RCUK Digital Economy Theme

New Economic Models in the digital economy

Call type: Invitation for proposals

Closing date: 11 December 2012

Summary

The objectives of this call are:

- To fund a small number of cross-disciplinary packages consisting of research and people-based activities that will develop and strengthen the engagement between the research communities in digital economy, economics and management.

- To promote knowledge exchange between the disciplines with the long term aim of developing a vibrant cross-disciplinary research community and therefore a cohort of people who understand and can work across the interfaces.

The focus of the call is on building research collaborations between the Digital Economy Theme (DET) and the research communities in economics and management while also supporting transformative, cross-disciplinary research. However, the call will also fund fundamental research on the new business models opened up by the digital economy and on the changing economic models at work. Fundamental work in the economic and managerial sciences would be expected to have a link to the digital economy, and/or to existing RCUK investments in this area.

Register intent to submit

Anyone wishing to apply for one of these cross-disciplinary awards must register with the DET first by completing the (short) Intent to Submit form which can be downloaded from the EPSRC website from the same page as this call document. This must be sent electronically to DigitalEconomy@epsrc.ac.uk by 12:00 on 19 November 2012.

Background

The growth of the digital economy is enabling new businesses to form and is creating new opportunities for existing businesses to adapt and become more successful. To exploit the new opportunities opened up by a digital economy new business models will be needed to create a more flexible, dynamic, resilient and innovative economy.

Creating, understanding and exploiting new business models facilitated by new digital technologies is a difficult and complex task. In many cases the
implications of changes in either technology or organisation are hard to predict. In such circumstances it is often beneficial to analyse and trial new models and new systems for value creation and value capture prior to going live. To realise the economic potential of new technology, high quality research at the interfaces between the digital economy, economics and management sciences will be required and is of strategic importance to the UK.

The RCUK Digital Economy Theme (DET) wants, through its investments, to engage more with business schools and economics researchers who have been under-represented in existing grants. This need was highlighted by the recent DE Impact Review. To encourage new participants to participate quickly with the community, the Research Councils would like to promote engagement between existing investments e.g. digital economy hubs, networks and new researchers.

**Funding available**

Up to £3.5 million has been earmarked for this call, which seeks to support cross disciplinary research as well as building links between groups and disciplines. This call is being commissioned in close partnership with ESRC. Given the multidisciplinary nature of the call, ESRC will be contributing up to £1M to the call and the DET will be contributing up to £2.5M towards the call. Subject to the quality of the submissions received, it is anticipated that we will fund around five proposals. Grants funded under this call will provide funding to support a suite of related research and people-based activities, which should complement the work of the DET Network+  ‘New Economic Models in the Digital Economy’ (NEMODE, http://www.nemode.net/). Potential applicants looking for partners might like to consult the list of attendees at the recent NEMODE Cambridge workshop, available on the NEMODE website.

**Research challenges**

We are interested in a number of thematic areas that emerged from a recent NEMODE workshop in Cambridge, these included:

**Business Model Adaptation**

- What does digital innovation mean for traditional business models? How will they change?
- What does the scale and speed of change mean for wider growth and the structure of the UK economy?
- What should be done to enable this growth, or at least remove barriers to this growth?

**Identity, privacy, regulation & trust**

- Who owns personal data?
- How do regulatory and legal frameworks reflect/adapt to the requirements of the new digital economy?
- What is the role of the state as a regulator/enabler in the new digital economy?
Value
• What are the different conceptualisations of value? How do developments such as value in use affect identification of new markets and new economic models? Where do new exchanges come from?
• How do we model constellations/eco-systems? What are the components of value in constellations/eco systems?
• How do we represent and account for societal and not monetised views on value? How do consumers co-evolve business models in the digital economy?

The role of ‘Big Data’
• What are the implications of and opportunities for big data in the digital economy? (e.g. including merging, mining and modelling new data to support innovation and growth).
• How do you manage risks associated with big data in the digital economy?
• How is understanding lost and what does it mean for society/individual as data and automated systems take over decision making in markets and economies?

