

Unleash Your Digital Strategy & Drive Customer Centricity Through Ecosystems

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Reinventing Business and Operating Models ...



Digital Business Ecosystems
Un-bundled

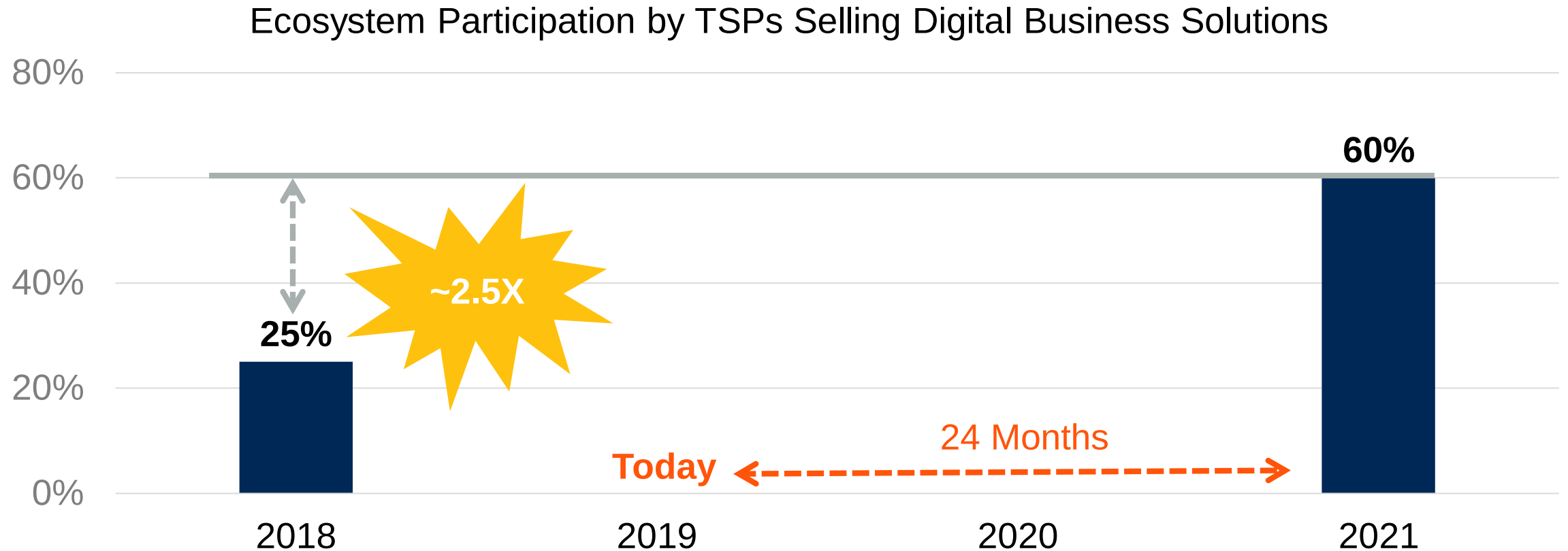


How customers will use
ecosystems in the future

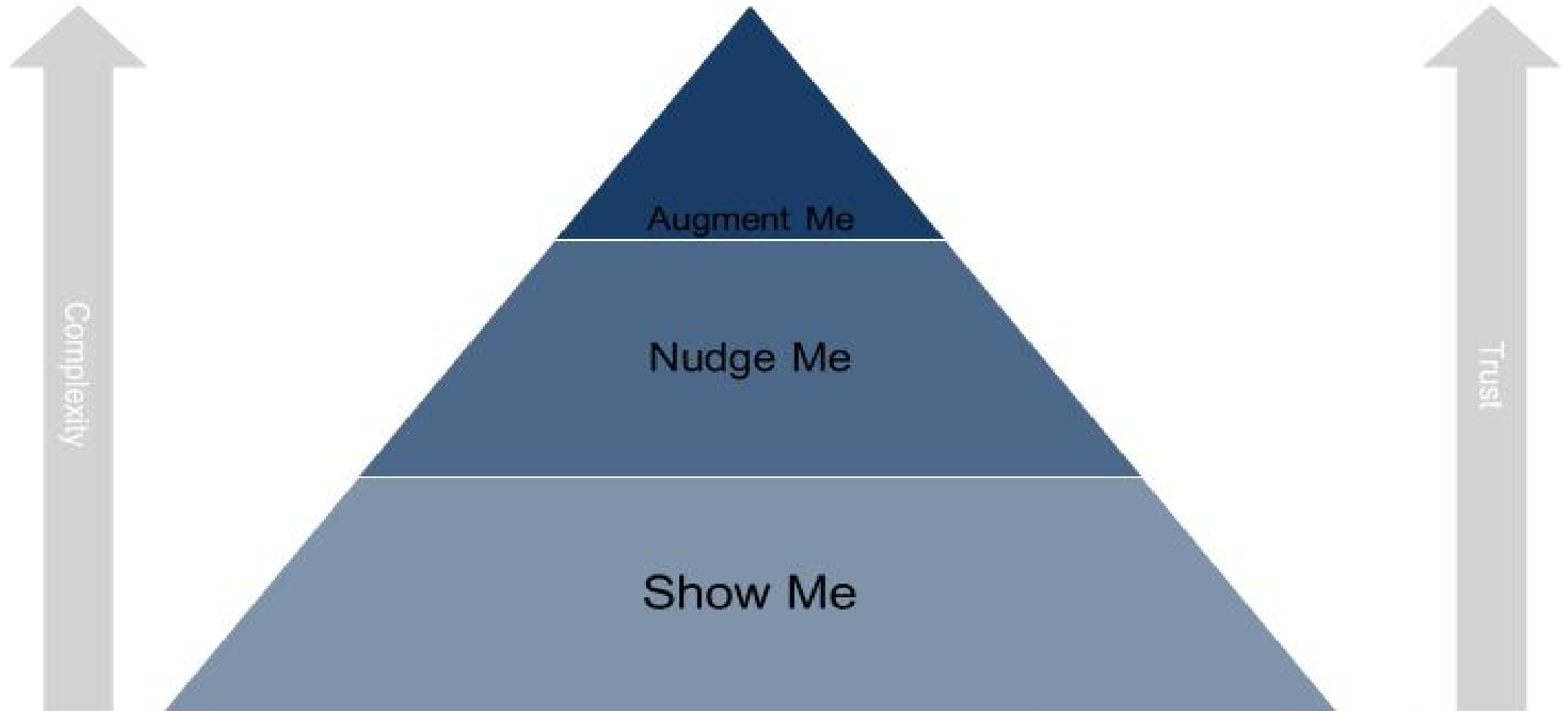


Where CIOs need to focus
their attention.

TSP ecosystem participation for digital business solutions to grow to 60% in next few years



Three Ecosystem Stages, Mapped to Two Variables



Partnerships are not new but scale and pace of innovation is driving participation

Drivers of ecosystems:

- TSPs often competing globally rather than locally
- Pace of technology innovation coupled with complexity – companies can't “go it alone”
- Need to go where customers are (customer at core of go-to-market)



Large vendors are battling for partnerships



We Want You!



Microsoft



There are many different types of ecosystems

1

Ecosystem That Accesses New Sales and Distribution Channels

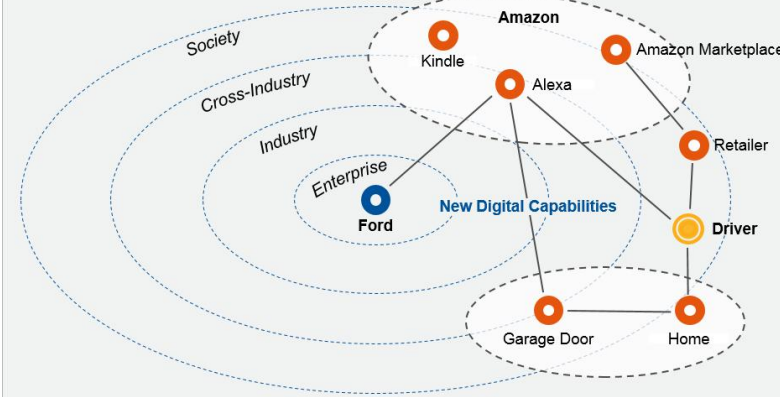


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Ecosystem Providing New Customer Interactions and Product Capabilities

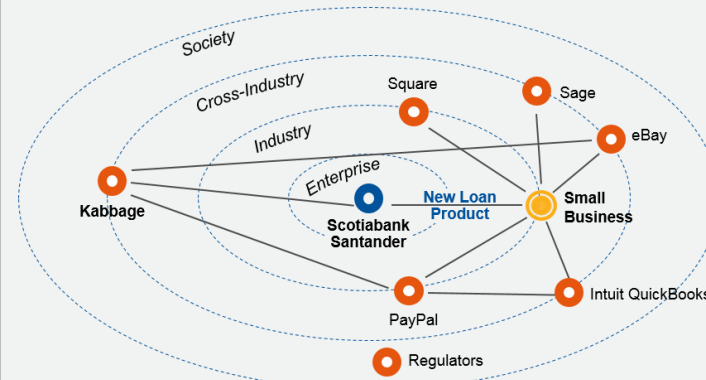


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Ecosystem That Extends or Creates Products and Services



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As a starting point,
think of what you are
trying to achieve by
participating in an
ecosystem

Cross Industry Innovation and Disruption With Digital Business Ecosystems

Developing New Business Models

How can you learn and anticipate to be able to lead in the development and implementation of completely new businesses?

