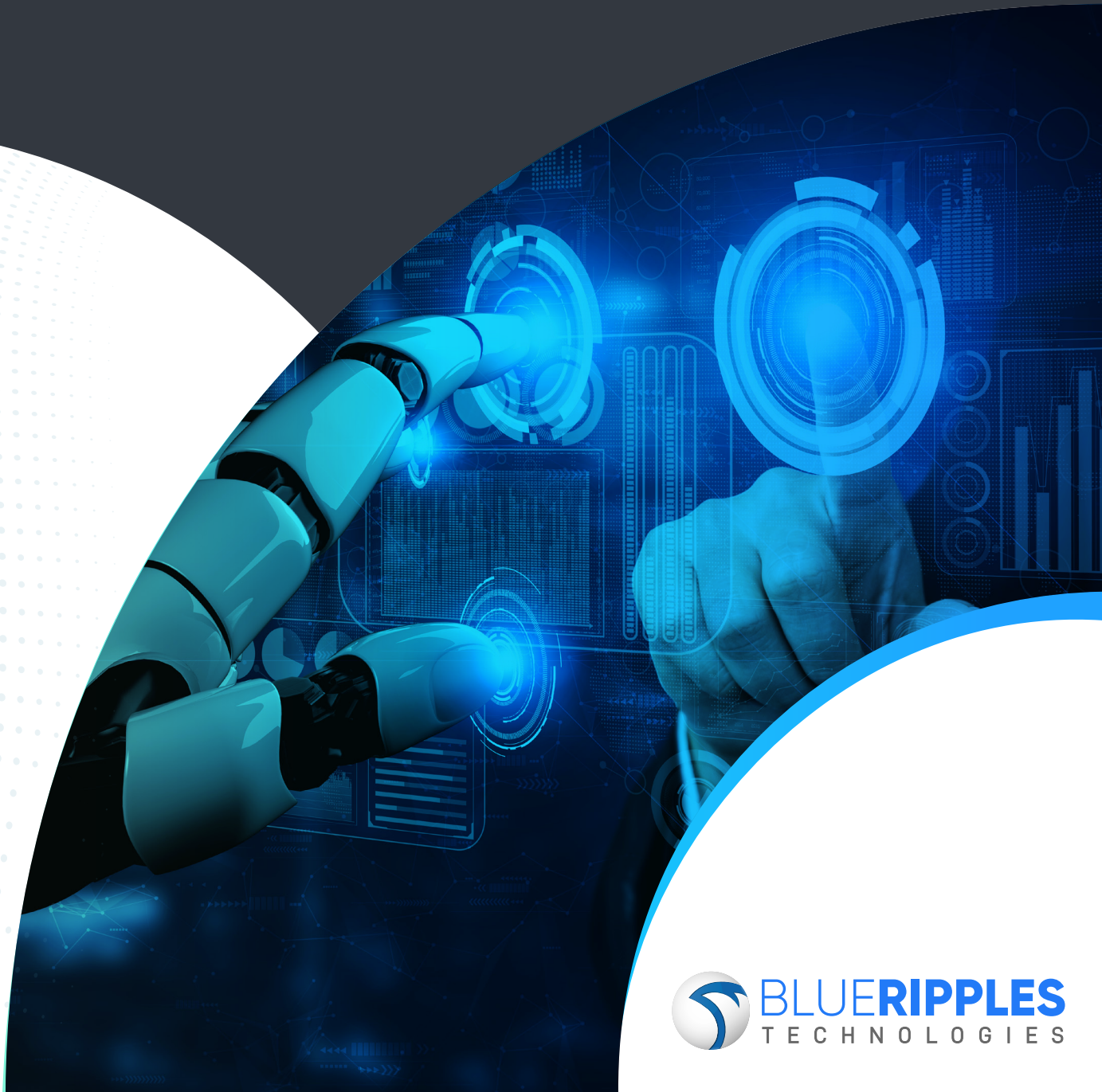


Outcome as a Service

# Servitization

---

Servitization is a concept that enables manufacturers to move beyond product selling and advance towards outcome-based billing.



