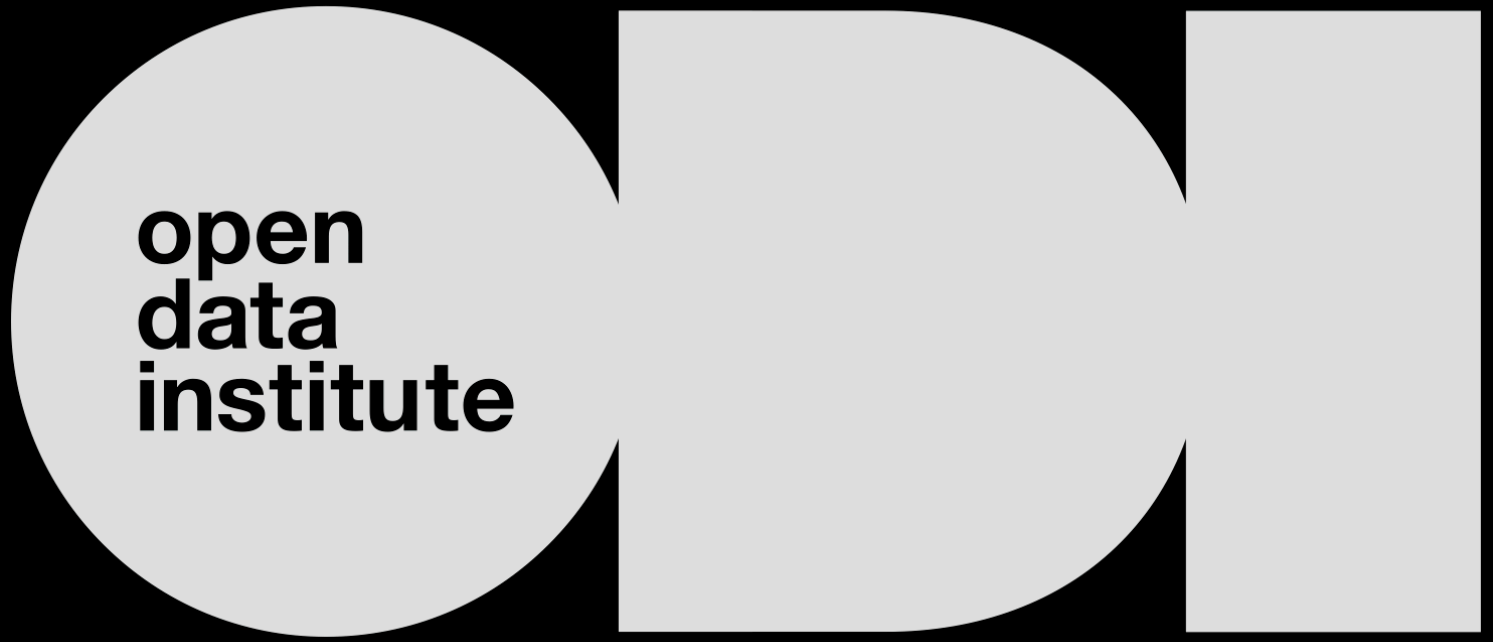
open
data
institute

flickr:opensourceway/4427310974

Open Data & Business

UNIVERSITY OF Southampton
ODI

Today

A bit of disruptive history

Trends affecting data and business

What role can open data play in business?

Recognising (open data) opportunities

Time with ODI start-ups –

Maker day briefing

Slides by Kathryn Corrick based on work by Tom Wainwright

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Brief history lesson

Slides by Kathryn Corrick based on work by Tom Wainwright

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In reverse

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Home Finance Tables and Charts paidContent 50

cooking magazines / magazines / meredith

Popular cooking site Allrecipes.com is getting a print magazine this fall

by Laura Hazard Owen JUL. 15, 2013 - 9:16 AM EDT

2 Comments +1

A▾ A▴

SUMMARY: *The 16-year-old cooking website Allrecipes.com, which was acquired by Meredith last year, is getting a bimonthly print magazine this fall.*

tweet this

http://paidcontent.org/2013/07/15/popular-cooking-site-allrecipes-com-is-getting-a-print-magazine-this-fall/

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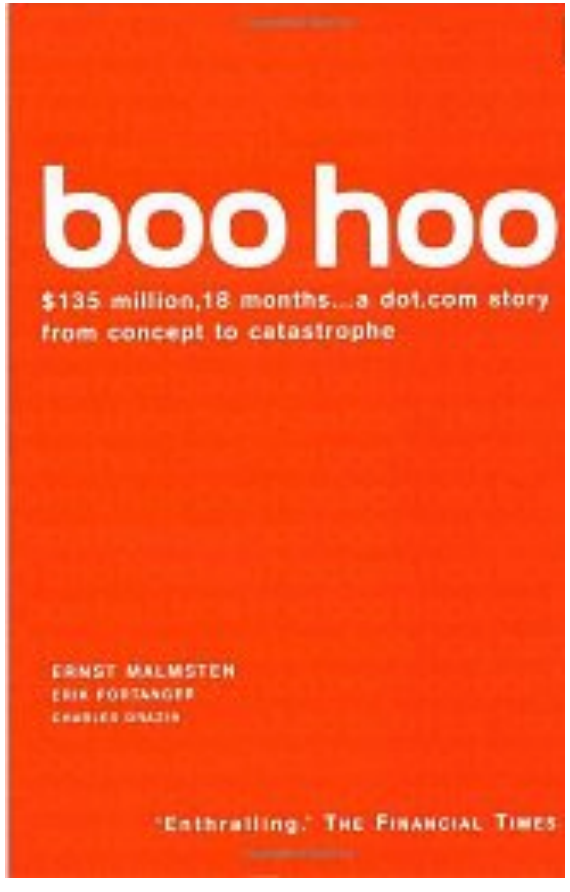
Exercise

In your teams identify the age, business model and which industries they threaten(ed) of the following:

- Google
- Spotify
- Amazon
- Skype

Before we get too excited...



