

Startups in the economy of the future

Hannover, April 3rd 2019

Dr. Adrian Reisch

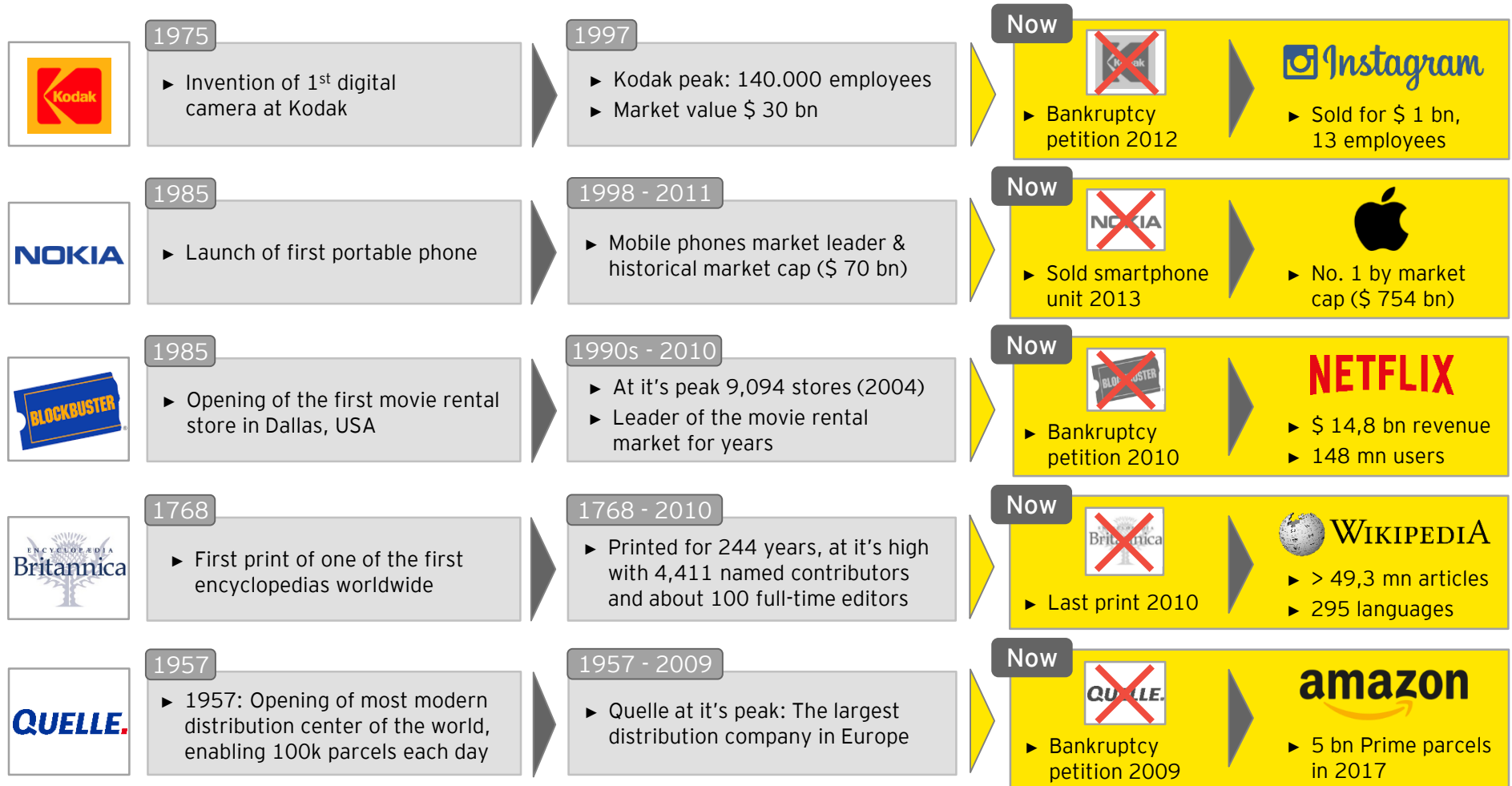
Global top 10 companies: Platforms have become dominant in the market ...

