

ARE NEW ZEALAND'S BUSINESSES READY FOR **DIGITAL TRANSFORMATION?**

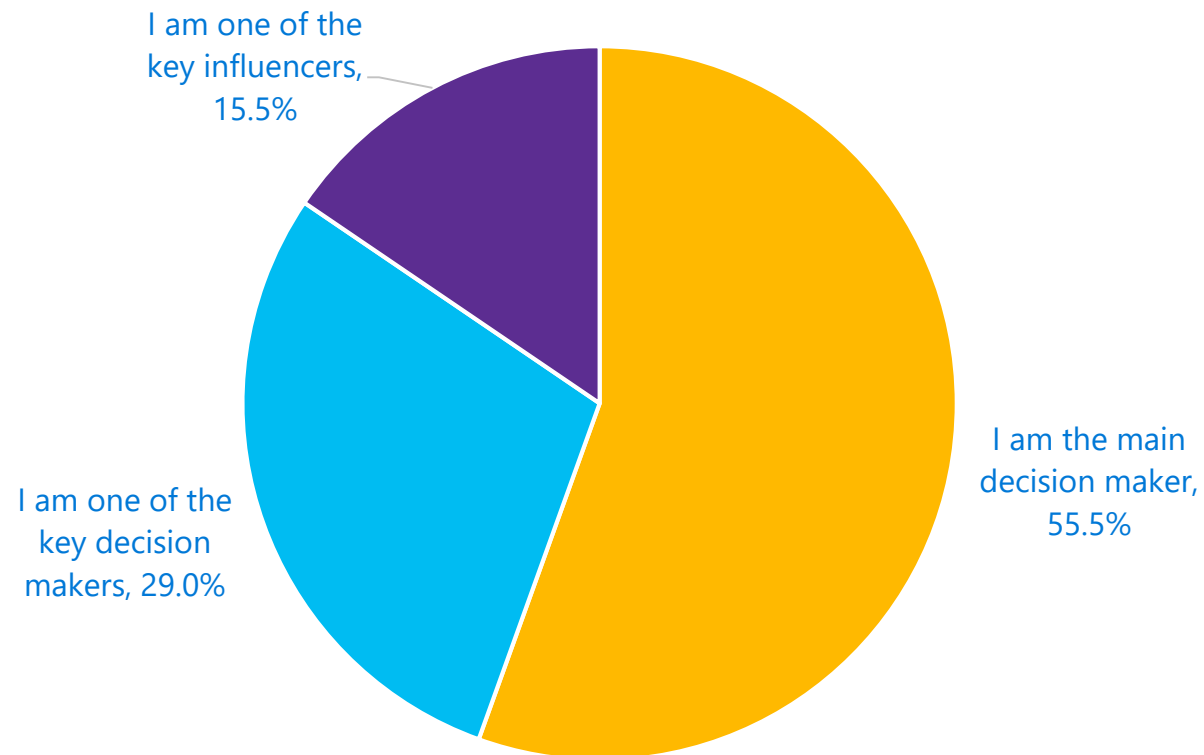
Microsoft Asia Digital Transformation Study 2016/17



About the Study

- **100 business leaders from New Zealand** who are involved in shaping digital strategy
- Part of a larger 13-market study involving 1,494 respondents
- Respondents also had to work in an organization with more than 250 employees
- Survey was conducted by Asia Insight, a leading research agency headquartered in Singapore

1,494 C-level business leaders who are...



