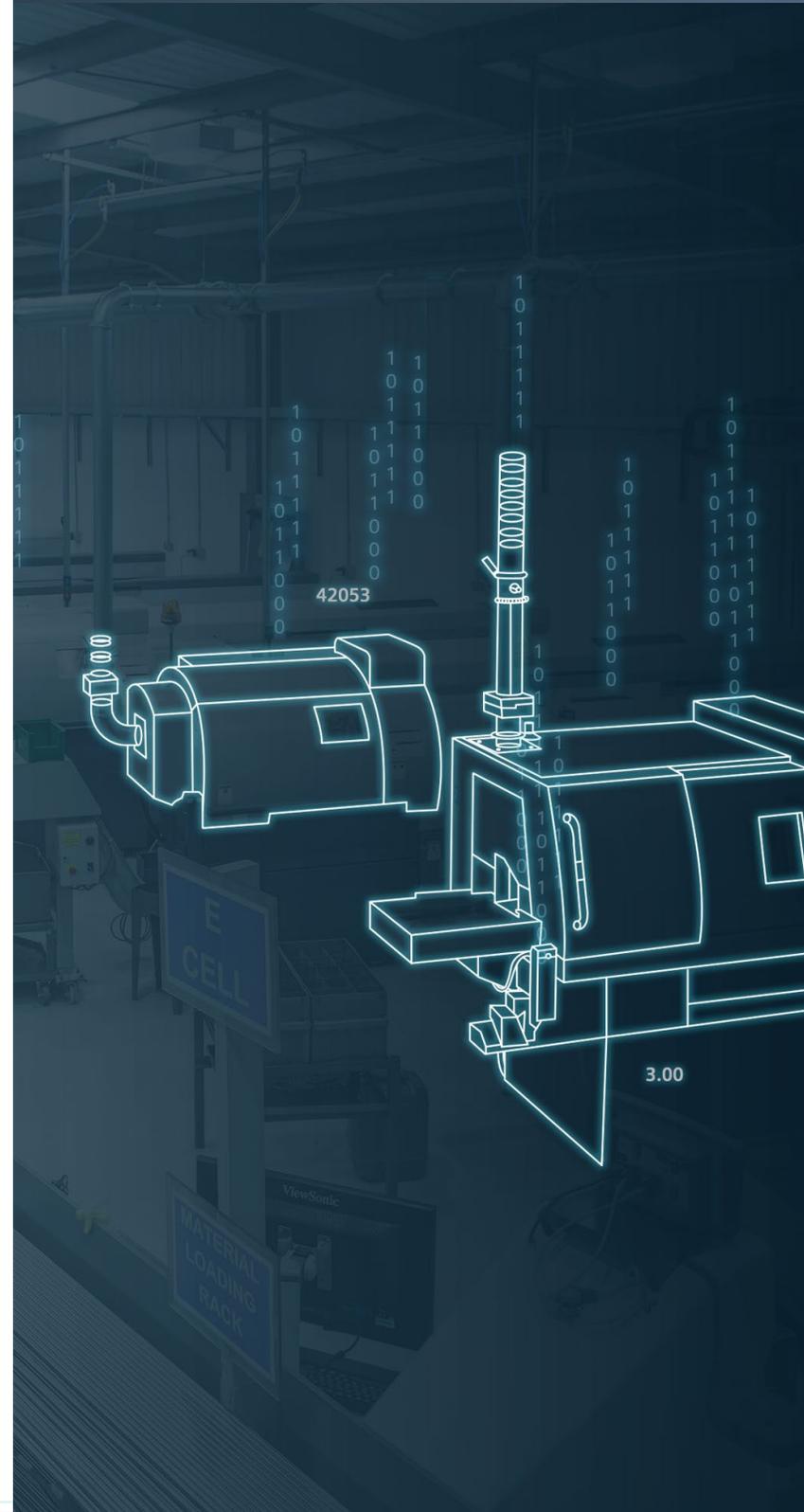


# Monetize the IoT with new business models



# Introduction

Starting an industrial Internet of Things (IoT) journey can be intimidating. For this reason, companies who are in the early stage of IoT adoption should have a plan that focuses on capitalizing on the simplest, most immediate opportunities to deliver value. From there, the next step is to scale up and implement a more robust, long-term strategy.