Participating in Multi-Industry Ecosystems

How can you leverage emerging ecosystems/platforms and establish the right partnerships to create new value?

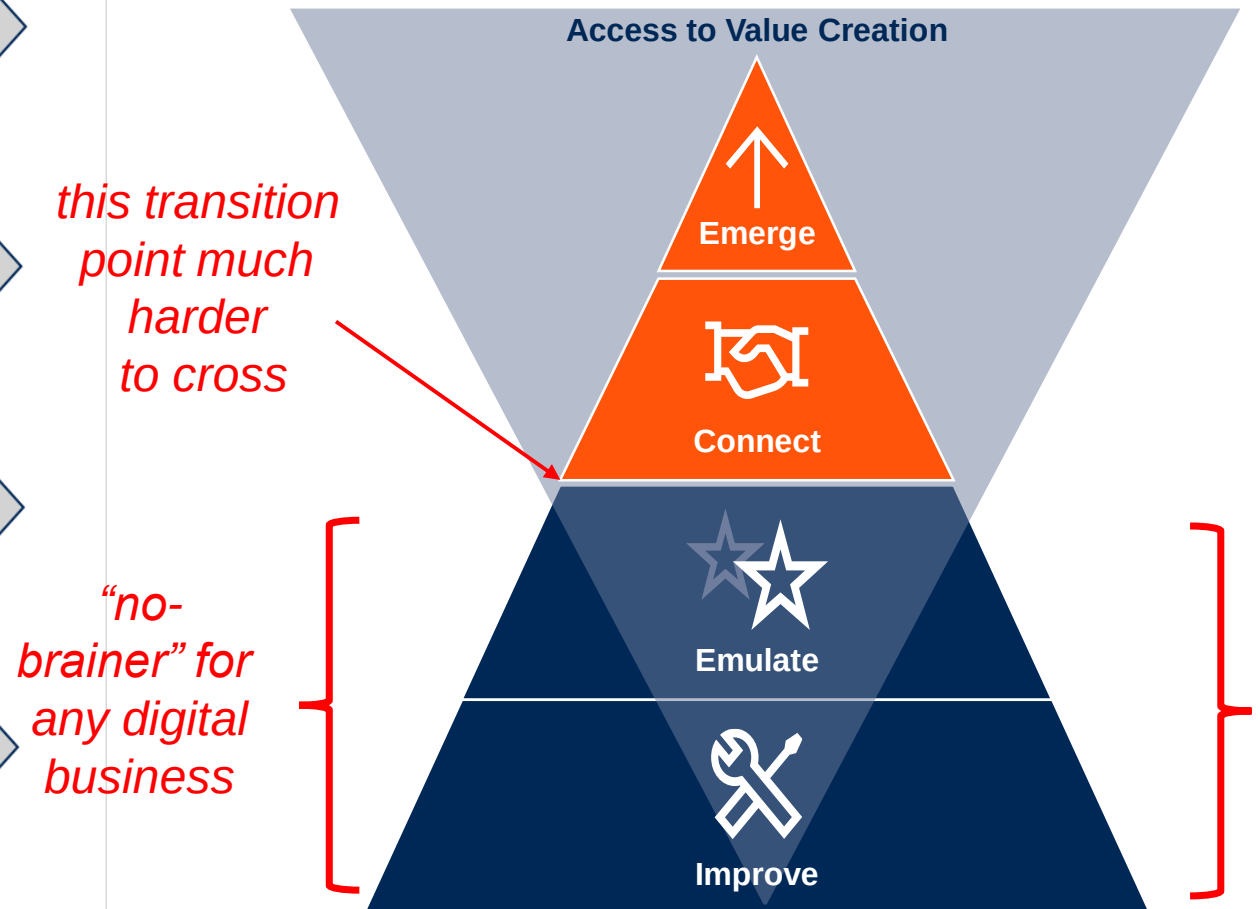
Looking and Learning Laterally

What are the most important lessons that you can translate from the successes of companies from other industries?

Preparing for Industry Fluidity

How can you help your company prepare for a world of industry disruption and fluidity as well as new collaboration opportunities?

Cross Industry Innovation and Disruption

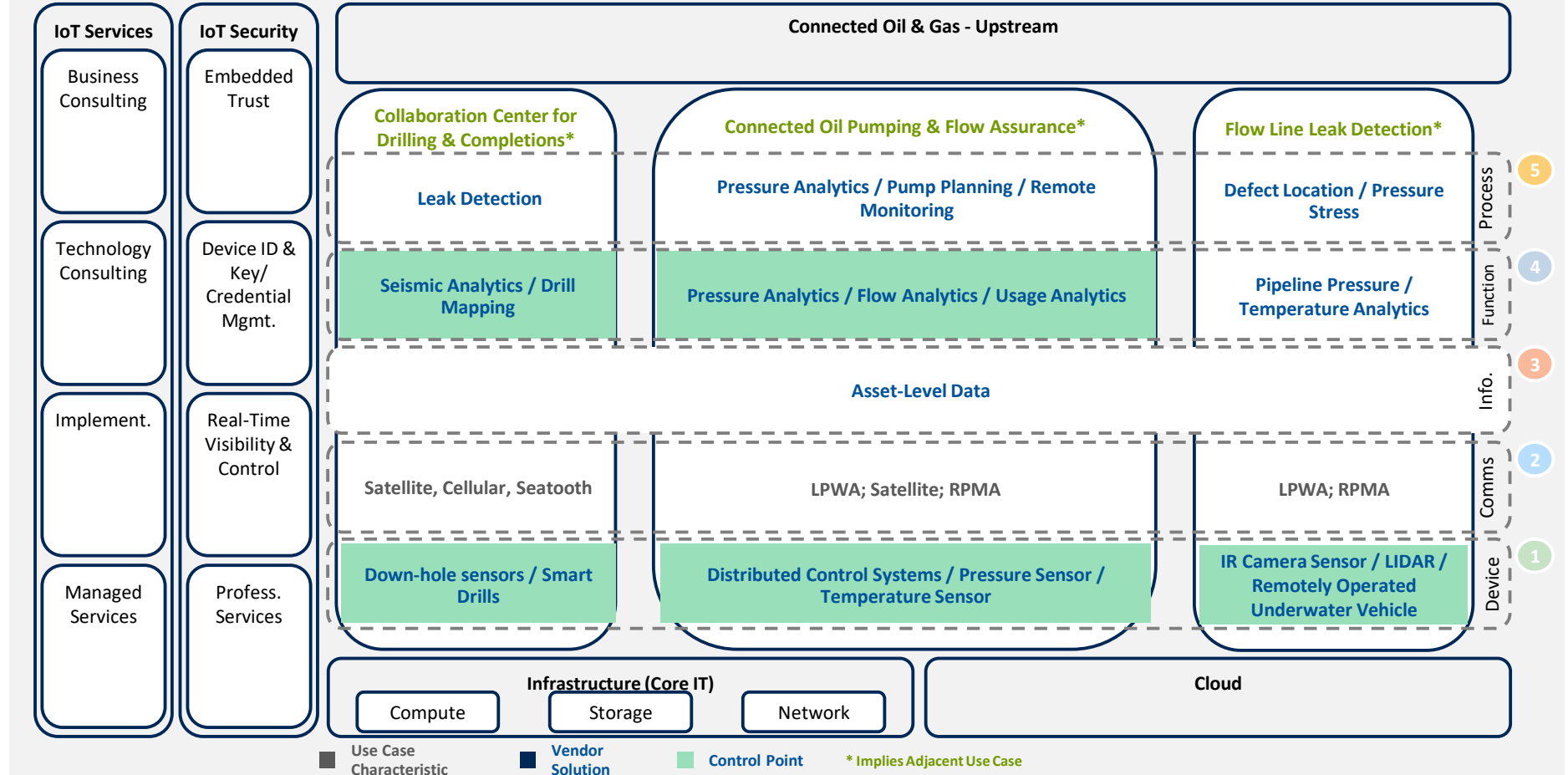


Visualization of ecosystem can support strategy development...

Actions

- ✓ Develop understanding of market from customer's perspective
- ✓ Identify customer use cases & tie them to key business outcomes
- ✓ Develop a market/ solution taxonomy
- ✓ Follow the money – where and how does value flow?
- ✓ Uncover control points in ecosystem – can your company own the control point?

