BUSINESS MODELS DRIVEN BY DIGITAL TECHNOLOGIES

1. OUTCOME-BASED MODELS

Move beyond selling products and services to delivering or managing a business outcome, the customer pays for business outcomes.

INNOVATION EXAMPLE

Automation and analytics in the back office support employees by streamlining processes (e.g., supplier onboarding) and providing better insights (e.g., trend analysis), empowering employees to make well-informed decisions.

2. EXPANSION INTO NEW INDUSTRIES & MARKETS

Enter and disrupt other industries or markets by leveraging cross-industry capabilities (customers, assets, intellectual property, etc.).

INNOVATION EXAMPLE

A startup that uses AI to analyze medical data to predict patient outcomes, allowing hospitals to make more informed decisions about patient care.

3. DIGITALIZATION OF PRODUCTS & SERVICES

Drastically increase the value of existing products and services by enabling anytime, anywhere access and usage.

INNOVATION EXAMPLE

A car manufacturer that allows customers to customize their vehicles, access services remotely, and track performance data, enhancing the customer experience.

4. COMPETING AS AN ECOSYSTEM

Digital ecosystems connect the dots between products and services from several companies to deliver better outcomes for the end customer.

INNOVATION EXAMPLE

A platform that brings together healthcare providers, pharmacies, and patients, allowing for seamless prescription refills and payment options.

5. SHARED ECONOMY

Facilitate peer-to-peer sharing or access to underutilized resources through a community-based digital platform.

INNOVATION EXAMPLE

A carpooling service that connects drivers with passengers for shared rides, reducing traffic congestion and offering a cost-effective travel option.

6. DIGITAL PLATFORM

Monetize a large, captive community of users and customers by charging transaction fees and opportunistic access fees (for advertising, analytics, research).

INNOVATION EXAMPLE

A streaming service that offers exclusive content and advertising opportunities, generating revenue from both subscription fees and ad placements.

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A Business Model is defined by the following characteristics:

• The business model addresses a specific market opportunity
• Value propositions include the primary and secondary value delivered
• Revenue models include how the value is monetized
• Cost structures identify all resources and activities required

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3. ESTIMATED REVENUE FROM SMART CITY

Reimagine BUSINESS MODELS DRIVEN BY DIGITAL TECHNOLOGIES

Navigating your company in today's new reality

We studied the most prevalent and effective approaches used by digital leaders and found 6 innovation digital business models that are making a difference.

OUTCOME-BASED MODELS

$1 TRILLION

EXPANSION INTO NEW INDUSTRIES & MARKETS

$900 BILLION

DIGITALIZATION OF PRODUCTS & SERVICES

$977 BILLION

SHARED ECONOMY

24+

WEIGHTS MODIFIED FROM MEDIA ORGANIZATION TECHNOLOGY PRODUCTS AND SERVICES IN 2018

COMPETING AS AN ECOSYSTEM

$9.7 TRILLION

INNOVATION EXAMPLE

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