With a foundational strategy in place, the IoT effectively enables you—at a minimum—to...



**Improve uptime** with predictive maintenance



**Eliminate waste** with condition monitoring



**Increase production rates** with optimized assets and lower failure rates



**Minimize defects** through digital twins and production tracking



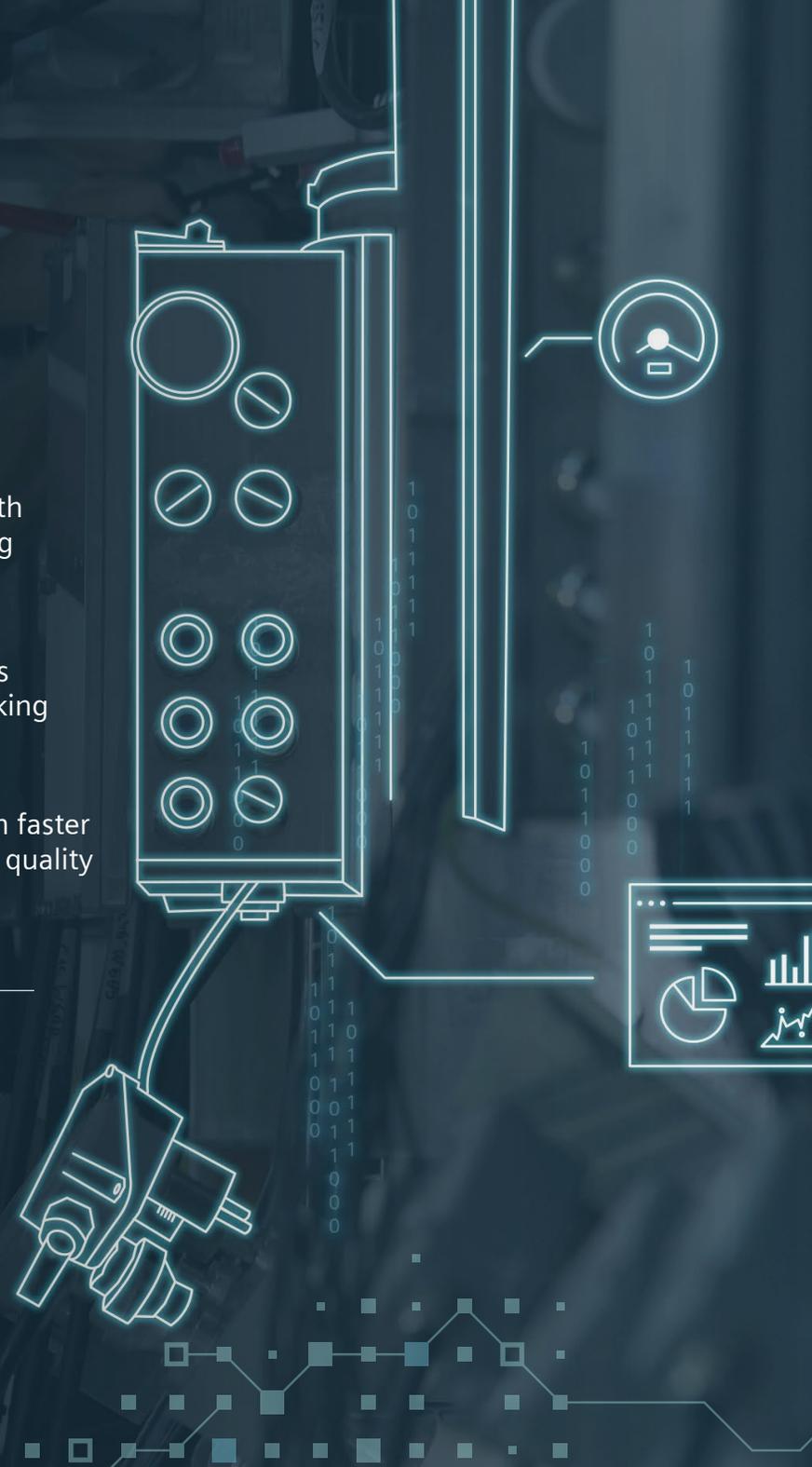
**Reduce energy consumption** with usage transparency



