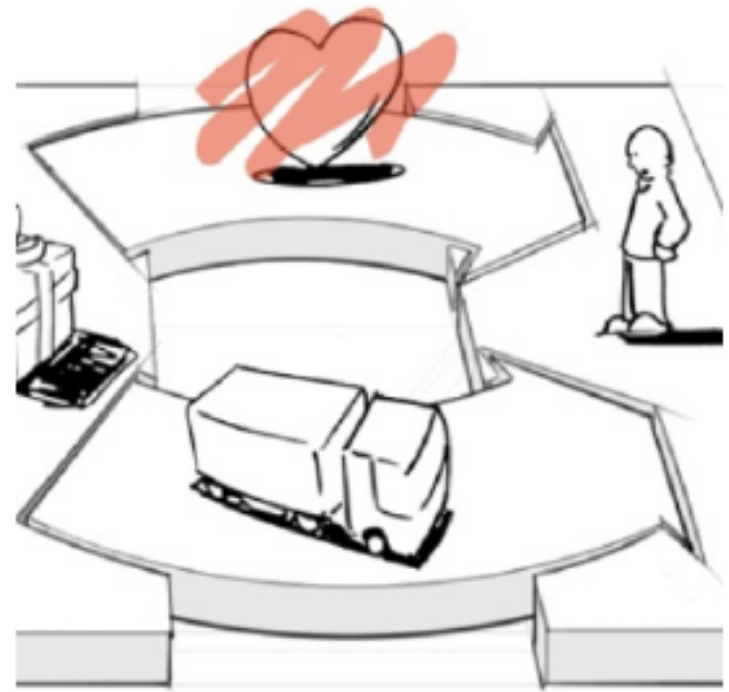
Dedicated personal assistance

Self-service

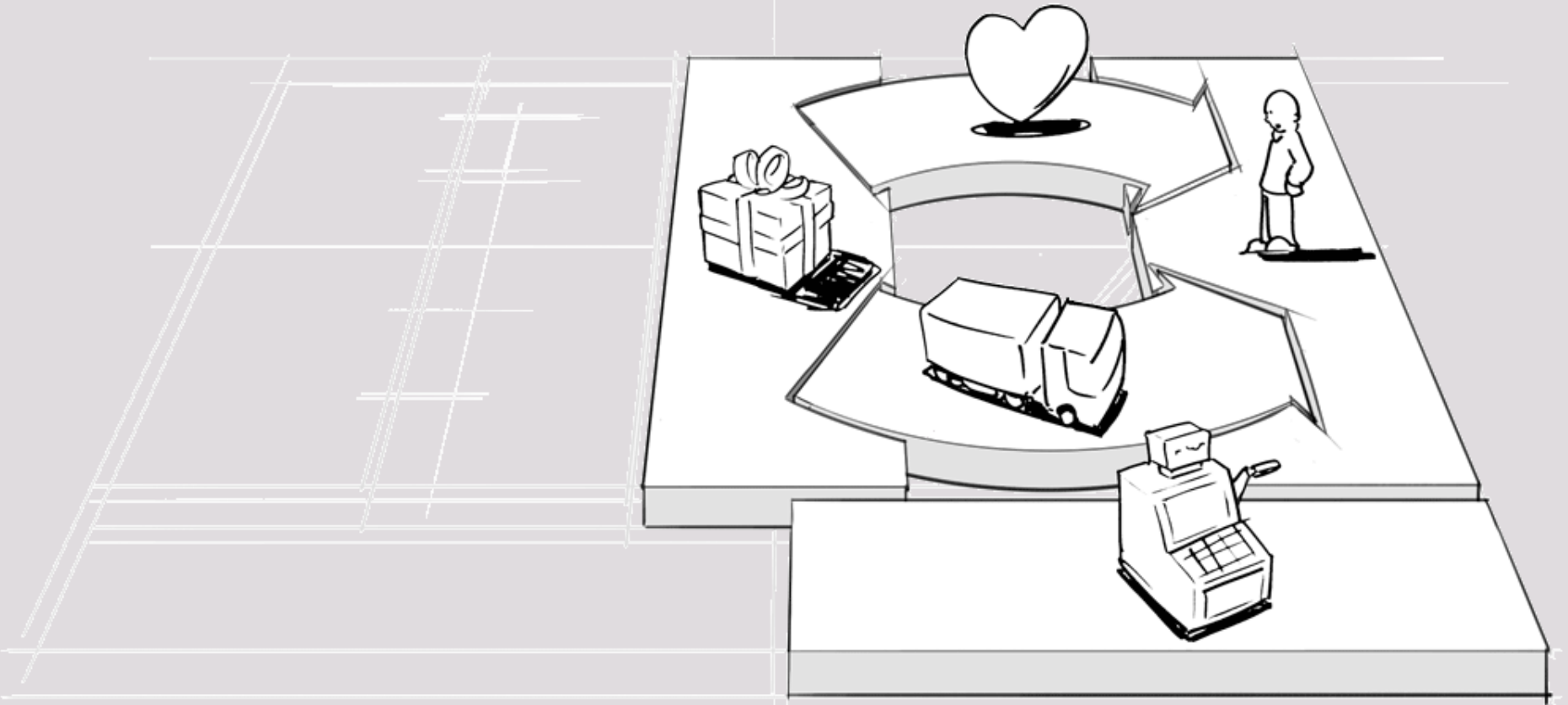
Automated services

Communities

Co-creation

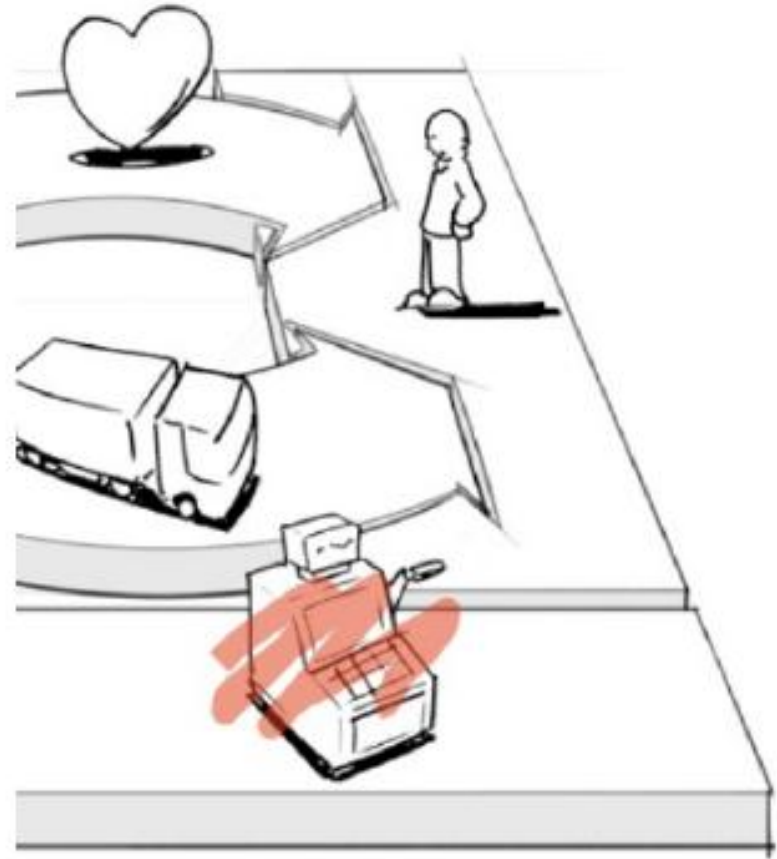


REVENUE STREAMS



Revenue Streams

The cash a company generates from each Customer Segment (costs must be subtracted from revenues to create earnings)



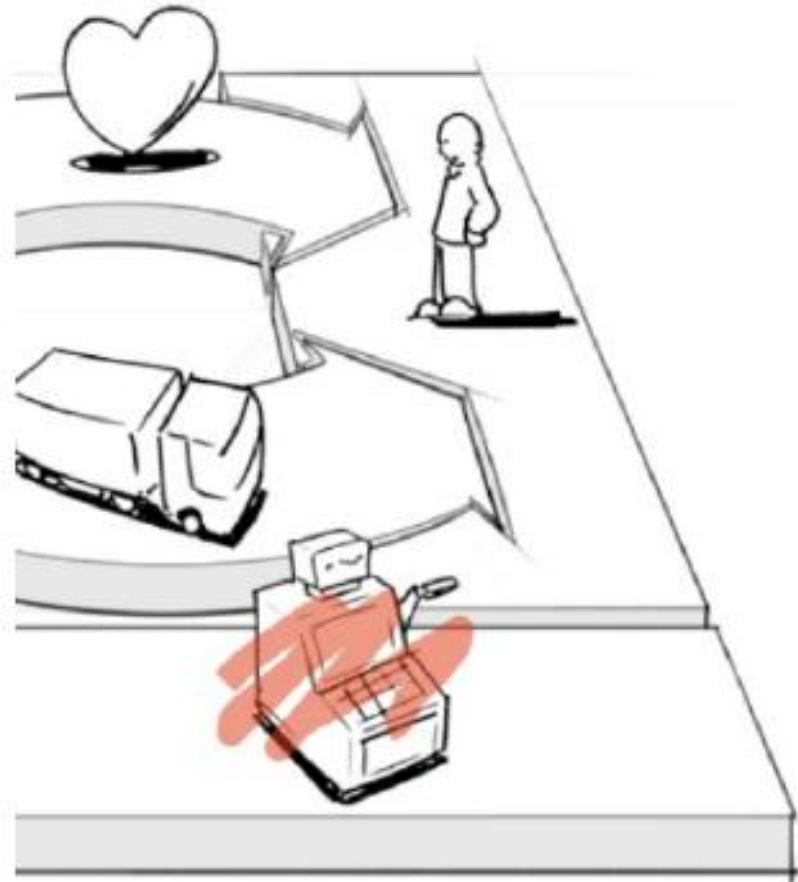
Revenue Streams

For what value are our customers really willing to pay?

For what do they currently pay?

How are they currently paying?

How much does each RS contribute to overall revenues?



Revenue Streams Types

Asset sale

Usage fee

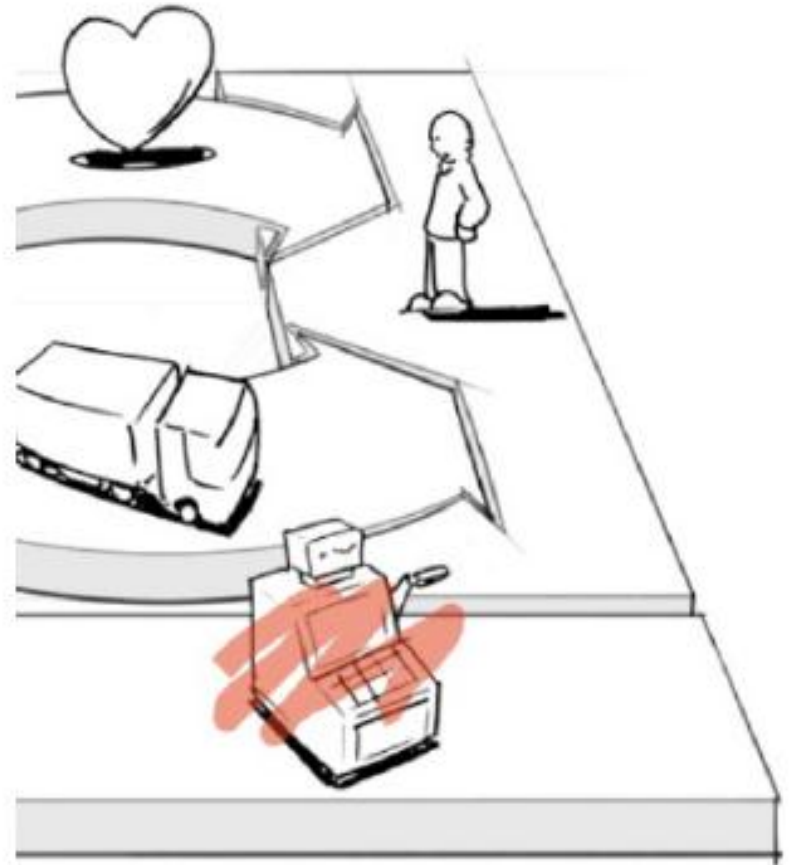
Subscription fees

Lending/Renting/Leasing

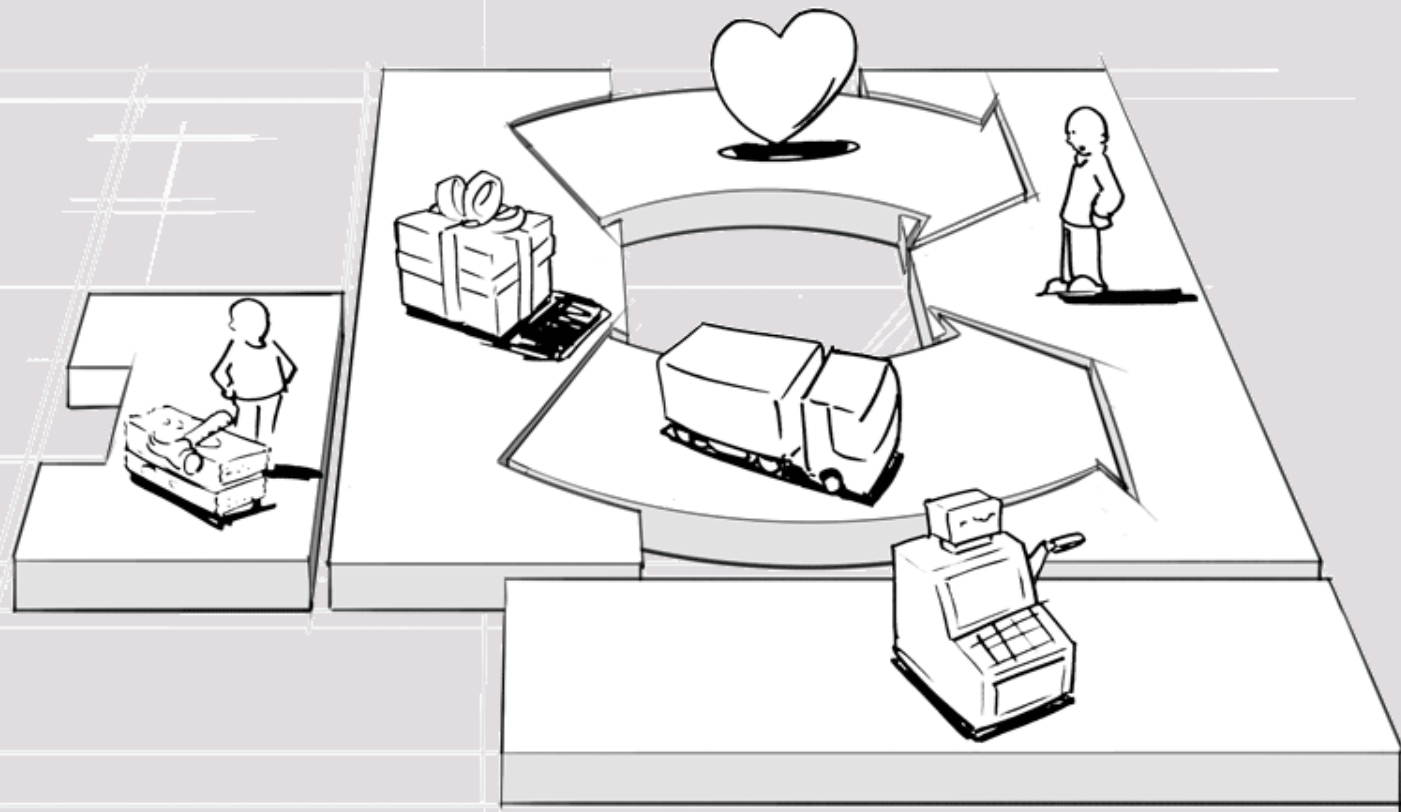
Licensing

Brokerage fees

Advertising

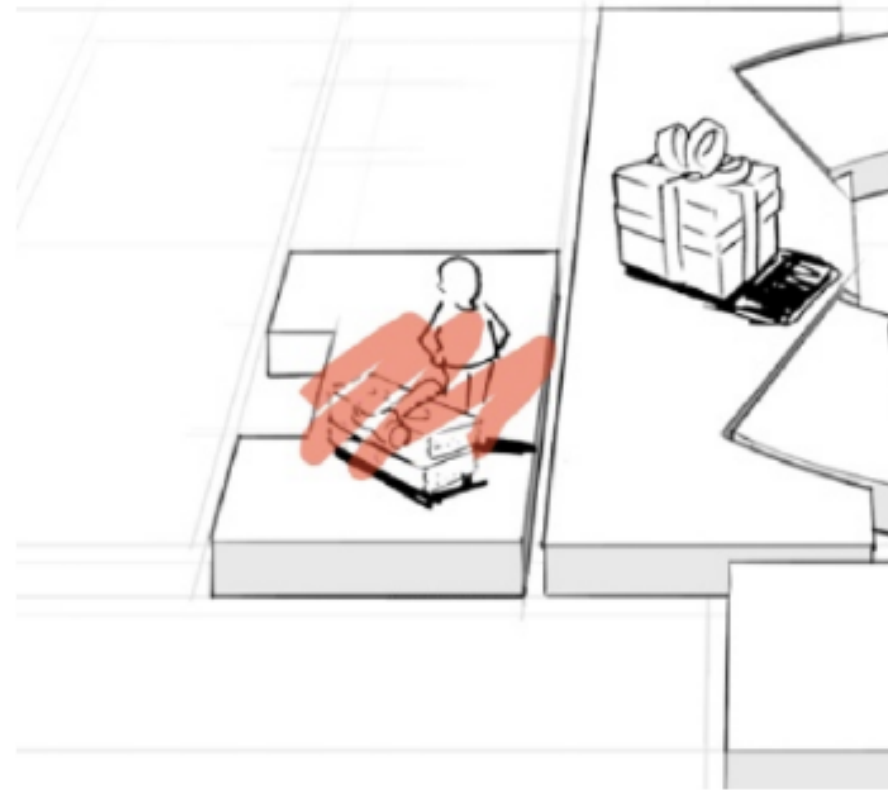


KEY RESOURCES



Key Resources

The most important assets required to make a business model work



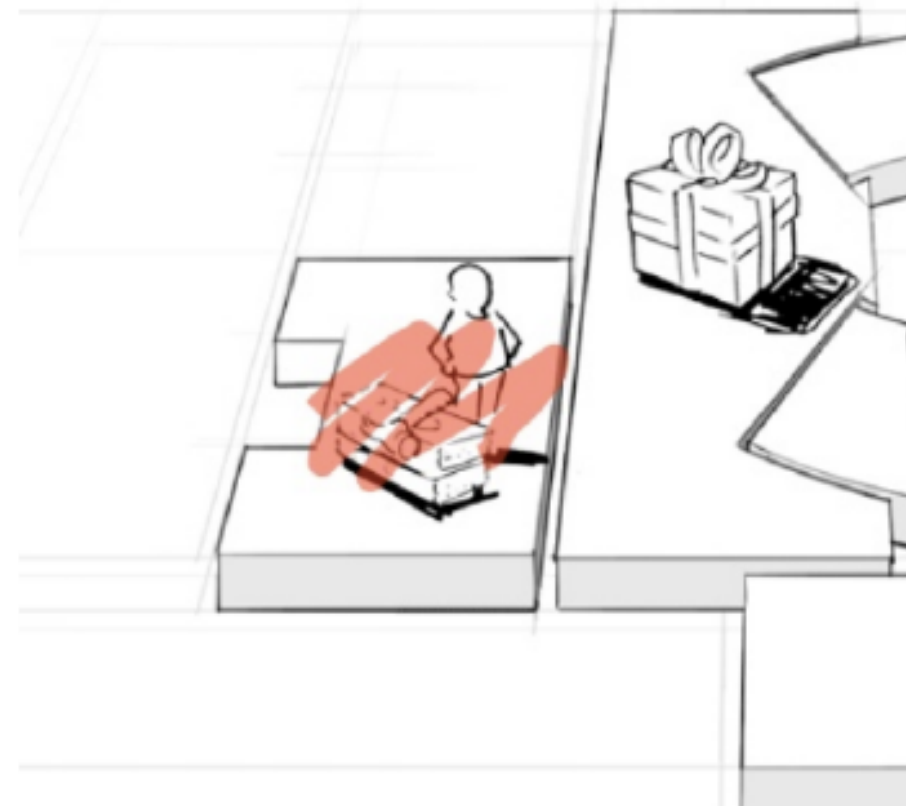
Key Resources

What Key Resources do our Value Propositions require?

