Business Models in Ambient Assisted Living Joint Programme

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AAL Forum, Vienna, September 30, 2009
“A business model is a framework for creating economic, social, and/or other forms of value. The term business model is thus used for a broad range of informal and formal descriptions to represent core aspects of a business, including purpose, offerings, strategies, infrastructure, organizational structures, trading practices, and operational processes and policies.”

Wikipedia
Why business models in AAL Joint Programme?

- Objective to foster the emergence of new products, solutions and service concepts to the market within about 2 to 3 years after the project end.

- Objective to create a favourable environment for participation by small and medium-sized enterprises (SMEs)

- Objective to improve conditions for industrial exploitation
Competitive advantage from the “white space”

Volume of innovation efforts: goods in front¹ ... services in back²

Note 2: From Peer Insight study of 100 recent service innovation projects (2000)

The basics of identifying and improving business models

1. describe it
2. discuss it
3. improve it
4. implement it

Who is the customer?

"Buyer"

"Freerider"

"Monopoly of supply"

GATEKEEPER

PAYER

END-USER

Customer
Succesful business models

• Pre-conditions for successful business models:
  - Design business models and business cases together
  - Define your service and your market (focus on payers AND users)
  - Identify those who may inhibit your providing the new service: their business case is part of your business case

“The business model for research and development and pilots aims at subsidies and ‘medical evidence’. The business model for exploitation is completely different and aims at ‘economic evidence’.

A. Dobrev – Empirica / Financing eHealth
Evaluation criteria

• In AAL Joint Programme, business model development is assessed by evaluating and reviewing
  – the customer segment to be addressed (MARKET)
  – the selected conceptualization model (APPROACH)
  – the consortium composition involved in the proposal (ACTORS)