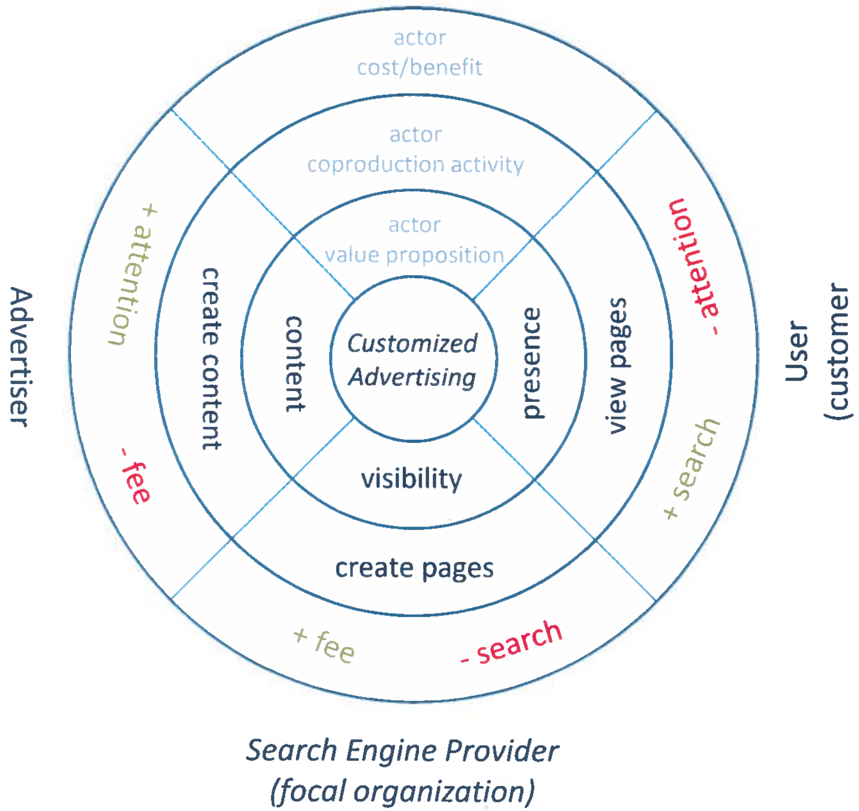


Full documentation of BASE/X version 1:
P. Grefen, E. Luftenegger, E. v.d. Linden, C. Weisleder; *BASE/X: Business Agility through Cross-Organizational Service Engineering - The Business and Service Design Approach developed in the CoProFind Project;* Beta Working Papers; Vol. 414; Eindhoven University of Technology; 2013.
Freely available at: http://beta.ieis.tue.nl/node/2087.

