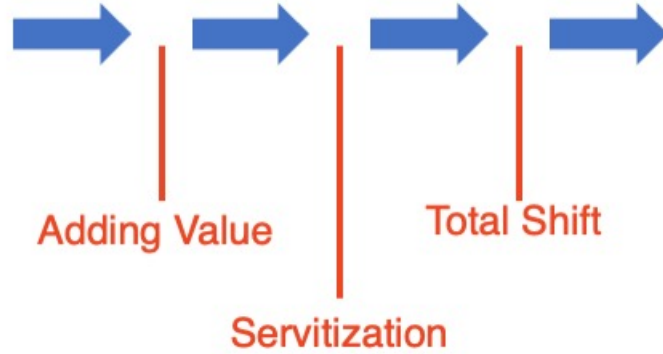


We make products



We deliver services



Shifting to a Product-as-a-Service Business – Pro's & Cons

Executive Service Roundtable - 2022

Service transformation towards advanced services is a hot and complex topic

Predictive
Maintenance

Product-as
-a-Service

Platform based
Services

Servitization

Remote
Services

Prescriptive
Maintenance

Outcome based
Service

Managed
Services

Understanding the pro's and con's of a Product-as-a-Service business

What are Product-as-a-Service models?

What are the driving forces?

What are the benefits and risks?

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





The Executive Service Roundtable

Every month

Short and to the point

Range of important topics

Practitioners only

Agenda

1. Shifting to a Product-as-a-Service Business



2. Insights from the Service Transformation Benchmark



3. Discussion



Co-moderators of today – and strategic partners of moreMomentum



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Understanding the pro's and con's of a Product-as-a-Service business

What are Product-as-a-Service models?

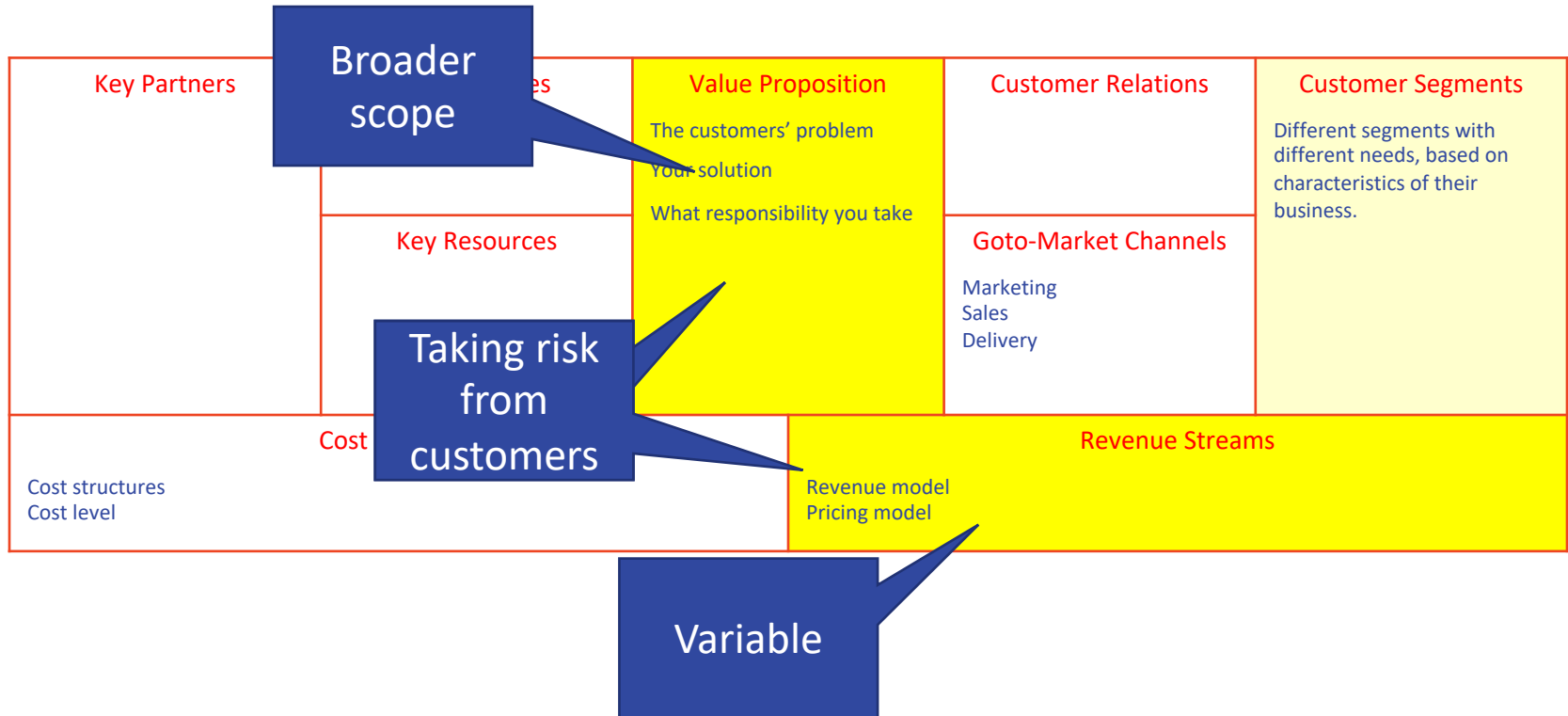
What are the driving forces?

