|  |
| --- |
|  |

Activity Name

Business Plan  
ESA InCubed Template Ver. 1.1, Issue date: 11Nov2022

Approval

|  |  |
| --- | --- |
| Title: Business Plan | |
| Issue Number: | Revision Number: |
| Author(s): | Date: |
| Approved by: | Date of Approval: |
|  |  |

Change Log

|  |  |  |  |
| --- | --- | --- | --- |
| Reason for change | Issue | Revision | Date |
|  |  |  |  |

Change Record

|  |  |  |  |
| --- | --- | --- | --- |
| Issue Number: | Revision Number: | | |
| Reason for change | Date | Pages | Paragraph(s) |
|  |  |  |  |

Distribution

|  |
| --- |
| Name/Organizational Unit: |
|  |

Table of contents:

1 Introduction 4

1.1 Reference Documents 5

1.2 Acronyms 5

2 Rationale & Product characteristics – Executive Summary 5

3 Business Opportunity 5

3.1.1 Product Description and Rationale 5

3.1.2 Company history and status 5

4 Business Model Canvas 6

4.1 Canvas Blocks 8

4.1.1 Customer Segments 8

4.1.2 Value Proposition 8

4.1.3 Revenue Streams 10

4.1.4 Cost Structure 10

4.1.5 Channels 11

4.1.6 Customer Relations 12

4.1.7 Key Activities 12

4.1.8 Key Resources 12

4.1.9 Key Partners 13

5 Value Chain and Activity Team 13

6 Management Plan 14

7 Sector, Market and competition 14

7.1 Sector (or industry) Description 14

7.2 Market Analysis 15

7.3 Competitive Landscape 17

8 Operations Plan & Go-to-market strategy 20

9 financial 20

9.1 Traction & achieved results (key metrics, customer growth) 20

9.2 Cash Flow forecast (5 years) 20

*9.3* Funding needs and use of funds *(key numbers & milestones)* 21

9.4 Current cap table and valuation (for start-ups) 21

10 Risk Analysis 21

# Introduction

The following business plan template shall be written from the perspective of each contractor involved in InCubed activities. The following shall be note:

1. Different Business Plans (BP) may be needed if the activity is led by a consortium, with each member having separate business plans.
2. This Business Plan can be used by:
   1. Companies already established (e.g. with positive cashflows) proposing a new product/or service to be added to their existing portfolio. In this case not all the parts shall be filled in.
   2. New companies/start-ups (e.g. with negative cashflows), which intend to develop as part of the InCubed activity their only product/service or one of their product/service as part of a big picture. . In this case all the parts shall be filled in, giving also details of other part of the business that may be linked to the success of the venture. These parts are highlighted in YELLOW.

The purpose of the Business Plan (BP) is twofold. At the proposal stage it allows ESA to understand how the activity will lead to a business which generates a profit. As the activity progresses it gives the activity team a common view of the financial planning for the business, for example how many units are expected to be sold in a year. Putting these numbers in black and white can show which actions need to be taken, e.g. increase the number of distributors of the product or outsource installations which need to be carried out during the ESA activity.

This template structures the minimum requirement of content expected in the Business Plan deliverable to be reviewed by the ESA during the activity execution.

Concerning the use of this template, please note the following:

* Material presented in this plain style is either suggested content for the Business Plan, or describes the content to be inserted in the corresponding paragraph, as relevant. This is intended to be an example of a response to the related Agency requirements, which the Contractor needs to properly complement. The suggested material may be adopted as is, or modified at the Contractors’ discretion.
* This style is used to identify information that must be modified and/or completed by the Contractor for the proposed activity. This supplementary information should be presented in plain typeface (i.e. not red) in the final version of the Business Plan.
* This style is used for explanatory notes and guidance to help you to develop the Business Plan content (e.g. to indicate a selection between mutually-exclusive options). This information should be removed from the final version of the Business Plan.

PLEASE, REMOVE THIS TEXT BOX AFTER YOU HAVE STARTED USING THIS TEMPLATE

## Reference Documents

| Ref. | Document ID. | Title | Rev. |
| --- | --- | --- | --- |
|  |  |  |  |

## Acronyms

| **Tag** | **Description** |
| --- | --- |
| BP | Business Plan |
|  |  |

# Rationale & Product characteristics – Executive Summary

The Executive Summary should pitch your idea in maximum one page. By the end of this section, your reader should have understood who you are, what is your business idea, why this opportunity is so attractive and why it's interesting to invest in your idea. This is the part of your business plan that will be read the most often: it should grab your reader's attention and let them know why they should read the rest of the document. You should include the following:

# Business Opportunity

### Product Description and Rationale

* Describe the problem you want to solve for your customer (the problems they are trying to solve or the needs they are trying to satisfy)
* Describe the product that will be offered to your customer/s at the end of the activity. (everything should be proposed from the prime contractor perspective, if the subcontractor/s develop themselves a product that has a wider/different market/scope their point of view shall also be addressed in the whole business plan)
* Indicate the key innovation of the product with respect to what is available on the market today.
* Indicate how this activity will support the growth of your market share, complement existing product, or expand to adjacent or new markets.
* For new companies/start-ups preparing to launch their first commercial product, indicate your mid- / long-term strategy within the context of the activity.

