

Social Media Marketing

社群網路行銷



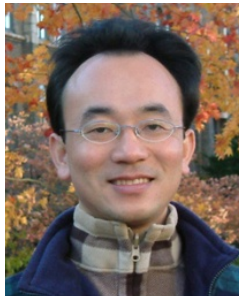
Tamkang
University

社群網路商業模式 (Business Models of Social Media)

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TLMXJ1A (MIS EMBA)

Mon 12,13,14 (19:20-22:10) D504



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2014-02-24



課程大綱 (Syllabus)

| 週次 (Week) | 日期 (Date) | 內容 (Subject/Topics) |
|-----------|-----------|--|
| 1 | 103/02/17 | 社會網路行銷課程介紹 (Course Orientation of Social Media Marketing) |
| 2 | 103/02/24 | 社群網路商業模式 (Business Models of Social Media) |
| 3 | 103/03/03 | 顧客價值與品牌 (Customer Value and Branding) |
| 4 | 103/03/10 | 社群網路消費者心理與行為 (Consumer Psychology and Behavior on Social Media) |
| 5 | 103/03/17 | 社群網路行銷蜻蜓效應 (The Dragonfly Effect of Social Media Marketing) |
| 6 | 103/03/24 | 社群網路行銷個案研究 I (Case Study on Social Media Marketing I) |
| 7 | 103/03/31 | 教學行政觀摩日 (Off-campus study) |
| 8 | 103/04/07 | 行銷傳播研究 (Marketing Communications Research) |
| 9 | 103/04/14 | 社群網路策略 (Social Media Strategy) |

課程大綱 (Syllabus)

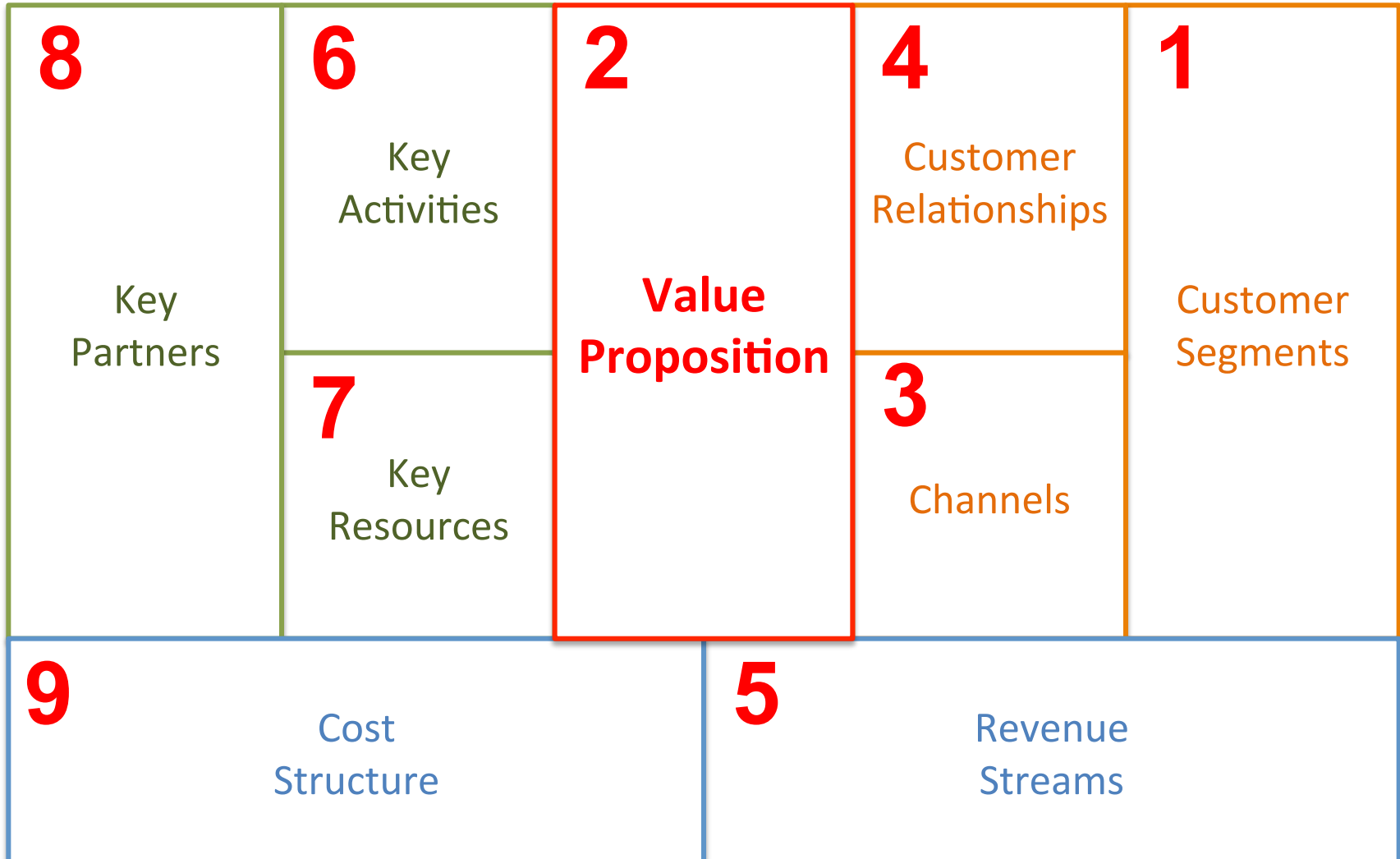
| 週次 (Week) | 日期 (Date) | 內容 (Subject/Topics) |
|-----------|-----------|--|
| 10 | 103/04/21 | 期中報告 (Midterm Presentation) |
| 11 | 103/04/28 | 社群網路行銷計劃 (Social Media Marketing Plan) |
| 12 | 103/05/05 | 行動 APP 行銷 (Mobile Apps Marketing) |
| 13 | 103/05/12 | 社群網路評量指標 (Social Media Metrics) |
| 14 | 103/05/19 | 社群網路行銷個案研究 II (Case Study on Social Media Marketing II) |
| 15 | 103/05/26 | 社群網路海量資料分析 (Big Data Analytics of Social Media) |
| 16 | 103/06/02 | 端午節 放假一天 (Dragon Boat Festival)(Day off) |
| 17 | 103/06/09 | 期末報告 I (Term Project Presentation I) |
| 18 | 103/06/16 | 期末報告 II (Term Project Presentation II) |

Understanding **Business Model**

- **Business Model**
- Revenue Model
- Business Strategy
- Business Strategy and Information System Alignment

value

Business Model



Business

- “the activity of providing goods and services involving financial, commercial and industrial aspects.” (WordNet 2.0)

Model

- “a simplified description and representation of a complex entity or process.” (WordNet 2.0)

Business Model

- A business model is a **conceptual tool** containing a set of **objects, concepts and their relationships** with the objective to express the **business logic** of a specific firm.
- Therefore we must consider which **concepts and relationships** allow a simplified description and representation of **what value is provided to customers, how this is done** and with which **financial consequences**.

E-commerce

Business Models

1. Portal
2. E-tailer
3. Content Provider
4. Transaction Broker
5. Market Creator
6. Service Provider
7. Community Provider

E-commerce

Revenue Models

1. Advertising
2. Sales
3. Subscription
4. Free/Freemium
5. Transaction Fee
6. Affiliate

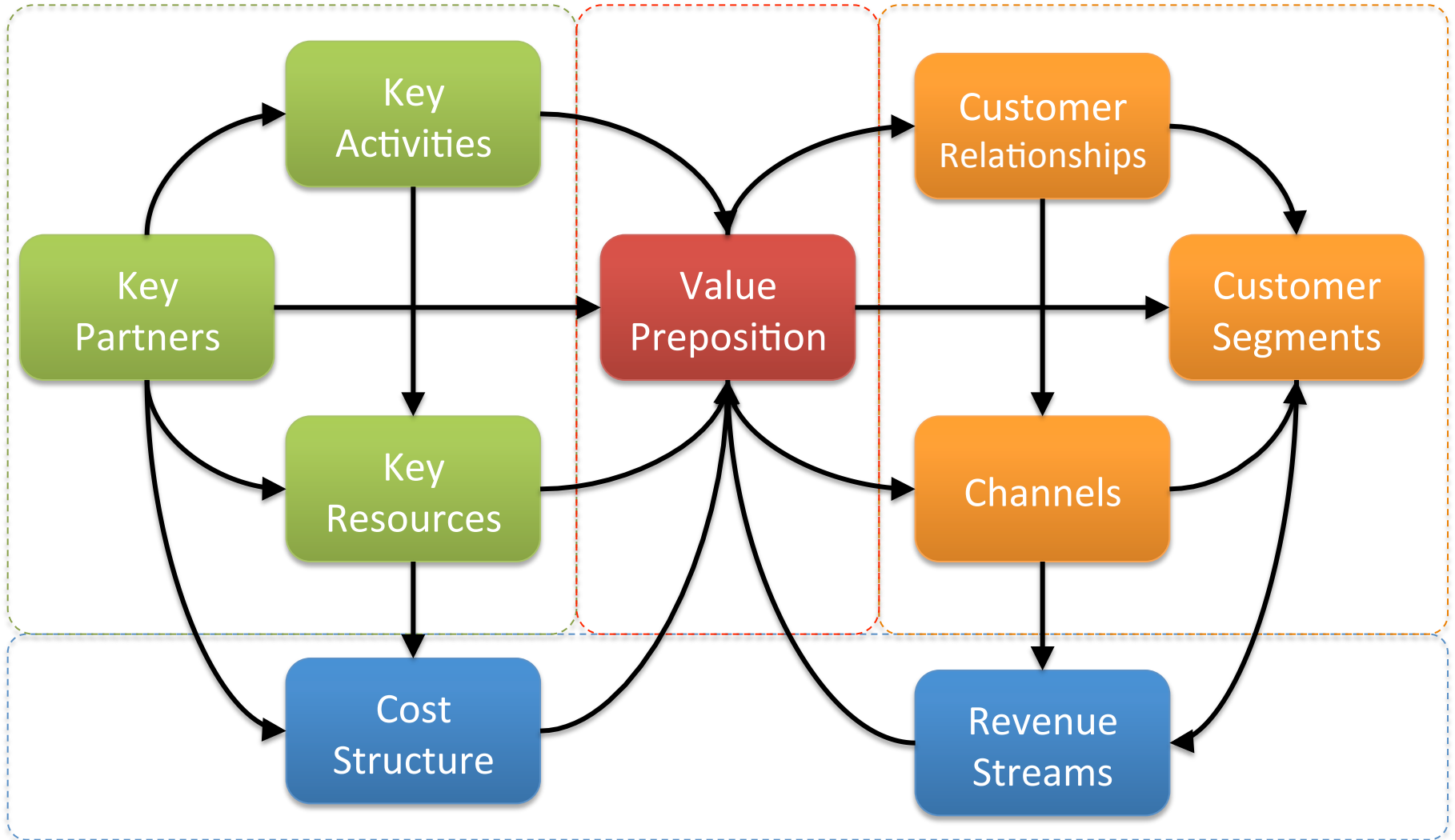
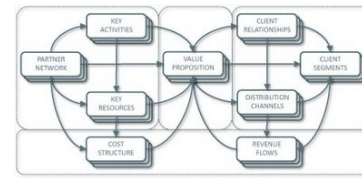
Types of E-commerce

1. Business-to-consumer (B2C)
2. Business-to-business (B2B)
3. Consumer-to-consumer (C2C)
4. Mobile commerce (m-commerce)

Definition of Business Model

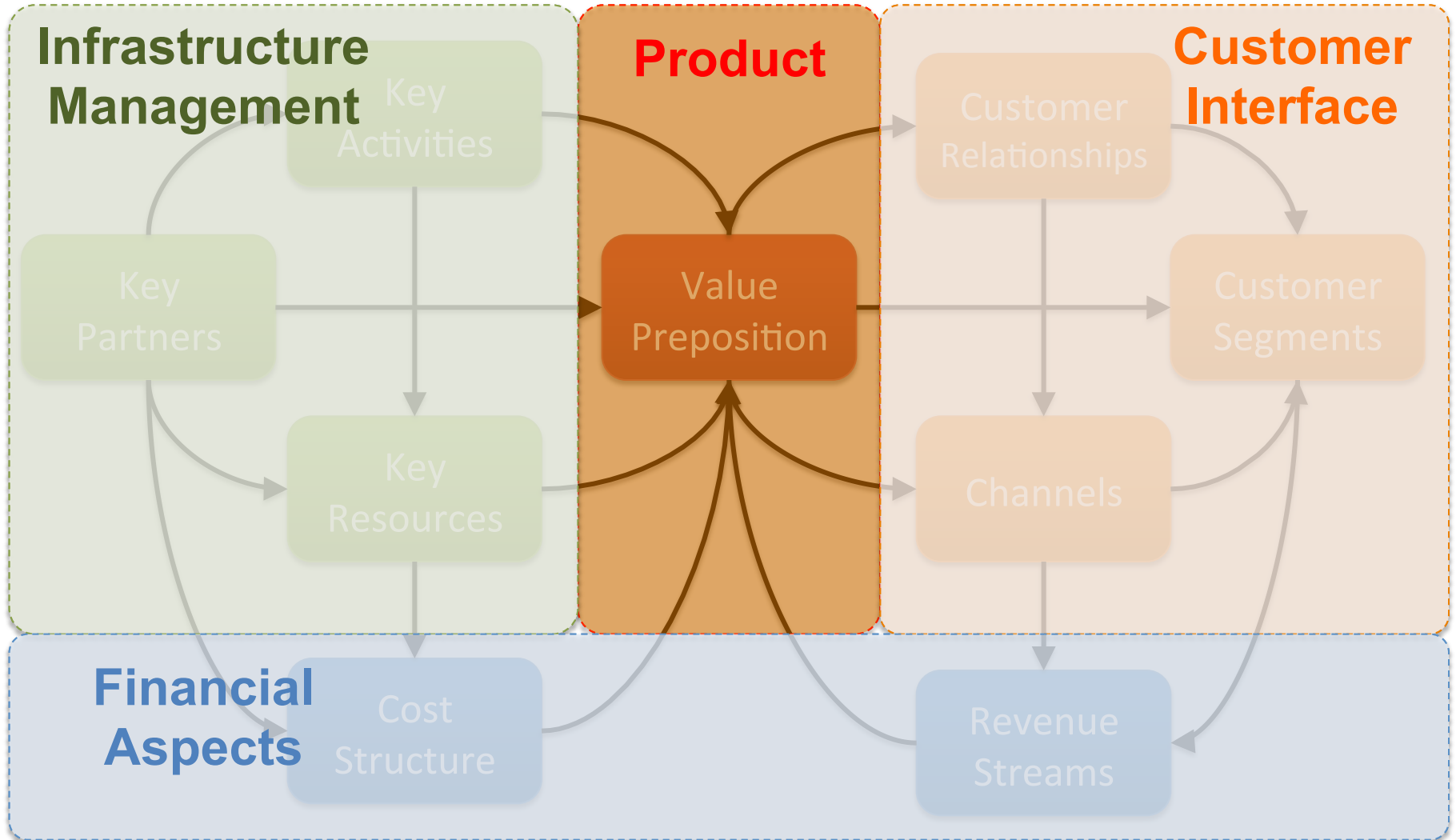
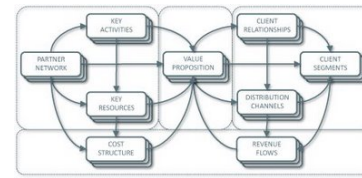
A business model
describes the rationale of
how an organization
creates, delivers, and captures
value.

