Innovating The SAP Customer Experience with Eugenio Cassiano

Introduction

[0:12] Kevin Benedict: Welcome to Deep Dive. I'm your host, Kevin Benedict, and I want to thank you for joining us today.

I'm really excited to be able to introduce Eugenio Cassiano, who's the Chief Innovation Officer for SAP Customer Experience.

Eugenio, thanks for joining us.

[0:30] Eugenio Cassiano: Thank you, Kevin. Good morning here in beautiful California. It's a pleasure to be here with you, as usual. I love having a great conversation with you today.

Kevin: Yeah. I understand I'm cutting into your holidays, so we'll make this brief and jump right into it so you can get to the beach.

Section 1: Eugenio's Journey to Chief Innovation Officer

[0:50] Kevin: Now tell us a little bit about yourself. You have such a cool background. How did you end up in this role as Chief Innovation Officer?

Eugenio: Yeah, that's very, very funny. I started very young to do entrepreneurship and also to run my own company when I was around 18. It was still in the IT space.

We did a couple of things in the hardware space and then the software space. Then I moved up into university, being curious all the time, ending up in consulting for a few years—strategy consulting, then IT consulting.

But one thing I was curious about every time was this continuous learning and this aspect of, you know, I want to do something and I don't want to stay in my comfort zone.

And if you think about innovation, it's all about it. You want to go to the next level, you want to exit your comfort zone and try to learn something new that can be beneficial for others.

And that's how I ended up. So now I love to run the innovation agenda for SAP Customer Experience.

[2:06] Kevin: Oh, that's great. When I think of you, I think of you having this laboratory. You're like a mad scientist creating all kinds of new things.

So I picked this background just for you. This is like a lair where you can go in and come up with all these crazy ideas.

Section 2: The Role of Innovation at SAP Customer Experience

[2:25] Kevin: So tell us what you get to do on a regular basis when you come into work. What kinds of—how do you innovate?

Eugenio: Yeah, I mean, first of all, we work on three major aspects.

The first one is, yes, we are an IT company, and when we need to talk about innovation, we look at emerging technologies.

And the second point is, we don't only go and play with technologies, but we ask ourselves with our team: which problem statement are we going to solve?

And then if we find a good solution, something which really makes sense in the space of customer experience, then we might figure out which great technology, which is totally new at the moment, might be beneficial, and then do some proper research.

Yeah, that's the first aspect. Then I also have a team which is working very closely with customers. They don't stay in the laboratory. They really go and visit customers.

[3:28] Eugenio: And this is what we do with co-innovation. So actually, we look at what are already, let's call it—I love to call them, as Alex called them, the famous customer experience leaders.

What does it mean? They already leapfrogged. They already went through, let's say, wave one of digital transformation.

But now they are looking for the next leapfrog, maybe activating a new business model, looking at how to grow their top line.

And that's what we do. We work together with those customers and we find a new business model, hopefully leveraging our beautiful SAP technologies underneath.

And as you know, we just recently announced the partnership with Apple, and what we do, we try to work a lot on building beautiful B2B iOS apps, as an example, that are leveraging in the background our SAP Customer Experience tools.

[4:23] Kevin: Yeah.

[4:24] Eugenio: And finally, innovation—I say technology, I said customer. We also look at our innovation ecosystem, such as working closely with universities, working closely with startups.

And as an example, we have SAP.io in SAP, where we really help those mechanisms to promote incubation of new business models.

[4:46] Kevin: Yeah, it's a nice job. I love it. All that is fascinating.

Section 3: Emerging Technologies and Innovation Trends

[4:51] Kevin : So what are some of the technologies that you're able to talk about that excite you today?

[4:57] Eugenio: Yeah. And, you know, one thing I really love is there is a quote from Bill Gates. Once he said, "Everyone is overestimating the impact of technology in the next two years, but everyone is underestimating the impact of technology in the next 10 years."

And I can give you some examples, and this goes even to what I observed in innovation and customer experience.

When we started, you know, many years ago, the category was called CRM. And then after CRM, we started to add these digital channels.

It was multichannel, then we went omnichannel, and now we talk about unified.

So we want to have this union between physical experience and digital experience.

And now what I want to tell you, back to the Bill Gates quote, is that back in 2013, we were releasing at that time an initial concept where someone that was going into a store was able to connect their physical experience with the digital world.

But the problem was technology was really new at the time. The market was not ready, but now you see more and more the new way our retail is moving and transforming.

Everyone is putting more focus on the future, creating these physical experiences, and that's why, again, back to innovation, think about the technology you want to use, but also iterate and validate the market fit.

If this is something that you want to launch. Very interesting.

Section 4: Prioritizing Innovation and Emerging Use Cases

[6:36] Kevin: So how do you—I can just imagine that you have this virtual clipboard with a long list of different technologies and different innovations that you could work on. Talk to us about

how you decide where to put your resources.

