



**EUROPEAN CENTER FOR
DIGITAL COMPETITIVENESS**

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PRESS RELEASE

Digital Riser Report 2020: Digital incumbents around the world face new, dynamic competitors

The Digital Riser Report 2020, devised by the European Center for Digital Competitiveness by ESCP Business School in Berlin, analyses and ranks the changes that countries around the globe have seen in their digital competitiveness over the last three years. Within the G7, France was able to advance most in its relative digital competitiveness between 2017 and 2019, which makes the country the top “Digital Riser” in this group; conversely, Italy and Germany decreased most within the G7. The ranking also reveals clear dynamics regarding the two global digital superpowers, in that it shows that China has gained significantly in digital competitiveness, while the USA has lost out over the same time period. The Report also shows that the top Digital Risers have one thing in common: they have followed comprehensive, swiftly implemented plans along a long-term vision around digitalisation and entrepreneurship.

“We are in the middle of a digital revolution that is very likely being accelerated by the Covid-19 pandemic,” says Professor Philip Meissner of the European Center for Digital Competitiveness by ESCP Business School Berlin. “The way that governments manage and navigate this transition will significantly determine how competitive and prosperous their countries will be in the decades ahead.” Digital incumbents increasingly face new and dynamic competitors from around the world. While countries such as USA, Sweden and Singapore are often perceived as digital champions, our results indicate that they are not necessarily dynamic Digital Risers. Only Singapore has managed to improve its relative position slightly (with an aggregated +16 ranks) over the last three years. In contrast, the USA (-33 ranks) and Sweden (-83 ranks) have actually lost ground over the same period.

The top Digital Risers have followed comprehensive, swiftly-implemented plans along a long-term vision around digitalisation and entrepreneurship

“The top Digital Risers in our study had one thing in common: they have shared a deliberate and comprehensive government programme with top-level support around digitalisation and entrepreneurship,” says Professor Meissner. “In particular, France’s example shows that governments that invest heavily in start-ups and employ lighthouse projects such as La French Tech can greatly increase their country's digital competitiveness in a short timeframe.”

Countries of all sizes were able to enhance their digital competitiveness in the short to medium term by taking effective measures

“Intriguingly, while the top Digital Risers come in very different sizes and have their unique economic histories, there’s a lot that governments can learn from them,” says Dr Christian Poensgen of the European Center for Digital Competitiveness by ESCP Business School Berlin. “First, they tend to emphasise the importance of digital education. In Armenia, for instance, where chess has been obligatory for children from six to eight years since 2011, the government announced in 2016 that it would have installed robotics clubs in every school by 2019. Second, huge investments in digitalisation are common; Saudi Arabi, for instance, announced a \$500bn smart city project (NEOM) to integrate data analytics and AI into all aspects of modern living. Third, a commitment to entrepreneurship is crucial. Many top Digital Risers seem to have followed the example of China’s government, which has put entrepreneurship centre stage by making it part of the ‘Chinese Dream’.”

About the Digital Riser Report 2020

The Digital Riser Report is published for the first time this year and will be distributed annually from now on. The report’s methodology and results were developed by the European Center for Digital Competitiveness by ESCP Business School in Berlin. It analyses and ranks the changes that countries around the globe have seen in their digital competitiveness over the last three years. It measures the two core dimensions of digital competitiveness, i.e. the country’s ecosystem and its mindset, based on five items each – e.g. “Ease of hiring foreign labour” for the ecosystem dimension and “Attitudes towards entrepreneurial risk” for the mindset dimension – from the Global Competitiveness Report issued by the World Economic Forum (WEF).

The Digital Riser Report analyses the progress of 140 countries along the mindset and ecosystem dimensions by looking at the absolute, accumulated change in ranks between 2017 and 2019. Countries were analysed and compared relative to their peers in terms of regions (e.g. Europe and North America) or group membership (e.g. G20), to ensure the comparability of results relative to a comparative baseline.

There are two major differences between the Global Competitiveness Report and the Digital Riser Report. First, whereas the Global Competitiveness Report analyses the countries’ overall competitiveness, the Digital Riser Report analyses their digital competitiveness only as indicated by their digital ecosystem and mindset. Second, whereas the Global Competitiveness Report analyses changes over a one-year timeframe, the Digital Riser Report showcases how countries have fared during the last three years.

Apart from the ranking itself, the Digital Riser Report also analyses the policies followed by the top Digital Risers countries. This analysis shows that all Digital Risers have certain things in common that other governments can learn from when they design their country’s digital strategy. The study was conducted by Professor Dr. Philip Meissner, Dr. Christian Poensgen and Professor Dr. Klaus Schweinsberg from the European Center for Digital Competitiveness by ESCP Business School in Berlin.

The summary of the Digital Riser Report as well as detailed profiles for each of the top Digital Risers, are available here: www.digital-competitiveness.eu/digitalriser

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About European Center for Digital Competitiveness by ESCP Business School

The European Center for Digital Competitiveness was founded at ESCP Business School in Berlin with the goal of bringing digital competitiveness to the political and public debate, where it currently only plays a minor role. Given the digital revolution that our economy and society currently face, digital competitiveness must take center stage in debates to secure our prosperity for the future. Similarly, in this increasingly dynamic environment we want to support the initiative to position Europe as a global leader for the responsible application of technology for the benefit of society.

About ESCP Business School

ESCP Business School was founded in 1819. The School has chosen to teach responsible leadership, open to the world and based on European multiculturalism. Six campuses in Berlin, London, Madrid, Paris, Turin and Warsaw are the stepping stones that allow students to experience this European approach to management.

Several generations of entrepreneurs and managers were thus trained in the firm belief that the business world may feed society in a positive way.

This conviction and ESCP's values - excellence, singularity, creativity and plurality - daily guide our mission and build its pedagogical vision.

Every year, ESCP welcomes 6000 students and 5000 managers from 120 different nationalities. Its strength lies in its many business training programmes, both general and specialised (Bachelor, Master, MBA, Executive MBA, PhD and Executive Education), all of which include a multi-campus experience.

It all starts here.

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