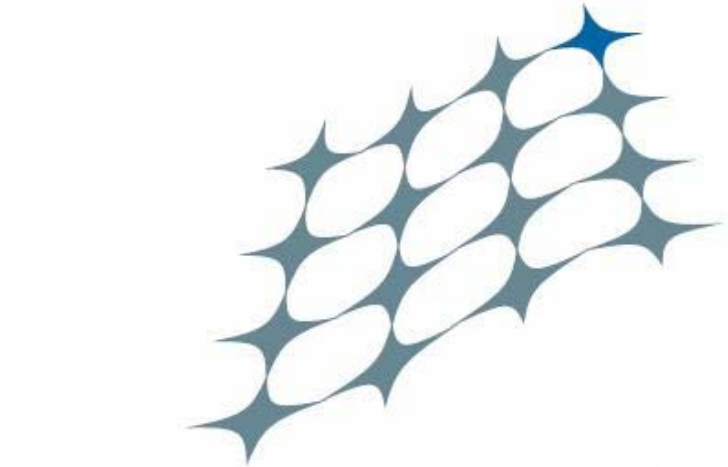

European Commission

Information Society Technologies

Towards Successful Grid Business Models with Efficient Value Chains

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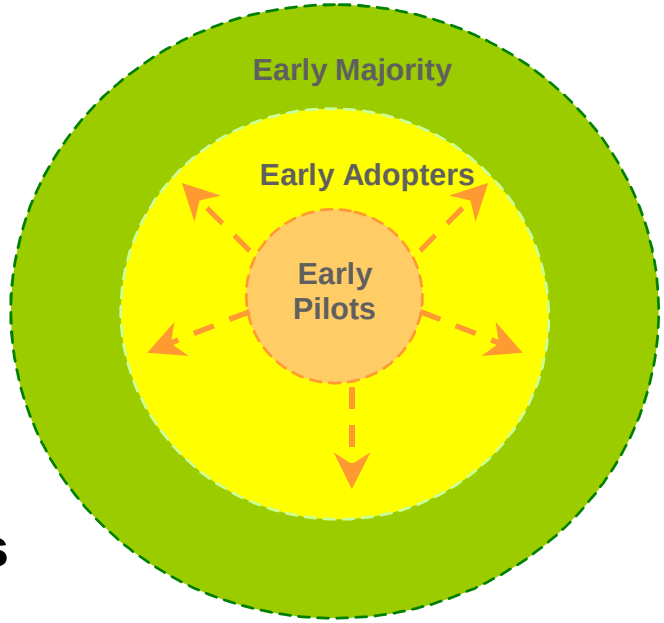
Agenda

- **BEinGrid – the Project**
- **mcm Business Model Framework**
- **Market Entry Approaches**
- **Conclusion**

Grid Scene

- **Europe is a leading player in Grid research (upper layers)**
  - **As a result of FP5 and on-going FP6 IST Grid research, there has been significant number of software middlewares and tools.**
  - **GRID architectures solutions for enabling the management of distributed resources across multiple enterprises boundaries and creating collaborative environments (Virtual Organisations)**

- **Grid technology is coming of age**
- **Future ICT in next decade will be dominated by service orientated architectures**
- **Grid is moving from research and academic use to a wider adoption by enterprise**
- **There is a market place for Grid services**



