



Smart product scenarios for Strategy and Business Model

Pieter Beyl | 12-05-2022 | 14:00 – 15:30



driving industry by technology

**New competitive landscape
to explore**

Uber amazon



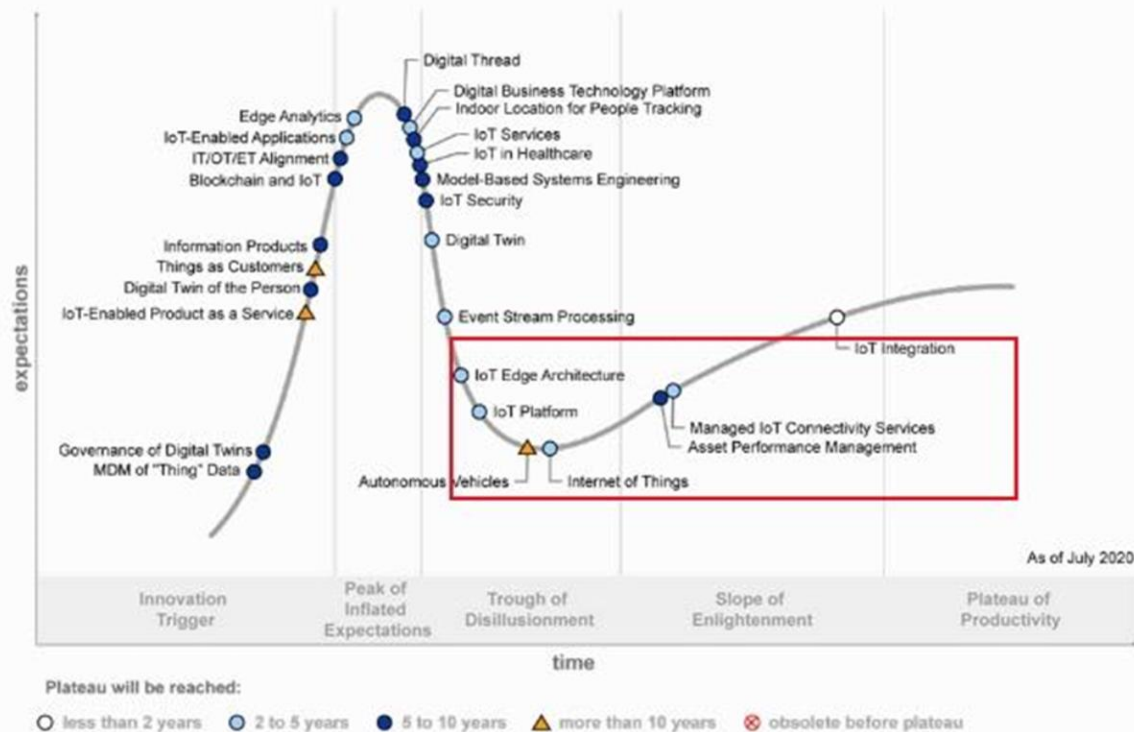
New Technology to explore



**New position in the
value chain/new value capturing**



Hype Cycle for the Internet of Things, 2020



Source: Gartner
ID: 441743

Growing a smart product business...

Which business idea is relevant to my company?



How will we create, deliver and capture value?



Which business idea is relevant to my company?



