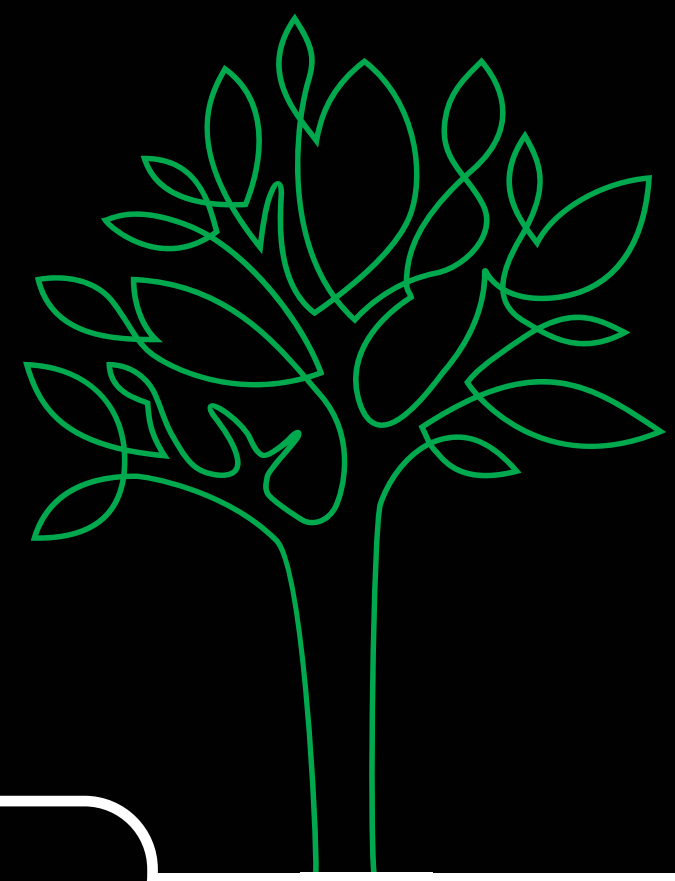


## Save-to-thrive | An emerging markets perspective

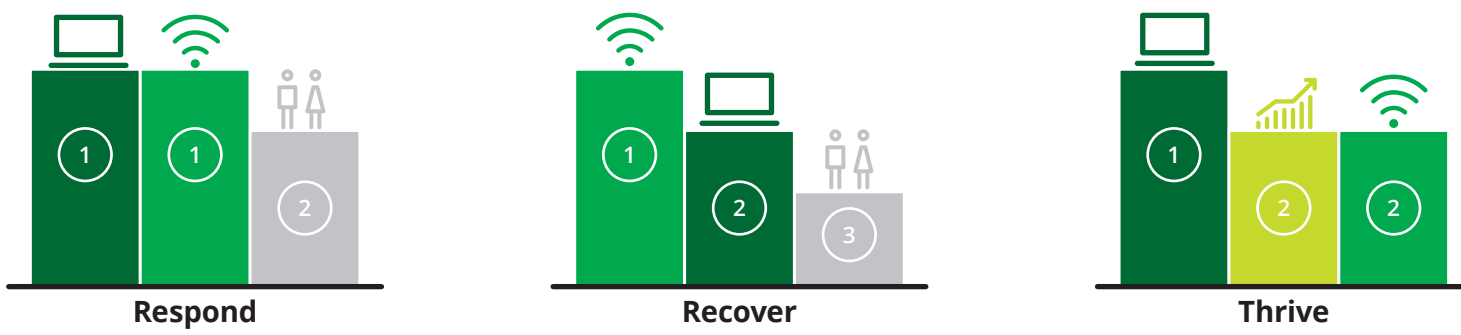
Organisations that recognise a need for operations to evolve with the changing economic conditions are more likely to see growth and take business away from competitors in order to grow, if they adapt to **changing customer behaviours, rescale business operations for changing demand profiles, manage costs aggressively**, but also **invest in efficiency** in order to set up for sustainable operations in the future.



