For many, Digital Transformation can be considered the rethinking and exploration of technology, combined with business models, and processes that enable to add value for customers and employees and more effectively compete in an ever-changing digital economy.

This paper discusses Digital Transformation and its exploration to provide a strategic orientation to organizations and their brands. Along the key factor for digital conversion, it's presented a SWOT analysis approach and a strategic thinking orientation to explore Digital Transformation in order to get stronger brands.

Abstract
The paper presents also some evidence from real world cases where such approach has been already used of considering a strategic approach to enable the Digital Transformation of brands.

**Keywords**
Digital Transformation, Digital, organizations, Digital impact, Strategic thinking, Brands.

### 1. Introduction

If we are wondering what can be the meaning of digital transformation that have heard so often in the recent period, we are not alone. The number of references, events and announcements from specialized organizations in the IT sector have been on rising, particularly from 2016 onwards.

In fact, taking advantage of Google Trends data, for the search term digital transformation, we can get a change from low occurrence values in 2012 to a consistent growing starting in 2015 (figure 1). The number of references for the term Digital Transformation sees a consistent growth, in the last two years.

**Figure 1:** Google Trends graph for Digital Transformation (https://trends.google.com)

What is digital transformation? What comes to mind when someone said digital transformation? What are the benefits and harms for our lives? There is a lot of questions which I can be made concerning the topic.
We cannot explain in a one sentence, because this is a very wide topic that have implications in the way we use both information and organize human activity. In this paper, a first essay to explain the concept of digital transformation is made following a strategy of a step by step presentation.

Firstly, we can advance that digital transformation can be defined as the use of brands in all their processes to keep pace with digital time. This must be explained and supported by lot of examples in order to supporting this vision for what can be a definition for digital transformation. As we know the world that we live in is thriving unceasingly. Now that we have a really digital revolution, everyone is living with digital now and is using digital very effectively.

We can even say that is a global trend as that recent studies as the case for the networked readiness index from the World Economic Forum provide a comparative evaluation on the potential to generate economic impact from investments in information and communication technologies (ICT), as given in Figure 2 (WEF, 2016).

![Networked readiness Index by regional group, 2012 vs 2016 (WEF, 2016).](image)

**Figure 2:** The Networked readiness Index by regional group, 2012 vs 2016 (WEF, 2016).
Actually, like many think this is not only a concept as add mobile app to your website, to advertise Internet instead of just newspapers or other traditional media or even to get more involved in social media.

Digital Transformation is a fashionable concept that can have different strategies for each domain and business activity. It has not a single prescription, but actually it is still the its understanding and comprehension phase – as the case for older ideas that are in evolution and still need to mature as the case for the networked organizations (Accenture, 2015).

This paper presents a contribution to the understanding of digital transformation, its key factor and some evidence of cases where it emerge and impact daily life of both individuals and organizations. In particular, the paper focuses in the effect that digital transformation can have in helping brands to move with Digital Transformation (DX).

2. Conducted research: how DX transforms brands?

The current study follows a question on how the digital and digital transformation can have an impact, if any, on brands. The research taken a basic approach to review and deepen the concept of digital transformation and making some effort to gather evidence from success economic cases, where we can identify a clear contribution and impact from the digital to a given brand, regardless the area of activity.

The research is focused on brands and its transformation, taking advantage not only of information and communication technologies but also, from a clear redefinition on how both products and services are explored and recognized, resulting from digital based processes. Current literature is focused on this problem mainly for luxury as in the Cristini, Kauppinen-Raisanen, Barthod-Prothade & Woodside (2017) study that presents a general theory of luxury, where they defend that “current views frequently equate luxury with the desire for the superfluous, driven by luxury brands and endorsed by celebrities”. As a starting point, brand is here simply defined as a type of product or service offered by a particular entity under a particular name, most of the times, protected by any legal or commercial agreement – this brand allows for an identity and its recognition. Although it may be more complex, the focus here is to what the digital can add and not to deepen the brand concept, as stated by Heidi Cohen that provides 30 branding definitions that covers many alternative perspectives and dimensions (Cohen, 2011).
The research aim is to verify the possibility to apply a strategy thinking to brands building supported by digital transformation. In fact, a number of authors present studies on such area, but mainly taken social media and its contribution. One interesting example is the case of the Nyangwe & Buhalis (2018) case on the Marriott International, where they state that “Branding has shifted from brand as a resource owned by the firm to brand as a collaborative activity co-created by the firm and its stakeholders”. This is along the notion that both networks, the social media usage evolve in a growing importance of users as brand consumers but also producers. Such notion is aligned with the emergence and rise of mass social media as defended by Gouveia (2012), where a shift from institutional control to consumer control was proposed.