Our Distribution Channels?

Customer Relationships?

Revenue Streams?



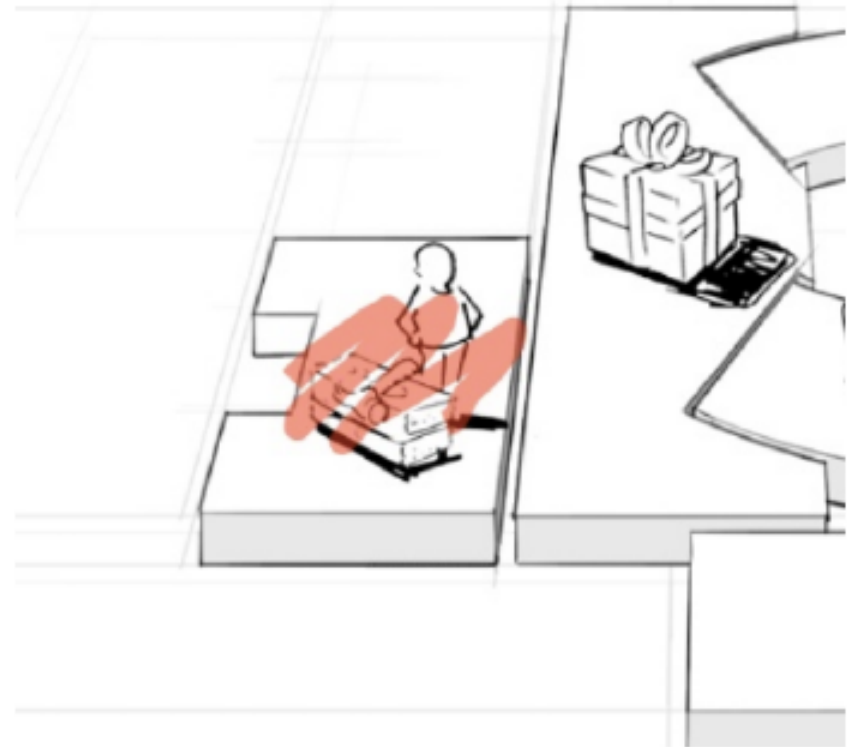
Key Resources Types

Physical

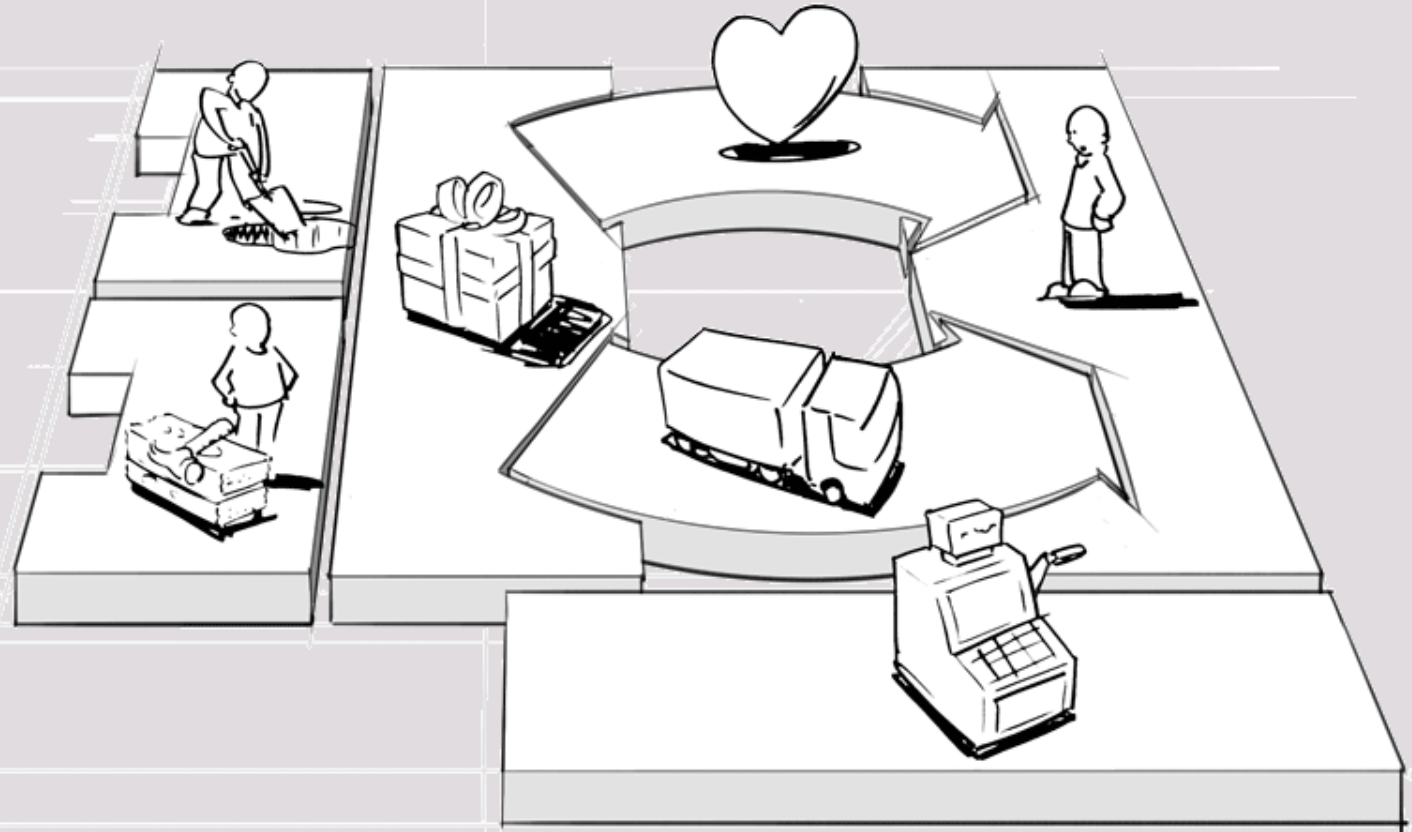
Intellectual

Human

Financial



KEY ACTIVITIES



Key Activities

The most important things a company must do to make its business model work



Key Activities

What Key Activities do our Value Propositions require?

Our Distribution Channels?

Customer Relationships?

Revenue Streams?



Key Activities Types

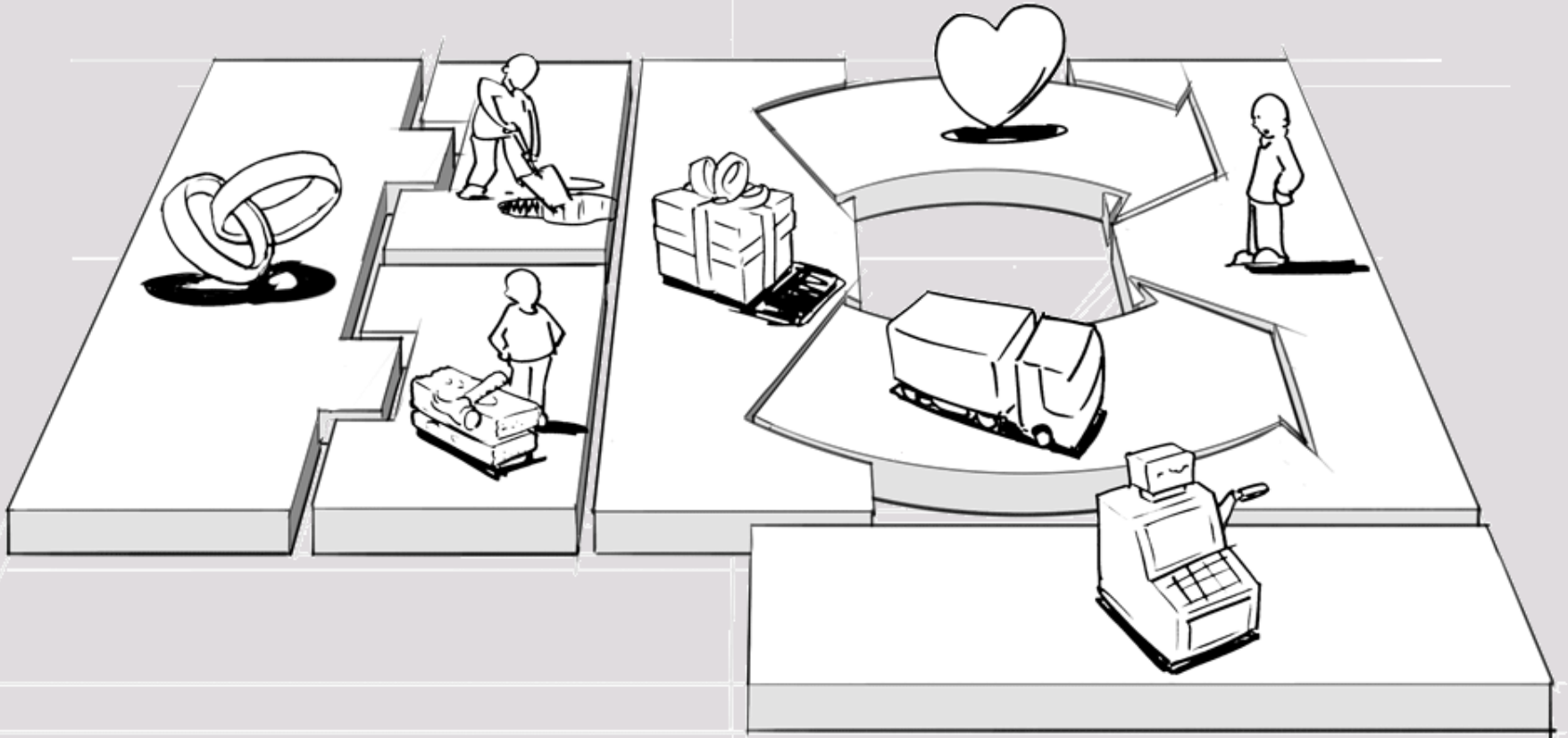
Production

Problem solving

Platform/network



KEY PARTNERS



Key Partnerships

The network of suppliers and partners that make the business model work



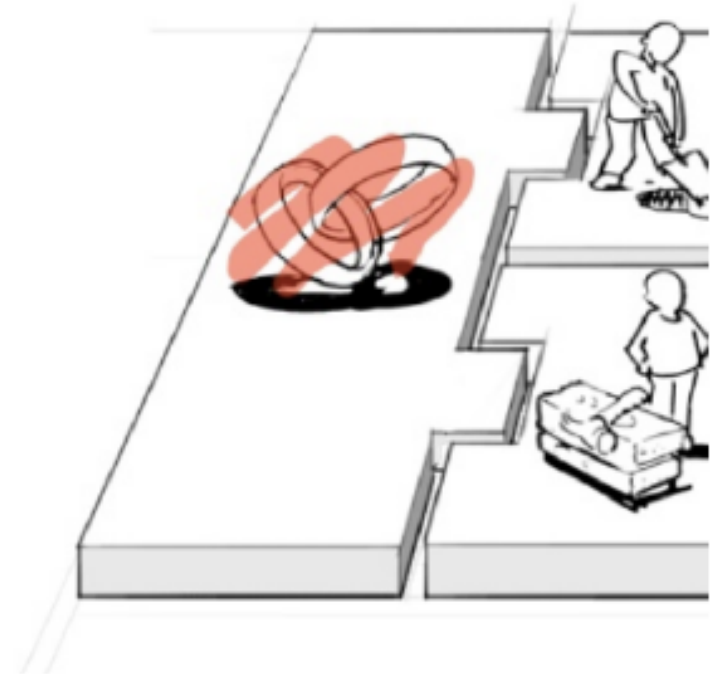
Key Partnerships

Who are our Key Partners?

Who are our key suppliers?

Which Key Resources are we acquiring from partners?

Which Key Activities do partners perform?



