Group 1

April 2023

LUT X HUAVE

Telanto Challenge





Agenda

- Introduction Our approach Open Innovatio Theoretical find The Pitch
 - Discussion

Conclusion

	01
	02
n	03
dings	04
	05
	06
	07

Introduction

01

Huawei

Leading global provider of information and communications technology (ICT) infrastructure and smart devices.

Second-largest smartphone provider in the world, overtaking Apple in 2019.

02

QuickApp

Jointly launched unified standard by top mobileProvide QuickApp idea solution to Huaweiphone manufacturers in 2018 called Quick Apps.based on the agreed goals, utilising openinnovation tools and methods.based on the agreed goals.

Lightweight apps representing the potential future landscape of digital mobile platforms.

No installation need, easily developed and used while run as native apps.

03

Objectives & Goals

Our Approach

Frameworks

General: Open Ideation Funnel, Design thinking, Business Model Canvas Analysis: PESTEL, SWOT, Market analysis, Stakeholders/Competitors matrix Others: Value proposition matrix, Idea evaluation matrix, Root cause analysis

Ways of Working

Collaboration is key Weekly meetings, in-time messages Client/mentor feedback, open communication No idea is "bad" idea

LUT - Open & Collaborative Innovation 2023 - Creative Commons BY 4.0

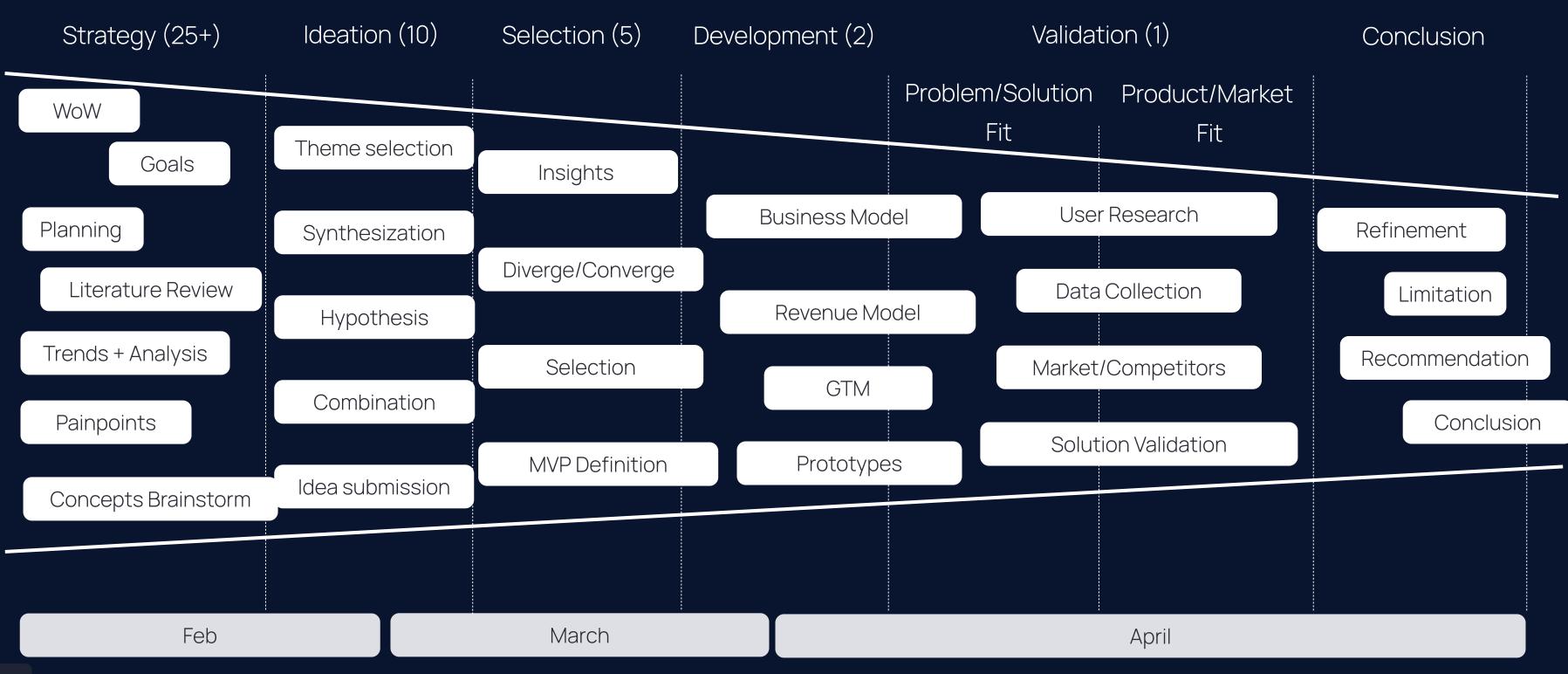
Tools

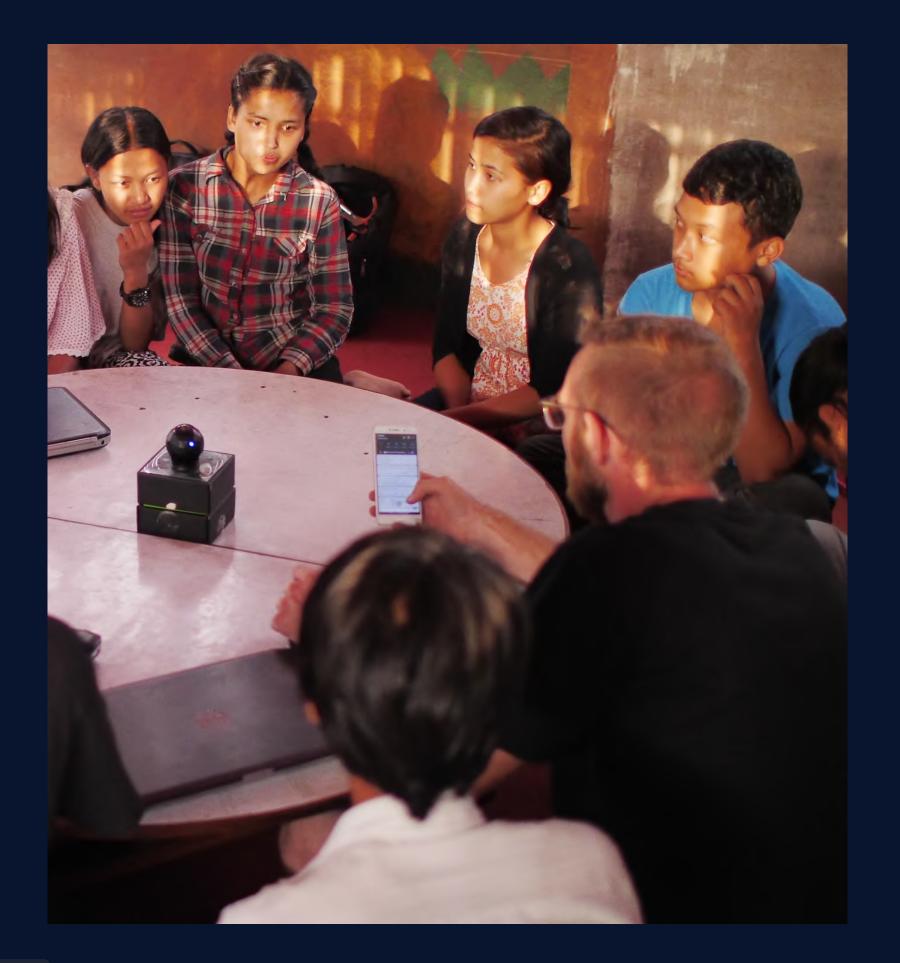
Miro, Teams, Moodle, Figma, Google sheets, Pitch.com, Telegram Lutpub, Google scholar

Open Innovation

The Innovation Idea Funnel

How did we do it? <u>Miro Link</u>





EducationApp Connecting people through learning in rural areas

Limited digital skills, poor or costly access to smartphones, network, and electricity hinder the digital transition in emerging markets. However, everyone should have access to knowledge, and can share it offline anywhere anytime.

