



Big Data & Analytics

Insights from IBM C-Suite Study

The customer activated enterprise



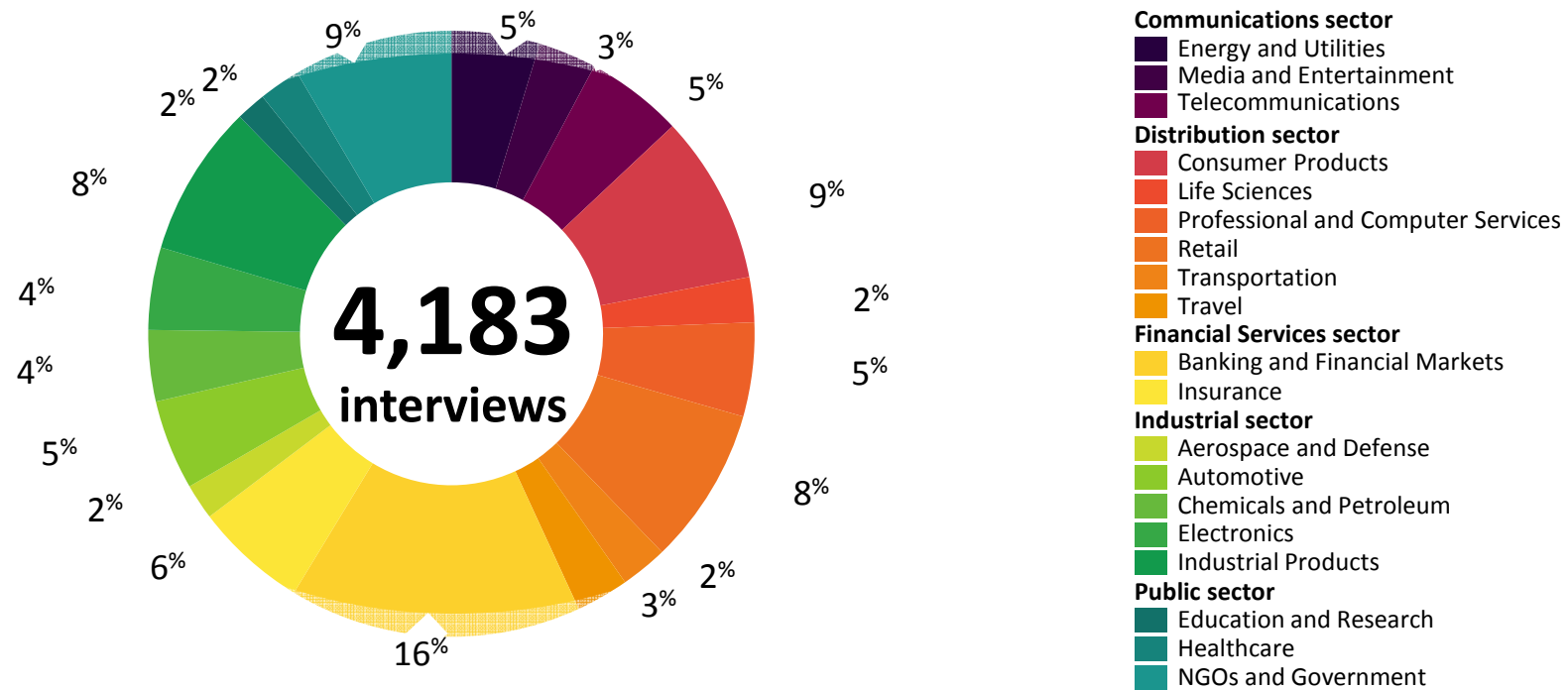


The IBM global C-Suite Study draws on a decade of research conducted by the IBM Institute for Business Value





Our respondents represent a wide range of public and private-sector organisations, covering more than 20 industries globally



Source: Question M—In which industry does the participant’s enterprise primarily operate?; Global n=4,183





Much has changed since the first study: digitisation has given customers far more clout and greatly transformed their expectations

