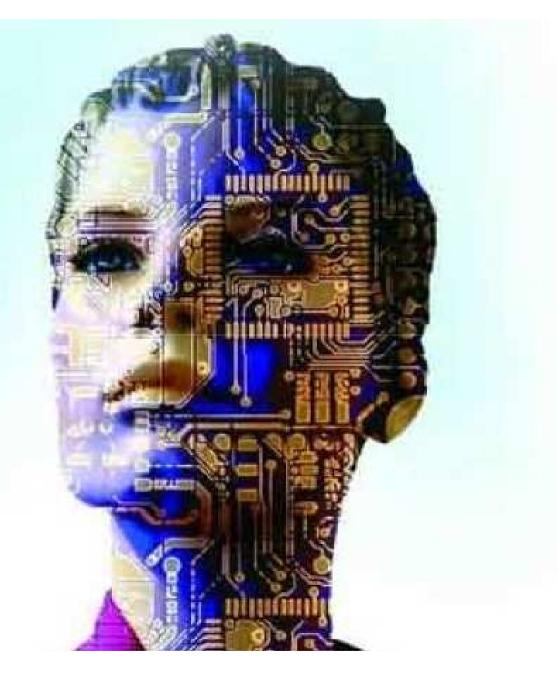
# DIGITAL TRANSFORMATION





#### WHO AM I?





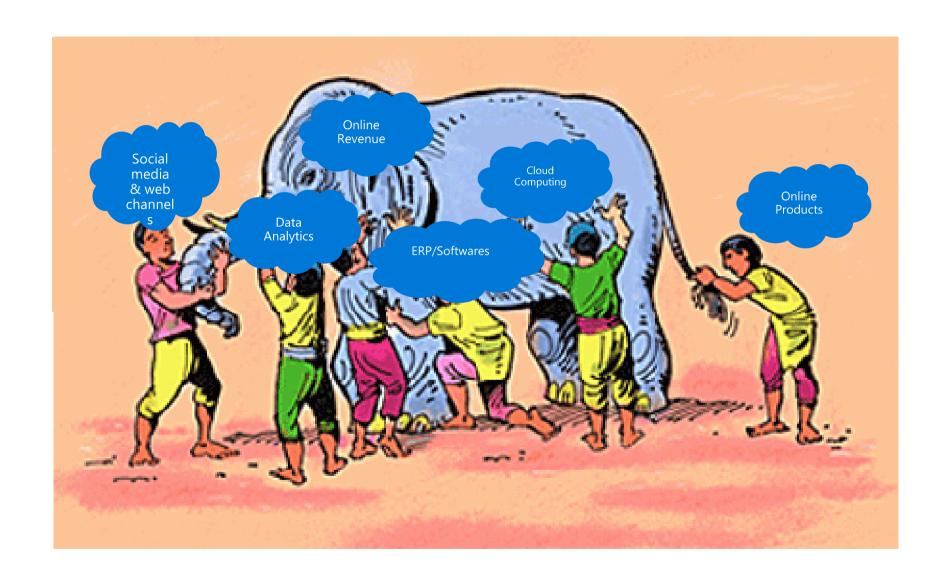
Tu is Director of Entropy JVN Company. A startup is specialized in Digital Transformation, Digital strategies for Business consultancy services and Technology investment.

Tu is an investor to logistics technology startup Smartlog (<a href="www.gosmartlog.com">www.gosmartlog.com</a>) and took position of Chief Innovation Officer. He has initiated multiple innovative projects for the company particularly in facilitating the application of Business Analytics, Customer Analytics and Robotics in Warehouse Management.

On academic side, Tu is a invited lecturer from Enterprise at Major tech universities such as Bach Khoa University or HoChiMinh City of Food Industry and Nguyen Tat Thanh University in Innovation and Entrepreneurship.

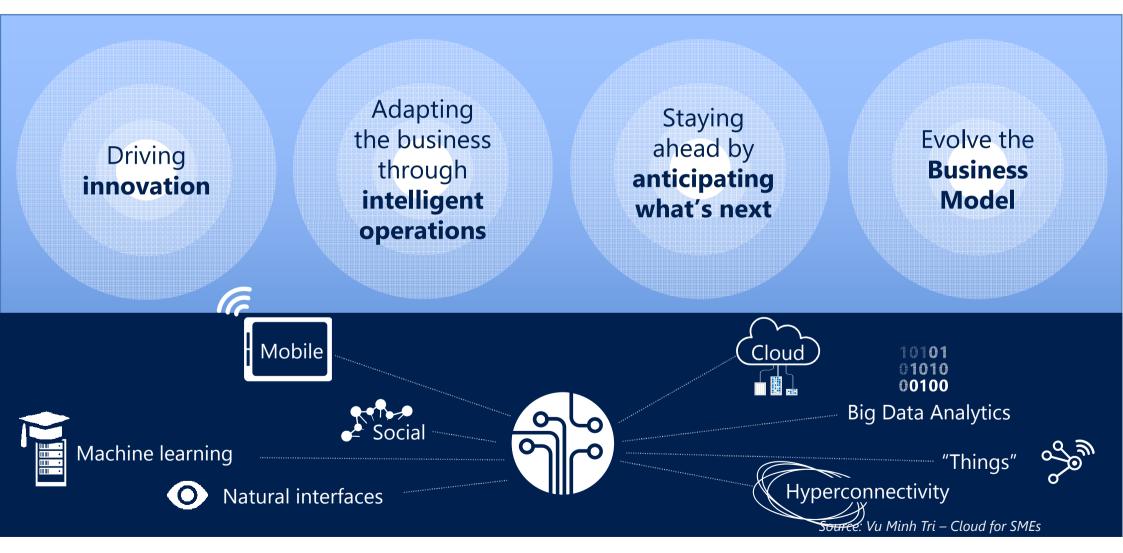
He joint and took Operations Director of VietAI (Viet Artificial Intelligence) – a Non-profit organization aiming to build a community of world-class AI Talents in Vietnam. (https://www.vietai.org)

