

**What are the biggest risk factors
for IoT projects?**

- Defining value
- Review lessons learned by existing customers
- Best practices for program success



When you shop for these – What are you buying?



Holes?



Or a Desired Outcome?



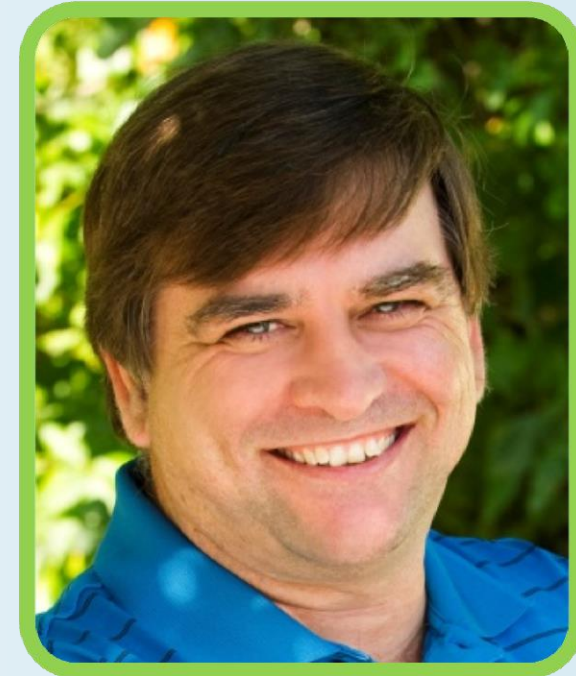
Randy Thompson

IoT Solution Manager

15+ years of M2M/IoT Experience

- Marketing
- Product Management
- Sales Engineering

- BSEE, MBA



- Interviewed 50+ IoT Customers
 - All sizes
 - Multiple markets
 - All levels of program maturity
- Focus on
 - Use cases
 - Success metrics
 - Inflection points
 - Advice based on their experience

What do you think were the biggest obstacles to success?

Internal

Management
Support

Resources

Demonstrating
ROI/Value

Market

Regulations

Risk Tolerance

Business
Model

Customer

Motivation

Security

Risk

Management Support

- Hands off or minimum exec involvement
- Purchased a “tool” or “solution”
- Don't know what to expect or expect too much

Resources

- Can't get connectivity on the product roadmap
- Can't get marketing resources
- Unable to motivate or coordinate stakeholders

ROI/Value

- Lack of objectives/metrics
- Difficulty demonstrating a compelling ROI
- No budget

Regulations

- Medical - HIPAA, FDA Validation
 - Financial/Retail - PCI, GLBA, Sox
 - Government - DIACAP, Fedramp
-

Risk Tolerance

- Data privacy or security concerns
 - Ability to accept change
-

Business Model

- Cost avoidance or revenue generation?
- Do costs align with value received?
OEM, Customer, Third parties (distributors)

