

# AARHUS BSS | DIGITAL 2017

## Digital platforms and business innovation in Grundfos

Aarhus University, School of Business and Social Sciences

September 20, 2017

Marianne K. Knudsen

# Agenda

**Grundfos**

**Digitalization in Grundfos**

**Digital platforms and business innovation**

# #1

Pump manufacturer in the world

# 72

Years old (founded in 1945)

# 83

Companies across the world

# 16

Million units produced every year

# 18,000

Employees worldwide



# 25

Turnover (billion DKK) 2016



# (1)

Owner





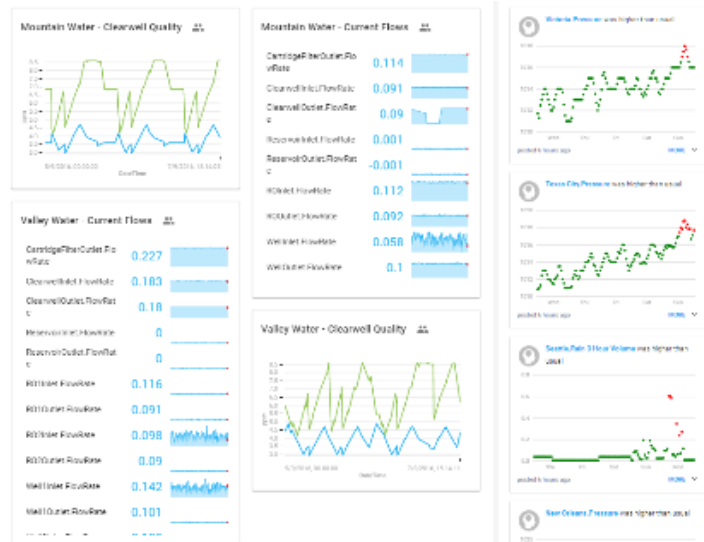




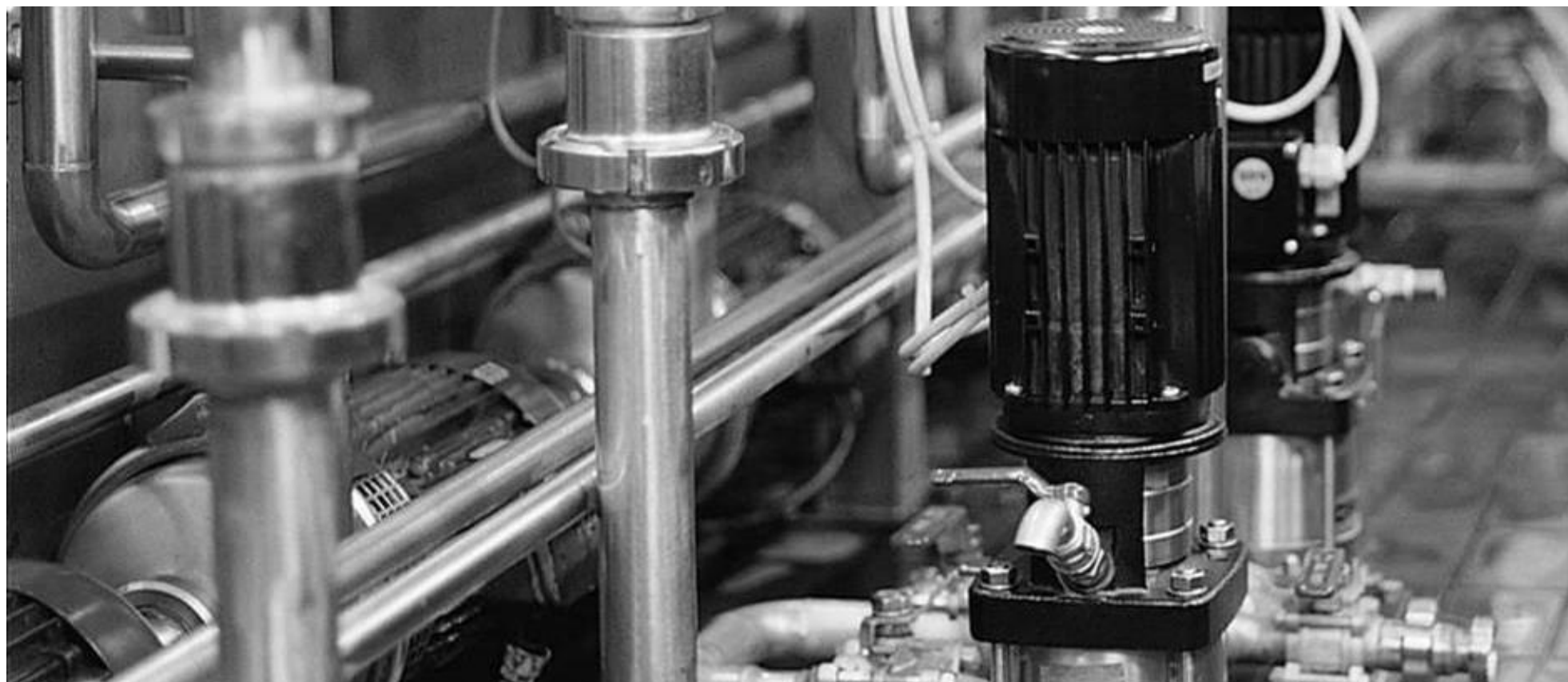
# Intelligent Pumping

Xylem launches pumping system with integrated intelligence.

[LEARN MORE](#)