http://www.amazon.com/books/dp/0099418371

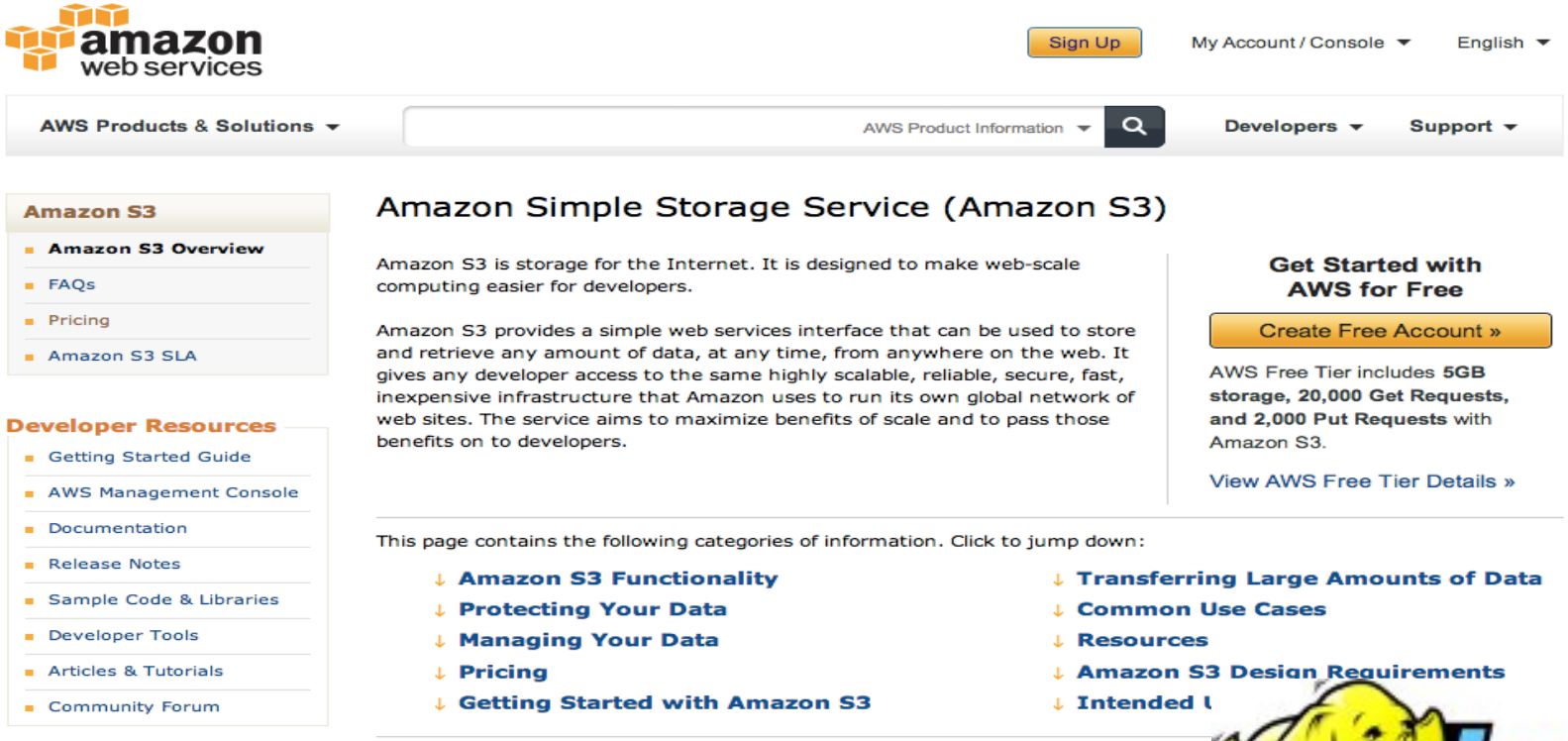
Data, data everywhere

Historical movement

From a web of content to a ‘web of data’

