

ACQUIS CONSULTING GROUP

DIGITAL TRANSFORMATION:

DEMYSTIFYING MISCONCEPTIONS ABOUT DIGITAL TRANSFORMATION

January 2019

AREAS OF FOCUS



Understanding
Digital Transformation



Developing a Digital
Transformation Strategy



Digital Transformation
Use Cases



EXECUTIVE SUMMARY

Every few years, new industry buzz words appear, seemingly out of nowhere, causing confusion and hype. With use and overuse, these terms gain critical mass and get the attention of management and industry leaders. Eventually, these leaders form their own definitions and interpretations of these terms. They decide if these terms are applicable to their business and if they should invest in them. Often, we get pressured to be part of the industry change, rather than focusing on the transformational state we envision for our businesses. One of the current industry buzz words is “digital transformation” (DT).

The IDC Technologies research company states that worldwide spending on DT technologies (hardware, software, and services) reached \$1.3 trillion in 2018¹. It expects spending to almost double between now and 2021, when the total amount spent on digitalization globally will surpass \$2.1 trillion.

According to Gartner, in a survey of 460 executives, 62% said they had a management initiative or transformation program to make their business more digital².

1. WHAT DIGITAL TRANSFORMATION IS NOT

Many leaders today think that by implementing commercially available Artificial Intelligence (AI), Augmented Reality (AR), Natural Language Processing (NLP), Robotic Process Automation (RPA), or similar rapidly emerging technology-based applications to improve their business operations, they can achieve DT. They consider the technology stack and the resulting operational efficiencies as the end goal. This is, in fact, exactly the kind of misconception that we often notice as we speak to our clients. Adoption of these new technologies is necessary, but merely as foundational enablers to achieving DT.

2. DIGITAL TRANSFORMATION CONSIDERATIONS

DT is the transformation and foundational change of a company’s operating model. It’s not just about replicating an existing service in a digital form, but about using technology to transform that service into something significantly better. It's also not only about the technology; Changing business processes and corporate culture are just as vital to the success of these initiatives. DT is revamping companies’ business strategy, operations, products, marketing approach, and objectives by adopting modern advanced digital technologies to deliver improved value to customers. DT can involve many different technologies, but cloud computing, big data, and AI are some of the key enablers today. The transformation should integrate and leverage the existing technology stack into all areas of the business, changing the operating model and delivering expected benefits. If thoughtfully executed, the transformation can increase business growth, introduce new customer segments, identify new product offerings, and create new end-to-end business opportunities.

There are four main drivers of transformation: changing consumer demand, changing technology, changing competition, and identifying new products and services. Some customers may already have the underlying foundation of infrastructure and technology and be well poised to embark on the DT journey. Other firms may not be technologically ready, or the nature of their business may not lend itself to DT.

¹ <https://www.idc.com/getdoc.jsp?containerId=prUS43381817>

² <https://www.gartner.com/en/newsroom/press-releases/2018-05-01-gartner-survey-reveals-that-ceo-priorities-are-shifting-to-embrace-digital-business>



However, it is imperative to invest in a thorough assessment of the current state, or a firm may miss out on crucial long-term business opportunities.

3. WHAT SHOULD OUR END GOAL BE WHEN ADOPTING A DT STRATEGY?

The biggest questions organizations need to ask are:

- 1) Is the massive amount of data they are capturing providing any actionable insights?
- 2) Do they have the right tools and skills to achieve the required insights?
- 3) Are they able to utilize their immense computing power and data to derive complementary products and service offerings for existing or new customers?
- 4) How will they leverage this investment ultimately to enhance customers' experience and service offerings?

The journey starts by understanding what prerequisites are needed for DT and identifying the end components of the new operating model. DT is NOT just the implementation of the technologies themselves. The organizational digital maturity around automation, infrastructure, processes, and the current operating model must be assessed. A roadmap to achieve the level of automation required as a baseline before embarking upon the true DT is needed. These steps, if not addressed with the long-term goal in mind, will cause the DT to fail.

Examples:

- Life-sciences companies have begun investing in AI, NLP, and RPA-based corporate-funded solutions as part of their foundational DT strategy to derive insights from the vast amount of patient data they collect.
- Microsoft offers Azure and AI-based cloud platform solutions to enable companies to deploy big-data-intensive applications and services with ease.
- Facebook tailors content on its platform at the micro level, showing posts and marketing feeds based on very sophisticated AI and NLP algorithms, crunching billions of data sets from vast server farms of consumer data that are continuously collected.

The overall goal for these companies that have succeeded in DT is to identify new business models, customer segments, and revised products, ultimately offering added value to their customers.



