Cisco Internet Business Solutions Group, Global Innovations Practice

Introduction

Demand for differentiation, innovative products and services, reduced operating costs, greater flexibility and agility, and more compelling customer experiences is increasing all the time. Because of this, executives are focusing on innovative ways to operate their businesses and realize greater capabilities from their technology investments. Five key themes are clearly apparent across all industries:

1. Customer Experience—In today's world of rapid commoditization, companies must foster enhanced customer experiences that strengthen their brand and increase revenue and loyalty. In the past, the customer experience began and ended at your door; today, experience occurs regardless of the customer's location, embracing not only the product itself, but also surrounding elements such as services and the perceptions of friends and acquaintances expressed through myriad online and social media channels. While the fundamentals of what makes a good experience have not changed, the way we deliver on those fundamentals has—and technology is a huge driver of this change.

Technological advances are enabling rich interactions through the combination of video, voice, data, and tools for facilitating real-time connections. Because of this, customers have become more comfortable connecting through technology, preferring it as the vehicle for interacting with others wherever they are. For example, they prefer online banking, use mobile computers for video conferencing, and employ handheld devices for downloading content from the web. They also build strong friendships through social networking before meeting face-to-face. The ease with which an employee can interact with a customer online, through his or her phone, or via high-definition video enables the delivery of real-time, human-to-human interactions virtually anytime, anywhere.

With advances in technology and changes in customer behavior, companies have a greater opportunity to build customer relationships by enhancing the customer experience. Studies show that companies that engage customers though social media platforms using a number of devices are winning. To stay competitive and take advantage of opportunities for reaching customers, companies must look at how technology can be used to increase customer satisfaction and loyalty.

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2. Collaboration—CXOs continually strive to respond more quickly to market demands and to drive greater profitability by reducing costs and increasing revenue. The need to work together—to collaborate—more effectively is becoming increasingly critical to meet these business goals.

Organizations are becoming increasingly complex and global, incorporating different time zones, languages, and cultures. The global distribution of today's workforces has also led to uncertainty regarding the whereabouts of employees and the best way to reach and communicate with them. In short, it's becoming harder to collaborate. Making the workforce as efficient as possible—enabling employees to collaborate more effectively to deliver the company's goods and services—is essential in today's complex, fast-paced world.

All of these factors point to the urgent need to work together and collaborate in new ways. Solutions exist that enable more effective collaboration across a global, mobile enterprise. This can have a positive impact on a company's profits. Cisco, for example, is currently realizing in excess of US$1 billion annually (and growing) from collaboration solutions.

3. Innovation—As the world's economies begin to recover, companies are turning their attention to growth and are looking to innovation to drive their businesses to new heights, provide a superior customer experience, and increase profitability. The way companies drive innovation, however, must change to meet the demands of the current environment, where people are more distributed, commoditization is happening more rapidly, and customers increasingly want to be a part of the process. In addition, technological advances continue to offer us new and exciting opportunities to innovate our business models, processes, products, and services. Modern technological solutions enable companies to innovate faster and more effectively, embracing a wider audience and allowing them to react rapidly to market conditions and customer expectations.

4. Productivity—Regardless of the economy, productivity remains a perennial focus for all companies. CXOs need to be vigilant about technological advances for streamlining operations across all aspects of their businesses to lower costs and increase efficiency and effectiveness.

5. Green—Being environmentally friendly is increasingly important to consumers and is top-of-mind for most large enterprises. Given that technology is the platform upon which every aspect of business runs today, IT plays a key role in enabling a corporation to optimize operational efficiency and reduce its environmental impact. IT, for example, can reduce its own energy consumption through more efficient use of a corporation's data center equipment by employing techniques such as virtualization. Furthermore, IT can implement technologies that enable other business units across the company to conduct their activities more efficiently—for example, by enabling face-to-face meetings without the need to travel. These sustainability solutions not only positively influence the corporation's environmental impact, brand, revenue, and profits, but also reduce its costs.

