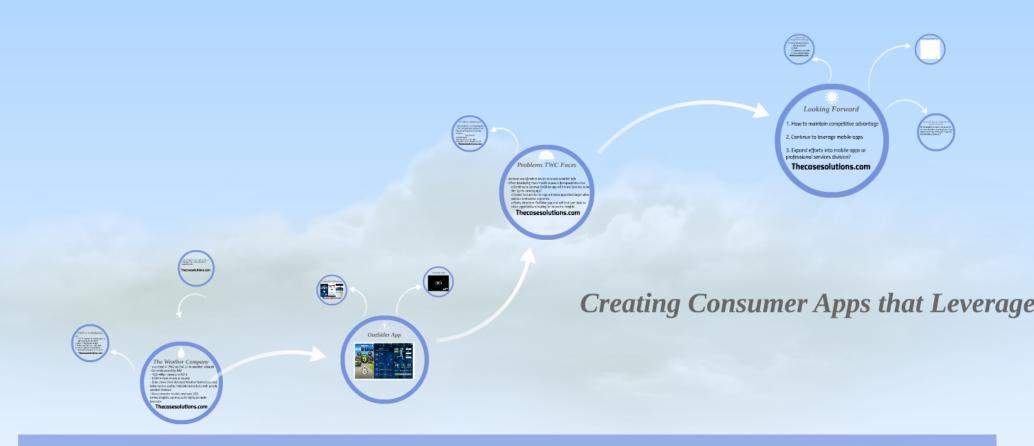


The Weather Company: Creating Consumer Apps that Leverage its Big Data



The Weather Company: Creating Consumer Apps that Leverage its Big Data

The Weather Company

- Launched in 1982 as first 24 hr weather network
- Currently owned by IBM
- 100 million viewers in 2013
- \$350 million in annual income
- Data comes from National Weather Service's owned radar system and by 100,000 individuals with private weather stations
- Uses computer models and over 200 meteorologists, come up with highly accurate forecasts

TWC's 3 Divisions

o TV

- Non-TV revenue will consist of half of total revenue in near future
 Digital – Website and mobile
 Professional Services – sells data, hardware, software to B2B clients
 - B2B will double from 2014-2016

o Advertising on TV and digital platforms o Weather data analysis and sales to corporate clients

Problems TWC Faces

- Increase use of mobile device to access weather info
- When developing more mobile access a few questions arise:
 - o Continue to develop OutSider app with more features to be the "go-to running app"
 - o Create features in the app or in new apps that target other outdoor enthusiast segments
 - o Study data from OutSider app and sell that user data to other organizations looking for biometric insights

Problem Statement

- Over emphasis on mining big data
- TWC was betting its future on the Digital and Professional services divisions

Symptoms

- Declining ratings
- Blackouts from cable providers
- Users don't use running apps regularly

Looking Forward

- 1. How to maintain competitive advantage
- 2. Continue to leverage mobile apps
- 3. Expand efforts into mobile apps or professional services division?

Maintaining Competitive Advantage

- 4 Critical Characteristics:
 - 1. Being valuable
 - 2. Rare
 - 3. Imperfectly imitable
 - 4. Non-substitutable