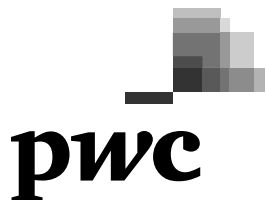

2015 Strategy& Growth Survey

&

Summary of Results



Survey overview

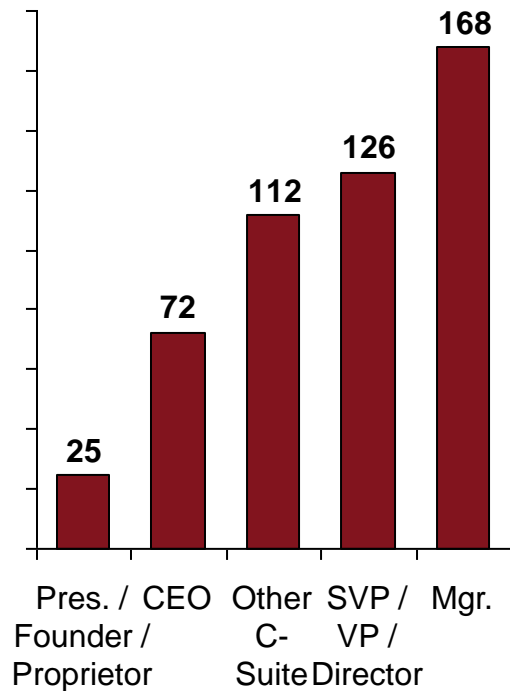
- PwC's Strategy& has conducted a survey on
 - how companies approach growth (e.g. how aggressive they are, what tactics they use)
 - and how successful they have been and expect to be in the future

- Methodology
 - Web-based survey, including 19 questions on the topic of growth
 - The survey was in the field during March 2015 – respondents included more than 500 executives from around the world whose companies have annual revenues between \$100 million and more than \$10 billion
 - Established a link between reported performance (based on respondents' ranking of their company's profitability and revenue growth relative to their industry) and how they approach growth (as determined by their responses to the various questions of the survey)

503 respondents have completed the survey, 42% at board/C-level; 1/3 based in North America, Europe, and BRIC, respectively

