

Brian Solis

principal analyst & author

@briansolis



BusinessConnect 2015
May 21-23, Goa

A New Way To Work





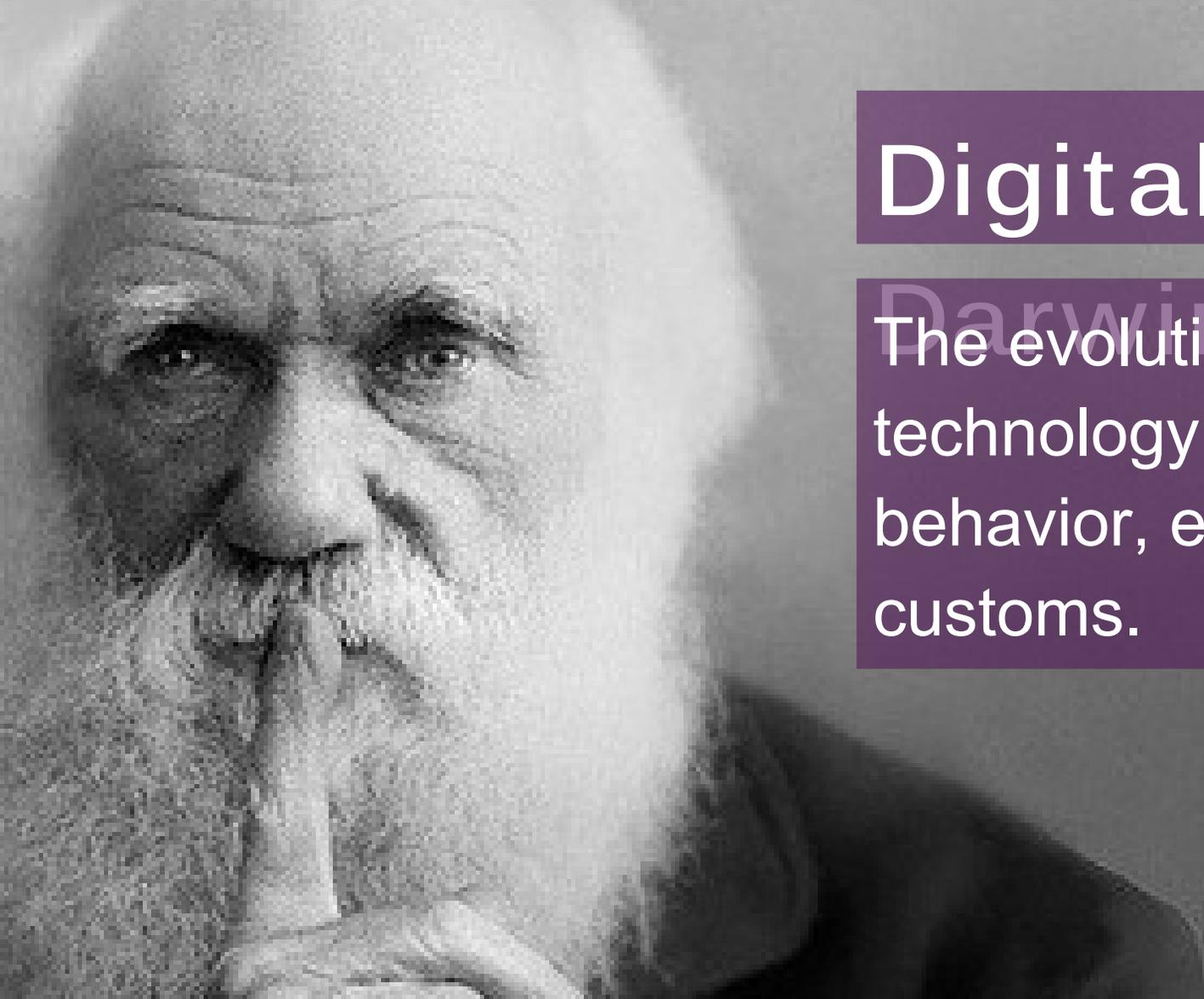
@briansolis

#linc



Executives have a hard time appreciating what needs to change because they don't live their brand the way customers do.

If they don't live it, they can't understand why adapting to evolving audience expectations is so important.

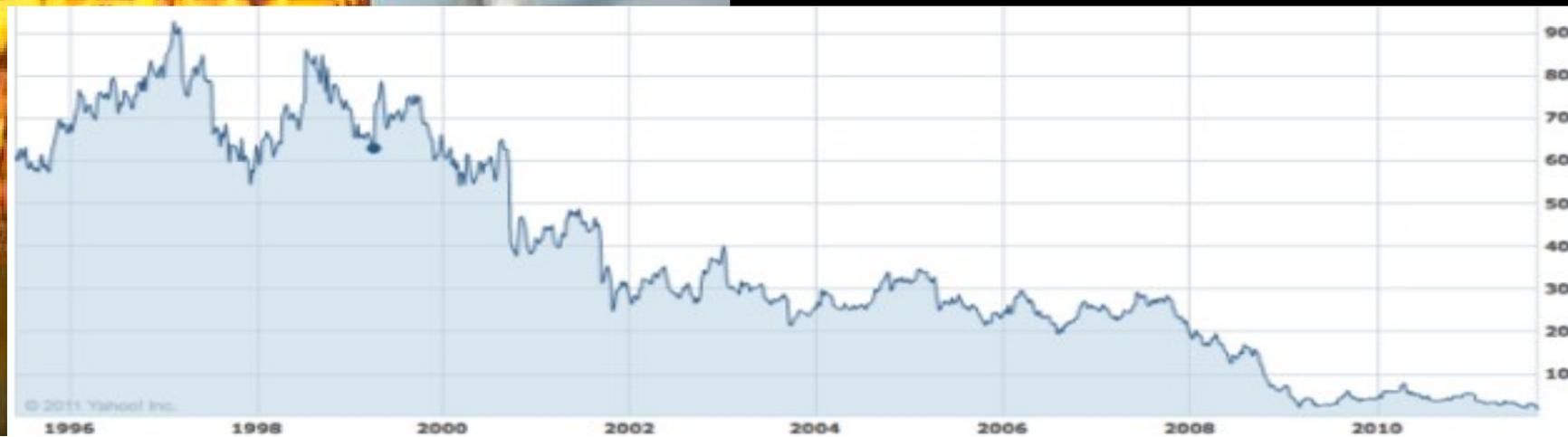


Digital

Darwinism
The evolution of society and technology and its impact on behavior, expectations and customs.



