

# Wir sichern Ihren Vorsprung

AFSMI – Verband der Führungskräfte in High-Tech-Servicebranchen

DIE MENSCHLICHE VERBINDUNG IST DER SCHLÜSSEL  
ZUM PERSÖNLICHEN UND KARRIERE-ERFOLG

Paul J. Meyer, Founder of SMI (1928 – 2009)

## Servitization and Organizational Challenges

101 Chapter Meeting Gelnhausen  
“Are you ready for Servitization”

**AFSMI**  
German Chapter e.V.

# This is me

Wolfgang Krenkler  
Support Manager EMA (2018)  
Health-Care Business

More than 40 years Service Business  
Experience in different Industries.

Worked across EMA Region on distributor  
support models; global service strategies  
and Talent management.

Worked on global NGO Health Care  
projects with WHO, Clinton Foundation  
and other global and local HC partners.

Designed & built regional Support  
structures in emerging markets



201 Distr. FSE's

55 BD FSE'S

70 Distributors

98 Countries

11 BD Hubs

5 E-Centre

Total Install-base EMA 10280

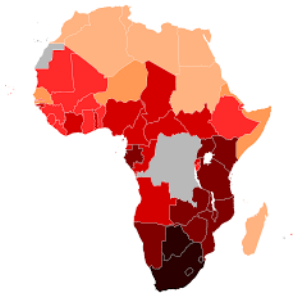
Distributor Managed	4680	45%
BD Managed	5600	55%

# Some of the definitions in “Servitization”

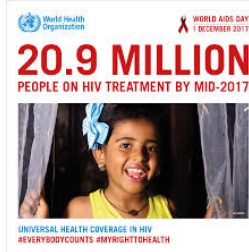
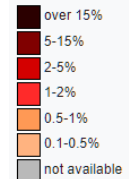
- Offer advanced Services (outcome based not product based)
  - Bundle a range of products and services tailored to the customer’s business
- 
- Manufacturers benefit commercially
  - Long-term contracts are providing financial stability
  - An intimate relationship is formed with the customer



# Business Story HIV/AIDS “FACSCount™ EMA”



Prevalence of HIV/AIDS in Africa, total (% of population ages 15–49), in 2011 (World Bank)



expand  
access to  
antiretroviral  
therapy  
(ART)

## Product



Patient Monitoring



Precision and stability of CD4, 8 and 3 values in HIV positive and HIV negative populations in Shirati Tanzania as evaluated by FACSCount  
STRAUSS, K.; BRUBAKER, G.; KUMBI, D.; SHAO, J.; KRENKLER, W.; BLATTNER, W.; LEVIN, A.

1994



# Traditional business model in EMA



- Instrument & Reagent Sales
- Local Business Partner



Customer Needs ?

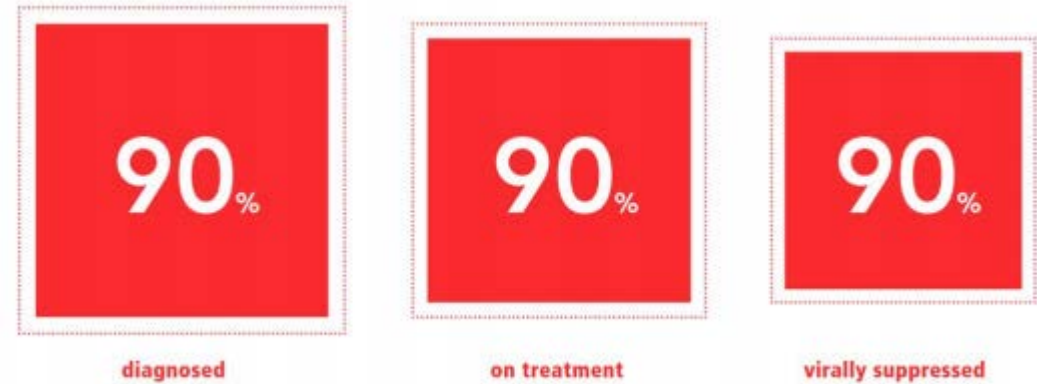


Customer Solution ?



# Setting business Goal “Complete Solution”

- Provide a complete Solution for the NGO's to minimize the risk not achieving the set goals on patient healthcare.
- Become a real global preferred partner in Health Care.