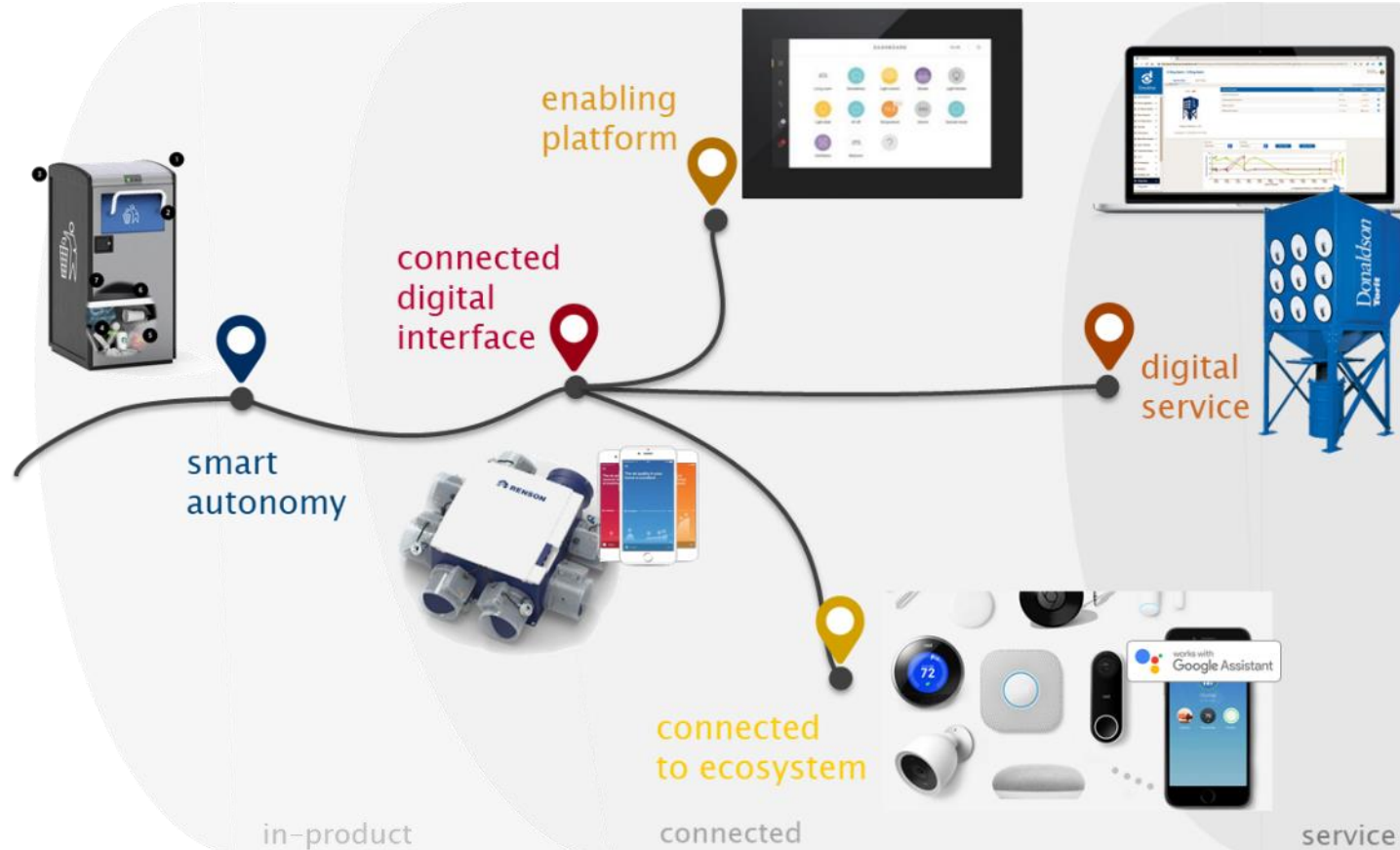
Smart product scenario

“A generic business idea as found in smart products on the market”

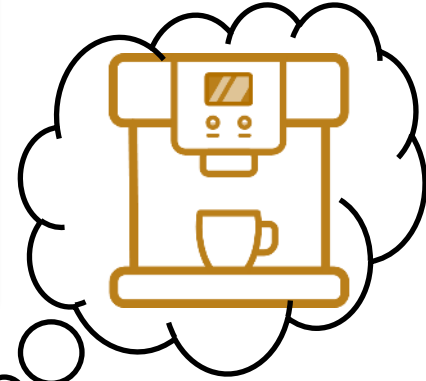
Which business idea is relevant to my company?



Smart product scenario



4-steps approach to relevant business ideas



STEP 1 Current business & key drivers



1 Current business & key drivers



2 Strategic fit scenarios



3 Challenges & risks



4 Scenario roadmap



- Smart Coffee Maker with WiFi & Voice Activated

Product



value-added offering

Service



Data

Offers personalized suggestions in the Starbucks app

Gives personalized rewards based on purchasing history
Uses big data to drive sales

Tracks maintenance for espresso machines
Uses data to make schedules and adjust hours accordingly
Tracks inventory and

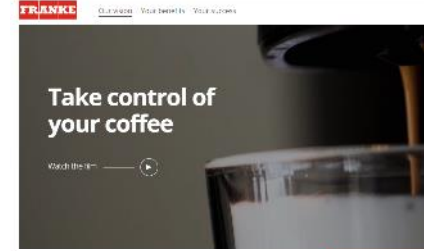
Marketing

In-Store Operations

Deep Brew

Customer Service

Operations



Raise coffee quality. Improve profits. Enhance experience. Connect your fleet with Franke Digital Services and take control of your coffee business.

