

Digital Strategy



CGI

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Digital strategy overview

A roadmap to transformation

Today, more than ever, companies are asking:
“How can we be competitive in this digital world?”

The answer cuts right through your business: it's how you engage with your **customers** and **employees**, how effectively your **operations** run, and how you drive growth through targeted **collaboration** with other organisations.

If done successfully and as a **joined-up strategy rather than ad hoc projects**, digital transformation can help you achieve profitable growth and operating efficiencies, ensuring competitiveness in the digital world.

Benefits include:

- ▶ Maximising the return on investment of your products and services to your customers.
- ▶ Improved operational running and reduced costs.

Enabled through:

- ▶ Timely business decisions powered by information.
- ▶ Commercially viable **collaboration opportunities** explored with and across organisations.
- ▶ Engaged employees who are **aligned with customer needs**.

We can help you investigate how much value can be unlocked through the delivery of a digital strategy – and put you on the right path to profoundly transform your business.



40%+
upside
profit

for digital “winners”
in retail bank

McKinsey | Strategic choices for
banks in the digital age | January 2015

Percentage of
executives who rate
digital transformation
as a “**matter**

of survival”

27%

MIT Sloan Management |
Embracing Digital Technology 2013

Business drivers

A digital strategy focused on delivering tangible business outcomes

At CGI, we recognise that understanding the **value** the solution will bring is key. Driving profitable growth and reducing costs are usually the two most compelling reasons behind our digital strategy offering.

Profitable growth

- ▶ An effective digital strategy can transform an organisation, driving growth from your existing products and services and helping to grow revenue from new ones.

Reduce costs

- ▶ The right digital strategy can **optimise your operations** and improve how you run your business. This can **reduce the costs** associated with delivering existing products and services, and make it more cost-effective to bring **new** products and services to market.

Digital strategy enablers

- ▶ Focus on the 'values agenda' to achieve tangible business outcomes.
- ▶ Drive **profitable growth**.
- ▶ Improve **operational efficiencies** through exploiting digital channels.
- ▶ Enable your **ability to scale**.
- ▶ Increase **efficiency** and **agility**.
- ▶ **Get more** from your assets.
- ▶ Become **proactive**, not reactive.
- ▶ **Lower costs** and **reduce risk**.
- ▶ **Reduce** your **time to market**.



Anatomy of a solution

A typical digital strategy roadmap draws upon people, process and technological dimensions.

Business value impact: You get a clear business case that spells out the value up front. You can see the revenue growth and/or cost efficiencies that you can expect from your investment.

Imperatives: Our digital strategy offering will identify a range of business imperatives – opportunities that exist in your business to grow revenue, reduce costs and improve efficiency. We will work with you to decide which ‘levers to pull’ first.

Integration of digital & physical channels: It’s easy to get stuck in the gap between digital and physical channel(s). We can help you engage customers using the most appropriate channel – whether that happens to be digital or physical – and get the right balance across them for your customers and your business.

Analytics across the enterprise: We can help you use analytics to make timely decisions on the things that matter most.

Exploitation of platform-based services: We can help you to reduce costs and improve efficiency by consuming services as and when they’re needed.

How we work together

CGI collaborates with you to create a seamless experience for your customers and citizens by providing the following:

- ▶ A joined-up vision and roadmap for digital enablers such as **big data analytics**, **social media**, **mobility** and the **Internet of Things (IoT)** that is adapted according to clients’ needs, their digital maturity, and mission-critical systems and processes.
- ▶ An approach that balances customer demand-driven agility at the front-end with the need for integration, compliance and security at the back-end and across the organisation, to deliver innovative services anytime, anywhere, anyhow.
- ▶ A forum for bringing insight and practical experience to promote **meaningful dialogue** between the business, operations and IT.
- ▶ We help clients make critical connections across industries, technologies and partners to link devices, infrastructures and users to deliver value to customers, citizens, suppliers and employees.



Automotive

Growing global vehicle production has seen a rise in profits for carmakers and suppliers. However, an unprecedented surge in new models has created the imperative to reduce supply-chain complexity.

- ▶ Using data to **anticipate changes in demand and cost**, manufacturers can respond effectively and balance their global capacity across the supply chain.
- ▶ Predictive modelling can help manufacturers **predict demand** – crucial with the trend for a wider range of models with greater customisation.
- ▶ The right digital strategy can help firms **adapt to customers' changing needs** in terms of whether they own or lease vehicles.



Utilities

Utilities was once a highly stable industry. But advances in renewable energy, oil and gas price volatility, and the prospect of distributed energy are seeing utilities become **candidates for digital disruption**.