### Company history and status

* *For an existing company: key figures, key (existing) products or services, main (existing) customers, main (existing) strategic partner, shareholders, alignment of the activity with the company’s strategy*
* *For a start-up/ spin-off: current and active business support services (e.g. incubator, network) and your founding team structure*
* *Describe your business structure especially if the activity is presented within a consortium (spin-off, JV, partnership, etc.)*
* *List the number of employees*
* *Describe your business locations and facilities*

# Business Model Canvas

*Generate your business model canvas. You can start from the sections you have filled in your Proposal Part 2. In paragraph 3 you will have space to explain each box in detail.   
Your canvas shall be updated at least at any activity review or when necessary.*

*The canvas shall be in 1 page and filled in with the most relevant parts of the business plan paragraphs as indicated through the template (look at the coloured boxes in figure 1) .*

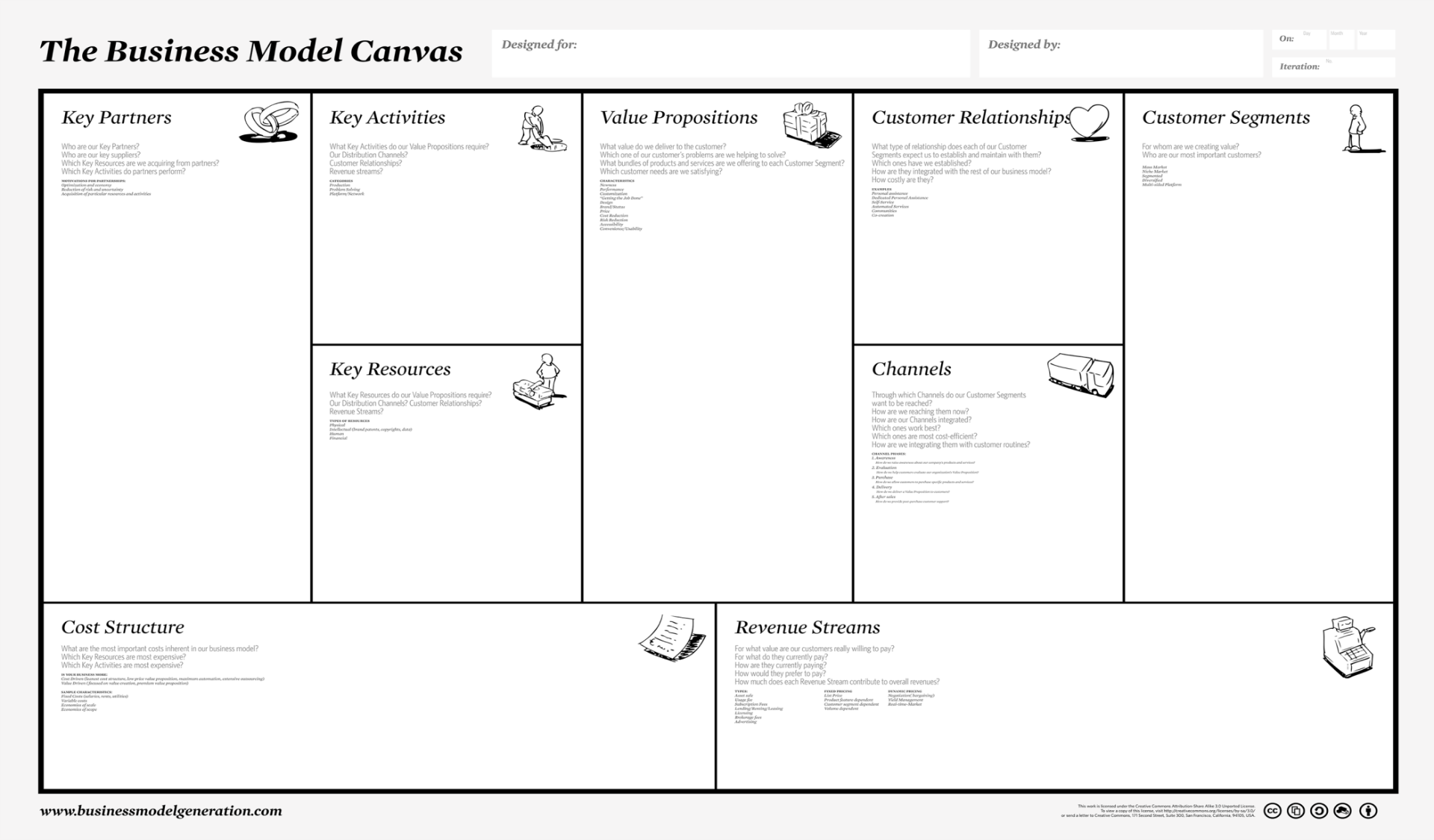


Figure 1

## Canvas Blocks

### Customer Segments

*Here you should only talk about your target customer segments; the process to identify your target customer segments , should be done in paragraph Market Analysis*

Customer Segments:

Defines the different groups of people or organizations you aim to reach and serve.

For whom are you creating value (solving the problems)?

Who are our most important customers?

* *You shall describe your target buyer/s who is/are at the core of your business opportunity*
* *To do so you should create a customer profile for each of your customers:*
  + *identifying their jobs (what customers are trying to get done in their work, the problems they are trying to solve or the needs they are trying to satisfy)*
