DeuS

Business Model

Content for DeuS BM

WP 6

ECBN

9 July 2021

Introduction

With the aim of developing the strategy and business model that bests suits DeuS project, within Work Package 6 – in charge of the business model and action plan – a series of workshops were designed to work in a collaborative way together with the other partners. These workshops have been focused on the vision and mission of the project, on different strategies that could help enhance DeuS' performance and, in a nutshell, on the projects' future and sustainability for the long-term run.

Over the workshops carried out, partners have been able to participate in the process of the strategy and business model definition to tackle DeuS future. The participatory sessions have allowed partners to be involved in every step of the process and give their view on each of the strategic aspects.

Methodology wise, each workshop has followed the same structure: an introductory part and theory explanation followed by the collaborative section, using Mural as the main tool to report and note down all opinions, comments, suggestions… Additionally, workshops containing specific methodologies or strategies in the section below (Six Thinking Hats, 3 Horizon Model, Real Time Strategy, Lean Start-Up Methodology, Disruptive Business Model and Partnering Strategy, as well as the specific canvas used).

KEYWORDS: DeuS, project, vision, mission, future, strategy, business model, products, start-up.

Background

I. Vision and mission

Six Thinking Hats Methodology for DeuS

The Six Thinking Hats Methodology/Tool/Technique, created by Edward de Bono, is designed to address decision making processes from multiple points of view. It forces the participants to change their usual way of thinking and analyse a situation from different perspectives. This way, at the end of the exercise, the team had a full understanding about their idea for the vision and mission of the DeuS project. For the application of the method, the workshop leaders defined and posed a series of questions in order to cover all strategic areas.

II. Long-term strategy

3 Horizons Model

DeuS' strategy, thought to ensure a long life of the project, is based on the 3 Horizons Model. This model was drafted by McKinsey in 2009 looking for a way to innovate in 3 stages, focusing on different elements and objectives for each horizon (or stage). Together with the Lean Start-up Strategy, a strategy that aims to shorten the product/business development processes as much as possible, the combination has been devised to offer a plan that covers all DeuS' needs: from product to planning. All DeuS products (or pillars) were taken into consideration when designing the mentioned plan: DeuS Platform (including training, living labs, knowledge exchange and consulting) and DeuS' Community, as well as its the open design methodology from which these are built and always keeping in mind the vision and mission. This framework can be extremely useful to think about the future of a business, project, etc., and is based on three different stages or "waves" of innovation to be applied the following way: Horizon 1 (1 to 3 years, short-term): maintaining and strengthening the core business, Horizon 2 (2 to 5 years, mid-term): explore and discover new expansions, and Horizon 3 (5 to 12 years, long-term): create entirely new products and competencies.

Lean Start-Up Strategy

Lean start-up is a methodology for developing businesses and products that aims to shorten product development cycles and rapidly discover if a proposed business model is viable; this is achieved by adopting a combination of business-hypothesis-driven experimentation, iterative product releases, and validated learning. Lean start-up emphasizes customer feedback over intuition and flexibility over planning. This methodology enables recovery from failures more often than traditional ways of product development (Blank, 2013). It is designed to teach how to drive a start-up (institution, business) based on constant adjustments with its characteristic steering wheel called the *Build-Measure-Learn* feedback loop. This process facilitates the business development showing when a pivot is necessary or if it is better to persevere, meaning the current followed path is working. (Ries, 2011).

Real Time Strategy Planning

Real Time Strategy Planning is a strategy framework that aims to create an effective strategy for an organization in the rapid-response real world of today resulting in more clarity about the organisation's long-term direction and new tools to guide the day-by-day response to new information (challenges, threats and so on). It has seven steps divided into two main cycles: steps that can (and are) be done during the Real Time Strategy Planning kick off session and the steps that need to be done after. It has 3 different levels of strategy, each one matching a layer of work: organizational (determine mission, vision, trends, competitors, partners, and market position), programmatic (decide on approaches and offer programs and activities to achieve specific outcomes related to the target audience), and

operational (administer and oversee systems, policies, and personnel in areas such as finance, human resources, communications and information technology).

III. Business Model & Partnership

Disruptive Business Model for DeuS

Disruptive Business Models are designed to innovate, enhancing the advantages and value creation by making simultaneous changes both to an organisation's value proposition to its customers (the "what", our offer – product or service - that generates the revenue) and to its underlying operating model (the "how" we generate it, meaning, costs). These two elements form the equation called "profitability equation", which relates revenue (value proposition) and costs (operating model) , calculating the final profit of an organisation or business. The business model lets the organisation understand its value proposition (who, what) and the operating model (value chain, partnerships and strategic resources and competences). The aspects that were taken into account to conclude that a Disruptive Business Model would be a good strategy for DeuS to follow were its innovative and disruptive nature (as already mentioned), the will to change the traditional educational models into a more open, accessible and attractive system in order to survive in the long-term run, DeuS stakeholders and user segmentation, and the potential that this model offers for DeuS to grow and adapt (its flexibility and continuous innovations to pull through the sector's needs and challenges).

Partnering Models

Partnering can be described as the strategy to reach a company's or an organization's goals through collaborations, seeking for complementary capabilities to gain access to new markets, to grow, to reduce risks... (McKinsey, 2019) there is not an only partnering model that works, everything will depend on the goals and the organization. It is important to remind that talking about partnering is talking about, collaborations but also about legal issues, tasks, responsibilities, economical support as well as how collaborators can merge and share. As seen in the workshop, there are multiple ways to develop a successful partnering strategy, so, to reach an agreement on the best partnering strategy for DeuS, a partnering canvas was used to acquire the knowledge regarding: created value (what will be the result of the value transfer between partners?), value offer (what leverage do we offer our partner?), desired assets (what asset do we seek to leverage from a partner?), and transfer activity (how will we collaborate to connect and transfer value with our partner?).

Analysis and results

WP6.1.1. Vision, mission and objectives

7/12/2020

The workshop allowed the team to end up with a complete set of results for each of the goals of the session. Regarding the **VISION**, which had previously been slightly analysed by the responsible of the work package 6 (strategy and business model), the results of the session lead to the following conclusions:

+ **Vision** and **mission** are important issues that need to be well defined and established in order to have a **solid base** from where to build the whole project, and has proved to be a common worry.

+ **DeuS** can be a solid project as long as it has its **target**(s) clear, is able to **adapt** and grow within the rapid changing needs and CCIs challenges, and reaches to all its partners to keep working on the same direction.

+ **DeuS** can be a powerful **tool** to bring new **educational opportunities** for the CCIs sector and even **inspire** other industries on the way, and create cross-sectoral collaboration to bring and inspire new and innovative projects and ideas.

As for DeuS' **MISSION**, the insights gained are:

+ **DeuS** is a **bridge**, a gap filler, between VET training and the actual needs of the CCIs that this training system does not cover. It is a **platform** that responds to the sector needs, from training to networking.
+ To keep the project working, and **deliver** on its mission (and vision) it is fundamental for partners to keep working together, reaching for the same goals and understanding of the project, as well as taking care of funding issues and reach for new stakeholders and targets.
+ Although its current mission has a delimited **geographical zone**, reaching a wider zone could be considered in the future (to increase its impact, of its mission).
+ It has an important mission of making "thinking out of the box" a **valuable competence**, changing the scope of educational programs and the way classical learning is conceived (outside a classroom).
+ It also aims to be a space to encourage **public-private collaboration**, funding and co-creation wise. As well as involving agents from the different parts of the value chain into the same room.

DeuS' **OBJECTIVES** comprise…

+ Creating and developing **successful training** and **living labs** (through piloting programs)
+ **Sustainability** beyond the life cycle of the project itself
+ Making DeuS' platform **recognized** by international agents such as the EC, European Cities of Culture or other CCI networks and authorities
+ **Measuring** its steps and development to avoid missing the project goals, always ensuring the objectives fit the mission and vision
+ **Fitting** EU's market and CCIs sector
+ - Creating an attractive, practical, useful **platform**, through a flexible and sustainable **Business Model**
+ Implementing a **toolbox** of competences for CCIs professionals
+ To continue the project's development beyond the grant period, a **long-life Project.**

WP6.1.2. Stakeholder Workshop

02/02/2021

Summary

To establish an analysis of the gain and pain points for targeted user segments the DeuS team defined three varying target groups such as firstly, the Individual CCI professionals, secondly researchers and thirdly the target group of policy makers as Stakeholders to the Deus project. In order to avoid a generic User Segmentation, the team decided to develop a deeper understanding of the selected target groups by cross-reference the findings with an existing broader and market data-based User segmentation model. This attempt follows the idea of creating a deeper understanding of the selected social segments and generating a broader validation for the DeuS 2.0 business model. Against this background, the DeuS team developed an extended user segmentation model based on the insights of Pierre Bourdieu's research and the later developed social stratification model, the Sinus-Milieu-Modell (Sinus 2021). The market data used in this model is based on the international Sinus-Meta-Milieus model (E4), which was enriched by market data provided by TGI's market data of 72.000 respondents from more than four major European countries. This big data background of the E4 European Sinus Milieus facilitates the further development of the DeuS 2.0 Business model and helps in estimating market potential and in the preparation of the DeuS 2.0 Business plan.

