

Digital Transformation

Digital transformation is the integration of digital technology into all areas of a business, fundamentally changing how you operate and deliver value to customers. It's also a cultural change that requires organizations to continually challenge the status quo, experiment, and get comfortable with failure.

Because digital transformation will look different for every company, it can be hard to pinpoint a definition that applies to all. However, in general terms, we define digital transformation as the integration of digital technology into all areas of a business resulting in **fundamental changes** to how businesses operate and how they deliver value to customers. Beyond that, it's a cultural change that requires organizations to continually challenge the status quo, experiment often, and get comfortable with failure. This sometimes means walking away from long-standing business processes that companies were built upon in favor of relatively new practices that are still being defined.

Digital Transformation (DX) is not necessarily about digital technology, but about the fact that technology, which is digital, allows people to solve their traditional problems. And they prefer this digital solution to the old solution

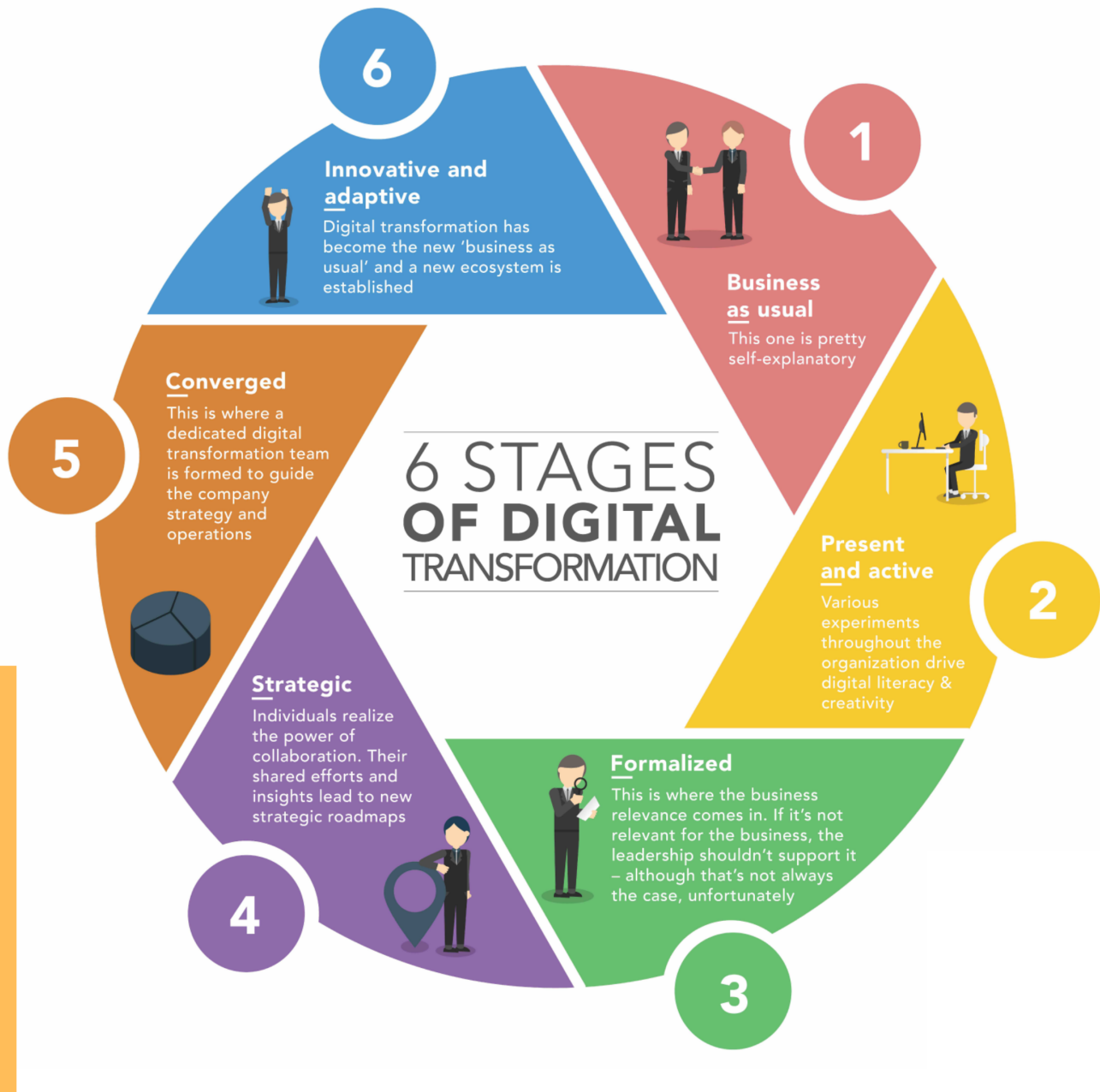
The transformation stage means that digital usages inherently enable new types of innovation and creativity in a particular domain, rather than simply enhance and support traditional methods.

