

Digital Transformation of Business: A new Era for Sustainable Business

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"IN TODAY'S ERA OF VOLATILITY, THERE IS NO OTHER WAY BUT TO RE-INVENT. THE ONLY SUSTAINABLE ADVANTAGE YOU CAN HAVE OVER OTHERS IS AGILITY, THAT'S IT. BECAUSE NOTHING ELSE IS SUSTAINABLE, EVERYTHING ELSE YOU CREATE, SOMEBODY ELSE WILL REPLICATE."

- JEFF BEZOS, FOUNDER, AMAZON -



INTRODUCTION

- True digital transformation takes place across two distinct dimensions:

1. Integration of digital technology.

Technology creates fundamental changes in how businesses operate and deliver value to customers.

2. A cultural shift.

Businesses must learn to push boundaries, experiment, and accept the associated failures. This potentially involves abandoning well-established processes for new ones – ones that are often still being defined.

IMPORTANCE OF DIGITAL TRANSFORMATION

- This is supported by impressive numbers: Around 39.1 million results on Google for the search term “digital transformation”,
- 818 thousand for “digital business model”,
- 311 thousand for “digital entrepreneurship”, and,

altogether, 7.3 billion results for the search term “digital” (Google search query, performed with the respective search terms on May 10th, 2020).

- Although that may sound dramatic, the reality is that 27 percent of companies identify digital transformation as a matter of survival.
- And, in a world getting more digital by the day, that figure only looks set to increase.



Top benefits of adopting a digital model

Select top 3



IMAGINE AN ECONOMY WHERE...



The Success Rate Of New Product Introductions Is Improved From Today By 70%

75% Of All Same Day Consumer Deliveries Are Fulfilled By Demand-based, Socially-linked Delivery Networks



Autonomous Vehicles Displace 2nd Car Ownership, Decreasing Congestion By 10% In Served Cities



25% Of CPG Retail Shopping Is Conducted In Omni-channel Commerce Marketplaces



WHAT IS DIGITAL TRANSFORMATION (DX)?

Organizations Adapt To Changes In Their Ecosystem By Leveraging Digital Technologies To Create Digitally Enhanced, Customer Centric Business Models