Business Model Canvas



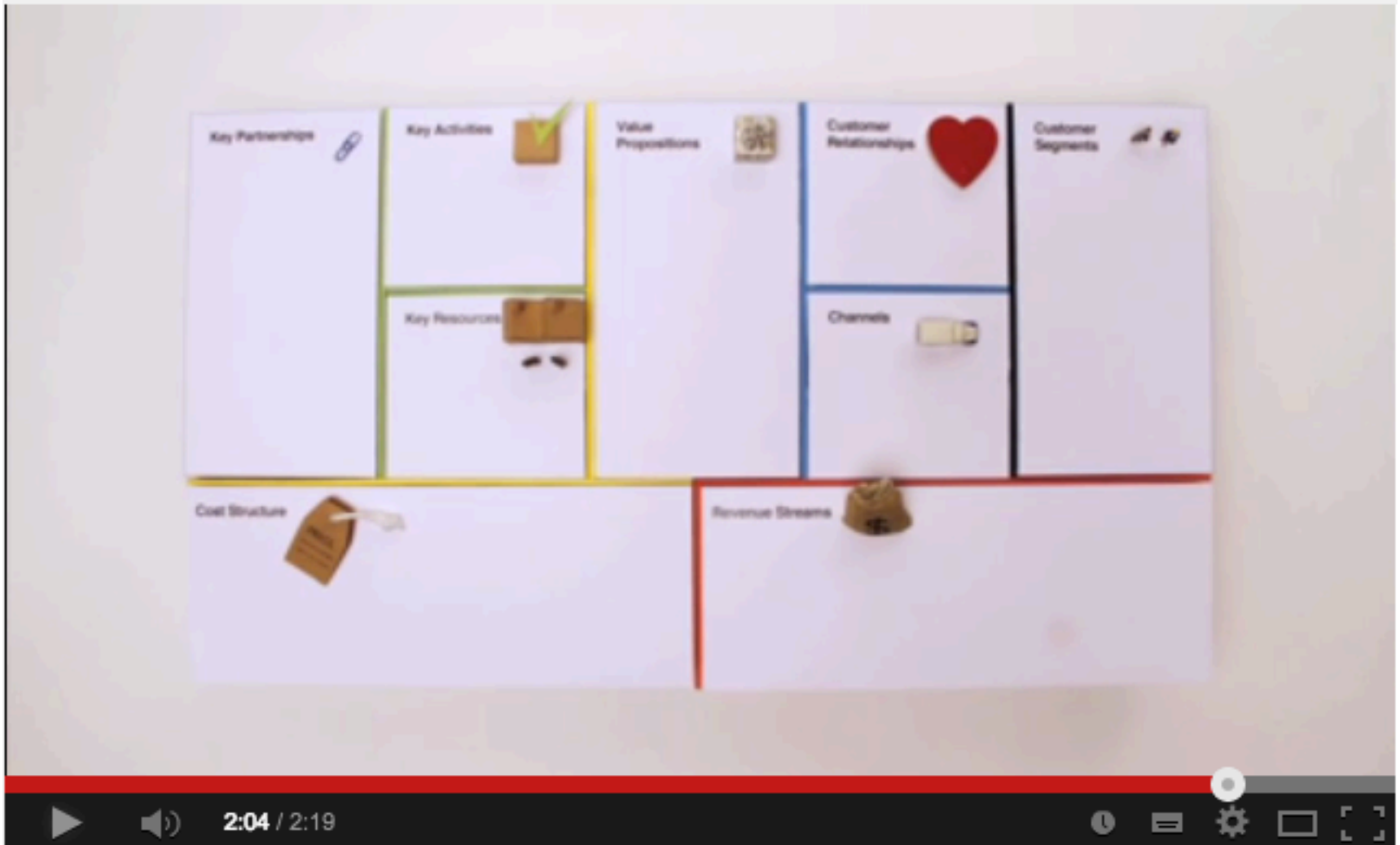
Source: http://nonlinearthinking.typepad.com/nonlinear_thinking/2008/07/the-business-model-canvas.html
<https://www.youtube.com/watch?v=QoAOzMTLP5s>

Business Model Canvas

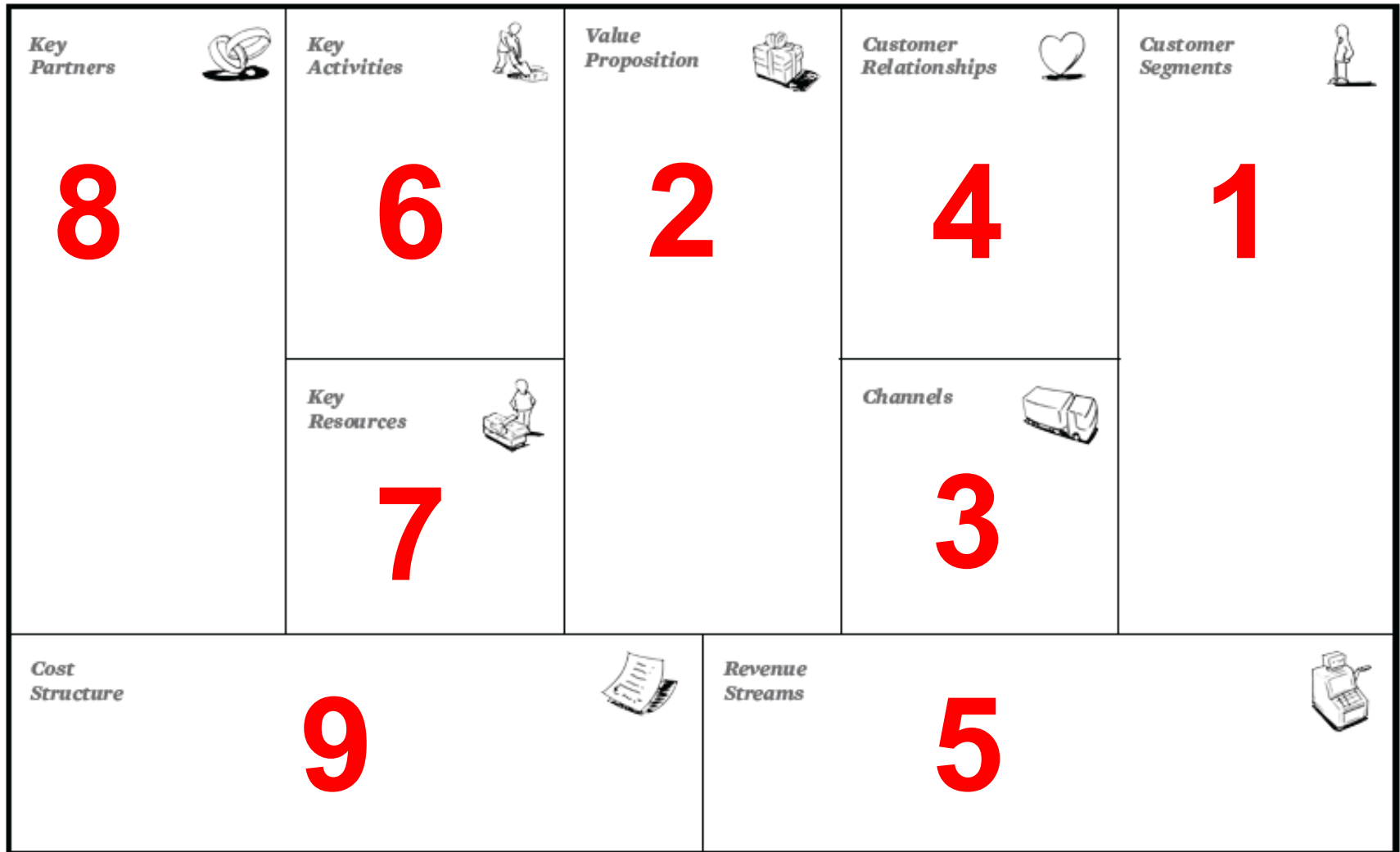


Source: http://nonlinearthinking.typepad.com/nonlinear_thinking/2008/07/the-business-model-canvas.html
<https://www.youtube.com/watch?v=QoAOzMTLP5s>

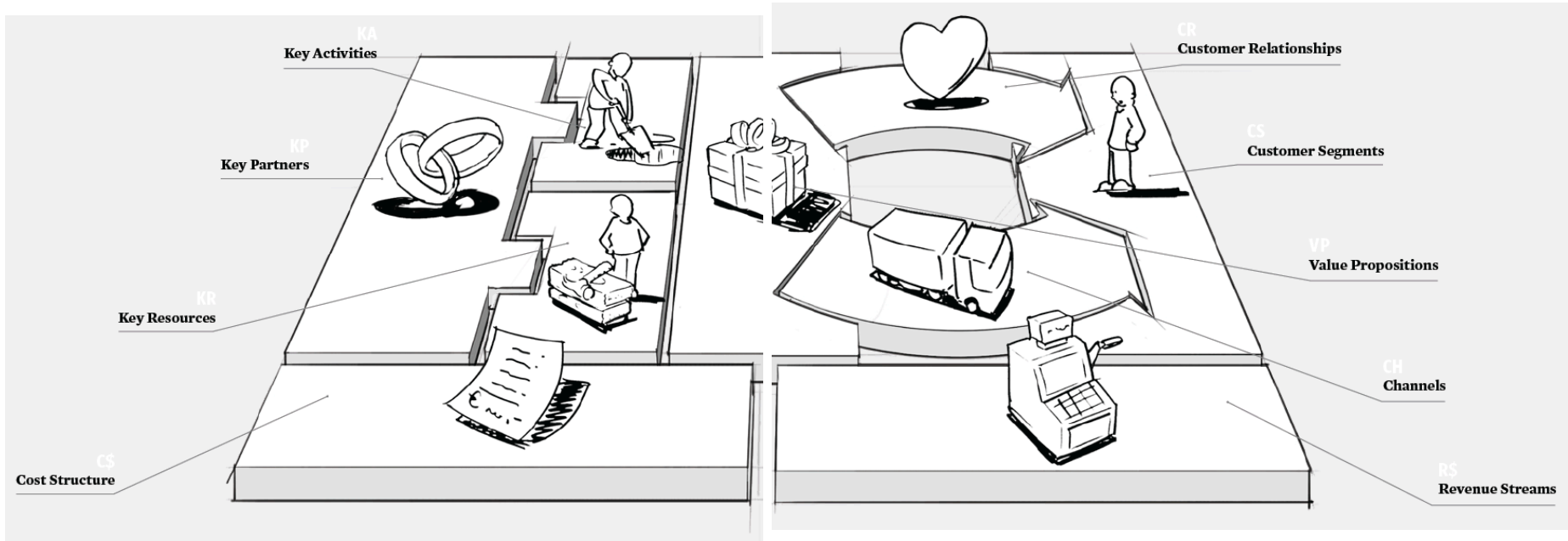
Business Model Canvas Explained



The 9 Building Blocks of Business Model

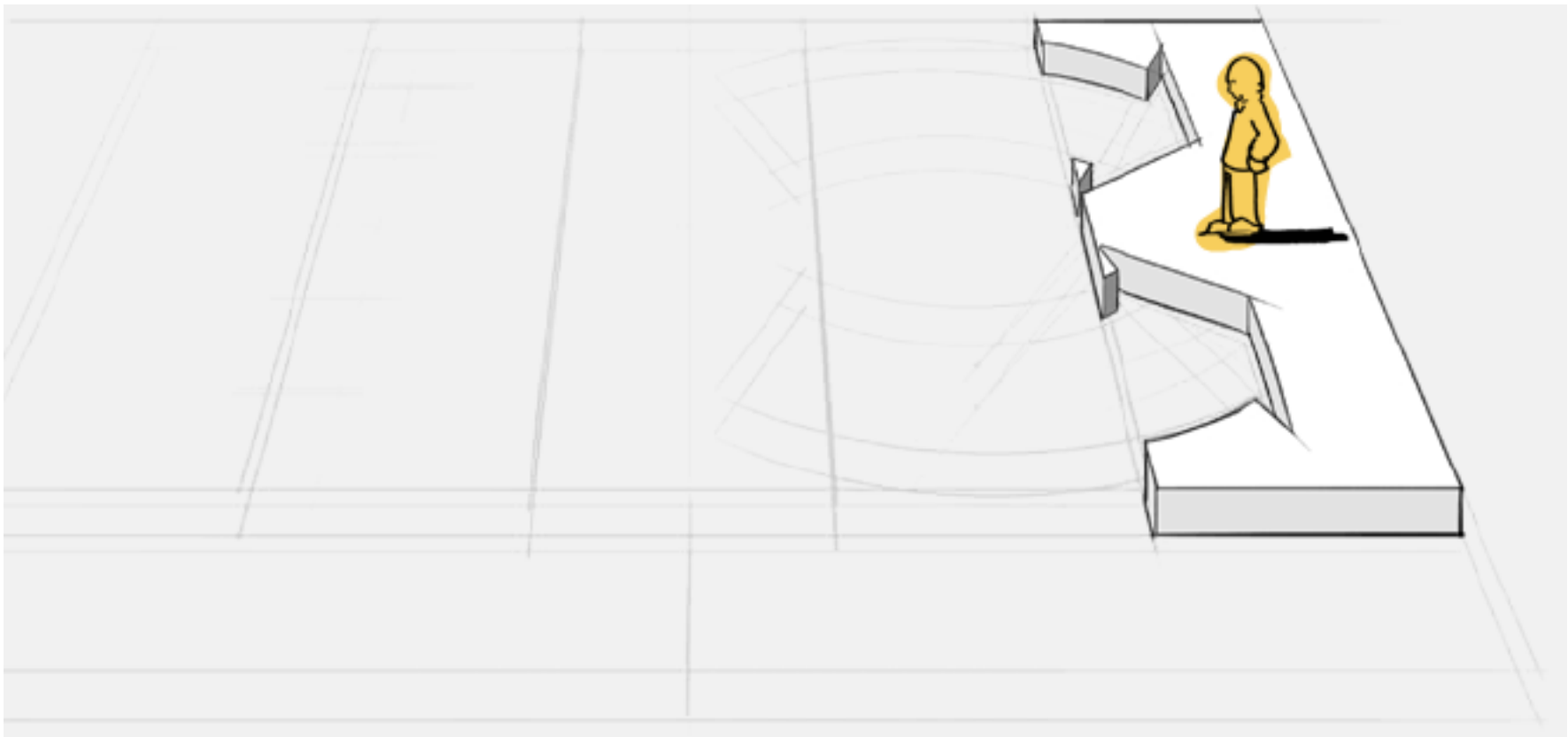


The 9 Building Blocks of Business Model



1. Customer Segments

Defines the different groups of people or organizations an enterprise aims to reach and serve



