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- Theoretical Reflections -

Master Program in Entrepreneurship

The process of developing a business model: a one year auto ethnographic reflection

Alexander Okl, Diplom-BW (FH)

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1   Abstract

This auto ethnographic article reflects the process of developing a business model for a fermium photography service in Lund, Sweden. With the support of theory and by making use of own experiences the development steps as well as the three fundaments of the business model are analysed. Further the current business model will be defined along a theoretical typology. The article will give a basic understanding of how the business model works. What I found is that developing an appropriate business model will not only consume time but the process is characterized by a continuous interaction of understanding the business environment and improving the model to make it 'fit'. Writing down and visualize the business model, preferably in a business plan, is a very important part of business model development and personal understanding of the business model.

Keywords: process, business model, development, fermium, narcissism, photography, auto ethnographic, reflection.

2   Introduction

Although, the business model is considered of vital importance for entrepreneurs and general managers academic research has provided just little attention to this topic so far (Zott, 2010, p. 217; Morris, 2005, p. 1). An academic awareness on business models arose relatively recently (Morris, 2005, p. 727).

Morris (2005, p. 726) found that, yet, there is no generally agreed definition of "business model". He argues that this leads to inconsistencies and confusion in terminology, problems in defining the nature and components of a model as well as difficulties in evaluating what is considered to be a good business model. Since this article looks on business models from different perspectives, it shall not be the aim to find one unique definition. However, what Winter and Szulanski (2001, p. 731) made clear is that 'the formula or business model, far from being a quantum of information that is revealed in a flash, is typically a complex set of interdependent routines that is discovered, adjusted, and fine-tuned by 'doing''. This indicates that business models are being developed over time and it leads us to the topic that shall be discussed in this article, the development process of a business model.

As a single case study, in this paper I deal with the start-up EveShot.se which I co-founded during my one year masters studies in entrepreneurship at Lund University in 2010/2011. In

an auto ethnographic manner I am reflecting on the business model development of Eve-Shot.se by making use of personal experiences gained during the program as well as by discussing them with theory.

In short, EveShot.se is an event photography service in Lund, Sweden. We provide party, concert, sport, travel and art&leisure pictures as a freemium product on our online webpage www.EveShot.se. A free event calendar complements this lifestyle platform. Event organizers can book our services to take pictures at their events as well as market themselves through our advertisement channels. The management team is represented by two Germans and two Mexicans who all came to Sweden for the masters program. The CEO position was occupied by me.

Initially, it shall be part of this paper to develop and formulate a very specific problem which I personally faced in terms of business model development. Then, on the basis of the exact problem, a clear theoretical reflection and analysis will be conducted. Finally, in the conclusion, the individual results and my personal findings about business model development will be brought to a more general meta-level in order to hopefully become of use for future research.

3   Delimitation of the problem

Chesbrough (2010, p. 354) argues that one specific technology or idea that is marketed in two different ways, by applying different business models, will result in two different returns. Hereby, the number of potential business models is theoretically unlimited (Morris, 2005, p. 727). Chesbrough continues that 'business model innovation is vitally important, and yet very difficult to achieve' (2010, p. 362).

The business model is a necessary part of each business plan if not the most important part. It is like a template describing how a company conducts business and how it delivers value to stakeholders (Zott, 2010, p. 222). Following Morris (2005, pp. 729 – 731) the development of an integrative business model framework includes providing the answers to six central questions on a foundation level:

- How will the firm create value?
- For whom will the firm create value?

- What is the firm's internal source of advantage?

- How will the firm position itself in the marketplace?

- How will the firm make money?

- What are the entrepreneur's time, scope, and size ambitions?

In this paper I will provide answers to the first five questions.

Further, Morris points out the importance of creating a unique combination which leads to an individual sustainable advantage for the business. On a proprietary level this ability depends on the entrepreneur's skills. In that context he argues that an internal and external consistency ('fit') is required that appropriates a tuned set up of internal key activities under given external conditions (2010, p. 732).

Every entrepreneur has to make considerations about these issues in the beginning of a new firm and since the entrepreneurs' knowledge improves over time a regular reconsideration is necessary which often results in further development of the business model. This hits the point in the context to what I learned from developing the business model for EveShot.se.

Hence, the very problem that I will discuss here is how to develop the most 'fitting' business model. I will analyse how we developed and found the most appropriate model for EveShot.se over time (so far) and what kind of issues we faced during this process in the context of working in a new cultural environment with initially low Swedish cultural understanding.

4   Theoretical reflection of the business model development

Part of the theoretical reflection will be to point out the frame of reference, to explain the methodology of this paper, to conduct an intensive personal and theoretical analysis of the business model development and finally to analyse the business model of EveShot.se in its current status.

4.1   Frame of reference

In order to understand the business model development of EveShot.se in more detail I consulted four main theoretical areas from a set of articles. These were articles dealing with the topics of (1) business models, (2) freemium products/services, (3) narcissism and (4) the development of photography. The three most important articles were (a) Morris (2005): *The entrepreneur's business model: toward a unified perspective;* (b) Malone (2006): *Do Some*

Business Models Perform Better than Others? and (c) Marín de la Iglesia (2011): *Doing business by selling free services.* Own experiences gained throughout the one year Master Program in Entrepreneurship at Lund University were also processed. Further, weekly learning journals contributed as a role of reference.

4.2   Methodology

In order to provide the reader with a deep insight into the personal experiences and learning outcomes, this article is written in an auto ethnographical manner. Recently, auto ethnography has become more and more common within the field of qualitative research (Anderson, 2005, p. 1). In this work, I observe the five key features suggested by Anderson (2005, p. 378 - 388) for analytic auto ethnography: (1) To have a complete member researcher status; (2) to conduct analytic reflexivity; (3) to have a narrative visibility of the researcher's self; (4) to run a dialogue with informants beyond the self and (5) to be committed to theoretical analysis. Both, own experience and the reflection on theory will play a central role in this paper.

4.3   Analysis

As part of the analysis, first, the process of developing a business model for the event picture service EveShot.se will be reflected. Afterwards, the analysis will move to the fundamental key elements which the business model is based on. This key-element analysis is done afterwards because we realized the key elements quite late in the process.

4.3.1   Development process in phases

In order to explain to the reader how our specific business model development process is designed I will describe it in seven phases that were identified from a post perspective. See also Illustration 1.
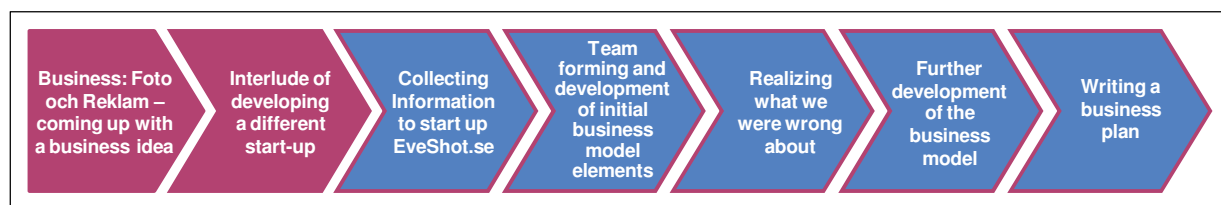

Illustration 1: Process of developing a business model for EveShot.se

4.3.1.1   Business: Foto och Reklam – coming up with a business idea

As part of the Master Program we took part in a three days start-up challenge in beginning of September 2010. We gathered in a team of four students that met each other the first time just a few days before. Including myself, the team was further composed of two people from Mexico and one from Australia. For quite a while we thought about what kind of business we shall start to make as much money as possible from the 100.00 SEK given to us. We came up with many creative suggestions of business opportunities but none was satisfying in terms of the given time frame, the business profitability, initial investment requirements and the portfolio of skills we had in the team. After some hours of discussion we realized what Ardichvili (2003) described. The most success we might have if we would do what we are good at. In this context Ardichvili (2003, p. 106) talks about opportunity recognition and development that comes from entrepreneurial alertness. He says one will realize a business opportunity more likely if a compliance of e.g. certain personality traits, experience as well as relevant prior knowledge about the market, customers' needs and resources occurs. Well, we realized that one of the Mexicans and I both had the hobby of doing professional Digital Single Reflex Photography[1] and we also brought our photography equipment to Lund. So we decided to work out if we could sell our photography services to some of the one hundred hair-cutters in the city. We offered them to take pictures of their saloons which they could use e.g. for own marketing purposes. It went well I think. In three days we made over 2800.00 SEK in profit. The really interesting fact here is that we made use of the means available to us and we focused on what we could develop with the given set of means. Sarasvathy (2001, p. 245) describes this as the process of effectuation. To conduct the business we used the given professional cameras to take pictures, computers to process them, our bikes to drive to the customer and last but not least also our sales skills. The worth of the equipment we brought into the business was probably around 35,000.00 SEK. However, we didn't have to invest a single Öre from the 100.00 SEK. In this context I can also see that we 'bootstrapped' to some extend since we managed to meet the given requirement of resources (Winborg, 2001).

4.3.1.2   Interlude of developing a different business

Each of us considered what business we should conduct throughout the rest of the programme and we initially decided not to continue with Foto och Reklam. The main reason for us was that we were convinced that by further applying the business model of Foto och Reklam we would either work for very low money or we would not capture more market shares.

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[1] Taking pictures with a Digital Single Reflex Camera, also known as System Camera. They are technical high-end cameras.

The market was already served and if we charge the customer a reasonable price we would probably not make any more sales. The two Mexicans decided to focus a different idea and the Australian was not so much into photography.

