



How Digital Natives are Reshaping Business

A Digital Brand Group White Paper

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Today, Generations X and Y are redefining and challenging the accepted ways of doing business throughout the world. According to the September 20, 2006 issue of the Financial Times, the average 21 year-old entering the workforce has experienced:

- 5000 hours of video game playing
- 250,000 emails, instant messages and phone text messages
- 10,000 hours of mobile phone use & 3500 hours of online social networking



Digital Business disciplines are naturally embedded in our future leaders as they are the digital natives in a world currently dominated by digital novices. The following represents the (4) realities of the digital natives' lives that must be understood by companies that are ready to embrace & integrate digital business platforms:

1. They are video gamers with different expectations about how to learn and interact

2. They are technologically literate and their Lifestyle depends on the use of technology
3. They view the Internet as “a safe place” to express and share their opinions.
4. They are multi-taskers often living in a state of ‘continuous partial attention’ and scan all available information to determine the most optimal selection & choice. For example, these digital natives expect the brands they trust and use to react quickly to their ever-changing demands. As a result, brand owners are now customizing or personalizing the brand message to give this generation of consumers a “sense of ownership.” Those companies that embrace technology as a means to quickly engage, embrace and satisfy the needs of these consumer groups will solidify a powerful competitive advantage.

The 21st Century market-leader cannot afford to ignore this rapidly growing population of digital natives. As “digital influencers”, these digital natives will breed the development of “new natives” that collectively will revolutionize the power of digital accessibility & content to advance the growth of businesses throughout the world.

As digital natives change how businesses operate, new management standards will abound and the demand for technological infrastructure will be greater than ever. For example, the demand for online customer security systems will emerge due to the development of fully-integrated business process applications, which will serve as data warehouses of consumer intelligence and information.

Digital natives will also re-shape the competitive landscape for global market leaders as the “second-life virtual world” will breed new methodology requirements to sustain leadership in the digital age. For example, companies will be forced to increase the speed in which they keep up with the new technology-literate and the skill sets that will influence online business innovation. This will essentially make it more difficult to categorize companies as they continue to abandon traditional business models and move into the online world.

In sum, the digital natives will force a fundamental paradigm shift in the way business models are designed, lead, managed and developed as companies embrace the digital age. As companies begin to shift from “brick and mortar” to an “online virtual infrastructure” the operational & technological requirements will create a competitive landscape that will become fierce. The digital marketplace will force companies to think differently about how they promote their brands, engage with business and consumer customers, manage supply chains, vendor relationships and the like.

The digital age is now upon us and the need to evaluate the value-added benefits of a digital business platform is stronger than ever. As digital natives and technology innovators continue to influence the evolution of business strategies and tactics that support the digital age, the term “digital business” will soon become a household necessity and its language requirements universal.

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