



MEDIAMARKTSATURN N3XT

Masterclass: Innovation, Corporates & Startups

MediaMarktSaturn
Retail Group

AGENDA

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Warm-Up

2

MediaMarktSaturn N3XT

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Theory behind – pilots, projects, roll-outs, innovation units

4

Practical insights – working experiences & recommendations

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Food for thought

6

Your experience – learn from each other

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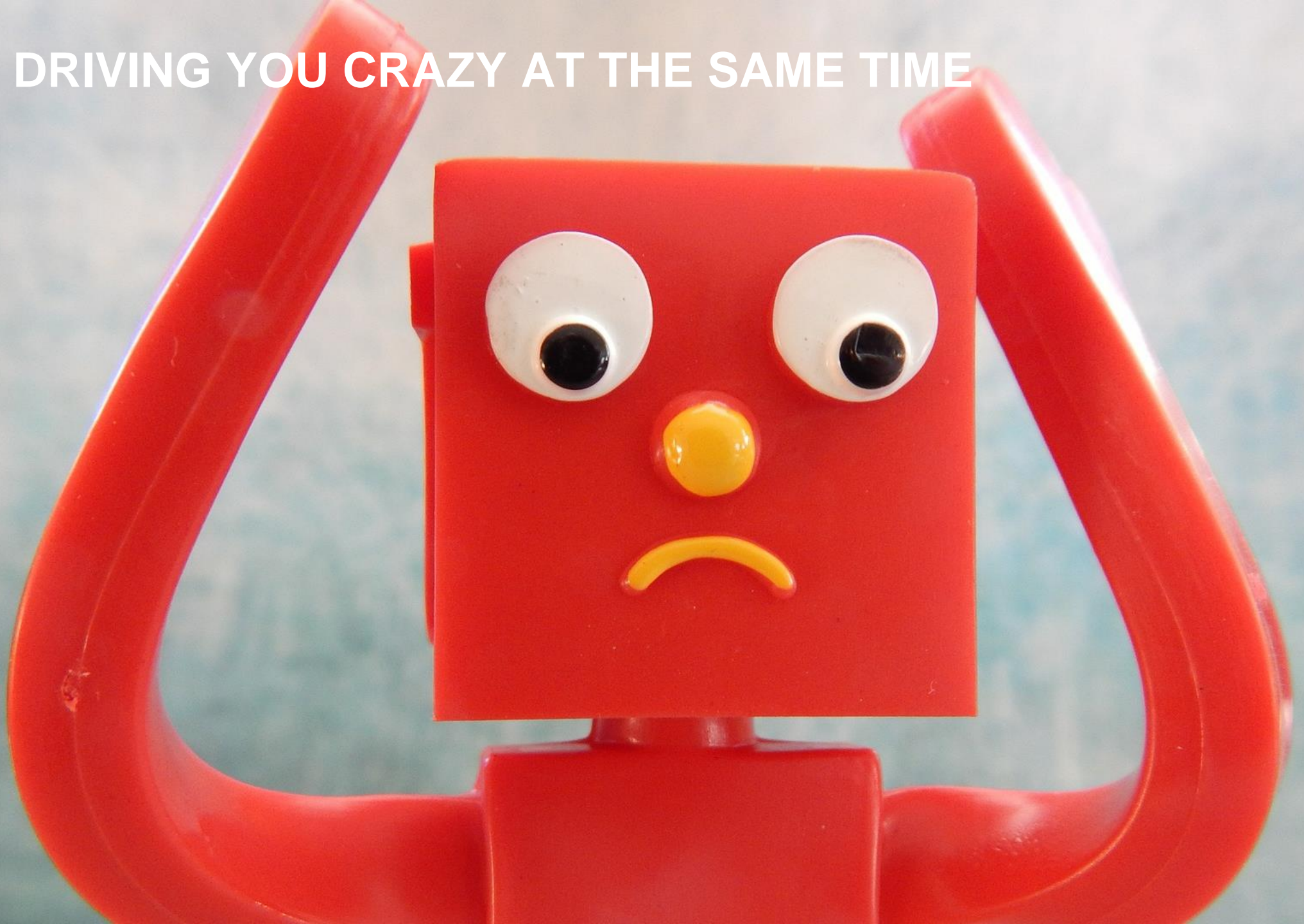
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Your experience – learn from each other

WORKING WITH CORPORATES IS THRILLING...

