



Webinar: Five answers to help you develop new IoT & data-driven services

June 22nd, 2017 – 08:00-09:00 Pacific/17:00-18:00 CET



Before we get started – Rules of the webinar

- **The Webinar is “listen only” and is being recorded**
- **A link to the session recording and a PDF of the slide deck will be sent to all registrants afterwards**
- **To submit questions, use the Question Panel of the GoToWebinar console. We will try to answer all questions at the end of the webinar.**
- **Visit the Service Strategies Network group on LinkedIn to continue today’s discussion**



Agenda

- **Introduction**
- Five answers to help you develop new IoT & data-driven services
- Summarizing the conclusions
- Questions & answers



Service Strategies provides consulting, training, industry standards and certification programs that help you deliver better service to your clients.

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Service IT



People
Development



The key-note speaker



Hilbrand Rustema
Founder and Managing Director



Why this webinar?

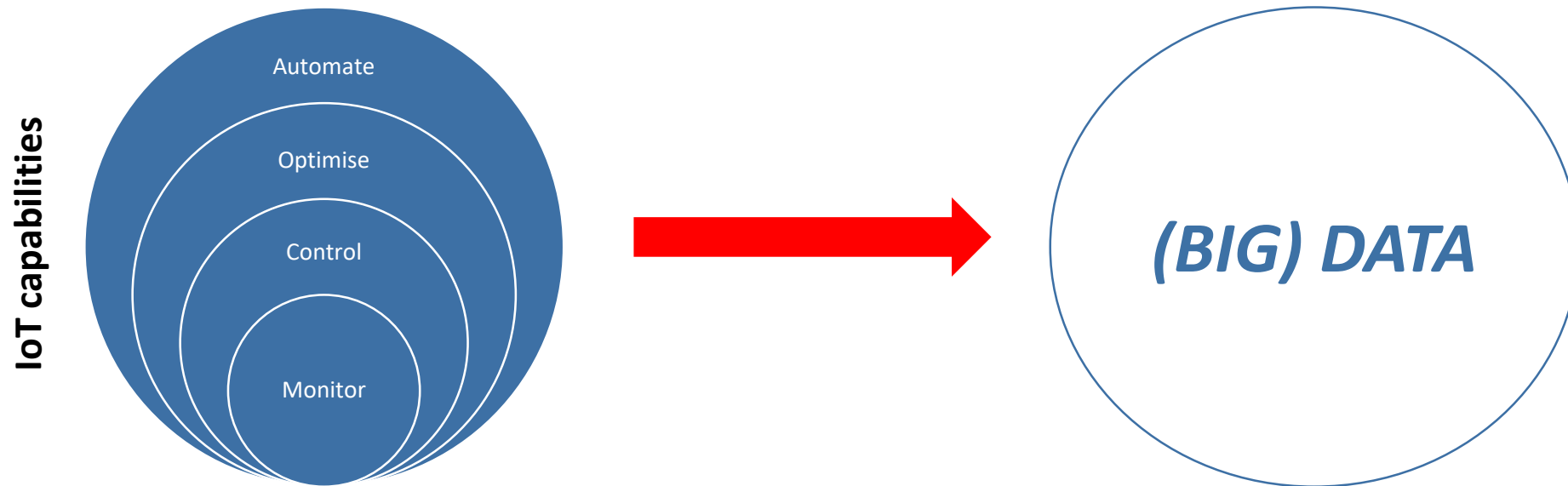
Most companies have attempted IoT & data-driven services initiatives, with some achieving results, many such initiatives get stranded along the way...

The objective is to help you be more successful by answering five key questions:

1. How do I get started and keep momentum?
2. Who should I involve? and why?
3. What makes a balanced portfolio of opportunities?
4. How do I translate conceptual ideas into practice?
5. How do I manage risk and optimize my ROI?