  + *You should also identify the pains affecting the customer before during and after getting a job done (undesired costs, technical problems, etc.). Classify them in terms of severity*
  + *You should also identify the gains (benefits) the customer expect, requires desires or will be surprised by (savings, improved customer experience, etc.). Classify them in terms of importance for the customer*

### Value Proposition

Value Proposition

*Describes the bundle of products and services that create value for a specific Customer Segment.*

What value do you deliver to the customer?

Which one of your customer’s problems are you helping to solve?

What bundles of product/s and/or service/s are you offering to each Customer Segment?

Which customer needs are you satisfying?

* *List all the product/service you are designing to address your customer jobs, pain and gains*
* *List all the pain relievers explaining how your products and/or services features relieves (reducing or eliminating) the identified pain of the customer before during and after getting a job done*
* *List all the gain creators explaining how your products and/or services features address the identified customer gains*
* *Some Value Propositions may be innovative and represent a new or disruptive offer; others may be similar to existing market offers, but with added features and attributes*
* *The value proposition should be clear about the value (how much pains you relieve, how much gain you offer) created to the customers/users: use quantification, use cost-to-benefit analysis or value maps (figure below).*
* *Social or environmental benefits (e.g.* [*SDG*](https://sdgs.un.org/goals) *addressed) beyond the activity consortium (if any) shall be highlighted*

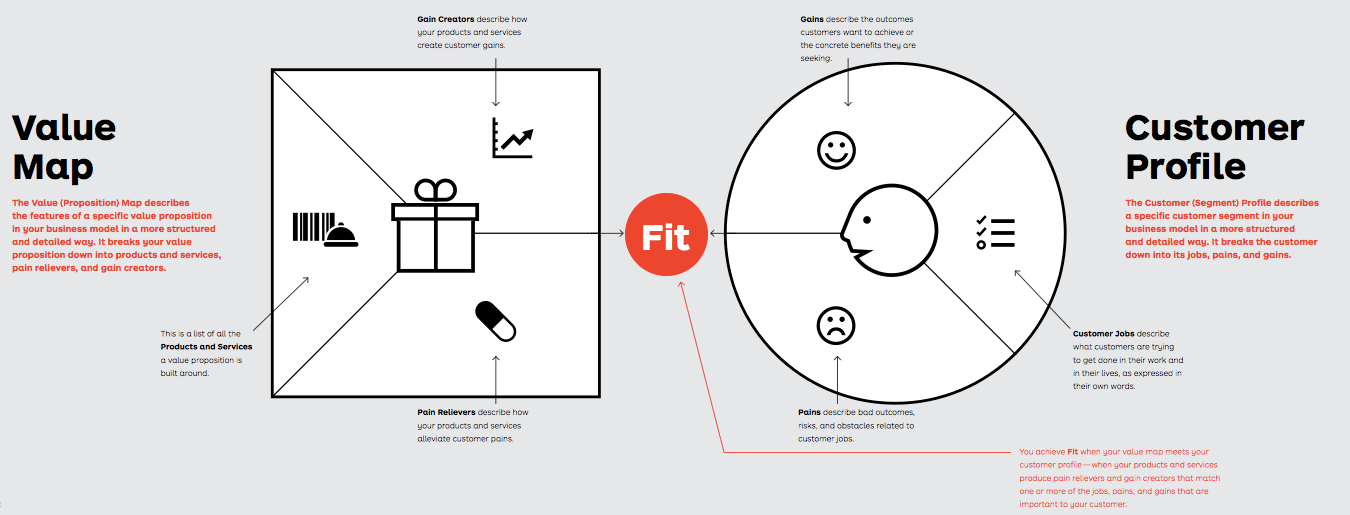


Figure 2

### Revenue Streams

Revenue Streams

*Represents the cash you generate from each Customer Segment*

For what value are your customers really willing to pay?