2004



Focus on cost reduction to deal with increasingly global competition

2008



Business models evolve to enable external partnerships and collaboration

2014



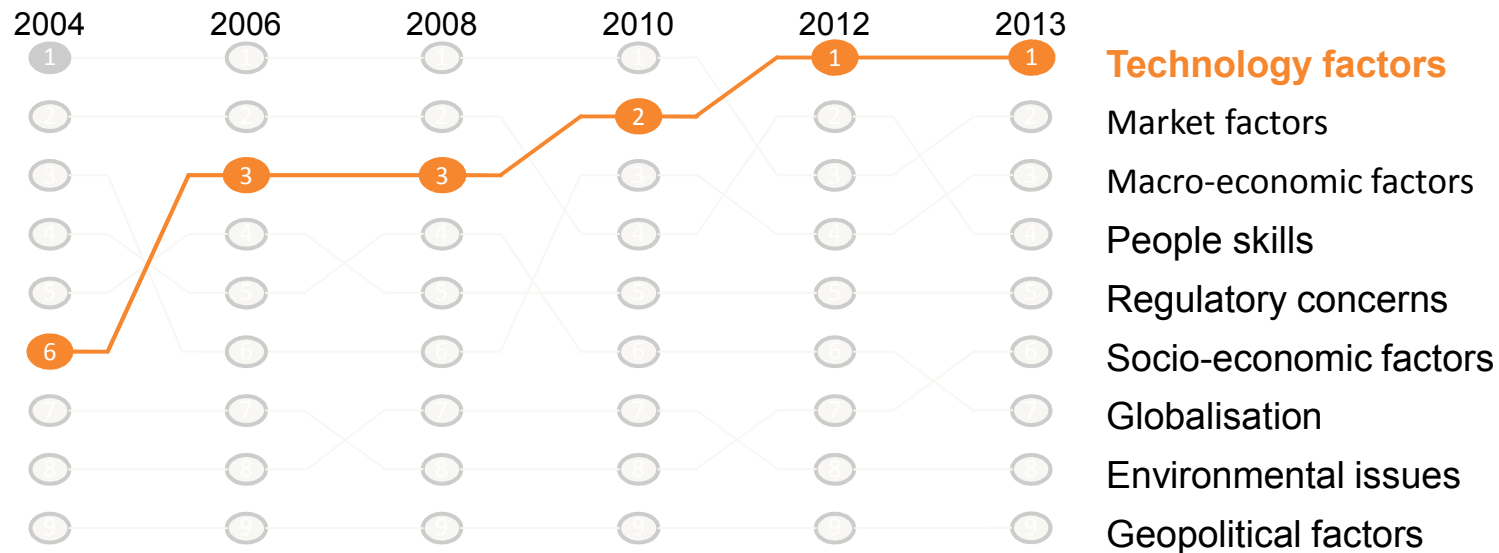
The *digitally-activated* customer moves to the top of the C-suite agenda





CEOs globally think technology will be the most important external force shaping the future of their enterprise

CEO Studies 2004–2013



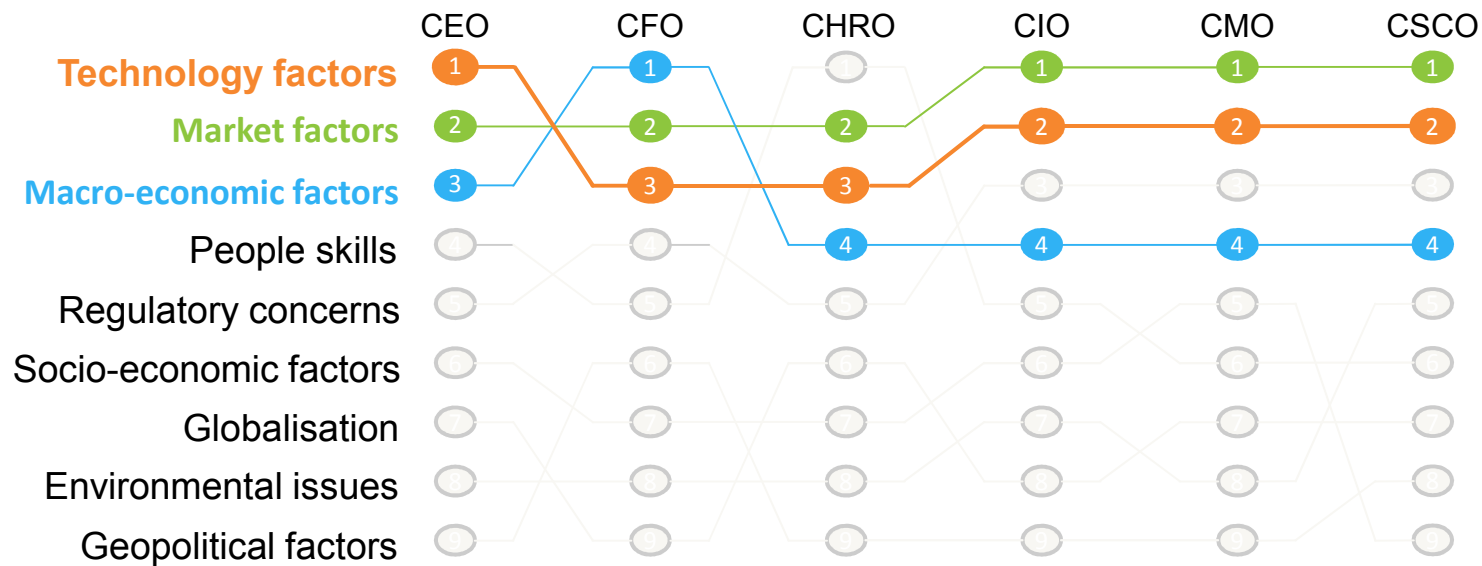
Source: Question E8–What are the most important external forces that will impact the enterprise over the next 3 to 5 years?; Global n=884 [CEO only]