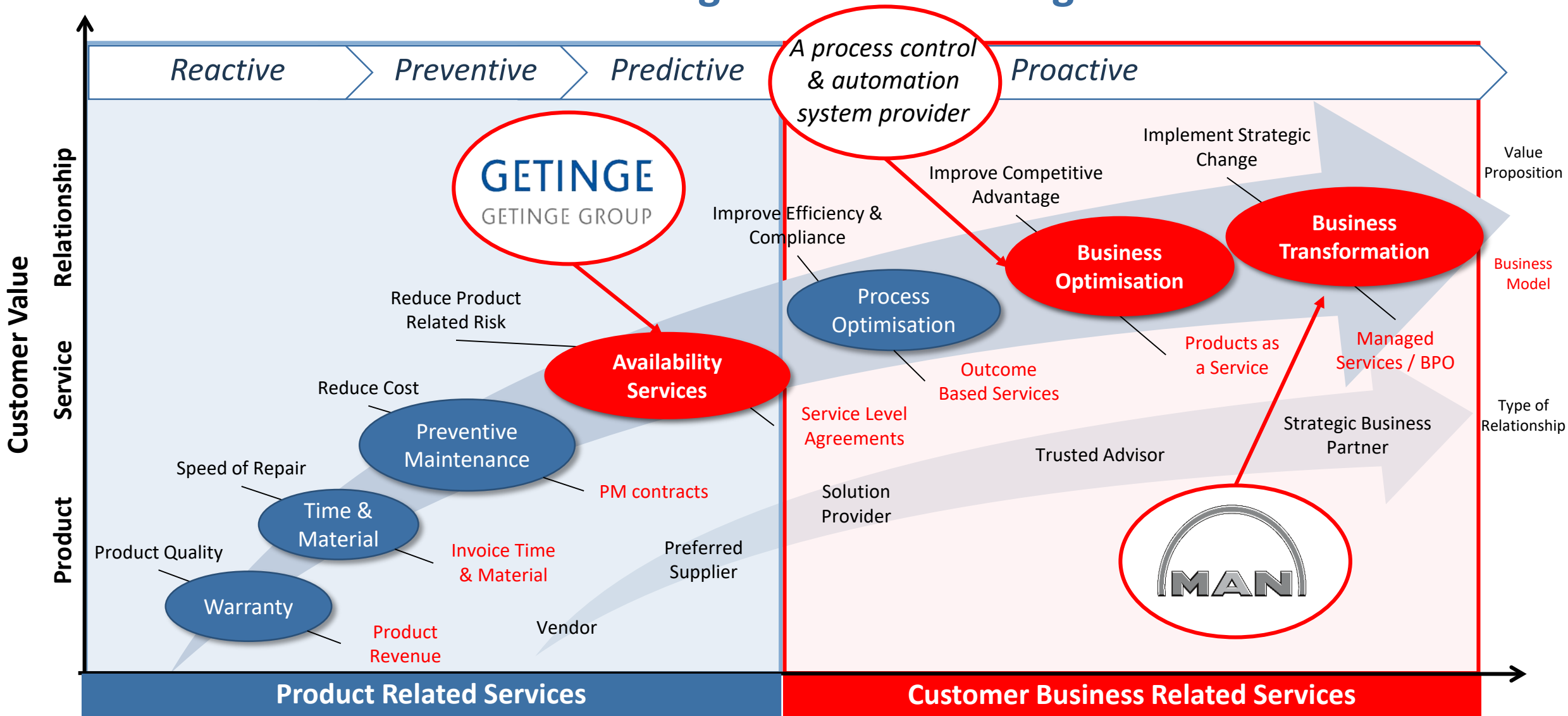
What are the key concepts?

When we talk about IoT we refer to the network of physical objects or things that contains embedded technology to sense or interact with their internal states or the external environment.



When we talk about Data-Driven Services we refer to services of which the value propositions are based on knowledge derived from (big) data-analyses.

How can IoT and data be leveraged in a service organisation?



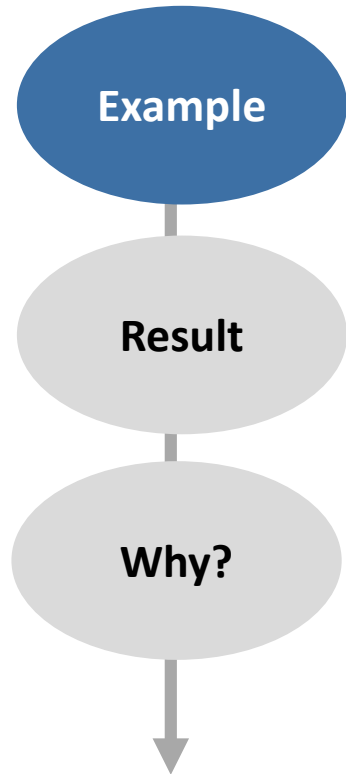


Agenda

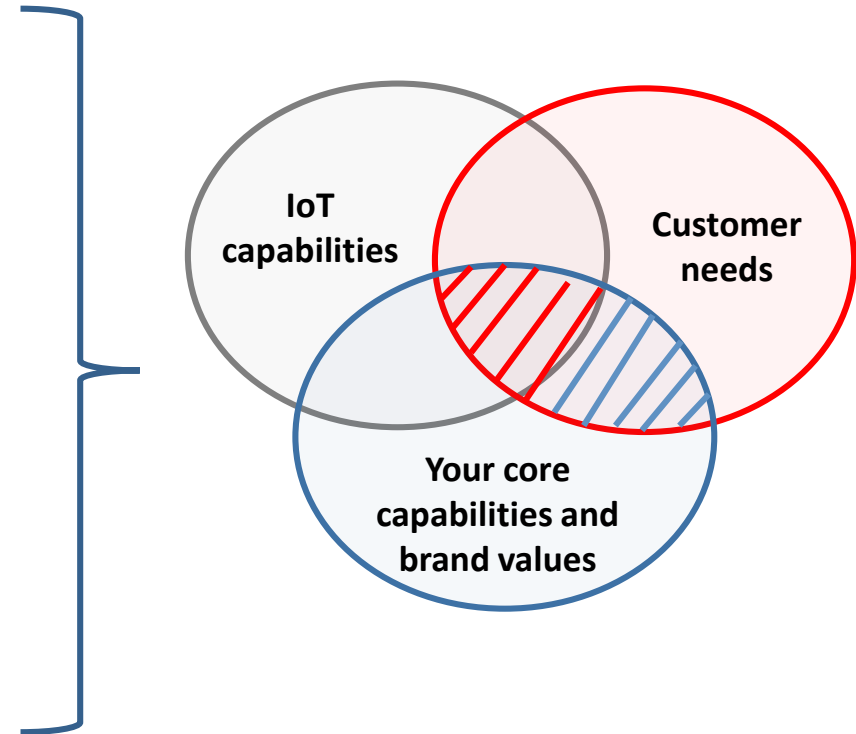
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1. How do I get started and keep momentum?

