

Day 2.1

Network-Enabled Business Models

MIS5801 Spring 2016: Tokyo

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Adapted from material by Munir Mandviwalla and Steven L. Johnson

Breakout Session:

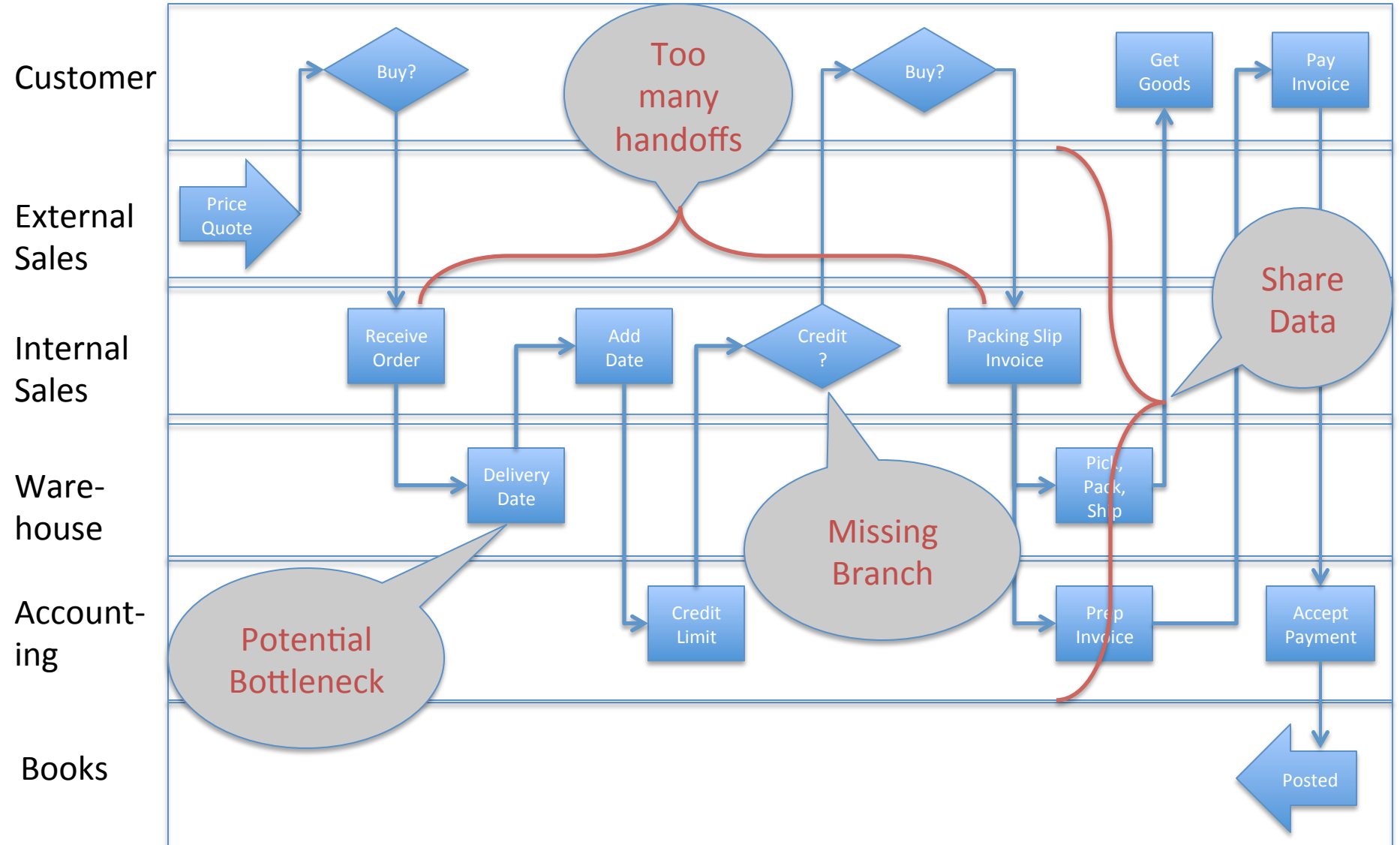
Mapping a

PROCESS

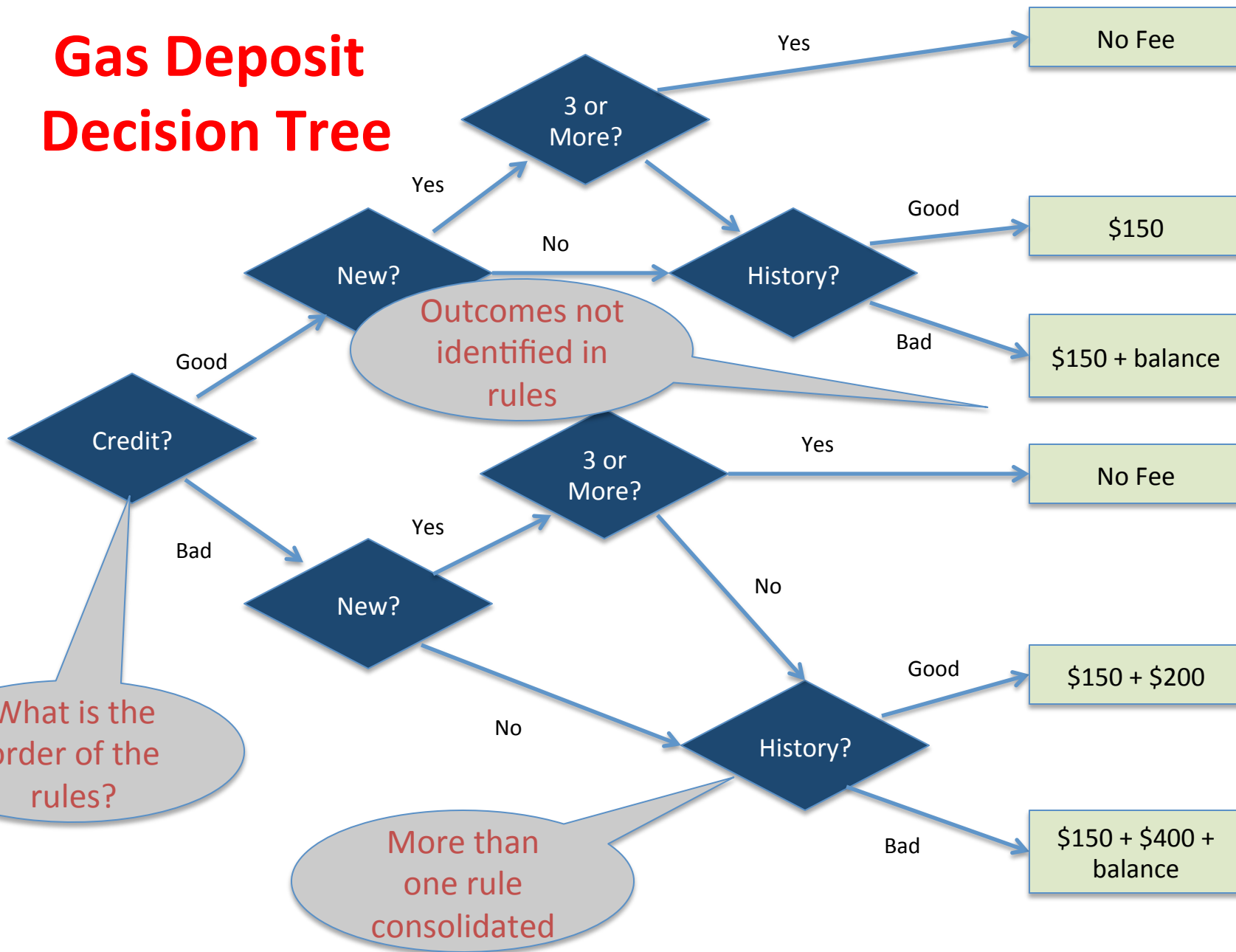
Have you ever **MAPPED** a
process before?

