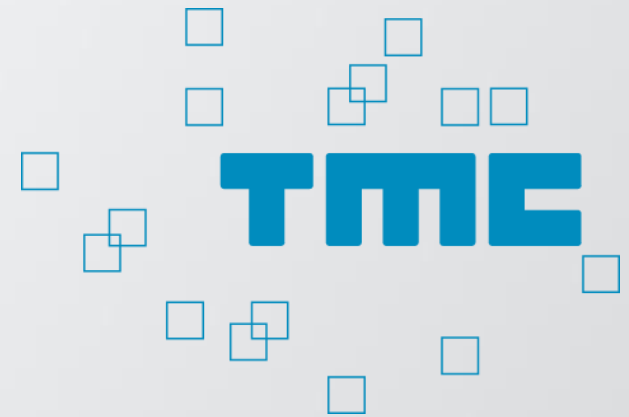




**IT'S PEOPLE
WHO DRIVE
TECHNOLOGY**



The Internet of Things: Crossing the Chasm

In cooperation with:



Consumer Lifestyle

IT'S PEOPLE WHO DRIVE TECHNOLOGY

TMC & Philips Consumer Lifestyle: Making IoT relevant for all consumers

Ad Schoenmakers, TMC Electronics

Co-created with:

Dieter Sturm, Innovation lead Philips Consumer Lifestyle

Mieke Weegels, Manager Product Research Center Philips Consumer Lifestyle

Roger Hacking, Director TMC Electronics

Teun van Hoesel, Account manager TMC Electronics

Matthijs den Dekker, Account Manager TMC Electronics

For the D&E event, October 29th 2014

TMC



IT'S PEOPLE WHO DRIVE TECHNOLOGY

Introduction

Who is TMC?

- > Strategic insourcing: 2 countries, 5 locations, 15 cells, >600 employeneurs
- > Mission: Shaping highly qualified Tech People into Employeneurs who provide Breakthroughs for our Customers.
- > More info: www.tmc.nl

Who is Ad?

- > Employeneur of TMC Electronics working at Philips Consumer Lifestyle
- > Specialized in embedded systems, wireless sensor networks and connected products / IoT
- > <http://nl.linkedin.com/pub/ad-schoenmakers/3b/29b/89a/>



Context

- > Way of working
- > Specifically relevant for IoT, connected products and digital propositions
- > Does not require a complete understanding of the product before start
- > Allows you to build your roadmap and adapt your direction as you go along
- > Manage uncertainties rather than requirements
- > Focused on the consumer of your product

