



**AI has created
a burning platform**
scenario for CEOs
and business leaders

Maintaining the status quo is no longer an option.

Let's take a moment to reflect on the swift rise and fall of Blockbuster Video, as illustrated in this visual map. Blockbuster was once an entertainment giant, but with the advent of video streaming, it failed to adopt early. The result was a swift end.

Streaming created a “burning platform” imperative for Blockbuster. And it did not take the leap in time to survive a profound shift in how consumers engage in entertainment. For businesses today, one of the most profound shifts currently underway is the integration of artificial intelligence (AI) into every facet of our professional lives. The question we must ask is, “How can we convince leadership that there's a ‘burning platform’ and sell the idea that AI is necessary to survive?”

Let's explore the urgency for CEOs and business leaders to recognize AI as a critical imperative. History has shown us that those who fail to prioritize intelligence in their systems and technology risk being left behind.

AI's transformative impact on business

Today's corporate landscape is undergoing a seismic shift, primarily driven by the integration of AI. This profound and all-encompassing transformation affects every aspect of business operations, innovation, and customer interaction. AI's role in this evolution cannot be overstated. It has revolutionized how we process data, make decisions and interact with our market. From streamlining operations to offering unprecedented insights into customer behavior, AI is reshaping the very fabric of business strategy and execution.

In this context, AI has become more than a mere technological trend; it's a fundamental pivot point for businesses. The integration of AI is now a defining factor in a company's ability to remain competitive and relevant. Ignoring its potential is no longer just a missed opportunity; it represents a serious strategic risk. The businesses that embrace AI are setting the pace in their industries, while those that delay or ignore AI risk falling irretrievably behind.



The burning platform analogy revisited

The concept of a “burning platform,” drawn from a dramatic North Sea oil rig disaster, is a powerful metaphor for the urgent need for change in the face of imminent danger. In that crisis, the only escape from the inferno was to leap into the unknown — the icy waters below.

Applying this analogy to the current business landscape, the burning platform represents the imperative to transform digitally and embrace AI. The message for CEOs and business leaders is clear: the status quo is no longer a safe harbor. The rapid advancements in AI technology and its sweeping impacts across all industries signify that

staying on the platform — i.e., maintaining traditional, non-AI-driven business models — is akin to staying aboard a structure engulfed in flames. The leap into AI, while potentially daunting, is essential for survival and success in today’s rapidly evolving market.

AI is the catalyst for a necessary and urgent transformation in the business world. Just like the oil rig workers who had to make a pivotal decision for survival, business leaders today face a similar choice with AI: adapt and embrace this transformative technology or risk obsolescence in the face of unstoppable change.

The CEO’s dilemma — AI adoption or risk obsolescence

History is replete with examples of businesses that failed to adapt to technological transformations. Kodak, a pioneer in photography, did not adapt to the digital revolution and filed for bankruptcy. Sears was slow to respond to the rise of eCommerce. Blackberry overlooked the broader consumer market’s demand for a wider range of apps and a more flexible operating system. These examples underscore the importance of embracing change and staying ahead of the curve.

These cautionary tales predominantly focus on the Business-to-Consumer (B2C) sector, illustrating how a failure to adapt to technological advancements and changing consumer behaviors can lead to decline. However, that doesn’t mean B2B doesn’t have its own burning platform. This imperative for adaptability and innovation extends far beyond the B2C realm; it is equally critical for Business-to-Business (B2B) companies.

In today’s rapidly evolving technological landscape, AI is not just a consumer-centric phenomenon; it is revolutionizing how businesses operate, make decisions, and interact with each other. B2B companies, ranging from manufacturing to professional services, must embrace AI to optimize operations, enhance product offerings, personalize customer experiences, and make truly strategic data-driven decisions. Integrating AI in B2B contexts can lead to more efficient supply chains, improved product design, better customer relationship management, and innovative service offerings. In ignoring AI, B2B firms, much like their B2C counterparts, risk losing their competitive edge, falling behind in efficiency and innovation, and potentially jeopardizing their long-term viability in an increasingly AI-driven business environment.

Prioritizing the leap

We are witnessing another technological revolution with AI. From automating processes and predicting consumer behavior to personalizing customer experiences, AI has become an integral part of the business landscape and an imperative for success. But the question becomes how and where to start to get the maximum ROI for the business.