# Servitization

We are living in an era that is gliding towards digitalization; knowledge, entertainment, banking is now available on our fingertips. This transformation is clearly visible in the drift of Software to subscriptions for monthly usage by Microsoft. It's also seen, in the growing influence of day-to-day applications in entertainment and business platforms like Spotify, Netflix, Salesforce, Workday.

Gathering reference from the past, these changes occurred in Industries way before. Similar, business models were implemented in industries by Rolls Royce in 1962, introducing 'Power by the hour' for viper engines in business jet. Compared with current evolution, these were initiated with limited resources in remote monitoring, performance update, predictive analysis etc. Today, technology advancements in Cloud, IoT, AI & big data analysis, enables equipment manufacturers to replicate business models similar to the "Power by the Hour" model of Rolls Royce. These "pay-per-use" models are termed "Servitization."

Servitization enables market to operate with least capital expenses-Capex in consensus with specific operational charges like Pay-per-Use. It provides manufactures/OEMs to explore new business opportunities which values customer retention, recovering revenue, advancements in equipment, real-time pulse of market and machines etc. At the same time buyers can work on operational cost of equipment based on productivity rather than buying it. As manufacturers are directly understanding the machine state and operations in these business models, it can help to improve efficiency and can also better plan maintenance & servicing needs. It works on a principle of outcome matters more than the product.

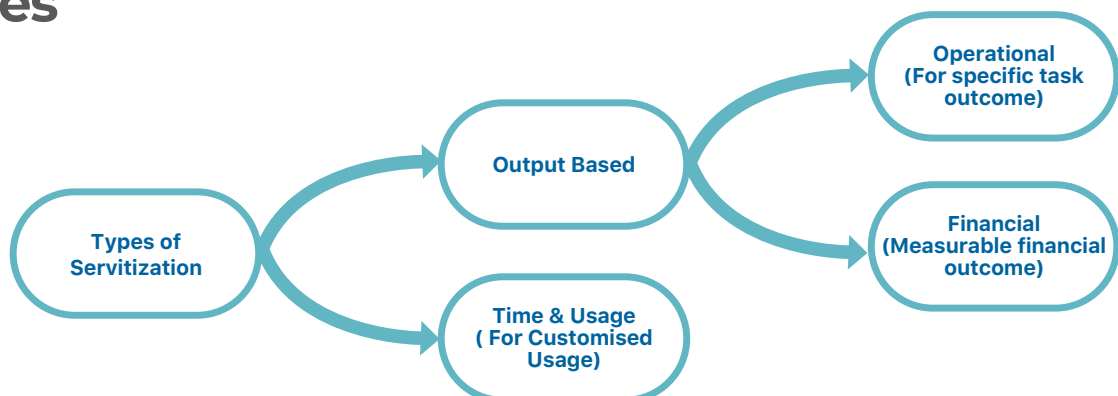
Edging towards technical implementation of equipment Servitization, necessitates different steps to be followed, which focuses on remote monitoring, data analysis, predictive maintenance, billing and invoicing, design improvement, field service planning etc. as referred in picture:



Flow Chat

Implementation of servitization enables with co-ordination of sections like finance, ERP, Field service into a single platform. Planning and service are important functionalities to be considered by OEMs for the success of this business model.

## Types



## Join hands with Blueripples Technologies

Blueripples Technologies assist Equipment manufactures to extend their services towards Servitization. BRTs Servitization business platform Equeserv helps them to offer their machines in pay-per-use business model. Equeserv is a complete platform for Equipment Manufactures for the hassle-free transformation towards the market trend by fulfilling market need with creating greater visibility and real-time actionable insights throughout the production cycle.

These models are widely used in industries like automotive, heavy machinery, Oil & Gas, buildings solutions & medical equipment. This business model is potentially extendable to all equipment manufacturing industries.

## Advantages



Reduction in capital expenditure



Diversify business models



Develop strong customer relationship



Continuous income from equipment rental



Predictive monitoring



Improve equipment design



Increase data reliability



Reduce operation cost



Proper tracking of machine performance.



## Servitization