1999	2006	2017
1 Microsoft (1975)	1 Exxon (1863) ²	1 Apple (1976)
2 GE (1892)	2 GE (1892)	2 Alphabet (1997) ⁴
3 Intel (1968)	3 Microsoft (1975)	3 Microsoft (1975)
4 Wal-Mart (1962)	4 Citigroup (1812)	4 Amazon (1994)
5 Cisco (1984)	5 BP (1924)	5 Berkshire Hathaway (1839)
6 Nippon (1952)	6 Bank of America (1923)	6 Facebook (2004)
7 IBM (1911)	7 Shell (1907)	7 Exxon (1863) ²
8 Lucent (1858) ¹	8 Wal-Mart (1962)	8 J&J (1886)
9 Exxon (1863) ²	9 Toyota (1937)	9 JP Morgan (1799) ⁵
10 BP (1924)	10 Gazprom (1943) ³	10 Wells Fargo (1852)

1) as Heller 2) As Standard Oil Company 3) as state-owned company 4) Google established in 1997 5) as Bank of Manhattan

Source: Companies' market capitalization

... and disrupted many formerly well-established businesses: Selected examples of former top players that are no longer in the market



We see a strong platform-driven individualization mainly in B2C business Trust plays a vital role and even has become the new currency

Individualized B2C business - Trust ranking per platform



WHAT YOUR RIDERS SAID

4.67★

DRIVER RATING
Unfortunately, your driver rating last week was **below average**.



marsha_c (7229 ★) 

Positive Feedback (last 12 months): 100%
[How is Feedback Percentage calculated?]
Member since: Jan-04-97 in United States

Recent Feedback Ratings
(last 12 months)

	1 month	6 months	12 months
 Positive	29	154	343
 Neutral	0	0	0
 Negative	0	0	0



Seller Information

TARANE
★★★★★ **100% positive**
over the past 12 months. (3 total ratings)

OPPAPA
★★★★★ **93% positive**
over the past 12 months. (6,219 total ratings)



Seller credit evaluation **show** praise rate: 98.80%

Last week Last month **The last six months**
Six months ago

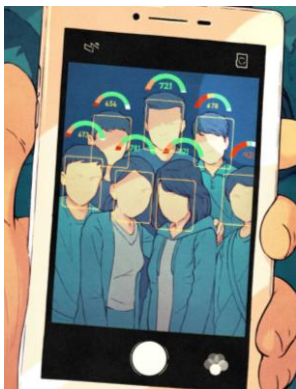
	Praise	Average	Bad rev
	18064	130	116



139 Reviews ★★★★★

Accuracy ★★★★★
Communication ★★★★★
Cleanliness ★★★★★
Location ★★★★★
Check In ★★★★★

