Training AI models using Digital Data Marketplaces



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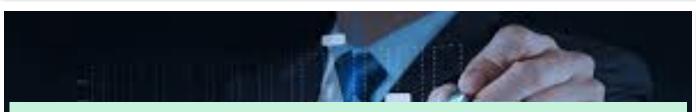








BUSINESS CONTEXT



Companies increasingly understand how to apply AI technologies to extract business value from data.

The more data the better: algorithm quality depends on data quantity and quality **Knowledge** how to translate such data into reliable algorithms **is competitive**

Companies are reluctant to share data when considering involved risk.

Emerging platform dominance: "While creating real value for users, these companies are also capturing a disproportionate and expanding share of the value, and that 's shaping our collective economic future". *

companies
increases the
potential of
creating business
value no single
organization can
create on its own.

^{*} M. lansiti, K.R. Lakhani, Managing our hub economy, Harvard Business Review, pg. 85-92, Sep/Oct 2017

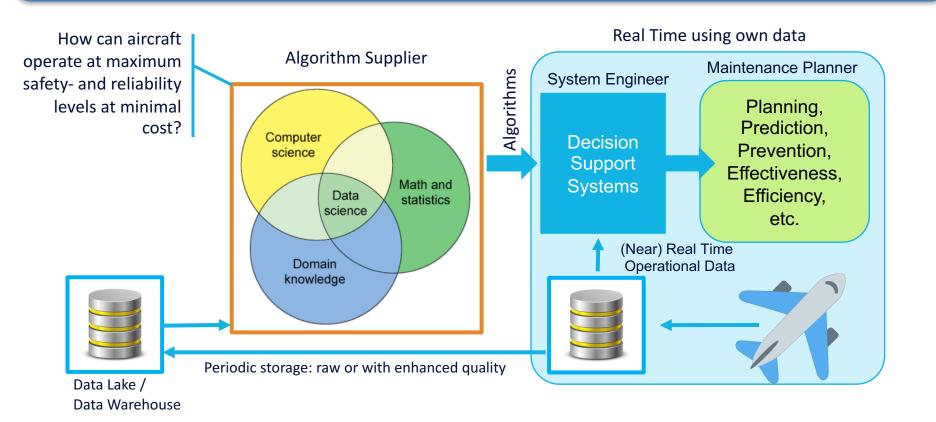
DATA IS INCREASINGLY CONSIDERED AN ASSET



How can (big) data assets be shared between data suppliers and algorithms developers in

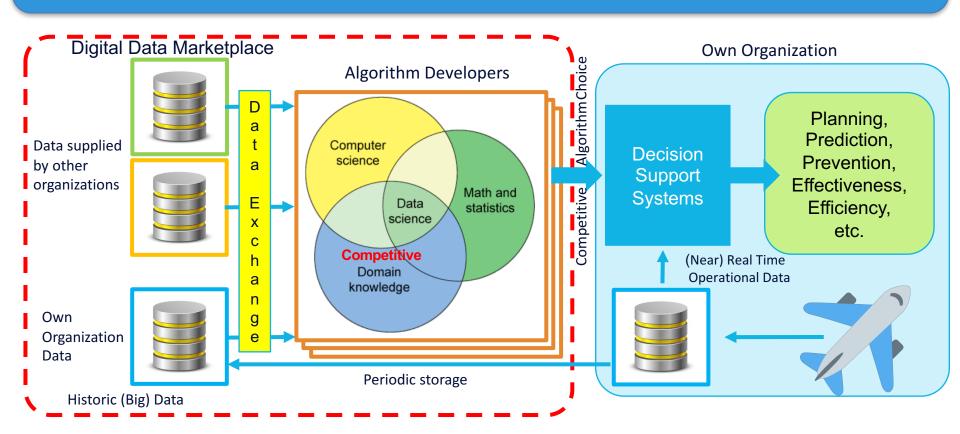
- 1) A fair and economic way,
- 2) whilst providing adequate means to reduce risk?

