

3. Business Models

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Fitting in vs Standing out

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Ways to author and publish a book

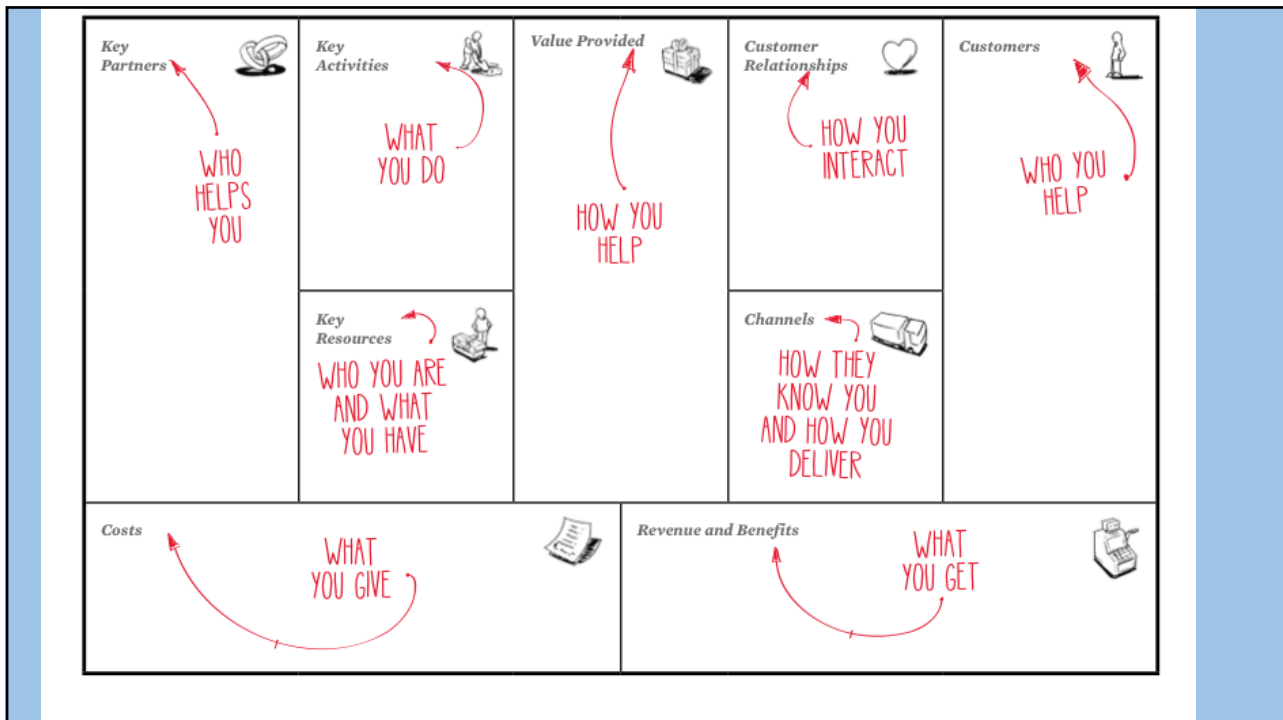
- > Traditional publisher
- > Publish on demand (e.g. lulu.com)
- > E-publisher
- > Sponsored book
- > DIY with Amazon advantage
- > Co-created book
- > Free book for marketing
- > Book to complement an online offer...

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Each of these ways features a different business model.

A business model describes how an organisation earns its livelihood by providing **value**.

