**QTN 1 Answer.**

1. **How Significant is Your Firm’s IT to Achieving Strategic Goals?**

**A**. Singapore Press Holdings (SPH) Limited is a media company and is a clear monopoly in printed local news content in Singapore. SPH’s IT is an enabler of strategic goals. SPH used to be one of the nation’s "blue-chip" counters on the Singapore Stock Exchange. SPH is a constituent of the Straits Times Index. It publishes 19 out of 20 licensed newspapers in Singapore and has the highest share of media and market.

As consumers turned to freely available online news, it understood the potential of technology and extended its businesses in Newspaper, Magazines in the areas of lifestyle and information technology, Book Publishing, Online, Radio, Outdoor media, Property and Healthcare to be a fore frontier for the customer to experience digital content in Singapore. SPH has over 5,000 employees around the world. With digital disruption throttling circulation and advertisement revenue, the company diversified into events and exhibitions, online classifieds, and other smaller businesses such as a financial portal and preschool education. It even entered healthcare services for the aged. So, it actively worked to enter into its complementary industry and digitalised it businesses for success. Being the greatest media owner in Singapore, SPH now not only has a formidable stable of 17 centered newspaper titles, but also has an complete suite of cross-media options to assist fully-integrated campaigns designed to engage advertisers on multiple fronts. It assures to connect brand and product with target consumers with different channels such as ON PRINT, ON LINE, ON MOBILE, ON AIR, ON SCREEN, and/or ON GROUND media. It integrated technology efficiently with available and upcoming businesses to boost current business operations or enable the creation of new products and services to achieve strategic goals.