Motivation

- “What is in it for me?”
 - Effort to deploy/manage
-

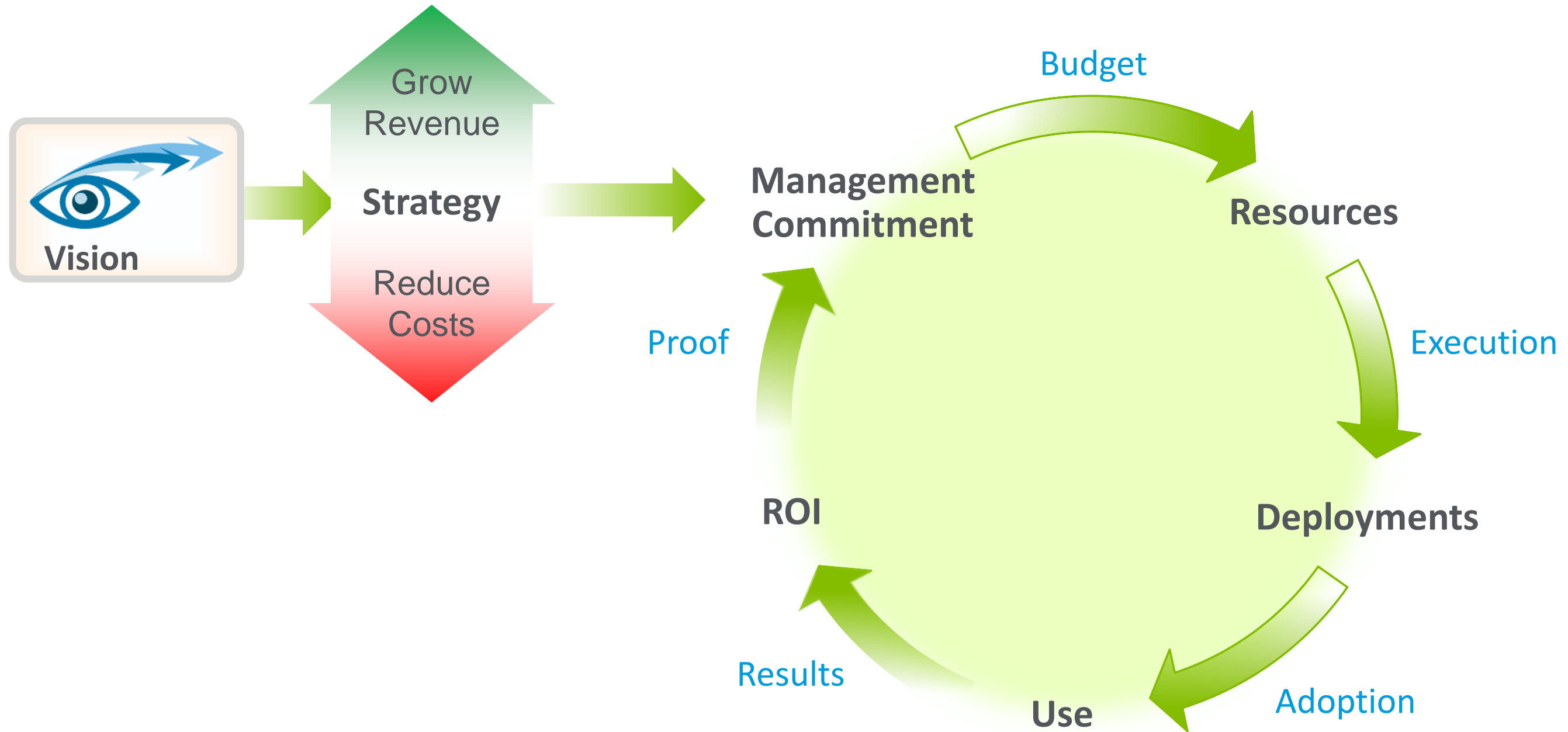
Security

- Understanding protections and options
 - Conflict with a preferred technology
-

Risk

- To the company
- To our IT environment
- To approver

Best Practices for Success



First successful orbital launch Sputnik - October 4, 1957

"this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to the earth."

President John F. Kennedy to Congress, May 25, 1961

First Moon landing Apollo 11 - July 20, 1969



Vision

What is the goal and why?



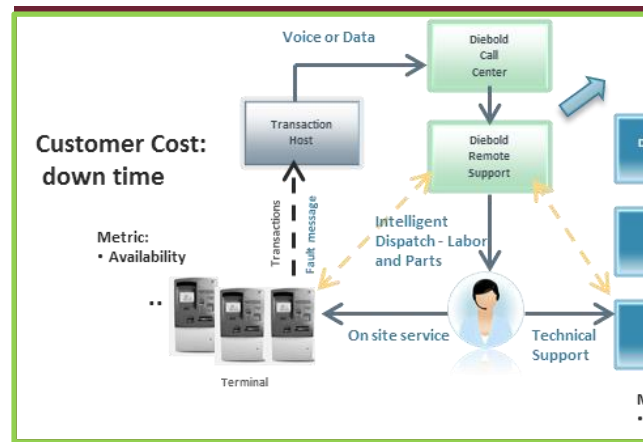
Key Stakeholders

Who needs to be involved?



