The Cambridge Business Model Innovation Process

Part of the Cambridge Value Approach | Developed from Evans et al. (2014); Plattner (2009); Rana et al. (2013); Schallmo (2013) | © Martin Geissdoerfer

**Phases:**
1. Ideation
2. Concept Design
3. Virtual Prototyping
4. Experimentation
5. Detailed Design
6. Piloting
7. Launch
8. Adjustment & Diversification

**Activities:**
- Vision/purpose formulation
- Stakeholder definition
- Value mapping/ideation
- Sustainable value analysis
- Evaluation and selection of ideas
- Integration of ideas
- Discussion of technological and general trends
- Definition of value creation, delivery, and capture system/BM elements/BM dimensions
- Benchmarking within industry
- Benchmarking with generic BM concepts
- Prototype building
- Prototype evaluation and selection
- Identification of key variables
- Experiment design
- Running experiment
- Analysis and lessons learned
- Detailed definition of all elements
- Overview of each element
- Business transformation tool
- Planning
- Implementation
- Analysis
- Adjustments
- Documentation and Communication
- Identification of failure modes
- Realisation planning
- Implementation
- Scale-up
- Monitoring
- Adaption
- Modification
- Scale-up
- Diversification (process iteration)

**Failure modes:**
- Failed identification of opportunities
- Important stakeholder missed
- Failed to integrate top management from the beginning
- Lack of ambition/innovativeness
- Insufficient mutual understanding
- Insufficient understanding of boundaries of the company’s capabilities to innovate
- Communication failures
- Failed integration of important stakeholders into the process
- Too much effort/prototypes become too big
- No experiments
- Methodological issues
- Too much effort
- Unsuit level of detail
- Missing of information from previous steps
- Insufficient documentation
- Poor understanding of TMT risk
- No pilots
- Unrealistic setting
- Too much effort
- Insufficient information about failure modes
- Insufficient funding
- Inadequate timeframe/expectations
- Communication issues
- Premature or too late adjustment
- Unsuited diversification (agent motivations, missing core competencies, no ownership advantage, …)