1. **How Ambitious is Your Firm’s Approach to New Digital Technologies?**
2. SPH adopted widely used technology in the print media at an early stage of development and enjoyed its monopoly. SPH strived to provide new experience to its customers by introducing an innovation day to bring out the innovative ideas to satisfy its customers’ needs. It released 80 magazine titles in the areas of lifestyle and technology targeting diverse readers and created its own space in magazine industry. In terms of digital technology ambitions, SPH it have created content platforms and built a strong diversified business ecosystem. SPH invested in new initiatives catering to customers’ and advertisers’ needs. SPH constantly refreshes its products to meet the requirements and it even revamped Straits Times on 1 July 2015 to celebrate its 170th anniversary. SPH acted on time and launched tablet and mobile phone versions (iPad, iPhone and Android) for The Straits Times, The Business Times, Berita Harian, Lianhe Zaobao and Lianhe Wanbao and The Straits Times became Singapore’s No. 1 mobile news app. It continued to work on its subscription campaign and maintained its dominance in print media despite the advent of technology. In this digital era, it created value for its local customers by providing local content to readers which is not available on other online sources and targeted local newspaper readers as they believed in strong local newspaper reading habits. SPH is clearly an innovator by expanding its market space in all the available technologies of print and digital media and used innovative technologies to provide products and services to its customers.
3. **How “Digital” is Your Interface to the Customer?**
4. To reach all the targeted customers, it continued with its traditional business and also focussed on digital technologies. Statistics show that households with internet access (>80%) is one of the highest global proportions, the internet’s share of the media ad market remained in the teens. SPH provided competitively priced subscription packages to maintain strong newspaper readership (print and digital). SPH surveys show that majority of digital subscribers also subscribe for print and thereby they focussed on revenues from users for their products and services. Advertising market remained cautious and thereby it invested in Online Classifieds, Property ads and even focussed on events and even focussed on events and exhibitions. SPH is focussed to develop innovative new media platforms that alliance with its traditional media products and services. It invested News& Infotainment, Social Networking and interactive Web TV to capture new eye balls. SPH integrated content and activities in three platforms of print, online and mobile and also introduced Singapore's first bilingual news and interactive portal to cater the needs of the new bilingual internet generation. It showed diversification in company’s in financial background an size through extended and enriched business. SPH leveraged the possible opportunities of digital technologies and focussed on costumer centric market. SPH also emphasized the stability of its core business along with digital transformation.
5. **How Will You Create Revenue from Future Business Operations?**
6. SPH found new sources of revenue for future business success while focussing on its core business. Its digital transformation strategy included to expand its business in various platforms leveraging the technology and creating value to its customers. The newpaper platform has three main products namely Main Classified, CATS recruit, Notices and Obituaries meeting different customer needs in separate advertising space and thereby, enriched customer experience. SPH became a lead in e-market place for cars by creating a platform SgCarmart which offers services such as car listings, car auctions, valuation and a car forum. This platform became number one car classified site with page views of about 45 million and 1 million unique visitors. In advertising, SPH used diversified revenue generation models and one of the commendable feature is its unique strategy of displaying advertisements in print and digital media to get enough attention from readers without annoying them. SPH restructured revenue generation models by preparing its suite of *“OUT-OF-PRINT CREATIVE BUYS”* and its major products include Paper Envelope, Clear Plastic Envelope, Paper Folder (with or without flap/cover), Pocket File, Shopping Bag, Paper Bag, Free-Standing Insert and Commercial Insert/Glossy Supplement, thereby extending their value chain and generation new revenue platforms by selling its complementary products. Magazines target diverse readers and they have magazine for every targeted reader. They also advertise signature events with high-quality editorial content and vibrant designs to advertise and the content is tailored to suit specific requirements of the advertisers. SPH has a subsidiary named clickTRUE Pte Ltd which is a Pay-Per-Performance online marketing company with search and social media marketing as core business and offers both Online Marketing and Technology Services. It strived to understand its clients’ business and providing the best solutions to extend their value proposition by combining talent and technology to help shape strategies for its clients to enhance their brand value. It introduced various other products in both online and print media to become forefront in advertising platform in Singapore and created its space to generate revenue with traditional business and alongside its digital businesses.
7. **What Will Your Future Business Scope Be?**
8. While other Media companies focussed on traditional business activities, SPH market expanded to its complementary business products along with its traditional business. It can expand its future scope by using the latest technologies and automate its process. By using Data Analytic tools such as Google Analytics 360 to optimise the search results of its products and can become a lead in advertising fields. It can shift to their focus on product and service portfolios to less impacted business areas such as local content readers and improving the customer experience with advent of technology. It can use Big Data analysis techniques to understand the market scope and expand its business. Management has to decide whether to integrate new products/features in its existing or create and independent strategy to promote those products. Content creation and distribution can be considered as core business for SPH in Singapore if the trend continues to be the same with local readers. It can create additional value to the customers by creating best online experience with new interactive and friendly features. SPH merged and acquired many businesses and expanded its own business. It can continue the same strategy in its complementary industry. SPH restructured several concurrent initiatives to refocus on growth of digital revenues and come up with innovative solutions to readers and corporate partners. SPH even reorganised Sales and Marketing teams into two divisions to expand its audience channels. SPH is striving hard to stay relevant and ahead in Future Business Scope.
9. **Who is in Charge of the Digital Transformation Endeavor?**
10. The success of digital transformation depends on Top Management support and the commitment of its team members in achieving the Digital transformation strategy.  
      
