

INSEAD Digital Transformation Survey – Spring 2018

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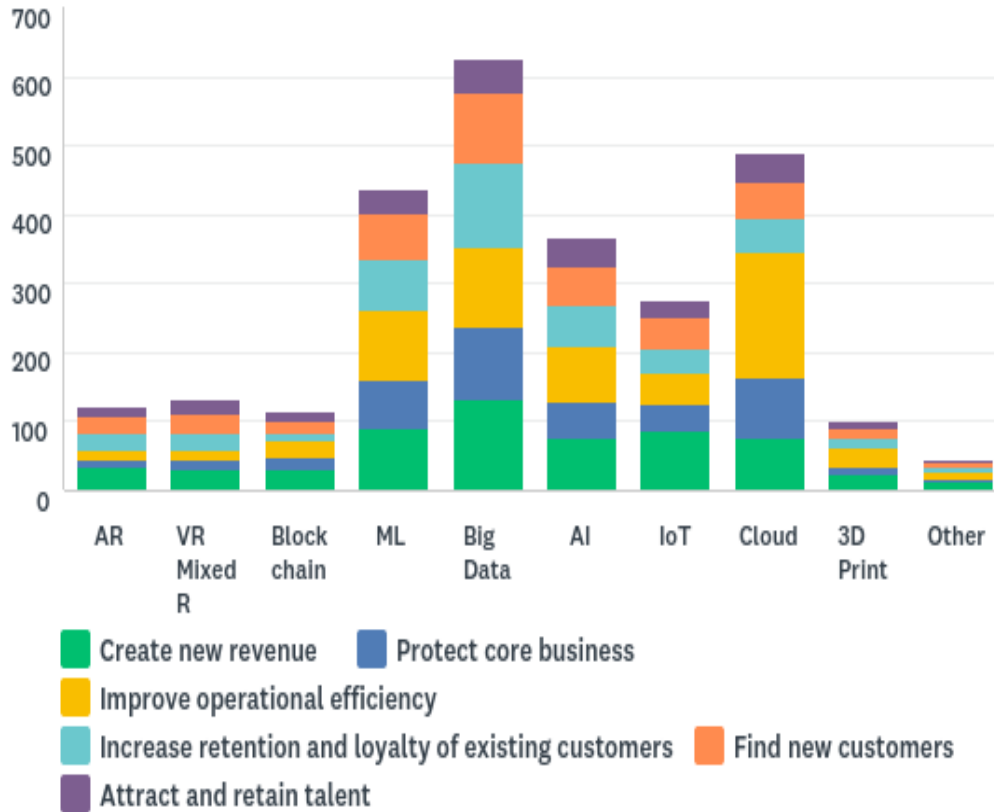
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Past and future technological trends

