Analysis and Cross-Comparison of Business Models for nearly Zero-Energy Buildings in Europe

Benjamin Köhler¹, Anneke Quast¹, Arnulf Dinkel¹, Annalisa Andaloro², Armin Knotzer³

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CRAVEzero
Cost Reduction and market Acceleration for Viable nearly zero-Energy buildings

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01 Background

• Nearly Zero-Energy Buildings (nZEBs) central for achieving energy and GHG emission reduction targets (Global, European, National)

• nZEBs standard for all new buildings by 2021 (new public buildings by 2019)

• Possible reasons for current struggle in market uptake: comparably high efforts for planning and constructing, high initial investments, lack of adequate business models for accelerating the nZEB market

➤ Analysis of existing business models of different stakeholders in life-cycle and development of new nZEB business models for accelerating nZEB market in Europe
• Find and describe existing BMs in different European markets and life-cycle phases for all stakeholders involved → develop BM profiles / characteristics

• Identify key-factors and strengths of each BM as basis for BM development

• Cross-comparison of all found BMs
Scope and Methodology

- Standardized profile for BM description
- Assessed parameters based on Business Model Canvas
- Collection and description of existing BMs: desk research → only publicly available data / info used; no insider know-how for comparability
- BM description of all project partners

Comprised markets: Germany, France, Italy, Sweden, Austria, UK, Belgium, Netherlands
## Scope and Methodology

<table>
<thead>
<tr>
<th>PARAMETER</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value Proposition</td>
<td>Products, services, features, benefits creating value for the customers</td>
</tr>
<tr>
<td>Customer Relationship</td>
<td>Intensity of customer-provider relationship, channels to reach the customers</td>
</tr>
<tr>
<td>Customer Segment</td>
<td>Typical Customer group that the product/services is directed at</td>
</tr>
<tr>
<td>Activities and Capabilities</td>
<td>The most important activities a company needs to conduct in order to provide the offer and necessary resources required</td>
</tr>
<tr>
<td>Revenues</td>
<td>Type of streams a company generates revenues with</td>
</tr>
<tr>
<td>Costs</td>
<td>Most important expenditures that incur for the provision of the offer</td>
</tr>
<tr>
<td>Maturity</td>
<td>Stage a company is situated in regard to how elaborated and integrated a business model is.</td>
</tr>
<tr>
<td>Key Factors and Strengths</td>
<td>The most important factors and strengths that make the business model work successfully.</td>
</tr>
</tbody>
</table>
BM-Analysis

Analyzed BMs, Value Proposition, Strengths and Key Factors, Life Cycle Phases

- Cooperative in Real Estates (1)
- Energy Service Company (6)
- Engineering and Construction (9)
- Facility Management (4)
- Planner (6)
- Real Estate Developer (2)
- User/owner (1)
- Urban Planner (1)
- Certifier (1)
- Consultancy (2)
- Financier (2)
- General Contractor/ Developer (7)
- Promoter & Information Provider (2)
- Trading Platform (2)
- Vendor (7)
- Research Entity (3)
- Other/ not defined (2)

Total: 60 BMs
BM-Analysis

Analyzed BMs, **Value Proposition, Strengths and Key Factors, Life Cycle Phases**

- Green labels and sustainability
- Comfort and innovation
- (Energy) cost reductions
- Energy performance
- Customer services
BM-Analysis

Analyzed BMs, Value Proposition, Strengths and Key Factors, Life Cycle Phases

- All Services In-house (Widespread Competencies)
- Guaranteed Price / Performance
- Know-How
- Experienced Workforce
- Lock-In: create and maintain good customer relationships
- Prefabrication
- Innovation and Sustainability
- Risk Reduction
- Economic Efficiency

- Quality
- WLC Approach
- Informative Website
- Waste Reduction
- Energy Efficiency
- Image
- Transparency
- Scalability
- Influence on Decision Level
• General:
  • Widespread competencies / All Services In-House
  • Lock-In
  • Know-How
  • Innovation and Sustainability
  • Guaranteed prices/performances

• Many BMs strongly depend on collaboration of different partners and stakeholders
### BM-Analysis

*Analyzed BMs, Value Proposition, Strengths and Key Factors, Life Cycle Phases*

- **General Contractor and Developer:**
  - Scalability
- **Real estate developer:**
  - Influence on the (political) decision level
BM-Analysis

Analyzed BMs, Value Proposition, Strengths and Key Factors, Life Cycle Phases

- Vendors of technical equipment and materials:
  - Take whole life-cycle of products into account
  - Take care of waste reduction
  - Stress transparency
  - Strong customer relationship
BM-Analysis

Analyzed BMs, Value Proposition, Strengths and Key Factors, Life Cycle Phases

- Planners:
  - Focus expertise on specific and confined planning phase
  - Innovative planning tools and capability of using them efficiently
  - Know-how in the field
  - Experienced and well trained employees
BM-Analysis

Analyzed BMs, Value Proposition, Strengths and Key Factors, Life Cycle Phases

Citizen groups/NGOs | Estate Agents
---|---
Chambers | Real estate funds
Municipalities | Construction Companies
Investors | Facility Managers
Tenants/Users | Owners

SBE 2019 – 12th SEP 2019
Methodology and structure allows holistic cross-comparison of BMs in different life-cycle phases and of different stakeholders.

Value proposition: Most common features are green labels, sustainability, energy and cost reductions, efficient energy performance.

Strengths and key factors: widespread competencies, know-how, innovation and sustainability, guaranteed prices/performances, customer relationship.

Only few BMs in Political Decision, Monitoring and Recycling/Dismantling/Reuse → room for new BMs?!?

Lack of comprehensive BMs covering the whole value chain/life-cycle.
Conclusion and Outlook

• Results / findings will be sued to develop new Business Models to
  • Fill identified gaps
  • Decrease overall life-cycle costs
  • Create value for all stakeholders

• Detailed reports available on cravezero.eu/reports/
Thank you for your attention!
Questions?

Benjamin Köhler (Fraunhofer ISE)
benjamin.koehler@ise.fraunhofer.de