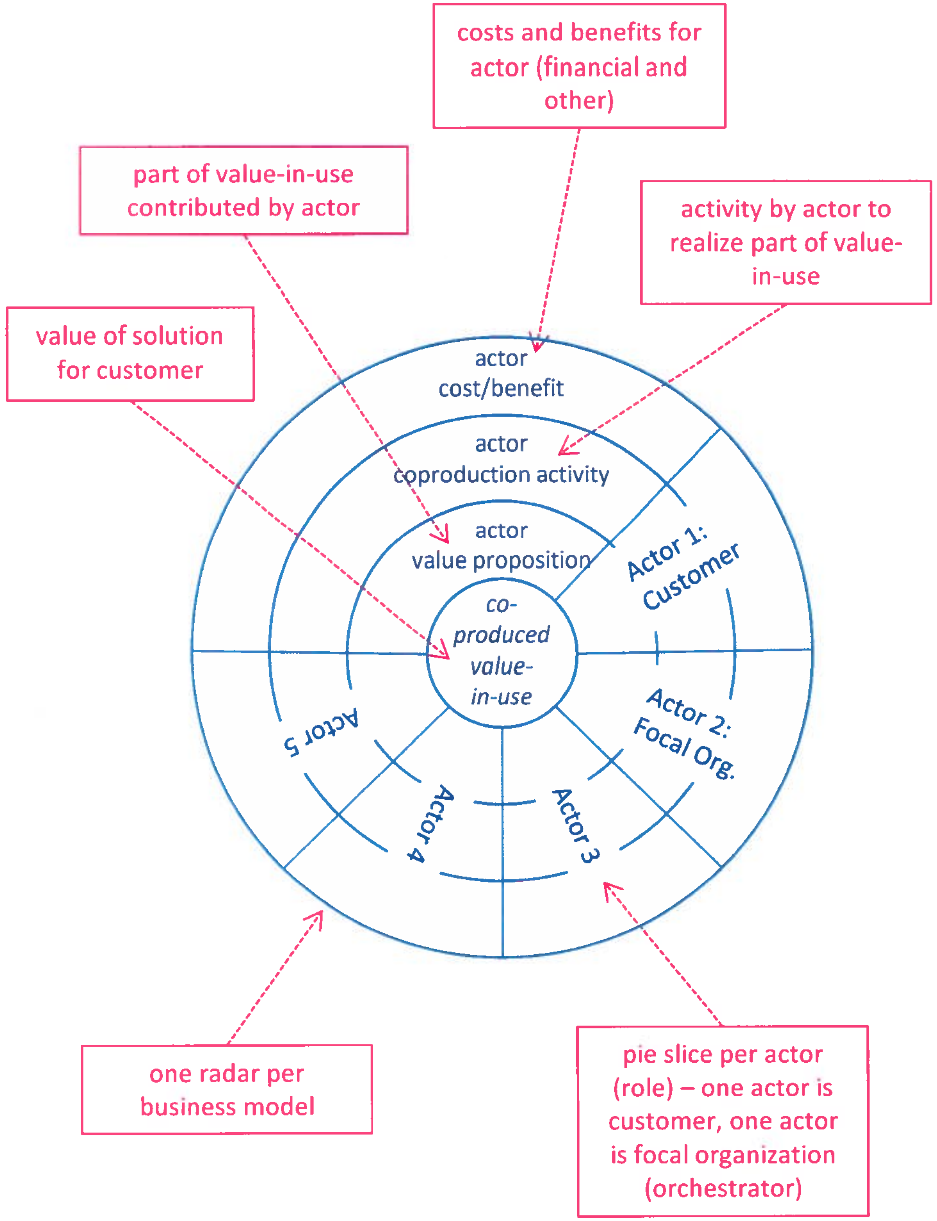
Basic BASE/X principles

1. Service-dominant business is about co-creating value-in-use, not about exchanging goods or performing simple services.
2. Value-in-use is co-created in a network of partners – the customer is one of these partners
3. Business models exist in an agile world: they appear and disappear – they are not directly coupled to resources.

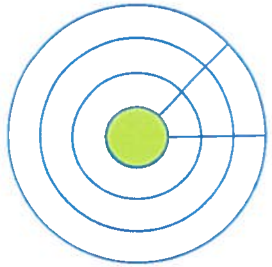
Business model vs. Business strategy

1. A business model specifies an approach to a concrete market at the tactical level (medium-term) by a network of organizations.
2. A business strategy specifies the identity of a single organization in an abstract market at the strategic level (long-term).
3. A business strategy determines long-term investments in stable resources by a organization.
4. An organization has one strategy and a number of business models – a business model is a specialization of the strategy towards a specific customer segment in a specific period.

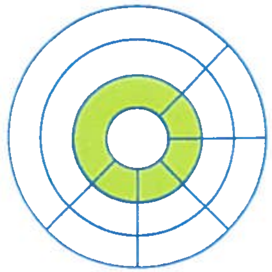
[2] Business Model Radar Technique and Concepts



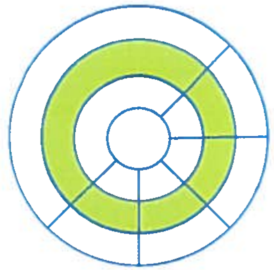
[3] Business Model Radar Construction Steps



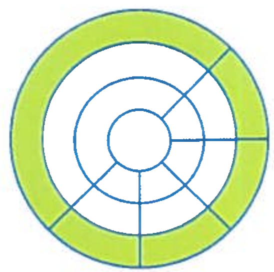
identify co-produced value-in-use and customer segment – value-in-use is added value of solution for customer, may be experience-oriented – customer is a co-producing actor



determine components in value-in-use (actor value propositions) and associated actors – one actor is focal organization, often orchestrator – number of actors is arbitrary, but focus on core actors



determine coproduction activity (or activities if necessary) for each actor – this is a high-level activity that can be mapped at a later stage to a business process executed by the actor (using resources of the actor)



determine costs and benefits for each actor – these can be financial or non-financial – each cost needs related benefits, often with other actor(s) – sum per actor must be positive (qualitatively)

Practical tip: if desirability of a business model is more important than feasability (when designing), step 4 may be executed before step 3.