In the following three and a half month I worked with a German and a Swede on a project called CampusTalk that I thought had a great potential. We offered idea management systems for educational institutions. The topic of idea and information management fitted to my previous professional experience quite well and was very interesting for me. We wrote a full business plan including the development of an appropriate business model. Personal issues of the central team member forced us to terminate this start-up in February 2011.

There is one trigger I remember well while spending a weekend back home in Germany in beginning of October 2010. In my home town we have this event photography service providing professional event pictures of parties and other local events for young people. While having lunch with a friend I met the manager of this company. Talking to him made me realizing that this business model obviously works quite well in my home town and I thought: Could this work in Lund too? Can it be copied and applied to Sweden? What kind of adaption is necessary and how could it even be improved? Is it possible to start from the business model of Foto och Reklam and develop it further?

4.3.1.3 Collecting information to start up EveShot.se

This is when the idea of starting EveShot.se really began to thrive. The challenge was to gain as much knowledge about the Swedish culture as possible to see if the business model could work in Lund as well. I talked to Swedish and international class mates about it and I also did research on the internet. I could find out that there were similar photography services already available in the bigger Swedish cities Stockholm, Gothenburg, Malmö and Helsingborg. Then I tried to figure out the differences between the market and customer situation in Lund to the other Swedish cities as well as to my home town in Germany. None of my thoughts were written down that time.

4.3.1.4 Team forming and initially developed elements of the business model

Telling my Mexican team members from the start-up challenge and my German team member from CampusTalk about the idea of an event photography service in Lund caused great interested. They realized the potential of such a service in our student city.

The team forming was done wise along with the skills each of us had and along what kind of skills we would need to develop the business. One of the Mexicans was a great IT-backend

programmer. The German was very experienced in IT-frontend programming. Both Mexicans hat experiences in sales. I was experienced in sales as well and had good project management and team leadership abilities. All in all a perfect fit to develop the business.

On 7th of December we sat together at George's Cafè (today Olympia Pizza & Cafè) and we discussed it in more detail how the business model should look like.

The important elements of the business model we identified initially are presented in the table below. Also it is explained what definition and purpose each element would have within the business model.

Element	Definition and role within the business model
Webpage www.EveShot.se	• The online face of EveShot.se • Webpage divided into 5 event categories using different colours (parties, sports, concerts, travels and arts&leisure) • The one central platform for all event pictures in Lund with a focus on parties; easy to use and well structured webpage • Showcasing event pictures and upcoming events • Event calendar top right on page • "About" and "FAQ" page to explain what EveShot.se is doing • Space for advertisement • Space for partner logos • Facebook "like-button"
Event places	We identified nations[2]/clubs/bars and put them under one umbrella. After providing them with a free test session of taking pictures of their event we planned to charge them for our service. We will do marketing for the event location.
Management team	The team was compiled by a Partnership Manager, a Event Content Manager, a Photographer Coordinator and a IT Manager; the management team members would take event pictures in the beginning only, later by external photographers
Photographer network (Students and young hobby photographers)	We provide them with free entrance to the event place, no queuing and one free drink. They will work for <u>free</u> in the beginning, after three month we will pay them 100.00 SEK per event.
Event Guests	Our target group: Outgoing students and young people in Lund at the age of 18 to 35. They are the user of the free pictures and produce the clicks on our webpage.

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[2] Nations are student organisations organizing social events. They usually have their own club that is exclusively accessable for students.

Networking cards	Our networking cards showing the internet link to www.EveShot.se will be handed out after taking a picture. So the event guests know where to find the pictures.
Advertisers	Companies seeking to reach young people will pay for putting their ads on our webpage since they can reach the exact target group of young and outgoing people.
Competitors	Nobody on Lund is offering this very service.

Table 1: Initially identified and important elements of the business model

Our service went online on our webpage www.EveShot.se on the 2nd of February 2011.

4.3.1.5 Realizing what we were wrong about

The longer we conducted the business the more we learned about it and its environment. Quite many of the core assumptions we made in the beginning proved wrong or did not work. I would like to point out the four biggest issues we had to deal with.

The biggest fault we faced probably was the bad customer analysis. We realized very late in the start-up process that we actually deal with B2B customers and B2C customers (Okl, Weekly Learning Journal 25th of March 2011). There are different B2B customer groups that cannot all be put under one umbrella. Different customers have a different value from the service which requires a more diversified pricing model. The main financially contributing customers are B2B event organizers paying us for taking pictures at their events. We found that the big majority of the nations and their umbrella organisation Studentlund were really sceptically about making use of our service. It actually never came to a discussion about if they are going to pay for the service after some test shootings. They actually even denied getting the service for free. To sum it up, we did not have enough knowledge about our customers.

Further, the way we saw the photographers supporting us did not work as expected. We struggled to find enough photographers and they were unreliable and cancelled on short notice too often. We overestimated our abilities to inspire young photographers on the long run.

'Effective competitive analysis (CA) is important for success in today's market place.' Zahra (2002, p. 1) argues. We did not do a comprehensive competitive analysis. That caused missing some important competitive factors. We were definitely right about that there was no professional event photography service. However, later we realized that the nations had their own internal photographers, providing them with event pictures. Not considering this competitive factor made it very difficult to sell to nations.

In addition the strategy of finding advertisers who would like to advertise on our webpage did not work out as planned. We realized that big companies seek for a very high number of clicks and unique visitors to do advertisement at all. We could not reach this minimum level in that short time. To sum this up, we did not have enough knowledge in the advertisement industry.

4.3.1.6 Further improvement of the business model

In order to make use of the additional knowledge of course we further developed the business model.

First, we amended our customer focus. In order to earn money we started to approach companies that are conducting events more actively rather than talking to typical party organizers. These firms have more money available and are seeking to get professional pictures of their event for a good price. Also we provide them with the marketing benefit through the creation of an individual event photo gallery on EveShot.se. The Customers we managed to convince were the Master Program in Entrepreneurship at Lund University, Venture Cup Syd and LUGI Motionsförening.

Second, we started to arrange more benefits for our photographers. They could bring friends to the parties, we paid for their travel costs when they went on travel events and at company events they always got free food included. This gave them more incentives to support the idea of EveShot.se.

Last but not least, we started to conduct local competitions. Initially we thought, we are going to look for the "Most awesome girl of Lund" (Okl, Weekly Learning Journal 18th of February 2011). From a Mexican and also a German point of view this topic would create a huge interest in our home countries. Talking to Swedish class mates, however, we understood that such a competition would probably not work here in Sweden. It might even put us into trouble. So we changed the competition looking for the "The Star of Lund" and hoped that this would be appropriate to the local culture. We gave people the possibility to send in pictures of their personal Star of Lund, e.g. a friend. Everybody could vote for the star through facebook-"likes". But still we learned that Swedes also do not want to be stars (Okl, Weekly Learning Journal 14th of April 2011). However, the marketing we did to communicate the competition through flyers brought our brand to the people in Lund. Also the flyer acted as a marketing platform where we could sell advertisement space. Later when people voted for their star each vote caused a post on their facebook wall. Still, the marketing effect was huge and the number of unique visitors on our webpage jumped up by more than 80 %.

4.3.1.7 Writing a business plan

This part appears not only too late in this paper but also writing a business plan should have been done way earlier in terms of our process. Literature says that business plans are very useful tools which should be developed over time and used as a reference for setting up the business operations successfully (Karlsson, 2009, p. 27). Although very late in the process, writing a business plan personally supported me a lot (Okl, Weekly Learning Journal 23rd of March 2011). However, I think, there needs to be an incentive to write a business plan. This could be for example that one wants to present the business to investors. When it comes to EveShot.se this was not the case. In our situation writing a plan was a mandatory and graded part of the program.

I realized that a business plan makes you think about your business in more detail and it makes you understand the interdependent activities between elements in more depth. It gives you a more clear understanding of your business and what needs to be developed better. Further, you find appropriate words to describe your business which supports you later in selling your idea in a better and more accurate way.

This might surprise the reader but there are quite a lot of things that I have just realized as clearly as necessary from finally writing the Business Plan for EveShot.se. Below you can see the most important new insights that all improved the understanding of the business model.

- There are three clear identified problems that we solve with our services (Okl, BP[3], p. 4 – 5)
- We target on B2B customers and B2C customers and they create different revenue streams (Okl, BP, p. 5)
- We have two mayor types of B2B customers (Okl, BP, p. 5)
- We have three types of products (Okl, BP, p. 6)
- We offer a 'fermium product', (Okl, BP, p. 3); see also part 4.3.2.1 Idea of a selling a free service
- A clear pricing strategy was developed (Okl, BP, p. 7)
- We can clearly visualize the way we add value to our B2B and B2C customers, see Illustration 2 (taken from Okl, BP, p. 8)
- The exact number of customer references and partners (Okl, BP, p 9 – 10)

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[3] Okl, BP = Business Plan EveShot.se, submitted by A. Okl to the Program Director of the Master Program in Entrepreneurship on 6th of May 2011, publicly available.

