

Our economy is constantly changing. In order to appropriately and effectively respond to these changes in a way that profits you and your organization, it's important to understand the underlying causes: economic, demographic and technological developments. In this second article of the series, we'll take a closer look at the economic trends that affect the future of your business.

Economic developments

Economic changes have set globalization in movement. The growth of international trade has fueled technological progress. Small and large businesses alike can now sell their products across borders and reach a global audience, causing national borders to fade.

The removal of barriers among countries encourages the flow of goods, labor and capital across borders, resulting in lower prices for customers and increased competition among companies. As a result, many companies will not only have to compete at a national, but also at an international level. For those who want to achieve and maintain a good position on a global scale, adapting new business models and realizing added value for their customers is key.[1]

But, that's easier said than done. As a company, how can you add value to your customers? And how can you re-package your business model in a way that profits your organization?

Making your customers' life easier

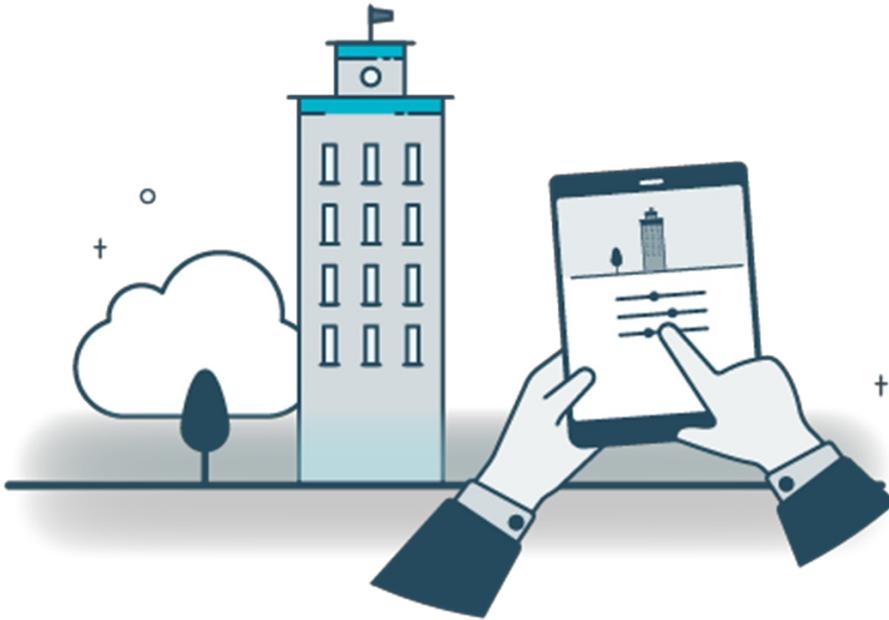
The existence of global competition means that your customers will have greater availability in choosing the company they want to work with. Therefore, it's crucial to differentiate yourself from the competition.

The art of creating added value starts with the ability to see your business through the eyes of your customers. Ask yourself: What does my product or service add that those of my competitors don't? How do your products and services respond to customers' needs? Does your product make their lives easier because of its user-friendliness? Or is the service you offer more secure than those of your competitors?

The changing economy plays a big part in buying behavior. Where in the past the focus used to be on material goods, nowadays, customers feel less and less the need to possess goods.

Here you can differentiate by starting to show your customers that you're here to help them instead of directly trying to sell your product. For example, think about making tedious maintenance tasks easier and faster by digitalizing, or even automating processes.

Let's illustrate this point with a simple example: filling out paperwork manually is an overly time-consuming task. Instead of sorting operations and maintenance archives in binders, you could start digitalizing and automating these maintenance processes. Today there are solutions available that fully automates these processes and therefore unburden you and your employees.



Anytime, anywhere and any device

Digitalizing your maintenance processes also works in your favor when you consider that the international market never sleeps – another symptom of our changing economy. This makes it a necessity for organizations, their products and their services, to be available, anywhere, anytime and even on any device essential – we're living in an 'always-on' generation after all. Thanks to developments like cloud-based services, you can respond easily to the needs of these changing customer habits.

Performing maintenance processes digitally – and using a system that already contains all real-time detailed information about the assets of the building - makes the maintenance of a building less time-consuming.[2] You will be able to work faster and more efficiently – leading to an improvement of productivity by up to 40%.

A new business model

Over time, economic changes, however large or small, transform everything about the business model – that is, how your business invests, how it earns and distributes its profits, and how it deploys its capital. [3]

The most obvious changes are in the way that businesses sell to their customers and the way customers buy, in both business-to-business and business-to-consumer contexts. Part of this stems from the increasing digitization, as companies pursue new economic activities in virtual markets. One of the recent emerging business models is the subscription-based model.

Let's take a closer look at this new business model. The subscription market has grown by more than 100% percent a year over the past five years, with the largest retailers generating more than 2.35 billion Euro in sales in 2016, up from 51.6 million Euro in 2011.[4] Globally, over 93 billion Euro has been invested in companies operating in the subscription economy, and it is estimated that around 28,000 companies globally are offering a service based on subscription serving both B2B and B2C markets. And this share is only bound to grow in the coming years. Since we also recognize this trend, a part of the

Priva portfolio has recently become available on a [subscription basis](#).

This shift in the sector has various reasons: the pressure to integrate cloud options, a changing customer behavior, and above all the major benefits for both the company and the customer.

Among the many advantages are enhanced customer service, a safer environment for your data - the most innovative cybersecurity tools in existence reside in the Cloud. Under subscriptions-based services, you can keep your data safer than ever before. A subscription model makes it scalable and easier to tailor service to your needs.

According to Microsoft, “the benefits of the subscription model are huge. Besides the fact that subscribers are always up to date, they get the latest and most complete applications and can use subscriptions across the multitude of devices” – all with minimal upfront risk and minimum capital investment.

Our advice

Do you want to keep by? Then the time to innovate for you and your business is now. Start by re-thinking your business model. Do your products and services still comply with the changing needs of your customers?

Our goal is to make your live easier. We believe that creating a climate for growth shouldn't be hard work. Therefore, we want to make sure that our customers can benefit from our technology with minimal effort and knowledge on their part. That is why we plan to transform our products, systems and solutions into digital, cloud-based services as much as we can. No upfront investments, no management or maintenance, no worries.

Our new cloud-based solution [Building Operator](#) is a perfect example of this statement. This application is designed to make operating your building as simple as possible. Want to know more? Then check out the webpage or get in touch.

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sources:

[1] www.servicefutures.com/7-ways-economic-growth-will-affect-world-fm

[2] www.energy.gov/eere/femp/downloads/operations-and-maintenance-best-practices-guide

[3] home.kpmg/xx/en/home/insights/2019/08/changing-business-models.html

[4] www.forbes.com/sites/louiscolombus/2018/03/04/the-state-of-the-subscription-economy-2018/#3b206fe553ef

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