



IoT Strategy & Business Innovation:

The OEM Perspective

How to generate recurring revenue with digital services
and stay ahead of your competition



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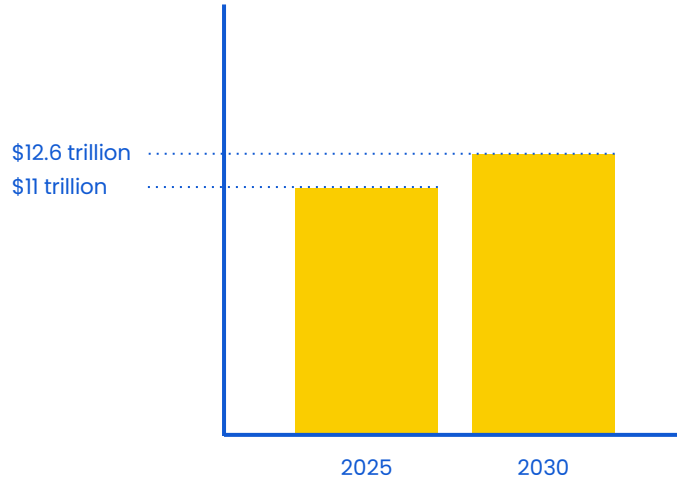


Questions or want to know more?
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The potential value of IoT

\$11.000.000.000.000

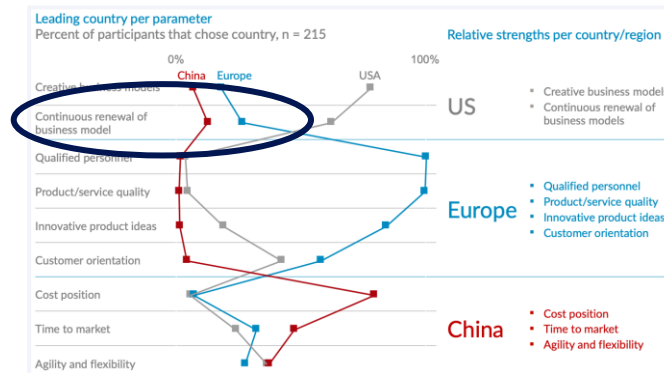


“The market has grown considerably in the intervening years but not as fast as we expected in 2015”

“While the potential economic value of IoT is considerable, capturing it has proved challenging, particularly in B2B settings. Many enterprises have struggled to transition from pilots to capture value at scale successfully”



	Now	Short-term (2017 - 18)	Long-term (2018+)
Growth	Reassess strategic and financial planning for next 5 years (expected revenue growth and profitability upscaling unlikely to happen)	Develop sound business strategy incl. entry cases for new market entry opportunities and portfolio expansion	Continuously review strategic and financial planning and adjust, if necessary
Digitization	Further drive total cost down through digitization/Industry 4.0 measures (5 - 10% by 2020)	Develop integrated digitization strategy (customer insights, strategic control points, partnership options, technology road map, etc.)	Assess and prioritize customer use cases for digitization; start first projects
Organizational change	Evaluate current rate of organization and define necessary ranges	Design organizational transformation	Monetize digital business models at scale (> 10% revenue share by 2020)
			Drive organizational transformation





Headwinds

- ⇐ Change management
- ⇐ Interoperability
- ⇐ Installation
- ⇐ Cybersecurity
- ⇐ Privacy

Tailwinds

- ⇒ Perceived value proposition
- ⇒ Technology
- ⇒ Networks

Factory perspective

- 75% of the potential of IoT lies within the factories. Production-companies take the lead here.
- Optimization of production, OEE, yield, quality is the main focus of their activities
- Many major IoT platforms and companies support them in their strategy

Question:
How does your digital service offer fit in this perspective?

