Abstract

The business strategy is input to many activities of architects. Lack of clear strategy complicates the work of architects. At the other hand architects need to contribute to the creation and evolution of the business strategy. We discuss several common methods and models to work on strategy, such as Strength, Weakness, Opportunity, and Threat Analysis, road mapping, and technology classification.
Some Basic Concepts

- **mission** of the company
- **vision** of the leader
- **strategy** to fulfill mission based on the vision
- **strategy** direction setting
- **tactics** translation in actions
- **operation** practical daily execution
BAPO framework

From: COPA tutorial; Philips SW conference 2001.

B  Business
A  Architecture
P  Process
O  Organization

From: COPA tutorial; Philips SW conference 2001.
### SWOT analysis

<table>
<thead>
<tr>
<th>Build upon</th>
<th>Cope with</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td><strong>Weaknesses</strong></td>
</tr>
<tr>
<td>Select</td>
<td>Mitigate</td>
</tr>
<tr>
<td><strong>Opportunities</strong></td>
<td><strong>Threats</strong></td>
</tr>
</tbody>
</table>

---

*Business Strategy; Methods and Models*

Gerrit Muller

version: 0

September 9, 2018
Core, Key, and Base Technologies

- **Core**: Own value IP
  - Critical for final performance
  - Technology life cycle

- **Key**: Refer customer to 3rd party

- **Base**: Make, outsource, buy, refer customer to 3rd party

- **Total Product**: Partnering
Examples of Business Models

Pay for product
Pay for accessories (cell phone, MP3 cases, skins, etc.)
Pay per use (per printed page, per accessed image)
Pay for service (imaging, printing)
Pay for capability (diagnosis, booklet)
Pay as part of subscription (telecom)
Pay for content (music, movies, eBooks)
Pay for consumables (ink, toner)
Advertizing company pays (Google)
Insurance pays (health care)
Where in the Value Chain?

- Consumer
- Capability provider
- Service provider
- Solution provider
- Technology provider
- Component provider
- Device supplier
- System supplier
- Accessory supplier
- Competence provider
- Infrastructure provider
- Content provider
- Content publisher
- Content creator
- Tool supplier
- Competence provider

Business Strategy; Methods and Models
7 Gerrit Muller

version: 0
September 9, 2018
BSMMvalueChain
Innovation requires all major contributors

market innovations
- segments
- needs
- applications
- services

system

technological innovations
- materials
- circuits
- functions
- user interface

marketeers
- systems architect
- engineers
- inventors