# WHAT IS DIGITAL STRATEGY?





# DIGITALIZATION TRIGGERS CHANGE & TRANSFORMS BUSINESS.



# EXPECTATION AREAS OF BUSINESS AUTOMATION & ACTIVITY OPTIMIZATION

#### **ENHANCED VALUE TO BUSINESS**

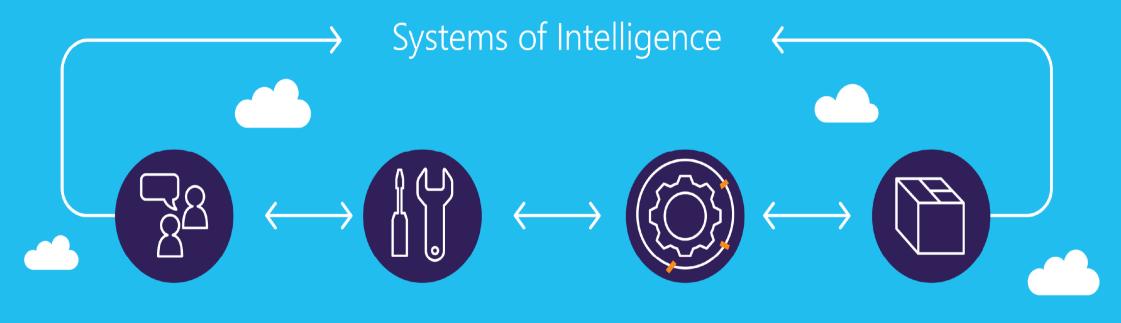
Best functionality | Best integration | Easiest to upgrade/enhance /expand modularly



#### **REDUCED OPERATIONAL EXPENSE**

Lowest cost | Easiest to use | Fastest to deploy

# Digital Transformation



Empower your employees

Engage your customers

Optimize your operations

Transform your product

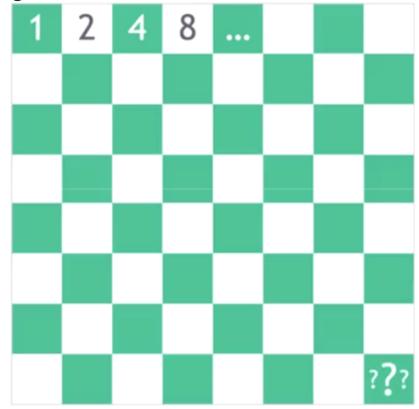
# THE MECHANICS OF DISRUPTION OF DIGITAL TRANSFORMATION?



# Chess game...

The Lord Krishna & The sage

## grains of rice.

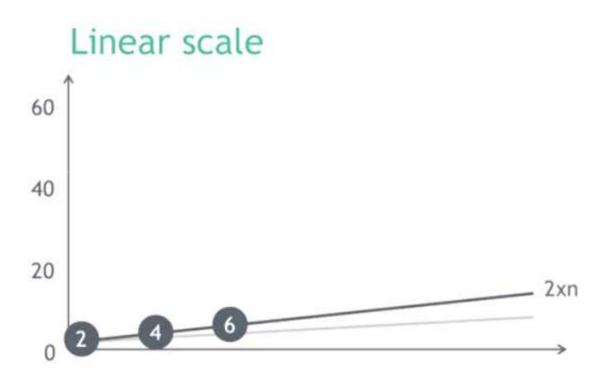


# Chess game...

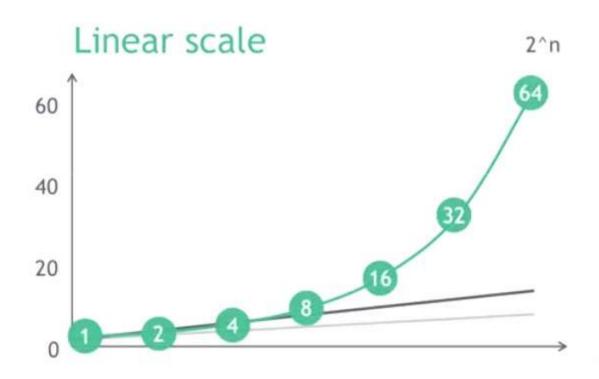
S=2^64-1 = 18,446,744,073,709,551,615



...our minds are more adapted to estimating linear change than exponential change.



