The ongoing process of digitalization is ramping up the pressure on established business models and nearly all processes. The Digital Readiness Assessment (DRA) developed by KPMG analyzes the state and quality of relevant areas of your company from several different perspectives.

The challenge
The expansion and growing importance of digital structures and process elements in business and in your particular environment is transforming what is expected in terms of performance and organizational structures. Given this fundamental transformation, it is essential to assess the optimization potential of a company by determining its digital readiness and making sure it is up-to-date.

In this regard a systematic self-assessment is just as important as a comparison with similar companies or other companies in the same industry. In turn, this establishes a long-term foundation for making investment decisions, which is not only relevant for the company’s digital structures, but also for its product and service portfolio.

An in-depth digital readiness analysis must integrate various dimensions and always incorporate two different perspectives for digital solutions: management (transformation intensity) and pervasiveness (operational effectiveness).

Digital readiness analysis for companies

<table>
<thead>
<tr>
<th>Development and purchasing</th>
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<tbody>
<tr>
<td>• Are my existing products and services digitalized?</td>
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<tr>
<td>• Can I extend my portfolio with digital services or products?</td>
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<table>
<thead>
<tr>
<th>Production</th>
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<tr>
<td>• Which steps in the value chain are automated?</td>
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<tr>
<td>• How should I position myself along the value chain?</td>
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<tr>
<td>• Do I have partners in the technology industry?</td>
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<tr>
<td>• What is the level of vertical integration?</td>
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<tr>
<td>• Are my digital concepts, methods and tools interconnected?</td>
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<tr>
<th>Marketing</th>
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<tbody>
<tr>
<td>• Can digitalization help me to reach new target groups?</td>
</tr>
<tr>
<td>• How can I use new, digital market channels?</td>
</tr>
<tr>
<td>• How can I analyze customer data and user profiles?</td>
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<th>Sales</th>
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<tbody>
<tr>
<td>• How can I make my earnings models more dynamic?</td>
</tr>
<tr>
<td>• How can I develop and expedite my payment systems?</td>
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</table>
**Taking inventory systematically**

Your digital fitness level is recorded and assessed using a step-by-step questionnaire. The results are categorized in percentiles and include a scoring system that allows you to classify your business in one of four readiness levels: reactive participant, digital operator, ambitious transformer and smart digitalist. The categories are also weighted by relevance and industry.

Our Digital Readiness Assessment (DRA) factors in your digital priorities and your industry affiliation to enable a clear ranking among your competitors.

**KPMG’s Digital Readiness Assessment**

**Process flow**

1. **Motivation/target definition**
   - Clarification of motivation and target definition between KPMG and customer.

2. **Inspection by KPMG**
   - Adaptation of the process based on specified targets and motivation.

3. **Implementation**
   - Implementation of DRA by customer.

4. **Interpretation by KPMG**
   - Interpretation of results by KPMG experts.

5. **Prioritization**
   - Prioritization of dimensions and activities as agreed by customer and KPMG experts.

6. **Digital business workshops**
   - Completion of a workshop based on the previously identified action fields.

7. **Discussion**
   - Discussion of results and final assessment of recommendations/proposals for action.

8. **Adaptation**
   - Development of a digital roadmap, target operating model, etc. based on the results generated together in the workshop.

**What we offer**

KPMG works side-by-side with you to perform an in-depth and swift analysis of your company’s digital readiness with a view to improving future viability.

The assessment focuses on the following aspects:

- **"Wisdom of the crowd"**
  - Staff survey for the purposes of analyzing processes, changes in the market and customer needs

- **Benchmarking**
  - See how your business stacks up against your competitors, other industries and digital pioneers

- **Set milestones and prepare action plans**
  - Targeted suggestions for improvement including best practice models and implementation aids

If you still have questions and are interested in finding out more, we’re always happy to help. Get in touch with us today!

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