



The 7 Battlefields of Digital Transformation

Nikolaos A. Mylonopoulos
Associate Professor of Digital Business
nmylonopoulos@alba.acg.edu



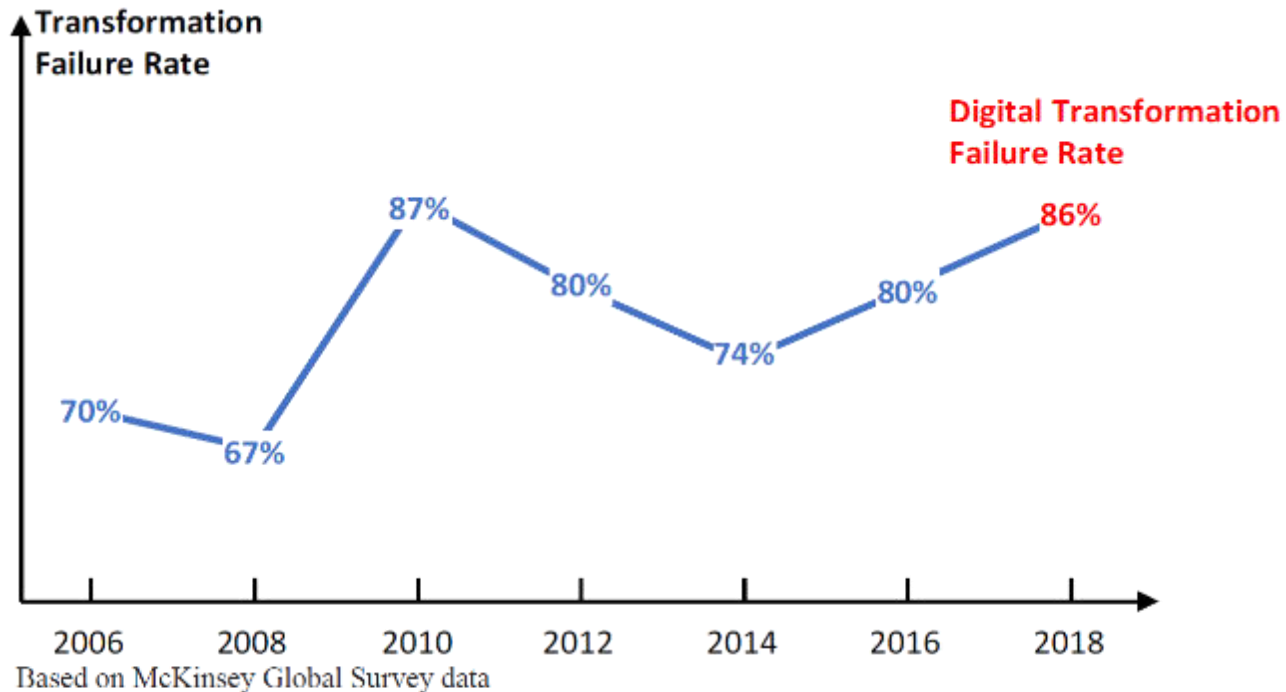


“All the digitization in the world won’t, on its own, make a business a digital company.”



Jeanne Ross
Principal Research Scientist
MIT Center for Information Systems Research

Digital Transformation Failure Rate



Causes of Failure

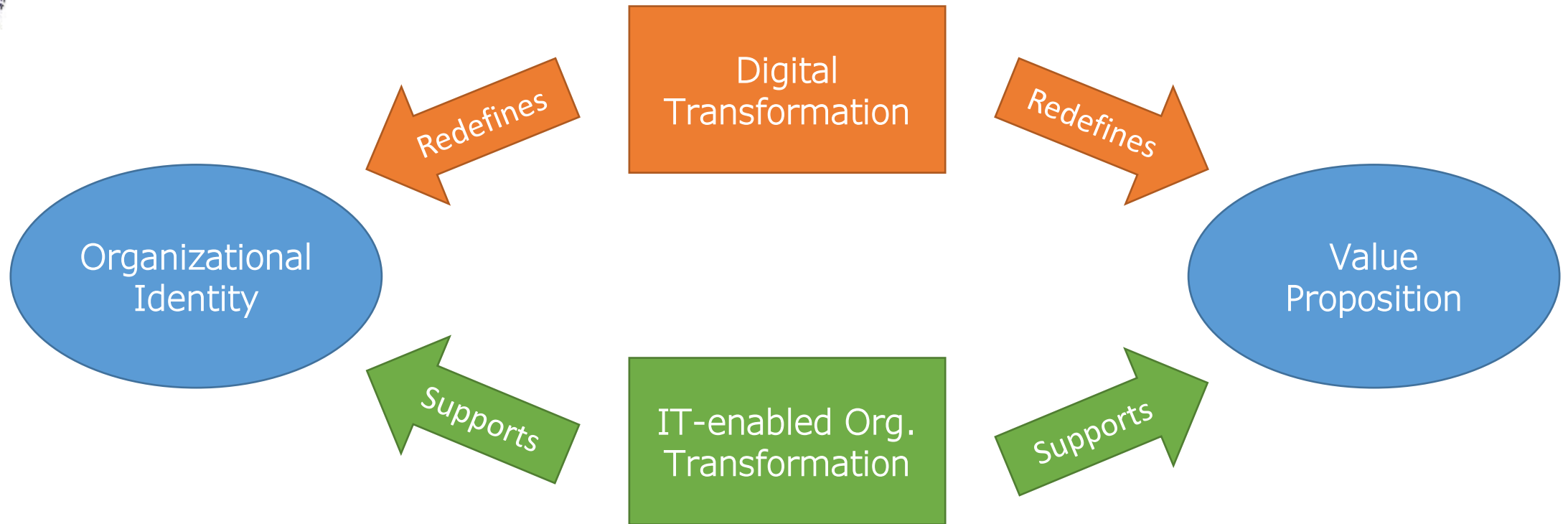
- Unrealistic Expectations
- Digital for the sake of Digital
- Poor Governance
- Underestimating cultural barriers



IT-enabled
Organizational
Transformation

VS.

Digital
Transformation





Digital Transformation

*The process by which
20th century companies change
to survive and compete
in the face of 21st century digital disruption.*

Digital Disruption

Scalability +
Network Effects =
Winner Takes Most

Platforms →
Commoditization

Digitization +
Homogeneity =
Zero/Low Prices

Products →
Dematerialization
of experience

Value Creation →
Data + Algorithms



20th Century Incumbents:

Are tuned to maintaining their past success

Have risk-averse investors

Hard to pivot without destroying value

Need to scale their innovations fast enough

The 7 Battlefields
of
Digital
Transformation

1. IT Infrastructure as a Platform
2. Intelligent Operations
3. Data-driven Value Proposition
4. Platform and Ecosystem Strategies
5. Accounting and Control for Innovation
6. Lean and Agile Governance and Management
7. Customers as Employees and Employees as Customers



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