



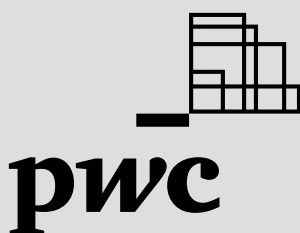
27th Annual Global CEO Survey | 2024

Thriving in an age of continuous reinvention

As existential threats converge, many companies are taking steps to reinvent themselves. Is it enough? And what will it take to succeed?



Highlights of the Agribusiness industry in Brazil



Learn more at www.pwc.com.br/ceo-survey



Introduction

Even more concerned about the viability and resilience of their companies in the long term than last year, CEOs in Brazil and around the world are already taking significant steps to reinvent their businesses and ensure prosperity. This is one of the highlights of the **27th Global CEO Survey**, conducted with more than 4,700 business leaders worldwide, including Brazil.

Facing the magnitude of the imminent transformations in various areas, leaders know that their approaches must be bolder today and in the future. Although CEOs are more optimistic about global economic growth than last year, an increasing number of leaders in Brazil and worldwide doubt that their organizations will survive for more than ten years if they maintain their current course.

In the agribusiness sector, this concerns nearly one-third of CEOs.





In this report, we present the findings from the survey with executive leaders in the agribusiness sector, organized into three themes:

The reinvention imperative

The state of the economy and the CEOs' anxiety regarding the long-term viability of their business models.

Looming existential change

The status of two megatrends—climate change and technological disruption (exemplified here by generative AI)—that are set to drive further reinvention.

Your reinvention playbook

Essential actions that companies can take to stimulate continuous reinvention.





Explore the findings



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The reinvention imperative

An analysis of the economic scenario and the CEOs' anxiety regarding the long-term viability of their business models



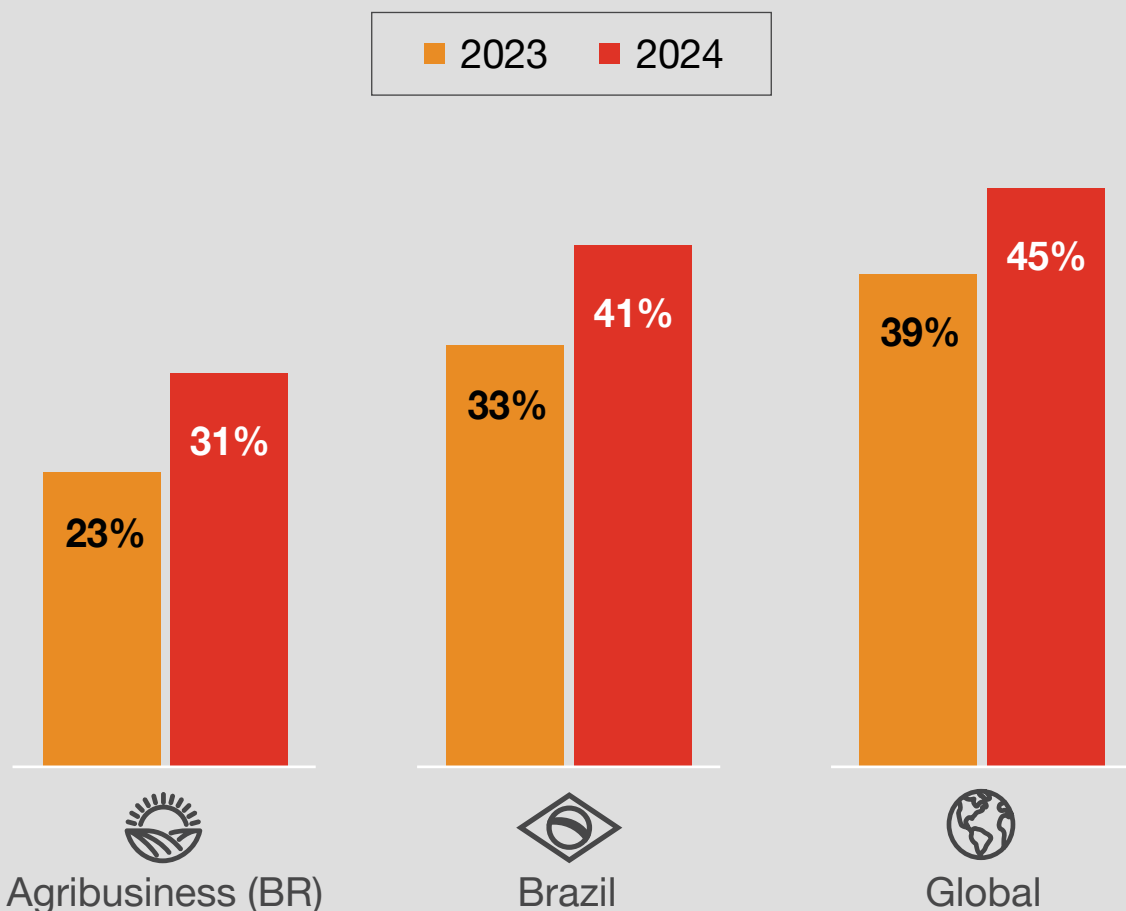
Technological disruption, climate change, and other accelerating global megatrends continue to force CEOs to adapt.