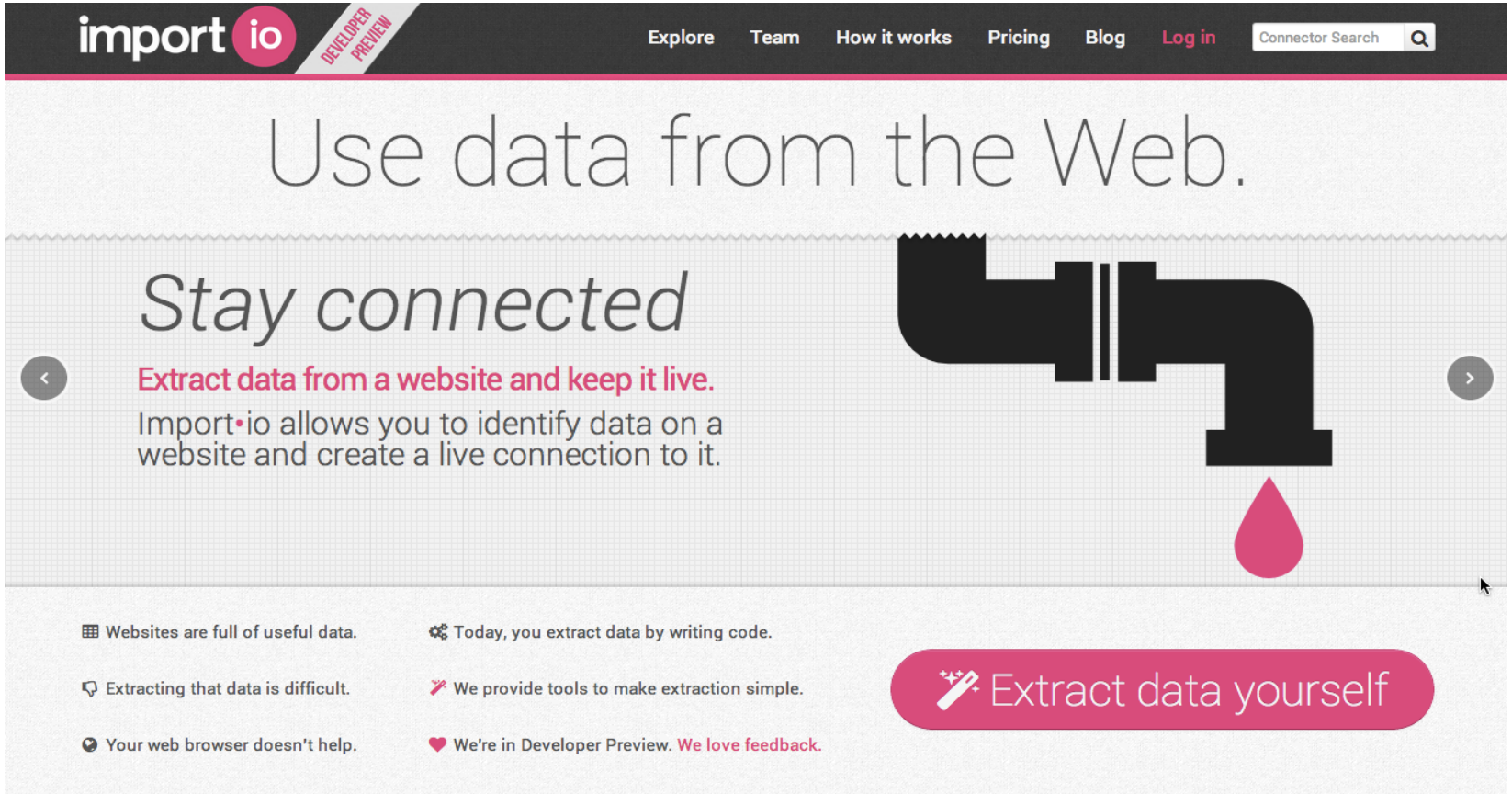
Commoditisation of data

The cost of working with data has lowered and is continuing to fall



http://aws.amazon.com/s3/

Tools are getting easier to use – without the need for coding skills



http://import.io/

Note:

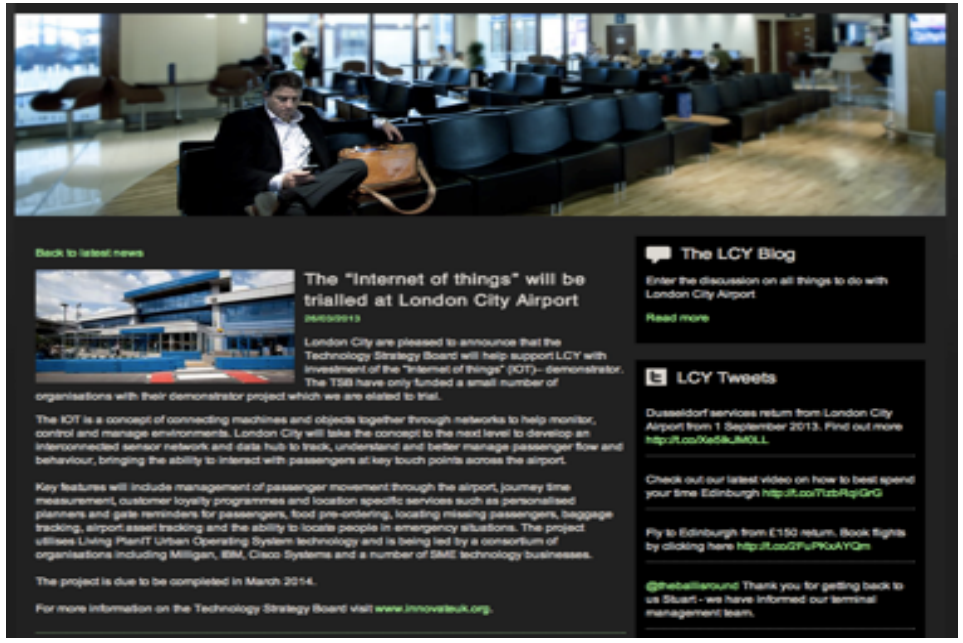
Increasing use of cloud based and browser based software tools for data manipulation and visualisation. Requires modern browsers to utilise.

Access to the web increasing - per capita and in ease of use

- Ability to get information and data quickly and easily
- Increasing use of mobile devices to access the web
- Responsive design enabling better user experience on mobile devices
- New devices – cheaper and smarter

http://www.google.com/glass/start/how-it-feels/

Pervasive data collection



Sensors and Internet of Things
Mobile technologies
Shopping and behaviour monitoring

http://www.londoncityairport.com/News/ReadArticle/93/ http://www.villevivante.ch/#animation

Quantifying of personal data

TRACK YOUR DAY

The Nike+ FuelBand uses a sports-tested accelerometer to measure your movement in NikeFuel, a universal metric of activity.

SET A GOAL

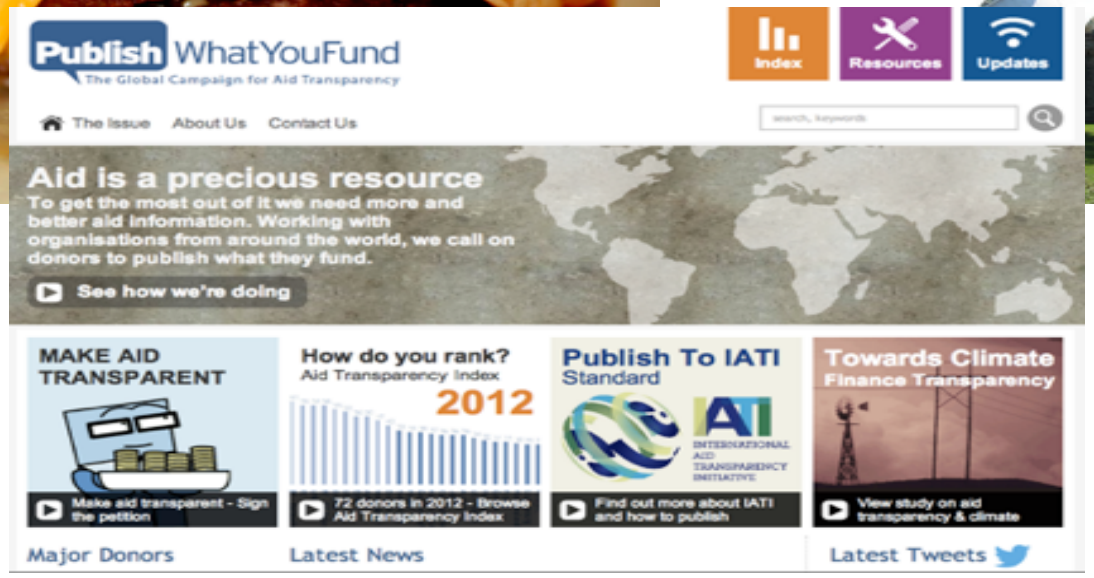
Decide how active you want to be by setting a daily NikeFuel goal. Then, get moving and see your progress along the way.