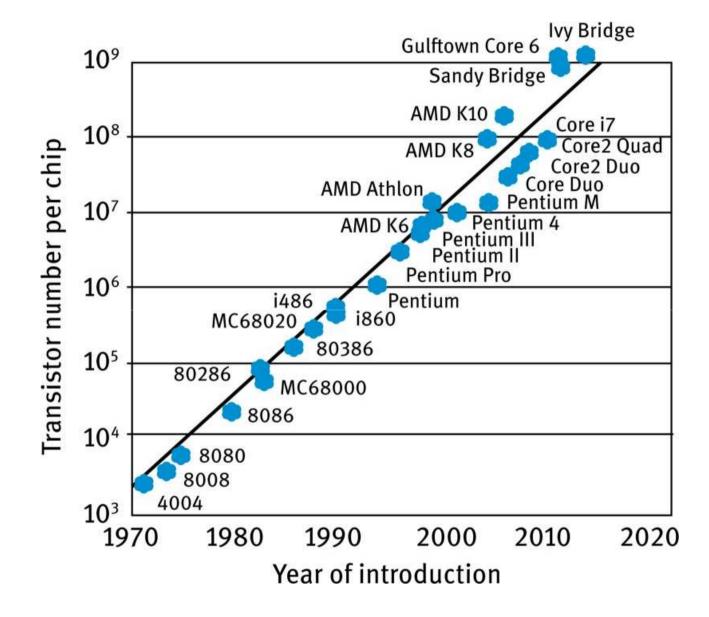
...our minds are more adapted to estimating linear change than exponential change.





"Every 18 months, your computer will have twice as much power to process information."

More' Law



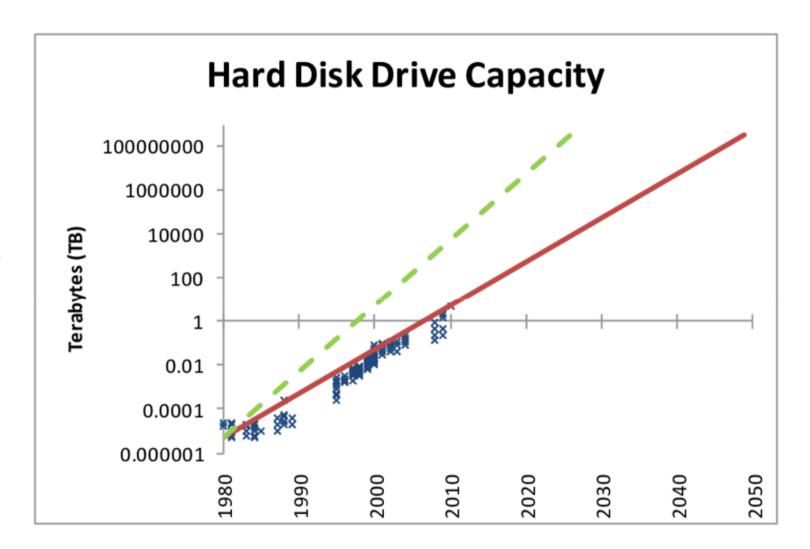
"The amount of data communicated through a single optical fiber doubles every 09 months."

Butters' Law



"The amount of data stored per centimeter square of a hard drive will double every 13 months."

Kryder's law.





What we have in hand?





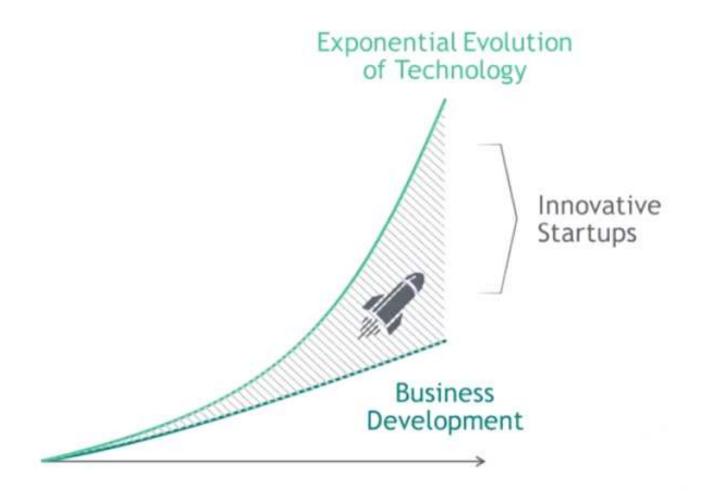




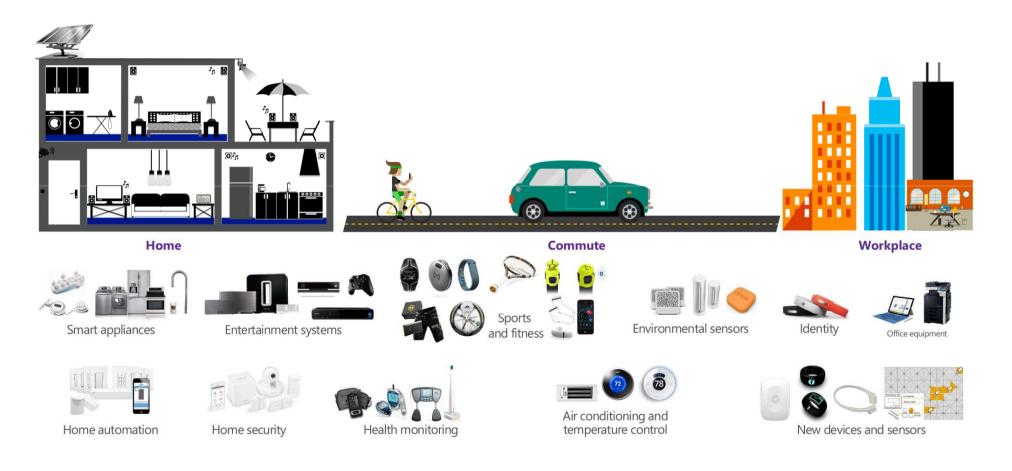
Faster Communication Performance improvement