Define Success

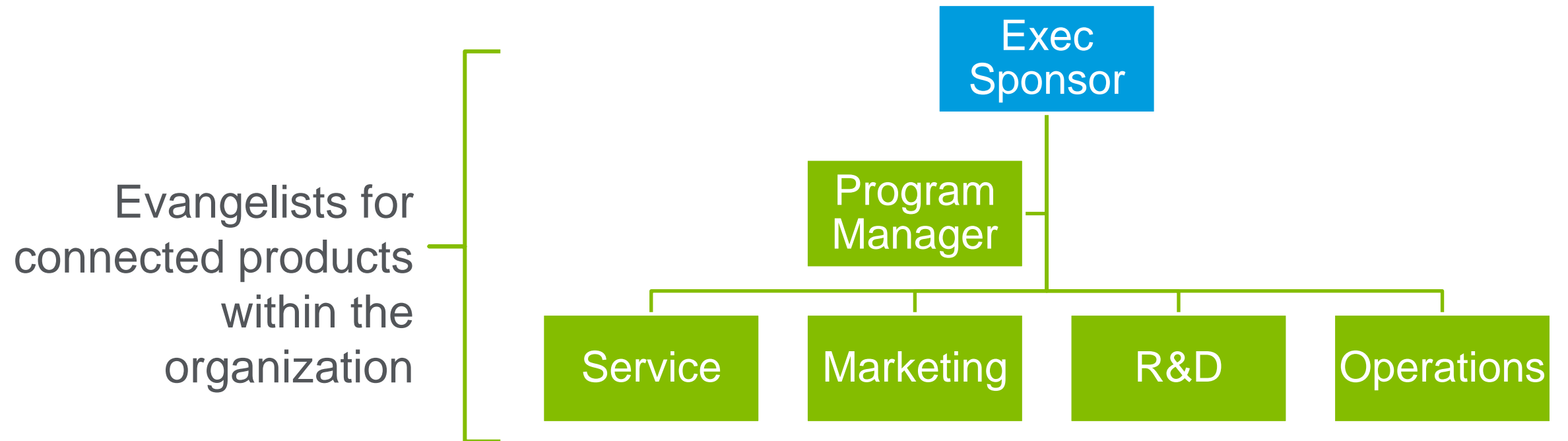
How do we measure progress?



Business Transformation

What has to change?

- Executive sponsor with support from management team
- Program manager with experience working across departments
- Cross functional team with member from each department
- Team (and organization) must be “All In”



Method for the cross functional team to plan, coordinate, and track activities/deliverables

Steering Committee

Focus on defining strategy, priority, and alignment across the business.

Operational Committee

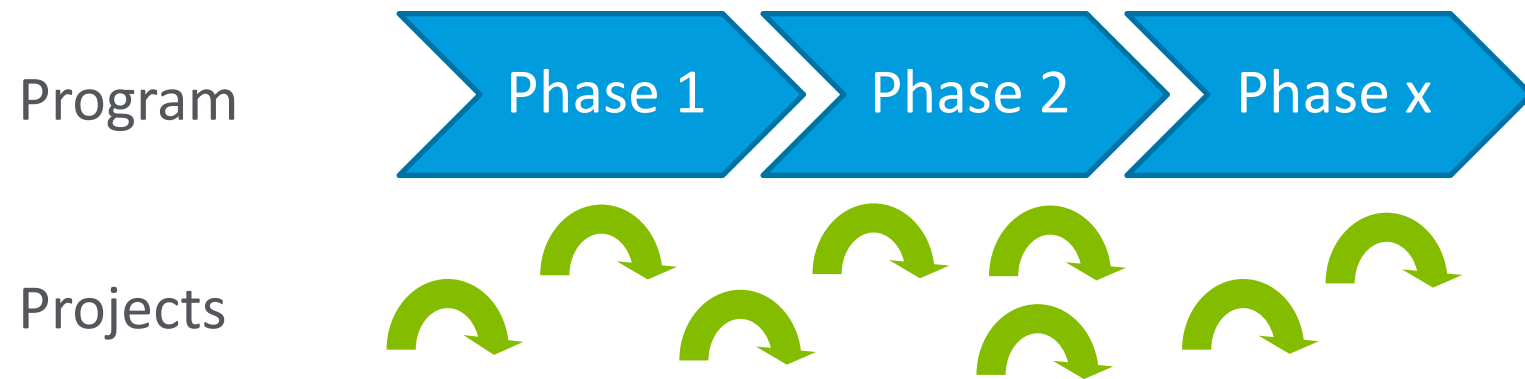
Capture requirements from products and other functional groups. Insure the requirements are accounted for in product development, IT projects.

