

Transform Your Business to Compete in the Digital Age

#ChileDigital @david_rogers



Wi-Fi:

Network: Columbia

User Name: columbia2018

Password: global2018

Welcome, Introductions & Overview of Today



Digital Business Strategy
Columbia Business School Executive Education

@David_Rogers, Faculty Director

Write in your notepad

Q: What is the biggest “digital” challenge you face at your business?

... then, join your group to discuss.

Introductions

Each share with your table:

1. What's your name, business, and industry?
2. What is the biggest "digital" challenge you face at your business?

Report back (optional):

1. Share one digital challenge OR objective that you discussed (*not mentioned by a prior group*)

@David_Rogers
Faculty Director



#ChileDigital (program hashtag)



david.rogers@columbia.edu

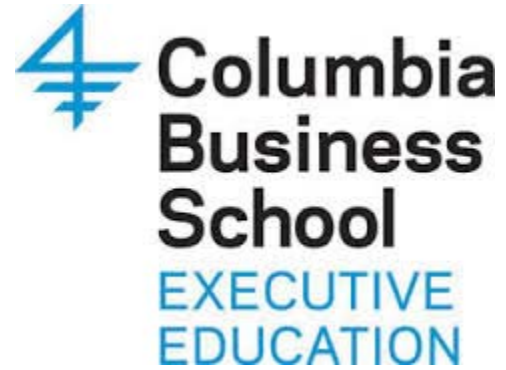


linkedin.com/in/davidrogersnyc



@david_rogers





3 Days (in NYC)



**3 Weeks (NYC / SFO)
over 6 months**

Special Events



Online Programs

COURSE HIGHLIGHTS

 **159**
Interactive Lectures

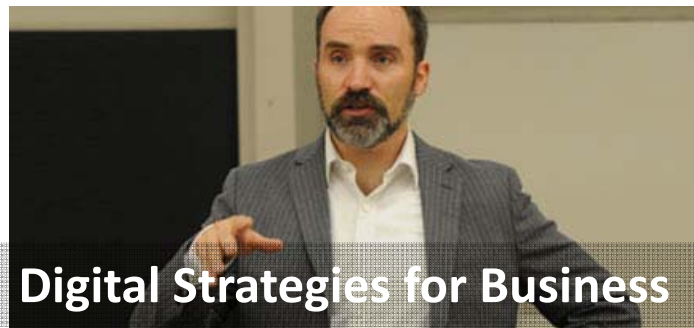
 **10**
Real World Applications

 **24**
Discussions

 **1**
Case Study

 **1**
Capstone Assignment

 **1**
Simulation

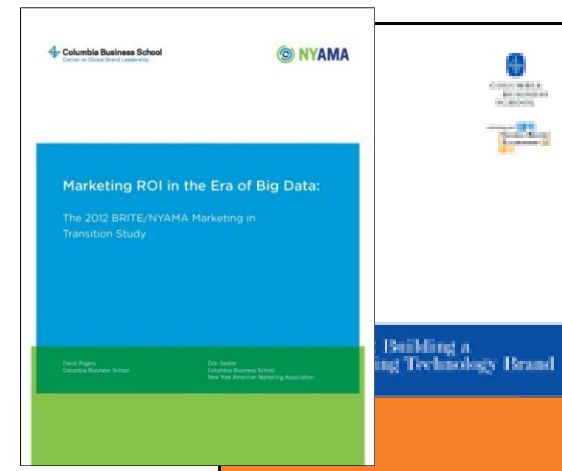
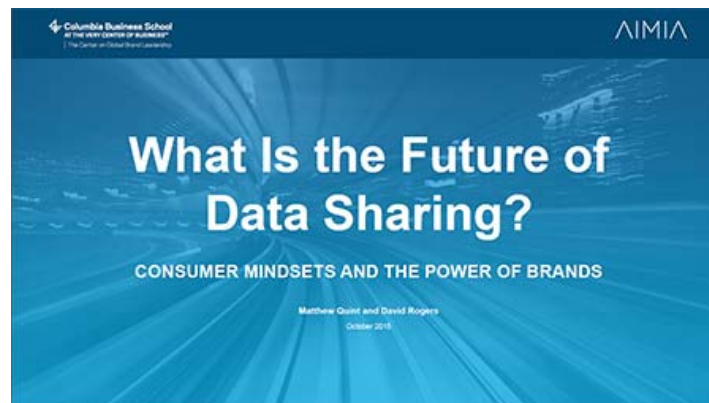
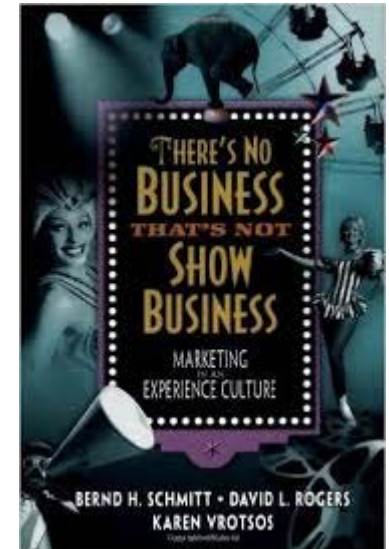
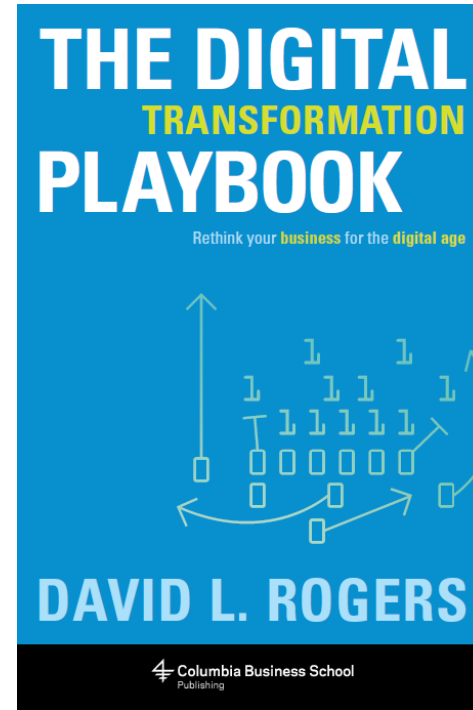
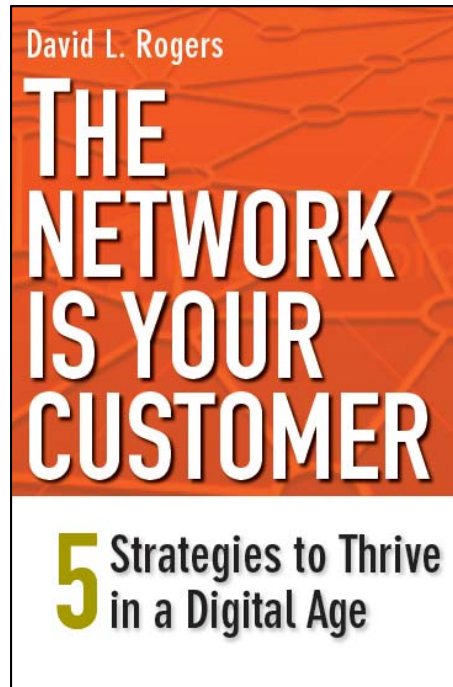
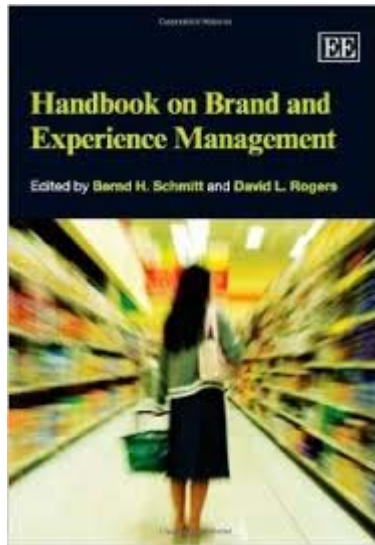


