

Digital Excellence index

Key findings - September 2018

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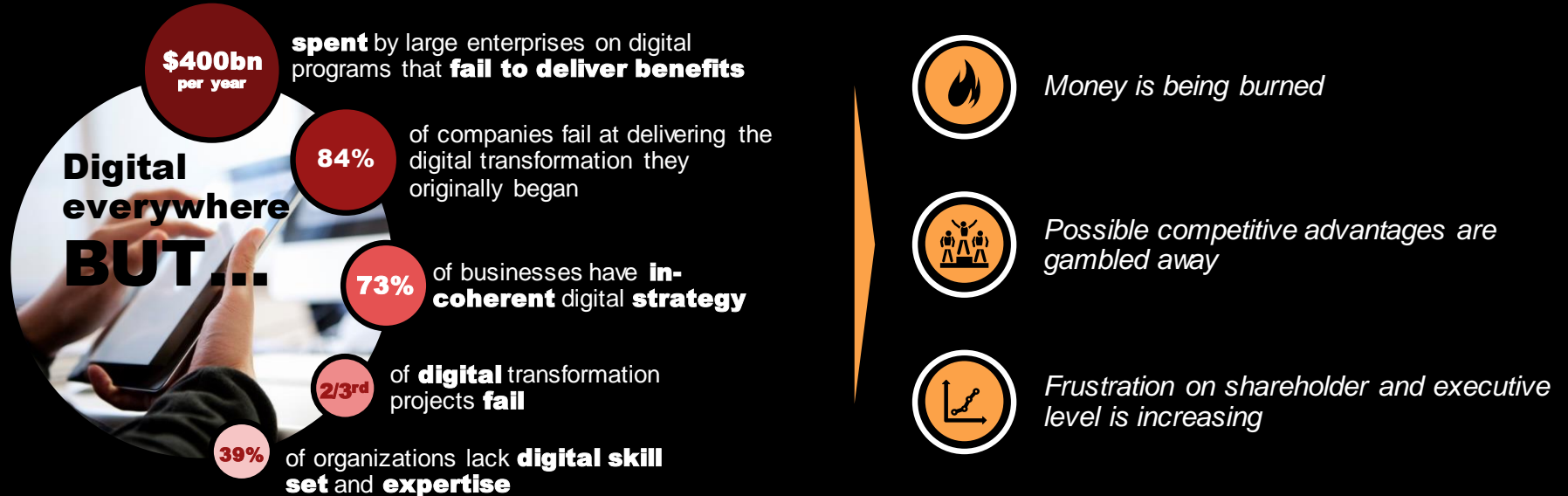
Digital transformation is entering a new phase, industrialization

