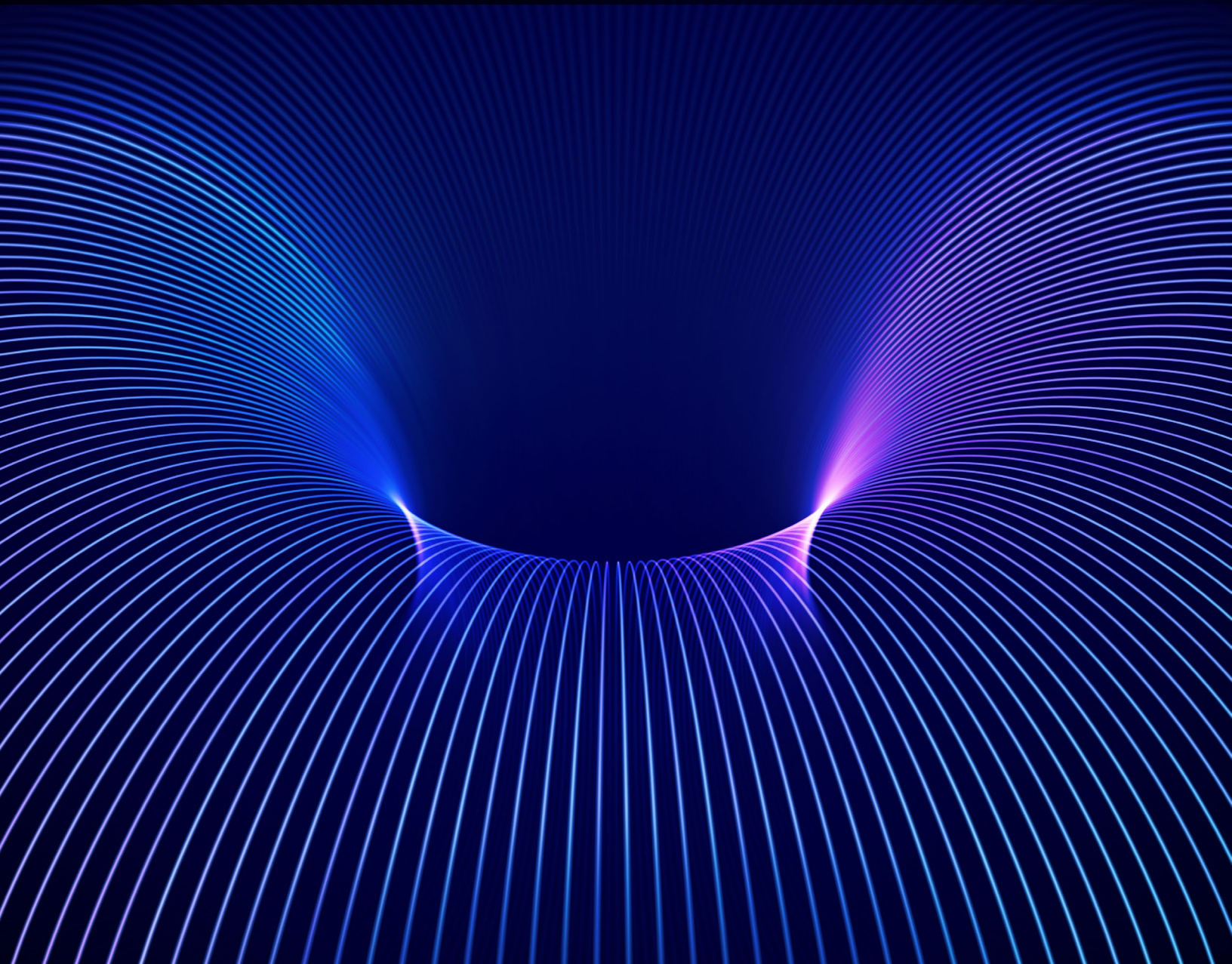




# THE DATA MONETIZATION REVOLUTION:

**UNLEASHING HIDDEN WEALTH IN YOUR DATA**





A deep understanding of the value of your data and the power of artificial intelligence will enable the most successful companies to develop a data strategy and programs with the unprecedented potential to drive operational efficiencies, unlock product innovations or even become a valuable fee-for-service platform for other organizations.

