

Report on specific proposals regarding the potential of the digital transformation of Archives

Digital Treasures



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Summary

Project scope

After a first phase of identifying common needs among the different Archives partners, we have worked with each one on a divergent thinking methodology. This divergent thinking in every session, combined with the “Cross-Pollination” of combining the best ideas of the different countries would, eventually, be a source of inspiration that will help us later to be able to organize the proposals in different categories and to be able to analyze the viability of each of the ideas.

Once we were clear about the characteristics of each country, the common and specific needs, we have analyzed the most relevant business models of today to propose a possible implementation of those that best fit each geography.

Schedule of interviews conducted (3 rounds per country)

Country	Spain		Malta		Norway		Hungary		Portugal	
1st	19/01	2h	20/01	2h	26/01	2h	29/01	2h	18/02	2h
2nd	02/02	2h	05/02	2h	11/02	2h	-	-	-	-
3rd	24/02	2h	23/02	1,5h	1/03	1h	26/02	1,5h	03/03	1h

Disruption

Introduction

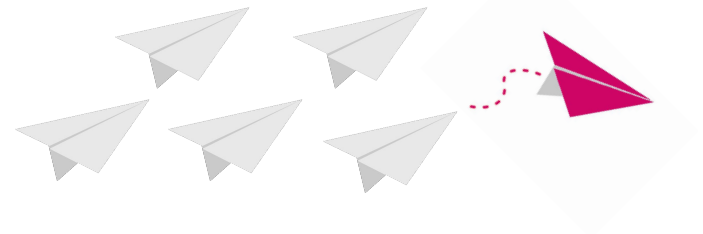
The concept of “**disruption**” supposes a rupture, often traumatic and irreversible.

We have seen in the last 10 years how entire industries, and their champions have collapsed: **Music** (the record companies, displaced by Spotify); **Photography** (Kodak, Agfa, displaced by Instagram); the **video store** Displaced by Netflix... and the **SMS** by Whatsapp, and the **Telephone** by Skype, and the **Taxi** by Uber, and the **hotel** by AirBNB.... Many new solutions to old needs.

What has happened to the companies that satisfied them before? Many no longer exist or have seen their business models seriously compromised.

Disruption Rules

1. Disruption always comes from outside.
2. Disruption always occurs at the convergence of several technologies or a technology and social trends.
3. Disruption occurs where there are under-exploited assets.
4. The Disruption seems slow, until the tipping point arrives, and then it accelerates and is withering.
5. Disruption is always denied by incumbent experts.



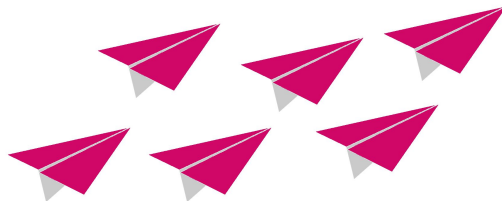
Change of time

Hyper Digital Acceleration

This is no longer a time of change, it is a **change of time**, as the Renaissance could have supposed, a transition from the Middle Ages to the Modern Age. (A change that also meant the discovery of a new world (America) and a new technology -the printing press- that democratized knowledge). This moment described as VUCA (Volatile, Uncertain Complex and Ambiguous), with increasingly less longevity of the companies.

And suddenly... Covid-19 arrived.