    SPH has two roles namely Chief Tech Officer (CTO ) and Chief Product Officer (CPO) reporting to Chief Executive Officer  and Deputy Chief Executive Officer respectively. CTO will focus on the digital technology team, which is responsible for SPH's suite of digital media products and CTO will focus on how to overcome current challenges to seize every opportunity that comes with advancement of technology and evolving media consumption habits of the readers and corporate partners. SPH believe that it is already well prepared for next phase of digital growth and development by its previous contributors. CTO will take up the responsibility of steering the company amid transformations in the digital era. To head growth hacking and innovation of the products and services of SPH, it appointed CPO who is responsible to bring new product ideas and improve SPH's existing digital media products and services to better engage customers and corporate partners and cope with changes in digital age. SPH also has a digital division focus on growing portfolio of investments in digital businesses of the organisation. Company considered well experienced Officers in its exciting Digital Transformation Endeavor. SPH held its first-ever innovation day to train staff in innovation skills to kick start the higher gear. The programme is a 100-day accelerated innovation which sets the blueprint for innovation training on the future endeavour of the company’s digital transformation strategy. Employees formed cross-functional teams to pitch their new product ideas to further develop their concepts and bring them to market. The programme is headed by Chief Executive Officer and Deputy Chief Executive Officer respectively. Thus, SPH showcased new dedicated innovation space to sharpen media capabilities along with its employees. SPH strived to step up transformation by embarking on wide-ranging projects and enhancing existing products to seek boost in full suite of digital products and strong media content.
11. **Do You Plan to Integrate New Operations into Existing Structures or Create Separate Entities?**
12. SPH opened its arms to partner with many companies to serve the growing demand for relevant and interactive print and digital media. It partnered with many leading companies and also successfully maintained subsidiary companies to spend less effort in extensive restructuring and focus on exploiting new digital activities. It maintained separate market space for many of its services instead of integrating them. This strategy enabled customers and partners to easily search for the information they are looking for. They innovated few products from scratch and they acquired and merged with few other companies, thus balancing them in the business of digital age. SPH continued to focus on its core activities and had built a bridge between new and old products and services in its own way. It integrated its traditional services into digital media by launching applications to use in mobile versions. It followed low risk-return profile and focused on capital preservation. SPH employed real-time, relevant, proprietary information in their marketing to create new value that people care about. SPH kept key products and services stable and tried to explore the new opportunities to accelerate digital endeavours.
13. **What Types of Operational Changes Do You Expect?**
14. With expansion of SPH in diversified businesses, there is a huge scope for digital transformation. Digitalisation provoked change in business operations. (SPH) has clear strategy and plan to pipeline Operational Changes. It launched two new radio stations and outlined new plans for publications. It merged with many companies and increased its activities. The drop in revenue lead in attrition of staff to cut down the costs. It revamped many features and came up with new strategies in sales and publications. SPH organised events to promote local content readership, thus giving priority to local newspaper stories. SPH tried to promote culture in its events taking advantage of diverse culture of Singapore lifestyle. SPH targeted professionals, managements, executives and businessmen and those in the finance industry along with the general audience by launching Radio station in English. SPH launched different services targeting different age groups of customers, for example 96.3 Hao FM is a Chinese station specialising in infotainment aged 45 and above and will play local music. It is high time for SPH to focus on being a content and data company instead of focussing on diversifying its assets. SPH worked on providing innovative products and services to satisfy customer and corporate partner needs. It strived hard to change the business processes by introducing a variety of strategies. It trained its employees to prepare for the operational changes. But, even for a monopoly company like SPH, digital transformations are significantly harder to pull off. Successful digital transformation can payoff very well though the success rate is regrettably low.
15. **Do You Need to Acquire New Competencies? If so, How Do You Plan to Acquire Them?**
16. SPH acquired new competencies in its complementary industries to expand its business process and enjoyed its monopoly in print and digital media for many decades. It trained its employees to acquire new skills for the transformation. Top Management carefully assessed the firm’s existing technology capabilities and identified new strategies to achieve success. It focussed on education sector and launched two new education portals targeting young readers by providing up to date on news and technology with desktop browser and mobile app versions. It used lock – in strategy and targeted younger generation customers. SPH should plan to analyse new job profiles internally and identify the key skills relevant to the profiles throughout its value chain. SPH can plan to offer services after analysing its current capabilities. SPH did mergers and acquisitions in the past and can continue its strategy. SPH has large resources, infrastructure to acquire partner in any relevant field. Outsourcing the new processes will reduce the risk on company when compared to creating new processes.
17. **How Strong is the Financial Pressure on Your Current Core Business?**
18. It is a fact that SPH’s media revenue is deteriorating every year and expected to affect its business moving forward. SPH can take advantage of big data analysis tools to target consumers based on their age, demographic, location, interests, likes, and behaviour which implies partner advertising companies can spend less money on only targeted audience which opens new door to improve the scope of advertising business. SPH Dividend per share is also declining and the trend shows that it may continue. So, it is high time for SPH to look out for a sustainable dividend. SPH planned to cut over the jobs to face this financial pressure. Like every other company, SPH margins on print media is less. But, SPH is managing the financial pressure by making the best use of digital technologies.
19. **How Will You Finance the Digital Transformation Endeavor?**
20. SPH is the fore frontier of print and digital media in Singapore and it has sufficient financial flow to fund Digital Transformation Endeavor. Investors have faith in company because of its proven ability to succeed, therefore it is easy for SPH to get funding from external sources. It can use lock in and pricing strategies such as versioning and bundling in the sale of its products and services to achieve high profit margins.

