

Open data economy: Eight business models for open data and insight from Deloitte UK

Two open data items of note from readers.

by [Alex Howard](#), January 28, 2013

When I asked whether the push to free up [government data was resulting in economic activity](#) and startup creation, I started to receive emails from people around the United States and Europe. I'll be publishing more of what I learned in our [ongoing series](#) of open data interviews and profiles over the next month, but two responses are worth sharing now.

Open questions about open growth

The first response concerned Deloitte's ongoing [research into open data in the United Kingdom](#) [PDF], conducted in collaboration with the Open Data Institute.

Harvey Lewis, one of the primary investigators for the research project, recently wrote about some of Deloitte's preliminary findings at the Open Government Partnership's blog in a post on "[open growth](#)." To date, Deloitte has not found the quantitative evidence the team needs to definitely demonstrate the economic value of open data. That said, the team found much of interest in the space:

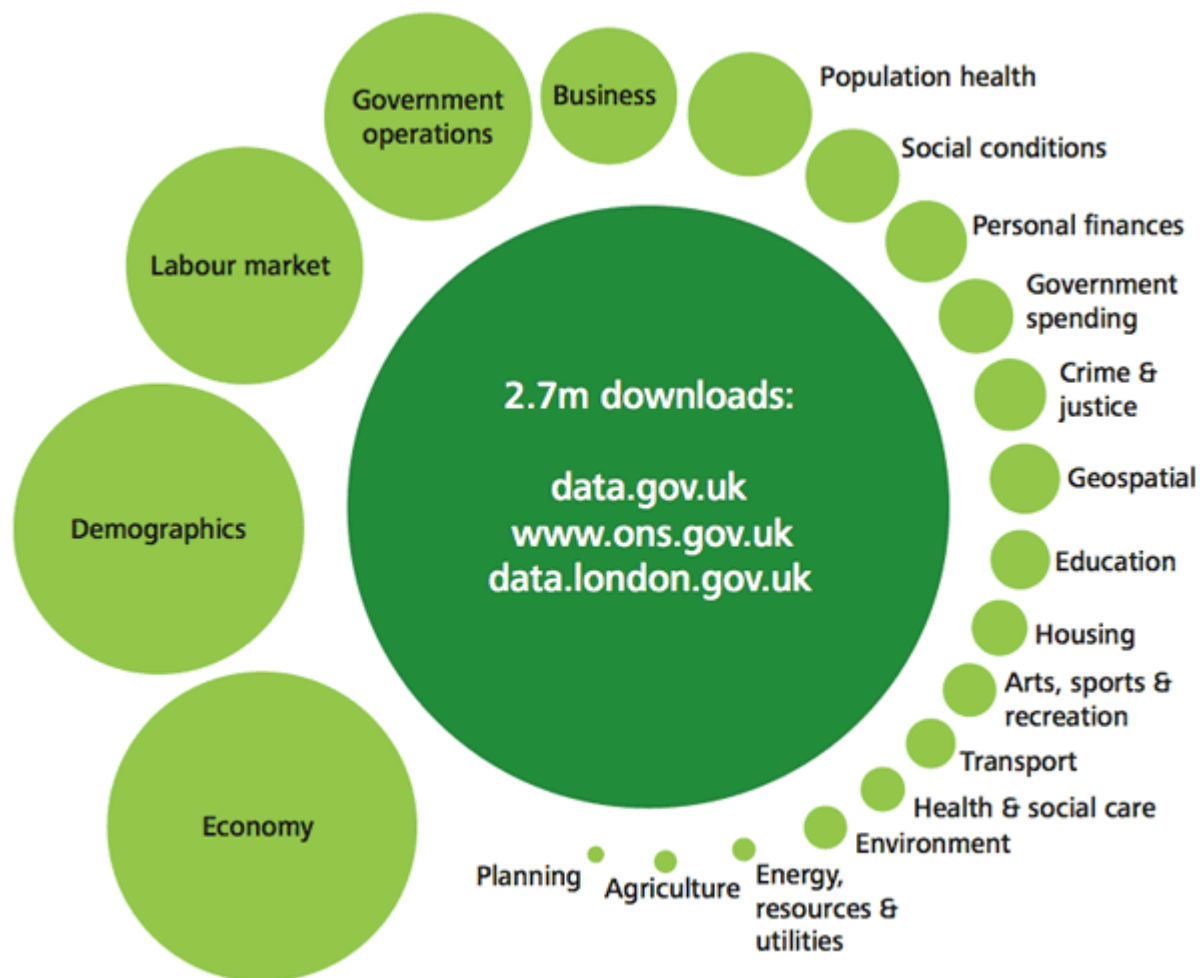
"... new businesses and new business models are beginning to emerge: Suppliers, aggregators, developers, enrichers and enablers. Working with the Open Data Institute, Deloitte has been investigating the demand for open data from businesses. Looking at the actual supply of and demand for open data in the UK provides some indication of the breadth of sectors the data is relevant to and the scale of data they could be considering.

The research suggests that the key link in the value chain for open data is the consumer (or the citizen). On balance, consumer-driven sectors of the economy will benefit most from open government data that has direct relevance to the choices individuals make as part of their day-to-day lives."

I interviewed Lewis last week about Deloitte's findings — stay tuned for more insight into that research in February.

8 business models for open data

Michele Osella, a researcher and business analyst in the Business Model & Policy Innovation Unit at the [Istituto Superiore Mario Boella](#) in Italy, wrote in to share examples of [emerging business models](#) based upon the research I cited in my post in December. His email reminded me that in Europe, open data is often discussed in the context of public sector information (PSI). Ongoing case studies of re-use are available at the [European Public Sector Information Platform](#) website.



Graphic Credit: [Deloitte LLP and the Open Data Institute](#)

Osella linked to a presentation on [business models in PSI reuse](#) and shared a list of eight business models, including case studies for six of them:

1. **Premium Product / Service.** [HospitalRegisters.com](#)
2. **Freemium Product / Service.** None of the 13 enterprises interviewed by us falls into this case, but a slew of instances may be provided: a classic example in this vein is represented by mobile apps related to [public transportation in urban areas](#). [Link added.]
3. **Open Source.** [OpenCorporates](#) and [OpenPolis](#)
4. **Infrastructural Razor & Blades.** [Public Data Sets on Amazon Web Service](#)
5. **Demand-Oriented Platform.** [DataMarket](#) and [Infochimps](#)
6. **Supply-Oriented Platform.** [Socrata](#) and [Microsoft Open Government Data Initiative](#)
7. **Free, as Branded Advertising.** [IBM City Forward](#), [IBM Many Eyes](#) or [Google Public Data Explorer](#)
8. **White-Label Development.** This business model has not consolidated yet, but some embryonic attempts seem to be particularly promising.

Agree? Disagree? Have other examples of these models or other business models? Please let me know in the comments or write in to alex@oreilly.com.

<http://radar.oreilly.com/2013/01/open-data-business-models-deloitte-insight.html>

In the meantime, here are several other posts that have informed my investigation into open data business models:

- [Suhaka and Tauberer on business models for reuse of open legislative data](#), by Robert Richards
- [Open data business models](#), by Jeni Tennison
- [Open data as a business model for the public sector](#), by various presenters
- [Open data business models for hackers](#), by Luke Closs

This post is part of our ongoing investigation into the [open data economy](#).

[<http://radar.oreilly.com/tag/data-economy>]