

/ Perfect Welding / Solar Energy / Perfect Charging



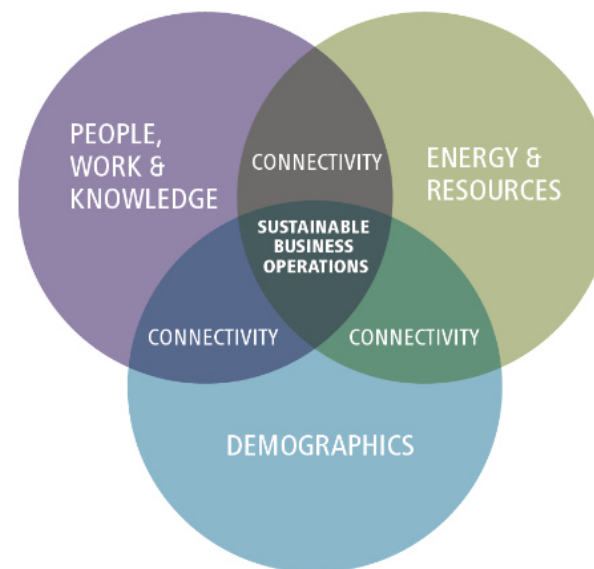
Bernhard Freiseisen  
Strategic Marketing

# DIGITAL CUSTOMER INTIMACY **AN EVIDENCE BASED APPROACH**

/ Perfect Welding / Solar Energy / Perfect Charging



# VUCA - WORLD OUTSIDE



/ Perfect Welding / Solar Energy / Perfect Charging



# WHAT'S GOING ON OUTSIDE?



## IMPLICATION – „COMMODITY TRAP“

In the near future our high-tech **welding systems** will be...

- / a **necessary**,
- / but **not** at the same time a **sufficient** condition for our **business success**.



The **driving value** of our business strategy has to be reviewed.



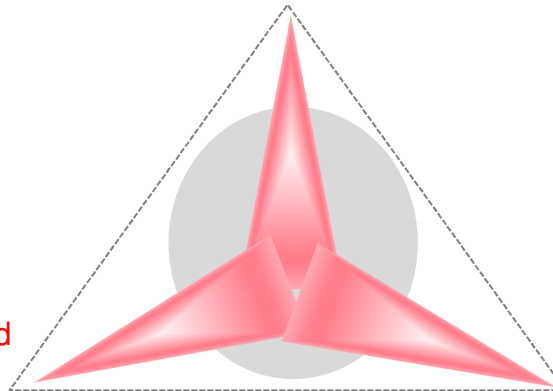
# VALUE DISCIPLINES (TREACY / WIERSEMA, 1993)

## Customer Intimacy

- taylored solutions to precisely segmented markets and customers
- **customer relationship is crucial**

## Operational Excellence

- low cost operations
- **production processes, logistics and business operations are crucial**



## Product Leadership

- continuous stream of leading edge products
- **Research & Development is crucial**