CONNECT AND GO

Sync with the Nike+ FuelBand app and see your activity history, stay motivated, and connect with your friends.

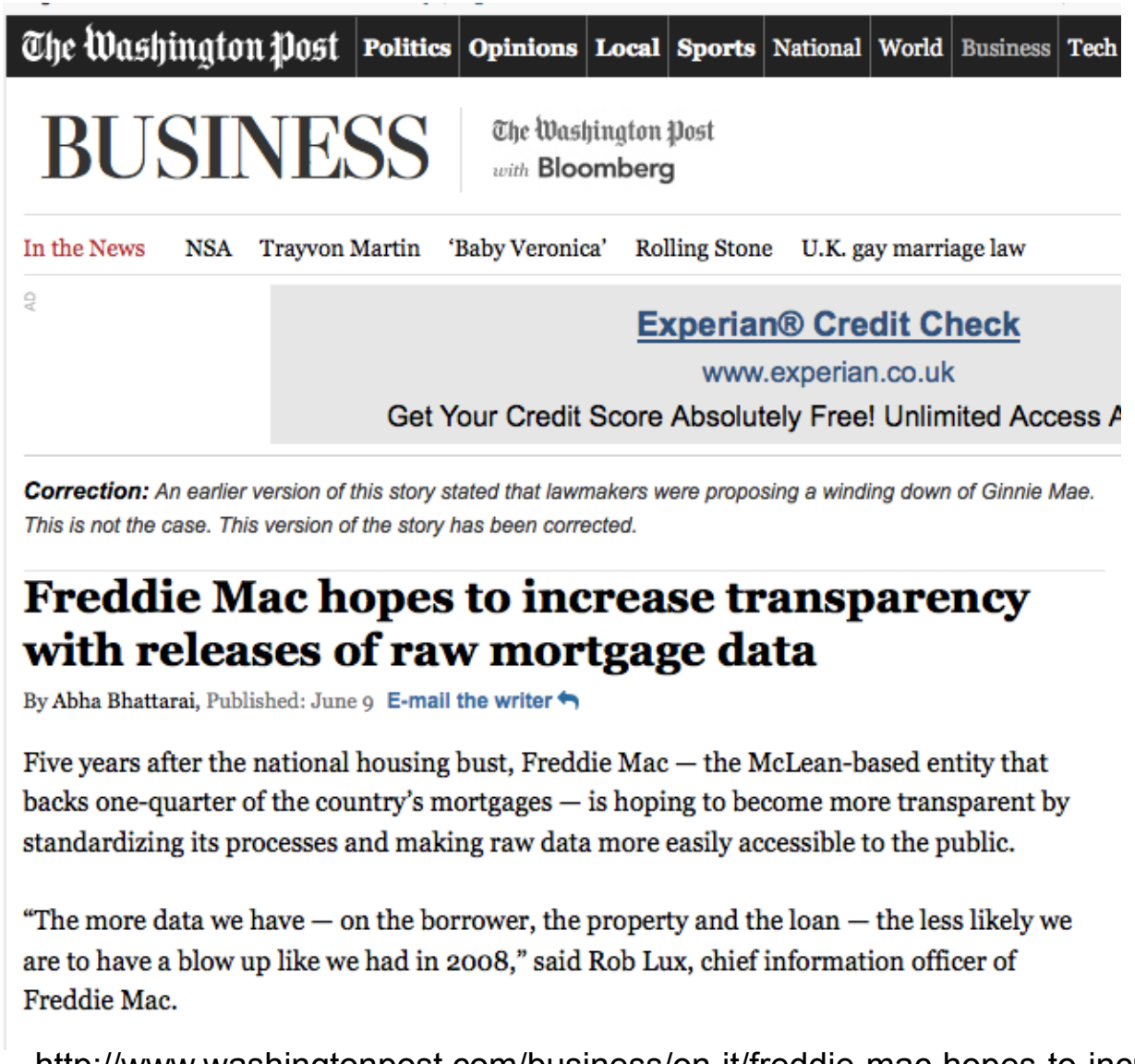
http://www.nike.com/us/en_us/c/nikeplus-fuelband

Demands for greater transparency



http://www.flickr.com/photos/kcorrick/7609944890/ http://www.flickr.com/photos/brostad/5841297115

Slides by Tom Wainwright



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BUSINESS

The Washington Post with Bloomberg

In the News NSA Trayvon Martin 'Baby Veronica' Rolling Stone U.K. gay marriage law

Correction: *An earlier version of this story stated that lawmakers were proposing a winding down of Ginnie Mae. This is not the case. This version of the story has been corrected.*

Freddie Mac hopes to increase transparency with releases of raw mortgage data

By Abha Bhattarai, Published: June 9 E-mail the writer

Five years after the national housing bust, Freddie Mac — the McLean-based entity that backs one-quarter of the country's mortgages — is hoping to become more transparent by standardizing its processes and making raw data more easily accessible to the public.

"The more data we have — on the borrower, the property and the loan — the less likely we are to have a blow up like we had in 2008," said Rob Lux, chief information officer of Freddie Mac.

http://www.washingtonpost.com/business/on-it/freddie-mac-hopes-to-increase-transparency-with-releases-of-raw-mortgage-data/2013/06/09/f02c66ce-cd60-11e2-8f6b-67f40e176f03_story.html

Discussion: impact?

In your teams discuss the potential impact for each of these trends for businesses?

- Access to the web
- Commoditisation of data
- Pervasive data collection
- Quantifying of personal data
- Demand for greater transparency

Slides by Kathryn Corrick based on work by Tom Wainwright

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What role does data play in business?

Revenue streams

Asset sales

Usage fee

Freemium

Licensing

Subscription fees

Consultancy services

Direct advertisements

Donations (social enterprises)

Slides by Tom Wainwright

The Business Model Canvas

Designed for:

Designed by:

Date:

Iteration:

Key Partners

Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

Key Activities

What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

Key Resources

What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

Value Propositions

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

Customer Relationships

What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

Channels

Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

Customer Segments

For whom are we creating value?
Who are our most important customers?

Cost Structure

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

Revenue Streams

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

www.businessmodelgeneration.com

Exercise

In your teams pick one of the following (or a separate) businesses and reassess their business model using the business model canvas:

- Google
- Spotify
- Amazon
- Skype

Value proposition

Open data is **free** - value no-longer comes from data itself, but products and services – **added value** developed for the market

How do **YOU** add value?