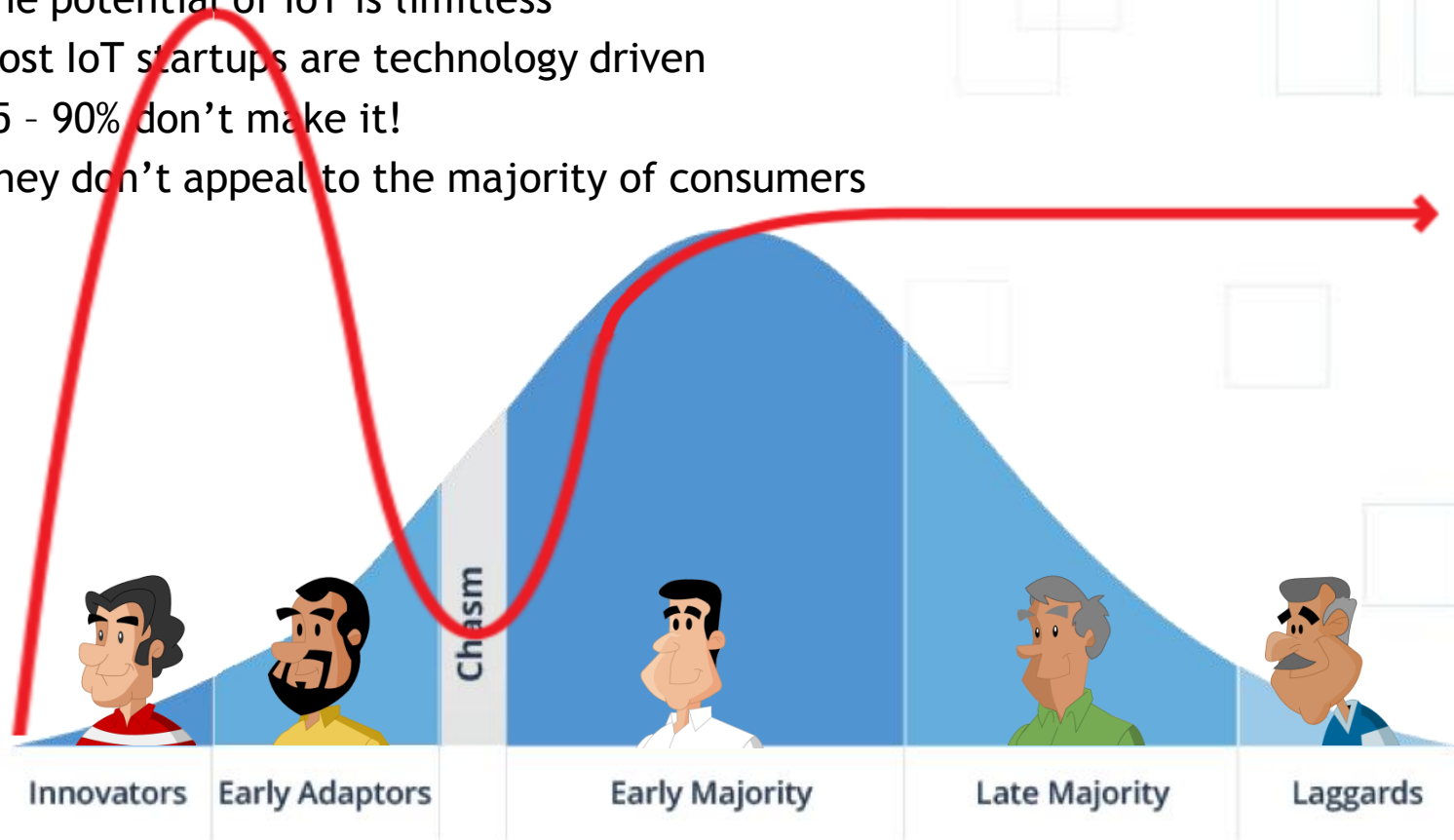


What are we going to talk about?

- > Introduction
- > What do we mean by Crossing the Chasm (in Machine 2 Consumer)
- > Do consumers have a clue?!?
- > How2 bring digital innovation
- > Failure
- > Conclusions and additional tips & tricks
- > Q & A

What do we mean by crossing the chasm

- > The potential of IoT is limitless
- > Most IoT startups are technology driven
- > 75 - 90% don't make it!
- > They don't appeal to the majority of consumers



Examples of crossing the chasm: Air purifier and Hue

Philips Air purifier:

- > Mature product, but stuck in the chasm as it did not provide enough value to European consumers.
- > Crossed the chasm with the launch in China and the addition of an app.



Philips Hue:

- > Stuck in the chasm as it was perceived as a gadget
- > Crossed the chasm when 3rd parties could generate content



Do consumers have a clue?!?