4. HOW CAN ACQUIS CONSULTING GROUP HELP ITS CLIENTS ACHIEVE TRUE AND SUSTAINABLE DIGITAL TRANSFORMATION?

Acquis's Digital Transformation & Customer Strategy practice helps clients from early-stage startups to Fortune 500 companies rethink their approach to servicing customers and end consumers, and transform into customer-centric, digitally mature organizations that meet their customers' needs. Acquis also helps ensure that business products and services are designed with both the digital and analog channel customers in mind.

Our team of experienced digital transformation and customer strategy professionals work with clients globally to deploy leading digital strategies, cutting-edge technologies, and innovative digital solutions, with a concentrated and singular focus on the customer.

5. PUTTING THE STRATEGY INTO PRACTICE AND LAYING THE FOUNDATION

At one of Acquis's current life sciences clients, we are actively working to select and implement an integrated AI and NLP-based automated case intake application in its Global Drug safety & Analytics business function. The goal is to use a combination of these modern technologies to simplify and streamline the entire case-intake process. It involves reading a variety of adverse event (AE) forms, emails, and attachments, and extracting AE data into an industry standard safety database-readable format. The NLP engine is aimed at interpreting the natural language sections to extract missing data elements and reduce the human steps required to fill in the gaps. An added use of the intelligent system capabilities is to read the case narrative and conduct an initial medical analysis, ready for final human review. All this automation will require a fresh review of the existing case-intake business process to ensure optimal use of resources.

These are just some of the steps to lay the foundation. We support the organization by identifying ways to use these acquired capabilities to provide better insights and proactive services to patients and health-care professionals, leveraging the company's DT.

CONCLUSION

Companies must assess the right digital strategy for their organization to remain relevant in a fast paced and competitive environment. The adoption of a DT paradigm and implementation of a digital roadmap should not be an "if," but more of a "when and how." Intelligently operationalizing a DT roadmap and always maintaining customer-centricity can keep a company from obsolescence.

- Netflix did not kill Blockbuster. Ridiculous late fees did.
- Uber did not kill the taxi business. Limited access to fare and control did.
- Apple did not kill the music business. Being forced to buy full-length albums did.
- Amazon did not kill other retailers. Poor customer service and experience did.

Technology by itself is not the disrupter. Not adopting the right tools and being customer-centric is the biggest threat to any business.



CONTACTS



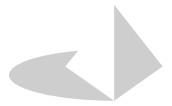
Rishi Thukral

Principal, Acquis and Vice President, SSI Strategy

Phone: +1 908.938.3217

Email: rthukral@acquisconsulting.com

As a Principal at Acquis and VP at SSI Strategy, Rishi is an accomplished LifeSciences Digital Transformation leader with 20 years of cross-functional business and technology expertise. He leads large-scale, global, digital initiatives with a keen understanding of organizational challenges, from the perspective of both the business and end-to-end applications. He brings extensive experience in Digital Innovation strategy and process improvement, leading to increased efficiency and maximum return on investment for his clients. With certifications in Big Data & Artificial Intelligence from Rutgers and MIT, an executive MBA from Rutgers, and a Bachelors in mechanical engineering (B.Eng), Rishi successfully guides his clients in developing and executing the right Digital initiatives, tailored to their specific long-term strategic business goals.



ABOUT ACQUIS

Acquis is a Consulting Firm
Specializing in **Strategy**
and **Implementation**



How We Help

We help ambitious organizations solve business challenges that enable sustainable growth and healthy efficiency. We do this by not just designing strategies but also putting them to work.

SERVICES

- Digital Transformation & Customer Strategy
- Post Merger Integration
- New Product & Service Development
- Legal Spend Optimization
- Procurement
- Shared Services
- Technology Solutions
- Travel, Expense & Meetings

EXPERTISE

- Analytics & Reporting
- Change Management
- Operational Strategy
- Process Engineering
- Program & Project Management
- Systems Implementation



Our Values

PEOPLE FIRST

It takes great people to do great business. Our people are the source of our unique expertise and why we've designed a home that inspires the curious mind. The care of our people and culture is our highest priority. We nurture and learn from every team member. We do this to create a leading company and breakthrough results for our clients.

ADVANCE TOGETHER

Relationships are at the core of advancing business. We build every relationship on trust and honesty so our clients can always rely on us as both advisor and ally. We design our relationships to be genuine, not just to be great partners but also to enable growth that is both measurable and meaningful for our clients.

THINK + DO

All too often in our industry we see resources wasted on strategies that are never put to work. We created Acquis to change that. We help our partners create new ways to think about their business but we don't stop there. We see projects through and help implement ideas, turning them into lasting business value.