Enterprise Digital Maturity stages



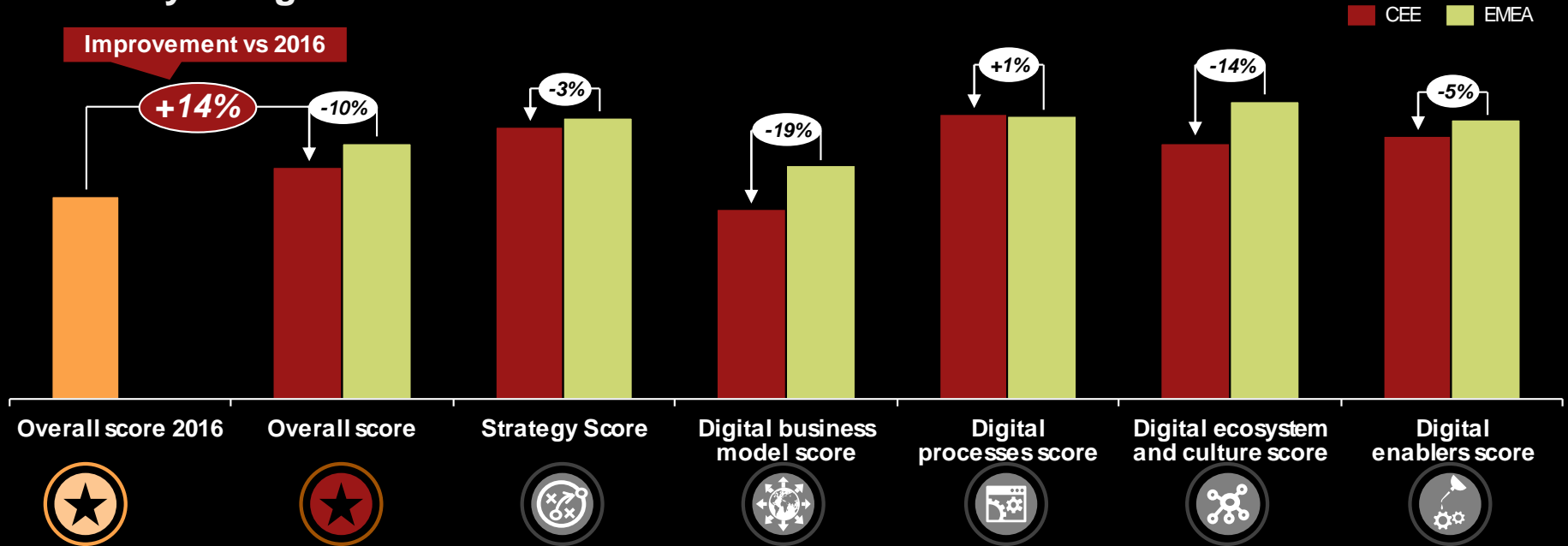
Companies are investing Billions in Digital Transformations, however the results are limited

Digital Transformation results overview



The overall Digital excellence index of Slovenian and CEE market companies, increased

Summary of Digital Excellence 2018



Source: A.T. Kearney, IMP³rove academy

Some facts...

81% have digital on their strategic agenda

29% have their digital strategy formalized (as a part of regular strategy or separately)

Today in **41%** of companies digital is CEO responsibility

69% believe that revenues will grow due to digital transformation

50% say it will grow by **>10%**

10% revenue is generated through digital channels

47% have strong partner ecosystem networks which can help them drive digital innovation in the next 3 years

55% consider digital capabilities of high importance in recruitment, while **60%** consider it highly important for promotion

Analytics is becoming an increasingly important trend, with **76%** considering data driven process optimization as very relevant

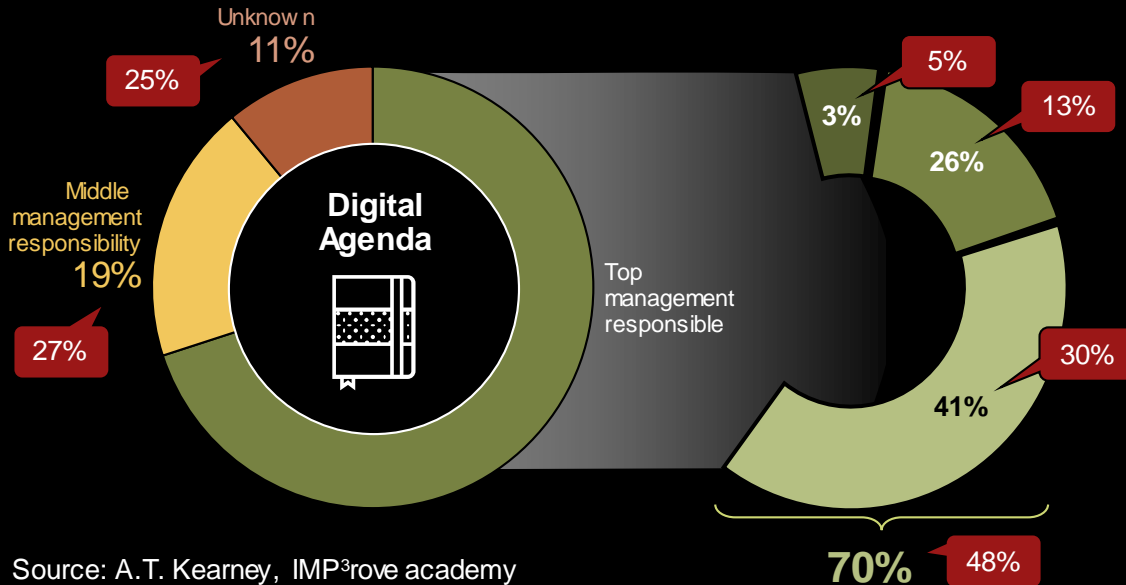
57% consider analytics key for decision making