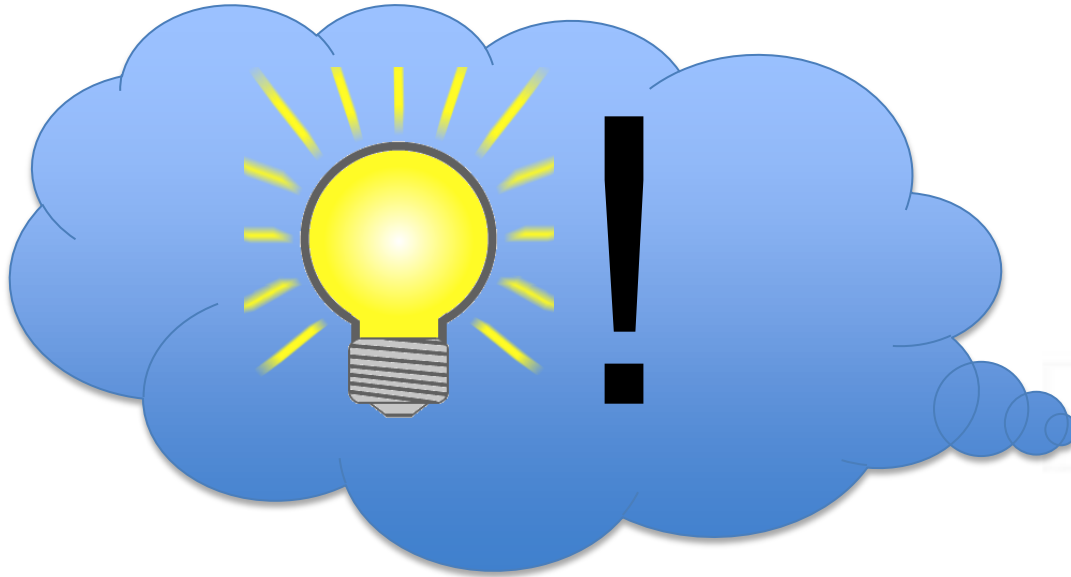
No!



TMC

IT'S PEOPLE WHO DRIVE TECHNOLOGY

Do consumers have a clue?!?



Innovate!

TIME

IT'S PEOPLE WHO DRIVE TECHNOLOGY

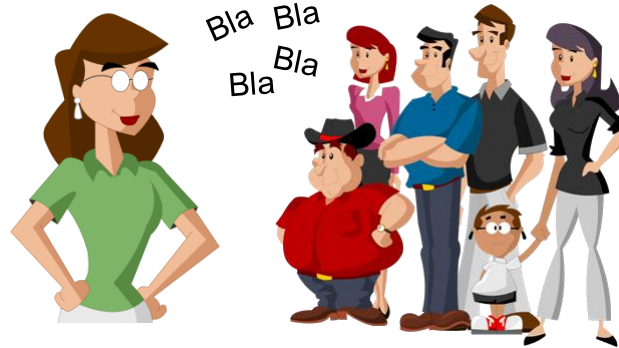
General areas of value for consumers

- > Ease of use
- > Design
- > Physical and mental health
- > Sociability / connection to loved ones
- > Safety / security
- > Self importance / status
- > Quality of service
- > Air purifier: Ease of use, physical health, Quality of Service
- > Hue: Ease of use, Design, Status

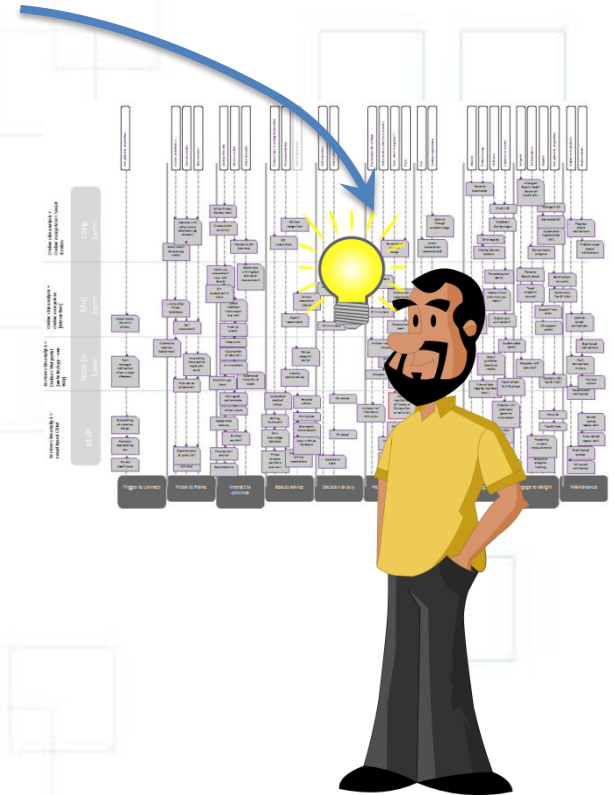


How2 bring digital innovation?