Introduction

The aim of this Strategy - Stakeholder Theory Report is to provide justifiable arguments for a DEUS business model and a derived DeuS 2.0 Action Plan. Therefore this report intends to create a thicker account on DeuS's User segmentation model and a more detailed description of potential DeuS Users for the business modeling phase. This includes the creation of a generalised "European DeuS User-Model'' with a socio-economic stratification of potential DeuS Users from all over Europe. This deeper understanding feeds into the building of MARKET & MEDIA INTELLIGENCE for the DeuS 2.0 project and promotes the findings of pain and gain points for different DeuS Users segments. As a preliminary work and briefing for the stakeholder analysis, the DeuS team defined three different target groups and two target communities. Individual CCI professionals, researchers and policy makers are building the core target group of the DeuS project. Edu providers and intermediary agencies are organisations which are of additional interest.

This report is structured in firstly, the reasoning of why the strategization of User segmentation is important in an entrepreneurial setting and secondly explains the difference between Market and User Segmentation. In a third attempt this report also explains the differences between pure demographic and psychographics segmentation models and fourthly explains the origins of today's Sinus-Milieu studies based on Pierre Bourdieu's studies on the epistemic individual and its use for a socio-economical User segmentation model. Finally, in the outcome section the findings of the Sinus Milieus Studies, which follows a stratified cluster analysis of European psychographic oriented user segments provides a deeper insight in the lifestyle models of European Users. As a background of this strategized User model of the DeuS team especially the target group definition for WP5 is used as preliminary work. The DeuS team predefined the three potential User Segments CCI professionals , researchers and policy makers , these three groups are mirrored in this report based on the European Sinus-Milieu Lifestyle studies in firstly, Postmaterialists, secondly the Modern Mainstream and thirdly as Ground Breakers in the Hedonistic Milieu. The outcome section ends with a detailed description of the defined segments and presents also corresponding market data.

Background

This part of the strategic Business Model of a future DeuS 2.0 organisation propels around the definition and selection of relevant target groups but also provides justification and estimation of potential user segments. Based on the User Segmentation model and Bourdieu's stratification theory this report provides a working model and toolset to develop a sustainable business plan for the

coming DeuS 2.0. This report was developed in two co-creation sessions with the team of DeuS with the goal to create a common body of knowledge of WHY and HOW DeuS will operate in the near and distant future. The preliminary work of WP5 (Platform) was used as a starting point . The WP5 team provided a user model of three individual personas and two organisational profiles. Firstly, the individual users are described as three different personas: a) CCI Individuals, who are looking for training opportunities, showcase their talent or for finding coop partners, b) Researchers, who are seeking research partners or access to other research and c) Policy makers, who are looking for good cases or examples, a pool of potential testers or other partnerships.

Picture 1: WP5 Individual Personas for Market Segmentation

Secondly, for the organisational segmentation, DeuS defined two different communities of potential organisations.

a) Educational providers or VET organisations which are looking for inspirations for their courses or new participants for their courses but also looking funding opportunities and

b) Intermediaries which are looking for good cases of support programs and other creative businesses.

*Picture 2: WP5 Market Segmentation for Organisations*

Stakeholder Theory

This part of the DeuS strategizing exercise is based on an analysis model of Stakeholder Theory and Analysis which is rooted in the theory of organisational management and business ethics (Lin et al 2018). This model considers multiple constituencies affected by business units such as employees,

suppliers, local communities, creditors, and others. The background of the model addresses ethics and values for managing an organisation and addresses the work field of such as Human Relation (HR), Cooperate Social Responsibility (CSR), Leadership and Management.

Picture 3: Stakeholder Analysis across the Board
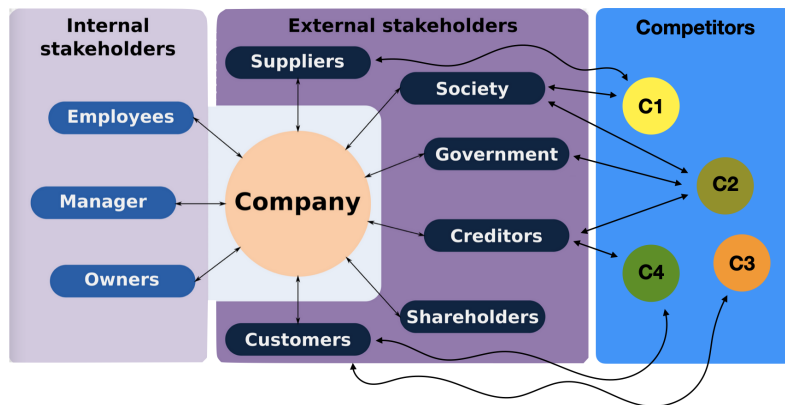
This model not only deals with internal stakeholders such as employees and management, but also with external stakeholders such as suppliers, creditors or customers or society as such. We extend the stakeholder theory model with the dimension of potential competitors who might share some of the same e.g., suppliers, creditors and for sure are competing for the same customers and are playing a vital role also for society. They are not directly connected and share no deeper connection than other stakeholder but influence positively or negatively the work of DeuS. The goal of the stakeholder view of strategy aims to integrate a resource-based view and a market-based view which is enriched by a socio-political and socio-economical level of research. The stakeholder theory indicates two distinguished dimensions which firstly, seeks to define the specific stakeholders of a company (the normative theory of stakeholder identification) like user segmentation or target group definitions and then examine the conditions under which an organisation treats these parties as stakeholders (the descriptive theory of stakeholder salience) (Roberts 2003).

Market and User Segmentation

User segmentation is the process of dividing potential user groups into specific segments so that marketers or an organisation can target groups of individuals based on their distinguishing features or shared characteristics. Segmentation can be structured e.g., through language preferences, products, geography or user personas with the goal to create personalised experiences for each segment. This aim of user segmentation gives an organisation a deeper understanding of its existing or potential user base. Segmentation structures users with similarities and are alike. Cohort groups of similar users can uncover the attributes that are common to a company's most valuable or successful customers. Such segmentation can also help the product development team to design different user experiences for different types of users with the goal e.g., of an increased User engagement or the renewal of subscriptions.

The literature indicates two basic distinguishable groups of segmentation techniques used in the field of market segmentation. First, the methods of deductive reasoning used within demographic or geographic analysis. These methods belong to the domain of quantitative analysis, these theories and are tested against demographic or geographic data. The second set of methods applies inductive thinking in the field of qualitative research and applies to psychographic or behavioural analysis.

Picture 4: Characterisation of Market Segmentation approaches
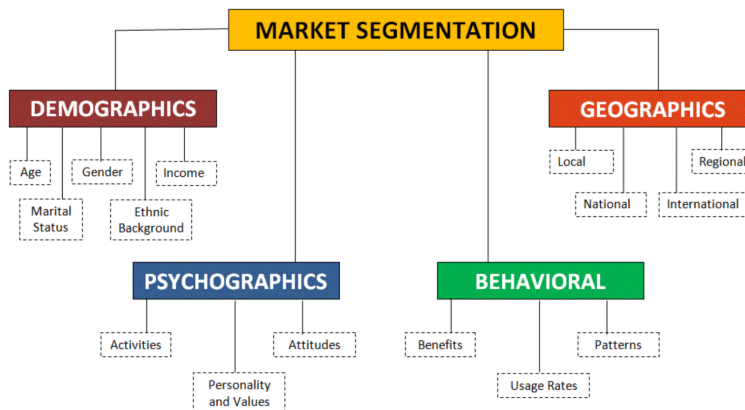
Demographics vs Psychographics

In short, the main differences between demographics and psychographic methods in segmentation is that the first is based on qualitative and the latter is based on qualitative reasoning . While demographic analysis tries to answer the question of WHO the buyers or users are and uses the analysis of WHAT or WHERE these groups are doing things the psychographic segmentation tries through the analysis of the WHY and HOW to call and identify people's behaviour. While the first reasoning drives its rationale and segmentation based on hard facts such as age, gender, race, location, employment status or income, the latter is answering the why and how of soft facts such as attitudes and activities. The why and how examines values, interests or attitudes, but also opinions and lifestyles is a summary all the soft facts of a personality. Quantitative reasoning is used by collecting data through conventional questionnaires, census, consumer reports or marketing reports, while qualitative data is analysed using tools such as focus groups, surveys, website analysis, browsing data or socio-economic psychographics such as SINUS-MILIEUS studies. Demographic segmentation is used to create User profiles by grouping consumer features in their frequency. In contrast the psychographic segmentation presents its findings through a well-defined lens as personas or epistemic individuals, where some favourable features are highlighted, and others are presented in a restrained fashion.

