

Traditional Business Transformation with Technology



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Context

Making technology a core of the business

Custom (expensive) software development

Long term business investment

Why does this matter?

**Every company will become a
software company eventually**

**77% of businesses state that
digital transformation is
their first strategic priority ***

According to the Economist Intelligence Unit (EIU).

Traditional businesses are a "Sweet Spot" for innovation

- Purely "digital" space is too hard now
 - There's no "low hanging fruit"
- Traditional businesses is where software can make the biggest difference
- This space is "cool and exciting" now :-)

Ways to invest in technology

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- 1. Change the business model**
 - 2. Make an existing business model more scalable**

Automate

Automation helps to reduce costs

- Manual processes are not scalable
- Computers are much cheaper and better at certain tasks than humans
- Keep the "human in the loop"

Power to the customer

Digital products help to engage customers

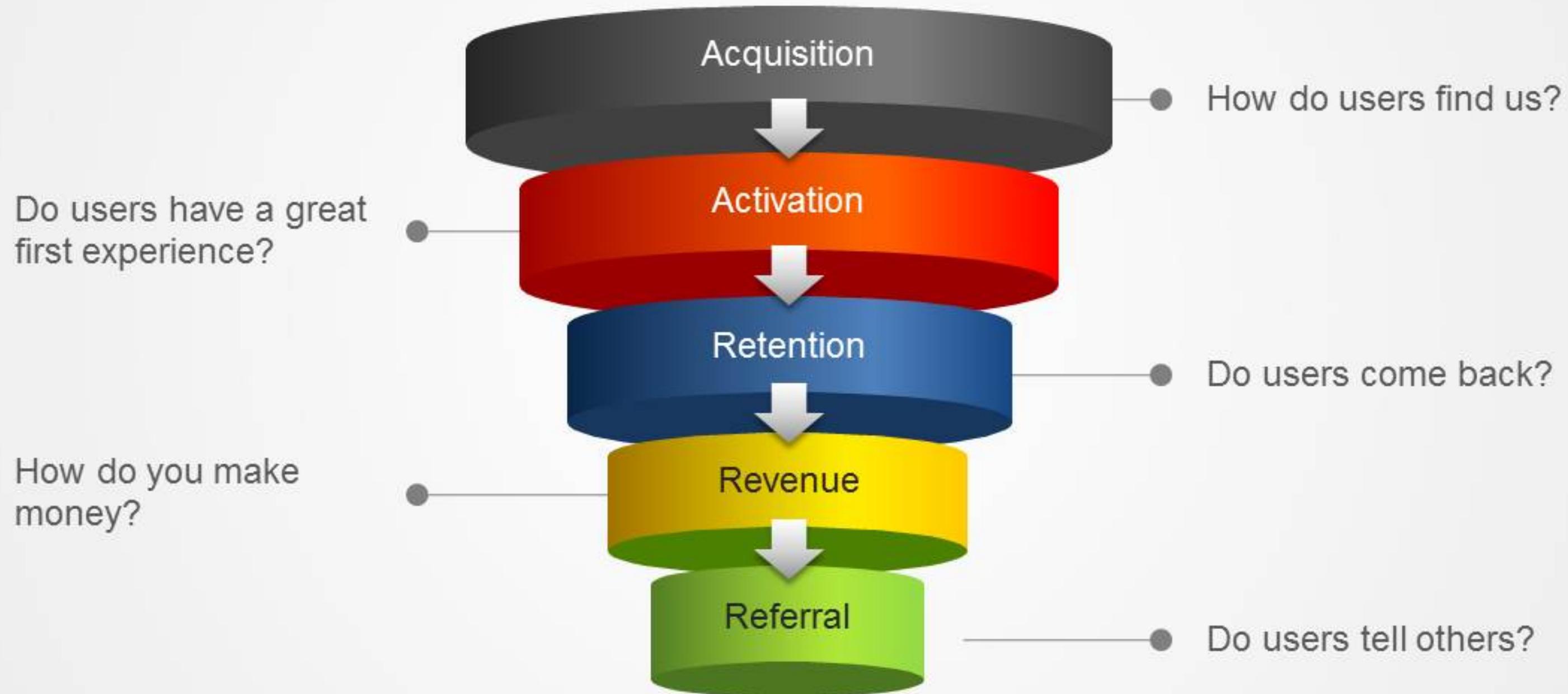
- Modern customers like to "self-serve"
- Customer preferences/priorities:
 1. self-serve
 2. chat with a bot/person
 3. deal with someone on a phone/email/in person

Build-Measure-Learn

Analytics help to make data-driven business decisions

- Instrument your software with metrics/event tracking
- Measure the "funnel"
- Make your assumptions explicit
- Validate your assumptions
- Act on the real data

