

Blue INNOship Project no. 15

Servitization: creating the market by understanding price, cost, contracts and financing



Carsten Ørts Hansen, CBS

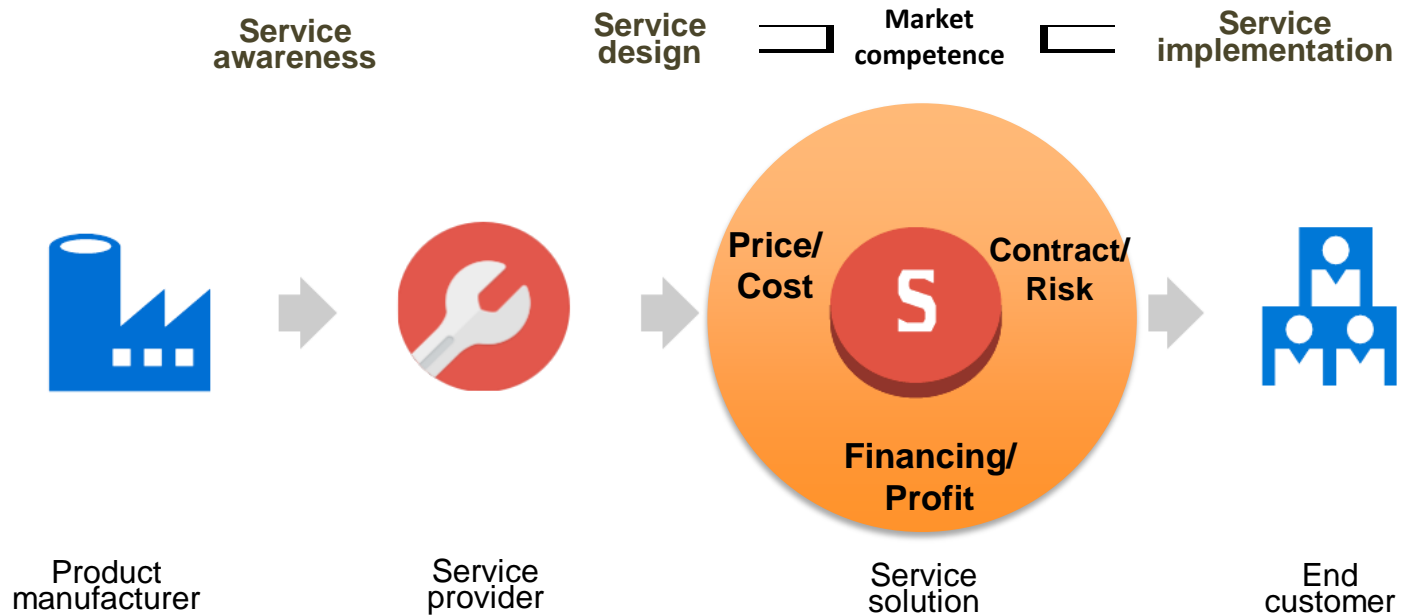
Tor Hjorth-Falsted, Danish Maritime

Liping Jiang, CBS

Henriette Schleimann, CBS

Blue INNOship Seminar, 22 September 2016

What's the issue?



Suppliers:

How to work with **Price, Cost, Contract, and Financing** when offering service solutions?

Why is it important?



Key elements should be considered at the design stage of service solution to ensure the commercial success:

- Cost management at early stage
- Profitable solutions introduced
- Risk and reward balance
- Linking of scale, profitability and financing

An improved competitiveness to establish long term collaboration with component suppliers and customers

What can be done?

– Research questions

Price/Cost

How to set the price for service solution?

How to manage the cost?



Contract/Risk

What are major risks involved?
How risks are managed?