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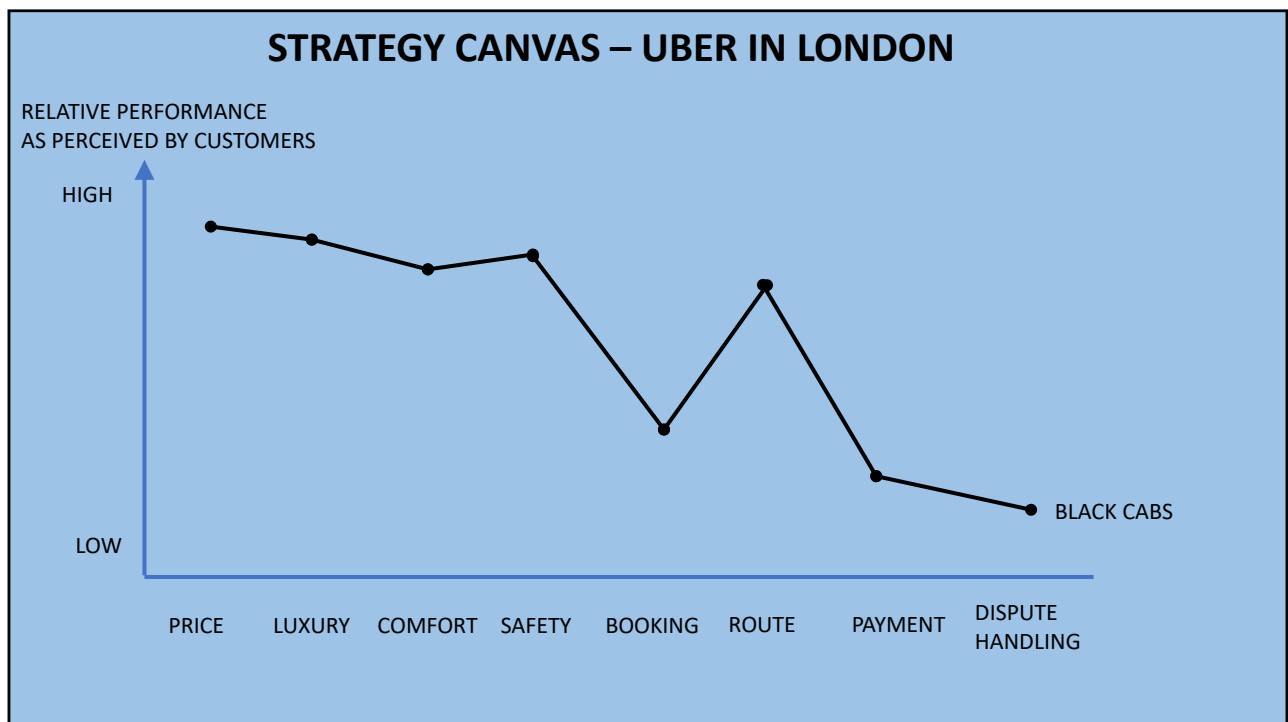
Value \neq Money

“Price is what you pay; value is what you get” Warren Buffett

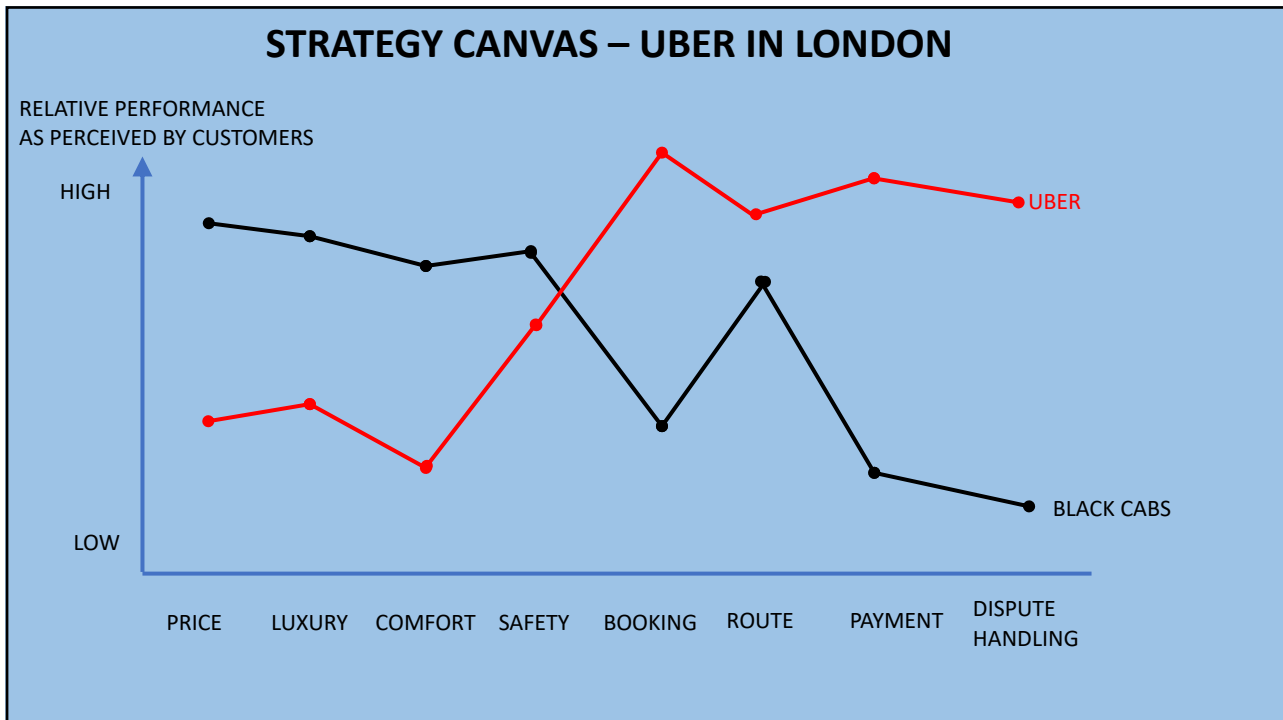
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It's better to be **different** than it is to be better.

