



Business Operations Forum:
Free is more than advertising based -
diving deeper into the revenue potential of Freemium

Partner at Innovationlab



Freemium Expert



Avid Classifieds User



Your Interest ?



can do that.[®]

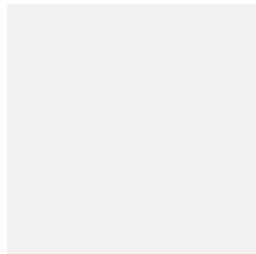
Focus on opportunity



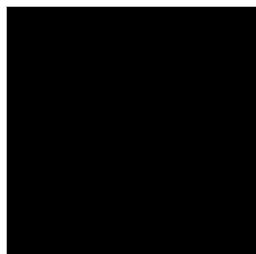
Not threat of failure



What is freemium?
How does it make sense?



Analytical perspective
How to identify potential?



What to do Monday morning
Tools and methods

What is Freemium?

Free

+

Premium

=

Freemium

Q. Why is this relevant ?

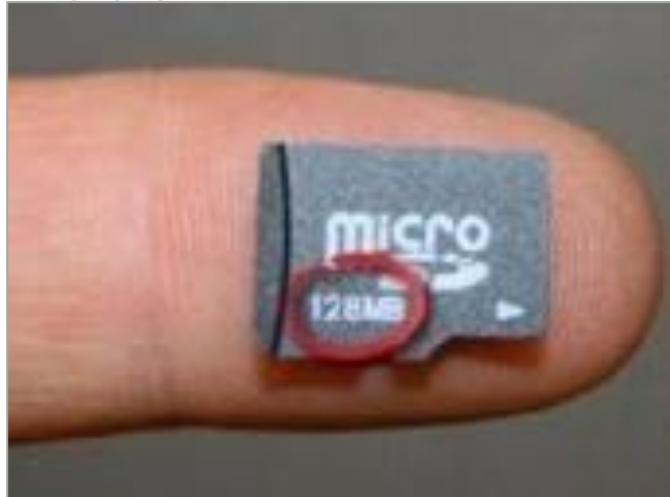
A. Digital disruption





*"If you are not using free
you are competing with free"*

2005



2014



A free trial is not freemium !



