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CIO EXECUTIVE SUMMIT

DELIVERING DIGITAL INNOVATION FROM THE GROUND UP

CLARITY IN TECHNOLOGY

OUR JOURNEY



DIGITAL TRANSFORMATION

Evolving business to lead in the digital marketplace



INNOVATING DIGITAL PRODUCTS

Understanding the market and targeting the consumer and products



BUILDING THE DIGITAL PLATFORM

Building the Digital Delivery Platform for product delivery



LESSONS FROM THE JOURNEY

Lessons learned ... so far!



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DIGITAL TRANSFORMATION

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UNPRECEDENTED CHANGE

RISE OF THE DIGITAL MARKETPLACE

Digital offerings for EVERYTHING

Global marketplace available for EVERYONE

Evolving global and independent WORKFORCE

Ever increasing acceleration in changes to TECHNOLOGY:

- Cloud, Big Data, Mobile, Social, AI, Machine Learning, IoT ...

OVER THE LAST DECADE
THE MARKET HAS EXPERIENCED
UNPRECEDENTED CHANGE

NEW & INNOVATIVE PRODUCTS EMERGE CONSTANTLY, **THREATENING INCUMBENTS**

 myspace

2003



2004



2006



2010



2011



2013



2016



DIGITAL FAUCET MARKET

2024
BY

THE RESIDENTIAL DIGITAL FAUCET
MARKET IS EXPECTED TO
GROW BY \$1.8B

<https://www.researchandmarkets.com/reports/5146947/global-residential-digital-faucets-market-2020>

MARKET DRIVERS

- Increase in consumer home remodeling
- Increase in new home construction
- Advances in connected home technology
- Higher consumer demand



DIGITAL FAUCET MARKET

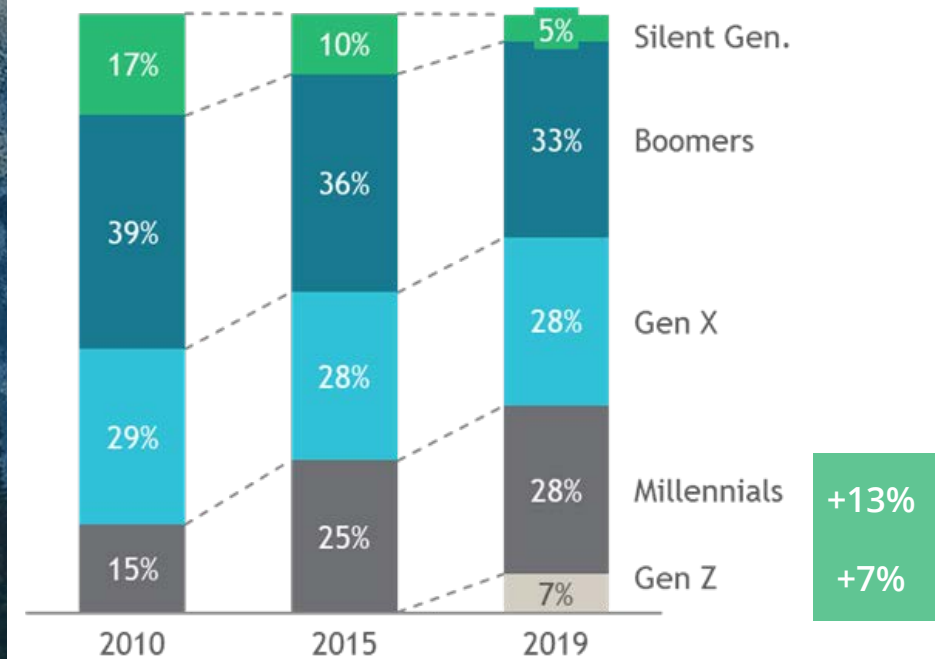
MILLENNIALS KEY TO CONSUMER GROWTH

MILLENNIAL & GEN Z TRENDS

Largest cohort of durables buyers and are key to achieve market growth

Identified as eager and early tech adopters

% of durables purchases by generation



McKinsey & Forrester Research | DFC Consumer Research

THE RULES HAVE CHANGED

RESILIENCY, ADAPTABILITY, & INNOVATION
ARE THE HALLMARKS OF THOSE WHO WILL
SURVIVE & THRIVE IN THE DIGITAL ECONOMY

BUSINESSES ARE RELYING
ON TECHNOLOGY LEADERS
NOW MORE THAN EVER



EMBRACING DIGITAL TRANSFORMATION

BIMODAL is the practice of managing business operations through *two separate* but needed styles of operation.

