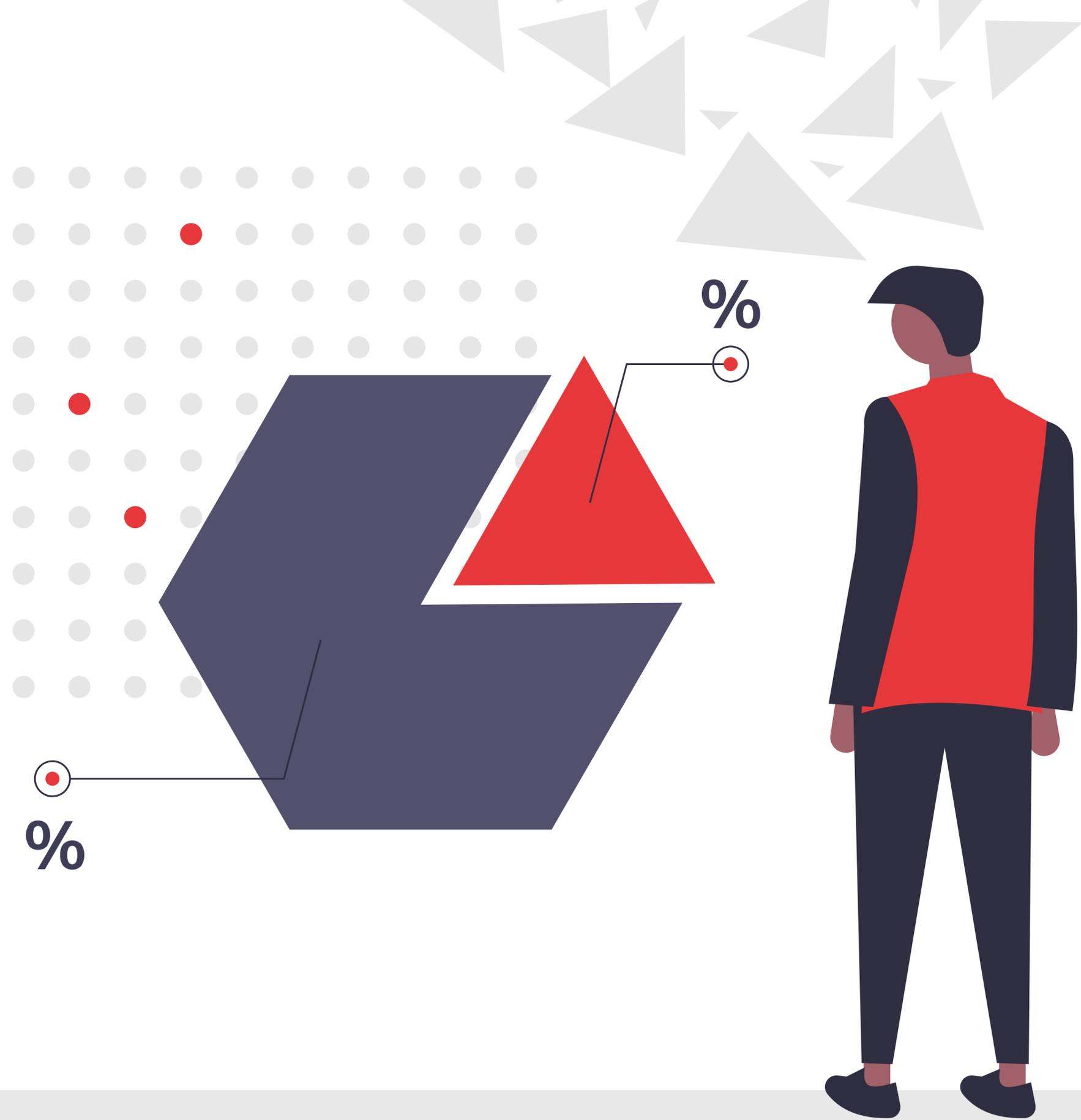


Online Business Model

Templates, Checklists
and Resources

colorwhistle 



Online Business Model

An Overview

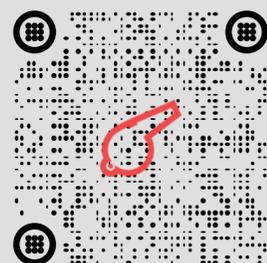
Online business model is an approach that any company would implement to make their establishment a profitable one on the internet. Online business models help in identifying the products, services, target market and expenses. The business model evaluation is very much essential for both – a new business and an already existing business.

