Brisbane City Digital Audit

Key findings from the Brisbane Digital Audit
Brisbane Marketing

02 November 2012

Ernst & Young

UQ Business School
The University of Queensland
Australia

Contents

Overview

The Scope

According to the research firm IDC, the size of total worldwide e-commerce, when global business-to-business and consumer transactions are added together, will equate to $16 trillion in 2013. When added to the global market for digital products and services – which IDate, the French technology research firm, estimates will be $4.4 trillion – the total size of the 2013 digital economy is estimated at $20.4 trillion. This is equivalent to roughly 13.8% of all sales flowing through the world economy[1].

Brisbane Marketing, the economic board of Brisbane City Council, recently appointed a Chief Digital Officer with a mandate to develop and execute Brisbane's City Digital Strategy. A Digital Strategy for Brisbane is to be developed based on insights into the digital economy that show what could be done to:

- Increase business uptake of digital solutions that enhance productivity and profit
- Improve Brisbane's connectivity for residents, students, travellers and business people on the move throughout the city
- Build the capacity of Brisbane's digital industries
- Promote Brisbane's wealth of digital capability.

To inform the development of the Digital Strategy, Brisbane Marketing has appointed Ernst and Young and the UQ Business School to perform a digital audit of 500 Brisbane-based businesses and conduct 25 case studies with Brisbane businesses. Regional Development Australia (RDA) Brisbane, with support from the Queensland Government, was a funding partner in the audit.

The aim of the digital audit is to answer the following two questions:

- What is the current digital landscape of Brisbane-based organisations in terms of their level of digital adoption and maturity of digital capabilities?
- Who are the 'exemplar' companies, who have the potential to contribute, or are already contributing, to the growth of the digital economy, and capturing their share overseas?

The Digital Maturity Capability Framework and approach

Ernst & Young and UQ Business School have developed a Digital Capability Maturity Framework to assess how businesses are performing in their transition to the digital economy.

The framework has eight dimensions in the following order: Digital strategy, Customer experience, Design, Meaningful content, Channels integration, Operations, Governance and Digital infrastructure. The framework uses a scale of 1 to 5 and a lettering system of E to A. Refer to page 20 for an overview of the approach.

The framework has been adapted for the Brisbane Digital Audit with:

- 500 Brisbane-based businesses interviewed using a phone-based interview technique
- 25 digital champions interviewed face to face.

[1] Source: Oxford Economics

The key findings

As Brisbane businesses embrace the Digital Economy, developing and implementing a coherent digital strategy will become increasingly important to inform the strategic choices to be made to stay competitive and prosper.

The Digital Audit reveals that:

- 83% of surveyed businesses are using digital technologies but only 30% are selling products and services online and 41% communicate electronically with customers and suppliers. While digital adopters are experiencing positive impacts on their businesses, the majority of the 17% non-adopters provided no reason for the lack of adoption.
- Businesses with a high 'digital strategy' maturity are leading those with a medium to low maturity across all remaining seven dimensions of the Digital Capability Maturity Framework. 55% of businesses surveyed do not have a documented digital strategy of which, 23% having not considered one and 16% understand the importance of one but do not have one in place.
- Irrespective of industry sector and business size, there is a need for Brisbane businesses to transform existing business models digitally and uplift their business capability to compete successfully in the digital economy. As the industrial economic model converges with the digital economy, traditional businesses are being disrupted and new models are emerging. The challenge ahead is not a technology one but rather (i) designing a differentiated end-to-end customer experience, (ii) seamlessly integrating multiple channels of delivery and (iii) accelerating the digitisation of business operations.
- The digital economy presents exporting companies with new opportunities. In a recent study published by UQ Business School, a key finding was that compared to firms without a web presence, firms using the web to engage customers were: (i) more profitable, (ii) 2.5x more likely to innovate and (iii) 4.8x more likely to export. The audit revealed that businesses involved in export activities rated a higher level of digital capability maturity across all eight dimensions of the framework compared with those not involved in export activities.
- Overall as a city, based on an overall weighted average digital maturity score, Brisbane is a C with a score of 3.07 on a scale of 1 to 5[2]. The challenge for the city's Digital Strategy will be to determine how to work with the business community to make Brisbane a high performing and pioneering city in the Digital Economy.

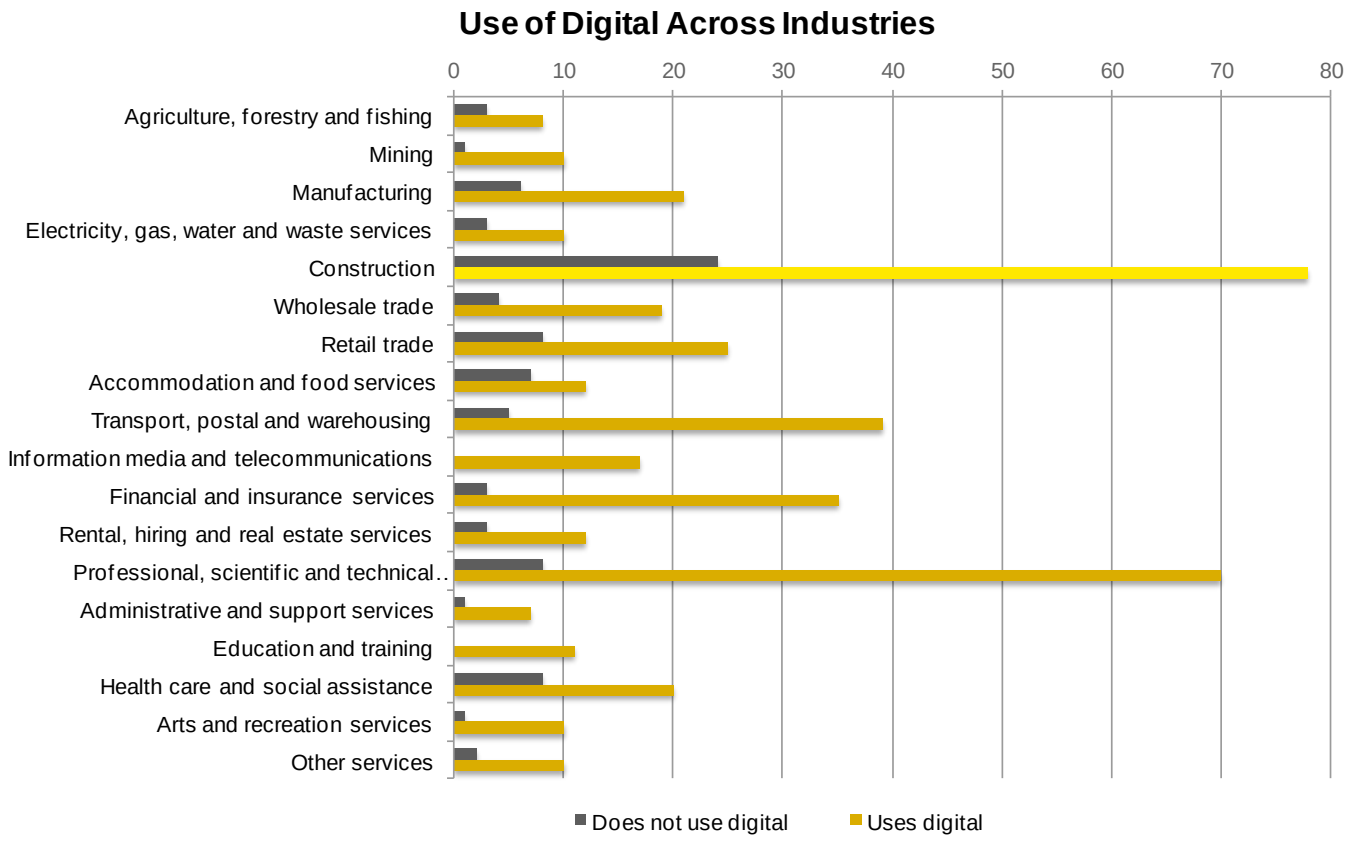
Key lesson from the case studies on the 25 digital champions

- While some of the case studies show how digital transformation can create a radical shift in the business model, most show that digital capabilities can augment a customer-focussed strategy.

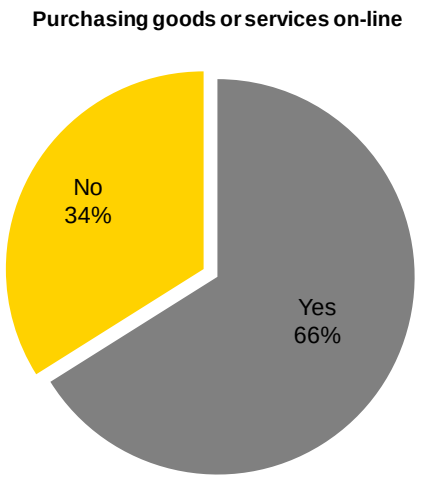
[2] Weighted overall average score including the 17% of digital sceptics. Excluding the digital sceptics, the score is 3.58 on a scale of 1 to 5.

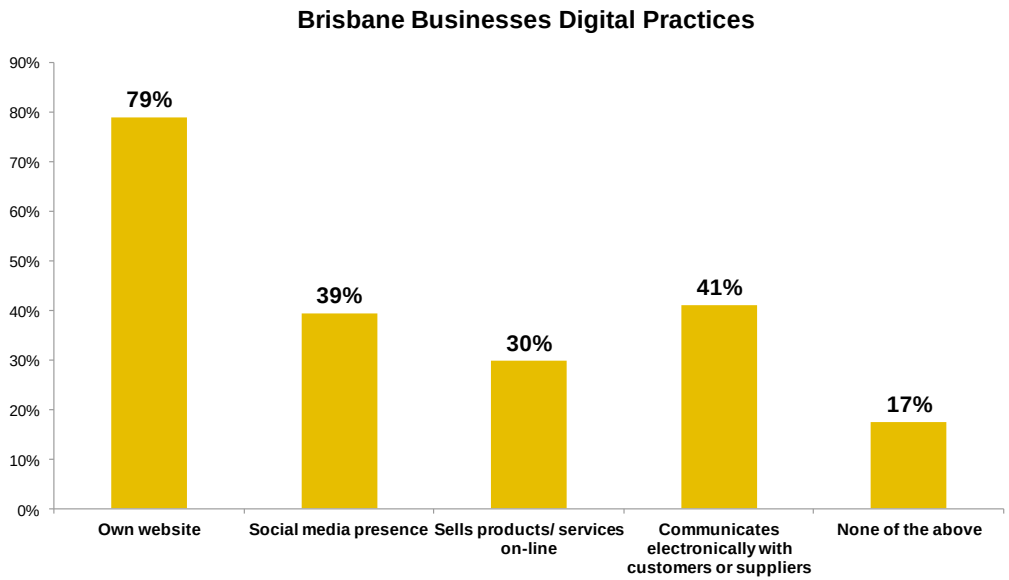
Brisbane businesses are embracing the digital economy

- 83% of surveyed businesses are using digital technologies while 17% are not. The chart below provides a breakdown by Industry and the split between respondents 'Using digital' versus 'Not using digital'.

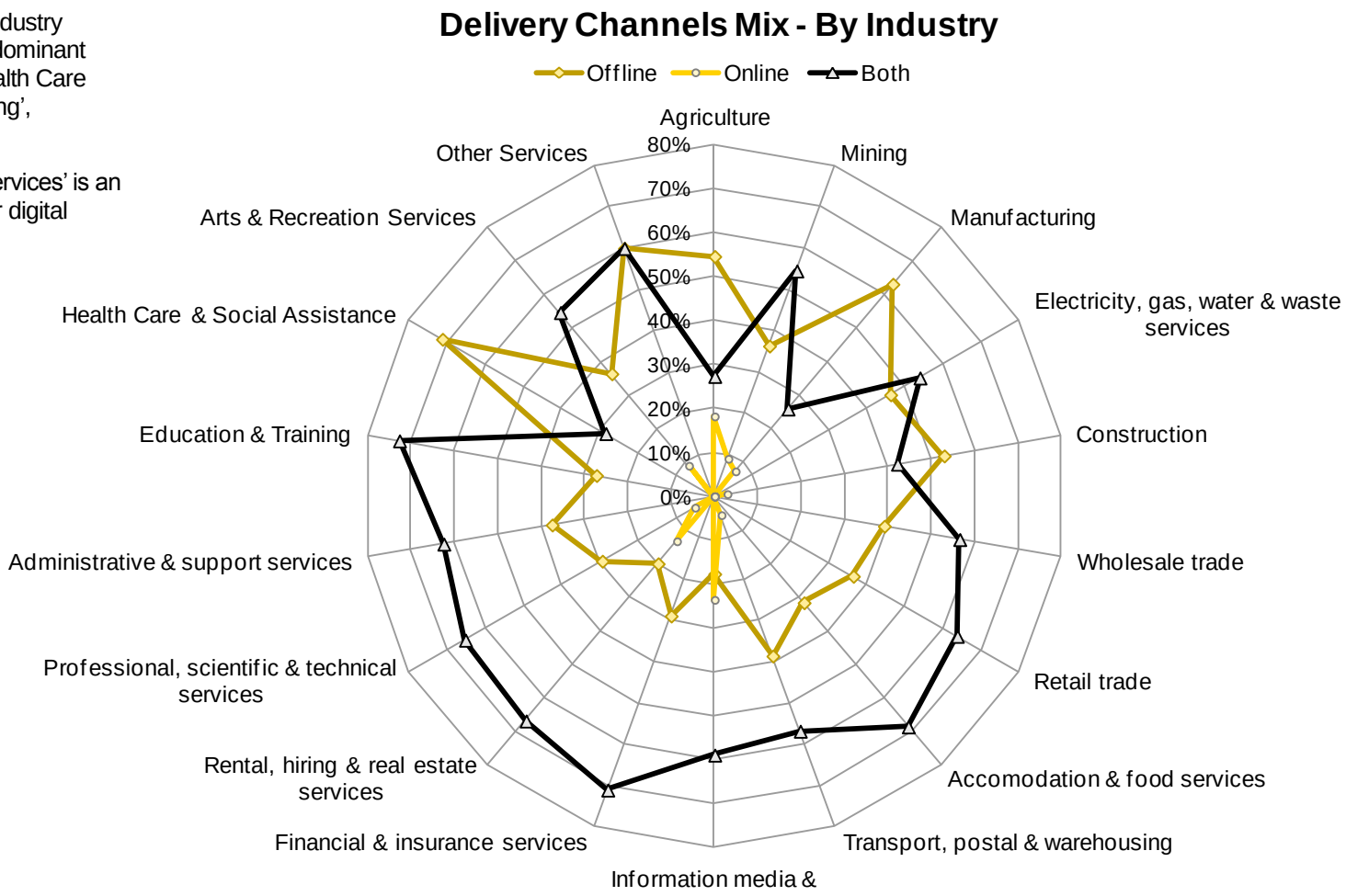


- A majority of businesses, 66%, are purchasing goods or services on-line.
- There are however opportunities to grow the level of digital adoption for business purposes with only 30% of businesses selling products and services online, 39% using social media and 41% communicating electronically with their customers or suppliers. 79% of businesses have a web site presence.