**Increase customer satisfaction** through faster delivery with higher quality

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*These revenue and operational efficiency gains are well worth the effort and resources needed to implement the industrial IoT. But stopping at these benefits is like eating a cake without any icing.*



# Develop new business models

The IoT also enables businesses to develop entirely new business models, opening up new sales channels and new sources of revenue, such as:

- Maintenance as a service
- Pay-per-use model
- Mass customization
- Application development



New business models enabled by IoT

# Maintenance as a service

*Generate additional revenue by including IoT technology in your products to remotely track machine performance. This allows you to offer maintenance services every time you sell a machine or part. With service level agreements (SLAs) in place, you can offer customers guaranteed uptime and productivity.*



**Leverage predictive maintenance** to service machines prior to failure. Deploy services to remediate anomalies or proactively order new parts



**Understand how a machine is being used.** Is it as intended? And is it operated in the proper parameters to allow potential warranty claims?



**Track maintenance, production rates and overall operational performance** to inform future production of the machine or part

New business models enabled by IoT

## Pay-per-use model

*By remotely monitoring your machines, you can tell how often they're being used. This allows you to lease machines to customers and charge based on activity (pay-per-use)—enabling you to sell an outcome instead of just a machine.*



**Use machine maintenance as a service** to offer strong, attractive SLAs for uptime and boost customer satisfaction



**Uncover new customers:** companies that could not afford to buy a machine can now license/lease one



**Increase footprint:** companies that could not afford to buy more than one machine, can now license/lease more than one



**Recover the value** of the “in-service” asset over multiple years by deducting the depreciation

New business models enabled by IoT

## Mass customization

*End users of machines are under pressure to create unique products in small quantities for customers. Meet your customer's needs by using smart automation to dynamically configure the attributes and specs of the machines or parts they are producing.*



**Introduce agility and flexibility** into the production line with data-driven software applications



**Accelerate product design and production change** with digital twin technology



**Gain a competitive advantage** with reduced costs for low unit volume production



New business models enabled by IoT

# Application development

*Developing, deploying, and selling your own unique applications provides an additional source of revenue and expands your product's capabilities. Enable your customers to realize the full potential of IoT-enabled machines by offering custom applications that satisfy their specific use cases.*



**Develop smart applications** for the IoT, expanding the value of your offering



**Empower non-technical users** to innovate and quickly start collecting data and measuring KPIs



**Use the Mendix platform** to develop low-code applications and easily integrate them with MindSphere



# MindSphere for IoT

*Implement the IoT and begin creating new value from your aging assets with MindSphere – the purpose built IoT platform from Siemens. MindSphere enables you to easily and securely connect both existing and new factory assets to gain real-time transparency into health and performance.*

## Easy to adopt

Delivered as a platform as a service (PaaS), you can pursue IoT strategies without the time and cost traditionally associated with implementing new technologies into your assets and processes.

## Universally open

MindSphere is compatible with both Siemens and third-party assets, helping you continually derive new value from your entire device fleet– no matter how diverse it is.

## Built with expertise

With decades of experience partnering in industrial automation, Siemens know-how delivers the best value across a number of industry verticals.



To learn how to start  
implementing new business  
models and monetizing the IoT,  
visit [www.siemens.com/mindsphere](http://www.siemens.com/mindsphere).

