

Market Entry Strategy: Classical vs Collaborative Robotics



About AutoCo

Industry leader with 26,000+ employees and \$6B+ sales in 2020. Founded in 1854 in Glasgow.

Currently experiencing a slight sales decline.



Strategic Focus

CEO Julia Meiners drives innovation and modernization. Investments target Classical and Collaborative Robotics.



Team Mission

Evaluating AutoCo's Entry into the German Robotics Market using Business Canvas Model

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The Business Model Canvas by Osterwalder allows to visualize business potential of ideas, and thus, helps to identify opportunities - Collaborative



KEY PARTNERS <ul style="list-style-type: none"> • AI vision companies (e.g., Basler AG, Cognex) • Gripper and sensor vendors (e.g., OnRobot, Schunk) • Software developers and URCap-style marketplace contributors • Training institutions and vocational schools 	KEY ACTIVITIES <ul style="list-style-type: none"> • Easy-to-use HRI interface development • Safety certification (ISO/TS 15066) • Onboard 3rd-party tool developers • Train & support cobot integrators KEY RESOURCES <ul style="list-style-type: none"> • In-house automation expertise and manufacturing base • Existing brand reputation in Europe 	VALUE PROPOSITION <ul style="list-style-type: none"> • Easily programmable and redeployable for different tasks without needing specialized knowledge • Low upfront cost with high productivity gains. • High scalability as processes can be automated when there is a need • Quality and consistency improvement for task that require high skill. 	CUSTOMER RELATIONSHIPS <ul style="list-style-type: none"> • Personal Assistance to guide about the product selection • Education and onboarding tools • Co-creation and feedback loop and self service portal CHANNELS <ul style="list-style-type: none"> • Industry Trade Shows & Events • Local Integrators and Automation Partners • Workshops & Webinars (Online and On-site) • Educational Partnerships Eg - TU Munich or fraunhofer 	CUSTOMER SEGMENTS <ul style="list-style-type: none"> • Small and Medium-sized Manufacturers (SMEs) • Industries with Strict Safety Requirements • Warehouse and logistics companies • Educational & R&D Institutions
COST STRUCTURE <ul style="list-style-type: none"> • R&D expenses • Manufacturing and supply chain costs • Marketing and sales • Technical support and service teams • Software development and maintenance 		REVENUE STREAMS <ul style="list-style-type: none"> • Sale of cobot hardware • Subscription fees for software/platform access • Service contracts and maintenance • Training and certification programs 		

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The Business Model Canvas by Osterwalder allows to visualize business potential of ideas, and thus, helps to identify opportunities- Classical



<p>KEY PARTNERS</p> <ul style="list-style-type: none"> Automotive Manufactures such BMW, Daimler AGE Suppliers of components like sensors and actuators - eg. SICK AG, Faulhaber Research Institutes - Fraunhofer Partnering with industry leaders (e.g., Siemens, Bosch, or ABB in robotics) 	<p>KEY ACTIVITIES</p> <ul style="list-style-type: none"> Mechanical Design & Manufacturing R&D -Control under uncertainty and system robustness. Integration of AI into robotic applications. <p>KEY RESOURCES</p> <ul style="list-style-type: none"> Hardware and software Integration Team of experts in robotics and artificial intelligence. Manufacturing Facilities and IP 	<p>VALUE PROPOSITION</p> <ul style="list-style-type: none"> High-precision automation for complex manufacturing (especially automotive) Cuts labor costs in Germany's high-wage environment Improves production capacity and quality for large-scale industries 	<p>CUSTOMER RELATIONSHIPS</p> <ul style="list-style-type: none"> Long-Term Contracts (Service agreements) Onsite Support (Training, maintenance) Co-Development (Custom solutions) <p>CHANNELS</p> <ul style="list-style-type: none"> Direct Sales (ABB/Fanuc teams) System Integrators (Turnkey solutions) Trade Shows (IMTS, Automatica) 	<p>CUSTOMER SEGMENTS</p> <ul style="list-style-type: none"> Large OEMs (Toyota, Boeing) Tier 1 Suppliers (Bosch, Foxconn) Mass-Production (Bottling, Appliances)
<p>COST STRUCTURE</p> <ul style="list-style-type: none"> High R&D investment to stay competitive. Significant installation and integration expenses. Maintenance is the biggest ongoing operational cost. 			<p>REVENUE STREAMS</p> <ul style="list-style-type: none"> Direct sales of robot systems (EUR 4.2B market) Custom integration for automotive and electronics sectors Long-term maintenance contracts for steady revenue 	

Key Takeaways

Collaborative robots

- **Focused Market Entry** :Targeting SMEs, logistics,educational and R&D Institutes
- **Relationship-Driven Approach** :Building trust through personal support, training, and local partners
- **Scalable Revenue Model** :Combining hardware sales with services like software, training, and maintenance.
- **Strategic Partnerships and Resources Enable Market Entry**: collaborate with AI vision and sensor firms .

Classical Robots

- **Strategic Offering**: Delivering reliable, precision-driven robotic systems for industrial automation.
- **Revenue Opportunities**: Earning revenue through robot sales, integration services, and long-term maintenance contracts with OEMs and Tier-1 suppliers..
- **Partnership Strategy**: Collaborating with manufacturers, system integrators, and component suppliers to scale operations.
- **Value Proposition**: Precision automation helps German manufacturers offset high labor costs while enhancing domestic production quality and efficiency
- **Cost Structure**: High upfront and maintenance costs require stable long-term revenue for profitability.
Customer Segments: Targets large-scale manufacturers (e.g., automotive, electronics) with standardized high-volume production needs.
- **Channels**: Relies on technical intermediaries like system integrators and direct sales teams for complex deployments.
- **Customer Relationships**: Built on long-term service contracts and customized support to ensure ROI for clients.

Strategic Recommendations & Way Forward for AutoCo



Short-term
Cobot MVP



Mid-term
Validation



Long-term
Portfolio

Short-Term Recommendation:

AutoCo should prioritize market entry via collaborative robots due to:

- Lower market entry barriers
- Faster time-to-value
- Fit with effectual logic: acting under uncertainty using existing means

Mid- to Long-Term View:

Maintain R&D focus on classical industrial robots for larger, slower-moving clients—but defer heavy investments until clearer market signals are validated.

References

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