Planung von service-orientierten Geschäftsmodellen für Geldautomaten
Diebold Nixdorf AG
10/11. Oktober 2017 | Lemgo
Agenda

Einführung

Zielsetzung

Ergebnisse

Resümee und Ausblick
Einführung
Vorstellung des Transfernehmers

Experience
Innovation
Customer Resources

Experience
Innovation
Customer Resources

Presence in 130+ countries

~$180 Million for R&D

$5.0 Billion in revenue\(^1\)

Supporting 25+ languages

1 out of 3 ATMs

2+ Million Installed ePOS and ATMs

Resolving >10 million Service calls/year

~24,000 Team members

~14,500 Service members

~1,700 Software professionals

3,000+ Patents

Note 1) Pro forma 2016 revenue for Diebold Nixdorf gives effect to the acquisition as if it had occurred on Jan 1, 2016.
Einführung
Vorstellung des Transfergebers

Fraunhofer IEM
Abteilung „Produkt- und Produktionsmanagement“

Kompetenz für strategische Produktplanung
Strategische Produkt-, Geschäfts- und Technologieplanung für intelligente Systeme, digitale Transformation des Geschäfts (digitale Geschäftsmodelle, Smart Services etc.)
Einführung
Motivation/ Ausgangssituation für das Transferprojekt

**Ausgangssituation 2016**

**Motivation:** Angebot von Services zur Umsetzung service-orientierter Geschäftsmodelle (z.B. Pay-per-Use) für das produzierende Gewerbe (B2BApps)

**Herausforderungen:**
- Welche service-orientierten Geschäftsmodelle sind im produzierenden Gewerbe erfolgversprechend und welche Services werden hierzu benötigt?
- Welches Services kann Diebold Nixdorf anbieten, um Unternehmen beim Wandel zum Serviceanbieter zu unterstützen?

**Zielsetzung:** Potentiale für B2B-Services und ein Konzept für eine Plattform zum Angebot

**Ausgangssituation 2017**

**Motivation:** Umsetzung eines service-orientierten Geschäftsmodells für die eigenen Produkte und Services im Bereich Banking

**Herausforderungen:**
- Welche service-orientierten Geschäftsmodelle sind für Geldautomaten erfolgversprechend und wie sind diese konkret ausgeprägt?
- Welche neuen Services werden zur Umsetzung des Geschäftsmodells benötigt und welche Services können das Portfolio generell erweitern?

**Zielsetzung:** Konzept zur Umsetzung eines service-orientierten Geschäftsmodells für Geldautomaten
Agenda

Einführung

Zielsetzung

Ergebnisse

Resümee und Ausblick
Zielsetzung
Service-orientierten Geschäftsmodellen für Geldautomaten

Ziel des Transferprojekts ist die Ausgestaltung und der Vergleich verschiedener Geschäftsmodellkonzepte.
Arbeitsprogramm

AP 1 Trend Analysis ATM / Retail Banking
- Overview of current studies regarding trends and customer demands in retail banking
- Trend analysis for ATMs regarding chances and risks
- Structuring ATM market with Porters Five Forces
- Methodology: Trend analysis, competitive analysis
- Result: Trends and their chances and risks for Diebold Nixdorf, competitive arena of the ATM market

AP 2 Potentials for Diebold Nixdorf
- Analysis of retail banking segment with regard to new market services
- Analysis of current service portfolio and comparison with market requirements
- Methodology: Internal interviews, workshops Value Proposition Canvas
- Result: Value Proposition Canvas (Customer jobs, pains and gains), finding white spots for new products and services

AP 3 Business Model Concept
- Conception of different business models for three types of ATM as a Service
- Analysis and comparison of the main characteristics and differences
- Methodology: Business Model Canvas, Lean Startup
- Result: Three business model variants for ATM as a Service, main characteristics and differences

AP 4 Concepts for new Products and Services
- Finding new products and services based on the results of the Value Propositions Canvas
- Discovering ideas for value-added services considering the capabilities of an ATM
- Find new ways for additional revenue streams
- Methodology: Service-Blueprint, CONSENS
- Result: Concept for new products and services and their requirements to the system
Agenda

