

Digitally Wise **ECOSYSTEM**

AUTOMATE YOUR MARKETING WITH A DIGITAL PLATFORM

**Why does a digital
platform matter?**

**What is the point of an agile
service ecosystem?**

**Can responsibility create
a competitive edge
for business?**

GREDI
THAT'S **AMAZING!**



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1. **ECOSYSTEMS**

– the next step in digitalisation

GOING IT ALONE IS NO LONGER ENOUGH

The role of digitalisation in a changing business environment is twofold. It provides astounding opportunities, but it can also disrupt the market. Traditional business models no longer work as business is more and more controlled by efficiently networking electronic ecosystems.

One of the most prominent benefits of digitalisation is the dismantling of barriers that restrict business. Effective communication improves customer insight. Companies gain ever better opportunities to build strong, long-term customer relationships. They can also increase cross-selling e.g. through automation, customer history analyses, and artificial intelligence.

Market disruptions in the digital era are often linked with a gradual crumbling of traditional value chains – or even a collapse, as a new intelligent player enters the market. Amazon, Uber, Airbnb, and Apple have successfully challenged traditional operators and their value creation logic. A digital platform and a business operation ecosystem, where value chains are replaced by multi-dimensional and productive value networks are common elements of these success stories.

Companies stuck on the traditional channel and customer relationship management models will encounter severe difficulties, as their electronic competitors set up ecosystems that generate multi-fold value to the customer. Research shows that the result of companies who utilised digital ecosystems and understood the needs of their customers was 32% above average and their growth was 27% faster than the industry average.

*Weill, P. & Woerner, S. L. Thriving in an Increasingly Digital Ecosystem.
MIT Sloan Management Review. Summer 2015.*

Service businesses have the upper hand in the redistribution of the market. Traditional product-led business operations are suffering from diminishing margins in several sectors. Fortunately, moving toward customer-oriented service production is easier than ever, thanks to digital solutions.

Service businesses must also be able to reinvent themselves, as the customers' expectations are increasing.

In a complex, networked world, it is no longer enough to just identify and solve the individual problems of the customer. The traditional pipeline services must be replaced with a service format that is able to serve customer groups based on their needs and provide complete services instead of individual partial solutions.

Subjected to the pressure of globalisation, many companies specialise to gain a competitive edge. This increases their dependence on their partners. In addition to partnerships, companies often also need the solutions of their competitors.

According to the Wall Street Journal, Samsung receives over 100 dollars for each iPhone sold by Apple. This means that the iPhone is a more profitable business to Samsung than producing components for its own Galaxy phones.

*Martin, T. W. & Tripp, M. Why Apple Rival Samsung Also Wins If iPhone X Is a Hit.
Wall Street Journal. Oct. 2, 2017.*

The customers' needs must be understood better than ever. Therefore, you need an agile and mutually beneficial service ecosystem to support your business.



WHAT IS AN ECOSYSTEM?

Ecosystems provide specialised companies a natural method of networking with operators who can supplement their competence. An ecosystem can extend and enhance your supply.

The development of technology creates new business opportunities. Artificial intelligence, machine learning, blockchains, robotics, and the Internet of Things are just the tip of the iceberg. In addition to these, companies need the tools to commercialise and develop new technologies.

Ecosystems established on digital platforms open doors for idea hunting. Meetings between multi-disciplinary, non-traditional operators create surprising opportunities, insights, and information.

The ecosystem is usually led by a single operator who builds a growing and developing network around itself. However, the members of the ecosystem absorb influences from various directions and are not controlled by a single company.

The low hierarchy of the ecosystem is similar to the model found in nature. The ecosystem repairs itself when shocked by an unexpected change. The removal of a single member has very little effect on the whole.

Agility and adaptability are the strengths of an ecosystem. If successful, a small operator can challenge the giants of more traditional business models. The operation of the ecosystem cannot be planned precisely in advance, as it is based on interaction between the parties.

The ecosystem is different from a traditional networking model in that it **generates value to all of its members**. In networks, the parties are primarily looking out for their own interests, whereas in an ecosystem the objective benefits everyone and can only be achieved through cooperation. In addition to money, the ecosystem is kept together by information, skills, and communality.

Within the ecosystem, **cooperation is cost-effective**. The members achieve their objectives with significantly smaller financial investments and resources as they would on their own. The risks are also reduced.

In the ecosystem, the value is generated within a value network that is wider and more complicated than a traditional value chain. **In addition to money, the network is used to transfer data and immaterial value** between the various parties, such as companies, customers, and strategic partners.

1.1. Ecosystem as an instrument of innovation and growth

A digital ecosystem provides various opportunities for developing your company:

- **Connect external, responsible specialists to your ecosystem.** If you want to quickly expand or enhance your competence, seek external specialists to your ecosystem. Ecosystems that combine operators from several different sectors are already quite common around the world. According to a study by Boston Consulting Group, in 83 percent of digital ecosystems the participants represented four or more sectors. In more than half, the members came from six or more sectors.
- **Develop products and services within the ecosystem.** In an ecosystem, the operators can come together to produce products and services, which they could not create or market on their own. Promotion and financial utilisation of new technologies require major efforts. The likelihood of success is increased in a responsible ecosystem of multidisciplinary specialists.
- **Utilise the data.** The significance of ecosystems based on data is growing, particularly in the business-to-business context. Data can be used to create continuous services with high margins and a competitive edge. Used correctly, data can help you engage your customers and make them commit to your company, thus making them less likely to turn to your competition.
- **Capitalise your intangible assets.** Within a digital ecosystem, you can develop new methods of application for your company's intangible assets. You can find partners who benefit from your competence, services, and brand. For example, the Internet of Things needs operators who can provide both data and technical solutions for locating goods and services.
- **Utilise digitalisation to its fullest.** One of the most recent developments in digitalisation is combining the virtual and physical worlds into new type of hybrid services. Switching on your car heater, the lights in your home or the sauna at your summer cottage with a smartphone application are just a hint of things to come. There is also considerable untapped potential in improving customer experiences through digitalisation.

*Ringel, M., Grassl, F., Baeza, R. & Manly, J.
How Collaborative Platforms and
Ecosystems Are Changing Innovation.*

*BCG report, The Most Innovative Companies 2019:
The Rise of AI, Platforms, and Ecosystems. 3/2019.*



1.2. Platform economy brings operators together

Platform economy is a model of organising business operations that was created as a result of the Internet. It is based on an environment designed for developing and sharing electronic applications. The typical platform economy operators consist of companies who provide services or products (such as Uber, Airbnb, and Amazon) and organisations who provide electronic business platforms to others (such as Microsoft, Apple or Google).

A digital ecosystem requires a responsible electronic growth platform, where value generation that is beneficial to all members is possible. The members have immediate global access to data and resources. The customers, employees, and organisations meet on interactive communication channels.

The platform challenges business models that precede digitalisation, where value is created with a step-by-step approach in a pipeline from the producer to the end user. In ecosystems based on platforms, value can be created and exchanged simultaneously in various locations and using various methods as supported by the platform, which means that the model multiplies the earnings prospects.





- **Platforms utilise data effectively.** Transferring and collecting data is the basic feature of a platform. Added value is created through systematic and wide-ranging utilisation of that data. Companies and their services are seamlessly linked with customers. Customer feedback can be collected immediately after service delivery or even during it.
- **Platforms provide new earning prospects.** Platforms change logistics. The platform operator does not necessarily have to produce and stockpile in advance. Products and services can be ordered and produced in real time wherever they are available at any given time.
- **Platforms engage their users.** A responsible platform operator understands its users and facilitates their routines. Thus, the users are better engaged and committed to longer customer relationships than with traditional models.
- **Platforms are easily scalable.** Platforms are constantly collecting, monitoring, and analysing user data. The traditional gatekeepers of data and functions become obsolete, as the users decide the range of products. Platforms provide a way for thousands or even millions of users to connect with each other. The traditional models are finding it hard to cope with this challenge.
- **Platforms focus the attention on the customer.** Platform enterprises must turn their attention away from their internal processes, as the business is guided by the customer's needs and behaviour. If the platform does not attract users, customer needs have probably been misunderstood.