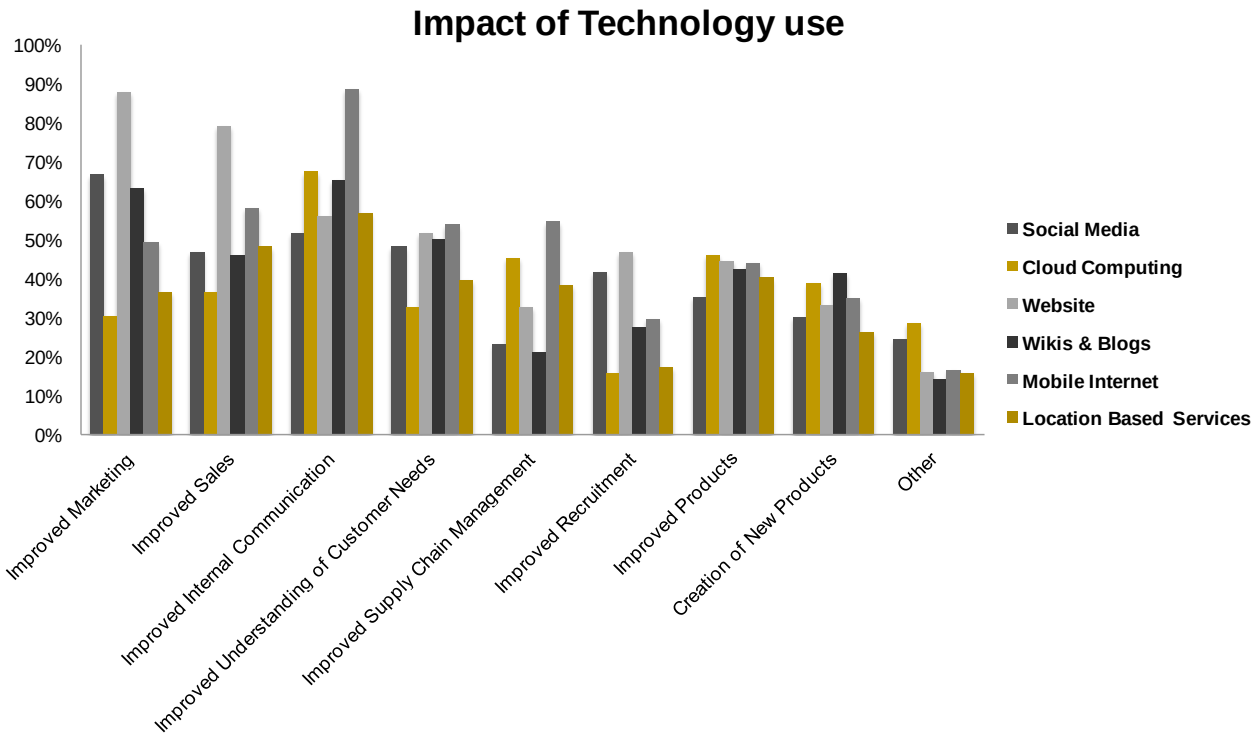
- A view of Delivery Channel Mix by Industry indicates that 'offline only' is still the dominant channel for 4 industries namely: 'Health Care and Social Assistance', 'Manufacturing', 'Agriculture' and 'Construction'.
- 'Electricity, Gas, Water and Waste services' is an industry with high potential for further digital transformation.



Digital Adopters versus Digital Sceptics

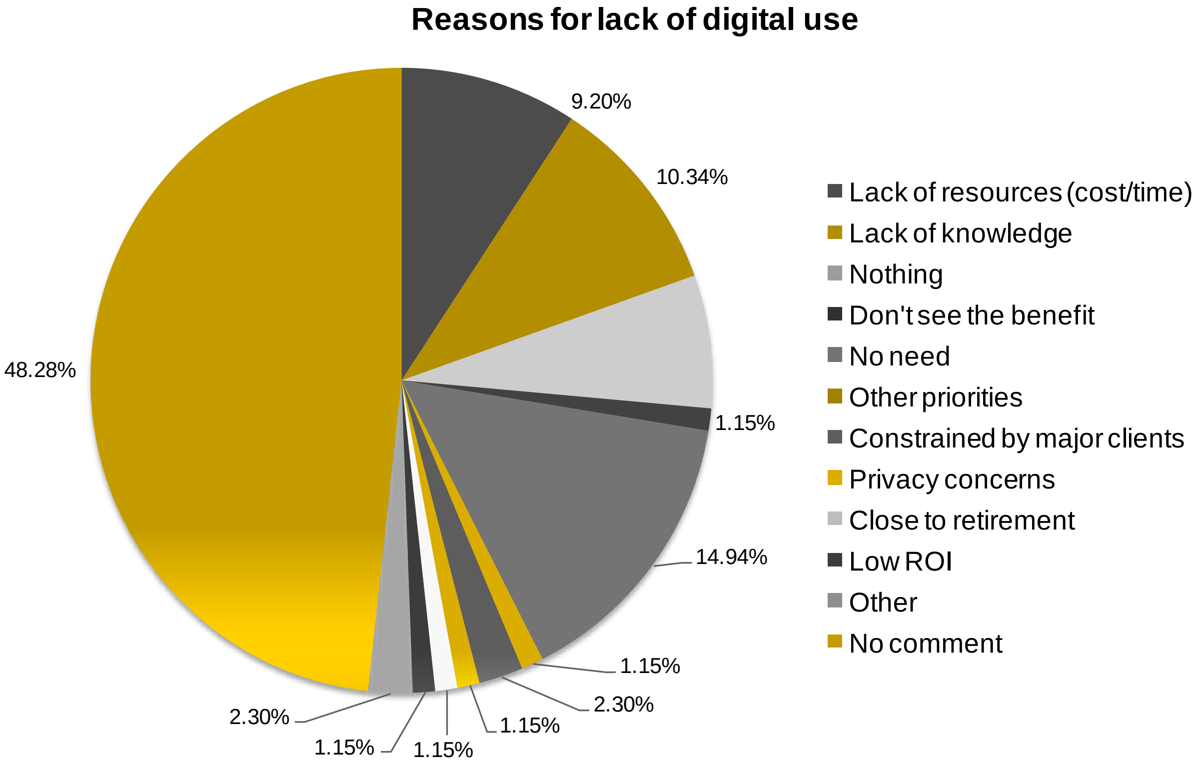
Businesses who indicated use of digital technologies were asked to assess the impact of various technologies on their operations. The results indicate that:

- While only 33% of businesses reported using **cloud computing**, 67% of those who use it report improved internal communication within their business, followed by improved products and supply chain management at 45.8% and 45.2% respectively.
- Similarly, while the use of **social media** has a relatively low adoption rate at 39%, two-thirds of businesses who use it report having improved marketing and improved internal communication (51.5%).
- The use of **mobile internet** has a higher adoption rate at 62% and 88% of those adopters report having improved internal communication while 58% report increased sales.
- 79% of businesses have their own **web sites** and 88% of those report having improved marketing followed by 79% of improved sales.



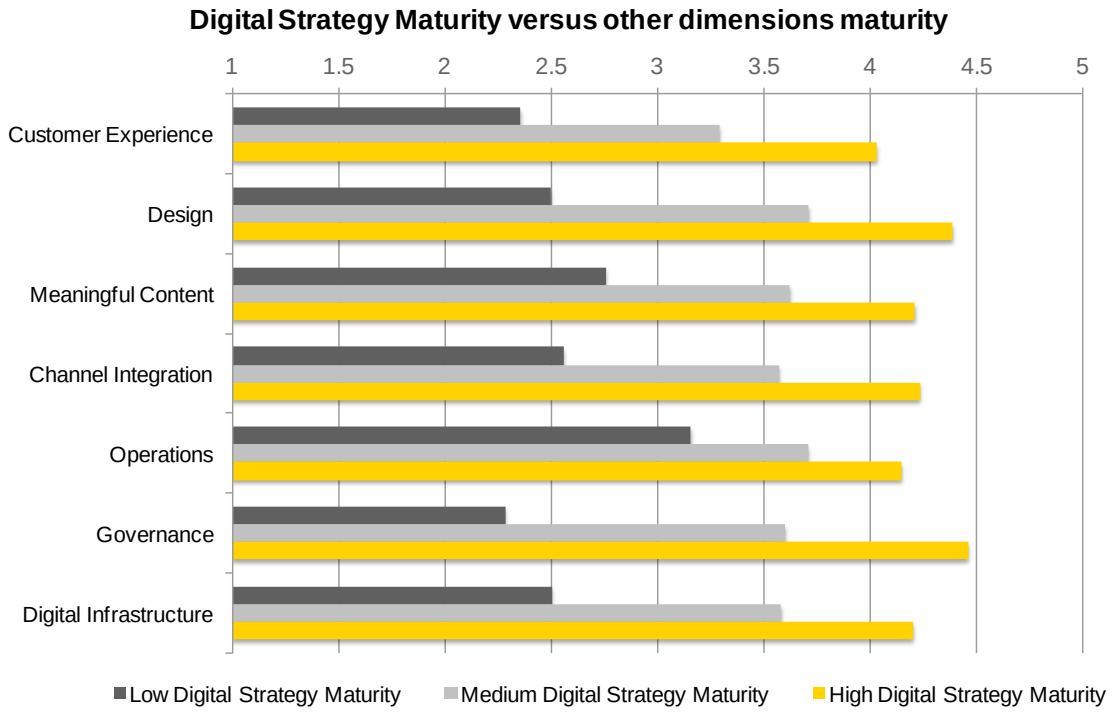
While businesses using digital technologies are reaping benefits, 17% of businesses have indicated lack of digital technology adoption.

- ► The majority declined to explain the reason for lack of adoption. However **common reasons were cited as "no need" and "lack of knowledge or resources".** This is despite 69% of these organisations being aware of digital technologies used by their direct competitors.
- ► Lack of adoption, however, does not imply that all non-adopters are complete digital sceptics. Indeed, **performance and communication improvement** was a commonly cited expected benefit, pointing to lack of knowledge and resources as major roadblocks.



High digital strategy maturity correlates with higher business and infrastructure capability

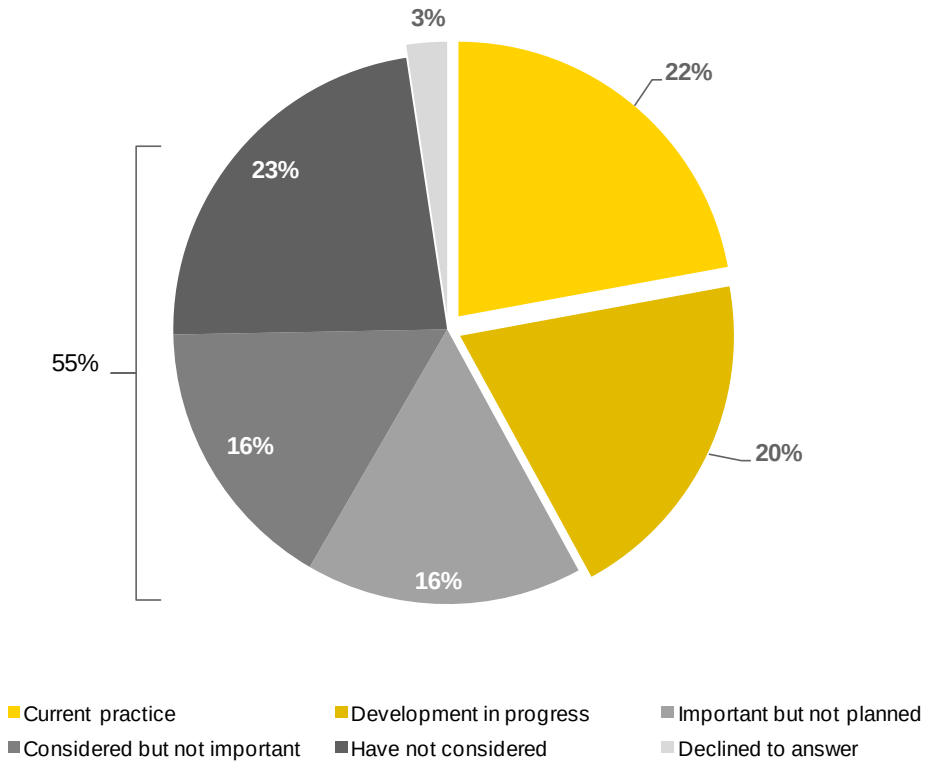
- Based on an analysis of Brisbane businesses responses against the eight dimensions of the Digital Capability Maturity Framework (refer to page 21) a key finding is that businesses that have a **well-defined digital strategy aligned to the business strategy correlates with higher capability maturity across all dimensions.**
- While businesses with a well-defined digital strategy rated the maturity of other dimensions higher than 4, those with a low digital strategy maturity rated most of their other dimensions maturity at 2.5 on average, except for operations, irrespective of industry sector and business size.
- Further analysis would be required to validate whether there is a causal relationship.



- While 22% of businesses responded that having a documented digital strategy was current practice and 20% were developing one, 55% do not have a documented digital strategy and are not in the process of developing one.

- Of these, 23% have not considered one, 16% considered but decided it was not important and 16% know it is important but have not planned to create one.

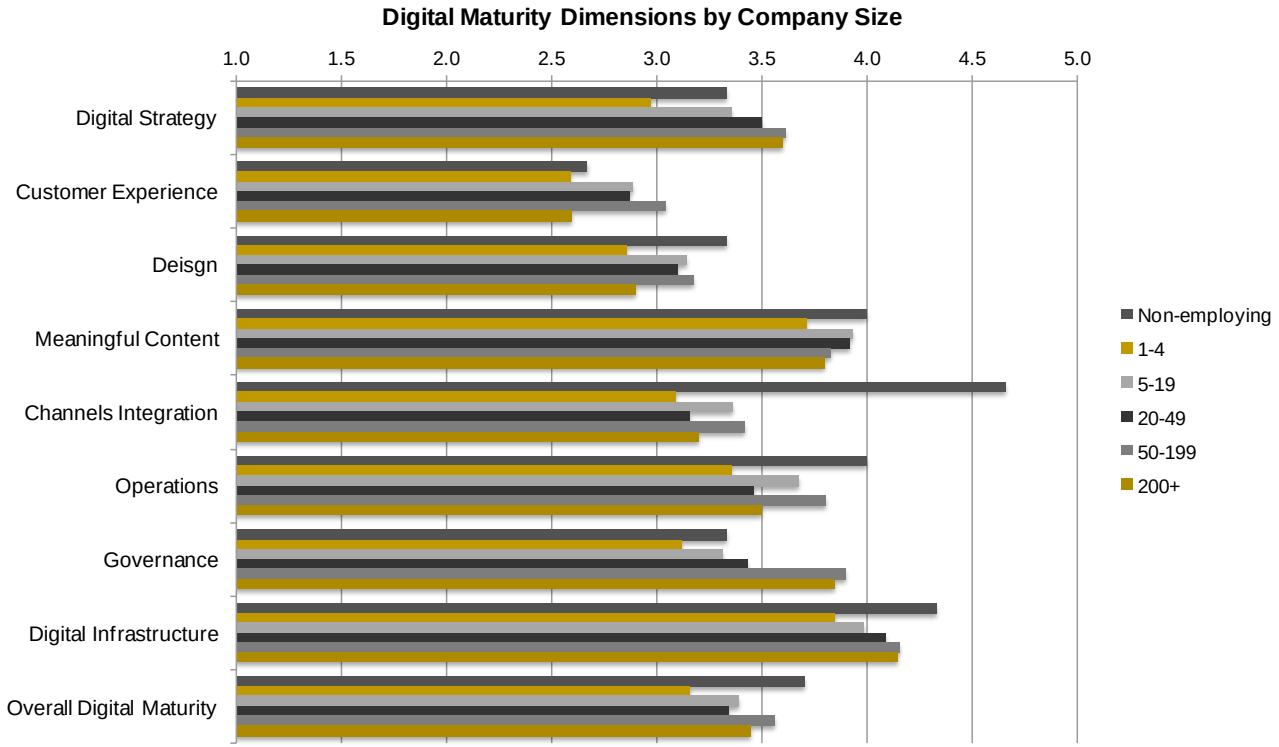
Businesses that have a documented digital strategy



Business capability uplift is required to compete in the digital economy

Brisbane businesses need to transform their existing business models digitally and uplift business capability to compete in the digital economy.

