

# How Mid-Market Companies Can Innovate Like Amazon, Netflix, and Google (Without Spending Millions of Dollars)



“There is no success without disruption, particularly when it comes to the digitization of the world around us. In essence, go digital or go home.”

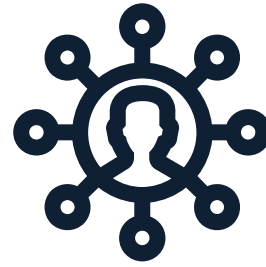


John Chambers  
Former CEO of Cisco Systems

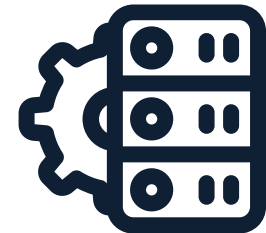
There are three ways to unlock your growth for business that are not just delegated to big companies. Winners focus on making their businesses different through technology, not on the technologies themselves. They think differently.

Our client, an 80-year-old traditional mid-market security company utilized these three differentiators in digital to acquire bigger clients and introduce new potential business models that transform how the company operates today.

Let's dive into the differentiators and explore how our client used these differentiators to grow their business.



**STRATEGY #1**  
**BUILD AN AMAZING**  
**CUSTOMER EXPERIENCE**



**STRATEGY #2**  
**AUTOMATE REPEATABLE**  
**OPERATIONS**



**STRATEGY #3**  
**REINVENT YOUR**  
**BUSINESS MODEL**

## STRATEGY #1

# BUILD AN AMAZING CUSTOMER EXPERIENCE

The first step in building a great customer experience is to truly understand your customers' journeys. **However, the primary goal is to thoroughly rethink the way the journey works, instead of simply fixing inefficiencies along the way.**

The customer experience isn't just how friendly the staff is or how great a product is. Customer experience in the lens of digital is about making a positive interaction in every single touchpoint a customer has.

Consider how the line is blurred between products, services and even physical space for many companies in various industries. A bank is a great example. Here are questions to ask when thinking about improving the customer experience.

- Is it easy to check my balances?
- Is it easy to pay friends and services from my phone?
- Can I access my bank account + my car payment loan on one login?
- Can I chat with customer service on their site?
- Is the wait less than 3 minutes to talk to someone from customer service?
- What does the physical space of my bank look like? Is it welcoming?

Customer experience in digital transformation is all about the hyper-focus on the customer, not the technology. The technology supports the customer and should never be driven by shiny new technology tools.



## CUSTOMER EXPERIENCE CASE STUDY

# WE HELPED A SECURITY COMPANY RETHINK THEIR CUSTOMER JOURNEY TO BUILD AN AMAZING EXPERIENCE.

Our security guard client, who manages security for stadiums, warehouses, prisons and other large facilities, struggled with effectively monitoring security guard compliance across their facility locations. They approached Egen to build a digital experience that will allow them to monitor security guard effectiveness in real-time, and enable facilities to make proactive decisions quicker.

Using beacons and mobile technology, Egen built a real-time facility management solution so that facility owners know if their security guards covered all of the checkpoints in the right time frame required to keep the facility safe, all from a single dashboard. This now allows managers to uncover issues that are leading to security gaps such as sleeping guards or understaffed facilities in real-time as opposed to waiting until the shifts were complete.

It was this technology that differentiated them when pitching a multi-billion dollar company to monitor their massive warehouses. Their client was so impressed with the solution, in addition to the services rendered, that they beat out other leading vendors.

### **Key Results**

- Real-time reporting and alerts on compliance issues. They know which client, and specifically which security guard is not compliant.
- Assign guards through a central dashboard that gives you full visibility into guard availability with just a few clicks.
- Rules engine to pre-define beacon compliance levels, set alerts for violations, and flag guards who miss checkpoints in order to identify underperforming personnel.