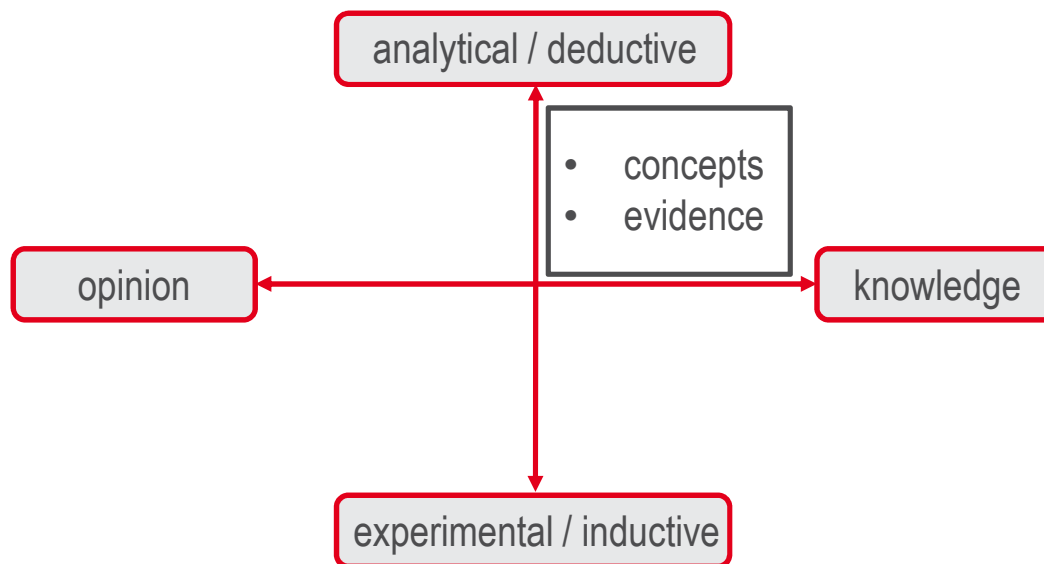


## STRATEGIC QUESTIONS

- / How is our strategic business model **configured** at the moment?
- / Is our our current strategic business model **aligned** with **Customer Intimacy**?
- / Where are the **leverage points** of digitization?
- / Where to **invest** money and resources?



# MANAGEMENT APPROACHES





# BUSINESS MODEL CONCEPT

## Strategic Level

.....  
Logic of generating value for customers  
and the corporation

## Operational Level

.....  
Internal structure and processes

## Economic Level

.....  
Logic of organising revenue  
streams

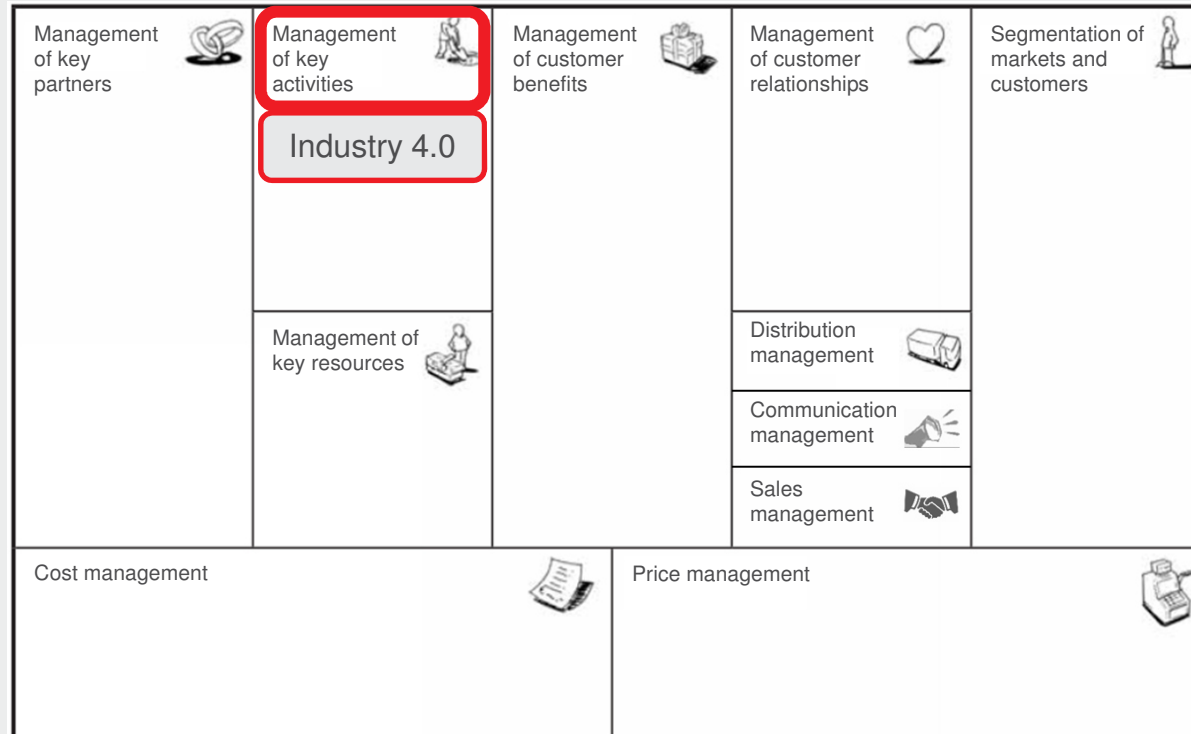




# STRATEGIC BUSINESS MODEL



# „MANAGEMENT MYOPIA“



## EMPIRICAL STUDY (WERANI ET AL., 2016)

### / How should successful business models be configured?

/ 230 largest (by revenue) Business-to-Business corporations in Austria

/ Input conditions: Effort (investment, human resources,...) to each dimension: **less intensive / intensive**