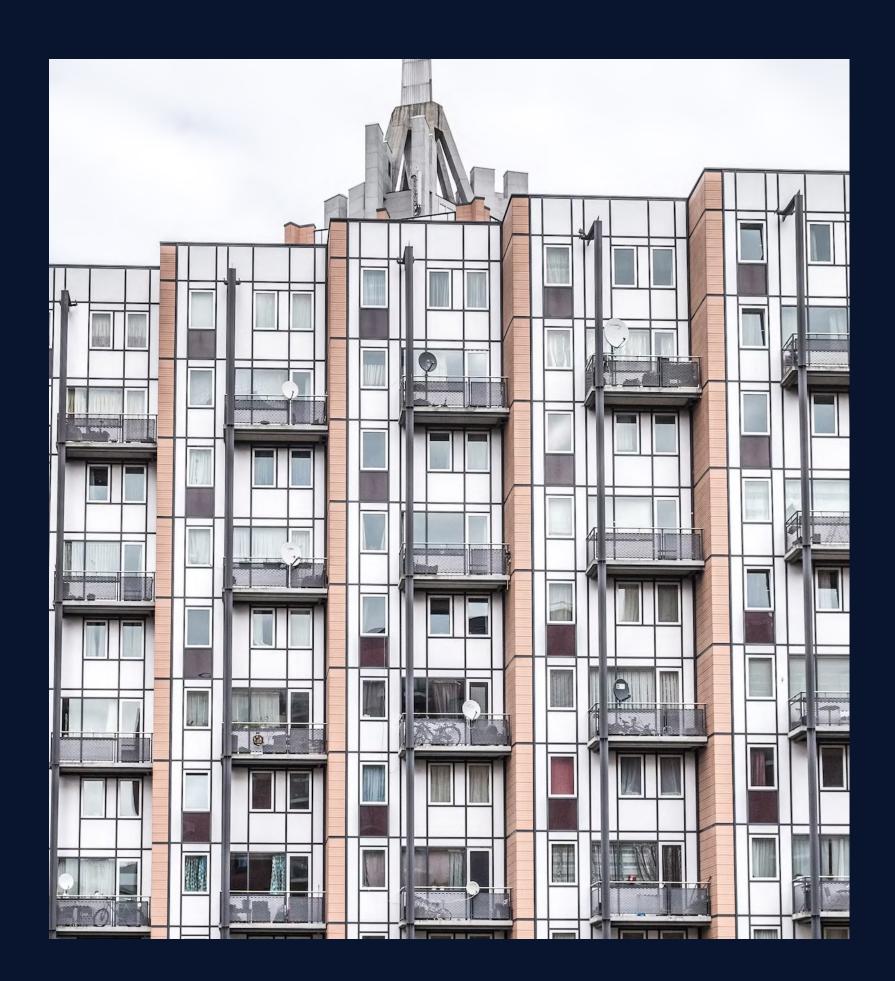
Break down the barriers to education in emerging markets with our EducationApp - making education accessible, affordable, and usable even remotely with our learning hubs.

CommunityApp

Empower urban living with hyperlocal community

Discover a new level of community connection - the hyperlocal platform that lets you share, rent and request help from others.

Whether you're looking to make new friends or build stronger relationships with your neighbours, CommunityApp is the app for you. Don't settle for feeling disconnected from those around you!



Idea evaluation matrix

Which idea do we want to explore further?