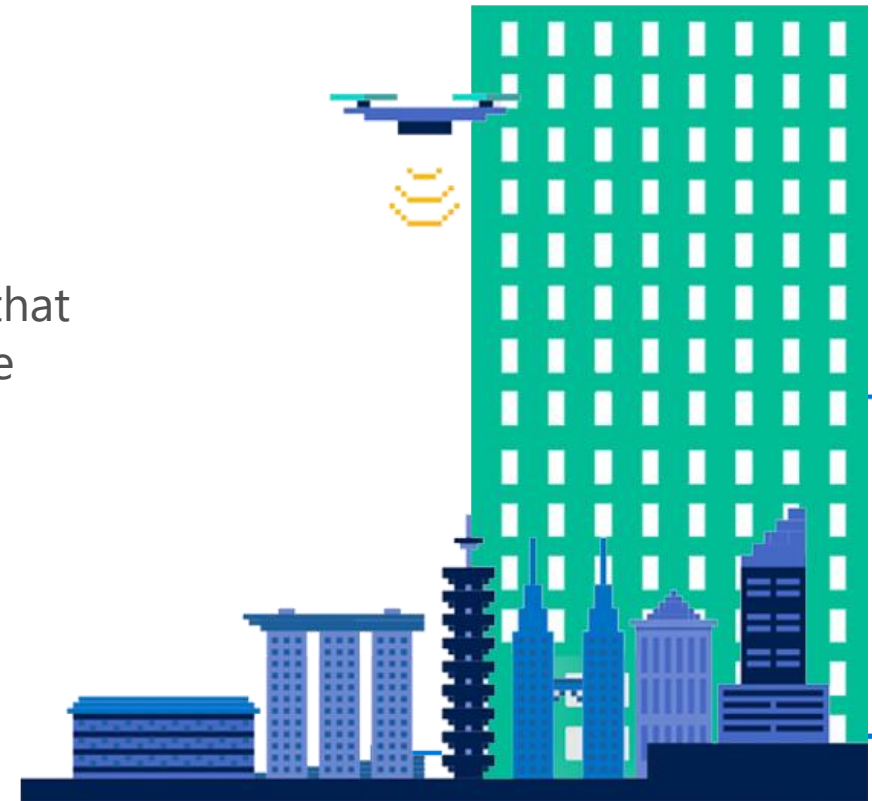
Every Organization needs to be a “Digital & Data Business”

75%

Business leaders in New Zealand **agreed** that every organization needs to transform into a digital business to enable future growth

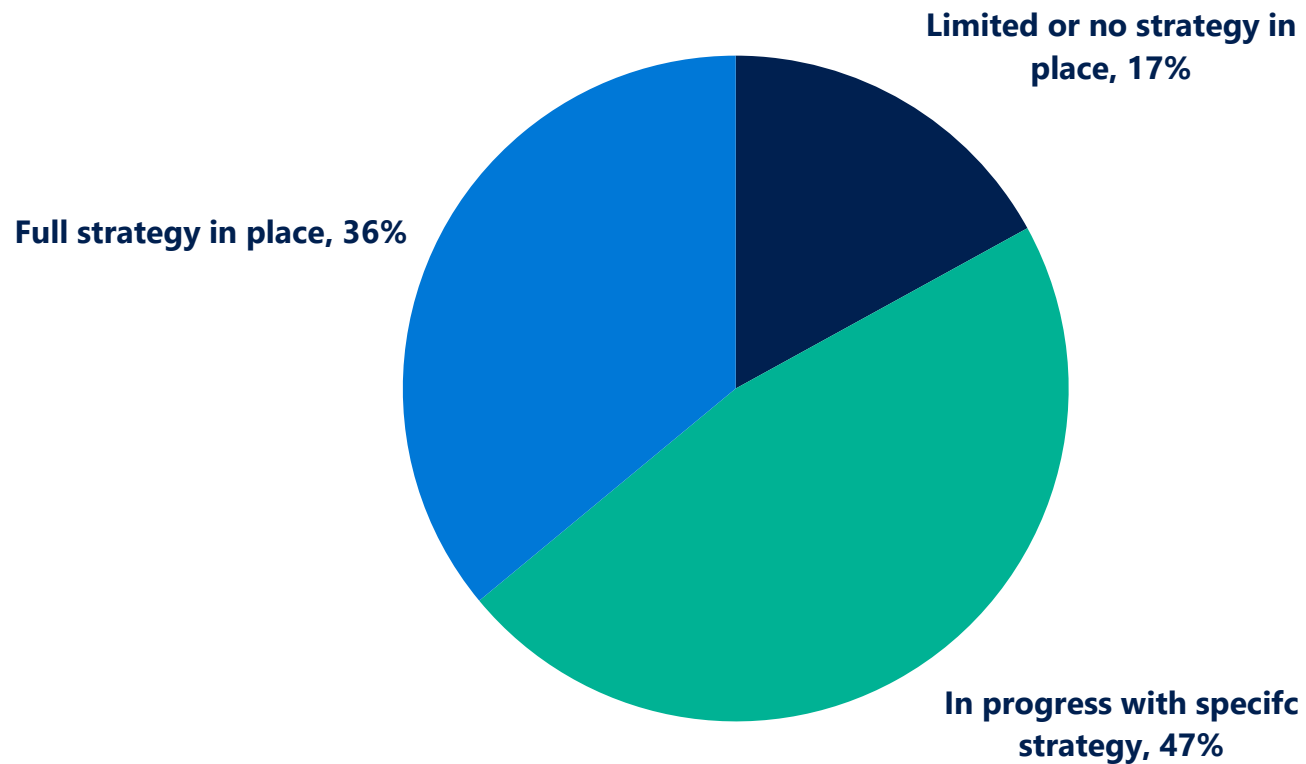
88%

Business leaders in New Zealand **agreed** that new data insights can lead to new revenue streams

