

Blue Origin BOA Project

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This BOA project document is about the company Blue Origin and its entrepreneur, Jeff Bezos. The document outlines the future situation of the company, as well as the entrepreneur's vision and desire for the future of the space tourism industry and the company, based on secondary research. The document discusses how the entrepreneur aims to make space tourism more affordable and accessible to the masses, while also prioritizing the environment and sustainability of the Earth. The rising interest in space tourism and rapid advancement of technology are rapidly taking us to a future where space travel is the new normal. However, the document also talks about challenges that Blue Origin might face while trying to meet its vision, as well as the benefits the company would get when space tourism becomes a scalable business.

I. Future Situation

Jeff Bezos founded Blue Origin. As a company, Blue Origin, along with its founder and entrepreneur, Jeff Bezos, is working towards a future where space tourism becomes the new normal. The company wants to make a future where millions of people can travel and live in space. Currently, the company operates its space vehicle, New Shepard, a reusable rocket, with a focus on the commercial market in suborbital space tourism.

On the horizon, Blue Origin is trying to enter a pivotal growth phase. The company is attempting to transition space tourism from a luxury reserved for the ultra-rich and extremely wealthy to a more commercially available, scalable, and sustainable business model. Not only this, but with this transition, the company will face an enormous amount of regulatory, technological, and financial hurdles, along with competition from established and huge rivals like SpaceX and Virgin Galactic.

However, the conundrum of the case is much more dire than facing competition or regulations; it is actually making space tourism more commercial and affordable. It costs millions of dollars to send a rocket or a person to space. Additionally, human spaceflight can be extremely dangerous, with the smallest of mistakes putting lives at risk. Hence, the conundrum that Blue Origin and Jeff Bezos face is how to normalize space tourism while making it affordable and safe. The company must determine whether space tourism can be a viable commercial sector contributing to human space settlement, or if it is just a luxury only billionaires might be able to afford. Anyhow, the future situation for both the company and the entrepreneur involves a transformational growth and the creation of a new commercial sector that connects tourism in space, technology, sustainability, and infrastructure that might contribute to future human space settlements.

II. About the Venture

In Blue Origin's ideal future, "millions of people will work and live in space with the sole goal of preserving and repairing Earth, our blue birthplace". Reusability, according to Blue Origin, is the secret to bringing down the price of commercial spaceflight. From the beginning, their rockets, New Shepard and New Glenn, were designed to be reusable. Because of the vertical take-off and landing architecture of each vehicle, boosters can be reused up to 25 times with little maintenance. They are propelled by liquid propellant engines that are reusable and throttleable ("About Blue | Blue Origin"). The space flight company added that they are using the resources found in space as a springboard for expansion into new missions. Regarding the supply chain component of the space tourism sector, the companies that supply space travel are

Lockheed Martin, Draper, Boeing, Astrobotic, and Honeybee Robotics. The customers are wealthy people who are keen to travel outside of the Kármán line.

III. Origin Story

Blue Origin was founded in 2000, but its roots go back to Jeff Bezos's childhood, when he watched the Apollo 11 landing at age five and became fascinated with space. While at Princeton, he was influenced by physicist Gerard O'Neill's vision of space habitats and became convinced that humanity's long-term future lies beyond Earth.

After Amazon's success gave him the resources, Bezos created Blue Origin to build the infrastructure that would make space accessible for future generations. The company's name reflects his belief that Earth is humanity's "blue origin" that must be protected by eventually moving heavy industry into space. Space tourism is simply the first step toward that broader mission of developing reusable rockets and enabling a sustainable space economy.

IV. About the Entrepreneur

Jeff Bezos is the founder and entrepreneur behind Blue Origin. He founded the company in the year 2000 with the vision of developing human spaceflight, making access to space more affordable, and developing an era where space travel is normalized. He was born in 1964 in Albuquerque, New Mexico. He studied at Princeton and graduated from the university in 1986 with a degree in computer science and electrical engineering. He worked at a hedge fund before founding Amazon and Blue Origin. As the founder of Blue Origin, he remains the primary vision setter for the company. His ambition with Blue Origin is to "build a road to space" so that people can live and work beyond Earth. He also has a goal of sustainability and wants to move heavy industries off Earth by utilizing space and developing infrastructure there. With this goal in mind,

Jeff Bezos fuels the company through his personal wealth earned via Amazon. The website of the company is <https://www.blueorigin.com/>, and its headquarters are located at 21601 76th Ave S, Kent, WA, United States.

