Supporting Business Modelling in Servitization Processes

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AGENDA

1. **Motivation and Objetives**

2. **INNoVaServ Toolkit**

   - **Presentation**
   - **Case Study**
   - **Business Modeling**
   - **Next Steps…**

3. **Conclusions & Future Works**

Motivation and Objetives

Business Model
Describes the bases upon which the firm creates, provides and captures value.

Key Role of Business Modelling in Servitization:

- Understood as the process of increasing value by adding services to products …

- Servitizing implies an innovation process in an organisation's **business model** that leads to the integrated provision of goods and services

The first step of a servitization process consists of analysing and redesigning the **business model**.

Motivation and Objetives - *The Problem*

There are currently several techniques or notations for business modelling:

- Canvas model (Osterwalder and Pigneur, 2010)

- Value model (Gordijn and Akkermans, 2003)

- Service Blueprint model (Bitner et al., 2008)

- PCN diagram (Sampson, 2012)

- BPMN (BPMI, 2004 - OMG, 2006)

Motivation and Objetives - *The Problem*

- All of them have similarities and differences → Complementary in many cases.

  - Identifying who the consumers of a service are, or which are the entities participating in a process.

- Different collaborating organisations and even different teams within a same organisation may use one or several of these techniques to represent the business model.

- No integrated environment that makes it possible to either:

  - Work with several models simultaneously.
  - Identify, register and manage the relationships among them.

Motivation and Objetives - *The Proposal*

A toolkit that:

- Integrates support for different **business modelling techniques** and provide tools to design the differents models.

- Allows registering and managing the **relationships** among models designed using such techniques.

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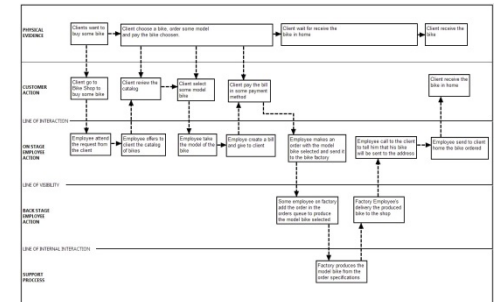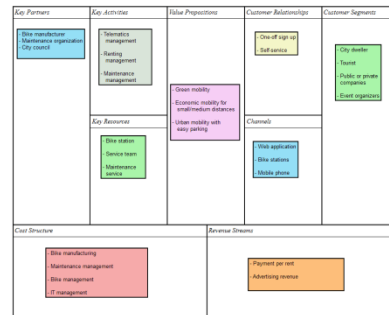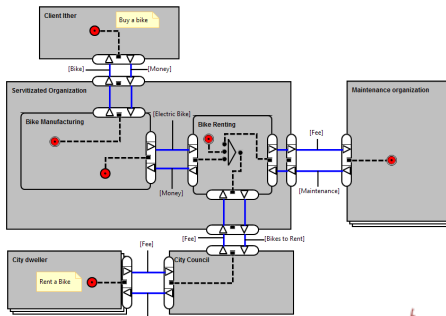   - **Business Modeling**
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Introducing INNoVaServ Toolkit

- An Eclipse-based tool to create and design models to represent *Business Services* and *Service Operations*

- A set of *Graphical Diagrammers* for the Value, Canvas and the Service Blueprint models.
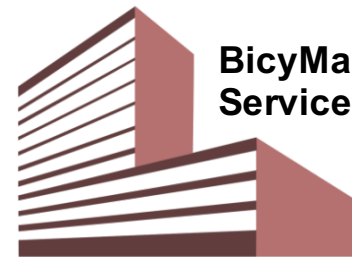
Case Study - BicyMAD

- A small bike seller (**products**)

- Decided to expand by offering an electrical bike renting **service**

Bike Buyer's Customers

BicyMad Bike Store

BicyMad Services

Case Study - BicyMAD

BicyMad

Manufacturing Division

Renting Division

Tow Business Lines:

- Electric Bikes Renting
- Bikes Selling.

Carried out by two divisions:

- Bike Renting Division.
- Manufacturing Division (The factory).

Case Study - BicyMAD

BicyMad

Maintenance Company

Actors:

- *People who want to buy bikes.*

- *Public Instituions who want to rent electric bikes.*

- Citizen's *who* want to rent bikes.

