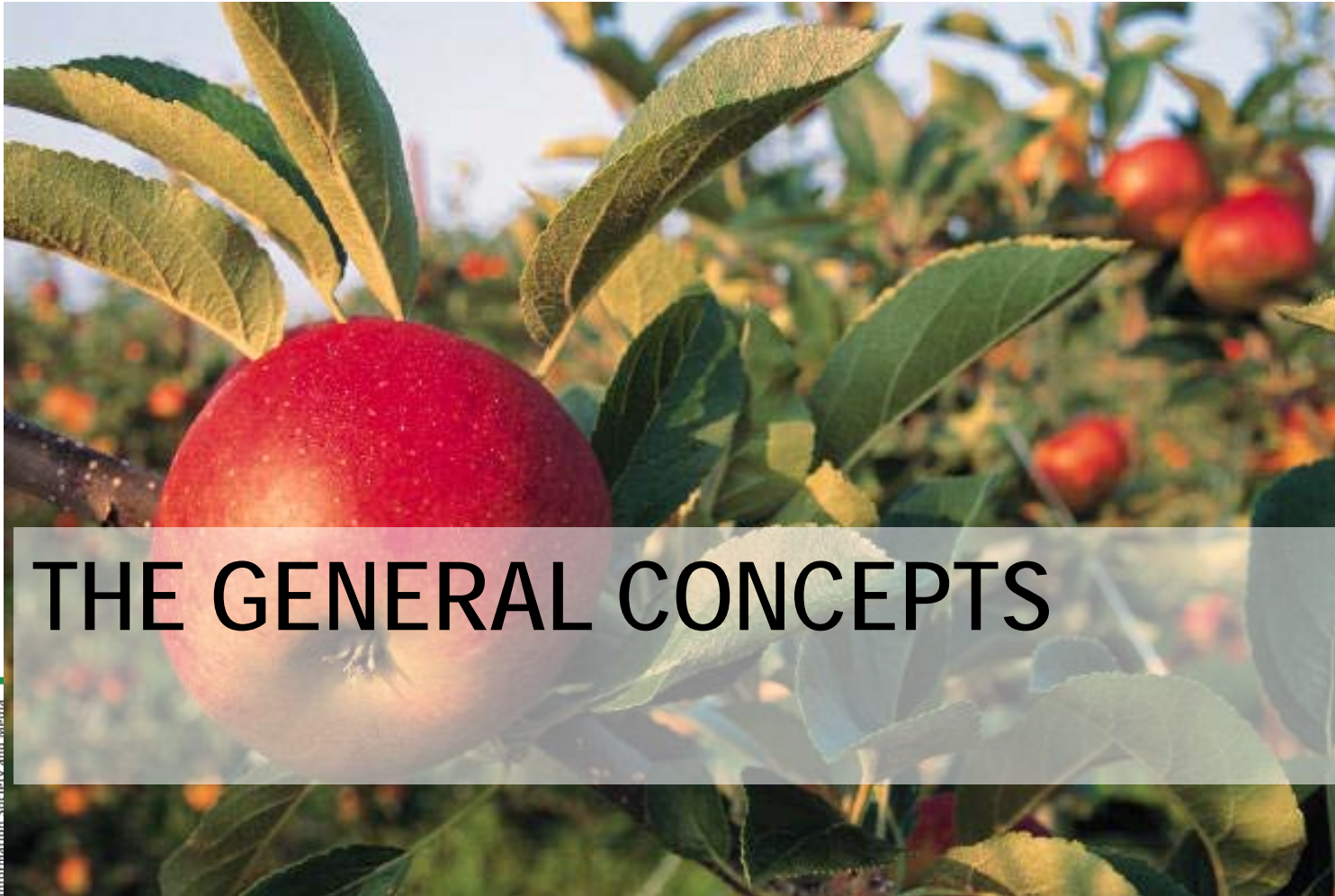




Successful business models: The BeyWatch story

ICT4SH Nice 2010

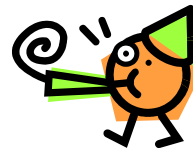


THE GENERAL CONCEPTS

European Commission
Information Society and Media

The Key indicators

- Revenue increases
- Ability to generate profits
- Success in creating meaningful alliances
- Success in expanding into new markets
- Differentiating itself

