The Digital Transformation

& the Talent Dependency

RICK DAVIS, VICE PRESIDENT, GLOBAL LEAD
OFFICE OF DATA ACQUISITION & GOVERNANCE
KELLOGG COMPANY
W K Kellogg – Founder –
February 19, 1906
Battle Creek, Michigan

Kellogg Still Globally Known as a Cereal Company

His Signature is Still the Company Logo

W K Kellogg Was a Brilliant Business Man

Growth Through Brand Building – Marketing, Innovation, and Acquisition

Image Courtesy of Kellogg Archives
We've weathered several periods when times weren't so good, and so I don't think we'll cancel our advertising now. In fact, we might even increase it.

Will Keith Kellogg

A Brilliant Marketer

Increased His Advertising Budget During the Great Depression

Image Courtesy of Kellogg Archives
He Understood Manufacturing And He Understood Scale

Expanded Globally Very Early

Image Courtesy of Kellogg Archives
I'll invest my money in people.

— Will Keith Kellogg —
Kellogg Recent Acquisitions

- 2000: Entered biscuits, cookies, crackers with Keebler acquisition.
- 2012: Acquired Pringles.
- 2013: China joint venture.
- 2014: Tolaram Africa joint venture, investment in Multipro.
- 2016: Morning Star Farms, каша, Acquired United Bakers Group in Russia, BiscoMISR, Acquired Bisco Misr in Egypt, Parati.

Image Courtesy of Kellogg Archives
- Consumer Packaged Goods - Food
- ~ $15 Billion in Revenue
- Global Company
  - Regional Operations
- 30,000+ Distinguished Associates
- 16 Food Categories
- Have Paid 368 Dividends Since 1925
Today Is Different……
The World Has Changed.....
The Three Great Revolutions of Modern Times

Industrial Revolution

Technology Revolution

Digital Revolution
What is the Digital Revolution?
Simply Put – The Move from Analog to Digital

The Convergence of Massive Quantities of Data, Acceleration of Technology, Mobility – Ubiquity, Resulting in an Information Explosion and Unprecedented Transparency
The Transparency, the Massive Acceleration of Change, The Availability of Information, It is Disruptive and the Old Rules Don’t Apply
When Nokia Was Acquired by Microsoft, Their CEO, Stephen Elop, Ended His Speech by Saying:

“We didn’t do anything wrong, but somehow we lost……”
The Old Rules Are Being Challenged:

Scale

Advertise and They Will Buy

1 Up – 1 Down is Good Enough

ROI Rules the Day
The Trend Toward Individual and Unique Offerings Has Significantly Diminished Scale...
Advertise and They Will Buy

Scale in Advertising Has Been Affected Too, Where, When, How Personal........

Image Courtesy of business2community.com
1 Up – 1 Down is Good Enough

From farm to plate, make food safe

There is a Duty to Know....

Image Courtesy of world health organization
ROI Rules the Day

You Have to Place a Few Bets, If You Spend a Week Working Up the Business Case to Predict the ROI...
You Are Probably Too Late!
In Our Industry.....

Consumer’s Don’t Believe Everything You Tell Them, And..... They Are All Special And..... They are Informed

How Consumers Are Using Their Smartphones In Stores

42% of in-store consumers conduct research online while in stores using:

- 64% Search engines
- 46% Retailer’s site/app
- 30% A different retailer’s site/app
- 26% Another type of site/app (e.g., coupon review)

Image Courtesy of thinkwithgoogle.com
So Companies Today are Caught in a Tough Place...........

We Have to Embrace the Change, Aggressively Find Our Way Into This New World, and

IT IS A VERY UNCOMFORTABLE PLACE........
DATA SCIENCE & ANALYTICS

....... a connected ecosystem of data, technology, tools, techniques, people, and processes employed to produce insights that help solve problems and empower the decision-making process

"What very few people understand is that the most important skills in analytics are not technical skills at all. They’re thinking skills."

Fiorian Zettelmeyer
Professor of Marketing, Kellogg School of Management in Kellogg Magazine Spring/Summer 2014
Data Science: Intersection of Data, Technology, & People to Yield Insights
But Organizations Cannot Arm Themselves With an Army of Data Scientists.....

The Analytics Mindset Has to be Ubiquitous in the Organization
What are the Skills and Talent We Seek?

Intellectual Curiosity

Statistics – Math Skills

Economics / Business

Technical Skills
Big Picture Thinking ….

But Also the Ability to Connect Seemingly Unrelated Objects – Understand the Detail

Fit a Square Peg Into a Round Hole

Ask Excellent Questions

Take Risk

Explore, Unbound by Bias
The Demand for These Skills Will Grow Exponentially!

The Demand for Deep Analytical Talent in the United States Could be 50 to 60 Percent Greater than It’s Projected Supply by 2018!

Image Courtesy of SAS Institute
Share the Message and Engage Talent Early
What is Next?
What is Next?

Big Data Will Get Bigger

- IOT, Autonomous Transportation

Customers/Consumers Will Become More Informed – Expectations Will Be Great

Talent Will Be In Short Supply

Capability Will Allow More Granularity and Detail Analysis Than Ever Before

Artificial Intelligence is Here….
Thank You!