



Open Data Business Model Generation

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Open ... Old Hippies?



Open ... Functionaries?



WALL ST

Open ... Big Business?

“OPEN”

“DATA”

“RETURN ON DATA”

VALUE

**CREATE MORE
VALUE
THAN YOU CAPTURE**

Tim O'Reilly [1]



**„A business model
is the logic of an
organization to
create value“**

Alexander Osterwalder[2]



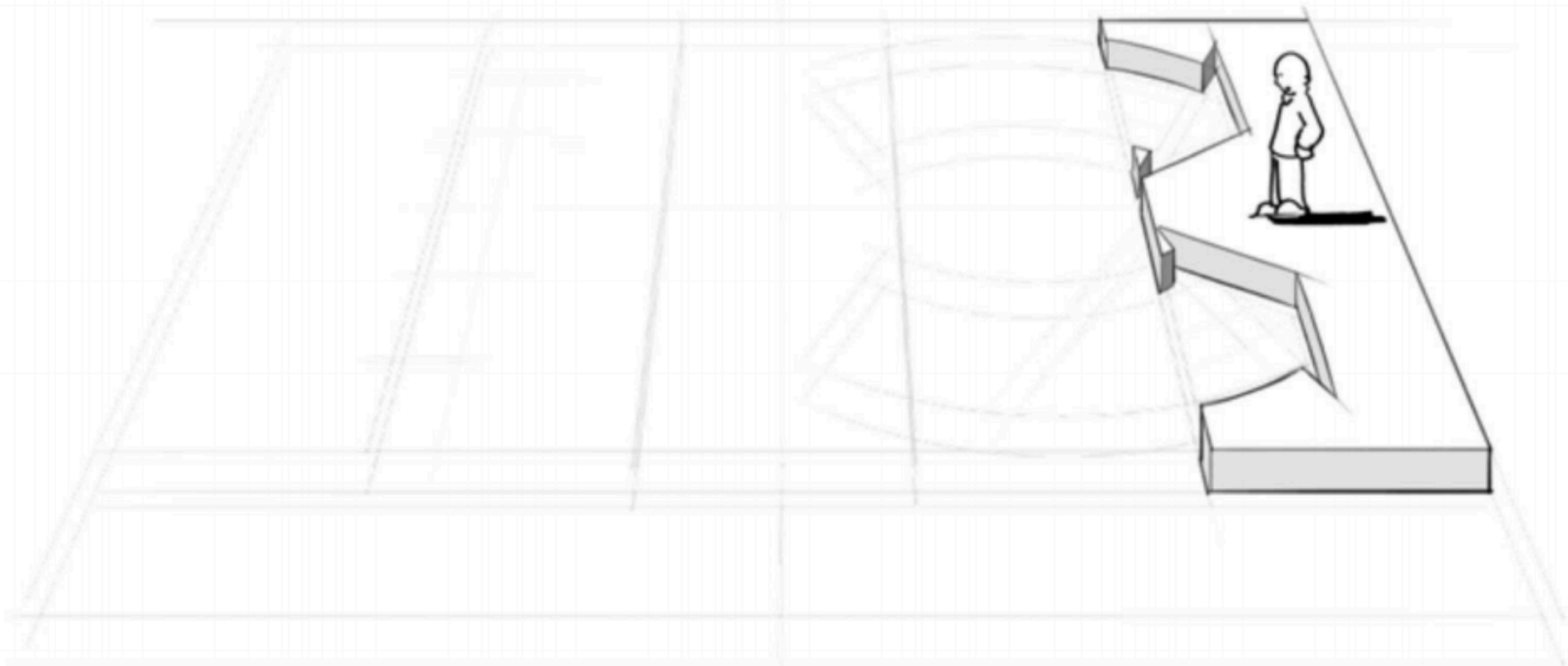
\$5 ‘ 390 ‘ 000 ‘ 000 ‘ 000

McKinsey Global Institute[3]

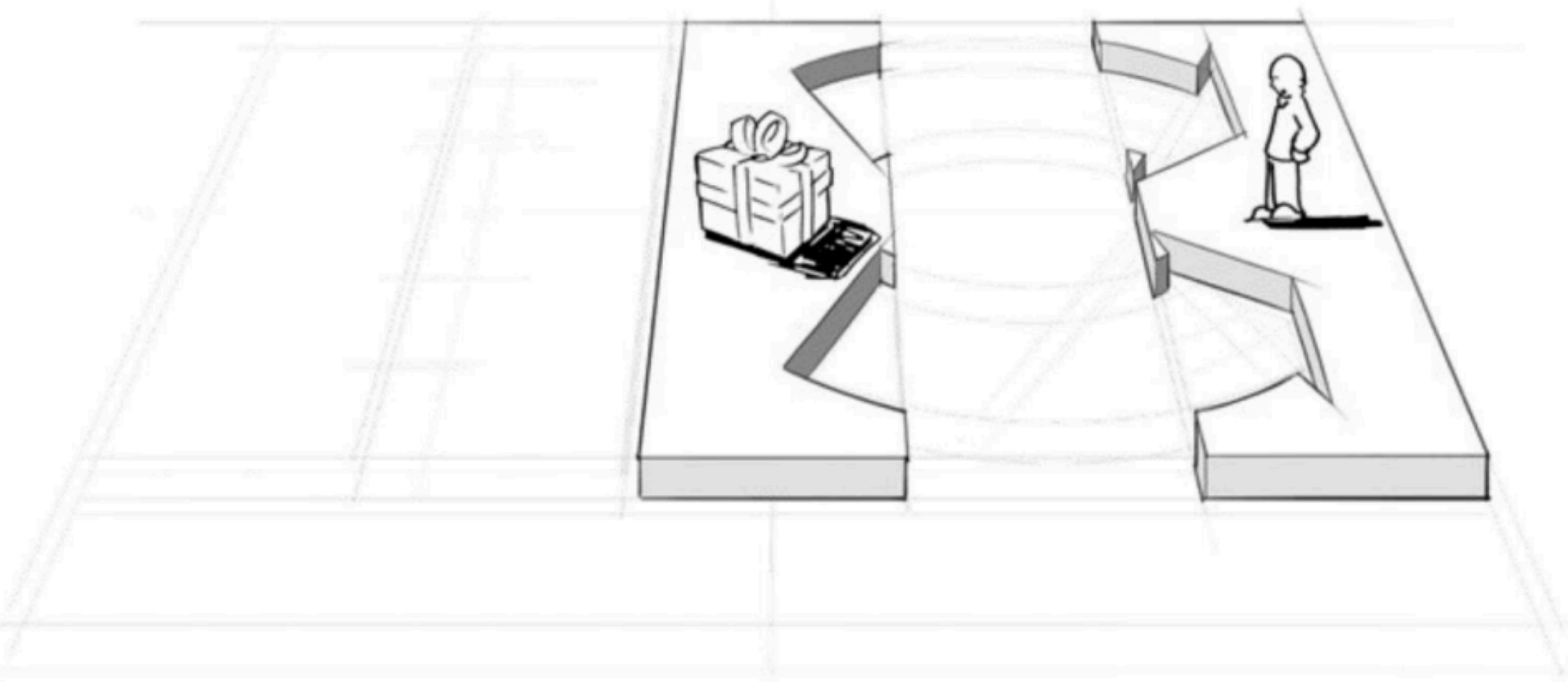
Tool:

**Business
Model
Canvas**

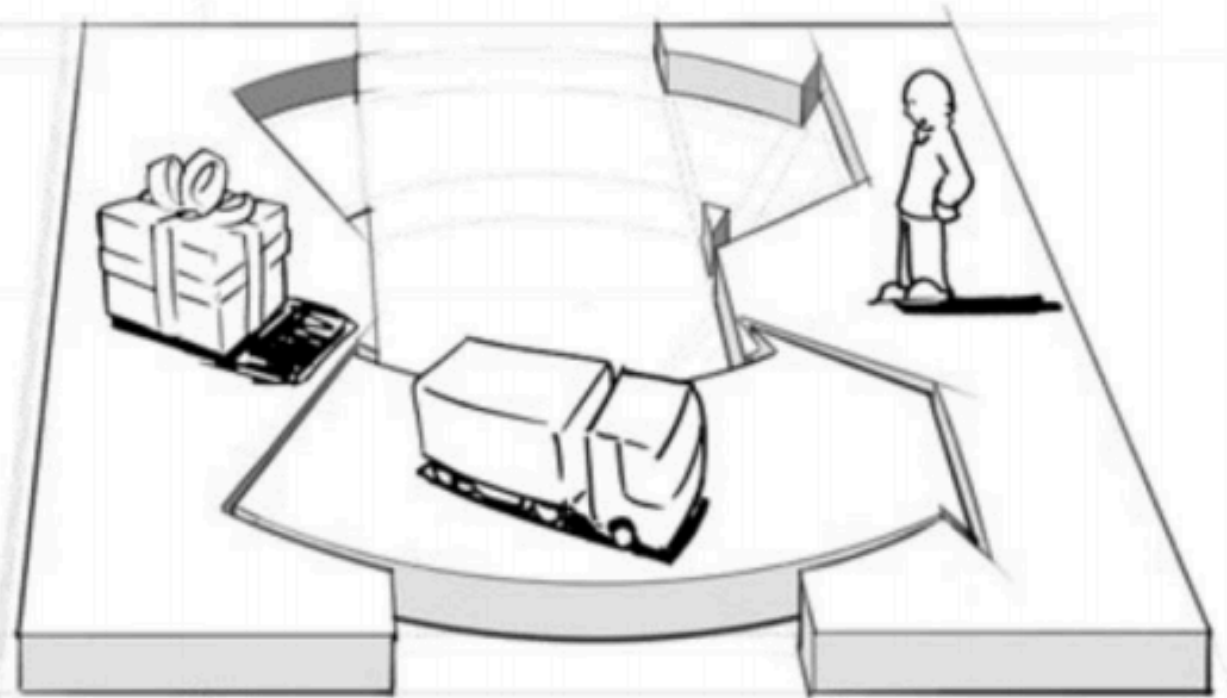
CUSTOMER SEGMENTS



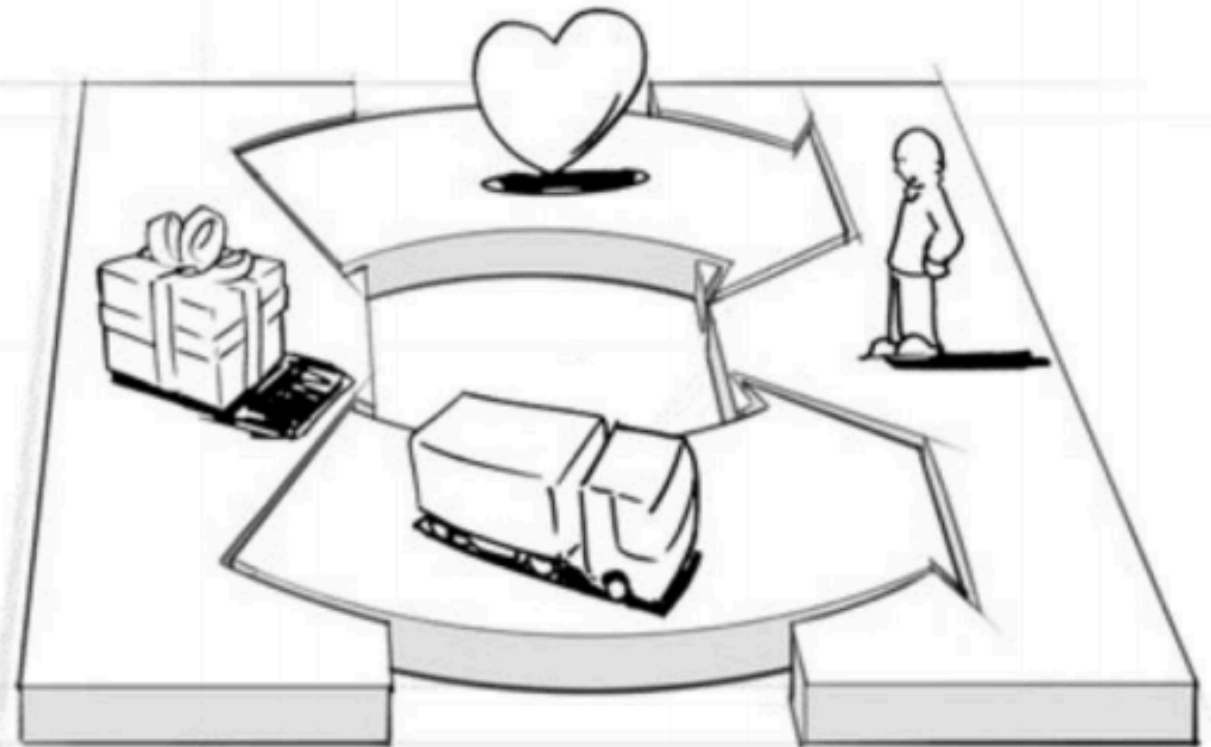
VALUE PROPOSITIONS



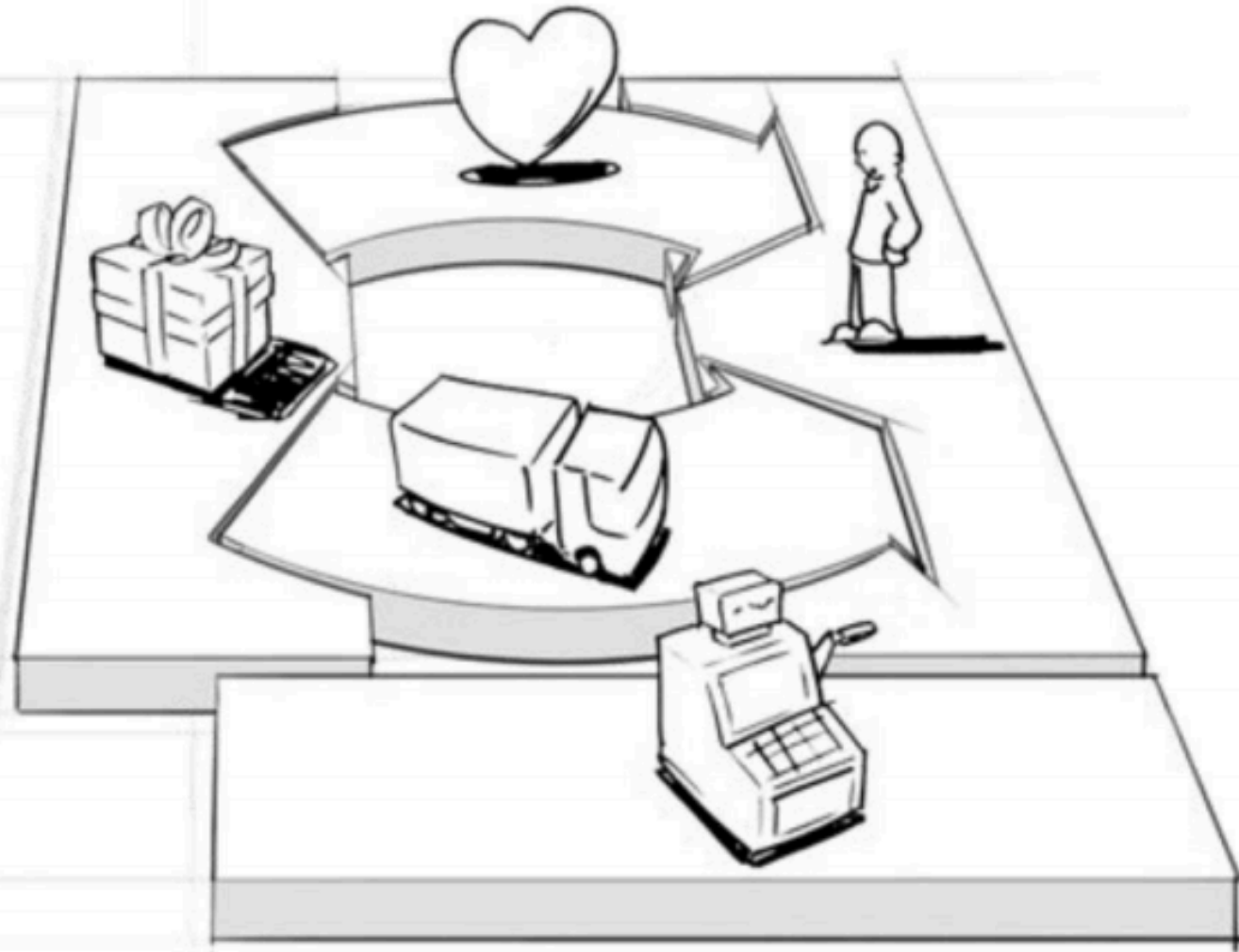
CHANNELS



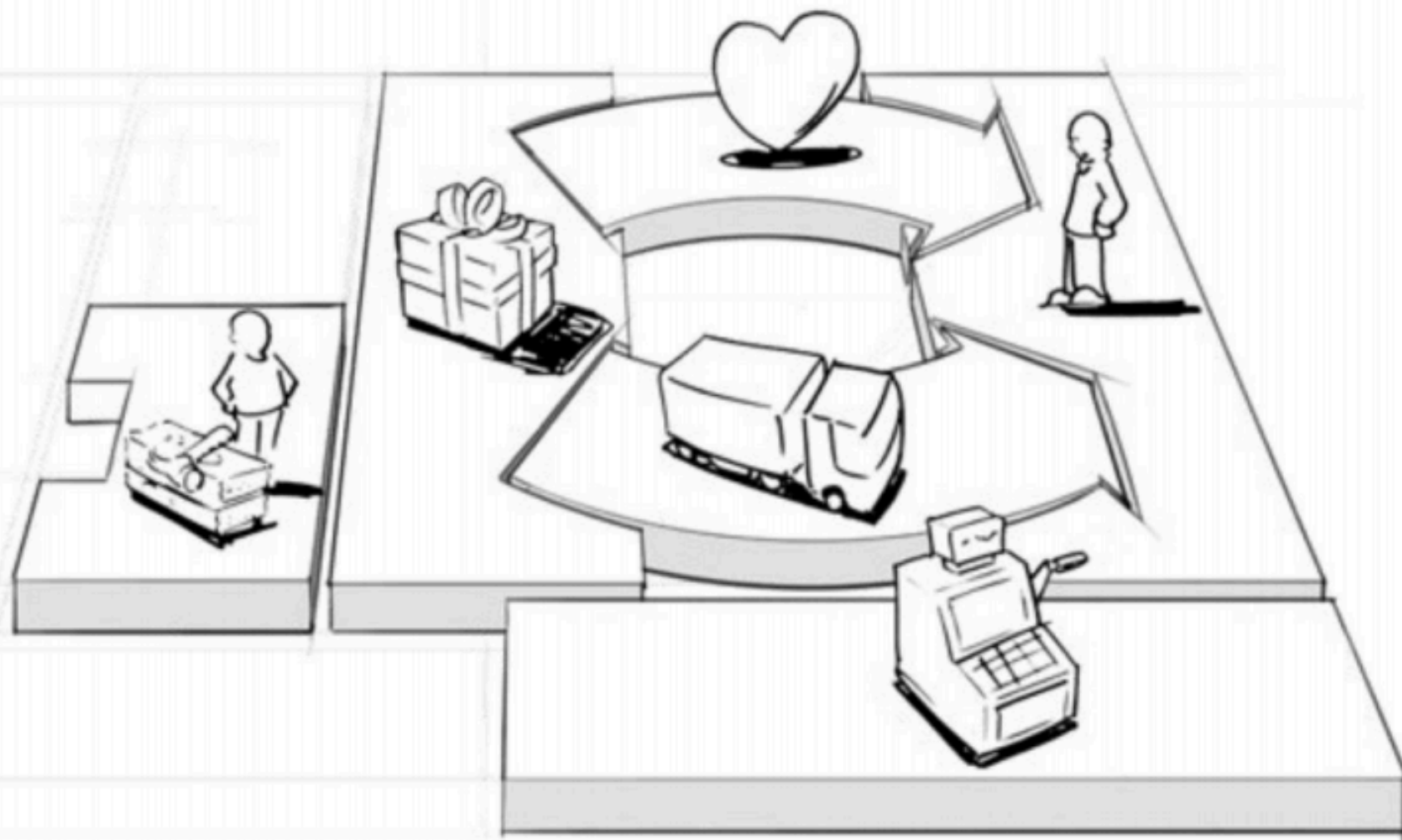
CUSTOMER RELATIONSHIPS



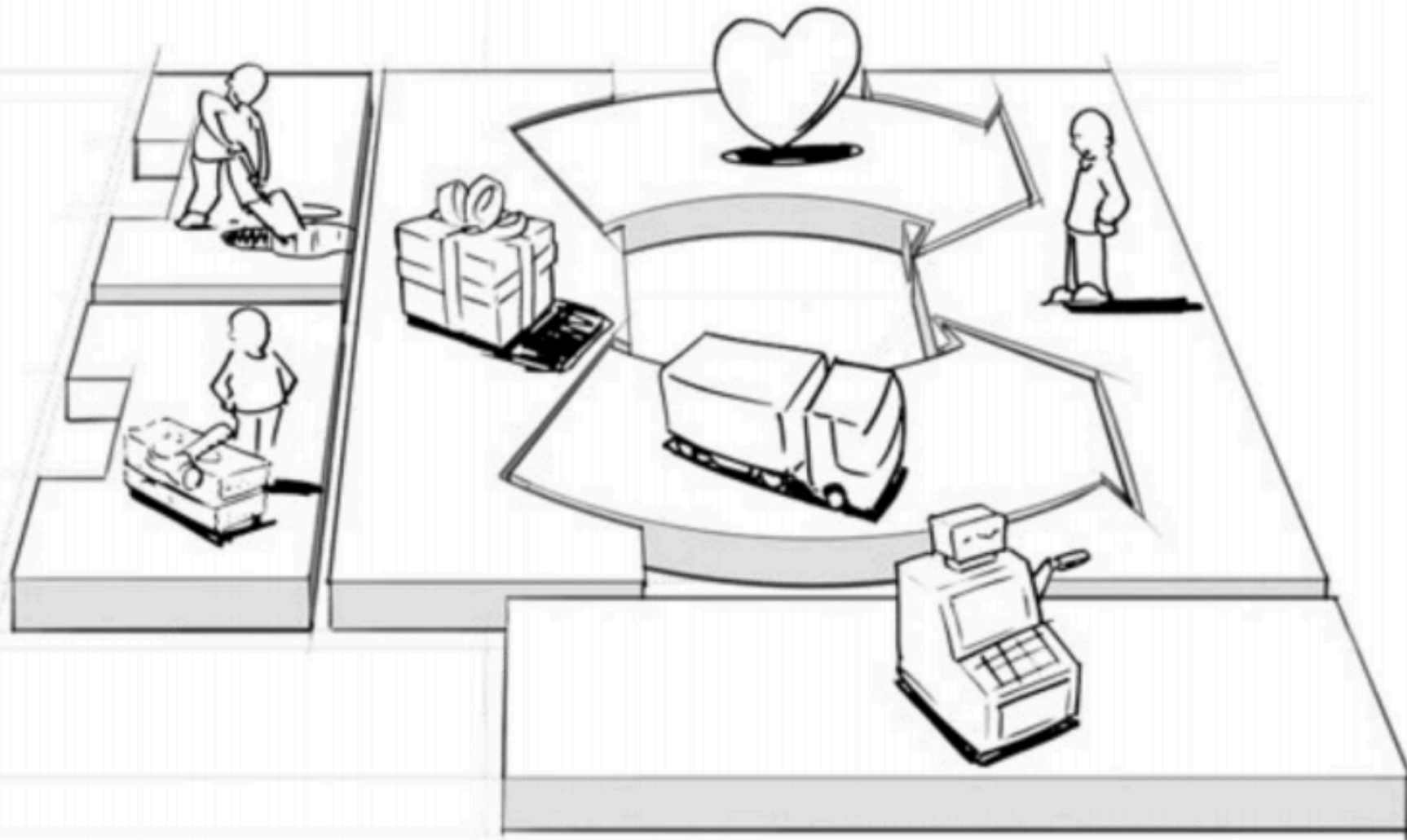