Partnership Types

Strategic alliances between non-competitors

Coopetition: strategic partnerships between competitors

Joint ventures to develop new businesses

Buyer-supplier relationships to assure reliable supplies



Motivations For Creating Partnerships

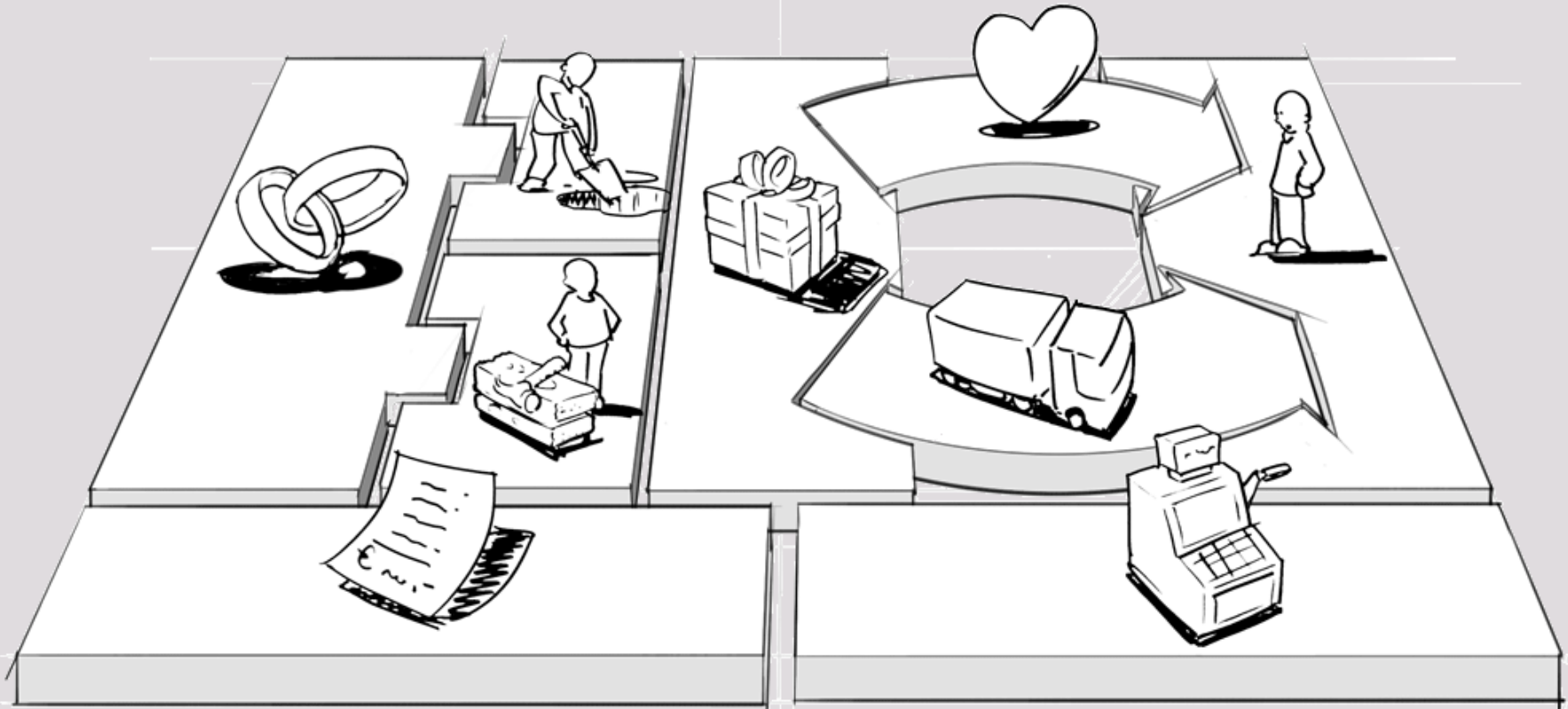
Optimization and economy of scale

Reduction of risk and uncertainty

Acquisition of particular resources and activities

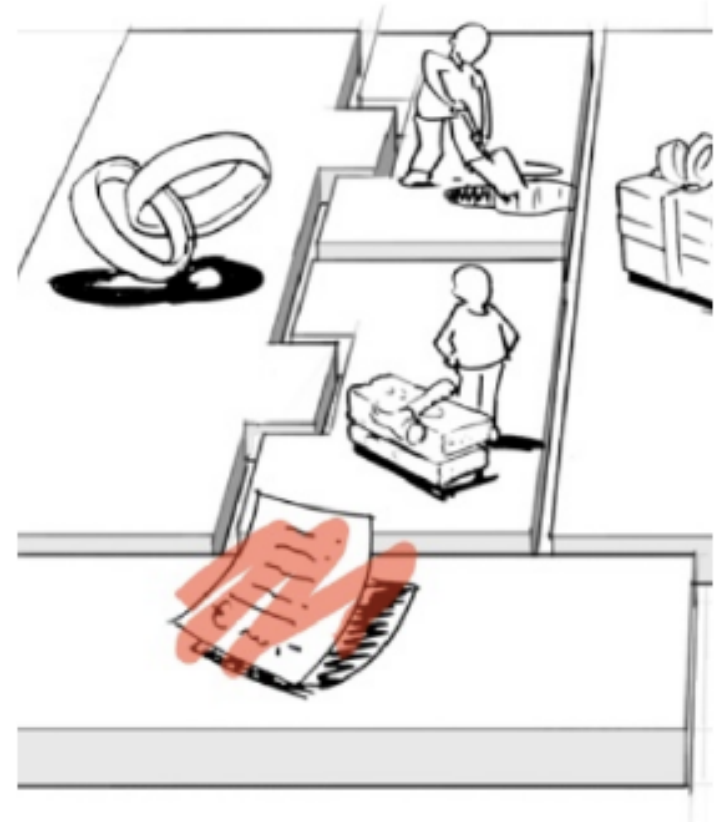


COST STRUCTURE



Cost Structure

All costs incurred to operate a business model



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 Types

Cost-driven

Value-driven

Fixed costs

Variable costs

Economies of scale

Economies of scope



LET'S

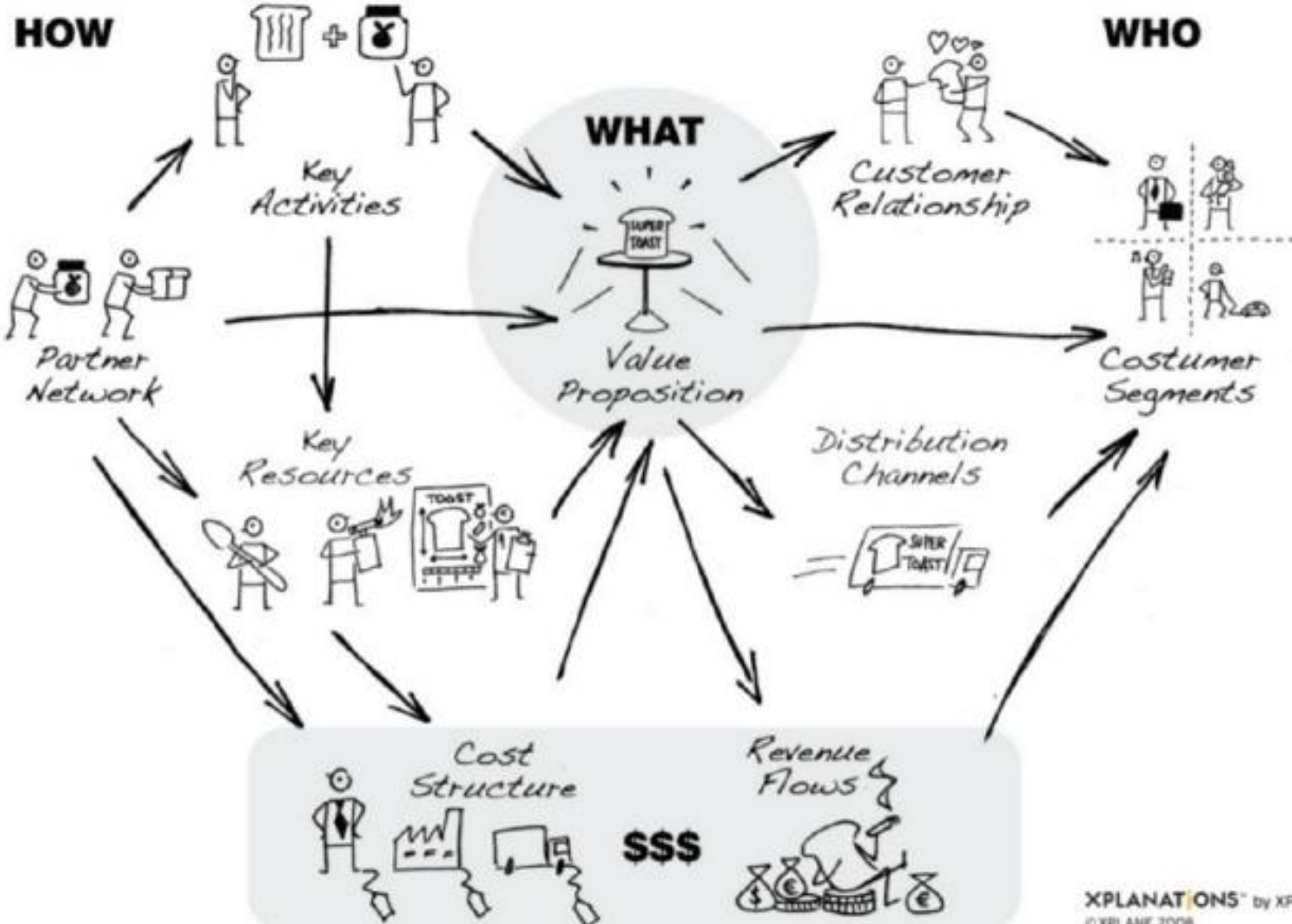
MAKE IT

SIMPLE!

HOW

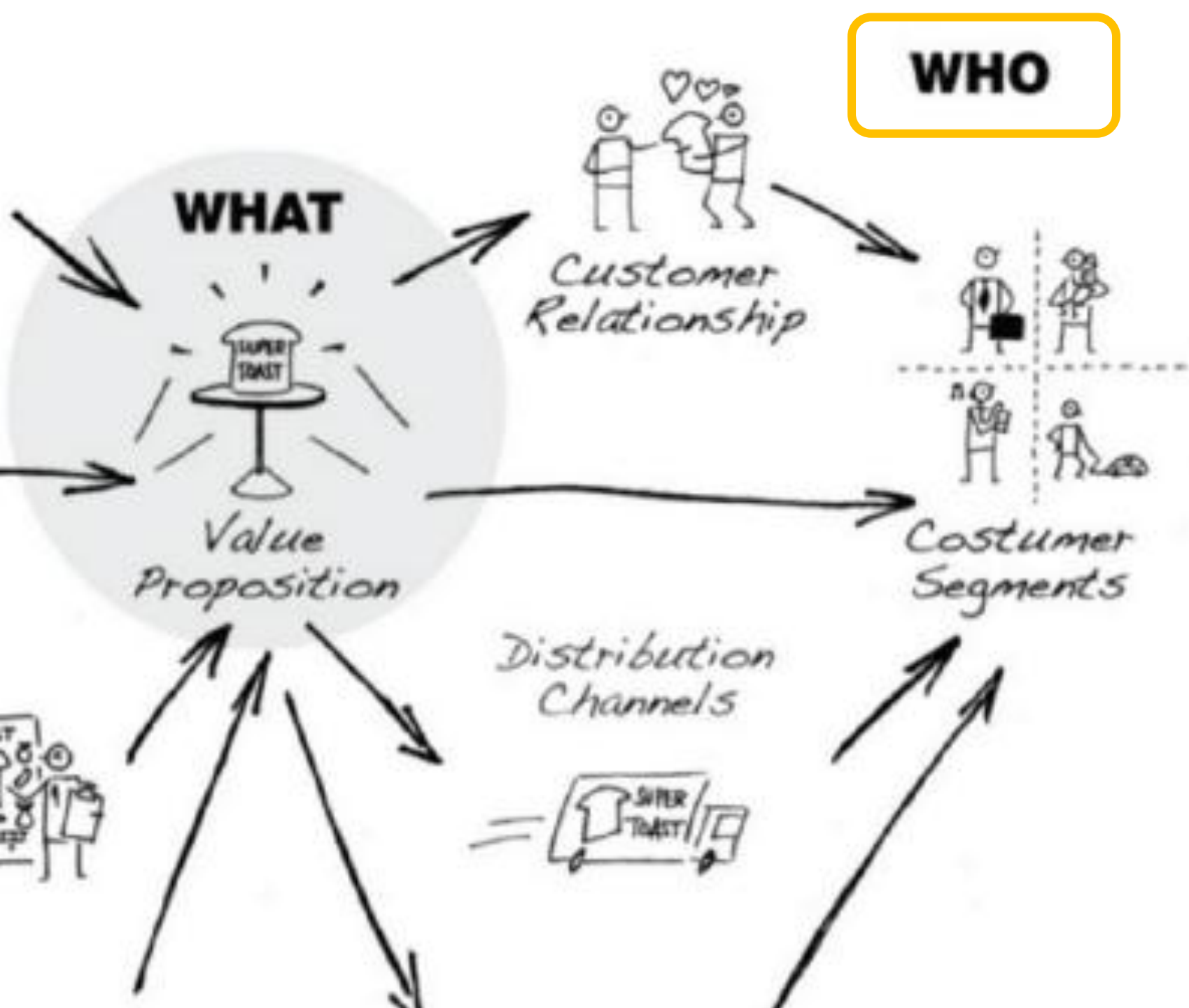
WHO

WHAT

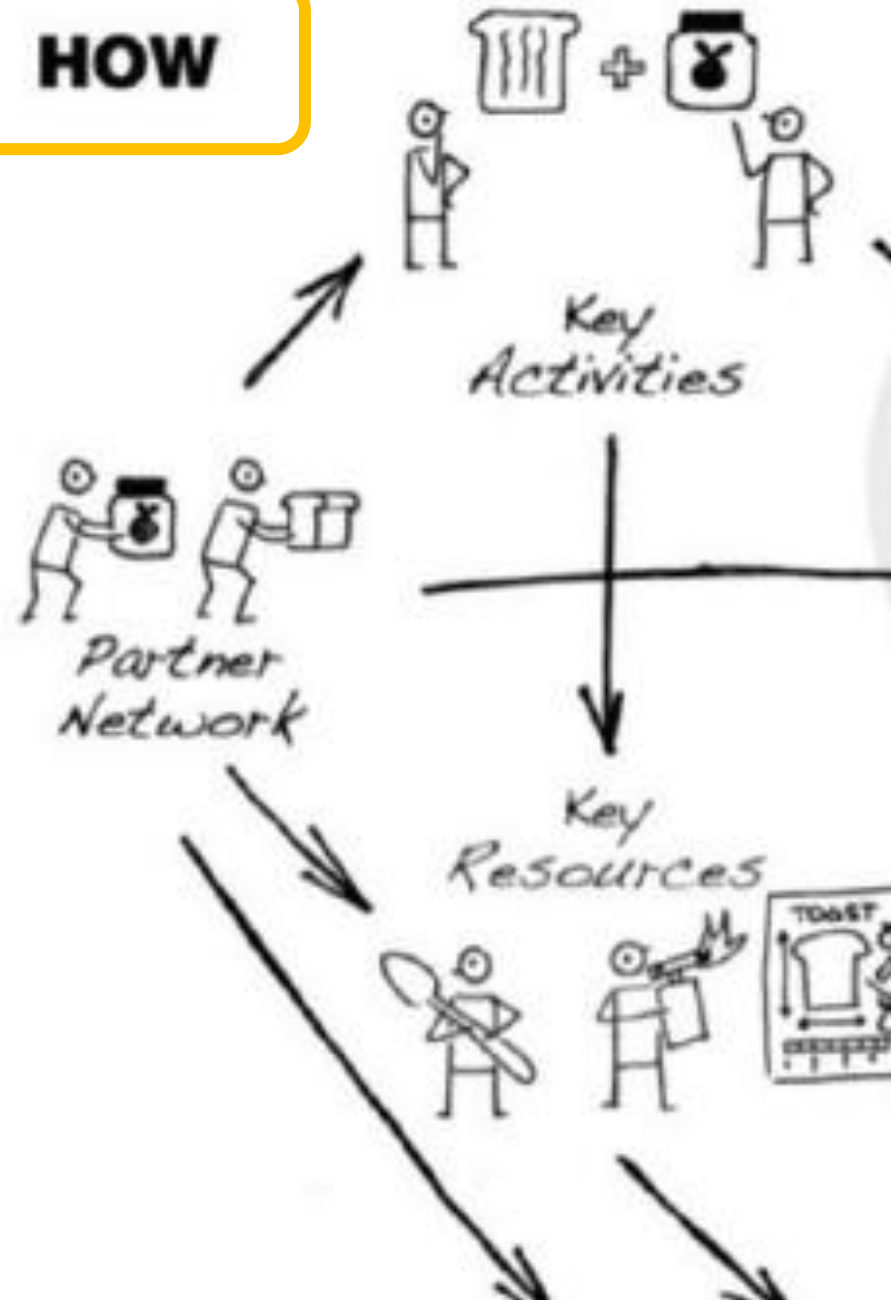




WHO



HOW



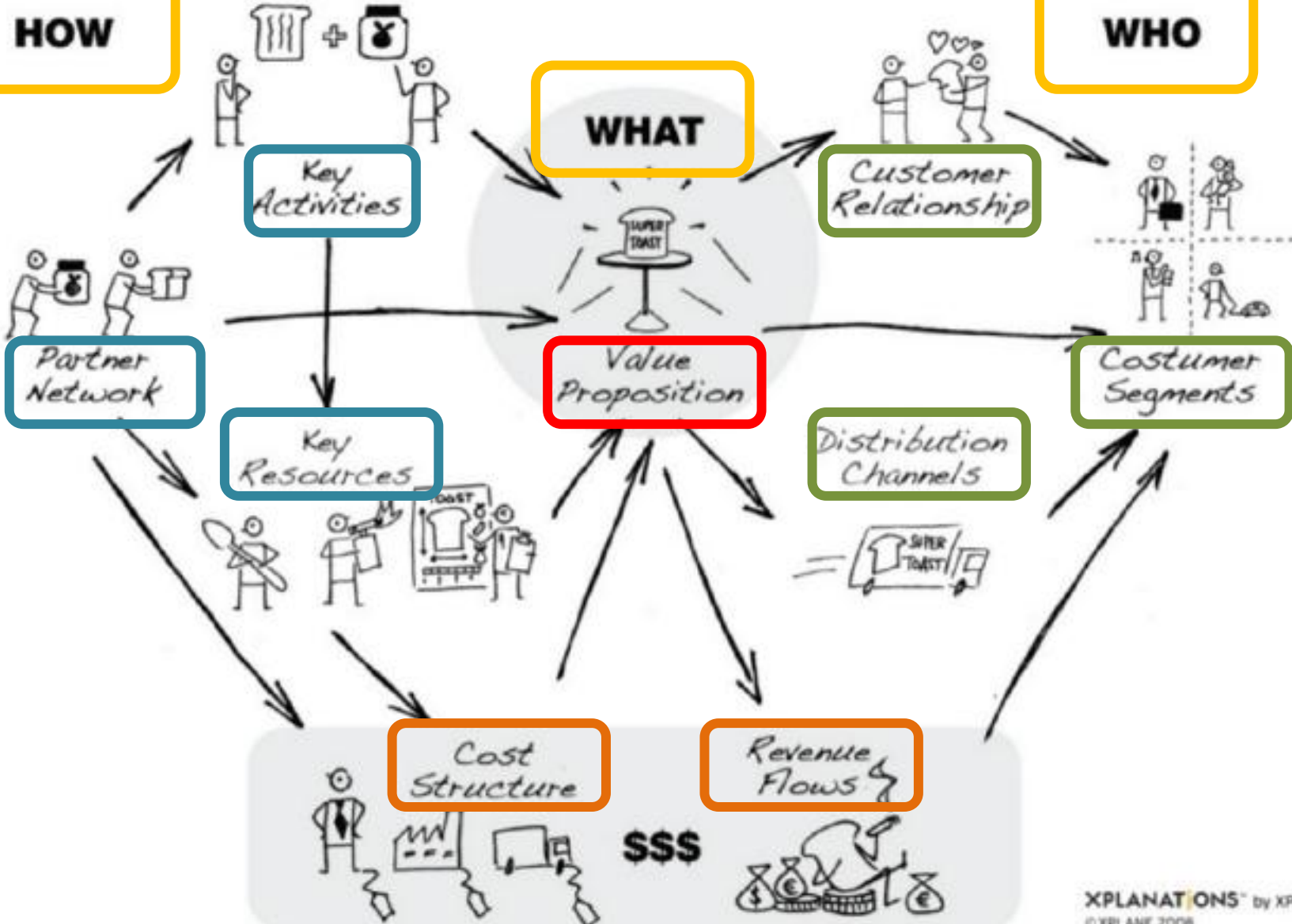


HOW MUCH?

