“How does your balance sheet and profit & loss statement look like in five years?”
Agenda

- Revenue Resilience
- The Digital Mind
- Q&A
The Limitations of Automation

“Batch processes that used to take an average of four hours are now completed in minutes.”
How MOOCs are Disrupting Education
Your Revenue is in Danger, if …

1. Your product becomes a digital public good
2. Your customers become your competitors
3. New digital products / channels emerge
4. Your customers want a platform, not a corporation
5. Regulation no longer protects your revenue
6. Your customers are aging with you
7. Your customers’ revenue is in danger
Your Revenue is in Danger:
- If Your Product Becomes a Digital Public Good

- Education (MOOCs)
- Health care (the quantified self)
- Navigation systems (Google maps)
- SMS (over the top, e.g. WhatsApp)
- Recruitment (LinkedIn)
Your Revenue is in Danger:
- If Your Customers Become Your Competitor

- Hospitality (hotels, restaurants)
- Taxi services
- Printing services
- Car parks / car rental
- Consulting services
Your Revenue is in Danger
- If New Products or Channels Emerge

- Tesla (car industry)
- Email (postal services)
- Videoconferences (transport services)
- NBN (gaming products)
- Netflix (movies)
Innovating Above the Line

Revenue Resilience
- Explore new opportunities -

Cost Resilience
- Exploit current resource base -

Delight
Expectations exceeded

Expectations not fulfilled

Dissatisfaction
Value Chain 2.0: Innovation Systems

“Tomorrow – innovation latency – innovation efficiency – creativity - opportunities – proactive

Innovation System

“Today – time to customer – operational efficiency – productivity - problems – reactive

Enterprise System
Agenda

- Revenue Resilience
- The Digital Mind
- Q&A
“It is not about how customers participate in our (business) processes, but about how we participate in the customers (personal) processes.
The 7 Traits of a Digital Mind

Customers
- Digital Attention
- Digital Signals
- Digital Capital

Digitise and renew asset base

Corporation
- Digital Access
- Digitise Assets
- New Digital Products

Participate in and facilitate a digital life
1. Compete for Digital Attention
   - Tesco, Daimler vs Google, Dan Murphy vs Amazon
Digital Attention – Meat Pack: Hijack
React to Digital Signals
- Healthcare, Audi, Allianz, Rolls Royce

(‘Find, not Search’)
Integrate Private Digital Capital
- CBA, KLM, Fidor, mywave.me, L’Oreal

(‘Bring Your Own Data’)
How Organisations Derive Value
Create a Digital Community
- Thermomix, UNSW, Facebook, TripAdvisor, LinkedIn, patientslikeme

friendsurance Making insurance social again.

The future of insurance

Friendsurance takes a completely new approach towards insurance: for the first time, we have implemented the concept of online peer-to-peer insurance, which combines social networks with well established insurance companies. Customers can connect to form individual insurance-networks, thereby lowering their annual insurance premiums by up to 50%. Friendsurance was founded in 2010 in Berlin and currently operates the website www.friendsurance.de for the German market.

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Facebook
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YouTube
Digital Access instead of Ownership

Forget everything you thought you knew about legal services.
Utilise Idle Assets:
- Airports, Airlines, Taxis, Walmart, Volvo Roam Delivery, AWS
Digitise Idle Assets
- Example: Volvo Roam Delivery
Create New Digital Products
- IoE-enabled Data markets, e-learning
The Proposed Co-Innovation Process

Industry

Problems/Constraints
- Open Innovation
- Innovation Jams
- Environmen.

Ideation
- Scanning
- Proactive Consulting
- Design-led Innovation
- Innovation Patterns

University

Opportunities/Theories

Ignite

Incubation
- Sense making
- Business plan
- Business case

Excite
- Feasibility studies
- Prototypes
- Experiments
- Behavioral Economics
- Simulation

Build

Execution

Deliver

Theorizing ('Explaining')
Takeaways

• Deploy foresight accounting to identify the local, financial implications of the digital economy

• Cost resilience will no longer be sufficient in many industries

• Establish an ambidextrous mindset and capabilities, in particular innovate above the line and invest in innovation systems

• The seven traits of the digital mind provide inspirations for how to protect old or create new revenue streams
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