## STRATEGY #2

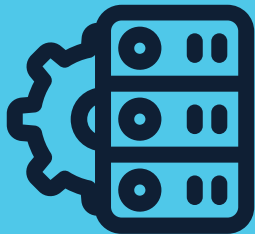
# AUTOMATE REPEATABLE OPERATIONS

I'm going to sound like an infomercial or a cold email you receive 5 times a day, but what if you could automate parts of your business so you can focus on growth? Automation is often talked about but feels out of reach for many mid-market companies.

Industry after industry, companies with better operations create a competitive advantage through superior productivity, efficiency, and agility. The operational advantage is difficult to copy because it comes from processes, skills, and information that operate together like a well-tuned machine.

The framework we use internally and with our clients is to understand **what critical and repeatable processes can be accelerated with high reliability through the use of technology automation?**

It's often not just the cost savings, but it allows your team to focus on what matters most. In many mid-market companies, this could mean accounting, IT back-end processes, reporting and any difficult decisions that can be made using machine learning.



On average, bold, at-scale responses to digital disruption pay off twice as much as semi-bold reactions and three times as much as medium reactions.

McKinsey&Company

[The best response to digital disruption](#)

# AUTOMATION CASE STUDY

## WE HELPED A SECURITY COMPANY RETHINK THEIR DIGITAL OPERATIONS.

A big part of creating a great experience for our security guard client involved behind the scenes work to automate key processes. It's great that they can now see real-time insight into their facilities operations, but we knew there was an opportunity for operations to be much more efficient across the entire organization.

Here's the one key theme we stated when framing the problem:

**How can we improve operations centrally and on each client-side through the use of digital?**

This new solution was so well-received and differentiated them from their competitors that it helped them break into the security operations of a billion dollar company.

In many cases, processes can be automated. Some are obvious, and some require a bit more thinking. Here are some processes that are perfect for automation:

### **How we did it.**

- We automated the compliance reports that were once done manually.
- We centralized operations to one single, real-time dashboard located in the company's headquarters.
- We made the security guard experience seamless. The technology was invisible, and the positive results to security guard behavior were immediate.
- We made it easier to deploy security guards.

## BEST PRACTICES FOR DIGITAL OPERATIONS

### **Automate repetitive tasks.**

If you have staff dedicated to doing the same activities, it's worth looking into how these processes can be automated.

### **Use structured data for logical decision making.**

The more structured the data, the easier it is to automate.

### **Streamline repeatable processes to save time.**

Every organization has a few business processes that take them much longer to complete than necessary.

## STRATEGY #3

# REINVENT YOUR BUSINESS MODEL

Transformative business models, such as Uber, are rarely just a technology story. Digital technology is, of course, core to the success, but it is wrapped in many other elements that together make a great business model: supply-side control, economic model, customer experience, and efficiency in execution.

Business model reinvention sometimes involves radically shifting what you sell, how you sell it, or how you make money. The shelf life of existing business models is becoming shorter, questioning the very notion of lasting competitive advantage.

Reinvention may involve reimagining the nature of competition in your industry or reconfiguring your value chain to deliver at a substantial efficiency advantage against your competitors. The key is that data is at the center of the reinvention.

We frame our problem like this: How can we collect and use data to reinvent our business models?

### **Without data, you are at best, guessing.**

It's a big reason why we created our proprietary platform, Kernel, that allows businesses to connect disparate data systems so they can easily build applications and dashboards on top of legacy systems.



“Uber, the world’s largest taxi company, owns no vehicles. Facebook, the world’s most popular media owner, creates no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world’s largest accommodation provider, owns no real estate. Something interesting is happening.”



Tom Goodwin  
EVP Innovation Zenith



## STRATEGY #3 CONTINUED

# REINVENT YOUR BUSINESS MODEL

There are plenty of ways to look at business models. Here are five ways to reinvent your business model along with relevant examples. Whatever your industry, you need to be on the forefront of challenging your current business model. Otherwise, someone else will.

### 1. REINVENT THE INDUSTRY

The same way Uber reinvented the taxi industry and AirBnB reinvented the hotel industry.

