![marlabs](driving digital agility)

# Reimagining businesses with the **Power of Digital**

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# Overview

The COVID-19 pandemic has been a wake-up call for businesses across industries. The sudden halt of mobility, human interactions, and safety precautions have accelerated digital adoption among businesses and consumers alike. This leap in digitization is fuelling a broader reimagination of how businesses can connect better with their consumers and pivot their go-to-market strategies. Organizations are now rethinking how they work, stay relevant, and engage with customers in new ways by leveraging digital.

In our webinar with Nigel Fenwick, Vice President & Principal Analyst, Forrester and Ashish Srivastava, Vice President, Digital Solutions at Marlabs, we discussed the human-centric approach towards reimagining newer business models, the significance of data, and how to lead successful digital business transformation. This paper delves into the new imperatives defining business operations, models, and processes beyond the 'new normal'.

# Creating customer value

Infusing a human-centered approach

For businesses, the road ahead is not only an exercise in modernization but also a continuous investment in building transformative capabilities. Organizations that spent years building their digital and transformative capabilities are now focusing on innovative new ways to deliver customer outcomes. These organizations reinvent business with the way they think about developing new products and services, digital models, revenue models, or commercializing data assets by applying technology.

Transformative change need not be disruptive always. Rather, disruptive forces result from redesigning the outcome delivery to the consumer. For instance, when Apple repackaged the camera into a photography experience to deliver the outcome the customer wanted the most – the ability to share photographs with family and friends with ease.

The fundamental development of digital products is taking a human-centered approach to customer design. Successful digital business transformations are:

- CEO-led, wherein transformative projects are backed by top management

- Designed with an outside-in focus on customer value

- A mix of technology and customer voice

- Focused on both customer value and operational effectiveness

- Measured based on business value and customer outcomes

- Consistently focussed on fast time-to-value

- Challenging the work culture

- Creating an ecosystem of value with partners and customers

- Using technology to create customer value by delivering outcomes better than competitors

While the ultimate metric is to drive revenue growth, the disruptive design focuses on building a value-driven customer-centric ecosystem. According to Nigel Fenwick of Forrester, the disruptive design:

- **Is innovative.** It focuses on solving well-defined challenges in completely new ways. For example, claims adjusters and contractors would physically survey houses to estimate replacement costs. Recent technology allows insurance carriers to adopt drones or software like Hover, to create a 3D image of structures – aiding adjusters and underwriters.

- **Creates a new path to delivering high-value outcomes.** For instance, Tesla is delivering a healthier environment for customers' children. Tesla understands the consumers' need for a greener future and goes beyond 'just owning a car' mindset. As Tesla understands the customer ecosystem they can provide additional services, such as solar power for homes, to help consumers reduce their carbon footprint and protect the environment.

➡ **Uses technology as an enabler** - Proteus Digital Health designed a digital pill that acts as a sensor to enable better patient outcomes. The 'digital pill' is an ingestible transmitter used to track medication adherence. The organization has met its fair share of challenges in being accepted in the industry and sustain financially. To overcome the hurdles, Proteus is shifting its focus to oncology and infectious diseases.

**Marlabs POV:** Follow the customers and continuously engage with them to be on top of data and patterns. For advanced firms, evolution is tied to digital maturity wherein incorporating technology at every step is in the DNA of the business.

## Creating an ecosystem view

Empowering outcome-driven transformation

The shift in consumer expectation, growing deluge of data, and proliferation of models are hampering the go-to-market plans in an emerging market. The business imperatives here have become:

- How can I digitize business processes to improve wallet share, revenues, and margins?

- How can I better advocate for a growing customer base?

- How can I drive operational costs through process optimization?

- How can I use APIs to create new products and services?

The ecosystem view requires unprecedented leadership vision with digital business shifts from linear value chains to nimble API-enabled value ecosystems. It is important to keep in mind that customers create the digital value ecosystem representing the real world. For example, if we take the airline industry, the basic need for the customer is to get from point A to point B. But if we think about how we can improve the desired customer outcome, we can drive an outcome-driven transformation. Organizations can extend their value by partnering with or replacing other ecosystem providers to deliver adjacent services, such as booking a car to get to the airport. Sharing data is crucial to deliver the right service that the customer needs.

For instance, DBS, a leading financial service provider, is one to develop such an ecosystem. To better serve its customers, DBS launched the DBS Travel Marketplace – a one-stop integrated travel marketplace in partnership with Singapore Airlines (SIA), Expedia Partner Solutions (EPS), and Chubb Insurance Singapore Limited. The focus of this ecosystem is to create a hassle-free, one-stop travel solution for its customers. The DBS Travel Marketplace streamlines the process of vacation planning over multiple sites with an integrated digital marketplace. The ecosystem provides a simple interface for travelers to search, plan, and book flights and accommodation across 25,000-holiday destinations worldwide. DBS/POSB customers also benefit from complimentary travel insurance and DBS Points that can be redeemed to offset travel costs.