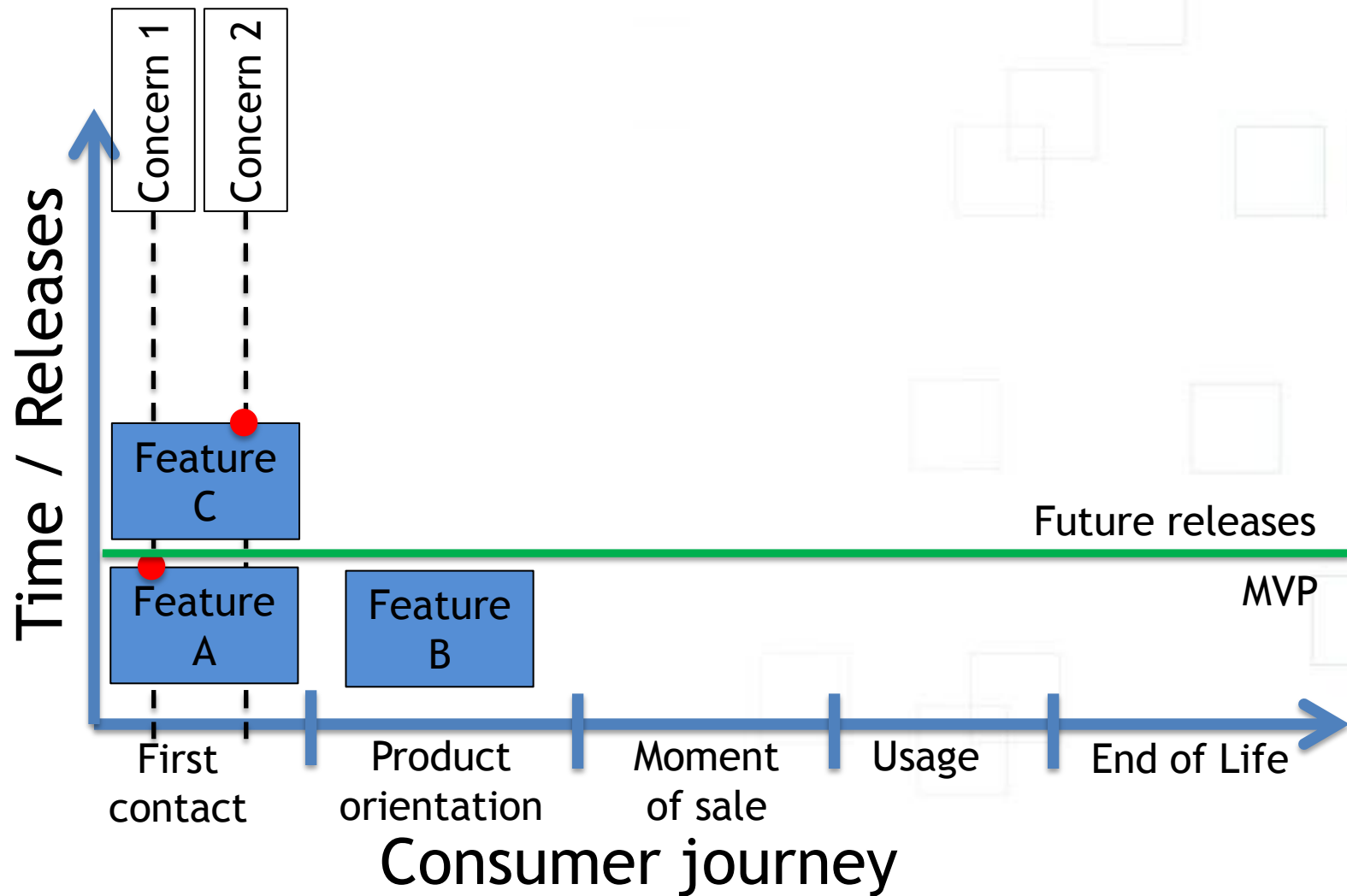
Know what your customers want through permanent interaction