In 1997, Kodak was valued at \$28 billion. 15 years later, Kodak filed for bankruptcy



“When we think about ourselves, we think about constantly innovating and staying ahead of the curve,” says Bridget Dolan, vice president, Sephora Innovation Lab.

“The mission is to make sure we are listening to our clients’ needs, our internal employees and the ideas they have, and keeping a finger on the pulse of trends, all the while competing with ourselves to make sure we’re always innovating.”

SEPHORA
INNOVATION
LAB





CLOSE THE LOOP

Innovation lies in closing the loop
between knowledge and action



*Digital Transformation
is about to change
the way business
is done.*

The re-alignment of, or new investment in, technology, business models and processes to more effectively compete in an ever-changing digital economy.

Digital transformation's purpose is much bigger and broader than just technology adoption.

Customer Service Commerce Training Prospecting R&D Employee Engagement Personalization CX Marketing Sales Supply Chain

DIGITAL
TRANSFORMATION

BUDGET AND RESOURCES ARE NOT OFFICIALLY
ALLOCATED TO **DIGITAL TRANSFORMATION,**
REQUIRING CHANGE AGENTS TO MAKE THE
CASE FOR SUPPORT.

**Digital transformation can't happen without
a leader who stirs the pot and rallies
stakeholders toward action.**

63%

said the pace of technology change
in their organization is too slow.

The most frequently cited obstacles to digital transformation were:

“a lack of urgency.”

“culture.”

“commitments to existing roadmap.”

#inc



"What's best for customers is best for us, but that's not traditionally how automotive has thought about it."

David Mingle, DCX, GM

99%

Cited poor CX, such as having to repeat themselves, lengthy wait times – would be enough to switch brands entirely.

86% OF BUYERS WILL PAY MORE
FOR A BETTER CUSTOMER
EXPERIENCE, BUT ONLY 1% OF
CUSTOMERS FEEL THAT VENDORS
CONSISTENTLY MEET THEIR
EXPECTATIONS

- CEI

#linc

7%

Companies identified as
“customer-centric” organizations

CX = CUSTOMER

EXPERIENCE IS THE SUM OF
ALL ENGAGEMENTS A
CUSTOMER HAS WITH YOU
DURING THE CUSTOMER
LIFECYCLE.

FIGURE 1.

ORGANIZATIONS UNDERGOING DIGITAL TRANSFORMATION EFFORTS

Is your organization undergoing a formal digital transformation effort in 2014? Altimeter defines digital transformation as: the re-alignment of, or new investment in, technology and business models to more effectively engage digital consumers at every touchpoint in the customer experience lifecycle.

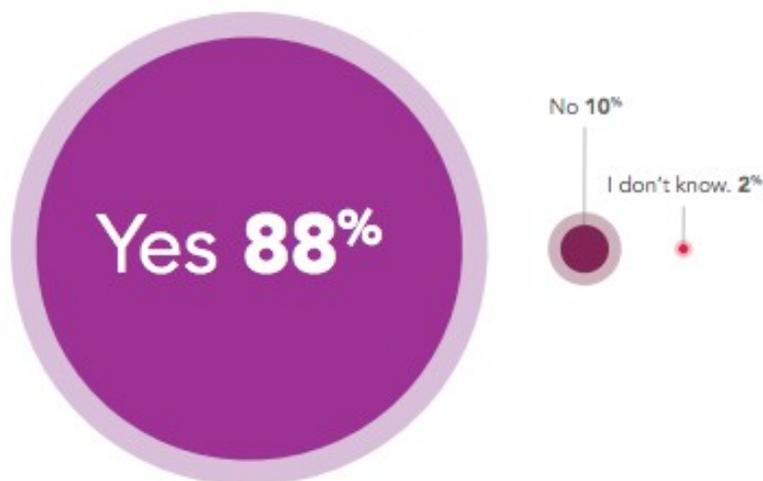


FIGURE 2.

COMPANIES MUST FOCUS ON JOURNEY MAPPING TO IMPROVE CUSTOMER EXPERIENCE

Which of the above best describes your company's efforts around the customer journey/experience?



