

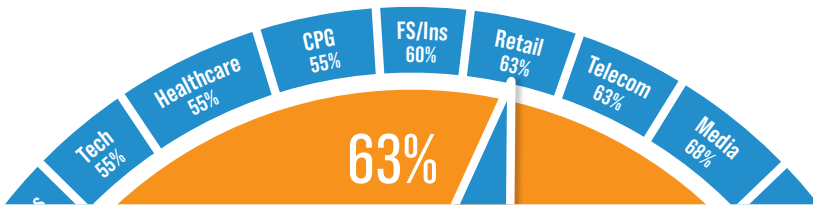
DIGITAL PULSE— RETAIL

“Foresight has not translated to preparedness; Retail organizations are not well-equipped to deal with digital.”

Retail organizations, more than companies in almost any other industry, are expecting to be significantly impacted by digital technologies within the next year. However, fewer than a third of executive leaders surveyed felt confident that their company has the right people in place to execute successful digital strategies. Most cited Lack of a Single Head of Digital as their greatest barrier to effective digital business; only 10% currently have digital strategies owned by such a person. A centralized digital team is favored among all consumer organizations but even more so within Retail companies. While 62% of executive leaders said their company takes this approach, very few of the digital functions within their organization are owned by a digital team.

Digital Disruption Barometer

Retail sits near the top of the disruption barometer, aligned with Telecommunications and second only to Media organizations.



63% of Retail executives surveyed responded that their business would be moderately or massively disrupted by digital in the next 12 months.

Five Functions Most Impacted by Digital

Retail executives expect digital to have a sweeping impact across tech-minded and customer-facing functions.

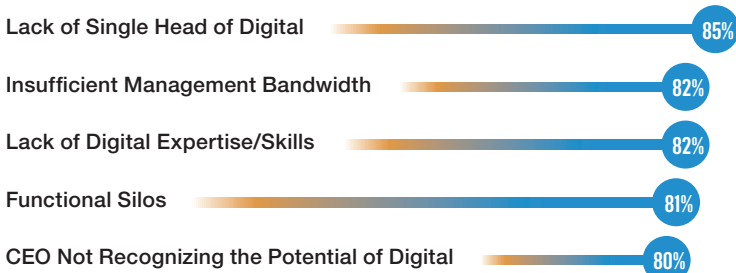
Percentage of Retail Executives: Functions Most Impacted by Digital in the Next 12 Months



Five Top Barriers to Effective Digital Business

When asked what the biggest barriers to effective digital business are, Retail executives emphasized challenges related to skills, leadership and organizational structure.

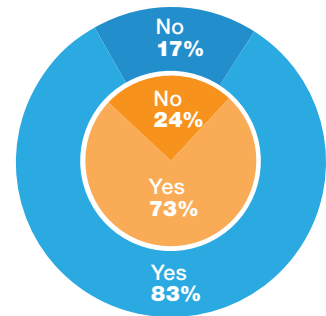
Percentage of Retail Executives Rating Barriers as of High or Moderate Significance



Structure and Strategy

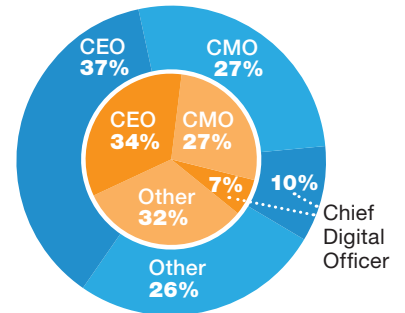
Does your company have a digital strategy?

● Retail
● Total



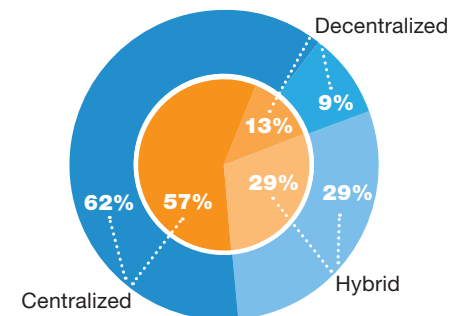
Who owns digital in your organization?