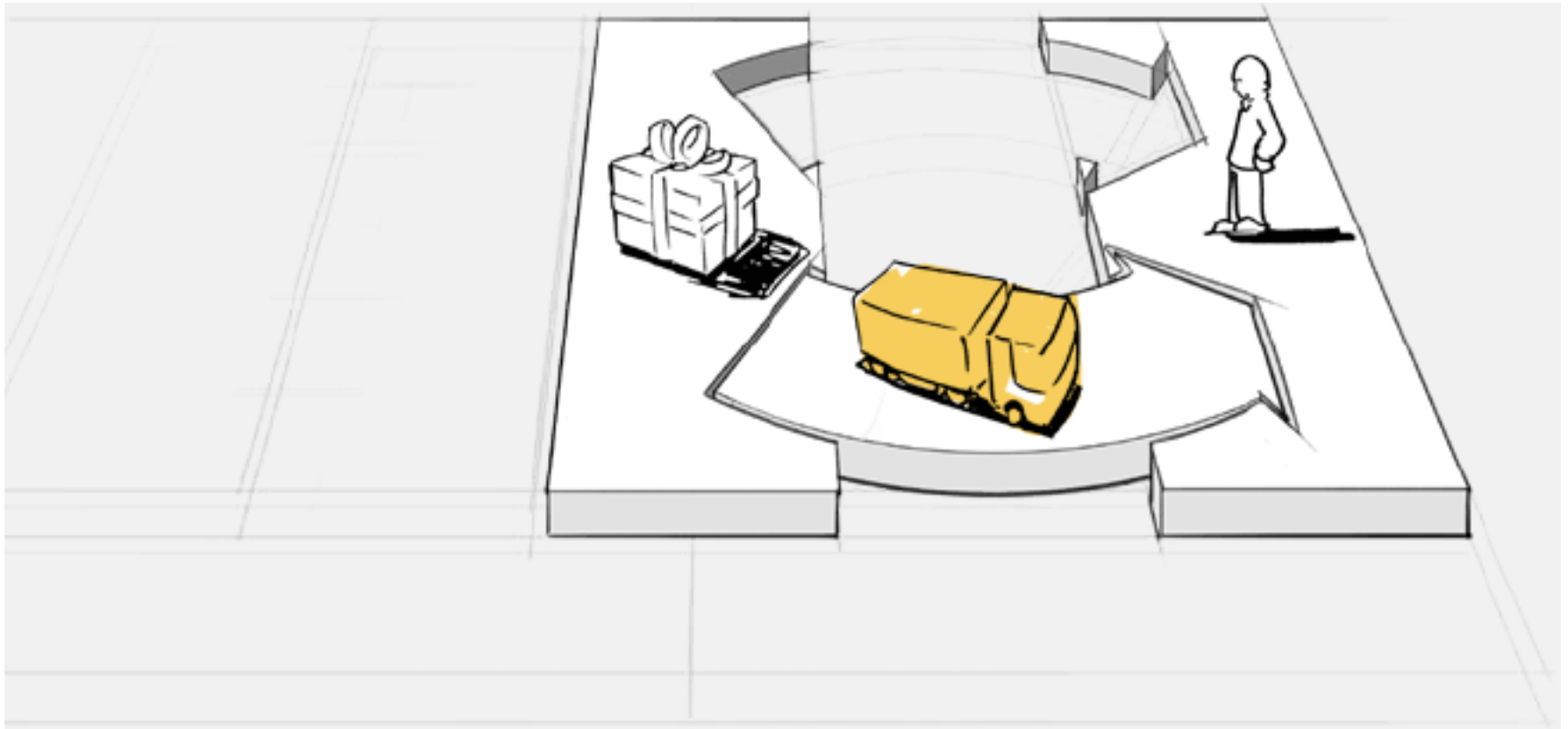
2. Value Propositions

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



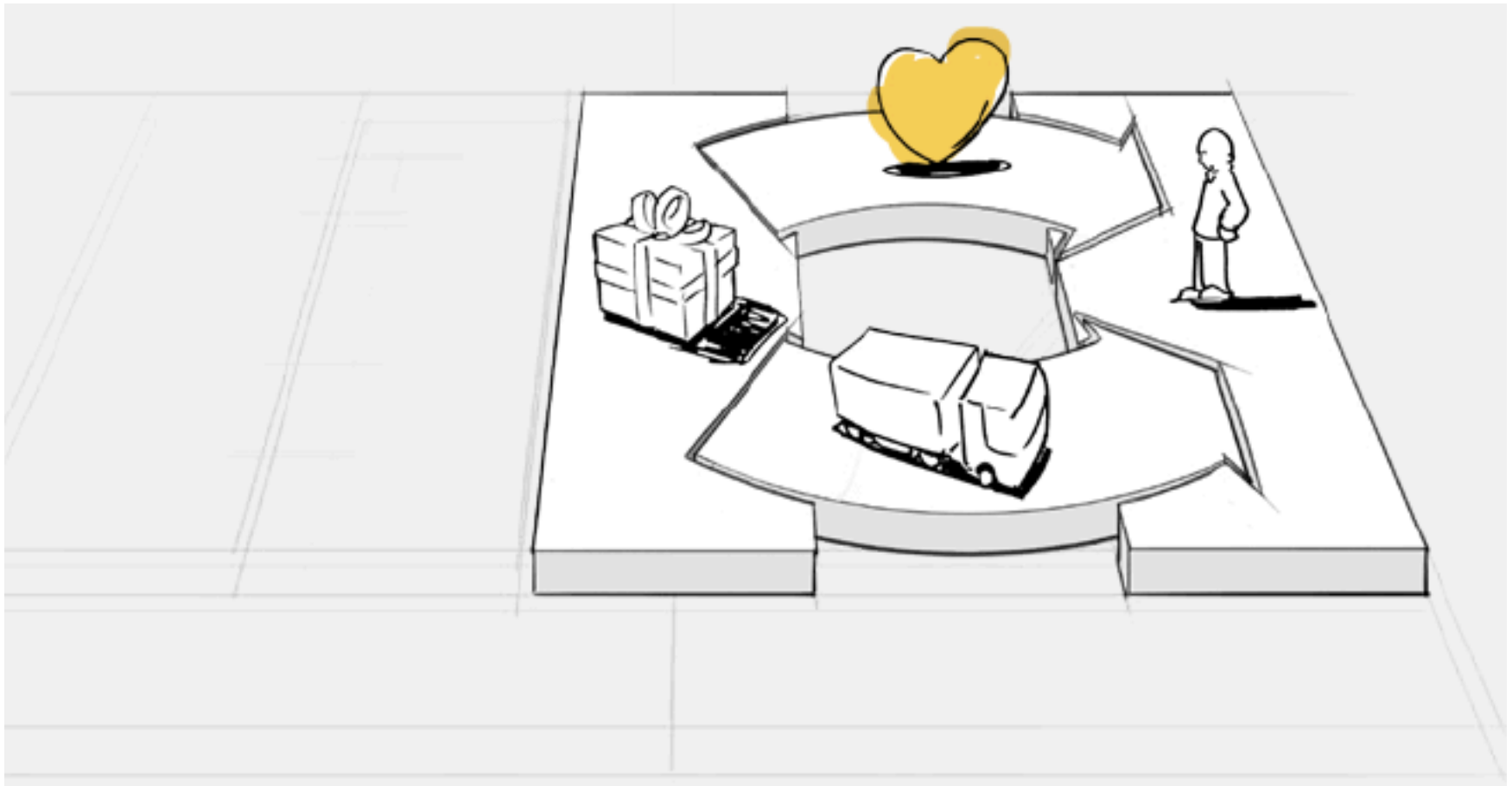
3. Channels

Describes how a company communicates with and reaches its Customer Segments to deliver a Value Proposition



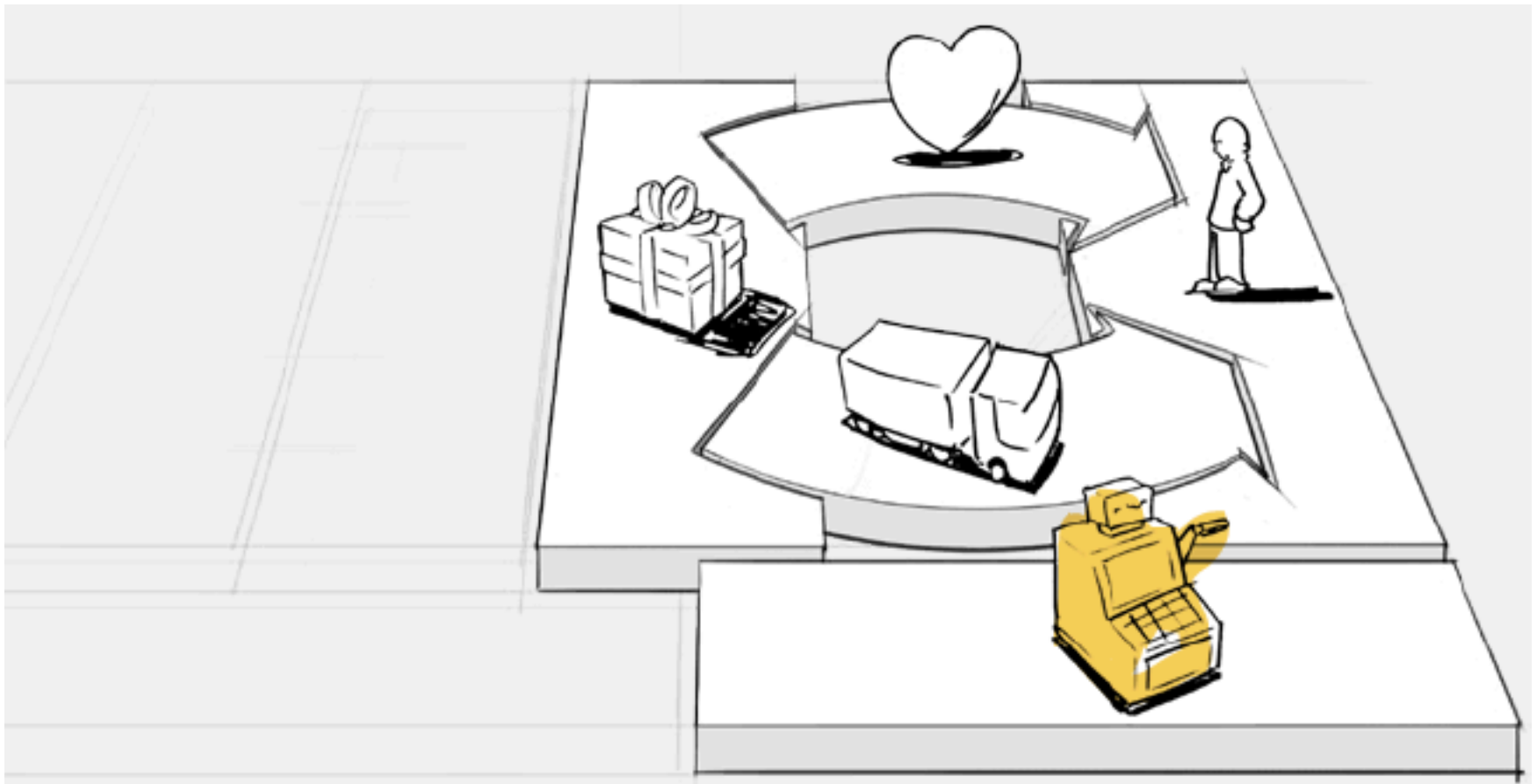
4. Customer Relationships

Describes the types of relationships a company establishes with specific Customer Segments



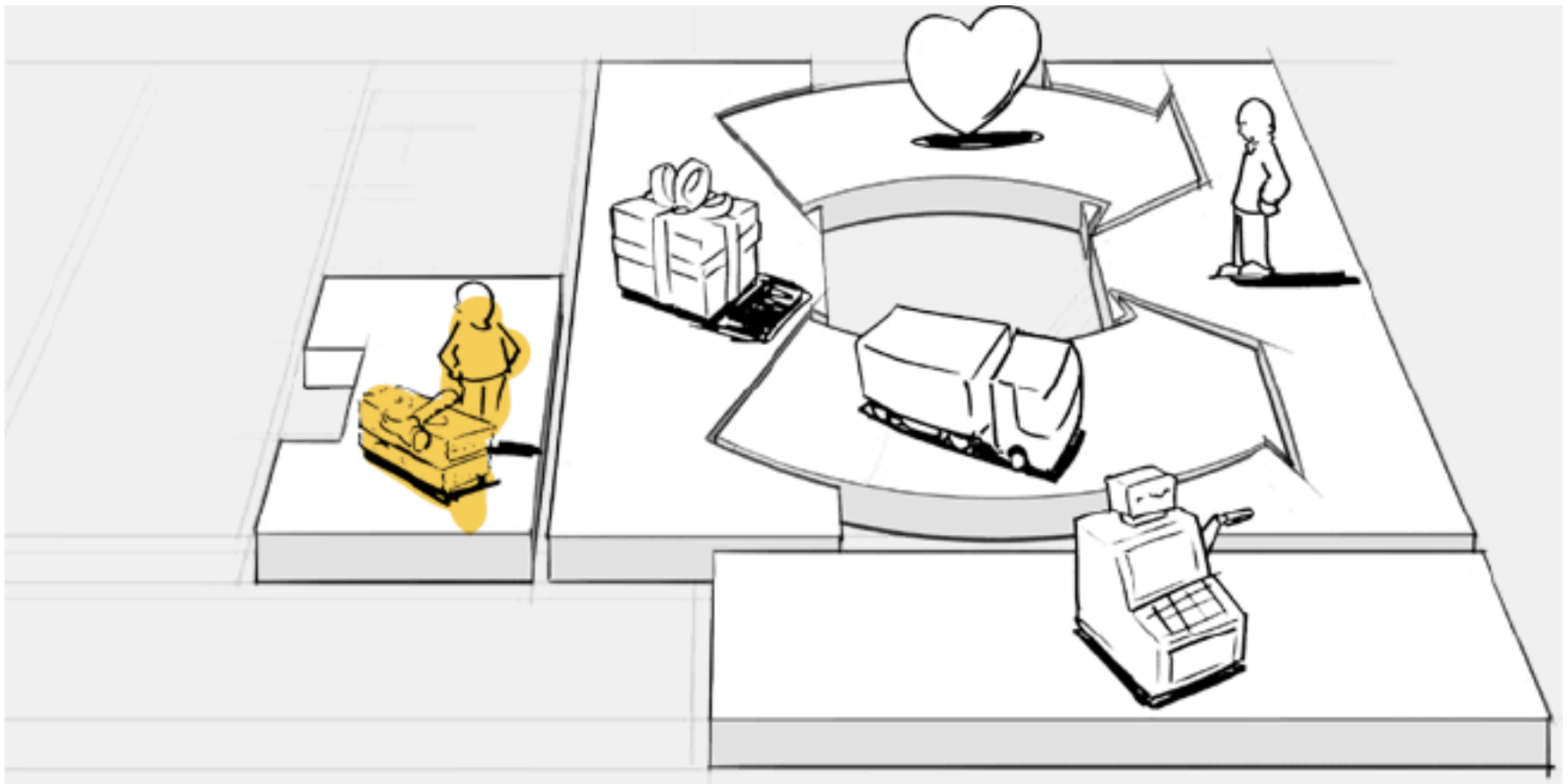
5. Revenue Streams

Represents the cash a company generates from each Customer Segment (costs must be subtracted from revenues to create earnings)



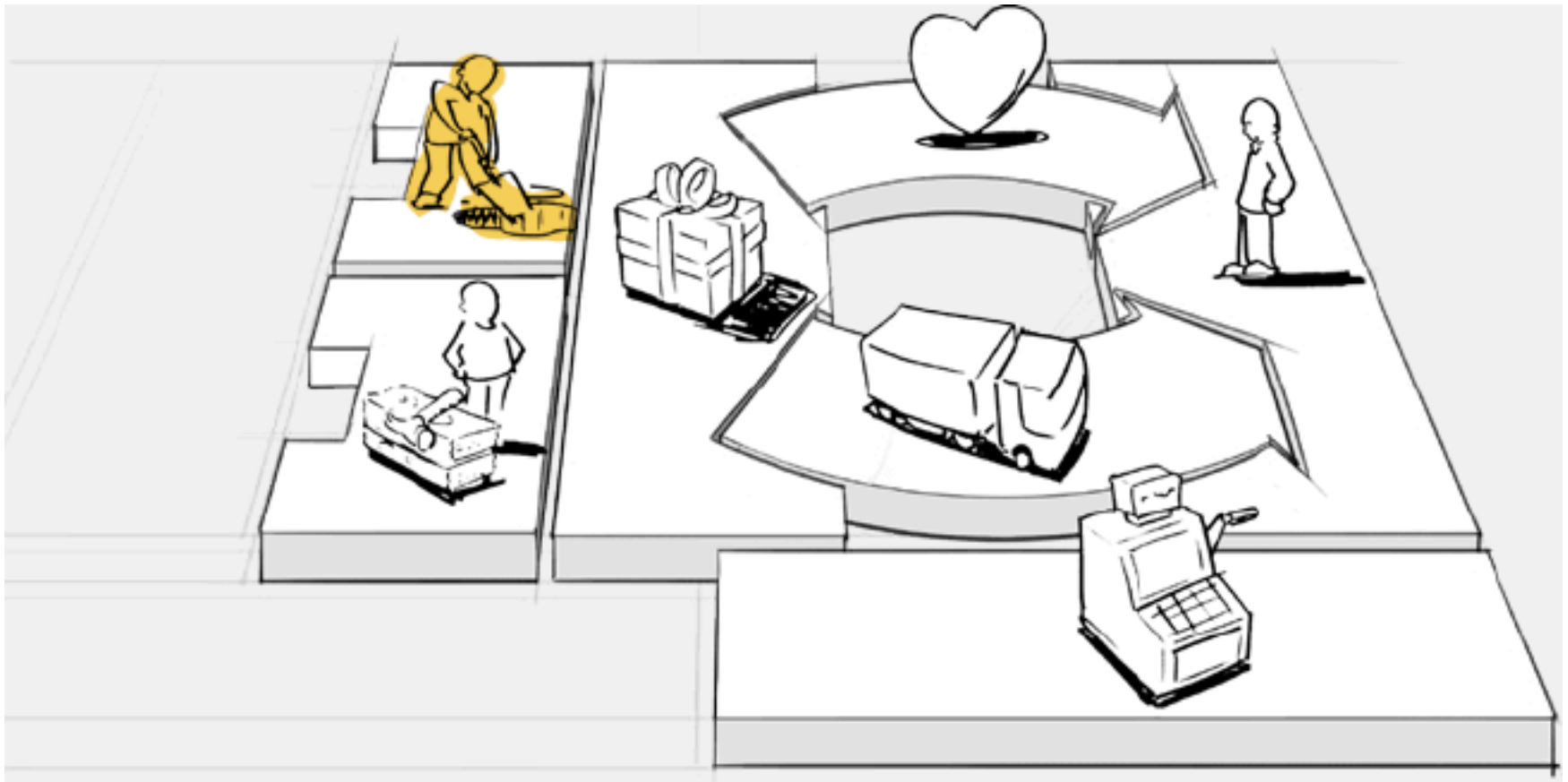
6. Key Resources

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



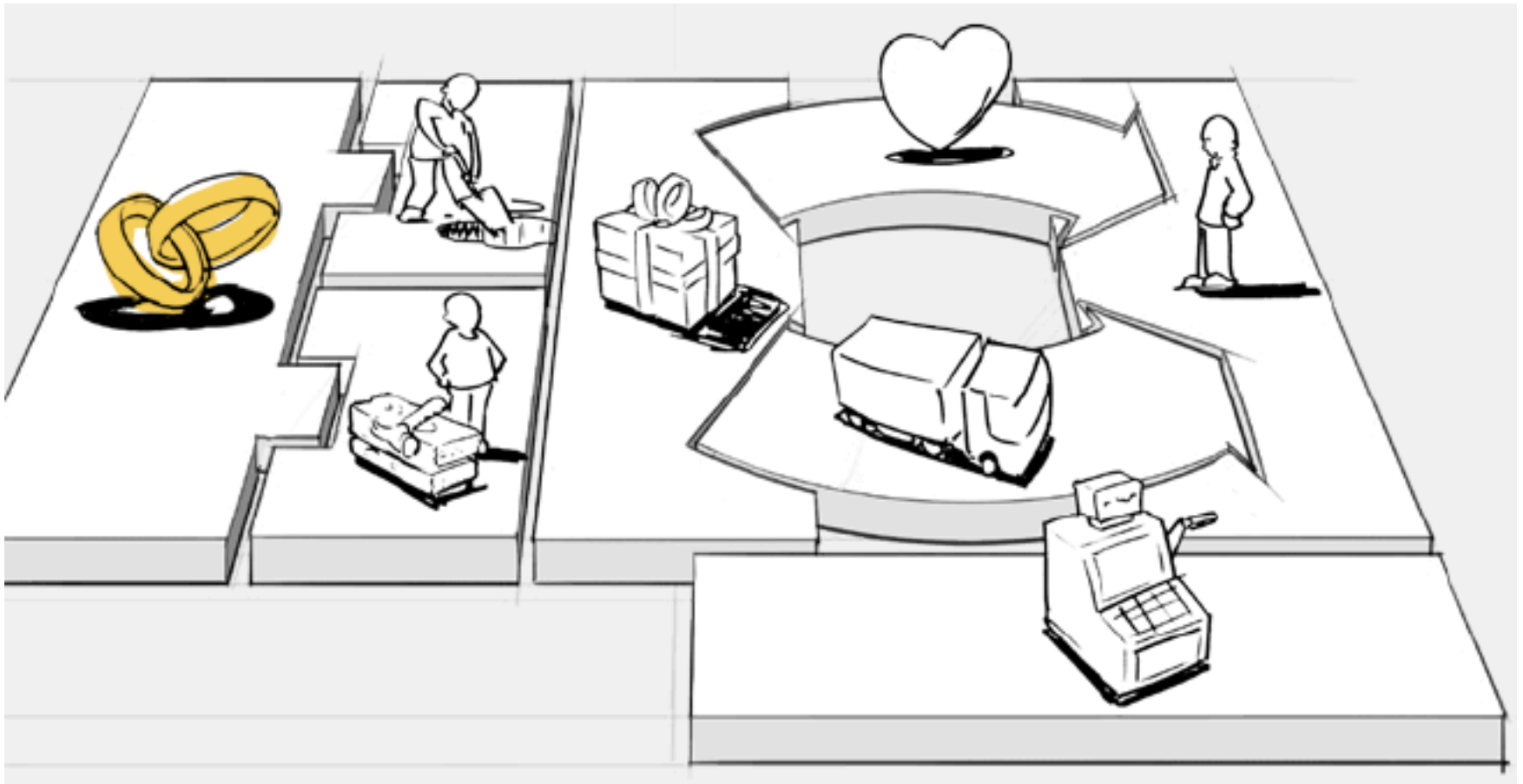
7. Key Activities

Describes the most important things a company must do to make its business model work



