

The Deloitte logo is positioned in the top left corner. It features the word "Deloitte" in a white, bold, sans-serif font, followed by a small green dot. The background of the entire slide is a vibrant, abstract digital landscape with a central globe and a hand holding it, surrounded by a dense network of blue and green fiber optic lines and data points.

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Digital Investments and Regional Priorities

An overview of the ambitions, technologies, and value expected from digital transformation across regions



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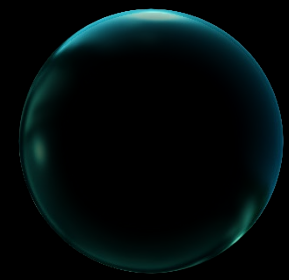
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Intro to assessing digital maturity and value

In our ongoing research, we explore what types of digital transformations to consider, which technologies to explore, and what returns might be expected. Digital transformation is often quite specific to strategy, sector context, and shareholder expectations -- and this can make it a challenging task. That said, views at a macro scale can help demystify digital transformation by region, by technology, by type of digital transformation.

This piece is meant to shine a light and help you pressure test your digital transformation decisions. Our research provides common criteria for respondents to consider as they assess their digital maturity against global respondents, based on survey data from 1,600 global leaders. The research extends that global assessment frame to six countries: the United States, Canada, the United Kingdom, Germany, France, and Australia, and suggests that each country has its own priorities related to digital spending and capability investments, enterprise value gains, and adoption of value-driving edge strategies like data monetization.

In this analysis, two assessment criteria are used as a proxy for digital maturity

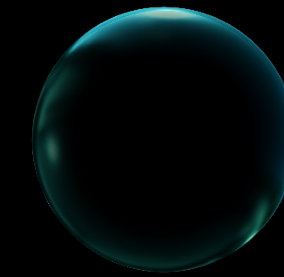


Spend on digital initiatives and digital technology

This first criterion benchmarks 1,600 global responses from leaders across six countries related to spending on digital initiatives and digital technologies. All done against five levels:

- i. digitization of data,
- ii. digitization of platforms,
- iii. using digital strategies to enter new markets,
- iv. using digital strategies to create new products/services, and
- v. using or integrating digital technologies for fundamental change.

The analysis then compares the total responses from each of six countries individually against the baseline of total respondents.



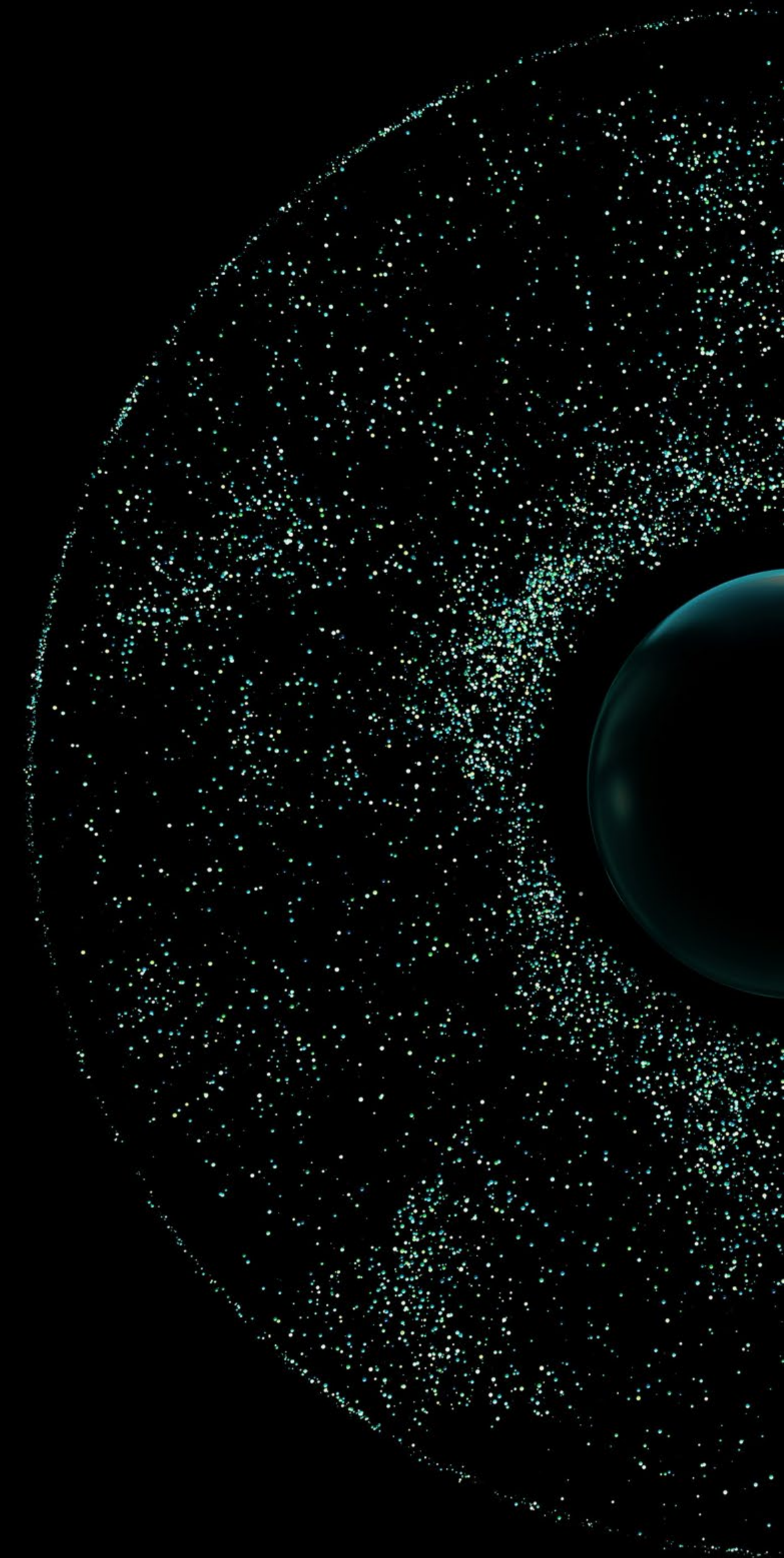
Percentage of enterprise value from digital

This second criterion focuses on how global leaders recognize the value gained from digital transformation. This is measured by the percentage of their overall enterprise value attributed to digital transformation. We benchmark 1,600 global leaders' responses, and compare that to those for each individual country - assuming those attributing a higher percentage of enterprise value to digital transformation are digital maturity leaders.

We also assess technology capability investment value trends by country.

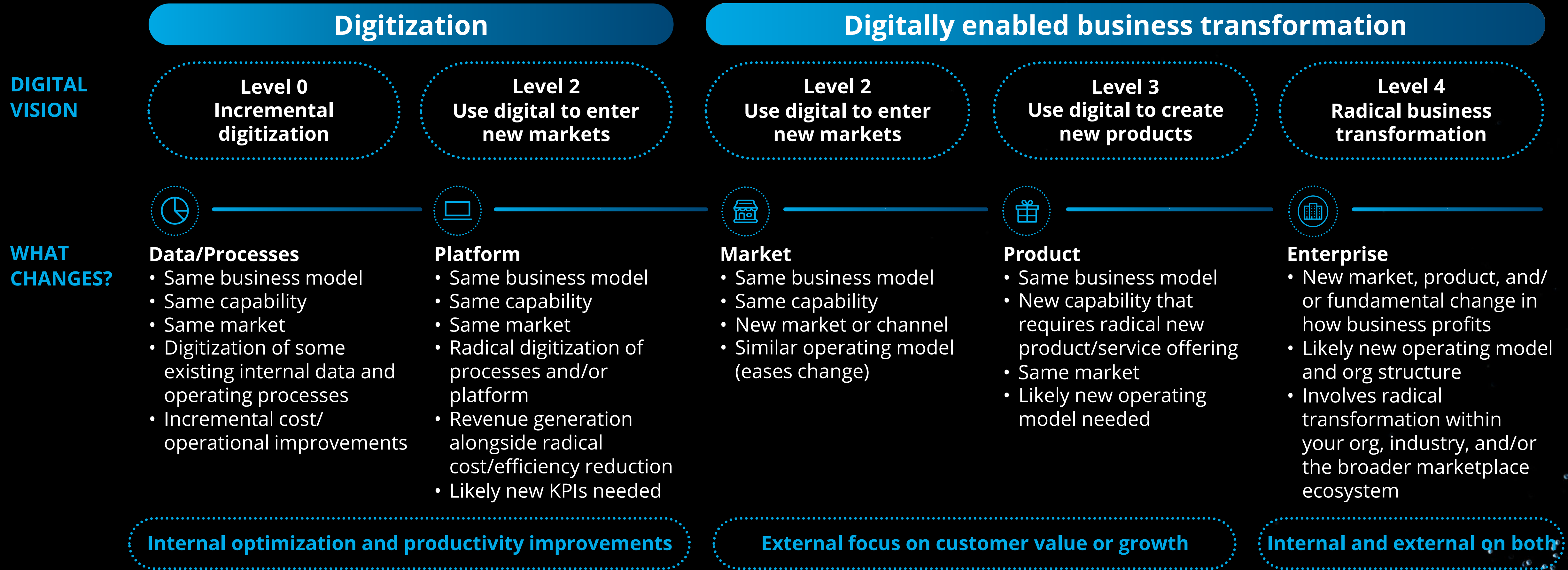


A global view of digital maturity across 1,600 respondents



How enterprises are transforming

Digital transformation ambitions range from modest to fundamental

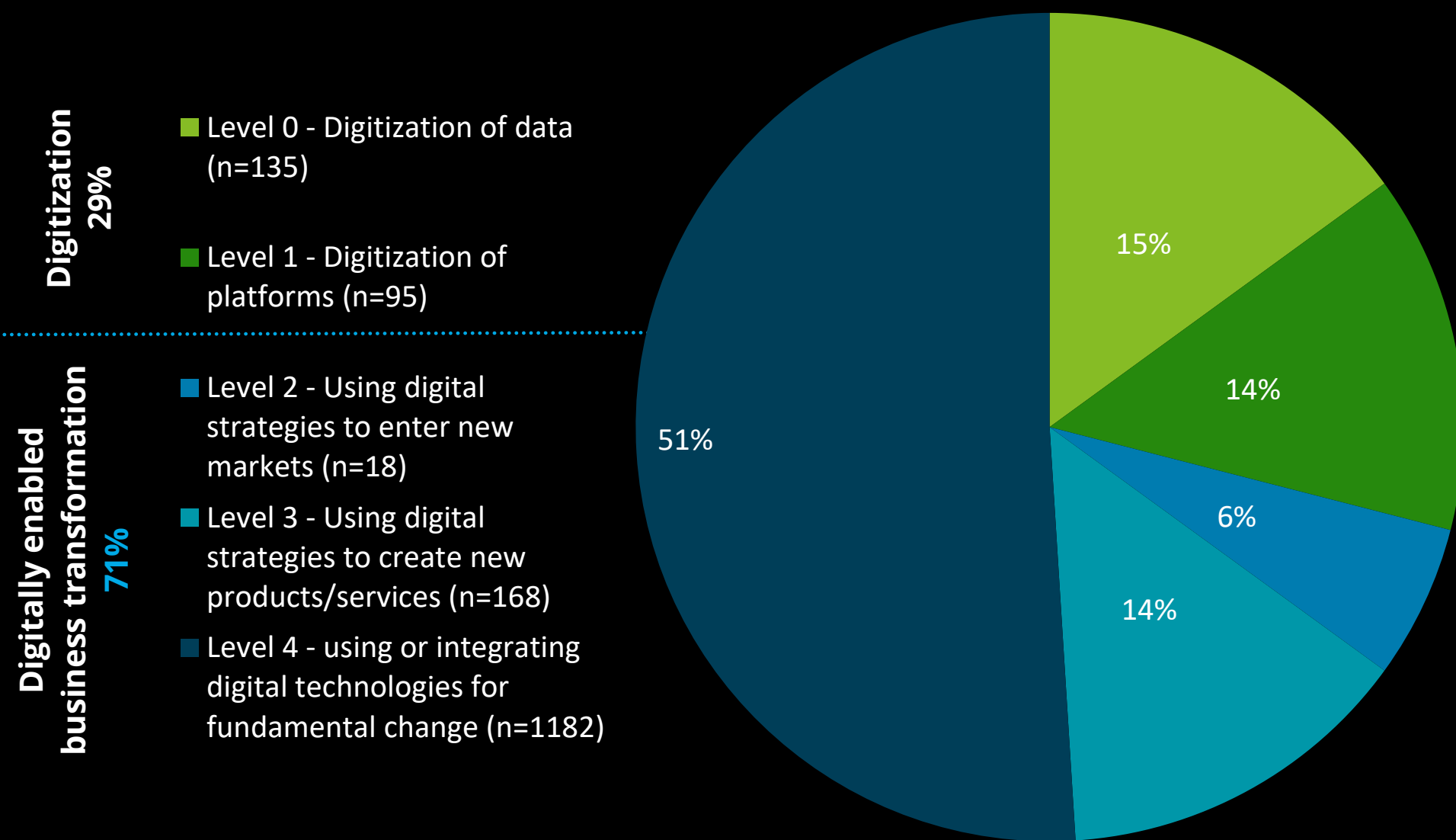


Source: The framework pertains to a 2022 analysis by Deloitte Global CEO Program and Center for Integrated Research, [How the CEO's leadership in digital transformation can tip the scales toward success](#)

How global respondents are spending

51 percent of global spending on digital initiatives is focused on “using or integrating digital technologies for fundamental change” (Level 4). 32 percent of global respondents attribute medium and high enterprise value to their digital initiatives

Global share of digital technology investments across five levels



% of enterprise value attributed to digital transformation

32%

attribute **Medium and High** (31% or more) value

68%

attribute **Low** (Up to 30%) value

- The majority of global respondents spend 51% of their digital technology budget using or integrating digital technologies for fundamental change.
- **71%** of digital technology investments are focused on digitally enabled business transformation: using digital capabilities to enter new markets, create new products/ services, and fundamentally change how the respondents operate. (Levels 2-4)
- 29% of budgets remain focused on “digitization”: modernizing data and platforms. (Levels 0-1)



Based on the analysis, countries that spend less of their budget on Level 4 report that they see a higher share of enterprise value than those spending more.

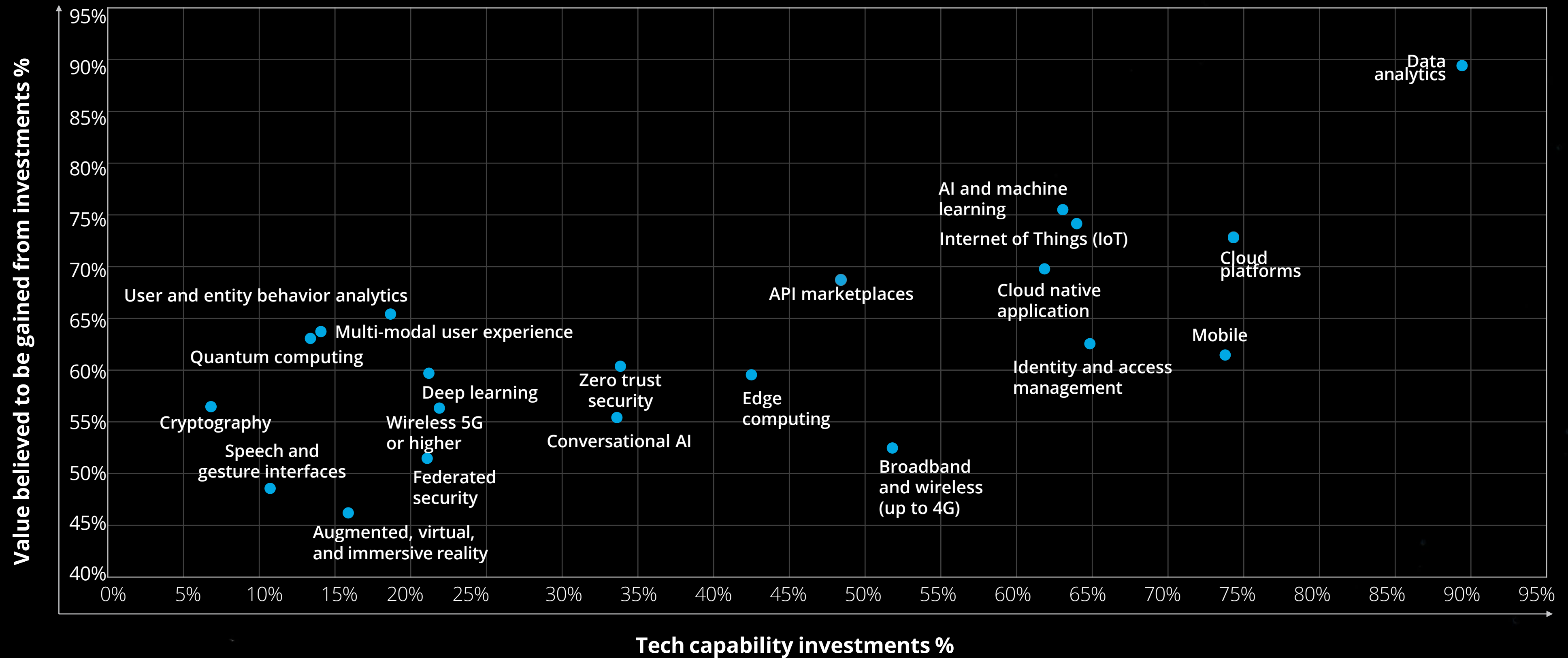
Enterprise value leaders also tend to invest a larger share of their budget in digital tech monetization strategies.

Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

How and where countries are investing

We asked respondents as to which tech investments they believe are generating value. Data analytics, AI and machine learning, and cloud platforms technologies showed the strongest spend-to-value ratio

Global spend across 21 technology capabilities and extent of belief that they generate value

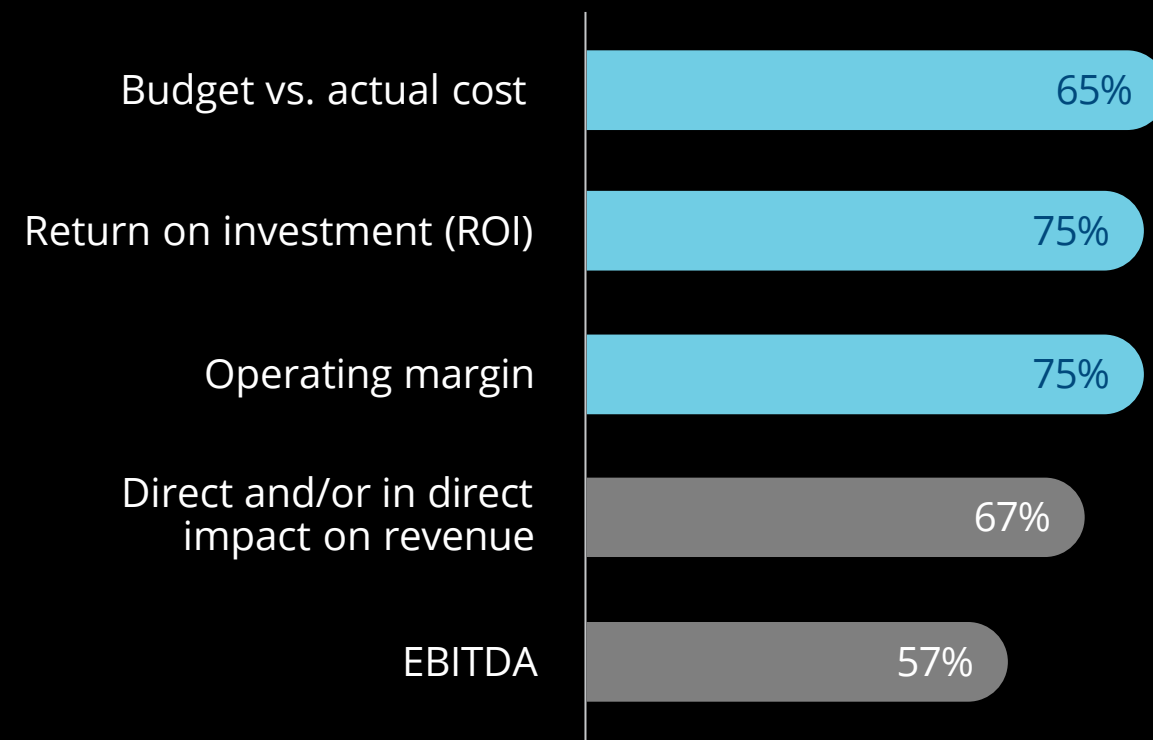


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

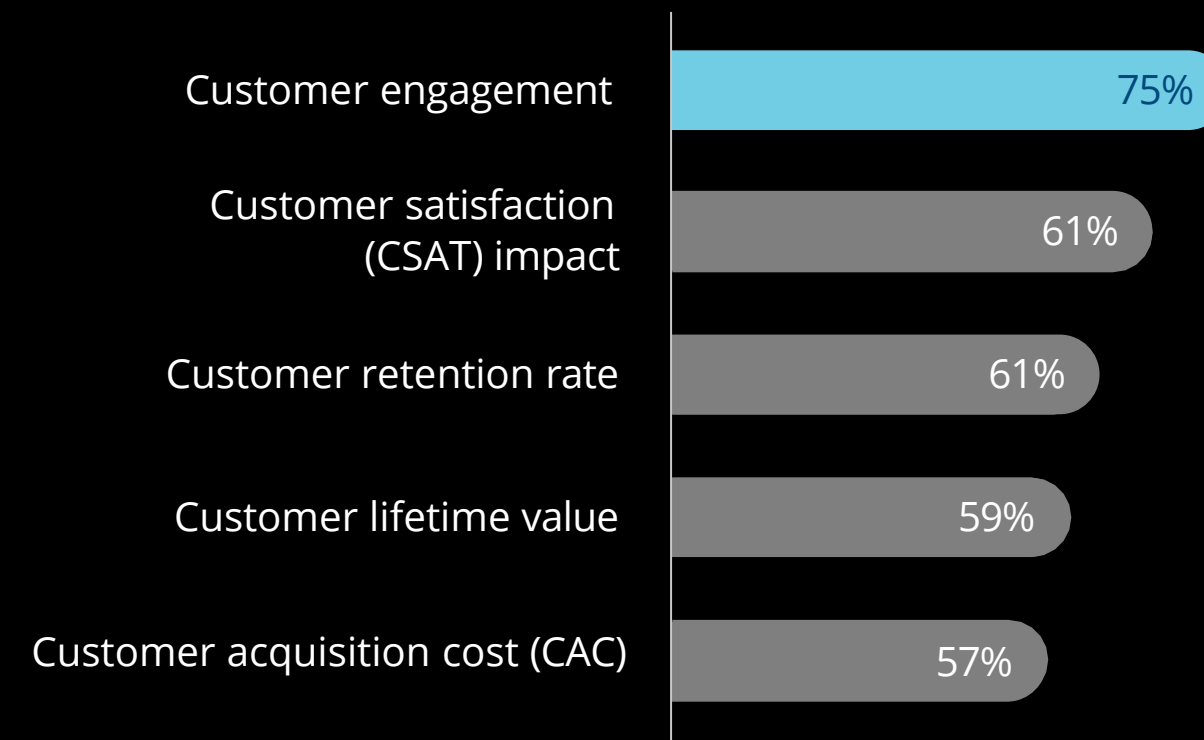
The metrics that matter to respondents

Classic digital transformation measures dominate, with productivity leading the charge. Most global respondents are using annual timelines for assessing their digital transformation value

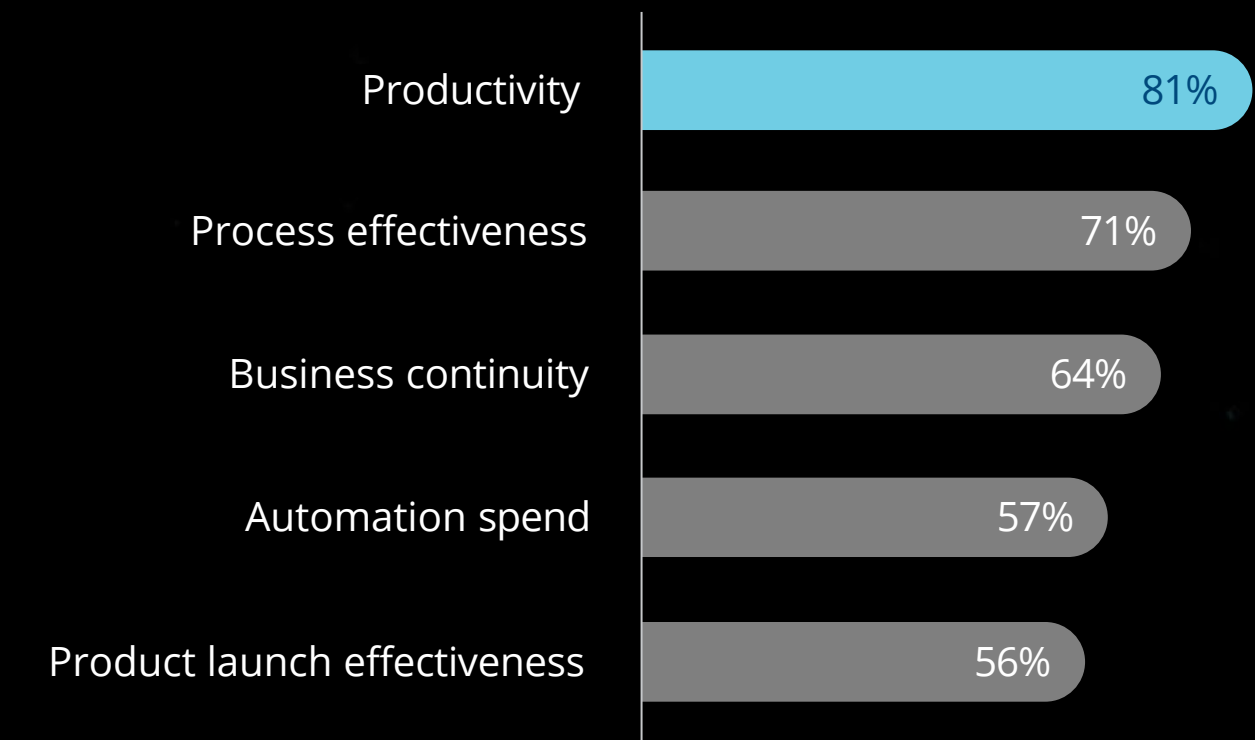
Global Five Top Financial KPIs



Global Five Top Customers/Client KPIs

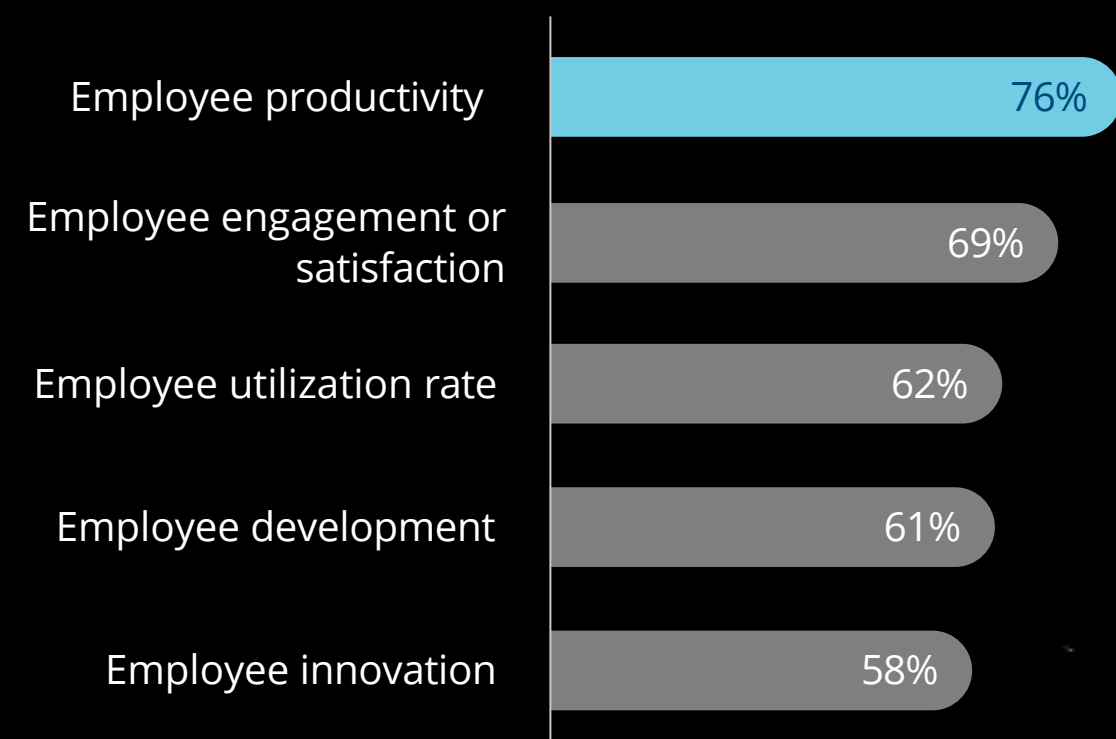


Global Five Top Process KPIs



■ Top KPI Overall
■ Top KPI by Category

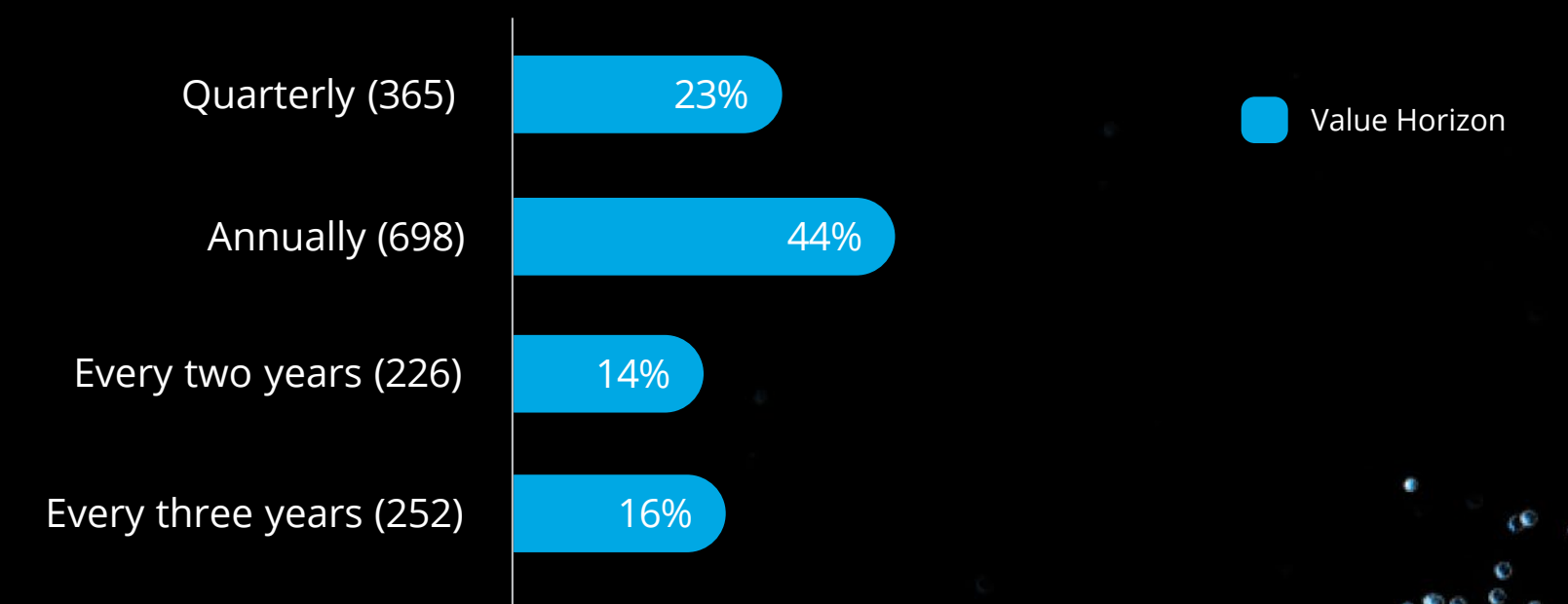
Global Five Top Workforce KPIs



Global Five Top Purpose KPIs



Global Timeline Value Assessment Horizons

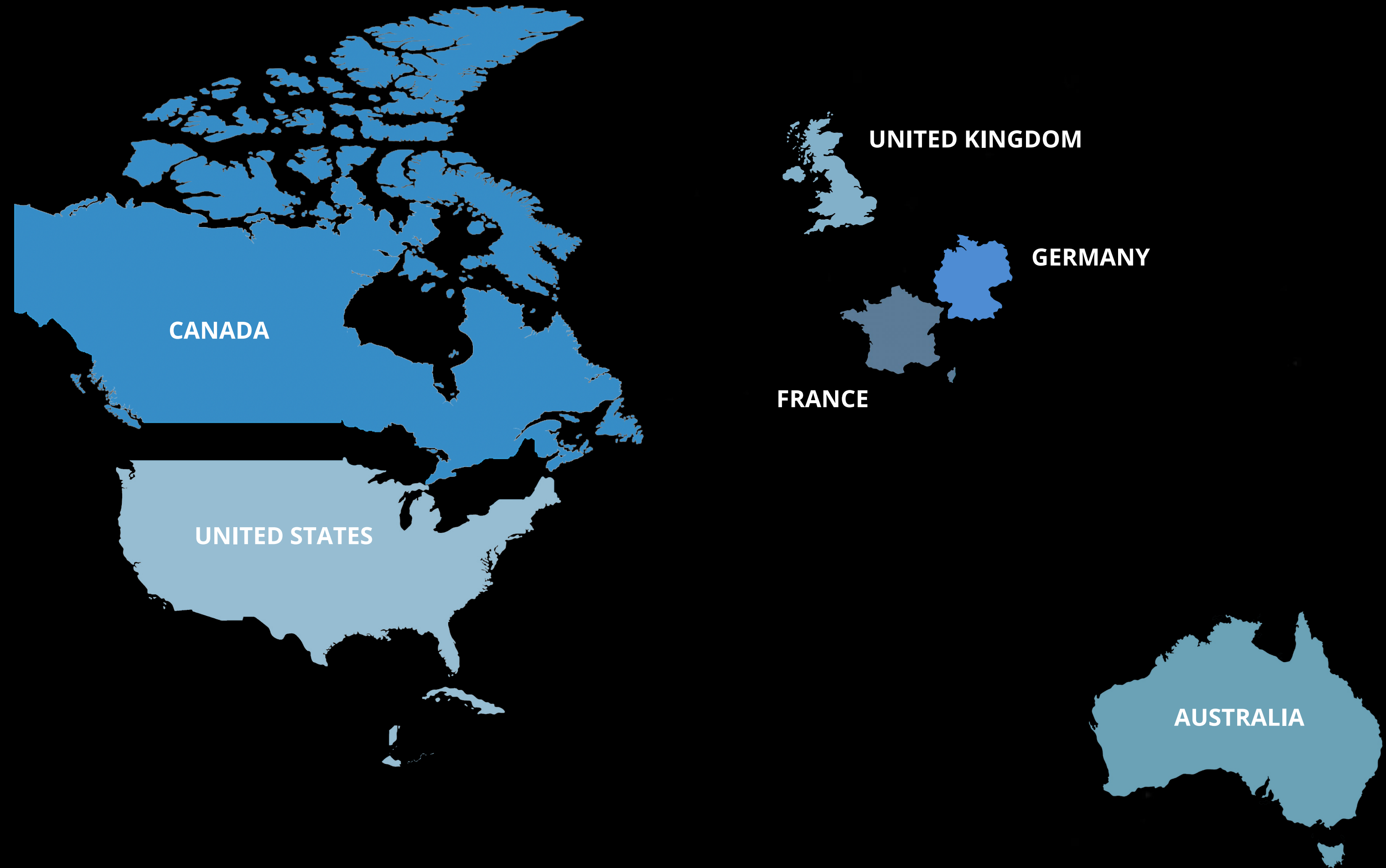


■ Value Horizon

Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

The chief digital officer of a large subsidiary of a multinational food and beverage group elaborates on a staggered value measurement approach:

We have defined a group of three-time horizons, and we allocate our spend with precise portions. We want 60% of the spending to pay off within one year, which we call the 'optimization horizon.' The second horizon is the 'innovation horizon' where we allocate 20% of our budget, and we want this to pay off within three years. The last one is the 'disruption horizon' during which we allow ourselves to conduct some experiments, and we will not ask for outcome details before three years.