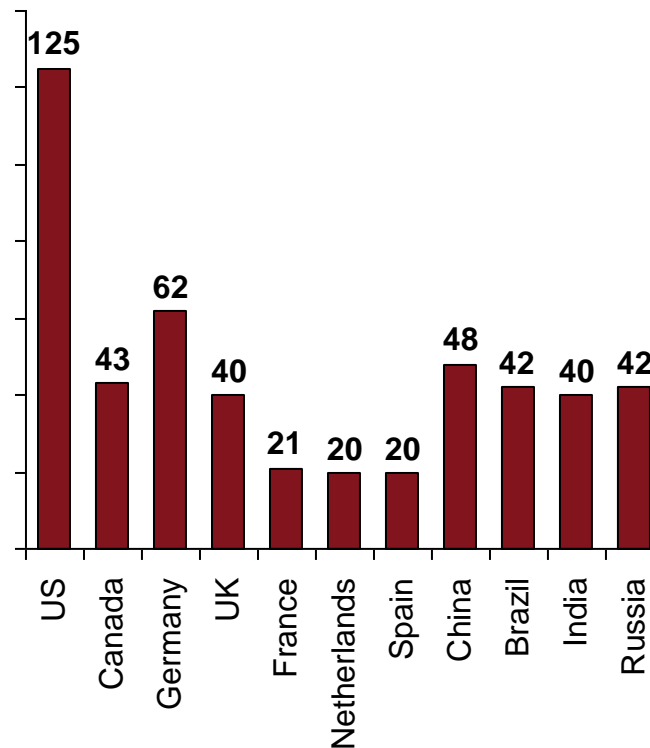
Position of respondent

Number of respondents



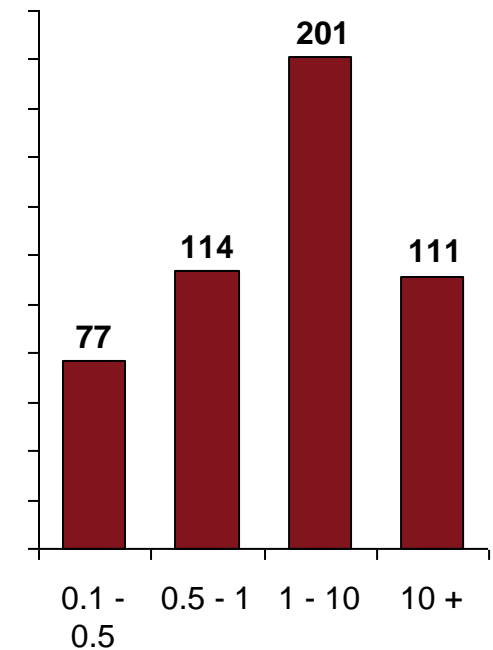
Location of respondent

Number of respondents



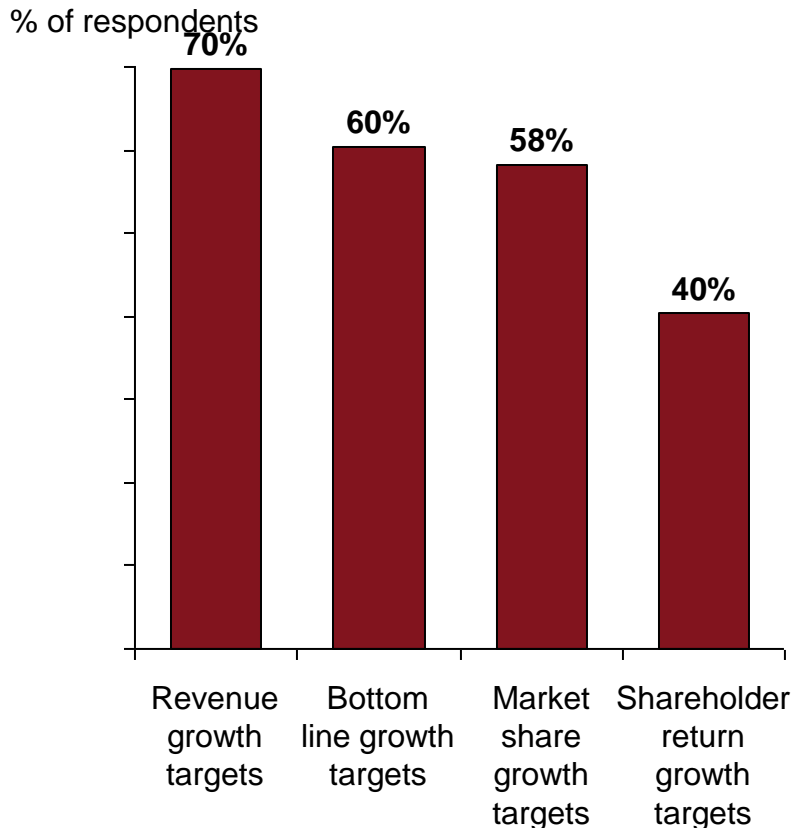
Annual revenue of respondent's company (USD bn)

Number of respondents

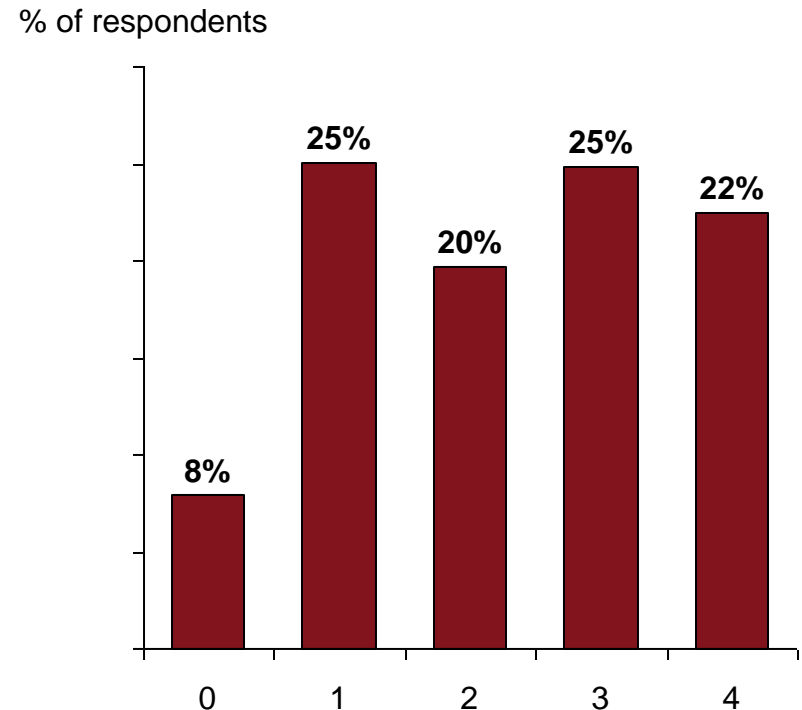


Revenue growth targets are the most frequent growth targets in use – most companies use several growth targets in parallel

What types of growth targets does your company use regularly?



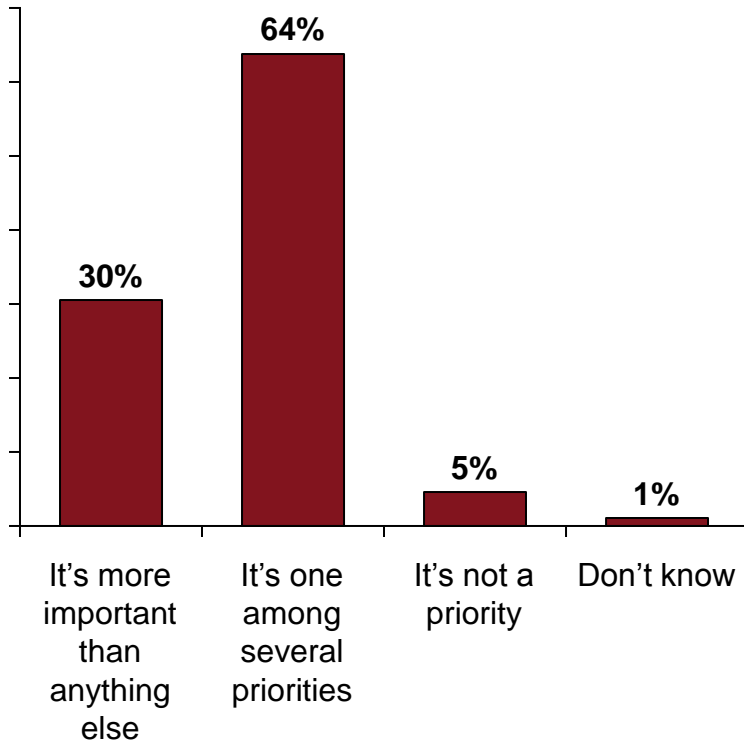
Number of growth targets that companies use regularly (among the four that were proposed)



