

BusinessConnect and SolutionsConnect

It's time to make bold moves.

Under Cloud Cover

How leaders are accelerating competitive differentiation

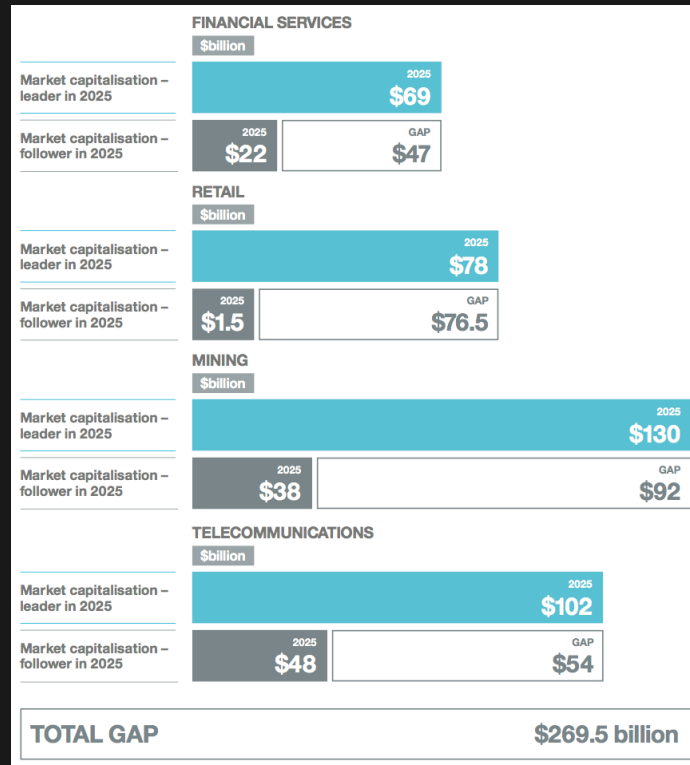
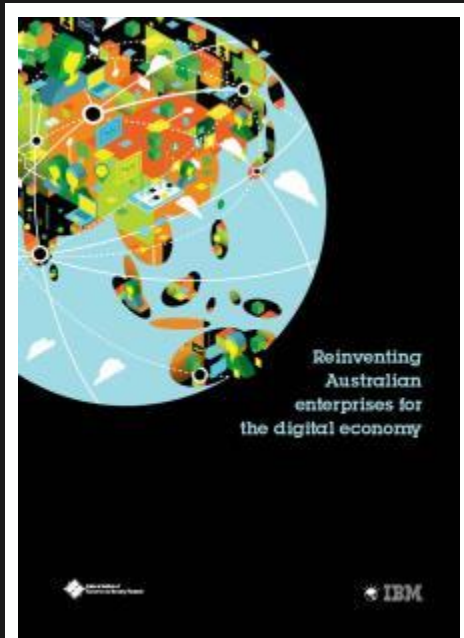
Martin Stubbs-Race

IBM Cloud Business Advisor



The Australian economy is undergoing digital transformation.

Differences in market capitalisation for sample leaders and followers by 2025.



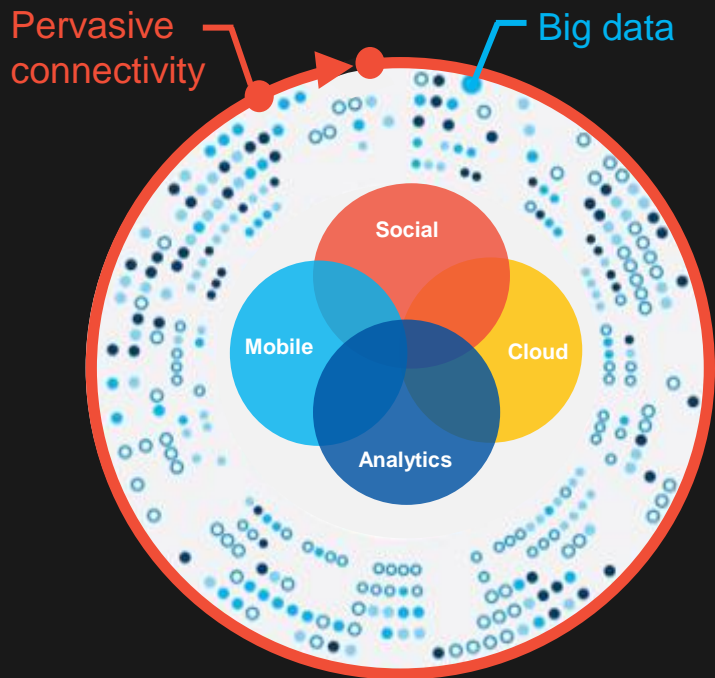
Digital transformation and the home movie showdown.