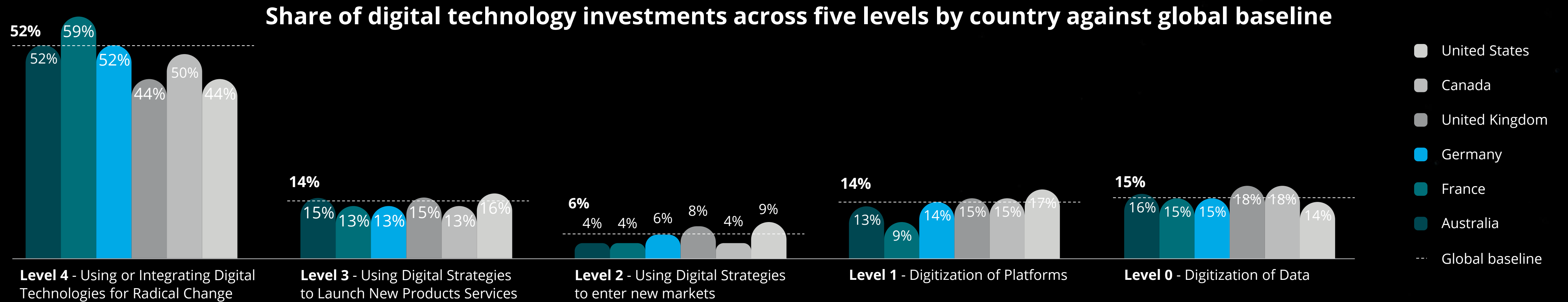


How leaders from six countries **compared** with **global** respondents **overall**



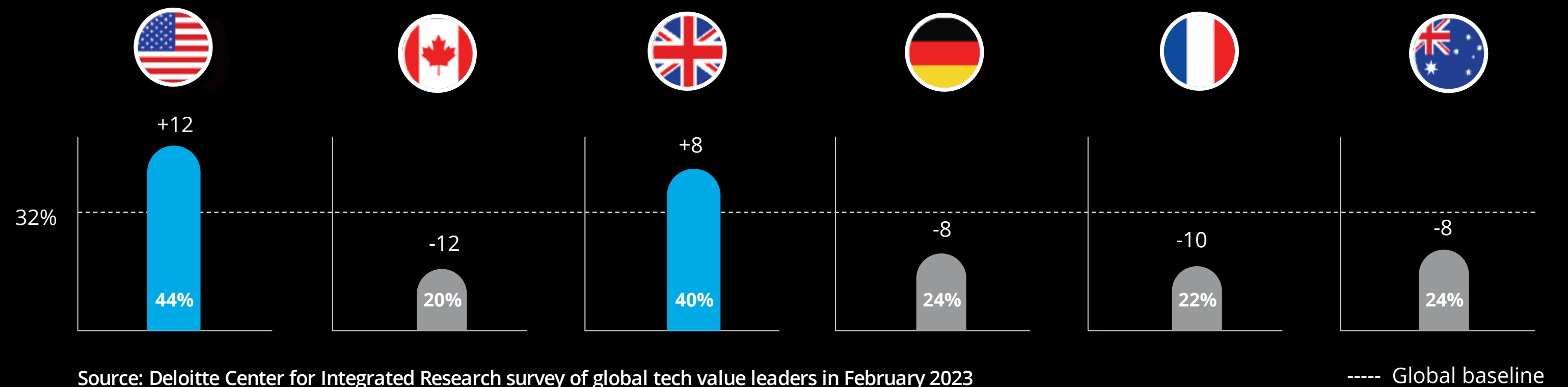
How respondents compare

Six countries and the global baseline



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

% of enterprise value attributed to digital transformation



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Respondents attributing medium to high enterprise value to digital transformation

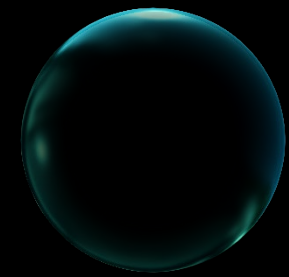


The United States

n=500



Leaders of US organizations surveyed report that they gain more enterprise value than other respondents globally

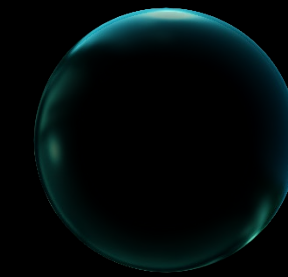


7 percentage points below the global baseline for spending on (Level 4) digital initiatives

US respondents, however, have high digital ambitions in their current spending and definition of digital initiatives. US respondents are on par with global tech capability priorities, including:

- Data analytics
- Cloud platforms
- Artificial intelligence (AI) and machine learning

Consider how spending on transformation and technology can advance your strategy.



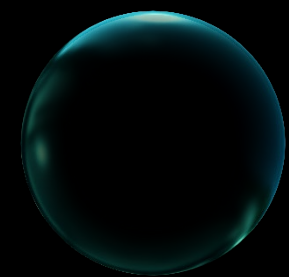
12% more likely than global respondents to attribute medium to high enterprise value to digital initiatives (31% or more)

US respondents with medium and high enterprise value attributed to their digital transformations are investing less in advanced technologies such as edge computing, federated security, and quantum computing. They could consider assessing if these technologies can enable business capabilities to increase their value gains.

- US respondents are investing more in digital tech monetization versus global organizations. They exceed the global monetization spending baseline by eleven-percentage-points, though their medium and high spending is still low (28%).
- As US respondents direct this spending, they might consider focusing on a single priority strategy to help maximize it or increase spend if ambitions cross multiple strategies; the returns are there. Current top US focus areas include customer personalization strategies via new products or services, becoming a platform business, and selling subscriptions to technology tools and services.
- In general, they are below global overall in the five top KPIs within each of the five KPI categories.
- They are utilizing a quarterly timeline horizon more than global by thirteen-percentage-points.
- Each of the top 10 US KPIs is strongly/very strongly connected with at least three other KPIs.



US organizations report that they gain more enterprise value than other respondents globally

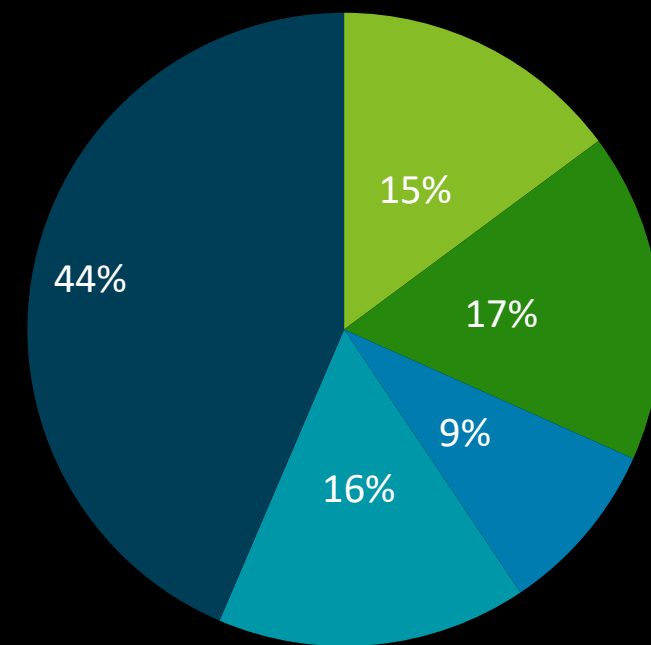


Digital spending and tech capability investments

44% of US spending/investments are focused on Level 4 digital transformation.

US spend on five spectrum levels

- Level 0 - Digitization of Data (23)
- Level 1 - Digitization of Platforms (28)
- Level 2 - Using Digital Strategies to Enter New New Markets (8)
- Level 3 - Using Digital Strategies to Launch New Products/Services (52)
- Level 4 - Using or Integrating Digital Technologies for Fundamental Changes (389)



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

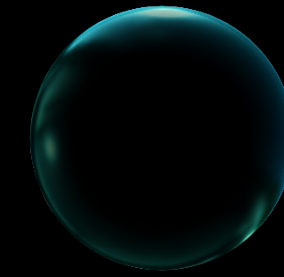
Note: Percentages may not add up to 100% due to rounding.

Data analytics	85%
Cloud platforms	67%
Mobile	63%
Artificial intelligence (AI) and machine learning	62%
Identity and access management	58%

Of US respondents focusing on Level 4:

45% - 164 organizations attribute medium to high value.

29% - 103 organizations spend medium to high on digital tech monetization.



Enterprise value from digital

44% (31% or more) | Value to digital transformation

The following are the top 5 tech capabilities that US respondents believed to be generating enterprise value.

Data analytics	89%
Cloud native application	73%
Artificial intelligence (AI) and machine learning	71%
Application programming interface (API) marketplaces	71%
Mobile	67%

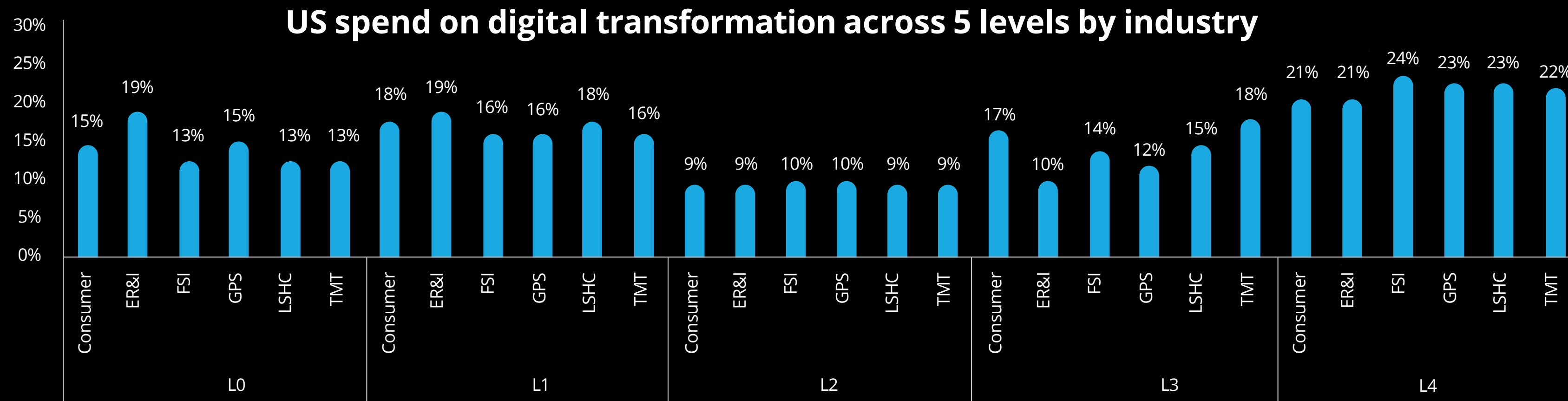
Based on the analysis, responding US leaders are investing above the baseline of the globally surveyed leaders by **(28%)** with respect to **digital tech monetization**, focusing on several approaches, but most significantly customer-centric approaches. Below are the top 5 data monetization approaches that US respondents are using.

Customer personalization strategies via new products or services	33%
Becoming a platform business	26%
Selling subscriptions to technology tools and services	26%
Leveraging industry convergence trends	25%
Repurposing internal data	23%

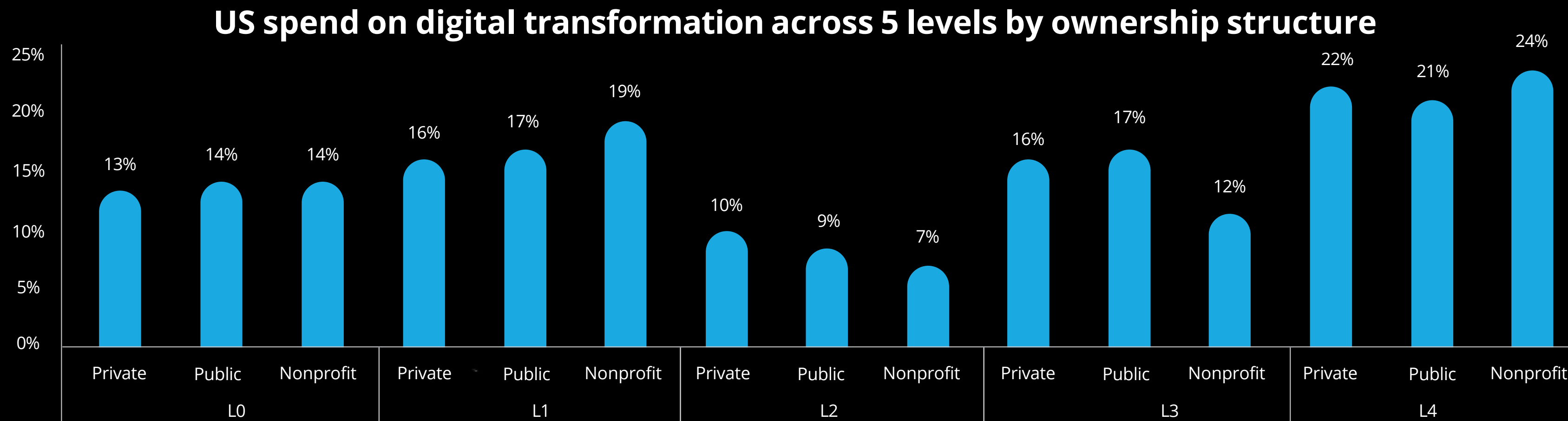
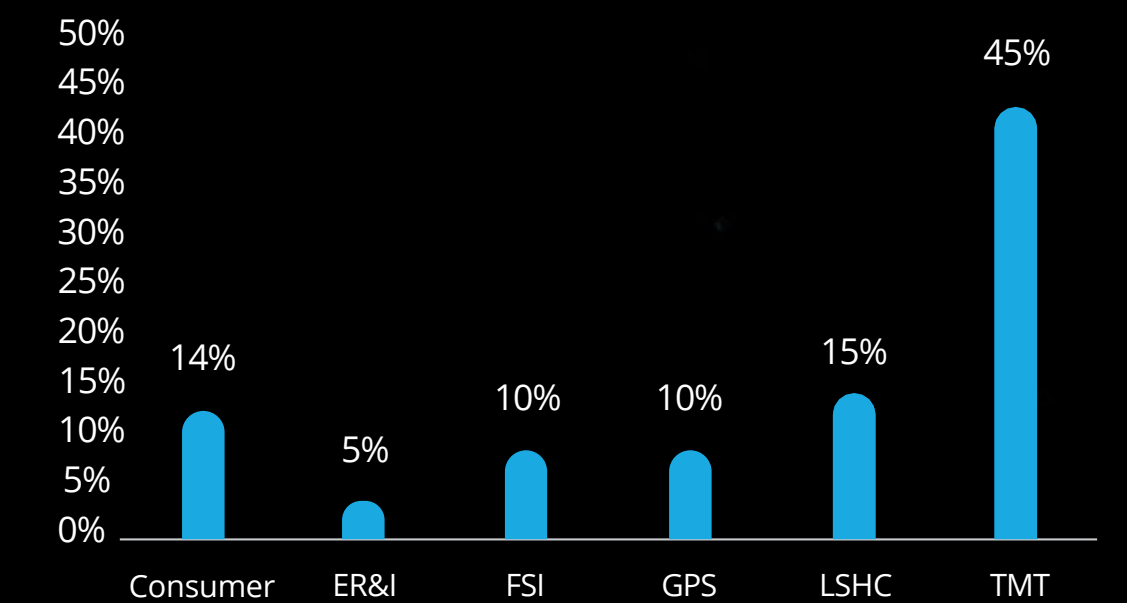


US TMT companies are value leaders among respondents. They are also recognizable spenders on Level 4

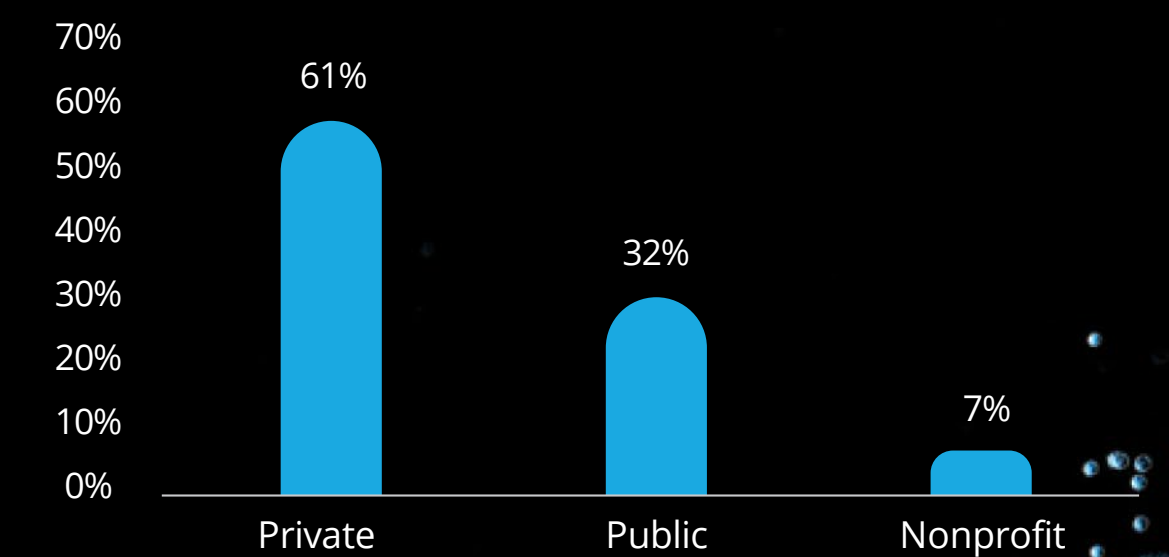
While nonprofits seem to be high spenders on Level 4, they report less value than private (61%) and public (32%)



US enterprise value gained (medium/high) from digital initiatives by industry



US enterprise value gained (medium/high) from digital initiatives by ownership structure



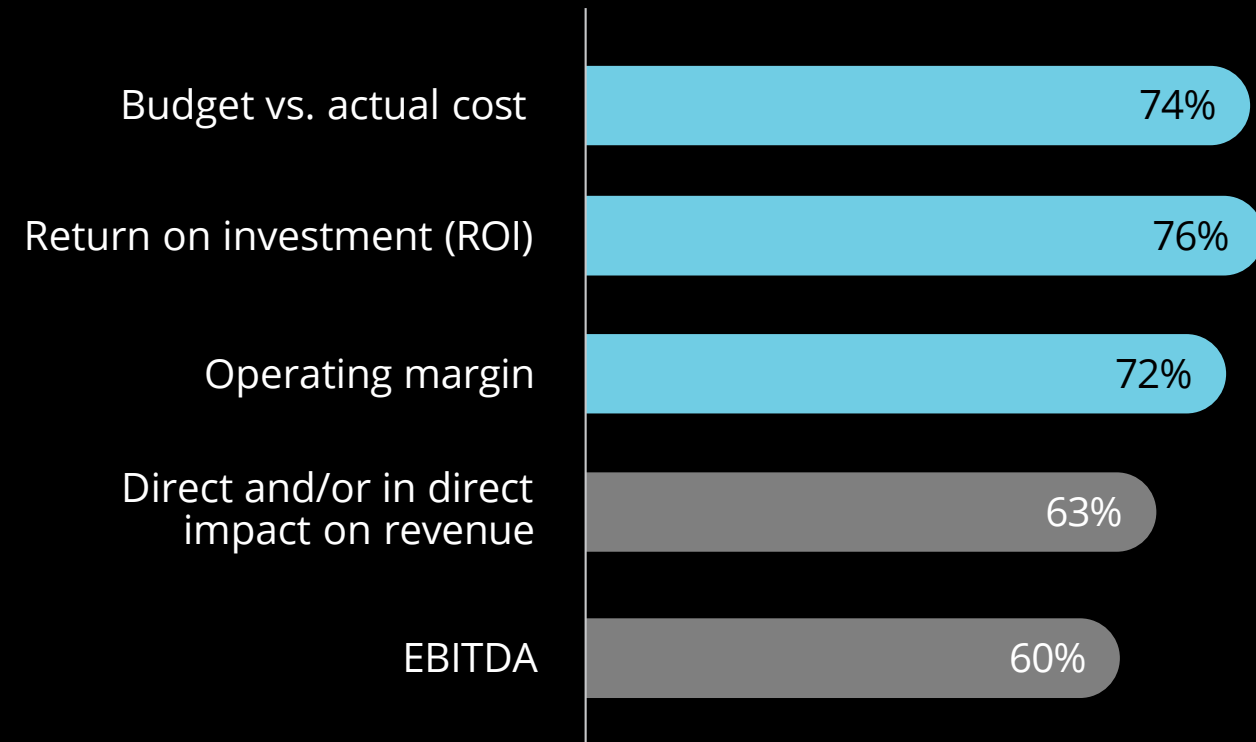
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



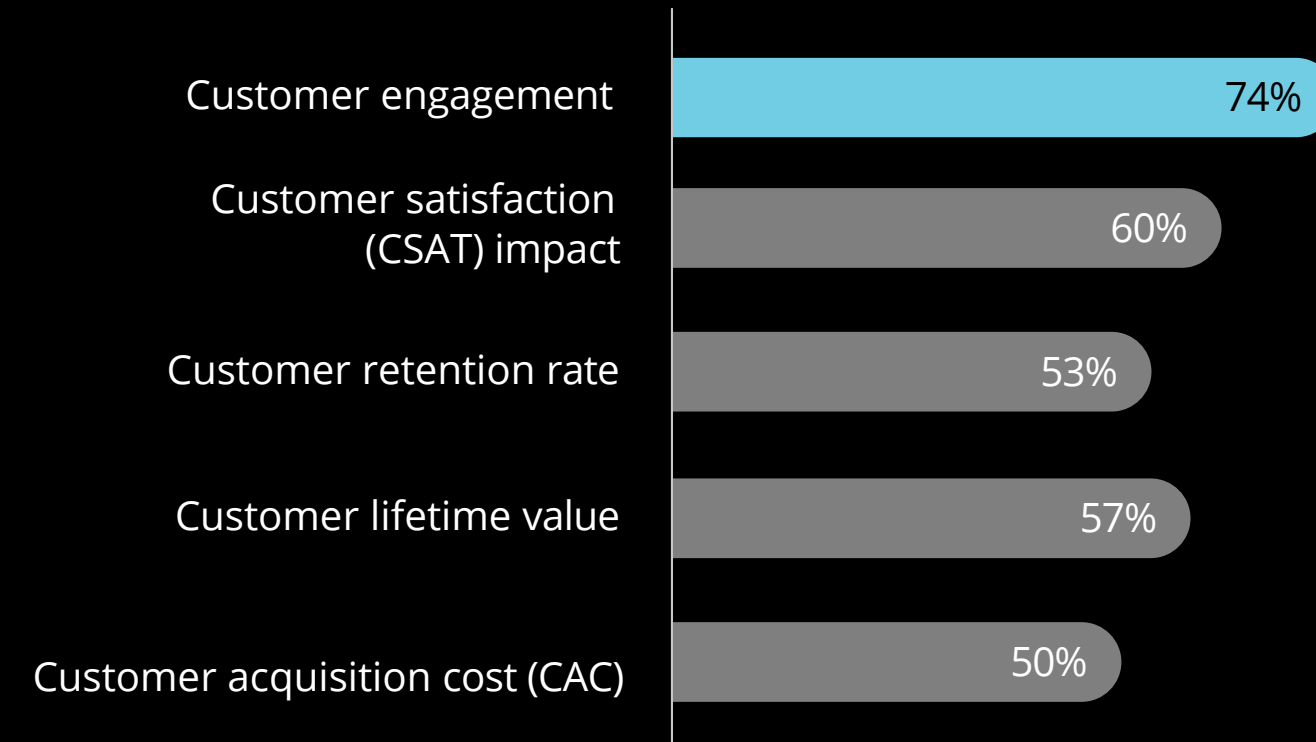
US organizations surveyed use customer, workforce, and purpose KPIs less than global respondents overall

US respondents are 13 percentage points more likely than global respondents to measure digital value quarterly

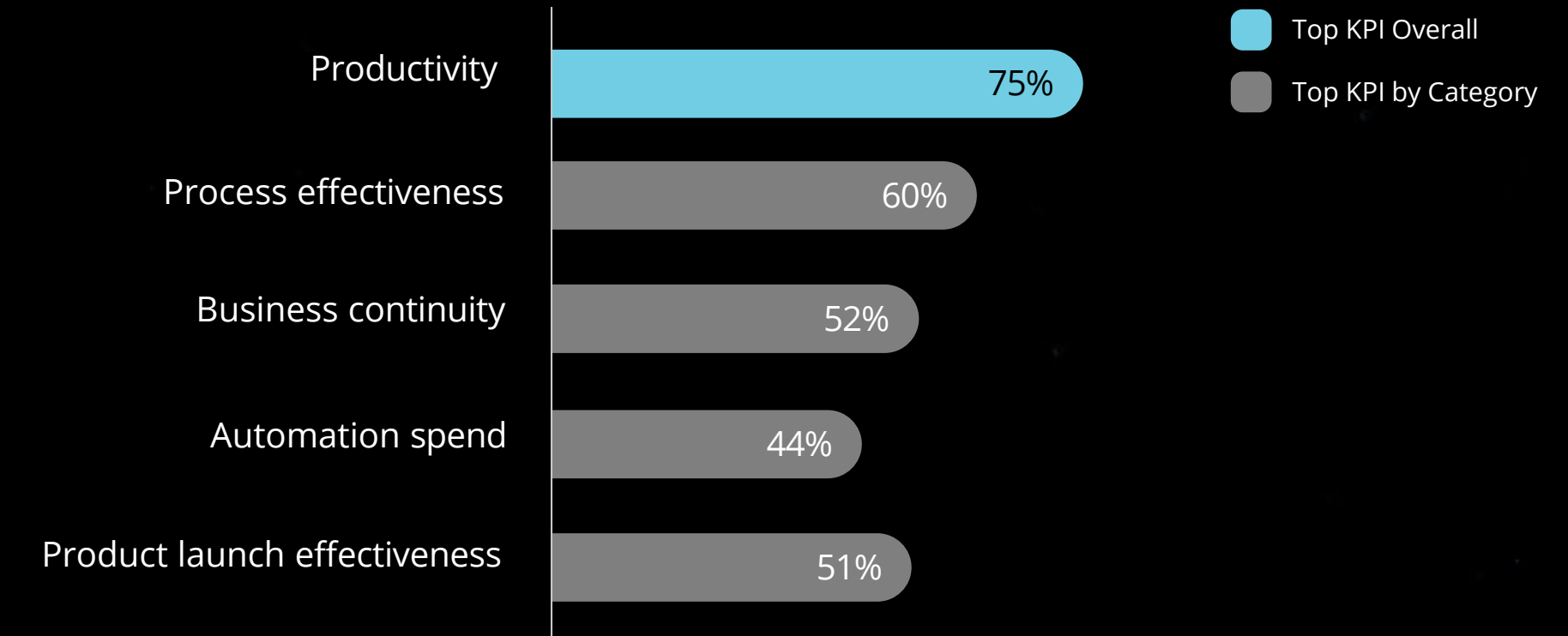
US Utilization of the Top Five Global Financial KPIs



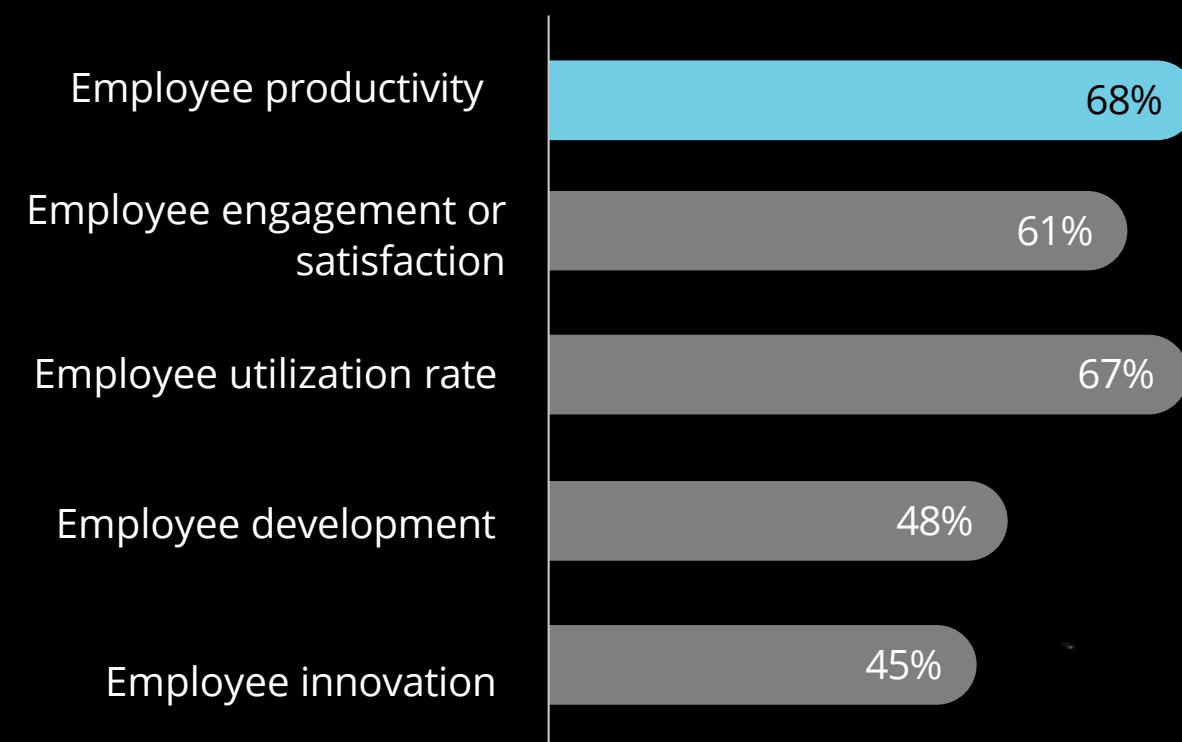
US Utilization of the Top Five Global Customer KPIs



US Utilization of the Top Five Global Process KPIs



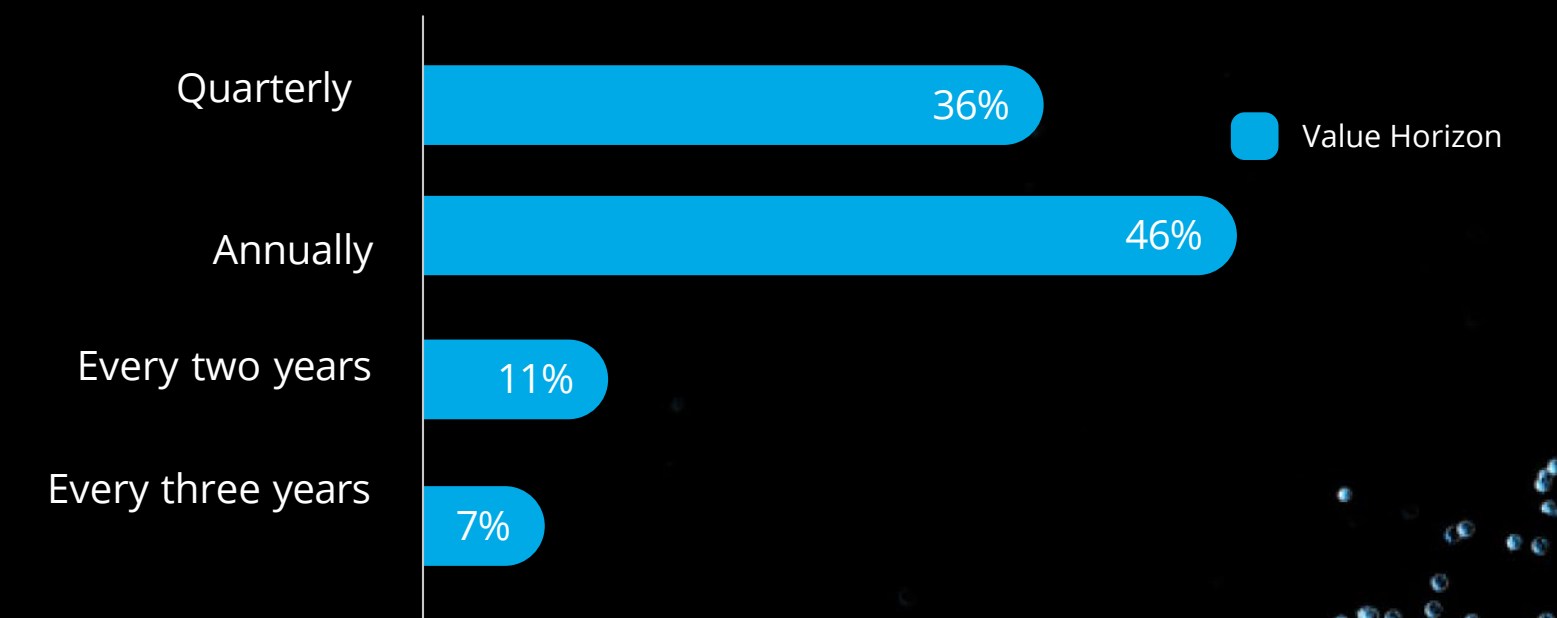
US Utilization of the Top Five Global Workforce KPIs



US Utilization of the Top Five Global Purpose KPIs



US Utilization of Global Timeline Value Assessment

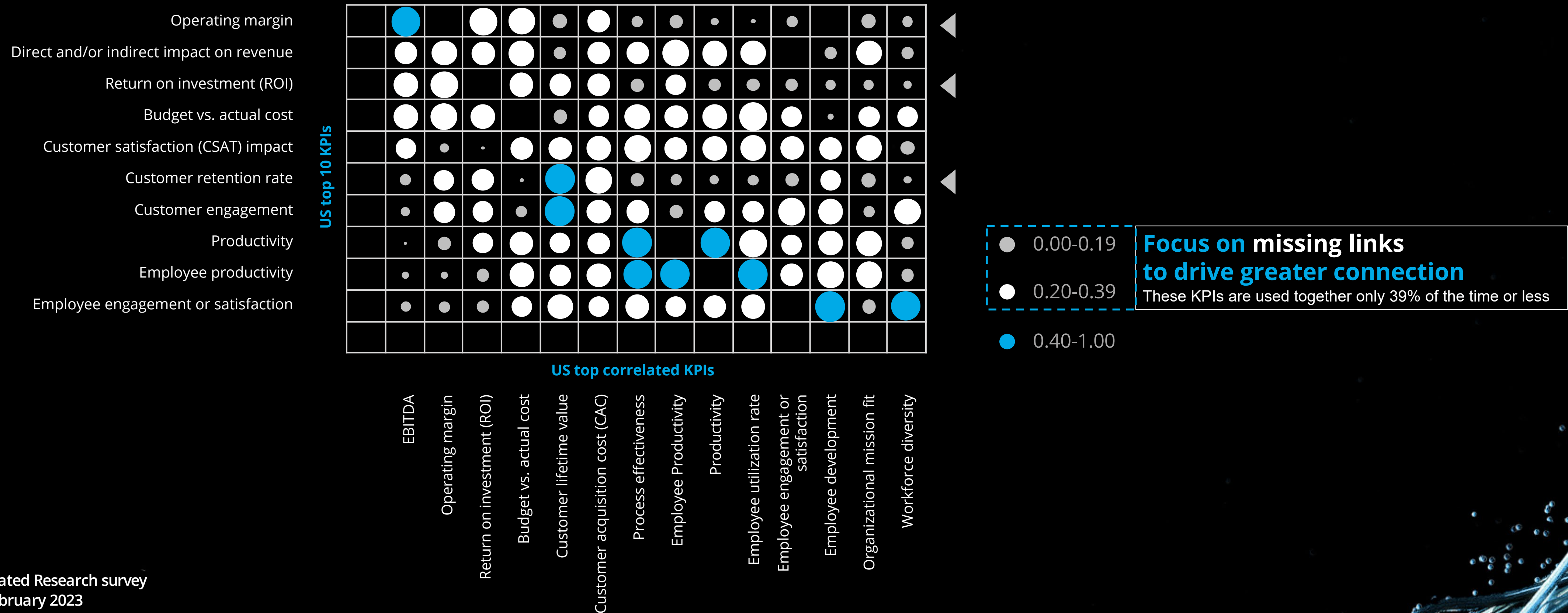


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



Operating margin, return on investment (ROI), and customer retention rate are top priority KPIs with the lowest correlations with top-correlated KPIs

US organizations' top 10 KPIs
Strong/very strong KPI links are in white and blue



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



Canada

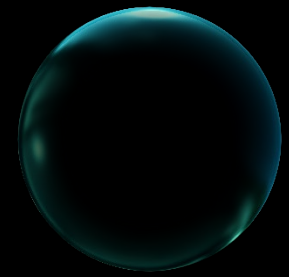
n=100



Canadian respondents may need better strategy and implementation approaches

Canadian respondents are on par with global respondents' spending but appear to lag in enterprise value attributed to digital transformation

Canadian respondents are about baseline versus global respondents on spend and lag in enterprise value attribution.

