

Smart service business model innovation

Prepare your business for the smart service future!



Schuh & Company
Complexity Management

“Digitization in manufacturing will have a disruptive effect every bit as big as in other industries that have gone digital, such as office equipment, telecoms, photography, music, publishing and films.”

The Economist, 2012

“Any industrial manufacturer that has not awakened to the fact that it must become a service business is in serious peril today. [...] Soon, it will not be enough for a company to offer services; it will have to provide ‚smart services‘.”

Allmendinger & Lombreglia, 2005

“The data of today is the competitive advantage of tomorrow.”

Manager of a German cleaning systems company, 2015

Are you aware of the opportunities offered by the industrial digitalization?

Do you know what I4.0 means to your business?

Are you prepared to defend your business against disruptive new entrants?

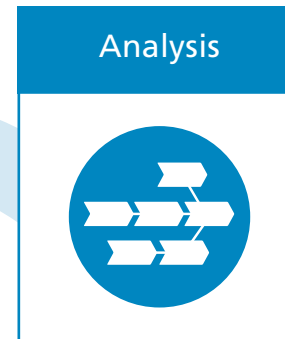
Will your current business model survive a digital future?

Many firms have problems to understand what the digital revolution means for their business. We will help you to look beyond the hype and prepare your business model for the future!

Project Approach

1 ASSES DIGITAL READINESS

- Assessment of your current digital readiness by benchmarking you against more than 141 data sets
- Interpretation of valuable insights from planning, implementing, and actively offering companies together with experienced experts
- Preparation of business model innovation project that is customized to your specific needs

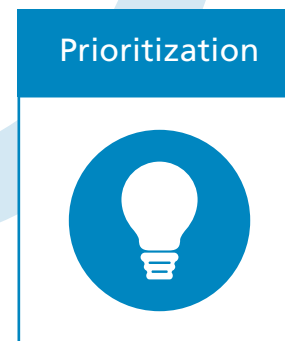


2 ANALYSE THE STATUS QUO

- Analysis of all external factors in your competitive environment that might have an impact on the success of your future smart service business model
- Analysis of internal factors that influence the process of business model innovation
- Analysis of basic approaches to build on that already exist in your company

4 ADAPT TO CONTEXT AND IMPLEMENT

- Elaboration of preselected business model ideas with more details based on established business model literature and the input of experienced experts
- Iterative consistency checks by reflecting upon the results of the analysis phase and selection of final business model(s)
- Adaption of business model(s) to your individual context
- Development of your individual implementation roadmap



3 GENERATE AND SELECT IDEAS

- Application of established creativity methods to prepare for thinking out-of-the-box and allow for unconventional ideas
- Generation of ideas for the advancement of existing and/or the innovation of completely new business models
- Rough selection of relevant business model ideas

The potentials of smart services

Qualitative Facts

- Higher efficiency in service processes due to better information gained from a connected installed base.
- Reduced cost in after-sales due to condition-based action instead of time-based maintenance intervals.
- Remote access and real-time information on the equipment in the field path the way towards true solution providing.

Quantitative Facts

90 % of the **\$ 11 trillion** USD annual economic Impact will be exploited in the use phase of manufactured equipment by smart services.

Due to smart services manufacturers are capable to reduce reaction time to service incidents by almost **90 %**

At the same time, customers of smart service providers benefit from up to **85 %** faster problem solution.

Forerunners apply smart services in every service activity and improve quality by reducing incidents by **30 %** and more.

Position yourself among your peers – The St. Gallen database

Knowledge Base: Key facts of the database



141 Participants

96 actively offering companies
45 planning or implementing companies



13 Countries

are represented in the sample



42,6 %

of active participants have been offering smart services for more than 5 years



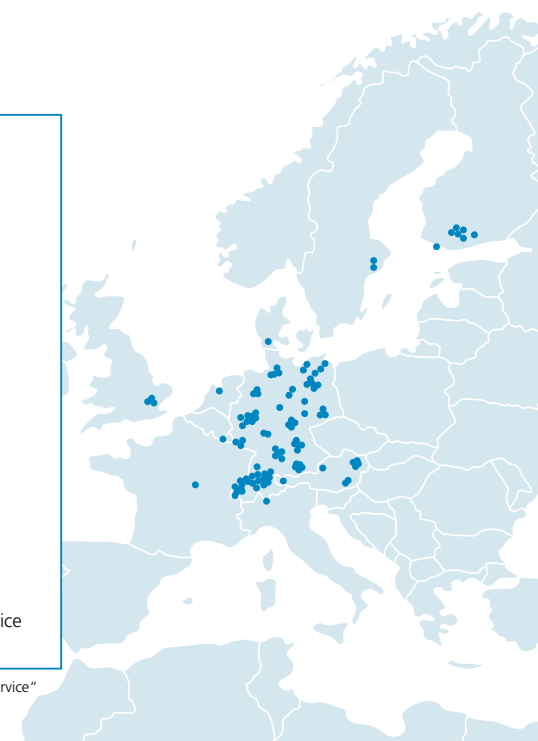
79,1 %

of actively offering companies and

100 %

of Successful Practice companies think smart services as the next step in service excellence will go far beyond maintenance

Source: ITEM-HSG Benchmarking 2015 "Success in the Future of Smart Service"



We have the data base to benchmark your performance

- Hosted and maintained by the University of St. Gallen
- Designed in cooperation with leading manufacturers
- 141 data sets of manufacturers from 13 countries
- Holistic view on your Smart Service BM based on performance indicators and enablers

Company

Schuh & Company focuses on providing solutions and methods for managing the ever increasing complexity of today's enterprises, products, and processes. With this approach, the company was established as an implementation-oriented problem solver in the industry. Today the company consists of about 50 people committed to ensure your company's success through their work as strategy and organizational consultants, as well as management coaches.

Schuh & Company is headquartered in Aachen, Germany, with subsidiaries in St. Gallen, Switzerland (since 1991), and Atlanta, GA, USA (since 1997).

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