The goal is to *leverage legacy capabilities* while also *embracing new digital opportunities*.

Both approaches are required to operate cooperatively to achieve digital transformation.

Bimodal Approaches Deeply Different – Both Essential

Think Marathon Runner	Mode 1		Mode 2	Think Sprinter
	Reliability	Goal	Agility	
	Price for performance	Value	Revenue, brand, customer experience	
	Waterfall, V-Model, high-ceremony	Approach	Agile, kanban, low-ceremony	
	Plan-driven, approval-based	Governance	Empirical, continuous, process-based	
	Enterprise suppliers, long-term deals	Sourcing	Small, new vendors, short-term deals	
	Good at conventional process, projects	Talent	Good at new and uncertain projects	
	IT-centric, removed from customer	Culture	Business-centric, close to customer	
	Long (months)	Cycle Times	Short (days, weeks)	

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INNOVATING **DIGITAL** PRODUCTS

CLARITY **IN** TECHNOLOGY

PRODUCT INNOVATION AT DELTA FAUCET

From the beginning Delta has always been an innovative company, we produced the first single handle faucet, were the first to advertise a faucet in print and bring to market the first domestically produced kitchen faucet pull-out.

Since then, we have consistently brought new innovative products to market with the consumer in mind. From Scald-Guard® and Brilliance® to Touch₂0® we have always adapted to market forces and continue in the digital age.



