



BUSINESS

MAKE TODAY YOUR DIGITAL FUTURE

Unleash your digital potential

What happens next is entirely down to you. The digital strategies you put in place will determine where you end up. Let Virgin Media Business help you identify and implement the right plans for your organisation.

OutSmart Tomorrow

Cosy up to change

Who owns the future?

Our Digital Opportunity Report¹ reveals that the pace of digital change is so rapid, at least a quarter of you reading this are unsure of what your industry will look like in a year's time.

Believe it or not, Silicon Valley-esque start-ups aren't the only ones that outsmart tomorrow. There are also more mature organisations – small and large – that have put their minds to unlocking the power of digital.

Collectively, we call them “digital leaders”. It's a club that includes not only the usual suspects – Google, Amazon and Facebook – but also online food retailer Ocado, and high street outlet GAME.

Just behind them is another convincing surge of British organisations. [Blockchain](#), with its digital

currency wallets, is probably chief among them, as well as brands like [BrewDog](#), [LendInvest](#) and [Alphasights](#). Our [Virgin Media Business/Sunday Times Disruptor 10 list](#) highlights a bunch more.

These are the organisations that outsmart tomorrow, today. But for many larger organisations, digital disruption isn't a natural state of being. In fact, our YouGov survey found that 28% of IT leaders feel their organisation's infrastructure isn't ready to support digital transformation.²

No matter where you are on your digital transformation journey, we can help. And we'll show you how.

¹ Oxford Economics and Virgin Media Business, “The UK's £92bn Digital Opportunity”, October 2015.

² YouGov and Virgin Media Business, “SDM in Private and Public Organisations”, 2017.

Winning in the age of disruption

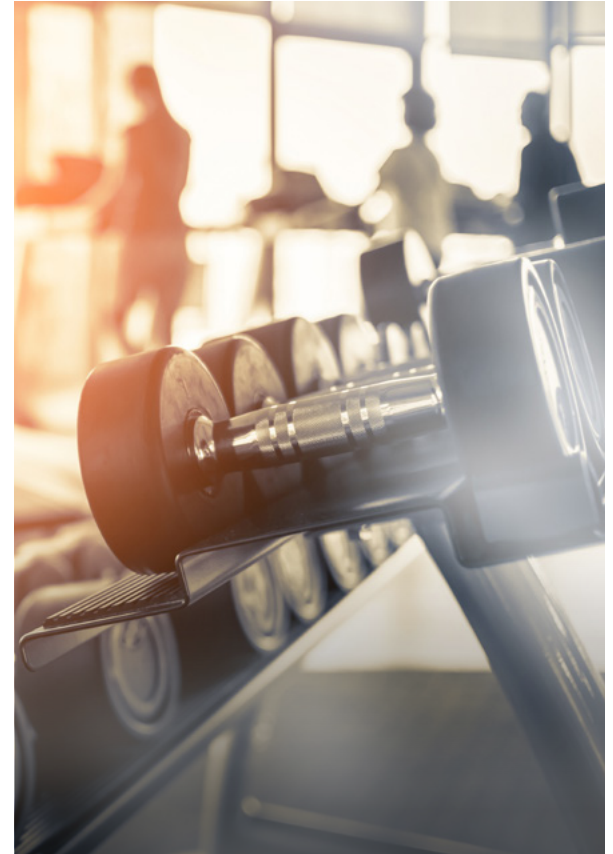
Getting fit to outsmart tomorrow

So why be a digital leader?

Well, we know organisations with the right digital infrastructure can create better products, better service levels and new channels to market. And they can do it more quickly and more efficiently, in ways that use fewer resources and generate more profit. They can also innovate, collaborate and grow, both themselves and the wider economy.

The IT community is certainly prepping for digital leadership. Our latest fieldwork with YouGov found that 69% of us feel that our personal levels of ICT expertise are now higher than five years ago.

And case studies abound. Take PureGym: in just seven years, it's attracted around 850,000 members, making it the largest gym to ever exist in the UK, with an unprecedented 35% share of the market. It cut costs, created efficiencies, scrapped contracts, and lowered prices. It believed there was no need to respect what had come before. But it also became a digital organisation using connectivity, hardware and apps to develop an alternative business model. One that makes people's lives better.



Scream if you want to go faster

More speed, more opportunities

Change and disruption aren't stopping anytime soon.

A survey of 1,000 firms by our research partner, Oxford Economics, found that digital capability already generates £123bn of performance improvements every year. But if we all took the opportunities on the table, we could generate a further £92bn benefit to the UK economy, annually.

Bearing in mind the majority of UK organisations (57%) still describe themselves as “non-digital”, meaning there are still massive opportunities to adapt and thrive.

Digital leaders are:



■ 58% more positive about the impact of digital on their industry

■ 43% more confident about their ability to compete

■ 33% more profitable than the rest

■ 23% more likely to achieve high revenue growth

Why digital leadership?

93%
say it satisfies and retains existing customers

92%
say it helps them reach new customers and markets

91%
say it helps them respond quickly to changing demands

97%
say it creates a happier and more engaged workforce

Leading the pack

The insides of a digital leader

Our research divided digital leadership into six competencies: architecture, workforce, information, strategy, collaboration and partnerships, and customer engagement.

Having the right digital infrastructure in place, and having a digitally-savvy workforce to use it – were ranked of highest importance.