START

...AND DRIVING YOU CRAZY AT THE SAME TIME



TARGET OF TODAY'S MASTERCLASS

**Understand corporates better &
enhance collaboration**



INTRODUCTION ROUND



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EXPERIMENTING

WITH THINGS

WE TRY FAST, WE FAIL FAST
AND WE ADJUST EVEN FASTER

”





HOW DOES IT WORK?

RELEVANT

IS IT RELEVANT?



WHAT HAS TO BE CONSIDERED?

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INNOVATION RESEARCH

Explore what's
out there

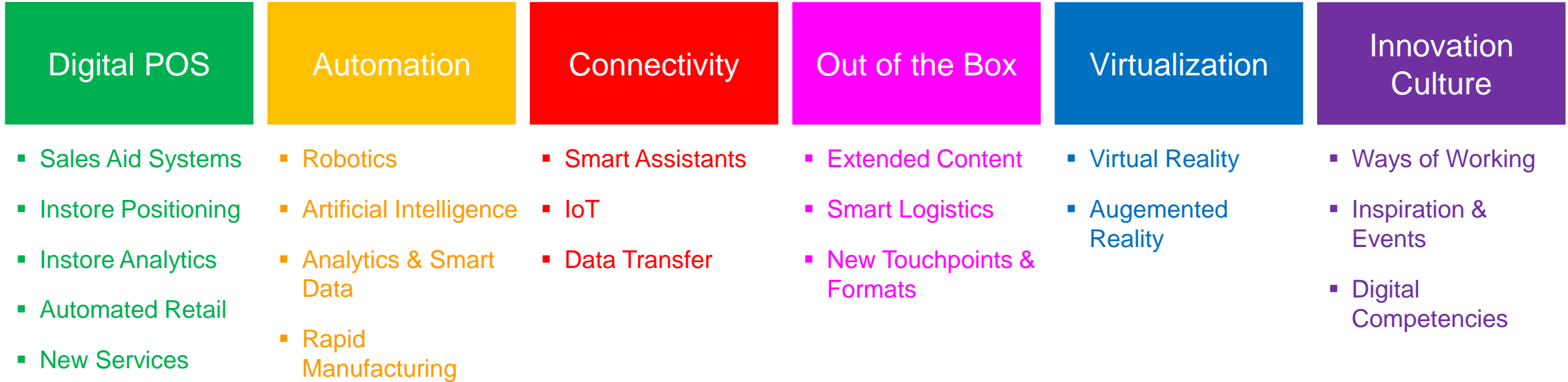


INNOVATION PROJECTS & CULTURE

Test, understand
and evaluate

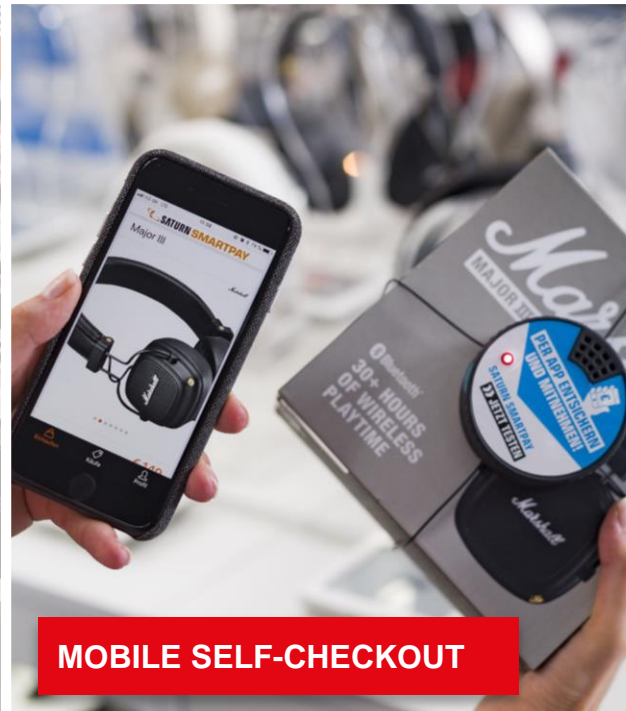


