"Thoughts on Becoming Digital"
27 May 2015

Part 1
I would like to begin...

...by saying “Thank You”
My Role in All This...

Level Set

Raise the Energy Level

Get Participants Talking
This Morning
I Hope to Share
10 points . . .

Conversation
Hypothesis
Observation
Insight/Point

Shibe Park,
aka Connie Mack Stadium,
in Philadelphia,
I think we can all agree...

The world is becoming increasingly digital
Everyone expected some bumps along the path...
Even Internet Pioneers have been Surprised at How Disruptive Digital has been

“If you had told me 10 years ago that we would be living in a time when

A] the president of the United States apologizes in the Rose Garden for a web site that doesn’t work & cost $600 million

“Security’s Painful Prominence and Why There is No Turning Back: Interview with Marc Andreesen,” a16z Podcast [30 March 2015]
B] that the major Democratic candidate for President is in serious trouble for running her own e-mail server; or

C] that a major Japanese-American corporation would be brought to its knees by nation-state hacking…
Digital is Different
What is…

Different about competing/working in a Digital World? [3 things]

2 minute exercise
Report Backs
What Patterns/Trends [if any] do you perceive in your responses?

Carsten Höller, Y 2003.
Digital is EVERYWHERE
Digital Impacts Every Part of Our Lives
“There’s an Uber for everything now.

Washio is for having someone do your laundry.
“There’s an Uber for everything now.

Washio is for having someone do your laundry.
Grilled Chicken with Honey Tarragon Carrots

Roasted Vegetable Cassoulet

Sprig & SpoonRocket cook your dinner
“There’s an Uber for everything now. Sprig and SpoonRocket cook your dinner.”
“There’s an Uber for everything now.

Shyp will mail things out so you don’t have to brave the post office.

Shyp is the fastest & easiest way to send your packages anywhere in the US.

Sign up now and be one of the first to try Shyp!
“There’s an Uber for everything now.

Zeel delivers a massage therapist (complete with table).

Heal sends a doctor on a house call
“There’s an Uber for everything now.

Saucey will rush over alcohol.

By Jeeves & Dufl will pack your suitcase

Eaze will reup a medical marijuana supply.

Luxe uses GPS to offer a personal parking valet dressed in a blue uniform who will meet you at your destination and park your car for you.
No one is immune from Digital Disruption
When the Tyco senior leadership team went to Silicon Valley to “visit the future” they discovered 400 start-ups in the fire & safety space that could fundamentally disrupt their business.
“You can’t buy them all.”

Larry Costello, EVP & CHRO - TYCO
Behind the “Green Monster”
Fenway Park

Point Three

Digital is Fast
“There are decades where nothing happens;
and there are weeks where decades happen.”

Vladimir Ilich Lenin
From 2015+ 100 Years of Change
Every 5 Years

Rate of Change

1900 – 1970
1970 – 2000
2000 – 2010
2010 – 2014

Singularity University [12 May 2015]
Behind the “Green Monster” Fenway Park

Digital is Personalized
The Exponential Growth of Information...

5 Exabytes = 5 Billion Gigabytes

→ From the start of time → 2003
→ in 2010 ~ 2 Days
→ in 2013 ~ 10 minutes

> 60 hours of video content added to YouTube per minute
In 2003 - since the start of time humanity had created
~5 exabytes of data
[i.e., 50,000 Libraries of Congress worth of information].

In 2015 we will create that amount of information EVERY 120 seconds!
Technology has "Generationalized"
Never has a generation entered the workplace using technologies so far ahead of those adopted by its employer.
Digital is Existential

Point Six
“Folks won’t come to the game if they can’t stay connected.”
Digital Connectivity

“Folks won’t cruise if they can’t stay connected.”

Bill Martin, CIO Royal Caribbean Cruise Line
We are in the midst of a major confrontation between an irresistible force and an immovable object.

It is going to have a life and death impact on the world’s largest and best companies – the companies that drive our economies and fund our pensions.

The irresistible force is technology disruption and the immovable object is the inability of large companies to change quickly.
Report Backs

George @TB10 · 12h
“@deanitla: What is different about competing/working in a digital world? #digital” - Your competition can copy you and compete instantly!
Digital introduces new competitors
Consider how these digital organizations have disrupted industries:

**Uber:**
Digitized the taxi experience and transformed the transportation service industry

**Airbnb:**
A completely consumer-enabled and digital experience business model for hospitality

**Square:**
Revolutionized mobile payments that could disrupt banking and financial services
Valued at $10B = more than all Hilton Hotels
Fear the One You Didn’t See Coming
Digital Changes Expectations
Point Nine Digital is Multifaceted
Customers
Judge
Suppliers
Customers are Judged by Suppliers
Uber Drivers Rate Their Passengers

“Do you know why no one wanted to pick you up?” he asked. “Because you have a low rating.”

(Uber drivers see your rating once they accept the request and then can cancel.)

I was shocked. Blinded by the wondrous handiness of Uber, I had missed the fact that while I got to rate them, they got to rate me back.

Digital is a HUGE Opportunity
Great CIOs don’t enumerate the technologies of the future...

CIOs create value with the technologies of the future