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## 1. Data Monetization Landscape – Data as the New Gold Rush

In today's digital landscape, data is the new gold rush. This metaphor encapsulates the excitement, rewards and challenges faced by organizations. Just as 19th-century prospectors sought gold in California, businesses now seek the wealth hidden in their data. According to [Fortune Business Insights](#), the global data monetization market is expected to reach \$9.1 billion by 2030 with 17.2 percent CAGR, which is fueled by the adoption of cloud computing and big data analysis powering the Internet of Things (IoT), artificial intelligence (AI) and machine learning (ML). This trend is driven in large part by the investment in data capabilities needed to drive digital transformation across industries. For instance, [healthcare](#) has adopted Electronic Health Records (EHR) to improve patient outcomes, [retailers](#) use Customer Data Platforms (CDPs) for personalized experiences and the [finance](#) sector employs AI in algorithmic trading to enhance decision making. In fact, a seminal [Harvard Business School](#) study found that data and analytics capabilities were one of the primary drivers of corporate performance across the Fortune 500, highlighted by strong correlations to revenue per employee, earnings CAGR and operating margin.

**Wealth is hidden in the data of organizations — the global data monetization market is expected to reach \$9.1 billion by 2030.**

Source: Fortune Business Insights

This surge in data-driven endeavors is not without its challenges in both execution and regulatory compliance. Organizations increasingly recognize the importance of compliance with stringent data privacy regulations like GDPR and CCPA. These regulations emphasize the need for transparent data usage, safeguarding of individual data access rights and implementation of robust data protection measures. Moreover, the data regulatory environment will continue to change further with the forthcoming EU AI Act and President Biden's recent executive order on AI, which will add complexity to responsible data management.

Irrespective of the operational challenges companies will face to comply with these important data regulations, a data and analytic gold rush is still in full force, especially amid the current AI renaissance. A deep understanding of the power of this technology and its ethical use will enable the most successful companies to develop a data strategy and programs with unprecedented potential to drive operational efficiencies, unlock product innovations or even become a valuable fee-for-service platform for other organizations.

### + COMPARISON OF DATA PRIVACY REGULATIONS

	GDPR	CCPA	Biden Executive Order on Safe, Secure and Trustworthy Artificial Intelligence
PURPOSE	To protect individual privacy in the EU	To give California consumers control over personal data	To enhance AI safety and individual privacy and promote responsible innovation
SCOPE	All organizations handling EU residents' personal data	Businesses handling California residents' data	U.S. government agencies, AI developers and researchers
KEY REQUIREMENTS	<ul style="list-style-type: none"><li>* Obtain consent before collecting, using or sharing personal data</li><li>* Transparent data usage</li><li>* Individual data access, correction and deletion</li><li>* Data protection measures</li></ul>	<ul style="list-style-type: none"><li>* Consumer rights to know, delete, opt-out, nondiscrimination and additional rights under California Consumer Privacy Act</li></ul>	<ul style="list-style-type: none"><li>* Develop AI safety standards and address AI risks</li><li>* Protect privacy</li><li>* Promote innovation</li><li>* Establish international AI framework</li></ul>
VIOLATIONS AND PENALTIES	Fines up to 4% of global annual turnover or €20 million, whichever is greater.	Fines of up to \$7,500 per intentional violation; limited consumer right to sue	Not specified; focuses on policy and international cooperation

2. Mindset Shift – From Data as a Tool to a Primary Strategic Asset

In advanced data-centric organizations, data is considered the most vital strategic asset. Decision-making processes increasingly rely on data analysis and prediction, leading to more informed and effective outcomes. Emphasis is placed on maintaining high-quality data through rigorous data management practices. The organizational culture shifts toward embracing continuous learning and adaptability, prioritizing data-driven insights over traditional intuition and human judgment for continuous enhancement.