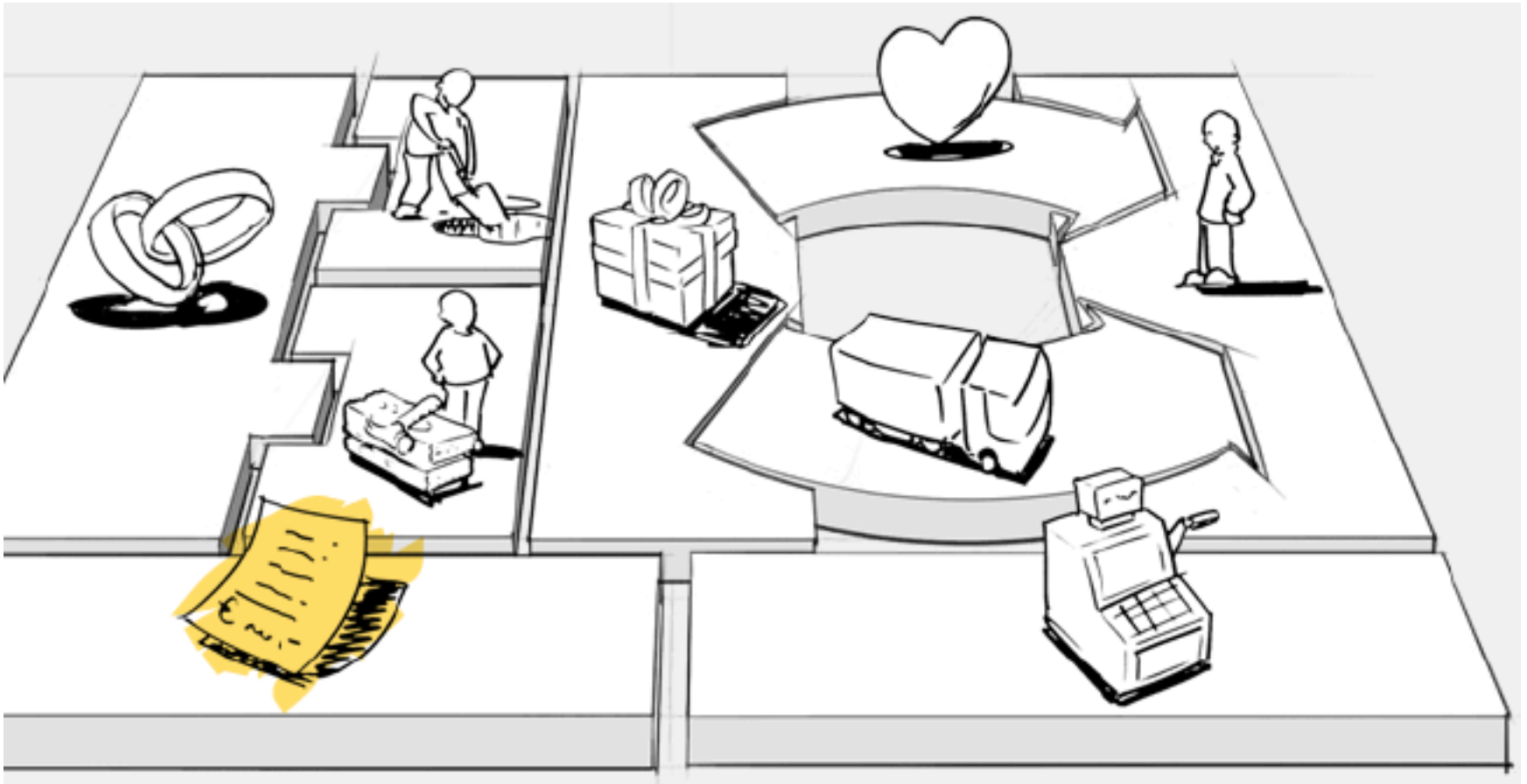
8. Key Partnerships

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



9. Cost Structure

Describes all costs incurred to operate a business model



The 9 Building Blocks of Business Model

1. Customer Segments

- An organization serves one or several Customer Segments.

2. Value Propositions

- It seeks to solve customer problems and satisfy customer needs with value propositions.

3. Channels

- Value propositions are delivered to customers through communication, distribution, and sales Channels.

4. Customer Relationships

- Customer relationships are established and maintained with each Customer Segment.

The 9 Building Blocks of Business Model

5. Revenue Streams

- Revenue streams result from value propositions successfully offered to customers.

6. Key Resources

- Key resources are the assets required to offer and deliver the previously described elements...

7. Key Activities

- ...by performing a number of Key Activities.

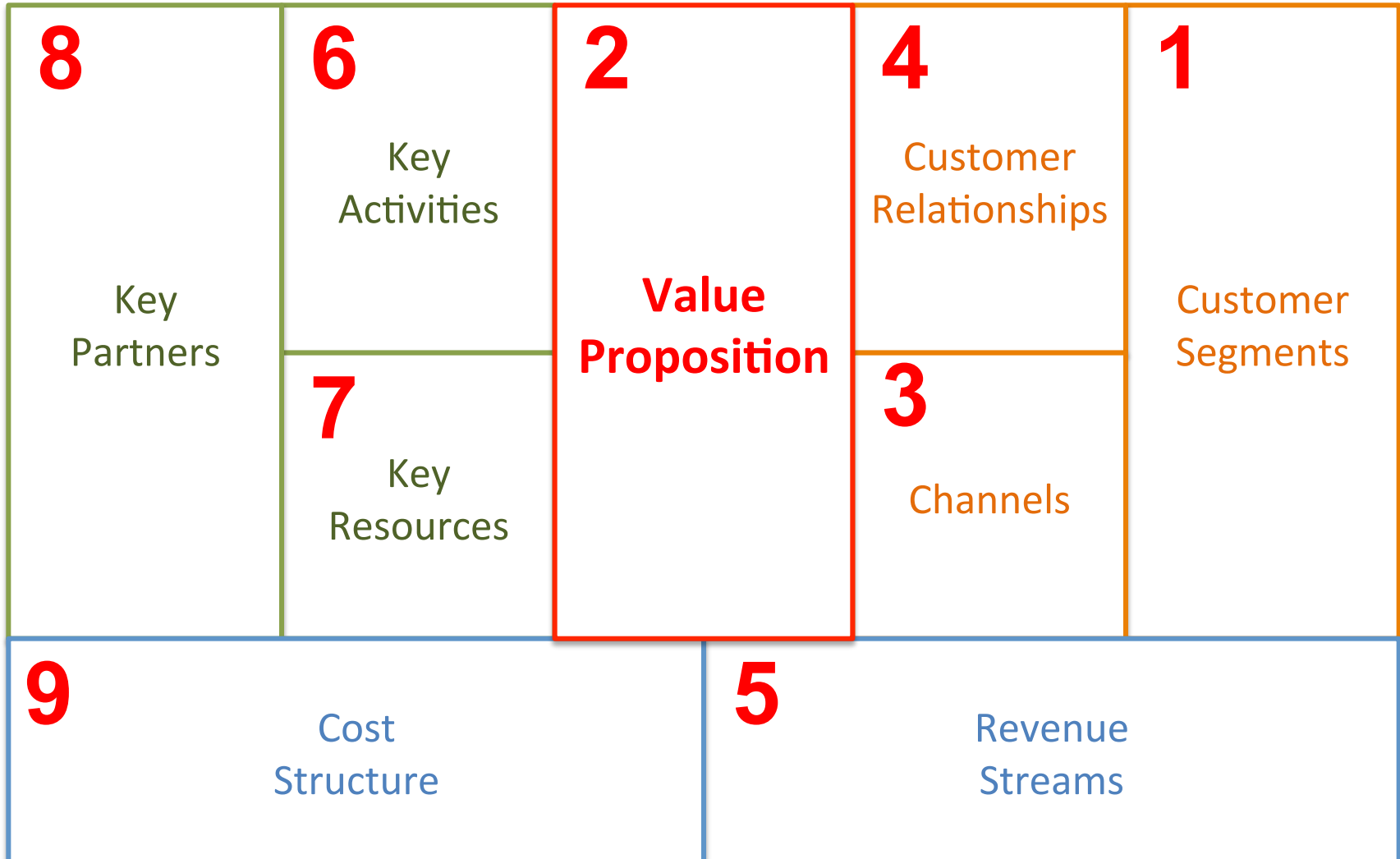
8. Key Partnerships

- Some activities are outsourced and some resources are acquired outside the enterprise.

9. Cost Structure

- The business model elements result in the cost structure.

Business Model

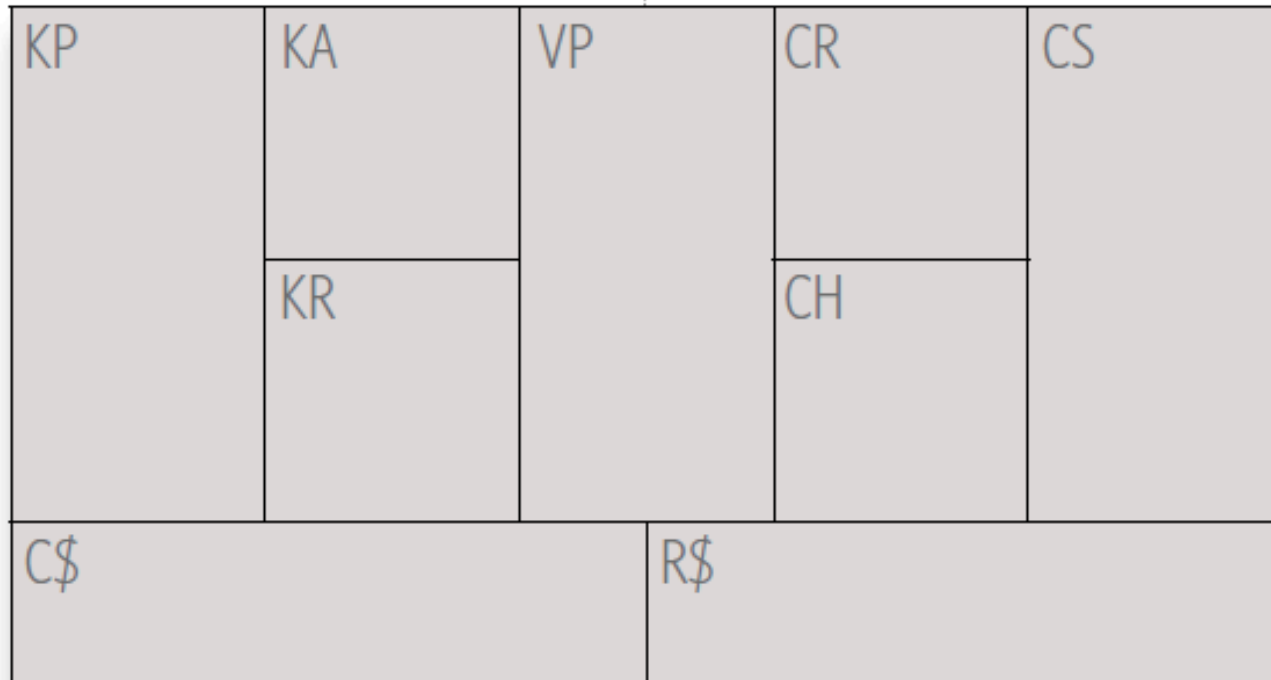


Business Model Generation



Business Model Generation

LEFT CANVAS
efficiency



RIGHT CANVAS
value

Production and Logistics

Anything beyond content creation is outsourced to readily available service providers.

Differentiation

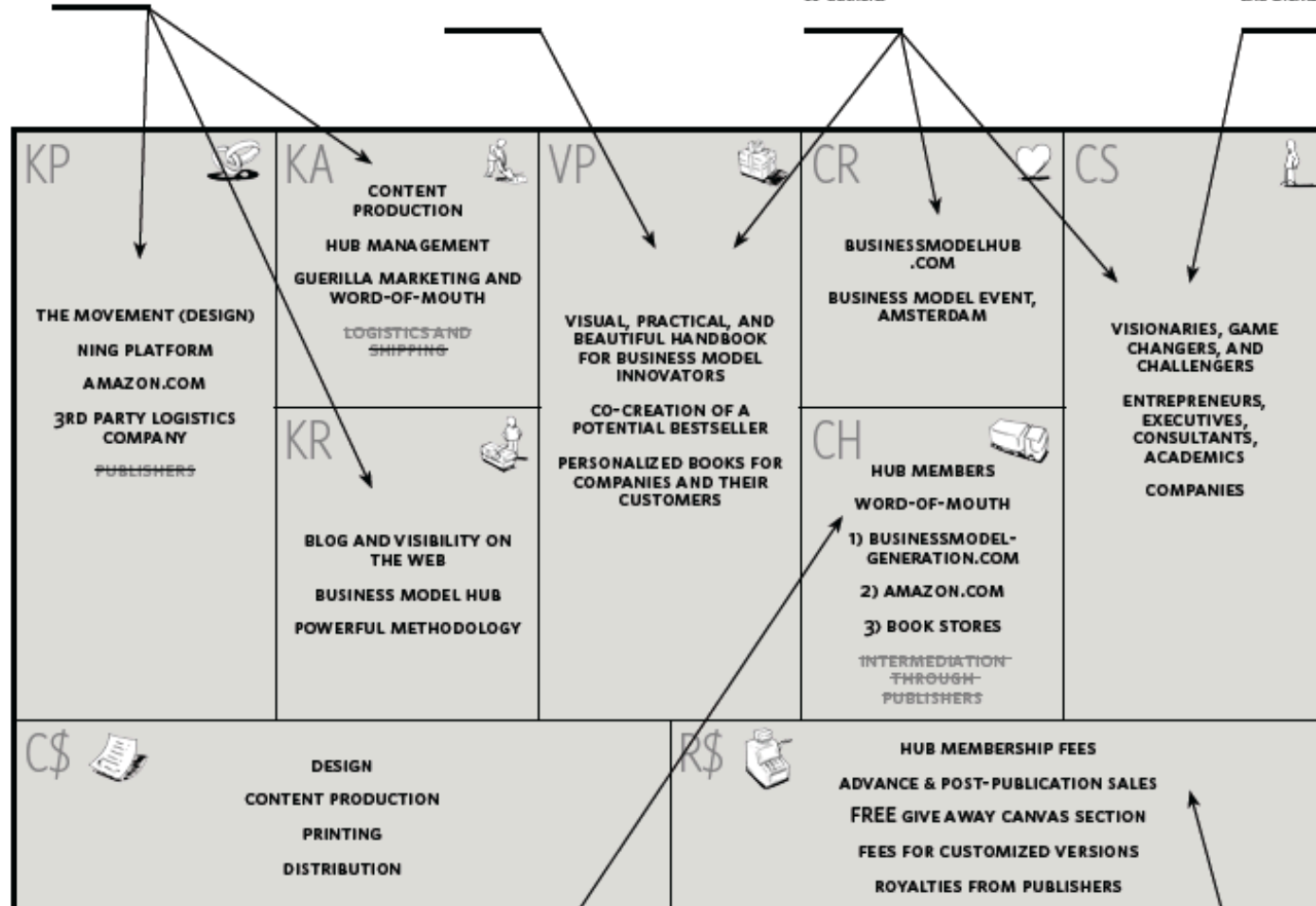
An entirely different format, business model, and story for the book makes it stand out in a crowded market.

Community

The book is co-created with practitioners from around the world who feel ownership thanks to attribution as contributing co-authors.

Buyers

Paying customers are not only readers, but co-creators and companies that want customized books for their employees and clients.