Single handle
faucet - Ball Valve



Innovation for tub
and showers



First domestically
produced kitchen
faucet pull-out



Scald-Guard®
and Brilliance®



Touch₂0®
Technology



Glass Rinser

THE
FUTURE



DIGITAL INNOVATION AT DELTA



SMART HOME

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PLUMBING

=



PERSONALIZED WATER EXPERIENCES

THE MARKET HAS MOVED TO
PERSONALIZED CONSUMER
WATER EXPERIENCES



VOICEIQ™
VOICE ACTIVATION MODULE



DELTA DIGITAL STRATEGY

HOW WE INNOVATE

INCUBATION

Innovation and Prototyping

MVP Offerings

Early Market Testing

VALIDATION

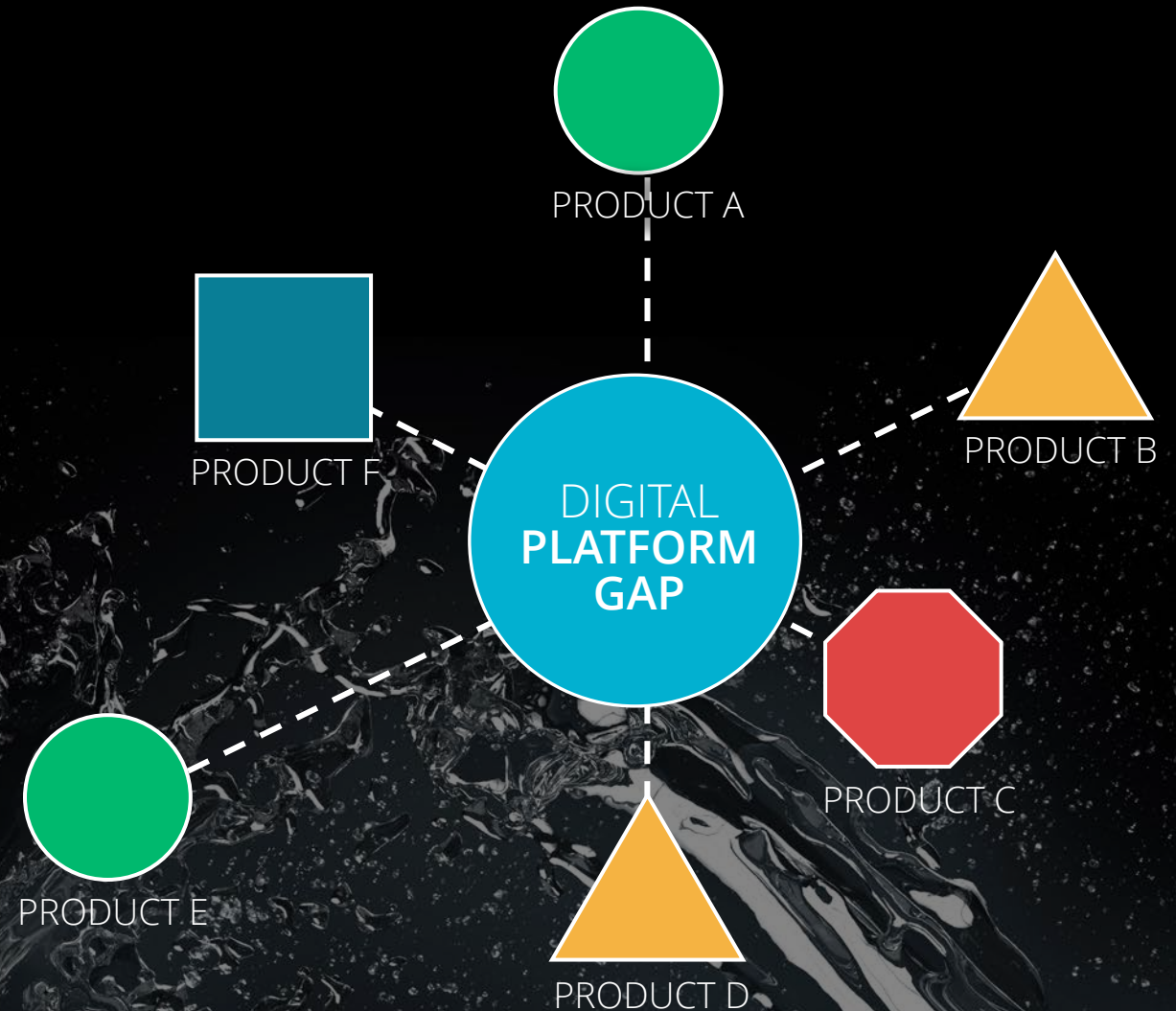
On Ramp to Stage Gates

Full Scale Candidates

Critical Mass

SCALE UP

Transition to "Core Business"





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BUILDING THE DIGITAL PLATFORM

