

Deployment Plan Approach



Ambient Learning Review Meeting

Draft Deployment Plan

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Structure of Deliverable 5.1

Introduction

AmbientLearning business models

AmbientLearning market approach

Next steps of business planning

„A business model is an abstract description of a business, offering a company the possibility, to generate money on promising markets by using processes, that were designed in an effective way“

Architecture of added value

- How does the value chain look like and who are the major players?

Value proposition

- What is the specific added value for the major players?

Revenue-Sharing Model

- How are the revenues split?

AmbientLearning business models

Architecture of value chain



Integrated model

- All processes are provided by one company

Orchestrator model

- One Company takes on the coordination of the entire value chain

Partner model

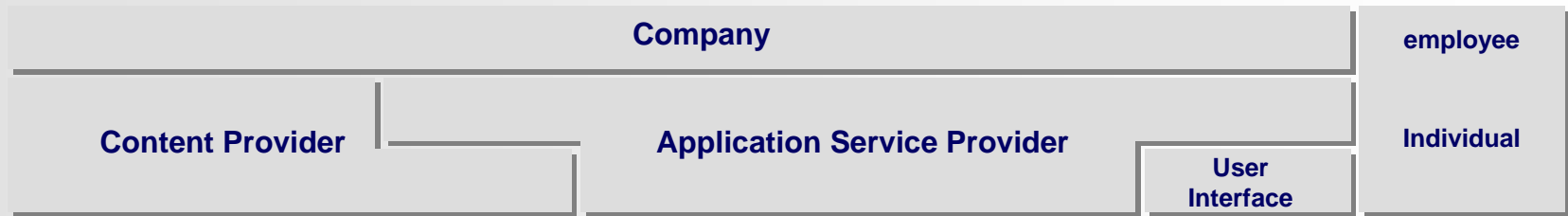
- Different companies supply part of the content

Navigator model

- Each company focuses on some elements of the value chain

Ambient Learning business models

Different players on value chain (navigator model)



- Enabling lifelong learning platform for lifelong learning
- Anytime Anywhere Anyhow Any device
- Integrating existing knowledge content out of databases and groupware tools
- (Marketing for corporate customers)

Structure of Deliverable 5.1

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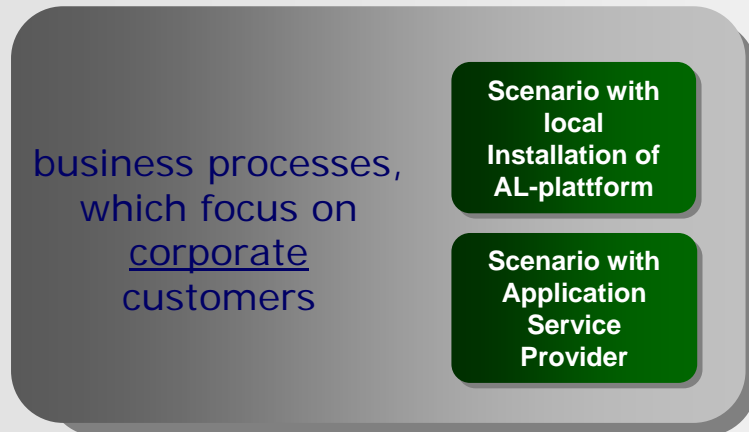
AmbientLearning business models

AmbientLearning market approach

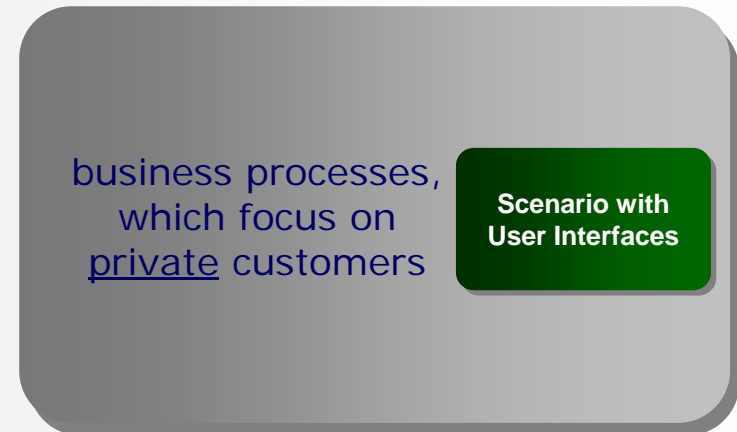
Next steps of business planning

AmbientLearning business models

- Potential customers are individuals as well as companies
- Heterogeneous customer segments → different strategies to address business and private customers
- 3 Scenarios showing various role allocations



