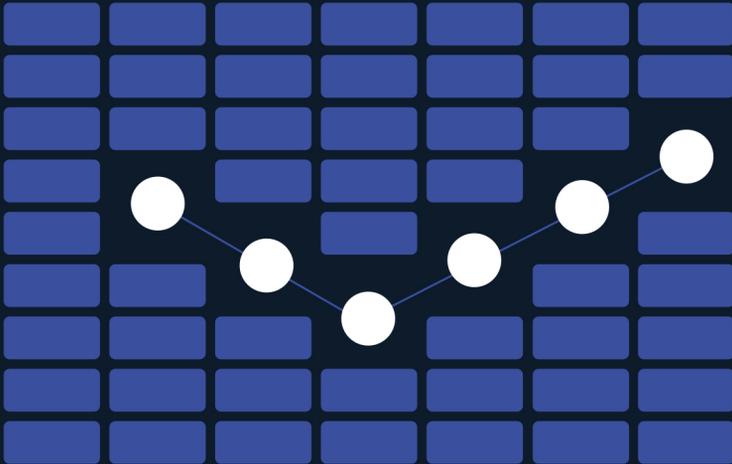


BREAK

THE WALL

WHY AND HOW TO DEMOCRATIZE
DIGITAL IN YOUR BUSINESS



Zeynep Aksehirli, Yakov Bart,
Kwong Chan and Koen Pauwels



AMERICAN MARKETING
ASSOCIATION

BREAK THE WALL

Break the Wall offers a clear, concise guide to successfully leading digital transformation. Importantly, this is as much about culture and organizational empowerment as it is technology and business strategy. The authors have studied a wide range of companies who have been through this journey and distilled their collective experience and wisdom into seven key insights that will give you a tremendous advantage in yours.

—*Scott Brinker, VP Platform Ecosystem at HubSpot, Editor of chiefmartec.com*

“Digital Transformation” is probably one of the most popular business buzzwords these days, but the urgency of it is still real. At this point, most business leaders have a good sense of the “what” and the “why,” especially because we see it every day in the leading brands who are capturing more of our spend. But the “how” can feel daunting. In “Break the Wall,” the AMA does a masterful job of laying out why transformation is not just proclamations from the top and moving budgets around. It stems from a customer-first, data-first approach to looking at one’s strategy. And when you do, it quickly becomes clear that removing the “walls” within most organizations, which were set up for an older vision of efficiency and control, becomes one of the most important accelerators of change. Whether it is linking data, bringing cross-functional teams together to improve customer journeys, speeding up time to market, or just bringing more diverse views together to drive innovation, breaking the walls must be a critical priority for the business -- beyond getting the tools, hiring the data scientists, and enhancing one’s design skills. But that’s not easy. The AMA’s book does a masterful job of providing practical examples -- from large, small, B2C, B2B, and businesses across sectors -- that can provide guideposts for how to think through one’s own roadmap for change. Every leadership team realizing that their change efforts have stalled, or who are even just beginning, need to read this book, share their learning, and use that to pinpoint the walls to break and the techniques for doing so.

—*David Edelman, Former CMO of Aetna & CVS*

Every major company is going through digital transformation, yet most of these efforts lead to limited success. In their book *Break the Wall*, the authors provide a clear roadmap for successful digital transformation. Anyone engaged in this journey should read this book.

—*Sunil Gupta, Edward W. Carter Professor of Business Administration at Harvard Business School*

A rare work assembling the world’s leading academics, professionals and thought leaders in confronting one of the great organizational challenges of today: how do we do anything with all of this data? Finally we have a title that can make the process of digital transformation real.

—*Neil Hoynes, Chief Measurement Strategist at Google*

Finally, a book about digital transformation that provides a roadmap to overcome organizational obstacles and achieve the goals that so many companies aspire to. *Break the Wall* breaks the mold, with provocative insights by its all-star authors with a narrative that is so clear and compelling that leadership teams across the enterprise will be inspired to embrace and act upon.

—*Ed Keller, CEO, The Keller Advisory Group*

The book offers an insightful and timely guidance for achieving digital transformation in a post-Covid highly competitive market. The authors managed to create an encompassing framework that emphasizes the iterative-adaptation process that is critical to achieving organizational change in a fast-paced environment. Each chapter provides actionable nuggets, making the book a mirror for executives seeking to identify why existing efforts may not be as effective as expected.

—*Chris Leong, CMO, Schneider Electric*

Packed with pitfalls, stories, and straight talk perspectives from those on digital transformation journey, “*Break the Wall: Why and How to Democratize Digital in your Business*” is a fantastic handbook for today’s leaders. The real-world insights, from different industries, gives all of us the path to close the gap between the current and desired status of our own digital transformation and build long-term organizational resiliency.

—*Diana O’Brien, Former CMO of Deloitte*

Definitely both a “why” and “how” book! Whether you’re just now considering a digital transformation or already halfway through one, *Break the Wall* will give you cause for pause, along with the insights you’ll need to ask the most useful questions, going forward.