Best prepared industry

Share of top management that drives the Digital transformation has increased to 70%

Who is driving the digital agenda? (as a % of companies that selected a certain attribute)



Digital agenda is driven by a non-dedicated top manager

Digital agenda is driven by a dedicated top manager

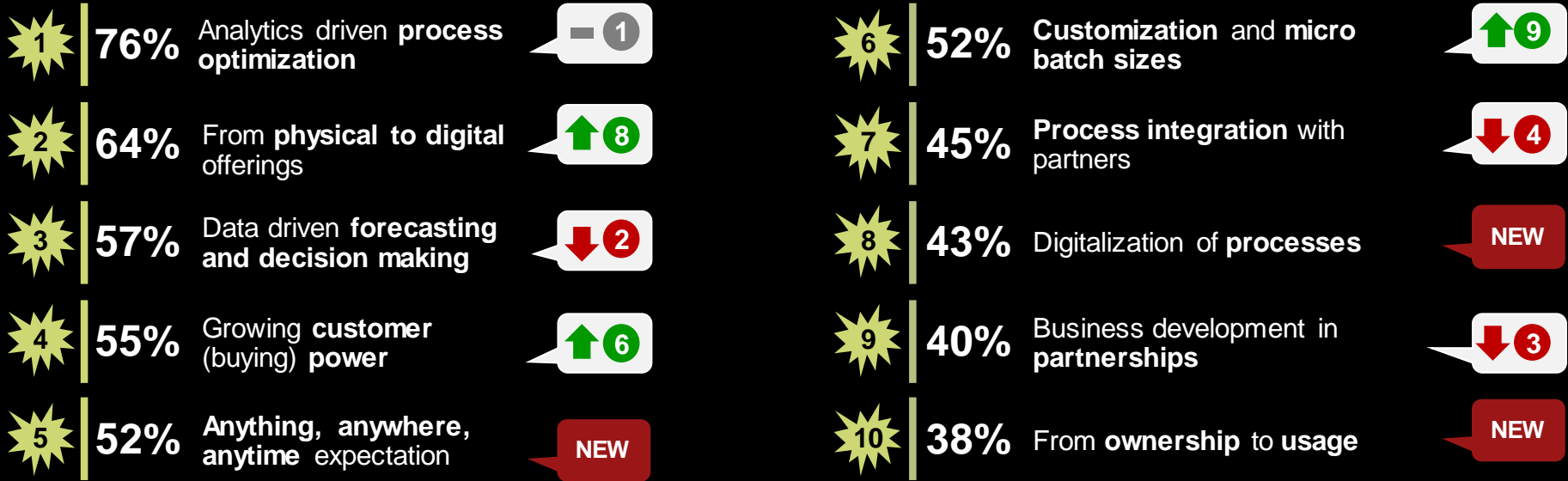
Digital agenda is driven by the CEO

Source: A.T. Kearney, IMP³rove academy

Results from 2016

Analytics is still important trend, with customer related trends gaining traction

