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DELIVERABLE

Initial Business Model

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As this report is confidential, the uploaded document does not contain all the information/ content and all the chapters that were included at the "original" report.

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Executive Summary

The LIFE GAIA Sense Business Model has been designed to support the gaiasense solution key objectives by describing the sales supportive method in each country/area. The main object is to propose feasible business models for the wide adoption of the gaiasense solution, in Greece, Spain and Portugal as well as other countries targeted.

This initial Business Model will take into account several parameters such us the necessary initial upfront investment for penetrating new countries, the differences between countries etc. in order to select the most appropriate approach which will be deployed at the final Business Model. For this reason, a spectrum of potential business models will be considered in addition to the one that is foreseen for Greece.

Since potential business models need to be pre-assessed on the basis of proper metrics, in terms of their financial, operational and technological performance, this Business Model Canvas approach will be used to make the necessary comparisons and models evaluations. This initial business model also includes a detailed techno-economic analysis study that calculates major economic figures of merit such as Net Present Value, Internal Rate of Return and/or payback period.

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Definitions, Acronyms and Abbreviations

Acronym/Term	Explanation
CE	Circular Economy
GAIA	GAIA EPICHEIREIN ANONYMI ETAIREIA PSIFIAKON YPIRESION
NP	Neuropublic Ae Pliroforikis & Epikoinonion
OEMs	Original Equipment Manufacturer
Org	Organization
SF	Smart Farming
gaiatron	NP Smart Farming Telemetric Station

1. Introduction

1.1. Project Summary

The main objective of the LIFE GAIA Sense project is to demonstrate gaiasense, an innovative "Smart Farming" (SF) solution that aims at reducing the consumption of natural resources, as a way to protect the environment and support Circular Economy (CE) models. More specifically, this project will launch 18 demonstrators across Greece, Spain and Portugal covering 9 crops (olives, peaches, cotton, pistachio, potatoes, table tomatoes, industrial tomatoes, almonds, kiwi) in various terrain and microclimatic conditions. They will demonstrate an innovative method, based on high-end technology, which is suitable for being replicated and will be accessible and affordable to farmers either as individuals or collectively through Agricultural Cooperatives.

Moreover, LIFE GAIA Sense aims to promote resource efficiency practices in SMEs of the agricultural sector and eventually, contribute to the implementation of the Roadmap to a Resource Efficient Europe. This project will demonstrate a method on how the farmer will be able to decide whether to use or avoid inputs (irrigation, fertilizers, pesticides etc.) and more specifically how to apply them in a most efficient way, without risking the annual production. The focus is on the resource consumption reduction side of CE, and the results will be both qualitatively and quantitatively, considering the resources' efficiency in agricultural sector.

1.2. Document Scope

This deliverable presents the Initial business model for the LIFE GAIA Sense project. The main focus is on proposing the initial version of the business model to be developed and adopted within the LIFE GAIA Sense project. The business model canvas methodology is followed to analyze the main partners, activities, resources, values, channels, etc. It is the aim that this Strategy will be a multiplier of the impact of the project, offering solutions, which can be applied to other places, both at a European as well as at a global level.

2. Initial Business Model - Summary

Agricultural production in the European Union has diverse characteristics and variations in each country. This differentiation between countries, requires an analysis of factors that will significantly influence the choice of the most appropriate business models for the incorporation of the gaiasense solution. To choose the most appropriate business model under the initial business model, the parameters that will lead to the best model for each country will be examined, according to the Business Model Canvas approach.

The SF solution proposed in the project is an innovative approach to natural resource management, based on high technology that has to be applied in the primary sector. The innovative approach and the characteristics of the agricultural sector, which make it an impetus for the adoption of innovative solutions, require a methodical analysis of how this technology diffuses. In any effort to develop a business, the first step is to map the structure of the target markets and map the competition. When it comes to something innovative, creating strong partnerships and successful alliances is the key to success. In this context, according to Business Model Canvas potential partners, services offered, and customer - user added value, projected installation and operating costs are examined.

Depending on the country of application, the way the key parameters (different partners, custom pricing, etc.) are approached is modified but the central philosophy of the project remains the same. For example, the software development methodology or data collection method will not be differentiated, as this is inconsistent with the initial assumptions about economies of scale and the low environmental footprint of gaiasense for the equipment used.

In particular, the following parameters need to be analyzed, according to the Business Model Canvas approach, Key Partners, Key Activities, Key Resources, Value Proposition, Customer Relationship, Channels, Customer Segments, Domain and Cost Structure.

3. Conclusions

All in all, the gaiasense solution takes into consideration both the demands for solutions on the environmental problem, as well as the unique characteristics of the agricultural sector.
The decision on finding measures to minimize the environmental impact of the agricultural sector in EU is final, but the methodology is under consideration.
The proposed solution, measures the impact of any action taken in the field and counts the results of these action on behalf of productivity and safety. Moreover, the farmers have personalized information on how to use the resources in order to maximize productivity also protecting the environment.
Also, the methodology used in the project, to collect data and provide consultation, can be widely spread with no limitation on environmental or other barriers. Also, the commercial approach means that each farmer is part of this solution through subscription and not by investing on hi tech solution.
Finally, this holistic approach can lead to a wide network of partners, which can guarantee the sustainability of the project long after the end of project.