Trust ranking across platforms - Chinas Social Crediting System



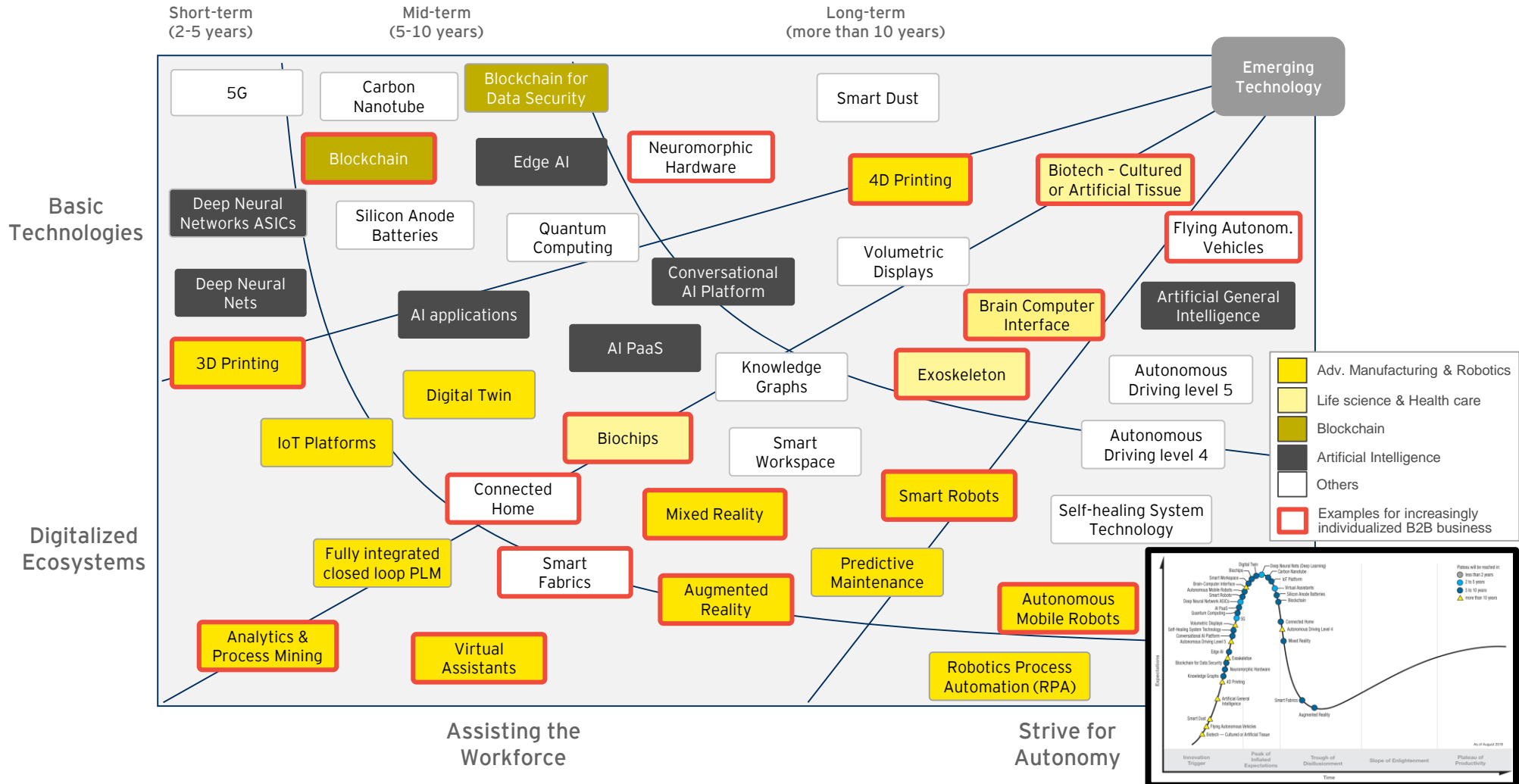
- ▶ National reputation system developed by the Chinese government
- ▶ Intending to **standardize the assessment** of citizens' and businesses' economic and social reputation, or 'Social Credit'
- ▶ **China is a pioneer** in aggregating various platform data into **one public system**
- ▶ It provides a solid fundament for **any kind of B2B / B2C business enabled by trust**

Big data meets Big Brother as China moves to rate its citizens

Social Credit System being tested in China; could the U.S. be next?

China wants to give all of its citizens a score – and their rating could affect every area of their lives

We foresee such an individualization of the business also in B2B markets driven by emerging technologies



Source: adapted from Gartner, 2018

Four exemplary emerging technologies which enable increasingly individualized B2B business



3D/ 4D Printing

- ▶ Additive manufacturing of dedicated components, disrupting and diversifying the value chain by new specialized and flexible **individual** suppliers that offer “printing in the garage”



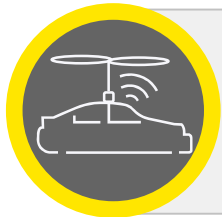
Virtual Assistants

- ▶ Providing virtual assistants out-of-the box/ assistants as a service; standard, pre-configured and sector specific applications built by **individualized** entities



