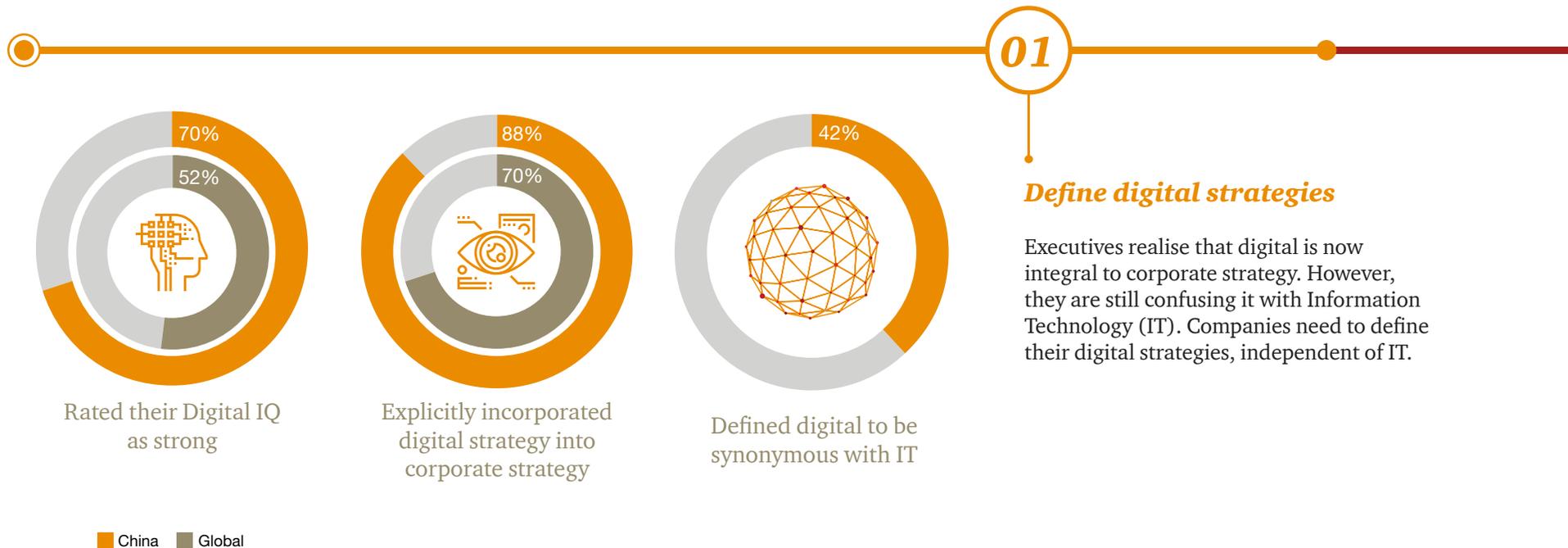


2017 Digital IQ Survey – China focus

How can companies in China enhance their Digital IQ*?



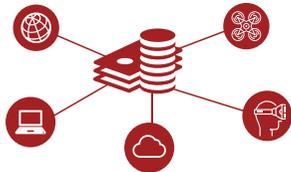
* Digital IQ is defined as how well an organisation understands the value of digital technology and weaves it into the fabric of its organisation.

02



60%

0 – 5%
organisation's
budget or revenue



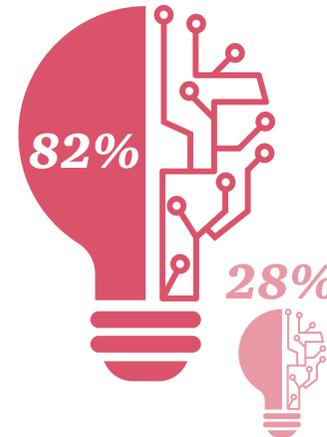
Digital technology investments

60% of the executives surveyed in China reported that only 0-5% of their organisation's budget or revenue is spent on digital technology investments.

Make prudent digital technology investments

Despite a vast majority of executives agreeing to incorporate digital strategy into corporate strategy, the percentage spent on digital technology is very low. Confusing digital with IT could be one of the reasons.

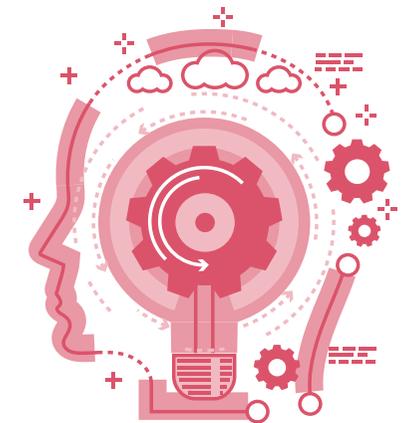
03



82% agreed that identifying opportunities to digitise their enterprise is a critical part of their innovation process. However, only 28% claimed to explore and act on high-priority emerging and disruptive technology innovations through a dedicated innovation or lab group.

