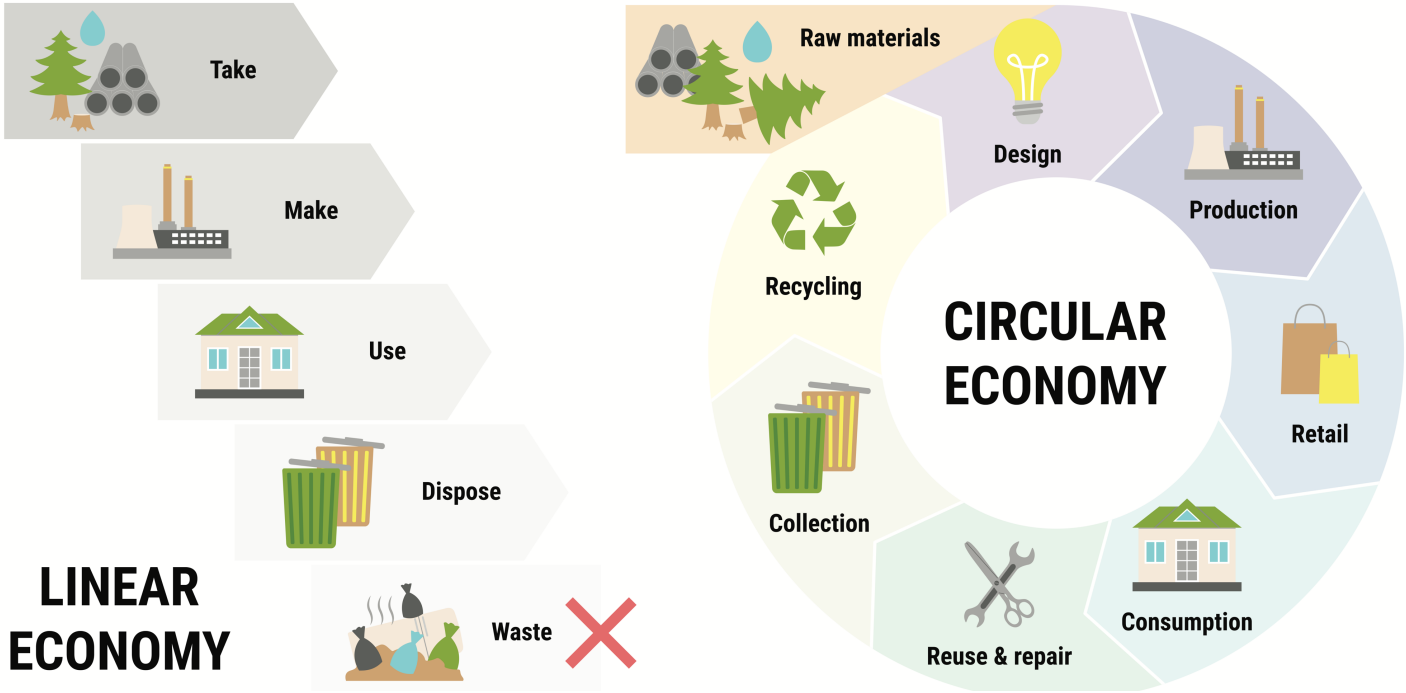




Emerging Service Models in a Circular Economy

Executive Service Roundtable - 2022

A sustainable and Circular Economy is one of the global challenges with a big impact

