

MOBILE CONSUMERISM – THE CENTER OF EVERYTHING

by Tony Leng, Practice Leader and Managing Director, CIO & IT Practice

It used to be that we, consumers, would have to figure the best way to deal with organizations from whom we wanted stuff – cars, insurance, clothes, groceries (gather those coupons!), Doctors, hospitals, government agencies – but that has changed. The mobile consumer is increasingly in the driving seat.

I am a head hunter, and spend my time helping senior executives build teams that need to address a changing world. Most of the change is being driven by technology, and my passion is to get innovative technology leaders to advocate/enable/cajole organizations to transform themselves to meet these new challenges. The other side of what I do is to help build teams that address the new world where consumers are acknowledged to be the center – interacting with organizations that want their business. Please don't be confused – EVERY organization is becoming a consumer driven, even organizations that think of themselves as B2B.

There is however an increasing demarcation. On the one hand – existing organizations trying to meet the needs of the mobile enabled consumer i.e. anyone with a smartphone. Let's call the organizations wanting to serve the mobile enabled consumer "Outside In", because the consumer is outside figuring out how to get in. And on the other hand - new organizations set up to place the consumer at the center, where the consumer decides who s/he wants to deal with, and on what terms (let's call them "Inside Out").

No industry is spared this new reality, but some are adapting quicker than others. Those "Outside In" organizations that sell to consumers already are ahead of the pack (e.g. clothing retailers). They are adept at understanding their customers by amassing large amounts of data internally and externally (Big Data) and targeting the consumer individually on his or her mobile device. The retailers who still have a large store presence (the magnet that drew in consumers with coupons in hand) are getting killed by those who sell on line, mostly via mobile channels (they call it Omnichannel – but mobile increasingly dominates). For an example -Compare Sears to Macys/Macys.com. But the retailer that is really dominating is Amazon (an "Inside Out" business) where you can buy anything from your mobile device and have it delivered – wherever and whenever you want it. Who needs a store?

I have a particular interest in Healthcare as I think technology will impact Healthcare more than any other industry in the next 10 years. Think of wearables, IoT (Internet of Things) data from hospitals/clinics/implants, electronic medical records (that are portable on your iPhone), telehealth (where you can consult a Doctor via video conference), individualized healthcare based on your DNA, notifications (to ensure drug adherence) gamification, social media, 3D printing for med devices, and much more, it is mind boggling!

There are two basic ways I see that we, as consumers, can interface with healthcare. The traditional approach of employer provided insurance with the network of Doctors and Hospitals with whom we do our best to engage (Outside In). There are many variations to this theme, but there is another approach entirely; it is the "Inside Out" or Uberization of healthcare. Uber lets you get a ride on your terms. There are providers/drivers, and when you want a service, Uber connects you with the driver, and also lets you select the quality of the ride (Share, UberX, Uber Limo etc). You are at the center – and the service/product bids for your business; payment is known and automatic, quality is understood and there are quick feedback loops – open to the next consumer. Another example is AirBNB where similar parallels can be drawn. This "Inside out" trend, where the consumer sits in the middle and makes decisions is starting to happen in healthcare.

There will soon be a proliferation downloadable Apps that will enable you to be at the center of your healthcare decision making – where Doctors, Hospitals, and anyone providing a health/wellness related service will bid for your business based on price and quality. We won't get there overnight as there are tremendous forces holding the status quo in place: Regulation, Reimbursement rules, Government Incentives, State Regulations, Sunk investments, Tax incentives (why can an employer deduct the cost of healthcare and not an individual?), any many more.

But the movement is inexorable. Consumers with smartphones want to be in control of their lives. They are savvy, connected, inquisitive, and value driven. They don't want to rely solely on a "system" they don't understand, and are increasingly placing themselves at the center of things, and choosing with whom they wish to interact. Mobile, Big Data, Analytics, IoT, Social Networks, Secure Cloud based Storage, an App for everything – these are what will dominate the landscape for the next 5 – 10 years.

Mobile Consumerism is affecting every business. Are you an "Inside Out" or "Outside In" organization? What are you doing? Your move!

Tony Leng is a Managing Director in Diversified Search's San Francisco office and is the leader of the CIO & IT Practice, working with clients throughout the U.S. Tony uses his operating experience, combined with the knowledge that he has gained in the search industry, to drill down and understand at a nuanced level what his clients are seeking to achieve as they build their teams.



Diversified Search is the exclusive U.S. partner of

ALTOPARTNERS
EXECUTIVE SEARCH WORLDWIDE