CxOs vary in their views about which external pressures are most significant, although all rank technology in their top three

External forces impacting the enterprise (3–5 Years)



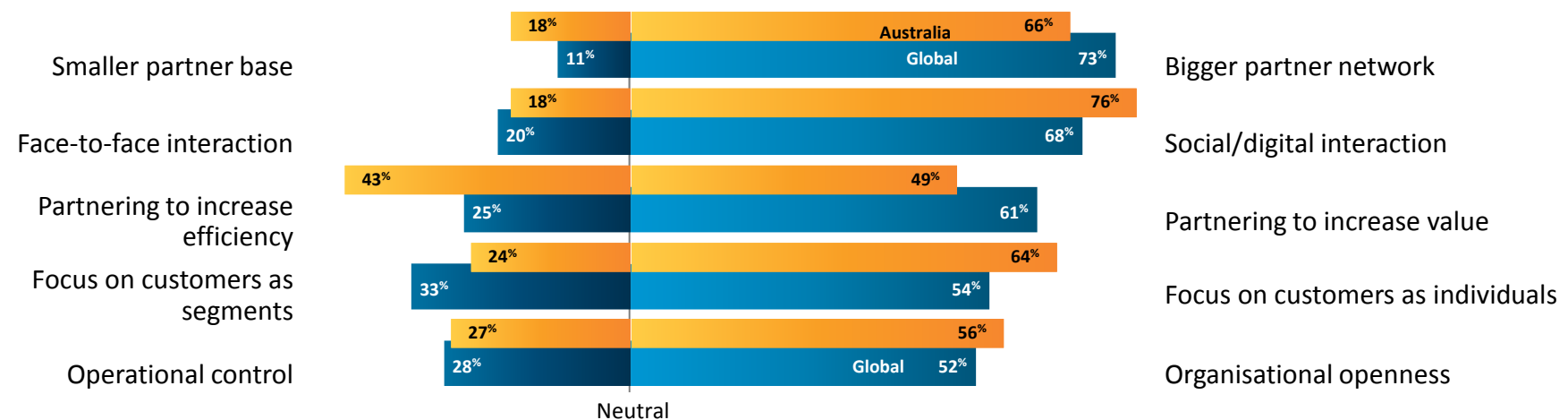
Source: Question E8—What are the most important external forces that will impact the enterprise over the next 3 to 5 years?; Global n=4,009





Australian CxOs lead their global peers in focusing on customers as individuals however lag their peers in partnering to increase value