67%

Percentage of buyer's journey is
now done digitally

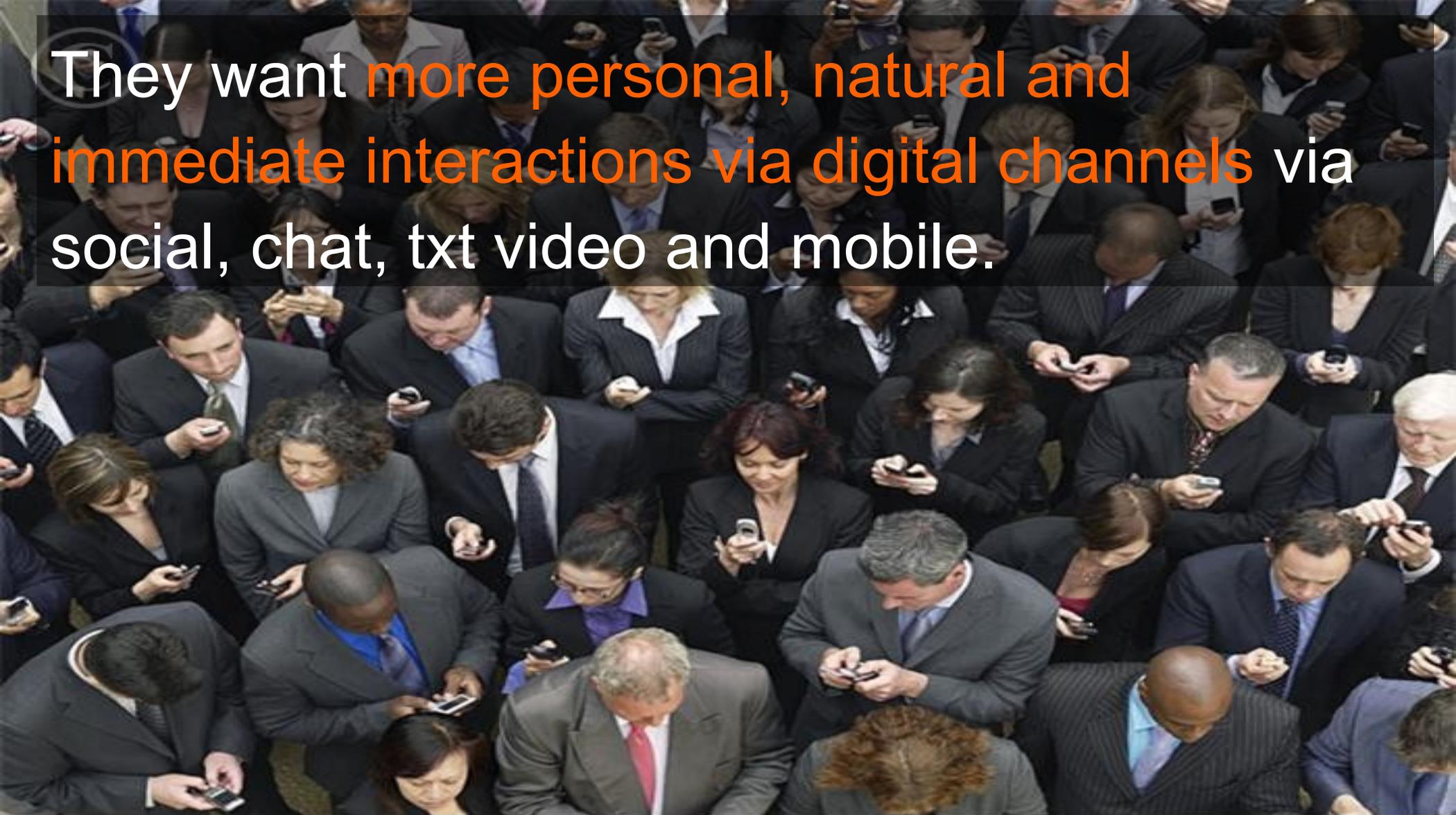
Sirius Decisions

Customers **consult 11 information** sources on average before making a purchase.



Customer expectations are influenced by experiences engaging with other industries.



A high-angle photograph of a dense crowd of people in business attire, all looking down at their mobile phones. The image is filled with individuals in suits and professional clothing, creating a sea of heads and shoulders. The perspective is from directly above, looking down on the crowd. The lighting is even, and the colors are mostly muted tones of greys, blues, and blacks, with some brighter colors from ties and shirts. The overall atmosphere is one of intense focus on digital devices.

They want more personal, natural and immediate interactions via digital channels via social, chat, txt video and mobile.



Innovation begins with us

"This really is an innovative approach, but I'm afraid we can't consider it. It's never been done before."

Innovation begins with an idea on how to improve something that may or may not be broken.
It's driven by a higher purpose.



Digital transformation represents the quest to understand how disruptive technology affects the digital customer experience.



*What
would my
digital
customer
do?*

A photograph of a large crowd of people at a concert or event. Many individuals are holding up their smartphones, which are illuminated by the bright stage lights, creating a sea of glowing screens. The overall atmosphere is vibrant and energetic, with a mix of purple, blue, and white light. The text "MEET GENERATION-C" is overlaid in the center of the image in a white, bold, sans-serif font.

MEET GENERATION-C

You are now trying to connect with customers who now have their own audience with an audience of audiences.

Connected customers see the world differently. They're "always on."

**THINK.LIKE.THE.
CUSTOMER**



Best party

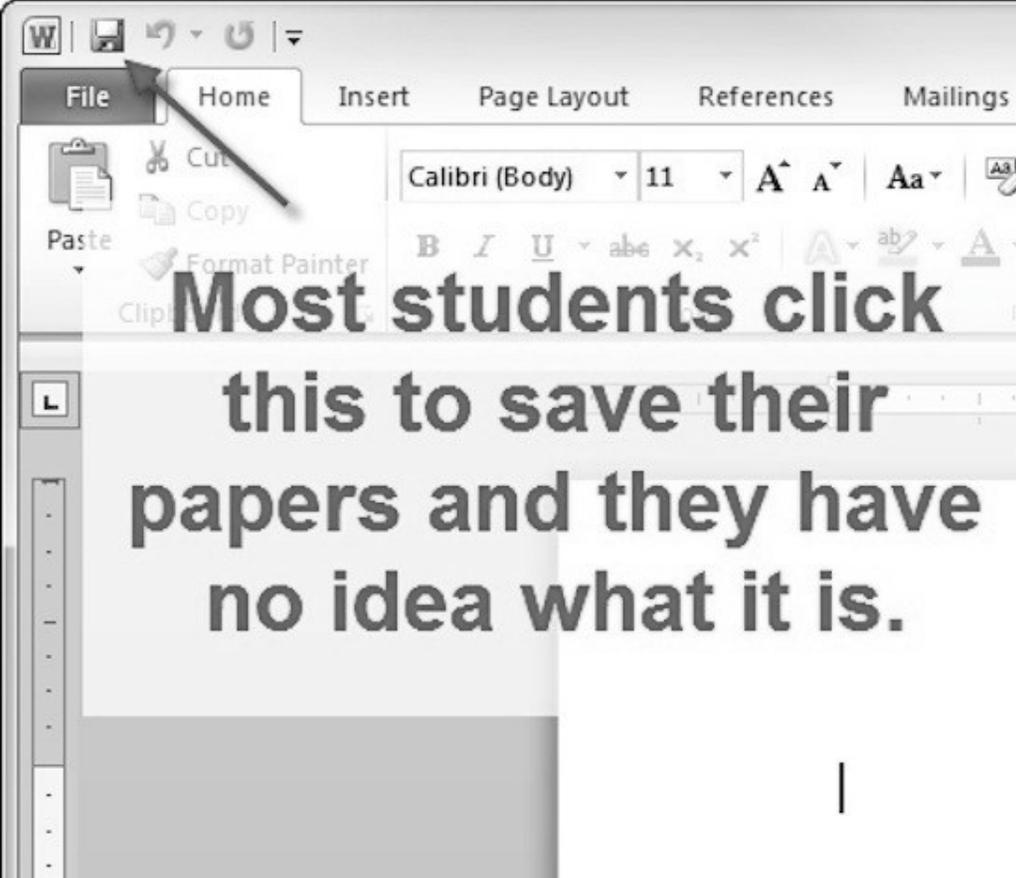


EVER

#linc

I Wonder How Many New Likes I Got on My Selfie? Hmmm





...or what this thing is.