10 Weeks (online)



12 Weeks (online)

Books & research



Some companies worked with



Cartier



VISA

HSBC



Telstra

tigo
ure



Pernod Ricard

HEARST



中國東方航空
CHINA EASTERN

MOVADO



TOYOTA



Hard Rock

سابك
sabik

SAP


CMI
CORPORACIÓN MULTI INVERSIONES

THE DIGITAL TRANSFORMATION PLAYBOOK

Rethink your **business** for the **digital age**



DAVID L. ROGERS

 Columbia Business School
Publishing

Program outline: Day 1

Time	Module
9:45-11:15	Introduction (Karen Poniachik) The 5 Domains of Digital Transformation: A Holistic Framework
Break	
11:30-1:00	Big Data, Analytics, and the True Power of A.I. Spotlight: Development of the Future Workforce (Jennifer Goetz)
LUNCH	
2:00-4:30	Mastering Disruptive Business Models Exercise: the Disruptive Business Model Map Leading Digital Transformation in the Enterprise

The 5 Domains of Digital Transformation: A Holistic Framework



@David_Rogers

Faculty Director, Digital Business Strategy

Columbia Business School Exec Ed

www.davidrogers.biz

THE WALL STREET JOURNAL.

World U.S. Politics Economy Business **Tech** Markets Opinion Arts Life

TECH | KEYWORDS

Wall Street to CEOs: Disrupt Your Industry, or Else

Investors and boards are hunting for corporate leaders who can move quickly to fend off upstarts and place big bets on disruptive tech



Ford moved to pick up the pace of change by abruptly replacing its CEO with industry outsider Jim Hackett, shown Monday in Dearborn, Mich. PHOTO: PAUL SANCYA/ASSOCIATED PRESS



By *Christopher Mims*

May 26, 2017 5:30 a.m. ET

For pretty much any industry you can name—not just autos but manufacturing, logistics, finance, media and of course retail—there are tech startups purporting to have better ideas, ones they say they don't need decades to make into realities. It isn't as if all these industries will see massive CEO turnover, but it does mean established companies need to consider drastic measures. They must be willing to tell their stakeholders they may have to lose money and cannibalize existing products and services, while scaling up new technologies and methods.

Quick POLL:

How seriously does the CEO of your enterprise take the imperative for digital transformation?


1. Our industry has already been disrupted
2. Disruption is imminent: We must change fast or we will be disrupted
3. We need to move soon to prepare ourselves ("future proof") for digital change
4. Digital is important, but it is not as impactful on our business
5. Digital is a fad

THE DIGITAL TRANSFORMATION PLAYBOOK

Rethink your **business** for the **digital age**



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 Columbia Business School
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The challenge of
digital transformation:

*How does a business started
before the Internet adapt
to grow in the digital age?*



