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Anhang: Entwicklung eines qualitativen Vorgehens zur Erhebung von Portfolio-Analysen für die Strategische Unternehmensplanung und Anwendung in der Digitalen Ökonomie

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12 Anhang: Hinweis

Diese Anhänge enthalten umfangreiche, weiterführende Informationen zu den Interviews und deren Auswertung, die im Rahmen der Dissertation von Sven Packmohr erarbeitet wurden. Der Titel der Dissertation lautet:

Entwicklung eines qualitativen Vorgehens zur Erhebung von Portfolio-Analysen für die Strategische Unternehmensplanung und Anwendung in der Digitalen Ökonomie

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13 Anhang: Übersicht der Portfolio-Analysen

Nr.	Name(n)	Nr.	Name(n)
1	Werterzeugungs/Cash-Flow-Portfolio	2	Marktwachstum/Marktanteil-Portfolio, BCG-Portfolio, Boston-I-Portfolio, Marktanteil/Marktwachstums-Portfolio
3	Marktattraktivität/Wettbewerbsvor-teil-Portfolio, McKinsey-Portfolio, Gerneral-Electric-Portfolio, Branchenattraktivität/Geschäftsfeld-stärken-Portfolio, Marktattraktivität/Geschäftsfeldstär-ken-Portfolio	4	Branchenattraktivität/Geschäftsfeld-stärken-Portfolio, Branchenatraktivität/Unternehmens-position-Matrix
5	Direction Policy Matrix	6	Lebenszyklus/Wettbewerbsposition-Portfolio, ADL-Portfolio, Marktstadien/Wettbewerbspositions-Matrix, Branchen-Industrielebenszyklus/Wettbewerbs-position-Portfolio
7	Geschäftsfeld-Ressourcen-Portfolio, Ressourcen/Produkt-Portfolio	8	Critical-Mass-Portfolio, Portfolio nach Attiyeh/Wenner
9	Portfolio nach Derkinderen	10	Portfolio nach Ball/Lorange
11	Eintrittsbarrieren/Unternehmens-position-Portfolio	12	Portfolio nach Lorange
13	Beschaffungsmarkt/Unternehmens-stärken-Portfolio	14	Portfolio nach Ansoff/Leontiades, Ressourcenportfolio
15	Marktattraktivitäts/Risiko-Portfolio, Portfolio nach Hussey	16	Qualitäts-Portfolio

Tabelle 18: Zuordnung Nummern aus Abb. 11 zu Bezeichnungen (1/3)

17	Portfolio/Profitability Matrix, Marakon Associates Portfolio	18	Wertbeitragsportfolio, Boston-II-Portfolio
19	Value Creation Potential, Rappaport-Portfolio	20	Performance-Portfolio, PIMS-Portfolio, Actual Versus Par ROI, PAR-ROI-Portfolio
21	Value Creation Matrix	22	Planwert-Portfolio
23	Performance Matrix nach Günther	24	Multifaktorielle-Wertportfolio, Wertportfolio Roland Berger
25	Wertgenese-Portfolio	26	Wissensorientiertes/Wertorientiertes Geschäftsfeld-Portfolio
27	Normwissenstrategie-Matrix	28	Portfolio strategischer Wissenskomponenten und idealtypischer Wissenslebenszyklus
29	erweitertes Marktwachstum/Marktanteil-Portfolio, erweitertes BCG-Portfolio	30	Technologie/Markt-Portfolio, Technologie-Portfolio, Technologie-Portfolio nach McKinsey, Integriertes Technologie-Portfolio
31	Personal-Portfolio	32	erweitertes Marktwachstum/Marktanteil-Portfolio nach Fröhling
33	Prozessvorteil/Marktwachstums-Portfolio	34	Wettbewerbsposition/IT-Ressourcen-Portfolio
35	Kundenwertorientiertes Kompetenzportfolio, Portfolio der Kernkompetenzen	36	Internet Portfolio
37	Markteintrittsbarrieren/Wettbewerbsvorteil-Portfolio	38	Technologie-Portfolio II nach Pfeiffer
39	Ökologie-Portfolio	40	Länder-Portfolio

Tabelle 19: Zuordnung Nummern aus Abb. 11 zu Bezeichnungen (2/3)

41	Parenting-Advantage-Portfolio	42	Dynamisches Markt/Technologie/Ökologie-Portfolio
43	Markt/Kompetenz-Portfolio	44	Total-Value-Management-Portfolio, Shareholder-Value Analysis Matrix, Shareholder-Value-Portfolio
45	Total-Value-Management-II-Portfolio	46	Umwelt-Portfolio I
47	Technologie-Portfolio I nach Pfeiffer	48	Technologie-Portfolio nach ADL
49	Technologie-Portfolio nach Booz/Allen/ Hamilton	50	Innovationspotential-Portfolio
51	Risiko-Portfolio nach Roventa	52	Produklebenszyklus-Portfolio
53	Technologie-Portfolio nach Brose/ Corsten	54	Technologie-Portfolio nach Harris/Shaw/ Sommers/Pappas
55	Technologie-Portfolio nach Henzler, F&E-Portfolio	56	Multifaktor-Matrix
57	Marktrisikoattraktivitäts/Wettbewerbs-vorteils-Matrix	58	Kunden-Portfolio I
59	Gewinn/Lebenszyklus-Portfolio	60	Image/Ertragskraft-Portfolio
61	Wachstums/Risiko/Konkurrenz-relations-Portfolio	62	Kunden-Portfolio II
63	Umwelt-Portfolio II	64	Portfolio der Kernkompetenzen
65	Informationsintensitäts-Portfolio		

Tabelle 20: Zuordnung Nummern aus Abb. 11 zu Bezeichnungen (3/3)

14   Anhang Frage 1: Zusammengefasste Definitionen

IP 01
Quote: 'cooperate with suppliers, customers and competitors in sort of an integrated fashion'
Abstract: Historically, one characteristic for the Network economy is a higher productivity growth. It is more important than before to cooperate in sort of an integrated fashion. The old Economy had clear organizational interfaces between suppliers and customers. Nowadays, those interfaces are blurring. I.e. suppliers that have designed personnel within the clients design department. The network has always existed in a way, but now it is more pronounced through ICT. It is important to build an ecosystem around the products and work together to develop a better solution. Competitors agree on a common standard, because the cooperation lets the market grow.
Assessment: detailed
Key words: productivity, cooperation, interfaces, standards, market
————————————

IP 02
Quote: 'distribution of service is going over the net'
Abstract: The internet is the major distribution channel to the customer in the Network Economy. The vertical integration of the suppliers' side is not necessarily over an electronic network.
Assessment: various
Key words: distribution, suppliers

————————————

IP 03
Quote: 'end-consumer will be sitting with the power'
Abstract: The end-consumer has an endless number of choices and finally decides what works and what does not work. The end-consumer wants ubiquitous information access. The network economy changes the daily live. Now, it all builds on collaboration to a much greater dimension. Different ecosystems of different types of partners are providing the overall service or product.
Assessment: various
Key words: end-consumer, ubiquitous information access, collaboration, ecosystem, business models

————————————

IP04
Quote: 'web is sort of a tool that is very important in the network economy'
Abstract: The Network Economy is web-based, global and fast with the web as a kind of interface. New technologies describe this Economy. They enhance the value and help to reach your market.
Assessment: few
Key words: web-based, global, fast, technology

————————————

IP 05
Quote: 'smartest way to reach the consumer, to communicate with the consumer is through the internet'

Abstract: The money is in the business-to-consumer models. Therefore, it is important to address the consumer directly via the internet with an online-shop. A company has to offer the consumer a higher level of individualization and additional services that increase their level of digitization. Besides the direct client contacts, distribution channels via partners are important to contact a bigger consumer basis. Digitization leads to a structural change within many industries and the need for new business models. Just the use of ICT is no indicator for the Network Economy. It has to be used to produce the core service or good of a company.
Assessment: detailed
Key words: network, client, individualization, core business, digitization

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IP 06

Quote: 'digitalization is becoming more important'
Abstract: Internet-based companies have to convert physical products into digital ones. They have to develop their ICT opportunities in their processes, have to look forward and be very open to new technologies. Standing back means going down. It is important to have vertical and horizontal ties: Suppliers for technical equipment as well as competitor and Sales cooperations. Especially for small companies a growing network with suppliers and partners is important to have access to a bigger market.
Assessment: detailed
Key words: digitally, internet-based, ICT opportunities, network

——————————————

IP 07

Quote: 'everything becomes digital and all processes build on networks'
Abstract: Businesses in general rely more and more on networks under a technical aspect. but as well on the aspect of network building between people and between organizations. So both, in a technical and intraorganizational way, acting internationally becomes a lot easier with all the information and communication technology.
Assessment: few
Key words: digital, processes, network

——————————————

IP 08

Quote: 'you need to have an offering that someone is willing to pay for'
Abstract: It has always been important to keep the contacts with your business associates. That is how a business works: Networking, all the time; contacts, especially, when dealing in knowledge. It does not matter if it is done in a horizontal or vertical way. It is quite a different Business Model required when dealing with knowledge instead of dealing with physical goods. But it is still important to have a win win situation and to offer value creation. The ICT has to help to offer the clients a better value and to cut costs. Everything is faster with a 24/7 availability. Borderlines do not really count.
Assessment: detailed
Key words: contacts, knowledge, business models, availability, value creation

IP 09

Quote: 'do business in a network of partnerships'

Abstract: The Network economy consists of two different sectors: Internet-driven business models and networking or communities. Whereas, the internet might be a platform or a tool for communication within a vertical or horizontal network. Standardized technologies are supporting internationalization. But still international partnerships depend on business models, markets, knowledge, type of offered products and personal contacts.

Assessment: various

Key words: internet driven, network, communication, international contacts hard

————————————

IP 10

Quote: 'adapt to changes within markets in a rapid way'

Abstract: Companies have to adapt new ideas very fast to their business models, value propositions and clients. The adoption takes place on the local and the global market. This increases the complexity of the environment. Companies have to spend resources on future research and market analysis.

Assessment: various

Key words: fast change, value proposition, global business, market analysis

————————————

IP 11

Quote: 'it is still about business'

Abstract: The digital technology just enables to do business in new ways. The networks used by a company are social, technological and commercial. Borders have no importance for the businesses.

Assessment: few

Key words: technology enabler, new ways, networks, everywhere

————————————

IP 12

Quote: 'pace is higher'

Abstract: New channels and short lifetime circles for certain products make the window of opportunities smaller. Companies and employees think globally but still need to talk to and meet their customers. Broadband added to channels work out relationships. Products can be offered to a wider mass of people by fewer costs.

Assessment: detailed

Key words: higher pace, globally, costumer, relationships, costs

————————————

IP 13

Quote: 'make new connections'

Abstract: Companies make new connections, new prospects by not using the old way of making marketing. In a network they meet others, tell them about their abilities and how they can offer support; sometimes in an international way.

Assessment: various

Key words: connections, marketing, network

IP 14

Quote: 'think client-focused all the time'

Abstract: Companies have a much stronger focus on the clients. With closer-to-client solutions they act more as a partner. The solutions are unique for a short period of time. It is important to be the first-mover".

Assessment: various

Key words: clients, partner, quickness, new ways, monopoly

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IP 15

Quote: 'get access to the right information'

Abstract: Information is spread wider than before. To get access and to evaluate it, companies have to be able to network with persons and companies with different types of competences in the same area.

Assessment: various

Key words: information, network, competence

Ideas: single company-view vs. economy-view

15 Anhang Frage 2: Segmentierung

IP 01

Citation: ‚It is a little bit on deciding what is the main driver. How you group things'

Abstract: A company should have a clear idea of its area of business. Then it has to open up if other business opportunities are matching. Some approaches focus on product synergies, others on customer synergies. If there are limited synergies between products, they should be separated into different units. If costumers buy a product together with other products, these ones should be groups. Normally, a business unit has the subunits product management, manufacturing and sales. A different structure is characterized by product units and market units. The latter are those that collect products from all the different product units. Suppliers have to be tightly integrated and very closely managed. In an optimal case, a supplier gets a contract for the product life time.

Assessment: detailed

Key words: business opportunities, product synergies, customer synergies, product units, market units

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IP 02

Citation: 'Although, we have the same ground system [. . .] we act very differently towards these segments'

Abstract: Different types of electronic services are often tied together internally that they can not be used as the criterion to segment business units. If this concept of segmentation is connected to partners, different types of partnerships and therefore business units occur. Within business units partnerships are very important. Strategic decisions have to be discussed within them.

Assessment: various

Key words: relation to partners, types of partnerships, types of business units

——————————————

IP 03

Citation: 'it is a dangerous game if you place yourself in the back seat of the car'

Abstract: It is a dilemma between being very specific and not realizing economies of scale. External partners play a much greater role, because it is not only an internal problem. The interfaces between business units will be internal as well as external. Still in the New Economy, a company has to have targets and measurements. Specific parts of the business should be installed as shared functions supporting the extended enterprise. The partners in the units will be inferior, equal or superior.

Assessment: various

Key words: specific, economies of scale, partner, interfaces, extended enterprise

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IP 04

Citation: 'If there were any advantages to gain from dividing this, it might be a good idea as a spin-off, as a separate company'

Abstract: A company could segment according to the different demands businesses have. Different institutions like spin-offs could be one way to have an organizational segmentation with

short decision routes and creative atmosphere. Business units in complex environments need partners for specific tasks. Any moves in complex markets have to be coordinated with the partners. Close partners enable a company to move quicker in a less complex market. If one partner has a lot of power it might be the case that he integrates others by mergers and acquisitions, especially in a market with lots of small and a few big players.

Assessment: various

Key words: business demands, complexity, partners, mergers and acquisitions

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IP 05

Citation: 'It quickly grew into different, many, many countries and also many different products'

Abstract: A company can segment its BUs country- or languagegroupwise. It has to be very hierarchical and reveal its branding and products for its BUs. The country segment has to fill it with its own content e.g. in the according web site. Another segmentation is according to revenue streams that e.g. could be generated from advertisements for consumers or services for companies. How a company treats its partners depends on the power relations within the partnership. In a relationship there is always a stronger and weaker part. This strength could be weakened through market or technological changes.

Assessment: detailed

Key words: country wise, language groups, revenue streams, power, technological development

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IP 06

Citation: 'that is very, very important to have a customer relating segmentation'

Abstract: Companies have a lot of inhouse skills but they do not have the time to do everything theirselves in their operative day-to-day business. Therefore, they have specialized partners. Normally, a company concentrates on selling, marketing and releasing new products. Especially in online services it is important to have a customer oriented segmentation fulfilling their different needs. Essential for start-ups are the communication and strategic choices of partners. The behavior might change if a company grows or needs other partners.

Assessment: various

Key words: in-house skills, partners, customer related segmentation, changing behavior

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IP 07

Citation: 'based on products, that is the main cleavage'

Abstract: Commonly, a business is divided into product lines along certain flows and processes. Products are having a structure build on processes. It does not matter, how many parts of a product are produced by the company itself or how much it takes external competence. International companies might have divisions along countries, cultures or languages. Partners have to be informed if a business unit depends on them. In the start-up, a company is depending on its partners. The more it sells and pays, the more it can decide.

Assessment: various

Key words: product lines, division, countries, partners, maturity

XLVI

IP 08

Citation: 'it is the bottom line that counts'

Abstract: Result units are important for companies. There is no general concept. It varies from company to company or from business areas to business areas. In general, different departments could act as business units: economics, financial, personal, manufacturing units. A company has to specialize due to competition. On the other hand, it can easily find hundreds of new perspectives or hundreds of new possible partners. It has to evaluate them from a technical, deliverance and economical point of view. Otherwise, the administration must be very heavy with hundreds of small partners. Projects are often the result units. Partnerships evolve all the time because of changing dependencies.

Assessment: detailed

Key words: result unit, self organizing structure, projects, evolvement

Ideas: Question was hard to understand; IP focuses on organizational means, real departments as business units, not virtual

————————————

IP 09

Citation: '[...] business units [...] are building walls between knowledge, technology, competence and so on.'

Abstract: Business units should target the right markets, put out the right strategies and act faster instead of waiting for the whole company. With BUs it is easy to measure how the company is doing. Companies are scared of duplicating IT-systems, marketing achievements, sales skills, trainings etc. Therefore, they implement horizontal functions like knowledge, technology, reporting, marketing, sales, IT or outsource these. The BUs for products and costumers are vertical because costumers have certain needs. The core technology of all vertical solutions should be accessible to other businesses to gain on the development and only do modifications or adaptations. For partners and the whole company it is more valuable to contract with a lot of BUs rather with one. Of course some partners are so specialized that they are only be apt for one BU. Partnerships have life cycles. Companies have an extensive need in the beginning with large costs applied to it. After a while the need for the special services is decreasing. That is the reason why it is better to have partnership on a higher level because for one small BU it is extremely expensive and fast changing.

Assessment: detailed

Key words: duplication, horizontal functions, vertical products, customization, partnerships

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IP 10

Not answered due to lack of time.

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IP 11

Citation: 'it is really something which is better done on a case to case basis'

Abstract: Every criterion for segmentation like technology, markets, brands and geographic is possible. Even within one company different criteria for segmentation are possible. Historically, the focus was changing from integrated companies to division etc. Partnerships change over time.

Assessment: few

Key words: isolation, technology, markets, brands, geographical

——————————

IP 12

Citation: 'the role of strategy is less important in the network economy'

Abstract: Strategies are down to people, because they implement them. For people it is essential to focus on specific costumers, products, markets or competitors. It is important to communicate the focus. Segments have to have real value or real possibilities to focus on. Segments are defined by combining costumers with products. It is essential to measure the outcome of it to have control. Sometimes partners are involved to get the momentum of force. Companies need to have the long-term goal, due to more chaos. Today, the tactical level is where the battle is. It is more interaction now between strategies and tactics. Efforts are high when starting a business. It is a natural law in partnerships that partners would not help to make the companies own money. Partnerships make things cheaper but they also take time to react. When having a BU, running partners are not that quick and less important.

Assessment: detailed

Key words: focus, people, strategies, tactics, partnerships

——————————

IP 13

Citation: 'minimize the risk for your core business'

Abstract: Companies need to have a core business. On this basis they sell services or products. A BU is an own company with the aim to grow. BUs share a lot of common services. Segments have their own life. It is important to decide whether it is a core or an interesting business. The aim is to minimize the risk for the core business. Therefore, partners should be involved in interesting businesses. The intensity of a partnership changes over time.

Assessment: few

Key words: core business, shared services, minimize risk, partners

——————————

IP 14

Citation: 'have your partners behind you'

Abstract: Segments are types of business, branches, products or different areas. Companies have to go into the niches where the clients are. One product could be offered in different ways for electronic markets, consumers or companies. Partners could be used in the background to keep the control over a BU and its costumers. At the same time, the BU has to take the responsibility. If a company let partners take the control over a BU, it risks losing its clients to the partners. The success of a company is a question of how good the company deals with its partners. Normally, BUs have few strategic partners and interchangeable others. The more a BU grows the more it starts to use partners on which they can rely.

Assessment: various

Key words: partners, niche, control

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IP 15

Citation: 'it has to be the market and the customers'

Abstract: Some companies have isolated parts, others are networking within themselves by building matrices, staff functions etc. In general the criteria for segmentation are the market and the customers. The network economy did not change this point of view. It is easier to focus on own segments with a well-operating network of partners. A company might face conflicts in terms of competition with partners, if they move in the same direction.
Assessment: few
Key words: networking, market, customers, competition

16 Anhang Frage 3: Kausalmodell

16.1 Konsolidierung der Begriffe

Transkriptionsregeln:

- 1. Generell wurde möglichst nah am gesprochenen Text transkribiert.

- 2. Phonetische Eigenschaften wurden nicht mit transkribiert.

- 3. (...) bezeichnet eine Pause.

- 4. [Text] des Transkribierenden, um das Verständnis zu erhöhen.

- 5. [my company] bezeichnet das Unternehmen des IPs. [company] bezeichnet Kunden oder andere, die Rückschlüsse auf die Person des IPs zulassen.

- 6. [???] repräsentiert inhaltlich nicht verständliche Passagen.

- 7. <u>Unterstrichen</u> Wörter waren akustisch nicht hundertprozentig verständlich.

16.1.1 Schritt 1: Sammlung der Begriffe

Im ersten Schritt der Vorbereitung für die Auswertung mit MaNET wurde alle Begriffe, die die IPs benutzt haben, in eine 197 x 197 Matrix geschrieben. Das stark verkleinerte Ergebnis findet sich in Abb. 53.
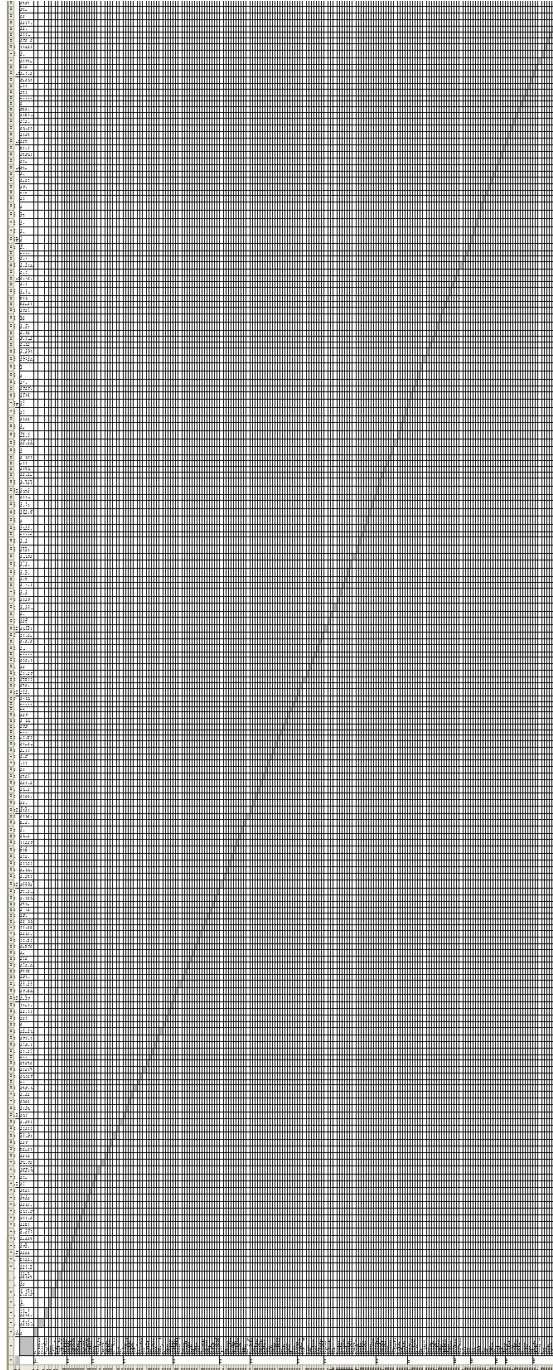
Abbildung 53: 197 x 197 Matrix

16.1.2   Schritt 2: Gruppierung innerhalb der IPs

Name der Sammlung: Market Share, IP 01

Clip: Fair Market Size

IP 01: They probable have. If they find out that they don't want to have Postal 2 on Playstation they probably can ban it. (...) To be profitable you probably need a fair size of the market as well. And what a fair size is always depends, of course. If you're in the very beginning of a market penetration for a new product it's difficult to be profitable in the beginning. Perhaps write down "early maturity of the product lifecycle". In the beginning you have to - like Microsoft - spent an enormous amount of money on marketing (...) And then you capture the profits later.

Clip: Market Share

IP 01: If we have a business unit and it wants to be profitable and we put the boundaries on it that it should be a touch/flavor of new economy over it. (...) Another dimension that we didn't speak about before is that part of that new economy is of course related to finding new ideas. That comes into being profitable. (...) Lots of the classic strategic insights are still valid. Profit is usually attached to a high market share. It usually arises when you are in a growing market. It usually arises when you're supplying key components of something in the network economy. If your company supplies the shell or the housing to a PlayStation it might not be as profitable as Sony that supplies all the intelligence and so on. You need to have some key part of the whole offering in order to be profitable. But I think the whole network needs to be analysed where there are pockets of profitability of returnees and that probably comes from whether you're - let's continue with the PlayStation: If you have a necessary component of the PlayStation then you have some type of power base, of course. And a necessary component would be the housing or the enclosure of the PlayStation. You can be interchanged, yes, you are quite dependent. But you're a supplier to Sony - you are necessary but not vital - Sony has the architectural and Sony sits on the brand name and on the customer interface. So you should probably also write brand name on that, that's the key. Then we have the games outside - they're also part of the system but they are more stand-alone competitive but they're on the PlayStation platform. They depend on high PlayStation sales but they cannot only depend on high PlayStation sales, they have to be good in themselves.

Clip: Growing Market

IP 01: If we have a business unit and it wants to be profitable and we put the boundaries on it that it should be a touch/flavor of new economy over it. (...) Another dimension that we didn't speak about before is that part of that new economy is of course related to finding new ideas. That comes into being profitable. (...) Lots of the classic strategic insights are still valid. Profit is usually attached to a high market share. It usually arises when you are in a growing market. It usually arises when you're supplying key components of something in the network economy. If your company supplies the shell or the housing to a PlayStation it might not be as profitable as Sony that supplies all the intelligence and so on. You need to have some key part of the whole offering in order to be profitable. But I think the whole network needs to be analysed where there are pockets of profitability of returnees and that probably comes from whether you're - let's continue with the PlayStation: If you have a necessary component of the PlayStation then you have some type of power base, of course. And a necessary component would be the housing

or the enclosure of the PlayStation. You can be interchanged, yes, you are quite dependent. But you're a supplier to Sony - you are necessary but not vital - Sony has the architectural and Sony sits on the brand name and on the customer interface. So you should probably also write brand name on that, that's the key. Then we have the games outside - they're also part of the system but they are more stand-alone competitive but they're on the PlayStation platform. They depend on high PlayStation sales but they cannot only depend on high PlayStation sales, they have to be good in themselves.

Clip: Market Development

IP 01: Yah, I mean partnering becomes very important, even in this phase. In this phase, it becomes very important to be very segment-focused. And in this phase it's mass-market. (...) Market development here it's sort of you want to create network effects so that this market grows like this and not dies off. Therefore, you have to develop relationships with your partners very early in the phases. Then, it has good thoughts here about how to be very specific in addressing the customer so you are basically working at the market share. When you then hit this point somehow and you've been successful, then it's sort of your market share or to generate some Ipod of something like 60% or so, MS has 80% of the whole market.

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Name der Sammlung: Added Value, IP 02

Clip: Group Added Value

IP 02: Yes, it's related to the interface. The interface is how we're perceived overall. One piece of the customer interface is the easy access of the added value. Right - I would say, it's like this: Customer interface, easy access to the added value and then the profit.

Clip: Appealing Customer Interface

IP 02: Partnership by definition in this world is network. Through these partners, you have so many new connections. And the more partners you have, the better rich you get and added value here it's for example for us it's our database or how it's operated. (...) The customer interface is very closely related to the added value because if you don't have a good customer interface that is appealing to the customer, then it draws the added value down. Either it's directly linked to the added value or I would say that added value is not perceived as added value unless you have a good interface.

Clip: Added Value

IP 02: I think that - and this is my strong belief - I think that you have to have added value to the customer that's the key. Another factor in this network economy is the ease (...) That it's easy to use - the easy access. That the service is facilitating - say that instead - it should be easy to use.

Clip: Easy Access Use

IP 02: No, well, I would say like this: The customer interface is part of the added value. It's so tied together that it's close to the same thing. You could have a marvellous database but if you don't have a good customer interface (...) The ease and the access to - easy to use, easy to get into, to get out to, to connect to, whatever. Then, it's not perceived as that good added value after this, right here. So the customer is very closely related to this one. And then, the customers, they're all around. They're from here, here, here. I would say if you have the customer, you would draw a circle like that. See - because we get them from everywhere.

———————————

Name der Sammlung: Cost Efficient Organization, IP 02

Clip: Cost Efficient Organization

IP 02: Yes. (...) I also would say that profit is to be cost-efficient, to get that good profit is to be cost-efficient. To organize the company in a clever way.

Clip: Human Resources

IP 02: Well (...) In this area here, there are many entrepreneurs. Many of them - and that was also the case with us in the beginning, we had no money at all. But now we have some money. But we didn't have any money. No money at all in the beginning. That is also very often the case but, anyhow, this area here (...) what's right - it's us, being entrepreneurs, of course. But it's also this neighbourhood here, it's entrepreneurial driven. And we don't think it's so important to have a fancy face. What we'll focus about is the business and to do it as efficiently as possible. (...) That's one part of the cost, where do we have our situation. But then also the people you attract. The people who can think about working here, I mean I have very talented programmers, for example - a couple of them. And they like working here. And they have the right attitude. So they're part of the cost-efficiency. To get the right people.

Sven: So, in somehow, human resources.

IP 02: Yeah. The fancy people, they can work at Stureplan if they want to. But we create business.

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Name der Sammlung: Network, IP 02

Clip: Network

IP 02: Partnership by definition in this world is network. Through these partners, you have so many new connections. And the more partners you have, the better rich you get and added value here it's for example for us it's our database or how it's operated. (...) The customer interface is very closely related to the added value because if you don't have a good customer interface that is appealing to the customer, then it draws the added value down. Either it's directly linked to the added value or I would say that added value is not perceived as added value unless you have a good interface.

Clip: Partnerships Bring Information

IP 02: In relation with that what we talk about very much is the interface. The customer interface. (...) It's closely related with this easy access thing. The customer interface must be or should be appealing to the customer. (...) I also think it's the partnership - as we talked about before - I think that partnership is very important in this type of business. You need partners because these partners, they bring information to their groups. You see what I mean? They open up their channels. (...) And they're interested in having, again, added value to their members or to their partners or to whatever.

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Name der Sammlung: Costs, IP 03

Clip: Costs

IP 03: Yah. But if I structured it, profit is a function of top line and costs. Total sales and costs. You can do a number of things in order to differentiate and secure that you have good revenues or a good top line. And that is by providing value and customer experiences that are superior and then, on the cost side of life, it is all down to productivity: being more efficient and effective

than your competitors.

Clip: Cost Effectiveness

Sven: So, the effectiveness influences the costs.

IP 03: Yes, or even put it this way. (...) What will be very important to ensure profitability over time is innovation. That is crucial. There are different types of innovation. There are innovations related to the sales side of life - if you're able to innovate, to provide even better value, if you're better than the competition and if you very early in the process, identify and understand what your customers want from you - now and tomorrow - as well as innovation on the entire internal machinery - so that you are becoming more effective in various types of processes. Process innovation and things like that.

Clip: Productivity

IP 03: Yah. But if I structured it, profit is a function of top line and costs. Total sales and costs. You can do a number of things in order to differentiate and secure that you have good revenues or a good top line. And that is by providing value and customer experiences that are superior and then, on the cost side of life, it is all down to productivity: being more efficient and effective than your competitors.

IP 03: Yes, innovation is the key in both areas. (...) But - since we talked about total market and market attractiveness up front - this is more from a corporate strategy perspective as I see it. So that you're going for the right market where the opportunity is big enough and interesting enough. Once you've decided for a certain direction whether that is in the communications market, whether that is in the luxury-automotive market or whatever it might be, then it is instrumental for you to be able to provide superior customer value through innovation in order to secure top line and both your internal and extended ecosystem needs to be more efficient and productive compared to the competition [to what the competitors are offering].

Clip: Internal Productivity

IP 03: We had it here: Importance of driving innovation. To make sure that you - looking at the product life cycle curve - continuously inject in terms of new products and services. (as well as on ...) There are different kinds of innovation zones: This is to get new stuff in, here in the maturity zone there are two ways to differentiate: Either you are providing superior customer experiences, superior customer value on the products - alternatively - but that is only for one player in each market, you are the cheapest. The alternative is on the internal side where you have superior productivity. Then you need some kind of innovation at the end of the product life cycle to maybe extend it a little bit more. But over time you will need those resources injected into new product instead.

————————————

Name der Sammlung: Customer Value, IP 03

Clip: Customer Experience

Sven: You had "value for customer" and "customer experience", is that right?

IP 03: Yah. But if I structured it, profit is a function of top line and costs. Total sales and costs. You can do a number of things in order to differentiate and secure that you have good revenues or a good top line. And that is by providing value and customer experiences that are superior and then, on the cost side of life, it is all down to productivity: being more efficient and effective than your competitors.

Clip: Customer Value

IP 03: Yes. (...) The customer is always the starting point. You need to differentiate, be able to provide a superior customer value - if you wish - or customer experiences. And once you have identified your target market - and that is kind of external, you need to understand what the market wants/needs - internally, you need to be more efficient and effective, in other words productive than the competition in order to be able to make profit on delivering at least as well as or hopefully better than the competition but more cost-effective. That's what will drive your profit. There are many other factors coming into this because you need to make a market segmentation. You need to understand the total size of the market because it might be a subsegment of the market which is highly profitable but it's way too small. So, there's no reason, really, for going after it.

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Name der Sammlung: Innovation, IP 03

Clip: Innovation

IP 03: Yes, or even put it this way. (...) What will be very important to ensure profitability over time is innovation. That is crucial. There are different types of innovation. There are innovations related to the sales side of life - if you're able to innovate, to provide even better value, if you're better than the competition and if you very early in the process, identify and understand what your customers want from you - now and tomorrow - as well as innovation on the entire internal machinery - so that you are becoming more effective in various types of processes. Process innovation and things like that.

Sven: So, I don't know if I'm right. But maybe you've two sides: One side is the internal side of the company and the other side is the market, for example, and the innovation. Or can you yourself influence the innovation?

IP 03: If you're a successful company, you are driving the innovation because in many customer segments there might be either not be needs yet or small needs, for the end-customers have not yet understood what they might be asking for in the future.

Clip: Product Service Lifecycle

IP 03: Absolutely. And product life cycle - product and service life cycle is something we have to get in there somehow. This is [links] back to your portfolio thinking. Over time, you have to make sure you're not only sitting with mature products and services but continue to drive and inject innovation by introducing new things where you have a strong belief that they are to be accepted by the market place.

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Name der Sammlung: Target Market, IP 03

Clip: Target Market

IP 03: Yes. (...) The customer is always the starting point. You need to differenciate, be able to provide a superior customer value - if you wish - or customer experiences. And once you have identified your target market - and that is kind of external, you need to understand what the market wants/needs - internally, you need to be more efficient and effective, in other words productive than the competition in order to be able to make profit on delivering at least as well as or hopefully better than the competition but more cost-effective. That's what will drive your profit. There are many other factors coming into this because you need to make a market seg-

mentation. You need to understand the total size of the market because it might be a subsegment of the market which is highly profitable but it's way too small. So, there's no reason, really, for going after it.

Clip: Competition

IP 03: Mmh, the competition needs to be somewhere in the picture. (...) And your relative strength versus the competition. I'm not sure where we should place it, but...

Sven: It has to do with the market, hasn't it?

IP 03: Oh yah, it certainly has. As we discussed before it's very much about having a strong hypothesis on which market is most attractive. And that itself is a function of size, of growth, of existing competition and of potential future competition. Are there others who also find that piece of the market very compelling, who are investing strongly in order to become strong there?

Clip: Relative Strength

IP 03: Mmh, the competition needs to be somewhere in the picture. (...) And your relative strength versus the competition. I'm not sure where we should place it, but...

Clip: Market Size

IP 03: Oh yah, it certainly has. As we discussed before it's very much about having a strong hypothesis on which market is most attractive. And that itself is a function of size, of growth, of existing competition and of potential future competition. Are there others who also find that piece of the market very compelling, who are investing strongly in order to become strong there?

Clip: Growth Organic Merger

IP 03: You certainly have to change over time because all products and services are somewhere in the product life cycle. Hopefully, you have sufficiently [products] in an early phase because it is typically in the mature market where margins start to erode before they dip and then you need to be able to pump in new things. And that is also ways to link back to the corporate strategy because if you are thinking [considering] to expand your existing market you have to move into different areas. And yes, you can do [that] by either organic growth or you can acquire companies that are already good at things and then merge them into your ecosystem in a suitable way. Whether that is total acquisition, whether it's joint venture, it all depends on the situation as such.

Clip: Time

IP 03: (...) There is always the time dimension coming into play as well because if you want to insure profits - at least short term - it most often needs to be something that is somewhat close to what you already know. I mean moving into a totally new business where you have no idea about the business, the business landscape, etc. That's probably not a good idea. But over time, all fixed things are variable.

Sven: So it's the question to be with the right product in the right market on the right time? Or is it rather the question how to change your products and services over the time?

IP 03: You certainly have to change over time because all products and services are somewhere in the product life cycle. Hopefully, you have sufficiently [products] in an early phase because it is typically in the mature market where margins start to erode before they dip and then you need to be able to pump in new things. And that is also ways to link back to the corporate strategy

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Sven: So, time and growth does also fit to the market?

IP 03: Absolutely. And product life cycle - product and service life cycle is something we have to get in there somehow. This is [links] back to your portfolio thinking. Over time, you have to make sure you're not only sitting with mature products and services but continue to drive and inject innovation by introducing new things where you have a strong belief that they are to be accepted by the market place.

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Name der Sammlung: Brand Building, IP 04

Clip: Brand Building

Sven: Would you call it brand building?

IP 04: Yeah, you could call it brand building. I don't know what you call the other one since I've not studied in this field but I don't have a lot of experience. I don't always know the right terms. And then I have the directive revenue-creating marketing which is directed personally to the potential buyers. Yeah, I'm an old friend of a marketing guru who calls that regional marketing only because it's targeted via the sales person or the local marketing and the message is adapted to each market, to each cultural difference which you might have in that market. So it's a much more specific message. I will not do any brand building - I will not spend one Swedish Krona on that if I don't have to because it won't give me short-term revenue and that's what I need.

Clip: Awareness

IP 04: Yah, but, we haven't yet started to sell the product so what I'm doing is trying to build a network of opinion leaders in the field to whom I can give away stuff for free. I maybe even buy them space in conferences, I fly them into conference to give talks and gain nice results. And try to work that way instead of lying advertisements which is not always so efficient. There are always these two different parts of marketing: One part of creating awareness, building your name and your reputation and then you have this sort of marketing which creates revenue.

Clip: Personal Network

Sven: So you're building up a kind of personal network?

IP 04: Yes.

Sven: Where you try to sell the...

IP 04: Yah, but, we haven't yet started to sell the product so what I'm doing is trying to build a network of opinion leaders in the field to whom I can give away stuff for free. I maybe even buy them space in conferences, I fly them into conference to give talks and gain nice results. And try to work that way instead of lying advertisements which is not always so efficient. There are always these two different parts of marketing: One part of creating awareness, building your name and your reputation and then you have this sort of marketing which creates revenue.

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Clip: Opinion Leaders

IP 04: Yes, it is certainly, but that's more than, much more than four. But the thing is, we don't want the people to even think about it. It should be so personal that they don't think about it [consider it to be] as a commercial letter but rather as an information letter. "Hey guys look what we have discovered here, this we can do now, so if you are interested, come check it out." And that's why the opinion leaders are so important. They can help us with fine tuning the message - what is really hot at the moment.

Sven: Opinon leaders - I have that one as well.

