WEBINAR

New business models for datadriven services



1 March 2024

10.00 — 11.00 CET

Rules of the game



The webinar will be recorded



For questions, please use the ClickMeeting chat.



Please reserve 3 min after the webinar to help us improve by filling in our feedback form



Introduction



Flora Kopelou data.europa.eu Publications Office of the EU



Anna Pizzamiglio
Research Associate and
Project Manager at The
Lisbon Council



Enrico Ferro
Head of Strategic Advisory @
LINKS Founda



Agenda

10.00 – 10.05	Opening and introduction – Flora Kopelou
10.05 – 10.20	Business models for data-driven services and the role of open data – <i>Anna Pizzamiglio</i>
10.20 - 10.35	Open data business models – Enrico Ferro
10.35 – 10.55	Q&A session – Anna Pizzamiglio
10.55 – 11.00	Closing remarks – Flora Kopelou



New business models for data-driven services and the role of open data

Anna Pizzamiglio

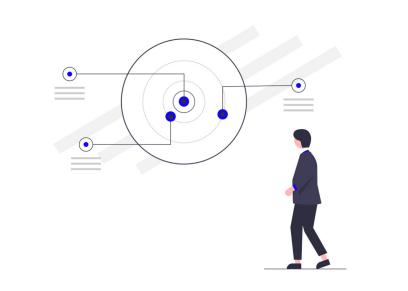
Friday, 01 March 2024 10h00 - 11h00 CET





Goals

- Provide an introduction to business models for datadriven public services.
- Highlight the key role of open data in creating public value.
- Highlight the importance of a business-driven approach to open data utilisation.
- Explore different business models and opportunities for services based on public data resources.
- Obtain input on how data.europa.eu can support the development of a sustainable open data ecosystem.

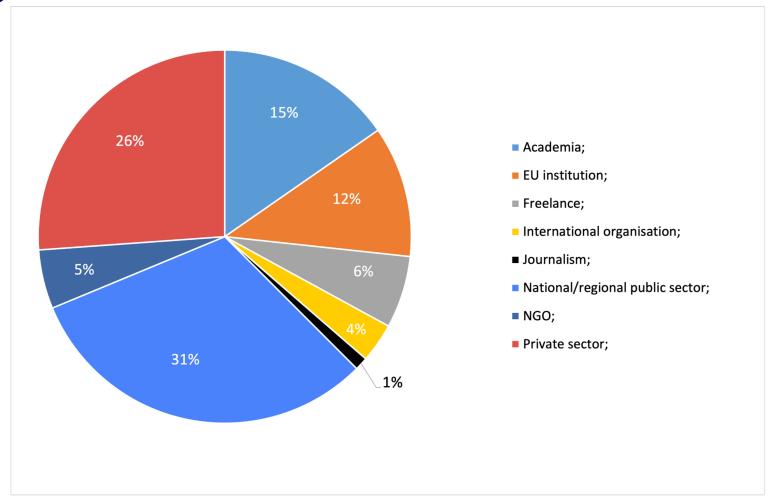


Introduction to business models for data-driven services based on open data



https://data.europa.eu/sites/default/files/report/New%20Business%20Models%20for%20Data-Driven%20Services en%20.pdf