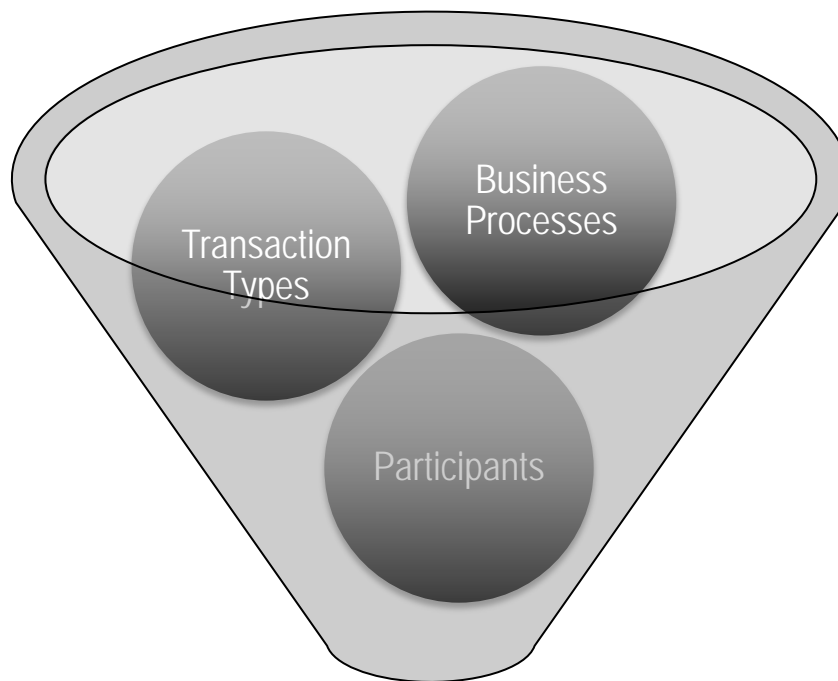


THE WAY FORWARD



- What drives value for a ... company? ... A product? ...A service?
 - User Insight satisfaction
 - Customers = Fans
 - Market status and main tendencies
 - Where and how....
- Fail?
 - Using the wrong model although your product is great
 - The timing: not acting quickly enough—can lead to significant financial or opportunity loss

How to build them?



**INTERNAL AND EXTERNAL
INFLUENCES**

When developed, then What..

