



Cisco CIO Summit 2015

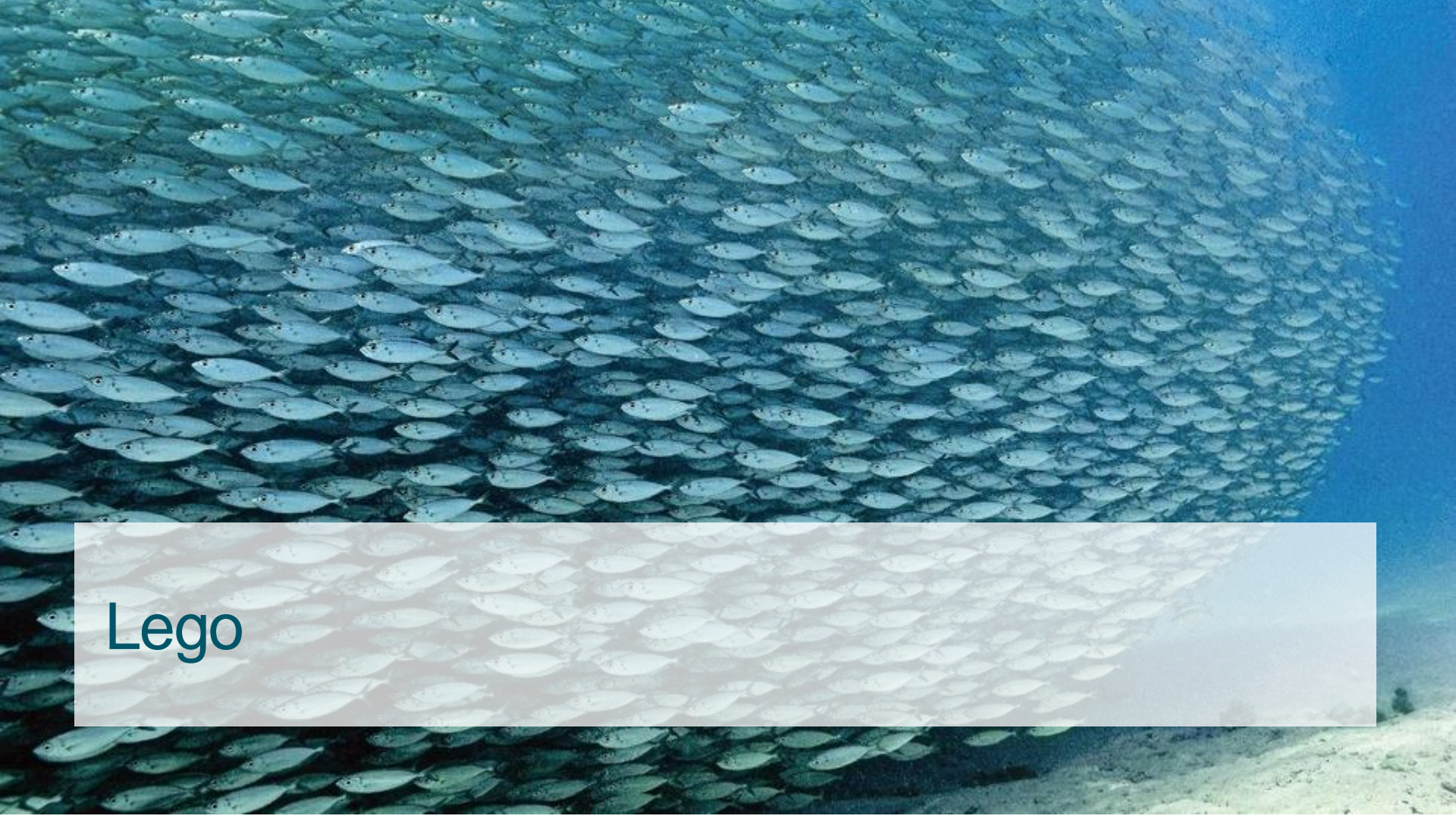
Disrupt or Be Disrupted

Disrupt, disintermediate or delight. How to keep today's customers happy.

Host – Peter Karlstromer
Vice President Northern Europe, Cisco

What we will discuss in our session today

- Introductions from Peter – 10 mins
- Henrik Amsinck from Lego – 15 mins
- Jens-Peter Labus from Media Saturn – 15 mins
- Group discussion – 40 mins
- Summary and next steps – 10 mins