What are the benefits and risks?

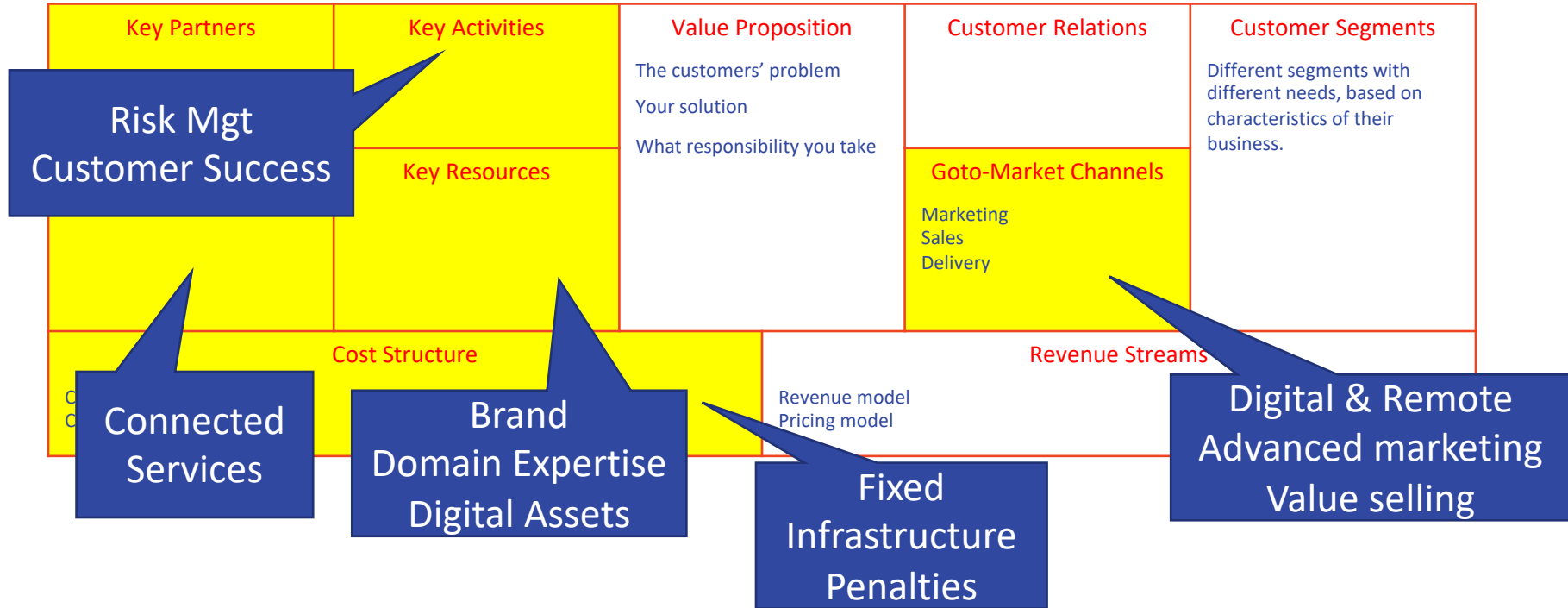
Different levels of Product-as-a-Service (Separate value proposition vs revenue model)