- We act in two different industries (Okl, BP, p. 11)
- Who our competitors are at the moment and who could be a competitor in the future (Okl, BP, p. 12 – 14)
- And last but not least the market and financial figures were developed to also have a well augmented basis while talking to future partners/customers (Okl, BP, p. 26 – 30)
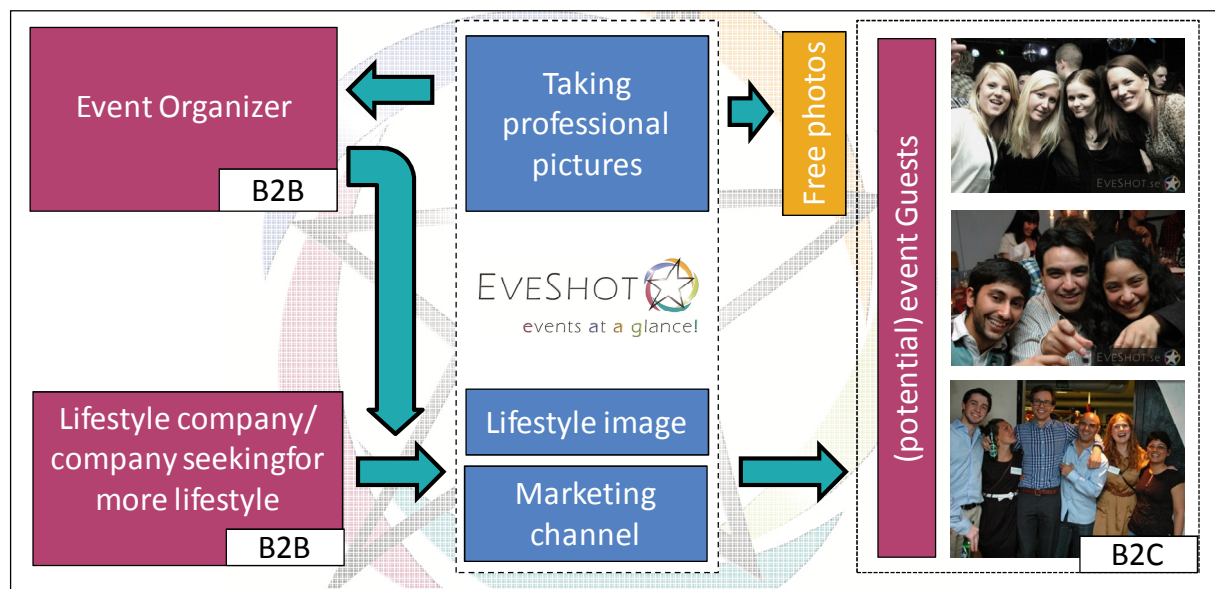

Illustration 2: How EveShot.se adds value to its B2B and B2C customers[4]

When it comes to the very business model section of the business plan I realized that 'The greatest revenue stream will be created from long term customers who pay a monthly fee for taking advantage of our services. [...] More revenue will be created by one-off event photo-shootings we offer to event organizers as well as firms & businesses' (Okl, BP, p. 20). Also it improved my understanding about that 'the whole business model is based on the fact that people want to see themselves on pictures' (Okl, BP, p. 20). Further details about this personal triad called narcissism see part 4.3.2.2.

4.3.2 Analysis of key fundaments of our business model

In order to analyse the fundamentals of our business model in more dept a discussion on the basis of theory will be conducted. I will analyse the basic revenue streams of the business model, the central psychological factor of narcissism as well as the photography itself.

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[4] Taken from Okl, BP, p. 8.

4.3.2.1 Idea of a selling a free service

Usually, business models refer to an exchange of money for services whereby an end consumer pays the service provider. However, if you are going on the internet today it seems like every service you use is for free. Especially since the Web 2.0 there are more and more web services acting very successful by offering services that appear to be free to end users (De la Iglesia, 2009, p. 89 - 90). This is exactly what we experienced with EveShot.se during the trade show of the Entrepreneurship Program. While selling to our end users many of them were asking the question: 'Since you provide free services, how do you earn money?'

From my experience I can only agree on what De la Iglesia found. The internet is changing the way of traditional business (2008, p. 91) and there is money flow that the end-user is not aware of (2008, p. 90). He identified four main online business models that provide the ability to sell for free but still allow earning money. EveShot.se clearly makes use of two of these models.

The first business model is advertising. Our service builds an audience of young and outgoing people to which certain advertisers want to offer their products or services. Here we not only offer advertisement space on our webpage but also offline advertisement platforms like our networking cards, flyers and posters. But also by taking pictures and marketing the pictures of the event location we make advertisement for the event organizer. Further, by providing the pictures as a full service for free to the organizers' guests we deliver an additional value to the event location.

The second and more interesting business model is freemium service. The pictures we provide can be seen, downloaded and shared on facebook for free through our webpage. However, the fact that the quality and size of the picture is limited to A5 printouts[5] and each picture is watermarked with the EveShot.se logo causes some limitations for the free use. In addition commercial use of the photographs is forbidden without explicit written permission.[6] For most of the users these limitations are not an issue at all. However there are customers that would like to take advantage of the full picture quality and more picture rights. They are the ones who pay the bill for all users. These customers basically are event organizers.

The business model of EveShot.se combines the two of these models in a hybrid manner to make use of both revenue streams.

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[5] The resolution of the picture is limited to a resolution of 465px, hence a printout on a bigger paper than A5 appears to be in very unsatisfying quality.
[6] See terms of use on www.EveShot.se.

4.3.2.2 Narcissism as a customers' personality trait

People want to communicate a specific identify through pictures online as well as preserve memories of the past. However the role of preservation has declined but it became more important to instantly share and showcase experiences (Sarvas, 2011, p. 148). Here narcissism plays an important role.

Narcissism is a personality trait that represents a grandiose and inflated self-concept (Buffardi, 2011, p. 1304). Theoretical models of narcissism in social-personality psychology centralize the use of social relationships to steer self-esteem and narcissistic esteem. Narcissists are very skilled in starting relationships and 'to look popular, successful and high in status' (Buffardi, 2011, p. 1304).

Further, Buffardi (2011, p. 1312) found that, today, interaction and self-presentation on the web as well as staying in touch with a huge number of people through social networks became standard. Narcissistic people communicate in order to make other people attracted to them (DeWall, 2010, p. 1). Buffardi (2010, p. 1305) continues, that the online exposition of narcissistic people, their friends, parties and trips on photographs is one of the main self-presentational elements of a facebook page.

To sum it up, people want to showcase what they expire in a visual way through pictures within their online social networks. At this point the business model of EveShot.se comes into play. Our model bases on the fact that we provide people with free pictures of their social activities. They can 'facebook-share' and 'facebook-like' the pictures instantly on EveShot.se which creates a facebook post on their facebook wall in order to share the pictures with all their friends. With our business model we provide an easy way to satisfy their self-esteem and narcissism traits.

4.3.2.3 Photography as a service

The functions of photography have stayed more or less the same within the last 170 years (Sarvas, 2010, p. 148). However Sarvas also states that, today, photography developed more into a practice of social media generation and exchange (2011, p. 171). He identified the most important changes in the past two decades (2011, p. 140) that I would like to discussed in the context of the impact they had on the development on EveShot.se's business model.

The number of pictures and cameras present today has increased (Sarvas, 2011, p. 141). People see the huge possibilities in digitised photography. They desire for a lot of pictures from all their social experiences. EveShot.se serves this desire by providing high quality photographs for free.

Further, the possibilities for editing pictures have been extended. This is a very important fact for EveShot.se since in order to provide an outstanding picture quality we rely on post picture editing.

New ways of sharing pictures came up. Today photographs cannot only be shared online via e-mail to one person but also to a large group of people all over the world in an easy way (Sarvas, 2011, 143 – 144). EveShot.se is connecting here by providing the easy to use 'face-book-share' function for the online pictures.

With our business model we support the social functions of pictures that Sarvas describes as 'social bonding and communication, demonstration of cultural and group membership and identity, and preservation and retention of memories' (2011, p. 147).

Sarvas (2010, p. 153) also describes the distinction between private and public pictures. We also realized that when we put photographs online there could be people that don't want to be shown in public. Obviously our business model considers respecting this desire and therefore we usually ask before uploading a picture but we always offer a simple deletion request function for a picture.

4.4   Results – the business model as of today

So far, the business model in its initial form had been described followed by the argumentation of further model development. Also the fundamental business model bases were described. This should have impacted a quite clear picture of the current development status. In order to analyse today's status in more dept along with theory I will develop a business model classification according to Malone (2006) which will be complemented by a short evaluation of our model type, according to Malone's model again.

Malone (2006, p. 4 - 12) developed four basic business models depending on the kind of asset rights being sold (Creators, Distributors, Landlords and Brokers). In the context of what type of asset is involved he found four variations of each model (Financial, Physical, Intangible and Human). That brought him to a matrix of 16 unique business model typologies that cover every possible form of business model.

In order to classify the business model of EveShot.se we first need to clarify that we have two major revenue streams which, so far, cannot finally be ranked according to their volume and hence would determine the one business model of EveShot.se. Therefore I will categorize both revenue streams according to their individual business model.

The first revenue stream comes from the service of taking pictures. According to Malone's typology we are considered to be a *Publisher* since we 'provide limited use of information assets' (Malone, 2006, p. 10), the picture in that sense. We only sell a copy of the picture, the customer receives specific rights to use the pictures and we keep the right to make additional copies. A *Publisher* is considered to be a sub-type of an *Intellectual Landlord*. If a customer would like to get the full rights on the pictures we would act as an *Inventor*. However this has not been requested yet. To break it down, the type of *asset* involved is defined as *intangible*. In terms of the *rights* being sold we are basically defined as a *Landlord.*

The second revenue stream comes from providing advertisement space. What we do here is to 'attract people's attention using [...] web content and then 'sell' that attention [...] to advertisers' (Malone, 2006, p. 10 – 11). This *Attractor* model is especially common for internet-based businesses, Malone continues. An *Attractor* is considered to be a sub-type of *Intellectual Landlord* as well. That means that both revenue streams can be classified under the business model *Intellectual Landlord* but with different sub-types. According to Malone (2006, p. 32) this business model is shared with 11.5 % of all companies included in his study basis.