1.3. Competitive edge from networks

The network effect is an essential concept for interlinking between companies. It refers to a phenomenon where the user volume of a platform affects the value creation of each user. **A positive network effect** is often referred to regarding extensive, well-functioning platforms. This means that a large community produces substantial benefits to its members. As the critical user volume is exceeded, this type of a platform becomes significantly more attractive than its competitors.

A two-sided network effect considers both sides of the market, i.e. the producers (such as the manufacturers, sellers, and distributors) and the buyers. The effect of positive feedback generated within the network on the operation and growth of the network is so significant that money is often used in the platform business to entice the chosen party. When a platform includes a sufficient number of either producers or buyers, it motivates the other party to join. This results in a positive, mutually beneficial virtuous circle that also reinforces the platform.

A strong network effect provides an essential competitive advantage. The platform that attracts the most users wins. The network effect can create a positive, self-perpetuating and expanding circle that is worth pursuing.

A COMPANY CAN TAKE ON MANY ROLES



COEXISTENCE

Each company has their own ecological and responsible niche.



COOPERATION

Responsible companies set their objectives together and share the results.



COMPETITION

Companies compete for the same customers.



COOPERATIVE COMPETITION

The company may network with a competitor.



1.4. Ecosystems alter value chains

Video rental stores used to be successful enterprises. They made money by renting videos and selling candy. As streaming services became more common, the rug was pulled out from under them. The only valuable thing left in the estate were the candies.

The video rental business fell victim to disruption. Streaming services brought hit movies directly to the consumers' homes. Suddenly, the trip to the nearest video rental store became too long.

Google used digital means to do the same to newspapers and ad agencies specialising in print media. Online advertising was quick, easy, and extensive. In other words, everything that the traditional newspaper ads weren't.

Netflix and Google created significantly more value to their users than rental stores or local newspapers.



The multi-dimensional value networks of ecosystems reach their tentacles into surprising and distant places. They offer more operators, functions, services, and products than the traditional channels.

In addition to financial value, networks also provide information and other immaterial assets with significant commercial value. For example, the data provided by Google Analytics can help us analyse markets and create marketing messages that are more effective.

These things are typical to value networks:

- **Value isn't always created in the same way.** Stages of a traditional value chain may be bypassed (such as selling directly to customers without using a wholesaler) or the value may be created with suppliers picked from the network who are the most suitable for the situation
- **Different operators cooperate in partnerships,** whose aim is to ensure the success of each party. Sharing resources and data between partners or competitors may turn out be mutually beneficial within a value network. The success of a single operator will benefit all members of the network.
- **Productivity is increased.** The network creates value in addition to the value created by the company itself.
- **On a digital platform, content moves in all directions.** Data is not only transferred from the seller to the buyers, as the customers also produce content (for example, on Facebook).
- **Associations of small operators are able to challenge the larger** operators and achieve success through agility and innovation.
- **The ownership of physical products is detached from the value they create.** When value is seen as separate from the product or service, the products can be turned into platforms.
- **Unnecessary middlemen are eliminated** Direct channels are established between the companies and the customers. Digital channels automate routines and create new services and products.

CUSTOMER ENGAGEMENT

 TRADITIONAL WAY For example, specialty stores	 INTERACTIVE WAY For example, Amazon
<ul style="list-style-type: none">• Individual transactions• No precise data on the customers or their purchase behaviour• Limited selection	<ul style="list-style-type: none">• Continuous customer relationship• Based on cooperation, backed up by large amounts of data on the customers' purchase and search behaviour• Virtually unlimited selection



COUNTER-ARGUMENT: MY COMPANY WOULD NOT BENEFIT FROM AN ECOSYSTEM!

My company is already operating profitably. Why would we need an ecosystem or an electronic platform? Business based on value networks has proven to be more productive and effective than most traditional business models. If you don't want to benefit from a network, your competitors will, sooner or later. Bridging the advantage gained by pioneers will require more resources than taking the lead.

My company is doing just fine on its own. We don't need outside partners. Ecosystem thinking can also help you develop the internal operations of your organisation. Improving the efficiency of communication and utilisation of immaterial assets, dismantling silos, and increasing customer insight increases profits regardless of the business model. Creating an internal ecosystem for your company will also serve as good practice and sensible preparation for the changes in business environments brought on by digitalisation

Our company has carefully considered and resolved all aspects related to digitalisation. It is typical of technical development that progress happens in leaps. In retrospect, digitalisation has destroyed traditional companies virtually overnight in various sectors. Business models based on networking can protect your company from the rug being pulled out from under you when an effective international operator enters the market. The ecosystem provides flexibility, and operators within a multi-sector system can react to changes with more agility.

Our company does not have the resources to find partners and build ecosystems. Start small. First fix the internal cooperation in your company. Your company does not have to be the driving force for development on all fronts. Instead, you could become a partner in an ecosystem established by other operators. Or you could let the ecosystem grow naturally over time. Start with your current partners and customers. Think of ways you could develop your cooperation toward a deeper, more engaging form.

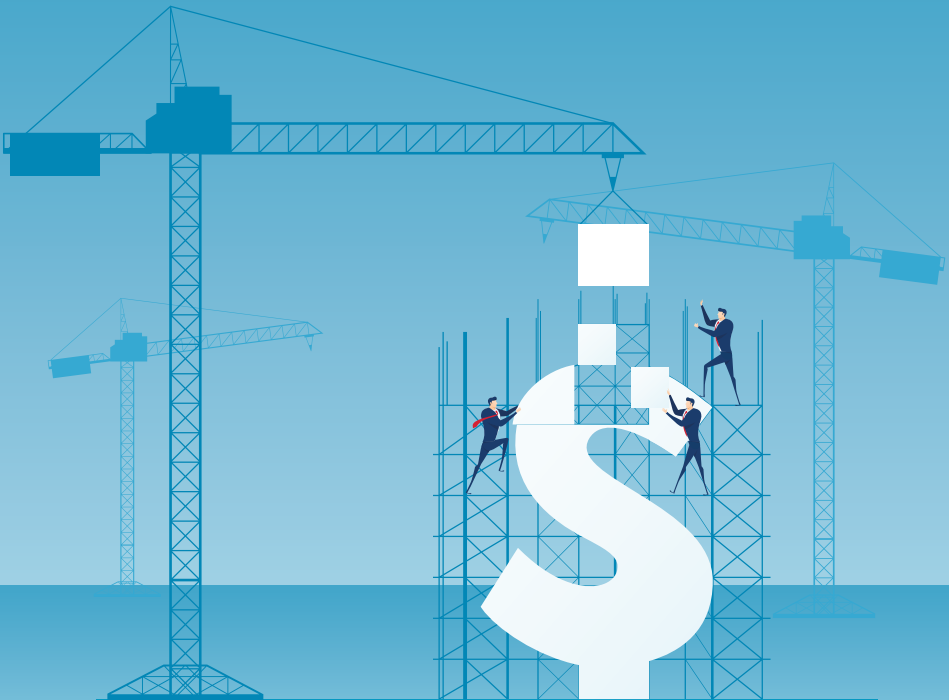
We don't want to outsource our expertise, as we want to hire the specialists to work for us. Narrow competence is particularly typical in complex, highly specific technology companies. Sure, resources can be increased by recruiting new people, especially when specialists are available at a reasonable price. However, with many new technologies the labor market situation can often be challenging for employers. If hiring seems difficult, partnering with other specialist organisations may help you on your way.