IP 04: They come in to build a personal network somehow.

Sven: So, you try to get these leaders into your personal network?

IP 04: Yah, exactly.

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Name der Sammlung: Flexibility, IP 04

Clip: Flexibility

Sven: You're right. We talked about the distribution (...) and how you could make the customer do some of the work.

IP 04: But it definitely belongs to lower costs. It makes it possible for me to upgrade and to change - in other words flexibility. It adds flexibility to my products.

Sven: Yes, perhaps "flexibility" fits better to your picture. Where do you have that? On the customer's side? Because if you have a new product, you might need a new mail campaign or even a new personal network for the product.

Clip: Web Shop Page

IP 04: The big advantage - as you say - if I changed the product completely, I'd still have to grieve you with all of this. (...) I'd still have my webshop, my web page. Let's say that we want to change, we want to sell lady's underwear instead of these products. That means that everything that has to do with networking goes [is no longer useful]. Branding still exists, my company name exists, some parts will be lost but I still have my company name and that has a value. This doesn't have to change much. Actually, the lists, the commodities they can just change the parameters of selling. What goes is this part. This is the only thing that goes if I started to sell lady's underwear instead of DNA kits.

Sven: But then your webshop assures the flexibility.

IP 04: Yes, I just need to change the product numbers.(...)

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Name der Sammlung: Internet Channel, IP 04

Clip: Internet Channel

IP 04: Well, the reason for doing this is not to creating awareness but to channel customers to our place. If they search with the specific terms on the net, (...) the key problems that we are

addressing, our ad should pop up. Of course, our web page should be high [on the list], as high as possible. That costs quite a lot of money to optimize. We still do that but it's very difficult to beat the big guys on this. But the Google adwords, if I'm smart, I might be quite higher on the list. That might have something to do with the internet as a channel or internet marketing. (...) Well, this is not super-easy.

Clip: AdWords MailCampaigns AdSpace

IP 04: Well, we have to think about what it really does. It's a way to channel my customers to my web page which we don't even have here. But the web page is supposed to be one of my prime selling tools where I have all my value proposition - well, it's my virtual sales person. And the Google adwords and the mail campaigns and the advertising space, everything is to channel the customer to the web page. So, this addresses my suspects and funnel them to the web page and adwords as well, where the web page will make them into leads. On the web page, they have the possibility to register without buying stuff. When they are registered, they can download information. They can download a lot of stuff. That's how it fits together.

Clip: Buy Space

IP 04: If we move the profit away a bit, put the webshop there, put the adwords somewhere here. Space for ads and buy space. That's all of the same thing. That one goes to the webshop and the adwords go to the webshop. (...) This one doesn't really fit. Of course it is not really to create awareness. Think! I go to the market place with my web page. I have seen that all my customers go here or at least the big portion of them. I have my banner there, it says "[my company], the greatest things ever" and "Click this click here and you will be happy the rest of your live". And the customer goes "Oh I want to be happy", click and he comes to my web page. This is also to create traffic on my web page. Really. But this is no benefit that doesn't really fit.

Clip: Purchase Lists

Sven: How do you purchase these lists? Could you give [determine] criteria for the companies who sell these lists? What you want to have?

IP 04: Yes, I go to a company and I say: "I want to have a list with all the people you can find who work with EGFR, etc. - which is a quite common receptor in cancer research - I want people that work with exactly this type of leukemia. So that means when I send my e-mail, I can have four [three] groups, for example: one that works with breast cancer, lung cancer, leukemia. This is not the real case, but an example. To the leukemia scientists I can send an e-mail with the headline "New ways for you to do your leukemia research". And the same way with the other ones. This is a very powerful tool for me to personalise or to focus on the target audience [groups].

Sven: And these companies, how do they get the lists? Do they research on the net?

IP 04: Probably yes. I don't know. There are list around. Most of this is available on the net, so if you have unlimited time and the software you can get it yourself. You also have to member of certain clubs to be able to get this. But these companies are specialised in finding names [address data] and defining key words related to them. And it's not very expensive.

Clip: No Spam

IP 04: Partly. It depends on what kind of products you sell. If you sell instrumentations that cost 100 000 to 150 000 euro, you get some sort of awareness through the e-mail campaigns. I believe that we selling our reagitkits for 6000 Swedish Kronor which is rather a commodity,

we'd be more successful. I've been selling some stuff around 100 000 Swedish Kronor with quite a good success with mail campaigns. We're going to try to give it a short list [???] to drive a couple of e-mail campaigns now. Carefully - not to spam the customers. Together with other more traditional marketing activities.

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Name der Sammlung: Lower Costs, IP 04

Clip: Lower Costs

IP 04: How my company should gain profit? Of course, I gain profit by selling items which I have a positive cog, possibility marginal. But the gain of profit compared to normal selling is that I have much lower sales and administration costs since I get the customer to do quite a lot of the administration work. With filling in all the details and all that stuff. That concerns the webshop as it is but if we widen the perspective and look at the internet as a market place instead. Where the webshop if just a small tool. My big gain here is if consider the internet as my marketing segment, that's where I meet my customers, this is my interface, the place where I meet my customers (market place) then I don't need local representation everywhere. I might have for different reasons but probably not for sales but rather for holding the marketing message. If I consider the internet as my main marketing channel, I don't have to think about expensive ads because I don't meet my customers in paper magazines but on the internet. I just have to find out where my customers are. Where do my customers go? And I know that bit. The problem is, they don't always sell advertising space to me but that's another problem.

Clip: Customer Does Work

Sven: Yes, I did. And the customer that does the work?

IP 04: Yah, that's pretty much lower costs. The "customer does work" is - well - lower costs are a function of customers themselves doing the work.

Sven: So, we have a relation like this. If the customer does a lot of work, you will have lower production costs, maybe not.

IP 04: Selling costs.

Sven: Administration cost, selling costs. If he types his address himself for example.

IP 04: Instead on me having an assistant to do that.

Clip: Less Representatives

Sven: When you use the internet (...) as a channel - if it doesn't fit, you could just invent [intervene] - and with the internet as a market, you have less representatives?

IP 04: Yah. That also gives me lower costs.

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Name der Sammlung: Changing Demands, IP 04

Clip: Changing Demands

Sven: Then we have "digitalisation that changes demands". And "new technologies".

IP 05: Yes, that's of course, that's, ahm, a prerequisite, it's, sorry, with out it we would not exist in this form. We would not use this. We will not be in the new economy or in the network economy if there has not been a change in technology.

Sven: So, maybe that's behind everything?

IP 05: Yes, without, true. That's sort of like a, without it we would still be scanning photos like this.

Sven: And then we have the "new technologies".

IP 05: Yes, almost the same as that.

Sven: As "digitalisation"?

IP 05: Yeah.

Clip: New Technologies

IP 05: Yeah, once again, if I have a business model where I am only talking on the phone and having my partners sending me business and I produce it and send it on. That's not really network economy. That's what we used to do before. But as your definition of network economy there is that we use new technology to gain new customers and also the, the technology is fundamental in the production process. Then, yes, I would say that having your web page that's your face to the world. So to speak. And...

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Name der Sammlung: Customer Care, IP 05

Clip: Phone Adress

IP 05: No, that is true yes, yes. When you offer a service you want the people out there to send you their money and you give them something in return. You have to create the impression that you are a respectable company, that you will not fool them. Because a lot of people are reluctant to using their credit cards or money or stuff like that. So, to have a proper address, a real address, not a box address in Sweden not in Poland or something like that. And a time and phone number and a name, a person who answers the phone and says: Hello, this is _ [name]. That is I would say important to creating the trust that's needed for people to use your service. And internet marketing that's of course to, to get new customers. (...) We have a lot of people who go on the internet and say: Ah, I want to make a calendar with my children. They, it's December and I want to have it for Christmas presents. I go to Google and I have been online/named/listed there. I think it's, it's a separate unit. It's not really, it, it costs money but it also generates more customers. So, it increases your profit.

Clip: Customer Care

IP 05: Yeah, doesn't have to be cool or anything. Doesn't have to be smart or very like that. But it has to be functioning, has to give a lot of information that the user is asking for, that, relevant information for your service. Ahm, it has to be totally clear about what you are offering, how to pay, when it will be delivered etc. etc. Stuff like that. That's what I mean with respect of the users time and integrity. Ahm, what else? I think it's very important (...) Okay, now when I am working for [my company], which is the name of my company now, we have a fairly large amount of users who are not internet experts. Have a lot like older people and uneducated people and stuff like that. When I worked for Company ABC we would have, it was younger, more fashionable. Now, is a little bit older and something like that. So, I think it's very important when you are dealing with people like that, you must have a well functioning customer care function. That means that you must have a, a phone number and a real person answering it. So, people can call and say: Hi, where is my calendar? You know? And I think I a lot of web companies don't have this. They, they don't have the money to have a person sitting there answering the phone all day. So, several web companies don't even have a phone number on their web page.

Clip: Webpage is Face

IP 05: Yeah, <u>once again</u>, if I have a business model where I am only talking on the phone and having my partners sending me business and I produce it and send it on. That's not really network economy. That's what we used to do before. But as your definition of network economy there is that we use new technology to gain new customers and also the, the technology is fundamental in the production process. Then, yes, I would say that having your web page that's your face to the world. So to speak. And...

Sven: So, before you might have had a fancy building for your customers.

Clip: Presence Online

IP 05: [Yes.] Also customer care. That's actually not, not really here but I would say the consumer care has to do with, with this. It's about creating availability. And...

Sven: So, not only the presence online but [presence at all].

IP 05: No, that is true yes, yes. When you offer a service you want the people out there to send you their money and you give them something in return. You have to create the impression that you are a respectable company, that you will not fool them. Because a lot of people are reluctant to using their credit cards or money or stuff like that. So, to have a proper address, a real address, not a box address in Sweden not in Poland or something like that. And a time and phone number and a name, a person who answers the phone and says: Hello, this is _ [name]. That is I would say important to creating the trust that's needed for people to use your service. And internet marketing that's of course to, to get new customers. (...) We have a lot of people who go on the internet and say: Ah, I want to make a calendar with my children. They, it's December and I want to have it for Christmas presents. I go to Google and I have been <u>online/named/listed</u> there. I think it's, it's a separate unit. It's not really, it, it costs money but it also generates more customers. So, it increases your profit.

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Name der Sammlung: Get Customer Back, IP 05

Clip: Get Customer Back

IP 05: Yeah, you can fool Google. If you are, if you have the resources. But we don't have time for that, so we buy, we pay the money. So, marketing I think it's vital. And also to use, we are not very good at this but we should be better, to use customer relation management tools. For instance that you, of course, we, we collect our customers email addresses and stuff like that. And we should be better at, at getting back to them. Cause, if you once had a relationship with a customer. The customer has paid you money, you have delivered a service or a product and, ahm, he is happy. Then you are stupid if you don't come back half year later, saying: Hi, remember us. Now, we also offer photo books. You did a calendar. Or: Your, your child which you made a photo book for a year ago must now be older. Maybe you want to make a new photo book or something like that. So, to, ahm, it's much easier to get a customer to return to you then to find a new customer. That you have to spend a lot of more time and effort in [on] convincing a new customer. (...) I don't know if I have any more things to tell you. And these are, this is, I could go down to the bookstore and find a book on: How to be successful in the internet over time.

Clip: CRM Tools

IP 05: I, I have ideas about this. We should have a, some kind of login function. And that the customer could login to his account. And he could write on different dates. Like February 16th

my birthday. October 4th blablabla. And then we print that on his calendar. So, when he gets the calendar all the birthdays are there. And then the next year.

Sven: He doesn't want to do it again.

IP 05: No, he doesn't want to go to a different company because it costs him two hours to do that. So, and we would save that and he would login to the same account and he would, he could change a little bit. But...

Sven: So, does that fit to the "customer relationship management"?

IP 05: I think it's a very important, ahm, feature of the network economy. Ahm, I think it's also independent. Maybe, yeah, customer relation tools. This is actually. If we have customer relation tools then we don't need t buy as much internet marketing.

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Name der Sammlung: Respect User, IP 05

Clip: Respect User

IP 05: Well, of course you have to have, this is just general key points for running a successful web presence and that is that you have to respect your user. You have to understand that the user can leave your, your website with only one click. So, it has to be, ahm, you have to respect your user's time and the user's integrity. Also when it comes to integrity, I think, ahm, privacy, user privacy is what we in Sweden call integritet. Ahm, has to be respected. Cause if you ,for instance, if you collect email addresses and then use it for sending spam, users will never go back to you. So, that's one thing. Ahm, secondly, well, you have to make of course, this is not unique for, well, it's unique maybe for the network economy, because you, the network economy means that you have the bulk of your presence online. So, you are only what you are on the web page. If you are not there, if you are not offering anything on your web page then you are not really in the network economy.

Clip: Privacy

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Name der Sammlung: Cost Efficiency, IP 06

Clip: Cost Efficiency

IP 06: Yes, the use was unique. Now we have unique product like interactive utbilning [education] called Släktvis. That's a unique product for [my company] or for Genealogy in general. You need to be [have] future-oriented [products]. Maybe you could develop a better solution or a totally new product that the market is not familiar with. Future products, it's a lot in that

card. In order to make profit it is also important to have good suppliers or partners. The partners standing on your side to develop the new ideas. (...) The suppliers, you could have low-cost but you need to have suppliers with good solutions. Maybe you could change a paper company or make some new T-Shirts or whatever. You need to have a good product in the end. But if you could pay less money to them or take another company. It's cost-effective...

Sven: Cost-efficiency?

IP 06: Yah, that's the word I was looking for. To make profit you also need a good selling spirit. If you don't marketing some new product, you can't sell, you can't earn money. You need to have: "Yes, today I sell this one. It's just 100 Crowns. Anyway 100 Crowns. I need to sell." This selling spirit / thinking. And you also need to take chances on new products. [be creative and flexible.] Maybe this product was not so good for this market/ customer area. But maybe we could have this on a fair and we will sell lots of it. You need to take a little, little chance [risk] on products, too. So, I don't know how to call that.

Clip: Production Costs

Sven: Maybe you have a kind of border here? Because as you said you need the team spirit or the cost efficiency on your production side. You need it for the products and for the marketing but not for the customer, of course. He is [somehow] independent.

IP 06: Yah, exactly.

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Name der Sammlung: Marketing, IP 06

Clip: Marketing

IP 06: Marketing, of course. It's a big issue how you are going to do it: Is it Just banners? Because [my company] uses a lot of banners on the partners' sites. Or ads in the newspaper? Which newspaper, the general local papers? It's always a tricky question where to have ads because ads are so really expensive. (...) Then we have our home page, of course. (...)

Clip: Selling Spirit

IP 06: Yah, that's the word I was looking for. To make profit you also need a good selling spirit. If you don't marketing some new product, you can't sell, you can't earn money. You need to have: "Yes, today I sell this one. It's just 100 Crowns. Anyway 100 Crowns. I need to sell." This selling spirit / thinking. And you also need to take chances on new products. [be creative and flexible.] Maybe this product was not so good for this market/ customer area. But maybe we could have this on a fair and we will sell lots of it. You need to take a little, little chance [risk] on products, too. So, I don't know how to call that.

Clip: Campaign

IP 06: Ahm, That's a good one. I just have to think how to apply it on [my company]'s products. I think it's good, because we have different campaigns nearly each month. That's one thing. We start a campaign for a couple of days, maybe one week or one day, then we drop it and launch another [the same] campaign six months later but the same. It's more like shorter life cycles for just the product.

Clip: Ads Banners Homepage

IP 06: Marketing, of course. It's a big issue how you are going to do it: Is it Just banners? Because [my company] uses a lot of banners on the partners' sites. Or ads in the newspaper? Which newspaper, the general local papers? It's always a tricky question where to have ads because

ads are so really expensive. (...) Then we have our home page, of course. (...)

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Name der Sammlung: Product, IP 06

Clip: Product

IP 06: Generally, I think, I will have [my company] in focus. As a small / medium company. The first thing is employees good mode, I mean team spirit, that's so very important. Because, [my company] is a little, little small company and if the team spirit isn't good, [the sales won't run smooth]. Team Spirit. Satisfied customers. We have private customers and [public institutions like] museums and libraries as customers. It's very important to have all of them happy. A big share of our profit comes from the archives, museums - the organisations - because they have private [visitors]. They are sitting there, seeing our products there. Then they go home and take a private subscription. And then we will make more money. So we have a double profit there. (...) Then, of course, a good product. In our case, we have the Swedish church records for now. We always look into the future to have more products [enlarge the range of products we offer]. For now, we have our database or archives. A couple of years ago we tried to sell books and CDs. Help products to help our customers find their roots. So, a very good product is important to make profit, of course.

Clip: Unique Product

Sven: Do you think the product has to be a unique product?

IP 06: Well, when we came on the market, we were the only company. Our product was unique in the way that you could research online. You could search the old material, the old church image online. You don't have to drive your car to Valstella archives 20 miles away and looking on these microfiche cards. That's the point that our product was unique. We were first in the world to have this online. It's depending. Unique yes or no. Our product was not unique, because you could find the same material, but in another way. It was unique, because you could just sit at home.

Clip: Unique Use

Sven: Yes, the use was...

IP 06: Yes, the use was unique. Now we have unique product like interactive utbilning [education] called Släktvis. That's a unique product for [my company] or for Genealogy in general. You need to be [have] future-oriented [products]. Maybe you could develop a better solution or a totally new product that the market is not familiar with. Future products, it's a lot in that card. In order to make profit it is also important to have good suppliers or partners. The partners standing on your side to develop the new ideas. (...) The suppliers, you could have low-cost but you need to have suppliers with good solutions. Maybe you could change a paper company or make some new T-Shirts or whatever. You need to have a good product in the end. But if you could pay less money to them or take another company. It's cost-effective...

Clip: Future Product

IP 06: Yes, the use was unique. Now we have unique product like interactive utbilning [education] called Släktvis. That's a unique product for [my company] or for Genealogy in general. You need to be [have] future-oriented [products]. Maybe you could develop a better solution or a totally new product that the market is not familiar with. Future products, it's a lot in that card. In order to make profit it is also important to have good suppliers or partners. The partners

standing on your side to develop the new ideas. (...) The suppliers, you could have low-cost but you need to have suppliers with good solutions. Maybe you could change a paper company or make some new T-Shirts or whatever. You need to have a good product in the end. But if you could pay less money to them or take another company. It's cost-effective...

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Name der Sammlung: Satisfied Customers, IP 06

Clip: Satisfied Customers

IP 06: Generally, I think, I will have [my company] in focus. As a small / medium company. The first thing is employees good mode, I mean team spirit, that's so very important. Because, [my company] is a little, little small company and if the team spirit isn't good, [the sales won't run smooth]. Team Spirit. Satisfied customers. We have private customers and [public institutions like] museums and libraries as customers. It's very important to have all of them happy. A big share of our profit comes from the archives, museums - the organisations - because they have private [visitors]. They are sitting there, seeing our products there. Then they go home and take a private subscription. And then we will make more money. So we have a double profit there. (...) Then, of course, a good product. In our case, we have the Swedish church records for now. We always look into the future to have more products [enlarge the range of products we offer]. For now, we have our database or archives. A couple of years ago we tried to sell books and CDs. Help products to help our customers find their roots. So, a very good product is important to make profit, of course.

Clip: Private Institutional

Sven: Then you had the customers - institutional and private customers. And you said that the institutional customers might lead to new private customers.

IP 06: Yah and that [applies to] Sweden and to the international [market] because we have libraries and museums in the States. We have libraries and in Denmark. (...)

Sven: Do the libraries get free access?

IP 06: No, they subscribe for 5000 Crowns. And then they could have a county licence agreement. If Jönköpings county buy some [my company] licence, we grant a discount. We have lots of them, about 300 libraries and museums in Sweden. So it's big. Lots of the communities [counties].

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Name der Sammlung: Market, IP 07

Clip: Market

IP 07: Yeah, what is basic for profit? It's always the market which is related to timing of course. You need a certain amount of people asking for the product. Otherwise you have a problem. What I know see as a big problem for us, or not maybe as a problem, but as a challenge is to have basic amount of money. To be able after all to do a little marketing to be, to show people that you are there. Well, I think that plays an important role as well. And then of course, that's maybe what you don't think about first, but the idea. You need a good idea.

Clip: Amount of People

IP 07: Yeah, I think amount of people was connected to market. Like having a certain demand. If I remember right. On the market, exactly.

Sven: So, the amount of people influences the market? Or the market...

IP 07: No, the amount of people that want my product is a part of the market.

Sven: Okay, so it should be like this [Arranging cards]. And then we had the amount of money that you need.

IP 07: Exactly, that would be advertising. Where would you place that? That as well goes to the market I would say. To the amount of people. That you want to reach. Like with the message.

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Name der Sammlung: Relations, IP 07

Clip: Relations Business Personal

Sven: No, when we have made your picture I have also some small cards. I want to know if they fit in your picture. If you don't have anymore at the moment that's not a problem. So we could just try to structure them and then maybe something else is coming to your mind. While we are doing that. So, you started with business relations and you said: Personal business relations. Are there other business relations as well that you need besides personal?

IP 07: Not really in my case. No, so that's probably why I said personal is so important.

Sven: Okay, so maybe we could just put them together [Arranging cards] as a cluster.

IP 07: Exactly, ahm.

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Name der Sammlung: Timing, IP 07

Clip: Basic Conditions

Sven: Then I think you had the timing. That you don't have always to be the first. And that important for the timing is also that you have certain conditions that the market has to fulfil.

IP 07: Yeah, exactly. Market is very related to our business.

Clip: Timing

IP 07: Ahm, well, the first thing that comes to my mind, maybe there is not much more coming, but that is business relations I would say. And I mean personal business relations. Like contacts, like knowing the right people for example suppliers, the right timing I think is very important as well. That is not just meant to be like the first. It's always good to be the first may be. But it's not always best to be first. Maybe it's better to wait a second sometimes. I think that plays a big role, too.

Clip: Not Always First

Sven: Why? To wait? To let the others make the mistakes? Or...

IP 07: No, I wouldn't necessarily say that. If I look at my own business self for example, I think, we are planning to go to come to the German market some time. And everybody say: Why don't you? why don't you? And I think it's not ready yet. It's just not ready. For example, I take that example, we, it's a web shop and you have to pay with the credit card and I just see the people around me, in Germany, non's [none] of them don't even have a credit card. So, the basic conditions are just not there. In that case it's maybe good to wait a little bit.

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Name der Sammlung: Communication, IP 08

Clip: Communication

IP 08: Yes. I mean, that's a qualifier for us, because if we don't have important products then we have competition from other where. That's more general. And they, and they provide, ah, we have the same thing for nothing. But so it's very important for us and it's also important for

us to communicate this. Of course.

Sven: Communicate the value? The product?

IP 08: No, to make the customer understand what value we create for them.

Clip: Business Cases

Sven: Ahm... How do you, do you get this communication?

IP 08: Business Cases.

Sven: Business Cases? So, ahm...

IP 08: If you have a prospective customer that's interested. Then on very early stage, we want together with the prospect to make a Business Case. And see: If you use our system you can make this much money, so we can show to the customer the value. So we can get the customer to accept the value.

Sven: So you use the Business Cases for the communication?

IP 08: Yes.

Clip: Control Groups

IP 08: Ahm, and of course this is also important: Business Cases you could say Case Studies of course references is also very important for a small company as we. So, Case Studies for references.

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Name der Sammlung: Costs, IP 08

Clip: Costs

IP 08: No, no, actually not. Because if... Or I mean that's a... If we look at costs, costs that's another part that we have made, if you could make some connection to Network Economy and say that of course we had outsourced quite a lot of our production capability. Just before we had 13 computer engineers that were programming in architect. Now we have, we don't have one single one on a monthly pay role. We have all of them by the hour or by long... Now we have the architect that build the system, is in a project for three months now. So, now we have him for full time and then maybe we just use him half time and we use some others. Still it is the same programmers so we are keeping the knowledge of all of the people. And also we are very good at documenting. We are working according to these, ahm... don't know about this... Rational Unified Process Method for system developing and documenting.

Clip: Documentation

Sven: And that includes a versioning? Or documentation?

IP 08: Yes

Sven: The process? Okay.

IP 08: Of course it costs still a little bit, but it's very good to have. And especially it makes, it makes resources a little bit more exchangeable.

Clip: Keeping Knowledge

Sven: Ahm, so, you have a kind of...

IP 08: If you have very much to do you can find two consultants that have the right, the right profile, that has the right knowledge and they can make it, they can make it quite easily. Because of that you have a quite good documentation.

Clip: Outsourcing

Sven: Ahm, so, you have a kind of...

IP 08: We have a cost reduction by you could say documentation and structured process. I mean, that's the Unified Process. I would say that actually documentations increases costs, but on the other hand without documentation it's very difficult to do outsourcing. So, documentations enables outsourcing. But it increases costs.

Sven: But then outsourcing decreases...

IP 08: Decreases costs, yes. So for us this is, that one... The other result is that...

Sven: Okay. Then you had: keeping knowledge. Does that also influence the costs?

IP 08: Ahm, no, I'd say keeping the knowledge, the documentation of course keeps the knowledge.

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Name der Sammlung: Focused Products, IP 08

Clip: Focused Product

IP 08: Yes, but for, for us that's very, very dangerous to trying to customize the services, cause we have to focus. If you want, because to stay competitive. As we are talking about the New Economy, you can't say that I have an offering that fits all. You have to rather say: We have an offering that fits Media Companies that has these kind of systems. And then you have this Media company, so if you say just in the small market of Sweden and then you say that has this kind of Media system, then it's this small and then you have another qualifier and then maybe it's just a quarter of the available market. But then you are very, very, then you create a great, a great value. Because if you say we support everyone, then maybe you create very, very low value or no value at all and then it's, then it's difficult to, to support their, their Business Model. So, if you are trying to put some words to it and if we should have pruss it's important to specialize. Supporting customers Business Models maybe we should put one before here we could say that we have to be focused... Focused products or something like that. I mean that the products are not general.

Clip: Business Critical

IP 08: Oh, yes, no... but focused products, focused products is... What I mean with focused products, focused products are when you make it business critical then it's very focused, then it's customized products then you have like an integration project. So, hundreds of hundreds of hours to integrate the systems. And that is very difficult. That's one change I'd say that happened over the five years. Over five years it's very difficult to get an organization to accept an computer integration project. Because all the computer departments around, you can find, have downsized. You know they would... They are outsourced and downsized and it's very, very tight. They want to buy salespors.com [???] and Google made instead of putting up homemade service just because of, because of saving money. I don't know, in the long run if they do or if they don't, but short sighted you of course you save money when you take away cost for wages. But, ahm, so, our strategy to drive it's to go from business critical to nice to have. Still focused products, yes, very focused products but instead of saying that we are trying to offer this to anyone that wants to be integrated with couple of few hundred hours, we say that: You can install it in a few hours.

Clip: Nice 2 Have

IP 08: Yeah, then you have of course, when it comes to profit, if you comes to... Valid customer generates profit for customer which generates profit for us. [???] And profit for us of course

when you have but deducts from the profit side and that of course are costs. And we have, we started out five years ago when we employed, we employed 15 engineers mostly, oh maybe 13 of them, and a couple of business people as well. And, and ahm, but we had downsized very much, we have barely survived, in a couple of few years, you know, when everything was going down. We have been, we have been delivering, from the beginning we delivered, we tried, we tried to be as business critical as possible. If you take it from the business history point of view. Ahm, which means that you have, the sales processes gets much, much longer. You're aiming for the big bite. For the big profits. And, ahm, but that takes, the sales processes get very long, when you, when you try for that. So actually, what we have been shifting in the last years... That we have been shifting from business critical to nice to have. A feature that's nice to have.

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Name der Sammlung: Partner, IP 08

Clip: Complementary Products

IP 08: I should say that you have to, I mean, what I think is very important here is that it's sales. Because I mean, no revenue streams, no businesses at all without, without sales. So sales should actually come in maybe in between here. Put sales there and then maybe you could put line like that. And then you could say partnerships of course boost sales. Partnership that has complementary products, partnerships with complementary products.

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Name der Sammlung: Sales, IP 08

Clip: Longer Sales Process

IP 08: Yeah, then you have of course, when it comes to profit, if you comes to... Valid customer generates profit for customer which generates profit for us. [???] And profit for us of course when you have but deducts from the profit side and that of course are costs. And we have, we started out five years ago when we employed, we employed 15 engineers mostly, oh maybe 13 of them, and a couple of business people as well. And, and ahm, but we had downsized very much, we have barely survived, in a couple of few years, you know, when everything was going down. We have been, we have been delivering, from the beginning we delivered, we tried, we tried to be as business critical as possible. If you take it from the business history point of view. Ahm, which means that you have, the sales processes gets much, much longer. You're aiming for the big bite. For the big profits. And, ahm, but that takes, the sales processes get very long, when you, when you try for that. So actually, what we have been shifting in the last years... That we have been shifting from business critical to nice to have. A feature that's nice to have.

Clip: Sales

IP 08: Hm, just, you have of course partnerships. But that's on the sales sides very much, but of course it's influences the revenue stream. It would probably not influence the cost stream as much when we are delivering as an ASP system, but of course if you could shorten, if you can get into other networks via partners and then it's more partners that has a complementary product. For our case it's companies that has statistic measuring systems for example. The step from measuring your, your statistics, what we do is, that we act on end users behaviour. And they are just measuring end users behaviour, so it's a very natural step we have been discussing. We don't have any partnerships yet. But we have been discussing quite a lot with differences about partnerships, but more partnerships in sales. You know that making some sales efforts,

seminars or whatevers, some materials and then we do it together.

Sven: Where do you put it?

IP 08: I should say that you have to, I mean, what I think is very important here is that it's sales. Because I mean, no revenue streams, no businesses at all without, without sales. So sales should actually come in maybe in between here. Put sales there and then maybe you could put line like that. And then you could say partnerships of course boost sales. Partnership that has complementary products, partnerships with complementary products.

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Name der Sammlung: Brand, IP 09

Clip: Brand

IP 09: Depending on the focus you want to have. For example, if you go to Bang & Olufsen and want to have a cheap alarm clock then they will say: "Sorry, we can't offer you that." Which actually builds / gives the value to brand Bang & Olufsen. Because they are saying: "We are selling the coolness and that is expensive. Stereos for example. But define the market is the most / the first - now I'm talking about companies that are within the network economy. If you would say the first home lesson you do is: "What competences do we have in this company and what is the need out there? Where is the need largest of all? Need for this functionality or whatever it is. Once you found the need - yes, everybody needs it or only men needs it or only kids needs it or so one - you have your large market [target] group. And once you know how big that market is, you just have to decide which part you take.

Clip: People Find You

IP 09: Exactly. What was it? If you want to be profitable, the key factor is that you specialise so people can find you. They know what you are [doing], you have to have the knowledge. That when you say "specialist" they see that you are a specialist. In addition, it's very, very important that you "talk-to-talk, walk-to-walk". Meaning you have to use standards and technology in order to [link yourself with] the rest of the network and your clients / customers. (...) So, doesn't have to be a standard. Well, it's not a standard like an ISO-standard. But the fact is that something that is - if you say: "Okay ftp that" - that the other side understands what you say. Otherwise they won't see you as a good partner. You have to be able to interact with them in a very efficient and easy, communicable way [over the ICT-channel]. So, use standards if that's a good expression.

Clip: Use Standards

IP 09: Exactly. Why would people find you? Because you're very specialised and focused, using these standard way of communicating, standard way of describing what you are doing. Which makes you more interesting to more than one client. And you of course are known to have the knowledge in this field. So, I think this is like / that gives you these people that are actually looking out what's happening. [people will find you.] Or you are so specialised when you type in (...) for example for us: When you type in [Google for] "business cards" in Swedish, we are so specialised that we're popping up as no. 1. And I don't know the reason why not every print house [shop] in whole Sweden pops up because everyone who has a printer can [produce] business cards. They describe their business like "we can do everything", "we can help you communicate", "we have a printing press". So, they will pop up if you write Heidelberg printing press. They will pop up. That shows the specialisation. We're [making] business cards and the

reason why we focus on this is not because it's the only thing we can do but because we know that everybody needs it and we think that might be starting point to offer the more sophisticated products. That was just our example.

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Name der Sammlung: Knowledge, IP 09

Clip: Focused Specialized

IP 09: In the network economy I think No. is that you have to be a specialist. Focused. Sort of specialist. You have to have the competence. I don't know if it's connected to specialist, but high competence.

Clip: Knowledge

Sven: Do you mean knowledge with that?

IP 09: Yah, knowledge. You have to be specialist which means we that you found your area you wanna work in. You have to have a high knowledge of it. You have to have an efficiency.

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Name der Sammlung: Changes, IP 10

Clip: Changes

IP 10: I mean it's very much that you have to adapt to changes within markets in a rapid way. That puts a lot of pressure also on the management in this company for example. We need to have tools that can work with those changes.

Clip: Changes Structure Technology

Sven: For example, that you have banners on web pages and gain money through [per] clicks.

IP 10: Yah, that's "technology, structure, changes", I would say.

Clip: Technology

IP 10: The changes we talked about - the strategic input: "Where are we going?", "Which direction should we take?" I mean, we, today, we find a lot of our... I mean, we work towards companies, advertising companies, publishing houses and print houses. Print houses are a small part of our business actually. But we have three different segments that are very important. We try to see what changes come within an industry when it comes to technology impact, when it comes to changes within the <u>clower</u> in structure to work and all that. From that point of view, we try to find out how to create our future proposal for the clients. The strategic impact is important.

Clip: Structure

IP 10: The changes we talked about - the strategic input: "Where are we going?", "Which direction should we take?" I mean, we, today, we find a lot of our... I mean, we work towards companies, advertising companies, publishing houses and print houses. Print houses are a small part of our business actually. But we have three different segments that are very important. We try to see what changes come within an industry when it comes to technology impact, when it comes to changes within the <u>clower</u> in structure to work and all that. From that point of view, we try to find out how to create our future proposal for the clients. The strategic impact is important.

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Name der Sammlung: Controlling Costs, IP 10

Clip: Controlling Costs

IP 10: I mean, the controlling costs for our business is mainly to control cost on just operating costs. But also costs connected to our vendors or our suppliers.

Clip: Supplier Costs

IP 10: Mainly in our business, it's a component connected to our supplier costs. As we have suppliers, printers we have - we change money and cut [of paper] between - and by extending the - getting money first from the clients as early as possible - you know the traditional - and then move the suppliers costs away... You can work with that cash flow.

Clip: Operating Costs

IP 10: Yah. And then you have other issues. I mean if you look that into, if you put that into operating costs but you have tax issues and all that [which belong to the operating costs like taxes]. It also affects our cost portfolio and our profits. And then you have in terms - that's probably not controlling costs but - to work with treasury management, to work with your cash flow. That's also something that effects your profits.

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Name der Sammlung: Staff, IP 10

Clip: Staff

IP 10: I mean, in our terms it's about having control over our cost portfolio within the company. So it's rather a general term that you really need to have control over all your costs. Not only from your vendors but also your internal costs and balance that. And profit, I mean that could also be in terms of, I mean, if you look at soft values - staff, personnel - making right recruitments is crucial. And you can also see that not only recruiting the right people but also to be able to keep the right people on board and to develop and ensure that we have a staff satisfied with the working environment and that they feel that they develop within the company and are committed to our mission and processes. (...) Another term if you don't only look at the selling volume is also to create / to always develop added value for our clients in terms of expanding our portfolio with the clients. And also to develop new value proposals for our clients with business development.

Clip: Development Of Staff

Sven: (...) Okay, we had a lot of terms connected to human resources or staff. Does that fit to the controlling costs?

IP 10: Not really, actually. Of course, in our business, staff costs are one of the main costs to run the business but development staff is more in terms of getting the right people on board and make sure that they have the right toolbox to develop within that organisation and also give them the possibility to develop as a person within that organisation.

Clip: Recruitments

IP 10: I mean, in our terms it's about having control over our cost portfolio within the company. So it's rather a general term that you really need to have control over all your costs. Not only from your vendors but also your internal costs and balance that. And profit, I mean that could also be in terms of, I mean, if you look at soft values - staff, personnel - making right recruitments is crucial. And you can also see that not only recruiting the right people but also to be able to keep the right people on board and to develop and ensure that we have a staff satisfied with the working environment and that they feel that they develop within the company and are committed to our mission and processes. (...) Another term if you don't only look at the selling

volume is also to create / to always develop added value for our clients in terms of expanding our portfolio with the clients. And also to develop new value proposals for our clients with business development.

Clip: Stability

IP 10: Yah. And that's a very important factor if we look at stability within the organisation. I mean, if I had sales people coming and going every six months, that will [would] have a deep [negative] impact on my profit in the end.

Sven: Okay. On the one hand in your definition you talked about fastness [quickness/rapidness] but on the other hand you have to have a kind of stability?

IP 10: Stability with the right people on board.

Clip: Keep People

IP 10: I mean, in our terms it's about having control over our cost portfolio within the company. So it's rather a general term that you really need to have control over all your costs. Not only from your vendors but also your internal costs and balance that. And profit, I mean that could also be in terms of, I mean, if you look at soft values - staff, personnel - making right recruitments is crucial. And you can also see that not only recruiting the right people but also to be able to keep the right people on board and to develop and ensure that we have a staff satisfied with the working environment and that they feel that they develop within the company and are committed to our mission and processes. (...) Another term if you don't only look at the selling volume is also to create / to always develop added value for our clients in terms of expanding our portfolio with the clients. And also to develop new value proposals for our clients with business development.

Clip: Commitment

Sven: (...) I don't know if that fits but recruitment, development, keeping the people and commitment leads to your team or your staff you have.

IP 10: Yah. And that's a very important factor if we look at stability within the organisation. I mean, if I had sales people coming and going every six months, that will [would] have a deep [negative] impact on my profit in the end.

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Name der Sammlung: Customer, IP 11

Clip: Closeness

IP 11: Yeah, and what you can say of course is, that you want to try... Depending on how you are in this system or network. But of course you want to be, try to navigate so that you are in a favourite position. My idea is, that you are in a very favorite position if you are close to the contact. The customer. And this is of course one... Lock-In is a valid concept I think.

Clip: Customer Contacts

Sven: And you said the, who has the, what was it? Who maybe profitable? The one how has the contacts?

IP 11: Yeah, if you manage the customer contacts. I think. [Writing customer contacts.]

Sven: Does that also has influence on the creation or more on the customer? Because you mentioned also the closeness.

IP 11: No, I think one point is that if you are close to the customer you are able to meet the customer. And to interact with the customer. That gives you a flow of ideas which will help you

to be better at creating and constructing offerings.

Clip: Customer

IP 11: I think it's the same. You have to create something that the customer wants to pay for. And the customer has to pay more than you are sacrificing to create it. No, I don't think it's something else. To me it' very similar.

Sven: So, I wrote down the customer that has influence.

IP 11: Yeah.

Sven: And you said you need a service or a good that he wants to pay for.