Technical Committee

Harmonize technical architecture across product portfolio. Seek economies of scale, re-use, and common architecture.

It's a program – not a project!

- Requires change (time)
- Competing priorities, schedules
- Evolution based on learning
- Roadmap to align goals/plan



Strategic

Tactical



ur·gen·cy

noun

1. importance requiring swift action.
2. an earnest and persistent quality; insistence.
3. a required element for driving change



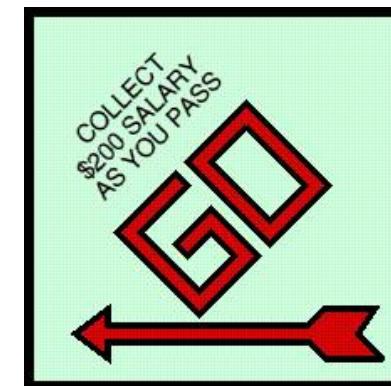
Business Transformation

There is no value if information from connected products is not enabling a desired outcome



Connectivity

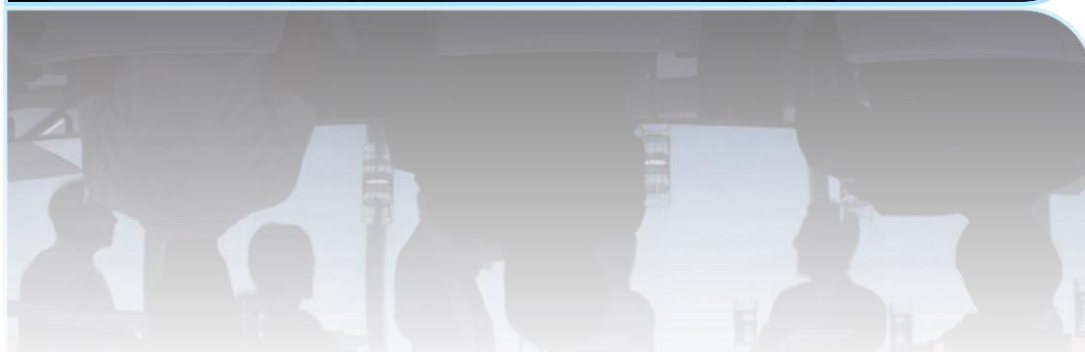
There is no value without connected products





Focus on motivating the customer to accept connectivity

What's in it for them?



Product Owner

How does this help me?

Produce more

Work faster

Plan better

Understand

Manage

How much does it cost?

IT Department

Why do we need this?

What do you want me to do?

Why can't you use our preferred method?

Is it secure? How can we be sure?

Who will be accessing remotely?

How can we monitor/control?

Does this meet regulatory requirements?

Company policies?

- **Lead with customer benefits**
 - Connectivity is a component of a bigger story, it is not THE story
 - Motivate them to care
- **Get “business buyer” on board first**
 - The business contact should handle interface with IT
- **Deliver just enough information**
 - Don’t create complexity or raise new concerns
- **Don’t expect Sales to handle IT**
 - Refer all technical questions to your designated subject matter expert



*Value occurs
when a person or
business system
uses connected product
information
to make a decision*



- Avoid R&D support calls
- Real world product use
- Faster updates



R&D

- Ease of use
- Reports
- Job security



**Field
Service**

Customer



- Up-time
- User experience
- TCO
- Security



Support

- Diagnostic capabilities
- Ease of use
- Integration



**Sales &
Marketing**

- Service contract revenue
- New services
- Program launch

Goals must be

- Measurable and can be compared to a standard
- Translatable into a financial/business impact
- Attainable, yet inspiring



Three steps

What is the
metric?

How do we
impact it?

What is the
target?

