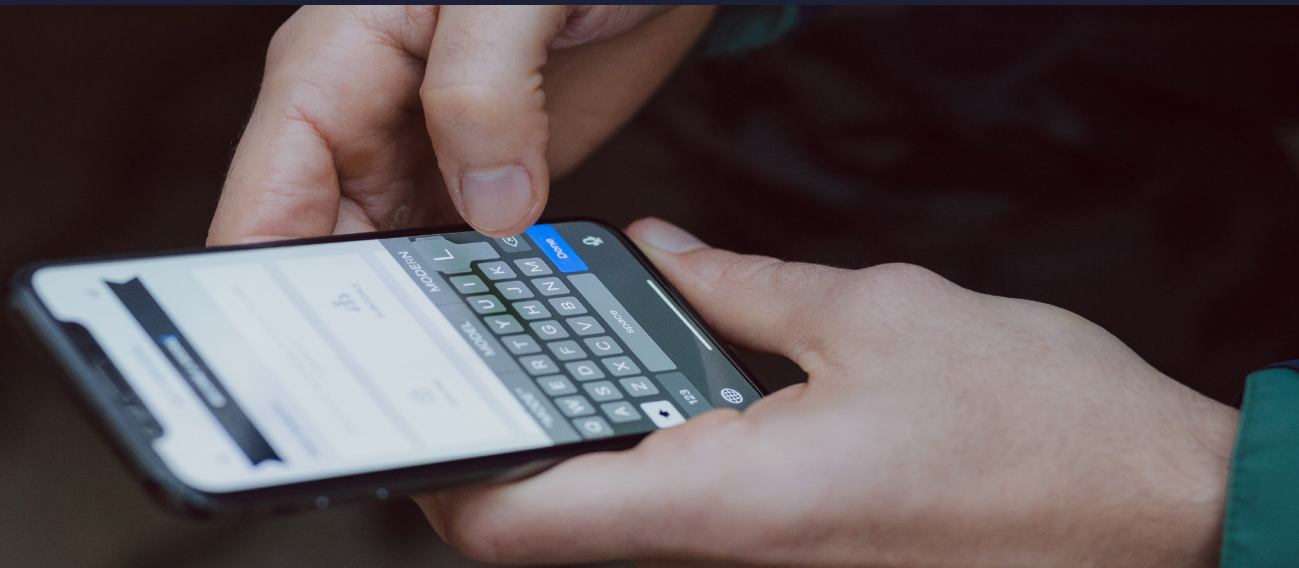




The Role of Mobile in Digital Transformation Strategy.

Shout Digital, Summer 2022





We issued our last White Paper on the state of mobile in the context of digital transformation in October 2020. In that paper we set out our recommendations for what to consider in the coming decade, in the context of predictions for 2030. At the time, the world was still learning about the impact of the Covid-19 pandemic on digital trends and adoption.

We're now 20% of the way through that decade and it's time for an update – how might organisations best incorporate mobile into their digital strategy in a post-pandemic world? What will be needed for success between now and 2030?

This paper draws on the previous edition, with additional insight for planning a mobile strategy in 2022.

The role of Mobile in Digital Transformation Strategy.

Business leaders have recognised the importance of mobile technology to digital transformation for years.

However, capturing the true potential of mobile remains an opportunity for many. Over the next decade, 5G, edge computing, smarter AI, and other advances will make even some of the most innovative mobile apps of today seem limited.

For those businesses that want to thrive in the future, mobile will be the foundation for what comes next.

Businesses that are looking too far ahead may be missing opportunities to connect with their user's reality today. As customer expectations evolve and more people demand exceptional experiences, there is significant pressure to invest in the latest technology trends to improve the customer experience (CX).

To try and compete digitally, companies create huge technology budgets and work hard to translate that spend into growth. Organisations are investing millions into AI, the internet of things (IoT), mixed reality (MR) and other leading edge technologies, but they don't always capture the potential.

In 2018, enterprises spent \$1.3 trillion (USD) on digital transformation initiatives, yet \$900 billion of that investment never achieved stated goals (2). With huge resources going into next-generation tech, providing a platform to drive tangible results with these technologies is where mobile can play a significant part.

