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Demystifying Digital

A digital strategy needs to address all forms of data ingress that is possible from its customer base.

One of the jargons CIOs frequently hear today is the onset of “Digital”. A digital strategy as a subset of the IT strategy is fast becoming the most asked question by CEOs and board members across industries. In order to reach an educated conclusion let’s look beyond the mystique and at some business fundamentals. The advent of 2 ecosystems has changed the way business is conducted – a digital economy and the digital native population.

The crux of the matter is that the money moved to new age platforms. Payment methods grew from card based payments to e-wallets, digital currencies and mobile payments. Businesses reacted to this change by enabling a number of payment mechanisms primarily. The frontier of the change was to ensure that the business is able to accept a transaction from a large variety of potential ingress. The gap in this strategy was that while the backend digital economy was itself shaping up, businesses were still gearing up to

Unmasking the digital strategy

Creation of distinct ingress technologies, namely, marketplaces, IoT, physical analytics, traffic inputs, spend histories and beyond

Capability to integrate between these islands of information to derive business benefits

Capability to run analytics on large datasets to generate insight for business leaders to take decisions to create new opportunities of either revenue enhancement or cost benefits

assimilate the last mile into their systems.

The second powerful change is the change in consumer behaviour patterns compounded by the way the digital native population interacted with businesses. Here was a class of consumers for whom internet, mobile technology, etc. were always part of the world they lived in. Social media and communications are the most prevalent and comfortable modes of communication for them. The fundamental shift in behaviour pattern has been the need for instant gratification. Businesses reacted by addressing this new marketplace

rapidly and building assets to address their customers. The focus was on 3 things – channels for financial ingress, channels for addressing the new marketplaces and innovating/evolving to address this new ecosystem.

Enabling the above journey itself required considerable amount of work in the part of IT leaders. It required running a bi-modal IT organisation – one focussed on traditional large IT systems with consistent upgrades and releases and the other focused on quick releases and a focus on “minimally viable product”.

However, leveraging the larger digital ecosystem isn’t the same as addressing it. Digital in its entirety is a collection of capabilities (technology and processes) that enable the business to not only address digital marketplaces and digital financial transactions but also deliver insights into consumer preferences to directly impact the topline or bottomline of the organisation. A digital strategy needs to address all forms of data ingress possible from its customer base. Identification and assimilation of these data ingress points are specific to the industry and the business.

In the telecommunications world, the opportunities for leveraging the larger digital ecosystem are tremendous. Analytics of data traffic patterns can be utilised to shape product bundles to manage radio traffic loads or maximise profits depending on business priorities. Utilising cutting edge technologies like block chain to re-architect billing and mediation systems, enabling consumer privacy while maintaining impeccable records for the intelligence agencies must be at the heart of a digital strategy.

Front and centre of any digital strategy remains the same old paradigm of accruing business benefits. However, the magic ingredient is the rigour behind the implementation and use cases derived from this technology stack. The North Star for technology leaders creating digital strategies is the potential to create sustainable business advantage by identifying areas of business optimisation on a continuous basis. ◻

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About the author

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