UBER

**Founded
2009**

≠



**Founded
1892**



Digital transformation is not
about technology

5 DOMAINS OF DIGITAL TRANSFORMATION



CUSTOMERS



VALUE



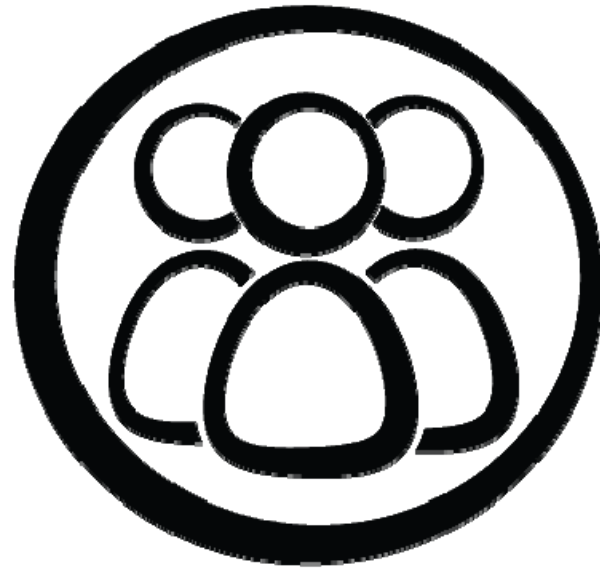
COMPETITION



INNOVATION



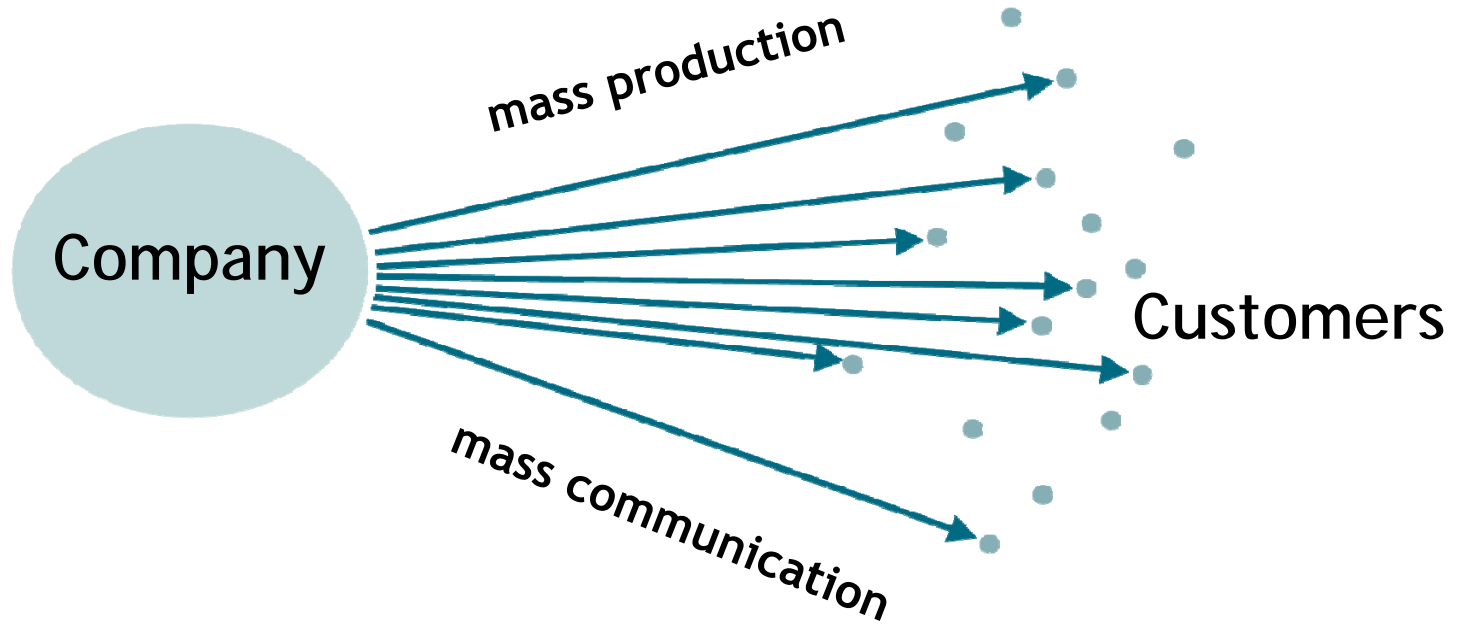
DATA



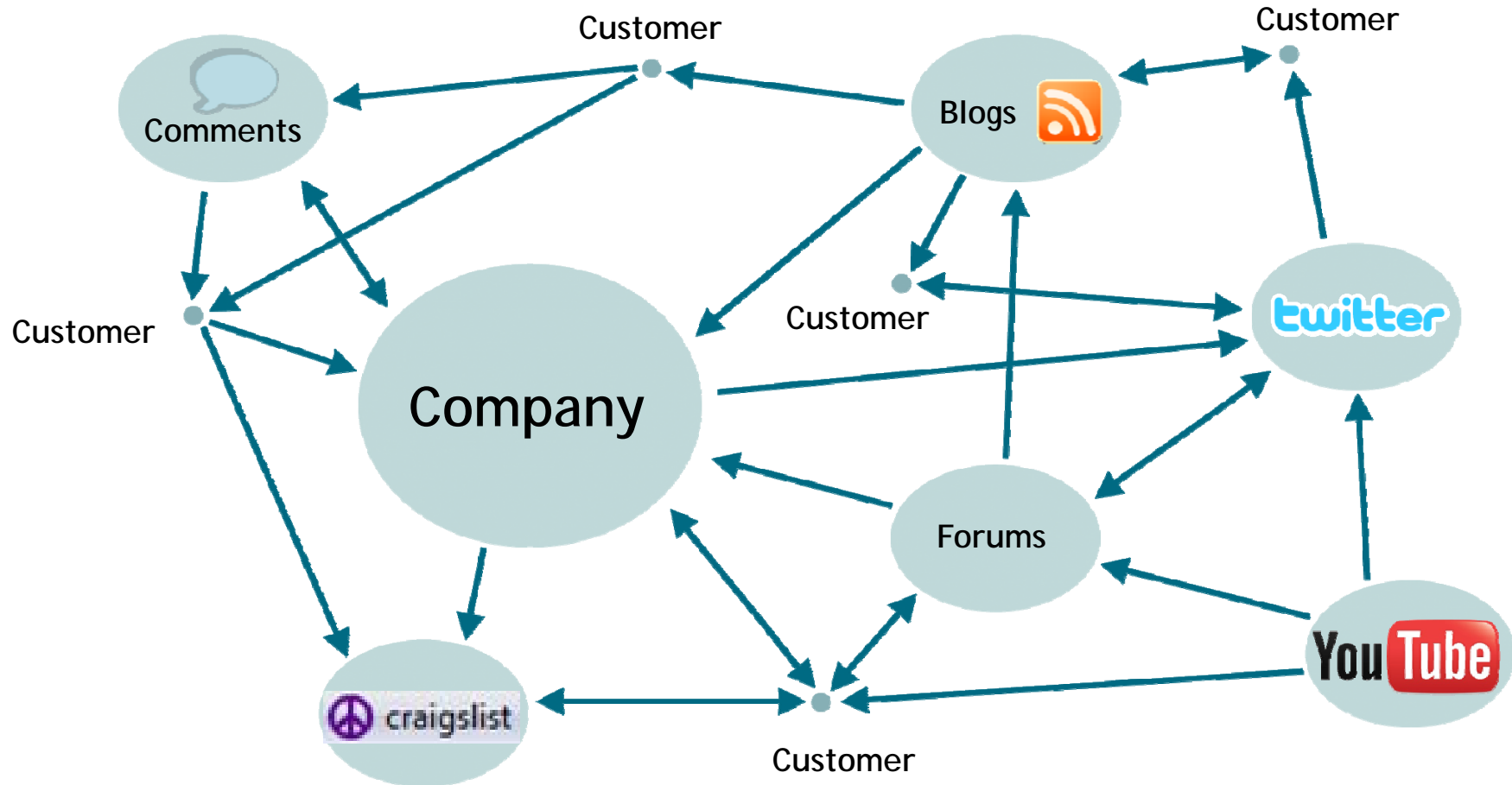
CUSTOMERS

From passive targets... to dynamic networks

Mass market model



Customer network model





Circa 1987



Value proposition: "30 minutes... or it's free"



DOMINO'S

ANYWARE™

*Order your favorite
oven-baked goodness on your favorite devices.*



ZERO CLICK



TEXT



TWEET



ECHO



SMART TV



CAR



SMART WATCH



VOICE

Next up...