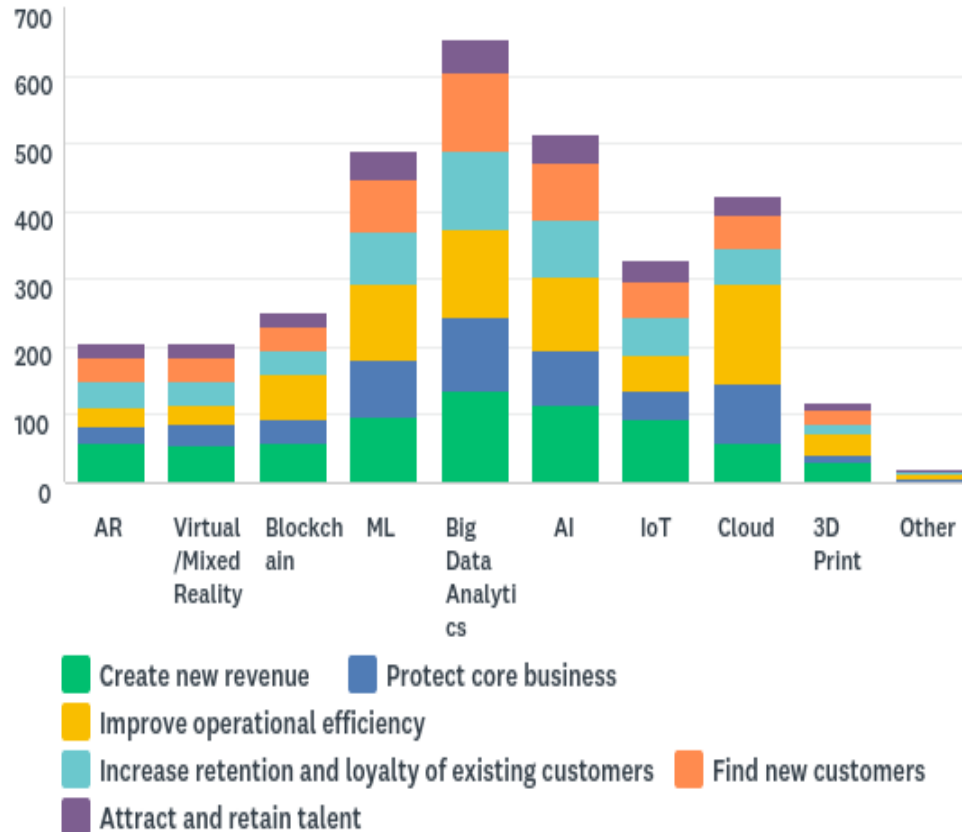
Q1 Which of the following technologies already had a significant impact on any of your company's business areas over the last 2 years?



In the past 2 years:

- ▶ Big Data Analytics, Cloud and Machine Learning had the most significant impact on business
- ▶ Big Data Analytics had the most significant impact in almost all business areas (creation of new revenues, protection of the core business, improvements in operational efficiency, finding new customers, increasing retention and loyalty of existing customers)
- ▶ Cloud primarily helped improve operational efficiency

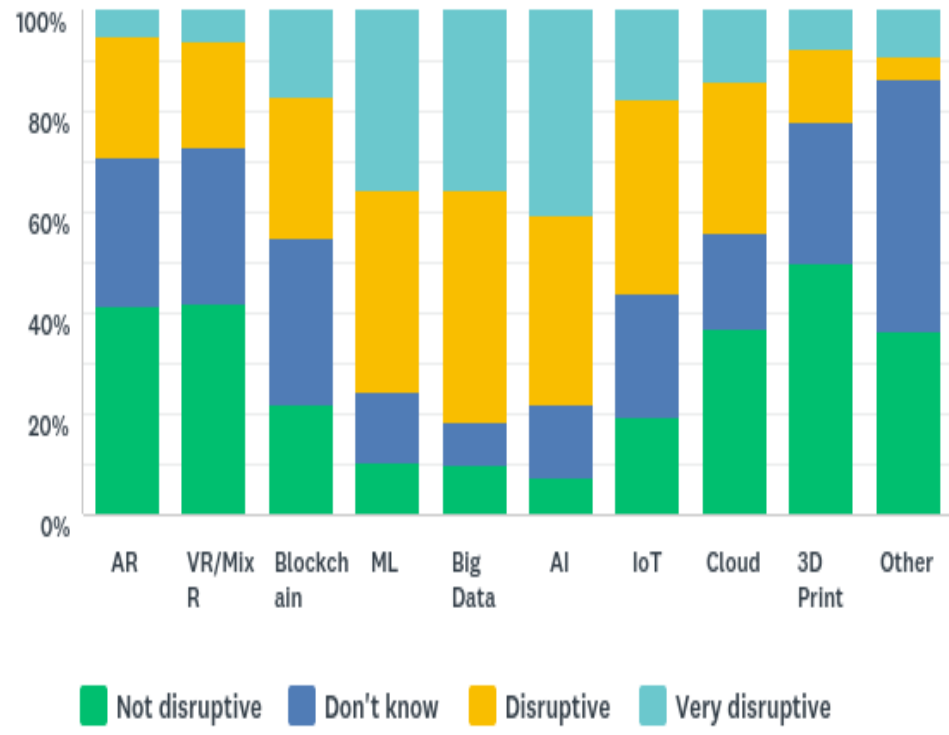
Q4 Which of the following technologies do you plan to use over the next 2 years for any of your company's business areas?