N3XT INNOVATION CLUSTERS

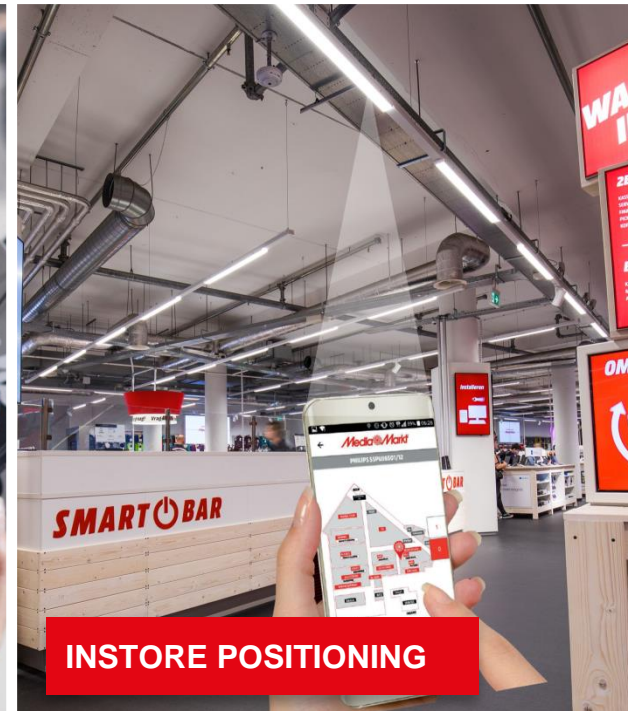




ROBOTS IN STORE



MOBILE SELF-CHECKOUT



INSTORE POSITIONING



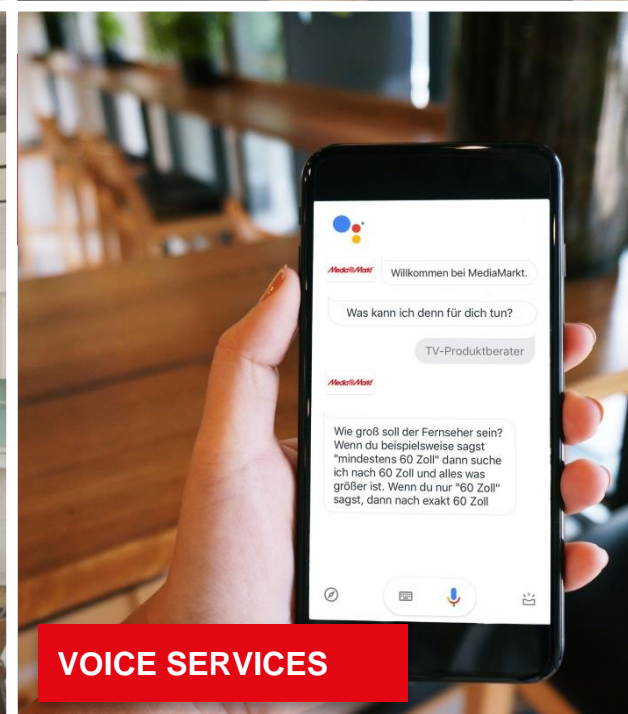
INSTORE ANALYTICS



AR IN STORE



VR COMMERCE

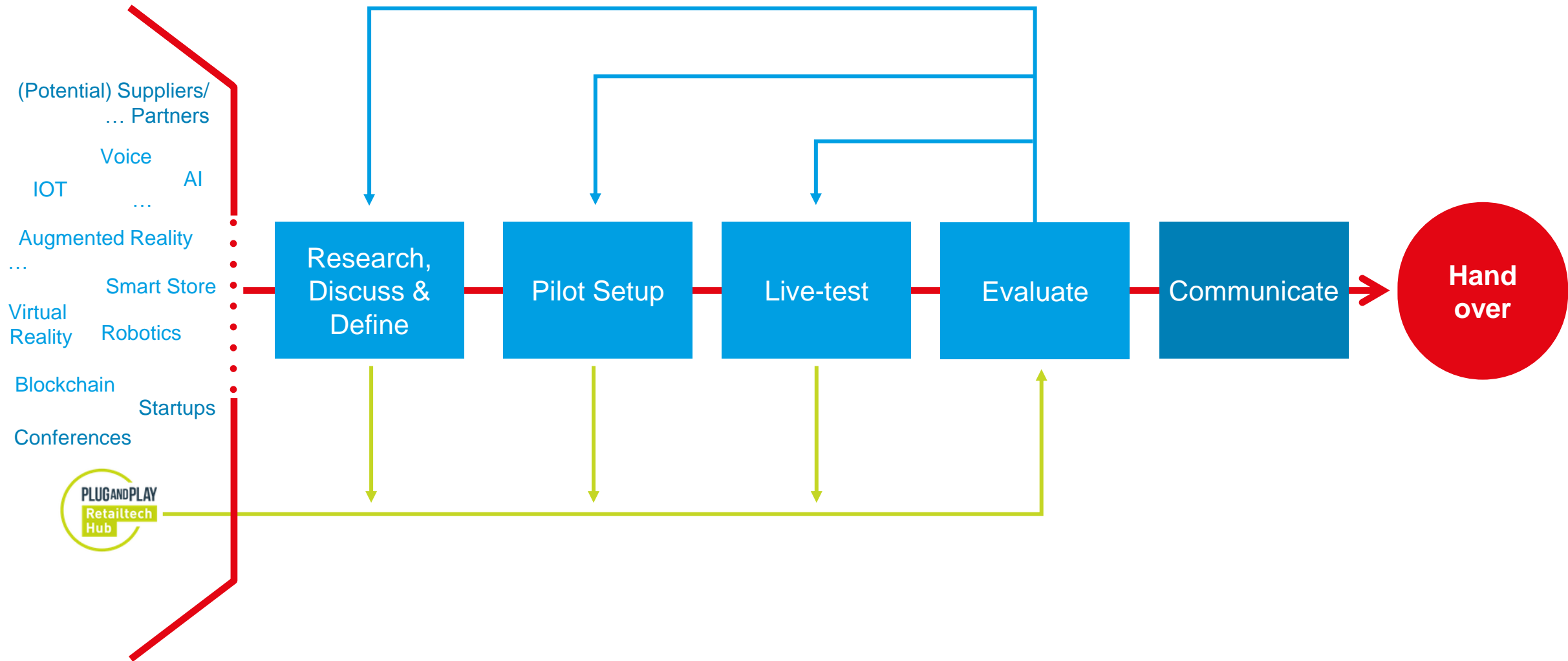


VOICE SERVICES