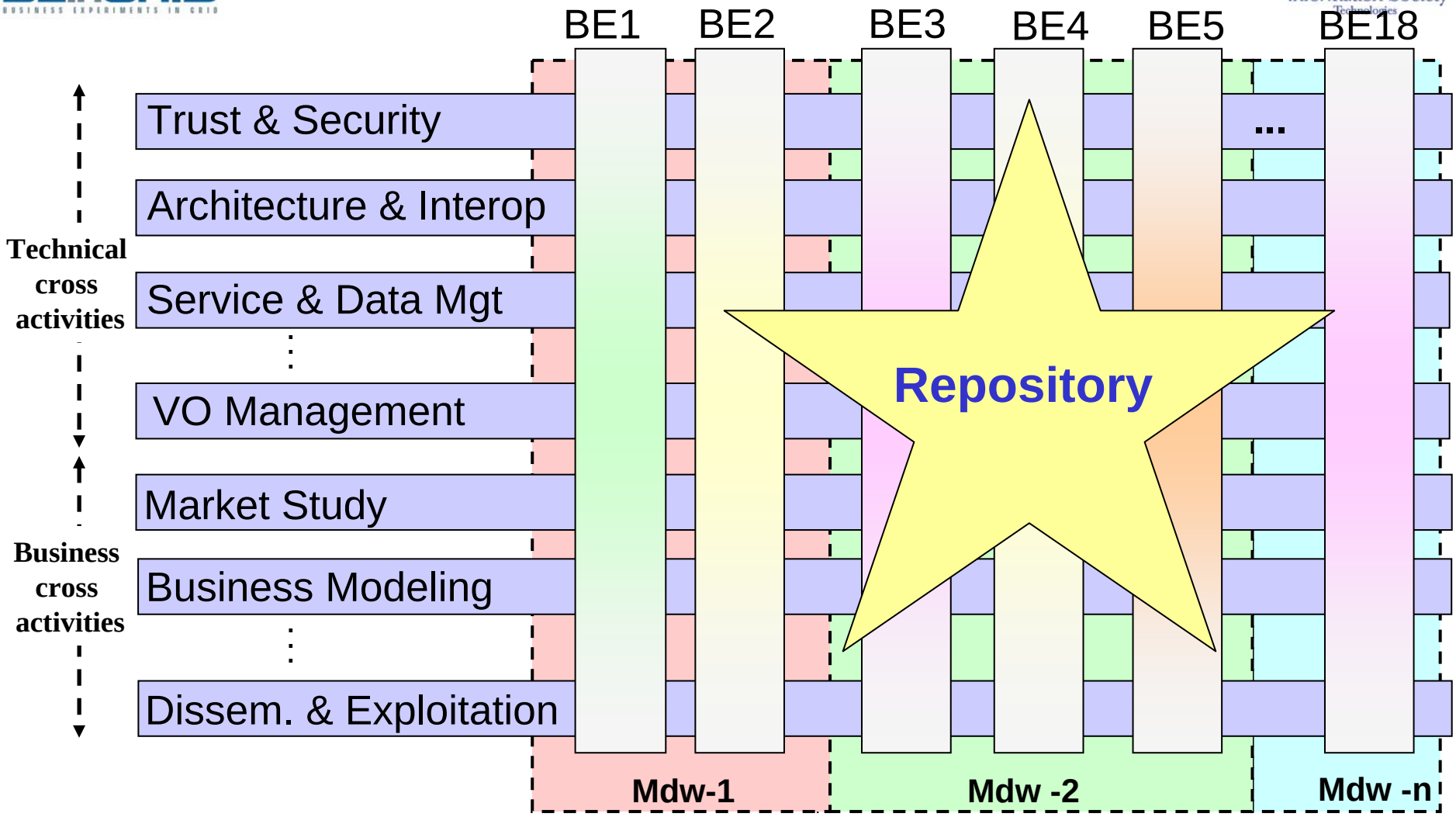
Project Data Sheet

- **Type of project:** Integrated Project
- **Project coordinator:** Mr. Santi Ristol

  santi.ristol@atosorigin.com
  (ATOS ORIGIN)
- **Project start date*:** 1st June 2006
- **Duration:** 42 months
- **Max EC contribution:** 15.7 M euros
- **Consortium:** 75 partners + open call (2M€)

The mission of BEINGRID is to Exploit European Grid middleware by creating a *toolset repository* of Grid services from across the Grid research domain and to use these services to deliver a set of *successful business experiments* that stimulate the early adoption of Grid technologies across the European Union.

