How to digitally transform your business

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Business leaders aren't simply deploying digital transformation to cut costs and become more efficient. Companies are embracing digital transformation as a means to create entirely new business models.



It's not about ripping up legacy contracts and embracing cutting-

edge tech – these can be part of the process, but they are not the goal. The true goal of digital transformation is a user-first approach to business that drives new revenue streams, increases customer loyalty and improves staff retention. It will also drive material changes in how you do business.

The true goal of digital transformation is a user-first approach...

What is digital transformation?

Digital transformation is a complete rethink of how technology and your business interact – a true transformation that puts the user at the heart of everything your business does, whether it concerns your staff, your customers or your partners.

This transformation requires a whole new

approach to IT. It's no longer a backroom support service – IT has to be mobile, secure, adaptable, platform-based and present in every aspect of your business.



The key pillars of digital transformation are mobile, cloud, big data and social.

Mobile initiatives include equipping staff with smartphones or tablets and developing apps for employees, customers and partners to use.

Cloud computing makes business flexible and cost effective and, in partnership with big data analysis, gives business unprecedented insights in real time.

And social networking expands a company's ability to effectively communicate with customers.

So how are these pillars of digital transformation making a difference?

Digital transformation can improve every aspect of a company but there are some areas where its benefits stand out:



Customer service:

According to a Harvard Business Review survey, The Digital Transformation of Business, 53 per cent of respondents said improving customer service was one of the top six areas where these technologies were having the biggest impact.

With user experience at the forefront, businesses can **transform their customer communications**,

providing multiple channels via online, apps and social media. They can also improve customer service with, for example, the latest Alenabled chatbots or live chat with representatives on websites.

Sales: The sales team's reach can be greatly extended by the social aspects of digital transformation. For example, LinkedIn's Sales Navigator tool allows sales staff to greatly improve how they use this powerful professional network.

It helps organise their network to pick out organisations that are current opportunities, but also goes further by suggesting other potential companies that fit a similar profile.

Marketing: Social media is becoming a core aspect of digital marketing strategies. According to the same *HBR* survey, 51 per cent of respondents say that **social media has increased their company's ability to effectively communicate with its customers.**



Is digital transformation for you?

Companies that ask themselves if digital transformation is for them are asking the wrong question.



It's not a case of *if* they need digital transformation, but *where* and *how* they need to deploy these technologies. Mobile and the cloud are revolutionising workforces for companies large and small.

Equipping staff with mobile technology and connecting them on the move with business applications rapidly enhances the productivity and availability of the workforce.

It also improves employee happiness and retention, because today's workers like the flexibility of being able to work from anywhere.

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Big data is already changing the way we do business.

The Internet of Things and the proliferation of connected devices is set to make big data even bigger.

And by combining big data and the cloud, organisations can process and analyse vast amounts of data.

All of this information feeds back into **intelligent business insights delivered in real time**.

Just over half (54 per cent) of respondents to HBR's *Digital Transformation* survey say that big data has already transformed their organisations, and 70 per cent expect it to do so going forward.

Big data doesn't just deliver customer

insights: it can also lead to entirely new products. For example, car insurance companies can install a wireless device

in a vehicle that sends back data about how safely it's being driven.

The driver can reduce their premiums by driving well and insurance companies gain data that helps drive more accurate pricing and new product categories.

Businesses getting the most from digital transformation start by making the best user experience their goal. They often find that the way to achieve this is through a combination of cloud, mobile, social and big data technologies.

A mobile app, for example, should allow communication with your business and feed big data insights back to your company via the cloud.

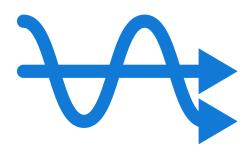
Best of all, **you don't have to reengineer every process**. A new customer app, for example, may still be able to use your existing back-end technologies.

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Getting ready to transform your business

There are three fundamental questions a business needs to ask:

- Why do we need to transform?
- What do we need to transform?
- How can we transform?



A company that's serious about digital change must embrace the cloud

 the scalable and adaptable technology that makes so much business transformation possible.

But businesses have legitimate concerns about security and data privacy, and these issues often hijack conversations about taking more processes into the cloud.

The good news is that public cloud services are developing a reputation for safety and security that is driving significant growth in the sector.

There are also now many private and hybrid cloud options that give companies the best of all worlds – keeping data that needs to be private in-house, for example, while allowing other information to be processed in a public cloud.

Once you've identified what your company needs to transform, you can benefit from the cloud's scalability and take the rest of your transformation at a pace that suits your budget or meets any legacy contract constraints.

When adopting mobile solutions, you can embrace a safe and secure bring-your-own-device (BYOD) strategy or you can deploy your own hardware.

With big data, you can scale up or down to your own schedule, according to your cloud usage – whether that's the seasonality of product purchasing or the pace of the introduction of new apps.

Everywhere and anytime

a customer, staff member or partner interacts with your business, it should be a consistent and positive experience. This is the change that drives customer loyalty and staff retention, pushes down costs and increases revenue.

This is the transformation that will allow your business to respond instantly to the

marketplace, innovate faster, analyse more deeply and give your users what they want almost before they know they want it.

Check out these resources to find out more, and talk to your IT provider for advice on how your business can transform.

- Harvard Business Review's <u>Digital</u> <u>Transformation of Business</u>
- McKinsey's <u>The Seven Decisions</u> <u>That Matter in Digital Transformation</u>
- Advice from the European Commission
 on Digital Transformation