THOSE WHO THRIVE IN THE
DIGITAL ECONOMY WILL NEED TO

IN RETURN, THEY WILL

Develop And Execute A Vision For
Digital Transformation



Take An Ecosystem-first Approach To
Delivering Products And Services



Manage Information Effectively



Create Flexible And Reliable Human
Resource Model

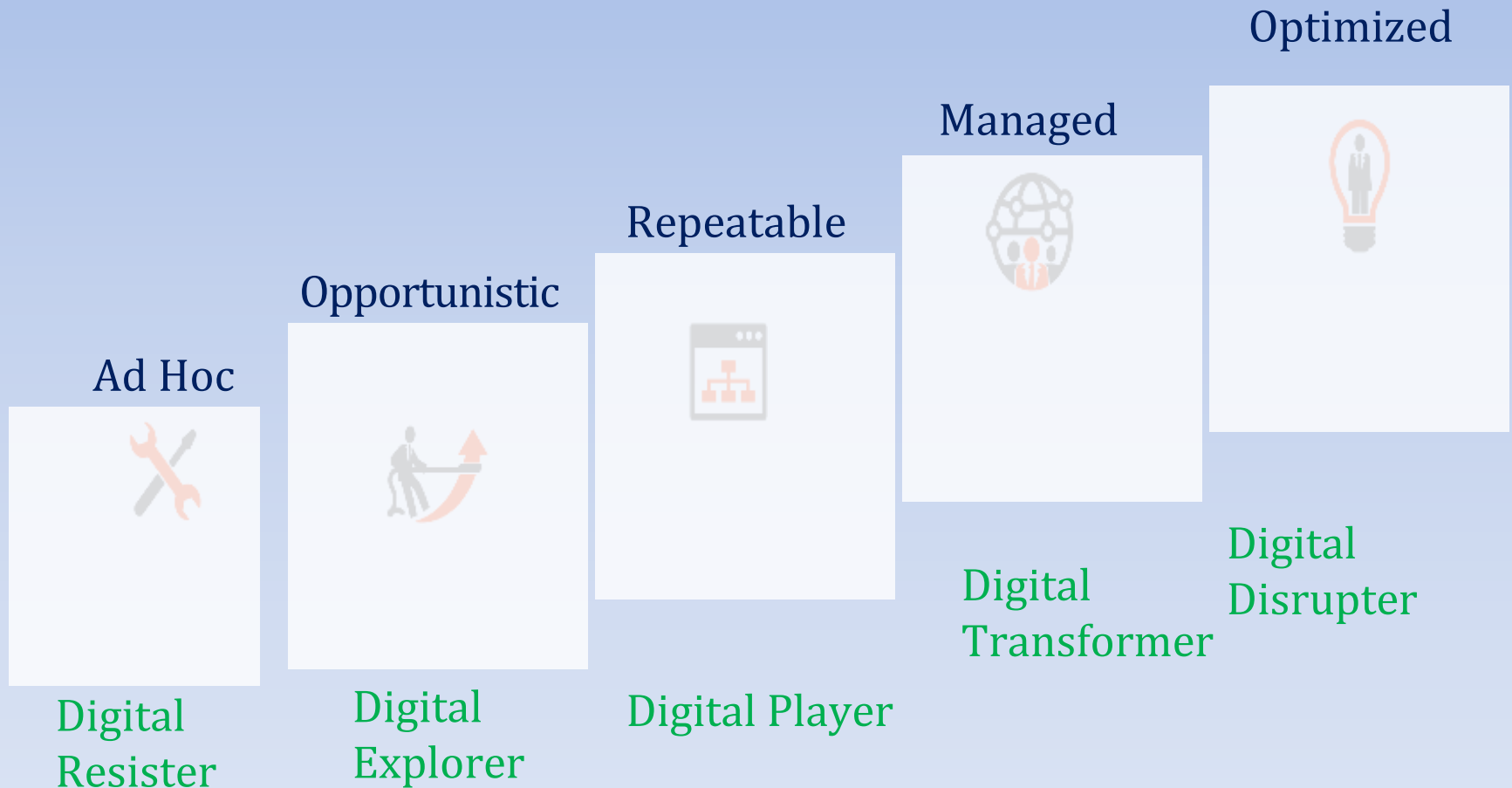


Optimize Business Processes For
Speed, Efficiency, Quality, And Agility



DIGITAL TRANSFORMATION MATURITYSCAPE

- DIGITAL TRANSFORMATION IS THE APPROACH BY WHICH ENTERPRISES DRIVE CHANGES IN THEIR BUSINESS MODELS AND ECOSYSTEMS BY LEVERAGING DIGITAL COMPETENCIES



INNOVATION IN UNEXPECTED PLACES



65% Of Organizations Are “Digital Explorers” Or “Digital Players”

Source: IDC, Digital Transformation Maturity Model Benchmark, 2015; n= 317
IT and LOB Executives,

It is time to take the leap from analog to digital.

What are the largest barriers to digital transformation?

- **Employee Pushback.**
- **Lack of Expertise to Lead Digitization Initiatives.**
- **Organizational Structure.**
- **Lack of Overall Digitization Strategy.**
- **Limited Budget.**

So, when you undertake digital transformation, make sure to:

- Lay out clear priorities.**

Pick your themes to focus on and link them to measurable business outcomes. Companies with digital transformation defined in this manner were 1.7 times more likely to report results that surpassed expectations.

- Invest in talent – particularly in leadership.**

Transforming into a digital company requires [employees with digital and analytical skills](#) and the addition of specialized leaders. Chief digital officer (CDO) is a position that has become increasingly popular for this reason.

- Commit time and money.**
- Performing above expectations was 1.5 times more likely when digital transformation represented a top priority for senior leaders.
- This commitment must extend to monetary resources, too. Companies specifically allocating funds toward their digital transformation were 1.3 times to surpass expectations.
- Embrace agility.**
- Companies demonstrating agile business practices were nearly twice as likely to beat performance expectations.
- Empower people.** Providing clearly defined roles and responsibilities, as well as asking people to take responsibility for particular areas, increases the chance of successful digital transformation

Ford breaks down barriers

- Having previously been hamstrung by siloed IT, and its structure as a loose collection of regional business centers, in 2006, [Ford](#) was determined to unify. The goals were clear: simplify the product line and place focus on quantitative data and quality cars.
- Perhaps counterintuitively, Ford cut the IT budget by 30 percent.
- This wasn't an exercise in expense reduction though. Rather, it helped free-up resources previously locked into propping up an outdated and fragmented system. These resources could then be used to innovate.
- **It was thanks to this that Ford were able to invest in novel projects such as Ford SYNC and MyFord Touch.**

Microsoft changes course

Despite its success in the operating system market – boasting a market share of 77.7 percent – Microsoft had been struggling in the mobile operating system market, thanks to stiff competition from Apple and Amazon (among others).

