

# Connected Intelligence: 6 Lessons Learned from Digital Leaders





Across the globe, CEOs have digital transformation at the center of their corporate strategy. If you're an aspiring digital leader, here are six essential lessons that will differentiate you from the competition and establish you as an agent of change.





## 1. Digital leadership is business leadership.

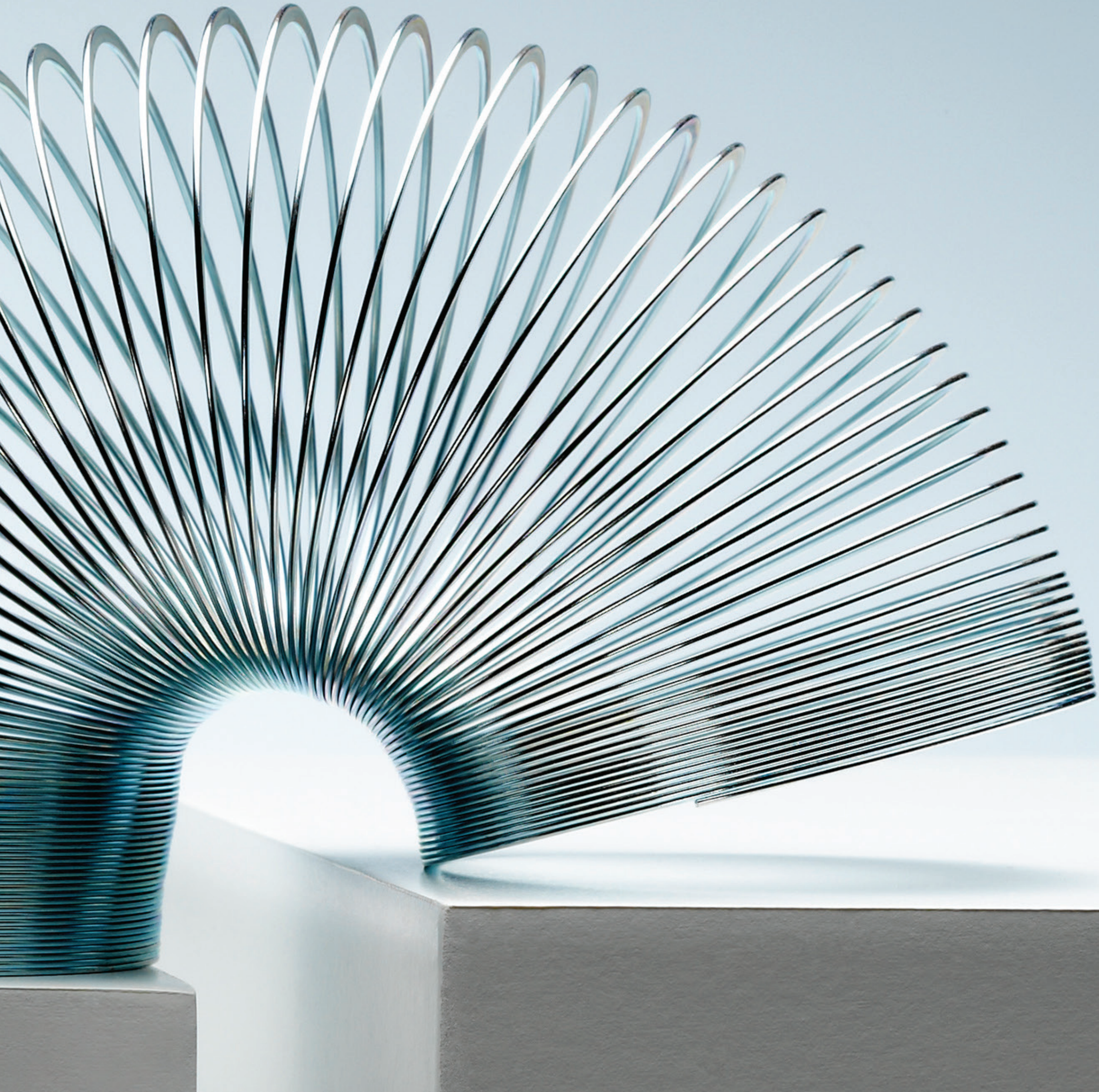
To be successful, digital transformation requires senior level endorsement. According to surveys by Gartner Inc.<sup>1</sup> and BT/Economist Intelligence Unit<sup>2</sup>, a digital-first approach is a top priority for today's chief executives. In fact, the financial repercussions of not embracing digital transformation are staggering. Digital leaders turn more profits, save more money, and acquire more customers. They exhibit 5x revenue growth, 8x higher operating margin profit, and 2x higher returns to shareholders than laggards.