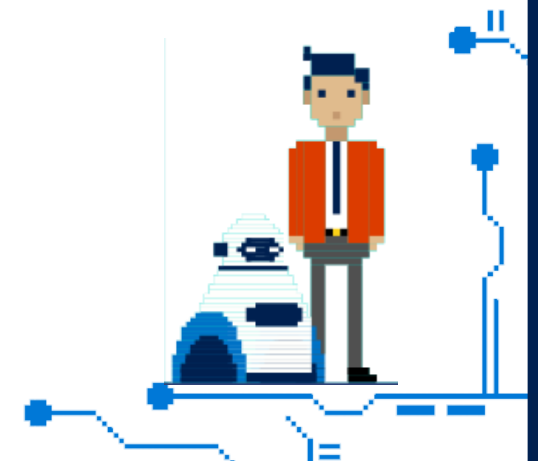


New Zealand has some way to go on the Digital Journey

- 36% believe that they have a full strategy in place and are well on their way to digitising their business
- 47% are progressing in their digital transformation journeys, and 17% have a limited or no strategy today



A1. Which of the following best describes your organisation's digital transformation strategy?



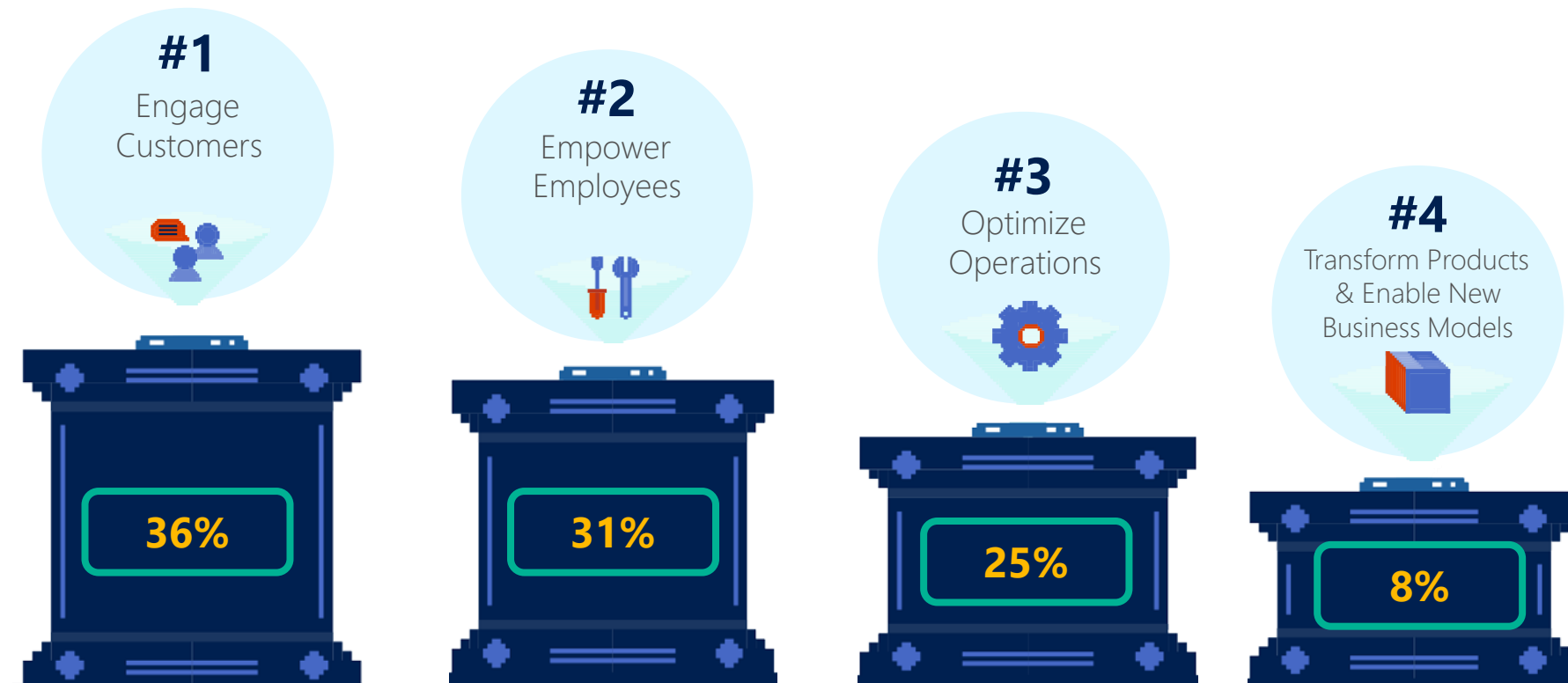
Definitions of each Status of the DT Journey