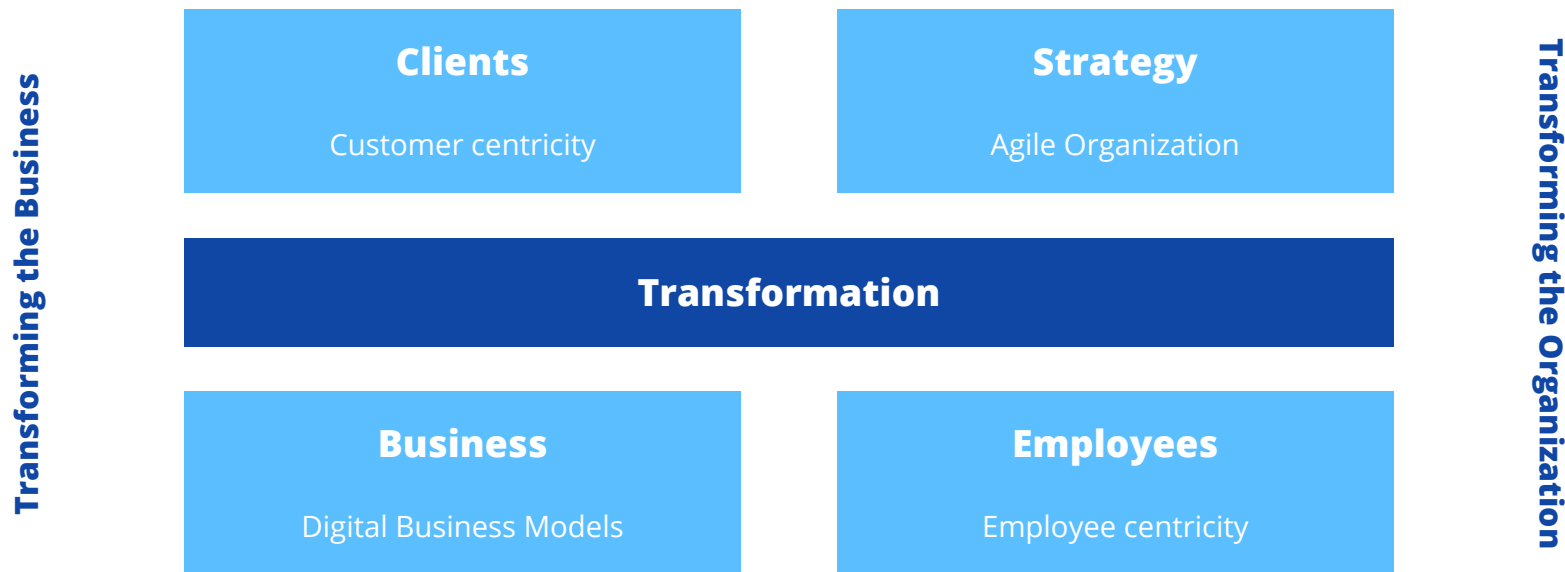
We had almost 10 years in which we had mobile technology, but "the old still worked." Suddenly, leisure, business, commerce, education stopped working. This moment of health crisis has meant a vertiginous and forced acceleration in digitalization.



