



# 2019 Executive Survey

Improving data analytics:  
The most valuable first step  
towards Digital Transformation

Survey report presented by

prevedere



# Introduction



**SHISH SHRIDHAR**

*Worldwide Director, Retail Business Strategy*  
**Microsoft**

The speed of current breakthroughs and the exponential pace of disruptive innovation are rapidly evolving entire industries at once. This is characterized by unprecedented processing power, storage, access to knowledge and the blurring of lines between physical and digital spaces. Capitalizing on this phenomenon is the key to innovation and growth.

Naturally, this comes while navigating the expectations of changing consumer behavior, addressing global volatility and staying ahead of disruptive competitors. Although many businesses understand the value of Digital Transformation, they are less certain of how to start.

By partnering with Prevedere, Microsoft offers business leaders a clear, concise and ROI-driven “*first step*” on the Digital Transformation Roadmap: Turning data into forward-looking insights. Technologies like machine learning and predictive analytics can identify the best data to help answer a CEO’s biggest question:

## **How do I plan for what my business will face tomorrow?**

This report will underscore the importance of investing in data and analytics based on the responses from over 200 C-Level and VP-Level executives. There remains, however, a disconnect between the mountains of data available to a company and the forward-looking insights needed at the executive level. Closing this gap will help businesses begin the journey towards Digital Transformation.



## Microsoft: The Four Steps to Digital Transformation

**ENGAGE**



Build tailored customer experiences by harnessing data and draw actionable insights to achieve a segment of one.

**EMPOWER**



Empower employees to achieve more by designing a workplace that's intelligent, flexible, and secure.

**OPTIMIZE**



Accelerate the responsiveness of your business, improve service levels and reduce costs with intelligent processes.

**TRANSFORM**



Differentiate and capture emerging opportunities by using data as a strategic asset and shifting from hindsight to foresight.



## Executive Summary

This report analyzes findings from a 2019 survey commissioned by Prevedere and conducted amongst over 200 C-Level executives and vice presidents. It provides an inside view of what executives see as data challenges, what steps they are taking now and what is on their “wish list” when it comes to evolving their data and analytics initiatives. *Three major themes were discovered:*

1

### Executives have little time to be strategic.

CEOs are hired for their visionary capabilities and leadership skills. The average person would think that executives spend much of their day planning future growth strategies for their company by understanding trends in the coming two to three years. That perception, however, is far from reality. The majority of executives surveyed here are mired in day-to-day activities, lacking time to devote to strategy.

2

### External data is critical for planning, yet underused.

Companies have invested billions in data analytics projects over the past decade to get a handle on internally created data (sales, revenue, clicks, customers, etc.). CEOs, however, know the painful truth of unexpected economic headwinds that have impacted quarterly earnings. Respondents of this survey know the benefits of incorporating external factors, but few have the ability to use them in current planning processes.

3

### Finding the right software and data is still a top priority.

Executives are still bullish on investing in the right technology over the next two to three years to help turn more data into insights. Delays in using data to its full potential could find companies lagging in a competitive and ever-changing marketplace. There is a strong desire to incorporate predictive analytics in their planning processes. CEOs also desire to leverage the expertise of trustworthy vendors to implement the latest technologies.

## METHODOLOGY

The survey was conducted by Quest Mindshare, an independent survey company, from March 25, 2019 to March 31, 2019. 209 executives (148 C-Level and 61 VP titles) participated in the anonymous online survey. The objective was to gauge their opinions on what challenges they face regarding data and analytics and their plans for the future.