Revenue model	Price by performance	<ul style="list-style-type: none"> • Uptime Performance Contract 	<ul style="list-style-type: none"> • Fleet management (right equipment, right time, right place) • Power by the hour 	<ul style="list-style-type: none"> • Reduction of energy consumption • Stability of quality of production • Yield of raw materials 	<ul style="list-style-type: none"> • TCO reduction • Profit sharing
	Fixed price	<ul style="list-style-type: none"> • Service & Maintenance Contract • On-demand services 	<ul style="list-style-type: none"> • Rental • Lease + service • Subscription per user/operator 	Customer operates: <ul style="list-style-type: none"> • Pay per output unit • Pay per copy • Pay per test 	Service provider operates: <ul style="list-style-type: none"> • Pay per output unit • Pay per copy • Pay per test • Pay for resources in operations
		Product & Service	Product Availability as a Service	Product Output as a Service	Business Outcome as a Service
		Value Proposition			

Business Model – Customer Value



Business Model – Operating Model



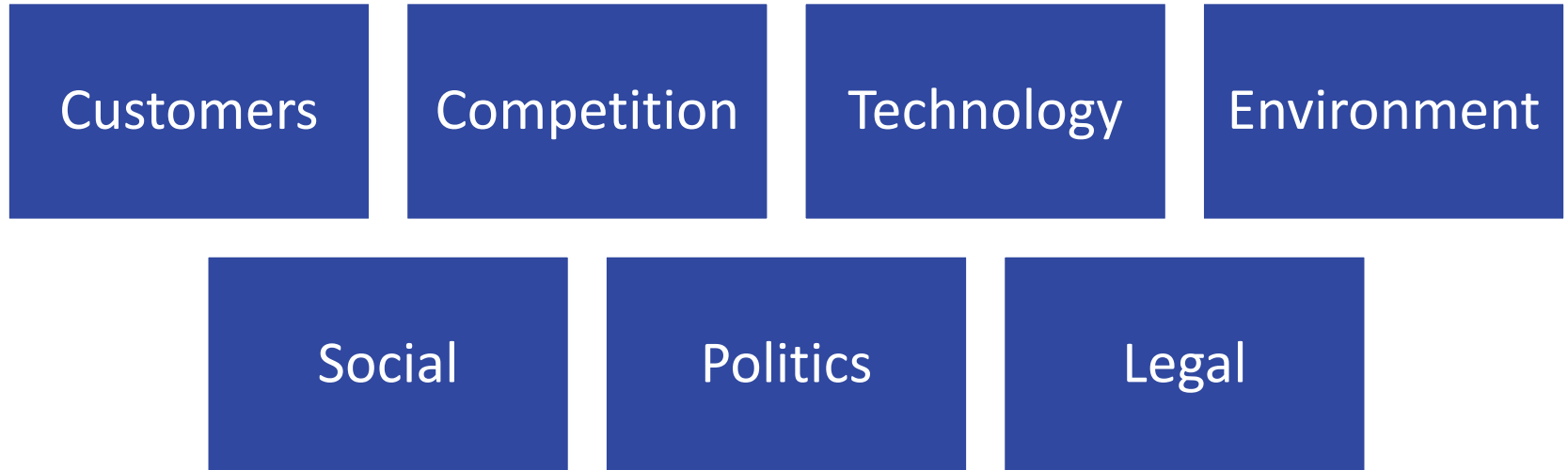
Understanding the pro's and con's of a Product-as-a-Service business

What are Product-as-a-Service models?

What are the driving forces?

What are the benefits and risks?

Driving forces for Product-as-a-Service models (push or pull?)



Understanding the pro's and con's of a Product-as-a-Service business

What are Product-as-a-Service models?

What are the driving forces?

What are the benefits and risks?

