

Case Study: OSS Business Model

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Scope

- OSS SWOT
- OSS Strengths
- OSS Weaknesses
- OSS Opportunities
- OSS Threats
- Some Business Models
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OSS SWOT

Strengths

- ★ **Stability**
- ★ **Security**
- ★ **Robust scalable model.**
- ★ **Commitment to open source.**
- ★ **Always ready for localization**
- ★ **Standards adherence**

Opportunities

- ★ **Applicable to assignments of any size or complexity**
- ★ **Support from big vendors/companies**
- ★ **Support from governments**

Weaknesses

- ★ **No dedicated marketing & sales function.**
- ★ **Non-conventional development model**
- ★ **Non-conventional distribution model**
- ★ **Don't have huge budgets (for marketing or infrastructure setup)**
- ★ **Shortage of successful OSS businesses**

Threats

- ★ **Patent threats**
- ★ **New idea & therefore hard to sell.**
- ★ **Open Source not yet universally welcome. (i.e threat that Open Source takes too long to become mainstream)**

OSS Strengths:

What do they mean for Business?

- Stability
- Security
- Robust scalable model.
- Commitment to open source.
- Always ready for localization
- Standards adherence

OSS Weaknesses: What to do?

- No dedicated marketing & sales function.
- Non-conventional development model
- Non-conventional distribution model
- Don't have huge budgets (for marketing or infrastructure setup)
- Shortage of successful OSS businesses

OSS Opportunities: What can you exploit?

- Applicable to assignments of any size or complexity
- Support from big vendors/companies
- Support from governments
- Learning from successful technology companies

OSS Threats:

- Patent threats
- New idea & therefore hard to sell.
- Open Source not yet universally welcome.
(i.e threat that Open Source takes too long to become mainstream)
- Human Issues within organizations

Some Business Models

- Subscription business model
- Razor and blades business model (bait and hook)
- Multi-level marketing business model
- Network effects business model
- Distribution business models
- Loyalty business model
- Collective business models
- Freemium business model
- Direct sales model
- Professional open-source model

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Thank you and Qs

