

How is Open Data used by big business?

Larger businesses can also gain particular advantages from using Open Data. Here are a few examples:

- Save money and innovate: Larger corporates, like small businesses and start-ups, are also able to develop new innovations and replace subscription data for free Open Data. However, due to their more formal structure, may not be able to move as quickly as small businesses in developing new innovations.
- 'Freemium' promotions: Larger businesses may be able to publish their Open Data and services for free, to attract external users into using it and integrating it within their services. They can then later charge users if they make substantial use of the Open Data, or use the Open Data as an introduction to their wider portfolio of data and services. By having more financial resources, corporates are able to use Open Data as a trial or promotional strategy.
- One-off projects: Larger businesses are also able to use external Open Data in one-off consultancy products to provide new insight into a business problem, and to save costs of purchasing data.
- Benchmarking: Larger organisations may often need to publish data and information for regulatory or corporate social responsibility reporting reasons. Publishing this information as Open Data provides transparency on business activities. Businesses are also able to benchmark their performance against competitors using Open Data so they can compare. Larger businesses can also experience challenges in utilising Open Data.

We will also examine how these can be mitigated next week, but here they are now for consideration:

- Agility: Larger businesses are less flexible than start-ups, with fixed infrastructure and operations, so may prefer to make incremental innovations to existing products, rather than develop entirely new products and services using Open Data.
- Cultural barriers: Many start-ups view Open Data favourably and are able to design new business models that fit around sharing resources for free. Established larger organisations can often find the prospect of opening their data to all external users daunting. Some executives and leaders have developed a business around selling proprietary data, and do not always understand Open Data and how to benefit from publishing and consuming information. It may be that using Open Data requires substantial changes to the business, which can limit appetite for the adoption of Open Data practices.

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