



Get Started with the Digital OneOffice™: the Yokohama Story

A 100-year-old manufacturing company tackles digital customer
engagement

November 2018

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Defining Future Business Operations

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How does your mature company start with digital transformation?

The most successful growth companies and the most valuable brands are technology led with strong digital customer engagement strategies. If your company was born digital, concepts such as virtual infrastructure, product development cycles measured in days not years, real-time data-led decision making, and omnichannel customer engagement are part of the fabric of your identity and enable your success. For everyone else—the overwhelming majority of traditional enterprises—grappling with legacy systems, manual processes, and outdated skills while trying to fend off your nimble digital competition presents inordinate barriers to digital transformation.

The question we hear from so many traditional enterprises is “where do we start?” The reality, though, is that as long as your initiatives are founded in a clear understanding of *why* you are engaging in digital transformation and what you hope to achieve, you have made the right choice. The greater battle is getting started. Inertia is death. With this in mind, this POV highlights Yokohama Tire Corporation, a 100-year-old manufacturing company, and its quest to move beyond paper and drive meaningful digital customer engagement aided by its partner, Brillio.

The promise of the customer-first digital organization

What does it mean to be “customer-first?”

A [recent study](#) of the most valuable American brands for 2018 reveals a startling trend. Eight out of the top 10 brands are technology or tech-related brands such as Facebook and Netflix. One critical common denominator for these innovators is their razor-sharp focus on being customer-first. These modern enterprises are harnessing technological advances to gain an in-depth understanding of their customers and are building businesses around delivering superior customer experiences (CX). Being customer-first is going to be crucial to staying in business—and not just for tech firms.

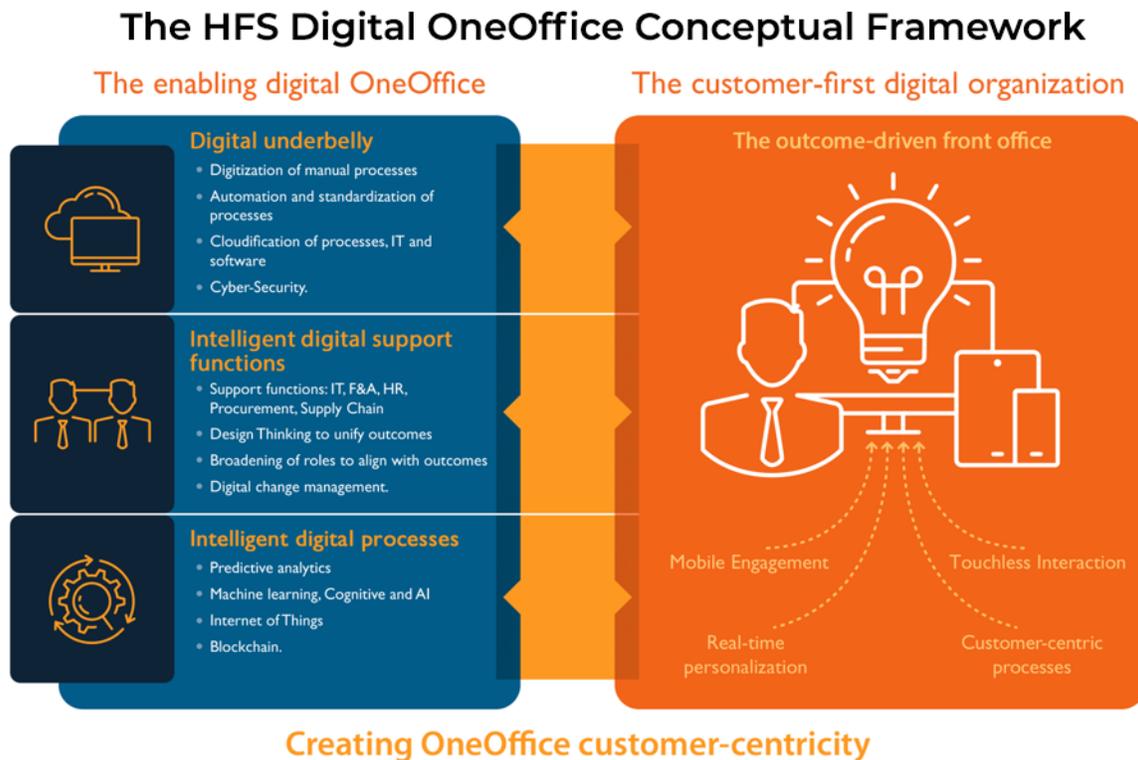
The largest organizations, spread out over global markets, will need to make concerted efforts to reconnect with the most important group responsible for market success—their customers. Customer-first organizations engage with customers to seek ongoing feedback for products and services through multiple ways, giving direct insights into and actionability around customer sentiment. These firms also place utmost

importance on how products and services are delivered to customers, prioritizing customer experiences in every interaction.