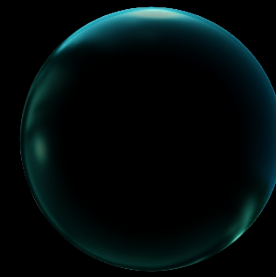


1 percentage point below the global baseline for spending on (Level 4) digital initiatives

Canadian respondents, however, have moderate digital ambitions based on their current spending and definition of digital initiatives, with priority capabilities including:

- Data analytics
- Cloud platforms
- Mobile

Consider how spending on transformation and technology can advance your strategy.



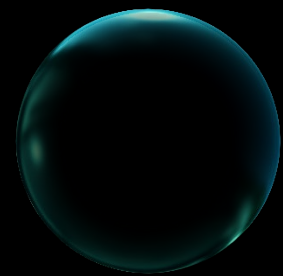
12% less likely than global respondents to attribute medium to high enterprise value to digital initiatives (31% or more)

Canadian respondents with medium and high value attribution report investing less in advanced technologies such as federated security, metaverse, and speech and gesture interfaces. They could consider assessing if these technologies can enable business capabilities to increase their value gains.

Their spending is on par with global baseline budgets related to digital tech monetization with top strategies including leveraging industry convergence trends, repurposing internal data, and customer personalization strategies via new products or services. An increased focus on monetization could help drive value.



Canadian respondents are spending less than the global baseline

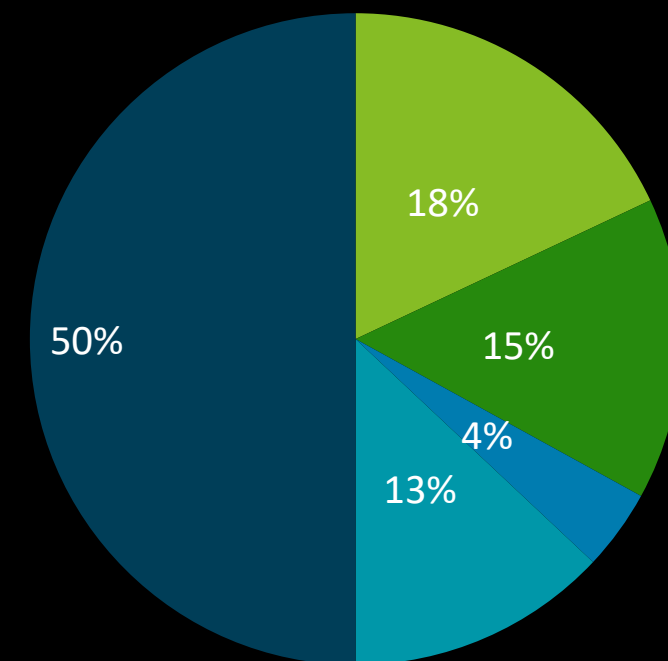


Digital spending and tech capability investments

50% of Canadian spending/investments responded that they are focused on Level 4 digital transformation.

Canadian spend on five spectrum levels

- L0 - Digitization of Data (13)
- L1 - Digitization of Platforms (10)
- L2 - Using Digital Strategies/ New Markets (0)
- L3 - Using Digital Strategies / New Products/Services (9)
- L4 - Using or Integrating Digital Technologies For Fundamental Change (68)



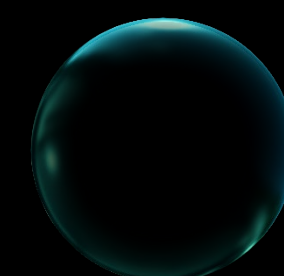
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Data analytics	95%
Cloud platforms	83%
Mobile	80%
Artificial intelligence (AI) and machine learning	72%
Identity and access management	69%

Of Canadian respondents focusing on Level 4:

22% - 15 organizations attribute medium to high value.

16% - 11 organizations spend medium to high on digital tech monetization.



Enterprise value from digital

20% (31% or more) | Value to digital transformation

The following are the top 5 tech capabilities Canadian respondents believe to be generating enterprise value.

Data analytics	82%
Multi-modal user experience	77%
Internet of Things (IoT)	74%
Artificial intelligence (AI) and machine learning	69%
Cloud platforms	69%

Canadian respondents are investing slightly above baseline (**18%**) with respect to **digital tech monetization**. Below are the top 5 monetization approaches that Canadians are using.

Online communities	24%
Customer personalization strategies via new products or services	23%
Leveraging industry convergence trends	22%
Helping societies with essential data	19%
Repurposing internal data	18%

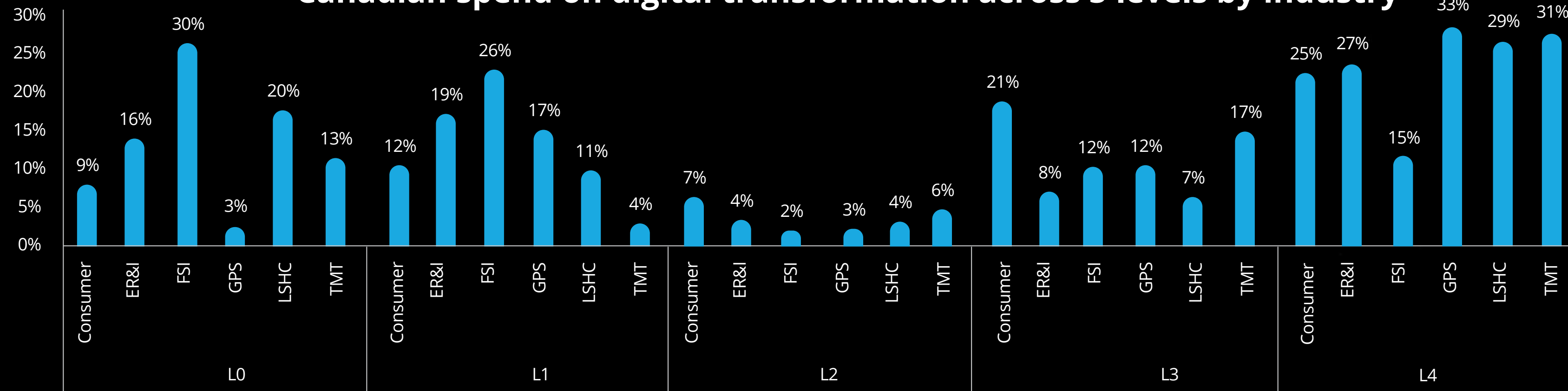


Canadian TMT companies are value leaders, followed by Consumer respondents. GPS are the top spenders on Level 4 of DT

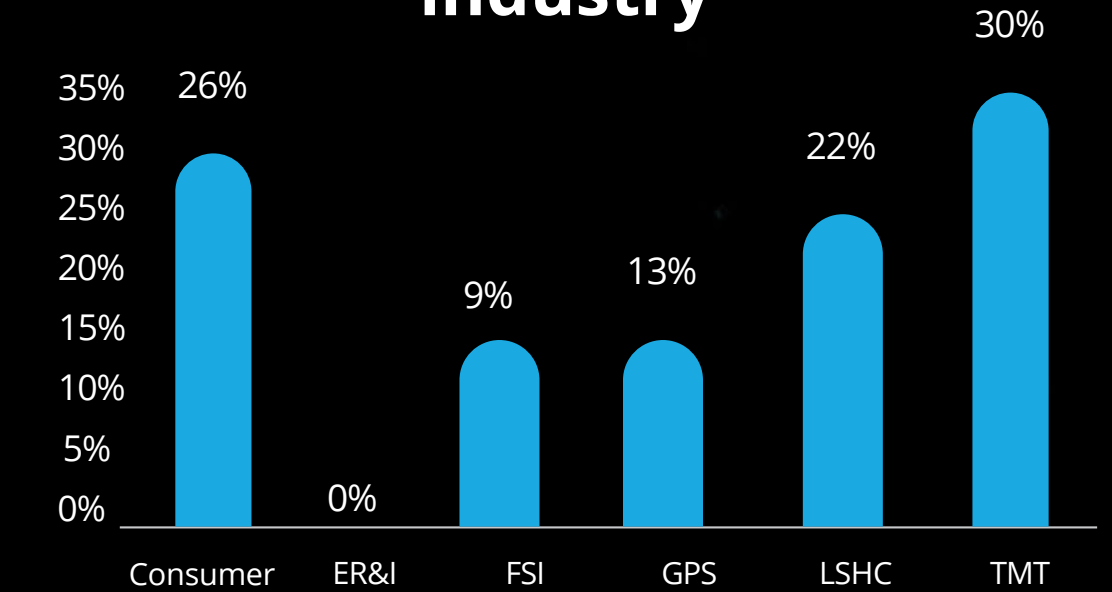
While nonprofits seem to be high spender on Level 4, they report less value than private (55%) and public (35%) companies



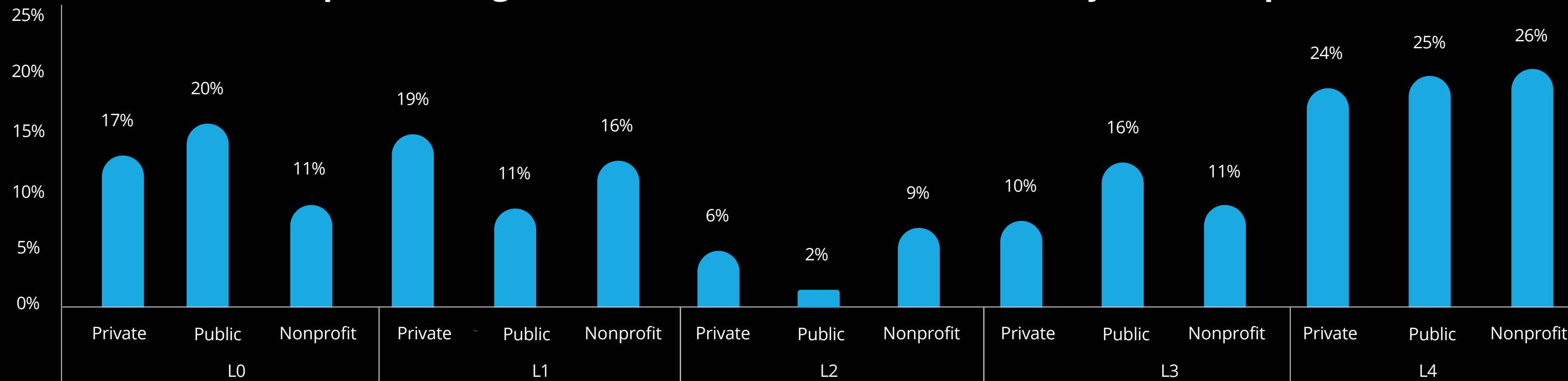
Canadian spend on digital transformation across 5 levels by industry



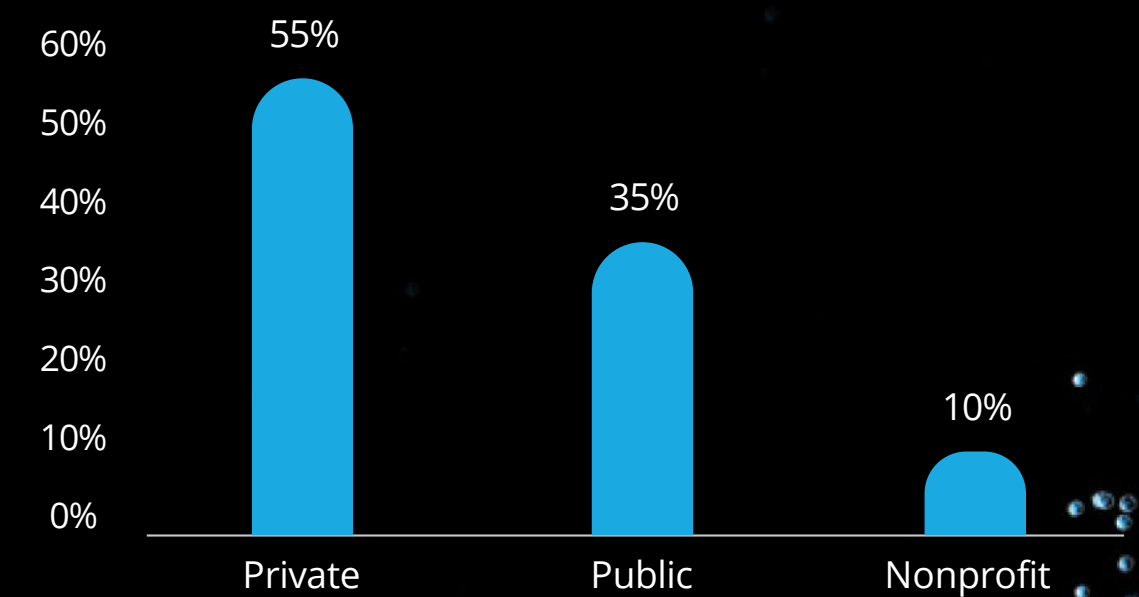
Canadian enterprise value gained (medium/high) from digital initiatives by industry



Canadian spend on digital transformation across 5 levels by ownership structure



Canadian enterprise value gained (medium/high) from digital initiatives by ownership structure



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

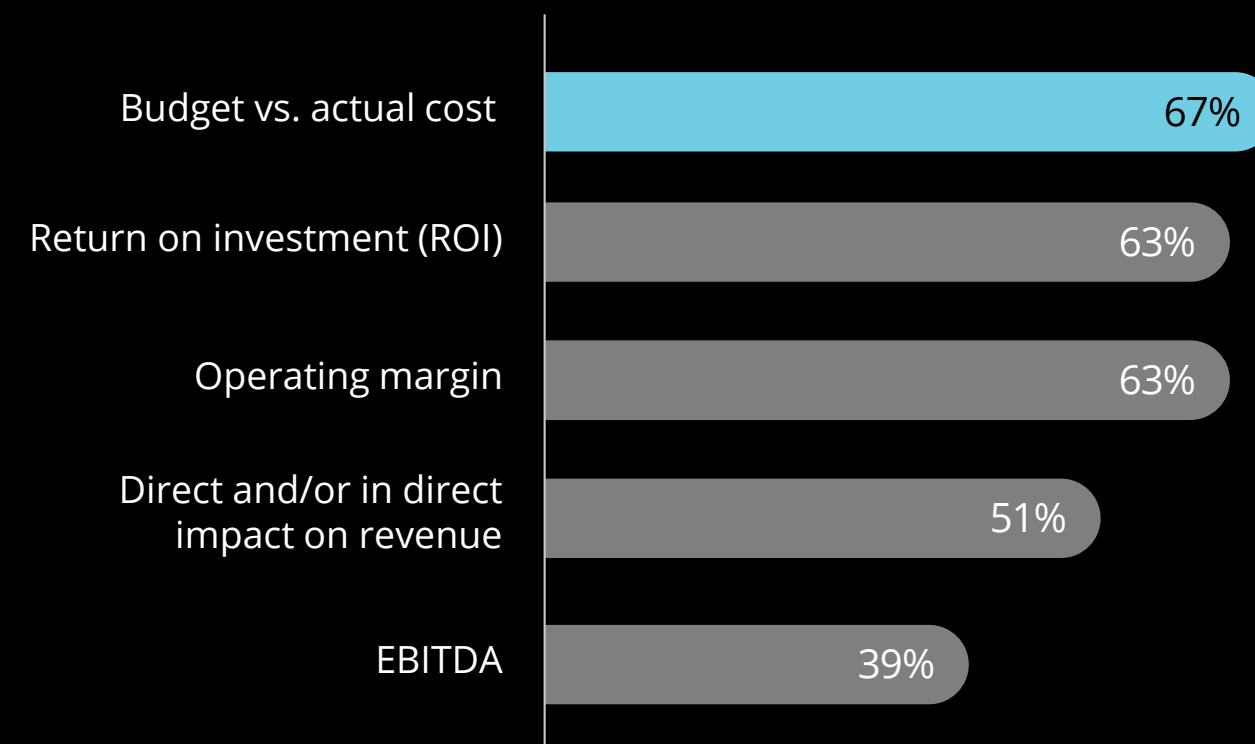


Canadian organizations surveyed use workforce and purpose KPIs more than global respondents overall

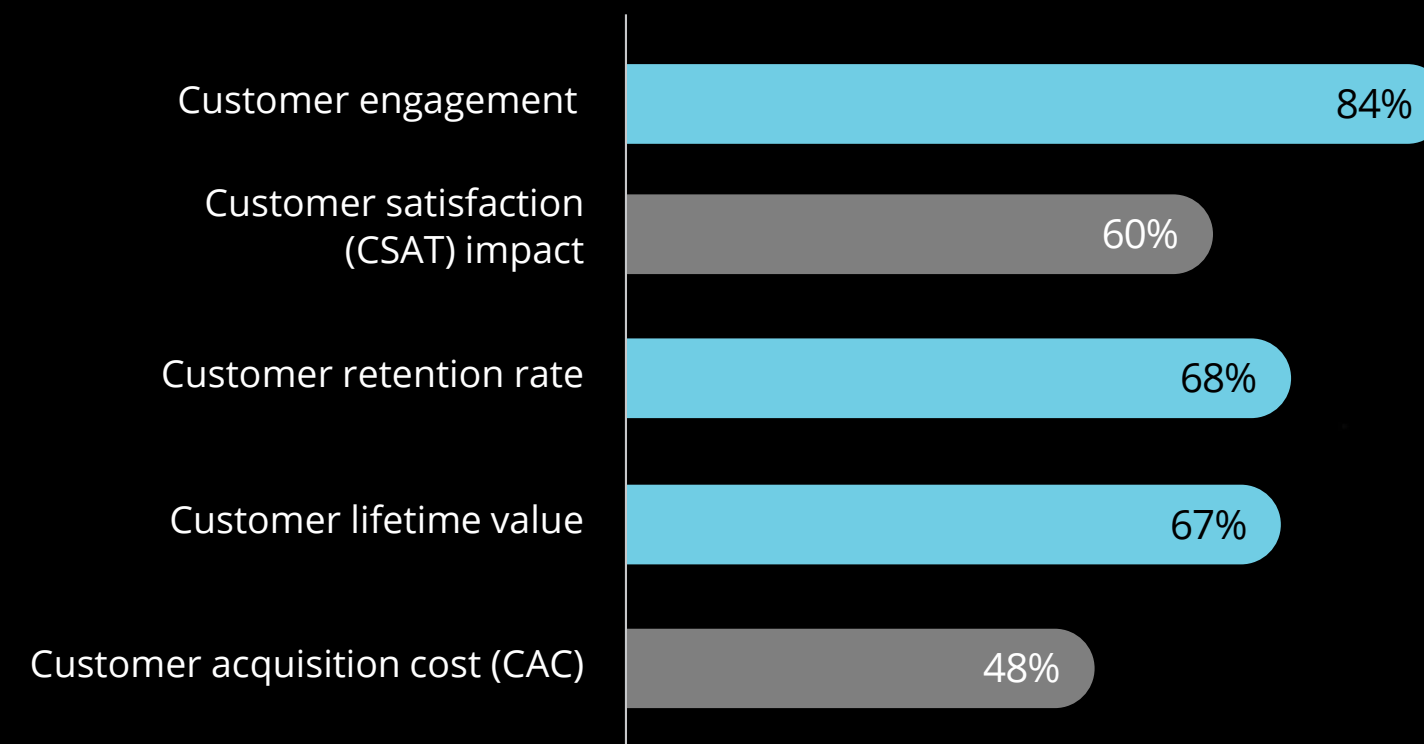
They are 20 percentage points more likely than global respondents to follow an annual approach to value measurement assessment timelines



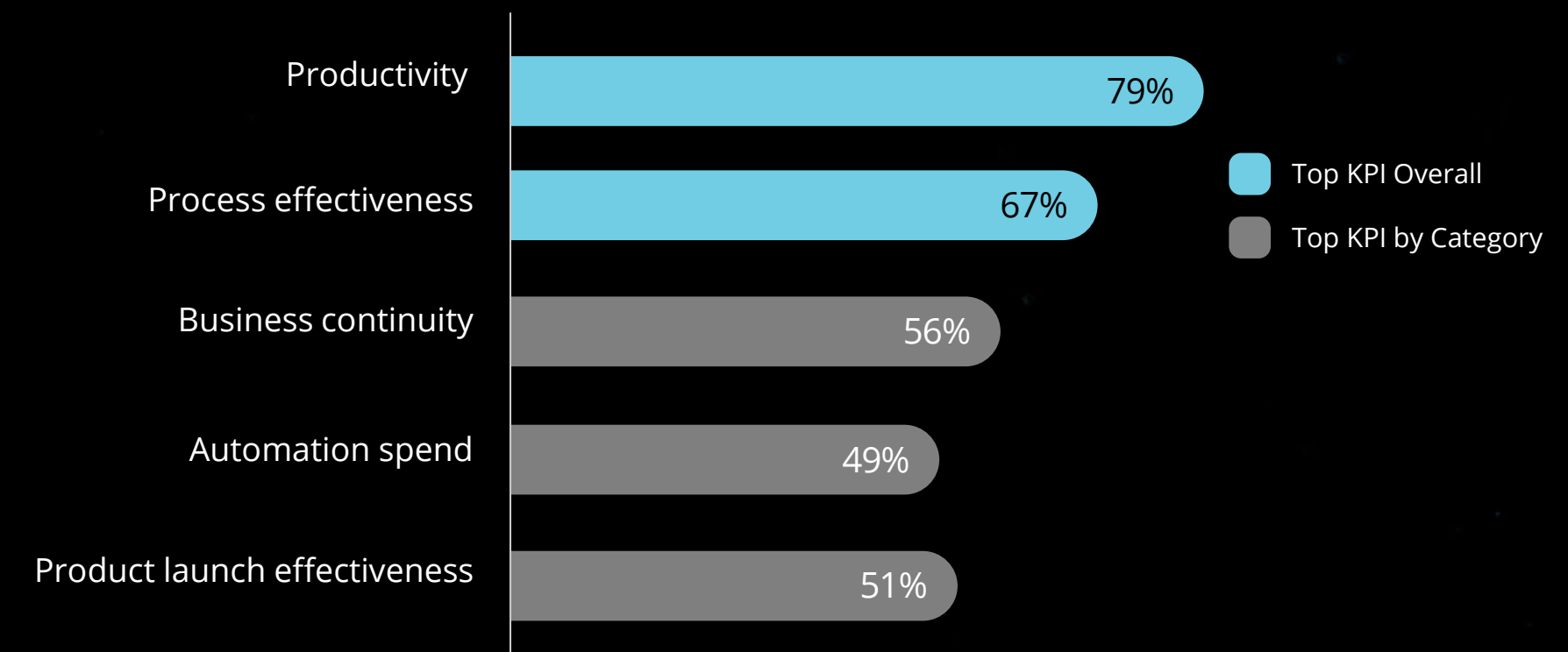
Canadian Utilization of the Top Five Global Financial KPIs



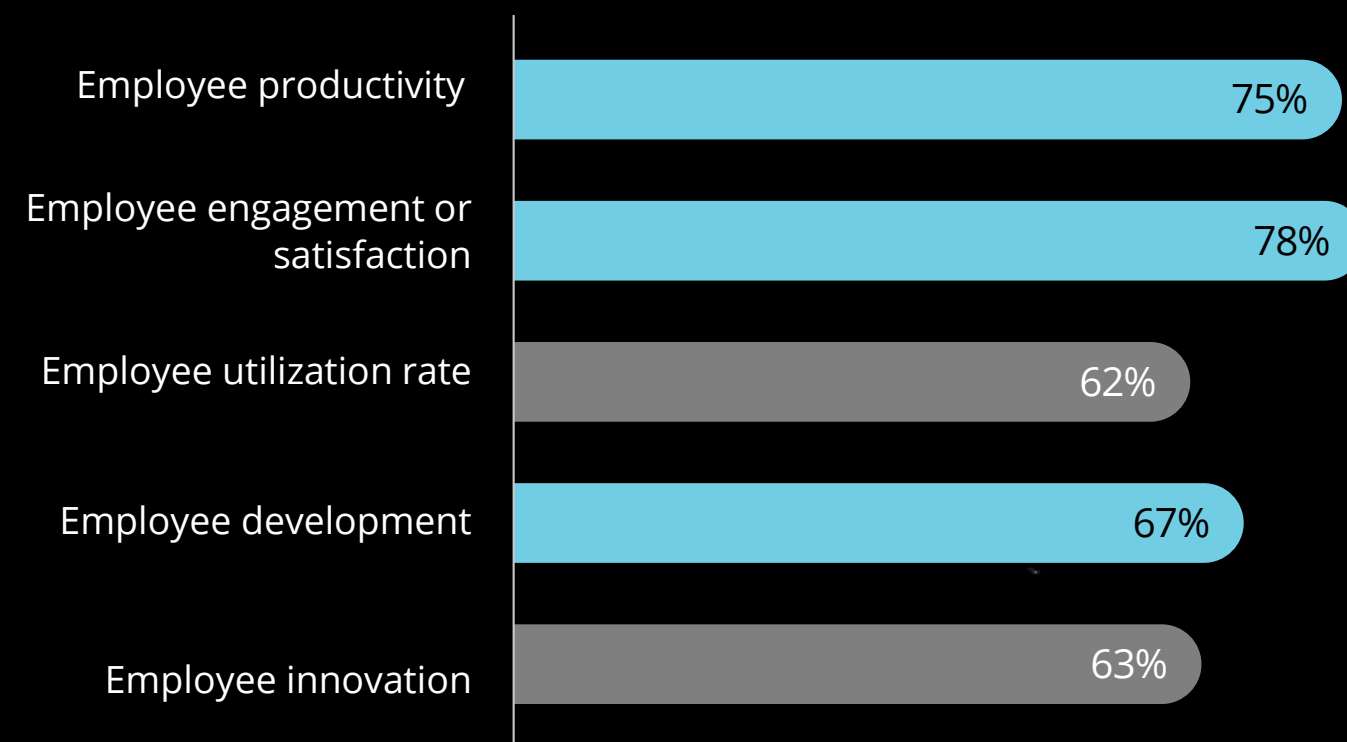
Canadian Utilization of the Top Five Global Customer KPIs



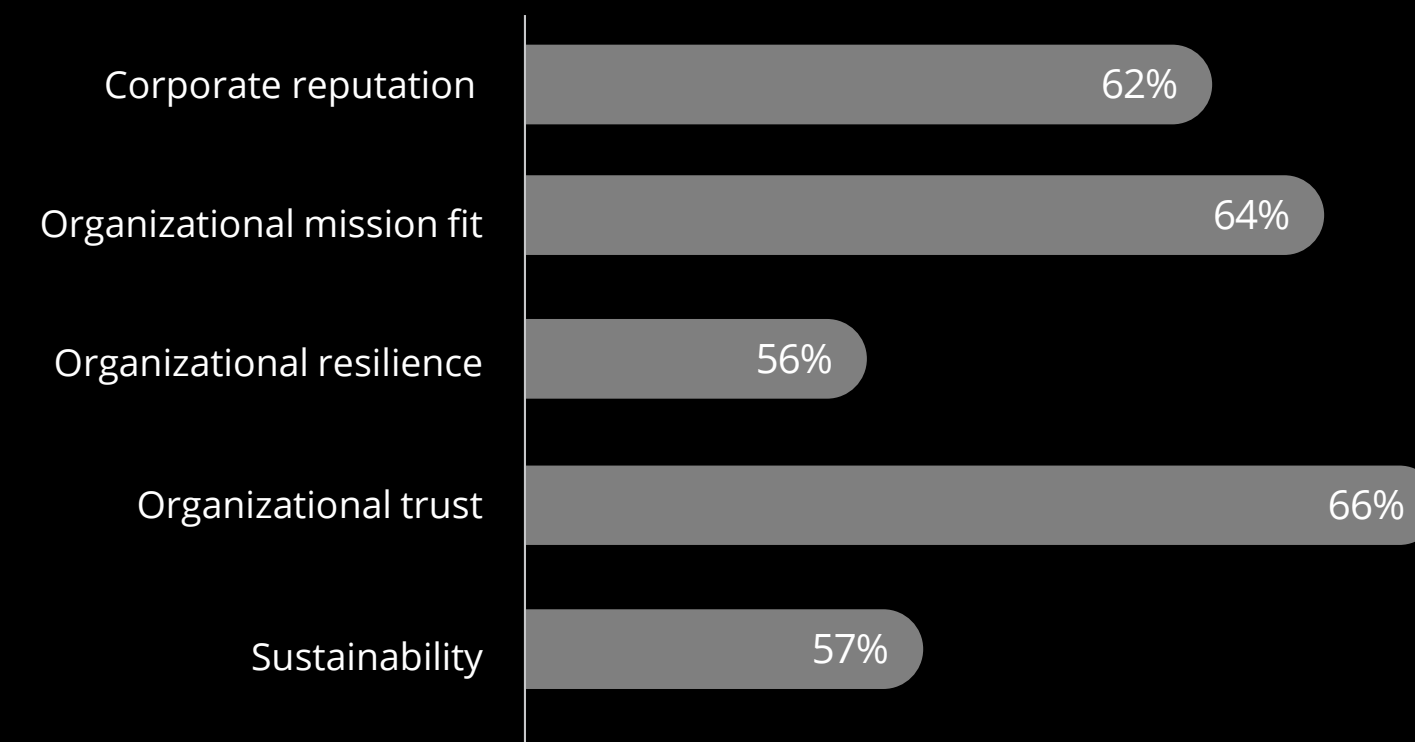
Canadian Utilization of the Top Five Process Financial KPIs



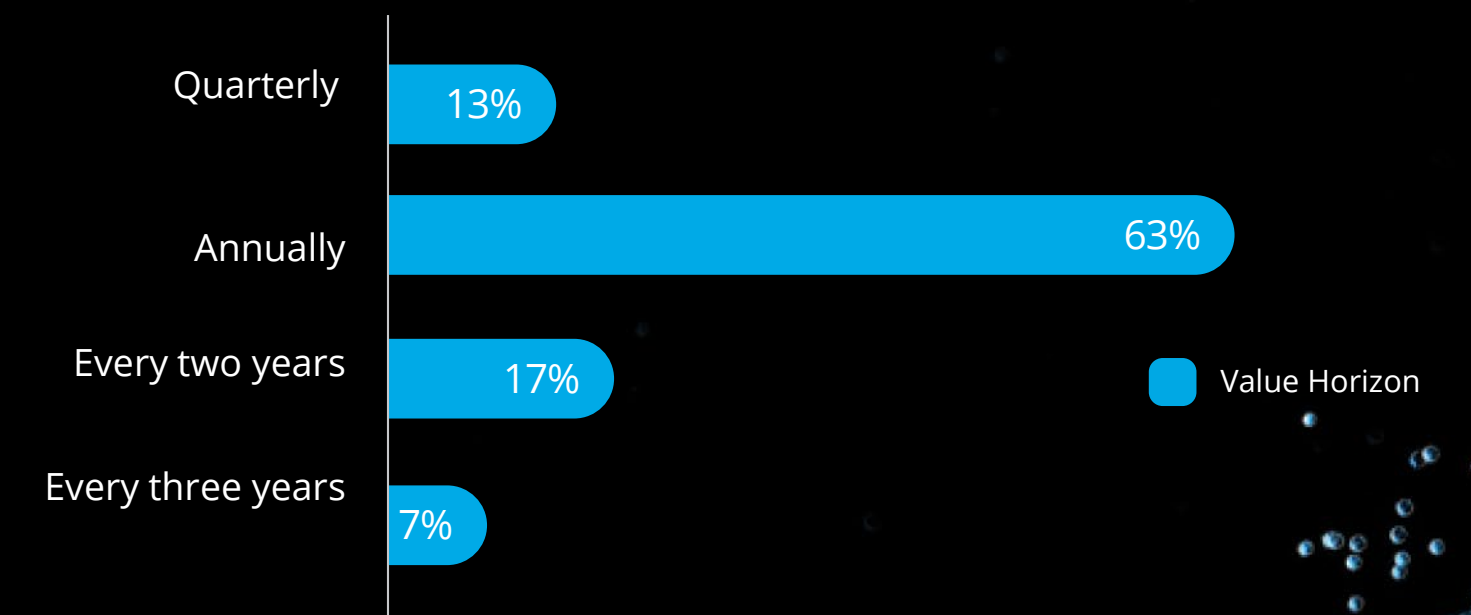
Canadian Utilization of the Top Five Global Workforce KPIs