For what do they currently pay?

How are they currently paying?

How would they prefer to pay?

How much does each Revenue Stream contribute to overall revenues?

* *You shall describe the set of mechanisms through which your organisation sells its value proposition(s) and delivers it to the customers in order to generate enough revenues to be viable. There is a wide array of revenue streams approach – some examples include monthly subscriptions to services, direct sales to organisations, channel resellers, technology licensing, etc. The choice is critical to success in capturing the business opportunity*
* *Customers willingness to pay shall be explained and justified*
* *Additionally, the pricing policy and assumptions for the product/s and/or service/s shall be provided*
* *Evidences of what they are currently paying for similar services (if existing) shall be shown. In case no similar product/s and/or service/s exist/s the pricing shall be assessed with respect to the benefit provided to the customer*

### Cost Structure

Cost Structure

*Describes all costs incurred to operate a business model.*

What are the most important costs inherent in your business model?

Which Key Resources are most expensive?

Which Key Activities are most expensive?

* *You should list the most important costs that characterize your business opportunity in terms of:*
  + *Key resources costs (e.g. Ground stations, EO data, sales personnel, financing)*
  + *Key activities costs that you need to do to perform in order to pursue your business opportunity (e.g. R&D, sales, marketing, creating and delivering value, maintaining Customer Relationships, and generating)*
  + *You should classify these costs in terms of:*
    - *Variable: vary with the number of products sold / manufactured.*
    - *Fixed: that are not dependent on the level of goods or services produced by the business*
* *It should be clear if you are going to be a business which is Cost Driven or Value Driven*[[1]](#footnote-1)*; justifying your cost structure accordingly. You should describe your fixed costs and variable costs,*
* *N.B.: All the detailed costs shall be provided in paragraph Cash Flow forecast (5 years)*

### Channels

*Channels*

*Describes how you communicate with and reaches your Customer Segments to deliver a Value Proposition.*

Through which Channels do your Customer Segments want to be reached?

How are you reaching them now?

How are your Channels integrated?

Which ones work best?

Which ones are most cost-efficient?

How are you integrating them with customer routines?

* *You shall describe the channels, the touch points through which an organization liaises with its customers’ segments*
* *Channels for different market segments may be different*
* *There are five phases through which a channel passes. A channel can be covering more than one of these phases at a time*
  1. *Awareness: to inform the customer about the product or service existence*
  2. *Evaluation: to provide a customer with an opportunity to study and evaluate the value proposition*
  3. *Purchase: to provide customers with the facility to buy their chosen products or services*
  4. *Delivery: to provide to the customer the product or service at its premises*
  5. *After Sales: to provide the customer with after sales services*
* *Channels type may be:*
  1. *direct (direct relationship with customer) or*
  2. *indirect (thorough a partner/intermediary)*
* *In order to choose the best channels several factors should be take into account*
  + *Investments required for each channel: analysis of the different associated costs such as absolute value cost, cost per customer, fixed and variable costs and the profitability each channel option brings to the table*
  + *Product standard or not: Whether the product is standard, in which case the same version will appeal across customer profiles and can be sold through resellers or a non-standardized product which needs to be tailored to the customer needs and for which the company needs to have direct contact with the customer*
  + *Value of the customer: Determine each customer’s value to the business, weighting the cost to acquire that customer to the long-term value of that customer, in order to decide the right channel strategy, e.g.: Higher value customer may be worth to have expensive direct sales approach lower value may require different cheaper approach*
  + *Amount of control required over the distribution channel (possible competition?)*

### Customer Relations

*Customer Relations*

*Describes the types of relationships you establish with specific Customer Segments.*

What type of relationship does each of your Customer Segments expect you to establish and maintain with them?

Which ones have you established?

How are they integrated with the rest of your business model?

How costly are they?

* *You should describe how the customer interact with you through the sales and after through the product lifecycle*
* *You should clarify the type of relationship it wants to establish with each Customer Segment. Relationships can range from personal to automated.*
* *Customer relationships may be driven by the following motivations:*
  + *Customer acquisition*
  + *Customer retention*
  + *Boosting sales (upselling)*

### Key Activities

*Key Activities*

*Describes the most important things you must do to make its business model work.*

What Key Activities do your Value Propositions require?

