

Do or Die: How to Win with a Digital Transformation

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Follow the story of a Canadian company that pivoted away from a dying business model and leveraged existing capabilities through a digital transformation. Hint—it's a mix of strategy, personnel, and technology.

In the early 2000s, many companies were struggling to leverage the power of Internet to gain a competitive advantage. Simply having a polished corporate website wasn't enough anymore and companies scrambled to enhance their online presence. In this new digital frontier, the goal (at the time) was to stay current and connected to their customers 24/7—some figured it out while others got left behind.

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Fast forward 20 years later, and companies are struggling with a new problem—how do you digitally transform your

business?

What exactly is a digital transformation? According to a recent [ZDNET article](#), “a digital transformation involves using digital technologies to remake a process to become more efficient or effective. The idea is to use technology not just to replicate an existing service in a digital form, but to use technology to transform that service into something significantly better.”

Today, many traditional companies are struggling with this very problem—in a crowded and disrupted marketplace, how do you stay efficient and competitive? More importantly, how do you deliver solutions that keep clients happy, engaged, and coming back?

Simply put, if your business can't figure out how to digitally transform—you're going to get left behind. These days, customers want on-demand and scalable solutions; and if you can't provide it, someone else will.

The Go Direct Story

Prior to its impressive transformation, Go Direct was a business that focused on distributing printed travel brochures to travel agents. As you can see, they were clearly on the wrong side of technology—travellers were getting used to browsing the web for travel deals and viewing their itineraries on their tablets and smartphones. As a result, travel agents were slowly being phased out and forgotten—much like Go Direct's business model.

After a financial restructuring, and a change in ownership, they saw an opportunity. Rather than start from scratch, Go Direct focused on their bread and butter—logistics (picking, packing, and shipping.) However, instead of focusing solely on printed marketing materials, the challenge was to find products that weren't becoming obsolete.

With that in mind, they parlayed their relationships with their blue-chip travel clients into doing similar work for other companies in the consumer-packaged goods (CPG) industry. At first, Go Direct started building relationships with brands that were looking to distribute marketing collateral or do sampling programs. This was a logical start; however, the brands weren't in control of their own budgets—*marketing spend was a cost centre and not a profit centre*.

Go Direct noticed another major issue—*most of their brands didn't have a clear and direct path to their own customers*. Instead, they were getting lost in the chaos of online retail. Customers were still buying their products, but not on their terms. Online retail behemoths (like Amazon and Ali Express) not only have costly selling fees, but they completely control the customer experience and own all the data. In the end, brands simply have no control of the digital department store.

This is the exact solution Go Direct brought forward—*they would provide their clients with a seamless connection from their warehouse straight to the brand's end-customers* by:

- managing the complexity of inventory
- providing on-demand labour to scale-up or down with seasonal fluctuations
- optimizing transportation spend in a dynamic marketplace
- handling the technology connections between order taking, payment processing, and invoicing

In essence, Go Direct went from simply shipping travel brochures to offering flexible, on-demand, and turn-key fulfillment solutions—all while giving CPG clients control back over their brand and customer experience. Now, that's quite the turnaround.

Is your company on the outside looking in?

Ask yourself this question: what can your company do more efficiently and flexibly than anyone else? This is the first steps towards a digital transformation. Take a hard look at your current personnel, strategy, and technologies and leverage your strengths. Go Direct didn't reinvent the wheel, they simply knew what they did best and put that towards solving a problem the CPG brands were dealing with.

Find the right leadership

If your current leadership is unwilling to change or simply lacks the vision—you need to find someone who can get the job done. Go Direct was jumping into a complex and crowded retail landscape, and needed a nimble leader who knew how to navigate it.

When evaluating your leadership, make sure they not only have the right background, but also the vision, determination, and passion to move your company's digital transformation forward. In Go Direct's case, they needed someone who had a strong understanding of technology integration and platform roll-outs. More importantly they needed someone who understood how to create and execute both multi-channel and omni-channel retail strategies.

Determine the strategy

After carefully listening to their clients, Go Direct's strategy became obvious—*provide brands a clear path to their end-customers using their fulfillment expertise*. They knew brands were reluctant to do this alone—there were simply too many barriers with major investments in technology, time, and expertise required. By providing a fully integrated solution, their strategy was set.

Leverage the right technology

With the right leadership and a new strategy in place, what's next? For any successful digital transformation, the right technology solution is key. The right technology—whether hardware or software—will vary depending on your industry and sector, but it should completely transform the customer experience.

Go Direct's focus is on three major components that work together to create a complete end-to-end solution for their clients, including:

- a robust ecommerce software engine that facilitates the entire customer journey, from the online order through delivery, while enabling visibility and insight into customer behaviours
- product management and fulfillment capability—knowing how many products are in the warehouse, lot tracking through the physical journey and enabling productivity tracking for labour management
- transportation management systems that enables them to purchase the right freight solution at the best price and to fully audit the logistics companies' complex invoices that often include surcharges and penalties

Don't Get Left Behind

A digital transformation is no easy task, but it can be done with the right combination of leadership, strategy and technology. It may sound cliché, but disruption is the new normal—and it's creating an on-demand mindset. These days, consumers want timely and scalable solutions; in other words, getting products and services when and how they want it. And businesses unable to keep up with this demand will inevitably get left behind.

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