**Cost Economies** 

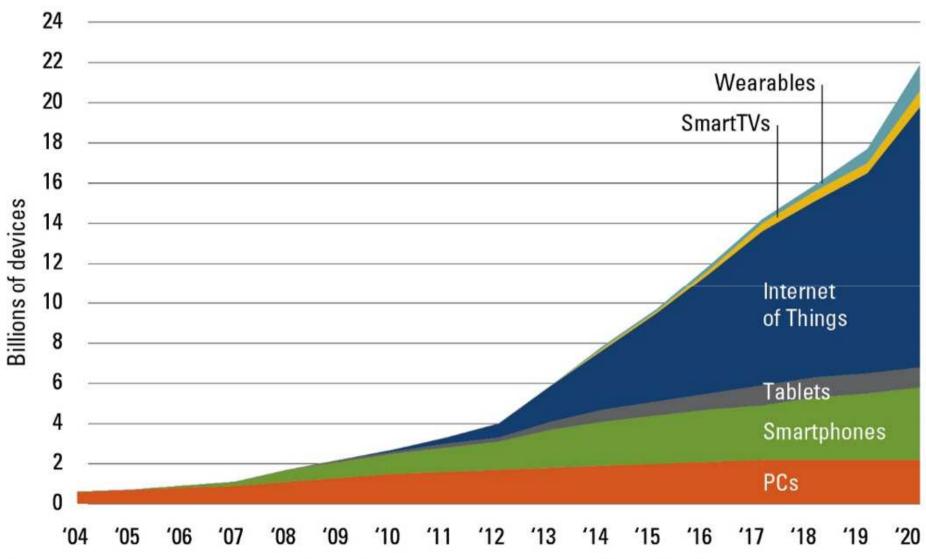
...filled by startups that come to disrupt incumbent players.



# Technology is forcing Business to Go Digital...

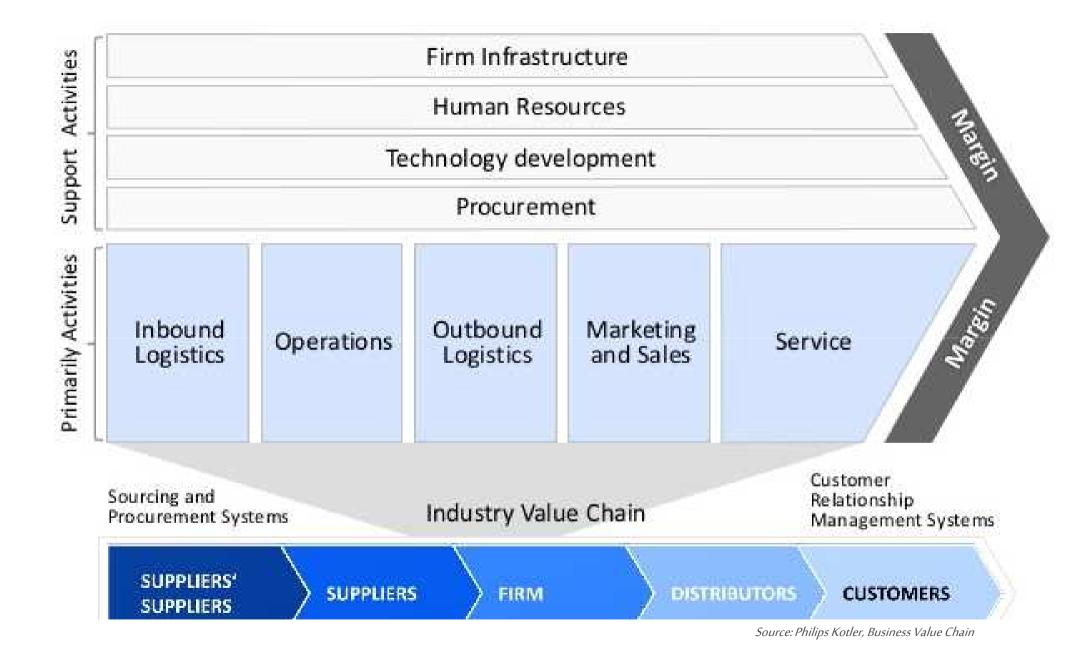


	Administration and Management: Electronic scheduling and messaging systems					
Support Activities	Human Resources: Workforce planning systems					
	Technology: Computer-aided design systems					Firm
====	Procurement: Computerized purchasing systems					Firm Valu Cha
	Inbound Logistics	Operations	Sales and Marketing	Service	Outbound Logistics	
Primary Activities	Automated warehousing systems	Computer- controlled machining systems	Computerized ordering systems	Equipment maintenance systems	Automated shipment scheduling systems	
Sourcing a Procureme Systems		systems			Cus Rela	tome ations agen



Sources: Gartner, IDC, Strategy Analytics, Machina research, company filings, BII estimates

# HOW WE DO DIGITAL TRANSFORMATION?



# WHICH DOMAIN WE SHOULD FOCUS?







DIGITAL TRANSFORMATION OF 05 DOMAINS OF BUSINESS

= DIGITAL TRANSFORMATION



**COMPETITION** 

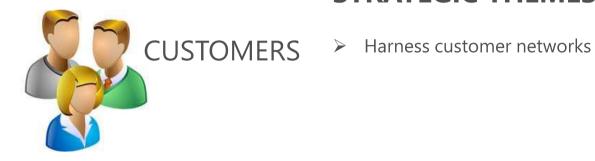




Source: David Rogers, Digital Strategies Playbook

### **STRATEGIC THEMES**

#### **KEY CONCEPTS**



- **Reinvent marketing funnel**
- Path to purchase
- Core behaviors of customer networks



Building platform, not just products

- **Platform business models**
- (In)direct networks effects
- (Dis)intermediation
- **Competitive value trains**



### **STRATEGIC THEMES**

#### **KEY CONCEPTS**

> Turn data into assets

- > Templates of data value
- Driver of big data
- > Data driven decision making



INNOVATION

Innovate by rapid experimentation Divergent experimentation

- Convergent experimentation
- Minimum Viable Prototype
- Paths to scaling up



Adapt your value proposition

- Concepts of market value
- > Paths out of declining market
- Steps to value pro evolution

# YOUR DIGITAL JOURNEY

### DENIAL



#### **AWARENESS**



"Our competitors are racing ahead! We need to catch up."

