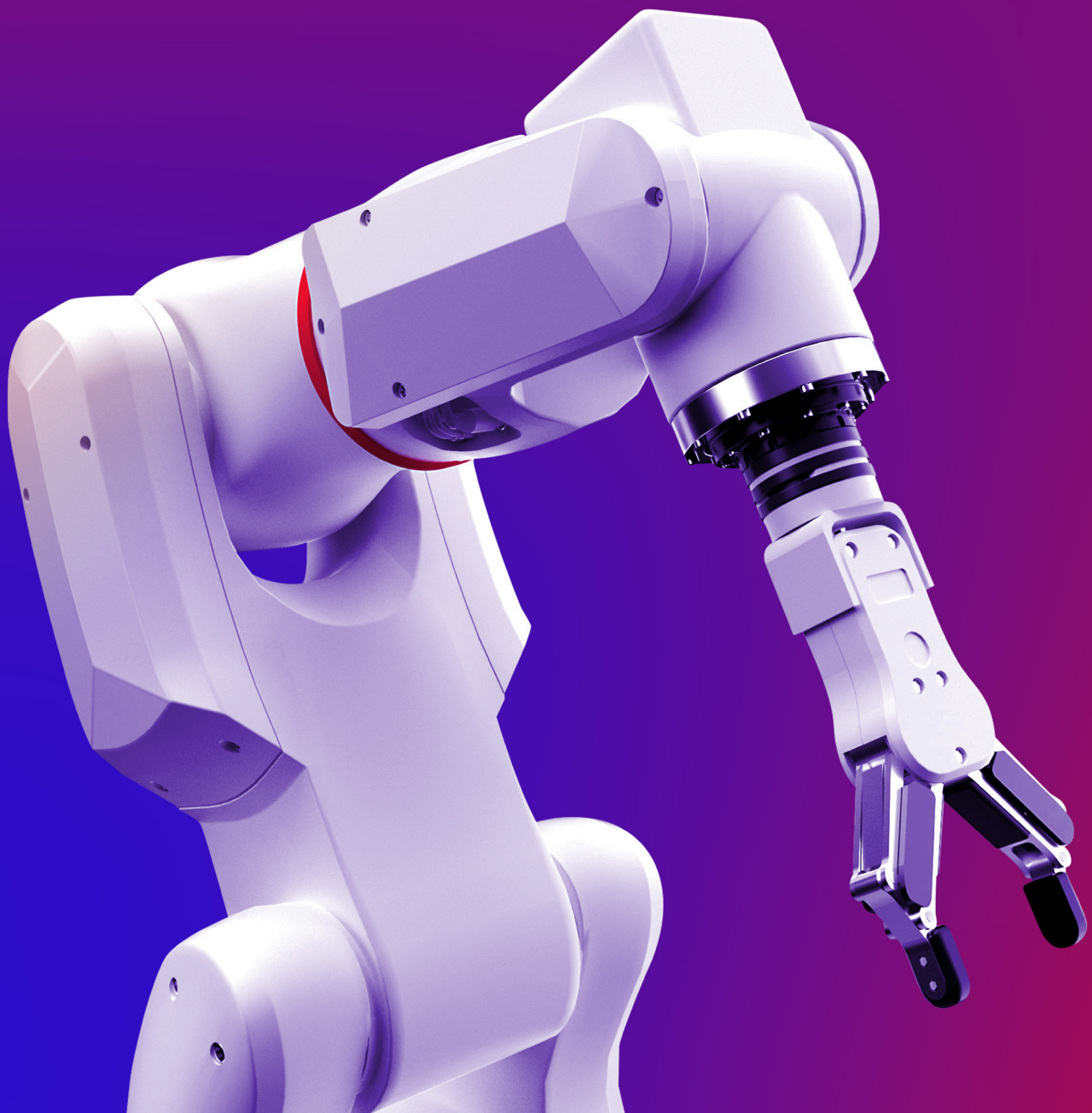
infor

RESEARCH REPORT

How Possible Happens

Filling the ‘value void’ with technology-driven productivity



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Foreword

By Dr. Chris Brauer

Director of Innovation, Institute of Management Studies at Goldsmiths, University of London, UK.

Organizations around the world are accelerating and evolving their own unique digital transformation journeys. In 2024, artificial intelligence (AI) — both generative and discriminative — has 'crossed the chasm' of adoption and integration from early adopters to the early majority. Leaders in all industries across the private and public sectors and civil society are challenged with charting paths for strategic AI-enabled digital transformations of business models, ways of working, and workforces. Welcome to the year of adoption as, **according to Forrester**, 90% of senior decision-makers plan to implement AI in 2024 (Forrester, 2024).

The **productivity gain of adding steam power** to a small factory in the 1800s was 25% (National Bureau of Economic Research, 2006), and by 1920, electrifying steam-driven factories delivered further 20% increases in industrial productivity (The American Economic Review, 1990). Studies conducted by McKinsey, Goldman Sachs, PwC, MIT, and Stanford in 2023 and 2024 all show **35%-50% productivity improvements from the use of AI**, enhancing operational efficiencies and effectiveness by doing things better, faster, and cheaper.

These encouraging early research results are more a reflection of the promise of AI than a lived reality for those organizations still struggling with unlocking value and aligning technology strategy with broader ambitions to prosper, grow, and scale both profit and purpose. After all, we measure productivity by seeking more units of output by each unit of input. High performing organizations are demanding AI doesn't just take input costs out of the productivity equation, but also delivers output-enhancing products and services.

This Infor report helps respond to these challenges with data-driven evidence and clear and actionable insights, digging deeper beneath that accelerating surface demand curve to reveal how organizations getting it right today aren't the ones waiting to see how progressions play out. They're the ones looking around corners, predicting and anticipating what comes next, and proactively tackling opportunities and risks. These organizations are building resilient strategies that deliver sustainable growth and use technologically optimized processes, cultural agility, and focused accountability for customers to differentiate and drive incremental transitions and sweeping transformations.