BEinGRID S&T Approach

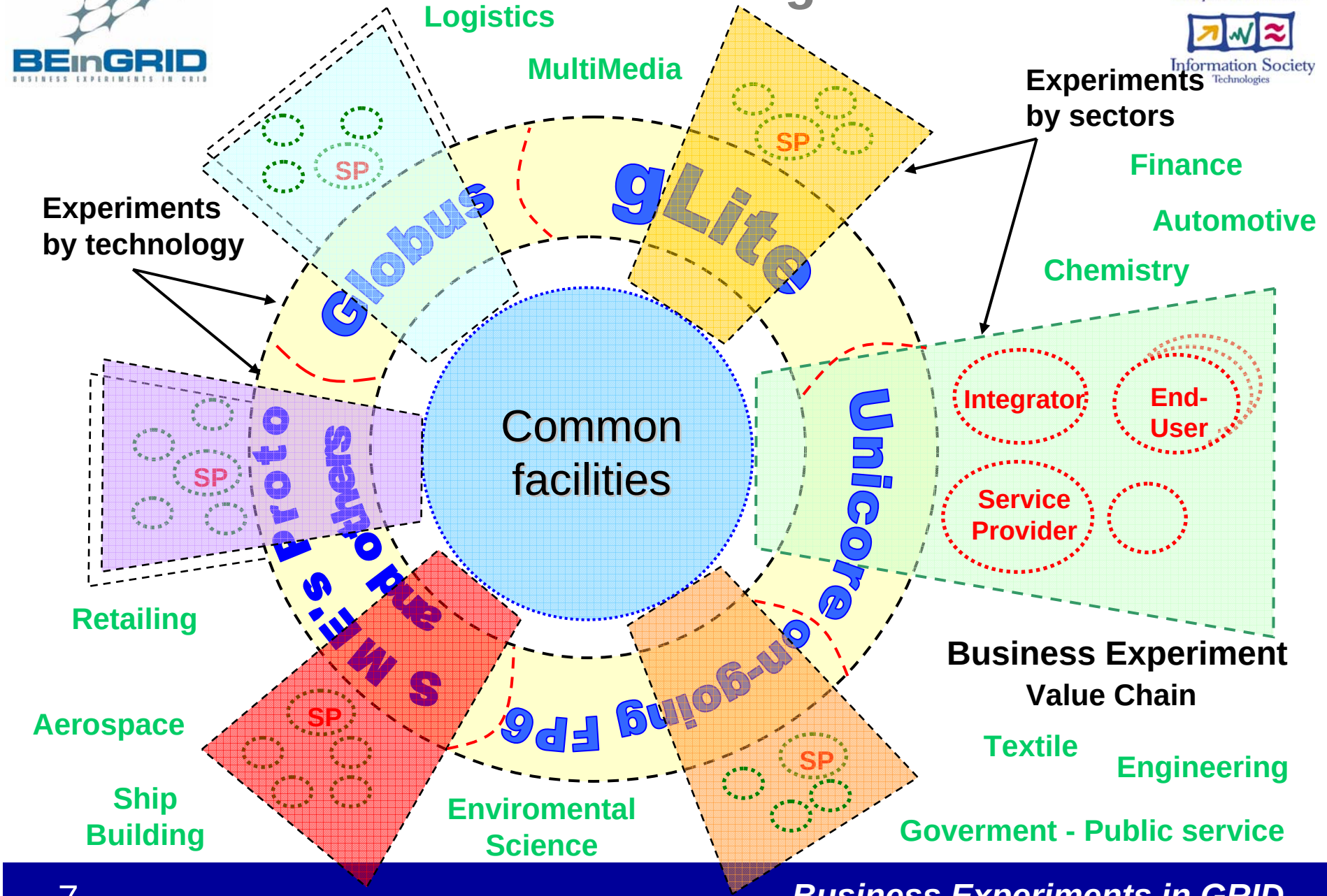


Selected branches: GTv4, UNICORE/GS, g-Lite, GRIA, WS-*

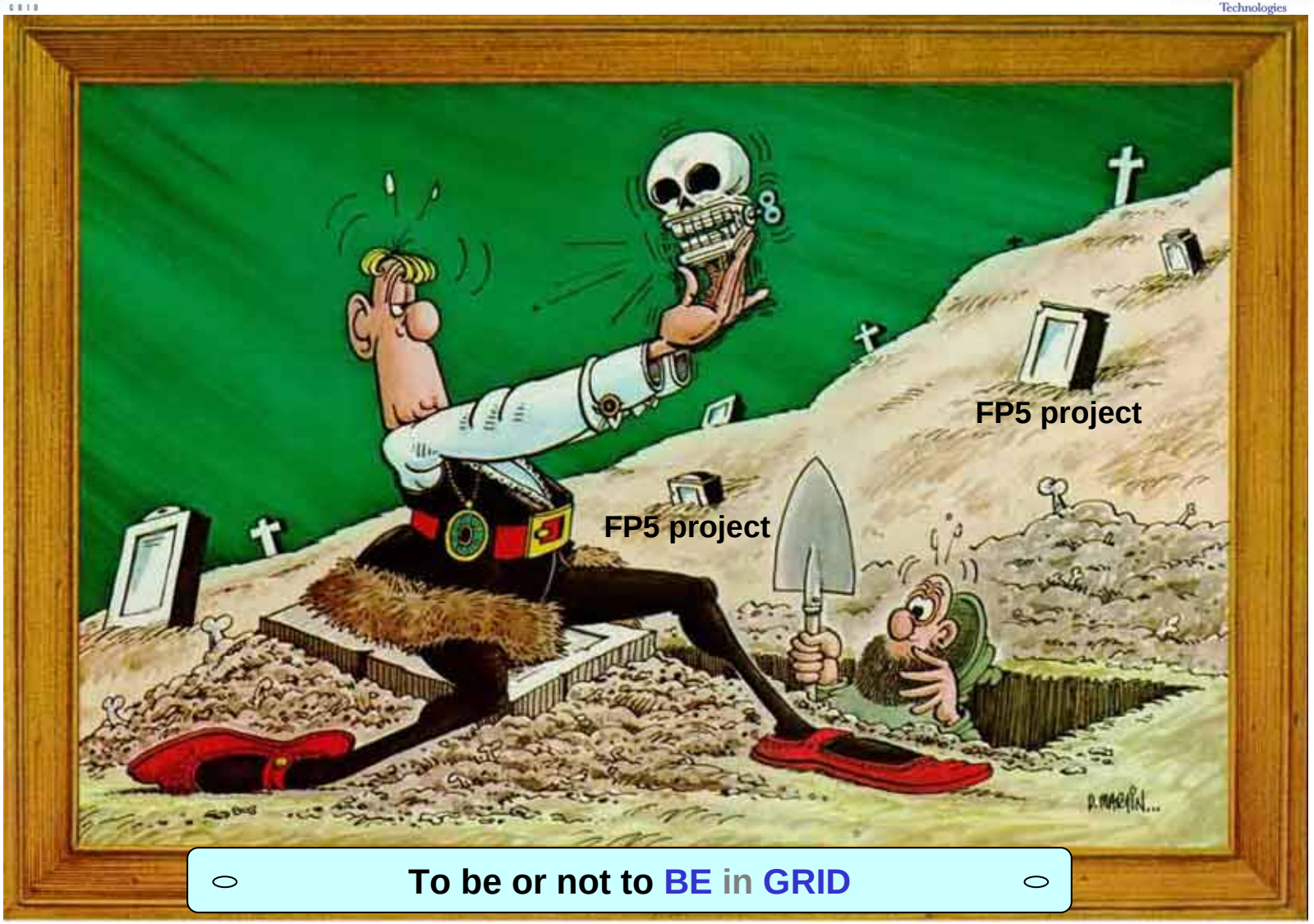
Strategic Objectives

- ***Understand the requirements*** **for Grid use in commercial environment, involving software vendors, IT integrators, service providers and end-users**
- ***Enable and validate the adoption*** **of Grid technologies by business**
- ***Design and build a Grid toolset repository*** **with components and solutions on top of Grid middleware distributions (like GTv4, UNICORE, gLite, GRIA)**
- ***Develop and deploy a critical mass of Grid-enabled pilots*****, embracing a broad spectrum of economic sectors with different needs and requirements in terms of technological Grid challenges**