/ Outcome: „Return on Sales“: **average or below average / above average**

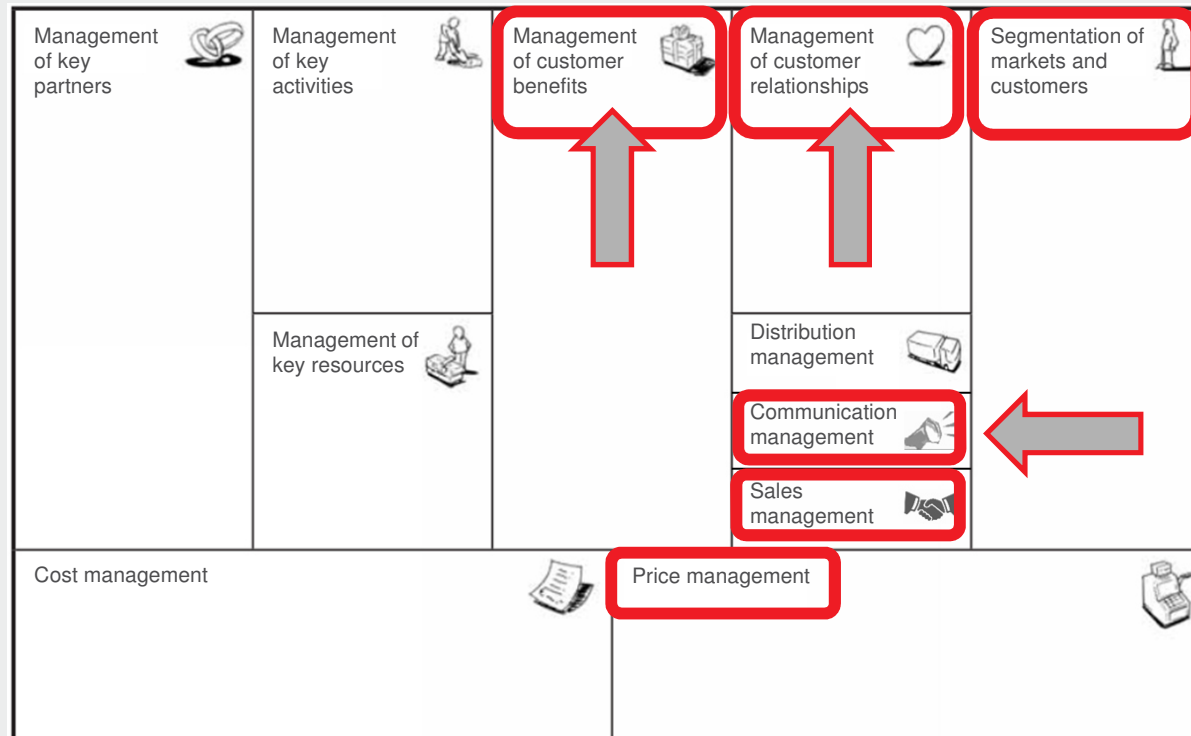
/ Configuration analytics with Qualitative Comparative Analysis (QCA)

/ **14 different configurations** of intensive effort show „Above average Return on Sales“