Ideas	Theme relevancy	Problem solving	QuickApp capability	Revenue feasibility	Novelty	Sustainability	Practical	Market size	Total
	- Related to selected goal	Does it solve a real problem?	How much QuickApp strengths contribute?	- Can it make profit?	- Has it been done before?	- Environment + society	- Can it be done right away?	- How big is the market size?	- Weighted Score
Education App	2	2	1	1	2	3	1	2	19
Community App	2	2	2	2	2	2	2	2	22

Criteria coefficient (*2)

Theme relevancy Problem solving Quickapp capability

1. Normal 2. Good 3. Great

Theoretical findings

Theoretical findings

Business models

"The rationale of how an organization creates, delivers and captures value." (Osterwalder & Pigneur, 2010)

Open business models

- Collaborative relationships as a key part of value creation and capturing
- Inbound or outbound
- Benefits: Innovations, new revenue streams, reduced costs, accelerated time to market etc.

Sustainable business model

- Begins with the decision to invest in sustainability
- Operations, offering and value proposition
 <u>Sustainability can be utilized to</u> drive
 - Sustainabil innovation
- Service innov planet viable

• Service innovations as a tool to maintain

Theoretical findings

Economy

Sharing economy

- An economic model of peer-to-peer activity of acquiring, providing or sharing access to goods and services
- Often facilitated by a community based • online platform
- Transforms under-used gadgets and assets as an opportunity to make money

- Value creation and capturing occurs in
 - transactions between different
 - government, groups...
- Digitalization as an accelerator to platform • businesses
- dilemma

Platform economy

stakeholders: businesses, consumers,

- Disruptive innovations to address
- sustainability and overconsumption

The Pitch

13

Background



1. Problem

Overconsumption but going small at the same time. Missing community sense and kindness from surrounding



Overconsumption



Small living



Sense of community

2. Solution

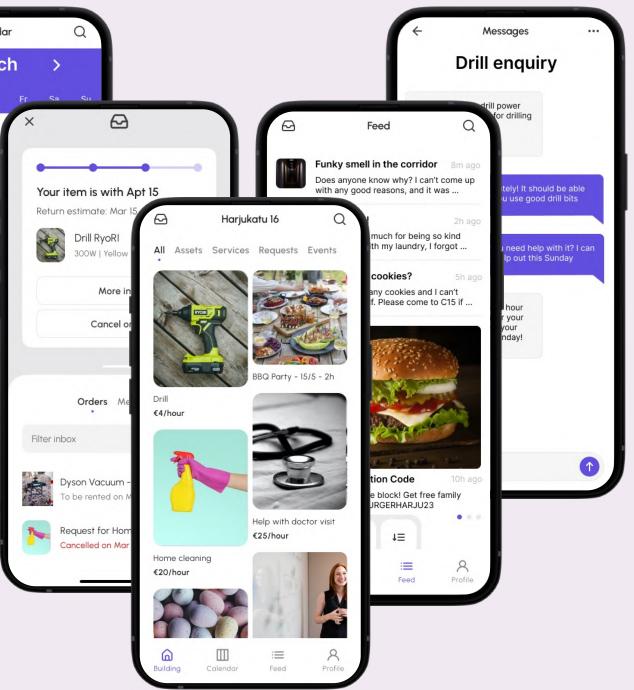
Live small doesn't have to be lonely. Enjoy your atomic living - community, assets and services



3. Our QuickApp - Underlying magic

A hyperlocal platform that powers each household with their surrounding local community

- 100% trust from your local community (your building(s))
- Instant help instant results
- Reduce cluttering, increase quality of life
- Extra revenue for your same owned assets



https://tinyurl.com/Lutquickapp

4. Stakeholders matrix

Group 1 ($\uparrow\uparrow$)

Residents Rental property businesses Property managements Real-estate investors

Group 2 ($\uparrow\downarrow$)

