

THE DIGITAL TRANSFORMATION HANDBOOK

Rethink Your Business for the Digital Age

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ISBN 978-1-77544-894-5

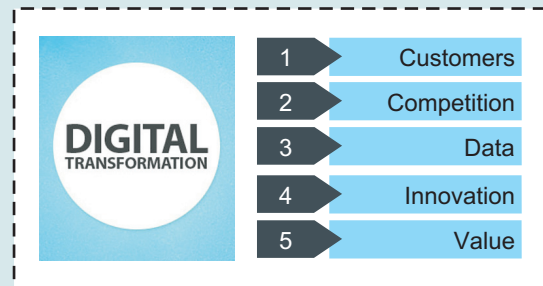
MAIN IDEA

The challenge facing most established companies today is:

What do you need to change in order to thrive in the expanding digital economy?

The knee-jerk answer most of the time has been: "Update your technology and hope for the best" but that's usually not enough. To genuinely get ahead in the digital era, it's more important to undergo a digital transformation. Upgrade your strategic thinking and reinvigorate your game plan so you can capture the best opportunities which lie ahead.

Specifically, digital transformation is more about changing your strategy and less about changing your technology. To capture the next stage of value creation and growth for your business and overcome your digital blindspots, you have to integrate into your strategy the ways digital forces are reshaping five key business domains:



Digital technologies are rewriting the rules of business in these five domains. To respond, you need an integrated effort to evolve and improve your business strategy. Every business can adapt and grow in the digital era.

"The future is not about new start-ups burying long-established enterprises. It's about new growth strategies and business models replacing old ones as established companies learn new ways of operating."

– David Rogers



Domain #1 – Customers Pages 2 - 3

Digital technologies change how you connect with and create value for customers. Instead of viewing customers as an aggregated pool of people to be marketed to, you should now view customers as being part of tightly connected networks which you want to harness to sell more. Today you need to reinvent your marketing funnels, simplify the digital path to purchasing and learn how to harness customer networks.

Domain #2 – Competition Pages 3 - 4

In the digital age, competitors can come from unexpected directions. The best strategy is to turn your product or service into a platform. Become a trusted intermediary and learn how and when you should collaborate with competitors. If you can succeed in building a platform customers love, you can expand exponentially.

Domain #3 – Data Pages 4 - 5

The imperative for companies today is to turn data into assets. To make data a strategic asset, you have to assemble the right data and learn how to apply it to create added value. Use data to collaborate, to generate new market insights, to differentiate customers, to personalize messages, to find patterns and to make better data-based decisions.

Domain #4 – Innovation Pages 5 - 6

With digital technology, testing new ideas iteratively is cheap and fast. That means innovating by rapid experimentation has become better than making big bets based on the intuition of the business leaders. Learn how to run experiments, to build and test minimum viable prototypes and how to effectively scale up what works.

Domain #5 – Value Pages 6 - 8

To prosper in the digital age, you must be able to continuously adapt your value proposition. This is generally a matter of zeroing in again and again on how you can best deliver value to customers as new technology comes along. Understand how you can analyze your current value proposition, identify emerging threats and opportunities, and then synthesize an effective next evolutionary step.