3. Contributions to the Digital Transformation Concept

Digital Information can be seen as the result of ongoing efforts to introduce computer and networks into human activity, to a level where, we need to rethink the human activity as the digital based information offers another level of functionally and convenience that do not existed before.

As placed by i-Scoop in its Web primer on this subject, “Digital Transformation is the profound and accelerating transformation of business activities, processes, competencies and models to fully leverage the changes and opportunities of digital technologies and their impact across society in a strategic and prioritized way, with present and future shifts in mind” (i-Scoop, w/d).

One can expected that technology plays a significant role on Digital Transformation, but this is not the case. The focus goes more for the exploration of the potential that arises from existing data and information in digital and thus existent digital platforms allow to use available digital assets in ways that where not feasible to use before. This is really where the digital transformation can make the difference and where a number of authors stress its promised impact.

This a more human approach is followed by those who point out that Digital Transformation is the third phase of embracing technology, being the two first a natural evolution of getting the skills to use computers and networks, to use them in a regular and convenient way and the third to be transformed by this new habits. As placed by Lanksher and Knobel (2008), digital transformation is achieved when the digital usages which have been
developed, enable innovation and creativity and stimulate significant change within the professional or knowledge domain.

By its turn, Baker (2014) stresses the importance of consider both the evolution that technology has and that turn almost impossible to know in advance which definable tasks can be done with current digital appliances. The evolution that Baker refers is the Moore’s Law that give us as implications a creative effect for many industries that are replaced by new digital gadgets that concentrate older not integrated existing tools (disregarding from being digital or analog). As so, the new possibilities that emerge from such new evolving digital tools provide new and innovative definable tasks that change us, and change the way, organizations work (Baker, 2014).

Expected impact on both organizations and business models is reported by a number of authors. Even such ideas are not new, although the current impact is higher. For example, Berman (2012) who defends that “businesses aiming to generate new customer value propositions or transform their operating models need to develop a new portfolio of capabilities for flexibility and responsiveness to fast - changing customer requirements” and digital transformation may the answer. The same author presents as research findings that “engaging with customers at every point where value is created is what differentiates a customer - centered business from one that simply targets customers well. Customer interaction in these areas often leads to open collaboration that accelerates innovation using online communities” (Berman, 2012).

4. Digital Transformation Key Factors

The first way to get a better understanding of Digital Transformation is through the understanding the existence of a new world where people start their day with their smartphones, communication channels unlimited, thus making that every movement in your daily life is accumulating and turning into many data. It also enables the creation of big data as source for crunch vast collections of information, analyze it, and draw actionable knowledge from it (Schonberger & Cukier, 2013).

For example; the fisherman who sent the fish through WhatsApp (https://web.whatsapp.com/) that came to his counter today to his customers on a daily basis, air conditioner which is calling technical service when it is broken, unmanned vehicle which is
bringing your order to your home. There is only one common point in all the examples we consider: technology is entering our life as never before. Increasing competition with digital, enables the power of the customer and the importance of online reputation. All of these causes that brands are forced to keep up with the fast paced digital transformation and enter the digital transformation process.

Digital Conversion is almost equal technology. We have already left the years when muscle or machine power is on the front line, today's common currency is technology and data is appointed as the new capital (Gouveia, 2015). The typewriter left their place to the keys, Film machines left their place to the digital cameras; In the future probably finger movements will enough and we will not need the keyboards and we will able to take pictures or videos with eye movements. If you have not built your entire strategy on becoming a Retro, then you should get this idea as usual and your focus should be technology.