THE CANVAS OF BUSINESS MODEL GENERATION

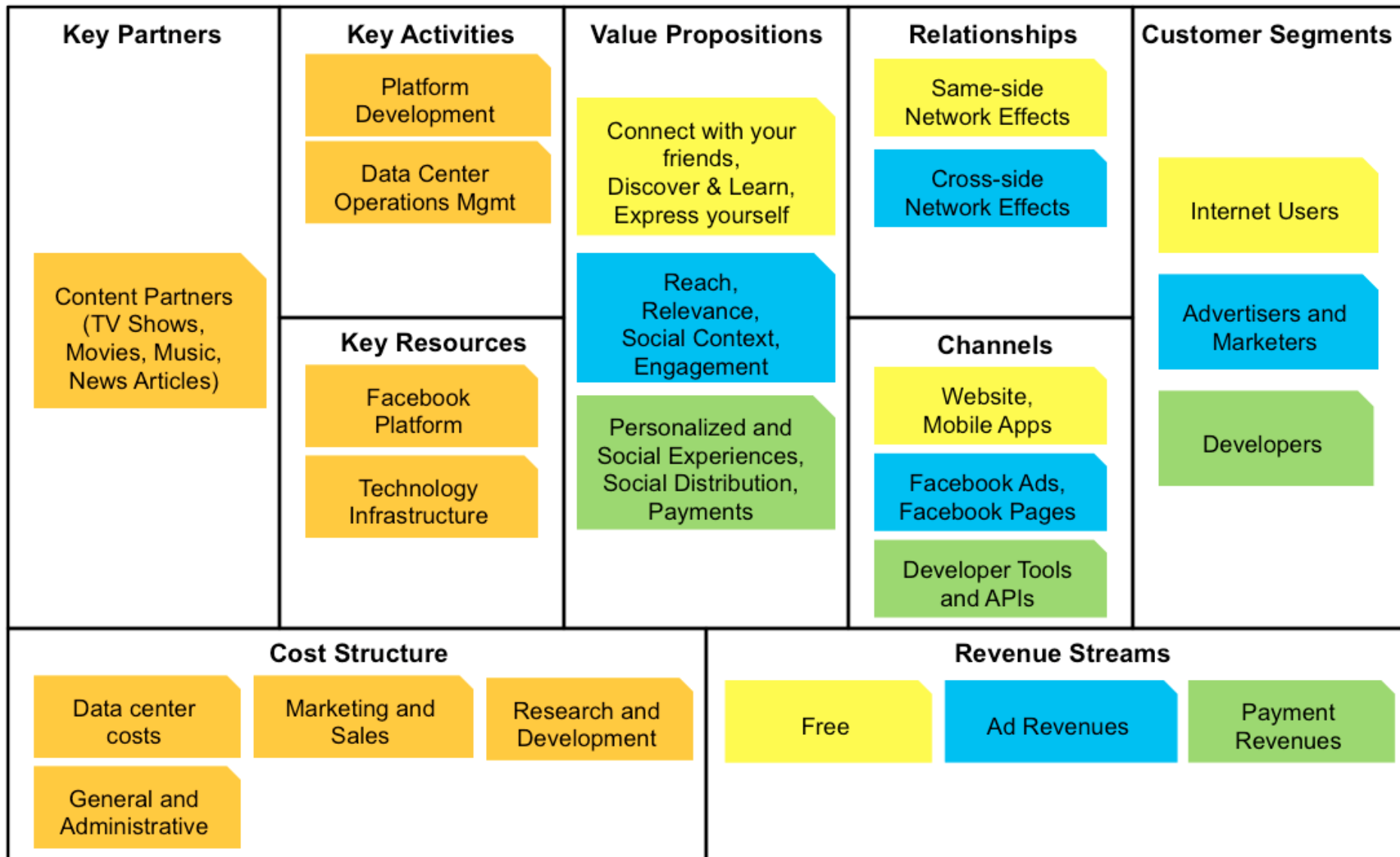
Reach

A mix of direct and indirect Channels and a phased approach optimizes reach and margins. The story of the book lends itself well to viral marketing and word-of-mouth promotion.

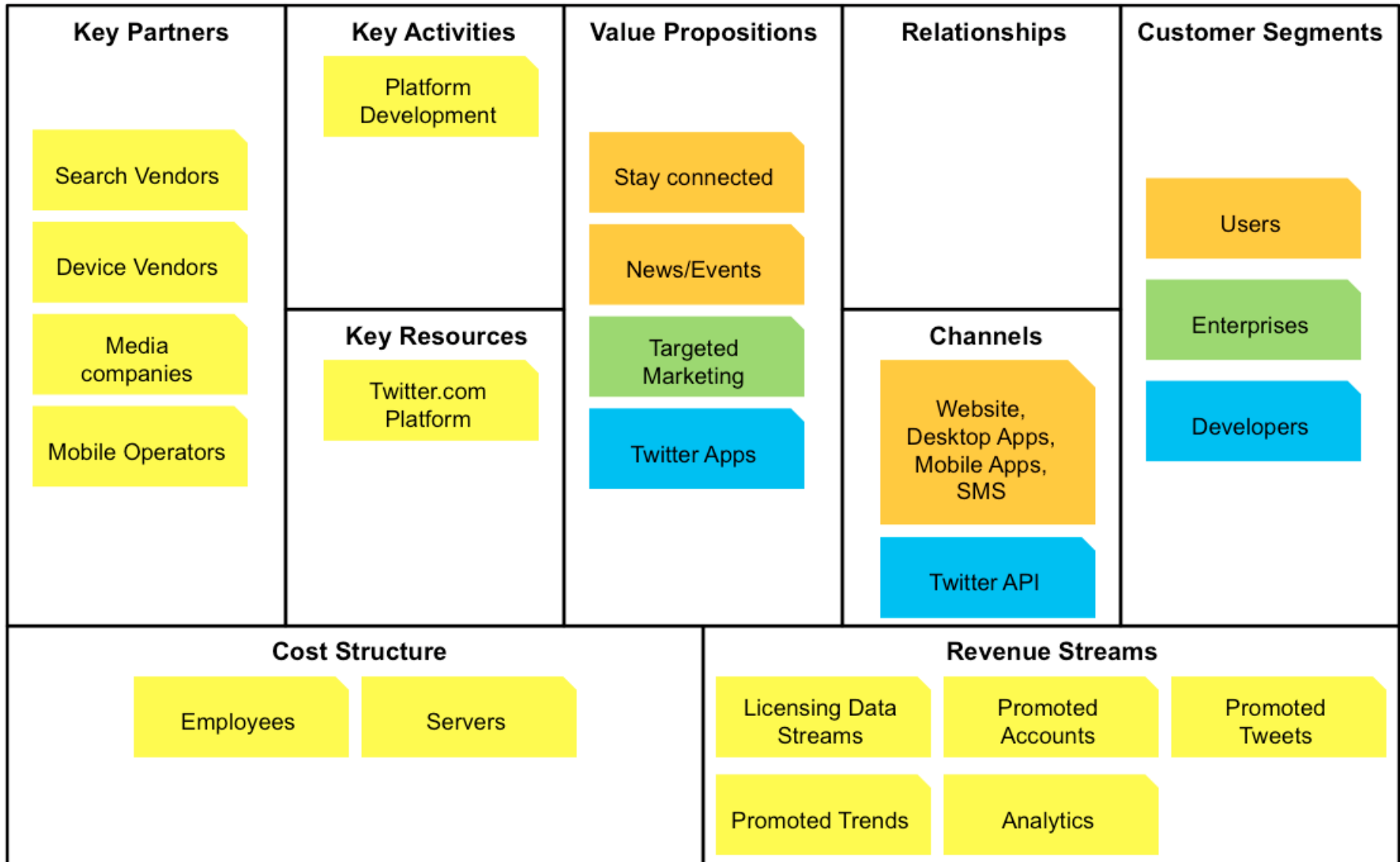
Revenues

The book was financed through advanced sales and fees paid by co-creators. Additional revenues come from customized versions for companies and their clients.

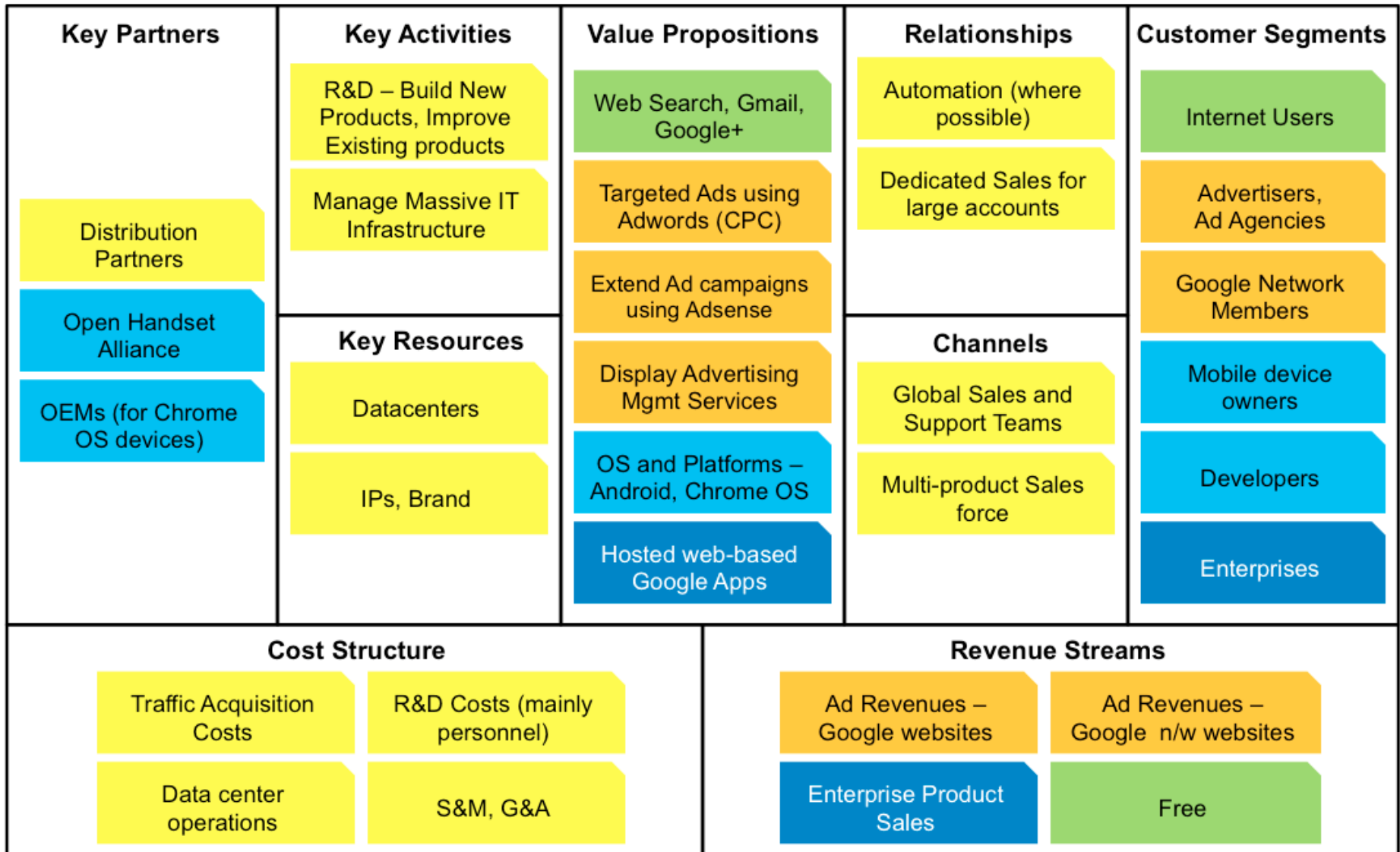
Facebook – World's leading Social Networking Site (SNS)