Europe



New Zealand



USA

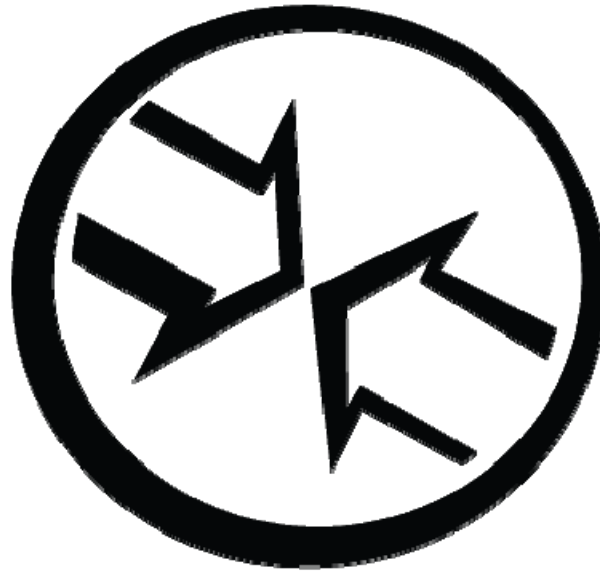


CEO Patrick Doyle:

*"We are as much a tech company
as we are a pizza company."*

Stock price

- 2010 \$8.76
- 2017 \$186.37



COMPETITION

From products... to platforms



InterContinental Hotels Group



HILTON
WORLDWIDE



ACCOR

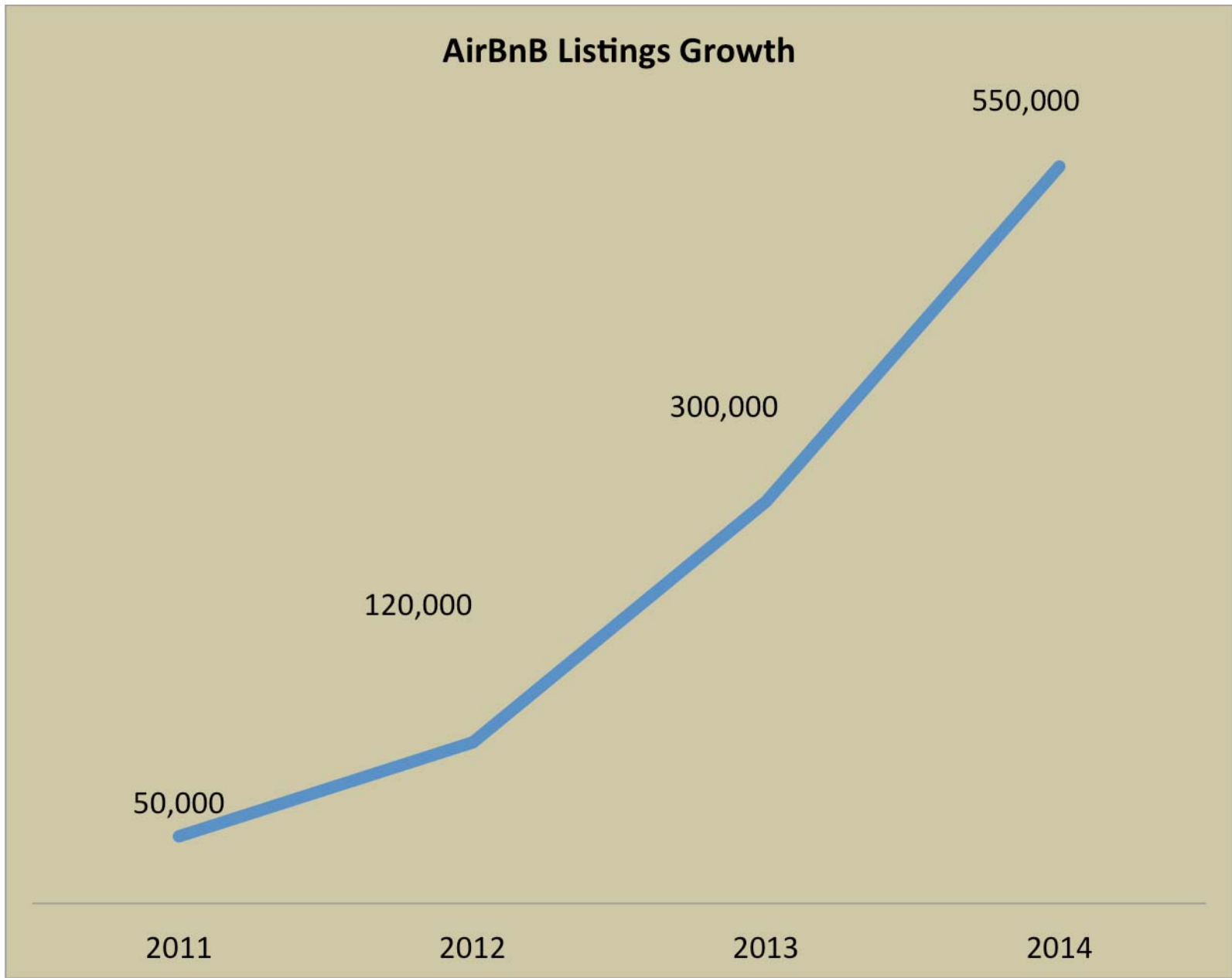


Marriott®

The logo for Marriott features a red circular symbol with three white diagonal stripes above the word 'Marriott' in a red, serif font, followed by a registered trademark symbol (®).



AirBnB Listings Growth



Brand	Market cap/valuation
Marriott	\$39.4 B
Airbnb	\$31.0 B
Hilton	\$21.4 B
Accor	\$13.3 B
Starwood	\$13.1 B
Wyndham	\$11.0 B
Intercontinental Hotel Group	\$10.6 B
Hyatt	\$7.3 B
China Lodging Group	\$5.9 B
Choice Hotels	\$3.8 B