The Remote is Born
Channel surfing was born five decades ago. The first TV remote control, called "Lazy Bones," was developed in 1950 by Zenith.

evolution of the remote

Infrared Technology
After about 25 years of the Zenith Space Commander remote, infrared was introduced into the industry.

1.

The first remote intended to control a television was developed by Zenith Radio Corporation in 1950.



2.

The Zenith Space Commander Six hundred remote control.



3.

Even into the 70's remotes had a limited number of functions.



4.

After the invention of the transistor, remote controls were now cheaper, smaller, battery operated.



1.

Powerful enough to replace a coffee table full of remotes.

3.

No batteries, no WIRL, no wall plug needed.

4.

Intuitive app for iPhone and iPod touch, 100,000 button/1000 remote capacity.

2.

Drag and drop to design the remote you want. Keep the buttons you use. Delete the ones you don't.



5.

On May 30, 1965, Philips introduced the first universal remote.



6.

TiVo was the first company to produce a remote to record live tv.



7.

In 2010 you can also use your remote to get files, pictures, audio and video from your PC to your TV.



8.

Remote controls continue to get more advanced, including sleek designs. (TiVo Slider)



All of the early remotes were wired to the TV set, usually with a 20 foot long cable (wire).

The first **WIRELESS** remote control, which used a beam of light aimed at one of the sensors on the four corners of the picture tube.

In the late 60's and early 70's the number of functions were often still as few as three: next channel, previous channel, and volume/off.

The Space Commander 600 was introduced in 1965 and this particular design was in use until the end of the 1972 model year. (Zenith)

Infrared were introduced. By using a low frequency light beam, so low that the human eye cannot see it, but which can be detected by a receiver in the TV.

Multipal remote controls were soon introduced into homes with one or more televisions.

Zenith developed the world's first wireless trackball TV remote control, called Z-Trak.

Bluetooth Remote Control allowed users to use devices such as the iPhone to control TV's, Blu-Ray players, and much more.

1950

1955

1968

1972

1981

1990

2001

2011

PRIME
electronic components

Armed with new methods of gathering information and interacting with retailers, consumers are becoming increasingly informed, empowered and demanding.



**Meeting the demands of the
smarter consumer**

The Millennial Divide

87% of Millennials only contact customer service when they can't find an answer online.

Age-profiled channels | 2013/14 Report sample question

Which channels are most popular with your age-profiled customers?

Percentage of contact centres | n=574

Age profile	Phone	Electronic messaging (e.g. email, SMS)	Social media	Smartphone application	Paper mail	Don't know
Silent generation (born before 1944)	55.6	6.6	0.7	0.3	17.2	38.0
Baby boomers (born between 1945 - 1960)	59.6	22.5	3.5	3.0	13.4	33.8
Generation X (born between 1961 - 1989)	46.3	44.1	20.7	17.2	9.6	33.4
Generation Y (born after 1990)	29.4	42.3	36.4	31.9	5.9	33.1

Think Like a Customer.
Think Like an Employee.
Act Like a Startup.

“IT AND DIGITAL IS PERVASIVE IN PEOPLE’S LIVES NOW. SO THE ADVICE I WOULD GIVE SOMEBODY STARTING IT NOW IS, THINK OF YOURSELF LIKE A CONSUMER TECHNOLOGY COMPANY.”