95% of all shopping sales will be through e-commerce channels by 2040.

Online business models help in evaluating and establishing business that runs over the internet with the help of websites, SEO and paid campaigns to showcase your online presence. It is all about selling and promoting goods and services online.

Also Read

Building An Enterprise Website – An All-In-One Guide For Design, Development, And Marketing



During the initial days, a static website would simply represent a business's online presence. In today's digital world, a static website will not help you to reach the potential audience. Only an enhanced website with regular updates can help in the development of a business.

70% of small-to-mid-sized businesses are investing more into their digital presence

For a better reach, ensure your business's website is equipped with all the necessary features like e-commerce store, different marketing strategies, SEO and more to make your online presence more efficient. To make an effective online presence, a business model is the key factor as it can identify and evaluate all the necessary features and techniques to make the business a profitable one.

In this article, we will guide you with some real-time examples and resources of online business models which could influence you in establishing an effective online presence for your business.



Why Does a Business Require Online Presence?

The booming popularity of the e-commerce business has increased the need of online presence for any business. Having an online presence would increase the trust and confidence when customers connect with your business.

It is also to be considered that the customers stay loyal and build a long-lasting relationship with your business. Online businesses can easily and efficiently connect with their customers. It allows anyone to reach from anywhere around the world. A strong online presence is essential in building your brand and is also a door for connecting a wide range of customers.

Online presence for a business can,

- ▶ *Increase accessibility*
- ▶ *Improve brand awareness*
- ▶ *Easy marketing and selling*
- ▶ *Communicate with customers easily*
- ▶ *Reach a wide range of customers*



Four Types of Traditional Business Models

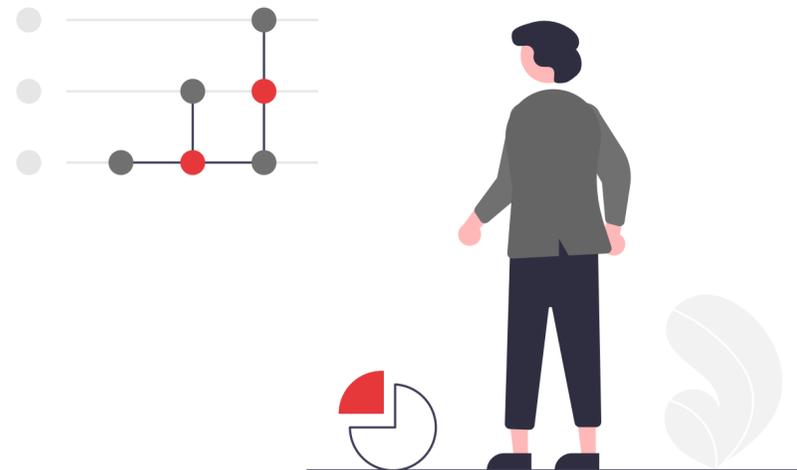
A business would fall in any of the below traditional business model types hence, depending upon your requirements and objectives, you can choose the suitable model for your business.