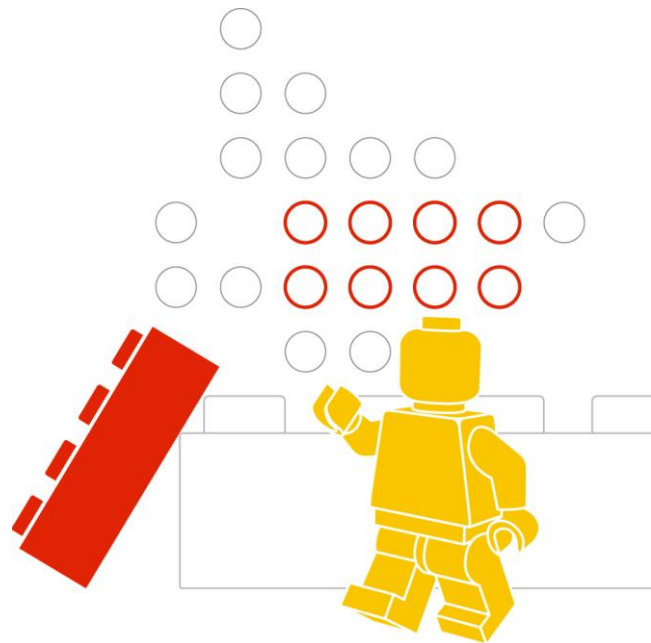


Lego



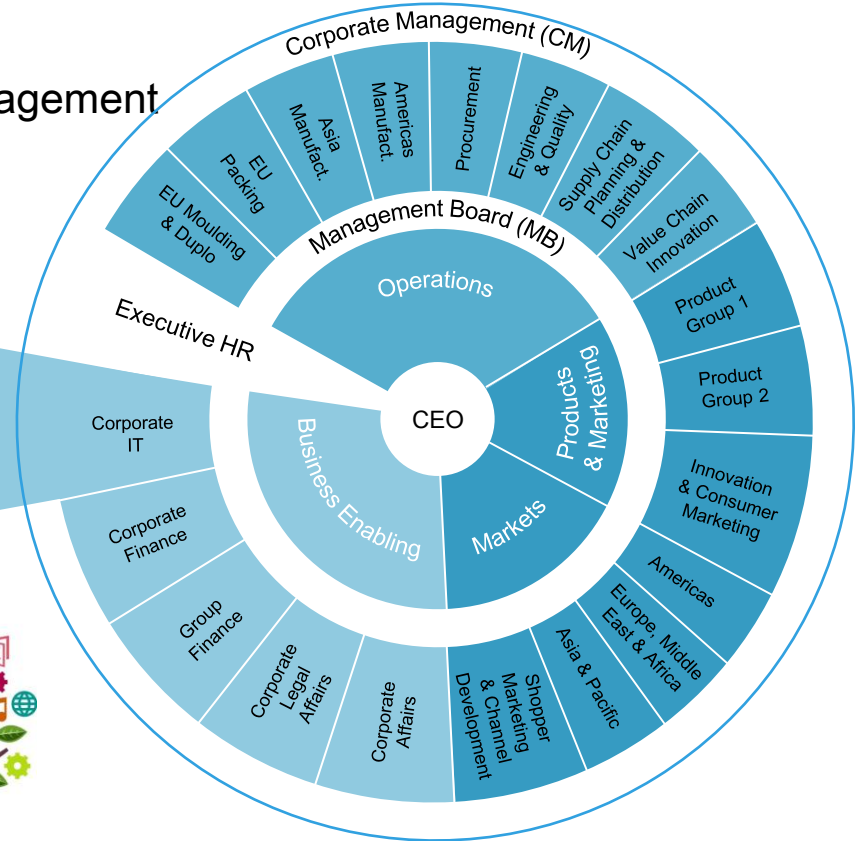
Digital Moves at LEGO

CISCO CIO Summit EMEAR

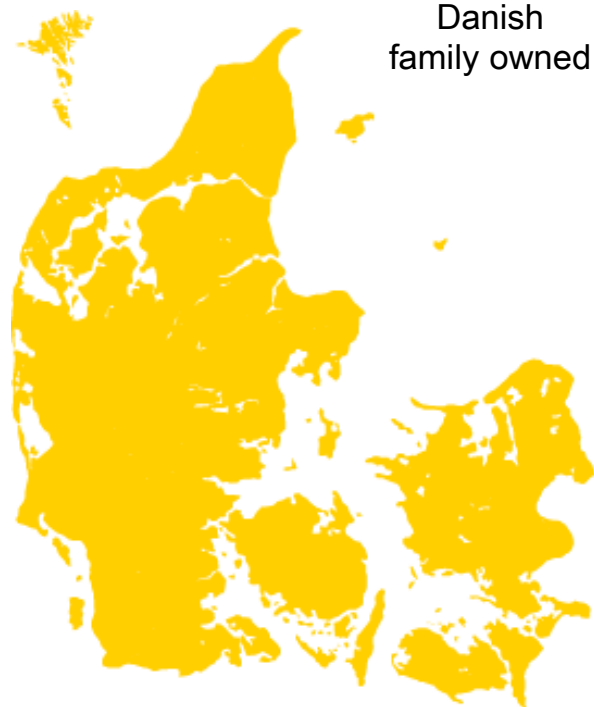




- Chief Information Officer, The LEGO Group
- SVP for Corporate IT and part of Corporate Management



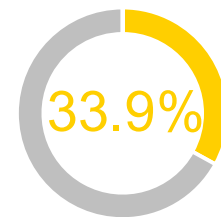
The LEGO Group at a Glance



10 years of consecutive growth

28,6 billion
DKK

turnover 2014



operating margin



employees
End 2014

Sold in more than



countries

85+ mio.