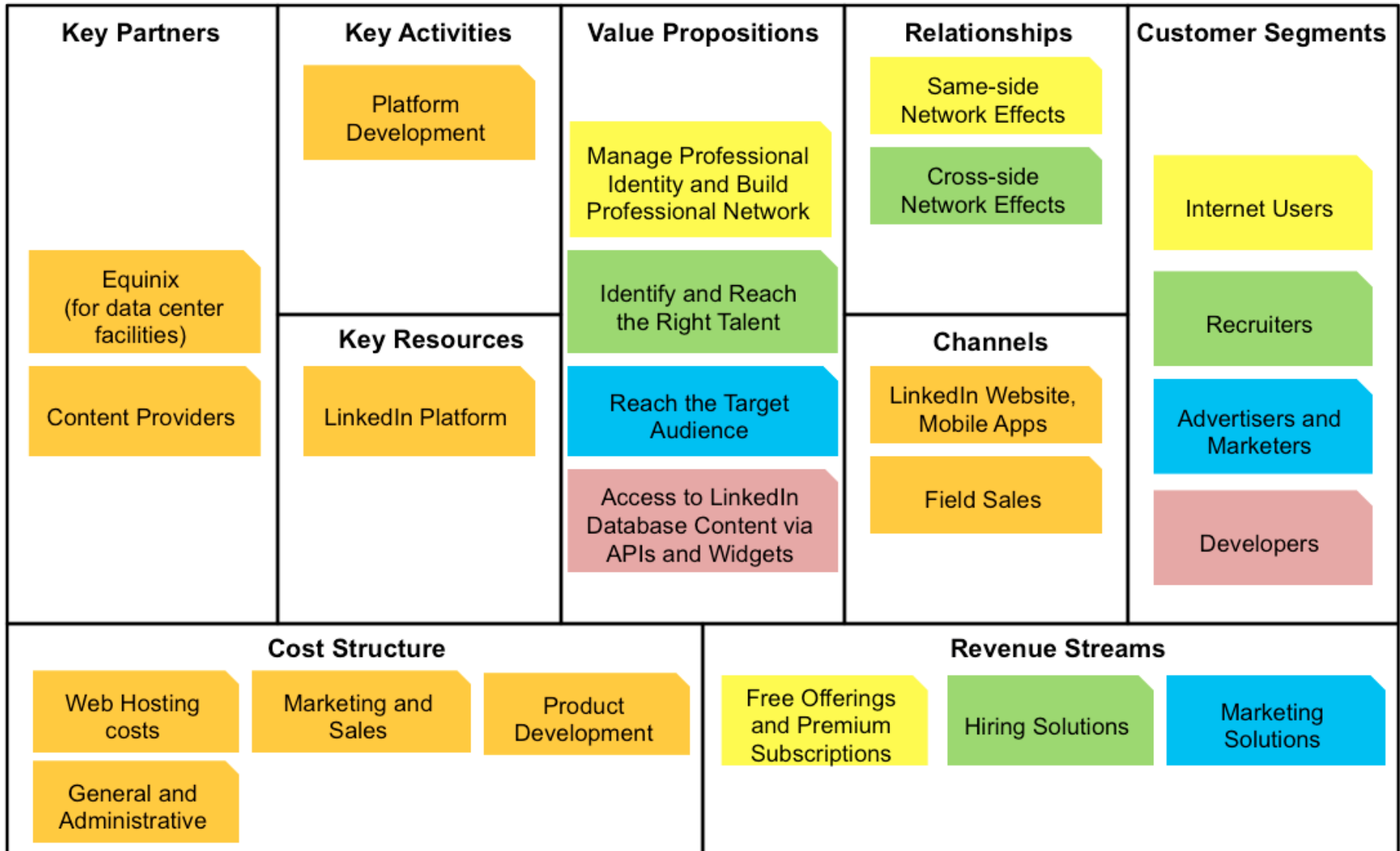
Twitter Business Model



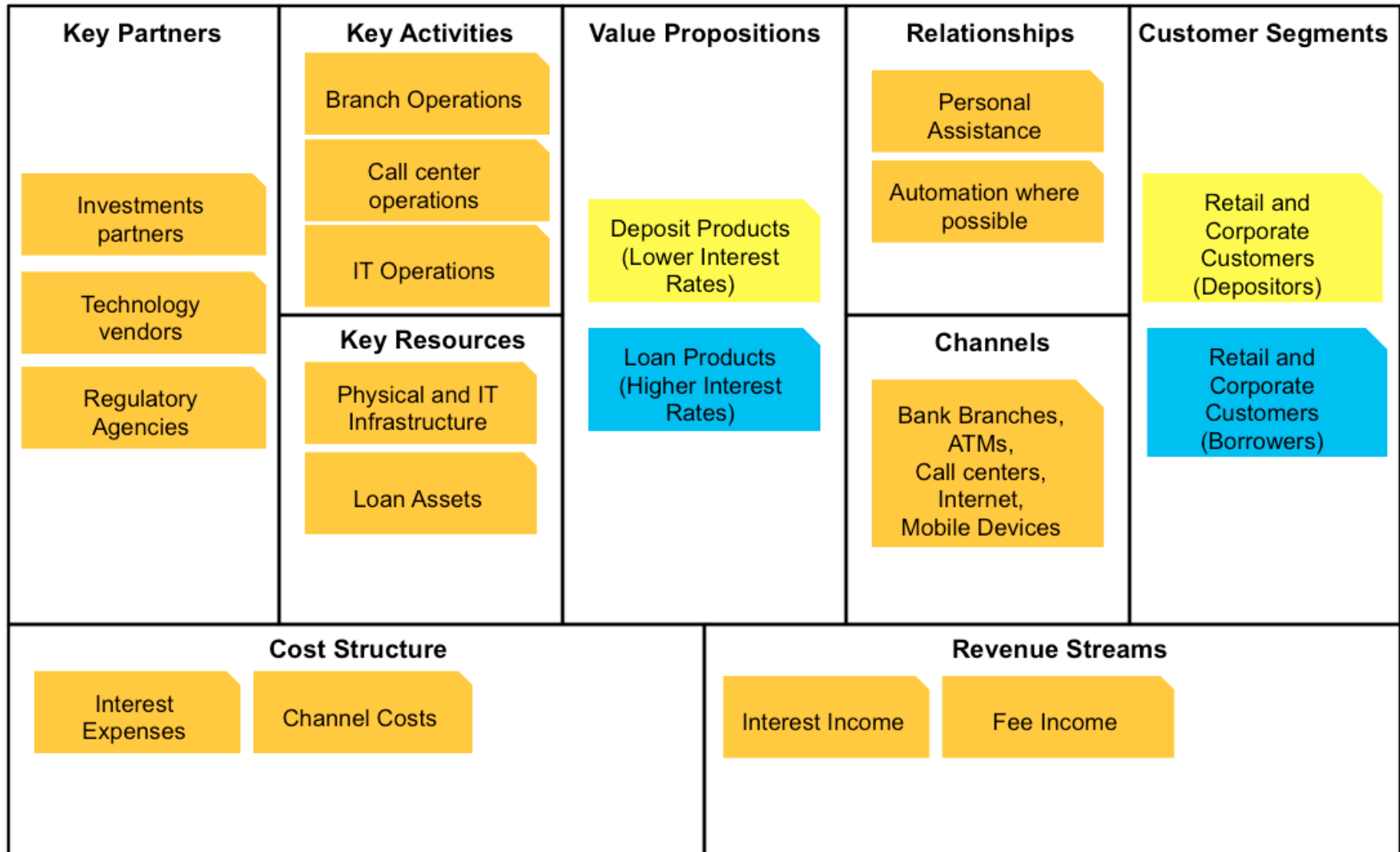
Google Business Model



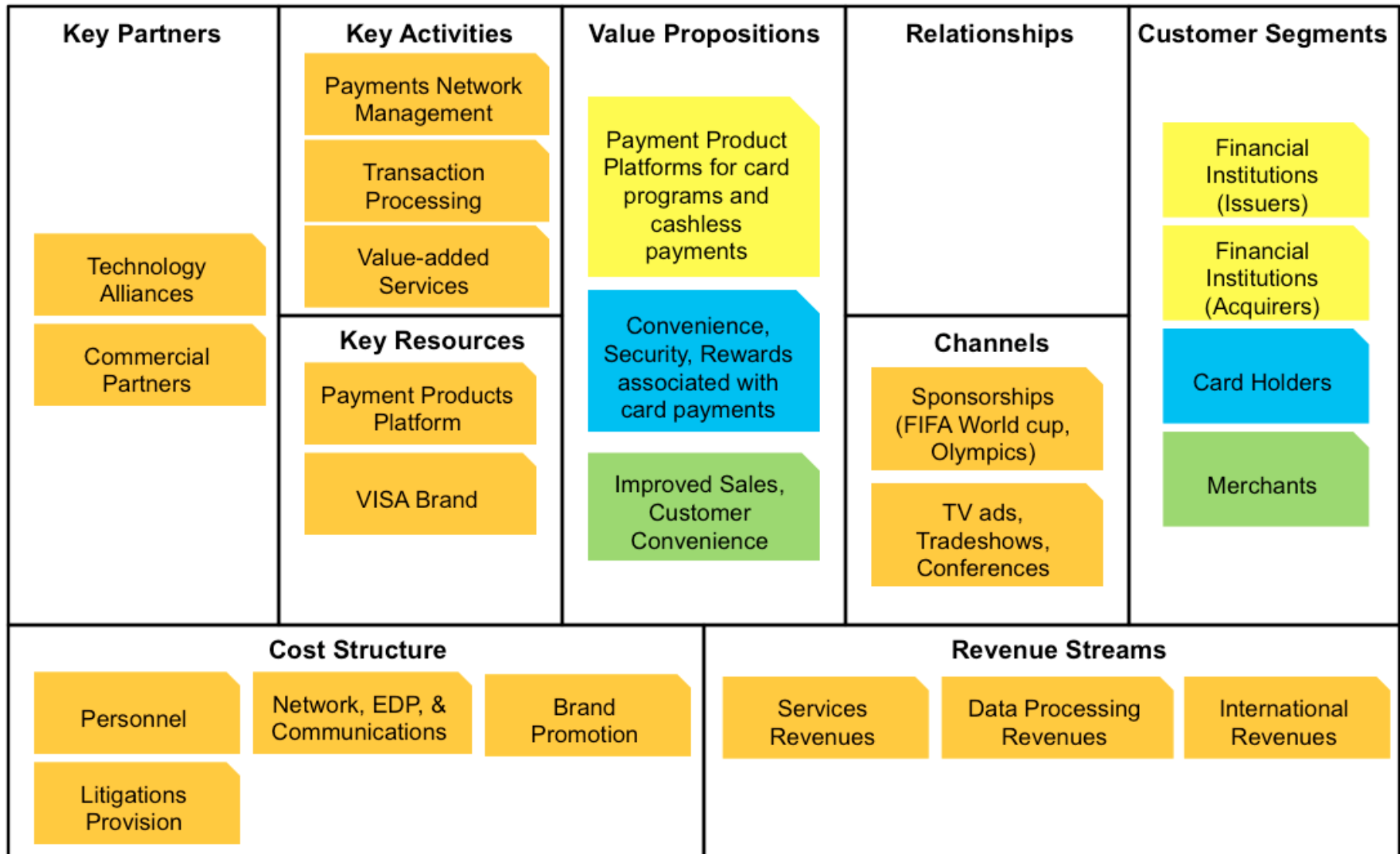
LinkedIn – World's Largest Professional Network



Business Model of Banking companies



VISA – Leader in Global Payments Industry

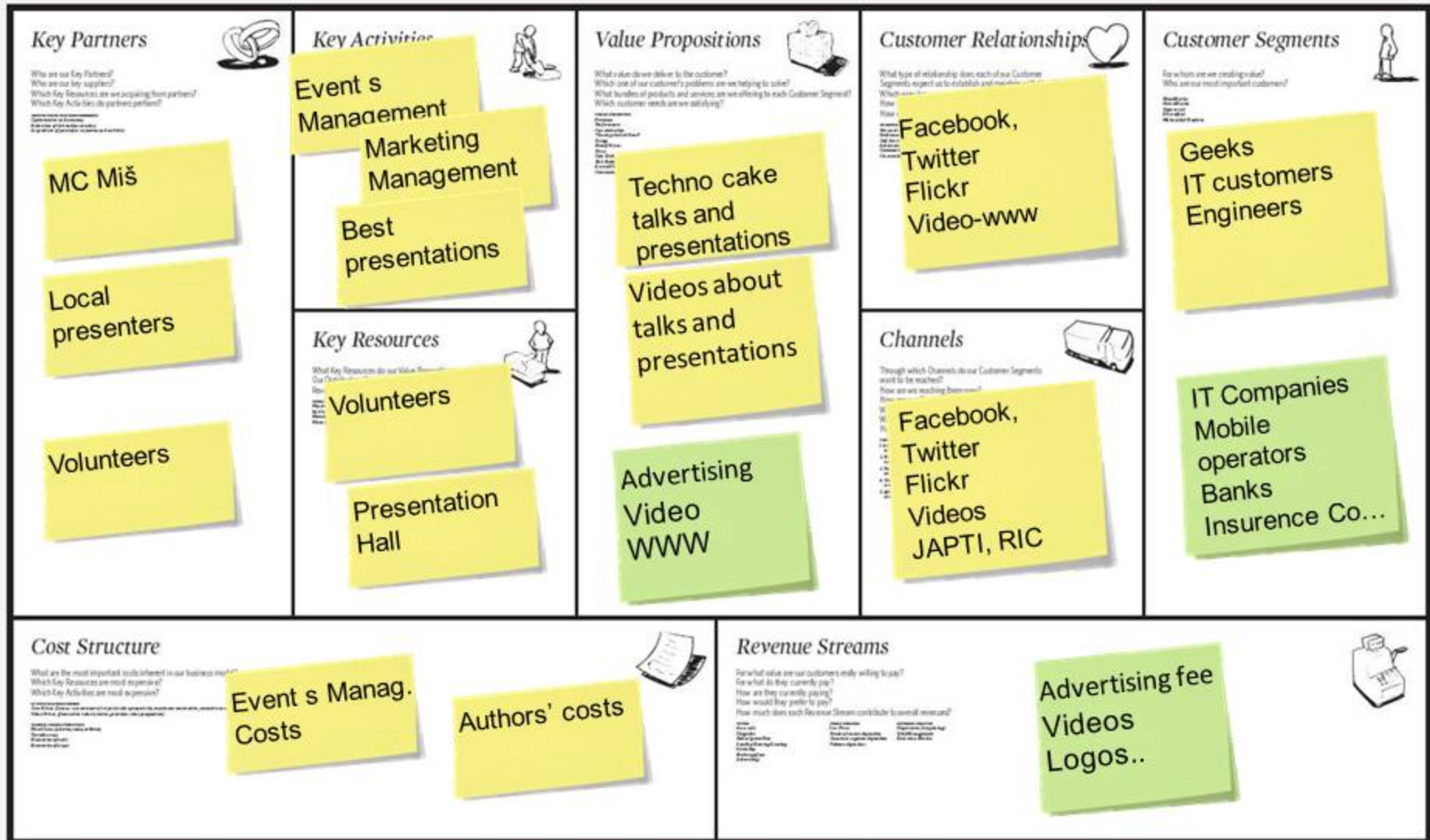


The Business Model Canvas

Designed for: Techno Cake

Designed by: Danilo Tič

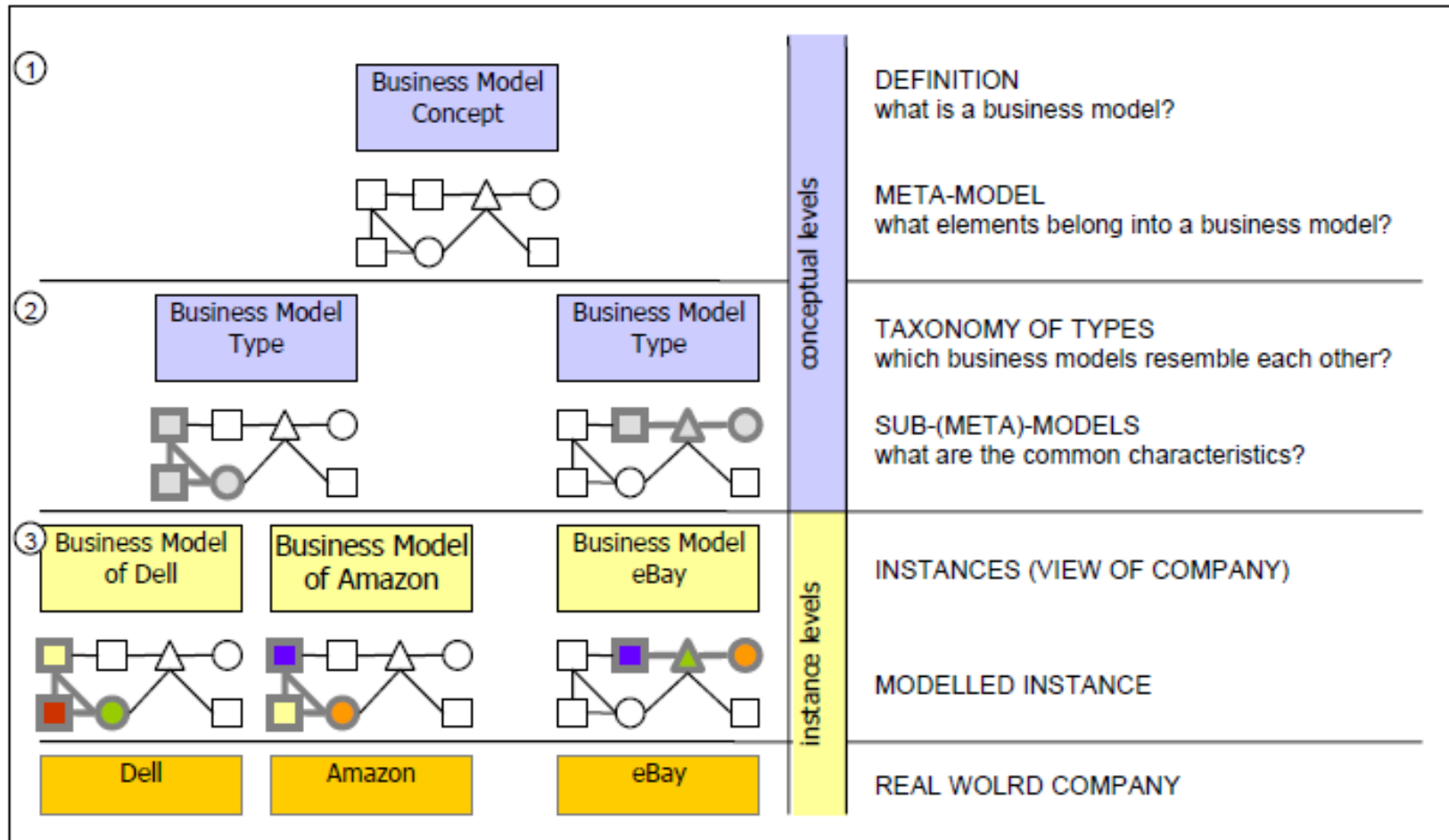
On: 1.2.2011
Revision: 01



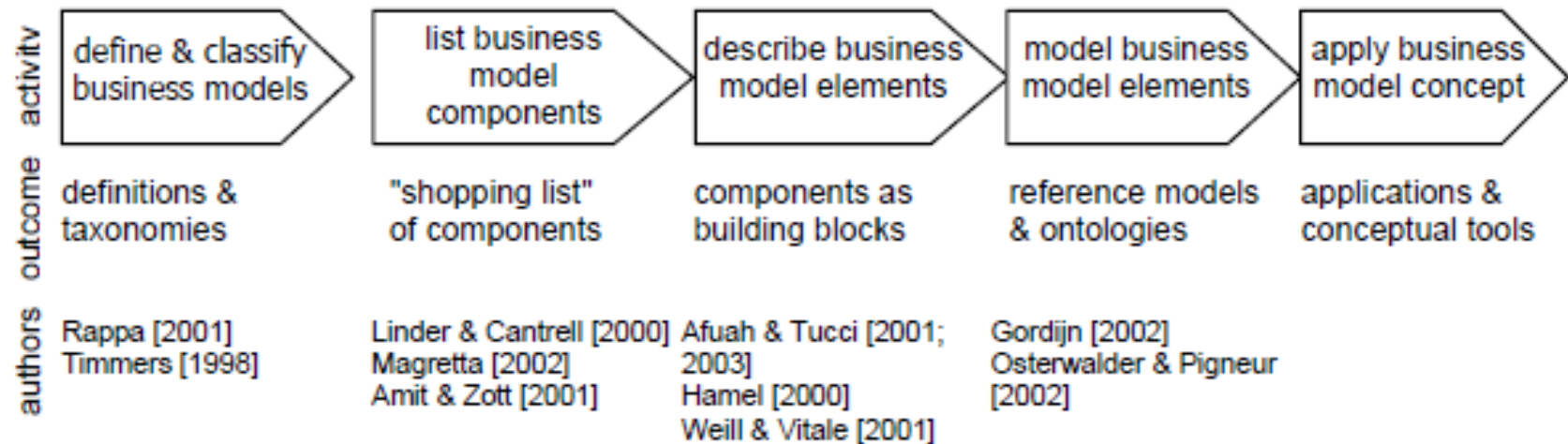
Occurrences of the Term "Business Model" in Scholarly Reviewed Journals

| Year | In Title | In Abstract | In Keywords | in Full Text |
|-------------|-----------------|--------------------|--------------------|---------------------|
| 2003 | 30 | 159 | 10 | 667 |
| 2002 | 22 | 109 | 2 | 617 |
| 2001 | 11 | 100 | 7 | 609 |
| 2000 | 16 | 67 | 1 | 491 |
| 1999 | 3 | 42 | 1 | 262 |
| 1998 | 1 | 19 | 0 | 128 |
| 1997 | 1 | 14 | 0 | 66 |
| 1996 | 0 | 14 | 0 | 57 |
| 1995 | 0 | 4 | 0 | 36 |
| 1994 | 0 | 2 | 0 | 18 |
| 1993 | 0 | 5 | 0 | 18 |
| 1992 | 0 | 2 | 0 | 15 |
| 1991 | 0 | 1 | 0 | 10 |
| 1990 | 0 | 4 | 0 | 7 |

Business Model Concept Hierarchy



EVOLUTION OF THE BUSINESS MODEL CONCEPT



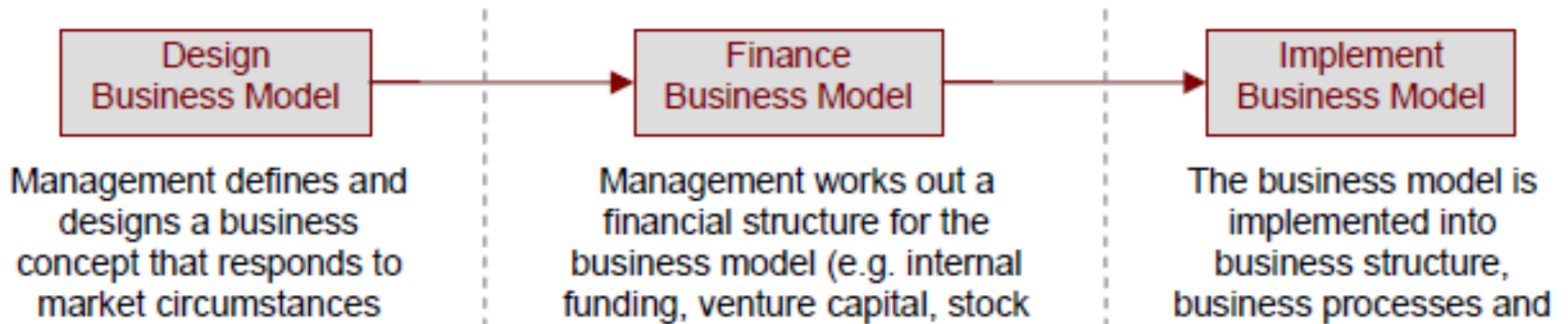
Business Model vs. Business Process Model

- Business Model
 - a view of the firm's logic for creating and commercializing value
- Business process model
 - how a business case is implemented in processes