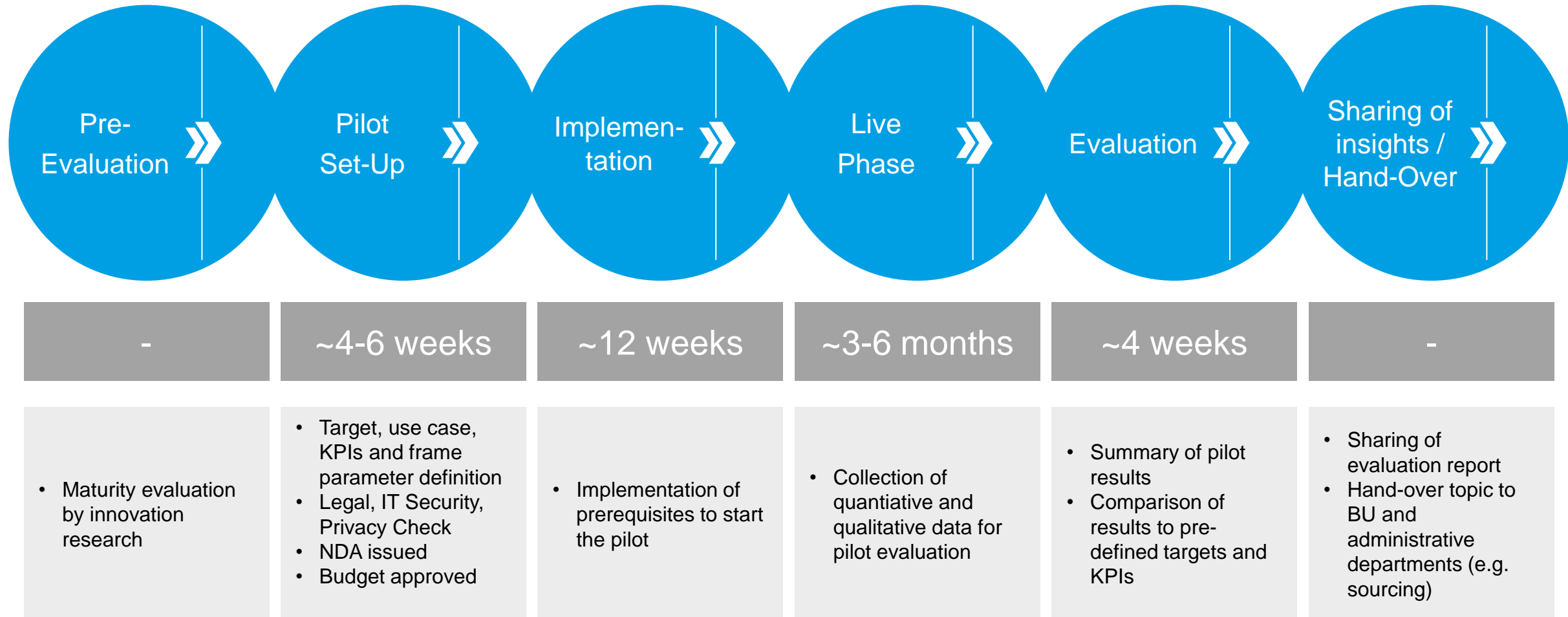


RETAIL MACHINES

N3XT WORKFLOW



PROCESS AND TIMINGS OF A TYPICAL PILOT



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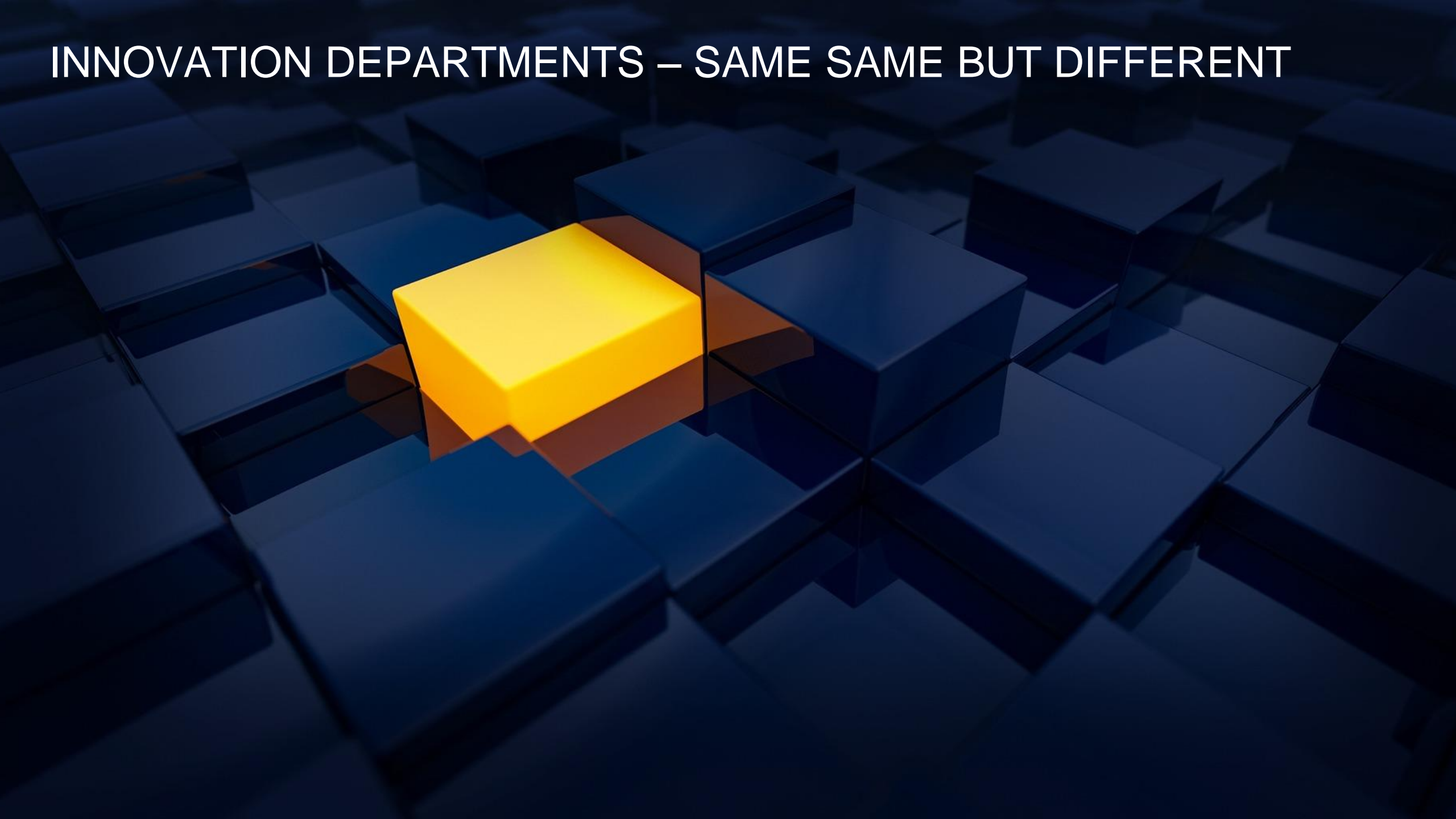
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Your experience – learn from each other