B2B



B2C

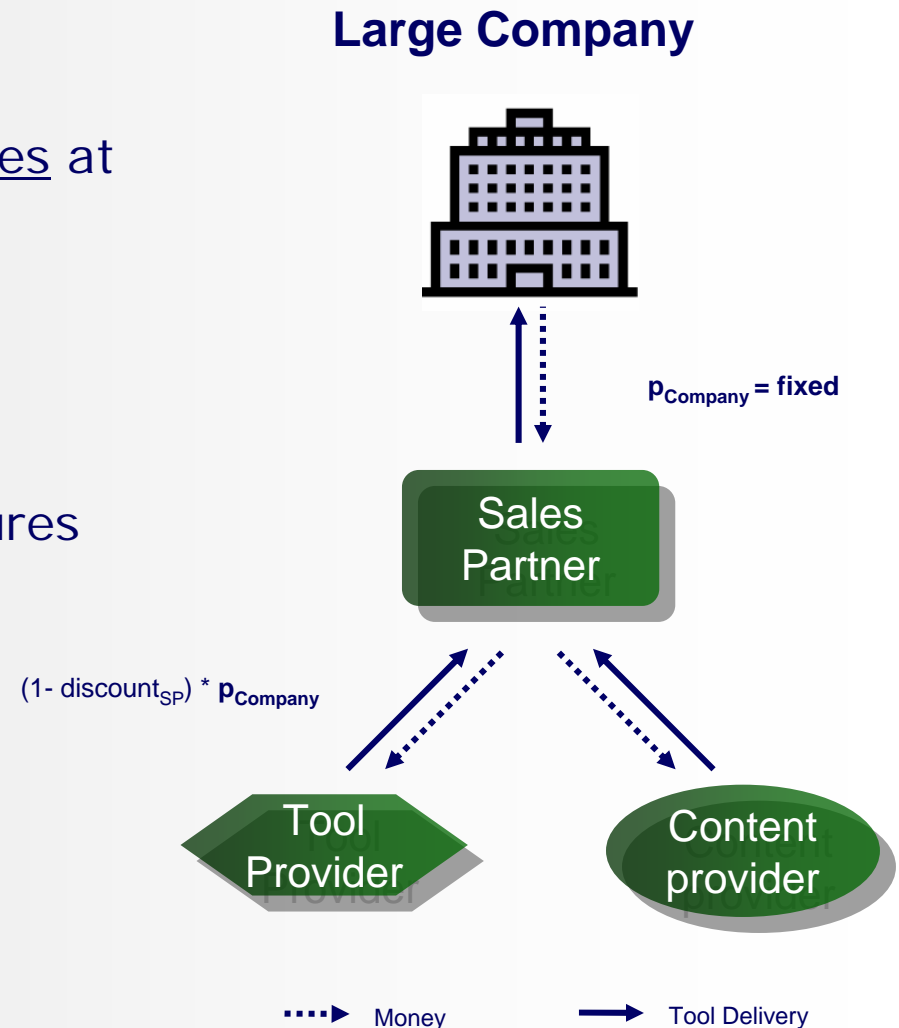
B2B-Approach (1) – Scenario with local installation

- Company buys licences for AL-platform; ASP acts as sales partner
- Integration of AL-platform as an intranet solution
- Platform ist operated independendly by company
- Internal databases/groupware tools are integrated with the help of the sales partner
- External content is provided by sales partner as well

Price model for platform use

- Sales Partner purchases licences at a discounted price
- Sales partner sells licences to company at a fixed price
- discount based on turnover figures on a sliding scale

	Discount in %
basic	30
As from a turnover of 1.000 € per month	35
As from a turnover of 4.500 € per month	40