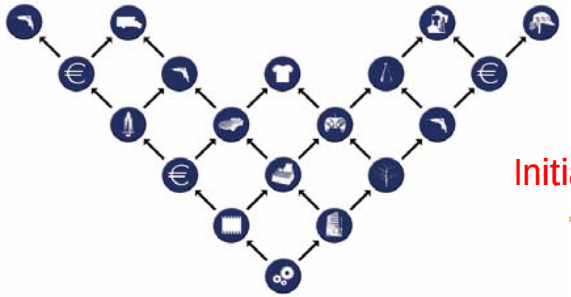
BEinGRID at a glance



What is this project about?



Grid Technology Adoption Life-cycle



BEinGRID bowling

Main Street

Initial Market

The Chasm

The tornado

Grid
Science
Computing

Next Generation Grid
Enterprise Applications

Service Oriented
Utility for the
Knowledge
Economy

The Bowling
Alley
Niche
Marketing

Grid Enterprise
Infrastructure
(on-demand)

Innovators

Early
Adopters
(visionaries)

Early
Majority
(pragmatics)

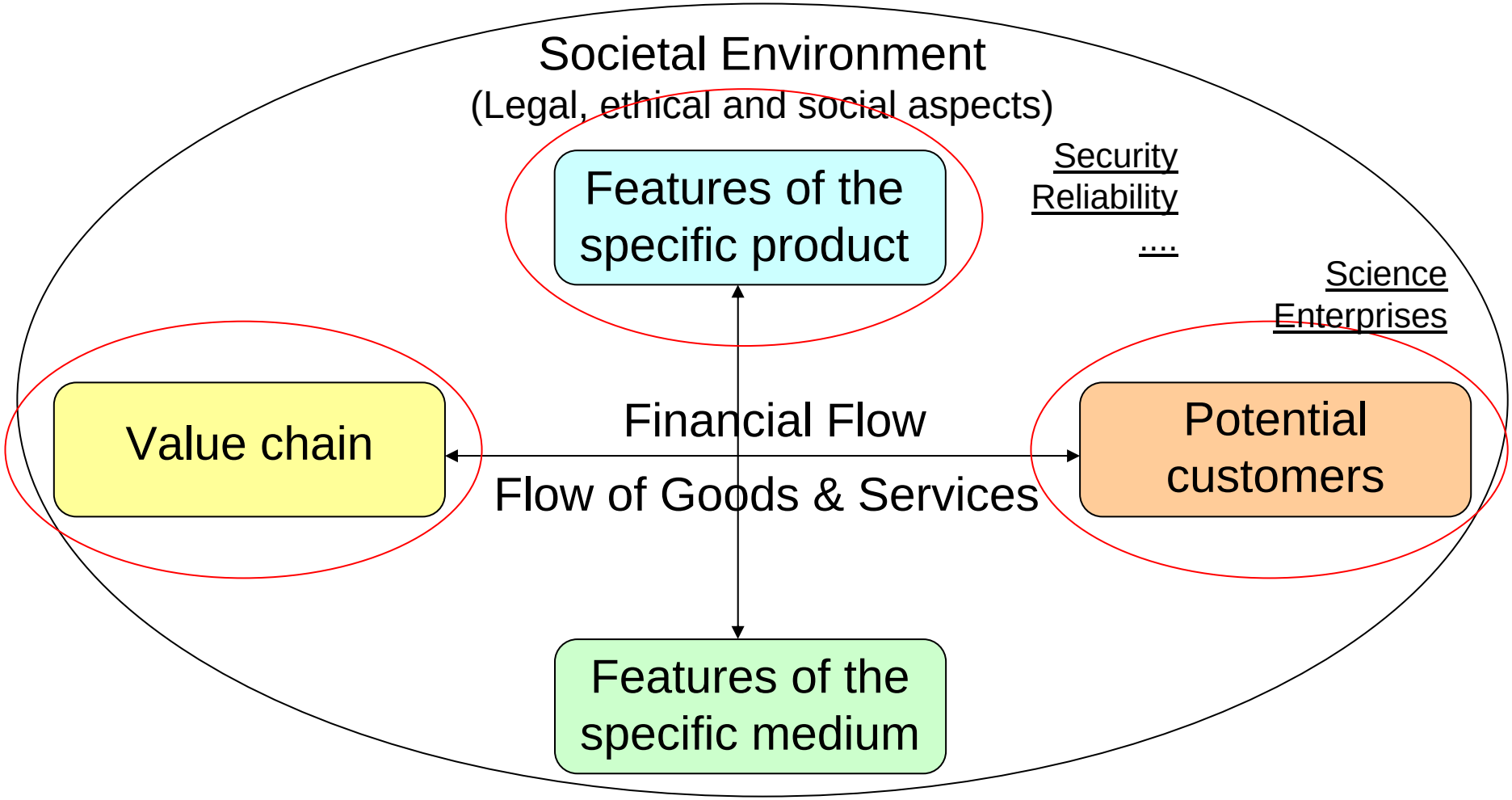
Late
Majority
(conservatives)