- *Maintenance Company.*

Bike Buyer's Clients

Maintenance Company

Manufacturing Division

Multi-Service Company

Public Institutions

Renting Division

Bike Rent Citizens

Bike Buyer's Clients

Maintenance Company

Manufacturing Division

Multi-Service Company

Public Institutions

Renting Division

Bike Rent Citizens
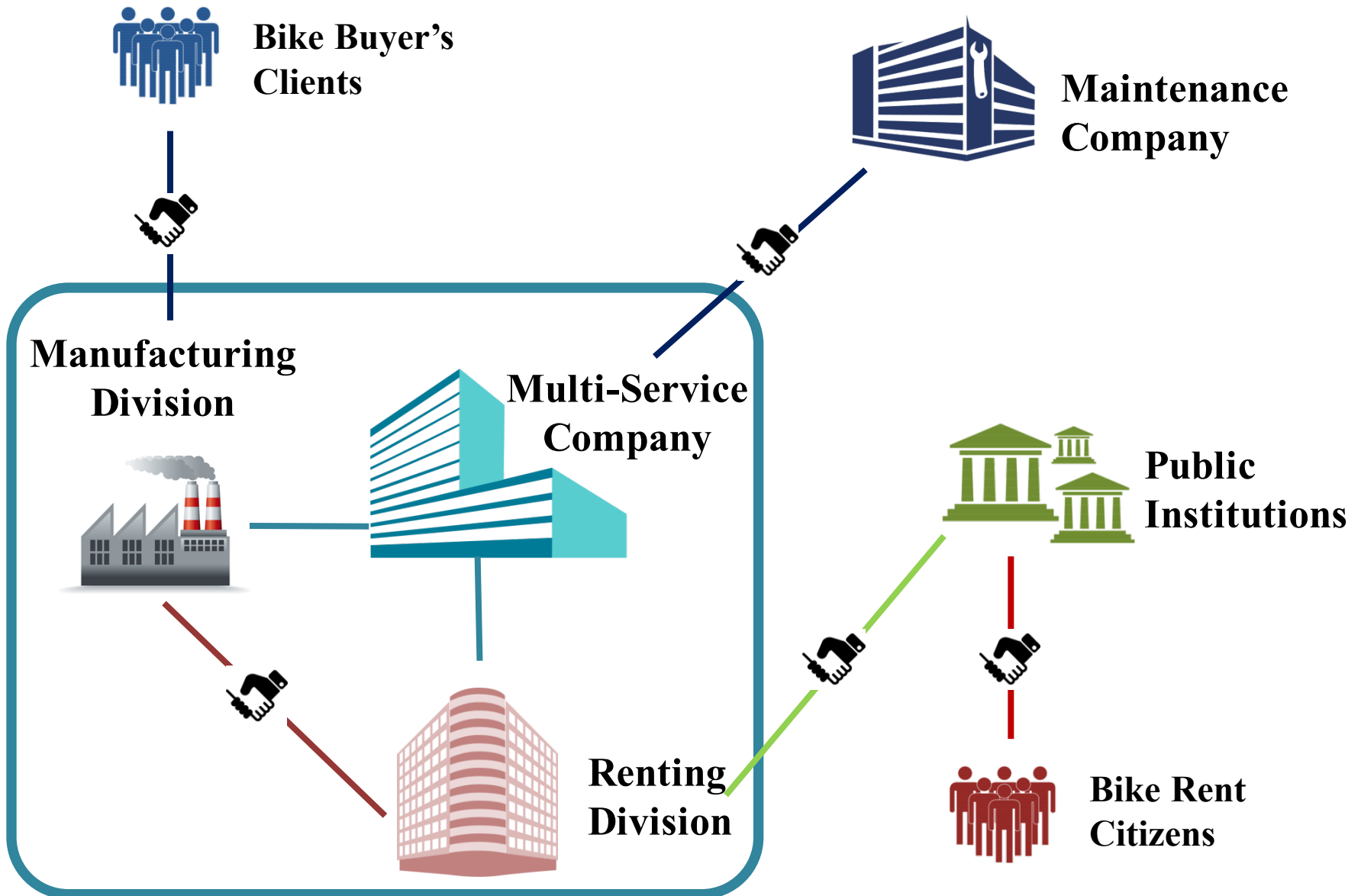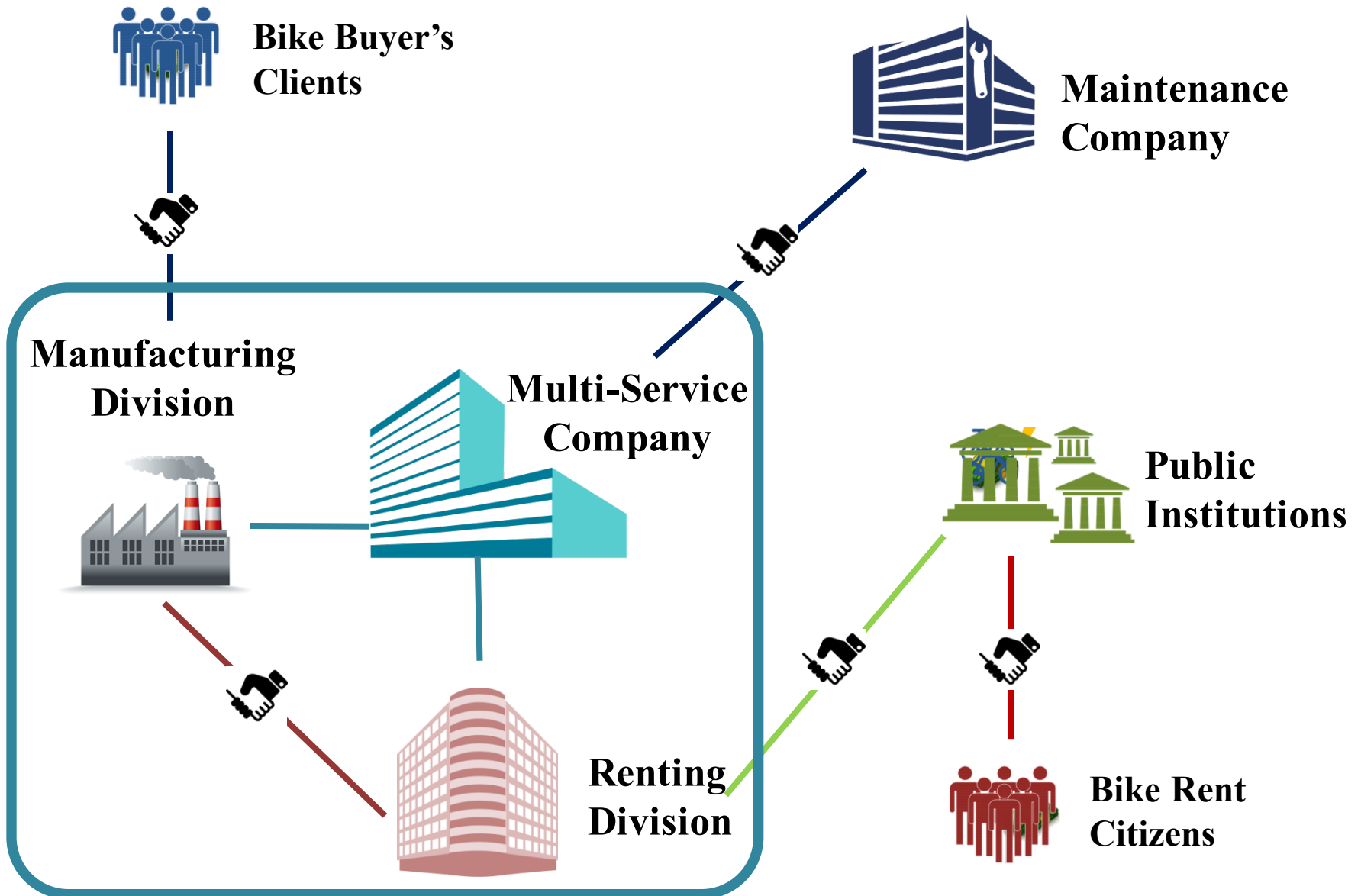
Business Modeling – e3value model