Companies have very high growth ambitions – for 94% growth is a priority and 85% target at or above-industry growth rates

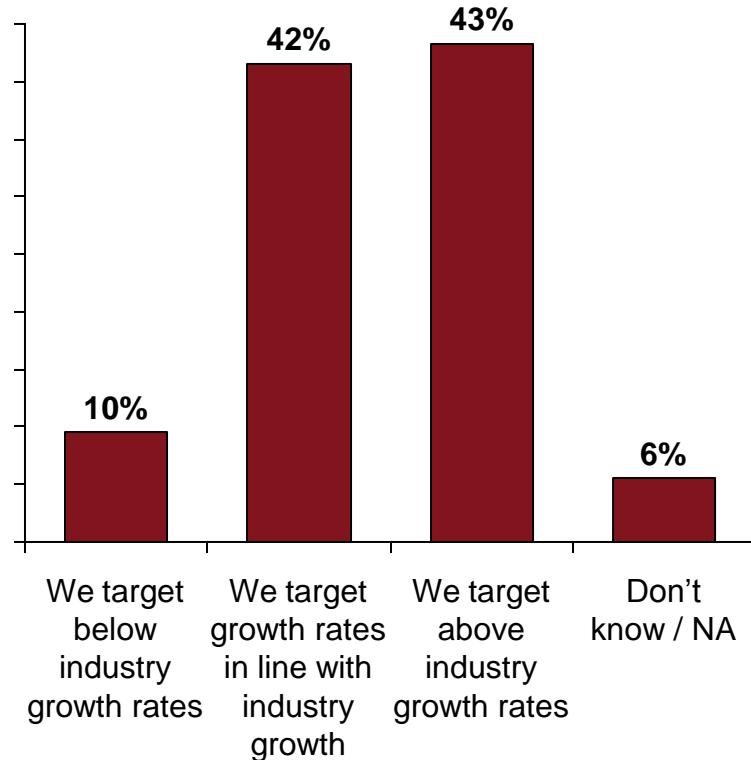
How important is growth at your company?

% of respondents



How much growth does your company target over the coming 5 years?

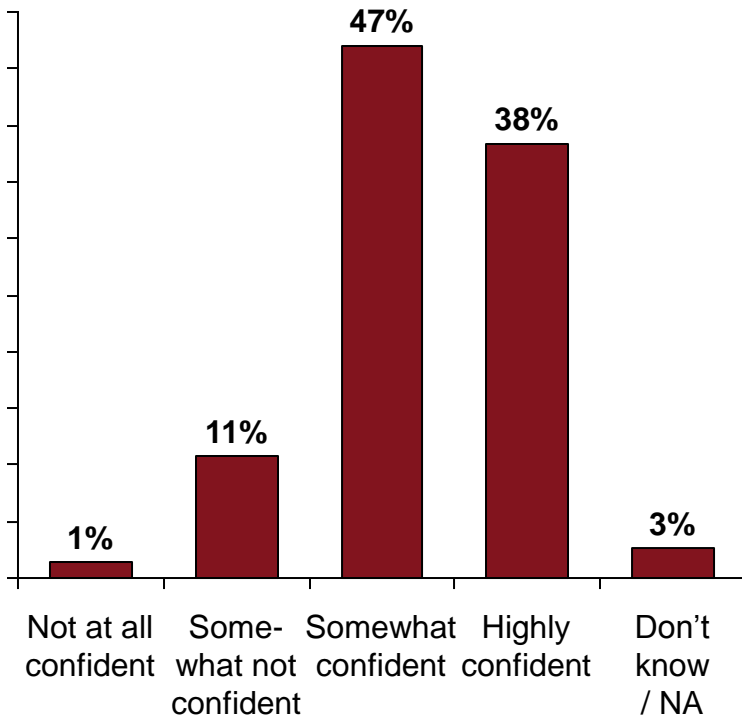
% of respondents



But only 38% of execs are highly confident their company is going to realize its growth targets – 61% agree it's going to take significant, if not Herculean, effort