Has stated by Baker (2014), transformative digital devices that were predicted in the 1980s and when the first ones appeared around 2007 it was immediate apparent that dozens of separate device markets would be eliminated. In fact, Ray Wang discusses the disruptive effects of the digital and digital devices. In his book Disrupting Digital Business he reports the destruction of 27 separate industries by the introduction of the Apple iPhone device (Wang, 2015).

Digital Conversion does not just concern units which are related to technology. From sales to marketing, from human resources to customer relations, every unit has to understand the new world and make changes in this direction. For example; we can say that the profile working in human resources has changed; new generation do not like pressure, they prefer companies that can work remotely when needed and want to be understood correctly, in short, if your views on human resources are limited by your efforts to keep your bodies in tale, your work is not easy. In particular a number of studies about the millennials (Simões & Gouveia, 2008) who point out to meaningful changes in the way individuals use technology (Simões & Gouveia, 2011).

Innovation is an important factor but more important is to produce the right strategies and ensure continuity. For example, it is possible to develop an innovative product and put it on market and started to profit almost immediately. In later times, shifting the focus to sales later, and if in turn we do not notice the changes on consumer behavior, it is always possible to stay under the competitors who analyze the customer needs better in medium and long term, even if
not in the short term (Wang, 2015). This turns market evaluation as an ongoing and real time activity.

Actually, one keyword is agility. Let’s think of the maneuverability of a gigantic boat or small craft and assume that you have an Iceberg that suddenly appears. If you do not have the ability like moving a small craft when necessary, your end will not be different from the Titanic. Never less to say, that in a complex environment like ours, time to react and adapt must be near zero. This trend have been already reported by many authors as the case of Tap Scott and Williams (2010).

Another critical issue for Digital Transformation is leadership. If we return to the before example about a big boat, whatever the role of the captain, the role of CEOs in companies is the same. Experts went one step more and they suggest that CEOs should own and direct Digital Transformation. It is key that human resources are considered within organizations and that any change, take existing human capital into consideration. The ability to retain or acquire new abilities turn the human part of the equation, still an important part of the organizations potential – the same goes to each individual person, who the technology will support, not substitute its own skills.

However, as robots enter our lives more and the total amount of data on the world increases, this will add challenges to each individual activity, but also make more apparent the prominence of individual expertise whose value gets even more important. We should pay attention to the knowledge workers that will make organizations successful.

Even consider the human resources factor, for a company that has achieved high profitability and growth, but some technological developments are breathing it's your existence, there are challenges that need to be addressed: one such possibility is to adopt Digital Transformation as a way to move forward and adapt. In other words technology and a company are not at the same level and technology can be both a positive and a negative factor, depending on the context. By other turn, people and their skills are always a positive factor to take into account (of course that we need to foster human resources and train them...). If the company cannot adapt to change because of underdeveloped structure, lack of digital platforms, this is a matter of investment, which is not the same if there is no strategy, business model and people skills needed for success – turning leadership as a key factor to survive in an environment of Digital Transformation.
By other end, some authors warn about technology as a dangerous factor, when consider business development. In his book on Core Concepts of Marketing, John Burnett states that “My suggestion is this do not invest in the sectors that do not develop fast. For instance; open food shop, enter hotel business, build building, my advice may be funny but today's technology is the most dangerous and cruel enemy” (Burnett, 2008). Although such position can be argued, it points out the role of technology as being of a potential advantage, but also a needed ongoing concern that needs to be reconsidered from time to time.

5. A SWOT Analysis of Digital Transformation for Brands

Adaption is key, but also leadership. Saying this, a concern with a direction for each business is required. Today, when the world changes rapidly and all of the new world vehicles are close to everything, the brands that do not keep up with digital transformation fall behind. Besides, it is very important that brands do not forget that there is absolutely a strategy for digital conversion.

Without strategic planning, marketers who are awaiting completion of this transformation are not able to complete their transformation. Instead of short term point shots, it is of great importance that the brands should take a comprehensive change process in the long run with their goals to be determined in the direction of a SWOT analysis.

