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DIGITAL TRANSFORMATION : NEW MODELS AND TRENDS

27 February 2017, Amman

P2P_16_CULTURAL ENTREPRENEURSHIP**LECTURE AND TEAMWORK:
DEVELOPING A CROWDFUNDING PROJECT**

This workshop was held on the second day of this peer-to-peer Programme and began with a lecture focused on the new speed of an ever changing world. Everything is changing fast around us. Very fast. But this is now supposed to be the new cruise speed.

The potential impact of digital technology varies widely by industry, but most people share an important challenge: **how to get beyond the small share of the prize they are capturing today by looking for impact across the whole value chain they manage.** While online sales, social networking, and mobile applications have received most of the buzz when it comes to digital, I believe that the greatest bottom-line impact may come where most organizations and companies aren't looking - from new venture opportunities, cost savings and changes beyond the interface with customers. A too-narrow focus on distribution channels means organizations are getting only a small share of the full value that digital transformation can provide. That narrow focus may also be leaving organizations vulnerable to new entrants and agile incumbents that can translate operational improvements across the full value chain, combined with innovative operating models, into better, cheaper, more customized products, faster service, and an improved customer experience.

Of course, not all industries face the same opportunities or the same threats. Hotels and airlines, for instance, are greatly exposed to the disruptive potential of digital: over the next five years their share of sales via digital channels will rise to 50 percent in mature markets. Large grocery chains, on the other hand, could

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be less affected. Their share of sales via digital channels is expected to rise to just 10 percent. Digital will be highly disruptive to some industries, affecting not only revenue and cost structures but also shaking up the core business and operating models. The music-retailing industry has already been down this path. Others are nosing into the eye of the storm. Some sectors may see less dramatic but still important shifts.

There are the AGAF companies (Amazon, Google, Apple, Facebook) that have an approach of “winner takes all” and are disrupting every industry they address. And they are focusing on non-traditional digital ones.

The natural questions: “BUT WE ARE NOT GOOGLE, APPLE, AMAZON, FACEBOOK!
WHAT ABOUT US? WHAT DO WE HAVE TO DO?” have several answers?

- We have to change mentality and learn how to make the most from innovation around us using technology and new tools (as Google for no profit)
- We have to overcome cultural barriers (it is all about cultural transformation not digital transformation)
- We have to become digital leader to make the digital natives work efficiently with the business natives following our vision and strategy
- We have to learn to be permeable to Innovation with an Open Innovation approach
- We have to learn from those that can go fast. From organizations to big start-ups.
- We have to look at the world with new eyes (everyone could perform great projects today)

Because the “Big Change” has still to come... This is true in the creative/cultural sector too. The customers have new needs and the new channels aren't properly covered from traditional players. Youtube is the second search engine in the world, gaming industry is always looking for Intellectual Properties (new idea and stories), new ways of interaction are possible in museums thanks to Internet Of Things, crowdfunding enables the creation of innovative entertainment products and services but traditional cultural institutions don't



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take advantage of these opportunities. Who will be the new start uppers to transform these industries? How can we build a successful business model around cultural projects?

With these questions in mind, the workshop focused on the creation of a crowdfunding project for the aims of the participants.

- Why develop a crowdfunding project...what are the rewards?
- The importance of analysis of other successful projects
- "Crowd" before and over "funding"
- Crowdfunding is more than money
- Crowdfunding campaign = marketing campaign, not fundraising campaign
- Crowdfunding change business models: 'fans & investors' become the marketing team, crowdsourced engagement, new ownership models

The focus throughout was on peer to peer learning through working on the project and talking and upfront presentations were therefore kept to a minimum.

Each group was asked to focus on the sustainability aspect of their project and to plan the correct reward/product/services to their target audience. With a particular attention to international prospects to enlarge their local perspective.



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