# The reality in Africa

- Infrastructure Issues
- Qualified staff missing
- HealthCare Access
- Engagement
- Anticorruption programs



There has been an urgent need for Solution Selling = Servitization

# Our business environment



External



Internal

- Global NGO's
- Local IP
- Local business Partner
- Local Government
- Local MOH
- End-user
- Patient



- Finance
- Logistics
- Technical Service
- Application Support
- Manufacturing
- Inventory Controller
- Regulatory

What do they all have in common ?



# The “HIV Complete Care” Business Model

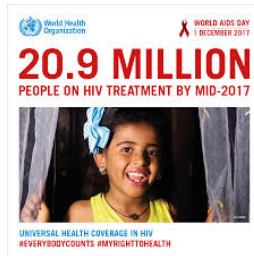
- Distribution & Installation Support
- Application Support
- Education Support
- Planning & Forecasting Support
- Quality & Compliancy Support
- Financial Support
- Logistics Support
- Data & Reporting Support
- Branding & Marketing



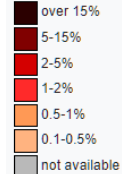
# “HIV Complete Care Program”



**The Global Fund**  
To Fight AIDS, Tuberculosis and Malaria



Prevalence of HIV/AIDS in Africa, total (% of population ages 15–49), in 2011 (World Bank)



expand  
access to  
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therapy  
(ART)



CD4 GLP Program



Regional HC Planning

Technical Support



Patient access



BD/PEPFAR Lab Strengthening

Logistics - Reporting - Finance – Planning – Quality – Inventory – etc.

# Key Questions “HIV Complete Care Model”

- Do we have the right Organization ?
- Do we have the Competency ?
- Do we have the data ?
- Do we have top level support ?
- Do we have the resources ?
- Do we know all our stake holders ?



# “Servitization” in this project ?

- Offer advanced Services (outcome rather product based)
- Bundle a range of products and services tailored to the customer’s business



- Companies make money
- Long-term contracts are providing long-term cash flow
- Building lasting relationship with the customer and further business opportunities are revealed





# My Take away & Learnings from Servitization

Get out of the Box approach with Solution thinking

Get Top Level commitment & support

Make sure you have the right Organisation,  
Structure and Culture

Make sure you have the right competencies

Solution has to fit in the customer's environment

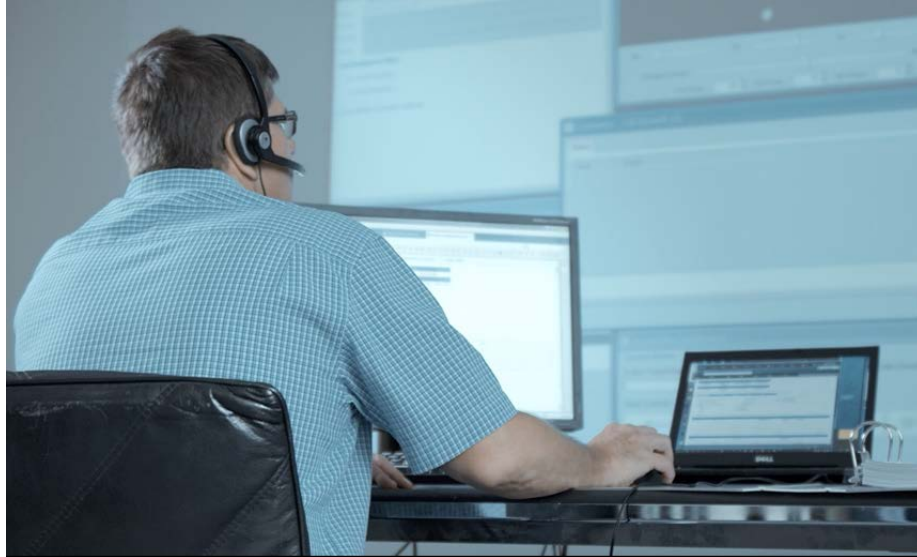
Monitor at all Levels - Communicate at all Levels

# “Servitization and Branding”

Accountable Mergers Important  
Professional Collective Goals  
Stakeholders **ORGANIZATIONAL** Customer  
Group **CULTURE** Ideas  
Executive Performance Roles  
Change Knowledge Mission  
Workplace Support Leadership  
Behavior Managers Skills Valuable  
Growth Business Meetings Results



# Servitization Marketing Movie



# Please feel free to contact me if you have any question



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*Thank you  
for your attention!!*



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# Example Reagent Consumption failures

