

**OUR EXPERIENCE**

Leveraging 15 years of experience supporting organizations to enhance their future preparedness, we build customized solutions for our clients in strategy and innovation. We have worked with large and small firms, industry networks and associations from a variety of industries, including the digital world, information and communication technologies, mobility in various forms, energy, manufacturing, oil and gas, pulp and paper, financial services, and food and beverage.

In addition to offering a number of MBA and executive education programs we also provide hands-on trainings and coaching on the job.

# SCENARIO-BASED BUSINESS MODELING

PREPARE YOUR BUSINESS MODEL PORTFOLIO FOR AN UNCERTAIN FUTURE

**CHALLENGE**

In many industries, traditional business models are being fundamentally challenged. At the same time, new technologies and markets are offering opportunities for developing and implementing new business models. While firms increasingly understand the need for continuously adapting their business model portfolios, they often lack a reliable business model innovation capability. Furthermore, the high level of uncertainty in many industries hampers clear decision-making and action due to insecurity about the right path. How can firms continuously innovate their business models? And can they make sure that their business model portfolio is robust in an uncertain future?

needs to take a broader picture into consideration and should capture possible systemic shifts, disruptions and new ways of value creation. Scenario-based Business Modeling is an approach that aims at creating a broad and deep understanding of

**RESPONDING FAST TO CHANGING ENVIRONMENTS**

For this, new ways of business model innovation are required. It is necessary to move from issue- or projection-based development that assumes incremental change towards a more flexible approach. It

the environment before identifying valuable innovation opportunities for this future environment. It can be applied in various forms, ranging from top-down turnkey analyses and recommendations to a participatory

approach that can involve a broad range of people from within the organization to increase acceptance of results and outside partners to increase reliability and validity. ▶

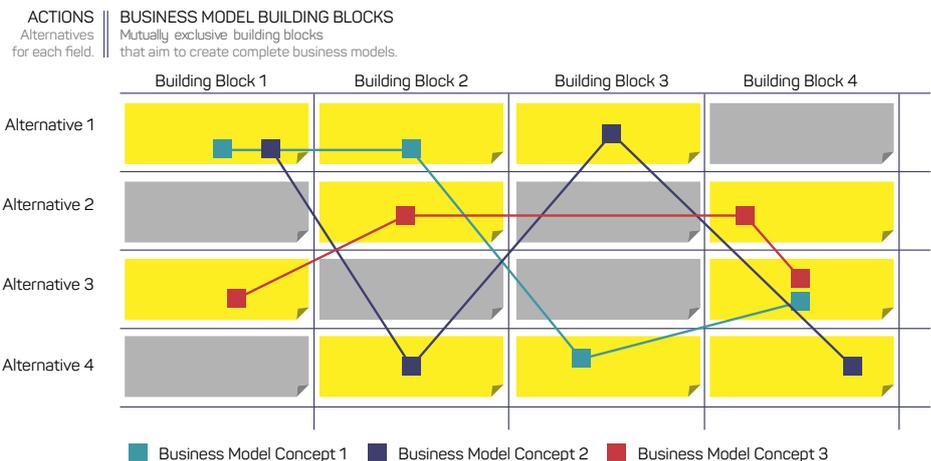


Figure 1: The Business Model Matrix bundling building blocks into consistent business model concepts.

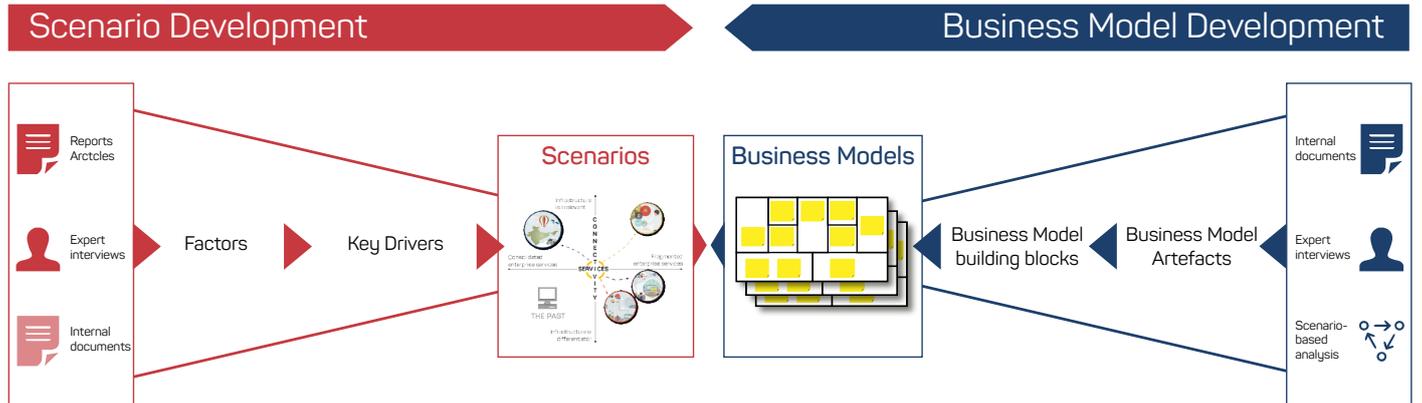


Figure 2: Scenario-based Business Modeling process overview.

