



Convite palestra Transformação Digital e Sustentabilidade

No contexto efervescente de inovação em produtos, serviços, modelos de negócios e profissões, convidamos **Florent Pratlong**, professor da Sorbonne, para discutir sobre **Transformação Digital com Sustentabilidade**. A palestra é aberta à participação de todos, mediante inscrição pelo e-mail mba-lassu@usp.br ou telefone 3091-1092.



DATA E LOCAL

Data: 2 de Maio de 2017 às 19 h

Local: LASSU

Av. Professor Lúcio Martins Rodrigues, Travessa 4, nº 380. Cidade Universitária



HOW about digital transformation ?



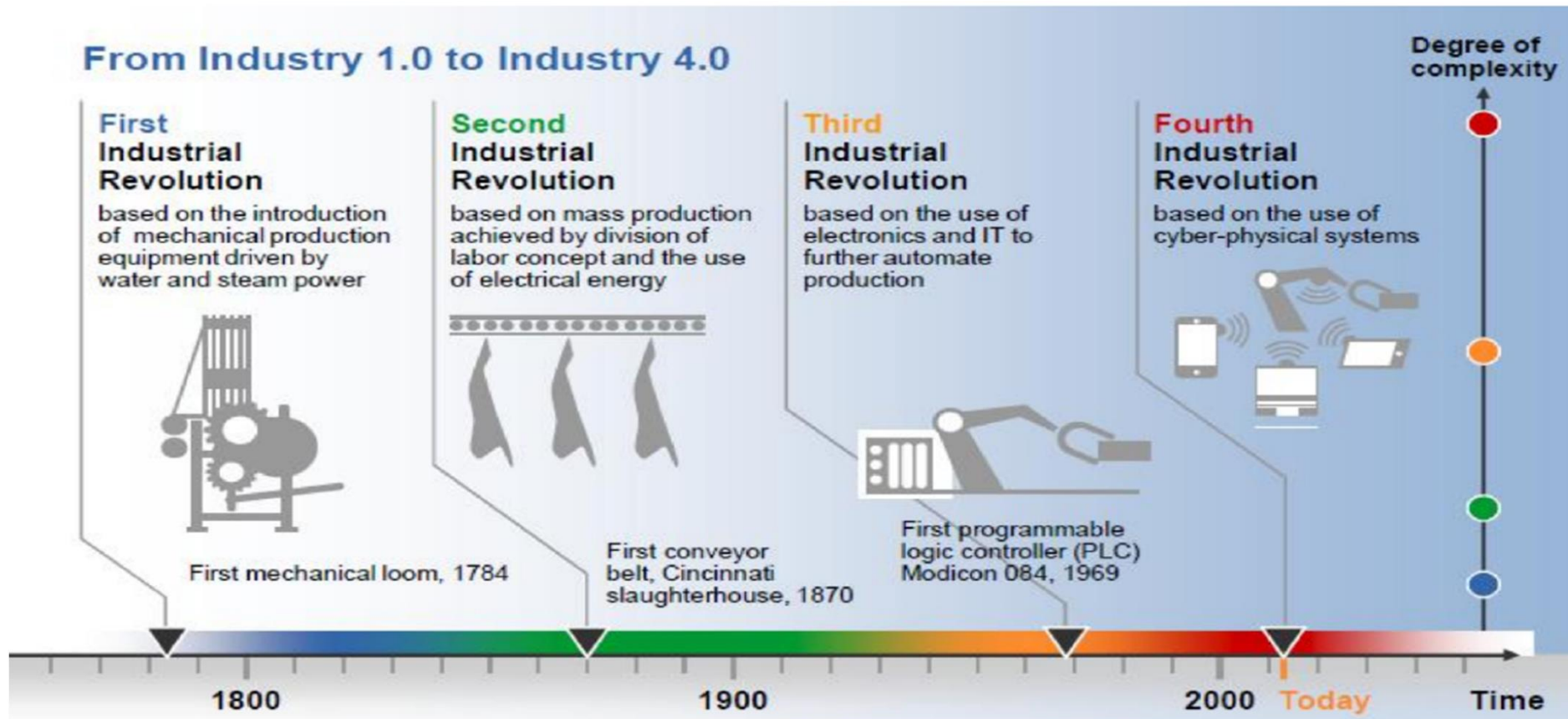
- What is the digital transformation of the company?
- Industry examples
- What are the new digital uses for this transformation?
- How do they contribute to sustainable development?
- What are the challenges of digital transformation? What are the risks of not doing so?





1. DIGITAL TRANSFORMATION

4 industrial revolutions





The glass house



The glass house :

Change in the relationship between a society and the outside world

- Transparency
- Accountable
- Proximity
- Reactivity
- Dialogue
- Humanization
- Authenticity