Picture 5: Demographic versus Psychographics

The epistemic individual - Sociometric or Socio-economic psychographics

Personas or in academic words epistemic individuals are used in the process of establishing e.g., a Business Model as a reasoning and verification tool. Personas are a focal point which assemble all features, needs and thoughts of an idealised person to visualise a business strategy and target group.

These idealized persons or epistemic individuals are not so much distinguishable through their statistical functions but are divided by distinctions to others. Bourdieu calls this strategy "creating an epistemic subject". By this definition first coined by Bourdieu (1990:23): empirical individuals are constructed subjects which are distinguished by their statistical properties. Therefore, these constructed individuals or groups of individuals are structured for scientific purposes and are characterised by a set of identical criteria. In contrast to the empirical individual, Bourdieu defines the epistemic individual as a form of abstraction where the epistemic individual contains nothing evading conceptualization(Bourdieu 1990:23). In other words, on this level of an analysis two or more empirical individuals become indistinguishable and as Bourdieu illustrates this process, it becomes written into a list of variables.

According to Scott (2019) sociometric uses graph theory to measure the proximity of individuals by showing: „the number of likes that must be traversed to connect" (Scott 2019:21) two persons. Either these measurements count simple the number of contacts of persons or the emotional or subjective distance between them. One feature of the sociometric methodology is that the social space in which individuals cluster or the individual position of persons in such social space can be shown. This technique depends on a factor or cluster analysis of individuals. As Scott (2019) points out, famously Pierre Bourdieu (1979) used a cluster analysis for his stratification studies in his book Distinction a social critique of judgement and taste (Bourdieu 1979).

Picture 6: Epistemic Individuals and Factor Analysis Methods
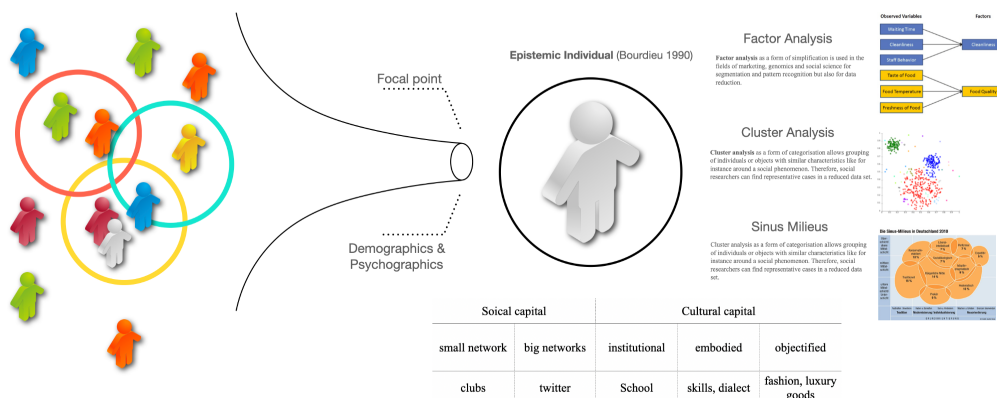
Cluster Analysis and Sinus Milieus

As described above a central element in Bourdieu's analysis of stratification of populations is his adaptation of a cluster analysis for his research. For finding similar structures in datasets either factor analysis or cluster analysis are used for inference. For social scientists, both methods are equally important for the purpose of segmenting individuals or finding patterns in social phenomena. Firstly, in general terms a factor analysis is used to measure the variability for correlated variables. Variability is a statistical method which measures the squared deviation of a random variable from its mean as a central point of its distribution. Factor analysis helps social researchers find a set of representative features in a reduced set of data without examining all the data at once. Factor analysis as a form of simplification is used in the field of marketing, genomics and social science for segmentation and pattern recognition but also for data reduction. On the other hand, cluster analysis is a form of categorization which allows grouping of individuals or objects with similar characteristics like e.g., around a social phenomenon. Therefore, social researchers can find representative cases in a reduced data set. A general explanation for cluster analysis is that therefore the clustering of persons or

objects helps to find the belonging of persons or objects most likely to the same distribution. A modified technique of cluster analysis is used for the plotting of Sinus-Milieu graphs (Borgstedt 2016:113).

As the authors Barth and Flaig (2018) the main authors of the Sinus-Milieu studies are describing their milieu-based segmentation approach for market research purposes in identifying homogeneous groups "with higher Internal communication and differentiation from other groups" (Barth 2018:3). The Sinus-Milieu studies are rooted in the work of Pierre Bourdieu as the author Bertram Barth explains in the introduction of the book "Praxis der Sinus-Milieus'' (Barth 2018) where the social class is defined over its economic and cultural capital. For Barth and Flaig Milieu-specific value orientations of individuals are expressed through everyday practices and specific lifestyles (Brath 2018:4). These lifestyles demonstrate at the same time milieu affiliations and differentiation from other milieus. For Barth and Flaig social milieus are showing a stable belonging of individuals to certain groups or milieus over constant values and conventions. On the other hand, lifestyles are bound to fashion and express short-term preferences.(Barth 2018:4) As Barth and Flaig are claiming that the Sinus-Milieus are based on a deductive reasoning where, firstly different lifestyles are investigated through exploratory research (Barth 2018:5) and out of this empirical generated narrative material in a second step generalized categories are built a priori. According to Barth and Flaig (2018) this leads to a hypothetical social milieu model where individuals are grouped through their values and lifestyles and basic attitudes towards life itself. In a third step these results are examined quantitatively (cluster analysis) through a representative generalization in a deductive process where the initial hypothetical model is changed in an iterative process (Barth 2018:5) until theory and empirical data match. As Barth and Flaig point out, this is a deductive approach which is in stark contrast to the common German inductive-empirical approach where first through cluster analysis groups are built and a posteriori narratives for aggregated groups or clusters are formulated.

Picture 7: Evolution of Sinus Milieus Model, Left Schwarz 2009. right Sinus Institute 2010
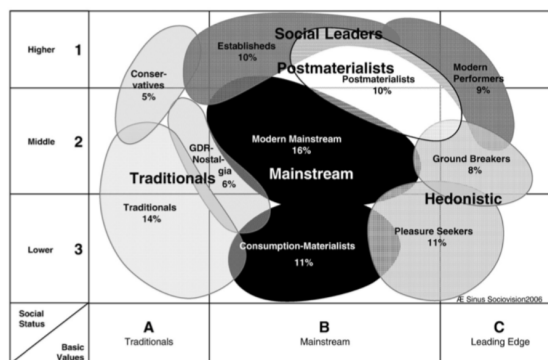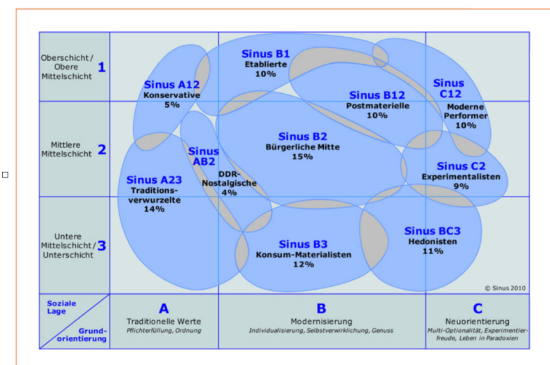
Sinus Meta Milieus (E4)

Today's Sinus Meta Milieu models derives from the original Sinus Milieu Model which is based on ten different aggregate lifestyle groups and held actuality until 2010. These 10 different groups are distinguished through a vertical raster of belonging to the Lower-, Middle- or Higher class and on a vertical base in values of (A) Traditionals, (B) Modernisation with materialistic and individualistic approaches and (C) Re-Orientation which acknowledges multi-optional experiences and a modern life with paradoxes. The present Sinus Meta Milieu groups populating the model described by Sinus Sociovision (Sinus Institute) are starting at the High and High-Middle Class with the Established (EST) which are self-confident and think in the terms of success and feasibility on top of the higher class and are distinguished from Intellectuals (INT) which are open minded and belong to a young and unconventional elite. The Performers (PER) are flexible and social mobile and are together with the Cosmopolitan Avantgarde (COS) which hover between the Middle and Higher Class and have liberal

and post material values and intellectual interests. The middle segment is dominated by Traditional (TRA) which are arch also into the lower-class segments and are status quo and security oriented. The group of Modern Mainstream (MMS) stands for the classical middle class and is looking for harmony and private happiness. The Adaptive Navigators (ADA)are good organized, loyal, pragmatic and reliable which can be distinguished from the Sensation Oriented (SEN) with their fun-oriented and unconventional lifestyle and looking for independence and escapism. The Consumer Materialists (CMA) which are consumer and hedonistic oriented.