The research findings in this report show that the biggest challenge organizations are facing in accelerating transformation is not necessarily around the new technology itself, but the mindset and cultural change required to derive value from it. This reminds me of a relevant quote that is often misattributed to political ethicist Mahatma Gandhi: "Be the change you want to see in the world". What he actually said was, "As a person changes their own nature, so does the attitude of the world change towards them".

This is such a powerful idea for all of us on this long day's journey into a post-AI enabled future. This timely report shows that if organizations change the nature of their mindset, their culture, their processes, and their data-driven future readiness, the world will change how it views the organization as driven by clarity of vision and purpose, and proactive and impactful value-driven innovation. It's a great look for what's to come.

Let us show you **How Possible Happens**

Industry is increasingly facing a 'value void'. New technology trends and advancements—such as generative AI and digital automation—inevitably create urgent action that is often unrelated to core business operations strategies, leaving organizations grasping for promised gains. To further the complexity, a digital divide is widening between those who embrace the implementation of novel technologies, and those who are slow to respond.

Yet the right path forward is often ambiguous. Disruptive new solutions make big promises of bigger success, but leaders must remain centered, expertly navigating the waters to simultaneously solve their organizational pain points and unlock value. Balancing the act of embracing digital transformation with looking beyond the hype is no mean feat—and can result in missed opportunities.

To fully grasp what this disruptive landscape means for organizations —and how they can become better equipped to precisely navigate it—we've conducted our own global research survey. One of the largest of its kind, we interviewed over 3,600 respondents from 15 countries and seven industries, speaking to everyone from CEOs to enterprise software users.

From our comprehensive results, we've uncovered what the highest-performing organizations are already doing to drive core business velocity and extract greater value from digital transformation.

In this report, you will uncover detailed analysis of our research findings, including insight into the behavior of highly productive organizations across seven key industries. Plus, you'll get pragmatic advice and meaningful measures that you can apply today.

One of the largest of its kind, we interviewed over **3,600 respondents** from **15 countries** and **7 industries**, speaking to everyone from CEOs to enterprise software users.

Methodology

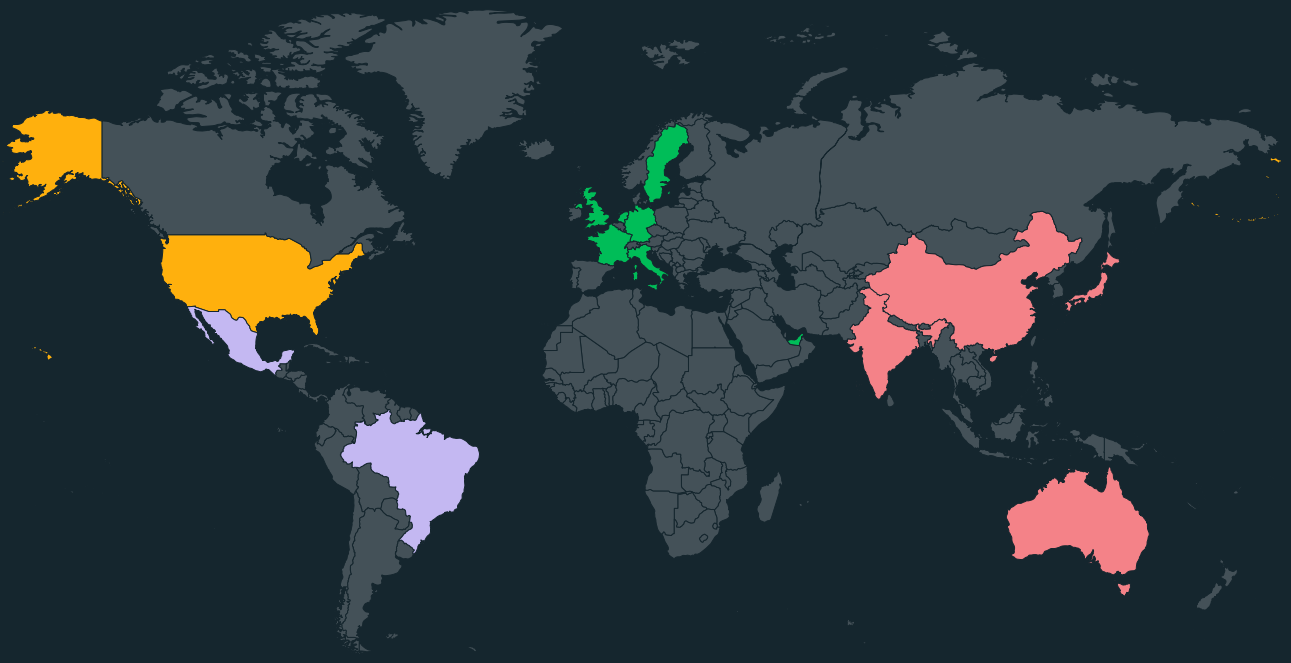
Our global research study was carried out in **May 2024** and featured **3,600 respondents**, including enterprise solutions software users across seven industries.

- Automotive
- Distribution
- Fashion
- Food & Beverage
- Healthcare
- Hospitality
- Industrial Manufacturing

C-suite Executives: CEOs, CIOs, CTOs, CFOs, COOs, CHROs, and other executive-level decision-makers for Enterprise Solution software

Users: Employees who work with Enterprise Solution software on a weekly basis

Regions:



- **North America:** USA
- **Europe and Middle East:** UK, Netherlands, Sweden Germany, France, Italy, UAE
- **Asia Pacific:** India, Japan, China, Australia, Singapore
- **Latin America:** Mexico, Brazil

Chapter 1

Assessing organizational mindsets in the face of digital change

Digital transformation—in the context of this report—refers to the act of implementing digital solutions or technologies across an entire organization with the aim of transforming processes and driving innovation. The exact roadmap will vary across different industries and individual organizations, depending on specific pain points, customer requirements, or organizational objectives.