- Einführung
- Zielsetzung
- Ergebnisse
- Resümee und Ausblick
<table>
<thead>
<tr>
<th>Arbeitsprogramm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AP 1 Trend Analysis ATM / Retail Banking</strong></td>
</tr>
<tr>
<td>▪ Overview of current studies regarding trends and customer demands in retail banking</td>
</tr>
<tr>
<td>▪ Trend analysis for ATMs regarding chances and risks</td>
</tr>
<tr>
<td>▪ Structuring ATM market with Porters Five Forces</td>
</tr>
<tr>
<td>▪ Methodology: Trend analysis, competitive analysis</td>
</tr>
<tr>
<td>▪ <strong>Result</strong>: Trends and their chances and risks for Diebold Nixdorf, competitive arena of the ATM market</td>
</tr>
</tbody>
</table>

| **AP 2 Potentials for Diebold Nixdorf** |
| ▪ Analysis of retail banking segment with regard to new market services |
| ▪ Analysis of current service portfolio and comparison with market requirements |
| ▪ Methodology: Internal interviews, workshops Value Proposition Canvas |
| ▪ **Result**: Value Proposition Canvas (Customer jobs, pains and gains), finding white spots for new products and services |

| **AP 3 Business Model Concept** |
| ▪ Conception of different business models for three types of ATM as a Service |
| ▪ Analysis and comparison of the main characteristics and differences |
| ▪ Methodology: Business Model Canvas, Lean Startup |
| ▪ **Result**: Three business model variants for ATM as a Service, main characteristics and differences |

| **AP 4 Concepts for new Products and Services** |
| ▪ Finding new products and services based on the results of the Value Propositions Canvas |
| ▪ Discovering ideas for value-added services considering the capabilities of an ATM |
| ▪ Find new ways for additional revenue streams |
| ▪ Methodology: Service-Blueprint, CONSENS |
| ▪ **Result**: Concept for new products and services and their requirements to the system |
Aktuelle Trends im Bereich Privatkundenbanken
Analyse aktueller Studien
Aktuelle Trends im Bereich Privatkundenbanken
Auszug der Zusammenfassungen

Horvath & Partners – Hat das Privatkundengeschäft von Banken noch eine Zukunft? [HP16]
- Survey with about 400 retail bank executives
- Expectations of developments until 2020
- Main topics: Customer and revenue development, exploitation of future revenue potentials, approaches for cost management
- Five adjustments to maintain a profitable private client business: Additional revenues, differentiated branches, alternative and automated consulting, cooperation with platforms

A.T. Kearney – Inside Tomorrows Retail Bank [ATK16]:
- Study based on 20 interviews with traditional and emerging retail bank executives throughout Europe and an online survey with 1000 industry insiders
- Retail banking industry will evolve into an online based industry - ATMs will be replaced by mobile devices
- Five trends in retail banking with impact on financial services: Social Media, E-Payment, very different customer groups (digital natives and deniers), changing point-of-sale, new (digital) competitors

Bain & Company – Deutschlands Banken 2016 [HP16]:
- Evaluation of 1.700 balance sheet structures and P&L statements of German credit institutions
- German retail banks poorly positioned in international comparison
- Digital age as an opportunity for growth with the help of new business models and innovation competencies
- Conclusion: Overcome poor profitability by radical cost reductions, fast consolidation and new business models for the digital age

Deloitte – Retail Banking Advisory in the Digitalized Future [DEL14]:
- Survey with 20 and interviews with 10 retail bank institutions in Scandinavia
- Customer advice will remain as a cornerstone but transformed: self-service channels, using "wisdom of crowds", increasing transparency, increasing willingness to pay for advice
- Reason to move to self-service channels: Cost efficiency but also preference of future customers
- Advice: Leveraging customer data, build up IT- and business transformation capabilities
Produkt- und Servicestrends
Auszug Trendanalyse