This present study focuses on the analysis of the Sinus-Meta-Milieu Styles (E4) which incorporates market data from the KANTER Media Target Group Index (TGI). The TGI consumer data provides a complete profile of media consumption starting from print , TV, radio and online and investigates the product and brand usage as well as consumer behaviour. The intention of this approach is to generate a deeper understanding of consumer behaviour by combining the market data findings with the sinus lifestyle model, which cannot be achieved using traditional, exclusively demographic consumer data.

Picture 8: Sinus Meta Milieus Europe 2021
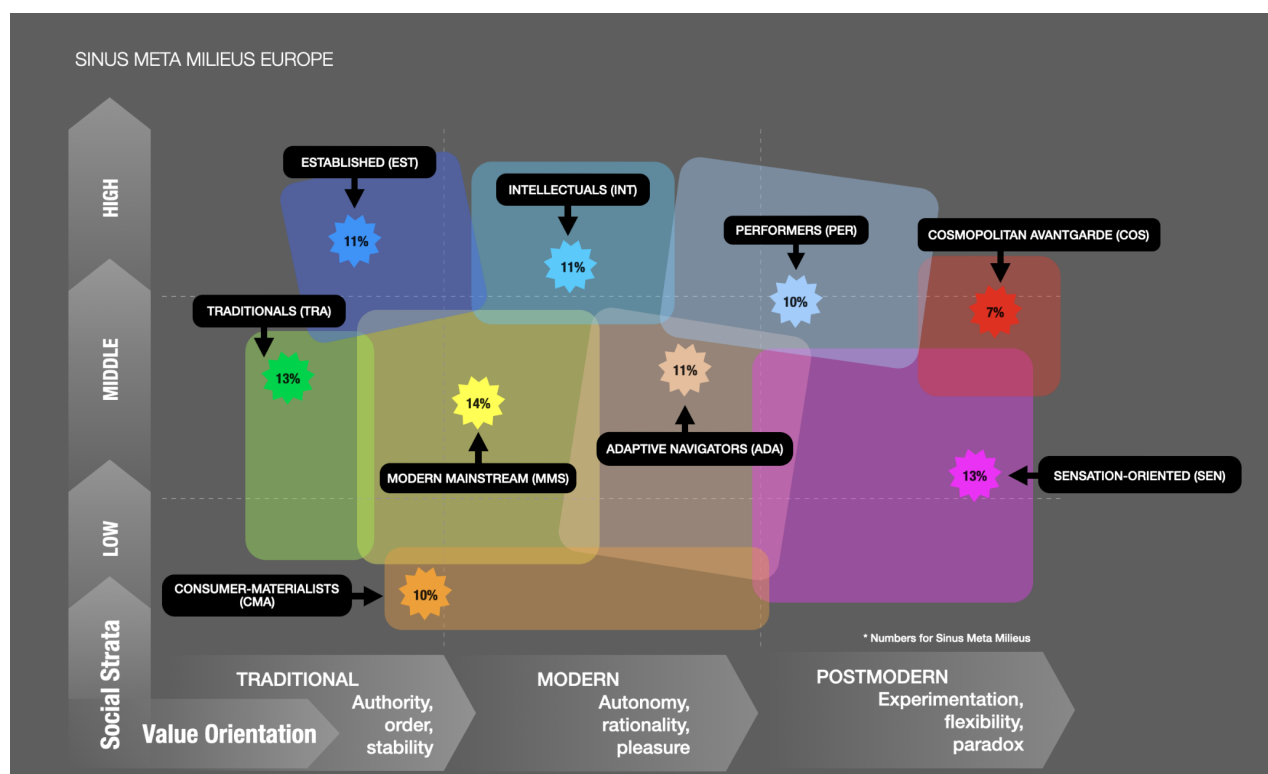
Findings

In a joint workshop on 2 February 2021, the DeuS team worked on refining and specifying the existing stakeholder analysis for the use of the Business Model Canvas to be developed. By mapping the three existing stakeholder or target group types to the Sinus-Milieus psychographic segmentation model and the corresponding market data, DeuS will benefit from a deeper understanding and a validated user segmentation model. This approach followed a threefold process: firstly, define the target groups in more detailed fashion and secondly match the individuals of the target groups to a broader User Segmentation Model. Finally, in a third attempt these potential customer segments are matched with market data to create a deeper insight accompanied by market data.

Picture 9: Threefold process of Quantifying and Qualifying the DeuS User Segmentation Model

1. Define Targetgroups

2. Create User Segmentantion by
Matching Individuals/Targetgoups
with Sinus Millieus

3. Quantify and Qualify
the Customer Segments
by applying EU Sinus Milieus
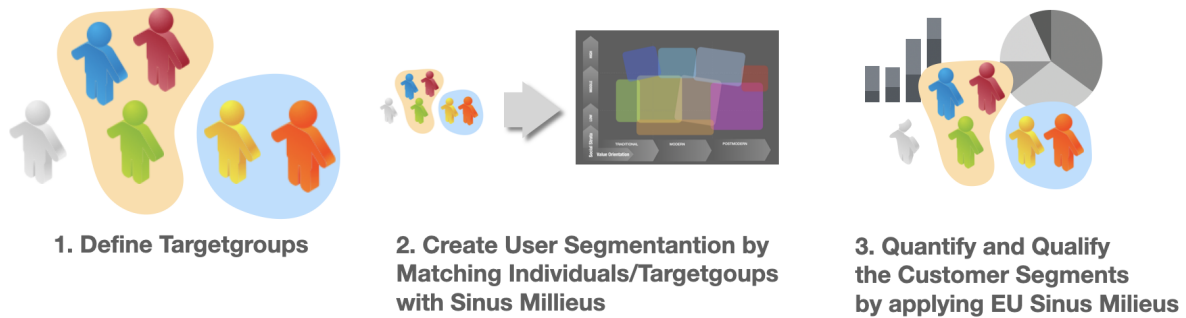
The first step of the target group search was defined by the stakeholder analysis and accepted as the result of the preceding iterative workshops. In this workshop we matched these individuals with the Sinus-Milieu segmentation model by defining the i) social capital, ii) financial capital and iii) cultural capital of each target group. These three dimensions are defined by Pierre Bourdieu's field analysis and study on the epistemic individual where he defines these three dimensions (Bourdieu 1986, 1993). This exercise unfolds a clear picture of the anticipated Deus target groups. The researchers and contributors of the DeuS team ascribe Policy Maker in their social, cultural and financial capital dimension as traditional and place them in the low and middle social strata and are belonging in large parts to the Modern Mainstream which obeys to authority and order and is looking for social and financial stability. The DeuS team placed Researchers in the middle and high social strata. According to their social, financial and cultural capital Researchers are Modernists who favour their autonomy and pleasure but argue for rationality in their daily decisions. The third group which DeuS is targeting are the CCI professionals who are attributed as Postmodernists by the DeuS team and are placed in the high and middle social strata. This group can be distinguished by a sense of experimentation and handling of paradox lifestyles which needs flexibility on the one hand and pragmatic decisions on the other (e.g., Climate Crisis and taking flights for City tourism over weekends).

Picture 10: Mapping DeuS Target groups to the Sinus Milieus
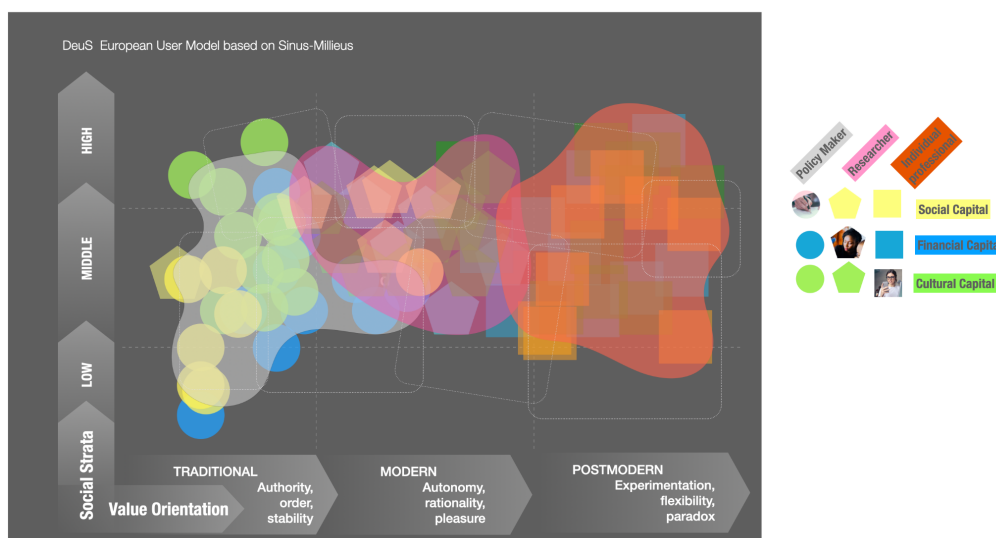
Conclusions

As the results show, the DeuS target groups can be divided into three distinct groups. For the purpose of clarification and simplification, the ECBN team proposes to focus on three specific Sinus-Milieus groups. Firstly, most workshop participants classify Policymakers as Modern Mainstream and locate them with traditional values in the lower to middle social strata. Secondly, the target group of Researchers as Modernists with their modern values are predominantly located in the middle social strata. And third, the group of CCI Professionals is predominantly located in the higher-middle class with its Postmodern values.