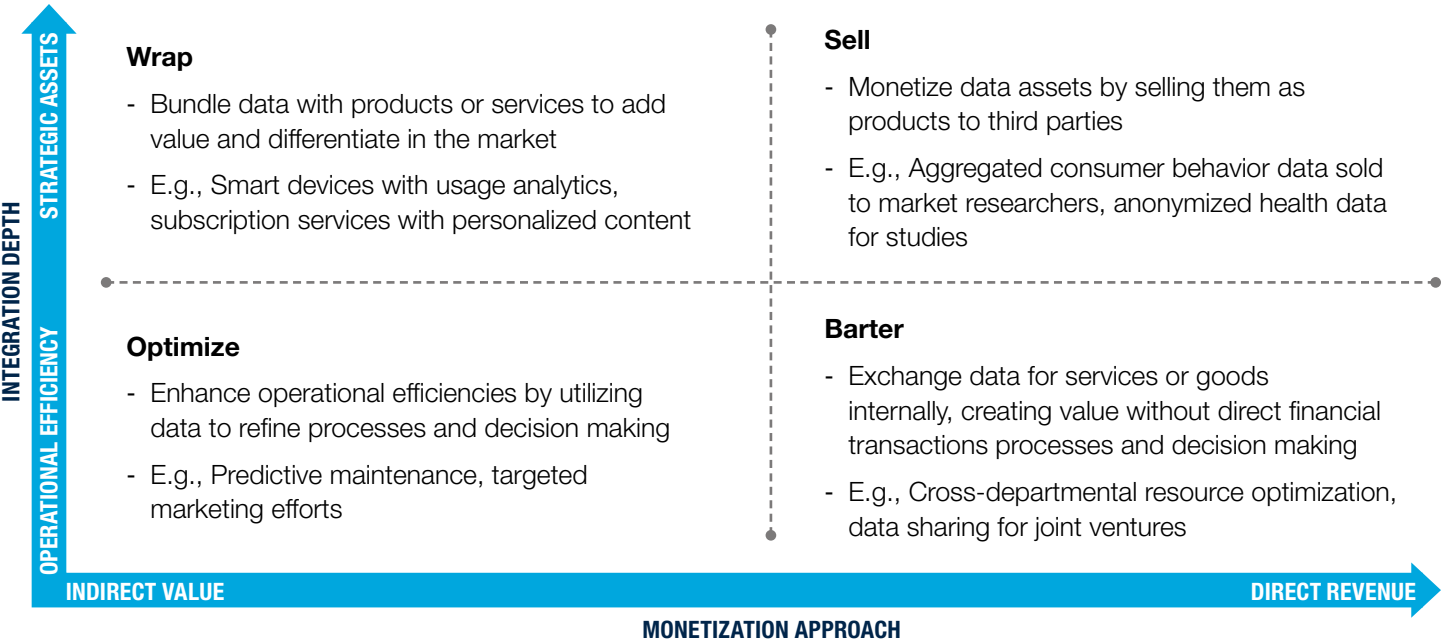
In essence, data-centric organizations have transformed data from being a valuable byproduct of their operational systems into the foundation of their strategic vision. This transformation has revolutionized their corporate DNA, making data central to their identity and future growth. These organizations exhibit similar key characteristics:

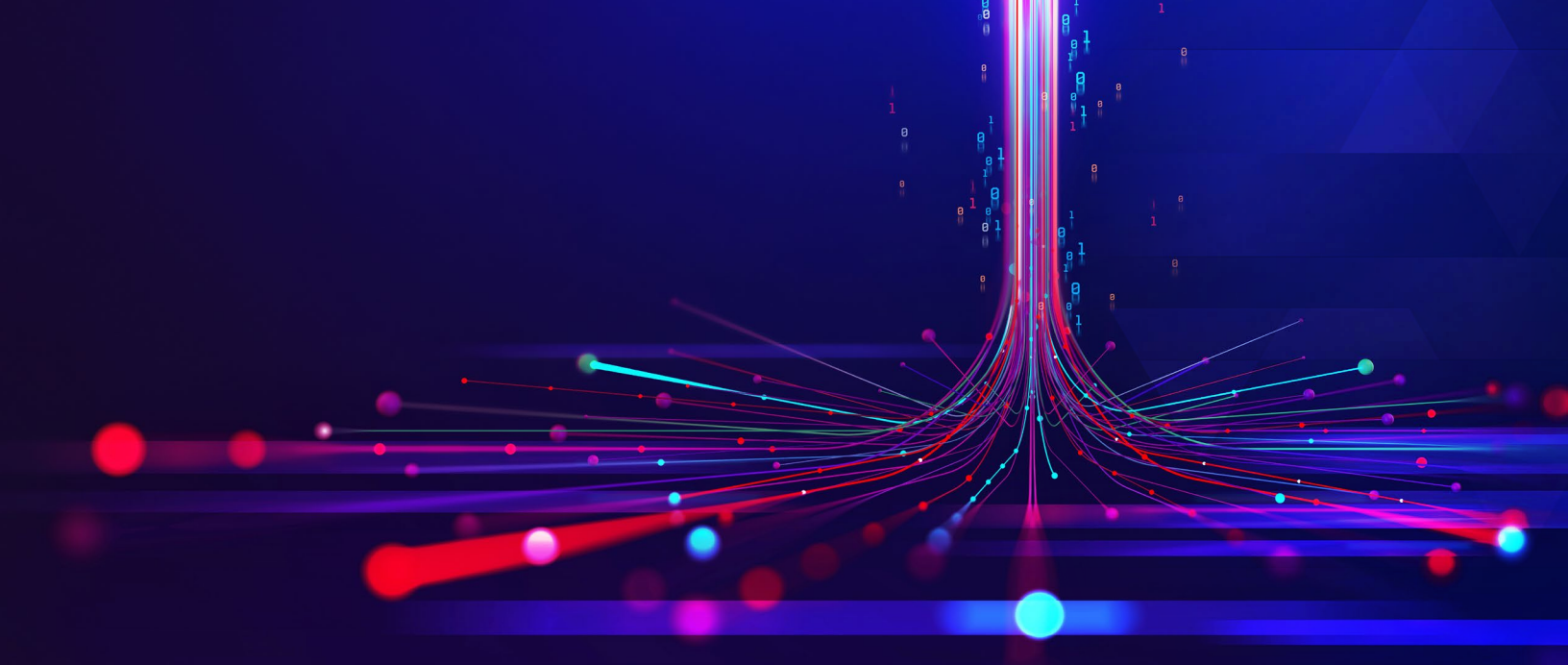
- **Data-Driven Decision Making:** Prioritizing data over intuition in strategic decisions.
- **Quality Data Management:** Implementing stringent practices for data accuracy and reliability.
- **Cultural Adaptability:** Cultivating a culture that embraces continuous learning and improvement based on data insights.
- **Innovative Revenue Models:** Exploring new business models and markets through data monetization.
- **Strategic Data Utilization:** Using data not only for operational efficiency but also as a key asset in strategic planning and execution.

Collectively, these elements define the ethos of truly data-centric companies, setting them apart as modern businesses in the digital economy. Such companies are constantly viewing their business from a data value capture perspective. Mark Freitas, a leader in A&M’s Life Sciences practice, developed the BOWS (Barter, Optimize, Wrap, and Sell) model to illustrate the broad categories of data monetization strategies adopted by the more data-forward businesses.

Data-centric companies constantly view their business from a data value capture perspective.

+ STRATEGIC DATA MONETIZATION MATRIX





### 3. Data Liquidity – Enabling Your Organization's Data Flow

To embark on the data monetization journey, organizations must first become fluent in the language of data liquidity. Data liquidity refers to the seamless data movement across systems, platforms and organizations. In the digital era, data does not respect traditional boundaries; instead, it flows from various sources — internal databases, customer interactions, partner networks, IoT devices and beyond.

This data fluidity underpins the BOWS model, where Barter, Optimize, Wrap, and Sell strategies come to life. Data liquidity allows businesses to harness the full potential of their data assets, whether for internal optimization or external revenue generation. As we delve into the depths of data liquidity, we uncover its dual role in fortifying both internal capabilities and external market positions.

In data-centric organizations, the shift from isolated data silos that monitor individual areas of the business to expansive, enterprise-wide data warehouses and data lakes with rigorous data quality and security protocols signifies a new era of internal efficiency. This transformation enables advanced analytics capabilities and empowers reporting across the enterprise.

Such a foundation catalyzes the deployment of internal data monetization strategies, exemplified by **Optimize** for enhancing operations and **Barter** for value exchange within the ecosystem. This progressive shift primes organizations for a strategic advance toward external data monetization. By embracing the **Wrap** strategy to enrich products and services and the **Sell** strategy to transform data into a revenue-generating asset, businesses leverage the BOWS model to explore untapped market opportunities and forge new revenue streams.