Malone's study (2006, p.33) indicates that some business models are better performing than others. In his study he identified that *Intellectual Landlords* are especially bad when it comes to Tobin's q[7], a figure which provides information about a company's value. In general all business model forms that deal with intangible assets do not so good when it comes to the assessment of their market value, Malone found. He argues that it is difficult for the market to evaluate intangible assets and therefore they are easily under evaluated.

5   Conclusion

In this article I analysed the business model development of EveShot.se over time. From a one year experience as a student of Entrepreneurship I analysed how we came up with the business model in its today's form. For future entrepreneurs the following general learning outcomes might be of valuable use.

Developing a good business model takes time. During the start-up phase of a business, once you think the model is perfect you will have to adjust it the week after. The changes will be just slightly however the effects will be huge.

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[7] Tobin's q is a figure defined as (total assets + market capitalization – common equity – deferred taxes) / total assets (Malone, 2006, p. 33)

Since we were not aiming for external financial investors I initially thought a business plan is not that important. This thinking was wrong. I suggest, writing a business plan and including the description of the business model from the very beginning helps the entrepreneur to not only create documentation. First, formulating a business plan makes you discover the right words and visualisations to describe and sell your business. By that, it improves your personal understanding of what you are doing in the way that a plan creates structure in your thinking. Further, using a proven business plan template ensures that you think about every part of a business and its model. Therefore it reduces the risk of not considering important factors. Also, only a written plan can be used as a reference and a guiding path for business execution that makes you concentrating on what is important to develop the business within a given scope and frame. Last but not least, in the light of the continuous process of business model development over time, only a documented model can be used as an efficient basis to further develop it. To sum it up, what is not written down cannot be read by potential partners, customers or investors and the entrepreneur might forget how developed thoughts once looked like.

A continuous business model development requires collecting external information input. We especially felt this to be important since the whole team was acting in a new cultural environment. The entrepreneur needs to fully understand the business and its environment. However by thinking strong about an idea you risk losing the bird's-eye view. This view, I realized, can most easily be taken regularly when talking to trustworthy friends. They will provide you with ideas from a very different perspective that you maybe would never have thought about. But not only friends can provide valuable input. It is especially the discussion with customers, suppliers and partners that make you find the right set-up for your business model. In general, networking with people around your business will teach you how to provide the most value to all stakeholders. And the more value your business model can provide to others the more successful it will be.

Finally, if you think you have a good business model, start selling to customers and try it out. Assuming the entrepreneur is well prepared as described, he or she will probably be able to gain a first customer reference. However, going through the process of serving one customer will again provide you with new knowledge. Of course this new knowledge needs to find consideration in the process of continuous business model development. The development probably will never find an end.

Since the business model is of vital importance for entrepreneurs and there is just little research work done so far to provide academic knowledge for the development of a good busi-

ness model, with this article I hope to provide useful qualitative insights and results based on own experiences. I suggest future academic research in this area to consider developing a general process of business model development which could be of valuable use as a guiding path and framework for entrepreneurs to develop new and innovative business models in future.

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Business Plan – EveShot.se

EveShot.se is a lifestyle platform for students and young people in Lund, providing free event pictures and a free event calendar.

Event organizers can book EveShot.se to take pictures at their events. We make money from selling innovative marketing services and professional photography services.

Management Team

Alexander Okl, Dipl.-BW (FH)

Ludwig Mendez, B.Sc

Annegret Boehnke, B.Sc

Mariana Rojas, B.Sc

www.EveShot.se

www.facebook.com/EveShot.se

Contacts:

E-mail: info@EveShot.se

Mobile: +46 72 73 42 110

1. Executive Summary

EveShot.se is a lifestyle platform for students and young people in Lund providing free event pictures and a free event calendar. With our network of young, local but professional photographers we serve event organizers and event guests with high quality pictures. For each event we provide an individual picture gallery with the event photos on our online platform www.EveShot.se.

Each gallery provides the function to view the event pictures, to share them on facebook and even to download them as a fremium product. However, each picture that we provide on our webpage for free has a limited quality/resolution[1] and is marked with our EveShot.se-Logo Watermark[2]. We offer to purchase the pictures without a watermark and in higher resolution and quality.

In terms of our service we are not quite following the current industry standard case. We built up our unique selling preposition by dividing our business in the five event categories Parties, Sports, Concerts, Travels and Arts&Leisure which broadens our potential customer base considerably.

Event organizers can book EveShot.se to take pictures at their events. Each non-student but profit orientated event organizer has to pay for our service. They can choose from a range of service packages. The two major services we offer are (1) to take pictures at their event locations and to provide (2) marketing service for their event locations through EveShot.se. Students and young people are the broad majority of group that can be reached very effectively through our marketing channel. Further, we work together with facebook very intensively to leverage the marketing effect for our customers. We complement our services by providing the best (3) Event Calendar for Lund.

We want to be the exclusive provider of event pictures in Lund by August 2012. In Malmö we aim to become the biggest event photography service by May 2014.

2. Introduction

Four multi-cultural and foreign entrepreneurs from the Masters Programme at Entrepreneurship at Lund University in 2010/2011 explored the party and event scene in the first month after they had arrived. Hard study weekdays went together with testing nations, bars, clubs and other social event locations in Lund on weekends. The team members soon realized that in the local party and event scene something is missing. A service was not available which they used to get for free back home and therefore is common in every German, European and Mexican city. The very business we are talking about is a party and event picture service combined with a comprehensive local event cal-

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[1] Fermium pictures are offered with a resolution of 465 pixels in height. A low resolution means that the image quality of the picture is not very high and printouts will barely look good if printed larger than 9 x 13 cm.
[2] Watermarked means that the logo of EveShot.se will appear on every single picture

endar. Mid December 2010 the four students from the Master Programme at Lund University sat together at Olympia Cafe in Lund and created a concept that should become successful very quickly.

This business plan mainly targets at future business managers that might take over the management and administration of EveShot.se. However, the plan is written under the assumption that the current management team would continue.

In this business plan we are using the phrase *event organizer(s)*. When we use it we mean the organizer(s) of parties, sport events, concerts, travel events and also art&leisure events. As event organizer(s) we include *non-profit orientated, student event organizer* as well as *profit-orientated, professional bars, clubs, travel agencies and other **institutions** offering a public organized social gathering of people*. Also we include *firms & businesses* having **internal public and non-public events**.

3. Business Idea

1. Problems

- Lund is a party and event city, not at least for students. After people had gone out to experience social life and having fun with their friends they love to have **pictures as a memorial** of their great times[3]. What they usually do is to use small compact cameras with weak technology that regularly produce pictures with a bad and unsatisfying quality. Quite often young people also forget to take along a camera or maybe even the battery goes empty while preparing all friends for an unforgettable group picture.

- Each year the University of Lund takes in more than 5.000 students from abroad who are looking forward to experience a social and outgoing life in Lund. Also Swedes love to go out. However there is no central place where an adequate research can be made on all events taking place in Lund. A central and comprehensive **event calendar** is missing.

- Event organizers have the strong need to **market their events** in order to attract guests. The more visitors, the better the party and the more they can earn. Therefore, it is most important for them to showcase how great their event location is and how much fun people have there. Exactly this positive showcasing attracts people and makes them to join for the party or event the next time. Today in Lund there is a huge amount of events that all seek for visitors. Event organizers need professional pictures to market themselves and visually

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[3] Compare with the theory of narcissism. People love to see themselves on pictures.

communicate the fun people expired at their location. Marketing possibilities applied today[4] not always satisfy the requirements of being efficient and close to the customer. Also they especially lack in the utilization of existing new-media social networks, e.g. facebook. Event organizers seek for **professional event pictures** and **visually back upped marketing services from a reliable marketing service partner**.

2. Target Group/Customers

First of all, we would like to clarify to the reader that we distinguish between B2B customers and B2C customers. B2B customers are event organizers (explained in section 2 Introduction) in Lund and later also in Malmö. B2C customers are students and young people in Lund and later also in Malmö.

Both customer Groups, B2B and B2C, are very critical for the overall success of Eveshot.se. However their direct contribution to our sales varies (see Illustration 1). The group creating the majority of sales are our B2B customers. The B2C customers need to be informed about EveShot.se as a free picture service. Our product marketing therefore requires different approaches for both of the groups (see part 0 Product).

	B2B		B2C
EveShot events at a glance!	Event organizer in 5 categories	Lifestyle companies e.g. L'Oréal, Sony Ericcson, Condome producers,…	Event guests Students and young people in Lund; Looking for events in 5 categories
Sales — Picutres services	$$$		$
Sales — Marketing of events	$$$$$		
Sales — Other brand and banner marketing	$$$	$$$	

Illustration 1: Importance of customer groups for direct sales

In terms of the B2C customers we mainly focus on outgoing people between the age of 18 to 30. This young generation is open-minded about being photographed and they mostly have no issues with appearing on the internet.

In terms of event locations we focus on places in Lund to where these people go. We divide the events and their locations in five categories.

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[4] Mainly there are marketing channels like the organizer's webpage and written press releases in existing online and offline lifestyle magazines.

Illustration 2: Event categories

The most important category is the party category. In the beginning, we mainly target at student party organizers that use event locations like nations in Lund. Providing the service to them for free allows us to quickly deliver the brand "EveShot.se" to the students. This will create a broad and sustainable B2C customer base that gives us a well argumentation when approaching profit orientated private bars, clubs and other event organizers later.

3. Products

The products EveShot.se offers are (1) event pictures, (2) marketing services and an (3) event calendar.