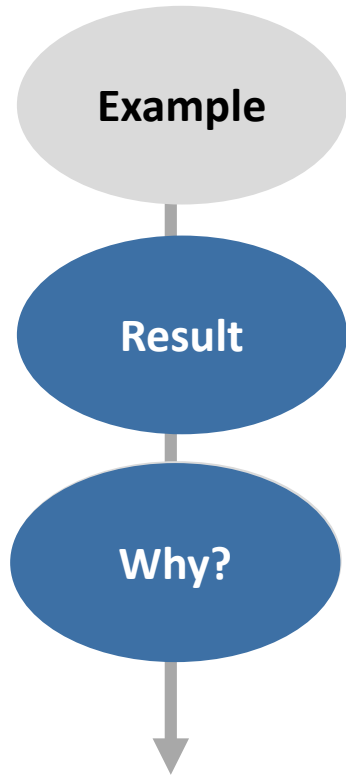
Example case: Getinge (providing product & solutions to healthcare providers)



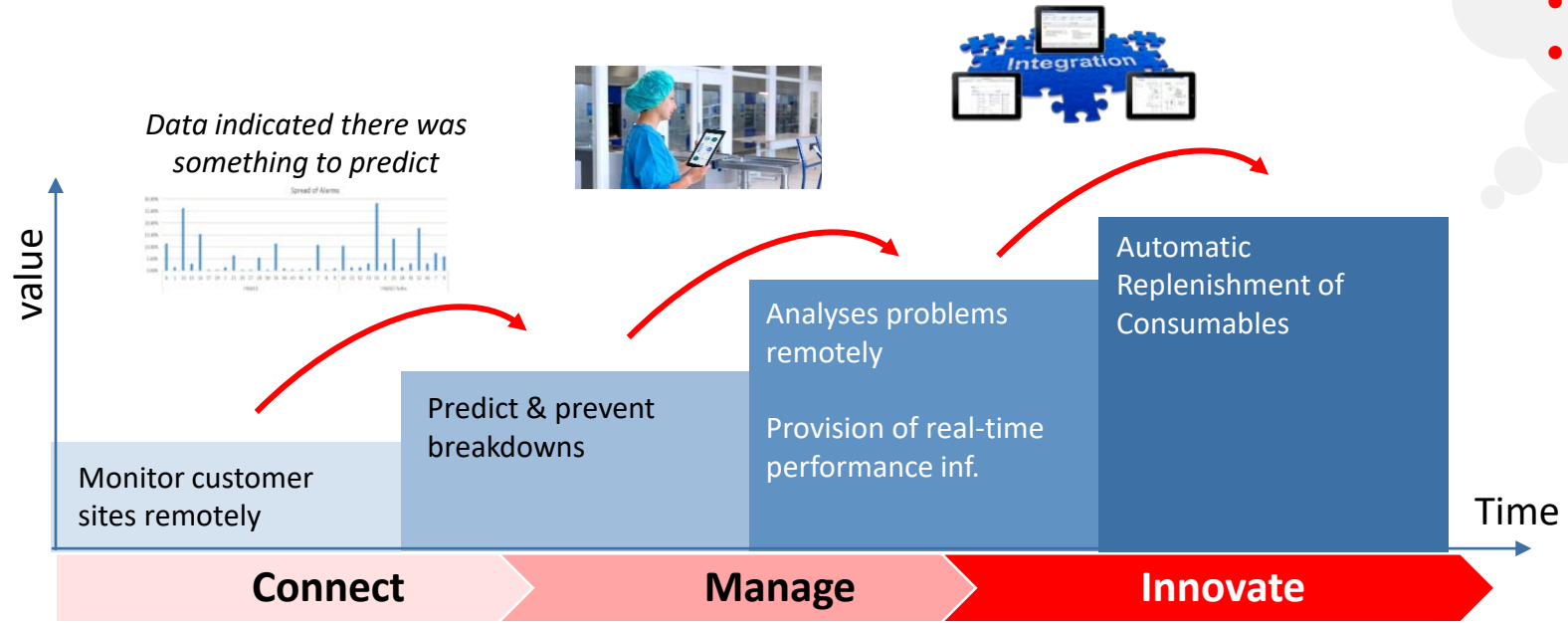
‘How can we address customer needs with data & IoT capabilities we already have?’



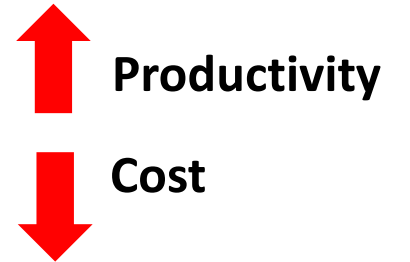
1. How do I get started and keep momentum?



Result: A quick and profitable new service: Getinge Online

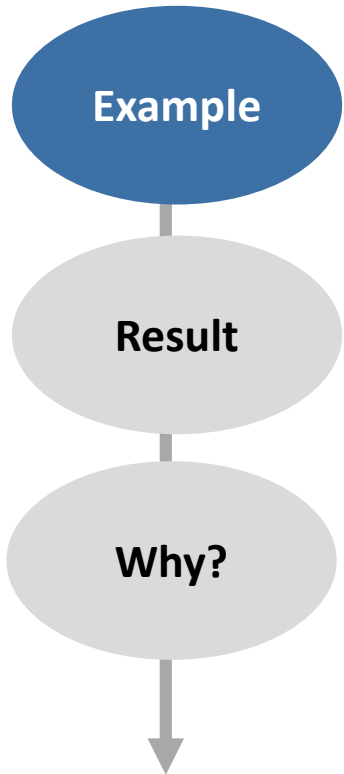


- < downtime
- < time to repair
- > first time fix rate
- > visibility & reliability
- < nr. onsite visits
- < mgt. time



- Conclusions:**
- Focus on customer value and your own core capabilities.
 - Use a step by step approach where new capabilities are added frequently.