**Trends**

| Mobile Banking: Customer prefer mobile devices as interface to their bank |
| Source: [CMP16], [ATK16], [Lün12], [BC16] |
| **Chances** |
| ▪ Mobile device as interface to ATM and to provide value-added services |
| ▪ Mobile devices encourage electronic payments |
| **Risks** |
| **Options for action** |
| Focus on features for mobile devices e.g. linkage between ATM and smartphone for value-added services |

| Payment-enabling Wearables: Costumer embrace the convenience of payment-enabling wearables |
| Source: [CMP16], [HP16] |
| **Chances** |
| ▪ Using Wearables for identification and value-added services |
| ▪ Wearables encourage electronic payment |
| **Risks** |
| **Options for action** |
| Focus on features for wearables by linking with ATM especially for identification |

| Mobile ATM: Mobile ATM at changing locations (e.g. events) or low frequented locations (e.g. countryside) |
| Source: [Lün12] |
| **Chances** |
| ▪ Flexibility and changing location can lead to higher utilization of single systems |
| ▪ High costs of transport, small market potential |
| **Risks** |
| **Options for action** |
| Determine chance for entering a niche with high mobile ATM |

| Leverage Customer Data: Customer data can be used for personalized financial advices |
| Source: [CMP16], [ATK16], [DEL14], [Acc15], [Sop16] |
| **Chances** |
| ▪ Leverage ATM-related data |
| ▪ Poor acceptance due to the use of confidential financial data |
| **Risks** |
| **Options for action** |
| Potential analysis and data landscape of ATM regarding new value-added data-driven services |

| Video Chat: New channel as a customer touchpoint and point of sale |
| Source: [CMP16], [ATK16], [Lün12] |
| **Chances** |
| ▪ Use video chat at ATMs |
| ▪ Video Chat could increase the using time at ATM’s – long waiting periods |
| **Risks** |
| **Options for action** |
| Implementation of a video chat into an ATM linked to a bank employee (esp. for for off-promise locations) |

| Value-added services and cross-selling: ATM as a platform for products and services of retails banks and other industries (e.g. insurance, discount voucher, tickets etc.) |
| Source: [Ncr14-ol] |
| **Chances** |
| ▪ Additional revenue streams |
| ▪ Customers do not accept sales options |
| **Risks** |
| **Options for action** |
| Contact possible cross selling and advertising partners |
Wettbewerbsanalyse
Porters Five Forces

- Independent ATM Deployer (IAD) already running ATMaaS-Model
- Peer-to-peer cash transfer provider (e.g. Paypal)

- Threat from new entrants

- Cash in Transit (CIT) seeking for new, cash-less business models

- Bargaining power of suppliers

- Rivalry among existing competitors

- Bargaining power of buyers

- Threat from substitute products or services

- Retail banks in a tight spot: Cost pressure and digital competitors (direct banks, fintechs)
- Consortia of retail banks running a shared ATM fleet with more bargaining power

- Cashless and mobile Payment makes (today’s) ATM useless
- Withdrawal at Retailers

- NCR offers ATMaaS model but with monthly payment
Arbeitsprogramm

AP 1 Trend Analysis ATM / Retail Banking
- Overview of current studies regarding trends and customer demands in retail banking
- Trend analysis for ATMs regarding chances and risks
- Structuring ATM market with Porters Five Forces
- Methodology: Trend analysis, competitive analysis
- **Result**: Trends and their chances and risks for Diebold Nixdorf, competitive arena of the ATM market

AP 2 Potentials for Diebold Nixdorf
- Analysis of retail banking segment with regard to new market services
- Analysis of current service portfolio and comparison with market requirements
- Methodology: Internal interviews, workshops Value Proposition Canvas
- **Result**: Value Proposition Canvas (Customer jobs, pains and gains), finding white spots for new products and services

AP 3 Business Model Concept
- Conception of different business models for three types of ATM as a Service
- Analysis and comparison of the main characteristics and differences
- Methodology: Business Model Canvas, Lean Startup
- **Result**: Three business model variants for ATM as a Service, main characteristics and differences

AP 4 Concepts for new Products and Services
- Finding new products and services based on the results of the Value Propositions Canvas
- Discovering ideas for value-added services considering the capabilities of an ATM
- Find new ways for additional revenue streams
- Methodology: Service-Blueprint, CONSENS
- **Result**: Concept for new products and services and their requirements to the system
Value Proposition Canvas zur Kundenanalyse

Wie können die Kundenprobleme gelöst und Gewinne erzeugt werden?

