

---

# Management for Professionals

More information about this series at <http://www.springer.com/series/10101>

---

Ralf T. Kreutzer • Tim Neugebauer •  
Annette Pattloch

# Digital Business Leadership

Digital Transformation, Business Model  
Innovation, Agile Organization, Change  
Management

Ralf T. Kreuzer  
Berlin School of Economics & Law  
Berlin, Germany

Tim Neugebauer  
DMK E-BUSINESS GmbH  
Chemnitz, Germany

Annette Pattloch  
Department of Business & Social Sciences  
Beuth University of Applied Sciences  
Berlin, Germany

ISSN 2192-8096

ISSN 2192-810X (electronic)

Management for Professionals

ISBN 978-3-662-56547-6

ISBN 978-3-662-56548-3 (eBook)

<https://doi.org/10.1007/978-3-662-56548-3>

Library of Congress Control Number: 2018934722

Translation from German language edition: Digital Business Leadership, by Ralf T. Kreuzer, Tim Neugebauer, Annette Pattloch

Springer Gabler © Springer Fachmedien Wiesbaden 2017

Springer Gabler is a part of the Springer Nature

The registered company is Springer Fachmedien Wiesbaden GmbH

© Springer-Verlag GmbH Germany, part of Springer Nature 2018

This work is subject to copyright. All rights are reserved by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Printed on acid-free paper

This Springer imprint is published by the registered company Springer-Verlag GmbH, DE part of Springer Nature.

The registered company address is: Heidelberger Platz 3, 14197 Berlin, Germany

---

## Preface

Dear Reader,

This work about Digital Business Leadership shows the *opportunities for renewal of competitive advantages* due to digitization. Thereby, these opportunities can occur within disruptive breaks of entire sectors, while the management of this digitization processes can lead to significant efforts for established companies. New process models have to be learned, proven patterns of thinking have to be broken, and not least innovation activities have to be understood and used as a continuous challenge.

- But how can necessary changes be done?
- What new concepts must be learned and which traditional principles should be thrown overboard?
- What is Digital Business Leadership and how is it achieved?

These questions have raised our concern in teaching, research, and practice and therefore motivated us to write this book. We would like to offer you, dear readers, *scientific models* coupled with *practice-relevant methods* illustrated on the basis of concrete *business case examples*. Our objective is to show current developments and future challenges. Especially the exponential change dynamics of this dynamic subject area have been a special challenge. On the one hand, we have encountered them by reducing the creative process of this work to a minimum by using the digital solutions available to us. On the other hand, we concentrated on methods and models whose validity is secured over a longer period.

In this work, we lead you first to the *need for developing a digital business leadership* whose driver is the increasing digitization of entire value chains. Doing so, we describe the essential foundations of the digitization and its associated business opportunities and risks. We will embed these in a framework of classic and new management methods.

We have systematically developed eight main *areas of action for the construction of a Digital Business Leadership*. Each of these key factors is described by means of a compact analysis and transferred into concrete recommendations. At the same time, the relevant process models, management principles, and methods are being discussed based on comprehensible examples. Their transfer into the everyday life of a company is supported by a dedicated chapter on change management.

In order to illustrate the fields of action based on concrete companies, we provide detailed *case studies of Digital Business Leaders* in the fourth chapter of this work. For being able to deliver these insights, we would like to warmly thank our partners. In particular, we would like to thank *Timm Richter*, CPO of *XING*; *Sonja May*, Senior PR Manager, and *Sabrina Brauer*, Senior User Experience Researcher of *ImmobilienScout24*; *John Burr*, Head of Personnel Marketing and Change Management at *Axl Springer*; as well as Dr. *Nico Jaspers*, CEO of *Dalia Research*, for their willingness to openly share their stories with us and our readers.

We would not have finished this project without the valuable help of the lecturers of the *Springer Gabler Verlag*, *Barbara Roscher* and *Angela Meffert*, who outstandingly supported us with regard to editorial questions.

Regarding the design of the book's graphics, we explicitly thank *Mario Holzner* for his creative input and perseverance in the professional finalization of each figure.

Finally, we would not have been able to devote our time to this book without the support and understanding of our families. Thank you!

We hope that as students and practitioners, as professionals and executives, we can provide you with a clear and at the same time *workable structure of theoretical models and concrete recommendations for action* to meet an increasingly digitally shaped business world and to be successful in the long term. We hope this has been achieved.