AARRR Metrics Funnel Diagram



Example metrics

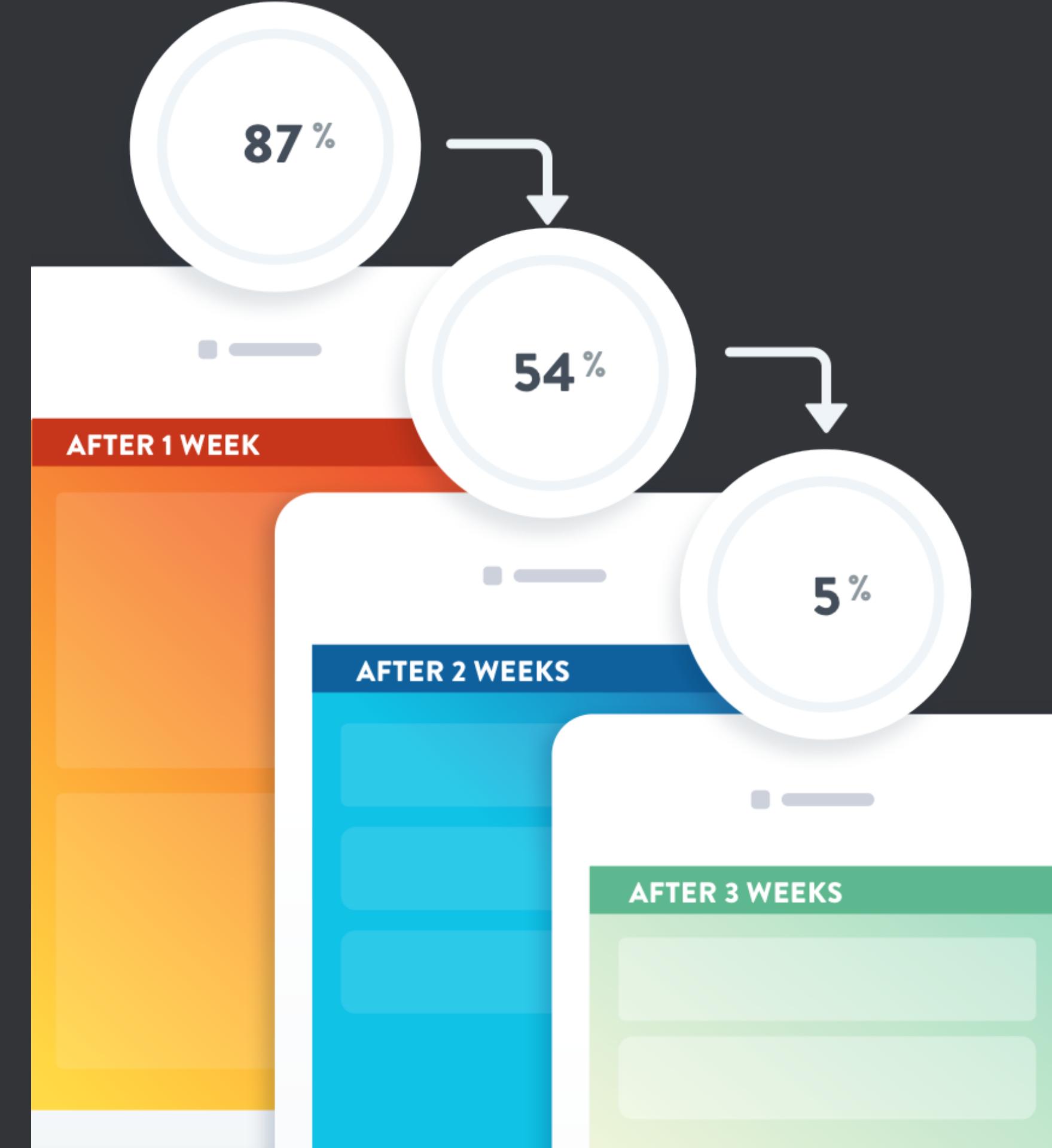
- **Acquisition:** User visits and doesn't leave
 - UV, Bounce Rate
- **Activation:** 1st visit experience
 - Number of page views/time/clicks
 - Sign Up / Subscribe
- **Retention:** Number of visits per month
- **Referral:** Refer 1+ user who visits/activates on the site
- **Revenue:** User generates minimum/break-even revenue

Example tool: Mixpanel



Features

- User analytics
- Funnel measurement
- Automated insights
- Auto-tracking
- A/B testing
- Data exploration





BOOKED HOTEL IN COSTA RICA

June 20 - July 20, 2015 ▾

Completion Rate **34.21%**

BY

Ad Source ▾

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	Signed In	Viewed Listings	Booked Hotel
Overall	9,071 (100%)	7,235 (80%)	3,512 (49%)
Facebook	5,414 (100%)	4,134 (76%)	2,104 (51%)
Google	3,657 (100%)	3,101 (85%)	1,408 (45%)

Conclusion

Digital transformation lies at the crossroad of **operational efficiency, business agility** and **customer experience**.

Organizations that undergo the digital transformation will be empowered to **uncover new opportunities** and **gain a competitive advantage**.

thank you

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