Potential Benefits

Market potential

Differentiation

Customer retention

New growth curves

Survive market disruption /
commoditisation

Margins

Predictable revenues





Potential Risks

Mismatch customer needs

Vulnerability market volatility

Control on outcome

Commoditisation

Scalability

Commodity trap

Irreplaceability in eco-system

Critical Success Factors

Advanced service delivery capabilities

Advanced marketing and sales capabilities

Outside-in, (future) customer needs

Innovation capabilities



From the Service Transformation Benchmark

Summarised

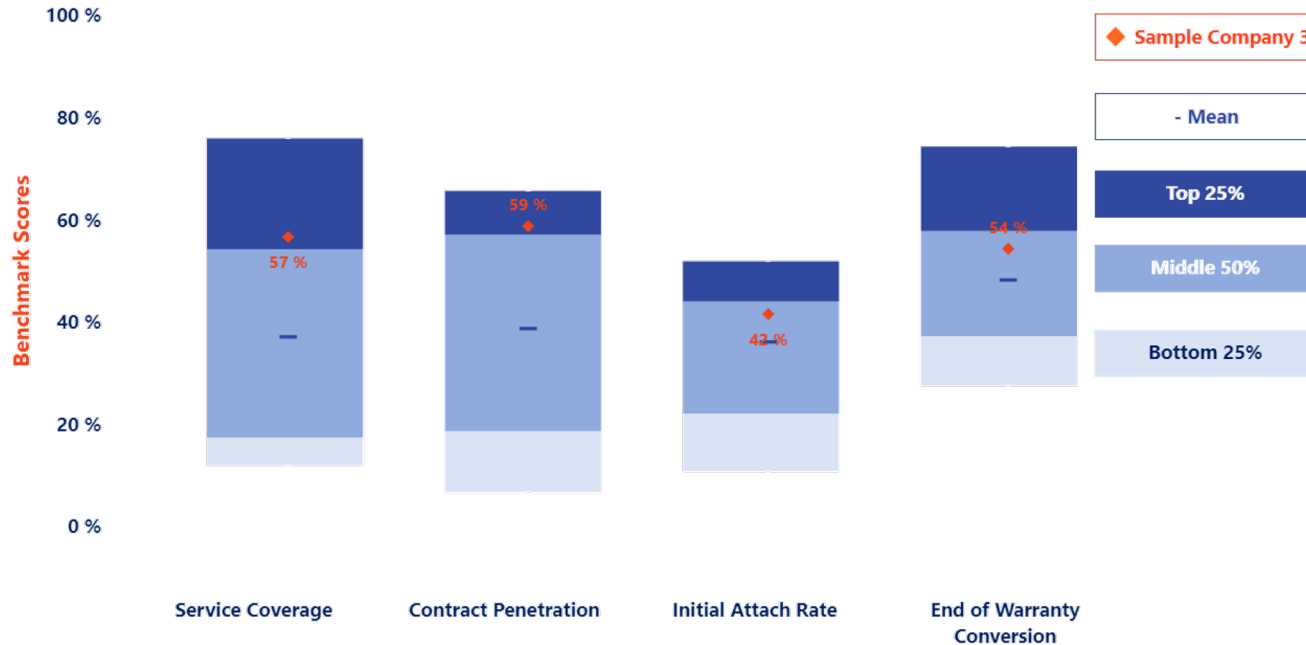
Multi-level capability model as backbone



Comparing performance and maturity

Benchmark of Performance Levels for 'Commercial Success'

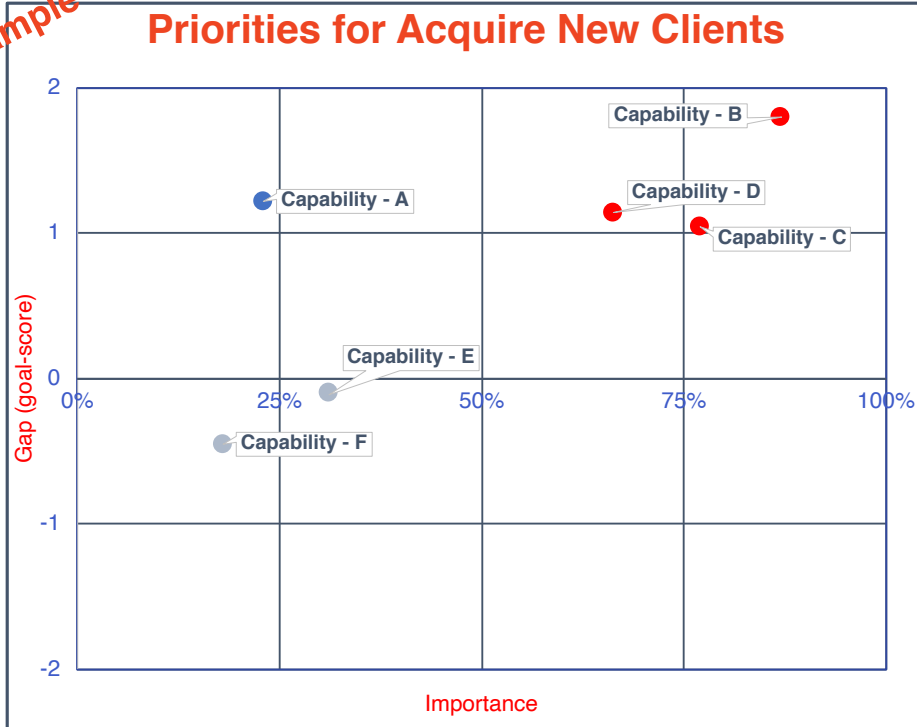
Comparison of Sample Company 3 against the benchmark