Time to model the previous conceptualization. We will focus on the Value model

The **Value Model** explains how customer value works and how customer value is made:
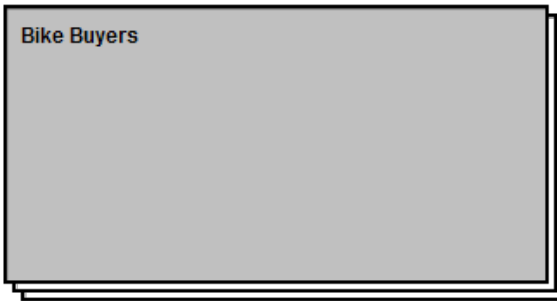
- The Actors that participate in one or more services,
- The relationships between the services.
- The object values exchanged.
- The relations between actors and services.

Let's go to design!!

First, we represent the actors that participate in the value model.

Bike Buyers

Multi-Service Organization

Bike Manufacturing

Bike Renting

Maintenance organization

Bike renters

Public Institutions
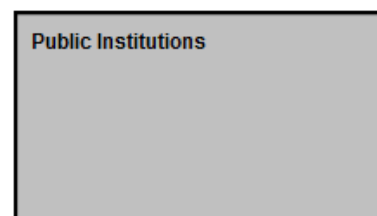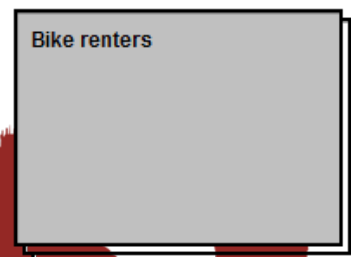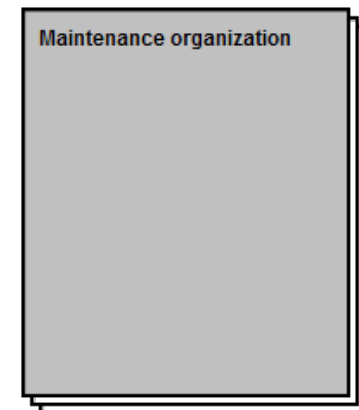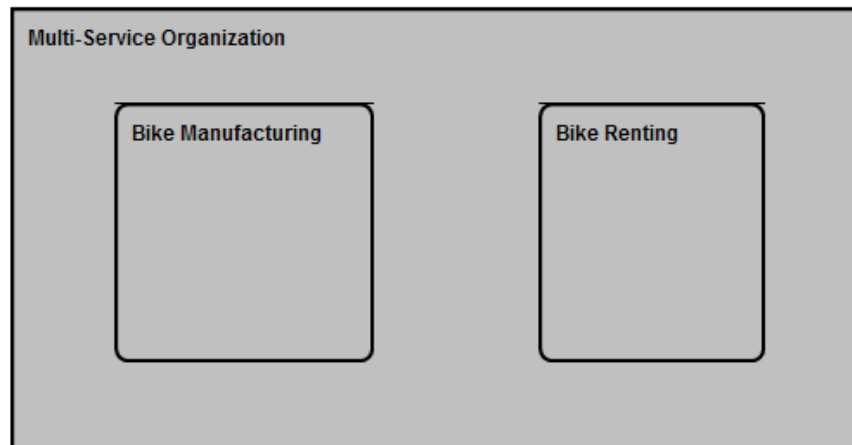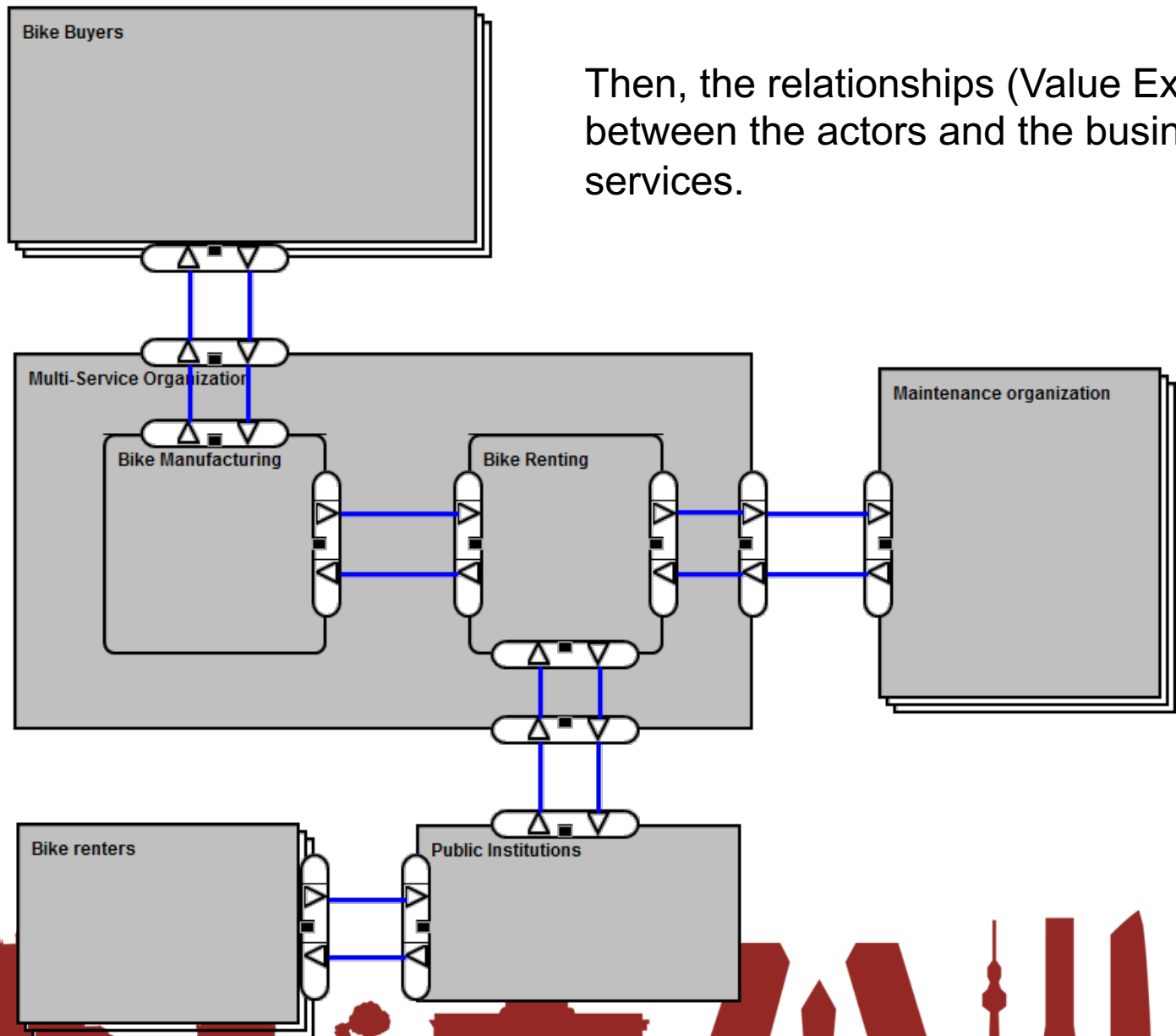
Then, the relationships (Value Exchanges) between the actors and the business services.

Next, the value objects exchanged between the business services.

Bike Buyers

[Bike]   [Money]

Multi-Service Organization

Bike Manufacturing   [Electric Bike]   **Bike Renting**   [Fee]   **Maintenance organization**

[Money]   [Maintenance]

[Fee]   [Electric Bikes]