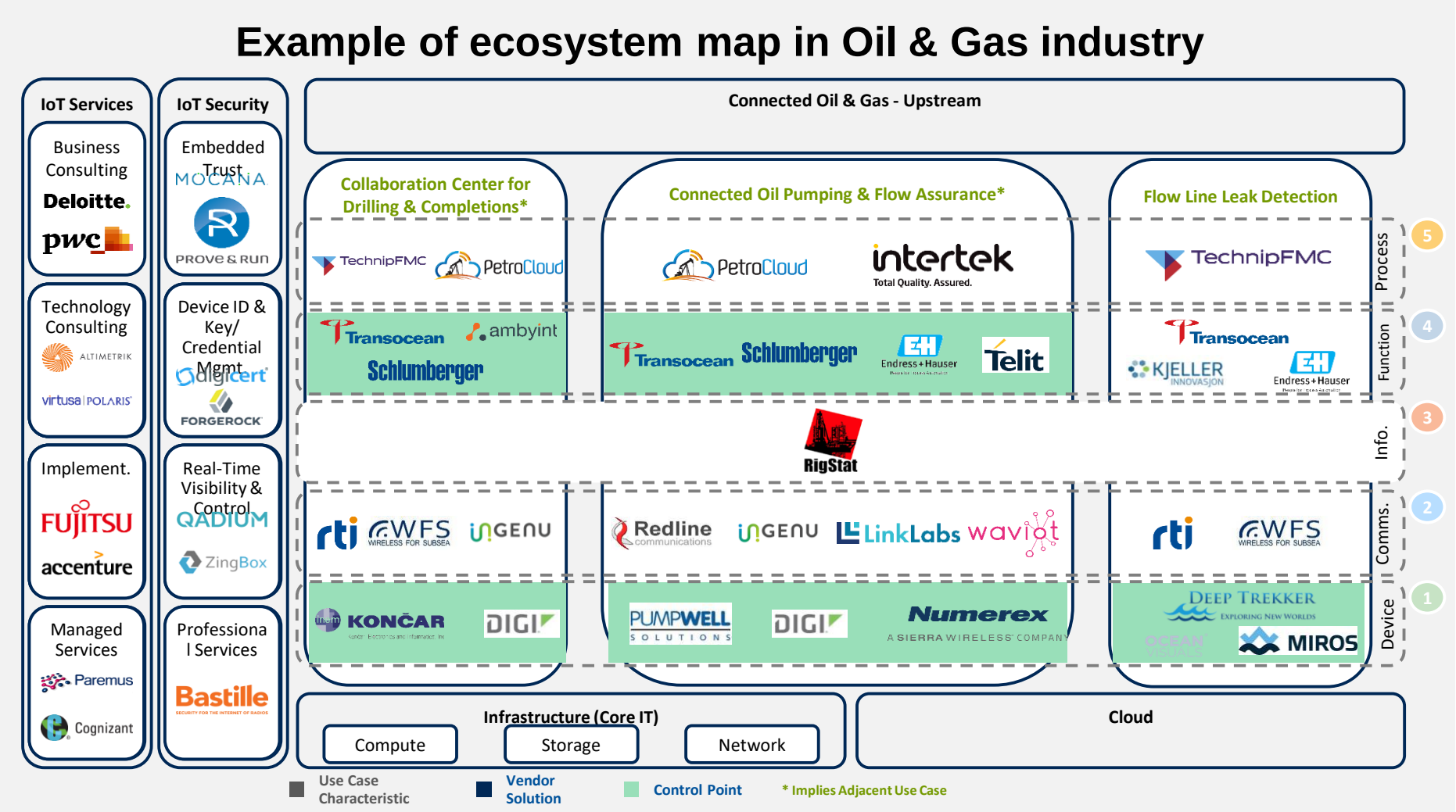
Example of ecosystem map in Oil & Gas industry



...and can be used to anticipate potential conflicts or synergies

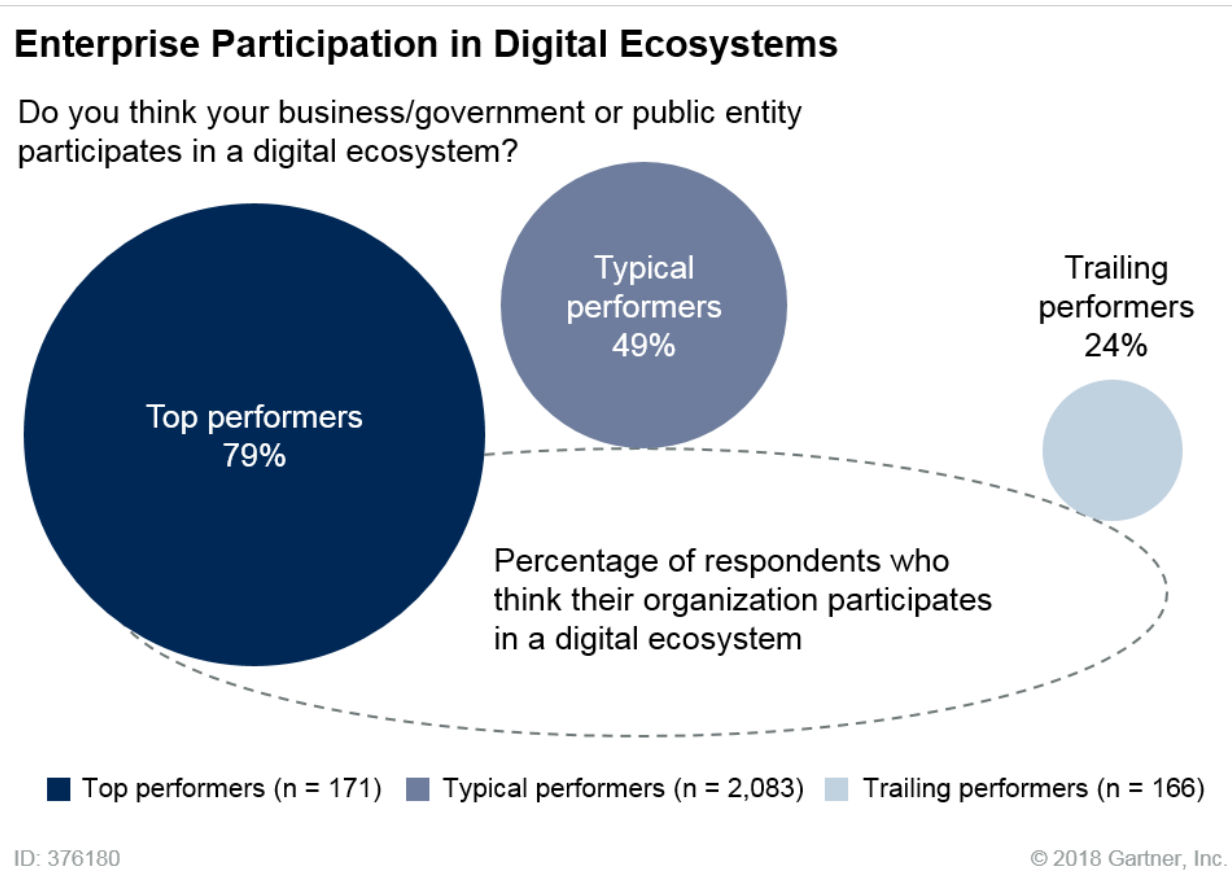
Actions

- ✓ Identify companies that play in each intersection
- ✓ Profile companies to better understand posture and potential mutual benefits
- ✓ Be prepared when approaching vendors



What are top performers doing differently?

1 Participating in Digital Ecosystems



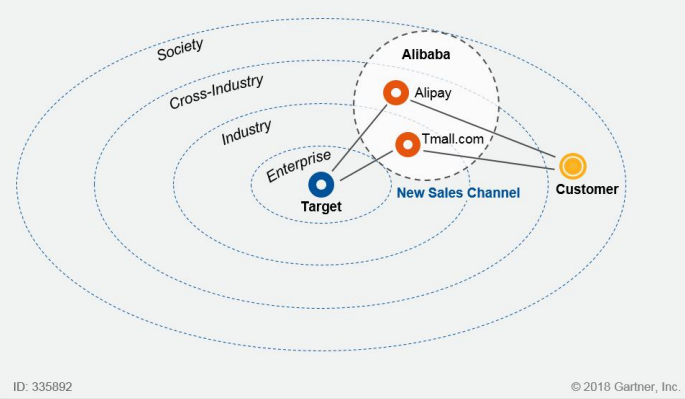
2 Shifting Culture & Technology

Top performer attributes:

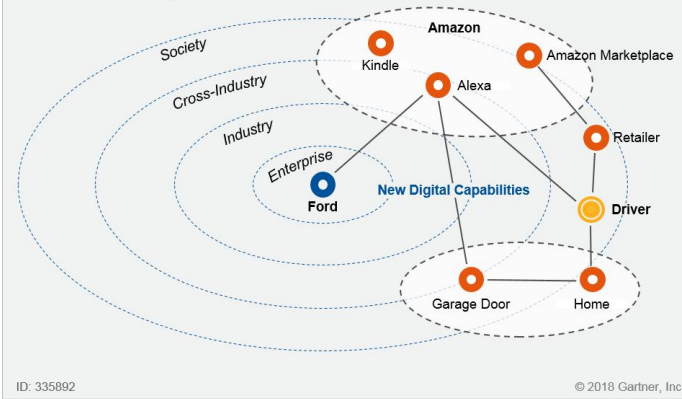
- 1) Interoperability
- 2) External mindset
- 3) Interdependence

