

THE EVOLUTION AND PLACE OF THE BUSINESS MODEL WITHIN THE NEW WORLD OF DIGITAL BUSINESS Business model researchers are attempting to determine its meaning, boundaries, components, and relationships with other business aspects, such as business processes and business strategy. Magretta (2002) argues that the business strategy explains how AI–Debei et al. Defining the Business Model Proceedings of the Fourteenth Americas Conference on Information Systems, Toronto, ON, Canada August 14th–17th 2008 5 business organizations hope to do better than their rivals, whilst the business model describes how the pieces of a business all fit together. They see the business model as an interface or an intermediate theoretical layer between the business strategy and the business processes (Osterwalder, 2004; Tikkanen et al., 2005; Rajala and Westerlund, 2005; Morris et al., 2005). Some researchers see them as identical and use the terms interchangeably: Kallio et al. (2006) depict business model components as a set of business strategies. Figure 1.