Your Distribution Channels?

Customer Relationships?

Revenue streams?

* *You should describe crucial things the business needs to do to deliver on its propositions and make the rest of the business work*

### Key Resources

*Key Resources*

*Describes the most important assets required to make a business model work.*

What Key Resources do your Value Propositions require?

Your Distribution Channels? Customer Relationships? Marketing strategy?

Revenue Streams?

* *These are the most important things you need to have for your business model to work and business models are usually based on a number of tangible and intangible resources*
* *Identify the kind of resources you need: physical, intellectual, human, financial. Key resources can be owned or leased by the company or acquired from key partners*

### Key Partners

Key Partners

*Describes the network of suppliers and partners that make the business model work.*

Who are your Key Partners?

Who are your key suppliers?

Which Key Resources are you acquiring from partners?

Which Key Activities do partners perform?

* *Feasibility of your business venture will be based on a strong relation with your key partners. The way you are going to relate with them during the activity and during the operational phase is of paramount importance to assess that you can implement your business model and deliver your value proposition*

# Value Chain and Activity Team

* *Provide an overview of the (service) value chain, describing the participants in the value chain for your service or product; the value chain shall be used to identify how the value is delivered to the customers and users. Some participants can also provide value across the value chain (and they are shown above the service value chain). Other stakeholders can be shown below the value chain*
* *Identify your company positioning the service value chain and explain if your position will affect other players in the value chain*
* *Show the key partners identified in the canvas within the value chain*



Figure 3 (Value Chain and Activity Team – EXAMPLE)

# Management Plan

*One of the factors directly related to the success of the business opportunity you are addressing is the team that will be in charge. It is important to understand their expertise.*

* *Describe the management team experience and qualifications (including founders for start ups).*
* *Provide how the management team is committed to the venture and what are the motivations*
* *Build the team: describe the expected organisational chart to deliver the business with a high level operational description of the job positions. Include possible external collaborations*
* *Highlight both team strength and weaknesses, showing the plan to filled the existing gaps*

# Sector, Market and competition

## Sector (or industry) Description

*A sector is one of a few general segments in the economy within which a large group of companies can be categorized. An industry, on the other hand, describes a much more specific grouping of companies with highly similar business activities. You may decide if this analysis will be more appropriate for the sector or for the specific industry you are addressing.*

*Describe the sector (or industry) you are addressing, in particular, those aspects relevant to your business opportunity.*

* + *Identify product/s and/or service/s currently produced in the sector (or industry)*
  + *Size and shape of the sector (or industry):*
    - *Production capacity*
    - *Unit sales*
    - *Profitability*
    - *Where is the sector (or industry) set geographically (spread, concentrate in one place, etc.)*
  + *Identify sector (or industry) trends:*
    - *Fragmented vs. Concentrated sector (or industry)*
    - *Traditional vs. highly innovative Sector (or industry)*
    - *Sector (or industry) growth rate and factors influencing growth*
    - *Regulation or certification constraints*
    - *Sales model (public tender, service contracts, …)*

*In order to better understand the sector (or industry) and the way it operates in relation to the market you are trying address, some instruments, like Porter five forces analysis*[[2]](#footnote-2)*, could be used. This would allow to identify important aspect which will help to characterize the sector (or industry) you are targeting, providing important information like:*

* + *Threat of new entrants*
  + *Threat of substitute product/s and/or service/s*
  + *Bargaining power of customers (buyers)*
  + *Bargaining power of suppliers*
  + *Intensity of competitive rivalry*

## Market Analysis

*Describe the market you intend to address via the business opportunity you have identified in terms of:*

***Total available market (TAM)*** *is the global total market for a product / service.*

*If your company is a manufacturer of maritime satellite handhelds, the total available market is the value of the all the sales of satellite handhelds from all manufacturers in the world.*

*If you are creating a brand new product / service that has really never existed before, you will need to develop estimates based on the product/s and/or service/s you will replace.*

*TAM Estimation*

* *Bottom up: Detailed research within suppliers to determine quantities sold by each company in the period. These are added together to give the total market size. (+ accurate + time consuming)*
* *Top down: Citing overall market research (- accurate - time consuming)*

*It shall be characterised in terms of Euro per year, and CAGR (Compound Annual Growth Rate)*

***Serviceable Available Market (SAM)***

*Your company's serviceable available market is the portion of the Total Available Market which you can address with my product / service and sales channels.*

*Referring to the previous example the Serviceable Available Market is the total worldwide sales of maritime satellite handhelds.*