children had a fun, creative play experience with LEGO products in 2014



The LEGO Strategy

Towards the LEGO Group's 100 years anniversary

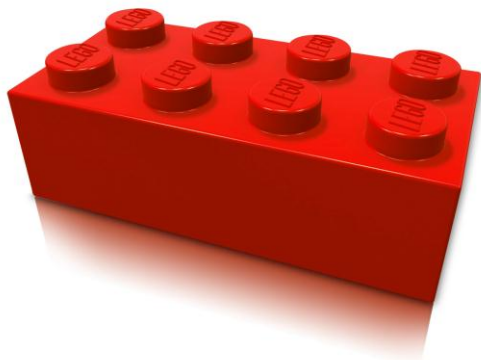
Expand global
presence

Leverage
digitalization

Sustain core commercial and
operational momentum

Create the organization
of the future

Products



Marketing

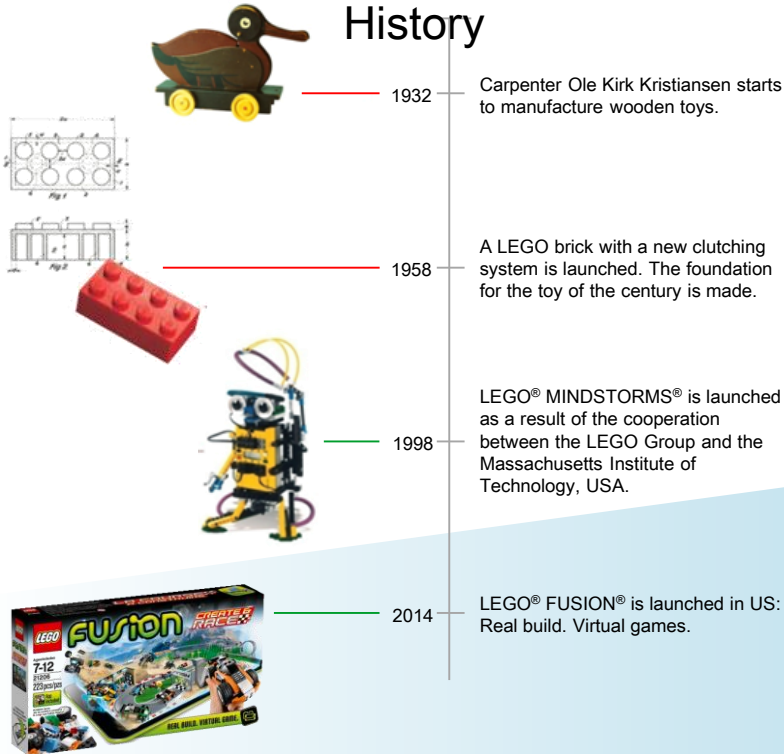


Enterprise



Combining physical and digital play

Some important milestones in our History



Digitalization of play
keeps growing

Traditional Marketing



Instore



TV advertising



Print



Brand Catalogue

Digital Marketing



LEGO.com / online games



Social media



Movies / TV-series

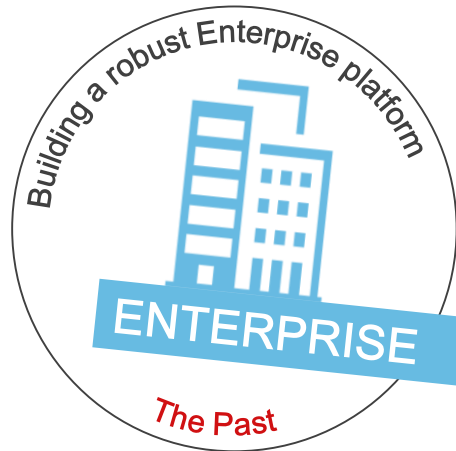
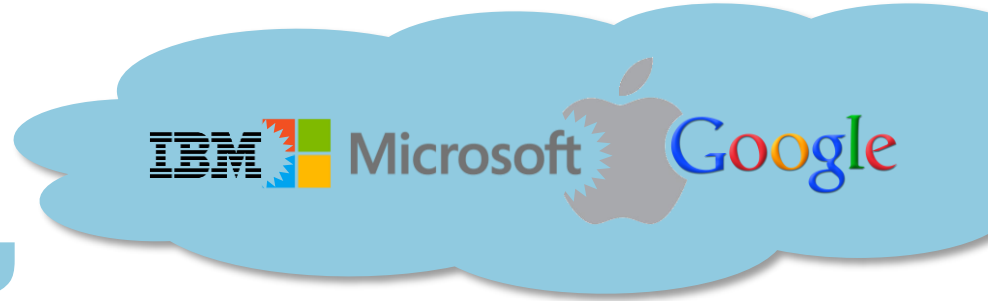