Strategy Level	Definition provided to Respondent
Full	A full strategy refers to having a mature and developed digital processes, people readiness, and support systems in place to enable new & timely ways of engaging with customers, employees and partners; enabling continued growth & innovation as a truly digital organisation
Progressing	Progressing describes an organisation which has specific focus areas for digital processes, people readiness and their support system and see the organisation as already on a digital transformation journey
Limited	A limited strategy describes an organisation with some existing processes, people readiness, and support systems which may still be under development or the organisation may have just started embarking on projects to make digital transformation
Plan to build in next 12 months	An organisation in this stage has started to plan for the roll out of some processes, has planned activities to get their people ready and to build support systems. Some of these outcomes are expected to be in place within the next 12 months

New Zealand: Organizations prioritizing people today

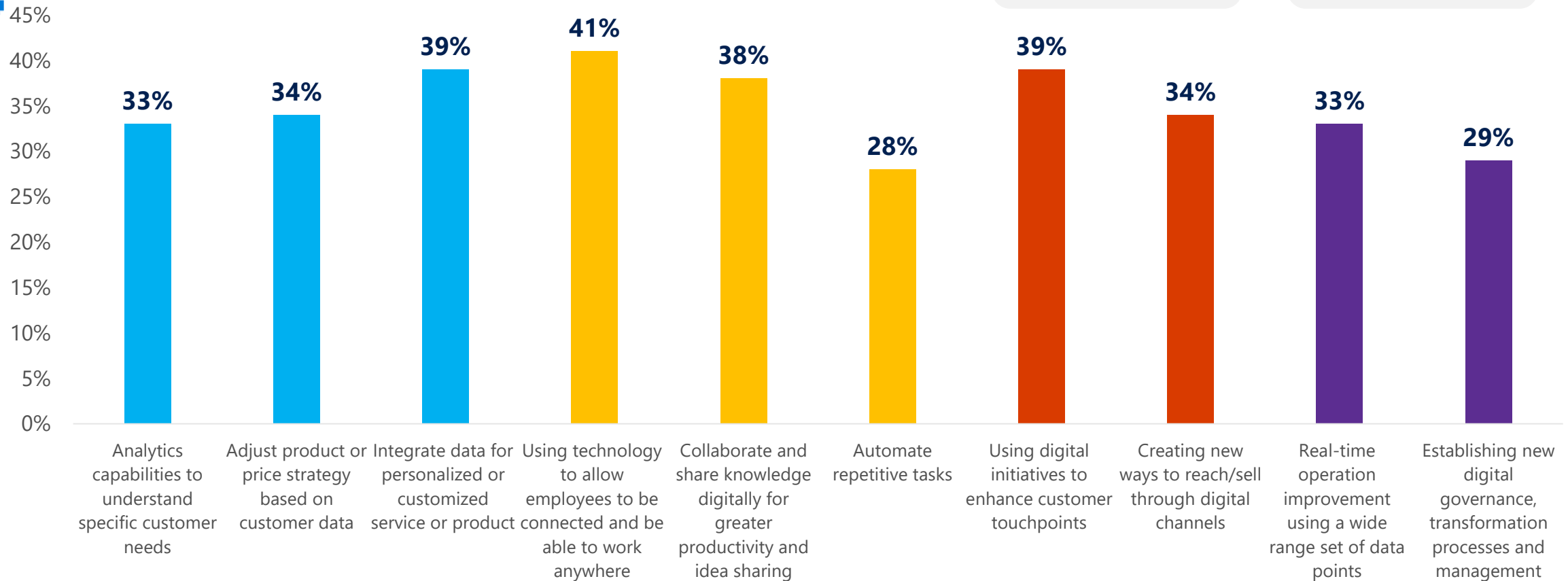
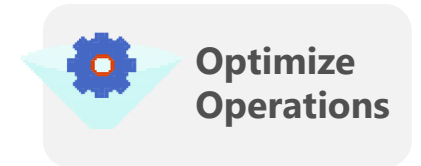
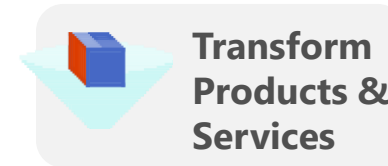
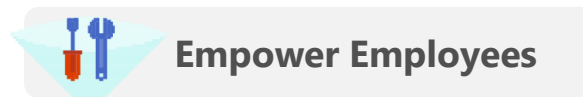
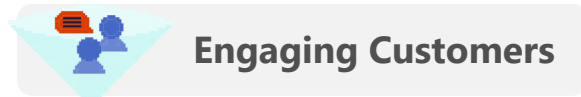
- As every industry faces disruption from newer, agile, digitally savvy players, there is insufficient focus on creating new products, business models and revenue streams

