

BUSINESS INNOVATION SYMPOSIUM (E6)

Innovation, Entrepreneurship & Investment: The Macroscopic Perspective (3)

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OPEN SERVICE INNOVATION FOR A NEW SPACE ECONOMY

Abstract

Satellite-based data is becoming increasingly available and precise, and it has worked its way into many applications that support our everyday lives. Wishing to harness the economic potential of this data, governments are attempting to kickstart a New Space Economy, using enabling technologies such as ICT and collaborative environments as spelled out by the open innovation paradigm, in order to stimulate the creation of commercial downstream services around the available information. This paper examines how open innovation principles are and could further be applied in the context of space downstream services, specifically exploring the European Galileo and Copernicus programs, in order to support the emergence of a new service-based economy. Indeed, in the global context, an increasing proportion of companies' revenues stems from services, and these are becoming a key differentiation tool in the competitive landscape. Space-based services could therefore supply companies with new business models that will enable them to keep abreast of their competitors and provide a higher value to customers. Open innovation occurs when companies do not only rely on their internal processes and RD to perform innovation, engaging the whole spectrum of available collaborators and stakeholders to bring new ideas to market. The stream of open services innovation specifically studies how to apply open innovation principles to the realm of service management, in order to develop innovative services that better embrace customers' needs. Key principles of this type of innovation include re-designing business models from product-based to service-based models, built around the concept of customer utility. Customers should also be fully engaged in co-creation processes, helping to shape services around their specific needs and providing real-time feedback on the business models being implemented. In an open innovation approach, a specialisation should be sought between complementary actors such as suppliers, competitors and key stakeholders in order to create more efficient processes, where assets and knowledge can be shared. Finally the use of platforms to standardise information and to communicate between actors should be encouraged. A more in-depth elaboration of this model will be presented with practical examples and recommendations for key stakeholders.