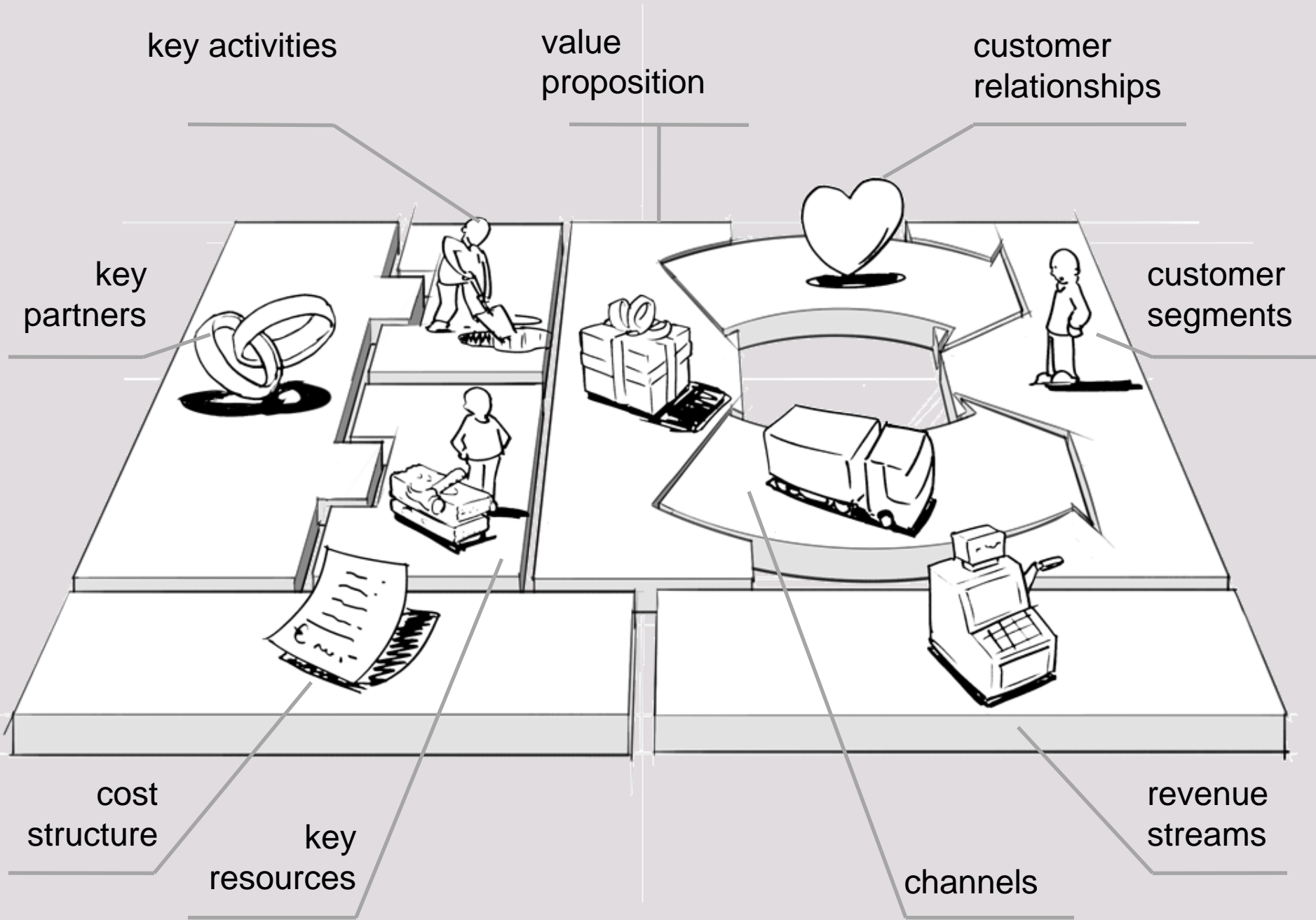
HOW

WHO

WHAT



HOW MUCH?



CASE STUDIES

EXAMPLE

SKYPE

key partners

Microsoft



telecom companies



hardware manufacturers



payment providers

key activities

software development



complaint management



key resources

developers



software



skype brand

value proposition



customer relationships



payment of skype credits



skype subscription



skype software download



personalized self service

channels



skype.com & skype apps

skype manager manage skype in your business



skype hardware

client segments

global internet users who want to make a call (via the internet)

162 M



skype out users

8M



companies that want to make cheap international calls



hardware manufacturers

cost structure



software development



marketing



complaint management



partner fees



telecom costs (skype out)

\$264M in operating profit (-\$7M Net Profit)



credits and subscriptions

\$850M



basic services are free!

\$0



skype hardware

\$???

revenue streams

EXAMPLE
FACEBOOK

facebook

key partners



facebook app & game developers

key activities

platform development and maintenance



value proposition



customer relationships

long term, sticky relationship plus network effects



customer segments



everyone on the internet, because people are social

key resources

smart people and technology



the brand, and huge user base

channels

fortune 500 as well as SME & micro advertisers



facebook app & game developers



cost structure

~3000 employees to operate the entire platform with over 600 million users



technology & maintenance



revenue streams

advertising revenue










30% cut on facebook credits



The Business Model Canvas - Example



<p>KP </p> <p>Customers who build new LEGO designs and post them online become key partners generating content and value</p>	<p>KA </p> <p>LEGO has to provide and manage the platform/ logistics that allow packaging/ delivery of customer made sets</p>	<p>VP </p> <p>LEGO Factory substantially expands the scope of the off-the-shelf kit offering by giving LEGO fans the tools to build, showcase, and sell their own custom designed kits</p>	<p>CR </p> <p>LEGO Factory builds a Long Tail community around customers who are truly interested in niche content and want to go beyond off-the-shelf kits</p>	<p>CS </p> <p>Thousands of new, customer designed kits perfectly complement LEGO's standard sets of blocks. LEGO Factory connects customers who create customised designs with other customers, thus becoming a customer match-making platform and increasing sales</p>
<p>C\$ </p> <p>The Factory leverages production and logistics costs already incurred by its traditional retail mode</p>	<p>R\$ </p> <p>LEGO Factory aims to generate small revenues from a large number of customer designed items. This represents a valuable addition to traditional high-volume retail revenues.</p>			

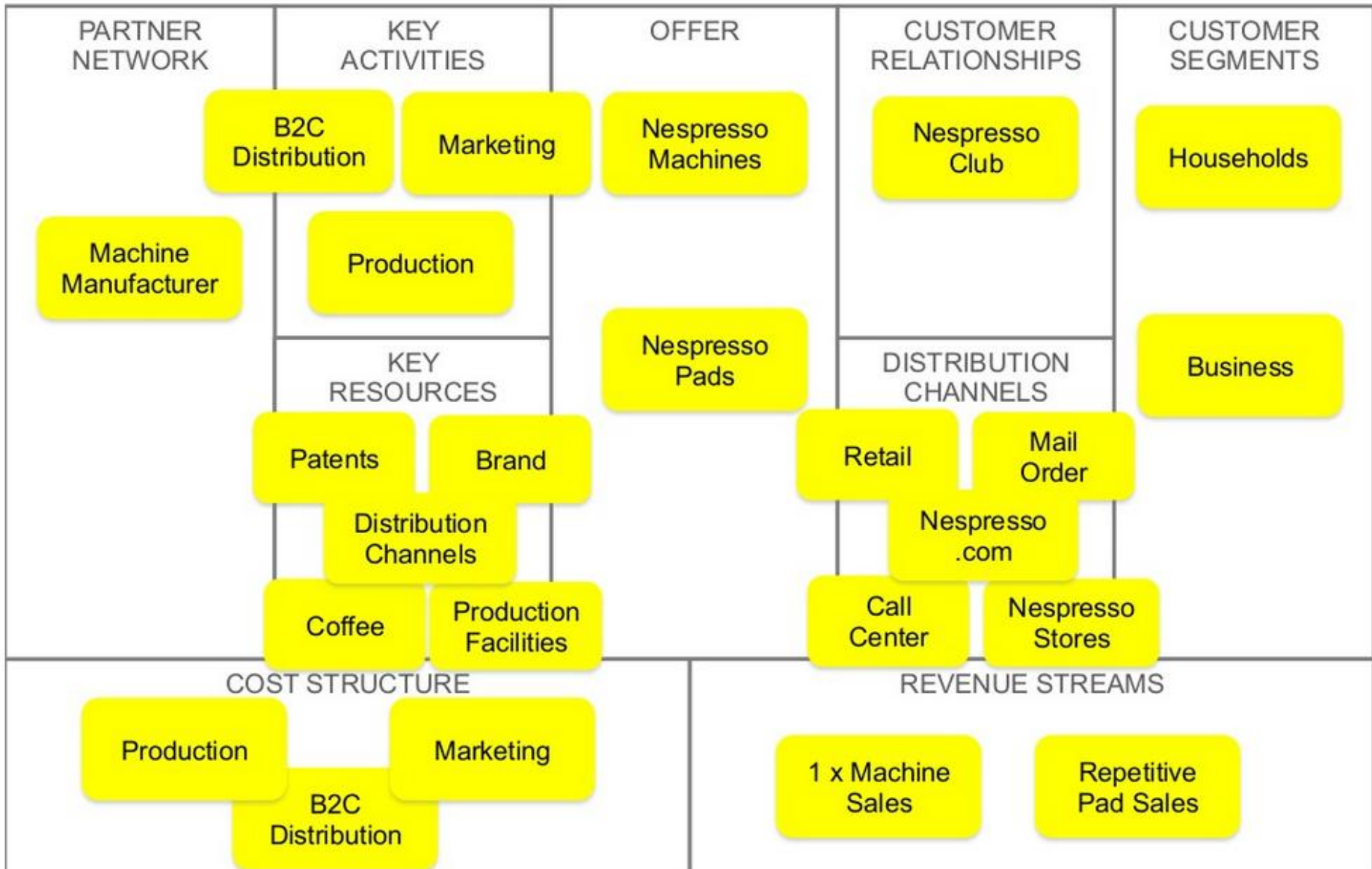
EXAMPLE
NESPRESSO



Let us look at the business model of Nespresso



The Business Model of Nespresso







N-Cups.com

A new cup for the Nespresso system

Welcome, enjoy your favorite coffee!

[My Account](#) | [My Wishlist](#) | [My Cart](#) | [Checkout](#) | [Log In](#)

[SPECIALTIES](#) | [MAC](#) | [AMEO](#) | [CORRE](#) | [CAPPU](#) | [PAN](#) | [RISTI](#) | [LUNO](#) | [LATES](#) | [DOPPIO](#)

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Save on Nespresso!

Why pay so much for coffee? [SHOP NOW](#)

max. \$0.16

Start selling on Apr. 18, 2010

Free US shipping

Nespresso cups from \$0.16










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BabyNes®
ADVANCED NUTRITION





**ON DECEMBER 13TH
2013 BEYONCÉ
LAUNCHES HER NEW
ALBUM ON ITUNES**

AN ALBUM ON ITUNES?



**AN ALBUM ON
ITUNES!**

HER FULL ALBUM

BEYONCÉ

\$15.99 Buy

Clean Explicit

BEYONCÉ

Beyoncé >

Songs Ratings and Reviews Related



iTunes Editors' Notes

Beyoncé's fifth studio endeavor is a provocative, unguarded artistic statement—revealing a side of the icon previously unknown to fans and cementing her status as a pop visionary. The roster of guest collaborators includes JAY Z, Drake, Frank Ocean, Pharrell Williams, Timbaland, Michelle Williams, Kelly Rowland, Justin Timberlake, and more. Adding a striking dimension to the music, the complementary videos unfold amid an international backdrop of New...
More ▾

Mastered
for iTunes

★★★★★ (23,976)

Released Dec 13, 2013

© 2013 Columbia Records, a Division of
Sony Music Entertainment



	Name	Artist	Time	Popularity	Price
1.	Pretty Hurts	Beyoncé	4:17	██████████	\$1.29 ▾
2.	Haunted	Beyoncé	6:09	██████████	\$1.29 ▾
3.	Drunk in Love (feat. Jay Z)	Beyoncé	5:23	██████████	\$1.29 ▾
4.	Blow	Beyoncé	5:09	██████████	\$1.29 ▾
5.	No Angel	Beyoncé	3:48	██████████	\$1.29 ▾
6.	Partition	Beyoncé	5:19	██████████	\$1.29 ▾
7.	Jealous	Beyoncé	3:04	██████████	\$1.29 ▾
8.	Rocket	Beyoncé	6:31	██████████	\$1.29 ▾
9.	Mine (feat. Drake)	Beyoncé	6:18	██████████	\$1.29 ▾
10.	XO	Beyoncé	3:35	██████████	\$1.29 ▾

**WHY WOULD SHE DO
THAT?**

**WHAT CAN WE
LEARN FROM
BEYONCÉ?**

**FIRST TAKE A LOOK
AT THE MUSIC
INDUSTRY**

**SEVERAL
QUESTIONS...**



WHAT
DOES THE
MARKET LOOK
LIKE?

A DYNAMIC MARKET
A GLOBAL INDUSTRY
CHARACTERIZED BY
MANY PLAYERS AND
FIERCE COMPETITION

THE ROLE OF MUSIC IN PEOPLE'S LIVES

“Music is something most people love, that no one dislikes and that touches everyone throughout their lives”

BrandAmp study, Millward Brown, 2007

A PRODUCT OR SERVICE
WITH A MASS MARKET
POTENTIAL

A GLOBAL INDUSTRY

**SOMETHING FOR
EVERYONE...**

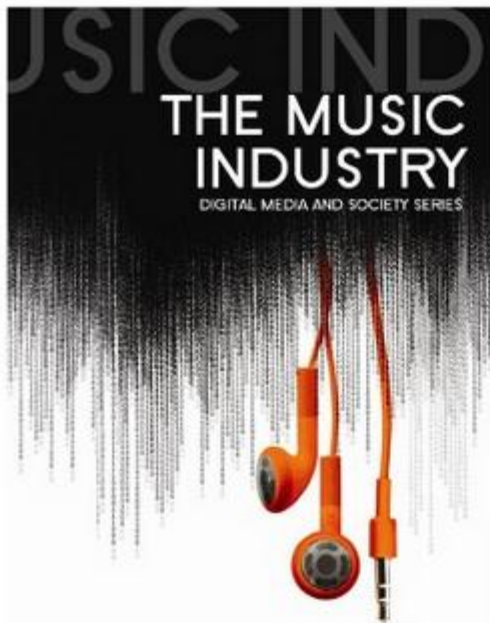


THE CREATIVE GENIUS

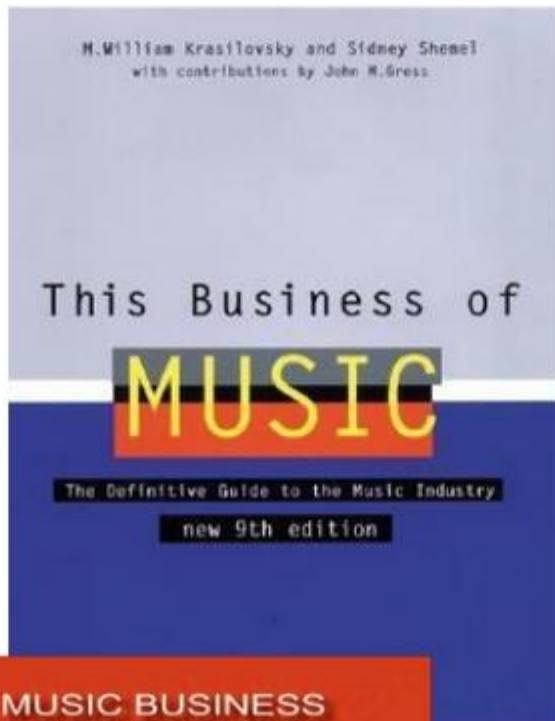




**LOT'S OF GOOD
ADVISORS**



PATRIK WIKSTRÖM



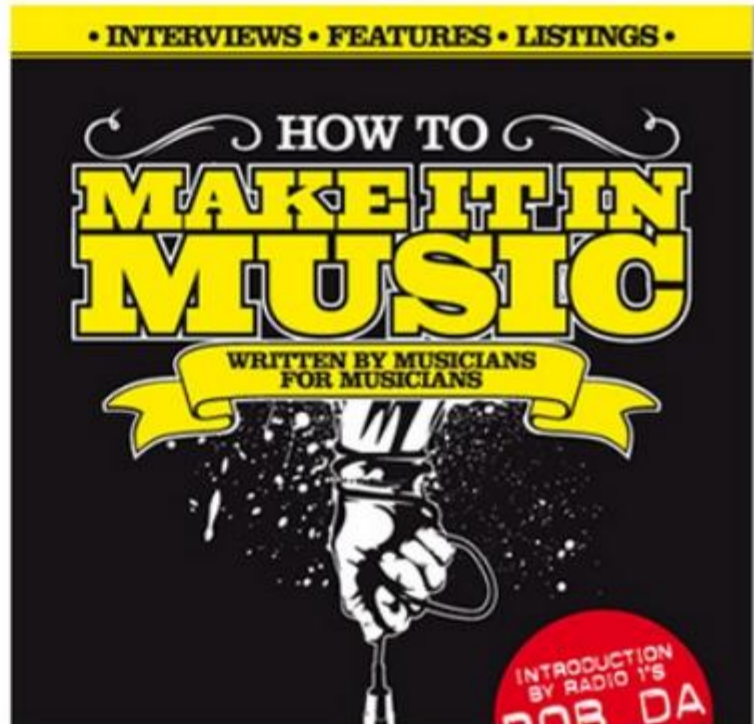
M. William Krasilovsky and Sidney Sheshel
with contributions by John M. Gross

This Business of

MUSIC

The Definitive Guide to the Music Industry

new 9th edition

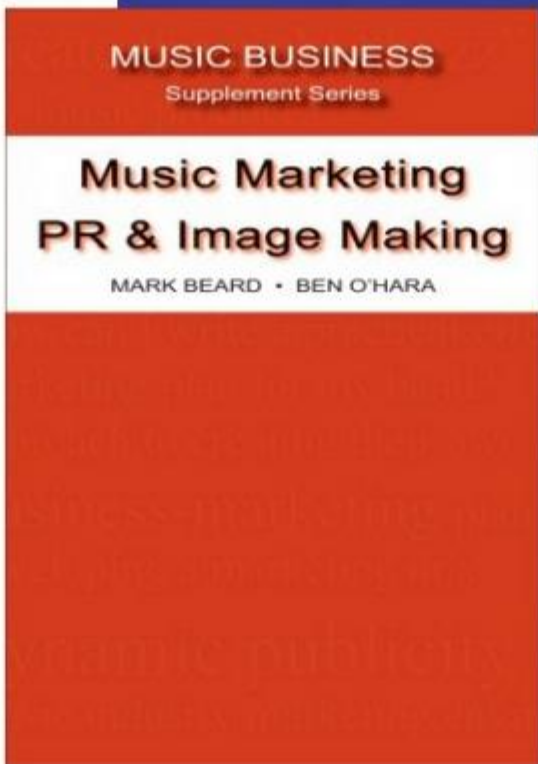


• INTERVIEWS • FEATURES • LISTINGS •

HOW TO
**MAKE IT IN
MUSIC**

WRITTEN BY MUSICIANS
FOR MUSICIANS

INTRODUCTION
BY RADIO 1'S
BOB DA

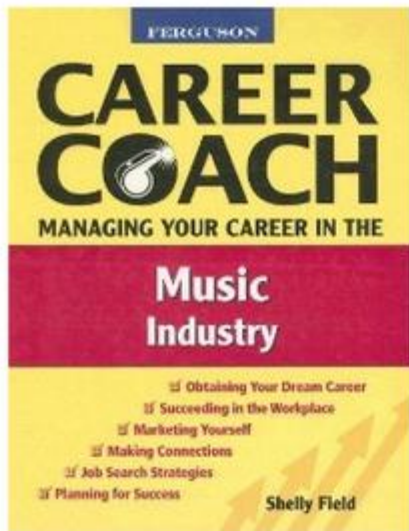


MUSIC BUSINESS

Supplement Series

**Music Marketing
PR & Image Making**

MARK BEARD • BEN O'HARA



FERGUSON

**CAREER
COACH**

MANAGING YOUR CAREER IN THE

**Music
Industry**

▣ Obtaining Your Dream Career

▣ Succeeding in the Workplace

▣ Marketing Yourself

▣ Making Connections

▣ Job Search Strategies

▣ Planning for Success

Shelly Field

EXPLORE YOUR MUSIC CAREER OPTIONS

Turn your passion for music into a thriving business and career path. Courses include...