Newness
Performance
Customization
“Getting the job done”
Design

Price
Client cost reduction
Risk reduction
Accessibility
Brand

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Story time

Discussion

How do you use the internet in your line of work?

(Resilient) Open business models

Low barriers to entry and **NO** barriers to access – need to develop a **unique** and **inimitable** model

How do **YOU** protect your business and product?

IP rights

Complex processes

Human expertise

Bundled services

Continual innovation

Branding

Niche sectors

Client support

Exercise: opportunities analysis

Further reading

http://www.theodi.org/guide/how-make-business-case-open-data

Start ups panel

Appendix

Benefits

Recycle: Much government, industry and NGO data remains abundant, yet **redundant** – social costs

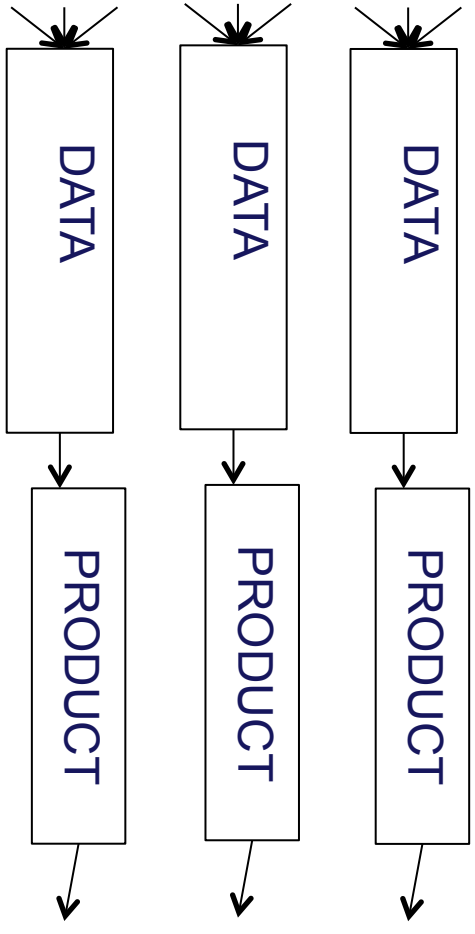
Economy: Expensive to collect data – collection, processing

Innovation: Open data can be used to create new products and services and **value** – monetary, **efficiency,** transparency

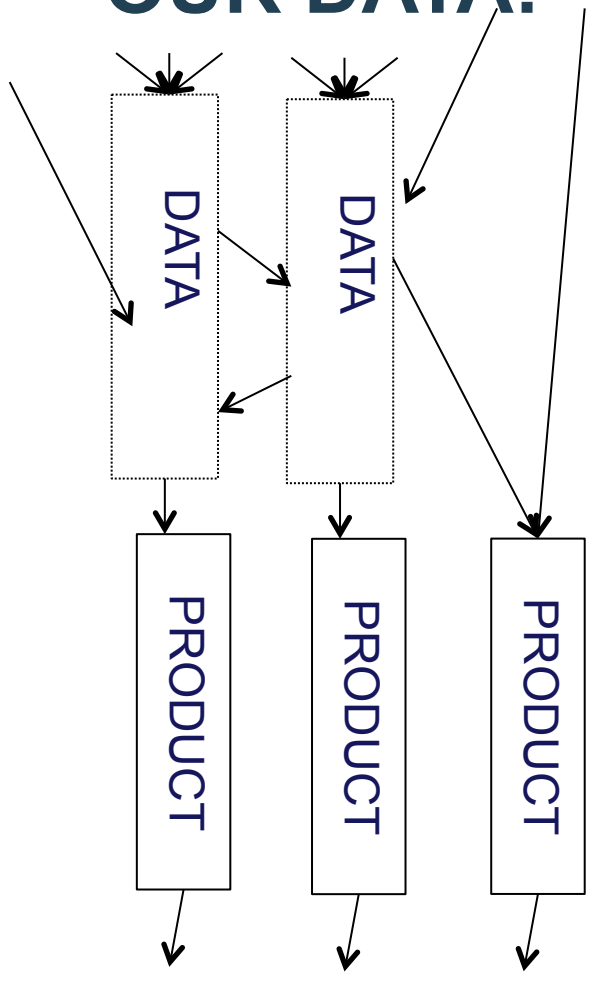
Outside innovation: Others can add value to your data

Efficiency: Data accuracy can be **checked** and **scrutinised**

MY DATA!



OUR DATA!



Shift in value chain:

Data as value - > value **from** data

CLOSED BOXES TO OPEN ECOLOGIES

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Closed boxes to open ecologies

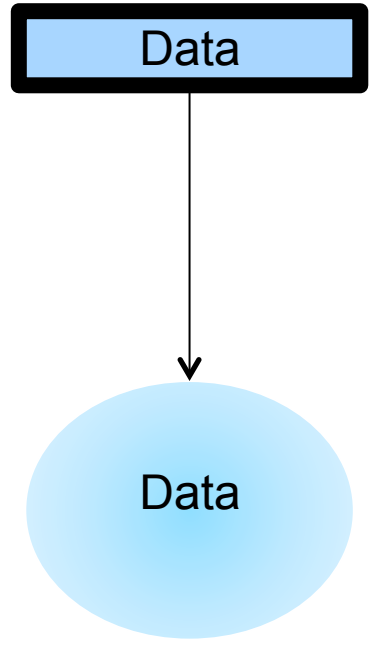
Move towards **openness** in data: data, OSS, innovation

