INTERVIEW with Peter Schepers

# Digital transformation: from product to people

**D**igital transformation is about enterprises switching their focus from products to people. According to Peter Schepers, CEO of IT consultant Itility, businesses need to talk less about digital transformation and just get on with it.

### How can organizations make the digital transformation?

"Actually, I don't think the term 'digital transformation' is a good definition of the concept. 'Digital' describes the means rather than the goal. 'Transformation' suggests a temporary transition, after which you've been 'transformed' and therefore become 'digital'. But digital transformation is a new way of thinking. It's about enterprises making the switch to focusing on people and customers in their work, rather than on products or services. It's based on what the customer needs for the best 'experience' of a product or service. How to ensure the customer remains attached to this product? For example: whereas the product 'car' used to be the focus, nowadays it's increasingly about its application: i.e. pleasant and quick transport from A to B, in line with the passenger's wishes. Uber has turned the world upside down in this respect, which is a nice example of digital transformation. Translating this into operational management is tricky. Traditional departments have to start working together, experimenting and forming new teams based on several disciplines. The first step is listening to customers. What motivates them? And what improves their lives? Step two is collecting people-



*Digital transformation: people focused*

focused data, and step three is working on your own product, using digital resources."

### Why must enterprises be data-driven?

"Intensive customer-focused work demands the continual collection of information about the use of the product or service, in order to add value to the experience. So data is essential for digital transformation. Use the product, measure it, improve it and provide feedback to customer and maker. If you view digital transformation as people-focused, you need to collect enough information about those people in the context of the product. You can have the collected data analyzed by people or by a computer, and with the right 'training', patterns can be distilled from this data. This data analysis can be presented automatically and in real time. Take, for example, a fitness analysis on your smartphone, based on the movement data from your watch."

### What is the role of the cloud and the Internet of Things in this process?

"The cloud is like a store full of digital functions for making things with. You send data to the cloud and then do all sorts of things with it. The advantage of the cloud is that you don't have to make the applications yourself – you just use them. That gives you speed and space for focusing on the customer. The IoT allows you to collect data through sensors, which you send on to the cloud and then manage things on the basis of data analysis. So IoT is a way of helping to carry out digital transformation. IoT arises automatically if you make use of everything that's available in the way of hardware, software and applications in the cloud."

### How do you help enterprises with their digital transformation?

"We have our own team who do lots of experiments with IT infrastructure, software and applications. By doing a lot ourselves, we learn to create digital products or services. We then apply them in practice for – and along with – our customers. We're not advisors who come and explain on paper how to be 'digital'. We investigate the question of what can be different, starting with the facts: what data is already available? What software can be developed and what hardware is needed? Itility's customers are usually large enterprises, with whom we work in multidisciplinary teams. We come from an IT domain, within which we started thinking about how things could be better. This field has become wider, as IT now covers so much more, and we have broadened our scope in line with this development."

### More information

Peter Schepers, entrepreneur and CEO of Itility won the 2014 TIMMIE award for 'most innovative leader'. Itility helps to design, assemble and manage "Software-defined" IT, and accelerate the process of Digital transformation. The IT engineering office, in terms of Business, Automation, Analytics everything.