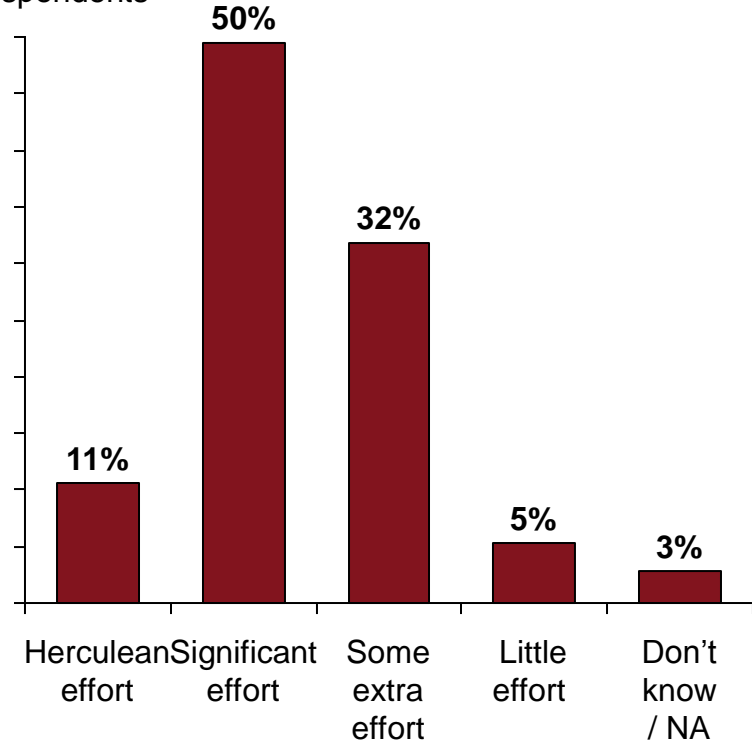
How confident are you that your company is going to realize its growth targets?

% of respondents



How much effort will it take your company to realize its growth targets?

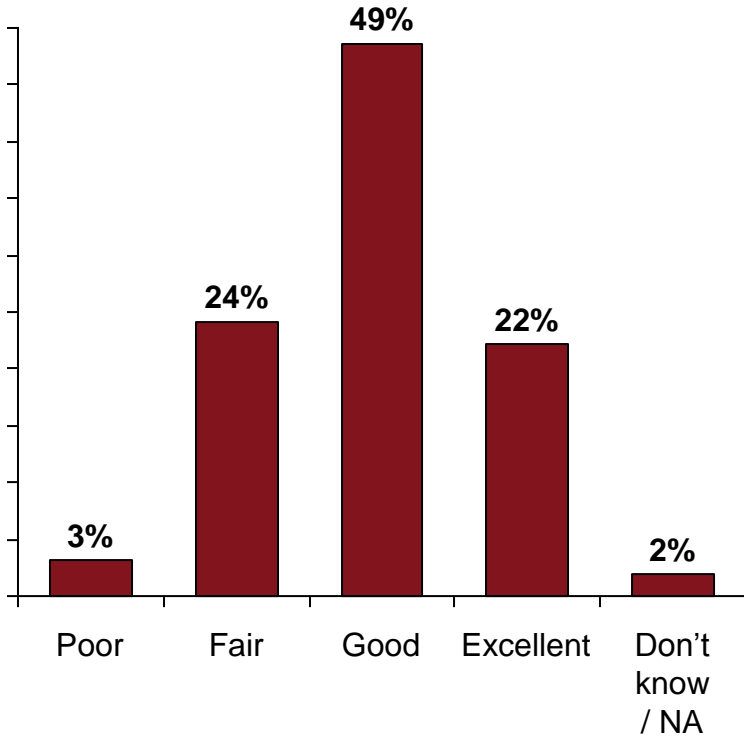
% of respondents



Only 22% report their leaders are excellent at driving growth – a majority of companies are not very clear about how they’re going to realize their growth targets

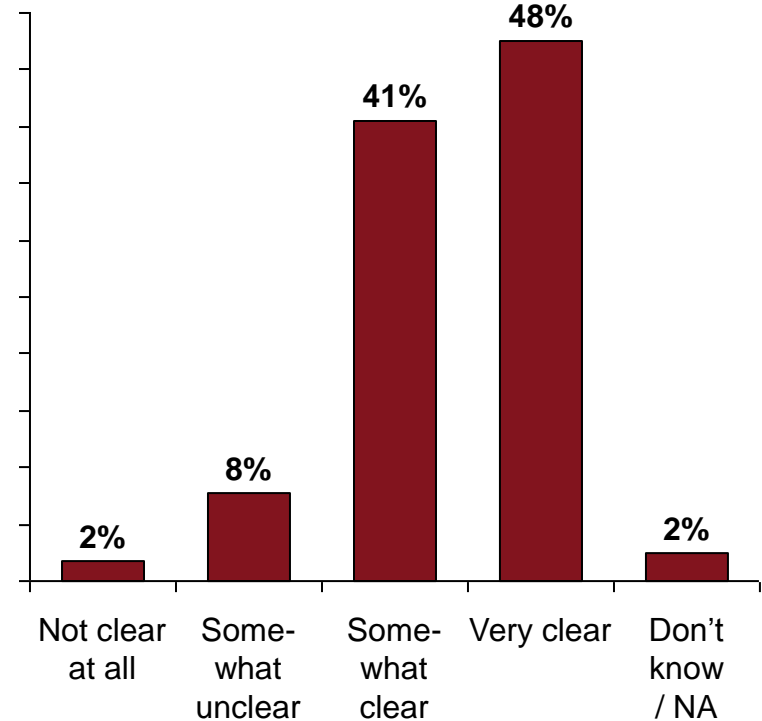
How good are your company’s leaders at driving growth?

% of respondents



How clear is your company about how it is going to realize its growth targets?