CEOs and business leaders need to prioritize intelligence in their systems and technology. Here's why:

- 1. Competitive digital advantage: AI can set your business apart by enhancing efficiency, making data-driven decisions, and delivering personalized customer experiences.** For example, Amazon's use of AI in its recommendation systems exemplifies enhancing efficiency and personalizing customer experiences. Their AI algorithms analyze browsing and purchasing habits to suggest products, significantly boosting sales and customer satisfaction. Unlike Sears, Amazon adapted AI so it survived and thrived.
- 2. Innovation: AI fosters innovation, enabling you to stay ahead in a rapidly changing market.** Siemens Healthineers, for instance, has developed AI-Rad Companion, an AI-powered software assistant for radiology, which automates routine tasks and provides decision support in interpreting medical imaging. This leads to more accurate diagnoses and efficient workflows in healthcare settings, showcasing AI's transformative impact in medical diagnostics and personalized treatment planning.
- 3. Adaptability: The ability to integrate AI into your business model demonstrates your adaptability and forward-thinking approach** In the realm of global shipping and supply chain management, Maersk Line has significantly improved its adaptability by integrating AI. They've used it to optimize shipping routes and manage fleet efficiency, enhancing adaptability in global shipping and supply chain management. This results in minimized delays, reduced fuel consumption, and better operational efficiency, demonstrating AI's impact on supply chain resilience.
- 4. Cost savings: AI can optimize operations and reduce costs, leading to better profit margins.** UPS is using AI to optimize delivery routes, significantly reducing fuel consumption and saving millions of dollars annually. Their ORION (On-Road Integrated Optimization and Navigation) system analyzes vast data to determine the most efficient routes, showcasing how AI can lead to substantial operational cost savings.
- 5. Future-proofing: Embracing AI positions your organization to thrive in an AI-driven future.** Salesforce's Einstein AI allowed the company to make strategic moves towards future-proofing business operations. By integrating AI into its customer relationship management (CRM) platform, Salesforce provides smarter and more predictive customer insights, helping businesses stay ahead in a future increasingly reliant on AI-driven data analysis.



Preparing for AI integration and deployment in existing business processes

Integrating AI into existing business processes requires careful planning, strategy, and an understanding of your business's specific needs and challenges. Here are key steps companies can take to prepare for this integration:

- **Evaluate and strategize:** Assess your current technology and pinpoint areas for AI application. Formulate a clear AI strategy with defined goals and timelines
- **Develop skills and acquire talent:** Enhance your team's AI capabilities through training, hiring AI experts, or collaborating with specialized vendors
- **Manage data and select AI tools:** Implement strong data management practices and choose AI technologies that best fit your business needs
- **Test pilots and integrate gradually:** Run pilot projects to refine AI solutions, then integrate them step by step into your business processes
- **Monitor continuously and improve iteratively:** Regularly assess the performance of AI applications and make ongoing improvements to keep pace with business and technology changes
- **Cultivate an AI-adaptive culture:** Foster a workplace culture that is receptive to AI, educating and involving employees in the AI integration process
- **Ensure ethical compliance and transparency:** Adhere to ethical guidelines and legal requirements, maintaining transparency in AI-driven decisions to build trust and fairness

By following these steps, companies can effectively prepare for and implement AI technologies, ensuring a seamless integration that enhances existing processes and drives business growth.



Taking the plunge with AI: A strategic imperative for future success

AI is not just a technology trend; it's a burning platform imperative that demands attention from CEOs and business leaders. Failing to prioritize intelligence in your systems and technology could lead to missed opportunities and decreased competitiveness. The message is clear:

- Embrace AI as a strategic imperative
- Ride the wave of transformation
- Secure a future where your organization thrives rather than one where it's left behind

The choice is yours — to leap into the waters of AI and survive or remain on a burning platform and risk expiring from stagnation.



Join Luxoft as we turn AI's potential into tangible, impactful outcomes. Our deep understanding of AI and commitment to engineering innovation make us the ideal partner for your AI journey. **Connect with us today** to discover how our collaborative approach can leverage AI's transformative capabilities to drive the future success of your business.

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