

Cambridge Service Alliance

Capturing value from the shift to service-based business models

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IfM Open Day



UNIVERSITY OF
CAMBRIDGE

Cambridge Service Alliance

Complex services are now commonplace



- From buying groceries and road tax to supporting equipment on the battlefield, customers are demanding complex, integrated services unimaginable only fifteen years ago.
- Maintaining a competitive advantage requires new research and learning from across industries.

The overarching trends

From a world of...

Products

Outputs

Transactions

Suppliers

Elements

**The shift to services
requires business
model innovation &
a cultural shift**

To a world including...

Solutions

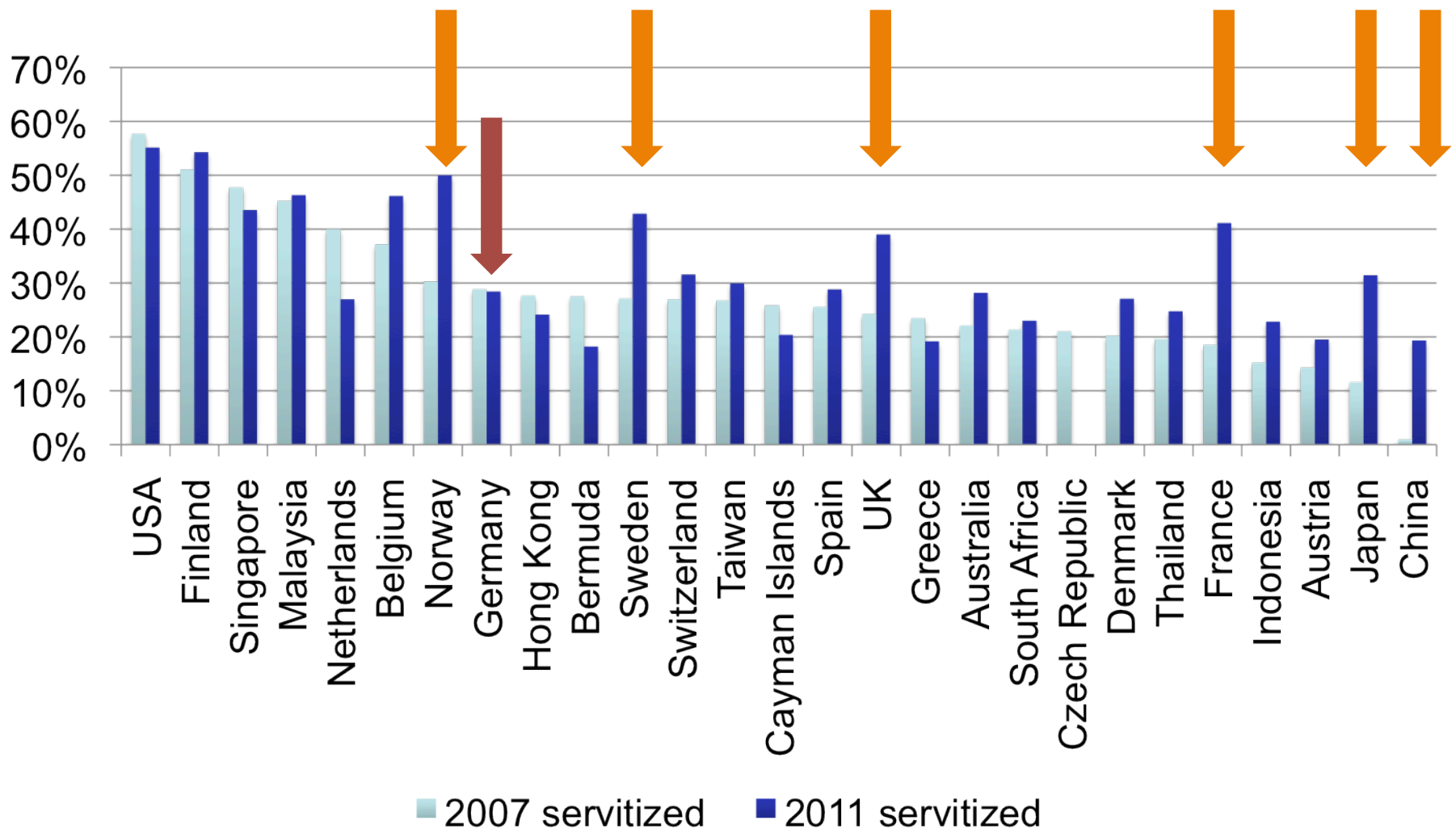
Outcomes

Relationships

Network partners

Ecosystems

Where has growth in servitization been?



