Research Reveals The Economic Value Of Open Data

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Open data is a topic I've touched on a number of times in the past few years. Despite the apparent potential however, maturity rates vary considerably across Europe. A recent study from the European Data Portal examined the level of 'open data maturity' across the EU and Norway, Switzerland and Liechtenstein, who are referred to as the EU28+.

The paper reveals that the 31 countries collectively made significant progress between 2015-2016, with an average progression of 28.6% over the year. Whilst this means that most countries have a basic level of open data by now, the report still highlights significant discrepancies between countries.

A sign of the potential comes via a recent study by Deloitte into the value open data has released at Transport for London (TfL). The analysis reveals that the opening up of data by TfL has generated approximately £130 million for the London economy.

The value of open data

TfL were among the earliest exponents of open data, and have been releasing significant amounts for nearly ten years. The data, including timetables and service status information, is all available in open formats and free of charge. The idea was to encourage developers to build new products and services and support innovation in the area.

Over ten years, the organization has worked with partners to develop over 600 apps that are powered by TfL, with those apps used by 42% of Londoners. The financial benefits of open data were broadly broken down into the following key benefits:

- Saved time – Passengers were able to better plan their journeys by using real-time information and advice. The financial benefit of this was estimated at approximately £80 million per year.
- Better plans - A further £20 million was estimated to be gained from better planned journeys, which in turn resulted in more journeys being undertaken.
- Supporting innovation – The authors also believe that the data marketplace provided significant value to the startup community, with many now using the data as a key part of their business plan. This value was estimated to be worth up to £15 million per year.
- Improving TfL services – Whilst TfL releases a lot of its own data, it also receives a lot back from service partners. This allows them to significantly improve the services they offer, both to transport providers and passengers.

"With over 31 million journeys made in London every day, it is vital that people have the right travel information readily available to help them travel around the city. This new research from Deloitte backs our strong belief that providing data in an open, transparent and free-to-access way can be massively beneficial for both London and the wider economy," TfL say.

A recent report, by the Lisbon Council, examines some of the issues to be overcome if data is to be liberalized, and Europe is to lead the world in the new data economy. It analyzes a range of proposals for facilitating data flow, before outlining a roadmap for achieving the free movement of data throughout Europe.

The report highlights the importance of data, especially in a new economy that is based upon artificial intelligence, machine learning and other high-performance-computer-driven processes.

"Put simply, we need a new framework for data access, use, reuse, storing and mining that looks at – and adequately answers – the very real challenges of the future," **the authors say.**

As one of the earliest exponents of open data, TfL are certainly at the forefront of this movement, and their success is evident. If you would like to learn more about their open data policy, and how you can work with it, visit http://tfl.gov.uk/open-data