Types of Ecosystems

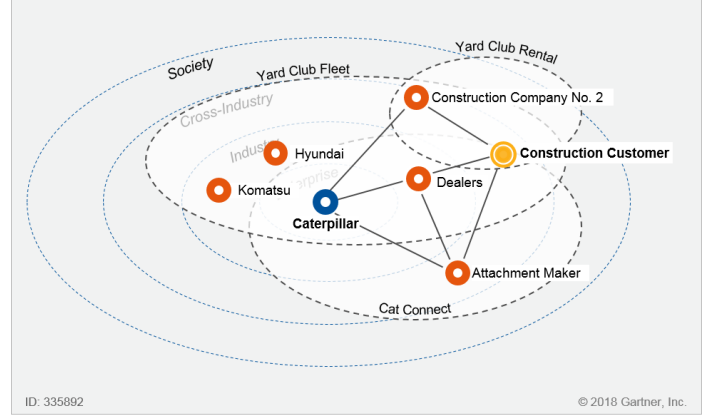
Ecosystem That Accesses New Sales and Distribution Channels



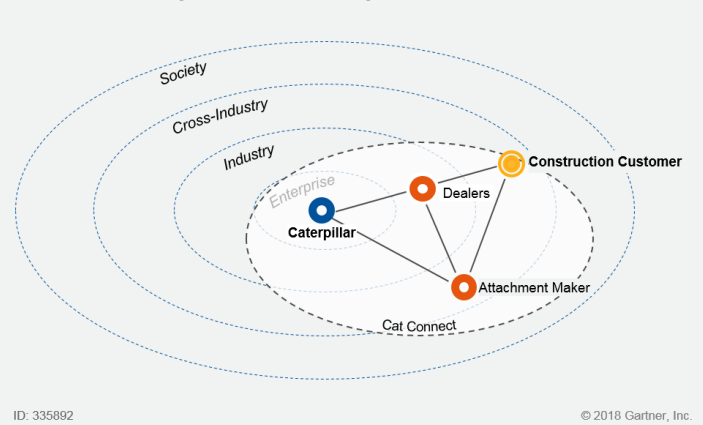
Ecosystem Providing New Customer Interactions and Product Capabilities



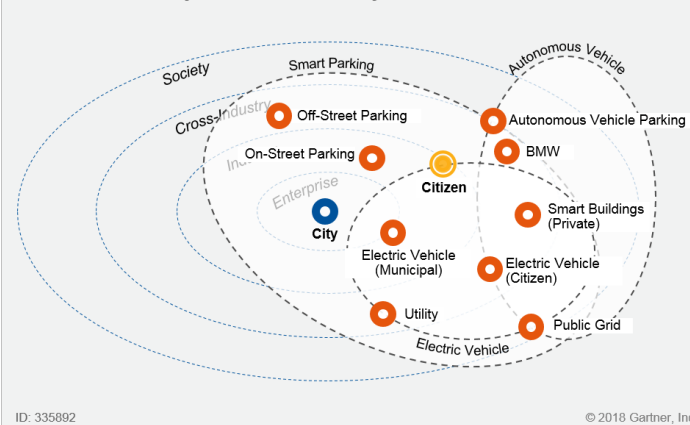
Matching-Style Business Ecosystem



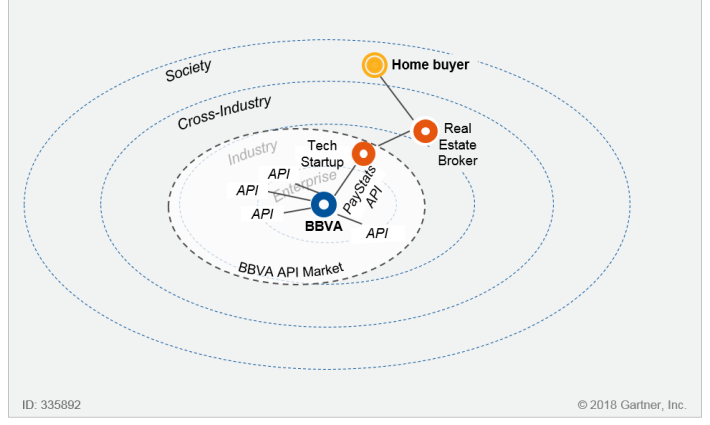
Collaboration-Style Business Ecosystem



Orchestration-Style Business Ecosystem



Creation-Style Business Ecosystem



Why Customers Use Digital Ecosystems

Simplicity



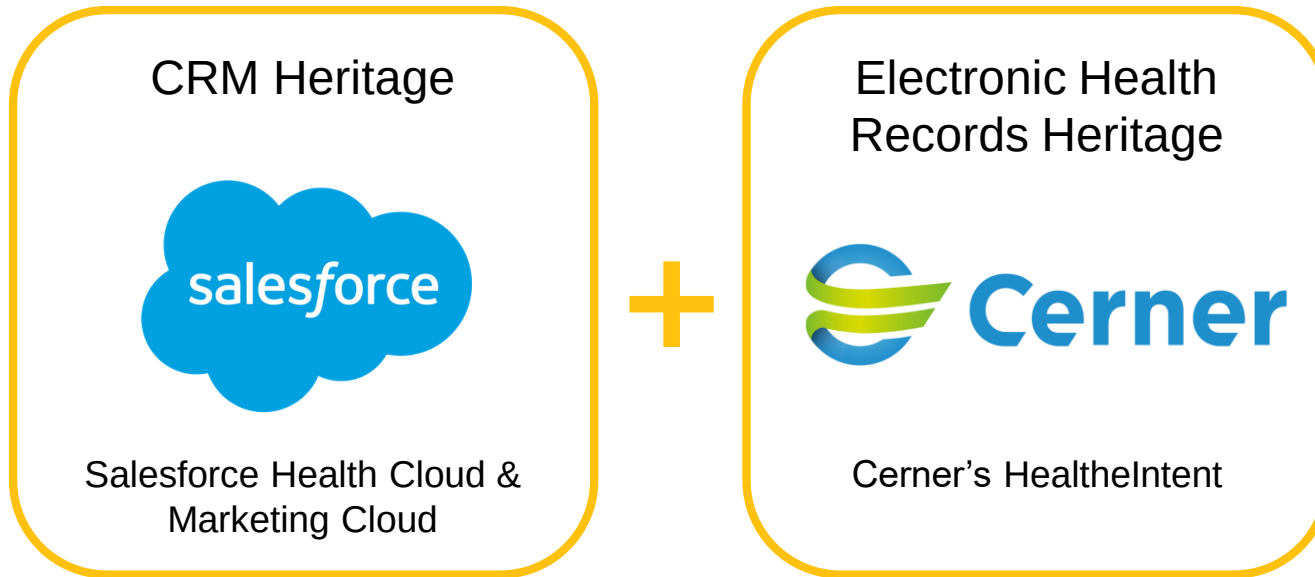
Value Add



Psychological Integration



Example of Leaders: Salesforce and Cerner in Healthcare



"The health care industry is undergoing a powerful transformation. **Patients are bringing new expectations** to their experiences — they want providers to deliver better service on their terms" — Keith Block, COO, Salesforce

The two companies are exhibiting leading qualities:

- **Interoperability –**

- ✓ Salesforce acquired Mulesoft, iPaaS, to support integration
- ✓ Salesforce is part of alliance with other tech giants to create open standards to foster interoperability in Healthcare

- **External Mindset & Mastering Interdependence**

- ✓ Cerner's platform can work with other EHR vendors and enables apps and extensions built to work with other solutions
- ✓ Salesforce committed to using partners to go deep into an industry, customer at center

Questions to ask yourself when creating an ecosystem...

