

THESIS

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**APPLYING ELEMENTS OF UNICORN BUSINESS MODELS IN A
HUNGARIAN STARTUP**

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1. INTRODUCTION

1.1. BACKGROUND AND CONTEXT

According to Biás (2023) we saw the most successful year so far for the Hungarian Startup Ecosystem. Hungary was reported as having one of the Top 50 Ecosystems and Budapest ranked among the Top 150 cities globally by Startupblink (2023). Startups in Hungary include diverse technology-driven enterprises ranging from software development and fintech to biotech and agriculture.

Though Hungary holds immense promise for startup development and sustainability, Hungarian startups still need to overcome many obstacles that impede their progress and success. Funding is often the main hindrance, with startups often needing assistance to secure the necessary capital to power operations and grow businesses. According to Giannattasio (2023), in the CEE region, the problem is usually not the lack of enough capital and investments, though companies need mentors with the right experience, personnel with the right skills, opportunities to connect and more ways to access global markets and customers.

Navigating the regulatory landscape is often complex and time-consuming for startups operating in heavily regulated industries such as healthcare or finance. Overcoming regulatory obstacles may impede innovation or prevent investment altogether - creating additional hurdles to success for them to surmount.

Ultimate Waterprobe has rapidly emerged as an important Cleantech player in Hungary's startup ecosystem. Established with an eye toward revolutionizing aquaculture, Ultimate Waterprobe utilizes cutting-edge technologies to develop innovative solutions for water quality management in fish farms and aquaculture facilities. In the pre-revenue stage, the company has already captured the interest of multiple investors with different backgrounds.

As CEO of Ultimate Waterprobe, the writer has first-hand experience of the challenges and opportunities unique to Hungarian startup culture and, thanks to participating in international accelerator programs, had the opportunity to learn from the global community as well. From raising initial funding to meeting regulatory requirements and forging strategic partnerships, Ultimate Waterprobe's journey represents trends and dynamics shaping Hungary's startup ecosystem.

Given these realities, the potential of applying elements of unicorn business models to Hungarian startups, such as Ultimate Waterprobe, is not just a possibility but a promising avenue. By adopting strategies employed by successful companies like SpaceX or Airbnb, startups can gain a competitive edge, drive innovation forward, and foster growth across both domestic and international markets.

1.2. THE IMPACT OF TECH UNICORNS

Recognizing the significance of tech unicorns for any aspiring entrepreneur is essential, as these startups not only transform industries but set new benchmarks of entrepreneurial success. Their impact can be observed across several key areas.

Tech unicorns are always seeking to disrupt and dominate their industry. Tech unicorns serve as proof of technology's transformative potential in today's digital environment by challenging existing norms and offering groundbreaking products and services that fundamentally transform competitive dynamics. Their disruptive nature underscores this message.

Tech unicorns also make an enormous economic difference. Their existence creates jobs and draws investment to stimulate local and global economies alike, often serving as catalysts for supporting industries like venture capitalists, accelerators, and the wider startup and technology ecosystem to flourish as a result of their success. Tech unicorn success stories serve as an inspirational source, cultivating an atmosphere of innovation and ambition among startups in today's startup ecosystem.

1.3. MY RESEARCH OBJECTIVES

This study seeks to offer a thorough investigation of the business models and strategies utilized by tech unicorns, with a particular focus on the application of unicorn business model elements in the context of a Hungarian startup, specifically the author's startup Ultimate Waterprobe. The study involves exploring common elements of business models created by tech unicorns, investigating factors that fuel growth, and uncovering any challenges they encounter while expanding and maintaining a competitive edge.

My research also investigates how elements of unicorn business models can be applied to leadership within startup environments and provides insight into their implementation. As part

of my research, I am seeking to examine tech unicorns' business models and impactful influence in the wider entrepreneurial environment.

1.4. RESEARCH QUESTIONS

1. What are the key characteristics that define tech unicorns, and how do these characteristics contribute to their success?
2. How have Airbnb and SpaceX, as prominent tech unicorns, harnessed their business models to achieve their respective successes?
3. How can elements of unicorn business models be applied to leadership in startup environments, and what insights and strategies can be derived from this application?

2. LITERATURE REVIEW

2.1. UNDERSTANDING STARTUPS AND UNICORNS

We don't usually think of Facebook, SpaceX, or Airbnb as being in the same category of businesses as the apps and games being developed in incubators and co-working offices everywhere. All of them are startups by reference, as stated by McGowan (2022). This might confuse everyone outside the ecosystem so first let's look at the possible definitions.

The author defines startups as technology companies that have a goal to find a profitable business model that allows them to scale and grow quickly, usually using their ability to innovate.

Ries (2011) explains that startups are companies creating new products or new services under conditions of extreme uncertainty. This is the most popular definition of startups in the industry.

Unicorn is nowadays a universally accepted expression in most of the global startup community to describe startups with a valuation over \$1 billion as introduced by Lee (2013). Originally the requirements were a bit stricter, the so-called Unicorn Club introduced by the article included 39 software startups, all US-based at the time.

There are 1190 unicorn companies worldwide, and \$653 billion is the total cumulative VC funding raised by these companies as listed by Failory (2023).

By understanding their distinguishing traits, we gain invaluable insight into the dynamics that drive rapid growth and market dominance for these companies.

Tech unicorns typically emerge onto the scene with staggering valuations exceeding \$1 billion, marking a striking difference from typical startups whose valuations may start off more modestly. Their exceptional potential and disruptive power often lend credence to such high valuations as evidence of this fact.

One of the hallmarks of tech unicorns is their rapid growth trajectory. Scaling quickly at an astounding rate, we will explore metrics and strategies behind this remarkable expansion as a means to understanding their staggering results.

Tech unicorns have long been at the forefront of technological innovation and market disruption, leading industries in terms of industry definition while challenging conventional norms with groundbreaking products and services. By exploring their innovative practices, we can see how these titans of business continue to redefine markets over time.

Tech unicorns stand out as having global reach through their expansion strategies that take them beyond national borders to capture international markets and users from around the globe. Additionally, this global reach enables tech unicorns to adapt and thrive under various market conditions and regulatory environments around the globe.

Investor and Market Hype means Tech unicorns capture the imagination of investors and the wider market alike, drawing substantial investments with high valuations from funding rounds that showcase them. We will examine how investor confidence and market enthusiasm shape tech unicorns' journeys forward.

Understanding these characteristics is vital as they serve as the cornerstone for our exploration of tech unicorn business models.

Tech unicorns owe much of their success to visionary leadership. Their founders and leaders often possess a clear vision for their company, which guides strategic decision-making as well as motivating teams to execute it effectively as mentioned by (Ries, 2017).

Tech unicorns take an agile and data-driven approach to their operations. Their use of data-driven decisions, rapid adaptation to shifting market conditions, and seizing opportunities as they arise are what fuel their rapid expansion. Their pivoting capability on real-time data is integral to their growth success.

Tech unicorns emphasize users first. By understanding users' needs and preferences, they maintain an edge in the market. Innovation is at the center of tech unicorn culture. They foster an atmosphere that fosters creative thought, risk-taking, and continuous improvement to remain ahead of quickly developing markets and drive industry disruption.