"What about these new technologies?"

"We need a program of change."

"It won't happen to me."

"We're doing OK, so why worry?

"It's all HYPE. Just ignore it!

#### **ACHIEVEMENT**



"We're pushing ahead with our new business strategy." "Investment is skills and technology is starting to pay dividends."

"Customers are *delighted* by our new range of products"



## Business Strategy Driven by Digital



## Digitize the Core





New Digital Growth



People & Organization



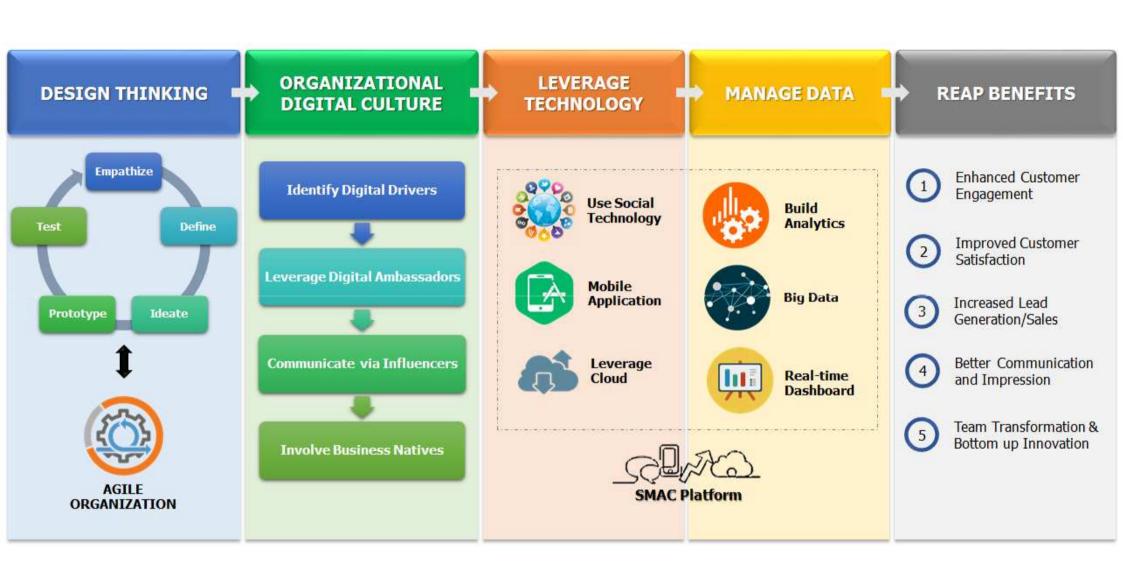
Data & Analytics



Technology

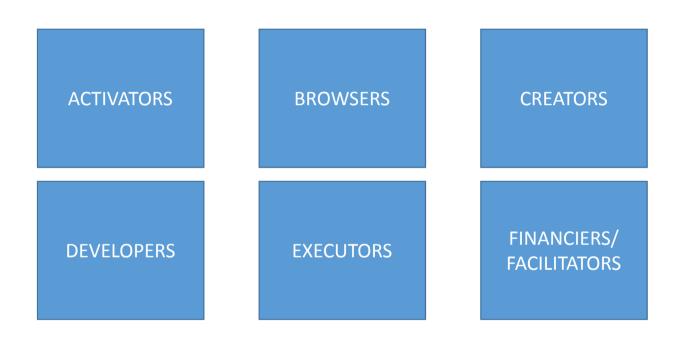


Ecosystems



# **PEOPLE AND ORGANIZATION**

# YOUR DIGITAL TRANSFORMATION TEAM



A to F MODEL

Source: Philips Kotler – Winning at Innovation

**EXAMPLE?** 



# Welcome to Google's Supplier Site

Home

Help

Terms & Conditions

Contact Us

It takes A LOT to keep Google going, and so we thank you, our suppliers, for continuing to offer us fantastic goods and services, and great value.

#### **Quick Links for Suppliers**

#### New to Google

- · Begin Enrollment
- · Small Business Supplier Diversity Program

#### **Existing Suppliers**

- · Submit Invoice for Payment
- · Check Invoice Status
- · Provide Missing PO Number
- · Update Company/Banking Information

Not yet working with Google and think we'd be interested in your products or services? Let us know.

