
# Exploring Business Models

# Guess the Model;

based on descriptions guess the company and model.

CHILLY'S

NETFLIX

Pizza Hut®

TESLA

LinkedIn

# What is a Business Model?

"A business model describes how a company creates, delivers and captures value."

Key Elements:

- ❑Revenue Streams
- ❑Target Market
- ❑Value Proposition

**CREATE**

DEVELOP PRODUCT
OR SERVICE.

**DELIVER**

HOW TO DELIVER/DISTRIBUTE TO CUSTOMER

**CAPTURE**

HOW THE BUSINESS EARNS REVENUE/SALES

# Overview of Common Business Models

Understanding business models is a foundational skill in entrepreneurship, and even as engineers or architects, you might encounter or work within various models during your careers.

These models influence how a business makes money, connects with customers, and scales.

**Freemium**

Offers a free version of a product or service with limited features, encouraging users to upgrade to a paid version with more advanced features. **Spotify**

**Subscription**

Provides ongoing access to products or services in exchange for a recurring fee, usually monthly or annually, often offering exclusive benefits to subscribers**.** **Netflix**

**B2B (Business to Business)**

Involves selling products or services from one business to another, typically catering to the operational needs of companies rather than individual consumers. **Adobe**

**Marketplace**

A platform that connects buyers and sellers, enabling transactions without owning inventory or directly providing the goods or services offered. **eBay**

**Social Enterprise**

A business model that prioritizes social or environmental goals, reinvesting profits into its mission while often operating in sectors like fair trade or sustainability. **Big Issue**

**B Corp (Benefit Corporation)**

A business that balances profit with purpose, meeting high standards of social and environmental performance, accountability, and transparency. B Corps are certified by the nonprofit B Lab and aim to generate positive impact for employees, communities, and the environment, alongside financial success. **Ben & Jerry's**

**B2C (Business to Consumer)**

Sells products or services directly to individual consumers, focusing on meeting the needs and preferences of everyday shoppers. **Greggs**

**Franchise**

A business that grants another party the rights to operate under its brand and business model. **McDonald's**

# Business Model Research Challenge

Goal:  Understand how different companies create, deliver and capture value – and how their business models evolved over time.

Each group will research two companies and share their findings

- When and how was it founded?
- What was its original business model?
- How did the business model change over time?
- What model(s)does it use now?
- What can we learn from this company?

20-25 minutes for discussion and research.

Prepare a presentation, up to 5 minutes to share findings, using whatever format you like.


# Reflection:

Business models shape how companies create value and sustain themselves.

Different models work well for different industries and goals.

Awareness of these models can help in future business and career decisions.

**Stay curious about how businesses operate!**

About – Sunhouse Creative