Canadian Utilization of the Top Five Global Purpose KPIs



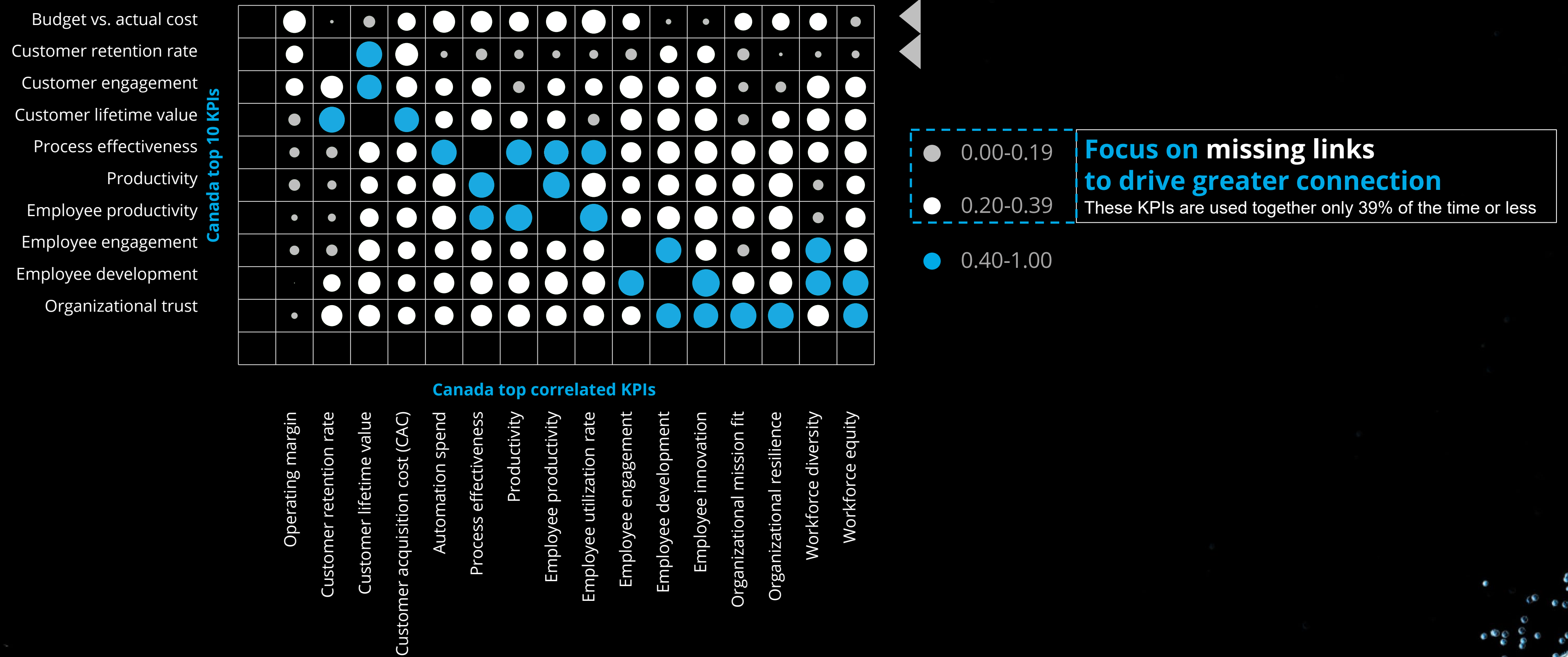
Canadian Utilization of Global Timeline Value Assessment



Customer retention rate and customer engagement are top-priority KPIs with the lowest correlations with top-correlated KPIs



Canadian organizations' top 10 KPIs
Strong/very strong KPI links are in white and blue

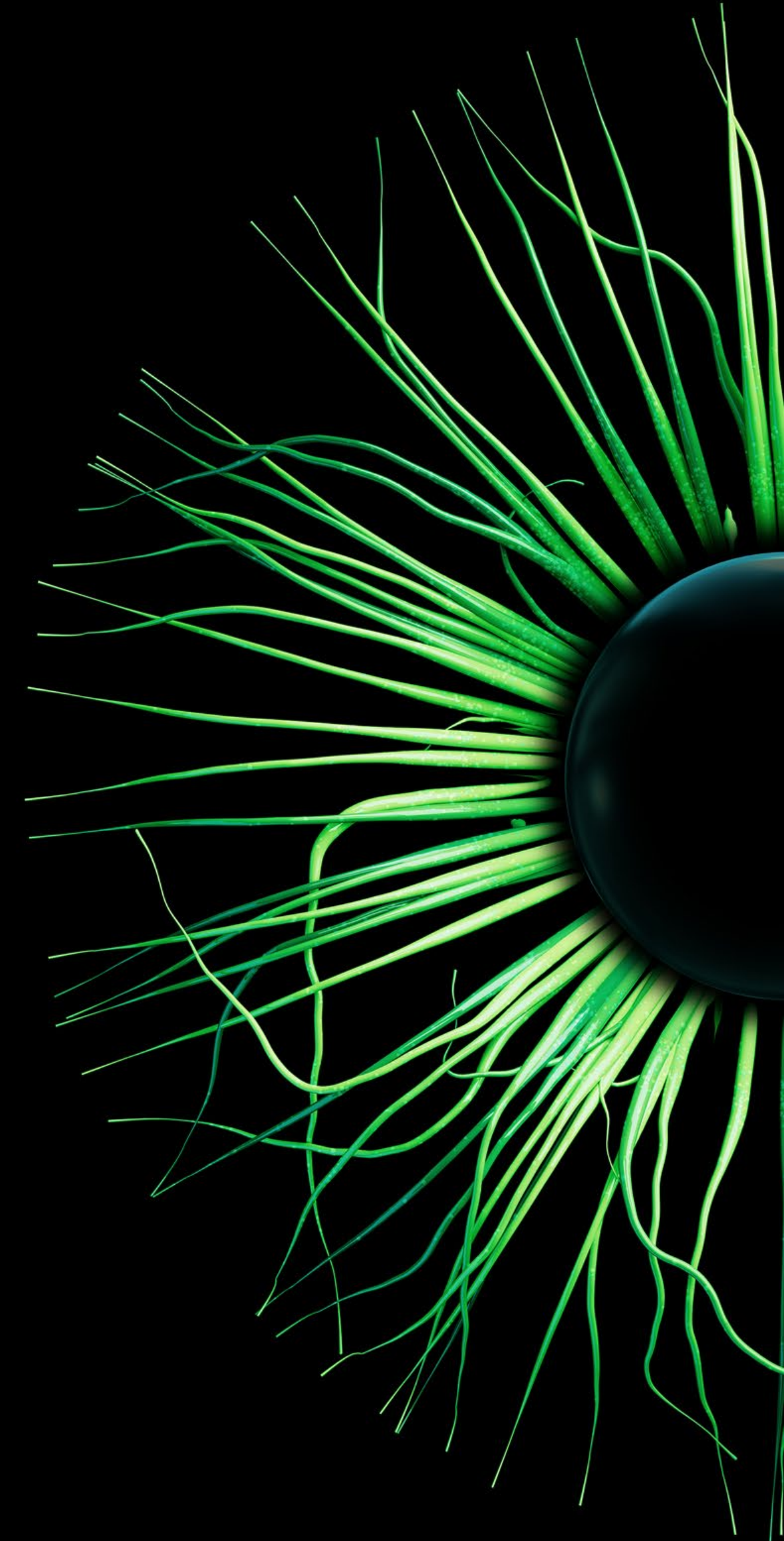


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



United Kingdom

n=150

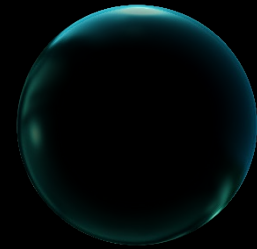




UK respondents report that they are experiencing high digital value

They report having high digital ambitions; but to maximize digital value, they should consider focusing their spend in the most valuable set of technology capabilities and monetization strategies

We found that UK respondents spend more on Level 4 change and report more value

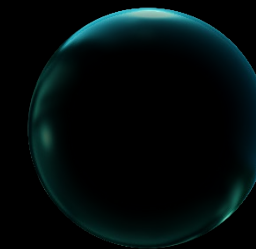


7 percentage points below the global baseline for spending on (Level 4) digital initiatives

UK organizations, however, have high digital ambitions based on their current spending and definition of digital initiatives. Priority capability investments include:

- Data analytics
- Cloud platforms
- Artificial intelligence (AI) and machine learning

Consider how spending on transformation and technology can advance your strategy.



8% more likely than global respondents to attribute medium to high enterprise value to digital initiatives (31% or more)

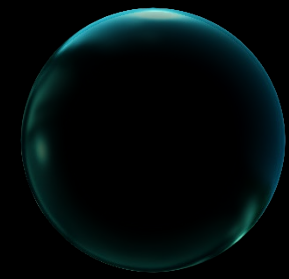
UK respondents with medium and high value attribution are investing less in advanced technologies such as federated security, metaverse, and quantum computing. They could consider assessing if these technologies can enable business capabilities to increase their value gains.

Although UK respondents are three-percentage-points more likely to invest in digital tech monetization than the global baseline of respondents, their medium and high spending is still low (20%). As UK respondents direct this spending, they might consider focusing on a single priority strategy to help maximize it or increase spend if ambitions cross multiple strategies, and the returns are there. Top priorities in the region for those surveyed include becoming a platform business, selling subscriptions to technology tools and services, and leveraging convergence trends.



UK organizations surpass the global baseline in value generation via monetization

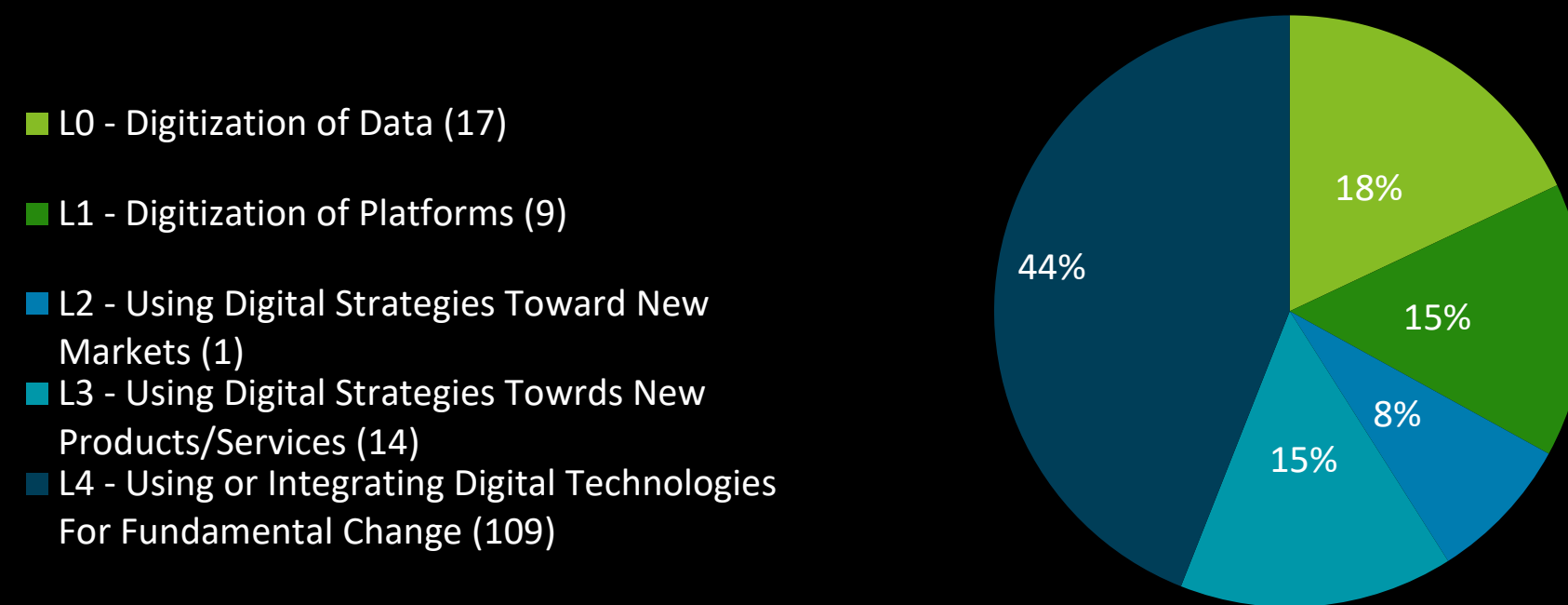
UK respondents have digital tech monetization spend above the global baseline and high enterprise value attributed to digital transformation



Digital spending and tech capability investments

44% of UK spending/investments are focused on Level 4 digital transformation.

UK spend on five spectrum levels

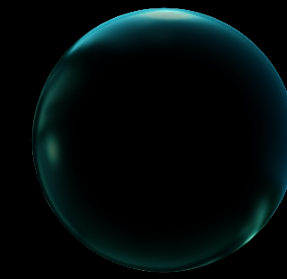


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Data analytics	91%
Cloud platforms	78%
Artificial intelligence (AI) and machine learning	69%
Cloud native application	65%
Mobile	59%

Of UK respondents focusing on Level 4:

- 38%** - 41 organizations attribute medium to high value.
- 20%** - 21 organizations spend medium to high on digital tech monetization.



Enterprise value from digital

41% (31% or more) | Value to digital transformation

The following are the top 5 tech capabilities that UK respondents believed to be generating enterprise value.

Data analytics	90%
User and entity behavior analytics (UEBA)	75%
Cloud platforms	73%
Deep learning	69%
Multi-modal user experience	68%

UK respondents are investing above baseline (**20%**) with respect to **digital tech monetization**. Below are the top 5 monetization approaches that UK respondents are using.

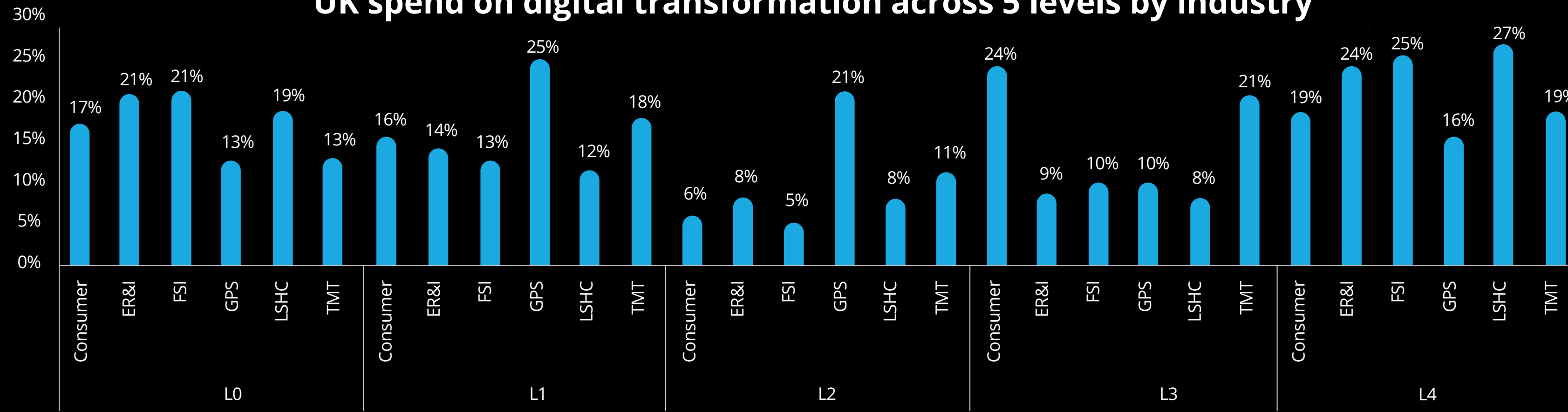
Customer personalization strategies via new products or services	34%
Becoming a platform business	24%
Selling direct access to your data to third parties	23%
Repurposing internal data	20%
Selling subscriptions to technology tools and services	20%



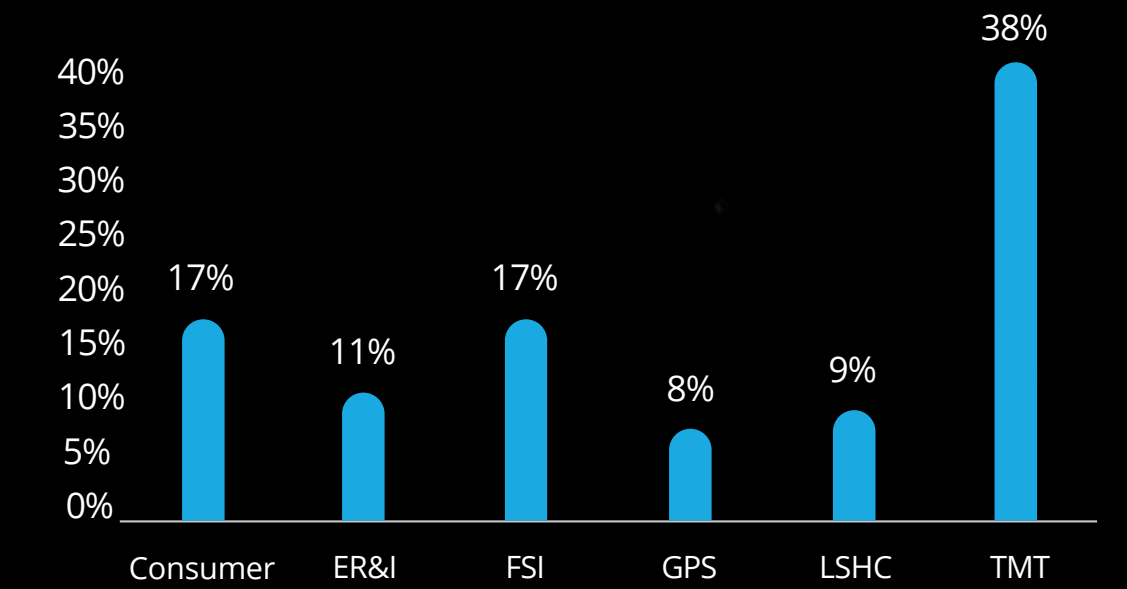
UK TMT companies are value leaders. LSHC and FSI are the top spenders on Level 4 of DT

While nonprofits seem to be high spender on Level 4, they report less value as private (59%) and public (40%) companies

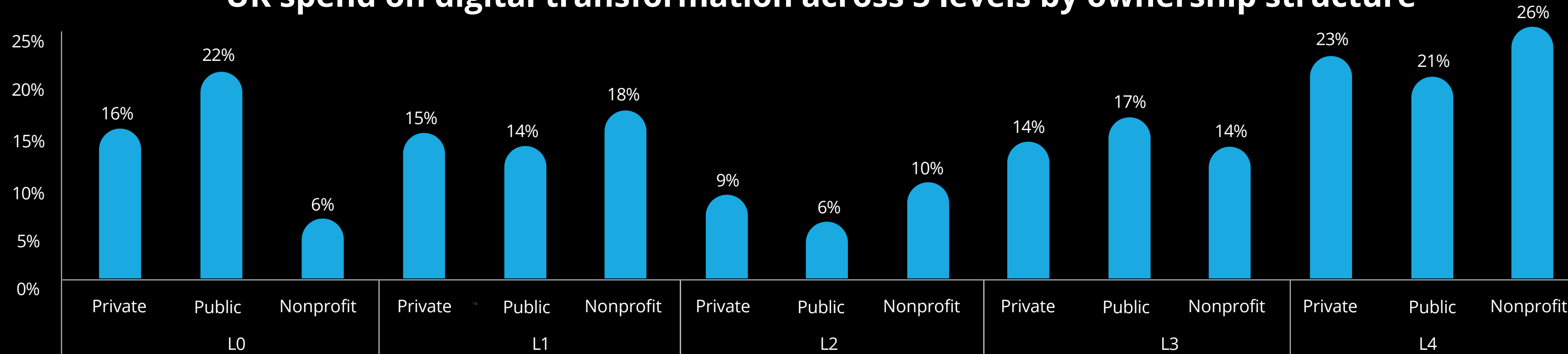
UK spend on digital transformation across 5 levels by industry



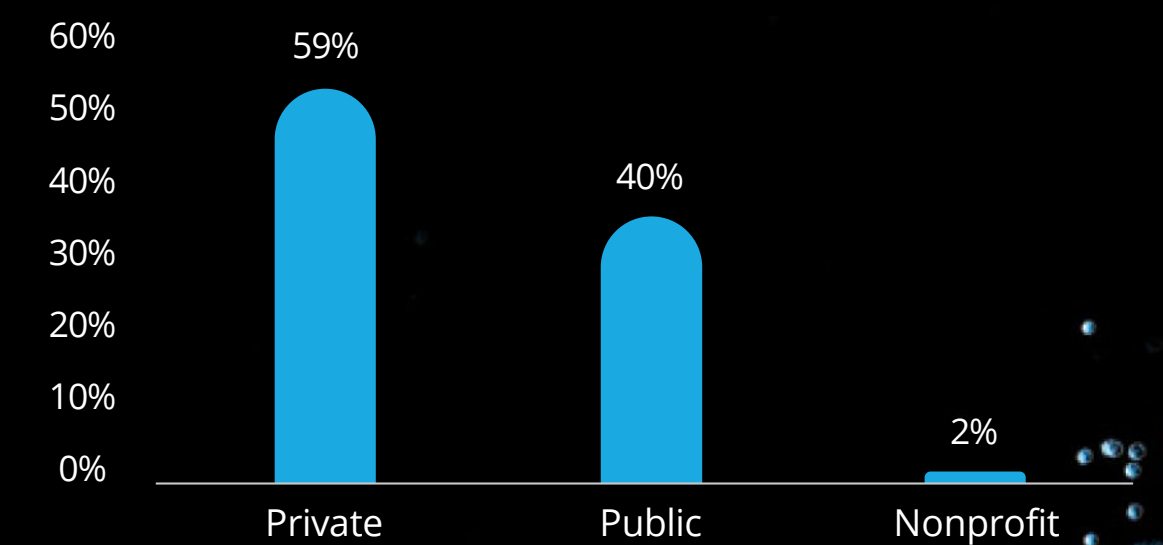
UK enterprise value gained (medium/high) from Digital initiatives by sector



UK spend on digital transformation across 5 levels by ownership structure



UK enterprise value gained (medium/high) from digital initiatives by ownership structure



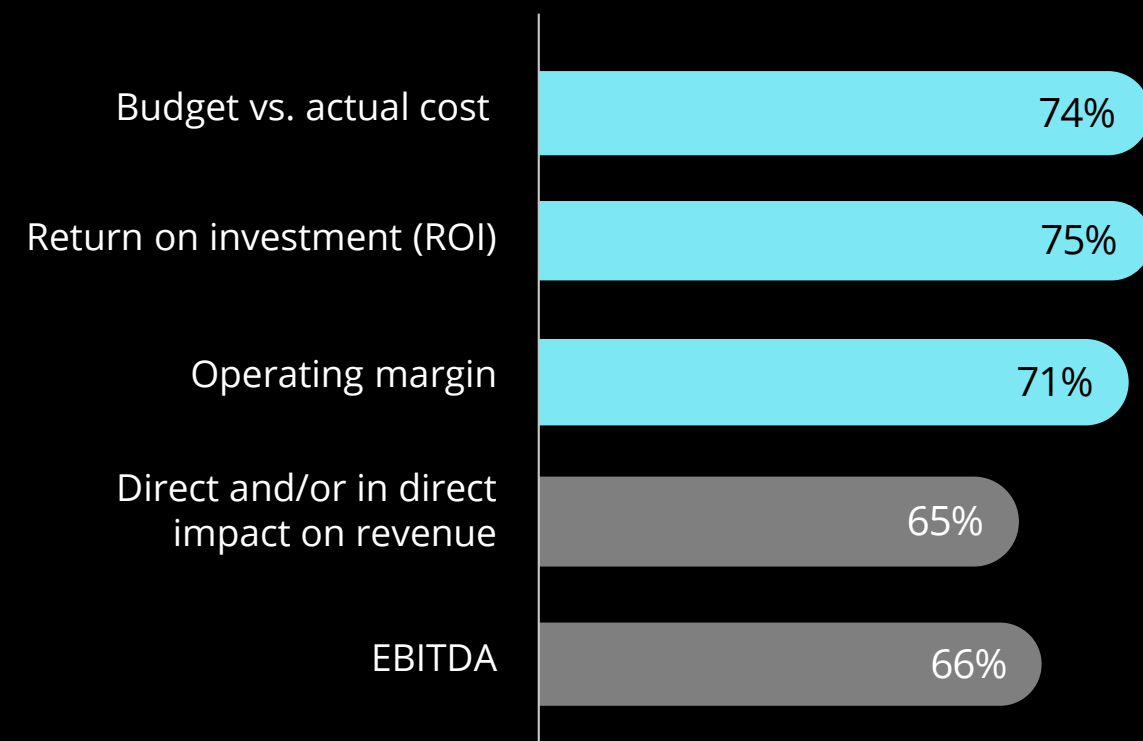
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



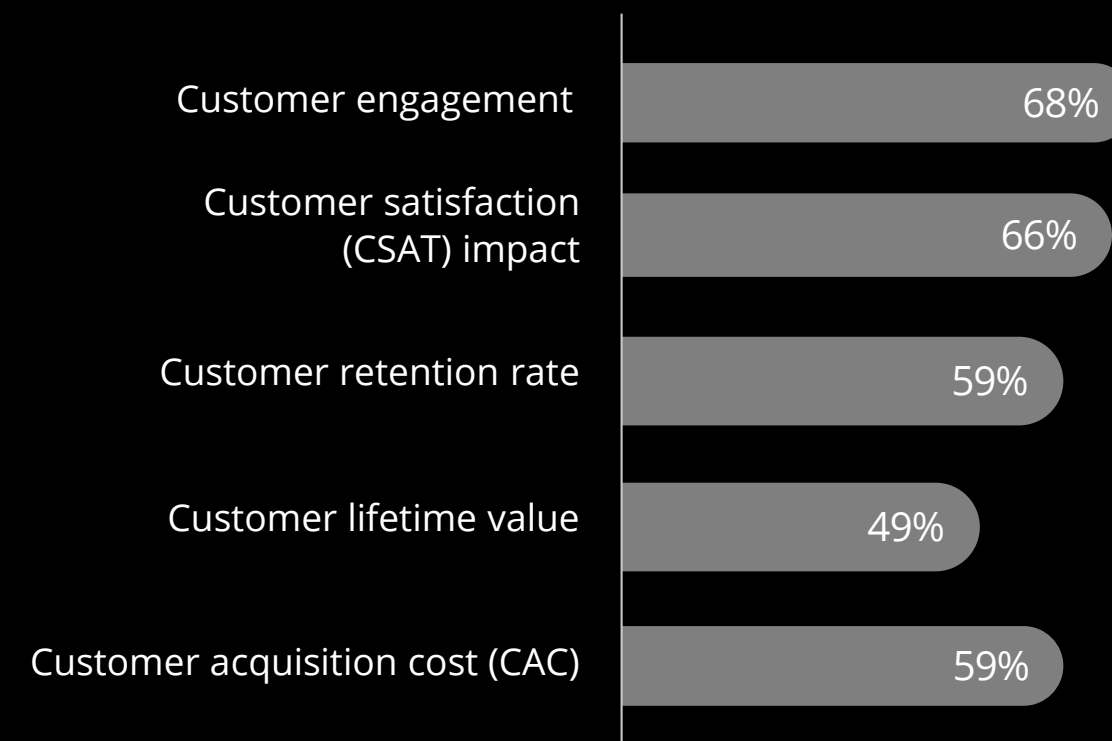
UK organizations use process, workforce, and purpose KPIs less than global respondents

UK-based respondents are 9 percentage points more likely than global respondents to follow an annual approach to value measurement assessment timelines

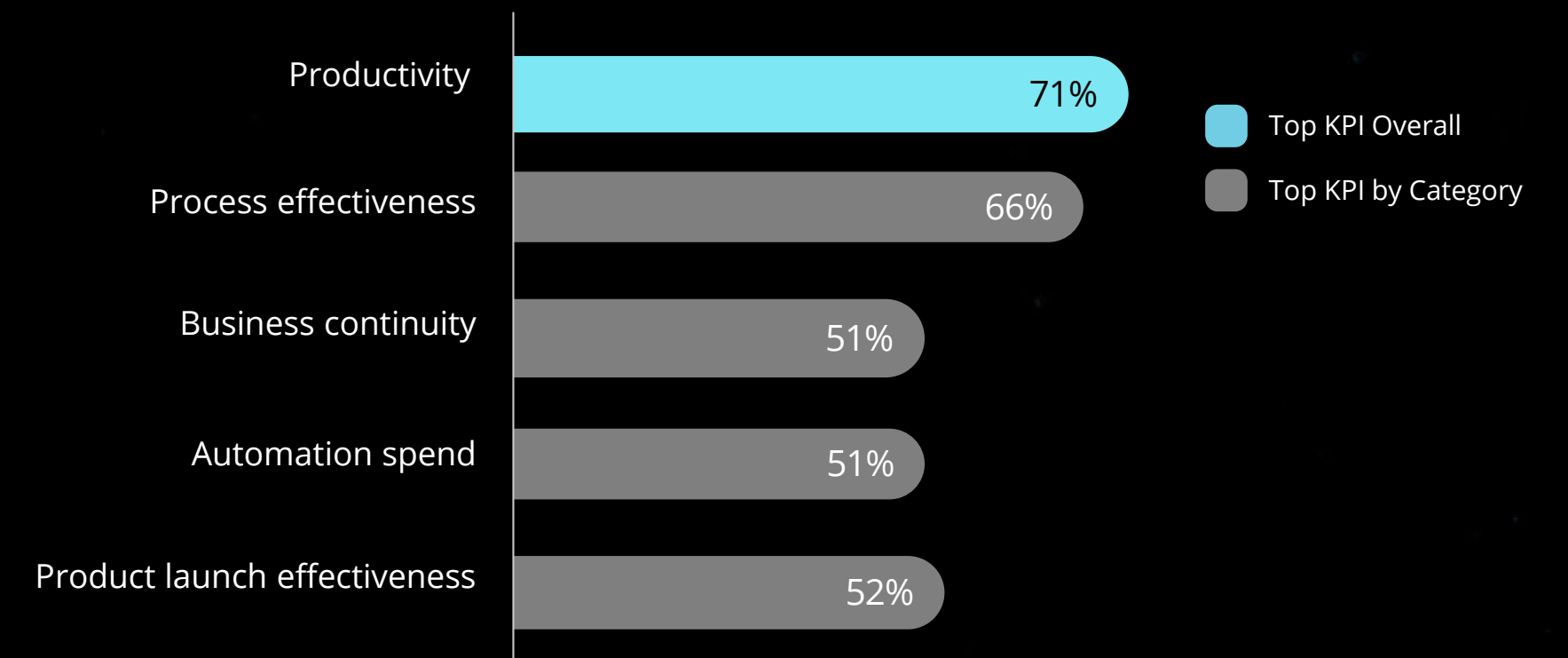
UK Utilization of the Top Five Global Financial KPIs



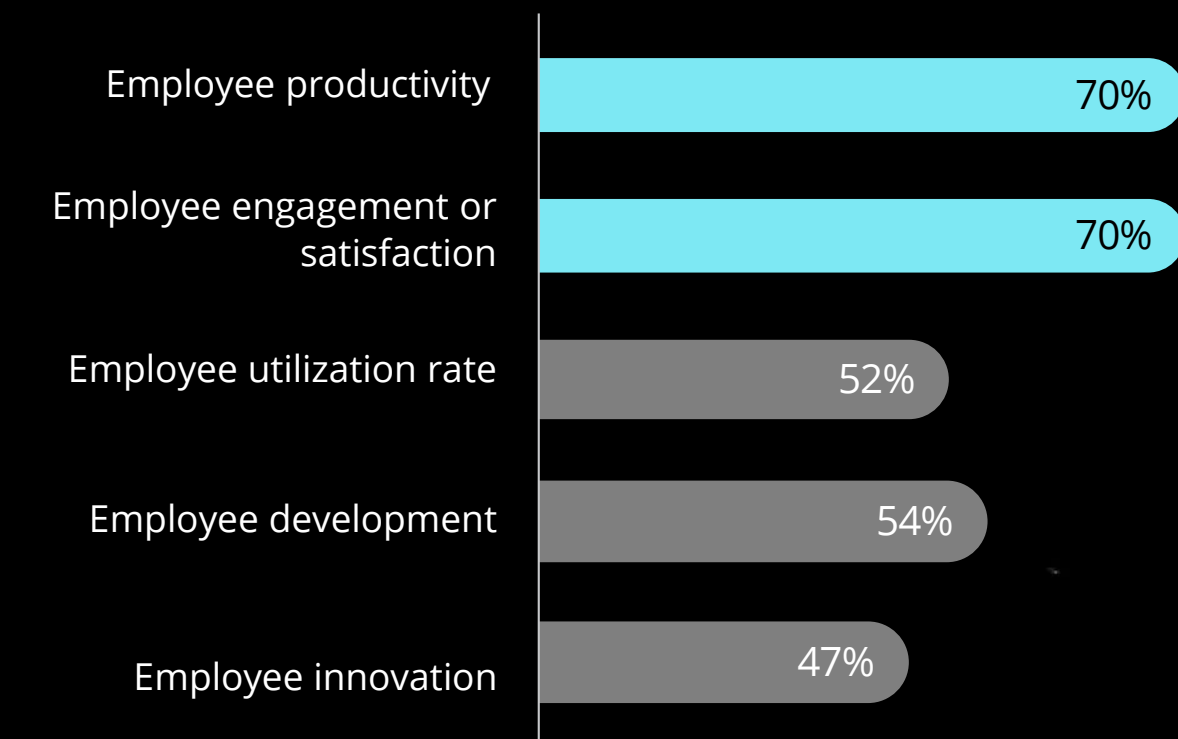
UK Utilization of the Top Five Global Customer KPIs



UK Utilization of the Top Five Process Financial KPIs



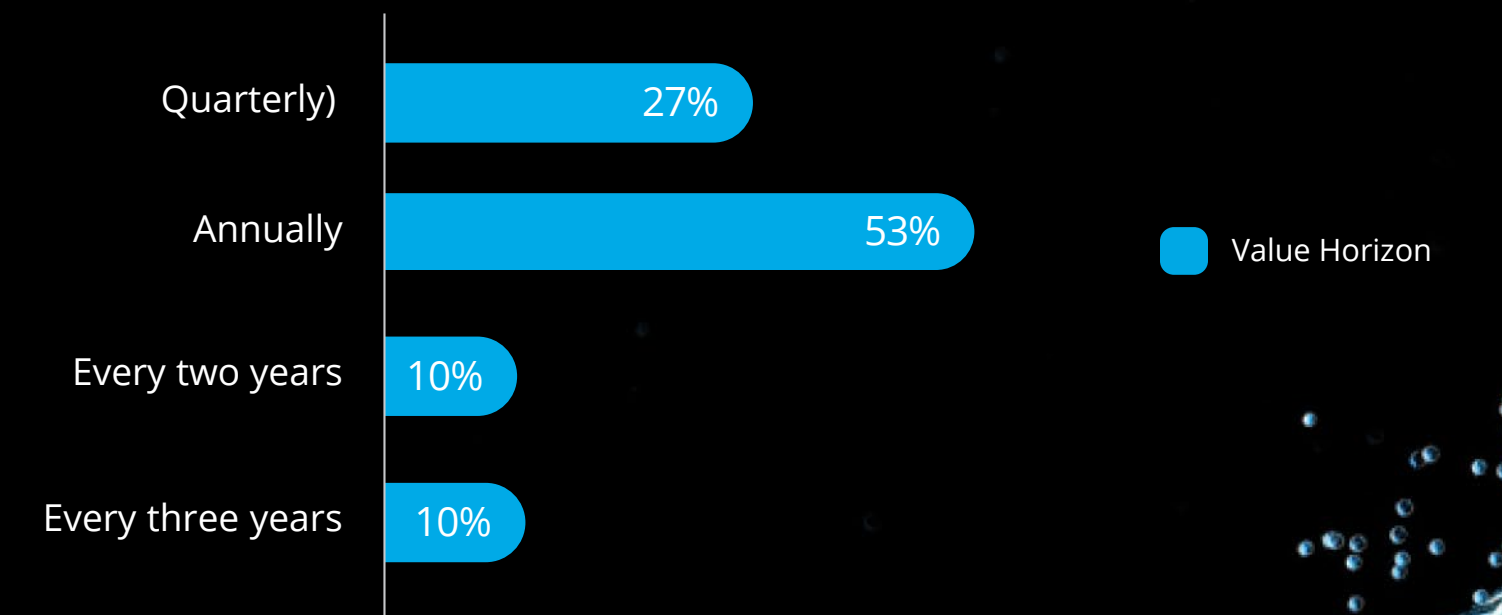
UK Utilization of the Top Five Global Workforce KPIs