- ~ Music Marketing
- ~ Audio Mixing and Mastering
- ~ Music Production
- ~ Songwriting and Arranging
- ~ Music Industry Entrepreneurship
- ~ Music Theory and Musicianship
- ~ Concert Production and Promotion
- ~ Legal
- ~ Publishing
- ~ Pro Tools
- ~ And Much More...



Contact an Advisor to Learn More!

ENOUGH PLAYERS



TECHNOLOGY ADVANCEMENTS





Sony Ericsson

My Music



Online Store

Now Playing

Artists

Albums

Tracks

Playlists

Open

More



WALKMAN

MORE MUSIC THAN A SINGLE STORE



**UNDERSTAND THE
CONTEXT...**

DECLINING SALES IN 2009

GLOBAL MUSIC SALES

Global music sales
(physical and digital)
excluding VAT

1997: 38 billion USD

2009: 17 billion USD





**WHO
ARE THE
PLAYERS?**

**WHO CREATES
VALUE IN THE
MUSIC INDUSTRY?**

**WE NEED TO
UNDERSTAND THE
VALUE CHAIN**

RECORD COMPANIES?

**WHO RECORD, PRODUCE, PUBLISH,
DISTRIBUTE AND MARKET MUSIC?**



SHOPS?

WHO AGGREGATE AND SELL MUSIC?



PLAYERS?

**WHO AGGREGATE AND STREAM
MUSIC?**



ARTISTS?

WHO WRITE AND SING?

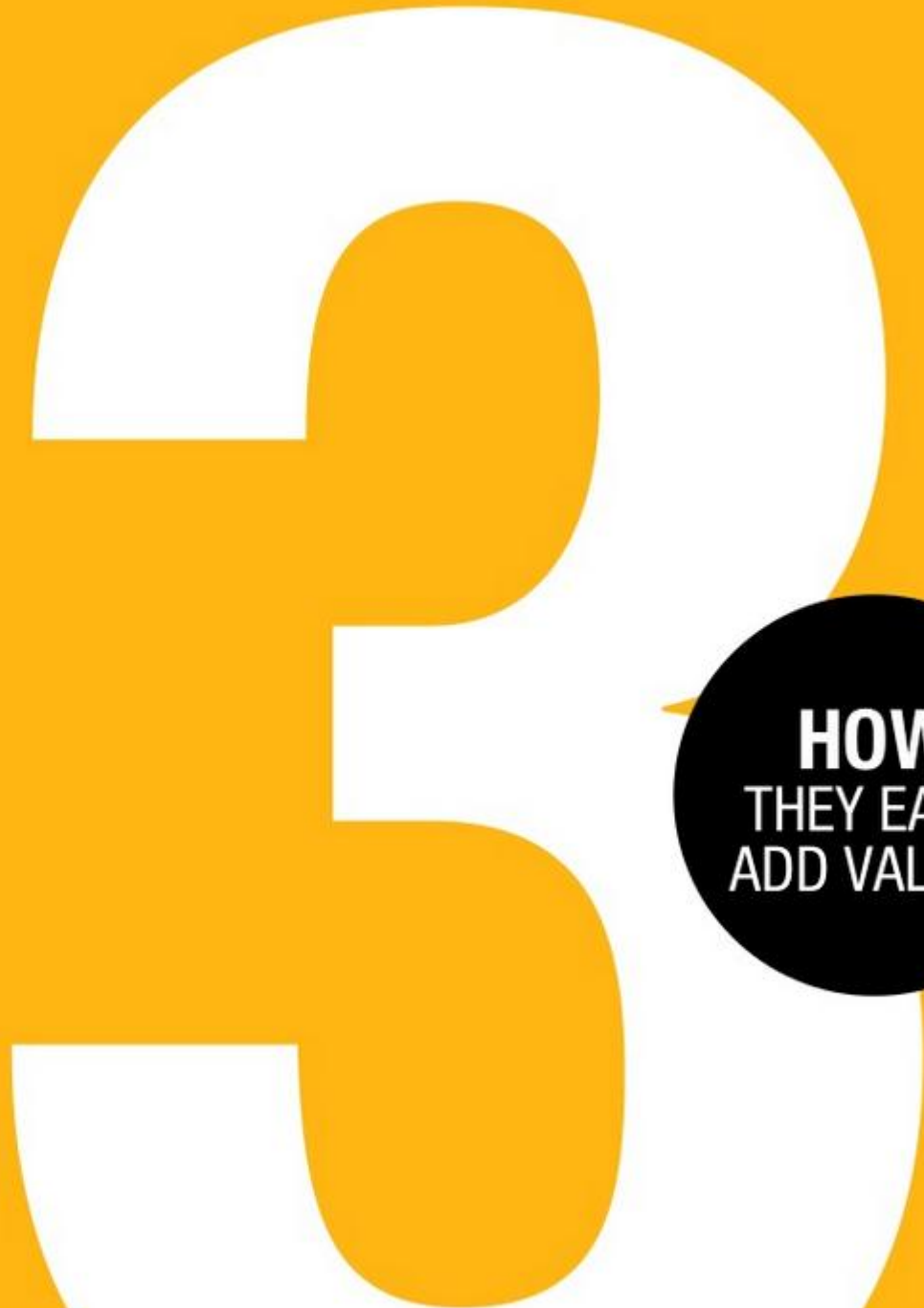


OR FANS?

**WHO LISTEN AND EXPERIENCE
MUSIC?**



SO LET'S SEE...



**HOW
THEY EACH
ADD VALUE?**

**WHAT DIFFERENT
BUSINESS MODELS
EXIST IN THE
INDUSTRY?**

**LET'S LOOK AT 5
PLAYERS AND THEIR
MODELS...**

A RECORD COMPANY

THE BIG FOUR



SONY MUSIC



warner | music | group



UNIVERSAL MUSIC GROUP

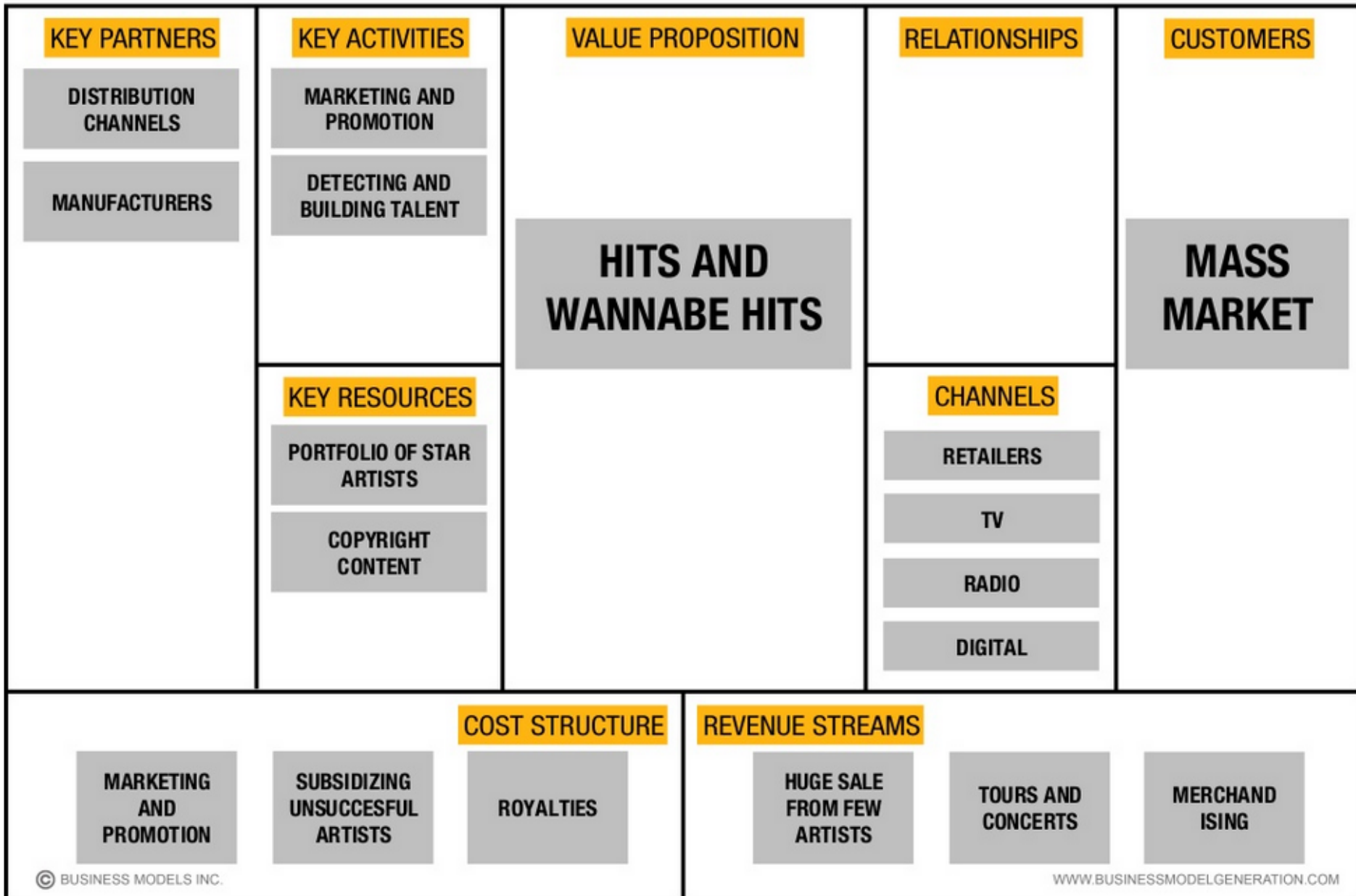
1 MAIN ACTIVITY

CONTRACT



**THE RECORD
COMPANY BUSINESS
MODEL**

THE RECORD COMPANY



**IN COSTS YOU MISSED:
'OVERPAID EXECUTIVES' ...'**

MICHAEL SMELLIE, FORMER COO SONY MUSIC

MICHAEL SMELLIE



**RECORD COMPANIES
DID NOT KNOW
THEIR CUSTOMERS**

COMMERCIAL BREAK

PIRACY

THE DOMINATING PHENOMENON





SORRY, NOT THESE GUYS

THIS IS WHAT WE BELIEVED...



Sharing is Caring

THE BIG DISCUSSION



Henry's Rap / Hip-Hop Blog

By [Henry Adaso](#), Rap / Hip-Hop Guide

[My Bio](#) | [My Blog](#) | [My Forum](#)

Add to: [iGoogle](#) | [My Yahoo!](#) |  [RSS](#)

Poll: Does Music Piracy Hurt Record Sales?

Friday November 24, 2006

Kanye West once joked that he wants people to stop stealing his music so that he can add a second swimming pool to his backyard. But there's nothing funny about kids getting thrown in jail for pirating their favorite songs. Interestingly enough, studies found that as number of illegal downloads increase, so do music sales. In fact, The Game recently disclosed that he leaked his new album, *Doctor's Advocate*, as a sampler to encourage people to buy the CD. Experts project that *Doctor's Advocate*, which is headed to No.1 on Billboard 200, will sell anywhere from 400,000 to 450,000 copies in its first week.



Does illegal downloading hurt music sales? You decide.

- [Yes, bootlegging is responsible for poor record sales](#)
- [No, it's promotion for the artists](#)
- [I'm not sure](#)

[View Results](#)

This poll is now closed.

Why Most Artists Profit from Piracy

Written by [Ernesto](#) on December 18, 2006

Piracy is not all that bad for musicians. In fact, research has shown that less popular artists actually profit from piracy. This can be concluded from, and is supported by several studies. Frustrated as they are, the music industry claims that they lose millions a year due to piracy, but is this really the case?

Free Music to Download www.iMesh.com

More than 15000000 Mp3 and videos
Download free iMesh now

Dé Ringtones Top 40 www.tonetastic.nl

Keuze uit 85.000 ringtones. Smpel en snel
voor 1 euro per stuk. 5e/wk

Free Band Web Sites get-ctrl.com

It's free, it's easy, gives you everything and
looks how you want



Ads by Google

Two facts:

- Album sales are declining

Find

191K readers
BY FEEDBURNER

Subscribe

Stay informed with the
TorrentFreak RSS feed or
receive email updates



vuze 4.5 Download Now
The most powerful bittorrent app on earth



BITTORRENT ANONYMOUSLY
WITH **SET GUARD**
UNLIMITED SPEEDS
WORKS WITH: 

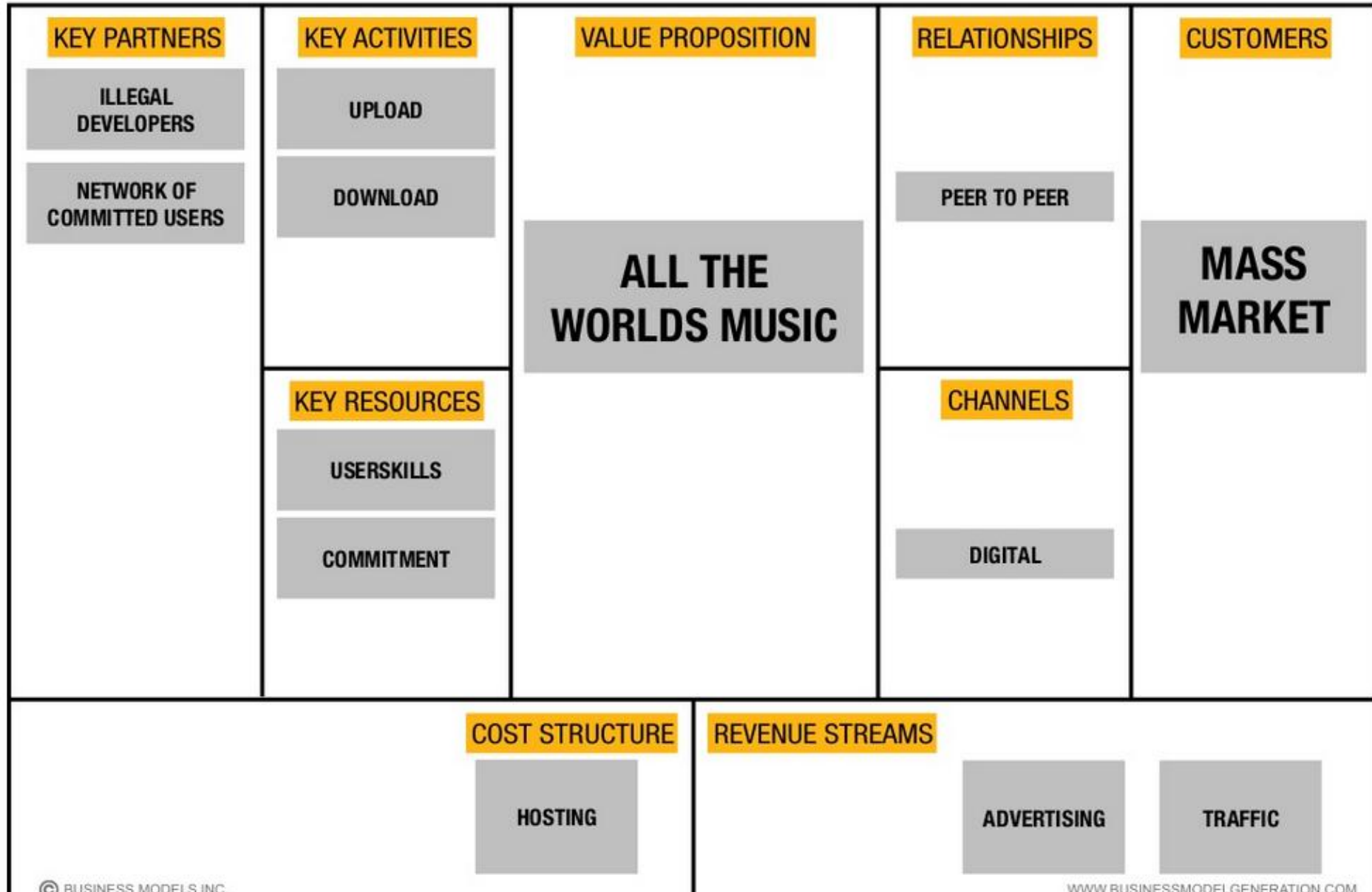


wyzo torrent made easy
with the ultimate media browser
now with FireTorrent!