● Retail
● Total



How is digital organized in your organization?

● Retail
● Total

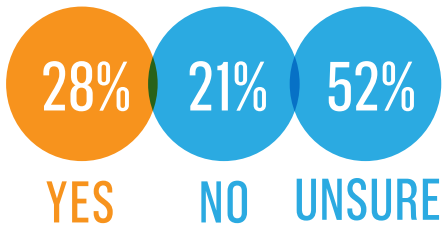


DIGITAL PULSE— RETAIL

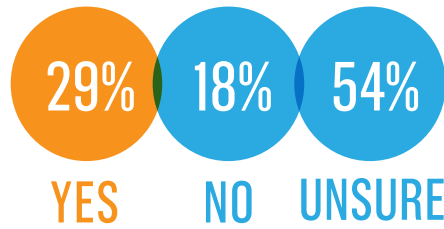
The People Challenge of Digital

People are the driver of digital in an organization. The below shows how many Retail executives agreed and disagreed with two key questions.

Do you have the right people to define your digital strategy?



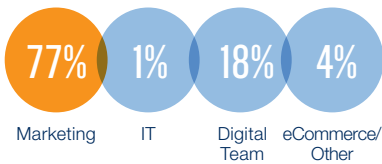
Do you have the right people to execute your digital strategy?



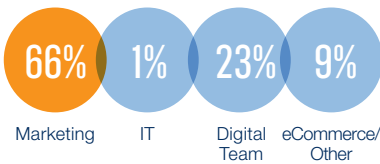
Ownership of Digital within Organizations

Across organizations, various elements of digital are owned by different parts of the organization. The below shows the percentage of functions that own specific elements of digital in respondent organizations. While Marketing often was cited as an owner, the data demonstrates that little consensus has emerged across Retail organizations as digital's logical home(s).

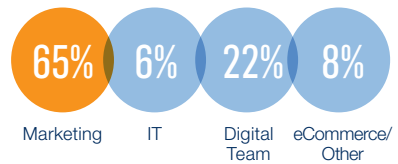
Social Media Marketing



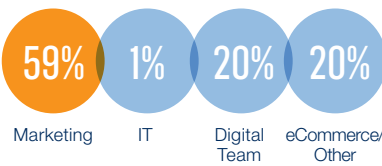
Digital Media Selection



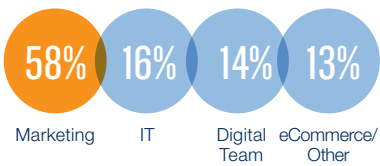
Social Media CRM



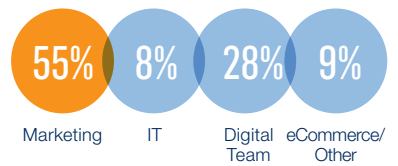
Customer Mobile App Development



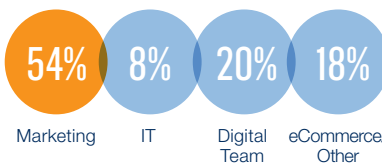
Employee Digital Engagement



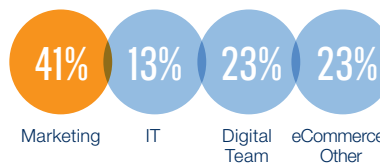
Customer Experience Strategy



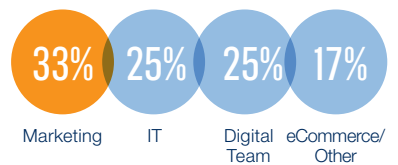
Vendor Selection



Web Design

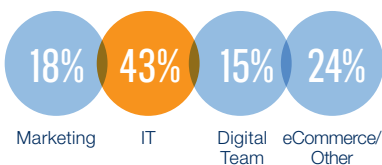


Customer Analytics

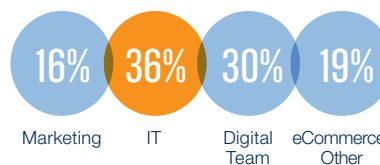


Notable exceptions include **CRM** and **Web Strategy**, which most often are owned by IT.

CRM



Web Strategy



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