CURRENT ALGORITHM DEVELOPMENT CONTEXT



RESEARCH CONTEXT

ARRANGE ADDITIONAL DATA TO IMPROVE ALGORITHM QUALITY & INNOVATION



B2B DATA SHARING APPROACHES

AN EU STUDY (everis, JAN 2018)





Case studies

Approaches to B2B data sharing

Five different approaches to B2B data sharing





DATA MARKETPLACES



INDUSTRIAL DATA



ECHNICAL ENABLERS



OPEN DATA



Open vs Closed

DATA MARKETPLACES



- Trusted intermediary between data suppliers and data users
- ✓ Data suppliers sell their data to interested data users
- Revenue is generated from each data transaction





INDUSTRIAL DATA PLATFORMS

- partnerships
- Mutual benefits for all parties
- Data shared (for free) in a closed. exclusive and secure environment
- Develop new or improved products and/or services
- Enhance internal performance

AIRBUS



Considering our research context:

difference with 2

Governance by a **membership organization** difference with 3:

Data is stored **outside** data platforms to allow multiple platforms to access & use same data

DATA SHARING CHALLENGES

WHEN TRAINING MODELS WITH AS MUCH DATA AS POSSIBLE

Many organizations want to keep their historical data in their sovereign data zones.

Many implications need to be considered:

Business level

Value Cost Benefits Agreements Exchange

Trade

Legallevel

Ownership
Access
Usage
Compliancy
Liability
Market Rules

Data level

Processing
Storage
Management
Transport
Transform
Security



OVERCOMMING CHALLENGES

ELEMENTS TO ORGANIZE TRUST AS MEANS TO REDUCE RISK



COMMON BENEFIT

Define and agree common benefit no single organization can achieve on its own.



GROUP RULES

Define consortium rules considering data use, access and benefit sharing



ORGANIZE TRUST

Organize power and trust as a means to reduce risk for participating members



Research
operationalization of
Digital Data
Marketplace & Data
Exchange concepts

DEFINE AND AGREE COMMON BENEFIT



Example: enable data sharing to improve quality of AI/ML innovations

- Understand need: the more data the better
- Expect: capability that will help transform the MRO business in the digital era.

Innovations that will improve air safety, passenger experience and additional cost reductions by:

- avoiding unplanned maintenance
- •increasing maintenance planning flexibility
- moving from fixed interval planning to maintenance when indicated
- •less network disruptions by avoiding 'Aircraft On Ground' situations

CONSORTIUM MEMBERSHIP RULES:

WHAT KIND OF RULES DO WE NEED?



Trust is considered as a means to reduce risk

Defining consortium membership rules is a starting point

Legal research topic's for discussion:

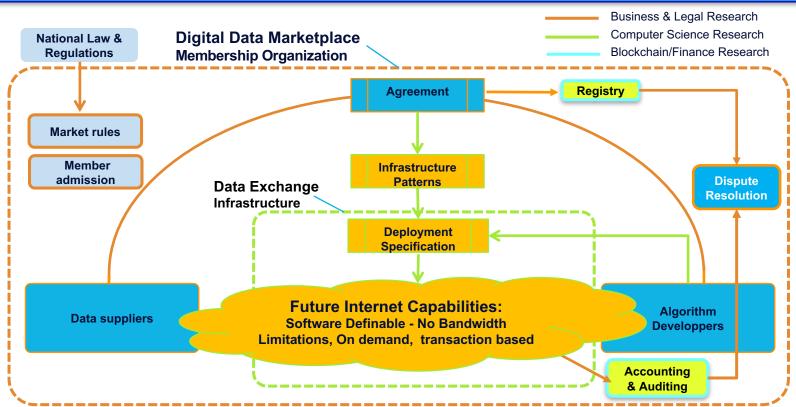
- Data asset ownership
- Data access & usage
- Liability of owner & user
- Non-compliant behavior
- Market rules
- Purpose binding



DIGITAL DATA MARKETPLACE CONCEPT:



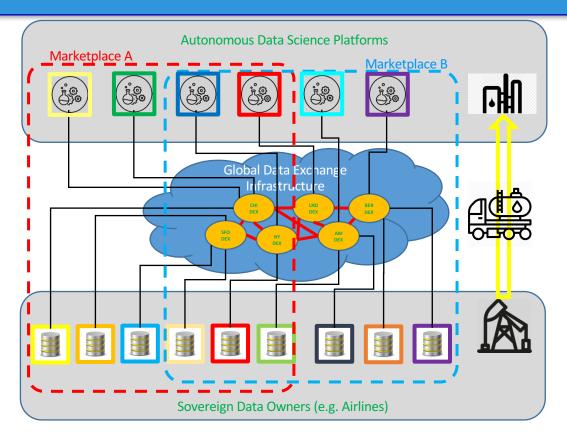




DATA EXCHANGE CONCEPT

ENVISAGED GLOBAL EXCHANGE INFRASTRUCTURE





amsterdam economic **board**AMdEX

THE DATA
HYPERMARKET

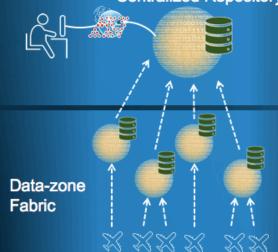
PROCESSING & STORAGE: TRAINING STRATEGIES