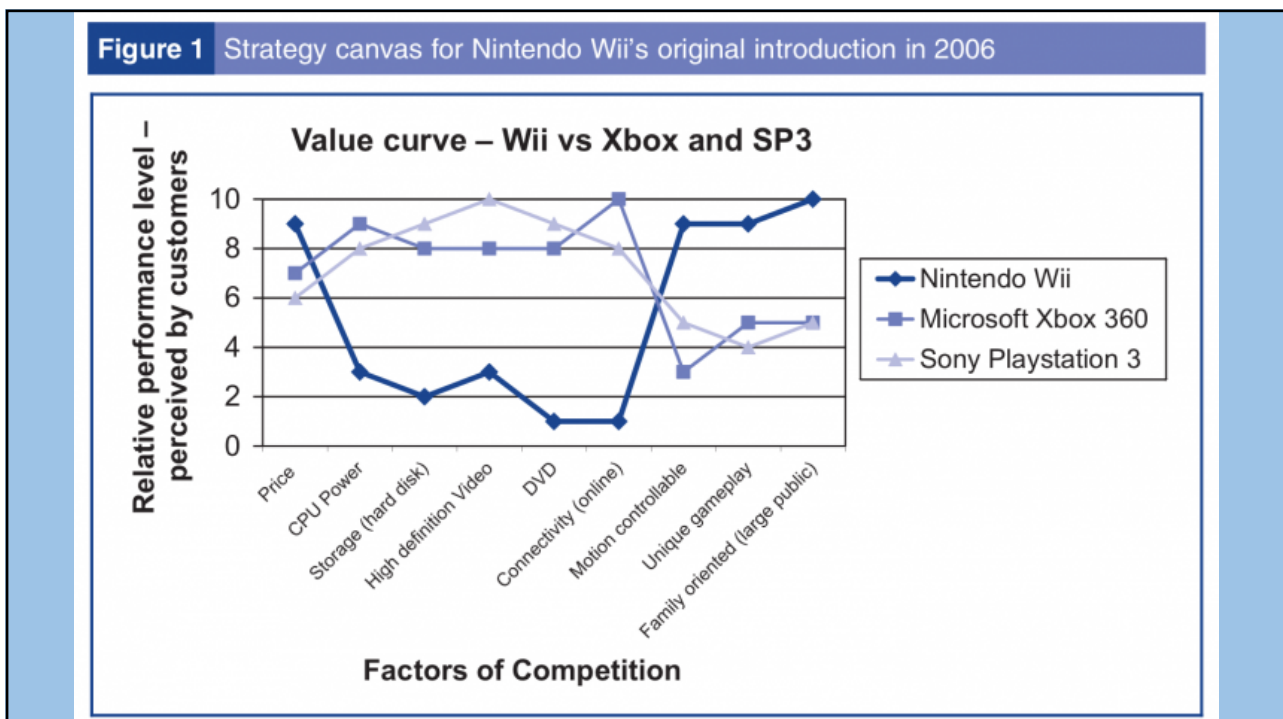
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RED OCEAN VS. BLUE OCEAN STRATEGY

Red Ocean Strategy

VS

Blue Ocean Strategy

Compete in **existing** market space.

Beat the competition.

Exploit **existing** demand.

Make the value-cost trade-off.