**Our advice:** Think continuity of experience. Connect the dots with a seamless journey for every customer and each objective to create an ecosystem of partners, products, and services.
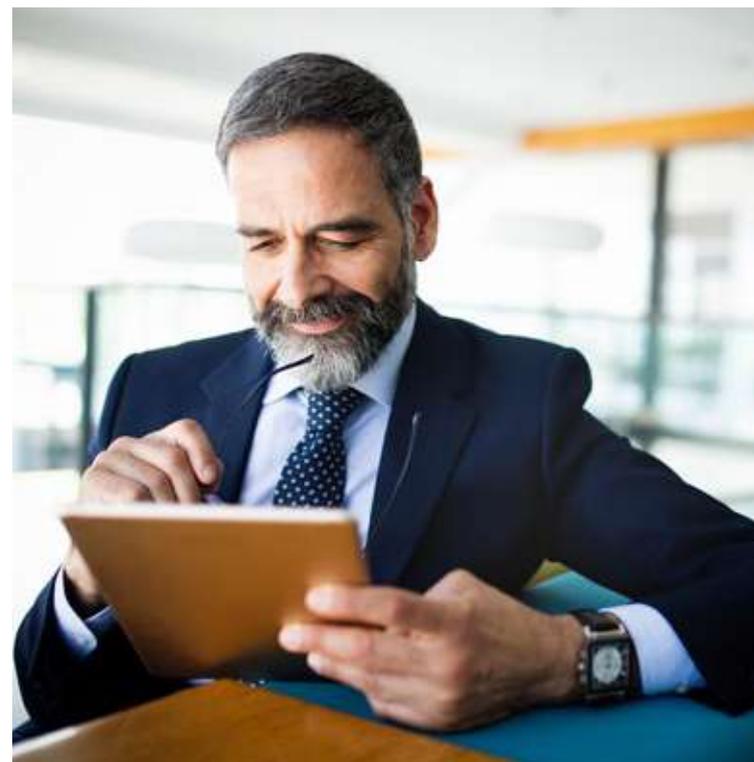
## Continuous innovation

Leveraging the power of data for continuous improvement

The pandemic hastened digital adoption across industries, inadvertently increasing our sources of data. Understanding how customers use your products or interact with your brand. Disruptive businesses focus on how to get more insights from data. How do we bring more value from all of the data sources available?

In this environment, artificial intelligence (AI) and machine learning (ML) is helping the organization build on their predictive analytics capabilities. AI is becoming a driving force for organizations, across sectors, to provide a differentiated brand experience. For instance, Marlabs helped a client improve their CSAT by incorporating AI. After mapping nine different customer journeys, Marlabs was able to drive down the churn ratio with AI. The journey of being an advocate for the customer is data-driven. Pooling data from various customer touchpoints, real-time analytics, and machine learning to deliver the critical data insights across business units, products, marketing teams – breaking the operational silos.

Our advice: Close the loop with action. Understand the consumer with focused data insights and continuously churn ideas to deliver the desired outcomes.

The road ahead

2020 threw a lot of challenges at businesses, forcing them to adopt new solutions and reinvent businesses from the ground up. To thrive in this environment, business leaders must capitalize on the opportunities that new and emerging technologies have to offer. Instead of adopting traditional approaches, businesses will need to think from a new perspective of accelerating digital business innovation asking three critical questions:

➡ What outcomes do our customers really value?

➡ How might technology help deliver these outcomes?

➡ What resources would we need if we started a new business today

## Takeaways to start the digital journey

■ Creating consumer value

Follow the consumer be in continuous conversation be on top of consumption data and patterns

■ Creating ecosystem view

Think continuity of experience connect the dots with a seamless journey for every persona, each objective and looking at ecosystem

■ Continuous innovation

Close the loop with action continuous churn of ideas and realisation basis the consumer understanding



## Authored by

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# About Marlabs

Marlabs designs and develops advanced digital solutions that help its clients improve business outcomes swiftly and precisely. It succeeds by harnessing the power of the Digital Collective™, which brings together design-led digital innovation with human experience, composable digital platforms, and a collaborative ecosystem of first-class technology partners and innovators.

Marlabs is headquartered in the New York Metro area, with offices in the US, Germany, and India. Its 2,000+ global workforce includes highly experienced technology, platform, and industry specialists from the world's leading technical universities.

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