Tech unicorns often rely on network effects - whereby the value of products or services increases with more users joining their platform - as an invaluable growth strategy, rendering competitors hard-pressed to compete and catch up.

Tech unicorns typically demonstrate a high-risk appetite, taking calculated risks to disrupt markets and achieve growth. They do not mind taking on challenges to the status quo and understand that innovation requires some degree of uncertainty to thrive.

Tech unicorns employ ambitious global expansion strategies in order to reach global audiences, including entering new markets, forging strategic alliances, and customizing offerings according to international demand.

2.2. COMMON BUSINESS MODEL ELEMENTS AMONG TECH UNICORNS

If we look at the business models at the heart of each tech unicorn's success, we will understand there are common base elements and similar ideas. Understanding these models is vital, as they shape how these startups tackle growth, profitability, and disruption within industries.

More and more companies build digital platforms that connect users, facilitating transactions, exchanges, or interactions amongst each other - one of the companies selected for this study uses this model.

Subscription models have quickly gained favor with tech unicorns. By offering products or services on an ongoing subscription basis, companies are ensuring steady revenue, building customer loyalty, and creating long-term sustainability.

Marketplace models have revolutionized how goods and services are purchased and sold, often through tech unicorn-operated digital platforms connecting buyers and sellers directly.

Data is at the core of tech unicorns' operations and services, from collecting to analyzing data and using the outcome to improve their products, services, and user experiences as previously described by Williams (2024).

Ecosystem models represent an integrated business approach. Tech titans create ecosystems where various products and services interact seamlessly to produce stickiness and network effects - something I will explain later.

2.3. FACTORS INFLUENCING TECH COMPANY SUCCESS

2.3.1. PRODUCT MARKET FIT

In the startup world, product-market fit is seen as of paramount importance. This concept refers to aligning a company's product or service with the needs and preferences of its target market - one key success indicator among successful companies being their ability to identify this fit with an end result that not only offers desirable but indispensable offerings to users according to (Feinleib, 2014). Tech unicorns aspire to offer products and services with distinct value propositions in order to gain the competitive edge necessary to realize a strong product-market fit.

Tech unicorns undertake extensive market research in order to gain insights into customer behavior, industry pain points, and unmet needs - knowledge that forms the basis of crafting products that resonate with audiences.

Tech unicorns employ iterative development and continuous feedback loops in order to meet market needs quickly and adapt swiftly to fluctuations. Products or services with minimum viable versions are initially released before being refined further with user input and ongoing iterative updates based on this iterative model. This approach helps tech titans respond swiftly.

Tech unicorns place emphasis on building customer-oriented strategies. To this end, they develop mechanisms for ongoing dialogue with users so that products or services meet evolving customer expectations.

Metrics play an instrumental role in assessing product-market fit. Tech unicorns rely heavily on KPIs and user engagement data as an indication of whether their offerings meet market requirements effectively.

Tech unicorns often understand when pivots are necessary and will adjust their products or business strategies in response to market needs, becoming even more flexible as an adaptable company over time. Such agility has contributed greatly to their success.

2.3.2. SCALABILITY AND NETWORK EFFECTS

Tech unicorns have earned themselves an esteemed place among us because of their extraordinary capacity for rapidly scaling while taking full advantage of network effects to reach incredible heights. Scalability and network effects form an effective partnership that has allowed these businesses to reach unprecedented success levels.

These startups employ effective scalability strategies that enable them to expand operations as their user base increases efficiently. Their systems can meet increasing demands in terms of users, data, or transactions - this makes scalability key for rapid expansion.

As previously found network effects can be harnessed if a product or service is designed in a way that greatly increases their value as more users join its platform (Katz & Shapiro, 1985). Tech unicorns actively foster these effects by offering incentives to encourage users to invite others or participate in its ecosystem - this cycle contributes to its continued success and is one of the reasons for its immense growth potential.

When combined, scalability and network effects lead to exponential growth, making tech unicorns adept at accommodating growing user numbers while making use of the increasing value created by those users to dominate their respective markets.

Scalability and network effects create an immense competitive edge that makes new entrants or competitors hard-pressed to catch up due to existing user bases and network effects serving as formidable barriers to entry.

Understanding scalability and network effects are keys to understanding the incredible success of tech unicorns. Not just growth - exponential expansion!

2.3.3. INNOVATIVE TECHNOLOGIES

Innovation is at the center of a tech unicorn's success. Its founders continually push technological boundaries, inventing groundbreaking solutions that disrupt existing markets and disrupt them with disruptive products and solutions. Innovative technologies play a pivotal role in their success story and showcase this commitment:

Tech unicorns foster an environment that fosters innovation by encouraging creativity, risk-taking, and the relentless search for fresh solutions. Employees are given permission to challenge existing paradigms and propose their own concepts for transformation.

Companies committed to continuous improvement are never content with staying at the status quo; instead, they foster an atmosphere where products and services are constantly refined and enhanced in order to stay ahead of competitors as described by Prophet (2016).

Tech unicorns frequently invest in disruptive technologies that push boundaries within their respective industries and use emerging technologies as a competitive advantage.

Many tech unicorns prioritize protecting their innovations via patents and trademarks to keep their innovations from becoming generic while providing strong defenses against competitors.

2.3.4. FUNDING AND INVESTMENT STRATEGIES

Tech unicorns have proven adept at finding funding sources to support their growth initiatives, deftly navigating venture capitalists and strategic investors' worlds to attract substantial investments that support them in growing. Here is a closer look at their funding and investment strategies:

Tech unicorns often secure backing from prominent venture capital firms that not only offer financial backing but also valuable guidance and connections that enable startups to scale quickly.

Tech unicorns carefully orchestrate funding rounds at various stages of development to raise capital. Seed, Series A/B rounds, and others must all be successfully conducted to support specific growth targets and meet funding criteria for success.

Tech unicorns often form strategic investor partnerships with large corporations for financial support, market access, and potential exit opportunities. These relationships offer financial aid as well as market access.

Tech unicorns must balance growth with financial sustainability by actively seeking external funding but remain mindful of achieving profitability as part of a balanced approach to expansion. Their aim should be not to become over-dependent on external funds for growth purposes.

2.3.5. MARKET EXPANSION STRATEGIES

Tech unicorns' success relies heavily on expanding into new markets. Expansion strategies that target specific geographic, diversification, or demographic categories play a vital role in driving their expansion strategies forward and fueling their continued success:

Tech unicorns typically start their endeavors with international expansion in mind from day one. Careful planning and execution allow these businesses to leverage the success of one market as a source of entry to others.

Startups that want to grow rapidly need to diversify their product or service offerings to reach more audiences and generate increased revenues by expanding into related markets or industries that provide additional revenue sources.

Understanding the needs and preferences of diverse demographics is vital to expanding globally, which is why tech unicorns tailor their offerings specifically for different cultures and market segments.