Value delivery



Service business model innovation



John Deere iGuide system

Uses GPS technology to automatically shift the steering pattern of the tractor to compensate for implement drift



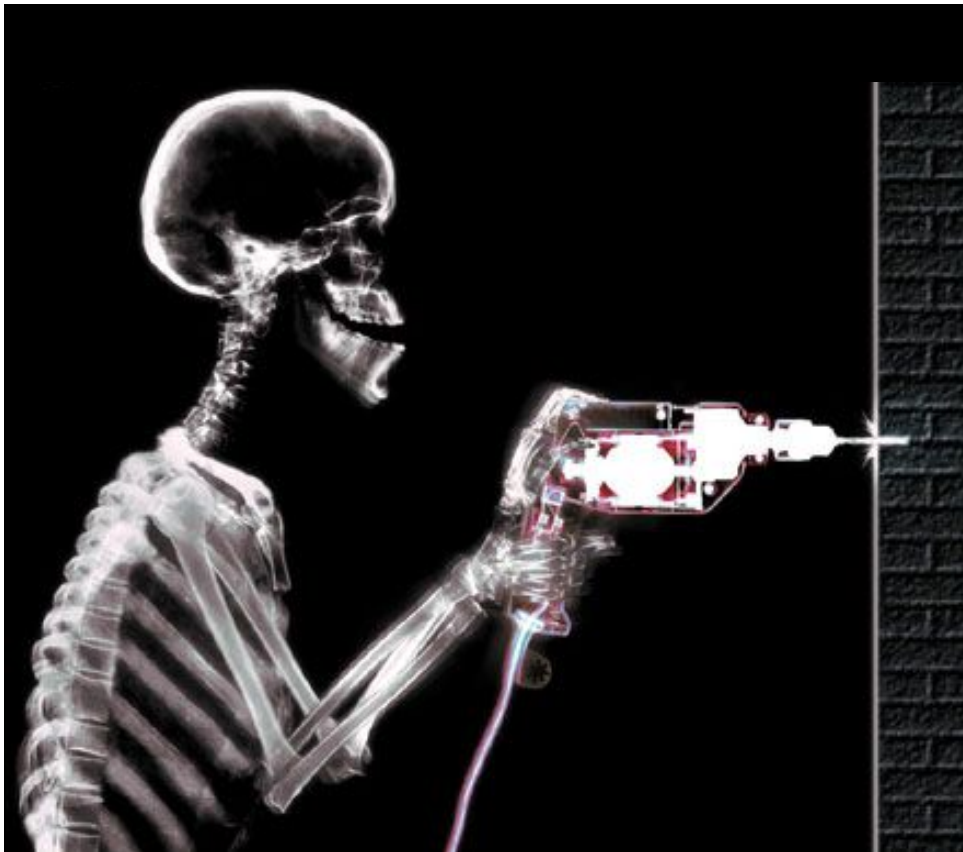
Customers design and complete market research

Exploiting the internet to enable crowd sourcing



Theodore Levitt

Customers don't **even** want ¼ inch holes...



...service providers have to **understand the underlying customer need and provide a solution**

The Cambridge Service Alliance

The Cambridge Service Alliance is a unique global partnership between businesses and universities. It brings together the world's leading firms and academics all of whom are devoted to delivering today the tools, education and insights needed for Complex Service Solutions tomorrow.

Cambridge Service Alliance

Introduction

Alliance Partners:

BAE SYSTEMS

CATERPILLAR[®]

IBM

PEARSON

zoetis

Cambridge Service Alliance Team:



Andy
Neely



Michael
Barrett



Duncan
McFarlane



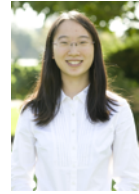
Chander
Velu



Ornella
Benedettini



Jacqueline
Brown



Jingchen
Hou



Katarina
Grieve



Xia
Han



Jianyu
Ji (Ari)



Chara
Makri



Ajith
Parlikad



Taija
Turunen



Veronica
Martinez



Florian
Urmetzer



Anna
Viljakainen



Ivanka
Visnjic



Angela
Walters



Claire
Weiller



Mohamed
Zaki



Zimeng
Zhang

CSA Research Focus

Collaboration with research partners in following areas

Ecosystems value mapping and analysis

How the service ecosystems will best enable firms to create and capture value through services?

Performance information and analytics

How will innovation in performance information and analytics enable service business models?