This generates unease among CEOs about the sustainability of their businesses: 41% of participants in Brazil (45% globally) doubt that, on their current trajectory, their companies will remain viable beyond the next decade—an increase from last year.

In the agribusiness sector, the trend remains the same: currently, nearly one-third of the CEOs (31%) in the sector believe that their businesses will not be economically viable for more than 10 years, compared to 23% last year.

Given the current course, how long will your business be economically viable?

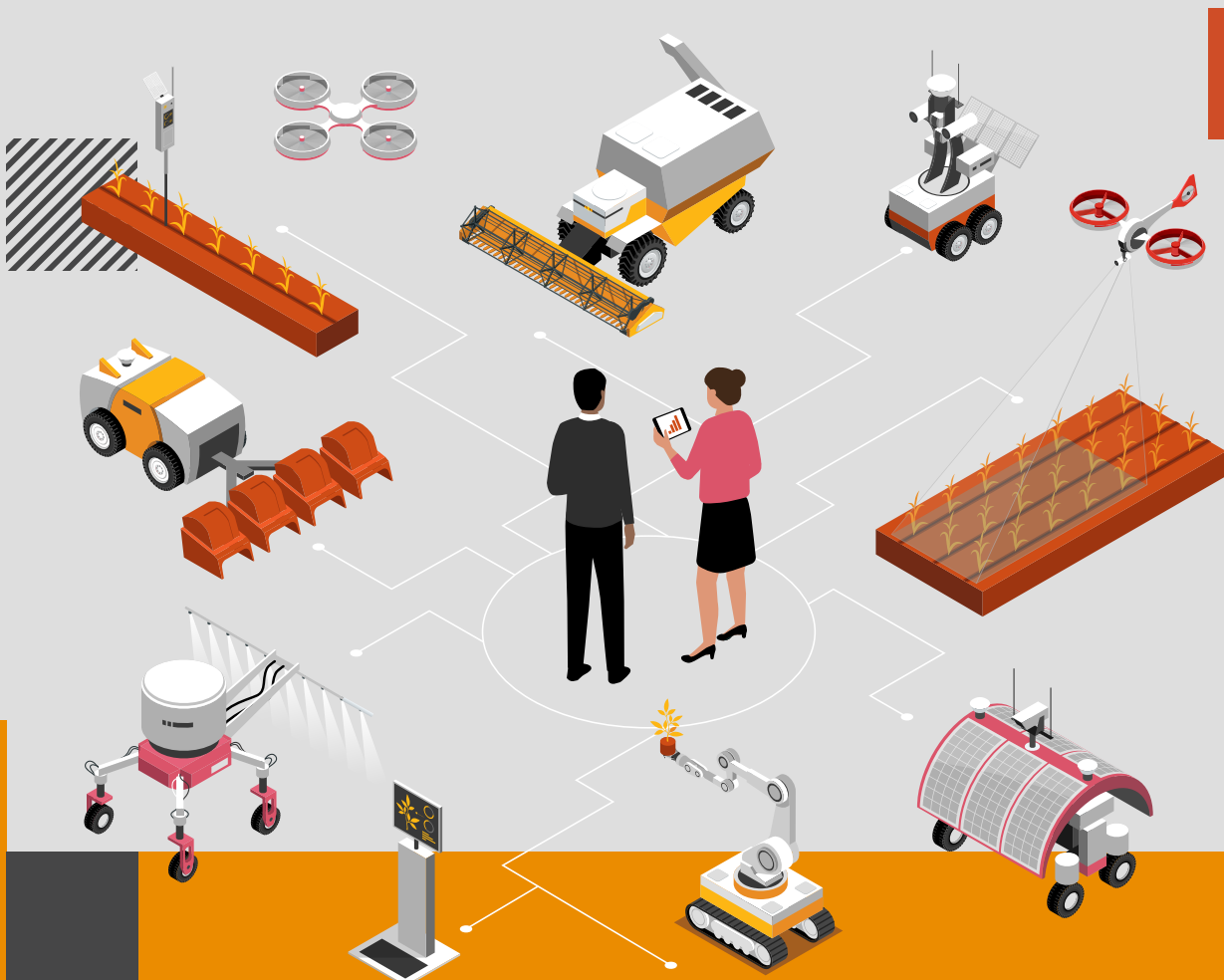
10 years or less





Expectations for a global economic growth slowdown have decreased, with a larger number of CEOs, especially in Brazil's agribusiness sector (40%, up from 18% last year), now expecting economic acceleration in 2024. This uptick surpasses the national average increase (from 17% to 36%). Additionally, CEOs across the board—whether in Brazil, within the agribusiness sector, or worldwide—show a stronger belief in their own countries' economic prospects than in the global economy's future.

But there's a cautious outlook among CEOs across the agribusiness sector, Brazil, and globally, with a majority expecting a global economic downturn rather than growth in the coming year. Confidence in the agribusiness sector's revenue growth over the next 12 months has significantly dropped to 35% from last year's 78%. Additionally, the three-year outlook shows a decrease in confidence from 70% in 2023 to 57% this year.