Looking ahead:

- ▶ Companies will keep using big data analytics
- ▶ Artificial Intelligence's use is likely to increase the most
- ▶ The use of Blockchain is likely to increase as well
- ▶ The usage of Cloud is likely to decrease (or it just maybe that Cloud becomes a staple in the companies' business models)

Q5 Which of the following technologies do you think will be most disruptive to your company's business in the next 5 years (long term)?

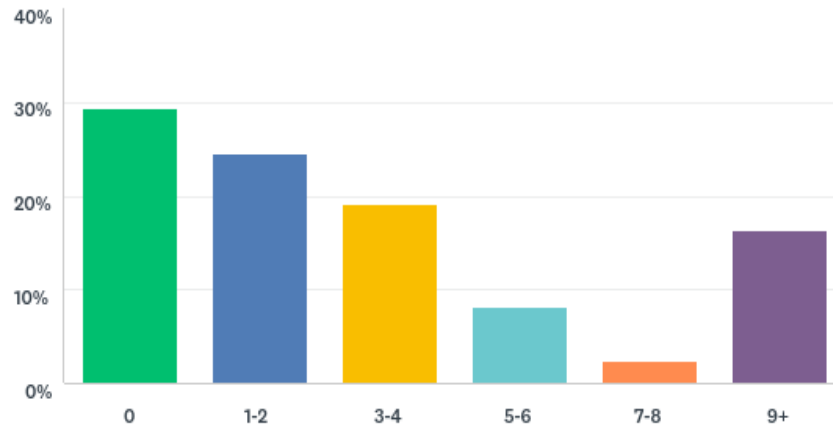


Disruption in the next 5 years:

- ▶ Big Data, Machine Learning, AI and, interestingly, IoT are likely to be the most disruptive to businesses in the next 5 years.
- ▶ Virtual/Augmented/Mixed reality are considered to be the least disruptive technologies.

Build, Borrow or Buy?

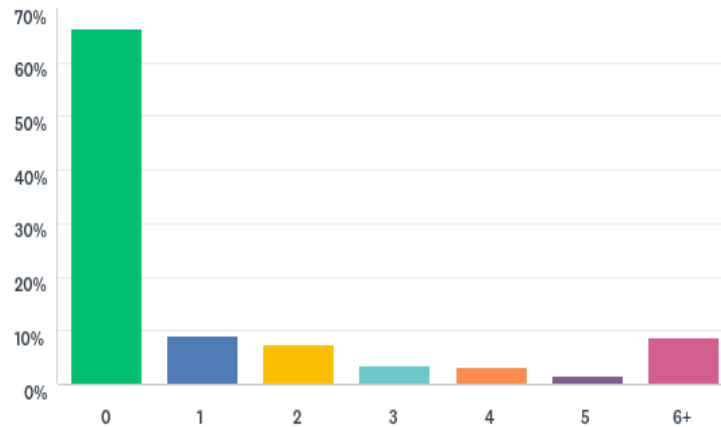
Q6 With how many partners did your company form strategic alliances or joint ventures in the past 2 years that had something to do with the above technologies?



Companies rely more on partnerships than on acquisitions in implementing digital technologies

▶ 70% did not make any acquisitions related to digital technologies while only 30% of the companies did not do any partnerships

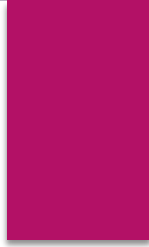
Q10 How many acquisitions did your company make in the past 2 years to help your digital transformation?



