

OPC DAY FINLAND 2016

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Platform economy is more than Uber

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Onko Suomi jäämässä alustatalouden junasta?



Synopsis

Digital platforms and platform economy are hot terms, but unfortunately somewhat vague. Therefore we try to clarify them.

Platform economy is dominated by US and Asian companies.
What is the situation in Finland – are we behind?

Which are the opportunities and threats, what should we do?
Three potential opportunities are presented.

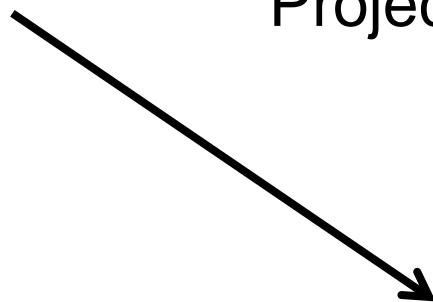
Product business

Project business

Service and maintenance business

Remote operation business

Fully digital business



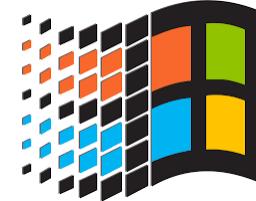
"When business becomes digital, it also becomes lucid and anybody can come from the side and take your business."

Platform – many meanings

Product family



Control point in value network



A transaction platform is a (digital) marketplace with defined boundary resources (API, agreements, ...). Multisided, complementary platforms are most “developed”.



Organizational platforms



Suomen Automaatioseura ry
Finnish Society of Automation

Definitions (in Finnish)

Digitaalisilla alustoilla tarkoitetaan tietotekniisiä järjestelmiä ja niihin liittyviä yhteisiä toimintaperiaatteita, joilla eri toimijat – käyttäjät, tarjoajat ja muut sidosryhmät yli organisaatorojen – yhdessä toteuttavat lisäarvoa tuottavaa toimintaa. Alustolle on tyypillistä, että eri toimijat luovat, tarjoavat ja ylläpitävät toisiaan täydentäviä tuotteita ja palveluita eri jakelukanaviin ja markkinoille yhteisten pelisääntöjen ja käyttäjäkokemusten puitteissa. Alustojen tyypillisena ominaisuutena on sitouttaa ja houkutella eri toimijoita verkostovaikutusten tuottamilla taloudellisilla hyödyillä.

Digitaalinen alustatalous kuvaa markkinaa, jossa digitaalisiin alustoihin nojaava liiketoiminta on saavuttanut merkittävän tai määräävän markkinaseman. Luonteenomaista sillä ovat matalat kiinteät investoinnit, alhaiset yksikkö- ja transaktiokustannukset sekä dataan perustuvat algoritmipohjaiset liiketoimintamallit. Digitaalinen palvelutalous voidaan määritellä alustataloudeksi, jonka tuotokset ovat pääosin digitaalisten alustojen avulla tuotettuja, välitettyjä ja kulutettuja immateriaalisia palveluja, jotka usein rakentuvat kolmansien osapuolien tuottamien tuotteiden tai palvelujen varaan.

Source:

Onko Suomi jäämässä alustatalouden junasta? Ailisto, Collin, Seppälä, Mäntylä, Juhanko (eds)

Characteristics

- Network effects
- Multisided markets, role of platform owner
- Complements

Co-operative Boundary resources

Agreement between the platform owner and complements

- Rights and liabilities
- Immaterial rights
- Joint earning logic
- Open data towards 3. parties
- Instructions, documentation and user experience

Technical boundary resources ensure compatibility on relevant levels

- Sw development tools, SDK
- Interfacing (API)
- Functions, scripts

Source:

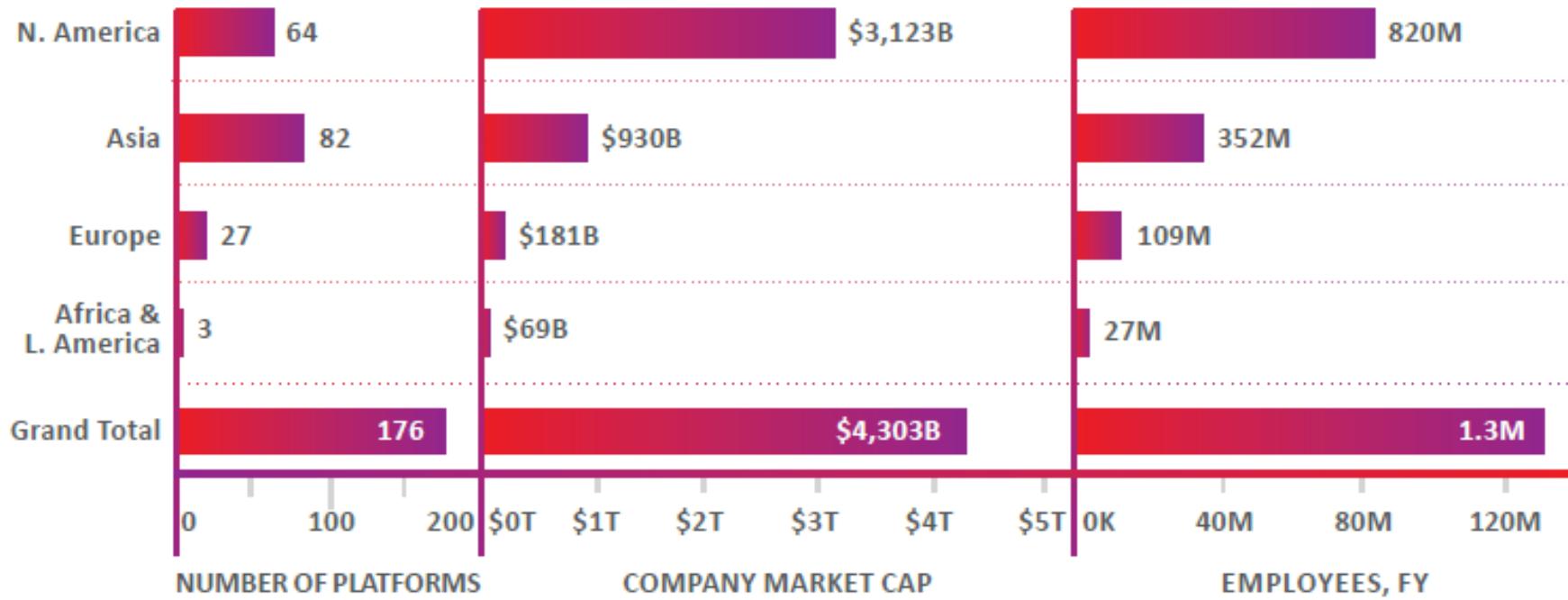
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Open vs. closed

- Company internal platforms
- Platforms for value or supply chain
- Open multisided platforms

Platform economy is dominated by US and Asian countries

PLATFORM COMPANIES BY REGION



SOURCE: Global Platform Survey, The Center for Global Enterprise, 2015

Situation in Finland

Currently few Finnish companies offer full-fledged open digital platforms.

However, some companies have closed or partial platforms. Many plan to develop and launch such.

Some have joined global platforms and *offer complementary services there*.

And few have launched a platform.

Taulukko 4.1

Yritysten avoimilla verkkosivuillaan julkaisemat yhteistoiminnalliset ja tekniset rajaressurssit