- Prioritize big established players or niche vendors?
- Geographic strategy?
- How many partners in each market do you want to partner with? (+/- of many vs. few)
- What companies are already working with your customers?
- What can you provide to incentivize partners to work with you?
- How do you approach partners? (i.e., company characteristics drive approach)

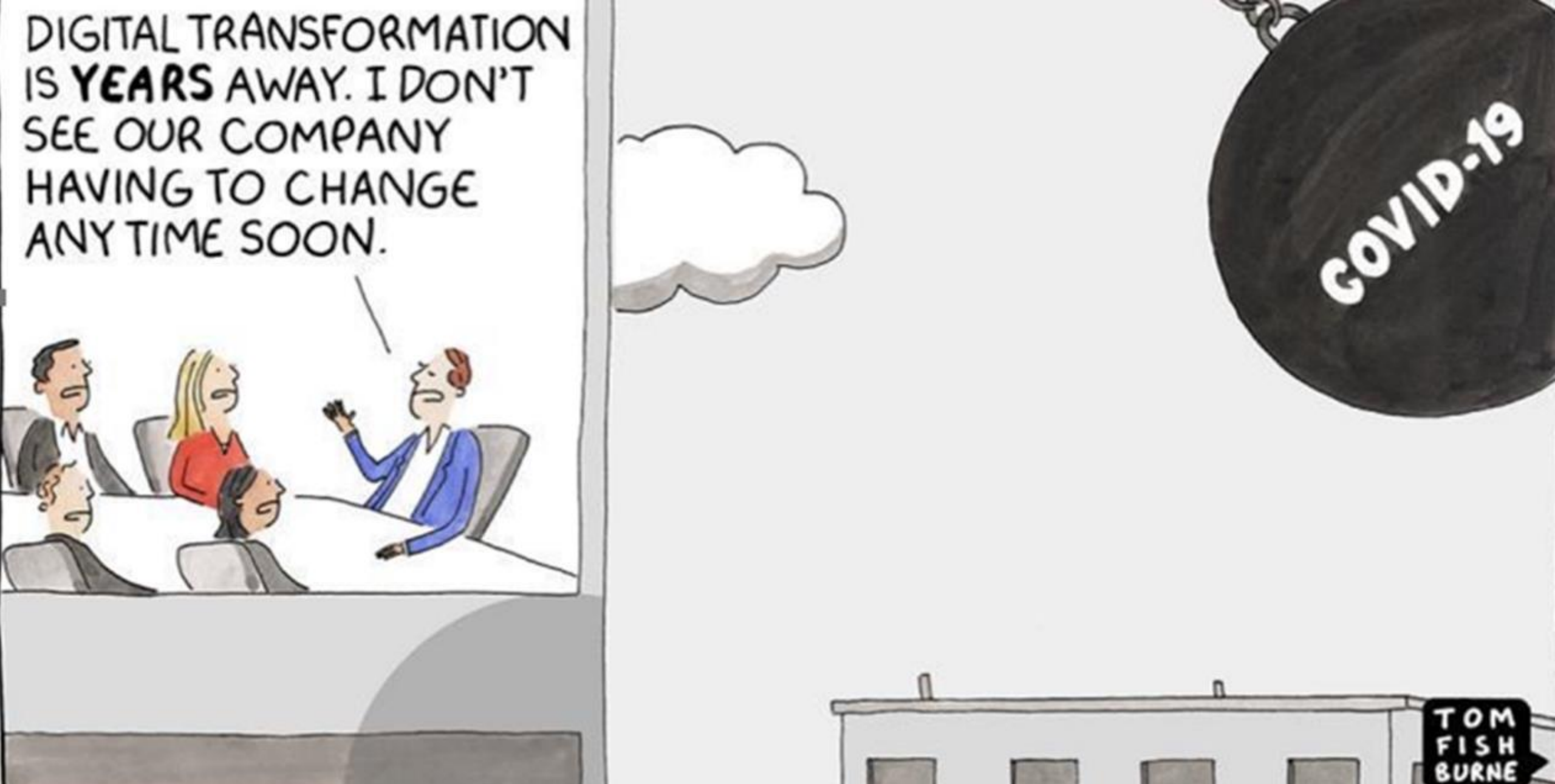


Questions to ask yourself when managing an ecosystem...

- What is the Go-to-Market strategy? How does a customer find you or your partners?
- What are the rules of engagement with partners? With customers?
- How do you ensure/ take ownership of customer success (particularly as customers move to SaaS model)?
- How do you maintain strong productive relationships with different types of partners?



Industry Example – Air Transportation



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These are controllable items



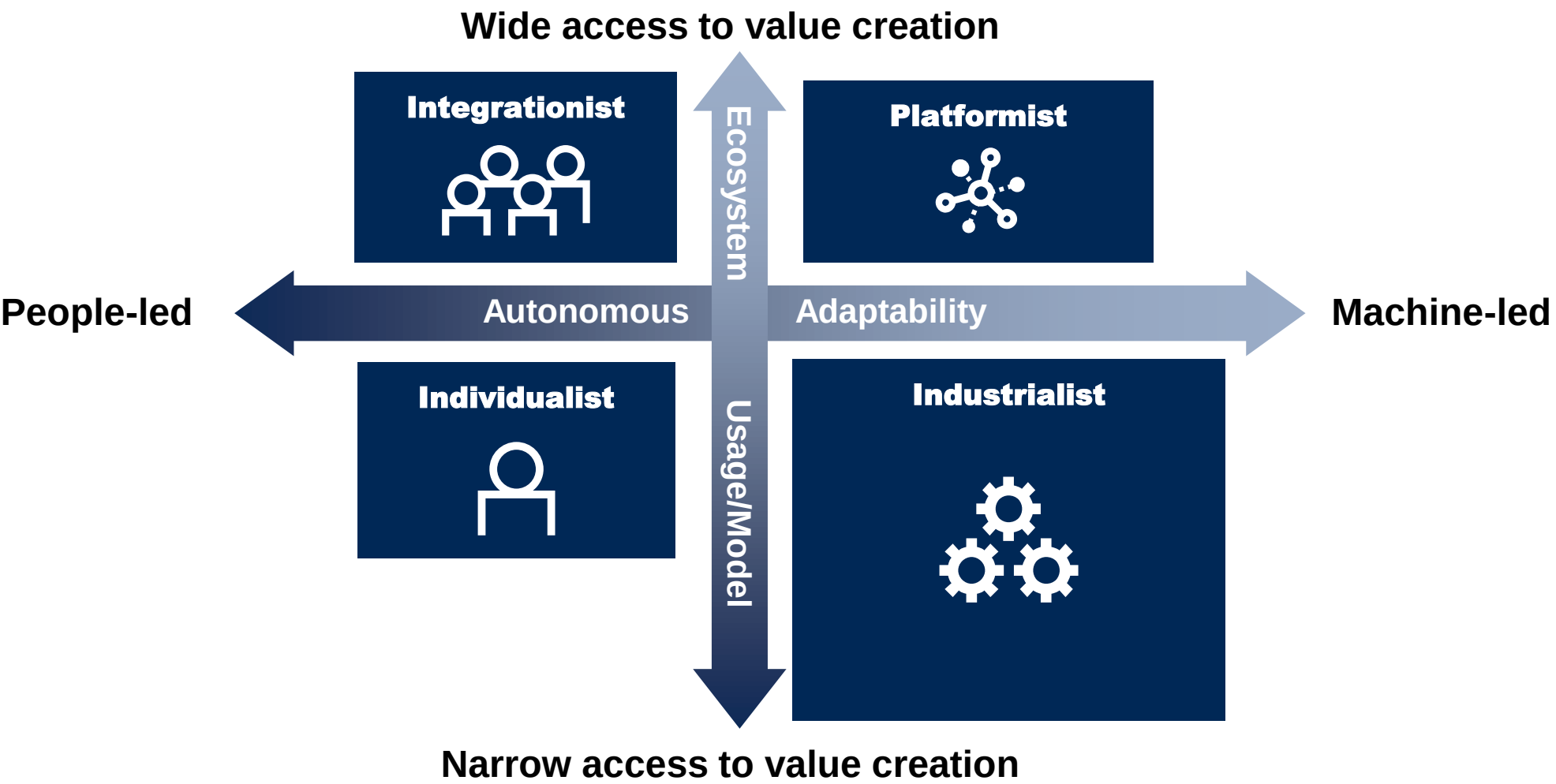
**Know Current and
Future Combined Value**



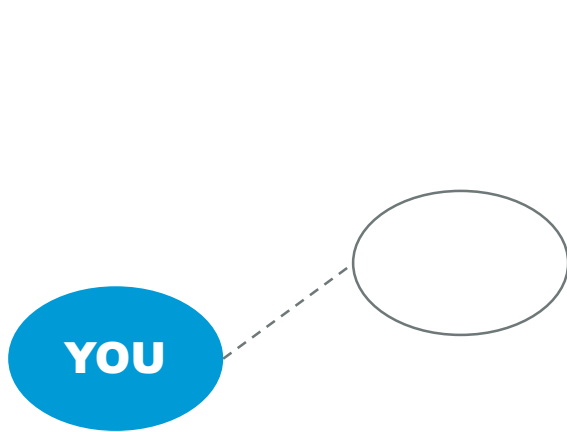
**Identify Adjacency
Extensions**



Ecosystem decisions will drive **industry's** future and Gartner's four scenarios will help CIOs to create new value



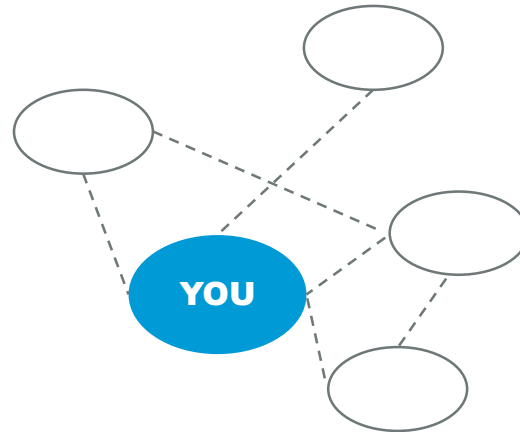
Four main styles on how to connect to ecosystems



