From Silos to Systems:

Transforming Business Through Emerging Technologies

The April 2015 Phorum event, presented by Fairmount partners and Liquidhub, and hosted by PACT, was held at Penn Museum, Philadelphia.

Dean Miller, PACT President and CEO, kicked things off by talking about the way companies are leveraging emerging technologies such as Big Data, Mobility and Cloud Infrastructure by combining them into a single cohesive strategy to enhance efficiency and scalability, transforming the economics of their business, and leapfrogging the competition.

Randi Zuckerberg, Founder & CEO of Zuckerberg Media, then shared 10 technological trends that are transforming the way we do business:

1. **The new Entre-ployee:** Some companies are giving employees an outlet to pursue independent projects – in fact some are giving employees 20% of their time to do something of interest like write a novel or work with a non-profit. Google's well-known "Innovation Time Off" policy has spawned popular services like Gmail, while 3M's "15 Percent Time" has given us everyday items that include Post-Its and Scotch tape. The value is that it can differentiate the company beyond the usual health insurance, creative work space, gym memberships, etc., while pushing employee engagement, helping innovation thrive, and proving that quality matters, not quantity.

2. **Think like a media company:** Chipotle is doing a great job at being a publisher. With every package, there is a story. Long story short, one of my favorite authors, Jonathan Safran Foer (who wrote the fabulous book "Eating Animals") was actually bored while at the restaurant and wanted something to read. Chipotle bought the idea and has become a publisher. Another example was Redbull who has become more than a drink – but also a publisher.

DiGiorno Pizza's take on the Sound of Music is another example. And of course, Arby's wants its hat back! And then there's Diane Von Furstenberg who had models sporting Google Glass to not only to walk the catwalk from the model's perspective but to give Google Glass style a push.

Smart companies will become media companies that act like megaphones for their brand.

3. **Rethink Retail and Commerce:** We've moved beyond transactions that reward customers, now we're rewarding influencers. A hotel in Sydney, Australia offers a free stay to Instagrammers with 10,000 followers. All they ask is that you post your vacation and the digs so that you influence others. Think of what this means for restaurants and other destinations! Just take a photo of your meal, post, show the post to your waiter and immediately get comped on the meal! It's the new Tweet Pop Up Shop craze, and social currency is alive and well. In other words, you don't pay money – you pay with posts.

Feeling creative? Try the Merit Shop where you earn merchandise for showing off your talent. Or instead of taking clothes to a dressing room, tap your "omni cart" on your phone and have it delivered to your dressing room. This is delivering a memorable customer experience and making stores cheaper to oper-

ate. Or how about simply yawning to get a free coffee? New trends in commerce and retail are constantly "reinventing" the way we do business.

4. **Teach your kids early:** The new generations are growing up on technology and an app culture. Just look at the New Heads Up game from Ellen DeGeneres. New learning toys scream with innovation and so far, millions of kids have learned how to code on Tynker, Primo Ludos Puzzlets, Robotiky, Play-i, Mattel Apptivity, iPotty.

5. **It's the maker movement thanks to 3-D printing**: We have examples of 3-D with a kayak, shoes, cell phone cases, pasta machine, weapons – even human organs (ears that hear better than our own!) The idea of create and sell put Etsy on the map and became the fuel to new meet ups called Maker Fairs.

6. **Virtual Reality – it's real:** Oculus Rift brings virtual simulation to life. Virtual reality helps the real estate and travel industries visualize experiences. It can even help the fearful overcome things like public speaking, flying, heights, and other extreme phobias. Google Cardboard lets you take your old Viewmaster up a notch. Jaunt brings you hardware and software tools to produce highest quality immersive content.

7. **Life logging:** A trend that has overtaken us – an obsession that makes us record everything surrounding us – every minute of the day. There are selfies, food photos, health trackers, nest devices that control smart thermostats. Filip, for example, helps children to become "trackable" through GPS software. Even our dogs can be data logged through GPS. The Darma Chair tells

through GPS. The Darma Chair tells you when you need to correct your posture, and the Narrative Clip helps you capture moments that matter. Maybe this innovation tops them all – nail polish that glows when you're near a free WIFI, or a clock that counts to the end of your life.

8. **Education and Healthcare:** Want to learn a new skill? Want to earn a few bucks? Try Skillshare. Want to learn how to code? Want to join an online workshop? Need a Doctor on Demand? Now you can even take your child's temperature using your mobile device with Cellscope. Google and Novartis have teamed up to leverage Google's "smart lens" technology with the potential to transform eye care and further enhance Alcon's pipeline and global leadership in contact lenses and intraocular lenses.

9. **Gamification for motivation:** iCukoo is a charity alarm – it makes you pay with every snooze button hit. How about the ad campaign that combines Nike+ your phone's built-in GPS to track your progress and broadcast your runs to your friends on Facebook. When a friend cheers you on, you hear applause in your earphones. Surprise guest stars voice words of encouragement as you push yourself. Nike+ GPS takes the platform to a whole new level of convenience, cementing Nike+'s place as the ultimate running platform. There are similar apps with zombies that chase you and make you run faster, and the Gym Shamer who rats you out if you don't go to the gym and another that tweets your weight.