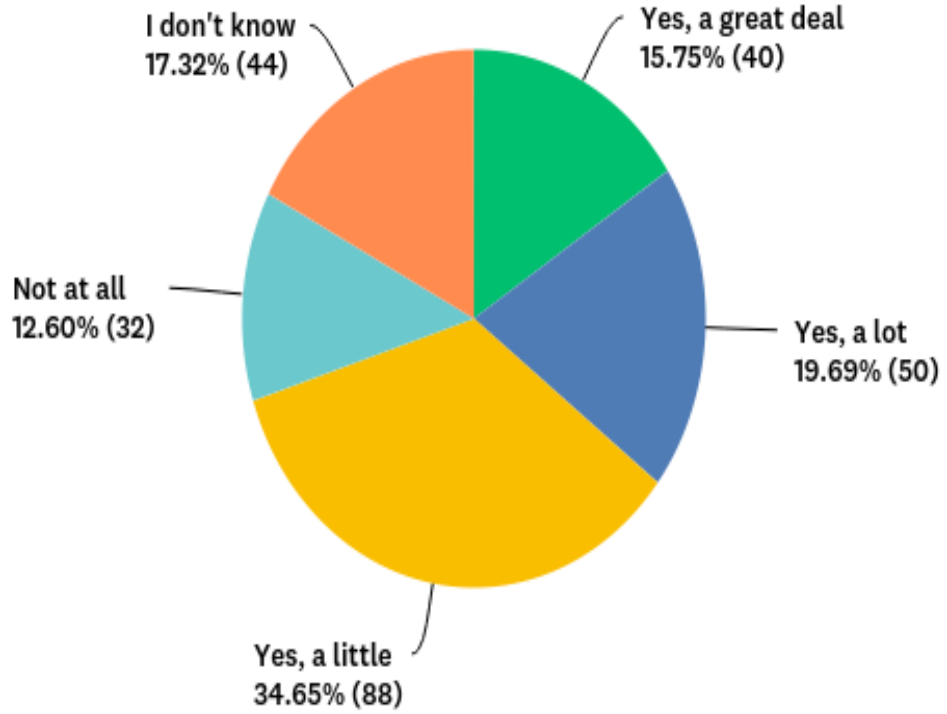
▶ The majority of companies prefer partnering to internal development



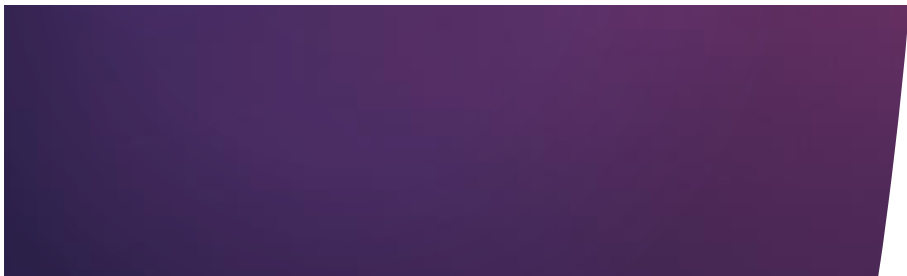
From Corporate Governance Boards to Innovation Boards



Q12 If your company has a board of directors, does the board encourage the top management to pursue riskier initiatives that could help reinvent your company's business?

