


Chapter 13

Business Model Creation for Cost Saving in the New World Economic Order

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ABSTRACT

Globalization and economy features in this new world economic order due to SARS-CoV-2 pandemic crisis involve taking into account new ideas and proposals to keep the market share and to fight against competition. It is very important to consider and evaluate the business model of a company to drive all the objectives and the strategy towards the aimed position in the market to assure the market share in the future. Evaluation and analysis of a business model, together with new proposals regarding it may help a company to achieve all the objectives and to increase its competitiveness in the market.

INTRODUCTION

SARS-CoV-2 pandemic has made it challenging to address with standard macroeconomic tools, as Baldwin and Di Mauro (2020) explain, and there could be a world Gross Domestic Product (GDP) growth decrease of between 0.5 and 1.5%, being most of the impact attributed to lower demand. However, uncertainty should also be considered in that scenario. These moderate to principal contractions in demand may also be responsible for boosting unemployment and moderating price rises, according to Maital and Barzani (2020). This fact is the cause of an urgent need for enterprises to reinvent themselves while a creative economy is developed worldwide to decrease the pandemic's impact (Nobre, 2020). This fact may have involved a double market and economic evolution, which has led any company to change and benefit from the transformation. This fact has the goal of leading a healthy company and generating profits continu-

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ously over time. Therefore, it is essential to consider themes such as co-creation, open innovation, and social responsibility. The concept of circular economy surrounds; in fact, this is a reality that companies have more or less strictly adopted. Based on the experience and the analysis of more than 15 companies, it has been seen that no one wants to lose this opportunity, and they have quickly incorporated some changes to be competitive. With the mindset of being a market leader, it is indispensable to think about promoting Environmental, Social, and Governance (ESG) criteria to be at the forefront of the market and because it is a factor analyzed by investors looking for good options for investment (Chen, 2019). The ability of these companies to attract them will enhance their value and image.

To become a benchmark reference in the market and offer a rising value, any leader, CEO (Chief Executive Officer), or CFO (Chief Financial Officer) needs to consider that they need a good business model and believe in the power of innovation. Nowadays, it cannot be forgotten that continuous changes have forced any company to adapt and adopt new techniques, which has to be inspired by this leader. There is a close link between innovation and business models (Palma-Ruiz, Saiz-Alvarez, & Herrero-Crespo, 2020). Carried out by the changing economic market, it has appeared several trends can be seen as a change of paradigm. Among those innovations can be mentioned the eco-innovation, a way to increase benefits and the company's public image, attracting investors and consequently improving its economic position in the global market (Garrido et al., 2014).

One remarkable point when talking about innovation is creativity, and thus, the main difference between companies is creativity. It is essential to consider that Canvas is the best-chosen option to build a creative and resilient business model, whose methodology is analyzed in this chapter. According to Naggar (2015), a good business model approach includes a deep understanding of the activities and resources to know how to finance them. Whatever the business model applied, a deep study and detailed analysis are required to clarify what will create value for the company and the customers. Conclusion: there have to be several changes to focus on a customer-centric mindset to develop and deliver suitable customer solutions. A new way of organization leads to innovation and ultimately a difference in the company's strategy (Kates & Galbraith, 2010). The company's final goal is to have the best economic profitability, and this logical goal implies a risk, which will be proportional to the desired or objective profitability.

For all these reasons, the Canvas model has been proposed as a good option; working on it and defining it with a clear idea will lead the company to better results, decreasing risks and placing it at the forefront of innovation. This chapter explains why this model can help any company ensure its profitability and, therefore, its permanence in the global market by supporting the strategy of innovation of products, processes, or services (Boons & Lüdeke-Freund, 2013).

This chapter aims to analyze all the issues to be taken into account when talking about business models and the benefits they can offer to a company regarding obtaining benefits and increasing the market share. All these facts are analyzed and prioritized. A business model proposal is detailed based on the business model defined for some Information Technologies (IT) services offered in an IT European firm. The authors of this chapter described and implemented this business model proposal in all these services to obtain value, gathering all the critical issues and critical success factors from the business model literature. Finally, a post-implementation review is developed to analyze the results and lessons from this experience to identify the Critical Success Factors (CSF) when defining and implementing business models.

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