Source: FastCompany

Big Data, Social, Mobile & Analytics capabilities have changed the way we live, work and interact with each other.

Digital transformation forces



67% of global consumers want to use mobile devices to check out

18% of Africa's GDP is expected to be handled through mobile money transfers by 2015

1 in 7 minutes spent online are spent on Facebook

40% of people socialize more online than they do face-to-face

80% of new apps will be distributed or deployed via the Cloud

1/3 of consumer data will be stored in the Cloud by 2016

New customer expectations are driving business model changes.

Customers now demand:

- Mobile & Social Engagement
- Analytics driven personalisation
- Real-time responsiveness

So how does all this effect business leaders?

Maria, CEO



Needs to:

- Drive innovation and agility
- Faster time to market
- Increase visibility into business cycles and predictive capabilities

Nicolas, CMO



Needs to:

- Drive greater insights and predictability into customer interactions
- Leverage big data and social to engage customers individually, but lacks technology enablers
- Go to market faster, with more flexibility for promotional campaigns

Julia, CIO



Needs to:

- Control Shadow IT and regain control of cost, assets and IP proliferation
- Avoid business units acquiring multiple instances of the same SaaS application
- Stop data fragmentation across random vendors and platforms

John, CFO

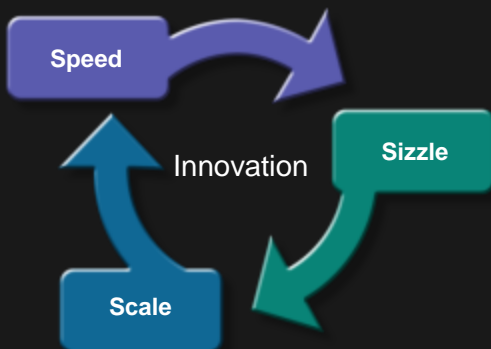


Needs to:

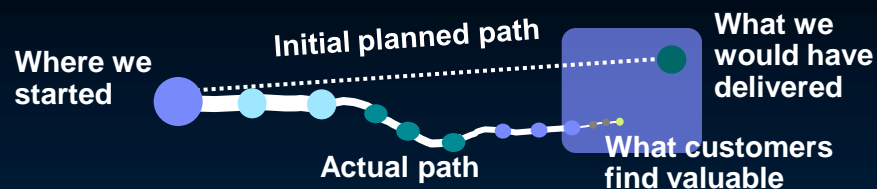
- Gain transparency, visibility, control to assure security and compliance
- Minimize the risk of exposure to the enterprise from the lack of planning and disciplined governance

The Millennial Enterprise: Social, Mobile and Cloud have reshaped the development model

