Creating a Digital Transformation Roadmap

Andrew Thomson
SVP, Digital Enablement, BearingPoint // Beyond
The key challenges involved in transforming into a digital operator

Self-service & Partnering?... Where does one start?

Most Company’s Business Activities

Country 1
Product A, B, C & D

Country 2
Product A, B & C

Country 3
Product A, B & C

Country 4,
Product A, B & C

Country n,
Product A, B & C

Most Company’s Legacy IT

Country 1

Country 2

Country 3

Country 4

Country n
CSP ... “Digital Service Enablers” ... “Digital Service Providers”

Digital service enabler
• CSP assets open to digital players
• Platform-based business model
• Ecosystem participation

2020 CSP
• DSP and DSE capabilities
• Agile, Innovative, Transformed
• Cognitive capabilities to create customer-defined experiences and “as-a-service” for ecosystem partners

Traditional CSP
• Traditional sources of revenue (connectivity, voice/text, data)
• CSP-controlled customer interaction

Digital services provider
• Highly automated
• Digital channels with customer-controlled interaction
• Rich customer experience

Digital services enabling

The Key Difference between Traditional and Digital Businesses...

### Traditional Business Model

- Your customers and markets
  - Traditional pipeline business
  - Your products and services

### Digital Native Business Model

- Your customers and markets
- Other peoples customers and markets
- End users
- Digital platform
- Your products, services and data
- Other peoples products, services and data
- Innovations from developers

Brands shown:
- Exxon
- Shell
- ICBC
- Citibank
- Walmart
- GE
- Ford
- Apple
- Alphabet
- Microsoft
- Amazon
- Facebook
Companies have choices to make in defining their digital ambition

Is it business model reinvention or operating/functional transformation clients should focus on

To do this requires a digital platform!

A “Digital Service Enabler”

Converting existing IT platforms for digital is complex. Abstracting them is a faster option!

Doing both Business Optimisation & Business Transformation is the most realistic approach for success in transitioning a traditional business
Digital Service Enablers require repeatable capabilities to enable complete “business” to “business” & “any-to-any” partnering with “concept to cash” bundling, monetisation & whitelabeling.

**B2B2x Business Entity Interaction Diagram – High Level View**

- **SYSTEM**
  - retrieve Catalog Information
  - on-board Reseller
  - retrieve Quote
  - place Order
  - on-board Service
  - resolve Incident
  - on-board End Customer
  - publish Wholesale Offering
  - get Order Status
  - report Incident
  - pay Invoice
  - issue Invoice
  - publish Retail Offering
  - Monetise SLA
  - Handle Tasks
- **Ecosystem & Partnering Enabler Cloud Service Broker**
- **Company D**
  - Digital Service Providers / Resellers
  - Service Providers / Suppliers

Source: TM Forum, New Business Model Compendium
In 2017, BT launched their “Business Platform as a Service” called PCMS (Personalised Compute Management System)


... and with this service, BT are acting as Digital Services Enabler
A new type of digital platform enabling 4th Industrial Revolution

BT’s Business Platform as a Service “PCMS” provides digital partnering so that partners can bundle and monetize each others’ products & services

Selling Products & Services

- Products only
- Apps only
- No partnering
- Limited ecosystem
- No bundling

CUSTOMERS

3rd Party
3rd Party
3rd Party
3rd Party
3rd Party

e.g. Amazon / Alibaba

Cross Selling & Bundling enabling 4th Industrial Revolution Products & Services

- Products & Services
- Apps & Services
- Partner collaboration
- Full cross partnering ecosystem
- Bundling of services

CUSTOMERS

3rd Party
3rd Party
3rd Party
3rd Party
3rd Party

BT

Any:

- Product price or one-off subscription

versus

Any revenue model:

- Cloud, IoT device, app, physical, video, stream data item
- MRC’s, allowances, licence, usage, event, time, pay-per-use, freemium

CUSTOMERS

3rd Party
3rd Party
3rd Party
3rd Party
3rd Party
Creating a Digital “Business” Transformation roadmap… Leveraging a Digital Services Enabling platform provides a spectrum of strategic options

A business can start its digital journey anywhere, implement an MVP & then iterate to build business value

Enabling...
- Multi-sided & cross-industry business models
- Partner Ecosystems
- Frictionless Trading
- Market Power
- Network Effect
- Analytics & insight

A Platform Enabling Platform enabling
- Business Optimisation
- Business Transformation
- 2020 CSP Vision

A business can start its digital journey anywhere, implement an MVP & then iterate to build business value

- Fully automated
- Frictionless Business
- Ultra low transaction costs

Digitising Traditional Business Model

DSP
Creating a Digital transformation Roadmap

Brendan Logan
Everyone is a Digital Service Consumer and Creator

- Uploading Videos & Photos
- Complaining About a Service
- Commenting on News
- Writing Reviews
- Writing a Blog
- Monitoring Personal Health
- Traffic Alerts in Car
- Stock Trades on Phone
- Downloading Music
- Retail Promotions

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Digital Download

Email

Digital Currency

Web Publishing

Digital Camera
Legacy Systems Hold Organizations Back

While organizations say cloud is vital to success, many are stuck with legacy systems

81% believe there is an important link between cloud-based IT solutions and their organization’s ability to deliver the flexibility and agility

Only 28% of mission and business critical applications are in the cloud

57% believe outdated technology systems are holding them back

The Era I Enterprise: “Ready for Anything”
“Everything changes but everything stays the same”
—Heraclitus
The Usual Issues, with a Twist

- Refusing to simplify the process
- Using integration as the new customization layer
- Outdated delivery methodologies
- Not leveraging the vendor
- Abdicating to the vendors
- Not involving the business
- Not leveraging the product features and workflows
- Overconfiguring best practice flows
- Failing to recognize HR issues day 1

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Top Issues for CIO

Create

1. Create New Revenue Streams
   Drive new IT-inspired Products, services & others

2. Create a Can-Do Culture
   IT stands for Innovation / Transformation

3. Create Customer Centric Apps
   Turn team into engines of Customer Engagement

Evangelize

4. Evangelize Cloud Computing
   Talk passionately about business benefits

5. Evangelize Digital Business
   IT stands for Innovation / Transformation

Transform

6. Transform Silos Of “What we do”
   Disrupt traditional thinking and showcase possibilities

7. Transform Customer Engagement
   Identify when customer wants zero touch

8. Transform Decision-Making
   From gut-level to data-driven

Accelerate

9. Accelerate Spending Reversal
   Don’t spend on 80% unwanted things

10. Accelerate Cybersecurity
    It’s a journey not a destination

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