Digital Transformation

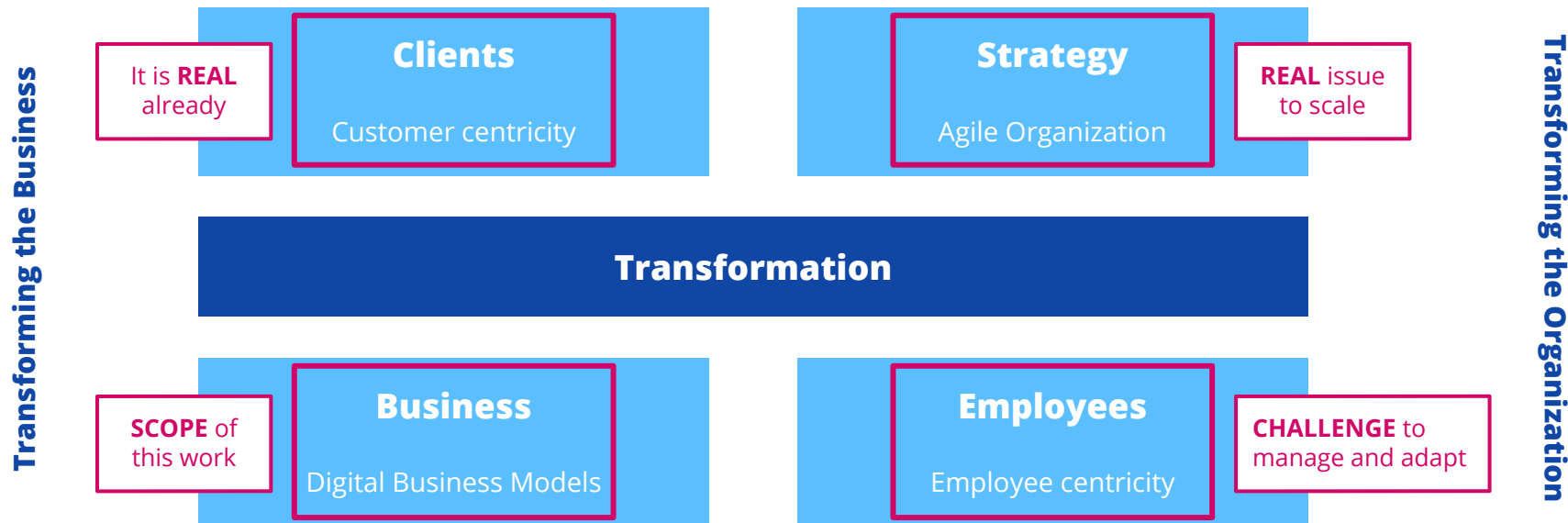
Beyond innovation

Digital transformation is a process that involves addressing organizational and business changes. These 4 areas of transformation will eventually need to be approached.