About you

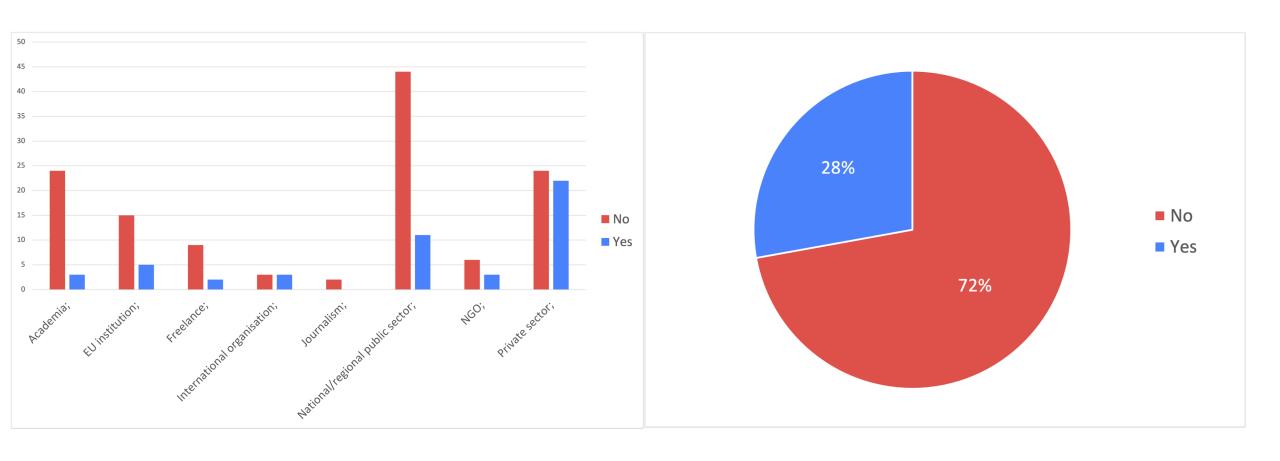


The importance of open data

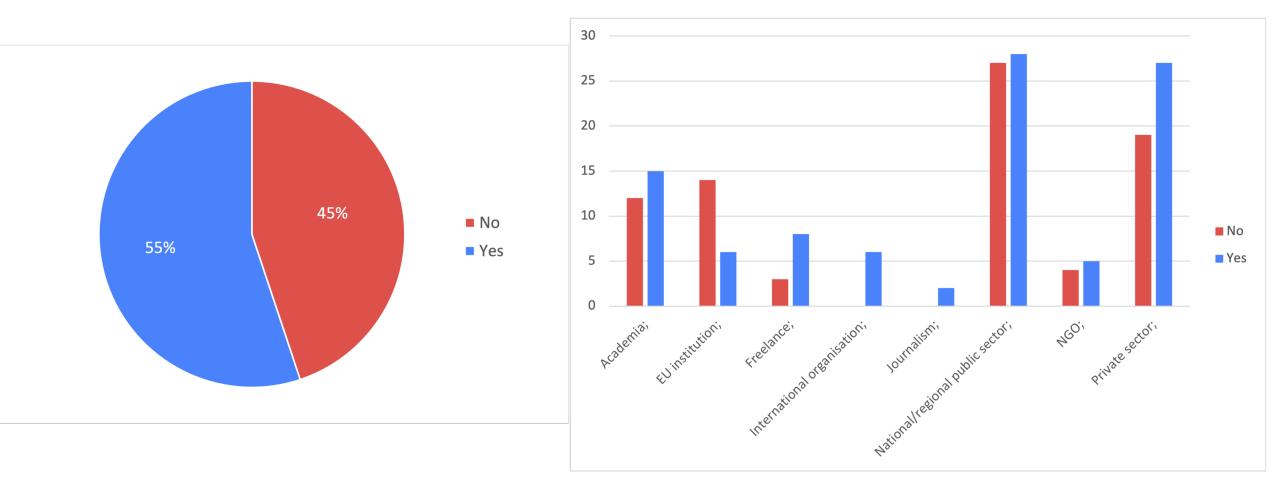
- Open data presents a remarkable opportunity for corporations, SMEs, and startups.
 - Enhances transparency
 - Fuels innovation
 - Stimulates economic growth
 - Empowers citizens
 - Enhances efficiency and effectiveness of public services
 - Encourages data sharing and collaboration



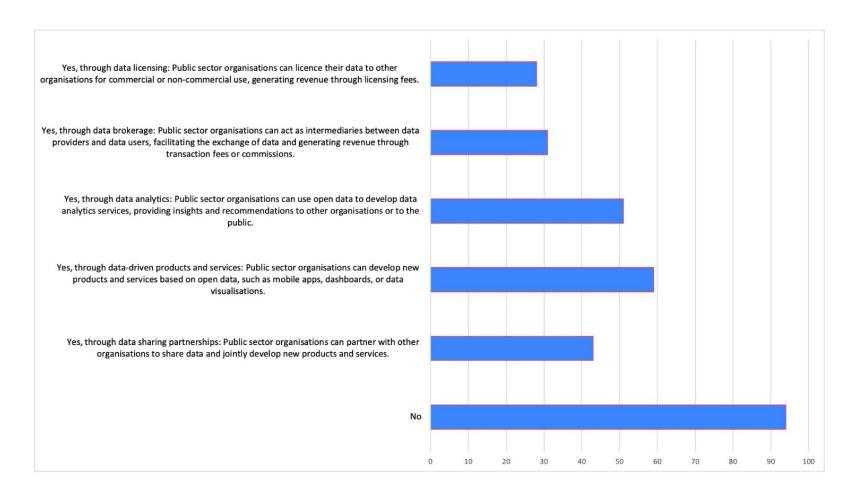
Has your organisation ever employed any business models that has effectively integrated open data into their value proposition?