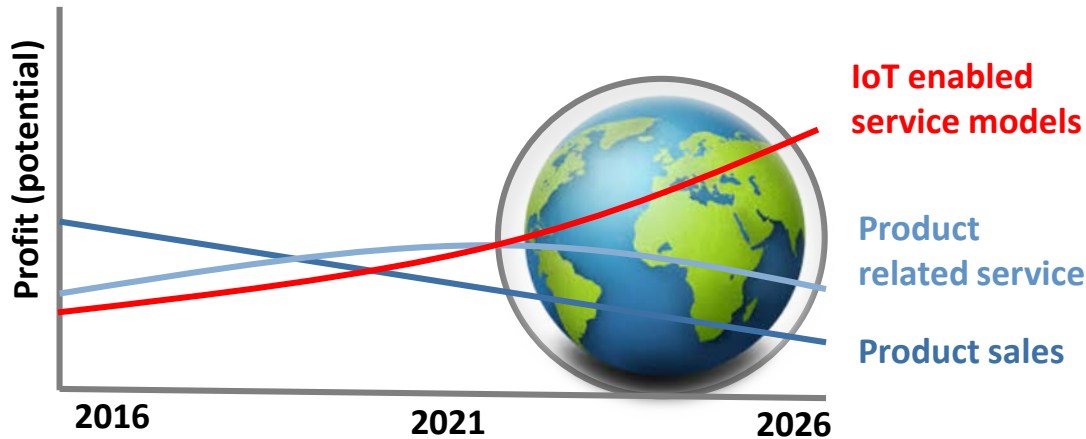
2. Who should I involve? And why?



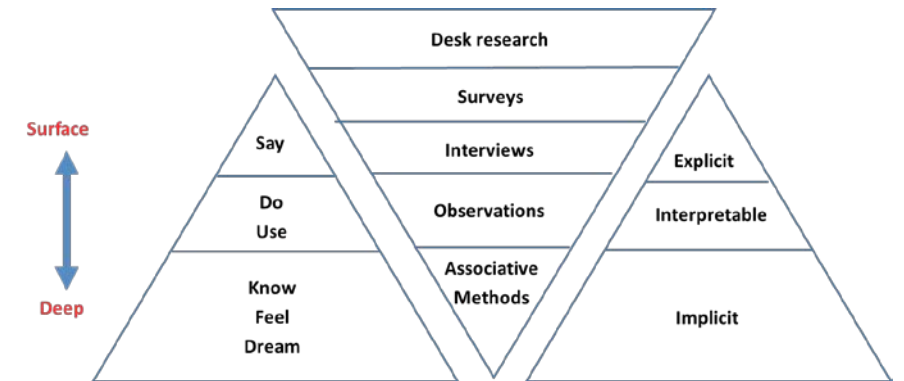
A process control & automation system provider

Example case: a process control & automation system provider (helping plant managers to optimise the production process and improve health & safety)

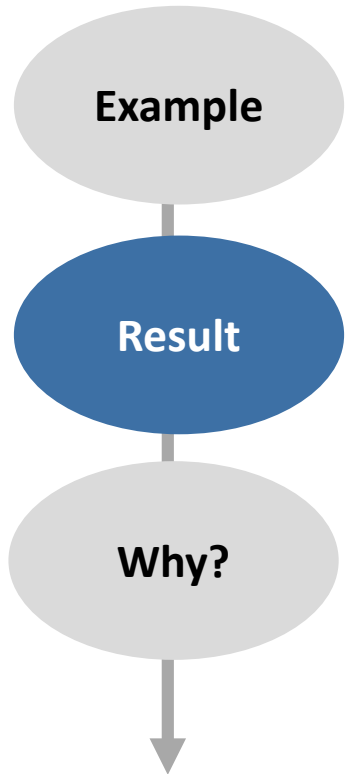
The market was under pressure



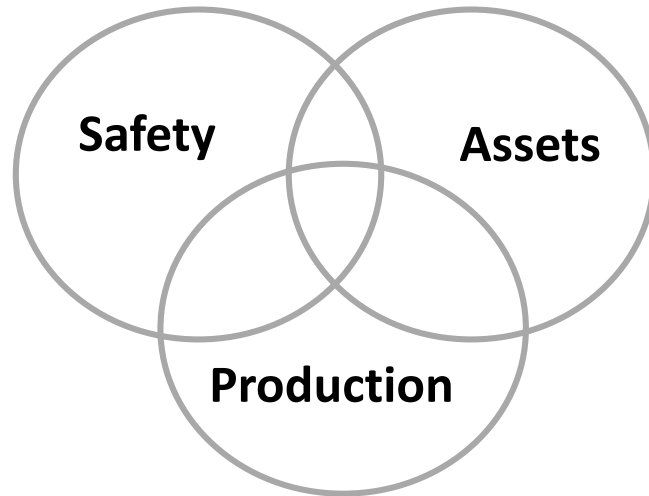
.. And research indicated customers needed support to manage risk



