Profit Model

- Price at a higher margin than competitors, usually for a superior product, feature, experience, service or brand.
- Cost Leadership
  - Keep Various costs low and sell high volumes at low margins.
- Scale Transactions
  - Maximize margins by pursuing high volume, large scale transactions when unit costs are low.
- Microtransactions
  - Sell many items for a little as a ¢ to ¢, to boost impulse purchases.
- Forced Scarcity
  - Limit the supply of offerings available, force customers to want it or lose it.

Create predictable cash flows by charging customers up front (a one time fee) or recurring fees for product or product service over time.

Membership

- Offer a “core” product for free to one party while selling listeners, viewers or users to the other party.

Licensed

- Grant permission to others to use your offerings (software, music, etc.) and receive royalties.

Mergers & Acquisitions

- Merge companies to pursue a common goal.

Process Automation

- Eliminate waste and cost in business processes.

Network

- Add Intellectual Property
  - Protect an idea that has been created.

Structure

- Organizational Desing
  - Organize business functions to make sure that they are aligned with core competencies and business processes.

Process

- Process Standardization
  - Use an offering of exceptional, quality, and customer experience to reduce complexity, costs, and errors.

Predictive Analytics

- Model past performance data and predict future outcomes to drive price offerings accordingly.

Product Performance

- Superior Product
  - Develop an offering of exceptional, quality, and customer experience to do whatever needs doing.

Service

- Self Service
  - Provide listeners, viewers or users with ways to sign up for or access your offerings.

Customer Engagement

- Co-Branding
  - Combine strengths to mutually reinforce key attributes or enhance the credibility of an offering.

Brand Leverage

- Leverage your credibility and allow others to use your name—thus extending your brand’s reach.

Experience Simplification

- Reduce complexity and focus on delivering specific experiences exceptionally well.

TACTICS OVERVIEW

- TACTICS
  - Process rationalization and repetitive tasks from the core offering.
  - Make new experiences seem magical.

- NETWORK
  - Openness to joint improvement.

- STRUCTURE
  - Organize a company or its business interfaces.

- PROCESS
  - Integrating technology and/or do the same with internal IP and processes.

- SERVICE
  - Allow customers to set a price for your offering.

- EXPERIENCE
  - Position the offering in the customer’s mind.

User Defined

- Involve customers to set a price they wish to pay.

Freemium

- Offer services for free, while charging a premium for advanced or special features.

Consolidation

- Acquire multiple companies in the same market or complementary markets.

Open Innovation

- Obtain access to processes or patients from other companies to leverage, extend, and build upon expertise and/or do the same with internal IP.

IT Integration

- Integrate technology resources and applications.

Competency Center

- Cluster resources and expertise to build capabilities that increase efficiency and effectiveness across the broader organization.

Process Maturity

- Increase the customer’s level of confidence and security.

Feature Aggregation

- Combine existing features found across offerings into a single offering.

Added Value

- Include an additional service or function as part of the base price.

Process Automation

- lofty tools and infrastructure to manage routine activities in the course of action.

Concierge

- Provide thoughtful, holistic management of the customer experience across an offerings lifestyle.

Supplementary Service

- Offer additional services that tie with your offerings.

On-Demand Production

- Provide products after an order has been received to avoid carrying costs of inventory.

Lean Production

- Produce items after an order is received and focus on delivering the offering to the customer on time.

Modular Systems

- Create a new product or ancillary products or services.

Flagship Store

- Create a store to showcase and/or diversify your brand.

Brand Leverage

- Leverage your credibility and allow others to use your name—thus extending your brand’s reach.

Cost Leadership

- Keep variable costs low and sell high volumes at lower margins.

Diversification

- Expand into new or different channels.

Chatbox

- Create a site to showcase intellectual property services.

Deliver goods in real-time to customers who take ownership over the offering to the customer.

On-Demand

- Deliver goods in real-time to customers who take ownership over the offering to the customer.

License

- Grant permission to others to use your offerings to generate revenue and profit.

Additional Value

- Add new functionality to an existing offering.

Value Alignment

- Align customers with your offerings to create a new value.

Co-Branding

- Brand an integral component to make a final offering appear more valuable.

Cross-selling

- Sell bundled products or services to an affiliated but non-core company.

Treasury

- Let customers see into your operations and share in your profits.

Collector

- Assure customers with loyalty programs.

Customer Experience

- Create experiences that turn around and sell offerings.

Concierge

- Provide thoughtful, holistic management of the customer experience across an offerings lifestyle.

Co-Branding

- Combine two or more complementary markets.

Merger/Acquisition

- Combine two or more entities to gain access to capabilities and assets.

Extensions/Plug-ins

- Allow first to third party additions that add to the functionality.

Experiences

- Position your offering as unique and/or the same with internal IP.

Up-sell

- Develop new products or services to under the umbrella of an existing brand.

Cross-selling

- Sell bundled products or services to an affiliated but non-core company.

Brand Leverage

- Leverage your credibility and allow others to use your name—thus extending your brand’s reach.

Service

- Allowing customers to set a price for your offering.

Risk Sharing

- Back standard legal/costs if certain metrics aren’t achieved.

Simplification

- Add meaning and focus on delivering the offering to the customer on time.

Process Automation

- Allow customers to pay for only what they use.

Diversification

- Offer a “com” product for free to one party while selling listeners, viewers or users to the other party.

User Defined

- Involve customers to set a price they wish to pay.

Freemium

- Offer services for free, while charging a premium for advanced or special features.

Consolidation

- Acquire multiple companies in the same market or complementary markets.

Open Innovation

- Obtain access to processes or patients from other companies to leverage, extend, and build upon expertise and/or do the same with internal IP.

Secondary Markets

- Connect widely spread customers, by products, or other alternative offerings to those who want them.

Supply Chain Integration

- Integrate and collaborate across a company or functions of the supply chain.

Complementary Partnering

- Enable integrated processes when unit costs are low.

Decentralized Management

- Deliver decision-making governance closer to the customer or other key business infrastructure.

Remote Management

- Focus on remote management of the manufacturing process and other operations.

Legion of Experts

- Manage the flow of goods, information, or resources between the point of origin and the point of use.

Strategic Design

- Employ a purposeful approach that markets itself consistently across offerings, brands, and experiences.

Intellectual Property

- Protect an idea that has been created.

User Generated

- Put users in control of your offerings that powers your offerings.

Predictive Analytics

- Model past performance data and predict future outcomes to deliver price offerings accordingly.

Supplemental Service

- Offer additional services that tie with your offerings.

On-Demand Delivery

- Deliver goods in real-time to customers who take ownership over the offering to the customer.

Personalized Service

- Use your offering as a customizable service.

User Communities/

- Allow others to use your offerings to create a new value.

Customer Experience

- Create experiences that turn around and sell offerings.

Styling

- Import a style, fashion or image.

Consumer

- Create experiences that turn around and sell offerings.

Styling

- Import a style, fashion or image.