Chapter 75
Corporates in the Digital Age

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ABSTRACT

A proposition for digital transformation of global groups into efficient enterprises is introduced. At the heart of the proposition is a transformational practice aimed at creating a customer-focused, data-driven global culture in any customer-serving company. The digital age has added a level of complexity to the way we acquire and serve customers. Doing a good job in the traditional channels is not enough anymore. Online is increasingly becoming the channel of choice with the two main customer-interaction paradigms: sell and service. And building a great customer experience is probably the most essential factor of success for both functions.

INTRODUCTION

The digital revolution is far more significant than the invention of writing or even of printing. - Douglas Engelbart

The world is flat. Global enterprises are undergoing disruptive paradigm shifts where thinking outside the box and working with cutting edge technologies will create extraordinary synergies. These synergies will help conglomerates push the envelope and will allow thought leaders to leverage human capital and technological assets to break down new barriers and make a step change in the performance of organizations.

If the above sounds like empty business-techno jargon to you, it's because it is. We will do our best in this chapter to avoid all such generic clichés and focus on pragmatic approaches to solve a monumental problem: "How is digital transformation changing with time?".

It's public knowledge that the single most important driver in any corporate transformation journey is digital transformation. If you don't already know that, then welcome back from your 3 years hibernation. Jump on your nearest WIFI so you can get up to speed with the crazy things that have been happening around the world while you were slumbering (just a teaser, Trump is president, France won the World

Cup, and Britain existed the EU). Seriously though, there is no denying that digital is on every agenda. Few stats for you to know:

- *$1.3 trillion will be spent on digital transformation technologies in 2018 (IDC, 2017)*
- *By 2019, 5% of revenue will come through interaction with a customer's digital assistant (IDC, 2016)*
- *By 2021, one third of CEOs and COOs of Fortune 2000 companies will have spent at least 5 years of their career in a technology leadership role (IDC, 2016)*
- *27% of senior executives consider digital transformation a matter of survival (Coleman, 2017)*
- *The biggest disruptive technologies, as specified by global respondents, are the cloud (58%), mobility and collaboration (54%) and data (52%) (DCO Conclave, 2018)*
- *By the end of 2018, two-thirds of the CEOs of Global 2000 companies will have digital transformation at the center of their corporate strategy (IDC, 2017)*

Self-service is the path forward. Companies are slowly transforming to serve customers by helping them serve themselves, and as companies put their new strategy statements together, digital is being mentioned in every other sentence as the main growth agent.

Growth itself is the most important goal of any corporation. To grow a business you have to constantly acquire new customers and retain them as long as possible. If your attrition rate (opposite of retention) is bigger than your acquiring rate, your business is doomed.

To acquire customers, you have to have a reasonably priced product appealing to a segment of the population.

To retain customers, you have to service your customers well once they are acquired.

Sounds simple and straightforward. It also sounds too obvious to even mention. It's like saying "to swim, you have to be in the vicinity of water" or "to have a successful business you will need to make money."

In reality however, the digital age have added a level of complexity to the way we acquire and serve customers. Doing a good job in the traditional channels is not enough anymore. Online is increasingly becoming the channel of choice with the two main interaction paradigms: sell and service.

It also became very clear even at the early stages of the digital, that the first wave of digital transformation was not very effective. Just exporting existing applications from call centers or retail locations to online does not create a successful digital solution. To truly create a great customer experience we need to enable a casual user like the customer (as opposed to a trained profession like call center reps) to successfully use the digital assets. That was the main driver of the second digital transformation wave which was all about customer experience. In the next four sections, we will explore the four important factors that are crucial to enabling a customer-driver digital transformation in an enterprise.

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