1.5. Brand creates the basis for your marketing ecosystem

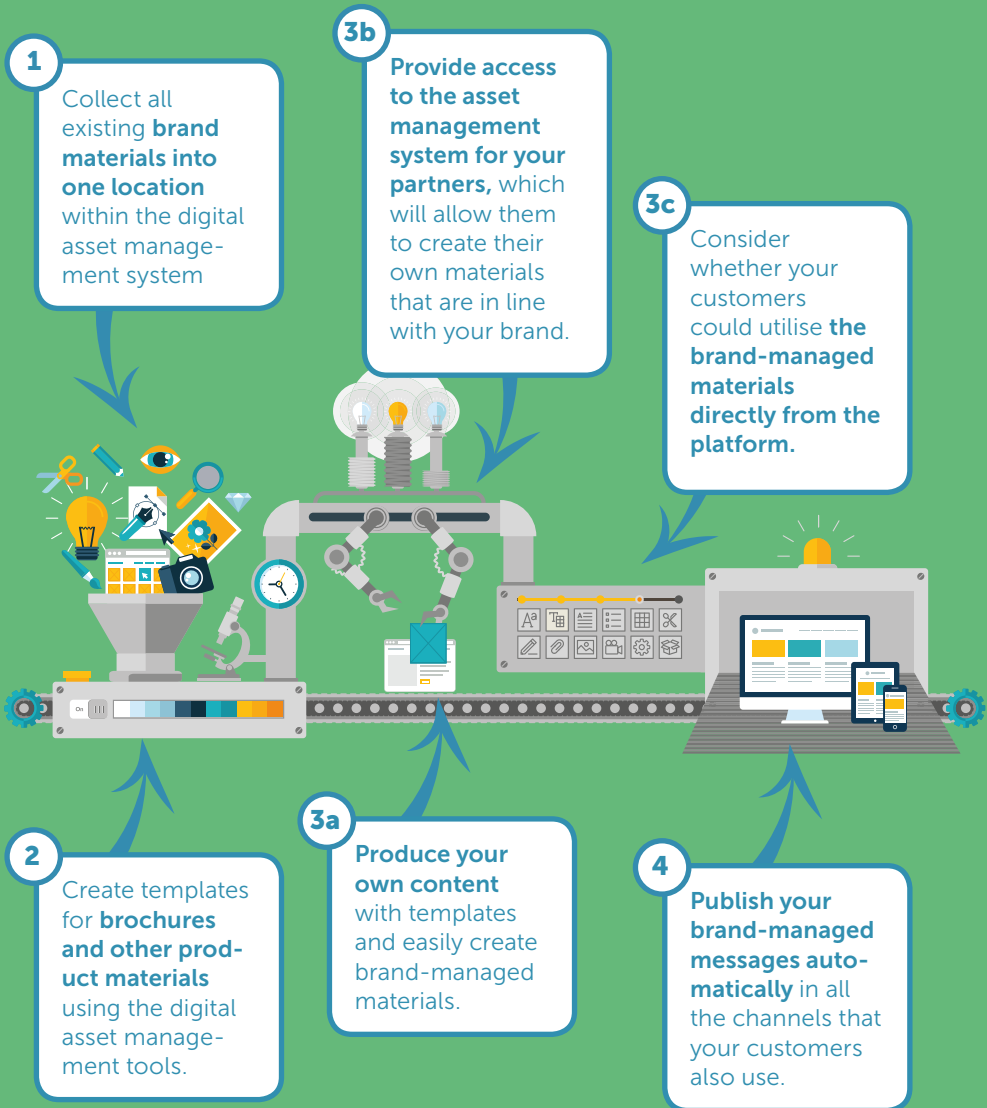
Your brand is the most valuable immaterial asset your company has. The development of corporate and product brands, their promotion, and communication requires vast amounts of time and money. The better you care for your brand, the better it retains and increases its value.

A digital asset management ecosystem will save resources and help you control the value generation of your brand. At the same time, you can ensure the best possible return on your brand.

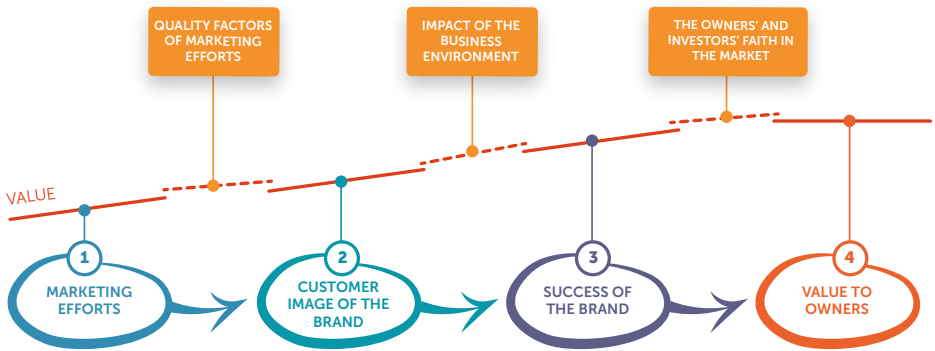
A strong, highly-visible, and well-known brand usually creates strong positive associations in customers. The value of a brand is realised to its owner when a customer makes the decision to purchase. However, value generation begins at the brand's design stage.



BRAND MANAGEMENT ON A DIGITAL PLATFORM



VALUE CHAIN OF A BRAND AND ITS MANAGEMENT



The marketing plan generates the basis for a brand's value generation. **The quality and responsibility of marketing-related actions have a significant impact on the initial value of a brand.** In marketing, you rarely get something without an investment. Responsible operation and marketing efforts that are properly financed, planned, and implemented are the basic requirements for a valuable brand.

A high-quality marketing plan supports the continuous development as well as the research and design of a product or service. It covers marketing communications, promotional activities, sales, retailer and distributor support in various sales channels, public relations, sponsorships, and the training and coaching of employees. The quality of marketing activities will also affect the manner in which the value created by them is transferred further as part of the value chain of the brand. Low-quality actions may hinder the transfer of value or even lower the overall value of the brand.

THE QUALITY OF MARKETING EFFORTS

can be assessed with the following questions:

- How **distinct and creative is your marketing plan** compared with your competitors?
- Is the brand seen as a **genuine option** by the customer and do the marketing actions have any significance to the customer?
- Is the marketing plan a cohesive set of actions that support and reinforce each other, through which **the brand develops** in the desired direction?
- Do the marketing efforts generate **enough sales** in the short term? Is **the brand image reinforced** in the long term?



2

CUSTOMER IMAGE OF THE BRAND

Your brand will always evoke images in the minds of the customers: thoughts, feelings, experiences, beliefs, satisfaction and sometimes even dissatisfaction with the brand. **Creating the right image is vital to the brand.** However, it isn't possible to fully control the customer's brand perception. The images are created in a network of all the information about the brand that is available and accessible to the customer. The image is also influenced by the customer's previous experiences, opinions within their network, and even their mood at the time of purchase.

A brand image can increase the value of your brand particularly when:

- The customer forms an **in-depth and extensive brand image**. The customer recognises the brand and the benefits related to it easily.
- **The brand is distinct from its competitors** and it is beneficial to the customer. The most significant distinguishing factors can often increase a brand's value the most.

- The customer is **satisfied with the brand and judges it to be of high quality**. A high-quality brand creates repeated positive experiences to the customer.
- The customer's **brand loyalty is solid**. A firm attachment by the customer makes it harder to switch brands and easier to fix mistakes – the customer will also accept some failures by the brand
- **The brand image is turned into active engagement**. An active customer uses the brand often, shares their experiences and recommends the brand to others, and seeks more information related to the brand, such as information on new products, offers, and events. The activity reflects positively in the result of the brand.