Tech unicorns may expand through mergers and acquisitions to accelerate expansion and diversification efforts. Acquiring companies that bring strategic value or innovative technologies may increase expansion rates significantly and diversification strategies more rapidly. These factors, including an innovative culture, strategic funding sources, and effective market expansion tactics, are instrumental to their unmatched growth and market dominance.

2.4. CHALLENGES AFFRONTING TECH UNICORNS

Tech unicorns may seem unstoppable at times, yet even they face significant hurdles along their journeys to becoming industry disruptors. Understanding their hurdles is critical for both new entrepreneurs and established firms looking to navigate the digital revolution. For this it is important to look at the situation from multiple viewpoints, as described by (Horowitz, 2014).

2.4.1. REGULATORY AND COMPLIANCE

Navigating regulatory and compliance issues is often one of the greatest difficulties for tech unicorns, particularly as they disrupt traditional markets with innovative technologies and foray into uncharted regulatory territories. Key aspects of this challenge for them may include:

Tech unicorns must remain adaptive in response to rapidly shifting regulatory environments; new laws or regulations could spring up suddenly at any moment, impacting operations and necessitating compliance measures.

Global Expansion requires facing various regulations across different markets, so tech unicorns must remain aware and compliant with local laws while still offering consistent user experiences. Some tech unicorns engage in lobbying and advocacy to influence regulations and protect their interests, which can be an expensive undertaking.

Breaches in data security pose ongoing problems for consumers and are an imperative regulatory requirement, not to mention essential to maintaining user trust. Safeguarding user data not only meets regulatory mandates but is essential to upholding user faith.

All these challenges come with the bold ideas that make these successes possible, but at the same time the larger the company gets the stakes get higher and the challenges only become bigger as mentioned by Gallagher (2017).

2.4.2. COMPETITIVE LANDSCAPE

Tech startups often face intense competition. Once their success becomes evident, rivals quickly seek to replicate their strategies or launch similar offerings that challenge tech unicorns' dominance. Entering into an over-saturated market can make standing out challenging. Companies need to ensure they differentiate themselves in order to maintain their respective market share, as found by (Dekker, 2015).

Rivals or "fast followers," startups that closely track tech unicorn success and replicate its strategies, create pressure for tech unicorns to keep innovating in order to maintain an edge and retain customers. This forces tech unicorns to remain adaptable so as to stay ahead of rival startups that may try copying what works.

Tech unicorns may face competition from established industry players who view them as disruptive threats to the status quo and who possess resources and market presence that make them formidable adversaries.

Tech unicorns may become targets of large corporations looking to penetrate their markets. Negotiation processes surrounding acquisition can become highly complicated. Maintaining independence while remaining independent remains an uphill struggle.

2.4.3. ATTRACTING AND RETAINING TOP TALENT

Tech unicorns face an ongoing battle when it comes to hiring top talent. Growth requires skilled employees with specific knowledge that contributes to innovation. Startups often compete to recruit skilled workers from one another's ranks - leading them to increase salary costs and employ creative recruitment strategies in order to fill available slots.

Tech unicorns must find employees who not only have the required skills but also align with the company's values and goals in order to build an innovative work culture.

Tech unicorns must prioritize employee well-being as hypergrowth and intense competition create work/life imbalance issues in order to prevent burnout and attrition among their workforce.

Offering opportunities for career advancement and personal development is paramount to retaining top talent, so tech unicorns often offer incentives to their staff members in order to keep them engaged and committed as found by Salgado et al. (2020).

2.4.4. EFFECTIVE MONETIZATION STRATEGIES

Monetization can be an intricate challenge for tech unicorns. To find a balance between providing value to users and earning revenue. Key components of this challenge may include:

Most startups in the CEE region use a revenue stream based on one-time purchases as found by Bednar et al. (2018). If startups want to follow a path to success, they need to generate recurring revenue.

The most important decision to make is Freemium Vs. Premium Models. Companies must decide between offering both basic features for free (freemium) and additional ones at a fee or only providing a paid product, both of which have the potential to impact revenue streams significantly. Tech unicorns offering subscription services must provide steady value delivery in order to justify ongoing payments and prevent customer churn.

Selling a service or product is not the only way to generate revenue. Some tech unicorns rely on advertising revenue as part of their revenue stream, yet successfully managing both user experience and ad placement remains a difficult balancing act.

Businesses operating marketplace models generate their revenue from commissions on transactions. They face unique challenges when setting transaction fees and managing buyer/seller relationships.

2.4.5. SUSTAINING RAPID GROWTH

Sustaining rapid growth presents its own set of difficulties. Tech unicorns frequently experience hyper-growth, making managing this growth critical in order to prevent organizational strain and unnecessary chaos.

With their user numbers growing at an increasingly fast rate, tech unicorns must adapt their infrastructure in order to support this rapid expansion - often leading to significant investments in hardware and software solutions.

Establishing an efficient organizational structure capable of adapting to changing company requirements can be a formidable task, particularly for startups that may need to switch from flat structures to hierarchies as their business evolves and grows. As companies expand, upholding their innovative and agile culture becomes increasingly challenging. Ensuring cultural alignment while scaling is absolutely critical.

Rapid growth often brings with it greater financial complexity for tech unicorns, making financial decisions more critical for ensuring the longevity of operations and sustainability. They must effectively manage cash flow, secure funding sources, and make sound financial choices to stay viable over the long term.

3. METHODS USED

Considering the nature of the topic, the approach is qualitative and descriptive. The main method is the multiple case study. Two unicorns in total were thoroughly examined. Selection criteria were the following: each startup should be a US-based Unicorn, one of them should be a hardware startup, the other a software startup, one of them should have at least one co-founder with a previous unicorn company, the other should have co-founders with no prior exits.

By applying these criteria to the database of unicorns (Failory, 2023), I chose one of each using a list randomizer (random.org, 2023). The companies chosen this way were SpaceX and Airbnb.

Using document and content analysis, I collected data from the corporate homepages (Airbnb, 2023; SpaceX, 2023) about the business models of the two companies chosen for the case studies. I used the Business Model Canvas (Osterwalder & Pigneur, 2010) to visualize the business models and answer the first two research questions.

To answer the third research question, I explain the process of creating my own startup using elements of unicorn business models. The Primary data used is based on my participant observation as the CEO of Ultimate Waterprobe from November 2020 to November 2023. The business model showcased was originally created by using elements of the 24-step process by Aulet (2013), the lean method by Ries (2011), the lean canvas by Maurya (2012), and was depicted on the Business Model Canvas (Osterwalder & Pigneur, 2010) by the Author for this study.

4. RESULTS AND THEIR EVALUATION

4.1. CASE STUDY: AIRBNB - A DISRUPTIVE HOSPITALITY GIANT

In this case study, I focus on Airbnb - a tech unicorn that has revolutionized the hospitality industry through an innovative business model. I examine how Airbnb employed this model to achieve remarkable success while successfully meeting challenges unique to its industry.

Established in 2008 by Brian Chesky, Joe Gebbia, and Nathan Blecharczyk as part of their sharing economy ventures, Airbnb quickly emerged as an industry-changing innovator. Connecting travelers with hosts offering accommodations ranging from spare rooms to entire houses, Airbnb disrupted traditional hotel and hospitality models through this novel approach to lodging as described by Gallagher (2017).