facebook

twitter

LinkedIn

Pinterest





The global offer



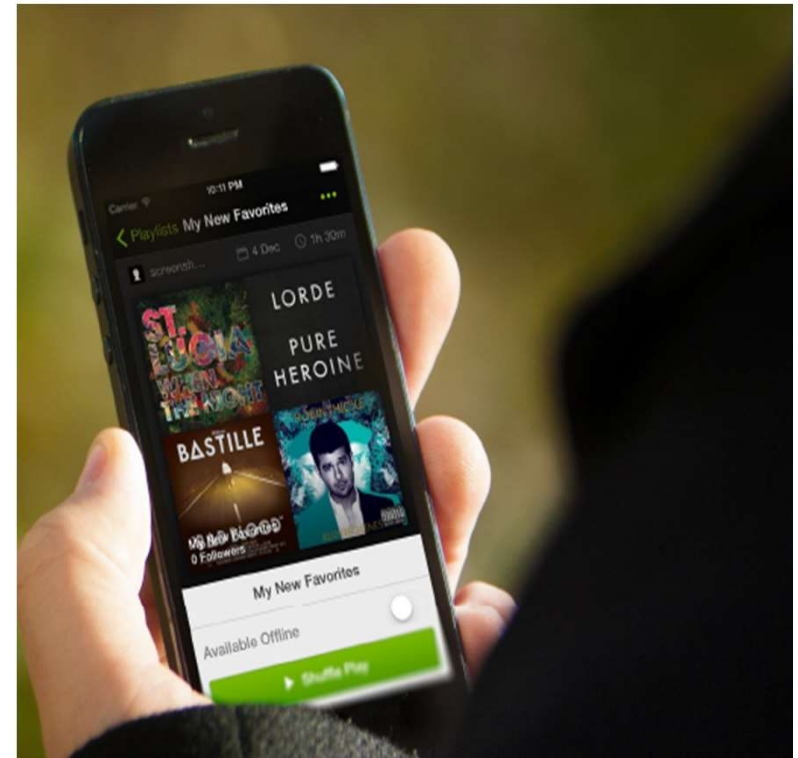
The global offer

Digital has made it possible to dissociate products and services :

- Global vs Specific
- Application
- Long tail
- Personalized
- Experience
- Speed
- Price
- Self-service



monster





The big jump



The big jump

The bypass has become a real opportunity linked to the digital

- Bypassing
- Virtualization
- Fragmentation

facebook

Google

Red Bull





New referents



Booking.com

You Tube™

NETFLIX

MEDIAPART

New referents :

The advent of digital has devoted new referents on many subjects

- New references
- Recommendations
- The best is the enemy of good
- Ambassadors



The traveler



The traveler :

SOcial LOcal MObile

- Location
- Utility
- Giving power
- Instant Return
- New way to work
- Contextualized

twitter

facebook

instaply

tinder

amazon



The collaboration

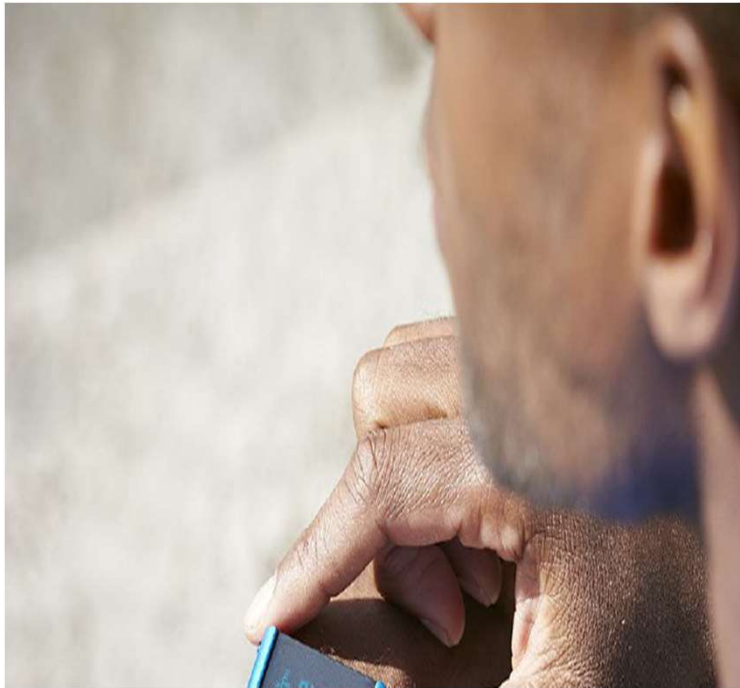


The collaboration :

How people learned to work together with digital

- The communities
- The gamification
- The collaboration
- The power of the people
- Economy of sharing





The improved man :

Big data at the service of man or marketing

- Internet objects
- Improved man
- Big data
- Automation



BuzzFeed





2. IMPACTING BUSINESS STRATEGY



From computing to the "digital" transformation



Era of the quaternary economy

Computing:

Tool for internal use
- Productivity
- Reactivity

Computing:

Internal tool to understand and decide
- Competitiveness
- Efficiency

Digital use:

Component of the company's business
- Differentiation
Value added
- New Markets

Improve internal processes

Seizing new opportunities



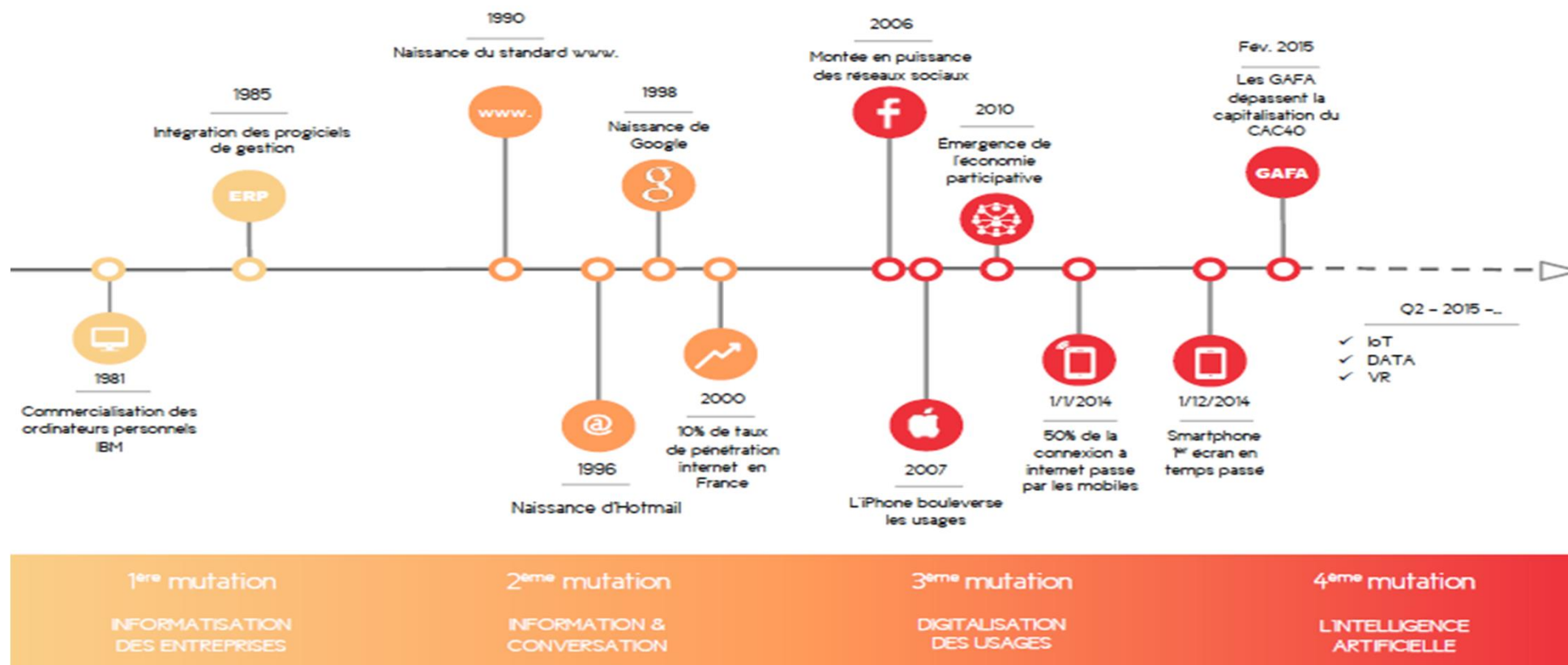
A previous mutation



- When technology crosses common uses, this causes a historic upheaval.
- For the past 15 years, companies have been facing an acceleration of the changes that force them to develop a capacity for adaptation and anticipation.



Acceleration and intensification of digitalization





4 successive waves of deep transformation



1981

Information transfer, accessibility of information

INFORMATION

The first wave of changes first affected the companies with the information network and its acceleration, The emblem of this wave is the mail. The DSI are in command of this first wave with two leitmotifs: robustness and security. 35 years later, this is still true



1996

Sharing, a revolution led by the public

CONSERVATION

The second wave of change is marked by the emergence of the Internet, Immediate access to information (Google) and sharing with forums, Blogs and then the explosion of social networks. The public has taken power over the word. The champions of this stage are the GAFA. They invented their own model of value creation.



2007

Mutation of uses, mobility and the advent of the sharing economy

USAGE

The third wave starts with the first Smartphone. Mobile and powerful, this "companion of life" has become the remote control of our uses and the pilot of our new habit. The actors of this stage built their successes by "increasing" our known uses. They have overcome the inadequacy of established actors. They are called AirBNB, Uber et al.



2015

Data & Algorithms, towards new challenges

DATA and AI

The constant acceleration of computing power, infrastructure and storage capacity have made data processing the major model of the new economy. How will the data associated with the algorithms modify the model of uses (anticipation, prediction) and transform the methods of work in depth? It is urgent to prepare for this wave of transformation by data



Facing market standards laid down by the pure players, business adapt in multiple initiatives



| | Situation | Avant | Aujourd'hui | Gain |
|--|--|-----------------------|-------------|--|
|  | Le parcours de recherche : faire un exposé | 2 jours | 2 heures | Apprentissage 15 fois plus rapide |
|  | Le parcours de divertissement : trouver un morceau de jazz | Un après-midi | 5 minutes | Accès à la musique 70 fois plus rapide |
|  | Le parcours social : organiser une soirée de 200 personnes | Une journée | 30 minutes | Communication 30 fois plus rapide |
|  | Le parcours d'achat et de livraison : acquérir un film | 48 heures à 1 semaine | 1 minute | Achat 3000 fois plus rapide |

Pure players and new players from the internet have profoundly changed everyday practices and thus transformed the lives of users.

Les expériences quotidiennes sont révolutionnées par le numérique
 Source Fabernovel GAFAnomics



Facing market standards laid down by the pure players, business adapt in multiple initiatives



Faced with a market driven by new entrants, the players reinvent customer engagement so as not to be overwhelmed.



Les entreprises les plus innovantes créent de nouveaux standards pour les clients¹



3 behaviors that require transformation



THE MARKETS ARE CONVERSATIONS

Absent from these conversations over the last 10 years, the stakes for brands or for Institution is to enter the conversation of their publics by learning the codes imposed by those who practice it. It is no longer a matter of control but of exchange.

THE CONSUMER TAKEN THE POWER

According to Google, a zero moment of truth (ZMOT) has intervened between the stimulus and the first moment of truth. This is the new phase, since the emergence of the Internet, information search and exchange. Indeed, the consumer does not Passes more to the act of purchase before to have informed and shaped an opinion on line

NEW SKILLS EMERGENT. PROCESSING

New professions are emerging within the marketing departments: Architect Cloud | Growth Hacker | Data scientist | UX Designer | Traffic Manager | Developer | Community Manager | Moderator | etc. The same will apply in all sectors of activity.