V. Desirability Statement

Jeff Bezos consistently quotes, “humanity must expand beyond Earth to ensure long-term prosperity.” His vision for Blue Origin derives from a long-term outlook for Earth and producing an infrastructure supporting life in space. He envisions a reality in the next few decades of thousands of people choosing to live outside of the Earth, as opposed to it being a requirement. Amazon CEO's vision for the future of space travel isn't to simply liquidate and potentially achieve an IPO for the company, but rather to build a sustainable future for human life amongst the stars. He comments on Blue Origin as “a tiny little step toward building the infrastructure future generations will need.” He wakes up thinking of producing the company as a necessity as opposed to an opportunity to capitalize on humankind.

VI. BOA Framework Summary

The foundation of Blue Origin resonates with the ideologies of Jeff Bezos and his everlasting mission of making trips to orbit more accessible to humanity. This mission is complemented with complicated logistics, considering this is an aerospace industry, and a relatively small beachhead market of around 100,000 individuals qualified to pay for a \$200,000 space flight regarding their current offering. When considering the analysis of Porter's five forces, their reusable and sustainable machinery for the rockets allows them to align in a unique space in the competitive landscape compared to their competitors that do not focus on these

elements with the same weight. As the industry is capital-intensive, the threat of new entrants is very low, and the bargaining power of buyers is limited because very few other companies (SpaceX/Virgin Galactic) focus on the same attributes of accessibility concerning space tourism. As the hurdles of strict government regulations and safety are high, entrepreneurs invested in this industry are straying away from this business model due to the difficulties tied to building it. However, Blue Origin is already an established player in this industry with the capability of overcoming hurdles like capital investment, government regulations, and technology, making this business model feasible for them compared to new entrants or other entrepreneurs.

VII. BOA Framework Tools

VII.I. Value

A. Value Proposition

For approximately 100,000 ultra-high-net-worth individuals worldwide, able and willing to pay at least \$200,000 for a once-in-a-lifetime spaceflight, Blue Origin offers immediate access to suborbital space via the New Shepard rocket, delivering several minutes of weightlessness, panoramic view, and a flight experience recognized for operational reliability and authenticity. Unlike competitors (Virgin Galactic, SpaceX), Blue Origin's product is a vertical rocket launch to the highest recognized suborbital altitude with a focus on safety, operational consistency, and authentic spaceflight sensations.

Critically, Blue Origin's mission is to make space travel accessible and affordable to millions of ordinary people within the next few decades, not just luxury

customers. By pursuing breakthrough technology and launching a scale-up, Blue Origin aims to reduce ticket costs by 90% or more, democratizing access to space.

Problem Statement

Travelling and exploring space is incredibly challenging and expensive with the current technologies. Only a handful of governments, private companies, and ultra-high net worth individuals can afford space travel. Exploring space is essential for humanity's future and could be the key to an unlimited amount of resources and energy. However, due to government regulations, expenses, and lack of accessibility, space travel and exploration are a luxury.

B. Product/Service Description

Blue Origin offers commercial suborbital space tourism flights with its reusable New Shepard rocket and crew capsule. The service includes launch, several minutes of weightlessness, awe-inspiring views through extra-large windows, and automated, safe return. Flights are designed for diverse non-astronauts, including, more recently, customers with disabilities, emphasizing comfort, safety, and training accessibility. New hardware certifications and collaboration with organizations like AstroAccess reflect a focus on making the experience available to a broader range of passengers.

VII.II. Customers

A. Empathy Map

- **Think & Feel:** Hope to become a pioneer in space exploration. Wanting to explore something new and take on a new adventure. Feeling the need to

do something for the sake of mankind. Wanting to grab onto a new and emerging entrepreneurial opportunity.

- **See:** Ongoing innovations in tech. News stories of successful launches and rare accidents. Other elite or wealthy individuals are traveling to space. Societal debates around space access. Inspirational photos and videos from space which evoke a sense of fragility, unity, and wonder.
- **Hear:** Hearing about space technologies and research advancements. Hearing about the vastness of space and the different mysteries that it harbours. Hearing inspirational stories about the moon landing and mankind's achievements.
- **Say & Do:** Joining or donating to space-related communities. Attending aerospace museums and conferences.
- **Pain:** Fear of safety has space travel is relatively newer compared to other technologies and is complicated than other means of travel. Some of the most major and highly circulated accidents have taken place in space and during rocket launches. Government regulations and extremely expensive R&D and infrastructure requirements also serve as obstacles that prevent normal consumers from being able to access space travel.
- **Gain:** Fulfill a lifelong dream, gain status among peers, experience "the overview effect", contribute to history, and share the experience to motivate and inspire others.