[6:52] Eugenio: Yeah. So, as I say, at the moment, we are for sure investigating what is in the IP, or what is still in the IP. And I can mention some words, and then I can give you some examples.

When you think about distributed ledger, we are not just looking at, for example, blockchain, but we are looking at what, if distributed ledger—what can be relevant use cases in customer experience?

And I'm going to go there, although for some use cases, maybe distributed ledger might already be considered a major technology.

When you look at what SAP is doing overall in the supply chain, they're already tracing information for food.

You know, you saw that recently there was a news piece when we were even helping tuna, and the way we help them fish and tuna in a very healthy way, that we can track, and we can then deploy again into the tuna farms to grow the new fish.

[7:54] Eugenio: Yeah. But in that case, when we think about the production supply chain, it might already be considered mature. In other use cases, it's still on the iPad.

Then, you know, again, we are talking about customer experience. Then automatically, we are really curious about what mixed reality or augmented reality is going to even change—the interaction between user and brand in the future, how their experience is going to change.

And another trend which is really, really important at the moment, which for me is very—I really like because it will also help improve human life, as SAP's mission.

Yeah, is to think about how we can even help or improve health.

And today, you know, many—when we talk about Service Cloud, all the service technicians that are going out in the field, there are still a lot of people that are dying. And now, how can we help them by supporting them with technologies?

And, you know, we are not going to invent the technology; we're going to integrate it into our customer experience portfolio.

Just imagine Apple released the latest Apple Watch, and there are a lot of sensors in there.

Now imagine if we can integrate this into their day-to-day life when they are doing a normal task as service technicians.

[9:20] Those are a few examples of exciting things we are looking at at the moment that we believe we want to put in the product roadmap for the next three to four years.

And something I want to mention which is more relevant, which is going to become a standard product, is visual search.

You know, snip a picture, take a picture—maybe I love your shirt, your white shirt. I can take a picture.

I can see similar products that I might like, and I can also now link with influencers.

So that was something we launched a year ago, and now it's going to be part of the standard product.

You see different variants, different maturity of the technology, and then different speed of implementing it into the normal market motion.

[10:09] Kevin: Oh, what a fascinating world that you live in.

Section 5: Digital Identity and Self-Sovereign Identity

[10:12] Kevin: It seems to me, when I'm thinking through these different innovations, a lot of them are underpinned by the ability to personalize an experience, and that requires identification of an individual. You need some kind of identification so you can attach personalization to that. What kinds of innovations are you seeing around that area?

[10:34] Eugenio: That's another great question because at CX Live this year, actually at Sapphire, we launched the press release and, you know, we want to go to the next level of what we call digital identity, really implementing this notion of self-sovereign.

And what does it mean, self-sovereign, for people that don't know? It's really to bring the ownership of the identity back to the individual. Because today, although the way we authenticate has been simplified a lot.

Eugenio: So you see Google, you can now use two-factor authentication, or back in the past there was this introduction of social login. Maybe you don't need to type a password again. You just say, "Okay, you are now in this brand webpage," and then you say, "Identify with Facebook."

But the issue we want to solve, the problem statement we want to solve, is that we want to democratize or give back the rights to the individual.

Because at the end of the day, if you authenticate with Facebook or with Google, or even with Apple, as Apple just launched their authentication for many, many domains, they still own your data.

And you cannot really decide when you want to deprecate your data.

So, as an example, I give you my name, my birth date, my preferences, and then you're going to store it, and you're going to

target me and you're going to do marketing with me.

[12:10] Now we want to go to the next level of trust. And, you know, we deal with Customer Data Cloud. We've set the foundation for level one, but now the next level is to give back this trusted profile into the ownership of the individual, where the individual is in control.

And we did already some proof of concept. We're already working with some customers now to validate this. At this point in time, it's a new technology.

We are validating the business case and the problem statement.

But the beauty is that I can now log in. The only thing we ask the brand is they need to activate login with KOI, which means Key 01.

Key your data 01 is the digital version of saying, is the binary representation of data.

And what we do is that those brands are just activating a new login aspect, which will leverage our Customer Data Cloud technology.

But the beauty is that now we give all the control back to the individual. He can now say, "Okay, I log in, I give these 10 consent," and then maybe I have my portal and I see all the brands I'm working with.

And now I can also do a mass disconnection and automatically the data is gone. And this is how we see the future. It's connected to provide beautiful experiences.

The more those brands will be trusted with the individual, the more I will be willing to give my data to those brands.

[13:41] That's number one. And number two, the benefit we see is, for sure, we want to solve the social impact benefit.

But we also observed recently that now there is not anymore a brand looking at improving their own customer journey.

But I'm quite sure you saw recently what IBM did. They hired the former CEO of Virgin America.

So, and this sounds to us important because they're going now through customer journey of customer journey.

They want to reintegrate, and how can you do this?