B2C *Business to Consumer*
(Business sell to end-user)

B2B *Business to Business*
(Business sell services to another business)

C2B *Consumer to Business* (an individual to sell to business)

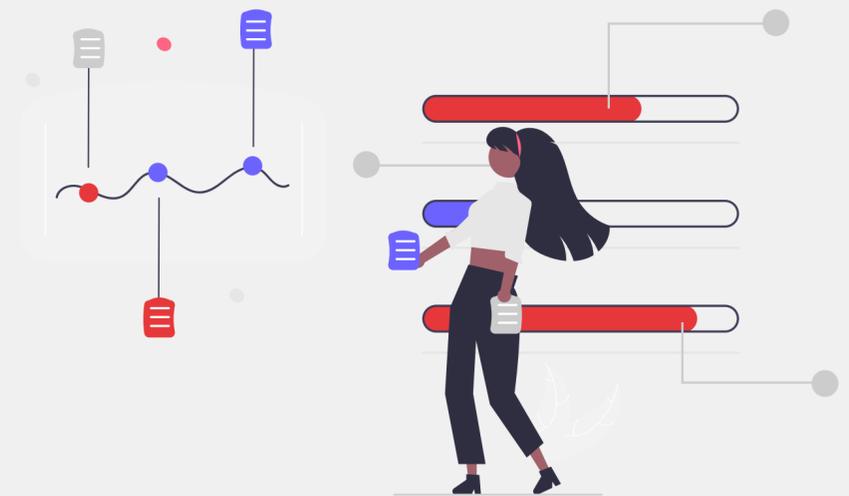
C2C *Consumer to Consumer*
(connects consumers to exchange goods)



Understanding Business Model Via SWOT Analysis

Anyone running an online business would have performed SWOT analysis, and we know that it's not something new we are going to mention here. SWOT analysis is evaluating — strengths, weaknesses, opportunities, and threats in a business. SWOT analysis can also help in choosing the most suitable business model for your organization.

SWOT ANALYSIS



SWOT analysis is performed with an objective to build the strengths and reduce the weakness in any business. Whether you want to evaluate the current position of your business, enhance your business, or implement a new strategy, SWOT analysis is the first thing to perform.



Understanding Business Model Via SWOT Analysis

Strength

Comparing your company's strengths with your competitors. This would help in evaluating and identifying your position in the market. It also helps in analyzing the insights adding advantages to your business so that you can leverage them more effectively

Weakness

Identifying your business's weaknesses would help in analyzing what your competitors have done for a better performance? Through this, you can evaluate whether you need to improve any service or if you are lagging altogether?

Opportunities

This is the next aspect of SWOT analysis, and it arises from outside the organization. Here you evaluate the latest market trend, industry changes that can open opportunities to your business

Threats

Industry changes, regulatory changes, supply chain problems, and more, may create a negative impact if you are not paying enough attention to it. Threats may not be easy to identify but, you have to keep looking for them — What your competitors are doing? What is the current technology trend? Are you in line with the trend?

The above set of questions can help you with a better understanding and analysis of what could affect your business negatively.

Now, let us look at some real-time examples of SWOT analysis



The Coca-Cola company

One of the leading companies in the soft drink industry was able to come up with the below details while performing a SWOT analysis.

Strength

- ▶ The variety of products and their market share of nearly 45% in the soft drink industry is one of the company's biggest strength.
- ▶ Their brand reputation and secret recipes.

Weakness

- ▶ They don't fall under healthy trends as soft and sugary drinks are getting substituted with healthy in-takes.
- ▶ Trying a healthier replacement for sugar went in vain.

Opportunities

- ▶ If they are able to find a replacement for sugar, they get the opportunity to avail a much bigger portion in the soft drink industry.
- ▶ Introducing new products with the right strategy.

Threats

- ▶ People opting for healthier alternatives over the soft drinks.
- ▶ Negative media coverage from media as it is unhealthy.



The Coca-Cola logo is displayed in its signature red script font. It is positioned in the upper right corner of the slide, with several grey triangles of varying sizes scattered around it, creating a dynamic, celebratory feel.



Airbus

The leading aircraft manufacturer who took an incredible number of orders in 2019. Let's have a look at the SWOT analysis performed by Airbus.

Strength

- ▶ Airbus has a market share of 63% giving a remarkable identification in the industry.
- ▶ Its global network and presence is an added advantage for its growth.
- ▶ Huge focus on innovative technologies and eco-efficiency.