Internal

- First time fix rate
- Trips avoided
- Software updates pushed
- Cases created by machine data
- User logins
- Desktop sharing sessions

External

- Customer portal logins
- Maintenance contract renewals
- Customer satisfaction score (NPS)
- Additional equipment sales (preferred vendor)
- Increased machine use

Enhanced Service Value

- Over 60 Customers, nearly 800 ATMs “Live”
- Remote resolve rate at 18%+ or 1,304 calls YTD
 - Additional 38% of the interventions had value added technical assistance provided
- *An additional 2,300 hours of availability*



Pilot Results



Metric	Target	Actual	Improvement
First-Time Fix %	83%	88%	15%
Call Avoidance	10%	28%	180% (T)
Customer Acceptance	100%	100%	n/a



- We *exceed* the performance estimates from the original business plan
- We validated the existence of a hardware upgrade revenue stream
- Senior management bought into the program
- Now they want to know “what’s next?” (*and why isn’t it ready yet?*)

Activities

$$Value = \frac{Activities}{Opportunity}$$

Business uses of
connectivity or data

?

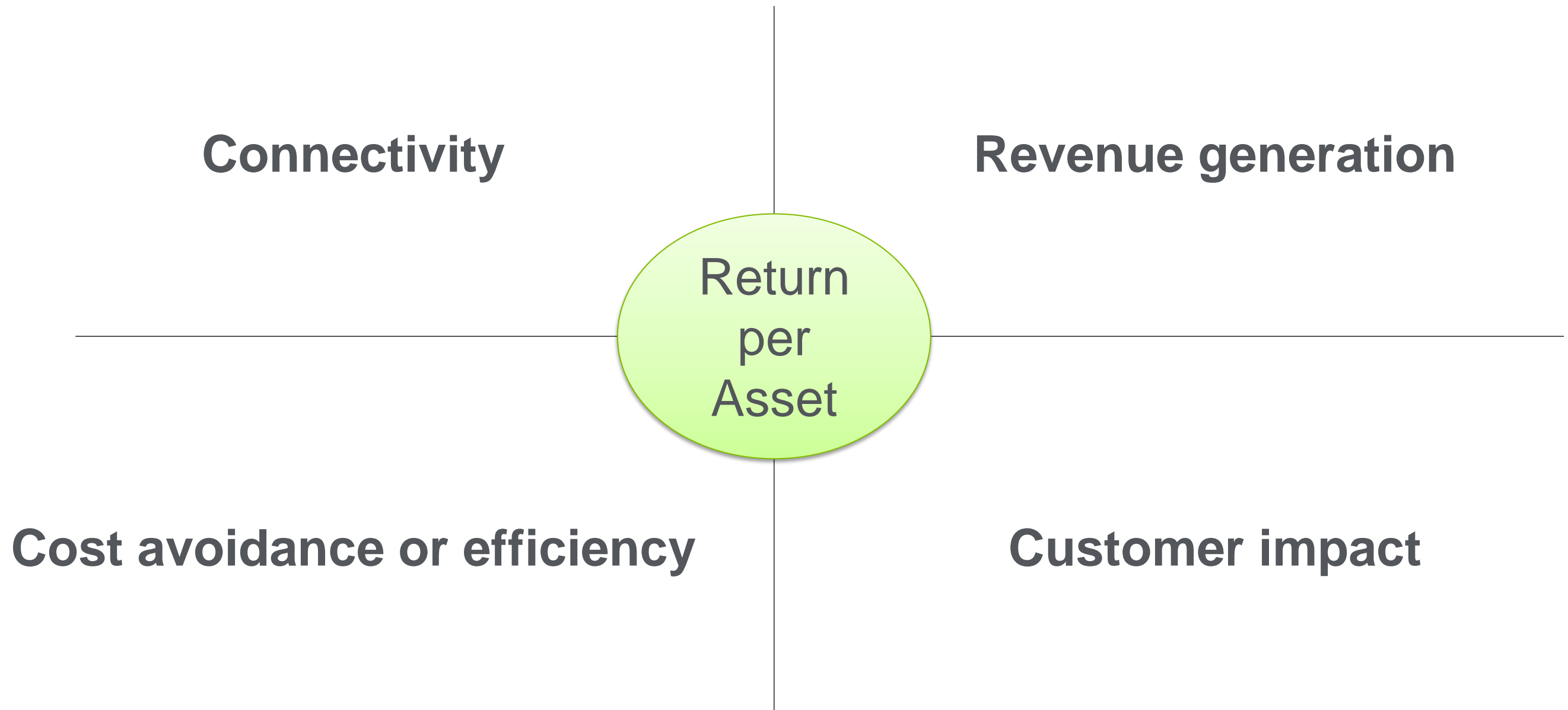
Opportunity

Number of Devices Connected

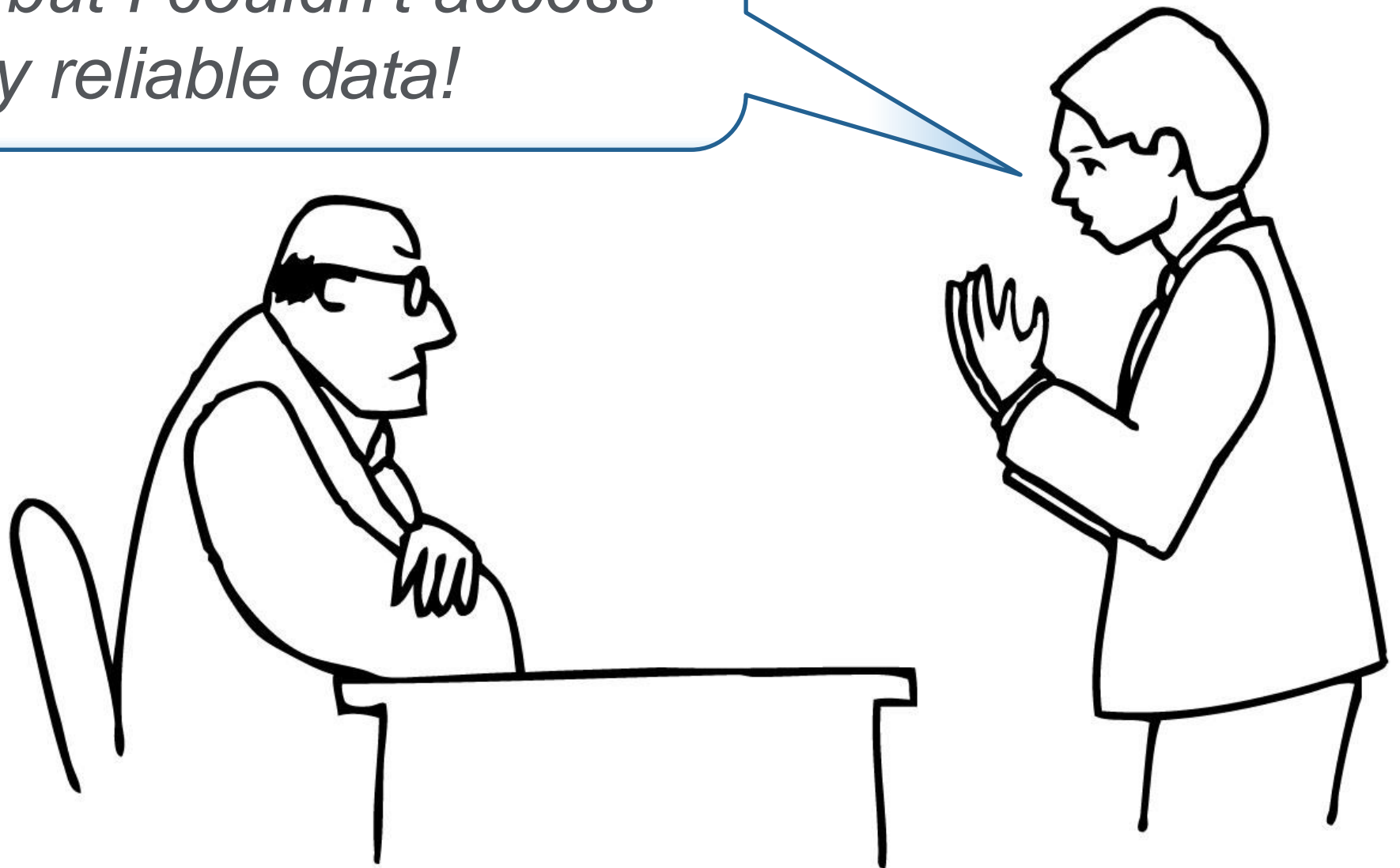
What is the expected value
of each additional
connected device?