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DIGITAL DELIVERY GOALS

CUSTOMER CENTRIC

Emphasis on customer feedback

SPEED TO MARKET

Frequent delivered features

COLLABORATION

Converged, focused teams

OPERATIONAL EXCELLENCE

Uptime assumed - owned by everyone

EVERYTHING IS CODE

Capture tribal knowledge

AUTOMATION

Create repeatability and predictability

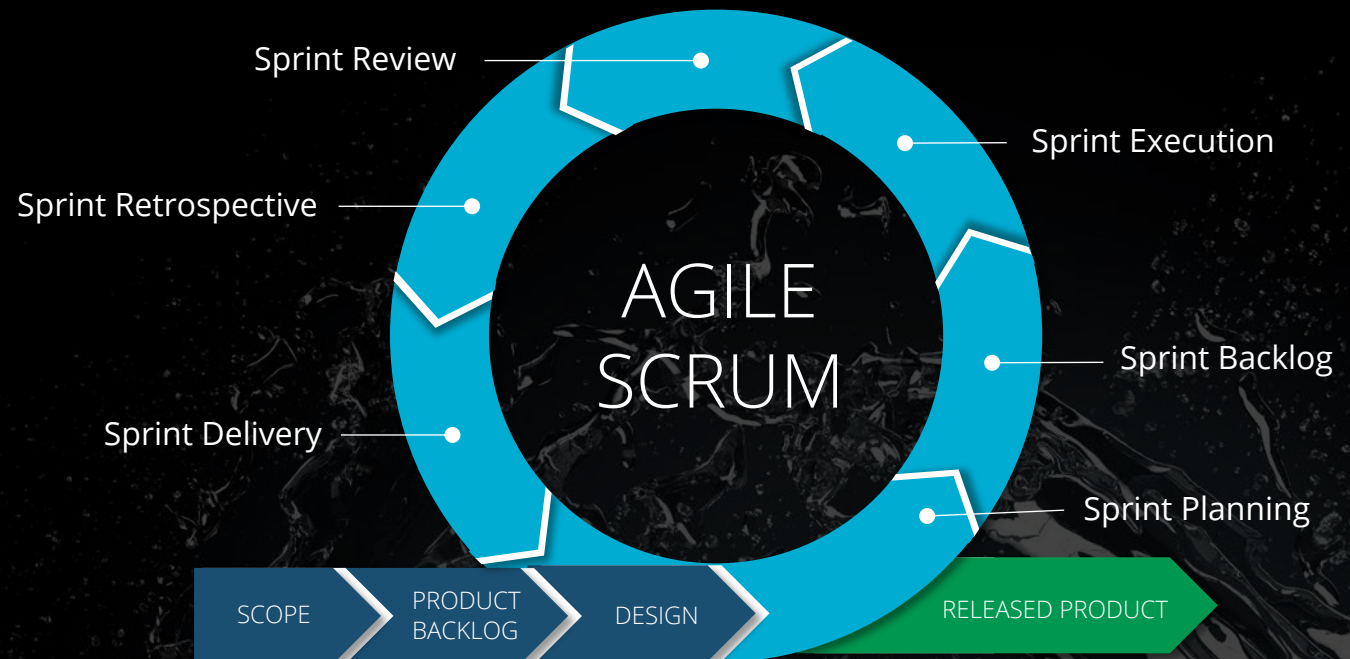
SECURITY

Fully integrated

DELIVERING WITH AGILITY

Agile Delivery enables the most important software features to be delivered quickly to the customer with quality and flexibility

- ✓ Flexibility for Change
- ✓ High Collaboration
- ✓ Useful Features First
- ✓ Accelerated Delivery
- ✓ Higher Quality
- ✓ Predictable Results



EMBRACING DEVOPS

DevOps automation enables applications to be delivered with speed and repeatable, predictable results