UK Utilization of the Top Five Global Purpose KPIs



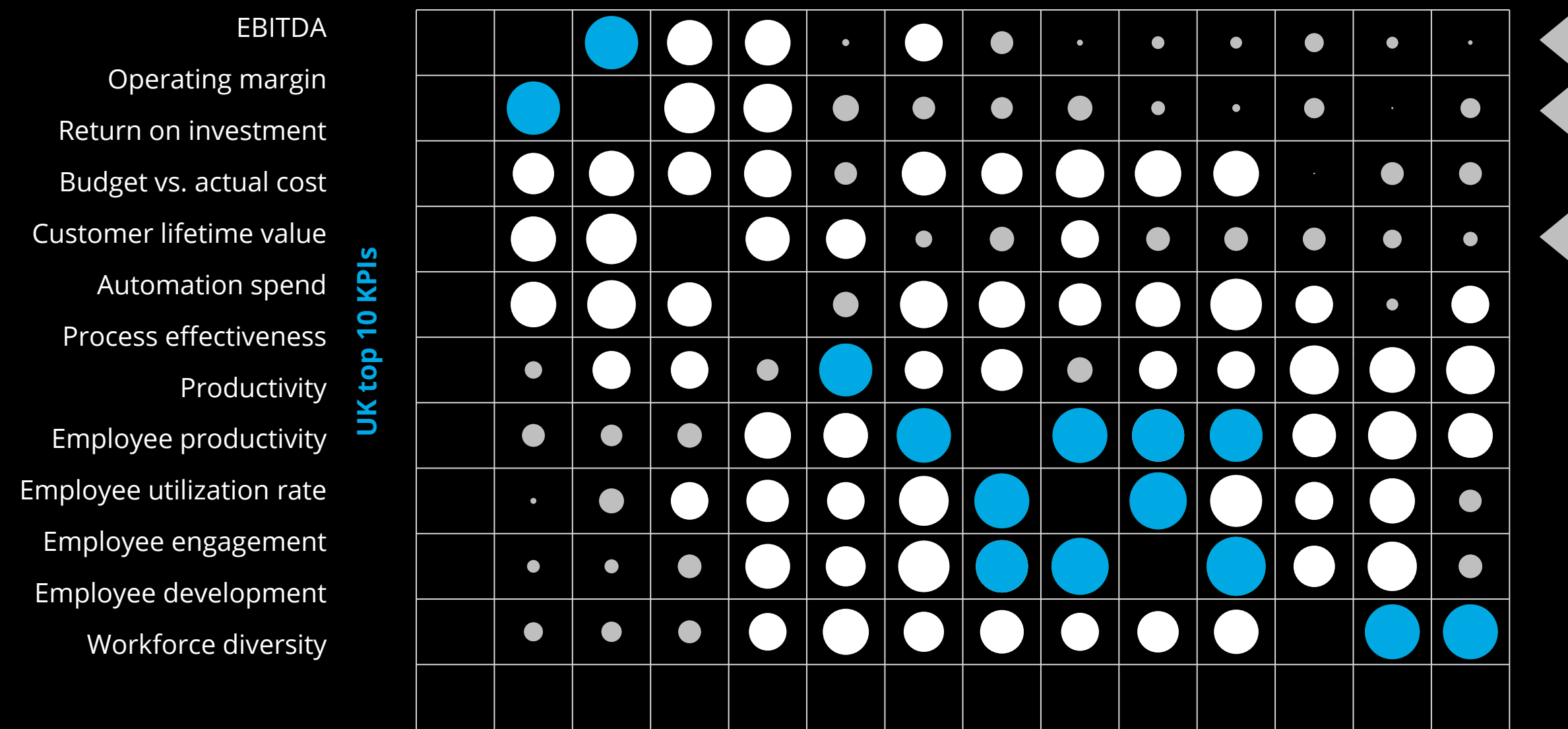
UK Utilization of Global Timeline Value Assessment





EBITDA, operating margin, and customer lifetime value are top-priority KPIs with the lowest correlations with top-correlated KPIs

UK organizations' top 10 KPIs
Strong/very strong KPI links are in white and blue



● 0.00-0.19
● 0.20-0.39
● 0.40-1.00

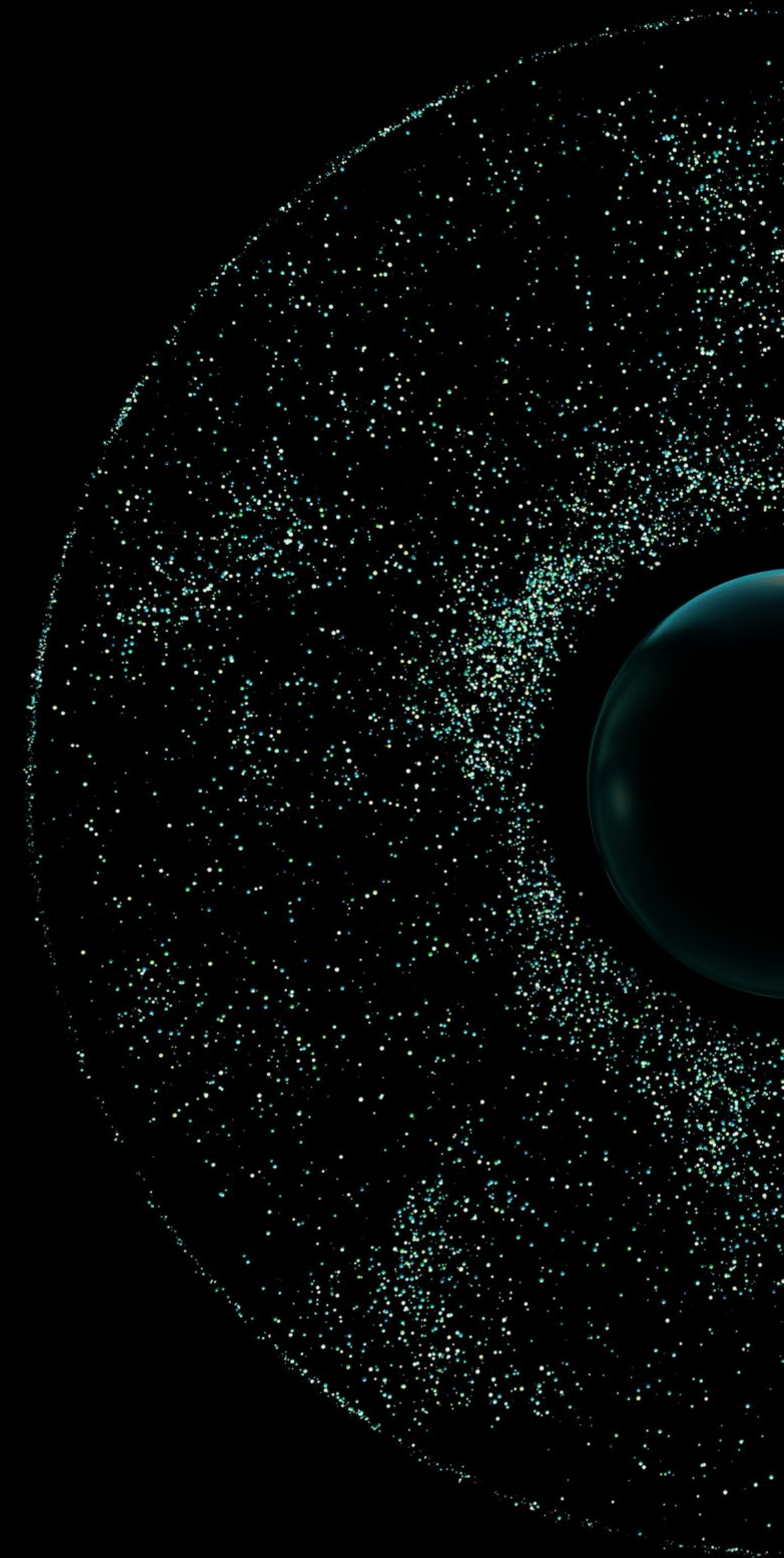
Focus on missing links to drive greater connection
 These KPIs are used together only 39% of the time or less

Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



Germany

n=150

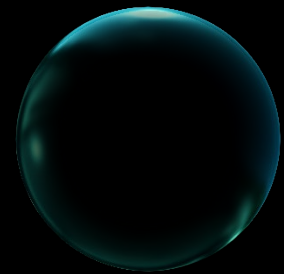


Leaders of German organizations surveyed lag others on enterprise value attributed to digital investments

German respondents are on par for spend but lagging for value



German respondents are spending on par with others but reporting less value.

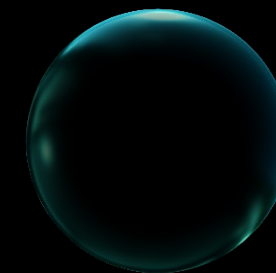


1 percentage point above the global baseline spend on (Level 4)

German organizations, however, have a more ambitious definition of digital transformation than this spend reflects. Top capability investments include:

- Data analytics
- Mobile
- Internet of Things (IoT)

Consider how spending on transformation and technology can advance your strategy.



8% less likely than global respondents to attribute medium/high (31% or more) enterprise value to their digital transformation

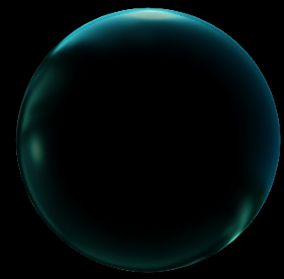
German respondents with medium and high enterprise value attributed to their digital transformations are investing less in advanced technologies such as federated security, speech and gesture interfaces, and cryptography. They could consider assessing if these technologies can enable business capabilities to increase their value gains.

German respondents appear to be in a lagging position regarding digital tech monetization by nine-percentage-points compared to the baseline global respondents. They might consider increasing their investment to help benefit from the potential of capturing additional value. Given investments in digital transformation are above the global baseline, this may be a matter of reallocating existing funds to becoming a platform business, joint ventures with academic institutions, and online communities.



German respondents report less enterprise value from digital initiatives versus others

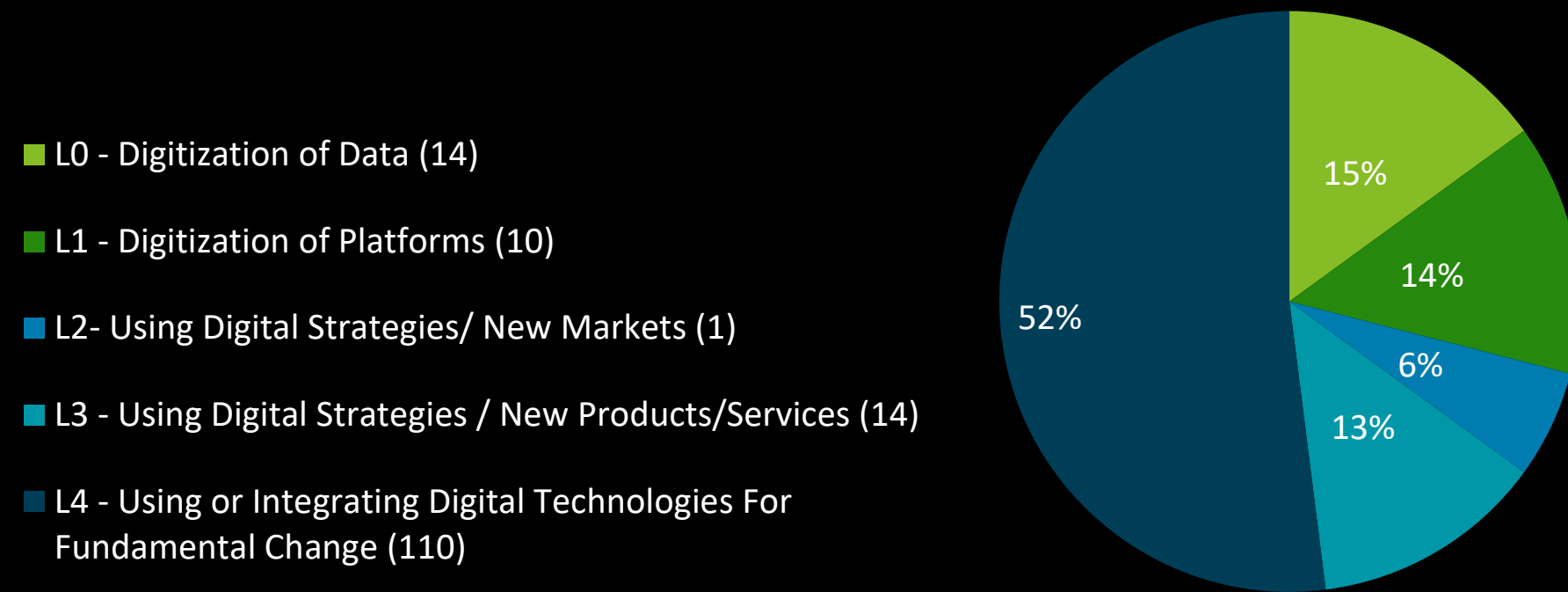
They also spend less of their budget on digital tech monetization than others



Digital spending and tech capability investments

52% of German spending/investments are focused on Level 4 digital transformation.

German spend on five spectrum levels



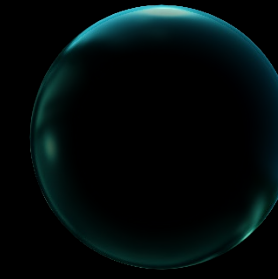
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Data analytics	89%
Cloud platforms	77%
Internet of Things (IoT)	75%
Mobile	74%
Cloud native application	64%

Of German respondents focusing on Level 4:

26% - 28 organizations attribute medium to high value.

8% - 9 organizations spend medium to high on digital tech monetization.



Enterprise value from digital

24% (31% or more) | Value to digital transformation

The following are the top 5 tech capabilities that German respondents believed to be generating enterprise value.

Data analytics	89%
Artificial intelligence (AI) and machine learning	80%
Internet of Things (IoT)	79%
Cloud platforms	77%
User and entity behavior analytics (UEBA)	73%

German respondents are investing below baseline (**8%**) with respect to **digital tech monetization**. Below are the top 5 monetization approaches that German respondents are using.

Customer personalization strategies via new products or services	33%
Selling direct access to your data to third parties	26%
Helping societies with essential data	24%
Becoming a platform business	22%
Repurposing internal data	19%

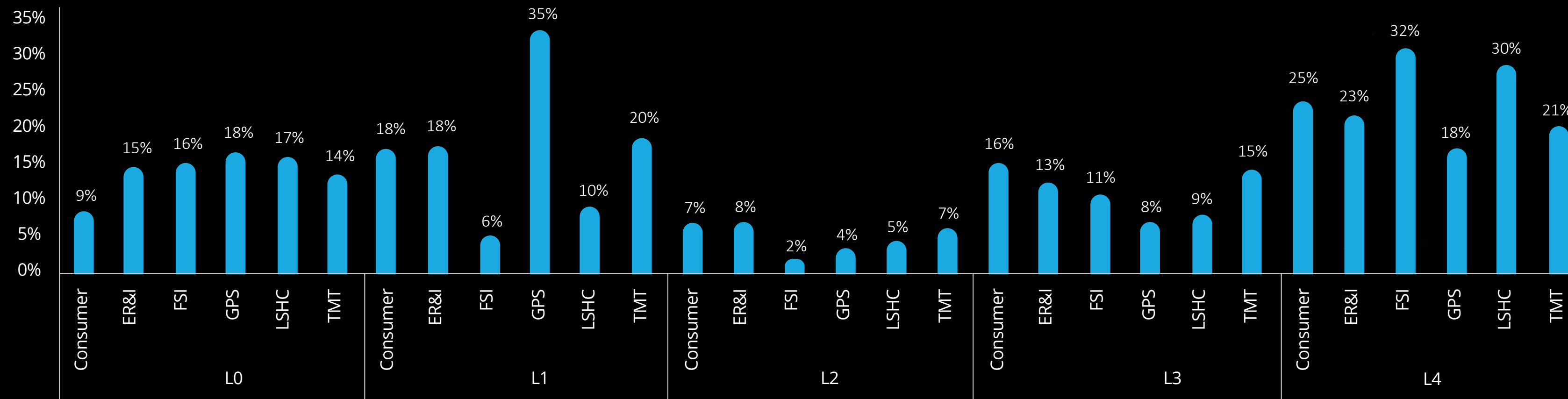


German TMT companies are value leaders. FSI and LSHC are the top spenders on Level 4 of DT

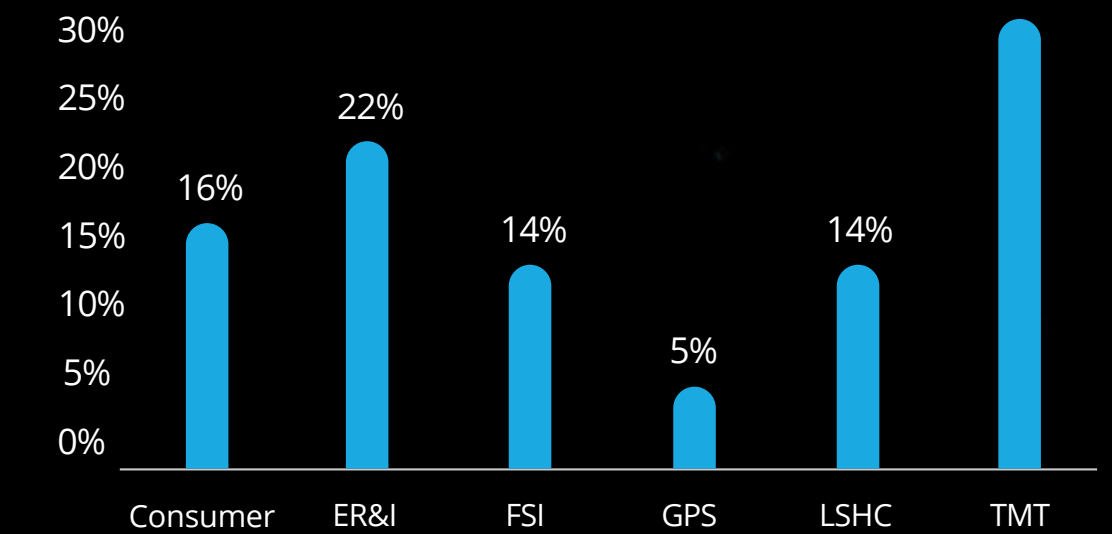
Spending levels are equally distributed across ownership structures on Level 4, However, nonprofits see less value to private (47%) and public (47%) companies



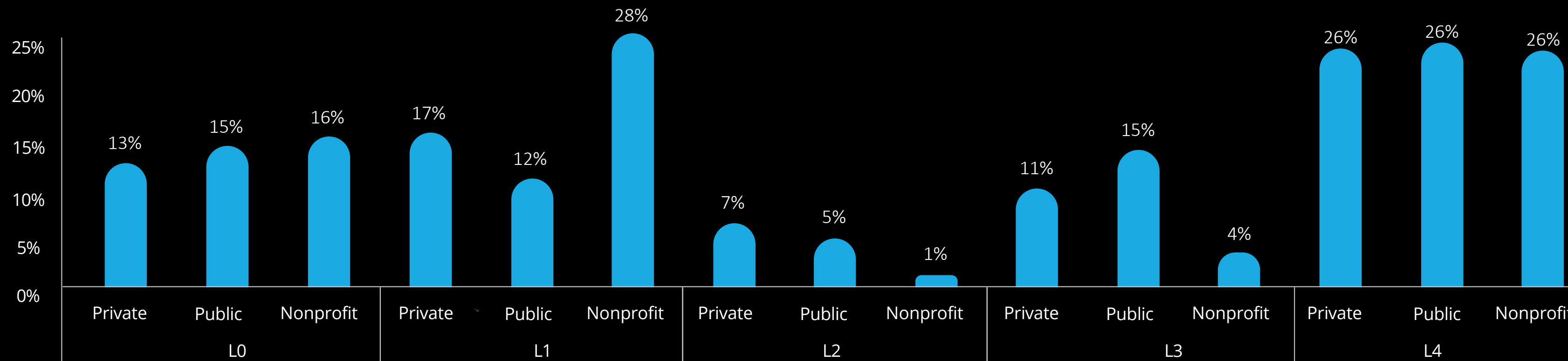
German spend on digital transformation across 5 levels by industry



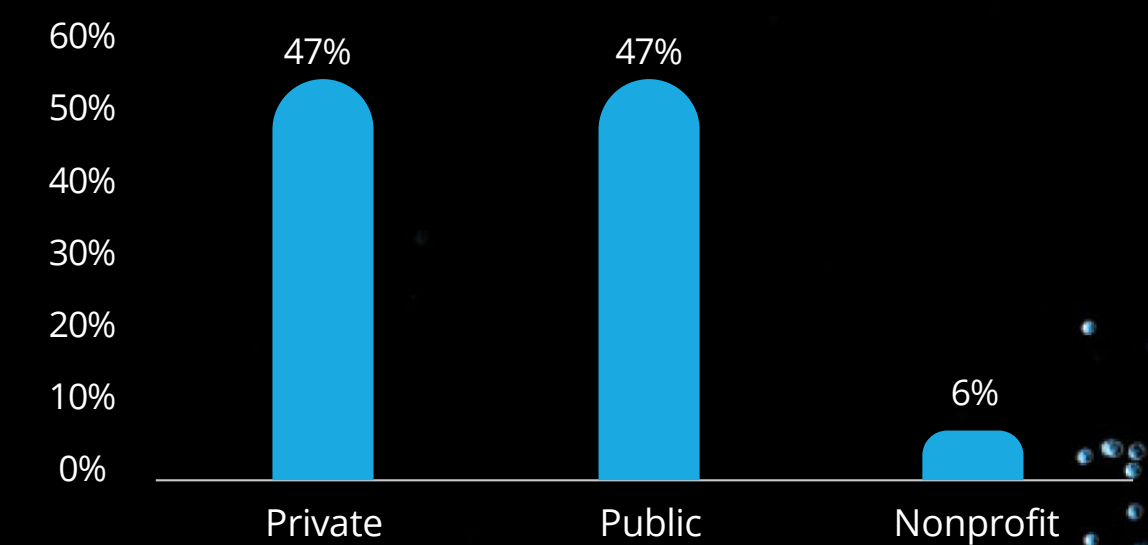
German enterprise value gained (medium/high) from digital initiatives by sector



German spend on digital transformation across 5 levels by ownership structure



German enterprise value gained (medium/high) from digital initiatives by ownership structure



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

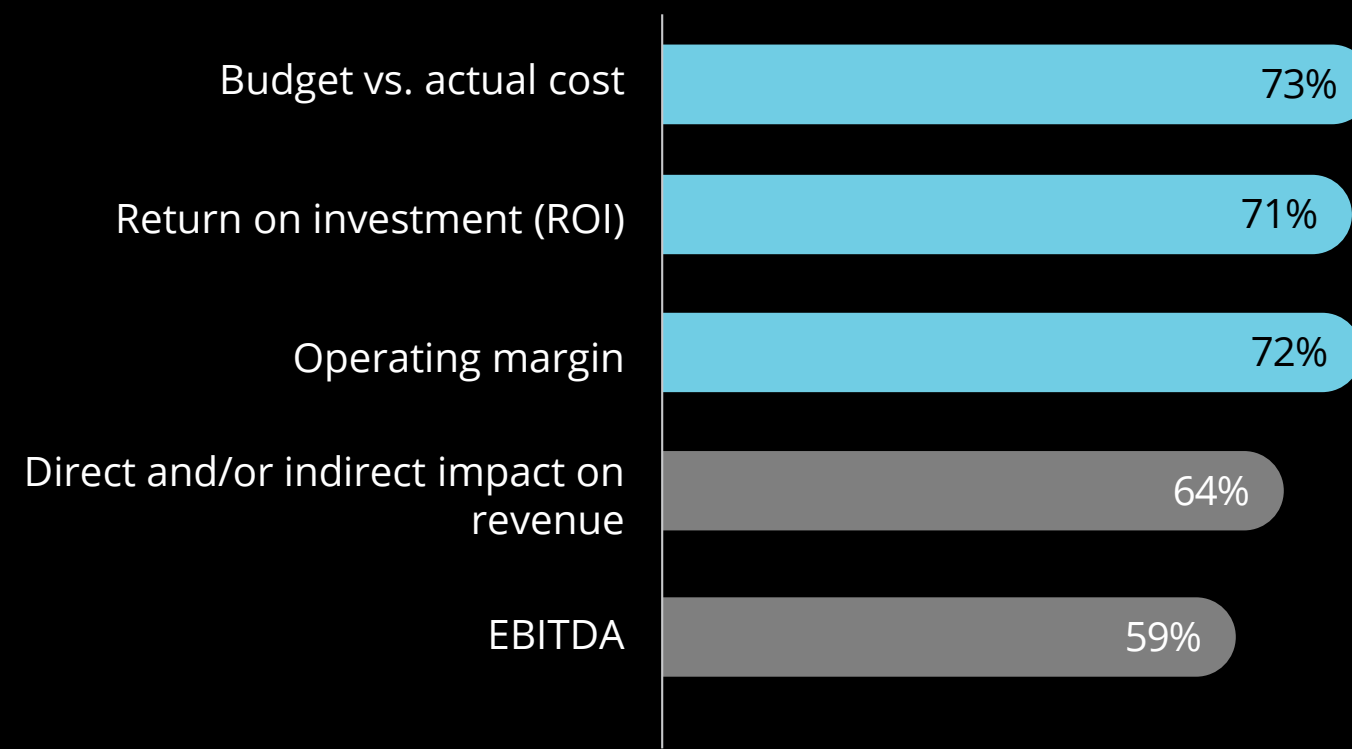


German organizations reported they are on par with global respondents with respect to their usage of process KPIs

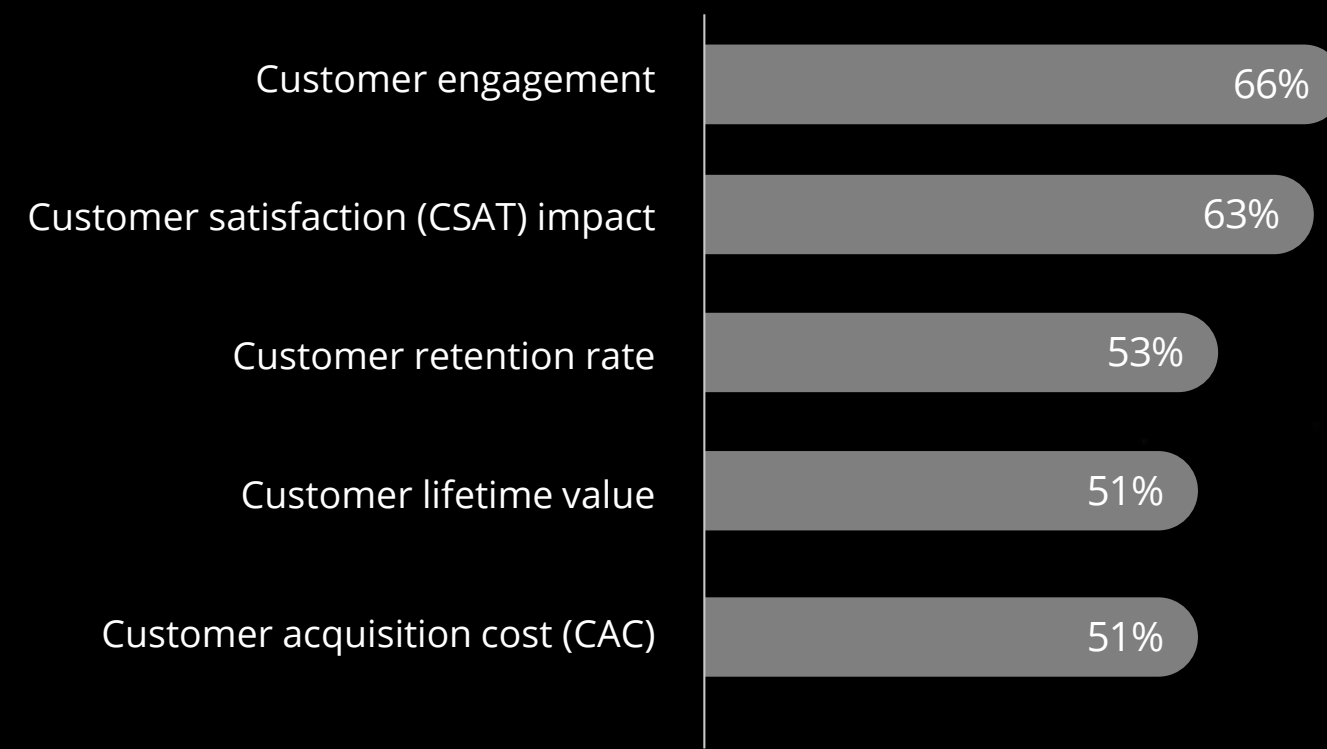
They are 6 percentage points more likely than global respondents to follow a biennial approach to value measurement assessment timelines



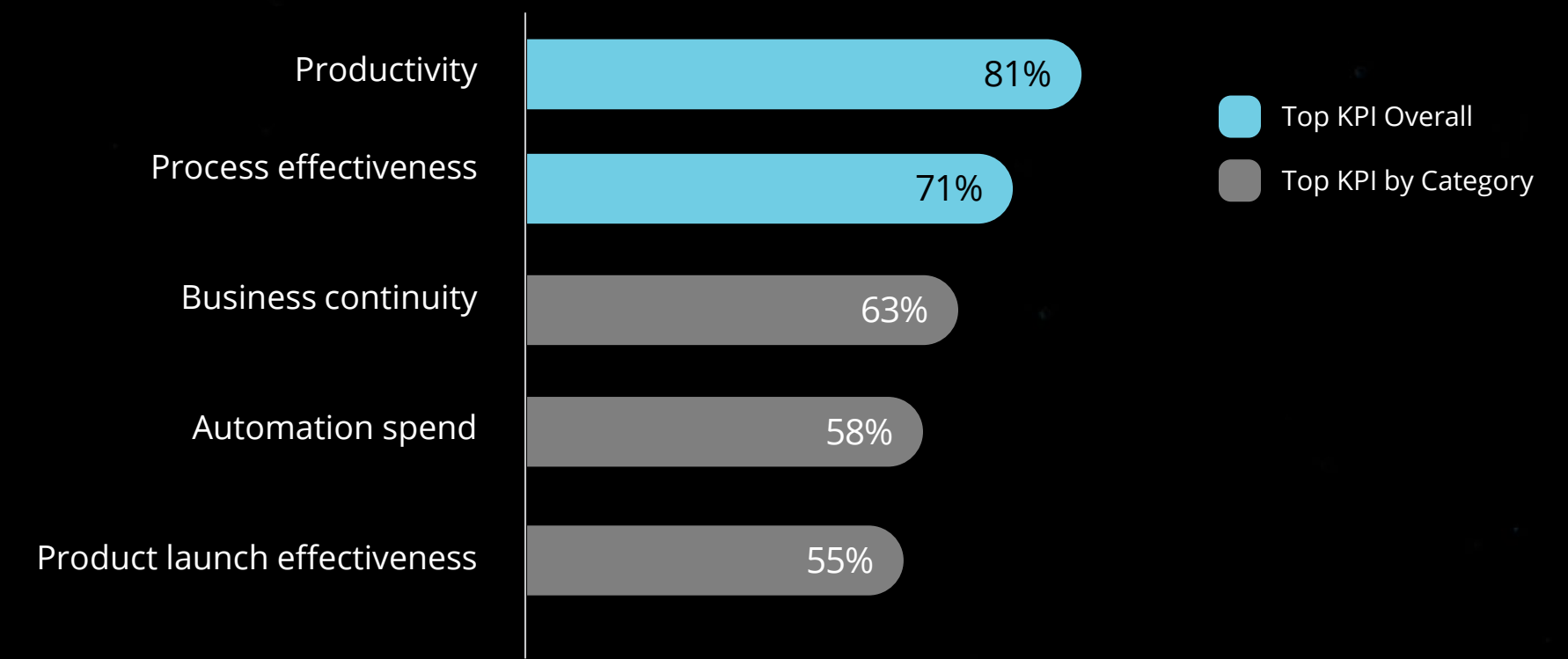
German Utilization of the Top Five Global Financial KPIs



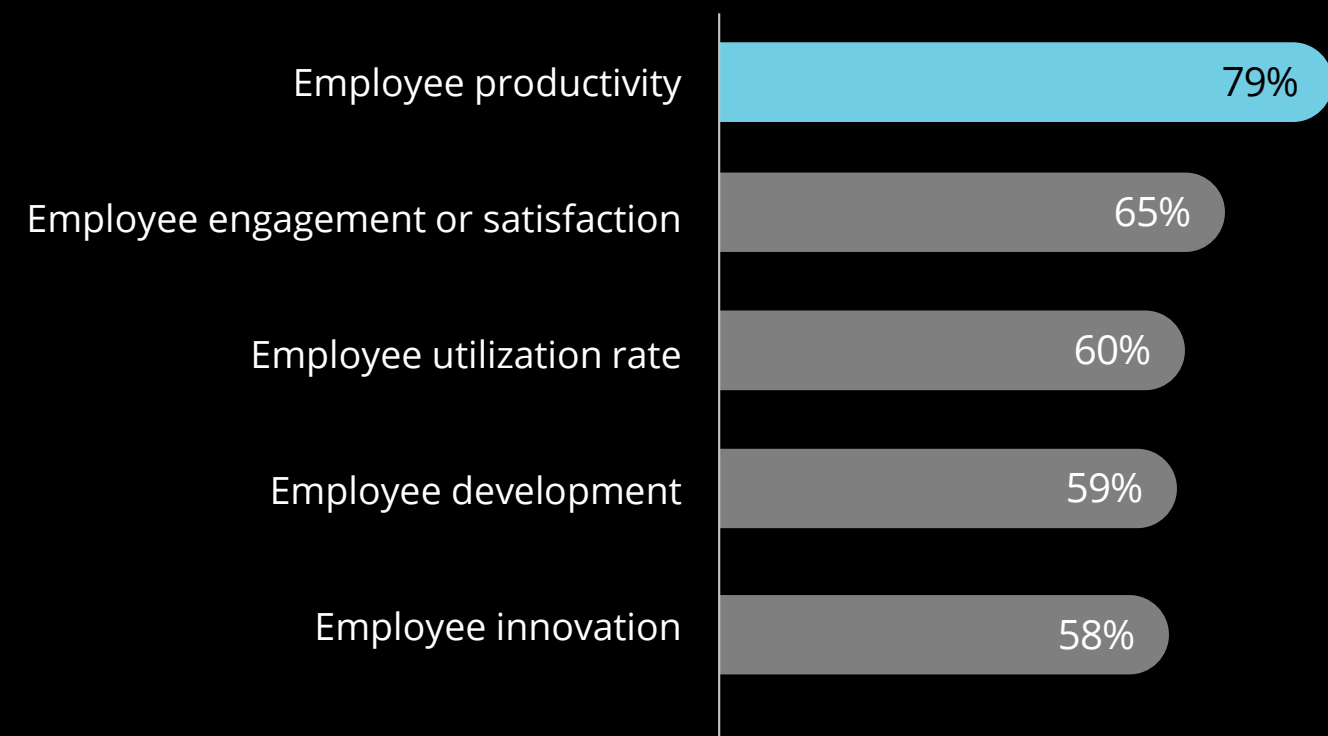
German Utilization of the Top Five Global Customer KPIs