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

Suggesting your priority matrix

Sample

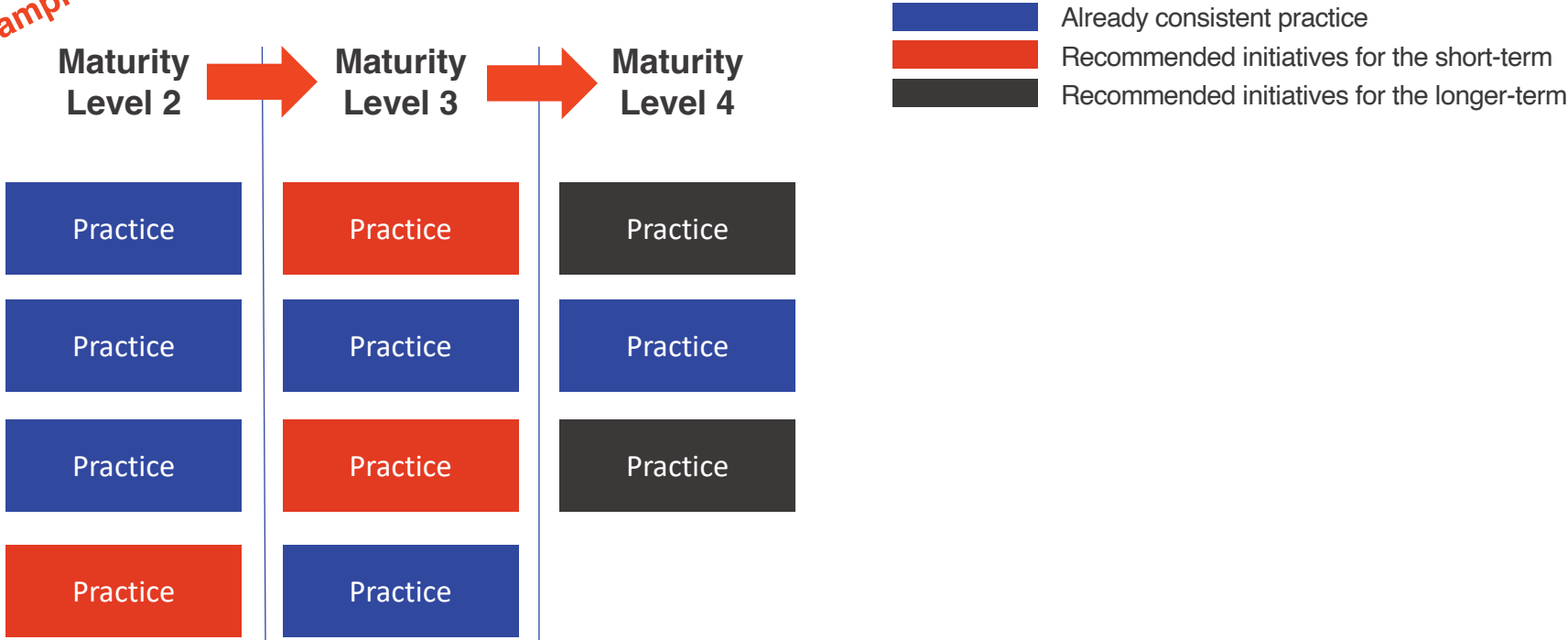


- Recommended priority
- Address if capacity is sufficient
- Maintain maturity level