In Scenario-based Business Modeling, a set of consistent future scenarios is developed. Ideally, the entirety of scenarios covers a large part of possible futures. Input is usually gathered in a bottom-up approach that involves many external and internal experts and all levels of the organization to ensure information completeness, accuracy, and validity. By considering many opinions and perspectives, the basis for shared

optimizing process: by increasing an organization's understanding of the environment and the reusability of prior insights, the process further contributes to organizational learning and capability building. The continuously decreasing efforts make it an effective approach in preparing organizations to stay agile, flexible and pro-active in rapidly changing, uncertain environments.

- A business model matrix that bundles business model building blocks into consistent distinct business models
- Performance and resilience assessments of business models across scenarios

Ultimately, scenario-based strategizing prepares your organization for an uncertain future by creating a reusable set of artefacts that provides the basis

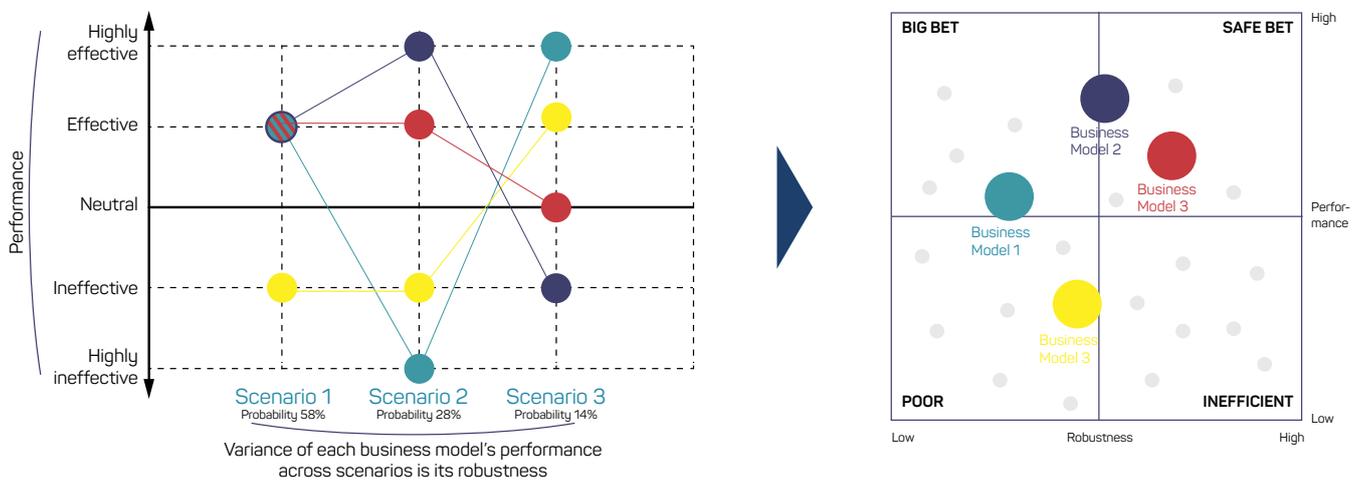


Figure 3: The scenario assessment matrix and resulting decision portfolio.

future outlooks with high buy-in is laid. Scenarios are typically described in vivid narratives that help communicate the range of potential futures.

Next, new business models are generated through a proprietary business model structure based on three main elements: (1) the Customer Value Proposition; (2) The Value Creation Architecture; and (3) the Value Capture Model. The developed business models are tested against each future scenario, evaluating them on both their performance in each scenario and their robustness across scenarios. This leads to a clear decision portfolio with ranked business models that provides a solid foundation for decision-making about future business models.

The Scenario-based Business Modeling process is a self-

### WHAT WE DELIVER

Scenario-based Business Modeling can be conducted in different ways depending on the state of your organization. As leanest variant, we can build on existing scenarios to develop new business model opportunities. On the other side, we can jointly develop the scenarios, business model building blocks, business model concepts, and assessments with various workshops to optimize acceptance and shared understanding within the organization.

Deliverables in Scenario-based Business Modeling are all or a subset of:

- A set of key drivers, including tipping points and wildcards to monitor
- Typically between 3 and 5 scenario narratives that communicate possible futures

for continuous monitoring of change, early detection of decisive points in time and a fast reaction to change.

### WE LOOK FORWARD TO HEARING FROM YOU.

Contact us for more information.



**Tobias Heger**  
Managing and Founding Partner



**Prof. Dr. René Rohrbeck**  
Professor of Strategy at EDHEC Business School  
Founding Partner

#### CONTACT US AT

Email: [theger@rohrbeckheger.com](mailto:theger@rohrbeckheger.com)  
Phone: +49 30 220 123 34

[WWW.ROHRBECKHEGER.COM](http://WWW.ROHRBECKHEGER.COM)