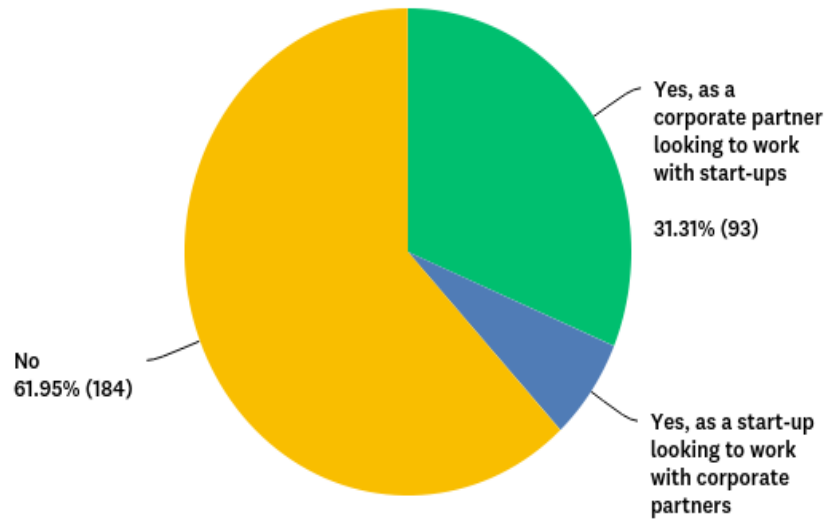


- ▶ Traditionally, we think of boards of directors as entities created to monitor management and mitigate business risks
- ▶ To respond to digital opportunities, companies turn corporate boards into “innovation boards”, where directors encourage top management to pursue riskier initiatives that could help reinvent their companies’ business



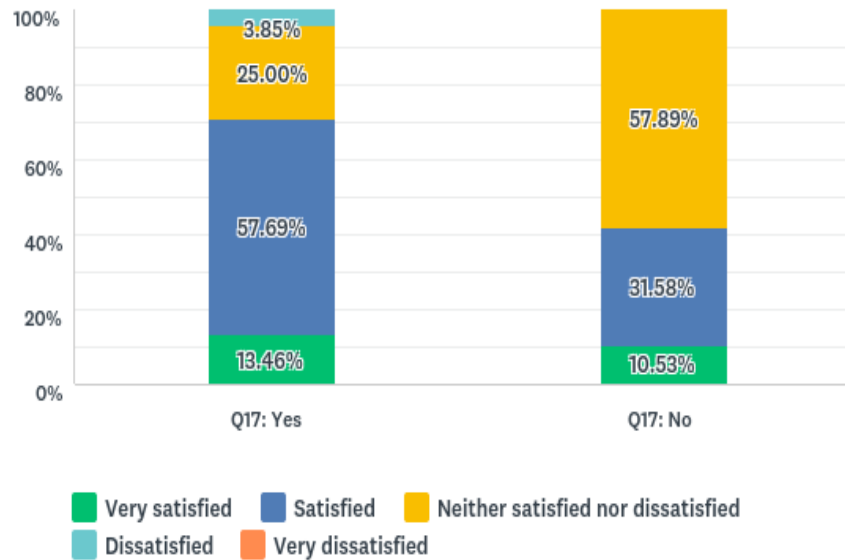
Start-up Accelerators

Q13 Did your company ever participate in a start-up accelerator program over the past 2 years?



- ▶ Start-up accelerators represent another driver for innovation in organizations. However, close to 62% of our respondents did not participate in any accelerator program
- ▶ This may represent a missed opportunity: the corporate partners might miss innovative ideas, exposure to talent from start-ups or simply investment opportunities, while the start-ups might miss funding, credibility and advice from corporate partners

Q16 How satisfied are you with participation in start-up accelerator program (s)?



“Yes” refers to 52 respondents whose companies had start-up engagement executives. Of those, ~70% of respondents working for such companies reported satisfaction from participating in accelerator programs. “No” refers to 19 respondents from companies which did not have such executives. Of those, ~ 42% reported satisfaction from participating in accelerator programs.

We need to collect more data to establish statistical significance of these effects though.