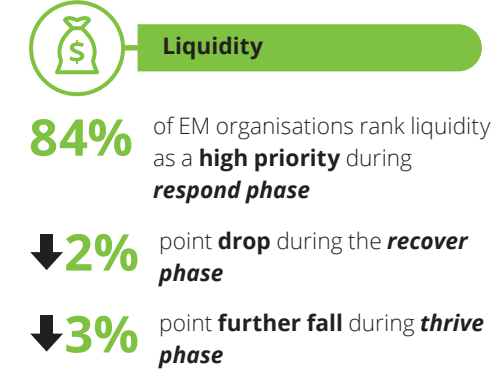
### Emerging markets are dealing with many competing strategic priorities



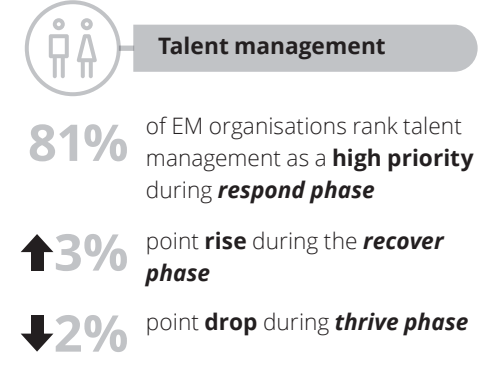
#### Global Strategic Priorities



The emerging markets perspective shows a more significant focus on liquidity as a response to the crisis and a business sustainability lever of high importance.



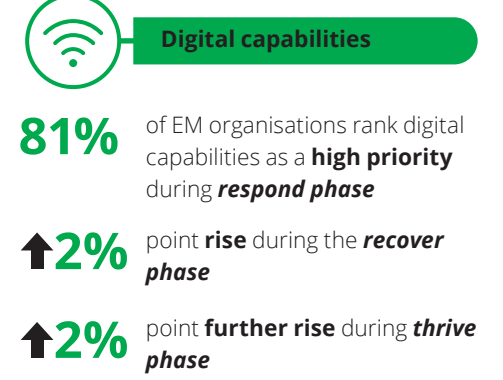
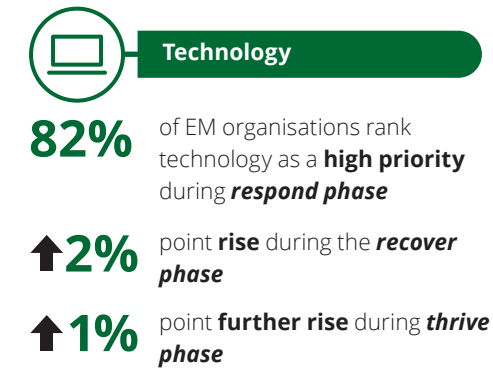
There is also a significant focus on new ways of work, with both the digital capabilities and managing a changing workforce dynamic being a high priority.



#### Emerging Markets Strategic Priorities



While technology related strategic priorities top the list across all three stages for global respondents, emerging markets show a shift across all three stages with a strong focus on digital enablement and technology due to an expected sales growth priority during the thrive phase, not seen in the Global market.