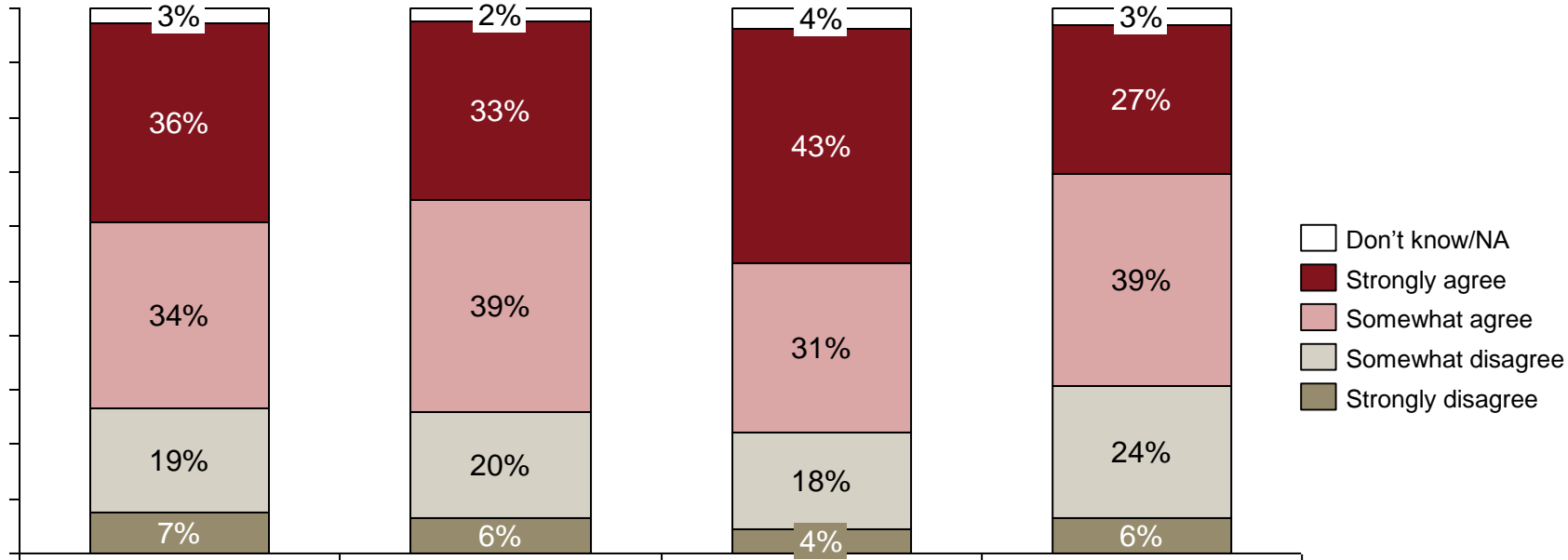
% of respondents



Respondents report it is much more difficult to grow now than 10 years ago – there are many growth opportunities, but they don't know which one to pursue

How much do you agree with the following statements?

% of respondents



It's more difficult now than 10 years ago to ...

... generate profitable growth

... generate consistent growth

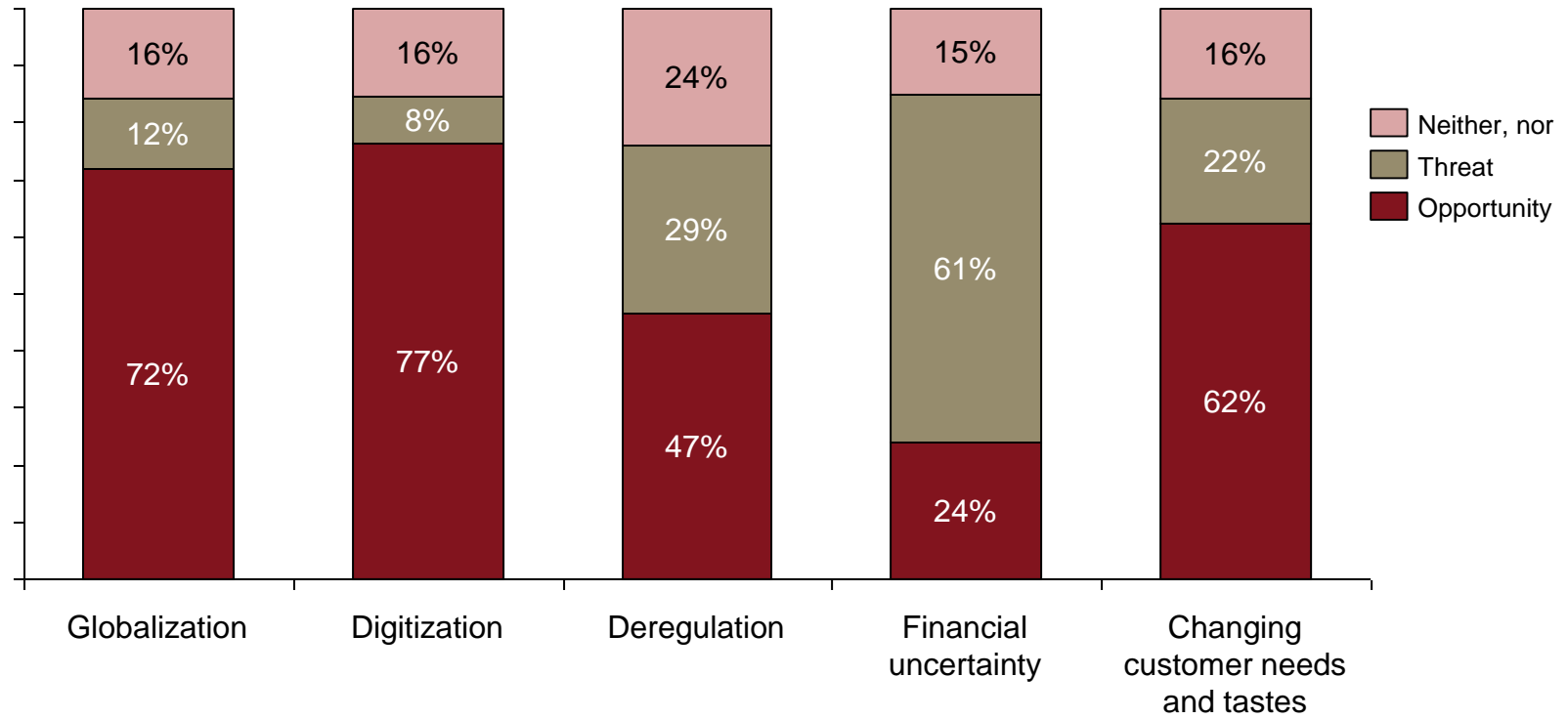
There are more growth avenues we could pursue now than 10 years ago