CONVERGE

practices and tools

ACCELERATE

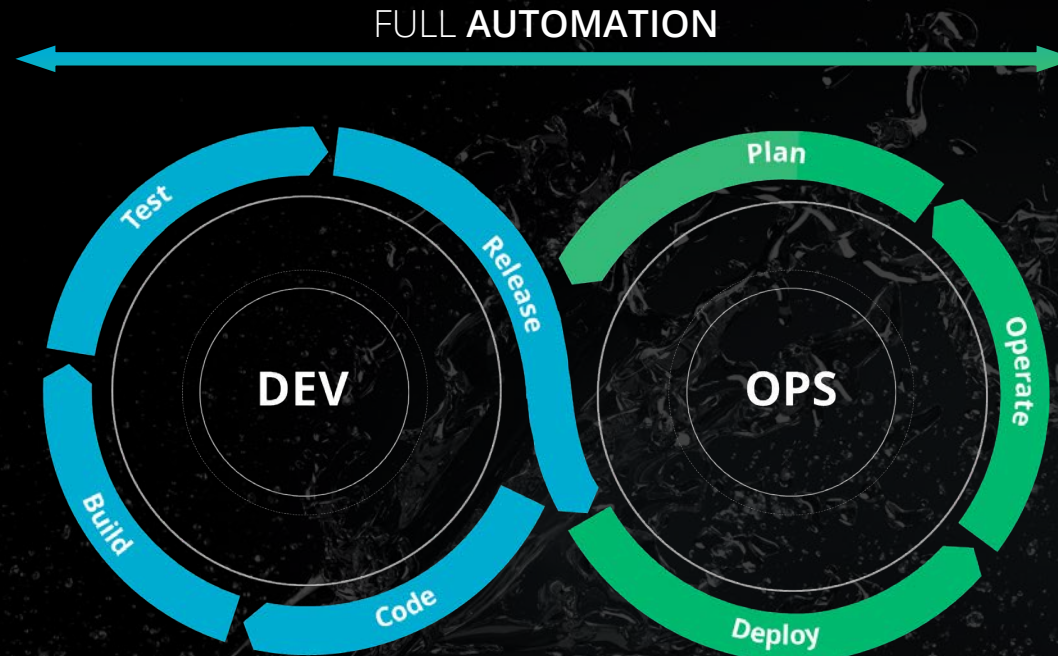
delivery with speed

IMPROVE

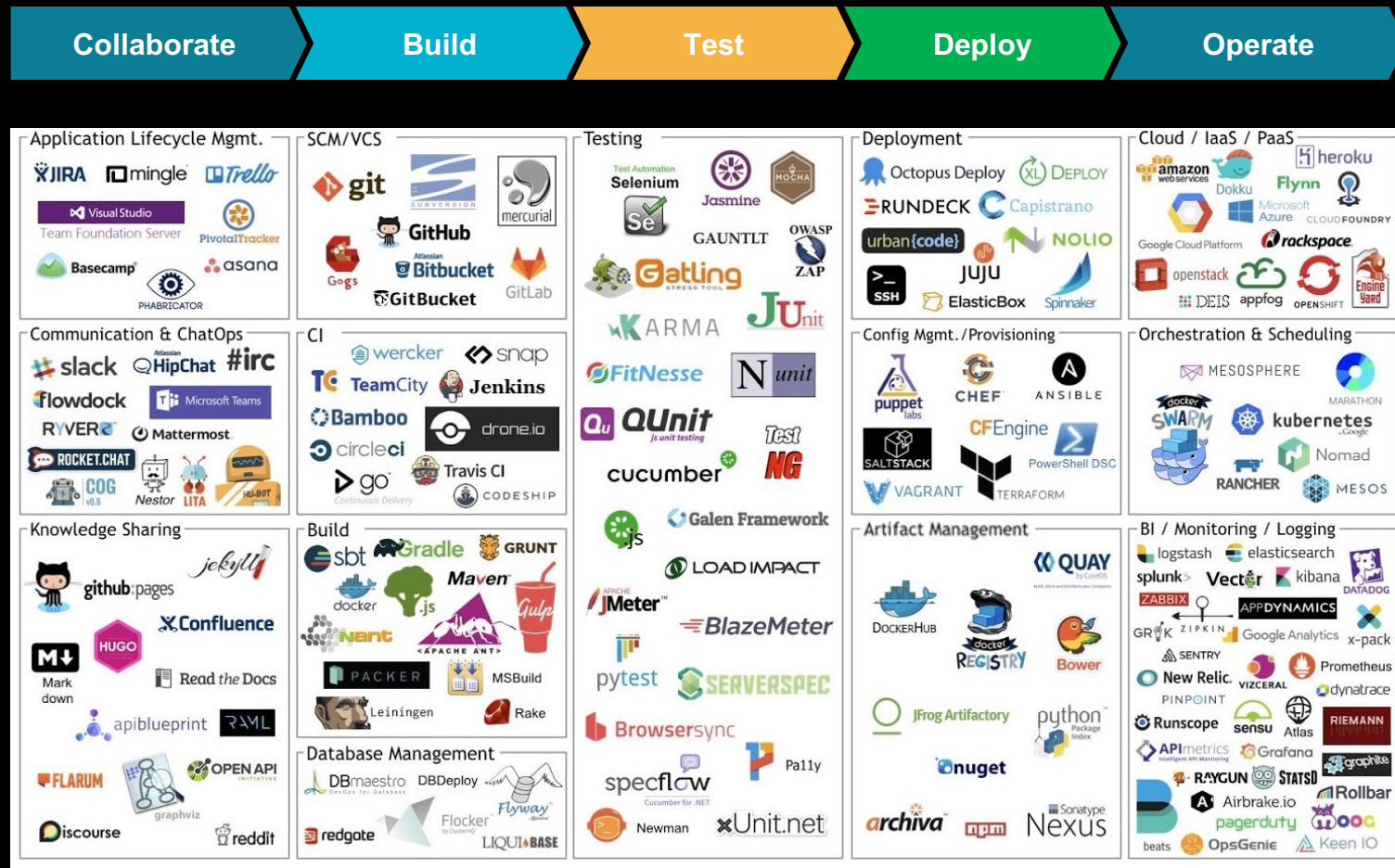
quality and operational effectiveness

INCORPORATE

collaboration, communication, and feedback



BUILDING THE PLATFORM – WHERE TO START?



