

Beating the digital innovators demands more than mere imitation

 By [Richard Mullins](#)

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Simply copying digital innovators at a superficial level is not enough to stay ahead of a fast-changing market.

Brands that are starting to feel the competitive heat from multinational digital disruptors such as Uber, AirBNB, Amazon and Facebook need to embrace digital innovation as a core business capability if they are to compete effectively in the future. They must embed digital technologies and customer-centric thinking deeply into their businesses if they want to innovate to win.

Today, it's not enough to simply force digital capabilities onto an existing business model. Organisations can no longer run a mobile app or a website as a silo, set up social media accounts without thinking about how they'll impact the wider customer experience, or throw money at digital advertising without looking at the entire marketing strategy.

Digital disrupts everything

Instead, leading digital organisations are embracing digital technologies and the new customer experiences they enable as a wider transformation of the way they do business. For example, when it comes to social media, it's not just a new communications and service platform. It also changes the nature of the customer experience by giving customers a louder voice and bringing more transparency to the brand-customer relationship.



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Thus, companies that want to succeed with digital platforms may also need to change their customer service philosophy, relook risk and governance models, and change back-office systems and processes. Without making these fundamental changes, they risk creating digital channels that are disconnected from the business's operational reality.

Align the business behind digital

That, in turn, is a recipe for customer frustration and business inefficiency. For example, what happens when service reps on social media don't understand how the technical support team works or make promises on which logistics cannot deliver? Disciplines such as logistics management, pricing and even customer service must all be aligned with marketing channels if brands are to deliver on their digital promises.

Brands must, from their top levels, accept that digital technology and an empowered mobile consumer have changed the way that business works. Rather than simply reacting to this changing world - as many large consumer brands are doing - leading businesses should be transforming their businesses so that they can drive digital disruption.

CEOs must lead the change

It's up to CEOs to lead digital change. They need to look at their businesses and find ways that they can use digital technology to change their industries. It is CEOs who have the complete view of the business and the ability to rally all of its resources under the banner of digital transformation.

Without strong leadership, digital projects will become ineffectual silos rather than helping drive a whole new strategy and operating model for the business.

Data is the core

A preoccupation with the customer is the core of digital transformation, and it is here where data has an important role to play. Data and the insights it yields allow companies to align the organisation to the customer experience, decision journey and brand touch points. It gives organisations a more holistic view of their customers so that they can understand their needs and respond to them in real or near-real time.

Smarter is better than bigger

Though many marketers become nervous when the term "big data" is mentioned, they should be thinking about "smart data" instead. Look at a dozen or so data points that will give you real insight into your customers and help you engage with them at a deeper level. Don't measure Facebook 'likes' because everyone else is - look at the data which reveals their behaviours, needs, desires, and other insights that you can act upon.

Innovation - for the customer's sake

Every brand can and should be using digital technologies to revitalise its business, but the aim should not be to innovate for the sake of it. Instead, it's about using new digital channels and technologies to bring new levels of immediacy, accountability and customer-centricity to marketing. The customer experience is what matters - the digital toolset is the means rather than the end.

ABOUT RICHARD MULLINS

Richard Mullins is the director at Acceleration. He opened Acceleration's Johannesburg office in 2000 and has played an instrumental role in the growth of Acceleration in South Africa.

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