Digitalization trends



1. Answers “to a large extent” and “to a very large extent”
 Source: A.T. Kearney, IMP³rove academy

↑ Improved rank v.s 2016 results

↓ Decreased rank v.s 2016 results

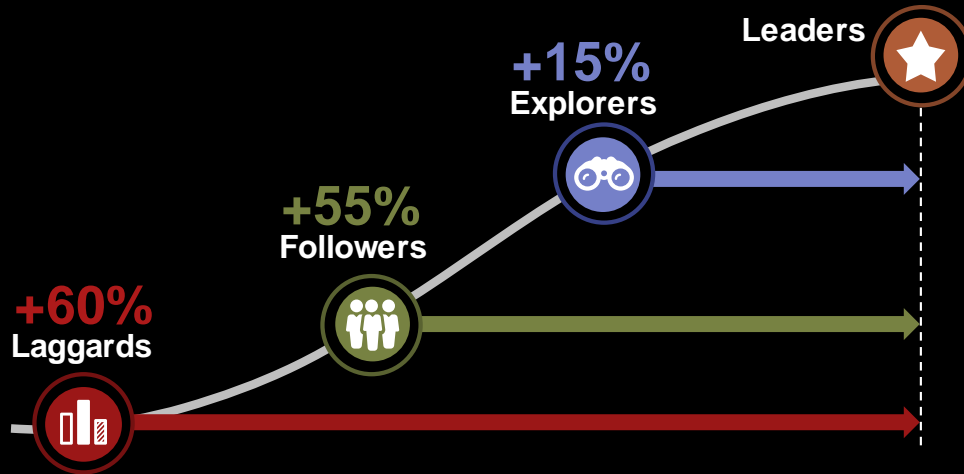
▬ Same rank as 2016 results

xx 2016 rank

Laggards in analytics maturity, can see significant gains in profits if they embrace analytics

Profitability gains from embracing analytics

Potential increase in profits¹



Key success factors



Strategy and leadership have the strongest positive association with profits



Culture and governance are crucial to successfully deploy analytics across the organization



Leaders offer company-wide analytics trainings while **balancing hiring and development of internal talent**

1. Potential refers to the increase in profit if a company were to increase its maturity to the level of the Leaders in the industry

Source: Melbourne Business School, A.T. Kearney

The ambitions from Digital are still not bold enough -

Only 23% of companies seek to make radical changes to their business model

Objectives of Digital Innovation

35%

“We **don't take giant steps**; however, we seek to make rather **small changes to existing products**, processes, services and/or business models to add value”

42%

“We seek to make **substantial changes** to either the business model or the technology (products, services and processes) that provide changes to the competitive environment but are usually **not disruptive or dramatic**”

“We strive for **radical innovation** by making significant changes in the business model **and** products, services and processes of the organization to **fundamentally change the competitive environment**”

23%



% of respondents from across geographies and industries

Up from 6%

The survey „Excellence in Digital innovations” remains open for participation...

A.T. Kearney in collaboration with IMP³rove Academy

Each participant will get a **free benchmarking report** about the successfulness of your company in the area of **digital innovations**

The collage displays several pages from the IMP³rove Digital Innovation Quotient report. Key elements include:

- Management Summary:** A text-based overview of the company's performance, including a bar chart comparing digital innovation scores.
- Key Success Factors:** A list of five identified factors such as 'Digital innovation strategy' and 'Digital business model'.
- Radar Chart:** A five-axis chart showing performance across different dimensions like 'Innovation in digital', 'Digital innovation strategy', 'Digital business model', 'Digital ecosystem and culture', and 'Digital innovation'. The chart shows a score of 42%.
- Table of Key Success Factors:** A table with columns for 'Key Success Factor', 'Description', and 'Impact'. It lists factors like 'Digital innovation strategy' and 'Digital business model'.
- Benchmarking Data:** A table comparing the company's performance against industry peers across various dimensions.
- Conclusion:** A section summarizing the findings and providing recommendations for improvement.

...to get your current Digital Innovation Quotient please visit:
<https://www.improve-innovation.eu/improve/Invitation/ShowInviteUser.do>

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