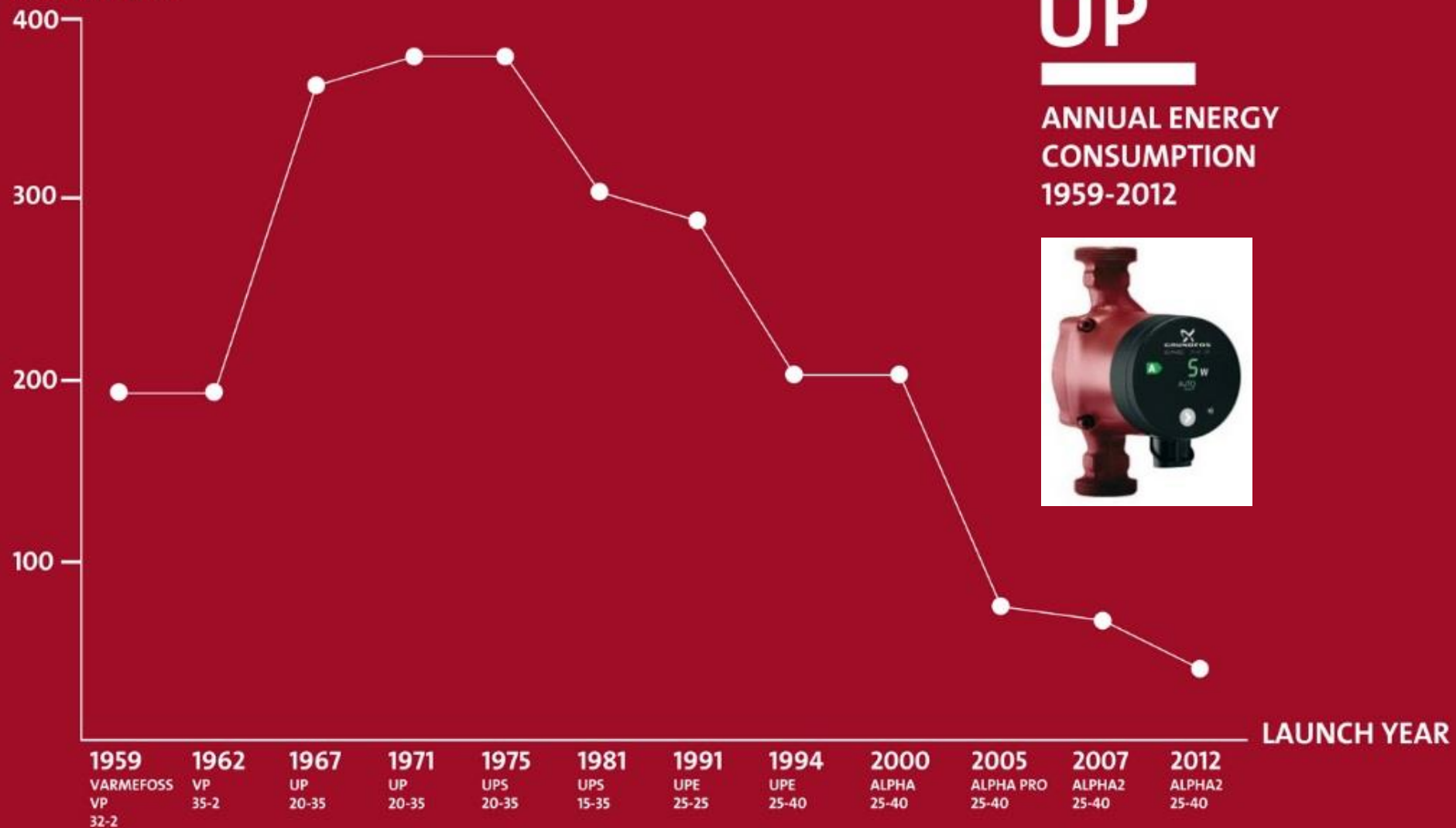






**Challenging business situation due to increased commoditization of the pumps**

KWH / YEAR



UP

ANNUAL ENERGY CONSUMPTION 1959-2012







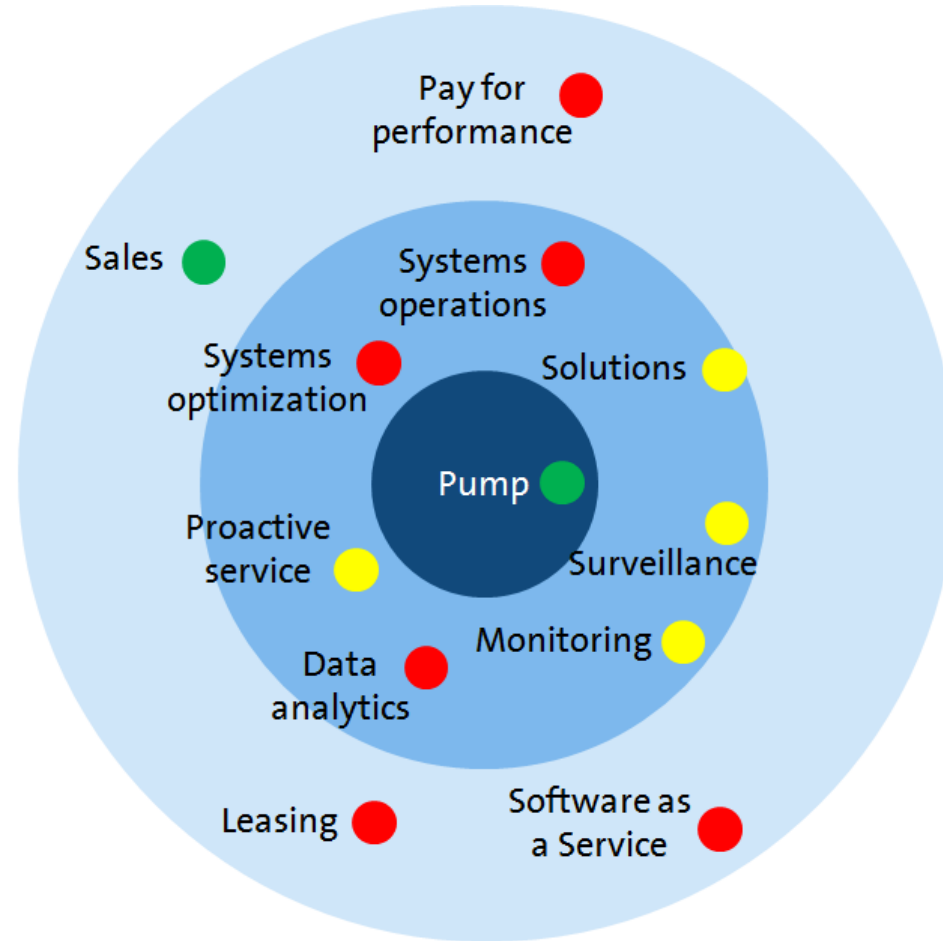
**Olivia Larsson**  
Strategist  
Siemens Wind Power A/S

*“We used to replace pumps pro-actively, we don’t do this anymore because **we monitor the pump condition now**, as a direct result, **we buy a lot less pumps.**”*



*Grundfos has worked with remote monitoring and system performance since **Nokia 6230** was cool*

# We have some digital offerings in the marketplace but they are often immature – or close to non-existing and stand-alone



***“Digitalization is the transformational force in humanity that supports value creation by connecting people, companies, products or literally anyone and everything*”**

Mads Nipper  
CEO & Group President  
Grundfos



TESLA

MODEL S

MODEL X

MODEL 3

CHARGING

ENERGY

UPDATES

SUPPORT

FIND US

SHOP

MY TESLA



**Digitalization redefines business systems  
and models as well as value chains**

**Digitalization is about the way companies interact and connect directly to customers and end-users in more relevant, simple, seamless and effective ways**