Building maintainers Service providers Local businesses

Group 3 $(\downarrow\downarrow\downarrow)$

Regulators "Green" solution supporters Ad firms



5. Business Model

	Key Partners	Key Activities	Value Proposi	tions	Cu
 Building management Building maintenance company AD partners Local Sponsors 		 Educate users Promote sense of community Asset sourcing Event listing 	 Increased sense of community Save on device commitment Up to date with events Hyperlocal - benefit off your close proximity Circular economy and lowered impact on the environment 		
		Key Resources			Cł
		 Resident's assets Services Moderators Promoters Ads 		•	C A C S
	Cost Structure			Revenue Stream	S
	Low cost Try Pitch Marketing & advertising expense		n development gement	Contract based / pe building	

ustomer Relationships

- Via support help
- Pushing for local help
- Outsourcing

Customer Segments

- Building residents
- Building managers
- Multi-buildings
- Event promoters
- City managers

Channels

- QuickApp Store
- App itself
- Cities/organisations/local
- communities
- Social Media & Ads

Free/paid models

6. Business model

Our app. Free*. Always.

3 Revenue models:

- Contract-based per building •
- Token-based transactions
- Paid customisable resident app** •

* Ads might apply **Whitelabels



Building with 30 apartments

~€99/month



Token-based transactions

LUT - Open & Collaborative Innovation 2023 - Creative Commons BY 4.0



Customization

~€x.000/app

7. Market size & key metrics

Large blue ocean. Few fish.

€570B+

Global Sharing Economy (by 2027)

Total Available Market Value of the global sharing economy 2021 | Statista (lut.fi)

Europe Products + Services Sharing Economy (approx. 5%) Total Niche Available Market

€28B+

Try Pitch

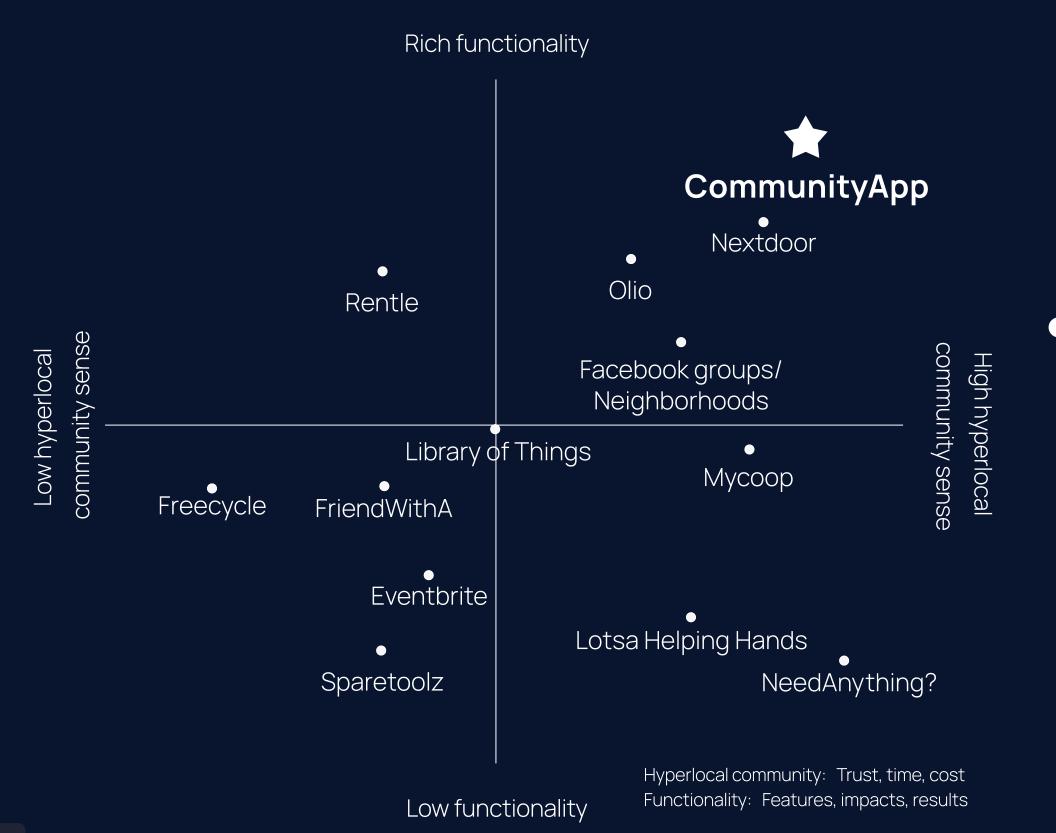
LUT - Open & Collaborative Innovation 2023 - Creative Commons BY 4.0