Gewinne

Ergebnisse/Vorteile die sich Kunden erhoffen: Erforderliche, erwartete, erwünschte, unerwartete Ergebnisse sollen konkret gemacht werden.

Probleme

Dinge, die Kunden erledigen wollen: Funktionell, Sozial, Persönlich

Produkte & Dienstleistungen

Value Contribution

Neue Lösungsansätze

Liste von Marktleistungen

Lösungsansätze, die von der bislang vorherrschenden Idee abweichen

Alles was den Kunden bekümmert oder ihn von seinen Aufgaben abhält (inkl. Risiken und Hindernisse). Probleme sollen konkret gemacht werden.

Nach OSTERWALDER ET AL., 2015
Value Proposition Canvas für Privatkundenbanken (V1)
Kundenanalyse

**Gains**
1. Comprehensive cash supply in sufficient quantity and at minimal costs
2. Successful customer contact and sales via ATM/Self-Service terminal
3. Providing customer with information that lead to further revenue streams
4. High level of awareness and visibility, Status as best cash provider/best network
5. No frauds/raids, customer feels safe and secure
6. Minimal/no downtimes with minimal/no maintenance
7. Minimal costs for cash cycling (Balanced deposits and withdrawals)
8. Transparent processes and cost structures
9. Customer knows nearest location of ATM
10. Revenue streams from third-party customers
11. Full usage of functionality
12. Optimal (predictive) maintenance
13. Transparent pricing of products and services
14. Accounting operation time instead of maintenance ("Pay-per-use")

**Pains**
1. Poor/insufficient supply of the customer (ATM out of order, not nearby, empty)
2. No attractive touchpoint for the customer
3. No or expensive provision of information; customer does not use the service
4. Poor visibility because of bad location and missing critical mass of ATM
5. Negative reputation because of frauds; customers do not feel safe and secure
6. High costs for cash cycling
7. Non-transparent cost structures aggravate make-or-buy-decisions
8. Customer does not/stuggles to find ATM
9. Loss of brand identity and customer contact
10. Poor usage of functionality

**Most important jobs**
1. 24/7 Cash availability and accessibility (In/Out)
2. Using ATMs as customer touch point (and point of sale)
3. Providing customer with information like account balance, transactions etc.
4. Brand visibility and marketing with (off-promise) ATMs
5. Ensuring and communicating safety and security to the customer
6. Maintenance of the ATMs
7. Cash supply of ATMs
8. Identification and calculation of outsourcing processes
9. ATM protection (manipulation, vandalism and demolition)
10. Guiding customer to nearest ATM
11. Installation and commissioning of ATMs
12. Removal and decommissioning of ATMs
13. Sharing ATMs/services in consortia
14. Enable user-friendly operation
15. Shifting cash-related manual task to self-service terminals ("from teller to seller")

**Solution Approaches**
1. Optimized ATM network (location, time and quantity)
2. Safe and secure design of ATMs
3. Display of further information and sales of offers at ATM
4. Optimized (predictive) maintenance
5. Transparent pricing of products and services
6. Overview of the ATM network and easy navigation
7. Second device as customer touch point and point of sale
8. Sharing capacity with flexible pricing model
9. Providing information on second device (smartphone)
10. Individual customer experience at ATM
11. Accounting operation time instead of maintenance ("Pay-per-use")
12. Autonomous cash cycle through customer incentives
13. White Labeling
14. Display of further information and sales at ATM
15. Optimum ATM network (location, time and quantity)
Value Proposition Canvas für Privatkundenbanken (V2)

Kundenanalyse

Products & Services

New Solution Approaches

- Optimized ATM network (location, time and quantity)
- Marketing measures and selling of services at ATMs
- Implementation of standard tasks to ATMs