| | Yhteistoiminnallinen rajaressurssit | | | | Tekniset rajaressurssit | | |
|-----------------------------------|-------------------------------------|----|----|----|-------------------------|-----|---------|
| | T&C | TL | RL | JM | SDK | API | Scripts |
| Teollisuusyritykset | | | | | | | |
| ABB | 0 | 0 | 0 | 0 | 1 | 1 | 1 |
| Amersport Oyj (Suunto/Movescount) | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Cargotec Oyj | 0 | 0 | 0 | 0 | 1 | 1 | 1 |
| Fastems Oy Ab | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| Fortum Oyj | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| KONE Oyj | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| Konecranes Oyj | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Neste Oil Oyj | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Normet Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Patria | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Planmeca Oy | 0 | 0 | 0 | 0 | 1 | 1 | 0 |
| Ponsse | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| UPM | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Vacon | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Vaisala Oyj | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| YIT OYj | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Palveluyritykset | | | | | | | |
| DNA Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Eilakaisla Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Elisa Oyj | 1 | 0 | 0 | 1 | 0 | 0 | 0 |
| Empower Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| If Vahinkovakuutusyhtiö | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nordea | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Kesko Oyj | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| OP-Pohjola | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanoma | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| S-kauppa | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TeliaSonera Finland Oyj | 1 | 0 | 1 | 1 | 1 | 1 | 0 |
| Yleisradio Oy | 1 | 0 | 1 | 0 | 0 | 1 | 0 |
| ICT palvelut | | | | | | | |
| Basware | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Bittium Wireless Ltd | 0 | 0 | 0 | 0 | 1 | 1 | 0 |
| CGI Suomi Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cybercom Finland Oy | 0 | 0 | 0 | 0 | 1 | 1 | 0 |
| Espotel Oy | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| F-Secure | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Idean Enterprises Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ixonos Oyj | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Solita Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sweco Industry Oy | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tieto Industrial Internet | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Possible Unicorns | | | | | | | |
| CyberLightning Oy | 0 | 0 | 0 | 0 | 1 | 1 | 0 |
| Trelab Oy | 0 | 0 | 0 | 0 | 0 | 1 | 0 |

Opportunities for digital platforms

Technology industry – common platform, different markets

Forest sector – one platform, co-opetion?

SOTE – only way to make it work.

Technology industry

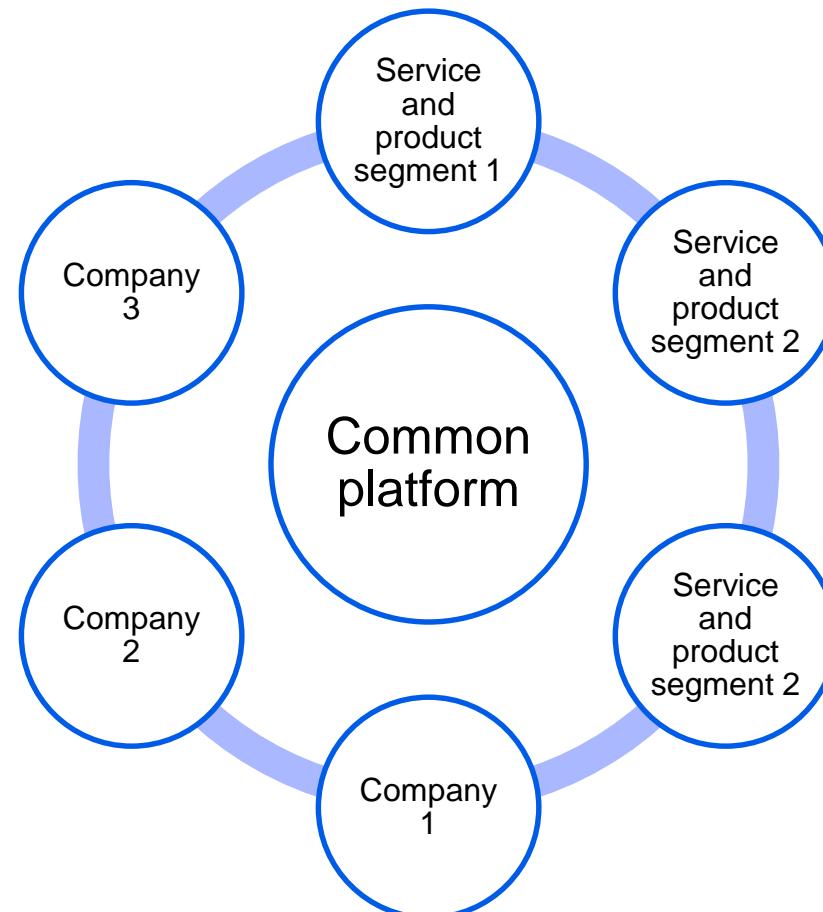
Technology companies have lot of similarities in their operations, business, earning logic, structure, networks.

Also their needs and development strategies have similarities.

They do not compete with each other.

Why not build and share a common platform?