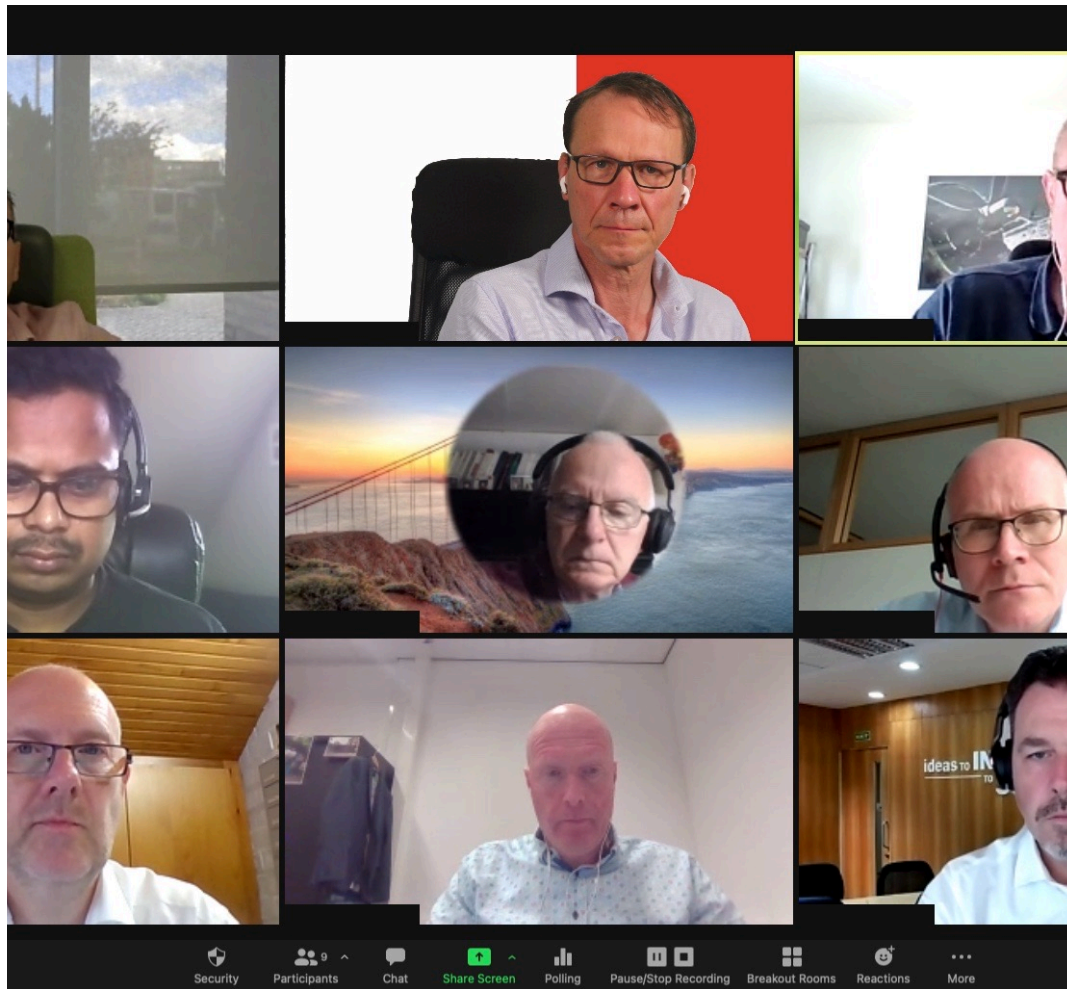


This will impact manufactures – and their business models

What are the (service) business models?

What are the stakes?

What are the critical success factors?



The Executive Service Roundtable

Every month

Short and to the point

Range of important topics

Practitioners only

Agenda

1. Emerging Circular Service Models



2. Insights from benchmark



3. Discussion



moreMomentum Service Community

Service industry lacks up-to-date, evidence-based practical external insights.

Share, develop and apply emerging best practices and strategies:

- Peer Group
- Benchmarking
- Advisory
- Roundtable



Co-moderator of today – and strategic partner of moreMomentum



Mark Homer

Field Service Associates

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This will impact manufactures – and their business models

What are the (service) business models?

What are the stakes?

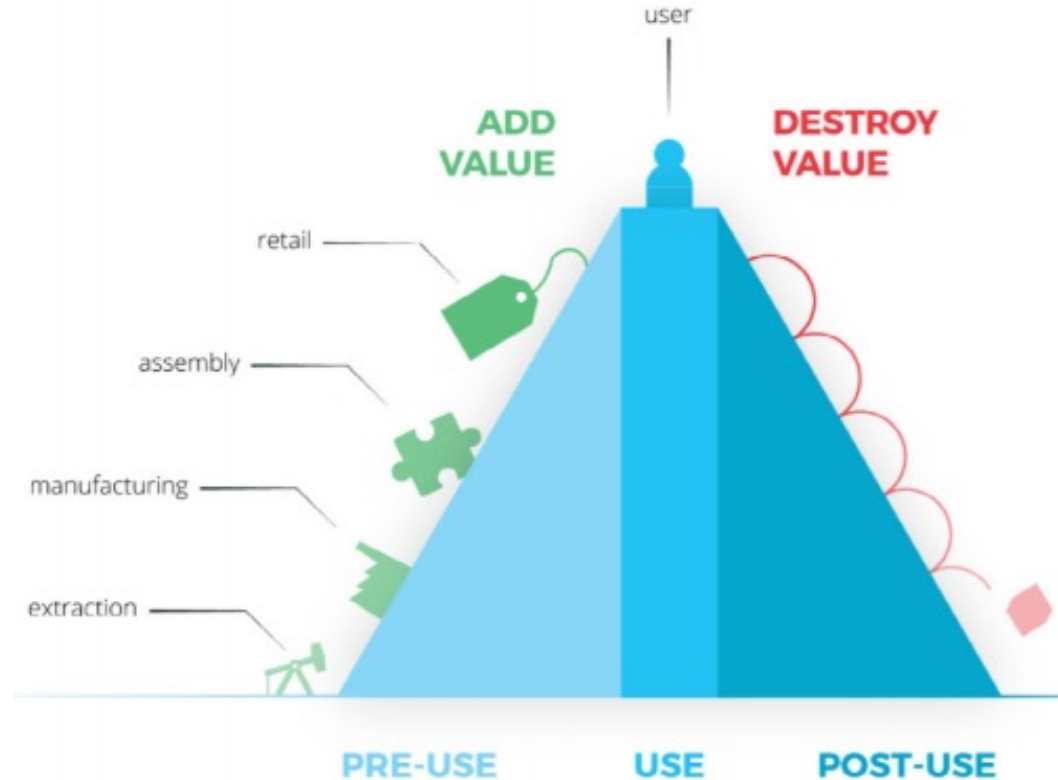
What are the critical success factors?