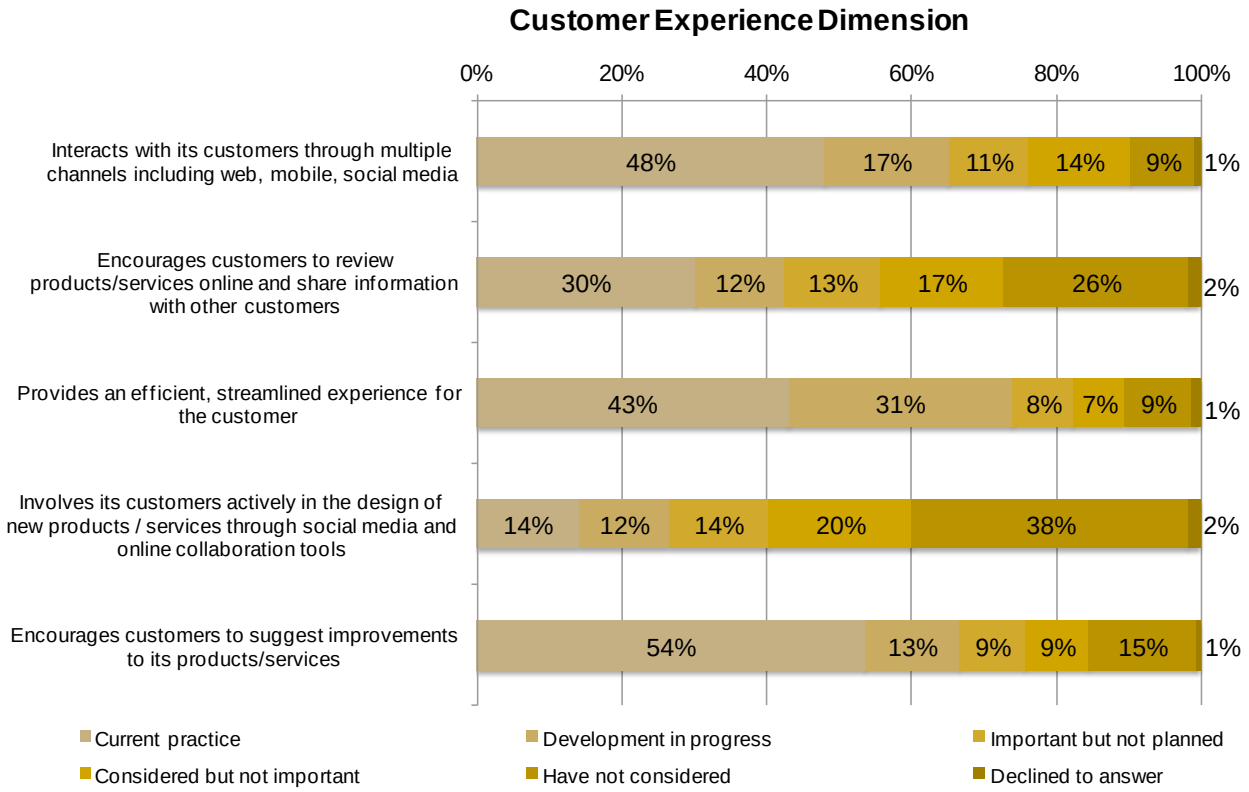
- Size does not matter. Dimensions where Brisbane businesses indicated they are lagging behind include:
  - Customer experience
  - Design
  - Channels integration.
- Respondents indicated a higher level of capability maturity in 'digital infrastructure'.
- The digitisation of operations is at its infancy in terms of transformation. While businesses indicated a relatively maturing operation, a number of case studies point out to the imperative of digitally transforming the operations as businesses grasp with the competitive dynamics of a digitised environment.



Three areas of focus

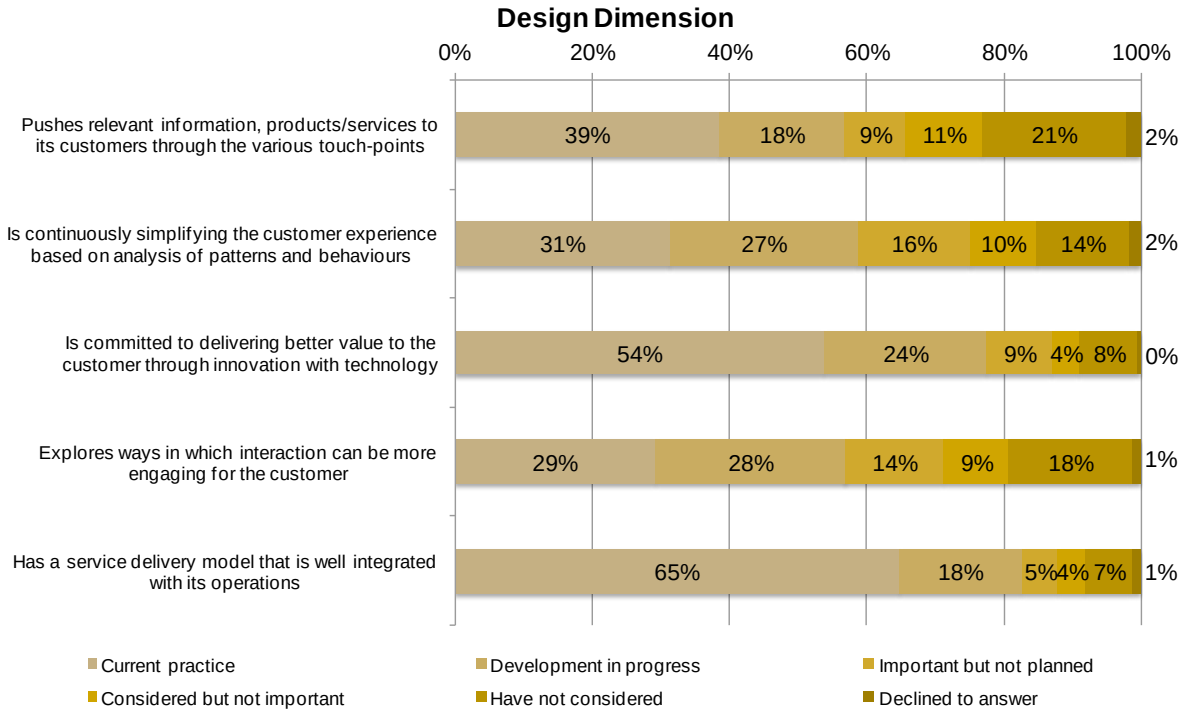
Customer experience

- Customer experience is the weakest dimension of digital maturity in Brisbane-based businesses.
- 58% of respondents do not see it as important or have not considered involving customers actively in the design of new products/services through social media and collaboration tools. Yet, 48% of businesses are already interacting with their customers through multiple channels including web, mobile and social media.



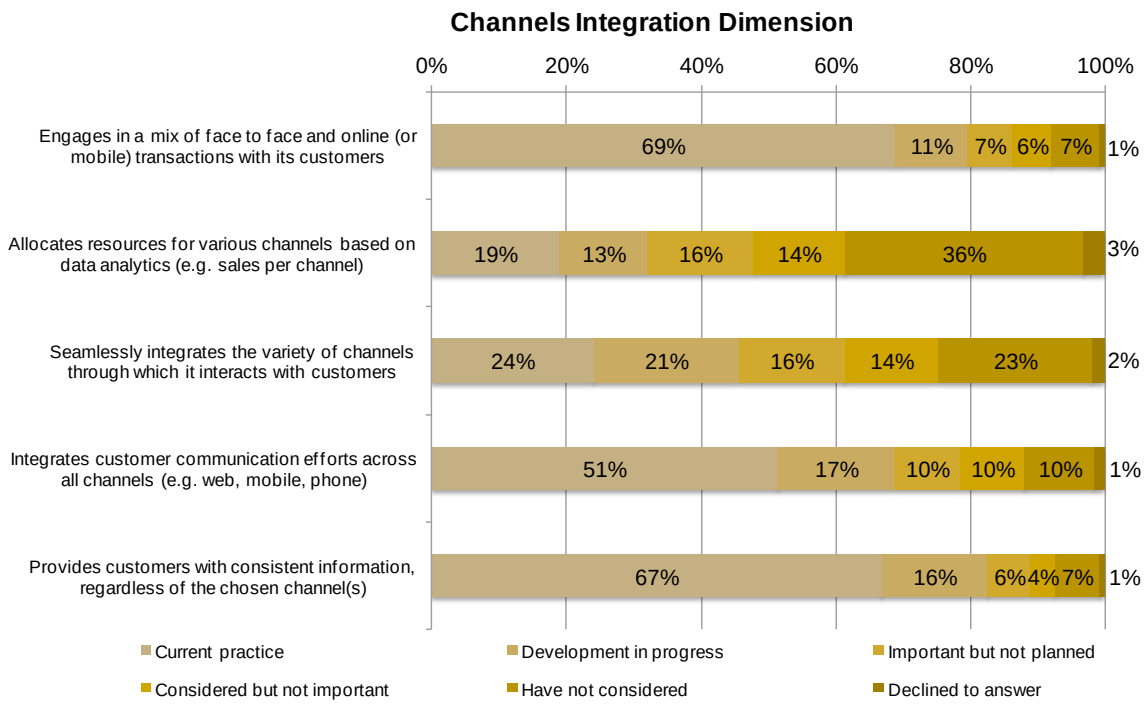
Design

- While there is strong commitment to deliver better value to the customer through innovation with technology, 21% of respondents have not considered pushing relevant information, products and services to their customers through their various touch-points and 18% have not considered exploring ways in which interaction can be more engaging for customers.
- In a digitised economy, with the 'app phenomenon' changing behaviours, customers want to be involved as co-creators of their own experience. This offers new opportunities for businesses to design a more personalised engagement model with existing and new customers.



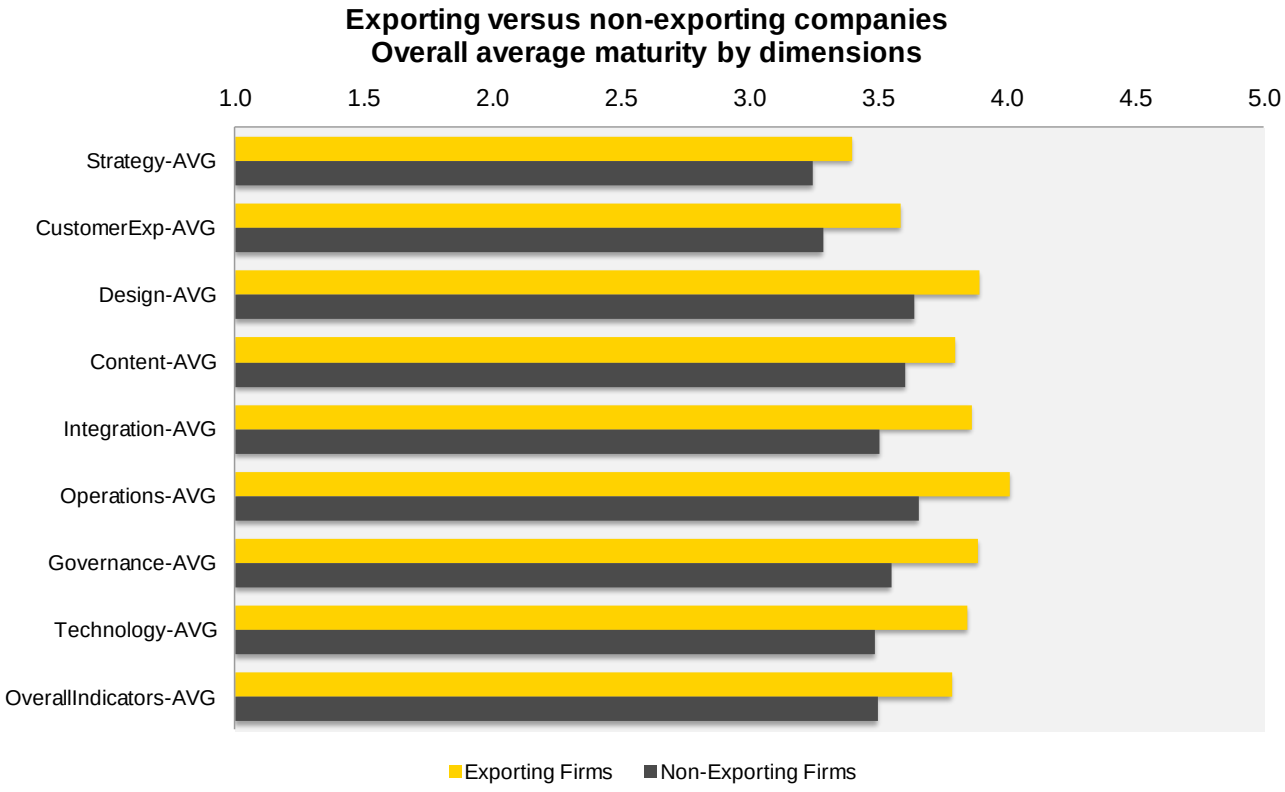
Channels integration

- While the majority of respondents (69%) engage in a mix of face-to-face and online/mobile transactions with their customers, only 24% seamlessly integrate the various channels through which they interact.
- More than ever, customers are expecting a consistent experience irrespective of the channel of interaction with a business. Failing to seamlessly integrate channels increases customer effort and results in higher cost to the business.



Exporters versus non-exporters

Businesses involved in export activities have a higher level of capability maturity across all eight dimensions, compared to those not involved in export activities as illustrated.



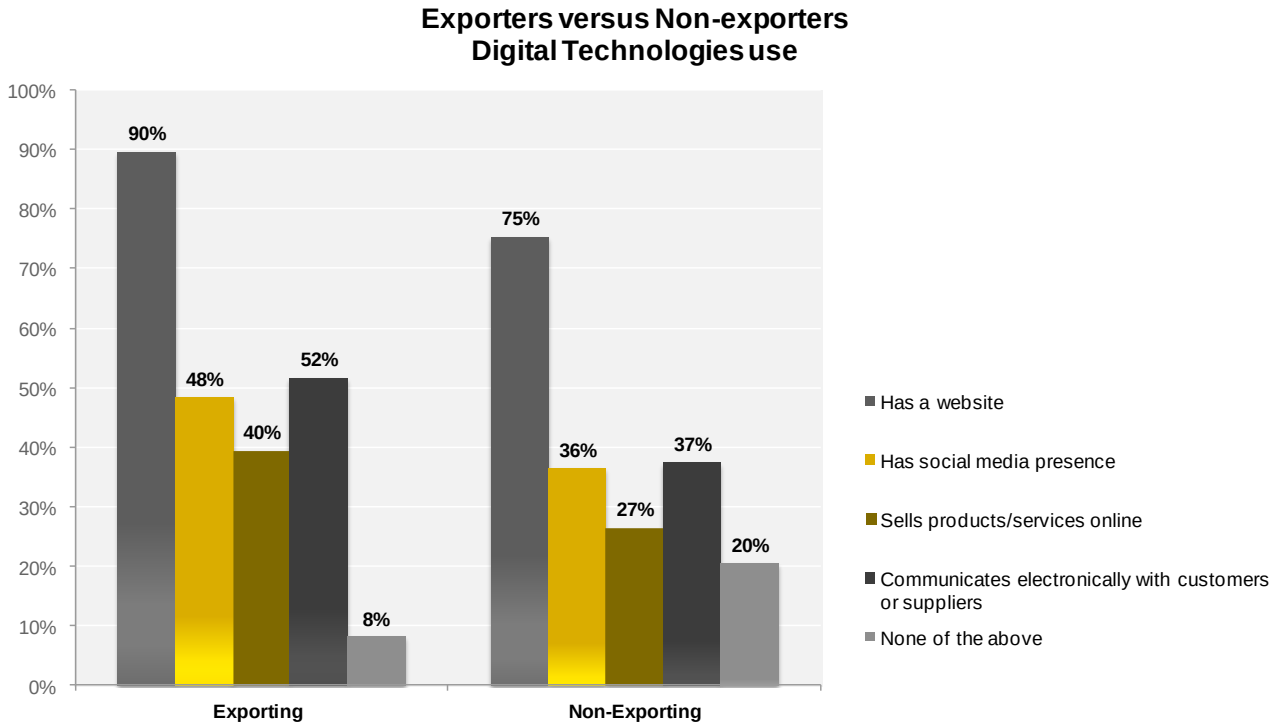
The competitive nature of the export market means that export businesses have to raise their overall capability maturity faster than those non-exporting businesses. The margin for error is less as customers have more choices.