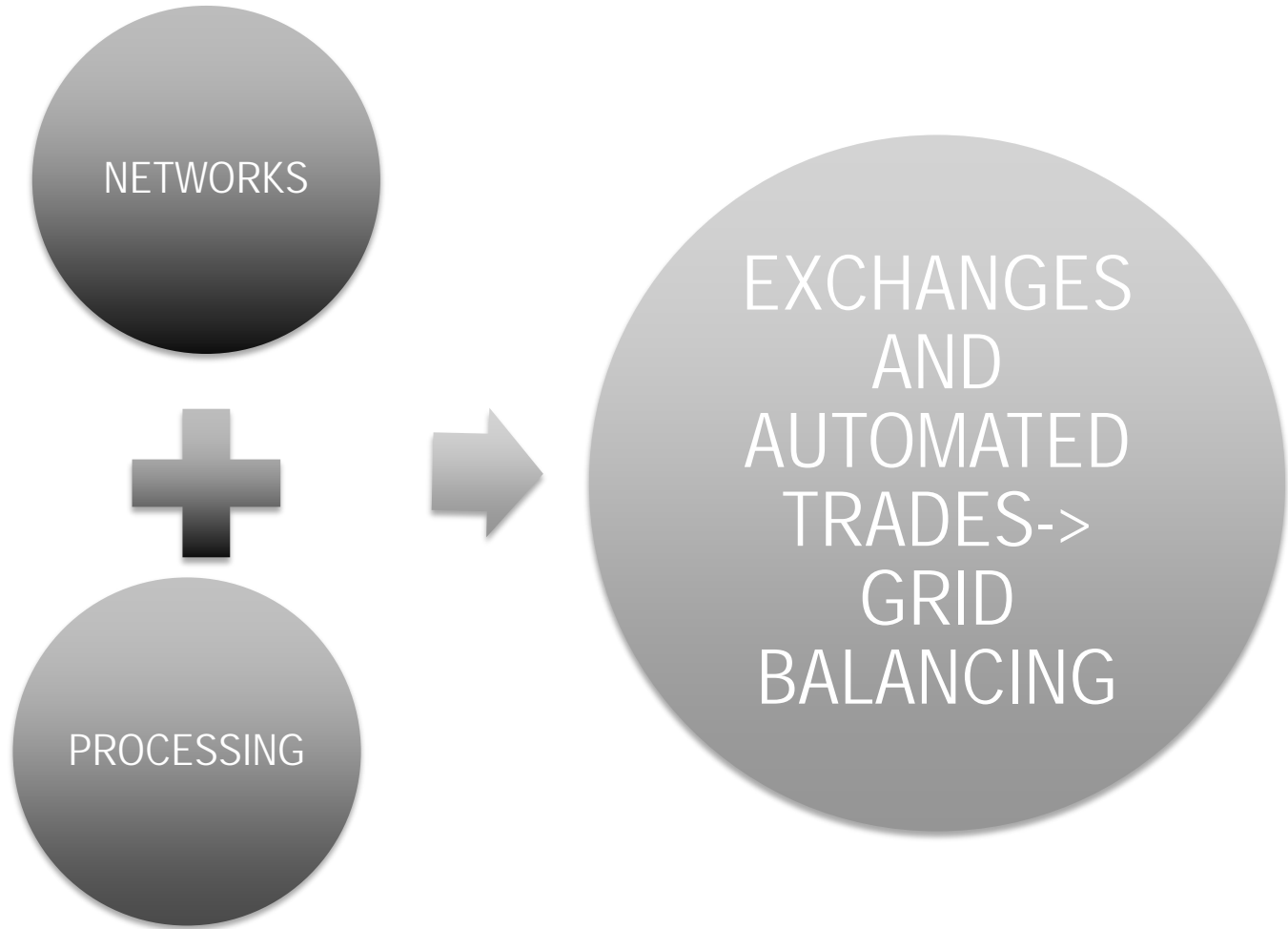


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Energy and ICT models



Value analysis

- To the employees



Efficiencies

- To the cutomers ->



Quality of Experience

