**IMPROVED BUSINESS MODEL REPRESENTATION OF INNOVATION CONCEPTS**

**Dante J. Dorantes-Gonzalez1,\*, Hande Küçükaydın2, Şirin Özlem2, Gökçe Bulgan3, Utkun Aydın3, Semen Son Turan4, Nazlı Karamollaoğlu5, Frederico Fialho Teixeira6**

1 Department of Mechanical Engineering, Faculty of Engineering

2 Department of Industrial Engineering, Faculty of Engineering

3 Department of Education, Faculty of Economics, Administrative & Social Sciences

4 Department of Business Administration, Faculty of Economics, Administrative and Social Sciences

5 Department of Economy, Faculty of Economics, Administrative & Social Sciences

6 Department of Architecture, Faculty of Arts, Design and Architecture

MEF University, Ayazağa Cad. No.4, 34396 Maslak, Sarıyer, İstanbul, Turkey

\* Corresponding (presenting) author: dante.dorantes@mef.edu.tr

**Abstract.** Except for academics and consultants, the concept and purpose of innovation (not to mention related concepts such as “Open Innovation", "Free-Intellectual Property Innovation," or "Open Source Innovation") is usually unclear for most entrepreneurs and other practitioners. It often times happens that newly coined terminology becomes misleading or may even include a certain degree of sensationalism, hence turning into a matter of debate for specialists in the realm of technology management. Such has been the case for the term “Open Innovation”, since the word “open” is mainly related to crowd sourced innovation, but not for the openness on intellectual property rights. Since innovation is about the commercialization of original ideas, so we propose a simple and visual business model setting to resolve these concepts. To this regard, the “Business Model Canvas” has been used in business and entrepreneurship to sketch and frame the key points behind the development of a startup. This model was suggested by Alexander Osterwalder (2008) in his work on Business Model Ontology, as a strategic analysis template for developing startups or documenting existing businesses. It describes the firm’s value proposition, partners, resources, activities, customer relationships, distribution channels, customers, revenue streams and cost structure. However, when it comes to innovative startups, this template does not explicitly include such significant innovation components as intellectual property, its alignment to strategies, and intellectual property flow. The present paper proposes the use of an improved version of the Business Model Canvas to originally represent different models of innovation like Open Innovation, thus providing a clear, visual and quick representation of their meaning, and consequently, contribute to a better understanding of different concepts of innovation.

**Key words:** Innovation, Open Innovation, Business Model, Intellectual Property, Open Source