In a narrower sense, "digital transformation" may refer to the concept of "going paperless" or reaching a "digital business maturity" affecting both individual businesses and whole segments of society, such as government, mass communications, art, medicine, and science.

While the impact of this on businesses has been profound, many are struggling to realize the full potential of what digitization and this is also clearly divided by Geography. According to the McKinsey Global Institute's Industry Digitization Index, Europe is currently operating at 12% of its digital potential, while the USA is operating at 18%. Even within the leading economies of Europe there are also some significant differences as, according to the study, Germany operates at 10% of its digital potential, while the UK is almost on par with the US at 17%. This clearly demonstrates that, while business processes are undergoing great change making much progress in the adoption of digitization, even advanced economies are struggling to exploit the full potential of digitization.

Impact

The debate surrounding digitalization has therefore gained increased practical importance for politics, business and social issues, and is linked to political work issues for community development, new changes in the practical business approaches, effective opportunities for organizations in operational and business process development, with effect on internal and external efficiency of IT to name a few. The digital transformation is slated to generate over \$370 billion in global value during the next four years.



Digital Leadership Principles

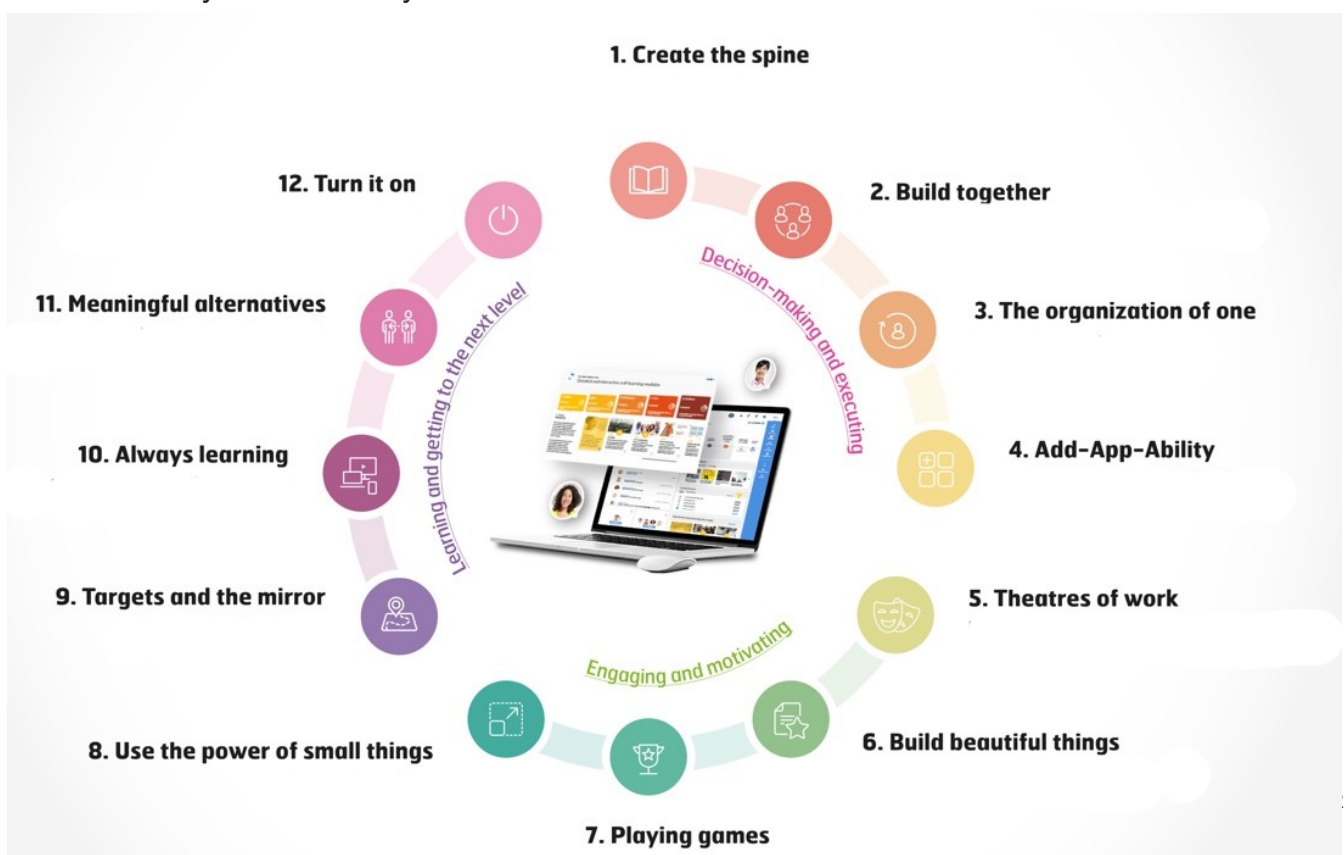
Seven Core Principles of Digital Leadership