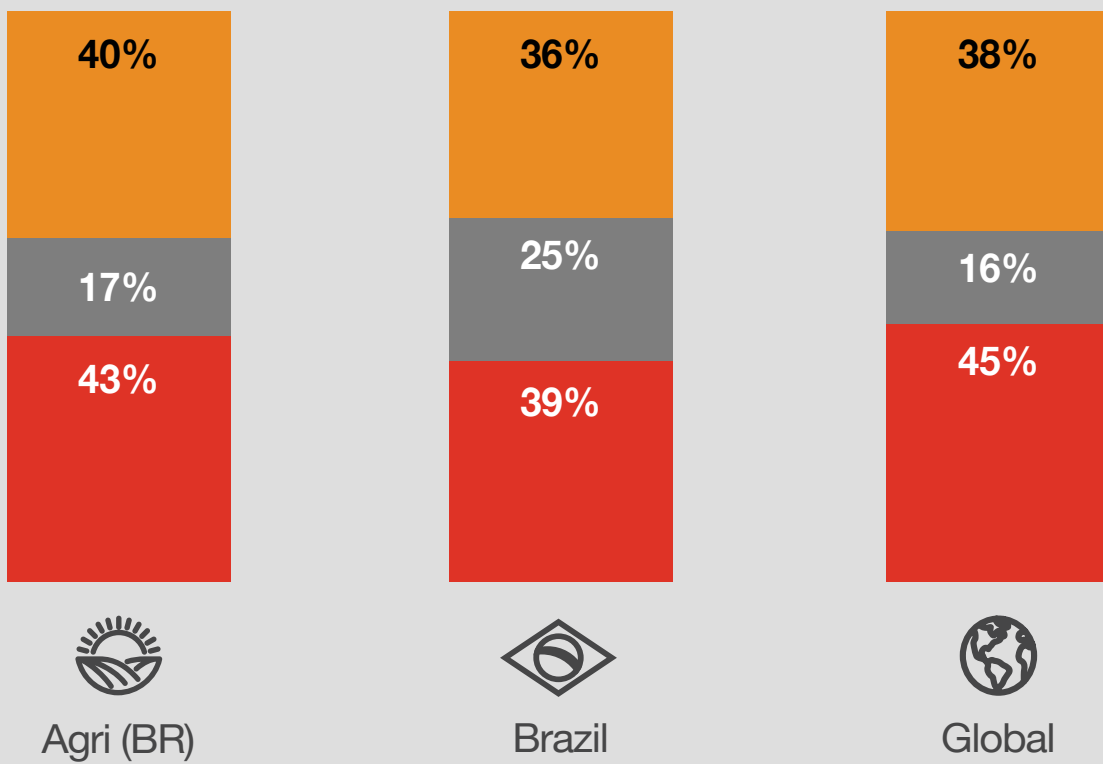




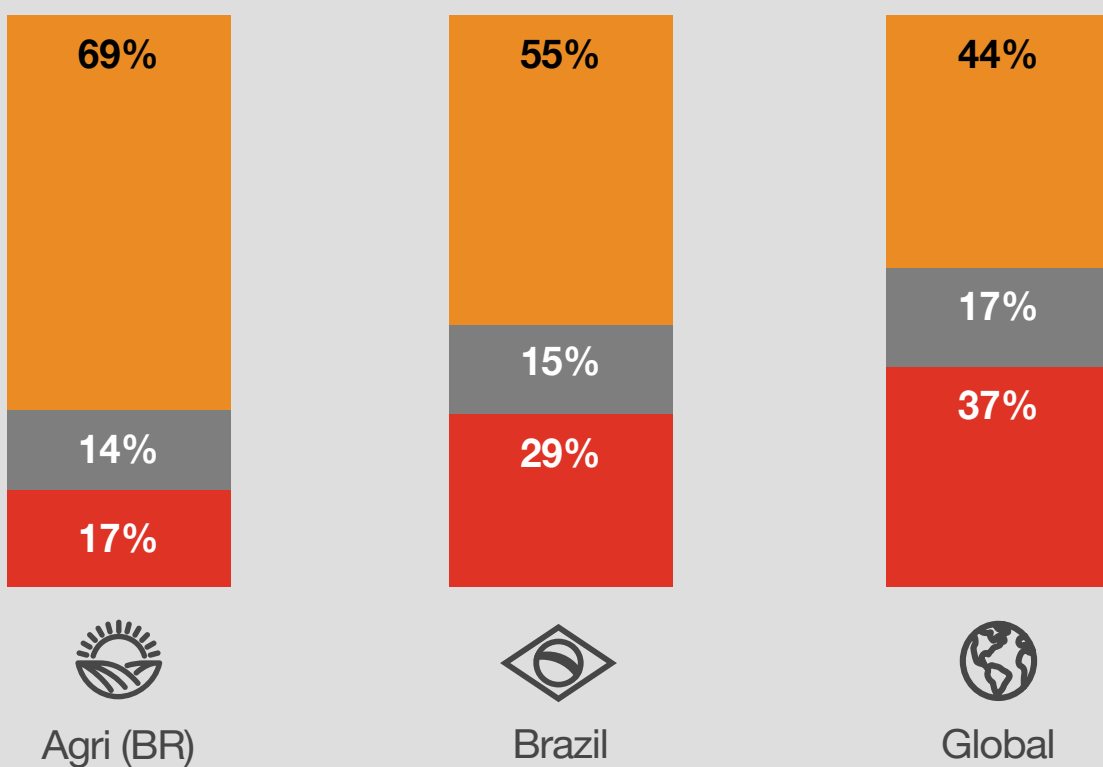
CEOs' expectations regarding the economy in the next 12 months