The challenge for the non-exporting businesses is not to fall behind; the physical barriers to entry of competitors are becoming less relevant with customers are being offered more choice often at lower costs.

When it comes to the use of digital technologies for business purposes, while the level of adoption among exporting businesses is higher than non-exporting, there is an opportunity to do more.

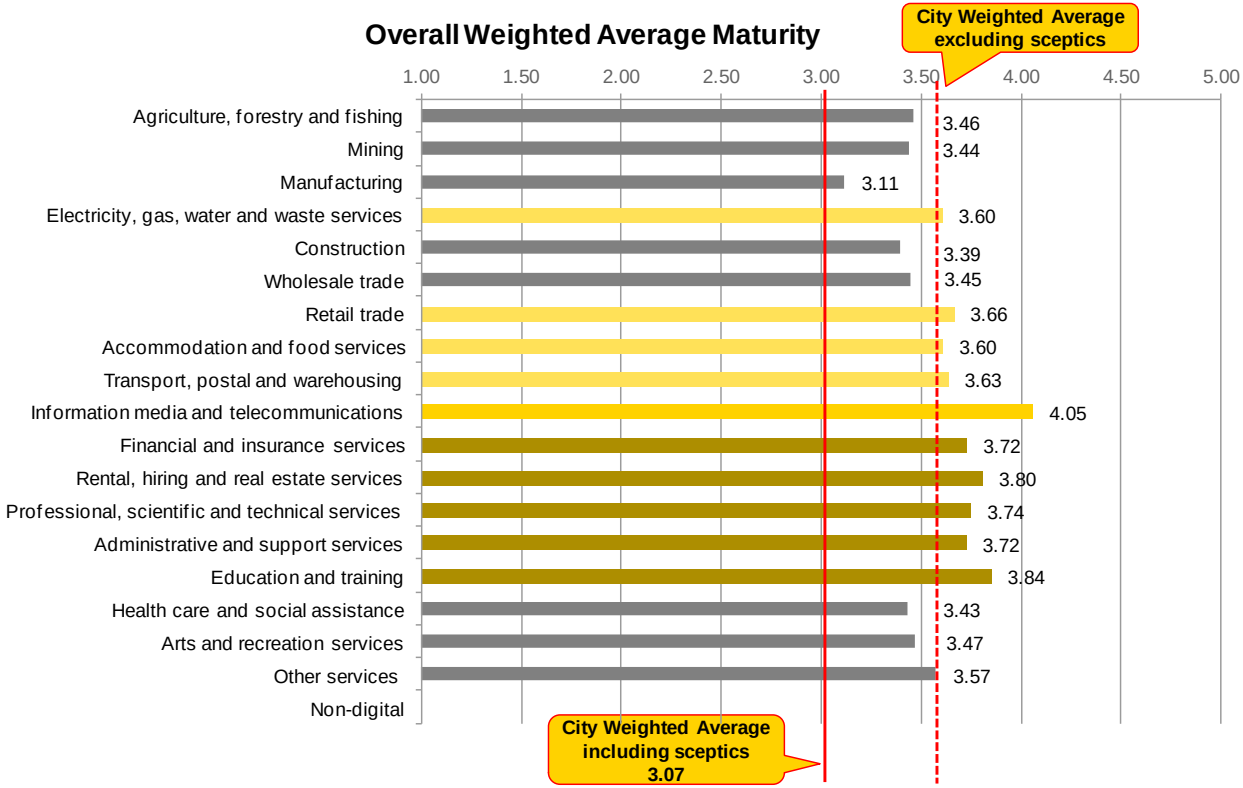
As per the diagram on the right, comparing usage between exporting and non-exporting businesses:

- 90% of exporting businesses have a website compared to 75% of non-exporting businesses
- 48% have a social media presence compared to 36% of non-exporting businesses
- 40% sell products and services online compared to 27% of non-exporting businesses
- 52% communicate electronically with customers or suppliers compared to 37% of non-exporting businesses
- The percentage of 'None of the above' is higher for non-exporting businesses 20% compared to 8% of exporting businesses.



Establishing a Brisbane Digital Capability Maturity Score

- Based on the analysis of Brisbane businesses' responses against the eight dimensions of the Digital Capability Maturity Framework, an overall City Weighted Maturity Average was calculated at 3.07[3], which puts Brisbane at a 'C' stage.
- The Industry breakdown reveals that 'Information and Telecommunications' is leading in terms of overall maturity, followed by 'Education and Training' and 'Rental, Hiring and Real Estate Services'
- 'Manufacturing', 'Construction' and 'Health Care and Social Assistance' are three industries that would require further attention to uplift their digital capability
- No industry sector can afford to be complacent. There is a need to accelerate the transition to the digital economy as the consequences of inaction or slow pace will come at a higher cost.



[3] Based on the total sample surveyed including the sceptics. Without the sceptics, the score is 3.58

3 considerations for Brisbane City Digital Strategy

1. **Articulating Brisbane City's desired position as a pioneer and economic leader in the digital economy and the journey ahead**

   The Digital Audit revealed that Brisbane businesses are embracing the digital economy but with varying levels of maturity and at different pace. The overall weighted average capability maturity score for the City of 3.07 including the 17% of sceptics is a first in establishing a city baseline.

   With the baseline in context, the City's Digital Strategy should articulate the ambition and desired position of Brisbane in the digital economy as well as how this ambition will be achieved.

   Key questions to consider are:

   - What would constitute a stretch capability maturity target for Brisbane and by when? What will the City be known for as a pioneer in the Digital economy and why?
   - What will the contribution of the digital economy be to the City's economic growth and how is progression measured?
   - How to work with industry players to achieve the audacious target?

2. **Lifting overall business capability to digitally transform businesses**

   Digitisation at its most simple is the conversion of analogue information into digital information. As digitisation capabilities extend, virtually every aspect of life is captured and stored in some digital form, and we move closer towards the networked interconnection of everyday objects and business operations.[4]

   The digital strategy needs to consider how best to engage Businesses and Education providers to influence the uplift of business capability. It should also focus on the non-adopters. 17% of the surveyed sample were non-adopters with lack of knowledge and lack of need cited as common reasons among those that provided a justification.

3. **Establishing the link between Digital Business and Economic Performance**

   The positive link between Digital Business and Economic Performance is not straight forward or well understood.

   A recent study published by UQ Business School[5], showed a clear cause and effect relationship between digital business and economic performance. The research indicated that, compared to firms without a web presence, firms using the web to engage customers were, in the following year: (i) More profitable, (ii) 2.5x more likely to innovate, (iii) 4.8x more likely to export.

   These findings imply that supporting businesses to raise the maturity of their use of digital technologies will result in an increase in economic performance.

   Accordingly, a well-designed Brisbane City Digital Strategy, together with a shift in the media from threats of digital business for established firms to opportunity for economic growth, will lead to an increase of Brisbane's economic output, including an increase in export.

[4] The digitisation of everything, Ernst & Young Thought Leadership

[5] Verreynne, M. (2012, July). Queensland Business Innovation Report 2012. DSITIA (http://www.qld.gov.au/dsitia/about-us/business-areas/innovation-policy/).

Overview of the approach and Industry-Academia collaboration

Survey of 500 Brisbane businesses

Over 800 businesses were targeted as part of the digital audit survey. Business owners and leaders were approached via phone and interviewed using a structured questionnaire. The response rate exceeded 60%, indicating high interest in the topic. The digital audit survey questionnaire is based on the jointly developed Ernst & Young and UQ Business School Digital Capability Framework, encompassing 8 dimensions, namely:

- Digital Strategy
- Customer Experience
- Design
- Meaningful content
- Channels integration
- Operations
- Governance
- Digital Infrastructure

Refer to the next page for an overview of the Digital Capability Framework.

25 Case Studies

Over 50 companies were identified as candidates for the digital case studies, 25 were selected.

For the case study interviews, an adaptation of the digital capability framework was used, together with a semi-structured questionnaire.

Industry – Academia collaboration

The Brisbane Digital Audit comprised of a close collaboration between Ernst & Young Advisory and the UQ Business School.

The core project team members are:

Ernst & Young Advisory	UQ Business School	Project Steering Committee
► Craig Sydney – Partner ► Gerald Marion – Director ► Tennille Carrier – Consultant	► Dr Marta Indulska ► Dr John Steen ► Dr Martie-Louise Verreynne ► Felipe Jaramillo – Consultant ► Jon Norris – Consultant ► UQ ISSR Team	► Kieran O'Hea – Chief Digital Officer, Brisbane Marketing ► Cara Walsh – Project Manager, Digital Strategy, Brisbane Marketing ► Dr Mishka Foster – Principal Analyst, Economic Development, Brisbane City Council ► Margaret Blade - Executive Officer, RDA Brisbane ► Jacinta Wallenhoffer – Regional Development Officer, RDA Brisbane ► Paul Russell - General Manager, Innovation and Science Group, DSITIA ► Craig Sydney – Partner Ernst & Young ► Gerald Marion – Director Ernst & Young ► Dr Marta Indulska – UQ Business School ► Dr John Steen – UQ Business School

Digital Capability Maturity Framework

Ernst & Young and UQ Business School Digital Capability Framework

The Framework uses a scale of 1 to 5 to rate each dimension. 1=E, 2=D, 3=C, 4= B, 5= A.

Components	Description
Digital Strategy	► The Corporate and Digital strategies are one ► The business model is fully integrated ► Mobile, social media and Innovation are embedded in the DNA of the organisation
Customer experience	► Customers are co-creators of their whole of experience ► Customer effort is focused on value add, with systematic elimination of non-value activities ► Customers are able to contribute to product/services design and share information with other customers/prospects
Design	► Every steps in the customer experience, service delivery model and the operations are designed to integrate seamlessly ► Augmented reality and gamification principles are embedded in the design journey ► Insights from data analytics are used as strategic assets to predict pathways and buying behaviours
Meaningful Content	► Content is consistent, informative and add value, irrespective of the interaction points ► Information sources customers must touch whilst moving confidently towards a purchase are minimised ► Content provided to customers allow them to identify and weigh the various features of a product / service with ease to make an informed decision
Channels integration	► There is consistency of experience across all channels ► The transition between brick and mortar and online is seamless with the whole of experience in mind ► Channels offerings and mix are dynamically adjusted leveraging insights from data analytics
Operations	► The supply chain is modularised and integrated allowing for flexibility, scalability and speed of response ► The business operates a tightly integrated network of best of breed suppliers and business partners to deliver its promised value proposition ► The traditional delimitations between front office and back office are blurred allowing tasks to be executed where best fit (e.g.: nurse doing the billing after a consultation)
Governance	► The governance around 'content management and design' is prescriptive with defined boundaries but flexible and open within the set boundaries ► Digital policies and operating guidelines are regularly revised for relevance, balancing growth aspirations and risk mitigation
Digital Infrastructure	► The digital infrastructure is designed to be scalable, flexible and responsive (e.g.: use of cloud....) ► The focus is 'less on the size and self-imposed constraints' of the infrastructure than on 'balancing ease of use, opportunities whilst offering an acceptable level of security' ► The digital infrastructure is designed to be resilient with embedded business continuity protocols in place

Should you have any questions on the Framework, please contact either Gerald Marion on gerald.marion@au.ey.com or Dr Marta Indulska at m.indulska@business.uq.edu.au

Case studies of 25 Brisbane-based Digital Champions

Overview of the digital champions case studies

Each of the case studies is further developed over the next pages.

Digital Natives (4)		Early Adopters (13)		Migrators / Followers (7)	
1. Chemist Warehouse /ePharmacy	Integrating online service provision and digital supply chain management with traditional chemist retailing	6. GroundProbe	Providing customers with confidence in their risk management and decision making using state-of-the-art digital technologies	19. Story Bridge Adventure Climb	Using effective digital marketing to drive traffic and growth
2. Halfbrick Studios	Supporting digital exponential growth, without blowing your costs	7. Domino's	Customers as co-creators of a whole, unique experience	20. Brisbane Airport Corporation	Digital transformation of the operating model to stay globally competitive
3. Rental express	Digital support for lean property management	8. Virgin Australia	Taking the romance to new heights	21. Crockford Carlisle	Persuasive Marketing that works
4. Wotif Group	With a suite of leading travel websites, the Wotif Group has already made a success of the digital age	9. Ferra Engineering	Building a virtual global manufacturing capability	22. Flight Centre Ltd	Creating the blended travel agency
5. ImmersaView	Redefining and scaling-up the use and adoption of multi-display systems	10. Fix-A-Frame	Bringing the picture framing business into the digital era	23. Leading Edge Automation	Delivering automation and remote access control systems
.		11. CharmHealth	Health informatics solutions to improve patient care	24. CUA	Pushing the boundaries of traditional retail banking
		12. inTraining	The needs of runners are at the core of the inTraining business model	25. Terry White Chemist	Online and digital technologies adding value for pharmacy customers
		13. Stat Health Systems	A digital solution for health care practitioners		
		14. myFootDr	Customer centric service provision drives the group's expansion		
		15. Moreton Island Adventures	Automating the conversation with the customer		
		16. Mox Group	Making R&D a digitally governed process to support innovative products		
		17. CMD Design	Leveraging digital technologies to design customer experiences		
		18. Cloakroom	Providing a unique premium and highly personal retail experience		

Case study: Chemist Warehouse/ePharmacy

Integrating online service provision and digital supply chain management with traditional chemist retailing

Key ideas	
1	Delivering high volume retail sales by merging traditional chemists with online retail supported by back-end (supply) digital applications.
2	Ongoing success due to the digital integration of the back-end supply chain operations to the point of sales interface as well as supporting cost minimisation and reliability in product and delivery.
3	Commitment to continually improving online and mobile customer interfaces with digital technologies that enhance ordering, supply availability, stock management and delivery.

With digital technologies integrated across the business, Chemist Warehouse / ePharmacy has grown strongly since its launch in March 2000.

Combining traditional and online retailing, the company provides a range of prescription and non-prescription pharmaceutical goods, healthcare and personal products for the domestic market.

Chemist Warehouse / ePharmacy operates in a regulated retail market characterised by an increasing concentration of retail power, high barriers to entry, price sensitivity and strong demand for reliability in on-time delivery—particularly in pharmaceutical products. There is also pressure on the retail sector driven by cheaper imports, ever changing consumer expectations and evolving online buying habits.

This changing market landscape requires differentiation and the need for greater economies of scale and innovation in both supply chain management and customer service.

Despite the downturn in the Australian retail sector, Chemist Warehouse / ePharmacy has grown its revenues by 30 per cent in the previous two years to July 2012.

The company focused on developing digital technologies for all areas of the business, including marketing, customer awareness and engagement, ordering, stock control, warehousing, suppliers, distribution and delivery.

The customer experience and relationship is at the core of the company's operations. It is delivered via:

- A comprehensive and evolving digital strategy
- A streamlined, interactive online experience for customers, leveraging a range of digital technologies integrated across the supply chain
- An operating model and internal governance system that is responsive to changes in digital technologies and ensures a consistency in customer service and reliability of supply
- The application of data and technology infrastructure required to compete successfully.