Significantly, this evolution also paves the way for an in-depth exploration of external monetization strategies, particularly the **Sell** strategy, which we will delve into in the next section, highlighting its diverse models.

## 4. External Monetization Models – Decoding Data’s Value

After establishing a robust internal data foundation, ambitious organizations are poised to expand their strategy toward external monetization, focusing on new revenue streams. Central to this external pivot is the **Sell** strategy, under which three primary service models emerge as key players: **Data-as-a-Service (DaaS)**, **Analytics-as-a-Service (AaaS)** and **Insight-as-a-Service (IaaS)**. These models, integral to the Sell approach, offer distinct pathways for transforming data into financial value, each presenting unique challenges and opportunities.

External data monetization focuses on new revenue streams, under three primary service models:

- Data-as-a-Service
- Analytics-as-a-Service
- Insight-as-a-Service

Service Model	<b>Data-as-a-Service (DaaS)</b> DaaS involves providing data storage, processing and analytics capabilities as a service over the internet, often leveraging cloud technologies.	<b>Analytics-as-a-Service (AaaS)</b> AaaS provides analytics tools and capabilities as a service, enabling users to analyze and visualize data without the need for specialized hardware or software.	<b>Insight-as-a-Service (IaaS):</b> IaaS goes beyond providing data and analytics, offering actionable insights and recommendations based on data analysis.
<b>REVENUE GENERATION</b>	<ul style="list-style-type: none"> <li>• Subscription fees for access to data resources.</li> <li>• Tiered pricing based on data volume, access frequency and additional features.</li> </ul>	<ul style="list-style-type: none"> <li>• Subscription-based pricing for access to analytics tools.</li> <li>• Custom pricing for specialized analytical services or additional support.</li> </ul>	<ul style="list-style-type: none"> <li>• Premium pricing for tailored insights and consulting services.</li> <li>• Subscription or per-report pricing for ongoing insights delivery.</li> </ul>
<b>TECHNOLOGY IMPLICATIONS</b>	<ul style="list-style-type: none"> <li>• Requires robust cloud infrastructure.</li> <li>• Integration with various data sources and formats.</li> <li>• Ensures data security and privacy compliance.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires advanced analytics tools and algorithms.</li> <li>• Integration with existing data sources and systems.</li> <li>• Consistent updates and maintenance of analytical tools.</li> </ul>	<ul style="list-style-type: none"> <li>• Advanced data analytics and AI capabilities for insight generation.</li> <li>• Effective data visualization tools for communicating insights.</li> </ul>
<b>UNIQUE CHALLENGES</b>	<ul style="list-style-type: none"> <li>• Maintaining data quality and accuracy.</li> <li>• Ensuring data security and privacy.</li> <li>• Scalability and performance optimization.</li> </ul>	<ul style="list-style-type: none"> <li>• Handling diverse data types and sources.</li> <li>• Providing real-time analytics capabilities.</li> <li>• Ensuring user-friendly interfaces for nontechnical users.</li> </ul>	<ul style="list-style-type: none"> <li>• Translating complex data into actionable insights.</li> <li>• Ensuring relevance and accuracy of insights for diverse clients.</li> <li>• Balancing automation with human expertise in insight generation.</li> </ul>
<b>BENEFITS TO BUYERS</b>	<ul style="list-style-type: none"> <li>• Access to large datasets without the need for in-house storage.</li> <li>• Cost savings on infrastructure and maintenance.</li> <li>• Enhanced data accessibility and interoperability.</li> </ul>	<ul style="list-style-type: none"> <li>• Access to sophisticated analytics tools without significant upfront investment.</li> <li>• Scalable services adaptable to varying data sizes and complexities.</li> <li>• Expert support and guidance in data analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Access to expert-driven insights for strategic decision making.</li> <li>• Time and resource savings in data analysis and interpretation.</li> <li>• Customized insights tailored to specific business needs and challenges.</li> </ul>
<b>COMMON USE CASE</b>	<b>Market Research and Analysis:</b> Companies frequently use DaaS to access vast databases containing market trends, consumer behavior data and industry-specific information. This service is particularly beneficial for businesses looking to understand their market better without investing in extensive data collection and storage infrastructure.	<b>Customer Behavior Analysis:</b> Businesses often employ AaaS to analyze customer data, such as purchase history, online behavior and feedback. This analysis helps in tailoring marketing strategies, improving customer experience and identifying new business opportunities. It's especially useful for companies that lack the in-house expertise or resources to conduct advanced analytics.	<b>Strategic Business Decision Making:</b> IaaS is commonly used by companies seeking data-driven insights for strategic decision making. For instance, a business might use IaaS to get recommendations on entering new markets, optimizing operations or developing new products. This service is ideal for organizations that require expert analysis and insights but do not have the capabilities to do so internally.