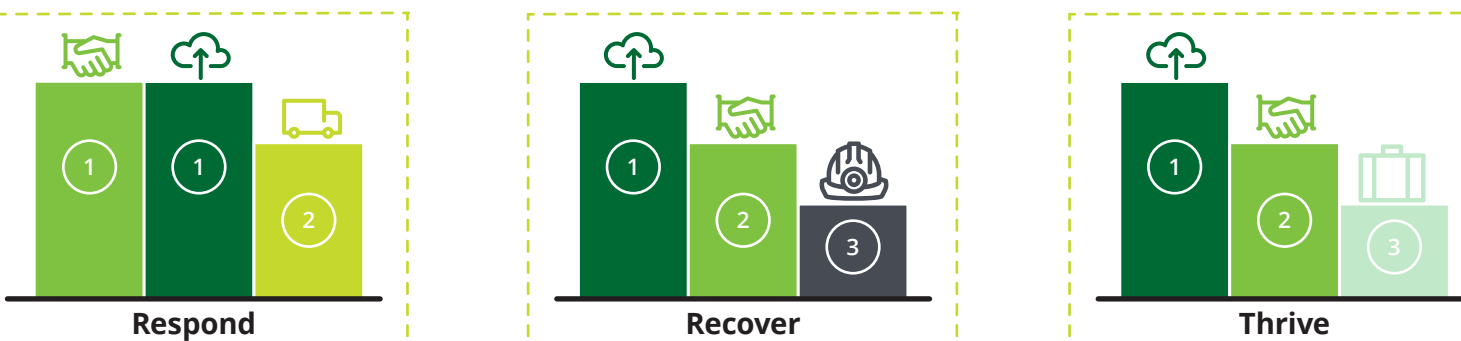


### How long will it take us to recover?

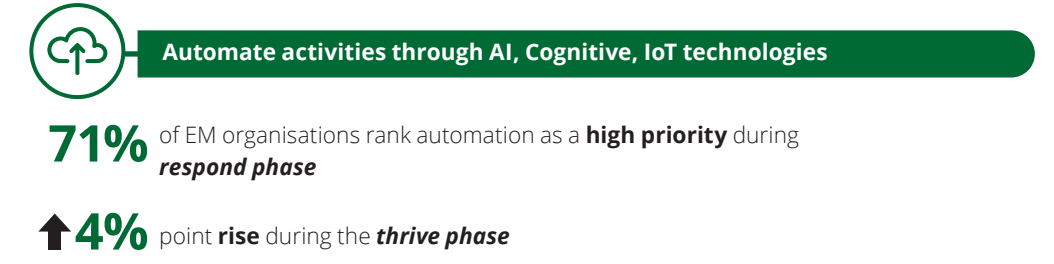
The objectives to get to the thrive phase are largely focused on technology as an enabler for efficiency, cost reduction and taking advantage of new opportunities.



#### Global Markets View



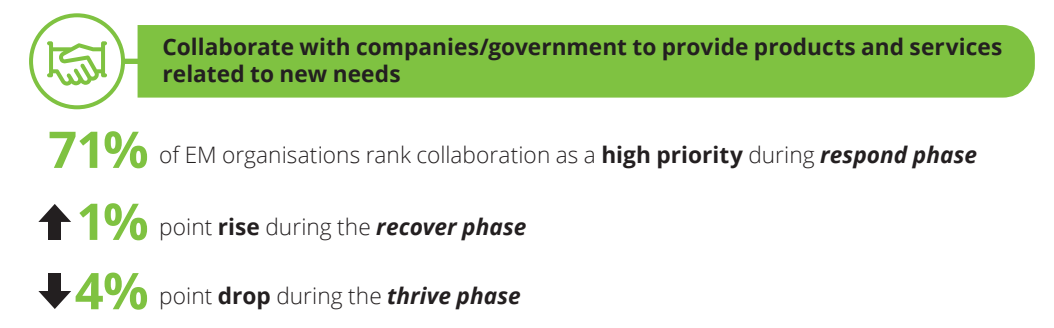
Both globally and in emerging markets, the use of technology as an enabler for improving business performance has been identified as the most utilised lever.



#### Emerging Markets View



The emerging markets perspective shows an increasing need to collaborate with government and other businesses to cater to changes in new products and services.



Transformation of the supply chain via, increasing partnerships within the value chain as well as the localisation of products and services.



**Key insights:** Global and emerging markets mirror each other in terms of transformation actions.

**Key insights:** Emerging markets prioritise collaboration while global markets emphasise labour and non-labour cost reduction.

**Key insights:** Both markets prioritise automation and collaboration, while emerging markets rank transforming their supply chain higher than global markets.

### How do we move to thrive much faster?

#### What actions do we need to take?

#### Digital enablement

Emerging markets have placed an accelerated priority on digital enablement. Chief Digital/Innovation/Technology officers will need to gear towards changing customer and vendor behaviour. Digital transformation will need to encompass more than just technology and create **new revenue streams**.

#### Supply chain transformation

Despite global economies placing less focus on supply chains relative to other priorities, emerging markets have deemed the transformation of supply chains as a higher priority. CPOs need to develop more agile supply chains by **focusing on key partnerships** to drive value within the value chain as Digital Supply Networks will become a key enabler for leveraging supply chain analytics for organisations to **drive out cost, gain efficiency and become more agile to deal with further uncertainty**.

#### Workforce transformation

Driving out cost through labour transformation is not a high priority, instead companies are building **capabilities to enable digital transformation** as well as focusing on **virtual team management**. Virtual work needs to be underpinned by an intentional operating model shift and can be an important lever for two types of transformation; cost reduction through **targeted real-estate planning** as well as an **improved employee value proposition to attract and retain critical skills**. **Organisations need to be careful** not to engage in practices that drive immediate savings with no long-term sustainability.

#### Business model transformation

The strong push for digital engagement during Covid-19 has grown the need for many businesses to have not only a strong online channel, but also the capabilities and strategy to leverage that channel for revenue growth and **lower costs to serve**. There is also a need for **holistic integration into business operations** in order to drive internal business synergy.

#### Organic and inorganic growth opportunities

Innovation, **divestment from unprofitable businesses**, mergers and **opportunities to make discounted acquisitions** for emerging markets will be critical for sustainable operations in difficult industries such as Tourism, Aviation and potentially Automotive and Mining.