Source: Google Finance 6/26/2017

Platforms: 8 of 10 Largest Co's Started Since 1994



中国移动通信
CHINA MOBILE



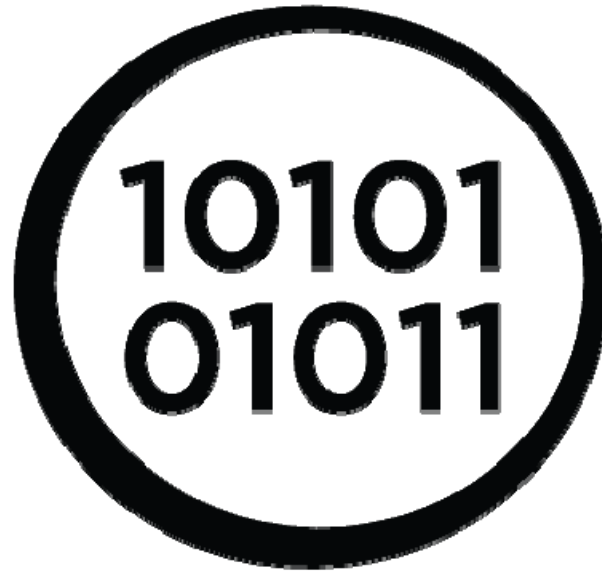
Alibaba.com

Tencent 腾讯



priceline.com®





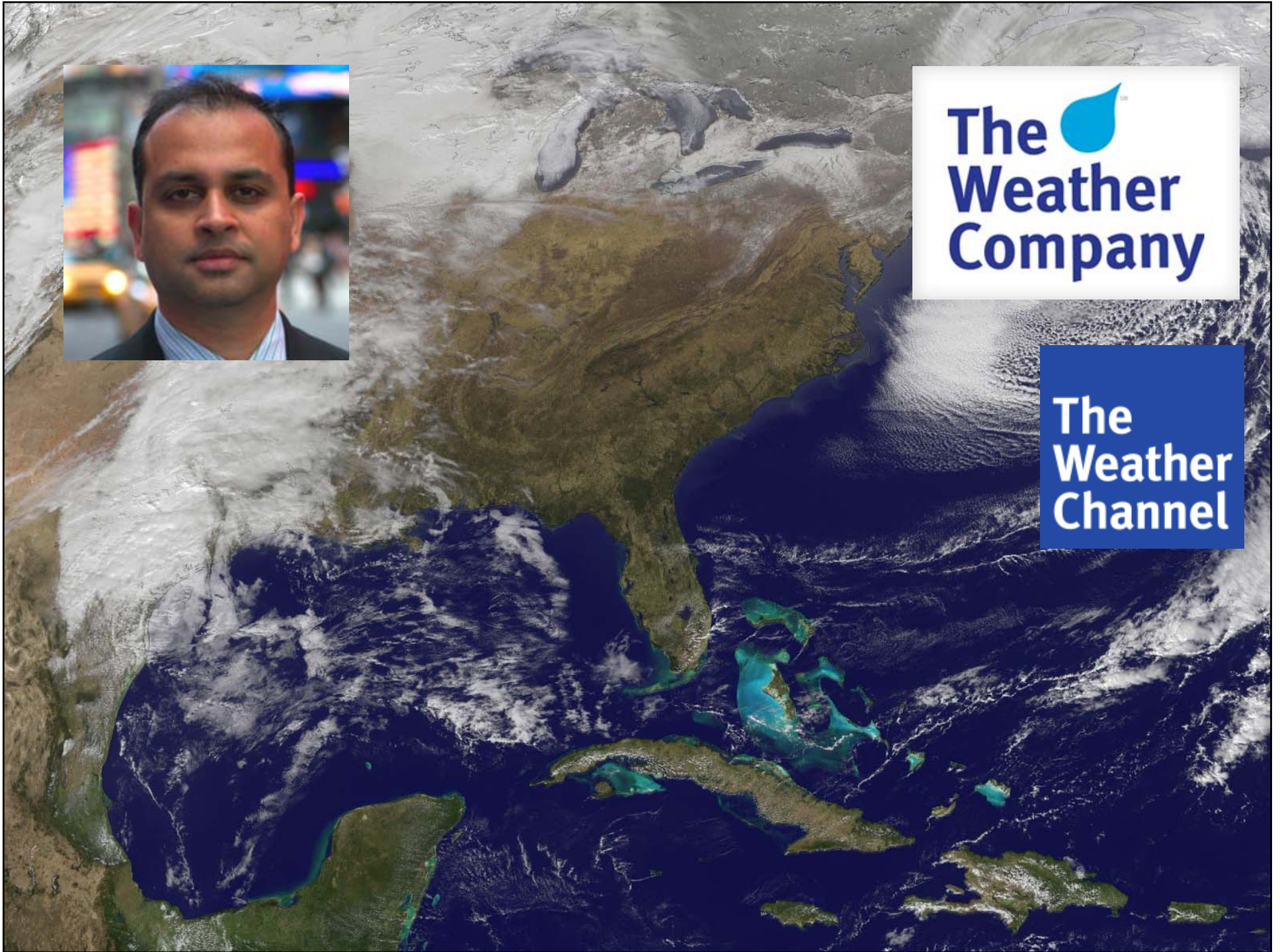
DATA

From process... to strategic asset



The 
Weather
Company

The
Weather
Channel



Save money.
Live better.™

Unbeatable
Prices
\$364

Unbeatable
Prices
\$396

Unbeatable
Prices
\$216

Unbeatable
Prices
\$2

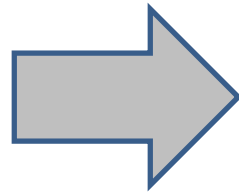
The Weather Company





The 
Weather
Company





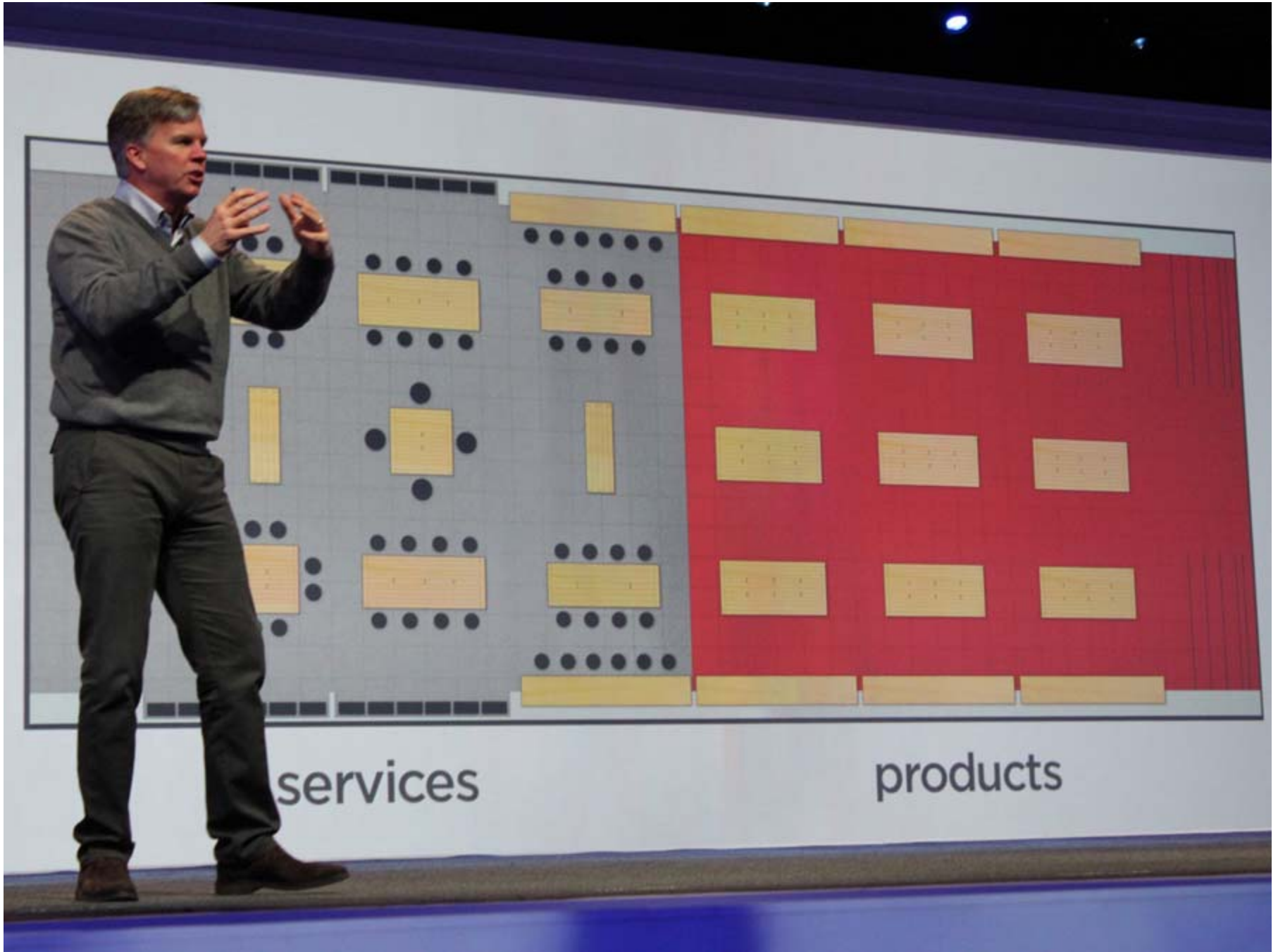


INNOVATION

From planning... to learning

JCPenney





services

products



PROFILE

RETAIL'S NEW RADICAL

HE'S THE GUY BEHIND THE APPLE STORE AND TARGET'S COOL CACHET. NOW HE WANTS TO FIX J.C. PENNEY.

WHO IS *Ron Johnson* AND WILL HIS HIGH-STAKES MAKEOVER REALLY WORK?

By JENNIFER REINGOLD

484 FORTUNE March 26, 2012

Photo: Justin M. Sizemore

March 26, 2012 FORTUNE 484

jcp jcpenny fact sheet: pricing