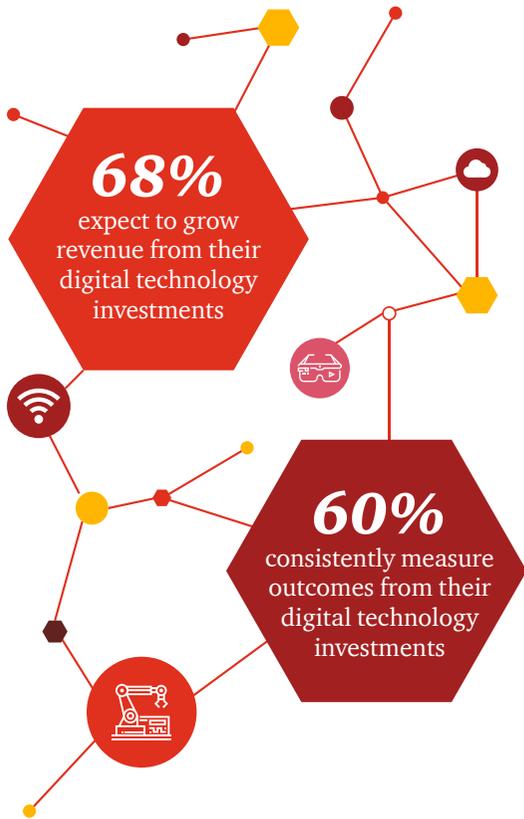
Set up dedicated innovation labs

Setting up dedicated innovation labs to research on emerging disruptive technologies can enable digitisation of organisations. This push to the innovation process will also improve quality of investments in digital technologies.



Setting up specialised innovation labs would provide the necessary push to digital initiatives.

04

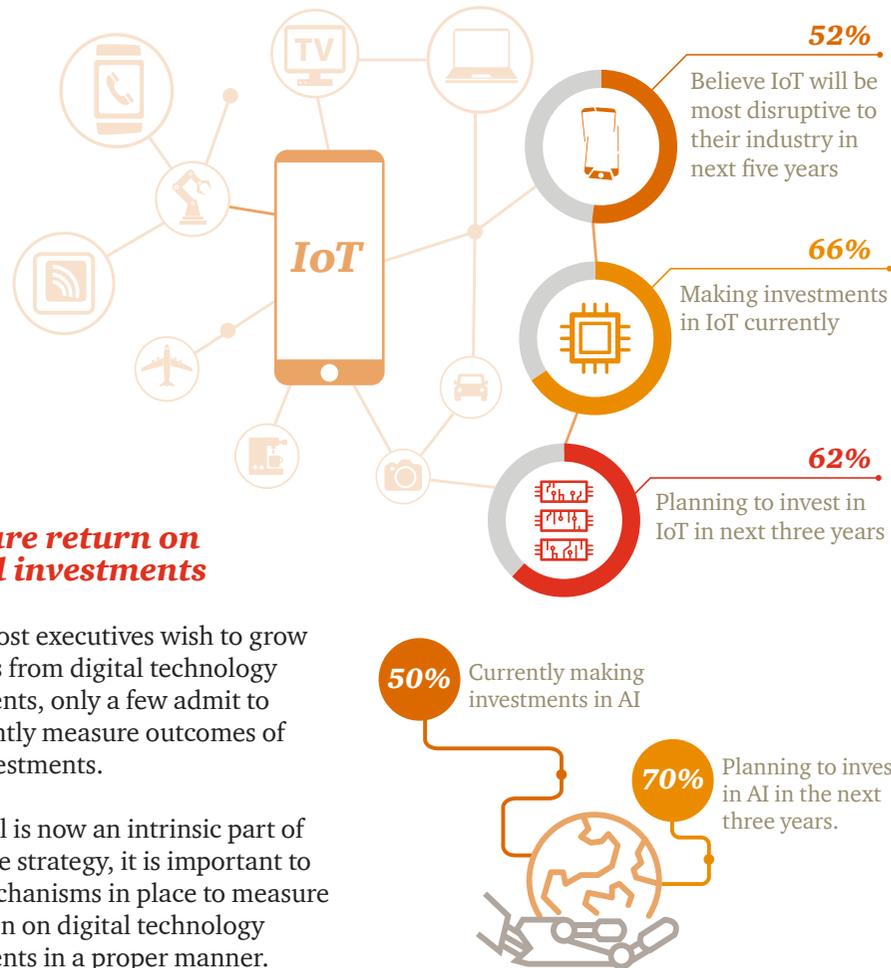


Measure return on digital investments

While most executives wish to grow revenues from digital technology investments, only a few admit to consistently measure outcomes of such investments.

As digital is now an intrinsic part of corporate strategy, it is important to have mechanisms in place to measure the return on digital technology investments in a proper manner.

05



Create a digital talent pool

Organisations have already started making valuable investments in digital technologies, particularly, artificial intelligence (AI) and Internet of Things (IoT). Moreover, companies have investment plans for these technologies in the near future as well. However, 34% of executives surveyed in China rate lack of properly skilled teams as the top obstacle to achieve expected results for their digital technology initiatives.

Moreover, only 36% report to have IoT skills in their organisation and only 8% reported their organisation to have AI skills.

Companies need to invest in up-skilling their existing employees and hire more suitable talent that can lead the way.



About PwC's 2017 Digital IQ Survey

PwC's 2017 Digital IQ Survey was conducted with 2,216 executives across 53 countries. 50 executives were surveyed in China and Hong Kong across industry sectors. 32% of executives surveyed in China came from organisations with revenue between USD 1– 5 billion.

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How to prepare for the technological breakthroughs megatrend, and the eight technologies to start with



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