

PRESS RELEASE

Berlin, January 24th, 2022
Under embargo until 10:30 CET

Digitalreport 2022: High expectations for the new government, Germans more open to future technologies

- **82% of business and political leaders expect the new German coalition to drive forward digitization more decisively in the future.**
- **Germans see drones, 3-D printing and artificial intelligence as the most important digital future technologies.**
- **FDP is seen as biggest driver of digitization. CDU/CSU loses significantly.**
- **The so-called traffic light coalition must place future technologies more strongly in the focus of digital policies and make start-ups a top priority.**

Expectations for the coalition of SPD, the Green Party and FDP are high. 82% of business and political leaders expect the new government to focus more on digitization in the future. This would also be highly necessary. 94% of those surveyed see Germany continuing to lag in digitization. These are the results of the Digitalreport 2022 by the European Center for Digital Competitiveness at ESCP Business School (Berlin campus) and the Allensbach Institute. The Digitalreport is based on a representative population survey and results from a study of around 500 top executives from business and politics, published this year for the third time.

Germany's situation in digital future technologies remains precarious. 94 percent of business and political leaders see Germany lagging in digitization. In the government sector, digitization is still seen critically: Only 2 percent of top executives consider government agencies, authorities, and the civil service well positioned.

The business community is viewed most favourably in terms of digital transformation. Just a year ago, only 35 percent of top executives from business and politics considered businesses to be well positioned in digitization; this year, the number has grown to 44 percent.

High expectations for new government coalition

"The change of government is fuelling hopes that digitization will be driven forward more decisively in the future," says Professor Renate Köcher of the Allensbach Institute. Top

executives from business and politics are remarkably optimistic here: 82 percent are convinced that the topic will be pushed forward more decisively in the future. Among the general population, however, only 37% are confident that the new government will drive digitization forward more decisively in the future, while 32% express scepticism.

Citizens primarily see the FDP as the driver of a politically initiated push in digitization in Germany. 29 percent think that the FDP is committed to driving digitization forward. The SPD (9 percent) and the CDU/CSU (7 percent) follow at a great distance. Only 7 percent expect the Greens to provide effective impetus in this area.

Administration, schools, and universities must become more efficient

The population's political agenda is changing dynamically. Particularly striking is the change in importance concerning public administration, schools, and universities: A year ago, 34 percent considered it necessary for public administration to become more efficient; currently, 47 percent do. At the end of 2020, 52 percent of the population considered good schools and universities to be among the most important political concerns, compared with 64 percent at present. In both fields, the development of digitization and digital skills play a significant role.

The population sees great opportunities in digital technologies but has limited knowledge in the field

The population very clearly perceives the opportunities presented by digital future technologies. In the view of the vast majority, drones (59%), 3D printers (58%), and AI (56%) will be of great importance in the future, followed by technologies that enable autonomous driving (47%), better environmental protection (44%) and better support for care (37%). The younger generation is generally more convinced that new technologies will be of great importance in the future. This particularly holds true for AI and 3D printers, but also for drones, green-tech, and virtual reality glasses.

Still, the population rates its knowledge of new technologies in a self-critical way. 80 percent consider their knowledge as (very) low.

Traffic light coalition must deliver quickly and better communicate opportunities of new technologies

"The new coalition must now deliver the progress they promised," says Professor Philip Meissner of the European Center for Digital Competitiveness at ESCP Business School. To achieve this, Meissner believes that the government must place greater focus on future technologies in its digital policy.

"The great opportunities of new technologies, like 3-D printing, for the everyday life of every individual, but also the prosperity of the country as a whole, have to be communicated more strongly in the future." In addition, he says, the promotion of start-ups and future technologies has to become a top priority and has to be the direct responsibility of the leaders of the governing parties. Above all, there needs to be significantly more growth capital and a reduction in regulation. **"If Germany wants to maintain and expand its prosperity in the coming years, we must now act decisively and make the country a location for digital future technologies,"** summarizes Meissner.

General confidence in the digital competencies of politicians continues to decline

Despite the hopes placed in the new federal government, there has been little change in the fundamental doubts of most of the population as to whether politicians have sufficient competence in digitization. The share of the population that believe that politicians are highly competent in digitization has even decreased further. A year ago, 24 percent gave politicians a positive assessment of their competence in this area; currently, only 17 percent do. Half of the population considers politicians to have limited competence, and 14 percent do not consider them competent at all.

"Politicians will only gain confidence in this field if citizens experience that the government services are becoming more digital in a noticeable way," says Professor Renate Köcher from the Allensbach Institute. This includes digitization in schools, government offices and agencies, as well as the entire public sector.

The FDP is not only considered to have the greatest commitment in digitization, but also to have the most convincing concept. The biggest loser in digital competency is the CDU/CSU. Last year, the CDU/CSU was still the party with the greatest digital competence, but in 2021 the CDU/CSU fell back significantly to 7%. However, 25% of the population still do not trust any party with a clear concept in digitization, while 33% are undecided.

About the Digitalreport

The Digitalreport is published annually and is currently in its third consecutive year. It was developed by the European Center for Digital Competitiveness at ESCP Business School. On its behalf, the Allensbach Institute (IfD Allensbach) conducts a representative survey of the population on the status of digitization in Germany. In addition, the report is based on the results of a survey of around 500 top political and business leaders, including managing directors and board members from the business sector as well as leading politicians such

as ministers, state secretaries, and parliamentary group leaders. The population survey is based on a total of 1,069 face-to-face oral interviews with a representative cross-section of the population aged 16 and over.

The survey was conducted between December 1st, 2021 and January 4th, 2022. The study was led by Professor Dr. Renate Köcher of IfD Allensbach and Professor Dr. Philip Meissner, Professor Dr. Klaus Schweinsberg and Klára Moozová of the European Center for Digital Competitiveness at ESCP Business School.

Further results under:

www.digital-competitiveness.eu/digitalreport

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About the 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



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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 8000 students and 5000 managers from 140 different nationalities. Its strength lies in its many business training programmes, both general and specialized (Bachelor, Master, MBA, Executive MBA, PhD and Executive Education), all of which include a multi-campus experience.

The Allensbach Institute

The Allensbach Institute (IfD Allensbach) was founded in 1947 by Professor Dr. Dr. h.c. Elisabeth Noelle-Neumann (1916-2010). Today, it is one of the most renowned addresses for survey research in Germany. Professor Dr. Renate Köcher is the managing director of the IfD Allensbach. The institute is owned by the Stiftung Demoskopie Allensbach.

It all starts here.

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