From intelligent to autonomous

"By 2028, **85% of enterprises using intelligent applications** will have evolved to running as autonomous organizations, redefining the technology resource usage within the business."

Source: IDC FutureScape: Worldwide Intelligent ERP 2024 Predictions, Doc #US51300923

The autonomous business

According to new research from Gartner:

"Autonomous business is the next wave of transformation, triggering epochal changes in the purpose, form and function of applications for employees." "Digital transformation, the process of leveraging digital technologies to fundamentally change how an organization operates, delivers value to customers and competes, is an essential component of the modern business or organization."

Gartner, Intelligent Applications Enable the Autonomous Business

17 September 2024.

Today, digital transformation initiatives are commonplace—even table stakes. Yet organizational mindsets around assessing the value of these initiatives can vary, influenced by a number of factors. Before we dive into how to create value, let's explore the challenges that can impact how organizations approach digital change.

Economic pressures

While it's true that periods of financial uncertainty can cause leaders to lean into digital transformation—as that itself can lead to cost savings—the path to technology investment is rarely linear (McKinsey, 2022).

Securing stakeholder buy-in to new initiatives can be a significant hurdle. The value of new-to-market solutions can be difficult to prove without multiple demonstrable use cases. Even after uncovering alternative methods of measuring value, justifying investment while funds—and resilience—are low can be an uphill battle.

Knowing the right approach to take relies on a comprehensive understanding of digital strategy, which for some may be out of reach. It also raises questions around traditional value measurement techniques, and whether organizations should assess and explore how they define 'value'.

Increasing customer expectations

Thanks to fierce competition and ever-increasing price brackets, customer expectations have skyrocketed, leaving many organizations fighting to keep up with their industry counterparts.

Specific drivers of this shift vary from industry to industry. For example, in the automotive industry, research by Accenture found demand is moving away from vehicle performance, design and price, with customers instead favoring a more connected, virtual, and environmentally responsible experience (Accenture, 2023). This aligns with the disruptive emergence of EV and hybrid vehicles. Shifting sourcing destinations due to geopolitical factors are also triggering cost increases, which are then passed down to the customer.

McKinsey suggests bolder digital strategies are more likely to improve customer engagement than more incremental ones (McKinsey, 2022). Due to the fast-paced and malleable nature of customer demand—juxtaposed against the increasing threat of competitors—organizations may have to dial up their risk appetite, requiring a significant mindset shift.

Customers favor
a more connected, virtual, and environmentally responsible experience.

Rapid evolution of new technologies

The promise of GenAI has transformed how we approach work and do business (McKinsey, 2023). For example, in Fashion, some businesses are using AI to generate new style names (McKinsey, 2023). Elsewhere, Food & Beverage (F&B) organizations are using AI to create and translate food labels (FolSol 2023).

However, as with many new technologies, the proof of value is often slow to materialize, leaving leaders unsure where to focus their efforts. With a plethora of options to choose from—and new solutions appearing at seemingly breakneck speed—the sheer scale of choice can be overwhelming, and potentially even off-putting.

One in five respondents of this McKinsey survey reported that their organizations were investing in digital transformation purely to incubate new digital capabilities (McKinsey, 2022). This, above all, suggests that despite concerns, there is now a business imperative to tackle digital change—or risk getting overtaken by competitors.

While these challenges are common across many organizations, each industry faces unique complexities. Ultimately, digital change is an urgent priority for leaders everywhere, but investment decisions increasingly require validated proof of value and outcome success. And that's just not always possible.

It's clear that every organization is chasing value, but most lack the meaningful measures and means to unleash it.

The limitations of legacy

"It's not uncommon to see organizations fail to adapt to their fast-changing industry environment when running extremely outdated versions of software. Even those that take a cloud product live, but apply massive amounts of customizations, extensions and integrations, struggle to adopt innovation at the speed of business."

Kevin Samuelson, CEO, Infor

Organizations around the globe share a common ambition: they want to see value creation. But realizing that ambition can mean traversing a complex journey through the disruptive technology landscape. And that requires preparation.

1 in 5 respondents of this McKinsey survey reported that their companies were investing in **digital transformation** purely to incubate new digital capabilities.

Chapter 2

Chasing value at every turn

As we've outlined, there is a strong drive for value creation across all industries globally. The exact nature of what each organization regards as value creation can vary in line with their own distinct priorities – it may be profit growth, increased revenue, shareholder value, greater innovation, or something else entirely.

But ultimately, a key component at the heart of achieving any of these is effective and efficient business operations—in other words, **increased productivity**. This notion is supported by our research, which indicates 75% of organizations surveyed expect to gain a productivity increase of more than 20% in the next three years.

So—how do you improve business productivity? As we'll go on to explore, the answer lies at the sweet spot between investing in the right technology, developing efficient processes, and building an agile and proactive company culture.

Navigating the complexity of technology investment

A key finding from our research is that organizations understand technology is a way to unlock productivity—and therefore value—and are willing to invest in new solutions to achieve this. **80%** of organizations agree that success will depend on the use and adoptability of new technologies, while **78%** of organizations expect to increase investments in technology by **20%** or more over the coming years.

Our findings are echoed elsewhere. McKinsey research cements the idea that technology investments are creating significant business value, with more than two-thirds of respondents saying digital change efforts increased revenue from existing streams, and more than half citing the creation of new revenue streams such as a new product line (McKinsey, 2021).