Societal economic impacts
• What kind of digital economy do we want? (e.g. a focus on subjective wellbeing rather than GDP?)
• What are the societal implications as automated systems evolve to take over decision making?
• Are the characteristics of new economic models which “de-commercialise” a service the same as those which generate new commercial value?
• How do we tap into the ‘cognitive surplus’ that people have available?

We intend a broad interpretation of each thematic area and there may be topics that underpin these themes; no specific areas are excluded. It is expected that, where appropriate, there will be engagement with business, policy makers, users or the third sector and these activities are encouraged in this call. The DET would encourage groups to identify and submit proposals that cross the digital economy, economics and management interfaces where there is real potential for the UK to become internationally leading. In addition to new economic models in digital markets as music, we would encourage proposals that seek to identify new economic models in markets where the UK has an existing strength for example pharmaceuticals, banking, healthcare and telecoms.

Scope of the Call
Proposals are invited from cross-disciplinary teams for flexible grants which will support a suite of related research and people-based activities, focussing on one or more thematic areas. The activity is made up of two strands:
Research Focus

• Addressing novel digital economy, economics and management research challenges in a thematic area

• Undertaking potentially transformative, truly cross-disciplinary research

• Providing researchers with the opportunity to explore new research questions across the disciplines.

People-Based Activities

• To support a suite of people-based activities to grow a multidisciplinary working environment

• To initiate new, long-term collaborations between researchers across the digital economy, economics and management remit by stimulating innovative approaches to collaboration between disciplines.

• To alleviate barriers to collaboration and to identify practices that support cross disciplinary research.

The proposal must look to address both streams; research focus and people-based activities, while meeting the objectives of the call. It is anticipated that these streams will complement each other and also be interlinked. It is also envisaged that, through the people-based stream, the project would look to engage with a broader set of academics than the project team from across the digital economy, economics and management disciplines to promote cross-disciplinary working during the lifetime of the grant.

In addition to the streams each proposal must ring fence 5% (of the total FEC proposal value) of its funds to support networking activities across the successfully funded bids. In addition to the primary objective of this activity, this call aims to build a community of knowledgeable cross-disciplinary researchers working across the interfaces who are advocates for the opportunities that exist in this space. In addition, it is anticipated that all the Investigators on the projects will become involved in the NEMODE Network+ in order to help disseminate the outcomes and outputs. There is no pre-determined composition of the 5% costs for networking activities. It is for the team of investigators to determine the best use of these funds and deem what is most appropriate for the proposal. The costing and use of these networking funds must be clearly identified in the case for support.

All proposals must demonstrate clear relevance to one or more thematic areas. Proposals must articulate a coherent and ambitious vision for their project. These awards are intended to be flexible and it is not a requirement to outline pre-defined projects as it is recognised that time is often necessary for different disciplines to discuss research questions and co-construct the solutions. We intend a broad interpretation of each thematic area; no specific areas are excluded. However, please note carefully the following points:

• Funded proposals under this call will have a clear emphasis on promoting cross-disciplinary working across the interfaces with strong integration of economic and management sciences. Proposals with insufficient emphasis on novel digital economy, economics and management challenges will be rejected without recourse to postal peer review.
• Conversely the involvement of leading researchers in the economic and management sciences will be critical to the success of these research programmes. New proposed collaborations are acceptable, but bids with insufficient engagement with appropriate areas of economics and the management sciences will also be rejected without recourse to postal peer review.

• Consideration of creative people-based activities to alleviate the barriers to collaboration; dispel preconceptions; change attitudes and perceptions; and train individuals at the interfaces will underpin all successful bids in this call. As part of this, we expect that around £20,000 of each proposal will be ring fenced to access the EPSRC Creativity@home initiative. The costing and use of these funds must be clearly identified in the case for support. (http://www.epsrc.ac.uk/funding/grants/network/ideas/Pages/creativityathome.aspx).