Cooperation-style

Create a collaboration-style business ecosystem to manage partners in a **tiered value chain**

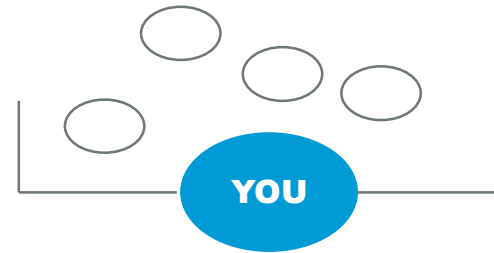
Example: Supply chain collaboration



Orchestration-style

Create an orchestration-style business ecosystem to **bring parties together**

Example: Smart city or connected home



Creation-style

Develop a creation-style business ecosystem, such as a **developer platform**

Example: Apple App Store or a course content creation platform



Matching-style

Create a matching-style business ecosystem to **build a marketplace**

Example: Uber

Gartner Research

["Eight Ways Ecosystems Supercharge Business Models"](#) (G00335982)

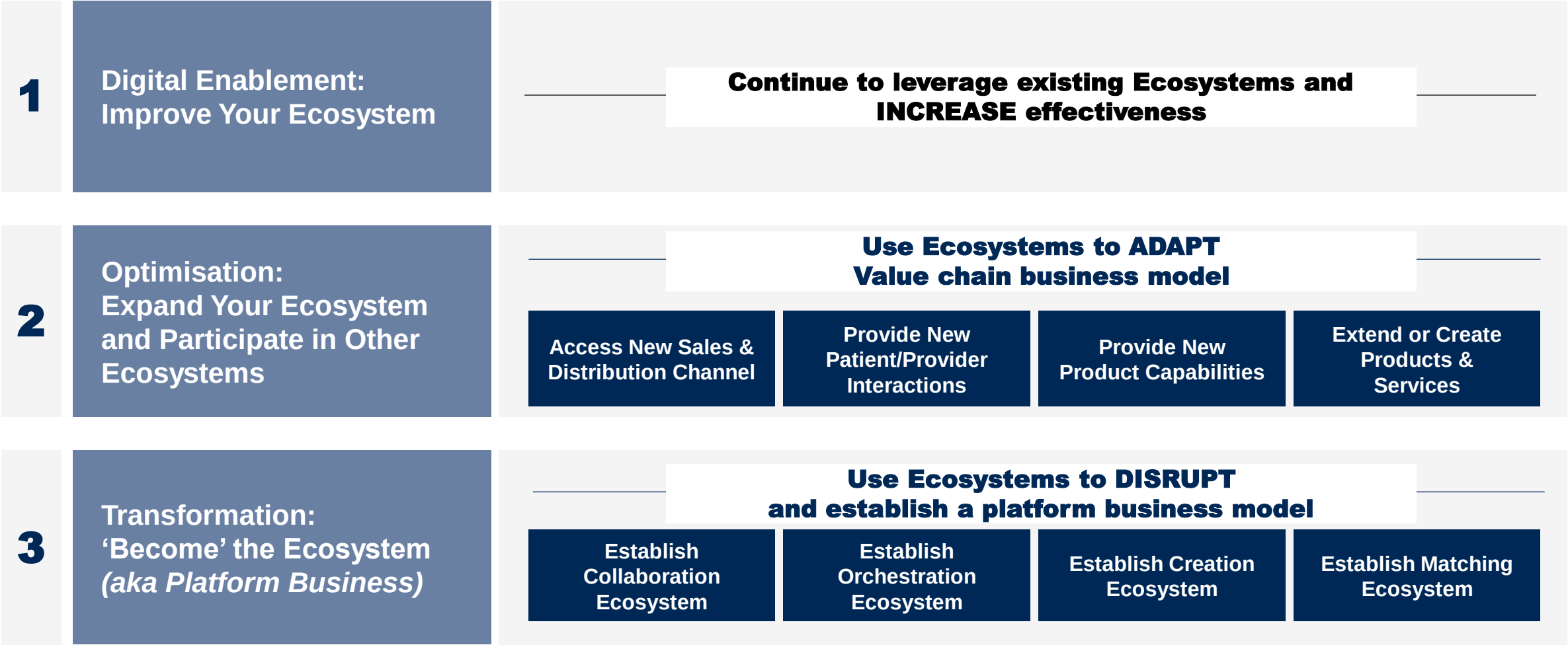
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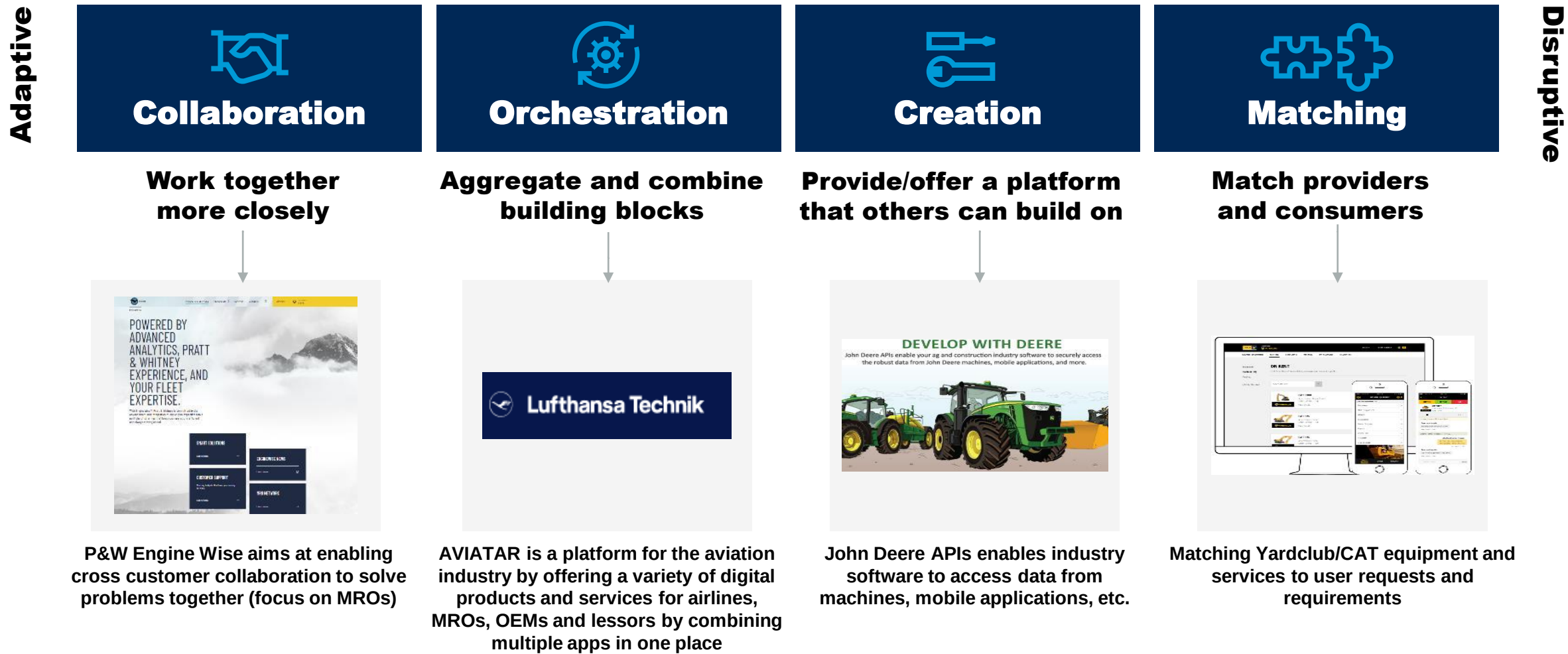
Gartner[®]

Gartner PoV — Ecosystems are critical in enabling net new digital revenue; there are three major ecosystem strategies