MODERN MAINSTREAM 14%

The protagonist of the Modern Mainstream according to the Sinus-Milieu research is "looking for harmony & private happiness, family-relatives-friends, comfort and pleasure, striving for social integration and material security, defensive towards changes in society" (Sinus EU 2021). The modern mainstream, which predominantly represents the baby boomer generation, was born between 1946 and 1964 and has an income of €37,000 (men) and €23,500 (women), just below the European average. The group of Modern Mainstream have a low level of education and are traditional media consumers and do not use or are light users of the Internet. Also, their eCommerce habits are much below the average of European Users.

Picture 11: MODERN MAINSTREAM
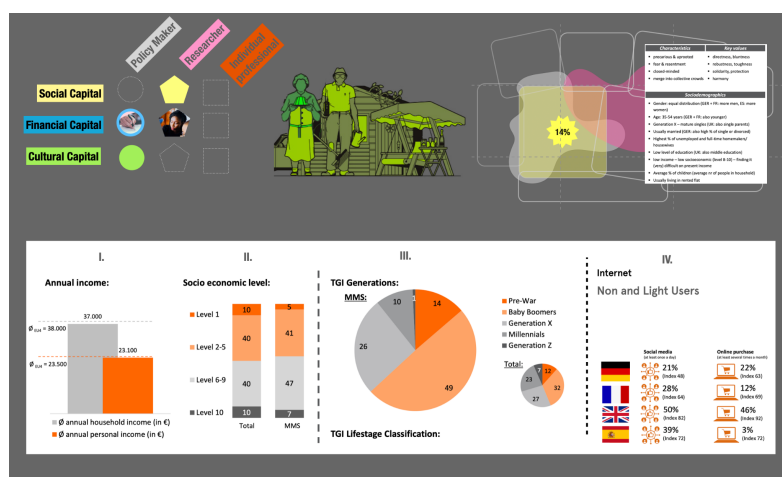
ADAPTIVE NAVIGATORS: 11%

Sinus Milieus described the group of Adaptive Navigators as "Loyal & reliable; flexible & security-driven, achievement-oriented, pragmatic and adaptive, good organized; want to be on the safe side; re-grounding; family & friends" (Sinus EU 2021). This segment consists of Generation X, born between 1965 and 1980, and Millennials, born between 1982 and 1996 which have an income level of male € 37.200 and female € 22.500. Adaptive Navigators have an education level, and the Internet use is in line with the European average and e-commerce is still underdeveloped.

Picture 12: ADAPTIVE NAVIGATORS:
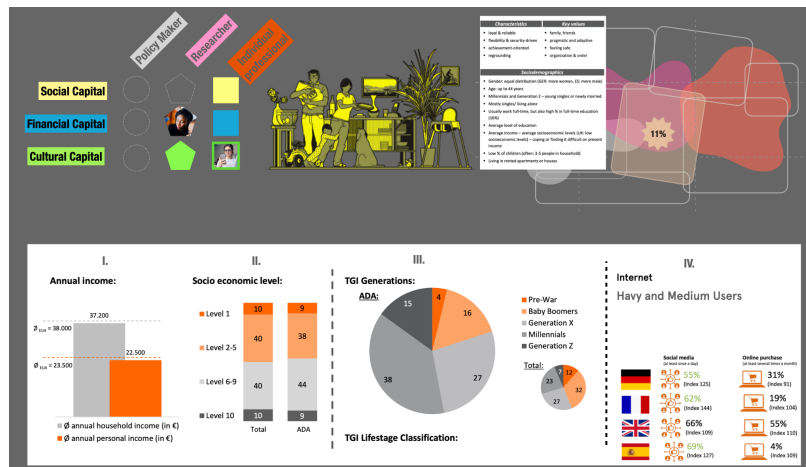
COSMOPOLITAN AVANTGARDE 7%

The third group of Sinus Milieus corresponding to the DeuS User Segmentation consists of the Cosmopolitan Avantgarde. This group is described as: „Non-conformist, creative & individualistic; self-realization, freedom & independence, no fixed dogma; mobile socializers, global, pluralistic, "scene" cosmopolitan, digital sovereign" (Sinus EU 2021). Millennials and Generation Z form the core of this group and are either single or newly married. The Cosmopolitan Avantgarde are highly educated (>25% have bachelor's degrees), and the annual income is € 44,100 for men and € 24,600 for women, which is very clearly above the European average.

Picture 11: Cosmopolitan Avantagarde:

Resources
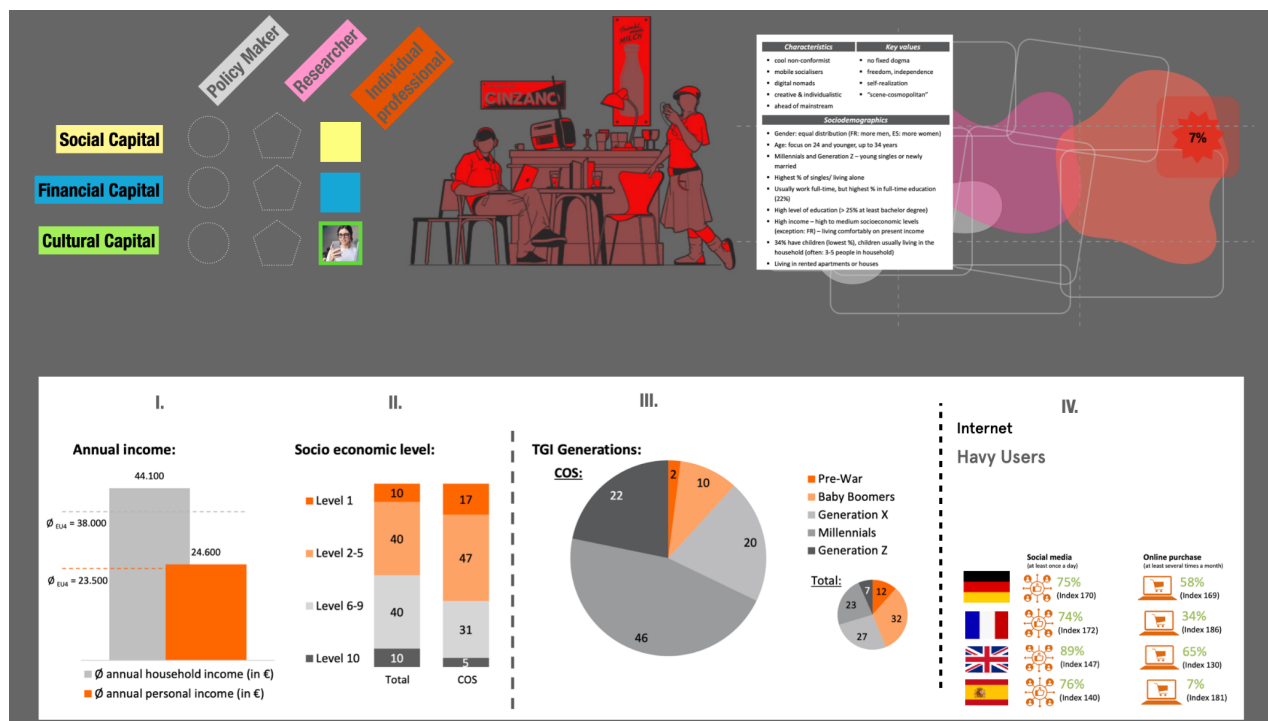
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WP6.1.3. The 3 Horizon Model and Strategy for Products and Long-term planning

17/02/2021

After the presentation of all the concepts mentioned above, the workshop used the tool Mural to apply the concepts in a more practical way, to collectively establish the basics for DeuS' strategy and long-term planning. The outcomes of each of the parts previously described are detailed below:

First part - DEUS IN 2030, planning strategy: What does DeuS look like in 2030?
   + For training, most answers outlined the importance of a tailored and customized experience, answering to the real needs of the professionals and being able to design and deliver visionary projects, through a non-traditional learning way.
   + The living labs were vaguely commented, although it was said that they need to respond to local challenges and plan European synergies to solve them.
   + Regarding the knowledge exchange, it was said that DeuS needs to be a platform and a community that provides a repository of relevant training materials, that responds to the CCIs needs 360° and that offers opportunities and challenges. Being able to get to CCI experts throughout the platform would also make a difference.
   + Consulting as a product could be offered for the European Commission (EC) on cutting edge policies, providing multiple services to various stakeholders (organizations, governments, policy makers…), with an interface between the CCI VET and the EC, as well as a lobby for the CCI sector.