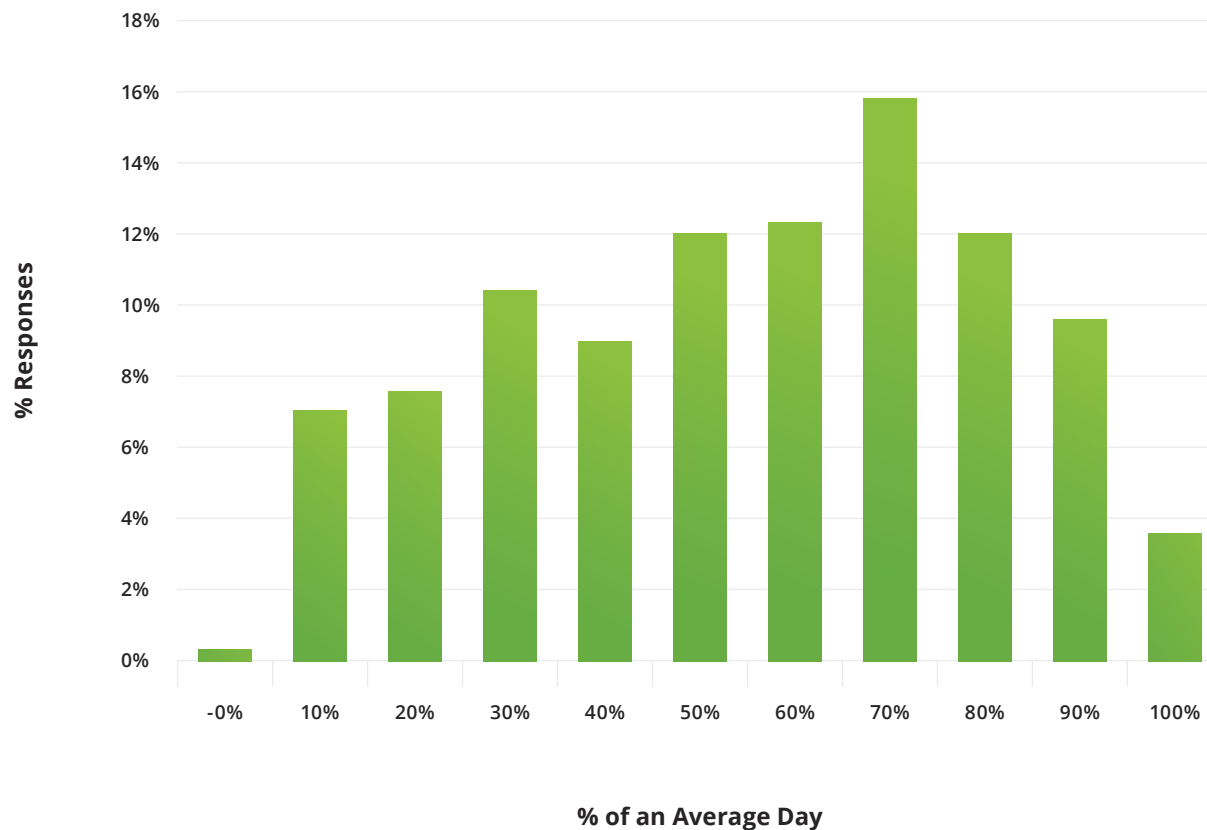
1

## Executives spend their day on tactical issues.

Survey respondents were asked to reflect on their average work day and determine the percentage of time spent on last-minute or administrative tasks, such as escalated customer issues, project management, department meetings or vendor management.

### QUESTION

On an average day, what percentage of your time is spent on dealing with immediate, tactical issues?



Over half of the surveyed executives say they spend over 60% of an average day on tactical, short-term activities.



