Winning in the Digital Economy
A Viant Exploration

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Digital Changes Everything

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- Power shifts from producers to consumers -- power in the form of information
- Informed consumers or “end users” means that end use drives product/service definitions
- Old producer-driven market definitions are giving way to new consumption-driven markets, in the advent of a pervasively wired business and social environment
- The wired business & social environment means that these new markets are not only different -- i.e., defined by patterns of consumption, not by preferences of producers -- but more efficient
- Technology is no longer merely a mechanism for enabling strategy, but a force in shaping powerful new options -- new operating models, product/service opportunities, channel configuration -- inside of emerging markets
Winners must embrace new rules of “digital competition”

Equilibrium prices, repetitive operations, which means:
- Keep product flowing
- Standardized products
- Predictable cycles
- Fixed infrastructure
- “Plan-choose-act”
- Hierarchical organization, focused on the process

Increasing returns and “winner-take-all” quality, which means:
- Create knowledge “lock-in”
- Customized solutions
- Compressed business cycles
- Flexible capabilities
- “Act-learn-choose”
- Intra- and inter-organizational teams, focused on outcomes

Source: W. Brian Arthur, Viant research.
Against this context of market turbulence, winners must grow

To grow, firms must:

1. Generate breakthrough ideas through innovation

2. Become and remain agile: learn and adapt, quickly

3. Make decisions quickly, and move swiftly to action

4. Get all parts of the organization working symbiotically

5. Learn constantly

6. Embrace technology as strategic -- not merely as an enabler

7. Acculturate -- embed all growth mechanisms and philosophy in the culture of the organization… and culture = behavior !!
Growing strategically requires all growth mechanisms and philosophy embedded in culture

Viant Business Model