Digital Disruption: Fueled by Empowered Digital Users

Wharton Mack Institute
Spring 2016 Conference

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A few see the shifts coming....

"When wireless is perfectly applied the whole earth will be converted into a huge brain, which in fact it is, all things being particles of a real and rhythmic whole. We shall be able to communicate with one another instantly, irrespective of distance. Not only this, but through television and telephony we shall see and hear one another as perfectly as though we were face to face, despite intervening distances of thousands of miles; and the instruments through which we shall be able to do this will [fit in a] vest pocket." -N.T. 1926

NIKOLA TESLA
Physicist, Inventor, & Engineer
A Few Things Replaced by Smartphones

- Books
- Magazines
- Newspapers
- Digital Cameras
- Pocket Translators
- Bar Code Scanners
- Bank ATMs/Check Deposits
- GPS device
- Maps
- Notebooks/Diaries
- Voice Recorder
- Grocery Lists
- Remote Control
- Home Security Monitor
- Pointer/Clicker
- Access Point
- Game Controller
- Tour Guide
- Compass
- Portable Gaming Console
- iPod
- Radio/Streamed Music
- Set-top Box
- Receipt Reader
- Business Card
- Credit/Debit Cards
- Loyalty Cards
- Drivers License
- Laptop
- Flashlight
- Stethoscope
- Pedometer
- Taxi Stand
- Tape Measure
- Microscope
- ECG
- Blood Pressure Cuff
- Barometer
- Sports Coach
Empowered End-Users
Leveling the Playing Field
Disrupting Transportation
...and the Cycle Repeats Itself
“You can’t list your iPhone as your primary-care physician.”
Digital Medicine
Disrupting Retail
Disrupting Hospitality
Disrupting Communications
And Enabling Companies to Enter New Markets
Digital is the Entrée to Win with Data

Analytics/Machine Learning
- Learning/Insights from Data

Big Data
- Handling massive data volumes
## But Data is a Two-way Street: Bring Your Own Persona (BYOP)

<table>
<thead>
<tr>
<th>Trust + Data Sharing</th>
<th>Wannabes</th>
<th>Mainstreamers</th>
<th>Nomads</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>23%</td>
<td>26%</td>
<td>10%</td>
</tr>
<tr>
<td>Low</td>
<td>7%</td>
<td>17%</td>
<td>17%</td>
</tr>
</tbody>
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- **Wannabes**: Limited Digital Savvy
- **Mainstreamers**: Basic Digital Savvy
- **Nomads**: Advanced Digital Savvy

Ref: Wireless Innovation Council/Mobiquity Research, 2014
There is an Digital Innovation Gap in Large Companies

• Digital is driving major disruption – over 15 billion connected devices empowering 7B end-users to change the way they interact and consume products/services.

• More than 80% of executives believe their industries will be disrupted by Digital in the next 12 months.

• Yet only 7% of companies have invested in truly transformative digital initiatives to date (“Big I” versus “Little i”).

• Most digital initiatives fail to achieve the desired impact (70% of apps and websites fail to achieve long term engagement).

• It’s not good enough to have great design or great technology. You have to innovate around the end-user, business model, data/analytics, and emerging technology.
Sometimes You Need to Innovate Outside Your Own Walls

<table>
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<tr>
<th>Growth Engines</th>
<th>Categories</th>
<th>Synthesize</th>
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| Internally Driven | • Current core products/services, incremental  
                     • New markets for current business lines | • Fits within annual FY planning and operating plan development cycles  
                                                                 • Asks existing leaders of known markets to extend revenue footprint |
| Market Enabled | • Acquisitions  
                     • Joint ventures & alliances | • Buys new category / white space leader; double digit growth vector  
                                                                 • Closes scale/skill/reach gap through partners |
| Externally Lead | • Digital incubation  
                     • Prototypes  
                     • Pilots | • Groundbreaking  
                                                                 • Largely outside client's wheelhouse  
                                                                 • Requires speed, multi-disciplinary focus and ecosystem thinking |

Ref: Mobiquity Digital Breakthrough Incubator Framework
How to Leverage this Conference

With Respect to Digital Innovation:

• Broaden Your Frame – Look Outside Your Swim Lane
• Learn How Empowered End-Users are Changing the Game
• Think About Overcoming Biases in Your Innovation Model
• Understand How New Entrants Gain Unfair Advantages
• Hear About the Challenges and Opportunities for Incumbents
• Look at Ways to Engage End-users in Your Own Innovations
• Hear How Others Companies are Incubating and Launching “Big I”
“The odds are 6 to 5 that the light at the end of the tunnel is the headlight of an oncoming train.”

- Paul Dickson
Where to Find More Information

• Knowledge@Wharton Articles
  – *Unwiring the Enterprise: Are You Ready to Lose Control?*, October 2011
  – *Bring Your Own Persona: Rethinking Segmentation for the New Digital Consumer*, October 2014

• Book

• Mobile Whitepapers

• Mobile Trends Data