

The 5 Keys to True Digital Disruption

The execution framework that will keep your business alive in the digital revolution



A changing landscape

In every new business era, two types of organisations emerge: eager visionaries that do what it takes to adapt and stragglers that are paralysed by the change. Today, we're in the midst of a new digital revolution. Business and technology must come together in intelligent ways to not only increase monetisation opportunities but create more meaningful experiences with customers. This is achieved through adopting the Internet of Things (IoT) into your business model to deliver smart services, a new way of differentiating in the modern world of business and buyers.

But even organisations with a growth mindset must navigate a complex landscape of new technologies, business models and consumer needs. The stakes are high, and disruption can feel like a gamble. Where do you start? How much will you need to invest? How do you get buy-in at the executive level? How do you execute?

If your organisation is a champion of change, this eBook will give you the launchpad you need to start your digital disruption journey. It outlines a five-point, tried-and-true execution framework to help you prioritise risks and opportunities, create buy-in from key stakeholders and set an appropriate pace for transformation.

Part 1: The digital culture

Say you're about to embark on a journey — let's pretend it's a challenging hike to the top of a mountain. One of the first things you would do is assess your health and physical stamina, your mindset and your overall attitude toward the challenge. Looking at your organisation's disposition toward digital disruption is a critical step in your transformation journey. This is known as assessing your digital culture.

How do you assess your digital culture?

A proper evaluation of your organisation must consider two main factors: how committed to or conscious it is about digital transformation, and how capable it is to achieve that transformation from an operational standpoint. Most organisations are conscious but lack the capabilities. Very few are uncommitted with full capabilities. And still others are both committed and conscious and are making good headway toward becoming capable. Knowing where your business is in this continuum will set the tone for how drastic your transformation needs to be.



Part 2: The digital leader

Digital leaders arise from within the company. They're outside-the-box thinkers who are passionate about new ideas and innovative processes. Organisations that are committed, conscious and fully capable of change are naturally primed for a digital disruption team. This team could also form within other types of organisations — it just may take more time and resources. The digital disruption team is comprised of various people from different departments who are dedicated solely to digital transformation initiatives. The digital leader is the spark that sets this team in motion.

What does the digital leader do?

In order for digital leaders to become true change agents, they must start to build alliances with teams and individuals who are subject matter experts at the operational level. These alliances are important for two reasons:

- They give digital leaders insider knowledge on how change will ripple through the company at multiple levels.
- If they can build trust and create buy-in from many different groups, the need for change will more likely get noticed by leadership and eventually reach the executive level to drive true transformation.

Digital leaders must also create action plans that present opportunities associated with a dollar figure such as net new revenue or organic growth. They must present quantifiable ideas in formal settings and invite people at the top level to those presentations. Eventually, these free-thinkers can build a reputation as credible digital transformation experts who can move the needle forward and benefit the bottom line.





Part 3: The customer experience

When embarking on a digital transformation journey, all roads must lead to the customer. After all, roughly 64% of consumers expect real-time, digital communication with companies¹, and organisations that master their customer experience achieve revenue gains of 5–10%². This is a win/win environment, and the experience that your organisation decides to deliver to customers or partners will determine the extent of your transformation via new apps, products and services. But how do you define that experience?



Find the voice of the customer.

Your organisation can assume how customers want to digitally engage with your services, but the wrong move can be a costly mistake. A customer success task force (part of your digital disruption team) that is committed to finding the voice of the customer can effectively define this experience. This team must have access to both industry data and business analytics to assess past data to predict future outcomes with a high degree of confidence.

Map the customer experience.

Next, visualise the steps that customers take when engaging with your business. A customer journey map not only keeps a pulse on buyers as they interact with the business — each touchpoint exposes the technologies your organisation needs to invest in and their financial impact. After analysing your map, you can prioritise which touchpoints to tackle first (based on complexity and cost). All this research will culminate to create your smart service business road map, which you can share with your operational teams, execs and strategic partners.

Part 4: The operating model strategy

Your organisation's operating model consists of the methods, processes and tools your company uses to deliver the promise of your product or service to its customers. To activate this part of the framework, it is important to articulate how your operating model will need to be changed or enhanced and how drastic the change will be. And since what you do as a business depends on the optimal experience you envision delivering to the customer, your new operating model must align to your customer experience map.

Set the proper pace.

As with any wide-scale transformation, reimagining your operating model is an intensive process. Organisations should break down the process into a series of mini projects, tackling each method, process or tool that needs to be changed one-by-one. For example, will there be a change in the way you provide or support warranties? How will field service personnel react to work orders? How will revenue be accounted for and accrued over time? Understanding the extent of change and providing an investment plan to support it will clear your path — and as long as each of these touchpoints always thread back to your customer experience map, your transformation will be productive.



Outline the benefits.

Defining how success will thread through the organisation as a result of transforming your operating model will make your ideas easier for key stakeholders to buy into. In order to do this, it is critical to demonstrate clear Return on Investment (ROI) as well as an investment plan for year one, two and so on. Consider leveraging Infrastructure as a Service (IaaS), Platform as a Service (PaaS) or Software as a Service (SaaS) for lower capital investments upfront. XaaS (Anything as a Service) is also recommended for its high scalability and flexible payment model.

Part 5: The product and the apps

In this part of the execution framework, the customer journey is mapped out. The changes to the operating model to support that journey have been defined. Now, you can focus on the solutions to set your digital transformation in motion and bring your ideas to market.

Embrace the IoT to deliver smart services.

There are two factors that will influence product and service innovation: connecting the product and service, and adopting cloud platform services and applications to support those connections. In an IoT environment, your product will need to communicate securely to the cloud. It may have one or more sensors. Data must be ingested and interpreted on the backend. And ultimately, an intuitive application that represents your product will be the face of your smart service. This will be what end users interact with to engage with your business.



Finally, enroll the right partners.

Working with solutions providers that can guide you through your application design and development is crucial. Partners with extensive skillsets in mechanical and electrical design, cloud platforms and custom application development like Insight can help bridge the gap between your current and future state. Through in-depth assessments, dedicated consulting and IT mapping, Insight will even guide you through your culture change and ensure that you're leveraging this five-point framework as efficiently and effectively as possible.



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¹ Salesforce. (March 2016). 2016 State of Marketing.

² McKinsey & Company. (August 2016). McKinsey Quarterly: The CEO Guide to Customer Experience.