Second part - PRODUCT LINE AND STRATEGIES, solutions for the product lines:
   + **DeuS Consulting**: in the short term, it is important to understand the target properly, translate DeuS model for consultancy businesses and work out the prices and the economic organisation. In a longer distance (mid-term), participants consider it would be a strategic

move to work with public administration to develop participatory programs (bottom-up approach). In the long run, DeuS could end up being a leading Consultancy for VET CCI Skills and program DEV. In terms of quantification, partners outlined various ideas: in a mid-term get around 10 clients (i.e., Municipalities), measure de number of consulting services provided, of appearances at EU or national events, articles and publications mentioning DeuS, education programmes implementing DeuS' methodology and VET policies impacted thanks to DeuS. It would also be important to have a clear idea on the DeuS model for pitching it to possible future stakeholders.

+ **DeuS Trainings**: at a short time distance, participants considered important to have a clear understanding of the financial model for the training platform, defining the methodology and content based on a previous analysis (and design it with an appealing interface, added value) and create a pilot training programme for evaluation and iterative development. For mid-term consideration, the goal should be ensuring that the training program is user-focused (content, design and presentation wise), a variety of teachers, understanding and applying a market sensitive pricing (long-term sustainability), keep growing in content and modules and maybe translating the content into other languages. In a few more years' time, it is important to create a training programme that is adaptable and changes with the times (updated and practical content) and concrete a link to the VET ecosystem in each country. To measure and keep track of the actions and numbers of DeuS training, assistants suggested to rely on the number of students and professionals signed up, number of courses available and taken, of speakers engaged, of interactions between users, of certificates delivered, and number of successful stories published by participants. In the short-term two modules are the objective, and the mid-term goal would be to have 100 users.

+ **DeuS Knowledge Exchange**: short-term wise, partners initially plan on having relevant content from its own creation and also 3rd party content, good cases of VET program and skills needs, 15 policy makers enrolled and active on the platform, summaries of relevant reports through an effective promotion of the programme. In the mid-term, they count on attracting 300 active users, 30 different CCI profiles, a viral community of CCI professionals, researchers and officers, 25 challenges and show case studies to demonstrate the application and outcomes of training and living labs. Here, it is important to identify the suitable financial model to support the knowledge exchange platform. Concerning the quantification of this part of DeuS, the goal is 100 good cases and a community of 50-100 paying members. To evaluate success, the number of users, of interactions between users, of online events organised, of relevant reports or training modules available could be good indicators.

+ **DeuS Living Labs:** the closest steps include the showcase of the methodology through Matera19, counting on a good pool of networks and experts in CCIs that support them, the development of a manifesto for a living labs akin to ODS "recipe" for composition of teams and the identification of common strategy to understand the need of the target customer. After it, it would be key to have at least one good case and business model for the Living Labs, a document that provides case studies to help explain its benefits, the incorporation of physical spaces (post-COVID), and solving 5 challenges to validate and prove the methodology and gain credibility. In the long-term, DeuS could be a leading partner for municipalities to offer living labs as a public innovation method. To quantify this part of the program, some suggest organising one lab per partner in the next 10 months, while others (they are not incompatible strategies or options) opt for the establishment of 5 physical labs to run tests also at local level. In the mid-term it would be good to pitch at least 2 clients

Third part - ORGANISATION TO REACH 2030, baseline analysis:

+ **Dev**: In the short-term, the participants considered it important to propose multiple solutions during the creation phase, having a policy strategy team and an external advisory board for review and suggestion. For the planning phase, they suggested creating a general business development team or maybe one for each product line. During the production phase, it is important to set up indicators from the very beginning to monitor and evaluate the products. In this step, the importance of having an evaluation reiterative process plan was also

mentioned for the mid-term run. During the verification phase, short-term priorities were to verify the products through a cross-sectoral team as well as the final users and stakeholders (or having a stakeholder evaluation panel). For the long-term verification, an editorial team would be needed.

+ **Ops**: while most of the comments regarding the developers were referred to short-term actions, the comments on operations are mostly for the mid-term. For the release, having in mind a mix of open-source resources and products could benefit the project, as DeuS would be a project beyond Foundation and Board profit. To tackle the operations, is was pointed an editorial team, maybe the option of having testimonials and a training development consortium. In the same step, it would be important to define the structure organization and departmentation for the short-term progress. In order to monitor the previous steps and the performance of the products, mid-term wise it was said to create a strategy and funding team, ask teachers and users for feedback on the training modules to check when adapting is necessary. In the short-term, it would be important to establish a system for monitoring the different parts and departments of DeuS. The feedback would also be useful for the evaluation process in the operational loop, as well as the creation of a technical steering group (a mix of stakeholders, VET, higher education and EU policy reps).

Fourth part - ACTION STEPS, activities needed:

Mainly, short-term and mid-term actions were discussed during this part of the session. Thinking about the immediate steps to be conducted for DeuS to start working, content creation, specify the products and create pilot training programs and its content for evaluation were the most urgent, as well as trying to activate the community and setting up the platform to start running the project (with all first training modules ready, decide when first validation sessions are going to be held and get feedback from the steering group). In the meantime, it is also important to start looking and considering alternative funding options beyond EU programs, to build up the financial strategy for the start-up (and further) phase. Regarding the training features, it is essential to familiarise more with the VET training system and identify possible partners and stakeholders that might be interested in participating. In terms of the legal layer of the project, a few issues need to be organised: clarify who owns the outcomes of the project and create a memorandum of understanding among the partners, among other actions. Implementing the Lean Start-upMethodology could also help and accelerate the take-off of the project.

In a longer run, mid-term, creating the teams (dev & ops), registering DeuS as a company, identifying and setting up the legal structure and defining the relationship and roles of DeuS partners are the most priority actions to be considered. It is also important to define how DeuS can be pitched for future partners and collaborations, build up case studies to explain and promote the project, and present the DeuS training programme to the European Commission and other relevant organisations (educational and public administration). Finally, defining how the evaluation processes are going to be carried out is part of the mid-term actions and strategy (build formalised structure for ongoing evaluation and identify clear quality indicators).

WP6.1.4. Vision, mission and objectives

03/03/2021

In order to achieve a solid vision of the **competitive advantage** (as part of the identity statement) of DeuS' products, the participants worked with Mural post-its for each product line, that lead to the following value for each one:

+ **Living labs:** work on sector's specific needs, multi-stakeholder model to design bottom-up policies, multi-disciplinary and variety of sectors involved, they can also be a tool for CCIs professionals to be involved in decision-making processes, and to prove how CCIs can help other sectors (cross-sectorial) inspired by partnership experiences. It was also stated as a way

to use cultural mediation between policy makers and citizens (through CCIs), with it needing to be adaptable across partnership changes and as DeuS grows and refines.

+ **Training:** built on European Commission (EC) competences framework, built on the most relevant existing practices and on real challenges (combining new and existing tools), by intermediates that have direct links to the sector. It needs to respond to the CCIs professional needs, and that is able to evolve according to the results of the challenges (learning by doing), with the flexibility to adapt and suit specific needs (tailor made). It can develop an easy-to-use training toolkit and is inspired by partnership experiences as well as the living labs.

+ **Consulting**: its competitive advantage lies in its partners, with them being experts and current experiencers of the changes and needs of the sector. It can serve public authorities and administrations to solve real challenges through a participatory approach, using the multi-stakeholder model and cross-fertilization principles at out advantage.

+ **Knowledge exchange**: it does not only provide knowledge but it also produces it, it is the perfect instrument to know the current state of the sector (current conversations), it is stimulated by real sector challenges, it involves multiple personas and their actual experience (it is not only theoretical, it is based on real experiences, providing people relevant information and knowledge) and it accumulates and transforms all knowledge. It needs to focus on the real needs of the sector, with a peer to peer approach inspired by partnership experiences.

+ **DeuS community:** it is a sticky tool to inspire people and bind them to create users' loyalty, combining CCI professionals with intermediaries and policy makers. It is diverse: it offers access to different communities in several countries, to be functional (a working community is needed), targeted, united and motivated. It needs to stimulate loyalty, providing guidance for the developers of the platform.

+ **DeuS platform:** it has to be flexible and adaptable to deliver to its community a strategic tool for visibility and networking. Some define it as a one-stop-shop for the European creative and cultural sector, through a multi-stakeholder approach that really takes into account its users suggestions (it adapts to its community and grows with the sector's changing needs).

To reach an agreement regarding the decision-making criteria, the **Strategy Screen** was used. Below, it is shown the criteria that the partners agreed to follow for future challenges, opportunities or other situations in the subsequent areas:

+ **Development and innovation:** constant DEV of new ideas and innovative solutions for DeuS, multiple solutions for each idea/product/service, research and prototype, proposals for new organizational models, ongoing activities on needs analysis and benchmarking (identification) on new trends/best practices, constant improvement, and perhaps having version numbers of the platform to reflect feedback.