- Sharing capacity with flexible pricing model
- White Labeling ATM for consortia
- Accounting operation time instead of maintenance ("Pay-per-use", Opex)

Value Contribution

- Guaranteed operational availability and security
- Design for brand visibility
- Comprehensive cash supply in sufficient quantity and at minimal costs
- Successful customer contact and sales via ATM/Self-Service terminal

Gains

- 24/7 Cash availability and accessibility (In/Out)
- Direct revenues from ATMs
- Hidden revenue (esp. with leveraging customer data)
- Costumer like to use self-service terminals and online banking for standard tasks
- High level of awareness and visibility, Status as best cash provider/best network
- Costumer are satisfied with self-service terminals to do simple manual tasks

- ATMs as large Capex but negative cash flow
- Customer expect complementary or low cost withdrawals
- Interchange fee is regulated and decreasing
- No attractive touchpoint for the customer

- Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
- Poor visibility because of bad location and missing critical mass of total ATMs
- High costs for operating ATM fleet
- No attractive touchpoint for the customer

- Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
- Poor visibility because of bad location and missing critical mass of total ATMs
- High costs for operating ATM fleet

- Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
- Poor visibility because of bad location and missing critical mass of total ATMs
- High costs for operating ATM fleet

Pains

- 24/7 Cash availability and accessibility (In/Out)
- Direct revenues from ATMs
- Hidden revenue (esp. with leveraging customer data)
- Costumer like to use self-service terminals and online banking for standard tasks
- High level of awareness and visibility, Status as best cash provider/best network
- Costumer are satisfied with self-service terminals to do simple manual tasks

Customer Job(s)

- 1
- 2
- 3
- 4
- 5
- 6

- Revenue streams from third-party customers
- Sell value added services (Cross-selling)
- Providing customer with information like account balance, transactions etc.
- Using ATMs as customer touchpoint and point of sale
- Operating ATM fleet incl. Maintenance, cash supply, safety & security
- Shifting cash-related manual task to self-service terminals ("from teller to seller")

- Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
- Poor visibility because of bad location and missing critical mass of total ATMs
- High costs for operating ATM fleet

- Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
- Poor visibility because of bad location and missing critical mass of total ATMs
- High costs for operating ATM fleet

- Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
- Poor visibility because of bad location and missing critical mass of total ATMs
- High costs for operating ATM fleet
Überprüfung der Nutzenversprechen

Ableitung von Handlungsfeldern

Customer Jobs

Gains and Pains

Value Contribution and New Solution Approaches

Products & Services

1. 24/7 Cash availability and accessibility (In/Out)

1. Comprehensive cash supply in sufficient quantity and at minimal costs

1. Revenue streams from third-party customers

1. ATMs as large Capex but negative cash flow

1. Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)

1. Interchange fee is regulated and decreasing

1. Customer expect complementary or low cost withdrawals

2. Using ATMs as customer touch point and point of sale

2. Hidden revenue (esp. with leveraging customer data)

2. Sell value added services (Cross-selling)

2. Successful customer contact and sales via ATM/Self-Service terminal

2. Direct revenues from ATMs

2. No attractive touchpoint for the customer

1. Optimized ATM network (location, time and quantity)

1. Sharing capacity with flexible pricing model

1. Accounting operation time instead of maintenance (“Pay-per-use”, Opex)

1. White Labeling in consortia / for individual customer contact

1. Marketing measures and selling offers at ATMs

2. Second device as customer touchpoint and point of sale

2. (Individual) customer experience at ATM

2. Easy implementing of service offerings (financial and others)

2. New value-added service from Diebold Nixdorf

Fleet Supplementary Services
- Service Management and Governance
- Transition and Transformation Services
- Deployment and Implementation Services
- Availability Services
- Asset Financing Services
- IT Application Services
- eJournal Retrieval Service
- Dispute Management
- Data Analytics
- Software as a Service
- Connected Payment Services

Self-Service Marketing
- Screen Content Management
- Targeted Campaign Management
- Interactive Campaign Management