IP 11: You have to create something or create or construct or compose something which the customer wants to pay for. Combine

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Name der Sammlung: Customer, IP 12

Clip: Customer

IP 12: Well, since the customer, now we are talking about focus. I mean, if you are gonna do the focus "strategic attack" or something it could be a culture/subculture. That's the focus that you see. And the forum is the place [platform] for this [sub]culture to interact with the same [each other]. So, these people interact, the customers interact on the forum to keep up their culture. That's what attracts them. But it's just a channel. I mean, normally, when you do this, when look at network charts on traffic, you see, you had this idea that everybody in six levels of freedom, if you go six levels there's always someone who knows another one. But ATT did a research about that in the 1990s or something. About it. To follow the traffic and they found it's not like anyone talked to anyone. It's more like clusters. A lot of people talk to each other within a group. A whole lot had a group. And that's the same thing with the network economy, that's what you see on the net. Forums and websites tend to, if they survive it, because they are part of a culture. I mean it's a [risk], and you can say like: "We need that name". Of the music websites it's part of the youth culture of music. That's why it tends to stick. I don't know, it's easy with arrows. Because, customers wouldn't like to do like this [talk to anyone], because that's interaction. You can get more customers because you have a forum, because they trust you more [evokes trust]. They read a lot of things and they see my replies, they see that I'm acting in the forum. That means: "Ah, we [my company] do exist." They have a name and they see people talking friendly to me, say: "Hi kid thanks for the board." And stuff. So the other ones coming and read they find: "Ah, they are trustworthy." [They read it and are convinced that we are friendly towards our customers and of our trustworthiness.] Then they buy and I get [which means] profit.

Clip: Forum

Sven: And the forum is for the customers?

IP 12: The forum is for the customers to talk to.

Sven: Each other?

IP 12: Each other, yeah, of course they interact over the forum. I don't know if that directly builds value but it's just a channel. I mean, it's a channel. I mean, you don't need to have a forum. You can have different parts, but it's like a standard issue. You know, apple.com has a forum to discussing.

Clip: (Sub-)Culture

IP 12: In our forum, it's interesting because - we have to put [build] in "culture" here somewhere - because if we're talking about subgroups within the network economy, culture is what connects people. It's easy to have a music website because music is [general], every kid likes music almost. But this is a subculture. Longboard is a culture. And there is the danger of building a network home for a culture - a forum is a network home for a culture, subculture or culture - is that you can have these spam words, flame words, you know, they always get angry and talk about. And we now have about 1000 users in the forum and I had to have, I pulled [tweaked] a user's ears once and I pulled [tweaked] another user's ears twice. We never had a flame words. And even we have so many [users]. Actually, the forum rules I set up, I was very specific, you know, on how to behave. And we are strict in forcing the people to have a picture of themselves [in there]. We say it's to recognise people when you meet them out on the hill, you know, we gonna ride together. But it's also mentally [a mental barrier]. Because if you hide [in the forum] - even on the forum you can hide it [yourself] between [behind] a little picture of a coffee cup or something - you can be more aggressive.

Clip: Customer2

IP 12: Ah, we know we need customers. Hey, where are the customers? To get profit - because in a way, there is an interaction here. Because, it's the customers who gives you value, you have to earn it. You know, they give you value. It's a little interaction and then of course the customer giving [bringing] you the profit if they trust you. So, is a kind of interaction there.

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Name der Sammlung: People, IP 12

Clip: People

IP 12: Yah. (...) I mean, It's all about the focus. If you are able to focus, because once again, it's down to the people, because strategies are only implemented through people. You say, I mean it says "with own income, strengths and weaknesses" and I think that's the most important part of it. Because if people can see that it has a specific kind of customer or product, then they can focus on that - to grasp that part of the market. And I think you have to - it's probably what I'm missing here - because, theoretically, you can divide companies in many different ways but if it's [supposed to] be successful, if that divided part has a real value or real possibilities to focus people so they actually understand it. I mean, some people - you know - they change/reorganise and they just seem to shake up the company every now and then, so the people get confused. I think, "own income, strengths and weaknesses" are not enough. Because, you can have [different] parts of the company which have that by definition but if you can't combine the forces and focus on a specific market with some specific, then you won't stick anyway. So, it's only just the theoretical.

Clip: Work

IP 12: Well, we are missing, if we're talking about entrepreneurship we're missing the people-part. I tend to build my companies around people. If I find enough good people/persons, then I act. And it takes time to find the right persons. That's what's below here, it's another level on this. People combined with work, that's what's comes out up here.

Sven: So, the people are important for the work?

IP 12: Yah, for building the entrepreneurship. They work and add credit. I mean, of course, if they do mistakes, ah, this is correct, because if they do mistakes in their work then you can lose

credibility. You know, sending out the wrong stuff for [the job].

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Name der Sammlung: Trust, IP 12

Clip: Credibility

IP 12: Because if you are looking, it's not only goodwill. But I mean, if you are an entrepreneur, you need to build or if you are looking on building profit: First you are building value. Because the value gives [generates] profit. And the value could be your name - like Google which is a really good name. And if you look at the ones like YouTube, they never had profit. Per se. So, I mean, you can build a value and the important part of the value is your credibility. Name can be valid. Because, there is an account, you can never borrow [lend] money to. And that's your credibility. If that goes [runs] empty, you're dead - as an entrepreneur or as a company. You can look at - what was it - Andersson Consulting who went belly up?

Clip: Trust

Sven: Is credibility the same as name?

IP 12: No, credibility is more, can be anything. I mean, it's do they, because if it's the network economy. Network per se. If you are looking, like when we talked about digital certificates it's a chain of trust. In a chaotic - Internet is chaotic per se. It's built to be chaotic, to always find new roots for the communication [connections]. And down is: the kids talking about each other, they had a geeks meeting, to talk about Spiderman number 3 and they are now important for marketing. The really alpha geek-geek groups. So, you can't really control, so whom do you trust in this? Who do you trust? Because everything is floating around and you get impressions for anything [from everywhere]. So, trust and credibility are closely connected. So if you're building your name [brand] in a network economy, I think, credibility and trust are one of the main [the keys].

Sven: So, credibility and trust have an influence on your name?

IP 12: Directly on the value. I would do it like this. And also that the name, because if you, I mean, name is a name tag which is for the memory use. I mean, credibility and trust you have [can feel] in your stomach and heart. But the name you have [is] in your brain. So, you need a name to hook on [to be connected with trust and credibility]. I mean you have the trust and credibility and then you put a name on it then it is easier for you to remember.

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Name der Sammlung: Closer to Client, IP 14

Clip: Closer to Client

IP 14: If I think of our business, I mean, then I would say that if we can get closer to our clients, we can travel, climb the value chain of the client. And we can be a major partner for them. Then we will get more profit out of that one. You need to be more efficient in your daily work which you have internally. You need to look over your processes, sort of your internal processes. Make sure that you're lean in what you do - that you don't need to do a lot of extra-work. Make sure that you have the right competence and also develop the competence of your employees. Because if you don't have the right competence, you just have the costs of the persons which sit with the wrong competence which you can't use in a proper way. I would say that look and check if you can outsource things, work tasks which need to be done but which other people can do in a better way. Typically, I mean, it very often goes for invoice management and those

things.

Clip: Value Chain Client

IP 14: Yah. But also, the value chain of the client gives higher prices.

Sven: Mmh. (...) "Closer to the clients".

IP 14: I would say it goes together with these ones.

Sven: To the "value chain"?

IP 14: Yah.

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Name der Sammlung: Costs, IP 14

Clip: Outsourcing

IP 14: Yah (...) That's pretty much what we're working with: just to look at costs in general, to see what we can outsource since we have done that ourselves - outsourced a number of things. We have a strict control over our costs and look into what is necessary, what is not necessary to do. Try to come up with new products, new solutions. What I mentioned that we are having a little bit of a monopoly for some time. So, that we still can take out the high price before the other ones come after us.

Clip: Costs

IP 14: (...) I think, I think it's very good. If I look at this picture, I mean, being a sales guy, I try to be out here, talking about higher prices, trying to be closer to the clients, trying to climb the value chain, to come in a different way to clients. We are also participating in those things, I'm actually going to Rome on Monday to be part of some community meetings and so on. That's pretty much what I'm working with. But this company as well is very, very cost minded [conscious]. There is a very, very strong focus on that one. So, there are a number of people just looking into that one, you can really feel that it goes in every each and detail and then there is a question: "Do we need to take these costs? Or is it absolutely [really] necessary? Or do we have to live with it?". So there are, we actually internal have a lot of work around the cost branch here. To look into about [to question] the competences, and [asking] how we can do quick changes and efficiency and so on, so.

Clip: Efficiency

IP 14: Mmh. (...) I would say that one goes a little bit here and there. One thing on our own sort of internal costs of [in] what we're doing and how we make things easier and better. Being more efficiency internally. And one thing is if/when you're creating sort of value by the client. The you say coming out of digitalisation, then you can sort of climb the value chain of [on] the client coming out with that one. So, depending on between from which [your] perception you have with it. But absolutely regarding the internal efficiency. Absolutely.

Clip: Quickness

Sven: And "to be quick".

IP 14: Has to do with the costs, so you have a control over that one.

Clip: Costs Outsourcing Efficiency

IP 14: If I think of our business, I mean, then I would say that if we can get closer to our clients, we can travel, climb the value chain of the client. And we can be a major partner for them. Then we will get more profit out of that one. You need to be more efficient in your daily work which you have internally. You need to look over your processes, sort of your internal processes. Ma-

ke sure that you're lean in what you do - that you don't need to do a lot of extra-work. Make sure that you have the right competence and also develop the competence of your employees. Because if you don't have the right competence, you just have the costs of the persons which sit with the wrong competence which you can't use in a proper way. I would say that look and check if you can outsource things, work tasks which need to be done but which other people can do in a better way. Typically, I mean, it very often goes for invoice management and those things.

Sven: (...) Something else?

IP 14: That's, I haven't [something] on top of my head at the moment.

Sven: Okay, maybe you could take a little break.

IP 14: Yah (...) That's pretty much what we're working with: just to look at costs in general, to see what we can outsource since we have done that ourselves - outsourced a number of things. We have a strict control over our costs and look into what is necessary, what is not necessary to do. Try to come up with new products, new solutions. What I mentioned that we are having a little bit of a monopoly for some time. So, that we still can take out the high price before the other ones come after us.

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Name der Sammlung: Temporary Monopoly, IP 14

Clip: Follow Trends

IP 14: Yes. I'm asking where we are all the time. Where we have made forecasts for major costs, I will come in to check towards that one. Are we [whether I'm] on the right side or if it's going totally wrong. And if so, what do we do to rectify the problems? (...) And we also need to be, I mean like a company like us, we need to follow trends very quickly to see: What are our clients talking about? If they want, if they talk about that they want to have a specific system or a specific knowledge, I mean, we must be quick to pick that up. And on the same time also, that's what I mean with profit as well, we need to check, if we don't have the right competence, let's say that we still sit with the persons that have a AS400 knowledge or an old main frame computer system. That, then we have a problem, if we sit with half of our people have that knowledge and not with [about] Java and the latest ones.

Clip: Temporary Monopoly

IP 14: More [Rather] like that. (...) But with the monopoly, I just see more that we have a temporary monopoly. Maybe I should say like that. You have something which is unique at the moment but other ones will come up. So it's more like a temporary monopoly. It's seldom - I would say - that you can claim that you have a monopoly.

Clip: Set Trends

Sven: But is it just following trends? Or do you also have to set trends?

IP 14: To set trends. We're doing that very actively by having people participating at different shows, trade exhibitions, speaking panels. So, we are around. So, that we come up and say that this something that's gonna happen because the authority says that you're gonna need to do these things. This is very specifically for the banks, for example. I need to follow certain rules that the authority comes up with. And then we're there: Tada! We know that it's gonna happen and we have the thing that can help you with those things. Or we have the services that can help you to take away the pain. So, that's what I mean by doing this sort [kind] of "telling-what's-

happening", we also have a bit of a monopoly for some time before the other ones come in and take over the same space.

Sven: (...) Should we try to structure the cards a bit?

IP 14: Mmh.

Sven: We had - the last one was "set trends" and "follow trends" and I think - you can correct me also if I am wrong - but, that has an influence on the [monopoly].

IP 14: Absolutely. Absolutely. Is it _ set trends has.

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Name der Sammlung: Market, IP 15

Clip: Market

IP 15: Well, important is of course that you're operating in a very traditional way. I think the major principle does not differ from the, from the - let's use the word - old economy. But you can work more on long-term analysis when you are working with partners who have access to different kinds of information of [about] the market than you, you, you have just by [on] your own. So, that's, I think that's the very important difference. That the information is, information of [about] the market and information of [about] the changing parameters in the market. That you have better access, you can, you can have more reliable long-term planning than you would do by yourself [if you did everything yourself]. Profit is a very simple thing, it's opera, it's operating. And then second thing is of course, that you can, you don't need to do everything by yourself, you can do, you can share, you can outsource things, you can share with your partners, with your networking partners and then you share the profit as well, of course. (...) And this means, this should mean, of course, that the profit will be bigger than it would be just by doing it yourself everything. (...)

Clip: Market Information

IP 15: Yes. And external is the market, the information about the market. That's about here. And you have a market here in [at] the bottom.

Sven: From the market comes the information?

IP 15: Yes. But. Yes, yes, yes.

Clip: Speed

IP 15: Okay, well, long-term planning is good but then, to the definition of the character of this economic. (...) The information changes. The market information does change very fast. And this is the power of this structure is that you access the information, the fast-changing information very fast as well. So, the long-term planning is something, yes. But the short-term changes are vital as well. You have to have a word "speed or changing information" here as well.

Clip: Weak Signals

IP 15: Fast change.

Sven: "Speed" you said. "Speed".

IP 15: Yah. I said "Speed". Yah, that's there, yah. You can use the word "weak signals" as well. "Weak signals" by definition are very, very slow-moving, slowly-moving [pieces of] information. Then in the speed of getting the right analysis of the weak signals to your decision, to your internal operation, that's the way. And by this structure of the partners you have the opportunity to, to, to get more weak signals and make the correct analysis of those.

Das stark verkleinerte Ergebnis der Aggregation von Begriffen innerhalb der Aussagen von IPs findet sich in der 112 x 112 Matrix in Abb. 54.
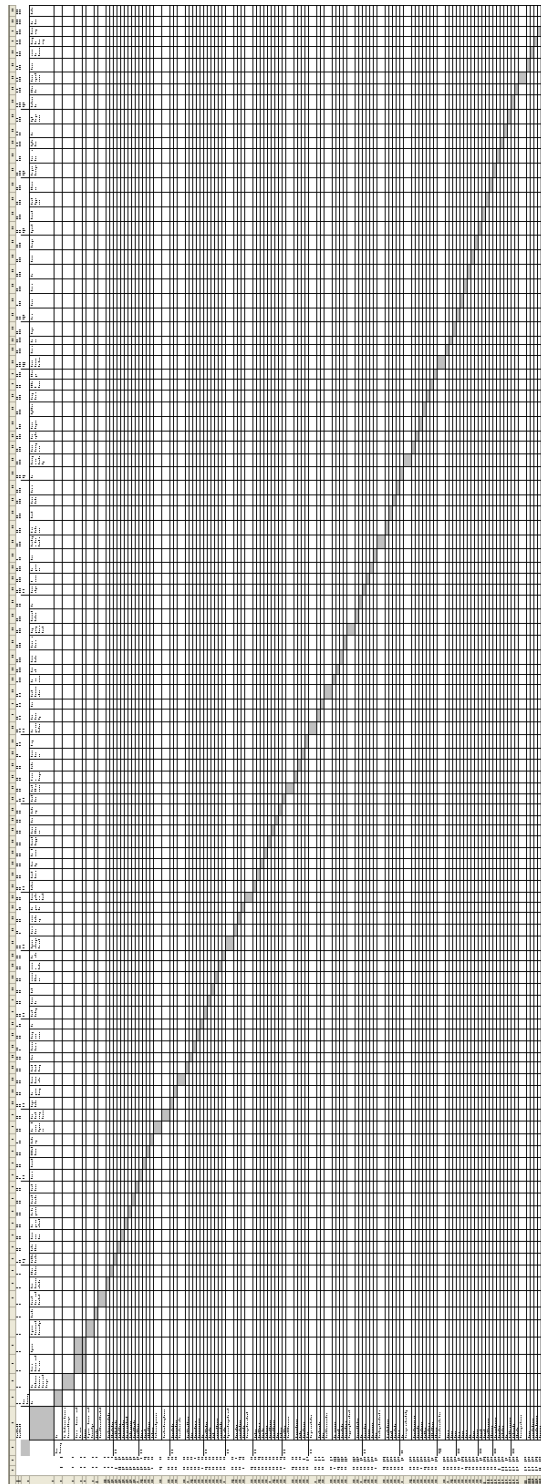
Abbildung 54: 112 x 112 Matrix

16.1.3 Schritt 3a: Annahme / Ablehnung vorgegebener Begriffe

Name der Sammlung: Cost Reduction and Economies of Scale and Scope

Clip: yes, IP 01

I have "cost reduction", "economies of scale and scope". (...) Maybe that's relating to the key components?

IP 01: Yah, relating mainly to that point. If you have complementary, the example of games might not be, but if you have a 3D-engine you can reuse that for many other games, of course. Otherwise the upcoming model is to download it from the internet.

Sven: But then you only have first copy costs, no production costs of the copy.

IP 01: Yah, it's more about scale and scope in development. While in the relationship these people have to Sony it's once the deal has been struck, it's probably very much about negotiating to the last cent and what the price should be. And then being able to make profit of that is to have the sufficient scale and scope. And then being efficient in manufacturing.

Sven: But then it fits on both sides, doesn't it?

IP 01: Mmh.

Sven: So, for the complementary goods it's the question if it's scale or scope. (...) But, okay.

IP 01: Both in manufacturing and in development.

Clip: yes, IP 02

Sven: I also have cost reduction and economies of scale and of scope. But I think that's part of your database. If you have a big database you have economies of scale.

IP 02: I would say that lies behind that, too. I mean it's so obvious, it's part of the business idea. The margin costs for a customer. The margin - it's one "Pfennig".

Sven: Yes. But he has to pay the fees.

IP 02: The subscription fees.

Clip: yes, IP 03

Sven: "Cost reduction and economies of scale and scope"

IP 03: That's exactly what we talked about here.

Clip: reduction yes economies no, IP 04

Sven: Then I have "cost reduction and economies of scale and scope" but I don't know if "economies of scale and scope" fit.

IP 04: No, not really at this point. We certainly need a high scale to be profitable but then we're talking about production. But cost reduction through the network economy, that's right of course.

Clip: reduction yes economies no, IP 05

Sven: "Cost reduction and economies of scale and scope". So, economies of scale means the thing you have with offset print. So, produce more of it then it gets cheaper. And of scope means that a good like something, ahm, gas that you have other products which come out in the production as well. So, that you might have products that are linked to each other in the production.

IP 05: Sure, I mean we have, my company has costs every month that are respectively of how much we produce. Salary and payment on the machine, service to the machine, ahm, and of course having the office and everything. But I don't know how much it is. Few 100.000 every month that has to go out.

Sven: But do you think the new technology reduces the costs you have? For example, okay, you must buy the, the digital printing press which is very expensive. But if you produce something.

IP 05: (...) Well, it's difficult to say. Yes, I mean we are making, I know the company has made a transition from a, from paper images which were scanned.

Sven: Or maybe the, the user who does a, a part of the administration work?

IP 05: The user does, yes, definitely. The user sends us, we, we used to have to scan and have to make sure which was the, for instance for make[ing] calendars, which, which is the January picture, which is February picture? Now, that's all optimizing. And if, if the user makes an error it's their fault.

Sven: And as well he, he maybe writing his address, in some fields and then you just print it out. You don't have to write it. So, maybe the economies of scale and scope don't fit, but the cost reduction?

IP 05: Yeah, we still have a cost for each unit that we produce. It's based on paper and ink and binding and sending and stuff like that. And that doesn't really change. Of course we want to make as many [much] profit. We are more happy making 100.000 than 10.000 but, ahm, no, I, it's still, it's still, in that sense it's old economy. Because we are producing, each unit that we produce has a cost to us. And the more units you produce the higher the costs. But when I was working for Yahoo it was totally different, because we had, we, we would show web pages online. And to show it to one person or a million persons isn't no difference in cost. But if you show it to a million persons you can, you get paid by the advertiser a million times. If you saw it only one time you get only paid one time. So that is definitely an economy of scale. You can get a, we would call it hevstångseffekt. I don't know how to say it in [English].

Sven: hevdång?

IP 05: Hävstång. I don't know, maybe it's a Swedish word.

Sven: Ingen aning.

IP 05: Okay, you now when you are, if you, you have a big stone. And then you have long stick of metal. And you, you move the stone. And you kick the, the and use this, you can, with a lot of force here you can do that. That's called a hevstång. I know you have it in English.

Sven: In German it's Hebel.

IP 05: Yeah, check out. Hävstångseffekt. I will write it down for you. Hev, att heva that's the verb, stång is a stick, effect. Check it out.

Sven: I will check it out. Should we use that or not?

IP 05: "Cost reduction" sure, I mean without computers and without network economy we would have to have a lot more people employed. Yes.

Sven: Where?

IP 05: Ahm, it's also independent I would say. Or maybe connected to here actually. We have a few employees and it's very expensive in Sweden to have employees.

Clip: reduction yes economies no, IP 06

Sven: Okay, then back to "cost reduction" and "economies of scale and scope". Economies of scope means that if you produce a good, you have another good that also comes up with it. But maybe that doesn't fit [apply] to your company because it is for example if you produce gas, there might be other products that come out with the gas. And economies of scale means that you have your production facility and the more often you produce a good, the cheaper it gets

because you have the fixed costs [anyway] and hopefully, you try to use the whole production capacity to lower the costs.

IP 06: Okay. I am not quite sure where I should put that card in [with regards to] our business.

Sven: Maybe if we (...) I don't think that this doesn't fit here [economies of scope]. Maybe the cost reduction fits to cost efficiency there.

IP 06: Yah. It's more the same.

Clip: yes, IP 07

Sven: The last one I have is Cost Reduction and Economies of Scale and Scope. IP 07: Ahm, that is a good one as well. That is...that. I think I would place it pretty much at the same place as this one. Because it's kind of the same effect. We can see it quite, some at least Economies of Scale through Digitalization for example. Maybe that's not related to the market, but directly to the profit.

Clip: yes, IP 08

And I have Cost Reduction and Economies of Scale and Scope.

IP 08: Yes, of course there. In the outsourcing. Economies of Scale that's when you do this ASP, of course when you from the cost... when you outsource, because that's what you do when you put out the server farm to someone else. Of course that's really Economies of Scale. Because it doesn't cost that much if you want to increase the system by 100% you have the already fixed price. Doesn't... You don't have to build the factories, you don't have to build your... In order to cape it for twice as much customers, maybe the cost increase is very, very small compared to... You don't have to employ as twice as much people. So, definitely on the outsourcing part.

Clip: yes, IP 09

Sven: "Cost reduction" and "economies of scale and scope"? Economies of scale means that you may have high first copy costs but the more often you copy things, the cheaper each copy gets. And economies of scope means that when you produce a thing, maybe two things come out together.

IP 09: Mmh, this is getting too messy. The network effects and the standardisation are the base - what you gonna use that for is - for cost reduction. If you do this, what we're missing here is how we produce these products. Maybe we should have a product plant or something. Because if you have a product plant here, what we have is: We have a client, we have our competence, we have our market, we have our products. We sell the market a manufacture product in a very cost-efficient way which is then given a cost reduction on the actual manufacturing phase which will then, of course, affect the profit here and also the market because if we can only do one a year, the market is very narrow and the process is very high, if we get a lot of them we can get, of course - I just spread the market or redefine the market. So, I don't know where. Either it's right there but then we have big chunk. But this is the whole idea - that in many, many years, many single users can order and with the help of the digitalisation, the networks and the standards, then together produce an enormous bunch that is very, very cost-efficient.

Clip: yes, IP 10

Sven: The last one is "cost reduction" and "economies of scale and scope". "Economies of scale" means that you have high first copy costs for the first thing [copy] you produce and the more often you copy it, the cheaper it gets. And "economies of scope" means that you produce something and in the meanwhile another thing [product / results] comes out with it so that you

have two products out of one production process in the end.

IP 10: Mmh. It should be somewhere up with the supplier card but (...) I am not really sure about that. Should be somewhere with the supplier costs.

Sven: Maybe the economies of scale and scope don't really fit to your business? But I think the cost reduction does.

IP 10: Operating costs and supplier costs, somewhere between that.

Clip: yes, IP 11

Sven: Cost reduction and economies of scale and scope.

IP 11: Cost reduction is very simple. Economies of scale that means... There are of course... Yeah... When I heard scope, I think about the long tail concept. Are you familiar with the long tail concept?

Sven: Yes, I heard.

IP 11: I don't know if that works. To me scale is if you make more cars then the unit price will go down. Isn't it? When you have economies of scale.

Sven: Yes.

IP 11: If you have economies of scope then the unit price on different types of machines will go down. Cars. Or if you produce... That means that if you produce busses and lorries and cars then the unit price on each product category will go down. Isn't that?

Sven: Yeah, that means that you.. when you produce one thing then you might produce... As in your example if you produce cars then it might be very easy for you also to produce busses or lorries.

IP 11: Yeah. I think that they are still (...) To me cost reduction of course. What the internet based firms (...) I think that's important. That used to these channel mostly of course they put some pressure on the prices, because most of them are using the prices on upon the weapon. And of course they can have economies of scale. An interesting aspect is: many many internet firms are very small. And actually it can be homemade firms and so on. So it's (...) I don't think a very (...) It's (...) They are all types of animals. Just because it's the internet or the network economy doesn't mean that there is only one type of actor. I think actually what you can say is the spread, the number of different actors has perhaps increased.

Clip: reduction scale yes scope no, IP 12

Sven: Then I have "cost reduction" and "economies of scale and scope". Economies of scale means that you (...)

IP 12: Yah. That's because, I put this close to here.

Sven: To digitalisation?

IP 12: Yeah, because, and between channels, too. Because the reduction, if you add a forum to your website and you're selling software, they [the customers] seem to help each other on [with] your bad products, you issues. They help you. Anyone will find it when having a problem sitting at home, so that's a cost reduction for you. And it also adds value. Because the customers helping [each other], and they say: "Yeah, you can fix the problem, you can actually trust this product, because it works if you do like this. [It also adds value because the customers show how to solve problems and thereby contribute to the trust in our products.] And of course it scales better.

Sven: Does it add credibility to your product at the same time?

IP 12: It's viceversa. It's an error but anyone knows that there are errors in software. You know. They're not perfect. And if I reply: "Okay, hang on we will read your comment, we gonna put it into the next, try to fix it in the next release." [We will take a customer's comment into account for the next release] Then you'll gain credibility because you are acting: "Oh, they listen to us here. Strange, they are actually reading the forum." [The customers then feel taken seriously.] The scale of course, we can scale, if you look at [my company], when we went double, when we multiplied, we scaled a 100%, the amount of e-mails with requests were just 50%, because the forum took a lot of the questions [already answered] out [away] from us . So it's easier to scale. And also, sometimes, when you have global pounding on a company, you tend to fix the problems, so when you fixed it you acted more efficient when you scale. Because, if you don't have out... You always have some small air bubbles in a company. And if you scale, you will blow up the bubbles. If they are very small, they don't go up so much [tend to stay about the same] but bigger bubbles seem to expand. If you go two times they expand to four times. The bubbles. With really small bubbles, they are [stay] just almost the same. You expand double and the bubbles go down. So, yeah, "economies of scope", what do you mean by scope?

Sven: That means that you - while you produce a good or a service, another good or service comes out, too.

IP 12: Hm?

Sven: The very classical example - has nothing to do with the new economy - but if you produce, what is it for cars, gas. Then you might have other products that come out with [are connected to the] gas. If you produce the gas then you have other [products, too].

IP 12: Ahm, Yah, but that's nothing special within the network economy. Once again, it's a natural law of the economy. It's like: You want to get paid, so people always find new revenue models. But, if they stick in, that's another point.

Clip: yes, IP 13

Sven: Okay. Then I have cost reduction. Oops. And, and economies of scale and scope. Do you? I don't know if you're familiar with the terms economies of scale and scope, but economies of scale is kind of, the, the more often you produce a good then it gets cheaper with every copy. And economies of scope means that when you produce something another good or another service is coming out as well that is not really planned. So the classical example is when you, when you have a plant for fuel and you, you generate fuel then other products come out as well which you can sell, for example.

IP 13: Um hum. (...)

Sven: So cost reduction, does the new economy have cost reduction and economies of scale and scope? And if yes does that influence the profit?

IP 13: (...) I don't think so, no. Not when you're working as a consultant.

Sven: Okay.

IP 13: My time doesn't get cheaper, it's the opposite actually.

Sven: That means maybe, maybe if you produce a software for example then it's very cheap to, to just produce the next copy.

IP 13: Yeah, in a, in a sense it does actually when I am thinking about it. Because when I get this good base of customers I have the possibility to buy better, more effective programs for [me], and I can do the same work. But in a shorter time.

Sven: So the, the better your network is, you have type of critical mass when you have a big network.

IP 13: Exactly.

Sven: And then you have, can, can try to get cost reductions?

IP 13: Exactly. So, so my program for, for instance declarations, income, tax declaration. It cost quite a lot of money, but the more customers I have the cheaper it gets for me per customer. To do their tax declaration.

Sven: So you pay it, you pay once for the license and then it doesn't matter how many clients [you have in it].

IP 13: Exactly.

Sven: Okay.

IP 13: And that's a good profit for me because still I don't, I don't reduce the price to the customer because of that. Because I take a fixed price for that. In the bottom and then by the hour.

Sven: Because it's your risk as well so if you don't get more customers then it won't be cheaper for you.

IP 13: [Then it's going to be] - exactly. Because I have to pay it in, an, anyway so.

Clip: yes, IP 14

Sven: Then I have "cost reduction" and "economies of scale and scope". Economies of scale - I don't know if you are familiar with term - means that you get cheaper the more often you produce a good. And economies of scope means that means if you produce one thing, then another thing might come out with it, but as a side effect.

IP 14: I would say it goes a little bit together with what we called "outsourcing". That's what I mean with "cost-reduction". Those things where you are looking into [the production].

Clip: yes, IP 15

Sven: The last one I have is "cost reduction and economies of scale and scope". Economies of scale means that you have, for example, for your first copy you have very high costs [high first copy costs] but the more often you, you copy it, the lower the costs get. And economies of scope means that you, meanwhile [while] you're producing something, another thing comes out with it [, too]. So, maybe if you think of traditional production that when you generate fuel, other stuff comes out with it. But if you think of information technology, you have different versions of a product.

IP 15: It' a good definition. Absolutely, it belongs here but you have, we have to write [draw] a pile, an arrow to, to the partners as well. It's an internal... In my world, it belongs here but, but (...) economies of scale and scope, you share with your partners as well. (...) And via that, you share your profit as well. But it, that's a result.

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Name der Sammlung: Customer Relations and Communities

Clip: yes, IP 01

Sven: Okay. Then I have some relations: "employee relations and knowledge" and "customer relations and communities".

IP 01: (...) This has to do with having the skills to make the right products and also the skills to do the right brand building and the right marketing and so on. It's sort of a dimension to capture this [points to a card; Which one?].

Sven: Okay, so this could be the company dimension because the company can influence its employees. And this could rather be a market dimension on which the company doesn't have so much influence - how is that market is developing. They could have influence on the standards but not on the...

IP 01: Yeah, you can have influence on your market share through your brand building and your marketing and so on. If this is the market development as such and you have a certain share of that market.

Clip: yes, IP 02

Sven: Yes. Then I have customer relations and communities?

IP 02: Mmh... It's here, I think. I mean communities - it's partnerships and customers and relations.

Sven: But the customer could also have a community, so...

IP 02: Yes, say like this: One of our partner, they have a community for this industry. We're into genealogy - family history etc. So, there are different types of communities. And one of our major partners, they have this big community. And people, they chat there. And we're part of that. So, sometimes we get questions from that community and then we answer these questions. And that is (...) closely related to the partnership.

Sven: So, do you think it lies in between here?

IP 02: Yes, I would say. Yes. And we of course, as a business entity, we sometimes (...) think about creating a new community by ourselves. So I think it's good here. Now it's there. It's related customers. But we could also start this ourselves. Which might be the case.

Clip: yes, IP 03

Sven: Then I have "customer relations and communities".

IP 03: (...) That is of course super-important. (...) If you don't have this, you don't have sales. I'll put it under here, under value for customers. (...)

Clip: yes, IP 04

Sven: My next card might fit to that better, it's "customer relations and communities".

IP 04: Yes, it does. But we have to make a separate part for the after-sale. (...) Customer relations and communities comes in here closely related to the personal network and opinion leaders because they will hopefully become customers after a while. (...) This will give it to both groups. If I had to choose one group - that.

Sven: But the personal network leads to communities? Or the other way round?

IP 04: No, the personal network leads to communities.

Sven: So, in your case the word "customer" doesn't really fit because we have two sides. Maybe some of the persons from your network won't be customers in the future but they might be valuable for you to guide the community or something like that.

IP 04: Some of them are our customers since a long time. But since this is a commodity, I think that in the long run everyone here will be a customer, at least to try it out.

Clip: no different things, IP 05

Then the last, my last card is "customer relation and communities".

IP 05: Ahm, what do you mean by that?

Sven: Customer relations could be the same as your customer relationship management because as you said: When you have good customer relations then you don't need, or they, they come

back to you. And communities is that the customers build a community.

IP 05: That is very good if you can make and do that. That's the web 2.0. That's so, so called. Ahm, ahm, my, my company is not doing this. I don't really see how we could do it. We work with some communities like internet communities. There is a community called Pixbox.se. It's a web community . You can create an account and upload pictures. And you can make them secret or for you, for you only. Or you can allow some people to view it. Or you can make them public. And you can share images with each other and you can make comments and you can bla, bla. And what, what I am working on right now. I have an important meeting tomorrow. Is that we want them - this company Pixbox - to allow their users to compile a photo book using their own images and send us the pdf. And we will print it and send it to the user. So, communities that's the new hot thing on the internet right now, this web 2.0. And it's, it's becoming, it's fascinating absolute to see how the internet is evolving. I thought I had seen it all but I, I guess I didn't. It has become amazingly powerful in the last year. And large corporations are willing to pay lots of money to have this. They, they buy them up like crazy. And so.

Sven: But is it on the same level as for example "customer relationship management" and "lock-ins"? Becasue if you have communities where a lot of your customers are in then that might also reduce your internet marketing costs.

IP 05: I think "communities" (...) so far in my opinion the only way to make money on internet communities is through advertisement. And that is, so communities are competing with other content rich web pages like newspapers or anything like that. But of course they have the, the advantage that it's user generated content. (...) So, ahm, it is I think this is a part of the network economy. But not the only part. I think my company would not fit, would not be, could not be classified as a community. It's not it. But still it's [in] the network economy. So, communities could be a part. Communities are a part of the network economy but there are, yeah, not all, not all the network economy companies are communities.

Sven: Okay, so. [Should it stay or should we...]

IP 05: It could be there. Actually it does not apply. What does that sheet? Does this sheet [flip chart] represent my company? Or does it represent the network economy?

Sven: Your idea in general. Not [necessarily your company].

IP 05: Of the network economy. Yeah, okay. No, leave it here.

Sven: And do you think that has also influence on the internet marketing? Like the better...

IP 05: Not really, yeah, not really, I mean. Actually, in my opinion "customer relations and communities" don't really go together. That's two different things. Ahm, customer relations is when you have a customers or users, ahm, and you take care of their requests in a good way. You respond to their questions, you respond to their problems, you within reasonable time you blablabla. Communities is when you allow your users, so customer relations is a communicaton between the company and user. Communities is when the users communicate with each other.

Sven: Ahm, but if you, if you, as a company are able to have your own community maybe about your company then you could also try to...

IP 05: About your company. Yeah, I have seen a few like that.

Sven: You could try to ask or answer questions that come up in this community and then maybe other users could see the answers.

IP 05: I know Yahoo has a few, Yahoo has a service called Yahoo groups. Which is, ahm, user

does a community, those user does a web, like a web based emailing list. And Yahoo has a few, the user on service, to have groups about their own service. So, if you are user of Yahoo mail, for instance, you can go to the Yahoo mail group and talk about Yahoo mail. But my opinion is that not even a 10th of a 1000s of a percent of all users of Yahoo mail go there. It's a, I don't see really that. If you are a provider of a service, people are not gonna logon to communities and talk about your service. I don't think so. People, communities form around something that exists in their doings/habits like parenting. My wife...

Sven: Parenting?

IP 05: My wife is addicted to parenting . Where you talk about your children and stuff like that. Or career like Linkedin. I don't know if you know about [that]. Are you on Linkedin by the way?

Sven: No? On Linked?

IP 05: Linked dabdabdab dot. Linkedin.com? It's a career community. linked in.

Sven: Linked in?

IP 05: L I N K E D I N.com. It's a very large community and well, there are may web communities of course. It's sort of like, do you remember six degrees? Which was cool on the internet in 1998? No? Okay.

Sven: In 1998. Okay, I had internet then. Six degrees?

IP 05: Six degrees is, was - I don't think they exist any more - a company that, you creating your profile and you created yours and I created mine. And then we connected as friends. That means that I was your first degree friend. And then if I had a friend and we are connected he my first degree friend then he is your second degree friend. And that's based on, I am sure you know about six degrees of Kevin Bacon?

Sven: Ah, okay, that everybody knows everybody.

IP 05: Yeah, within six degrees, within six degrees you know the whole world. That was a, like a, I guess, you can call it community. Linkedin is like that but it focuses around career. Working life. That's a community in my opinion.

Sven: In Germany there is a very famous at the moment called OpenBusinessClub. I think it was developed in Germany but they want to spread it all over the world. And I think it's, it's nearly the same. So, you create your profile with, with, with you kind of CV. What you have done. What are you doing. [And then you could also...]

IP 05: Exactly, can you connect to friends?

Sven: Yes. Your friends or try to connect other people who are working within companies perhaps you want to work in also. Or...

IP 05: Ah, yeah, that's exactly Linkedin but it's based in America. That's a community. That is in my opinion a definition of community. And I [see...]

Sven: But then also the community is the product.

IP 05: Yes.

Sven: So, you don't have a product beside [really try to build up a community for the product].

IP 05: No, I have never, I have seen it few times - as I said - in Yahoo. But I do not see that as very successful thing.

Sven: Okay, so, in or out?

IP 05: Out.

Sven: Okay.

IP 05: I don't see those, those to be in two different parts.

Clip: yes, IP 06

Sven: Okay, then I have "customer relations and communities".

IP 06: Mmh. (...) On the customers', satisfied customers' side.

Sven: If you have that, doesn't it provoke [lead to] satisfied customers?

IP 06: I hope so, hopefully, otherwise we would do something wrong. Maybe I should put a support over there. So they can receive the angry emails. No, that's the place.

Clip: yes, IP 07

Sven: But I have Customer Relations and Communities.

IP 07: Ahm. What do you mean with community?

Sven: I mean that for example in your case, ahm, you know which relatives for example a client has. And you know birthdays of the relatives. So that you maybe could just okay: Here, your relative has a birthday. Do you want to send him a cake or something like that? So that you have not only the user in your database or wherever, but also his surroundings. Maybe his friends or other people that are important for him.

