

Case study: ERA's Digital Transformation Project

For over 27 years, ERA Marketing Centre has been a cornerstone of the market research industry in Baku, Azerbaijan. Founded in 1996, the company has built a strong reputation for its ethical standards and valuable insights, expanding its services across the CIS countries and Turkey. As the industry moved rapidly towards digitization, ERA recognized the need to evolve to maintain its competitive edge and continue providing high-quality service.

To lead this transformation, ERA launched an ambitious digital project in 2023, led by Deputy Director Kanan Hasanov. Running from January to December, the project aimed to overhaul traditional workflows by integrating advanced digital tools, enhancing data processing capabilities, and expanding service offerings. Central to this effort was the development of an online dashboard system for scalable data collection and the deployment of 200 tablet-based CAPI (Computer-Assisted Personal Interviewing) systems to digitize face-to-face interviews. These innovations reduced operational costs by 20%, saved an estimated \$150,000 annually, and improved data synchronization speeds by 30%, reducing data processing times from 24 hours to 16 hours. Additionally, new digital mapping tools increased the accuracy of geospatial analysis by 35%, allowing ERA to provide clients with deeper, more strategic insights. However, the shift to digital tools and infrastructure, such as online dashboards and tablet systems, also led to a 15% increase in electricity consumption for data centres and servers, contributing to a 10% rise in the company's overall carbon footprint.

The transformation wasn't just about adopting new technologies; it was also about reshaping the company's culture. ERA understood that technology is only as effective as the people who use it, so they invested heavily in their employees. With an investment of \$300,000 in professional development, the company created tailored training programs, e-learning modules, and hands-on experiences to empower its 150 employees to embrace new digital tools and approaches. This focus on human capital led to a 15% increase in employee engagement and a 10% boost in productivity. Yet, the push toward digitalization also introduced challenges in maintaining the same level of personalized interaction that some clients valued. 20% of customers surveyed felt that digital tools, while efficient, made their experience feel impersonal, which could reduce customer engagement and affect long-term relationships.

The project was guided by a core team of 10 key members—project managers, IT specialists, data analysts, and change management consultants—who managed day-to-day operations and strategic decisions. They were supported by an auxiliary team of 15 to 20 members who provided technical assistance, conducted 30 training sessions, and offered administrative support. While 80% of the team consisted of in-house experts, ERA strategically integrated 20% external talent, including technology vendors and

consultants, to bring specialized knowledge and fresh perspectives. However, not all suppliers initially met the company's high sustainability standards, necessitating an additional \$50,000 in resources to improve their practices.

To ensure broad support and alignment with the transformation, ERA conducted over 20 workshops for internal teams and external partners, involving more than 100 participants. These workshops fostered collaboration, encouraged knowledge-sharing, and helped build a unified understanding of the project's objectives. By providing a forum to address concerns and gather feedback, ERA created a sense of shared ownership among stakeholders, which proved crucial in successfully implementing new tools and processes. However, 10% of long-standing customers resisted the shift to digital methods, preferring traditional approaches that relied on more resource-intensive practices.

The transformation led to several unexpected benefits, including the introduction of new services like predictive analytics and real-time market trend analysis. These offerings helped generate an additional \$500,000 in revenue for the fiscal year, reflecting a 12% increase overall. However, the increased reliance on digital platforms also led to a 20% rise in electronic waste (e-waste) from outdated or replaced devices like tablets and servers, amounting to approximately 300 kg of e-waste.

ERA's enhanced digital capabilities also broadened its client base. The company experienced a 25% growth in new clients, particularly in the technology, e-commerce, and digital media sectors, which rely heavily on sophisticated data analytics. The addition of real-time analytics and user-friendly digital interfaces attracted 15 new clients, leading to a 20% increase in customer satisfaction. Furthermore, ERA's updated websites, mobile apps, and a 30% rise in social media engagement enabled the company to reach a younger, tech-savvy audience and enhance its overall digital presence. However, the increased use of digital channels introduced additional energy demands, as maintaining these platforms required intensive data storage and cooling systems, contributing to a 15% rise in energy consumption.

To measure the impact of the digital transformation, ERA conducted comprehensive customer surveys. The feedback was overwhelmingly positive: 85% of clients were satisfied with the speed and accuracy of the data provided by the new tools, and 70% appreciated the ease of using the user-friendly dashboards. However, 10% of long-standing customers expressed hesitation about the digital shift, citing a preference for traditional methods. This insight underscored the need for continued support and training to help all clients transition smoothly into the digital era while maintaining a balance between digital efficiency and personalized service.

The transformation also aligned with ERA's sustainability goals. By integrating digital tools into its operations, ERA significantly reduced its reliance on paper, cutting usage by 60%, equivalent to saving around 250,000 sheets of paper annually. However, the

increased use of electronic devices and digital platforms led to higher electricity consumption, estimated at an additional 50,000 kWh per year, and concerns regarding the long-term environmental impact of electronic waste and resource depletion.

In line with its environmental objectives, ERA re-evaluated its supply chain and made strategic shifts to increase local sourcing by 15%. The company partnered with suppliers known for strong environmental practices and corporate social responsibility (CSR) policies. Each supplier underwent rigorous assessments to ensure compliance with sustainability standards, including renewable energy use and waste minimization. Despite these efforts, the initial lack of alignment with some suppliers slowed ERA's progress toward its sustainability goals and required an additional \$25,000 investment to bring all partners up to the desired standards.

The digital transformation required a significant financial commitment. ERA allocated around \$700,000 to cover initial expenses, including software licenses, hardware, and cybersecurity upgrades. Ongoing costs of about \$200,000 per year were earmarked for maintenance, cloud service fees, and cybersecurity operations—investments essential for maintaining the security and functionality of ERA's digital infrastructure. The high energy costs associated with running new digital infrastructure, such as data centres and increased server usage, also added an estimated \$30,000 annually to operating costs. Despite these expenses, ERA viewed these investments as necessary to maintain efficiency, foster innovation, and ensure market leadership.

On the revenue front, ERA discovered that 60% of its customers were willing to pay more for enhanced services that directly improved their operations, such as real-time analytics and personalized insights. To meet these expectations, ERA introduced flexible payment options, both digital and traditional, ensuring accessibility for all clients. However, the additional costs associated with sustainable practices, like energy-efficient resources and waste management, presented challenges in achieving broader revenue growth, especially among customers less willing to pay a premium for these initiatives.

To promote sustainable practices, ERA also developed innovative pricing models that rewarded clients for adopting eco-friendly behaviours, such as reducing waste and using energy-efficient resources. These incentives increased customer retention by 10% and strengthened ERA's reputation as a business dedicated to social responsibility and sustainability. However, the lack of specific tax incentives or external funding to support sustainable practices limited the financial feasibility of some initiatives.

By integrating digital innovation and sustainability into its core operations, ERA Marketing Centre successfully navigated its transformation journey. The company improved service quality, expanded its market reach, and strengthened customer loyalty, all while remaining committed to environmental stewardship. However, the journey also highlighted several challenges, including increased energy consumption, electronic

waste, and resistance from some stakeholders, which must be addressed to fully realize its sustainability goals.