Making and sustaining the shift to services

How organizations make a successful transition to services and what is the service strategy model?

CSA Research Focus

Ongoing research topics

- Designing, Deploying and Enhancing Services
- Big Data and Business Models
- Emotions and Services
- Smart Service Supply Chains

Why to shift to services?

The logic for shifting to service

Increase new sources of revenue generation

Increase capital employee

Increase loyalty

Diffusion of innovations

Add more value to customers

Turnover stabilization

Increase capacity utilization

Progressive Differentiation

Corporate brand

De-risk competitive position

Support main products

Competitive advantage

Improve Business Sustainability

Maintain leadership

Create dependency

Experiment new growth

Broaden relationship with customers

Manage the shift to services – business model



Innovative shifts to services

The Orica Case

Martinez V. and Turner T. (2011); “Design competitive service models” in the book *Service Design and Delivery*, Edited by Macintyre M., Parry G. and Angelis. J.; Published by Springer; London.

Innovative shift to services

The Orica Case



Orica Mining Services

- **\$ per kilogram of ground taken down**
- 40 yr. transforming- from manufacturer to totally tailored services
- **Massive cultural shift**
 - Mobile technical services
 - Simulation & lab analysis
- Single KPI – ‘correct amount of ground taken down’ **“Customers”**

Martinez V. and Turner T. (2011); “Design competitive service models” in the book *Service Design and Delivery*, Edited by Macintyre M., Parry G. and Angelis. J.; Published by Springer; London.

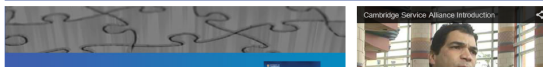
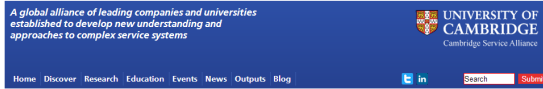
Shifting to innovative service business models

- 1. Think differently**
- 2. Act fast**
- 3. Don't wait for you KODAK moment.. Start Acting Now!**

CSA communication

Stay in touch with us

www.cambridgeservicealliance.org



Industry Transformation
A Business Model Approach
December Paper by Anna Vijakainen and Wajju Atkila



Monthly Newsletter

Cambridge Service Alliance
Welcome to the Cambridge Service Alliance business and universities. It brings whom are devoted to delivering today service solutions of tomorrow. Its use and the University of Cambridge's Institute
'In the twenty-first century service competitive advantage. By bringing minds, the Cambridge Service Alliance model innovation in your firm'
Professor Andy Neely, Director, Cambridge Service Alliance
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 - Struggling to Make the Shift to Solutions: Write Your Own

December 2013
Welcome to the December edition of the Cambridge Service Alliance newsletter. Please forward this to any colleagues who may be



Annual Report

Cambridge Service Alliance: Community of Interest

Community of Interest

What is the CSA Community of Interest?

The Cambridge Service Alliance is a unique global partnership involving the University of Cambridge and BAE Systems, Caterpillar, GE, IBM, Pearson and Zetis. The Service Alliance seeks to create and share new knowledge and ideas to improve the design, deployment and delivery details on the Alliance

Why was the CoI?

The Cambridge Service interest in innovating solutions. The Community partner firms can share

Who can get involved?

The Community of Interest, Systems, Caterpillar, Community of Interest:

Cambridge Service Week is a series of events hosted by the Cambridge Service Alliance to bring together leading academics, industrialists and policy-makers to address the evolving challenges facing service education, research, practice and policy.

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- 2013 Service Week
- 2012 Service Week
- 2011 Service Week
- 2010 Service Week
- Back to Events

Cambridge Service Week 2012
The fourth Cambridge Service Week held from 30 September to 4 October 2012 included an industry conference on 'Successfully Making the Shift to Solutions', as well as a series of workshops, a partner event day and an academic conference on 'New Directions for Service Research'. Find out more here.

Cambridge Service Week 2012
The third Cambridge Service Week was held from 17-20 September 2012. There was a combination of events for academics, practitioners as well as member organisations of the Alliance. This year, Cambridge Service Week also hosted the EurOMA Service Operations Management Forum. More information on the 2012 can be found here.

Cambridge Service Week 2011
The Second Cambridge Service Week was held in Cambridge, 20-23 September 2011. It was designed to be a combination of partner, open and academic events designed to push the boundaries of service knowledge.

Cambridge Service Week 2010

Monthly Webinars

Service Week 2015:
29th September – 3rd October
(Academic Conference 2nd – 3rd October)

Thank you

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