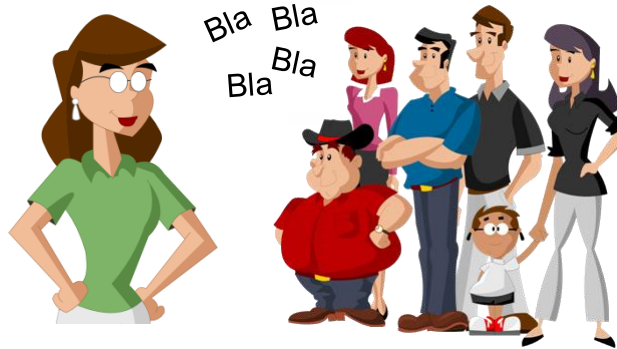
Create a Vision, idea or proposition



MVP matrix

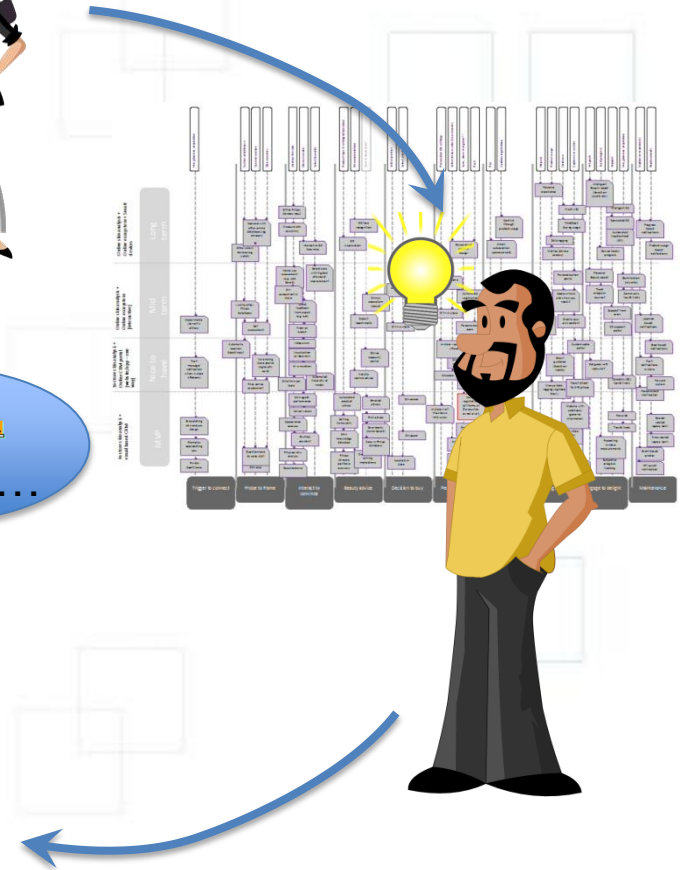


How2 bring digital innovation?



Test your proposition
with consumers,
The right consumers!!!

TMC



Execute a hackathon,
co-create,
but keep it lean!

How2 bring digital innovation?



Focus on creating recurring value for your consumers , only then will you be able to create real value for you(r boss)

Failure

- > Learn from failure, admit and analyze rather than deny
- > Start to learn rather than wait for the opportune moment
- > Start with your vision, build towards that goal

“A good plan (violently) executed now is better than a perfect plan executed next week.” (George S Patton)

Conclusions

- > Keep testing iteratively to keep focus on what creates value
- > Be mindful of the profile of the consumers you talk to so that you get relevant feedback
- > Do not try to launch a perfect product from the start, but build up to one in many steps, always with focus on consumer value

Additional tips & tricks

- > Key challenges to come include finding out for what the consumer is willing to change his or her behavior
- > Always take privacy very seriously, be honest and transparent about what data you collect and what you will and will not do with it
- > With IoT the developer is never off the hook, it only really starts after launch
- > When creating a vision and roadmap consider every step of the consumer's journey; from first contact to your product's end of life
- > The value market is shifting from product to service oriented, so focus on providing recurring value to your consumers

Any questions?

The logo for TME (Topcon Machine Tools Europe) is displayed in a bold, blue, sans-serif font. It is surrounded by numerous blue squares of varying sizes, some of which are slightly offset or overlapping, creating a dynamic, geometric pattern. A solid blue vertical bar is visible on the far left edge of the slide.

TME

Please visit us at booth 15!