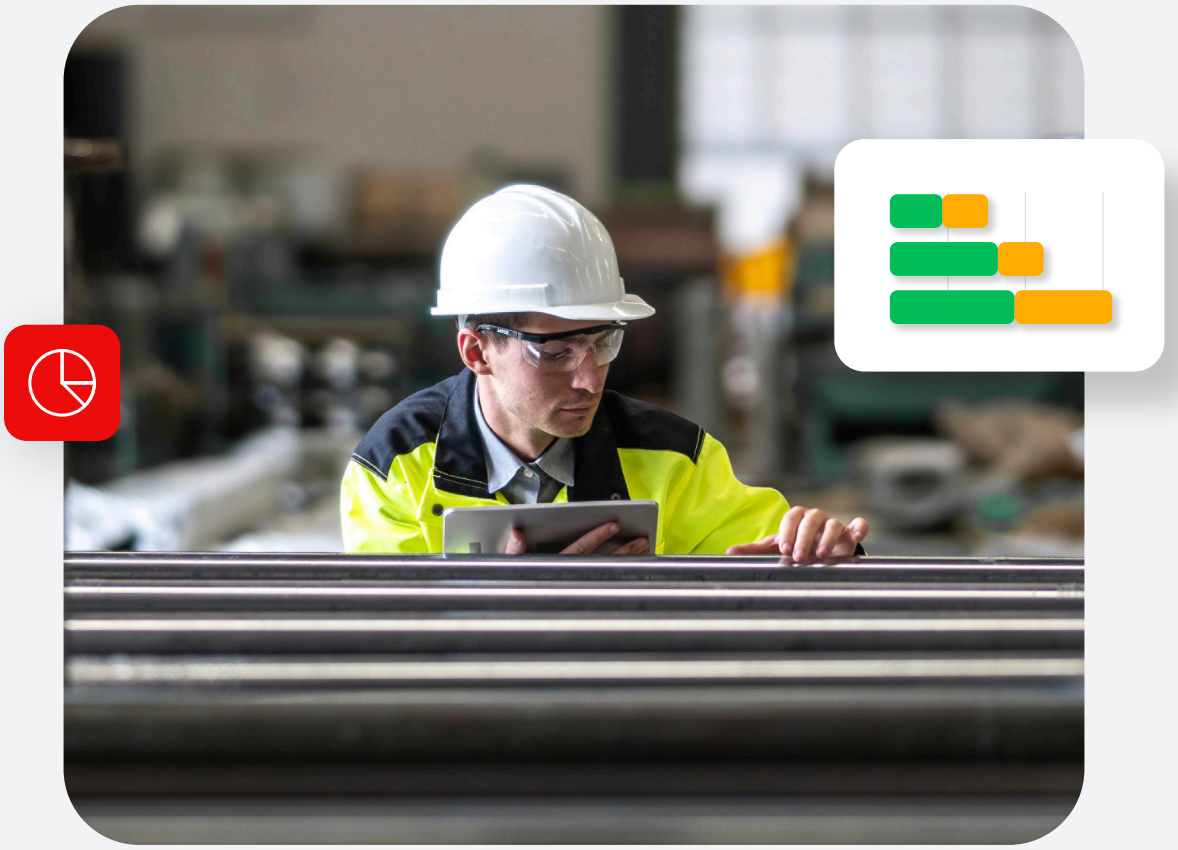
A recipe for transformation

"If you think about any transformational effort that you're going to undertake in your organization, there are fundamentally two ingredients from an enabling technology standpoint, data and API. You need data, which includes industry data, plus internal and external data, all in one place. You also need access to the right capabilities—industry-specific capabilities—accessible through an API to automate parts of your business processes."

Soma Somasundaram, President of Products and CTO, Infor

However, technology adoption for its own sake is not enough (McKinsey, 2023). Too often, businesses are enticed by the promises of an exciting new solution, only to be disappointed by the lack of tangible improvement post implementation.

75% of organizations surveyed expect to gain a productivity increase of more than **20%** in the next three years.



A common reason behind this is that new technology can reveal previously unseen bottlenecks that need resolving before value can be realized. These issues typically lie within business processes, demonstrating the importance of leaders having end-to-end oversight of operational procedures—ideally before the new solution's roadmap is even plotted. Leaders could especially benefit from an external perspective on this, as it can be difficult to take a step back and observe the bigger picture when faced with critical decisions.

Ultimately, any new solution should directly link to value creation opportunities and measurable outcomes—something that is complex to achieve without the right approach in place.

The changing face of business

"Buyers are becoming builders—and that's now a way for businesses to differentiate.

It used to be about buying whole software solutions—for example an e-commerce platform—and making changes within that scope. Now, you can purchase composable business applications that can be reused and recombined to create a tailored, differentiated solution.

This could look like organizations integrating AI solutions with their data platforms, bringing data together for a holistic output that can unlock ways to drive value."

Mark Schwartz, Enterprise Strategist, AWS

Harnessing the power of productivity

Organizations want to drive value creation. And to do that, they should look to shift their mindset around using technology to increase productivity.

What does this technology look like? What do the most productive organizations do with this technology that sets them apart? And crucially, how do they unlock a productivity advantage that delivers both core business velocity and proof of value?

What does 'productivity' mean?

Productivity in the context of our research is defined as a strategic tool to drive profits, increase shareholder value, mutual benefit and accelerate product innovation.

Our most productive organizations are defined by certain characteristics. Not only do they self-report as being more productive than others in their sector, they have also experienced higher revenue growth over the last three years.

From our research, we've identified four core attributes of the most productive organizations, titling them **Vectors to Value**. These vectors are our anchor points, enabling us to explore the answers to the above questions in detail and unveil actionable insights that can power organizations on their productivity journey.