The business world is in the face with such new normal of digitalization, urbanization, and globalization, with the characteristics of **VUCA-Volatility, Uncertainty, Complexity and Ambiguity**, so what are the core leadership principles to fit in such digital era?

1. **Authenticity:** At the age of digitalization, 'being who you really are as a leader' is more critical than ever, as your digital footprint is omnipresent, the working life is converging with personal life. You have to be real and true to yourself and others. This will translate and distill into believability throughout your entire organization. You will be seen as a person / leader who can be trusted not just by your employees but also by your customers / clients.
2. **Influence:** Leadership is Influence. At digital age, leaders can make and amplify influence through multiple digital channels, you not only consume the content, as a leader, you also create content to convey the vision and leadership. To "influence" means to be able to help shape other people's views or opinions towards one's own views or perspectives. The leader's influence is based on the courage to inspire, confidence to assert, wisdom to negotiate, and uniqueness to bridge via taking advantage of expanded digital platforms.
3. **Empathy:** Empathy is the power of understanding and imaginatively entering into another person's feelings; or the intellectual identification with or vicarious experiencing of the feelings, thoughts, or attitudes of another. Technology makes the world much smaller than ever, we are all net citizen and C (connecting) generation now, it's the leadership trait in developing the true understanding based upon related interaction with others. It's the leadership capacity to be non-judgmental; the capacity to appreciate and communicate with respect for other people's ways; the capacity to be flexible with tolerance for ambiguity.
4. **Agility:** The most critical characteristic of the digital age is the speed of CHANGE. Effective leaders should have the ability to adapt to changes, and adaptive leaders will inspire crowd sourcing and crowd storming, and adaptive leadership teams comprising a diverse range of individuals with the cognitive difference will be able to draw on a wider set of experiences in order to inform their decision making. It's meritocracy at its best – a highly diverse set of people collaborate seamlessly to represents nature of how successful organizations work today.

5. **Insight:** Due to the complexity and ambiguity of digital normal, INSIGHT is not 'nice to have', but 'must have' leadership trait, as insight is based on information, knowledge, and multi-dimensional intelligence, thus, an insightful leader has better perception to be a good communicator upon thinking deeper, rather than just speaking louder. upon knowing when to voice out, when to keep silent, think deeper before speak louder; use fewer words to express more; master of crowd-sourcing and enjoying collective wisdom, with practical ability to convince the value and gain support.
6. **Balance:** Both mankind world and nature world are so dynamic with the balance of energy. Balance is more crucial at digital era due to the interdependence and hyper-connectivity of the business value chain and ecosystem. Balance is the best strategy to engage, yield, redirect, and embrace the interaction of two complementary and opposing forces-yin and yang, leaders need to cultivate the culture of balance –the collective mindset about how they do things here and balance the diversified viewpoints, creativity, and discipline; the team's collective capabilities upon which strength and skills available, and balance of the long-term strategic goals with short-term tactical tasks.
7. **Maturity:** Maturity is one of the essential ingredients of leadership. By using this word, it often means to be open minded, taking personal responsibility and not blaming others. having the ability to remove emotion from your decision making, so that you can see things from an alternate perspective. Maturity is one part of higher Emotional Intelligence for an effective leader but is not necessarily equal to emotional intelligence. High mature leadership takes discipline, determination, and perseverance

Digitalization and the latest technology trends promote self-organizing teams and creative working environment, however, it doesn't mean leadership is out of fashion, on the opposite, it takes better leadership vision and stronger management discipline to thrive at today's business dynamic.



Online PR And Reputation Management

Public relations (PR) can help raise your business' profile and improve your reputation. If done well, it can be a cost-effective way to get your message to a large audience. However, it can be tricky to guarantee success.

Online Public Relations (E-PR, Digital PR) functions the web relationship influence among the cyber citizens and it aims to make desirable comments about an organization, its products and services, news viewed by its target audiences and lessen its undesirable comments to a large degree. Online PR shows differences from traditional public relations. One of these is associated with its platforms.