Freemium is not the only form of free

Cross subsidy



Advertising

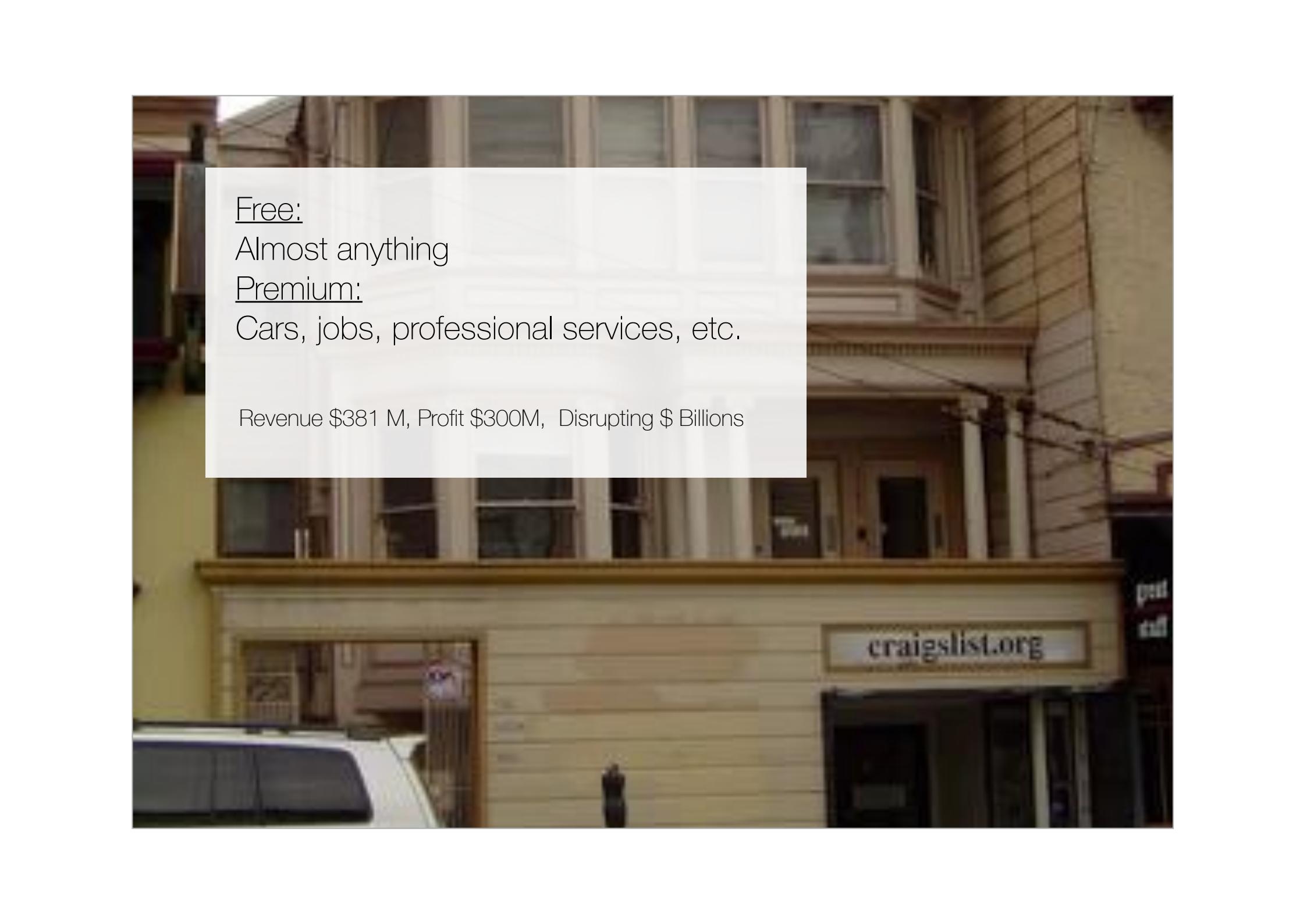


Gift Economy





		High possible reach
Low possible reach		
	Great Complimentary products	Poor Complimentary products



Free:

Almost anything

Premium:

Cars, jobs, professional services, etc.

Revenue \$381 M, Profit \$300M, Disrupting \$ Billions



Free: Profile and networking

Premium: Lead generation, recruiting, etc.

Free:

Basic functionality

Premium:

Undo swipes, and move location.

142 million registered users — 4.6 million paying subscribers

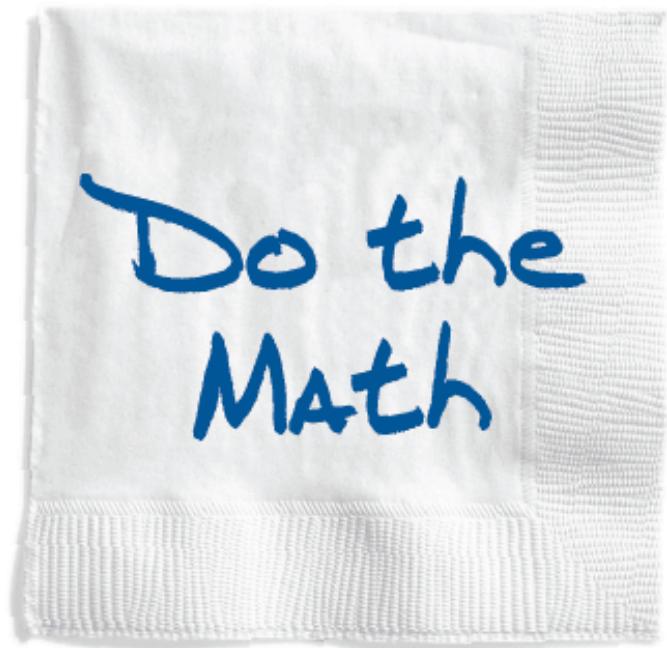
The logo for the dating app Tinder. The word "tinder" is written in a bold, lowercase, orange sans-serif font. The letter "i" has a small orange flame icon as its dot.



Free: full functionality

Premium: payroll and access to accountant

Questions?