Wanted: Start-up Engagement Executives

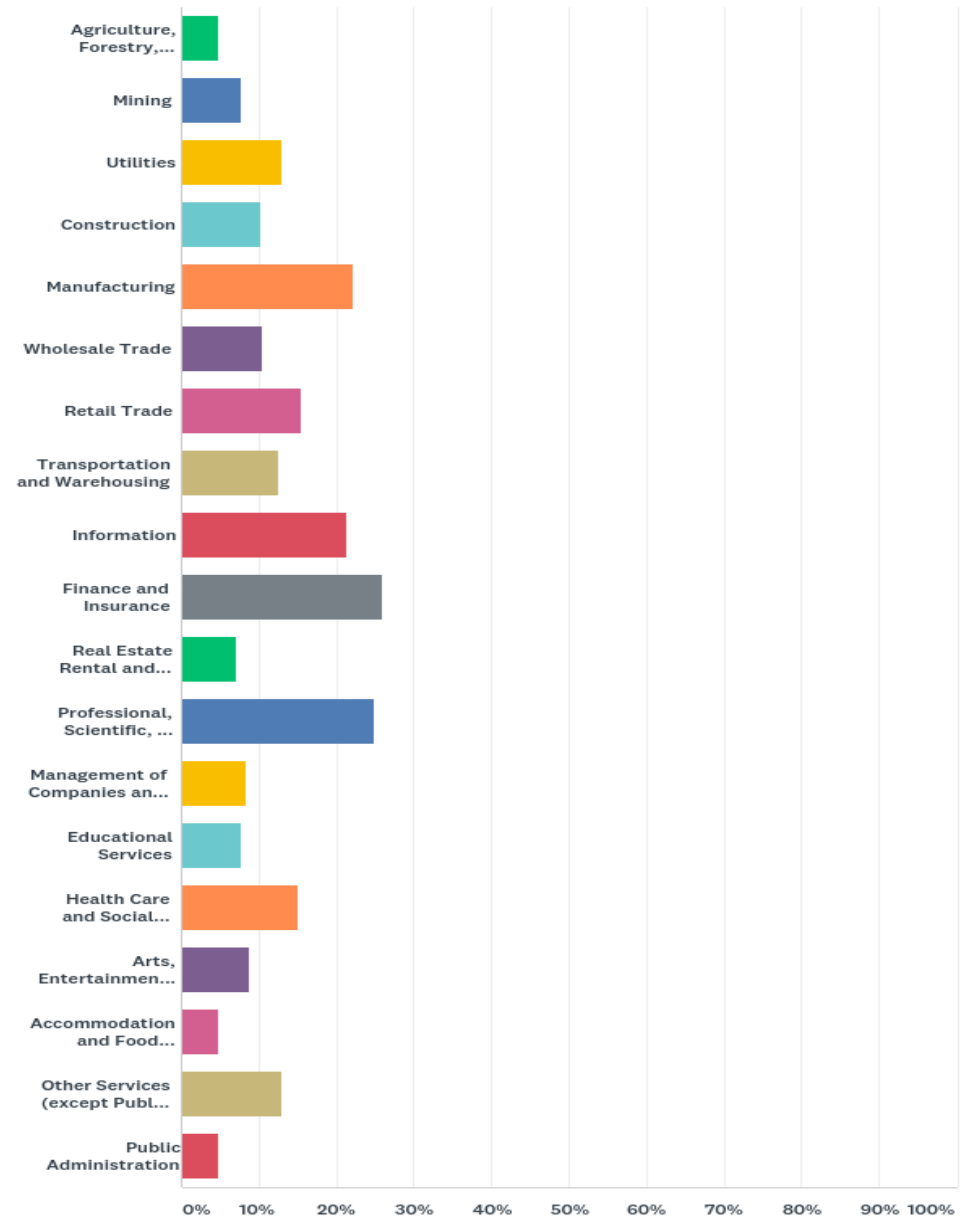
- ▶ To corporate partners, satisfaction from participating in start-up accelerators doesn't come automatically
- ▶ Corporate partners might derive greater satisfaction from accelerator programs when they formally designate engagement managers to connect start-ups they met in accelerators to the rest of the organization
- ▶ The engagement managers ensure that corporates execute on projects with start-ups as well as learn from them

Respondents

Q24 In which industries did your company operate in 2017? Tick all that applies.