#### Examples of Data Monetization Services

##### DaaS

- Acxiom: Sells data to businesses for various purposes, such as targeted marketing, market research and fraud prevention. Acxiom collects data from diverse sources, including public records, consumer surveys and social media.
- SafeGragh: Specializes in geospatial data services, enabling businesses and organizations to understand and analyze physical locations. Their data includes precise location information, points of interest and foot traffic patterns, which assist in market research, urban planning and location-based analytics.

##### AaaS

- Mixpanel: Provides comprehensive analytics primarily for mobile and web applications. It specializes in tracking user interactions, allowing businesses to understand how users engage with their apps or websites, which is crucial for improving user experience and optimizing product development strategies.
- Kissmetrics: Offers analytics and engagement automation specifically for e-commerce, tracking customer behavior to enhance marketing strategies and user engagement. It aids businesses in making informed decisions to improve sales and customer experience.

##### IaaS

- CB Insights: Provides deep, actionable market insights specifically for the tech industry. The service is focused on strategic intelligence, offering analysis on technology trend, startup health and investment landscapes, essential for high-level decision making in the tech sector.
- 9Lenses: Offers a digital diagnostics platform that helps businesses gather clients' internal data and generate internal operational and human insights, enabling companies to understand their organizational health and areas for improvement.

## 5. Path To Revenue – External Data Monetization Lifecycle

The External Data Monetization Lifecycle provides organizations a structured roadmap to implement a monetization model and grasp the potential of their data, convert into tangible new revenue streams and navigate the path to sustainable growth and innovation. The lifecycle includes four phases: preparation, foundation, execution and optimization. Each phase contains key steps crucial for success. Effectively addressing each phase will accelerate and de-risk a company's investment, enhancing value capture from potential opportunities.

As data assumes the role of strategic asset, this lifecycle becomes invaluable, guiding organizations to maximize their data's potential and maintain competitiveness in a data-driven world. By following this structured roadmap, organizations can unleash their data's hidden value and foster a culture of continuous innovation and growth for a prosperous data monetization journey.



## The 7-Step External Monetization Lifecycle

### PREPARATION PHASE

#### 1. Assessment and Strategy Development

- + Internal Capability Assessment: Evaluate existing data and analytics capabilities, tools, technologies, expertise and processes.
- + Market Need Analysis: Research market demand for data and analytics services; identify potential client segments and their needs.
- + Competitive Analysis: Understand the competitive landscape, including similar services and pricing models.
- + Service Model Development: Develop a service model outlining offerings (e.g., data analysis, predictive modeling).

#### 2. Business Model and Offering Design

- + Business Model Design: Choose a pricing model (subscription, pay-per-use, tiered) aligned with the value proposition.
- + Service Portfolio Development: Create a portfolio of services (DaaS, AaaS, IaaS) including both custom and standardized offerings.
- + Value Proposition Articulation: Clearly define the unique value and benefits of these services for potential clients.

### FOUNDATION PHASE

#### 3. Legal, Compliance and Governance

- + Data Governance and Privacy: Establish data governance policies ensuring data privacy and regulatory compliance.
- + Legal Framework: Develop contracts, service agreements, data usage policies and liability clauses.
- + Intellectual Property Management: Protect proprietary methodologies, algorithms and software.

#### 4. Infrastructure and Technology Adaptation

- + Advanced Data Processing Technologies: Upgrade to high-performance data processing technologies like distributed computing and in-memory analytics for handling large data volumes.
- + Enhanced Security Technologies: Implement advanced cybersecurity measures, including firewalls, intrusion detection systems, and secure data transmission protocols.
- + Integration Technology: Deploy middleware and API management tools to facilitate seamless integration with various client systems and data sources.

