

ACCENTURE MIDDLE EAST VIDEO TRANSCRIPT

Innovation Maturity Index Middle East Reimagining the future

For the second year in a row we are launching Accenture Innovation index in the Middle East. We've identified 500 788 Billion US Dollars of trapped value for companies to be able to unleash if they innovate at scale. Out of this we've seen 71% of companies that have not yet started the journey of innovation, of transforming their core. Not only that, we've seen up to 84% of companies that invest less than 25% into the new, into new technologies, into new ways of operating that help them transform the core and scale the new, what we call the wise pivot. And this is a call to action from us to the market, to the players, to the industry, because there are players and start-ups that are hungry for that and will take over some of this trapped value if the larger players do not accelerate in their take up.

Digital disruption in the Middle East

Exciting times for all of us, we see a lot of these digital technologies that are creating exponential change, both for businesses and as well as entrepreneurs that want to transform the way people work and live. This comes though, with some challenges, let me put an example; the telco sector in 2009 experienced the landing of 4G and had the opportunity to create massive value out of it, at that time they did capture it somehow and their evaluation of the top companies in the world multiplied by a factor of 2 in the last 10 years.

But if you compare it to over the top players, the digital players, the leaders all multiplied over 7 times their evaluation. Meaning there is an opportunity to really grow faster when adopting some of the digital enablers that the new technologies bring.

The value of data to unlocking trapped value

In the research this year we focus on data as it is one transformational element for the company at scale, and we've done this by taking into account four different dimensions.

Data foundations

One being data foundations, or how all the different elements of data are being brought together-the platforms they have and they use.

We have seen 64% of the innovation champions are mastering this vis-à-vis only 26% of the rest.

Data management

The second one talks about data management, or, how do these players leverage data, what processes they have, what governance they have over this data, how they exchange the data, how they bring it together to augment the business decisions. Yet again here, the champions, the innovation champions, the ones that differentiate and unleash more trapped value, 71% have a better-established data management practice vis-à-vis only 32% of the rest of the companies.



Data conversion to insights

The third element but not the least important is how are these data elements converted into insights, how the management makes data driven decisions. How the business decisions are always underpinned by data. Again here, the champions, 71% of them drive the whole company based on data, based on insight vis-à-vis only 21% of the rest. So there is a big gap still to catch up for most of the companies on the data and the way they make decisions from the data.

Company structure to capture real value

And last and not least, this is how have companies structured the way to capture real value and to quantify the value that data creates. 72% of the innovation champions do have a very structured process and a methodology to assess the value they create from data, or even methodologies and policies to share data with their parties and monetize it, versus only 25% of the rest.

Conclusion

In summary we're seeing that innovation champions have a well-defined data usage and management and monetisation across their DNA vis-à-vis the rest of the companies. This helps them to be much more efficient and effective at capturing part of this trapped value. We mentioned in the Middle East 578 billion US Dollars of trapped value that is at stake and data is a key enabler to do that. The time to act is today.

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