Respondents...

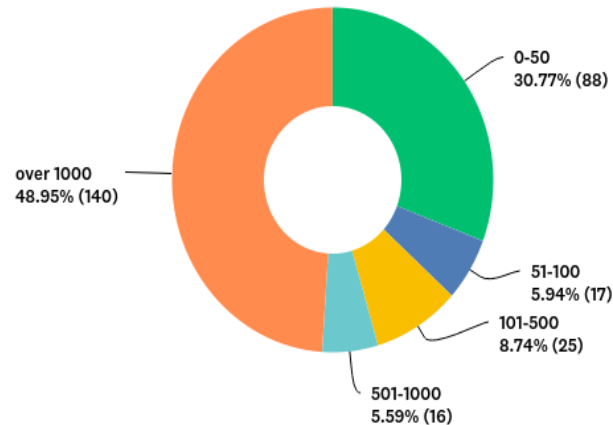
- ▶ 317 individuals
- ▶ INSEAD MBA alumni or Exec Education program participants, from a wide range of industries



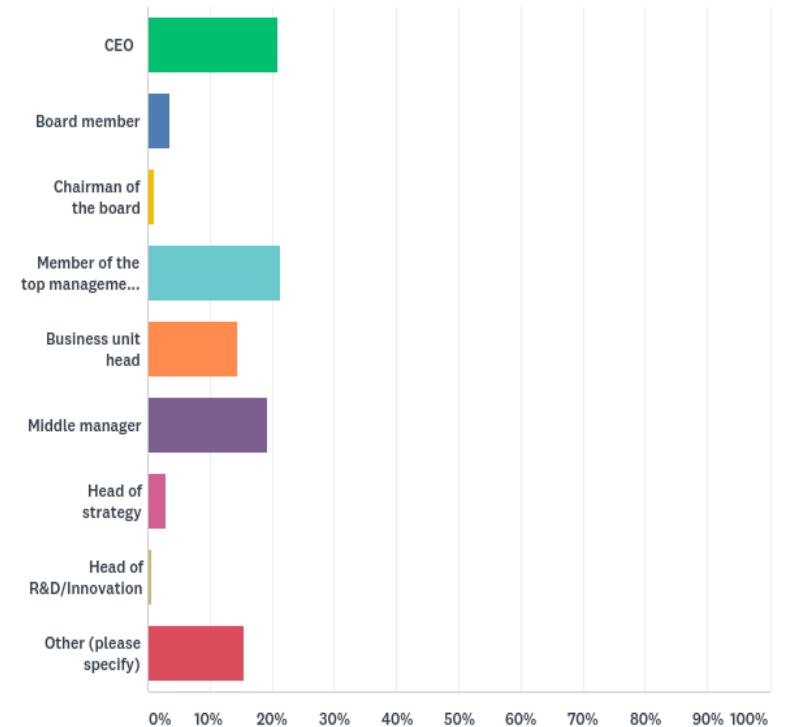
Respondents...

- ▶ Were mostly senior executives
- ▶ ~50% from large companies

Q21 How many employees does your company have?