You might think that digital leaders invest much more heavily in technology, but, their technology spend is only slightly higher (3.5% of revenue) compared to digital laggards (3.2%). It's the approach to digital transformation that's important, the combination of your organization, ecosystem, technology, and data.

### Citibank Asia (Banking, Hong Kong)

At Citibank Asia, the CEO announced a new strategy to drive digital transformation and rejuvenate operations for improving agility, reducing costs, and focusing on quality. Senior IT executives selected TIBCO as their digital transformation strategic partner to help simplify systems and create remarkable customer experiences. The initial project was credit card application optimization. Where it used to take one to two weeks for customers to receive a credit card, after working with TIBCO, card pre-approval takes just 10 to 12 minutes, and delivery of the card to a customer's doorstep comes within two days. This increase in efficiency and enhanced customer experience shows the power that digital transformation can have when executive leaders across functional units take charge.





## 2. Put cloud at the core and at the edge.

Most companies (68%) identify agility as one of the keys to digital transformation.<sup>3</sup> Companies that are embracing cloud and edge computing are clearly pulling ahead of their competition. Rather than allowing legacy systems to hold them back, agile companies are turning to cloud offerings that let them more easily evolve along with technology and stay ahead of the curve.

Various studies are showing how important cloud and edge technology are becoming for digital transformation. IDC says that 70% of all software, services, and technology spend by 2020 will be cloud based.<sup>4</sup> Forrester claims “Cloud is more than just a technology transformation driver — it’s a business transformation accelerator.”<sup>5</sup>

### Accor Hotels (Hospitality, France)

TIBCO customers who embrace cloud, companies like Accor Hotels, rely on TIBCO’s cloud capabilities to accelerate their digital transformation and enhance their customers’ experiences. Accor Hotels Group chose TIBCO to facilitate its €225 million digital transformation plan to enable all applications to exchange information through the TIBCO integration platform. As a result, the platform, known as the customer digital hub, handles nearly five million calls per day and new business services now take only two days to deploy versus the months it used to take.



### 3. Accelerate innovation.

With cloud as the foundation of your business technology agenda, you can expect accelerated product development and significantly reduced barriers to entry in many industries. Digital leaders excel at innovating, quickly bringing products to market, and using their agility to stay relevant—capabilities that build revenue.

However, less than 15% of B2B companies use the type of test-and-learn rapid prototyping processes that have been shown to accelerate innovation and customer satisfaction.<sup>6</sup> On the other hand, according to a Harvey Nash/KPMG survey of hundreds of CIOs, accelerating product development and innovation are the top drivers of cloud adoption.<sup>7</sup> After implementing public cloud platforms and applications, nearly every CIO that Forrester works with speaks of the innovation that cloud services bring to their business.<sup>8</sup> Cloud adoption is key to becoming a digital business and accelerating innovation.



#### T-Mobile (Telecom, US)

A great example of the role of cloud in accelerating innovation is the approach T-Mobile took to create an elastic and easily scalable infrastructure for responding to spikes in pre-order demand for the iPhone 8. T-Mobile partnered with TIBCO to digitize their end-to-end operations, facilitate transition to T-Mobile-as-a-Service, reduce Total Cost of Ownership by \$6 million over 3 years, and reduce time-to-market of new products from two weeks to one day.



#### 4. Empower employees.

Forrester advocates that customer-obsessed firms empower their workforce with technology, with cloud at the center.<sup>9</sup> Cloud connects employees, partners, customers, and internet-of-things (IoT) touchpoints in real time to serve rising customer expectations. Consider that 60% of information workers spend at least one hour each day directly engaging customers, and 40% in engaging directly with partners and suppliers.

You must empower employees with the tools and insights to help them deliver exceptional customer outcomes. Employees are your ambassadors and the practitioners who pull the knobs and levers of your customer experiences. They need insights at their fingertips to engage customers with confidence and timeliness. As such, Cloud is more than just a technology transformation driver — it's a business transformation accelerator.



Vestas (Energy, Denmark)

Companies like Vestas empower their sales teams with self-service, lightning fast analytical tools from TIBCO. Vestas sales people are actually able to sit with their clients and answer questions on the spot thanks to real-time Monte Carlo simulations running on 10 years of data, all powered by TIBCO. With on-demand analytics, Vestas sales people do their own analysis, from beginning to end, blowing their customers away. In addition, it took less than four weeks to create 12 self-service analytics apps to empower three Vestas business units. That's how you empower employees.