+ **Evaluation and monitoring (quality):** constant evaluation of training, living labs… with all outcomes iterating DeuS services and products, high quality control of DEV outputs, set-up of KPIs for each product and for DeuS as a whole, clear monitoring methods, feedback considered for quality improvement and include participatory processes in evaluation model (in line with DeuS methodology) and link it to EU frameworks.

+ **Production (training & platform) and implementation (consulting)**: smooth operations of the training and platform, ensure new content production, acknowledge the changing needs and demands of the community, clear and realistic vision of training production (resources needed), and feedback and production loops with the sector and educational institutions.

+ **Finances and legal:** mixed structure for funding (hybrid funding model), strong legal backbone for DeuS activities, define a % of free resources and products to attract more customers, clear legal identity linked to strategic vision (e.g., non-profit organization).

+ **Marketing and communication:** clear feedback given to the community about DeuS (including improvements), vivid and up to date communication strategy, consider DeuS influencers/brand ambassadors to enhance market reach, testimonials, have different communication channels for different target groups, once the community is set up and running, engage users to amplify the reach out capacity, clear sales funnel strategy (branding and audience engagement, multi targets).

+ **Administration and organization:** build an administration and organization which helps DeuS deliver great content, trainings and output, have a clear distribution of responsibilities related to the organizational structure, connect structure with existing partners' networks, agile structure for decision-making and administration, ensure that different departments are meeting and working together on a regular basis, have human resources planned in advance for a more sustainable performance, identify the core structure and its "satellites" to cover specific tasks and clear governance.

The last part of the workshop was dedicated to the **Big Questions**, designed to move DeuS towards a unique and common direction, facing from a joint point of view any upcoming opportunities and challenges. It was worked through two different cross-levels: the first one, in terms of temporal spectrum, and the second one depending on the area (new opportunities, competitive challenges and business model challenge). The outcomes were as follows:

Current...

+ **New opportunities:** next COVE call in April, ECIS 2021, new funding opportunities, philanthropic partners (focus on COVID recovery skills?), link to other EU projects or initiatives (Bauhaus, etc.).
+ **Competitive challenges:** acknowledgement by VET organizations, get the audience (target groups: CCI professionals and public admin.) to perceive the real value of DeuS, be able to articulate the difference that using DeuS will make for the CCI professionals, and have a critical number of clients/users.
+ **Business model challenges:** know the costs of DeuS, identify prices for different services and products, generate enough revenue, find the right organizational structure and governance and the accurate cost analysis/vision to manage effectively the cost of DeuS, have a clear vision on funding.

Future...

+ **New opportunities:** join the international CCI community, create a real innovative learning tool for VETs, new alliances and partnership in training and products (new programs opportunities) and deal with the EC to be recognized as intermediaries.
+ **Competitive challenges:** for DeuS to be a leading publisher of training and projects for CCIs, being able to respond to the market needs relevant to the sector, make alliances with VET and CCI sector representatives, how to deal with new challenges (investors) and the increasing competition.
+ **Business model challenges:** leadership transition, generate enough incomes to support DeuS in the long-term (important to give more scope to refine the business model to find the right funding model), how to protect the project against the fluctuation in public funding, future partnership with other organizations to amplify and reach out more potential customer, and also investigate economical related issues more.

WP6.1.5. Lean Start-Up Methodology

24/03/2021

With the time limit of the session in mind, the responsible of the workshop decided to focus on four of the DeuS products to have the means to address them correctly, without a rush. The discussed product lines and services were the training program, the living labs, the platform and the community.

Training program

It offers a solution to cover a skill gap and the lack of overview of all CCI training, showcasing the existence of a training toolkit for creatives with new methodologies and tools. It is also a building bridge covering the current space between EU skills competencies and the CCI professionals' skills

needed, reflecting the target groups and sharing good practices, offering the status quo of the sector. It has been devised as an open access tool to cover all skills needed for CCIs, with shared methodologies and living lab practices, for competence development, networking, cooperation with partners and peer to peer learning. Its unfair advantage lies in the fact that it is an Open Design School, with an international sharing component, that serves as a bridge between current and new/upcoming professionals (students), as well as between the VET framework and the world of professionals. Regarding early metrics, the number of policy makers will be measured, the level of satisfaction, the rate of VET providers using DeuS, the total of CCI professionals/program participants and the number of projects with intermediaries. As for the key assumptions, partners believe it will be a bridging skill gap cover (with assessment), it will offer an overview of all kinds of training, with quality assured, being a creative innovative program that integrates training. It will also release a better perception of CCI current needs and knowledge of EU funding programmes. Early customers: CCI individual professionals, policy makers, EDU providers, intermediaries and researchers.

Living labs

The living labs are a tool to learn from each other, from multiple disciplines and through new methods of problem solving and solution finding. At the same time, it posts challenges to its community, and experts can contribute with their expertise in different ways of solving these challenges. Why is it valuable? It does not only bring tangible ideas but ready to use solutions, with new tools and hands on methodology and interdisciplinary training. It offers an open approach and a new methodology, improving the participants' knowledge. The quality is also assured and proofed (through its experts), it is a think and do tank and, most invaluable, it counts on a network of CCI professionals and experts to solve the problems. Its success will be measured over the number of challenges posted, the number of experts and participants willing to be part of the living labs, the number of solutions delivered to the challenges (and number of challenges solved), and the use of tools (paper downloads and registrations). Participants foresee a physical and virtual space, with collaborations and cross-sectoral cooperation, involvement of policy makers to offer fine tune with current policies and scalability of solutions at Eu level. Early customers: CCI individual professionals, policy makers, EDU providers, intermediaries and researchers.

Platform

The lack of a unified space dedicated to the sector with a specific focus on training opportunities, upskilling and validation of work-based competencies has been evident for far too long has been the main reason for the creation of DeuS platform. The value resides in it being an open source on educational matters, an overview of available training opportunities across Europe and networking and collaborative opportunities. The platform has been envisioned as a brand-new creative knowledge platform, a one-stop for the cultural and creative industries. It will offer open-source educational materials and different training opportunities for creative professionals with the DeuS competencies toolkit, tailored to the current needs of the sector (entrepreneurial, digital and transversal). The competitive advantage of the platform is the flexibility it offers, and its ability to grow with the sector's needs, with a real understanding and comprehension of these needs (and the target groups). It is a unique challenge-based approach to improve from the partners experience, with new ways of sharing knowledge and training people. The early metrics appointed were the time spent on the platform, the satisfaction rate of the learning modules, number of active users and shared content, frequency of visits of the platform and have clear quantitative indicators. Participants assume that it will cover the need of European cultural operators to upskill their competences, that is a really inexistent and much needed platform where potential users (people seeking for new ways of education) will have the time to get trained. Early users: CCI individual professionals, policy makers, EDU providers, intermediaries and researchers, intermediary bodies and educators and experts.

Community

DeuS community covers an overcoming fragmentation and heterogeneity of the cultural and creative sectors fostering the communication within the creative community. It delivers a feel of belonging, a

community of like-minded people in a European and international dimension (going beyond borders) and with the community as both learner and teacher of practical knowledge. It stimulates knowledge, providing guidance for the development of the platform (unfair advantage). It will be measured through the number of countries represented in the platform, the number of categories and professions represented and the frequency and quality of the interaction between the users. Participants assume that it will be covering a communication gap between CCI and local communities, and will have a limited access of these local communities to learning/teaching resources. Early customers: CCI individual professionals, policy makers, EDU providers, intermediaries and researchers.

WP6.2.1. Disruptive Business Model

06/04/2021

With the aim of outlining the disruptive elements of DeuS, partners were asked to fill the post-it notes in the Mural tool for each of the products, though the time made possible to work only on three of them (training, living labs and platform).

Training program

Participants mentioned multiple disruptive elements that could be introduced in the training program, such as paying enrolled students to take part in it, offering coupons or discounts for other platforms or products for subscribed users, creating an open training platform to other courses outside DeuS, collecting badges or certificates while contributing to DeuS, having both video lectures and live sessions, tools to train and learn together (such as study groups), the possibility of being assessed by the community (or LinkedIn endorsement). They also pointed out that DeuS is a different and disruptive option per se, that offers learning through real problems and working on real solutions, and that is interconnected with other services such as the living labs, etc.

Living labs

Regarding the Living Labs, some of the comments addressed really specific issues such as the development of an open software for the business model. Partners also underlined the living labs nature of being a singular way of solving local challenges with an international community, where consumers are not seen as such but as contributors and their experience and uniqueness enhance the user experience and the knowledge exchange, the community feeling they bring, the social impact they can make with the involvement of citizens, and the development of solutions that can be applied in other situations. It is also important to highlight the mixture of competences that the diverse CCI profiles nurture and the interconnection with the other elements of DeuS ecosystem to enhance the experience, for the project to grow and respond to the real needs of the sector.

Platform

Some of the suggestions to make DeuS platform a real game changer were to copy a Fitness and GYM System with courses within a group, group challenges where social pressure and group control have a main role, another sticker shows gamification as an option for the platform to be really disruptive, the option of annual subscription, creating a hybrid platform or the offering of only one course without certification.