LEGO Club

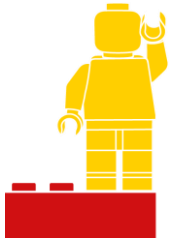
Consumerization of Enterprise IT

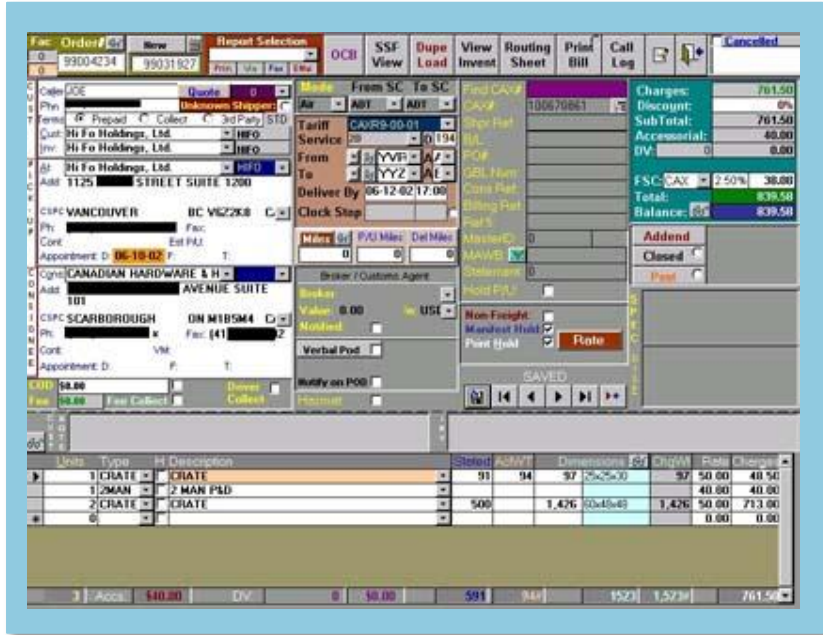


Employees' experiences as consumers shape their expectations in the workplace

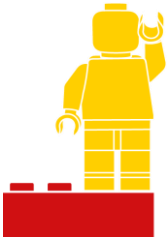


PERSONAL

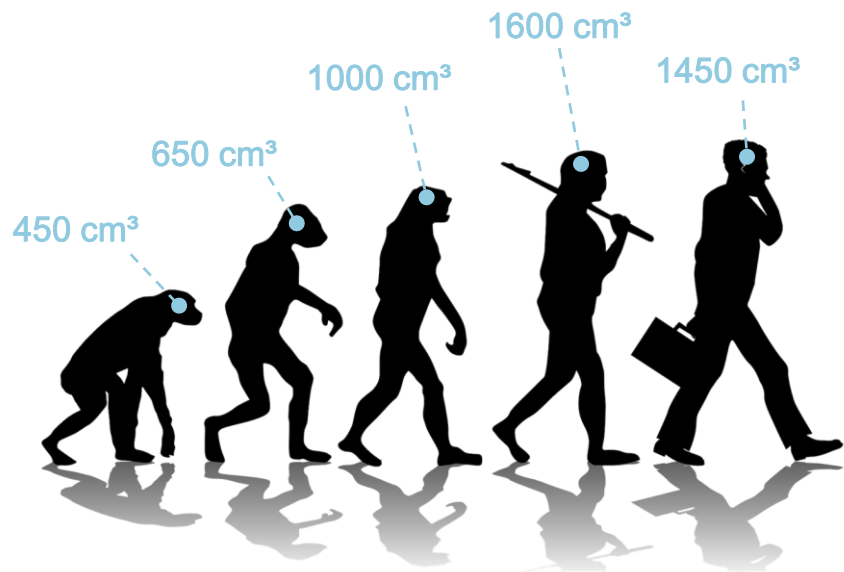




This is not a made up application
Rather, this is a real result of technical and business designers trying to please everyone and accommodate every possible scenario ...



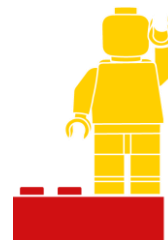
The truth about our brain



“

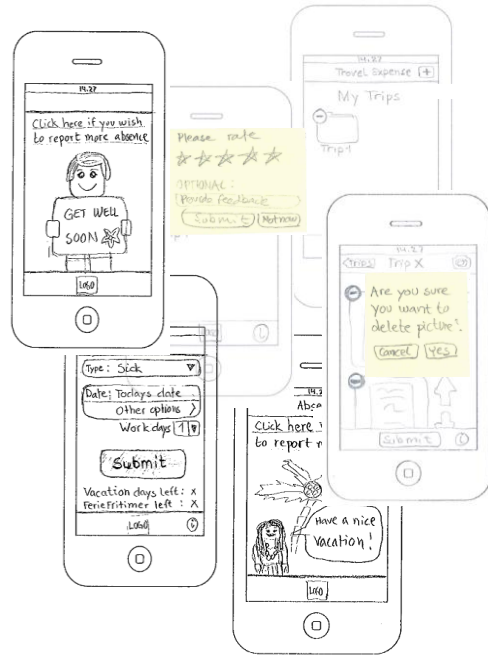
With some evolutionary irony, the past 10.000 years of human existence actually shrank our brains

”



Our first move at LEGO

Easy made specifications ...



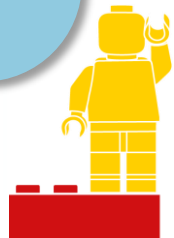
... Turned into many new Apps



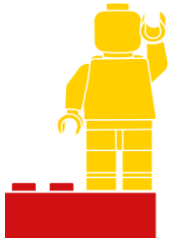
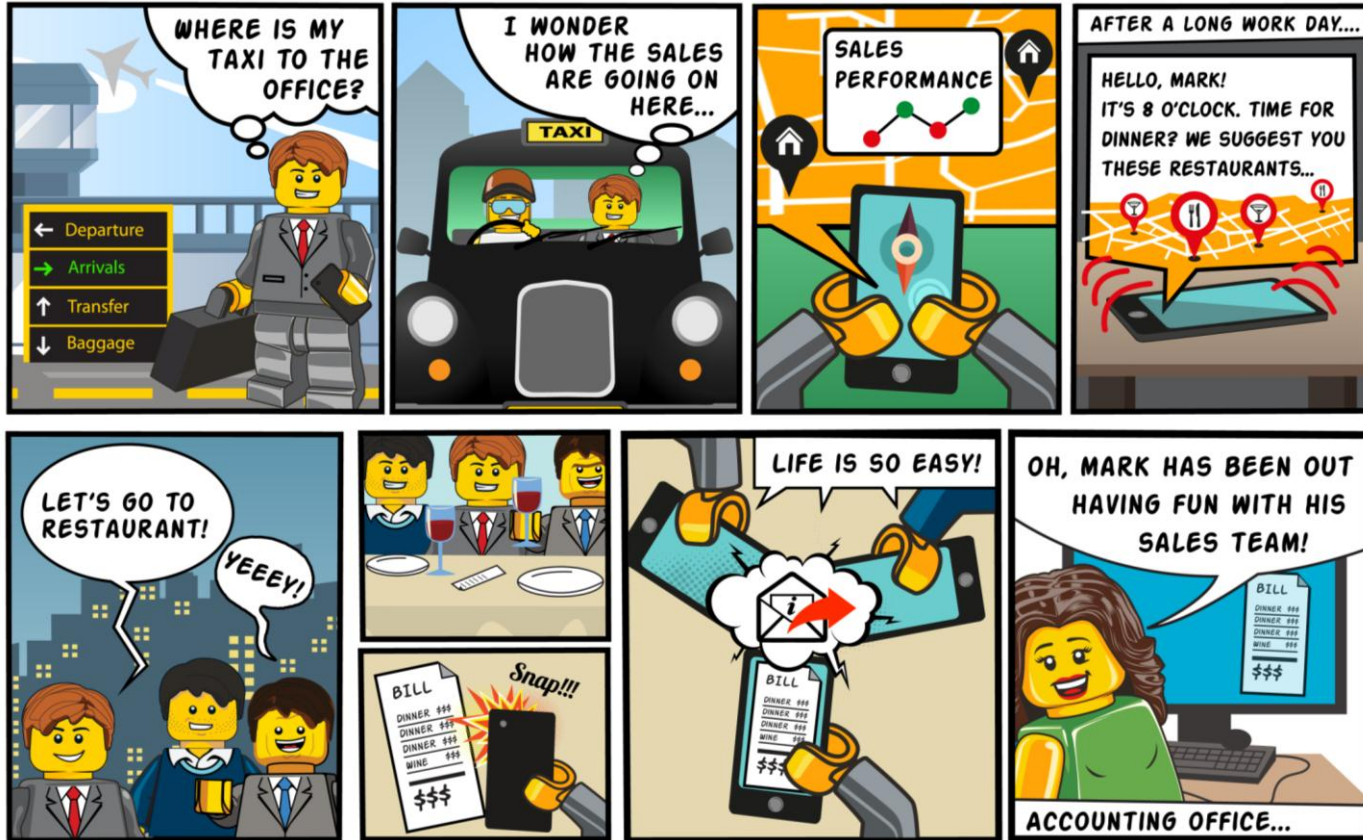
Travel Receipts