© it’s OWL Clustermanagement GmbH | 17.10.2017
Überprüfung der Nutzenversprechen
Ableitung von Handlungsfeldern

1. **24/7 Cash availability and accessibility (In/Out)**
   - Comprehensive cash supply in sufficient quantity and at minimal costs
   - Revenue streams from third-party customers
   - ATMs as large Capex but negative cash flow
   - Unsatisfied customer regarding cash supply (ATM out of order, not nearby etc.)
   - Interchange fee is regulated and decreasing
   - Customer expect complementary or low cost withdrawals
   - Hidden revenue (esp. with leveraging customer data)
   - Successful customer contact and sales via ATM/Self-Service terminal
   - Direct revenues from ATMs
   - No attractive touchpoint for the customer

2. **Using ATMs as customer touch point and point of sale**
   - Sell value added services (Cross-selling)
   - New value-added service from Diebold Nixdorf

1. **Value Contribution and New Solution Approaches**
   - Optimized ATM network (location, time and quantity)
   - Sharing capacity with flexible pricing model
   - Accounting operation time instead of maintenance ("Pay-per-use", Opex)
   - White Labeling in consortia / for individual customer contact
   - Marketing measures and selling offers at ATMs
   - Second device as customer touch point and point of sale
   - (Individual) customer experience at ATM
   - Easy implementing of service offerings (financial and others)
   - New value-added service from Diebold Nixdorf

**Fleet Suplementary Services**
- Service Management and Governance
- Transition and Transformation Services
- Deployment and Implementation Services
- Availability Services
- Asset Financing Services
- IT Infrastructure Services
- IT Application Services
- eJournal Retrieval Service
- Dispute Management
- Data Analytics
- Software as a Service
- Connected Payment Services

**Self-Service Marketing**
- Screen Content Management
- Targeted Campaign Management
- Interactive Campaign Management

**Customer Jobs**

**Gains and Pains**

**Products & Services**
## Arbeitsprogramm

### AP 1 Trend Analysis ATM / Retail Banking
- Overview of current studies regarding trends and customer demands in retail banking
- Trend analysis for ATMs regarding chances and risks
- Structuring ATM market with Porters Five Forces
- Methodology: Trend analysis, competitive analysis
- **Result:** Trends and their chances and risks for Diebold Nixdorf, competitive arena of the ATM market

### AP 2 Potentials for Diebold Nixdorf
- Analysis of retail banking segment with regard to new market services
- Analysis of current service portfolio and comparison with market requirements
- Methodology: Internal interviews, workshops, Value Proposition Canvas
- **Result:** Value Proposition Canvas (Customer jobs, pains and gains), finding white spots for new products and services

### AP 3 Business Model Concept
- Conception of different business models for three types of ATM as a Service
- Analysis and comparison of the main characteristics and differences
- Methodology: Business Model Canvas, Lean Startup
- **Result:** Three business model variants for ATM as a Service, main characteristics and differences

### AP 4 Concepts for new Products and Services
- Finding new products and services based on the results of the Value Propositions Canvas
- Discovering ideas for value-added services considering the capabilities of an ATM
- Find new ways for additional revenue streams
- Methodology: Service-Blueprint, CONSENS
- **Result:** Concept for new products and services and their requirements to the system
## Business Model Concept
Explaining the Business Model Canvas

<table>
<thead>
<tr>
<th>Supply Model</th>
<th>Customer Model</th>
<th>Value Model</th>
<th>Finance Model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Segments</strong></td>
<td><strong>Sales Channels</strong></td>
<td><strong>Key Activities</strong></td>
<td><strong>Cost Structure</strong></td>
</tr>
<tr>
<td>Describes which customers are focused with the business model</td>
<td>Describes the channel on which the company contacts the customer and provides the market service</td>
<td>Describes the most important tasks to realize the value proposition</td>
<td>Contains the most important cost drivers relating to the development and running business</td>
</tr>
<tr>
<td><strong>Value Proposition</strong></td>
<td><strong>Customer Relationships</strong></td>
<td><strong>Key Ressources</strong></td>
<td><strong>Key Partners</strong></td>
</tr>
<tr>
<td>Describes the value of the market service</td>
<td>Describes the way and desired level of intensity of the relation to the customer</td>
<td>Describes the Financial assets to realize the value proposition</td>
<td>Describes the partners to realize the value proposition</td>
</tr>
<tr>
<td><strong>Market Service</strong></td>
<td></td>
<td><strong>Value Structure</strong></td>
<td><strong>Revenue Streams</strong></td>
</tr>
<tr>
<td>Translates the business concept into market service</td>
<td></td>
<td>Describes the position of the company within the supply chain</td>
<td>Describes how the company transforms value proposition into revenue</td>
</tr>
</tbody>
</table>
### Angebotsmodell
Vergleich der drei verschiedenen Geschäftsmodellkonzepte