WP6.2.2. Partnering Strategy

28/04/2021

Partnering Canvas

Making use of the theory previously explained and with Mural to help create a collaborative outcome, partners worked around the four mentioned parts each divided into 3 sections: core business, extended business and future business.

A. Created value

Core business: participants outlined the academic/practitioners knowledge partnership on creative competences, access to best practices and examples, knowledge and experience transfer between partners and users (thanks to partners), access to potential new clients, direct knowledge of CCS, followers, share with stakeholders, assessment of creative competences, the creation of more content for the platform and training program, networking capacity, brand and personal reputation, expertise, the possibility to strengthen the advocacy capacity, the blueprint for the academic/VET collaboration and the creation of tools for mutual benefit for growth, visibility and policy influencing.

Extended business: new ideas and projects, models for products or policy design, connection in the networks future partners work and are part of, further exchanges after the end of the project, increased credibility in the sector for all partners, shared resources, further ensure sustainability and the distribution channels to get new customers.

Future business: not discussed (or no information).

B. Value offer

Core business: partners highlighted the importance, when partnering, of helping others implement good training courses and in the process of designing good, accessible and understandable policies, the knowledge of CCS and on how to assess creative skills and competences of future partners, the customization of trainings, the quality of the products they offer, their experience and good cases and practices for the Living labs, having a disruptive approach or an innovative platform, experience in managing complex projects and evidence of results, the capacity to leverage multidisciplinary in the real world to find solutions and managing complementary opportunities using contact/mailing lists or social feed to promote mutual products of similar understanding and quality, partnering through sharing products and resources (i.e., training materials), and open access training formats to enhance skills for doing creative business.

Extended business: the adaptability to DeuS' methodology, their outreach capacity of national and European level in the CCS, a heightened awareness of the value of the CCI for other sector and its potential to introduce solutions, and maybe partners that could help franchise the model of the living labs methodology.

Future business: to be the only partner for good training courses where CCI professionals are trained on real world problems and possible participation in future European projects building on DeuS.

C. Desired assets

Core business: the connection with local policy makers, the platform content regarding researches, opportunities, open-source educational materials and share from DeuS 1.0 partners, the channels of promotion, facilities to run living labs, access to infrastructure or handbook for context, expertise in specific domains, keeping the community alive, a platform to support and disseminate DeuS content, as well as helping DeuS 2.0 build a solid reputation in the CCI sector and connect with local communities and businesses.

Extended business: finding routes to funding, complementary materials and resources that will enhance DeuS platform and give their materials or assets to create a more visible space to be accessed by CCI professionals or bodies.

Future business: not discussed.

D. Transfer activity

Core business: having a clear structure of relations and responsibilities, share course materials, joint MKTG and communication campaign, common team for initial follow-up and transfer actions, co-create living labs for partners, designing common protocols and common action manuals, IP sharing from monetising co-created and previously created materials (i.e., re-purposing or adapting a partner's existing content to fit DeuS), and making researches for them or analysing existing resources to build new projects (project design).

Extended business: developing common courses and content.

Future business: invite a new partner into a future project to help cover costs or research new and shared opportunities and franchise DeuS business model.

WP 6.3 Letter of Intent for the DeuS Project

To establish a long term perspective for the DeuS project a Business model and also Business strategy was developed in a co-creation process. All partners contributed to the WP 6.2 and the idea of building a disruptive Business model for DeuS 2.0. The results can be found in the description above and also in the document "FIN_WP6 Final Pres_20211124". To establish a long term partnership with each potential interested stakeholder the following letter of intent has been created:

- [LOI_DeuS_network](#)

Suitable for both VET organisations to participate and contribute to the DeuS Platform, and all other activities e.g. sharing Information for the Radio DeuS project.

WP 6.4 Key Performance Indicators for DeuS, KPIs

The developed key performance indicators for the DeuS Project are developed to generate quantifiable measures of performance over time for the coming DeuS 2.0 Project. The KPI Dashboard, as described in the application cannot be delivered "apriori" to the start of the final DeuS project. Due to the lack of tools and reasonable measurement no dynamic data can be generated and provided by the team. Therefore, already in the beginning of the project it was decided that the development of the KPIs should be transferred to the end of the project and these KPIs should be used to measure and steer the long term project.

In the final workshop of the WP6 the team, based on the *Balanced Score Card methodology* to develop a potential set of useful KPIs. These KPIs can be used to measure firstly **Customer Satisfaction** of all users interacting with DeuS and secondly the measurement of unique **Customer Experiences.** The presented KPIs furthermore are used to measure the activities and conversions of DeuS customers through *fourthly* **Customer Activation** and finally the KPIs provide also measurements to investigate **Customer Engagement.**

The presented process of developing KPIs over a Balanced Scorecard includes five distinctive perspectives:

1. Review business objectives.
2. Analyze your current performance.
1. Set short and long term KPI targets.
2. Review targets with your team.
3. Review progress and readjust.

This proposed process should be evaluated and implemented in the following DeuS 2.0 project and should also serve as a filter to choose specific and adapted existing KPIs. The following list of 12 commonly used KPIs can be easily adopted and customised for the DeuS 2.0 project. The team should set processes in motion to support the gathering and evaluation of the needed data. Either via google analytics or other measurements such as questionnaires or other online tools, this data can be generated and easily processed for this purpose.

Table 1: proposed KPIs and formula to generate the needed data (alphabetical order)

1. **Average Order Value :** ARPC ($) = Sales Revenue / Total # of Customers
2. **Average Revenue per Customer:** AOV ($) = Sales Revenue / Total # of Sales Transactions
3. **Customer Acquisition Cost:**
   CAC ($) = Sales and Marketing Costs / # of New Customers Acquired
4. **Customer Churn Rate:**
   CCR (%) = # of Lost Customers / # of Active Customers
5. **Customer Effort Score:**
   CES = % of Respondents Who Indicate Low Effort - % of Respondents Who Indicate High Effort
6. **Customer Lifetime Value:**
   CLV ($) = (Avg. Sale Price per Customer × Avg. # of Times Customer Buys per Month) / Monthly Customer Churn Rate
7. **Customer Retention Rate:** CRR (%) = (# of Customers at End of Period - # of Customers Acquired During Period) / Total # of Customers at Start of Period
8. **Customer Satisfaction Score:**
   CSAT (%) = # of Satisfied Customers / Total # of Satisfaction Survey Responses
9. **Conversion Rate:**
   CR (%) = # of Completed Sales Transactions / Total # of Interactions Handled
10. **NES** = Avg. of Positive Emotions - Avg. of Negative Emotions
11. **The Net Promoter Score survey**:
    NPS = % of Promoters - % of Detractors
12. **Up-Sell / Cross-Sell Rate** (%) = # of People Who Purchase Add-On or Upgrade / Total # of Transactions

To measure what the customers feel about the DeuS project the combining of *CES, CSAT, and NPS* scores will give a place to a strong **Voice of the Customer** (VoC) program with the intention to include constant user feedback.

Attracting new users must always be at the top of all agendas. To measure this goal, a **User Effort Matrix** (UeM) is created from the combination of *CAC, CCR, CRR and CR*, which shows which user segment will most easily and willingly join the DeuS project or which group will soon leave it.

For the commercial side of the project the **Sales Revenue and Purchasing by Customer program** (SRPoC) combines the ARPC and AOV measurements to comprehend the financial efforts and outcomes of activities measured against the numer of customers and total sals transactions. Upp-Sell and Cross Sell Rate are establishing a ration between the "Add-On " of sales or upgrades against the total sale of services.

For the **Net Emotion Score** (NES) is the difference between positive and negative emotions associated with a product or service are measured. The NES can be also used for brand evaluation. In this KPI, on the one hand, positive emotions are linked with feelings such as happiness, joy, trust and interest. Negative emotions, on the other hand, are linked with feelings such as dissatisfaction, frustration, disappointment and neglect.

KPIs using google analytics
The DeuS programming and site maintenance team decided to use the free webtool **Google Analytics** to track and measure the site performance of www.deuscci.eu. Taking into account the **European GDPR** regulations and the fact that Google user data is processed outside the European Union, Google Analytics can only be used in a limited way. But even under these restrictions, various KPIs can be used and measured by Goolge Analytics and are helpful for further developing the DeuS business model and marketing, such as

- **Sessions and Users:** How does the website traffic develop?
- **New and Returning Visitors:** How often do users return to the website?
- **Bounce Rate**: Are the visitors' requirements being met?
- **Goal Conversion Rate:** Do visitors perform desired target actions?
- **Organic vs Paid Sessions:** What is the share of organic traffic?
- **Top 5 Search Queries:** What are the most common search queries?
- **Pages per Session:** How many pages are being visited on average?
- **Top 10 Landing Pages:** Which landing pages are most relevant?

Resources

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