Weakness

- ▶ Delay in the aircraft delivery during the year 2019.
- ▶ Delay in the launch of new models creating operational inefficiencies.
- ▶ High production costs lead to low-profit margins.



Opportunities

- ▶ The boom in traveling has created an opportunity to diversify its growth as the air traffic is expected to grow by 4.3% annually.
- ▶ The technology advancements in the aircraft industry have given Airbus an opportunity to work on their weakness.

Threats

- ▶ Its strong competitor, Boeing.
- ▶ Slow in growth during the pandemic.
- ▶ Other than Boeing, if other marketers like China and Russia are planning their own commercial aircraft then, this would affect the market share of Airbus.



Zara

Zara, the leading brand among the clothing companies, arrived at the following during the SWOT analysis.

Strength

- ▶ Always well known for its fast manufacturing and delivery
Offers competitive pricing for its variety of products.
- ▶ Excellent global presence.
- ▶ Fast on new fashion trends.

Weakness

- ▶ Zero policy advertising. Though it had benefits, it was also a weakness as its competitors were heavily on digital advertising.
- ▶ As it delivers fashion pieces in record time, it had limited stocks.
- ▶ Controversies on child labor and paying low wages.
- ▶ They were not the trendsetters as they used to imitate fashion trends.



ZARA

Opportunities

- ▶ As the demand for high fashion is growing, it was an opportunity for Zara to sell high fashions at affordable prices.
- ▶ The rise of fast fashion.
- ▶ The market growth in the apparel industry was a great opportunity for Zara.

Threats

- ▶ The growing companies in the apparel industry was a threat as they offered products from multiple brands at the same place.
- ▶ The increase in the cost of production and raw materials was a threat for Zara.
- ▶ The regulatory threats would create a negative impact.



Popular YouTube channels talking about Different Online Business Models



Below are some well-known YouTubers who can guide in building a business



The Rise To The Top
9.06K subscribers

David Siteman Garland – This American author hosts the channel “The Rise to the Top”. This channel is a guideline for anyone who wants to build their business and to increase their online presence. It is also a great option for those who promote and sell digital products as it provides efficient, actionable advice.



Skillshare
400K subscribers

SkillShare – It is one of the best platforms for many talented teachers and a learning platform for many students to diversify their knowledge. You can have access to various classes after your paid subscription. You even have the opportunity to teach and grow your audience using this platform.



Y Combinator
411K subscribers

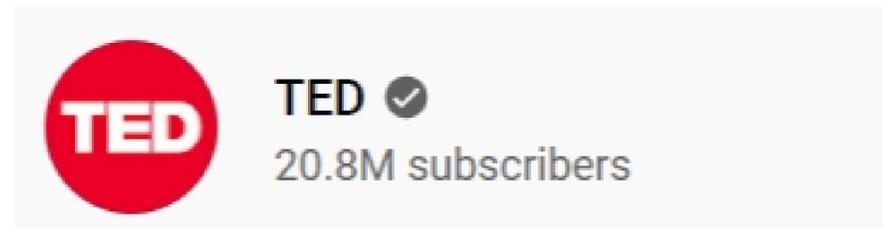
Y Combinator – This channel is a guideline for anyone who is planning to establish their startups, and it’s of great value for anyone who is running a smart business. It showcases many videos on creating and running a business and even podcasts with guests like Elon Musk featuring the latest business trends.



Popular YouTube channels talking about Different Online Business Models



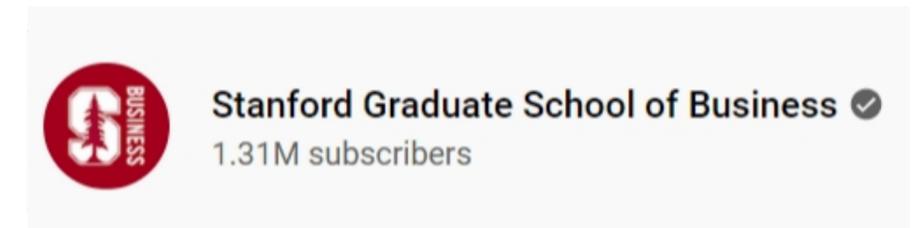
Below are some well-known YouTubers who can guide in building a business



TED – This channel is all about inspiration and deep thoughts. It focuses on curating some best ideas from the best thinkers, motivators, and leaders all around the world.



