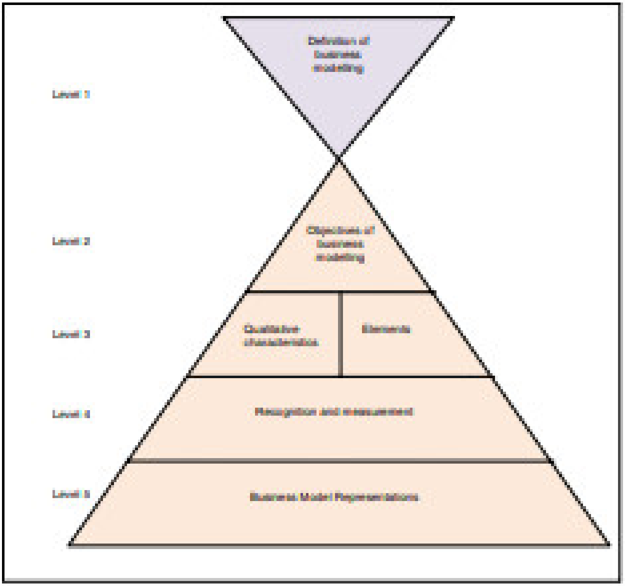

Figure 1: Business Model Conceptual Framework (BMCF)

Business Modelling (BMCF Level 1)

The terms 'business modelling' and 'process modelling' are often used interchangeably in the information systems literature. However, they serve different purposes. Process modelling depicts how value-creating activities are performed. Business modelling captures and displays the elements of the business that characterise the economic choices that have been made by the entity. Business modelling depicts the essence of the business and gives the user a clear understanding of the business logic underlying the entity's existence (Gordijn, Akkermans et al. 2000a; Osterwalder, Pigneur et al. 2005).

Business modelling is concerned with providing information that reflects the economic and strategic choices that have been made by the entity. It presents views of the business logic underlying the entity's existence that meets the needs of users. Three distinct user groups can be identified:

Users Who are External to the Entity

These include business consultants, analysts, members of the legal profession (Osterwalder, Pigneur et al. 2005), researchers and existing and potential investors. Users external to the entity require the business model to assist them in understanding the business concept of the entity. The legal profession requires an understanding of business models to assess patenting requests and disputes. Researchers, consultants, and analysts may want to compare entities, classify entities according to their business model, and track changes in the business models of entities (Eriksson and Penker 2000; Gordijn and Akkermans 2001; Osterwalder, Pigneur et al. 2005). Researchers