DELIVERING THE DIGITAL PLATFORM

Delta and CleanSlate partnered together to implement product delivery capabilities leveraging modern Agile delivery processes and “best fit” tooling

PEOPLE

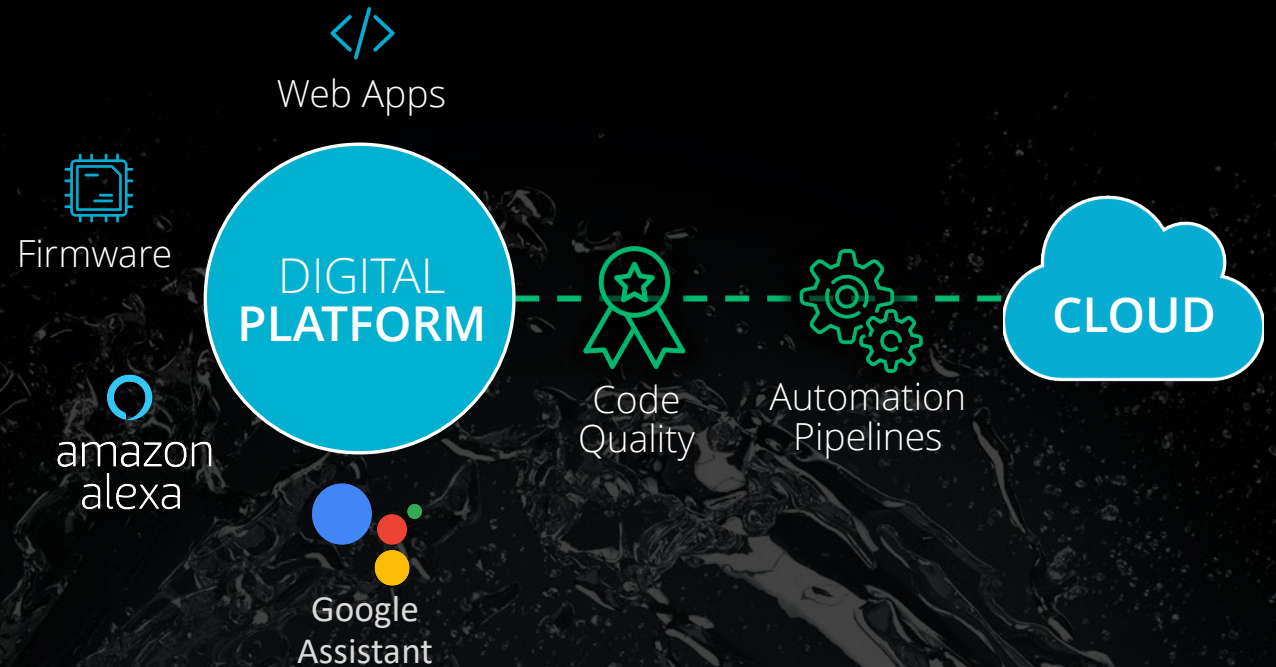
- ✓ Product delivery roles & responsibilities
- ✓ Knowledge transfer & training

PROCESS

- ✓ Agile processes and workflows
- ✓ Automation workflows

TECHNOLOGY

- ✓ Architecture & tooling
- ✓ Start to finish automation
- ✓ Cloud hosting environments



DELIVERING THE DIGITAL PLATFORM

The value of the digital platform has been realized early and often

IMPROVED **QUALITY**

Integrated Static Code Analysis

Increased Unit Testing
code coverage 10% → 90%

Remediated and
refactored code

ACCELERATED **DELIVERY**

Release cycle reduced
from 6 weeks to 1 hour

New environments fully
provisioned in 10 minutes

IMPROVED **RELIABILITY**

No touch build & deploy

Gated releases including
role-based approvals

Automated release,
failover and failback

“ ... catch issues early, deliver faster, recover quickly ... ”



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LESSONS FROM THE JOURNEY

DIGITAL DELIVERY PLATFORM

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OPTIMIZING THE PLATFORM



KEYS TO SUCCESS

- ✓ Emphasize communication & transparency throughout
- ✓ Engage the organization, even those not directly involved
- ✓ Allow interest in platform to grow – success is contagious
- ✓ Create the mindset shift to product lifecycle management
- ✓ Pay attention to enterprise needs – Security, UX
- ✓ Evolve measures of success to allow for scale



WHAT TO AVOID

- ✓ Thinking launch is the end of the project
- ✓ Seeing IT as bottleneck but rather an enabler



CONSIDERATIONS

- ✓ Incorporate change management approaches
- ✓ Anticipate the cultural shift for the organization



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THANK YOU

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