REVENUE STREAMS



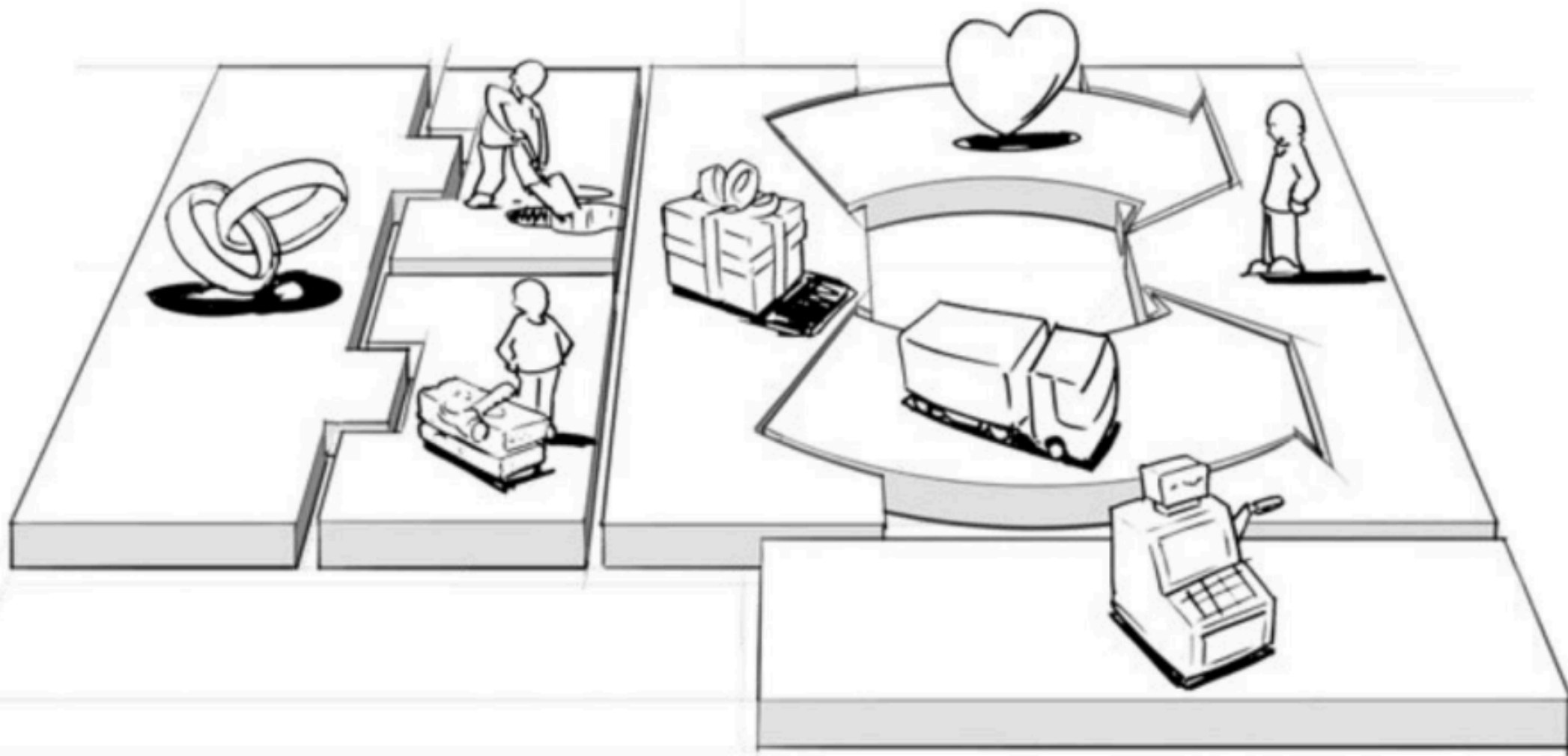
KEY RESOURCES



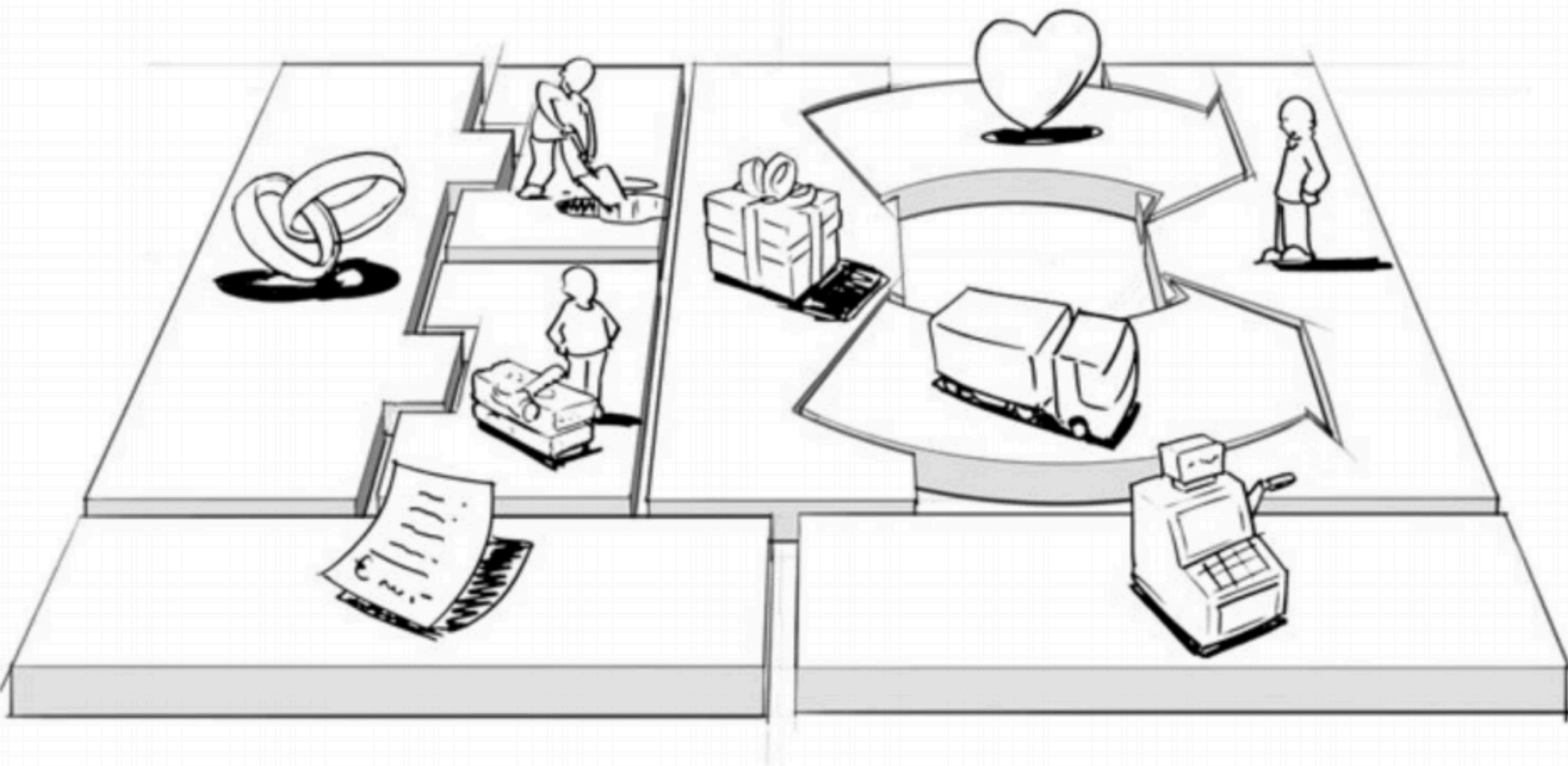
KEY ACTIVITIES



KEY PARTNERS



COST STRUCTURE



**Key
Activities**

**Value
Proposition**

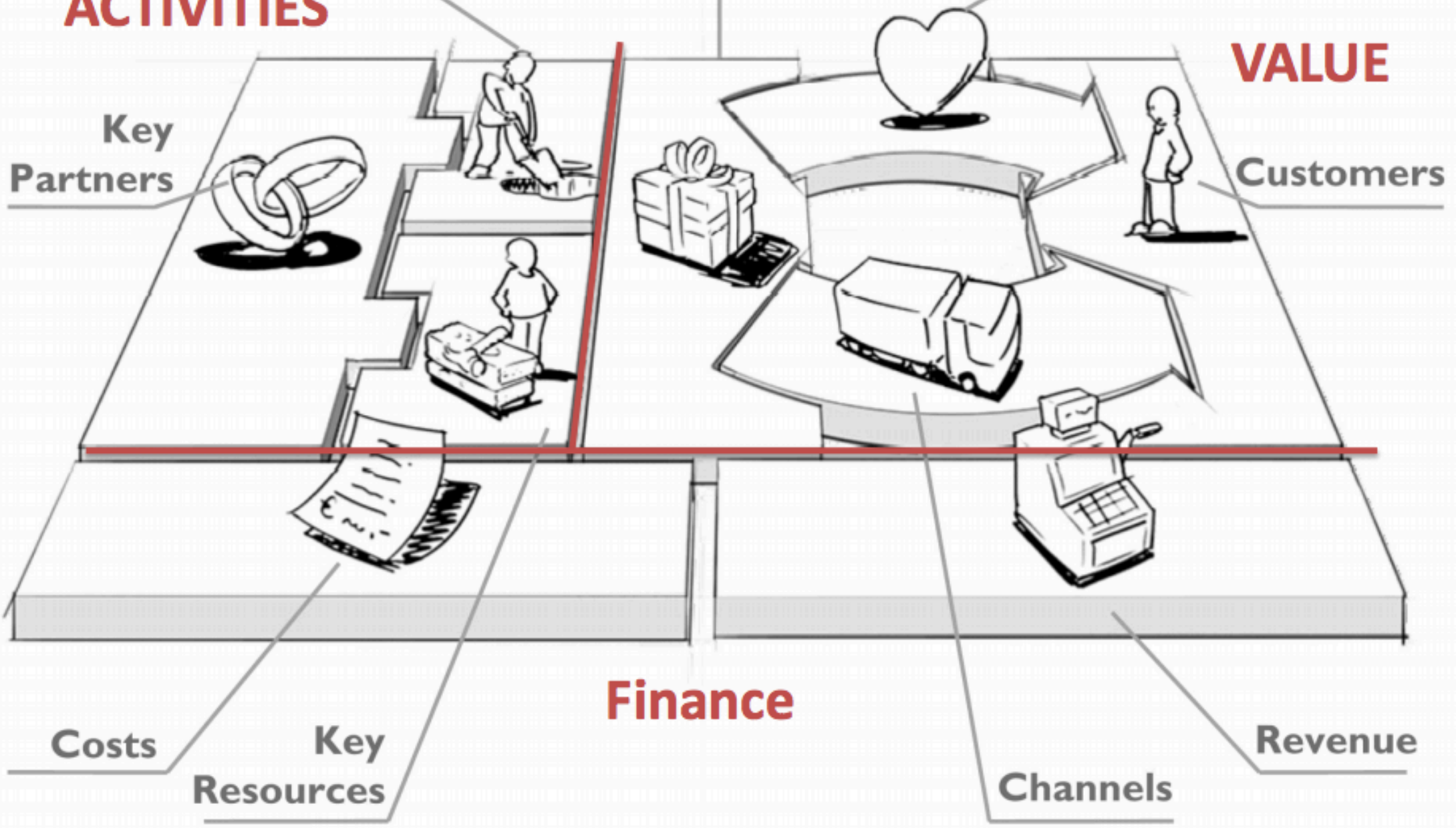
**Customer
Relationships**

ACTIVITIES

VALUE

**Key
Partners**

Customers



Finance










Costs

**Key
Resources**

Channels

Revenue



Key Partners 	Key Activities 	Value Proposition 	Customer Relationships 	Customer Segments 
	Key Resources 		Channels 	
Cost Structure 		Revenue Streams 		



Case Study 1:

The Climate Corporation



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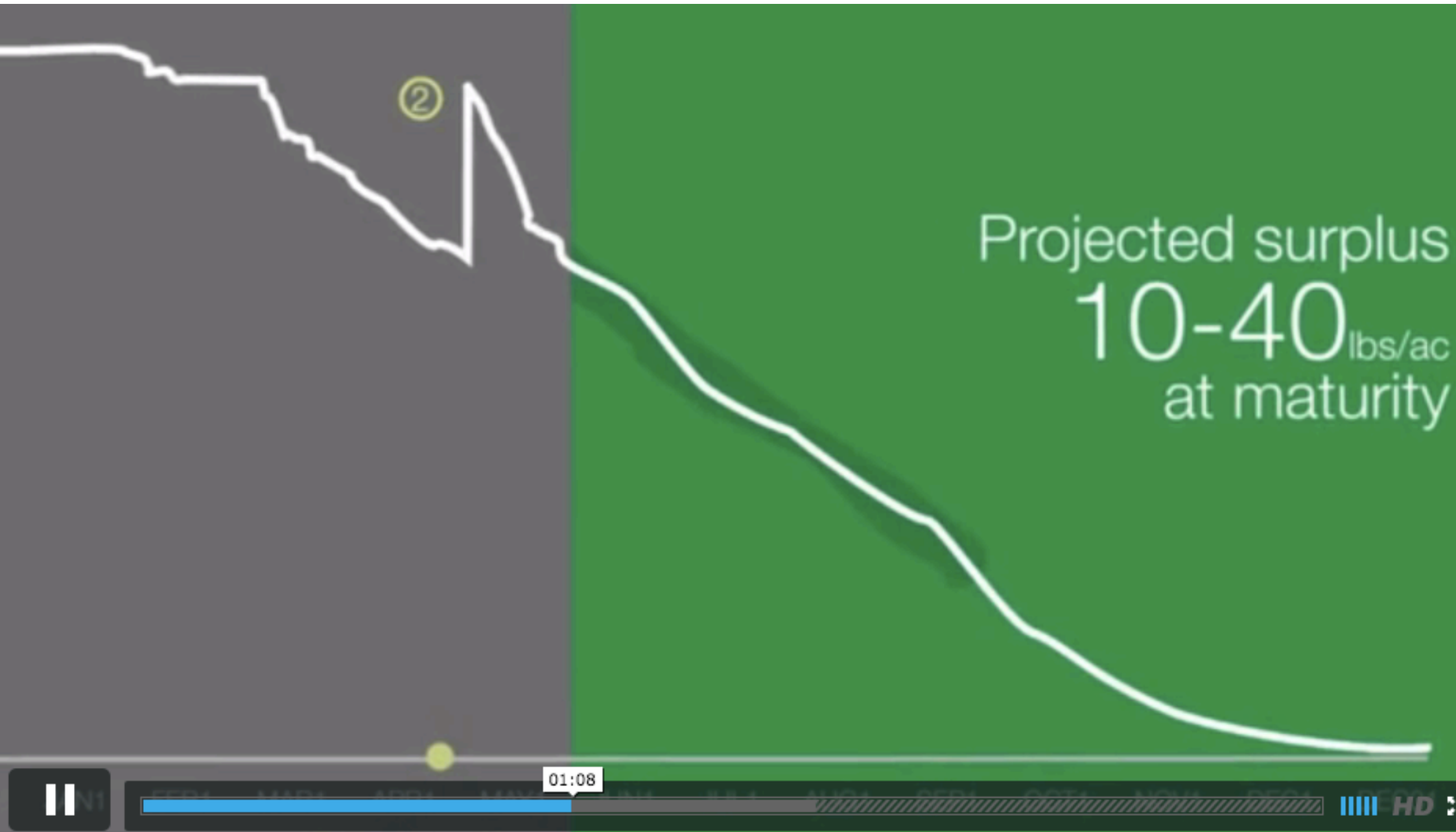


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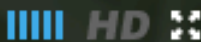




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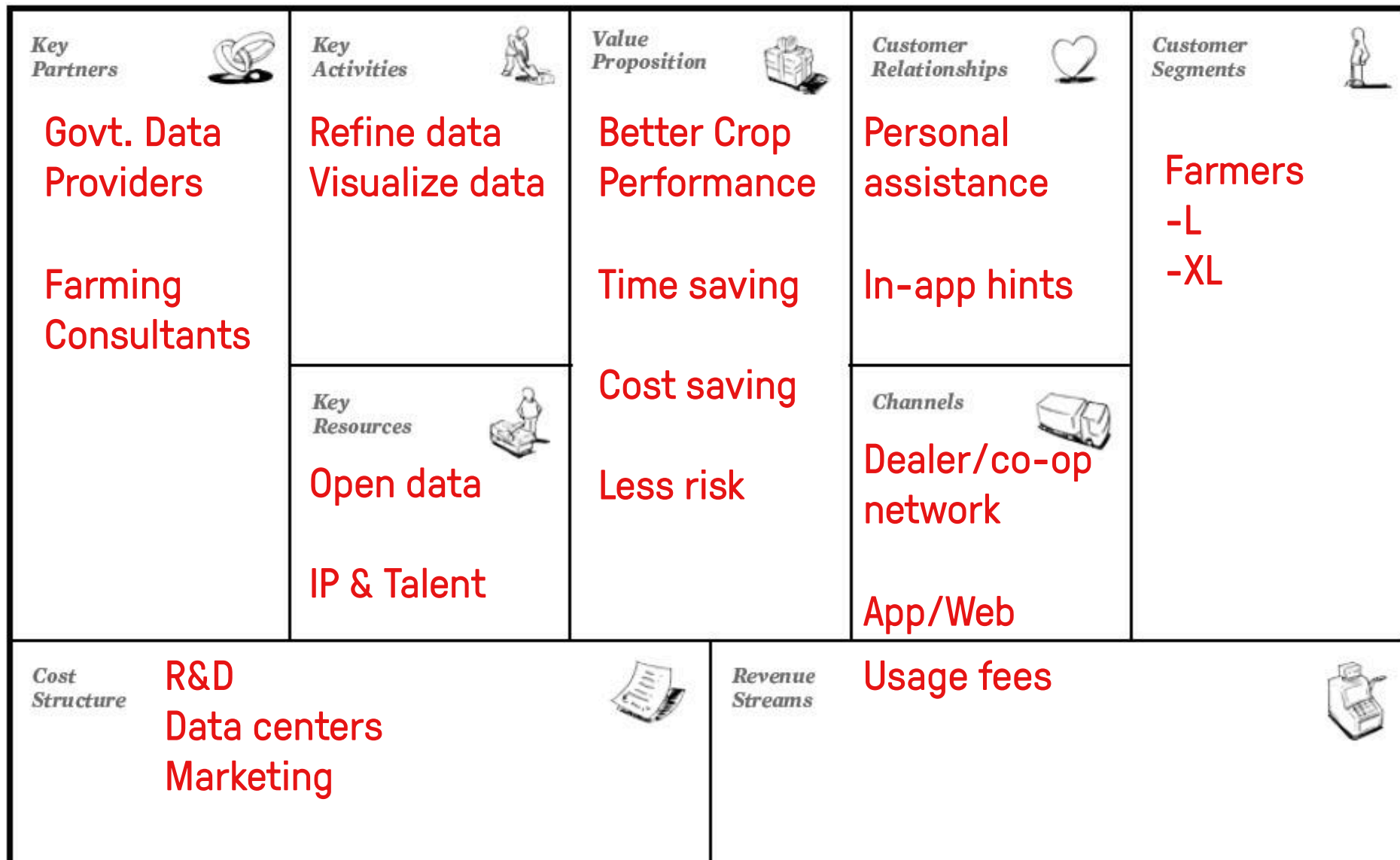
CLIMATE | PRO

CLIMATE | BASIC

CLIMATE INSURANCE

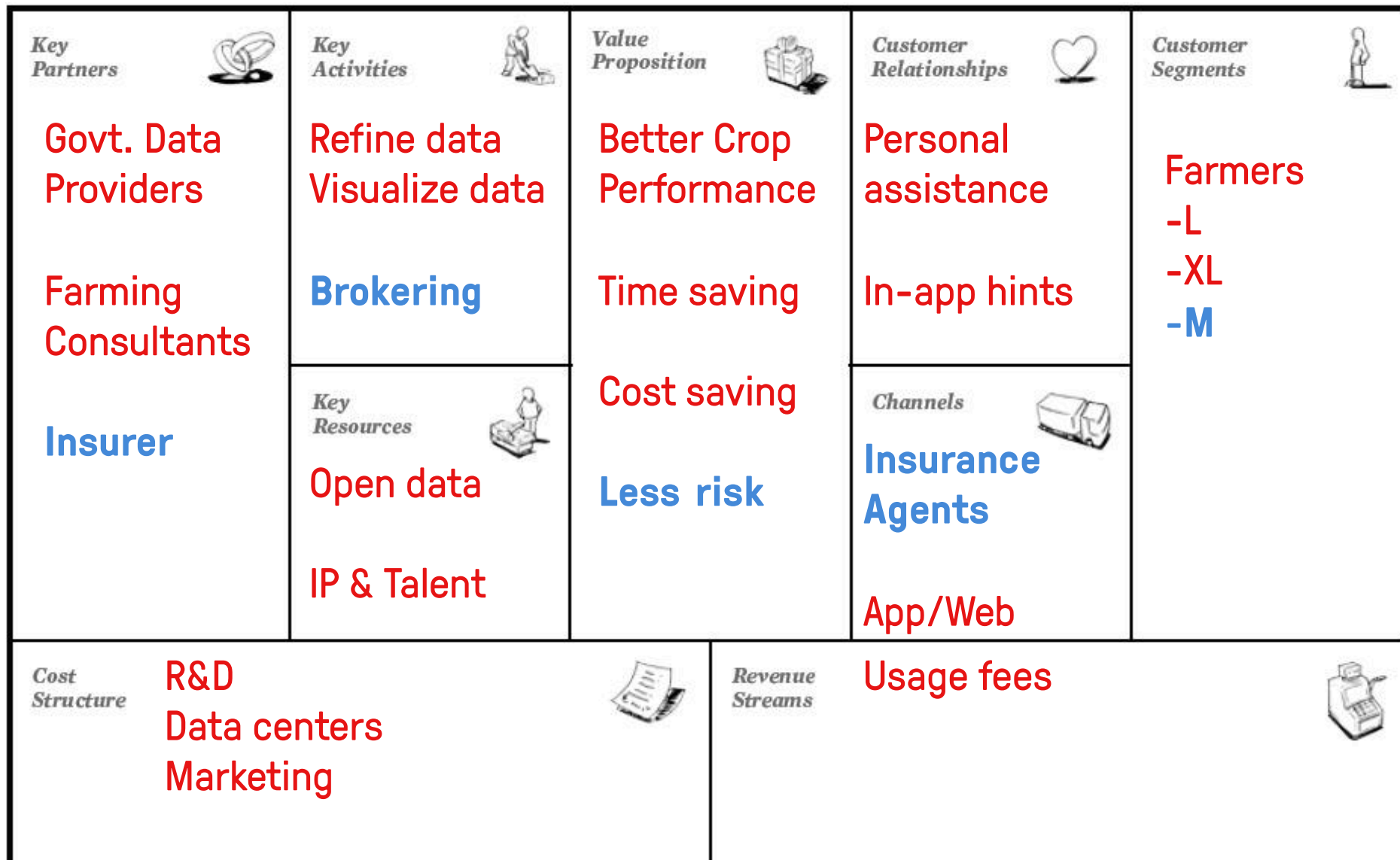


Crop Intelligence





Crop Insurance





Forbes

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Forbes Staff

*I manage our
technology
coverage.*

full bio →

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COMMENTS



40 CALLED-OUT

TECH 10/02/2013 @ 9:13AM | 85,877 views

Monsanto Buys Climate Corp For \$930 Million

+ Comment Now + Follow Comments



Who knew betting on the weather could make a billion dollars? It just did for The Climate Corporation, which underwrites weather insurance for farmers. Monsanto broke the news this morning that it was buying Climate for approximately \$930 million. The idea is to sell more data and services to the farmers who already buy Monsanto's seed and chemicals.