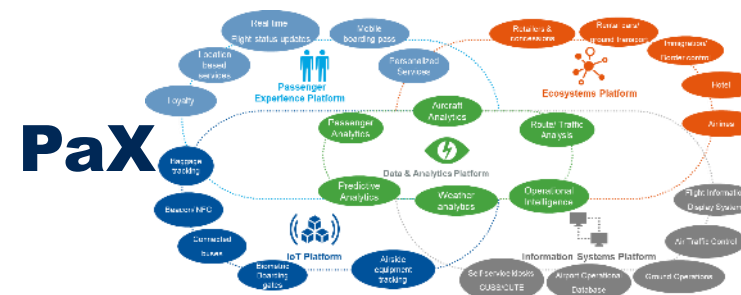
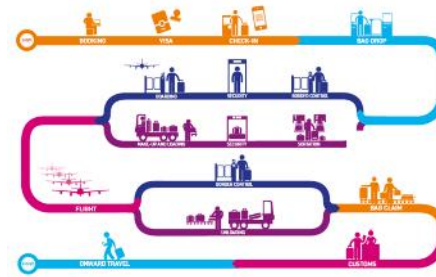
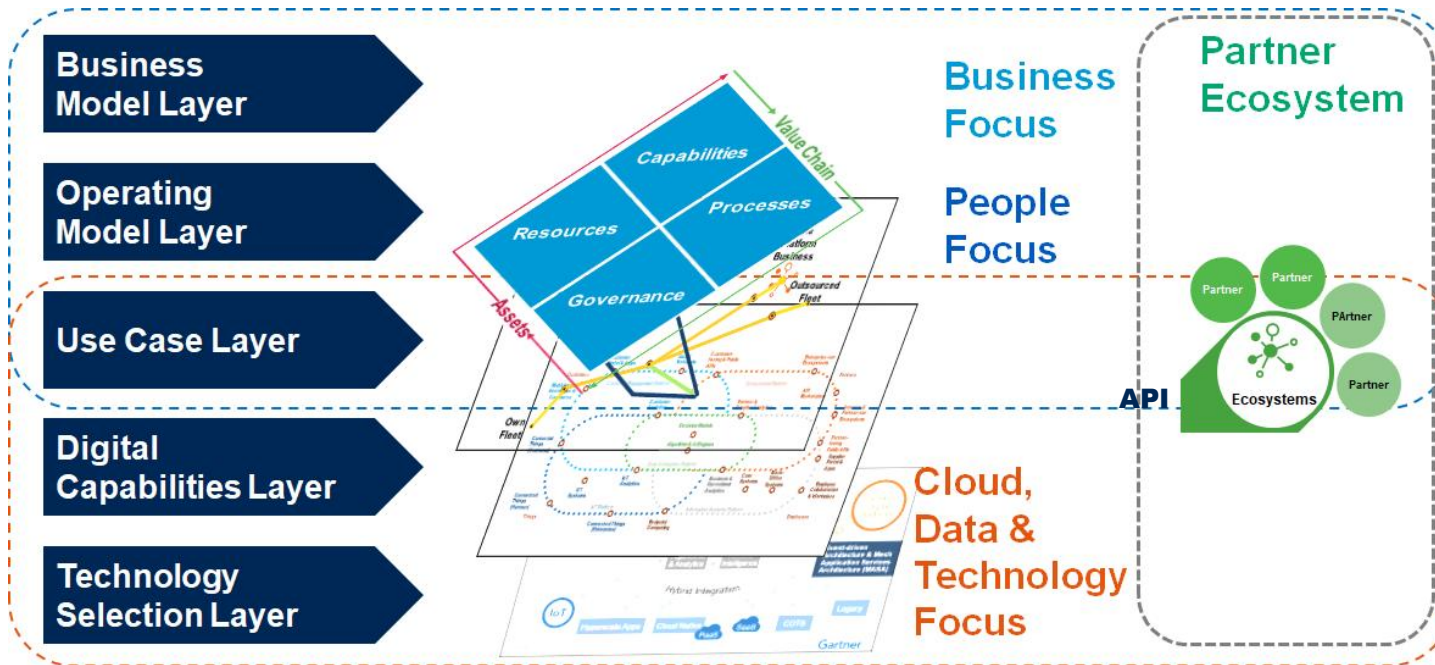
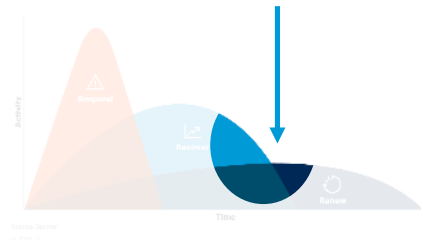
Gartner PoV — “Become” the ecosystem examples

Which ecosystems drive value for our customers and are aligned to our core business objectives?



Renew — Digital & data business platform

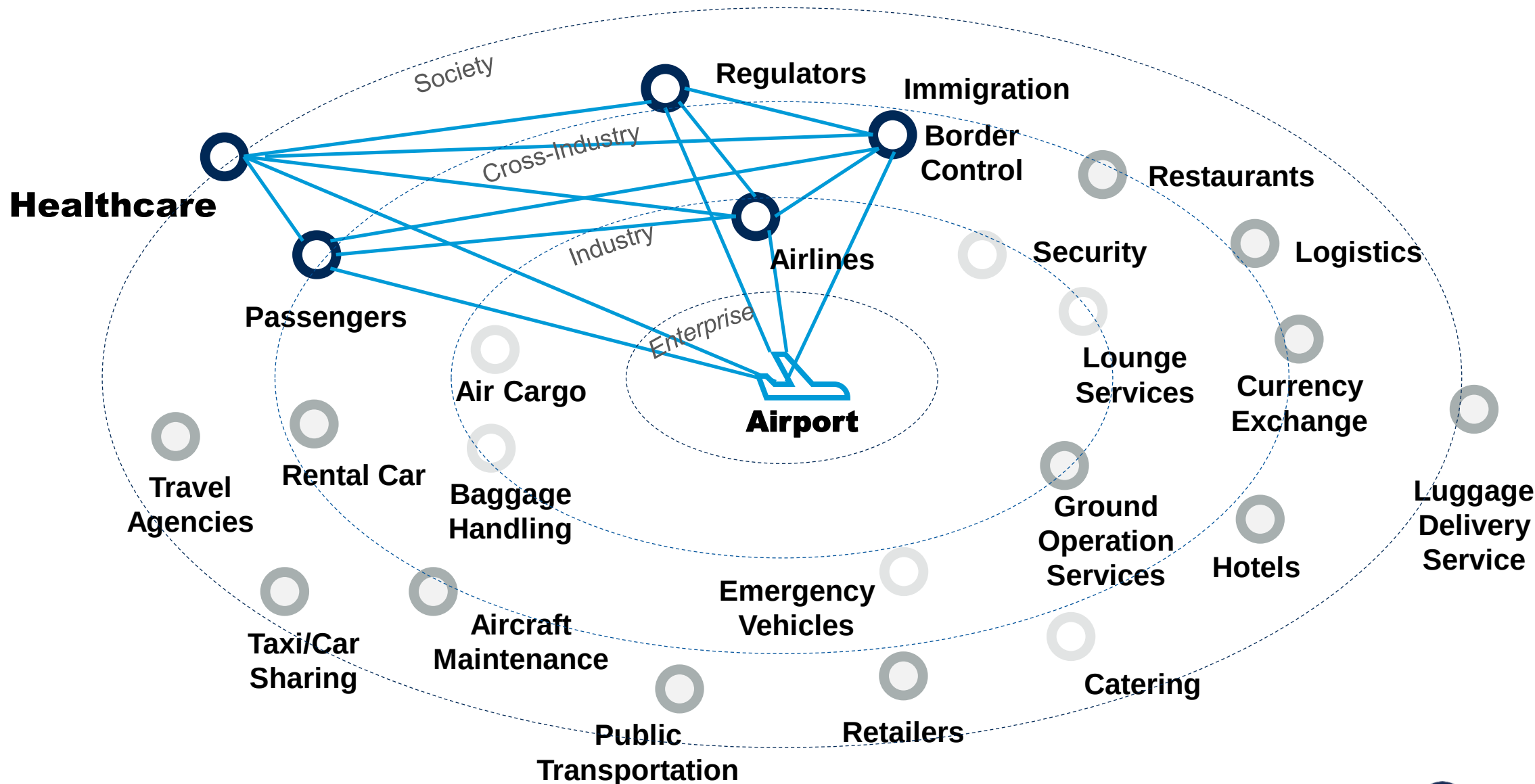
Recover and Renew



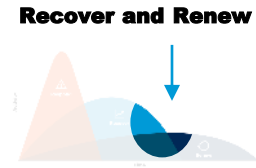
Tackling core or adjacent business opportunities by enhancing, developing or acquiring digital business platform