Business Landscape Changes

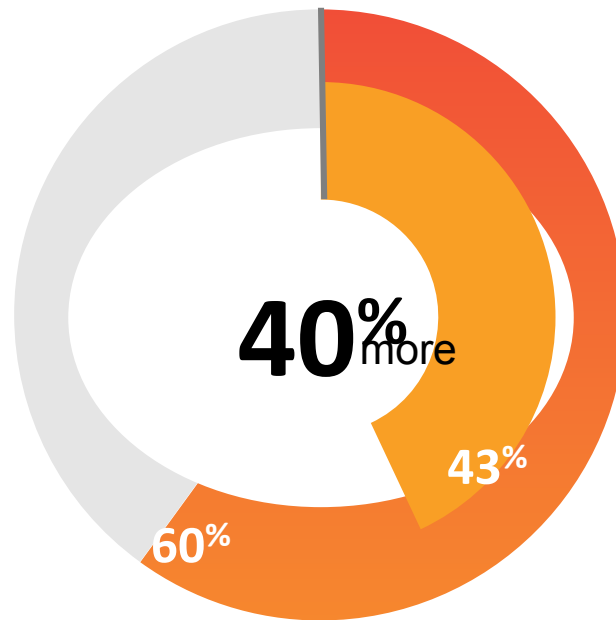


Source: Question E9—How do you see the landscape changing over the next 3 to 5 years?; Global n=2,919 to 2,944; Australia n=94 to 96



CEOs also stand ready to involve customers in what is typically considered their domain: developing business strategy

Customer inclusion in business strategy development



“In the next few years we want to build deep, strategic relationships with our customers, enterprise-to-enterprise relationships where the ‘customer is for life.’”

Paul H. Graham, CEO, DHL Supply Chain, Singapore

43% | **60%**
Today | 3-5 Years

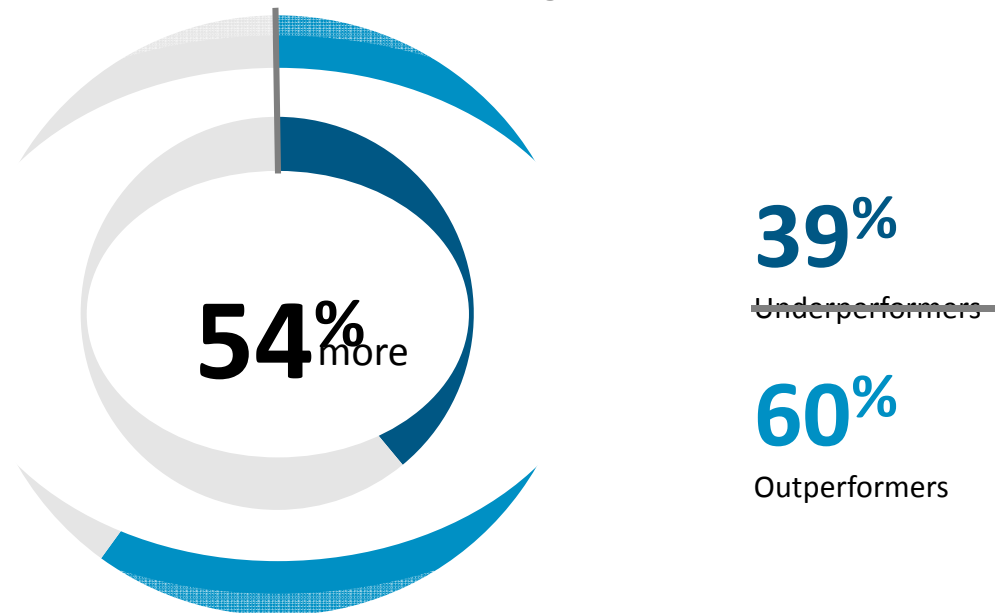
Source: Question CEO4.c—In which parts of your business are customers included? [Business strategy development]; Global n=368 to 523 [CEO only]





The research reveals that outperforming enterprises collaborate with their customers more often than underperformers