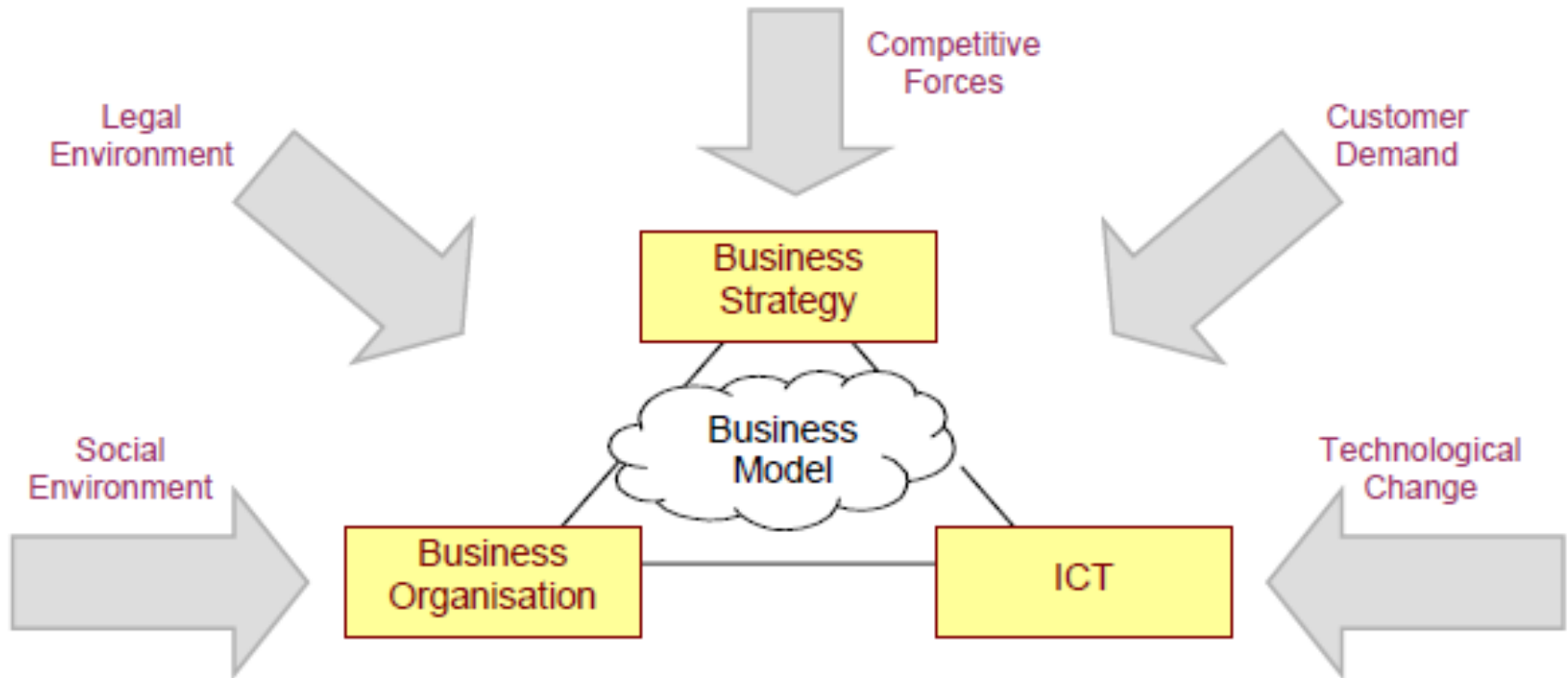
Business model vs. Strategy

- Business models
 - a system that shows how the pieces of a business fit together.
 - an abstraction of a firm's strategy
- Strategy
 - includes competition

Implementing Business Models



The Business Model's Place in the Firm



Nine Business Model Building Blocks

| Pillar | Business Model Building Block | Description |
|---------------------------|-------------------------------|---|
| Product | Value Proposition | Gives an overall view of a company's bundle of products and services. |
| Customer Interface | Target Customer | Describes the segments of customers a company wants to offer value to. |
| | Distribution Channel | Describes the various means of the company to get in touch with its customers. |
| | Relationship | Explains the kind of links a company establishes between itself and its different customer segments. |
| Infrastructure Management | Value Configuration | Describes the arrangement of activities and resources. |
| | Core Competency | Outlines the competencies necessary to execute the company's business model. |
| | Partner Network | Portrays the network of cooperative agreements with other companies necessary to efficiently offer and commercialize value. |
| Financial Aspects | Cost Structure | Sums up the monetary consequences of the means employed in the business model. |
| | Revenue Model | Describes the way a company makes money through a variety of revenue flows. |

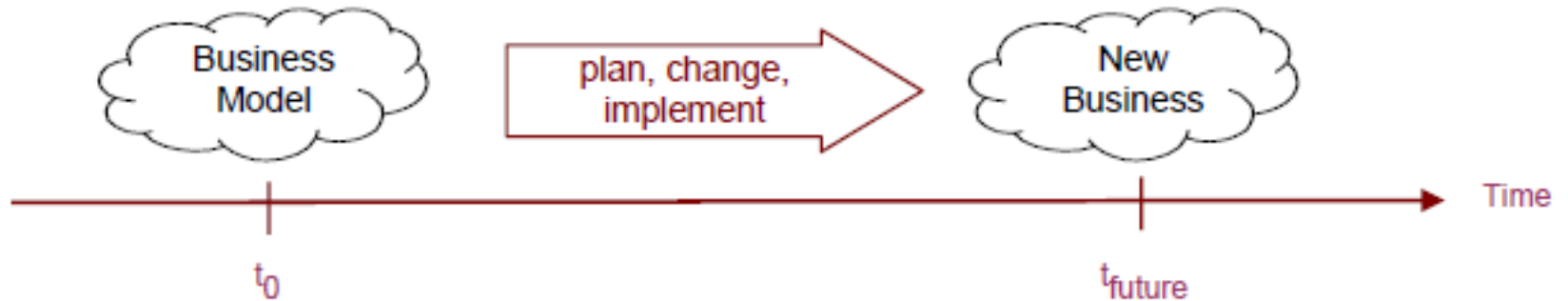
Domains Addressed in Business Models

| Business model ontology | Stähler 2001 | Weill and Vitale 2001 | Petrovic, Kittl et al. | Gordijn 2002 | Afuah and Tucci 2003 | Tapscott, Ticoll et al. 2000 | Linder and Cantrell 2000 |
|-------------------------|-------------------|--|--------------------------|------------------------|---|------------------------------|------------------------------|
| Value Proposition | value proposition | Value Proposition, strategic objective | Value Model | Value offering | Customer Value | | value proposition |
| Target Customer | | Customer Segments | | Market Segment | Scope | | |
| Distribution Channel | | Channels | Customer relations model | | | | channel model |
| Customer Relationship | | | Customer relations model | | | | commerce relationship |
| Value Configuration | Architecture | | Production Mode | e3-value configuration | connected activities, value configuration | b-webs | commerce process model |
| Capability | | Core competencies, CSF | Resource Model | | capabilities | | |
| Partnership | Architecture | e-business schematics | | Actors | sustainability (team-up strategy) | b-webs | |
| Cost Structure | | | | Value exchange | cost structure | | |
| Revenue Model | Revenue Model | Source of revenue | Revenue Model | value exchange | pricing, revenue source | | pricing model, revenue model |

Domains Addressed in Business Models (cont.)

| Business model ontology | Hamel 2000 | Mahadevan 2000 | Chesbrough and Rosenbloom 2000 | Magretta 2002 | Amit and Zott 2001 | Applegate and Collura 2001 | Maitland and Van de Kar 2002 |
|-------------------------|---------------------------------------|-------------------|--------------------------------|--|-----------------------------|---|--------------------------------------|
| Value Proposition | Product/market scope | Value stream | Value proposition | What does the customer value? | Transaction component | Product and Services offered | Value proposition, assumed value |
| Target Customer | Market scope | | Market segment | Who is the customer? | | Market opportunity | Market segment |
| Distribution Channel | Fulfillment & support, info & insight | | | How can we deliver value at an appropriate cost? | | Marketing/sales model | |
| Customer Relationship | Relationship dynamics | | | | | Brand and reputation | |
| Value Configuration | Core processes | Logistical stream | Structure of the value chain | | Architectural configuration | Operating model | |
| Capability | core competencies, strategic assets | | | | | Organization and culture, management model) | |
| Partnership | suppliers, partners, coalitions | | Position in the value chain | | Transaction component | Partners | Companies involved in creating value |
| Cost Structure | | | Cost structure | What is the underlying economic vale? | | | |
| Revenue Model | pricing structure | Revenue stream | | How do we make money in this business | | Benefits to firm and stakeholders | Revenue Model |

Planning, Changing and Implementing Business Models

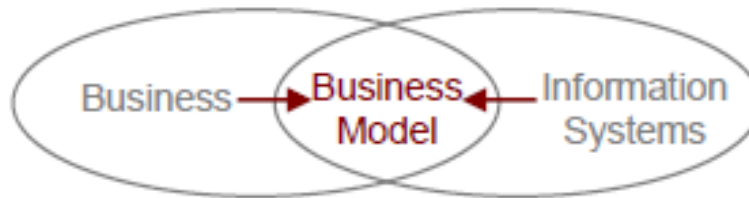


The management analyzes the current business model's adequacy to environmental pressures and designs a new business model

The new business model becomes a goal to achieve and guides planning, change and implementation

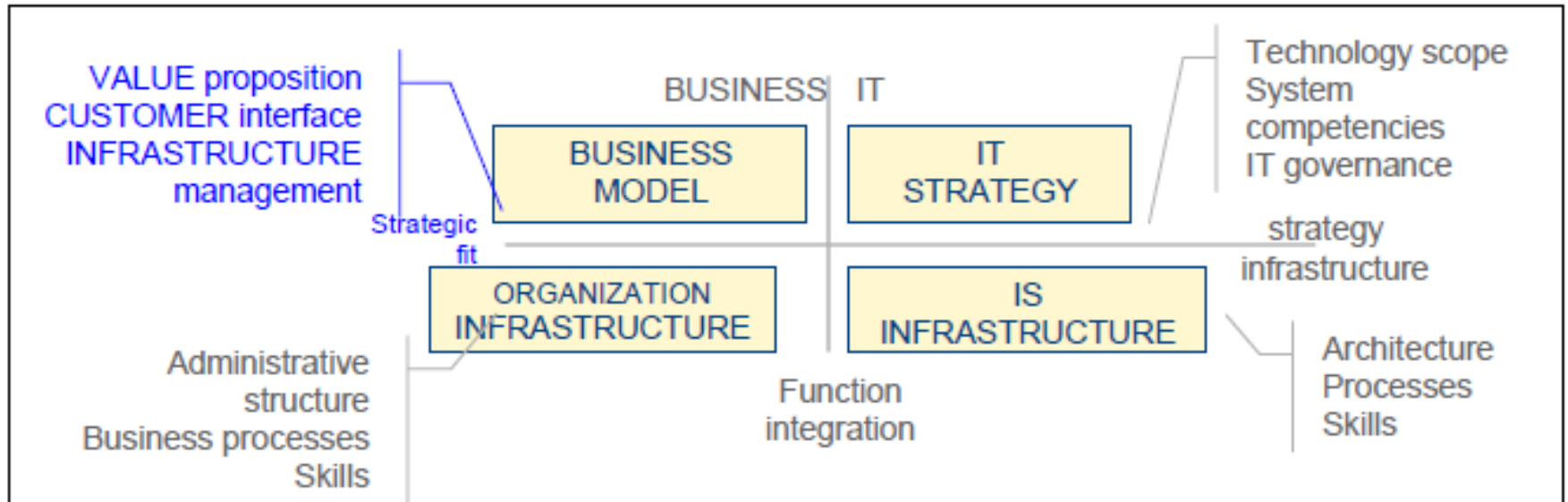
Business Strategy and Information Systems Alignment

Managers are aware of the use of Information Systems to realize goals, exploit opportunities and obtain competitive advantage



Information Systems support the company's business model and are targeted on areas that are critical to successful business performance

Business and IT/IS Alignment



Adapted from [Henderson and Venkatraman 1999]

Infrastructure Alignment

| 9 INFRASTRUCTURE SERVICES | Application Infrastructure | Communications Management | Data Management | IT Management | Security | Architecture and Standards | Channel Management | IT Research and Development | Training and Education in IT |
|----------------------------------|----------------------------|---------------------------|-----------------|---------------|----------|----------------------------|--------------------|-----------------------------|------------------------------|
| 9 BUSINESS MODEL BUILDING BLOCKS | | | | | | | | | |
| Value Proposition | | | | | | | | | |
| Target Customer | | | | | | | | | |
| Distribution Channel | | | | | | | | | |
| Relationship | | | | | | | | | |
| Value Configuration | | | | | | | | | |
| Capability | | | | | | | | | |
| Partnersh | | | | | | | | | |
| Cost Model | | | | | | | | | |
| Revenue Model | | | | | | | | | |

Adapted from Weill and Vitale [2002]

Application Portfolio Management

| | Strategic | Key Operational | Support | High Potential |
|----------------------|-----------|-----------------|---------|----------------|
| Value Proposition | | | | |
| Target Customer | | | | |
| Distribution Channel | | | | |
| Relationship | | | | |
| Value Configuration | | | | |
| Capability | | | | |
| Partnersh | | | | |
| Cost Model | | | | |
| Revenue Model | | | | |

Adapted from Ward [1988]

Business Models and Goals for Requirements Engineering

| 9 BUSINESS MODEL BLOCKS | Goal 1 | Goal 2 | Goal 3 | Goal 4 |
|-------------------------|--------|--------|--------|--------|
| Value Proposition | | | | |
| Target Customer | | | | |
| Distribution Channel | | | | |
| Relationship | | | | |
| Value Configuration | | | | |
| Capability | | | | |
| Partnersh | | | | |
| Cost Model | | | | |
| Revenue Model | | | | |

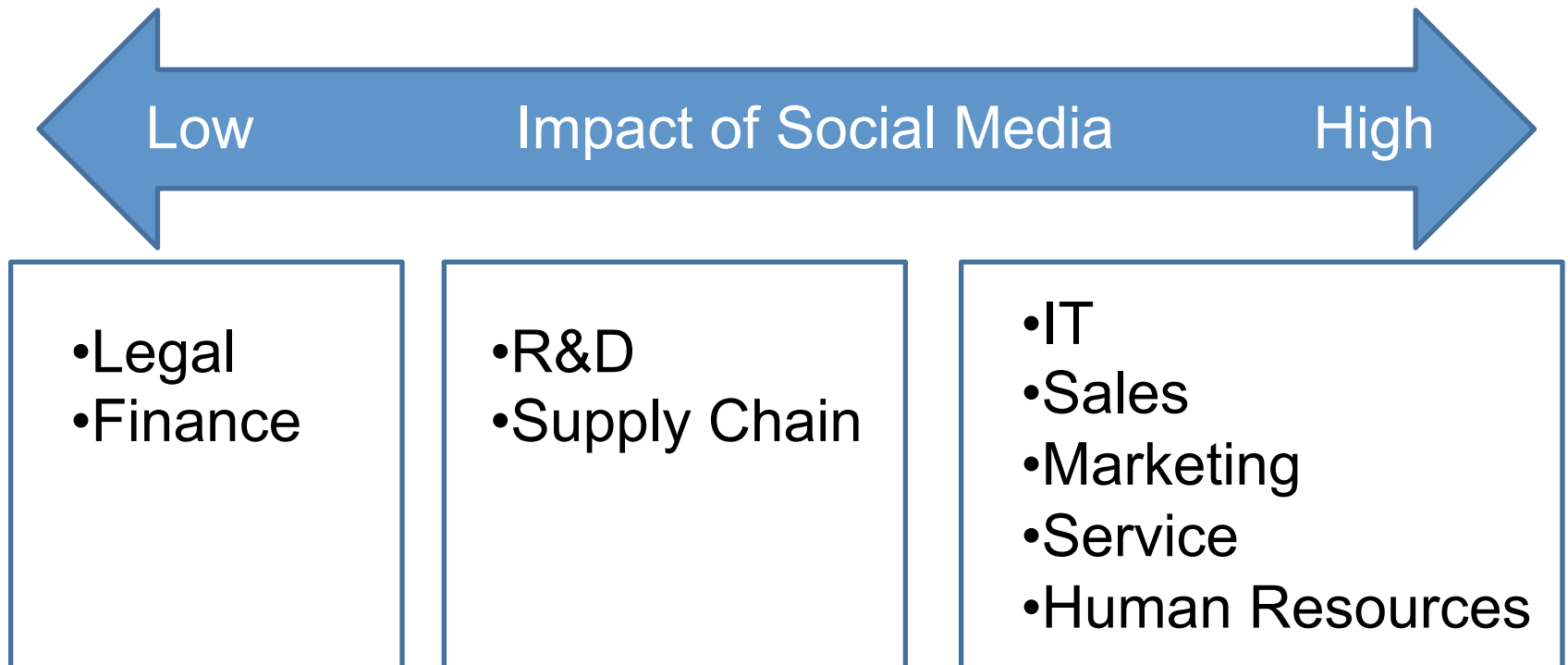
Business Model and Balanced Scorecard

| 9 BUSINESS MODEL BLOCKS | Indicator | current score | target score | alarm level |
|-------------------------|-----------|---------------|--------------|-------------|
| Value Proposition | | | | |
| Target Customer | | | | |
| Distribution Channel | | | | |
| Relationship | | | | |
| Value Configuration | | | | |
| Capability | | | | |
| Partnersh | | | | |
| Cost Model | | | | |
| Revenue Model | | | | |