And improving Passenger experience for a low touch journey

Airport ecosystem expands with COVID-19



Pre-digital

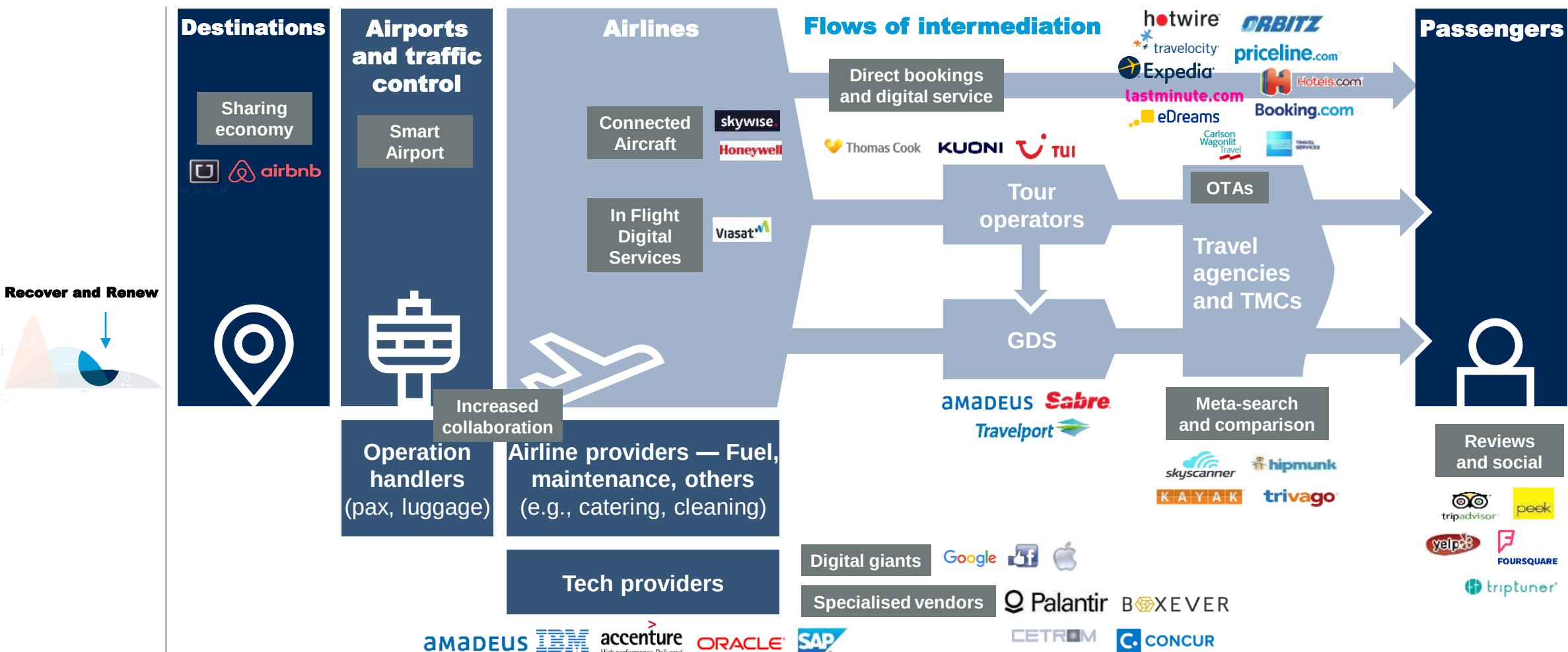


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... disrupt and renew

Not exhaustive

Major disruptions



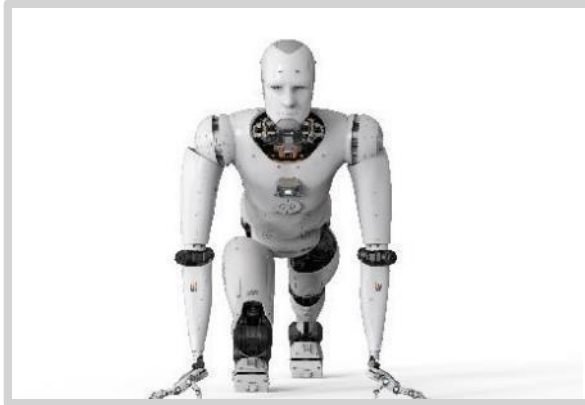
SOURCE: Gartner Airline practice

...to improve performance, and address new opportunities



	RR — Yocova (by R ²)	P&W Engine Wise	Lufthansa Tech. AVIATAR
Targeted Segment & Customers	Enterprises in the aviation industry	Enterprises in the aviation industry	Enterprises in the aviation industry
Use Cases	Collaboration Customers can share and exchange information to solve aviation challenges (data share) Data Analytics Data Analytics and API management Commercialisation sell/purchase of data or software tools, as well as the acceleration of new ventures through a partnership programme	Data Analytics Data Analytics and API management Collaboration Platform customers can share and exchange information to solve aviation challenges (data share) Applications Provision of applications for certain business use cases (Maintenance, spare parts, etc.)	Data Analytics Data Analytics for Operations Collaboration Platform Customers and ecosystem members can share and exchange information to solve aviation challenges (data share) Applications Developers, partners and ecosystem members can develop and propose apps
Business Model	Ecosystem/Freemium	Ecosystem/Freemium	Ecosystem/Freemium
Ecosystem proposition	Currently R2 has full control over the ecosystem	Currently P&W has full control over the ecosystem	Driven by LT for end-users (airlines and lessors), open to partners
Monetisation	Offer premium services for applications	Offer premium services for applications	Subscription/License Can be embedded in Airline MRO contracts

Renew — Digital technologies



Robots, autonomous vehicles, and drones



**Digital Twins
IoT**



Data, AI & Machine Learning



Low touch technology



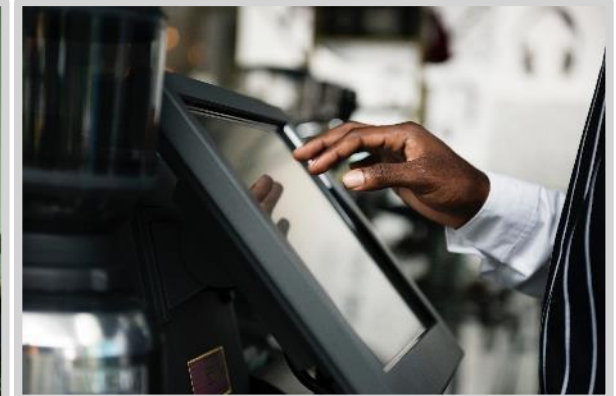
**Virtual reality &
immersive experiences**



**Agile Ecosystem with
startups Blockchain**



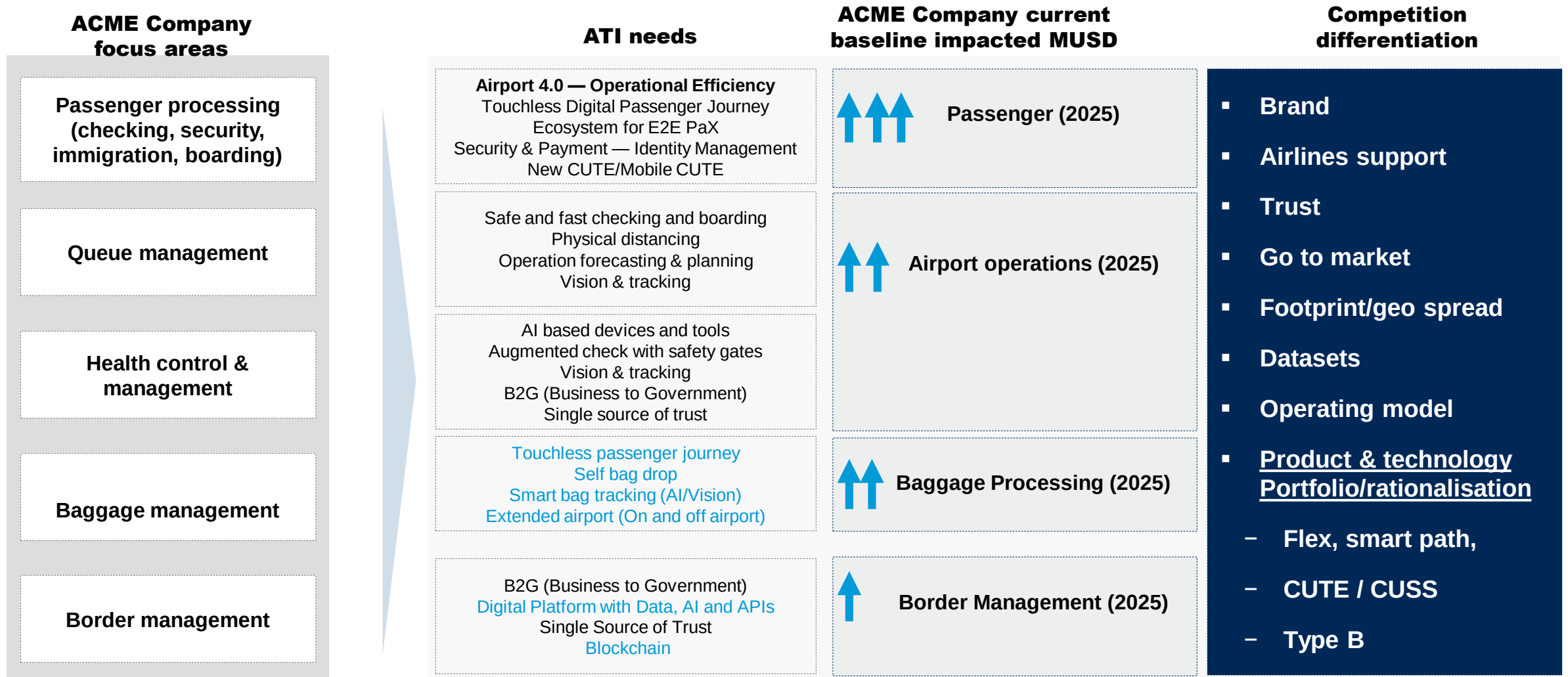
5G Platform & Edge



**Biometrics — Cybersecurity
Identity Management**

ACME Company passengers focus

Illustrative



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