INFORMATION FLOW



An example of how far we go – The travel scenario



Our recipe and benefits

Full simulation with 100% user involvement before development



Maximum use of mobile context to identify:

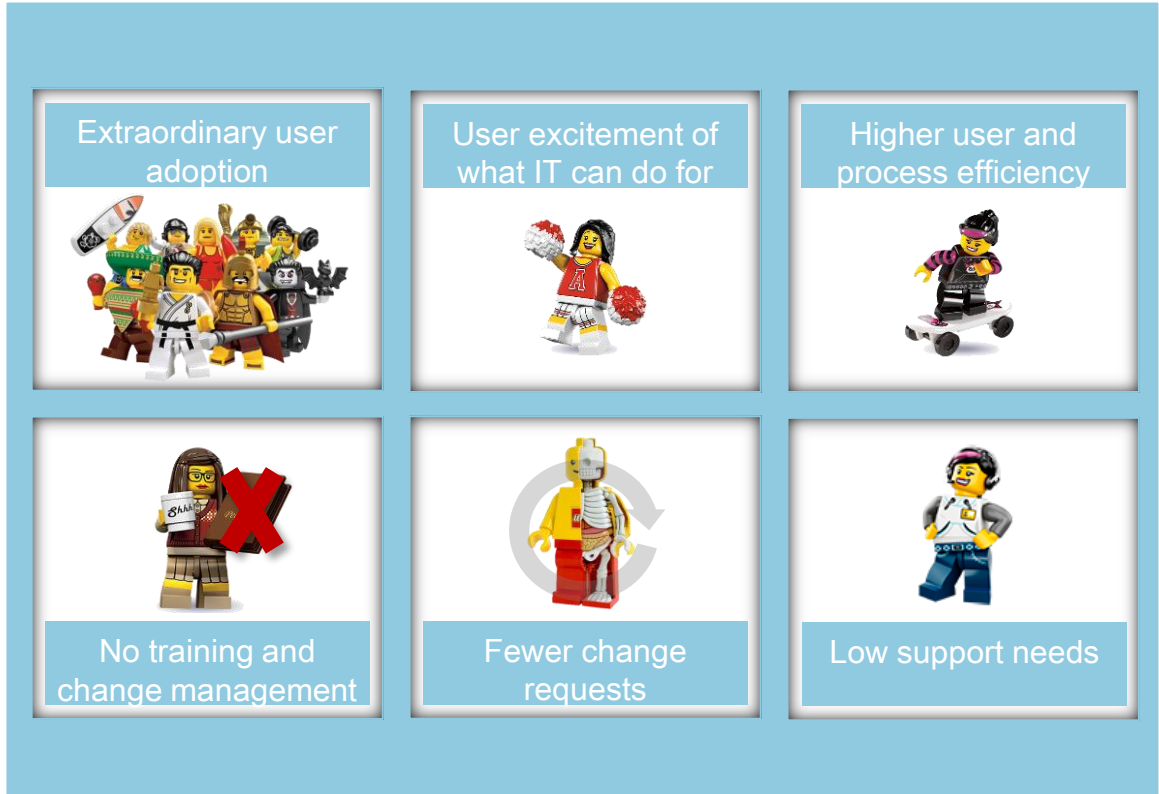


Who you are

Where you are



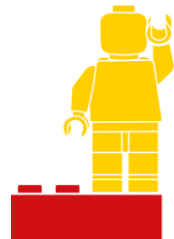
What you want



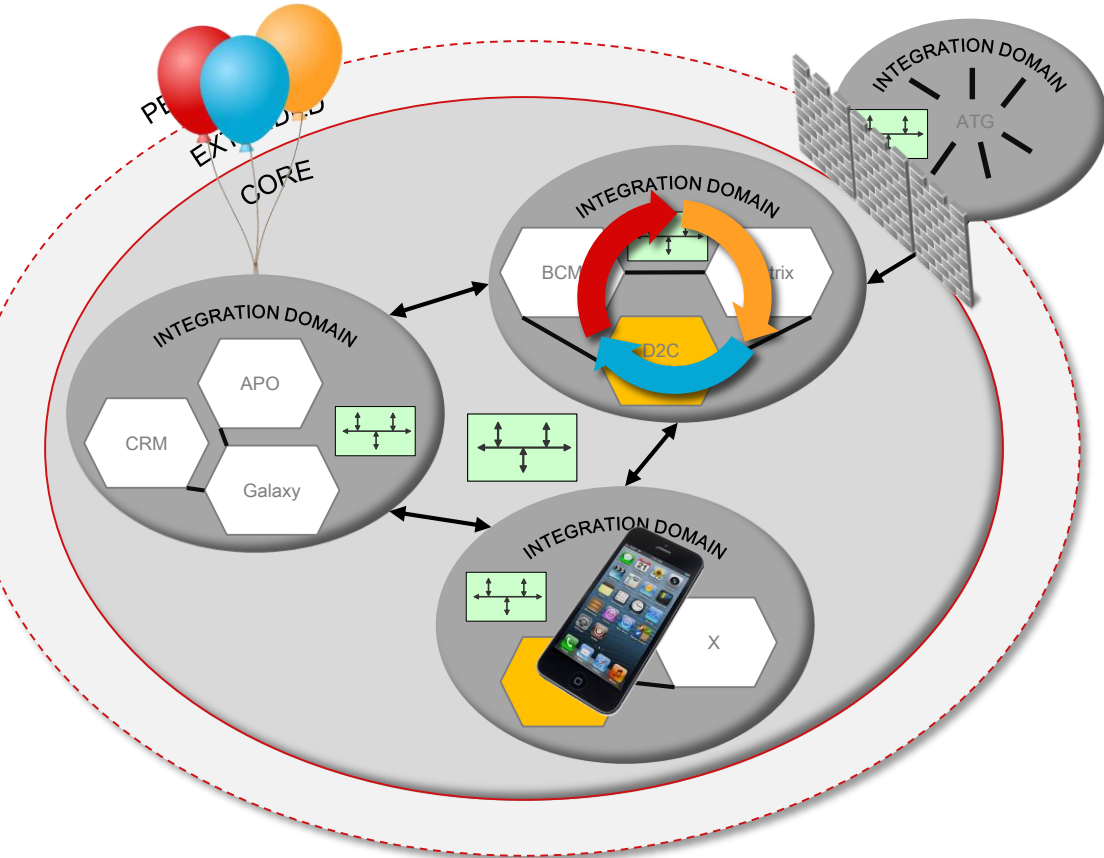
In 2001 the Enterprise Monolith was in fashion



The Monolith approach
is not compatible with
the digital age



A decoupled Enterprise Platform is one of our strategic moves



An Integration Domain is a logical concept for a set of business systems supporting one or more related business processes

- › Integrations across and within integration domains are managed through a number of independent instances of the Enterprise Service Bus
