

# Funding and business model for DIHs - discussion points

- **Sustainability is not static;** it develops according to the increasing **market and industry needs** and **a DIH needs to adapt** accordingly and **provide the right type of services needed**
- The **business model** for the DIHs needs to be **customer/demand driven**
- **Regional DIHs** are responsible for identifying the **SMEs' industry needs** within their respective constituencies
- **H2020 grants** are good to bootstrap a project but **do not ensure a DIH's financial sustainability**
- A **concrete funding mix of public and private funding** and a **matrix** of the different **funding instruments** for the digital transformation of SMEs is required for a DIH to remain financially sustainable
- DIHs need to provide SMEs with the **basic market-entry services** (raising awareness, market place etc.) **for free**. These will be covered by a mix of private funding and regional structural funds. **More advanced services**, such as business model development, should be provided on a **pay-per-use basis**.