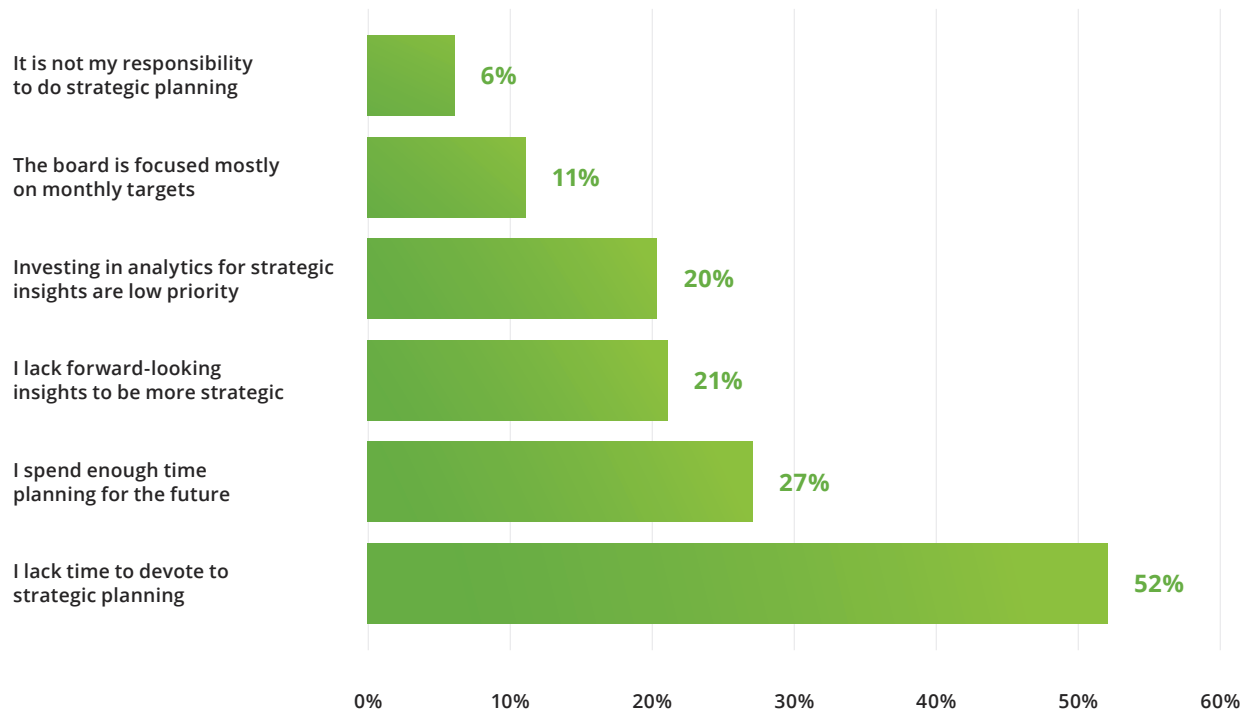
1

## There is not enough time to be strategic.

Survey respondents were asked to select all the reasons that prevented them from working on strategic activities, such as exploring new technologies, reviewing industry trends or planning for changes in consumer behavior.