(1) Event pictures	(2) Marketing services	(3) Event calendar

Illustration 3: Products of EveShot.se

Both for, our B2B and B2C customers, we offer professional event pictures. In addition, for our B2B customers we provide marketing services. Our B2B customers get direct access to a highly efficient marketing channel to students and young people in Lund, later also in Malmö.

B2B products - event organizers: Since we have a dedicated and close *B2C* customer base within the students and young people in Lund, EveShot.se can offer a direct and very efficient (2) marketing service for event organizers. As shown in Illustration 4 Our portfolio consists of a variety of product packages to access young people. As highlighted there in grey colour, this includes three basic picture packages as well as several marketing packages for our customers to present themselves. These marketing platforms include banner advertisement on our webpage as well as offline print marketing services. We plan to launch a free

lifestyle magazine in autumn 2012 which will serve as an additional offline marketing service platform. Further, the event organizers can purchase the pictures in high quality and without a watermark. They can also book us to get professional marketing pictures of their event location, while not having an actual event with guests taking place.

B2B products – Lifestyle companies: Also non-event-organizing companies who would like to approach an audience of young people will be offered to access our marketing channel. To this group we sell the same range of (2) marketing services as to event organizers. By definition we do not take event pictures for them.

B2C products – event guests: EveShot.se creates a full free social life experience. First, we provide a comprehensive (3) event calendar that includes all parties and events happening in Lund and that shows people where they can go out and have a good time. Secondly, we offer free (1) pictures of these events where people can see themselves and share their great times with friends through social media. The pictures are offered as a fermium product. Everybody can watch and download the photos for free from our webpage. However the pictures have a reduced resolution/quality and they are watermarked. Since the pictures can be purchased in higher quality and without a watermark we make use an additional revenue stream.

Products		B2B		B2C
	EVESHOT events at a glance!	Event organizer	Lifestyle companies	Event guests
(1) Event pictures	1 event per month covered, including customer's logo on www.EveShot.se	1500 SEK per month	-	-
	2 events per month covered, including customer's logo on www.EveShot.se	2500 SEK per month	-	-
	4 events per month covered, including customer's logo on www.EveShot.se	4000 SEK per month	-	-
	One-off event shooting for Firms & Businesses	5000 SEK per event	-	-
	Watermarked and limited quality/resolution	Free use	-	Free use
	No watermark, but limited quality/resolution	50 SEK per picture	-	-
	No watermark and best quality/resolution	100 SEK per picture	10 SEK per picture, through MATTSONSS	
(2) Marketing services	Banner Package 1, banner on all standard pages (not on i-frame gallery)	20 SEK per 100 unique visitors	30 SEK per 100 unique visitors	-
	Banner Package 2, banner also on 2 individual event galleries (i-frame gallery)	1000 SEK per month	1500 SEK per month	
	Voucher Customer PLUS Package (Logo on EveShot.se networking card)	1500 SEK per 1000 cards	1800 SEK per 1000 cards	-
	Flyer Customer PLUS Package	Individual	individual	-
(3) Event calendar	Put event on event calendar	Free	-	Free
	Use event calendar as information source	Free	Free	Free

Illustration 4: Product packages and prices

We make Lund a better place. Both for our B2B and our B2C customers we provide considerable benefits. The value contribution role of EveShot.se is shown in Illustration 5.

Added value for the students and young people is to get free and high quality pictures of their best times. More value comes from the convenience that they do not have to carry their own cameras.

We managed already to settle the brand "EveShot.se" in Lund. In the minds of young people, "Eve-Shot.se" is strongly connected with fun, good times and a young and fresh lifestyle. This positive attitude towards our brand allows us to open a highly effective marketing gate through which we can provide new and innovative marketing services for event organizers and lifestyle companies. By creating this highly efficient access channel we act as an inter-link between our B2B customers and B2C customers. This makes it possible to transfer the positive image EveShot.se has to our B2B customers. To sum it up, they get connected with a young and fresh lifestyle which attracts students and young people. Further added value for event organizers is created by providing free professional event pictures in a most convenient way to their customers (event guests). EveShot.se is handling this as a full service.
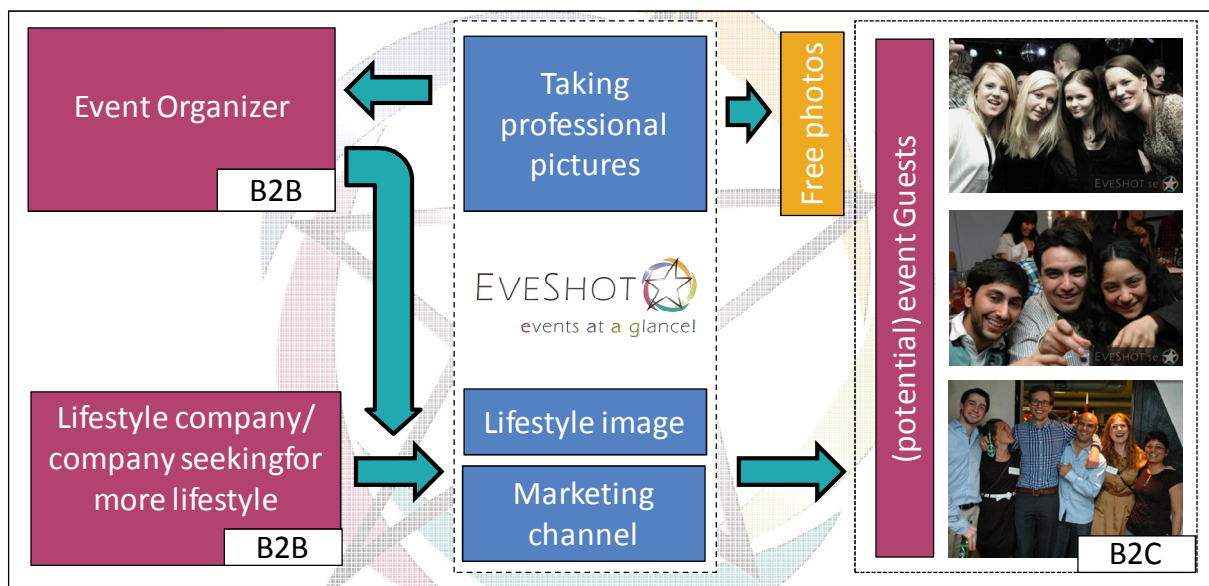

Illustration 5: Role of EveShot.se in adding value through free pictures and marketing services

The more visitors EveShot.se has and the more events we serve the higher the common value becomes we provide to all our B2B customers.

5. Status of Business Development

The EveShot.se service is online since beginning of February 2011. By end of May 2011 we can look back at a fife month time of business development. We believe that we have managed an appropriate application of our existing team skills in EveShot.se which has resulted in a very fast business growth. Up to now we have more than 15 customer references and more than four dedicated financial partners. This proves that the concept of EveShot.se definitely works. Our online database contains more than 36 galleries with more than 1800 event and party pictures. With a network of 6 dedicated photographers we provide three new event galleries with new event pictures per week on average. Within a short period of just four months we managed to communicate the brand "Eve-Shot.se" very well to a broad audience in Lund.

We consider our partner and event organizer network to be the most valuable asset for our business. Our customers are listed below alphabetically.

Event Organizer	Number of events covered	Logo
Best Lund	1 event	
ESN Lund (Erasmus Student Network)	6 events	
Floorball team FBC Phönix	2 events	
Fundraiser UPF	1 event	
Hallands Nation	1 event	
Helsingkrona nation	3 events	
LUGI Motionsförening	3 events	
Lunda Ekonomernas	2 events	
Lundaböcker	3 events	
Myntha kök&bar	2 events	
Party4Charity	1 event	
PiL Arbetsmarknadsdag 2011	1 event	
Programme of Entrepreneurship at Lund University	6 events	

Venture Cup Syd	1 event	
Venture lab	3 events	
SUM: 15 customers	**SUM: 36 events**	

In addition to the existing customer base we created a partner network of seven dedicated partners. Four of these partners contribute financially to our business already. They are listed below according chronologically.

Partner category	Organisation	Logo
Financial contribution/ Sales	MATTSSONS Photo och Video	
	Programme Entrepreneurship at LU	
	LUGI Motionsförening	
	Venture Cup Syd	
Official event partners	Lundaböcker	
	Programme Entrepreneurship at LU	
	LUGI Motionsförening	
	ESN Lund (Erasmus Student Network)	

In April 2011 we launched the marketing campaign "The Star of Lund". The campaign actually is a competition where we look for the "The Star of Lund". People can take a picture of their favourite personal "Star", e.g. a friend or family member and sent the picture to EveShot.se. We then give everybody in Lund the opportunity to vote for the "Star of Lund". Again, we utilize facebook in order to market ourselves and to enact the voting. This creates a huge marketing effect for Eveshot.se. For initial promotion of the competition, we handed out 10.000 flyers to students and young people in Lund. The flyers were completely sponsored by the Entrepreneurship Programme at Lund University. Further, we managed to win MATTSSONS FOTO och VIDEO and the professional photographer Minna Nilson as sponsors who are providing the winner of the competition with great

prizes. We will give away the brand-new Canon 1100D and a professional photo shooting in a studio in Lund.

During the last four weeks we noticed more than 3800 unique visitors taking more than 6700 visits on our webpage. Current Sales are above 10,000 SEK.

The success of our concept is emphasised by the fact that we are in negotiations with Buenos Aires, Argentina as well as Mexico City, Mexico to licence our business concept.

4. Marketing Situation and Analysis

1. Industry Analysis

Since EveShot.se is offering photography services and local online marketing services and offline print marketing services, there are two major industries that need to be analysed.