Greater collaboration with customers translates into greater financial success



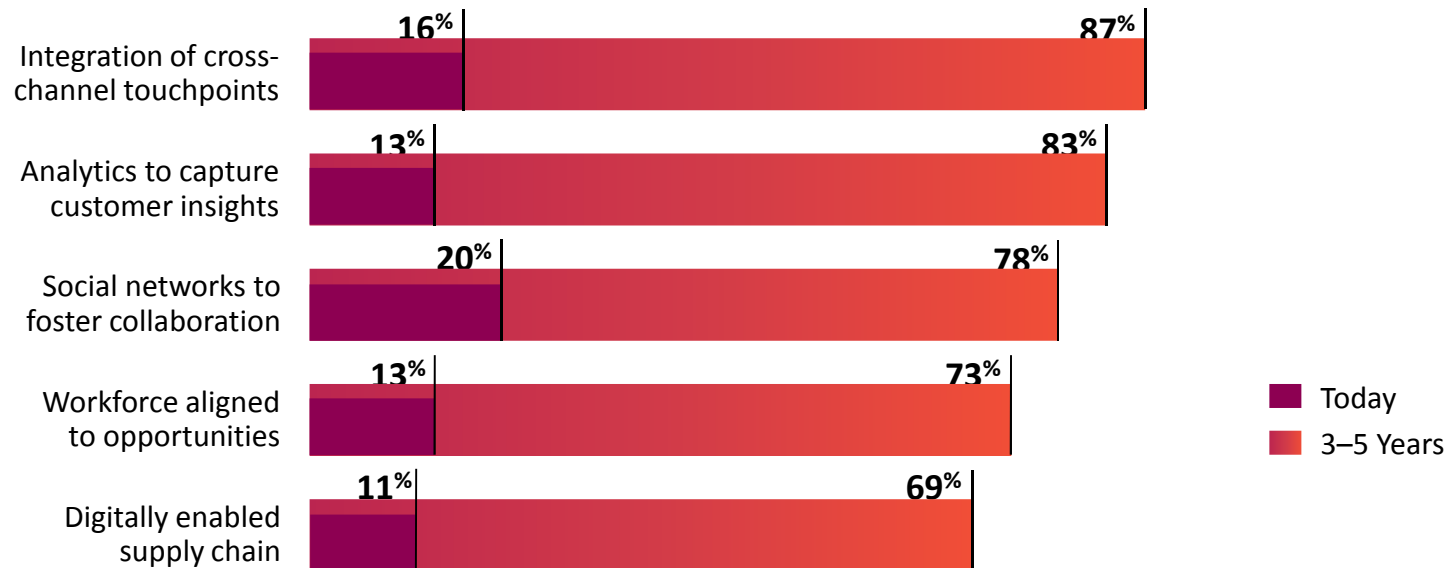
Source: Question B2—How strong is your collaboration with customers? [Today]; Global n=1,011





CMOs want to put the components of a broad digital strategy in place

Digital ambitions – CMOs



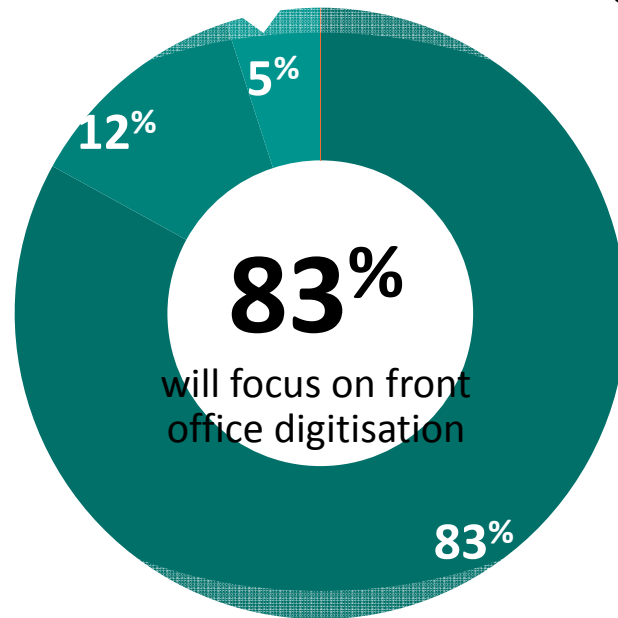
Source: Question CMO1–To what extent have you activated the following digital strategy components in your organisation?; Global n=430 to 468 [CMO only]





In line with CMOs, four-fifths of CIOs aim to digitise their front office to sync with customers more effectively

IT focus area – digitising the front office



“A big opportunity for us lies in establishing new business models and new digital services. We’re investing in digital wallets, digital goods and mobile banking.”