### QUESTION

**What prevents you from spending more time planning for the future or on more strategic activities?**

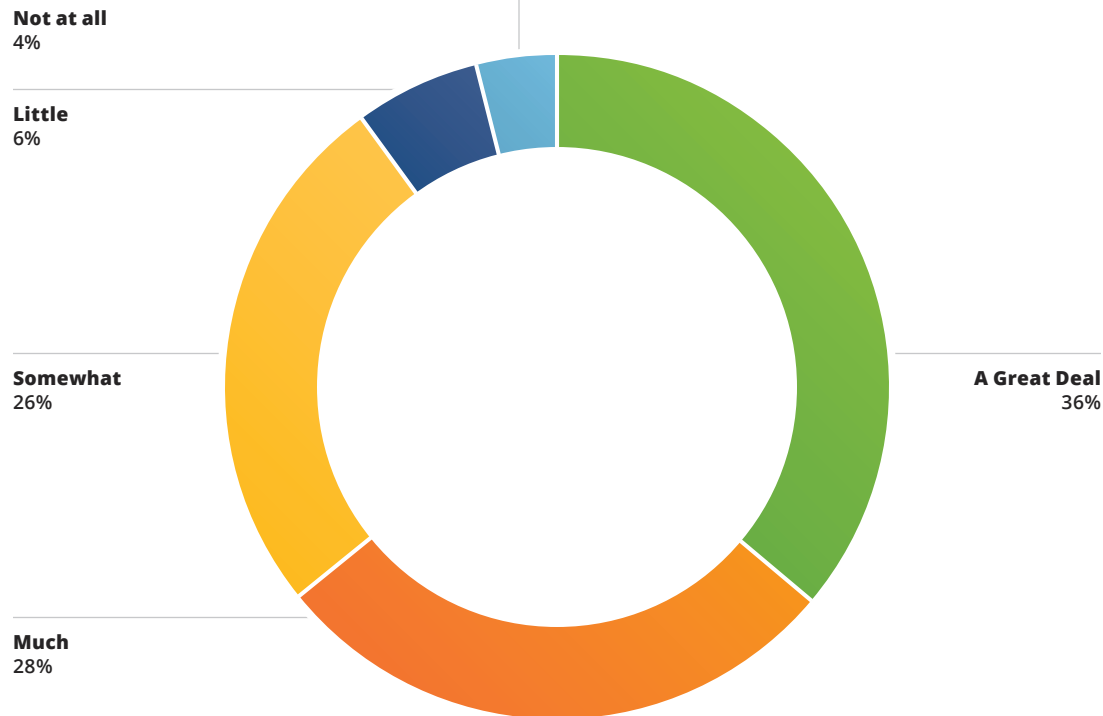


To underscore this theme further, over half of executives surveyed do not have more time to invest in strategic activities. Given the importance of analytics, a surprising 20% of executives say their company has difficulty justifying the expense of investing in analytics for strategic purposes.

2

## Executives believe in the power of external data.

Nearly every CEO has experienced a downturn in their company's performance, leading to missing monthly or quarterly financial targets. Commonly cited reasons for a decline in profitability are unexpected economic volatility (which can increase costs) or changing consumer behavior (which can impact product demand).



### QUESTION

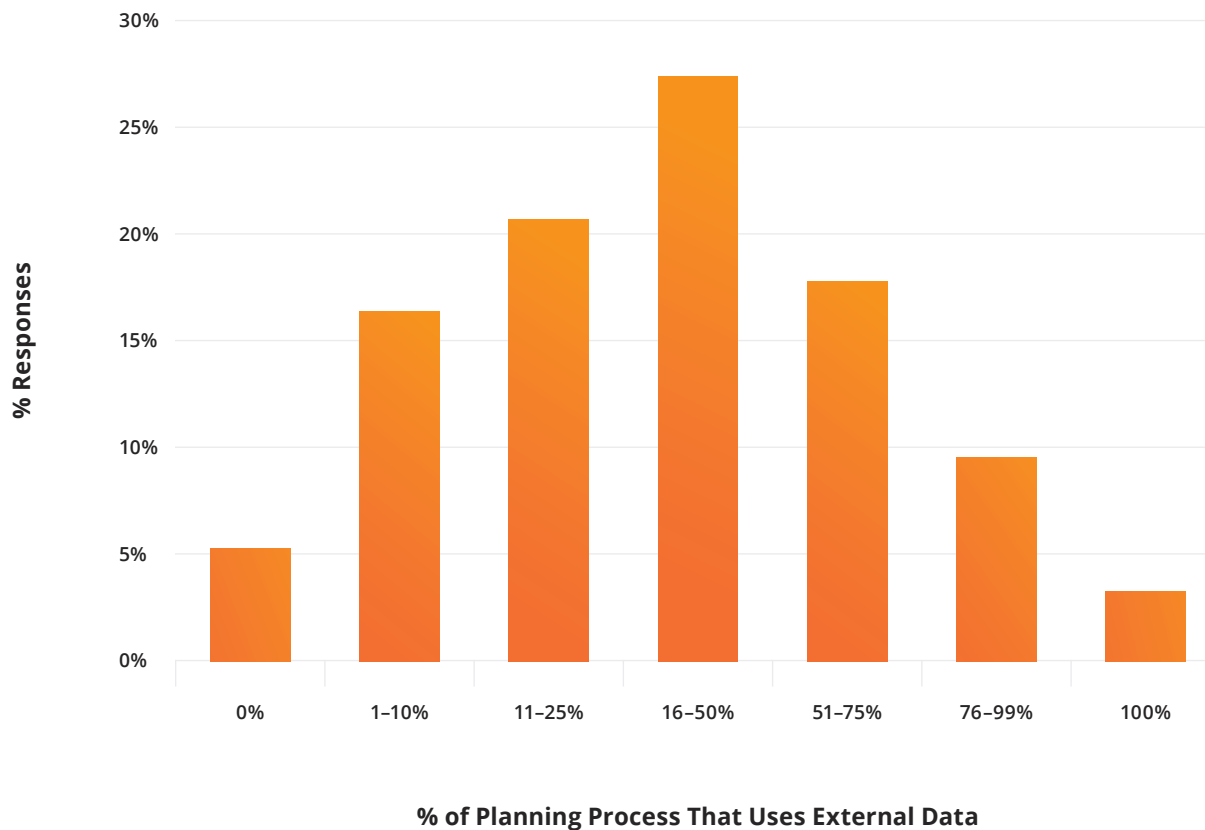
**How much do you believe having the right external data integrated within your planning process could improve your overall financial forecast?**

Over 60% feel that incorporating external data will result in significant improvement to financial forecasting. In fact, 90% of respondents feel that external data will provide some improvement overall.