### 2. SUBSTITUTE PRODUCTS FOR SERVICES

Rent the Runway is a great example of a company who substituted products for services. Instead of buying a high-end designer made dress, you can now rent them for a few days for 10% of the cost. They also offer subscription plans for \$159 / month that allows you to get access to unlimited designer brands and have up to 4 at a single time.

### 3. CREATE NEW PRODUCTS AND NEW DIGITAL BUSINESSES

Brandless.com is an all digital eCommerce store that allows you to buy high-quality products at a fraction of the cost of major brand names. In fact, everything is \$3. Instead of paying \$5 for Aunt Jemima Syrup, you can get the same quality syrup for, you guessed it, \$3.

### 4. RECONFIGURE VALUE DELIVERY MODELS

Recombine products, services, and data to change the way a firm plays in the value chain. Warby Parker has redefined the distribution model of prescription eyewear that is normally dominated by Luxottica. Warby Parker launched their brand by sending customers multiple pairs of eyeglasses and letting them try it on in the comfort of their own home.

### 5. RETHINK VALUE PROPOSITIONS

Use new digital capabilities to target unmet needs for existing or new customers. A good example of this is Japanese Insurer, who used data to understand new services. They now offer non-traditional services such as on-demand insurance for skiing, golfing, and other travel-related activities that previously were needs but were not met.





## **BUSINESS MODEL CASE STUDY**

# **WE HELPED A SECURITY COMPANY REINVENT THEIR BUSINESS MODELS.**

In the case of our security guard company, they are now positioned to expand on their service offerings. The digital platform that is now installed in hundreds of locations opens up new business model opportunities for our client that were previously never possible.

### **UBER FOR SECURITY GUARDS**

Instead of contracting a security company to deploy security professionals, companies could use this platform to source from a pool of security guards across companies. It gives you some of the following business benefits:

- Ability to see ratings and professional history of every security guard before deploying them.
- Ability to staff your facilities on-demand without signing expensive contracts.
- Ability to charge a subscription fee for the use of their platform + transactional fee for placing security guards.

### **ROBOTIC MONITORING AT SCALE**

Instead of using physical security guards to monitor facilities, you could use video cameras, sensors, and artificial intelligence to perform activities a human being would have performed before. You could also use smart robots that use artificial intelligence and machine learning to monitor defined routes. Here are some clear benefits:

- Scale operations without the need for hiring additional staff.
- Upgrade and train robots through daily software updates. No need to re-train staff.

### **DATA INTELLIGENCE**

Data science algorithms can help create an optimized security profile for any given site, and scale across multiple locations.

- This means you can set constraints for factors such as: required or desired compliance rate, number of guards on duty, number of shifts, number of routes, time and length per route, incident rate, and customer cost.
- Get an optimized solution that minimizes or maximizes the constraints you care about most.

# CONCLUSION

In summary, Digital disruption and innovation is not just for the biggest technology companies. The technology to disrupt how your company operates is more accessible than ever. The question isn't what can this technology do for you, but how could technology help you build better experiences for your customers, optimize your operations, and lastly, introduce new business models?

## **How Egen can help you.**

Egen specializes in helping mid-market companies grow through our digital strategy and product execution teams. The three areas we focus on to help our companies grow are customer experience, automation of business processes, and business model innovation.

Here are some questions that we consider when working with mid-market companies.

### **Customer experience**

- How would a superior customer service differentiate you from your competitors?
- How could a better customer experience drive revenue?
- How can technology enable you to drive a better experience?

### **Automation of key business process**

- How could automating key business processes help drive a better customer experience?
- How could automation create a competitive advantage?
- How much money could you save by automating key processes?

### **Business model innovation**

- What business models can emerge that could drive additional revenue?
- What services could you create based on your current competitive advantage in the marketplace?
- What partnerships could you utilize to compliment your core service offerings?



If you would like more insights into a solution for your business, please feel free to contact us at [digital@egen.solutions](mailto:digital@egen.solutions)