

# 2015 Global Digital IQ Survey

## Prioritising customer experiences through marketing and IT investments

### Ireland

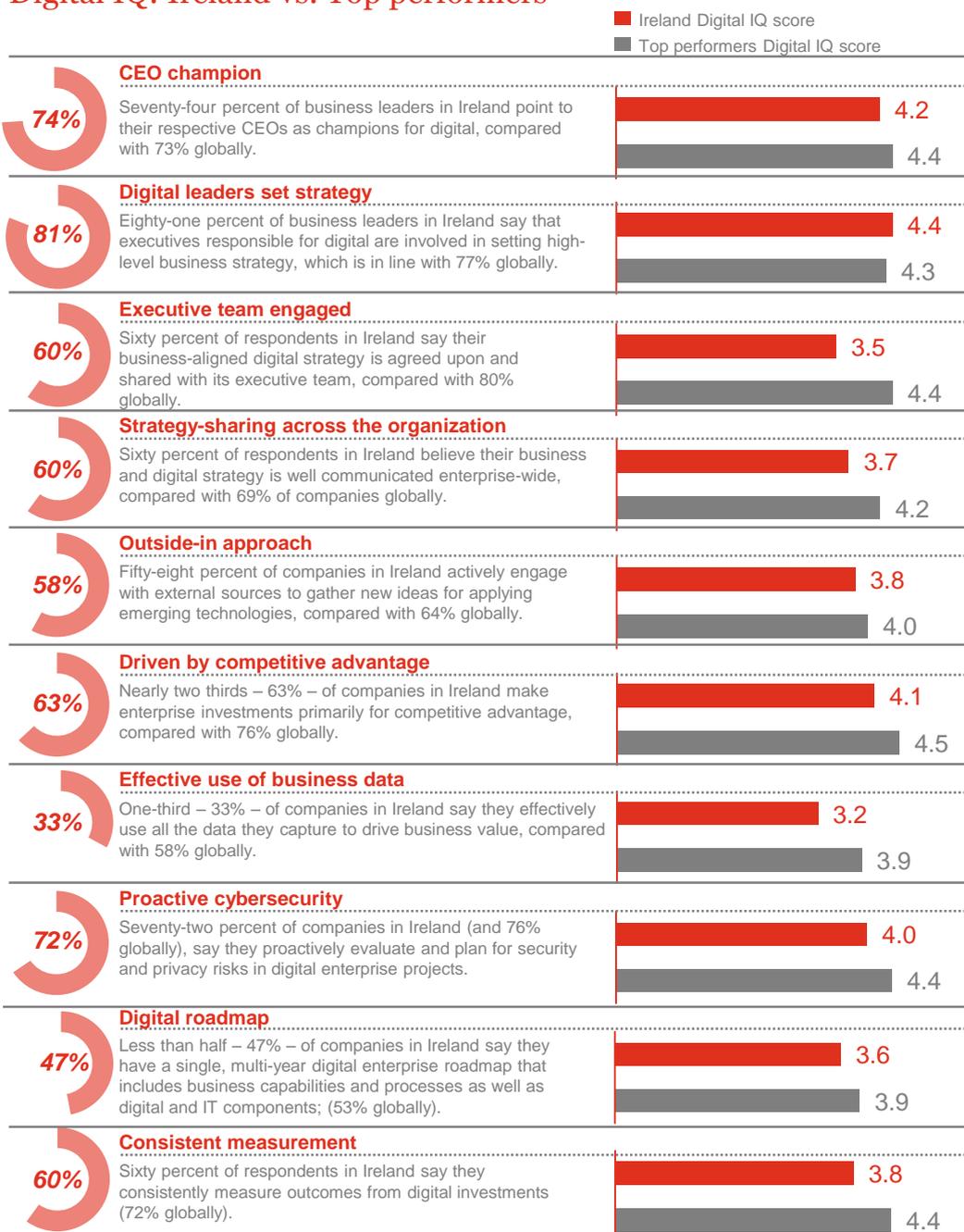
When it comes to Digital IQ, companies in Ireland score 75.8, which ranks just below the global average of 77.2. In most cases, Irish respondents are confident their company understands the value of digital technology and weaves it into the fabric of their organisation. When asked how they define digital (and selecting up to two definitions), respondents in Ireland are most likely to see it as being almost synonymous with IT (49%, compared with 37% globally) and incorporating all technology innovation-related activities (51%, compared with 53% globally).

