

# THE DIGITAL COMMERCE MINDSET: WHY CULTURE AND LEADERSHIP ARE KEY TO TRANSFORMATION



Digital commerce transformation is no longer just a trendy buzzword but a crucial element in today's rapidly changing business landscape.

With digital commerce transformation, companies can expect to see significant improvements in various aspects of their business. In addition to improvements in typical business performance metrics, they are likely to deliver enhanced customer experiences. This includes creating an integrated omnichannel experience that allows seamless interaction with the brand through multiple channels and gaining the ability to develop more personalized and targeted marketing strategies.

Why is this important? Because only those businesses that can deliver superior customer experiences can flourish, according to the Infosys Digital Commerce Radar 2023 study. The report also identifies leadership and organizational culture as crucial ingredients for optimal digital commerce.

We discuss two such aspects in this article - one is selecting the right leader to anchor the program, and another is the organizational culture.



## Who can successfully lead a transformation

It is possible that companies treat a digital transformation program as a technology-led initiative and fail to give it a business or organizational flavor. In fact, according to the Infosys Digital Commerce Radar 2023 study, that seems to be the trend. With almost 40% of programs led by a Chief Technology Officer, Chief Information Officer or Chief Digital Officer, the evidence shows a technology led bias.

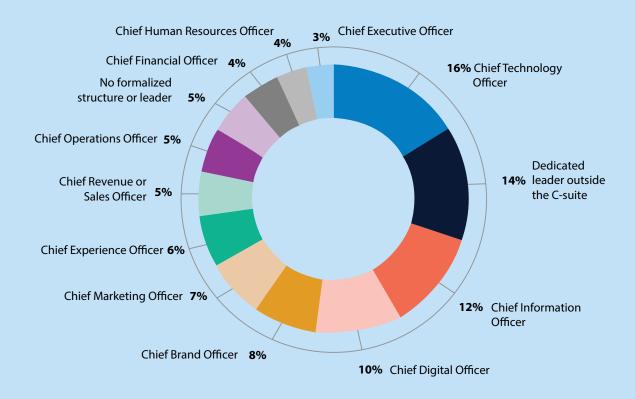


Figure 1: share of companies by digital commerce leadership

The study revealed that 14% of these programs are led by individuals who do not report to CXOs, suggesting a difference in prioritization. Over 50% of digital commerce programs are either not reporting to the C-suite or are technology driven. It is accepted that for large initiatives whose impact must be felt organization-wide, the involvement of the C-suite is a must.

Digital commerce programs often involve significant changes to an organization's processes, systems, and culture. So, effective change management is essential to minimizing disruption and maximizing benefits. Given this scope, it is imperative that digital commerce programs take a more holistic view of leadership, as it sets the tone for the entire project.

The leader must be able to foster a culture of collaboration, agility, and customer focus and provide the team with the tools and resources needed to succeed and produce business value for the organization.

The Infosys Digital Commerce Radar 2023 study also revealed that chief revenue officers (CROs) or chief sales officers (CSOs) deliver better results than their technology counterparts when leading digital commerce programs.



Figure 2: Relative digital commerce performance by leader

# The role of organizational culture in shaping success

While leadership is critical for any transformation program, other factors impact success too.

Successful transformation also means ensuring that different teams engage actively during the journey. That engagement will be driven by the organizational culture influencing how employees perceive and respond to change. For example, if an organization's culture is resistant to change or has a low tolerance for risk, successfully implementing a digital commerce transformation can be challenging. In contrast, a culture that values innovation, continuous learning, and collaboration can foster an environment supporting transformation by enlisting the right team to engage in the journey.

Overall, organizations must treat the digital commerce transformation exercise as a conduit to generating business value and not yet another technology implementation.

During execution, it will translate to setting OKRs tied to business value at the organizational level to set the direction of the transformation. It will then be broken down into specific metrics or KPIs for teams to deliver. As Infosys Knowledge Institute puts it, OKRs bridge the gap between strategy and execution to transform enterprises from output-based to Agile outcome-focused<sup>1</sup>.

So, those organizations that are prepared to make changes by reconstituting teams and adopting new ways of working stand a better chance of getting the desired business outcomes. To navigate this new reality, organizations need visionary leaders who can guide their teams through the complexities of transformation and help them capitalize on the abundant opportunities it offers along with the right organizational culture.

### About the Author



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He has nearly 3 decades of experience across Online & Omni-channel Commerce, Retail, Banking domains and BPM & Enterprise Application Integration; delivering mission-critical business outcomes. With an entrepreneurial attitude and expertise across the full spectrum of the IT industry; having worked extensively in core product development & global consulting organizations, he's passionate about business & technology innovations and building high performance organizations and teams.

<sup>1</sup>Infosys Knowledge Institute | OKRs: Redefine Success for a New Era



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