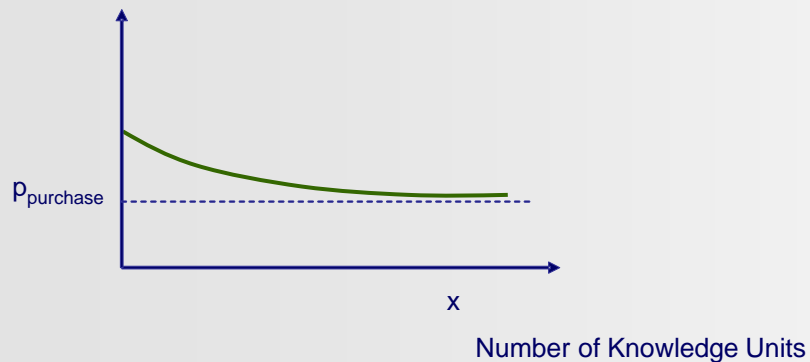


AmbientLearning business models

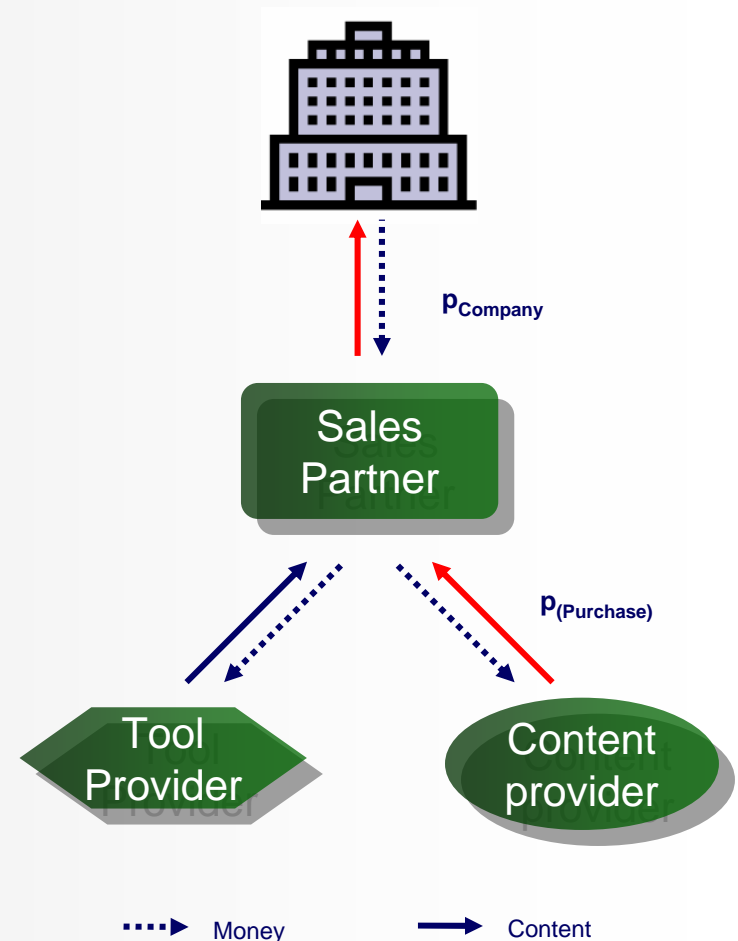
Price model for content use

- Sales partner buys content from content provider
- Purchase price per „content-unit“ is inversely proportional to the number of units ordered

Price per Knowledge Units



Large Company



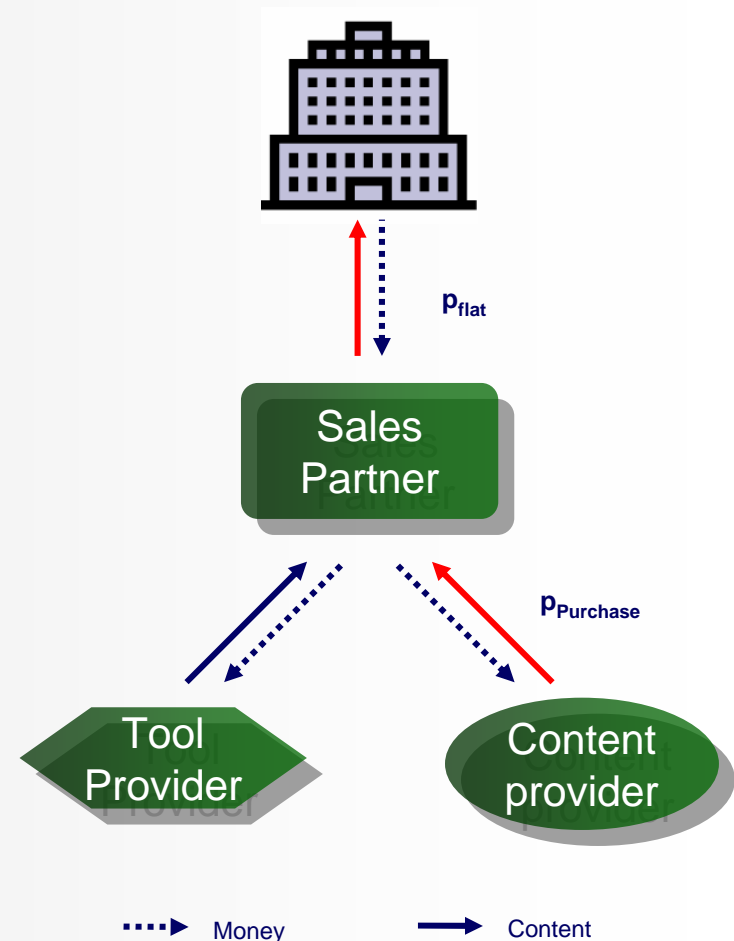
AmbientLearning business models

Price model for content use

- Main business is derived from licence sales
- Companies pay a monthly fixed price for content-provision (flat rate)
- Price is linked to the number of licences purchased
- Companies have no follow-up costs

	Number of licences			
	1 – 24	25 – 49	50 – 249	> 250
Price for flat rate	$P_{flat,1}$	$P_{flat,2}$	$P_{flat,3}$	$P_{flat,4}$

