

Technology advancement venture into a new market

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Abstract

This study examines the question of what is currently in the existing conditions of tough competition and have an old business model needs to be modified for the disclosure of the potential in a new market and strengthen competitive status. The fact that in this approach there is a contradiction expressed that modification and introduction of a new market can entail the risk of high ruff.

Keywords: development, product management, modification, introduction

1 Introduction

The business model is to describe the basic principles of the creation, development and success of the organization. To create or modify a business - model, the author suggests the way consisting of a template, style, design, strategy and method.

Alexander Ostervalder in his book "Creation of Business Models" discloses the concept technology which allows to describe and analyze business models of any organization. This technology allows to avoid the difficulties encountered in the study of business models and creation of new strategic alternatives. It is known that without this it is difficult to predict development of any business model and to successfully introduce innovations.

The technology includes a "tool" of the nine blocks, which reflect the company's logic of action, aimed at making a profit. These blocks comprise four main business areas: interaction with customers, the offer, the infrastructure and the financial efficiency of the company.

2 Main problem

The main problem is to change an outdated business model it is necessary to correctly identify the tools in order to modify blocks that reflect the company's logic, aimed at making a profit. The main nine blocks covering four main areas of business (the interaction with consumers, the offer, the infrastructure, financial efficiency of the company):

- consumer segments;
- interaction with customers;
- sales channels;
- valuable offers;
- key kinds of activity;
- key partners;
- key resources
- the structure of expenses
- the flows of revenue

The tool promotes understanding and discussion,

stimulates creativity and helps with the analysis of the company's business model.

3 Aim

The aim of this research is to develop a mechanism for effective replacement of outdated business models in the new market.

4 Review

Disclosing the content of the goal, there is a number of tasks:

- to investigate the principles of competition of a business model in the new market and its modifications;
- to join the international community of projects of the researchers whose efforts are aimed at the development of productive techniques in the public domains;
- to consider the main strategy of an entry into the markets and to reveal their characteristics

5 Solution

The choice of the style of a business model of the company. The technology of the "Long Tail". These are sales of much gradually: the offer of a large number of niche goods, all of which are on sale relatively seldom. Complex sales of niche goods can be as profitable, as the traditional model where the main income is brought in by sales of limited number of best-sellers. These business models require little storage costs and a strong platform for fast delivery to buyers interested in their products.

Or the choice of Open Business Models style. Open business models can be used to create and preserve value due to cooperation with external partners. It can be carried out "from the outside" – by means of use of the external ideas or "from within" – by granting the ideas or assets which weren't demanded by firm to the third-party partners. In addition, it was required to perform a number of studies:

- to develop requirements imposed to a business model;
- to correlate two styles to each other;
- to identify the key factors;
- to formulate the characteristics of a business model;
- to prove the choice of means of assessing the business model.

6 Conclusions

The results of the scientific research are aimed at confirmation that the made hypothesis about the improvement of a business model and its introduction to the new market, is real, reasonable and effective.

The results of this research may be of interest to owners (in particular - the owners of travel agencies), of both small and large enterprises.

References

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