Case Study 2:

Open Corporates

opencorporates

The largest open database of companies in the world

All jurisdictions



[Browse all jurisdictions](#) [Search officers](#)

"This is the kind of resource the (digital) single market needs"

Neelie Kroes, VP European Commission

As seen in

WIRED

The
Economist

O'REILLY

WSJ

Our data is used by

LinkedIn

The World Bank

Creditsafe

Avention

Stripe








SPECIAL MANAGED INVESTMENT COMPANY NO. 12 LIMITED One of 155 subsidiaries registered in New Zealand

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Corp. Intelligence

Key Partners  Govt. Data Providers	Key Activities  Extract data Refine data	Value Proposition  “KYC” Know your customer Know your competitor Know your contractor	Customer Relationships  Support Complaints	Customer Segments  Finance institutes -Banks -Payment processors -.. Competitive Intelligence HR
Key Resources  Open Data Know-how	Channels  API Bulk data Web access	Cost Structure Data acquisition Sales	Revenue Streams Freemium: API usage fees Data package sales Consulting	

Open Data

Risks / Rewards

Perceived Rewards



INCREASING
RELEVANCE



INCREASING
CHANNELS &
END USERS



DATA ENRICHMENT



BRAND VALUE



SPECIFIC FUNDING
OPPORTUNITIES



DISCOVERABILITY



NEW CUSTOMERS



PUBLIC MISSION



BUILDING
EXPERTISE



DESIRED SPILLOVER
EFFECTS

Perceived Risks



LOSS OF QUALITY



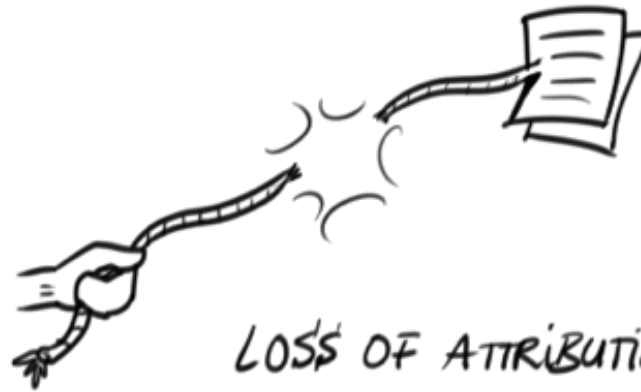
LOSS OF CONTROL



LOSS OF UNITY



LOSS OF BRAND VALUE



LOSS OF ATTRIBUTION



LOSS OF INCOME



LOSS OF POTENTIAL INCOME



UNWANTED SPILLOVER EFFECTS



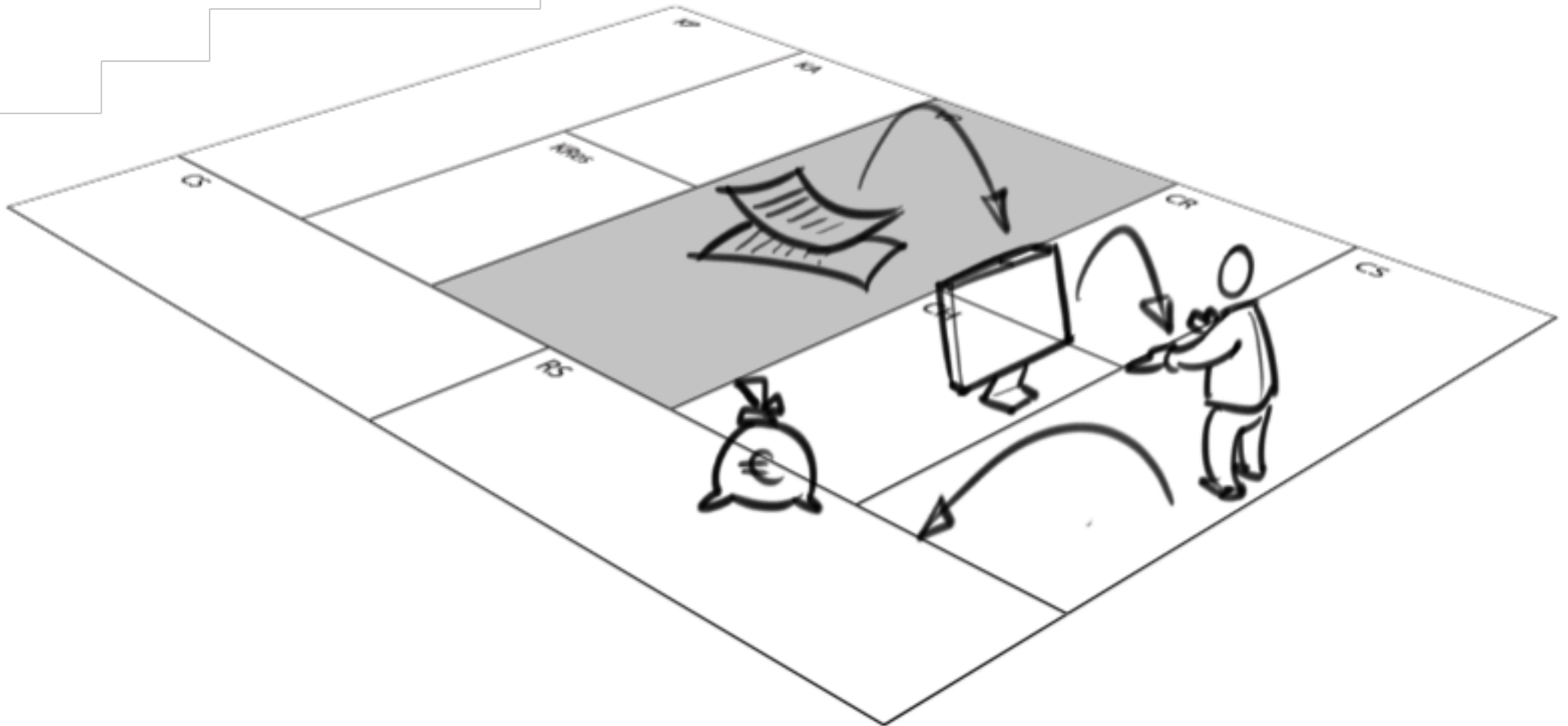
LOSING CUSTOMERS



PRIVACY

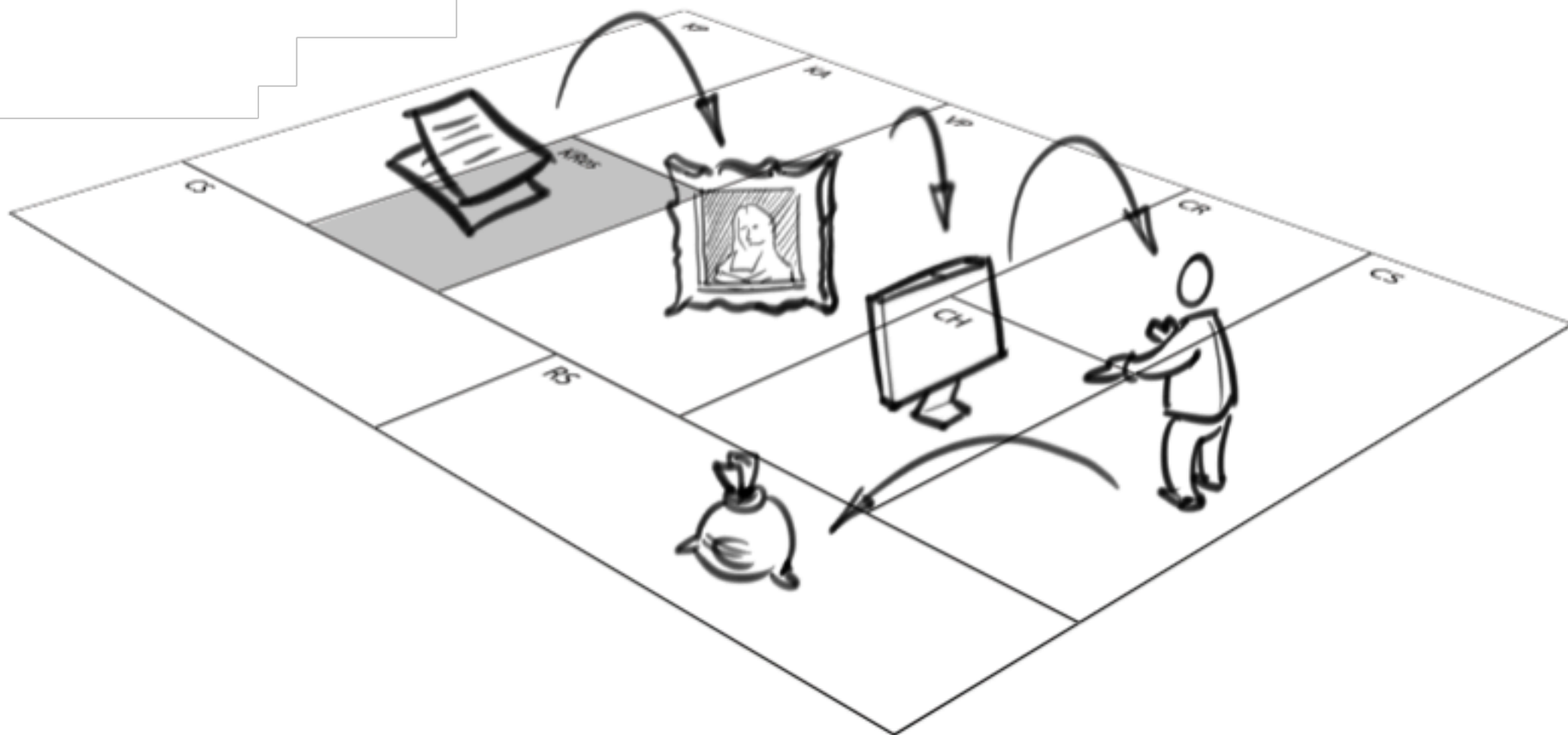


Data is created as a value proposition by itself...



