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FLUX INSIGHTS

ARE YOU EXPLOITING THE DATA DIVIDEND?



DATA
INFORMATION
INTELLIGENCE
INSIGHT

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Personalisation & automated decision making. Is a growing trend across several industries. And start-ups are collaborating with retailers and e-commerce platforms to leverage data.

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The availability of wireless mobile devices and the migration from traditional product-based business models to service business models.

THE FUTURE IS OURS TO MOULD



A World Awash With Data

SURVI- VING CHANGE

In a world awash with data it would be a capital offence not to engage with the enormous opportunity presented by the streams of information produced.

In the past 5 years more data was produced than in the last century. If data is the new oil. Then the strategic exploitation of intelligence, derived from the data. Will form the basis for the foundation of competitive advantage.

Across a plethora of industries. We are already at the beginnings of trading data itself, like a commodity.

The data dividend refers to the enormous opportunity that the digitisation of economies around the globe represents. To companies and consumers alike not just financially, but at a much boarder societal level.

To be clear! The data dividend, is not, about data, nor analytics. However, it really is about strategy.

*Change is inevitable
how you respond to
it is what counts*



US\$
4.6T

Is the projected
global e-commerce
sales by 2021

2.1B +

Shoppers are
expected to buy
goods & services



**I READ,
I REFLECT,
I ACT.**

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The pace of change is quite staggering. For companies that were born in the era of the internet, the next iteration of business models is already upon us.

Organisations that place consumers and data at the core of their business. To address single or multiple business challenges are set to appropriate the greatest proportion of the data dividend.

That will be created by the migration of consumers, devices, business models, and economies online.

Let's consider online marketplaces. E-commerce sales are expected to reach USD 4.8 trillion worldwide by 2021.

Most transactions are conducted via websites, apps or e-commerce marketplaces.

As you are aware, the ascent of e-commerce spurred innovation in payments, new practices in supply chain management, media streaming, and online advertising.

There are broadly 8 types of business model;

The Data Dividend
Data Marketplaces

Enabled by the blockchain, these marketplaces will facilitate the exchange of IoT data. Potentially unlocking more than \$3.6 trillion in value by 2030

B2B Platform

Platform for transaction of products or services between businesses

mCommerce

Platform for buying and selling of goods and services via wireless handheld devices.

Crowdfunding

Platform that enables businesses to fundraise leveraging the crowd.

C2C

Platforms that enable the transactions of goods and services between customers

eCommerce

Platforms where buy-side and sell-side actors meet to exchange goods and service.

B2C

Platform for transaction of products or services from business to customers

Peer-Peer

Platform which brings together users, who offer products through offline services

Auction Platforms

Platform where a seller lists a product and sets a deadline; buyer with the highest bid gets the item



However, with the emergence of the internet of things and the use of APIs. A new type of online marketplace is emerging.

Marketplaces that trade in data. They are essentially platforms, that create environments where data can be bought and sold.

Opening new opportunities, for the development of additional revenue streams, for organisations that have built-up proprietary monetisable data.

Or start-ups that will combine different data sources to create whole new businesses.

Laying the foundations for the development of new business models, products, and changes in the manner that employees conduct business. and people manage their lives.

The Data Dividend
Data Marketplaces

The monetisation of data will open up new revenue streams for organisations



Companies like, Terbine, the first global marketplace for physical world data, and personal data marketplaces, such as Datum, DataWallet and fysical.

Enable businesses and individuals to trade their data on their own terms.

The Data Dividend
Data Marketplaces

Marketplaces that trade in data. Are essentially platforms, that create environments where data can be bought and sold



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IN A RAPIDLY DIGITISING
WORLD. LET'S CONSIDER
THE BASELINE STATISTICS

*“Big data is at the foundation of all of the megatrends that are
happening today, from social to mobile to the cloud to payments to
gaming.*

Chip & Dan Heath

”

4.68 BN

The total number of mobile phone users worldwide from by 2020

4.4 BN

Internet users worldwide in March 31, 2019

MOST ORGANISATIONS HAVE
BARELY SCRATCHED THE
SURFACE. OF THE
OPPORTUNITY, THAT
MIGRATION ONTO THE
INTERNET & BIG DATA WILL
BRING. THE NUMBERS SPEAK
FOR THEMSELVES.

1%

Equates to the amount of data exploited by organisations.

5%

Is the total amount, of data that constitutes transactional data. Yet ...

93%

Of all data in the digital universe will be unstructured.

