Executive summary

More than 13,000 C-suite executives worldwide participated in this, the 20th edition of our C-suite Study. We asked executives about their plans to extract value from data and turn it into differentiating advantage and their progress in these pursuits. To identify the leaders, we classified every organization into one of four distinct stages on the data journey. The most advanced, the Torchbearers, are an elite group, comprising 9 percent of the total respondents. The Torchbearers outperform their peers in revenue growth and profitability. They also outshine others in innovation and managing change.

We learned that data-driven leadership is determined by the levels of trust an organization can create—among its customers, the people inside the enterprise, and the partners across its ecosystem.

Customers: The trust economy

Customer trust has become the defining issue for leading organizations, reshaping their offerings and even their business models. Eight in ten Torchbearers tell us they have turned to data to strengthen the trust they earn from customers. What's more, the Torchbearers consider their capacity to respect their customers' data privacy a core competitive advantage. The race is on to discover precisely where an organization's customers draw the line on privacy and what they consider a fair tradeoff for their data. The prize for those who get there first is high-trust business models that differentiate them from their competitors.

All organizations face a future in which changing customer sentiment and new regulations could severely constrain their access to, and use of, prized personal data. This is as true for consumer data as it is for business partner data. Leading organizations recognize what's required—new approaches to data collection and protection, data sharing, and customer relationships. Three principles—transparency, reciprocity, and authenticity—guide their handling of data and how they engage their customers and business partners.

Enterprises: The human-tech partnership

The Torchbearers have achieved what others have not. They've inculcated a culture of data believers. Eight in ten Torchbearers say the executives in their C-suite rely heavily on data to improve the quality and speed of the decisions they make. At the same time, they're fully focused on empowering all of their employees, not just their data scientists, to uncover insights from data. Leading organizations are liberating their data, allowing it to circulate widely, without sacrificing their responsibility to secure permissions and safeguard it.

Supported by their data-hungry culture, the Torchbearers have raised artificial intelligence (AI) to the top of their agenda. Seven in ten expect to make significant investments in AI, which can include machine learning, in the next few years. They're deploying AI to inform better decisions, infuse workflows with intelligence, and humanize the customer experience. They're moving AI from online to the front lines, into the hands of employees who interact with customers and business buyers. Torchbearers understand that as AI permeates their enterprise, the need for trust in data—and in algorithms—soars to new heights. In turn, robust enterprise-wide governance becomes a board-level issue.

Ecosystems: The platform era

For most organizations, data sharing across partner networks—a function of mutual trust—continues to be a core challenge. However, the implications for an organization's future are new. For platform business model participants, learning quickly and continuously is a do-or-die proposition and a function of data sharing. New platform business models could rise or founder on the shoals of trust.

Data shared among organizations in an ecosystem is already creating new and exponential value. But deciding what data to share for win-win propositions—and what data to maintain as a proprietary advantage—is one of the most difficult decisions organizations have to make. Torchbearers are ahead of the others: six in ten are actively sharing data across their partner networks. Likewise, six in ten Torchbearers are pursuing a strategy to monetize their data. With a monetization roadmap in place, organizations can better determine what data they should share and what they should keep close.

The Torchbearers stand apart from others in their ability to unite trust and data to surge ahead in their digital transformation. In each chapter, we've included recommendations, based on analysis of comparative data and in-depth interviews with Torchbearers, for how others can advance their own journeys.