Large Company



B2B-Approach (2) – Scenario with ASP

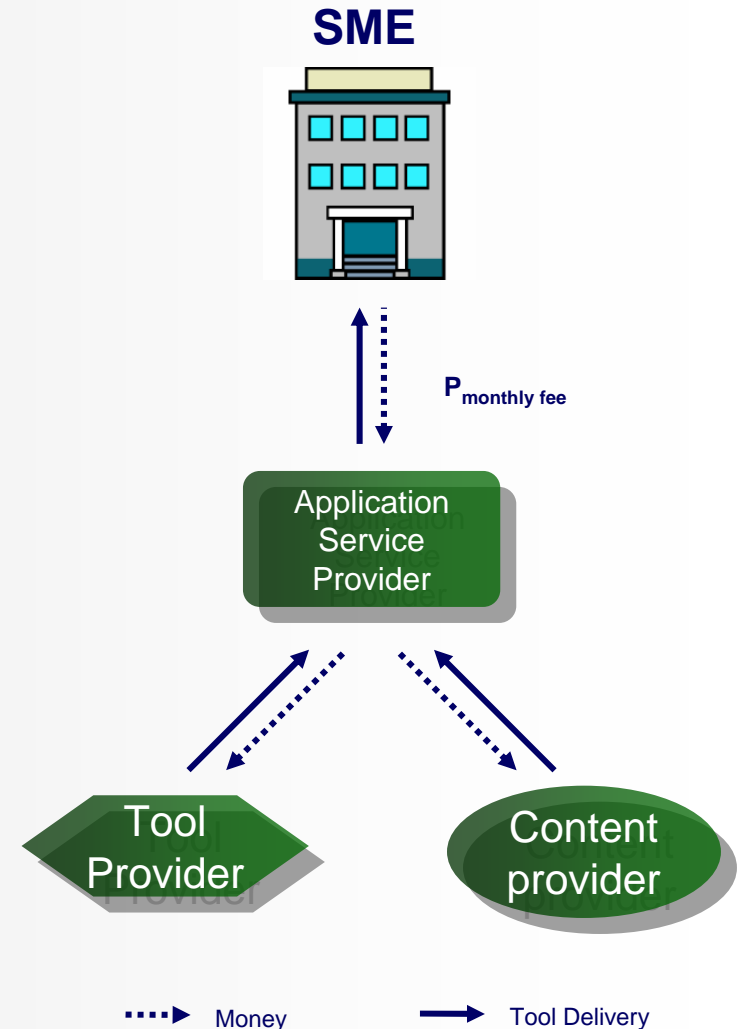
- AL-platform is hosted/operated by an application service provider
- Company pays monthly fee per employee
- ASP provides interfaces to integrate content from company
- ASP aggregates and disseminates external content from content provider
- Employees access AL-platform via customized webportal

AmbientLearning business models

Price model for platform use

- Price model based on leasing
- Company pays monthly fee for every employee
- Monthly fee is linked to the number of users
- Conversion coefficient = number of month after cumulative leasing fees equal licence costs

	Number of Users			
	1 – 24	25 – 49	50 – 249	> 250
Price per Licence	120 €	108 €	96 €	84 €
coefficient	12			
Monthly Fee	10 €	9 €	8 €	7 €