- › A business process runs on one integration domain only
- › Higher availability of the business process (within a integration domain)
- › Easier to provide alternative presentation layers on top of integration domains
- › Security becomes important as some systems runs from public clouds

Historically, two digital front runners at LEGO



Digital solutions

Consumers reach



Chief Digital
Officer

Chief Information
Officer

Enterprise solutions

Employee and customer reach

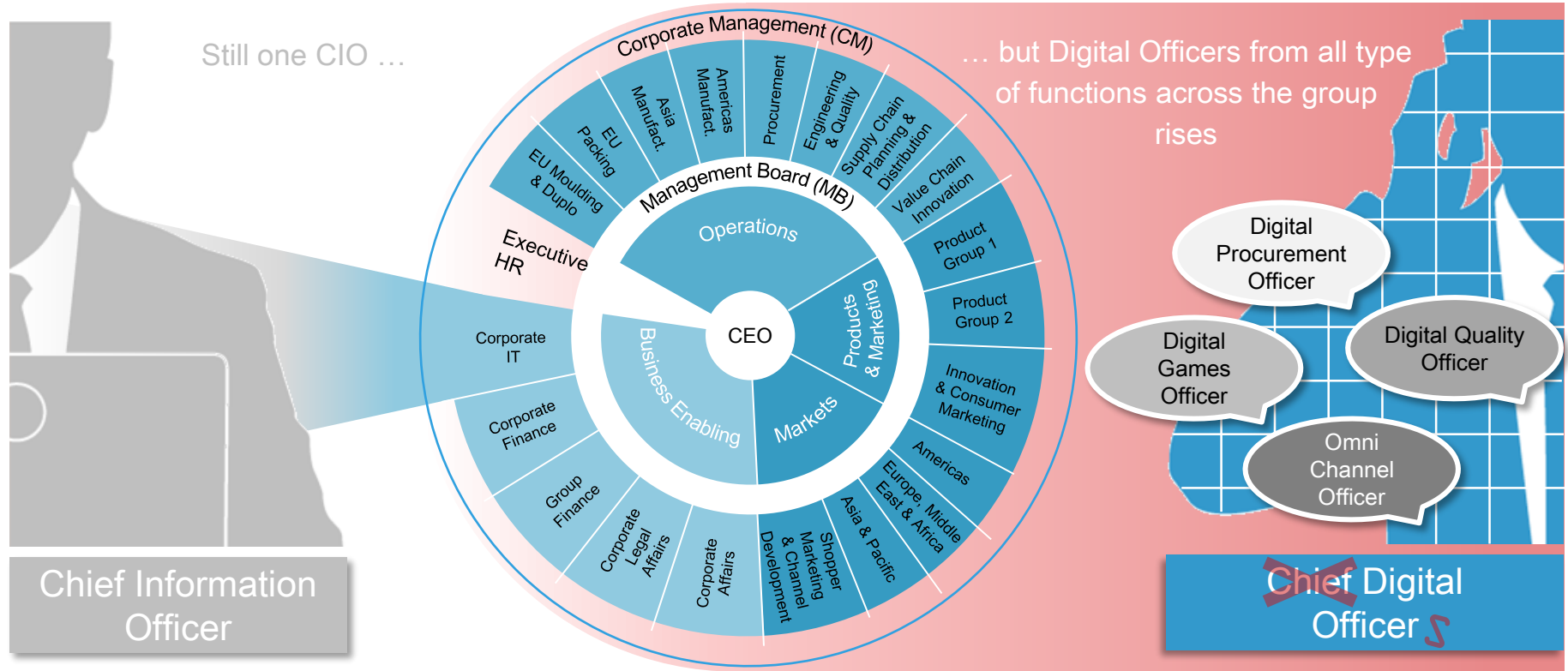
amazon

ToysRUs

Walmart



From one CDO to many Digital Officers



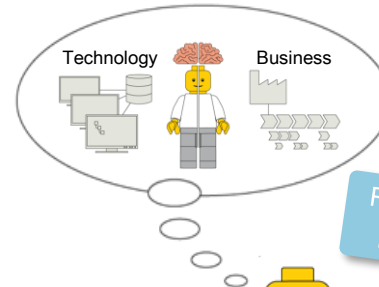
Only the CIO can secure the Enterprise Platform integrity ...