THE BUSINESS ENVIRONMENT WILL AFFECT

the value of your brand in various ways. It has a particularly positive effect when:

- **The competitors are unable to properly challenge** a brand that controls the market, which means that its value continues to grow further with new customers.
- **The marketing channels and intermediaries, such as retailers, support the brand strongly**. In an optimal situation, the costs of managing the channels and reinforcing the brand image are shared by more than one operator.
- The brand is able **to attract a large number of high-quality, profitable customers**.



3 SUCCESS OF A BRAND

The customer's brand perception may directly influence their purchase behaviour. You can predict the success of your brand on the market by measuring the aspects presented in the enclosed table that are essential to the value of your brand.

5 INDICATORS FOR MONITORING THE SUCCESS OF YOUR BRAND

PRODUCTIVITY		
1. BRAND PRICE EFFECT		2. MARKET SHARE
How much more are the customers willing to pay for a branded product than a similar product from a competitor?	How much does price affect their willingness to purchase?	Successful marketing efforts increase the market share of the brand.
<div> A strong brand does not need to lower its prices to attract buyers. </div>		
ADDITIONAL SALES		
3. . BRAND EXPANSION		
Can the brand be expanded, e.g. to new products?		
SALES AND MARKETING COSTS		
4. CHANGES TO THE COST STRUCTURE	5. EFFECTIVENESS	
If customer loyalty is high, the requirement for constant marketing efforts is reduced, providing cost savings.	Marketing efforts are more effective when the brand is already familiar to the customer and reliable. The effect is realised over time with reduced costs.	

A COMPANY'S OWNERS' AND INVESTORS' FAITH IN THE SUCCESS OF THE BRAND ON THE MARKET

is dependent on various factors and may vary significantly. Everything is influenced by the overall market situation.



4

**VALUE
TO OWNERS**

A brand's value to its owners can be measured through the value of the company's shares, price-to-earnings ratio, and the market value of the company, for example. Studies show that strong brands earn excellent profits to their owners with a lower risk.

A responsible digital platform supports your brand management and ensures that the money invested in your brand is used in the most profitable manner possible.





1.6. Responsibility creates new business opportunities

Responsibility is quickly becoming one of the megatrends of our time. Well-informed consumers expect companies to assume responsibility on issues that have traditionally been left to the government and non-profit organisations. Companies are required to be more aware and responsible on environmental, social, and societal issues.

"We have a moral responsibility to help grow the economy and create jobs in the countries that we do business in."

Tim Cook, CEO, Apple

Responsible companies reinforce their image and their brand, but also increase their market share and improve their result. Responsibility can also provide a competitive edge in the labour market – a company with informed values based on sustainable development can engage employees and also finds recruitment easier.

Responsibility, such as environmental friendliness, is often seen as a cost item with no operational benefit. However, business based on sustainable development and recycling is often innovative and resource-efficient, which has a positive impact on the bottom line. The forerunners reap the largest rewards.

Digital asset management protects the environment. It digitalises processes and reduces the need for printed marketing materials. It supports electronic channels, which reduce the requirement for traditional communication and transportation.

Slow-moving companies find it hard to bridge the gap to the market leaders. More agile companies find the time to test new responsible methods, materials, and technologies, as well as practice fulfilling the customers' needs.

But what if environmental issues or social responsibilities just don't fit into your current business model? Should you scrap your traditional business and begin planting trees in the Sahara to increase carbon sinks?

Responsibility begins with small steps. A responsible company takes care of the well-being of its personnel, digitalises its processes, continues to learn, and improves the efficiency of its resource consumption. Rationalisation of operations, listening to the employees, and developing their competence and your entire business in a sustainable manner may open new perspectives for your business. This often leads to an environmental accomplishment or two along the way as well.

Forget the current situation. Begin to develop your business with a future vision: where would you like to be in five years? Next, you can begin to stake out the ground for your development path.

Ramm-Schmidt, M. Kannattaako vastuullisuus liiketoiminnassa? Aalto-Pro

Nidumolu, R., Prahalad, C. K. & Rangaswami, M. R.

Why Sustainability Is Now the Key Driver of Innovation. Harvard Business Review.





RESPONSIBILITY IS A PART OF THE BUSINESS CULTURE AT KONE


More than half of the world's population lives in cities. By 2050, this figure is predicted to grow to 68 percent and the consumption of raw materials is expected to double. In 2017, buildings' share of the total energy consumption in the world was nearly 40%. Cities took up only 2 percent of the surface area of our planet, but their share of the global consumption of energy was 75 percent and they produced 80 percent of man-made carbon emissions. Therefore, reducing the environmental impact of cities is a significant challenge.

Kone has declared itself a forerunner in sustainable development. For Antti Herlin, the Chairman of the Board of Directors, responsibility is a chain that connects all of the organisation's activities together. Sustainable development is here to stay, and the long-term success of the company is significantly dependent on it. Kone aims to make cities even better places to live and to help people move smoothly inside buildings and between them. The company is heavily invested in innovations and energy-efficient solutions. Solutions that develop the city environment also provide financial and ecological benefits. Increasing social inclusion creates value that should also be taken into consideration.

Quality is part of the responsible activities at Kone. By improving quality, the services and products become more reliable, efficient, and environmentally-friendly. Resources are saved, and the customer's result improves, as outages that result in work and expenses are reduced.

Kone has improved the energy-efficiency of its elevators by up to 90 percent in just two decades. The resulting financial benefits now provide a competitive advantage to the company. The company aims to provide the most durable and environmentally-friendly range of products and services in the market.

In addition to customer satisfaction and quality, the safety and comfort of the end users are also important.

The background of the page is a dark blue gradient. At the top, there are white line-art clouds and small white stars. A large, faint white line-art Ferris wheel is positioned on the right side, partially behind the text box. At the bottom, there is a white line-art city skyline with various buildings of different heights. The text is contained within a white rectangular box in the upper-middle section of the page.

The latest technologies and data analyses are used for monitoring devices, planning maintenance, and improving reliability. The digital platform used by Kone collects and analyses real-time data on the status of elevators, escalators, and other equipment, maintenance activities, and user flows. The data is distributed further within the company's ecosystem to various directions, such as the mobile applications of the company or its partners.

Kone invests heavily in its business culture and the competence of its employees as part of its responsible activities. The company offers its personnel thousands of training programs, online tools, and platforms to develop their professional skills. Diversity is a strength and it is supported to the fullest, whether in relation to equal pay, multiculturalism or combining work with parenthood.

It is increasingly common for employees to require that the company's values match their own. Values are a recruitment tool, and a mere pay check or benefits package may not be enough to attract the most skilled people. The customers are also seeking responsible partners who form a mutually beneficial ecosystem based on sustainable development.

Kone has recognised the change in values. The company aims to help its partners, the customers, and communities to succeed and build long-term relationships with their interest groups. In local communities, Kone is a major tax payer and employer, with more than 55,000 employees in more than 60 countries. However, a significant portion of the additional value is created to the other members of the ecosystem, including the producers, more than 20,000 suppliers, nearly half a million customers, and a vast group of users.



RESPONSIBILITY ALSO MEANS DEVELOPING THE WORKING CONDITIONS OF THE MEMBERS IN YOUR NETWORK

In addition to society and the environment, a company is also responsible for its employees. By building an effective ecosystem, you provide your employees support for problem-solving, resourcing their work, and managing their energy.

A digital asset management system is the bedrock of an ecosystem based on data. This is the platform that brings together specialists, workflows, channels, customers, and the latest technologies.

Digital asset management provides tools that can be used to eliminate frustrating manual operations through automation and integration. Your specialists are supported by e.g. image and video recognition based on artificial intelligence and automated generation and storage of metadata and product information. These are routines that used to consist of time-consuming manual work. A responsible company will also ensure that the job descriptions are meaningful and motivational. This is very significant in sectors where the competition for employees is strong. Recruitment becomes easier when the work is interesting, and the employees have access to effective tools.