⬆️ Improve = Stay the same ⬇️ Decline

Global growth



CEO's country growth



Note: Not all numbers add up to 100% due to percentage rounding, multiple-choice response options, and the decision, in some cases, to exclude the display of specific responses, such as "other", "none of the above", and "don't know".

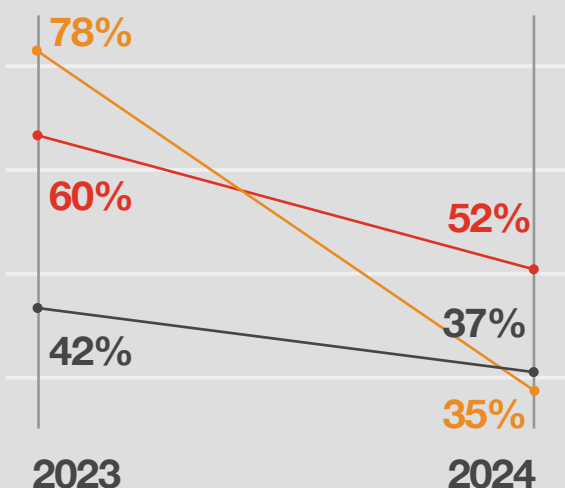


Confidence in the company's prospects for revenue growth

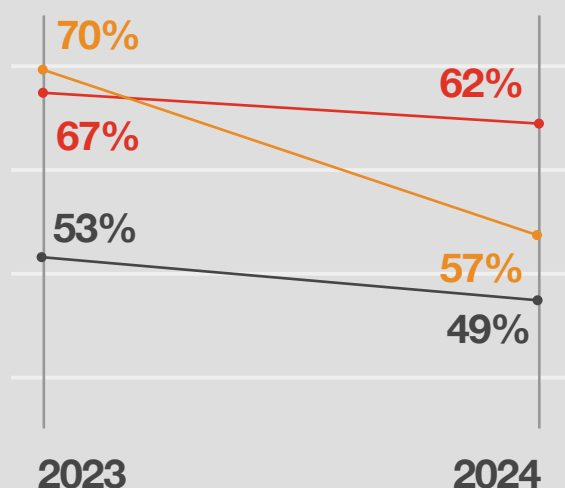
CEOs who are very or extremely confident



Next 12 months

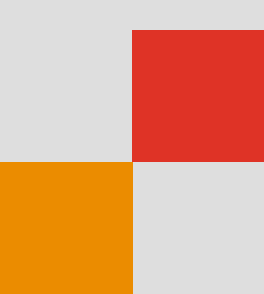


Next 3 years



The impetus to reinvent is intensifying

Another sign of the growing need for reinvention is the increase in pressure that CEOs expect to face over the next three years due to changes in the business model. Compared to the last five years, CEOs foresee that changes associated with technology, consumer preferences, and the climate, among others, will significantly impact how they create, deliver, and capture value. Only the effects of supply chain instability and government regulation are expected to decrease in relative terms over the next three years in the sector.