Bike renters   [Fee]   **Public Institutions**

[Electric Bike]
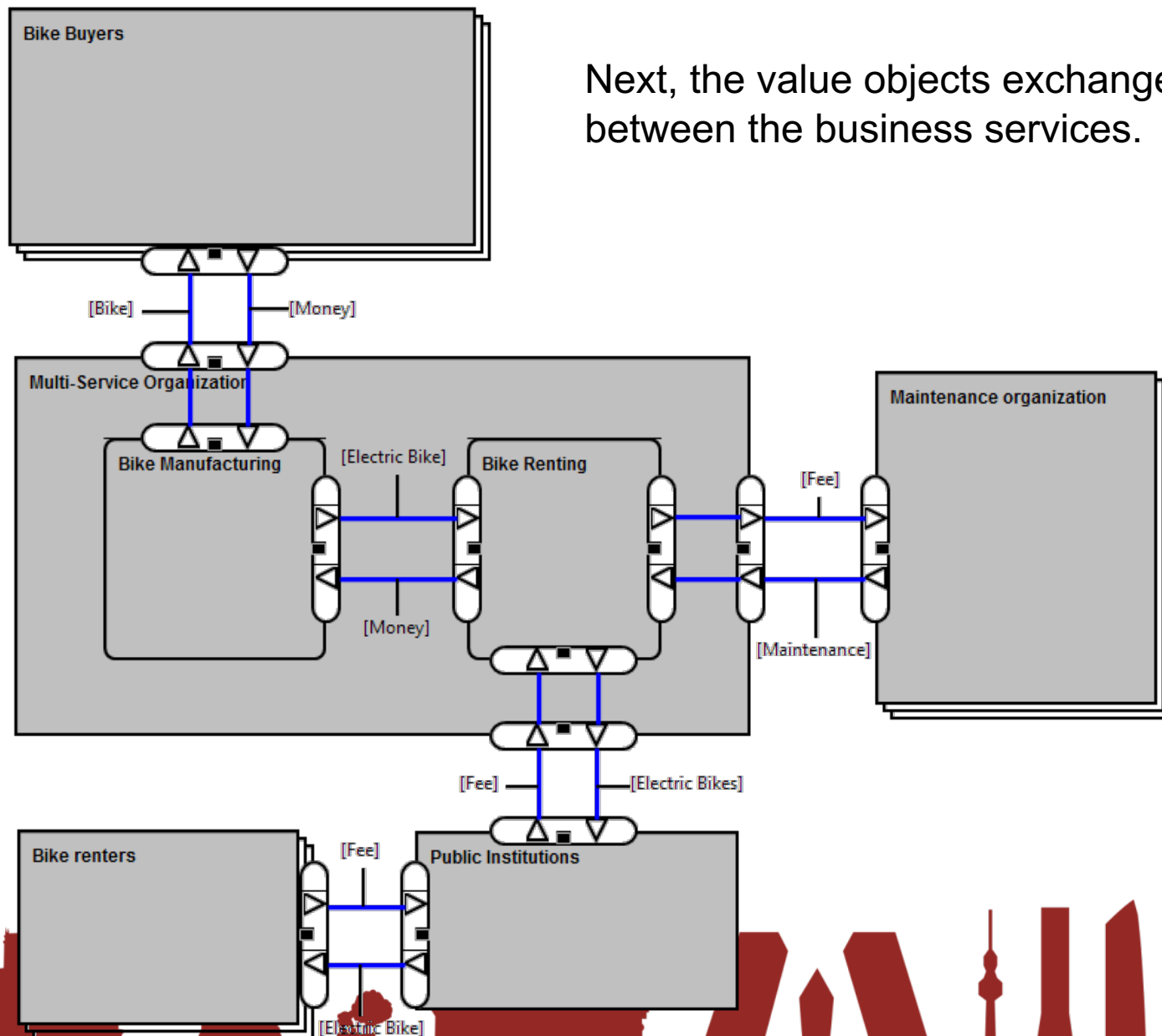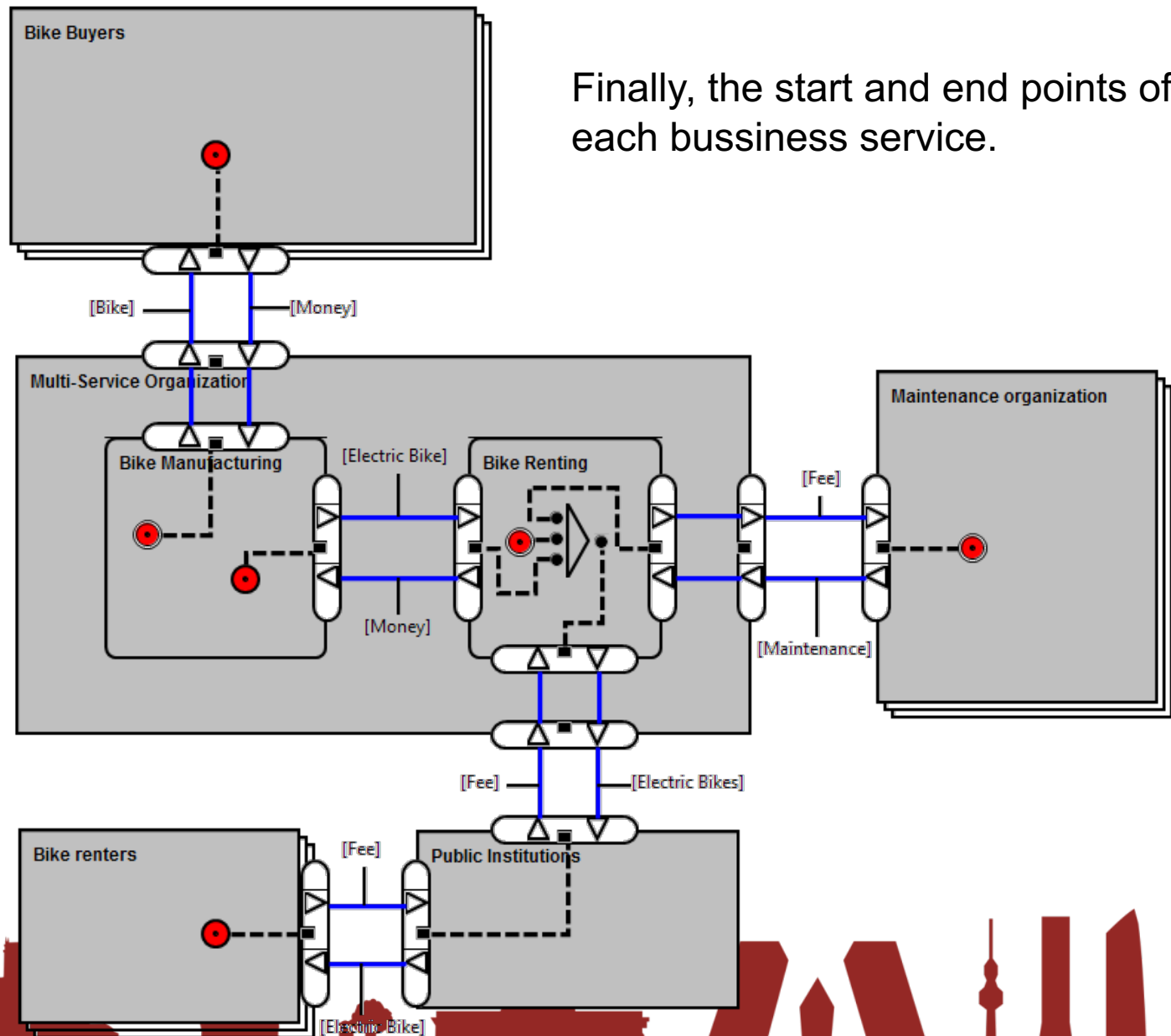
Finally, the start and end points of each bussiness service.