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

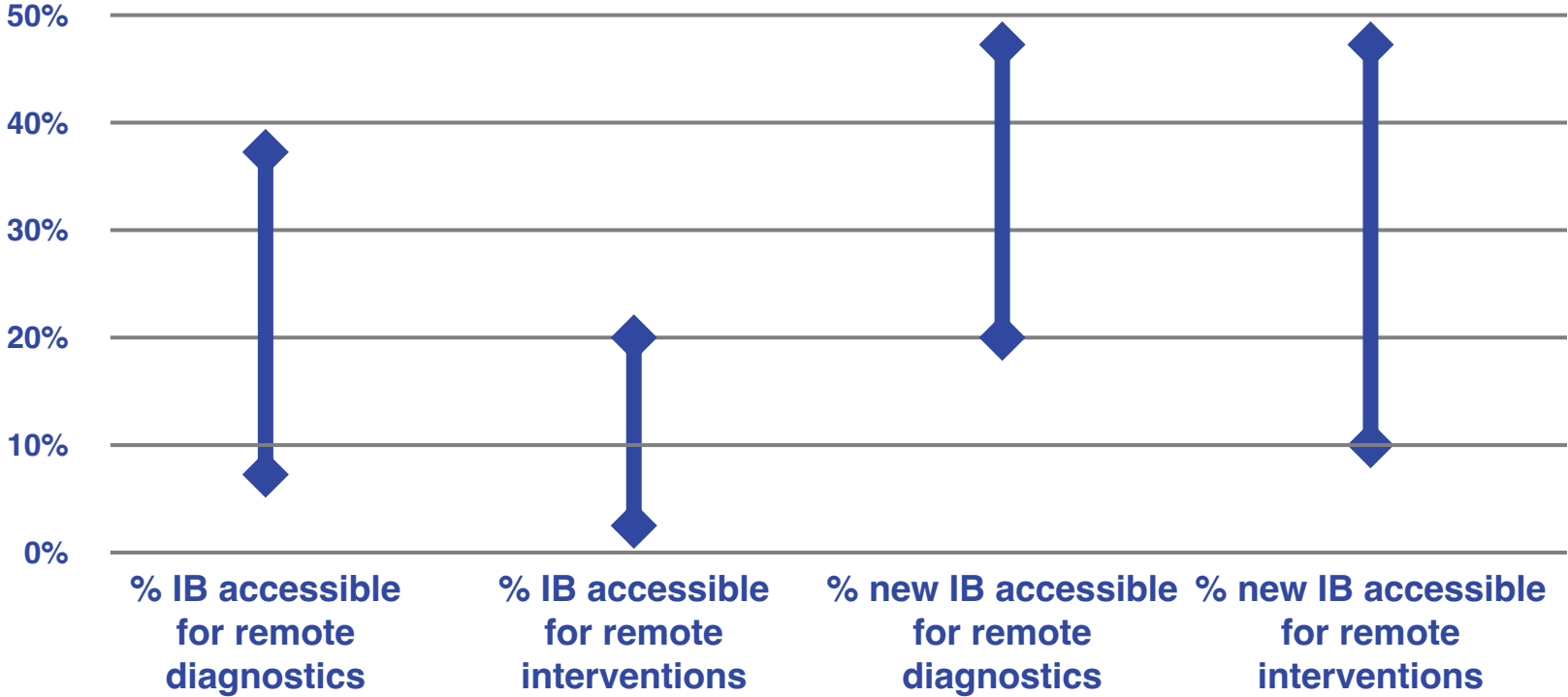
Suggesting projects for your Road to Success