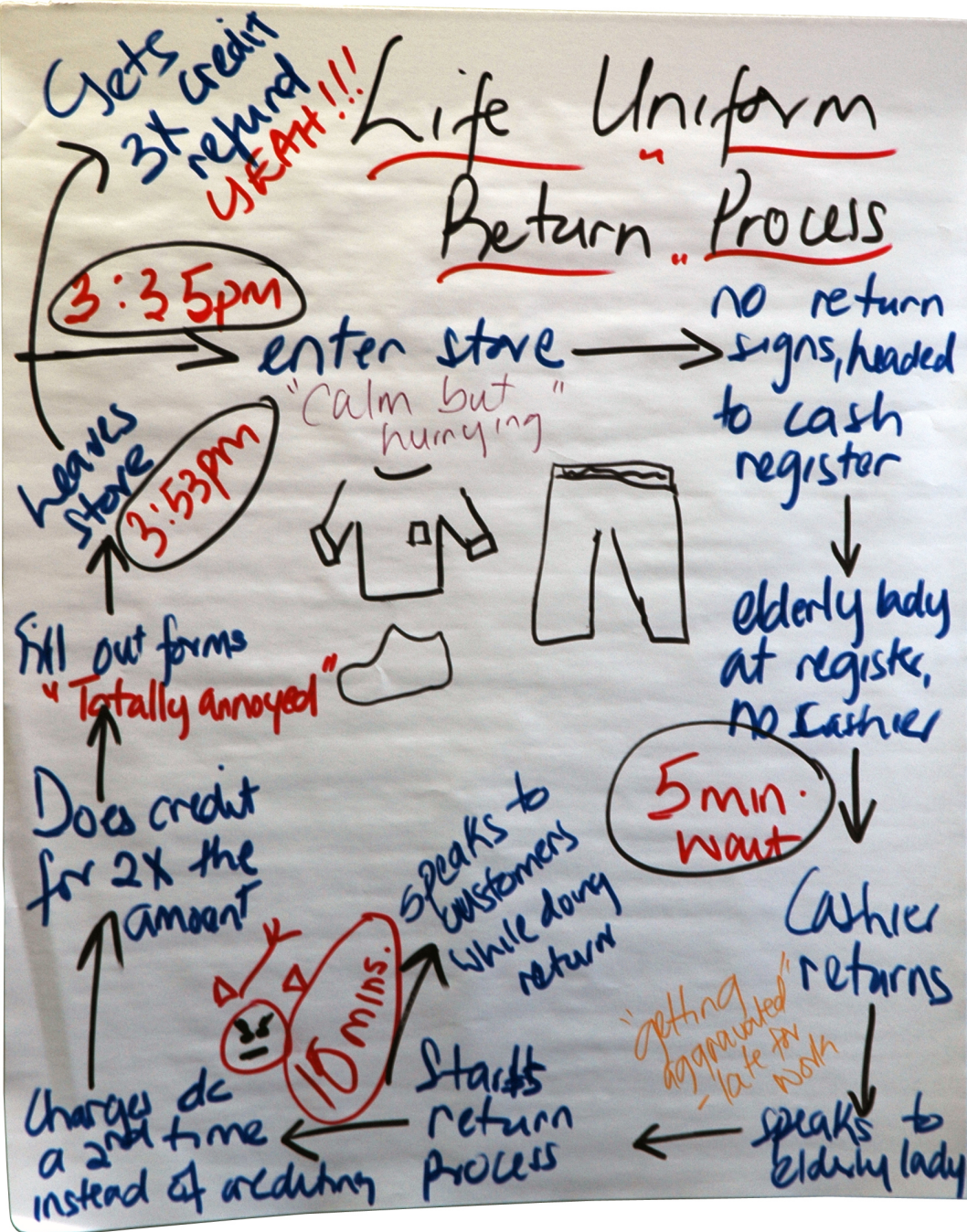


Sales Order Swim Lane



Gas Deposit Decision Tree





This is an
exploration

Enter title (Name of your selected experience)

Constituent: Define customer, student, employee segment or type.

Interest

Commit

Discovery phase
(Current state)
Audit the current state experience.
List channels, artifacts and/ or activities in use today for each touchpoint.