DIFFERENTIATING BETWEEN PILOTS / TESTS, PROJECTS AND ROLL-OUTS

	Pilot / Test	Project	Roll-Out
Scope	Very focused on key test cases, regular operation or roll-out is not a requirement	Broader, includes as well nice-to-have features, focussed on one country	Very broad due to country requirements, focussed on many countries
Product requirements	Operating with an imperfect MVP	Product needs to fulfill country requirements	Product needs to fulfill international requirements
Target	Test & Learn, gaining experience, failure as legitimate outcome	Successful project start within time and budget	Successful roll-out completion within time and budget
Project Team	Lean, small piloting team covering most important stakeholders	Medium-sized project group as more stakeholders need to be involved	Large project team, as international stakeholders are involved
Formalities	Little	Medium (e.g. budget approval, business case calculation, staffing, etc.)	High due to international component
Set-up time & duration	Quick set-up, rather short duration (e.g. 3-6 months)	Longer set-up time due to formal requirements, longer duration	Longer set-up time due to formal requirements, longer duration due to international component

INNOVATION DEPARTMENTS – SAME SAME BUT DIFFERENT

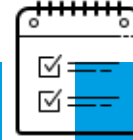


HOW INNOVATION DEPARTMENTS CAN DIFFER



Freedom of budget

Innovation departments may have their own budget for financing pilots – or they might be dependent on budget approvals from other departments



Freedom to decide

Innovation departments differ regarding their decision making authority – this effects the topics, which are worked on, the setup of tests and much more



Time horizon

The innovation focus can differ regarding the time perspective: quickly solving current, existing painpoints vs. generation of new business models



Scope of responsibility

Innovation departments vary according to their scope of responsibility: from focussing on research only, executing pilots, being responsible for roll-out or investment decisions

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EXAMPLES FOCUSING ON START-UP PERFORMANCE (1/2)


Topic	Experience
Location analytics based on mobile devices	 <ul style="list-style-type: none">• Proactive Sharing of GDPR documents• Promptly provision of documents after calls with central functions (e.g. Cyber Security, Privacy, etc.)• Refinement of original pricing according to pilot character
Online personalization	 <ul style="list-style-type: none">• On time for all meetings (virtual or presence)• Well-structured, understandable presentation of analysis results, illustrated with examples• Provision of prioritized suggestions what to implement / change

EXAMPLES FOCUSING ON START-UP PERFORMANCE (1/2)

Topic	Experience
In-store product location	 <ul style="list-style-type: none">• Although product was presented as ready for the market, it could not be provided
3D Content Production	 <ul style="list-style-type: none">• Proclaimed self-service, automated solution could not be provided as self-service;• Due to high manual effort, pricing for the pilot went far beyond a pilot
Locker solution	 <ul style="list-style-type: none">• Shifting development resources to other projects leading to a delay in the implementation of use cases• No provision of timeline / time planning
Theft protection	 <ul style="list-style-type: none">• It turned out that for analysis purpose, the security camera video stream would need to be transferred to the cloud• Pilot was cancelled due to internet band width / security restrictions
Multi-factor authentication	 <ul style="list-style-type: none">• Solution was sold as one-click solution – indeed it required a couple of clicks for employees to log in