**" Organisation today
has to be designed to
create change rather
than react to it "
Peter Drucker**



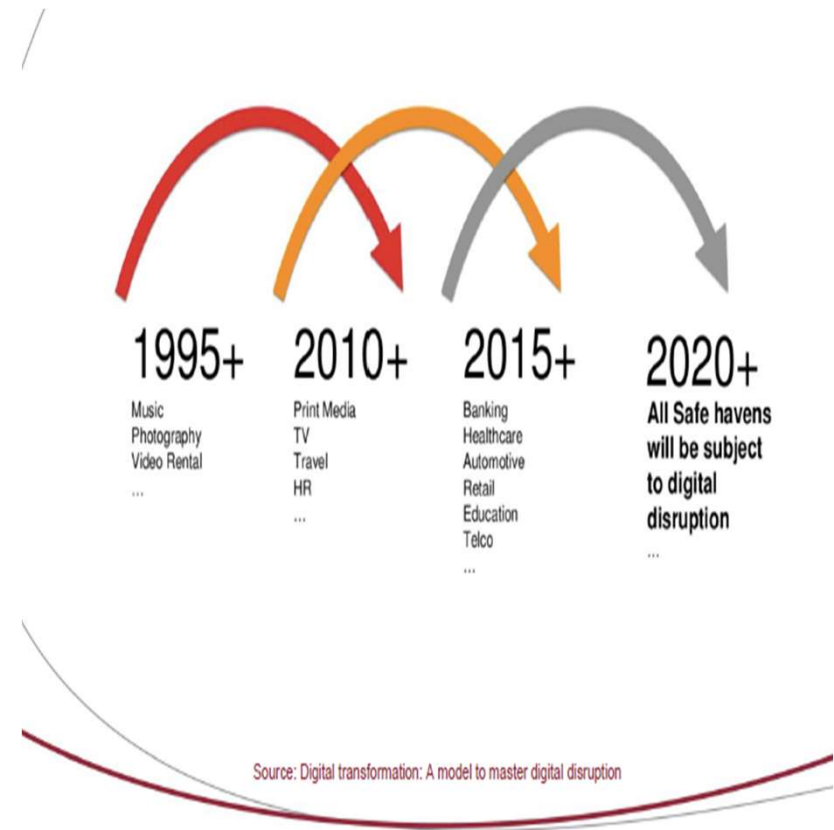
3. **DISRUPTION and VULNERABILITY**



Taking the measure of its vulnerability



- All sectors will be impacted by the revolution of uses. To avoid the arrival of new entrants, it is important to understand the approach of these new players and to read the warning signs of their actions.
- Three families of cannibals:
 - Those who directly attack Core-Business with new approaches;
 - Those who position themselves as intermediaries in a market and capture the relationship;
 - Those who propose new uses at the periphery of a sector of activity. They are called OTT (Over The Top).





Business in all sectors are confronted to new inputs

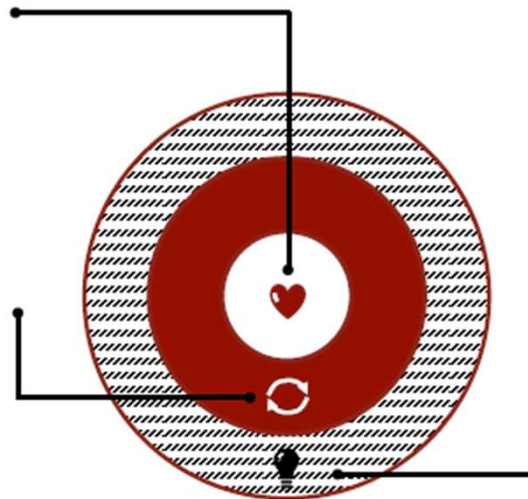


CORE BUSINESS

These new entrants attack front-line the core business of the historical enterprises with new economic models. They enter historic markets with strong competitive advantages (new uses, technological advantages, agility, speed of execution).

INTERMEDIATION

These pure-players act as intermediaries between the client and the core business. They position themselves as the 1st point of contact in the value chain, transaction and take advantage of the customer data thanks to an innovative and often multi-brand quality of service.



OTT

These are the new connected uses created as close as possible to the new expectations of insatiable audiences. These actors open a new segment of the chain of value of the sector and benefit from a position of "1st return".



Transforming is possible



- The leaders of our large companies have the intuition of the changes under way.
- They are widely sensitized, firstly by the digital activity disseminated in their company, but also by the press, their entourage, consulting firms and also their children! But that is not enough.
- In order to understand these changes, it is essential to exercise its digital practice and surround itself with people who master these practices, understand the mutations and animate the subject in its entirety.



Develop a vision of digital transformation



Moving from intuition to vision.

1. The deployment of a successful digital transformation necessarily involves **assertive governance**. Only the realization and the formalization of a vision by the leaders allow to embark the entire social body of the company in the process



Enable digital processes.

2. The activation of digital processes is at the heart of the transformation of **Companies**. Very few companies see digital as a set of processes. Nevertheless, unlike GAFA, historical companies do not carry the digital in their DNA. This is why it is necessary for them to look at the digital processes and to activate them in their organization.



Structuring the general logic around the uses

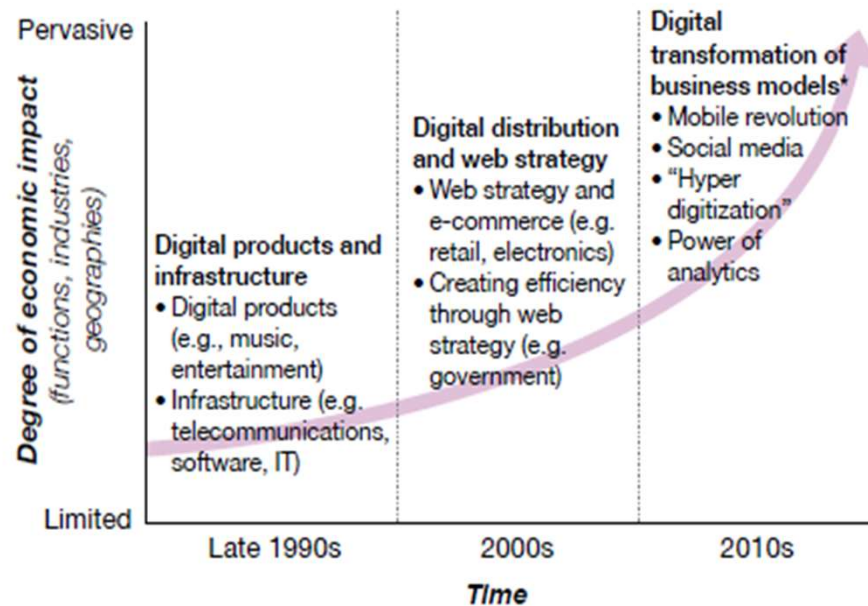
3. The last imponderable to the success of a digital transformation is the **integration of a change of paradigm**. Power is in the hands of the public: Clients, Consumers, Citizens. This is characterized by a permanent orientation of the company's actions around the improvement of the relationship and the experience of these users.