4.1.1. BUSINESS MODEL

As pictured on the Business Model Canvas (Annex 1), Airbnb operates using a peer-to-peer marketplace business model -- part of the sharing economy:

1. Peer-to-Peer model: Airbnb stands apart from traditional hotels by enabling individual hosts to list properties available for short-term rentals on its platform while travelers browse and book them directly - this peer-to-peer model distinguishes it.
2. Platform Fees: Airbnb charges both hosts and guests platform fees to generate revenue; these typically make up a percentage of the booking price.
3. User Reviews and Ratings: Trust is vital on any platform, as reviews from travelers provide essential guidance while encouraging hosts to maintain quality standards. User-generated reviews play an integral part in building it.
4. Host Guarantee: Airbnb provides its hosts with protection in case any guests cause property damage while on their rental through their Host Guarantee program.

4.1.2. KEY ELEMENTS OF SUCCESS

1. Airbnb created disruption in traditional hospitality by offering travelers unique and cost-effective accommodation options so that they could experience destinations as locals would.

2. Airbnb prioritizes its users - both hosts and guests alike - at every turn. Their review system fosters trust while their customer support services offer assistance at every point along their journey.
3. Airbnb quickly expanded internationally, becoming accessible in almost all nations around the globe. Their global approach enabled them to access different markets while meeting local preferences more readily.
4. Airbnb's platform leverages underutilized living spaces into income-generating assets for hosts while providing cost-effective lodging to travelers.
5. Airbnb emphasizes community building among its users through events, experiences, and social impact initiatives that link hosts with guests; in doing so, it fosters an engaged user base and builds loyalty between hosts and guests alike.
6. The diversified channels of income make it possible for Airbnb to

4.1.3. CHALLENGES FACED

Airbnb has faced regulatory hurdles in various cities and regions around the globe regarding issues of zoning laws, safety standards and taxation.

At Airbnb, ensuring consistent quality and safety across its vast network is a pressing task. Achieving safe user interactions requires continuous effort and vigilance from everyone involved.

Travel industry firms including Airbnb were affected significantly during the COVID-19 pandemic due to travel restrictions and health considerations, which negatively impacted bookings.

Airbnb's journey demonstrates both the potential and challenges associated with disruptive business models and reinvention, particularly as applied to established industries like hospitality.

4.1.4. LESSONS FROM AIRBNB

1. Innovation Can Disrupt Established Industries

Airbnb demonstrated how innovation can unruly traditional industries. By challenging the status quo, they created an unprecedented travel and accommodation platform that changed people's experiences of travel and accommodation forever.

2. User trust is key to customer loyalty

Trust is at the foundation of Airbnb's success; their user review system, responsive customer support staff, and host guarantees all serve to build and keep users trusting them and each other. Prioritizing it as part of their business is fundamental.

3. Navigating Regulatory Challenges

Airbnb has experienced many regulatory barriers worldwide, and its success at working alongside regulators when necessary is a testament to its adaptability.

4. Leverage Global Expansion

Airbnb has proven its expertise by exploiting diverse markets worldwide with ease, which entrepreneurs should heed and use as inspiration to explore international expansion options in order to grow their businesses successfully.

4.1.5. FUTURE OUTLOOK OF AIRBNB

Airbnb continues to evolve, and its future looks promising. They demonstrated resilience during the COVID-19 pandemic by adapting to shifting travel trends and ultimately returning to their roots as found by Dolnicar & Zare (2020). Investing in long-term stays, experiences, and quality control measures designed to enhance user experiences is just another sign that their future looks bright.

Airbnb stands out in the sharing economy due to its dedication to innovation and integration of technology, remaining at the forefront. Their adaptability to shifting market conditions makes them formidable competitors within travel and hospitality.

4.2. CASE STUDY: SPACEX - REVOLUTIONIZING SPACE EXPLORATION

SpaceX was established by Elon Musk with the ambitious aim of lowering costs associated with space travel while making exploration accessible and affordable for everyone (Prophet, 2017). Their business model relies heavily on this goal: they aim to bring humanity one step

closer to Mars colonization by making space exploration accessible and cost-effective for everyone.

4.2.1. BUSINESS MODEL

As showcased on the Business Model Canvas (Annex 2), SpaceX employs a vertically integrated business model with these elements as its key pillars:

1. **In-House Manufacturing:** SpaceX designs and produces most components internally to reduce its dependency on external suppliers while cutting costs.
2. **Reusable Rockets:** At the core of SpaceX's business model is their pioneering of reusable rocket technology, reducing launch costs significantly while opening up opportunities for frequent space missions at reduced prices.
3. **Government and Commercial Contracts:** SpaceX secures both government and commercial contracts to launch satellites, deliver cargo resupply missions, and perform crewed spaceflights, creating a steady source of income. These contracts provide an ongoing revenue source.
4. **Private Investment:** SpaceX has attracted significant private investments, including from Elon Musk himself, that have enabled it to develop cutting-edge technologies and pursue ambitious missions.

4.2.2. KEY ELEMENTS OF SUCCESS

1. The founder, Elon Musk, has unfaltering dedication and direct involvement in innovation.
2. SpaceX's development and deployment of reusable rocket technology has significantly lowered space launch costs and made carrying cargo and people to orbit accessible for more purposes than ever before. This innovation has opened the gateway into space travel for an array of missions.
3. SpaceX's strong partnerships, especially with NASA for their Commercial Crew Program and Resupply Services, has provided them with an invaluable opportunity to contribute towards space exploration while also helping diversify revenue streams in an unbelievably niche industry.

4. SpaceX embraces rapid iteration by testing and refining technologies within short time frames to accelerate the development of new capabilities.

5. Thanks to private investors' commitment and Elon Musk's generous funding, SpaceX has been able to undertake ambitious projects while continuing research and development efforts.

4.2.3. CHALLENGES

Designing reusable rocket technology and undertaking complex space missions present significant technical hurdles.

The aerospace industry is intensely competitive, pitting established players against emerging startups for contracts and recognition.

For aerospace industries, adhering to regulatory and safety standards can be a tedious process that demands constant effort and compliance with stringent guidelines.

Any space missions present inherent risks that can have far-reaching repercussions both financially and reputationally.

4.2.4. LESSONS FROM SPACEX

SpaceX offers invaluable lessons for entrepreneurs and the aerospace industry at large:

1. Ambitious Goals Drive Innovation

SpaceX's grandiose mission, human colonization of Mars, pushes the envelope when it comes to space exploration, stimulating creative solutions while drawing top talent. Such ambitious missions can spur innovation while drawing top talent.

2. Reusability makes the aerospace industry sustainable

SpaceX's success with reusable rockets demonstrates how reusing can disrupt traditional industry models and lead to cost reductions, making reusability an invaluable solution in business transformation.

3. Public-Private Collaborations

SpaceX's partnership with NASA serves as an example of successful public-private collaboration, showing how government agencies and private firms can work cooperatively toward scientific discovery while fulfilling commercial interests.