OEM perspective

Hey Product Management, I am running out of my range

Hey sales, My operations time has doubled in the last month

Hey Sales, my wear and tear costs are increasing

Hey Service, I have detected a possible problem

Hey Sales, I am getting old

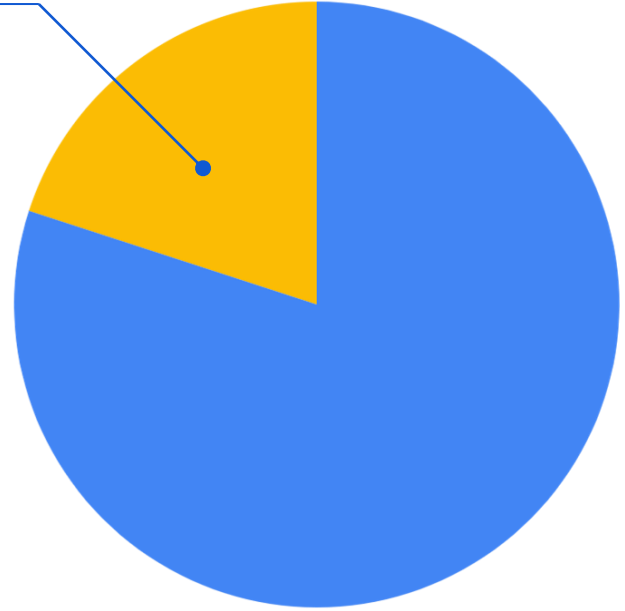
Hey Service, I am used very ineffective, I might need adjustment



How can I generate value through IoT?



"20% of our revenue comes from digital services in 5 years time"