2. Who should I involve? And why?



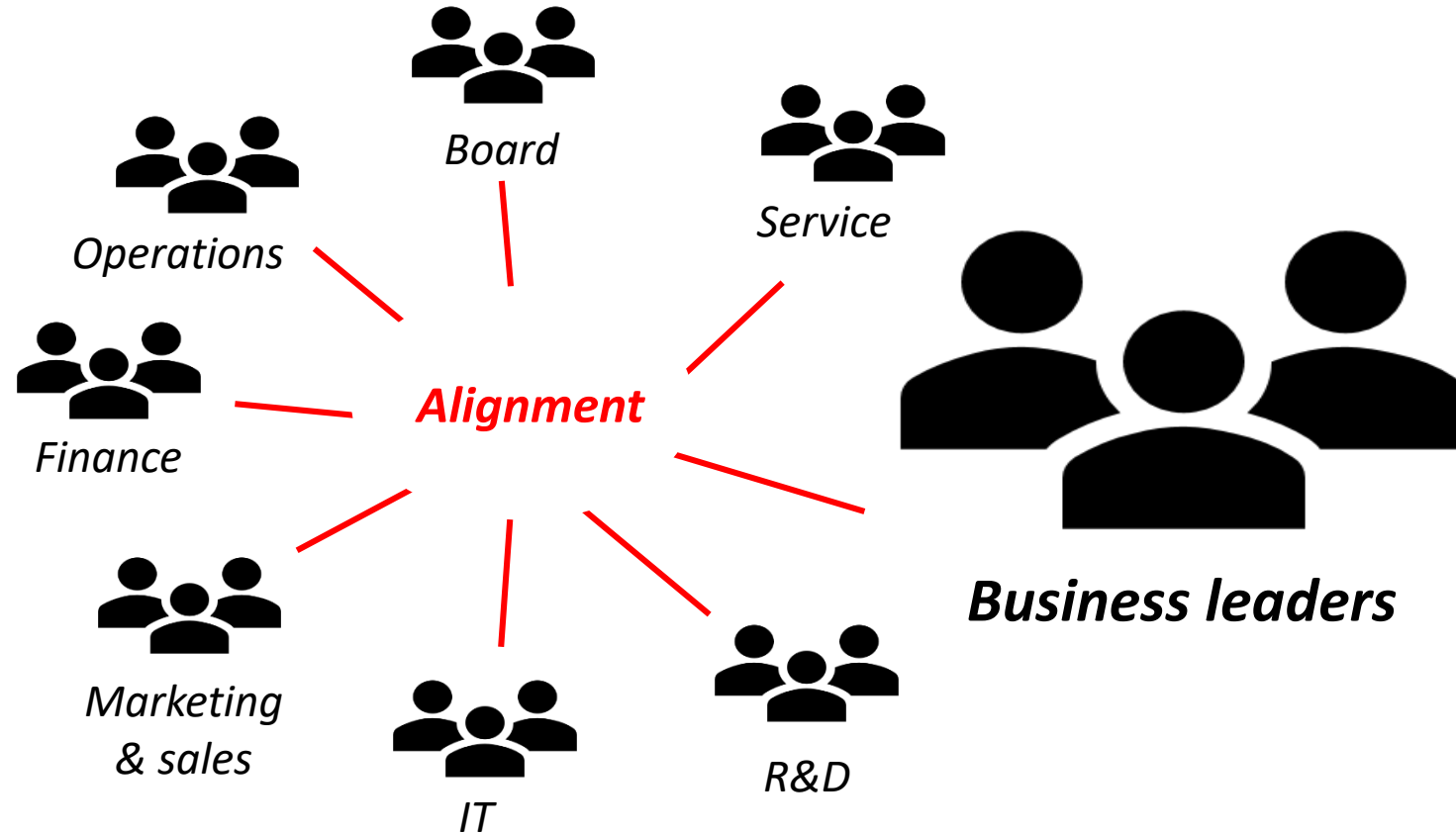
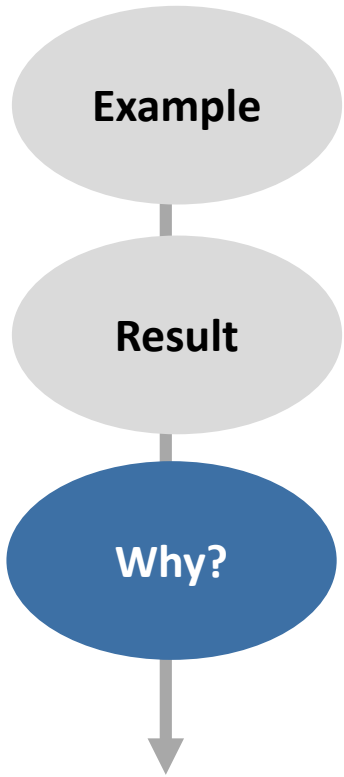
Result: a best in class plant operational excellence solution