- ▶ Digital strategy can help define the best way to extract value from the wealth of data associated with the wide-scale deployment of **smart meters**.
- ▶ A digital roadmap can scope out the best way to replace, upgrade or optimise, enhance and/or replace **customer and billing systems** – a key imperative to grow revenue and cut collection costs.
- ▶ CGI's focus on **employee experience** can help utilities clients compete in the war for talent.



Health

As health care enters the digital age, the sector is undergoing **unprecedented transformation**. Patients are becoming empowered, and there is a drive to focus on prevention and behavioural change.

- ▶ There is pressure to reduce health care costs. Through **digital transformation**, providers have tremendous potential for monitoring patient behaviour and to provide enhanced service at lower operating costs.



FMCG

Digital transformation can also be key to tailoring global FMCG organisations' governance. It can make the supply chain more efficient, by improving supply and demand forecasting. There may also be asset efficiency gains to be obtained from an Internet of Things solution.

- ▶ An end-to-end digital strategy can help FMCG organisations drive margin improvement as well as volume sales through **enhanced channel management** and **exploitation of customer insights**.
- ▶ Digital transformation can also be key to tailoring global FMCG organisations' **governance**. It can drive cost efficiencies in the supply chain through enhanced demand and supply side forecasting, combined with asset efficiency gains delivered by the Internet of Things (IoT).





Government

Today, leaders are finding ways to do more with less. Falling tax revenue, rising deficits and concerns over national debt mean it's crucial to channel resources wisely.

- ▶ Digital transformation can **improve service delivery**. Digital government helps authorities provide more efficient public services to citizens and businesses.
- ▶ A digital roadmap **addresses cybercrime**, which costs governments more than US\$400 billion each year.
- ▶ By facilitating collaboration across multiple government agencies, we can help the public sector to deliver better services first time – and to operate more **cost-effectively**.



Financial

Complex global regulation has led to a desire for simpler organisational structures, especially in light of increased competition from new entrants within and across other industry sectors. Banks are challenging their business models as they look to operate more efficiently.

- ▶ Digital transformation can ensure that **customer experience** is at the heart of operations – and that with the rise in smartphone usage, **mobile channels** offer a consistent experience.
- ▶ A CGI digital roadmap can help financial services organisations **phase out legacy systems** and **streamline processes** to reduce the cost associated with stricter compliance.
- ▶ A digital strategy can help organisations deepen and retain **customer relationships**, guarding against nimble competitors.

Digital Strategy Practice



Manufacturing

Economic uncertainty, globalisation, volatile demand, increased customer-centricity and greater government oversight are creating new opportunities for today's manufacturers to change.

- ▶ Digital transformation can help find the best way to **recover operational productivity**, in order to respond to rising costs and falling yields.
- ▶ Digital strategy can chart the best way to respond to volatility by using data to **predict demand**.
- ▶ Digital strategy can help organisations focus on **innovation**.



Communications

Telecommunications companies are facing growing competition from tech companies, which has put customer ownership at the top of their agenda.

- ▶ For some providers, **growth** will come from extending their enterprise connectivity services into the world of the Internet of Things.
- ▶ For operators, customer **experience** is key to increasing customer **loyalty**. CGI's big data analytics can help reduce churn and target marketing.
- ▶ As telecommunication companies seek to develop and exploit new services to support revenue growth, CGI can help support **innovation** in this area through its strategy, data insights and IoT offerings.

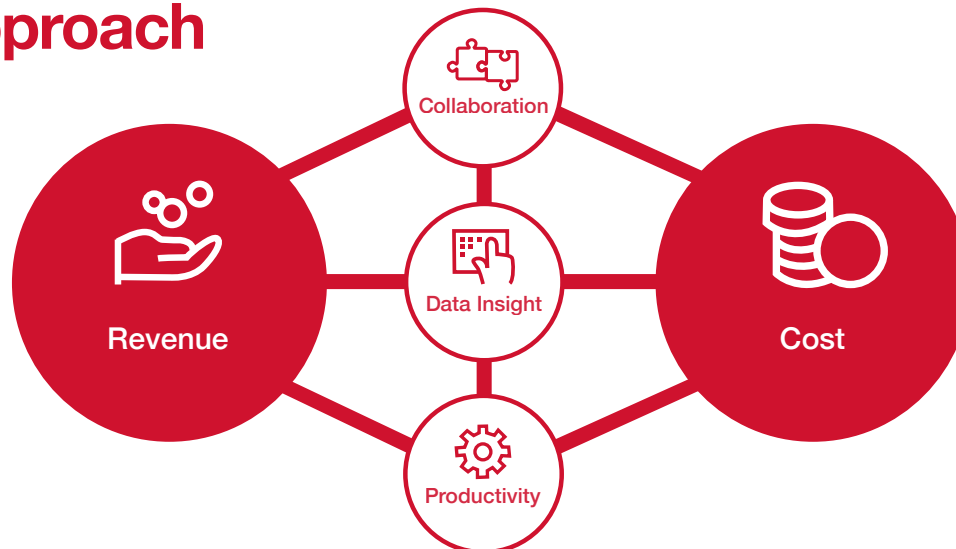
Delivery model

Today, companies are finding they need to respond to shifts in customer behaviour and technology. The pressure is on to take full advantage of all the opportunities that digital strategies, processes and technologies can offer. CGI's Digital Strategy & Roadmap offering is based on the core principles of **value, insight** and **experience**.