Smart Robots

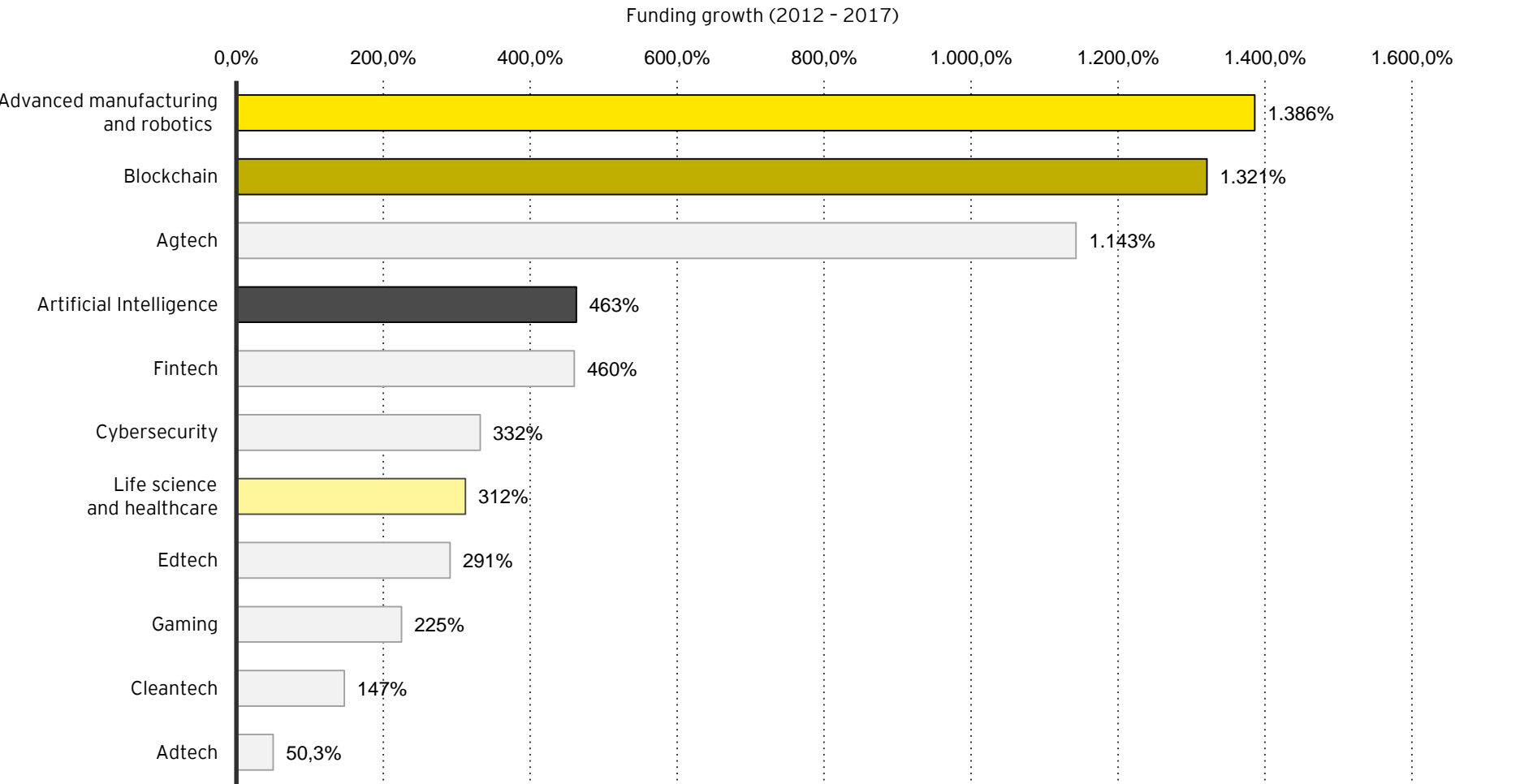
- ▶ Trend to pay-per-use and loan models: enabling **individual** market participants to lend their specialized robots according to customers' current demand and workload