Sharing of **data** and **expertise** to develop new opportunities

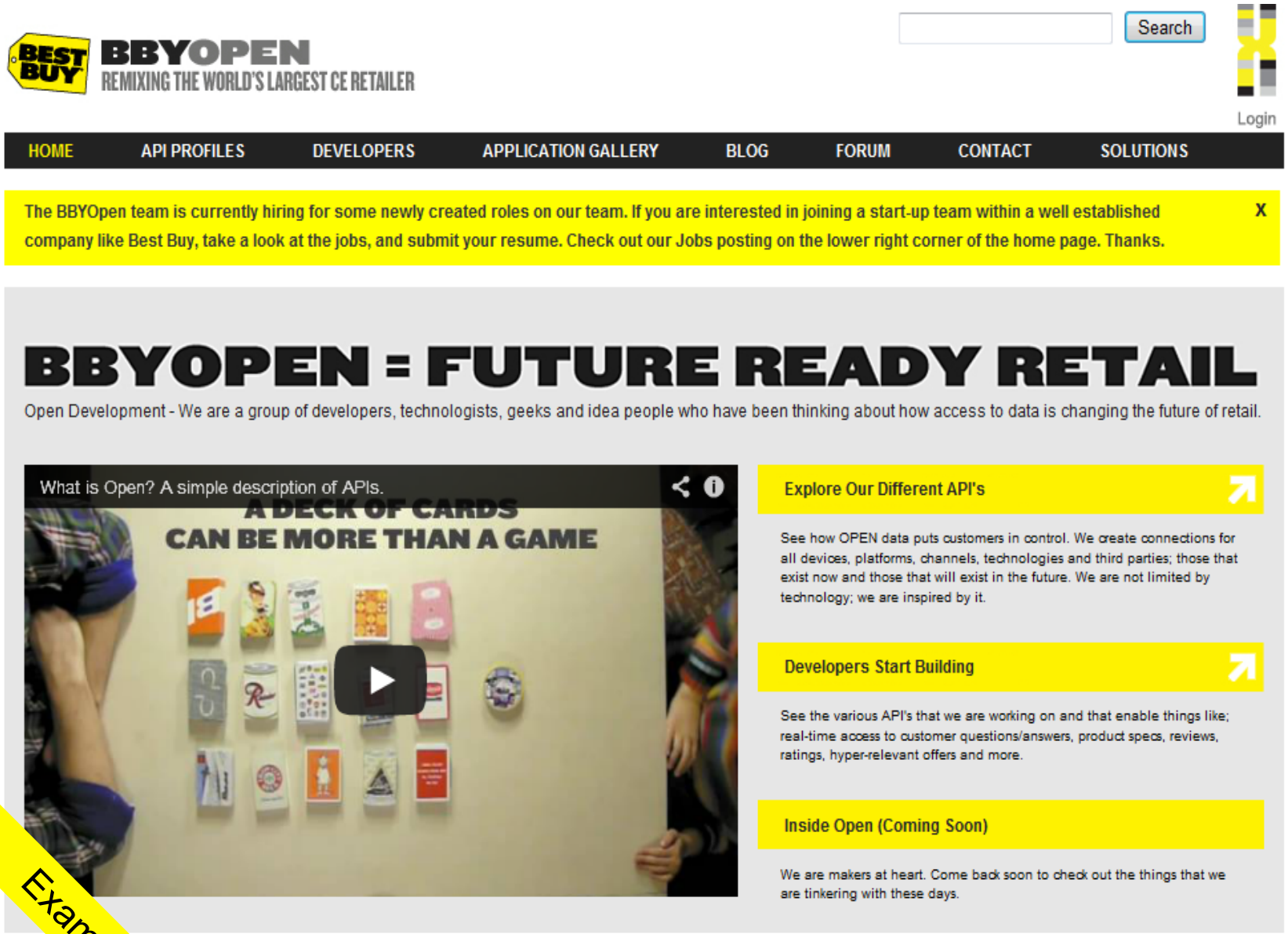
Enhanced **sharing** of data, ideas and collaboration

Data is moving from a **private** to a **public** good

Open Data movement is creating a new innovative **ecology**



Further open data examples



Example

Open data on stock availability, location, pricing

User reviews on products

Mobile phone upgrade data

'Freemium' data

es by Kathryn Corrick based on work by Tom Wainwright

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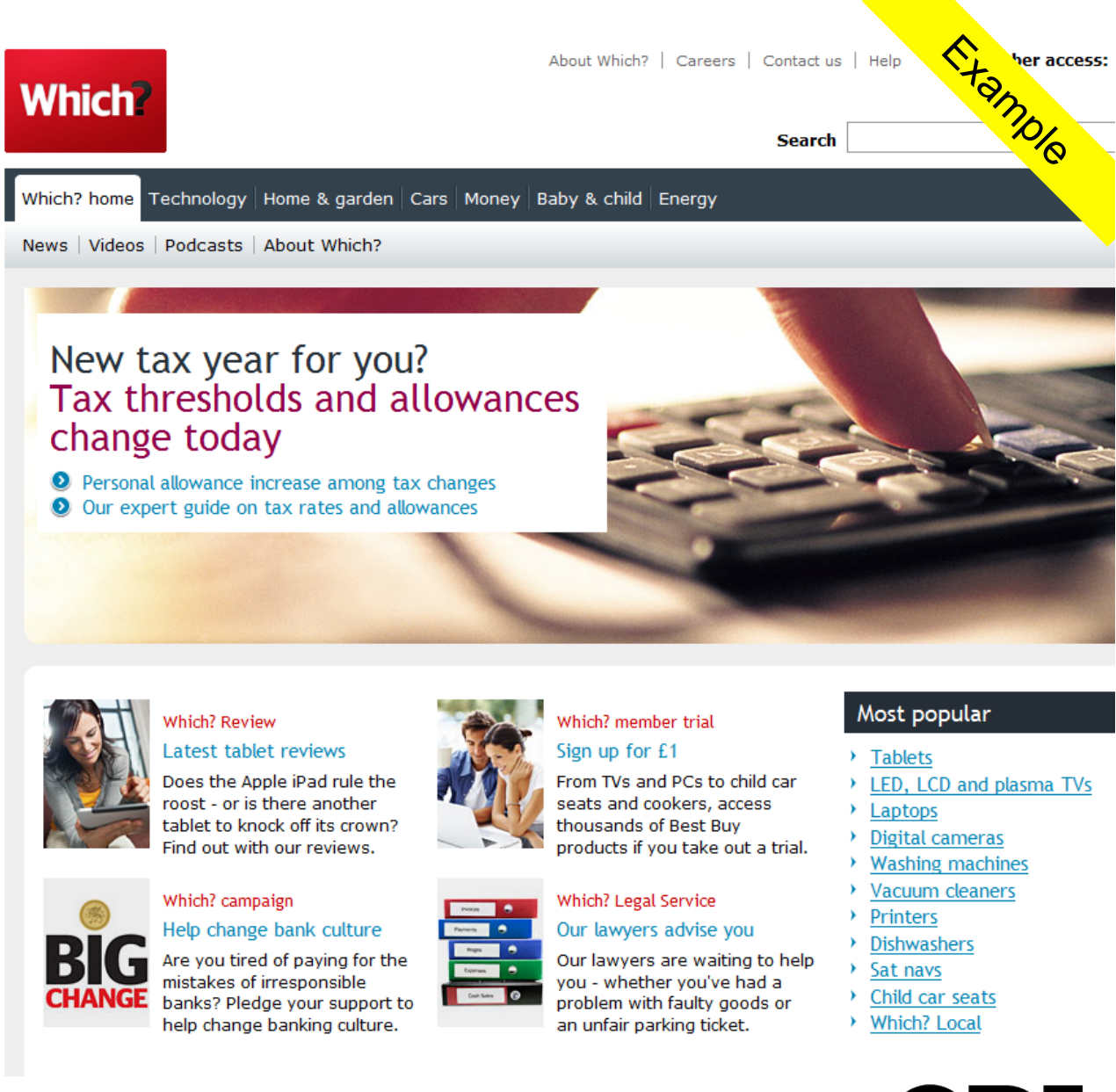
Use of open data to facilitate new markets