Laggards
(skeptics)

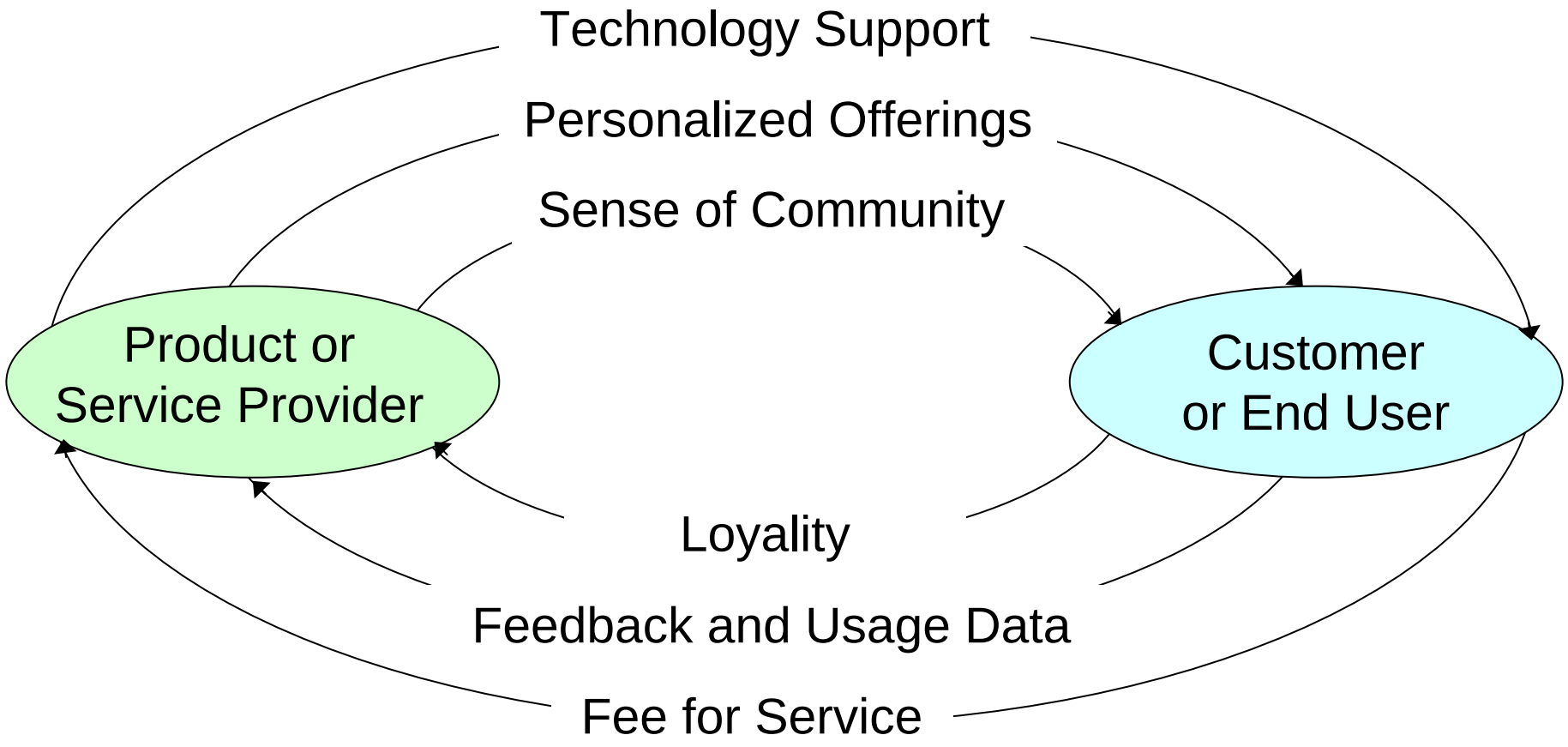
Business Model Analysis

- **A business model is the specific way of doing business.**

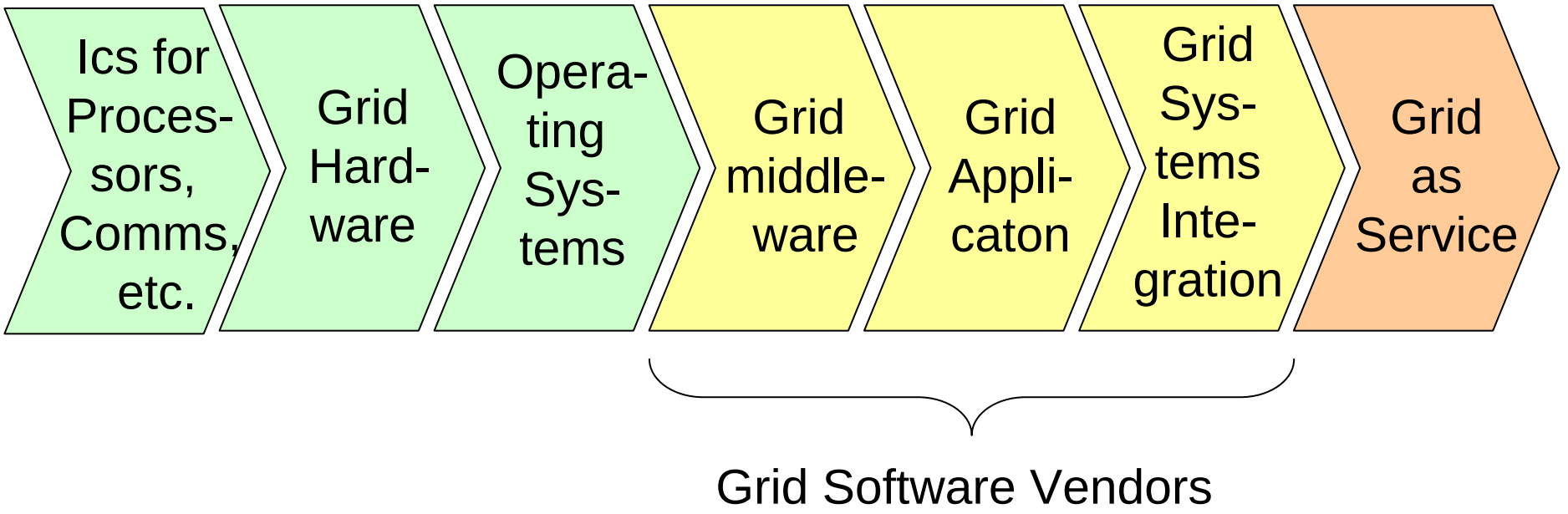