- Starbucks

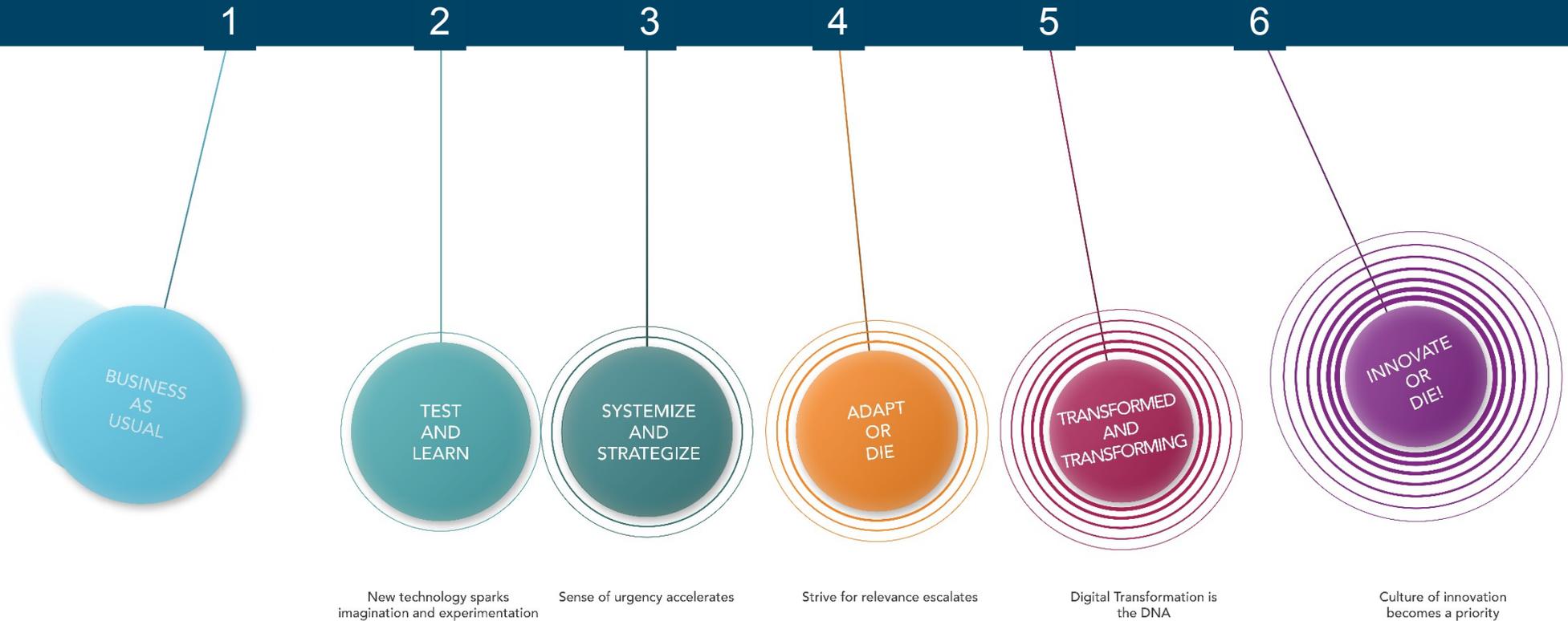
Born Digital

Information, products, services, and supporting systems that align with expectations and behaviors of Generation C... consistently, seamlessly, across every screen in every scenario.



The Six Stages Of Digital Transformation Maturity

These stages are characterized by typical activities that are sweeping yet demonstrate important advancement milestones.



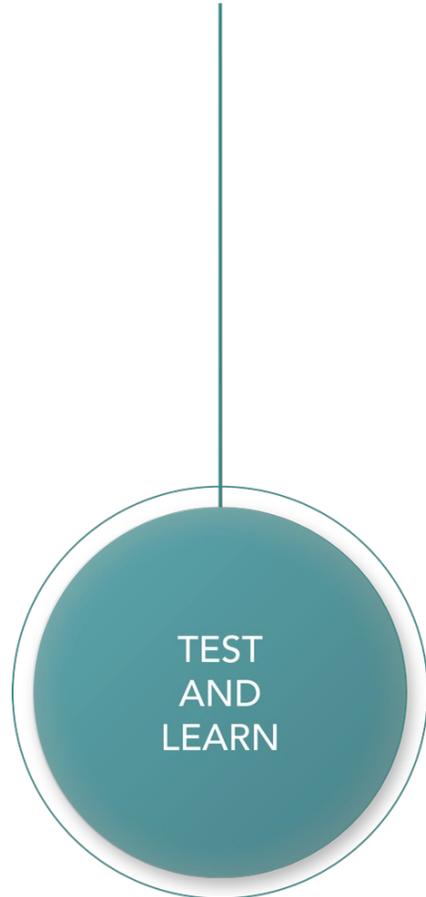
The Six Stages Of Digital Transformation Maturity



BUSINESS
AS
USUAL

Businesses ignore or are unaware of the risks of an opportunities around digital Darwinism and continue their course as planned.

The Six Stages Of Digital Transformation Maturity



Digital, mobile, social and all disruptive tech introduces new opportunities to test and learn internally and externally.

Change agents take action. This creates internal buzz and concern around change and amplifies the opportunity for chaos as rogue experiments occur in isolation without cross-functional collaboration.

The Six Stages Of Digital Transformation Maturity



Digital, mobile, social experiments introduce new opportunities.

The organization is getting smarter, with change agents seeing the bigger picture and starting to work formally toward it.

IT and marketing form a working or formal alliance to expedite investments and a supporting infrastructure for transformation.

The Six Stages Of Digital Transformation Maturity



Businesses are becoming resilient. Efforts in digital transformation become intentional with short and long-term goals/outcomes supported by investments in infrastructure.

Initiatives are now more ambitious and organized formally, moving beyond prioritized but focused pilots to official pilots that span every category affecting the DCX and beyond.

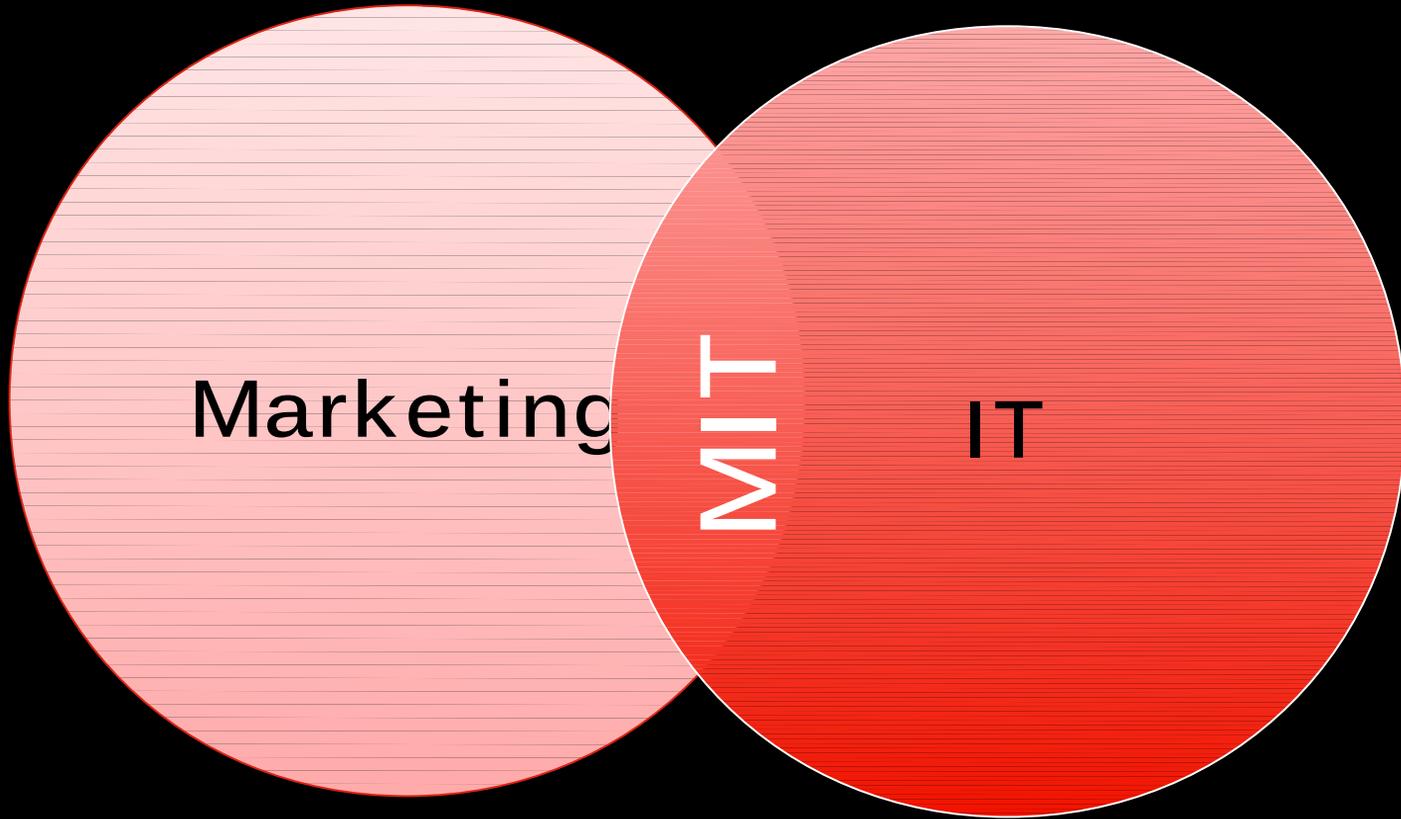
The Six Stages Of Digital Transformation Maturity



