

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

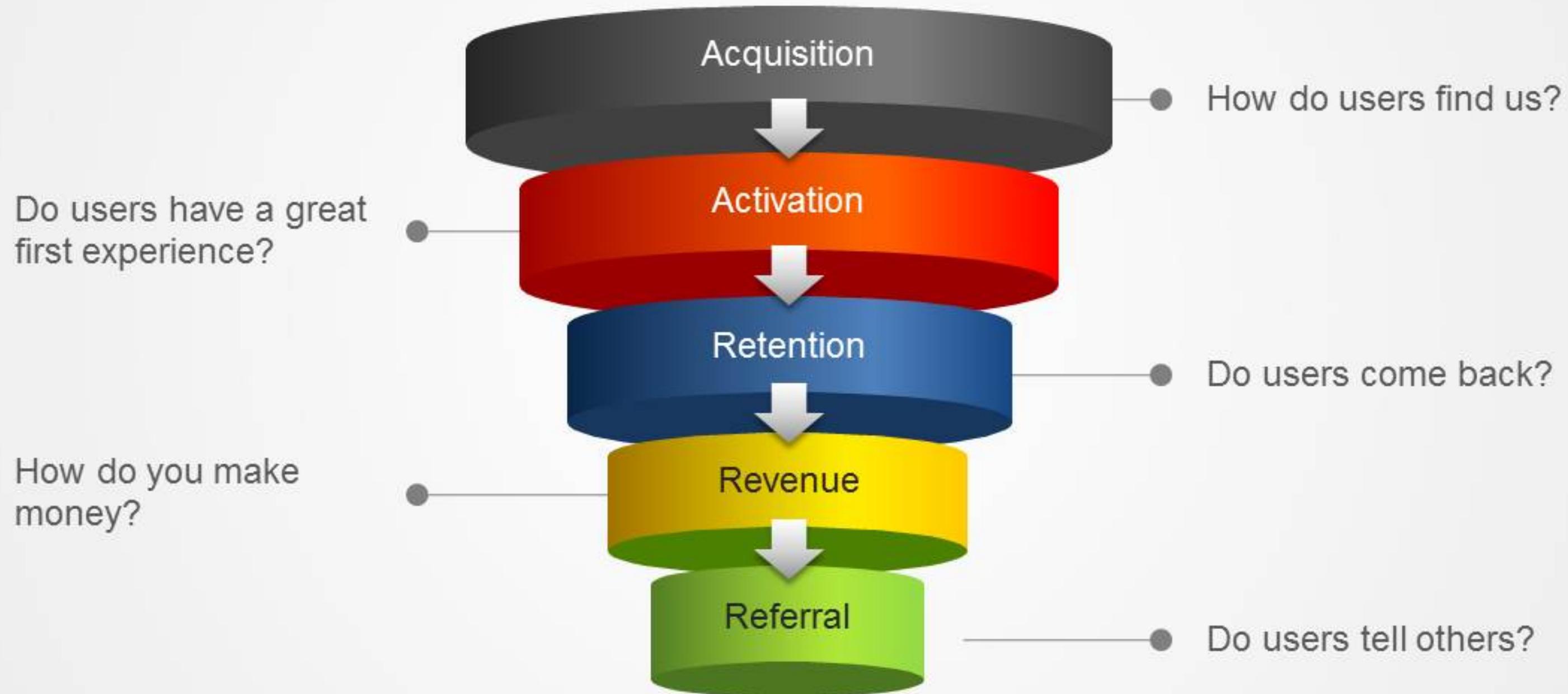
- Modern customers like to "self-serve"
- Customer preferences/priorities:
 1. self-serve
 2. chat with a bot/person
 3. deal with someone on a phone/email/in person