[File-sharing Servers](#)
[Music Download](#)

THE PIRACY BUSINESS MODEL

THE PIRACY MODEL



**IS PIRACY A
SUSTAINABLE
MODEL?**

ITUNES

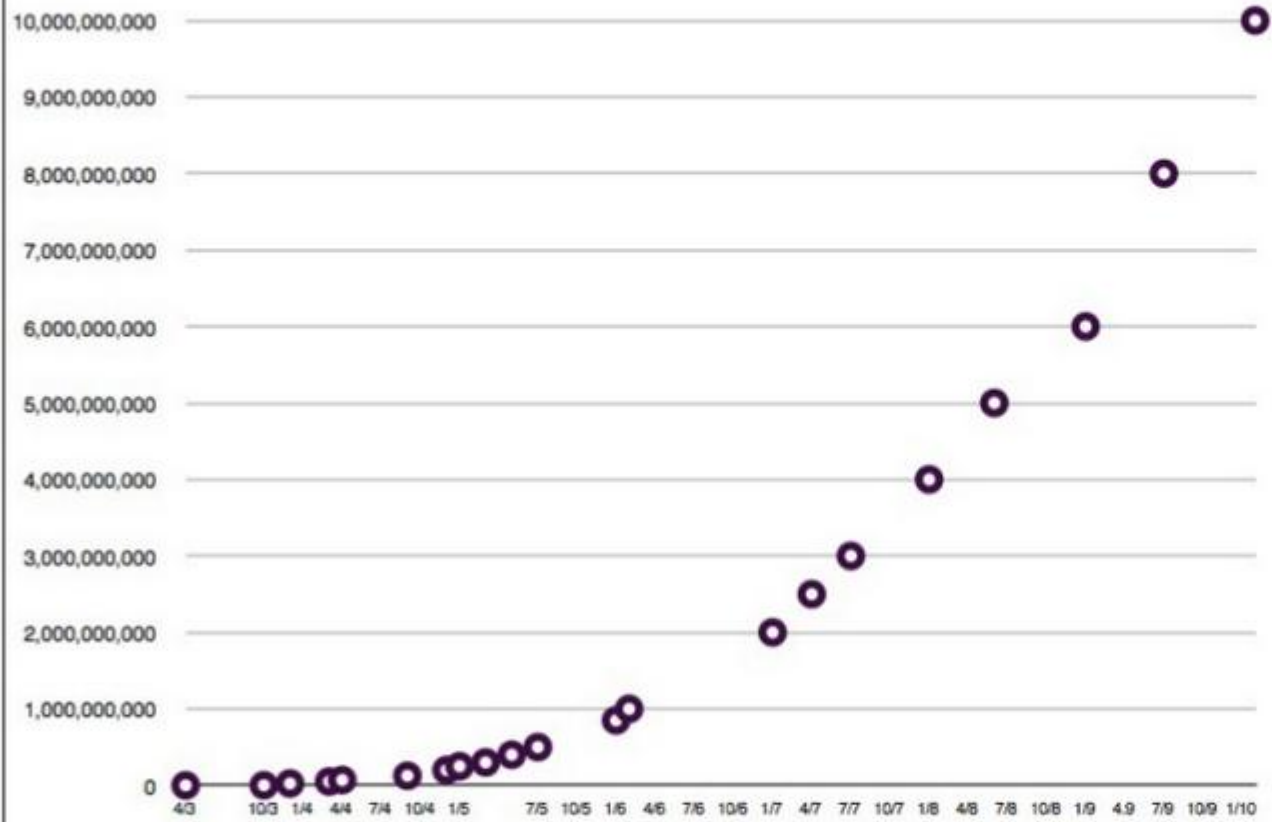
ONE BIG BELIEVER



“Rock and Roll will never die. It is, however, being reborn.”

**A NEW SUCCESSFUL
BUSINESS MODEL**

Number of Songs Sold on the iTunes Store



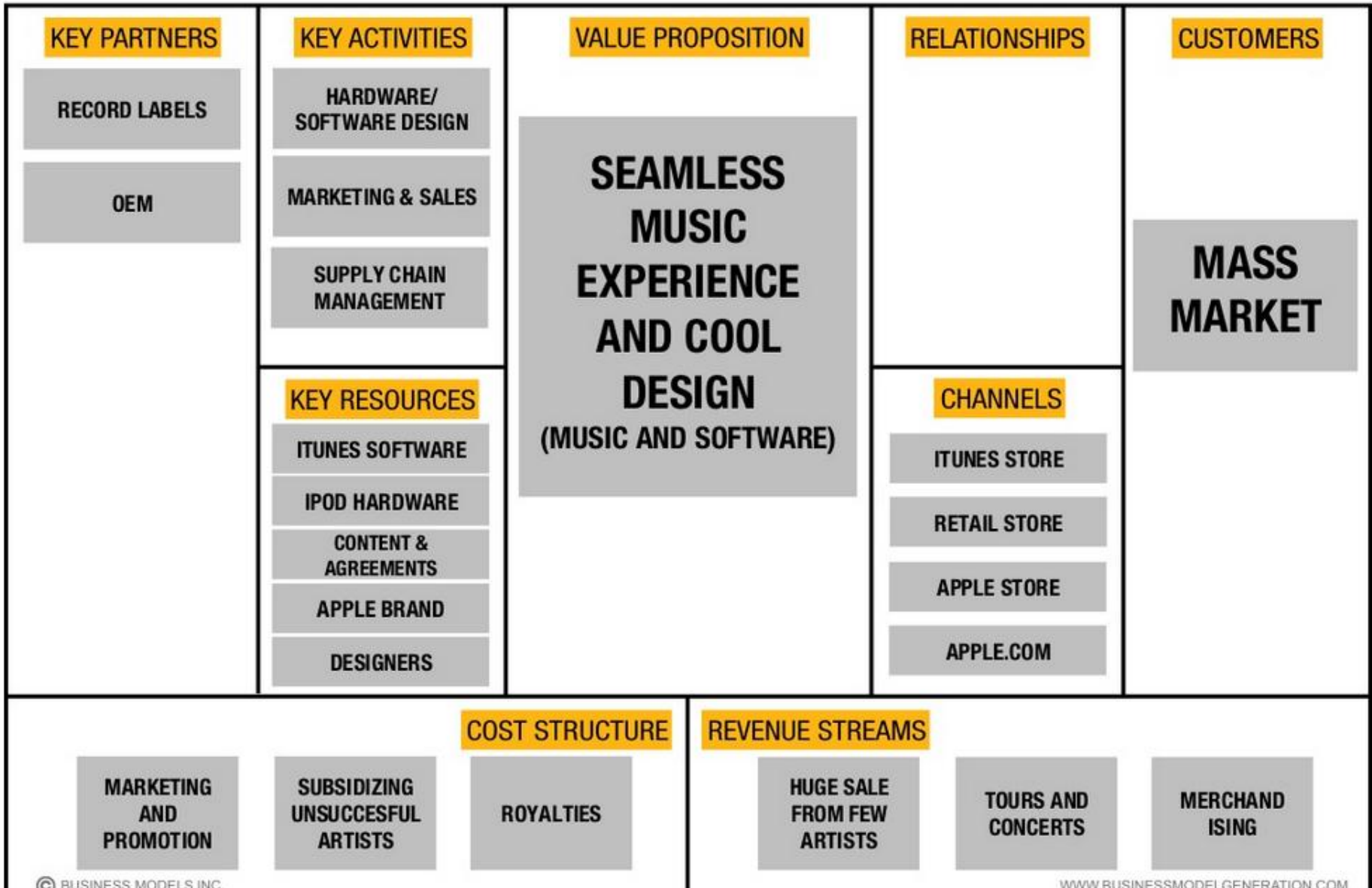
Billionth Song	Days taken	Songs per day
1st	1033	968,054
2nd	322	3,105,590
3rd	203	4,926,108
4th	169	5,917,159
5th	157	6,369,426
6th	202	4,950,495
8th	197	5,076,142
10th	109	9,174,311

Very successful

**STEVE JOBS ANNOUNCED IN HIS
"IT'S SHOWTIME" KEYNOTE
THAT APPLE HAD
88% OF THE LEGAL
U.S. MUSIC DOWNLOAD MARKET
ON SEPTEMBER 12, 2006**

THE ITUNES BUSINESS MODEL

THE ITUNES MODEL



UNBUNDLING THE ALBUM OR CD

COMBINING SOFTWARE AND HARDWARE

COMBINING SOFTWARE AND HARDWARE

SPOTIFY



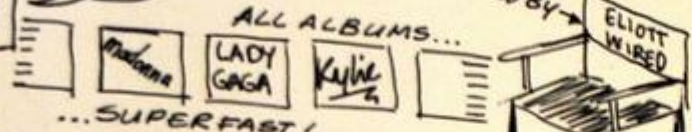
**THEIR VISION WAS
PUT ON PAPER**

THE FUTURE OF MUSIC DELIVERY

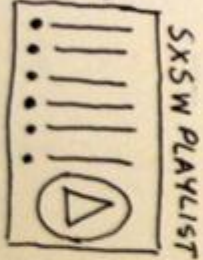


DANIEL EK (SPOTIFY)

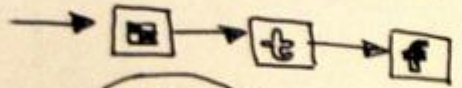
BEING INTERVIEWED BY



... SUPERFAST!



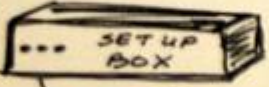
SXSW PLAYLIST



SHARE!

IT'S QUICKER THAN ITUNES

PORTABILITY IS ONE OF OUR MAIN DRIVERS



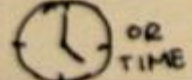
IN SWEDEN SPOTIFY COMES WITH EVERY MOBILE SUBSCRIPTION FROM THE MAIN CARRIER

‘I DON'T WANNA OWN MUSIC’

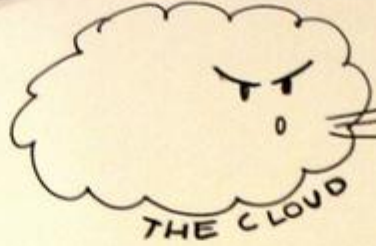
BUT I AM WILLING TO PAY FOR IT!



WITH MONEY



OR TIME



‘MUSIC IS SOCIAL’

‘SOFTWARE IS OPENING UP’

HOW WILL SPOTIFY INTEGRATE SOCIAL EVEN MORE - LAST FM STYLE???

220,000 PAID SUBSCRIBERS

P2P

‘SPOTIFY USES MORE DATA THAN THE ENTIRE COUNTRY OF SWEDEN’

WITHIN NETWORKS!



‘PLAYLISTS ARE THE NEW MIX TAPES’



THE END



WE DON'T WANT TO BE ANOTHER SOCIAL NETWORK

Twitter

Facebook

‘WILL COME WITH USER PRIVILEGE SYSTEMS’



WHY? DOESN'T APPLE DO THIS?



THEY'RE NOT IN THE CLOUD (YET)

PLAY EVERY TRACK, ALBUM, PLAYLIST IN THE WORLD ON YOUR MOBILE!

“We are going to
provide music to everyone
(any time, any place)
for free
in a legal way”

THE SPOTIFY BUSINESS MODEL

THE SPOTIFY MODEL

KEY PARTNERS

DISTRIBUTION CHANNELS

MANUFACTURERS

KEY ACTIVITIES

MARKETING AND PROMOTION

DETECTING AND BUILDING TALENT

KEY RESOURCES

PORTFOLIO OF STAR ARTISTS

COPYRIGHT CONTENT

VALUE PROPOSITION

ADVERTISING

ACCESS TO MUSIC VIA DOWNLOADING AND STREAMING

RELATIONSHIPS

AUTOMATED ONLINE

3RD PARTIES API

COMMUNITIES

CHANNELS

INTERNET + MOBILE

INTERNET + PC

CUSTOMERS

ADVERTISERS

GLOBAL MUSIC FANS

COST STRUCTURE

MARKETING AND PROMOTION

SUBSIDIZING UNSUCCESSFUL ARTISTS

ROYALTIES

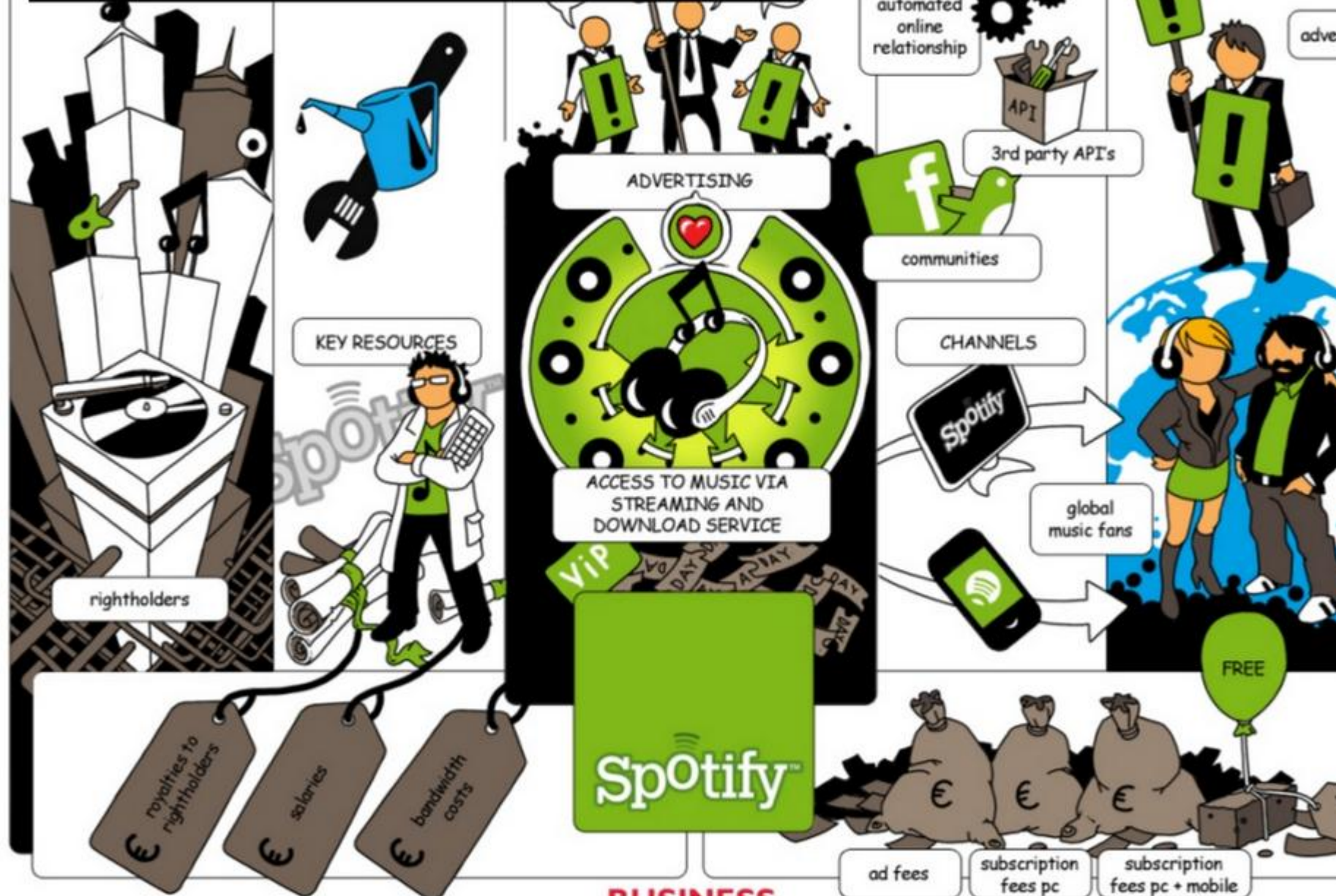
REVENUE STREAMS

ADVERTISING

FREE

SUBSCRIPTION

THE MODEL VISUALIZED



**WILL THEY SURVIVE
BY CHARGING TOO
FEW MONEY FOR
MUSIC?**

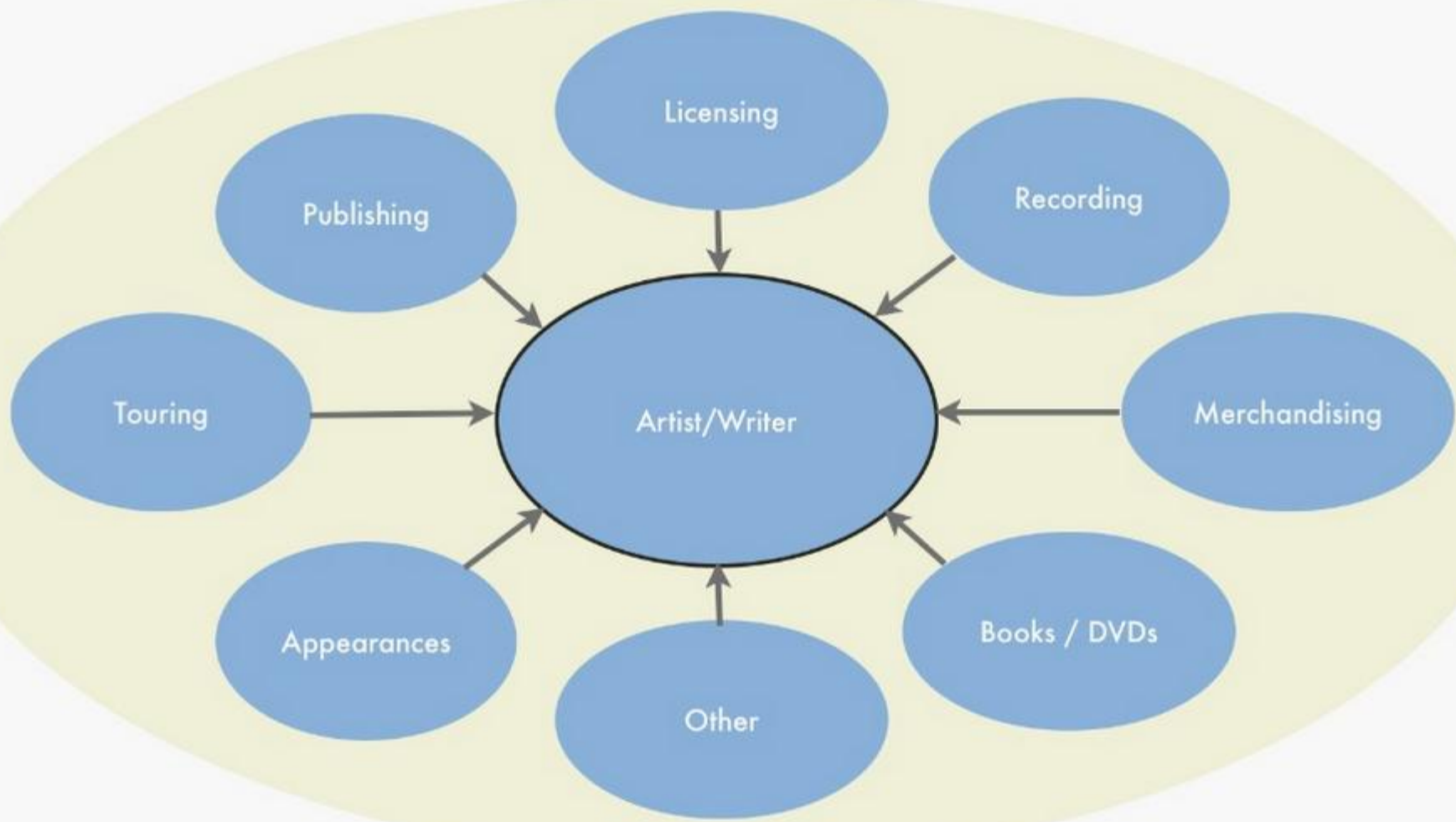
THE ARTIST

THIS IS THE DUTCH SINGER HIND



“I just want to sing and perform.”