Optimisation of TCO throughout the plant lifecycle

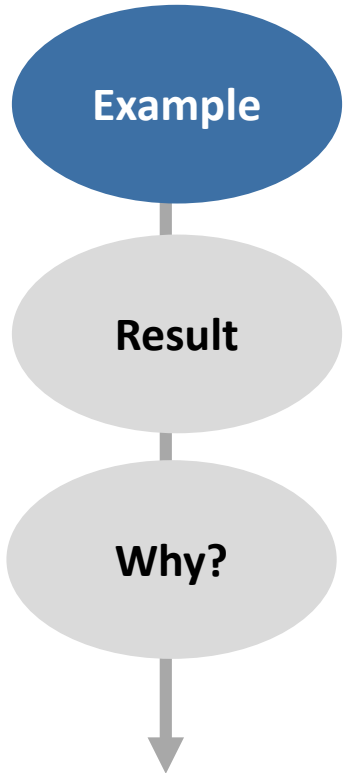
...Which took >3 years to launch

2. Who should I involve? And why?

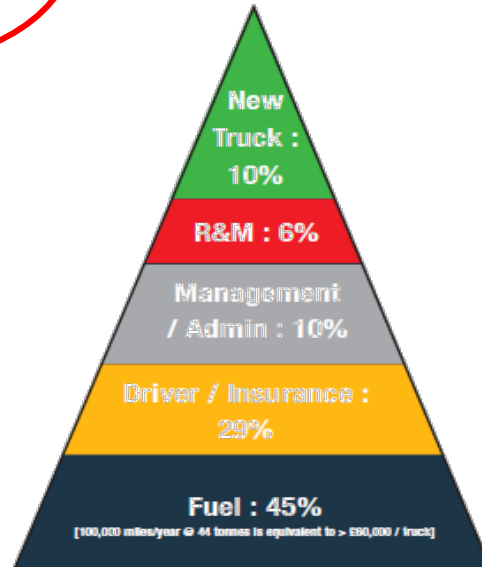


- Conclusions:**
- Involve all key stakeholders from the start as all areas of the business are impacted.
 - Clearly articulate the value for each stakeholder.

3. What makes a balanced portfolio of opportunities?



Example case: MAN Truck and Bus Ltd. reducing the TCO of MAN's trucks



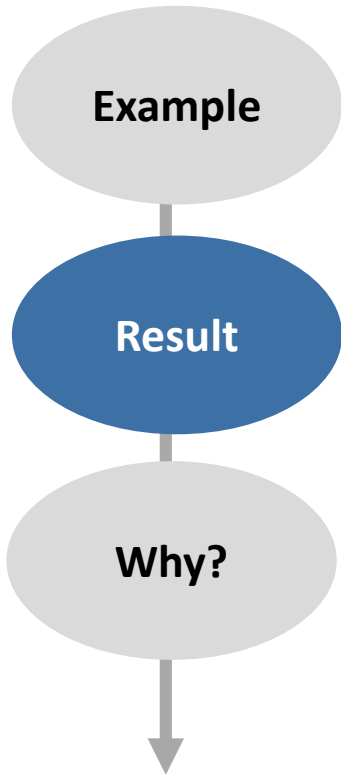
The Total Cost of Operating (TCO) MAN's trucks

- Average Turnover Per Vehicle = €150,000
- Net Profit Per Vehicle For Top 100 Operators 3-4% ROS
- Net Profit Per Vehicle Per Annum = €5-6000
- Total Cost of Operation Per Vehicle = €145,000
- Fuel Cost @ 45% = €65,0000
- 10% Saving on Fuel = €6,000

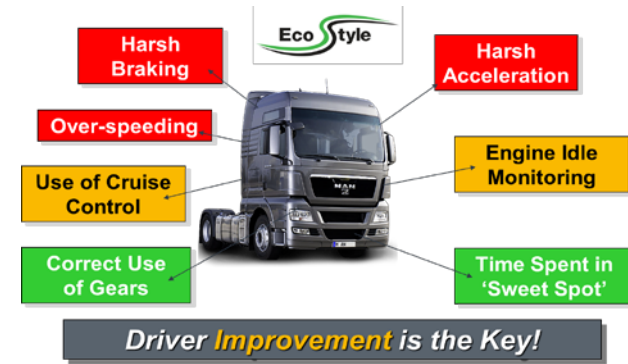
Reducing the use of fuel could DOUBLE THE PROFITABILITY per vehicle...!

3. What makes a balanced portfolio of opportunities?

Result: a new business model in the truck industry

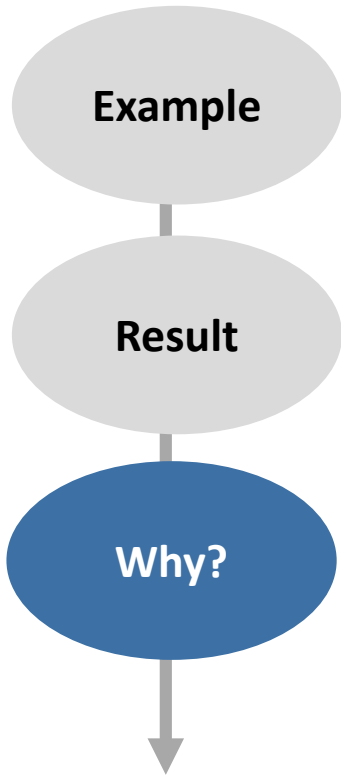


- ▶ **MAN Fleet Management System** takes a trucks raw data and simplifies results into meaningful and valuable reports for customers
- ▶ **Fleet Management Reports** provide accurate proof of how the trucks and drivers are performing – a major benefit for customers looking to keep their costs down and their overall efficiencies up high



	Eco Style	
A Absolute Star		10 : 1%
B Benchmark Performer		94 : 9%
C Competent - Could Do Better		380 : 36%
D Development Required		461 : 44%
E Expensive (Economically & Environmentally)		94 : 9%
F Frightening		10 : 1%
G Goodbye!		0 : 0%