Compared with **traditional public relations channels** (such as TV, radio and printed press), the network systems used for online public relations vary from search to social platforms. In the era of digital marketing, the major online PR tools for the PR professionals and marketers such as content marketing, Search Engine Optimization (SEO) are the results of mixture of digital technologies and public relations. Those approaches have become the mainstream digital marketing machines and learning to take advantage of these marketing tools is an essential part of modern PR strategies.

Differences between online PR and traditional PR

- The organizations can communicate with its audiences directly through a variety of online platforms instead of depending on the media channels only.
- Audiences exposed to the information are linked to the network and then the flow of information is multi-directional among people.
- Multiple sources of information provided can be accessible to audiences.
- Audiences are entitled to the right to review, comment and assess.

Benefits of public relations

The advantages of PR include:

- **Influence** – Audiences are more likely to trust messages coming from an objective source rather than paid-for advertising messages. It is one of the most credible forms of promotion and can be persuasive.
- **Reach** – A good story can be picked up by several news outlets, exposing your message to a large audience.
- **Cost-effectiveness** – PR can be an economical way to reach a large audience in comparison to paid for advertising media placement, particularly if it is done in-house.

Challenges of public relations (P.R)

Some of the downsides of PR include:

- **No direct control** – Unlike advertising, you can't exactly control how your business is portrayed by the media, when your message will appear, and where it will be placed.
- **No guaranteed results** – You may spend time and money on writing a press release, getting suitable photography and speaking with journalists, but you can never guarantee your story will be published. This can result in a poor return-on-investment.
- **Evaluation** – It can be difficult to measure the effectiveness of PR activities. You can count media mentions and published stories, but it's harder to determine the impact this has on your audience.

Online Reputation Management (ORM)

Online reputation management (ORM) is the practice of crafting strategies that shape or influence the public perception of an organization, individual or other entity on the Internet. It helps drive public opinion about a business and its products and services.

By using ORM, a company may try to mitigate the effects of a negative viral video, create proactive marketing strategies for online consumption or broaden its domain holdings to ramp up online visibility.

One broad ORM philosophy is using positive material to counteract, balance or "push" negative material. An example is using online content to influence Google's search engine results pages (SERP). Because the first SERP page can hold only a finite number of results, some successful ORM projects include generating large amounts of positive content about a company or entity. Other ORM campaigns involve multichannel strategies, including email, social media and website projects.

Reputation handlers can build extensive website projects to distribute text, video or other elements, or use social media analytics to determine a company's status before engaging in products that influence reputation on a social media platform like Facebook or Twitter.

Social media management has become a major ORM element because many users participate in the most popular social media platforms and because of features that quickly help create significant changes in a company's online reputation.

ROI of Digital Strategies

Digital marketing is always changing, this has been caused by Google's algorithm changes and higher competition from businesses using the internet for marketing promotions.

Digital marketing includes search engine optimization (SEO) and social media to promote a business and its website, gone are the days when a campaign could be measured by the amount of visitors the site has produced. Whilst these are fairly easy to report on and measure they do not entirely show the marketing contribution to the bottom line.

The marketing department is increasingly being asked what the return on investment (ROI) is from their digital marketing campaign. How do you report that the digital marketing campaign is working, what the return on investment (ROI) is.

To understand what the ROI is, we need to understand what the goals or aims of the company are, what they wish to get from a digital marketing campaign and then measure these goals. For this we need to look at the Key Performance Indicators (KPIs) and the goals for each one.

Here are some types of key performance indicators:

- **General Performance** – Traffic, leads, Reach.
- **Channel Based** – Website, blog, social networks, search engines.
- **Source based performance** – Direct traffic, Organic search, referrals, email, PPC.
- **Campaign based performance** – Lead generation, click throughs, conversions, conversion rates.
- Setting realistic and measurable goals.

Once you are agreed on the KPIs, the next stage is to measure these, what style of report and how these are presented. It may be necessary to change the KPIs over time and thus the goals too. The report can simply be an excel spreadsheet with incoming enquiries that result in sales.

How Digital Marketing is Adding Value to Business

Technology is now an essential component of our social and business worlds. Everything appears to be growing at a digital speed. The competition in each domain has come to be quite fierce, and the sole means for those businesses to live would be to stay informed about the digital trends and ever-changing marketing approaches. **Digital Marketing** is your most excellent tool to maintain your own business growth chart higher.

The adoption of digital technology in modern marketing strategies is increasingly gaining popularity in businesses. Digital marketing is being embraced through the use of social media, SEO services, responsive websites, and email marketing. However, the major concern is how your business can benefit from the integration of digital technology in marketing. Listed below are the five benefits of digital marketing to your business.