Sample



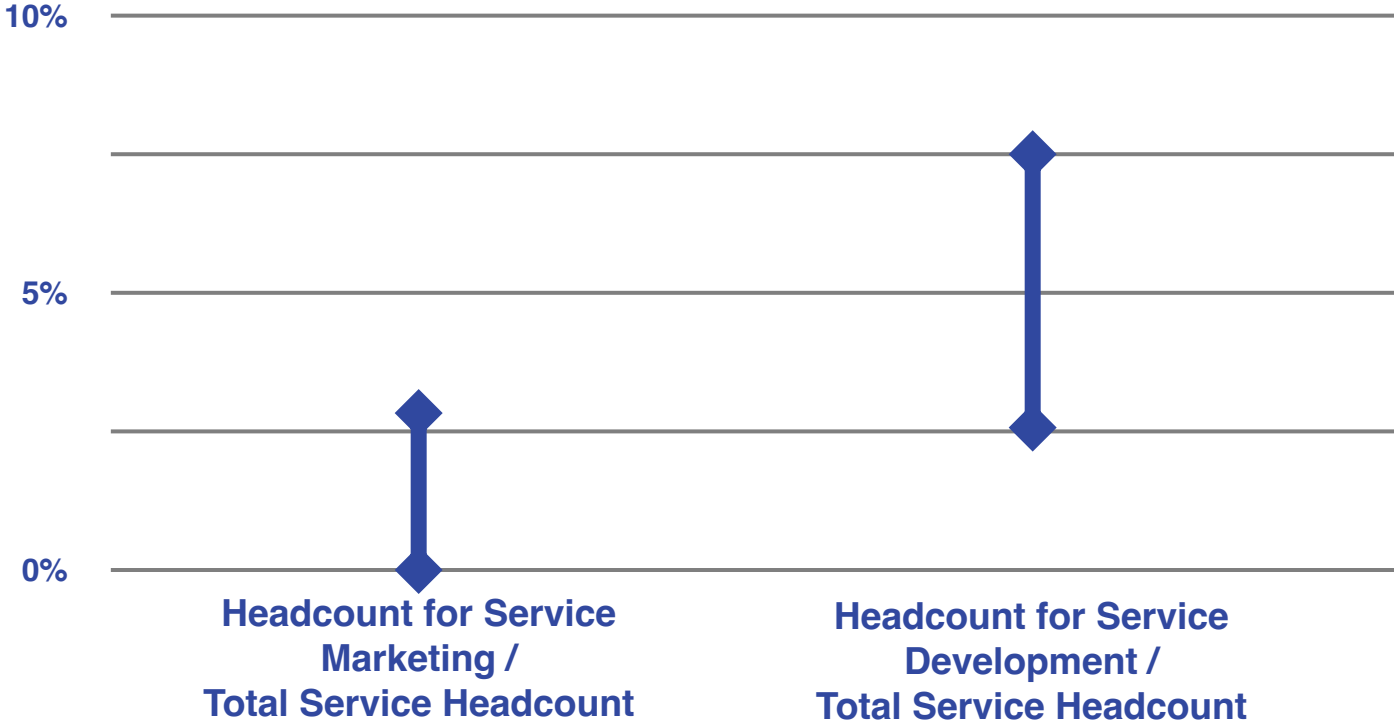
Low maturity for advanced remote service

From the Service Transformation Benchmark



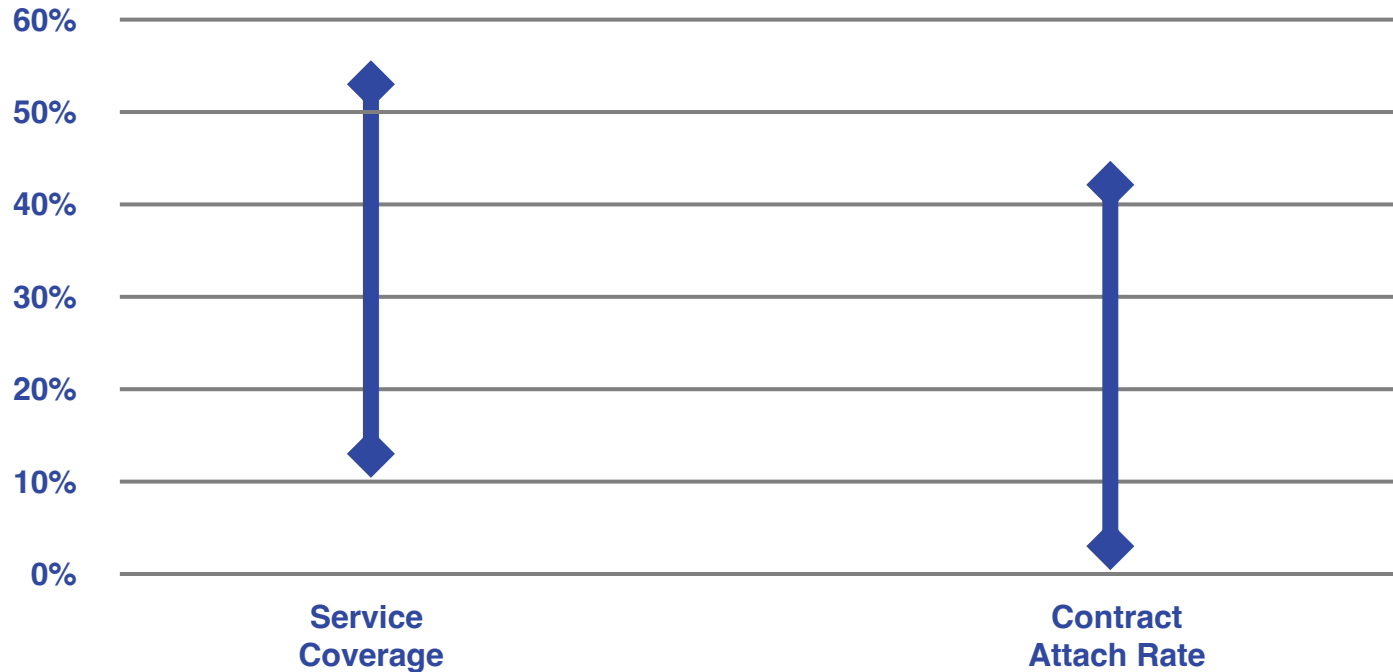
Little capacity for service & market development