**Crowd-funding paves the
way for the independent
artist**

€ 40.000

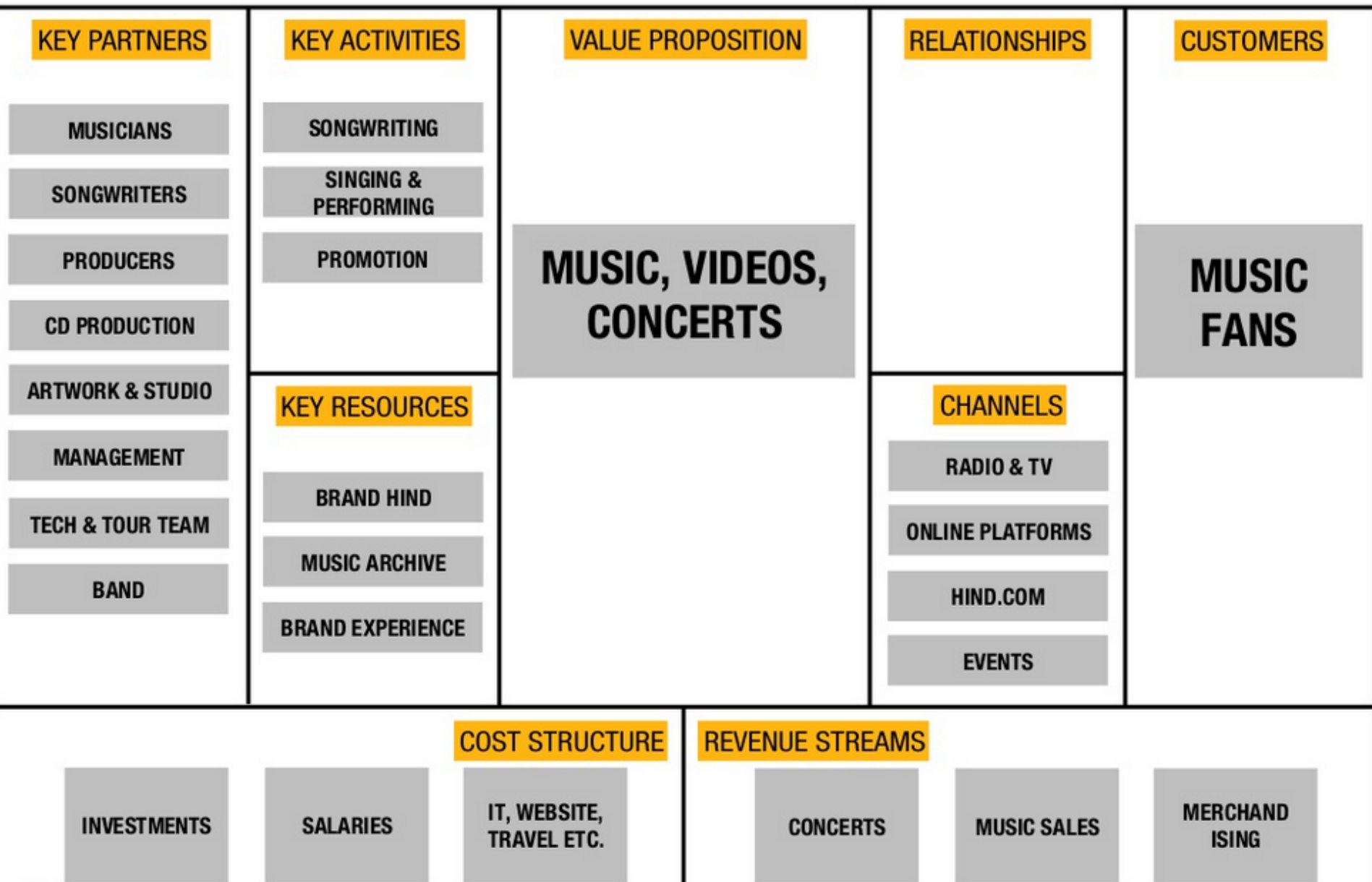
11 days

SELL**LABAND**

YOU ARE THE RECORD COMPANY

**THE ARTIST
BUSINESS MODEL
(INDEPENDENT)**

THE ARTIST MODEL



key partners

key activities

value proposition

customer relationships

customer segments



SELLA BAND

key resources

channels



bol.com



cost structure

revenue streams



**A TOUGH MODEL
WHEN 'EVERYBODY'
CAN BE A SINGER
NOWADAYS...**

A FEW MAJOR SHIFTS IN THE MUSIC INDUSTRY

A large, bold, white letter 'A' is centered on a solid red background. A black circle is positioned to the right of the letter, overlapping its right side. Inside the black circle, the word 'COPYRIGHT' is written in white, uppercase, sans-serif font.

COPYRIGHT

A FRAGMENTED
COPYRIGHT INDUSTRY
MADE IT **IMPOSSIBLE**
TO SET UP LEGAL,
SUSTAINABLE
BUSINESS MODELS.

B

RISE OF
PIRACY

**THE GAP OF
LEGITIMATE
BUSINESS MODELS
FOR CUSTOMERS
PAVED THE WAY FOR
THE RISE OF PIRACY.**



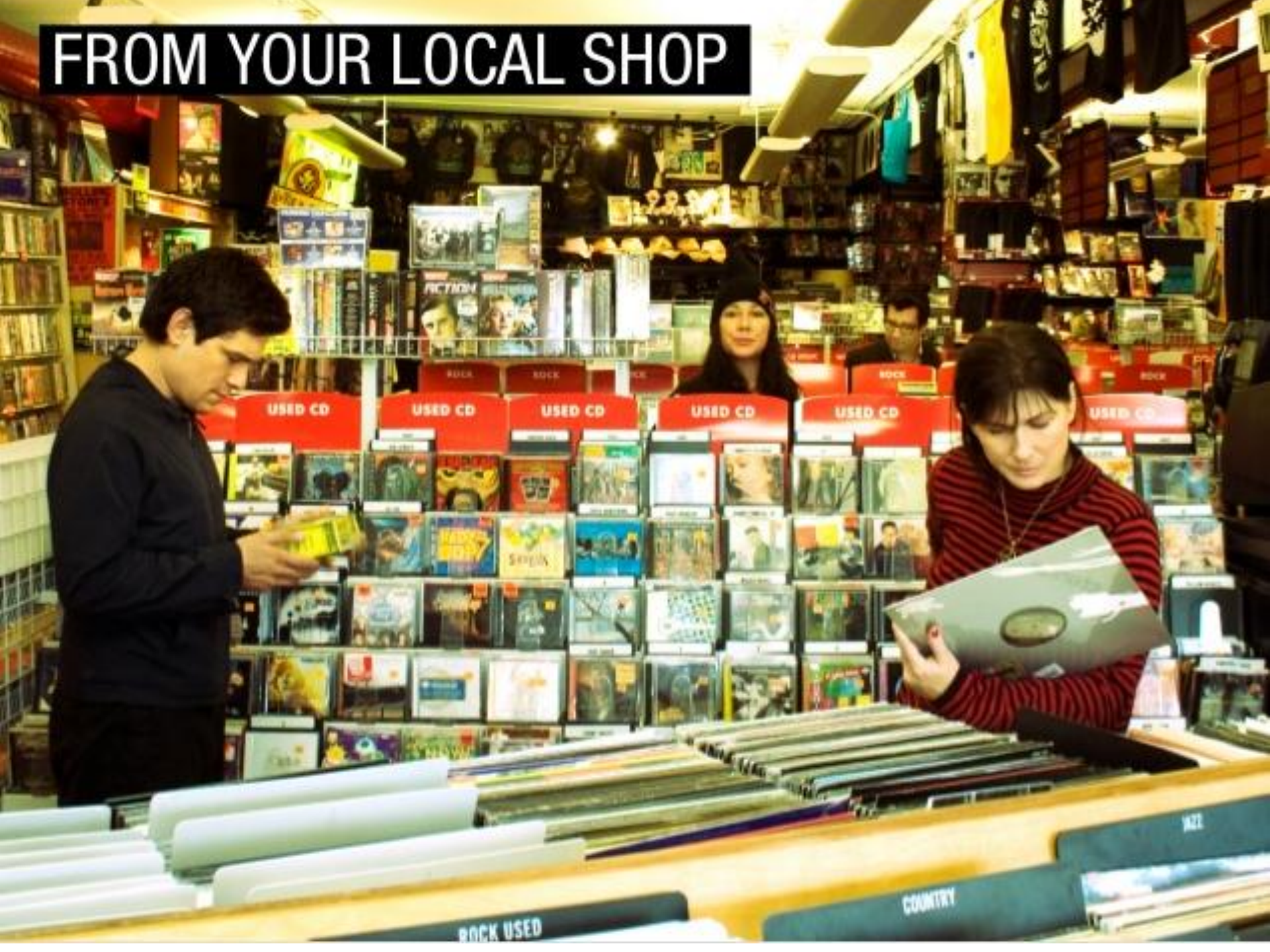
UNBUNDLING
OF THE
ALBUM

THE UNBUNDLING OF
THE ALBUM **KILLED**
SIGNIFICANT REVENUE
STREAMS IMPACTING
THE WHOLE MUSIC
INDUSTRY.

A large, white, stylized letter 'D' is centered on a solid red background. A black circle is positioned on the right side of the 'D', overlapping its curve. Inside the black circle, the words 'MUSIC' and 'DISTRIBUTION' are written in white, uppercase, sans-serif font, stacked vertically.

**MUSIC
DISTRIBUTION**

FROM YOUR LOCAL SHOP



TO 'FREE' PLAYERS

Bestand Bewerken Weergave Regelaars Store Geavanceerd Help

iTunes

Bliss Me Away
Alan Clark

Weggevoerd -2:56

Weggevoerd Zieken

Artiesten Genres Componisten

 AC/DC 1 album, 14 nummers	 Acid 3 albums, 29 nummers	 Adele 1 album, 12 nummers	 Aerosmith 1 album, 16 nummers	 Al Jarreau 3 albums, 28 nummers	 41 Alain Clark 1 album, 13 nummers	 Alanis Morissette 3 albums, 40 nummers	 Alannah Myles 1 album, 10 nummers	 Alicia Keys 2 albums, 29 nummers	 Alter Ego X 1 album, 8 nummers
 Amanda Marshall 1 album, 10 nummers	 Amy MacDonald 1 album, 11 nummers	 Amy Winehouse 4 albums, 57 nummers	 Anastacia 3 albums, 41 nummers	 Andrea Bocelli 1 album, 14 nummers	 Andy Abraham 1 album, 14 nummers	 Angie Stone 1 album, 15 nummers	 Anouk 7 albums, 101 nummers	 Arctic Monkeys 1 album, 13 nummers	 Audioslave 1 album, 12 nummers
 Back To Back	 Band van Heiden	 Barry Hay	 The Bee Gees	 Beef	 Ben Harper	 Beth Hart	 Beverly Knight	 Billy Da Kid	 Billy Joel

Spotify premium

Search

rasmus









What's new Top lists Feed People

What's new

- Radio
- Play queue
- Inbox 1
- Library
- Starred
- Local files
- Purchases
- Playlists

You! Found Make Me Happy Joyful evening Jogg Sleep DFA remixes Noncollective Pettibone

What's new?

 Do-Wah-Doo Kate Nash	 Zebra Beach House	 Fembot Robyn	 I Feel Better Hot Chip
 JACE EVERETT	 Jenny Holm	 THE BEST OF BOND	 YOU ME AT SIX

People

- Rasmus Andersson You
- Anders Bond
- Andreas Blixt
- Andreas Liffgarden
- Andreas Öman
- Andres Sehr
- Carl Waldekrantz
- Carl-Axel Larsen
- Cecilia Vigil
- Daniel Ek
- Erik Bernhardsson
- Erik Hammar
- Felix Ek Johansson
- Gustav Soderstrom
- Göran Sander
- Jenny Hermanson

**RESULTING IN A
BUSINESS MODEL
PATTERN...**

A large, white, stylized letter 'E' is centered on a solid red background. A black circle is positioned on the right side of the letter, overlapping its middle horizontal bar. Inside the circle, the text 'FROM OWNERSHIP TO ACCESS' is written in white, uppercase, sans-serif font, arranged in three lines.

FROM
OWNERSHIP
TO ACCESS

FROM OWNERSHIP



Download

TO ACCESS

Access

A large, white, stylized letter 'F' is centered on a solid red background. The 'F' is composed of three thick, rectangular bars. A black circle is positioned on the right side of the middle horizontal bar of the 'F'. Inside this circle, the words 'TECHNOLOGY', 'DEVELOP', and 'MENT' are stacked vertically in white, uppercase, sans-serif font.

TECHNOLOGY
DEVELOP
MENT

FROM HERE

```
Toshiba Personal Computer (R1400GR)
Copyright 1984,85 Toshiba Corporation
MS-DOS Ver 2.11
Copyright 1983,84 Microsoft Corp.
Command Ver 2.11
A>echo off
-----
Bitte etwas Geduld,
bin nicht mehr der Jüngste...
-----
```

TOSHIBA



TO HERE



Agenda



Contacten



Notities



Kaarten



YouTube



Pages



Instellingen



Twitterrific



Dropbox



1Password



GoodReader



Google



iBooks



Magic Window



Weather HD



App Store



iTunes



Mail



Safari



Foto's



Video's



iPod



NewsRack

**SO WHAT DID
BEYONCÉ LEARN?**

VERY SIMPLE



UNDER
STAND

**SHE UNDERSTANDS
THE CURRENT
FRAGMENTED
INDUSTRY**

HOW ARTISTS STRUGGLE TO MAKE MONEY

2

LEARNING

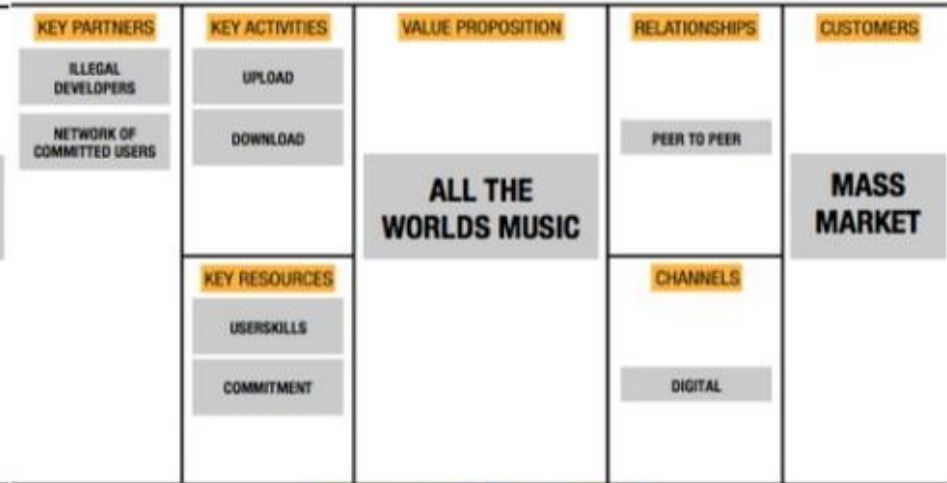
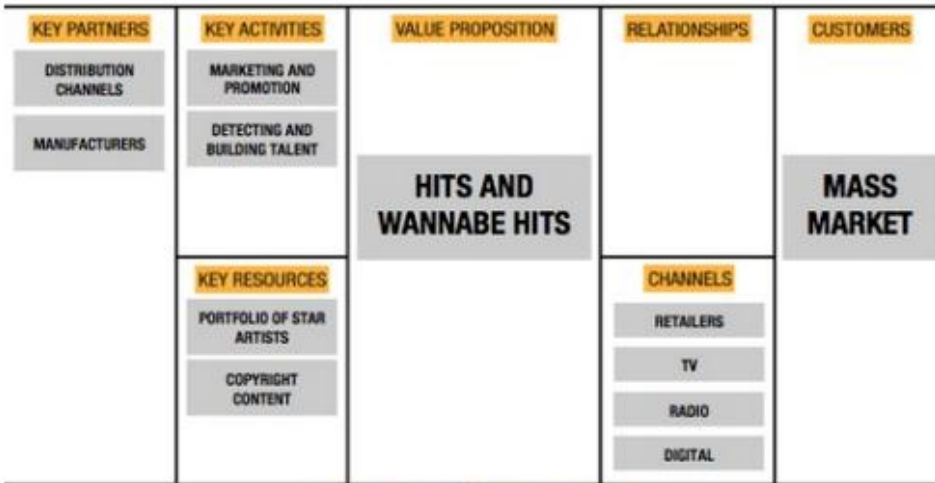
**SHE LEARNED ALL
ABOUT OTHER
BUSINESS MODELS**