What globalization does for complexity in the organization – Digitalization does for complexity in the Enterprise Platform



IT Strategic Principles for the Enterprise Platform



Revisit your principles !

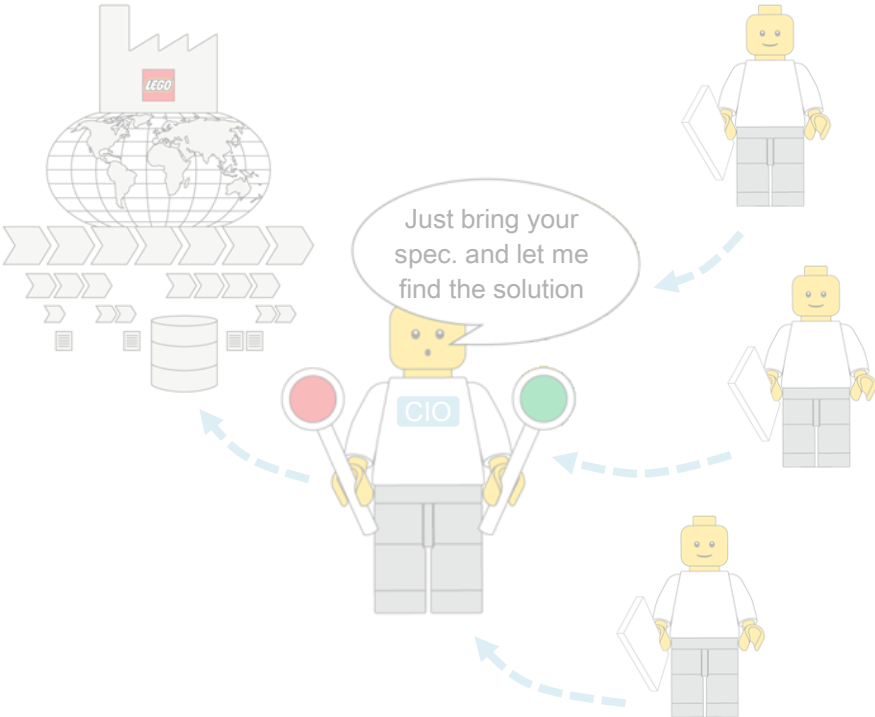


1. One LEGO Group based on global standards and global processes.
2. The LEGO Enterprise Model determines the best application approach.
3. LEGO Resources master the LEGO Enterprise Platform.
4. Any new application is a strategic decision.
5. Use original business logic (do not copy).
... applications best practice
6. ... partners instead of new
7. ...
8. The LEGO data is precious and needs to be protected.
9. Solutions have entire lifecycle