(1) Photography services
(2) Local online and offline print marketing services

(1) Photography services

In 1822 the first permanent photo was taken.[5] Since then people love to see themselves on pictures[6]. When photography turned into digital more people started to use a camera. However, to get professional high quality pictures an intensive training is required and not everyone can take pictures that are appropriate for online and print marketing. Today, marketing plays a very important role when it comes to win customers. And it will even more in the future.[7] Efficient marketing requires to deliver emotions in a visual way through pictures. Therefore photography services will be required even more in the future.

(2) Local online and offline print marketing services

"Advertisement plays a very important role in business promotions."[8] On Average people spent 135 minutes online per day, younger people even more.[9] Especially web 2.0 has changed the way of doing online business during the last few months. Today, online businesses are more popular than ever. According to PwC, online advertisement will become more important than TV-Advertisement

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[5] http://www.hrc.utexas.edu/exhibitions/permanent/wfp/heliography.html
[6] Compare the theory of narcissism.
[7] http://ezinearticles.com/?How-Important-Is-Marketing-For-Small-Businesses?&id=6106992
[8] http://www.scribd.com/doc/37007384/Role-of-Print-Media-in-Advertisement
[9] Data from Germany, http://www.internetworld.de/Nachrichten/Medien/Zahlen-Studien/Statistik-zur-Surfdauer-Deutsche-surfen-mehr-als-zwei-Stunden-am-Tag-31525.html

from 2011 onwards.[10] Especially local businesses need to change their marketing in the respect to the changing internet.[11]

The amount of people using the internet at least once a week is increasing where as the number of people reading newspapers each week is decreasing. Therefore companies need to rethink their advertisement strategies in a way to increase online advertisement.[12] However, especially in small markets where local newspapers are widely spread, offline print marketing is still interesting. Three out of four people read the newspaper daily.[13]

2. Competition

The competition in the region Lund and Malmö is analysed on three levels according to the relevance for EveShot.se.

The **highest competitive relevance** is considered from companies providing **photography and marketing services**.

Competitor	Basic information	Page views/Day [14]	Logo
Nojes-guiden.se	Is offering a magazine every last Friday of the month; Offering only a few pictures on their webpage; They "…NEVER write about what has happened but concentrate on what will happen – [they] want to capture the spirit and present it with finesse."; 2829 Members in facebook group	6721	NÖJESGUIDEN STHLM GBG MALMÖ
Miloo.se	Used to be biggest competitor in Malmö; 663 Facebook "likes", last post in May 2010; Webpage is down since mid March, reason unknown	125	MILOO.SE MAGASIN / COMMUNITY / VIMMEL / LIVSSTIL

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[10] German Entertainment and Media Outlook: 2010-2014; http://www.pwc.de/de/technologie-medien-und-telekommunikation/german-entertainment-and-media-outlook-2010-2014.jhtml
[11] http://www.local-online-marketing-advisor.com/
[12] Exploring the role of print and the internet in the 21st centure, Microsoft Cooporation, http://advertising.microsoft.com/uk/WWDocs/User/en-uk/ResearchLibrary/ResearchReport/Exploring%20the%20role%20of%20Print%20and%20the%20Internet%20in%20the%2021st%20Century.pdf
[13] http://www.nbdm.ca/blog/print-advertising-still-works
[14] According to www.websiteoutlook.com, on 22.04.2011

The **second highest relevance** comes from online and offline print **marketing service companies.**

Competitor	Basic information	Page-views/Day[15]	Logo
Spotlife.se	Strong blogging force; e.g. the well known blogs Blondinbella.se and towalindberg.se	2820	SPOTLIFE EXKLUSIVT BLOGGNÄTVERK
Twice.se	Online lifestyle magazine	3970	Twice DITT LIVSSTILSMAGASIN ONLINE
Girltalk.se	Online lifestyle magazine for women	1119	girltalk.se
Collective.se	Fashion blog magazine	324	COLLECTIVE
blisedd.se	Events & Marketing Helsingborg	97	BLI SEDD EVENTS & MARKETING
Lundagard	Sweden's oldest Student Magazine	n/a	LUNDAGARD.se SVERIGES ÄLDSTA STUDENTTIDNING
Amos	Magazine for life quality and Christian faith	n/a	amos
Mentor Student Magazine	Student Magazine	n/a	
Lundatan	Magazine of Lundaekonomernas	n/a	

A **low relevance of competition** comes from **photography service providers**. Since they do not offer the marketing component they also cannot provide the same value as EveShot.se.

Competitor	Basic information	Web link
Adrian's & Gittes Ateljè	Taking Pictures only, Tågarp	www.adrians-atelje.com
Andreas Svenning	Taking Pictures only, Lund	-
Carl-Johan Pettersson	Taking Pictures only, Lund	-
Expert Lund	Photo Store with Studio	www.bafoto.nu
Fotograf Marie	Taking Pictures only, Lund	www.fotograf-marie.se
Jan Nordén	Taking Pictures only	www.sfoto.se/fotografer/jan-

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[15] According to www.websiteoutlook.com, on 22.04.2011

Radlund	Taking Pictures only	www.Radlund.com
Ruona Photographer	Taking Pictures only, Lund	www.ruona.com
Studio Lindh	Taking Pictures only, Lund	www.studiolindh.com
Zzonzzon Photography	Taking Pictures only	www.zzonzzon.com

Also there are a few **individual event calendars** available in the Skåne region.

Competitor	Basic information	web link
Event news	Event calendar	www.eventnews.se
blisedd.se	Events & Marketing Helsingborg	www.blisedd.se
Nationskalender	From insider we know that an event calendar for Lund iPhone App is being developed right now by students. To be launched soon.	www.Nationskalender.se

In addition we analyse **potential competitors all over Sweden** that could approach our target market in future. The likability for them to move to new markets is **also low** since their business model builds on the personal network the managers have in their home town.

Competitor	Basic information	Page views/Day	Logo
Nattstad.se	Photo and Marketing Services in Gothenburg	22738	
Finest.se	Photo and Marketing Services in Stockholm	47269	

3. Market Analysis

There are 37 potential paying customers in the party and event scene in Lund and Malmö. Since we are aiming at a small local market in the very specific party and event branch there is no professional market data available for photography services. In the following, we have to argue the market size along the number of potential customers and own sales experiences in Lund and Malmö and calculate a market size in Swedish Kroner.

Potential paying customers in Lund (party & event organizer)

Herkules Bar	Ariman Café
T-Bar	LUGI
Myntha kök&bar	Gerdahallen
Mejeriet	Lundia Hotel
	eight potential customers

Potential customers in Malmö (party & event organizer)

Amiralen	Crown Night Club	Moosehead
Babel	Debaser	Paddy's
Big Bowl	Deep Club	Slaghuset
Bishops Arms	Étage	Swing Inn Nightclub
Breeze	Fagans Irish Pub & Restaurant	The Pickwick pub
Brogatan	Indigo	Två Krögare
Buddha Lounge	Inkonst	Victors
Caramello	Kulturbolaget	Vinylbaren
Casino Cosmopol	Mattsson's	WONK
Centiliter & Gram	Mello Yello	
		29 potential customers

Further, by December 31, 2008 more than 10,950 firms & businesses were situated in Lund.[16] All these companies need pictures for marketing purposes. The eleven largest firms & businesses in Lund we consider to have a number of events which need photography services (e.g. for employee parties, trade fares, ect.) can be found below. Initially, we will not target these companies in Malmö.

Potential customers in Lund (firms & businesses)	Number of employee[17]
Region Skåne	9300
Lunds kommun	8800
The University of Lund	6200
Tetra Pak	3500
Sony Ericsson AB	3000
ST Ericsson	1400

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[16] http://web.lund.se/templates/Page____100766.aspx
[17] http://web.lund.se/templates/Page____100766.aspx

Alfa Laval AB	1180
AstraZeneca AB	950
Gambro Lundia AB	900
Axis	500
Flextrus AB	230
	eleven high potential customers

Market for event picture services

Our target market considers 37 party & event organizers in Lund and Malmö plus eleven firms & businesses in Lund to target. Based on our existing experiences we can assume that 80 % of the party & event organizer and 20% of the firms & businesses approached are convincible to purchase our service. In Lund we aim for a market share of 100 % by end of 2011. In Malmö we aim for 80 % by end of 2013.

Realistically, we think to serve 24 events on average per party & event organizer per year (2 per month) and 4 events per firm & business year per. Initial customer references showed that a price of 1,250 SEK (respectively 5000 SEK for firms & businesses) per event is realistic. This concludes in a market size of 906.154 SEK per year. In terms of the served customers by EveShot.se this results in 760,000 SEK in sales per year. The overall market share we aim at in Lund and Malmö together is 84% by end of May 2014. We expect the market to grow slightly by 2 to 3 %. See also appendices 10.2 Market Figures for Photography Services for further references.

Market for Marketing services

We analyse the market size for online and for offline marketing separately. We calculate the market size for online marketing to be over 360 Million SEK[18]. The market share we aim for is 0,125 % which would end up in over 454,000 SEK in sales. The market size for offline marketing is calculated to be over 450 Million SEK.[19] With a market share of 0,100 % we aim for over 455,000 SEK in sales. There-fore, the sum market share for online and offline we plan to be over 909,000 SEK. Here we expect the market to grow slightly by about 3 to 4 % p.a.. For further information and references please see appendices 10.1 Market Figures for Marketing Services.