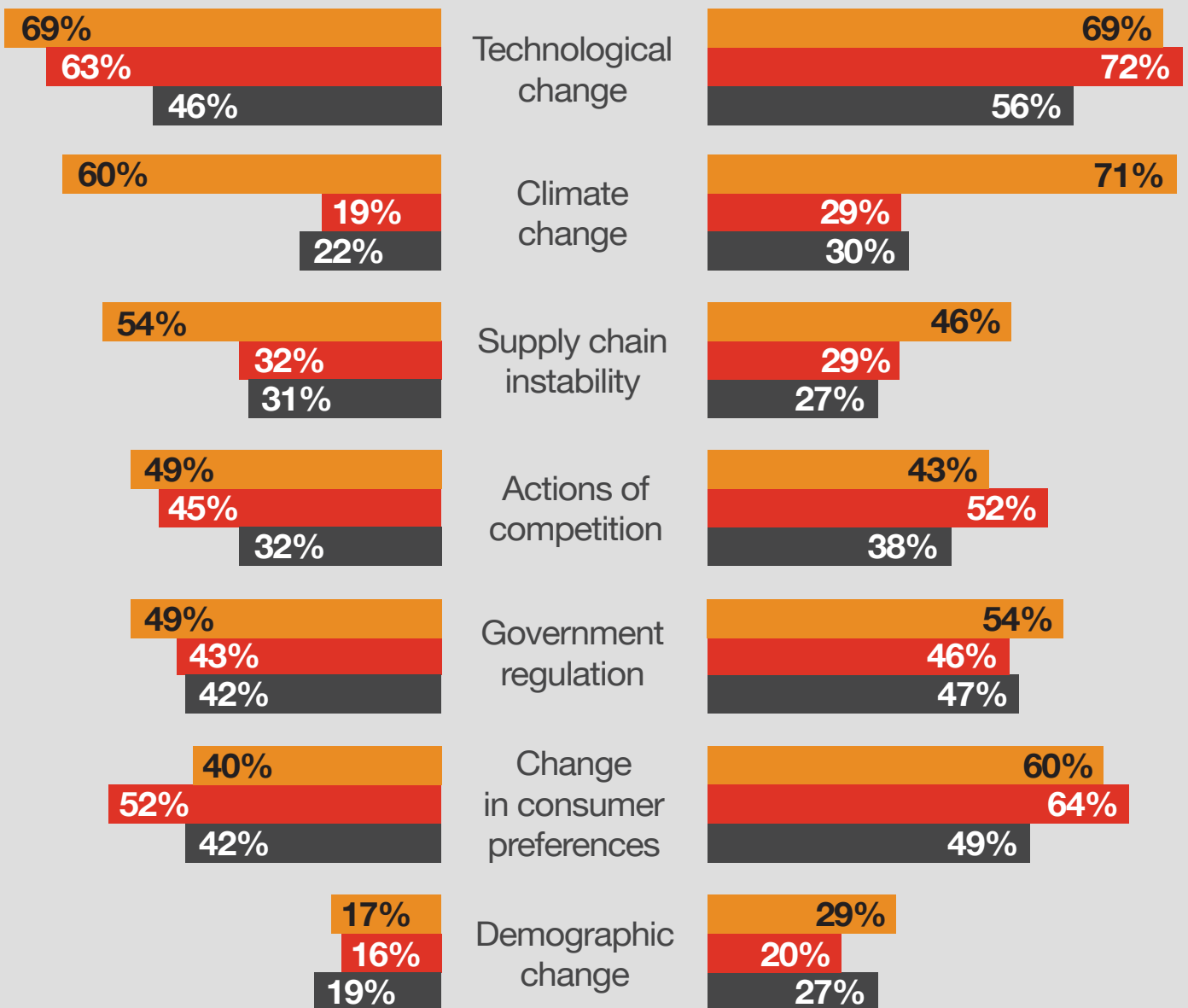
Factors changing the creation, delivery, and capture of value

(Showing only 'to a large extent' and 'to a very large extent' responses)