**Our future offerings will move way  
beyond what we deliver today...**



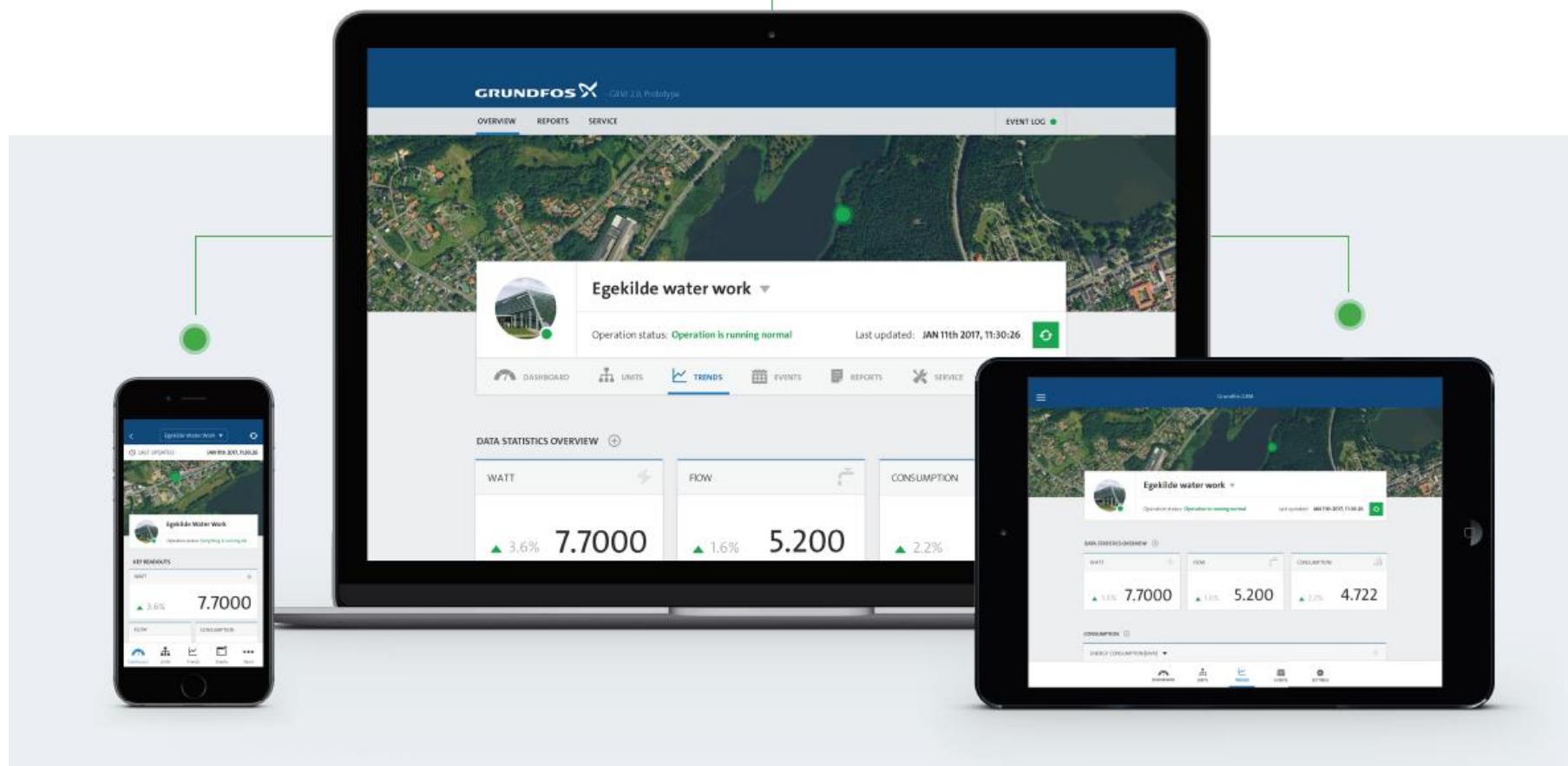
An aerial night photograph of London, featuring the Tower Bridge illuminated over the River Thames. The surrounding city is lit up, with various buildings and structures visible, including the modern, curved City Hall in the foreground. The text is overlaid on a dark blue semi-transparent banner in the lower-left corner.

**Urban water sustainability**  
**25%** of London's water is wasted by leakage  
in their water distribution systems



# OUR DIGITAL PLATFORM

Developed together with users



# KEY SUCCESS FACTORS

Utilize our  
hardware and  
insights

FOUNDATION

Be truly driven  
by end-user  
needs

BRIGDE

Deliver  
integrated  
offerings

FUTURE