If you federate the identity across these brands in a very super-trusted way, they can say, "Okay, now I offer to you not anymore a hospitality journey or a travel journey. I offer to you an overall experiential, let's say, end-to-end travel experience."

And that's why identity for us is going to be an important project, especially for B2B.

[14:43] Kevin: Yeah, wow.

Section 6: Identity, Authentication & Social Impact

[14:44] Kevin: So, for the first time or not the first time, but an important step toward giving individuals ownership of their own personal data, right?

Eugenio: Correct.

[14:57] Kevin: And giving them transparency into how their data is being used and control over what data they want to share with what company, with what brand. That's powerful.

Eugenio: Yes, and this is the—you know, we actually want to solve two problem statements. This is more in the business world, but we also think about the social impact.

You know, every day or every year, there are a lot of newborns without identity. And when you think about refugees today, it's very, very difficult.

How can they still prove that, you know, their name is Mr. Brown, as an example?

Adding on the social impact, giving back the identity to the individual, we really unlock a lot of potential. And today you can actually access back to your identity with new mechanisms, such as your retina, biometric, even recognizing your heartbeat because it's unique.

So, but at the moment, this is pure research we are doing.

But I do believe this will solve business problems. But as SAP, we want to help the world run better and improve people's lives.

I think this will also have a great social impact.

[16:18] Kevin: Got it. So how do you identify, or uniquely identify, or authenticate that somebody's actually who they say they are?

You gave the idea—I mean, you gave the example of refugees. And I have the honour of being a mentor within the refugee community here in Boise, Idaho.

And, you know, that's one thing. How do you actually—you can have a lot of different ID paperwork, but how do you, or even a digital online presence, actually connect that to a physical person and authenticate that that person is who they say they are?

[16:57] Eugenio: So basically, I mean, at the end of the day, you need the trusted advisor or not.

In the central world, when you were born, you were signing paper and there was another testimony. Usually, it's the doctor who will sign something.

[17:14] Eugenio: If you look at it from a social input point of view, at the end of

the day, you might need already five people.

It's like a LinkedIn network. If you start with five and those five are part of a network, they become nodes that can already certify you.

So you can already improve a certain level of authentication.

[17:37] Eugenio: But the other aspect will be also, now, okay, we will solve this problem. But the next aspect will be we also want to have a government, we want to have general authorities become part of the network, where everyone can also support and, you know, bring their own value into that.

Kevin: Yeah, yes, I understand. So they would validate that that person is who they say they are, put a stamp on that, and then you can take it from there.

Section 7: Project Antwerp and Distributed Ledger Technology

[18:08] Kevin: So when we met a few weeks, or I guess a month or so ago, at CX Live, you had brought up the name Project Antwerp and said that's something that would be really interesting to talk about. Tell us about that.

Eugenio: Yeah, that's a very interesting product—a project, because when you look, the word Antwerp means fair trade port, where, you know, in the past you had this port where there were people trading.

[18:40] Eugenio: And we took this analogy to think, okay, how can we technically use a distributed ledger to solve a common business problem that exists today, putting together different organizations to define or to stamp attributes of specific products that are going through different organizations?

When you think about chocolate, as an example, chocolate in some cases, you know, if you go to Switzerland, they are the champion. They make it from scratch.

But there are still—you still want to say, okay, chocolate came from cacao.

Maybe, what was the quality of this cacao?

And you want to have someone providing an attribute in there which is immutable, and then you add milk, and then you want to also have the quality of milk and, you know, the value of that product.

When you see different organizations that are decentralizing this information, but they are all trusted, so when you become a buyer, this will really improve the buying experience.

Because I want to really buy a product which is not only one brand declaring those ingredients, but I really want to see that everyone was contributing in that,

and the information which is standard there—

[20:03] It's immutable. And, you know, I see this especially in the U.S. You love organic food. I think this will become organic 2.0, as an example, when we talk about food. But this can apply in many, many categories, even in fashion. Because in fashion, one of the biggest problems today is to create fake.

And then you put a nice Armani logo, right? So, but many people really want to certify the entire chain of master data creation.

That's what we're trying to do with Antwerp.

We're now validating the business case. Technology-wise, we proved it worked, and now we want to do—as we are running an innovation unit—we need to go through the funnel, go to the first 10 customers, get their feedback, and see if that business model will really become a great business model to put different stakeholders together.

[20:57] Kevin: Oh, I can see that having so much relevance and so much value within the SAP Ariba space, where they're doing sourcing and they're bringing all the ingredients together for manufacturers, etcetera. Fascinating.

Eugenio: That's great. I shall speak with my friend Marcel Volmer, because I'm quite sure he will come with some beautiful ideas.

[21:17] Kevin: Oh yeah, absolutely. Well, I want to thank you, Eugenio, for joining us while you're on holiday and sharing what goes on in SAP Customer Experience's Innovation Labs. So thank you very much for joining.

Eugenio: Thank you. It's a pleasure, as always.

Kevin: and I want to thank everyone out there for staying tuned.

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