De-Risking Investment in the Digital Transition

Connected Smart Cities Conference 2019

Sustainably scaling smart city projects
- a systemic approach
What has stopped investments in Smart Cities?

- **My five cents:**
  - Technology integration risk and lack of incentive
  - Risk aversion in public procurement

- **Tentative solutions:**
  - Early validation for scalability and commercial viability
  - New procurement processes and smart contracts
Integration efforts and SoS reference platform

Focus on exploitation: open standards, developer engagement & scalability
Value network analysis & Business model innovation

Ecosystem mapping:
✓ Actor roles
✓ Motivations and objectives
✓ Knowledge and data flows
✓ Co-creation processes
✓ Financial transactions
✓ Contractual terms
✓ Business model
✓ Guidelines for replication of the use case

Business model innovation:
✓ Value creation
✓ Value proposition
✓ Value capture
✓ Role identification
✓ Role shift
✓ Role expansion

Third party developers!

Simple purchase, pay per use, platform co-selling, third party revenue source, cross-selling, benefit share, data as a currency, freemium, Razor & Blade, mass customization, long tail, open source, XaaS, bundling
The Future of Public Procurement

- The changing role of the cities in the service co-creation process
- Real life experimentation
- Pre-commercial procurement, challenge based models
- Hackathons and citizen challenges for open data based ideas
- Several success cases

WE NEED YOU!

OPEN CALL
submit your idea for a cool smart city application

APPLICATIONS BY 15TH JANUARY
Thank you!

Dr. Petra Turkama
Director
Center for Knowledge and innovation Research (CKIR)
Aalto University
Runeberginkatu 22-24
00100 Helsinki
Finland
email: petra.turkama@aalto.fi
tel (FIN): +358 40 353 8369
tel (UAE): +971 56 445 4842