How should you think about building a customer-first digital organization?

Building a customer-centric culture will require a mind-shift in how enterprises think about business operations as a whole. At HFS Research, we refer to this as the move toward the Digital OneOffice (see Exhibit 1). The Digital OneOffice is the framework for the touchless digital customer experience and the creation of an intelligent, single office to enable it. From internally oriented departments and silos that existed in the past, organizations need to bring together people, intelligence, processes, and infrastructure as one integrated unit with one set of unified business outcomes tied to exceeding customer expectations.

Exhibit 1: The HFS Digital OneOffice conceptual framework for building customer centricity



Source: HFS Research, 2018

In a nutshell, the Digital OneOffice framework allows an enterprise to collapse the barriers between the front, middle, and back offices through the lens of customer experiences. This means that the voice of the customer is baked into how an organization gets work done—including but not limited to customer interactions.

- “Digital” describes the design and usage of interactive channels that drive customer engagement with the enterprise—mobile, social, text, and chat.
- “OneOffice” describes the enabling technologies, such as unified analytics and cognitive automation, that drive real-time predictive capabilities and an engaging digital experience that unifies all the stakeholders across the organization—the customers, partners, and employees.

How can we get started?

Concepts like the Digital OneOffice can be incredibly helpful for senior management to think through and align on the need for customer-centricity and the building blocks that enable it. However, going from planning to doing is a significant challenge and is also substantially influenced by your company’s culture and history. How can you step away from your day-to-day operations and existing (often legacy) systems and processes, responsibilities, and partnerships to develop a starting point for customer-centric work? You might create a special task force internally, or you might engage with an external technology and services partner to undertake a digital customer-centric project. The recently published [Blueprint on Digital OneOffice](#) presents helpful ways to think about this stage. In particular:

- **Build co-innovation relationships and shed legacy relationships.** The partners who got you here may not be the ones to take you where you want to go.
- **Stop thinking about the “Future of Work.”** It’s already here... act now!

During our research, we came across an example of an enterprise client, Yokohama Tire Corporation, undergoing one such journey, pivoting toward the Digital OneOffice with its first foray into a CX project with the help of its partner Brillio.

How the Yokohama Databook project has sparked an appetite for front-office transformation

Yokohama Tire Corporation (Yokohama) is the North American manufacturing and marketing arm of Tokyo-based The Yokohama Rubber Co., Ltd., a global manufacturing and sales company of premium tires. The parent company is over a hundred years old and operates via an extensive sales network throughout the US, working with distributors and retailers to stock its wide range of tires. HFS connected with Wasi Ahmed, CIO at Yokohama, to understand the company's technology transformation initiatives. Ahmed details his experience since he joined the company in 2014, "We didn't have a fully formed digital transformation strategy. When I started, Yokohama needed to strengthen infrastructure and application backbones, and so I have spent the last three to four years trying to get the house in order on that front."

In 2017, Yokohama started to shift its focus to more customer-oriented issues. Mobility emerged as a key technology to execute on the company's strategy of building more digitization across operations. As a hundred-year-old company, Yokohama has many manual processes that it has targeted to transform through digitization. In particular, the CIO sees opportunity in self-service information distribution through mobile devices.

Yokohama has multiple IT service provider relationships and is working on broad technology projects such as ERP implementation and app development. However, after an RFP process, it decided to go with Brillio, a service provider focused on front-office transformation. Ahmed recounted, "We had to go with a niche company [Brillio] that had subject matter experts and personalized service to make sure that our first major mobile project was on time and on budget. We were not wrong."

