

# BUSINESS TRANSFORMATION TRENDS

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## INVESTMENT TRENDS

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Investment trends

## Background

- engineering + economics
- early 'tech' experience - new competition out of the blue
- extensive exposure to old school business models in banking
- finally ... venture capital
- venture capital is all about helping people develop the right products for the right markets and execute execute execute
- to obtain (financial) success, many business model shifts are necessary that require important organizational change
- this requires the right funding

Investment trends

# Changing business models

Examples of some trends worldwide.

- car industry is moving to offering mobility
  - taxi is 'uber-izing' – better business model and logistics
  - shift to EV electrical vehicles
  - shift to self-steering vehicles
- environmental technology
  - energy and energy storage
  - help to produce less waste
  - methods to dispose of waste

Investment trends

# Changing business models

Examples of some trends worldwide.

- logistics industry with side effects on environment and mobility
- financial industry
  - back to the core of banking
  - new communication channels
  - security !!!
  - spin-out of non-core, mostly backoffice/logistics
  - global platforms for these spin-outs (e.g. Euroclear)

# Investment trends      **Technology impact on these changes**

Examples of some trends worldwide.

- car industry is moving to offering mobility
  - uber : better algorithms, 'big data' and artificial intelligence
  - EV : new disruptive players (Tesla) use other technology
  - self steering : infrastructure – software – public use of vehicles
- environmental technology
  - energy and energy storage : seawaves, battery technology
  - help to produce less waste : apps/logistics, product design
  - methods to dispose of waste : turn into energy

Investment trends

# Changing business models

Examples of some trends worldwide.

- logistics industry with side effects on environment and mobility  
algorithms based on 'big data' and artificial intelligence will lead to great increase of efficiency and better mobility
- financial industry
  - back to the core of banking : proprietary algorithms
  - comms channels : user comfort as a competitive weapon
  - security !!! : blockchain and others will spread
  - spin-out of non-core, mostly backoffice/logistics
  - global platforms for these spin-outs (e.g. Euroclear)

Investment trends

## ... Now about investment and funding

The changing business models, supported by technology, will need a new approach to funding.

- big amounts of money to realize disruptive changes (cfr. Tesla)
  - stock exchange will become even more important
- start-ups will contribute in 'biotopes' to the Tesla's of this world
  - early stage investment will stay very important
    - need for more stable micro funding platforms
    - business angels need to be stimulated
  - example of Medtronics in Maastricht – corporate venturing
- fund investors will invest more in change of business models, because it 'mines' a lot of value, in a similar way as technology

Investment trends      **All funding and investment ends with EXIT**

Investors will stay longer on board to develop more value

- more and larger IPO's
- more consolidation
- more sustainable at exit

New exit models will allow company to grow and investor to reinvest  
example : Galapagos

Money from exits will flow back in the investment market in the form of BA investments, but mainly by building investment funds.