Chase Jarvis – This is a 3 in 1 channel where it answers questions on career, creativity, and living, interviews some popular innovators and entrepreneurs, and also covers data on creative sparks and energy.



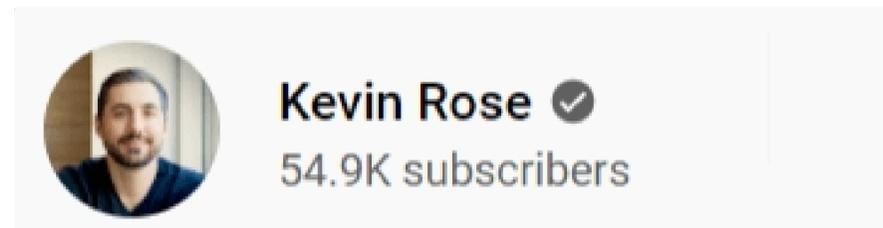
Stanford Business – This channel is a great source of information with thought-provoking videos and graphics on topics that are much required for anyone doing business anywhere.



Popular YouTube channels talking about Different Online Business Models



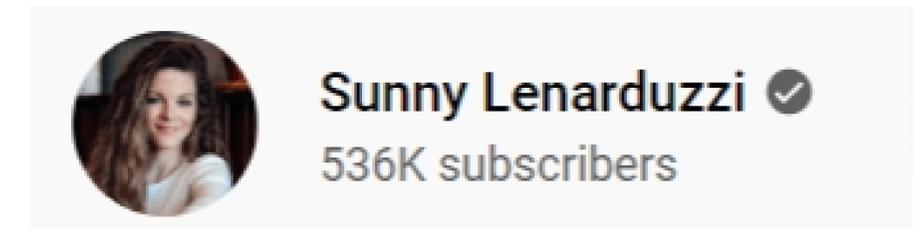
Below are some well-known YouTubers who can guide in building a business



Kevin Rose – This YouTuber is a serial entrepreneur who frequently contributes to various business magazines and has also received several awards for his works. The channel provides lots of business information, powerful insights and even conducts interviews with business owners.



Patrick Bet David – The game changer of many small and big entrepreneurs to fly high. The channel Valuetainment has captured many startups and business owners as it shared many inspirational thoughts required for entrepreneurs.