Enrico Lardelli, CIO, PostFinance, Switzerland

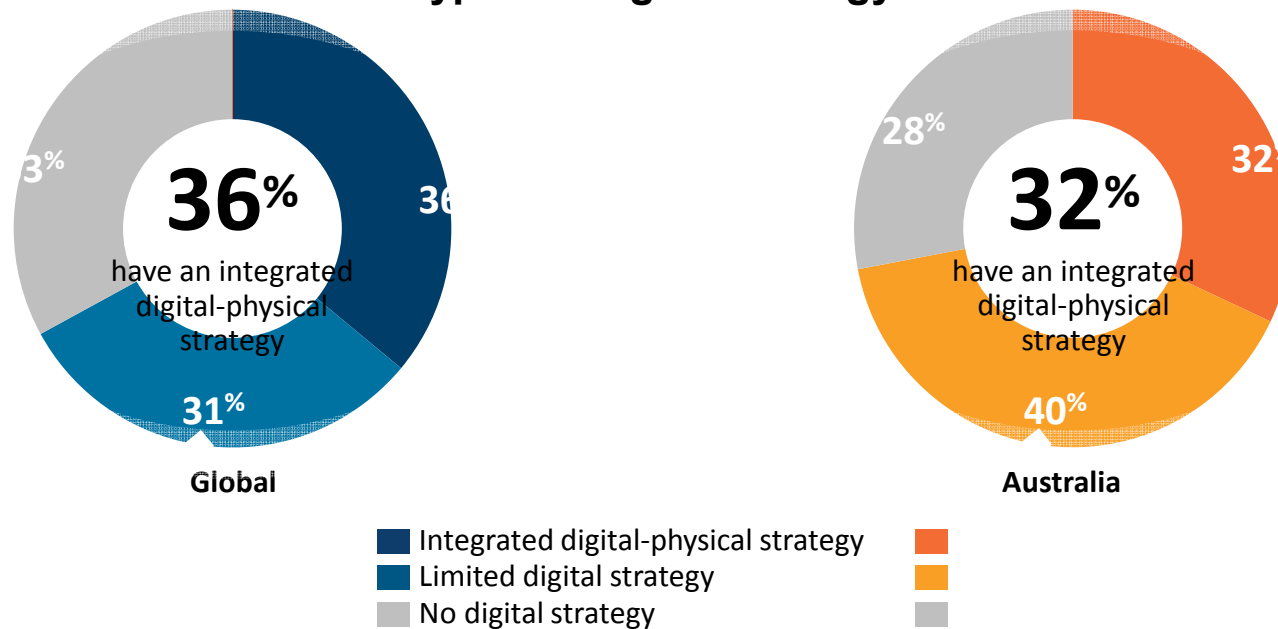
- Large extent
- Some extent
- Limited extent

Source: Question CIO2.a–Focus of IT to help the enterprise’s strategy over the next 3 to 5 years [Digitisation of the front office]; Global n=1,613 [CIO only]



Like their global counterparts, two-thirds of Australian enterprises have a weak digital-physical strategy – or none at all

Types of digital strategy



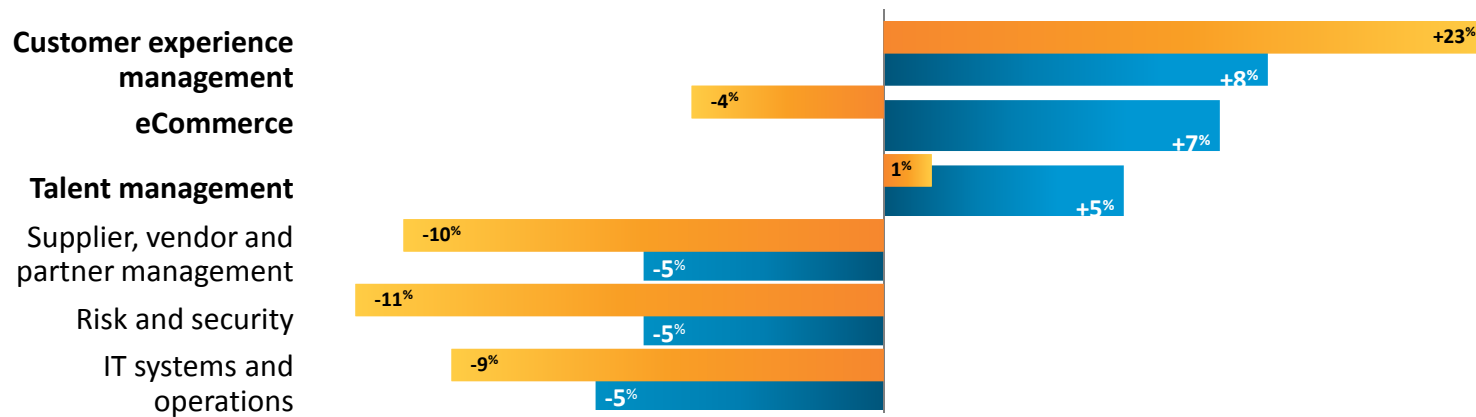
Source: Question B4—What kind of digital strategy does your enterprise have?; Global n=2,869; Australia n=96