fair and square.

3 kinds of pricing. no games, no gimmicks.

- everyday**
other stores mark it up just to put it on sale, we price it low and keep it that way everyday.
- month-long**
even better prices on what you need, now—all month long.
- best**
our best prices start the first and third Friday of every month and last until the goods are gone.



TO BE CLEAR: JC Penney May Have Just Had The Worst Quarter In Retail History



Henry Blodget [✉](#) [📱](#) [🐦](#)

🕒 Feb. 28, 2013, 10:07 AM 🔥 29,737 💬 30

intuit.



Deepa Bachu

Challenge:
Financial product to raise Indian farmers' income 10%



Buyer-Seller online auction



Supply-side crop information



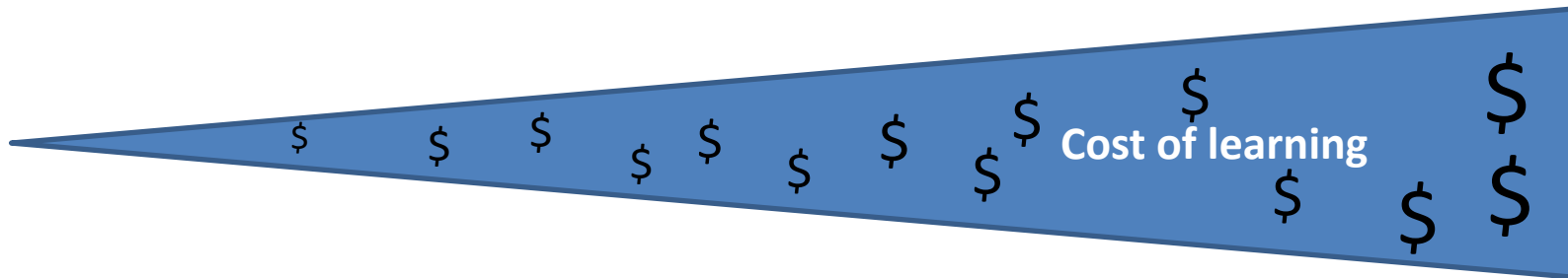
SMS based buyer-seller matching



Farmer income
+20%
1m customers

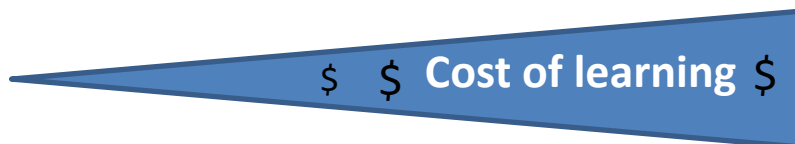
Traditional innovation cycle

Observe Generate ideas Analyze & discuss Team decision Design product Build product Launch & market **Customer response**