Europe hyperlocal Sharing Economy (3%)

Expected market share

8. Competitor analysis



Competitive advantages

First-to-market solution that can bring hyperlocal community together while simultaneously reduce waste for more sustainable living

Not another social mediaNot sharing things with strangers

Trust as a platform
Fast & ease of use
Flexible cost structures
Education and life-long knowledge

9. Go-to-market plan - Europe (Finland)

2024

Minimum viable product

2025

Experimentation & improvements

2026

User growth

Ideal Customers

- Individual building residents
- New construction buildings
- "Green"-driven buildings

User Acquisition

- Housing fairs, conference

Scale

- Building constructors (YIT)
- Users communities

Try Pitch

 Partnerships, contracts, project biddings • Marketing, word-of-mouth, social media

• Building managers (<u>Isännöinnin Auktorisointi ISA ry</u>)

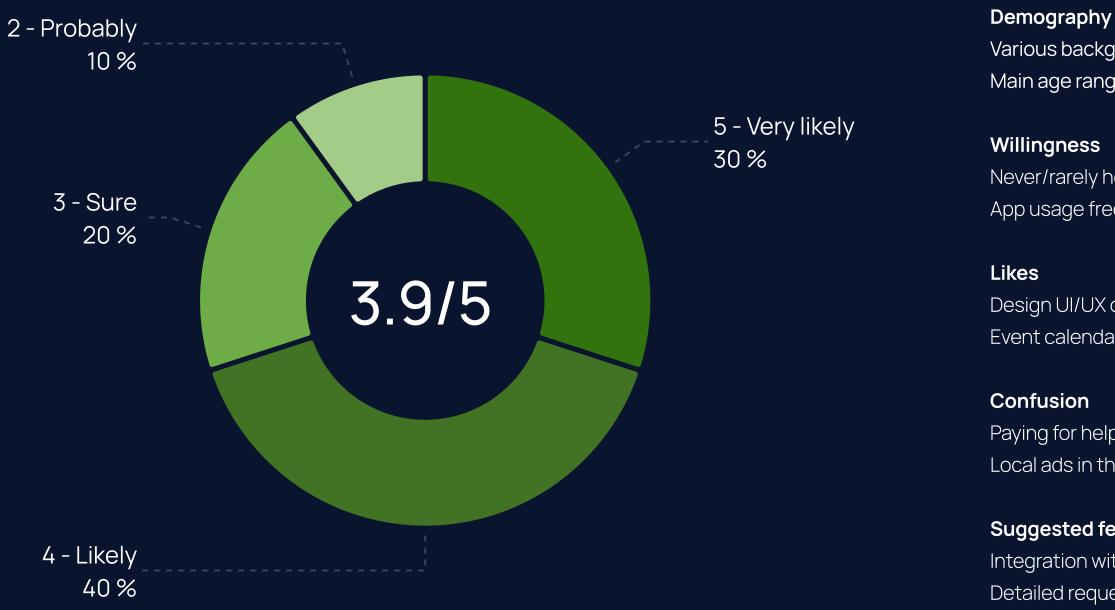


24

Validation

We asked 10 end-users who are living in apartment building. <u>Results</u>

How likely are you to recommend this product to a friend?