Building the Yokohama Databook project using Brillio's XO (Experience Objectives) Framework

As Brillio started working with Yokohama, it was challenging to choose an innovative mobility and digitization use cases. While the CIO was driving customer-centricity, the tire company's culture was focused on immediate ROI in all its IT transformation. This focus on ROI is what drove Yokohama to pick its first use case around mobility and digitization with an impact on the end-customer experience. The use case promised to:

1. Give immediate savings, to the tune of hundreds of thousands of dollars every quarter (upwards of \$0.5 million annually);
2. Advance mobility strategy, radically improving end-user experiences and digitizing a laborious process;
3. Grow business with information made available in real time to the user to look up and make informed decisions about placing and fulfilling orders.

Dubbed the “Yokohama Databook”, this use case would allow the company to replace its product catalogs and technical information with a digitized app, available to all B2B clients and its salesforce. As a tire manufacturer, Yokohama’s clientele is B2B, where its products are sold to distributors, tire dealers, auto dealers, and online retailers collectively representing thousands of points of sale. Each store’s technicians and managers need updated specifications for every type of tire that Yokohama carries. Due to the heavily regulated nature of the tire industry, each tire’s safety standards and technical details must be made available to the market. Ongoing R&D test results, regulation changes, and updated product details need to be communicated to business users across thousands of stores and made available to Yokohama’s sales teams to serve customers better.

Several key stakeholders from Yokohama were identified to contribute to the development of the project alongside Brillio. This included three Senior VPs from different divisions (consumer tires, commercial tires, and off-the-road tires), along with the Marketing VP and members from Ahmed’s team. Second-level stakeholders included directors, zone managers, and the sales team.

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—Wasi Ahmed, CIO at Yokohama Tire Corporation

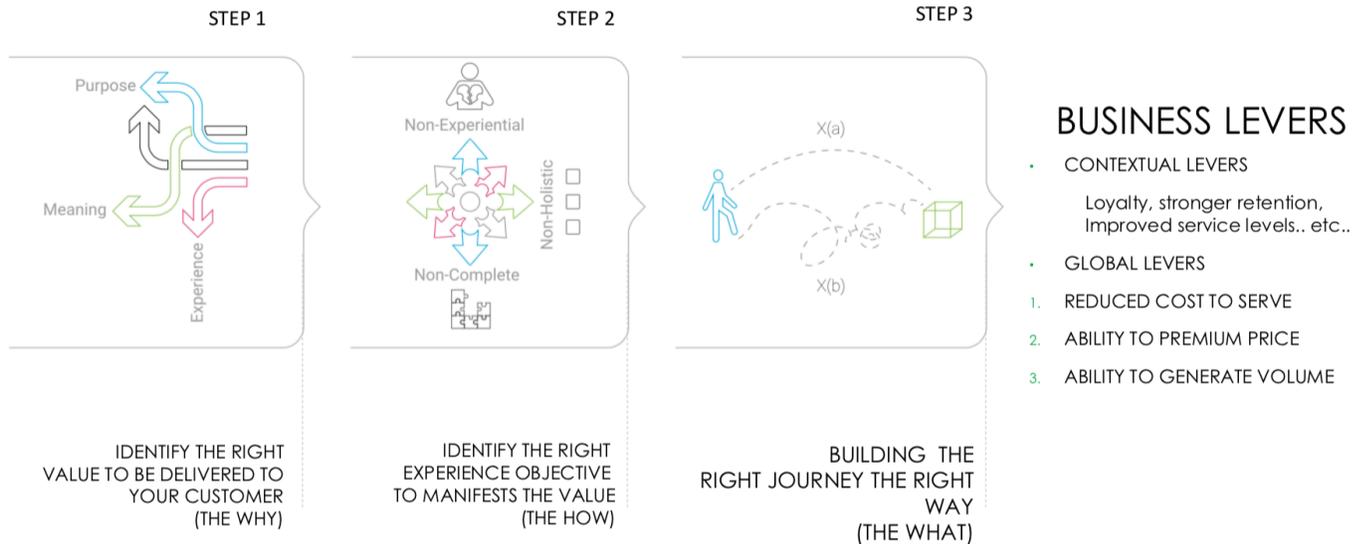
Brillio introduced Yokohama to its methodology for executing digital transformation, the Brillio XO framework, to kickstart its first project. With the framework (see Exhibit 2), Brillio helps its clients craft experiences on digital properties using design thinking principles. The steps in the framework help bridge the gap between what the business is trying to do and how technology specifications and solutions are eventually built. The XO (or experience objectives) framework does this by:

1. Identifying **values** that customers seek within the client's industry and use case;
2. Building **experience objectives** that deliver on these values using relevant technology components; and, finally,
3. Building **journeys** for each type of user in the proposed solution to create a better experience.