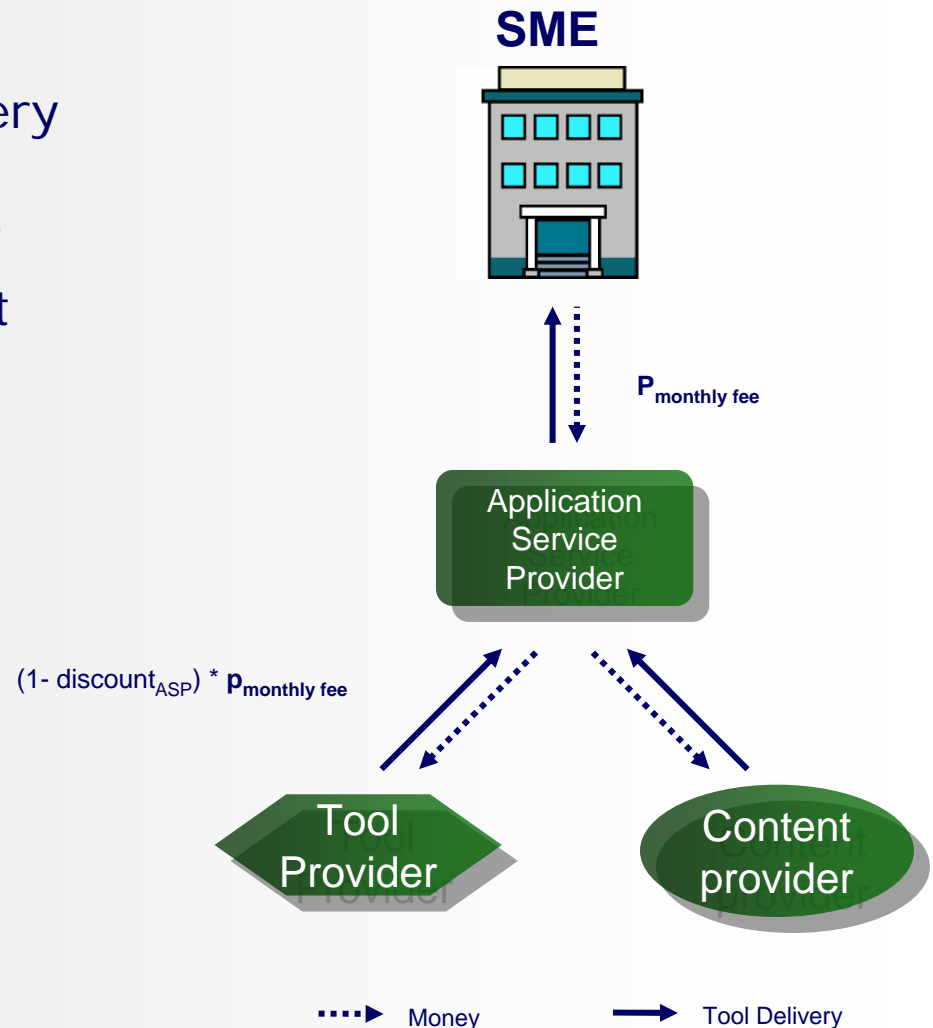


AmbientLearning business models

Price model for platform use

- ASP pays monthly fee for every licence in circulation to Tool Provider (a month in arrears)
- ASP gets turnover-dependent discount

	Discount in %
basic	30
As from a turnover of 1.000 € per month	35
As from a turnover of 4.500 € per month	40

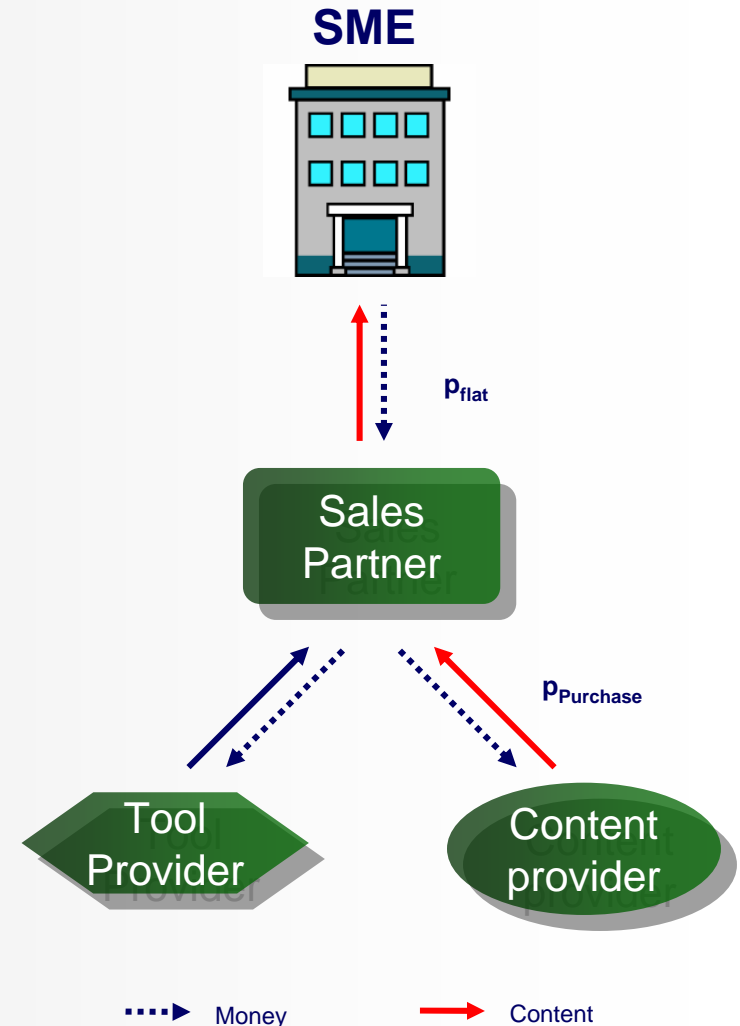


AmbientLearning business models

Price model for content use

- As described in scenario 1
- Main business derives from leasing rates
- Companies pay fixed price for content packages, depending on the number of user

	Number of licences			
	1 – 24	25 – 49	50 – 249	> 250
Price for flat rate	$P_{flat,1}$	$P_{flat,2}$	$P_{flat,3}$	$P_{flat,4}$