4. Visionary Leadership

Elon Musk has shown great foresight and an investment of considerable personal resources to guide SpaceX toward success through visionary leadership and his willingness to invest significant personal funds into SpaceX's success. Passionate leadership drives groundbreaking achievements.

4.2.5. FUTURE OUTLOOK FOR SPACEX

SpaceX's future vision includes ambitious plans and an unwavering dedication to pushing back against space exploration boundaries. With this long-term goal in mind, SpaceX continues working towards its long-term aim of human colonizing Mars, shaping innovation efforts as well as mission priorities within the company.

SpaceX's Starship project represents an innovative advancement in rocket technology with enhanced payload capacity and versatility - designed specifically to assist their missions to Mars and beyond.

SpaceX's Crew Dragon and private astronaut missions have laid the groundwork for commercial space travel as it expands rapidly - opening doors to tourism, science research, and beyond.

SpaceX's Starlink project seeks to offer global high-speed internet access using satellite constellations, providing opportunities for connectivity in remote or underserved regions.

SpaceX has long been engaged in missions beyond Earth orbit, including lunar voyages and potential expeditions into deeper corners of space.

SpaceX stands out in the aerospace industry thanks to its dedication and relentless pursuit of innovative technologies, setting lofty space exploration goals. SpaceX may open new paths of scientific inquiry while creating commercial opportunities through continued success.

4.3. UTILIZING ELEMENTS OF UNICORN BUSINESS MODELS IN ULTIMATE WATERPROBE

4.3.1. INTRODUCTION TO ULTIMATE WATERPROBE

Ultimate Waterprobe was founded in November 2020 with a mission to provide integrated decision support systems for waterbody managers. The company aims to address the critical need for real-time water quality monitoring and data processing in managing aquatic environments. By developing and implementing cutting-edge technologies, Ultimate Waterprobe is committed to assisting in the preservation and enhancement of water quality in various aquatic habitats.

The primary goals of Ultimate Waterprobe include:

Revolutionizing the way water quality is monitored in aquaculture and other aquatic ecosystems.

Enhancing the efficiency and sustainability of fish farming practices through data-driven insights.

Reducing the environmental impact of aquaculture production.

Becoming a key provider of digital solutions in the aquaculture industry by offering innovative, high-quality products.

4.3.2. BUSINESS MODEL DESIGN

Ultimate Waterprobe's business model was designed using multiple tools. First, the customer segments were determined using the process outlined by Aulet (2013), and then the Lean Canvas was constructed and iterated multiple times over three years. After receiving an initial investment the business model was altered to the form. For the purposes of this study the Author depicted the model on the Business Model Canvas (Annex 3). This was done in order to provide a fair evaluation of what elements are used from the aforementioned unicorns.

4.3.3. CUSTOMER SEGMENTS

Ultimate Waterprobe targets two primary customer segments within the aquaculture industry: fish farmers and aquatic ecosystem managers. These segments have distinct needs and pain points related to water quality management, feeding optimization, and overall ecosystem

health. By understanding the specific requirements of each segment, Ultimate Waterprobe tailors its solutions to address their unique challenges effectively.

4.3.4. VALUE PROPOSITIONS

The core value proposition of Ultimate Waterprobe is the ability to provide integrated automation solutions for water quality monitoring, feeding optimization, and ecosystem management in aquaculture settings. Through its innovative technology and data-driven approach, Ultimate Waterprobe offers real-time insights, predictive analytics, and actionable insights to help customers enhance their operational efficiency, improve fish health, and maximize productivity.

4.3.5. CHANNELS

Ultimate Waterprobe leverages a multi-channel distribution strategy to reach its target customers. This includes a unique partnership with a large aquaculture equipment supplier, direct sales, and participation in industry trade shows and events. In addition, the company utilizes digital marketing tools such as email campaigns, newsletters, social media, content marketing, and sponsorships to raise awareness and generate leads.

4.3.6. CUSTOMER RELATIONSHIPS

Building strong customer relationships is crucial for Ultimate Waterprobe. The company adopts a customer-centric approach, providing customers with a contact person that is an aquaculture and water quality expert. Providing responsive customer support is absolutely crucial in an industry with practically no in-house IT technicians. Basing new developments on feedback is one of the ways to test both the product and the market, the company exploits this by partnering with customers in pilot testing new products.

4.3.7. REVENUE STREAMS

The most important lesson from unicorns is to have diversified revenue streams and, especially, recurring revenue. Ultimate Waterprobe generates revenue through a combination of product sales, subscription-based software services, and installation fees. The sale of hardware devices, such as water quality sensors and automation systems, constitutes a significant portion of its revenue. Additionally, the company offers subscription packages for its software platform, providing customers with access to advanced analytics and ongoing

support. Furthermore, Ultimate Waterprobe offers consultancy services for custom projects and specialized solutions, generating additional revenue streams.

4.3.8. KEY RESOURCES

The key resources of Ultimate Waterprobe include the proprietary technology platform, comprising hardware sensors, data analytics algorithms, and software applications. The company invests in research and development to keep its competitive edge. Moreover, Ultimate Waterprobe relies on its team of experts in aquaculture, data science, and engineering, who develop, manufacture, install and support its solutions effectively.

4.3.9. KEY ACTIVITIES

Ultimate Waterprobe's key activities include hardware product development, developing the software platform and mobile app, analysis of collected data, and educating the users about the importance of using the data to shape their activities. The company also allocates significant resources to research and development to constantly enhance products and customer experience. Although less important, sales and marketing efforts focus on identifying and engaging potential customers, demonstrating the value proposition, and closing deals. Customer support is the team involved in education, resolving issues, and providing ongoing assistance.

4.3.10. KEY PARTNERSHIPS

Ultimate Waterprobe works with various partners to reach customers and gather information on this niche market. This includes a partnership with a major Hungarian aquaculture producer and equipment reseller to integrate its solutions with existing products and access new customer segments.

Strategic partnerships with research institutions, universities, and industry associations provide access to expertise, resources, and funding opportunities for product development and market expansion. Furthermore, Ultimate Waterprobe forms partnerships with consulting firms and service providers to offer complementary services and address specific customer needs effectively, such as finding options to finance the products and finding providers for unrelated technological needs. Just like SpaceX's partnerships with national and commercial but scientific-focus space agencies, this is a way to add a reliable and somewhat less market-dependent revenue stream.

4.3.11. COST STRUCTURE

Ultimate Waterprobe allocates significant resources to research and development to constantly enhance products and customer experience. Costs associated with R&D activities include salaries for R&D personnel, material expenses related to prototyping and testing, as well as investments in equipment and patents.

As a provider of hardware devices and equipment, Ultimate Waterprobe incurs costs related to the manufacturing, procurement, and assembly of its products. These costs mostly include outsourced procurement, part manufacturing, and assembly costs. Optimizing the manufacturing process and supply chain efficiency is essential to controlling costs and maximizing profitability.

Developing and maintaining the software platform and mobile app represents a significant portion of Ultimate Waterprobe's cost structure. Costs associated with software development include salaries for software engineers and developers, software licenses and tools, as well as expenses for hosting and development IT infrastructure. Continuous software updates, bug fixes, and improvements are essential to ensuring the reliability, security, and functionality of the platform and app because these are the way customers interact the most with our products.