Digital transformation is now in the company's DNA and it becomes constant.

Efforts have reshaped the enterprise, creating new models and operating standards affecting people, process, and technology by function, line of business, at scale - locally and also enterprise-wide.

Leadership transcends this movement into the establishment of a new agenda around culture, purpose and the future.

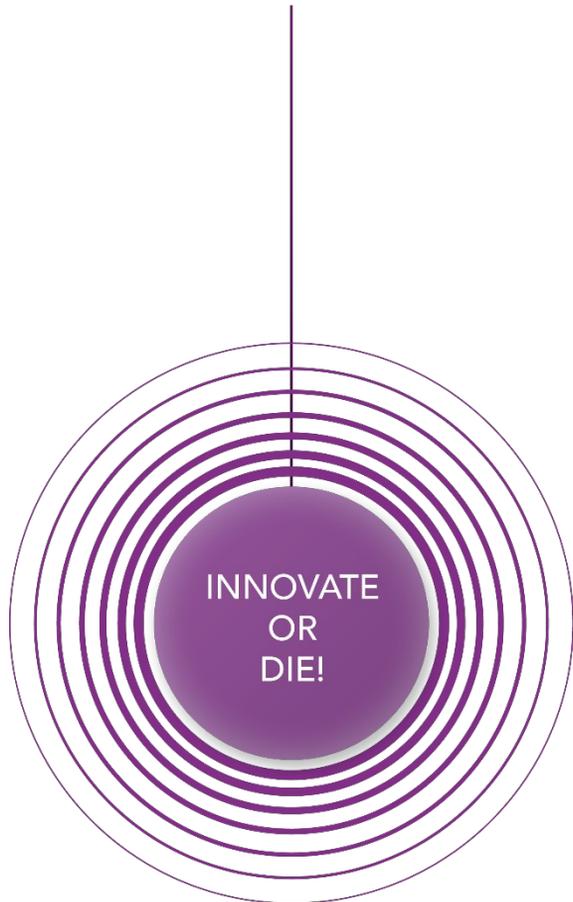


Marketing

MIT

IT

The Six Stages Of Digital Transformation Maturity

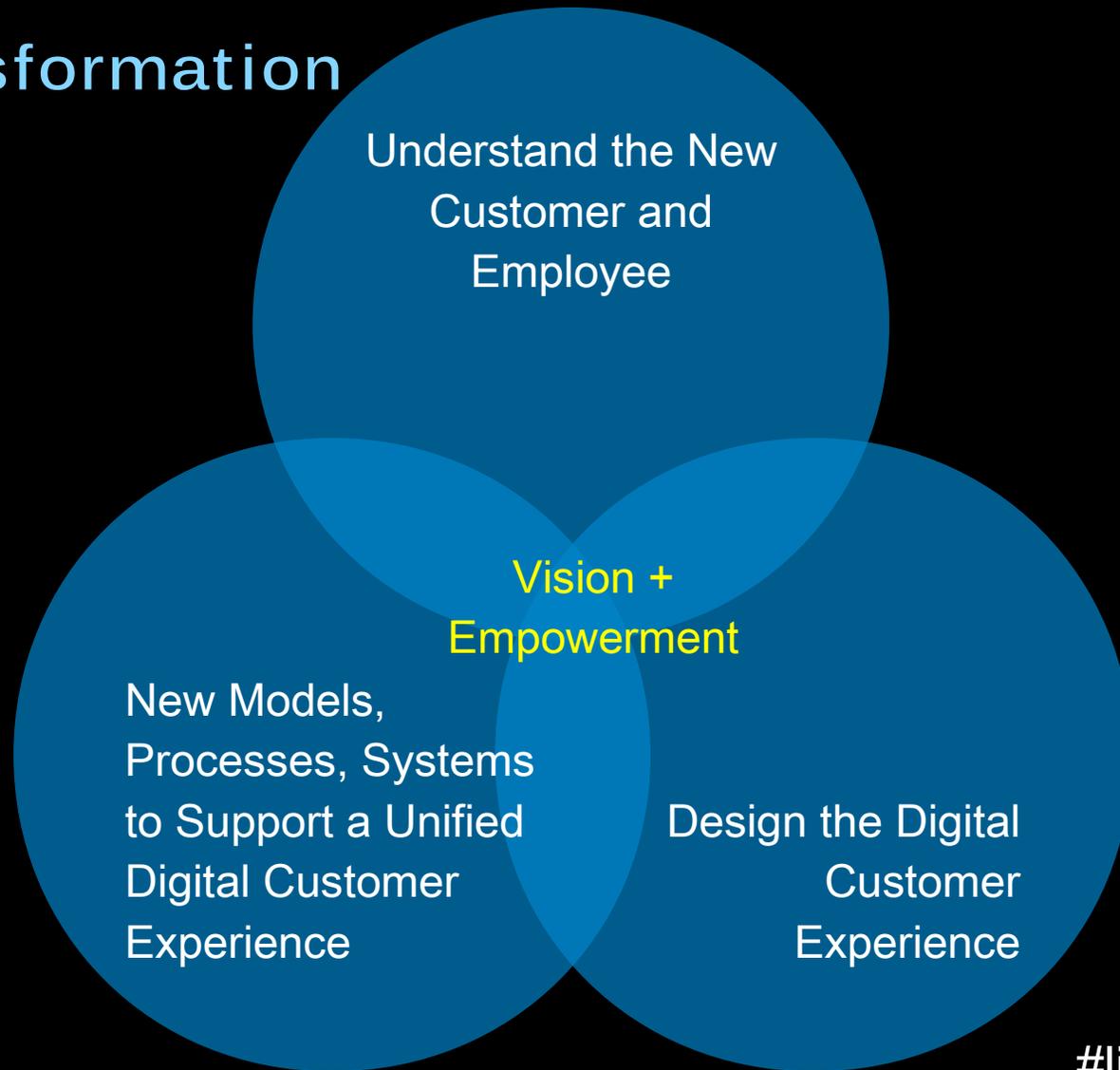