A linear economy has a lot of waste

Materials and energy used while:

- Extracting resources
- Manufacturing your products
- (Assembling your products)
- Using your products
- Disposing your products

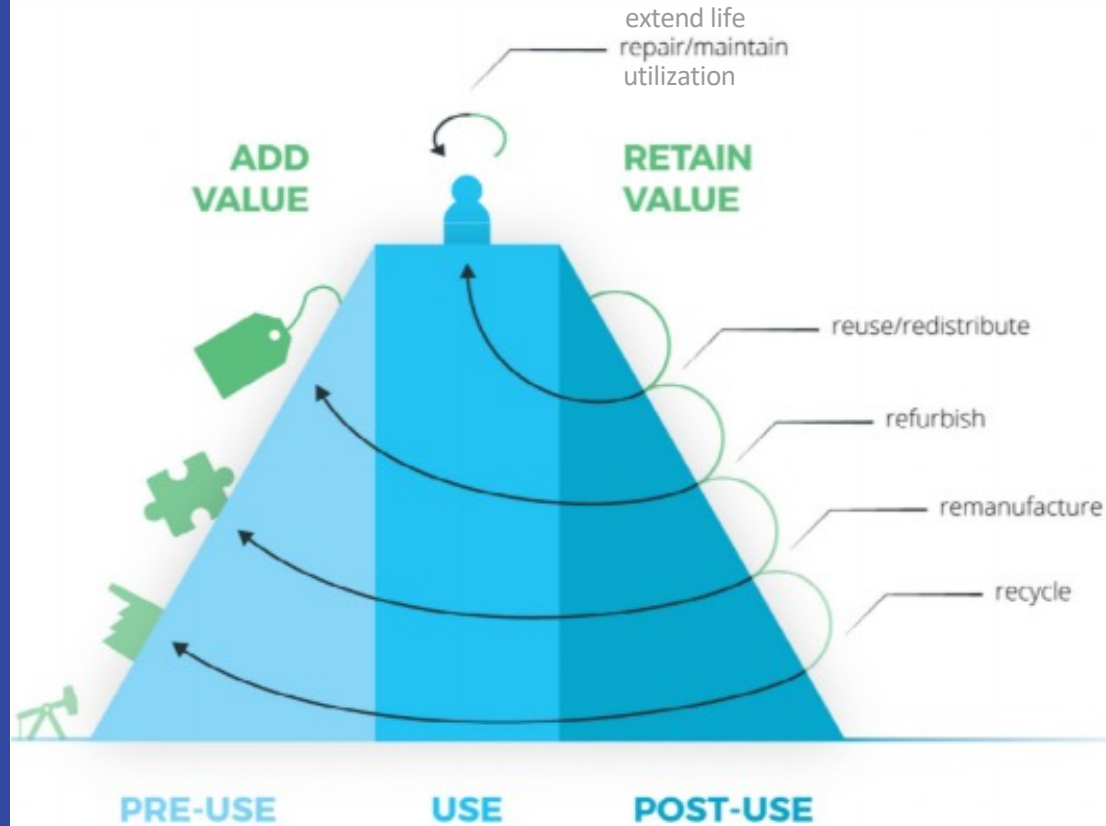
The linear economy

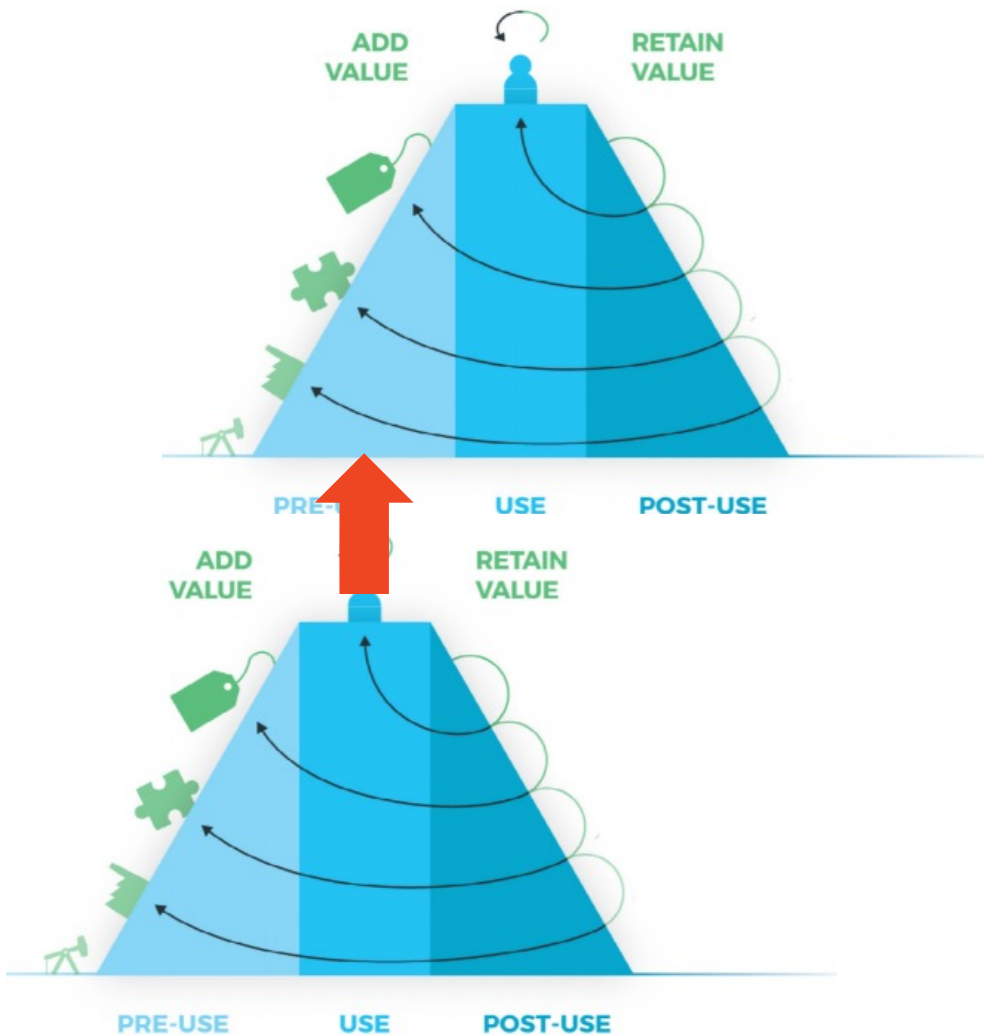


The objective is to

- Increase utilisation
- Extend life
- Reuse with minimum degradation
- Reduce energy throughout the life cycle of a product

The circular economy





This goes beyond your value chain

How can your services help customers to develop a circular business model too?

Elements for your service model

Circular Design	Optimal Use	Value Recovery
Design for long term value / use	Drive better usage & productivity	Capture value after (1st) use
Design for easier maintenance	Life extension	2nd hand use
Design for easier upgrades	Increase utilisation rate	Refurbishment
Use circular materials and energy	Sharing	Reuse components
Alternative use of waste	Condition-services	Recycle materials
	Efficiency of use	Drive returns

Coordination across the value chain (network)

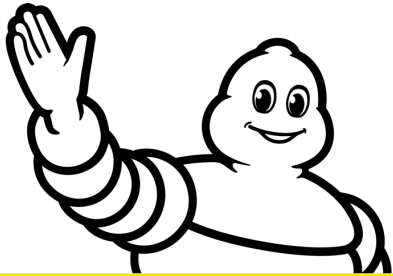
Manage flows of information, materials and money

Recovery centers
Financial services
Data services

Product tracking, tracing & trading
Integration of connected services

B2B examples

CATERPILLAR



MICHELIN



COHEALO



This will impact manufactures – and their business models

What are the (service) business models?

What are the stakes?

What are the critical success factors?

The high stakes are high to get it right



Environment

Governments enable
Consumers pull
Companies drive
And make it happen



Market

Changing demand
Growth opportunities
Potential disruption



Qualification

Regulations
Investors
Cost structure

This will impact manufactures – and their business models

What are the (service) business models?

What are the stakes?

What are the critical success factors?

The name of the game is Radical Business Model Innovation

Challenges

- Find desirable value propositions
- Find viable and feasible business models
- Find other revenue streams
- Highly unpredictable
- Changing dynamics in value chain, with new players
- Cannibalism

Success factors

- Open innovation
- Exploration and learning
- Recognising weak signals
- Pivot, adjust and pivot
- Entrepreneurship
- Performance of existing business model