Digital asset management facilitates the work done by specialists and increases its value, as it frees up time for solving significant problems. Productivity increases hand in hand with employee satisfaction.

In an ecosystem, your business area specialists come face to face with the parties who influence the value of your brand. The entirety of your marketing communication is easier to coordinate when all the operators are working on the same platform. Communicating the values of your brand and your company has never been quicker and easier.

With an open platform, your partners will also see it as a tool that simplifies their work and makes cooperation more attractive. It will be easier to find the right people for your projects when your partners share your values and work according to mutually agreed courses of action.

Your customers appreciate companies who ensure the wellbeing of all members within their ecosystem in a responsible manner. Responsibility and communication related to it are already basic requirements for many businesses.

2. How to build **A WORKING ECOSYSTEM?**

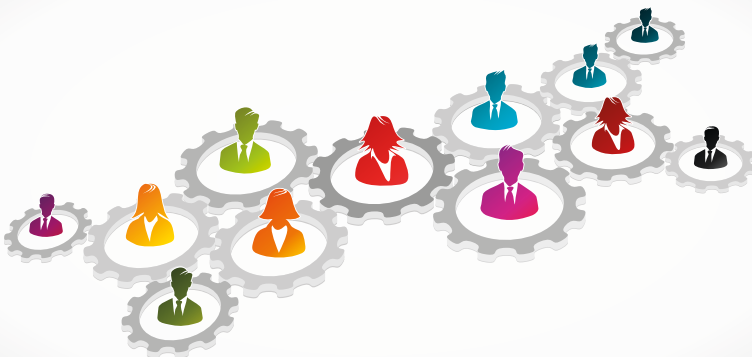
2.1. Prerequisites for getting started

Begin to build your ecosystem with existing working relationships. List your partners, retailers, and customers. Invite these members to your network first, as they are accustomed to working with you and they trust your company.

The operation of an ecosystem cannot be fully predicted or controlled. Therefore, it is best to design a flexible and self-healing ecosystem from the start.

This is how to identify a good electronic platform:

- **The platform scales quickly and easily.** You can utilise the positive network effect to its fullest when your development isn't held back by the platform.
- **Joining the platform is easy.** The users are effortlessly able to become a part of the value network and can focus on value-generating activities instead of adjusting the platform.
- **The platform adapts to the changing requirements of the users.** A good platform will allow the user to operate in different roles and does not hinder or restrict transitions.
- **The platform guides and assists in fulfilling the users' needs.** A good platform will guide its users toward the appropriate information, data, services, and products. The platform can also learn and improve in recognising the users' needs.





SEVEN STEPS TO A DIGITALLY WISE ECOSYSTEM

1. Ensure that **the strategy of your company supports** a few targets for development chosen by you. In your plan, focus on these objectives and specify the savings and earnings you expect from your ecosystem.
2. Identify **the type of partner** you will need to achieve your objectives. How must they be able to respond to your needs or customise their solution?
3. Consider beforehand how your responsible ecosystem **can expand and benefit all of its operators**, and not just your company.
4. Decide **the type of relationship** your ecosystem is based on and the role you will have in the network.
5. **Choose the platform** on which you will begin to build your ecosystem. A good platform will combine all operators and makes the information and immaterial assets moving within your ecosystem accessible to everyone.
6. Specify **clear objectives**, manage and measure the development, and adjust your ecosystem based on the feedback you collect
7. **Prepare for surprises.** As the ecosystem grows, the operators' requirements, expectations, and ability to cooperate may change and vary significantly. The operators may also wish to detach from your ecosystem along the way. Ensure that your ecosystem will remain functional even in times of change.

PREPARE FOR CHALLENGES

Digitalisation will continue to change your industry for a long time. Begin to prepare for the future with the following:

- **Harness the entire capacity of your electronic systems for collecting customer and resource information.** Are you aware of your customers objectives? What resources do they use? What about the pieces that make up your customer's every-day life? You may already gather various types of data on the behaviour of your customer, but is the information hidden away in different systems or are you constantly using it to create new tools that increase your sales? A single view into all of your customer and resource information will improve the efficiency of your business and facilitate customer service.
- **Make sure that your customer's voice is also heard within your organisation.** Improve the effectiveness of your feedback systems, open up your social media channels to your customers and ensure that the customer data collected by your company is also used for testing and learning.
- **Replace guessing games with knowledge management.** Experience and gut feelings may still be useful for controlling immaterial matters that are hard to measure, but your decisions should be based on the information you collect. Your productivity will increase if you are able to align your production with real-time demand.
- **Develop your customer experience management channels.** Forget individual products and focus on fulfilling the needs and objectives of your customer. Harness your sales channels and organisation to serve this purpose.
- **Pursue the position of a market leader.** Global competition may lead to companies being forced to cooperate to ensure survival. In this market situation, associations may be better positioned for profitable business operations. The customer's number one choice, i.e. the market leader, must have a brilliant brand and brand promise fulfilment, excellent customer service, and a state-of-the-art ability to offer products that meet the needs of the customer.
- **Develop your networking skills.** Sharpen your cooperative skills and develop your ecosystem. If you can attract the most competent specialists to become your partners, you will have a significant advantage that will be hard to beat for your competitors.

Weill, P. & Woerner, S. L. *Thriving in an Increasingly Digital Ecosystem.*
MIT Sloan Management Review, June 2015.

2.2. Focus on the essentials



DEFINING THE ECOSYSTEM

A correctly designed service promise will attract customers. The better the results produced by your promise, the easier it will be to convince potential customers of the benefits of your service and make them willing to join your value network.

What are the essential business-related matters that must run smoothly even after the ecosystem has been established?

What would you want your ecosystem to focus on?

What would be most beneficial to your business operations?

The digital platform you choose may also attract operators to your ecosystem on its own. If the platform facilitates the operation of your company in a significant manner, e.g. by enabling communication or the sharing of immaterial assets, the platform is already generating value as is.

For example, you could provide your retailers access to your digital asset management system, which would allow them to independently produce brand-managed, customised marketing materials using your brochure or banner templates.





ATTRACTIVENESS

The operation of an ecosystem is ideally based on voluntariness.

You should invest time and consideration in choosing your platform. If the platform doesn't work properly or is difficult to use, the cons will quickly outweigh the pros as increasing use clogs up the system.

When you are designing the internal ecosystem for your organisation, choose a platform that **best supports the most profitable element of your business**. B-to-B service businesses emphasise different things than consumer-led product businesses. When your customers' needs are at the heart of your business, your core platform should focus on combining and interpreting the customer and resource information.

In product-led business operations, the management of product information and metadata becomes number one in the order of importance. If your company owns a brand, which has been built with significant investments, the platform should particularly focus on maintaining and utilising the value of the brand. Digital asset management facilitates brand management and significantly increases the personalisation potential of your brand message.

Nearly all types of business receive the most significant amount of additional benefit when **the platform, in addition to its core task, supports the sales, marketing, communication, and production data management activities**. An attractive platform is easy to use and simple to join, and it offers the operators within the ecosystem benefits that would otherwise be significantly harder to obtain. If, for example, the platform supports the automation of marketing, improves the ability to integrate with other business systems, and can identify the things that

are essential to customers from the dataflows, the customer experience is improved. The customers can be offered more individualised and up-to-date solutions for their needs at any given time..

A good platform supports its users in their daily routines, guides them, and provides them the best approaches to improving the efficiency of their work. A centralised view of all relevant information is the most essential feature of the platform. The better a platform is at directing future tasks and processes, providing timely information and measures, and facilitating everyday routines, the more useful it is considered. In most companies, the issue is no longer the lack of available information, but rather getting the systems to interpret and directly utilise the generated data and to produce the correct conclusions and output from that data.

