Business Model Innovation

[listening test questions]

Author: University of St. Gallen
Date: Oct 2013
Time: 8.10 minutes
Level: *** [B2/C1]

Video Link: https://www.youtube.com/watch?v=B4ZSGQW0UMI

Check these words before listening:

**Key vocabulary**

1. Nokia / Kodak / Commodore / Grundig / [ ] / Newsweek / Polaroid
2. [ ] (idiom)
3. R & D
4. Radical Innovation / innovation cycle / innovation breakthrough
5. [ ] / target customer
6. Misconceptions
7. A Myth
8. [ ]
9. Pioneers
10. Algorithms
11. To be eaten by the wolves (idiom)
12. [ ]
13. To create value proposition
14. Tom Tom (Company), [ ] (company), Nespresso (company)
15. To be novel
16. [ ]
17. Ideation
18. Integration
19. [ ]
20. Qualitative and quantitative data
21. [ ] / dominant logic
22. An analogy
23. To awaken the beast (idiom)
24. To [ ] sth
25. KPIs (Key Performance indicators)
26. To [ ] / to fail (idiom)
27. A syndrome
28. Path [ ]
29. Inconsistencies
30. Learn from the giants whose shoulders you are standing on (idiom)
Student

Listening note-taking & questions

Time: Approximately 1-1:30 hours

Prediction

- Read the title & try to predict the content of the lecture.
- Write down key terms & ideas.
- Check key vocabulary in a dictionary.

Try to listen ONLY two times

Three types of lesson

Lesson#1: [hard]
1. Listen once & take notes.
2. 5 minutes to tidy notes.
3. Listen again and add to notes (use a different colour pen).
5. Check answers with the key &/or listen again to check answers.

Lesson #2: [medium]
1. Listen once & take notes.
2. Answer questions: 10-15 minutes.
3. Listen again & answer the missed questions while listening.
4. 10 minutes to tidy answers.
5. Check answers with the key &/or listen again to check answers.

Lesson #3: [easier]
1. Read questions & highlight key terms.
2. Listen once & answer questions while listening.
3. 5 minutes to tidy notes.
4. Listen again & answer missed questions.
5. 5-10 minutes to tidy answers.
6. Check answers with the key &/or listen again to check answers.
Aim: to develop the students’ ability to listen to a 10 min+ lecture, to take notes and then use those notes to answer a range of test-type questions.

Lesson Time: Approximately 1.30-2.00 hours

Lesson Plan

1. Lead in
   - Ask students to discuss the ‘title’ and predict the content of the lecture.
   - Ask students to write down key terms & language from their discussion.
   - Feed in / check key vocabulary.

Three types of lesson

Lesson #1: [hard]
1. Students listen once & take notes.
2. 5 minutes to tidy notes.
3. Listen again and add to notes (use a different colour pen).
4. Distribute questions. Set 20-25 minutes to answer.
5. Feedback: distribute or project answers.

Lesson #2: [medium]
1. Students listen once & take notes.
2. Distribute questions. Set 15 minutes for answering the questions.
3. Listen again. Students answer the missed questions as they listen.
4. Give extra 10 minutes to consolidate answers.
5. Feedback: distribute or project answers.

Lesson #3: [easy]
1. Distribute questions. Students have 10 minutes to look at the questions.
2. Students listen & answer the questions.
3. 5 minutes to tidy answers.
4. Students listen again. Check answers & answer missed questions.
5. 5-10 minutes to tidy answers.
6. Feedback: distribute or project answers.
Lecture on Business Model Innovation

- Make notes under the headings in the table below.
- You will hear the lecture twice & then receive gap-fill questions.

<table>
<thead>
<tr>
<th>Introduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old successful companies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Innovation cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dell</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The myths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovative firms</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Model Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adapted patterns</td>
</tr>
<tr>
<td>Business Model Patterns</td>
</tr>
<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>Razor &amp; blade pattern</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How to business model [Four steps]</th>
</tr>
</thead>
</table>

| Initiatives fail |

| Key Rules |

| Summary |
Lecture on Business Model Innovation

- Using the notes you have made, complete the summary below. Use no more than THREE words and/or a number for each space.