If you are interested in contacting us, write us an e-mail or use this book's website at [www.digital-business-leadership.de](http://www.digital-business-leadership.de).

We are looking forward to receiving your suggestions.

Berlin  
April 2018

Ralf T. Kreutzer  
Tim Neugebauer  
Annette Pattloch

---

# Contents

<b>1</b>	<b>Background and the Necessity to Build a Digital Business</b>	
	<b>Leadership</b> . . . . .	1
1.1	Digital Darwinism and the Redistribution of the World . . . . .	2
1.2	Drivers of Digital Change . . . . .	7
1.3	From Classic Nondigital Business to Digital Ecosystems in the Internet of Everything . . . . .	20
1.4	Position and Fields of Action of the German Economy on the Digital Map . . . . .	34
	References . . . . .	40
<b>2</b>	<b>Eight Areas of Action to Build a Digital Business Leadership</b> . . . . .	43
2.1	Guidelines for Developing a Vision for the Digital Age . . . . .	43
2.1.1	Managerial Visions in the Digital Age . . . . .	44
2.1.2	Anchoring Vision Design in Strategic Management . . . . .	46
2.1.3	From Corporate Purpose to a Vision . . . . .	51
2.1.4	Creating a Viable Digital Vision . . . . .	56
2.2	Concepts for the Development of Business Model Innovations . . . . .	59
2.2.1	Business Models and Their Perspectives . . . . .	60
2.2.2	Basic Types and Patterns of Business Models . . . . .	62
2.2.3	From the Existing Business Model to Business Model Innovation . . . . .	70
2.2.4	Incremental Digital Optimization of Existing Business Models . . . . .	76
2.2.5	Realizing Business Model Innovations with Considerable Innovation Levels . . . . .	81
2.3	How to Design a Digital Organization . . . . .	87
2.3.1	Understanding Digital Change as a Task of Innovation Management . . . . .	87
2.3.2	Anchoring the Network Organization in Top Management . . . . .	100
2.3.3	Digitally Aligning the Entire Organization . . . . .	103
2.3.4	New Organizational Concepts for a New, Digital-Centered World . . . . .	109

2.4	From Product to Process: The Relevance of Services . . . . .	113
2.4.1	Introductory Remarks on the Growing Importance of Services . . . . .	113
2.4.2	Smart Services as Digitized Services . . . . .	114
2.4.3	The Theoretical Foundation of Services . . . . .	115
2.4.4	Service Transformation: From Product Manufacturers to Service Providers . . . . .	119
2.4.5	Development of Services with Service Design and Design Thinking . . . . .	122
2.5	Open Innovation: How Customers Are Integrated into Innovation Processes . . . . .	129
2.5.1	Backdrop for Open Innovation Concepts . . . . .	129
2.5.2	Fundamentals of Open Innovation Concepts . . . . .	131
2.5.3	Fields of Action for Open Innovation Concepts . . . . .	134
2.6	User Centralization: The Needs of a Digital Customer Journey . . .	140
2.6.1	Current Challenges in the Purchasing Behavior of Consumers . . . . .	140
2.6.2	Capturing and Designing the Customer Journey . . . . .	144
2.6.3	Management of Customer Touchpoints . . . . .	146
2.6.4	Customer Experience Management . . . . .	156
2.7	IT as Enabler of Digitized Business Processes, Products, and Services . . . . .	159
2.7.1	The Web as a Platform . . . . .	160
2.7.2	From Open Industry Standards to Open-Source Software and Versatile Systems . . . . .	165
2.7.3	Technological Innovation Creates New Opportunities for Digital Leaders . . . . .	172
2.8	Controlling of a Digitalized Organization . . . . .	176
2.8.1	Framework Conditions for the Design of Controlling . . . . .	176
2.8.2	Transformation of Controlling . . . . .	184
	References . . . . .	190
<b>3</b>	<b>Change Management: Shaping Change Successfully . . . . .</b>	<b>197</b>
3.1	Fundamentals of Change Management . . . . .	197
3.2	Instruments and Processes of Change Management . . . . .	206
3.3	The Position of Employees in Change Processes . . . . .	211
	References . . . . .	218
<b>4</b>	<b>Best Practices in Building a Digital Business Leadership . . . . .</b>	<b>219</b>
4.1	Axel Springer: A Publisher in Transition Towards Being a Digital Publisher . . . . .	219
4.1.1	The Company Axel Springer SE . . . . .	220
4.1.2	Corporate Culture at Axel Springer: Three Action-Guiding Values . . . . .	222
4.1.3	Change Management at <i>Axel Springer Move</i> . . . . .	225