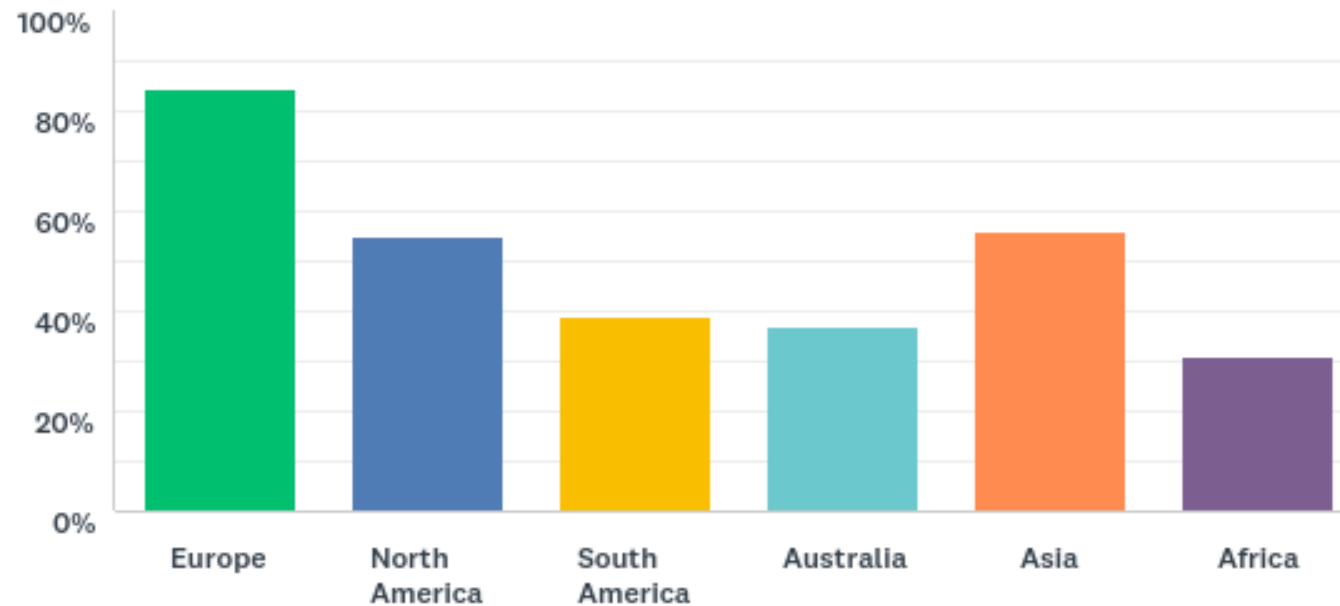


Q29 What is your current position?



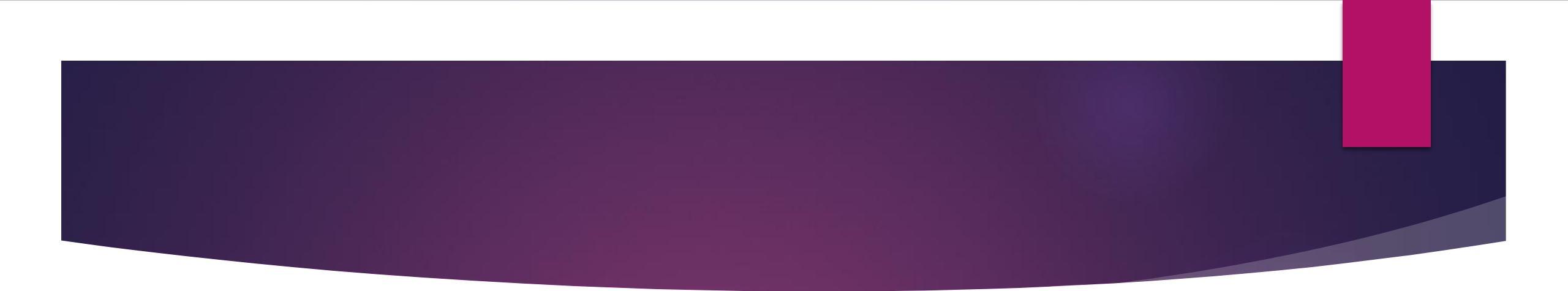
Respondents came from all over the world

Q23 In which geographic regions did your company operate in 2017?



Disclaimers

- ▶ All graphs are generated using Survey Monkey platform
- ▶ As in most surveys, this data reflects correlations but doesn't necessarily imply causal effects
- ▶ Responses were anonymous
- ▶ We still need to collect more responses to produce meaningful statistical significance tests
- ▶ We will send a follow up survey next year, so please respond



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Thank you!

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