B2C-Approach – Scenario with user interfaces

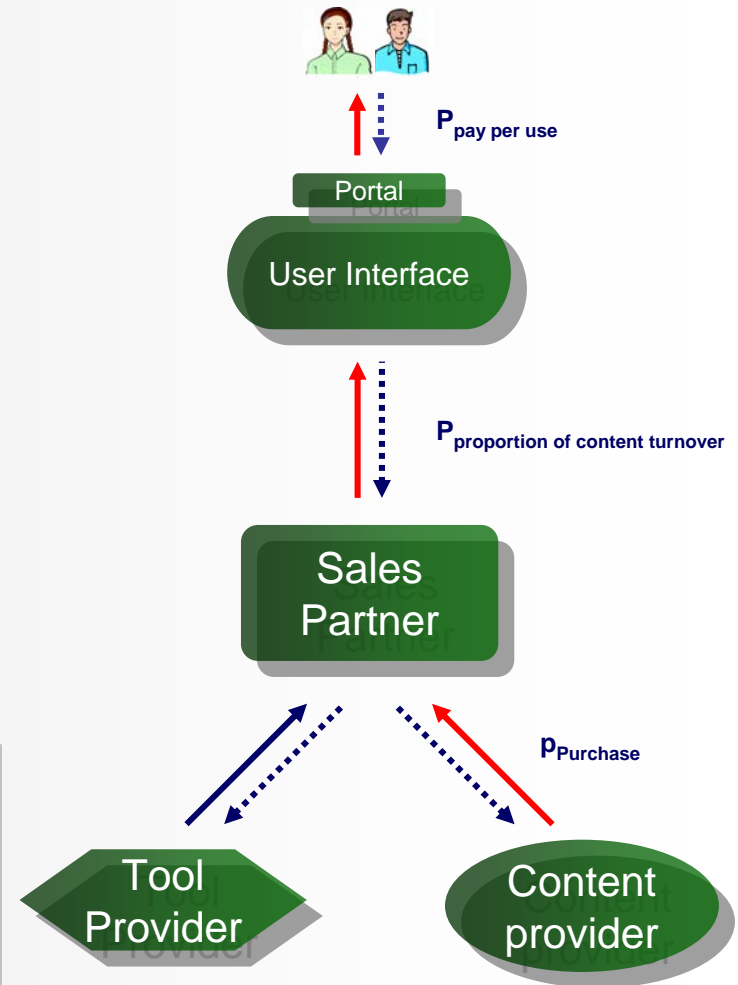
- AL-platform is hosted/operated by ASP
- Marketing via user interface (companies like web-portals, which have large basis of customers)
- ASPs aggregate content, User interfaces resell content
- Customers access AL-platform via portal of user-interface

AmbientLearning business models

Price model for content use

- Individuals buy content based on a pay per use approach
- Individuals can adapt price model to intensity of usage
- Price per content unit can be reduced by paying a monthly fee

	Basic	Package M	Package L	Package XL	Flatrate
Monthly Fee	---	Fee _M	Fee _L	Fee _{XL}	Fee _{Flat}
Price per learning unit	P _{pay per use}	0,8 P _{pay per use}	0,75 P _{pay per use}	0,5 P _{pay per use}	---