Open data to provide transparency to students – potentially universities

New decision-making technologies

Hybrid business model

Subscription revenue



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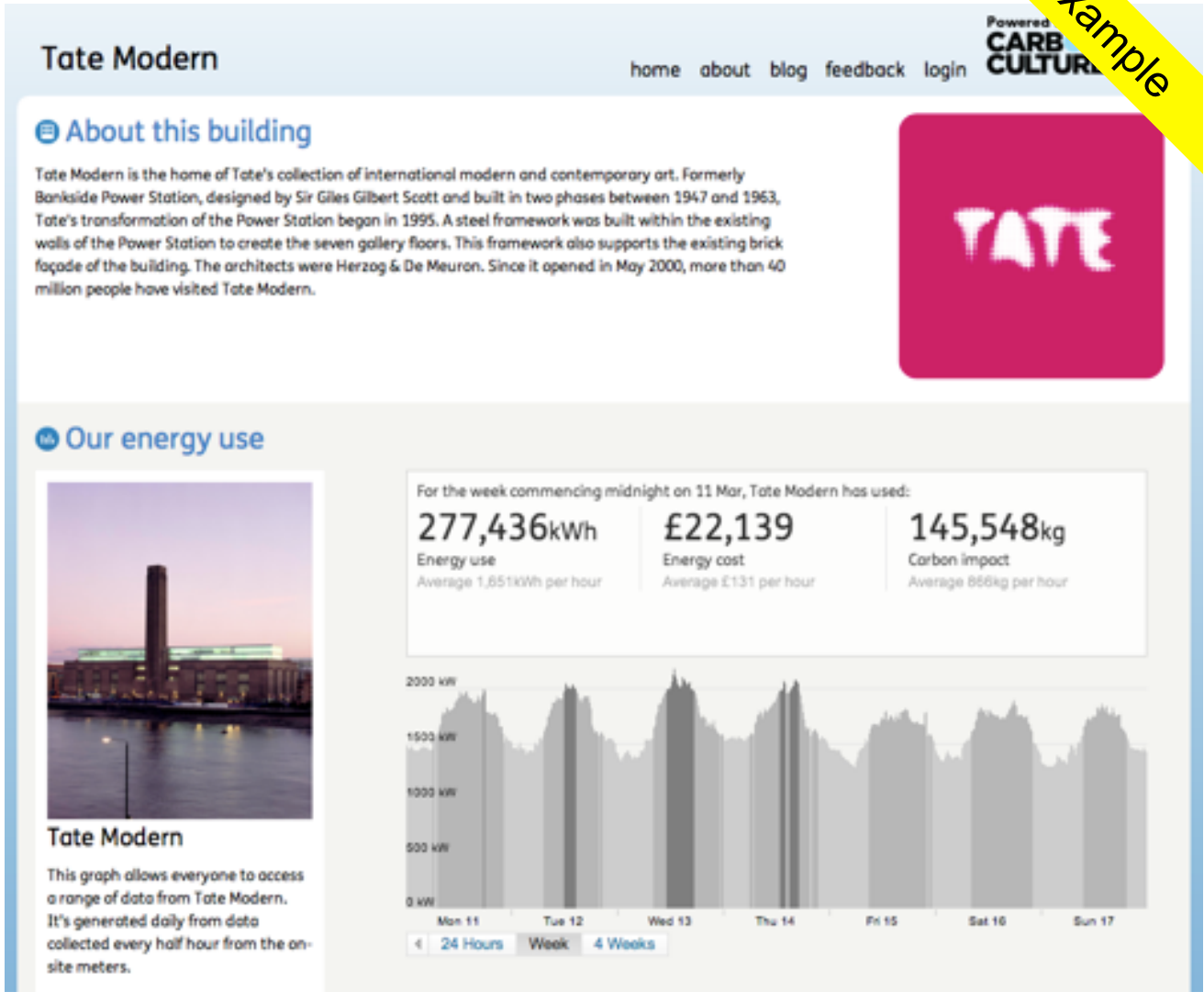
Benefits: needn't be about revenue

Transparency: supply chains, energy usage, salaries, operations data



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Open Business Models for an open world

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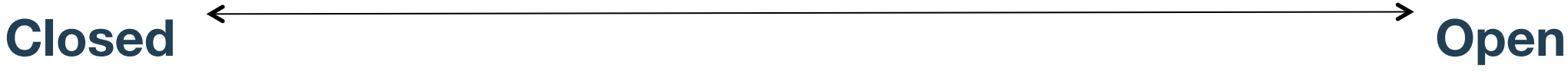
Open business models