*If you are only selling the maritime satellite handhelds via a Norwegian language web shop then the SAM is the total sales in Norway of maritime satellite handhelds.*

*It shall be characterised in terms of Euro per year, and CAGR (Compound Annual Growth Rate)*

***Target Market / Service Obtainable Market (SOM)***

*This is the percentage of the Serviceable Available Market that your company could realistically reach in the short term. You should state how many percent of the SAM you plan to capture in the 5-7 year timeframe.*

*Target Market data has to be backed by a bottom-up forecast, detailing how you will utilise resources to achieve your revenue goals. The following factors will influence how many percent of the SAM that you will be able to capture: the number of sales professionals and distribution channels, the advertising spend, and the ability to disrupt a market with a dramatically better product / service or lower price point (or a blue ocean*[[3]](#footnote-3)*). Market adoption rate is also an important factor. It is best to build three forecast scenarios: Optimistic, Most Likely, and Pessimistic.*

*For example, you will employ one dedicated marketing executive who will attend all events at major Norwegian harbours/ shipping exhibitions and your price will be 10% below the competition; you might plan to capture 30% percent of the Norwegian maritime satellite terminals by year 3 and rising to 40% in year 7.*

***Segmenting the Market***

*A “segment” is an identifiable subgroup within a market, whose members have similar problems to solve or share similar needs. Members of a segment also naturally tend to consult one another when evaluating solutions. After identifying the total available (TAM) market it can be segmented. TAM itself can be a segment which can be also sub segmented to identify the target market segments that you want to serve.*

*Customer groups represent separate segments if:*

* *Their needs require and justify a distinct offer*
* *They are reached through different Channels*
* *They require different types of Customer Relationships*
* *They have substantially different profitabilities*
* *They are willing to pay for different aspects of the offer*

***Targeting:*** *Identifying the customer segments that**a company chooses to focus on and proactively sell to (it will provide you with the list of the* ***customers segment which will be more thoroughly investigated in 4.1.1****)*

*The following example illustrates the process to identify the Maritime Satellite Handheld market segment (which is our target customer segment)*

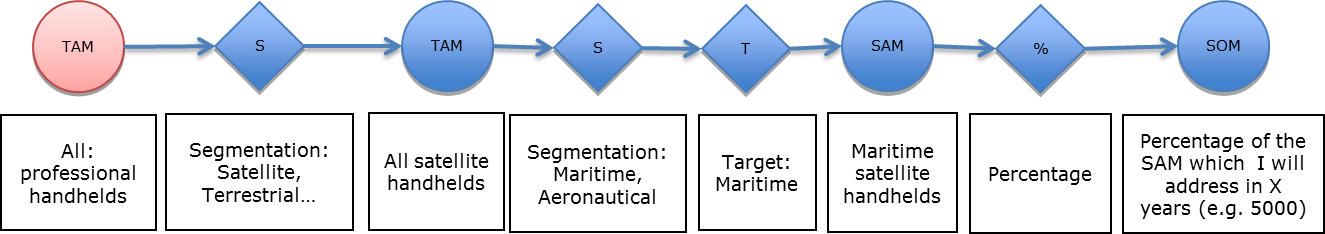
****

Figure 6 Market Segment of Maritime Satellite Handheld

*Describe the position of your product in the market using the table below.*

**Market positioning**

|  |  |  |  |
| --- | --- | --- | --- |
| MARKETS | New (MN) | ………. | ………. |
| Adjacent (MA) | ………. | ………. |
| Existing (ME) | ………. | ………. |
|  | | Incremental (PI) | New (PN) |
| PRODUCT | |

*For example, if the product tries to resolve a potential need not yet explicitly expressed by users/customers, the market positioning will be New, and shall be indicated accordingly in the above table (MN). If the intended activity tries to improve (e.g. by increasing features, reducing costs) a product, the product positioning will be incremental (PI). Possible combinations of Markets / Product shall be marked in the table (either with a “X”, or with the name of the product) as appropriate.*

*The Cashflow Forecast section shall be based on the Target Market (SOM) that can be estimated as sales expected over a particular period of time. It considers factors such as past sales volumes, general economic and sector conditions, relationship of the organization sales to macroeconomic indicators, relative product/service profitability, market research studies, pricing policies, advertising, quality of the sales force, competition, seasonal variations and productive capacity. The Sales Forecast is the usual starting point of the budgeting process. Two methods can be used:*

* *Bottom-up sales forecasting: forecasting that calculates the number of each system/service that will be sold in a given period of time. This method estimates demand by adding together the anticipated sales to customers*
* *Top-down sales forecasting: forecasting that is calculated based upon a target to be reached given an estimated SOM*