CORPORATE PARTICULARITIES & HOW TO THRILL

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IT

**CORPORATE IT IS LARGE AND
COMPLEX**



MAKE YOUR SOLUTION AS EASILY CONNECTABLE AS POSSIBLE

BUILD YOUR SOLUTION AS MODULAR AND FLEXIBLE AS POSSIBLE

CORPORATE PARTICULARITIES & HOW TO THRILL

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Velocity

CORPORATES ARE OCCUPIED WITH TOO MANY TOPICS AND PROJECTS – LEADING TO LITTLE TIME FOR CREATIVE PROCESSES



BE ON THE POINT WHAT YOUR OFFERING IS, DON'T BE TOO FUZY LEAVING TOO MUCH ROOM FOR FANTASY



TRANSPORT YOUR USP AND ADDED VALUE AS PRACTICAL AS POSSIBLE, E.G. WHAT PRECISELY COULD A PILOT LOOK LIKE



BE A BIT PUSHY, BUT GET THE RIGHT LEVEL; SOMETIMES IT IS SIMPLY NOT THE RIGHT TIME

CORPORATE PARTICULARITIES & HOW TO THRILL

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Resources

**CORPORATES ALWAYS LACK
RESSOURCES**



**AS LITTLE EFFORT AS POSSIBLE SHOULD BE ON THE CORPORATES SIDE –
E.G. TAKE OVER THE PMO ROLE FOR THE PILOT**



BE AS LITTLE DEMANDING REGARDING RESSOURCES AS POSSIBLE



**PRIVACY AND CYBER SECURITY ARE IMPORTANT TOPICS AND VERY OFTEN
A BOTTELNECK – PREPARE CORRESPONDING DOCUMENTS TO SHARE WITH
THE CORPORATE**

CORPORATE PARTICULARITIES & HOW TO THRILL

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Budget

CORPORATES ARE BUDGET SENSITIVE AND HAVE QUITE LONG-TERM BUDGET PLANNING



DO NOT APPLY YOUR REGULAR PRICING METHOD TO A PILOT



MAKE CORPORATES AWARE WHAT YOUR REGULAR PRICING MODEL IS – BUT FOR A PILOT PRICING STRESS THE FACT THAT A PILOT IS MEANT TO LEARN TOGETHER AND COVER COSTS ON BOTH SIDES