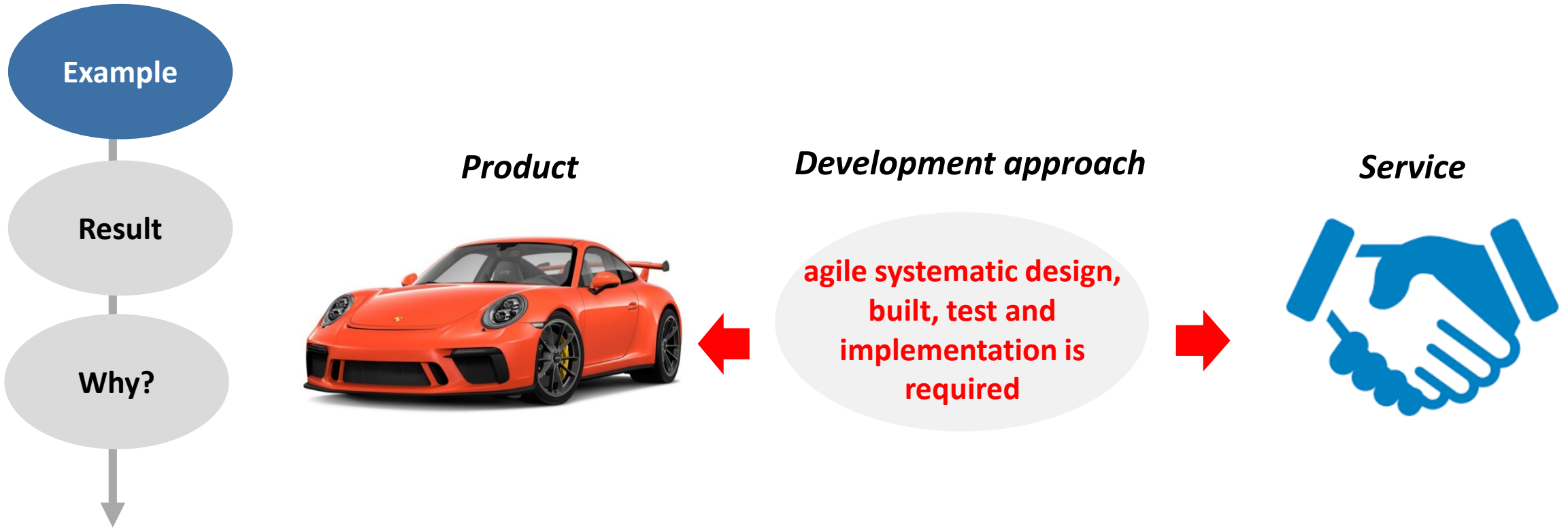
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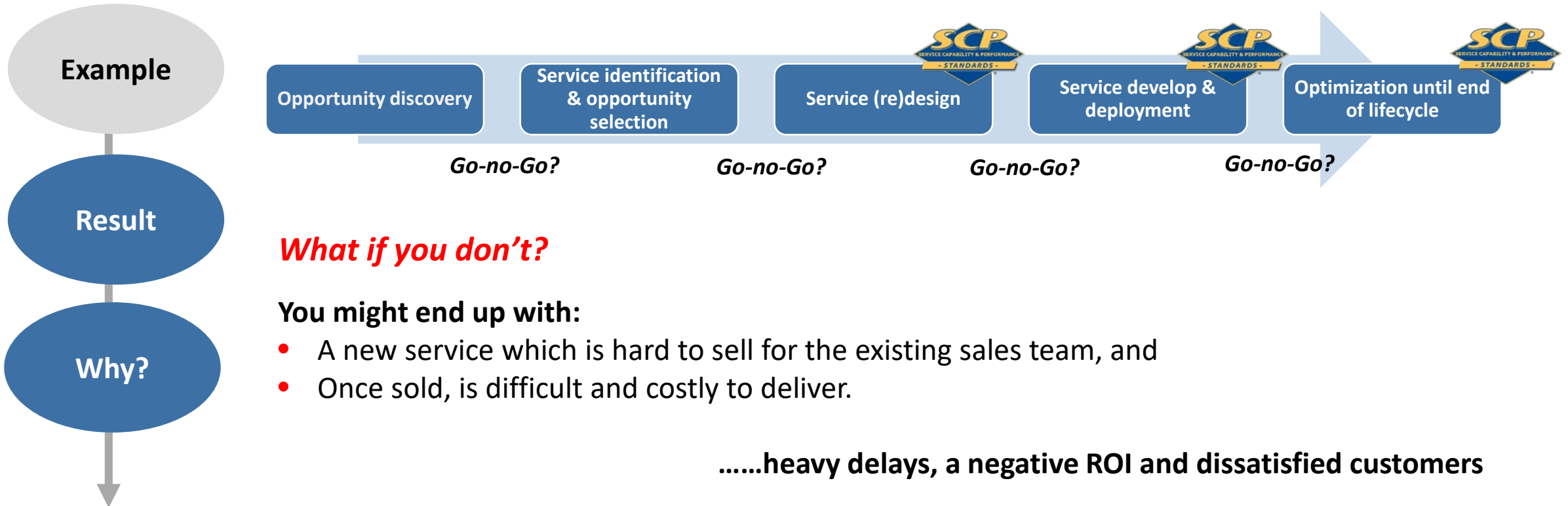
	Product related services	Customer business related services
Focus	Existing data & IoT capabilities	Customer value (critical customer pains & gains)
Risk	Low: Extension of existing capabilities	High: New proposition and new capabilities
ROI	Short-term	Long-term
Advantage	Additional services	New business model
Benefit	Double digit growth	+/-500% growth

- Conclusions:**
- Decide on a future vision: know what you're working towards.
 - Include short, mid & long-term ROIs.