## Competitive Landscape

*The competitive analysis will give you an insight of those actors already present in your market or serving it partially. The competitive analysis is particularly important in concentrated industries rather than in a highly fragmented sector. It can help you to understand why customers choose your competitors, and you can identify the best practices and use them at your advantage; you can understand their strength and weaknesses and how to exploit them in your favour.*

* *Identify your competitors: there are several ways of identifying your competitors; e.g. you could use Peteraf and Bergen (2002)*[[4]](#footnote-4) *and define you Direct Competitor, Indirect Competitor and Potential competitor.*
* *For each competitor you should identify its value proposition in relation to the market you are trying to serve. For this, it can be helpful to create a profile of your competitors using the table below (as example, it should be adapted to your case):*

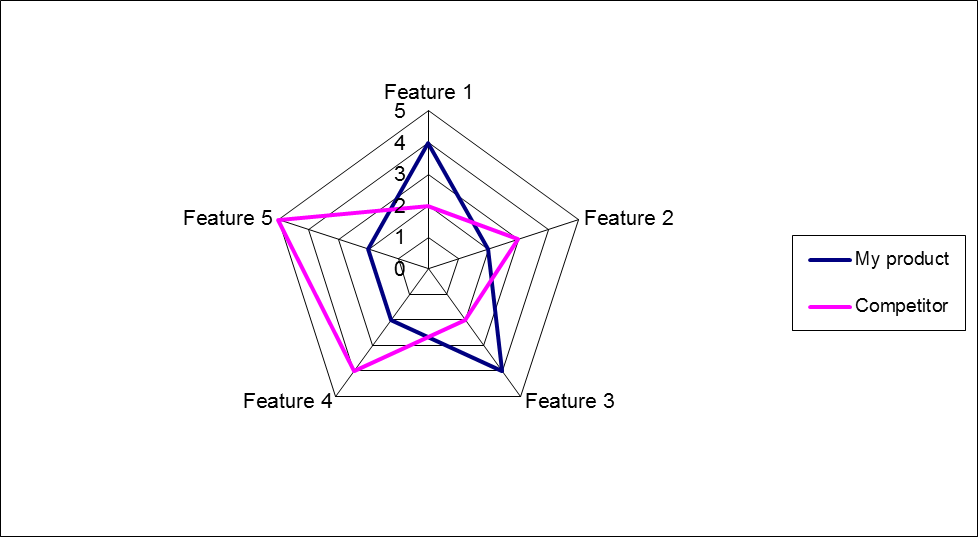
|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Competitor 1 | Competitor 2 | Competitor 3 | Competitor 4 |
| Products/Services |  |  |  |  |
| Competitive advantage |  |  |  |  |
| Target market |  |  |  |  |
| Market share |  |  |  |  |
| Marketing Strategy |  |  |  |  |
| Distribution channel |  |  |  |  |
| Price and cost structure |  |  |  |  |
| Financial (Profitability?) |  |  |  |  |
| Business lifetime |  |  |  |  |
| Total sales volume |  |  |  |  |
| Growth rate |  |  |  |  |
| Strategy |  |  |  |  |
| Strength |  |  |  |  |
| Weaknesses |  |  |  |  |
| Opportunities |  |  |  |  |
| Threats |  |  |  |  |
| .. |  |  |  |  |
| .. |  |  |  |  |
| .. |  |  |  |  |
| .. |  |  |  |  |