Google - Google Home - Privacy Policy - Terms of Service

# Google Supplier Enrollment Form

<u>Home</u> <u>Help</u> Terms & Conditions Contact Us

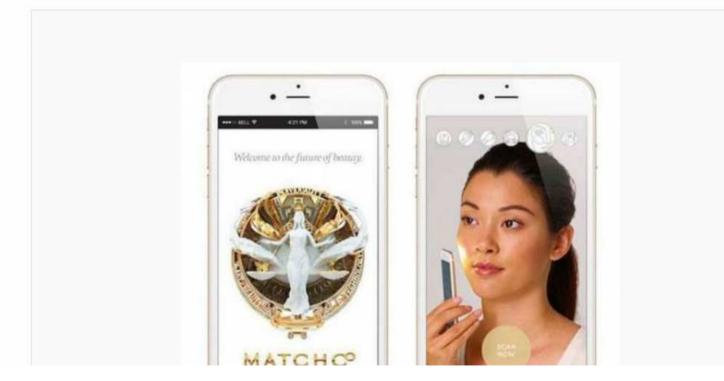
Supplier Country	Supplier Profile	Supplier Address	Google Contact	Bank Info	Intermediate Bank Info	Payment Authorization	Additional Info	Additional Info(U.S.)	Preview
Supplier F	rofile								
* Denotes Req	uired Field								
God	viously enrolle ogle supplier a ting that inform	nd am 🔲							
* Supplie	er Name (as list official tax red	ted on cords)							
	Business	Name							
	* Tax ID N	umber							
	* Supplie	r Type Pleas	e select one:	•					
		Other							
	Exempt	Payee 🗌							
Previous	Next								

### Shiseido Acquires a U.S.-Based Start-Up, MATCHCo, Through Its Regional Headquarters, Shiseido Americas

· Award-Winning Beauty App Empowers Consumers Through Customization

A Berkshire Hathaway Company

· Creates Opportunity to Leverage MATCHCo's Platform Technology and Digital Insight Tools Across Shiseido's Portfolio



J'HIJEIDO GROUP

#### SHISEIDO COMPANY, LIMITED

#### Release Versions



#### ➤ More News <a>

#### Contacts

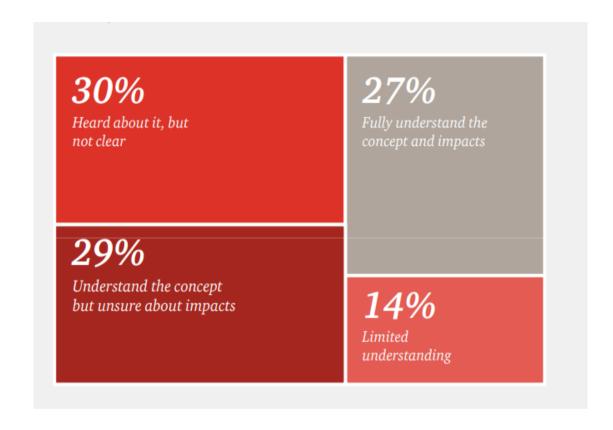
#### Media:

Shiseido Americas Jadzia Zielinski Tirsch, +1-212-805-2357 SVP, Corporate Communications



### Lack of knowledge on Industry 4.0 and what it means

HOW MUCH DO YOU UNDERSTAND
OF
INDUSTRY 4.0?



#### Different challenges for Vietnam due to environment maturity

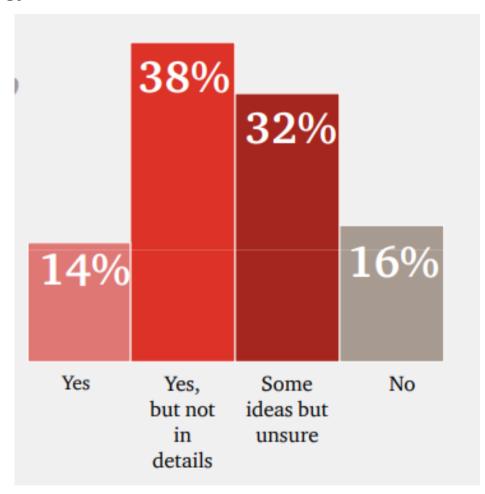
WHAT ARE YOUR TOP 03 **CHALLENGES IN INDUSTRY 4.0?** 



Source: PWC, Industry 4.0 Vietnam Survey 2018

### Lack of clarity on needed skills to accompany technology advancement

DO YOU HAVE A CLEAR VIEW ON THE SKILLS REQUIRED OF YOUR PEOPLE OR YOURSELF TO SUCCEED WITH THE ADVENT OF INDUSTRY 4.0?



IS THERE A NEED FOR AN INDUSTRY-WIDE SKILLS FRAMEWORK TO
FACILITATE THE
DEVELOPMENT OF CRITICAL
CAPABILITIES TO PREPARE FOR
INDUSTRY 4.0?



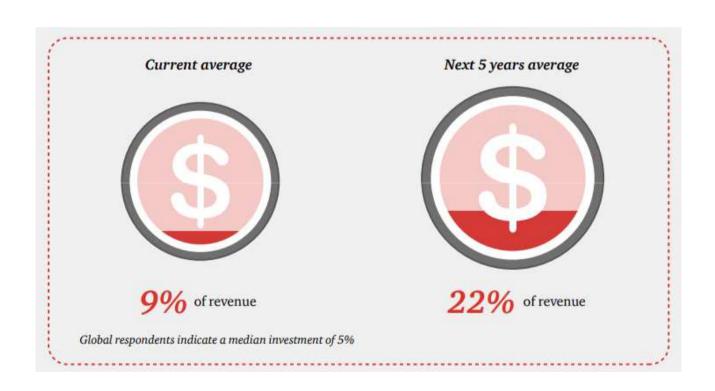
## Business to take the lead with government support