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[18] Caluclations based on information from http://www.internetworld.de/Nachrichten/Marketing/Zahlen-Studien/Budget-der-Onlinewerbung-uebersteigt-brutto-fuenf-Milliarden-Euro-Ein-Plus-von-26-Prozent-54310.html; further infrmation see apendices.

[19] Caluclations based on information from http://www.internetworld.de/Nachrichten/Marketing/Zahlen-Studien/Budget-der-Onlinewerbung-uebersteigt-brutto-fuenf-Milliarden-Euro-Ein-Plus-von-26-Prozent-54310.html; further information see apendices.

Analysis of the B2C customer group

By end of 2010 the cities Lund and Malmö had a population of 409,451 people. The broader Skåne region had over 1.2 Million people.[20] 17% of the population are between the age of 18 and 30.[21] That results in a target group of B2C customers of 69,606 in Lund and Malmö. The broader Skåne region results in over 204,000 people. By the end of May 2014 we aim for 18,000 unique visitors on our webpage per month which represents 9% of the target group. The amount of sales can be neglected, reason explained in section 0 Pricing for B2C pictures.

4. Market Strategy

Product

The (2) marketing service we offer needs to meet the requirements of our B2B customers. Since these customers basically would like to win new event guests they are asking for an effective and direct marketing channel to increase their student and young people customer base. They ask for a reliable long-term partner that provides marketing for them and free pictures to their customers (event guests). It is also very important for them to place their event in an appropriate event category.

In order to approach not only party guests but also other event attendances, we divide both the (1) event pictures and the (3) event calendar into 5 categories. The separation will allow us approach a broader B2C customer base as well as to market a product that gives "the whole event experience". We provide information and services before an event (calendar) and after an event (pictures). The event calendar and pictures mainly need to meet the requirements of event guests. The event calendar needs to be informative and helpful for finding a suitable event. The pictures need to show each person in a nice way. Professional pictures that show how good the times at the event were are appreciated most and therefore our standard.

Pricing

The pricing of the marketing services and the pictures for our B2B customers is marked by penetration and a low-price strategy in the beginning. This will result in a fast growing B2B customer base as well as a fast settlement of the brand EveShot.se. With around 600.00 SEK to 1000.00 SEK per event, we will charge a way lower price than professional photographers. From August 2011 we will

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[20] http://www.scb.se/Pages/ProductTables____25809.aspx
[21] http://www.scb.se/Pages/TableAndChart____264373.aspx

increase the price in Lund by around 40% to 60% but still remain below the price for a professional photographer[22]. In addition our price will include the marketing benefit to appear on EveShot.se.

Generally we offer standard pricing packages (see 3.3 Products). Especially in the first year of business an individual adaption is definitely possible and we will create customized service packages.

The pictures we sell in high quality and without a watermark to our B2C customers are very low priced. We want to offer the pictures as an additional non-profit service for students and young people. Our B2C customers will not get a licence to use the pictures for commercial purposes.

Place (Distribution)

The (2) marketing services of EveShot.se are distributed locally only. Initially we focus on Lund. From August 2011 onwards, we extend the distribution of our services to Malmö. We approach our B2B customers mostly by direct marketing. Here we mainly use our personal network. Cold acquisition by telephone will complement our direct marketing where we try to get a personal meeting. Our Partnership Manager & Marketing Manager is responsible for getting new customers.

The (1) event pictures and the (3) event calendar are distributed through www.EveShot.se only. They can be accessed world-wide. The distribution can be seen in Illustration 6. Through www.EveShot.se we will also sell the pictures to our B2C customers.

Lund: 7800 page visits

Malmö: 1300 page visits

Stockholm: 450 page visits

Gothenburg: 280 page visits
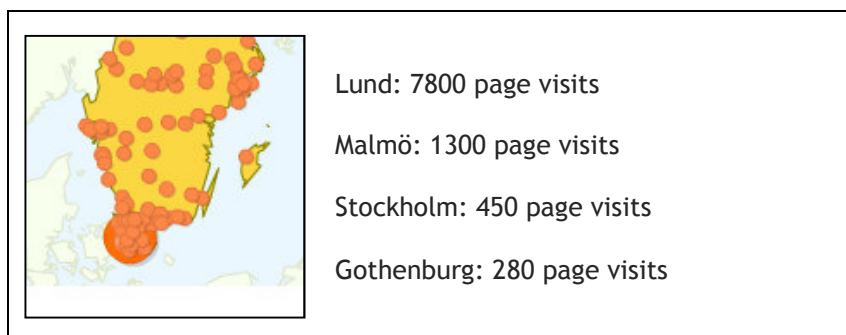
Illustration 6: Online distribution of the webpage in southern Sweden

Promotion (Communication)

As explained above we reach our B2B customers mainly through direct marketing and telephone marketing. We convince them during personal customer visits with prepared, individualised presentations that are back upped by PowerPoint Slides. For additional communication we use our page "About" on www.EveShot.se as well as our facebook page (www.facebook.com/EveShot.se). Press

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[22] Costs are around 600.00 to 1200.00 SEK per hour

releases and local television broadcasts complement our communication channels to our B2B customers. For example, EveShot.se was presented at a Lunds Kommun meeting in a 3 minute video.

Obviously our webpage and facebook page also reaches our B2C customers. Since for EveShot.se it is important to inform the event guests about where to find the pictures from the events, we communicate very actively offline and online. Our offline marketing includes that our photographers give away a personal EveShot.se networking card directly after they took a picture at the event location. At the same time the photographer mentions that the pictures can be found the next day online where stated on the networking card. After a party night, people will check their trousers pockets and hand bags where they will find again the networking card. They get curious and soon they will check out the pictures on www.EveShot.se online. From an online communication point of view, facebook is a very important place to distribute our pictures. Here we use our own EveShot.se facebook page as well as the facebook pages of the respective event organizers where we post the link to the picture gallery. Our online platform www.EveShot.se always is the only place of picture distribution. People can "like" and "share", pictures which creates communication through their facebook profile. Last but not least we use high quality printed flyers to make offline advertisement for EveShot.se and specifically for competitions we have running.

Illustration 7: Communication through facebook and local competitions like "The Star of Lund"

Competitions like "The Star of Lund" are a combination of offline (flyer) marketing and online (facebook) marketing. Here we give people the chance to become part of EveShot.se by sending in their personal Stars on pictures. We put these pictures online on www.EveShot.se and give everybody the possibility to vote for "The Star of Lund". Since we use facebook for voting we manage to appear with our brand on the facebook walls of each voter. This creates an extensive marketing effect. The number of unique visitors on our webpage increases by up to 300% during a competition.

5. Business Model

The greatest revenue stream will be created from long term customers who pay a monthly fee for taking advantage of our services. These long term customers are event organizers. The monthly fee will depend on the individual requirements a customer has. The customers can e.g. decide how many events they want to have framed per month and marketed through the webpage www.EveShot.se. Further these monthly service fees can include online advertisement services on our webpage and offline on posters, networking card and flyers.

More revenue will be created by one-off event photo-shootings we offer to even organizers as well as firms & businesses. The upload of the pictures on EveShot.se and the resulting marketing service is optional here; however the delivery of high quality pictures without a watermark can be included.

Also we make money of banner advertisement and offline marketing platforms that we provide to lifestyle companies. Companies who would like to approach young and outgoing people can purchase advertisement space on a monthly basis. We offer the same advertisement platforms as we do for event organizers.

Another revenue streams will be created by selling the pictures we took without our logo and in full resolution to our B2B customers. For our B2C customers we offer to purchase the pictures as a jpeg-file together with a print-out at MATTSSONS Photo with a 50% discount. From MATTSONS we receive 1,500.00 SEK per 100 pictures purchased.

In order to serve our customers with picture services we can access a pool of young professional photographers that work self-employed. Some of them even work for free since they love the chance to improve their skills and learn to frame people under new conditions and at different event locations. In addition, they can publish their picture-artwork on EveShot.se which gives them a considerable intrinsic motivation.

The whole business model is based on the fact that people want to see themselves on pictures.[23] They seek for these pictures and event organizers need to provide them.

6. Organisation – Management Team Competences

There is a multi-cultural management team working to make this business an even greater success as it is now. The variety of international experiences provides a great pool of creativity and new innovative ideas. We made Lund a better place for students and young people. The management

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[23] Compare with the theory of narcissism.

The team
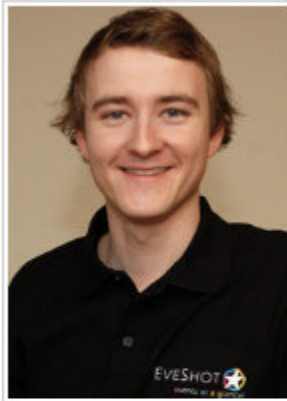
Alex
Partnership
Manager

Mariana
Event Content
Manager

Ludwig
Photographer
Coordinator,
IT

Anne
IT

Illustration 8: The current management team

1. Alexander Okl - Partnership & Marketing Management

With an awarded degree in business administration from a well known German University Alex is perfectly equipped with the skills to run a business. He has professional project management experiences from working at a professional consultancy. Further he is able to make use of an extensive knowledge of project leadership that he gained while running a student consultancy and several consultancy projects. In EveShot.se, Alex is responsible for business management as well as partnership and marketing management. He is a very experienced photographer and Adobe Photoshop user.

2. Ludwig Mendez – Photographer Coordination & IT

Ludwig Mendez is an electronic and computer science engineer who has three years of managerial experience plus three years of experience in the Telecom Industry. Ludwig Mendez adds benefits to EveShot.se both in the sense of managerial and IT skills. On one hand, Ludwig can provide the IT infrastructure to host EveShot.se as well as he provides extensive skills in backend programming to make EveShot a success. In addition Ludwig also provides managerial experience that contributes to people management, partnership creation and sales.