% indicate respondents who rated this as the highest priority in their digital transformation journey today



B1. Please rank the following key benefits of digital transformation in order of priority to your organisation today where 1 is the highest priority and 4 is the least priority

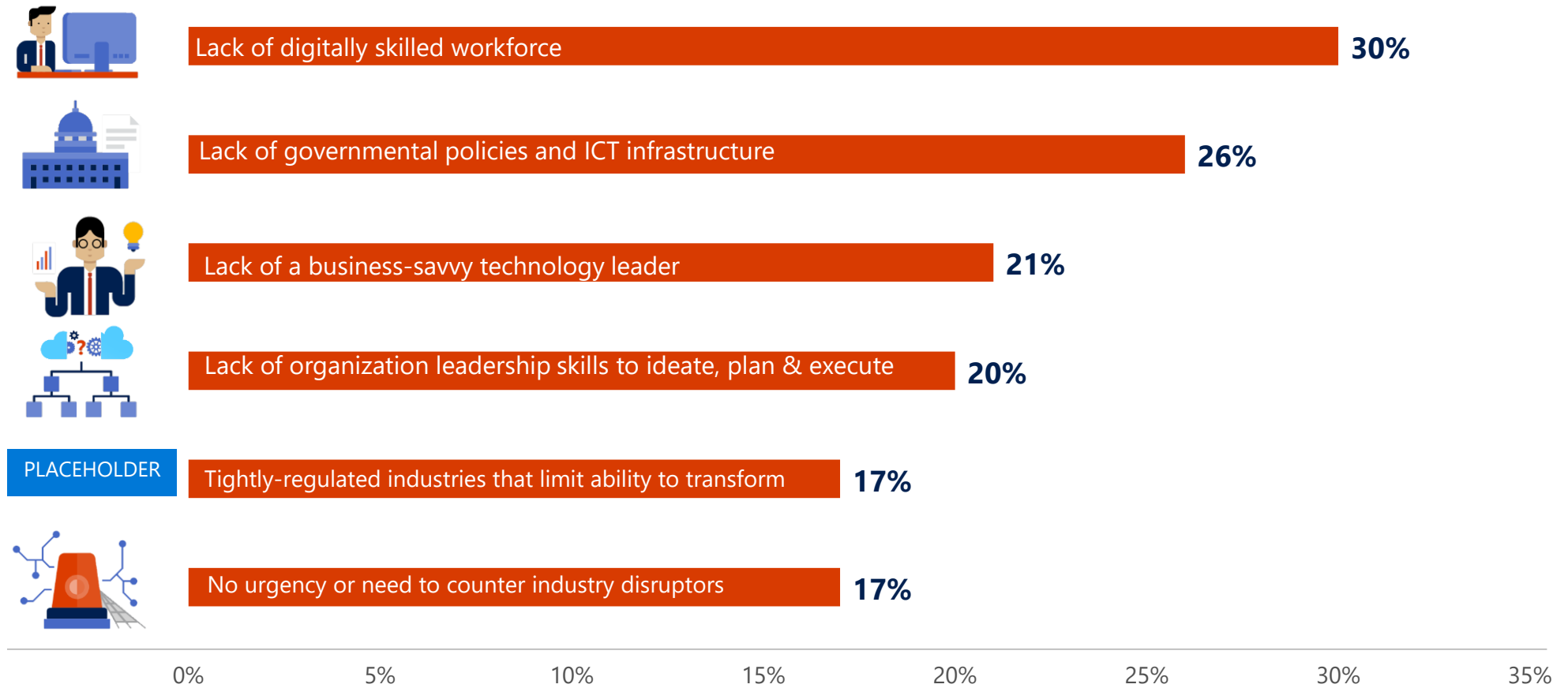
10 Desired Outcomes: Where they are vs the Desired State