Executives in Ireland say creating better customer experiences is their number-one priority for digital investments, 44% (globally, 25%). They also hope to grow revenue (35% in Ireland, compared to 45% globally).

Our analysis of insights from nearly 2,000 business and IT executives globally reveals that Irish respondents are more cautious in their spending plans than companies globally. Only 11% of companies in Ireland are spending more than 15% of their revenue on digital investments, compared with 31% globally.

As we do each year, we sought to answer the question: What actions can leaders take to ensure their digital investments deliver and sustain value? Today's digital enterprise spans many dimensions, and we analyzed more than two dozen factors, covering strategy, innovation, and execution. Ultimately, we isolated the ten attributes that correlate with stronger financial performance; this is what makes up our Digital IQ score. Companies with high Digital IQs (those in the top quartile) were twice as likely to achieve rapid revenue growth and profit growth as the laggards in our study. Here's how Ireland scores on each of the ten Digital IQ attributes:

### Digital IQ: Ireland vs. Top performers



# Reading the digital signs in Ireland

## Where they're investing

Companies in Ireland are in line with the global average here, spending 13% on operations, 11% on customer service, and 9% on enterprise functions like finance.\*



### IT

32% globally  
32% Ireland



### Marketing

27% globally  
28% Ireland



### Sales

12% globally  
14% Ireland

## Who's leading digital

Sixty-seven percent of companies in Ireland see the lack of alignment and clarity on roles and responsibilities relating to digital ownership as a barrier to progress. There is considerable variation around which executive is ultimately responsible for digital enterprise investments, although for most companies in Ireland it is either the CEO (30%) or the CIO (26%).

## Where they look for innovation

Companies in Ireland are using a wide variety of external sources to gather ideas for applying emerging technologies in new ways to solve business problems. They are relying mostly on customer advisory groups and surveys (60%) and are also making good use of competitive intelligence (56%) and industry analysts (53%). Compared with their global counterparts, companies in Ireland are making relatively less use of opportunities to actively engage with their vendor ecosystem – 30% versus 38% globally.

## Skills they value

Companies in Ireland see data and analytics as the most important digital skill for their business – 79% – but only 60% of respondents in Ireland feel their data and analytics capabilities are developed, and only 14% would say they are highly developed. Sixty-seven percent of companies in Ireland also see technology architecture and design and the ability to evaluate emerging technology as highly important skills for their business. However, only 56% feel their organisations have reasonably developed skills in each of these areas.

## Barriers they see

In Ireland, the top three barriers to achieving expected results from digital enterprise initiatives are as follows:

1. Ineffective third-party partners (76%)
2. Lack of properly skilled teams (70%)
3. Lack of alignment and clarity on roles and responsibilities relating to digital ownership (67%)

## Local take on the results

The survey reveals that a large majority of Irish CEOs champion digital, similar to global levels. While many Irish business leaders understand the value of digital, there is some catching up to do in terms of investment compared to their global counterparts. In comparison to the top global performers, Ireland lags behind in almost all of the 10 crucial attributes required to drive digital growth, most notably in the area of executive team engagement.

Crucially, in Ireland, the survey identifies a lack of clarity as to internal responsibility for the digital agenda, and less than half have a single integrated digital roadmap. Irish companies are saying that they see the opportunity and challenge of digital but have not yet mobilised to engage with this critical strategic disruptor. More investment is needed for companies in Ireland to realise the full potential of digital.

## About Digital IQ™

We've been conducting our Digital IQ research since 2007, and this year marks our seventh annual survey of business and IT executives globally. This year's survey was conducted July through September 2015 and included 1,988 respondents from 51 countries. Responses were aggregated into seven regions and ten industries. In Ireland, we surveyed 43 IT and business leaders.

Our Digital IQ score is a tool for quantifying and benchmarking the Digital IQ of firms in a consistent way. The score is built on the ten attributes of the survey that proved to be most closely correlated with company performance. The overall Digital IQ score is a weighted and normalized sum of the attribute scores. Our analysis shows that those firms with a higher Digital IQ score are more likely to enjoy faster revenue growth and wider profit margins.

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\*Spending totals are mean calculations for each response group, which vary by function; due to rounding, total for all spending may add up to more than 100%.