3. Mariana Rojas – Event Content Managing

Mariana's background in engineering has allowed her to easily interact with the technological platform of the webpage and to do advanced online searches to keep EveShot's Event Calendar up to date with the latest events. She has experiences on Adobe CS4 suite and this ability came in handy to make some of the designs on the EveShot page and promotional material. Her background on photography is also very useful on the development of the business and new external photographers. She has contributed with her customer facing experience on sales and partnership meetings as well as meeting competitors to develop a market appropriate strategy.

4. Anne Böhnke – IT Management

Anne Boehnke has a strong technical background with 10 years experience in software and internet industry ranging from development to technical project management as well as skills regarding web usability and design. Since EveShot.se's main asset is the website, Anne provides the skills to run the platforms frontend and make it easily accessible to both clients and administrators.

An overview of the skills required from a future management team can be found in the appendices 10.4 Required Minimum Team Competences.

7. Implementation / Realization

The further realization schedule considers growing EveShot.se to the biggest and most known Event and Party Picture Service in the region Lund and Malmö in Sweden. In order to achieve this, we are extending our customer base to more professional cubs, bars and event organizer in Lund first. From this summer onwards we plan to extend our business to Malmö. One business development manager

will be needed. One half time employee will be used for administration work, since three of the managers will have to stop contributing to the business actively.
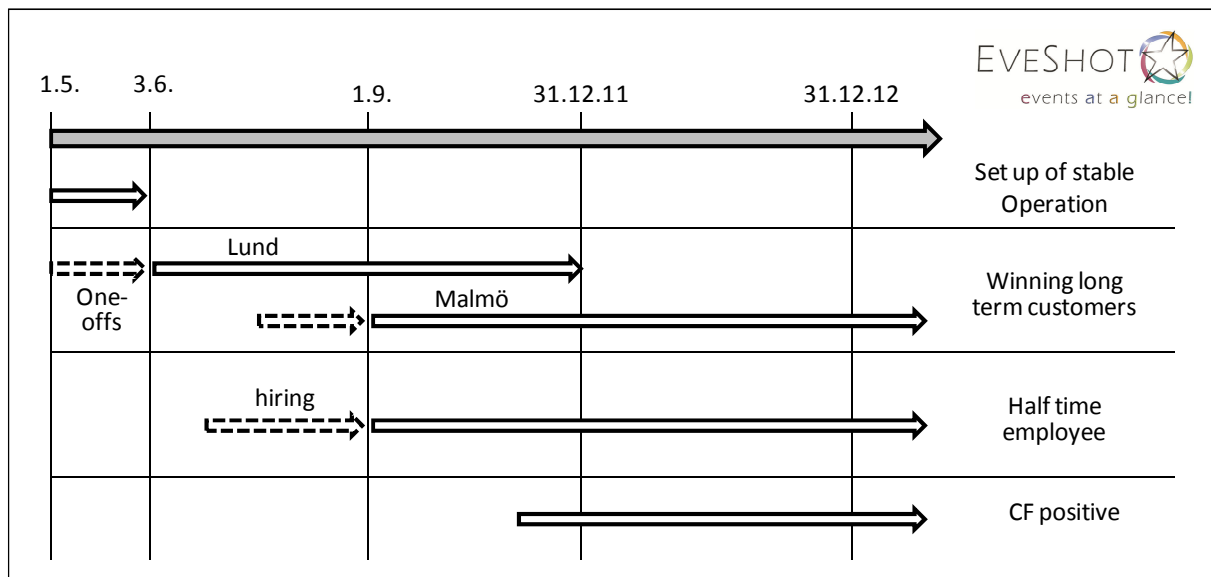

Illustration 9: Planning schedule until 31.12.2012

In autumn 2012 we plan to launch a print lifestyle magazine that will provide an additional high efficient marketing platform for our customers. The magazine will be distributed through all bars, lounges, cinemas, haircutter, ect. in the region. The sales planning can be found in the appendices 10.3 Sales Forecast.

8. Risk Analysis

We assess the risk by applying a simplified SWOT that evaluates the risks and formulates our developed strategies how to face these risks.

1. Approaching the market in Malmö

Risk	Strategy
Since mid of March the competitor Miloo.se in Malmö is no longer in operation. We do not know what the reason was for them to stop business. We also have no information about how their former customers think about them now. As a consequence we do not know how they think about a service like we offer in general.	Before approaching the market in Malmö we focus on developing a comprehensive understanding about Miloo.se and why they stopped operation. Also we will interview potential customers in Malmö about Miloo.se without offering our service directly. We believe it is most important to know the customer!

2. Strong power of Studentlund

Risk	Strategy
Studentlund is the umbrella organisation that includes all nations in Lund (excluding Smålands Nation). They have a huge influence on the individual nations which would allow them to induce a comprehensive photo service quite quickly. We have been in contact with Studentlund from the very beginning of our operation. However they refused cooperation so far. We believe they are developing a comprehensive event calendar at the moment.	In order to deal with the risk of them to take market shares we monitor their actions. Through our personal network we arrange meetings with main actors of Studentlund. Since we strengthened our position in Lund and we still see a big value in cooperation for both of us we still try to set up a partnership. Again, it is most important for us to gain as much knowledge about this potential competitor as possible!

3. People don't want to appear on EveShot.se

Risk	Strategy
The management team realized that the culture in Sweden differs from the culture they know from their home countries. Swedes are less likely to develop a good feeling when they are being put online. Every now and then people ask us to delete their picture on EveShot.se. During the competition "The Star of Lund" we noticed that less Swedes than expected actually sent in their picture.	In order to continuously achieve a high customer B2C satisfaction we developed a successful strategy to deal with that risk. We always ask for permission directly after we took a picture of a person. Only pictures we have got oral approval for in advance will be uploaded on EveShot.se.

4. Photographer misbehaviour

Risk	Strategy
The photographers working for EveShot.se represent our "face" in the event scene in Lund. The management team barely can control their behaviour. Right now the photographers are not employed by EveShot.se and work for free.	In order to deal with the risk of misbehaviour we created a small trainee programme each photographer has to go through first. Here, we also show them how to ask for permission to upload the pictures (see also part 3 People don't want to appear on EveShot.se). Later we

will employ the photographers by signing a contract that which will give us more security in terms of potential misbehaviour.

9. Financing and Profitability

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10. Appendices

1. Market Figures for Marketing Services

Marketing services	Sum
online Market size online marketing (SEK)*	363.808.537 SEK
Market share online marketing (%)	0,125%
Market share online marketing (SEK)	454.761 SEK
offline Market size offline marketing (SEK)*	452.874.256 SEK
Market share offline marketing (%)	0,101%
Market share offline marketing (SEK)	455.139 SEK
Sum market share Marketing Services (SEK)	**909.899 SEK**
Exploited by marketing through photography (SEK)	760.000 SEK
Rest market share for typical marketing services (SEK)	**149.899 SEK**

*Auxiliary calculations			Source
Population Germany in T	82.000		
Population Malmö metro area in T	635		http://en.wikipedia.org/wiki/Malm%C3%B6
Market Size online marketing Germany in Mio Euro (2010)	5.400	equals 19,2 % of overal marketingbudget	http://www.internetworld.de/Nachrichten/Marketing/Zahlen-Studien/Budget-der-Onlinewerbung-uebersteigt-brutto-fuenf-Milliarden-Euro-Ein-Plus-von-26-Prozent-54310.html
Market Size online marketing Malmö Metro area in Mio Euro	42		
Market Size plate and newspaper marketing Germany in Mio Euro (2010)	6.722	equals 23,9 % of overal marketingbudget	http://www.internetworld.de/Nachrichten/Marketing/Zahlen-Studien/Budget-der-Onlinewerbung-uebersteigt-brutto-fuenf-Milliarden-Euro-Ein-Plus-von-26-Prozent-54310.html
Market Size plate and newspaper marketing Malmö Metro area in Mio Euro	52		Applied exchange rate Euro/SEK = 8,7

2. Market Figures for Photography Services

Photography services	Lund		Malmö		Sum		
	Event organizer	Firms & Businesses	Event organizer	Firms & Businesses	Event organizer	Firms & Businesses	all
Considerable Potential Customers	8	11	29	not targeted	37	11	48
Genrerally Interested in Service (%)	80%	20%	80%	-	n/a	0,2	-
Genrerally Interested in Service (#)	6	2	23	-	29	2	31
Market share EveShot.se (%)	100%	100%	80%	-	n/a	1	-
Market share EveShot.se (#)	6	2	18	-	24	2	26
Events to cover per year per customer ∅	24	4	24	-	24	4	-
Events to cover per year ∅	144	8	432	-	576	8	-
Average price charged per event	1.250 SEK	5.000 SEK	1.250 SEK	-	-	-	-
Market size event photography services	180.000 SEK	40.000 SEK	690.000 SEK	-	870.000 SEK	40.000 SEK	906.154 SEK
Market share photography services (%)	100,00%	100,00%	78,26%		82,76%	100,00%	83,87%
Market share photography services (SEK)	**180.000 SEK**	**40.000 SEK**	**540.000 SEK**	**-**	**720.000 SEK**	**40.000 SEK**	**760.000 SEK**

3. Sales Forecast

#Restricted access in public version!#

4. Required Minimum Team Competences

#Restricted access in public version!#

5. Financial Statements

Profit & Loss

#Restricted access in public version!#

Balance Sheet

#Restricted access in public version!#

Cash Flow

#Restricted access in public version!#

6. Cost Calculations

#Restricted access in public version!#