Innovation by rapid experimentation

Observe Generate ideas Design prototype & test **Customer response**

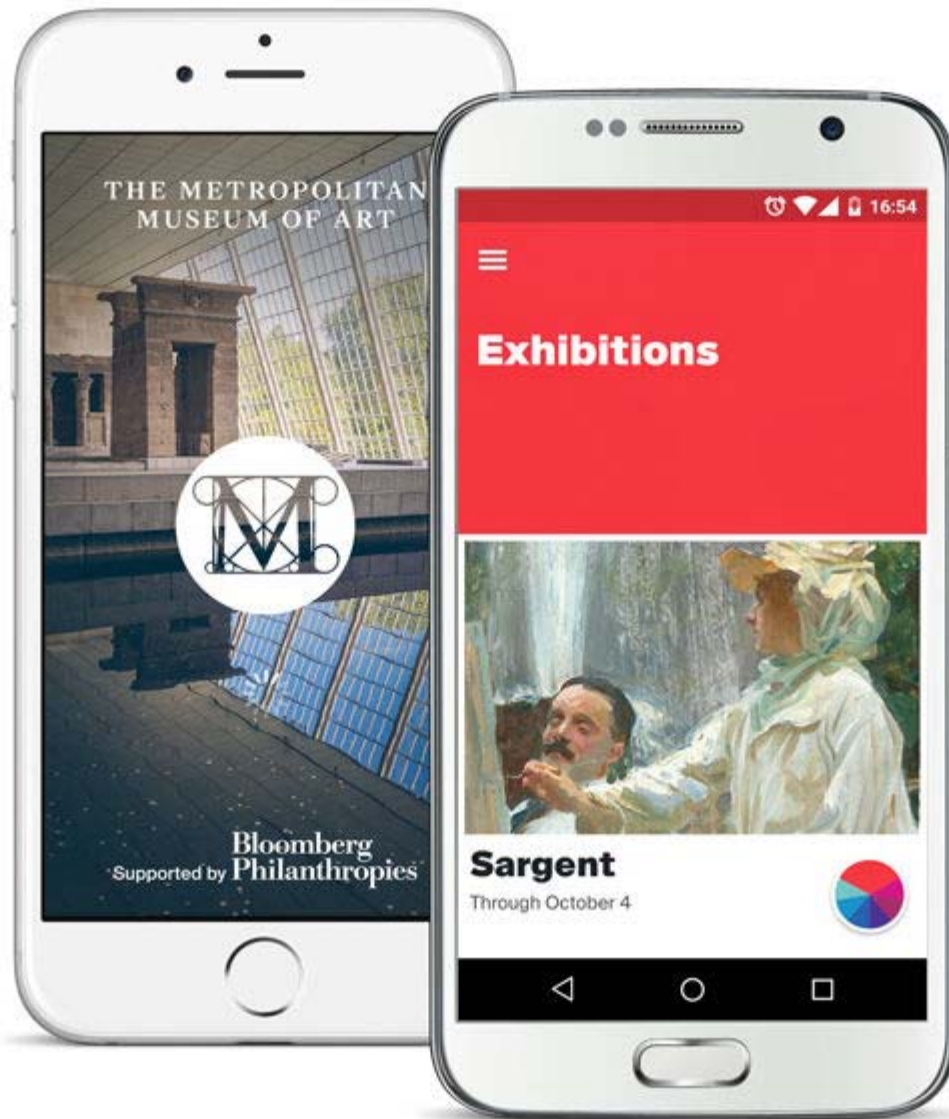




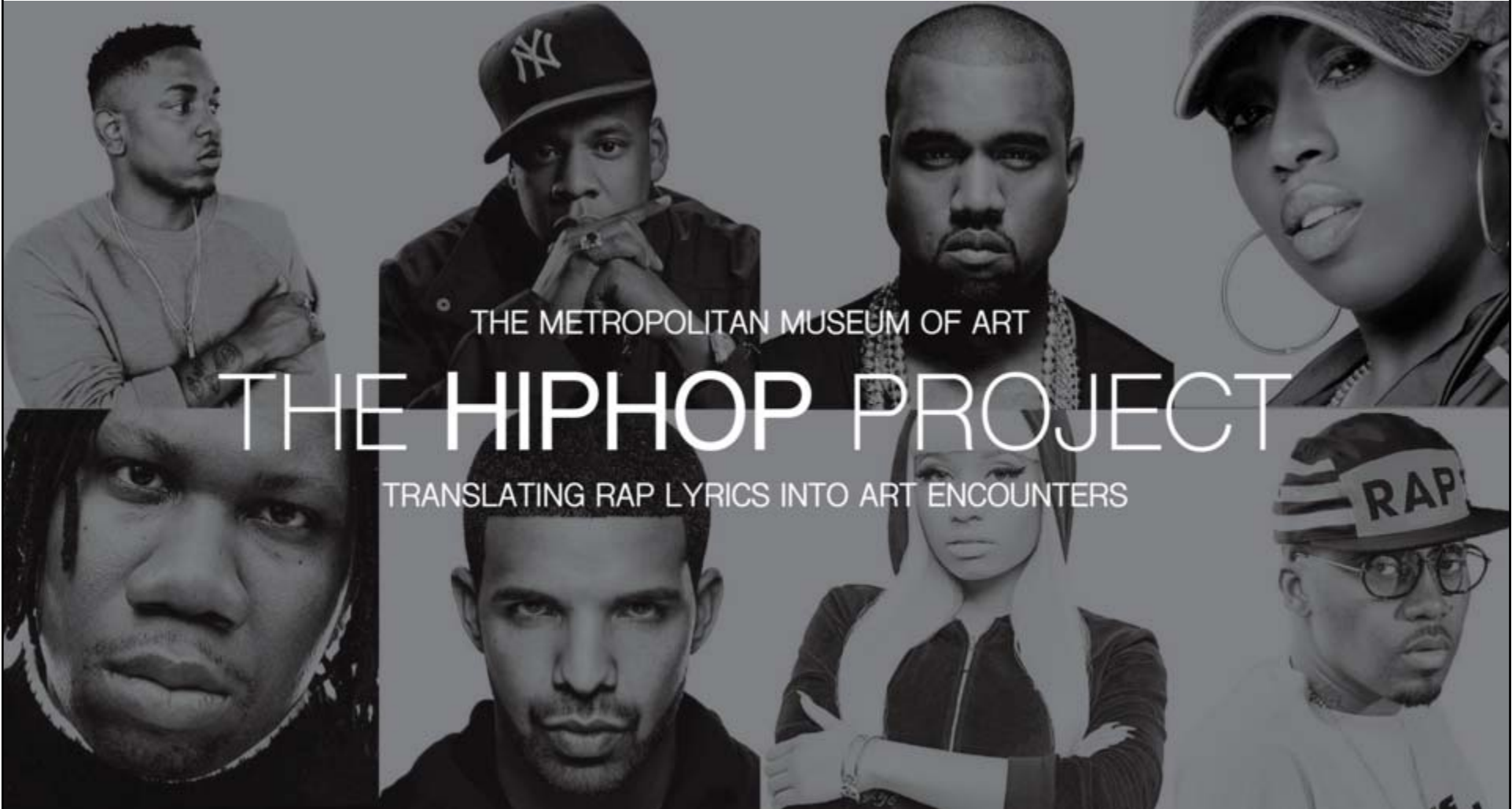
VALUE

From sustaining... to adapting









THE METROPOLITAN MUSEUM OF ART

THE HIPHOP PROJECT

TRANSLATING RAP LYRICS INTO ART ENCOUNTERS



“Our competition is not other museums. It’s Netflix, Candy Crush. We’re fighting for attention.”

