BUSINESS MODELS IN THE AGE OF PERSASIVE DIGITIZATION

Research in Progress

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Abstract

The increasing pervasiveness of digital technologies, also referred to as "Internet of Things" (IoT), offers a wealth of business model opportunities, which often involve an ecosystem of partners. In this context, companies are required to look at business models beyond a firm-centric lens and respond to changed dynamics. However, extant literature has not yet provided actionable approaches for business models for IoT-driven environments. Our research therefore addresses the need for a business model framework that captures the specifics of IoT-driven ecosystems. Applying an iterative design science research approach, the present paper describes (a) the methodology, (b) the requirements, (c) the design and (d) the evaluation of a business model framework that enables researchers and practitioners to visualize, analyze and design business models in the IoT context in a structured and actionable way. The identified dimensions in the framework include the value network of collaborating partners; sources of value creation; specifics benefits from collaboration. Evidence from action research and multiple case studies indicates that the framework is able to depict business models in IoT.

Keywords: Internet of Things; business model; value networks; digitization; service-dominant logic; collaboration; digital ecosystem; architecture

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