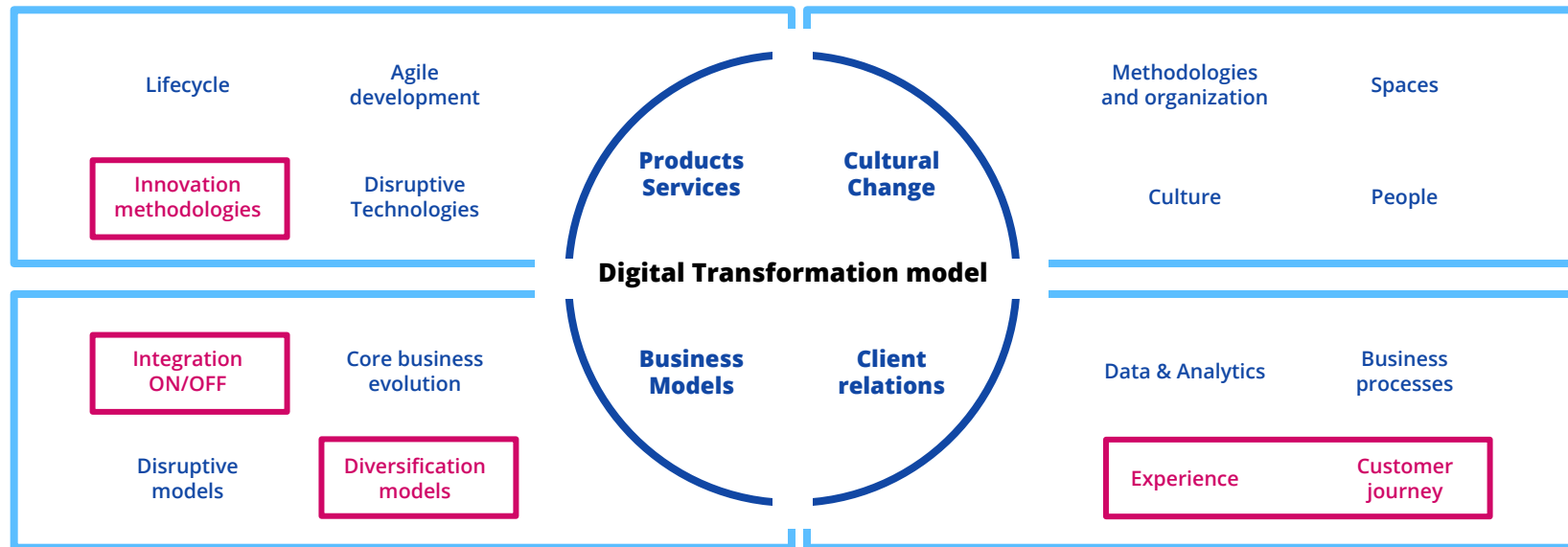
Digital Transformation of the Archives

Challenges Ahead



Digital Transformation

Model



SCOPE
of this work

6D's Model. Exponential Organizations

6D's Model: Going Digital is just the beginning

We have seen this process develop in other industries and how it affects its players. Could it apply to National Archives?

Digitization is just the first stepping stone. The key to open the door to next stages.

Actually, Digitization began in the 80's, with Music, image and encyclopedia, being digitalized and taken to new devices (CD's); It took several years of **Deception** (linear growth) till **Disruption** and new business models arise (P2P, Freemium, SaaS).

Demonetization and **Dematerialization** might be a quite relevant issue in the National Archives Projects where availability and accessibility is paramount.