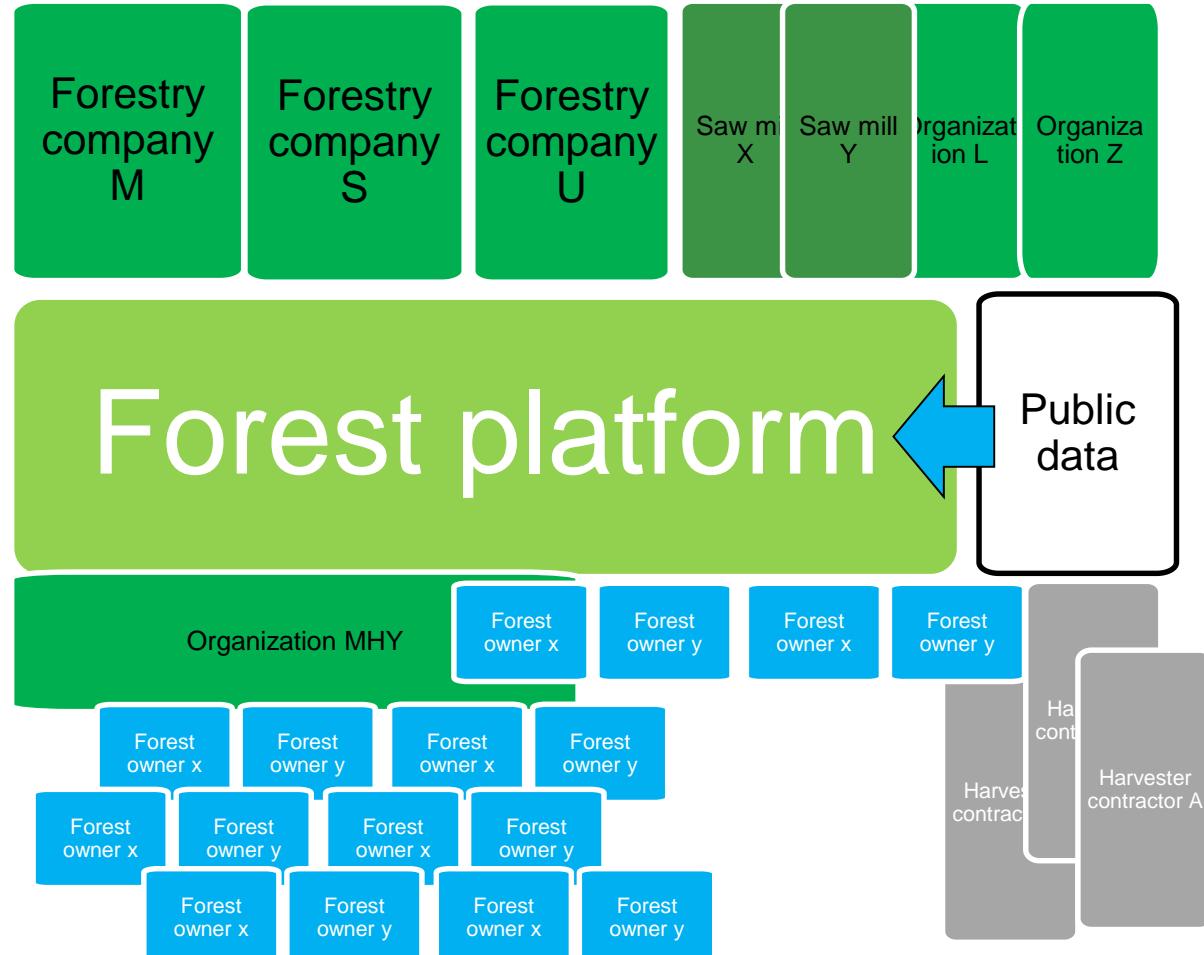
It could be jointly owned "co-op" or run as independent business.