<table>
<thead>
<tr>
<th>Customer Segments</th>
<th>Value Proposition</th>
<th>Market Service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ATM as a Service</strong></td>
<td>Describes which customers are focused with the business model</td>
<td>▪ Retail banks with own ATM fleet and focus on reducing capex</td>
</tr>
<tr>
<td>▪ Retail banks with own ATM fleet and focus reducing capex and costs</td>
<td>▪ Reduces complexity and increases transparency</td>
<td></td>
</tr>
<tr>
<td>▪ Consortia of retail banks</td>
<td>▪ Switch from capital expenditure to operational expenditure</td>
<td></td>
</tr>
<tr>
<td>▪ Complete fleet management for one retail bank</td>
<td>▪ Saving costs for ATM fleet</td>
<td></td>
</tr>
<tr>
<td>▪ Saving costs for ATM fleet</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ATM as a shared Service</strong></td>
<td>Describes the value of the market service</td>
<td>▪ Retail banks with own ATM fleet and focus reducing costs</td>
</tr>
<tr>
<td>▪ Retail banks with own ATM fleet and focus reducing capex and costs</td>
<td>▪ Reduces complexity and increases transparency</td>
<td></td>
</tr>
<tr>
<td>▪ Consortia of retail banks</td>
<td>▪ Switch from capital expenditure to operational expenditure</td>
<td></td>
</tr>
<tr>
<td>▪ Complete fleet management for many retail banks who use the same fleet (open or closed consortia)</td>
<td>▪ Saving costs for ATM fleet</td>
<td></td>
</tr>
<tr>
<td>▪ Independent ATM fleet open for every retail bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash as Service</strong></td>
<td>Describes which customers are focused with the business model</td>
<td>▪ Retail banks with own ATM fleet and focus reducing costs</td>
</tr>
<tr>
<td>▪ Retail banks with own ATM fleet and focus reducing capex and costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Consortia of retail banks</td>
<td>▪ Reduces complexity and increases transparency</td>
<td></td>
</tr>
<tr>
<td>▪ Direct banks</td>
<td>▪ Switch from capital expenditure to operational expenditure</td>
<td></td>
</tr>
<tr>
<td>▪ Retailers who want to supply their customers with cash</td>
<td>▪ Saving costs for ATM fleet</td>
<td></td>
</tr>
<tr>
<td>▪ Complete fleet management for one retail bank</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

© it’s OWL Clustermanagement GmbH | 17.10.2017
## Finanzmodell

Vergleich der drei verschiedenen Geschäftsmodellkonzepte

<table>
<thead>
<tr>
<th></th>
<th>ATM as a Service</th>
<th>ATM as a shared Service</th>
<th>Cash as Service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Structure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Contains the most important cost drivers relating to the development and running business | ▪ Capital expenditure for hardware  
▪ Operational costs for Software and Hardware  
▪ Optional: Costs for cash handling services and cash in transit management | ▪ Capital expenditure for hardware  
▪ Operational costs for Software and Hardware  
▪ Costs for cash handling services and cash in transit management | ▪ Capital expenditure for hardware  
▪ Operational costs for Software and Hardware  
▪ Costs for cash funding |
|                     |                  |                         |                 |
| **Revenue Streams** |                  |                         |                 |
| Describes how the company transforms value proposition into revenue | Options:  
▪ Monthly subscription fee (+On-off Payment for hardware)  
▪ Pay per Transaction  
▪ Share for value-added services  
▪ Share from hidden revenues by leveraging customer data | Options:  
▪ Monthly subscription fee  
▪ Pay per Transaction (more worthwhile because of more transaction per ATM unit)  
▪ Share for value-added services  
▪ Share from hidden revenues by leveraging customer data | Options:  
▪ Pay per Transaction  
▪ Value-added Services  
▪ Hidden revenues by leveraging customer data |
Arbeitsprogramm