The cost of acquiring customers and promoting Ultimate Waterprobe's products and services include the commission of the reseller, and the expenses of digital marketing activities. These costs include salaries for marketing personnel, advertising and promotional campaigns, participation in trade shows and industry events, as well as expenses for marketing materials and collateral. Investing in sales and marketing initiatives is crucial to raising brand awareness, generating leads, and driving customer engagement and conversion.

Ultimate Waterprobe incurs various operational expenses to support its day-to-day business activities. These expenses may include office rent and utilities, administrative salaries, legal and professional fees, insurance premiums, and other miscellaneous costs. Efficiently managing operational expenses is essential to maintaining profitability and financial sustainability.

Providing high-quality customer support and service is paramount to Ultimate Waterprobe's success and customer satisfaction. Costs associated with customer support, installation, and

maintenance include salaries for customer service representatives and outsourcing costs of installation technicians, training programs, software tools, and platforms for customer relationship management, as well as expenses for technical support and troubleshooting. Investing in robust customer support infrastructure and resources enables Ultimate Waterprobe to deliver exceptional customer experiences and build long-term customer relationships.

Ultimate Waterprobe incurs substantial compliance and consulting costs essential for regulatory adherence and strategic guidance. These expenses encompass regulatory compliance fees, quality assurance measures, and certification audits to ensure product quality and compliance with industry standards. Engaging external consultants provides specialized expertise across various functions like financial advisory and market research, aiding in market positioning and growth. Legal and regulatory advisors help navigate legal complexities, while risk management strategies and insurance coverage mitigate operational and financial risks. These investments underscore Ultimate Waterprobe's commitment to regulatory compliance, quality assurance, and strategic decision-making in the aquaculture sector.

4.3.12. CHALLENGES FACED AND SOLUTIONS

In the early phase, Ultimate Waterprobe faced its fair share of challenges. Developing the solution is costly and takes time. The only solution to cover these costs was VC fundraising. Thanks to the commitment to technological innovation and impact, we found the initial investors and raised the capital needed successfully.

The aquaculture and aquatic resource management market can be difficult to penetrate due to the diverse needs of its customer base. The high barriers of entry meant that Ultimate Waterprobe had to respond to this challenge by building strong partnerships with existing players in this niche market to build channels for customer engagement and earn trust.

4.3.13. MILESTONES AND SUCCESS STORIES

Ultimate Waterprobe has achieved several milestones so far on its journey. These include: Successful pilot programs with early adopters, demonstrating the system's viability and value in real-world aquaculture settings.

The development of a state-of-the-art, fully integrated, and comprehensive solution for water quality monitoring, data processing, and short-term change forecasting.

Attracting investment and support from key stakeholders such as Hiventures, Quantum Leap, the Startup Campus Tungsram accelerator program, the Design Terminal Mentoring Program, and the . WAVE Accelerator Program.

4.3.14. INTEGRATION OF UNICORN BUSINESS MODEL ELEMENTS

Throughout its development, Ultimate Waterprobe has gained invaluable insights and lessons from implementing unicorn-inspired business strategies. Some of the most significant lessons revolve around providing the right solution for the right problem in the correct market while embracing recurring revenue models with diversified revenue streams, scalability, and innovative technologies, particularly AI-driven solutions:

Targeted Problem Solving

Ultimate Waterprobe realized the importance of addressing specific and critical problems in the aquaculture and aquatic resource management sector. The success of the company is founded on its ability to provide targeted solutions tailored to the needs and challenges faced by the aquaculture industry. This way the solutions provided are both effective and highly valued by the clientele.

Product-Market Fit:

Understanding the specific market segments and customer profiles has been crucial. By focusing on the right market segments and tailoring their offerings accordingly, Ultimate Waterprobe has been able to create a niche for itself within the broader industry. This approach ensures that the company's products and services align perfectly with the market's demands.

Recurring Revenue Model with Diverse Revenue Streams:

Recognizing the significance of recurring revenue, Ultimate Waterprobe adopted a business model that emphasizes subscription-based services and long-term contracts. This not only provides the company with a stable revenue stream but also fosters enduring relationships with customers. It further allows for better financial planning and sustainability.

Scalability:

The ability to scale operations efficiently became a key lesson for Ultimate Waterprobe. To cater to the needs of a growing customer base, the company invested in systems and processes that can be easily expanded. A scalable business model ensures that as the business grows, it can meet increasing demands while maintaining product and service quality.

Innovative Technologies:

Leveraging AI to measure and proactively solve water quality issues has been a game-changer. Through AI-driven analytics, Ultimate Waterprobe not only assesses water conditions in real time but also offers predictive solutions. AI's role in issue prevention and resolution demonstrates the power of innovative technologies in revolutionizing the aquatic resource management sector.

Continuous Market Feedback:

Ultimate Waterprobe has learned the importance of actively engaging with customers to gather feedback and adapt its offerings. Regular feedback loops have enabled the company to fine-tune its products, ensuring that they remain in sync with changing market dynamics and customer expectations.

5. CONCLUSIONS AND SUGGESTIONS

Answering the first research question:

Several key characteristics typically define tech unicorns, and these characteristics play a crucial role in their success:

1. Tech unicorns introduce groundbreaking innovations or technologies that are disruptive in traditional industries. These companies identify gaps in the market and create solutions that revolutionize how things are done.
2. Unicorns have business models that are highly scalable. They can grow rapidly and serve a large customer base without a linear increase in costs.
3. Tech unicorns aim for market leadership. They strive to dominate their respective industries and capture a significant market share.
4. Many tech unicorns rely on network effects, where the value of their product or service increases as more people use it. Examples include social media platforms and online marketplaces.
5. They establish a sustainable competitive advantage that makes it difficult for competitors to steal a significant market share. This can come from technology, data, brand, or network effects.
6. Strong and visionary leadership is crucial. Tech unicorn founders and CEOs have a clear vision for their companies and the ability to execute it.
7. Tech unicorns often secure substantial funding from venture capital firms and private investors, providing the financial resources needed for rapid growth.

Answering the second research question:

Airbnb is a disruptor of the hospitality industry. It achieved its success by creating a platform allowing individuals to rent their homes or properties. They leveraged the sharing economy model, enabled trust through user reviews, and created a global network of hosts and travelers. Airbnb's platform is highly scalable, with a two-sided marketplace, and its brand is

synonymous with travel and lodging. They have successfully expanded worldwide and generated significant revenue.

SpaceX, on the other hand, entered the aerospace industry to reduce the cost of space travel and make Mars colonization a reality. Their focus on reusable rockets has disrupted the industry. SpaceX's business model includes government and commercial contracts, ensuring a diversified revenue stream. Their leadership under Elon Musk has been instrumental in achieving ambitious goals.