Flying Autonomous Vehicles

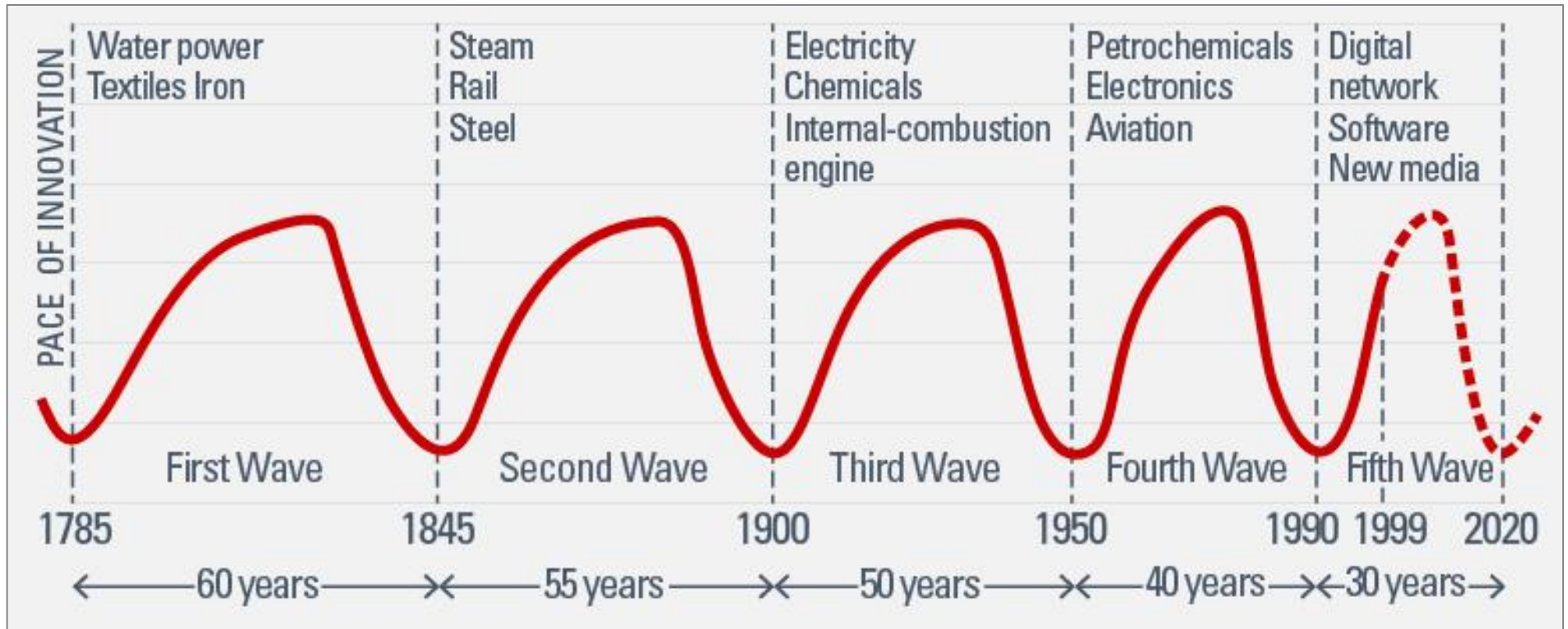
- ▶ Flexible on-demand logistics enabled by **individual** owners providing their vehicles when they are not needed for passenger transport, reducing disuse times and creating new source of income

There is a high funding growth for startups playing in relevant fields of emerging technologies – especially advanced manufacturing and robotics



