

Alysa Taylor: Welcome. Thanks so much for the opportunity to join The Six Five Summit. I'm incredibly excited to join today, as organizations work together to chart a path forward after an unprecedented year.

In my role at Microsoft, I've seen businesses across industries grapple with challenges and stretch the boundaries of what's possible, in ways we wouldn't have believed just a year ago. Today, in many areas around the world, our response to the global pandemic is at a turning point and in this type of turning point is only natural to feel a little reflective.

Sometimes change happens steadily and incrementally, and we don't even notice the evolution until we look back and connect the dots. But, that is not the case right now. This past year, change was so stark, so rapid, so ubiquitous that we couldn't miss seeing it in the moment. And, you can see just a few examples of how change is transforming entire industries, leaving organizations no choice but to respond quickly.

In healthcare, where virtual visits have rapidly become the norm, healthcare data is proliferating but remains largely inaccessible for decision-making.

In manufacturing, more than 60% of leaders are working quickly to digitize their factories, with over 20% increase expected this year alone. And, we can see this in our daily lives too. Look at curbside pickup. This is something that wasn't even on our radar a year ago, but now it is table stakes for every retailer, large and small.

So, to meet the challenges of the moment, organizations have invested in new and expanded capabilities. And we believe these investments, in what we call a digital foundation, have made the difference for businesses to be able to adapt to change successfully and to weather the storm. But, we also know that change isn't over and the world isn't finished evolving. Though we've heard stories from the customers and partners we work with every day, my team at Microsoft wanted to get the facts. So, a few months ago, we commissioned a study with The Economist to learn how business leaders view the past year and how they're responding to change.

It was so interesting to see data that validated what we've seen in the market. The pace of change has accelerated industry transformation and digital investments are key. The study also showed that those companies who have already invested in digital capabilities are able to respond more quickly and more effectively. If you take a look at just one industry in particular, financial services, 87% of employees agree that a digital-first company had a competitive edge over their less technically-savvy peers. We also found that companies devoted an additional \$15 billion a week to their IT departments during the first three months of the crisis. Even digital laggards saw the need to catch up quickly. So, you can learn all about this research from The Economist Intelligent Unit at [aka.mstransformationimperative](https://www.eiu.com). And, it'll include double clicks on specific industries, including healthcare, retail, manufacturing and more.

But, across all of these industries, we know that there are three consistent priorities. The first, accelerating time to value. The second, increasing agility and the third, reducing costs. And, we at Microsoft are committed to helping every organization use technology

to achieve these three goals, even as they address the unique challenges of their industry. But how? How are organizations setting themselves up for success? It all starts with data.

Now more than ever, data is ubiquitous. Generated by every aspect of our lives. So, for organizations to thrive in this new world, they have to flip the world on its head and take a data first approach. It's about ingesting data from every source, every sensor, every building, every digital and physical business process. And, when you take a data first approach, then that fundamentally changes the role of the app. The business application layer. Because, when your apps function in the service of the data, only then can the app be proactive, derive insights, accelerate action, and deliver the agility that we've talked about that has been so vital over the past year.

And, this is core to Microsoft strategy and how we have constructed the Microsoft Cloud. With the hyperscale global platform of Microsoft Azure, you can ingest large quantities of data and reason over that data with applied intelligence. With tooling, like GitHub in the Microsoft Power Platform, that provides the capabilities to extend that data, to interact with it, analyze it, act on it and automate core business workflows.

Then at the application layer, Microsoft 365, LinkedIn and Microsoft Dynamics 365, these experiences exist in service of that data. Becoming truly intelligent applications that provide collaboration, productivity, and business process in new ways. With predictive insights and proactive guidance. And, we know that this data first approach becomes real when you apply it to industry specific scenarios. So, we've built very specialized components that light up those industry scenarios using the capabilities of the entire Microsoft Cloud.

Let me share an example of what it looks like when an organization takes a data first approach. Across its business, Walgreens Boots Alliance has more than a 100 sources of customer profile data. From loyalty programs to point of sale systems, to online marketing engagements and much, much more. But, each one of those systems traps the customer data it ingests. And so, Walgreens needed a way to unify that data, rationalize it and use it to make smarter decisions as they engage their customers and transform their business from a pure retail to a retail healthcare provider. With Microsoft and our partner Adobe, Walgreens has been able to unify that data for a single 360 degree view of their customers. Allowing them to deliver individually tailored prescription services. Create bespoke beauty experiences and enhance their marketing effectiveness with the right offer for the right customer at the right time. And, by freeing themselves from the data silos that trap them, Walgreens has built a digital foundation they need to engage their customers now and into the future.