IP 07: Shall I... If that connects somewhere. I think it's very important in our business to know as much as possible. But right now, we haven't reached that stage. We just basically don't have any time, spending on those rather more complex things. We are dealing so much with basic things like having a good supplier. Building the homepage. Changing everything which is maybe poor. But we haven't reached that stage. What... But I think never the less. That's really important.

Sven: Where?

IP 07: Should I place it somewhere?

Sven: Yes. If you have an idea where.

IP 07: Where... Yeah, that comes somewhere with people [Amount of People]. People, market. Timing. Maybe here in that triangle. Which is not a triangle.

Sven: Ahm...

IP 07: Or, what do you think?

Sven: Yes, maybe it influences the amount of people. You have on your website. If you have good Customer Relations and Communities. Yes?

IP 07: Ahm, perfect.

Clip: no, IP 08

Sven: Then I have Customer Relations and Communities.

IP 08: Customer Relations and Communities. Well when I am looking, when I am looking just straight. When I am just looking for... From our point of view: No. I don't think (...) I can't (...) Will take a long time before we _.

Clip: yes, IP 09

Sven: Okay. Let's come to my cards. I have "customer relations and communities".

IP 09: That is very much this. Here, maybe. That is very much this. This is their needs and our knowledge and how we know about each other. That's exactly...

Sven: As I said before, if you think a card doesn't fit we can just...

IP 09: No, that was a card I was missing.

Clip: relations yes communities no, IP 10

Sven: "Customer relations and communities".

IP 10: Mmh. Mmh.

Sven: Do you think that fits somehow?

IP 10: When you say communities, what do you mean by that?

Sven: I actually mean communities on websites for example. Maybe that doesn't really fit to your business.

IP 10: Yes, but customer relations certainly have impact on the profit.

Sven: If you look at communities, I think that's a bit more B2C-business.

IP 10: Yah. Customer relations of course, absolutely.

Sven: Does it fit to the right clients?

IP 10: Yes.

Clip: yes, IP 11

Sven: Ahm. Customer relations and communities. I think that fits here to your customer card.

IP 11: And, and this is of course a much more better way to put it. I mean customers they interact with each other and they interact with you. The seller. They interact with other sellers and this changes a little bit. They have more information. This is perhaps something you should... You talking about... I think...

Sven: Where is more information? The customer...

IP 11: The customer has relatively more information today. And is able to compare much easier today. I think that's an important aspect. They have sites that help them to do that.

Clip: yes, IP 12 Sven: Then I have "customer relations and communities". Maybe that also fits...

IP 12: Juhu, okay, that was easy.

Clip: yes, IP 13

Then I have customer relations and communities.

IP 13: (...) That should be in there somewhere, I think.

Sven: Where? Here? I don't know if that is true but maybe the opportunities or the speed and the availability is more on the, on the partner side. So if, if you need a partner for, I don't know whatever, then you need this network. And maybe this more the, as, as, as it states here the customer side? I don't know if that's true if, if you meant with opportunities...

IP 13: No, no. that was, was to get customers.

Sven: Okay.

IP 13: That's the only. With the broadness is more, I mean here somewhere else. They locked us in. But I think this one is very important for [us]. I would put it somewhere over here because if you have this and you want this you have to have good customer relations. And it's in some way, if you have that it goes back.

Sven: Okay. But with good opportunities you can get good customer relationships? Like this way or the other way around?

IP 13: No that way. Because I think it's kind of a, it goes around then. Because you have good customers, if you do this you have good network you get good opportunities you get customers.

Sven: You get profit from the customers.

IP 13: You get profit, yep. And you treat them well. They're going to give it back to you in some way. And that's going to affect the network which gonna get gone again [has positive feedbacks].

Clip: yes, IP 14

Sven: Ajm, let's start with "customer relations and communities".

IP 14: Ahm, I would say, a little bit closer to the client but also communities is a little bit what we doing, when we're checking to [for] trends and we're talking to the clients, that specific, which is for the <u>own</u> and financial communities, <u>etc</u>. So, I would say that "customer relations and communities" goes together with "being closer to the clients" and "setting the trends" a little bit.

Sven: Okay, maybe it's on, on the line here somewhere?

IP 14: Yeah, so it definitely goes together, yes.

Clip: yes, IP 15

Sven: I have... Which one is the best to start? Maybe we should start with this: "customer relations and communities".

IP 15: In it. Here in the "market". It goes here.

Sven: Exactly. Here, like this?

IP 15: Yes.

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Name der Sammlung: Digitisation

Clip: no, IP 01

Sven: Then I have, for example, "digitalisation". I don't know if that really fits to your terms because I think it's more a condition of what is happening in the market. (...) What do you think? Do we put it aside? Or?

IP 01: I think it's a little bit defining the whole section of the economy because that enables a lot. Maybe aside for the moment.

Clip: yes, IP 02

Sven: Okay. Some more terms you find important? If not, I've also written down some which I find important, so we could just have a look at them and I think you have mentioned some of them but I have digitalisation.

IP 02: Mmh, I was about to say technology. But everything is technology. That's part of our business. Technology, of course, I mean - it's hardware, it's software, it's the operation of the technology. The software, the hardware.

Sven: So, that's behind everything.

IP 02: (...) Yes. It takes very much of my focus because what we're into it's digitalization, that's our business. What we do is that we have built up a digitalised archive. So, that's our business. And, of course, that drives the profit. That is, I would say, that is part of the added value. The added value for me is the service that we bring.

Sven: Which is not possible without digitalisation?

IP 02: No, (...) that's why we're in a network economy. If we didn't digitalise, we wouldn't be there. So, I think digitalisation is part of the added value.

Sven: So it lies behind.

IP 02: Yes, it's the foundation for us. It's the foundation for this business.

Clip: yes, IP 03

Sven: "Digitalisation".

IP 03: (...) It's certainly important. This is one way of enhancing productivity.

Sven: So it might be lying behind that?

IP 03: Yah.

Clip: no, IP 04

Sven: Then I have "digitalisation". (...) I don't want to influence you but it might be on another level.

IP 04: Yah.

Sven: It's like "internet as the market".

IP 04: Yah, well, certainly. I think about it in practical terms. That means that I can reduce my printed material. I can have most stuff downloadable, everyone has Acrobat, so I can provide pdfs. Print shops will go bankrupt in the future but since I'm not having one, that's fine with me. They cost too much anyway. But the whole thing [network economy] builds on digitalisation.

Sven: Somehow, everything is connected to it. (...) Your mail campaign, your web space.

IP 04: It's sort of understood [implied] already.

Clip: yes, IP 05

Sven: Then I have "digitalization". I think that's above there. You mentioned that before.

Clip: yes, IP 06

Sven: Maybe we should take another card first - "digitalisation".

IP 06: Mmh, oh. You can have it in the product - because we have it in this company - in the marketing, because we have our ads, banners and home page on the net. I think, I want to have it in the product [cluster], because it's our company idea.

Sven: Okay, so, it goes in the product.

Clip: yes, IP 07

Sven: Then I have, maybe a bit general: Digitalization.

IP 07: Ahm, well, that is clearly important. I would place it here. Close to the whole technical corner of the...

Clip: everywhere, IP 08

Sven: The first one I have is: Digitilization.

IP 08: Ahm, that's core business. So maybe it should be down here. I mean without digitalization, without digitalization we wouldn't have any business.

Clip: everywhere, IP 09

Sven: "Digitalisation".

IP 09: Digitalisation is hard to take out of this because the whole concept - what we are talking about right now - is about digitalisation.

Sven: So, that's somehow behind everything. Like this.

IP 09: Yes, but then I'm saying / focusing on what I know now because I just said that the network economy doesn't have to be digitalised to be a network economy. But I believe / I would say that's like the title of the whole area in the background. I mean that's what we are talking about.

Clip: yes, IP 10

Sven: Okay. (...) "Digitalisation".

IP 10: Okay, that's a wide one. I mean, that affects us all in some case. I would say that that could come in when it comes to - if I look at our business - in this ones: added value and value proposal, because today with the technology you can work with digitalised (warehouses) [sto-

res]. How do you say? Instead of putting print things on shelves in warehouses [stores], you can work with digitalised warehouses [stores]. That's something we have developed or are going to start selling more and more wider base to our clients. And that's connected with it: If you look at digital printing, there are some things you can't really do with digital printing when it comes to printing materials. But when the technique changes, you can do more with digital printing. And then you can work with digital warehouses [stores].

Sven: Does that fit to the changes?

IP 10: Yah, I would say so. Somewhere here. Only the structure and changes, yes.

Sven: I would put it like this.

IP 10: Put it there, that's fine.

Clip: yes, IP 11

Sven: Exactly. Digitalization.

IP 11: Yes, to me... My understanding of that word is that what you can do is that you can take, create new and you can move things. I use the word things. Because it is very unspecific into digital real. For instance instead of sending physical address you can send emails. But it's still a letter. In my... Somehow.

Sven: But does that has influence on your concepts or does it influence all concepts?

IP 11: No of course it can. For instance if some... especially if there is some sort of shock or change in the system. A new firm for instance. That works more in an digital matter. This can altogether create change or destruct the system. Of course and it goes actually to how. To me. To me this is very close to digitalization. I mean if you take Compaq for instance they sold computers through an indirect channel for many, many years. Suddenly comes Dell and they use more digital channels. Is very seldom as clear cut, as they make it. Or try to communicate. And suddenly they had changed how computers are sold. The computers are fairly similar. So the what is actually not... Most of the components, they are all made in Taiwan if you are talking about laptops. And they have the same subcontractors. So the partners in that case are rather similar. It think Dell has a better focus on big firms and Compaq manages better with small firms, because it's simpler for big firms to buy on the internet. Because they can make... In that case. But this has changed also. So when I don´t know if it is so critical in this case.

Clip: yes, IP 12

Sven: I have, let's start with an easy one "digitalisation".

IP 12: (...) What does that mean? Can you specify what digitalisation is?

Sven: Yah, that means that today you have digital goods that you can provide over the internet for example. That was not possible in the 60s when this analysis was developed.

IP 12: (...) Let's see. (...)

Sven: As I said, if you think it doesn't fit.

IP 12: Yo, it does fit, but it's because the customers were up here if you have the product. Because digitalisation could be a product and the you get profit. It could be used in a product. But also you can use it for speed, then [so] it's value [digitalisation also means value because time is money]. Because if you do the processes and also if you have like, since you have the channels, you can use them to build trust.

Sven: Okay.

IP 12: (...) In a way you know, trust gets [you], because that's maybe, you get closer to the

customers [being closer to the customers results in trust]. Because, we talked about early alert here [in this context]. In the forum of [my company], they're allowed to talk about any, I mean, any board, not only the boards we're selling. It's like: The forum is for the community, it's for longboard [riders]. That's an early alert system because if they start talking about this specific boards, like: "Hm, maybe we should try to buy this." Selling it on our website. That's getting closer to the customers. Digitalisation.

Clip: Maybe, IP 13

Sven: on your mind so maybe we can do it like this, that, like this. First I have digitalization.

IP 13: That's very important for [company]. I would say. But not for [my company]. So if I am speaking for a, from [company]'s point of view, I would say that's, that's very important.

Sven: Perhaps we can place it first here and then

IP 13: Yeah.

Sven: decide if we follow that or we put it away.

Clip: everywhere, IP 13

Sven: Something else? Because my cards are gone. I don't know if we can build in digitalization somehow. Or if it...

IP 13: Um hum. (...)

Sven: If it affects everything a bit maybe?

IP 13: It affects everything a bit. I mean it does in good ways [not] only in bad ways as that one. But (...)

Sven: Well maybe it's a, an underlying concept so that it's around everything.

IP 13: Yeah.

Sven: But not really directly connected.

IP 13: Exactly. That's more or less something [around]. (...) I think that's [it].

Clip: yes, IP 14

Sven: The next one is "digitalisation".

IP 14: Mmh. (...) I would say that one goes a little bit here and there. One thing on our own sort of internal costs of [in] what we're doing and how we make things easier and better. Being more efficiency internally. And one thing is if/when you're creating sort of value by the client. The you say coming out of digitalisation, then you can sort of climb the value chain of [on] the client coming out with that one. So, depending on between from which [your] perception you have with it. But absolutely regarding the internal efficiency. Absolutely.

Sven: (...) But you said it also has an impact on the value chain of the [client].

IP 14: Yes, because if I can come out and talk to the client and talk more about how we can be more efficient and how they can save money on that, then I'm becoming more valuable for them.

Clip: everywhere, IP 15

Sven: Now a very general one: "digitalisation".

IP 15: I can't put it anywhere because [Cellular Phone disturbing], well, it's all over the places [place], or I don't see the world without that.

Sven: Okay, maybe it's - as you said - around everything.

IP 15: Yah. It's like a blue cloud above everything.

Name der Sammlung: Employee Relations and Knowledge

Clip: yes; IP 01

Sven: Okay. Then I have some relations: "employee relations and knowledge" and "customer relations and communities".

IP 01: (...) This has to do with having the skills to make the right products and also the skills to do the right brand building and the right marketing and so on. It's sort of a dimension to capture this [points to a card; Which one?].

Sven: Okay, so this could be the company dimension because the company can influence its employees. And this could rather be a market dimension on which the company doesn't have so much influence - how is that market is developing. They could have influence on the standards but not on the...

IP 01: Yeah, you can have influence on your market share through your brand building and your marketing and so on. If this is the market development as such and you have a certain share of that market.

Clip: yes, IP 02

Sven: And employee relations and knowledge - so, human resources.

IP 02: That's part of the human resources. I would say that is the human resource.

Clip: yes, IP 03

Sven: "Employee relations and knowledge"

IP 03: Again here.

Clip: no, IP 04

Sven: I have "employee relations and knowledge".

IP 04: What does that mean? I know what the words mean but give me an example.

Sven: It means that you might have lower costs if you contract the right people and have good relationships towards them. It's not only that the persons are working for you but also that the persons know that the company takes care of them, then they might be working better [commitment]. This question of work-life-balance.

IP 04: This picture we just screened has very few aspects of persons working except for me. I mean, I a bigger sense of course, you're right, but I don't think this aspect we are looking at takes this into account. It's extremely important. But if we look on it from that way, we have to start on an new page. And we then we have to look at not so much marketing and sales but more the whole company.

Clip: everywhere, IP 05

Sven: Okay. "Employee relations and knowledge".

IP 05: (...) Well, you mean?

Sven: That you have to have a good human resources management.

IP 05: You do, yes. I know in the company I work in now, well, we have some people who work in the binding, printing. I work in project management. And, they are of course without education. And they work at loud machines who are noisy and dirty. I work with computers and telephone. Yes, when my company started eight years ago, they were only people like that.

Sven: Uneducated [, or not uneducated but low educated]

IP 05: Un, well, yes, low educated people who operated manual machines. Now, there is me and the - I am the project manager - and then there is the technological.

Sven: Developer.

IP 05: Yeah. Manager of it. And, ahm, and yes we weren't there 8 years ago. And we have higher salaries and higher levels of knowledge and education. So, yes, this is a, a key factor. The fact that my - I have two bosses, two owners - the fact that they, that I am there, because I am the project manager, I am so a little undefined. I mean, the technological manager you must have him. Without him the company collapses in one day. Without me the company will not collapse in one day but it will collapse in maybe in three months.

Sven: So, your position is more for the long term?

IP 05: Yes. But still they find it worth or valuable to pay me. The relatively high salary that I have. So, yeah.

Sven: Where could we put it? I think it's a rather new segment.

IP 05: It leads of course in the long run to, to profit. But I think it's independent here.

Clip: yes, IP 06

Sven: Another one might fit to a word you already [mentioned]: "Employee relations and knowledge". That's maybe the team spirit?

IP 06: Mmh, the team spirit, yes.

Clip: yes, IP 07

Sven: Ahm, maybe because you have a small business this doesn't fit as well, but: Employee Relations and Knowledge. Because you are your own employee. So, but maybe you have a good relation...

IP 07: We have really good relation. We are engaged. So, yes. That's really important. Knowledge though, I think it's quite important, because we have a tendency, and maybe that's a general thing, that one takes over one part and the other takes over another part. And as soon as you are on your own and you have to run the whole thing, you get into trouble, because you just know your part. So I think that's important even if it's a small business and it's just two people.

Sven: As well near the relations?

IP 07: Yeah, I would say so. Maybe here. Ahm.

Clip: yes, IP 08

Sven: Okay, then I have Employee Relations and Knowledge.

IP 08: Yes, of course. Ahm, it's here.

Clip: yes, IP 09

Sven: "Employee relations and knowledge".

IP 09: Yah, that's knowledge. That's very important.

Clip: yes, IP 10

Sven: Then I have "employee relations and knowledge". I think that fits to your staff. Here or more [further] above?

IP 10: Mmh, "employee relations and knowledge", yah, it is.

Sven: Like this? Or to the "development of the staff"?

IP 10: Mmh, "development of staff" somewhere between those two, I would say.

Clip: yes, IP 11

Sven: Yes, employee relations and knowledge.

IP 11: Yes, with digital means it could be <u>serve</u> to disperse the knowledge. Relations could be better or worse, they could be... at least people can be at different places. I don't know if it's...

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Yeah.

Clip: yes, IP 12

Sven: Then I have "employee relations and knowledge". Maybe that fits to your "people".

IP 12: Yah.

Clip: yes, IP 13

Sven: Okay. And my last concept, the last term is employee relations and knowledge.

IP 13: (...) That's also very important. And I think it must be in there somewhere. Because that's also a way of getting employees, good employees is through a good network. Good network system. And that definitely affects the profits.

Sven: Maybe it's as well here somewhere.

IP 13: Yeah.

Sven: But because you have the customer on the one side and the employees on the other side.

IP 13: Exactly.

Sven: And out of, maybe out of your network you get the employees or the knowledge, then you have influence on the profit.

IP 13: Exactly. (...) And also I would say one arrow from not a customer perhaps but the communities.

Sven: From the communities to the employees?

IP 13: Yeah.

Sven: Or from the employees to the communities?

IP 13: From the communities. So you get the good (...) [feedbacks]

Clip: yes, IP 14

Sven: "Employee relations and knowledge".

IP 14: "Competence".

Clip: yes, IP 15

Sven: "Employee relations and knowledge".

IP 15: (...) Yah, it should be here but then you can access [add] an arrow from the "information". It's a question about [of] the "competence" but it belongs to the internal. But the competence, the information of the, for instance, competence gap, the information that you know that you have a gap there, it comes from the market but it basically belongs here.

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Name der Sammlung: Lock-In

Clip: yes, IP 01

Sven: Yes. (...) The last one I have is "lock-in".

IP 01: Mmh.

Sven: I don't know if you're familiar with the term. It means that the customers are bound to your system, that they, for example don't change the PlayStation against another model.

IP 01: Yah. And that arises in both. There when you have long contract. But also they don't want to buy too many different consoles. And if you have one you really like then you - even if you have the money to buy others - you're emotionally bound to it.

Sven: Yes, it has two sides as you said: One for the supplier or for Sony that it has a lock-in with their suppliers and one for the customers. (...) "Customer" or "end user lock-in" and "network lock-in". That I am bound to the network I am working in?

IP 01: The other can be how to make the market to grow. Okay, you have it there, network effects.

Sven: So you could also use the lock-in to make the market grow? Could you use it?

IP 01: Yah, I mean if you have multi-player games, then that's a clear network effect because many of your friends buy it as well. Share-games and so on.

Sven: But then, do I have a higher lock-in than I have with one person?

IP 01: Yah, as well. (...)

Sven: The network won't change so quickly. There we have a lock-in for the production chain.

Clip: yes, IP 02

Sven: Yes. And I have lock-ins.

IP 02: What's lock-ins?

Sven: Lock-in means that for example, if you choose a computer operating system like Windows and meanwhile you use it, you recognise that it's maybe not so good like the MAC system but you will not change it because you invested in the other system. So you will stay with the old system although you think another system might be better. And that is possible for companies and for customers also. But as I said, if you don't think it's important for you, then we could just lay it aside. Just some suggestions.

IP 02: Well, I think it's very closely related to the network effects. And the reason for me saying that is when you took the example you said - Windows. A couple of years ago, our service could only be used with PCs. But nowadays, you can also... We have tried to avoid that lock-in situation... So now, we also have our service to Mac but also to Firefox. Different types of... So, there are different types of lock-ins and they are very closely related to the standards that are in the market.

Sven: Yes, I think you're right. You can only have a lock-in if you have a certain kind of standard. If you have an outstanding position in the market like Windows - if you set a kind of standard - then you could try to get the people into a lock-in.

IP 02: Yeah, and we try to avoid... This is the situation, I mean this is the internet protocol, for example, whatever... (...) We avoided the situation - we were just having PCS - we also have now Mac. That is, there are some ways to avoid a complete lock-in. You see what I mean?

Clip: yes, IP 03

Sven: Mmh. Then I have "lock-ins". (...) I don't know if you're familiar with the term?

IP 03: Mmh, yeah. (...) It's a good term but you don't use it with your customers but it's a means of securing revenues over time. So if you're smart, in the offering that you're providing, you have some kind of lock-in functions. I mean what we see was service provider and mobile phone is that you locked them in for 24 months. That's a nice lock-in in order to secure revenues over time. Even more effective over time - because those typical kinds of lock-ins will be less important over time - more important will be able [the ability] to provide superior customer experiences. For example, if you start using Flickr. (...) This web tool where you can upload all your private pictures to get access to them from anywhere. If you're getting used to the functionality and the programme Flickr, it is a nice lock-in without being a lock-in for you moving to some other similar kind of. So, I would say that this is a way related to customer experience.

Sven: And as you said, if you are a smart company or if you are providing good services, then the customer might not feel to be in a lock-in. Not as with your mobile contracts where you

know you have a time line and then the customer might change. But as you said with the functionality: The user would not change the system because he is familiar to the system.

IP 03: Or, if you, for example, are used to have Teliasonera and they have some unique content which others don't have. Even though your contract actually expired, since you are always watching some of their mobile TV-programmes which you can't see anywhere else, you will be continuing with them most likely because that is superior value or superior customer experience to what you can get elsewhere.

Clip: no, IP 04

Sven: My last card might fit to your company. It's "lock-ins" which means that you might have a technology that you sell to your customer and your customer is locked in to this technology because he bought this system from you and he cannot change it so easily because he doesn't want to spend money again.

IP 04: Yah, I know exactly what you mean. That does not apply to [my company] because we don't sell any capital equipment. This is generic stuff. I've been working with lock-ins. That's also great stuff.

Sven: The classical example is that you have Windows on your PC and you don't want to change it.

IP 04: If you buy a Pire sequencing - a DNA sequencer - you can only buy the reagent kits from Bio-sequencing. No one else is allowed to make it.

Clip: yes, IP 05

Sven: Then I have "Lock-ins". That means, the classical example is Windows on your computer. If you [have] invested in a - for example - computer program and you think it's not so really good. But you will not change it to another system because you, you made first investments. So, if you change to another system you have just to throw it away. And you don't want to, to, ahm, to pay the costs again.

IP 05: You want to lock the customer in.

Sven: Exactly. Either the customer or another company tries to, to lock you in or whatever.

IP 05: Well, we are, yes, we are trying to lock customers in. Wehave several ideas for how to do it. Ahm, but currently we are not doing it. That would mean changes to our computer systems that we do not have the time or money to implement. But we are thinking about it. At least I am thinking about it but ahm.

Sven: But you find it important?

IP 05: It's very important, yes.

Sven: So, we could try...

IP 05: Because of the network economy it is so easy for the user to go to another supplier. That the more you can lock them in the better for you. It's very important. But we are not so good at it in my company.

Sven: It might be, might be also hard because you must try to force your customers somehow either to pay an, a fee at the beginning that he doesn't change to another company. Or for example that you, ahm, have models with points. If you order a calendar you get a payback point. If you order the next time you only have to pay [half a calendar].

IP 05: I, I have ideas about this. We should have a, some kind of login function. And that the customer could login to his account. And he could write on different dates. Like February 16th

my birthday. October 4th blablabla. And then we print that on his calendar. So, when he gets the calendar all the birthdays are there. And then the next year.

Sven: He doesn't want to do it again.

IP 05: No, he doesn't want to go to a different company because it costs him two hours to do that. So, and we would save that and he would login to the same account and he would, he could change a little bit. But...

Sven: So, does that fit to the "customer relationship management"?

IP 05: I think it's a very important, ahm, feature of the network economy. Ahm, I think it's also independent. Maybe, yeah, customer relation tools. This is actually. If we have customer relation tools then we don't need t buy as much internet marketing.

Sven: Okay.

IP 05: If I can use my customers adress information, contact them again and come back to me then that decreases the need for this. Because this is expensive. This is a definite cost, you know. (...) And this is something that helps me. If I can lock them in, yeah, I guess it's the same here. This has the same function as this. It helps me to get the customers back. Which reduces the need for this. So, there is some, they, they serve the same need or serve the same function. [phone call] IP 05: Yeah, okay they serve the same purpose. In my opinion. Customer relation tools, why do we have this? Because we want the user to return. Lock-Ins serve the same purpose.

Sven: But they are not...

IP 05: They are not really the same actually. I mean this is the users locked in. He wants to return. If the user is in our database. We are forcing them to return.

Sven: Okay, but you said that the lock-in also has influence on the [internet marketing].

IP 05: It reduces the need for internet marketing, yes.

Sven: (...) I am writing a negative sign here.

Clip: yes, IP 06

Sven: Then I have "lock-ins".

IP 06: That means?

Sven: The classical example is a computer. You have to buy an operating system and you have to spend money for [to get] it. For example, you buy Windows and while you're using it, you remember [find out] that you're not satisfied with the product. But you won't change the system because you spent the money before. In addition, there are other products basing on it like Word that help you working with it. Therefore you don't want to change the system.

IP 06: Okay. I think this should belong to the customers' side but I'm not quite sure. For example, we adapt our product to other standards. We have it for Mac and PC. So we made lots of changes over the time on our products. Now I am talking about the church records archive, our database. So it more fits to the customers usability.

Sven: Could your company lock in a customer so that he doesn't go to one of your competitors?

IP 06: Yah, we have a discussion about that right now. The customers think that our system is more user-friendly than our competitor's. So, if we want to lock in the customer, we need to develop our user-friendly...

Sven: ...web page.

IP 06: Yah. It's not just on the product, but it should be... Where should we have this? I mean it's not a marketing thing. And it's not the customer.

Sven: It's either a technical thing (...) or it concerns the customer's behaviour. That he doesn't want to change. Maybe it's both, you need a technical prerequisite to do it.

IP 06: Yah, yes, because it depends on the type of customer. It could be a library then we have to do huge things in development. Maybe [my company] is willing to do that to have these kind of customers. Or if it's just 10 private customers it's more: "Okay are we really going to do that?"

Sven: How long is the subscription [period]?

IP 06: It could be from 24h to one year. Depending on how the customer wants to do his research. Could we just put it like there, maybe? Because it's handling the product but it's, of course, the technical or the...

Sven: You're right. Maybe there are products that are not... Exactly, maybe you can do it with some products but not with every product.

IP 06: Yes, because, I mean, lock-ins could use to our [my company] Family Finder. It's the programme you use when you take up the picture and look at the image.

Sven: Ah, okay. So, the customer needs another programme. It's not just the web browser he needs?

IP 06: No, formerly, it was the web browser but now we changed it. The program is opened with a separate window. You need to have this application called [my company] Family Finder. It's a programme that you can make images bigger with and everything like that. That might be a lock-in. In that way. Not just the ordinary product. I mean, the product could be a CD. (...) I think, it should be over there.

Clip: yes, IP 07

Sven: Okay, then I have Lock-Ins. I don't know if you know what a Lock-In is. The classical example is that you have a computer and you have to decide for an operating system. And most of the people choose Windows. And even though you might not be satisfied with the system you don't want to change it, because you have all your programs on the computer like Word and other things. So, although you are not satisfied with it you stick to it.

IP 07: True. Very true.

Sven: And this is sometimes a strategy for companies. If they have the consumer in a Lock-In they know, the consumer won't change the system. So they know that they will gain money from this. Although the customer might not be satisfied.

IP 07: Yeah, that is, I think if I got the term right, that's pretty close to the infrastructure in the technical aspects of running a business.

Clip: yes, IP 08

Sven: Then I have Lock-Ins. I don't know if you are familiar with the term.

IP 08: Yes, of course. All business critical versions has quite a big Lock-In. And as long as we are, as long as we are nice to have, it's not really Lock-In. I mean you're never business critical then. So, this is the Lock-In of course.

Clip: yes, IP 09

Sven: Then I have "lock-ins". - That means that you are mostly locked into a system. For example, if you are using Windows as an operating system and you might not be satisfied with it, you won't change the system because you are using Word, for example or other products running on this system.

IP 09: I would put that (together) here because that's what we are talking about here. About

using standards. In this relation, you don't feel that you're locked in but due to your specialists who have the knowledge you are locked in, actually. The customer doesn't want to be locked in but we, of course, want to lock the customer in. But I believe in using standards is the only way to get a trustworthy relationship and people talking about you. And the only way to lock in the client is to produce this. Lock-in is an extremely important factor.

Clip: no, IP 10

Sven: Then I have "lock-ins". I don't know if you're familiar with the term?

IP 10: You have a small step-in to big business. Is that what you mean, or?

Sven: Mmh, yes. The idea is that you try to lock in your consumer to a system. For example, if you have a PC with Windows as operating system and you are not satisfied with the system because you think it's not stable or something else, you won't change the system because a) you made investments when you bought the system and b) you might have programmes running on this system and not on another system. So you will stick to the system although you're not satisfied. Then you are locked in. That happens.

IP 10: Okay. I mean the only lock-in we have today is the old Print-On system that takes care of the graphic products or graphic materials for the company. But it's quite easy to change the supplier as I see it. But if you have the system and if you're satisfied with the system - it's of course harder to - and you have users who use to use the systems, it's harder for them to change the supplier, that's obvious. But I don't see it as a lock-in. It's rather a behaviour that they get needed of [need it] which makes it more difficult to change the supplier.

Sven: So you see it [rather] as a soft lock-in. For example, you have smart services that satisfy the customer and therefore he's locked in - not because you offer a system that he bought for much money and then he must stick to the system. IP 10: No, because if you look at the investment they [make] for our systems when it's unpaid, it's quite little money and it's not very expensible [expensive].

Sven: But with the - what was it - Print-On system, do you have a lock-in there with the supplier? Or?

IP 10: No, not really, no.

Sven: So the term doesn't fit.

IP 10: No. Not really.

Clip: yes, IP 11

Sven: Lock-Ins...

IP 11: Yes, this is also a theoretical concept. Remind me.

Sven: The classical example is that when you buy a computer you have to chose an operating system. Then you might chose Windows, because you have other programs which are running on it. And even though you might not be satisfied with the program, during you are working with it, you will not change it, because you made first investments and you are...

IP 11: Yes, and of course this is like in Monopoly when you try to build a hotel on a nice location. It's some sort of way to try to create some sort of temporary control.

Sven: If you have a good position in Monopoly then the people will come in and have to pay the rent.

IP 11: Yeah, and what you can say of course is, that you want to try... Depending on how you are in this system or network. But of course you want to be, try to navigate so that you are in

a favourite position. My idea is, that you are in a very favourite position if you are close to the contact. The customer. And this is of course one... Lock-In is a valid concept I think.

Clip: yes everywhere, IP 12

Sven: Okay, then I have "lock-ins". That means, the classical example is PC technology with Windows - that you don't change your operating system even though you might not be satisfied with it. You don't change it because you're used to it, you have [programs].

IP 12: Yes, this is a dead end. Anyone who's trying that is dead in the long run. It fits up here but as a minus.

Sven: Does that have a negative influence on your trust and credibility if you try to do this?

IP 12: Yeah it has, but also, I just think that's in any economy, you have some natural laws that are [binding]. And like standards. And lock-in effects, they don't work too long because the culture, the peer pressure from the culture will tend to attack it and the other ones concurrents [competitors] who not try to lock you in, because another guy who can do the same things as you and you don't lock it in. And they will win. They will win the customers. [If they can offer the same product, they are going to win the customers.] They will get [have] more value, because of that they will get more customers. So, it's a dead end for anyone trying it.

Clip: maybe, IP 13

Sven: Then I have lock ins. That means - the classical example is PC technology. So if you have to choose an operating system you will choose the one, which has for example, complimentary goods as well so that you can use Word or Excel or whatever. And once you have chosen this lock in, you, you are not so [flexible], you cannot so easy change the system, because you are accustom to it you have made investments you work with Word everyday so you don't, for example, you don't want to change it. So even if you might not be satisfied with your system you have chosen, you will not change it. Because you, you will stick to it.

IP 13: Yep. That's very much a negative effect on a product. [I would say.]

Sven: Exactly. It's very profitable, but it's, on the other hand, it's very negative.

IP 13: Yep it is. Because, we have that problems in, in, [my company] right now.

Sven: With PC systems?

IP 13: Yeah or, or the programs. The, we have several different programs for bookkeeping, year round bookings, salaries, what's how [like] Excel, Word and all that stuff but it's not working as it should. And it's getting more and more complicated.

Sven: So you, you are locked in now?

IP 13: I'm locked in. Yeah. And I am think, thinking about it.

Sven: Does your company think about locking customers in, so that you try to be the one to get them into a lock in?

IP 13: No. No. In some, in some way yes I do, yep. We do. When we, uh, do their book-keeping we use one type of program. So that's true. We do that with them.

Sven: (...) Do you think we, we should keep the card?

IP 13: Keep the card, yeah. Because...

Sven: So, if you think it doesn't fit we could just throw it away.

IP 13: I think we keep it because it, it's very interesting because it affects the profit both in good way and in, in bad way right now.

Sven: Until now I don't see a connection to opportunities.

IP 13: Not this one no.

Sven: Maybe we could just first lay it here and then have a look later.

Clip: yes, IP 14

IP 13: Yeah and the locked in stuff, with I mean, that in that way it, it does.

Sven: Exactly. So we have a line here as well?

IP 13: Yeah.

Sven: To profit? Is that connected to something else here?

IP 13: I don't think that, no, not, not in. Yeah maybe if, to this one as from this one. Depends on how you see it.

Sven: Could you be locked into knowledge? Yes you [could]. Seem, might be.

IP 13: Yeah it might be. Because if you have employees who is used to work with the systems that you have but if they're, if they're not, if they're not you have to teach, teach them. And it costs a lot of money. Of course, they, we can't sell their hours. And also when it, when it locks in and gives us problem as it, as it does now is effecting the employees.

Sven: Okay.

IP 13: So I think it should be from that to that, yeah, that's right.

Sven: But maybe we should draw a negative sign so it...

IP 13: Exactly.

Sven: Because if that influences the profit then you have negative [influence here. As well.]

IP 13: Negative. Yeah. That's right.

Clip: no, IP 14

Sven: "Lock-ins".

IP 14: What do you mean by that?

Sven: That means, the definition is that you stick to a system although you might not be satisfied with it but you have made first investments, so you have sunk costs. Therefore, you don't want to change the system. The classical example is a PC with Windows for example.

IP 14: Yah. Hm, I don't see that much of it, though. Could be that other parts of the company see those things. But I don't really get to see that much. When I, when I look into it.

Sven: Does it fit to the "monopoly"?

IP 14: More [Rather] like that. (...) But with the monopoly, I just see more that we have a temporary monopoly. Maybe I should say like that. You have something which is unique at the moment but other ones will come up. So it's more like a temporary monopoly. It's seldom - I would say - that you can claim that you have a monopoly.

Sven: (...) So, should we leave this out?

IP 14: Leave it out, for I can't, yah.

Clip: yes, IP 15

Sven: "Lock-ins". I don't know if you're familiar with the term? (...) That means that when you try to buy a new system, for example a PC, then you have to chose an operating system. And you have to make first investments for the operating system and later on you might recognise that you are not satisfied with the system that you bought. But although you are not satisfied with it, you will not change it because you made your first investments, you learned how to handle the system. And you stick to the system.

IP 15: Yah, I understand. But it should be, in that case, it should be here.

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Sven: In the "production"?

IP 15: Yeah, because it's a bottle neck in the production. It's a bottle neck in your way of thinking as well. You are concentrating on just one way of producing something.

Sven: Yes, and you have to have a good or a service that allows [for] these Lock-ins. So, maybe you, you are not able to build it in.

IP 15: Yah. And the mental lock-ins are the basic beliefs.

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Name der Sammlung: Network Effects and Standards

Clip: yes, IP 01

Sven: Then "network effects and standards". You had that in your definition as well.

IP 01: That's probably related to this one - if you have many people working towards the same goal then you will get a growing market as a whole rather than having...

Sven: Yes, okay - as you said if different telephone suppliers agree on one standard, they have a bigger market.

IP 01: Yah. I'm absolutely sure that if we would have had four different standards for mobile telephony now in Sweden - GSM, Plus, three more, EVDO and a few more - the penetration would not have been as big as it is. And it would not have had the same canal. I mean, it's good and bad. It' always the trade of. Cause then maybe, you wouldn't have had the same price competition as well. So, maybe you would have had less penetration but higher profits and therefore consumer prices. But on the other hand, if you have high consumer prices then you don't have as many calls in the network. It's very interrelated. (...)

Clip: yes, IP 02

Sven: (...) Then I have network effects and standards. So if you think that the card doesn't fit, we can lay it aside.

IP 02: Network effects and standards. When I see this I think about for example the IE7, the Internet Explorer 7. And then I think about Vista, Microsoft, PCs, Mac. We have PC and Mac. GFS - that is our search engine. So, standards are very important things.

Sven: But also behind? Like digitalisation?

IP 02: No, I don't think so. I would say network effects and standards is around everything. It goes beyond this because it's something that we must adapt to that.

Sven: Yes, okay. But you don't have a direct influence to that.

IP 02: No, no, we don't. That's why digitalisation it's our business and what we have digitalised is the added value so that's why I think it's behind the added value. But this is something... It's there... We can't influence that. We have to adapt that.

Sven: Maybe here you could have influence on the degree of digitalisation. If you digitalise an archive then you could decide not to digitalise it or to digitalise it.

IP 02: Yes, and the level of compression, for example. And then we have, for example here, a German supplier, so it's a German algorithm we have chosen and it's quite efficient. And we pay the royalty to them, nowadays once a year because I really negotiated. They didn't understand how fast we should increase ourselves. (...)

Sven: Cost-efficiency.

IP 02: Yes, to have the cost-efficiency. And they were happy and I'm even more happy but that technology that they brought to us it's very good. But that's our choice, so the level of com-

pression - was decided by us, ourselves. That's why it's behind it. And then, we influence that quite much. But we don't influence that (knocks on the table). We influence it because we have one of millions or one of one billion customers perhaps but this is something that we have to assimilate and to adapt all the time. New versions. We need to do that, otherwise we don't have the interface.

Clip: maybe, IP 03

Sven: (...) Then I have "network effects and standards". (...) I don't know if that fits to your partner models. (...) The bigger your partner network is the more valuable it might be. (...) But as I said, if you think they don't fit, we could just lay them aside.

IP 03: (...) Let's park that a little bit for now.

Clip: yes, IP 03

Sven: Okay. (...) And then we parked one? Network effects?