Shifting global connectivity and customer empowerment drive digital transformation



Evolution of digital transformation



Digital transformation is becoming pervasive across functions, industries and geographies.

As customers became increasingly empowered based on pervasive access to online information, along with a multiplicity of choices and channels, their expectations ratcheted skyward. As a result, customers have now become the primary force behind digital transformation in all industries.

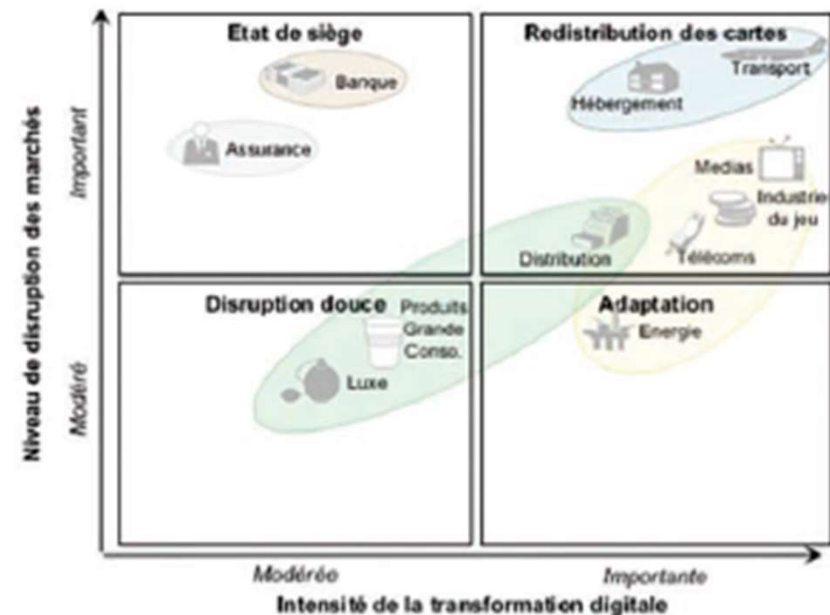


A variable digital disruption level by sectors



- Legislation, new uses, technological innovation, and the boom in data collection and processing, not to mention the new business models, which are both disruptive elements that deeply question traditional business models.
- However, if all sectors are affected by the digital wave, not all are affected to the same degree.

Intensité des disruptions par secteur d'activité



Source: BCG



New business model



Les nouveaux business models (Source BCG)

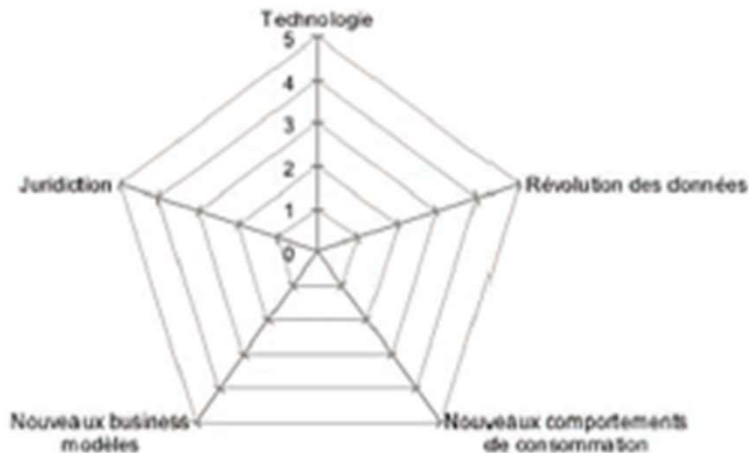
| Modèle | Définition | Facteur de distribution | Exemples |
|--|---|---|----------|
| E-partage/ Economie de la location | Offre aux utilisateurs la propriété temporaire d'un produit sans qu'ils aient à l'acheter | <ul style="list-style-type: none"> Le profit est généré par l'économie du partage Les coûts intermédiaires sont réduits ou supprimés par la mise en relation des locataires et propriétaires Les entreprises n'ont plus à investir dans des produits et à posséder de stocks | |
| Écosystème | Les produits, services et données des consommateurs interagissent et sont interdépendants | <ul style="list-style-type: none"> La fidélité des consommateurs aux marques diminue et les coûts de transfert sont réduits Les ventes croisées sont facilitées Les entreprises deviennent la référence des consommateurs dans de nombreux domaines | |
| Souscription | Le consommateur paie un montant régulier pour accéder au produit/service | <ul style="list-style-type: none"> Les incertitudes et avances de trésorerie sont réduites grâce à l'apport de flux de revenus constant La fidélité des consommateurs est accrue Les revenus des abonnements peuvent dépasser ceux d'un achat unique traditionnel | |
| Freemium | Service de base offert gratuitement, avec des options payantes | <ul style="list-style-type: none"> Les offres gratuites permettent d'attirer rapidement des clients Les clients qui ne paient rien produisent des données et des commentaires L'essai de la marque peut être promu auprès de nouveaux consommateurs | |
| A la demande | Service de base offert gratuitement, avec des suppléments payants | <ul style="list-style-type: none"> Les offres gratuites permettent d'attirer rapidement des clients Les clients qui ne paient rien produisent des données et des commentaires L'essai de la marque peut être promu auprès de nouveaux consommateurs | |
| Marketplace | Plateforme qui connecte les vendeurs de produits ou services avec les acheteurs | <ul style="list-style-type: none"> L'entreprise a un potentiel d'offre de produits ou services illimité Les inventaires ne sont plus nécessaires L'entreprise peut faire payer des frais annexes aux vendeurs partenaires contre des services supplémentaires | |