Chemist Warehouse / ePharmacy co-owner Brett Clark says, "the enhanced customer experience and the company's success has been largely built on the adoption of critical digital technologies in the back-end of the business, processes and systems that sit behind and support the customer interface.

"Information and data transfer has been greatly enhanced between the various components of the supply chain such as with suppliers, stock control, distribution, ordering and delivery."

The retail industry, including the chemist sector, expects to experience ongoing challenges from the high Australian dollar and the increased use of new digital online customer interfaces via smart phones and tablet applications.

In response, Chemist Warehouse / ePharmacy will evolve its digital strategy to ensure it is prepared to adapt to the changing market demands through applications and promotions as well as improvements to its Customer Relationship Management systems (CRM).

These systems will improve the real time digital information loop and the relationship between customers and the company, by integrating and linking customer information to back-end supply management as well as multiple points of engaging with, and informing, the customer of product and service opportunities.

The continued integration of digital technologies in the business will improve decision-making and support ongoing improvement in all aspects of the company's operations, systems, products and services.

Fast Facts	
Industry sector	Retail (Chemist)
Year established	2000
Employees	1,000
Export markets	N/A

Case study: Halfbrick Studios

Supporting digital exponential growth, without blowing your costs!

Key ideas	
1	Exponential growth driven through digital platforms.
2	Planning and scaling-up technology to support growth.
3	Continuous evolution of the digital strategy to develop the right digital channels to connect with the customer, while creating an ecosystem that allows the exploitation of several revenue streams.

Halfbrick Studios has become one of the most exciting 'Indie' game developers globally and a unique leader in the Australian industry.

With more than 70 employees and globally recognised titles like *Fruit Ninja, Monster Dash* and *Age of Zombies*, Halfbrick is growing its user base at an exponential rate of 750,000 new users per day—adding to the near 300 million iOS and Android smart phone and tablet operating system downloads from the *Fruit Ninja* game alone.

Halfbrick is setting the industry benchmark by creating meaningful content for customers and utilising various platforms to grow an international market exponentially.

According to Halfbrick Studios CEO and founder Shainiel Deo, "Work for hire was a dead end for us, we needed to jump out of under other publishers' brands and develop our own intellectual property (IP) and brand.

"We couldn't go retail due to the very high costs and limited access, so we decided to cut out the middle men in the industry and make a digital leap forward into the premium paid content."

Since 2009, the company has embraced digital and published their own games and IP, positioning their brand in the process and allowing them to:

- Control their distribution channels and make the most of the users and players of their games, and
- Create several streams of revenue including, 10 per cent of new users that pay straight-up for the content; five per cent of users that perform in-game micro transactions (even free users tend to pay over time); and the estimated A$300,000 per month that Fruit Ninja is making on mobile advertisements.

Digital platforms have allowed many companies, such as Halfbrick Studios, and individual developers to have a global reach, but this can come at a high cost. Growth in the digital economy requires careful infrastructure planning and choosing the right technology to scale-up.

At the growth rates experienced by Halfbrick, costs can blow out incredibly fast.

For Halfbrick, this required hiring more experienced employees to tackle the problem, resulting in:

- The deployment of a plan to scale-up, and
- Controlling costs associated with rapid growth in the digital economy (the company had cost reductions of up to 50 per cent in one month alone).

Halfbrick is using digital technology to provide a seamless experience while constantly developing the content made available to customers in the different platforms. Customers and users have access to their preferred content easier and faster, allowing the company to grow its user base at rapid rates.

As their digital strategy continues to evolve, Halfbrick is shifting from a highly successful and streamlined 'premium paid content' model to the trending and highly efficient 'free-to-play' model.

The company is setting up cloud services and infrastructure with the expectation of expanding its user base acquisition 10-fold, keeping its audience engaged in its own ecosystem for years to come.

Fast Facts	
Industry sector	Software/game development
Year established	2001
Employees	70+
Export markets	Global

Case study: Rental Express

Digital support for lean property management

Key ideas	
1	Supporting lean management and continuous improvement with digital technologies.
2	Enhancing the customer experience and streamlining the process to deliver better services.

Using a digital technology platform, Rental Express has grown rapidly to become Queensland's largest, and Australia's fastest growing, property management organisation.

Launched in 2006, the company focuses solely on the property management segment within the competitive real estate industry.

Ranking among the top 10 largest property management agencies in Australia, Rental Express has approximately 4000 properties worth approximately $1.5 billion under management - about 100 times more properties than the average real estate agency.

Rental Express Managing Director, Chris Rolls says the tight profit margins in property management forced the company to develop a leaner operation processes.

"An eight per cent management fee over the rent, which equates to about $800 per year on the average property, doesn't go a long way if managed in the traditional way; there is continual pressure at an operational level to become more efficient.

"When you're managing thousands of inspections and applications, hundreds of owner's enquiries and tons of keys, it becomes complex."

In response, Rental Express developed a digital strategy and a platform that has allowed it to integrate and scale its systems operations while still delivering high levels of customer service at every touch point.

Rental Express customers now interact with the company, via their different portals such as:

- The owner's portal, where property owners can check key information such as when the rent is due and see statements as well as invoices; and
- The online portal, where customers can book inspection times, submit an electronic application, and track the progress of their application.

The company's online management platform has enabled it to reduce the vacancy rates for its rental properties to half the industry average. Rolls credits this result to being able to increase the 'show up' rate to inspections by 30 per cent and in turn increasing demand for properties.

Property owners and customers go to Rental Express because it is "less of a hassle", according to Rolls.

The electronic application system is used by more than 30 per cent of the business' customers, enhancing the experience for both the property owner and the customer in various ways, such as:

- Providing an up-to-date status on the application process to the property owner, along with potential candidates; and
- Allowing applicants to complete the application form without having to print or hand write anything, and receiving alarms to speed up the process when pieces of information are missing at different stages of the process.

Encouraged by its success, Rental Express plans to eliminate all manual processes and digitalise 100 per cent of its operations.

Rolls remembers when, "One day we received 1,000 calls, that's one call every nine seconds!

"In this environment you need to support growth by providing a platform where new ways of doing things can emerge."

Fast Facts	
Industry sector	Real estate/ property management
Year established	2001
Employees	70
Export markets	N/A

Case study: Wotif Group

With a suite of leading travel websites, the Wotif Group has already made a success of the digital age

Key ideas	
1	Digital is the only sales channel but differentiation exists across digital devices.
2	Dedicated team focussed on technology innovation and R&D – forward looking 3-year horizon.
3	Very innovative and agile - willing to explore new technologies/applications and through this mechanism has the ability to compete in the digital economy.
4	On-going experimentation into various applications that provide a differentiated customer experience along different product lines (e.g. the iPad application may differ from the iPhone application for Wotif.com).
5	The interface channel deals with three types of connectivity to its (approx) 23,500 suppliers, with larger hotel chains characterised by integrated programming interfaces (APIs), which allows for "real time" connectivity.

With a number of leading travel websites for both business and leisure travellers, the Brisbane-based Wotif Group's sales are driven entirely through the online channel which seamlessly integrates to the organisation's 23,500 plus accommodation providers globally.

Each supplier has different levels of interface-sophistication, from small business (B&B) operations to large scale international hotels. Wotif Group's seamless integration to its suppliers (channel integration) allows for the timely delivery of offers to the market place. This facilitates an integrated end-to-end customer experience.

With the digital channel being central to the Wotif Group core business, it has been essential that the organisation keeps pace with developments across the suite of applications such as the internet, mobile browsers and more recently the tablet (e.g. iPad).

The Wotif Group is focused on ensuring content on the digital site is simple, although it has noted that the customer base is becoming more sophisticated over time. Content on the site is focused on providing basic information to enable customers to make informed decisions and transact seamlessly.

Wotif's technology platform has evolved as the market has innovated. This is supported by a dedicated internal business function focused on technology innovation and future product development.

The use of Google, through both paid and search engine optimisation (SEO) services, as well as meta-search channels, have provided key engines for growth in Wotif sales. Word of mouth has also been incredibly important. This has included diversification across flights, holiday homes and hotels, which has provided a mechanism for growth.

The digital sales channel is supported by a contact centre which operates 24/7 and provides service to customers.

The company is characterised by an in-house team of technical resources focussed on applications' development and support.

Fast Facts	
Industry sector	Travel and Leisure
Year established	2000
Employees	500+ (13 countries)
Export markets	New Zealand, the United Kingdom, Thailand, China, Indonesia, Hong Kong, Malaysia and Singapore, Argentina, Colombia, Czech Republic, Italy, Japan, the Philippines, Spain, South Africa and Vietnam

Case study: ImmersaView

Redefining and scaling-up the use and adoption of multi-display systems

Key ideas	
1	Multi display systems and high end visualization technologies.
2	Developing new markets, communities and users to support growth and understand specific customer needs.

Visual display systems specialist ImmersaView is revolutionising the way multi-display systems work.

The company operates in a niche market, delivering software products that offer additional features and performance. As the products are software based, there is increased compatibility with commercial off-the-shelf products – broadening the adoption of visualisation technologies.

The Brisbane-based company is the only developer of its kind in Australia and one of a handful of competitors worldwide. ImmersaView has a global reach, with an office in the US and reseller networks in Europe and Japan.

More than 75 per cent of ImmersaView's customers are from overseas and from a broad range of industries, including: automotive, aerospace, defence, government, research and gaming.

ImmersaView was formed as a 'Born Global' company in the digital era and is growing at a continued rate of 30 per cent. ImmersaView's core digital strategy has focused on a worldwide delivery of its solutions to the professional consumer.

However, this hasn't stopped the company from exploring other users and potential customers through alternative channels.

Marketing analytics and a wide range of digital channels, such as LinkedIn, Facebook and online forums, are used to understand the customer and connect with various communities interested in ImmersaView's developments.

ImmersaView Director and Co-Founder Andy Boud says a second sister company has been set up as a strategy to be first to market to the home user and consumer market. Even though this market is evolving, it does have a solid foundation of customers and has resulted in working with companies such as computer technology specialist AMD by attending product launches and trades shows such as the Consumer Electronics Show (CES) in the US.

The company is at the leading edge of development in terms of performance and scalability. It is just about to launch a new solution called VADAAR to its defence sector clients, which is capable of capturing, recording and streaming high definition video, audio and data.

Delivering its solutions has pushed the company to put in place a robust back-end tracking system to manage internal and external requests.

This system allows the company to:

- Track software developments, feature requests, timelines and support requests; and
- Deploy an internal/external bug tracker to connect with users in many different time zones, identify new feature requests, any user issues and provide solutions in a timely manner.

The tracking system is also enabling ImmersaView to deliver a proprietary solution that allows users to integrate and support readily available hardware devices.

Some of the advantages to the customer include:

- Higher scalability - the software products are not limited by existing hardware, so are scalable by the capacity of the PC;
- Additional features are offered that leverage the advances of consumer graphics cards; and
- Lower costs to customers who no longer need high-end hardware to do a job that the software can do with low to mid-end hardware.

ImmersaView has changed the way in which multi-display systems work. With new products due for release that stream, record and synchronize multiple sources of video, audio and data over IP networks, it is shaping a new wider market. Through the use of digital technologies, new digital infrastructure and a delivery system that supports its growth, ImmersaView is harnessing digital strategies to reach out to a global user base.

Fast Facts	
Industry sector	Software Development
Year established	2006
Employees	10
Export Markets	Global

Case study: GroundProbe

Providing customers with confidence in their risk management and decision making using state-of-the-art digital technologies

Key ideas	
1	Mining and infrastructure projects require real-time, responsive, accurate and reliable data to improve safety and business productivity.
2	Business model focuses on the provision of responsive high value information and analytics (data provision) that enables customers to make confident decisions and manage risk.
3	Effective application of digital technologies support GroundProbe's means of delivering value and confidence to their customers.

GroundProbe isa leading international provider of slope stability radar surveillance and monitoring equipment and services for mining and infrastructure projects. The development and use of Work Area Monitors (WAMs) and Slope Stability Radars (SSRs) is the centrepiece of the company's equipment arsenal with 140 WAMs and SSRs operational in projects world-wide.

The equipment is the hardware supporting the business. However, GroundProbe's services are based on state-of-the-art digital technologies that provide mining and infrastructure projects with real time reliable and accurate geotechnical data on slope movements gathered form the hardware. This is paramount to ensure greater levels of safety and production efficiencies- for customers. GroundProbe provides high-value equipment and services to large projects worldwide.

GroundProbe emerged from the University of Queensland as a small company in 2003. Since those small beginnings the company has grown substantially and now employs 168 people and has an active presence in every continent. The company forecasts it will double its current size in the next five years.

The business model is built on helping the mining and infrastructure industry improve safety and manage risk and improve profitability. The data is of high value and quality, allowing open cut mines to go 'deeper and steeper' with enhanced safety, reliability and productivity.

The business is underpinned by close and highly responsive relationships with customers. As Jacques Janse, Chief Operating Officer for GroundProbe, says, "Close and trusting relationships with customers are pivotal to GroundProbe's ongoing success..

The digital technologies provide the conduit for these relationships as well as the backbone for all operations in the business. It allows the company to better provide for, and adapt to, customers' requirements as well as better manage its own internal operations.

The company provides an array of customised products and services that respond to customer requirements, from equipment to a comprehensive holistic service model that includes ongoing and constant monitoring, data transfer and analysis, training and maintenance.

The digital technologies are pivotal as they provide:

- Up-to-date and spontaneous ongoing world-wide real time data collection, analysis and information provision for mine operators and infrastructure project managers;
- Instantaneous data transfer across the globe between projects and time zones, allowing for much shorter response times for customers;
- Automated systems for data collection and risk management and risk updates;
- Holistic connectivity within the business and with customers which aids decision making via data transfer, intelligent phone systems (VOIP) and video conferencing to provide world-wide interconnection; and
- Collation of massive amounts of geophysical data from sites across the world, from different environments and terrains.

The importance of enhancing mining safety and productivity, particularly in developing nations, will drive much stronger growth in the medium to long term. Strong business growth will be supported by the ongoing development and adoption of integrated digital technologies underpinning the differentiation of services to meet changing customer needs.

The evolution of the business will include enhanced automation and connectivity to provide customers with more responsive and agile services. The company will continue to focus resources on supporting the adoption of new digital technologies across all operations of the business.

As Mr Janse says, "Digital technologies are the glue that binds the company and will continue to support the varied needs of our customers across the world."

Fast Facts	
Industry sector	Mining and Infrastructure Services
Year established	2003
Employees	168
Export markets	Global

Case study: Domino's Pizza

Customers as co-creators of a whole, unique experience!

Key ideas	
1	Connectivity with your customers, anytime, anywhere
2	Keep it simple without diminishing the customer experience
3	Each ordering interface is to provide a unique user experience, developed from a customer, not a technology perspective

Domino's Pizza is redefining the industry standards for customer interaction and experience through continuously enhancing its value proposition for customers. Core to its strategy is a relentless focus on reducing customer effort enabled by digital innovation and engaging customers in a whole, unique experience that is more than just selling pizza.

From its beginning as a traditional brick and mortar operation selling pizza predominantly through its network of franchises, Domino's is now realising 50 per cent of its sales online, 40 per cent of which are via mobile devices. It is redefining its stores around the concept of 'Theatre of food".

According to Michael Gillespie, Domino's Online Marketing Director, "Our digital strategy played a major role in the growth of the company for the last four to six years by better serving existing customers and attracting new ones."

Domino's has made it a strategic priority to be more accessible to its customers through a comprehensive range of seven online ordering interfaces: Desktop Ordering Site, Accessible Ordering Site (for the vision impaired), Mobile Ordering Site, iPhone Application, Android Application, iPad Application and Facebook Ordering Application.