- To the Corporations ->



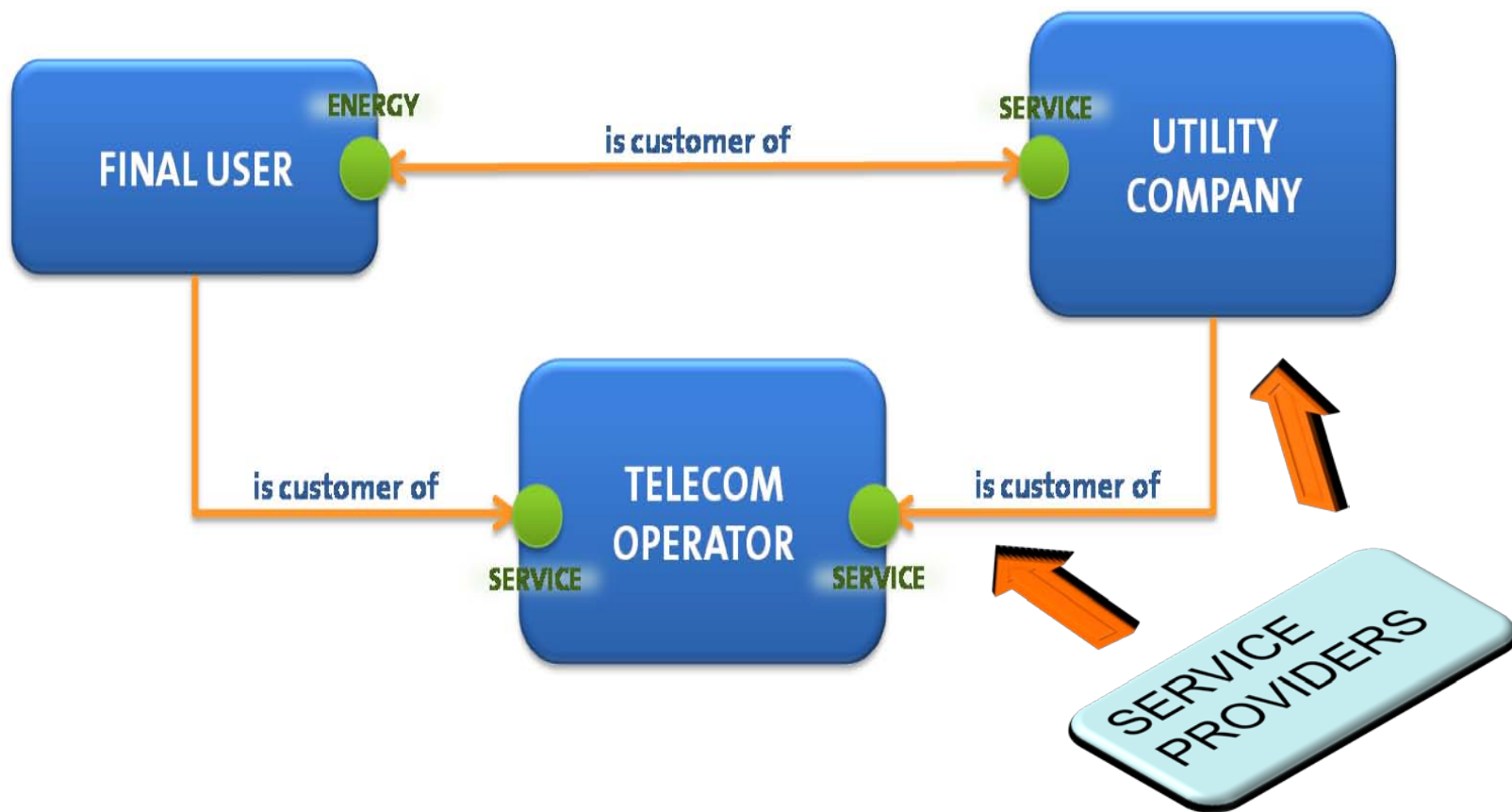
+ responsive entity

- Companies - business strategies -core ideologies -new market challenges ->

value to all stakeholders

BEYWATCH BUSINESS MODEL- SUCCESSFUL?