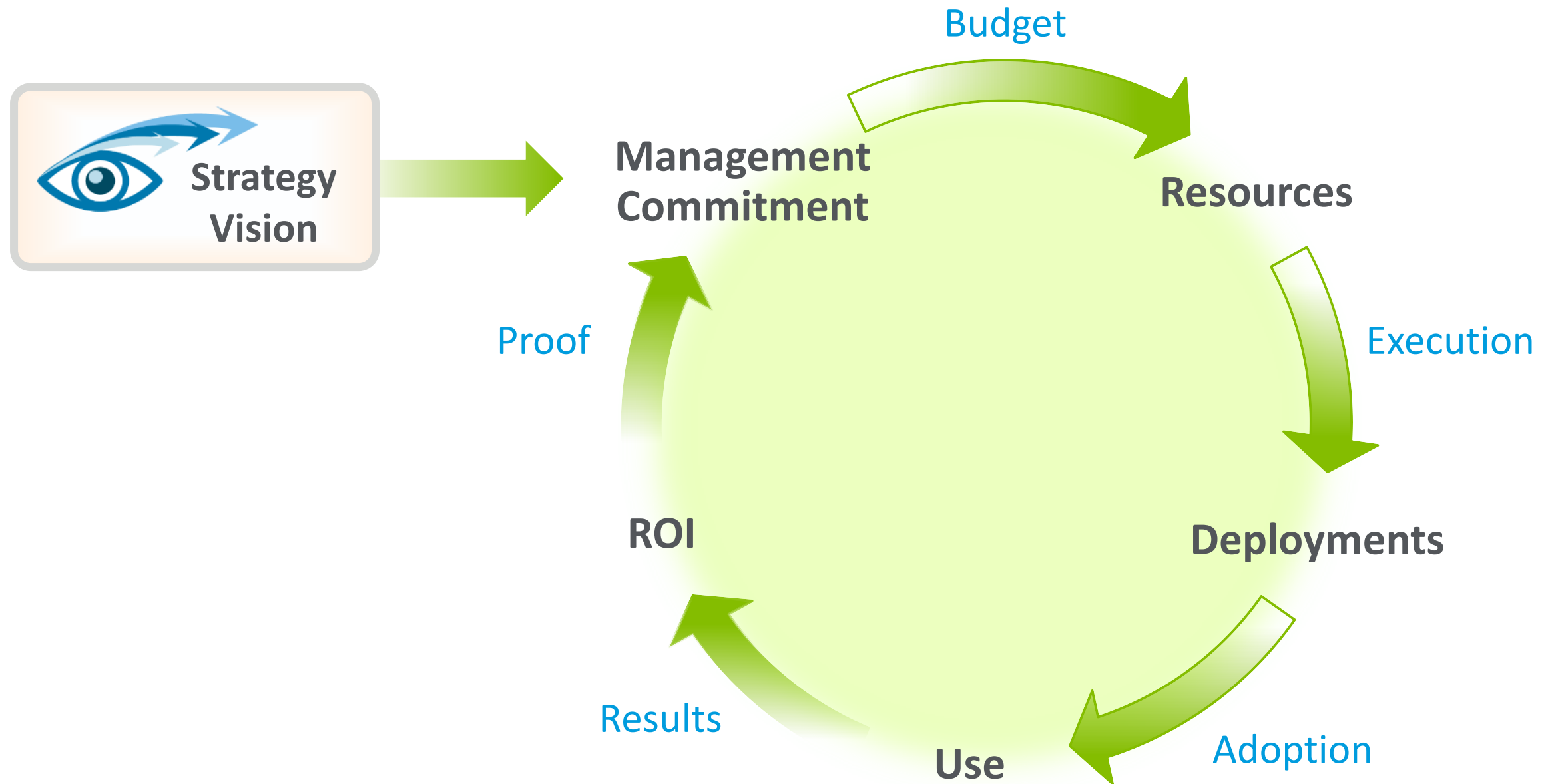
“Each additional device connected to our system results in an average of \$\$\$\$ of return per year.”