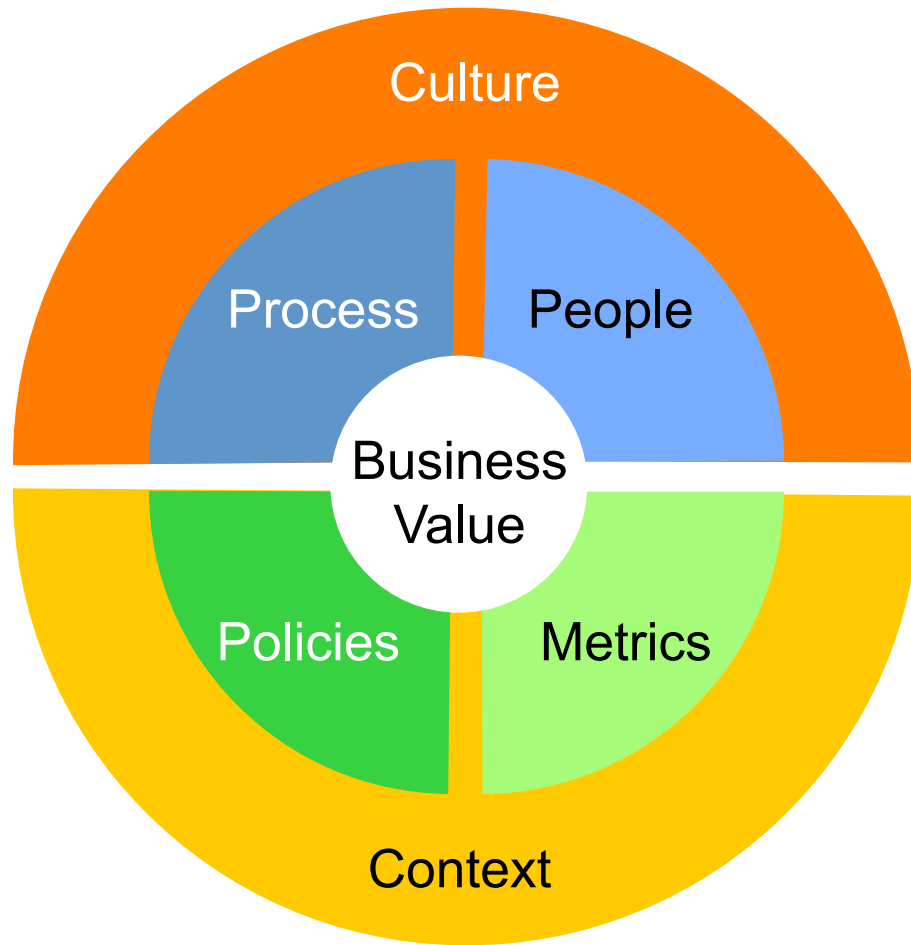
Adapted from Kaplan and Norton [1992]

Impact of Social Media

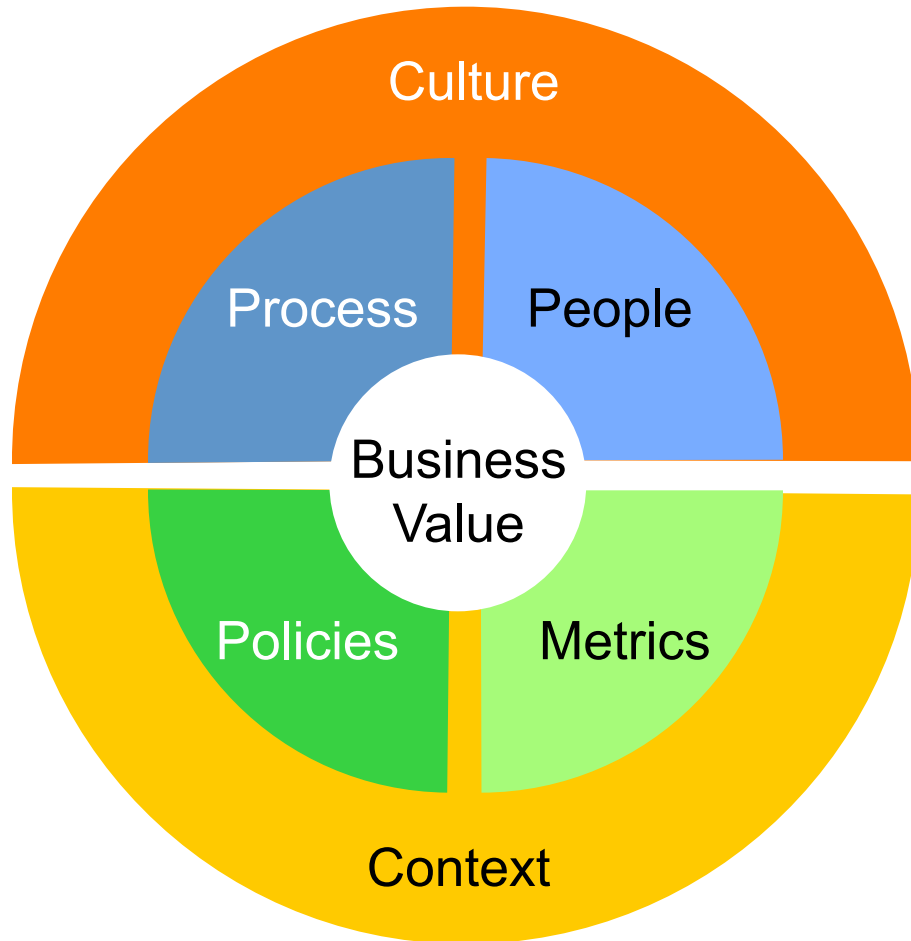
Social Media Affects Business Functions Differently



Social Media Management Framework



Social Media Management Framework



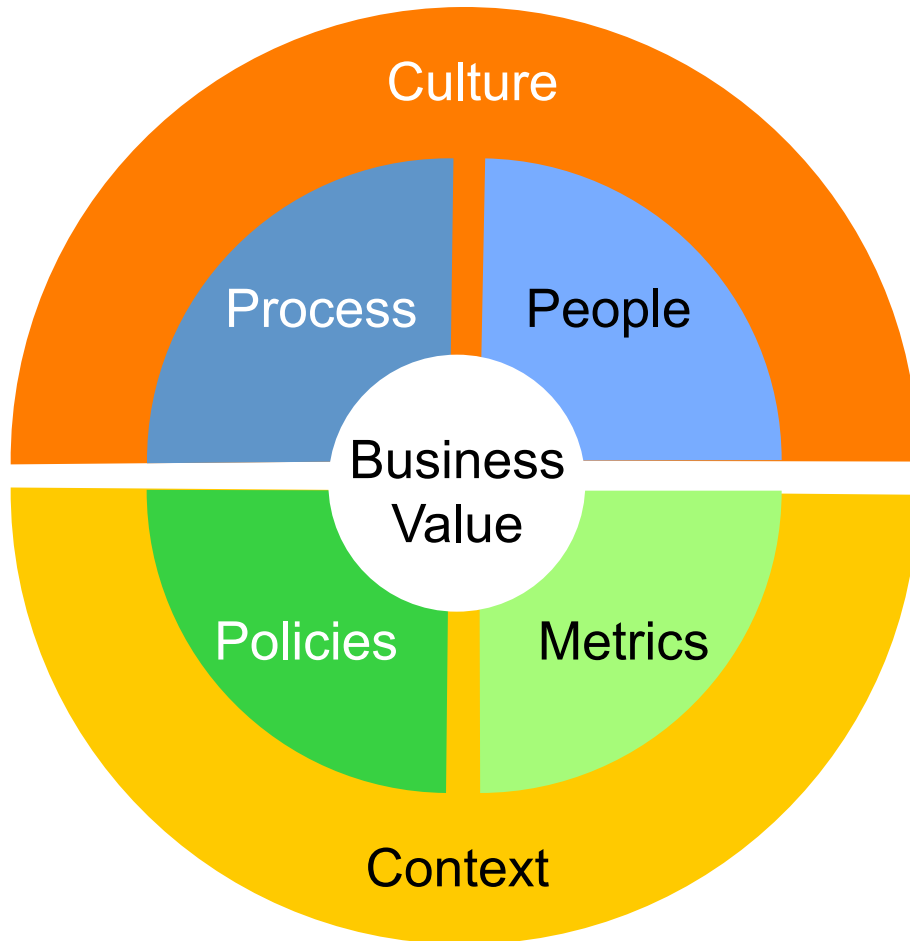
Culture

- Habits and behaviors
- Ways of working
- Subcultures

Context

- Business environment and objectives
- Regulatory environment

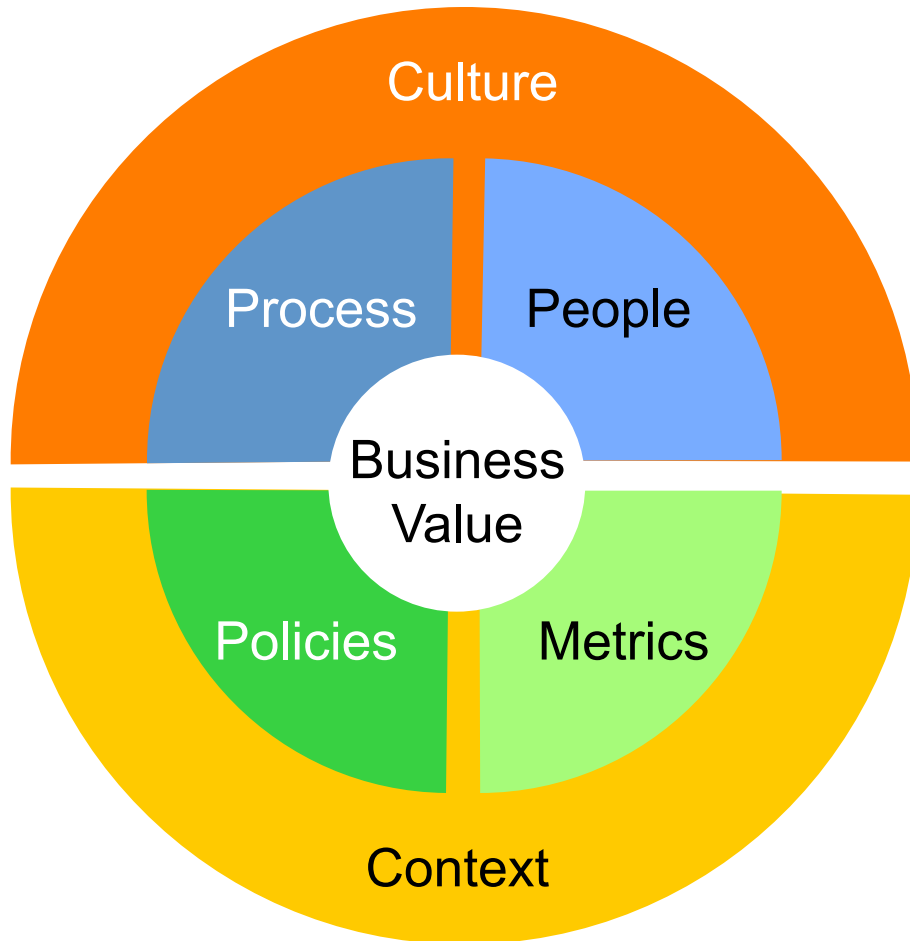
Social Media Management Framework



Process

- **Leadership:** Degree to which leadership for social media decisions is formalized and accountability for business outcomes is clear
- **Alignment:** Degree of alignment between various agendas to ensure resources and funds are appropriately allocated

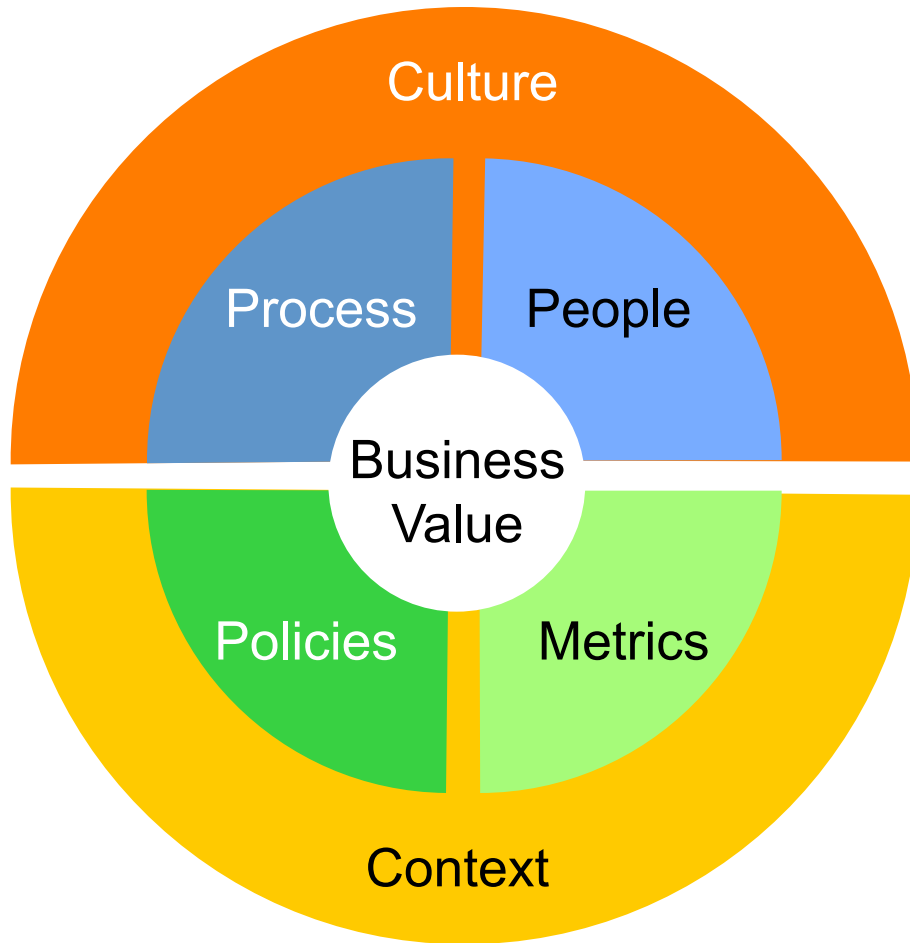
Social Media Management Framework



People

- **Training and Development:** Adequacy and accessibility of training and professional development
- **Leverage:** Extent to which best practices are identified, shared and utilized
- **Roles:** Clarity and adequacy of roles and responsibilities

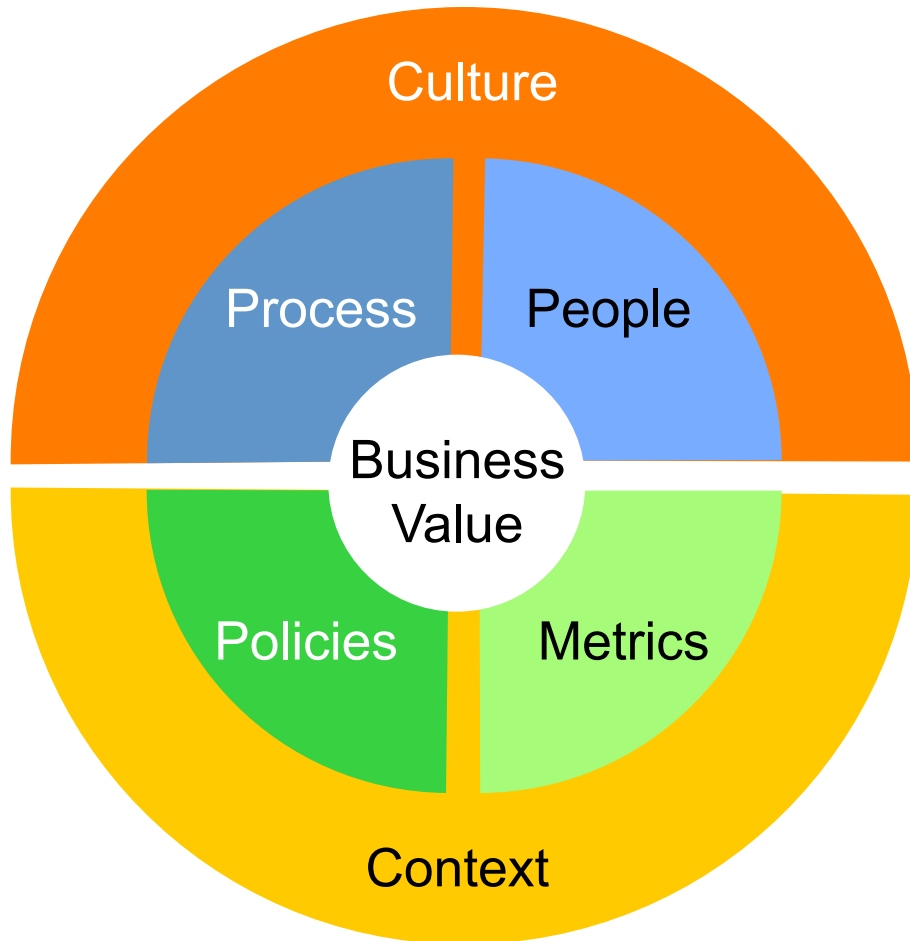
Social Media Management Framework



Policies

- **Clarity:**
Degree to which policies clarify boundaries for employees
- **Empowerment:**
Degree to which policies empower employees to achieve business outcomes, consistent with the cultural, regulatory and business realities
- **Differentiation:**
Degree to which policies support differentiation of the organization in the market

Social Media Management Framework



Metrics

- **Resource Management:**
Level of visibility into the efficient utilization of social media assets (people and technology) and level of efficiency achieved
- **Performance Management:**
Degree to which results are measured and behavior rewarded for success or failure in achieving performance targets
- **Financial Management:**
Level to which costs are tracked and controlled, and the degree of ownership by the business for social media costs

References

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