German Utilization of the Top Five Process Financial KPIs



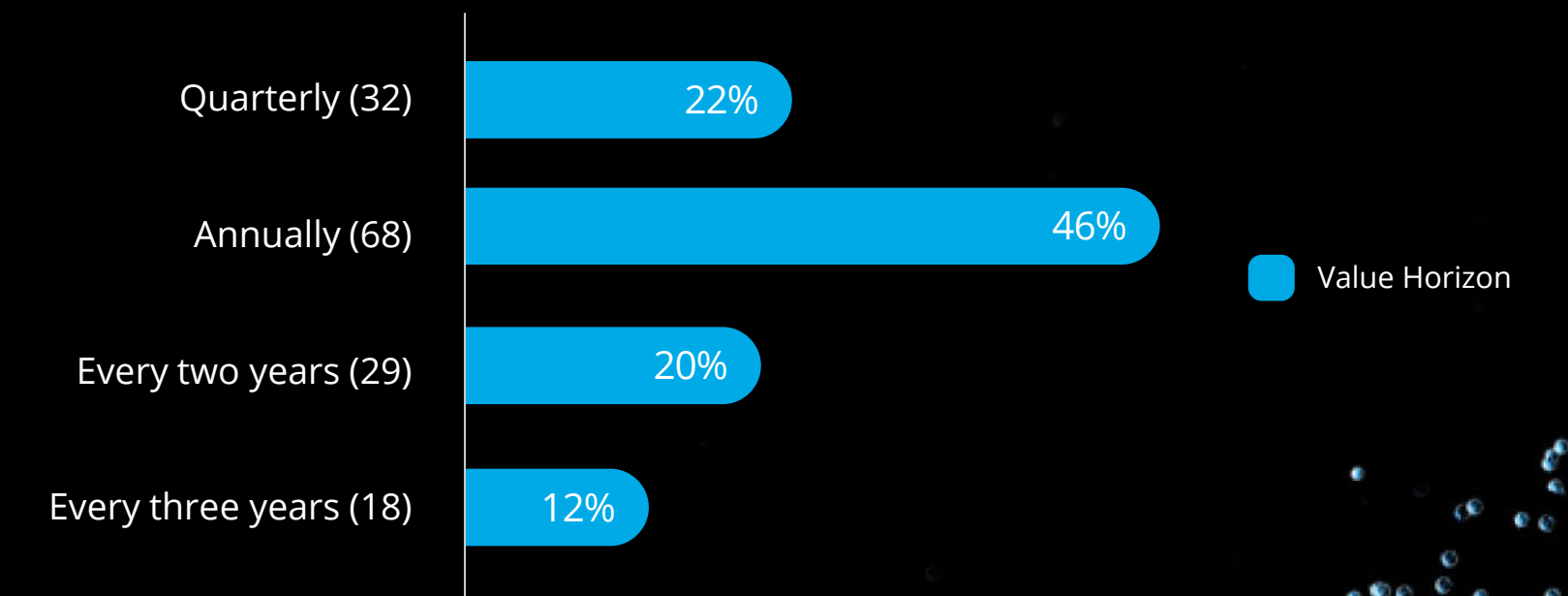
German Utilization of the Top Five Global Workforce KPIs



German Utilization of the Top Five Global Purpose KPIs



German Utilization of Global Timeline Value Assessment

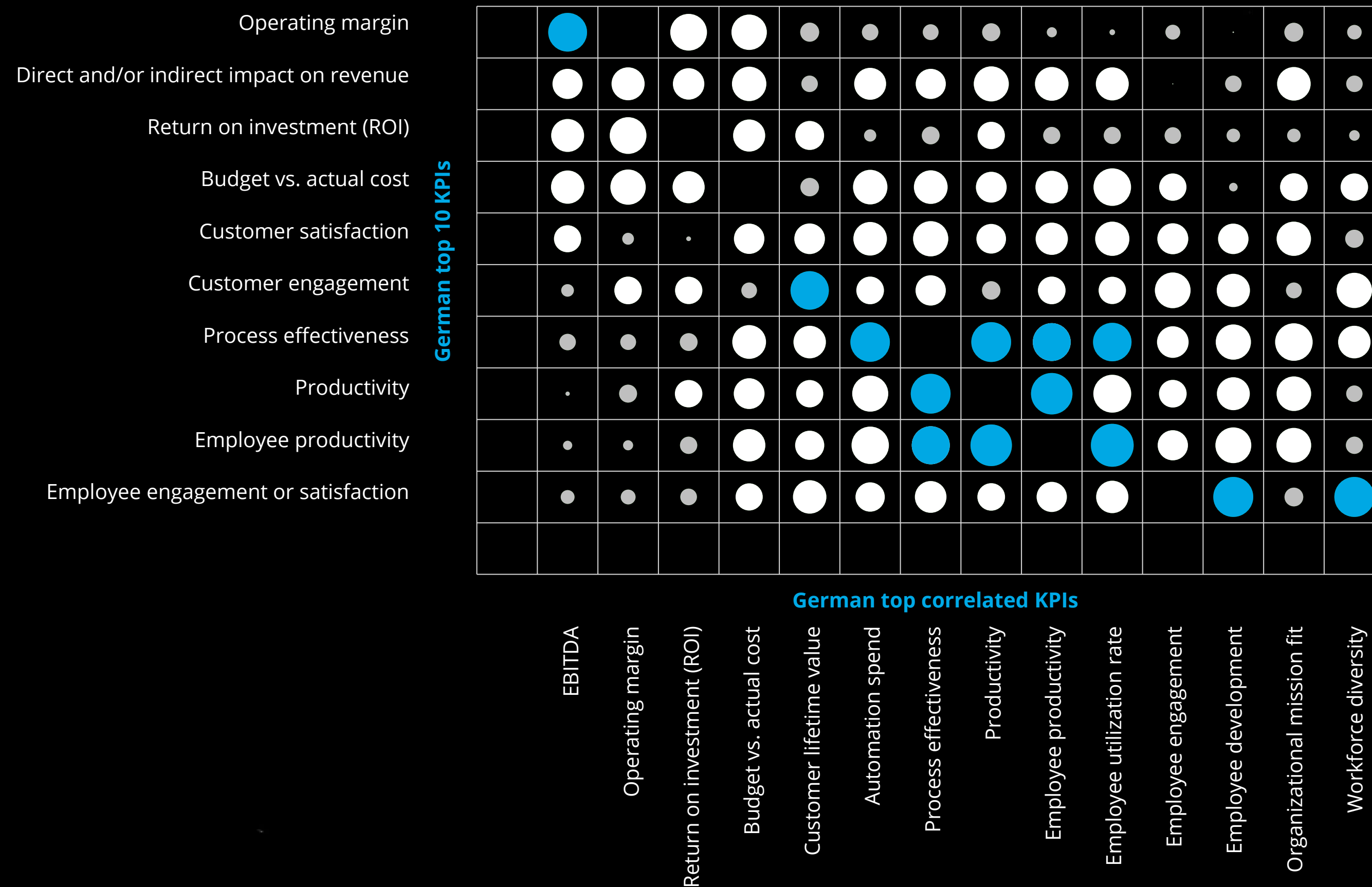


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Operating margin and return on investment are top-priority KPIs with the lowest correlations with top-correlated KPIs



German organizations' top 10 KPIs
Strong/very strong KPI links are in white and blue



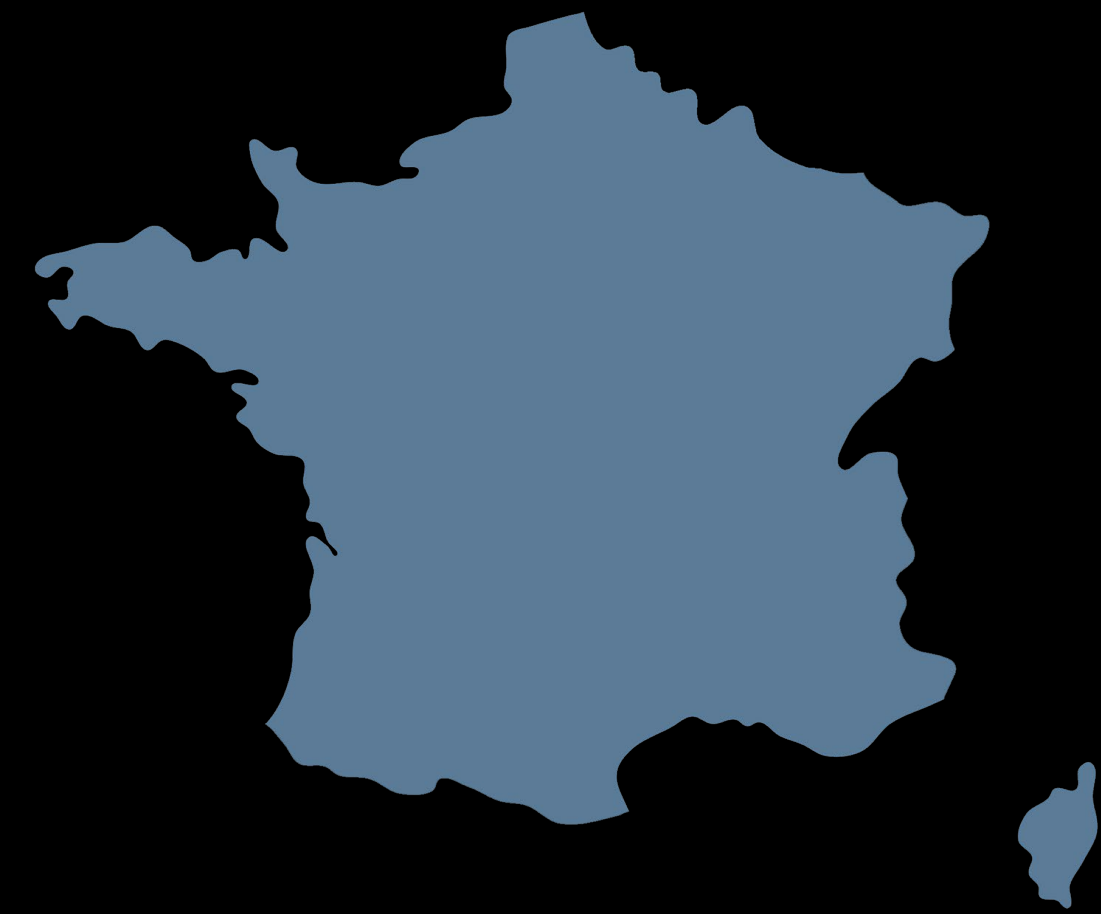
● 0.00-0.19

● 0.20-0.39

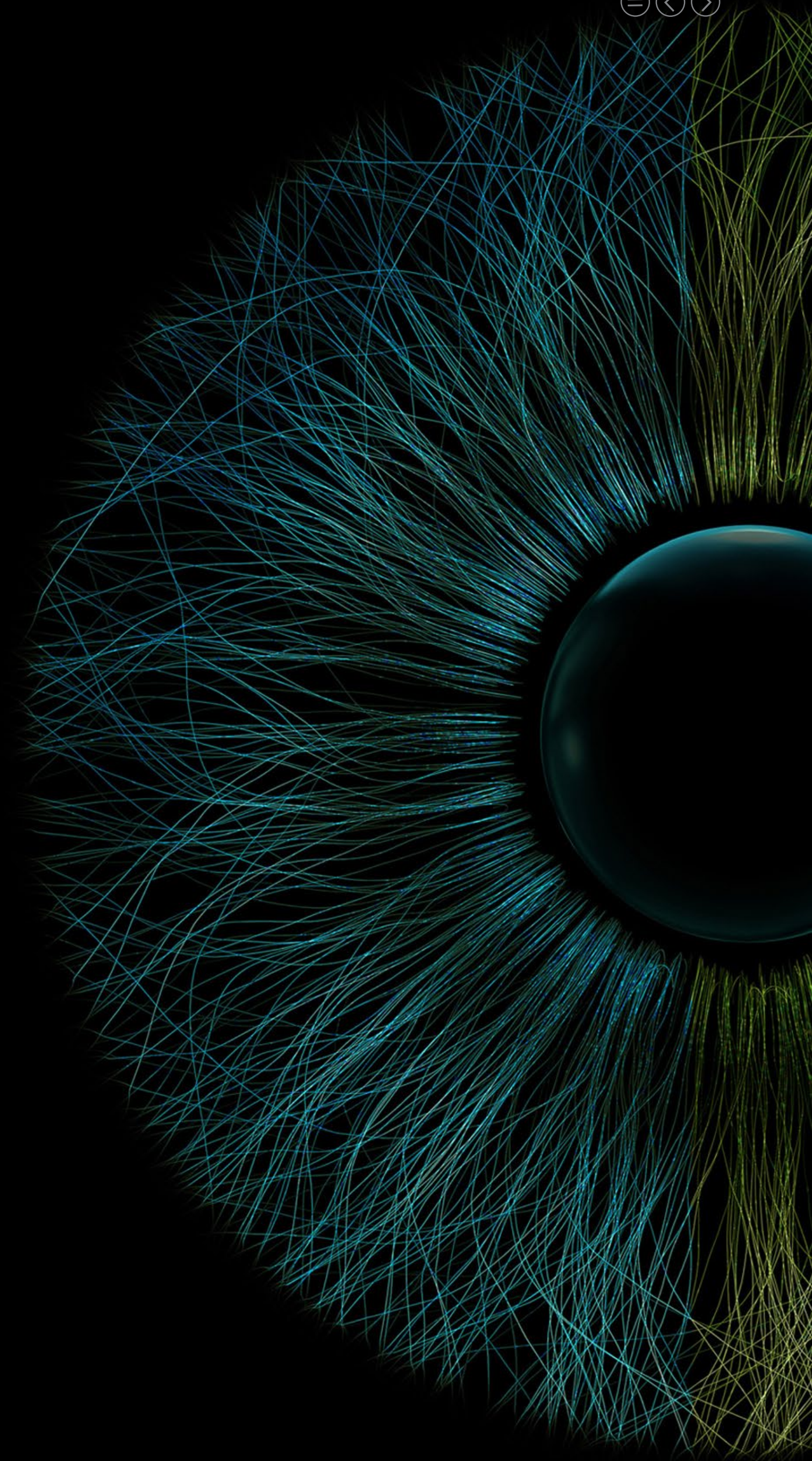
● 0.40-1.00

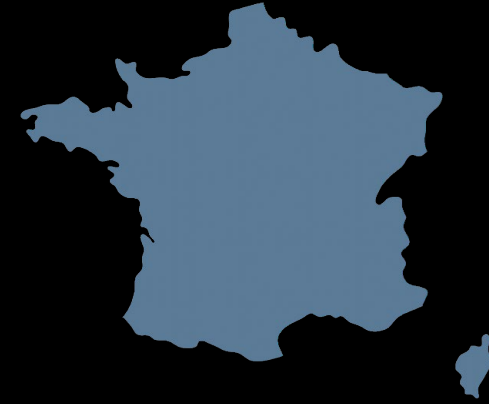
Focus on missing links to drive greater connection
These KPIs are used together only 39% of the time or less

Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



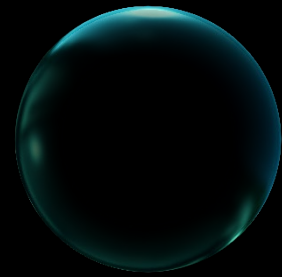
France
n=100





French organizations surveyed are more likely to spend on Level 4 change

However, they're below the global average for enterprise value attributed to digital initiatives

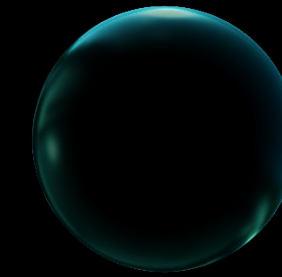


8% more likely to spend on (Level 4)

French organizations, however, have higher digital ambitions than this spend may reflect. Top capability investments include:

- Data analytics
- Cloud platforms
- Mobile

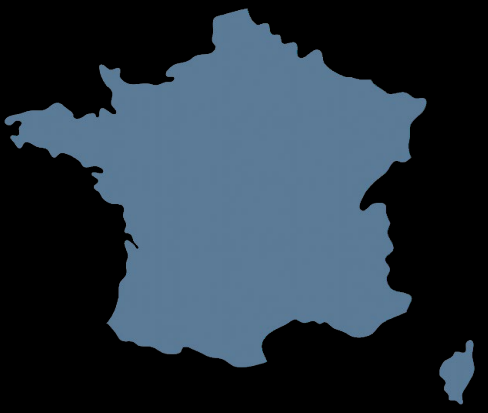
Consider how spending on transformation and technology can advance your strategy.



10% below global respondents that attribute medium to high enterprise value to digital initiatives (31% or more); French respondents are mostly above the global baseline in tech capabilities.

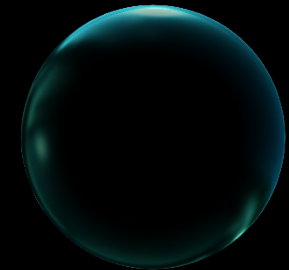
French organizations, however, with medium and high value attribution are investing less in advanced technologies such as quantum computing, metaverse, speech and gesture interfaces, and federated security. They could consider assessing if these technologies can enable business capabilities to increase their value gains.

French respondents appear to be in a lagging position regarding spending on digital tech monetization by eight-percentage-points compared to the baseline global respondents. While their investments in digital transformation appear to be in a progressive state, they might consider increasing their allocation to monetization, so that they can augment the value that is attributed to digital transformation. Some strategies include customer personalization strategies via new products or services, becoming a platform business, and a venture arm to test new business models.



French organizations surveyed are spending more than others

However, they appear to lag in enterprise value attributed to digital initiatives

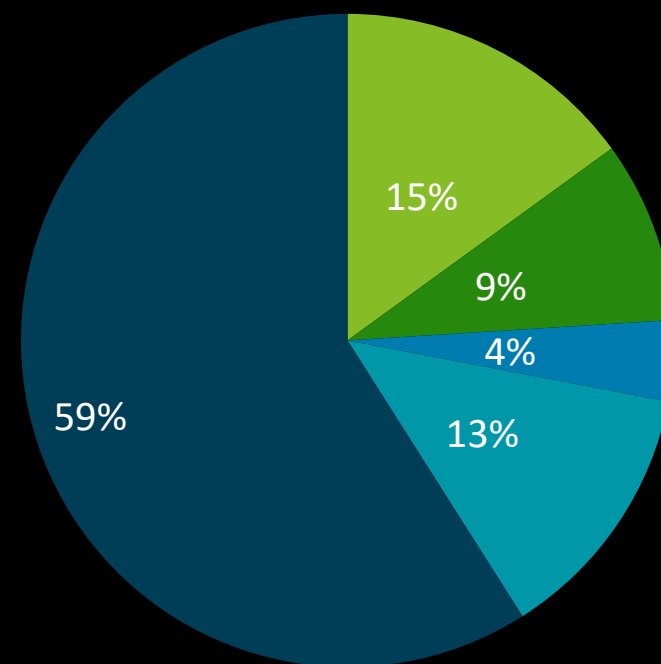


Digital spending and tech capability investments

59% of French spending/investments are focused on Level 4 digital transformation.

French spend on five spectrum levels

- L0 - Digitization of Data (11)
- L1 - Digitization of Platforms (5)
- L2 - Using Digital Strategies/ New Markets (2)
- L3 - Using Digital Strategies / New Products/Services (11)
- L4 - Using or Integrating Digital Technologies For Fundamental Change (71)

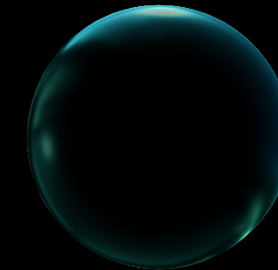


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Data analytics	96%
Cloud platforms	82%
Mobile	79%
Internet of Things (IoT)	79%
Broadband and wireless (up to 4G)	70%

Of French respondents focusing on Level 4:

- 25%** - 17 organizations attribute medium to high value.
- 12%** - 8 organizations spend medium to high on digital tech monetization.



Enterprise value from digital

22% (31% or more) | Value to digital transformation

The following are the top 5 tech capabilities that French respondents believed to be generating enterprise value.

Mobile	100%
Augmented, virtual, and immersive reality (e.g., the metaverse)	92%
Speech and gesture interfaces	82%
User and entity behavior analytics (UEBA)	80%
Data analytics	80%

French respondents are investing below baseline (**9%**) with respect to **digital tech monetization**. Below are the top 5 monetization approaches that French respondents are using.

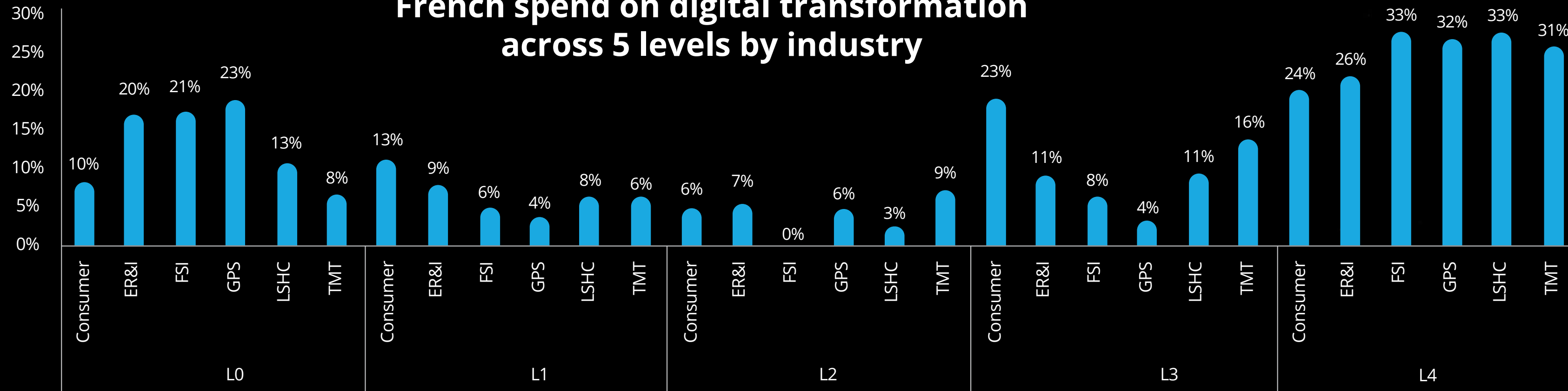
Selling direct access to your data to third parties	44%
Customer personalization strategies via new products or services	38%
Online communities	22%
Digital assets or currency	20%
Leveraging industry convergence trends	18%



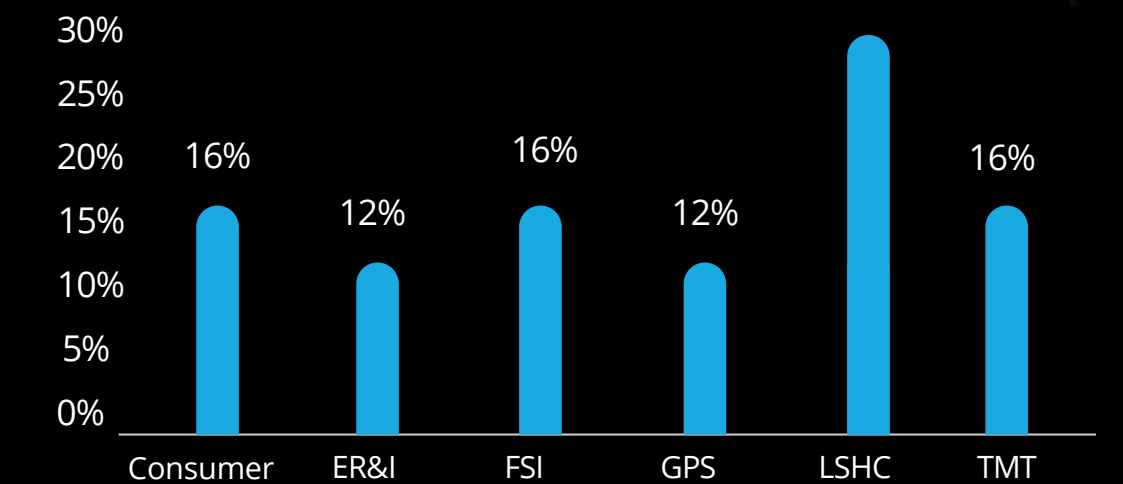
French LSHC companies are value leaders. They are also recognizable spenders on Level 4 of DT

While private respondents seem to be high spender on Level 4, they report a lower value than public (57%) companies are seeing

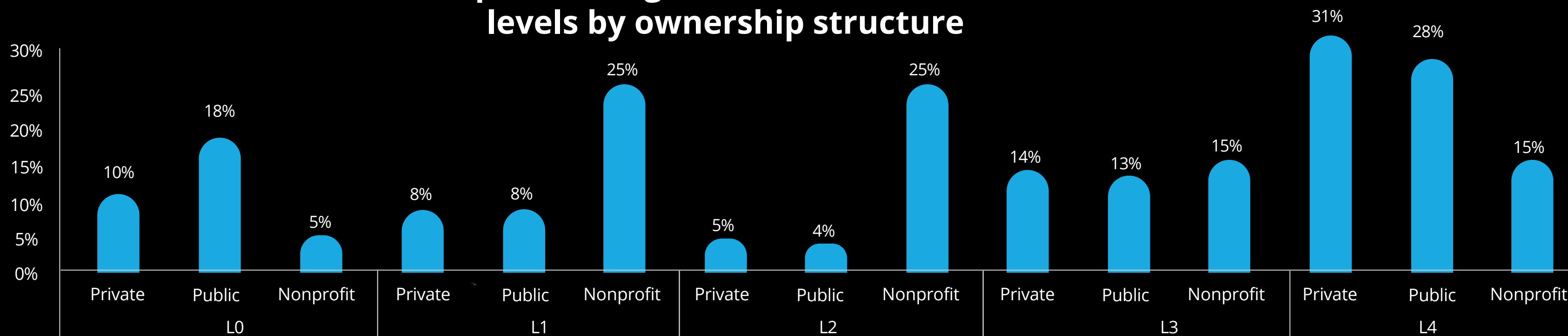
French spend on digital transformation across 5 levels by industry



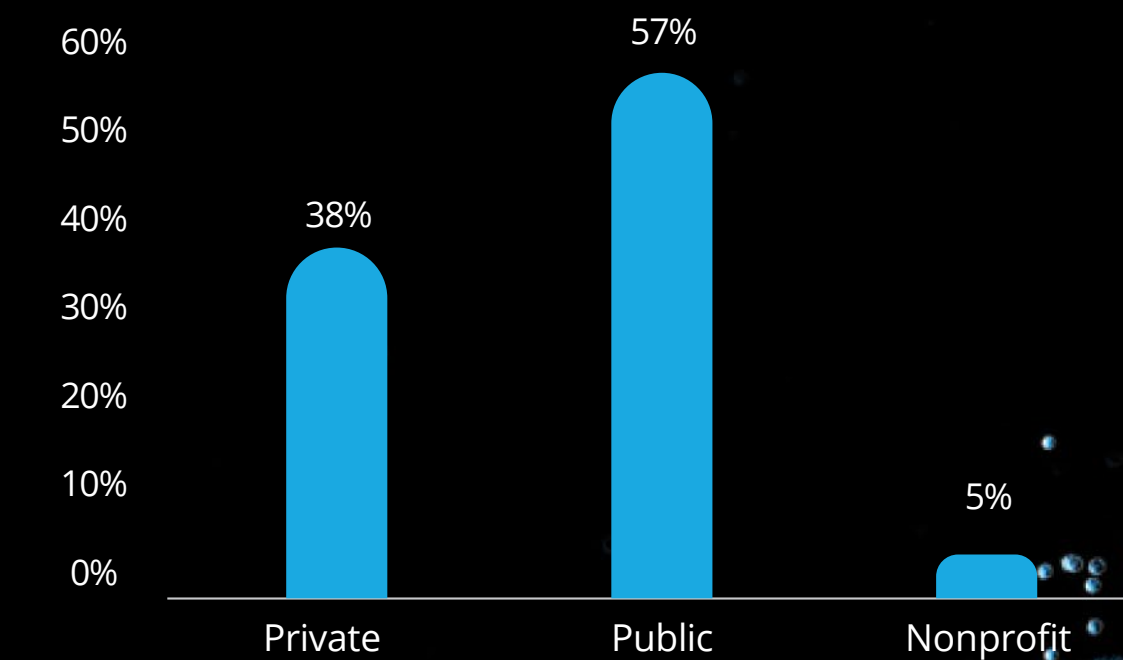
French enterprise value gained (medium/high) from digital initiatives by sector



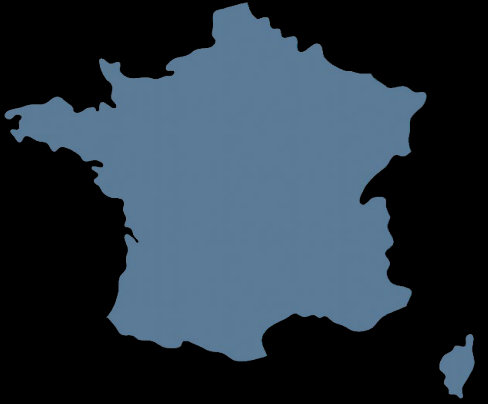
French spend on digital transformation across 5 levels by ownership structure



French enterprise value gained (medium/high) from digital initiatives by ownership structure



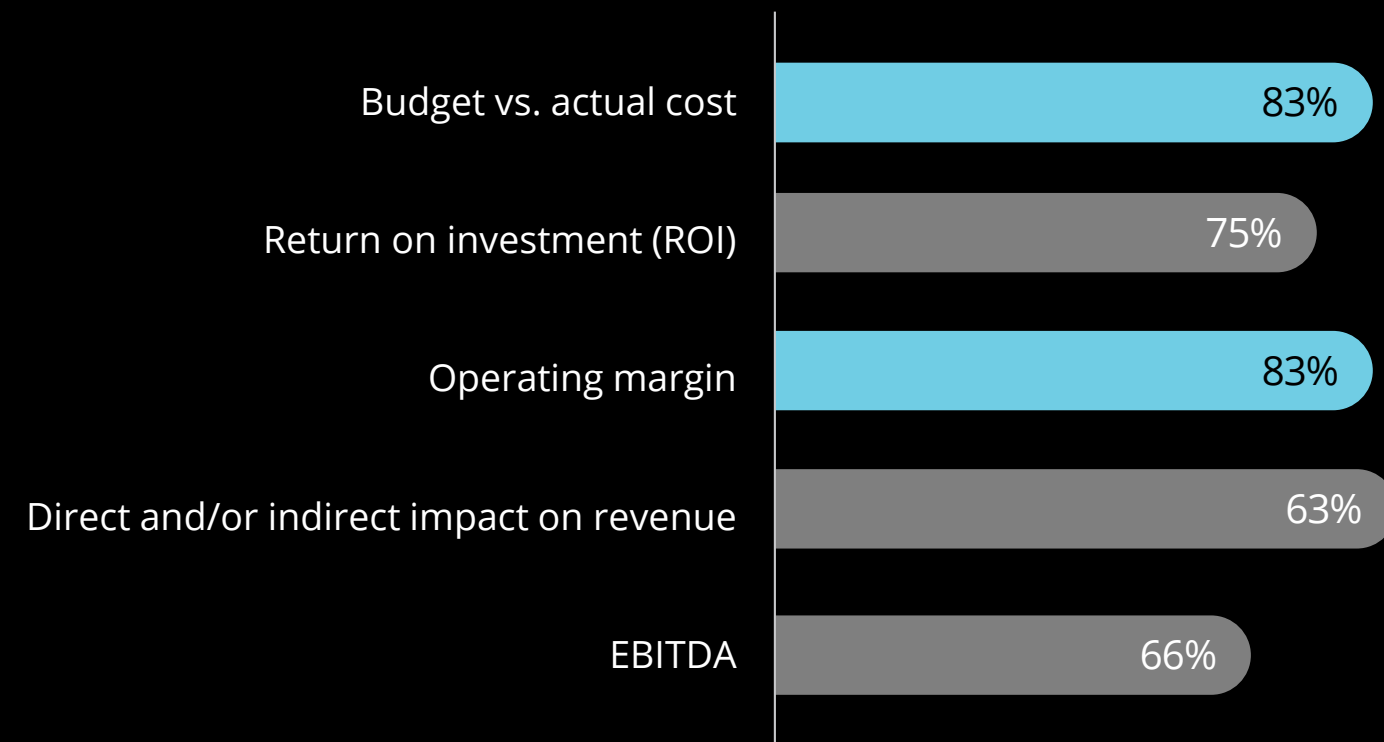
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



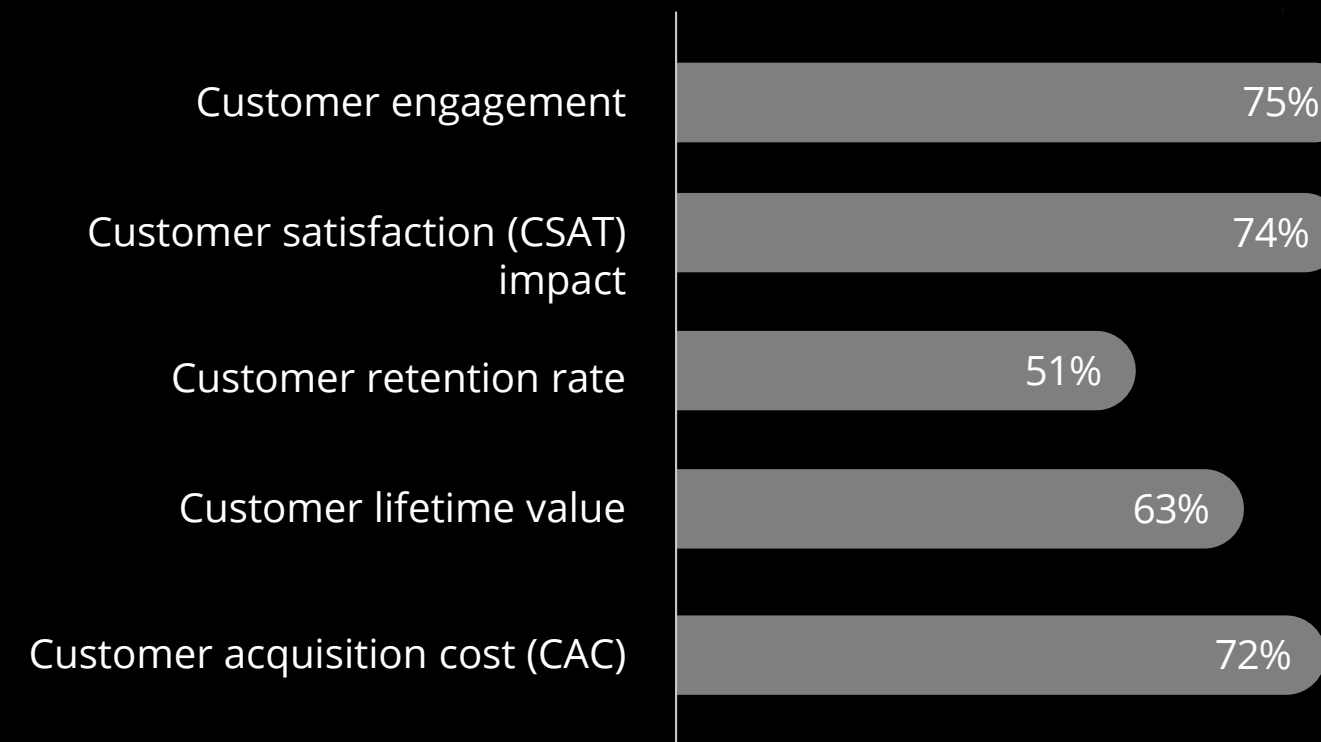
French organizations surveyed report using all the defined KPIs more than global respondents

French respondents are 17 percentage points more likely than global respondents to follow a once-every-three-years approach to value measurement assessment timelines