4. How do I translate conceptual ideas into practice?

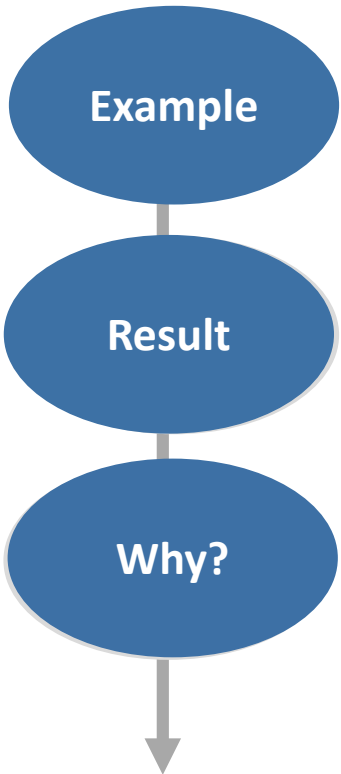


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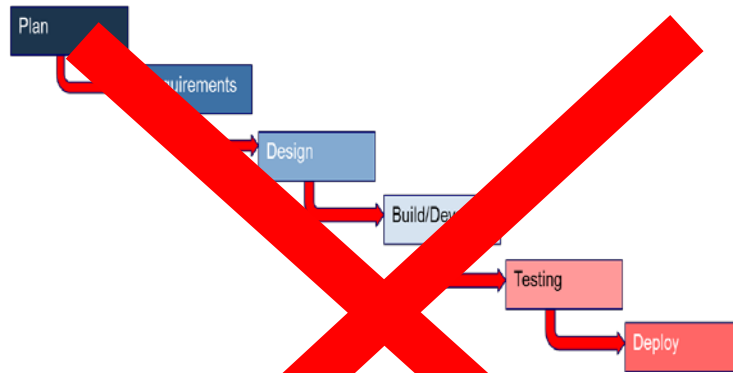


- Conclusions:**
- Follow a systematic service design & development approach.
 - Design & pilot not only the value proposition but also the marketing, sales & delivery models.
 - Leverage existing service industry standards to ensure good results quicker and at reduced risk.

5. How do I reduce risk and optimise my ROI?



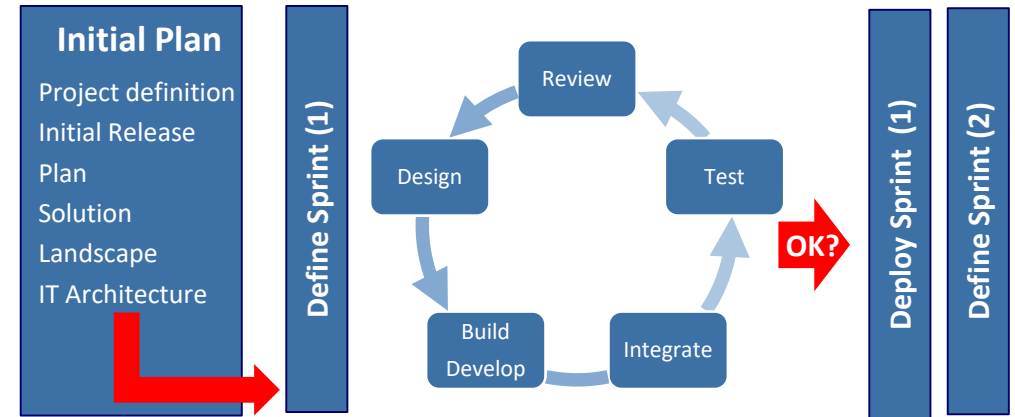
The waterfall approach



What will happen?

- Implementation can take a long time.
- The end result is often different than expected.
- Issues are only identified at the end.

The agile approach



What will happen?

- Issues identified and resolved in early stages resulting in a higher quality end result.
- You get frequent results with limited scope.

Conclusions: • Use an agile approach & involve customers from the start.

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Summarizing the conclusions

1. How do I get started and keep momentum?

- **Focus on customer value** and your own **core capabilities**.
- Use a **step by step approach** where **new capabilities** are added frequently.

2. Who should I involve? and why?

- **Involve all key stakeholders from the start** as all area's of the business are impacted.
- Clearly articulate the **value for each stakeholder**.

3. What makes a balanced portfolio of opportunities?

- **Decide on a future vision:** know what you're working towards.
- **Include short, mid & long-term ROIs.**

Summarizing the conclusions

4. How do I translate conceptual ideas into practice?

- Follow a **systematic service design & development approach**.
- **Develop** not only the value proposition but **also the marketing, sales & delivery models**.
- **Leverage existing service industry standards** to ensure good results quicker and at reduced risk.

5. How do I manage risk and optimize my ROI?

- **Use an agile approach & involve customers from the start**.





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Questions & answers



To learn more about how to overcome these challenges we invite you to:

[Download our latest article on the 7 steps to uncover the potential of IoT – where we explain how you can use Using Design thinking to leverage IoT](#)



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Our events



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12-16 September, Amsterdam



**2 day Service Innovation Forum:
Game Changer IoT**
11-12 October, London



1 day Future of Service with IoT workshop
14th of September, Amsterdam
11th of October, London
26th of October, Dusseldorf

Click here to find out more



Thank you!

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