MCM Business Model Framework



Value Network



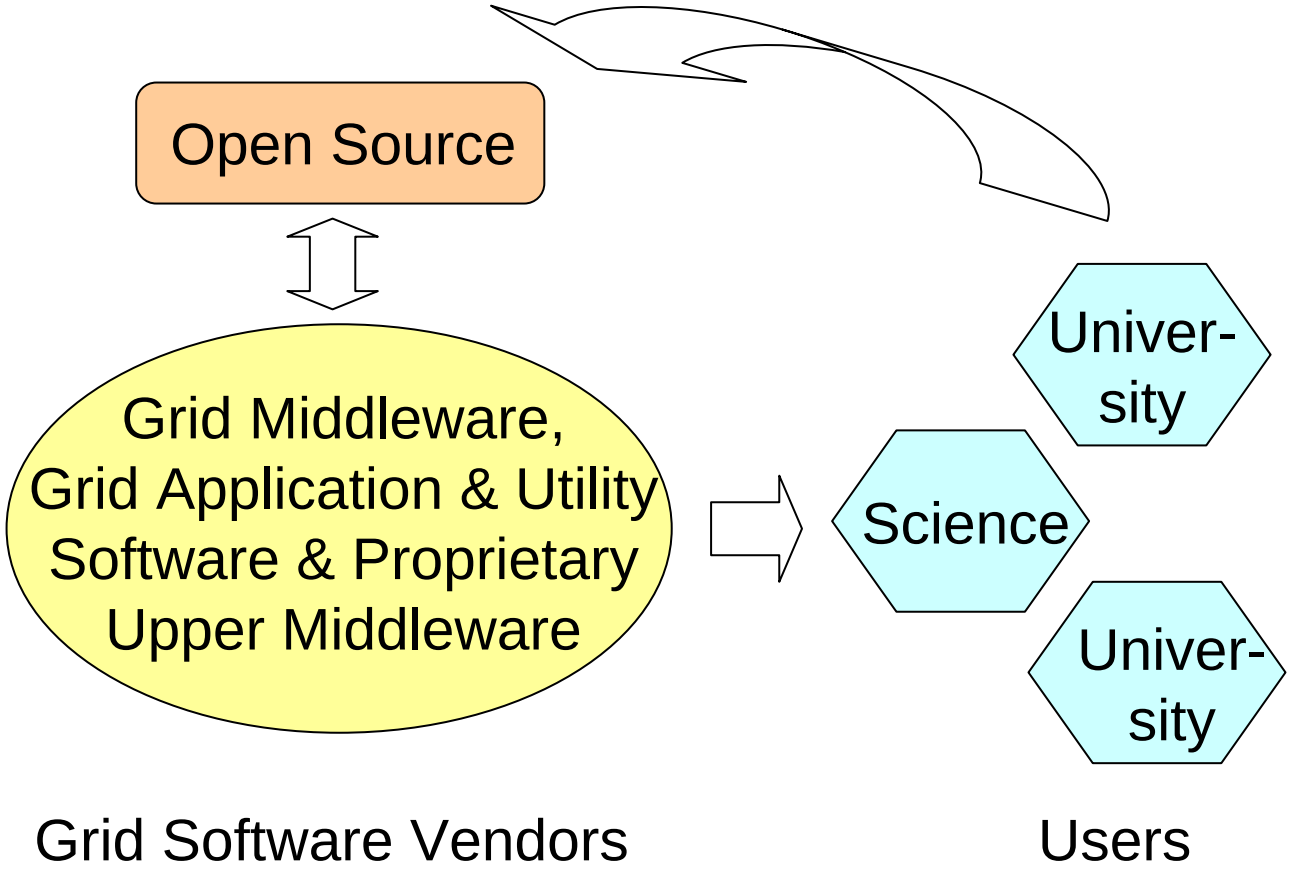
The Segments of the Value Chain



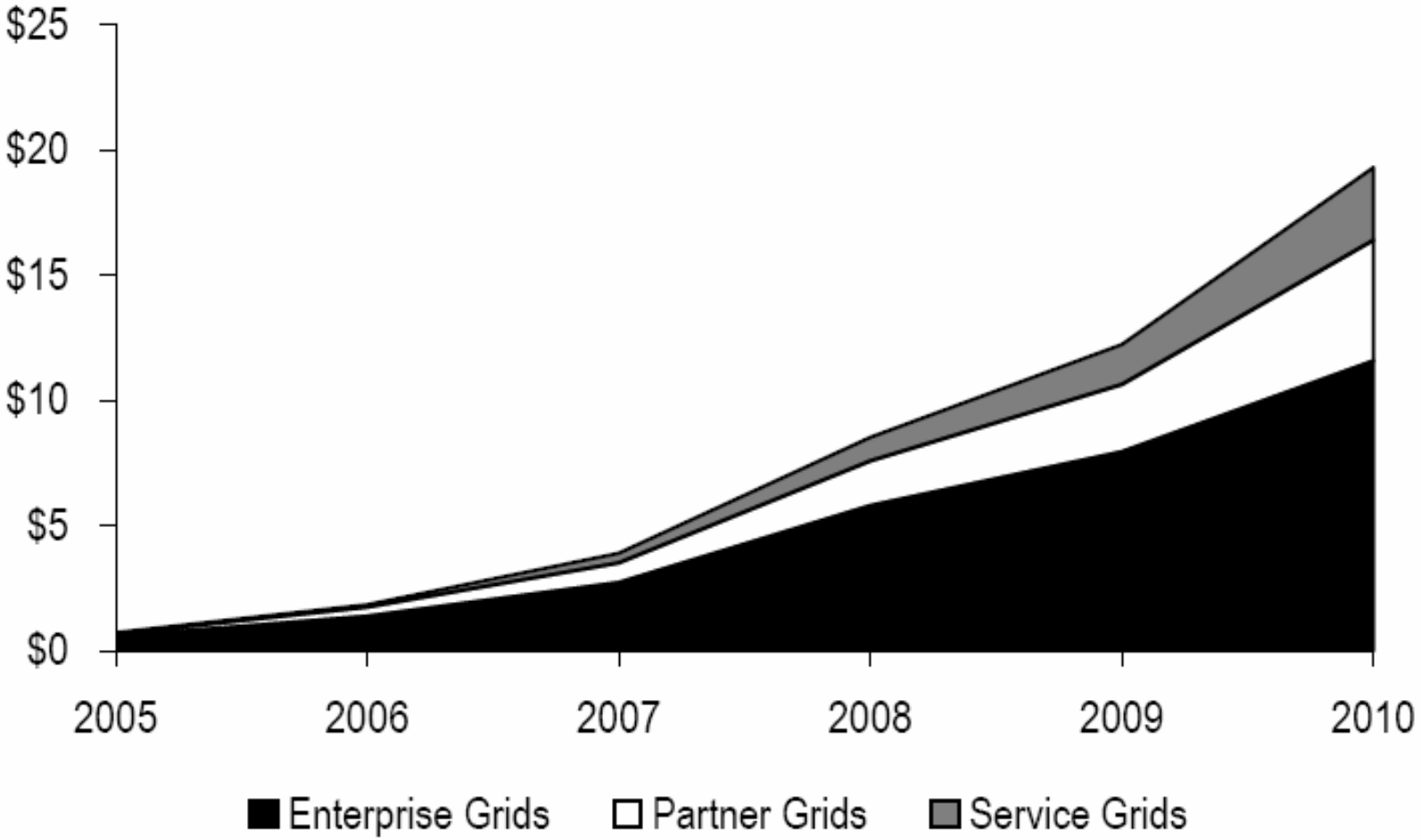
Grid Markets

- **Science**
- **Business**
  - **Enterprise Grids**
  - **Partner Grids**
  - **Service Grids**

Potential market Entry Strategy



Expected Worlwide Grid Spending by Type of Organisation (2005-2010)



