APOLLON Overview

OPEN INNOVATION FOR INTERNET-ENABLED SERVICES IN SMART CITIES, EUROPEAN COMMISSION WORKSHOP, BRUSSELS, 13/09/’12

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Can SMEs use Living Lab networks to test and enter new markets?

**APOLLON:**
Advanced Pilots of Living Labs Operating in Networks

The APOLLON objectives:
- Demonstrate the value for SMEs of a European network of local open innovation platforms
- Set up thematic networks of Living Labs across Europe
- Develop a common approach for cross-border Living Lab experiments

What is needed for cross-border Living Lab Networks?
- Common methodology
- Common ecosystem approach
- Common research benchmark
- Common platform guidelines
- Common integration framework
The APOLLON approach to cross-border innovation (1/3)

- Broker access to the cross-border ecosystem
- The Televic – Tunstall case

Diagram showing relationships between Home care organization, Government, Developer, Service provider, Operator, Informal care giver, Care receiver, Living Lab, and Insurance.
The APOLLON approach to cross-border innovation (2/3)

- Adapt to different usage contexts and ensure local buy-in
- The Logica case
The APOLLON approach to cross-border innovation (3/3)

- Discover new business models and business cases
- The ADL – Innoviting case
APOLLON Pilot Results

• Living Lab as cross-border ecosystem broker

• Living Lab as cross-border methodology benchmark

• Living Lab as cross-border open platform provider/facilitator

• Living Lab as cross-border tech & business integrator

<table>
<thead>
<tr>
<th></th>
<th>With smart meters</th>
<th>Without smart meters</th>
<th>Smart meter contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Bedroom flat (T2)</td>
<td>2 -23</td>
<td>14 4</td>
<td>-20%</td>
</tr>
<tr>
<td>3 Bedroom flat (T3)</td>
<td>4 -32</td>
<td>22 -21</td>
<td>-11%</td>
</tr>
<tr>
<td>4 Bedroom flat (T4)</td>
<td>1 -19</td>
<td>7 -10</td>
<td>-9%</td>
</tr>
</tbody>
</table>
The Living Lab Knowledge Centre

- Validated Toolset for Cross-border Living Lab innovation projects
The APOLLON Service Marketplace

- Open Innovation-oriented Marketplace with Living Lab and SME offerings for innovation in a specific domain
SME – Business Impact Assessment

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of SMEs</td>
<td>11</td>
</tr>
<tr>
<td>Years in operation</td>
<td>18</td>
</tr>
<tr>
<td>No. of Employees</td>
<td>90</td>
</tr>
<tr>
<td>Autonomicity</td>
<td>All</td>
</tr>
<tr>
<td>Turnover (2009)</td>
<td>6,055,382 €</td>
</tr>
<tr>
<td>Turnover (2010)</td>
<td>6,492,368 €</td>
</tr>
<tr>
<td>Turnover (2011)</td>
<td>7,783,660 €</td>
</tr>
<tr>
<td>YoY increase (2010)</td>
<td>7%</td>
</tr>
<tr>
<td>YoY increase (2011)</td>
<td>20%</td>
</tr>
<tr>
<td>Turnover/Emp (2010)</td>
<td>49,435 €</td>
</tr>
<tr>
<td>Turnover/Emp (2011)</td>
<td>52,353 €</td>
</tr>
</tbody>
</table>
• Before APOLLON (2008)
  • 64% of APOLLON SMEs had 0-5% international turnover
  • Top-20% had 45-60% of international turnover
• At the end of APOLLON (2012)
  • 27% of APOLLON SMEs had 0-5% international turnover.
  • Top-20% had 55-70% of international turnover
Preferred Mode of Entry to International Markets - SMEs

- APOLLON Network: 45%
- International Operations/Offices: 36%
- Distributorship: 36%
- Direct Export/Re-Export: 36%
- Joint Ventures and Partnerships: 18%
- Franchise/License Ownership: 18%
- M&A, Parent Company Presence: 9%
Barriers and Contribution to Internationalization

Key Barriers for SME Internationalization:
- Lack of resources (Funds/Human Capital) for venturing into foreign markets: 73%
- Lack of focus on internationalization: 45%
- Lack of exposure to end-use customer in foreign markets: 45%
- Lack of understanding of international markets: 27%
- Lack of support from government and local trade authorities: 18%

APOLLON Impact:
- Testing and piloting experience: 70%
- Improved vision and strategy for doing business abroad: 59%
- International business contacts and exposure: 57%
- Exposure to and knowledge of international customer base: 57%
- Access to cross-border living lab environment: 55%
- Understanding of technology platforms and standards: 52%
- Improved knowledge of regulation in foreign markets: 50%
SME Living Lab Experience

Interaction with LL in Apollon
Satisfactory (yes/no)
- Yes: 91%
- No: 9%

Interaction with LL critical for Internationalization (yes/no)
- Yes: 73%
- No: 27%

Satisfaction Levels

Recommendations

- Provide detailed insights on local market penetration and demand rates: 55%
- Provide advice and insights on standardizations and technical interoperability: 36%
- Provide insights on supply-demand side, enabling SMEs to position better: 64%
- Provide advice on cross-border sales and marketing: 45%
- Provide insights into funding mechanisms from financial institutions: 82%
- Liaise between SMEs active in similar cross-border activities: 64%
APOLLO Experience for Large Enterprises

Interaction with LL in Apollon
Satisfactory (yes/no)

Yes 100%

Interaction with LL critical for Internationalization (yes/no)

No 50%
Yes 50%

Liaise between Corporates and SMEs active in similar cross-border activities 100%
Provide advice and insights on standardizations and technical interoperability 50%
Provide insights on supply-demand side, enabling Companies to position better 50%
Provide advice on cross-border sales and marketing 50%
Provide insights into funding mechanisms from financial institutions 50%
Provide detailed insights on local market penetration and demand rates 25%
SMEs can use Living Lab networks to test and enter new markets!

The APOLLON results:

- Demonstrate the value for SMEs of a European network of local open innovation platforms
- Set up thematic networks of Living Labs across Europe
- Develop a common approach for cross-border Living Lab experiments

APOLLON: Advanced Pilots of Living Labs Operating in Networks

We provide what is needed for cross-border Living Lab Networks!

- Common methodology
- Common ecosystem approach
- Common research benchmark
- Common platform guidelines
- Common integration framework
Thank You!

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