Each ordering interface provides a unique user experience as they are developed from a customer, not a technology, perspective. The latest addition is the purpose designed and built iPad app, allowing customers to:

- Tailor their own pizza order with more than 1.8 million combinations;
- Design and make their own pizza with the visual pizza builder 'Pizza Chef', providing an immersive experience; and
- Use GPS services to locate the nearest store for pick up, among other functionalities.

The 'Live Pizza Tracker':

- Allows the customer to track the order in real time from making, to cooking, to delivery up until the act of consumption; and

Helps the company improve productivity, providing valuable real time data that assists with marketing and operational decisions.With the increasing blurring of online and offline boundaries comes other operational opportunities that Domino's is focussing on:

- Better integrating the online and retail shop experience in a franchise dominated model. For example, the in-built online customer feedback mechanism enables Domino's to think of better ways to support its franchise network and store managers by providing them with good and bad user experiences in real time. This enables the store manager to act at the time of pick-up or delivery, if required.
- The online customer interfaces offer suppliers the ability to showcase their products in a visual way that was previously very limited.

Domino's has made embracing the digital economy a priority as it sees more benefits for its customers, the business and its staff. Customers are continuously self-educating themselves and are increasingly ordering online. Gillespie says, "Wherever our customers are, they should be able to access us."

Fast Facts	
Industry sector	Quick service restaurant - pizza segment
Year established	1983 first Australian Domino's store opened - first pizza maker in Australia to offer home delivery service
Employees	Employs 14,000 fulltime and casual staff across Australia and New Zealand (16,500 in total across 5 Countries)
Export markets	Holds the exclusive master franchise rights for the Domino's brand and system in New Zealand, France, Belgium, Netherlands and the Principality of Monaco

Case study: Virgin Australia

Taking the romance to new heights

Key ideas	
1	Keep it simple and never stop evolving.
2	Take an end to end customer experience and drive consistency across segments and channels.
3	Increase digitisation of the operating model.

Established 12 years ago, Brisbane-headquartered Virgin Australia started its operations as a low cost business to consumer (B2C) online airline. As part of its next stage of growth, Virgin Australia has made expanding into the more lucrative business to business offline segment a priority. The challenge, as the airline continues to grow and evolve its business model, is to integrate both online and offline channels, without losing the competitive advantages of its low cost operating model.

From its inception, Virgin Australia engaged with its customers directly through a low cost online interface. The sales, marketing and distribution functions were all performed online. The support functions were also aligned to deliver a low cost value proposition to consumers.

Expanding into the more lucrative business to business segment offered Virgin Australia higher margins than the B2C segment but with a higher cost of operations. The company, however, had to rethink its brand positioning as a low cost operator with online channels only. As a result, Virgin Australia embarked on a brand repositioning exercise, formulated a different value proposition, and expanded its delivery channels to include offline sales channels via agents.

With the end-to-end customer experience as a priority and the need for consistency across both segments, Virgin Australia is continuously looking at new ways to reduce customer effort and enhance the customer-airline interactions.

Digital innovation is a key enabler of the new strategy. For example, Virgin Australia:

- Launched an enhanced website with a more user friendly interface, increased functionalities and increased content richness;
- Allows passengers to manage their bookings online, check in wherever they are or use one of the interactive check-in kiosks at the airport. This is resulting in a more streamlined, digitalised process; giving more control to the customer over their overall experience;
- Offers an enhanced in-flight experience through the introduction of a new generation of planes, more seat capacity and a richer choice of personal online entertainment; and
- Recently introduced the Virgin Australia Flight Specials app for iPhone, iPod and iPad - the latest addition to the range of interactive customer tools. The app offers a 'happy hour' option whereby the app-user can hunt for specials every day or set an alert for deals by destination. The user can also manage their booking or check-in online from the same platform.

Further digitalisation of the operating model is underway as the organisation moves toward an increasingly paperless environment and considers the online rostering of flight staff. The evolution process continues with digital innovation as a key enabler, while striving to keep the advantages of a low cost operating model.

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Fast Facts	
Industry sector	Transport (aviation)
Year established	2000
Employees	Approx 8,000 nationally
Export markets	Global

Case study: Ferra Engineering

Building a Virtual global manufacturing capability

Key ideas	
1	Flexible global manufacturing supported on digital engineering data mapping and interchange
2	Secure collaborative environments
3	Supplier relationship management and client transparency

Australian manufacturing company, Ferra Engineering, is using digital technology to deliver a virtual global manufacturing capability and a leaner, less asset-intensive operation. The traditional local component manufacturing company has evolved to become a highly flexible aerospace and defence; medical devices; and renewable energy components manufacturing company, exporting more than 70 per cent of its products.

With manufacturing sites located in Australia, India and the United States, Ferra is using digital technologies and integrated IT capabilities to map the capacity in each of its sites to create a seamless operation that can instantly shift production of a component from one country to another when required.

According to Mark Scherrer, founder and Managing Director of Ferra Engineering, "it is extremely difficult for a manufacturing company to shift the production of a component to a different site, once demand had dropped in that site, and to be left with under-utilised capacity. The integration of the manufacturing sites has become crucial to:

- Keep high quality standards and a tight controlled production process
- Share engineering data of thousands of components, manufacturing sequences and machines instantly
- Protect the business from rapid changes in demand happening within the industry and in other industries where Ferra is currently a supplier

Ferra Engineering is redefining the way traditional manufacturing companies operate in this space. Digital technologies are now embedded in every aspect of their processes, systems and touch the way they work and collaborate with customers, suppliers and even competitors. This has allowed Ferra Engineering to:

- Manage the relationship with customers and suppliers, and work with dozens of companies at the same time and in the same project
- Outsource faster and more reliably than other competitors by coordinating production in a similar way that the bigger firms in the industry do
- Access work which is usually out of reach for other competitors in the industry by aggregating capacity from sub-contractors and managing those quotas while ensuring transparency and security to the client

Ferra's comparative youth has meant it was easier to scale up and develop a highly flexible manufacturing global plant with just one unifying system. In parallel, the company has put in place software and hardware encryption to manage communications with their defence sector clients, allowing them to:

- Access 3D models and designs, and collaborate in real time in a secure environment
- Effortlessly reschedule production once changes are made by their defence sector clients.

Ferra Engineering has developed its digital strategy to cope with the rapid changes experienced in many industries around the world. Digital technologies have integrated the operation and manufacturing capability making the world a smaller place for Ferra to operate on a global scale.

Fast Facts	
Industry sector	Component manufacturing
Year established	1992
Employees	150 (75 Australia, 40 India, 35 USA)
Export markets	70% Export (US, Europe, other)

Case study: Fix-a-Frame

Bringing the picture framing business into the digital era

Key ideas	
1	Developing creative ways to interact with the customer and develop new products and services on the go for real-time response to customer needs
2	Offering meaningful content online to deliver an exceptional customer experience

Fix-a-Frame is a thriving company setting new standards in the picture framing industry by enhancing the customer experience and providing virtual real-time solutions and concepts that meet their needs.

From its origin as a wood-trade business, the company is revitalising its presence with a digital strategy to create a seamless integration of services and fluid interaction with customers.

This has led to a 15 per cent growth in online sales and overall retail sales growth of 30 per cent over the last two years, according to Fix-a-Frame Managing Director David Schummy.

"The core business is still making picture frames, so we have to keep on delivering a physical product, but where it has expanded is that we now develop content, and reengineer products that can be shipped 'just-in-time'."

Fix-a-Frame's digital strategy has given it the agility and capability to expand its range of services as well as take action quickly and respond to specific needs and requirements for unusual framing, art materials and specialist framing tools.

Customers can enter the business' online store through various channels and the site automatically responds to take them through different paths.

"Communication is a big part of this and we run a series of sequences to lead customers to a specific product or even to develop a new product based on their requirements, at the same time as the interaction is taking place.

"The customer sees this as live interaction, but in fact it is a conditional response and online task management system."

The digital strategy has allowed the company to:

- Adapt quickly to customer needs, learn from those needs and develop new products and services which other clients want; and
- Provide the client with the same service philosophy no matter the interaction point.

One of the key elements of Fix-a-Frame's success is the strong focus on creating meaningful content for potential clients and even competitors.

The company offers content and digital products leveraging a wide range of technologies, including:

- Free video and audio content, which enables customers to learn about the trade and helps the company identify specific requirements, and
- Digital products such as webinars hosted by the company and broadcasted to live audiences as well as archived.

The company is looking to the next evolution of their digital strategy, in which mobile technologies will play a key role.

It is investigating ideas on how to bring the picture framing into the digital era, such as by providing online framing services to shared pictures. The business also has partnerships with major platforms like iTunes and Amazon to release content and further connect with a broader audience.

Fast Facts	
Industry sector	Retail (picture framing)
Year established	1991
Employees	8
Export markets	N/A

Case study: CharmHealth

Health informatics solutions to improve patient care

Key ideas	
1	Creating a new digital 'care pathway' for patients
2	A social media concept application for patient care
3	Electronic medical record and electronic prescription management

Unique within the Australian marketplace, CharmHealth is changing the meaning of patient care by creating patient-centric health informatics solutions.

With over 40 successful deployments since 2004, the Brisbane based company has grown to be Australia's leading supplier of specialist oncology electronic medical record/clinical information systems.

CharmHealth solutions are used by leading public and private health providers of cancer care, delivering comprehensive multi-site and remote use functionality that manages every aspect of patient care for cancer. Each year over 45,000 patients have their treatment managed using CharmHealth solutions.

Driven by the need of patients to mobilise their clinical history and make it accessible in different scenarios, a full standardisation of the patient record is becoming increasingly important—a need CharmHealth is meeting.

The care pathway is central to the CharmHealth value proposition and is delivered by providing evidence-based best practices for cancer patients' care. These best practices are available in the system and 'travel' along with the patient every step of the way, from the GP's office, to the hospital nurse, to the community care centre, to the family member caring for the patient at home.

According to Mark Wild, CharmHealth's Chief Executive Officer, "By focussing our solution design on the patient, we are able to provide relevant patient information to the community of healthcare professionals that are supporting them in their journey".

To CharmHealth, patient care goes beyond the traditional boundary of the GP and the hospital, and transcends to a broader community where the "care pathway" continues.

The solution allows clinicians to effectively provide:

- Patient Administration
- Electronic Medical Records
- Enterprise Wide Scheduling
- Care Pathways
- Electronic Medication Management

Wild says, "By using the social media concept, CharmHealth allows patients to share and reveal their relevant patient information to the community of healthcare professionals that are supporting them in their journey."

Deploying a solution that guarantees patient safety, controls the high costs of cancer treatment drugs, and minimises errors is complex and, according to Mr Wild, "it requires interoperability which is the key to a sustainable, electronically driven health care system".

"Enabling appropriate interfacing and exchange of information with other clinical and administrative systems allows us to provide specialist clinical solutions in a very complex health information domain".

CharmHealth is implementing the first version of a "rapid deployment" program, which is a web-based platform enabling the company to:

- Decrease product implementation costs to about 10 per cent of traditional 'on premise' deployment costs; and
- Reduce client implementation times by nearly 50 per cent.

To CharmHealth investing resources in eHealth technology is a significant decision that must be made in the context of competing demands for resources in other areas. The benefits realised through implementing technology solutions that increase patient safety and quality of care must be balanced against the more tangible outcomes associated with increasing direct patient care activities through increased staffing and patient throughput; "affordability is a critical factor".

With all processes running via the cloud, CharmHealth is embracing digital technologies to leverage its growth strategy moving from oncology care to chronic care.

Fast Facts	
Industry sector	Healthcare/ software
Year established	2004
Employees	52
Export markets	2 year plan: Canada, New Zealand, UK, Chile and Brazil

Case study: intraining

The needs of runners are at the core of the intraining business model

Key ideas	
1	intraining's value proposition to meet the varied needs of runners lies at the centre of its business operations and decisions, products and services.
2	A focus on maintaining strong customer relationships – supported via integrated specialist products, health services and advice – differentiates intraining in this segment of the retail sector.
3	The application of an array of interactive and incorporated digital technologies linked to point of sale (POS) system support the product and service range and its relationship with customers, partners and related parties.

Intraining is a specialist retail centre based in Milton, Brisbane, selling shoes, apparel and equipment for runners.

Via digital technologies, intraining uses its retail store as a portal for customers to access an extensive range of additional running-focused products and online interactive services that promote and support running. An integrated range of digital technologies connects all aspects of the business and its services to promote and support business activities.

Intraining was the second specialist running store established in Australia. Owners, Steve and Margot Manning, had a vision to create a "one-stop-shop for runners" that provided holistic and specialist products and services to meet all of their needs.

In delivering this vision, the Mannings have expanded the business' product and service range in the past decade to include:

- A range of complementary running products and equipment;
- Information and advice on running products and services as part of retail sales;
- Heath, fitness, running and injury advice and remedial treatment clinics for sports injuries, with a focus on expert physiotherapy and podiatry services;
- Training schools, seminars and coaching for running, swimming and triathlon competition;
- A running club (since 1994) with more than 450 registered members in Brisbane; and
- Running Event Management – hosting and delivering events such as Brisbane Marathon as well as providing sponsorship and support for sporting events managed by other organisations.

The company uses a range of integrated digital technologies to deliver and improve its service delivery.

Customers have access to a vast social space via interactive (two-way interface) communication and advisory services. This provides for online interaction as well as allowing personal social interaction through informal and formal running events and activities.

intraining adds to this inclusive experience digitally via:

- Customer Relationship Management systems – products, services, discounts and promotions;
- E-newsletters – delivering information, advice and promotions;
- A website with online access to advice and information including full details on runners' performance in events;
- Registration for training schools and upcoming events;
- Online booking for clinics that address injuries and improve performance – diagnosis, remediation, programs and solutions; and
- Real-time updates (e.g. running times) to members and event participants via website as well as SMS and mobile applications.

The continued application of existing and new interactive and integrated digital technologies is central to intraining strengthening its relationships with customers and the running community. Digital applications allow the company to build on its value proposition and support business growth.

The company plans to continue to allocate significant resources to continuously improving its digital infrastructure so that it can respond to the needs of runners and the running fraternity.

Fast Facts	
Industry sector	Retail (sports products, services, event management)
Year established	1989
Employees	9 Full Time & 9 Casual
Export Markets	N/A

Case study: Stat Health Systems

A digital solution for health care practitioners

Key ideas	
1	Providing superior customer support within a leaner organisation.
2	Embracing paperless environments through digital technology.
3	Embedding ISO and digital to create a nimble and agile organisation
4	Implementing latest technologies y allowing the easy adoption of eHealth changes.

Stat Health Systems (SHS) is challenging the status quo for consultation-based practices in Australia by developing solutions to automate and digitalise every aspect of their customers' operations.

The Brisbane-based company provides an integrated medical software program for medical practices. With the release of version three of its system, SHS is targeting a doubling of its client base in the next 12 months, while maintaining its existing employee numbers.

According to SHS Chief Executive Officer Carla Doolan, this is possible by combining a robust process-driven approach to development – along with the commitment to provide paperless environments to their clients – and a belief in the International Organisation for Standardisation (ISO) as a driver for excellence.

SHS currently has more than 30 clients using their system. The company services all its customers and provides support remotely at the same level as larger medical software houses by combining different "bleeding edge technologies" into modern software architecture.

The company was recently ISO 9001 certified for its management processes, and has successfully embedded digital in every process - building a lean digital culture, which allows them to remain nimble and agile.

"Digital stops things going through in cracks, everything is tracked, audited and finalised," Doolan said.

"There is complete visibility of both our business and that of our clients and nothing is ever lost."

Central to SHS' digital strategy is a strong focus on providing high-level quality support for customers as well as training, development and product design.

SHS customers interact with the company through various channels and methods. Importantly, customers play a vital role in the development and evolution of the system through two separate processes.