A4. In the next few questions, please take your time to read through each statement carefully, and choose the option that best represents your organisation's current position and readiness in various aspects of Digital Transformation. Results presented are for responses where business leaders have felt full effect of the attribute evaluated.

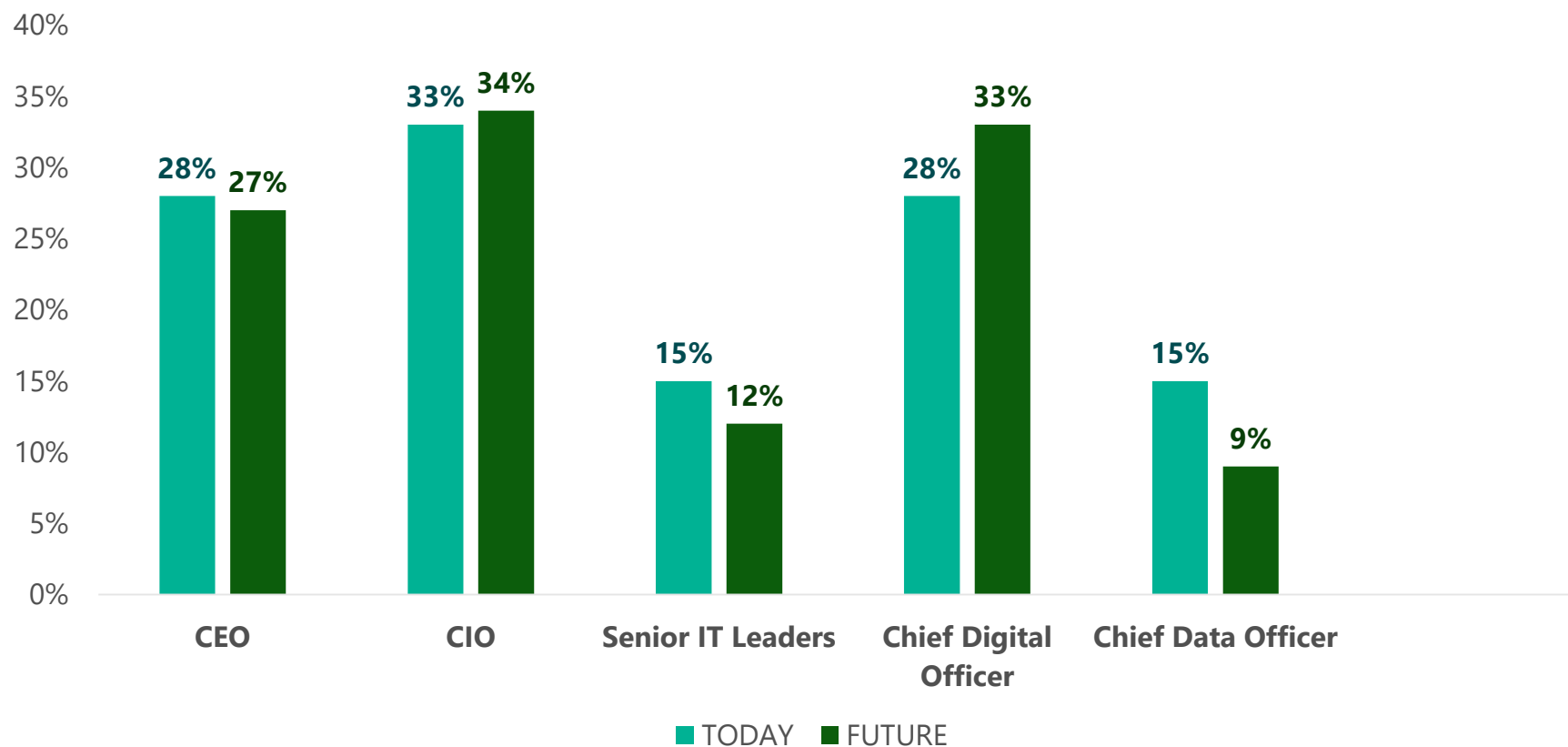
Top Barriers for Digital Transformation in New Zealand