CAN A TRADITIONAL BUSINESS BE TURNED INTO AN ECOSYSTEM?

Traditional business models are often based on a linear value chain, with the producers at one end and the customers at the other. Moving from a traditional model to an ecosystem is usually possible, but it requires changing the existing practices and mindsets.

The planning should begin with **evaluating the current activities**. Examine your current cooperation network and think of the processes in your organisation you could outsource to specialised partners and what could be done more efficiently in-house. For example, with digital asset management you can produce release-ready materials for different channels in the same time it would take to brief an external operator.

Gredi Content HUB is a data and asset management ecosystem that you can use to automate your data and resource flows, among other things. With integrations, you have access to centralised data and materials throughout your systems and channels.

Remember that your customers are also part of the ecosystem. Could they be more involved in your production process through an electronic platform?

Your partners are an excellent resource when you want to increase the number of additional services. You can provide your customers even more comprehensive solutions when you act as a service operator, **compiling your partners' solutions into service packages**.

Consider whether your organisation could support the existing partners more

efficiently in their operations and, through this, generate more value to the entire network. Or could you perhaps come up with new ways to satisfy the needs of your customers in cooperation with the other operators in your network?

Consider whether you could join forces with your competitors to produce better services or products, the increased profits from which would be shared by you all. Or find a partner who already has a functioning, continuously developing ecosystem. **The results of development are available to all members.**

You can start to expand your business toward a network-like operation by, for example, **extending your current value chain**. Take control of producers at the initial phases or distributors toward the other end. Add areas where value could be generated to your chain. Utilise the entire capacity of your digital asset management system and also make it available to external content producers and your customers. Consider whether your system could also be used for customer feedback and complaint situations, for example, in managing image materials provided by your customers.

You can also expand your channel horizontally, which would allow more services, products, and value to flow through.

The more services and products flow through your sales channel on an electronic platform, the closer you get to a new value-generating, self-developing network in line with the ecosystem approach.



2.3. What elements form a marketing ecosystem?

The Internet has revolutionised marketing in the past 20 years. A bunch of electronic channels have grown alongside traditional communication.

The target groups are scattered around different channels. This means that content must be published where the recipients are. Your marketing and production processes must be able to handle several formats, according to which content is produced in a controlled and tireless manner. There is a constant battle for the attention of the customers, as the number of messages has risen exponentially with the cost of message duplication in electronic channels falling to almost nothing.

You need a marketing platform that can be used to communicate fluently regardless of the channel and message format. You need content producers who produce marketing fuel for your platform, powerful campaigns, and personalised marketing messages.

A good platform offers tools to revise and convert messages to suit different channels. If each message has to be produced by hand, your competitors will speed past you. In addition, the platform can help you personalise and target your messages. If you keep hawking products that your customer has already bought, your sales messaging becomes irritating.

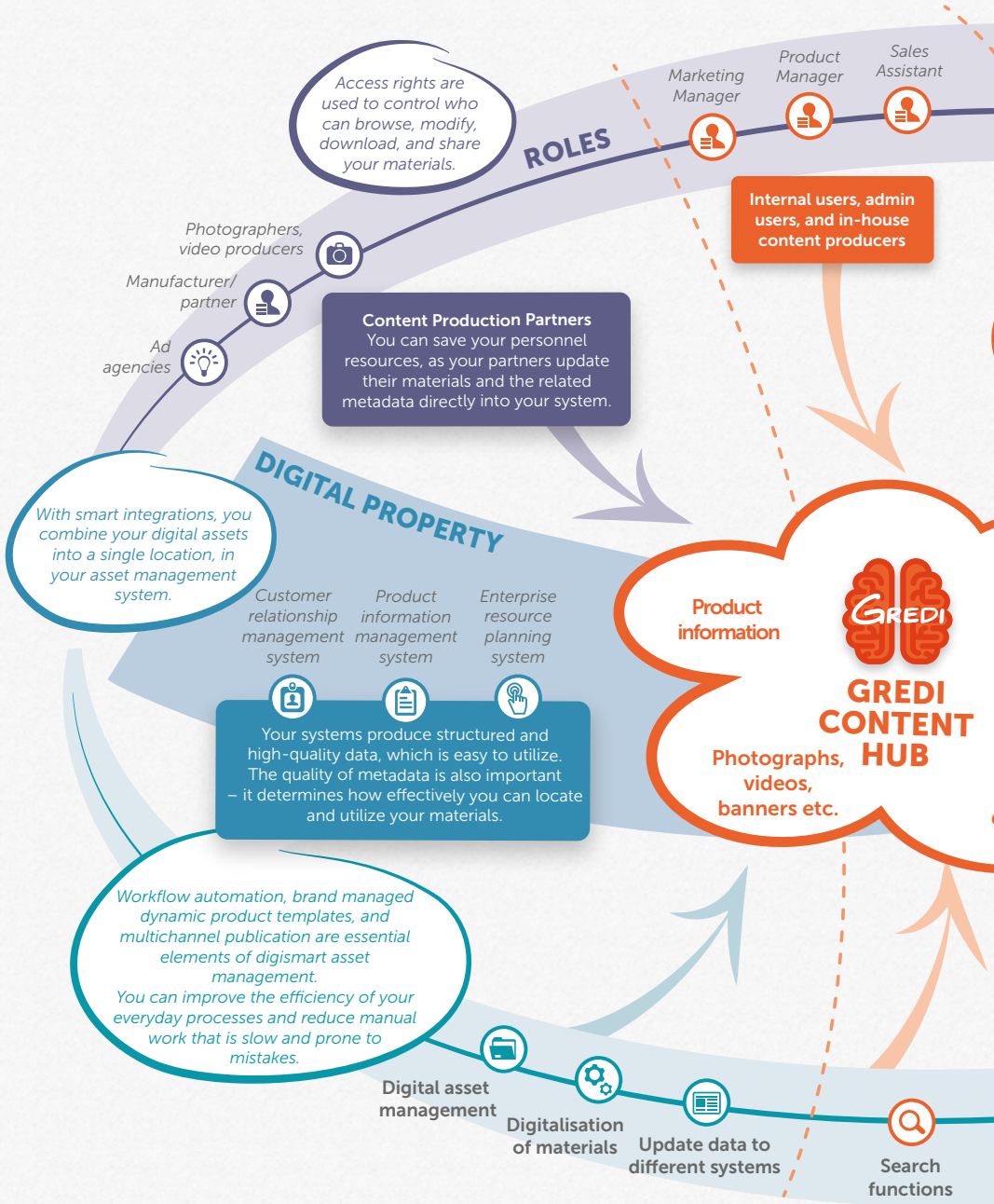
The digital asset management is the brain that controls and shapes the content from different systems and content producers, and sends the content further toward various applications. The platform provides functional processes, workflows, and tools, which can be used to mass-personalise your messages and materials based on the customer's purchase history or sector, for example. You can forge your service promise into brand-managed versions that solve your customers' problems.