B. Social Identities

- **Explorers and fascinated people.** People who witness rocket launches and someday desire to witness things that are beyond the realm of this world. These are normal people and civilians who often get inspired by events like Apollo missions, rocket launches, and news about meteor showers.
- **Researchers, scientists, early tech adopters, and other STEM graduates.** These people belong to a group that is highly educated and is willing to explore space to understand nature and its creation of things in the universe. These people are also interested in researching and studying different phenomena in space that allow science to take a leap forward and help develop new and futuristic technologies for the benefit of mankind. Early tech adopters also like to experience new technologies to understand them and further develop them using the knowledge they gain from their experience.
- **Ultra-high net worth individuals.** These people belong to a group that has extremely wealthy individuals who can afford space travel due to their wealth and influence. They often want to explore space as a means of travel and experience something new. Space travel, which is considered inaccessible and a luxury for almost everyone around the world, is affordable for them. It includes celebrities, billionaires, and extremely successful entrepreneurs and partners.

- **Business owners and entrepreneurs.** These people belong to a group that looks at space exploration as a bundle of opportunities and a vast sea of resources. They want to gain access to space for them to be able to launch satellites to provide communications, and as technology advances, go to other planets and mine for resources and energy.

VII.III. Environment & Competitive Context

A. Porter's Five Forces

1. **Threat of newer entrants** - There is no stopping new entrants in the market, but we have to understand that the space tourism industry is an industry that needs heavy investment, along with strict government guidelines with regard to safety and national security. Given all these factors, the chances and opportunities for newer entrants are very low for the times to come, but government policies can change anytime in making guidelines easier for newer entrants, which our firm will have to closely monitor, but definitely not in the coming days.
2. **The bargaining power of buyers** - Given the current situation of the market for space tourism, there is not really much power in the hands of the buyer or customer, as our firm is technically a monopoly.
3. **The bargaining power of suppliers**- The suppliers do have a strong bargaining power, given that they have a strong monopoly in this industry, as mentioned earlier, due to the strict government guidelines, and only a company or two usually can manufacture the parts and materials.

4. **Threat of Substitute Products-** Space tourism is a very expensive and sophisticated industry, and requires a lot of government regulations; it is pretty hard to obtain them, given the risks and external costs it would incur for the businesses running the industry.
5. **Competitive Rivalry:** the level of industry competition, which is influenced by factors such as the number of competitors, trends in industry growth, and the degree of product differentiation.

B. Competitor Matrix

Company Name	SpaceX	Virgin Galactic	Blue Origin(ours)
Customer Service	Office visits by appointment	Office tours and info sessions	Home visit meetings
Pricing	Expensive for not many services, and even in the beta stages	Expensive even for certain sections of the HNIs	Monthly installments, regular discounts
Quality of services(ratings)	4	6	9
Warranties of products(years)	no warranty	The cost of 1 trip is high	4 trips for the cost of 1 trip

VII.IV. Resources

A. RBV

In terms of the resource-based view pertaining to Blue Origin, multiple factors are attributed to their having a sustainable competitive advantage against their competitors. The first is their contract with NASA to produce a lunar lander, named Blue Origin, which is scheduled to take flight in 2029. Blue also has another contract with NASA, which includes a space station mockup, Orbital Reef, that is envisioned to be an orbital business park for astronauts and tourists.

It will be a shared space for professionals in the industry while binding the tourism element for enthusiasts alike. The leadership of Blue Origin is an essential attribute to acknowledge, as Jeff Bezos' vision is vital when addressing the company's long-term vision. Unlike his rivaling counterpart, Elon Musk, who seeks to colonize neighboring planets, Jeff Bezos focuses on moving "polluting industries into orbit and safeguarding the environment of Earth." As Bezos sees space as an opportunity for humans to expand beyond our bubble of inhabitation, the company continues to align its efforts towards this overarching goal. Another competitive advantage relevant to the company's position in the market is its proprietary BE-4 rocket engine that operates on liquid oxygen and methane. As other competitors in the industry use antiquated kerosene to fuel their rockets, Blue is stepping towards the cleaner-burning propellants for their newer entrants. Blue Origin doesn't solely sell rides into orbit, but rather culminates their exclusive safety measures, partnerships, and patented technologies to deliver a tourism experience like no other.