**QTN 2. Answer**

Digital transformation is rapidly affecting print and digital media. One way to not lose customers who are less digital savvy is by providing them with traditional goods and services which is core business operations. SPH followed the same strategy by providing local content to the local users as it analysed the strong reading habits of local Singaporeans using Google Analytics 360. By providing content which is not available online, it added value to the local consumers. It still used the advancement of technologies such as Data Analytic tools to understand the market trends and interests & behaviour of the consumers. This step has led them to continue with its traditional core businesses. Companies can introduce its new products and services to less digital savvy customers by introducing slowly with user friendly features. SPH can analyse the needs of the customers and design interactive products and services based on their requirement. Intensive campaigning for the new services can spark interest in less digital savvy customers. Listening to customer needs by conducting surveys and understanding the inspiring experience will help to develop innovative products and services and move forward in this most digitized world. It becomes even more important.  The new digital transformation should be a part of its core strategy to achieve success in its core businesses. One of the strategies is to target younger generation as they will be quick and interested in learning new technologies and understanding new services. As the younger generations grow, there is a promising business growth. Being curios about the needs of customers of all ages will assist in success of digital transformation.

CIO has to understand what technology can do based on the needs and experiences of the consumers. Creating new roles or repurposing old ones to understand the consumer, the marketplace and the competitive landscape will help the organisation to focus on digital transformation at right time. CIO can use advanced technologies to automate business processes and can make best use of martech stack and big data available through various digital and social channels to understand trends and real time changes in consumer behaviour in the marketspace. Raising awareness among the consumers and communicating with them through camps and ads is very important to involve less digital savvy customers. When culture, people, structure of the organisation, and products & services are firing in sync, CIO should be critical point in embracing the responsibility of digital transformation and should be able to create effective Digital Transformation Culture in the organisation. CIO should be ready to invest in innovating ideas to experiment and enhance the experience of less savvy customers with digital technologies. CIO needed to change culture withing organisation and put the same emphasis on customers with complementary goods and services. There are customers who find the current marketing strategies overwhelming. Top management such as CIO would be solely enough to make the entire company to change its course towards digital transformation.

SPH should understand that the key in reaching the less digital savvy customers is by keeping the new technology as simple as possible. SPH revamped many teams into a new integrated marketing division and aims to deliver “effective and integrated solutions” to its less digital savvy customers. The new team will mainly focus to come up with creative and powerful media solutions to meet the marketing needs of less digital savvy customers. SPH needs to serve its advertising clients and audiences by introducing more optimal solutions meeting the demands. SPH need to implement strategic changes in sales division targeting less digital savvy customers. SPH is working with advanced tools such as Google Analytics 360 platform and its companion tools such as Google Big Query and Google Tag Manager to unlock the value of big data to transform its businesses based on the current market trends. SPH recent initiatives include the development of a proprietary content recommendation engine to improve customer experience and thereby targeting the less digital savvy customers. This engine uses machine learning techniques to leverage data and analytics to increase revenue and enhance productivity. SPH is focussing on digital transformation and striving to expand its audience channels as well. It is acquiring many companies to create content which may be of interest to less digital savvy consumers. It can revise its policy to reach out to consumers in all the possible platforms. SPH can recruit people from different fields and can develop and experiment with the solutions provided by them. Creating a network with less digital savvy customers should be given higher importance. Understanding the opinions of these consumers will also assist in developing the business. SPH can use influencer marketing strategy by promoting the products by influencers can help to reach out to less digital savvy targeted customers. SPH can analyse the barriers of less digital savvy consumers and design solutions to them. SPH has to understand that the customer needs change with the time, so it has to react according to the marketing trends. SPH can experiment the product on less group of people, analyse the results and can improve its products and services in an innovative way. As older generation is less confident in their digital skills than younger generation, it is important for SPH to bridge this gap in its products and services. SPH should create events to engage less digital savvy customers and it should strive to understand their preferences, priorities and pain points and seek direction improve customer experiences and build a personalised relationship with them. SPH already invested in different complementary products to reach all of its targeted customers and strived to drive the less digital savvy customers through digital transformation in best possible ways.

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