• When making funding decisions we will also take into account our existing portfolio of research. Proposals which appear to overlap significantly with existing investments will not be supported through this call.

**Eligibility**

For information on the eligibility of organisations and individuals to receive EPSRC funding, see the EPSRC Funding Guide: http://www.epsrc.ac.uk/funding/apprev/basics/Pages/fundingguide.aspx

As this call is a targeted funding opportunity provided by EPSRC, higher education institutions, and some research council institutes and independent research organisations are eligible to apply. A list of eligible organisations to apply to EPSRC is provided at: http://www.rcuk.ac.uk/research/Pages/Eligibilityforrcs.aspx

**How to apply**

**Submitting application**

You should prepare and submit your proposal using the Research Councils’ Joint electronic Submission (Je-S) System (https://je-s.rcuk.ac.uk/).

Investigators from more than one research organisation may be included on a proposal, but only one Je-S form per programme of research should be submitted, with a single Principal Investigator, and as many Co-Investigators as desired.

When adding a new proposal, you should select:

• Council ‘EPSRC’

• Document type ‘Standard Proposal’

• Scheme ‘Standard’

• On the Project Details page you should select the ‘New Economic Models in the digital economy’ call.
Details of which research organisations have registered to use Je-S are available from [http://www.so.stfc.ac.uk/jes/jes1/RODetails(Web).pdf](http://www.so.stfc.ac.uk/jes/jes1/RODetails(Web).pdf).

Note that clicking ‘submit document’ on your proposal form in Je-S initially submits the proposal to your host organisation’s administration, not to EPSRC. Please allow sufficient time for your organisation’s submission process between submitting your proposal to them and the call closing date. EPSRC must receive your application by **16:00 on 11 December 2012**

Guidance on the types of support that may be sought and advice on the completion of the research proposal forms are given on the EPSRC website ([http://www.epsrc.ac.uk/funding/apprev/Pages/default.aspx](http://www.epsrc.ac.uk/funding/apprev/Pages/default.aspx)) which should be consulted when preparing all proposals.

**Guidance on writing application**

As well as the Je-S form, the following documents should be submitted:

- **Case for support**: should be up to 8 pages in total, to include:
  - Two-page track record, which should detail the relevant expertise that each investigator will bring to the research
  - Six-page description of the proposed research focus and people-based activity streams. This should include a clear statement of the proposal’s vision, and how each strand of activity complements this vision.

- **Pathways to Impact**: should be up to two pages and is primarily for detailing the activities which will help develop potential economic and societal impacts. Please detail how the proposed research project will be managed to engage beneficiaries and increase the likelihood of impacts. More information on preparing the impact plan and on economic impact can be found on the EPSRC website at: [http://www.epsrc.ac.uk/funding/apprev/preparing/Pages/economicimpact.aspx](http://www.epsrc.ac.uk/funding/apprev/preparing/Pages/economicimpact.aspx).

- **Justification of resources**: should be up to two pages. This should be a narrative description of the need for the resources requested.

- **Work plan**: should be up to two pages. It is not expected that this will be a Gantt chart for the whole time of the project, but should include a comprehensive plan for the start of the project and then refer to the management strategy to give appropriate milestones for when important decisions on the direction of the research will be taken.

For advice on writing proposals see:

[http://www.epsrc.ac.uk/funding/apprev/preparing/Pages/default.aspx](http://www.epsrc.ac.uk/funding/apprev/preparing/Pages/default.aspx)

**Assessment**

**Assessment process**

The DET reserves the right to reject proposals, without reference to peer review, which are deemed to fall outside the remit of this call. You are advised to contact the DET if you are unsure whether your proposal would be suitable for this call.
Proposals will be reviewed by a three-stage process:

1. Peer review
2. Prioritisation panel to select which applicants to invite to interview, based on reviewers’ comments
3. Prioritised Proposals will be assessed at a specially convened interview panel.

It is expected that funding decisions will be available by April 2013.