From the Service Transformation Benchmark

Summarised

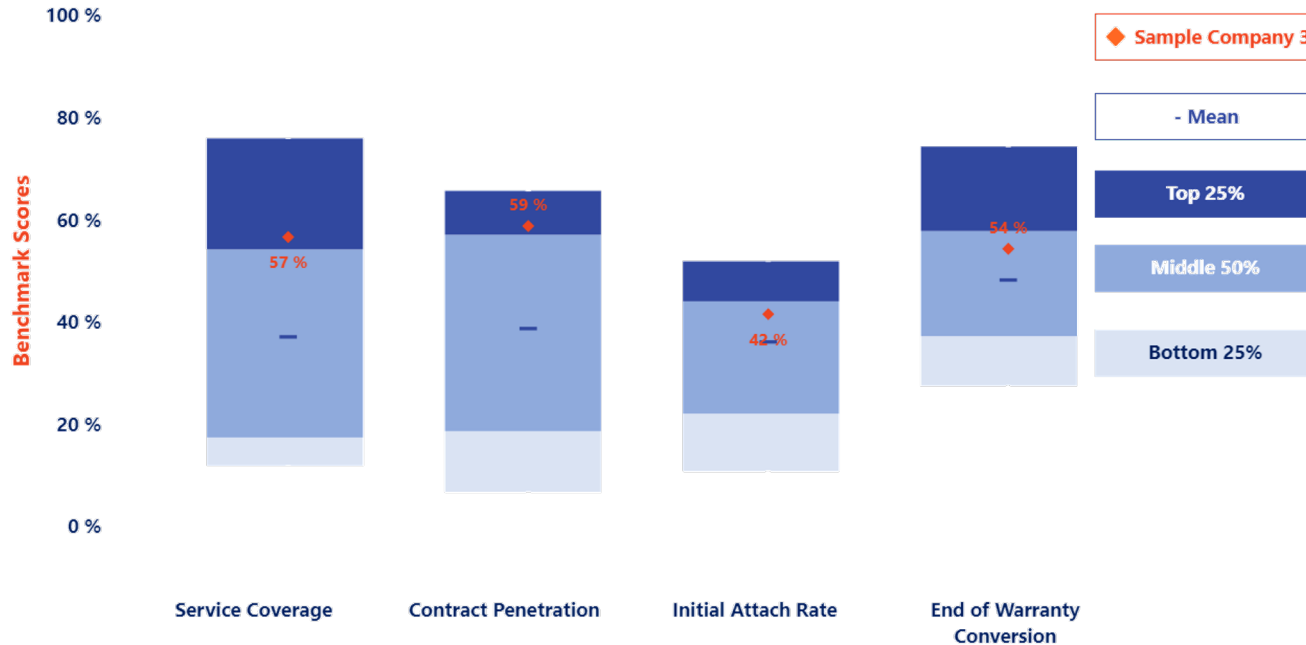
Multi-level capability model as backbone



Comparing performance and maturity

Benchmark of Performance Levels for 'Commercial Success'

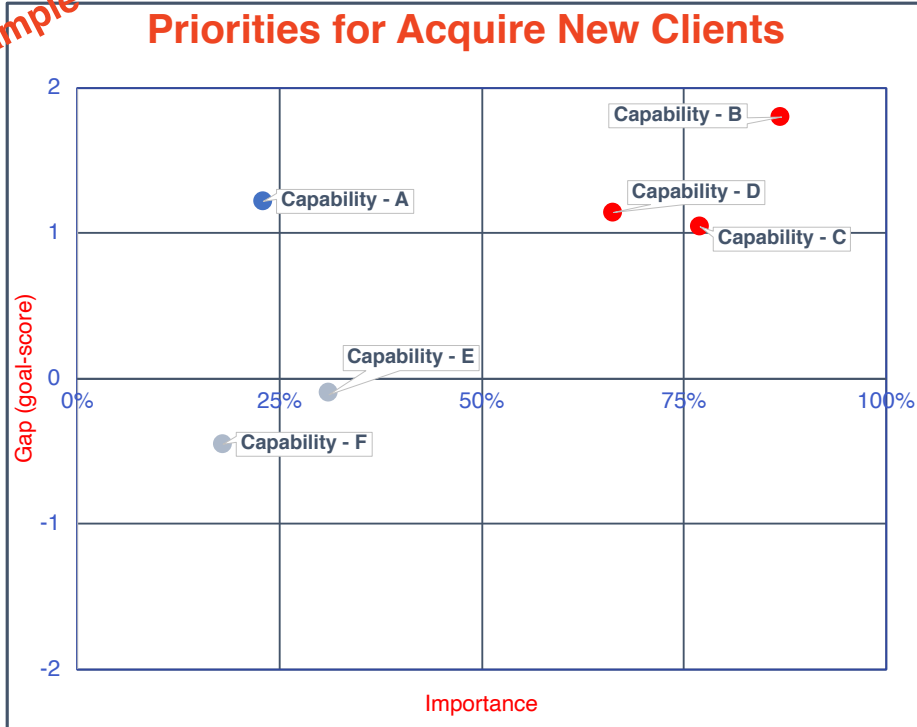
Comparison of Sample Company 3 against the benchmark



This graph is an example, displaying random dummy data. As such, it does not represent any actual insights.