Deep Brew: How Starbucks Uses AI

STEP 2 Strategic fit smart product scenarios



1 Current business & key drivers



2 Strategic fit scenarios



3 Challenges & risks



4 Scenario roadmap



Coffee machine with smart features sold for home use



Smart autonomy



Digital user interface



Interface with existing ecosystems



Personalize the configuration

STEP 2 Strategic fit smart product scenarios



1 Current business & key drivers



2 Strategic fit scenarios



3 Challenges & risks



4 Scenario roadmap



Coffee station
+ bundle of digital services
for chain stores



Digital user interface



Enabling maintenance

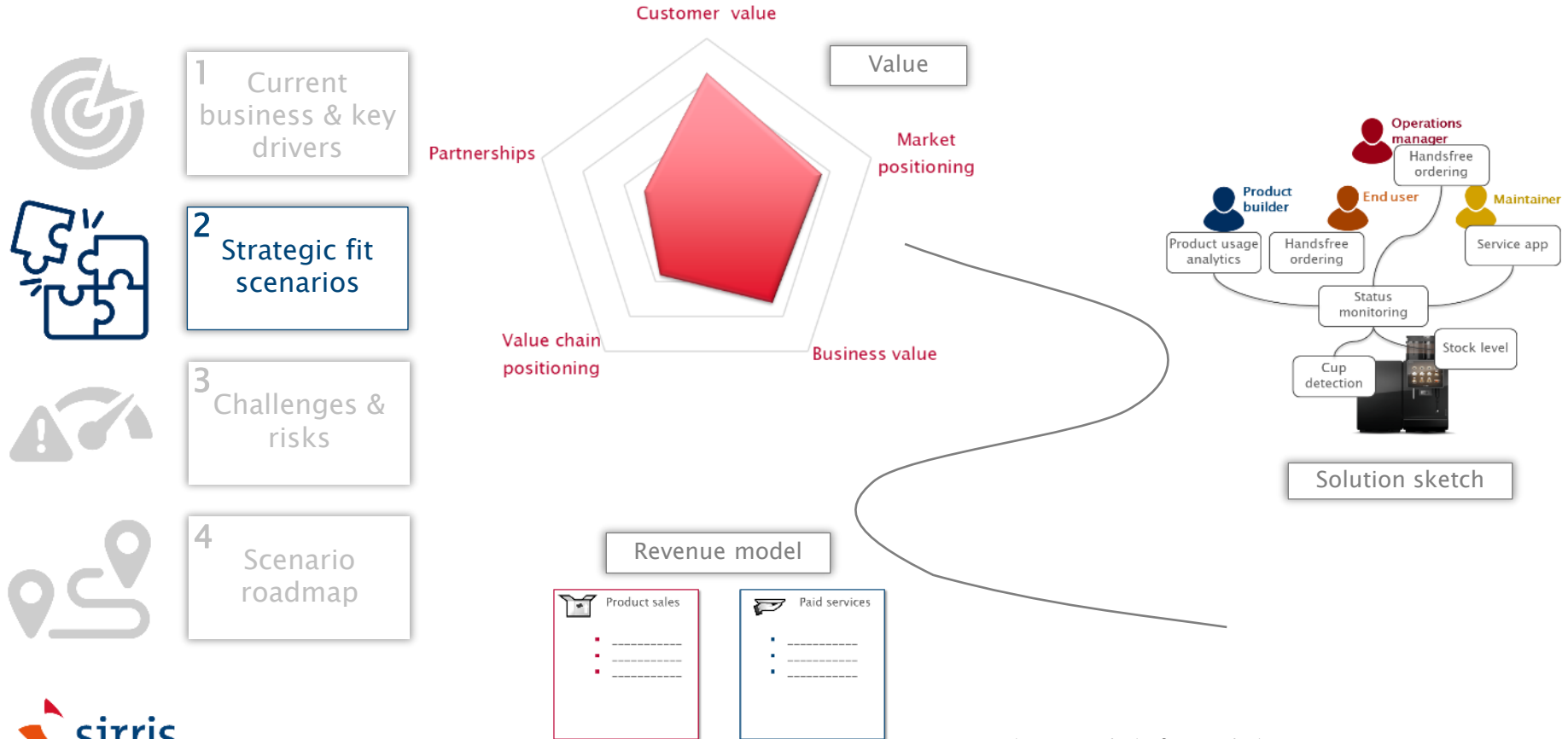


Services based on product data



Improve product requirements

STEP 2 Strategic fit smart product scenarios



STEP 3 Challenges & risks



1 Current business & key drivers



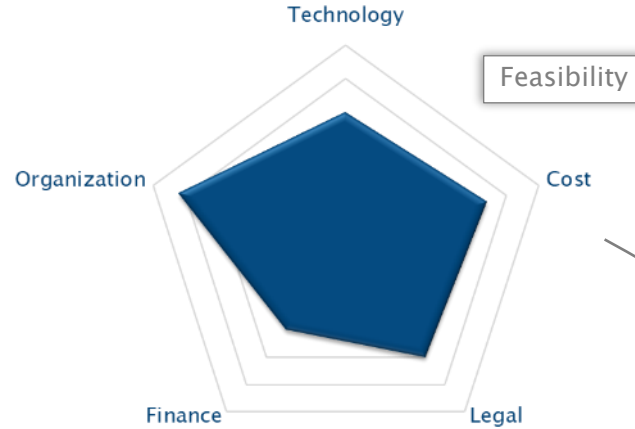
2 Strategic fit scenarios



3 Challenges & risks

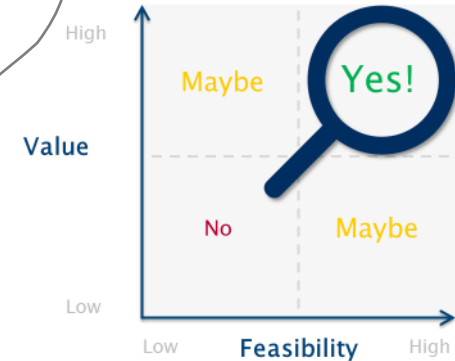


4 Scenario roadmap