New Market relationships



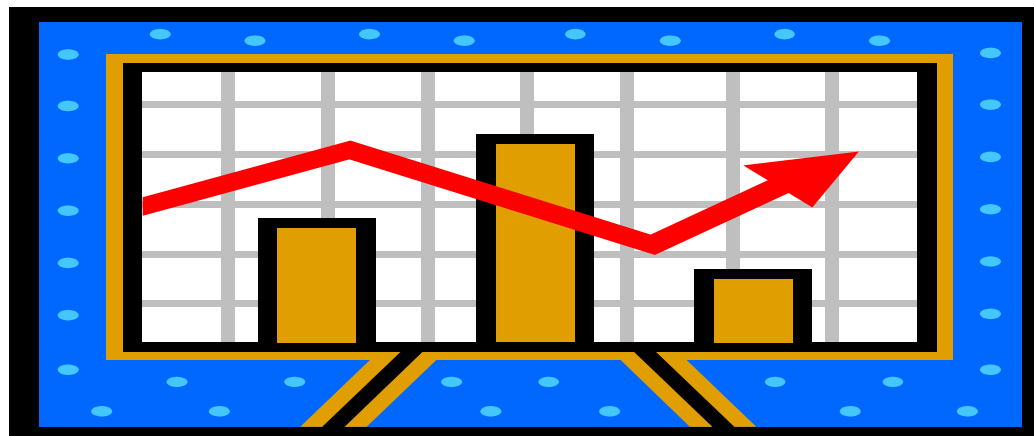
SWOT analysis



	HELPFUL	HARMFUL
INTERNAL ORIGIN	<p>STRENGTHS</p> <ul style="list-style-type: none"> • Innovative platform not developed until now. • Wide variety of partners involved in the project, coming from different areas and having complementary expertise • For the BeyWatch consortium: Significant RTD knowhow, accumulated skills and deep knowledge related to energy management at different levels. • The solution can be adopted internally in the companies to comply with the EU regulations (Zero emissions). • The BeyWatch consortium has a European dimension providing for possible economies of scale. 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Application modelling is complex • BeyWatch platform relies on various technologies on a fragmented market (Home Automation). • Home automation market is not a mass market yet. • Heavy investments to install BeyWatch at homes are needed.
EXTERNAL ORIGIN	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Growing social consciousness in relation to the earth sustainability and reduction of Co2 emissions by reducing energy consumption. • Energy efficiency constitutes a huge market. • Commercial offering for many market segments. • Provide innovative services that promote the energy efficiency. • Alliances and business opportunities with utilities. 	<p>THREATS</p> <ul style="list-style-type: none"> • Strong competition in the Home Automation market. • Fragmented market: users are not convinced. • Economical world crisis may delay commercial launches.



Influences



1

Regulation

The regulatory framework is essential to the implantation and use of smart metering

Obligation for energy efficiency

2

Information

Knowledge of the consumption behaviour as a first step before its modification

Increase the awareness of the consumers about the best practices

3

Prices

Need to apply time of use prices to make the final consumer sensitive to the real cost of energy and when this energy is consumed

4

Efficiency through automation

Automation that allows the implementation of DMS measures (smart metering, loads management, etc)

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ict for
sustainable
homes

Telco



Energy saving business alternatives	Electricity Commercialization	Energy saving service alone	Energy saving in partnership with utility	Utility outsourced ICT to telco	Utility w/o telco
Pros	<ul style="list-style-type: none"> Tariff setting End-customer end-to-end offering 	<ul style="list-style-type: none"> Partial End-customer offering 	<ul style="list-style-type: none"> Co-branded bundles End-customer end-to-end offering Integration with customer premises and electricity network Share device upfront investment Share risks 	<ul style="list-style-type: none"> No risk Revenues from IT(OCS), service (platform), communications (recurring)... 	<ul style="list-style-type: none"> Utility brand
Cons	<ul style="list-style-type: none"> Need to obtain retailing authorization Low margins 	<ul style="list-style-type: none"> Relying on utilities willingness of offering differentiated tariffs¹ 	<ul style="list-style-type: none"> Revenue sharing 	<ul style="list-style-type: none"> No end-customer revenues 	<ul style="list-style-type: none"> Lack of customer insights Lack of customer touch points Lack of IT expertise Lack of service platforms Lack of R&D capabilities
Recommendation	Strong Discard	Discard	Recommended	Business As Usual (BAU)	Reactive / telco bypass