Digitization

Deception

Disruption

Demonetization

Dematerialization

Democratization

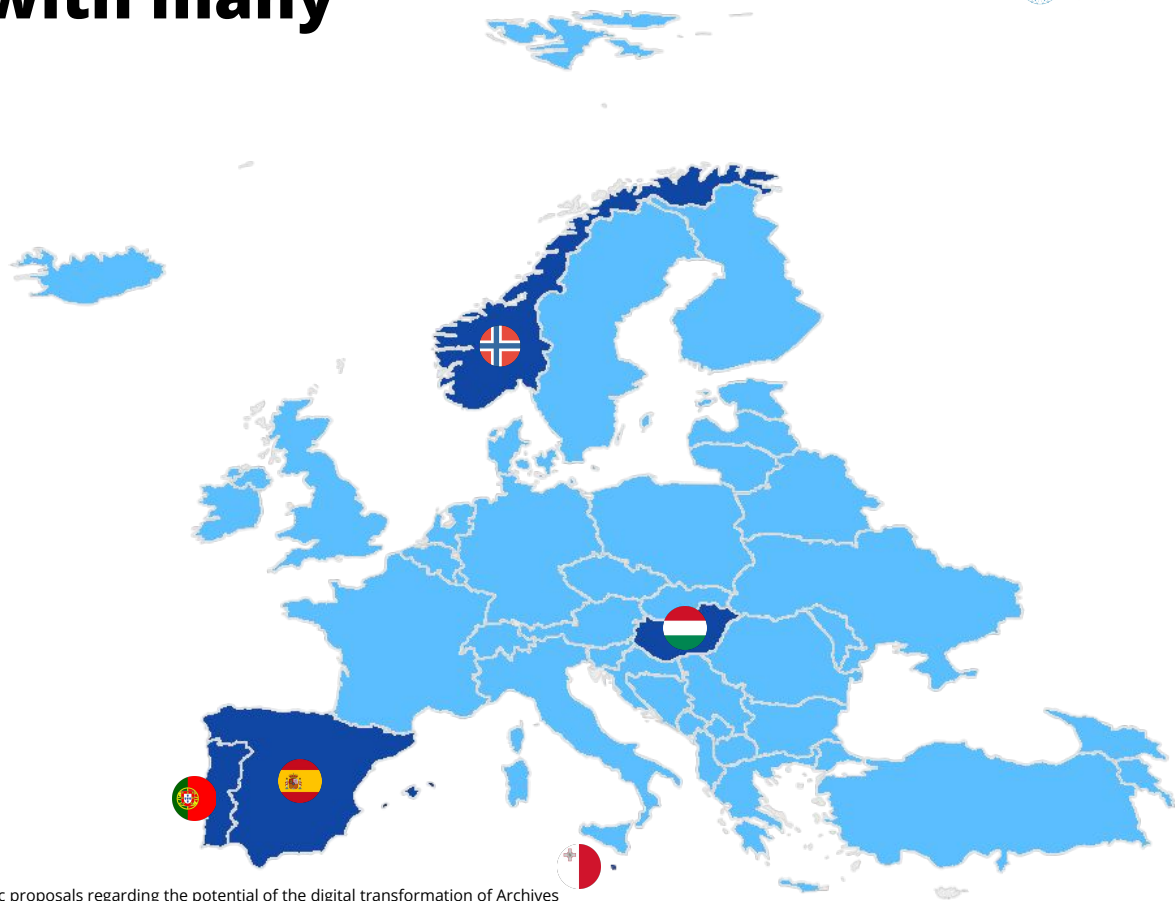


A single challenge with many faces

**“The Future is already here
but It is not evenly distributed”**

A Common goal project with Different...

- Resources
- Strengths
- Opportunities
- Stages
- Priorities



Details

A Single Challenge with many faces: Characteristics of each of the countries



Hungary



Norway



Malta



Portugal



Spain

Current goals	Focus services on heavy users	Availability and digitalization Rebuild digital Archives AI implementation CRM for the external users	New Building project: Public, iconic, green, with community and services	Managing human resources Guarantee national identity and heritage storage	Improvement plan Merchandising Simplify user experience through digital improvements
Strengths	Strong KYC and intention to dedicate resources to them	Innovation leader	Good digitized services for clients	Great identification of relevant documentary funds	Strong structure and vast heritage
Opportunities	Extract more data from the records (text recognition, cross data)	Understand and involve the users	Virtual reality to implement in the new building Create community Expand the collections with new collaborations	Facilitate the disposition of documents and financial administration through subscription models	Attract new audiences and targets Facilitate user experience
Digitalization level	1% digitized	Highly developed	Capacity to host new collections and give space, facilities and expertise	650TB of information	Digitalize complete units to speed up digitization
Staff	Motivated and placing innovation as first affair priority. Digitalization unit (6 pax)	300 people Strategic direction, innovation unit and good relationships	Multitask and small team 38 people	352 people It is necessary to incorporate new talent	Experienced and trained

9 Relevant New business models today

Part 1

1. Freemium

It is about offering the product for free, hence the "free" in front, and then charging for special features (premium). Eg Spotify, LinkedIn... In principle it fits with the philosophy of **Archives of facilitating free universal access** to the records of the files that we have analyzed. (in which, occasionally, certain services are charged based on approved official rates)

2. Long Tail

These models look for opportunities in very small markets (niche or micro niche) through having many products or services available that are difficult to find. It combines well with the high specialty of many of the services / products offered by the files that are only accessible in that way.

3. Cloud model, AaaS (Archives as a Service)

This business model (adaptation of other "servicing" industries (Software as-a-services (SAAS; Mobility as a service, Banking as a service). It refers to the service offered by companies from the cloud without the need for complex installations on the equipment, in which a monthly fee is charged for all services provided. The digitization of documents opens the door to this type of development-, facilitating accessibility without space / time barriers



9 Relevant New business models today

Part 2

4. Subscription model (Or Flat-fee for certain services)

This model implies a recurrence in the purchase by the user who must make a financial outlay every month to receive a series of products or services, being able to unsubscribe from the service at any time.

Examples, multimedia content platforms: Netflix, HBO, or others like Winebie, (sends its box of wines monthly),

5. E-commerce, dropshipping model - (*Complementary, additive or alternative to Shop on premises*)

In a dropshipping business model, the company does not store any type of product, but acts as an intermediary between the buyer and the warehouse. The user buys on the company's website, the warehouse receives the purchase notice and sends it to the end customer's address. It is a business model that is increasingly used in ecommerce due to its low costs and low risk, since "only" you have to set up the web and connect the products directly with the warehouse to sell them.