The millennial virtuous cycle

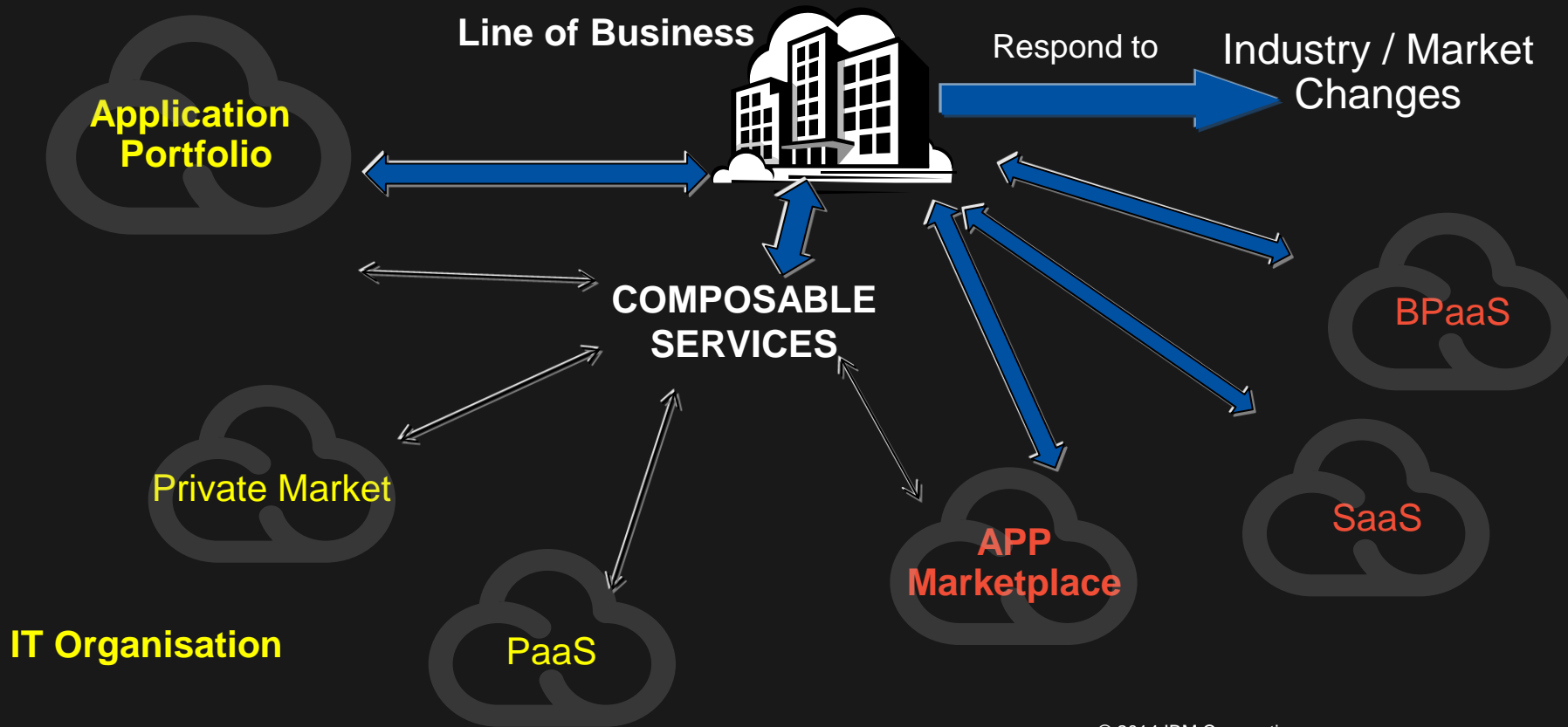


Iteration at scale yields higher value, faster

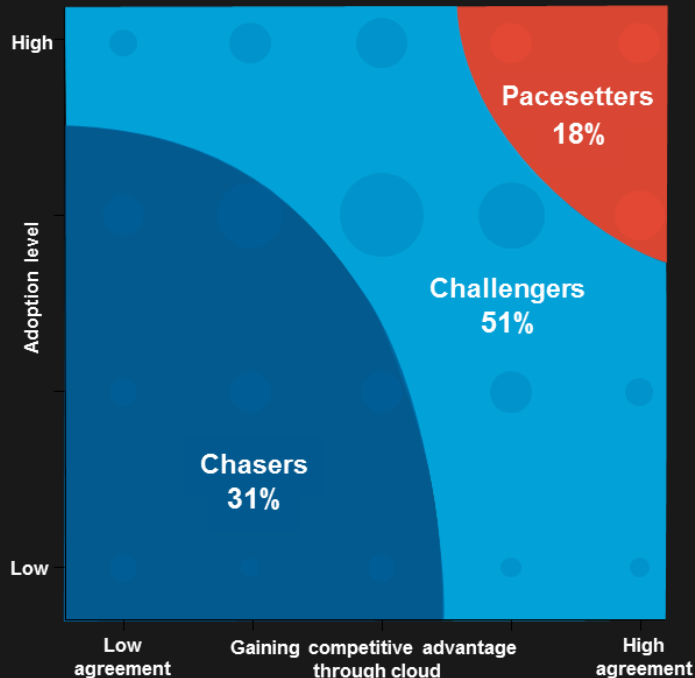


- New development model to be shaped by working together with clients
- Engaging with consumers is key in getting in the flow of data and activating the virtuous cycle

So what does this look like for an organisation?



As Cloud aspirations grow, pacesetting organisations are out ahead driving competitive advantage, not just efficiency.



Pacesetters have deployed Cloud on a broad scale and are gaining competitive advantage through Cloud.
Top Cloud driver: Market responsiveness

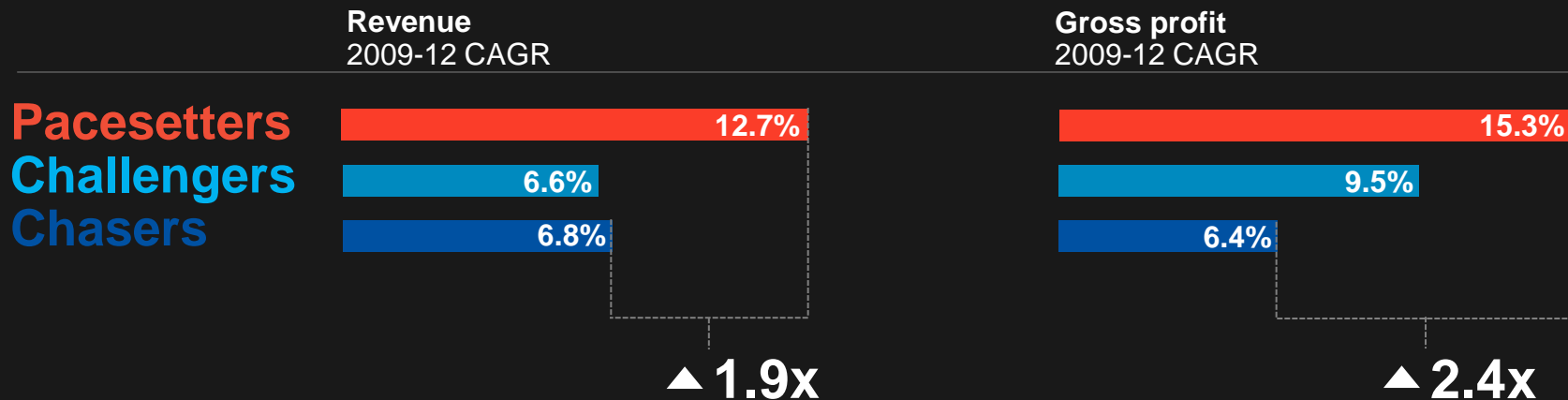
Challengers are on par with Pacesetters in achieving greater efficiency through Cloud, but still lag on differentiation and market responsiveness.
Top Cloud driver: Collaboration