B. Activities

Blue Origin's New Shepard rocket's primary commercial use is to take people on suborbital flights, enabling regular folks to visit space. During the suborbital flights, six passengers can float in zero gravity while gazing down at the Earth. Passengers refer to their experience as more of a big group adventure than a brief flight since they all receive two days of training before launch and have time to spend in Astronaut Village in West Texas. Blue Origin is working on Orbital Reef, a future commercial space station where people might visit, research, and even help with production in low Earth orbit, as well as orbital resorts and zero-gravity events in the future. Blue Origin needs a lot of resources to become a reality. In addition to

futuristic gear like space station modules, they rely on high-tech rockets, safe launch sites, plushy capsules, and hospitality complexes. In addition to technology, they need trained people such as engineers, astronauts, event planners, and trainers. With billions of dollars already raised or spent, including \$130 million for the infrastructure of Orbital Reef development, the company and the industry as a whole expect major investment to follow. In fact, the sector as a whole is predicted to be worth up to \$10 billion by 2030. Also, without having good relationships with regulators, aerospace firms, and travel and hospitality industry partners, none of the above would be possible. Current flights take off from a launch site in Texas and are suborbital and short, but Blue's long-term goal is to curate a community of travel beyond Earth's surface.

C. Resourceful

Blue Origin can move at its own pace because it will reuse nearly every part of its New Shepard rocket, rather than building and purchasing new hardware for every flight. The company just cleans up and reuses what they already have. The company has a lean hiring strategy whereby, with relatively few employees, they operate launches and an astronauts' training program within two days, which ensures a large budget does not go into a mission. They ensure money is not tied up with flashy auctions, deposits paid early, and partnerships with NASA and other space companies, all of which pay for the large costs and provide a way to share risk on ventures such as Orbital Reef. From something as simple as capsules and parachutes being designed for reusability, Blue Origin's operations show an old-school hustle and some frugal engineering. In short, Blue Origin has designed a combination of reusability, lean operations, creative funding, and collaboration, which allows it to scale without massive overspending.

D. Breakeven

Blue Origin has not publicly released its breakeven point for New Shepard commercial space tourism flights. Like many aerospace ventures, breakeven is dominated by large fixed costs, such as rockets, launch facilities, ground support equipment, and training infrastructure. Blue Origin must price seats at a level that not only covers New Shepard flight operational costs, but also allocates a contribution to fixed costs per flight, and presumably has some profit margin in the price to help finance the expansion of operations. Industry estimates for annual fixed costs for the New Shepard launch system are in the \$100 million range. At the higher end of observed ticket prices, assuming a six-seat capacity per flight at \$200,000 to \$1 million each, New Shepard generates around \$1.5–\$6 million in revenue per flight. Fuel, launch crew, and launch system maintenance are among the most significant variable costs per flight, but are kept relatively low by the high reusability of the New Shepard system. With the large capital cost and the continuing need for revenue and investment to develop and expand the operation, New Shepard is only likely to reach breakeven if continued interest from customers can be maintained and a high launch rate can be kept. That is, on the assumption that there is a high demand for tickets at current or increasing prices, the launch rate continues to be high, and reusability continues to keep average costs low, breakeven and profit are reachable. Now as Blue Origin is attempting to make space more accessible to the public by reducing their prices, if their flights decrease to a projected \$100,000 they would be able to produce about \$600,000 to 1 million in revenue per flight; which would expand the number of qualified candidates to more than 1 million allowing the company to increase its volume of flights and increase the total revenue generated from it.

VIII. Opportunity Assessment

The future for the space tourism industry looks bright, with growing investments in the private Aerospace sector. With that, the future situation of making space travel more affordable and safe looks promising. To make the future situation in accordance with Jeff Bezos's desire statement of human expansion beyond Earth and long-term human prosperity, the following would have to be done:

1. Driving Technological Innovation and Cost Reduction

Blue Origin must continue to invest in reusable rocket technology like New Shepard, automation, and launch operation efficiency. By doing so, they can lower the cost per flight, eventually enabling price points that attract customers beyond the current ultra-high-net-worth niche. Partnerships with government and the private sector will accelerate R&D and scale-up, enabling more affordable, frequent launches.

2. Expanding and Segmenting the Customer Base

Currently, most space tourists are ultra-HNWI, but empathy mapping and social identity analysis show growing interest among broader travel segments, including educators, science enthusiasts, and adventurous families. Blue Origin should offer tiered experiences at different price points and leverage stories of diverse pioneers to strengthen desirability and build social legitimacy. This aligns future customer value with the company's accessibility mission.

3. Strategic Partnerships and Resource Leverage

Blue Origin is building a foundation for sustainable growth by partnering on missions with NASA, telecom firms, and commercial stations like Orbital Reef. These alliances provide new revenue streams, foster technology transfer, and share operational risk, all of which help Blue Origin break even sooner while expanding its infrastructure. Reusing launch and support

resources for search, tourism, and commercial customers allows greater cost absorption and reinforces long-term financial feasibility.

Through continued innovation, broader customer targeting, and collaborative partnerships, Blue Origin can transition space tourism from a luxury niche into a mainstream, sustainable industry. These recommendations, grounded in our BOA analysis, demonstrate a clear path to making the desired future both feasible and achievable.

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