Analytical perspective

*"People don't want to buy a quarter-inch drill.
They want a quarter-inch hole!"*

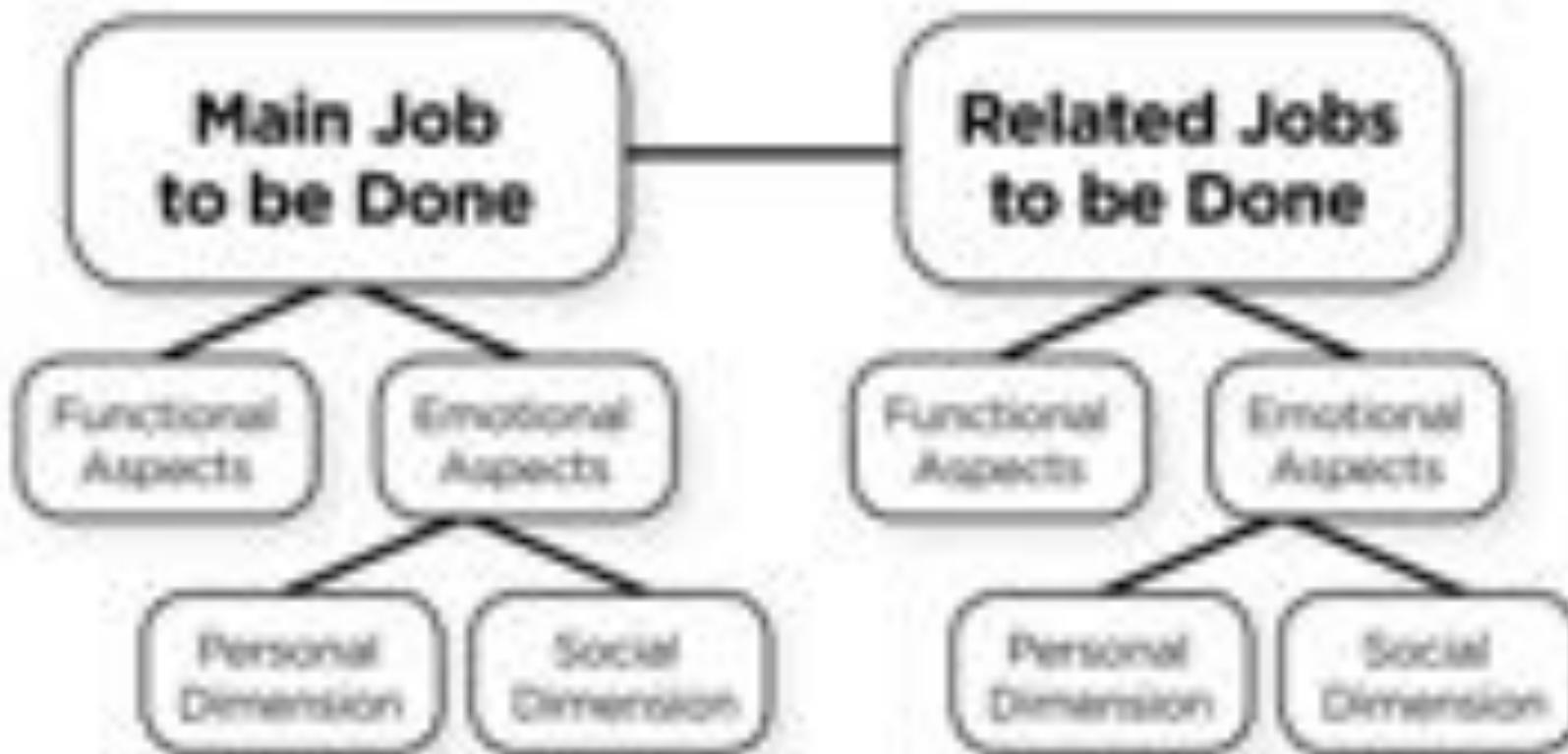
Theodore Levitt



Milkshake



Jobs to be Done Breakdown

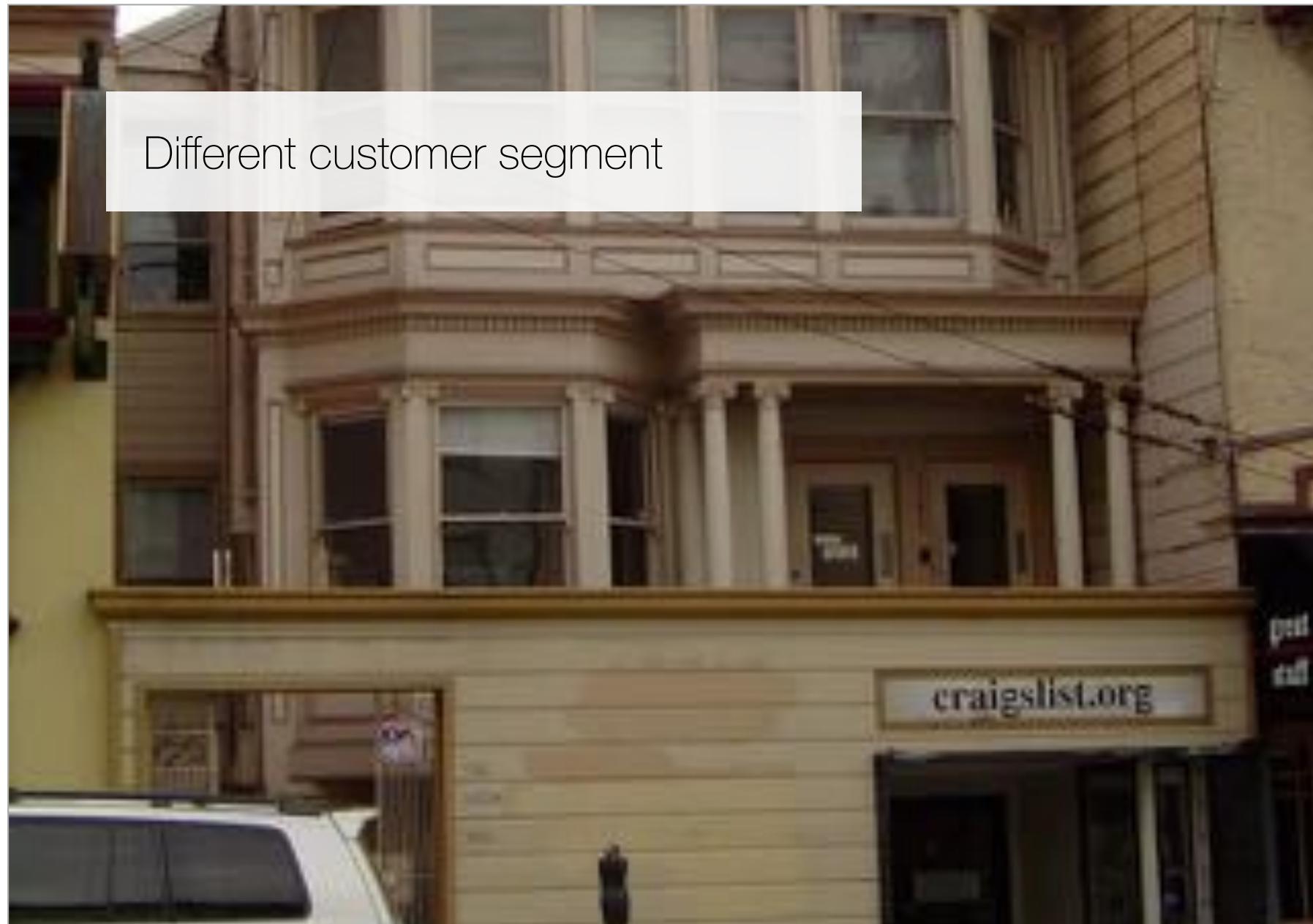




“When analyzing successful freemium models, the difference between free and premium is usually in one or more of four ways;

- 1 Premium targets a different customer segment than free
- 2 Premium offers a different value proposition than free
- 3 Premium addresses a different Job-To-Be-Done than free
- 4 Premium addresses the same Job-To-Be-Done as free, but does it radically better.”

Different customer segment





Different job

Partially different target group

Gets job done radically better

tinder™





Different customer segment
Different job



can do that.[®]



3 prams
2 rocking devices
1 baby chair
1 baby alarm
3 beds...