... know which growth avenue is going to lead to success

Digitization and globalization are seen as the biggest opportunities, financial uncertainty as the biggest risk for companies

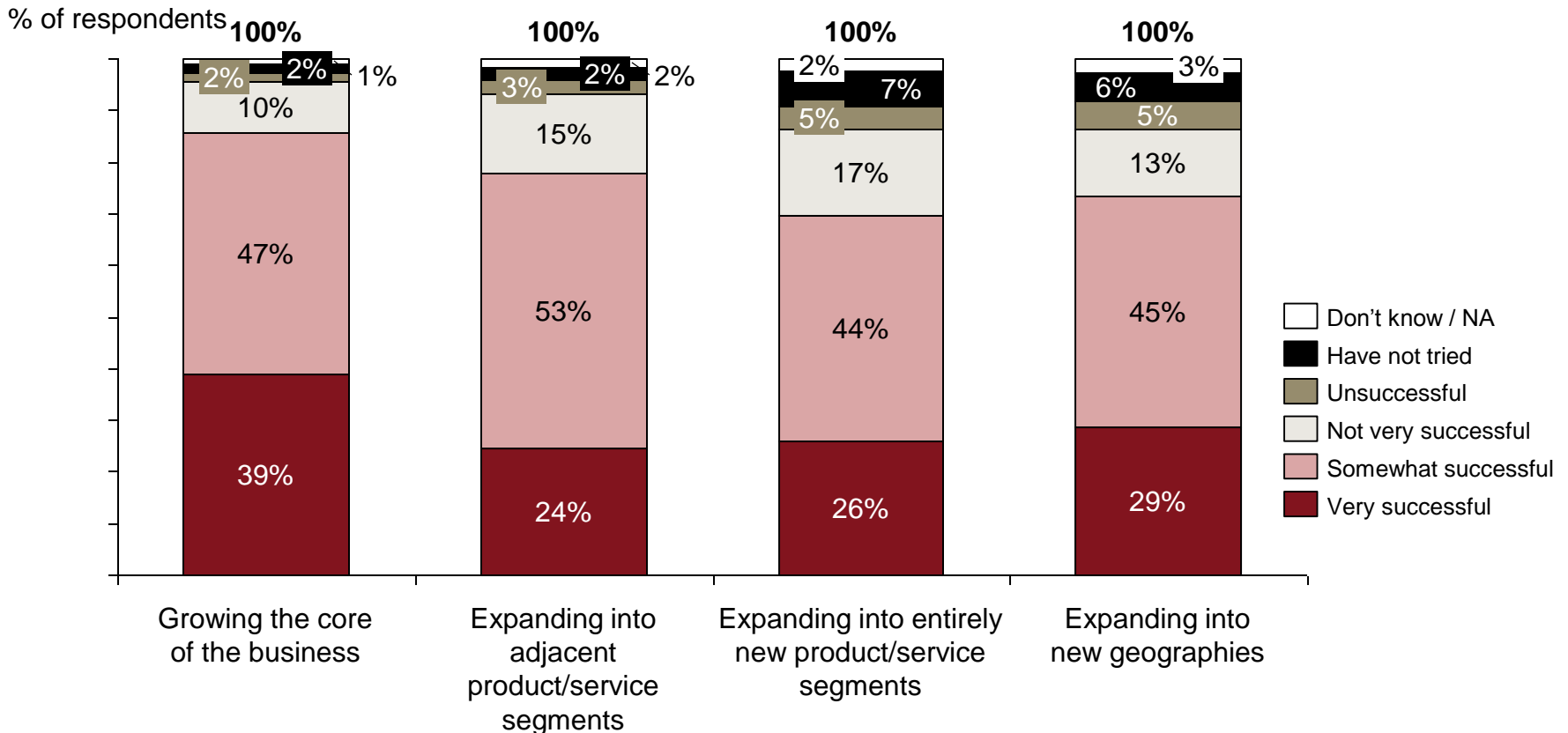
Do you consider each of the following trends to be more of an opportunity or more of a threat for your company?