5 driving forces affecting companies



5 forces de disruption



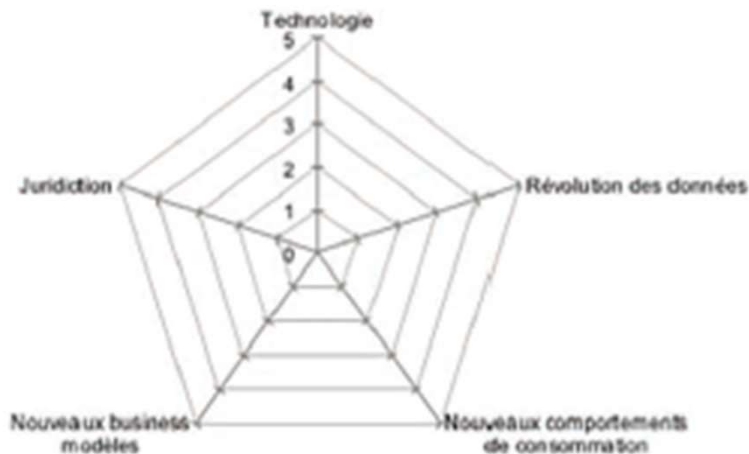
- **The technological advances**, which lead to varying degrees of adoption of digital tools between new entrants and historical actors.
- **The data revolution** represents a second reason for rupture, with an unprecedented volume of exchanged volumes, but a level of capture by companies that is not always homogeneous. New business models are emerging, feeding on data to boost their competitiveness.
- **The emergence of new business models:** rental economics, payment for use, recourse to the ecosystem, underwriting, marketplaces, "on demand", or freemium ... all coming Pressure on margins.



5 driving forces affecting companies



5 forces de disruption



- **The change in consumer behavior** is a third actor of urgency: customers now rely heavily on digital in their relations with companies, while the latter mostly switch from a supply of products to a service offer.
- **The legal and regulatory** aspect also affects the economic models present, depending on the sector: barriers to entry, licensing costs, regulation of production, distribution and delivery methods, etc.



Strong transformations ...

- redefining product distribution patterns
- redefining the collection and analysis of data
- Redefinition of customer relations (multi-access model, responsiveness, services, ...)
- Redefining the organization of the company
- Focusing the organization on its core competencies
- Transfer of tasks to the client

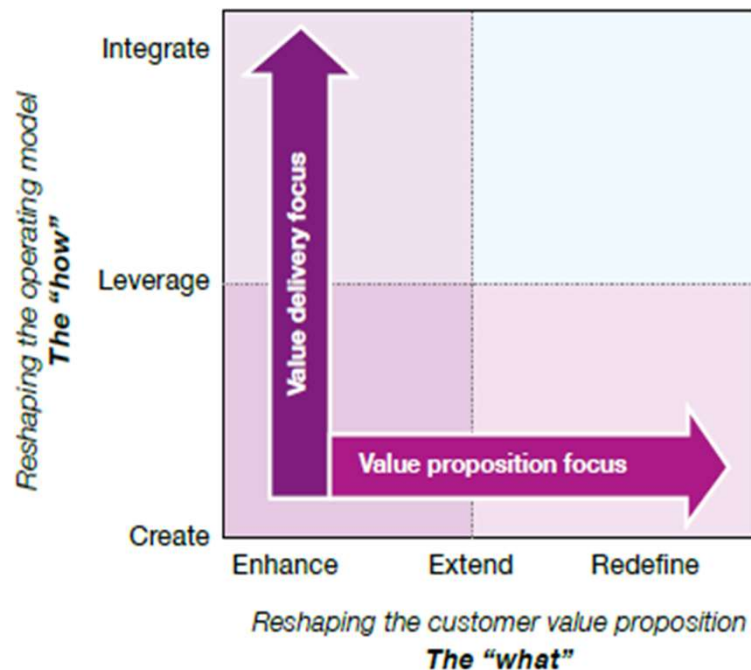


... leading to massive investments

- The creation of LABs
- R & D centers dedicated to Big Data and Data Science
- The creation of investment funds in start-ups
- Contribution to open innovation: Hackathons, Kaggles, challenge of collaborative innovation



Most companies focus on either creating digital value propositions or operating models.



What do businesses need to do to get ahead of the widespread forces for change in our digital age?

Key areas include reconfiguring the customer value proposition (what is being offered) and reshaping the operating model (how it is delivered).

Up to now, most organizations have focused on one of these areas through a set of specific initiatives..



Digital transformation requires strategic development of the value proposition and the operating model

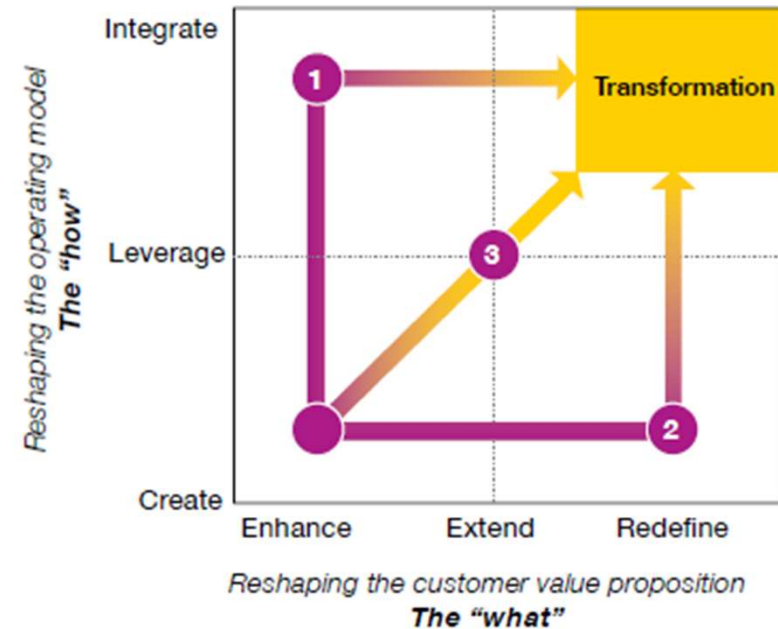


Path 1 : Create and integrate digital operations first. Then address the customer value proposition to achieve full transformation.

Path 2 : Enhance, extend or reshape the customer value proposition with digital content, insight and engagement. Then focus on integrating digital operations.