---

4.2	<i>XING</i> : Digital DNA in Action . . . . .	228
4.2.1	The Company <i>XING</i> . . . . .	229
4.2.2	What Makes <i>XING</i> a Digital Business Leader? . . . . .	230
4.2.3	Vision, Culture, and Leadership of a Digital Business Leader . . . . .	230
4.2.4	How the Vision Is Implemented by a Strong Leadership Personality . . . . .	234
4.3	<i>ImmobilienScout24</i> : Digital Titan . . . . .	240
4.3.1	The Company <i>ImmobilienScout24</i> . . . . .	241
4.3.2	A Human Being with Face and History: Added to the Facts . . . . .	242
4.3.3	<i>ImmobilienScout24</i> and Big Data: Product Development Along the Customer Journey . . . . .	248
4.3.4	Persona Data, Start-Ups, and What Next? . . . . .	252
4.4	<i>Dalia Research</i> : Silicon Valley in Berlin . . . . .	253
4.4.1	The Idea . . . . .	254
4.4.2	Massive Scalability with Open-Source Software . . . . .	258
4.4.3	Response . . . . .	259
	References . . . . .	259
5	<b>Beginning Is the Most Difficult: Our Call to Action</b> . . . . .	261
	Reference . . . . .	263

---

## About the Authors



**Ralf Kreuzer** Since 2005, Prof. Dr. Ralf T. Kreuzer has been a Professor of Marketing at the Berlin School of Economics and Law. In addition, he works as a marketing and management consultant, trainer, and coach. He previously worked for 15 years in various management positions at Bertelsmann, Volkswagen, and Deutsche Post.

Through regular publications and presentations, Professor Kreuzer has spread considerable impulses concerning various topics related to marketing, dialogue marketing, CRM/loyalty programs, database marketing, online marketing, digital Darwinism, and strategic and international marketing. He advised a variety of enterprises nationally and abroad in these fields and trained/coached managers at middle and top management level. Professor Kreuzer is a frequent keynote speaker at national and international conferences.

His recent book publications include *Kundenclubs and More* (2004), *Marketing Excellence* (2007), *Die neue Macht des Marketing* (2008), *Praxisorientiertes Dialog-Marketing* (2009), *Praxisorientiertes Marketing* (4th Edition, 2013), *Praxisorientiertes Online Marketing* (2. Auflage, 2014), *Digital Darwinism* (2014, together with Karl-Heinz Land), *B2B-Online-Marketing und Social Media* (2015, together with Andrea Rumler and Benjamin Wille-Baumkauff), *Dematerialisierung—Die Neuverteilung der Welt* (2015, together with Karl-Heinz Land), *Digitaler Darwinismus—Der stille Angriff auf Ihr Geschäftsmodell und Ihre Marke* (2nd Edition, 2016, together with Karl-Heinz Land), and *Kundenbeziehungsmanagement in digitalen Zeitalter* (2016).



**Tim Neugebauer** is co-founder and CEO of DMK E-BUSINESS GmbH. He is a business graduate and is responsible for managing the areas of strategy, consulting, and marketing/sales. As senior digital business consultant, he also leads the digital consulting unit DMK INNOVATIONS, where he is actively involved in the digital management and strategy consulting for group companies, public institutions, and SMEs. The main topics are digital transformation, digital business leadership, agility, user centralization, and questions concerning dual organizational principles.

Since 2012, Tim Neugebauer has also been spokesman of the forum “Digital Business” in association with SIBB eV–ICT and Digital Business Association of Berlin-Brandenburg, pushing issues of digitization in the capital region. At the Beuth University of Applied Sciences Berlin, he has been a lecturer in the areas of service marketing and innovation management. At the University of Applied Sciences Potsdam, Tim Neugebauer advises on the establishment of an entrepreneurship and management lab.

Tim Neugebauer regularly publishes in relevant media, gives statements and interviews, and also speaks at conferences and trade shows.



**Prof. Dr. Annette Pattloch** has been a Professor of Marketing at the Beuth University of Applied Sciences Berlin since 2005. After studying Information Science at the University of the Saarland and at Rutgers University in the USA, she has been working in the industry for more than 10 years, most recently in a consulting firm as department manager for customer relationship management systems at the Volkswagen subsidiary gedas. Her focus in research and teaching lies on brand management and services marketing.