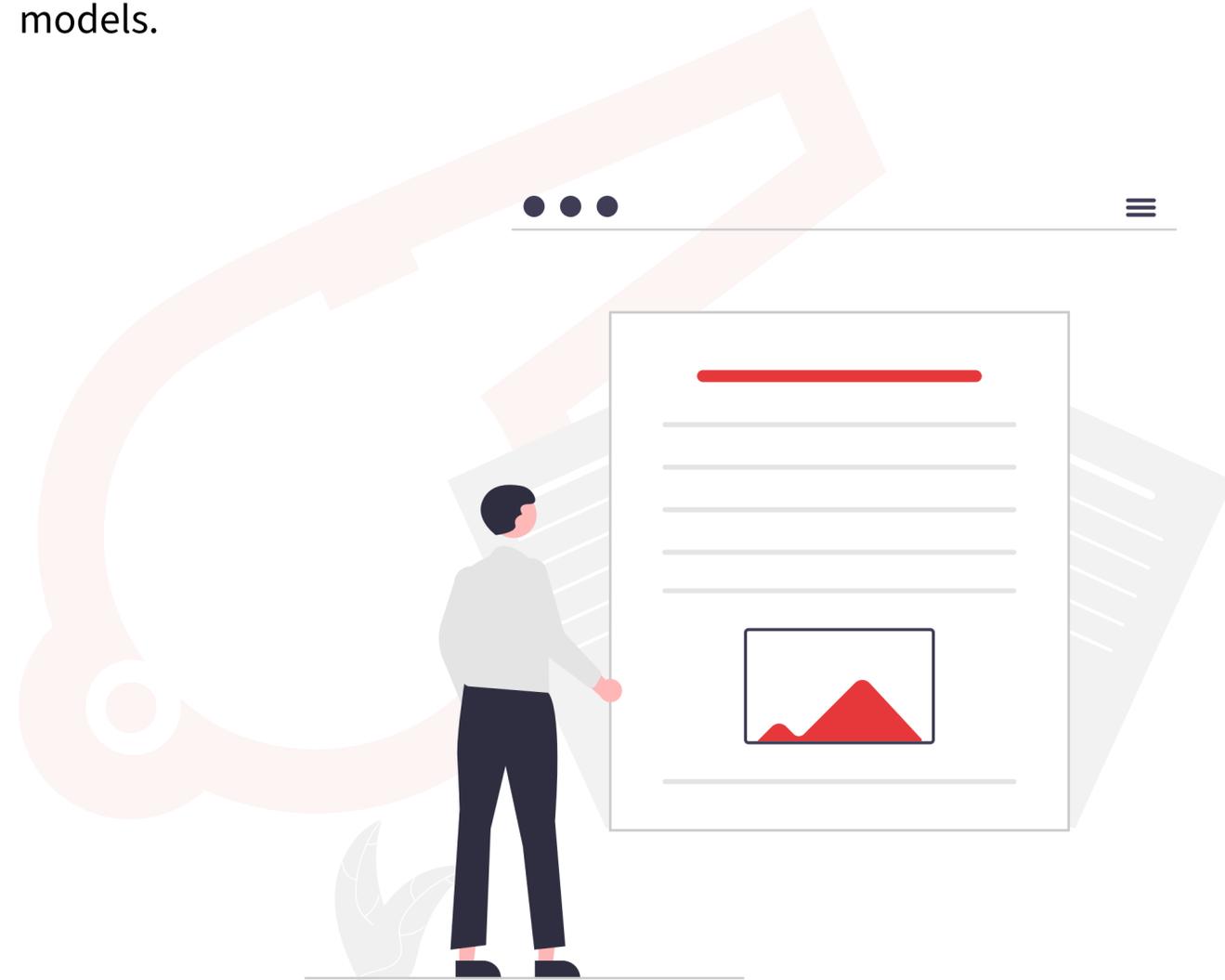
Sunny Lenarduzzi – This channel is all about simplifying marketing, business, and branding for entrepreneurs of any level. The YouTuber educates by providing interesting and entertaining tips on marketing, and her videos are helpful for someone who wants to promote their own business.



White Papers on business models

A white paper is an in-depth research report issued by a company illustrating their knowledge and experience through facts, figures, and evidence to highlight the features of the product and service that the company offers.

Let us have a look at some examples on white papers for online business models.



Business Models Concepts – **CGMA White Paper**

As per CGMA,

“This report can be used by Board level professionals or C-suite professionals; to understand their current business model. The report provides the knowledge to rise to opportunities and take on future business challenges through facilitating decision making.”

Learn how to understand value both on the balance sheet and contained within intangible assets such as brand, key relationships, the customer base and intellectual property. Develop the ability to identify, understand and mitigate risks to advance key business decisions for the long-term.”

White paper by CGMA



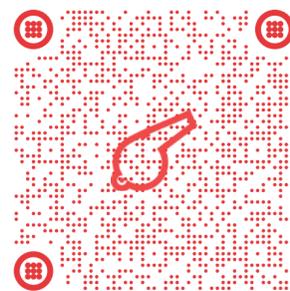
White Papers on business models

A Domain Area Report on Business Models – [White Paper](#)

This white paper was submitted to “Athens University of Economics and Business” by Adamantia Pateli PhD Student – Research Officer under the supervision of George Giaglis Assistant professor. The report aims at representing the outcomes of an initial review in the research area of business, especially online business.