Let me share another example of how an organization used data to transform its business process during an unprecedented year of disruption. When COVID-19 shut down in-person retail last year, many stores had to close their doors, but Patagonia went one step further. They also decided to shut down their online sales to ensure the safety of their warehouse workers. So, not only did they need to re-imagine how they served customers, they also had to make the shift while working remotely. With Microsoft Dynamics 365 and Microsoft Teams, they turned their retail stores into mini warehouses,

allowing them to ship inventory from either a store or warehouse while optimizing for a single shipment to the customer. And, now that stores are reopening, Patagonia is activating solutions across the Microsoft Cloud, including industry specific capabilities of the Microsoft Cloud for retail, to be able to orchestrate seamless, personalized customer experiences across both online and in person interactions.

So, I hope these examples show what it looks like when it all comes together. When you unify data from any source, including the physical world around us. When you re-imagine business processes, not just shifting what exists to the cloud. When you bring it to life in a way that's specific, very specific to an industry an organization serves, addressing the unique challenges and needs of that particular industry. But, while this is good, at the end it's all about organizational success. You also need to empower your workforce. Let's take a look at an organization doing just that.

- Speaker 2: In today's manufacturing world, things are moving so fast. People need to be agile. Find ways to learn faster and it is our responsibility as a company, as leaders, to provide them the best tool that exist and make them more comfortable to perform their tasks. And, this is why mixed reality with Microsoft HoloLens is a powerful tool today.
- Speaker 3: Guys, it's an instruction that goes from step to step, with holograms. It's like taking the whole factory handbook and bringing it to life.
- Speaker 2: If you can get accurate information and get it faster, this is the name of the game. This is where you can get an edge.
- Speaker 3: Kruger is an old paper company who leads its industry in terms of innovations.
- Speaker 5: Our vision of new technology, intelligent enterprise is based on three key components. Industry, 4.0, AI and mixed reality. We decided to use [inaudible] France because we need the firm, an engineering firm that knows operation and knows the technology itself.
- Speaker 3: We work with Kruger to find the most helpful procedures for them all over the factory floor. Operating guides, training, inspection, troubleshooting guides that are really making a huge difference on their productivity.
- Speaker 4: You don't have time here to know everything because you have always new things, new problems, but with the Lens, I can take it on a break and know everything by myself.
- Speaker 7: One of our strengths is customer adaptability. So, answering the specific customer need, how do you make sure that it's consistently apply across the three shifts? Well, HoloLens was the answer for that.
- Speaker 3: With a machine as complex as Kruger's, life is never linear. The new branching feature allows us to go different pathways within the same procedure. And that's a game changer.

Speaker 5: In branching, we're going to have the tools to solve potential problems before they happen.

Speaker 3: With the new spatial trigger feature. It's way more fluid. It feels like the HoloLens is reading your mind. The HoloLens sees your hand, so when you move your hand it will lead them to the next step. It is obvious to combine branching and spatial trigger that would lead them to the right place in this procedure.

Speaker 5: The future is this. It's more easy. It's more simple is a really practical.

Speaker 7: These new technology will bring the opportunity to unleash creativity and provide for all of us something the manufacturing industry have not seen or not even imagined yet.

Speaker 5: It's fun. It's fun. Simple.

Speaker 1: One thing I love about that video is the focus on people. Kruger knew that even in a data first world, people are still your most precious asset and helping them succeed is an investment that will always pay off. That's because people are the catalyst for innovation and adaptation in the face of change.

When they're empowered by data with the tools at their fingertips to understand and analyze and act on that data, people are enabled and organizations rise above challenges and reach their full potential. From Walgreens Boots Alliance to Patagonia, to Kruger and more, we've seen this countless times in every industry over the past 18 months. Organizations are stretching the boundaries of what's possible in ways we wouldn't have believed just a year ago.

And, this is core to our mission at Microsoft. To empower every person and every organization on the planet to achieve more. Thank you for joining me today and enjoy the rest of the summit.