– *Sree Sreenivasan, former Chief Digital Officer*

THE DIGITAL TRANSFORMATION PLAYBOOK

DOMAINS

STRATEGIC THEMES

KEY CONCEPTS



CUSTOMERS

Harness customer networks

- reinvented marketing funnel
- path to purchase
- core behaviors of customer networks



COMPETITION

Build platforms, not just products

- platform business models
- (in)direct network effects
- (dis)intermediation
- competitive value trains



DATA

Turn data into assets

- templates of data value
- drivers of big data
- data-driven decision making



INNOVATION

Innovate by rapid experimentation

- divergent experimentation
- convergent experimentation
- minimum viable prototype
- paths to scaling up

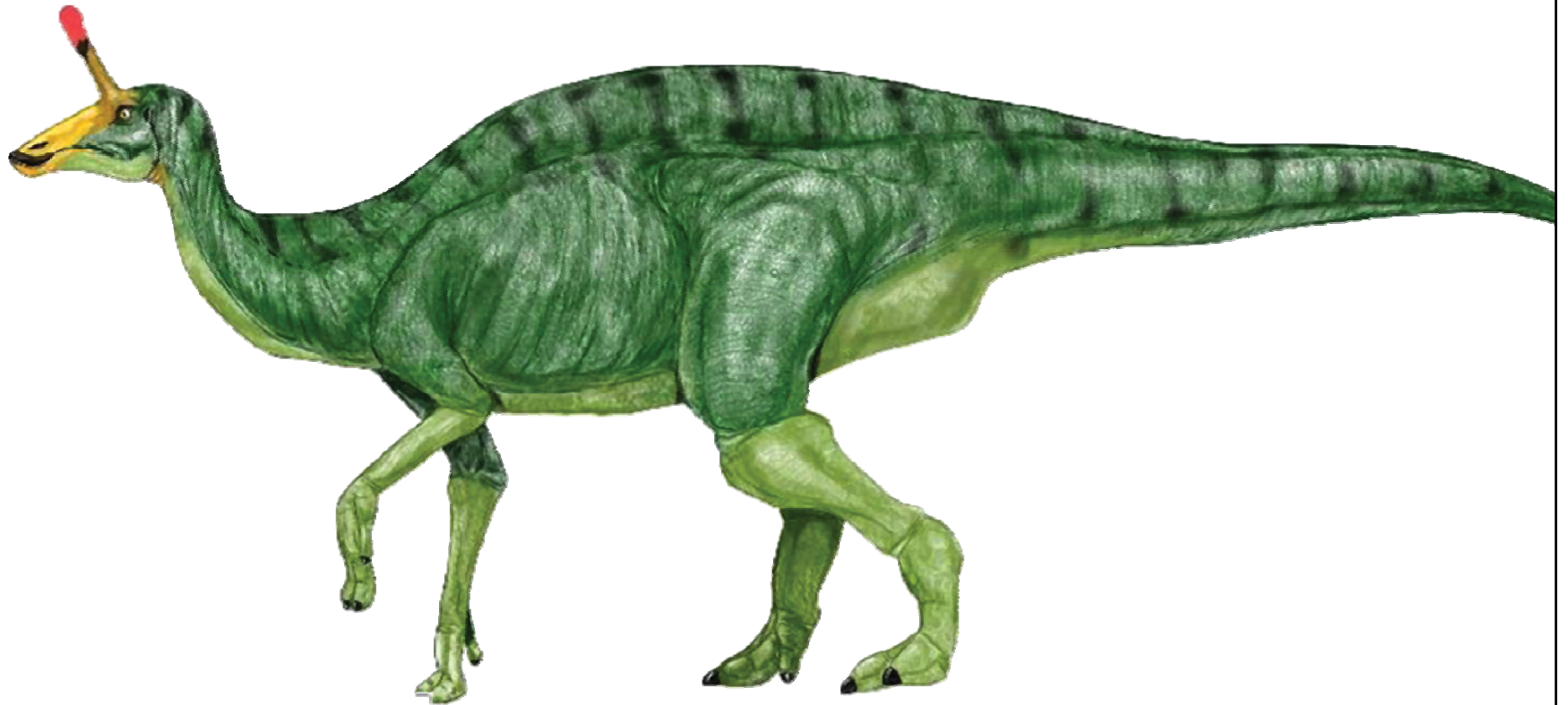


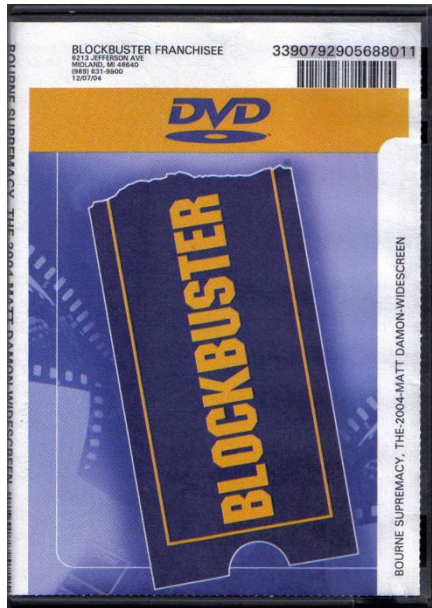
VALUE

Adapt your value proposition

- concepts of market value
- paths out of a declining market
- steps to value prop evolution

DISRUPTION?





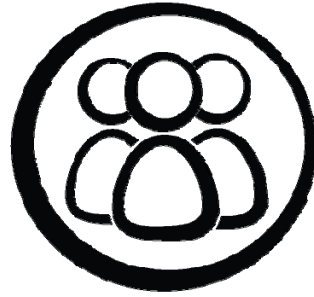


“By the time we stopped publishing the print set, the sales represented only about 1% of our business. We’re as profitable now as we’ve ever been.”

-- Jorge Cauz, President

Digital transformation is not about technology,

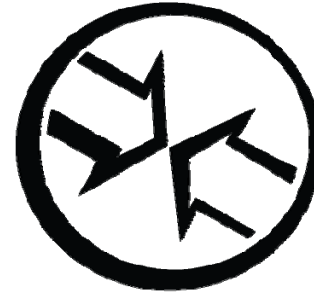
...it is about STRATEGY, LEADERSHIP,
and new ways of THINKING



CUSTOMERS



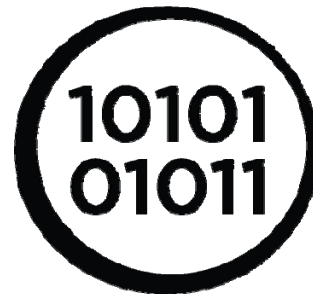
VALUE



COMPETITION



INNOVATION



DATA

Questions?