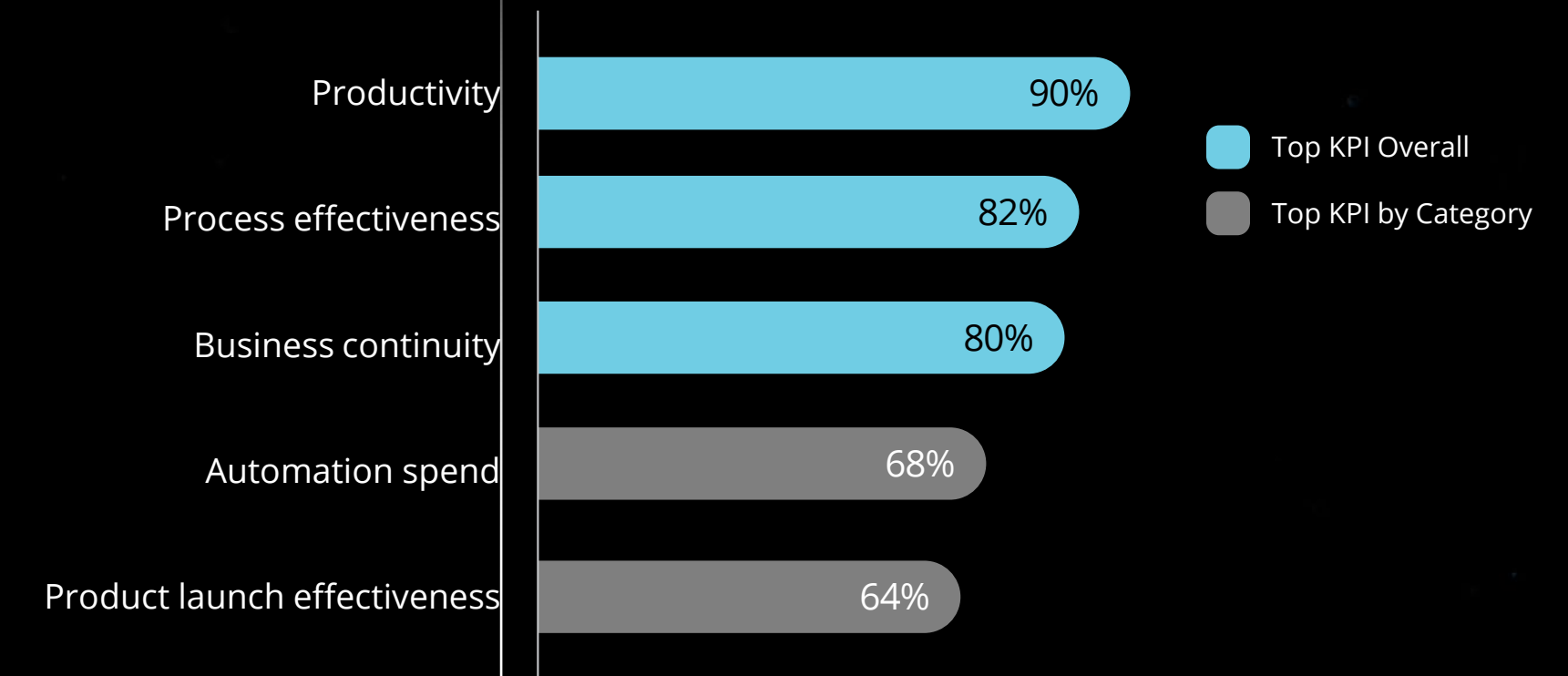
French Utilization of the Top Five Global Financial KPIs



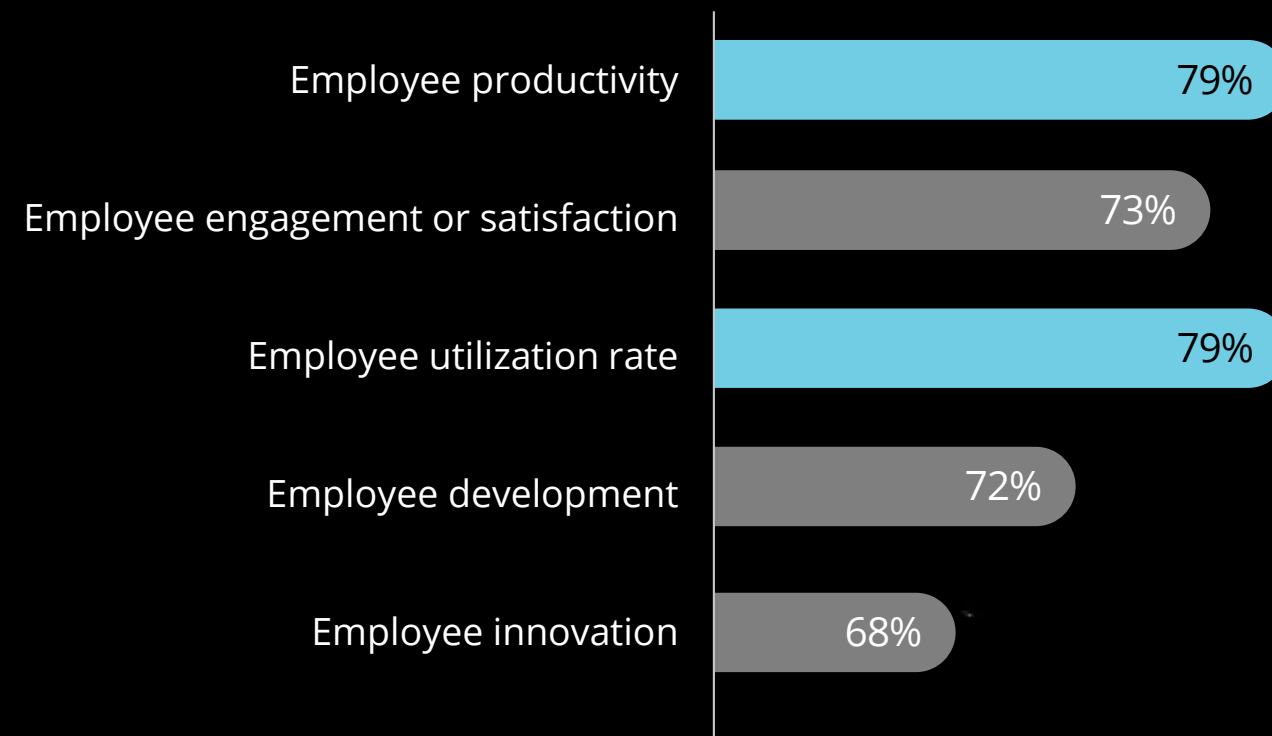
French Utilization of the Top Five Global Customer KPIs



French Utilization of the Top Five Process Financial KPIs



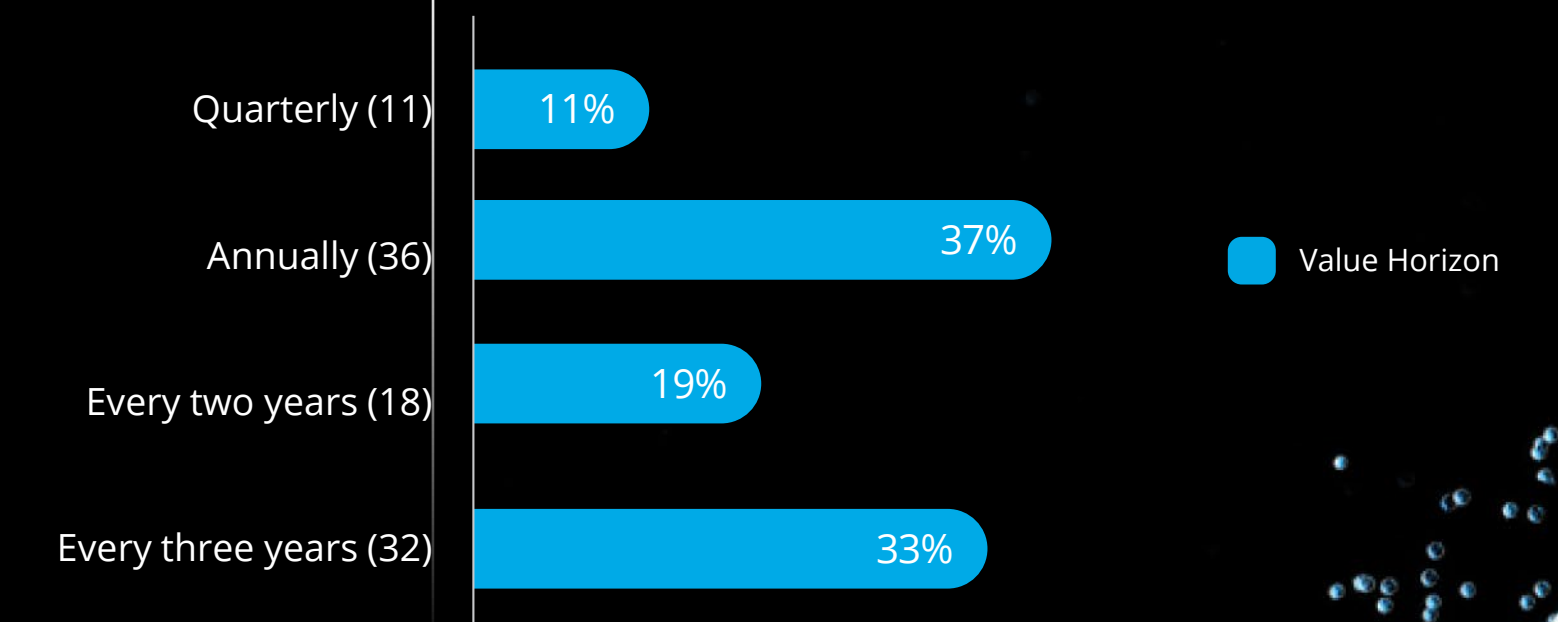
French Utilization of the Top Five Global Workforce KPIs



French Utilization of the Top Five Global Purpose KPIs



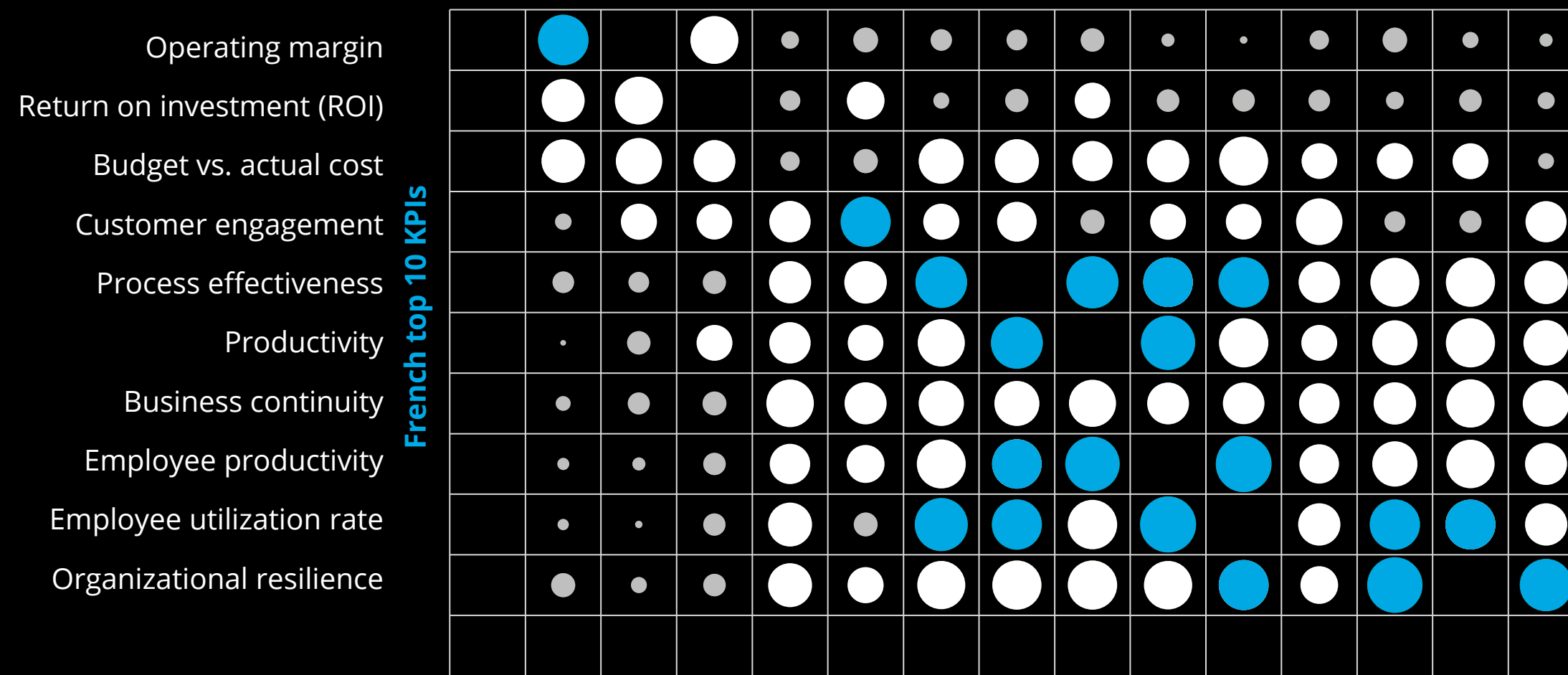
French Utilization of Global Timeline Value Assessment





Operating margin and return on investment are top-priority KPIs with the lowest correlations with top-correlated KPIs

French organizations' top 10 KPIs
Strong/very strong KPI links are in white and blue



● 0.00-0.19

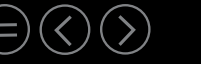
● 0.20-0.39

● 0.40-1.00

Focus on missing links to drive greater connection
These KPIs are used together only 39% of the time or less

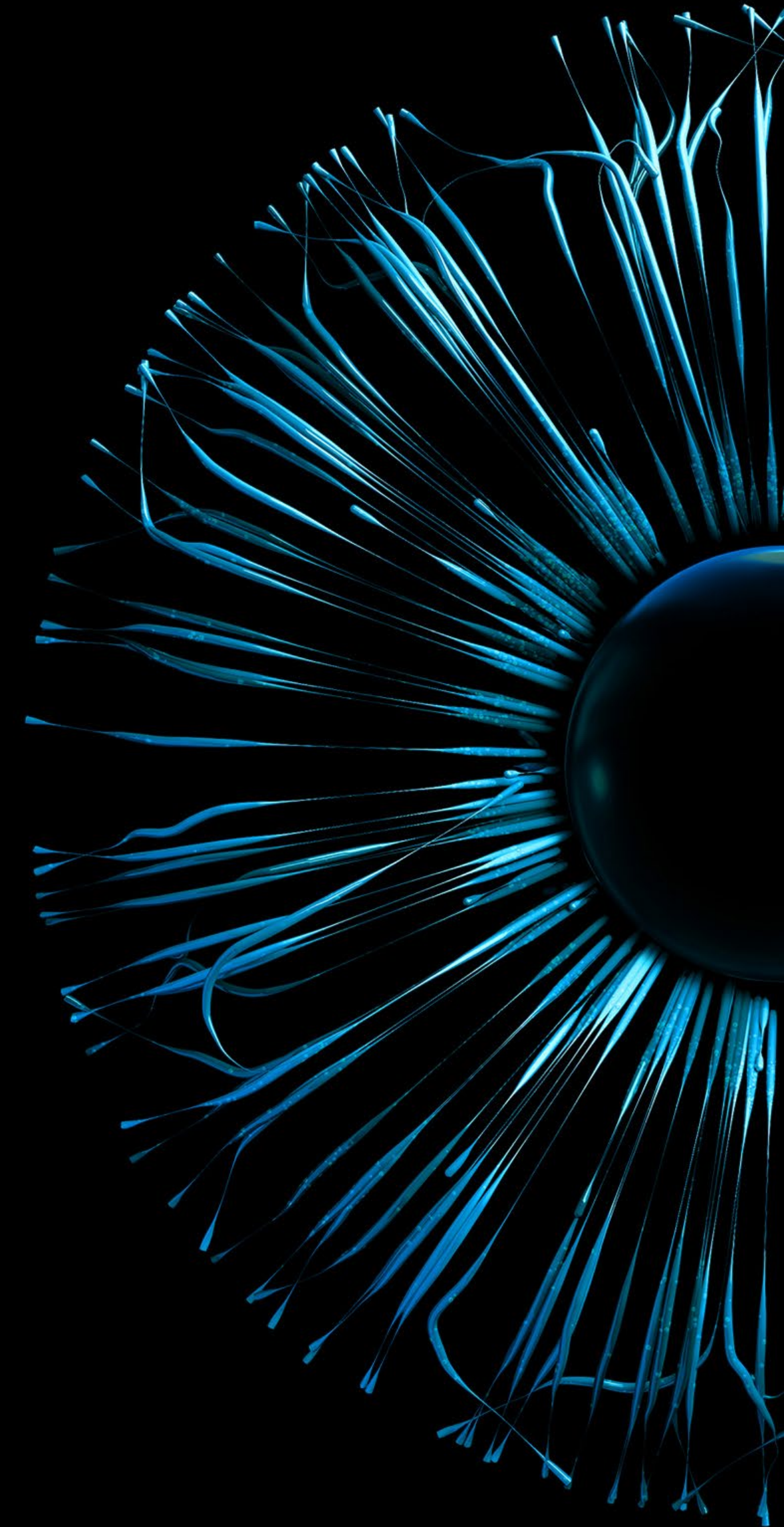
- French top correlated KPIs**
- EBITDA
 - Operating margin
 - Return on investment (ROI)
 - Intangible assets as a percentage of long-term assets
 - Customer lifetime value
 - Automation spend
 - Process effectiveness
 - Productivity
 - Employee productivity
 - Employee utilization rate
 - Employee engagement
 - Organizational mission fit
 - Organizational resilience
 - Organizational trust

Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



Australia

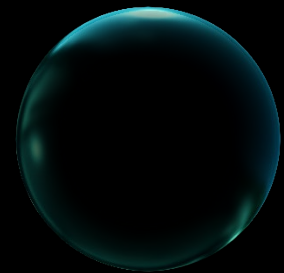
n=100





Australian organizations surveyed are on par with global spend on Level 4 transformation, but they're seeing below average returns

Australian respondents spend less than the baseline on digital tech monetization and are below average on enterprise value attribution



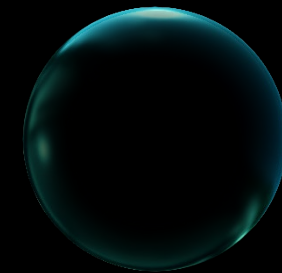
1 percentage point above the global average on spending/investments (Level 4)

Leaders from Australian organizations are slightly less ambitious than global respondents overall, but they are on par in terms of spend.

Top technology capability investments include:

- Data analytics
- Cloud platforms
- Mobile

Consider how spending on transformation and technology can advance your strategy.



8% below global respondents that attribute medium to high enterprise value to digital initiatives (31% or more)

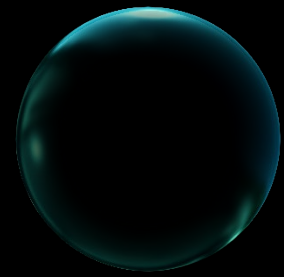
Australian organizations, however, with medium and high value attribution are investing less in advanced technologies such as quantum computing, deep learning, and speech and gesture interfaces. They could consider assessing if these technologies can enable business capabilities to increase their value gains.

Australian respondents appear to be in a lagging position regarding spending on monetization (by eight-percentage-points) compared to the baseline global respondents. While their investments in digital transformation are in parallel state with global overall, they might consider increasing their allocation to monetization, so that they augment the value that is attributed to digital transformation.



Australian organizations surveyed are above the global average on Level 4 spend

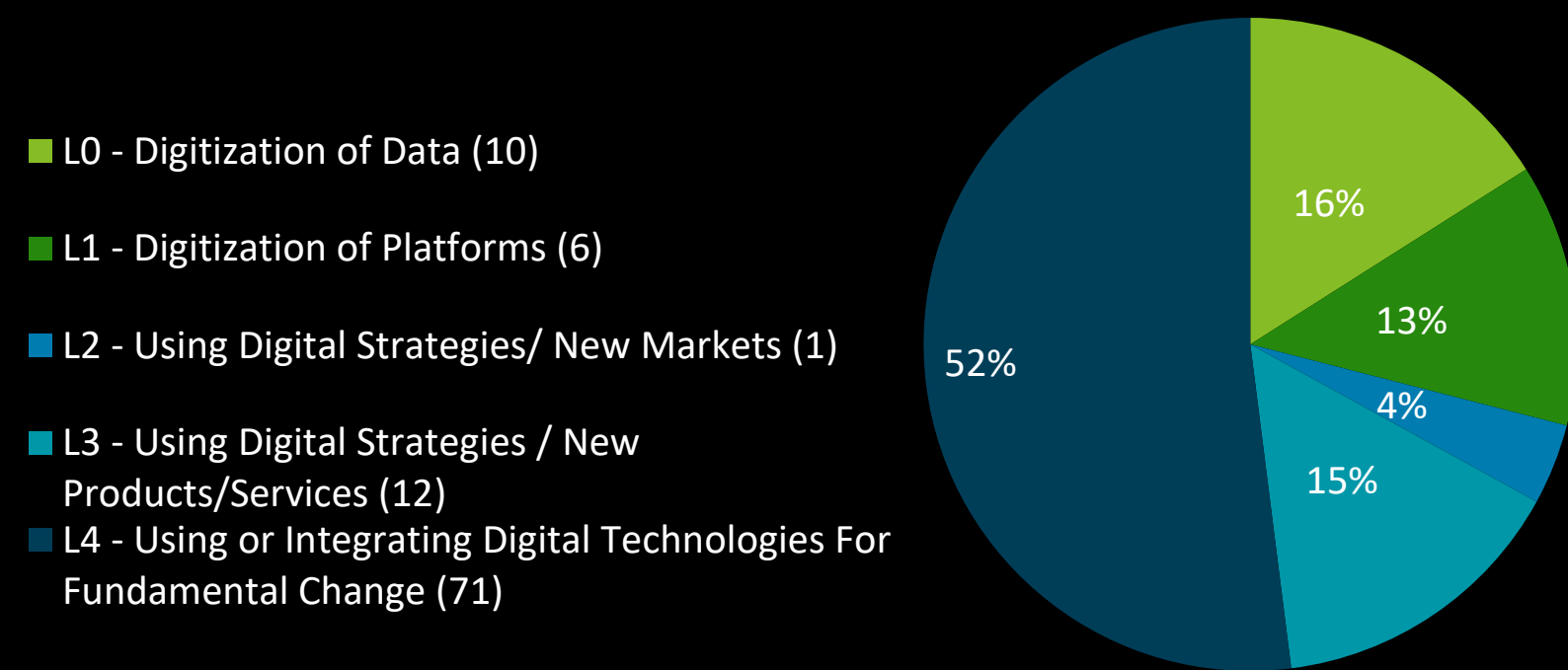
They lag on monetization spend and enterprise value attribution



Digital spending and tech capability investments

52% of Australian spending/investments are focused on Level 4 digital transformation.

Australian spend on five spectrum levels



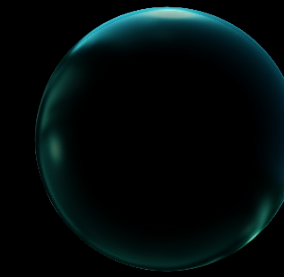
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Data analytics	95%
Cloud platforms	84%
Mobile	83%
Internet of Things (IoT)	76%
Identity and access management	72%

Of Australian respondents focusing on Level 4:

30% - 21 organizations attribute medium to high value.

11% - 8 organizations spend medium to high on digital tech monetization.



Enterprise value from digital

24% (31% or more) | Value to digital transformation

The following are the top 5 tech capabilities that Australian respondents believed to be generating enterprise value.

Data analytics	89%
Multi-modal user experience	85%
Quantum computing	80%
Artificial intelligence (AI) and machine learning	77%
Application programming interface (API) marketplaces	75%

Australian respondents are investing below baseline (**9%**) with respect to **digital tech monetization**. Below are the top 5 monetization approaches that Australian respondents are using.

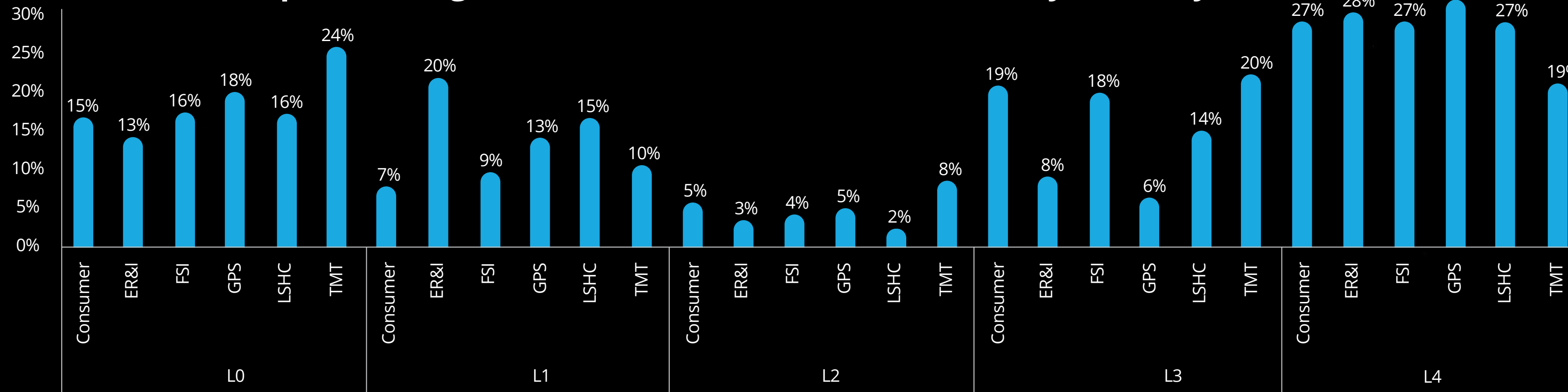
Helping societies with essential data	35%
Customer personalization strategies via new products or services	31%
Selling direct access to your data to third parties	29%
Leveraging industry convergence trends	20%
Repurposing internal data	19%



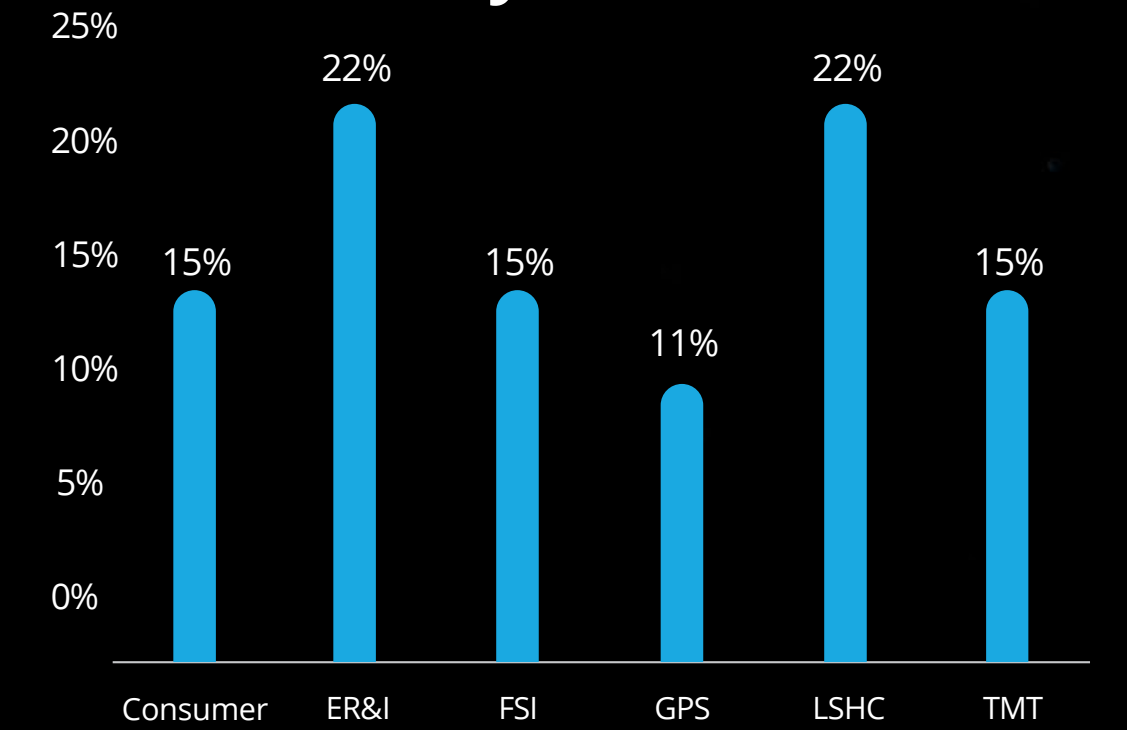
Australian LSHC and ER&I companies are value leaders within the region

While the spending is almost equally distributed across ownership structures, public companies report seeing a significantly higher value (74%)

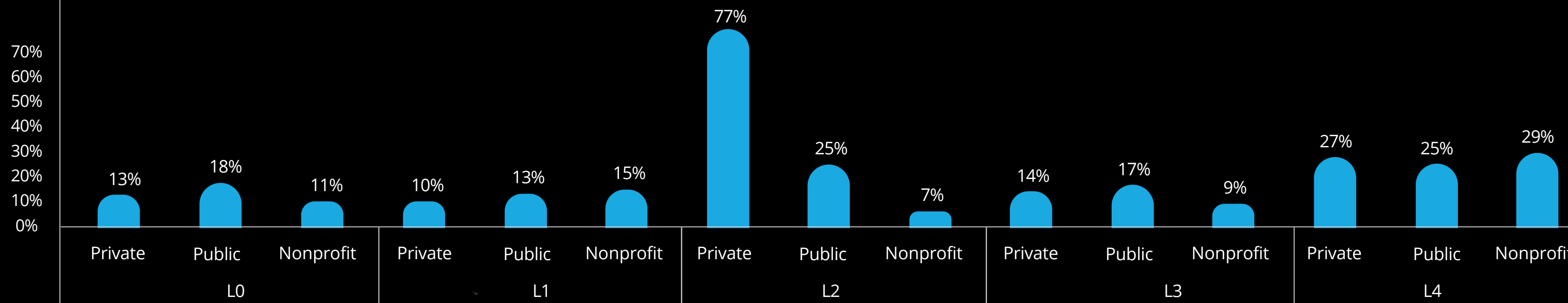
Australian spend on digital transformation across 5 levels by industry



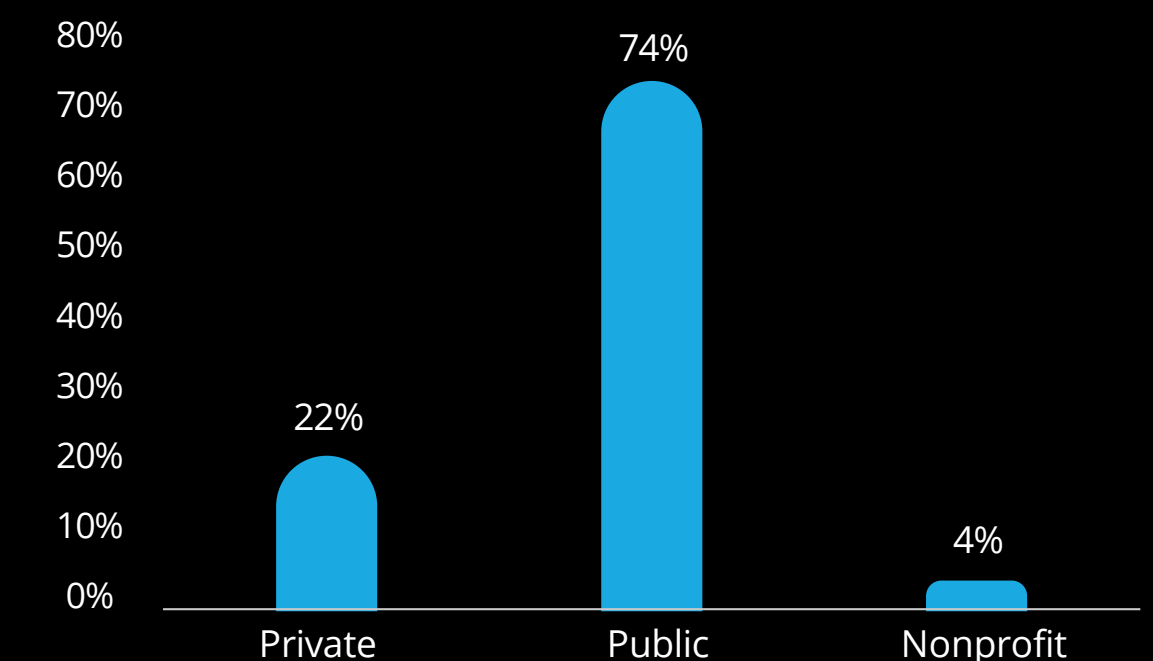
Australian enterprise value gained (medium/high) from digital initiatives by sector



Australian spend on digital transformation across 5 levels by ownership structure



Australian enterprise value gained (medium/high) from digital initiatives by ownership structure



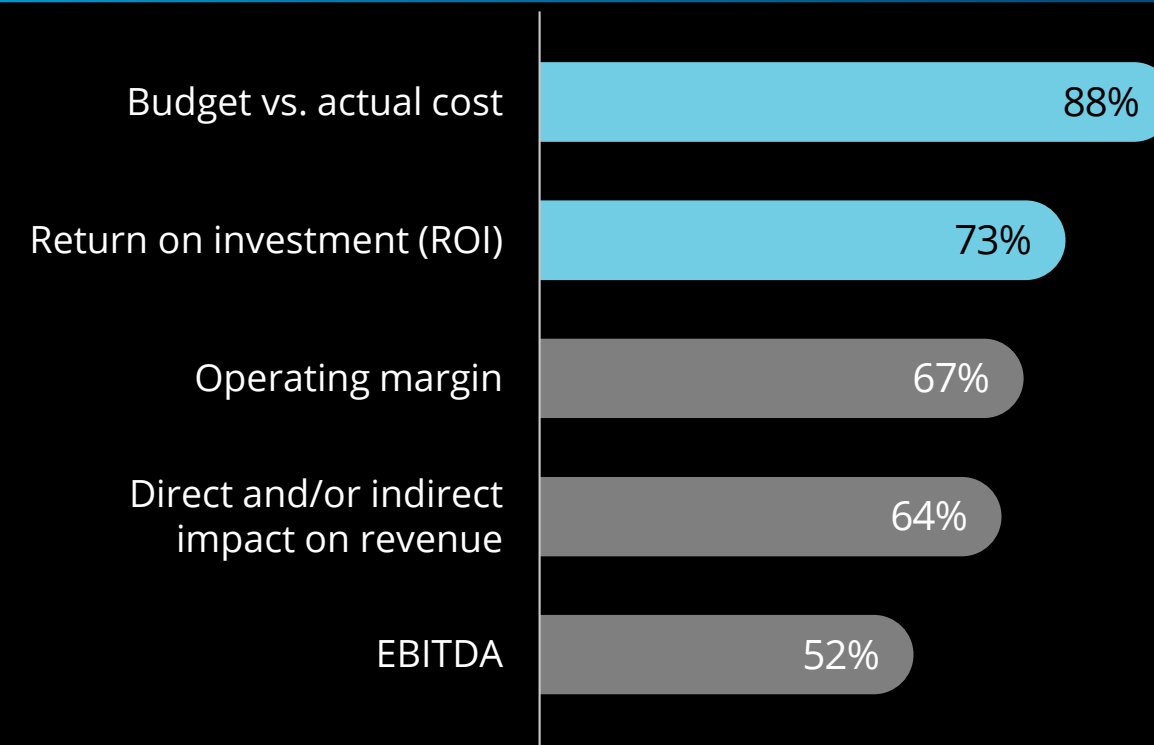
Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