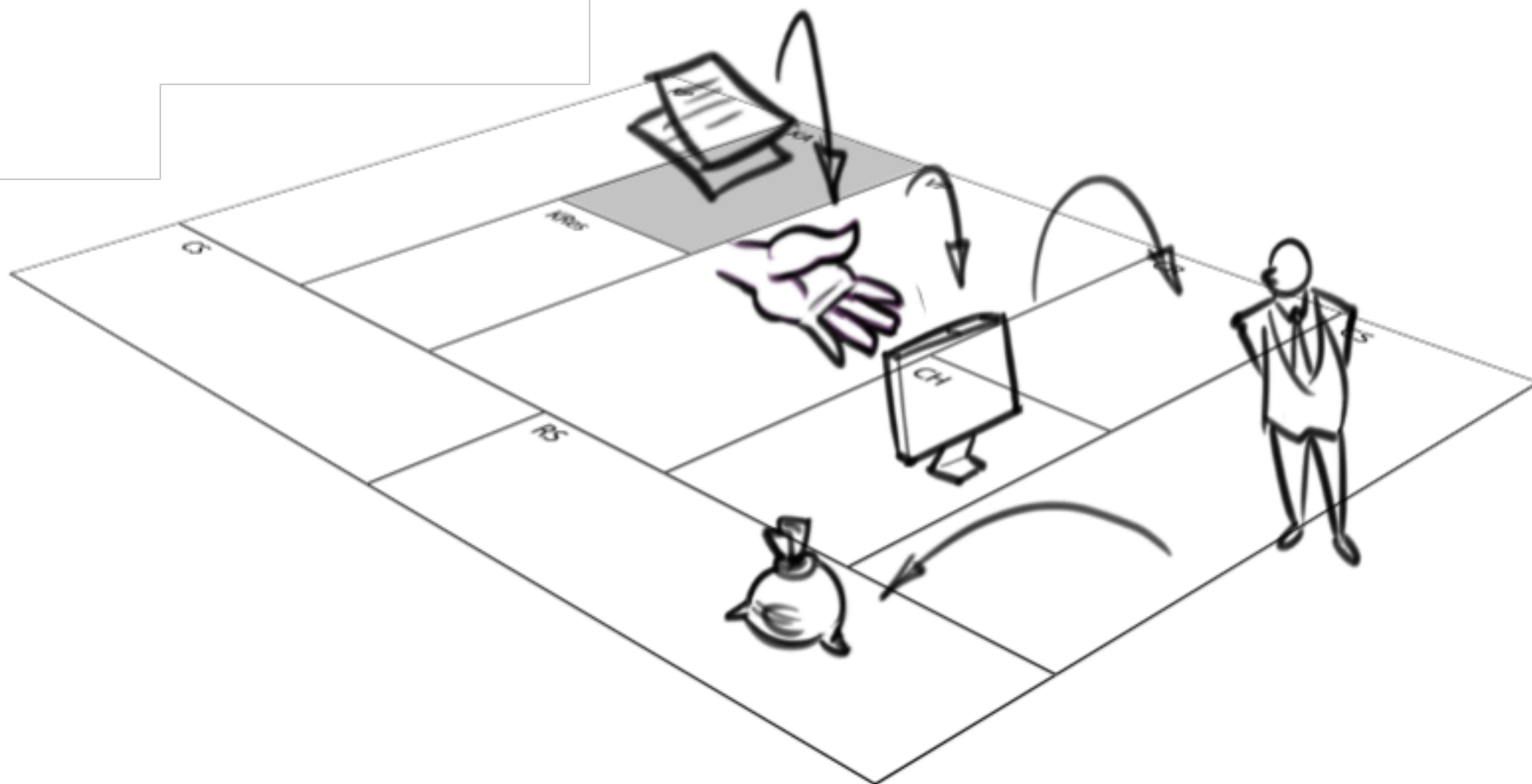


Data is considered a key resource used to improve the value of assets..





Data is created as key activity, part of the mission of the institution to make the material more accessible...





8 Archetypes

- #1 Premium Products
- #2 Freemium Products
- #3 Open-Source-Like
- #4 Infrastructural „Razor & Blades“
- #5 Demand-oriented Platforms
- #6 Supply-Oriented Platforms
- #7 Free as Branded Advertizing
- #8 White-Label Development

cf. Bonina, 2014 [6]

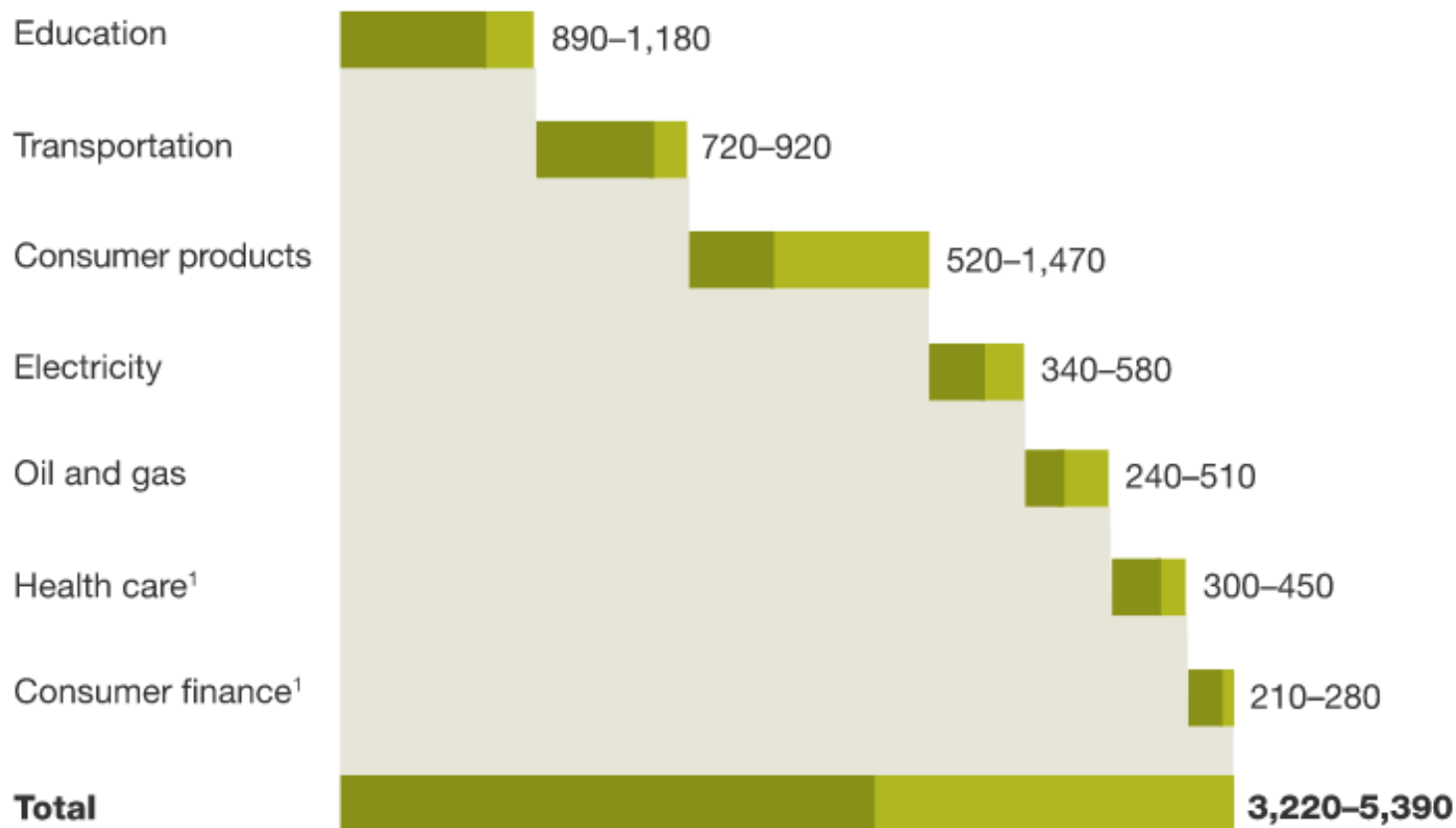


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Open data can help unlock \$3 trillion to \$5 trillion in economic value annually across seven sectors.

