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New report from Deloitte Global finds slow digital adoption in the chemicals industry

- *Over 50 percent of chemical companies surveyed lack an enterprise digital strategy and transformation roadmap*
- *Without enterprise digital strategies, many chemical enterprises may miss critical opportunities for innovation, talent management, and value creation*
- *5 enablers identified to possibly augment their existing digital agendas*

NEW YORK, Moscow, 2 February 2017 - Increased competition, changing customer needs, an evolving regulatory environment, and dynamic cost equations weigh heavily on chemical enterprises today. In the face of this challenging environment, many chemical enterprises are focused on reinventing their business and operating models through transformational trends emanating from other industries. Yet, according to a new report by Deloitte Global's Consumer & Industrial Products Industry group: Digital Transformation: Are chemical enterprises ready?, many are missing a critical opportunity as 52 percent of chemical enterprises surveyed lack a digital strategy and transformation roadmap.

The report analysis is based on the collection of survey responses from 102 executives from more than 50 chemical enterprises with a balanced mix across North America, Western Europe and North Asia. The data from the survey begins a multiyear research initiative to explore the opportunities and challenges digital trends present to chemical enterprises.

The survey uncovered that organizational agility (55 percent) and flexibility (39 percent) are challenges experienced by chemical enterprises that may limit a digitally-led business transformation. "While most of the responsibility to execute digital initiatives currently resides with the information technology or the newly created digital department, many executives believe that individual business units or functions should take full ownership," said Wolfgang Falter, Chemicals & Specialty Materials Sector Leader, Deloitte Global.

According to the report, there are five enablers chemical enterprises can consider to augment their existing digital agendas:

- Develop a robust business transformation process starting with a clear digital enterprise strategy
- Build a sustainable insight-driven advantage in the entire organization
- Identify and mitigate cyber risks in complex and dynamic ecosystems

- Establish agile operating models internally and externally
- Embed total innovation to encourage corporate collaboration, learning, and a cultural behavioral shift

“A clear digital enterprise strategy can generate significant value through business model innovation, customer experience enhancement, and operational excellence,” said Yann Cohen, Digital Chemistry Leader, Deloitte Global. “Senior leadership in chemical enterprises have a window of opportunity to proactively drive a culture combining digital and innovation, which could likely enable a business transformation led by total innovation and focused on talent management and shareholder value creation.”

View the report at www.deloitte.com/digitalchemistry

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