Business Modeling– Service Blueprint model

The same business model could be represented with a ***Service Blueprint model***

- Focus on particular interactions.

Bike Buyers

| PHYSICAL EVIDENCE | Clients want to buy some bike | Client choose a bike, order some model and pay the bike choosen. | | Client wait for receive the bike in home | Client receive the bike |

| CUSTOMER ACTION | Client go to Bike Shop to buy some bike | Client review the catalog | Client select some model bike | Client pay the bill in some payment method | | Client receive the bike in home |

LINE OF INTERACTION

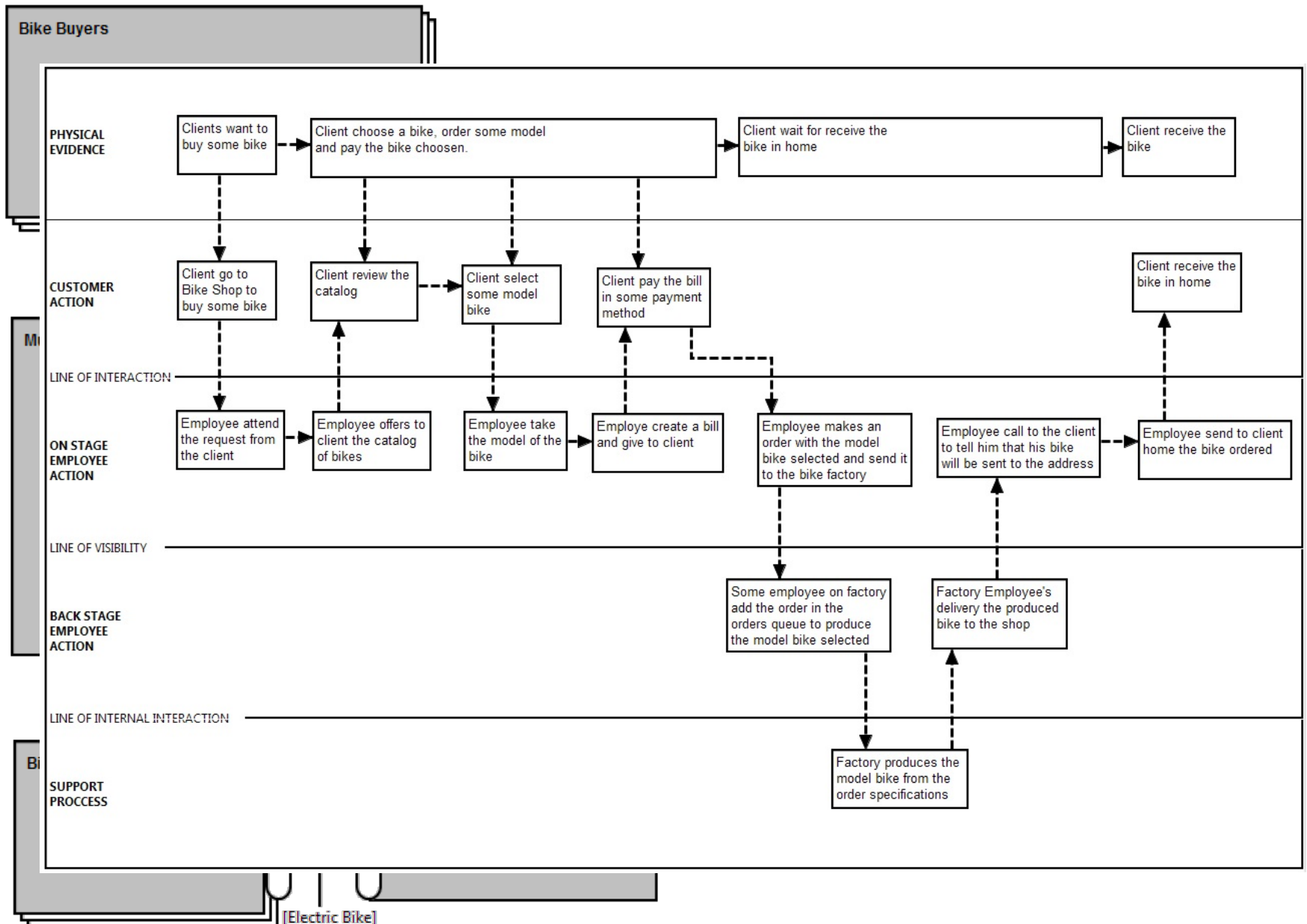| ON STAGE EMPLOYEE ACTION | Employee attend the request from the client | Employee offers to client the catalog of bikes | Employee take the model of the bike | Employe create a bill and give to client | Employee makes an order with the model bike selected and send it to the bike factory | Employee call to the client to tell him that his bike will be sent to the address | Employee send to client home the bike ordered |