Potential value of open data, \$ billion

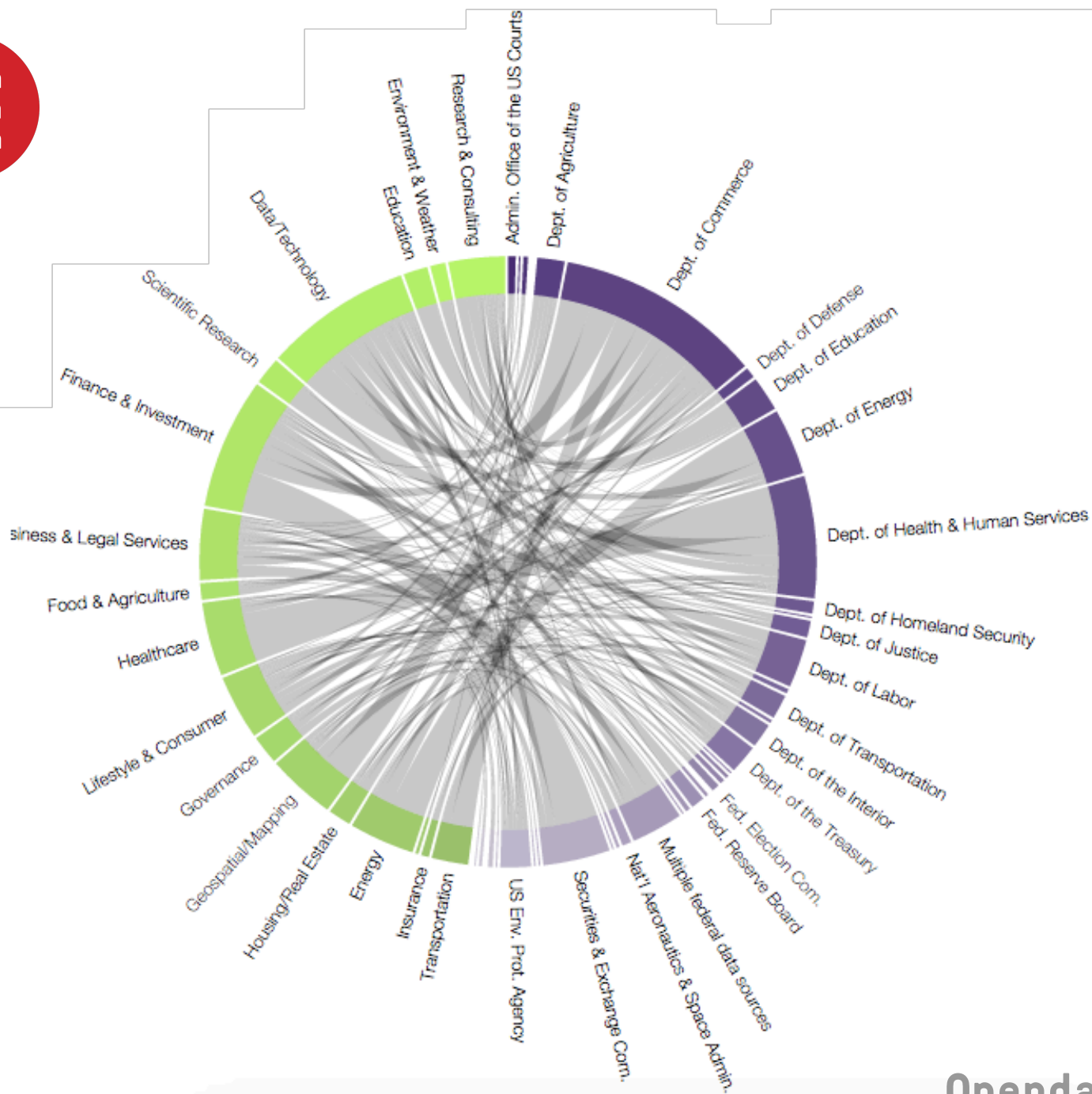


¹Values for health care and consumer finance are drawn from examples of open-data potential and are not a comprehensive sizing of potential value across the 2 sectors; health-care figures are based on US values only.

Source: McKinsey Global Institute analysis



Company Categories



Federal Agencies

Opendata500.com



\$5 ‘ 390 ‘ 000 ‘ 000 ‘ 000

**Made on the back of
the people?**



„Just as the supply of basic physical infrastructure is essential to the ,traditional‘ economy, so the supply of **basic information ‘infrastructure’** is essential to the ‘information’ economy“.

Pollock, 2008[5]



Funding Schemes

#1 Government funding: fund from general government revenues.

#2 Updater funding: charge those who make changes to the datasets.

#3 User funding: charge those who use the datasets.



Pricing Schemes

#A Profit-maximizing: setting prices to maximize profit given the demand faced.

#B Cost-recovery: setting prices equal to average long-run costs.

#C Marginal-cost: go towards zero.

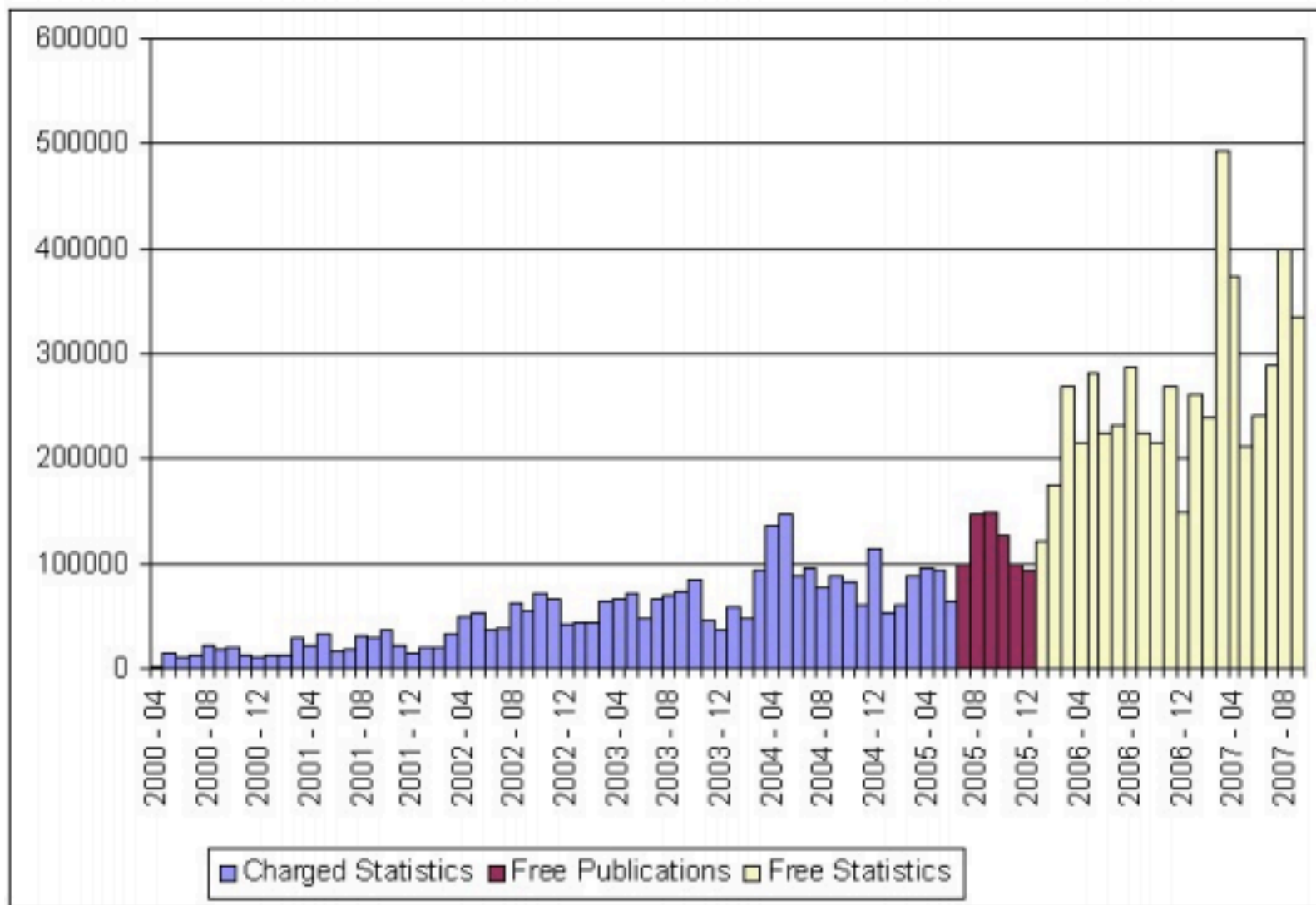


Economic Goals

- > **Consumer surplus:** value (utility) end consumers derive over any payments they make.
- > **Producer surplus:** producers profits.
- > **Government:** revenue / expenditure.
- > **Total welfare:** weighted sum of these.



Zero is different.



Australian
Bureau of
Statistics:
„Dissemination
of Statistics“



Economic Conclusion

„Most upstream, digital public sector information is best funded out of **a combination of ‘updater’ fees and direct government contributions** with users permitted free and open access. Appropriately managed and regulated this model offers **major societal benefits** from increased provision and access to information-based services while imposing a very limited funding burden upon government.“

Pollock, 2008[5]



See also: GPS.

VALUE

ENABLING

VALUE CREATION

ENABLING
VALUE CREATION
THROUGH CIVIC
ENTREPRENEURSHIP

**ENABLING
BUSINESS MODEL
INNOVATION
WITH BASIC DATA
INFRASTRUCTURES.**



\$5 ' 390 ' 000 ' 000 ' 00 !

MERCI !

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Sources

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