A SWOT Analysis is a strategic technique which can be used in a project or business venture to determine the strengths and weaknesses of an organization's technique, process, situation or person, and to identify opportunities and threats that arise from both inside and outside. It is a common practice to use SWOT analysis day by day to help discover strengths and weaknesses in businesses, and to prepare for any future opportunities and dangers.

A SWOT analysis consists of 4 steps, listing the requirements related with strengths; weaknesses; opportunities; and threats (Fine, 2009). When related with a company and its marketing issues, those can be producing similar questions as the following:

1) Strengths: What are the strengths of the company? To find the strengths, we must consider existent talents, potentials, marketing power, financial strength, and market experience.
2) Weaknesses: What are the strengths? We must evaluate the financial difficulties, the inexperience in the market, and the staff insufficiency, both on quantity (capacity) and quality (human capital).
3) Opportunities: What options are available for the company? We must assess the ability to grow in another area related to any current field of activity, the strength of key personal relationships, and the available financial support.

4) Threats: What pitfalls may be in the future? We must assess the financial crisis opportunities, the risk of losing the most valuable staff, and the risk of losing customers to competitors.

Brands using this technique could be one step ahead in the name of digital conversion and are taking firmer steps for their companies. Because the brands that use this technique are becoming more versatile with digital convergence and adaptability, so the rate of making mistakes is decreasing, which leads to success? Well, what does Digital Conversion mean for brands? The important thing is that instead of following blindly to all technological developments, in the direction of the strategy determined by the brand, to interpret the digital transformation with the right movements.

Each brand should examine and decide in detail how the digital transformation really means for them and how they should apply. Markets should first analyze the core business processes and systems for transformation, and determine which application, platform, and solution will be better suited to brand culture. Otherwise, both money and effort spent for a conversion could fail as it do not guarantee more efficiency and turn into unnecessary investments. The change process should be adopted at every level within the company culture. Only institution managers which have a digital culture will not be enough to change. It is very important for the managers and employees of the company to understand and adopt this change process at every level. Staff who do not understand the significance of digital transformation will have a lot more difficulty to keep up with the transformation.

One thing that should not be forgotten in the Digital Transformation process is the human factor. All information systems as well digital platforms at our disposal sometimes lead us to forget the most important source: human capital. People who connect with people in a digital environment is also part of the human capital. At the heart of digital marketing is people (Dodson, 2016). That’s why many authors defend that technology should address priority in human psychology. Consolidating customer relationships and adding new values to a marketplace driven by continuous innovation requires consciousness and perspective (Dodson, 2016). Creating value for customers by marketers will help speed up the transformation. For this reason, besides developing technologies, human behavior should be put into effect. David
Rogers also suggest five domains to address digital transformation; those domains are customers, competition, data, innovation, and value. When related with strategic themes and associated key concepts, this will add an important boost to the previous SWOT analysis in order to help creating a strong brand within a digital transformation context (Rogers, 2016).

The following table (Table 1), summaries the association between Rogers’ domains, the strategic themes and the associated key concepts, called The Digital Transformation Playbook (Rogers, 2016).

**Table 1: The Digital Transformation Playbook.**

<table>
<thead>
<tr>
<th>Domains</th>
<th>Strategic Themes</th>
<th>Key concepts</th>
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<tbody>
<tr>
<td>Customers</td>
<td>Harness customer networks</td>
<td>Reinvented marketing funnel</td>
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<td>Path to purchase</td>
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<td>Core behaviors of customer networks</td>
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<td>Competition</td>
<td>Build platforms, not just products</td>
<td>Platforms business models</td>
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<td>(dis)intermediation</td>
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<td></td>
<td>Competitive value trains</td>
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<tr>
<td>Data</td>
<td>Turn data into assets</td>
<td>Templates of data value</td>
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<td></td>
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<td>Drivers of big data</td>
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<td>Data-driven decision making</td>
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<tr>
<td>Innovation</td>
<td>Innovate by rapid experimentation</td>
<td>Divergent experimentation</td>
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<td>Convergent experimentation</td>
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<td>Minimum viable prototype</td>
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<td>Paths to scaling up</td>
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<td>Value</td>
<td>Adapt your value proposition</td>
<td>Concepts of market value</td>
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<td>Paths out of a declining market</td>
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<td></td>
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<td>Steps to value prop evolution</td>
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The same author alerts that Digital Transformation fundamentally not about technology but about strategy, and adds that although it may require upgrading the IT architecture, the more important upgrade is the strategic thinking (Rogers, 2016).
6. Evidence from Brands Taking Advantage from Digital Transformation

