



INSPIRE

Business Model Archetypes Value Map

This document is a tool developed by the INSPIRE project and provides a mapping of 5 INSPIRE Business Model Archetypes (BMA) against Business Model Patterns as developed by the University of St Gallen.

90 % of innovations emerge from re-combinations of previously existing concepts, so also within the INSPIRE Business Model Archetypes we recommend leveraging on previous Business Model Innovations and their patterns.

The tool hence serves to inspire Business Model Innovation processes in the Process Industry, by suggesting new Value or Revenue Models inspired by existing Business Model Patterns.



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INSPIRE BMA	St Galen BM Patterns	Description of the BM Pattern	Explanation
Modularisation and distributed manufacturing	Mass-customisation	Customizing products through mass production once seemed to be an impossible endeavour. The approach of modular products and production systems has enabled the efficient individualization of products. As a consequence, individual customer needs can be met within mass production circumstances and at competitive prices	Industrial processes can be easier customised to local needs due to increased flexibility
	From push-to-pull	This pattern describes the strategy of a company to decentralize and thus add flexibility to the company's processes in order to be more customer focused. To quickly and flexibly respond to new customer needs, any part of the value chain - including production or even research and development - can be affected.	Production processes can be designed more based on the demand of the customer
	Fractional Ownership	Fractional ownership describes the sharing of a certain asset class amongst a group of owners. Typically, the asset is capital intensive but only required on an occasional basis. While the customer benefits from the rights as an owner, the entire capital does not have to be provided alone.	Local modular production plants/assets can be jointly owned with clients
	Licence or rent or buy	Efforts are focused on developing intellectual property that can be licensed to other manufacturers. This model, therefore, relies not on the realization and utilization of knowledge in the form of products but attempts to transform these intangible goods into money. This allows a company to focus on research and development. It also allows the provision of knowledge, which would otherwise be left unused and potentially be valuable to third parties.	IP owner of the modular production technology can licence to clients or other local industries in the concept of distributed manufacturing. Or can rent the facility
	Orchestration	Within this model, the company's focus is on the core competencies in the value chain. The other value chain segments are outsourced and actively coordinated. This allows the company to reduce costs and benefit from the suppliers' economies of scale. Furthermore, the focus on core competencies can increase performance.	The central IP owner of the modular production technology could orchestrate a network of distributed production facilities (not necessarily owned by him)
Customisation	From push-to-pull	See above	Customers customise individual products and manufacturing + process industries react with tailored manufacturing
	Mass-customisation	See above	



Servitisation	Pay per use	In this model, the actual usage of a service or product is metered. The customer pays on the basis of what he or she effectively consumes. The company is able to attract customers who wish to benefit from the additional flexibility, which might be priced higher.	Materials and chemicals can be paid based on their use or function
	Performance based	product's price is not based upon the physical value, but on the performance or valuable outcome, it delivers in the form of a service. Performance based contractors are often strongly integrated into the value creation process of their customers. Special expertise and economies of scale result in lower production and maintenance costs of a product, which can be forwarded to the customer. Extreme variants of this model are represented by different operation schemes in which the product remains the property of the company and is operated by it.	Instead of materials or chemicals, the producer takes responsibility and gets remunerated for the function of the material (e.g. the de-icing of airplane wings, instead of supplying the chemical)
	Rent instead of buy	The customer does not buy a product, but instead rents it. This lowers the capital typically needed to gain access to the product. The company itself benefits from higher profits on each product, as it is paid for the duration of the rental period. Both parties benefit from higher efficiency in product utilization as time of non-usage, which unnecessarily binds capital, is reduced on each product.	Similar (chemical leasing)
	Revenue sharing	Revenue sharing refers to firms' practice of sharing revenues with their stakeholders, such as complementors or even rivals. Thus, in this business model, advantageous properties are merged to create symbiotic effects in which additional profits are shared with partners participating in the extended value creation. One party is able to obtain a share of revenue from another that benefits from increased value for its customer base.	Revenues can be shared with another service provider (e.g. the de-icing company) or even with the customer itself depending on the current business model and value chain configuration
Re-use, Recycle, Sustainability	Digitize	This pattern relies on the ability to turn existing products or services into digital variants, and thus offer advantages over tangible products, e.g., easier and faster distribution. Ideally, the digitization of a product or service is realized without harnessing the value proposition which is offered to the customer. In other words: efficiency and multiplication by means of digitization does not reduce the perceived customer value.	Regional and interregional on-line platforms for information about and trade of waste streams or industrial side streams



	Crowd-sourcing	The solution of a task or problem is adopted by an anonymous crowd, typically via the Internet. Contributors receive a small reward or have the chance to win a prize if their solution is chosen for production or sale. Customer interaction and inclusion can foster a positive relationship with a company, and subsequently increase sales and revenue.	Similar: demand from an industry for a specific waste stream can be “sourced” on an on-line platform (similar to innocentive concept) but then for industrial symbiosis
	Crowd-funding	A product, project or entire start-up is financed by a crowd of investors who wish to support the underlying idea, typically via the Internet. If the critical mass is achieved, the idea will be realized and investors receive special benefits, usually proportionate to the amount of money they provided.	Investments in joint infrastructures to facilitate industrial symbiosis can be jointly funded by industries in an industrial park (e.g. ESCO concept)
	Customer Loyalty	Customers are retained and loyalty assured by providing value beyond the actual product or service itself, i.e., through incentive-based programs. The goal is to increase loyalty by creating an emotional connection or simply rewarding it with special offers. Customers are voluntarily bound to the company, which protects future revenue.	Customer loyalty programmes can be used as an incentive for consumers (or even industrial customers) to collect and return waste to generate a critical mass of waste for the business case
	Fractional ownership	See above	Similar to crowd funding above
	Orchestrators (+ performance based)	Within this model, the company's focus is on the core competencies in the value chain. The other value chain segments are outsourced and actively coordinated. This allows the company to reduce costs and benefit from the suppliers' economies of scale. Furthermore, the focus on core competencies can increase performance. + see above	Intermediate organisations can be created to orchestrate the collection, (pre)treatment and re-use or recycling of waste or industrial side streams (already used in Industrial Symbiosis in industrial parks), and be paid by the result
Emerging Energy Carriers	Open Business Model	In open business models, collaboration with partners in the ecosystem becomes a central source of value creation. Companies pursuing an open business model actively search for novel ways of working together with suppliers, customers, or complementors to open and extend their business.	Electricity providers and chemical industry create a “symbiotic” business model relation in which new energy carriers produced by the chemical industry (e.g. hydrogen) is used as a buffer for remixable energy. Energy used to produce when it is available (e.g. sun or wind) and released again (against payment from the electricity provider to the chemical industry) when scarce.