6. Membership model

In this type of business model, the company creates content (videos, articles, images, etc ...) interesting enough for the user to click on a link and end up buying a product or service. The business earns income, in the form of commission, for each sale made through its link.

9 Relevant New business models today

Part 3

7. Infoproducts model - “E-commerce of Knowledge”

This model consists of creating high quality content for users to be able to charge for the download and / or use of said content. These are usually training books and videos that are hosted on the websites of professionals. This new business model arises from bloggers and freelance professionals who decide to teach and / or sell all their knowledge to those who want to learn new skills or develop their businesses.

8. Business Models based on the exploitation of differential assets

- Tangible assets - Singular buildings > Rent or transfer of spaces in exchange for benefits.
- Intangible Assets - Know How, experience, knowledge, reputation, from the National Archives

9. Events



















































Rediscover new uses for historic and iconic buildings from archives related to the world of events.

9 Relevant New business models today

Summary

Freemium	It is about offering the product for free, hence the "free" in front, and then charging for special features (premium). Spotify or LinkedIn are some of the most relevant examples.
Long Tail	Try to get the smallest market (niche) through having many products or services available that are difficult to find.
Cloud	This business model refers to the service offered by companies (usually technology) from the cloud without the need for complex installations on equipment or additional hardware, in which a monthly fee is charged for all services provided.
Subscription	This model implies a recurrence in the purchase by the user who must make a financial outlay every month to receive a series of products or services, being able to unsubscribe from the service at any time.
Affiliation	In this type of business model, the company (or freelance) creates content (videos, articles, images, etc ...) interesting enough for the user to click on a link, and end up buying a product or service. The business earns income, in the form of commission, for each sale made through its link.
e-Commerce	In a dropshipping business model, the company does not store any type of product, but acts as an intermediary between the buyer and the warehouse. The user buys on the company's website, the warehouse receives the purchase notice and sends it to the end customer's address.
e-Learning	Creation of content through platforms linked to dissemination.
Consulting	To become a relevant party in terms of advice in the world of audiovisual production.
Events	Rediscover new uses for historic and iconic buildings from archives related to the world of events.

Applicability 9 Relevant NBM today

						
	Business Model	Hungary	Norway	Malta	Portugal	Spain
Applicable	Freemium					
	Long Tail					
	Cloud					
Possible Application	Subscription					
	Affiliation					
	e-Commerce					
Not applicable	e-Learning					
	Consulting					
	Events					



Hungary

Business Model

Applicable



Possible Application



Not applicable



Freemium



Not the best business model for the country.

Long Tail



They have identified heavy users who are family researchers and want to focus on them by offering better services for special requests and collections by developing more family trees and records.

Cloud



They can't collaborate with external contractors.

Subscription



Some people are willing to pay for specific files, but the subscription model is not the best suited to the country.

Affiliation



They do not see possibilities in this business model as a third party trust provider.

e-Commerce



It is not an avenue to explore. None of the merchandising avenues are of interest to Hungary.

e-Learning



Infoproducts are one of the implementation possibilities. They have an ordinance to support education in the country both at the elementary school level to university training. They have a content portal but it is not used.

Consulting



Not an option.

Events



They can host relevant events, they have plans already drawn up for it. They can be related to experiential marketing, it would be a good way to attack both worlds.



Norway

Business Model

Applicable



Possible Application



Not applicable



Freemium



In Norway everything is for free and they can not add any charge.

Long Tail



They already have a specific project to work on the particular petitions working together with the Government on the public documents.

Cloud



The objective is to make accessible the Archives. We could try to connect with a OCR company to add value to the data extracted.

Subscription



In Norway everything is for free and they can not add any charge.

Affiliation



In Norway everything is for free and they can not add any charge.

e-Commerce



They already have a shop and they are working in the merchandising field.

e-Learning



It could work in small pills that help users to use the search engines of the files or do it through a chatbot.

Consulting



Not a way to explore.