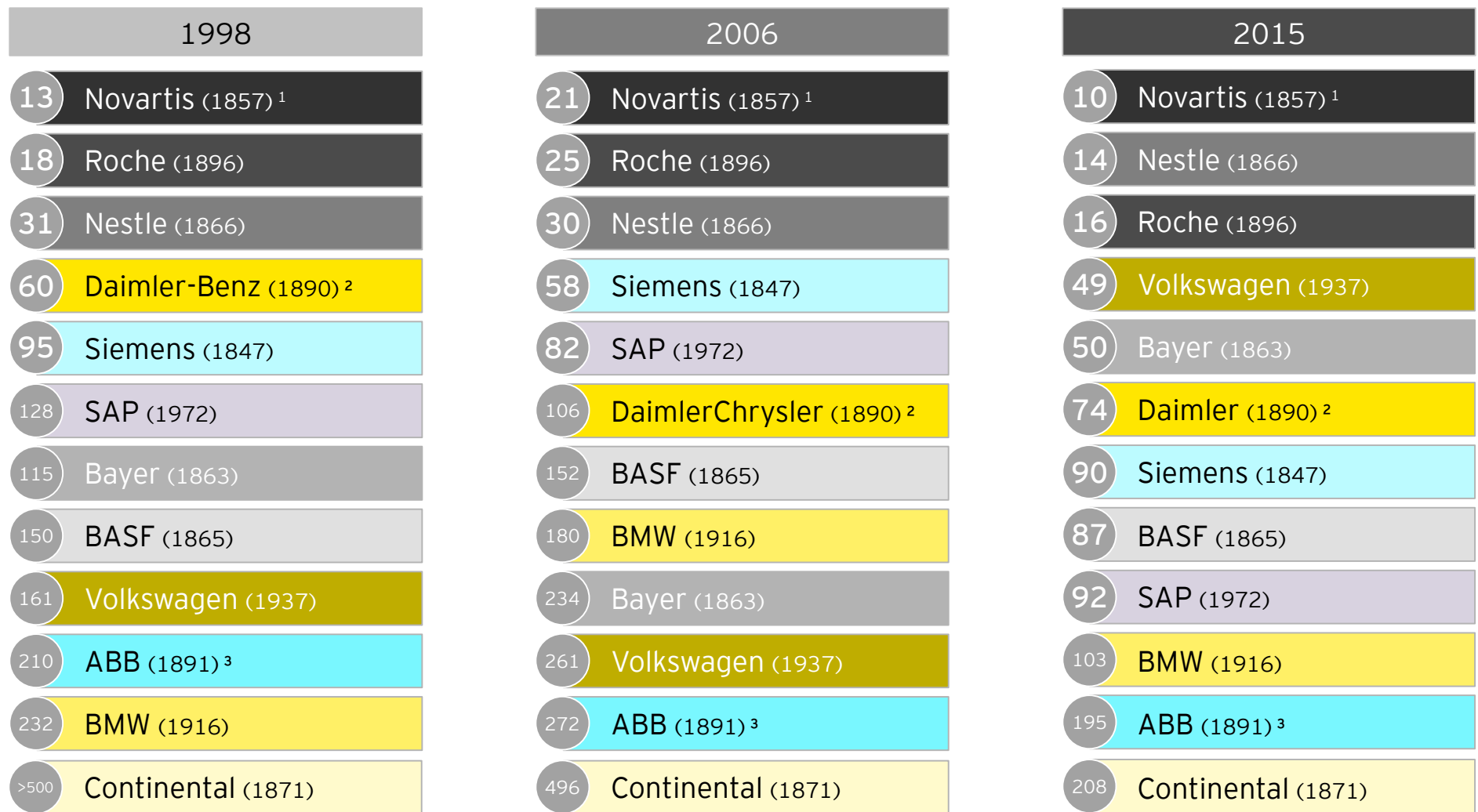
Source: Statista, 2018

Innovation cycles continuously accelerate - a must for successful companies to create and bring new innovations to the market fast



Source: Kondratjew innovation wave theory, Schumpeter/ Kondratjew , Figure: Weiss Research, Inc., 2019

Leading industrial companies from GSA (DACH) region display permanently stable business over decades as a guarantee for trust



1) as Ciba, 2) as Daimler-Motoren-Gesellschaft, 3) as BBC
Source: Companies' market capitalization

Co-Creation between corporates and startups is an excellent way to combine decades of trust with high innovation speed

SIEMENS



FREEWIRE



Make electric vehicles more attractive: charging comes to the vehicle, not vice versa

DAIMLER



One-stop mobility: Create a **comprehensive mobility concept and platform** by enhancing traditional business with new mobility services