DATA IN
ORGANISATIONS IS
GROWING
EXPONENTIALLY

4.4 ZB -

In 2013

44ZB

In 2020

DATA ACCESSED & ANALYSED
WITHIN ORGANISATIONS

0.5%

ACCESSIBLE DATA

DATA ACCESSED &
ANALYSED WITHIN
ORGANISATIONS

99.5%

Represents Inaccessible Data

DATA LOCKED SILOS

However, it is clear that, although data is an asset. It is held within legacy systems hosted in departments. Siloed off from one another preventing at scale analysis and insight.

Another challenge a plethora of companies are grappling with, is the inaccessibility of cross-industry, connected, and 2nd party data.

However, whilst some companies are barely keeping up with these changes.

Consumer expectations have already moved on with demands for more personalised goods and services.

Data is locked internally, with no incentive or tools to share it with others, who could use it and pay for it



What Consumers Are Saying

33% say “Most of the time I’m happy for someone else to make decisions for me” (Automated Purchasing)

59% of global respondents said they would be happy to hand over decision making to an expert or automated system in certain situations. (Automated Purchasing)

46% agree “I would be less inclined to buy from a company that was not seeking ways to personalise their product/ service to me. This has become the standard I expect”. (Personalisation)

74% say “I am more likely to buy a product that has been customised to my specification”. (Automated Purchasing)

48% of consumers expect retailers to provide on-demand personalised promotions. (Personalisation)

22% of global respondents would be happy for an automated system to make a decision based on their previous behaviour and purchases in certain situations. (Automated Purchasing)



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HOW CAN COMPANIES EXPLOIT THIS OPPORTUNITY?

“Companies that exploit data as a strategic asset are the one’s that will survive and thrive. Their view is that, it is neither about data nor analytics. However, it really is about strategy.”

”



The availability of wireless mobile devices and the migration from traditional product-based business models to service business models.

Is the result of the on-going transformation of the global economy from an analogue to digital economy.

What is unique, about this transformation is that whilst the industrial revolution.

Was concentrated in western countries, prior to slowly expanding across the globe.

The digital transformation of industry sectors, goods and services, is occurring simultaneously.

To a greater or lesser degree across the world.

The impact of wireless technologies, on developed and developing economies

Is a shift, away from the derivation of competitive advantage.

From the efficient deployment of tangible assets, such as inventory, property and plant equipment.

The Data Dividend
The impact of wireless technologies on economies

The growth of data, will be driven by the internet of things, machine to machine, interactions and wearable devices



To intangible assets, such as;

- Software, systems and data
- Innovative product and services
- High quality and responsive operational processes
- The skills and knowledge of the workforce

Developing a company culture that encourages innovation, problem solving and process improvement

Furthermore, in the future the most effective strategies, may be those that are responsible for the creation of value from intangible assets.

The Data Dividend
The impact of wireless technologies on economies

The impact of wireless technologies on developed and developing economies. Is a shift towards deriving competitive advantage from intangible assets

TO ILLUSTRATE. IN 1982, THE TANGIBLE BOOK RATES REPRESENTED 62%, OF INDUSTRIAL ORGANISATIONS MARKET VALUE. TEN YEARS LATER, THE RATIO HAD PLUMMETED TO 38%. BY THE END OF THE 20TH CENTURY, THE BOOK VALUE OF TANGIBLE ASSETS ACCOUNTED FOR LESS THAN 20% OF A COMPANIES' MARKET VALUE .

(WEBBER 2000, QUOTING RESEARCH BY BARUCH LEV).

CLOSING THE GAP

Applications of ML and AI in marketplaces

To assist you on your journey to gaining greater access to inaccessible data within your organisations. And exploit readily available external data.

Complete our online [questionnaire](#) to determine if your organisation would benefit from deploying machine learning technologies.





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"ERRORS USING INADEQUATE DATA ARE MUCH LESS THAN THOSE USING NO DATA AT ALL."

Charles Babbage

JEFF WEINER

"DATA REALLY POWERS EVERYTHING THAT WE DO."

Marissa Mayer

"With data collection, 'the sooner the better' is always the best answer."

W Edwards Deming

"In God we trust, all others bring data."

Douglas Merrill

"Big data isn't about bits, it's about talent."

"DATA ARE JUST SUMMARIES OF THOUSANDS OF STORIES - TELL A FEW OF THOSE STORIES TO HELP MAKE THE DATA MEANINGFUL."

Dan Heath

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