Events



Not a way to explore.

*Since practically **no match has been found** between the rest of the partners and Norway, We have decided to choose to explore different ways on the next deliverable that are better suited to Norway's needs by proposing some companies to collaborate with and improve the guidance for users and the behavioural patterns of their clients.



Malta

Business Model

Applicable

Possible Application

Not applicable

Freemium



In Malta practically all services are free, so this business model that charges customers is not viable.

Long Tail



This model can be focused on the subject of genealogical research, a payment service could be built around this subject since it is one of the most demanded.

Cloud



A good way to take advantage of the experience and capacity of the Archives is to provide professional storage space and guarantee the safety of other collections.

Subscription



Same as in the Freemium model.

Affiliation



Not applicable for Maltese Archives.

e-Commerce



Once the building is built and a brand of its own is generated with its peculiarities and being iconic, a line of products for an e-commerce could be created.

e-Learning



Just as a storage service can be offered for new collections, and taking advantage of the connections with the university, a line of e-learning products can be generated with an archive theme.

Consulting



Not applicable for Maltese Archives.

Events



Not to hold events by itself, but to create community by offering society a space for interaction.



Portugal

Business Model

Applicable

Possible Application

Not applicable

Freemium



As it is a public service, it is difficult to carry out this model since they are free of charge.

Long Tail



Similar work has already been carried out with the study of Portuguese, if it arises, it could be done again.

Cloud



It doesn't apply at this time to Portugal.

Subscription



Facilitates financial management. They already had an approach to this model by identifying groups of students, commercials and researchers, but it did not work. This model can be done in such a way that it encourages the total digitization of the product, not just part of it. It would be necessary to add monthly or annual prices for the digitization of X documents in their entirety.

Affiliation



Not relevant for Portugal at the moment.

e-Commerce



From Portugal they are 100% favorable to carry out this model. It is possible to propose the creation of an online store with products related to the Archives. With the undisputed leading brand in its sector in Portugal Vista Alegre they have already carried out merchandising promotions.

e-Learning



Another interesting proposal is the creation of small explanatory pills on archival themes (treatment of photographs, classification of documentation, etc.) on digital teaching platforms. This helps to spread the brand image, attract talent, and goes hand in hand with the Archives' public service feature.

Consulting



The national archives have the documentary capacity and professional experience to advise on the production of audiovisual content with a historical theme. The possibility of creating fees to monetize this field can be studied.

Events



When the pandemic situation allows, the historic buildings of the archives can be used to host relevant events and conferences, thus monetizing and giving visibility to heritage.



Spain

Business Model

Applicable

Possible Application

Not applicable

Freemium



To create a freemium service, you should find a specific service for users since Archives are a public service.

Long Tail



If you have an e-commerce that works for the general public, you can take the next step and identify those specific products for a niche audience, but first you have to validate e-commerce as a business model.

Cloud



The digitization of the Archives is something necessary to be able to create an AaaS (Archive as a Service). In addition, it is necessary to find the right partner to incorporate an additional layer of tagging and be able to generate value in the data provided by the digitized documents.

Subscription



Generate subscription ranges that save bureaucratic flows and improve the flow of payments. Common users should be identified, set levels of service, rates and made accessible, for example, following the strategy of state museum cards. The implementation of a payment gateway is necessary to facilitate the subscription.

Affiliation



Find partners to create trust, veracity and recognition of documentation.

e-Commerce



Creating an e-commerce for the reproduction and sale of products helps both economically and with the creation of a brand. The implementation of a payment gateway is necessary to facilitate the e-commerce.

e-Learning



The idea is to create courses on documentation analysis methodology, processes and archival and other specific ones on documentary dissemination. The best way to create those courses is using e-learning platforms such as edx, Coursera or Tutellus.

Consulting



The national archives have the documentary capacity and professional experience to advise on the production of audiovisual content with a historical theme. The possibility of creating fees to monetize this field can be studied.

