



LIVEWORX 23

A NEW ERA IN PRODUCT LIFECYCLE INNOVATION

CRITICAL CONSIDERATIONS WHEN STARTING A SMART CONNECTED PRODUCTS (SCP) PROGRAM

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COMMON REASONS IOT PROJECTS 'FAIL'

Lack of compelling business case



Why are we doing this?
What are the priorities?

Underestimate the work



Will engineering figure it out?
How long will it take?

Poor customer adoption



Build it and they will pay
Unclear 'what's in it for me?'

These are not technology challenges

Every IoT project is different

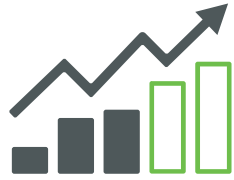
IoT projects have a lot of commonalities

Understanding them can help you avoid costly mistakes

IOT VALUE

Reasons Companies Invest in IoT

Grow Revenue



- New services
- Product differentiation
- Pay per use

Reduce Service Costs



- Less travel
- First time fix rate
- Faster resolution time

Manage Risk



- Regulatory requirements
- Avoid litigation
- Software/security updates

Do your customers share the same list of reasons?!

IOT VALUE

**Value is created when IoT data is used
to make decisions or take actions**

**What decisions will help your
customers run their business better?**

If my customer knew 'x', what would they do differently?

If I knew 'z', what could I do to help them?

IOT VALUE

What do customers want from you?

Improve Productivity



Reduce unplanned downtime
Better planning

Reduce Costs



Maintenance reminders
Outsource expertise

Manage Risk



Advisory services
Software/security updates

Developing this list is the key to customer adoption

VISION STATEMENT

“

I believe this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to Earth.

**John F. Kennedy
Speech to Congress
May 25, 1961**



1966 – first unmanned mission



24 July 1969

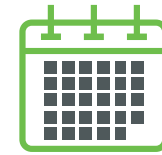
CREATING AN IOT VISION



Business objective



KPIs for measuring progress

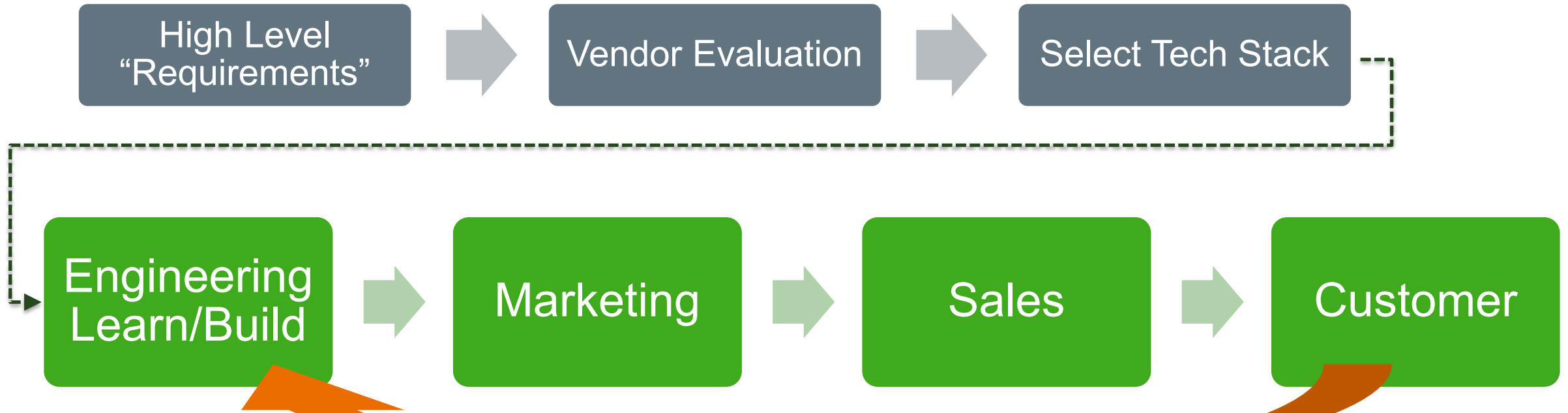


Target

Example:

We will deepen customer loyalty and produce new revenue by providing insights and services around the use of our equipment. We intend to have 20% of our customers paying for advisory services by end of 2025.

TYPICAL IOT PROJECT



1. Engineering designs to its interpretation of the wish list
2. Marketing doesn't start until engineering is done (some gaps found)
3. Sales learns how to present the story
4. Customer has feedback that causes rework or extension of some elements

IOT IS A JOURNEY

Route Guide

Benefits



Focus on features that will encourage customer adoption

Feedback



Get customer feedback early and often

Adapt



You won't get everything perfect on the first try

Learn



Build the foundation first, then add as you learn

GO TO MARKET

- IoT is a tool – it is not the value
- Don't expect customers to pay until you can prove value
- Customer examples and stories are your best proof
- Be prepared to answer technical and security questions

May I have your car keys?

What went through your mind?

No!

Uh, why?

CUSTOMER ADOPTION

Business Benefits



Perceived Risks

The default answer from IT is No...

The business buyer is required to get a Yes

MEASURING PROGRESS

Common metrics

- Devices connected
- User logins
- Trips avoided
- Software updates delivered
- Customer satisfaction (NPS)

Build these KPIs into your project from the start – metrics can be hard to generate after the fact



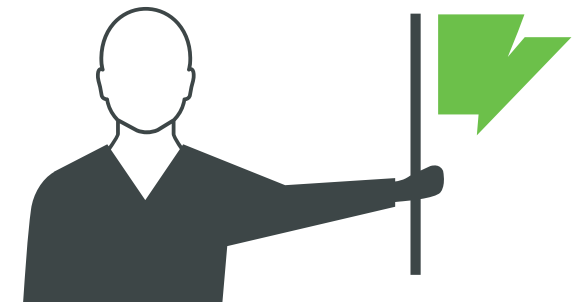
Monthly reports illustrate unseen value



#1 PREDICTOR OF IOT PROJECT SUCCESS...

EXECUTIVE COMMITMENT

- Someone with authority must own the project and the budget
- Establish governance to ensure all departments work together
- Change requires urgency, accountability, and deadlines
- IoT is hard to do halfway or on the cheap



CONCLUSION

Value comes from using data – not collecting it

Have a compelling vision statement and business case

IoT success is not just about technology

Find experienced partners that can guide your journey



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QUESTIONS

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