How to get started as an OEM



5 steps

1

Stay connected to each machine

2

Provide great service to your customers

3

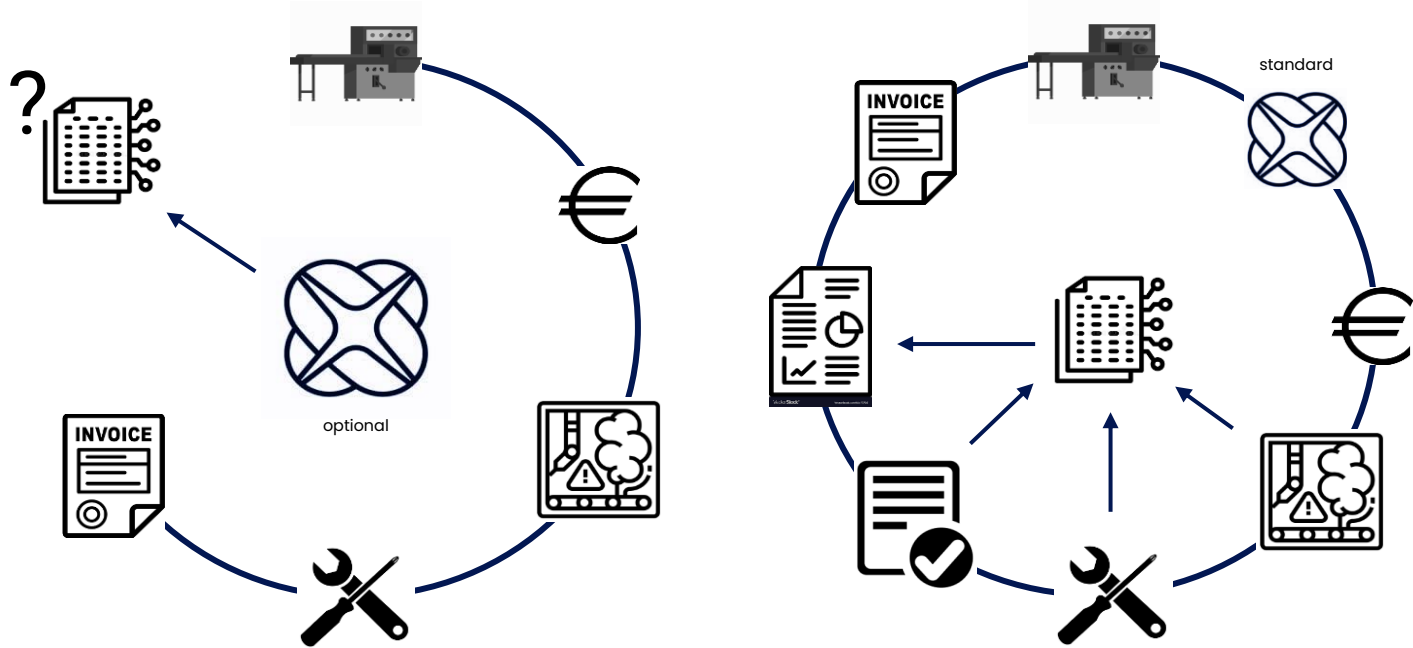
Optimise the uptime of your machines

4

Offer just-in-time parts and critical components

5

Design a more effective machine 2.0

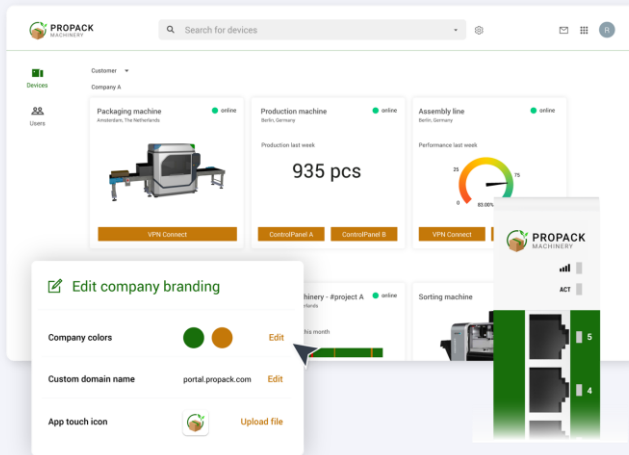


- 1 Stay connected to each machine
- 2 Provide great service to your customers
- 3 Optimize the uptime of your machines
- 4 Offer just-in-time parts and critical components
- 5 Design a more effective machine 2.0



1

Stay connected to each machine



- Stay connected to your machines over the whole life-cycle via your platform.
- Do not make connectivity an option. It is a standard feature of the machine
- Do not try to sell technology. Offer Digitally enabled Services.
- Make sure to market the platform as your platform. This is core for your future.



2

Provide great service to your customers

The image shows a user rights management interface with a table of permissions for four roles: Platform administrator, Service engineer, Software engineer, and Manager. A mobile app interface is also shown, displaying a machine control panel for an OptiBreaker 18.

	Platform administrator	Service engineer	Software engineer	Manager
Access rights	✓	✗	✗	✗
Change user rights	✓	✗	✗	✗
Set company structure	✓	✗	✗	✗
Give access to specific groups	✓	✓	✗	✗
Invite customers	✓	✓	✗	✗
VPN access rights	✓	✗	✓	✗
View-only rights	✗	✗	✗	✓

Mobile app interface showing: SANOVO, OptiBreaker 18, CONTROL PANEL, and 100-214 Eggs of Hour.

- Save on warranty cost by staying connected continuously.
- Stay very close to your customers and jointly optimize the productivity of your machines.
- Use your digital-platform to collect and share insights with the service-teams to be proactive in solving issue.
- Extend this Premium-service after the warranty-period in the form of a Digital-enabled SLA.



3

Optimize the uptime
of your machines

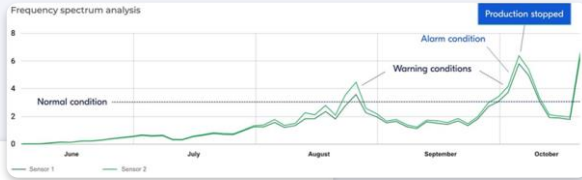


- Create insights regarding the technical uptime of the machine and the reasons for downtime.
- Share these insights with your service-teams and engineering-teams to optimise your machines in the pipeline.
- Offer service-level agreements to your customers to guarantee them a minimum technical uptime.
- Use the insights to execute proactive maintenance.