PORSCHE

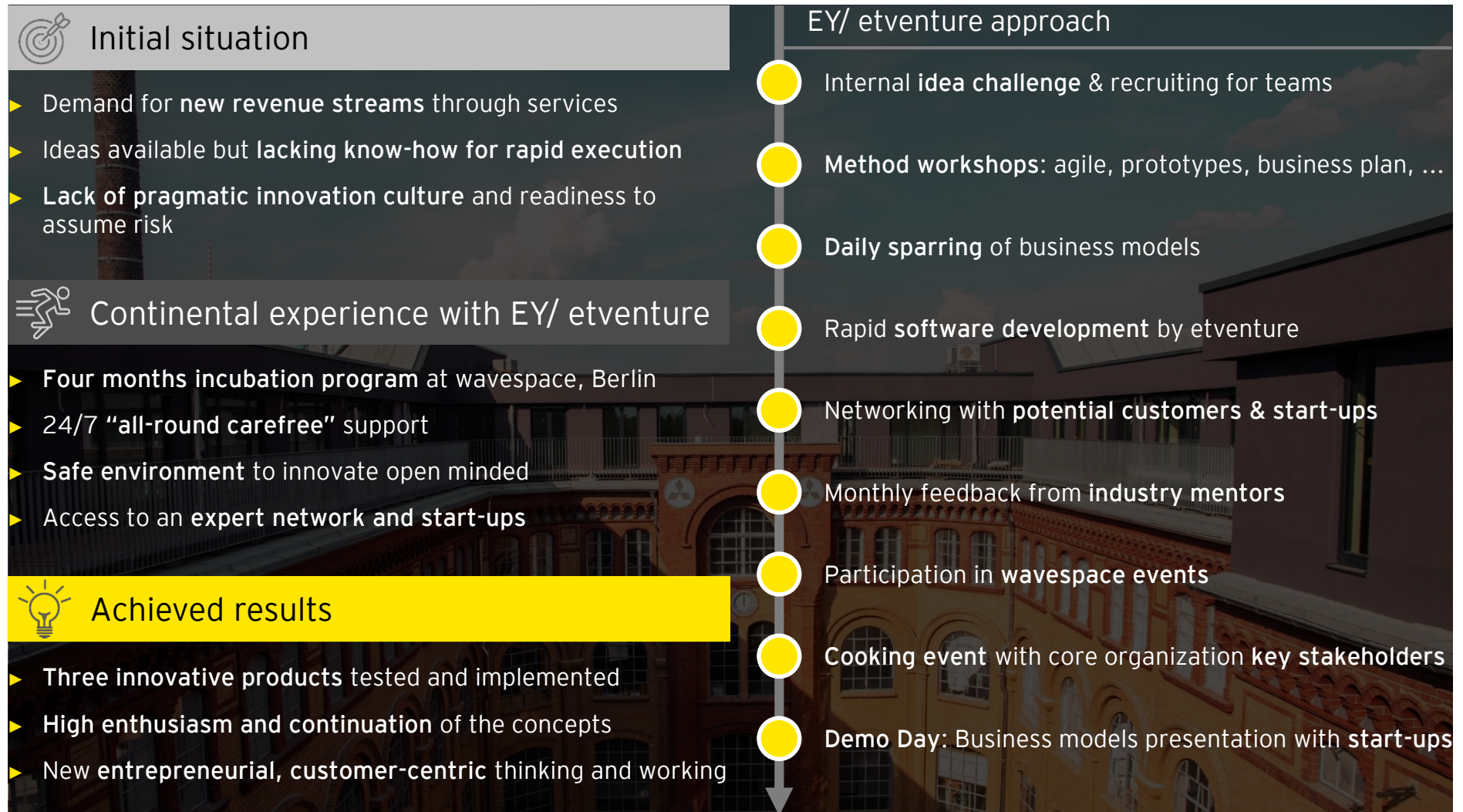


**HIGH
MOBILITY**



Enter the era of **smart connected products** and establish services around the connected car with an open innovation platform

Recent EY/ etventure co-creation example: Incubation program for “Co-pace” - the start-up entity of Continental



The new EY/ etventure wavespace digital lab in Berlin X-berg: Co-Creation delivered by four enablers that empower your innovation journey



1,500 sqm. digital lab co-creation
center in Berlin X-berg



People

- ▶ A pool of experts in innovation and execution to help organize, facilitate or fully deliver.

Technologies

- ▶ Technical facilities to be inspired, rapidly prototype and visualize.

Space

- ▶ wavespace Berlin (Kreuzberg + Mitte)
- ▶ CFO Space Frankfurt a. M./ Eschborn
- ▶ Mobile kits to use in any location