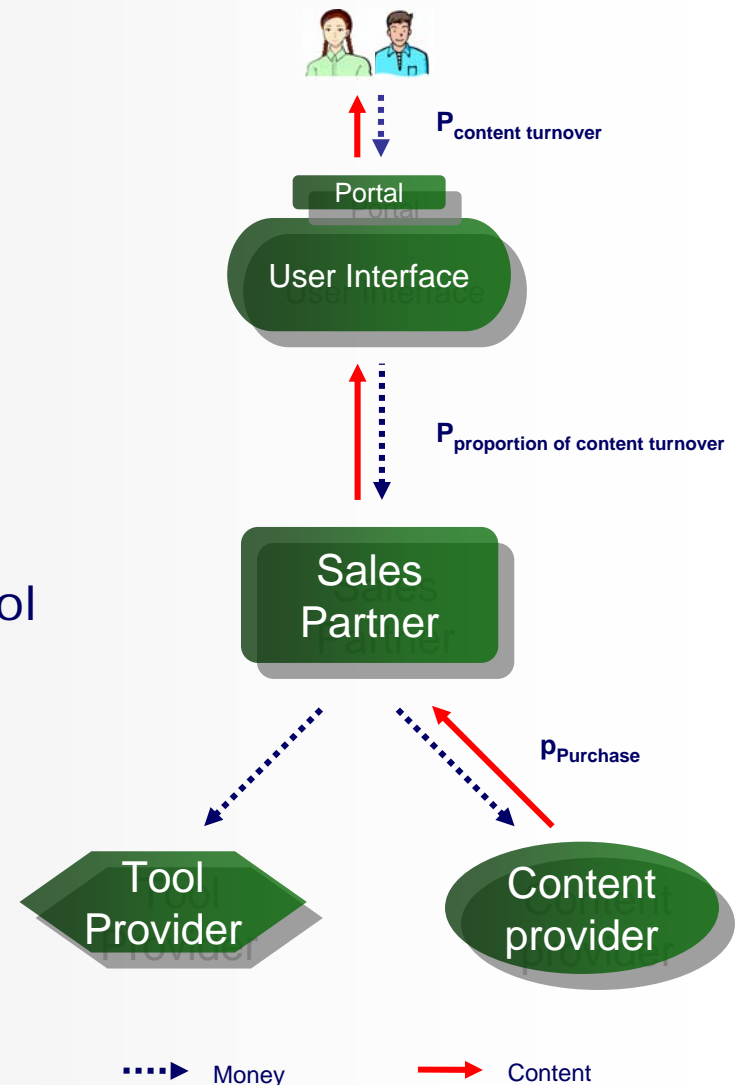
AmbientLearning business models

Price model for platform use

- Main business derives from content
- User interfaces/ASPs do not pay any licence fees
- ASP is entitled pro rata instead
- Half of the benefit is passed on to Tool Provider

$$\text{Benefit}_{\text{ASP}} = (P_{\text{proportion of content turnover}} - p_{\text{purchase}})$$

$$\text{Benefit}_{\text{Tool Provider}} = \frac{1}{2} (\text{Benefit}_{\text{ASP}})$$



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AmbientLearning Market Approach

- Launch of AmbientLearning-platform is split into 4 phases

PHASE 1

Pilot phase

PHASE 1

Preparation for commercial use

PHASE 1

Commercial Use

PHASE 1

Internationalization

AmbientLearning Market Approach

PHASE 1

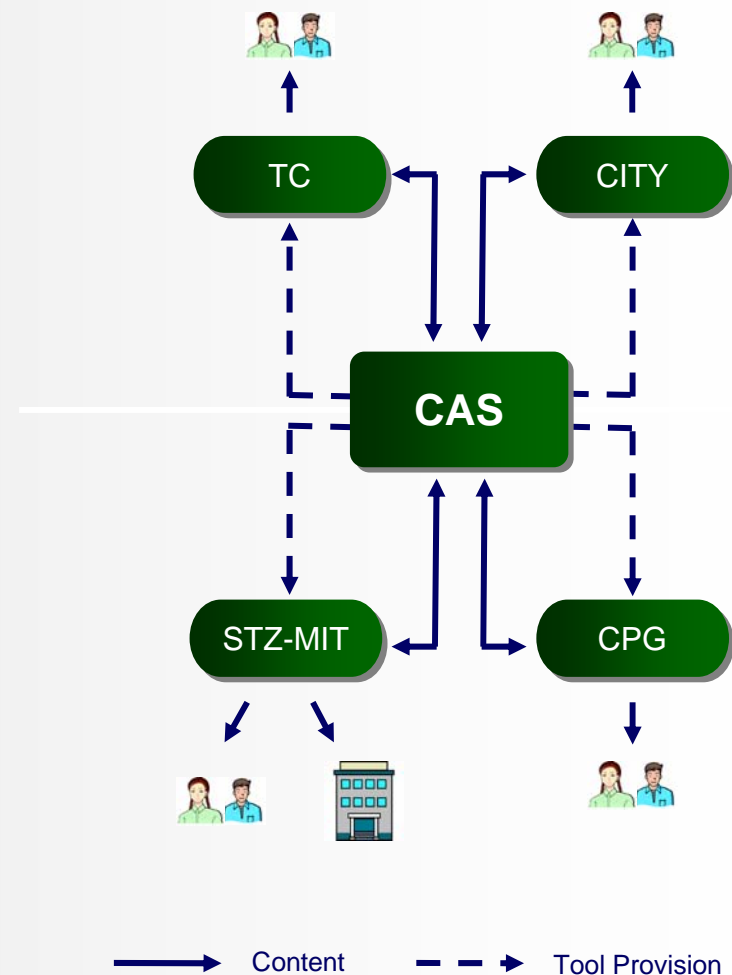
Pilot phase

- Testing of the AmbientLearning platform
- Digitalization of existing content from partners
- Metainformation is added to allow context-sensitive information provision
- 120 test customers
- Evaluation of results (questionnaire)

AmbientLearning Market Approach

Role allocation during Phase 1

- Platform is hosted centrally by CAS Software AG
- Technical support by Infoworld & Strategakis
- partners provide part of their content
- CAS adds metainformation
- Customers of Training Center, CITY, STZ and CPG test the platform