THE RECORD COMPANY

BUSINESS MODELS IN

THE PIRACY MODEL

BUSINESS MODELS IN



COST STRUCTURE

REVENUE STREAMS



COST STRUCTURE

REVENUE STREAMS

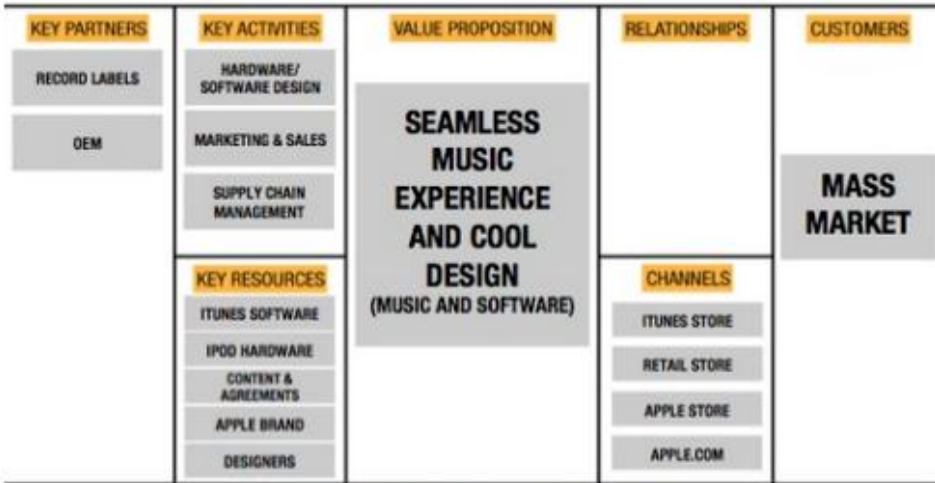


THE ITUNES MODEL

BUSINESS MODELS IN

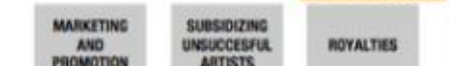
THE SPOTIFY MODEL

BUSINESS MODELS IN



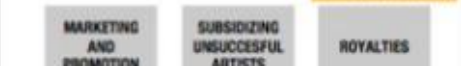
COST STRUCTURE

REVENUE STREAMS



COST STRUCTURE

REVENUE STREAMS



AND

RE-INTRODUCED

THE ALBUM!

BEYONCÉ

BEYONCÉ

Beyoncé >



[Songs](#) [Ratings and Reviews](#) [Related](#)

iTunes Editors' Notes

Beyoncé's fifth studio endeavor is a provocative, unguarded artistic statement—revealing a side of the icon previously unknown to fans and cementing her status as a pop visionary. The roster of guest collaborators includes JAY Z, Drake, Frank Ocean, Pharrell Williams, Timbaland, Michelle Williams, Kelly Rowland, Justin Timberlake, and more. Adding a striking dimension to the music, the complementary videos unfold amid an international backdrop of New... [More](#)

Mastered
for iTunes

\$15.99 Buy

Clean

Explicit

★★★★★ (23,976)

Released Dec 13, 2013

© 2013 Columbia Records, a Division of
Sony Music Entertainment



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2.	Haunted	Beyoncé	6:09	██████████	\$1.29
3.	Drunk in Love (feat. Jay Z)	Beyoncé	5:23	██████████	\$1.29
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5.	No Angel	Beyoncé	3:48	██████████	\$1.29
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7.	Jealous	Beyoncé	3:04	██████████	\$1.29
8.	Rocket	Beyoncé	6:31	██████████	\$1.29
9.	Mine (feat. Drake)	Beyoncé	6:18	██████████	\$1.29
10.	XO	Beyoncé	3:35	██████████	\$1.29

SO...

BEYONCÉ
KNOW_(LE)S...

3

WILLING
NESS
TO PAY

**WHAT HER FANS
ARE WILLING TO PAY
FOR...**

USD

15,999

**BEYONCÉ THANKS
HERE FANS...**

Thank you to all the fans
who contributed to making my
dreams come true.

I wish you a healthy and happy
Holiday.

Love
Bianca

Let's put our hands on
the Business Model Canvas NOW

**SO NOW YOU HAVE
PUT YOUR MODEL
TOGETHER...**

**IS IT READY FOR THE
FUTURE?**

**A GREAT BUSINESS
MODEL ALONE IS NOT
ENOUGH - YOU NEED
MARKET TRACTION**

**WE NEED NEW
MINDSETS...**

**REQUIRE NEW
SKILLS**

**WE NEED THINK AND
ACT LIKE
DESIGNERS**

OBSERVE



**WHEREVER YOU LOOK
THAT'S WHAT YOU SEE.**

JERRY SEINFELD



BALANCE

- SHORT — LONG TERM
- MICRO — MACRO
- QUANT. — QUAL.
- GLOBAL — LOCAL
- ART — SCIENCE
- CORE — NEW
- PHYS — DIGIT.
- WHOL — RET.
- BRANDS — INC
- CAT'S — BRAND
- PREM — VAL
- CONSERV — RISK
- TUT DOWN — BOIT. UP
- TOP LINE — BOTT. LINE
- PROACT — REACT
- EVOL — REVOL
- LEFT BR — RIGHT BR
- INTERNAL — EXTERNAL
- DIRECT — DELEGATE

GROWTH + SUSTAINAB.
INSPIRE + INNOV.
PERFORM + AESTHET.

ELITE SPEED
MERCURIAL



OPTICS FAST
LIGHT
iconic

**THINK
VISUALLY**

2

**EYES, PENCILS AND THE HAND
MAY BE TOOLS OF THE PAST,
...I BELIEVE THEY ARE TOOLS
OF THE FUTURE.**

John Maeda, RISD

**DRAWING IS THE
NEW WRITING**



a b c d e f g h i j k l m n o p q r s t u v w x y z
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z
a b c d e f g h i j k l m n o p q r s t u v w x y z
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

great
funny

CHRISTINA
KISHORI
Louise

ANANDA

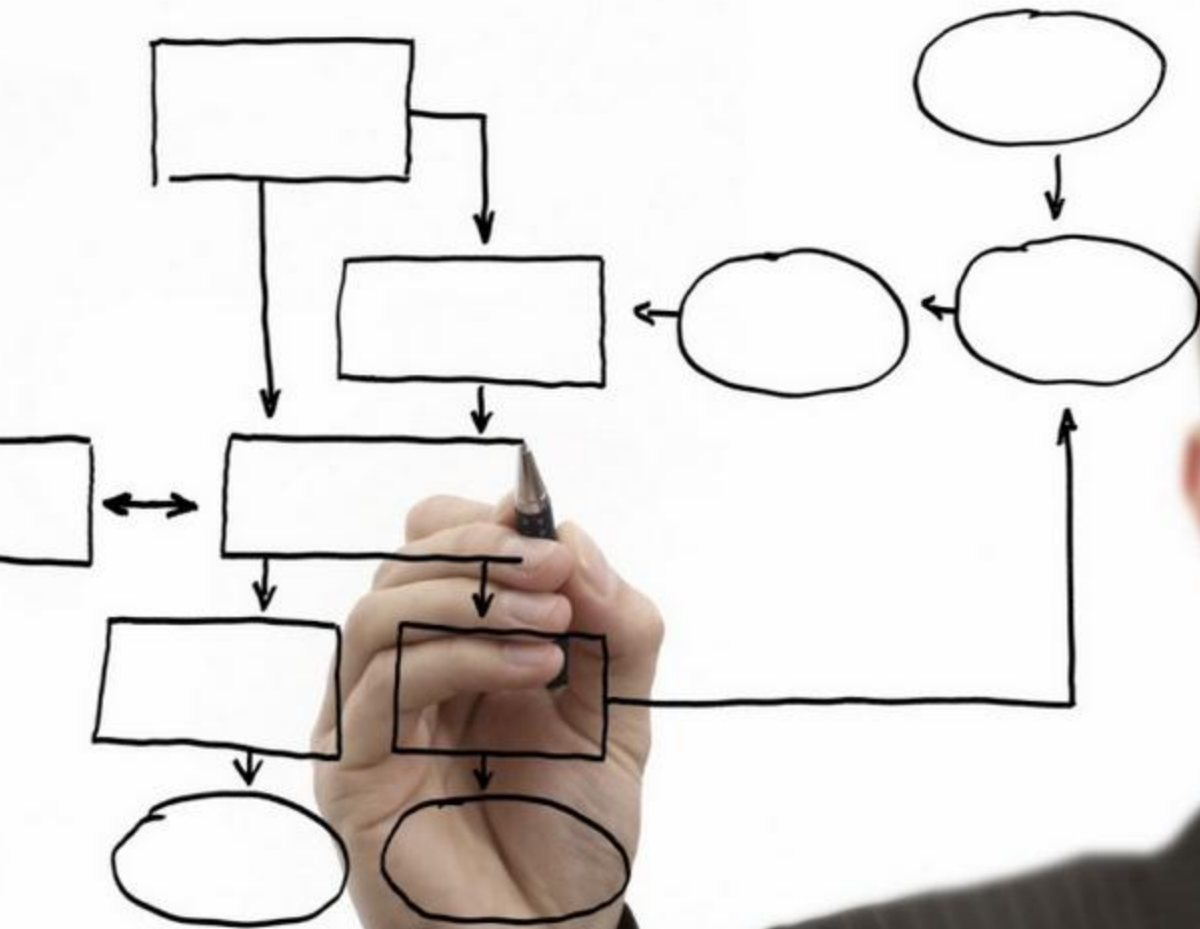
a b c d e f g h i j k l m n o p q r s t u v w x y z
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

a b c d e f g h i j k l m n o p q r s t u v w x y z
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

a b c d e f g h i j k l m n o p q r s t u v w x y z
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

11:37 AM
Meeting Summary
Meeting Summary
Meeting Summary

Meeting Summary
Meeting Summary
Meeting Summary



“The Wall is the New Desk”

Dave Gray CEO XPLANE



IDEATE

3



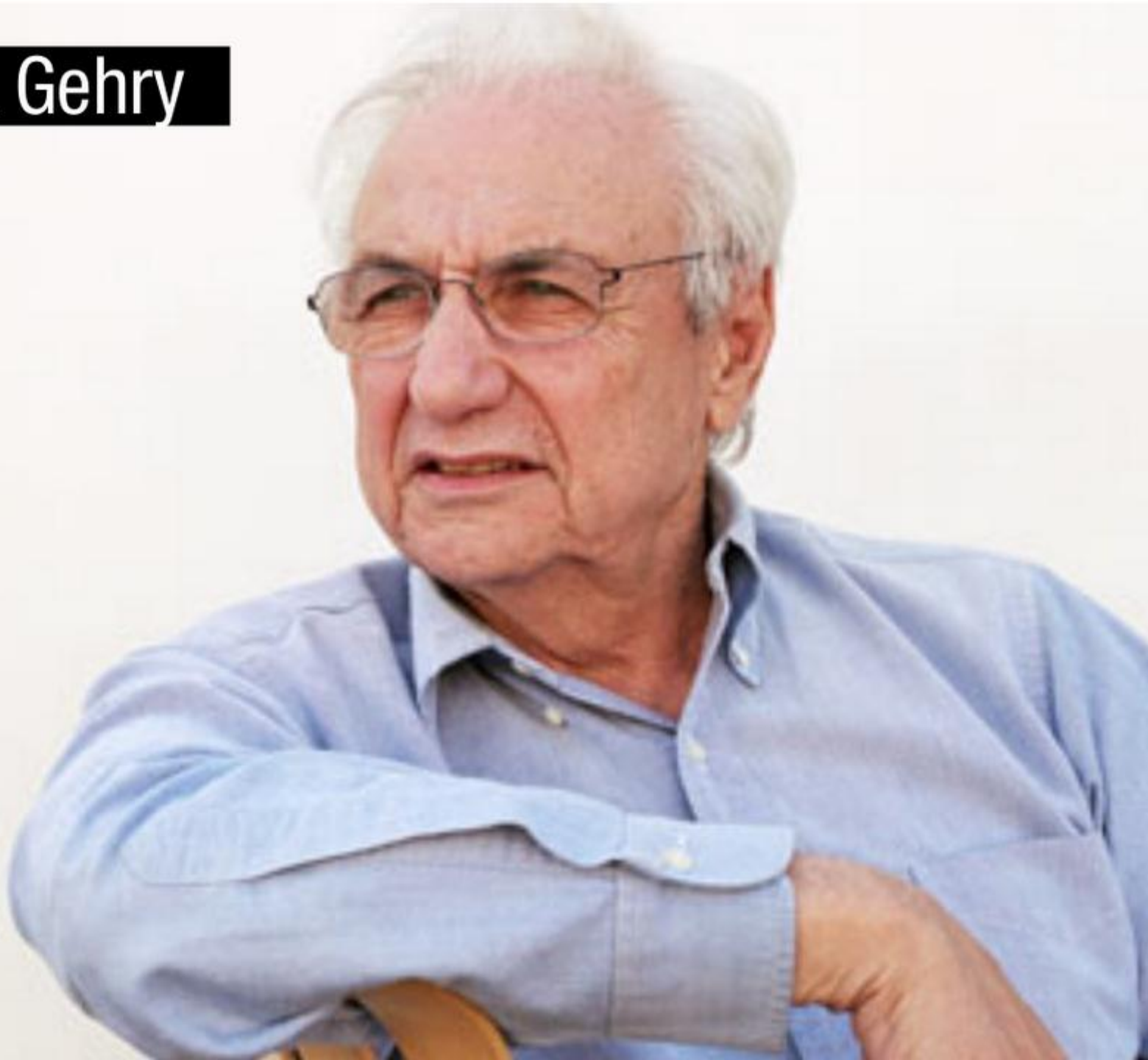
**YOU NEED TO BE
ABLE TO JUGGLE
WITH BUSINESS
MODELS**

PROTOTYPE

4

the past was about
choosing solutions
the future is about
generating options

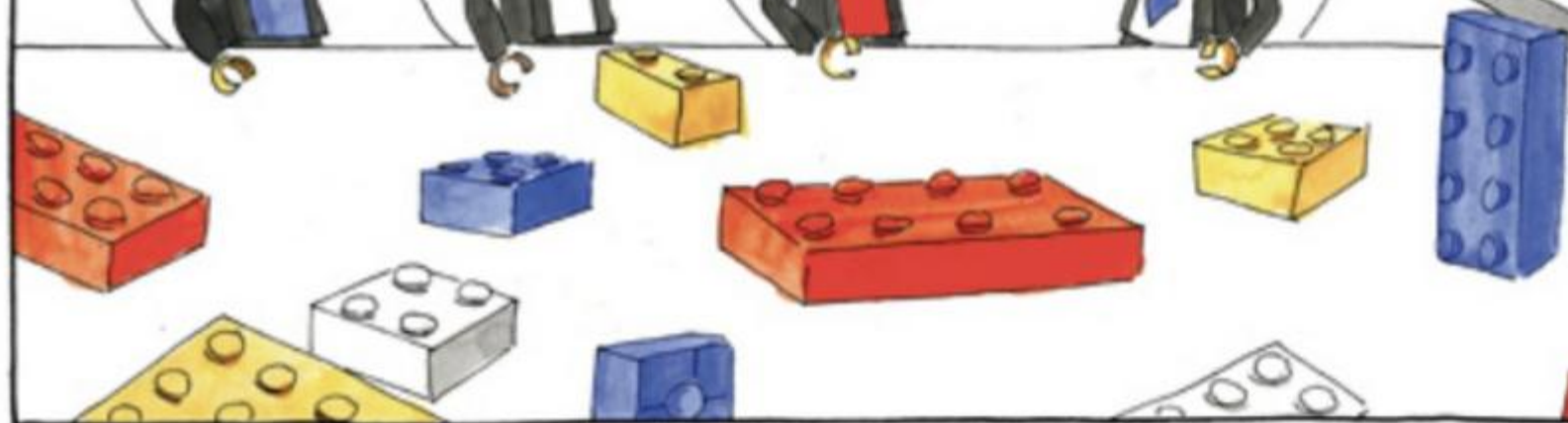
Frank Gehry







BEFORE WE BUILD ANYTHING,
LET'S POWERPOINT THE
IDEA TO DEATH



TOM
FISH
BURNE

**THERE IS ONLY ONE
WAY TO LIVE IN A
WORLD OF SPEED,
SURPRISE, NOISE AND
RESPONSIVENESS**

Grant McCracken

**THAT IS TO VISIT
THE FUTURE
FREQUENTLY**

Grant McCracken

CONSTRAINED

GROWTH

COLLAPSE

TRANSFORMATION

OMBERS



**THE BEST WAY TO
PREDICT THE
FUTURE IS TO
CREATE IT**

PETER DRUCKER

Future scenario





optimus | NOVA
Entrepreneurship Academy

LEARN THE FORCE YOU MUST!



<http://leanstack.com/>