10. **Unplug to refresh:** The last trend to "un-do" all the previous trends. There is a real story about a kid who called his grandfather "Skype" because that's where he saw him. We need to unplug once in a while because (1) there's a break up app (2) the bro app (3) Run pee app that tells you what part of a

movie is less exciting and best to exit to restroom. This is the next billion dollar industry – this notion of turning off your device – and giving it (and you) a rest.

Digital detox to help you find balance will ease the dot.complicated world we live in.

Take Away Points

- The commerce landscape has changed from a seller perspective to a buyer perspective thanks to social media which generates 95% of business today. This fact changes the way we adopt and innovate.
- Measurement includes "value capture" or how many followers and likes we get.
- The age of the customer demands that successful enterprises will revisit themselves to systematically understand and serve increasingly powerful customers.
- Digital business means doing business with data.
- A 2013 Forrester study on behavior of people revealed that consumers would be more likely to shop where associates have mobile devices. The significance of this means that incorporating digital (software) into the customer experience elevates the experience and delivers what customers want.
- Businesses are not really prepared to handle digitalization although the recognize the need:
  * 21% of executives set a clear digital vision
  * 21% have the right people to define a digital strategy
  * 15% have skills and capabilities to execute a digital strategy
  * 14% have processes to execute a digital strategy
  * 19% have the right technology to execute a digital strategy
- The system of engagement requires a business technology approach, not an IT approach.
- The questions remain: (1) Who will build capabilities and (2) how will these capabilities be delivered?
- The cloud: Allows us to reach any customer; any data; any program; anywhere; leverage talent; manage investment; create options for future decisions.
- A day in the life of the emerging digital customer means a generation of multi-screen consumers, creating what we call today "The Internet of Things."
- Make the data plan simple for use or it simply won't be used. Ask ourselves:
  * What am I trying to solve?
  * Then execute
  * Then derive insight
- The landscape for digital proficiency looks like this:
  * Natives – grew up with technology
  * Immigrants – learned it along the way
  * Voyeurs – interact but one-way communication
  * Holdouts – in denial
  * Disengaged – don't want (no impact and actively disengage)
- We should be digitally balanced in terms of understanding the technology
- Most businesses are built on yesterday, so ask yourself 3 questions:
  1) Which of my customers are most valuable and what are they saying? 2) Can I address the changes in demand? 3) Can I use the insights to create

Dos and Don'ts

- Don't act like you're late – things are moving.

- Don't be afraid to cost cut.

- Move to market.

- Bust the silo: Becoming digital is not the accomplishment; be data-driven.

- Mobility is key and delivers behavior people expect on a personal device.

- Be able to deliver a personalized experience.

Contributing Sources:

Randi Zuckerberg, Founder & CEO, Zuckerberg Media; Peter Coffee, VP for Strategic Research, Salesforce; Chris Sheridan, SAP; Merv Adrian, Research VP, Gartner; Jonathan Brassington, Chief Executive Officer, LiquidHub; Peter Burris, VP, Research Director Serving CIOs, Forrester Research; Maryfran Johnson, Editor in Chief, CIO Magazine; Jim Bartlett, CIO, Bentley Systems Inc.; Lars Bjork, CEO, Qlik; Josh Builder, CTO, The Orchard; Jeff Dickerosn, Chairman & CEO, The Neat Company; Dr. Femida Gwadry-Sridhar, Co-Founder, CEO, Pulse Infoframe; Dr. Mathias Kirchmer, Managing Director and Co-CEO, BPM-D; Matt Lasmanis, VP, IT Business Partnering, GlaxoSmithKline; Brendan O'Brien, Co-Founder & Chief Evangelist, Aria Systems; Steven E. Messaros, CIO, SVP, Liberty Property Trust; Aaron Miller, VP, CTO, USLI; Jayashree Raman, SVP and CIO, Cooper Health System; Michael Rinehart, CTO, Fox Rothschild; David Rode, Chief Executive Officer, Xtium; Brian Simmermon, CIO, Subaru of America; Mike Vennera, SVP & CIO, Independence Blue Cross; James Warren, VP, Managing Director, Solutions Strategy & Development, SEI; William Weinstein, Director of Information and Interpretive Technology, Philadel-

About the Author

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Regarded as an expert in both B2B & B2C direct response marketing, Denise serves as a Board   Member of the Philadelphia Business Marketing Association (BMA) and on committees that include Membership, Assistant Chair, and Programming. She is the Internship Chair for the Philadelphia   Direct Marketing Association (PDMA), served six years on the PDMA board, and is a member of PACT (Greater Philadelphia Alliance for Capital and Technologies).

In 2011 she was named Philadelphia's Direct Marketer of the Year for making significant contributions in the direct marketing industry, and for having maintained a reputation for business integrity and thought leadership. With an eye towards innovation and developing strategies that work to drive action, anchor relationships, and produce ROI for her clients,

Denise has led creative teams in the launch of major US brands including Progressive Insurance, Response Insurance, Nextel, Verizon, Sun Microsystems, Sterling Commerce (IBM), LENA, Tandberg (Cisco), ADT Video Surveillance, Tyco Healthcare, Riverbed Technologies, plus a host of .com brands. Her drive and never ending energy to excel and exceed client objectives has made her a formidable player in the direct marketing industry for the last several decades.

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