To Know More,

Scan this "White paper on the domain area report of business" PDF



To Know More,

Scan this "OPERAS white paper" PDF

Open Access Business Models – [OPERAS White Paper](#)

As per OPERAS business model working group,

“The white paper on Business Models for Open Access proposes that there is no single ideal business model for Open Access that can be adopted as standard. It describes the current landscape in which there are multiple approaches to OA publishing, many of which are adopted by OPERAS members to suit their particular circumstances, although the APC and BPC models still predominate especially among commercial publishers. The paper describes the business models adopted by members both from the point of view of publishers and of service providers such as Knowledge Unlatched, as well as looking at models emerging elsewhere such as in the USA and at the national level in some European countries, where interesting collaborative approaches are being undertaken. The paper analyzes the pros and cons of different models, and concludes with some suggestions for ways of bringing greater stability and sustainability to Open Access publishing models.”



Choose What is Right for You

Hope, this article would have helped you with some basic ideas on what needs to be performed in terms of business models before establishing your online business? The importance of online presence for a business, real-time examples of SWOT analysis, business inspirations by popular YouTubers, and some white papers on online business models for a better understanding, would help you to plan your process and to pull out a framework for your online business.

Do you have any innovative ideas to enhance your business? Need any advice on the same? Are you looking for assistance to develop the online presence for your business?

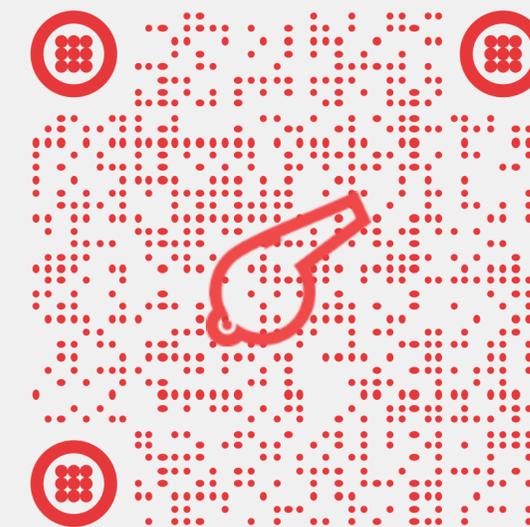
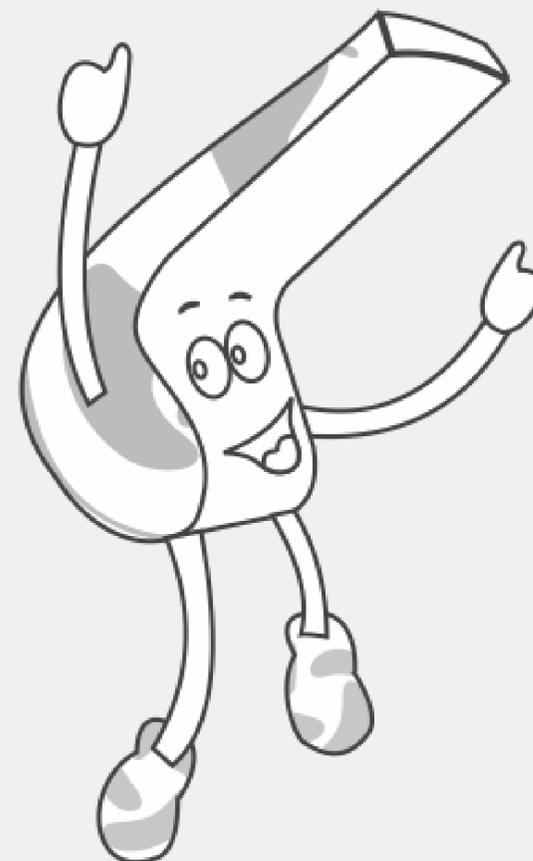
You can contact ColorWhistle by sending us a message or call us at **+1 (210) 787-3600**, we'll get back to you at the earliest. We provide services tailored to your requirements that suits your business model.



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