2

## Few companies use external data regularly.

Though executives realize the importance of external data, many do not utilize such insights in planning processes. Most companies look at historical performance as guidance for future goals. This can work if the economy does not change. The reality is that external factors are volatile, and they affect all aspects of the business.



### QUESTION

To what extent do you incorporate external data into your planning process?

More than two-thirds of respondents say they incorporate external data into their planning process at a rate of 50% or less.



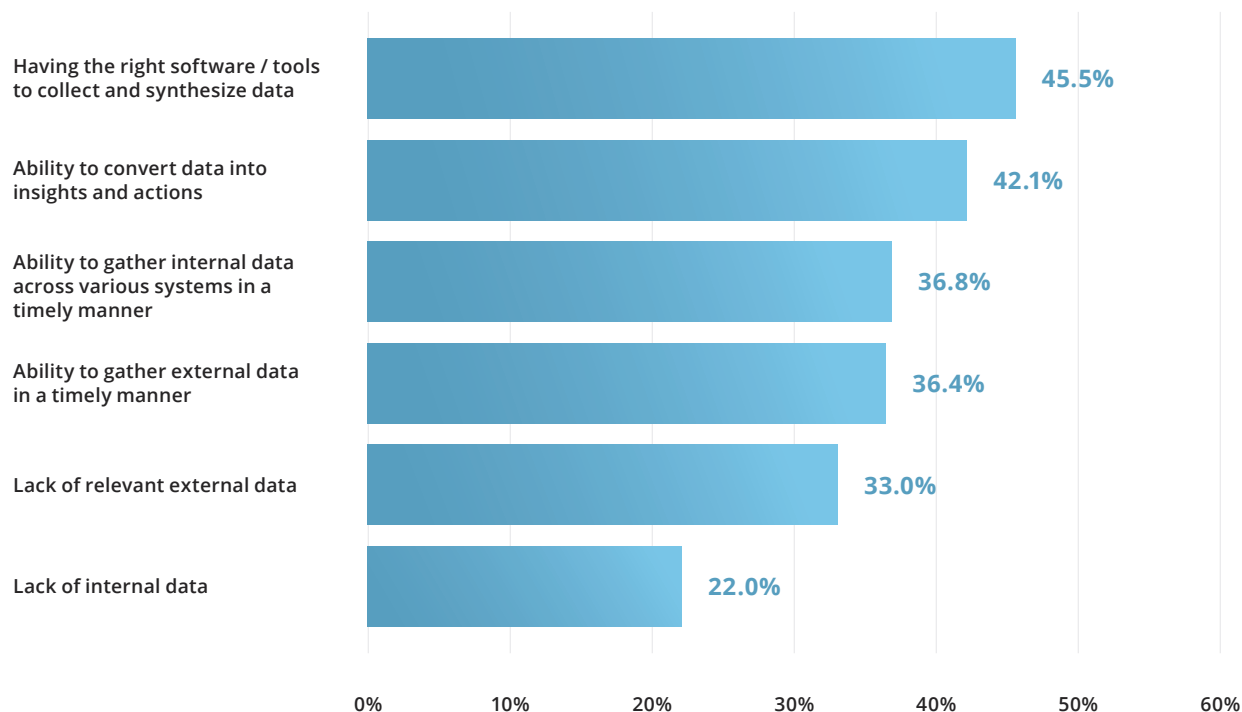
*Identifying the right internal and external data for your company is critical in taking the first step in Digital Transformation. It allows executives to gain a 360-degree view of what impacts consumer behavior before, during and after they decide to make a purchase. Advanced cloud-computing platforms, such as Microsoft Azure, allows vast amounts of data to be analyzed quickly and cost-effectively.*



3

## The right software will improve planning.

In spite of the billions spent on business intelligence and analytics initiatives, executives still feel that the Big Data hype did not deliver the results that many had hoped. The sheer amount of data available can be noisy and may not provide the insights needed to make the best strategic decisions. Still, executives feel that investing in the right software and data are critical for their company to grow in the face of many challenges.