...and counting



Søg på DBA

Søg

Opret annonce

Min DBA

Biler

Camping

Bilbehandlere

Boliger

Have og byg

Til boligen

Til børn

Tej og mode

Sport og fritid

Både

Cykler

Vis alle kategorier

Send dine pakker billigt med DBA

For eksempel en pakke på 4 kg. for kun kr. 49,-



dba

Lige oprettet på DBA



75 kr.

Tremmeseng, b: 60 l: 119, ...



75 kr.

Lampe, Sirius, Buzz Lighty...



1.000 kr.

Babyseng, Babybay Bedsu...



3.500 kr.

Babyseng, Leander Væne...

Kan du lide os?

Synes godt om 100 tusind

Forsideannoncer



*"People don't want to buy a quarter-inch drill.
They want a quarter-inch hole!"*

Theodore Levitt





✗



Find out how much I should reasonably pay/charge



Find the right model pram to buy



Inspecting the pram and getting it home



Making sure you can snap up get a good deal



Cover out of pocket expenses





✗





IPHONE

ANDROID

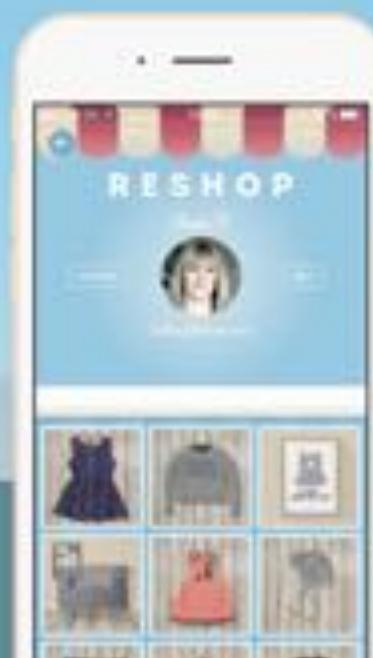


BORNEFAMILIERNES LOKALE MARKEDSPLADS

Køb og salg af brugte børnetøj fra familie til familie.
Nemt og trygt i dit eget nabølag.



SAFARI
Super enkelt sængetøj fra
Døden. Hør kan ikke inde



Den vil jeg gerne have!
Kan nemt få det nu. OK?