IP 03: Yah. - How do you define network effects here? Because coming from a network company, I think I had a slightly different definition.

Sven: That might be (the case). I define network effects as also a kind of value but, for example, if you have a mobile phone, Tele2, for example, which offers that you can call other persons who are in the net as well for free. Before you...

IP 03: This will have a huge impact on ... Similar to the new revenue models - because it's like with e-mails: If you're the only one in the world with e-mails, it doesn't really help you.

Sven: But what is your understanding of network effects? Is it a more specific [my company]-understanding? Like network as a technical (structure)?

IP 03: It used to be a technical one. What we are thinking very much about the network right now is the human network and the communication, interconnection between both individuals and companies - that that opens up totally new possibilities. And one of the main things related to technology networking is that we believe the more intelligence you can place in the physical network, that will enable people and companies to communicate and collaborate even better. That means that the intelligence moves from the application into the network. If it's in the network, you will be able to access it from anywhere, any device. But that's rather philosophical.

Sven: Yes, well, I'm wondering how it works. But okay. (...) It sounds very interesting.

IP 03: In 5 to 7 years time, I strongly believe we'll see a totally big difference how much intelligence - so to speak - will be in the network versus in end user applications sitting on that specific PC only because then you're locked to that PC.

Sven: Yes, you are.

IP 03: That won't be the case in the future.

Clip: no, IP 04

Sven: Then I have - maybe my terms are very academical[ly] - "network effects and standards". Network effect means that the more users you have in your net, the more valuable it is for each user. If you think, for example, of a telecommunications company, you could offer that other persons in the network can be called for free. Then, the more people are in this network, the more valuable it is.

IP 04: The thing is what we can have if we talk about the customers. What comes out of this one. We only talked about the precustomer really until the purchase moment. The more people use our products, (...) the more people can share the knowledge. Because this is not easy stuff,

you know. Creating a discussion forum on the internet, for example. One of my customers from my former job actually wrote a book consisting of essays about how to do this. It comprises 100 essays about this product. Wrote a book and sell it, actually for quite a lot of money.

Clip: no, IP 05

Sven: "Network effect and standards".

IP 05: What, what does it mean?

Sven: Network effect means if you try to, to build up a network. Maybe a telephone network. It is more valuable the more users you have in it. And standards are prerequisite for network effects. So, if you don't have standards you can not, can not have these network effects.

IP 05: Ahm. (...) Well, it's not a 100% applicable to us. That will be more applicable to a, like a community.

Sven: Yes.

IP 05: Web pages, stuff like that. But not really to my company, no.

Clip: yes, IP 06

Sven: Then I have "network effects and standards". Network effect means that if you take a telephone company - like Tele2 - for example, that the more people join your company or network, the more valuable the network is for each member. And for new members it is also valuable to come into your network. Then you might offer the customers free calls to other network members.

IP 06: Yah, okay. Could we have it in this one and this one [two clusters]?

Sven: Yes, okay.

IP 06: Maybe over there? Because the partner thing and also the satisfied customers if you have lots of [opportunities]. (...) Yah, I want to have it in the middle.

Sven: As for your case, all Swedish people might be in the database because they are registered. You have a kind of natural network but you also need the people to get in and search there.

IP 06: Yah. Now, we have 40 000 customers and maybe 15 000 have the subscription right now. Because some of them have not researched anything yet. So we need these newsletters and e-mails to take care of them. To make them subscribe.

Clip: no, IP 07

Sven: Then I have Network Effects and Standards. A network effect means that you try to build up a network like for example a telephone company and the more users are within the network, the more valuable the network get's. So, for example Tele2 offers these call your friends for nothing tariffsänd that means the more of your friends are within this network the more valuable it is for you to join the network as well. And you need standards to build up this network. That all are using the same standard.

IP 07: Ahm, ahm, I think that's a little special, depending on the type of company you have in run. I, like what you said phone or technical networks. It can't really see that in our business yet maybe. Because it not so much a question of having a network. It's still single customers. So maybe we can... I wouldn't really know where to place it at least.

Clip: networks no standards yes, IP 08

Sven: Okay. Then I have Network Effects and Standards.

IP 08: Yes. On our New Business Model is it when we... If you should put it on this ASP version of course it's standards. That's what makes it work. Without standards RSS feeds standards, I

don't know if you know about, yeah you know about news. We couldn't have done our system. So, maybe there... well, you pack in. Network Effects I don't know if that has so much to do about/with it. But Standards, yes.

Clip: yes, IP 09

Sven: "Network effects and standards"?

IP 09: It's very much connected to here. Then you have, of course, you have the standards there but this is what I'm talking about with: The user say that this is not possible - to combine. You can have two out of three but you can't have all three. I believe in network effects and standards, you can actually have all three. For example, from our field, that if you wanted a very high quality, you want to be sure the quality that you need - you need a proof, a printed proof of this what is actually gonna end up in the printing press. And that was very expensive and time-consuming but it was the only way for you to see that it's actually gonna have the quality that you're anticipating. Today, with the network and the standards you have the possibility to calibrate the clients' side. They can actually have a very, very high insurance of the quality they have. They can sit on screen and see exactly what you see with no cost at all [without any costs]. So you're actually getting the same quality to "no price" at "no time". Network effects and standards are very much affecting the market.

Clip: no, IP 10

Sven: Okay. Then I have "network effects and standards".

IP 10: What do you mean by that?

Sven: Network effect means that a network becomes more valuable the more users it has. If you have a telephone company, for example. And standards means that your products are built on certain standards like TCP/IP so that a user can easily join your network. If you are using standards then a user could easily come into your network.

IP 10: That sounds more or less like business to consumer.

Clip: yes, IP 11

Sven: Network effects and standards.

IP 11: Yes, for me this is a very technical aspect. And of course, if there are standards, communication and interaction is facilitated. With effects, network effects that can mean also have a social aspect. For instance you can have a much more, greater dispersion or you can have customers... This is a theorectical concept. I think. Network effects in one way. But...

Sven: Yes, in technical terms it means for example if you have a telephone company then you want as many people to join your network.

IP 11: Exactly. And then if you don't have... If you only have one phone, it's ridiculous. If you have many then it's extremly useful.

Clip: everywhere, IP 12

Sven: Okay. Then I have "network effects and standards". Network effects mean for example, if you have a telephone company like Tele2, then you offer customers rates to call their friends for free. So, if they are in the same network, you can call them for free. Because you want to have a big network because the connections between.

IP 12: Yeah that's a cluster. We talked about clustering.

Sven: Yes, the connections between the people are more valuable than the product you're selling. The telephone for example.

IP 12: (...) Because, when I look at standards, for me it's standards, technology standards.

Sven: Yes, also.

IP 12: Which are extremely important if something goes in scale [scales]. Because, the life of standards is an extreme problem within the network economy. I mean certificates and so on. But network effects, I mean, I would put it here. It's a based platform. Network effects are for customers but the standards and all that are so important. I mean, the whole we are talking about, the network economy, actually, the term came [appeared] after the HTTP- and HTML-protocol was based.

Sven: Maybe we can do it like this a little bit.

IP 12: Yeah, because it's per definition, it's, because the network economy started in December 1992 when they launched HTML and HTTP. That is a standard and without that standard, we wouldn't be sitting here, talking about the network economy. So it's an absolute prerequisite.

Clip: yes, IP 13

Sven: Then I have network effects and standards. So networks effects for example is when you have a telephone company then you want as many people in your network as you can get because the, the bigger the network gets the more valuable it is. Because it attracts new customers, new people. And to set up these networks you need standards. So if you don't have, for example, a communication standard then you can not set up a, a network.

IP 13: Um hum, some way it affects [my company] and some way more [company] I would say.

Sven: (...) Does it somehow influence the [opportunities]?

IP 13: Yeah it does because the bigger the network I have the easier it is for us to grow as company. Because...

Sven: So it, does it affect the, the speed and the availability if you have a good network?

IP 13: [I would say,] yeah.

Sven: And you are faster and you have more possibilities?

IP 13: Exactly. The larger the one, the larger that one, the network effect, and the network is. The easier it should be.

Clip: yes, IP 14

Sven: "Network effects and standards". Network effect means that the more users you have in a network, the more valuable it is. For example, for a telephone company wants users in their network. Then they have special fees [offers] for example where you can call your friends for free.

IP 14: Yah. Sort when you say "network effects and standards" and so on. That's more when we are being, I would say when we are being up to the trends and regarding communities. And those go together. Because when we do our sort of networking, where we can gain effects by being around, talking about the standards and so on. We don't have sort of the, that we are building communities in the sense you just mentioned. It's we have it a little bit different, but just it goes together with setting the trends and the communities that you, are around and the finance community for example. Or the telecom communities.

Sven: Is your company active in standardisation committees?

IP 14: We are, yes, we are, we are very often a part of those. Trying to be a part [in] as much as possible. So, we have, we try to place people in, trying to be close, trying to be in the boards of those standardisation companies [committees] and so on. Yes.

Clip: yes, IP 15

Sven: "Network effects and standards".

IP 15: That could be sort of "lock-ins" but I think it's to put it positive, so. Well, it should be here somewhere.

Sven: Near the partners?

IP 15: Yah. Yes.

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Name der Sammlung: New Revenue Models

Clip: yes, IP 01

Sven: I have "new revenue models"?

IP 01: That's probably quite important to us. That fits to advertising from the type or risk-sharing. (...) It's probably within the relationship between these guys and Sony. There's probably some kind of risk sharing agreement which is a different revenue model.

Sven: Could we lay that here? So that has influence on the profit you get?

IP 01: Yeah.

Sven: If you have a new model, you could gain new profits or other profits than before.

IP 01: Yah. (...)

Clip: yes, IP 02

Sven: New revenue models?

IP 02: Yes, that's connected to that one. New technology and new revenue models.

Clip: yes, IP 03

Sven: "New revenue models" (...) Does it fit to your partner models or rather to the sales? Does it fit at all?

IP 03: It certainly fits. That's what we discussed upfront. We will see totally different new business models and thereby also new revenue models. So I would say that that one is somewhere inbetween because at the end of the day it will hopefully be sales for the specific company but it will also generate sales for the other parties in that partner ecosystem. So it's gonna be difficult to say. (...) The media industry is probably the most appropriate example where we see new models evolving with Itunes - the way you pay for music and all that.

Sven: Yes, but that might also be influenced by the production side because you also have specific production structures. So, for the first copy you have to pay a lot of money and then...

IP 03: Oh yeah, absolutely. It's cheaper.

Clip: no, IP 04

Sven: Yah. Then I have "new revenue models".

IP 04: I don't really know what that means. What are the old revenue models?

Sven: The old revenue model is that you sell your products and new revenue is that you have subscriptions for all kinds of services, for example.

IP 04: It doesn't feel very new to me, though. I've been selling subscriptions for ages.

Sven: Okay.

IP 04: Well, no, not really our products, not really in this case, not for [my company]. At my former employer we also sold subscriptions, for 55 mio Swedish Kronor per year. With four updates per year, a database ASCII-file, it cost the customer 150 000 Kroner per year. That was great. There are so many advantages having subscriptions because they can only stop the subs-

cription at a specific point in time during the year and if they haven't I can already calculate 60 % of the year's revenues, then. Except for what goes in to the justitia or the collecting agencies.

Clip: no, IP 05

Sven: (...) Okay. Then I have "new revenue models". (...) Like you mentioned with Yahoo.

IP 05: With Yahoo, yes, yes. With my present company it's still based on the fact that, well, we are moving from business to business to more business to consumer. That is an important change that we are doing. But it's still based on the fact that you have a customer who has pictures and is willing to produce something. A book or an almanac or whatever and is willing to pay money for that. So, the, the revenue model is, is pretty much the same I would say. With this few changes that we are moving directly, we are having more of direct customers, contact with the customer. We used to go it through the store. We still do [are] going through the store. But.

Sven: I am thinking about a, a model from _ where the customer has kind of preproduct. But I am not coming at something at the moment. That you need the customer to deliver you something.

IP 05: I would not say, that this ["new revenue models"] is something that is, applies to my present company. That is not one of the key factors of the network economy of my present company. I would not say that. Maybe for Yahoo, when I was working for, of course that was based on internet advertisements or marketing mania. Just that Google makes money, today. Yahoo still makes money like that. And at that time for serving me but, ahm, no, I am not, find it compatible.

Clip: yes, IP 06

Sven: Then I have "new revenue models"?

IP 06: Mmh. (...) Maybe in the customers' cycle or rather in the marketing? (...)

Sven: Good question. If you set up your marketing, you might have to take that into account. It's not the customer who gives you the models.

IP 06: Yah. It's different channels. Then we had... I am thinking of new directions.

Sven: Yes, maybe the revenue comes through different channels?

IP 06: Yah, but or. (...) The different channels are a rather big aspect. Maybe we should have it in there - new revenue models. You put it there. Maybe I will change it, but I think it's gonna be under that card.

Clip: yes, IP 07

Sven: Then I have New Revenue Models.

IP 07: Hm. What would that be?

Sven: Ahm, maybe if you are advertising on another page and the other page gains clicks, gains money through the clicks. That consumers are doing on that page and that are directed to your page. That is for example a New Revenue Model.

IP 07: That is a good point. Ahm...Yeah. Maybe I place it between profit and market. I don't know.

Sven: Okay? Ahm, and the market...

IP 07: Market like... I understood under market like as well my competitors, the whole segment of web that we are in.

Sven: But the market generates New Revenue Models, or? I think you placed it quite good,

because maybe the digitalization...

IP 07: Yeah, of course, right.

Sven: Ahm, generates New Revenue Models and that has influence on the market. Okay?

IP 07: Ahm, good.

Clip: yes, IP 08

Sven: Ahm, then I have New Revenue Models.

IP 08: Yes, yes. Should I put it there then?

Sven: Yes, okay.

Clip: yes, IP 09

Sven: "New revenue models". - Or, other revenue models than in the old economy?

IP 09: Yah, it has very much to do with the market and it's very complex. I could spend two days on that.

Clip: yes, IP 10

Sven: Then I have "new revenue models".

IP 10: Mmh.

Sven: For example, that you have banners on web pages and gain money through [per] clicks.

IP 10: Yah, that's "technology, structure, changes", I would say.

Clip: yes, IP 11

Sven: Ahm, new revenue models? New models of earning money?

IP 11: Yes, I think, that's a very lofty term. Another term I think is new business models, also saying. I think, what it just means is perhaps that a lot of the digital internet based firms start on actually making money on advertising or clicks or finding new ways which are in one way indirect. The user is not paying directly, but somehow the money is actually all the time coming from the customer. End customer. From the individual. It's just a more complex web on how money is distributed. So, it maybe new of course and creative, but perhaps a little bit exaggerated the concept.

Clip: no, IP 12

Sven: "New revenue models" like banners on your web page.

IP 12: Yah, that's just words. I mean, any new kind of [channel]. That's part of the product. I mean, how are you gonna pay? In any [respect], I am not certain, if that is especially interesting for the network economy, because if you're looking how the society will build from the 18-, 19-hundred. You probably, I mean, the guys working in the coal mines, they're owned, you know, they own their sold to the company store. That was one revenue model that worked 100 years ago. This is just, you know, it's part of the economy. New revenue models will always tend [come] up. It's just because you have a good swift. The people, the old people looking at it: "Oh, that looks very strange. We have to put names on it." And I don't think so, that's just part of the natural laws within economy.

Clip: no, IP 13

Sven: Then I have new revenue models maybe you sell places for banners or you have other, other things that you gain money with besides selling services and products or consulting people?

IP 13: (...) No. Not really. No.

Clip: yes, IP 14

Sven: Then I have "new revenue models". (...) Like paying-per-click or like all that sort of.

IP 14: Hm, I would have viewed it be more like, yah, not maybe trends exactly but I would group it together with the trends because - in one way - by doing setting the trends we pull/can push for solutions, products out to the market which creates much more money. But it's also in the same time you need to be a little bit inventive and come up with new revenue models. So, absolutely.

Clip: yes, IP 15

Sven: "New revenue models". That you could generate [create] revenue for example through banners, through clicks on banners - that companies could gain money with these kinds of systems, instruments.

IP 15: Well, it should be then in, in that case it has to do with the information of [about] the behaviour of the customers which results [in] your analysis which can be the new revenue models. Might. I think it should be here. I know that you can, you have there are alternatives as well. "Profits" - yes, but that's the result. The, the, the, the "Partners" - you can do that with your partners here, about here. So, there are different possibilities - here or here.

Sven: Mmh. (...) Should I write it down twice?

IP 15: No, I think we can put it here.

Sven: Okay.

IP 15: It's about here. So.

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Name der Sammlung: Shorter Life Cycles

Clip: yes, IP 01

Sven: For example, you mentioned lifecycles - I have "shorter life cycles than before".

IP 01: That's probably true.

Clip: yes, IP 02

Sven: Mmh... Then I have shorter life cycles of products. [Long pause]

IP 02: I would say that it's not necessarily a shorter life cycle but it might be a shorter life cycle for revenues or a shorter life cycle for the profit. Do you see what I mean?

Sven: Mmh... (...) You have less time to get your service to the market because another competitor might also offer such a service or maybe what you're doing is out of date, so the people are having other hobbies.

IP 02: Yes, that could be the case. What I'm saying - and the first suggestion that is perhaps the best one - there are alternatives. And the added value, for example the big data base that we have - it will always be there. I think it will last for - as a merfire - I think it will last for decades. But we will not have the possibility to have the high revenue streams in the future as we have today because there are new alternatives coming. Other ways of competitors, other types of information kept in the network.

Sven: So, do you think we have a negative connection here - to the profit?

IP 02: Yes, we have. But do you see what I'm trying to (...) say here is that the added value is there. But it's not... and it will be there for many, many years. (...)

Sven: But you think it will get smaller? The added value? Because of shorter life cycles?

IP 02: Yes, because of alternatives - because of other ways of getting this information over the net the added value is perceived as not that unique. So, it will be there, we will have customers

coming this way and in the long run perhaps the added value will be free. It might be the case in ten years from now. So, it's not the database itself that is outdated but it's the life cycle for the profit, for the revenue stream that is limited. But (...) this is perhaps necessary to have the next added value.

Sven: Because you are forced to search for other markets.

IP 02: Yes, other markets or other products, other types of added values. I think what we will is, of course, to increase the market for example in America. There are 12 millions of Swedish Americans. 12 million people of Swedish descent. A larger population than we have here in Sweden. So that's market but the same thing will happen there about that. But what we'll do is to have other types of added value, other types of databases perhaps or other types of access points, other types of technology.

Sven: Okay. Maybe if the added value gets smaller you might also have less costs because the building up of your database you had costs - in the beginning.

IP 02: But not now, for example. Yes, it's not that easy. I think it's so easy to say that shorter life cycles because everyone talks about shorter life cycles, it's always so fast. I mean it's not that fast, it's not the problem. And you have the costs in the beginning and then you have the database, then you can reduce the costs. So, I think - this is of course negative but it's not that bad. It drives also inventions, it drives creation of new technology. It drives new technologies. Drives new technology and creations. Yes, this one drives technology developments.

Sven: And these are outside or inside the circle?

IP 02: I would say it's like that: A big arrow like that, see: a double arrow.

Sven: But positive. Because here we had a negative.

IP 02: Yeah, ehm, it's an adventure. You don't know and it's positive because this is the situation and then to cope with that you need to do new technology and new creations - whatever.

Clip: yes, IP 03

Sven: I think we had kind of that: "shorter life cycles"?

IP 03: We had it here: Importance of driving innovation. To make sure that you - looking at the product life cycle curve - continuously inject in terms of new products and services. (as well as on ...) There are different kinds of innovation zones: This is to get new stuff in, here in the maturity zone there are two ways to differentiate: Either you are providing superior customer experiences, superior customer value on the products - alternatively - but that is only for one player in each market, you are the cheapest. The alternative is on the internal side where you have superior productivity. Then you need some kind of innovation at the end of the product life cycle to maybe extend it a little bit more. But over time you will need those resources injected into new product instead.

Sven: So, we could lay that here as well?

IP 03: Yah.

Clip: yes better flexibility, IP 04

Sven: Okay. I have "shorter life cycles".

IP 04: Of products.

Sven: For example of products or of technologies.

IP 04: Is that a fact a drawback or an advantage? This whole set-up makes it much easier for me to change / to update my products and to take other products into account because most of

the material is digital. I don't have a lot of printed materials, I don't have a lot of costs related to that. I have some printed material of course, but (...) Yes, it applies to this. We haven't talked about it but it should somehow be costs and benefits here. But we haven't really talked about the products so much if you think about that.

Sven: You're right. We talked about the distribution (...) and how you could make the customer do some of the work.

IP 04: But it definitely belongs to lower costs. It makes it possible for me to upgrade and to change - in other words flexibility. It adds flexibility to my products.

Sven: Yes, perhaps "flexibility" fits better to your picture. Where do you have that? On the customer's side? Because if you have a new product, you might need a new mail campaign or even a new personal network for the product.

IP 04: The big advantage - as you say - if I changed the product completely, I'd still have to grieve you with all of this. (...) I'd still have my web shop, my web page. Let's say that we want to change, we want to sell lady's underwear instead of these products. That means that everything that has to do with networking goes [is no longer useful]. Branding still exists, my company name exists, some parts will be lost but I still have my company name and that has a value. This doesn't have to change much. Actually, the lists, the commodities they can just change the parameters of selling. What goes is this part. This is the only thing that goes if I started to sell lady's underwear instead of DNA kits.

Sven: But then your webshop assures the flexibility.

IP 04: Yes, I just need to change the product numbers.(...)

Clip: no, IP 05

Sven: I have "shorter life cycles".

IP 05: Of what?

Sven: Of products and services. Because of maybe new technology.

IP 05: No, I don't see that really.

Clip: yes, IP 06

Sven: I have "shorter life cycles" of products or technologies, for example.

IP 06: Ahm, That's a good one. I just have to think how to apply it on [my company]'s products. I think it's good, because we have different campaigns nearly each month. That's one thing. We start a campaign for a couple of days, maybe one week or one day, then we drop it and launch another [the same] campaign six months later but the same. It's more like shorter life cycles for just the product.

Sven: So it fits into your product circle?

IP 06: Yes, if I take that solution. Yah. (...)

Sven: Is it connected to?

IP 06: (...) I actually need a new card "sales campaigns", different campaigns and then connect it this one. Because the shorter life cycle does not apply to the product. Because the product has a long life.

Sven: But the campaign is not specific on the product?

IP 06: It's rather the marketing. But it's yah. Of course it's not the product, it's more the marketing.

Sven: Hopefully, the product stays the same all the time.

IP 06: Yah, exactly. (...)

Sven: And the campaigns are [imply] the ads and banners or the home page?

IP 06: Yes, everything, everything. Yah. We also send newsletters. So it's different things. (...) It's pointing to all of those.

Clip: maybe, IP 07

Sven: Then I have Shorter Life Cycles. Maybe of products and services.

IP 07: Ahm, shorter. Shorter compared to what? That will be my question now.

Sven: To the Old Economy.

IP 07: Yeah, that is as well hard to place, because I think we have a quite modern idea. It's not that we have an old idea that developed and became faster now and the whole life cycle would be shorter. So it's hard to place. Plus we are not producing something on our own where you could say we have a front and back. Hard.

Sven: But do you for example the cakes you use. Do you think, do you change them often?

IP 07: No.

Sven: From other suppliers?

IP 07: No, ahm, we don't. No, I wouldn't really...

Sven: I just had a quick look on your webpage, but I think there are two different cakes.

IP 07: Cakes, exactly.

Sven: So you don't have it like an offer. One week it's blue, the other week it's brown, or something like that?

IP 07: No, not yet. Maybe... No, and that's I can tell you why. It's not because we don't want or because we don't think the market would like it. It's because of those business relations. And suppliers we depend on so much and they are so un[in]flexible. That's just how it is. So, we are so un[in]flexible that's what I ment with depending so much when you are a small business. And you source out things in the beginning. Ahm, yeah. So, maybe if it is there you place it here. But otherwise you can just leave it out. It doesn't make too much sense.

Sven: Okay, I will try to connect it make a question mark. So, just a hint for me.

Clip: no, IP 08

Sven: Ahm. Then I have Shorter Life Cycles for example of products.

IP 08: Ahm... When I see it in our business point of view: No, actually... Our first system has been living since the end of 2000 and we are lifting it now. It's almost six and a half years or something. And still it's quite rocket science for many customers. For us, when we look at our products, I wouldn't say that we have Shorter Life Cycles. But, how to say that we, the system we deliver supports Shorter Life Cycles in the customers. Ahm, but still, but it's no, it gets to out of hand. I don't think it fits. We take it away, we don't take it in.

Clip: yes, IP 09

Sven: And the last one is "shorter life cycles".

IP 09: Yah, that's right there. "Time to market". It's exactly that one. But we are missing the most important part which is the production. (...) Maybe put it here. What we just say: Assembly production are producing or IT-consultants. That we found the need [of] home users to have an efficient online support. For example, that is not based on what's off or it's on, but it's based on their situation. So, we have the market, we have a huge chunk of clients but by the means of network efficiency, we can actually offer very price-worthy online solutions based on a bunch

of suppliers. These suppliers might be a PC-expert in India, a Mac-expert in Sao Paulo and so on. But what we actually do is we're packaging this.

Clip: yes, IP 10

Sven: "Shorter life cycles".

IP 10: What do you mean by that?

Sven: For example shorter life cycles of products that you have less time on the market to gain profit.

IP 10: Of course. If you look at our clients' needs and their changes within their industry - I mean - if you look on special products they have got shorter life cycles. That's very much connected to this one. I would say. I can't really put it - somewhere.

Sven: What about the volume selling? Because when you have shorter life cycles, then you have less time to sell volumes?

IP 10: I would say that it will affect our industry, that they will print more or on the other side they will print less. I mean, we don't work with the web so much today. But more and more companies see that they actually project [provide] more of the printed materials on the web. That means it will change - somewhere here knowledge and this - and it also means that the clients have a wider need to be able to create faster also printing materials [expect to receive the ordered materials faster than before]. And it also means that our system is a very good unique selling point for that.

Sven: So, also to the changes?

IP 10: Yah.

Clip: no, IP 11

Sven: So, you dislike this one? Shorter life cycles?

IP 11: Dislike... I think is a less... What I think is also that you not only have shorter life cycles for products, but you have in one way you have shorter life cycles for firms. And for offerings. And for services. So, in one way yes, but the problem is of course to know, when does a cycle start and when does it end. It constantly mutates.

Sven: Hm..., if I take out the ones you find not so important. Is this one not so important? [Shorter Life Cycles]

IP 11: Yes

Clip: yes, IP 12

Sven: Then I have "shorter life cycles".

IP 12: Yah, we talked about that.

Sven: We talked about that, but...

IP 12: And we have speed here and we have early alert. (...) So, we have early alert and we have speed.

Sven: Employee relations and knowledge.

IP 12: Wait, wait. I'm just missing tactics and strategies [writes that down]. Because that's what we talked about, different channels. There is an interaction between. If you don't have the channels, you will miss the life cycles because you don't have your ear to the ground. You got it? In a digital world, you have to have the channels. That is one channel. And the good companies are those whose tactics are really listening to the channels. And can see those life cycles going up and down and the windows of opportunity opens up and closes [opening and closing] and

stuff.

Sven: So, the channels are important to be in the right [time] window when it opens up?

IP 12: Yah, yah, exactly - to be in the right culture, in the right, you know, to be where it's at. When it happens, to be in the right place. If you don't have your channels, you're blind. We're talking about network economy and this is one channel and the e-mail is another channel. We have a lot of emails coming in. And also the people we meet on the tour, they're also part of the channels [one channel] which interacts with the trust. But also of course we tend to see [like this, we also observe] what happens in the marketplace. What they need and what they want. And don't, if you take away this, it's just like you are blind. In the network economy totally blind.

Sven: So, it's not just channel for distribution but the channel gives you information.

IP 12: Yah, within the distribution. You can, I mean, it's also you get information of: They order this, if they order today, when do they pick the package up? [A decisive factor is the delivery.] Is it two weeks later or the next day? Because like, one of our really strategic goals is that if you order before 4 o'clock, we ship the same day and they get it the next day. And even when [it's like between] 10 and 6, we're able to ship. The people are shocked. And that's, I mean , it's a channel for the goods but it's also a channel for credibility because we are quick and they put it on the site like: "Hey, thank you for the board, we got it sent the next day and you're much quicker than any other site in Sweden." It's like: "Uh, we didn't know that." And you have all the feed go word, word. That's agree[ment], they agree on it, it's like: "Oh, thank you guys." So, channels are for delivering the digital goods or other goods but it's a combination between feedback. Any channel can give you feedback and if you add more channels, you get [have] more chaos, you cannot control it but you can listen to it and react. And that's why I'm talking about that [tactics]. Because, strategy is rather forward-looking and planning whereas tactics are rather about reacting. And reacting is more important now in the network economy than acting.

Sven: Because you have more chaos?

IP 12: Yes, you have more chaos. So, think of adding more channels, for example MSN. You have different channels to your company. I mean, big companies have MSN-conversation to support now. You don't call in, you have MSN instead. Adding all those channels, you have a massive flow of information. And you cannot control it. The only thing you can do is react when a window of opportunity comes up.

Clip: no, IP 13

Sven: Good. Then I have shorter life cycles of products and services. So that the timeframe you can make money is smaller than before.

IP 13: Um hum, well that's not for me actually. It's opposite.

Sven: Good. (Laughter).

IP 13: Um, longer cycles. No because I'm a consultant. And I get long, quite long, uh, contracts when I'm doing helping customer like [company]. I have been working for them for two years now. And that's because of: If this is good I'm going to work with them a couple of years more.

Clip: yes, IP 14

Sven: Then I have - what to take next? - "shorter life cycles" of products and services.

IP 14: Goes a little bit to here with the monopoly - not completely a monopoly, I would say

because sometimes we also have those products which we see that, there are shorter life cycles, yes. Absolutely, and you need to follow that one. That's why it's so important to be, being the first mover and having a little bit of monopoly so you can sort of extend the life cycle. But, yes, clearly, the life cycle is shorter.

Clip: yes, IP 15

Sven: (...) "Shorter life cycles" [Rearranges a card] "Shorter life cycles" of products, services, markets.

IP 15: Wherever. Speed of information, fast information, internal production, communication with your partners, whatsoever.

Sven: Here, to the "market", to the "speed"?

IP 15: Yah, yah, I think that's one opportunity.

Vor der Überprüfung der Synonyme in Schritt 3b wird getestet, ob die vorgegebenen Begriffe überhaupt von den IPs als relevant angesehen werden. Das Ergebnis findet sich in Abb. 55.

	Cost Reduction, Economies Scale and Scope	Costumer Relations and Communities	Digitization	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles
IP 01	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
IP 02	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
IP 03	Yes	Yes	Yes	Yes	Yes	Maybe	Yes	Yes
IP 04	Reduction yes, Economies no	Yes	No	No	No	Yes	No	Yes
IP 05	Reduction yes, Economies no	Different things	Yes	Everywhere	Yes	No	No	No
IP 06	Reduction yes, Economies no	Yes	Yes	Yes	Yes	No	Yes	Yes
IP 07	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Maybe
IP 08	Yes	No	Everywhere	Yes	Yes	No	Yes	No
IP 09	Yes	Yes	Everywhere	Yes	Yes	Networks no, Standards yes	Yes	Yes
IP 10	Yes	Relations yes, Communities no	Yes	Yes	No	No	Yes	Yes
IP 11	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
IP 12	Reduction, Scale yes, Scope no	Yes	Yes	Yes	Yes	Everywhere	No	Yes
IP 13	Yes	Yes	Everywhere	Yes	Yes	Yes	No	No
IP 14	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
IP 15	Yes	Yes	Everywhere	Yes	Yes	Yes	Yes	Yes

Abbildung 55: Übersicht der Annahme bzw. Ablehnung der vorgegebenen Begriffe

16.1.4   Schritt 3b: Gruppierung zwischen IPs und vorgegebenen Begriffen

Name der Sammlung: Cost Reduction

Clip: Costs, IP 03

Sven: So, the effectiveness influences the costs.

IP 03: Yes, or even put it this way. (...) What will be very important to ensure profitability over time is innovation. That is crucial. There are different types of innovation. There are innovations related to the sales side of life - if you're able to innovate, to provide even better value, if you're better than the competition and if you very early in the process, identify and understand what your customers want from you - now and tomorrow - as well as innovation on the entire internal machinery - so that you are becoming more effective in various types of processes. Process innovation and things like that.

Clip: Lower Costs, IP 04

IP 04: How my company should gain profit? Of course, I gain profit by selling items which I have a positive cog, possibility marginal. But the gain of profit compared to normal selling is that I have much lower sales and administration costs since I get the customer to do quite a lot of the administration work. With filling in all the details and all that stuff. That concerns the webshop as it is but if we widen the perspective and look at the internet as a market place instead. Where the webshop if just a small tool. My big gain here is if consider the internet as my marketing segment, that's where I meet my customers, this is my interface, the place where I meet my customers (market place) then I don't need local representation everywhere. I might have for different reasons but probably not for sales but rather for holding the marketing message. If I consider the internet as my main marketing channel, I don't have to think about expensive ads because I don't meet my customers in paper magazines but on the internet. I just have to find out where my customers are. Where do my customers go? And I know that bit. The problem is, they don't always sell advertising space to me but that's another problem.

Clip: Cost Efficiency, IP 06

IP 06: Yes, the use was unique. Now we have unique product like interactive utbilning [education] called Släktvis. That's a unique product for [my company] or for Genology in general. You need to be [have] future-oriented [products]. Maybe you could develop a better solution or a totally new product that the market is not familiar with. Future products, it's a lot in that card. In order to make profit it is also important to have good suppliers or partners. The partners standing on your side to develop the new ideas. (...) The suppliers, you could have low-cost but you need to have suppliers with good solutions. Maybe you could change a paper company or make some new T-Shirts or whatever. You need to have a good product in the end. But if you could pay less money to them or take another company. It's cost-effective...

Sven: Cost-efficiency?

Clip: Costs, IP 08

IP 08: We have a cost reduction by you could say documentation and structured process. I mean, that's the Unified Process. I would say that actually documentations increases costs, but on the other hand without documentation it's very difficult to do outsourcing. So, documentations enables outsourcing. But it increases costs.

Sven: But then outsourcing decreases...

IP 08: Decreases costs, yes. So for us this is, that one... The other result is that...

Sven: Okay. Then you had: keeping knowledge. Does that also influence the costs?

IP 08: Ahm, no, I'd say keeping the knowledge, the documentation of course keeps the knowledge.

Clip: Efficiency Competences Quality, IP 09

9: Yah, knowledge. You have to be specialist which means we that you found your area you wanna work in. You have to have a high knowledge of it. You have to have an efficiency.

Sven: (...) Efficiency in what [respect]? cost efficiency, production efficiency?

IP 09: (...) Yes, it's a big word [broad term]. If you want to work in the network economy, you have to have high skills that people know that you have. What they think they're gonna get, is the right answer at the right price at the right time. Which means that efficiency might be efficiency in delivery [quickness]. "If you come to me I can make it faster". Then you are more efficient. You can also say: "If you come to me I can also be that way less expensive than if you do it yourself or somebody else." [competitive prices] Then also: "If you come to me you know that it will be delivered in time." So it's delivery, price and time like in the old economy. (laughs) The new aspect in the network economy... Well, in our industry, everybody wants "fast, cheap and high quality". And they say you can always get two out of three but you can't get all three. I think, the difference between the network economy and the new [old] economy is that you demand that you get all three. I think, that is the big challenge and what you are trying to do with the network economy. If I'm best at this and I'm not so good at that, then I'll find someone who can make that. And together, we can actually offer what the customer wants.

Clip: Controlling Costs, IP 10

IP 10: I mean, in our terms it's about having control over our cost portfolio within the company. So it's rather a general term that you really need to have control over all your costs. Not only from your vendors but also your internal costs and balance that. And profit, I mean that could also be in terms of, I mean, if you look at soft values - staff, personnel - making right recruitments is crucial. And you can also see that not only recruiting the right people but also to be able to keep the right people on board and to develop and ensure that we have a staff satisfied with the working environment and that they feel that they develop within the company and are committed to our mission and processes. (...) Another term if you don't only look at the selling volume is also to create / to always develop added value for our clients in terms of expanding our portfolio with the clients. And also to develop new value proposals for our clients with business development.

Clip: Cost, IP 14

Sven: Mmh. Then, what else did we have? Costs and outsourcing. Maybe that fits together somehow?

IP 14: Yah. That also level about [influences] the efficiency.

Sven: Right. And the right competence you need to have.

IP 14: Yap.

Sven: And [right] employees. How could we? Fit this to your? If you have lower costs, you also have higher profits.

IP 14: Yah. But you can get lower costs by outsourcing businesses and be [becoming] more efficient.

Sven: (...) Do the right competences also lower [lead to lower] costs?

IP 14: Hm, in one way, yes. You are, you can get better, you get the better profit if would say. By having the right competence. I mean, yah.

Clip: Focusing On Efficiency, IP 15

IP 15: (...) I think that's all. (...) Focusing on your own, making - I didn't use the, the, the, the, the word efficiency, I used the word of the long term. But even in the operations, the efficiency should be better when you can focus [on] just one part. Where the others have longer feedbacks. I think that's it.

Sven: We have some cards, perhaps we could start to...

Clip: Outsourcing, IP 15

IP 15: Well, important is of course that you're operating in a very traditional way. I think the major principle does not differ from the, from the - let's use the word - old economy. But you can work more on long-term analysis when you are working with partners who have access to different kinds of information of [about] the market than you, you, you have just by [on] your own. So, that's, I think that's the very important difference. That the information is, information of [about] the market and information of [about] the changing parameters in the market. That you have better access, you can, you can have more reliable long-term planning than you would do by yourself [if you did everything yourself]. Profit is a very simple thing, it's opera, it's operating. And then second thing is of course, that you can, you don't need to do everything by yourself, you can do, you can share, you can outsource things, you can share with your partners, with your networking partners and then you share the profit as well, of course. (...) And this means, this should mean, of course, that the profit will be bigger than it would be just by doing it yourself everything. (...)

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Name der Sammlung: Customer Relations Communities

Clip: Customer, IP 02

Sven: Yes. Then I have customer relations and communities?

IP 02: Mmh... It's here, I think. I mean communities - it's partnerships and customers and relations.

Sven: But the customer could also have a community, so...

IP 02: Yes, say like this: One of our partner, they have a community for this industry. We're into genealogy - family history etc. So, there are different types of communities. And one of our major partners, they have this big community. And people, they chat there. And we're part of that. So, sometimes we get questions from that community and then we answer these questions. And that is (...) closely related to the partnership.

Sven: So, do you think it lies in between here?

IP 02: Yes, I would say. Yes. And we of course, as a business entity, we sometimes (...) think about creating a new community by ourselves. So I think it's good here. Now it's there. It's related customers. But we could also start this ourselves. Which might be the case.