### EXECUTION PHASE

#### 5. Skills Development and Team Restructuring

- + Training and Development: Train staff for client-facing roles and advanced analytics.
- + Hiring: Recruit additional talent for client management, analytics consulting and data science.
- + Organizational Restructuring: Adjust the structure to support a service-based model, including client service teams.

#### 6. Marketing and Sales Strategy

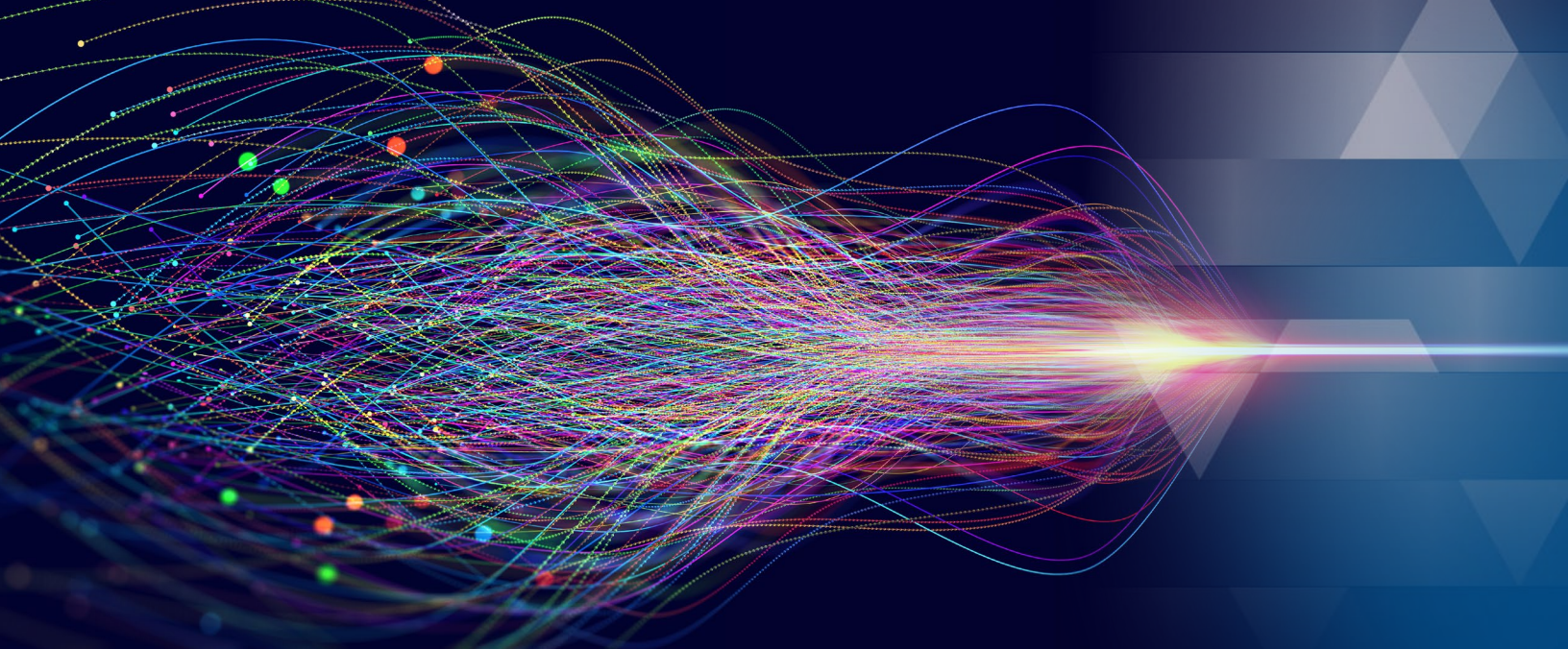
- + Brand Positioning: Establish the company as a trusted data and analytics service provider.
- + Marketing Strategy: Target potential clients; highlight case studies, testimonials and the unique selling proposition.
- + Sales Channel Development: Establish direct sales, partnerships and digital marketing channels.