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

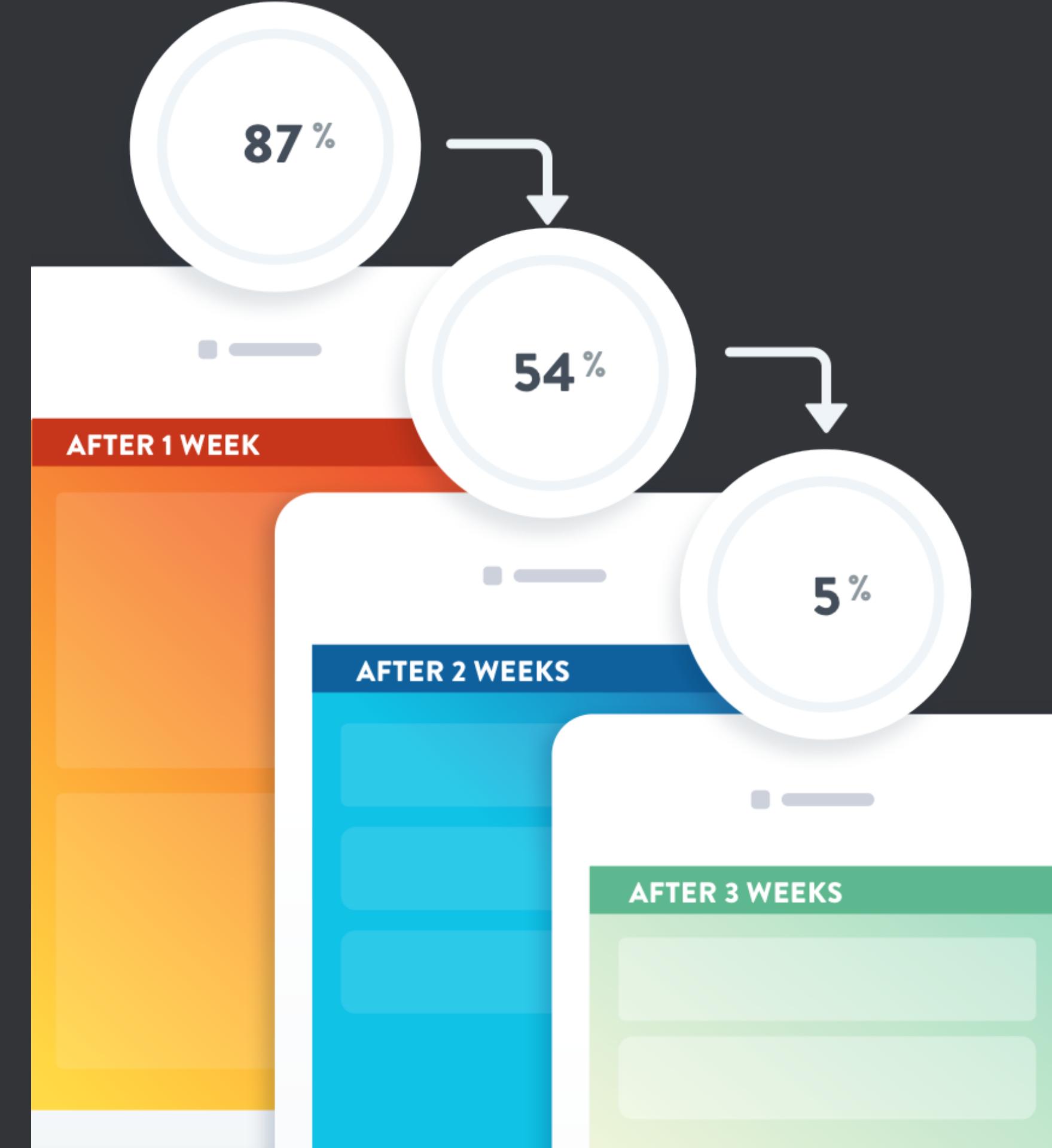
- **Activation:** User visits and doesn't leave
 - UV, Bounce Rate
- **Activation:** 1st visit experience
 - Number of page views/time/clicks
 - Sign Up / Subscribe
- **Retention:** Number of visits per month
- **Referral:** Refer 1+ user who visits/activates on the site
- **Revenue:** User generates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

A table comparing user counts and completion rates across different ad sources. The columns represent the total number of users and the percentage of those users who signed in, viewed listings, and booked a hotel.

Ad Source	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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