Here are some ways we can help:

- ▶ We can run **digital awareness** sessions with the leadership team to galvanise support and provide a common view on the digital opportunities/threats.
- ▶ Perform an **enterprise value** assessment to quantify business impacts.
- ▶ Establish a **critical information** assessment to enable the IT aspects of the transformation.
- ▶ Launch a **customer experience** study to confirm key segments, product and service opportunities.
- ▶ Undertake a **digital maturity** assessment to ensure the organisation, culture and programmes are set up for success.

CGI's approach



CGI's approach is to increase revenue and reduce cost by focusing on three valuable enablers: collaboration, data insight and productivity.

Our principles

We base our approach on the following principles:

- ▶ Business outcome focused to ensure tangible capabilities are created.
- ▶ Business value focused to ensure financial returns are achieved.
- ▶ Hypothesis driven to ensure rapid testing and validation of options.
- ▶ Connecting business strategy through information and value to ensure the correct solutions are defined, established and exploited.

Digital roadmap

When we engage with an organisation, we create a strategy roadmap – exploring the company's priorities to create a transformational journey unique to each business. Our strategy and roadmap approach explores the value and opportunity of digital transformation, leaving you with a clear way forward.

We work with partners we know and trust, to bring you a best of breed solution.

With over 4,000 experts across multiple industries, we understand the unique challenges that organisations face in each sector.

Highlighting the potential

We believe it's important to see the potential before you begin implementing a digital programme. We'll help you to evaluate the value of exploiting digital solutions, so you can build a **strong business case** that has the momentum you need to carry the project through to a successful completion.

We'll connect the business value impacts to the critical information needed to support your business goals, enabling you to make **timely** and **informed** commercial decisions.



Why CGI?

- 1** Our approach is based on Insight, Value and Experience. We co-create the outputs working closely with stakeholders.
- 2** We have experience of delivering complex, mission-critical systems across commercial and public sectors. This ensures the roadmaps we develop are realistic, achievable and effective – and that the solutions that are implemented are scalable and secure.
- 3** We can assist with your digital strategy wherever you are on your journey – whether you're at the start, or whether you already have a strategy and you just need help evaluating and implementing it.
- 4** Our starting point is your business strategy. You can be confident that our work is aligned with and informed by your overarching strategy.
- 5** We have the cross-industry expertise it takes to spot opportunities across the areas of Customer, Employee, Cities and Regions, Operations and wider Communities.



Examples of our digital roadmap solutions



Euromoney

Euromoney is an international publishing, events and electronic information group, delivering business information to the finance, law, energy and transport sectors. It wanted to improve its ability to **exploit all available customer data** to drive intelligent marketing communications.

- ▶ CGI helped Euromoney transform its legacy marketing and communications platform, which was starting to struggle in the digital age. Following a workshop phase, CGI used an agile approach to help Euromoney transform its business with a much **more inquisitive marketing capability**.
- ▶ The new solution increased **subscription renewal**, improved **customer retention**, and improved **ongoing customer engagement**. Now, Euromoney's content can be more **personalised and dynamic** – with communications generated in real time building a true two-way dialogue with customers.
- ▶ The CRM system is allowing Euromoney to retain customers more effectively than before. It's now able to deliver a more **personalised, targeted customer view** – ensuring that customers always have relevant, up-to-date information – which has already delivered tangible business value.

ThyssenKrupp Elevator

ThyssenKrupp Elevator (TKE) maintains more than 1.2 million elevators around the world. It wanted to test how to transition to a more proactive and predictive maintenance approach driven by real-time data.

- ▶ Potential for a truly global solution that can be rolled out to over 700K elevators.
- ▶ Enabling engineers to be appropriately informed for resolutions.

About CGI

Founded in 1976, CGI is a global IT and business process services provider delivering high-quality business consulting, systems integration and managed services. With 68,000 professionals in 40 countries, CGI has an industry-leading track record of delivering 95% of projects on time and within budget, aligning our teams with clients' business strategies to achieve top-to-bottom line results.

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