



# Betting on Digitalization

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The pace of digitalization is forcing CEOs to go all in, whether they're confident or not. In response, Fujitsu is spreading customer risk by dealing out multiple hands.

## The only choice

Fujitsu's Head of EMEA and the Americas, **Duncan Tait**, doesn't hold back when emphasizing the importance of digitalization. "I used to say that digitalization is the biggest thing that's happened since the industrial revolution, and I was completely wrong. Digitalization is the most fundamental thing since humans were able to communicate."

## A fundamental shift

Digitalization changes everything, affecting core aspects of business processes, customer interaction and products. "The most pressing areas for our customers are how to engage with their markets, and the fundamental nature of what they deliver," Tait explains. Processes gain obvious benefits from digitalization, as well as the ways companies interact with customers. The more unexpected consequence is how it leads to the reassessment of products and services.

## A double-edged sword

A study of over 7,000 respondents found the overwhelming majority of financial service consumers were happy for banks to manage and have insights into their data, provided privacy and security were maintained. Of concern to banks should be that 1 in 5 surveyed would buy financial services from Facebook or Google, and with "two-thirds of 22–29-year-olds having changed banks in the last 5 years," finance would seem ripe for disruption. On the flip-side, the same study found one-third saying they would buy other services, like mobile phone or energy, from their finance provider.

## Don't bluff, spread your bets

A Fujitsu study of 600 European C-level executives and ICT decision-makers indicated high confidence in digitalization with 92% stating that they would class their organizations as digitally mature, but two-thirds also stated the

success of digital projects was a gamble. Fujitsu is clear on how to approach this disconnect - multiple pilot projects, allowing for 90% failure, followed by rapid scaling of those that succeed. *MetaArc* is Fujitsu's global digital business platform enabling "customers to run several programs all at the same time." For Tait, the acid test of a digitalization project is if it can be scaled to the point where it can secure the future of the organization. He believes many fail on this key criterion.

## Playing the new game

Senior decision-makers fully understand the opportunities and threats posed by digitalization, but are "nervous" about how they will affect the "long-term health of their organizations." Tait believes that the "digital guys" must be the drivers, but must integrate to "bring the whole organization into the future" or face being outmanoeuvred by more agile competitors.