LINE OF VISIBILITY

| BACK STAGE EMPLOYEE ACTION | Some employee on factory add the order in the orders queue to produce the model bike selected | Factory Employee's delivery the produced bike to the shop |

LINE OF INTERNAL INTERACTION

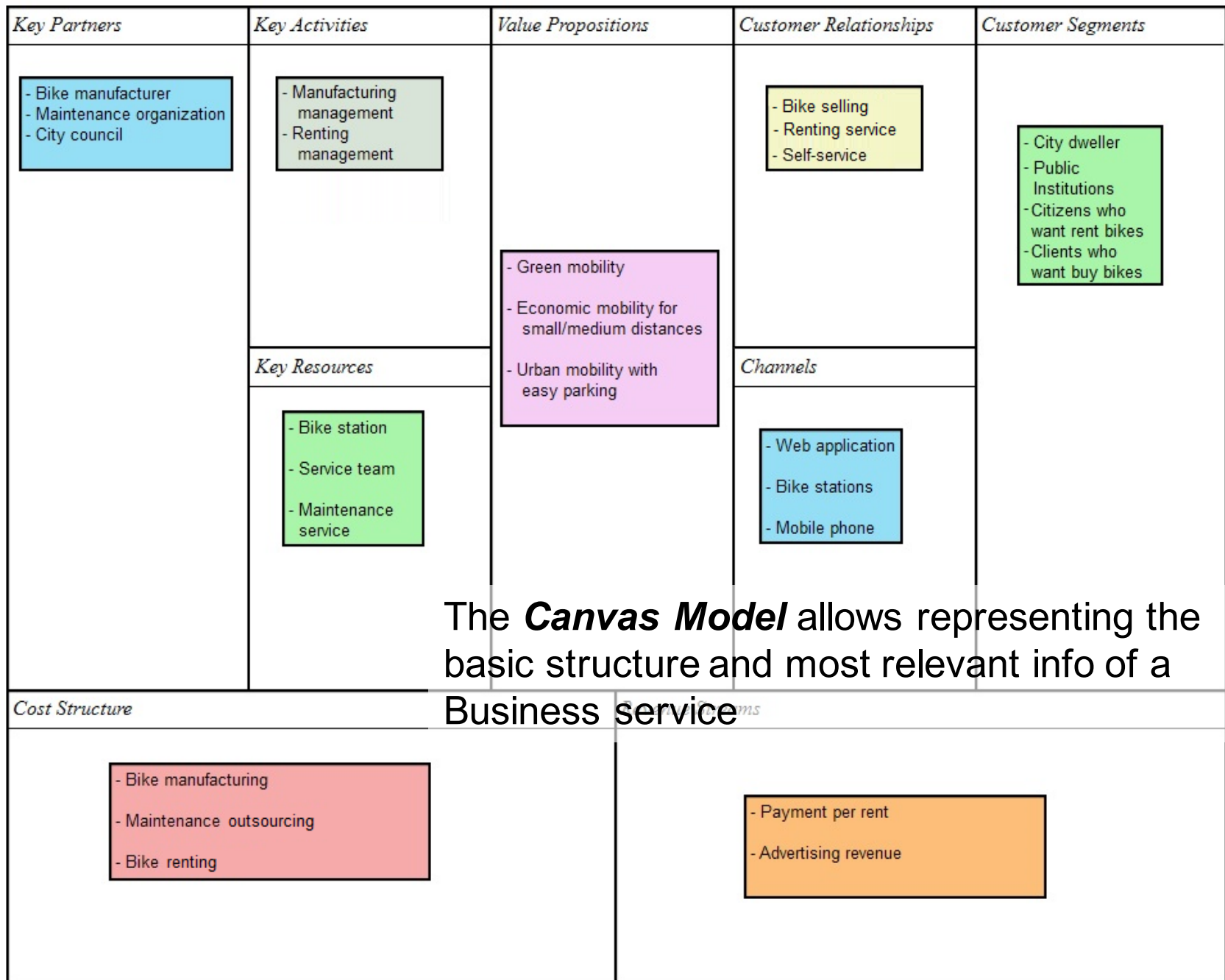| SUPPORT PROCCESS | Factory produces the model bike from the order specifications |

[Electric Bike]

Business Modeling – Canvas model

The **Canvas Model** allows representing the basic structure and most relevant info of a Business service

