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Evolution of Business Models: Past and Present Trends

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Abstract

The article deals with the formation and development of the concept of business models. Is discussed the formation of the definitions, history of the tools business modeling development. Directions of using business models based on the needs of management at different stages of development of the company are shown. The evolution of business models is revealed. The results of research, conducted by the authors, are directed to identifying new trends in creation the business models of modern Russian and foreign companies, is presented. The attempt to predict future trends in this direction is made.

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Keywords: Business model; modeling business; startups; modern trends in the development of business models.

1. Introduction

In modern conditions, when there are permanent appearance of new technologies, changing consumer preferences, the formation of new social trends, the main key factors of success in the competition becomes the correct definition of current business model for the company.

Successful innovative products are no longer a guarantee of success in the market. Integrated innovation that moves to the level of permanent monitoring of the adequacy of the business model changing circumstances and design of its improved version is a determining factor in the success of regional and international competition. This authors position is supported by the views of the other researchers, since according to PhD Strekalova "The fate of the company's business depends on the proper selection and implementation of business models" (Strekalova, 2009).

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1.1. The history of the business modeling

Designing a business model as a tool for strategic and innovative management appeared relatively recently. The first steps in the direction of business modeling have been made in the 70 years of the twentieth. According to the needs of top-management large-scale projects methodology of structural analysis and design systems SADT had appeared (Structured Analysis and Design Technique). It was developed by the American Douglas Ross in 1973. One of the subsets of the SADT, methodology for functional simulation IDEF0, an extraordinarily wide application had obtained. (Integration Definition For Function Modeling). This direction has been developed on the basis of a separate direction programmotehniki CASE-technologies (Computer-Aided Software/System Engineering) in the 80 years. After that programs designed to address organizational issues management or business modeling, was detached into separate class, which in the western market was named «BMS» (Business Modeling Software). Among these software products possible to allocate Edrawsoft, AccuProcess Modeler, Gliffy, ConceptDraw и другие. BP Win is one of the most popular products among business modeling and simulation of business processes.

In the 2000s, business modeling, supported by appropriate software, gradually has evolved to a separate management methodology - Business Engineering. The basic content of which is to analyze and improve the company's activities through the wide application of its business model, created using a process approach. At this stage, comes the understanding that business modeling is a tool that allows you to determine the correct direction of change, to form the concept of change and facilitate their implementation.

1.2. Concept of business model

Analysis of the literature shows that the authors often understand the business model in different ways, and their studies are carried out in several directions. Within the first direction researchers use a business model as an abstract concept to a very general way to describe a way to create, sale and delivery of value to customers (Chesbro, 2008; Markides, 2010; Ostervalder & Penye, 2013).

The second trend is characterized by the primarily emphasis on the concept of business (Slivotsky, 2006). This approach allows researchers to overcome the complexity of the object under study and reduce it to a level acceptable to the perception and understanding. All this helps to selection and study of the basic elements of the business model, as well as the relationships between them, which generally characterize the company's business. For example, in Kristensen (2009); A.Slivotsky (2006), along with the definitions of business model elements that must be present in it are specified. The quantity and composition of selectable items different authors vary and their number ranges from 4 to 9. In general, they may be presented as a list of basic elements of a business model.

The third line of research examines specific situations and analyzes the business models of real companies. The authors use a business model to describe and analyze business successful companies such as Xerox, Zipcar, Lego, Dell, Innosentive, Toyota, Wal-Mart and others. It should be noted that the descriptions of business models in the literature by various authors often differ in the terminology used in conceptualizing and how they formalize these business models real companies.

Analysis was performed based on the definitions of business models, presented in Table 1.

Table1. Bases definition of business model

Author	Definition
Kim, C.W., Mauborgne, R.	The business model is a curve values, which reflects how the company will meet the needs of the consumer according to different criteria.
Prakhalad, K., Ramasvame, V.	The concept of business model - a unified unit of analysis, which helps to understand the process of creating value, which is the result of attracting many kinds of resources and the result of many processes. Organization's business model - is the logic connection resources and capabilities in order to consistently achieve their goals and carry out business activities. ... It's such a configuration of resources and abilities that will allow us to create unique value.
Debelak, D.	For investors, the business model - it is a way to evaluate whether the company will reach success. But for a businessman - this is a tool for creating dynamic company.

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