* *Perform a SWOT*[[5]](#footnote-5) *of your own product/s and/or service/s*

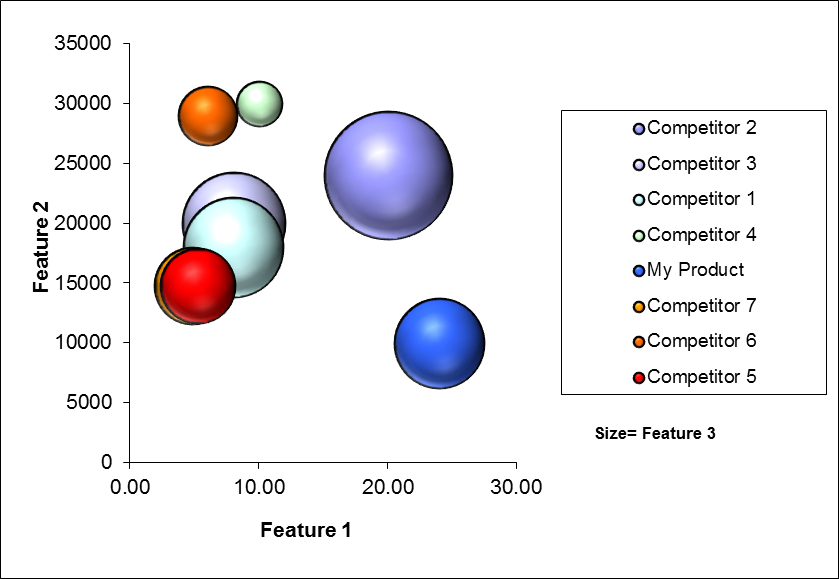


* *Identify your competitive advantage (usually there is a cost advantage or a differentiation advantage) and competitive strategy (e.g. cost leadership, differentiation strategy, innovation strategy, operational effectiveness strategy). You shall assess your competitive advantage against the criteria used by your target buyer, and position yourself amongst the competitors.*

*A value map like that in the figure below can be used to explain how you differentiate from competitor/s*

**

*Or you can show your competitive advantage/s through a graphic like that in the figure below.*



# Operations Plan & Go-to-market strategy

* *You shall demonstrate that you can implement your business model and deliver your value proposition You shall:*
  + *Provide an operational plan for the first year:* 
    - *Describe the main management sequences required to get what you have identified in the Channels, Customer Relations, Key Activities, Key Resources and Key Partners blocks. Focus on what you need to do in the first year*
    - *Describe the actions that allow you to reach the sales foreseen in the Service Obtainable Market (SOM, look at paragraph market analysis) and the strategies you have identified to reach these objectives*
  + *Provide an operational plan for the subsequent years:* 
    - *Provide the same information as those for the first year focussing on what you will need once the first year target objectives are achieved*

# financial

## Traction & achieved results (key metrics, customer growth)

* *Provide details of any traction already achieved and the customer growth metrics*

## Profit & Loss and Cash Flow forecast (6 years)

* *You can use the InCubed financial plan used for the proposal part 1 and 2 available* [*here*](https://incubed.esa.int/list-documents/)*. Take into account that this spreadsheet for the proposals is a simplified version, you may require a more detailed forecast to identify your real cash needs along your business venture*
* *Main elements to be shown are:*

1. *Customer Acquisition*
2. *Revenues*
3. *COSTS*
4. *EBITDA*
5. *Cashflows*

* *Assumptions for all the figures shall be provided, explained and justified*
* *Providing the weighted average cost of capital (WACC) will be appreciated.*







## Funding needs and use of funds *(key numbers & milestones)*

*Add additional funding needs needed to deliver the value proposition (e.g. VC capital needed to deliver the full value proposition and identifying further funding needed (e.g. Seed, Series A, B etc)*

## Current cap table and valuation (for start-ups)

*Add the cap table to details for start-ups*

# Risk Analysis

*This part shall address the main risks linked to the operational hypothesis (they are not the risks identified in the Proposal Part 2 [ Full] or in the Monthly Progress Report). The mitigation plan, fall-back plan or contingent response shall be described for the highest priority risks. You could use the template below.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Risk Identifier | Risk Descriptor | Severity | Likelihood | Mitigation Actions |
| R\_001 | ……………… | ……….. | ……….. | ……….. |
| ………. | ……………… | ……….. | ……….. | ……….. |
| ………. | ……………… | ……….. | ……….. | ……….. |
|  |  |  |  |  |
|  |  |  |  |  |

1. *Cost-driven: Cost-driven business models focus on minimizing costs wherever possible. This approach aims at creating and maintaining the leanest possible Cost Structure, using low price Value Propositions, maximum automation, and extensive outsourcing. No frills airlines, such as Southwest, easyJet, and Ryanair typify cost-driven business models.*

   *Value-driven: Some companies are less concerned with the cost implications of a particular business model design, and instead focus on value creation. Premium Value Propositions and a high degree of personalized service usually characterize value-driven business models. Luxury hotels, with their lavish facilities and exclusive services, fall into this category, or high end electronics line such as Bang & Olufsen.* [↑](#footnote-ref-1)
2. *https://en.wikipedia.org/wiki/Porter\_five\_forces\_analysis* [↑](#footnote-ref-2)
3. *https://en.wikipedia.org/wiki/Blue\_Ocean\_Strategy#Blue\_ocean\_vs.\_red\_ocean* [↑](#footnote-ref-3)
4. *Bergen, M. and M.A. Peteraf, “Competitor Identification and Competitor Analysis: A Broad-Based Managerial Approach, “Managerial and Decision Economics 23, no. 4–5 (June–August 2002): 157–169* [↑](#footnote-ref-4)
5. *https://en.wikipedia.org/wiki/SWOT\_analysis* [↑](#footnote-ref-5)