



DATA COMMERCE

How to monetize your data

Modern businesses are sitting on a potential goldmine.

As a byproduct of digital transformation, businesses have captured a vast array of data points on their customers, markets, operations and processes to improve their own performance. Now many are realizing how valuable this data could be to other organizations.

Businesses who can effectively monetize their data have the chance to develop new revenue streams to drive future growth. The only question is who will get there first.

Over **50% of commercial organizations** will have established efforts to directly monetize their data **by 2026.**

- Gartner

Take advantage of the data commerce revolution

[Gartner](#) predicts that by 2026, over 50% of commercial organizations will have established efforts to directly monetize their data. By 2030 this could grow to millions of organizations worldwide creating [more than \\$3.6 trillion in value](#).

As data becomes ever more embedded in the way businesses plan, execute and optimize their operations, the market for reliable, well-packaged data will explode. To capture this opportunity, data businesses will need to distinguish themselves with data products that create measurable value for customers, delivered with a modern customer experience.

In this explainer we explore the opportunities available for businesses to monetize their data as well as the steps required to build, grow and scale a data business within your organization.

Understanding the competitive landscape

Data monetization is not a new phenomenon but the market is changing fast. For years industry leaders such as Bloomberg for markets, Moody's for ratings, Dunn and Bradstreet for companies and CoreLogic for Real Estate have been tracking, aggregating and selling data. These companies traded in information, moving into data with the advent of digitisation.

This shift is now giving other businesses the same opportunity, irrespective of whether they have previously offered data products and services. Whereas once vendors needed significant resources and scale to offer data products, entrants are now able to compete at the scale of incumbents by using new, technology-driven methods.

This has been accelerated by the rise of public marketplaces from major cloud providers. These provide an easy route to market for selling data sets but offer less control of product presentation and customer experience, and low returns for vendors as price is usually the key differentiator, leading to an increasingly commoditized market.

So while any organization can put their data on a public marketplace and generate low-level revenue, to stand out, **data businesses must focus on value.**



What makes data valuable?

The value of data is measured by how closely it can fit the needs of your customers, as well as the format, time and context of delivery. In order to meet these needs, it must fit certain basic criteria:

- **Exclusivity:** Does your data offer unique value or perspectives that others can't provide?
- **Reach:** Does your data cover a reasonable breadth of coverage to enable insights to be drawn across variables such as geography, timeframe and demographics?
- **Recency:** Is your data recent enough to enable insights relevant to the period that your customer cares about?
- **Quality:** Is your data appropriately sourced, categorized, segmented to enable accurate analysis?
- **Connectivity:** Can your data be reconfigured with internal or external data sets to create new use cases?

What kind of data can be monetized?

In considering the value of the data you hold, consider what other data is available in your target market. This could include other third-party sources or internal/ proprietary data held by your target customers that could be combined with your own to create valuable data products.

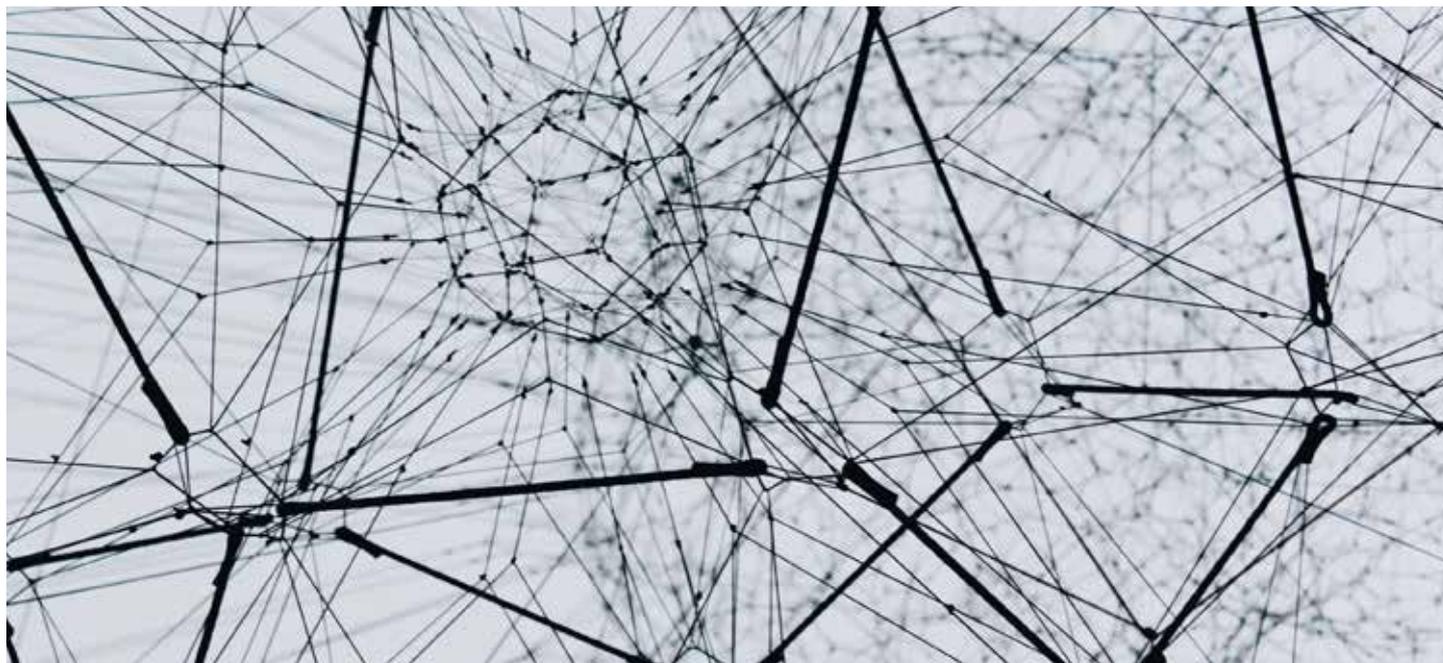
Who?	What?	Where?	When?	How?
<i>People, Organizations</i>	<i>Products, Assets</i>	<i>Places</i>	<i>Events</i>	<i>Processes</i>
<ul style="list-style-type: none">• Identifiers• Profiles• Transactions	<ul style="list-style-type: none">• SKUs• Composition• Performance	<ul style="list-style-type: none">• Digital/Physical Locations• Ownership• Usage	<ul style="list-style-type: none">• Times/Dates• Interactions• Significance	<ul style="list-style-type: none">• Throughput• Quality• Logistics