Mobile is still the logical enabler for the future of digital transformation. With mobile as the foundation, it's possible to integrate the latest technologies, win new customers, improve workflows for employees, and drive efficiencies. But, to unlock the potential, businesses will need to redefine their approach to mobile.

18 months of change for humanity.

In the autumn of 2020, little was known about the long term impact of the Covid-19 pandemic around the world. Many countries were still implementing special measures such as lockdowns and support for businesses. Individuals were talking of pandemic fatigue and longing to put the discussion of variants and masks behind them, and start a new normal.

Many businesses were adjusting to a world where some, or even all, of their workforce had become permanently remote and others were grappling with how to set up an effective hybrid working scheme, balancing business needs with keeping their teams safe.

There is no doubt that the pandemic accelerated digital transformation in many organisations. However, for some this was through urgent or short-term tactical innovations rather than strategically architected activity and, for others, roadmaps were shelved while investment was pivoted for a greater focus on internal process or mobilising remote working

Customer experience and service delivery was hugely impacted – contact centres struggled to cope with short staffing and remote working; online sales and access to service was accelerated. However, not everyone is willing or able to turn to their smartphone for all of their needs. The emerging digital divide started to impact not just access to retail and consumer services, but to public services, banking, healthcare and education too.

The pandemic has accelerated digital service adoption at both industry and organisational levels (3), with some sources suggesting a 5-year acceleration of digital transformation (4), but this acceleration has not been even, leaving some industries with huge opportunities.

For businesses and public sector bodies alike, navigating the remainder of the '20s will require a harnessing of digital technology to transform service delivery, for those inside and outside of their organisations: A focus not just on external stakeholders, but on supporting their teams behind the scenes with secure, robust and scalable platforms and integrations. Linking real business value with the technical solutions that enable them, and centering service design on the humans that will use it.

Mobile (still) makes all other tech trends accessible.

The ubiquitous smartphone is still an important gateway to users, with 6.3bn smartphone subscriptions in the world at the end of 2021 (5) and it remains the primary access point for many users to digital services, retail, and experiences.

The uptake of wearable tech and smart homes technology means mobile phones are increasingly the remote control of digital life.

On top of connectivity and messaging capability, smart phones offer access to payment services, health data, location services and increasingly sophisticated cameras – all in the customer’s pocket.

Organisations who can ‘win’ the right to be in a customer’s palm will succeed, and this begins with being hugely useful or compelling to the target user.

A mobile strategy that is central and foundational to a wider business transformation strategy, rather than a tactic added as an afterthought, will ensure that core CX is embedded in the mobile experience.

Many organisations have traditionally overlooked the opportunity to support their own internal teams via a mobile and indeed digital transformation strategy.



Beating the Backlash.



The pandemic sent people online to do everything – from work, the food shop, to the pub quiz – and connection via the internet made lockdown a bearable existence.

Video conferencing went from being a niche tool for international businesses and the tech savvy, to a ubiquitous presence in popular culture. First dates were held over Zoom and TV news featured contributions direct from correspondents' kitchens.

A screen time backlash followed – articles about digital-fuelled burnout (6) and knowledge workers' 'right to disconnect' (7) proliferated and consumers increasingly turned to offline activities and digital detox. When people were allowed to socialise again, analog, screen-free activities like boardgames, hikes and picnics had a resurgence.

To thrive in a competitive market against a backdrop of digital backlash, organisations must focus not on the technology itself, but customer experience: How might they be extremely useful, embedding a mobile experience into the wider customer experience model.

The time for gimmicks has passed and digital service delivery must focus on customer engagement through being truly useful, efficient and transparent.

Technology and organisational maturity.

Today's decision makers are not the first to initiate digital-driven strategic change for their organisations. As technology and digital strategies evolve, more people are leading the second or third edition of the software products, digital services and products at the centre of their businesses.

Technologies such as wearables have gone from new and niche, to market saturation. Organisations are of increasing digital maturity, with a better understanding of how to harness digital technology in pursuit of organisational goals.