**Assessment criteria**

Proposals will be assessed using the following criteria:

- Relevance to the objectives of the call, in particular:
  - Research focus in the stated thematic areas
  - People activities and the level of engagement with appropriate areas of economics
  - Added value of DET funding
  - Promotion of cross-disciplinary culture across the relevant disciplines.

- Quality of research, including:
  - Research vision, ambition and adventure
  - Joint intellectual challenge
  - Novelty, relationship to the context, and timeliness
  - Synergy and added value of proposed research strands
  - Appropriateness of proposed methodology.

- Potential research impact, including:
  - Relevance and appropriateness of any beneficiaries or collaborators (e.g. upstream engagement/co-design)
  - Plans for dissemination and knowledge exchange
  - Plans for promoting cross-disciplinary culture.

- Ability of applicant team to deliver the research, including:
  - Track record of the team, the leadership quality of the Principal Investigator
  - Balance of skills of the project team and integration of different methodologies and approaches.

- Resources and management, including:
Effectiveness of planning and resource management strategy

Appropriateness of resources requested.

**Peer review guidance**

Reviewers will be asked to use the standard EPSRC form for reviewing research proposals submitted to targeted activities. Assessment will be made against the criteria provided on the EPSRC form, in the context of the overall objectives of this call.

The DET will be working in partnership with ESRC during this call and particularly in the peer reviewing of the proposals. The proposals will be sent to reviewers from each community while also approaching one or more of your nominated reviewers. Each reviewer will be notified of the cross-disciplinary nature of this call, the unique aims and objectives.

In order to aid the peer reviewing of these cross-disciplinary proposals, applicants are asked to nominate 5 potential reviewers. Please suggest people who are experts in the research field and/or able to judge the value of the research to people who might use its results. You should not suggest reviewers that you have had a close working relationship with in the past (for example, your PhD supervisor), current or proposed project partners, anyone from your own organisation, or anyone with financial or personal connections with the organisations involved in the proposal. Please avoid suggesting more than one reviewer from the same organisation. Please do not approach nominated reviewers beforehand.

Standard EPSRC practices and procedures will be followed throughout this call. Information about the EPSRC peer review process and guidance for reviewers can be found at:

http://www.epsrc.ac.uk/funding/apprev/review/Pages/default.aspx

The peer review panel will consist of cross-disciplinary researchers and will include experts from digital economy, economics and management.

**Key dates**

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<thead>
<tr>
<th>Activity</th>
<th>Date</th>
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<tbody>
<tr>
<td>Call for Proposals issued on Je-S</td>
<td>2 October 2012</td>
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<tr>
<td>Deadline to register intent to submit</td>
<td>19 November 2012</td>
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<tr>
<td>Deadline for Proposal submission</td>
<td>11 December 2012</td>
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<tr>
<td>Peer Review</td>
<td>January &amp; February 2012</td>
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<td>Prioritisation Panel</td>
<td>February 2013</td>
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<td>Interview Panel</td>
<td>March 2013</td>
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**Contacts**

If you have any questions regarding the call then please contact:

- Ms Rachel Tyrrell, Deputy Team Head, Health & Human Behaviour Team, ESRC, rachel.tyrrell@esrc.ac.uk, 01793 44 4518
• Dr John Baird, Head of Digital Economy Theme, john.baird@epsrc.ac.uk, 01793 44 4047

For information relating to the process of submission of a full application, or other technical queries upon submission, please contact:

• Joint Electronic Submission (Je-S) System Helpdesk, JeSHelp@rcuk.ac.uk, 01793 44 4164

Applicants are asked to consult with their respective university research office(s) in advance of submitting proposals to this call, and to be clear as to their institutional requirements in relation to meeting the deadlines for this call.

Change log

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<td>03 August 2012</td>
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<td>Richard Bailey</td>
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<td>2</td>
<td>ESRC contribution confirmed</td>
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<td>Richard Bailey</td>
<td>02 October 2012</td>
<td>3</td>
<td>Full details for submission added</td>
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