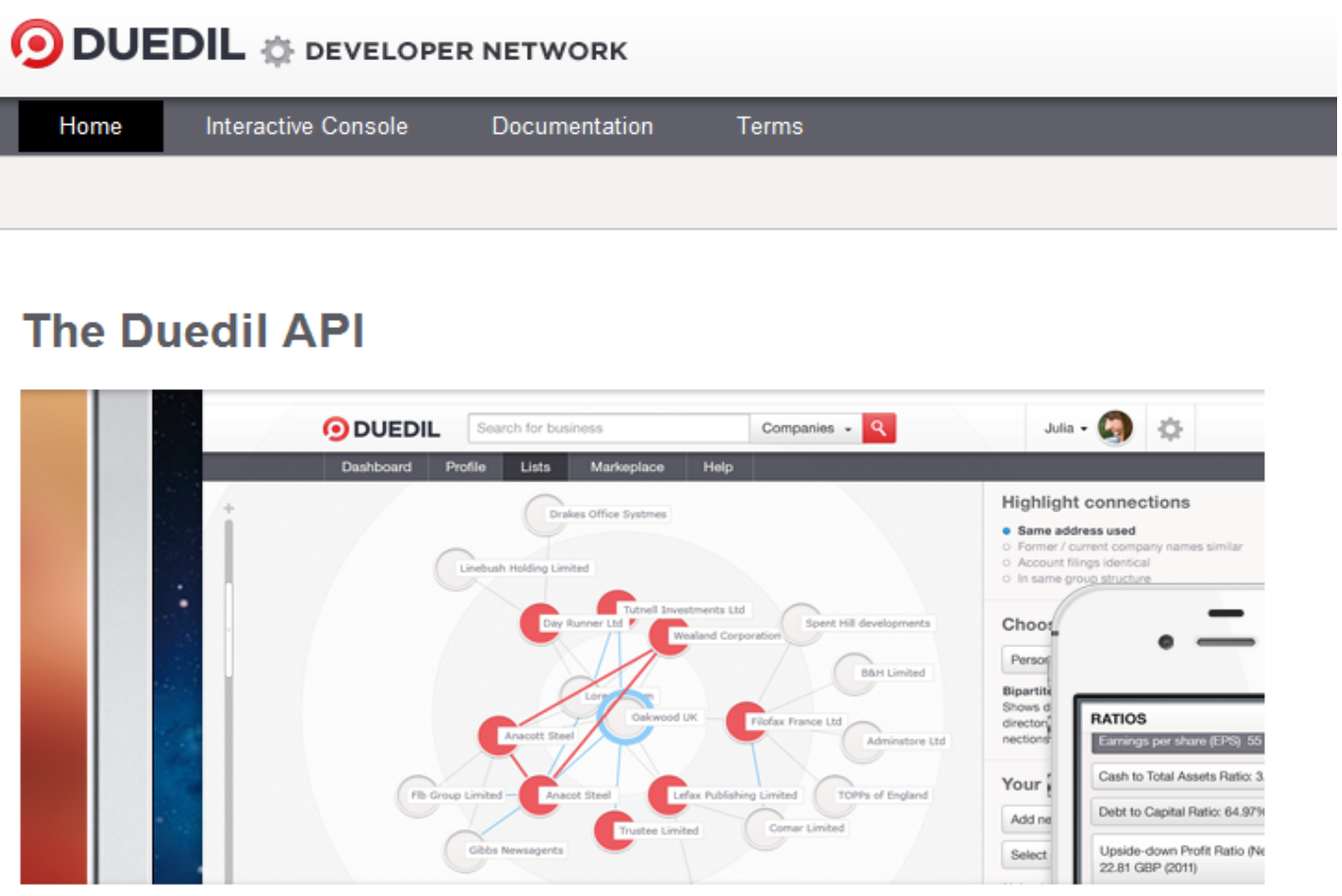
Questionable emergence of **dominant** models

Hybrid models



Models dependent on **resources** and **relationships**

Dynamic markets and **competition** will create **unique models**



‘Open tier’

Enhance **transparency** of business information

Use of further data with **APIs**

Freemium!

Shift to **openness**

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Model Considerations

Core strategy

Open networks

Strategic resources

Customers

Core Strategy

‘Mission’, market scope, basis for **differentiation**

What are you going to do?

Which market **sectors** and **segments** are you targeting?

Cost leadership or **differentiation**?
Is cost leadership less appropriate for OD?

Strategic resources

Core competencies:
Skills and relationships **unique** and **valuable** to customers. **Inimitable** and **transferable** to new **opportunities**

Strategic assets:
Rare and valuable IP, knowledge, brands, code, service process – used to create a **competitive advantage**

Why focus on something you are not good at? Build competitive advantage on key competencies and assets!

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Open networks and ecologies

Partners: Other companies, competitors, suppliers of data, code, open source software

Open data community: Other businesses, ODI, IP lawyers, firms you could be acquired by (exit), IP buyers to sell licensed products; collaborative partners

Your customers: Identify client needs (and their end users) in detail

Open data suppliers: How can they make data easier to use

Slides by Kathryn Corrick based on work by Tom Wainwright

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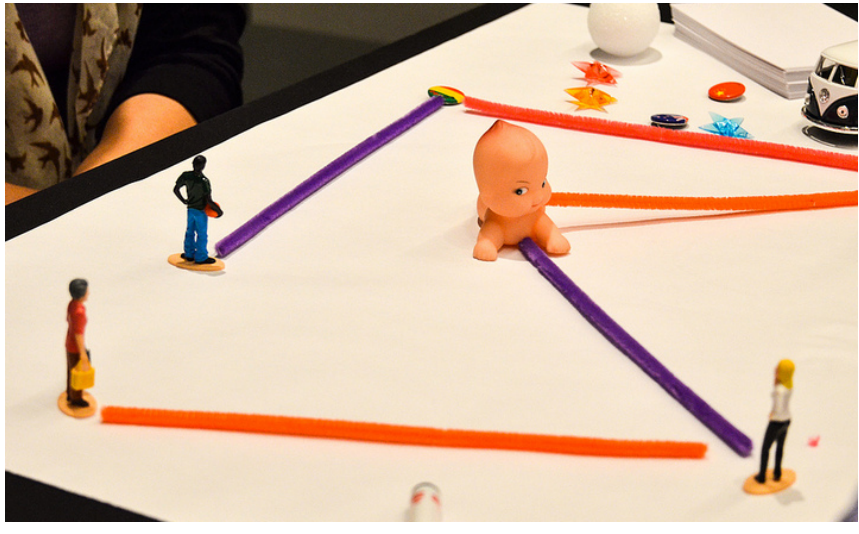
Customer networks

Who is the target market?

Individuals or businesses sectors, multiple markets, standard or bespoke

How do they affect the **revenue** streams?
How do you **cultivate relationships**?

Short or long tail?



Off to market! (national or international)

License, sell direct, partner with other firms
Online, telephone, F2F - resources needed

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