The following stories, report evidence where brands where able to take advantage of Digital Transformation and take a strategic thinking to achieve success. As stated in Fujitsu report on digital transformation “It’s important to separate the clear day-to-day strategy from the overall business digitalization process. However, strategies must be taken to an intermediate level in order to be able to connect the two in the future…so there’s synergy between them” (Fujitsu, 2016).

6.1 Burberry Turns from Death with Digital Transformation

In 2006, Burketts grew by 1-2%, while opponents grew by an average of 12-13%. Today, Burberry is one of the top five companies that perform best in their industry. Burberry began their changing at first with target age group, from middle and upper age group towards young people. Burberry began to speak on the digital, the language which understood by today's young people. They successfully integrated digital into stores, used social media very actively, and allowed young people to design their own products. Let's look at several of Burberry's many digital conversion applications (Ciynekli, 2017).

Most of the clothes at Burberry stores have chips with RFID technology. If customers wish, they can watch videos showing where they are and how they make jackets they wear on thanks to reading chips. They can see a jacket they tried in the dressing room, how stood another color or pattern on top of them, and even a picture of the position on a model during a fashion show. Burberry fashion shows are broadcast live at all Burberry stores. Customers who watch the show will be able to order pieces from collection in the store with iPads immediately after the showdown. Salespeople are constantly accessing all existing Burberry models using the iPad, they can sharing them with customers and getting more orders. Burberry also allows their customers to design their own products. From the fabric to the choice of colors, customers can design all the choices themselves. Burberry is able to keep track of new trends, preferences of popular color choices and distinction which regions and countries they choose (Ciynekli, 2017).

6.2 Digital State of Sports: Nike Plus

By using the best of digital technology, Nike succeeded to keep all the athletes using Nike products around the world in contact with each other and with the company. The achievement has been get by making customer demands and processes more effective. With the sensor on the Nike Plus, iPhone / iPad and Fuel Band or on a Nike sports shoe, it measures the
athlete's movements, the total time they are on the move, their speed, the calories burned. Later, the athletes who made the activity connect to the Nike Plus platform with his iPhone / iPad and can access all the information that is generated during the sport (Welch, 2016). If the athletes wishes they can choose running partners on the platform and they can get advice from experts to improve their performance. Because of the interconnected products and environments, Nike collects data about customers' use of their products, reviews the data, and improves its products so that customers can use them more (MCclusky, 2009). At the same time, it also creates an active customer community. Nike adding 'big data' and thanks to it they can get a lot of information about many athletes that is not known before. For example, people living in the United States have more, but shorter distances than people living in Europe during the winter months, worldwide average running time is about 35 minutes and the most played song in the run was learned from the collection of Nike + that it was "Pump It" from the music band Black Eyed Peas (MCclusky, 2009).

6.3 ING Bank, a Technology Company

According to Deloitte's research, the banking sector in Turkey which has taken an earlier step in digital change than other sectors, differs from many other sectors in many respects. (Deloitte, 2016).

The transformation story of ING Bank, one of the leading companies of the banking sector in Turkey, has started to be described as a bad case study for MBA students at Harvard Business School. The bad case study focuses on two main issues that have been focused since October 2011, when ING Bank Turkey General Manager Pınar Abay and his team came to see it. He explains that the management team's work on transforming the institutional culture in the bank and passing on the new generation banking practices has had a positive effect on the Bank's case situation.