In the last five years

In the next three years

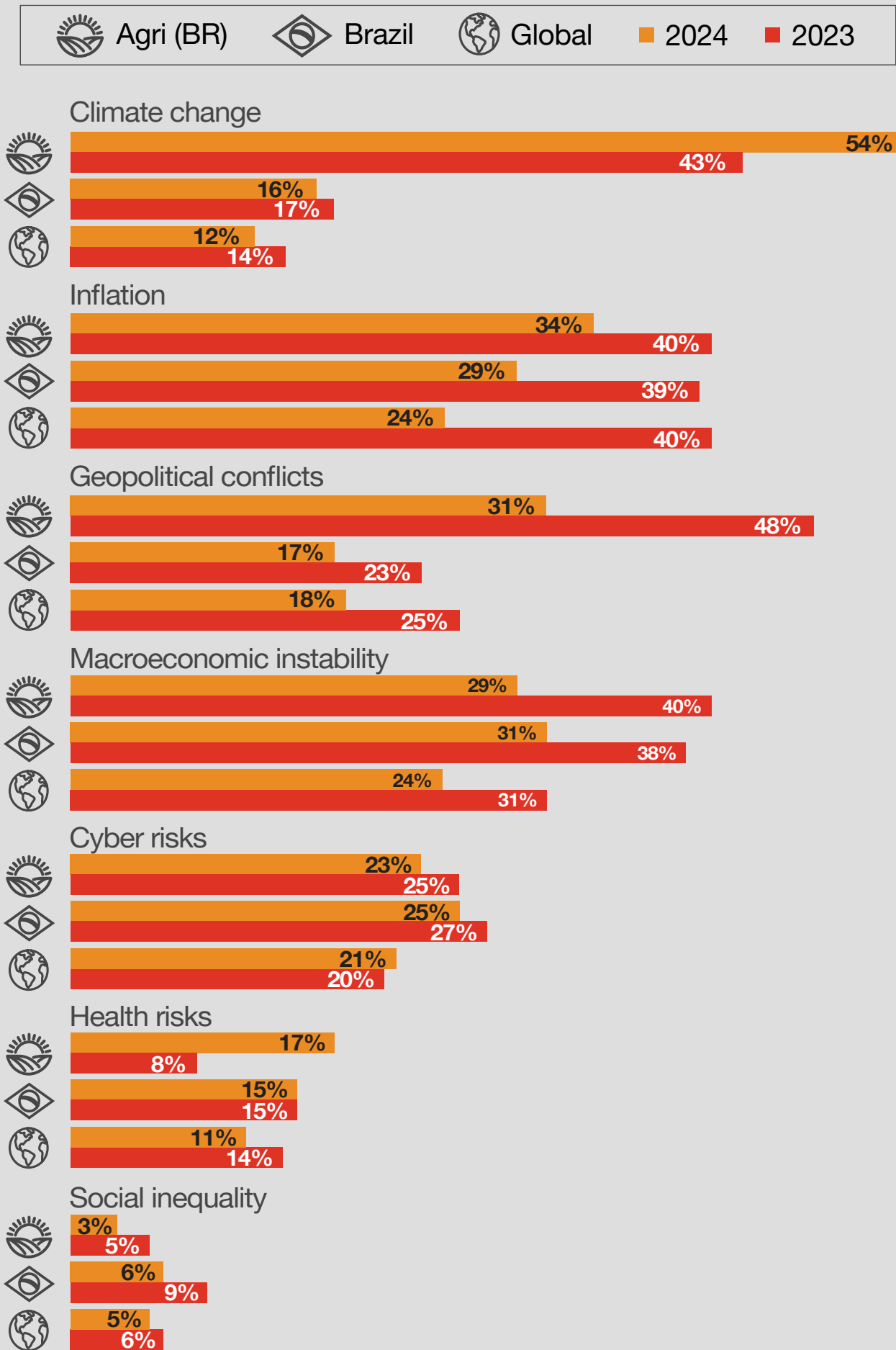


In the agribusiness sector, the growing importance of these trends is accompanied by an significant increase in CEOs' perception of exposure to climate change—growing from 43% in 2023 to 54% in 2024. This shift stands in contrast to the Brazilian average, which slightly decreased from 17% in 2023 to 16% in 2024.



Exposure to threats in the next 12 months

(Showing only 'to a large extent' and 'to a very large extent' responses)



*Exposure is measured as the likelihood of significant financial loss.



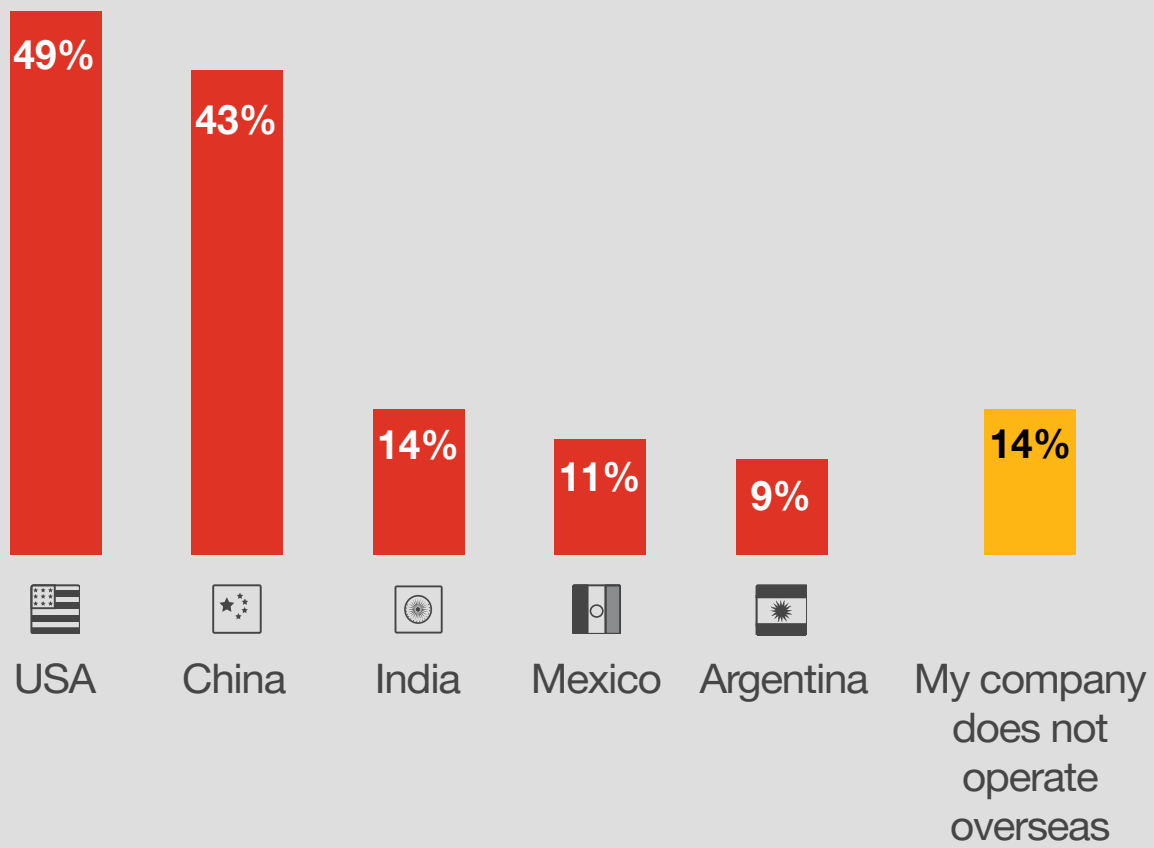
Growth in other countries

Regarding markets considered most relevant for growth, the agribusiness sector in Brazil mirrors the country's overall average, placing the United States and China as primary targets. India has climbed to third, overtaking its previous position, while Mexico retains its fourth-place standing. Argentina has experienced a drop, moving from third to fifth.