Had you given thought to business models for data-driven services prior to this webinar?



Has your organisation undertaken activities to assess possible business models for data-driven services?



Open data business models

Enrico Ferro Ph.D.

Head of Strategic Advisory @ LINKS Foundation

in in/enricoferro Overtheblock.io





Framing the Open Data Challenge

- Data has risen to the top of national and global policy agendas.
- It has the potential to create significant value for society and the economy
- Yet, the reuse of open data in Europe is still in its infancy
- It is key to identify relevant lessons learnt and principles for private and public actors



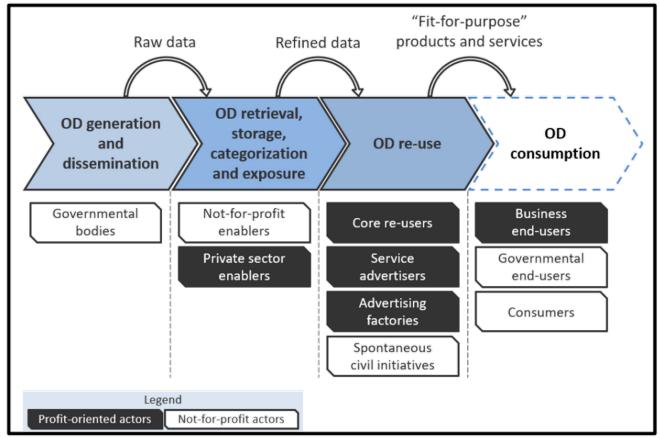
Sizing the Opportunity

- Economic impact of EU Open Data estimated between 200 and 300+ billion¹
- Heterogeneous commercial interest in different data sets (geographical, weather, economic and mobility)²
- Value may be unlocked across a number of domains³



Sources: ¹Capgemini Invent (2020), ²Capgemini. (2015), ³McKinsey & Company (2013)

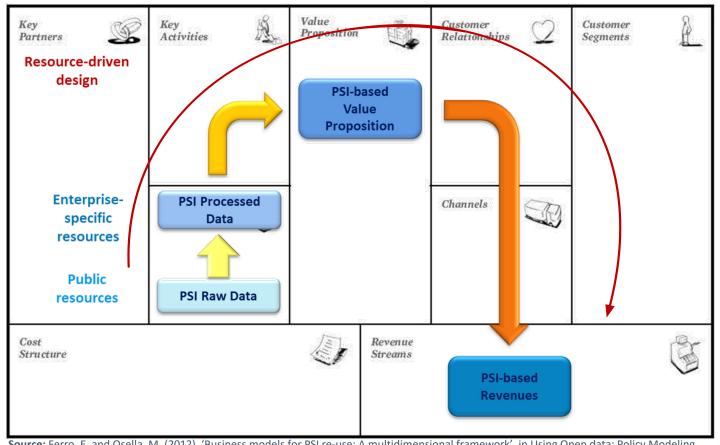
Open Data Value Chain





Source: Charalabidis, Y., Zuiderwijk, A., Alexopoulos, C., Janssen, M., Lampoltshammer and T., Ferro, E. (2018), The World of Open Data: Concepts, Methods, Tools and Experiences, Public Administration and Information Technology, Vol. 28, Springer International Publishing.

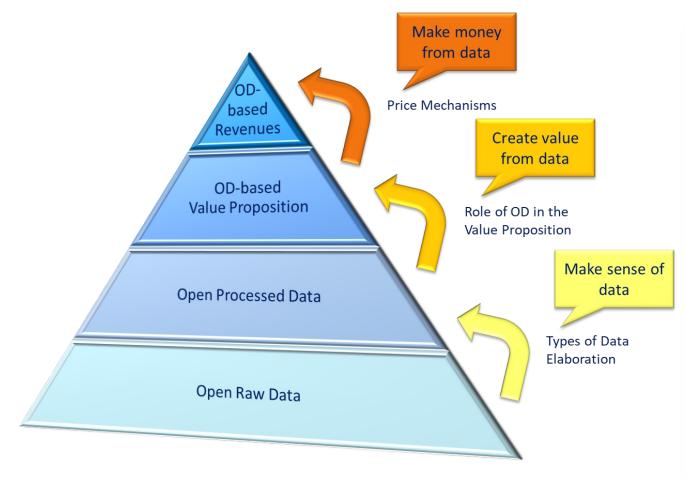
Understanding Open Data Business Models





Source: Ferro, E. and Osella, M. (2012), 'Business models for PSI re-use: A multidimensional framework', in Using Open data: Policy Modeling, Citizen Empowerment, Data Journalism Workshop, European Commission, Brussels.