Events



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Innovation Horizons

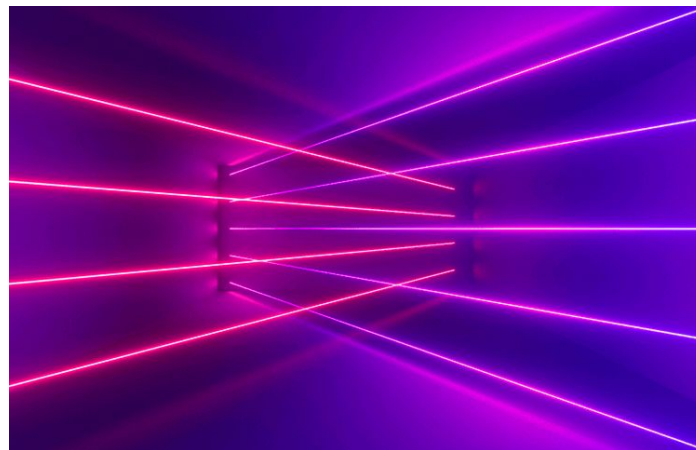
A model for managing Innovation

Talking about the **three horizons** allows us to glimpse that an organization can develop several innovation projects in parallel, with different objectives and that it requires having different teams, processes, resources and indicators, which becomes complex if it is not possible to differentiate.

Horizon 1 ideas provide continuous innovation to a company's existing business model and core capabilities in the short term. 12-18 month view.

Horizon 2 ideas expand an existing business model and core capabilities of a company to new customers, markets, or targets.

Horizon 3 is the creation of new capabilities and new businesses to take advantage of or respond to disruptive opportunities or to counter disruptions.



Innovation Horizons

A model for managing Innovation

The three horizons have **different objectives**, different **focuses**, **methodologies** and **procedures** and different **metrics** to direct the effort in the development of their innovation projects.

The three horizons have **different operational and execution risks** based on lower or higher uncertainties.

Horizon 1 has less risk because it focuses on the efficiency of what is known, and **horizon 3** can fundamentally transform the organization with great risk (which seems impractical within management structures) The right combination of purpose, expected result, risk and necessary effort is what defines the future of the organization.

This formula for managing innovation allows you to transcend that improvement or it will equate innovation with continuous improvement. This does not allow us to observe that innovation is something else; it is a process through which organizations change their future strategy and commit to more ambitious results.

An organization seriously considering innovation **must have a mix of projects across different horizons**. Set efficiency targets to drive mature business; different goals for growth and finally goals to broaden the vision with ideas that come out of the box.

This is how strategy allows the organization to project itself over time with a broader, more complete and more ambitious vision that drives it towards the future and leadership.

Next steps

Specific proposals

The ideas or vectors of Innovation and digital transformation presented in this work for this Digital Archives project are mainly focused on Horizon 1 with a vocation for horizon 2. Although we recommend devoting partial attention to possible horizons 2 and 3, so that the project has a longer journey.

After evaluating the business models, we want to propose in this part of the report the next steps to follow in each of the countries. We will deliver the details on the next document.



Hungary

1. Facilities for researchers and heavy users
2. Data and documentation analytics



Norway

1. Artificial Intelligence businesses research to add value to image reading.
2. Know Your Customer to improve the user experience journey and anticipate what users want.
3. Behavioural patterns for users.
4. OCR (Optical character recognition)



Malta

1. New building facilities
2. Host new collections
3. New, creativity and sustainable. Those are the three fundamentals for the project.



Portugal

1. Subscription model establishing prices and ranges.
2. e-Commerce.
3. Talent attraction.
4. Infoproducts about the archives activities.
5. Consulting.
6. Events and exhibitions.



Spain

1. Payment gateway for the Archives to facilitate the customer experience.
2. e-Commerce platform production and sale of merchandising.
3. Subscription Model.
4. e-Learning.
5. Events and exhibitions.



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