Digital Transformation:
Making it Real

Organizations are making digital investments and exploring digital strategies

However

Most are struggling to achieve the digital scale that delivers business results

94% of executives say they have increased focus on digital growth within the last year.

90% say digital "plays a central role in their overarching business goals." [1]

**60% of IoT Initiatives stall** at the proof of concept stage. [2]

Only 17% of companies have managed to achieve digital scale. [3]

Less than 20% of executives have seen substantial or transformational value from their technology investments. [4]

[1] PointSource, 2018, quoted in Forbes, 2018. [2] Cisco, 2017. [3] Gartner, 2018. [4] SAP Center for Business Insight and Oxford Economics, quoted in Digitalist Magazine, September, 2017.

Six ways to digitally transform your organization

Transform for Operational Excellence
Improve efficiency and reduce operational complexity
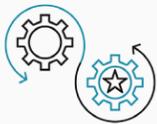
49% of companies pursuing digital transformation say that operational efficiency is the top driver. [5]

86% of companies say their business processes have become so complex that it limits their ability to grow in a digital economy. [6]

[5] 451 Research, 2017. [6] ITelligence group.

Transform for Growth
Generate better gross margins, better earnings and better net income than digital laggards
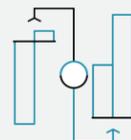
40% of CEOs say that growth is their biggest business priority. [7]

Leaders post a three-year average gross margin of 55%, compared to just 37% for digital laggards. [8]

[7] Gartner, 2018. [8] Harvard Business School research, 2016.

Transform with Data Insights
Create new value by extracting insights from large amounts of data

Insights-driven businesses are growing at an average of more than 30% each year, and by 2021, are predicted to take $1.8 trillion annually from their less-informed peers. [9]

57% of executives say IoT-related analytics will be valuable to their organizations in the next 12 months. [10]

[9] Forrester, 2018. [10] Dun & Bradstreet/Forbes, 2017.

Transform for Organization Effectiveness
Make people, culture, organization, leaders and teams more agile, responsive and collaborative
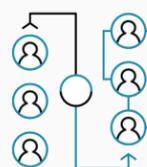
Only 34% of executives feel that they've made progress in building a workforce that can meet future business goals. [11]

Just 12% of companies say that digitalization has affected their organizational structure in a meaningful way. [12]

[11] Oxford Economics, 2014. [12] Digitalist Magazine, 2017.

Transform with Social Innovation
Drive business benefits while also addressing significant social and environmental issues

79% percent of millennials consider a company's social and environmental commitments when deciding where to work. [13]

86% of US consumers expect companies to act on social and environmental issues. [14]

[13] Cone Communications, quoted in "Sustainable Brands," December 17, 2017
[14] Cone Communications, quoted in "Sustainable Brands," May 18, 2017

Transform with a Partner Ecosystem
Multiply the power of digital transformation and enable more flexible and responsive solutions

Companies participating in alliances report that as much as 18% of their revenues comes from these relationships. [15]

By 2021, the number of organizations using a mix of intermediaries will more than double, and active engagement by these organizations with industries in ecosystems outside their native industry will nearly triple. [16]

[15] PowerHomeBiz.com, 2016. [16] Gartner, quoted in Equinix, 2018.

Is your organization transforming or falling behind?
Take a free assessment to understand your digital business capabilities and get Hitachi's perspective on your organization's digital readiness.

Click here to
Start Your Assessment

https://www.research.net/r/5HNGHYY