Clip: Easier Get Customer Back, IP 05

IP 05: Yeah, you can fool Google. If you are, if you have the resources. But we don't have time for that, so we buy, we pay the money. So, marketing I think it's vital. And also to use, we are not very good at this but we should be better, to use customer relation management tools. For

instance that you, of course, we, we collect our customers email adresses and stuff like that. And we should be better at, at getting back to them. Cause, if you once had a relationship with a customer. The customer has paid you money, you have delivered a service or a product and, ahm, he is happy. Then you are stupid if you don't come back half year later, saying: Hi, remember us. Now, we also offer photo books. You did a calender. Or: Your, your child which you made a photo book for a year ago must now be older. Maybe you want to make a new photo book or something like that. So, to, ahm, it's much easier to get a customer to return to you then to find a new customer. That you have to spend a lot of more time and effort in [on] convincing a new customer. (...) I don't know if I have any more things to tell you. And these are, this is, I could go down to the bookstore and find a book on: How to be successful in the internet over time.

Clip: Customer Care, IP 05

IP 05: Not really, yeah, not really, I mean. Actually, in my opinion "cotumer relations and communities" don't really go together. That's two different things. Ahm, customer relations is when you have a customers or users, ahm, and you take care of their requests in a good way. You respond to their questions, you respond to their problems, you within reasonable time you blablabla. Communities is when you allow your users, so customer relations is a communication between the company and user. Communities is when the users communicate with each other.

Clip: Satisfied Customers, IP 06

IP 06: Generally, I think, I will have [my company] in focus. As a small / medium company. The first thing is employees good mode, I mean team spirit, that's so very important. Because, [my company] is a little, little small company and if the team spirit isn't good, [the sales won't run smooth]. Team Spirit. Satisfied customers. We have private customers and [public institutions like] museums and libraries as customers. It's very important to have all of them happy. A big share of our profit comes from the archives, museums - the organisations - because they have private [visitors]. They are sitting there, seeing our products there. Then they go home and take a private subscription. And then we will make more money. So we have a double profit there. (...) Then, of course, a good product. In our case, we have the Swedish church records for now. We always look into the future to have more products [enlarge the range of products we offer]. For now, we have our database or archives. A couple of years ago we tried to sell books and CDs. Help products to help our customers find their roots. So, a very good product is important to make profit, of course.

Clip: Customers, IP 09

IP 09: (...) Yes, it's a big word [broad term]. If you want to work in the network economy, you have to have high skills that people know that you have. What they think they're gonna get, is the right answer at the right price at the right time. Which means that efficiency might be efficiency in delivery [quickness]. "If you come to me I can make it faster". Then you are more efficient. You can also say: "If you come to me I can also be that way less expensive than if you do it yourself or somebody else." [competitive prices] Then also: "If you come to me you know that it will be delivered in time." So it's delivery, price and time like in the old economy. (laughs) The new aspect in the network economy... Well, in our industry, everybody wants "fast, cheap and high quality". And they say you can always get two out of three but you can't get all three. I think, the difference between the network economy and the new [old] economy is that

you demand that you get all three. I think, that is the big challenge and what you are trying to do with the network economy. If I'm best at this and I'm not so good at that, then I'll find someone who can make that. And together, we can actually offer what the customer wants.

Clip: Right Clients, IP 10

IP 10: Yah. Customer relations of course, absolutely.

Sven: Does it fit to the right clients?

IP 10: Yes.

Clip: Customer, IP 11

IP 11: No, I think one point is that if you are close to the customer you are able to meet the customer. And to interact with the customer. That gives you a flow of ideas which will help you to be better at creating and constructing offerings.

Clip: Customer, IP 12

IP 12: Yes, it's no prerequisite but it's good. I mean, you can, I mean we needn't to use partners for this, you can do it by manpower. As an e-commerce company, you don't need your customer, right? You have your website where they are buying. So, what we did, we had a tour or we still have a tour each summer because we found out we are competing with shops. In a shop you go in and touch the board. On the net you don't even know if you get the board. Do they have it? Do they have it in stock? Whatever? So they go to the shop and touch the board but they can't test it, they can't try it because, you know, it's up on the wall, if they try it, you can't sell it. So we combine that with a tour. So, we take a lot of demo-boards out, because we found out if people try it, they like it. It's like: "The first fix is free". Hehehe. So they tried the longboard. And we meet the customers. And also in an expanding, we saw if it's gonna be trend. If I met the guys doing longboarding in every city in Sweden, that will stick when it grows.

Sven: So, kind of key customers? You have to find. Again customers that have credibility to other customers.

IP 12: Yah, it wasn't customers, it was once again trust and credibility in a way. Because if they think I'm only in it for the money, it's not the same thing as if I'm actually a rider - I do it because I like it. And then the people on they made it of they don't buy it from me the first time we meet. I mean when I am coming to the city and meet people. We just ride together and have fun and they know that I'm a trustworthy person. Because, you know, I wouldn't do bad things to my friends. And that goes straight to the company ['s benefit of such a tour]. On the website they talk about ['re writing]: "Wow, you can buy the boards from him." Not like: "You can buy it from [my company] to test it." Because, we have a forum which is dangerous. They can talk really shity about us in the forum and we can't do anything about that. Maybe if you try to delete it, it gets even worse because people see: "They are censoring!" And that's the bad thing in a network economy. So, we gain trust not from partners but by work. That's something they miss. That's what we in the beginning talked about. Being out on the road for three weeks each summer, sleeping in the minivan because we couldn't afford a hotel or anything. That's just hard work.

Clip: Closer 2 Client, IP 14

IP 14: I would say that firstly, that there's a much stronger focus on the clients. Where you are not coming in as previously, before selling products and so on. You take a whole [completely] new angle to it. Where you're coming with solutions and you try to be much closer to the clients

compared to what you have been [the situation] before. You try to be more of a partner-type. Compared to what you have been before. Secondly, you must be able to be much more quicker in terms of the information. You need to be out - not only on the internet and the usual stuff but - you need to find new ways in how to sort of "attack" your clients, if I put it that way. I mean, how you will be seen out in the marketplace. And you need to come up with new solutions which are unique, for sometimes you will have available of a very short period if you come up with a new product. You will have a monopoly until your competitors are equal to you. So, you need to be a really first-mover if you gonna [want to] be successful now, in that IT-business. So to say or in the new economy, which, whatever [however] you call it.

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Name der Sammlung: Digitisation

Clip: New Technology, IP 02

IP 02: But not now, for example. Yes, it's not that easy. I think it's so easy to say that shorter life cycles because everyone talks about shorter life cycles, it's always so fast. I mean it's not that fast, it's not the problem. And you have the costs in the beginning and then you have the database, then you can reduce the costs. So, I think - this is of course negative but it's not that bad. It drives also inventions, it drives creation of new technology. It drives new technologies. Drives new technology and creations. Yes, this one drives technology developments.

Clip: Flexibility, IP 04

Sven: But then your webshop assures the flexibility.

IP 04: Yes, I just need to change the product numbers.(...)

Clip: Digitisation Changes Demands, IP 05

Sven: Then we have "digitalisation that changes demands". And "new technologies".

IP 05: Yes, that's of course, that's, ahm, a prerequisite, it's, sorry, with out it we would not exist in this form. We would not use this. We will not be in the new economy or in the network economy if there has not been a change in technology.

Sven: So, maybe that's behind everything?

IP 05: Yes, without, true. That's sort of like a, without it we would still be scanning photos like this.

Sven: And then we have the "new technologies".

IP 05: Yes, almost the same as that.

Sven: As "digitalisation"?

IP 05: Yeah

Clip: Good ICT Infrastructure, IP 07

IP 07: I think, most of those factors are very, very <u>latitude shadow</u>. One more thing maybe is, yeah, a good infrastructure as I mean communications for example and IT at least i terms of [my company] that is really big growing. Maybe not so much if you deliver flowers or bake bread, but...

Sven: Infrastructure means your web shop, or...?

IP 07: That you need or we need now for example a good IT structure, infrastructure, including phone, fax, all those technical devices. Ja... Is there anything you would generally miss? Which I maybe... Do you have a hint...

Clip: Changes, IP 10

CXXX

IP 10: The changes we talked about - the strategic input: "Where are we going?", "Which direction should we take?" I mean, we, today, we find a lot of our... I mean, we work towards companies, advertising companies, publishing houses and print houses. Print houses are a small part of our business actually. But we have three different segments that are very important. We try to see what changes come within an industry when it comes to technology impact, when it comes to changes within the clower instructure to work and all that. From that point of view, we try to find out how to create our future proposal for the clients. The strategic impact is important.

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Name der Sammlung: Employee Relations Knowledge

Clip: Cost Efficient Organization, IP 02

IP 02: Well (...) In this area here, there are many entrepreneurs. Many of them - and that was also the case with us in the beginning, we had no money at all. But now we have some money. But we didn't have any money. No money at all in the beginning. That is also very often the case but, anyhow, this area here (...) what's right - it's us, being entrepreneurs, of course. But it's also this neighbourhood here, it's entrepreneurial driven. And we don't think it's so important to have a fancy face. What we'll focus about is the business and to do it as efficiently as possible. (...) That's one part of the cost, where do we have our situation. But then also the people you attract. The people who can think about working here, I mean I have very talented programmers, for example - a couple of them. And they like working here. And they have the right attitude. So they're part of the cost-efficiency. To get the right people.

Sven: So, in somehow, human resources.

IP 02: Yeah. The fancy people, they can work at Stureplan if they want to. But we create business.

Clip: Business Relations, IP 07

IP 07: Ahm, well, the first thing that comes to my mind, maybe there is not much more coming, but that is business relations I would say. And I mean personal business relations. Like contacts, like knowing the right people for example suppliers, the right timing I think is very important as well. That is not just meant to be like the first. Its always good to be the first maybe. But it's not always best to be first. Maybe it's better to wait a second sometimes. I think that plays a big role too.

Clip: Team Spirit, IP 06

IP 06: Generally, I think, I will have [my company] in focus. As a small / medium company. The first thing is employees good mode, I mean team spirit, that's so very important. Because, [my company] is a little, little small company and if the team spirit isn't good, [the sales won't run smooth]. Team Spirit. Satisfied customers. We have private customers and [public institutions like] museums and libraries as customers. It's very important to have all of them happy. A big share of our profit comes from the archives, museums - the organisations - because they have private [visitors]. They are sitting there, seeing our products there. Then they go home and take a private subscription. And then we will make more money. So we have a double profit there. (...) Then, of course, a good product. In our case, we have the Swedish church records for now. We always look into the future to have more products [enlarge the range of products we offer]. For now, we have our database or archives. A couple of years ago we tried to sell books and

CDs. Help products to help our customers find their roots. So, a very good product is important to make profit, of course.

Clip: Staff, IP 10

IP 10: Not really, actually. Of course, in our business, staff costs are one of the main costs to run the business but development staff is more in terms of getting the right people on board and make sure that they have the right toolbox to develop within that organisation and also give them the possibility to develop as a person within that organisation.

Clip: People, IP 12

IP 12: Well, we are missing, if we're talking about entrepreneurship we're missing the people-part. I tend to build my companies around people. If I find enough good people/persons, then I act. And it takes time to find the right persons. That's what's below here, it's another level on this. People combined with work, that's what's comes out up here.

Sven: So, the people are important for the work?

IP 12: Yah, for building the entrepreneurship. They work and add credit. I mean, of course, if they do mistakes, ah, this is correct, because if they do mistakes in their work then you can lose credibility. You know, sending out the wrong stuff for [the job].

Clip: Education, IP 13

IP 13: (...) Now I'm thinking about education. Is the, that in the same here as now knowledge. Because I think through a good network you also get good education of the employees or the company itself actually.

Clip: Right Competence, IP 14

IP 14: If I think of our business, I mean, then I would say that if we can get closer to our clients, we can travel, climb the value chain of the client. And we can be a major partner for them. Then we will get more profit out of that one. You need to be more efficient in your daily work which you have internally. You need to look over your processes, sort of your internal processes. Make sure that you're lean in what you do - that you don't need to do a lot of extra-work. Make sure that you have the right competence and also develop the competence of your employees. Because if you don't have the right competence, you just have the costs of the persons which sit with the wrong competence which you can't use in a proper way. I would say that look and check if you can outsource things, work tasks which need to be done but which other people can do in a better way. Typically, I mean, it very often goes for invoice management and those things.

Clip: Internal Production, IP 15

IP 15: (...) Yah, it should be here but then you can access [add] an arrow from the "information". It's a question about [of] the "competence" but it belongs to the internal. But the competence, the information of the, for instance, competence gap, the information that you know that you have a gap there, it comes from the market but it basically belongs here.

Clip: Knowledge, IP 09

Sven: Do you mean knowledge with that?

IP 09: Yah, knowledge. You have to be specialist which means we that you found your area you wanna work in. You have to have a high knowledge of it. You have to have an efficiency.

Name der Sammlung: Lock-In

Clip: Lock-In, IP 01 IP 01: Yah. And that arises in both. There when you have long contract. But also they don't want to buy too many different consoles. And if you have one you really like then you - even if you have the money to buy others - you're emotionally bound to it.

Sven: Yes, it has two sides as you said: One for the supplier or for Sony that it has a lock-in with their suppliers and one for the customers. (...) "Customer" or "end user lock-in" and "network lock-in". That I am bound to the network I am working in?

IP 01: The other can be how to make the market to grow. Okay, you have it there, network effects.

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Name der Sammlung: New Revenue Models

Clip: Different Partner Models, IP 03

IP 03: It certainly fits. That's what we discussed upfront. We will see totally different new business models and thereby also new revenue models. So I would say that that one is somewhere in between because at the end of the day it will hopefully be sales for the specific company but it will also generate sales for the other parties in that partner ecosystem. So it's gonna be difficult to say. (...) The media industry is probably the most appropriate example where we see new models evolving with Itunes - the way you pay for music and all that.

Clip: Business Models, IP 08

IP 08: This is our Business Model, mean this is how we, this is the products and the value for customers, how the Business Models you... We must support the Business Models for the customers in order to create value for them. Then we of course take money from them I order to create our profit.

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Name der Sammlung: Profit

Clip: Profitable Position, IP 01

IP 01: Yeah. (...) And his possibility to make profit out of this is the margin on the products he is making - which itself depends on his power position visà- vis Sony. If he is the maker of the chipset which is most likely unique, then he is in a very good power position. And there will be a negotiation where he probably comes out with a better profit than the maker of the enclosure that is not in a very good power position because there are alternatives and probably many bidders. So, the profitability position of this guy is more or less the classic type of - "Is there an oligopoly?" or "How many suppliers are there?" and "How big are they?" and so on. For the complementary goods, in this specific case they're going out to the market directly. So their position is in terms of: "What brand position do I have?", "How good is my product?" "Do I get good reviews in many different newspapers?", "Do I have a good brand position as compared to my competitors?" So I think there's a slight difference in terms of how to evaluate those. Even though it should be possible to do. (...)

Clip: Steady Revenue Stream, IP 08

Sven: Ahm, okay. Maybe you don't have a big revenue stream once, but you have a steady...

IP 08: No, we have a small, steady instead. Trying to build a steady revenue stream. Oh, that's a strategy we have had all, we have had all the time, but we have... When we're also shifting in how we are delivering the system, instead of integrating it, from [by] going from business critical to nice to have. We, we also try to deliver it as a service instead of delivering it as a

consulting, hundred hours of consulting and putting up a server and making a migration and then supporting it. So that makes it for us... What we think of course that that will make the profits even better. Margins better.

Clip: Selling Volume, IP 10

IP 10: That's the main key for all companies. It's about - of course - bringing in volumes in the form of selling and control the costs and balance these two.

Sven: Control costs?

IP 10: Mmh.

Sven: Control for what? Control of production? Control...

IP 10: I mean, in our terms it's about having control over our cost portfolio within the company. So it's rather a general term that you really need to have control over all your costs. Not only from your vendors but also your internal costs and balance that. And profit, I mean that could also be in terms of, I mean, if you look at soft values - staff, personnel - making right recruitments is crucial. And you can also see that not only recruiting the right people but also to be able to keep the right people on board and to develop and ensure that we have a staff satisfied with the working environment and that they feel that they develop within the company and are committed to our mission and processes. (...) Another term if you don't only look at the selling volume is also to create / to always develop added value for our clients in terms of expanding our portfolio with the clients. And also to develop new value proposals for our clients with business development.

Clip: Margin, IP 11

IP 11: Compared to other types of businesses or whatever? How do you mean? What do you mean the concept of profit? To me it's very to likely to margin.

Sven: To what?

IP 11: To the margin.

Sven: Ah, okay.

IP 11: Revenue - costs is some sort of margin.

Sven: I didn't choose a concrete concept like cash flow or turn over or whatever. I just wanted to have a general term so that the people don't discuss the term, but we could also say...

IP 11: But to me it's very similar to margin.

Sven: Okay, so we could also choose margin.

Sven: In your opinion what influences the profit or the margin in this economy or nowadays? Are there new concepts?

Clip: Traditional Way, IP 15

IP 15: Well, important is of course that you're operating in a very traditional way. I think the major principle does not differ from the, from the - let's use the word - old economy. But you can work more on long-term analysis when you are working with partners who have access to different kinds of information of [about] the market than you, you, you have just by [on] your own. So, that's, I think that's the very important difference. That the information is, information of [about] the market and information of [about] the changing parameters in the market. That you have better access, you can, you can have more reliable long-term planning than you would do by yourself [if you did everything yourself]. Profit is a very simple thing, it's opera, it's operating. And the second thing is of course, that you can, you don't need to do everything

by yourself, you can do, you can share, you can outsource things, you can share with your partners, with your networking partners and then you share the profit as well, of course. (...) And this means, this should mean, of course, that the profit will be bigger than it would be just by doing it yourself everything. (...)

Clip: Share Profit, IP 15

IP 15: Well, important is of course that you're operating in a very traditional way. I think the major principle does not differ from the, from the - let's use the word - old economy. But you can work more on long-term analysis when you are working with partners who have access to different kinds of information of [about] the market than you, you, you have just by [on] your own. So, that's, I think that's the very important difference. That the information is, information of [about] the market and information of [about] the changing parameters in the market. That you have better access, you can, you can have more reliable long-term planning than you would do by yourself [if you did everything yourself]. Profit is a very simple thing, it's opera, it's operating. And the second thing is of course, that you can, you don't need to do everything by yourself, you can do, you can share, you can outsource things, you can share with your partners, with your networking partners and then you share the profit as well, of course. (...) And this means, this should mean, of course, that the profit will be bigger than it would be just by doing it yourself everything. (...)

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Name der Sammlung: Shorter Life Cycles

Clip: Driving Innovation, IP 03

IP 03: We had it here: Importance of driving innovation. To make sure that you - looking at the product life cycle curve - continuously inject in terms of new products and services. (as well as on ...) There are different kinds of innovation zones: This is to get new stuff in, here in the maturity zone there are two ways to differentiate: Either you are providing superior customer experiences, superior customer value on the products - alternatively - but that is only for one player in each market, you are the cheapest. The alternative is on the internal side where you have superior productivity. Then you need some kind of innovation at the end of the product life cycle to maybe extend it a little bit more. But over time you will need those resources injected into new product instead.

Clip: Time 2 Market Lower, IP 09

IP 09: "Time to market" is a term from sales, I think. It means that when we see the market, when we see the need, then have to get the product out there.

Sven: The period between your idea and the first product you have on the market.

IP 09: Yah, that's very essential, the time to market because the market gaps are getting closer and closer.

Sven: So, the time to market is lower [shorter] in the network economy.

IP 09: Yah, you have to be very fast.

Clip: Temporary Monopoly (Antonym?), IP 14

IP 14: Yah (...) That's pretty much what we're working with: just to look at costs in general, to see what we can outsource since we have done that ourselves - outsourced a number of things. We have a strict control over our costs and look into what is necessary, what is not necessary to do. Try to come up with new products, new solutions. What I mentioned that we are having

a little bit of a monopoly for some time. So, that we still can take out the high price before the other ones come after us.

Im dritten Schritt wurden Konzepte der IPs mit vorgegebenen KOnzepten abgeglichen, so dass sich eine 66 x 66 Matrix ergibt. Das stark verkleinerte Ergebnis findet sich in Abb. 56.

Abbildung 56: 66 x 66 Matrix

16.1.5   Schritt 4: Gruppierung zwischen IPs

Name der Sammlung: Availability

Clip: Availability, IP 08

IP 08: Ah, you mean, no, yeah, yeah, yeah you mean like that to make profit. But that's, that's some sort of value for me. I mean if you have an... You have to, you have to offer a product or services. You have to offer a product or services that's actually, that you can, that you are sure that creates a value for their customer. If you don't do that, for me as a small entrepreneur that's very important. I am not Telia, Telia everyone, you can't choose, you have to take Telia if you live a little bit outside the urbanarics. So, they don't have to create. They can treat you the way they want, but for me it's quite simple. To, you have to create value for the customer and that it's depending on for example in some case the availability, maybe that you have... Ahm... I would say, availability, yes, for <u>valuable</u> customer and you should have a, you should have a <u>forb</u>. As a small entrepreneur we also say that you need to, you need to create value by supporting the existing Business Models.

Clip: Availability, IP 13

Sven: Where? Here? I don't know if that is true but maybe the opportunities or the speed and the availability is more on the, on the partner side. So if, if you need a partner for, I don't know whatever, then you need this network. And maybe this more the, as, as, as it states here the customer side? I don't know if that's true if, if you meant with opportunities...

IP 13: No, no. that was, was to get customers.

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Name der Sammlung: Brand Building

Clip: Brand Building, IP 04

IP 04: The big advantage - as you say - if I changed the product completely, I'd still have to <u>grieve</u> you with all of this. (...) I'd still have my webshop, my web page. Let's say that we want to change, we want to sell lady's underwear instead of these products. That means that everything that has to do with networking goes [is no longer useful]. Branding still exists, my company name exists, some parts will be lost but I still have my company name and that has a value. This doesn't have to change much. Actually, the lists, the commodities they can just change the parameters of selling. What goes is this part. This is the only thing that goes if I started to sell lady's underwear instead of DNA kits.

Clip: Brand, IP 09

IP 09: Depending on the focus you want to have. For example, if you go to Bang & Olufsen and want to have a cheap alarm clock then they will say: "Sorry, we can't offer you that." Which actually builds / gives the value to brand Bang & Olufsen. Because they are saying: "We are selling the coolness and that is expensive. Stereos for example. But define the market is the most / the first - now I'm talking about companies that are within the network economy. If you would say the first home lesson you do is: "What competences do we have in this company and what is the need out there? Where is the need largest of all? Need for this functionality or whatever it is. Once you found the need - yes, everybody needs it or only men needs it or only kids needs it or so one - you have your large market [target] group. And once you know how big that market is, you just have to decide which part you take.

Clip: Name, IP 12

IP 12: No, credibility is more, can be anything. I mean, it's do they, because if it's the network economy. Network per se. If you are looking, like when we talked about digital certificates it's a chain of trust. In a chaotic - Internet is chaotic per se. It's built to be chaotic, to always find new roots for the communication [connections]. And down is: the kids talking about each other, they had a geeks meeting, to talk about Spiderman number 3 and they are now important for marketing. The really alpha geek-geek groups. So, you can't really control, so whom do you trust in this? Who do you trust? Because everything is floating around and you get impressions for anything [from everywhere]. So, trust and credibility are closely connected. So if you're building your name [brand] in a network economy, I think, credibility and trust are one of the main [the keys].

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Name der Sammlung: Channel

Clip: Internet Channel, IP 04

IP 04: How my company should gain profit? Of course, I gain profit by selling items which I have a positive cog, possibility marginal. But the gain of profit compared to normal selling is that I have much lower sales and administration costs since I get the customer to do quite a lot of the administration work. With filling in all the details and all that stuff. That concerns the webshop as it is but if we widen the perspective and look at the internet as a market place instead. Where the webshop if just a small tool. My big gain here is if consider the internet as my marketing segment, that's where I meet my customers, this is my interface, the place where I meet my customers (market place) then I don't need local representation everywhere. I might have for different reasons but probably not for sales but rather for holding the marketing message. If I consider the internet as my main marketing channel, I don't have to think about expensive ads because I don't meet my customers in paper magazines but on the internet. I just have to find out where my customers are. Where do my customers go? And I know that bit. The problem is, they don't always sell advertising space to me but that's another problem.

Clip: Channels, IP 06

Sven: Should we call it "different channels"?

IP 06: Yes, that fits. (...) What else?

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Name der Sammlung: Management

Clip: Corporate Strategy, IP 03

IP 03: Yes, innovation is the key in both areas. (...) But - since we talked about total market and market attractiveness up front - this is more from a corporate strategy perspective as I see it. So that you're going for the right market where the opportunity is big enough and interesting enough. Once you've decided for a certain direction whether that is in the communications market, whether that is in the luxury-automotive market or whatever it might be, then it is instrumental for you to be able to provide superior customer value through innovation in order to secure top line and both your internal and extended ecosystem needs to be more efficient and productive compared to the competition [to what the competitors are offering].

Clip: Treasury Management, IP 10

IP 10: Yah. And then you have other issues. I mean if you look that into, if you put that into

operating costs but you have tax issues and all that [which belong to the operating costs like taxes]. It also affects our cost portfolio and our profits. And then you have in terms - that's probably not controlling costs but - to work with treasury management, to work with your cash flow. That's also something that effects your profits.

Clip: Management, IP 10

IP 10: What we have not really talked about is <u>aside seen</u> , is management and leadership.

Clip: Long Term Planning, IP 15

IP 15: Okay, well, long-term planning is good but then, to the definition of the character of this economic. (...) The information changes. The market information does change very fast. And this is the power of this structure is that you access the information, the fast-changing information very fast as well. So, the long-term planning is something, yes. But the short-term changes are vital as well. You have to have a word "speed or changing information" here as well.

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Name der Sammlung: Market

Clip: Market Share, IP 01

IP 01: If we have a business unit and it wants to be profitable and we put the boundaries on it that it should be a touch/flavour of new economy over it. (...) Another dimension that we didn't speak about before is that part of that new economy is of course related to finding new ideas. That comes into being profitable. (...) Lots of the classic strategic insights are still valid. Profit is usually attached to a high market share. It usually arises when you are in a growing market. It usually arises when you're supplying key components of something in the network economy. If your company supplies the shell or the housing to a PlayStation it might not be as profitable as Sony that supplies all the intelligence and so on. You need to have some key part of the whole offering in order to be profitable. But I think the whole network needs to be analysed where there are pockets of profitability of returnees and that probably comes from whether you're - let's continue with the PlayStation: If you have a necessary component of the PlayStation then you have some type of power base, of course. And a necessary component would be the housing or the enclosure of the PlayStation. You can be interchanged, yes, you are quite dependent. But you're a supplier to Sony - you are necessary but not vital - Sony has the architectural and Sony sits on the brand name and on the customer interface. So you should probably also write brand name on that, that's the key. Then we have the games outside - they're also part of the system but they are more stand-alone competitive but they're on the PlayStation platform. They depend on high PlayStation sales but they cannot only depend on high PlayStation sales, they have to be good in themselves.

Clip: Target Market, IP 03

IP 03: Yes. (...) The customer is always the starting point. You need to differentiate, be able to provide a superior customer value - if you wish - or customer experiences. And once you have identified your target market - and that is kind of external, you need to understand what the market wants/needs - internally, you need to be more efficient and effective, in other words productive than the competition in order to be able to make profit on delivering at least as well as or hopefully better than the competition but more cost-effective. That's what will drive your profit. There are many other factors coming into this because you need to make a market segmentation. You need to understand the total size of the market because it might be a sub segment of the

market which is highly profitable but it's way too small. So, there's no reason, really, for going after it.

Clip: Internet is Market, IP 04

Sven: Then we had the internet as the market. Where can we put it?

IP 04: (...) We're talking about both sales and marketing here. And even though they are intertwined they might be coming from different directions into this. And are quite free standing really. (...) We meet our customers on the internet but I don't know where to go from here.

Clip: Timing, IP 07

Sven: Then I think you had the timing. That you don't have always to be the first. And that important for the timing is also that you have certain conditions that the market has to fulfil.

IP 07: Yeah, exactly. Market is very related to our business.

Sven: To the timing as well?

IP 07: Yeah, I would say so.

Clip: Market, IP 07

IP 07: Yeah, I think amount of people was connected to market. Like having a certain demand. If I remember right. On the market, exactly.

Clip: Define Market, IP 09

IP 09: You have to decide. Either you gonna say: "We are doing [making] the highest quality product in the world." Then, everybody would know that if I want that, then I go here. And the whole disfree figure is to define First of all your market. Which is my market? If my market is only the buyers of Rolls Royce, my product maybe should focus only on quality and then price and time are not so essential. This is a specialisation. I believe in the package of this three. The package of these three is, how you gonna interact in your network [essential to interact efficiently in your network]. It is extremely, extremely important to get this package right.

Clip: Speed (Antonym?), IP 13

IP 13: Opportunities. Good opportunities. Because sometimes you are trying to find good customers and you, you try to find them everywhere. But in this kind of economy it's very easy, much easier to find a very specific kind of customer that you want. And find them very quickly. And it's also much easier to get in contact with them. Yeah, speed and availability I would say.

Clip: Market, IP 15

IP 15: Well, important is of course that you're operating in a very traditional way. I think the major principle does not differ from the, from the - let's use the word - old economy. But you can work more on long-term analysis when you are working with partners who have access to different kinds of information of [about] the market than you, you, you have just by [on] your own. So, that's, I think that's the very important difference. That the information is, information of [about] the market and information of [about] the changing parameters in the market. That you have better access, you can, you can have more reliable long-term planning than you would do by yourself [if you did everything yourself]. Profit is a very simple thing, it's opera, it's operating. And then second thing is of course, that you can, you don't need to do everything by yourself, you can do, you can share, you can outsource things, you can share with your partners, with your networking partners and then you share the profit as well, of course. (...) And this means, this should mean, of course, that the profit will be bigger than it would be just by doing it yourself everything. (...)

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Name der Sammlung: Marketing

Clip: Marketing, IP 02

IP 02: I mean, Marketing, of course. Marketing. Then I would say, we have marketing here because partnership is also a marketing channel. Then we also have marketing by ourselves, directly to the market. And the marketing must sometimes be specifically designed, or uniquely designed, together with the partner. Sometimes, we do it directly out there.

Sven: But, do you do marketing for customers or marketing also for new partners?

IP 02: It might be the case that we do marketing for the partner.

Clip: Sales, IP 03

IP 03: Yah. But if I structured it, profit is a function of top line and costs. Total sales and costs. You can do a number of things in order to differentiate and secure that you have good revenues or a good top line. And that is by providing value and customer experiences that are superior and then, on the cost side of life, it is all down to productivity: being more efficient and effective than your competitors.

Clip: Internet Marketing, IP 05

IP 05: No, that is true yes, yes. When you offer a service you want the people out there to send you their money and you give them something in return. You have to create the impression that you are a respectable company, that you will not fool them. Because a lot of people are reluctant to using their credit cards or money or stuff like that. So, to have a proper address, a real address, not a box address in Sweden not in Poland or something like that. And a time and phone number and a name, a person who answers the phone and says: Hello, this is _ [name]. That is I would say important to creating the trust that's needed for people to use your service. And internet marketing that's of course to, to get new customers. (...) We have a lot of people who go on the internet and say: Ah, I want to make a calendar with my children. They, it's December and I want to have it for Christmas presents. I go to Google and I have been online/named/listed there. I think it's, it's a seperate unit. It's not really, it, it costs money but it also generates more customers. So, it increases your profit.

Sven: Okay, but, ahm, the internet marketing. Is it connected to this group?

IP 05: (...) Well, internet marketing is that you want to get users into this. You want to get people, it's like having a shop and standing outside and: Hello, come here, come here.

Clip: Price, IP 06

IP 06: Yah. That's just money in. When we have paid off the buildings. Maybe the price being in the product or the marketing thing because [if we have a good price, a new marketing campaign, we will be able to attract new private customers.

Clip: Marketing, IP 06

IP 06: Yah, that's the word I was looking for. To make profit you also need a good selling spirit. If you don't marketing some new product, you can't sell, you can't earn money. You need to have: "Yes, today I sell this one. It's just 100 Crowns. Anyway 100 Crowns. I need to sell." This selling spirit / thinking. And you also need to take chances on new products. [be creative and flexible.] Maybe this product was not so good for this market/ customer area. But maybe we could have this on a fair and we will sell lots of it. You need to take a little, little chance [risk] on products, too. So, I don't know how to call that.

Sven: Chances in terms of searching for new ways to sell it like going to a fair or metro stations? [new marketing channels]

IP 06: Yah, exactly.

Sven: Or in the sense that you maybe need to change your product?

IP 06: I think you can have both because. If you have an ordinary product and we don't sell it on the home page but we might sell it standing on a fair. And market the product over there. That's one way to do it.

Sven: Should we call it "different channels"?

IP 06: Yes, that fits. (...) What else?

Sven: You have the team side, the selling side...

IP 06: Marketing, of course. It's a big issue how you ar going to do it: Is it Just banners? Because [my company] uses a lot of banners on the partners' sites. Or ads in the newspaper? Which newspaper, the general local papers? It's always a tricky question where to have ads because ads are so really expensive. (...) Then we have our home page, of course. (...)

Clip: Sales, IP 08

IP 08: I should say that you have to, I mean, what I think is very important here is that it's sales. Because I mean, no revenue streams, no businesses at all without, without sales. So sales should actually come in maybe in between here. Put sales there and then maybe you could put line like that. And then you could say partnerships of course boost sales. Partnership that has complementary products, partnerships with complementary products.

Clip: Higher Prices, IP 14

IP 14: If you take one, if you make one note, called "higher prices". (...) Because right competence will give higher prices which will be profit. [result in higher prices which brings you profit.]

Sven: (...) But here we have a negative relation. You have, first, higher costs for the right, to get the right competence.

IP 14: Yah. But also, the value chain of the client gives higher prices.

Clip: Amount Money, IP 07

IP 07: I think in this kind of company we have you have a strong interfere between the amount of money you can spend on marketing, advertising and the amount of people that actually see your site. I don't know how that is different in other companies, but in our case you could see that immediately. Like you spend 10 Euros you get a response. In what way, in a small way, but there you can see it very clearly.

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Name der Sammlung: Needs

Clip: Needs, IP 09

IP 09: Depending on the focus you want to have. For example, if you go to Bang & Olufsen and want to have a cheap alarm clock then they will say: "Sorry, we can't offer you that." Which actually builds / gives the value to brand Bang & Olufsen. Because they are saying: "We are selling the coolness and that is expensive. Stereos for example. But define the market is the most / the first - now I'm talking about companies that are within the network economy. If you would say the first home lesson you do is: "What competences do we have in this company and what is the need out there? Where is the need largest of all? Need for this functionality or whatever it

is. Once you found the need - yes, everybody needs it or only men needs it or only kids needs it or so one - you have your large market [target] group. And once you know how big that market is, you just have to decide which part you take.

Sven: So, the competences and the needs have an influence on the market definition?

IP 09: Yah, the needs from, I would say not the needs... Is this the company, or? The needs are out there.

Clip: Supporting Customers Needs, IP 08

IP 08: Ah, you mean, no, yeah, yeah, yeah you mean like that to make profit. But that's, that's some sort of value for me. I mean if you have an... You have to, you have to offer a product or services. You have to offer a product or services that's actually, that you can, that you are sure that creates a value for their customer. If you don't do that, for me as a small entrepreneur that's very important. I am not Telia, Telia everyone, you can't choose, you have to take Telia if you live a little bit outside the urbanarics. So, they don't have to create. They can treat you the way they want, but for me it's quite simple. To, you have to create value for the customer and that it's depending on for example in some case the availability, maybe that you have... Ahm... I would say, availability, yes, for <u>valuable</u> customer and you should have a, you should have a <u>forb</u>. As a small entrepreneur we also say that you need to, you need to create value by supporting the existing Business Models.

Sven: Your existing Business Model?

IP 08: Their.

Sven: Ah, okay.

IP 08: The customer, supporting customers Business Model.

Sven: So, you are thinking about the B2B area.

IP 08: Yes.

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Name der Sammlung: Opportunities

Clip: Idea, IP 07

IP 07: Yeah, what is basic for profit? It's always the market which is related to timing of course. You need a certain amount of people asking for the product. Otherwise you have a problem. What I now see as a big problem for us, or not maybe as a problem, but as a challenge is to have basic amount of money. To be able after all to do a little marketing to be, to show people that you are there. Well, I think that plays an important role as well. And then of course, that's maybe what you don't think about first, but the idea. You need a good idea.

Clip: Opportunities, IP 13

Sven: Good prospects? Means good alternatives or good...

IP 13: Opportunities. Good opportunities. Because sometimes you are trying to find good customers and you, you try to find them everywhere. But in this kind of economy it's very easy, much easier to find a very specific kind of customer that you want. And find them very quickly. And it's also much easier to get in contact with them. Yeah, speed and availability I would say.

Sven: (...) So in your opinion the speed and the availability has influence on the opportunities?

IP 13: Um hum.

Sven: So it, it's easier in general, it's easier to, to find good opportunities.

IP 13: Exactly. Compared to, without the network.

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Name der Sammlung: Partner

Clip: Complementary Goods, IP 01

Sven: So, if you produce key components you can only sell as many components as PlayStations are sold, for example. But with games, you might sell less than the amount of PlayStations.

IP 01: Yes, you're more on your own. (...) Your market size for these is the number of PlayStations sold. (...) Then market share is not a good word, it's more the penetration because you could sell a game to every single PlayStation in the world and then you have a hundred competitors that all sell games to every single PlayStation in the world. Then you get 1% market share but you have a 100% market penetration. So, for the complementary goods you have to define it as a market penetration rate instead of a market share.

Sven: But that then leads to profit?

IP 01: Yes.

Sven: And for the key component producer, he himself doesn't need a market share but he needs the market share of the person organising all the assembly of the components. So, could we draw a line here - directly to profit?

IP 01: Yeah. (...) And his possibility to make profit out of this is the margin on the products he is making - which itself depends on his power position visà- vis Sony. If he is the maker of the chipset which is most likely unique, then he is in a very good power position. And there will be a negotiation where he probably comes out with a better profit than the maker of the enclosure that is not in a very good power position because there are alternatives and probably many bidders. So, the profitability position of this guy is more or less the classic type of - "Is there an oligopoly?" or "How many suppliers are there?" and "How big are they?" and so on. For the complementary goods, in this specific case they're going out to the market directly. So their position is in terms of: "What brand position do I have?", "How good is my product?" "Do I get good reviews in many different newspapers?", "Do I have a good brand position as compared to my competitors?" So I think there's a slight difference in terms of how to evaluate those. Even though it should be possible to do. (...)

Clip: Penetration Rate, IP 01

IP 01: Yes, you're more on your own. (...) Your market size for these is the number of PlayStations sold. (...) Then market share is not a good word, it's more the penetration because you could sell a game to every single PlayStation in the world and then you have a hundred competitors that all sell games to every single PlayStation in the world. Then you get 1% market share but you have a 100% market penetration. So, for the complementary goods you have to define it as a market penetration rate instead of a market share.