Risk

Unable to assess
Other businesses do it
Access to expertise
In-house expertise
Feasible



STEP 4 Scenario roadmap



1 Current business & key drivers



2 Strategic fit scenarios



3 Challenges & risks



4 Scenario roadmap



top-down



Long-term vision



Solution stack

bottom-up

Mobile/Web	Dashboards, Analytics, Workflows Helpdesk, CRM, Payment
Cloud	24/7 service, Microservices, APIs, Platforms, Deployment models
Interconnection	OPC-UA, MQTT, etc. 2G,3G,4G,LPWAN (e.g. NB-IoT),WiFi, ... Ethernet, Bluetooth, USB, ...
Hardware & Data	Local processing: Microprocessor, PLC Sensitisation Actuation Settings, logs

opportunity

risk



4-steps approach to relevant business ideas



✓ Identification of relevant business ideas



✓ Faster scoping of the exploration



✓ Idea can be further elaborated for market fit



Growing a smart product business...

Which business idea is relevant to my company?



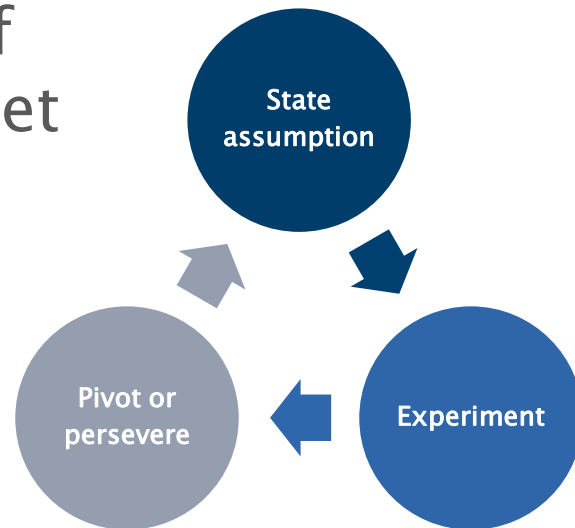
How will we create, deliver and capture value ?