Australian CxOs plan to shift their attention and involvement much more towards the customer experience than their global counterparts

Areas of personal involvement



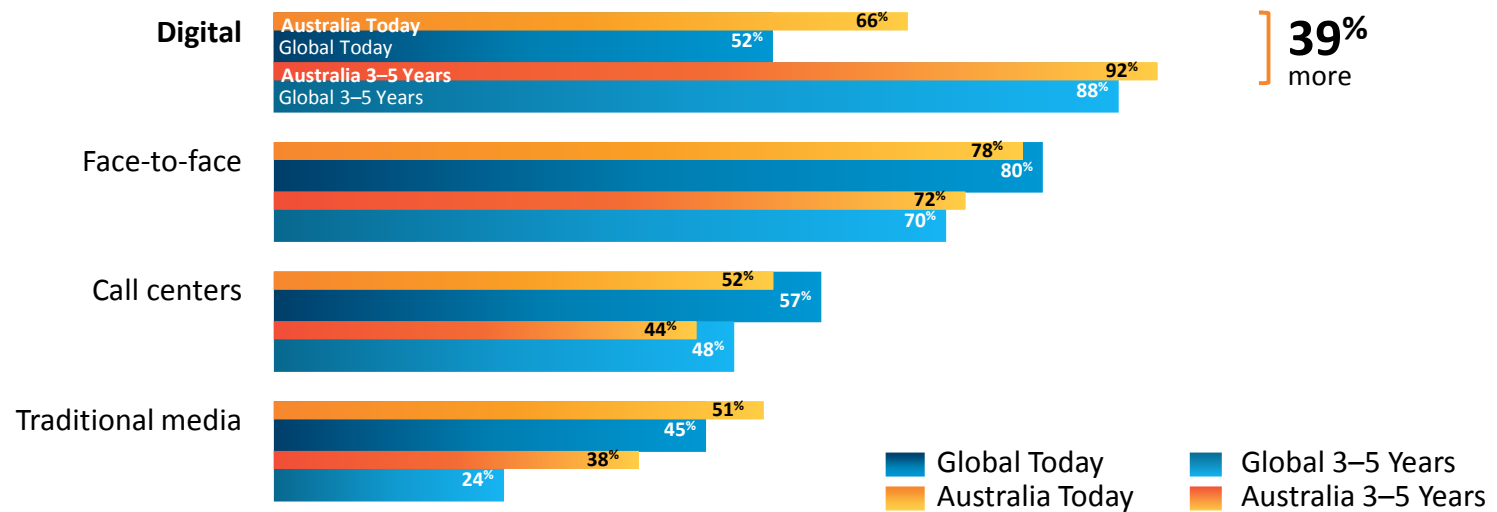
Source: Question B3—What are the top five areas you are personally involved in at an enterprise level?; Global n=2,940 to 2,954 Australia n=96





Australian CxOs are already using digital channels to a greater extent than their global counterparts, and plan to increase this further