Chasers are more cautious about Cloud. They're in early stages of adoption and are not yet using Cloud to drive competitive advantage.
Top Cloud driver: Workflow optimization

Source: IBM Center for Applied Insights *Under Cloud cover: How leaders are accelerating competitive differentiation*
For more info, visit: ibm.com/ibmcai/globalcloudstudy

The competitive advantage pacesetters are gaining through Cloud correlates with stronger business results.

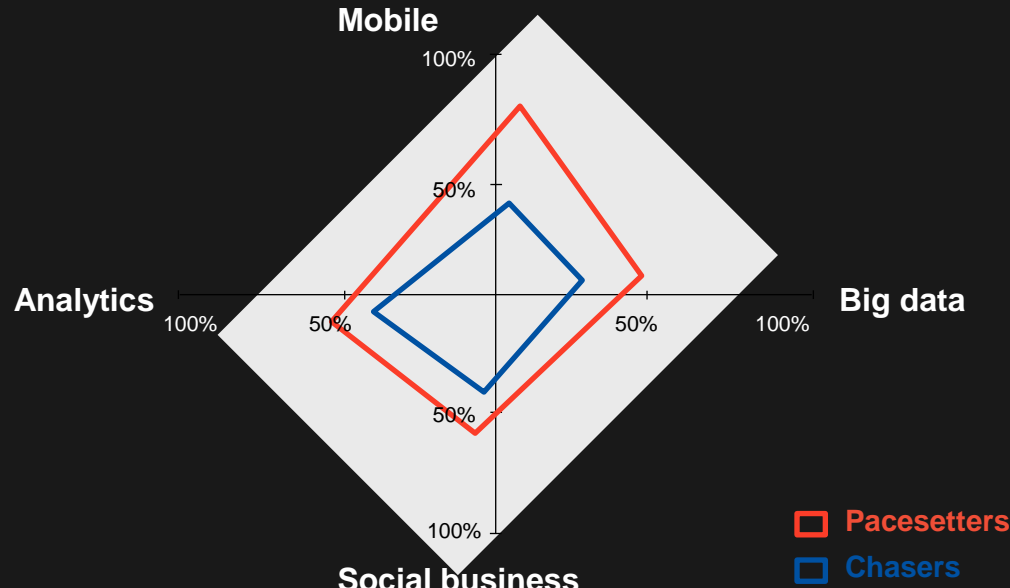
Pacesetters vs. Chasers



Source: IBM Center for Applied Insights *Under Cloud cover: How leaders are accelerating competitive differentiation*
For more info, visit: ibm.com/ibmcai/globalcloudstudy

Through Cloud strategies, pacesetters are gluing together key technologies and scaling to do business in entirely new ways.

Leveraging Cloud for the integration and application of these strategic technologies



Source: IBM Center for Applied Insights *Under Cloud cover: How leaders are accelerating competitive differentiation*
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Disruptors are adopting the game changing business enablers of Cloud to create entirely new business models.



Optimisers

Innovators

Disruptors

The future is a composable business.

- Restless reinvention and process innovation
- Better decision making from actionable insight
- Speed to market



Blockbuster or Netflix: Which one will you be?

Refine your business strategy

Will your organisation be an Optimiser, Innovator or Disruptor?

What targeted steps are you taking to better engage customers, make more informed decisions, differentiate and innovate faster?

Start small and prove value

Take a Test & Learn approach for front and back office initiatives.

Look to build out your capabilities with composable services to enable your mobile, social and analytics initiatives.

Build the ecosystem

Look beyond the borders of your existing organisation.

Expose your capabilities to enable new opportunities beyond your organisation.