4

Offer just-in-time parts and critical components



Running hours of motor X



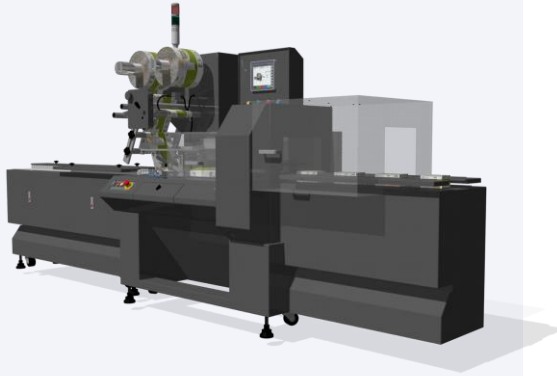
Based on historical data this part needs to be replaced at 20-02-2022

- Based on the SLA in place: Keep track of the key-components in your machines.
- Start with the critical-components in your machine and analyse them based on PLC-data.
- Assume life-expectancy and upcoming issues based on historical-data.
- Offer a pro-active service to your customers based on your IoT-platform.



5

Design a more effective machine 2.0

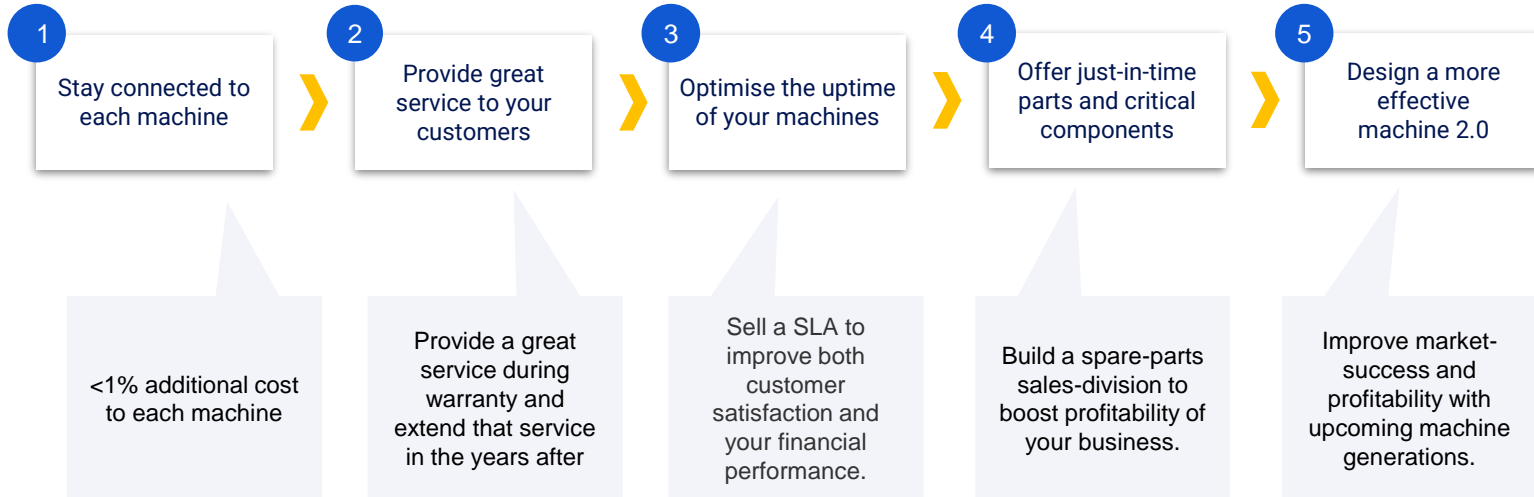


- Find an optimum between technical and financial performance for your new machine generation based on historical data.
- Redefine the nominal characteristics based on real usage data of your installed base.
- Which parts did never fail? Aren't they too good?
- Learning from your machines! The machine-learning will come!



Generate recurring revenue with
digital services to **stay ahead of
your competition**

The potential value of IoT





30+ Use Cases & Success Stories @ ixon.cloud/cases



HANSA Klima

HANSA Klima implements machine learning with help of IXON's data logging



DC Airco

Remote service and cost savings for DC Airco during COVID-19



Hotraco Group

Hotraco remotely monitors livestock with smartphone alarms



BMO Automation

BMO Automation solves 90% of support issues remotely



Eco-Vision

Eco-Vision went from using 20 VPN tools to one standard solution



Nidec

Time saved on remote access configuration led to quick ROI for Nidec



Thanks for your attention!

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