Answering the third research question:

1. Like leaders of tech unicorns, startup founders should have a clear value proposition that solves a valid problem.
2. Like tech unicorns, every startup should learn to succeed or fail fast.
3. Startup leaders should design their business models with scalability in mind, enabling them to handle growth without major disruptions.
4. Understanding the target market and delivering value to customers is critical. Leaders should aim for niche dominance while maintaining diverse revenue streams.
5. If applicable to the business, leaders can design their products or services to harness network effects, creating value as their user base expands.
6. Building a business on a unique unfair advantage and building a sustainable competitive advantage through technology, unique features, or data can help startups stand out from the competition.

In conclusion, tech unicorns share common characteristics that contribute to their success, and these principles can be applied to leadership in startup environments. When learning about unicorns, founders shouldn't look for blueprints for success or tips to achieve unicorn status. What can be learned is how to build companies that are capable of setting goals and fail or succeed quickly in achieving them.

6. SUMMARY

The stage is set by highlighting the thriving Hungarian startup ecosystem, notably exemplified by Ultimate Waterprobe's emergence as a key player in the Cleantech sector. Despite this success, Hungarian startups face significant challenges, particularly in securing funding and navigating regulatory complexities. Drawing on the CEO's firsthand experience and insights gained from international accelerators, the introduction emphasizes the importance of leveraging unicorn business models, like those employed by SpaceX and Airbnb, to drive innovation and growth within the Hungarian startup landscape.

The impact of tech unicorns on aspiring entrepreneurs is profound, as these companies not only revolutionize industries but also establish new standards of entrepreneurial achievement. Their influence spans various crucial domains.

Tech unicorns are renowned for their disruptive nature, constantly striving to redefine and dominate their respective industries. By challenging traditional paradigms and introducing innovative products and services, they showcase technology's transformative potential in today's digital landscape.

Moreover, tech unicorns wield significant economic power. Their presence generates employment opportunities and attracts investments, thereby stimulating both local and global economies. Additionally, they catalyze the growth of supporting industries such as venture capital firms, accelerators, and the broader startup ecosystem. Ultimately, tech unicorn success stories inspire and motivate startups, fostering a culture of innovation and ambition within the startup community.

This study aims to comprehensively examine the business models and strategies employed by tech unicorns, with a special emphasis on applying elements of these models to a Hungarian startup, specifically the author's venture, Ultimate Waterprobe. Through this investigation, the study seeks to identify common characteristics of tech unicorn business models, analyze the drivers of their growth, and identify challenges they face in maintaining competitiveness and expansion.

Furthermore, the research explores how elements of unicorn business models can be adapted to leadership practices within startup environments, offering valuable insights into their practical implementation. Additionally, the study endeavors to investigate the broader impact of tech unicorn business models on the entrepreneurial landscape, shedding light on their influential role within the startup ecosystem.

Research Questions:

What are the key characteristics that define tech unicorns, and how do these characteristics contribute to their success?

How have Airbnb and SpaceX, as prominent tech unicorns, harnessed their business models to achieve their respective successes?

How can elements of unicorn business models be applied to leadership in startup environments, and what insights and strategies can be derived from this application?

The study adopts a qualitative and descriptive approach, primarily employing the multiple case study method to examine two US-based unicorn startups. Selection criteria included one hardware and one software startup, with one having a co-founder with a previous unicorn company and the other with no prior exits. SpaceX and Airbnb were chosen using a list randomizer from the database of unicorns. Data collection involved document and content analysis of corporate homepages to visualize the business models using the Business Model Canvas.

To answer the third research question, the process of creating the author's startup, Ultimate Waterprobe, was explained, incorporating elements of unicorn business models. Primary data was derived from the author's participant observation as the CEO of Ultimate Waterprobe from November 2020 to November 2023, utilizing methodologies outlined by Aulet, Ries, and Maurya, and depicted on the Business Model Canvas for this study.

The case studies examine two tech unicorns, Airbnb and SpaceX, to understand their disruptive business models and key success factors. Airbnb revolutionized the hospitality industry through its peer-to-peer marketplace model, while SpaceX disrupted space exploration with reusable rocket technology and strategic partnerships.

Airbnb case study

Airbnb operates a peer-to-peer marketplace, charging platform fees and prioritizing user trust through reviews and host guarantees.

Disruption of traditional hospitality, user-centric approach, global expansion, community building, and diversified income streams made Airbnb successful.

Regulatory hurdles, ensuring consistent quality, and impacts of the COVID-19 pandemic were the biggest challenges.

The biggest lessons to learn from Airbnb's case are that innovation disrupts industries, user trust drives loyalty, navigating regulatory challenges, and leveraging global expansion.

SpaceX case study

SpaceX's vertically integrated business model includes in-house manufacturing, reusable rockets, government and commercial contracts, and private investments.

The key success factors were founder dedication, reusable rocket technology, strong partnerships, rapid iteration, and private investment.

SpaceX's biggest challenges were technical hurdles, the competitive nature of the aerospace industry, regulatory compliance, and mission risks.

Lessons to learn from SpaceX's case: ambitious goals drive innovation, reusability ensures sustainability, public-private collaborations, and visionary leadership.

Integration of unicorn business model elements into Ultimate Waterprobe:

Founded in 2020, Ultimate Waterprobe offers integrated solutions for water quality management in aquaculture.

The company's business model was constructed using elements from unicorn business models. The business model was examined using the business model canvas.

Overcoming development costs, market penetration challenges, and achieving milestones through partnerships and investments were the biggest challenges for the company.

Targeted problem-solving, product-market fit, recurring revenue with diverse streams, scalability, innovative technologies, and continuous market feedback. Overall, Ultimate Waterprobe's adoption of unicorn business model elements demonstrates its commitment to innovation, customer-centricity, and sustainable growth within the aquaculture industry.

The study concludes by highlighting key characteristics of tech unicorns and their applicability to startup leadership. Tech unicorns are defined by groundbreaking innovation, scalability, market leadership, network effects, sustainable competitive advantage, visionary leadership, and substantial funding.

Airbnb and SpaceX exemplify the principles of tech unicorns in disrupting their respective industries. Airbnb revolutionized hospitality with a scalable platform and global network, while SpaceX reshaped space exploration through reusable rockets and diversified revenue streams.

Implications for Startup Leadership:

Clear value proposition, startups should offer solutions to valid problems.

Agile approach, succeed or fail fast to iterate and improve.

Scalable business models, design for growth without disruption.

Customer-centricity, understand and deliver value to target markets.

Harness network effects, create value as user base expands.

Competitive advantage, build uniqueness through technology, features, or data.

In essence, while there's no blueprint for achieving unicorn status, startup leaders can learn from tech unicorns to build agile, customer-centric, and scalable businesses capable of setting ambitious goals and adapting quickly to succeed or fail fast.

