Business Transformation in Action

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Here’s what we’re covering

Digital Transformation enabled by IoT

Best practices

Hear from our partner
4 steps of Digital Transformation

1. **Business insights**
   - Sensor proliferation
   - Data collection, transfer, storage and processing
   - New insights—understanding product and service more deeply

2. **Operational efficiencies**
   - Process engineering and product engineering improvements
   - Predict the future based on past data patterns
   - Cost reduction
   - Predictive maintenance

3. **New business models**
   - Provision of services alongside devices and hardware
   - Devices/hardware/machines delivered “as a service”

4. **Features and rev streams**
   - Enablement of ancillary businesses, new businesses and transformed businesses

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DOVER FUELING SOLUTIONS

Acuity Brands

L SQUARED DIGITAL SIGNAGE
Value generation

The purpose of every digital transformation

42.86%

+27%

-11%

+32%
In the last 20 years, major forces and innovations in our industry required Microsoft to **transform**

- Free, Ad-Supported Services
- Open Source & OS diversity
- Cloud Computing
- Mobile
- The Internet
Enabling retail transformation through IoT

**Improving customer experience**

Personalize customer experience using AI data analysis to:
- Understand individual preferences
- Make merchandise easy to find, try on, order
- Empower sales associates to respond to customer preferences in real-time
- Provide a seamless in-store customer journey
- Provide a ‘wow’ factor shopping experiences

**Impacting retail execution**

Streamline operations by helping retailers to:
- Reduce operation costs through real-time in-store data analysis and decision automation
- Real-time visibility of product inventory
- Monitor compliance
- Customer safety and loss prevention
- Use IoT energy management systems and devices for predictive maintenance
Your Building Enables IoT

Right Connection
Embedded power, connectivity, data and location

Right Location
 Everywhere there are people, there are lights

Right Time
Immediate energy savings opportunities

Space Utilization

Indoor Positioning

Spatial Analytics

Asset Tracking & Management Services
Business transformation in action

Lou Lutostanski
VP, Internet of Things
Avnet
Who is Avnet?

99
Years in business

1.5M+
Engineering community members

122B
Units shipped annually

1,400+
Technology suppliers WW

2,500+
Engineers around the world

2.1M
Customers in 140+ countries

We guide today’s ideas into tomorrow’s technology

125
Locations across the world

We design, make, supply, and deliver technology solutions

We work with customers of every size, in every corner of the world
Significant transformation requires a vision

Ask what is:

• Practical
• Valuable
• Significant
It started as a three-letter project

What was our **vision** for IoT?

What was our **plan** for a value proposition?

Who would be our **core partners**?

What **capabilities** did we need to develop or buy?

How could we establish **credibility**?
Achieve valuable data on shopper traffic and behavior and improved visibility into inventory with a **proximity marketing solution**.

<table>
<thead>
<tr>
<th>Better Customer Experiences</th>
<th>Targeted Marketing</th>
<th>Increased Traffic &amp; Sales</th>
<th>Detailed Analytics</th>
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<tbody>
<tr>
<td>Shoppers receive real-time information and interaction.</td>
<td>Tailor personalized offers to customer groups you create.</td>
<td>Deliver customized and interactive media content to drive in-store purchases.</td>
<td>Facial recognition and ML to deliver e-concierge services via a kiosk.</td>
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Avnet’s vision:
Orchestrate an ecosystem that makes IoT implementation...
Steps to embrace transformation

Plan
What are you going to transform into?

Buy-in
How will you secure leadership commitment?

Talent
What will you need to establish the right culture?

Workstreams
How are you going to operationalize it?
Operationalizing transformation

1. Sales/go-to-market
2. Marketing/awareness
3. Product management
4. Skills transformation
5. Program management

Workstreams in action
- One per functional team
- Executive board sponsors
- Workstream leads
- Established cadence
Driving new value to retail customers

- 20 year existing customer of Avnet
- OEM for beverage dispensing equipment
- Brownfield engagement

Designed a retrofit solution for on-premise equipment

Integrated specific gateway for secure connectivity

Created mobile application through Azure based on IoTConnect platform

Results: inventory efficiencies, uptime, and customer insights
What our transformation looks like today

**Avnet IoT Partner Program**
A program that enables partners to build and scale their IoT solution businesses by leveraging Avnet’s IoTConnect Platform and our ecosystem of experts.

**Avnet IoT Marketplace**
Access trusted and certified IoT devices and Smart Applications through a curated experience. Developers can write to and sell from our Marketplace.

*Coming Spring 2020*
Scale in action

OEM partner creating smart water monitoring metering solutions (Water as a Service)

Developed secure WaaS solution based on IoTConnect

New predictive maintenance & data analytics capabilities

Added recurring revenue with Avnet’s partner program
Join us in scaling IoT

We’re ready to scale with a new IoT partner program.

Come talk to us to learn more today.

For more information: Avnet.com/iot
Avnet.com/smartretail