Digital Innovation

Enabling Innovation to Support Growth, Efficiency and Customer Satisfaction

May 23

The better the question. The better the answer.
The better the world works.
The industry has gone through several revolutions and Industry 4.0 is now a reality.

### 1700’s
**First Industrial Revolution**

- **Mechanical**
  - Technology was steam and water powering the first factories

### 1800’s
**Second Industrial Revolution**

- **Electrical**
  - Electricity made possible the division of labour and mass production

### 1900’s
**Third Industrial Revolution**

- **Automated**
  - IT enabled programmable work and an end to reliance on manual labour

### Today
**Fourth Industrial Revolution**

- **Connected**
  - Cyber-physical systems, powered by IoT and fuelled by data, create a fully interconnected society

#### Key Figures

**Unprecedented pace**
- 35 days
  - For a new technology to reach a critical mass of 50m users

**Extreme experiences**
- 87%
  - Percentage of customers looking for a more seamless experience

**Connected chaos**
- 50 bn
  - Internet connected “things” by 2020 including sensors, RFID chips etc.

**Digital natives**
- 75%
  - By 2025, the makeup of the workforce is projected to be majority digital native
Today’s Agenda

1. What Is an Intelligence Enterprise?
2. What is a “Digitally Powered And Connected Business”?
3. What does it take for a successful Digital Transformation?
4. Case Studies
5. Wrap Up
Today's conversation is about behavioural and technological trends impacting the industry, which would enable you to set your organization apart.

Today is about the Intelligent Enterprise.
How do organizations become Intelligent Enterprises?

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Decomposing the DNA of the Intelligent Enterprise
Future value will be captured by those who can fuel innovation by unlocking the power of data.

Future value = \[ \text{Innovation} \times \text{Personalization} \]

**Innovation**
- Outcomes
- Personalization

**Data**
- Data streams
- Traditional and non-traditional partners
- Platforms of care

Participatory
- Precise
- Predictive
- Proactive
Artificial Intelligence can help life sciences companies find new value across the value chain by growing, optimizing, and protecting their business.

Reference Analytics and AI use cases accelerate identification of the most relevant focus areas.

Those opportunities can be aligned to three overarching digital business objectives: Grow, Optimize and Protect.

### Biopharma focused value chain

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Innovative initiatives and digital adoption could fast-track delivery of greater value to organizations by capitalizing on technologies and data to qualitatively respond to both customer and employee needs.
What is a digitally powered and connected business?

A digitally powered and connected business is one that uses digital technologies to deliver superior customer experience, drive operational effectiveness and efficiency, and create innovative solutions and business models while aligning front, middle and back office functions and capabilities.

**POWERING CUSTOMER INTERACTIONS AND CHANNELS**
Designing and enabling seamless multi channel experiences, digital interactions, digital sales, and digital channel distribution capabilities.

**POWERING THE ENTERPRISE AND EMPLOYEES**
Enabling new operating models and business processes, employee experiences, enhancing productivity and optimizing costs.

**POWERING INNOVATION AND NEW BUSINESS MODELS**
Curating new innovation capabilities, platform-based business models, ecosystem partnering while balancing agility and stability of the business.
Organizations are focusing on 5 core areas of digital transformation, and leadership is a key foundational element to success.

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**EXPERIENCE TRANSFORMATION**

**CHANNEL OPTIMIZATION**

**DIGITAL OPERATIONS**

**DIGITAL RISK MANAGEMENT**

**INNOVATION ENABLEMENT**

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**Data**

**Technology**

**Risk, Cyber Security, Trust and Compliance**

**Talent**

**Leadership & Governance**
Digital transformation is built on the following key success factors:

- **Executive Sponsorship & Alignment**
  - Buy-in from executive management
  - Change agents throughout the organization
  - Regular progress updates, communication

- **Business Outcome Driven Transformation**
  - Start with the Why, and not the How
  - Identify and track business KPIs
  - Business-IT alignment & synergy

- **Outside-in & Inside-Out**
  - Start with the customer and work backward into operating model and capabilities
  - Create a digitally enabled and connected business (Customer – Enterprise – Innovation)

- **Governance & Performance Management**
  - Govern and drive through a “Transformation Office” that is empowered, focused, and agile
  - Identify relevant KPIs, cascade across levels, and track

- **Modern Methodologies**
  - “Think big, start small, learn fast, scale quickly”
  - Introduce Design Thinking, Agile, and embed across the organization through evangelists

- **Culture of Innovation**
  - Open & Applied Innovation: integrated with the business based on outcome-driven approach
  - Recognize & reward innovation

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How we work outside the plant is significantly different than how we work during our manufacturing workday?

**Outside the Plant - Five to Nine**
- Where should I eat?
- What should I wear?
- Can I invest?
- How do I get there?

**Inside the Plant - Nine to Five**
- How do I get to work from here?
- I need to take the line down
- Where and when can I reschedule?
- Can we avoid a customer impact?
- When can maintenance begin?
Social Media Analytics Dashboard for a leading Marketing Agency

The Challenge

Creative agencies have always relied on primary data research to support their value proposition to clients. Clients are now becoming more sophisticated and wish to gain more insights to support marketing investments, resulting in creative agencies wishing to grow from static and limited information sources to live insights enabling them to:

► Monitor Campaign effectiveness,
► Improve client brand recognition,
► Feed creativity with quantitative and qualitative data.

“Creativity should be rooted in actionable data and best-in-class strategy, leading to solid business results.”

What We Did

EY partnered with a Global top 10 Brand Experience agency by providing a platform supporting strategists in delivering exceptional value to their own clients through Social Media Intelligence. The solution is composed of a set of Infrastructure, platform services, applications and related capabilities that are building blocks for a scalable and flexible platform to meet ever evolving market demands.

EY delivered and operates:

► A source agnostic, integrated and scalable advanced analytics big data platform providing data mining and visualization capabilities,
► Turn key and real time complex dashboards leveraging top vendor BI tool from multiple structured and unstructured data sources as managed services.

The Results

EY's turnkey solution allowed our marketing agency client to quickly:

► Provide quantitative data to support brand experience marketing strategy,
► Achieve their main objective to quantify motivational factors leading a customer towards a brand, and
► Focus on what they do best: marketing strategy.
The big moment for an organization is when they have embraced the fact that digital transformation isn’t a technical issue, but a cultural change. And, culture change is a prerequisite of digital transformation.

Ian Rogers
Chief Digital Officer, LVMH
Thank You!

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