78% of companies expect to increase investments in technology by **20%** or more over the next three years.

Vectors to value

The following **four vectors** describe our most productive companies.

1 Processes and systems

They make bullet-proof processes a competitive advantage

Processes are highly tuned and intelligent. Technology provides the visibility to identify and unlock optimization potential.

2 Agility and future-readiness

They're agile, adaptable, and future-ready

Advanced technologies (GenAI, RPA, Process Intelligence) are used to de-risk and respond faster to the turbulent and unpredictable nature of the modern world. These organizations continually pinpoint what's working and what isn't to optimize existing investments and stay ahead of the pack.

3 Culture of data

They're pushing boundaries through the power of data

They draw on input from intelligence and automation to establish a comprehensive data foundation and strategy. This empowers their workforce with access to the right insights, at the right time, allowing them to innovate and unlock more value at every turn.

4 Customer focus

They're customer outcome obsessed

Their success is defined by their customers' success; their revenue growth by their customers' revenue growth. They build customer feedback into every part of their organization, striving to anticipate their customers' needs and being accountable for their value realization.

Chapter 3

Exploring the power of productivity

In our research analysis, we found clear similarities across our most productive companies. We aligned a number of the top attributes to each vector, building a list of the most influential value drivers that contribute to each organization's productivity advantage. Each attribute is defined by a data point. This percentage quantifies the difference between the most productive companies and those that are a lot less productive—essentially spotlighting the key focus areas for the former.

Comparing industry data splits across each vector's relevant attributes has enabled us to build a picture of how organizations can harness their core business operations as a competitive differentiator.

Featured industries:


Automotive


Distribution


Fashion


Food & Beverage


Healthcare


Hospitality


Industrial Manufacturing (IM)

A recipe for transformation

"As newer capabilities like AI and agent frameworks push past the pilot stage, it has become evident that scaling these capabilities requires an assessment of our existing technical debt. Complex, disconnected, or manual processes and data systems can no longer be tolerated.

Organizations seeking competitive advantage need to reflect on the process inefficiencies that have crept into their organizations over the years and take stock. Successful digital transformations rely heavily on program governance, deep process knowledge, strong execution, and significant data cleansing activities. Today the business takes center stage on most successful transformations with a clear vision, business case, and the full power of the enterprise to make it successful."

Chris Verheuvel,
Managing Director,
Deloitte Consulting LLP

Deloitte.

1 Processes and systems

Organizations make bullet-proof processes a competitive advantage

Process is at the center of everything your organization does. So, it makes sense that the most productive organizations have processes that are highly tuned and intelligent, leaning on technology to ensure seamless operations and to identify areas of improvement.

Research analysis

Comparing the most and least productive organizations, we've established the gap between them, represented in the below percentages.

The following four attributes from our survey are aligned to this vector:

1 Processes for productivity

Our organizational processes enable us to be as productive as possible.

26.5%

2 Clear KPIs

We have established clear key performance indicators to assess performance and productivity gains.

18.7%

3 Tools for performance visibility

Digital tools and systems have improved visibility into our process performance.

16.6%

4 Technology for automation

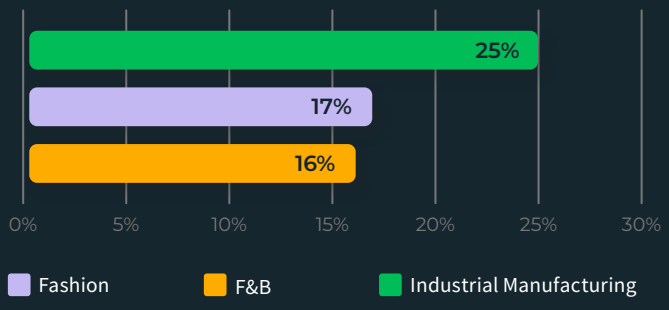
We utilize digital technologies to automate many repetitive and non-value added processes.

10.6%

'Processes for productivity' is where there is the greatest gap. But the gap is much more significant in the Distribution and IM industries, with a **34%** and **26%** difference respectively.

The same two industries also have a greater gap in our 'Clear KPIs' attribute (**22%** and **21%**), demonstrating a potential correlation between the two.

Figure 1: Tools for performance visibility % gap between most and least productive organizations



Digital tools and systems have improved visibility into our process performance

When it comes to our third attribute 'Tools for performance visibility' (Fig.1), the most-to-least productive gap is greater in the IM industry (25%). Highly productive IMs value digital tools and systems greater than any other industry. The most productive LATAM and APAC organizations also value these more than any other regions (23% vs 16.6%). In fact, the LATAM region has its top overall percentages in this vector, suggesting they place greater emphasis on their approach to process optimization.

Notably, C-Suite executives rank this attribute higher than their non-C-Suite colleagues at 34% vs. Directors and Users at 28% and 18%, respectively. Interestingly, this is the only vector where C-Suite stands out, with fairly even scores across the other three.

Optimizing processes through gaining greater visibility

Digital tools and automation are demonstrably key to increasing operational efficiency. Yet, technology needs to prove its worth. Those organizations that are realizing value are also setting clear KPIs to track performance and productivity gains, an action that seems straightforward, but could mark the difference between you and your competitor. They're also facilitating process mining to truly understand their processes, and how to improve them.

What's more, they're using these tools to improve visibility. For many, internal data—information on how they function and operate—is stored across disparate applications and databases. For large organizations formed through continual mergers or acquisitions, this data can even live across multiple ERP systems. This means its potential is limited or even lost, diminishing any possible gains.

A centralized software platform can provide organization-wide visibility into real-time information, streamlining communications and driving operational efficiencies. This forms a bedrock for highly tuned, intelligent processes, providing actionable data insights that help you weed out less effective areas over time and create opportunities to standardize where possible.