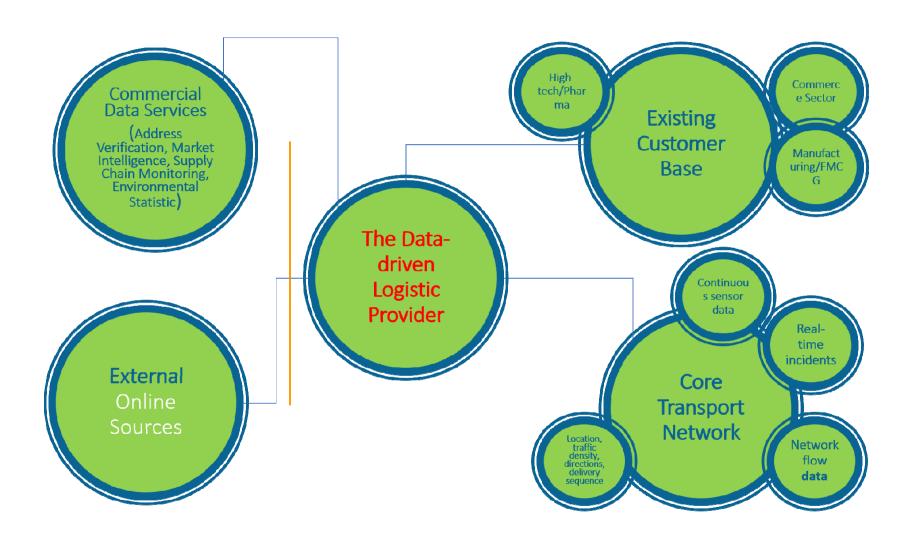
WHO NEEDS TO TAKE THE LEAD IN ENSURING VIETNAM'S READINESS FOR INDUSTRY 4.0?



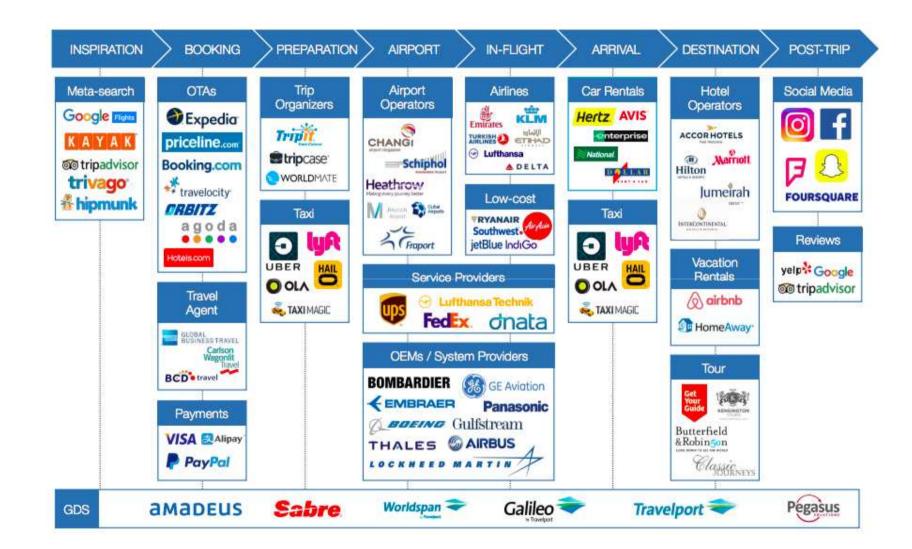
### "Companies that do not strategically invest will lose competitive advantage in the long-term"

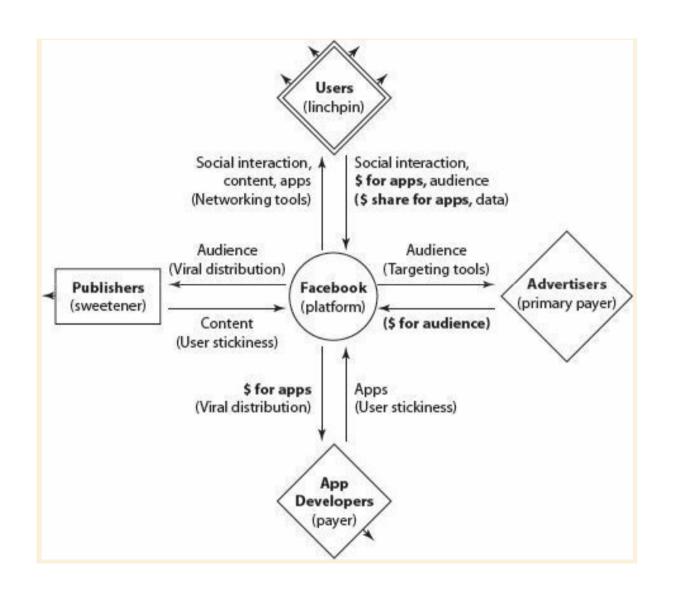
AVERAGE PERCENTAGE OF ANNUAL REVENUE INVESTED FOR DIGITISATION:
CURRENT VS NEXT FIVE YEARS?