Suggesting your priority matrix

Sample

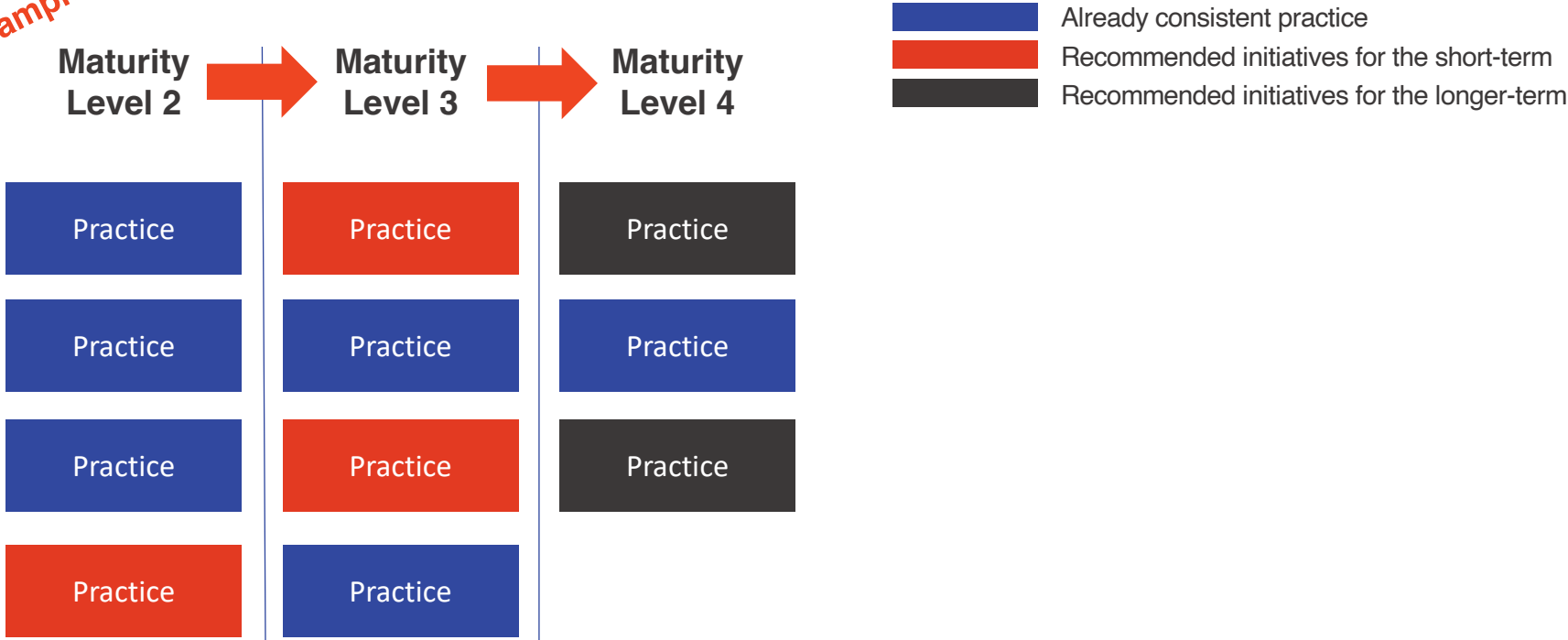


- Recommended priority
- Address if capacity is sufficient
- Maintain maturity level

This graph is an example, displaying random dummy data. As such, it does not represent any actual insights.

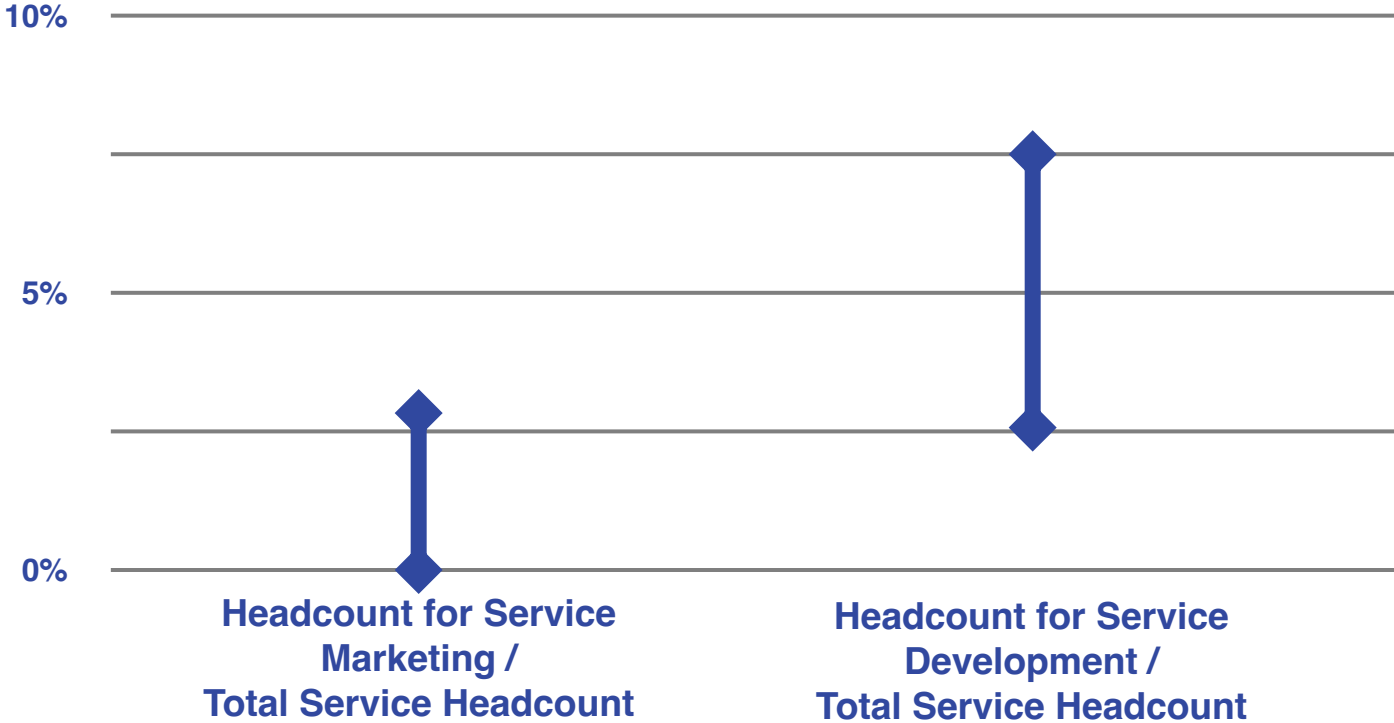
Suggesting projects for your Road to Success