Toward this, Brillio held a series of workshops bringing together the different levels of stakeholders. The workshops intended to both identify immediate goals and define a path for attaining leadership in the market. This was achieved by defining the values to be served, the competitive positioning, and the experience objectives as an outcome of the sessions.

Ahmed elaborated on the process, "During one workshop, we worked through high-level questions with key stakeholders, exploring what we needed. The marketing and sales teams were involved, with IT participation. Brillio and Yokohama both spent a lot of time on how to solve the pain points. Brillio did further workshops with different types of end users to identify exactly what they were looking for our app to do. Those were really good face-to-face interactions, and helped us understand the objectives that users were trying to meet."

Exhibit 2: Steps in the Brillio XO Framework



Source: Brillio, 2018

The outputs of these interactions were specification documents from requirements to multiple design prototypes that laid out the project priorities over two phases. The app would initially meet critical user needs, followed by feature enhancements at a later phase. Brillio and Yokohama developed major functional features such as product search and the ability for the app to “talk to” external websites and gather information through APIs. This allowed the dealership network to become more knowledgeable of the Yokohama portfolio and position products more accurately. As the team started reviewed each build with end users, it got better feedback. Brillio worked on a rapid implementation timeline using agile methods and DevOps across US and India-based teams. The project was delivered on time (over a three-month period) and on budget.

Results that are catalyzing Yokohama’s mobility strategy for 2019

Since the Phase 1 Databook app rollout, Yokohama has already received positive feedback from both key business stakeholders and customers. Before, the company was printing and distributing thousands of brochures, but now customers have real-time, updated product information with rich, mobile self-serve features that enable high-quality search and speedy convenience. As projected, the customer experience has improved, and the project has also delivered ROI and will have a bottom-line impact for Yokohama going forward.

Most notably, the visibility of this successful, first project is spurring Yokohama on to other initiatives focused on mobility—for the front office and beyond. Ahmed saw this as a great first project to take his organization’s IT objectives closer to customers. He observed, “This was a huge win for our company. The other executives are happy with this. Most importantly, our stakeholders want to do more. So now, going mobile is becoming a big agenda item in our budgets and strategy.” Project ideas for the next app(s) include going deeper into enterprise data to expose ERP information on mobile apps and to give sales teams real-time data on sales orders.

Key takeaway: The customer-first digital organization isn’t going to build itself—start somewhere to develop quick wins

The Yokohama Databook story is a prime example of a “quick win” that can help organizations align to customer-oriented technology strategies. When it comes to transforming the culture of century-old enterprises, sometimes it is powerful to focus on a manageable, impactful initiative to get a quick win. With the case of the Databook, Brillio’s XO framework was able to uncover the key guiding experience objectives that Yokohama’s customers were seeking and delivered them with a simple but powerful app to get immediate ROI. As a result, there is now a broader mobility strategy at play that will continue to push Yokohama toward delivering better customer experiences—a matter of survival in the modern business environment.

HFS Research authors

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Reetika studies the broad use of data and analytics within enterprises, with a research focus on emerging strategies to institutionalize machine learning and other AI techniques. Her research extends into industry trends for the insurance vertical, including the impact of digital business models, IoT, Smart Analytics, and AI on property and casualty, life and annuities, and reinsurance companies ([view bio and contact details](#)).

Elena Christopher | Research Vice President



Elena is responsible for driving the industry-specific research agenda for HfS - digging into the major trends impacting each in-scope industry and the implications for business process and IT services. Elena's industry coverage areas are High-Tech, Banking and Financial Services and Telecommunications. She additionally leads HfS' coverage of robotic process automation (RPA) helping to identify and articulate the value proposition for this important change agent and its intersection with other emerging value levers. ([view bio and contact details](#)).

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The HFS mission is to provide visionary insight into major innovations impacting business operations, including: automation, artificial intelligence, blockchain, Internet of things, digital business models, and smart analytics.

HFS defines and visualizes the future of business operations across key industries with our Digital OneOffice™ Framework.

HFS influences the strategies of enterprise customers to help them develop OneOffice backbones to be competitive and to partner with capable services providers, technology suppliers, and third-party advisors.

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