LUT - Open & Collaborative Innovation 2023 - Creative Commons BY 4.0

Insights

Various backgrounds, 8 nationality, single household in 5 countries in Europe Main age range: 21-30 years old

Never/rarely help but high willingness App usage frequency: as needed or once/twice per week (on average)

Design UI/UX overall, intuitive and clean Event calendar, forum-like feed, building assets

Paying for help, services.

Local ads in the app, privacy with messages, how building assets are handled

Suggested features

Integration with existing system, free things from community Detailed request, accessibility feature for elders.

Discussion

01

Limitation

- Limited available resources for market research (Chinese)
- Data collection method (quantitative to the mix)
- Bias, context/social assumption
- Time constraints

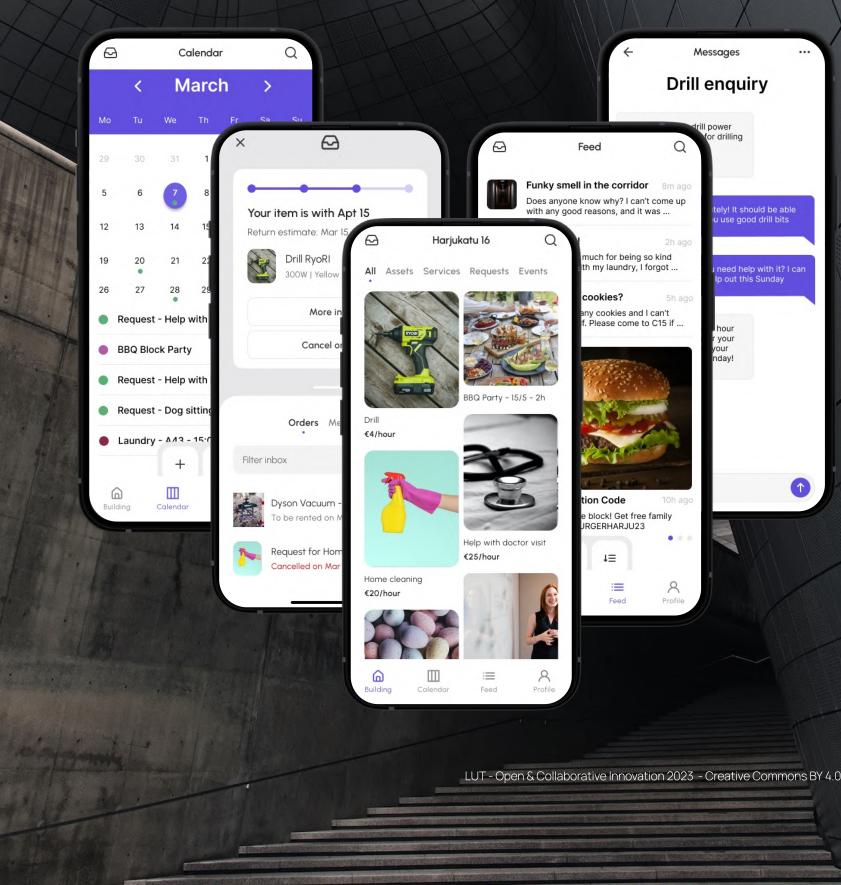
02

What's next?

 ChatGPT/AI - Building knowledge chatbot • Android Ecosystem - not just on Huawei • Open source - build your own building app

Conclusion





- CommunityApp is a viable idea as a QuickApp
- Europe as a market
- Focus on simple features, scalable revenue model

https://tinyurl.com/Lutquickapp

Group 1

April 2023

Thankyou





References

Mortara, L. Napp, J. Slacik, I. Minshall, T. 2009. How to implement open innovation: Lessons from studying large multinational companies. Cambridge. University of Cambridge Institute for Manufacturing. Djellal, Faridah & Gallouj, Faïz. (2015). Service innovation for sustainability: paths for greening through service innovation.