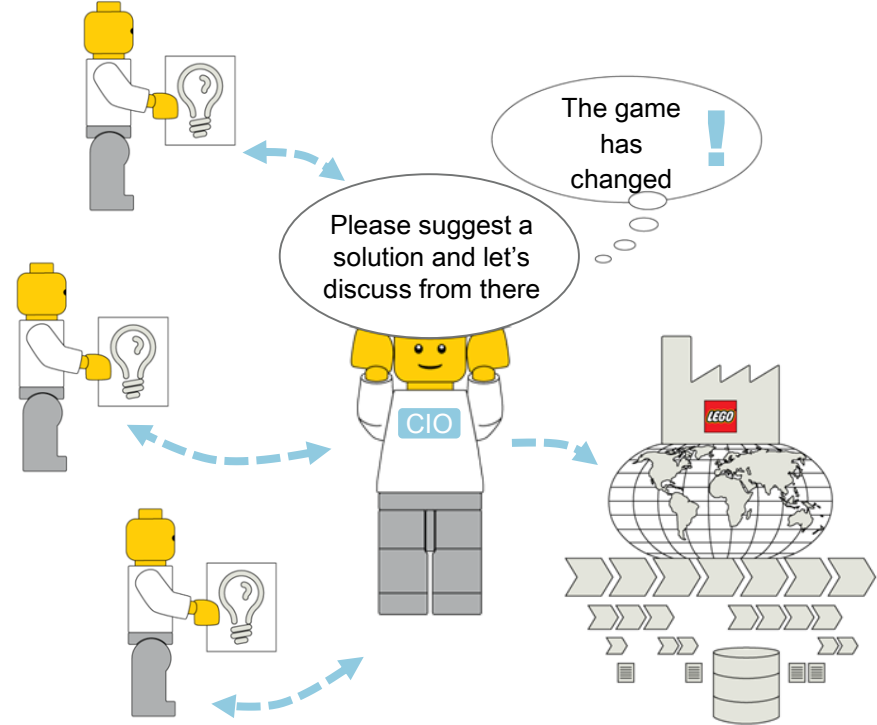


... but the CIO will be highly dependent on the Digital Officers

The Past



The Future



We have entered the digital age



What took us to this point
does not necessarily take us
further

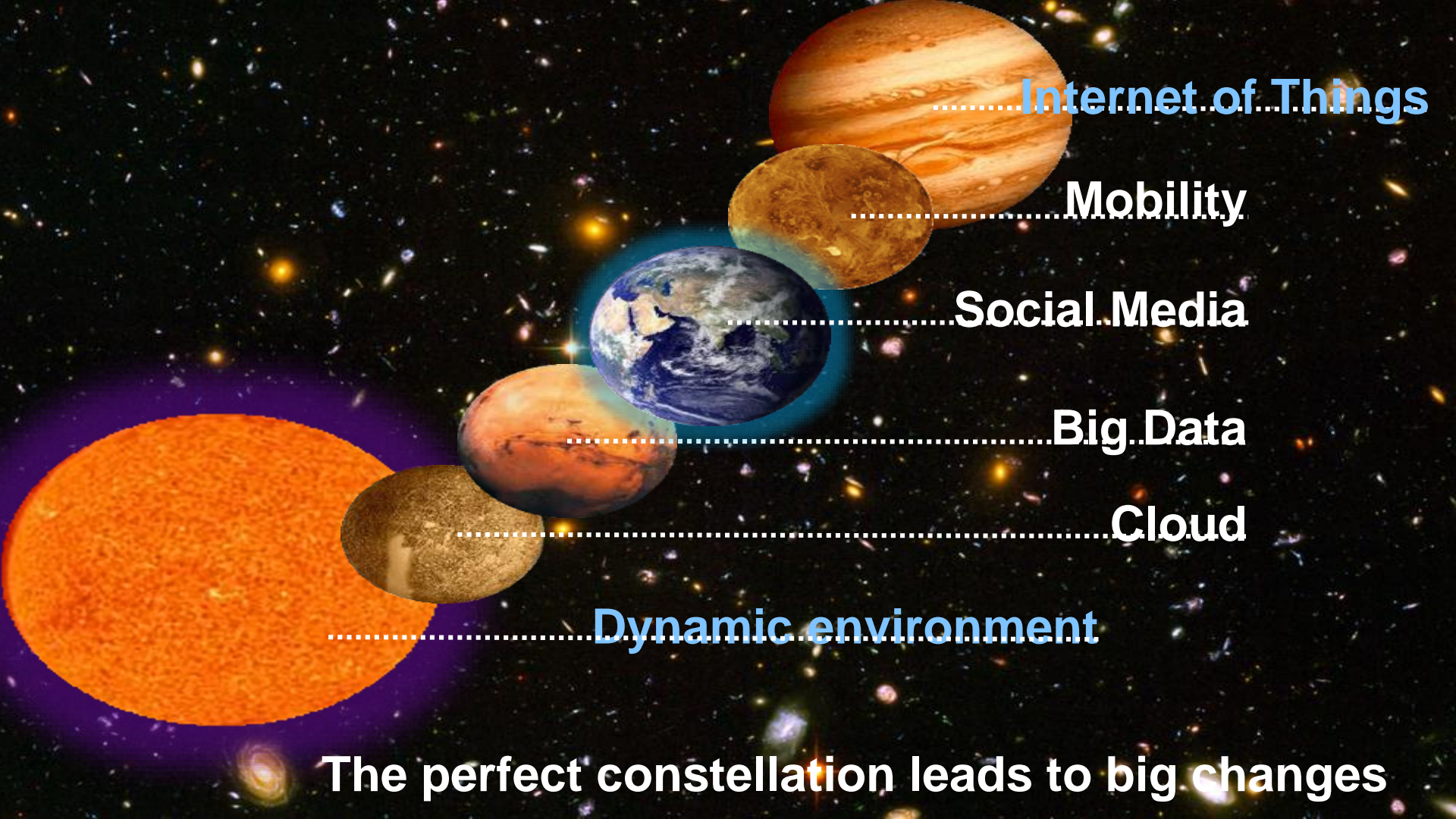




Media Saturn



Sven Gábor
Jánszky
*„Devices may
appear more
human than
sales
associates“*



.....Internet of Things

.....Mobility

.....Social Media

.....Big Data

.....Cloud

.....Dynamic environment

The perfect constellation leads to big changes

Retail Innovation

Customer Experience



Interactive

Supply Chain

Internet of Everything

Delivery

Website

Digital product and services

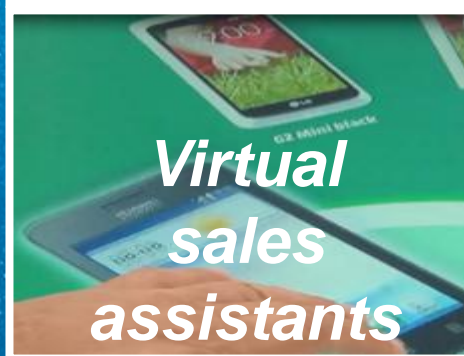


any product

anytime

anyplace





Getting physical



Berlin



Bonobos
Boston



Global

Getting digital

WalMart
Labs
San Bruno
CA



Peapod
Propulsion
Lab
Chicago



Digital
Labs
London



Scenario United Kingdom 2018

Stores

- Closure of 61.000 stores
- Many malls will close

Retailer

- 164 retailers in administration
- 22.600 stores close

People

- Loss of 316.000 jobs
- thereof 140.000 thru administration



Joshua
Bamfield

***Market
share of
eCommerce
retailing will
grow to 21%
by 2020***

A large school of blue fish swimming in clear blue water. The fish are densely packed and move in a coordinated pattern, creating a shimmering effect. The water is a deep, clear blue, and the fish are a vibrant blue color. The school of fish is the central focus of the image, filling most of the frame. The background is a gradient of blue, suggesting a deep ocean environment. The fish are swimming towards the right side of the frame.

Question Time

Q1

In your industry do you feel:

- a) more like a disrupter?
- b) or are you being disrupted?
- c) both?

Q2

What does disruption mean to you?

Q3

Given the changes in your industry from digital disruption, how is your role as a CIO changing?

Q4

What skills could you/are you picking up from other industries to change your way of working?

Q5

Are products and services becoming more blended in your industry?

Q6

Which technology/ies are you experimenting with?

Q7

How do you keep up with customers demands? How are you creating new customer experiences?

Thank you