Become aware
- (Channels, artifacts and/ or activities)

Research/ Educate
- Entry

Evaluate
- Entry

Decide
- Entry

Join/ Purchase
- Entry

Attract

Persuade

Persuade

Persuade

Enable

Research phase
(Current state)
In summary of research findings enter these for each touchpoint:
a. Overall impression: In a word or short phrase, how constituents feel (e.g. Assured, Confused).
b. Caption: What constituents would say is the strength or weakness (gap) in the experience.
Written like a quote.

(Impression:)
(Caption:



Copy and paste one emotive face to rate each touchpoint; overall, are constituents delighted, neutral, or disappointed?

(Aspirational state impression:)

Actions:

Aspirational state Impression:

Actions:

Aspirational state Impression:

Actions:

Aspirational state impression:

Actions:

Aspirational state impression:

Actions:

Co-creation phase
(Aspirational state)
Enter the impression you aspire for constituents to have at this touchpoint.
How should they feel?

Actions: List ideas and actions to close gaps and achieve new future state.

Activity:

Mapping a **PROCESS**

In groups, MAP the business process outlined in the narrative:

The University City Science Center (Center) is one of the city's most popular venues for corporate events. The Center handles a wide array of events each year, ranging from entrepreneurship conferences to institutional board meetings. The Center rents out several spaces; from auditoriums to conference rooms. Planning and executing an event takes a large amount of effort amongst all involved.

The process begins with the client. A client, such as energy company NRG, contacts the Center requesting space for a proposed event. The marketing department fields the request, and writes up a proposal for the client. The proposal is a standard form that doubles as a contract, which includes the price of the event space, date and time the space is to be used, and standard terms and conditions. Marketing then sends the client the proposed contract. The client then decides whether to accept or reject the contract. Most clients accept because the Center is such an accommodating host. The client then returns the signed contract. Marketing then receives the signed contract and documents the receipt in the client's file.

After the contract is signed, the client often tells the marketing department what kind of catering, and other event goodies, it is looking to have. Marketing then sends the client a list of approved event partners - such as caterers or balloon makers. It is the client's responsibility to arrange additional services, like catering, at an event. The client normally then calls an approved caterer, who quotes the client a price for the event. The client then can either accept the caterer's quote or contact a different approved vendor.


Once the catering decisions are completed (which is arguably the most important element in any successful corporate event), the client informs marketing as to the food arrangements. Once marketing is informed, the client then handles preparation for the event on their own. The event then takes place!

Following the event's completion, the marketing department sends the client a bill for the event. The client then sends payment. Upon receipt of the payment, accounting verifies the payment, documents the payment in its general ledger, and then sends a final receipt to the customer. The client then begins planning their next wonderful experience at the University City Science Center.

In groups, MAP the business process outlined in the narrative:

- Who owns the process? What are its boundaries?
- How do space and time impact your process map? (Think about internal/external and before/after)
- Where are the opportunities for improvement?





In groups, choose a business process in which one of your group members has experience and map it out:

- Who owns the process? What are its boundaries?
- Where are the opportunities for improvement?
- Where are the opportunities for transformation?

Class Discussion:

Network Enabled

BUSINESS MODELS

Evolution of Interactivity

Web 1.0

- Non interactive
- One-way flow

Web 2.0

- Interactive
- User generated

Web 3.0

- “The semantic web”

We're in the middle of Web 2.0

Facebook

Twitter

Linkedin

YouTube

Flickr

HubPages

delicious

digg

Bloggging*

What do these all have in common?

“Social Media”

Facebook

Twitter

Linkedin

YouTube

Flickr

HubPages

delicious

digg

Bloggng*

User generated content

Decentralized control

Networks of users

“Free”

Based on sharing information

What Web 2.0 means



For individuals

- New ways to communicate socially
 - Narrowcasting
- New ways to communicate professionally
 - Self-promotion and networking



For organizations

- New ways to communicate internally
 - Locate expertise and knowledge sharing
- New ways to communicate externally
 - Public relations, product promotion

The Cloud

- What is it?
- Why is it new?
- Why is it not new?



