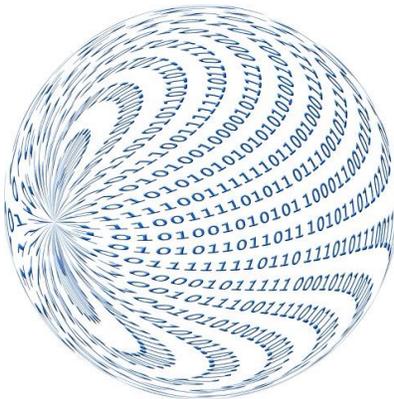


## ***Fulfil the promises of open data***

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Open data is data that can be freely used, re-used and redistributed by anyone, without restrictions from copyright, patents or other mechanisms of control. This idea has been a buzzword for a couple of years, especially since Barack Obama launched the Open Government Initiative back in 2009. Since then, open data projects have flourished across the world. All countries now have their open data strategy and agenda. There is even an Open Data Index, that provides a ranking of all nations, similar to the Olympics medals table. Taiwan scores the best in this index, while the US only reach the 11<sup>th</sup> position...

After ten years of continuous focus, it is fair to perform an assessment of the benefits of open data initiatives. It is also the right time to draw the outlook of open data for the next decade. What are we really going to accomplish with open data?



### **Open data as a business driver**

In its 2013 report about open data (“Unlocking innovation and performance with liquid information”), McKinsey was sizing open data economic potential to be \$3,000B. Four years down the road, we have seen that many governments across the world were embracing open data. However, from a commercial perspective, it seems we are not yet achieving the McKinsey promises. Obviously, it is still early days. And it is very complex to comprehensively evaluate the benefits of open data. We will not challenge that. But, are there some promising evidences of success?

Open data is a very broad concept. In order to better understand its value, one might focus first on the provider of data. Without a proper supplier, there is no data to be opened. And it is relevant to distinguish the public and the private sector.

Public authorities have led the innovation in the open data space. The public sector produces and collects a large set of information, such as geographical information, weather statistics, publicly funded research projects. Many sectors can benefit from this abundant source of information to drive value. As an example, open data can help people searching for a new flat. Providing metrics about the neighborhood of a given good (education, environment, crime, election results) can facilitate the decision. On a different theme, displaying historical weather information, can help the conversion of ski resorts. Those are interesting examples of revenue generation but they seem isolated at this stage. Actually, we believe open data will provide more benefits, in terms of efficiencies and cost savings. Those use cases always attract less attention than the services of a new start-up, but they are already tangible. The savings apply to the public sector itself (simplification of processes and tools to update information, reduction in paper usage) and to the private sector. A massive level of data aggregation always helps the productivity.

Private suppliers are also launching open data initiatives, with different intents. First, some companies don’t really have the choice. As an example, in the public transportation space, information about delays or issues is already flowing freely

through Facebook or Twitter. So, providing a transparent access to operational data is the best way to demonstrate the service quality and to re-engage with travelers. Some companies can also play offense. Privacy is becoming a major concern among customers and the enforcement of GDPR will reinforce this trend. So being very open about data usage and putting people back in control of their own data are excellent ways to appear as being “on your side”. In a different vein, many consumers will be sensitive to the contribution of companies to the community (social, environmental impact). So, displaying transparently actions and results will be seen very positively.

### Open data to strengthen democracy

Information has always played a critical role in democracy. Transparent information and healthy debates allow people to make a reasoned choice during the elections. For years, this has been enabled by journalists and political parties. However, many citizens are now losing confidence in those actors. Experts are not anymore trusted and many politicians trigger more rejection than engagement. Information is perceived as being manipulated by experts and spin doctors. And this is putting at risk the foundations of democracy.

This trend is coming as a surprise. Indeed, in the last 20 years, we have experienced an unprecedented release of information with the emergence of the digital age. Historically, one of the major weakness of democracies was perceived as being the asymmetry of information between the elite and the masses. As information is now flowing freely through the Internet, there was a big hope that democracies would thrive. More information should have improved the quality of the debate and facilitated the decision-making process of electors. But the recent elections across the world have shown the growing fragility of democratic systems.

Open data is often described as a great tool to address this trend. Indeed, if citizens have an easy access to transparent and unbiased information, they should be able to better evaluate the quality of their representatives’ actions and speeches. Journalists and independent organizations have pioneered fact-checking initiatives, like PolitiFact in the US or Full Fact in the UK, that allow citizens to get real-time insights about politicians’ *verbiage*. Fact-checking has now become a must-have in the media. However, we have also seen that fake news can be much more powerful than the praiseworthy fact-checking efforts of journalists. At the end of the day, it is relatively easy to assess the accuracy of some electoral arguments, or at least to have a view on their level of solidity. But, it seems fake news get at least as much credit and coverage. So, open data is not yet the *silver-bullet* solution to the internal crisis of democracies.

Actually, we believe most of the benefit of open data will come when information gets also available for communities and local entities. Unlike to the national level, this is an area where very little information is available for citizens. Currently, it is very complex to evaluate the professionalism and the results of your mayor or your town council. And this is an area where a lot of the important decisions are taken. So, enabling fact-checking at local level could trigger a very clear benefit for the public life. To illustrate what future could look like in Europe, it is interesting to consider the initiative recently launched by Steve Ballmer, former CEO of Microsoft. Basically, his team has been assembling a database, called USAFacts, that allows a fully integrated view of revenues and expenditures across federal, state and local governments. With such a repository, citizens can evaluate the return of their taxes, they can perform comparisons and they are able to challenge their representatives with solid and constructive arguments.

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Thanks to the rise of Internet, smartphone usage and social media, consumers have become smarter. That trend is visible across all sectors. People have access to information and they are more demanding. This is true when they visit a shop and search for a better deal on their phone in the same time. Or when they challenge their doctor with information they obtained on a specialized site. Open data means much more information is available. As people have become more demanding consumers, we bet they will become more demanding citizens as well. From a business perspective, the monetization of open data is already happening, but not yet at scale. Beyond the search for internal efficiencies, we recommend companies to define open data strategies as a way to seduce and re-engage their customers.