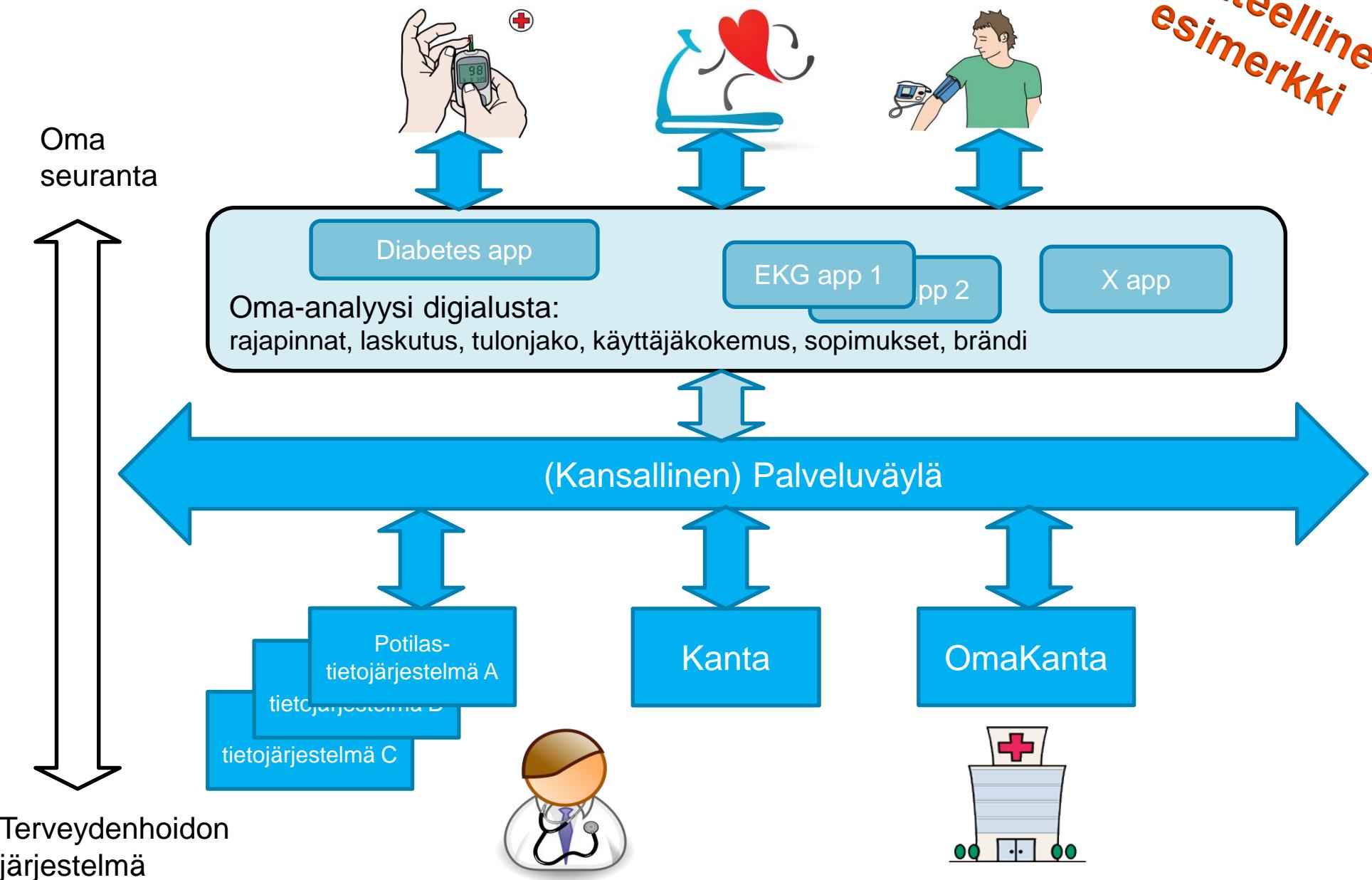
Forest industry – supply side

Currently, companies and organizations are duplicating and reduplicating development work because of distrust and competition.

Why not try co-opetition? Common platform and market competition.
The model could be exported?



Case: "SOTE" sektori



Company strategy should answer these questions

What does platform economy mean in our business? Is there a chance / risk of disruption?

What role do we take?

Developer and host of open platform,
or host of closed platform within our partner network,
or player in third party's platform – an in which role,
or this does not concern us – this needs good arguments!



TECHNOLOGY FOR BUSINESS