—*Don Peppers, author, speaker, and customer experience authority*

AMA Leadership Series

BREAK THE WALL

Why and How to Democratize
Digital in Your Business

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INVESTOR IN PEOPLE

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AMA INTRODUCTION TO BOOK SERIES

Welcome to marketing in the twenty-first century – the age of data, social, mobile, automation, and globalization. The field is changing so quickly, it's difficult to keep up. There is an increasing uncertainty about the profession's mission and responsibilities. Meanwhile, the demands marketers face are ever more complex and critical.

This is why the American Marketing Association (AMA) has engaged some of the world's most innovative professionals, academics, and thought leaders to create *The Seven Problems of Marketing* – a seven-book series that introduces and explores a new set of organizing and actionable principles for the twenty-first-century marketer.

Each book in the series takes a deep dive into one problem, offering expertise, direction, and case studies while striking a balance between theory and application. The goal is to provide a contemporary framework for marketers as they navigate the unique challenges and vast opportunities of today's dynamic global marketplace.

Here are the seven problems addressed in the series:

Problem 1: Effectively targeting high-value sources of growth.

Problem 2: Defining the role of marketing in the firm and C-suite.

Problem 3: Managing the digital transformation of the modern corporation.

Problem 4: Generating and using insight to shape marketing practice.

Problem 5: Dealing with an omni-channel world.

Problem 6: Competing in dynamic, global markets.

Problem 7: Balancing incremental and radical innovation.

Importantly, the books in this series are written by and for marketers and marketing scholars. All of the conceptual and analytical frameworks offered are born from practice. The authors have applied their tools and methods in client settings, allowing them to test and refine their ideas in the face of real-world challenges. You'll read true stories about how marketers have used innovative thinking and practices to overcome seemingly impossible dilemmas and bring about game-changing success. Theories are explored in a way that busy marketers can understand viscerally. Client stories have been incorporated to illustrate how to apply the analysis frames as well as deal with application and practice-based issues.

Our fundamental aim with this series is to hone the practice of marketing for the twenty-first century. The AMA has asserted that there is a critical tension within every enterprise between “best” and “next” practices. Marketers often choose best practices because they are safe and proven. Next practices, which push boundaries and challenge conventions, can be riskier. Few enterprises, however, transform themselves and achieve breakout performance with best practices alone. The next practices discussed in this series are often responsible for driving outperformance. The books in this series are designed to engage you on two levels: individually, by increasing your knowledge and “bench strength,” and organizationally, by improving the application of marketing concepts within your firm. When you finish each book, we are confident you will feel energized and think differently about the field of marketing and its organizing principles. Through the explanation of theory and compelling examples of its application, you will be empowered to help your organization quickly identify and maximize opportunities. After all, the opportunity to innovate and make an impact is what attracted most of us to the field of marketing in the first place.

Russ Klein
CEO, American Marketing Association

BOOK SERIES OVERVIEW

In 2016, the AMA established its first-ever intellectual agenda. This intellectual agenda focused on complex, challenging, and difficult-to-solve problems that would be of interest to both academics and practitioners. A working team of scholars and practitioners, selected by AMA leadership, identified seven big problems of marketing as the foundation of the agenda. These problems were ranked from a much longer list of challenges. These seven big problems shared three attributes: they were pressing issues that confronted every organization, they were C-suite level in scope, and they could not be solved by one article or book. Indeed, the team felt that each problem could trigger a decade-long research agenda. A key purpose of the AMA intellectual agenda was thus to stimulate research, dialogue, and debate among the entire AMA membership.

The purpose of the AMA book series is to shed a deeper light on each of the seven problems. In particular, the aim of the series is to enable readers to think differently and take action with regard to these big problems. Thus, the book series operates at two levels: individually, increasing your knowledge and bench strength, and at the organization level, improving the application of marketing concepts within your firm.

Given the nature of these problems, no single book or article can fully address the problem. By their very nature, these problems are significant, nuanced, and approachable from multiple vantage points. As such, each of the books provides a single perspective on the issue. This single perspective is intended to both advance knowledge and spark debate. While the books may emerge from academic literature and/or managerial application, their fundamental aim is to improve the practice of marketing. Books selected for the series are evaluated on six criteria:

1. *Seven Big Problems Focus*: Each book is focused on one of the seven big problems of marketing. These problems identify key conceptual issues in the field of marketing that are the focus of emerging academic research and that practitioners are actively confronting today.
2. *Audience*: The book is written primarily for an audience of thoughtful practitioners. Thoughtful in this context means that the practitioner is an active reader of both professional articles and books, is dedicated to enhancing his/her marketing knowledge and skills, and is committed to upgrading the organization's marketing culture, capabilities, and results. A secondary audience is academics (and students) and consultants.
3. *Integrated Framework*: The book provides an integrated framework that delineates the problem and offers a detailed approach for addressing it.
4. *Field-based Approach*: The authors have applied their frameworks in client settings. These client settings enable authors to test and refine their frameworks. Conceptual and analysis frameworks are enlivened via practice and case examples that demonstrate application in the field. Named and/or disguised client stories illustrate how to apply the analysis frames, how to deal with application issues, and other practice-based issues.
5. *Academic Literature*: The integrative frameworks should be new to the marketplace. The conceptual frameworks should extend existing thinking and the analysis frameworks should provide new ways to conduct marketing-related analysis.
6. *Readability*: The book should be intelligible to the average reader. The concepts should be clearly defined and explained, and cases written so that a reader can understand the content on a first read.