**What business models are enabled
by the cloud?**

Comparing Two Internet-Enabled Models

“E-Business”

- Using the Internet as a conduit for connecting businesses

- B2B
- Electronic Data Interchange



The Cloud

- Using the Internet to access hosted services

- Amazon.com
- Netflix (coming soon)
- Dropbox



Attending to Signals

- Are cloud-based services “low-end” or “new market”?
- How could it disrupt IT-related industries?
- How could it disrupt non-IT industries?

Breakout Session + Discussion:
Amazon

WEB SERVICES

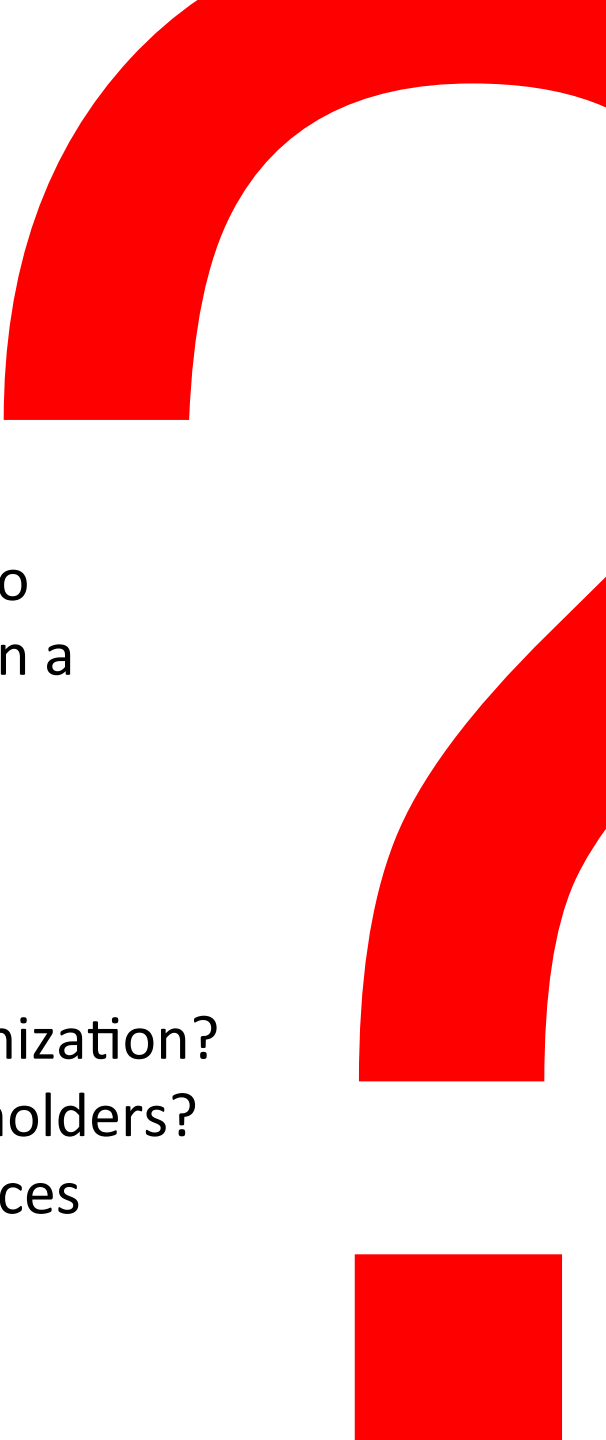
In groups, discuss the following questions:

- What are the four major web services described in the case that are offered by Amazon.com? What does each service do? Compare each service in terms of pros and cons.
- Why would a company use these services from Amazon instead of maintaining their own infrastructure? Assume you are the manager for a large bank, think through the pros and cons of using Amazon's services.
- Is Amazon Web Services following a disruptive strategy or do they have a different business model?

Activity:

Applying Systems Thinking to

**DIGITAL BUSINESS
MODELS**

A large, thick red graphic element on the right side of the slide, consisting of a curved shape at the top and a rectangular block at the bottom, resembling a stylized question mark.

In groups, use a “systems thinking” approach to determine the effect of cloud-based services on a specific aspect of a business.

- What are the implications to that part of the organization?
- What are the implications to the entire organization?
- What are the implications on external stakeholders?
- What might be some unintended consequences (good or bad) from leveraging the cloud?