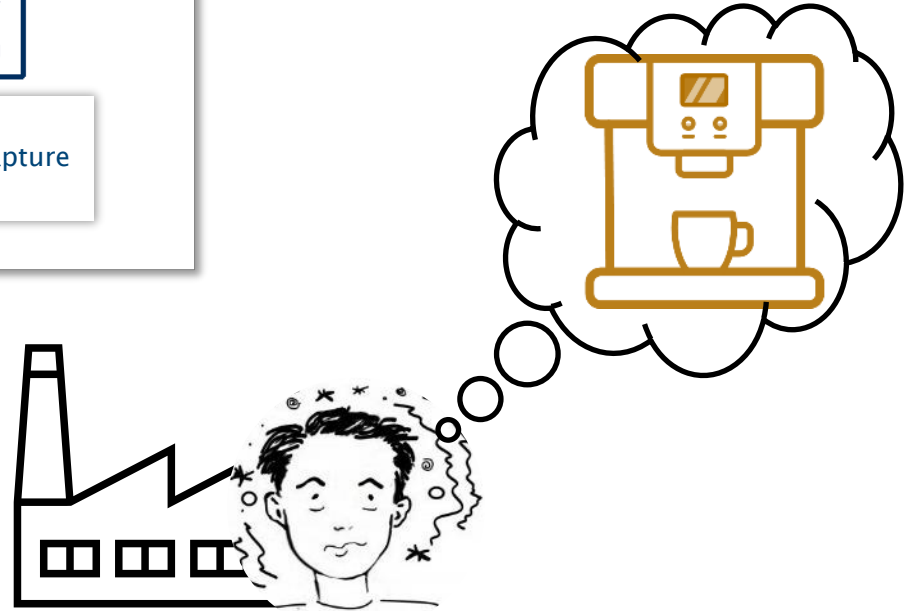
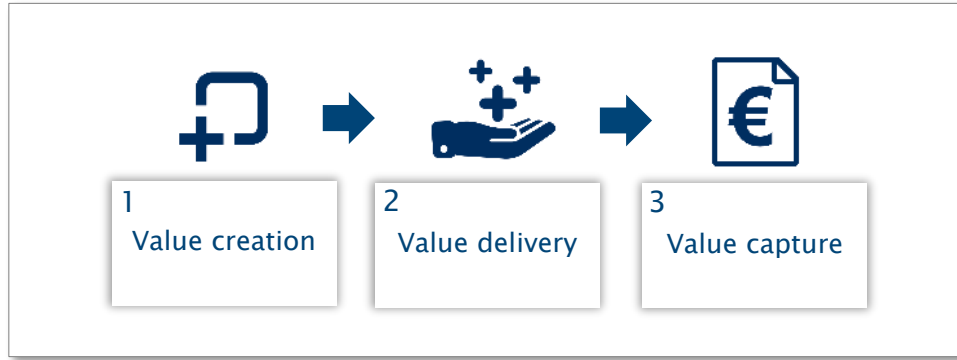
How wil we create, deliver and capture value?



Validation of
fit-with-market



Methods for fit-with-market



Methods for fit-with-market: 1. Value creation



1
Value creation

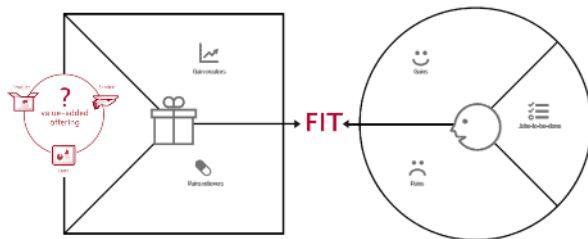


2
Value delivery



3
Value capture

Value proposition – Customer



Customer interviews

Interview: Explore Customer's Worldview (Test Solution) – 15m

- Go through each problem in turn
- If they offer up new problems along the way, explore them the same way.

<Start with their #1 problem>

Why is this difficult for you?

So, how do you deal with <problem> today?

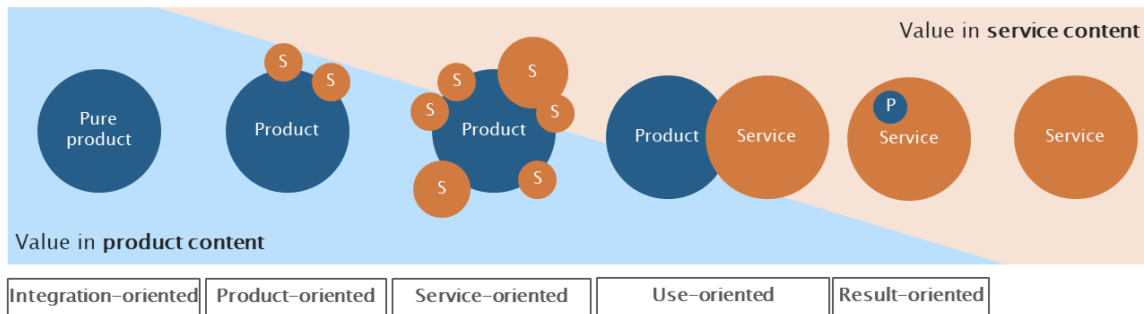
Ask any follow-up questions to understand their current workflow.