Customer management and software development are integrated, allowing the company to:

- Detect and analyse new features that have the potential to be used by other customers;
- Identify software issues identified by the customer;
- Track the solutions every step of the way; and
- Identify issues related to training so that sessions can be tailored to address those issues.

The company collaborates with practitioners, who effectively become co-developers of future features and functionality. It also shares product launches and features with users and the industry using social media channels and email - helping the company communicate directly with existing and future customers.

In line with the paperless and lean environment, the company is reducing its travel expenditure by performing software demonstrations and presentations remotely using online video meeting platforms with potential clients.

Being able to remotely control the application and provide support to clients is one of the greatest benefits to a small company like SHS, and this is only possible with the use of digital technologies.

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Fast Facts	
Industry sector	Software development
Year established	2006
Employees	6
Export markets	N/A

Case study: myFootDr (Podiatry Centre)

Customer centric service provision drives the group's expansion

Key ideas	
1	The customer experience and relationship is at the centre of myFootDr's business model and service offerings.
2	The interactive customer relationship and experience is enhanced via provision of credible, agile, high-value seamless and integrated digital-based services.
3	Continual improvements in the application of digital technologies are pivotal to business operations and importantly, empowers customer through access to information and greater control (online) of the products and services they require.

MyFootDr is Australia's largest podiatry group, with more than 75,000 patients and 19 clinics in Queensland as well as a recently launched clinic in Singapore.

The company has recorded40 per cent growth per annum in the past three years to July 2012.

MyFootDr Director Greg Dower says, "At the heart of the company's success is the commitment to meet customer needs and improve their experience via a holistic customer-centric service model.

"The company is not just a product provider but continually strives to be an integrated (foot and lower limb) health provider."

Established in 1992, the Brisbane-headquartered company has sought to continually improve on the traditional podiatry business model - in diagnosis, advice and ordering orthotic products.

The company is expanding these traditional products and services, with the customer relationship and experience at the centre of business services, operations and systems.

The company's digital strategy guides a seamless, interactive and coordinated user-friendly service model and information loop - from promotion, information provision, appointments, diagnosis, ordering and orders, stock control, product delivery and status and customer feedback.

At every step of the process, the customer is informed and involved. This integrated aspect of the myFootDr services and digital components helps make it successful.

At the front-end, the company's online digital presence provides up-to-date information and education for current and potential customers. This is supported by digital applications and systems, enabling the company to add value to its core products and services.

These digital services include online marketing and information, booking (appointments), patient diagnosis, podiatry support, patient identification and information, customised product design, and the provision of up-to-date information on the status of orders and deliveries. The company's online tracking system provides customers with the capacity to monitor the status of their order, including product manufacture, delivery and pick-up.

Digital technologies are also central in determining patient needs. Advanced digital technologies are used in data collection and analysis of patient needs via automated computer-aided design (CAD) and computer-aided manufacturing (CAM) orthotic diagnostic systems. This diagnostic information is uploaded to the onsite manufacturing process, enabling greater control and customisation of the manufacturing process as well as a much quicker turn around in delivery.

Critical to ongoing improvement in customer service is the focus on harnessing customer information from all parts of the company using digital systems in operations. The information loop – between, for and from customers, employees, suppliers, other health professionals and the broader market – is integral to ensuring continuous improvement to products and services.

The company will continue its adoption of digital technologies in order to improve its services by:

- Increasing resources and expertise in driving adoption of digital technology;
- Constantly improving the customer information loops, feedback and analytics;
- Greater understanding and use of social media and mobile applications; and
- Further enhancing supply chain integration – ordering, material supplies, stock, manufacturing, delivery.

As Dower emphasises, "The Company's competitiveness and growth is dependent on ensuring an agile and evolving business model with customer service at the centre of business operations. The application of digital technologies is paramount to delivering on this commitment."

Fast Facts	
Industry sector	Personal health services (podiatry)
Year established	1992
Employees	46
Export markets	Singapore

Case study: Moreton Island Adventures

Automating the conversation with the customer

Key ideas	
1	Customer needs identification.
2	Analytics and behaviour tailored communication.
3	Generating traffic and more business by sharing relevant up-to-date information to customers and other stakeholders.

Moreton Island Adventures (MIA) has transformed its business by implementing digital technologies that support their operations and enhance the customer experience.

MIA Chief Executive Officer Rosalind Shaw explains: “To us it’s not a matter of whether you embrace digital technology; it’s whether you want to survive in business.

“If you don’t embrace it you will not be there.”

Such determination and belief in the impact and benefits of digital technologies is driving the growth of the business and creating a leaner operation for the family-owned tourism company. MIA provides a range of services for tourists visiting Moreton Island, including a ferry service, accommodation and restaurant on the Island, along with four-wheel drive tours.

MIA’s digital strategy focused on two core elements:

- Understanding the customer through the customer relationship program, which enables the company to run analytics of user behaviours and needs and tailor specific messages to deliver effective communication; and
- Automating the response system by creating content and up-to-date information on critical information such as tides and camp sites on Moreton Island, so that users find what they are looking for without making a telephone call.

MIA’s website has evolved to share information not just from their own operation, but relevant to the whole experience of Moreton Island.

“We have lots of information about the island, the history of the island, geography…we even have teachers’ aids on lessons to do in geography and science on our school camps,” Shaw says.

MIA has migrated its IT systems on to cloud computing? as well as developed an in-house intranet so that employees can collaborate and share documents and manuals.

The operation is now leaner and less staff is required to answer the phone. The types of calls they get have also changed. Customers now call wanting to find useful information about the island.

“It is more about trying to help the customer rather than just data entry.”

Going digital has enabled MIA to identify different users with different needs as well as to collaborate with suppliers and other partners to create a better experience for the customer. For example, tour operators can log on to the company’s website and do their own bookings.

“Tour operators are small businesses and before it was impossible to talk to them…now they are connected to us.”

There is even space on the MIA website to collaborate with other stakeholders and operators of the island’s national park by integrating three separate permits into one transaction. MIA is developing an interface that connects the camp permit system with the vehicle permit system with their booking system, all in the same transaction.

The business is thriving and digital is helping the company shape an integrated customer experience that goes beyond MIA’s own operations as well as helping them talk to their customers as opposed to taking an order.

Fast Facts	
Industry sector	Tourism (recreation services)
Year established	1971
Employees	41
Export markets	N/A

Case study: Mox Group

Making R&D a digitally governed process to support innovative products

Key ideas	
1	Supporting R&D with an electronic stage gate process.
2	Developing innovative products using smart technologies and a digital infrastructure.

Mox Group is an electronic manufacturing company focusing on researching smart technologies for the next level of automation in products and innovative solutions.

The Brisbane-headquartered company's products fall in the domain of "The Internet of Things", according to Mox Group Chief Executive Officer John Hunt.

"This basically means that one of the computer systems looks at the other's interface, working as a tool rather than a communications pathway.

"It allows the systems to synchronise with each other, looking after themselves."

The core driver of Mox Group is data availability and access to information - data interpreted into a format that people and systems can access. From a business perspective, the company delivers a Distributed Control System, which in essence scatters pockets of control and automation all over the place.

Enabling the company is a robust R&D capability based in China that connects seamlessly from site-to-site through an Electronic Stage Gate process. The nine-step process is governed by electronic sign-offs and levels of responsibility and access to guarantee the integrity of the product development and provide a tight control end-to-end.

"If we develop a prototype for a product, both production and marketing are instantly updated to develop the relevant marketing information and production plans as the product moves through the stage gate. It's a coordinated effort across the sites and functions in the company."

"Documentation is also linked together so that we are linked to our R&D in China and can review what is being done there."

This gives the company the capability to:

- Do firmware updates and release them by signing them off electronically and making them available for the next batch of production; and
- Have up-to-date documentation in all sites (including versions in Chinese).

Mox Group has realised many benefits from their digital strategy, including:

- A dramatic improvement in person-to-person communication, using tools such as Skype, MSN and mobile devices to improve the collaboration experience across sites; and
- Technology support has become 50 per cent quicker - the turnaround and speed in which the Group can solve an issue has had a massive boost from the use of digital technologies and the implementation of the electronic stage gate process.

With great success in China, the company is building a world class and state-of-the-art manufacturing plant to maintain and exceed the requirements of the digital era.

The company is also developing products for an international market and is embedding digital in every product to help to drive the evolution of better infrastructure, which in turn will allow the company to develop innovative solutions for that infrastructure.

Fast Facts	
Industry sector	Manufacturing electronics
Year established	1998
Employees	600 (mostly in China)
Export markets	11 offices in China

Case study: CMD Design

Leveraging digital technologies to design customer experiences

Key ideas	
1	Embedding digital technologies into products and services that deliver a seamless user experience across their physical and digital elements.
2	Using digital technologies, such as CAD/ CAM, graphics, animation and video, to visualise product concepts and the end-user experience.

Australia's third largest industrial design company, CMD, is taking advantage of emerging technologies to create a new business model for product design.

The Brisbane-headquartered company uses the latest in 3D computer-aided design for its product development, allowing it to immerse clients in the design process.

Founded in 1995, CMD has an extensive domestic and international client base drawn from a wide range of industries – including mining, health, information technology, medical, transport, agricultural, audio and sports.

CMD's success is due to its ability to tap into the motivations of users - ie. the client's customers - to identify, anticipate and respond to user desires, according to CMD CEO Craig Mounsey.

"We've become experts at collaborative approaches and scenarios that assist our clients to discover what makes their customers tick. That insight is the driver in subsequent product planning and design, and in the end, supports our clients to operate in differentiated marketplaces with higher margins.

"Digital techniques are crucial facilitating that entire process - be it creating virtual worlds to stimulate debate on user experiences, to rapidly creating photo-realistic concepts and animations that refine product thinking, to rapid prototype modelling, through to tight manufacturing transmissions with international suppliers.

"More than that, digital interfaces are increasingly part of every product, and our expertise focuses on making a user's product experience, both physical and digital, as seamless and intuitive as possible."

Industrial designers traditionally create physical prototypes for clients to interact with and modify before signing-off on production.

At CMD, clients have the opportunity to visualise and experience the design before it goes to the prototype stage - with visualising designs lying at the core of CMD's value proposition.

The company creates virtual environments or representations of products or services under design using a wide range of digital technologies such as computer-aided design (CAD) and computer-aided manufacturing (CAM), 3D printing, graphic software, 3D animation software and video editing and production software, to deliver meaningful content and solutions to their customers.

"If you can build something virtually to see if the idea is working, that improves the product development process without having to build the actual product," Mounsey says.

The value for the customer is huge, allowing them to:

- Understand and communicate insights that support the product concept and experience; and
- Explore ideas and concepts faster at much less cost.

However, CMD doesn't use digital technologies randomly, nor are clients pushed into concept designs for the sake of using technology.

The insight and understanding of the target customer is the driver and that determines:

- The journey that clients will experience both from CMD's delivery model and in terms of the designed experience presented to the end-user; and
- The functional and technical side of the concept which includes how different users interact with the systems, installations and how support is provided - it is about designing an experience more than just designing a product.

CMD will continue to utilise the latest in digital technology to communicate design solutions to its clients. In this way, it anticipates further growth as it becomes a trusted partner with clients across a wide range of industries.

Fast Facts	
Industry sector	Product design
Year established	1995
Employees	20
Export markets	N/A

THE CLOAKROOM

Case study: The Cloakroom

Providing a unique premium and highly personal retail experience

Key ideas	
1	The company markets a premium niche product and personalised service at the top-end of the retail clothing market.
2	Personalised service is the cornerstone of the business' connection with customers and differentiates it from competitors.
3	Online and related digital technologies are used to promote and support the business.

The modern tailoring services of Brisbane City-based The Cloakroom are in high demand, with the business experiencing growth rates of more than 500 per cent since its launch in 2007.

The significant growth is a result of consistent high quality products and service, supported via online services, targeted promotions and word-of-mouth.

The Cloakroom specialises in creating handmade, made-to-order garments, with a business model based on delivering high-quality/value bespoke clothing.

Its extensive range of French and Italian fabrics, and tailors based in Hong Kong and Brisbane, coupled with a unique method of construction, ensures clothes are crafted to each client's specifications. A small team of consultants also work within the shop's relaxed environment to provide a personal approach to helping men dress.

Owner Andrew Byrne stresses that this personalised service is the "foundation for the business".

The Cloakroom's unique service relies on several front-end and back-end processes and systems to ensure the customer experience remains of a consistent and high standard.

At the back-end, the production manager in Brisbane closely manages demand and supply. This requires both an online and personal approach to control quality and product ordering with suppliers and the tailoring arm of the business.

For the front-end, The Cloakroom reflects its personalised customer interface in its website and online technologies, including the use of social media tools, which are designed to reinforce the simple elegance of the in-store ambience.

These provide:

- Background on the business and its products and services;
- Online booking for appointments;
- A blog, which facilitates a conversation about a range of developments in clothing options, fabrics and styles;
- Bulletins and articles from around the world on clothing and accessories;
- Promotion and media news; and
- Use of point of sale data to support electronic updates and reminders to previous customers, based on supply and their recorded purchasing habits and buying cycle.

As part of The Cloakroom's continued business expansion, it has a 'Partnership Agreement' for the supply of formal wear for the Queensland Reds rugby team for 2012 and 2013.

The business will continue to refine its online presence and digital interactions with customers in line with emerging digital technologies, while ensuring the digital applications remain consistent with the personalised service ethos of the business.

Fast Facts	
Industry sector	Retail (clothing)
Year established	2007
Employees	10 in Australia, 8 in Hong Kong
Export markets	Hong Kong

Case study: Story Bridge Adventure Climb

Using effective digital marketing to drive traffic and growth

Key ideas	
1	Intelligent event-driven marketing and analytics.
2	Improving the performance of back-end processes through the migration into cloud based services.

Story Bridge Adventure Climb (SBAC) has embraced digital technologies to support its operation and drive traffic to their website.

Through its digital plan, the company aims to simplify its back-end processes to achieve greater economies of scale and free resources to grow the business.

SBAC Chief Executive Officer Paul Lewin explains: “Digital is a key component to the growth of the business.”

The company is creating a leaner operation with better and faster internal communication by migrating its back-end operating systems to cloud computing - with the migration expected to be completed by the end of 2012.

By adapting to existing cloud technologies, SBAC was able to implement its plans faster without having to develop a tailored solution.

The move to the cloud will save the company $100,000 a year in operating costs.

At the front-end, SBAC is using a substantial number of digital technologies to respond to customers preference for online booking.

“Our online booking system now accounts for 50 per cent of the total bookings, where it used to be 20 per cent. It should be close to 100 per cent within one year.”

SBAC has a strong marketing plan to support the uptake of its digital plan, leveraging a range of readily available and wide-spread technologies to connect with customers and drive traffic to its website.

In particular, SBAC is using social media platforms such as Facebook and Twitter to communicate with different audiences through an approach that is integrated across all platforms. For example, the company triggers event-driven campaigns with advertisements on various sites that direct traffic to landing pages. SBAC gets a confirmation and can track the path taken.

This integrated approach allows the company to:

- Identify the strongest channels and sites to drive traffic;
- Analyse communication patterns that emerge from the different advertisements and feeds to social media, which in turn link back to online conversions; and
- Continuously evolve and improve the effectiveness of online campaigns.

According to Lewin, SBAC operates in both the retail as well as in the tourism space. This means that it requires effective management of customer communication channels to drive the seamless integration of the ‘gift product’ into a booking, or someone searching for a weekend activity into a conversion.

All this becomes crucial for the organisation to compete in the digital economy.