Clip: Network, IP 02

IP 02: Partnership by definition in this world is network. Through these partners, you have so many new connections. And the more partners you have, the better rich you get and added value here it's for example for us it's our database or how it's operated. (...) The customer interface is very closely related to the added value because if you don't have a good customer interface that is appealing to the customer, then it draws the added value down. Either it's directly linked to the added value or I would say that added value is not perceived as added value unless you have a good interface.

Clip: Partner Supplier, IP 06

IP 06: Yah, Swedish roots, yah, you're right. We have a couple of thousands customers in the States and Canada. They are growing lot. In our customer database we have 40 000 customers. Not each of them has a subscription right now. We have lots of customers in Germany, Norway, Finland - I mean, Scandinavia and Europe, too. Building a network with suppliers, partners, something like that it's very important for us because we are a little company and we need to have more area in the world. So it's very, very important.

Clip: Sales Partnerships, IP 08

IP 08: Hm, just, you have of course partnerships. But that's on the sales sides very much, but of course it's influences the revenue stream. It would probably not influence the cost stream as much when we are delivering as an ASP system, but of course if you could shorten, if you can get into other networks via partners and then it's more partners that has a complementary product. For our case it's companies that has statistic measuring systems for example. The step from measuring your, your statistics, what we do is, that we act on end users behaviour. And they are just measuring end users behaviour, so it's a very natural step we have been discussing. We don't have any partnerships yet. But we have been discussing quite a lot with differents [differences] about partnerships, but more partnerships in sales. You know that making some sales efforts, seminars or whatevers, some materials and then we do it together.

Clip: Partners, IP 11

IP 11: And of course I also think that a key way to find the margin is actually to be very close to the customer. And also to be able to be an important partner for your suppliers, a channel or... I think the one how owns the customer relationships is potentially profitable.

Sven: So, the partners are <u>influenced</u> (...)

IP 11: Yes, partners, suppliers.

Clip: Partner, IP 12

IP 12: No, that's not enough. Because then you can <u>peek</u> it back if you are good. I mean, if someone else sees that you have [possess] value [they recommend you], you can have [offer] value for another, so, you can go to a partner and say: "I can do this and help you get that." And then you are riding on the other partners name. Their credibility [then you benefit from the partner's name]. Because: "I work with these guys." And that's could be peek-it-back or it could be a partnership. And that's always fun, because some of the partnerships I did [experienced] were with really big global players like Cap'n'D and IFS. And then was us - being very small. But still it was a partnership, because we had knowledge about something they didn't [know anything about]. So, it was also unequal, on the knowledge base.

Clip: Partner, IP 15

IP 15: Well, important is of course that you're operating in a very traditional way. I think the major principle does not differ from the, from the - let's use the word - old economy. But you can work more on long-term analysis when you are working with partners who have access to different kinds of information of [about] the market than you, you, you have just by [on] your own. So, that's, I think that's the very important difference. That the information is, information of [about] the market and information of [about] the changing parameters in the market. That you have better access, you can, you can have more reliable long-term planning than you would do by yourself [if you did everything yourself]. Profit is a very simple thing, it's opera,

it's operating. And then second thing is of course, that you can, you don't need to do everything by yourself, you can do, you can share, you can outsource things, you can share with your partners, with your networking partners and then you share the profit as well, of course. (...) And this means, this should mean, of course, that the profit will be bigger than it would be just by doing it yourself everything. (...)

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Name der Sammlung: Product

Clip: Key Component, IP 01

IP 01: If we have a business unit and it wants to be profitable and we put the boundaries on it that it should be a touch/flavour of new economy over it. (...) Another dimension that we didn't speak about before is that part of that new economy is of course related to finding new ideas. That comes into being profitable. (...) Lots of the classic strategic insights are still valid. Profit is usually attached to a high market share. It usually arises when you are in a growing market. It usually arises when you're supplying key components of something in the network economy. If your company supplies the shell or the housing to a PlayStation it might not be as profitable as Sony that supplies all the intelligence and so on. You need to have some key part of the whole offering in order to be profitable. But I think the whole network needs to be analysed where there are pockets of profitability of returnees and that probably comes from whether you're - let's continue with the PlayStation: If you have a necessary component of the PlayStation then you have some type of power base, of course. And a necessary component would be the housing or the enclosure of the PlayStation. You can be interchanged, yes, you are quite dependent. But you're a supplier to Sony - you are necessary but not vital - Sony has the architectural and Sony sits on the brand name and on the customer interface. So you should probably also write brand name on that, that's the key. Then we have the games outside - they're also part of the system but they are more stand-alone competitive but they're on the PlayStation platform. They depend on high PlayStation sales but they cannot only depend on high PlayStation sales, they have to be good in themselves.

Clip: Commodities, IP 04

Sven: But as you said, if you don't have commodities you need to have a very detailed mail list or something like that so that you know which person is responsible for what you want to sell.

IP 04: In that case, I only do my e-mail campaigns to the people in my own lead system. If we consider ourselves selling commodities, we can purchase lists and reach a much bigger target audience. (...) So, what are we actually talking about? I went away into some direction.

Clip: Product, IP 06

IP 06: Generally, I think, I will have [my company] in focus. As a small / medium company. The first thing is employees good mode, I mean team spirit, that's so very important. Because, [my company] is a little, little small company and if the team spirit isn't good, [the sales won't run smooth]. Team Spirit. Satisfied customers. We have private customers and [public institutions like] museums and libraries as customers. It's very important to have all of them happy. A big share of our profit comes from the archives, museums - the organisations - because they have private [visitors]. They are sitting there, seeing our products there. Then they go home and take a private subscription. And then we will make more money. So we have a double profit there. (...) Then, of course, a good product. In our caes, we have the Swedish church records for now.

We always look into the future to have more products [enlarge the range of products we offer]. For now, we have our database or archives. A couple of years ago we tried to sell books and CDs. Help products to help our customers find their roots. So, a very good product is important to make profit, of course.

Clip: Focused Products, IP 08

IP 08: Yes, but for, for us that's very, very dangerous to trying to customize the services, cause we have to focus. If you want, because to stay competitve. As we are talking about the New Economy, you can't say that I have an offering that fits all. You have to rather say: We have an offering that fits Media Companies that has these kind of systems. And then you have this Media company, so if you say just in the small market of Sweden and then you say that has this kind of Media system, then it's this small and then you have another qualifier and then maybe it's just a quarter of the available market. But then you are very, very, then you create a great, a great value. Because if you say we support everyone, then maybe you create very, very low value or no value aldkt all and then it's, then it's difficult to, to support their, their Business Model. So, if you are trying to put some words to it and if we should have pruss it's important to specialize. Supporting customers Businee Models maybe we should put one before here we could say that we have to be focused... Focused products or something like that. I mean that the products are not general.

Sven: Creates also value for the customer.

IP 08: Yes. I mean, that's a qualifier for us, because if we don't have important products then we have competition from other where. That's more general. and they, and they provide, ah, we have the same thing for nothing. But so it's very important for us and it's also important for us to communicate this. Of course.

Clip: Package, IP 09

IP 09: It's very much like many people are doing it today. When saying: "Our new celluar phon can / has blablabla." The features in. This features have we like Bluetooth. "Okay good than I can connect it to my computer." That is the kind of standards I'm talking about. They enable you to communicate in an easy and efficient way in this network. (...) My key words are specialisation, knowledge, efficiency. What that should give you is the time, money [effectiveness] and quality are essential. Which I said. The right thing / quality for the right price at the right time. Delivery in time means the same. That should be quality instead. The whole key rule is to work with these three aspects. Meaning some people are specialised in a product similar to what we're offering and they focus on extremely high quality which is a specialist within a specialist. All we do is quality. It's gonna take a long time and it's gonna cost a lot of money but we are one of the few that can do this quality. Others are extremely, extremely cheap and claim that they have a high quality. And others are extremely, extremely fast. And the whole trick - I believe - in the network economy is to have the focus on the business or the product or the market. And actually package this quality, price and time to meet [to suit] your target group.

Sven: But then you have to have a range of everything? So, you...

IP 09: You have to decide. Either you gonna say: "We are doing [making] the highest quality product in the world." Then, everybody would know that if I want that, then I go here. And the whole disfree figure is to define First of all your market. Which is my market? If my market is only the buyers of Rolls Royce, my product maybe should focus only on quality and then

price and time are not so essential. This is a specialisation. I believe in the package of this three. The package of these three is, how you gonna interact in your network [essential to interact efficiently in your network]. It is extremely, extremely important to get this package right.

Clip: Value Proposal, IP 10

IP 10: Okay. As you know, now we are three companies being one company since January 22 this year. A great work is now spent on looking at the clients and see if [question whether] they are the right clients for the future. That's very important for our value proposals, of course. Those two are connected. And that has a great impact on which clients we are going for, where we can add value in the current business with the total of our business to create profit.

Sven: But the value proposals and the clients - how are they connected? In this direction or in that direction? Do the right clients lead to value proposals? Or do value proposals lead to the right clients? (...) The value proposals are proposals in general? Or the value proposals are proposals for clients you have?

IP 10: The value proposals are for clients that we already have. They are coming from that direction, actually, I would say. Per definition, we look on, in our business: What's the structure of our clients? And how can we [help]? I mean, it could be that one. How can we add value to that business? What are the changes that these clients have now and in the future? And how can we change our value proposal for the future so that it matches our clients' needs? Are you with me there, I don't know if I am unclear.

Sven: So, I would say...

IP 10: The value proposals comes [result] from our clients' needs.

Clip: Create, IP 11

IP 11: You have to create something or create or construct or compose something which the customer wants to pay for. Combine [Writing.]

Sven: And that would influence the customer?

IP 11: No, this is actually the offering somehow. But you have to create the offering. And...

Clip: Product, IP 15

IP 15: Yes. (...) But you have your own operation here somewhere. And then as a result of your own operation - is a product which is, which is...

Sven: Which is built for the market?

IP 15: Yes. You have the information here to [about] the product but then from your own operation, is you do [bring] the product to the market.

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Name der Sammlung: Trust

Clip: Respect User, IP 05

IP 05: No, that is true yes, yes. When you offer a service you want the people out there to send you their money and you give them something in return. You have to create the impression that you are a respectable company, that you will not fool them. Because a lot of people are reluctant to using their credit cards or money or stuff like that. So, to have a proper address, a real address, not a box address in Sweden not in Poland or something like that. And a time and phone number and a name, a person who answers the phone and says: Hello, this is _[name]. That is I would say important to creating the trust that's needed for people to use your service. And internet marketing that's of course to, to get new customers. (...) We have a lot of people who

go on the internet and say: Ah, I want to make a calendar with my children. They, it's December and I want to have it for Christmas presents. I go to Google and I have been online/named/listed there. I think it's, it's a separate unit. It's not really, it, it costs money but it also generates more customers. So, it increases your profit.

Clip: Trust, IP 12

IP 12: No, credibility is more, can be anything. I mean, it's do they, because if it's the network economy. Network per se. If you are looking, like when we talked about digital certificates it's a chain of trust. In a chaotic - Internet is chaotic per se. It's built to be chaotic, to always find new roots for the communication [connections]. And down is: the kids talking about each other, they had a geeks meeting, to talk about Spiderman number 3 and they are now important for marketing. The really alpha geek-geek groups. So, you can't really control, so whom do you trust in this? Who do you trust? Because everything is floating around and you get impressions for anything [from everywhere]. So, trust and credibility are closely connected. So if you're building your name [brand] in a network economy, I think, credibility and trust are one of the main [the keys].

Sven: So, credibility and trust have an influence on your name?

IP 12: Directly on the value. I would do it like this. And also that the name, because if you, I mean, name is a name tag which is for the memory use. I mean, credibility and trust you have [can feel] in your stomach and heart. But the name you have [is] in your brain. So, you need a name to hook on [to be connected with trust and credibility]. I mean you have the trust and credibility and then you put a name on it then it is easier for you to remember.

Sven: Exactly. Therefore, you can reach a URL by entering the IP-address.

IP 12: Yah, exactly. The name is just DNS. And of course, when I chose my name, I mean we started [my company] because we found that it was not yet taken. I had a product, Idonacs, my company name, which derives from Idoneus a latin name which means kunnig, duglig, nuttig in Swedish. And we changed it to be a name that no one else uses. Actually, if you search on [for] Idonacs, globally, you only get hits from us. That's a good name in a network economy. And our products, lower product Tentixe. And it's also taken out to be able, short, able to translate in many languages and also: If you search on it you will find. Only your [our] parts. [It's similar with our product Tentixe.] So, that's important, but if they don't trust you, then your name's value is even worth [negative] because they remember you're not trustworthy [just] because you have a good name. So, it is like, I can do like this [12 writes]. That means if you take credibility plus a good name, it's not like one giving the other, because if that's bad then you don't have money. Those have to be together.

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Name der Sammlung: Value

Clip: Added Value, IP 02

IP 02: I think that - and this is my strong belief - I think that you have to have added value to the customer that's the key. Another factor in this network economy is the ease (...) That it's easy to use - the easy access. That the service is facilitating - say that instead - it should be easy to use.

Clip: Customer Value, IP 03

IP 03: Yes. (...) The customer is always the starting point. You need to differentiate, be able to provide a superior customer value - if you wish - or customer experiences. And once you have

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identified your target market - and that is kind of external, you need to understand what the market wants/needs - internally, you need to be more efficient and effective, in other words productive than the competition in order to be able to make profit on delivering at least as well as or hopefully better than the competition but more cost-effective. That's what will drive your profit. There are many other factors coming into this because you need to make a market segmentation. You need to understand the total size of the market because it might be a sub segment of the market which is highly profitable but it's way too small. So, there's no reason, really, for going after it.

Clip: Value Customer, IP 08

IP 08: Create value, value for the customer.

Sven: You had availability in your definition, do you think we should use that here as well?

IP 08: Ah, you mean, no, yeah, yeah, yeah you mean like that to make profit. But that's, that's some sort of value for me. I mean if you have an... You have to, you have to offer a product or services. You have to offer a product or services that's actually, that you can, that you are sure that creates a value for their customer. If you don't do that, for me as a small entrepreneur that's very important. I am not Telia, Telia everyone, you can't choose, you have to take Telia if you live a little bit outside the urbanarics. So, they don't have to create. They can treat you the way they want, but for me it's quite simple. To, you have to create value for the customer and that it's depending on for example in some case the availability, maybe that you have... Ahm... I would say, availability, yes, for <u>valuable</u> customer and you should have a, you should have a <u>forb</u>. As a small entrepreneur we also say that you need to, you need to create value by supporting the existing Business Models.

Clip: Communication, IP 08

Sven: Creates also value for the customer.

IP 08: Yes. I mean, that's a qualifier for us, because if we don't have important products then we have competition from other where. That's more general. and they, and they provide, ah, we have the same thing for nothing. But so it's very important for us and it's also important for us to communicate this. Of course.

Sven: Communicate the value? The product?

IP 08: No, to make the customer understand what value we create for them.

Clip: Value Proposals, IP 10

IP 10: The value proposals are for clients that we already have. They are coming from that direction, actually, I would say. Per definition, we look on, in our business: What's the structure of our clients? And how can we [help]? I mean, it could be that one. How can we add value to that business? What are the changes that these clients have now and in the future? And how can we change our value proposal for the future so that it matches our clients' needs? Are you with me there, I don't know if I am unclear.

Sven: So, I would say...

IP 10: The value proposals comes [result] from our clients' needs.

Clip: Added Value, IP 10

IP 10: Okay. As you know, now we are three companies being one company since January 22 this year. A great work is now spent on looking at the clients and see if [question whether] they are the right clients for the future. That's very important for our value proposals, of course.

Those two are connected. And that has a great impact on which clients we are going for, where we can add value in the current business with the total of our business to create profit.

Sven: But the value proposals and the clients - how are they connected? In this direction or in that direction? Do the right clients lead to value proposals? Or do value proposals lead to the right clients? (...) The value proposals are proposals in general? Or the value proposals are proposals for clients you have?

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Clip: Value, IP 12

IP 12: Because if you are looking, it's not only goodwill. But I mean, if you are an entrepreneur, you need to build or if you are looking on building profit: First you are building value. Because the value gives [generates] profit. And the value could be your name - like Google which is a really good name. And if you look at the ones like YouTube, they never had profit. Per se. So, I mean, you can build a value and the important part of the value is your credibility. Name can be valid. Because, there is an account, you can never borrow [lend] money to. And that's your credibility. If that goes [runs] empty, you're dead - as an entrepreneur or as a company. You can look at - what was it - Andersson Consulting who went belly up?

Abb. 57 stellt das Endergebnis der 4 Konsolidierungsschritte dar.

Abbildung 57: 22 x 22 Matrix

16.1.6   Auflistung der Gruppen mit Unterbegriffen

Zur besseren Übersicht und zur weiteren Verwendung in Anhang 16.2 in sind im Folgenden alle Begriffsgruppen mit den konstituierenden Unterbegriffen nach der Konsistenzprüfung dargestellt. Der Zusatz (Preset) kennzeichnet vom Interviewer vorgegebene Begriffe. Der Zusatz (IPs) Begriffsgruppen, die von den IPs gebildet wurden. Die Zahl in Klammern zeigt an, welcher IP den vorangestellten Begriff benutzt hat. Nach dem ; stehen Begriffe, die im zweiten Schritt konsolidiert wurden:

Profit (Preset): Profitable Position (01), Steady Revenue Stream (08), Selling Volume (10), Margin (11), traditional way (15), share profit (15)

Cost Reduction (Preset): Costs (03) (08) (14), Lower Costs (04), Cost Efficiency (06), Efficiency / Competences / Quality (09), Controlling Costs (10), Focusing on Efficiency (15), Outsourcing (15) ; Productivity (03), Cost Effectiveness (03), Internal Efficiency (03), Customer does Work (04), Less Representatives (04), Keeping Knowledge (08), Documentation (08), Outsourcing (08) (14), Suppliers Costs (10), Operating Costs (10), Quickness (14), Efficiency (14), Production Costs (06)

Customer Relations and Communities (Preset): Customer (02) (09) (11) (12), Easier to get Customer back (05), Customer Care (05), Satisfied Customers (06), Right Clients (10), Closer to Client (14) ; Webpage is the face (05), Presence Online (05), Phone and Address (05), CRM-Tools (05), Private and Institutional Customers (06), Closeness (11), Customer Contacts (11), (Sub-)Culture (12), Forum (12), Value Chain of Client (14)

Digitization (Preset): New Technology Creation (02), Digitization changes Demands (05), Good ICT Infrastructure (07), Changes (10), Flexibility (02) (04) ; New Technology (05), Technology (10), Structure (10), Web Shop / Page (04)

Employee Relations and Knowledge (Preset): Cost Efficient Organization (02), Team Spirit (06), Business Relations (07), Knowledge (09), Staff (10), People (12), Education (13), Right Competence (14), Internal Production (15) ; Human Resources (02), Personal Relations (07), Recruitments (10), Development of Staff (10), Keep People (10), Commitment (10), Stability (10), Work (12), Use Standards (09)

Lock-In (Preset): End User Lock-In (01), Network Lock-In (01)

Network-Effects and Standards (Preset)

Business Models (Preset): New Revenue Models (03), Business Models (08), Different Partner Models (03)

Shorter Lifecycles (Preset): Driving Innovation (03), Time-to-Market lower (09), Tempo-

rary Monopoly (14) ; Product & Service Lifecycle (03), Set Trends (14), Follow Trends (14)

Availability (IPs): Availability (08), Availability of Services and Products (13)

Brand (IPs): Brand Building (04), Brand (09), Name (12) ; Awareness for Everyone (04), Personal Network (04), Opinion Leaders (04), People find You (09), Specialized / Focused (09)

Channels (IPs): Internet is Channel (04), Using Different Channels (06) ; Google Ad-Words (04), Buy Space (04), Space for Ads (04), Mail Campaigns (04), Not Spam (04), Purchase Lists (04)

Feedback Loops (IPs): Feedback Loops (03)

Management and Leadership (IPs): Corporate Strategy (03), Management and Leadership (10), Treasury Management (10), Long Term Planning (15)

Market Share (IPs): Market Share (01), Target Market (03), Internet is the Market (04), Define Market (09), Timing (07), Market (07) (15), Speed (13) ; Fair Market Size (01), Growing Market (01), Market Development (01), Competition (03), Relative Strength (03), Size of Market (03), Growth Organic / Merger (03), Time (03), Basic Market Conditions (07), Not always the First (07), Amount of People (07), Market Information (15), Speed (15), Weak Signals (15)

Marketing (IPs): Marketing (02) (06), Sales (03) (08), Internet Marketing (05), Price (06), Amount of Money (07), Higher Prices (14) ; Selling Spirit (06), Campaign (06), Ads (06), Banners (06), Homepage (06), Longer Sales Process (08)

Needs (IPs): Supporting Customers Needs (08)
Opportunities (IPs): Good idea (07), Good Opportunities (13)

Partner (IPs): Partner & Supplier (06), Network (02), Penetration Rate (01), Complementary Goods (01), Sales Partnerships (08), Partners (11) (12) (15) ; Partnerships bring Information/Channels (02), Complementary Products (08)

Product (IPs): Key Components (01), Commodities (04), Product (06), Focused Products (08), Package Quality / Price / Time (09), Create / Construct / Combine (11), Product (15) ; Unique Product (06), Future Product (06), Unique Use (06), Business Critical (08), Nice-to-Have (08)

Trust (IPs): Respect User (05), Trust (12) ; Privacy (05), Credibility (12)

Value (IPs): Added Value (02) (10) (12), Value for Customer (03) (08), Communicate Value (08) ; Appealing Costumer Interface (02), Easy Access/Use (02), Customer Experience

16.1 Konsolidierung der Begriffe

(03), Control Groups (08), Business Cases (08), Value Proposals (10)

CLVI

16.2 Übertragung der Netzwerke

Profitable Position
- Market Share
- Key Components
- Employee Relations and Knowledge
- Cost Reduction and Economies of Scale and Scope
- Complementary Goods
- Network Lock-in

Penetration rate

New Revenue Models

Market development
- Shorter Life Cycles
- Network Effects and Standards
- Fair Market Size (early Life Cycle)
- Growing Market
- Lock-in
- End User
- Customer Relations and Communities

Profit

von ... zu ... **IP 01**	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit								1		1													
Cost Reduction																							
Costumer Relations and Communities																							
Digitisation																							
Employee Relations and Knowledge																							
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models		1															1					1	
Shorter Life Cycles																							
Market Share			1			1	1		-1														
Added Value																							
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product				1																			
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners			1	1																			
Trust																							
Good Opportunities																							

Brand

Digitization

Marketing

Trust

Value

Management and Leadership

Employee Relations and Knowledge

wirkt positiv auf

wirkt positiv auf

Partner

Cost Reduction

Product

wirkt positiv auf — wirkt positiv auf — wirkt positiv auf

Shorter Lifecycles

Business Models

wirkt negativ auf

Customer Relations and Communities — wirkt positiv auf

Market Share

wirkt positiv auf

wirkt positiv auf

wirkt positiv auf

Profit

wirkt positiv auf — wirkt positiv auf

Network Effects and Standards

Lock-In

Abbildung 58: IP 01: Übertragung der Individualnetz in MaNET

Abbildung 59: IP 02: Übertragung der Individualnetz in MaNET

different partner-models

Competition · Target market · Relative Strength · Size of market · Corporate Strategy · Growth organic/Merger · Time

New Revenue Models

Network Effects & Standards

Sales

Value for customer · Customer Relations & Communities · Customer experience · Lock-ins

driving Innovation · Product & Service Lifecycle · Shorter Life Cycles

Profit

Costs · Cost effectivness · Cost Reduction + Economies of Scale & Scope · Productivity · Digitalisation · Internal efficiency · Employee Relations & Knowledge

Feedback loops

Customer offering

von ... zu ... IP 03	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit																							
Cost Reduction				1	1					1					1								
Costumer Relations and Communities																							
Digitisation																							
Employee Relations and Knowledge																							
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles																							
Market Share																							
Added Value		1				-1																	
Marketing and Sales							1	1	1			1	1							1			
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand																							
Needs																							
Management / Leadership							1	1		1													
Partners																							
Trust																							
Good Opportunities																							

Brand · Trust · Partner · Product

Business Models · Network Effects and Standards · Customer Relations and Communities

Marketing

wirkt positiv auf · wirkt positiv auf · wirkt positiv auf · wirkt positiv auf · wirkt positiv auf · wirkt positiv auf · wirkt positiv auf · wirkt positiv auf

Management and Leadership

Value

Market Share

Profit

Shorter Lifecycles

Lock-In

wirkt negativ auf

Cost Reduction

wirkt positiv auf · wirkt positiv auf · wirkt positiv auf

Digitization

Employee Relations and Knowledge

Abbildung 60: IP 03: Übertragung der Individualnetz in MaNET

CLIX

Internet = Market

Customer does work

Benefits / Costs

Cost Reduction

Lower Costs

Internet = channel

Less Representatives

Google Ad-words

Flexibility

Profit

Brand Building

Web shop / Page

Awareness Everyone

not spam

buy Space

Mail campaigns

Space for Ads

Commodities

Sales / Marketing

Personal Network

Purchase Lists

Customer Relations & Communities

Opinion Leaders

von … zu … IP 04	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit		1		1																			
Cost Reduction															1								
Costumer Relations and Communities																		1					
Digitisation																		1					
Employee Relations and Knowledge																							
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles																							
Market Share																							
Added Value																							
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand															1								
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Employee Relations and Knowledge

Lock-In

Network Effects and Standards

Business Models

Shorter Lifecycles

Management and Leadership

Marketing

Value

Market Share

Partner

Trust

Cost Reduction

wirkt positiv auf

Digitization

wirkt positiv auf

Profit

Product

wirkt positiv auf

wirkt positiv auf

Customer Relations and Communities

wirkt positiv auf

Brand

Abbildung 61: IP 04: Übertragung der Individualnetz in MaNET

Digitalisation

Digitalisation changes demands

New Technology

Webpage = face

Presence online

Customer Care
Phone/Adress

Internet marketing

Profit

respect user

Privacy

CRM tools

Lock-ins

Cost Reduction

Employee Relations and Knowledge

Easier to get customer back

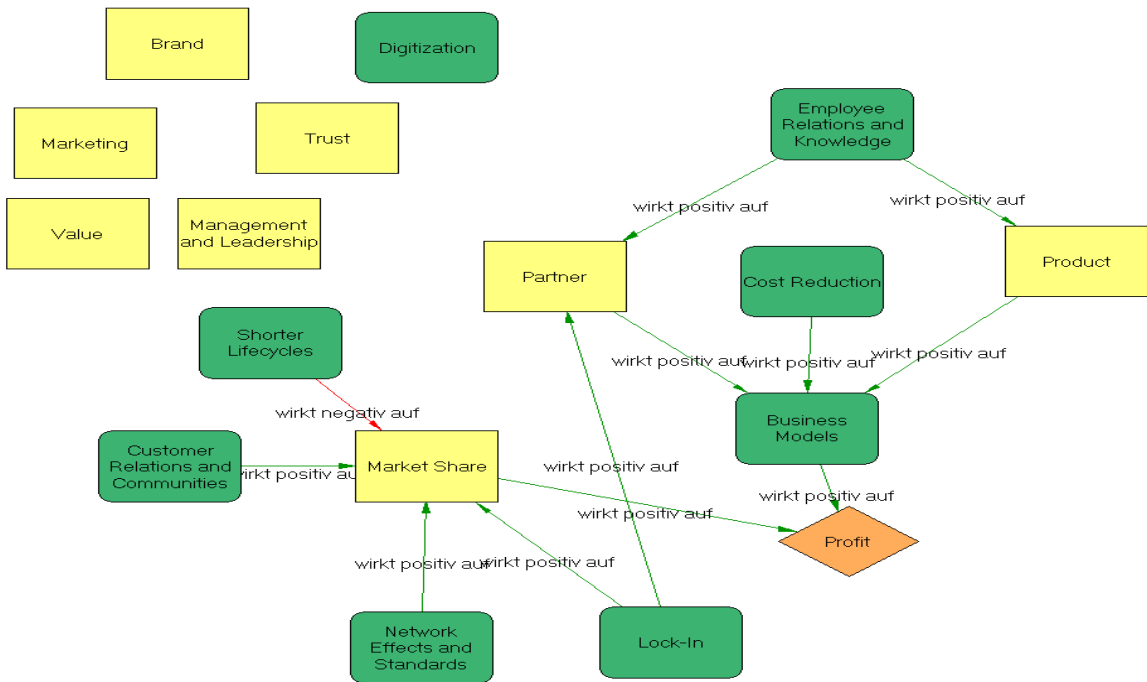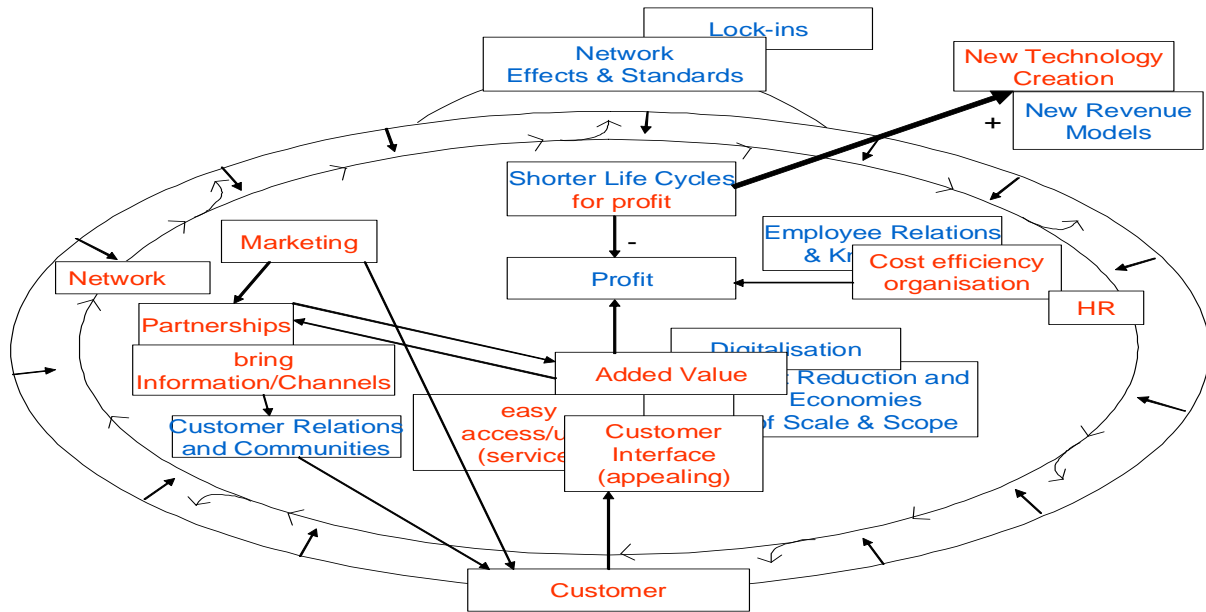| von ... zu ... IP 05	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit																							
Cost Reduction																							
Costumer Relations and Communities				1								1										1	
Digitisation																							
Employee Relations and Knowledge																							
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles																							
Market Share																							
Added Value																							
Marketing and Sales				1		-1																1	
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Network Effects and Standards

Business Models

Shorter Lifecycles

Cost Reduction

Value

Management and Leadership

Market Share

Digitization

Employee Relations and Knowledge

Partner

Product

Brand

wirkt positiv auf

wirkt positiv auf

Customer Relations and Communities

wirkt positiv auf

Marketing

Profit

wirkt positiv auf

wirkt positiv auf

wirkt positiv auf

wirkt negativ auf

Trust

Lock-In

Abbildung 62: IP 05: Übertragung der Individualnetz in MaNET

Abbildung 63: IP 06: Übertragung der Individualnetz in MaNET

BASIC

BASIC

Amount of money

Good idea

Good ICT infrastructure

Lock-ins

Digitalisation

Amount of people

Market

Cost Reduction and Economies of Scale and Scope

New Revenue Models

Profit

Customer Relations and Communities

Timing

Business relations Personal

Employee relations and knowledge

Basic Conditions

Not always first

Shorter Life Cycle

von ... zu ... IP 07	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit		1																					
Cost Reduction			1																				
Costumer Relations and Communities				1																			
Digitistion					1																		
Employee Relations and Knowledge									1														
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models			1																				
Shorter Life Cycles																							
Market Share	1	1										1											1
Added Value																							
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Network Effects and Standards

Lock-In

Management and Leadership

Brand

Value

Partner

Product

Trust

wirkt positiv auf

Digitization

wirkt positiv auf

Cost Reduction

wirkt positiv auf

Business Models

Marketing

wirkt positiv auf

wirkt positiv auf

Profit

wirkt positiv auf

Market Share

Employee Relations and Knowledge

wirkt positiv auf

Shorter Lifecycles

wirkt positiv auf

wirkt positiv auf

Customer Relations and Communities

Abbildung 64: IP 07: Übertragung der Individualnetz in MaNET

Complementary Products

Controll groups → Business cases/studies (References) → Communication

Slaes partnerships

New Revenue Models

Business Models → Value for Customer

Availability

Standards

Sales

Supporting customers needs

Steady Revenue-stream

Focused Products

Profit

Costs

Lock-Ins

Business critical

Nice to have

+   −

+   −

Keeping Knowledge

Documentation

Outsourcing

Employee Relations and Knowledge

Cost Reduction and Economies of Scale and Scope

Sales process gets longer

Digitalisation

von ... zu ... IP 08	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit		1										1				1							
Cost Reduction					1																		
Costumer Relations and Communities																							
Digitisation																							
Employee Relations and Knowledge																							
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models										1													
Shorter Life Cycles																							
Market Share																							
Added Value							1	1								1	1		1				
Marketing and Sales	1							1												1			
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product	1			1																			
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Shorter Lifecycles

Customer Relations and Communities

Digitization

Management and Leadership

Market Share

Business Models

Value

Trust

Brand

wirkt positiv auf

wirkt positiv auf

Network Effects and Standards

wirkt positiv auf

wirkt positiv auf

Partner

Marketing

Product

wirkt positiv auf

wirkt positiv auf

wirkt positiv auf

Profit

wirkt positiv auf

Employee Relations and Knowledge

wirkt positiv auf

Cost Reduction

wirkt positiv auf

Lock-In

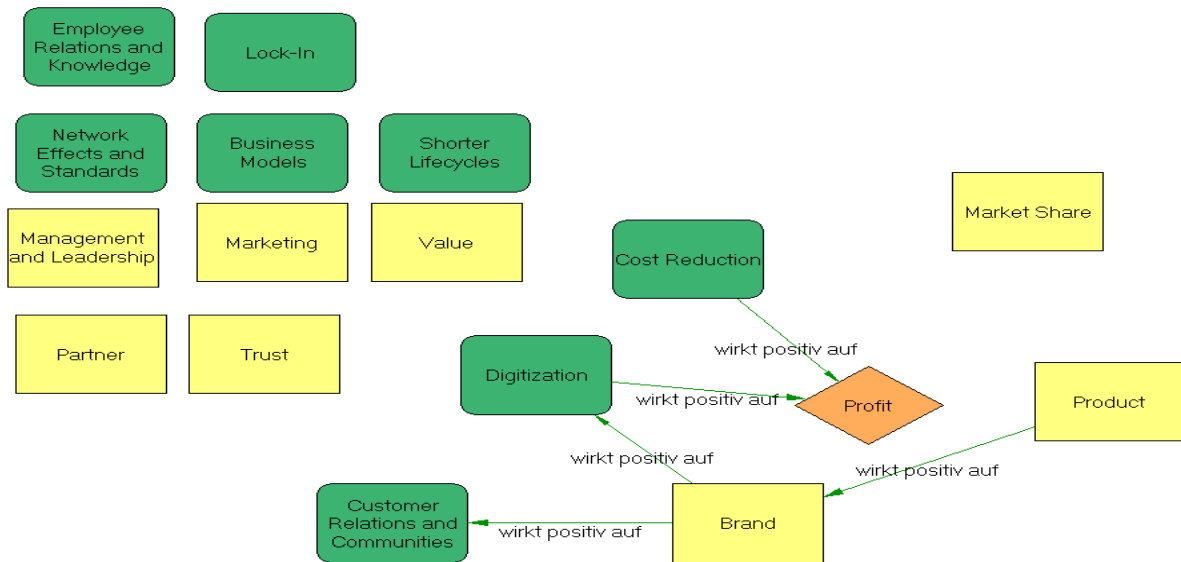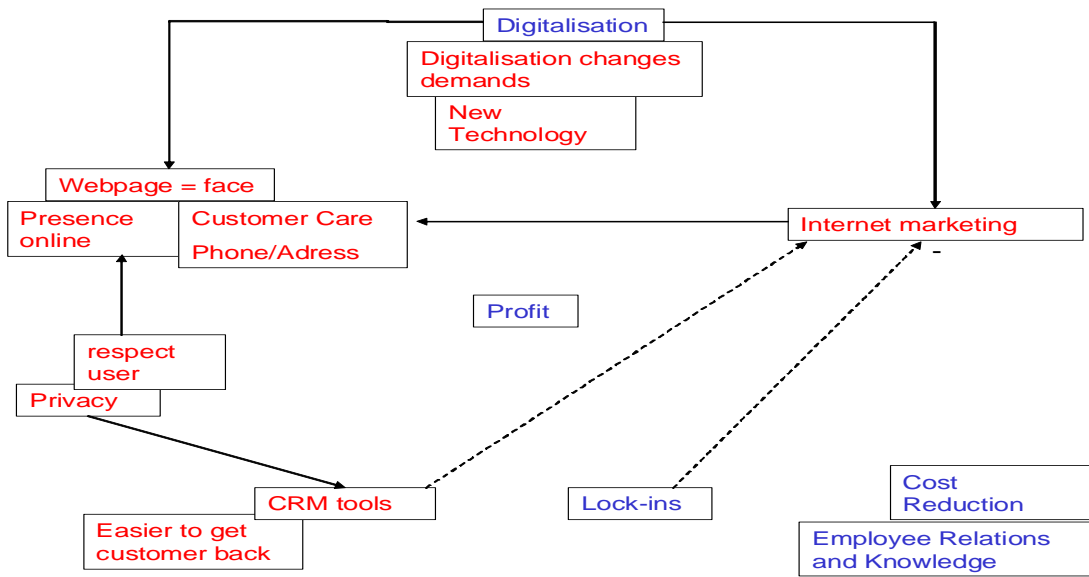Abbildung 65: IP 08: Übertragung der Individualnetz in MaNET