In addition to their raw responses, judge their body language and tone to get a sense of how they'd rate the problem: "must-have", "nice-to-have", or "don't need"

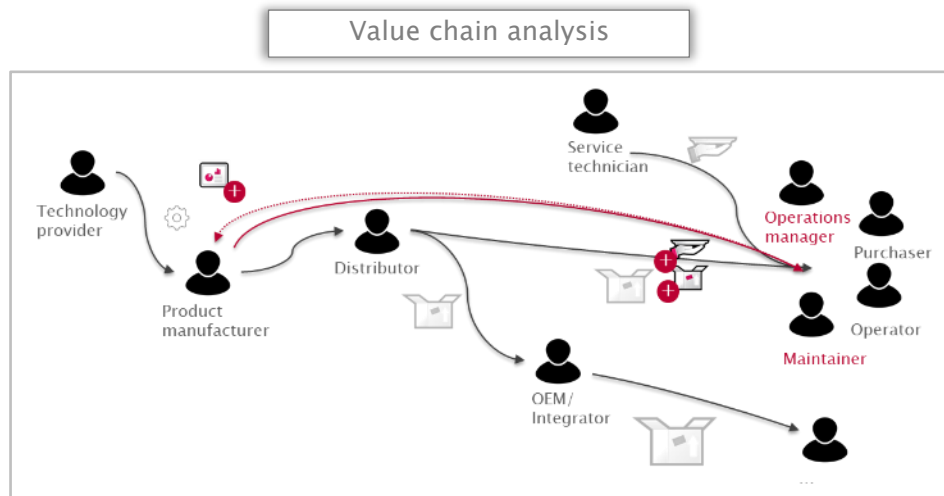
How would you rate the problem? "must-have", "nice-to-have", or "don't need"?

<Repeat for other problems>

PRODUCT-SERVICE SYSTEM CATEGORIES



Methods for fit-with-market: 2. Value delivery



Methods for fit-with-market: 3. Value capture



1
Value creation

2
Value delivery

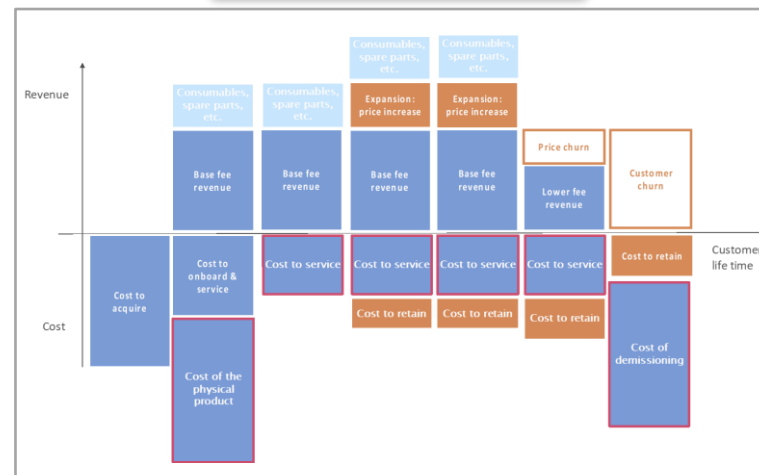


3
Value capture

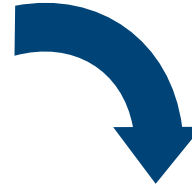
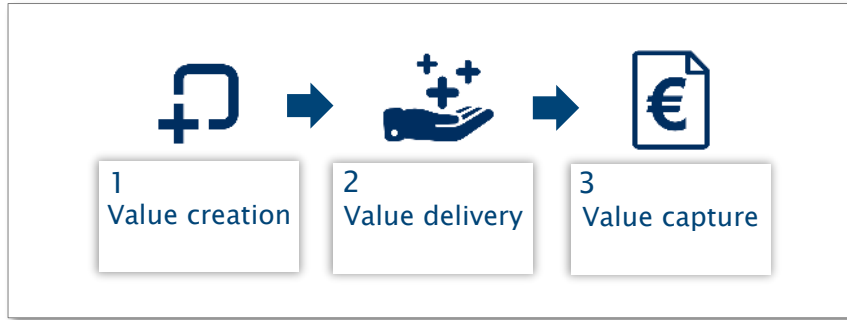
Pricing



Revenue-cost modelling



Methods for fit-with-market



- ✓ Supporting development of smart product business model
- ✓ Stepwise risk management
- ✓ Validation of market fit



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Pieter Beyl – Advisor Smart Products



Pieter.Beyl@sirris.be



0498 91 94 57



www.sirris.be/smart-products