Understanding the regulations for data commerce

External data monetization raises the risk of breaches and compliance issues, so it's essential to choose a route to market that puts security first and keeps control of your data. Manual methods such as spreadsheet sharing or unsecured databases are no longer fit for purpose, so consider a dedicated data commerce solution that can also deliver the security you and your customers need.

You can also reduce risk by integrating data controls into the product development and delivery process, for example by allowing clients to access data but not remove it, adapting the data to remove anything sensitive and maintaining different versions (products) for different audiences.

Existing regulations such as GDPR, CCPA, HIPAA should be guidelines for creating segments and categorization within your data architecture that accurately quantify risk, permissible use cases and combinations that can serve as foundation of data products.



Where should I sell my data?

There are now a range of options to sell your data, each with their own advantages and disadvantages.

- **Private vs Public Marketplaces**

Public marketplaces suit high volume, low value products, such as raw and commodity data. While they offer less control of product presentation and customer experience, they can expose your products to a wide audience.

- **Data Commerce Platform**

A whitelabeled third-party data commerce platform provides a targeted tool to manage your products and storefronts across public and private marketplaces. This gives you more control over your products and customer journey, as well as using the platform as a sales and product development tool (testing environment, feedback mechanism, collaboration).

- **DIY / in-house**

Building your own storefront gives you full control over every aspect of your customer experience, but can also bring longer project timelines and costs. Bespoke platforms may also require revisions every time you want to add new functionality.



How can I maximize returns from my data?

For any business with a large enough data set, the range of potential products can be vast, but only certain configurations will actually be useful to your customers. Creating valuable data products requires delivering useful outcomes to your users, in a user-friendly way that remains profitable for your business.

The more sophisticated your data products, the more they are worth to your potential customers. While these can require more input to tailor and deliver, this work can be largely automated by working with the right data commerce system.

1. **Commodity products: Low input, low business value**

This is the simplest, most direct data monetization method and quickest route to market. Data sold directly to customers or brokers, in a raw, aggregated or anonymized form and buyers mine the data for insights. The onus is then on the customer to derive value from it, lowering its price potential.

2. **Customized data products: Basic customization based on customer use case**

These apply preliminary filtering, matching with buyer data to create more value and demand a higher price. For these, some knowledge of broad brush use cases is necessary, requiring an element of customer insight and a minimum customer relationship .