PHASE 2

Preparation of commercial use

- Country specific versions with help of LTC
- Rollout of AmbientLearning platform in target markets
- Sprinkler strategy to ensure first-mover advantages (simultaneous market entry)
- Decentralised marketing to address regional variations in market circumstances / spread risk
- Integration of additional content (existing resources like *leseauskunft.de* and cooperation with content providers)

AmbientLearning Market Approach

Role allocation during Phase 2

- CAS provides the platform and helps in its implementation
- CAS, CPG, Infoworld & Strategakis implement platform on local servers
- CITY, STZ, CPG, Training Center prepare to act as user interface
- Moreover ASPs prepare for taking on sales functions (Sales Partner)

 Content
  Tool Provision



PHASE 3

Commercial use

- ASPs run platform independently
- ASPs aggregate content from content providers
- ASPs add metainformation
- ASPs are responsible for aquisition of corporate customers (Sales Partners)

- Privat customer market will be adressed indirectly through User Interfaces
- User interfaces make content available to existing customers
- User interfaces are responsible for aquisition of new private customers

Private versus public content

- Core business of Training Centre, STZ, CITY, CPG ist knowledge transfer
- Some of their content can be just for their own costumers
- Possibility to mark content private or public
- Privat content is only available to own customers (due to competition concerns)
- Public content is provided at determined price to ASP

PHASE 4

Internationalization

- Focus on additional target markets
- Heterogeneity of target markets calls for waterfall strategy (successive opening up of new foreign markets)
- Guarantee of country-specific market entry at the most favourable times
- BUT: based on the extended time span, only assumptions can be made

AmbientLearning Market Approach

- Possible approach (taking common aspects of geographical and cultural nature into account)

Country (ASP)	Target Countries
Germany (CAS)	France, Benelux, Austria, Switzerland, Denmark, Poland, Baltic Countries
Greece (Stratigakis)	South Eastern Europe, Malta and Turkey
Italy (Infoworld)	Spain and Portugal
Ireland / UK (CPG)	Scandinavia (Sweden, Norway, Finland)



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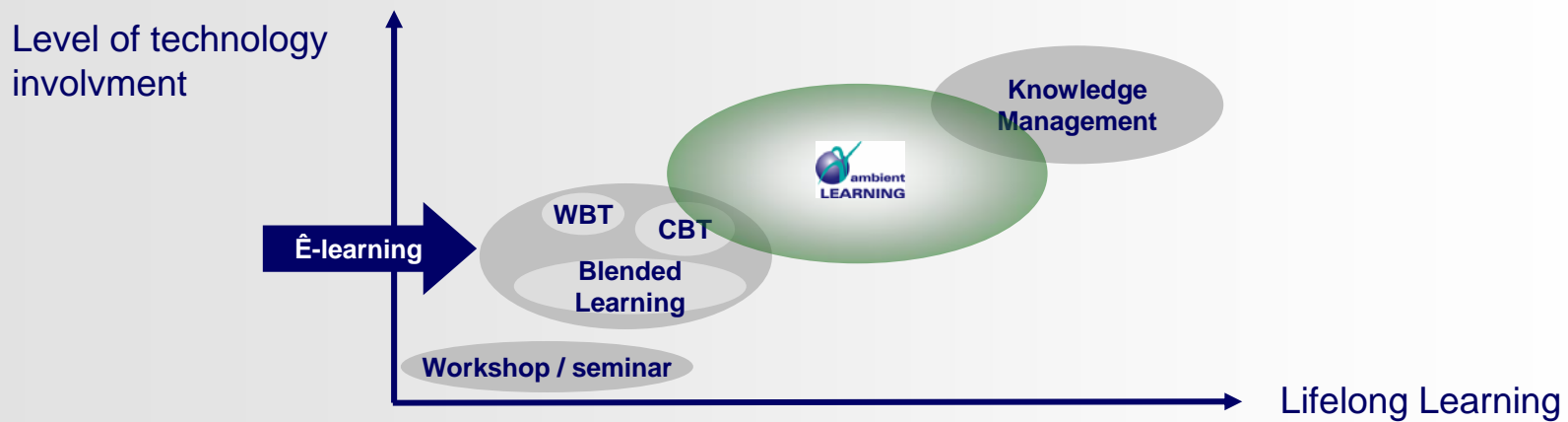
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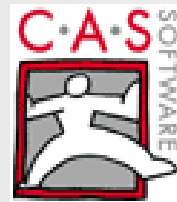
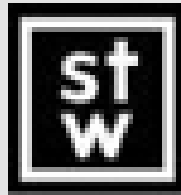
Next steps of business planning

Next steps of business planning

- Product positioning of ambientLearning-platform
- Establish direct link between the product attribute (learning at any time, any how and on any device) and the specific customer need for lifelong learning
- Expose differentiation to other products



Thank you for your attention



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