### QUESTION

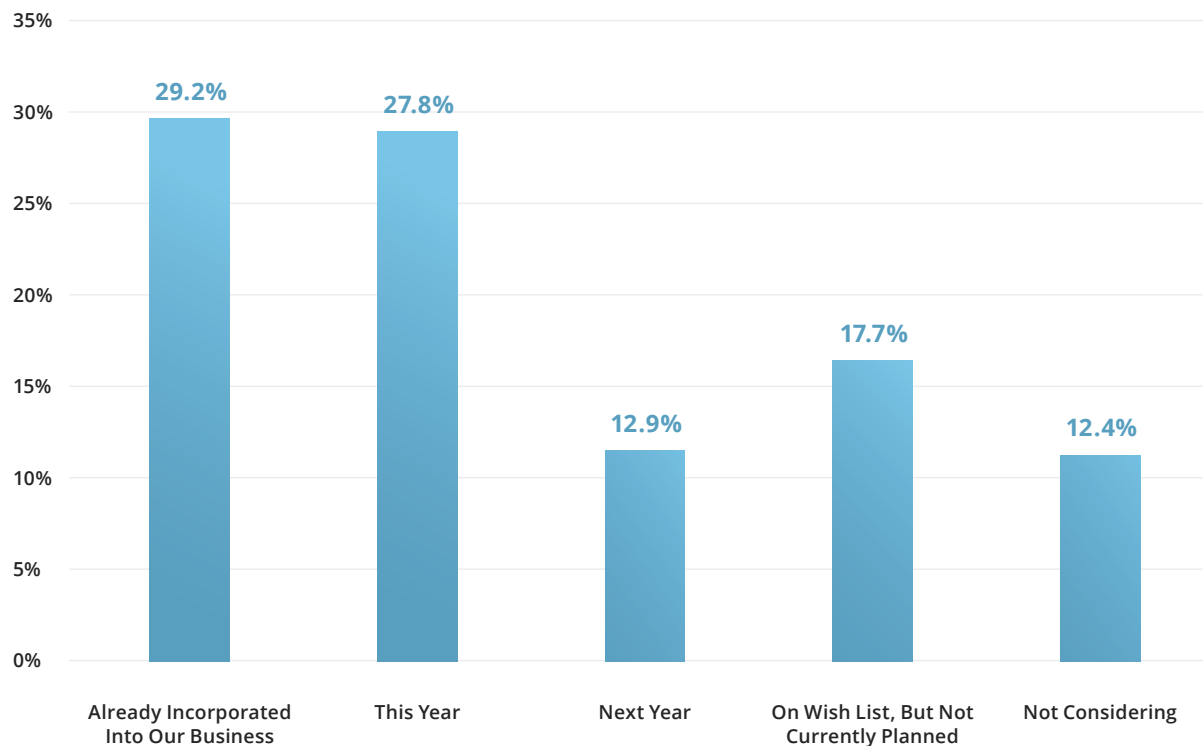
**In terms of data, which of the following hinders your business planning process?**

The top obstacle for efficient and accurate planning, according to the respondents, is not having the right software to collect and synthesize the data (46%). However, even if they have the right data, the second biggest obstacle (42%) is turning that data into actionable insights. Many respondents also noted that accessing internal data is still a major challenge (37%).

3

## Investment in software remains strong.

Respondents to the survey say they will continue spending budget on data and analytics software over the next two years. They believe that the benefits of predictive analytics to understanding business drivers are critical for the growth of their company.



### QUESTION

**Regarding your data and analytics initiatives, when do you plan to incorporate predictive analytics into planning process?**

Nearly 30% of executives say they already incorporate predictive analytics into their planning process. Nearly as many (27.8%) say they plan to incorporate it this year, while 17.7% say it is on their wish list.