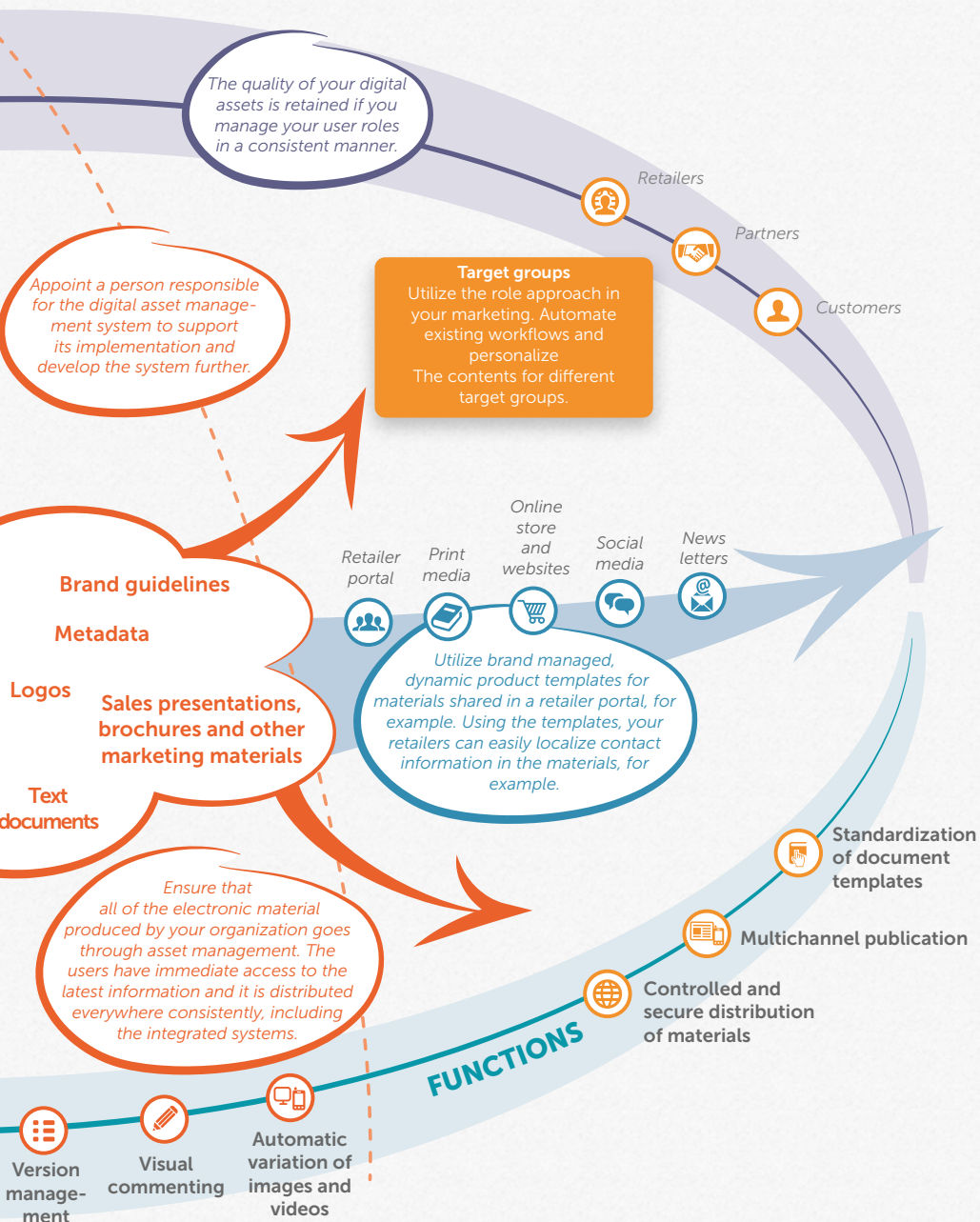
Digital brand and asset management provides ready-made interfaces, which can be used to import e.g. your customer and product information to the platform. You can compile material packages for sales and localise contents to match different needs.

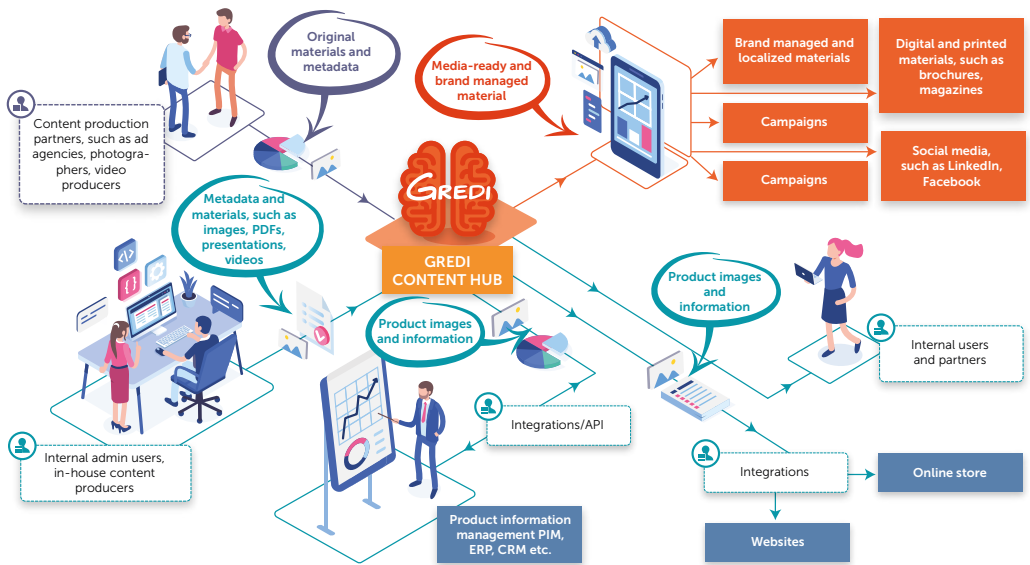
The platform provides a forum to the content producers, marketing, sales, retail, partners, management, and product management, where materials can be commented visually, approved, and developed conveniently in real time. The release channels' material requirements and workflows are already specified within the digital asset management platform, so you don't have to waste valuable time on routine work pertaining to technicalities, material revisions, and personalisation.

On a digital brand and asset management platform, communication is a two-way process. You collect real-time feedback from your customers and are able to measure the effectiveness of your messages. Your marketing receives constant feedback, which you can use to increase the efficiency of your communication further.

Gredi Content HUB ecosystem







2.4. Who benefits from a marketing ecosystem?

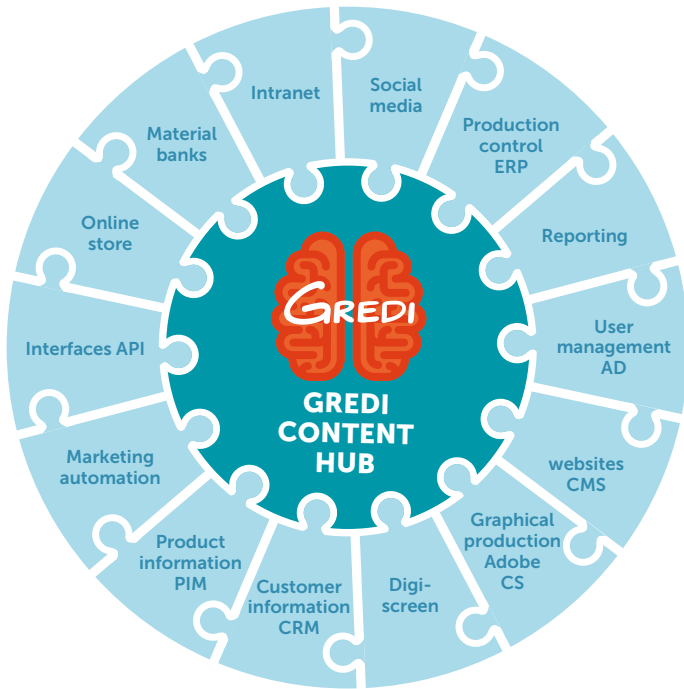
The marketing communication ecosystem of your company is designed according to your business operations. The aim of your platform is to serve all of the different roles and to bring the producers, retailers, partners, and customers as close to your company as possible.

The typical participants of a marketing ecosystem include:

- **Marketing** coordinates the big picture and plans campaigns. It also chooses the most suitable channels and manages the brand. Marketing is the conductor of a good ecosystem, who facilitates communication between the other participants on the platform.
- **Sales** typically expects leads, which are created regularly on the platform through content marketing means. Sales helps in targeting the messages to the right recipients and maintains the contact information in the customer management system, which is used on the platform for personalisation, for example.
- **Product management** maintains the service and product portfolios as well as the service and product information. The information may exist within a separate product management system or service descriptions may be produced for marketing as necessary. In a functional ecosystem, the product information is updated automatically into the online store and for retailers.