## 5. Attain operational excellence.

Your organization needs to be nimble, innovative, and fast while you minimize cost and optimize margins. Leveraging data, digital leaders optimize their operations, automate when needed, and empower their employees to reduce operating costs.

In a survey of CIOs by Harvey Nash/KPMG<sup>10</sup>, operational excellence surfaced as a top driver of cloud adoption. One of the main reasons was cost savings. Cloud enables businesses to stretch dollars further by paying only for what they use and eliminating the need to invest in large, upfront, on-premises systems that must be maintained, secured, cooled, and heated. The other major reason digital leaders adopt cloud is that it improves agility and responsiveness (the top reason as quoted by more than 55% of CIOs). To remain competitive, organizations need to respond quickly to marketplace changes and evolving customer demands. Cloud provides that agility and responsiveness.

### CargoSmart (Transportation, US)

**Improving operational efficiency, while maybe not the number one priority for digital leaders, is always important. A great example comes from CargoSmart. The company worked with TIBCO to build an event-driven platform that processes vast quantities of data from many sources. It then added TIBCO's predictive and real-time analytics, and made the results accessible from any location, device, or platform. The result? CargoSmart saw a 4X increase in vessel monitoring, improved decision-making, and reduced fuel costs for customers of an average of 3.5% over two years.**





## 6. Deliver great customer experiences.

Digital innovators use technology to anticipate what customers need, then exceed those expectations by engaging them in context. Leaders focus first on the user experience, empowering customers with omni-channel interactions, which allows differentiation as well as efficient cross-selling. Based on processing of historical and real-time data, and provided to the right person at the right time, this capability also generates additional revenue.

After thousands of discussions and sessions with \$1 billion+ companies and the vendors that serve them, we have learned that digital innovation is just as important for B2B companies dealing with rapidly evolving customer expectations as it is for B2C companies battling for consumer loyalty. Digital innovators are rewriting the rules of business. Rule number one: Deliver easy, effective, and emotional customer experiences.

Digital innovators use technology to anticipate what customers need, then exceed those expectations to engage them in their immediate context along every step of their journey. As you master use of the cloud, you take a more prominent place in the broader

economy because of your ability to deliver unique and delightful customer experiences. You can draw from incremental advances like predictive maintenance or entirely new services based on many-to-many cloud collaborations.

### Three UK (Telecom, UK)

Companies like Three UK, that carries over 45% of the UK's mobile market, work with TIBCO to ensure it puts the customer at the heart of everything it does. Using TIBCO's integration technology, Three UK created a cohesive customer journey across all its siloed communication channels so it has contextually relevant, event-related conversations with customers. The company can now roll out new offerings like "4G for free" and zero additional charges for roaming to many countries, helping to provide an emotional connection with customers and challenging the "way things are done." Three UK's work with TIBCO has resulted in dramatic improvements to the customer experience and the highest NPS score in its industry.





## Digital leaders are good at all of the above.

Being a digital leader is not just about mastering one or two of these lessons. It's being good at all of them. Ten years ago, management consultants would have told you that you needed all of these elements to drive up the value of your business. But conventional wisdom dictated that you could only be good at one, or maybe two of these habits, at a time. But think about your favorite digital brands today—and realize that not only can you master all the lessons—you have to.

Forrester<sup>11</sup> defines digital innovators as companies that “harness digital assets and ecosystems to continually improve customer outcomes and, simultaneously, increase operational effectiveness.” Leaders do this is by empowering their employees to accelerate innovation. They approach digital transformation from the C-suite and lead with cloud and edge technologies. From their own data, they have an understanding of their customers' behavior, and their own operations and people. Digital leaders use their historical data while collecting data in-the-moment, then marry it all together to predict the next best course

of action. How do they turn that data and information into action?

According to Gartner<sup>12</sup>, digital leaders use the Intelligent Digital Mesh, “The entwining of people, devices, content and services, enabled by digital models, business platforms, and a rich, intelligent set of services to support digital business.”

TIBCO customers use such capabilities to enable better decisions and faster, smarter actions on a daily basis. From APIs and systems to devices and people, we interconnect everything, capture data in real time wherever it is, and augment the intelligence of our customers' businesses through analytical insights. Thousands of customers and partners around the globe like Formula One Mercedes-AMG Petronas Motorsport rely on TIBCO to build compelling experiences, energize operations, and propel innovation. Learn how TIBCO makes digital smarter with the TIBCO® Connected Intelligence Cloud.



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