A culture of innovation becomes prevalent. New models, roles and investments shift toward innovation to accelerate transformation and identify new, unconventional opportunities for growth.

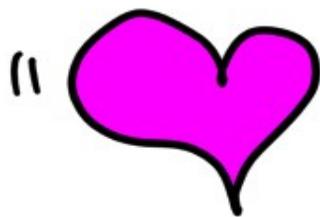
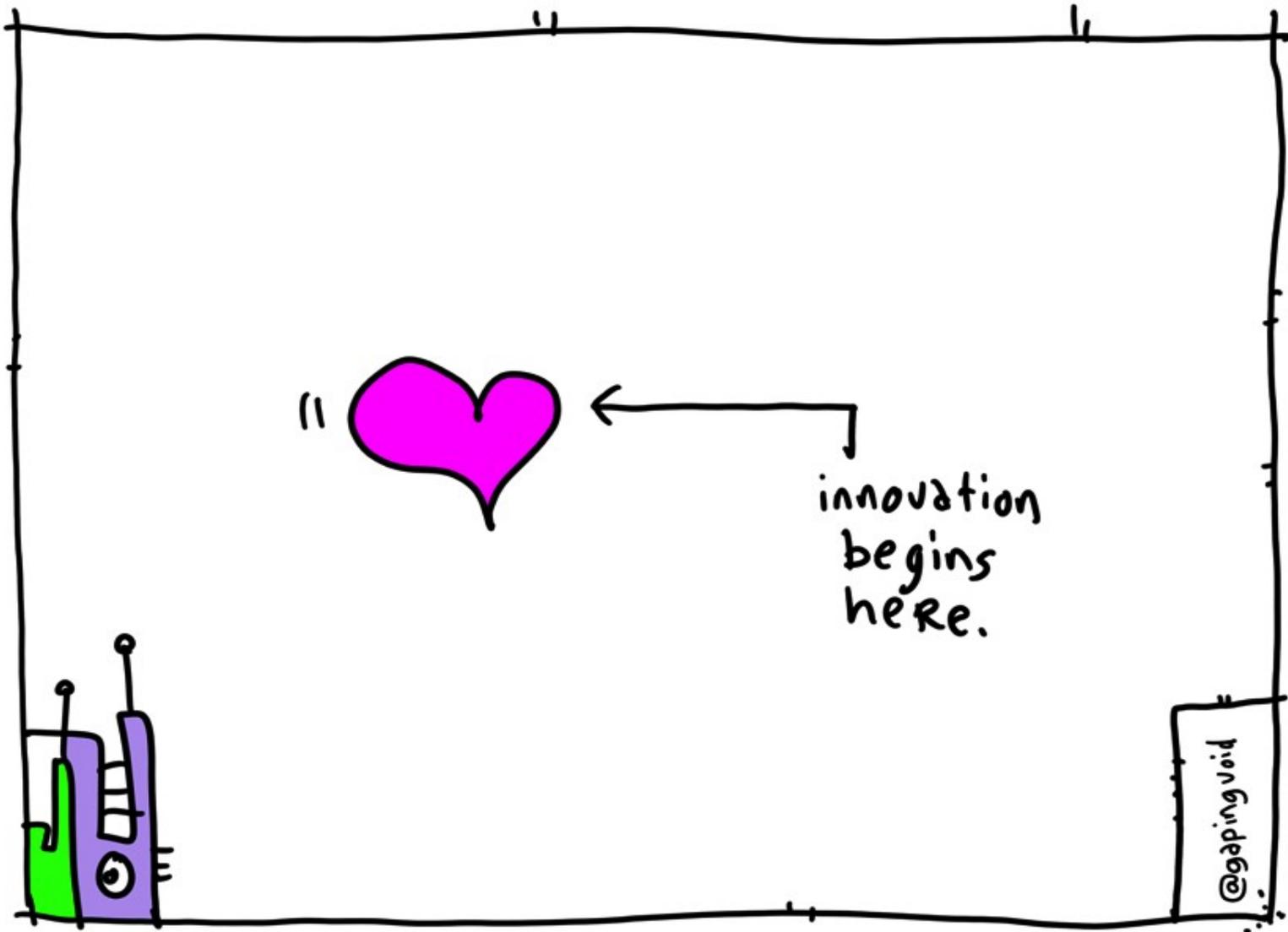
Workgroup shift focus toward innovation and disruption to understand how to identify innovation and disruption outside of the organization.

Innovation centers or teams are formed to recruit new talent, identify new technology and investment/acquisition opportunities, and learn where to focus transformation efforts over the short/long term.