Improved Customer Service

Digital marketing avenues like social media are heightening clients' expectations and experiences. Enterprises that embrace these avenues in their marketing activities are more focused on their clients' happiness. In business, an enterprise should deal in products or services that have an intimate connection to the consumers. Furthermore, it should use platforms such as social media to enhance customer service.

Get Valuable Data and Analytics

Digital marketing business tools like search engine analytical tools help you in determining page views of your brand's website. These analytical tools also give you information and stats regarding your marketing website and its effectiveness. You need this information in prioritizing your brand's marketing channels. You can use this information to budget for more effective ad campaigns.

Higher Conversion Rates and Increased Revenue

Through digital marketing, your brand will achieve over 24 percent conversion rates, generate leads, and reach out to your targeted customers. You will also save over 40 percent of the money used for traditional marketing. As a businessperson, using the Internet to reach your clients helps you to generate more revenue. This is because more consumers are turning to the Internet in search of products and services that match their preferences.

Being on Par with Competitors

Despite having competitors in your field of business, your goal as a business owner is to use your products or services to create unique customer experiences. Digital marketing business helps you to not only achieve this goal but to also stay abreast with your

competitors. It also helps you to compete healthily with them and emerge as the leader. This type of competition is key in building trusted brands.

Preparedness for the Internet of Things

The Internet of Things is an ideology about interconnected devices like smartphones, tablets, and PCs on a global scale. According to a study done by Gartner, over 26 billion devices will be interconnected to form a global online ecosystem by 2020. As a company owner, digital marketing enables you to be part of this exciting opportunity. It gives you information on consumer's preferences and habits that you will use whenever you want to market more products and services online.

The Internet of Things gives marketers a chance to discover more exciting analytical tools they can use to map consumer behaviour. In the near future, marketers will have the right tools for predicting the exact time a consumer will be in need of a particular service or product. In this case, marketing data will be personalized for sales timing, ad campaigns, and targeted market.

In reference to the points above, digital marketing adds value to businesses in several exciting ways. Business owners get more clients and revenue due to their online presence and reputation. They also get to understand their target audience and how they can become part of the Internet of Things.

Evaluating Cost Effectiveness Of Digital Strategies

The cost benefit evaluation method and the cost effectiveness evaluation method are two different tools that businesses may choose to use to help make business decisions. Both methods involve comparing the future or impending purchase of new equipment or programs based on their cost and their expected benefits to the company, but one may be more suitable for certain circumstances than the other. For instance, a company may find it best to use a cost effectiveness evaluation to narrow down a list of new equipment choices or programs, and a cost benefit method to analyze whether to adopt the final choice or choices.

About the Cost Benefit Method

Companies use the cost benefit method to help make financial decisions, particularly those that involve the purchase of new equipment. The cost benefit method involves placing factors in two columns on paper. In the first column, the company lists all of the financial benefits the **new equipment or software** will provide. Such benefits might include improved productivity, lower supply costs and increased business. In the second column, the company lists the concrete and peripheral costs of the new equipment or software. This includes the basic cost of the equipment, any business lost during the transition to the new equipment, training costs, the cost of changing suppliers, and the like. Administrators, managers or executives look for options whereby the financial benefits outweigh the costs.

Cons of the Cost Benefit Method

The cost benefit method uses hard numbers to inform decisions, and some of these numbers can be misleading at first glance. When using the cost benefit method, you must be aware of all of the intangible benefits that may come from the business decision. For example, a switch to new software may allow the company to attract a larger pool of qualified employees, or a particular advertising strategy may weigh better with customers and improve customer loyalty. The large cost of a decision may quickly overshadow many of the intangible benefits if they are not accurately calculated.

About Cost Effectiveness Evaluation

A cost effectiveness evaluation is more complex than the cost benefit method because it involves more components. This method may be favored before the cost benefit method to narrow down a list of potential programs or new equipment to purchase. Rather than looking solely at the monetary value of the change, this method looks at the broader effects of the program. For example, a company may evaluate which employees will receive the greatest benefits from a specific training program and whether the costs of that training program will still be beneficial if certain employees leave the company.

Cons of Cost Effectiveness Evaluation

Because the cost effectiveness evaluation method does not always take into account all of the costs of a new program or equipment, it may fail to consider items such as the cost of training new employees or other additional costs that will accompany the program and equipment . Often this method takes into account only individuals currently involved in the business or program and does not account for newcomers who will need to be trained or what will happen if key individuals leave the business, taking specific skills sets with them.