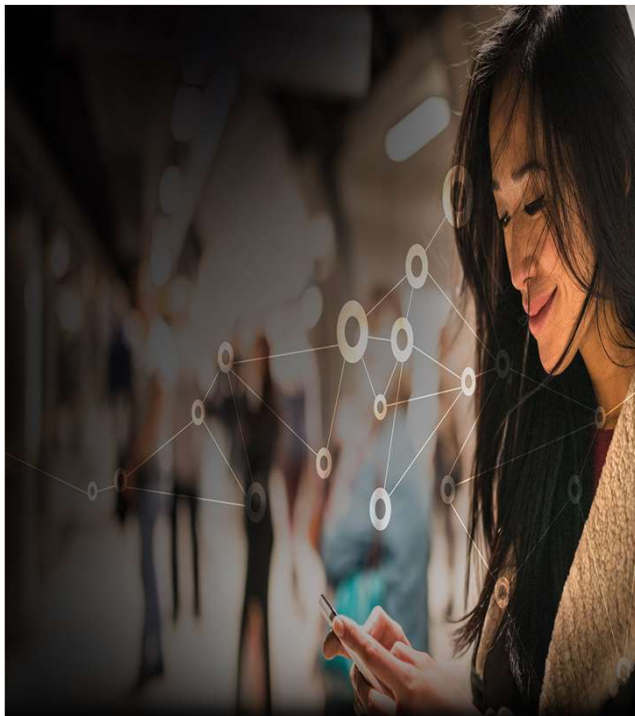
Path 3 : Build a new set of capabilities around the transformed customer value proposition and operating model in lock-step.

Paths to digital transformation

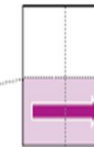




3 stages in reshaping the customer value proposition



Reshaping the customer value proposition



| Enhance or augment physical products or services with digital content, information, insight and engagement | Extend the physical or traditional products and services through digital content, creating new revenue streams | Redefine the value delivered to customers, replace physical with digital or build fully integrated digital/physical value and revenue |
|---|--|--|
| Key strategic moves <ul style="list-style-type: none"> • Augment the customer experience with digital content • Differentiate with digital community • Enhance customer experience across multiple touch-points | Key strategic moves <ul style="list-style-type: none"> • Add new revenue streams to traditional or mostly physical offerings • Create new revenue streams from stretching the brand • Integrate across touch-points to increase sales and transactions | Key strategic moves <ul style="list-style-type: none"> • Design new revenue models in which digital elements replaces physical ones • Recombine or reassemble "information elements" to create new or additional value • Transform the customer experience |



3 stages in reconfiguring the operating model



Reshaping the operating model



Create

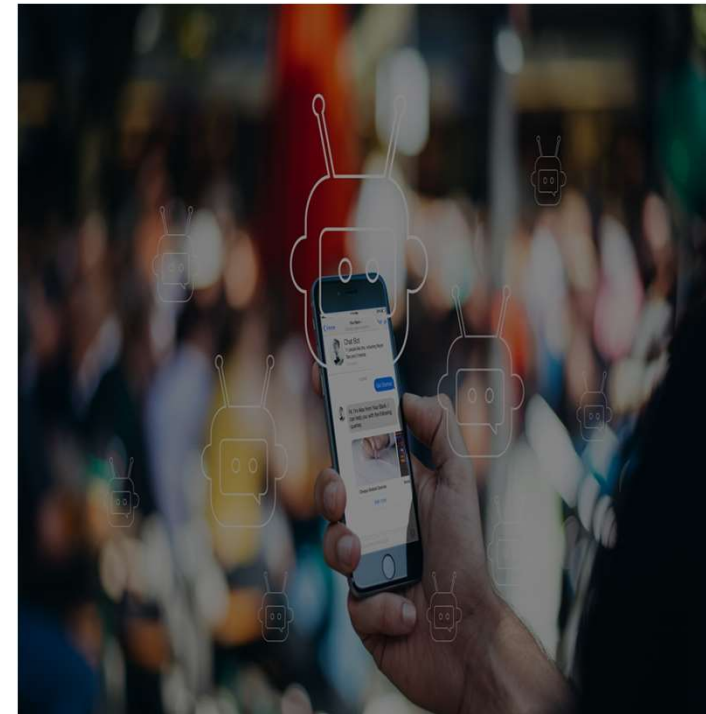
the basic digital delivery capabilities required to improve operations and engage customers across multiple touch-points

Leverage

by using information across channels and organizational structures, while optimizing capabilities within each element

Integrate

and fully optimize all elements of the value delivery around customer touch-points and deliver efficiency/effectiveness





Is your organization ready for digital transformation? (1)



Are you reshaping your customer value proposition?

- How are you engaging with customers to understand their needs and expectations – and how they are changing in the digital environment?
- How do mobile and online technologies change the way you can engage with and create new value for your customers?
- How will you drive the digital agenda in your industry rather than having it imposed on you by competitors?





Is your organization ready for digital transformation? (2)



Are you optimizing your operations?

- How do you integrate online and social media touch-points, customer information and insights across your entire enterprise?
- What are you doing to make sure you are putting the customer at the center of your supply chain planning and execution every time?
- How are you realizing the benefits of open collaboration – within your enterprise, with customers and with partners?
- How are you optimizing your digital and physical components across all aspects of your operating model?



4. **DISRUPTION and VULNERABILITY**



Uses that allow digitization



Corporate Social Network (CSR)

Communication / Information / Discussion / Collective intelligence
Eve / Innovation / Knowledge capitalization / Knowledge transfer
Experience sharing / Teamwork / Networking / Collaboration
Energy federation / Self management / Process



Analytics : objectives and usages



Economic development

- Better listening to customers, better understanding their behaviors to interact in a personalized and simplified way
- Improve management performance and save money
- Facilitate the evaluation of services, assist decision-making
- Anticipate behaviors or needs, to predict and prevent future trends

Evolution of science and knowledge

Education, Health, ...