*As CEOs strive towards a more data-driven culture, there are certain elements necessary to move the needle. Incorporating predictive analytics into their demand planning process should be a priority as well as working to operationalize these insights throughout the organization. To do this effectively, the right software is necessary to meet the demands of the business.*

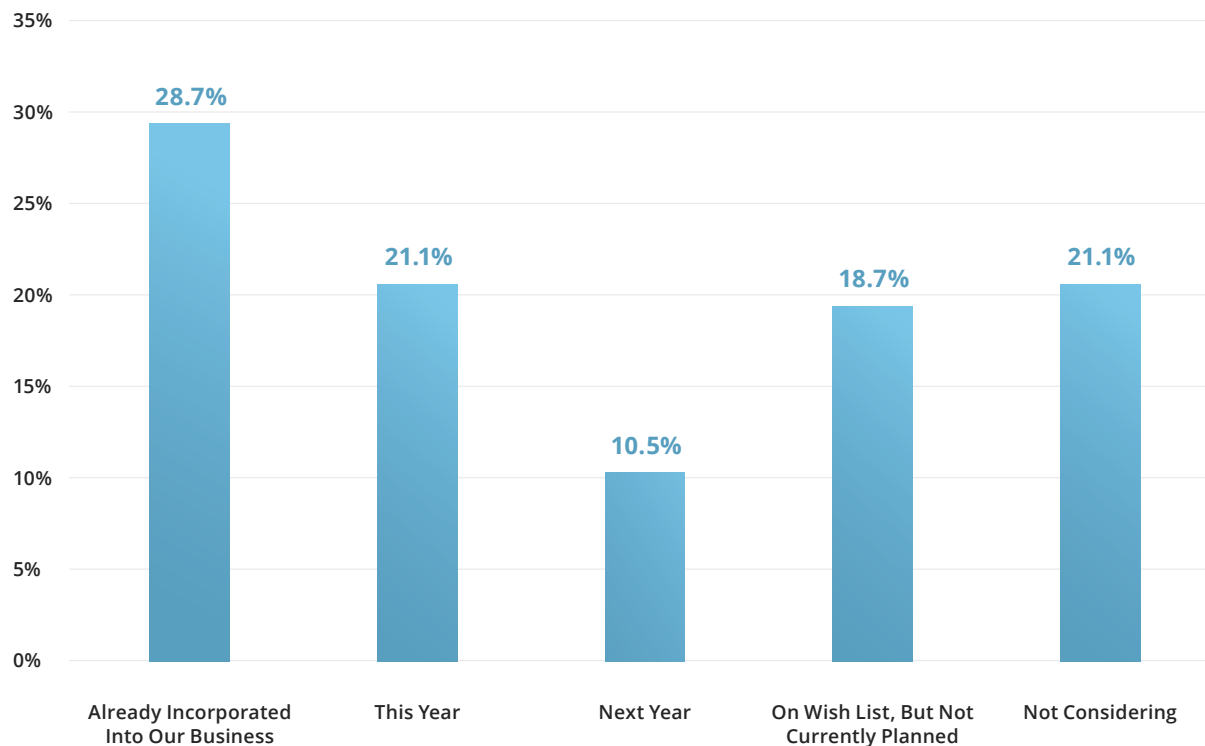
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## Executives are looking to experts for answers.

Companies often choose between “building” or “buying” analytics platforms. As technology advances rapidly, such as the increased adoption of cloud-computing or machine learning, there are business advantages to finding external providers with deep expertise to quickly and efficiently implement the best solution.

### QUESTION

**Regarding your data and analytics initiatives, when do you plan to buy data software applications from an external vendor?**



Over 30% of respondents desire to purchase data analytics software over the next two years with nearly 20% on their wish list. Since most IT budgets are set annually, planning for software spend more than two years in the future can be challenging for most executives.

# Conclusion

Most business leaders realize they can use data and analytics to improve business operations and the bottom line. From improving planning processes, to enhancing customer relationships and mitigating risk, there is an increased desire to operationalize insights gleaned from data. However, tapping into its true potential comes with challenges as reported by the executives who completed this survey.