Customer interaction channels



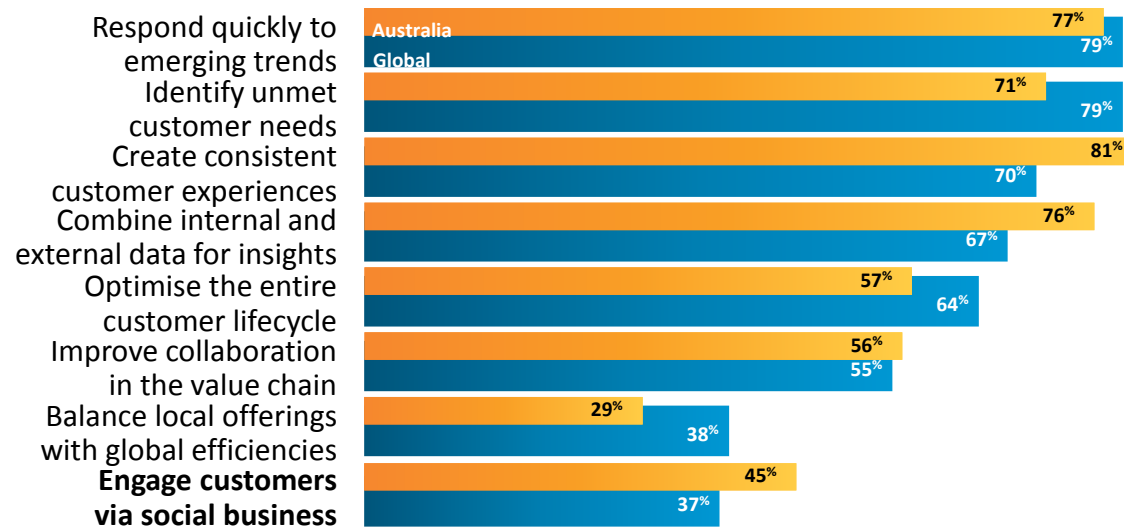
Source: Question C6—What are the three most important channels your enterprise will leverage to engage and interact with customers?; Global n=2,987; Australia n=96





CxOs in Australia are more focused on obtaining insight from data to create consistent customer experiences than their global peers

Initiatives to improve the customer experience



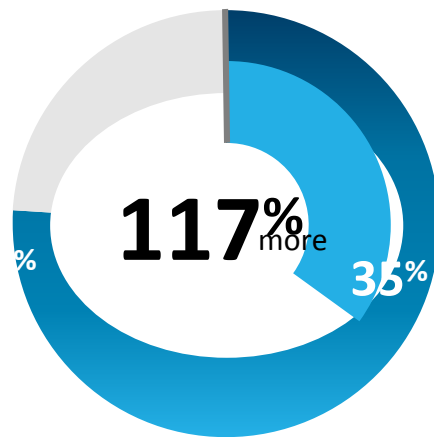
Source: Question C5—To what extent is your enterprise focused on the following initiatives to improve the customer experience?; Global n=2,994 to 2,995; Australia n=96





Like their global peers, CxOs in Australia believe that there are big improvements to be made in better understanding customers

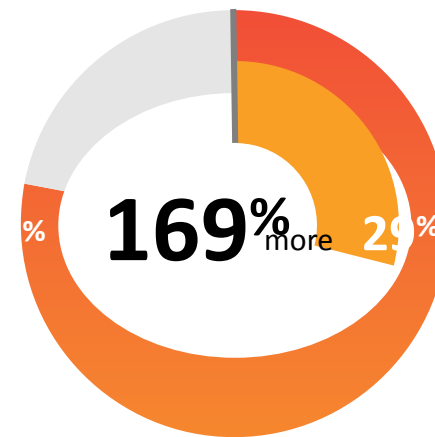
Level of customer understanding



Global

35% | 76%

Today | 3-5 Years



Australia

29% | 78%

Today | 3-5 Years

Source: Question C1—How well do you understand your customers today?; Global n=2,916; Australia n=95
Question C8—How well do you think you will understand your customers in 3 to 5 years?; Global n=2,889; Australia n=96





CxOs in outperforming enterprises are focusing more heavily on improving the customer experience

Improving the customer experience



“It’s a race to the finish line. The companies that best understand all aspects of the value chain and get a 360-degree view for the customer experience will win.”

Hubertus (Huub) Devroye, Director of Global Marketing & Demand Generation, The Dow Chemical Company, Switzerland

42% | **54%**

Underperformers | Outperformers

Source: Question B3–What are the top five areas you are personally involved in at an enterprise level [3–5 Years]?; Global n=460





We invite you to continue the conversation

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