

BeSeL-Business Models in Services project studies value creation, value models and earning logic in industrial service business. Further, the project concentrates on innovative new service development and practices for managing this development.

The objectives of the **Business Models in Services-project** are:

- to identify and understand business potential and drivers related to industrial service business;
- to understand the value creation for customer, earning logic and pricing related to industrial services;
- to understand how the new service business concepts take shape and;
- to create new innovative business models and management concepts in order to realise the business potential of industrial services.

The project aims to develop conceptual models, methodologies and tools in order to understand and facilitate the business focus shift from product centric towards value centric. This will take place through analysis and development work in the participating companies, and by generalising and conceptualising the results. For participating companies, the cases may include more case specific studies and problem solving.

Our **Industrial Mission** is to:

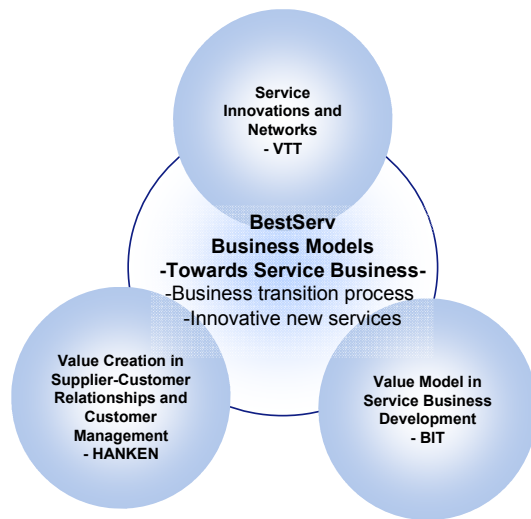
facilitate participating companies' business focus shift from product centric towards value centric.

This will be accomplished by understanding participating companies' and their customers' present position and future development directions, related business potential, and by taking joint actions to realise this potential. The programme focuses on industrial service business.

In the project, the service business value chains are in the focus because services are systemic in their nature. They are produced and consumed at the same time in the customer interface. This means that benefiting from services means often that also customer needs to develop its processes and practices. It also means that customer is often involved in the development of service business concepts, business models and actual services. Creating all this requires a good understanding of customer value creation and business environment:

Structure and participants of the project:

The project involves six to eight companies and three research partners (VTT Technical Research Centre of Finland, HANKEN and TKK-BIT Research Centre). LTT-Research has and own project in the focus area and these two projects collaborate. The project is funded by TEKES, VTT and participating companies, and it is scheduled for years 2005-2008. The first half of the projects end by early 2007.



Consortium

VTT: Service Innovations, Innovative Service Business Models and Networks

HANKEN: Value Creation in Supplier-Customer Relationship and Customer Management

BIT: Value Model in Service Business Development

LTT-Research parallel project:
Industrial Service Business Models

Company participation:

Research partner: yearly fee 12 000 € (+ VAT 22%)

- Mapping of the current state of service business.
- Service business development trends.
- Plans for development, but no concrete development actions.

Benefits from research partnership for companies:

- Increases your understanding of your, and your customers', present position and development directions concerning industrial services and service business.
- Increases understanding of the business potential related to service business
- Reveals gaps between current and future position
- Plan for needed development actions in order to move towards selected direction and to benefit from business potential
- General seminars of the project
- New ideas for business and earning models

Development partner: yearly fee 20 000 – 50 000 € (+ VAT 22%)

- Development oriented case, which is planned for company needs.
- It is possible to start as research partner and then move into development partnership.

Benefits from development partnership for companies:

- Actual results depend on company's needs: the development follows the development plan, which is made during the program level analysis. The development plan focuses the development into issues that are considered central.
- Conceptual and operational models, methods and tools that can be used to define and develop service business
- Models and methods to control of the customer relationship
- Methods for developing service innovations in networks
- Methods for producing new service concepts
- Service experiments and pilots
- General seminars of the project
- Supporting the company on its way up the value chain.

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