BeyWatch Partnership bets

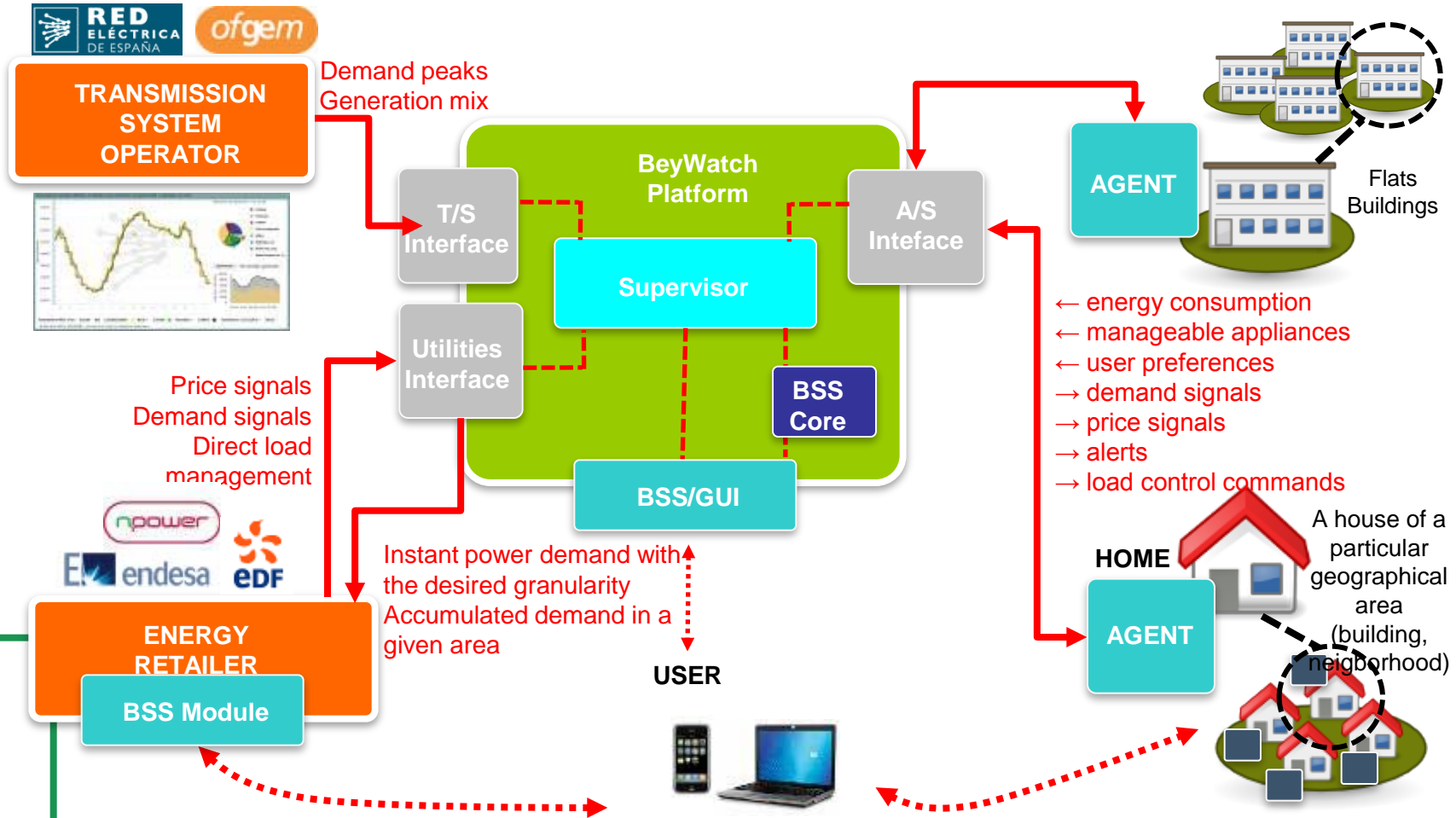


- Utilities
 - Consumption information services
 - Generation Information Services
 - Control services and Demand Response
- White Appliances
 - New family of products
 - Compliance to regulation
 - Eco-friendliness
- Service Providers
 - ICT ecosystem playground combined with energy technologies
 - Networking and control
 - HW/SW products



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The Basis for the business model



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BeyWatch Consortium Proprietary

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Main Constituents



- Complex stakeholder chain: utility- telco-installer-equipment provider...
- Win-Win relationships
- O&M is complex: Many responsibilities have to be somehow concentrated into one player
- Utilities will have to be the centre of the model
- Customers: Telco+ Utility -> New opportunities.



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All of this is great! But don't forget

