

CUSTOMER CENTRIC INNOVATION

Tero Hottinen, GM, Business Innovation Services Business Development



Source of Competitive Advantage Changing...

INDUSTRIAL AGE
Labour / Capital
BUREAUCRACY

Position is privileged

Coordination achieved... **By Rules**

Decisions made trough... **Hierarchy**

People motivated by... **Extrinsic Rewards**

INFORMATION AGE

Information / Knowledge MERITOCRACY

Knowledge is privileged

Coordination achieved...

Mutual Adjustment

Decisions made trough...

Logical Argument

People motivated by...

Personal Mastery

"AGILE AGE"

Action / Conviction
ADHOCRACY

Action is privileged

Coordination achieved... **Around Opportunity**

Focused
Experimentation

People motivated by... **Achievement**

~1980-90

~2010-20



Understanding and Delivering Customer Value in Adhocracy



DIGITALIZED SERVICE OFFERING Agile experimentation, simultaneous development of solution and earnings logic, cross-disciplined know-how

Specific subset

Providing true added value offering, shared risk and valuebased revenue, co-creation

CUSTOMER VALUE HARVESTING OFFERING DEVELOPMENT

CUSTOMER
VALUE
EXPLORATION

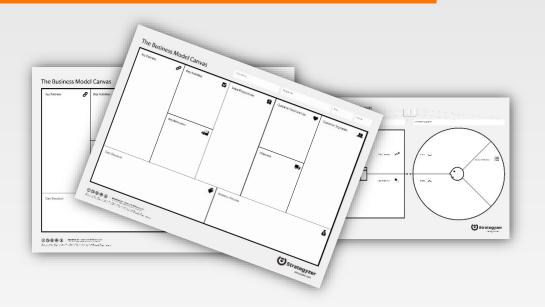
Understanding the latent needs (BI, foresighting, opportunity scouting, enduser research)

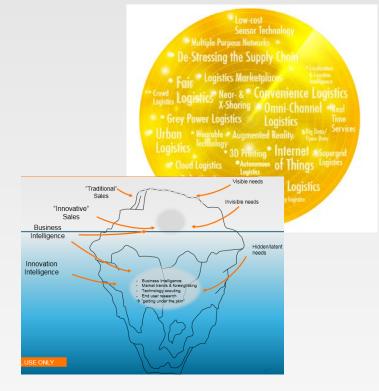
DESIGN THINKING

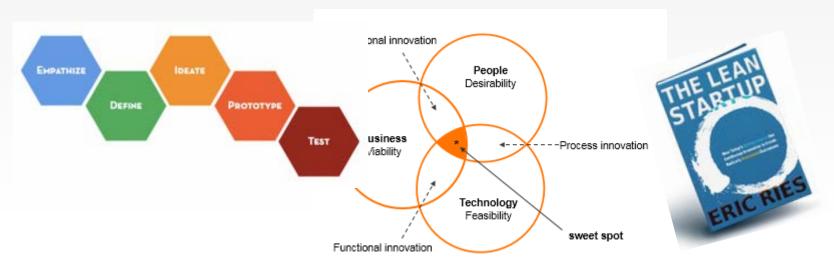
User experience, providing added value through usability and service design



Plenty of Tools and Methods...









Wärtsilä Marine Mastermind – Open Innovation Contest



- Digitalized service offering in marine business
- Targeted for start-ups and growth companies
- Objective for Wärtsilä to
 - Explore the disruptive initiatives
 - Learn from lean start-up mindset
- Key criteria
 - Fit to marine
 - Innovativeness
 - Focus on customer need Business potential and scalability





THANK YOU!

Tero Hottinen, GM, Business Innovation tero.hottinen@wartsila.com +358 44 583 8253