From the Service Transformation Benchmark



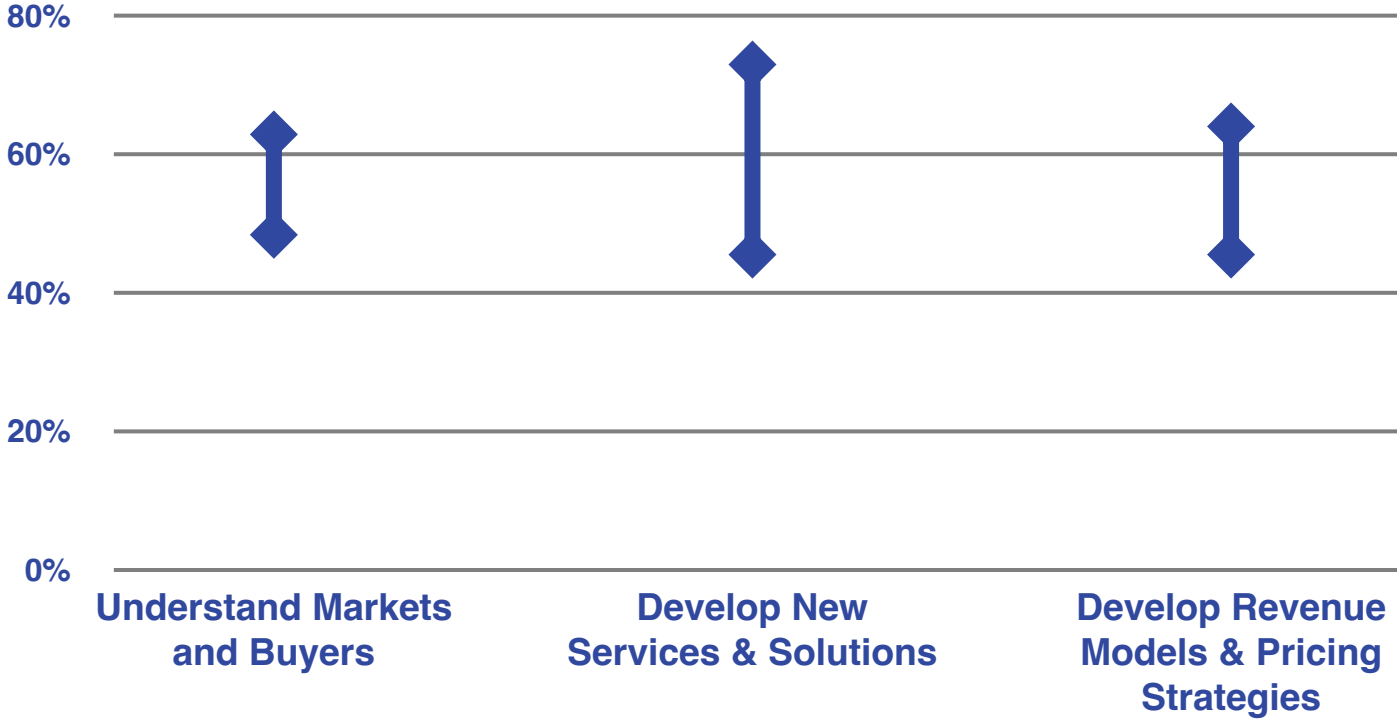
Reactive service sales

From the Service Transformation Benchmark



Low maturity for radical service innovation

From the Service Transformation Benchmark





In
smaller
groups



Discussion topics



Your Product-as-a-Service Model?



Why push for Product-as-a-Service Models?



External and internal challenges you encounter?

Quick intro

Name

Position

Company name

Industry



Next Executive Service Roundtable

New Value Propositions with Data

August 16th	16:00-17:30 CET	/	10:00-11:30 ET
August 17th	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

[Join The Next Session](#)[View Past Sessions](#)

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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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