### OPTIMIZATION PHASE

#### 7. Pilot Implementation, Scaling and Continuous Improvement

- + Pilot Projects: Launch pilot projects with early adopters to refine service offerings.
- + Feedback Integration: Collect client feedback and adjust services and operations accordingly.
- + Performance Monitoring: Implement KPIs for service effectiveness and client satisfaction.
- + Scalability Planning: Develop plans for scaling services, including technology, staffing and geographic expansion.
- + Continuous Improvement: Regularly update services based on client feedback and market trends, fostering a culture of innovation.





## + THE EXTERNAL DATA MONETIZATION LIFECYCLE

### PREPARATION PHASE

#### Assessment and Strategy Development

- Internal Capability Assessment
- Market Need Analysis
- Competitive Analysis
- Service Model Development

#### Business Model and Offering Design

- Business Model Design
- Service Portfolio Development
- Value Proposition Articulation

### EXECUTION PHASE

#### Skills Development and Team Restructuring

- Training and Development
- Hiring
- Organizational Restructuring

#### Marketing and Sales Strategy

- Brand Positioning
- Marketing Strategy
- Sales Channel Development

### FOUNDATION PHASE

#### Legal, Compliance and Governance

- Data Governance and Privacy
- Legal Framework
- Intellectual Property Management

#### Infrastructure and Technology Adaptation

- Advanced Data Processing Technology
- Enhanced Security Technology
- Integration Technology

### OPTIMIZATION PHASE

#### Pilot Implementation, Scaling and Continuous Improvement

- Pilot Projects
- Feedback Integration
- Performance Monitoring
- Scalability Planning
- Continuous Improvement

## 6. Navigating the Future – Data Monetization with A&MPLIFY

In today's digital-first economy, effective internal data monetization is essential to operational excellence. For those companies that have matured their internal data capability, unprecedented opportunities for new growth engines and markets await. Recognizing data as a primary strategic asset and using smart monetization strategies are key. The Data Monetization Integration Lifecycle guides organizations in this process, offering a structured method to turn data into revenue.

A&MPLIFY partners with organizations on this journey, providing services for each stage, from initial assessment to scaling and improvement. Our goal is to help clients fully utilize their data for profit.

**For companies that have matured their internal data capability, unprecedented opportunities for new growth engines and markets await.**

### + A&MPLIFY SERVICE OFFERINGS

#### PREPARATION PHASE

##### Assessment and Strategy Development Business Model and Offering Design

- **Digital Readiness Assessment:** Evaluating a client's current digital capabilities, market needs and competitive landscape
- **Innovative Business Model Incubator:** A workshop series combined with AI simulations to help clients develop and test various business offering model

#### FOUNDATION PHASE

##### Legal, Compliance and Governance Infrastructure and Technology Adaptation

- **Compliance/Governance Accelerator:** A suite of tools and consulting services for rapidly implementing robust data governance and legal frameworks
- **Tech Infrastructure Overhaul:** Leveraging cutting-edge technologies to modernize data processing and security infrastructures

#### EXECUTION PHASE

##### Skills Development and Team Restructuring Marketing and Sales Strategy

- **Talent Transformation Program:** Customized training modules and recruitment strategies focusing on analytics, client management and data science
- **360 Degree Marketing and Sales Blueprint:** A comprehensive plan incorporating digital marketing, AI-driven sales prediction and personalized customer engagement strategies

#### OPTIMIZATION PHASE

##### Pilot Implementation, Scaling and Continuous Improvement

- **Pilot Project Launchpad:** Facilitating pilot projects with advanced analytics and feedback integration systems
- **Scalability and Continuous Improvement Framework:** Tools for monitoring KPIs and scalable solutions for technological, staffing and market expansion, integrated with a continuous innovation culture

### Contact us to get started

Partnership with A&MPLIFY means working together to achieve data-driven success, ensuring that your journey in monetizing data is practical and leads to tangible results. Contact us to find out how to maximize your organization's data.



## KEY CONTACTS



### MICHAEL LAWLESS

Managing Director

+1 703 309 4493  
mlawless@alvarezandmarsal.com



### ADAM MALAMUT, PHD

Managing Director

+1 240 731 2697  
amalamut@alvarezandmarsal.com



### RA JANG

Manager

rjang@alvarezandmarsal.com

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With over 8,500 people providing services across six continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

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