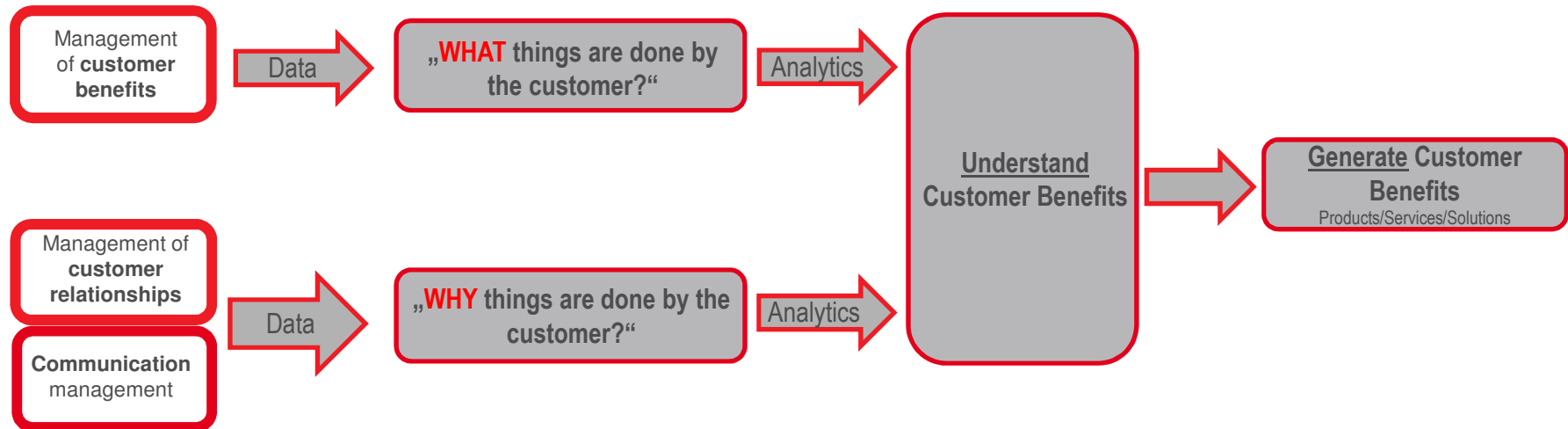
# CONFIGURATION P4 – CUSTOMER INTIMACY



# DIGITIZATION - STRATEGY



# WHY?





## KEY TAKE AWAY'S

- / Be aware of „Management Myopia“
- / Understand the **driving value** of your existing **Strategic Business Model**
- / Align your **Strategic Business Model** with your intended **Business Strategy**
- / Align your **Digitization Strategy** with your intended **Strategic Business Model**





## LITERATURE

- / **KOCH, T., WERANI, T., SCHAUBERGER, A., MÜHLBURGER, M., FREISEISEN, B., MARTINEK-KUCHINKA, P., (2019):** Geschäftsmodell-getriebene Planung von Digitalisierungsmaßnahmen in Business-to-Business-Märkten – Ein Vorgehensmodell, HMD Praxis der Wirtschaftsinformatik, Vol. 56/2, April 2019, S. 468 – 484, <https://doi.org/10.1365/s40702-018-0431-9>
- / **PFEFFER, J., SUTTON, R. (2006):** Evidence-Based Management, Harvard Business Review, Vol. 84/1, S. 63 - 74
- / **ROSSEAU, D. (2006):** Is there such a thing as „Evidence-Based Management“?, Academy of Management Review, Vol. 31/2, S. 256 - 269
- / **TREACY, M., WIERSEMA, F. (1993):** Customer intimacy and other value disciplines, Harvard Business Review, Vol. 71/1, S. 84 - 93
- / **WERANI, T., FREISEISEN, B., MARTINEK-KUCHINKA, P., SCHAUBERGER, A. (2016):** How should successful business models be configured? Results from an empirical study in business-to-business markets and implications for the change of business models, Journal of Business Economics, Vol. 86, August 2016, S. 579 – 609
- / **WERANI, T., SCHAUBERGER, A., MARTINEK-KUCHINKA, P., FREISEISEN, B. (2017):** Wertdisziplinen und digitale Transformation von Geschäftsmodellen: Implikationen auf Basis einer empirischen Untersuchung in Business-to-Business-Märkten, in: Schallmo, D., Rusnjak, A., Anzengruber, J., Werani, T., Jünger, M. (2017): Digitale Transformation von Geschäftsmodellen, Grundlagen, Instrumente Best Practices, Springer Gabler, S. 237 – 263

/ Perfect Welding / Solar Energy / Perfect Charging



All information is without guarantee in spite of careful editing - liability excluded.

Intellectual property and copyright: all rights reserved. Copyright law and other laws protecting intellectual property apply to the content of this presentation and the documentation enclosed (including texts, pictures, graphics, animations etc.) unless expressly indicated otherwise. It is not permitted to use, copy or alter the content of this presentation for private or commercial purposes without explicit consent of Fronius.