Source: http://www.insight-corp.com/%5cExecSummaries%5CGrid05ExecSum.pdf

Market Entrance Approaches to Enterprise Grid Market

- **Horizontal approach, by marketing Grid technology in general**

- **Is this the right approach to develop the enterprise market?**

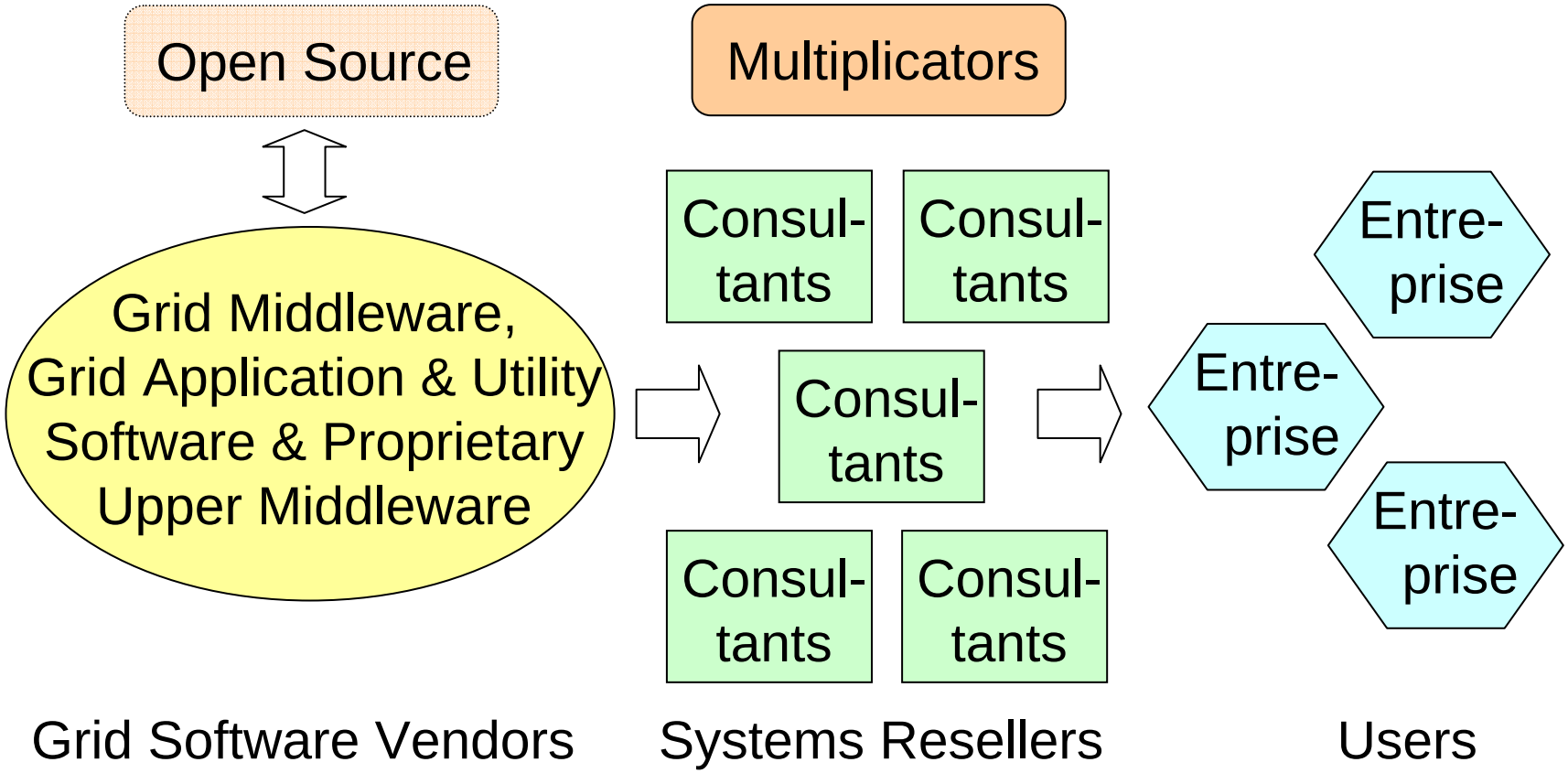
Required Competences to Enter the Enterprise Market

- **Technology Competence**
- **Sophisticated Product**

- **Knowledge about the application area**
  - **i.e. standard procedures**
- **Soft aspects as change management, business process redesign**
- **Access to the right customer**
  - **Application and process owner, or**
  - **CTO or CIO**

- **Vertical market approach**

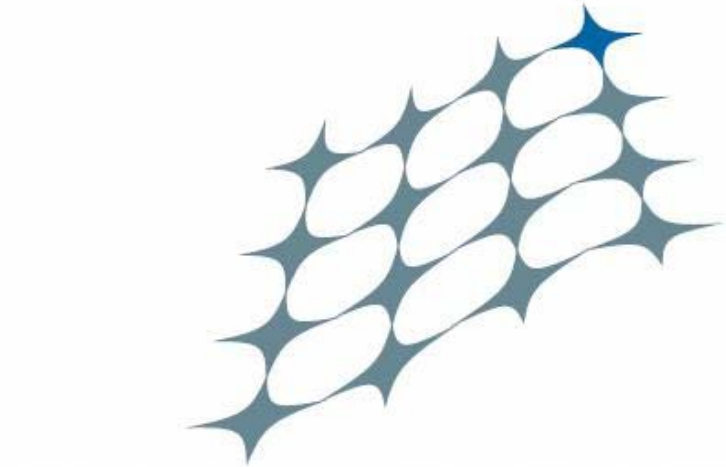
New Options II



Conclusion

- Grid technology is coming of age
- Future ICT in next decade will be dominated by service orientated architectures
- Grid is moving from research and academic use to a wider adoption by enterprise
- There is a market place for Grid services
- There are successful examples of first applications

- The market needs to be developed in a vertical manner
- Value chain needs to be extended by multiplicators



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THANK YOU

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