Business Doctorate Forecast

A newsletter from the business doctor Staffan Hedén,

Welcome to my newsletter fully focused on needs, strategies, business models, business model innovation and entrepreneurship.

You will receive the letter twice a month, every two weeks. At the end of the letter, I also answer questions that have been sent via email or LinkedIn, questions that concern strategies and business models.

In the beginning, I will also touch on my new, diverse concept and compare alternative approaches. There will also be some case studies. Gradually, one or two pictures may sneak in. But above all, it is communication between you as a reader, our time, and reconnaissance into a global present.

Here we go.

Innovating business models

The quickest way to understand how it happens is to see it happen, and it is about how an existing model is created or an existing one develops. A business model is based on a few different elements; a value proposition, a structure, different stakeholder groups included and increasingly how it drives capitalization.

We notice it especially today through the increase in subscriptions.

Business model

Segment	Customer	Relations	Channels	Value	Activities/ resources	Organization	Revenues
						Partners	Costs

Who/What	Why	Interact	Campaigns	Clarify buy	Unique set tangible and intangible	Structure/ choice	Value pay margin

A picture from my first book about how the chain reflects a customer journey, How It Really Works.

To create innovations, we have chosen to look behind and develop understanding with different research techniques. A five-step method that starts with setting a purpose, conducting a pilot study of the existing model, deepening knowledge through interviews to get an overview of driving forces and resource use, reporting results and conducting brainstorming with management and finally setting a plan for implementation. This takes time, is extensive work, has many pitfalls, different ways of identifying bottlenecks and requires presence.

Business model innovation

Anchoring	Force Internal External	Management	Opportunities	Margins/ costs	Reduce risks	Create process	Use knowledge
						Create time	Create project

Future beliefs	The reasons	Lead and steer	Mindset	Competitive profit	Everywhere	Show/ understand	Inventory/ early meeting

This picture is also in my first book, How It Really Works.

The entire work can be gathered in thinking about opportunities, being able to control and lead as management, focusing on resources, understanding all driving forces gradually, deepening knowledge of margins, testing risks but above all also finding the motivation of the people. In my books, I talk about setting up a three-step management in the beginning; an entrepreneur who creates the vision, a management that ensures boundaries, creates resources, and keeps the agenda alive and puts in ambassadors.

Some well-known Swedish examples are IKEA, Spotify and most recently Loveable. It's usually good to see innovation happen, a quick way to learn and be able to deepen questions. Some other companies that most people know about are Netflix, Apple and Adobe. But there are many, and the business models have become more numerous in line with digital development.

IKEA built a model around an unassembled piece of furniture; the customer picked up at a department store and took care of putting all the parts together themselves. By shifting the costs or sharing the cost with the buyer, the company was able to lower prices, gradually also simplify transports and offer the products to the buyer's home directly. Since then, they have developed department stores, various transport solutions, 3D for kitchens and generally have a focus on the customer's interface. It is the model that is the solution, which means that the furniture can be ordinary. Today, we also see that old IKEA furniture is increasing in resale value.

IKEA built a model around flat-pack furniture the customer transports and assembles. By shifting those costs to the buyer, IKEA lowered prices, simplified logistics, and turned the store into a destination. The furniture is ordinary; the model around it is the advantage. There are many steps to success, and strategy work is often a reason why things go awry or an entire process fails.

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The challenge today is digitalization, and we both customers and employees have a different focus. It is often the owners and management who are behind the strategies, and the risks of mis navigation that are based on what we believe are possible rather than real needs increase.

Strategies

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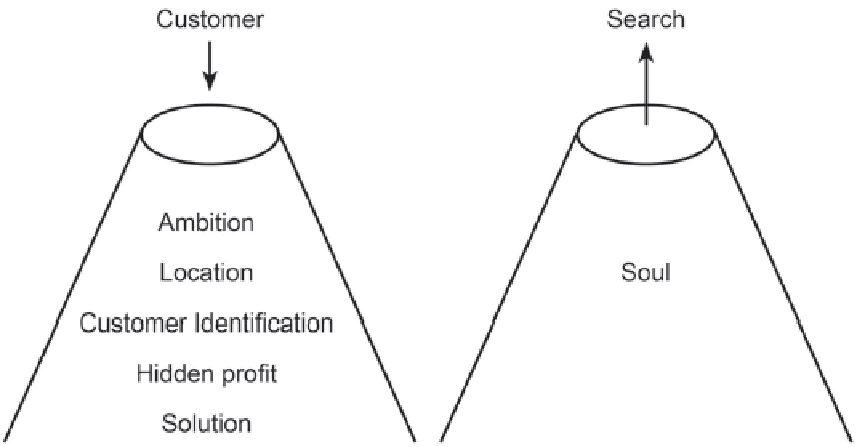

It creates a digital strategic dilemma, an image from my book The Company Soul.

We need more understanding of driving forces and resources, to be able to make ongoing assessments and, above all, get people on board.

It's not just about winning, but also how we can carry out a plan, and today it's often the same thing.

A picture that shows a paradox dilemma from my latest book.

It has become increasingly difficult to see the differences in what is, and risks of resistance everywhere.

The strategic starting point often is what our identity is, what can we change and what should we not change.

I will elaborate on strategies further in future letters and link them to all other elements that are usually found in working with the vision, strategies and setting goals and metrics.

In two weeks, we'll see you again, and then more about the new tools: The GUIDE, SETAI, and SOAP.

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