Sample



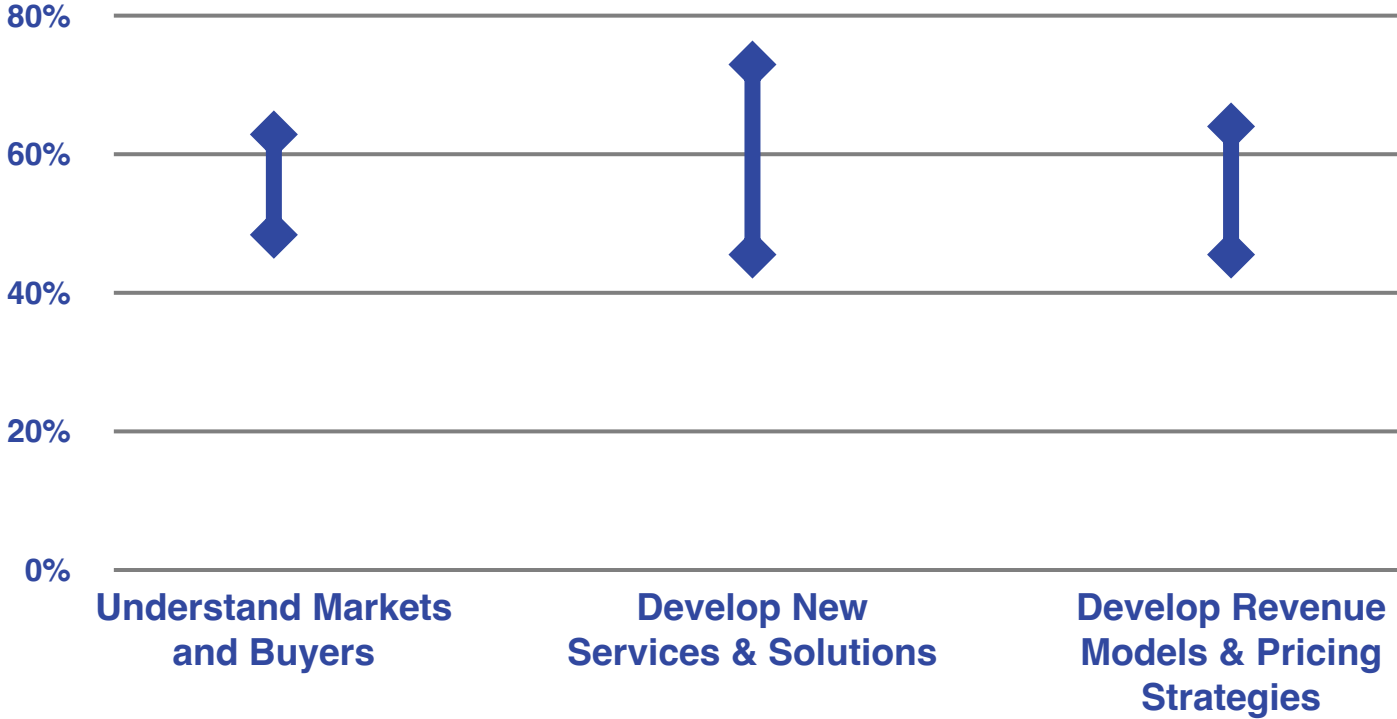
Little capacity for service & market development