On behalf of the AMA, I am excited to bring these books to market. I am anxious to hear your feedback – both positive and challenging – as we move the field forward.

Bernie Jaworski
AMA Book Series Editor

BIOGRAPHY

Zeynep Aksehirli is an Associate Professor of Management and Organizational Development. Her academic interests lie at the intersection of various topics including organizational design, leadership, market strategy, and virtual work. She has published various articles and books on corporate culture, network structures, leadership competencies, and intranet design. Prior to joining Northeastern University, she taught at Boston College and NEU College of Professional Studies. Earlier, she was an Assistant Professor and Founding Faculty in Ozyegin University School of Business and Tuck School of Business in Dartmouth.

Yakov Bart is an Associate Professor of Marketing and Walsh Research Professor at Northeastern University. His research examining marketing implications of new digital technologies and business models has been funded with multiple research awards and grants. He presented at numerous academic conferences across the globe, and published in leading marketing and management journals, including *Marketing Science*, *Journal of Marketing Research*, *Journal of Marketing*, *Management Science*, and *Harvard Business Review*. His research published in *Decision Analysis* and *Journal of Interactive Marketing* won Best Paper awards. He has received several awards for outstanding teaching in Executive Education programs at INSEAD and teaching excellence at Northeastern University, and was named as one of the world's top 40 undergraduate business school professors by Poets&Quants. He is a frequent speaker at international business summits and industry events, including Teradata Analytics Universe and World Knowledge Forum.

Kwong Chan is an Academic Specialist at Northeastern University and serves as the Executive Director of the Digital, Analytics, Technology, and Automation Initiative at Northeastern University and Managing Director of the quantitative consulting firm Better Data

Group LLC. He leads teams to tackle challenges in the area of deep analytics and human behavior and has published research across domains including product innovation, advertising, public policy, engineering, and marketing.

Koen Pauwels is a distinguished Professor at Northeastern University and Co-director of its Digital, Analytics, Technology, and Automation (DATA) Initiative. He received his Ph.D. from UCLA, where he was chosen as a Top 100 Inspirational Alumnus. After getting tenure at Tuck, he helped build the startup Ozyegin University in Istanbul. Named a worldwide top 2% scientist, he has published 4 books and over 80 articles on marketing effectiveness that have received multiple awards from managers (Google, WPP, and Syntec), academics (O'Dell, Davidson, and Varadarajan) and institutions (Marketing Edge award for most promising research and the Gary Lilien Practice Prize). While writing this book, he was the President of the American Marketing Association's Academic Council.

PREFACE

Over the past 10 years, all Fortune 500 firms have undergone some form of digital transformation. This could be narrow transformation focused on migration from multi-channel to omni-channel marketing communication or a very broad transformation of the entire strategy of the firm. Somewhat surprisingly, it often the case that firms have taken a very narrow view – examining social media, big data, and the transformation of marketing communications. However, for those firms who recognize the tidal wave of digital change, the C-suite is focused on much larger issues of business model change, the reconfiguration of their value chain, and, in many cases the future competitive advantage of the firm. Certainly, this is very evident in the world of banking, platform firms such as Google, and in the hotly contested media and entertainment markets. However, even traditional industrial firms such Becton-Dickinson, Eastman Chemicals, Suffolk Construction, and Texas Instruments have taken a lead in transforming their sectors of the economy.

CEO driven transformation can be highly successful (e.g., Res-Med) or marked by very public failure (e.g., GE's Predix transformation). Fortunately, with the publication of *Break the Wall* – we now have a conceptual framework and specific practice-based recommendations to drive fundamental reinvention. A key insight – of authors Zeynep Aksehirli, Yakov Bart, Kwong Chan, and Koen Pauwels – is that there are multiple levels of transformation that progress at different paces – some parts of the organization support the change (IT unit) while others such as business units drive the innovation through experimentation to test the future. Their nested adaptive framework deploys a biology metaphor to explore several stages of transformation including initiation, implementation, resilience, and finally renewal of the business model. The main point is that the firm is constantly testing and adapting to the

future. Drucker would term the challenge as managing “continuity and change” – so, firms can compete in both the present and in the future.

Importantly, like other volumes in the seven big problems series, this book is based on deep immersion with practice. The authors began their journey by depth interviews with leading practitioners at various stages of their digital journeys. From this effort, seven key findings emerged. These findings, in turn, informed the development of their nested adaptive framework as well as the structure of the chapters in this volume. Hence, the beauty of this work is that it is from the ground-up, based on interviews, observations, and consulting combined with the best academic research on the subject.

As series Editor, I am very excited to share this cutting-edge, practice-based volume. It is both a catalyst for future research and a guidepost for leaders looking to drive or renew their digital transformation.

Bernie Jaworski