“Given that, how can we afford not to connect more devices and do more with each one?”

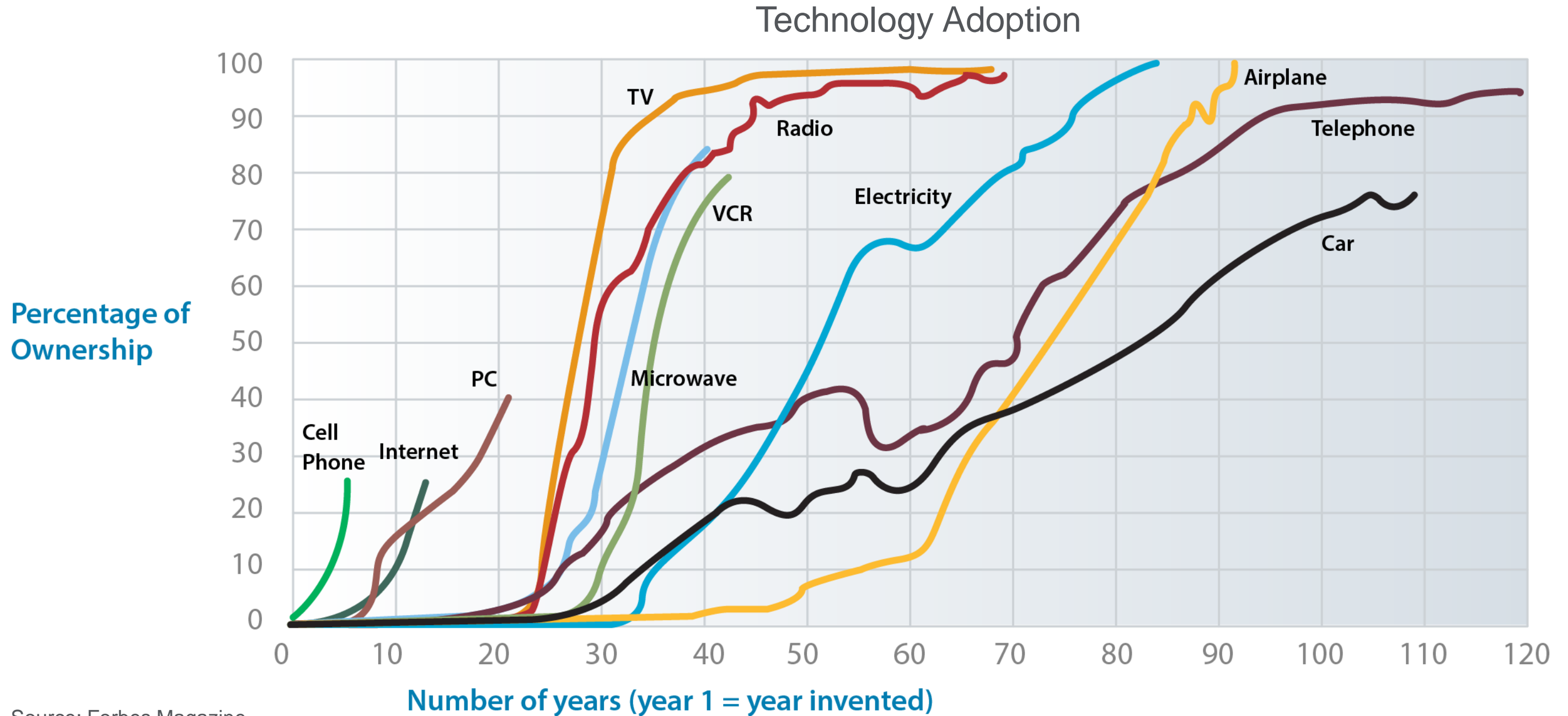


I tried to build an ROI for our project – but I couldn't access any reliable data!





Urgency to drive change. Persistence to achieve success.



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