% of respondents



Execs report having been most successful growing their business by focusing on the core – only 24% of those growing into adjacencies report having been very successful

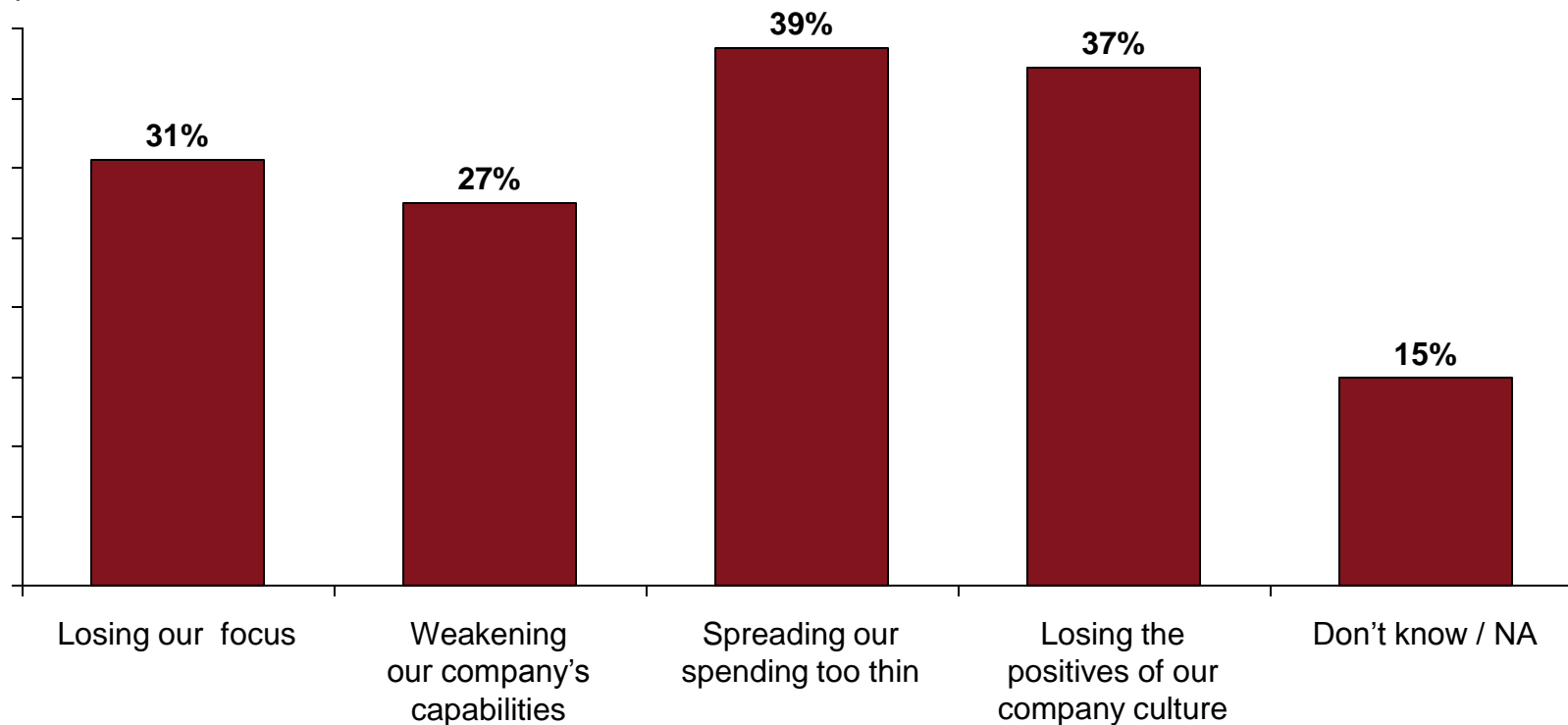
How successful has your company been over the past 10 years when pursuing growth using each of these tactics?



Executives have many concerns about their growth plans – the main one is around spreading their spending too thin

Which of the following, if any, are you concerned about given what your company will need to do to meet its growth targets?