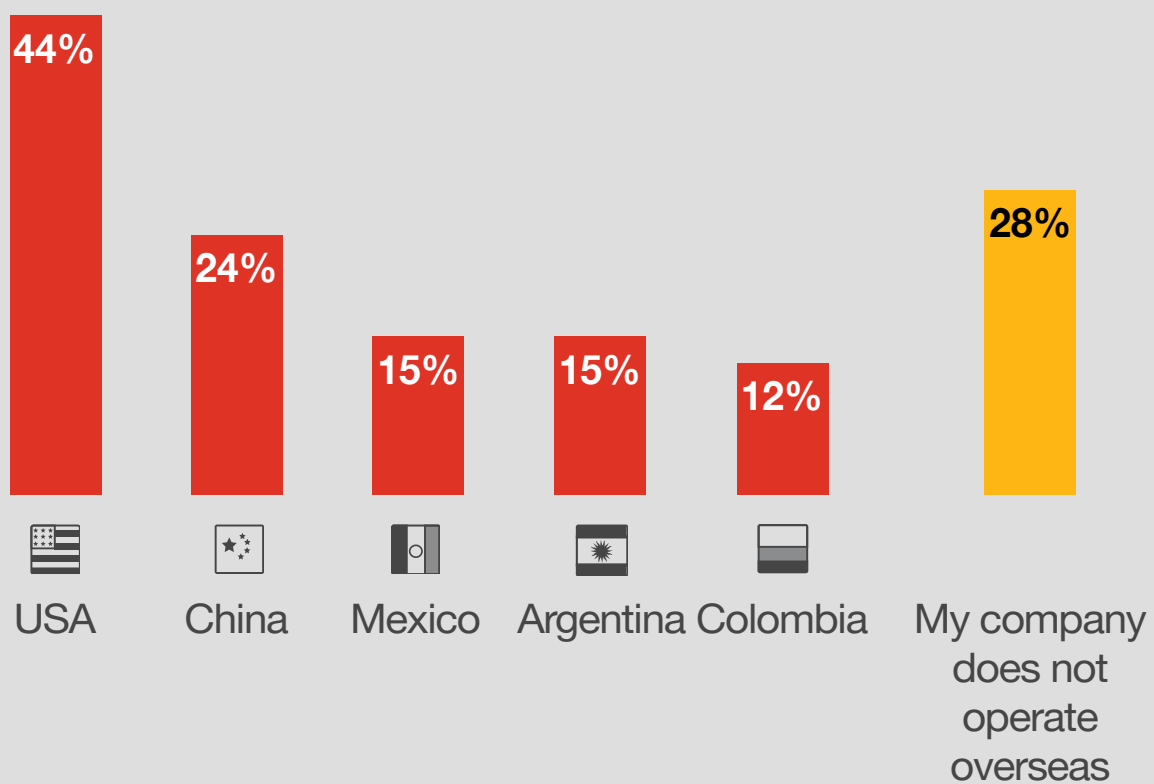




Key markets for the CEOs of the agribusiness sector in Brazil



Key markets for CEOs of all sectors in Brazil





Looming existential change

The status of two megatrends—climate change and technological disruption (exemplified here by generative AI)—that are set to drive further reinvention.

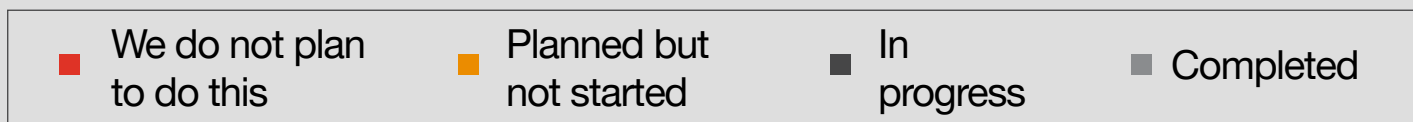


Climate change

CEOs in the agribusiness industry report progress in meeting their stated goals: 89% have efforts underway or already completed to improve energy efficiency and to innovate in products and services with low climate impact.

CEOs have plans for decarbonization and other climate actions

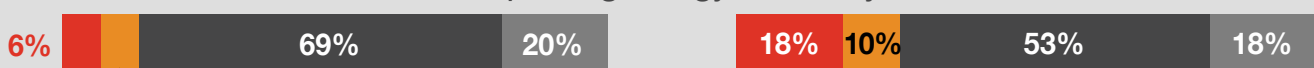
Question – Which of the following options best describes your company’s progress in these initiatives?



