

1st TREASURE WORKSHOP

Exploring the market for new services

18 April 2018

Why should the market be explored

- Every **customer** has a **problem**,
- every problem has a **solution**

- **Not** every solution has a problem
- **Not** every problem has a customer

- And contexts **evolve quickly**:
 - Markets
 - Needs, behaviors and expectations
 - Technologies

A concrete example – Galileo Authentication

- In 2011 Galileo Authentication was planned as part of the Commercial Service as a paid service based on rather expensive receivers for professional services...
- ...in 2017 it is also a free of charge service part of the Open Service based on mass market receivers to support the development and uptake of many different applications such as autonomous vehicles
- The need was there already in 2011, but the focus was on the solution rather than on the market need













A concrete example – EGNOS in agriculture

- EGNOS was thought and developed for Aviation
- In the testing and certification phase EGNOS was “switched off” for some days
- The GSA started receiving phone calls from farmers complaining about the fact EGNOS was not working, thus discovering a new unexpected market
- EGNOS v3 will be developed also taking into account the specific needs and requirements from the maritime and the road market segments

Understand the problem first AND define the solution afterwards

LEAN CANVAS

Title: _____ Created By: _____ Date: _____

<p>PROBLEM List your top 1-5 problems.</p> 	<p>SOLUTION Outline a possible solution for each problem.</p> 	<p>UNIQUE VALUE PROPOSITION Single, clear, compelling message that states why you are different and worth paying attention.</p> 	<p>UNFAIR ADVANTAGE Something that cannot easily be bought or copied</p> 	<p>CUSTOMER SEGMENTS List your target and users.</p> 
<p>EXISTING ALTERNATIVES List how these problems are solved today</p> 	<p>KEY METRICS List the key numbers that tell you how your business is doing</p> 	<p>HIGH LEVEL CONCEPT List your X for Y analogy (e.g. YouTube - Flickr for videos)</p> 	<p>CHANNELS List your path to customer (inbound or outbound)</p> 	<p>EARLY ADOPTERS List the characteristics of your ideal customers</p> 
<p>COST STRUCTURE List your fixed and variable costs</p> 		<p>REVENUE STREAMS List your sources of revenue</p> 		

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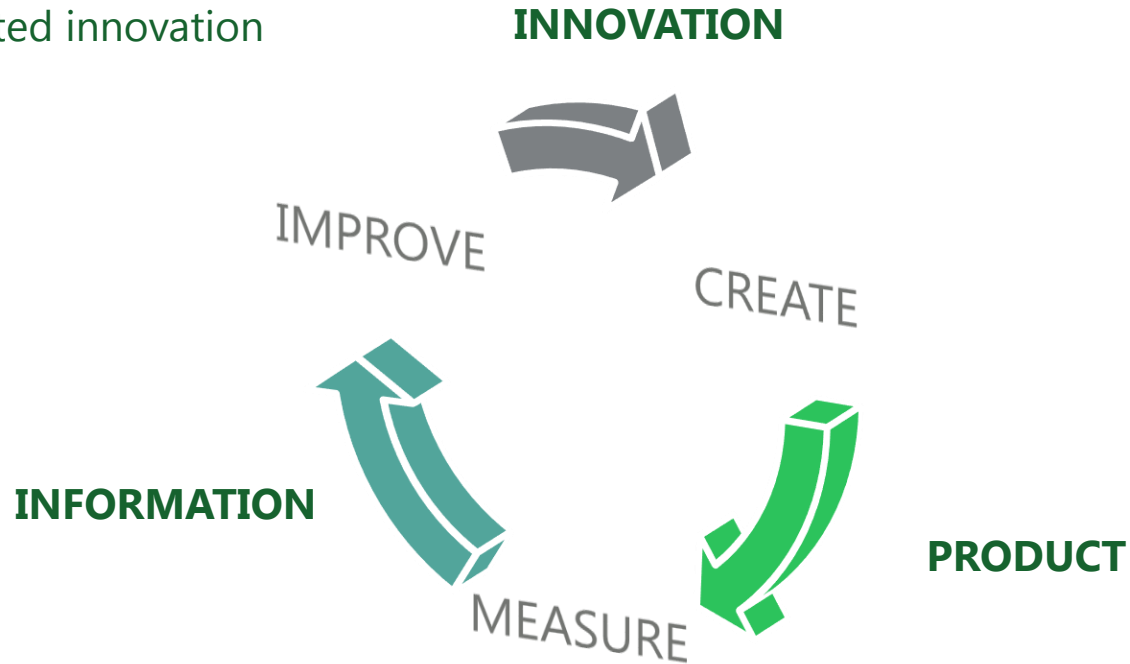
 **LEANSTACK**

Understand the problem first AND define the solution afterwards

- Understanding the problem implies the need to interact with your potential clients and discuss/explore what are the problems they face – the focus should be the problem NOT the solution
 - What is “his/her” problem
 - Who is “he/she”
 - How does he/she solve the problem now
 - Is our product more efficient in solving this issue?
- Exploring the market and discussing the problems and issues with potential clients implies leaving the office/lab and interviewing them

Understand the problem first AND define the solution afterwards

The virtuous cycle of market-oriented innovation



A concrete example - Octo

- In 2002 Octo Telematics was funded to provide telematics to the automotive industry
- They realized that the insurance industry had a traditional way of calculating risk, with a general model that was penalizing a lot low risk drivers as opposed to high risk drivers and GNSS was a key enabling factor
- There was a need for:
 - insurers to collect dynamic and more relevant data to improve their management of risk (and claims)
 - drivers to have a more transparent pricing and a system more rewarding for low risk drivers
- Today Octo is the PPUI market leader, with more than 100 insurances and 5,4 million users

A concrete example – High Precision Agriculture

- The evolution of high precision agriculture over the years went through at least 3 phases:
 - GNSS navigation to support all tractors' operations in the farm – GPS then complemented by EGNOS
 - High accuracy GNSS allowed the segmentation of operations increasing the benefits and performances – RTK and similar services
 - Fusion of High Accuracy GNSS with Copernicus (and other sources of data) to perform more activities that are critical for the successful management of the farm – depending on the type of activity
- The specific needs of the market have driven innovation towards new, more complex and complete services
- A critical question here is not only: how many customers are there? But also: how many of them are willing to pay for the service?