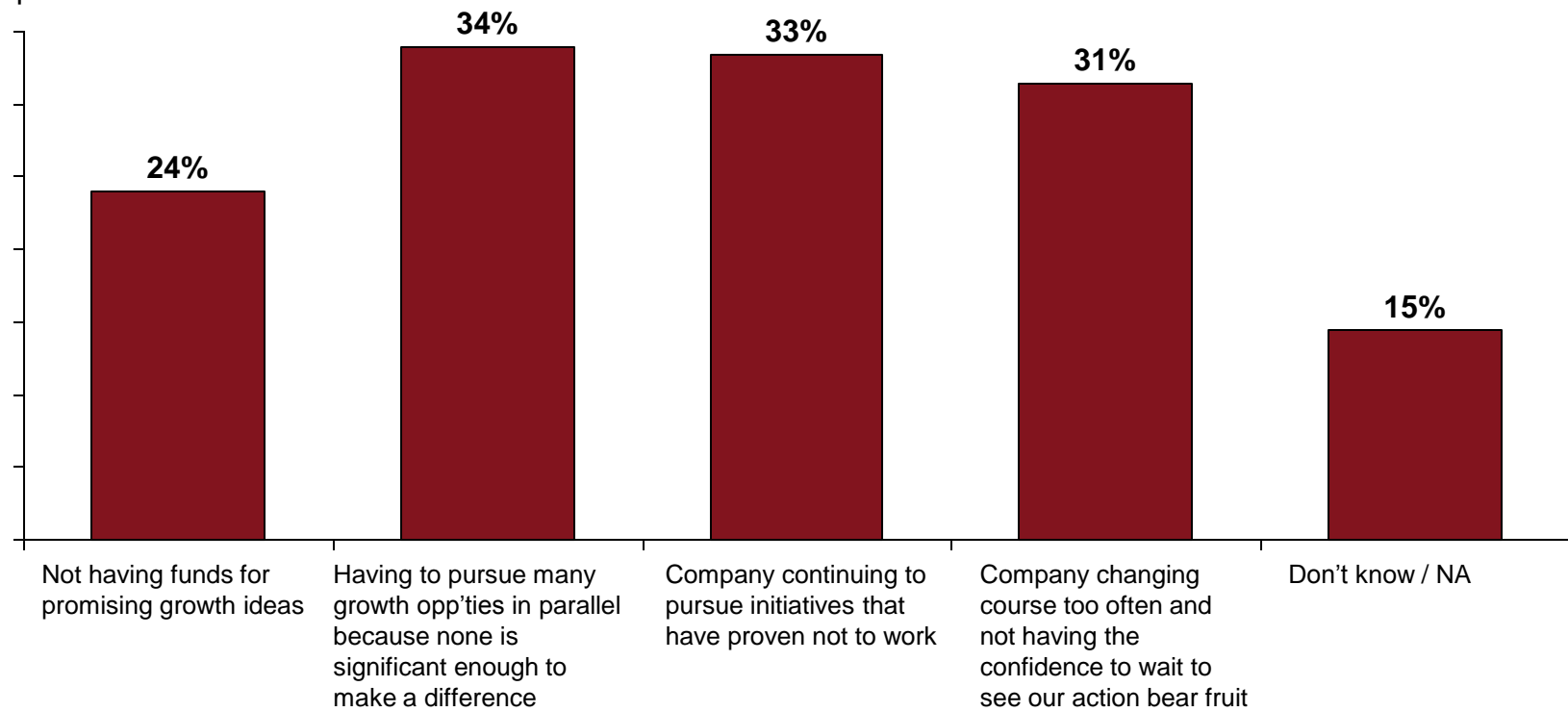
% of respondents



Managers are said to be mainly frustrated about having to pursue too many opportunities, the company not stopping unsuccessful ones, and it changing course too often

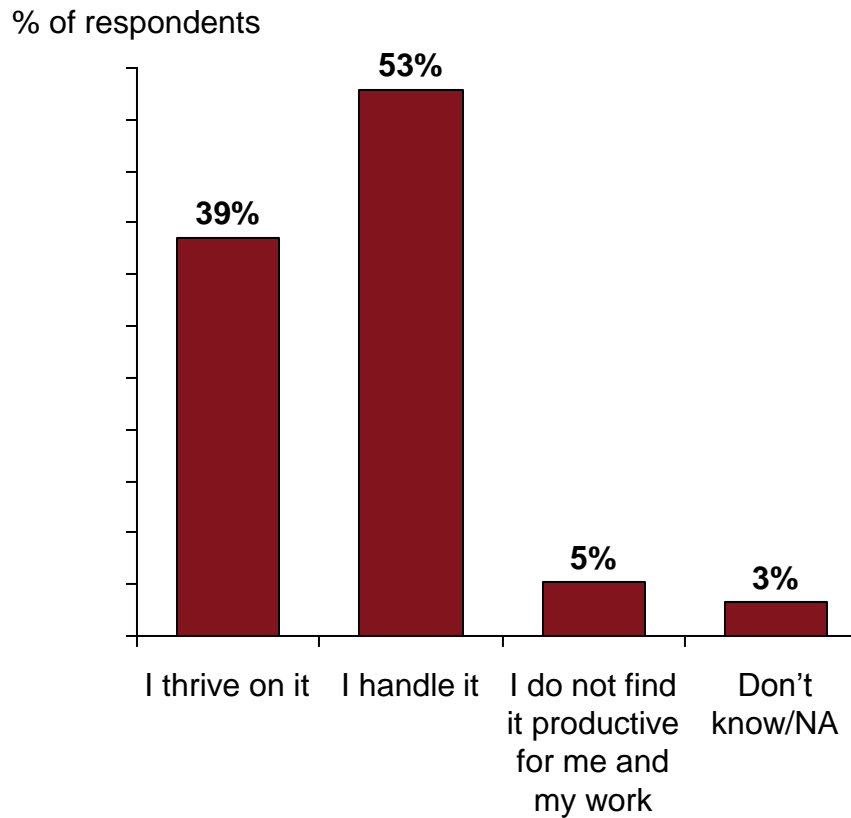
Which of the following, if any, are frustration factors for managers at your company when they try to meet growth targets?

% of respondents



More than half of respondents only “handle” growth, at best

What is your personal response to the importance placed on growth at your company?



Global Copyright and Definition

© 2015 PwC. All rights reserved.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

Disclaimer:

This content is general information purposes only, and should not be used as a substitute for consultation with professional advisors.