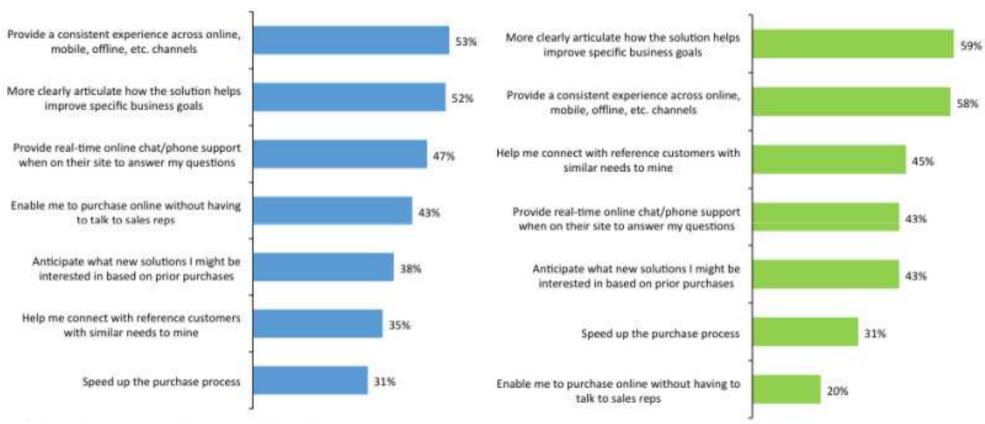




- •Customer journey/digital touchpoint mapping 57%
- •Building and managing web properties as part of an integrated approach 46%
- •Process improvements to enable more agility with website /mobile /social platforms 45%
- •Using mobile to support operational improvement efforts, customer engagement initiatives /new business opportunities 42%
- •Overhauling customer-facing technology systems 41%
- •Building applications that support the customer engagement model or other digital initiatives 40%
- •Establishing digital metrics and measurements 40%

	EARLY	DEVELOPING	MATURING
	Lack of strategy	Managing distractions	Security focus
Barriers	More than half cite "lack of strategy" as a top-three barrier	Nearly half indicate "too many com- peting priorities" is a top-three barrier, "lack of strategy" still a challenge for one-third	Nearly 30% cite security as a top- three barrier; managing too many competing priorities remains a top concern for 38%
Strategy	Customer and productivity driven	Growing vision	Transformative vision
	Approximately 80% cite focus on customer experience (CX) and efficiency growth	CX and efficiency growth; over 70% cite focus on transformation, innovation and decision making	Over 87% cite focus on transformation, innovation and decision making
Culture	Siloed 34% collaborative; 26% innovative compared to competitors	Integrating 57% collaborative; 54% innovative compared to competitors	Integrated and innovative 81% collaborative; 83% innovative compared to competitors
Talent	Tepid interest	Investing	Committed
Development	19% say their company provides resources to obtain digital skills	43% say their company provides resources to obtain digital skills	76% say their company provides resources to obtain digital skills
Leadership	Lacking skills 15% say leadership has sufficient digital skills	Learning 39% say leadership has sufficient digital skills	Sophisticated 76% say leadership has sufficient digital skills





Q) What are the top 3 ways vendors can improve the purchasing experience?

C SMB Group

Source: 2015 SMB Routes-to-Market, July 2015

#### Being on the internet should be a priority for small businesses

Although we live in a digital world, most companies do not consider digitalisation as something urgent. This is a mistake, because only those that are at the forefront of the trends will be able to compete with the same weapons as the new digital native companies.

Because before getting down to work on this transformation, they must devote most of their resources to more urgent issues such as taxation or the profitability of their businesses. In short, they are very much guided by the short term and do not understand that sometimes what is urgent is not always important.

It automates the processes, products and services generated by the company. A strong reason to wager on this transformation, since it makes the company's work and organisation much easier.

It increases the speed of the response to problems. Being automated, it is easier to find the source of the error and find the best solution. That is to say, to offer a satisfactory and rapid response to the problem.

It improves interaction with customers. It is increasingly common for the public to use networks such as Twitter to send queries to a company, to criticise some of its processes or simply to ask for or give advice.

Digital assets have become the way most used by customers, and having a website and networks where users can comment and ask is essential for any business that wants to survive the 2.0 era.

It opens new market possibilities. In the digital world distances do not exist, and businesses that are in the digital world can reach more customers, enhance digital communication and reach potential market niches.

Improves brand positioning. It is no secret that the brands we know the most are not necessarily the ones that advertise the most, but rather those we find the most on the Internet. Now, when we want to look for something we go to Google and only the digitalised companies with a clear online marketing strategy reach the first page of the well-known search engine.



### **SMEs**

Viet Nam has more than 600,000 SMEs.
Accounting for 97.5 per cent of the country's companies.
Contributing more than 40 per cent of the GDP.
Using 51 per cent of the labour force.
Registered capital investment USD121Bil.

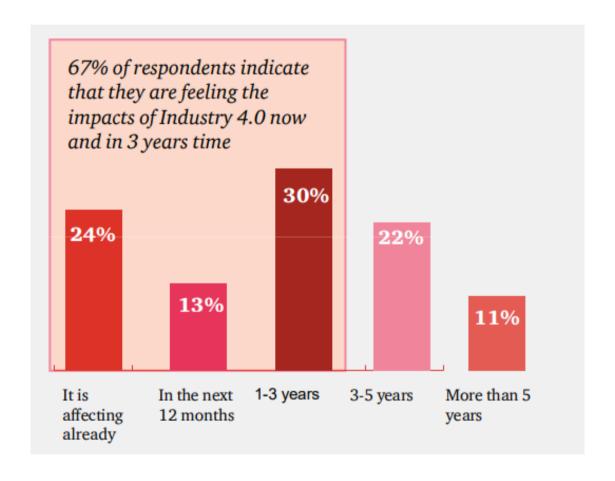
GENERAL STATISTICS OFFICE of VIET NAM - 2017

**OUR CUSTOMER PERSONA in** 



WHEN DO YOU FORESEE INDUSTRY

4.0 HAVING A SIGNIFICANT IMPACT
ON YOUR VIETNAM OPERATIONS?



WHERE DO YOU EXPECT TO SEE THE LARGEST
BENEFITS FROM DIGITISATION AND AUTOMATION?