Digital Transformation Priorities



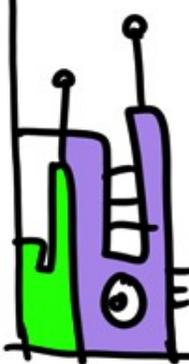
#linc



11



innovation
begins
here.



@gapingvoid



Brian Solis

brian@altimetergroup.com

briansolis.com

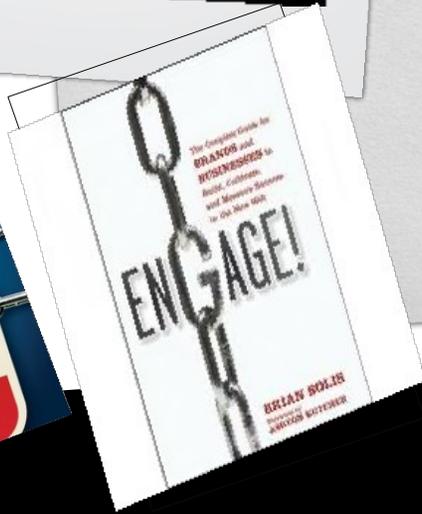
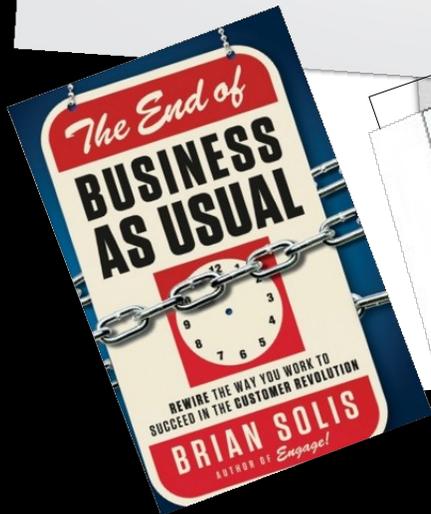
Twitter: @briansolis

For more information & to buy the books, please visit:

<http://bit.ly/WTFBook>

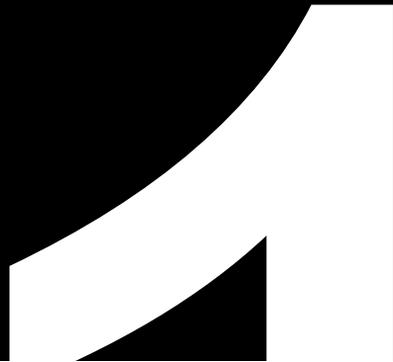
<http://bit.ly/EndofBusiness>

<http://bit.ly/engage2>



#WTFIC

Customers don't see departments;
they see one brand.



#linc

ity,

ide

es
een.



r

g
F-

ig
ts a
on.
p



74%

BUSINESSES THAT
DON'T HAVE A PLAN
TO STAY

Are You Ready For Google's Mobilegeddon Phonepocalypse Tomorrow?

 **Kelsey Campbell-Dollaghan** 29,472 🔥 3 ⭐
Filed to: GOOGLE 4/20/15 11:20am



Google is making a rare change to its search algorithm tomorrow—one that has the power to [dramatically alter](#) a site's ranking in Google's all-important search results. SOUND THE ALARM.



To expedite adaptation, companies will need to create a culture of innovation, which is core to the future of work and competition.

1

THE KEY TO DIGITAL TRANSFORMATION IS THAT IT'S NOT ALL ABOUT TECHNOLOGY.

2

DIGITAL TRANSFORMATION COMES DOWN TO PEOPLE.

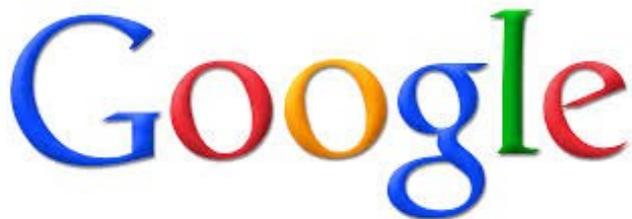
3

NO MATTER HOW DIGITAL TRANSFORMATION IS PURSUED, BUSINESSES ARE CHANGING ALONG THE WAY.

Asking “why?”

Prompts “what if?”

Which leads to “what’s next.”



The Eight Pillars of Innovation

1) Have a mission that matters:

Organize the world's information and make it universally accessible and useful.

2) Think big but start small:

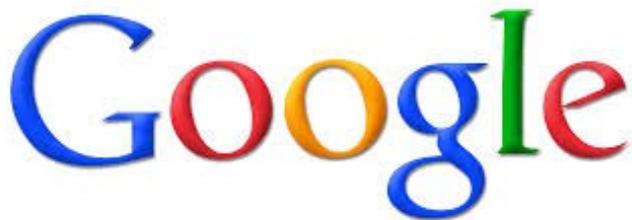
Google Books + AdSense

3) Strive for continual innovation, not instant perfection:

Search + AdWords

4) Look for ideas everywhere:

Google Art Project and Microkitchens



The Eight Pillars of Innovation

5) Share Everything:

Google Talk + Google Translate

6) Spark with imagination, fuel with

data: 20% time (Driverless cars) + Google Search

Results

7) Be a platform:

Google Earth, Maps, Android, Chrome

8) Never Fail to Fail:

Google Video Player, Google Answers

“People remember your hits, not your misses”

Optimize Decision- Making	Promote Reverse- Mentoring	Articulate Vision and Inspire	Form an Innovation Management Team	Manage Accountability	Invest in People and Processes	Incentivize Ideas	Employ Technology as an Enabler	Teach Creative Thinking Up/Down	Reward Contribution	Fail Fast and Forward
---------------------------------	----------------------------------	--	--	--------------------------	--	----------------------	--	--	------------------------	--------------------------------

Innovation is not just something you do, it must be sustainable. It must be in your DNA.



Innovation isn't an abstract thing that some companies have and some don't.

Innovation is a business skill that executives and employees can develop and master.

THE THREE ELEMENTS OF DIGITAL TRANSFORMATION



The goal of digital transformation is to **make businesses relevant** in a digital era while **growing opportunities and profits**, as well as **scaling efficiently** in the process.