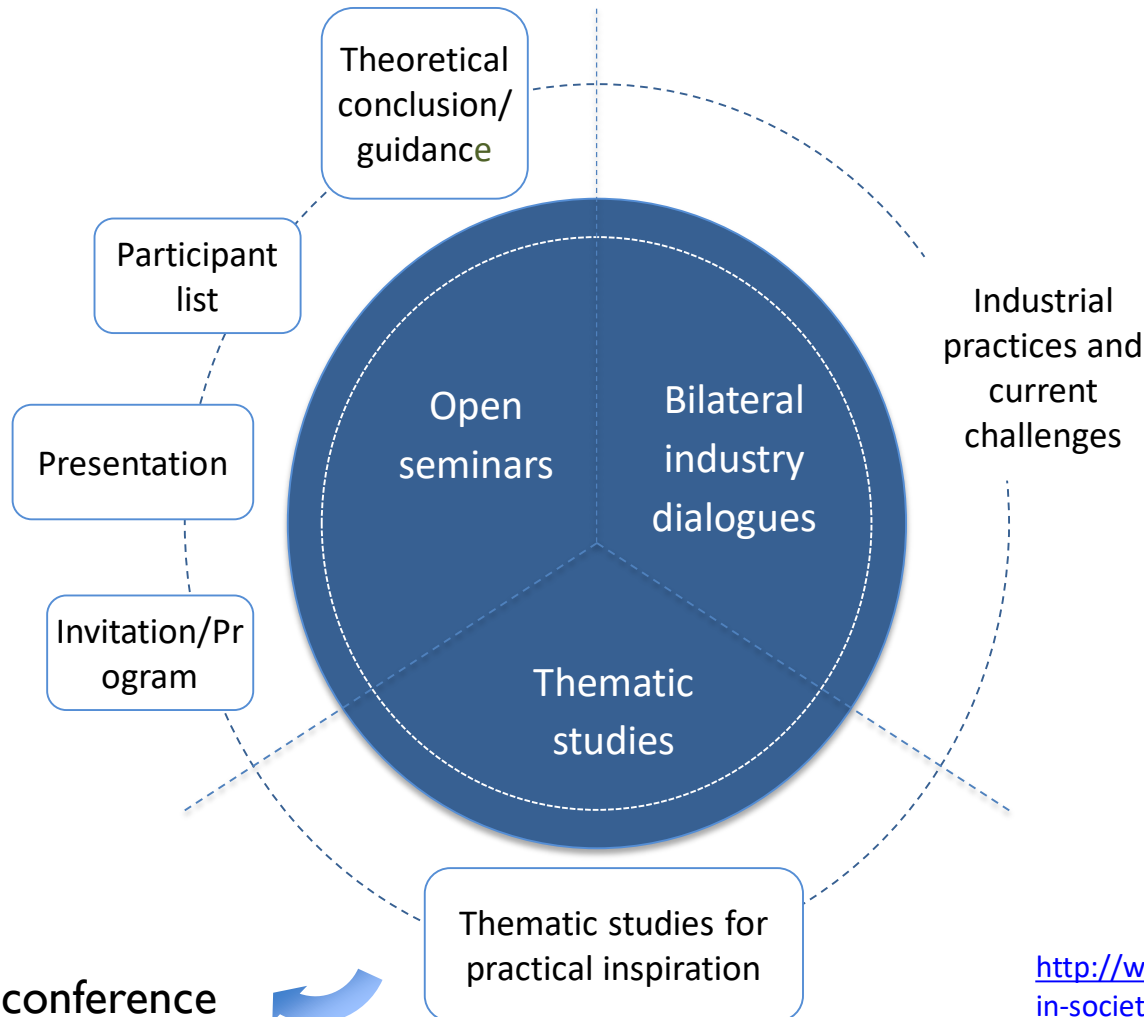
How has these long-term collaborations influenced the contracts?

Financing/Profit

What are the financial implications of implementing servitization strategies?

What structures, mechanisms and types of financing seem best suitable for the different servitization strategies and contracting mechanisms?

7 thematic seminars



1. Get industry insights
2. Identify relevant cases
3. Specify key issues in the case
4. Keep regular discussion/updates on current thinking
5. Provide detailed analysis/approach

Final conference

Target costing as a strategic tool to commercialize the product and service innovation

October 3rd, 2016

Copenhagen Business School

Blue INNOship Work Package 5
Servitization: Creating the Market by Understanding Price, Cost, Contracts and Financing
Project Seminar

TARGET COSTING AS A STRATEGIC TOOL TO COMMERCIALIZE THE PRODUCT AND SERVICE INNOVATION



Venue: Augustinus Fonden Meeting Room (D4)
Sølbjerg Plads 3, 2000 Frederiksberg

Date: October 3rd, 2016
Time: 8.45 am-11.15 am
Participation: Free
Registration: lj.rom@cbs.dk (Liping Jiang)
Registration deadline: September 26th, 2016

Danske Maritime CBS