Digital leaders take all six competencies very seriously.

Perhaps the most surprising one was their commitment to open and collaborative partnerships – through data sharing, instant communication and crowdsourcing. It's something made possible by a strong digital strategy.

But if the value and impact of adopting digital leadership is clear, what's holding us back? Why are only 13% of us “completely ready” to support digital innovation, according to our YouGov study?³

³YouGov and Virgin Media Business, 'SDM in Private and Public Organisations', 2017.



Architecture

The platforms that allow data to flow in, around and back out.



Workforce

The digital tools that create a more flexible, collaborative environment.



Information

The tools to secure digital data throughout your organisation.



Strategy

How leaders with a vision implement a digital plan from the top down.



Collaboration and partnerships

Being open and connecting with others.



Customer engagement

The role of digital is driving demand through better customer experiences.



Where do you fit in?

The digital mindset

Our research has pointed to some underlying causes for digital leadership not being more prevalent.

For example, over 30% of us experience budget issues. And the Digital Opportunity Report flags that many organisations just don't have a digital platform with sufficient bandwidth and flexibility.

But for us, our own research might be missing a bigger, deeper, more subtle underlying trend.

When we talk to organisations, almost all fit into one of three categories:

1. DIGITAL LEADERS

Those who understand digital, think of it as a way of life, and use it as the foundation of their organisation.

2. DIGITAL DESIRERS

Those who have started to build a transformational digital agenda, and know they need to do more.

3. DIGITAL DENIERS

Those who are still based on a traditional IT infrastructure, but think they can't afford to upgrade.

The dichotomy, bridged by the desirers, is whether the organisational mindset is digital or whether it's more traditional IT in nature.

Which school are you from?

Digital vs. traditional IT

In the age before digital, IT – and especially its infrastructure – was far more difficult to work with than the digital materials we have today.

Of course, it was our stock-in-trade as IT people. But after a series of high-profile failures, like the NHS patient records scandal and the National Air Traffic Control System debacle, some organisations became more cautious.

For some, IT had even become a liability. It was expensive. It was time-consuming. It soaked up resources.

The New Age of Tech looked tarnished. But, sometime around the mid-noughties, a levee broke.

The technology that grew up to power the internet started to be applied to every problem an organisation could face. Application Programming Interfaces (APIs) allowed data to be moved more quickly and easily across systems, applications and databases. Information could circulate far more efficiently.

It made it easier to cut costs, work together and operate to best practice.

At first, only start-ups and scale-ups embraced digital to this extent. It was partly a needs-must situation, born of limited capital.

Some thought they'd graduate to proper, grown-up Enterprise Resource Planning (ERP) systems later. The truly visionary understood digital was simply a better way of doing almost everything. Some never even realised there was an alternative.

And with their success came the conquering of markets, unicorn valuations and Instagram being acquired for \$1bn with just 13 employees. Disruption was the name of the game.

Moore's Law

The “human lag” factor

We know the potential of digital is being proved every day.

In part, it's because Moore's Law has a flaw. A very human one.

Even if processor power doubles every other year, we can still lack the resources and budget to use it.

In fact, the more important trend is the rate at which we can implement all the potential. And that comes down to the human condition.

But we're catching up. Our YouGov study shows that 76% of organisations believe digital infrastructure is important to reducing costs and increasing productivity.⁴



“Your mum and I are going to divorce next month”

“What??? Why? Call me, please!”

“I wrote Disney!! We are going to Disney!!”

⁴YouGov and Virgin Media Business, ‘SDM in Private and Public Organisations’, 2017.

There's something in the way

Fear of cost, risk and security

It's completely understandable that, from an organisational perspective, you may find it hard to put digital into the core of your IT.

Unless your organisation was born in the last five years, it's likely that your tech is a hotchpotch of systems from different generational eras of computing.

And those that still rely on older technologies often find combining data, mashing up features and delivering an easy-to-use set of customer experiences difficult.

Cost, risk and security are all perceived reasons that prevent us from making the switch. Until there's a real crisis, no time feels like a good time for fundamental change.

And on top of this, 20% of us lack the internal knowledge and/or resources to plan a digital innovation agenda.⁵

But what if maintaining the status quo creates the very things we're trying to avoid? What if the status quo means more cost, more risk and less security?



⁵ YouGov and Virgin Media Business, 'SDM in Private and Public Organisations', 2017.



We don't do determinism

The future is an amazing place

Change is hard. But it is possible.
And completely worth it.

Tomorrow isn't preordained. It's a moveable feast, infinitely fluid and changeable, and morphing every second. Now, you must outsmart it and shape your digital world. Your reward? A new, bolder vision with the infrastructure to match.

If your organisation isn't heading in the direction you would like, the possibility of change is real. There's a strategy for anything and everything. Which means it all boils down to one question: isn't it time you outsmart tomorrow? If it is, we'd love to talk.

OutSmart Tomorrow

It starts today.

We hope this will help you form your own digital strategies, and consider how a higher-performance digital platform will help you unleash your digital potential.

Find out if you're digitally ready. Answer just a few short questions and identify opportunities to take you even further – so you can outsmart tomorrow.

Use our Digital Readiness Navigator at outsmart-tomorrow.co.uk or see how we can help by talking to us on **0808 252 7780**.



BUSINESS