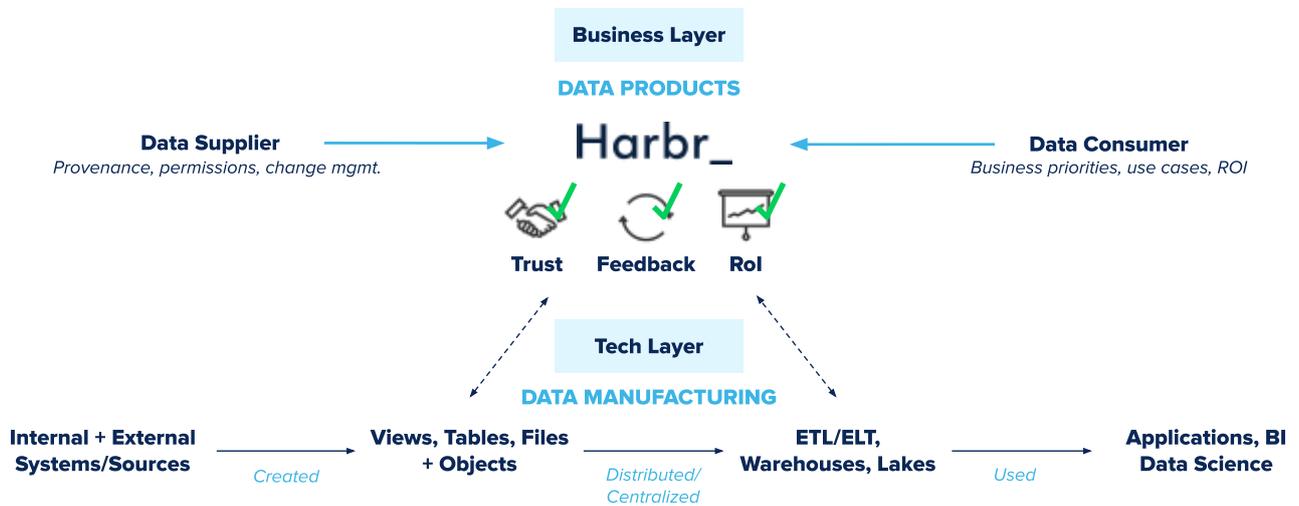
3. **Bespoke data products: The major market opportunity**

These high value products require more input from internal teams, leading to longer lead time but also generate more revenue. These products are also more resistant to commoditization thanks to the closer customer relationship and use case insight involved. Currently many businesses lack the processes to create these at scale. However, enabled by the right data commerce platform, these are the primary opportunity for building a successful data business that generates long term value.

The challenge for data businesses is to create the most valuable products in the most efficient way possible. A dedicated data commerce platform can streamline this process, combining the technical, commercial and process capabilities required to develop, tailor, test and distribute high-value data products at scale.

The era of the data commerce platform

A third-party data commerce platform, such as Harbr, is designed to help deliver ROI from data by improving discovery, access, collaboration and use for internal teams and external customers. Using the specific functionality of a data commerce platform, businesses can reduce the cost of product development while increasing the utility and market value of their products.

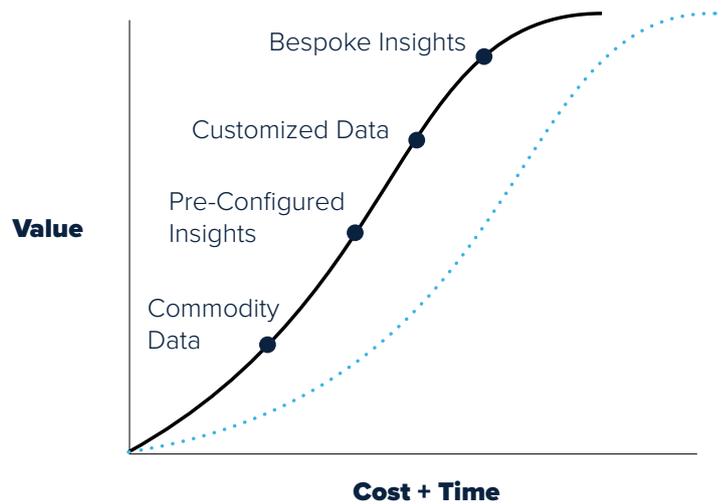


Sitting between your data and your customer, these platforms enable direct customer interaction in a secure environment. Collaborating with customers on data products in real-time enables providers to unlock high-value use cases, giving customers the exact outcome they need, while also reducing the cost of product development.



Harbr features

- 1. Prototype Products** - Securely develop, test and iterate prototypes directly with your customers to identify use cases and optimize the value proposition.
- 2. Model Execution** - Customers can 'bring their own' (BYO) data and enrich it with your data and models to increase confidence and ensure your products are easy to integrate.
- 3. Automatic Maintenance** - The code used to build iterations and market-ready versions of products can be stored and executed as the input data refreshes, minimizing costs.



The Harbr data commerce platform already powers some of the world's leading data businesses, combining flexibility, brand-positioning and customer journey visibility to help businesses move beyond commodity data products to a value-led business model.

- Businesses embarking on their data monetization journey can use Harbr to build a sustainable competitive advantage through:
- Offering a refined customer experience and close customer relationships delivered through a branded storefront
- Developing ready to use high-margin data products with immediate time to value for customers
- Multi-cloud deployment and connectivity to enable the widest TAM and avoid friction when interacting with diverse organizations that have made different technology choices.

Find out how we're helping global data leaders build the data products of the future, today.

Contact us at hello@harbrdata.com or visit harbrdata.com.