Brain Systems, Connections,
Associations, and Network Relationships



Challenges of digital transformation



Growth and Profitability Dependent on Digital Use:

- Accessing new markets,
- Create new user experiences
- Offer new products and services
- Coping with global competition
- Setting up a new business model
- **DO NOT oppose this inevitable evolution of the market**
- **BUT to accompany it to better channel it, to frame it in order to prevent dangers and to control the risks**
- **AND to do this you have to prepare yourself in advance in order not to suffer**



**"Better to take the change by the hand before it takes us by the throat. "
Winston Churchill**



The risks of not digitizing its business



Emergence of new economic models and new actors that change the ecosystem and the value chain:

- 63% of large companies found a break in their sector often created by startups centered on Usages / Services and data (servicisation)
- 27% report losing clients
- 43% launch projects to capture the value of data (digital strategy)



\$ 10 billion in 2015
25% of the world's taxi industry



28% of the hotel park in Paris





The risks of not digitizing its business



"The new does not emerge from the old, but appears next to the old," competing with it until ruining it. "

Joseph Schumpeter, Theory of Economic Evolution, 1911/1926



4. OPPORTUNITY for SUSTAINABILITY ?



Digital for sustainable development



Many companies understand sustainable development as a guarantee of sustainable growth and performance.

They seek to integrate environmental, social and economic concerns into their overall strategy and their interactions with their ecosystem: customers, suppliers, collaborators or local authorities. Digital technologies include the design of systems to improve energy, resource and transport management.

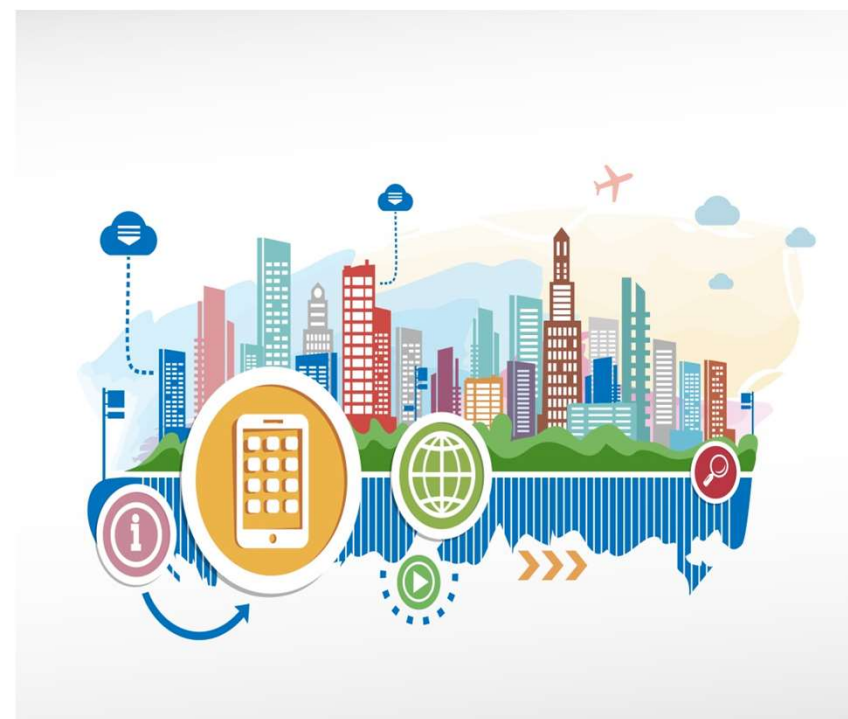


Digital for sustainable development



Big data can provide better management of energy and resources.

Smart Grid projects using digital technologies in electricity distribution networks save energy. Veolia and IBM are currently leading a project on smart water to make water management smarter, be assured of supplies and avoid waste. Real-time network monitoring with smart meters and flow and water quality sensors can reduce leakage rates, speed up operations and generate operating efficiencies.





Digital for sustainable development



In agriculture, for example, drones can allow farmers to better map the plots and thus know precisely which places need water or nitrogen. Software uses climate data, crop control, seasonal forecasts and local specificities to achieve a more sustainable yield. By combining satellite imagery, Open Data and Crowdsourcing, forest monitoring systems provide data on deforestation, its impacts on the climate and thus to make thoughtful and sustainable decisions



A stake for the e-reputation of a company?



Stakeholders are sensitive and committed to the most responsible companies. The latter informs and sensitizes them via dedicated sites and periodicals of information. Many companies now use digital tools to communicate on their CSR strategy. But with 45% of the French population active on social networks in 2015 (29% in the world), they must integrate the stakeholders of the web and social media by listening and dialogue.



A stake for the e-reputation of a company?



The scandal of horse meat that broke out in January 2013 provoked an important bad buzz: sharing of the same and false Twitter account of Findus (failing an official account) taken over by influential media. In the absence of transparency and management of social media, Findus observed a 30% drop in sales on its cooked meals three months later. Would the scandal have assumed such gigantic proportions if Findus had had a better digital strategy?





A stake for the e-reputation of a company?



Another example is LEGO, which is recognized as a company committed to the environment but has partnered with Shell to manufacture its plastic figurines that require oil. LEGO betrays its commitments, ethics and requirements with this partnership according to Greenpeace, which does not hesitate to launch a campaign against the toy manufacturer: sending emails to LEGO executives, online petition and video published on YouTube.



https://www.youtube.com/watch?v=qhbliUq0_r4&list=RDqhbliUq0_r4



A stake for the e-reputation of a company?



The new digital tools seem to go hand in hand with sustainable development and benefit the company: cost reductions, creation of new services, improved sales, loyalty and image re-acquisition. But digitization in the company raises the question of the protection of personal data such as those derived from geolocation or biometrics devices.

Moreover, digital does not always rhyme with environmental: polluting manufacture of equipment, short life cycles (programmed obsolescence), e-waste electronically difficult to recycle (e-waste), electricity consumption not negligible ... Efforts still need to be provided in terms of Green IT.



OBRIGADO



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