Are We Brave Enough to Compete in The Connected World?

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Disclaimer: My Perspective
Automotive? Buzz

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* SAE International - http://articles.sae.org/14101/*
Connected Stuff
Connected Stuff

“50” Billion

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Connected Stuff

“50” Billion

99%
Is this a Product Conversation?

Sensors ● Data ● Insights ● Services

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The World Is Connecting!
Why is this Happening?

+ Kinematics + Machine Learning
the Next Discontinuity

...Massive Change in Context in the world in which you will live, work, and play!
Technological Discontinuity
Disruption of Industries

Disruption Beyond Industries

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Technological Discontinuity Forces Strategic Change
For Which Connected Strategy Are you Innovating?

Corporate Strategy

- What business Are we In?
  - Eg: Automotive Manufacturing vs. Mobility/Transportation vs. Consumer Electronics

Business Strategy

- How do we compete?
  - Eg: Make vehicle for individual consumer vs. Make vehicle for autonomous fleet

Functional Strategy

- How do we best deploy our resources?
  - Eg: Develop data science expertise vs. traditional IT vs. Product IT
Example: Before the discontinuity

Firm 1

The Value is in offering of Things

Firm’s Offering of Things

Market A

Value on Discrete offering of Things

Competition between Firm’s Value

Firm 2

Firm's Offering of Things

Market B

Stability in Markets and Industries

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Example: After the discontinuity

Firm 1

Firm’s Offering of Things

Reshape Markets (Combine, Different Segments, etc.)

Firm 2

Firm’s Offering of Things

Things Inform Each Other

Informed Things Generate Services

New Services Change Markets

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Look Out for Structural Inertia!
Dominant Logic - Can you Learn a New Dance?
The New Dance...

Transform Traditional Functions

What Do you Count?

Awareness vs. Marketing?

What do you code?

Launch New Functions

Alliance Management

Integration & Alignment

Product vs Services

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Be Brave

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