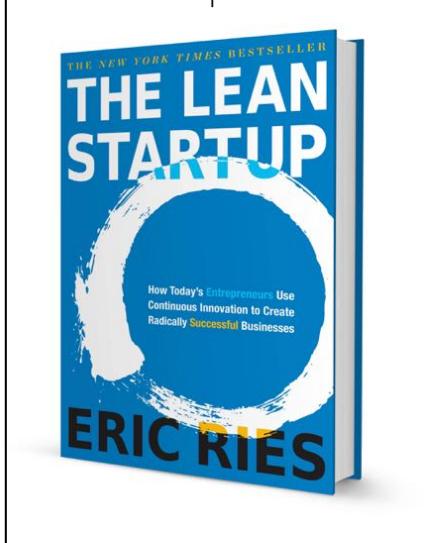
Your Experience



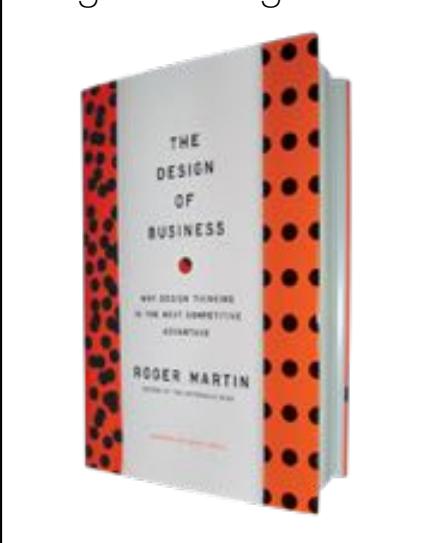
What to do Monday morning

New Innovation Paradigm

Lean Startup



Design Thinking

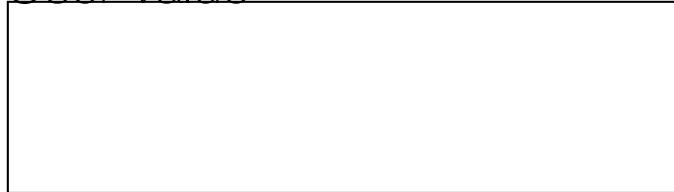


Business Model Canvas

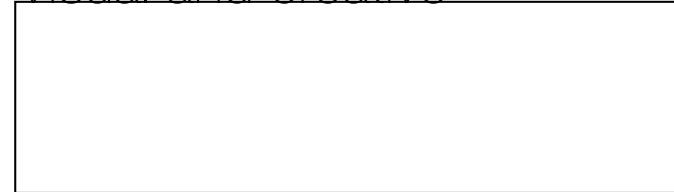


Four characteristics

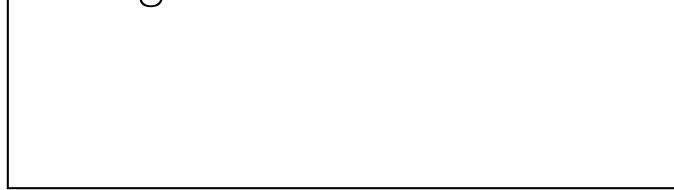
User value



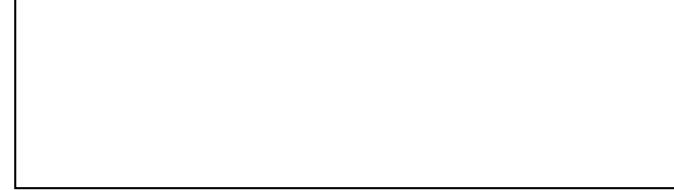
Visual and creative



Testing



Iterative



Traditional paradigm



Development as the application of science.

- Works very well in predictable conditions
- Linear planning
- Business plan
- Context with few disruptions

New Innovation Paradigm



Development as the application of science.

- Works very well in uncertain conditions
- Discovery driven planning
- Iterative rigorous testing
- Context with many disruptions

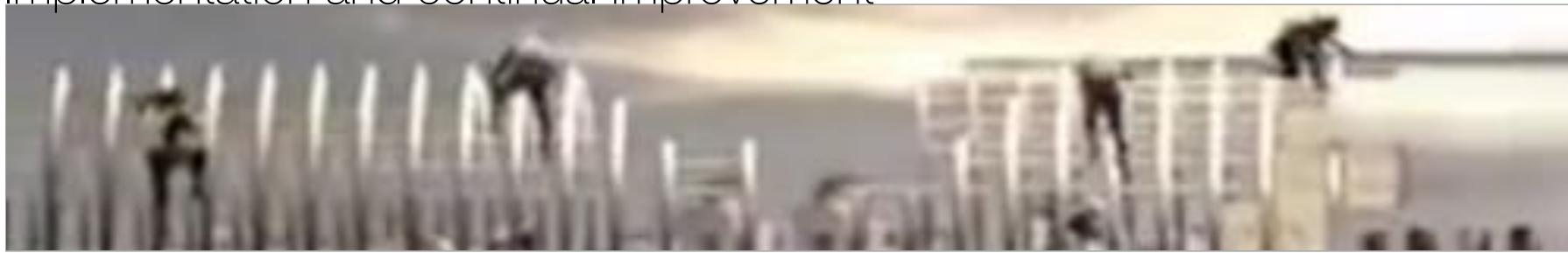
Understanding and hypothesis



Systematic and rigorous testing



Implementation and continual improvement





Create strategical hypothesis
based on user needs



Set up experiment to quickly
test hypothesis



Hypothesis & test
with your own case

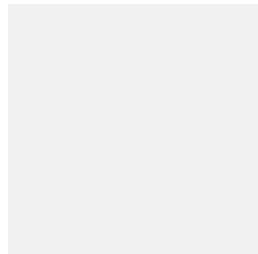
...ation as a craft



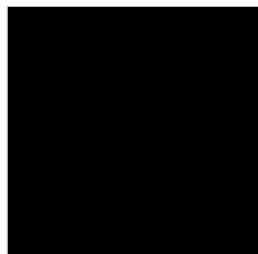
Innovation as a craft



What is Freemium?



Jobs-To-Be-Done in Classifieds



New Innovation Paradigm in Classifieds



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Freemium.org