Because of this, Microsoft changed tack. Instead, the focus turned to cloud-based solutions and forging relationships with software and technology vendors – quite a departure from its previous approach. Both revenue and stock prices saw a dramatic upturn in response, going from \$38 per share in 2014 to \$139 in 2019 and \$93.5 billion to \$122 billion respectively.

Market Summary > Microsoft Corporation

NASDAQ: MSFT

+ Follow

136.62 USD **+0.20 (0.15%)** ↑

Closed: Jul 19, 7:59 PM EDT · Disclaimer

After hours 136.49 **-0.13 (0.095%)**

1 day

5 days

1 month

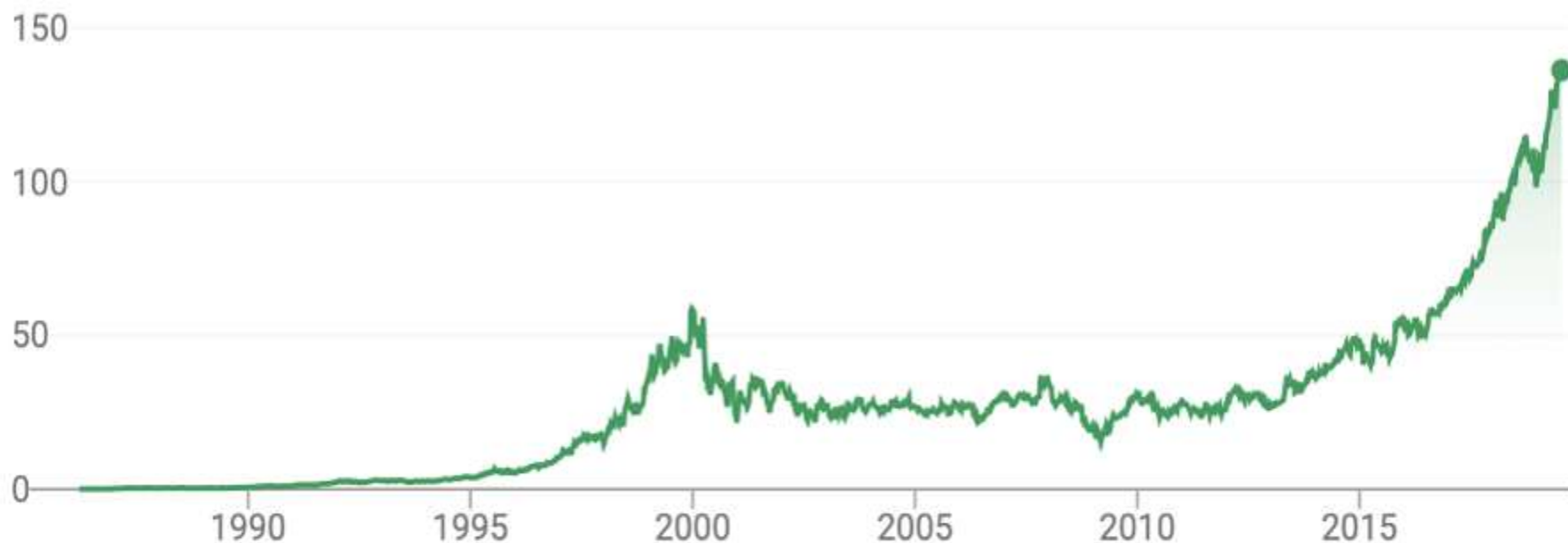
6 months

YTD

1 year

5 years

Max



So Finally.....

Be an example to others

- According to [analyst house International Data Corporation \(IDC\)](#), digital transformation is worth almost \$19 trillion – that's 20 percent of global GDP. So, it's clear a lot is at stake.
- In the end, the competition to do things better and adjust to an increasingly digital world has one real winner – your customers. Nail your digital transformation, and perhaps it could be your business providing an example to inspire others in future.

From today

**our slogan
will be**

***“We want Sustainable Business and
we have no alternative of Digital
Transformation”***

THANK YOU