Increasingly, digital partners need to adopt and work with existing projects, or even execute project recovery processes. As the complexity and centrality of digital programs increases, developments and transformation may lag behind timelines, creep over budget or even remain unfinished.

The remote working revolution has unlocked the ability to flex teams, with remote collaboration now something most organisations are not only comfortable with, but in many cases embrace. Skills shortages are easier than ever to remedy with a remote team member or external partner.



Bridging the gap between the digital era and the future...

In 2020, we identified mobile technologies that were set to dominate in the next decade. Here we revisit that list and ask how businesses can use mobile as a platform to drive effective digital transformation by looking at trends and understanding what's possible.

5G

5G reduces network latency, with more bandwidth and stronger connections unlocking the potential for Internet of Things (IoT) projects – connecting devices and equipment in manufacturing, warehousing and even healthcare settings.

5G is growing faster than any previous mobile generation (8) and as the 5G rollout continues, apps that connect disparate processes will drive business efficiency and digital transformation.

5G is also increasing digital reach by enabling the connection of more locations to the internet than was previously possible. Ericsson's well respected annual Mobility Report (9) called out 5G Fixed Wireless Assets (FWA) as a principal factor in 5G adoption and cited this method of providing fast wi-fi access as fundamental to closing the digital divide exposed by the pandemic. A lack of fast, reliable internet connectivity has been a barrier for education, remote working and micro businesses.

Fixed Broadband via 5G will bring internet connectivity to those who cannot practically or economically be reached by a traditional wired connection.



The only thing certain is change.

Beacon Technology

Cited in our 2020 report as an enabler of integrated digital customer experience at in-person locations, beacon technology has in many cases taken a backseat, as the focus of digital transformation has changed to moving services fully online and providing remote alternatives to in-person experience.

Implementation and maintenance of beacon systems has been notoriously tricky, and a technology and privacy backlash could mean users are less likely to grant the required permissions to get the most from the technology.

While commercial uses may be stalled, the demand for beacon technology from the healthcare industry has accelerated during the pandemic (10) – highlighting the need to ensure technology is there to meet a human need, and that digital strategy has not been led by a desire to implement a specific technology. As the focus shifts back to real life experiences, it will be interesting to see how beacon tech fares.

In our 2020 paper we highlighted the growing worldwide wearable market, and this continues to be an important type of mobile technology.

Better battery life and smaller GPS units make fitness trackers and smart watches more comfortable. Watch apps offer simple, glanceable information, that easily integrates into a user's day.

In the US, businesses are engaging employees with health messaging and using fitness tracker data to directly reduce healthcare/insurance costs for the business. In the UK, a utility company has developed a watch app that allows employees to engage with simple questions and send pre-written responses, which is then integrated with health data in order to monitor field worker safety and fatigue – for the mutual benefit of the organisation and its people (11).

The next generation of wearables will go beyond fitness trackers, with products like Ray-Ban's smart glasses with camera, audio and touch control functions, and glove-like wearables that allow users to control their devices with natural hand movements. (12)

Wearables



AI

AI may conjure images of intelligent robots, but the opportunities in data analysis and pattern spotting are where real value is generated, in creating customized experiences and going beyond marketing data to put the right information at the finger tips of customers in real time.

AI driven chat bots have revolutionised customer experience and helped businesses when challenged by employment conditions of the pandemic, using aggregated data to understand what will be helpful to customers and to carry out straightforward tasks, like providing a meter reading or checking an order status without the need for a human to intervene. A chatbot may feel unglamorous, but for many businesses it is behind the scenes processes that offer the most opportunity for impactful transformation – freeing up time and resources and improving customer satisfaction.



Bring customers exactly what they need with mobile.

Here's how companies can build an impactful digital transformation strategy.

Identify the moments that matter to customers or other stakeholders as the starting point for digital service design.

Redesign the customer journey, reducing friction and providing personalised solutions for customer goals.

Look at the data to define the lifestyle goals, tactical goals, and moments where users are open to a solution.

Be relevant, meaningful and useful to users.

Establish which mobile trends can be used to meet those needs.

Fully integrate mobile with existing CX journeys, to make experiences smooth for external stakeholders and efficient for internal teams.