Ecosystem

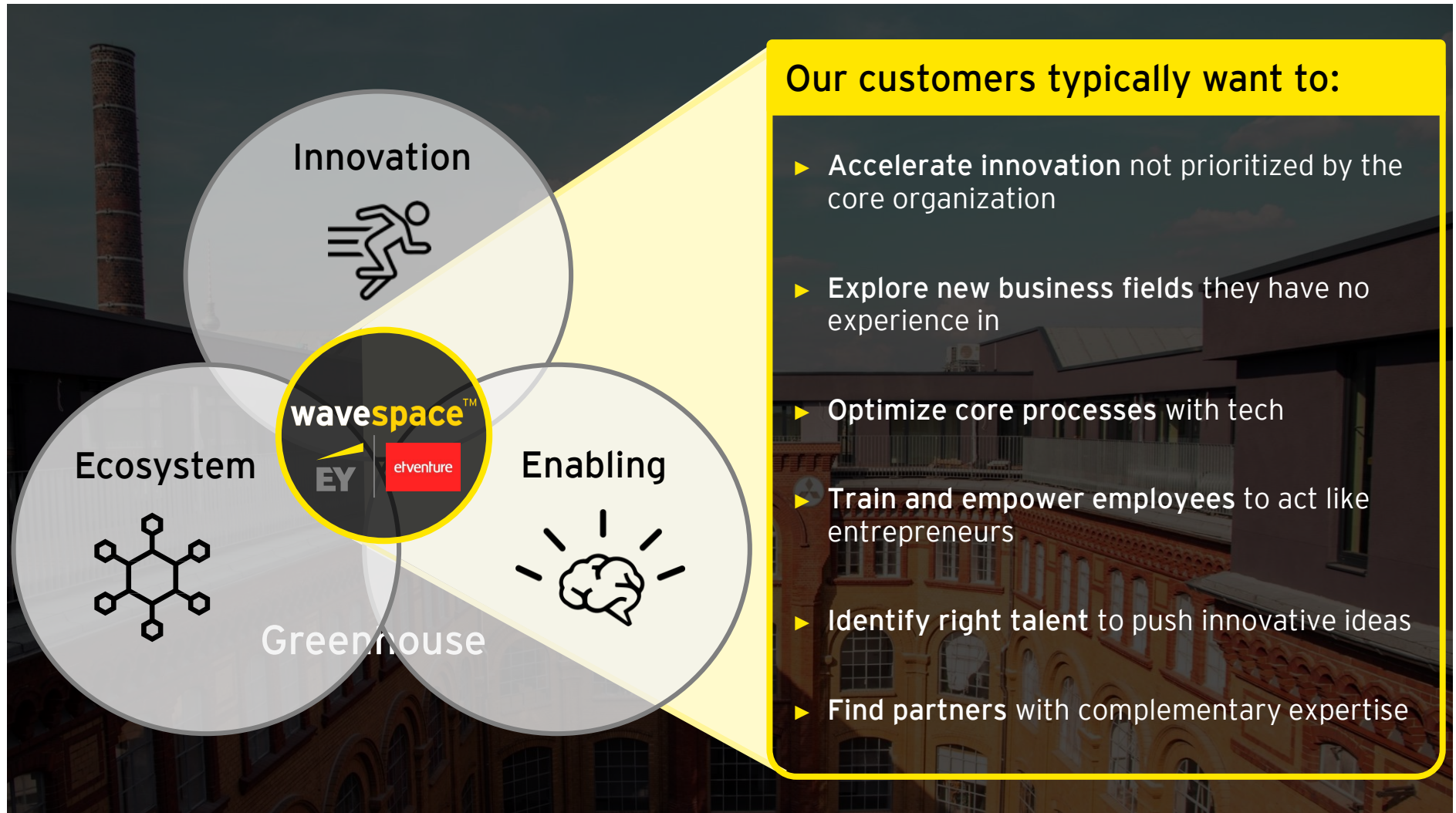
- ▶ A network of startups & alliance partners to collaborate and co-create with
- ▶ Access to the global innovative EY ecosystem

wavespaceTM
Take your innovation
to the next level

Benefit from our highly diversified ecosystem bringing together the best of both worlds: dynamic start-ups and established corporates



We address today's major challenges of our clients to stay competitive in the economy of the future



wavespace

**MEGA
TALK**

B2B Platform Economics – The winner takes it all

etventure MegaTalk is our inspiring monthly event that connects corporates, startups, and industry and technology experts who discuss the most trending topics.

This month, we will talk about the future of platform business models and the impact of other transformative industry technologies in the B2B sector. Together, we will answer questions on what the triumphal march of platform companies means for your business, how platform business models in B2B work and how implementation of platform competences can be made.

Register here: <https://bit.ly/2SMnBUj>

**April 9th, 2019
6:30 PM**

**wavespace Berlin
Ritterstraße 26
Entry B, 5th floor
10969 Berlin**

**Two Partners.
One pole position.**



Your contact



Dr. Adrian Reisch

Partner, Global Leader PLM

Tel.: +49 (0) 30 25471 19884

Mobile: +49 (0) 172 62 94 264

E-Mail: adrian.reisch@de.ey.com