AP 1 Trend Analysis ATM / Retail Banking
- Overview of current studies regarding trends and customer demands in retail banking
- Trend analysis for ATMs regarding chances and risks
- Structuring ATM market with Porters Five Forces
- Methodology: Trend analysis, competitive analysis
- Result: Trends and their chances and risks for Diebold Nixdorf, competitive arena of the ATM market

AP 2 Potentials for Diebold Nixdorf
- Analysis of retail banking segment with regard to new market services
- Analysis of current service portfolio and comparison with market requirements
- Methodology: Internal interviews, workshops Value Proposition Canvas
- Result: Value Proposition Canvas (Customer jobs, pains and gains), finding white spots for new products and services

AP 3 Business Model Concept
- Conception of different business models for three types of ATM as a Service
- Analysis and comparison of the main characteristics and differences
- Methodology: Business Model Canvas, Lean Startup
- Result: Three business model variants for ATM as a Service, main characteristics and differences

AP 4 Concepts for new Products and Services
- Finding new products and services based on the results of the Value Propositions Canvas
- Discovering ideas for value-added services considering the capabilities of an ATM
- Find new ways for additional revenue streams
- Methodology: Service-Blueprint, CONSENS
- Result: Concept for new products and services and their requirements to the system
Ideen für neue Services am Geldautomaten
Beispiel: Gutscheine auf Basis des Verwendungszwecks der Abhebung

Idea 1: Voucher based on purpose of withdrawal

**Description of the initial situation:** Customer can chose their purpose of their withdrawal at ATM for their personal accounting. If they do so they can receive a suitable voucher for e.g. discounts at a retail store or restaurant.

**Description of the requested behavior:** Based in the information given by the customer the system chose a suitable voucher which can be printed out or send to a smart device.

**New requirements:**
- Cooperation with retail stores, restaurant or providers of vouchers
- Software function for entering the purpose of the withdrawal


Nächster Schritt:
- Auswahl der am vielversprechendsten Ideen
- Detailliertere Prozessdarstellung als Konzept zur Umsetzung (Service Blueprint)
Agenda

Einführung
Zielsetzung
Ergebnisse
Resümee und Ausblick
Resümee und Ausblick

Resümee

- Strukturierung des Themas als Voraussetzung für eine erfolgreiche Umsetzung neuer Geschäftsmodelle
- Trends gegenläufig zu den aktuellen Fähigkeiten von Geldautomaten
- Finanzierung der Hardware und des Betriebs nur mit neuen Serviceangeboten möglich

Ausblick

- Weiterführung des it’s OWL Transferprojekts in einer internen Initiative (ATM 2020)
- Herausforderung: Profitable neue Serviceangebote zur Querfinanzierung der XaaS Modelle
- Ergebnisse der Methodenvalidierung fließen in eine Dissertation am Fraunhofer IEM
Vielen Dank für Ihre Aufmerksamkeit!

Diebold Nixdorf AG
Bart Milissen
Head of Banking Solutions - Global Managed Services
Tel.: +32 474 573 885
bart.milissen@dieboldnixdorf.com
www.dieboldnixdorf.com/

Fraunhofer-Institut für Entwurfstechnik Mechatronik IEM
Martin Rabe
Produkt- und Produktionsmanagement
Zukunftsmeile 1, 33102 Paderborn, Germany
Tel.: +49 5251 5456-112
martin.rabe@iem.fraunhofer.de
www.iem.fraunhofer.de/
Vielen Dank für Ihre Aufmerksamkeit!