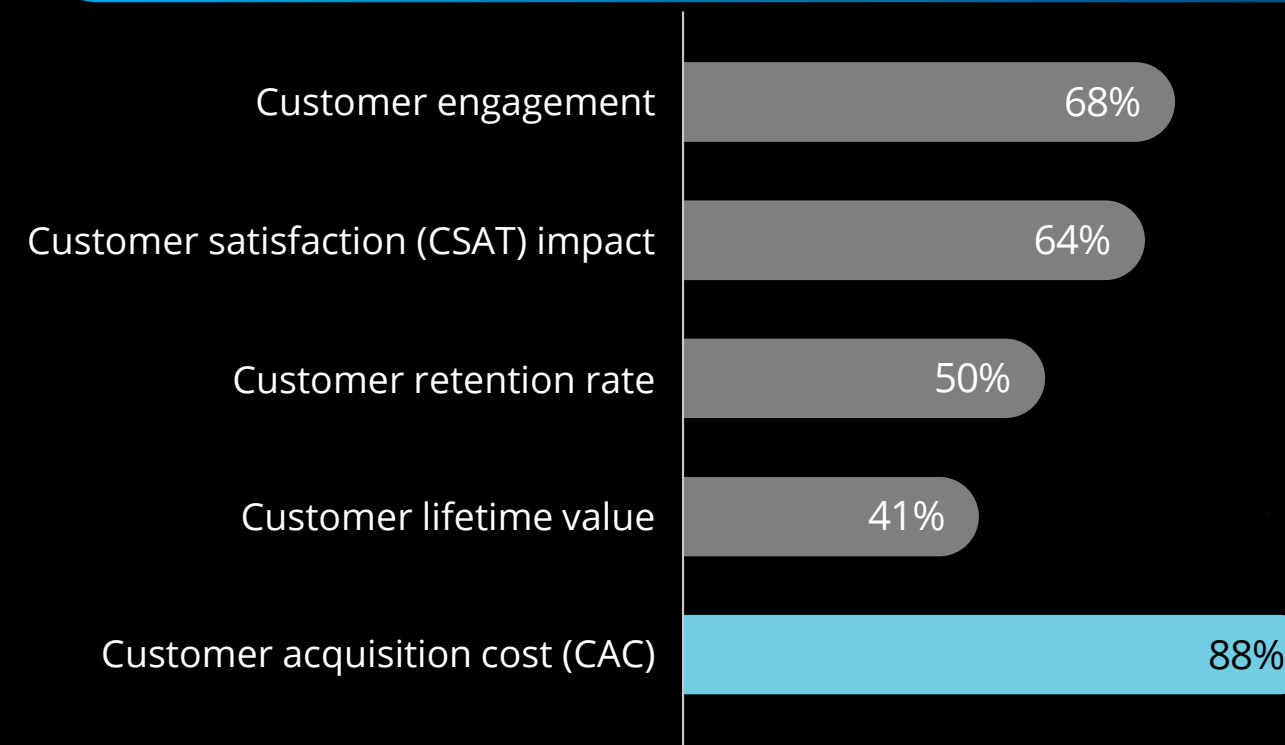
Australian organizations report using financial KPIs less than global respondents overall

Australian respondents are 5 percentage points more likely than global respondents to follow a biennial and once-every-three-years approach on value measurement assessment timelines

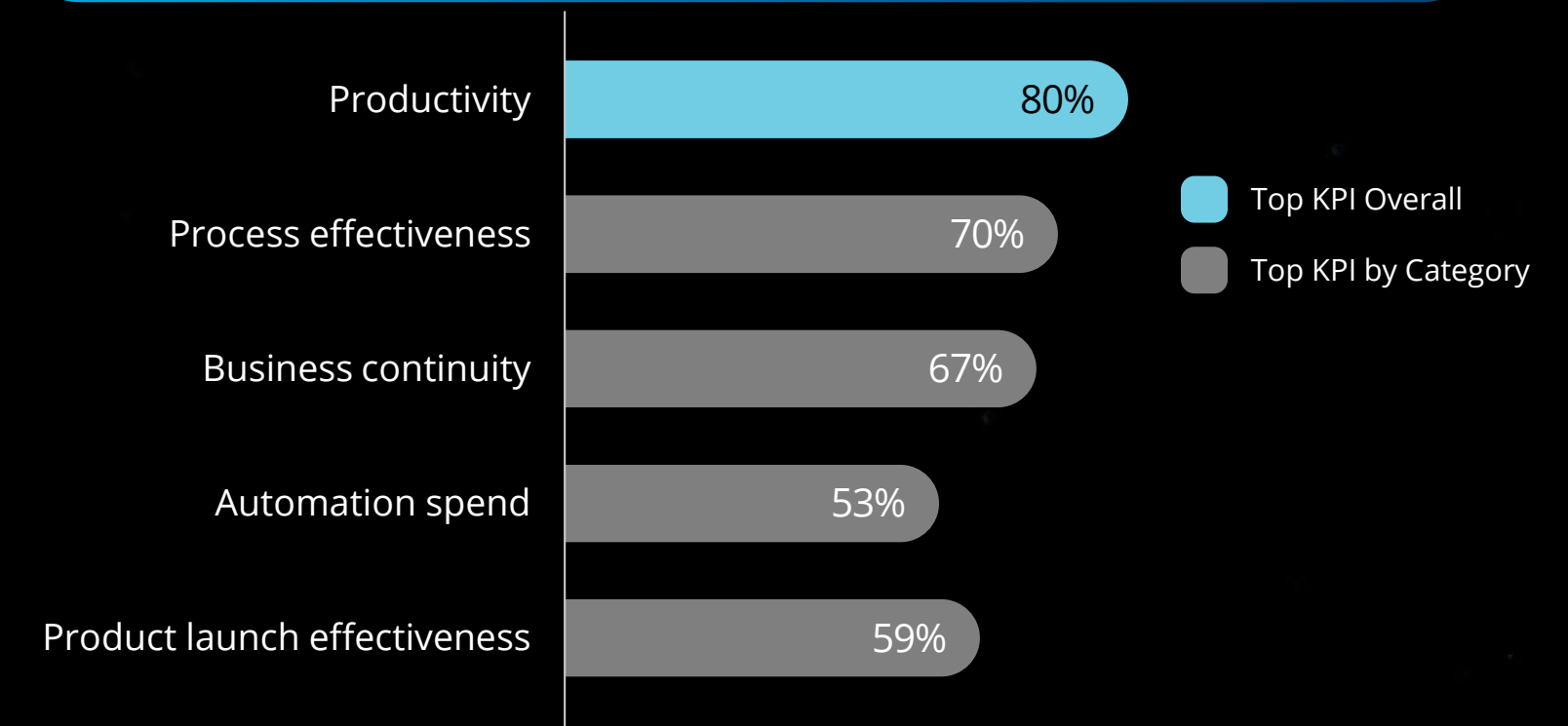
Australian Utilization of the Top Five Global Financial KPIs



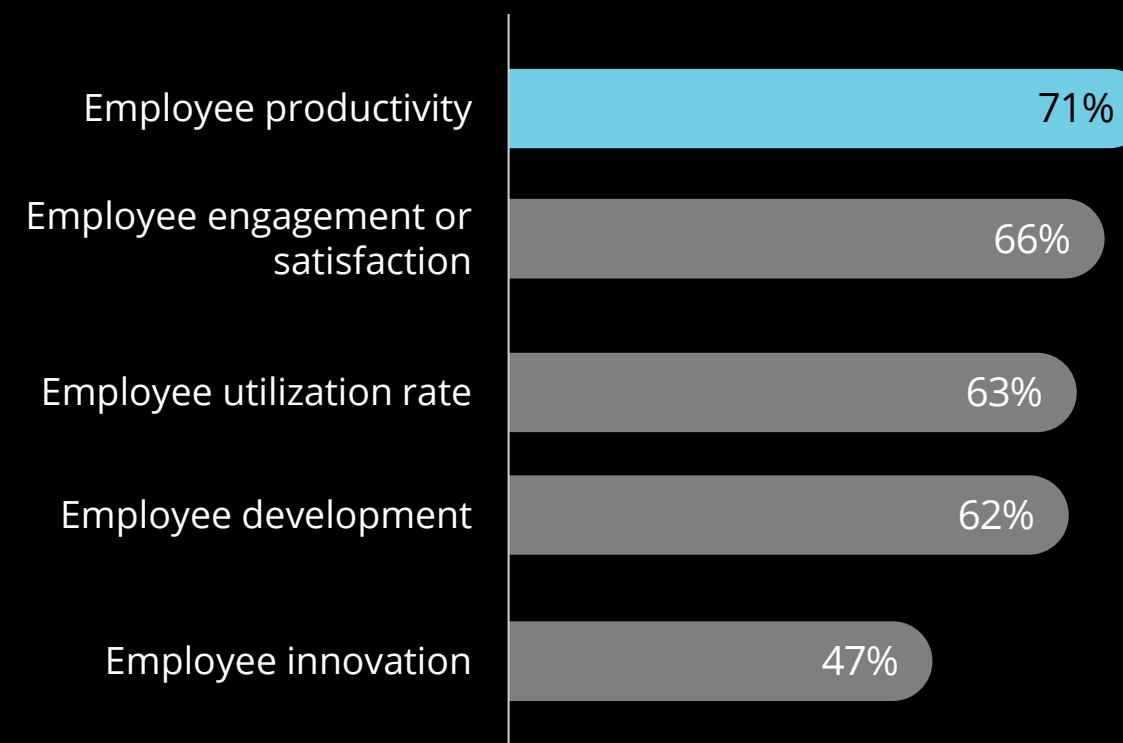
Australian Utilization of the Top Five Global Customer KPIs



Australian Utilization of the Top Five Process Financial KPIs



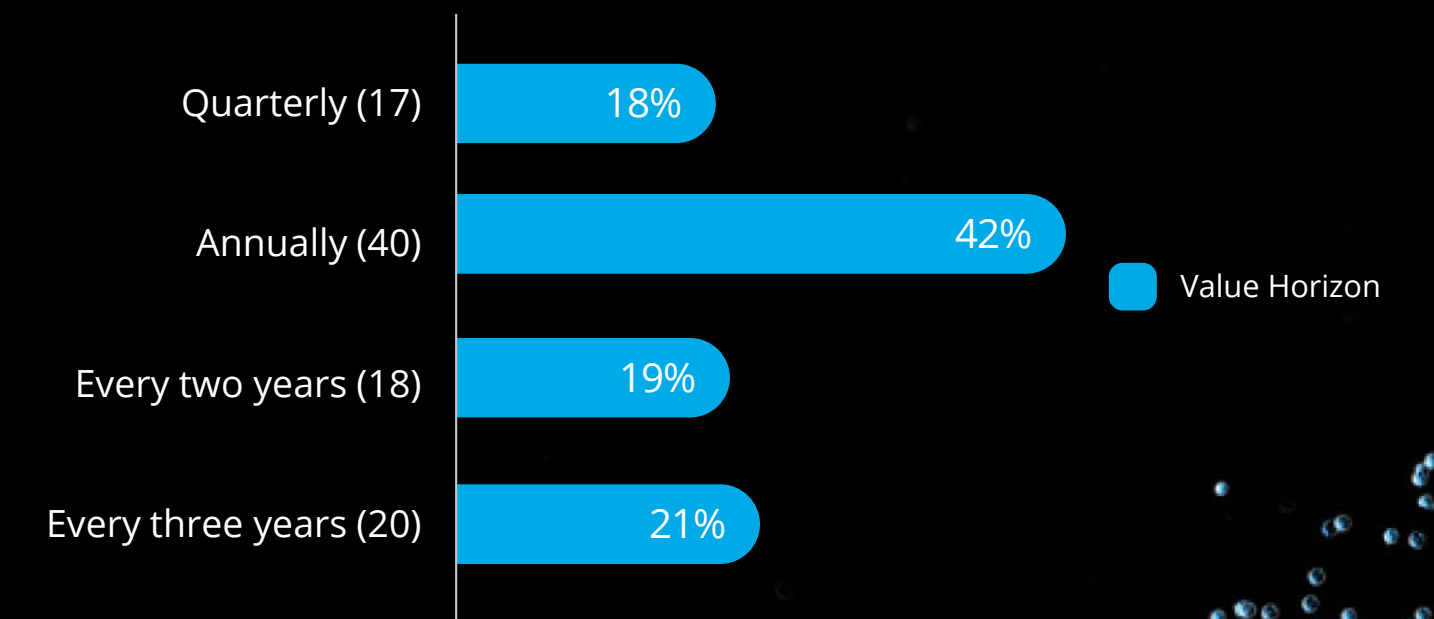
Australian Utilization of the Top Five Global Workforce KPIs



Australian Utilization of the Top Five Global Purpose KPIs



Australian Utilization of Global Timeline Value Assessment

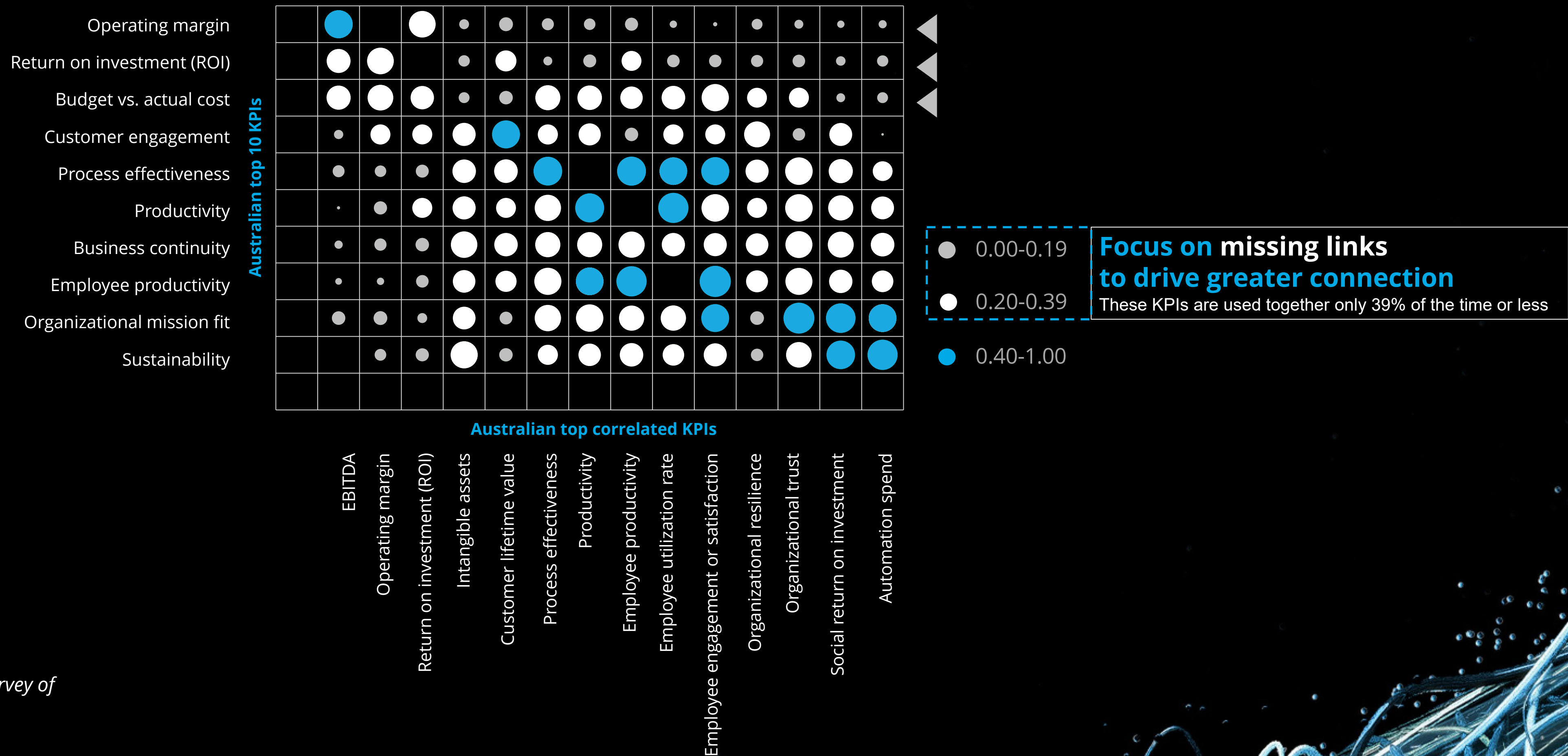


Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023



Operating margin, return on investment, and budget vs. actual cost are top-priority KPIs with the lowest correlations with top-correlated KPIs

Australian organizations' top 10 KPIs
Strong/very strong KPI links are in white and blue



Source: Deloitte Center for Integrated Research survey of global tech value leaders in February 2023

Methodology

*We analyzed the total responses of the global survey, which included **1,600 respondents across industries**, organizational types, and organizational sizes. Global baselines represent the respondent totals from the full survey.*

The six countries in this analysis—**United States, United Kingdom, Canada, France, Germany, and Australia**—were selected based on a statistically significant sample size of 100+ respondents in each country, individually satisfying three sampling criteria:



Representing a diverse mix of respondents across industries (TMT, Consumer, FSI, LSHC)



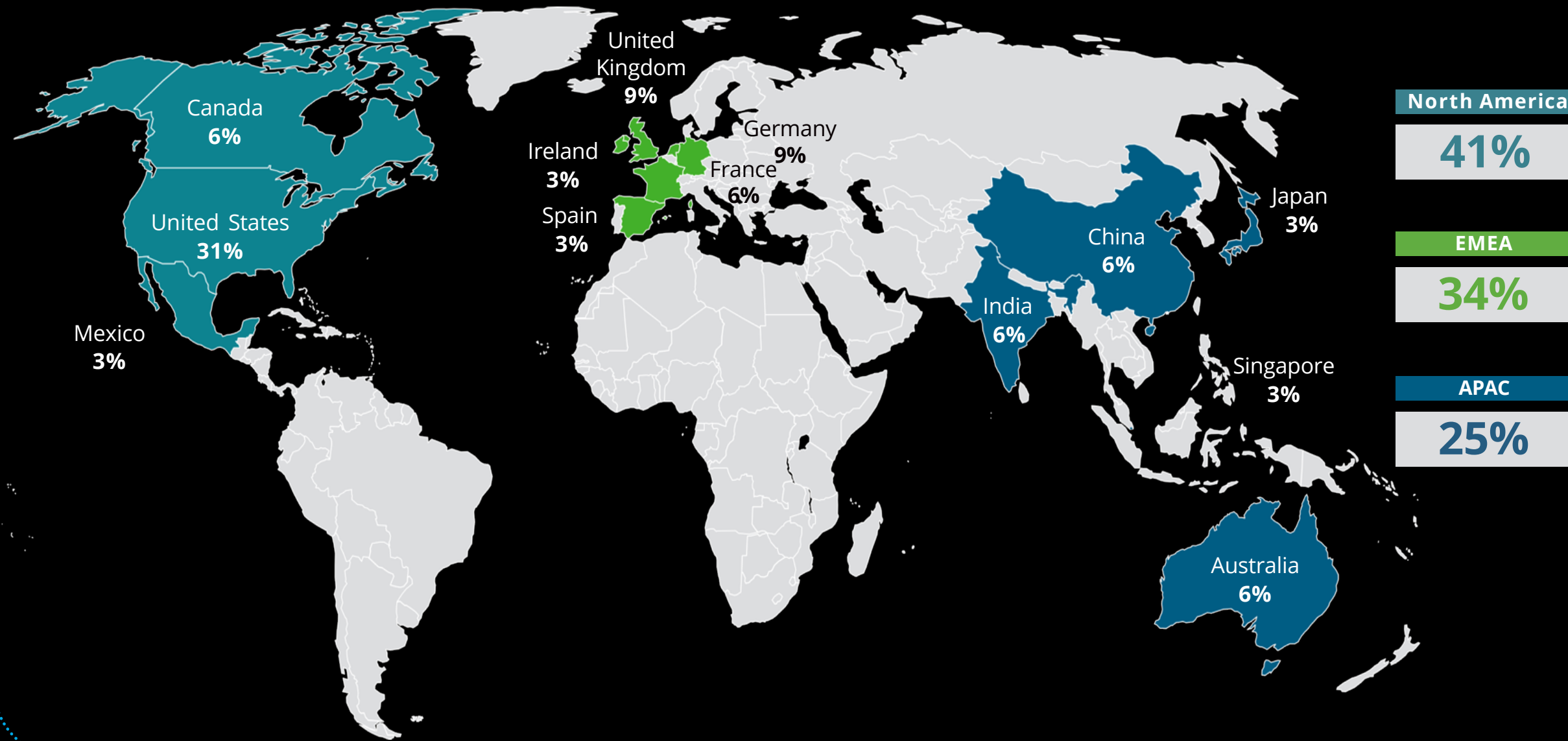
Representing different types of organizational structures (public, for-profit; private, for-profit; public/government entity)



Representing respondents of all sizes (annual revenues of less than \$100M to \$100B+)

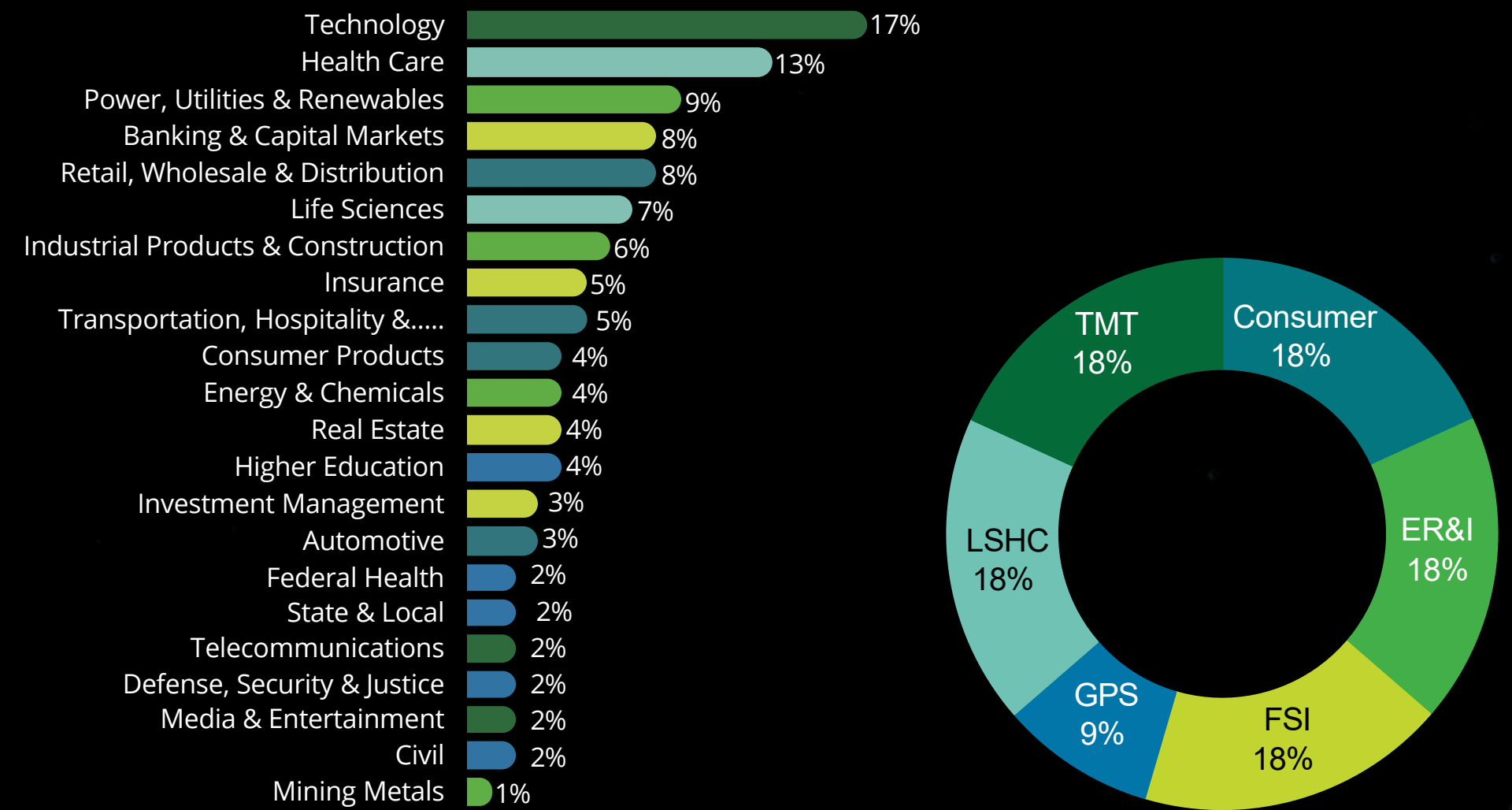
Survey demographics

Geography

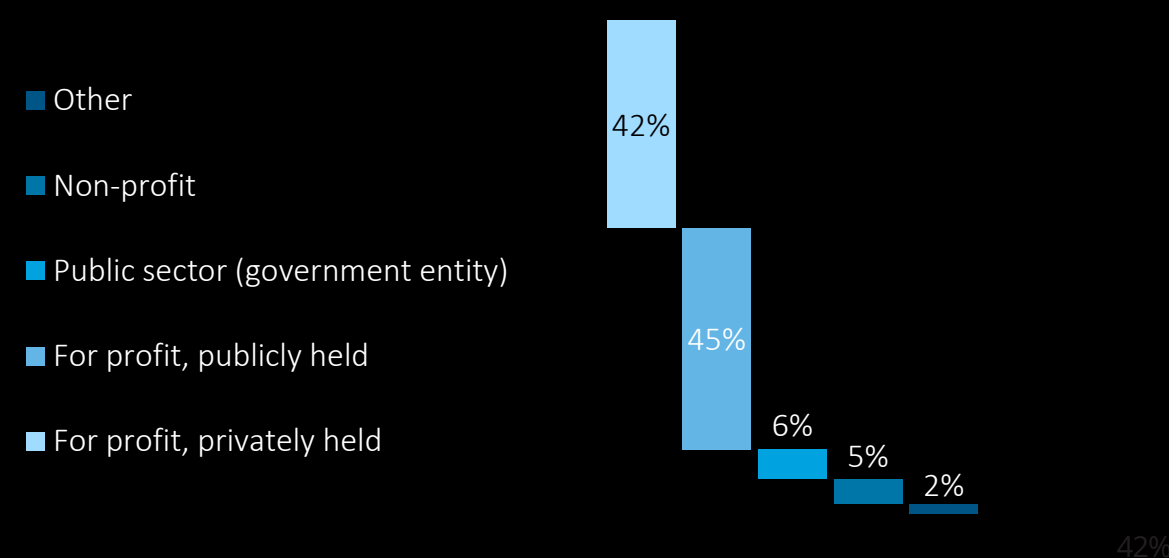


Fielded in February 2023

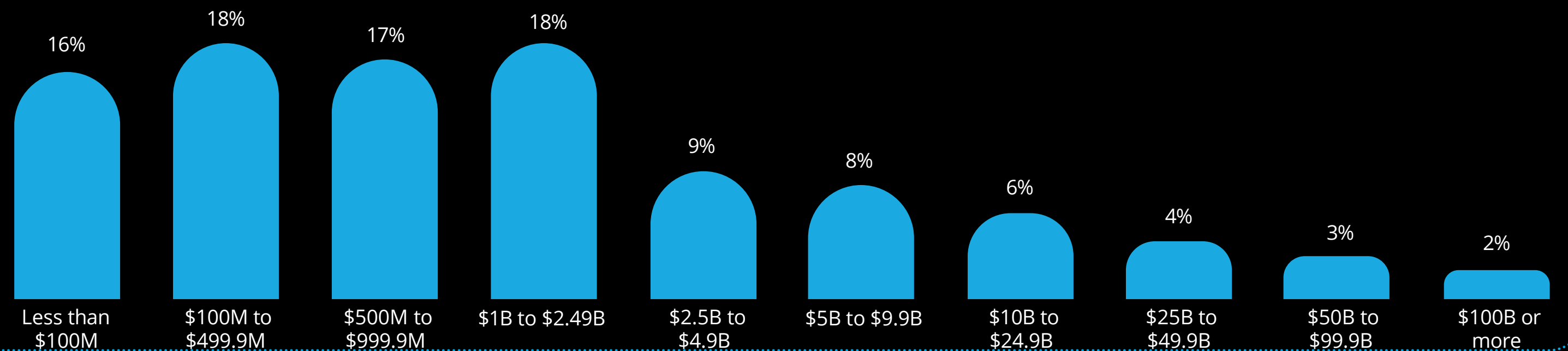
Sector and industry



Ownership structure

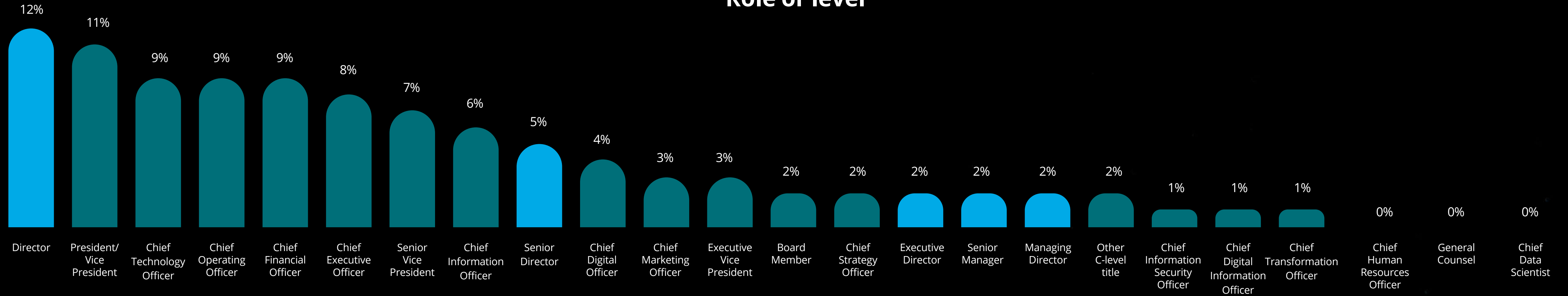


Annual revenue

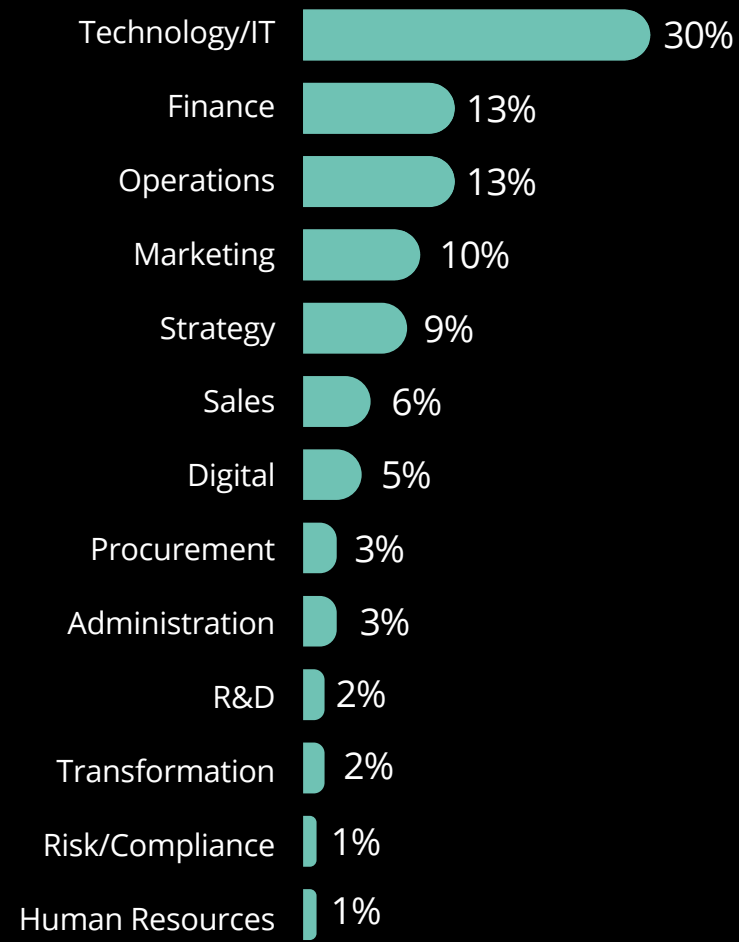




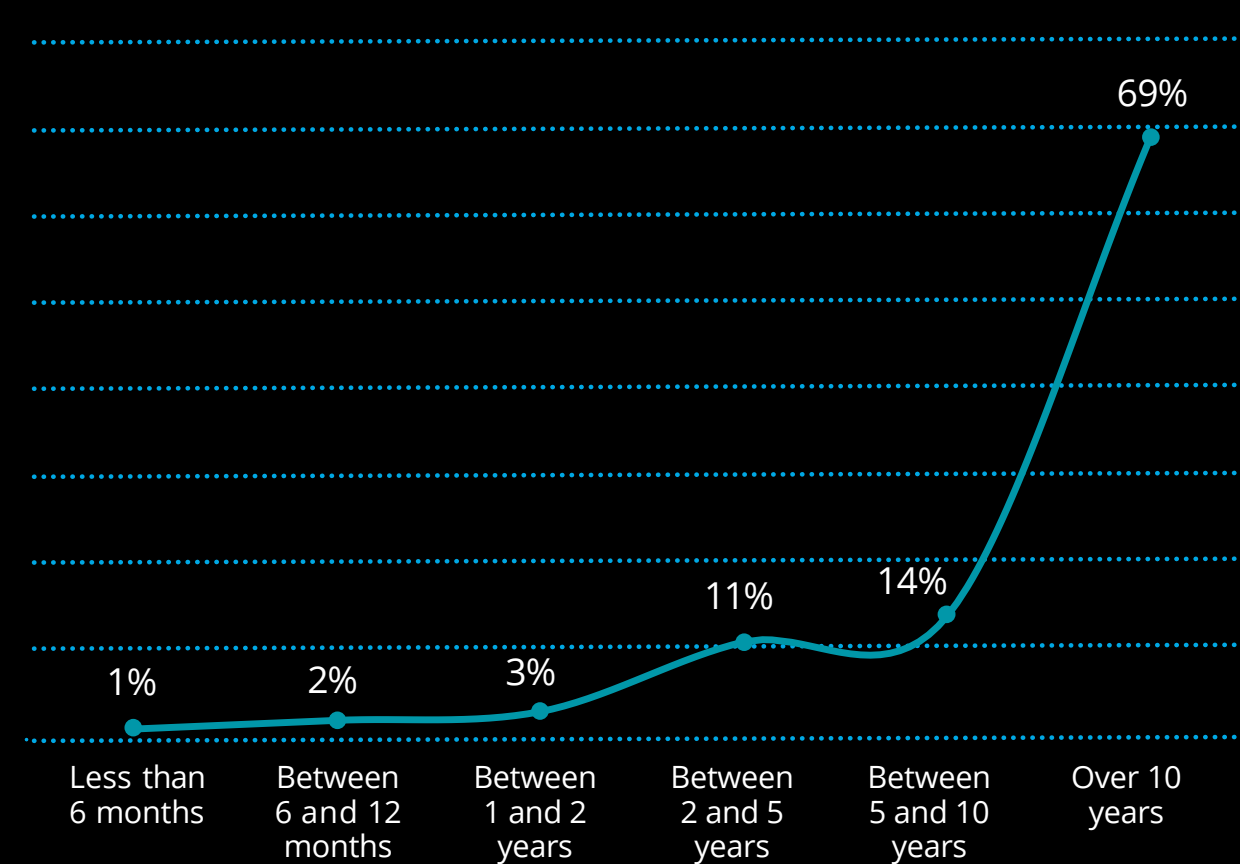
Role or level



Job function



Industry experience (years)



Involvement in digital transformation decision-making

- I influence decision-making but am not part of the decision-making team
- I am part of a team that makes these decisions
- I am the final decision-maker



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