Not only does this reduce burden on staff, but visibility over internal data can open a gateway of possibilities: with the full picture of how your organization is running, you can make more informed decisions that contribute towards critical business goals, however big or small.

A recipe for transformation

"When organizations are looking to evaluate or assess new technology requirements, they should look to the Industry Process Catalog (IPC)—which comes as part of standard content for industry specific business processes—and use that as a starting point. Taking this approach in collaboration with process mining will help identify how a specific business process is currently being executed.

This can then help in identifying areas of improvement or automating any redundant manual steps that can help achieve better outcomes. Once an organization identifies where the opportunity lies, it can use that as a requirement while they are evaluating the value of new technology."

Rick Rider, SVP, Product Management, Infor

2 Agility and future-readiness

They're agile, adaptable, and future-ready

A key component to value creation is the ability to weather all storms. As the turbulent and unpredictable modern world delivers disruption at every turn, the most productive organizations are relying on advanced technology—such as GenAI, RPA, and Augmented Intelligence—to keep them steady.

Research analysis

Comparing the most and least productive organizations, we've established the gap between them, represented in the below percentages.

The following three attributes from our survey are aligned to this vector:

1 Technology for predictive intelligence

Our use of advanced technologies helps us predict events so that we can take early action.

21.2%

2 Technology for automation

Advanced technologies are automating decision-making in critical business functions.

18.0%

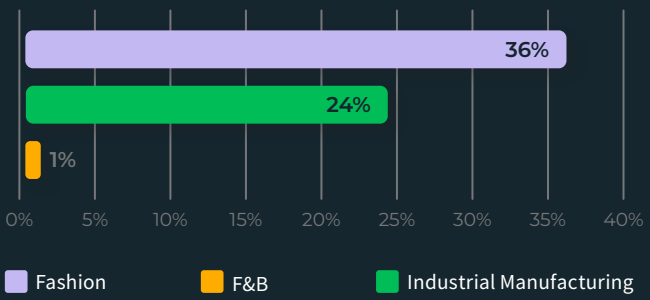
3 Technology for innovation

We leverage digital technologies for faster product innovation.

8.7%

Although attribute number three 'Technology for innovation' shows the smallest difference between the most and least productive organizations with **8.7%**, there are some huge industry differences. For example, the difference between the most and least productive organizations in IM is most pronounced at **43%** compared to Fashion, which has the next largest gap at **9%**. Industry numbers across 'Technology for predictive intelligence' are fairly consistent with the global average (21.2%) —except for F&B at **3%** and Distribution at **39%**.

Figure 2: Technology for automation % gap between most and least productive organizations



Advanced technologies are automating decision-making in critical business functions

We see a similar split across our attribute two 'Technology for automation' (Fig.2) with high performing Distribution organizations seeing significantly more value in automating decision making. This also highlights the opportunity for F&B to lean further into advanced technology to drive greater value.

Using automation for critical decision-making

With advanced technology, proof of value can be hard to come by. Yet, our research highlights that the most productive organizations are prioritizing intelligence and innovation to achieve greater agility, future-readiness—and ultimately value creation. And although the industry variation is hard to ignore, it simply reaffirms that technology is only one part of the puzzle. Additionally, automation is increasingly being used to inform critical decision-making. But automation is a big bucket, encompassing a lot of functions; it can be difficult to know where to start.

The mistake many organizations make is turning to stand-alone vendors who focus solely on front-end automation for repetitive, labor-centric tasks. While removing manual processes can drive improvements—particularly for talent—and generate valuable data, it doesn't give you all the ingredients for innovation, or for a solution that is easy to maintain long-term.

An alternative approach is to address back-end automation first, ideally with a provider that can deliver a complete end-to-end package. This could look like implementing natural language processing (NLP) and machine learning services to streamline task execution, recommend next-best actions, and predict potential issues before adjusting systems accordingly.

Tying back to our point around the complex industry differences, having the ability to continuously expand ERP automation capabilities across diverse applications and tailor digital automation to your own complex needs can help accelerate and achieve business goals.

Maximizing this type of advanced technology is where our top-performing organizations have the edge—yet this is an achievable goal for anyone willing to embrace the shift.

Remaining responsive in the face of change

With changing purchase patterns and supply chain problems, it's tough for organizations to accurately plan for what products customers will want and when. With customer purchase patterns continually changing, leaders at manufacturer of bakery equipment and meal packaging systems, **Oliver Packaging**, knew there had to be a better way to detect these changes so that the right products could be delivered at the right time, to improve the bottom line and the customer experience (Infor, 2024).

Leveraging integrated AI solutions with an industry-specific ERP, Oliver Packaging implemented anomaly detection algorithms to identify abnormal customer orders and amounts quickly and more accurately, leading to **a 90% reduced workload in tracking** customer demand and forecasting. Daily processing of these anomalies using machine learning is delivered via a user-friendly dashboard, where staff review and analyze the variances for sales and operations to make critical real-time business decisions.

"If I have a customer ordering less than normal, I can now go to sales so they can contact the customer to investigate. Is it going to stick to that specific customer or is this going to spread throughout the market? Is it going to be socialized to Meals on Wheels or socialized to just schools? At the same time, I must let operations know what to expect so they can make changes to the inventory side." **Sara Patrick, Sales Analyst**, explains.

3 Culture of data

They're pushing boundaries through the power of data

Best data practices are arguably at the foundation of all successful decision making. The highest performing organizations activate their data in more insightful ways in their core business operations, enabling them to innovate and unlock value at every turn.

Research analysis

Comparing the most and least productive organizations, we've established the gap between them, represented in the below percentages.

The following four attributes from our survey are aligned to this vector:

1 Cultural appetite for innovation

Our organizational culture embraces technological advancements.