Pınar Abay, who was appointed as the youngest general manager in ING Bank Turkey in 2011, says: "After my appointment, I first visited all the regional offices and branches one by one. I tried to get to know ING Bank, system, employees and customers as closely as possible by going out to the customer phones personally at the Call Center. In our bank, we first started to renew the corporate culture. Our vision is to be a technology company with banking license. We have created a corporate culture that is focused on co-creating and working together. We are investing $ 100 million a year in technology to make next-generation digital banking and to
provide the best customer experience in this area. So we started exporting innovations to other ING countries at the point we came today" (Healy, Mukunda and Cekin, 2015)

6.4 Conversion of Big Data to Money Art: Boyner

Cem Boyner's speech at the TUSIAD Large Data Conference includes examples of both Big Data and a company's successful use of Digital Technologies. The success of this talk is not talking about theory but the application as it is done at other conferences. 11% of Boyner's productions come from online channels. 60% of them are mobile (Hopi) origin. When we public opened, 27% of sales were made with the customers they touched through Hopi. Thanks to this, we public sends push notifications to people who have a habit of spending customers when they pass around Akmerkez. 20 turkish lira is available for gifts to be used within 2 hours in the store. The boyner uses beacons in the mall which name is Istinyepark. With this technology Boyner knows who spent time in which store and can offer a baby product when customers go to the baby store. Boyner says that they know when a pregnant woman will born their baby, when she will want a baby diaper for 2 to 4 months and they submit an offer according to this.

Now, Boyner says that 70% of users in Hopi share location information and they say "Because they taste the pleasure of reaching occasion this way. If someone who goes to Bodrum makes a shopping from Koçtaş using Hopi, for the user who knows uses X brand yogurt, we can say that he/she will shop at Migros which is next to the Koçtaş.

As the brands enter the digital conversion process, they get closer to the customers and the boundaries gradually get up. It is possible to say that while some sectors are changing rapidly, others are progressing more slowly in this process. IBM's Middleware General Manager Marie Wieck (Boomerang, w/d) which is said that digital conversion is at the top of the fastest-growing sectors said, “A banker recently said, 'People are now interested in banking, not in the bank.' This demonstrates that banks have become obligatory to convert digital transformation into competitive new opportunities” (Boomerang, w/d). By going all the way up, we can say that the brands that adapt to the digital transformation and can match their work patterns to can make significant gains. Those who are not able to adapt seem to be lagging behind and taking their place in the market.
7. Conclusion

This paper starts by presenting a discussion on Digital Transformation and how the soft side of human factors and its application to a given context is key for its application in real life, with success. We advance that leadership is key for digital conversion.

The role of strategic thinking was defended as a strong requirement for the success of Digital Transformation and to adapt to a new digital based context, characterized by higher levels paper ends by stressing a number of cases where there is shared evidence of both positive and less positive experiences regarding the digital conversion in order to prepare brands for of network readiness at a global scale. Thus the paper defends the need to adopt within Digital Transformation, a brand based approach to protect both data and information assets in a way that follows the digital transformation playbook, first proposed by Rogers (2016).

The Digital Transformation. A common issue for more positive approaches is taking strategic thinking as a guideline to digital conversion. There is an opportunity to enhance brands by taking networks, the digital and its potential even further.

7.1 Scope of future research

This study proposes the relevance of taking a strategy evaluation of brands, taking into consideration the opportunities bring with the digital, networks and even more advanced technologies that turn both products and services, more integrated, adaptive, interactive, intelligent, and able to fulfil consumer needs.

For example, from the dimensions on the Digital Transformation Playbook, listed on table 1, it will be important to considerer each one contribution and relevance to a successful strategy, by analyzing its presence on selected cases.

In a more linear way, it will be interesting to gather more cases along with those presented on this study, in order to list a number of factors that relate them and provide a list of requirements to elect those who can follow the criteria of been resulting from digital transformation impacts.

7.2 Research limitations

The conducted research was a first effort on how and what can brands and brand strategy can gain from digital transformation. It is yet a research on progress and further work need to be done to assess how it will be the real impact on existence evidence and its maintenance. More cases and further analysis on them need to be taken.
References