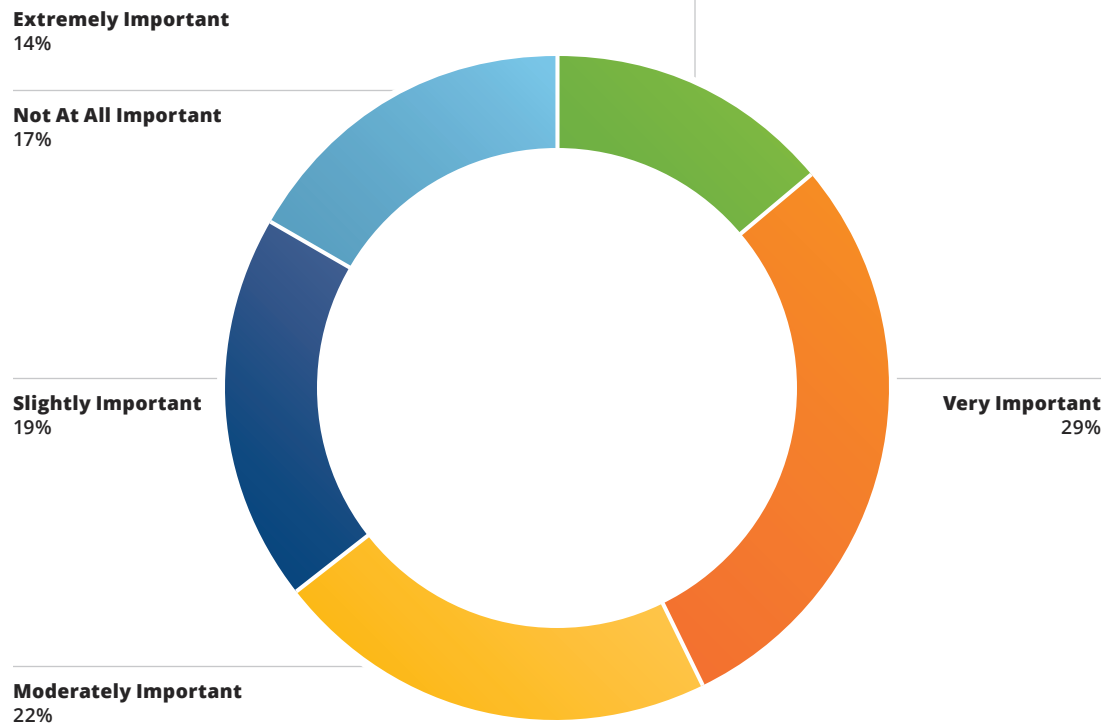
In order to move towards a data-driven culture, leadership's high-level plan should be to bring together the right data and the right software. Companies should be leveraging technology solutions that not only automatically collect, cleans, and organizes data, but also identifies external factors that will impact demand for their products.





## Conclusion

Finding trusted and experienced data analytic partners can help implement the latest technologies, augment existing data teams and provide accurate and on-demand insights. Prevedere and Microsoft have helped executives of global companies take the first steps towards Digital Transformation with fast and tangible results.



### QUESTION

**How important is having a third-party partner to provide unbiased forward-looking insights for your organization?**

Over 40% of executives said that having a third-party partner would be extremely/very important to their planning needs.

To see how Prevedere and Microsoft can help your company take the first step towards Digital Transformation, please contact [inquires@prevedere.com](mailto:inquires@prevedere.com) or call **888.686.7746**.

#### ABOUT PREVEDERE

**Prevedere** is an innovator in predictive analytics that empowers enterprise executives with insights into future business performance based on current economic and consumer trends. Companies can see what is coming, solve for emerging risks and opportunities and succeed in an ever-changing world. Our cloud-based solutions, built exclusively on the Microsoft Azure platform, harness the power of machine learning, predictive analytics and over 2.5 million global data sets to extract strategic, on-demand and forward looking insights. Prevedere is a Microsoft Gold Certified Partner whose customers include Fortune 500 companies in retailers, manufacturers and consumer packaged goods companies.

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