15.0%

2 Technology for automation

We utilize advanced modelling technologies for rapid prototyping in product innovation.

13.9%

3 Data visibility for smarter decisions

Our employees are well equipped to make data-driven decisions.

12.6%

4 Technology for predictive intelligence

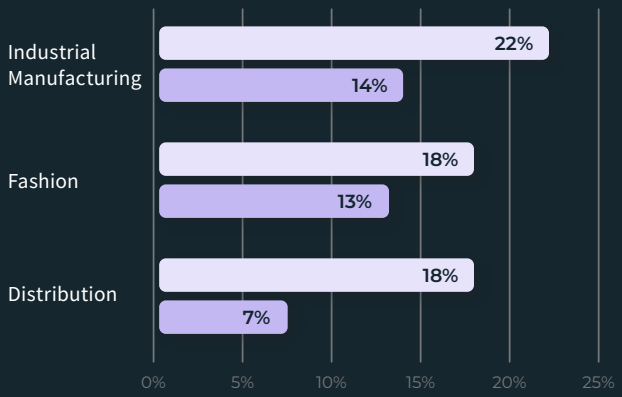
We use data to predict future demands.

5.9%

Highly productive IM organizations put a greater emphasis on a technology focused culture, with a difference of **32%** compared to the least productive IM companies. This cements their position as technology devotees.

Notably, top performing EMEA organizations hold the same view, showing a gap of **26%** compared to the global gap of **15%** against the first attribute. And **20%** for the second attribute versus the **13.9%** global average.

Figure 3: Data visibility % gap between most and least productive organizations



The most productive IM, Fashion, and Distribution organizations hold a similar focus: ensuring employees are well equipped to make data-driven decisions (Fig.3) against their least productive peers. But there is a dip when it comes to predicting future demands through data – indicating they might not know how to put it to best use.

- Our employers are equipped to make data-driven decisions
- We use data to predict future demands

Crafting a bespoke data model

A culture of data forms the beginning of the pathway to value creation, and paves the way to a culture of innovation. Using data to make informed decisions and predict future demands is at the heart of building business resilience, and ultimately driving growth efforts.

Yet data is an infinitely complex subject. Most organizations will have made some steps towards implementing more efficient data management tools, but with so many ways to get started—and so many industry nuances—it can be hard to know how to put their best foot forward. Talent scarcity is a limiting factor, while ubiquitous regulation and compliance can make it difficult for organizations to stay on top of everything.

A data model can help cut through the noise. When organizations build a blueprint to guide how their data is stored, accessed, and managed, they remove silos and form the building blocks of data-driven decision-making. For example, financial and operational data should be aligned to make the best decisions at all levels in the organization. Plus, industry specificity of the data model within the context of process is crucial to maximize results. For those with huge quantities of raw data, there may be a need to first take a step back and implement a data lake for a more flexible, scalable approach to building their model.

Using a centralized platform, organizations can analyze and review their data from a single source of truth. This approach also leads to improved data governance to ensure the highest data quality; the more accurate the data, the more actionable the insights. AI and machine learning (ML) needs clean, good quality data to add value, while process intelligence output is based on accurate data about processes. Full visibility also means greater data relevance, ensuring that specific insights can be gleaned to support tangible organizational goals.

But data doesn't just come from within. Using digital tools to gain greater visibility into the supply chain enables organizations to also leverage external data, impacting everything from customer relationships to profit margins. This also enables businesses to predict future demand, as data from further up the supply chain gives organizations the ability to make decisions that can avoid disruption or maximize opportunities.

Boosting customer service with data

When the incorrect set of parts is quoted for a service job, **service engineers at forklift manufacturer Combilift** are sometimes unable to fulfill the order the first time around. Instead, they must stop work, research and secure the right parts, and then return to the customer to finish off (Infor, 2024). The delay in completion increases the cost of the service – to both the dealer and the customer – because the machine being serviced remains non-operational.

Taking three years of historical data to train a new AI solution, the team now generate part recommendations instantaneously. This improves the efficiency and accuracy of recommending the right parts, but also scales the service quote process, reducing stress on staff and ensuring a first-time fix for clients. Plus, service job costs have been **reduced by 40%**.

"The Product Recommender works very well," says **Kenny Gilmour, Global Parts Manager**. "There have been situations where a customer has requested a component, and I have personally serviced the request. I've been here for almost 15 years quoting parts, and I can see that my experience and the AI solution are in sync."

4 Customer focus

They're customer outcome obsessed

Thinking beyond their own success to their customers' is second nature to our high-performing organizations. Customer feedback informs every decision, and they use it to shape their services to ensure customer needs are met.

Research analysis

Comparing the most and least productive organizations, we've established the gap between them, represented in the below percentages.

The following four attributes from our survey are aligned to this vector:

1 Cultural appetite for innovation

We have a dedicated innovation unit.

12.7%

2 Technology for automation

We integrate customer feedback and insights into our product innovation processes.

10.6%

3 Data visibility for smarter decisions

Smart technologies are embedded in our products and services to better understand how they are used.

9.4%

4 Technology for predictive intelligence

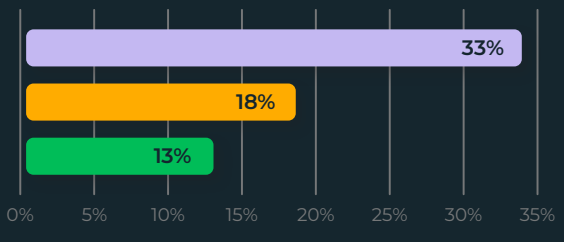
We have 'voice of customer' processes and tools so we can understand and adapt to our customers' evolving needs.

8.4%

True to form, the most productive IM organizations lean into 'Cultural appetite for innovation' and have a dedicated innovation unit, with a gap of **32%** versus the least productive, solidifying their status as innovation leaders.