- **Technical or customer support** reacts to the customers' feedback and issues. If a user or customer is able to provide feedback at a single point, the process is much more effortless for them than in a traditional channel model. For electronic sales venues in particular, it is important that the customer can find help at the same location as where they bought the product from.
- **Designers** demand information on use and customer satisfaction. They want to understand the grounds on which a product is purchased and the features that are appreciated the most. In a good ecosystem, the designers are included in each stage, and they receive feedback directly from the end users.
- **The management of the company** can use the platform to monitor the progress and results of campaigns, the digital assets' increase in value, and the profitability of the investments made to the brand. Feedback provided within the ecosystem is visible to everyone, and management can react quickly and direct the operation based on the data.
- **Content producers** can effortlessly produce and import images, videos, text, and various other formats to the platform. The latest version of the content is available to everyone. The producers may comprise both in-house specialists and external partners, who are provided controlled access to the specific parts of the platform that they use to produce content.
- **Clients, partners, and retailers.** Many products, campaigns, and services require the management of extensive materials. The package can include brochures, manuals, photographs, product descriptions, and technical models. On an efficient platform, the partners can easily find the materials they need, and the release of the materials can be scheduled or otherwise restricted on target-group-specific basis.
- **Customers and users** are the most important members of your ecosystem. Their participation can make the ecosystem a truly valuable part of your operation. If, on the other hand, your platform fails to reach your customers, a significant portion of your marketing efforts go to waste. In a good ecosystem, you build customer relationships, which will last for years or decades.

A good platform provides secure access with suitable rights to each member of the ecosystem. In producing and utilising content, everyone can participate in the desired or allowed phases, and only has access to the view falling within their area of responsibility and precisely the correct content. The platform also provides approaches, instructions, and tools for commenting and approving, as well as the scheduled distribution and release of the content.



2.5. How does a marketing ecosystem work?

A digital asset management ecosystem has many objectives. Each member utilises the platform to achieve the objectives of their job and supports the other members with their objectives.

The platform can be utilised by many operators for various purposes. Product management shares information related to the service to retailers and users. Marketing pursues potential customers, and social media channels are another element of their ecosystem in addition to asset management.

Each process has an owner who is responsible for coordinating the activities of the members related to the process on the platform. For example, marketing can connect to its processes external content producers, who are able to import text, images, videos, audio files or other materials and documents directly and independently onto the platform.

Marketing may also use auxiliary means for publication and measuring marketing communications, which can mean connecting third party applications, such as Facebook or Wordpress to the platform.



When you are building a platform for your marketing ecosystem, you will at least need the following assistance, content, and tools:



The digital asset management system is the hub of your marketing ecosystem. It is used to transfer and, where necessary, automatically transform materials that can be personalised and modified, such as content, product information, personalisation information, and metadata. Digital asset management provides ready-made interfaces, which can be used to retrieve the information needed to automate marketing on to a single platform and create release-ready messages for different channels.



The digital assets of your company comprise the content you upload into your asset management system. It includes brand materials, which can be duplicated and used as the basis for your marketing messages.

Metadata helps you find and identify contents within your material bank. Metadata helps each user of the platform utilise existing contents in a cost-effective manner and allows them to find the latest versions.



The marketing and brand-automation process specifies the work phases included in your marketing. The process is used to describe and automate workflows, such as the automatic processing of campaign messages for social media. Your process will also explain the roles included in the process and the materials the participants must have access to.



The background systems include the tools used for managing the customer and product information, which maintain the information utilised for marketing. The information retrieved through interfaces is required for personalising marketing messages and restricting target groups. In turn, the product management system provides up-to-date information on products and prices.



Multi-channel management is a digital asset management feature, which can be used to manage the technical release requirements of channels, such as the resolution of images and video or the material requirements for print media.



Commenting and approval are features that are needed for the discussions on the platform. They ensure that the change history and justifications are stored as a traceable entity. Important change requests won't be lost in the depths of email, and the schedules and objectives are visible to everyone.



Release management is used to control the traffic within your ecosystem. It allows you to schedule the release of new products and the related campaigns. You can distribute the materials at the right moment and ensure that expiring materials are removed on time.



An open platform refers to an environment to which all members, regardless of their role, can be invited securely. With a good platform, you can provide access as necessary, protecting ideas that are still in the planning phase or strategic documents related to decision-making from unauthorised people.



A secure data repository, into which you can safely store all of your contents. The platform must be secure and accessible with all of the most commonly used terminal devices. The chosen technology also cannot limit the participants' ability to participate in the operation of the ecosystem. Pay special attention to where your data is stored.

Even though the platform of your marketing ecosystem is controlled by you, you can connect it to the systems of your partners and customers. With connections and portals, you can facilitate the distribution and monitoring of materials to individual customers or target groups. At the same time, you provide them an opportunity to engage in discussions on the platform, to produce content, and to provide feedback.

2.6. Checklist:

HOW TO LAUNCH YOUR OWN MARKETING ECOSYSTEM

1. LIST YOUR TARGET CUSTOMER GROUPS.

Choose the channels through which you can best reach your customers.



2. DEFINE YOUR MESSAGE.



Describe and list the materials that are transferred through your platform. The list may include all types of content from Instagram posts to retailers' material packages.



3. DESCRIBE THE CONTENT PRODUCTION PROCESS.

Expand the messages and materials described above into a process, which demonstrates what you need (images, text, technical descriptions, etc.).

4. LIST THE ROLES.

Add people to the list from the previous section. Here you can also specify the phases of work each role will participate in.



5. DESCRIBE THE CONTENT REQUIREMENTS.



Define instructions for the channels in accordance with the content management requirements. For example, with regard to image and video production. Also create a list of the metadata you can use to identify and easily find the materials stored in the material bank.

YOU CAN ALSO USE THE INFORMATION TO FILTER OUT MESSAGES RELATED TO PRODUCTS THAT THE CUSTOMER HAS ALREADY PURCHASED.



6. **COMPILE THE PRODUCT INFORMATION**

Specify the contents you need for products and services. If the information is included in the product management system, automate the retrieval and import of the material through an interface.

7.

DESIGN THE PERSONALISATION.



Specify the information you need from your customer register. Consider whether it is possible to target messages based on the purchase history of your customer (for example, purchasing ancillary services or products).

8.

COMMUNICATE THE RULES TO THE PARTICIPANTS.



Set access rights and open up the platform to the members. Provide instructions regarding the commenting and discussions, and regularly remind the users of said instructions.

9.

CONNECT THE CHANNELS.

Automate the formatting of messages and scheduled release to your chosen channels.



10. **MEASURE THE RESULTS.**

Monitor your newsletter engagement and click through rates. Prepare an online landing page that you can use to direct your customers toward the purchase decision. Allow each party to provide feedback and make the feedback immediately accessible to all service-producing members of your ecosystem.

ESPECIALLY IN THE BEGINNING, THE MEMBERS ARE GUIDED BY TRADITIONAL APPROACHES AND YOU MAY HAVE TO JUSTIFY THE BENEFITS PROVIDED BY THE PLATFORM, SOMETIMES MORE THAN ONCE.





THAT'S **AMAZING!**

Gredi helps its customers to collect their digital assets into a single system that can be managed intelligently.

With our digital asset management system, your company can store, manage, modify, and share materials and the related information quickly and securely.

Our modular products can be customised to match the needs of companies of all sizes and various applications.

In addition, Gredi's production can efficiently design and produce various materials to fit your needs.

Ask about our services!



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