Abbildung 66: IP 09: Übertragung der Individualnetz in MaNET

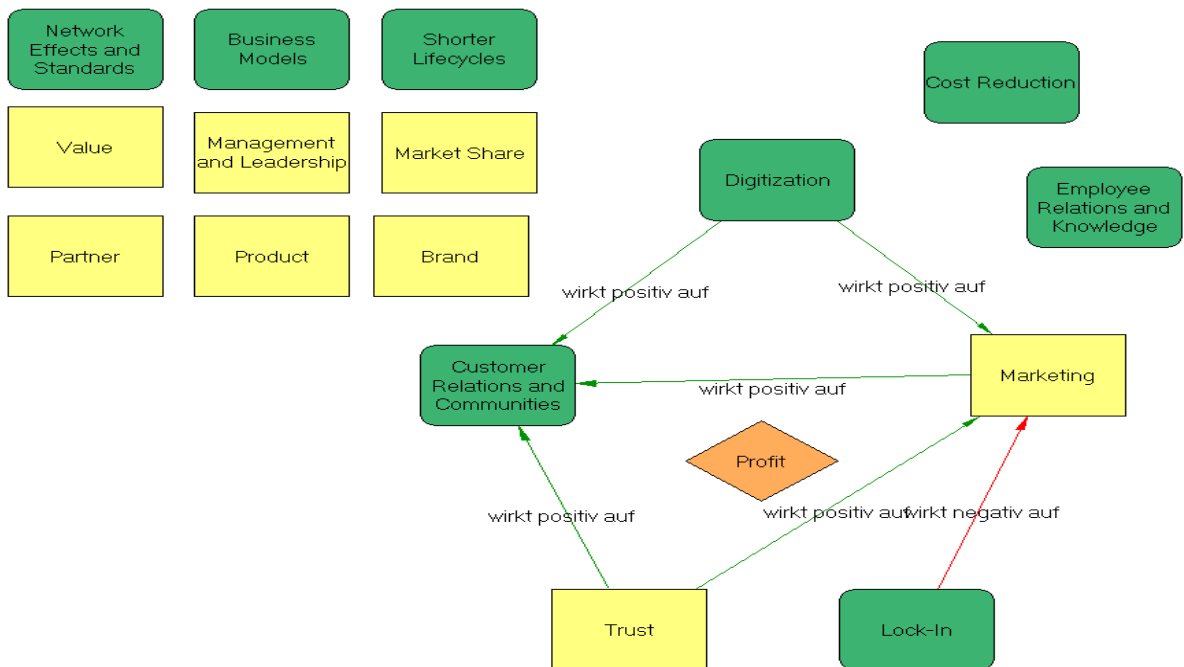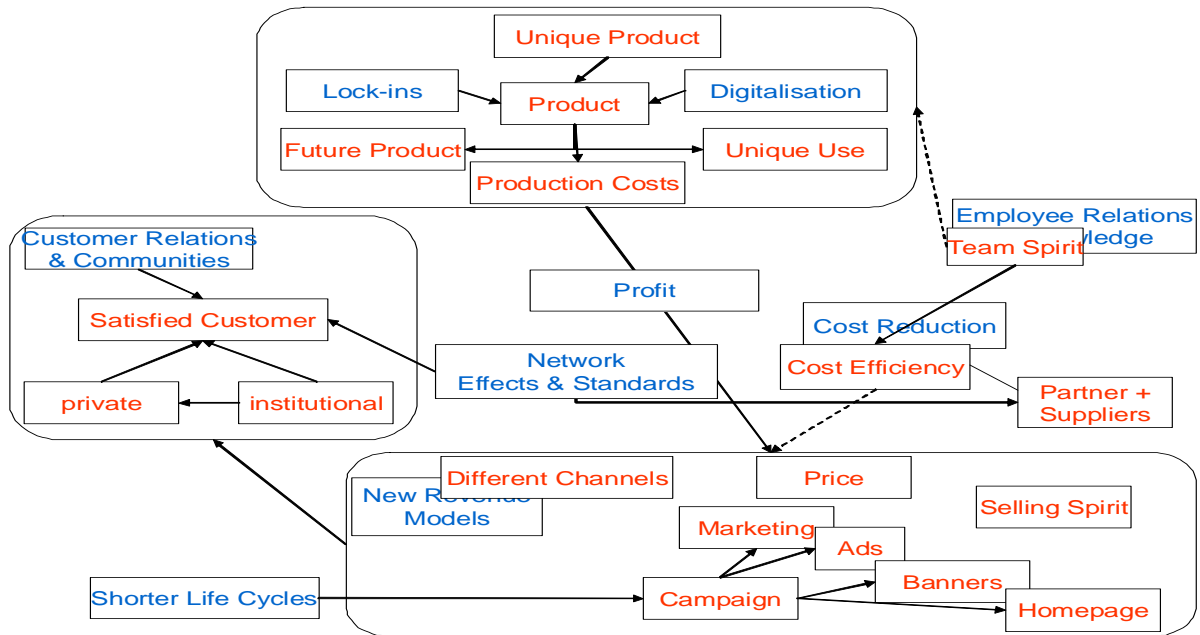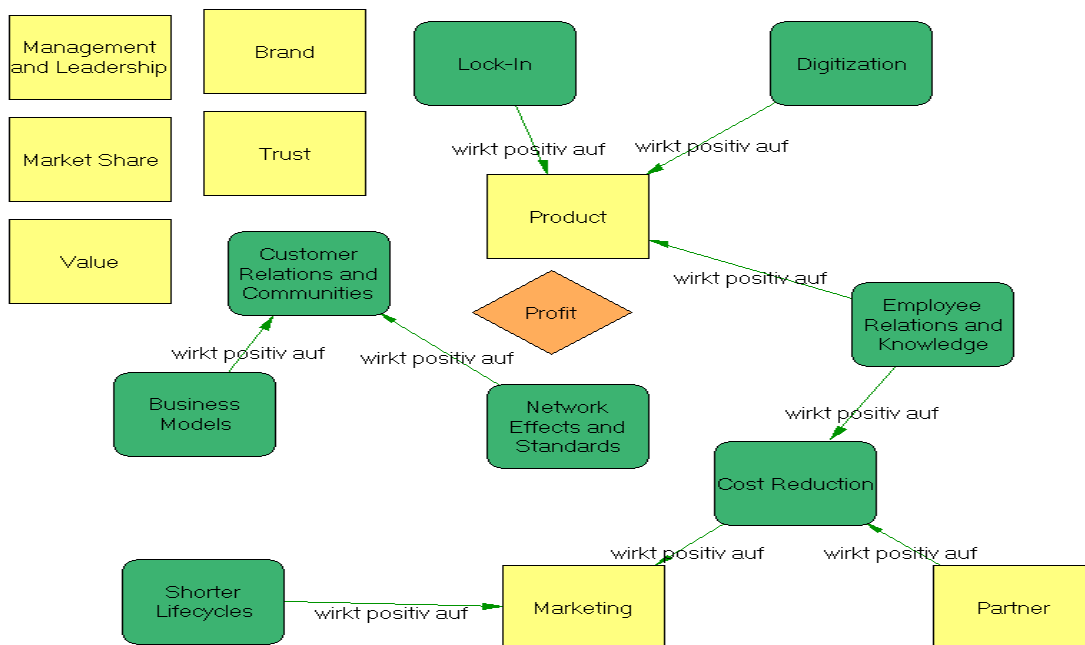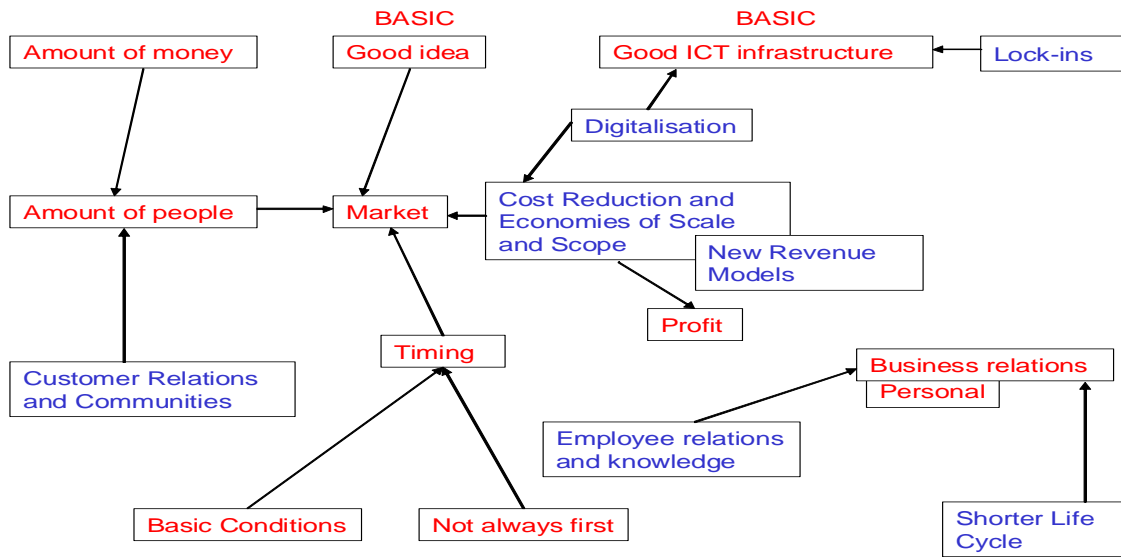| IP 10	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit		1	1		1						1									1			
Cost Reduction																				1			
Costumer Relations and Communities																							
Digitisation																							
Employee Relations and Knowledge																				1			
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models				1																			
Shorter Life Cycles				1																			
Market Share																							
Added Value	1		1					1															
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Abbildung 67: IP 10: Übertragung der Individualnetz in MaNET

profit

EMPH

Customer contacts

Create construct / combine

Partners

Digitalisation

Networks effects and Standards

Lock-ins

Cost Reduction and Economies of Scale

Employee Relations and Knowledge

New Revenue Models

Closeness

Customer Relations and Communities

Customer

Margin

von ... zu ... IP 11	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit			1			1																	
Cost Reduction	1																						
Costumer Relations and Communities	1					1																	
Digitisation																							
Employee Relations and Knowledge																							
Lock-Ins	1		1																				
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles																							
Market Share																							
Added Value																							
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product		1																			1		
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Shorter Lifecycles

Management and Leadership

Market Share

Marketing

Brand

Trust

Value

Profit

wirkt positiv auf

Lock-In

wirkt positiv auf

wirkt positiv auf

Business Models

Customer Relations and Communities

Network Effects and Standards

Digitization

Cost Reduction

Employee Relations and Knowledge

wirkt positiv auf

Partner

wirkt positiv auf

wirkt positiv auf

Product

Abbildung 68: IP 11: Übertragung der Individualnetz in MaNET

Network Effects and Standards

Lock-ins

Cost Reduction and Economies of Scale Digitalisation

Name + Value Profit

Shorter Life Cycles

Credibilty Trust

Customer

Customer Relations and Communities

Partner

Work

(Sub-) Culture Forum

People

Employee Relations and Knowledge

von ... zu ... IP 12	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit			1								1												
Cost Reduction																							
Costumer Relations and Communities																							
Digitisation																							
Employee Relations and Knowledge																							
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles																							
Market Share																							
Added Value		1		1														1				1	
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand																						1	
Needs																							
Management / Leadership																							
Partners																							
Trust			1																		1		
Good Opportunities																							

Business Models

Network Effects and Standards

Lock-In

Cost Reduction

Management and Leadership

Market Share

Marketing

Shorter Lifecycles

Product

Brand — wirkt positiv auf — Value — wirkt positiv auf — Digitization

wirkt positiv auf

wirkt positiv auf   wirkt positiv auf   wirkt positiv auf

Trust

Profit — wirkt positiv auf — Customer Relations and Communities

wirkt positiv auf   wirkt positiv auf

Employee Relations and Knowledge

Partner

Abbildung 69: IP 12: Übertragung der Individualnetz in MaNET

Digitalisation

Speed

Cost Reduction and Economies of Scale and Scope

Network Effects and Standards

Good Opportunities

Profit

Availability

Customer Relations and Communities

Lock-ins

Education

Employee Relations and Knowledge

von ... zu ... IP 13	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit		1	1		1	1																	
Cost Reduction							1																
Costumer Relations and Communities																							1
Digitisation																							
Employee Relations and Knowledge			1				1																
Lock-Ins				1	1																		
Network Effects and Standards		1																					
New Revenue Models																							
Shorter Life Cycles																							
Market Share							1																
Added Value																							
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability			1																				
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities										1							1						

Business Models

Shorter Lifecycles

Partner

Management and Leadership

Brand

Marketing

Product

Trust

Value

Cost Reduction

Digitization

Market Share

wirkt positiv auf

Profit

wirkt positiv auf

Customer Relations and Communities

wirkt positiv auf

wirkt positiv auf

wirkt positiv auf

Network Effects and Standards

wirkt positiv auf

Lock-In

wirkt positiv auf

wirkt positiv auf

wirkt positiv auf

Employee Relations and Knowledge

Abbildung 70: IP 13: Übertragung der Individualnetz in MaNET

Diagram 1 (top)

New Revenue Models

Set trends   Follow trends

Network Effects and Standards

Shorter Life Cycles

Temporary Monopoly

Customer Relations and Communities

Profit

Outscourcing

Cost Reduction and Economies of Scale and Scope

Closer to client

Higher prices

Costs

Quickness

Value chain of client

Efficiency

Right competence

Emlpoyee Relations and Knowledge

Digitalisation

Table

von ... zu ... IP 14	Profit	Cost Reduc- tion	Costumer Relations and Communities	Digiti- sation	Employee Relations and Knowledge	Lock- Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke- ting and Sales	Feed- back Loops	Flexibi- lity	Inter- net = Chan- nel	Product	Avail- ability	Brand	Needs	Manage- ment / Leader- ship	Part- ners	Trust	Good Oppor- tunities
Profit		1								1		1											
Cost Reduction				1																			
Costumer Relations and Communities					1		1	1															
Digitisation																							
Employee Relations and Knowledge	-1																						
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles							1	1															
Market Share																							
Added Value																							
Marketing and Sales			1		1																		
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product																							
Availability																							
Brand																							
Needs																							
Management / Leadership																							
Partners																							
Trust																							
Good Opportunities																							

Diagram 2 (bottom)

Lock-In

Brand   Management and Leadership   Market Share

Partner   Product   Trust

Value

Business Models

Network Effects and Standards

wirkt positiv auf   Shorter Lifecycles

wirkt positiv auf

wirkt positiv auf   wirkt positiv auf

Profit

wirkt positiv auf

wirkt positiv auf   wirkt positiv auf

Customer Relations and Communities

wirkt positiv auf   Marketing   wirkt positiv auf   Employee Relations and Knowledge   wirkt negativ auf   Cost Reduction
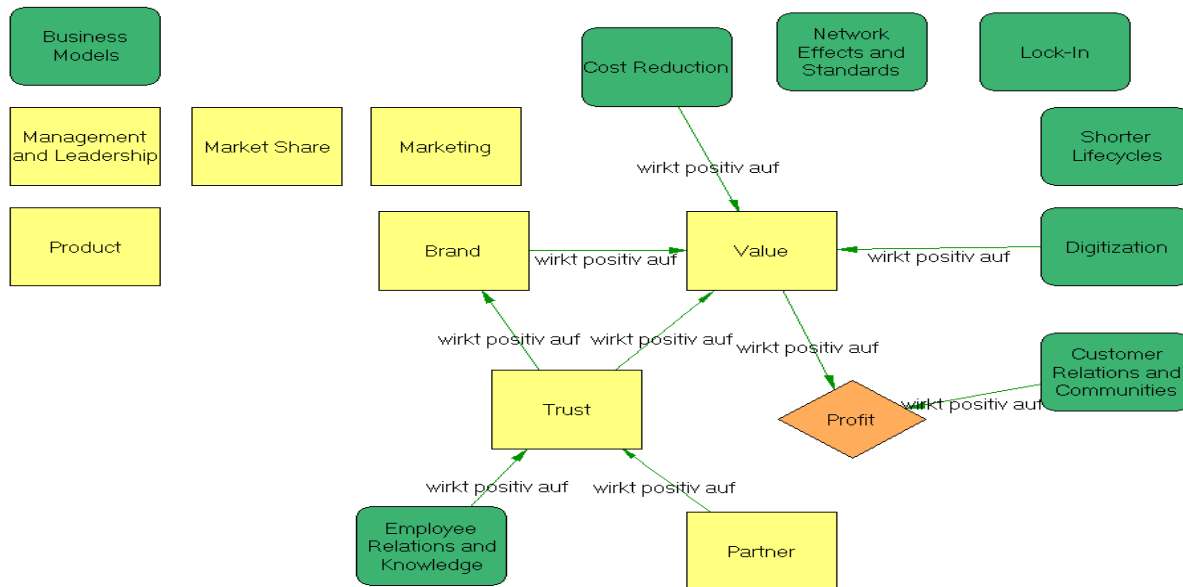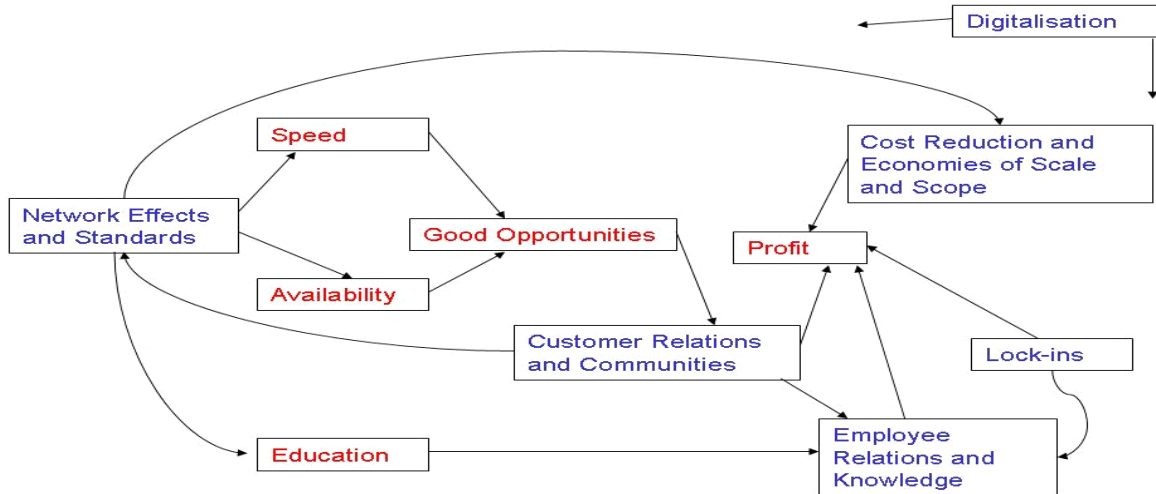
wirkt positiv auf

Digitization   wirkt positiv auf

Abbildung 71: IP 14: Übertragung der Individualnetz in MaNET

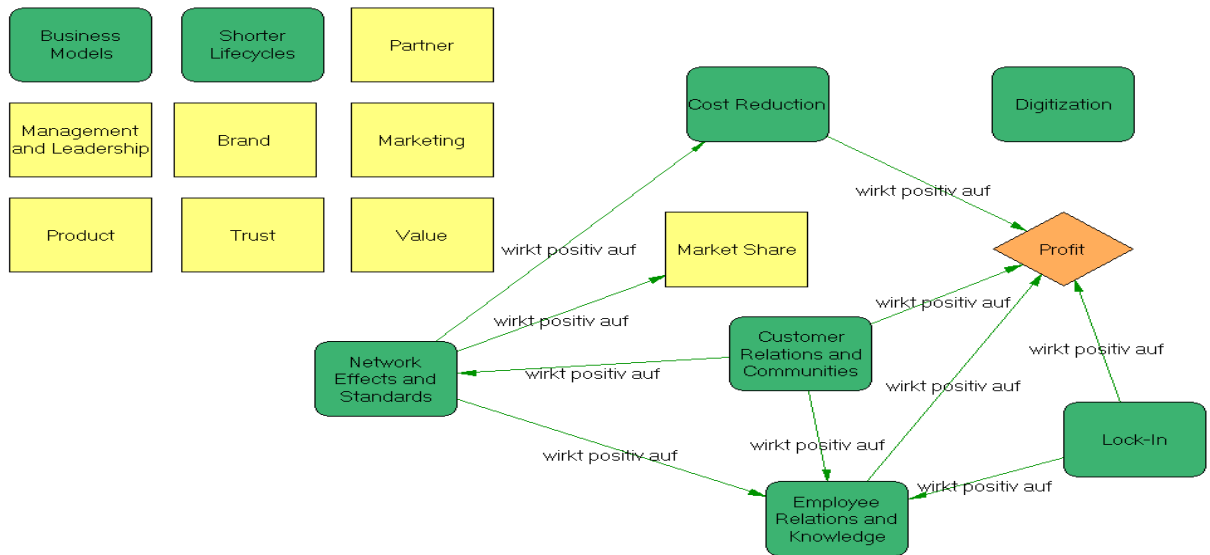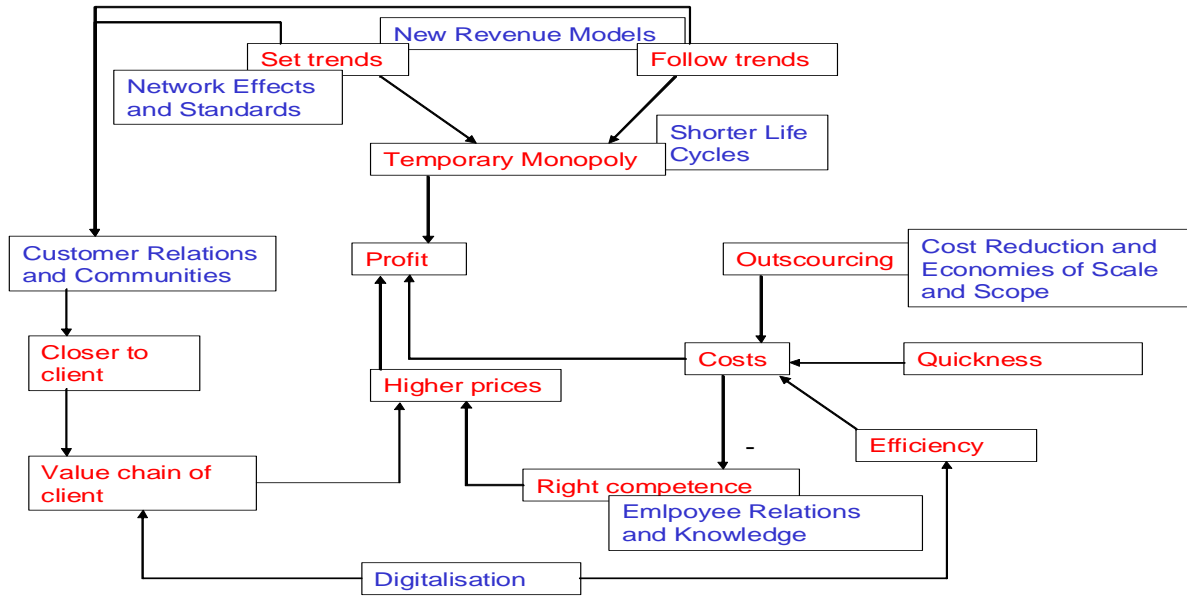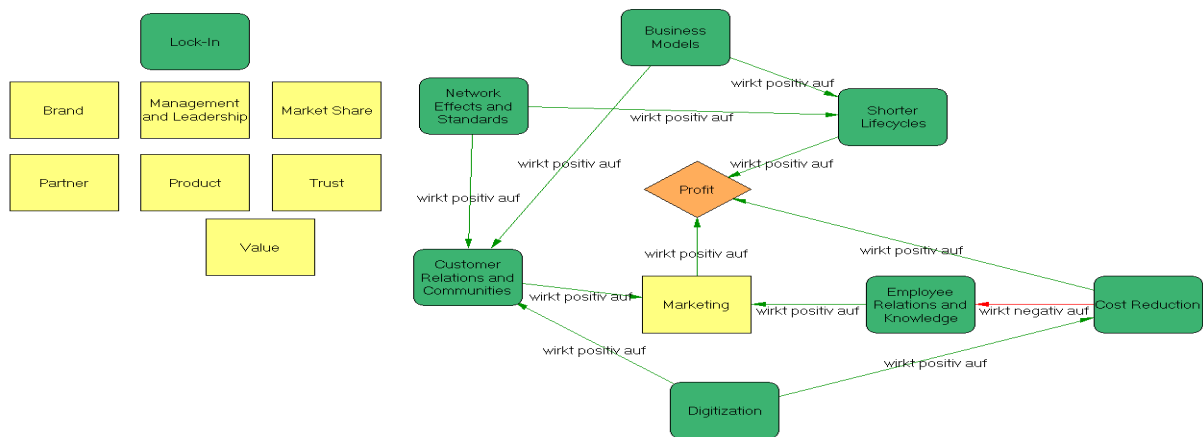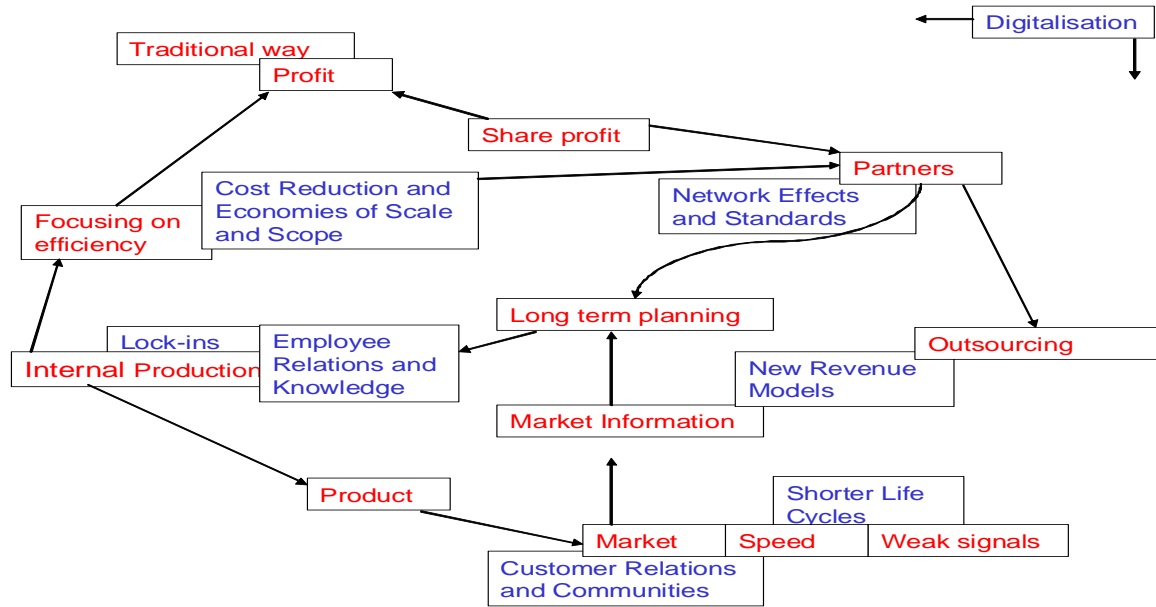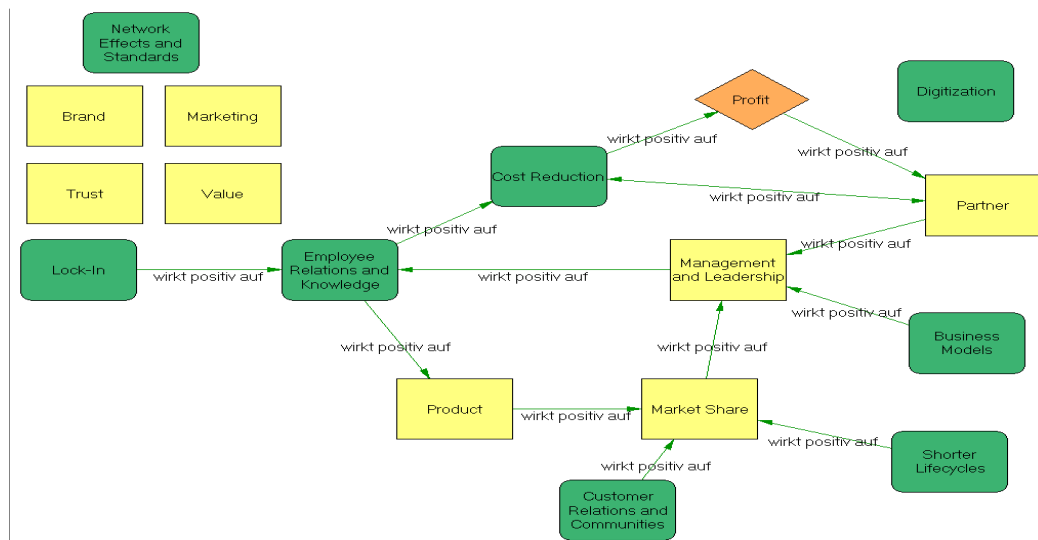| IP 15	Profit	Cost Reduc-tion	Costumer Relations and Communities	Digiti-sation	Employee Relations and Knowledge	Lock-Ins	Network Effects and Standards	New Revenue Models	Shorter Life Cycles	Market Share	Added Value	Marke-ting and Sales	Feed-back Loops	Flexibi-lity	Inter-net = Chan-nel	Product	Avail-ability	Brand	Needs	Manage-ment / Leader-ship	Part-ners	Trust	Good Oppor-tunities
Profit		1																					
Cost Reduction					1																	1	
Costumer Relations and Communities																							
Digitisation																							
Employee Relations and Knowledge						1														1			
Lock-Ins																							
Network Effects and Standards																							
New Revenue Models																							
Shorter Life Cycles																							
Market Share			1							1							1						
Added Value																							
Marketing and Sales																							
Feedback Loops																							
Flexibility																							
Internet = Channel																							
Product					1																		
Availability																							
Brand																							
Needs																							
Management / Leadership										1											1		
Partners	1	1																					
Trust																							
Good Opportunities																							

Abbildung 72: IP 15: Übertragung der Individualnetz in MaNET

17 Anhang Frage 4: Erfolgsmessung

IP 01

Citation: 'Some are valid in some cases, some are not valid in some cases.'

Abstract: Usually, financial profitability measures are used e.g. accounting measurements like return on investment, return on capital employed, return on assets, ebit, cash-flow. Value creation is also important, but more difficult to work with. It is important to set the bar somewhere. The ROI varies in different branches. Therefore, it cannot be the only criterion. Others are returns in absolute terms, capital to be invested, risks, revenue growth and market share. Furthermore, it has to be adjusted, according to the life cycle, which primaries have to be used. Also, the measurement has to feel right for a segment.

Assessment: detailed

Key words: financial measurements, branches, life cycle, feeling

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IP 02

Citation: 'I think that it does not differ from any other type of business, really'

Abstract: Companies have to calculate the costs and the risks when building up digitalized products and services in a classical way. Due to this, they know how much they need to sell. They have to know about how to keep track of the costs, to be cost-effective, to do marketing and sales and to hire the right people. The difference to the classical business is that the marginal costs are lower. When the break-even point is reached, returns are higher. Therefore, it is about reaching the break-even point which might be even tougher now.

Assessment: various

Key words: costs, marginal costs, break even

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IP 03

Citation: 'we are in a market inflexion right now'

Abstract: Big companies use the basics such as revenue targets, profit contribution targets and cash flow analysis when adding a business unit. In addition, customer satisfaction is needed. Also thinking about whether a new business unit will be a complement to others in order to reach a certain position. Assuming a company provides isolated products. The goal is to move towards solution sales. It is possible that they have some components which are missing and would not fulfill the profitability or margin targets. Then, a totally different revenue model will be more beneficial. Smaller companies often measure uptake. They want to have a high valuation by building a story around the company. Where it might be in 5 years and sell it to companies with financial power which are willing to invest in something that is loss-generating in the first period of time. Customer satisfaction is a traditional measurement to which many companies do not pay sufficient attention.

Assessment: detailed

Key words: cash-flow, valuation, story, costumer satisfaction

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IP 04

Citation: 'In a short term, you could look at success in other ways'

Abstract: Revenue minus costs is the easiest and most accurate way to measure success in the long run. In short term, you could look at success in other ways which is difficult. Companies are on very thin ice here.
Assessment: few
Key words: revenue, costs, long term, short term

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IP 05

Citation: 'the ultimate goal is profit leading to shareholder dividend'

Abstract: The success of a company is measured in profit, shareholder value and shareholder dividend. Stock prices are just a measurement for the short run, because stock owners normally want fast profit. There is a competition between two views: Should we do something good for the company in the short run? Or should we do something good for the company in the long run? Which leads to shareholder dividend? Changing market conditions and models favor new ways of advertising like using communities. Although, the quality of the content is low, it might be sold at high prices.
Assessment: various
Key words: profit, CF, ROI, long run, short run, dividend

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IP 06

Citation: 'we have earned our money by ourselfs'

Abstract: It is very important to have investments in the beginning of projects. These investments for a good concept come from different networks: Employees, partners, other companies, banks, customers, going-public. After the initial phase, it is important to have own cash flow, own earning or own positive results.
Assessment: few
Key words: investments, CF, networks, results

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IP 07

Citation: 'measuring the success [. . .] is certainly easier with products'

Abstract: Measuring the success can be quiet hard if a company is not divided along product lines. It is easier to measure market success by revenues. If companies go along processes, they might get difficulties in measuring success in terms of money. Otherwise, a company needs internal clearing. In the network economy it is not only the money that counts. Other things are: name, brand, clicks, context, networks, communities and the access to a whole group of people.
Assessment: various
Key words: revenues, product lines, processes, internal clearing, access

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IP 08

Citation: 'old boring version is of course result'

Abstract: Companies need to have some key performance indicators. They try to measure the future incomes and the future value. The classical way is result or profit. Just production units as business units are not enough, because they only produce costs and never generate any profits. For Sales it is easy to measure. Internet firms often want more traffic, more visitors and a bigger

share of voice. They offer a little software and a little hardware but the main revenue comes through advertising. A company has to know what employees are good at. Therefore, the right firm size is important.

Assessment: various

Key words: ROI, production, sales, employees

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IP 09

Citation: 'you have to have measurements that are understandable for the whole company but that drive your BUs to your goals and not the whole company'

Abstract: Sometimes it is easier, faster and cheaper to buy BUs instead of building them up from the scratch. Especially, if they are a kind of complement to other BUs. The acquiring company buys the products and services that are needed by their clients as well as the knowledge, technology, patents and immaterial rights. Furthermore, the value of existing clients is extremely high. Indicators could be based on revenue per client or revenue per employee. The essential figure is how much money a company is going to generate. The profit a company is making has very little to do with its value. Therefore, often the anticipated value or the long term success is calculated when buying a BU. When buying a BU it might be a competitor to other BUs of a company. It is possible to measure each BU in a different way, due to different strategies.

Assessment: detailed

Key words: lock-in, employees, ROI, revenue

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IP 10

Not answered due to lack of time.

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IP 11

Citation: 'they had some basic idea what each user was worth something in terms of revenue'

Abstract: Different parts of the firm should not be valuated in the same way as the whole of the firm, because of the fact that Business Units have life cycles. Still, cash flow analyses are important.

Assessment: few

Key words: life cycles, CF

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IP 12

Citation: 'We need to have to measure the value.'

Abstract: The balanced scorecard could be a tool for measuring success. It could be adapted to SMEs and network economy companies. The problem is that it is based on history. It is a feedback of what people did last year. If a company is new company, they do not really have a last year. It is a good way of organizing and balancing things if they want to make it better. A company has to measure its value. That means e.g. by the number of channels to the customer, the number of flame words in the community, the number of own and competitors products discussed in the forum. When integrating new Bus, companies need to have an idea about the advantage of this. It has to fit to their overall strategy to own a certain technology or culture.

Assessment: various

Key words: Balanced Scorecard, channels, products, value

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IP 13

Citation: 'when they use YouTube and search for something they, they are going to use Google as an, as the first, the first try.'

Abstract: Using the CF is the classical way, but there are others ways, too. As a completion a company might want to give a better service to their customers and to keep the customers a longer time within the total company. They use one network to spread the other. Then the CF is not independent from segment to segment but it is better for a company as a whole. Customers use BUs with additional offers and channels they might use other stuff as well. The whole company is expanding its knowledge and people, too.

Assessment: various

Key Words: CF, service, costumers, knowledge, people

Ideas: Do not focus Portfolios on products instead of clients

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IP 14

Citation: 'measure it in pure profit, of course, on the last line'

Abstract: Companies measure in profits as most important figure. They are also measured by growing sales pipelines, order inflows, number of employees, human capital, services, capacity, amount of products and product lines within units, return on capital employed and return on investment. It matters how quickly a company turns around capital which is bound in the production. Companies have to speed this up, have to be fast and quick so that there are not that much production costs before they actually start selling the product. When acquiring companies in the Network Economy, one attraction is the traffic coming in. It is important to reach out for the new crowds which have not really been too much into the old business before which means money coming in. The specific measurement is a matter of the business segment the company is located in.

Assessment: Detailed

Key Words: financial ratios, alternative measurements, specificity, speed

Ideas: Different measurements for different business units.

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IP 15

Citation: 'Figures. Yes, the cold figures.'

Abstract: Companies do a traditional way of analyzing, predicting the cash flow and present as well as future share value. They analyze how much added value a new business brings and how many new customers could be attracted by a new product.

Assessment: few

Key words: CF, value

CLXXVI

18 Anhang Frage 5: Informationen zu Experten

Abbildung 73 zeigt Hintergrundinformationen zu den Interview-Experten. Diese Informationen erlauben eine globale Bewertung der Daten, die von den IPs erhoben wurden.

	Position	Service/ Goods	Emplo-yees	Turn-over	Attitude	Generalist /Specialist	Class	Evalu-ation	Picture
IP 01	Con	Ex	3	3	Ana	Gen	Arch	0	-
IP 02	CEO	Ex	2	2	Pro	Spe	Inn	+	+
IP 03	Con	Net	3	3	Ana	Gen	Arch	+	+
IP 04	Dep	Pub	2	2	Pro	Spe	Inn	+	+
IP 05	PM	Pub	1	1	Pro	Spe	Inn	0	+
IP 06	Dep	Ex	2	2	Ana/Pro	Spe	Arch	+	+
IP 07	CEO	Ex	1	1	Pro	Spe	Inn	+	-
IP 08	CEO	Pub/Net	1	1	Pro	Spe	Inn	+	+
IP 09	CTO	Ex	2	2	Pro	Spe	Inn	+	+
IP 10	Dep	Ex	2	2	Pro	Gen/Spe	Arch	0	+
IP 11	CEO	Ex	2	2	Trad	Gen	Risk	0	-
IP 12	CEO	Ex	2	2	Pro	Gen/Spe	Arch	+	-
IP 13	CEO	Ex	2	2	Ana/Pro	Spe	Arch	+	+
IP 14	Dep	Ex	3	3	Pro	Gen/Spe	Arch	+	-
IP 15	CEO	Ex	1	1	Ana/Pro	Gen/Spe	Arch	+	+

Caption:

Position: Con = Consultant, Dep = Head of Department, PM = Project-Manager

Service/Goods: Ex = Experience, Net = Network, Pub = Public

Employess: 1 = 1-9, 2 = 10-499, 3 = 500+

Turnover: 1 = up to 10 Mio. SEK, 2 = between 10 and 500 Mio. SEK
          3 = over 500 Mio. SEK

Attitude: Pro = progressive, Ana = analyzing, Tra = Traditional

Generalist/Specialist: Gen = Generalist, Spe = Specialist

Class: Arch = Architect, Risk = Risk Caster, Def = Defender, Inn = Innovator
       Pro = Prospector

Evaluation: + = positiv, 0 = both, - = negative

Picture: + = IP wanted to have it, - = IP didn't want to have it

Abbildung 73: Hintergrundinformationen zu den Experten