Calabrese A., Castaldi C., Forte G., Ghiron Levialdi N. 2018. Sustainability-oriented service innovation: An emerging research field. Journal of cleaner production. Cenamor, J., Rönnberg Sjödin, D. and Parida, V. 2017. Adopting a platform approach in servitization: Leveraging the value of digitalization. International Journal of Production Economics, Volume 192, October 2017, Pages 54-65.

Chesbrough, H. Vanhaverbeke, W. West, J. 2006. Open Innovation: Researching a New Paradigm. Oxford. Oxford University Press.

Chesbrough, H. 2003. Open Innovation: The New Imperative for Creating and Profiting from Technology. Boston. Harvard business school press. Chesbrough, H. Vanhaverbeke, W. West, J. 2014. New Frontiers in Open Innovation. Oxford. Oxford University Press.

Kindström, D. and Kowalkowski, C. 2015. Service-driven Business Model Innovation - Organizing the Shift from a Product-based to a Service-centric Business Model. Forthcoming in Nicolai J. Foss and Tina Saebi (eds.) (2015), Business Model Innovation: The Organizational Dimension. Oxford: Oxford University Press, pp. 191-216.

Stahel, W., R. 2016. The circular economy. Nature News, Nature 531, 435–438 (24 March 2016). Springer Nature. doi:10.1038/531435a https://www.nature.com/news/the-circular-economy-1.19594 Dahlander, L. Wallin, M. 2020. Why Now Is the Time for "Open Innovation". Harvard Business Review. Web document. Available at: https://hbr.org/2020/06/why-now-is-the-time-for-open-innovation Johnson, G. Whittington, R. Regner, P. Angwing, D. Scholes, K. 2020. Fundamentals of Strategy, Fifth Edition. Harlow. Pearson Education Limited. Torkkeli, M. Kock, C. Salmi, P. 2009. The "Open Innovation" paradigm: A contingency perspective. Journal of Industrial Engineering and Management. Vol 2. pp. 176-207. Osterwalder, A. Pigneur, Y. 2010. Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers. New Jersey. John Wiley & Sons. Chesbrough, H. 2006. Open business models: how to thrive in the new innovation landscape. Boston. Harvard Business School Press.

Teece, D. 2010. Business Models, Business Strategy and Innovation. Long Range Planning. Vol. 43. pp. 172-194

Weiblen, T. The Open Business Model: Understanding an Emerging Concept. Journal of Multi Business Model Innovation and Technology. Vol. 1. pp. 35-66 Chesbrough, H. 2007. Why Companies Should Have Open Business Models. MIT Sloan Management Review. Vol. 48 (2). pp 22-28

Amit, R. Zott, C. 2012. Creating Value Through Business Model Innovation. MIT Sloan Management Review. Vol. 53 (3). pp. 41-49

Amit, R. Zott, C. 2010. Business Model Design: An Activity System Perspective. Long Range Planning. Vol. 43. pp. 216-226

Benyayer, L. Kupp, M. Responding to open business models. Journal of Business Strategy. Vol. 38 (2). pp. 33-40

Cheng, K. Schreieck, M. Wiesche, M. Kremar, H. 2020. Emergence of a Post-App Era – an Exploratory Case Study of the WeChat Mini-Program Ecosystem. 15th International Conference on Wirtschaftsinformatik. pp. 1444-1458.

Liu, Y. Xu, E. Ma, Y. Liu, X. 2019. A First Look at Instant Service Consumption with Quick Apps on Mobile Devices. IEEE International Conference on Web Services (ICWS). pp. 328-335. Schreieck, M. Ou, A. Krcmar, H. 2022. Mini-App Ecosystems. Business & Information Systems Engineering. Vol. 65. pp. 85-93.

Whelan, T. and Fink, C. 2016. The Comprehensive Business Case for Sustainability. Harvard Business Review. October 21, 2016. https://hbr.org/2016/10/the-comprehensive-business-case-for-sustainability.