CENTRALIZED VS FEDERATED ANALYTICS

Centralized

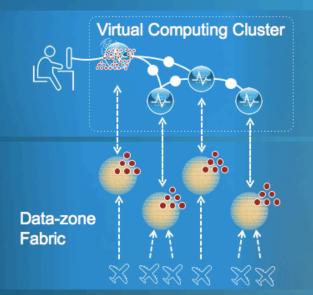
Raw data transferred from dispersed data zones to a central repository for analysis

Centralized Repository

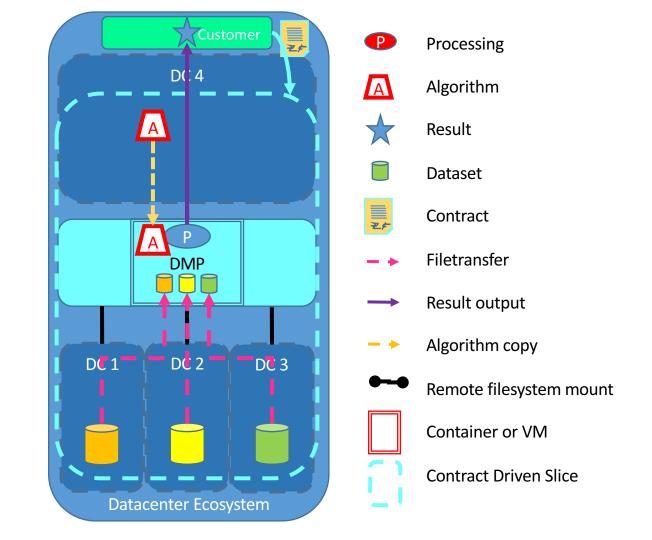


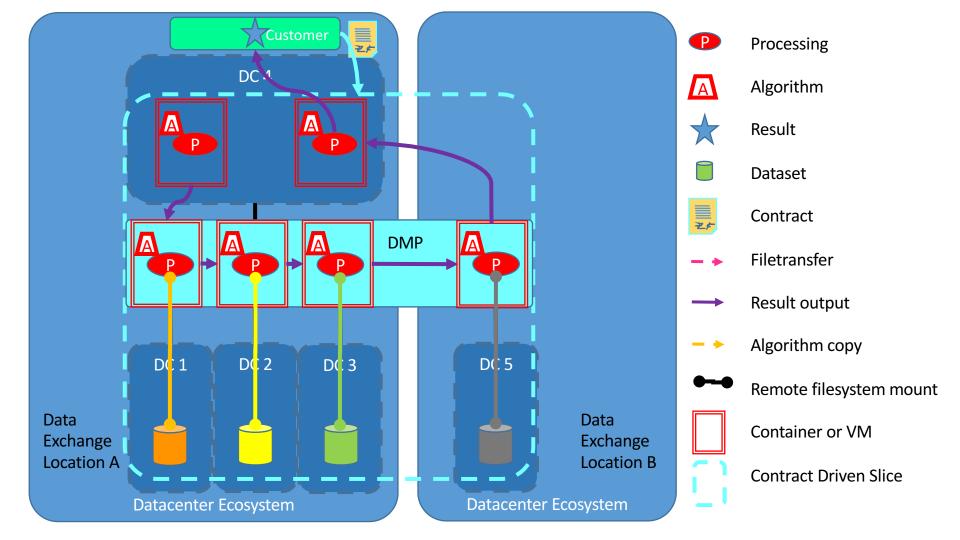
Federated

Raw data stays in place. Model trained through orchestration of local (at each data zone) and global computations



DMP provides neutral processing capabilities, dissolving after execution.





SUMMARY



Enterprises join a membership organization to achieve a common goal no single enterprise can achieve on its own



Membership rules are defined by rulemaking & standards processes, subsequently execution, enforcement and judgement is organized by membership organization as a means to reduce risk.



Members arrange data sharing and processing via agreements deployed in an infrastructure, provided by a secure digital market place owned by its members.



Members achieve common benefits in a transparent way.

Members trust its operation based on use of accounting & auditing mechanisms, relying on market dispute resolution mechanisms.