Fast Facts	
Industry sector	Retail and tourism
Year established	2006
Employees	4 full time and 22 part time
Export markets	N/A

Case study: Brisbane Airport Corporation

Digital transformation of the operating model to stay globally competitive

Key ideas	
1	Digitisation key to sustain passenger's growth and manage space constraints
2	Taking a whole of ecosystem view when digitally innovating
3	Redefining engagement models informed by data

Brisbane Airport Corporation's (BAC) strategy includes a vision to 'be world-best and the preferred choice for passengers, airlines, businesses and the community'.

Since privatisation in 1997, the airport has experienced on average 4.5 per cent growth in passengers year-on-year with more than 21 million passengers recorded in financial year 2012.

Historically, airports have had little opportunity to instigate meaningful interaction with travellers. However, with advances in the consumer electronics space, BAC sees endless opportunity to engage with customers in the digital realm on a global scale. In short, digital innovation is critical to staying ahead in a globally competitive industry.

As a result, BAC is one of the first airports in Australia to devise a digital strategy that will help implement its corporate strategy and vision of being world-best. This digital strategy aims to position Brisbane Airport as a world-best digital airport through the delivery of competitive and differentiated value propositions that translate into:

- Improved experience for the customers; and
- Space optimisation and cost savings through streamlined and automated operations for both airlines and BAC.

Rethinking the engagement model with passengers and visitors is important given the increased use of smart phones, which offer new ways of interacting, searching for information and providing feedback. BAC's digital strategy aims to address this and provide a seamless digital experience with real-time, relevant content across a number of virtual channels.

Since the implementation of this strategy, BAC has introduced online car park booking, free wifi within certain areas of the terminals, a new website and mobile website, and an increased and managed 24/7 presence on social media.

Current initiatives include the development of a mobile application; new interactive digital screens in the terminals, terminal mapping solutions; and a number of BAC internal measures to manage digital innovation.

Future initiatives may include anything from interactive exhibits covering entire walls similar to a virtual coral reef; talking holograms to meet and greet passengers; multi-lingual apps allowing visitors to book restaurants, experiences or accommodation; or a virtual supermarket in the arrivals area with 'QR Codes' to shop online on smart phones.

As the operating environment becomes increasingly data rich, BAC is also gaining access to valuable insights into passengers' preferences, expectations, behaviours and patterns. Being responsive to these insights allows BAC to explore new ways of enhancing the overall customer experience and ensure a secure and safe airport experience.

BAC is a key-enabling partner of the airlines' customer experience strategy, so close collaboration with the airlines is fundamental to the delivery of a high quality and consistent passenger experience at Brisbane Airport.

The digital strategy will play a critical role in the planning and development of future infrastructure and passenger processing systems and behaviours.

Where once valuable terminal space was taken up with bulky check-in desks and baggage belts, new ideas and concepts are being explored such as a 'common luggage drop off' point servicing every airline. Other initiatives already in place include self-service initiatives such as a Smart gate self-process passport control and self check-in facilities.

These and future initiatives will not only deliver a better customer experience, but also improved space optimisation and significant cost saving for airlines, BAC and in due course, travellers.

Fast Facts	
Industry sector	Airport operations and logistics
Year established	Privatisation in 1997
Employees	Approx 300
Export Markets	In 2011/12 more than 20 million domestic and international passengers passed through the airport. This number is expected to grow to 45 million by 2030.

Case study: Crockford Carlisle

Persuasive Marketing that works

Key ideas	
1	Effective online and offline interactive service delivery.
2	Building long lasting relationships with customers and generating repeat business.
3	Electronic processes and guidelines.

Crockford Carlisle is a thriving small firm delivering an integrated approach to digital or 'persuasive' marketing.

Crockford Carlisle Managing Director Jerry Crockford says, "Many companies generate good traffic to their sites, but elicit very poor conversions (from their customers).

"The digital era has brought great opportunities, but also big challenges for companies to bring together search engine optimisation, creative AdWord selection and testing as well as social media into conversions and repeat business."

The firm has embraced the digital economy to add value in every step of their operations from service offerings to delivery – connecting with customers in ways not possible 10 years ago – and managing all aspects of the work from service to delivery, while building long lasting relationships.

Crockford Carlisle's digital strategy has supported the firm's growth, with 71 per cent of the revenue generated by repeat business, and freed them to focus on service quality and delivery.

The firm spent several years developing engaging content for the digital market and streamlining its operations to evolve from a project based 'one off' transactional model to a closer working relationship with customers.

Long before project management platforms became available and accessible to smaller companies, Crockford Carlisle started working on its own "project management system based on Filemaker", as Crockford recalls.

The system allows them to manage:

- workflow for every process and interaction with the customer, which informs the client what is required from them and the different points of interaction along the way;
- Guidelines and sign-offs with electronic checklists to reduce risks and liabilities;
- Testing and ongoing performance improvements with customers; and
- Future development plans, including a facility enabling customers to log on to the system and see milestones and content in real time as it is produced, streamlining communication with the customer.

The firm's value proposition effectively integrates face-to-face customer interaction with the operation and is supported by a digital strategy.

The client is immersed in an interactive experience, allowing them to benefit from:

- Accessing engaging content such as an 'idea bank', where customers can gain deeper insight into digital marketing and other relevant topics; and
- Digital campaigns that can be measured, and results that can be tracked accurately.

The constant evolution of digital marketing creates challenges for the business to stay on par or ahead of the current available technologies.

According to Crockford, "Staying at the leading edge is crucial to remain relevant and continue to attract new customers.

"Mobile technologies will play a key role in the future evolution of the firm along with mobile search."

Fast Facts	
Industry sector	Professional services
Year established	1995
Employees	6
Export markets	N/A

Case study: Flight Centre

Creating the blended travel agency

Key ideas	
1	Customers are empowered with choice and are expecting consistency of experience, irrespective of the channels
2	Experiencing the transaction process is as important as experiencing the travel
3	Transparency facilitates change

Brisbane-based Flight Centre has embarked on a digital transformation journey of its retail travel activities, bringing together the on and offline models' best features. This is based on the recognition that, in today's increasingly digitalised environment, customers are empowered and have access to multiple sources of information like never before.

Flight Centre recognised that a consistent travel agent experience, irrespective of the channel of engagement, was as important as the travel experience and, as a result, there was a need to change and adapt the business model in order to stay relevant. Flight centre did this by introducing a number of new initiatives

- 12 months ago, Flight Centre was allowing its customers to purchase domestic travel online and started investing in social media as a business medium. International travel was exclusively the domain of Flight Centre shops. The model was largely dominated by a more traditional brick and mortar business philosophy, contrary to its corporate travel activity that had a blended delivery and operating model.

- Nowadays, customers can purchase a larger portion of their international travel online and the social media capability has matured further. However, the customer experience is not as seamless as Flight Centre would like it to be: customers can have multiple, different records depending on which channel they use to engage with the Flight Centre network. For example, if customers were to purchasetravel online - domestic or international - a Flight Centre consultant in a shop would not be aware of their last online transaction.

- In 12 months' time, Flight Centre will be channel agnostic, whereby whatever channel a customer chooses, there will be one customer record shared across the entire network. If a customer purchases a transaction online, s/he will be allocated a dedicated consultant.

Flight Centre's vision of the blended travel agency model combined with its unique structure of a 'wholly-owned network' is a key competitive differentiator, and has advantages over online and brick and mortar players:

- Online players currently have no physical network of the scale of Flight Centre.
- Traditional brick and mortar players operate a franchisee model, which would be constraining their ability to embrace digital, faster. The challenge for the latter is the risk of cannibalisation of the franchisee network revenue and finding the right mechanisms to make it work.

At Flight Centre, for example, there was a need to rethink the 'reward mechanism', allowing for remuneration on online transactions via the sharing of the sales commission, even if the consultant was not directly involved in the transaction.

Digital innovation is forcing a rethink of other aspects of the operating model such as the nature of content being delivered and how it is delivered. There are three types of fairs:

- 'Published fares', which are publicly available data;
- 'Private fares', which are negotiated deals with airlines; and
- 'Construct fares', which construct the cheapest deal.

The last two types of fares are key competitive differentiators for Flight Centre. In a blended delivery environment where transparency and accessibility to the right information is expected to be on demand, Flight Centre is looking at new ways to make it accessible in a dynamic and user-friendly manner. The enabling platforms are to be flexible and scalable and, when it comes to the digital infrastructure, data is becoming a strategic asset and cloud computing a means to a blended value proposition.

Fast Facts	
Industry sector	Travel / retail and business
Year established	1981 and was the first retail operation to commoditise travel in Australia
Employees	More than 15,000 staff across Australia and globally
Export markets	Asia, North America, Europe and Africa

Case study: Leading Edge Automation

Delivering automation and remote access control systems

Key ideas	
1	Delivering automation and control systems for buildings.
2	Utilising digital technologies to improve efficiencies in support and back-end processes.

Leading Edge Automation specialises in management systems that automate and control lighting, air conditioning and electricity in buildings - giving tenants greater economic benefits and customer service.

The company's digital strategy has focused on delivering a higher level of automation to the customer, who benefits from an enhanced experience tailored to the specific need of the client and user of the system.

General Manager David Ross says, "The system can become a server accessible to tenants through a wide range of hardware such as smart phones, tablets and desktops.

"The tenant can dial in into the system and control the building's equipment if they have the right security levels.

"They can enable or disable equipment to operate in non-business hours, or give access to their specific office site at any time."

The system allows customers to:

- Act faster upon failing equipment;
- Send automatic or manual alarms to the right person regarding a specific problem (via methods such as email, SMS or web); and
- Optimise energy consumption, translating into lower energy bills.

Another aspect of the company's digital strategy covers the day-to-day operation of its operations.

"Our everyday business is done using digital technologies with the majority of our projects web based," says Ross.

"The service guys don't need to come to the office any more; they all have remote access so they can work from home and still connect to our server."

This brings benefits to the projects and services divisions at Leading Edge Automation, allowing them to:

- Access remote locations from the office or home;
- Take control of the management system at a remote site to sort out the problem; and
- Track every move and change in the system to identify who has made changes and understand the effects of specific actions in the performance of the equipment.

The company is also more efficient in other aspects of its operations - from billing, scheduling, and project support, there are benefits "of at least 50 per cent".

One of the important lessons the company has learnt over time is setting the right levels of security needed for users - creating the right alarms and access levels is key to managing and controlling multi-million dollar equipment.

As the market evolves and new technologies become available, Leading Edge Automation is looking to wireless technologies and faster dedicated channels to deliver better service and higher levels of automation for their customers.

Fast Facts	
Industry sector	Technical automation services
Year established	2001
Employees	12
Export markets	N/A

Case study: CUA

Pushing the boundaries of traditional retail banking

Key ideas	
1	Focus on providing consistent, seamless and relevant customer experience.
2	Use digital as an enabler to support & enhance customer interaction.
3	Work with the right team who share the same passion and vision for the company.

CUA is Australia's largest customer-owned financial institution, with more than 400,000 customers, 900 staff, and $9 billion worth of assets under management. Customer needs drive business decisions and CUA regularly re-evaluates its business strategy to ensure it has a focus on the customer.

Focus groups, market research and customer feedback are used to help understand the segments of CUA's business and assist the continuous review and optimisation of the business model. Customer conversations are evaluated to determine the most appropriate delivery channels to provide seamless customer interaction.

While CUA acknowledges that technology is an important part of its business as it allows interactions to occur, it is acutely aware of the need to focus on ensuring customer interactions with staff are consistent and exceptional. CUA has a 'Service Heartbeat' strategy that defines the way CUA staff interact with customers, as well as with each other.

CUA understands the need for continuous assessment of how current or upcoming technology can enhance the customer experience. In July 2012, in an effort to test what an 'optimal customer experience' would look like, CUA opened a concept 'branch of the future' in Carindale, an eastern suburb of Brisbane.

The branch was based on leading customer-centric design principles and encourages customers to relax, learn, play while they explore their financial needs. In addition to the new branch design, the Carindale team underwent an intensive and tailored training programme to trial a new service model.

Lessons from the concept branch are shared with other branches so that the whole business can enjoy the growth and service improvements that have been born from this innovative move.

The 'branch of the future' has a different look and feel to a traditional retail branch:

- 'YouChat' iPad app – an in-house designed and built Personal Needs Profile enabling deeper conversations and connections with customers.
- 'The Bench' is a casual interaction space for simple communications and basic services. It features a cash recycling machine and monitors that can be adjusted to angles that best suit each customer.
- 'The Booth' is a self-service zone with options that allow customers to either complete their transactions quickly and efficiently, or spend time with a team member learning how to use the self-service options.
- 'The Cafe' is a lounge area featuring self-service iPads and an automatic espresso machine.
- 'The Photo Wall' holds 1,200 photos that customers have posted of themselves, featuring what is important to the customers, and their local community and events. Customers can email or print the photos at the branch for inclusion on the wall.
- 'The Billboard' is three 246" LCD screens that display local news articles and product features as well as a video reel of customer and local area stories.
- 'The Chalkboard' provides a digital display for local messages.
- 'The Kids Zone' keeps the kids entertained with iPad games built into the wall.

Digital technology is a means to an end.

Fast Facts	
Industry sector	Financial Services (Banking)
Year established	Founded in 1946, growing out of several small Queensland based credit unions with just 180 members
Employees	Over 900 people Australia-wide
Export Markets	N/A

Case study: Terry White Group

Online and digital technologies adding value for pharmacy customers

Key ideas	
1	A traditional retail franchise model supported by centralised and integrated online digital strategy and digital applications.
2	Adding value for customers by providing pharmaceutical, health and beauty products supported by a range of in-store and online education, advisory and information services.
3	Digital integration and ongoing analysis of customer buying preferences via multiple touch points through the point of sales system to better address customer needs.

From humble beginnings in 1959, the Terry White Chemists Group has evolved into a competitive franchising business model with more than 160 individually owned franchisee stores nation-wide.

The Group provides a range of products and services spanning the health, skincare, beauty, personal care, vitamins and weight categories through traditional retail outlets and online.

The application of digital technologies has been a strong part of the company's success. Terry White Group Chief Information Officer Jane Sheehy says, "The development of the online experience and use of digital technologies has enabled the business to improve a multitude of supporting services as part of the business value proposition."

The product range and in-store and online services are supported and complemented by centralised data collection and analytics as well as online promotions, advice, education and ordering while helping customers find and select Terry White Chemists' locations, products and information services.

The Group's model is based on an evolving:

- Effective integrated digital customer relations management (CRM) and business decision mapping (BDM) systems and resources;
- Multiple points of sale (POS) services linking and integrating customer information with customised targeting of real-time offers, promotion and the use of a loyalty rewards scheme;
- Integration between POS services, suppliers and promotional activities with end-to-end data use to better service and target customer needs and buying habits; and
- Sharing and use of information from suppliers and employees on customer requirements.

More recently, in July 2012, the Group had a 'soft' launch of its 'eCommerce' website, which will further improve Terry White Chemists' online presence and assist in improving integration of front-end online services such as promotions, ordering, supply and delivery.

The Group is committed to a flexible and agile adaptation to the changing market and customer focus by value adding, both in their growing traditional outlets coupled with its increasing application of digital technologies via:

- Integration of front-end (customer ordering and promotion) to all back-end (supply) systems including streamlining the digital touch-points;
- Finalising its enterprise resource planning (ERP) systems and improving the B2B systems;
- Adopting centralised cloud data storage and access;
- Further improving suppliers' role in traditional retail and online retailing to support customers and franchisees;
- Increased use of social media and mobile applications;
- Adapting to a changing health and government digital and regulatory framework, for example e-scripts; and
- Streamlining digital touch points between customer, supplier, stock control and marketing.

The customer will continue to remain at the centre of the company's ongoing digital evolution.

Fast Facts	
Industry sector	Retail (chemist and pharmaceutical products)
Year established	1959
Employees	More than 4,000 throughout Australia
Export markets	N/A

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