From the Service Transformation Benchmark



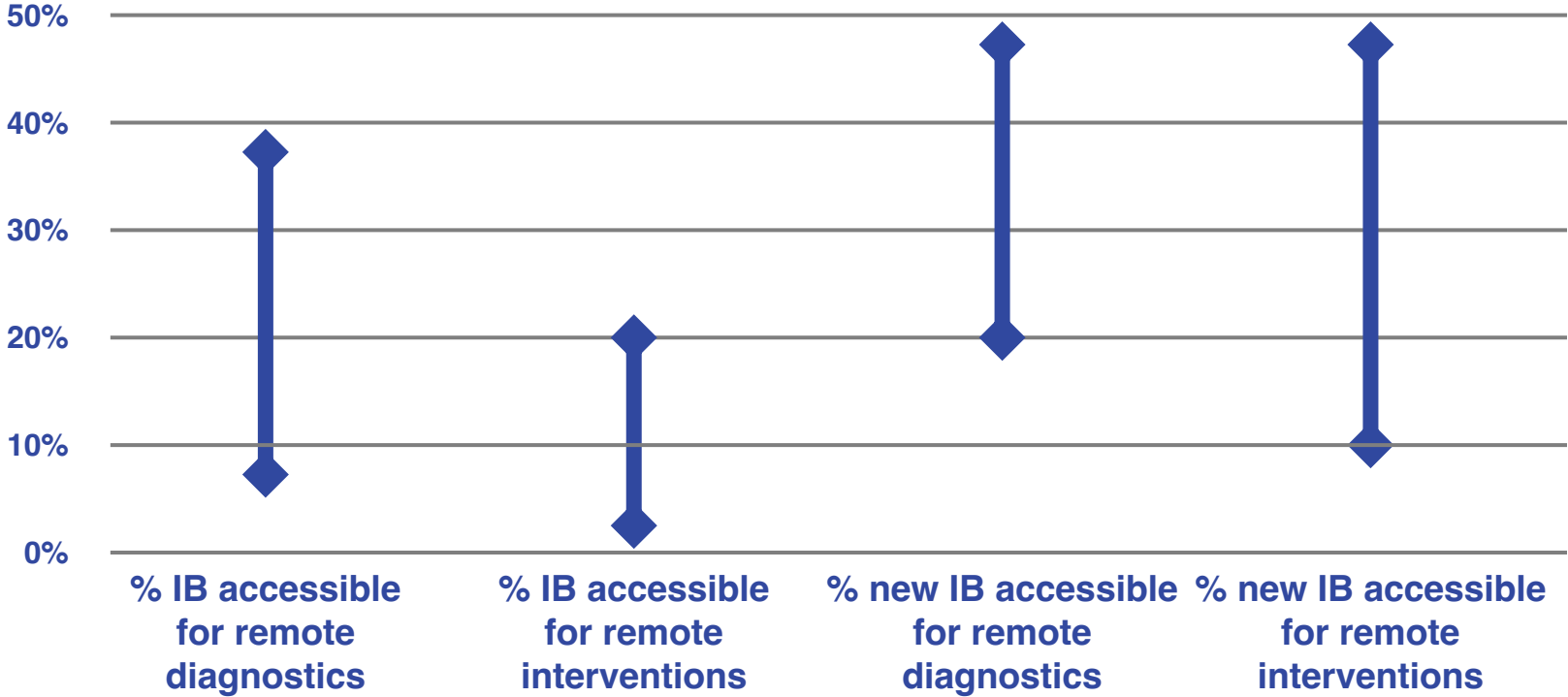
Low maturity for radical service innovation

From the Service Transformation Benchmark



Low maturity for advanced remote service

From the Service Transformation Benchmark





In
smaller
groups



Discussion topics



What circular services do you offer / develop?



What external challenges do you encounter?



What internal challenges do you encounter?

Next Executive Service Roundtable

Pro's and Con's of a Product-as-a-Service Business Model

July 12th	16:00-17:30 CET	/	10:00-11:30 ET
July 14st	10:00-11:30 CET	/	16:00-17:30 SGT

Potential topics for following Roundtables:

You will receive

- Slides and recording of the presentation
- Invitation for next Executive Service Roundtable
- Information about the:
 - Service Transformation Benchmark
 - Service Community Peer Groups

Executive Service Roundtable

Exchange practices, insights, and experiences with like-minded peers in monthly online sessions of 1,5 hours

NEXT EXECUTIVE SERVICE ROUNDTABLE

Service Models in a Circular Economy

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Every month, the moreMomentum Service Community runs an Executive Service Roundtable to discuss a hot topic for service leaders and innovators.

How does it work?

- Participants of the Roundtable decide on the topics for next sessions.
- moreMomentum introduces the topic with a 20-30 minute presentation and shares relevant insights from the Service Transformation Benchmark.





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