Align the whole system of a firm's activities with its **strategic choice of differentiation or low cost.**

Create **uncontested** market space.

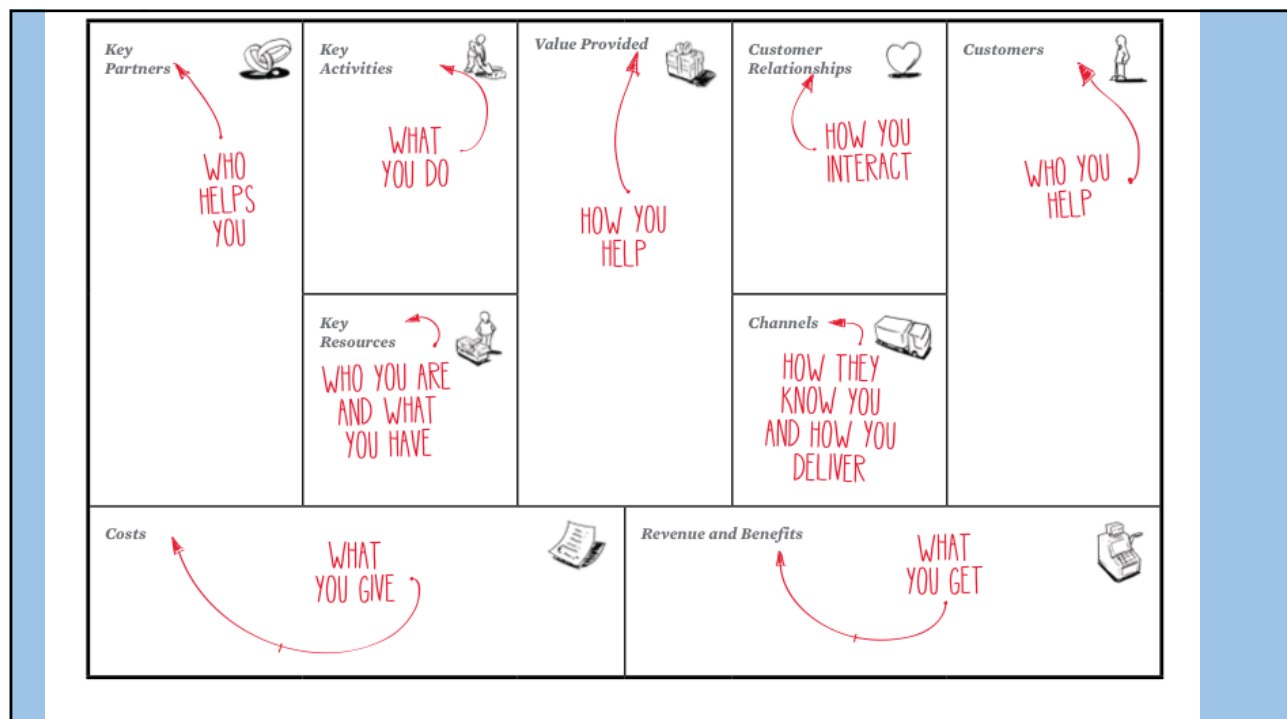
Make the competition **irrelevant.**

Create and capture **new** demand.

Break the value-cost trade-off.

Align the whole system of a firm's activities in **pursuit of differentiation and low cost.**

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‘How you help’ is not ‘what you do’.

What value are you providing?

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‘How you help’ is not ‘what you do’.

What value are you providing?

What you do: translate legal documents from Spanish to English

How you help: create persuasive documents to help win multi-million pound lawsuits

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Your elevator pitch

~~What I do:~~

How I help: "Someone has this problem or need. I give them this outcome instead"

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My elevator pitch

~~I train company directors~~

Directors of companies face huge penalties if something were to go wrong in their business...

I help them sleep better at night – by simplifying complex topics like strategy, finance and leadership

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Find someone who's willing to play, and ask them these three questions:

- > 'What do you do?'
- > 'What problem or need do you help with?'
- > 'What outcome do you bring?'

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Just 3 of Jon's elevator pitches

- > Helping old-fashioned businesses to innovate...
- > Helping over-complex businesses to simplify their range...
- > Helping under-appreciated L&D teams to set up corporate universities...

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Main takeaway

Understand what **value** you bring... how you replace a problem with a better outcome.

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