CORPORATE PARTICULARITIES & HOW TO THRILL

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Commitment

**CORPORATES ARE SOMETIME
QUICKLY EXCITED BUT AS WELL
QUICKLY LOOSE INTEREST**



STOP PITCHING – START LISTENING



**GENERATE COMMITMENT BY DEFINING PRECISE KPIS ON HOW TO
MEASURE PILOT SUCCESS**



DELIVER WHAT YOU PROMISE(D) AND BE ON TIME WITH YOUR WORK



**FIND OUT IF YOUR SOLUTION SOLVES A CRITICAL ISSUE ON THE
CORPORATE SIDE – ASSESS IF THERE IS REALLY A BURNING NEED**

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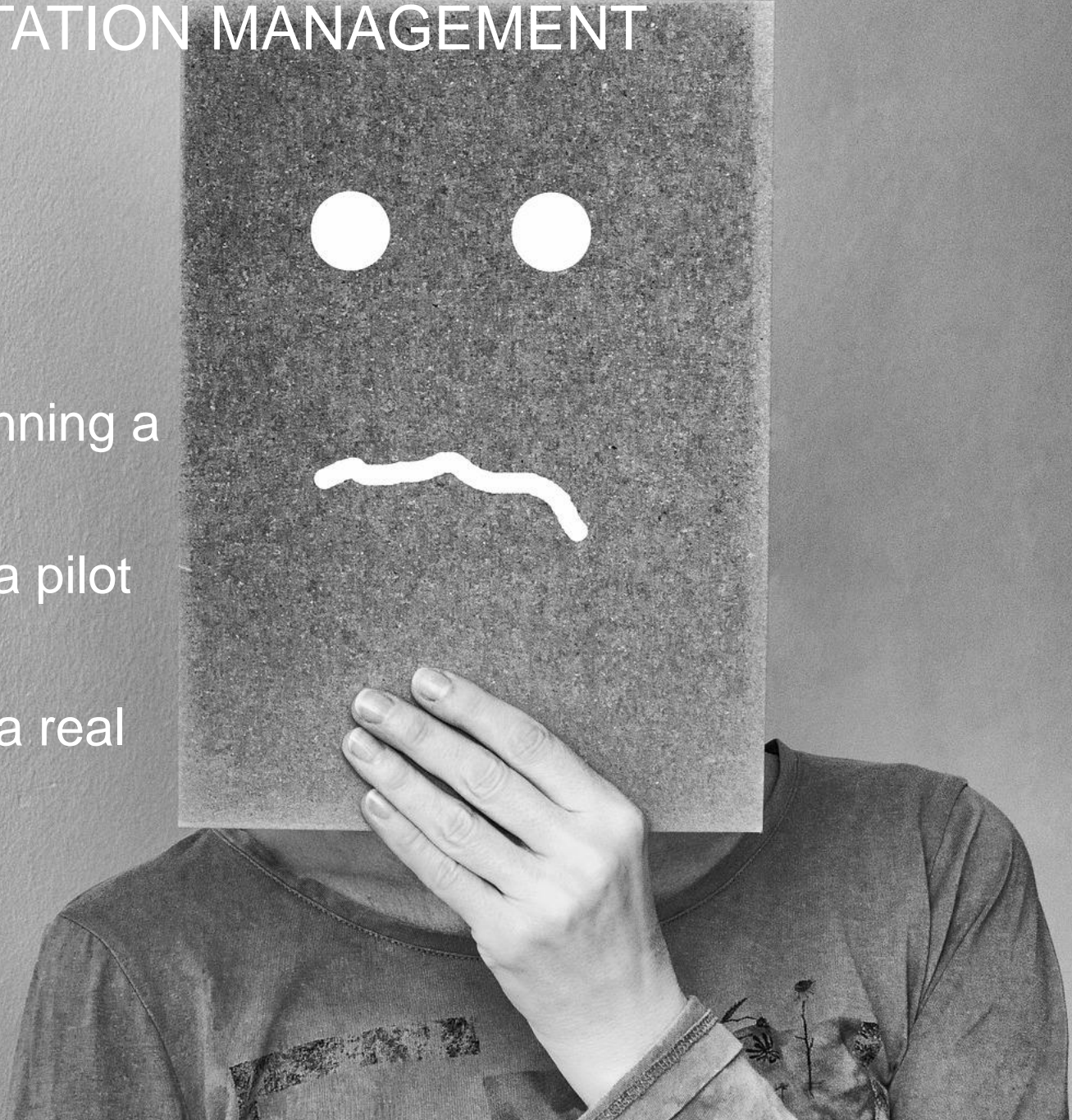
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AVOID FRUSTRATION – EXPECTATION MANAGEMENT

- A pilot is not a roll-out
- A pilot phase is very often not directly followed by a roll-out
- Budget is a very decisive factor for running a pilot
- Internal alignments and decisions on a pilot might take some time
- Pilots will only be executed if there is a real need



GET YOUR STRATEGY CLEAR - WHAT IS YOUR MOTIVE TO PILOT?

Possible motives	Testing your product / solution	Learning about an industry	Initiate business relationship	Earn money
Lifecycle stage	Seed	Start-Up	Expansion	Later stage

Clearly think through your **motives** to run a pilot and adapt your resources, price expectations, etc. correspondingly. Make sure you can really pursue those motives taking into consideration the **lifecycle stage** your company is in.

WHY JOIN AN ACCELERATOR

- An accelerator programme offers contacts and network
- An open multi-partner programme works as a catalyst as experiences are openly shared – positive as well as negative ones
- You receive mentoring and coaching – but how much you take away depends on your proactivity
- Being in an accelerator programme requires a time investment, which must not be underestimated (e.g. presence time, participation in pitches, preparation and execution of pilots, etc.)
- Starting a pilot out of an accelerator requires the ability to set up operations in the corresponding country
- The accelerator programme marketing (e.g. LinkedIn Posts on pilots, etc.) offers additional contacts and visibility beyond the accelerator



THE INNOVATION UNIT – BLESSING OR A CURSE?

Innovation units...

- ... can serve you as connector within the corporate organization
- ... have the mindset and experience in setting up and executing pilots
- ... dedicate their resources to “innovations” – traditional departments often lack time and resources due to operational work
- ... are very often not the owner of a topic – ownership for topics usually lies in traditional departments
- ... prepare decisions regarding further roll-out scenarios based on their pilot experience – but the decision itself is usually taken within traditional departments

“ Use them to open the right doors, connect you to the right people – but be as well proactive and keep the innovation team in the loop. ”

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