From Concept to Execution

The Cisco® Internet Business Solutions Group (IBSG) Global Innovations Practice provides transformative recommendations to some of the most influential companies in the world, across a multitude of business topics—from customer experience, supply chain management, collaboration, and green to advanced technologies. Building on these recommendations, we

work with our customers to create innovative, real-life demonstrations and pilots that bring these solutions to life.

Partnering with Cisco IBSG vertical practice experts, the Innovations team applies leading-edge, technology-enabled business models and processes to address the most critical challenges facing CXOs. Our practice is organized into two functional areas: Experience and IT Transformation, and Advanced Technology.

Experience and IT Transformation

Our Experience and IT Transformation Practice works with customers to understand their business challenges and opportunities. We make practical recommendations on how technology can be used to provide high-impact, innovative solutions that cover a wide range of issues, including customer / employee / partner experience, innovation, and the value chain.

Examples of our successes include:

ServicePresence—Allows remote experts who may be thousands of miles away to provide a variety of services (travel, retail, banking, etc.) to customers wherever they may be through real-time, face-to-face interactions.

Remote Design Services—Provides assistance to customers making complex purchases that may require pre- or post-sales support. For example, a customer seeking advice on kitchen design can use Cisco TelePresence® technology to access a skilled expert when one is not available in the store, or from home using a shared online workspace on his or her PC or via instant messaging.

Active Collaboration Room—Enables a companywide environment for highly interactive, collaborative work sessions involving distributed project teams. Utilizes advanced technologies such as Cisco TelePresence, interactive whiteboards, and Cisco WebEx® shared spaces.

Smart Trade Solution—Optimizes the ability of multiple organizations and companies to interact and trade more efficiently. For example, Smart Trade enabled multiple entities involved in the Turkish textile industry to collaborate and scale their operations without additional capital expenses and to improve their ability to trade on a global basis.

Green IT Transformation—Offers a robust methodology for assessing the green implications of a customer's operations to identify opportunities for optimization. Our guidance enabled one of Europe's largest financial institutions to reduce its carbon footprint by 200,000 metric tons of CO_2 and achieve €200 million (US$267 million) in economic benefits.

Advanced Technology: The Art of the Possible

The Advanced Technology group demystifies the "techno-babble" to help vertical-market customers solve real-world challenges. Our team scans the horizon for new and emerging technologies to deliver innovative demos, prototypes, proofs of concept, and world-class architectures—all within the context of customer needs.

Partnering with business-unit colleagues and industry experts, our team demonstrates the "art of the possible" and translates technology into new ways of interacting with both business and

consumers through the invention of new technology concepts. These have included the following creations:

Mobile TelePresence—The industry's first wireless mobile Cisco TelePresence solution.

Connected Car—The car of the future, featuring a converged in-vehicle network that manages information—both inside and outside the car—intelligently.

Virtual characters and augmented reality—Designed to create new, highly compelling and informative experiences for customers and employees, these solutions can assist customers in a number of ways. For example, through voice recognition, customers can speak directly to a virtual assistant using natural language to have him or her look up information, guide them to specific solutions pertinent to their needs, or convert from one language to another.

The Connected Bus—The world's first eco-friendly Wi-Fi bus that improves the public transportation experience and reduces carbon emissions.

Our thought leadership and extensive customer engagements help CXOs across industries understand the economics of their technology investments and market trends—and how these elements will impact their businesses today and in the future.

For more information about the capabilities of the Cisco IBSG Global Innovations Practice, please visit our website at http://www.cisco.com/go/ibsg/innovations, or contact:

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More Information

Cisco Internet Business Solutions Group (IBSG), the company's global consultancy, helps CXOs from the world's largest public and private organizations solve critical business challenges. By connecting strategy, process, and technology, Cisco IBSG industry experts enable customers to turn visionary ideas into value.

For further information about IBSG, visit http://www.cisco.com/go/ibsg.