

Digital Transformation By the Numbers

Going Beyond the Hype

Did you know that most companies are using technology to modernize their existing business model instead of transforming it head to toe?¹ Digital transformation is so much more than just implementing new software. It's about changing the way a company operates.

Follow the Money



The digital transformation market is expected to grow at a CAGR (compound annual growth rate) of **22.7 percent** from 2019 to **\$3,294 billion** by 2025.²



In 2019, digital-first companies were **64 percent** more likely than their peers to have exceeded their top 2018 business goal.³



While **52 percent** of companies plan to cut or defer investments because of COVID-19, just **nine percent** will make those cuts in digital transformation.⁴

Expectations vs. Reality



Although **87 percent** of senior business leaders say digitalization is a company priority...

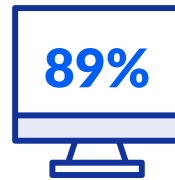


Only **40 percent** of organizations have brought digital initiatives to scale.⁵

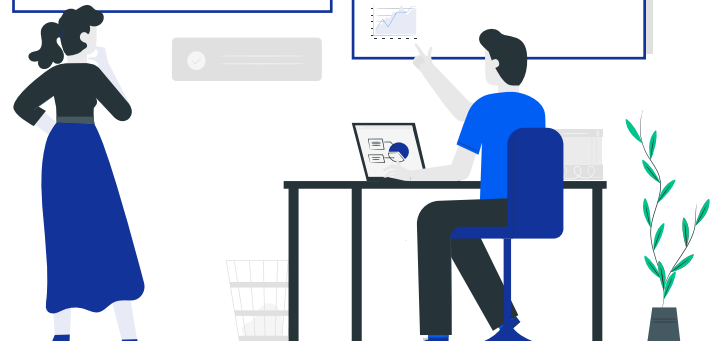


Just **16 percent** of executives say their company's digital transformation efforts are succeeding.⁶

Who's the Lead?



The percentage of CIOs who say they're more involved in leading digital transformation initiatives compared to their business counterparts.⁸



The Mechanics

Companies move twice as fast on digital transformation when there is a shared understanding of the digital path ahead.⁹



Internet of Things (IoT) had the largest share of the total digital transformation market in 2019, but AR/VR tech is predicted to have the fastest growth until 2025.²



Industry Highlights



Insurance

Eighty-one percent of insurers acknowledge that technology has become an inextricable part of the human experience.¹⁰



Healthcare

During the 2020 pandemic, there was a **15 percentage point** increase in use of digital tools for health support by consumers.¹¹



Retail

The global digital transformation market in retail will grow to the tune of **\$129.64 billion** from 2020 to 2024.¹²



Real Estate

AI and Big Data analytics are among the top biggest disruptors in the real estate industry.¹³

The Takeaways



Digital transformation is a must, but it's also a competitive advantage.



CIOs are the owners of digital transformation efforts, but they need their colleagues' buy-in.



Distinguish between modernization and transformation (tactical vs. strategic).



Take advantage of advanced tech like AI, VR, IoT.



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