When it comes to having 'voice of customer' processes, the most successful F&B organizations demonstrate a key understanding of how to generate effective customer feedback over their least productive peers with a gap of **27%**.

Figure 4: Customer feedback % gap between most and least productive organizations



Fashion F&B Industrial Manufacturing

We integrate customer feedback and insights into our product innovation process

Meanwhile, highly productive Fashion organizations lean towards integrating customer feedback into product innovation (Fig.4) much more than their less-productive peers. And though it is an area of focus for top F&B organizations, the gap isn't as large (18%). This could come down to the approaches different industries take regarding collecting feedback, with some more straightforward or developed than others.

Adopting industry-specific technology to prioritize customer needs

Customer focus is a definitive precursor to value creation, demonstrated by our most productive organizations keeping the customer front and center. From integrating smart technology into products to using customer insights in product innovation, it's clear that channeling efforts into revolutionizing the customer experience will lead to improved outcomes.

Our results again highlight industry differences, further strengthening the idea that there is no one-size-fits-all approach—and every industry will need to explore how different solutions can solve pain points.

For example, AI solutions can boost customer service, reducing sales order processing time and helping agents respond quicker to customer enquiries. AI tools can deliver more complex use cases, such as enabling organizations to build customized outputs; for example, a recommendation engine embedded into the sales order screen. This helps customers save time and money by assisting them in ordering the right product for their needs, without taking away valuable agent resource.

The majority of organizations will need an industry-specific ERP to cater to their unique needs—and by extension, their customers'. Combining a mix of out-of-the-box core functionality with configurable capabilities enables organizations to build tailored solutions that take their customer-driven culture into account. Plus, through additional APIs, they can stay highly flexible and add new functions as needed in line with customer feedback.

Put the customer first

"At Amazon, one of our leadership principles is that we should always start with the customer problem and work backwards from that. For example, we'll undertake a detailed review of customer feedback, using their comments to inform how we build and launch new initiatives. By fully putting ourselves in our customers' shoes, we can gain greater understanding and empathy of their pain points—which in turn enables us to deliver a more tailored solution. Not only does this set us up for success, but also gives us a competitive edge in response to skyrocketing customer expectations."

Yogesh Dhimate, Senior Solutions Architect, AWS

Chapter 4

Closing the ‘value void’: The power of partnership

True value lies at the heart of your organization: directly at the intersection of your industry-specific operational processes, your people, and the products you make. And to really maximize your unique business potential, you need a technology partner that fully understands all three.

This is where Infor's capabilities can position you for success. Our extensive knowledge of industry nuances enables us to develop complete industry suites in the cloud, offering micro-vertical functionality that is highly adaptable and intricately tailored to every use case.

Infor CloudSuite solutions are built natively in the cloud to enable global business, networked analytics, and a user experience augmented by artificial intelligence. Crafted on infrastructure services by AWS, our digital platform provides powerful functionality, collaborates with both legacy and other cloud software, and benefits from automatic upgrades that deliver the latest technological advancements.

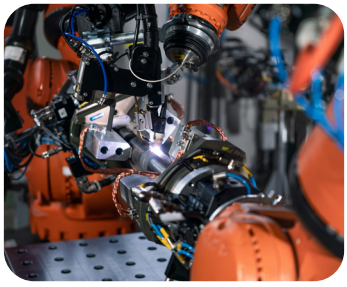
Through empowering leaders with expert insights, cutting-edge solutions, and strategic connections, organizations can optimize critical business processes to unlock innovation and drive value creation.

Data

We efficiently deploy technology that leverages data science to enable organizations to build a centralized data model. Through a single source of truth, organizations can efficiently collate actionable data insights that have a tangible impact on driving value.

Process

Our platform removes silos and provides organization-wide visibility into real-time information while streamlining communication across the business, enabling process optimization that boosts productivity and unlocks a competitive advantage.



Innovation

Our digital automation capabilities enable organizations to be agile and future-ready, transforming historically complex AI technologies into valuable and attainable enterprise goals.

Act now to secure your position as an industry leader

Organizations are on the cusp of a shift that can deliver huge business productivity and efficiency gains, allowing them to tap into previously uncovered value streams and tangibly impact revenue growth. And while we've discussed myriad ways to improve productivity levels, it all starts with a mindset shift from business leaders towards how they approach technology investment.

Digital strategies need to be bold; digital transformation needs to be measurable and aligned with business goals. Although finding the right path is far from straightforward, organizations should feel empowered by the availability of effective solutions.

As discussed, there are four key areas in which businesses should focus their attention: building bullet-proof processes, becoming more agile and future-ready, embracing the power of data, and creating a customer-obsessed culture. Organizations that align to these vectors are equipping themselves with the ability to achieve value creation.

Yet, the clock is ticking. Compounded by customer expectations and economic turmoil, it's only a matter of time before those who embrace the potential of technology and innovation rise up, and those who hesitate get left behind.

Through partnering with the right provider, organizations can open the floodgates to tailored digital strategy underpinned by a wealth of industry-specific experience. With the backing of a technology partner such as Infor, business leaders gain a much-needed external perspective on their technology roadmaps, helping advise and guide on how to uncover a productivity advantage that unlocks value creation.

This all comes down to investing in the right technology, developing efficient processes, and building an agile and proactive company culture. This is how organizations can drive value.

This is how possible happens.

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About Infor

Infor is a global leader in business cloud software products for companies in industry-specific markets. Infor builds complete industry suites in the cloud and efficiently deploys technology that puts the user experience first, leverages data science, and integrates easily into existing systems. Over 67,000 organizations worldwide rely on Infor to help overcome market disruptions and achieve business-wide digital transformation.

Kickstart your journey to making possible happen

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