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
- Bike manufacturer - Maintenance organization - City council	- Manufacturing management - Renting management	- Green mobility - Economic mobility for small/medium distances - Urban mobility with easy parking	- Bike selling - Renting service - Self-service	- City dweller - Public Institutions - Citizens who want rent bikes - Clients who want buy bikes
	Key Resources - Bike station - Service team - Maintenance service		**Channels** - Web application - Bike stations - Mobile phone	

The **Canvas Model** allows representing the basic structure and most relevant info of a Business service

Cost Structure	Revenue Streams
- Bike manufacturing - Maintenance outsourcing - Bike renting	- Payment per rent - Advertising revenue

LIVE DEMO

# Next Steps … What info are we collecting?

- **e3value**
  - \+ The actors that participate in a business scenario
  - \+ The value exchanges between those actors
  - \+ The value object exchanges that have place
  - – The **process** related to each business service.
- **Service Blueprint**
  - \+ The steps of a particular interaction (**process**) between the costumer and the product/service
  - – The interaction between the costumer and **DIFFERENT products/services** at a time (in the same model)
- **Canvas**:
  - \+ Different aspects of a particular business idea
  - – The process related to such idea
  - – **Different value propositions** in the same model

Next Steps … What can we do next?

- Identify relationships between different techniques for business modelling (meta-relations)

- Support the automatic identification of relationships between particular business models

- Automate the convertion between notations:
  - E.g: generate a (partial) value model from a canvas and a Service Blueprint model.

- Reporting
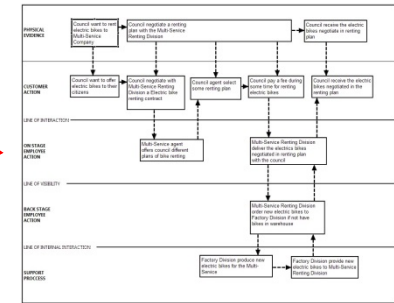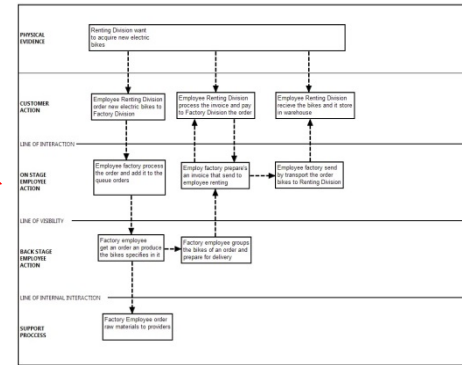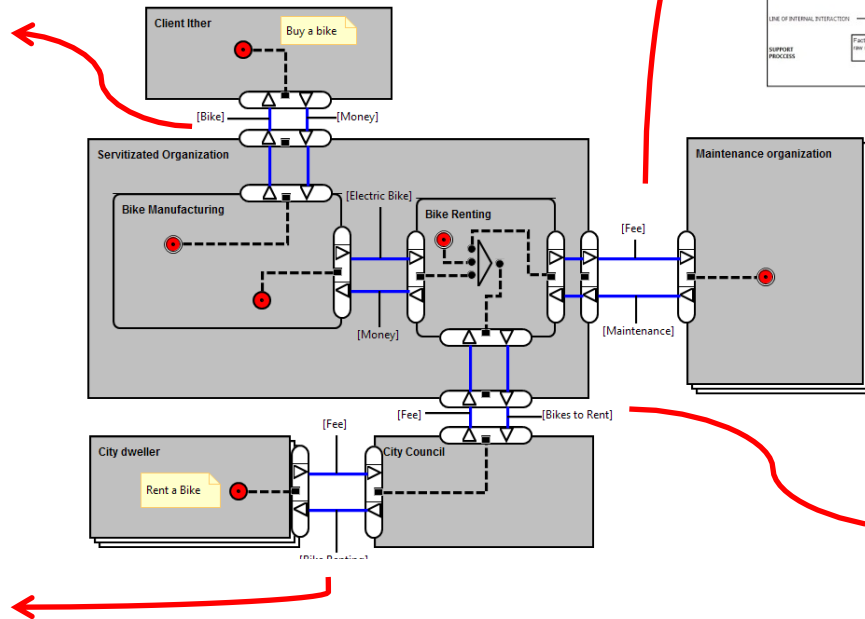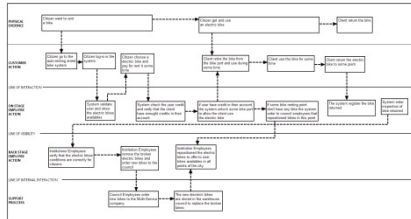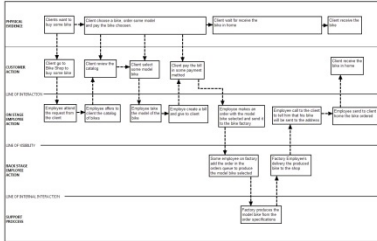
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Conclusion

- Different notations or models for Business Modelling
- No integrated platform to support them

- INNoVaServ: toolkit for Service Design
  - Integrated support for different business modelling notations.
  - Model management and reporting facilities
  - Automatic identification of existing relationships

Future Works

- Integrate support for PCN

- Offer an automated Workflow to help on service design.

Download It!

www.kybele.es/innovaserv

Questions?