<table>
<thead>
<tr>
<th>Introduction</th>
<th>Old successful companies</th>
</tr>
</thead>
</table>
|             | Hyper successful companies like Nokia, Kodak, Commodore Computers, etc. failed because they should have left their **1.**
|             | They were too busy managing daily business and clients instead of envisioning **2.**
|             | In other words, **3.** is the **3.** of tomorrow's success! |

<table>
<thead>
<tr>
<th>Innovation cycle</th>
<th>Dell</th>
</tr>
</thead>
</table>
| Innovation either increases the **4.** of a product or **5.** its costs and therefore creates a **6.**
| Apple, for instance, increases **5.** customer value with its **7.** new products.
| Dell **6.** its costs and **6.** through build-to-order-processes. |

<table>
<thead>
<tr>
<th>The myths</th>
<th>Innovative firms</th>
</tr>
</thead>
</table>
| The first myth is **8.** ideas nobody has had before.
| The second is big success requires big **9.**
| The third is that **10.** are always based on **7.** technologies. All of these myths are all **8.**
| Out of **11.** innovative firms, **9.** firms have innovated their business model. |

<table>
<thead>
<tr>
<th>Business Model Research</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A business model provides answers to four questions: Who is your target customer? What <strong>12.</strong> the customer? How do you create the value <strong>10.</strong>? And how do you create the revenue?</td>
<td></td>
</tr>
<tr>
<td>A business <strong>12.</strong> at least <strong>11.</strong> of these four dimensions.</td>
<td></td>
</tr>
</tbody>
</table>
| The research looked at all major business **12.** in the past **12.** years. They have all revolutionised one or **7.**
| Yet **13.** business model innovations and introduced **13.** business model patterns. |
| The **14.** adapted, refined or combined these patterns. For instance, innovative **10.** apply creative **14.**. |
### Business Model Patterns

- In total, 15. ___________ business model patterns were identified as being responsible ___________.
- For example, Flatrate, Supermarket, 16. ___________ instead of buy, Experience ___________ and Blade Pattern.
- Since 17. ___________, Gillette has been selling razors cheaply but selling ___________ prices. 18. ___________ creatively imitated this pattern, selling ___________ and ___________ and revolutionised the coffee industry.
- Many other companies applied the ___________ Pattern, too. ___________ iTunes, 19. ___________ or Hewlett Packard’s Inkjet-Printers.

### How to business model

**Four steps**

1. **Initiation:** 20. ___________ your current business model.
2. **Ideation:** confront this business model innovation ___________ new models.
3. **21. ___________:** check the consistency of the business model ___________ questions regarding organizational fit.
4. **22. ___________:** design a business model, build, ___________. It is important to not only gain qualitative and 23. ___________ data to verify or ___________ but also not to ___________ soft factors of innovation.

Initiatives fail

- More than 24. ___________ % of all ___________ fail because of ___________ behaviour and organisational resistance.

### Key Rules

- First, only implement 25. ___________ business model at a time.
- Second, clearly ___________ business model for change.
- Third, don’t over-emphasise 26. ___________ KPIs. ___________ time.
- Fourth, get top ___________. Without their 27. ___________, business model innovation will fail.
- Fifth, overcome the ___________ syndrome.

### Summary

- Innovation is the key factor to ___________ and stay 28. ___________ in today’s economy.
- Innovation is not necessarily about new ___________ R & D or about ___________. Most of the time, innovation is about 29. ___________ and ___________ business model.
- Think ___________ 30. ___________. ___________ did it – so can you.
Lecture on Business Model Innovation **ANSWERS**

- Using the notes you have made, complete the summary below. Use no more than THREE words and/or a number for each space.

<table>
<thead>
<tr>
<th>Introduction</th>
<th>Old successful companies</th>
<th>Today’s success</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hyper successful companies like Nokia, Kodak, Commodore Computers, etc. failed because they should have left their successful path to rethink their <strong>1. business model</strong>. They were too busy managing daily business and serving current clients instead of envisioning <strong>2. future opportunities</strong>.</td>
<td>In other words, today’s success is the <strong>3. enemy</strong> of tomorrow’s success!</td>
</tr>
</tbody>
</table>

**ALL ANSWERS ARE INCLUDED IN PAID VERSION...**