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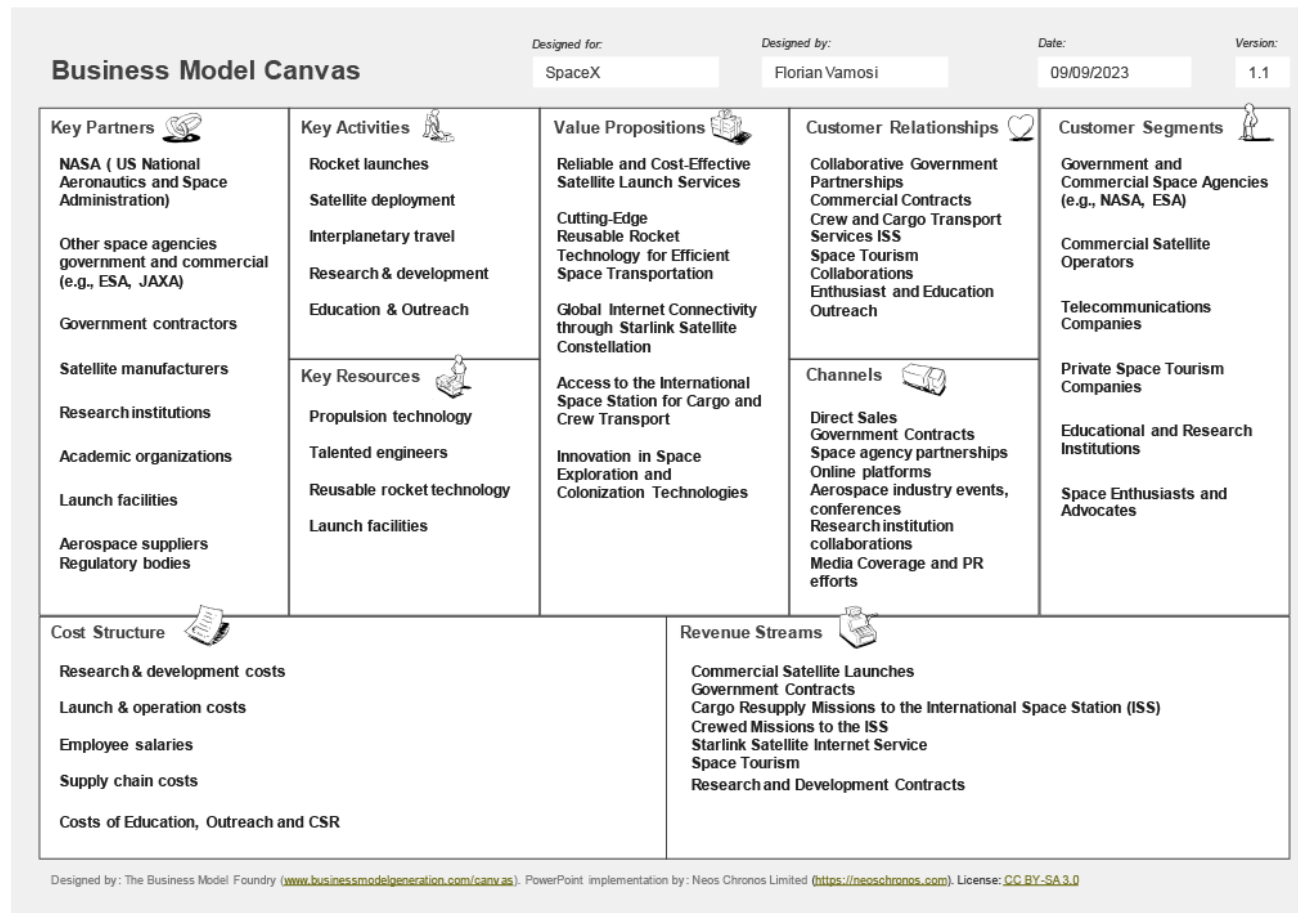
8. ANNEXES

Annex 1: Airbnb Business Model Canvas (Source: own editing based on Airbnb Newsroom(2023), Airbnb Investor (2023))










Business Model Canvas		Designed for: Airbnb	Designed by: Florian Vamasi	Date: 09/09/2023	Version: 1.1
Key Partners  <ul style="list-style-type: none"> Property Owners Property Management Companies Travel Agencies Real Estate Agencies Cleaning and Maintenance Services Payment Processors Review Platforms Tourism Boards 	Key Activities  <ul style="list-style-type: none"> Online marketplace Property management User experience design Customer support 	Value Propositions  <ul style="list-style-type: none"> Unique Accommodation Options Local Experiences Worldwide Availability User Reviews Personalized Hospitality Cost Savings Flexibility and Convenience 	Customer Relationships  <ul style="list-style-type: none"> Online booking Customer support Host-guest interactions 	Customer Segments  <ul style="list-style-type: none"> Property Owners Property Managers Travel Agents Business Travelers Vacationers Event Attendees Digital Nomads 	
Key Resources  <ul style="list-style-type: none"> Online platform User data Airbnb hosts Technology infrastructure 		Channels  <ul style="list-style-type: none"> Online Platform Mobile App Local Partnerships Partner Websites Social Media Platforms 			
Cost Structure  <ul style="list-style-type: none"> Customer support Marketing and advertising Technology development Legal and regulatory costs 			Revenue Streams  <ul style="list-style-type: none"> Service Fees Host Fees Guest Fees Experiences Airbnb Plus and Airbnb Luxe Business Travel Advertising and Partnerships Data Services 		

Designed by: The Business Model Foundry (www.businessmodelgeneration.com/canvas). PowerPoint implementation by: Neos Chronos Limited (<https://neoschronos.com>). License: CC BY-SA 3.0

Annex 2: SpaceX Business Model Canvas (Source: own editing based on SpaceX (2023))



Annex 3: Ultimate Waterprobe Business Model Canvas (Source: own editing based on participant observation)

Business Model Canvas		Designed for:	Designed by:	Date:	Version:
		UWP	Florian Vamosi	09/09/2023	1.1
Key Partners  Fish Farmers Fishpond Operators Agricultural and Fisheries Organizations Technology Partners Data Management Service Providers Business Consultants Suppliers	Key Activities  Device Research and Development Software platform Mobile App Data Analysis Education Key Resources  Research and Development Team Hardware Development Infrastructure Manufacturing Facilities Experience with IoT and Fish Production Strategic Partnerships	Value Propositions  Cutting-edge technology for real-time water quality monitoring Comprehensive solutions for fish farming optimization Data-driven insights for better decision-making Scalable systems adaptable to various water environments Enhanced sustainability through eco-friendly practices	Customer Relationships  Tailored customer support and training programs Continuous engagement through regular updates and feedback mechanisms Personalized consultations for specific needs and challenges Proactive problem-solving and troubleshooting Channels  Direct sales team Industry events Distributors and resellers Digital marketing	Customer Segments  Aquaculture Farms Fisheries Environmental Agencies Municipalities and Local Governments	
Cost Structure  Research and Development Production Marketing and Sales Personnel Operations Installation and Maintenance Consulting Regulatory Compliance		Revenue Streams  Product Sales Software subscription Fees Hardware Rental Fees Software Licensing and Royalties Consulting Fees Installation Fees Maintenance Fees Data Sales			

Designed by: The Business Model Foundry (www.businessmodelgeneration.com/canvas). PowerPoint implementation by: Neos Chronos Limited (<https://neoschronos.com>). License: CC BY-SA 3.0

DECLARATION

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IN A HUNGARIAN STARTUP
Year of publication: 2024
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