Conclusion.



Mobile is so engrained in culture, lifestyle, business and commerce that the idea of viewing it as one part of a digital transformation strategy doesn't make sense.

Mobile applications are also the gateway for many emerging technologies, and in some cases, serve as a hub for connecting different applications for users.

Companies that design their mobile strategy to serve as a key driver of business transformation will be able to unlock all that mobile has to offer. As well as a deep understanding of what customers want or need, organisations must provide real value to their users and be transparent and fair in order to 'win the right' to be in their user's pockets.

This ultra-effortless customer journey, and transparent service delivery is the future of digital transformation.

About Shout

Shout are digital transformation experts, who partner with ambitious organisations, in delivering technology enabled change.

An award-winning team of experts, we pour our love of technology into creating software that delivers real improvement for the organisations we work with, and their employees and customers.

Headquartered in Newcastle Upon Tyne, UK, we unify complex engineering and elegant customer experience, enabling the businesses we partner with to transform and innovate.

shoutdigital.com



Additional Resources.

1. Lawrence, Cate. **Why Smart City Amsterdam Is the Home of Innovation.** DZone. [Online] 25 October 2017. <https://dzone.com/articles/why-smart-city-amsterdam-is-the-home-of-innovation>.
2. Zobell, Steven. **Why Digital Transformations Fail: Closing the 900 Bn Hole in Enterprise Strategy.** Forbes. [Online] 13 March 2018. <https://www.forbes.com/sites/forbestechcouncil/2018/03/13/why-digital-transformations-fail-closing-the-900-billion-hole-in-enterprise-strategy/#47a9c77b8b1a>.
3. McKinsey & Company. **How COVID-19 has pushed companies over the technology tipping point—and transformed business forever.** McKinsey & Company. [Online] 5 October 2020. <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever>.
4. Prybylski, Hank. **Two Years Into The Pandemic, Digital Transformation Is Moving Forward: Here's How.** Forbes. [Online] 4 May 2022. <https://www.forbes.com/sites/hankprybylski/2022/05/04/two-years-into-the-pandemic-digital-transformation-is-moving-forward-heres-how>.
5. O'Dea, S. Number of smartphone subscriptions worldwide from 2016 to 2027. Statista. [Online] 23 February 2022. <https://www.statista.com/statistics/330695/number-of-smartphone-users-worldwide/>.
6. RAMACHANDRAN, VIGNESH. **Stanford researchers identify four causes for 'Zoom fatigue' and their simple fixes.** Stanford. [Online] 23 February 2021. <https://news.stanford.edu/2021/02/23/four-causes-zoom-fatigue-solutions/>.
7. The right to disconnect: Why legislation doesn't address the real problems with work. The Conversation. [Online] 15 November 2021. <https://theconversation.com/the-right-to-disconnect-why-legislation-doesnt-address-the-real-problems-with-work-170941>.
8. Karikytö, Mikko. **Resilient 5G: The secure platform for digitalizing business.** Ericsson. [Online] 19 May 2022. <https://www.ericsson.com/en/blog/2022/5/resilient-5g-secure-platform-digital-business>.
9. Ericsson. **Ericsson Mobility Report.** Ericsson. [Online] November 2021. <https://www.ericsson.com/en/reports-and-papers/mobility-report>.
10. Avinash Savekar, Vineet Kumar. **Smart Beacon Market Outlook – 2030 .** Allied Market Research. [Online] August 2021. <https://www.alliedmarketresearch.com/smart-beacon-market-A13114>.
11. **Innovation in action with Northumbrian Water Group: Wear is Wellness sprint.** Shout Digital. [Online] 3 November 2021. <https://www.shoutdigital.com/insights/innovation-in-action-with-northumbrian-water-group-wear-is-wellness-sprint>.
12. Sarkar-Basu, Parna. **2022 Predictions: Space, Wearables, Automation And The Workplace.** Forbes. [Online] 27 December 2021. <https://www.forbes.com/sites/forbescommunicationscouncil/2021/12/27/2022-predictions-space-wearables-automation-and-the-workplace/>.



shoutdigital.com
+44 (0) 191 231 2377