- A variety of reasons were highlighted by respondents in New Zealand as key barriers. These include:



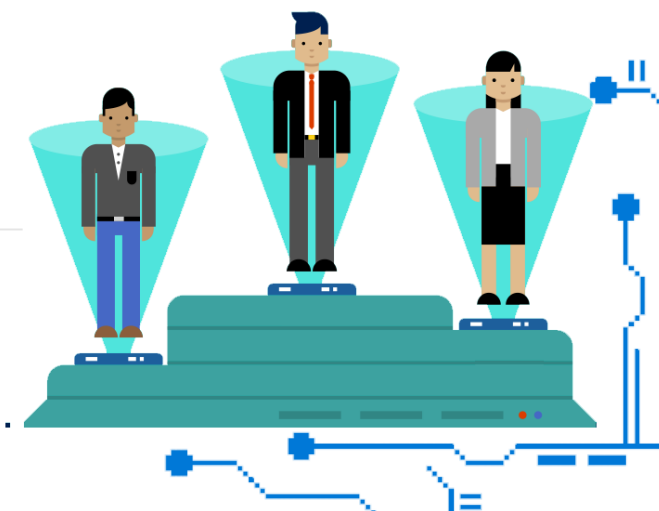
Leadership is crucial for Digital Transformation

- Today, CIOs are driving the digital transformation strategy in New Zealand's organizations, and respondents expect them to continue doing so in the future
- However, respondents reflected that CEOs and Chief Digital Officers should also take a leadership role in driving the digital transformation within the organization



A2. Who in your organisation currently drives Digital Transformation?

A3. In your opinion, who should drive Digital Transformation, and be the leader for Digital Transformation for your organisation?



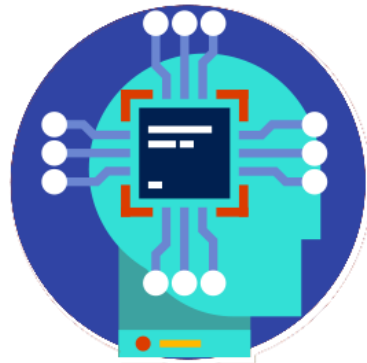
Most Relevant Emerging Technologies in New Zealand for Digital Transformation

#1



**WEARABLE
TECHNOLOGIES**

#2



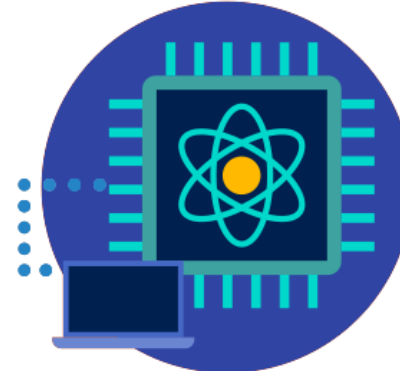
**ARTIFICIAL
INTELLIGENCE**

#3



**INTERNET OF
THINGS**

#4



**QUANTUM
COMPUTING**

#5



**NEXT-
GENERATION
COMPUTING**

A6. Please rank the following emerging technologies in terms of relevance to your organisations' digital transformation efforts in the next 12 to 18 months where 1 is the most strategically important and 5 is the least strategically important

Trade Me: Turning Data into Gold

Challenge

- Turn customer data into actionable insights to help drive business growth and better customer experience

Strategy

- Harness Power BI and Azure Machine Learning as the cloud-based data platform to drive data insights
- Empower staff of all ranks to embrace data tools in their work

Results

- Managers are able to better respond to sales trends in real time than using 'gut-feel'

"Our core BI team works closely with the business, and almost every week there's a new requirement to help drive business outcomes."



— Philip Seamark, Senior Business Intelligence Architect

Ryman Healthcare: Re-energizing Healthcare through Data

Challenge

- Mitigation of risks due to documentation errors in patient care

Strategy

- Digitize 95% of all manual processes
- Created myRyman running on Microsoft Surface devices and Azure cloud services

Results

- Improve staff productivity and collaboration
- Provide better customer experience

“We wanted to stay ahead of the competition... we knew that we had to leverage technology if we wanted to continue growing and to keep an eye on competitors in the market.”

— Simon Challies, Managing Director of Ryman Healthcare