Key Strategic Design Choices





Source: Ferro, E. and Osella, M. (2012), 'Business models for PSI re-use: A multidimensional framework', in Using Open data: Policy Modeling, Citizen Empowerment, Data Journalism Workshop, European Commission, Brussels.

The Open Data Business Model Options

Types of Data Elaboration		
	Data aggregation	
	Data structuring and classification	
	Data geo-referencing	
	Data validation	
	Data mash-up	
	Visual analytics	

Role of PSI in the Value Proposition Final good itself Key ingredient of a product Key ingredient of a service Marginal ingredient of a product Marginal ingredient of a service



Source: Ferro, E. and Osella, M. (2012), 'Business models for PSI re-use: A multidimensional framework', in Using Open data: Policy Modeling, Citizen Empowerment, Data Journalism Workshop, European Commission, Brussels.



Five Business Model Categories

- Freemium: Dual-licensing, charging for changes, open source, free as branded advertising.
- **Premium:** Sponsorship, support and services, demand-oriented platform, supply-oriented platform, white-label development.
- **Cost-saving**: Increasing quality through participation and cost avoidance.
- Indirect benefit: Support primary business.
- Razor & blade: Infrastructural razors and blades.



Source: Zeleti, F. A., Ojo, A. and Curry, E. (June 2014), 'Emerging business models for the open data industry: Characterization and analysis', Proceedings of the 15th Annual International Conference on Digital Government Research, pp. 215–226

Sources of Competitive Advantage

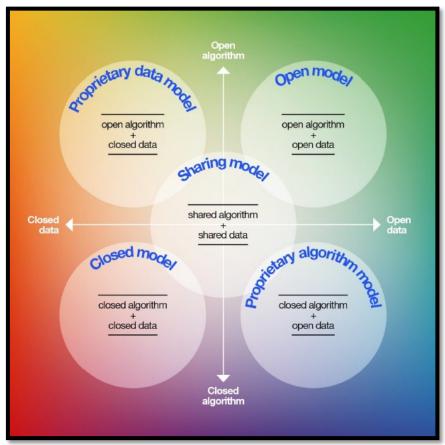
Financial resources AND High **Extent of price barriers** Financial resources technical expertise in the IT sector **Functional** algorithms Technical expertise AND / OR Low in the IT sector specific domain expertise High Low





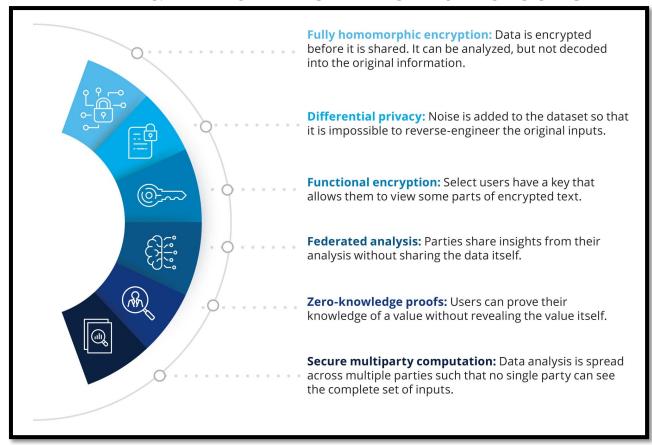
Open Data and Emerging Technologies

AI BUSINESS MODEL MATRIX



Open Data Institute (2018), 'The Role of Data in Al Business'

DLT & PRIVACY PRESERVING TECHNOLOGIES



Deloitte (2022), 'Data Sharing Made Easy'

The Need for a Paradigm Shift

- From legal obligation to operational necessity
- From outward orientation to inward orientation
- From cost to opportunity
- From clerical function to strategic function
- From requiring a leap of faith to generating evidence-based impact



Conclusions

- Open data is a significant force for good
- A collaborative effort is required to harness its potential
- A widespread understanding of value-creation mechanisms represents a key ingredient
- Emerging technologies may lead to larger, smarter and more secure data economies
- A new operational approach based on an "open-by-design" principle could be explored



Questions & Answers

Anna Pizzamiglio



Enrico Ferro







Please provide your feedback!







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