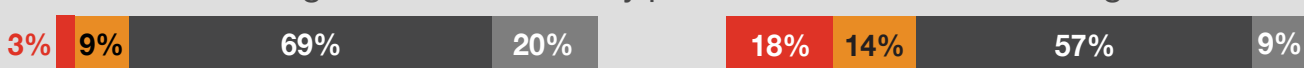
Agri (BR) 

 Brazil

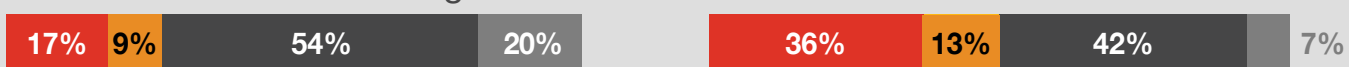
Improving energy efficiency



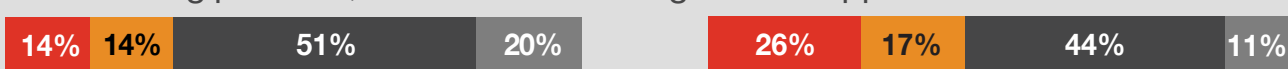
Innovating new, climate-friendly products, services or technologies



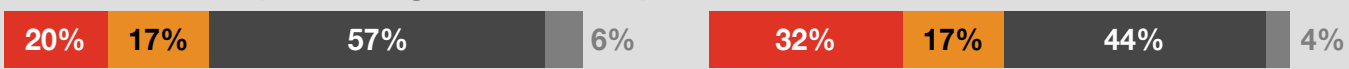
Investing in nature-based climate solutions



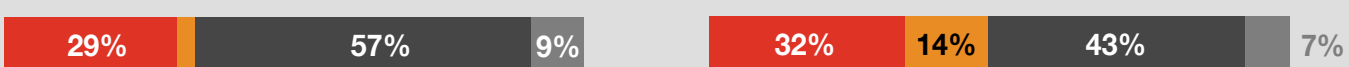
Selling products, services or technologies that support climate-resilience



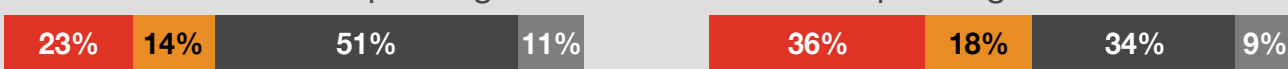
Implementing initiatives to upskill or re-skill our workforce



Implementing initiatives to protect our company’s physical assets/workforce from climate risk



Incorporating climate risk into financial planning





Opportunities and challenges of AI

A second megatrend with systemic and existential implications for businesses is technological disruption. We specifically examine generative AI, which can completely change business operations.

The adoption of this technology in the agribusiness sector and the adaptation of the technological strategy to deal with the innovation it represents is lower than the Brazilian overall average. Similarly, the agribusiness CEOs have lower expectations for generative AI over the next 12 months and three years compared to the national average.



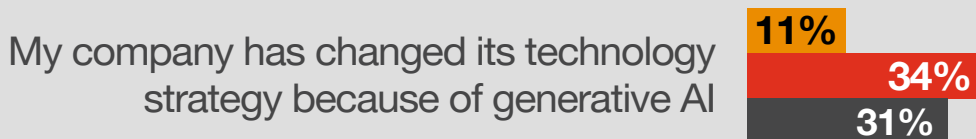
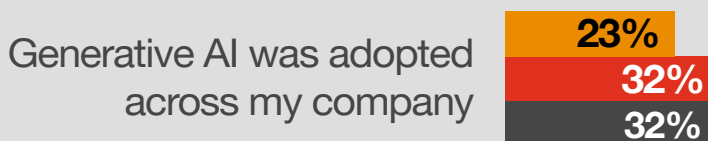


Expectations regarding the impacts of generative AI

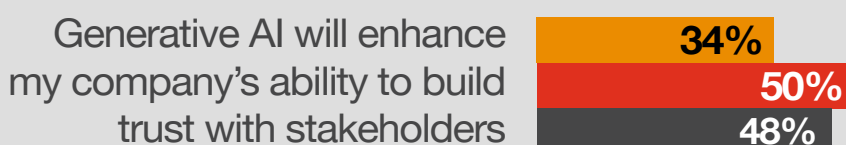
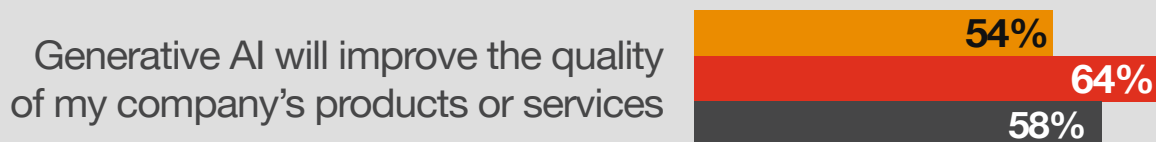
(showing Only 'Agree' responses)



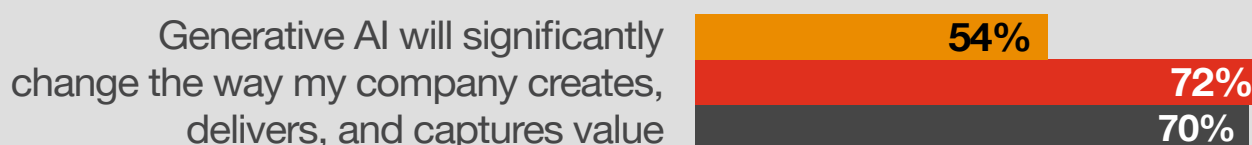
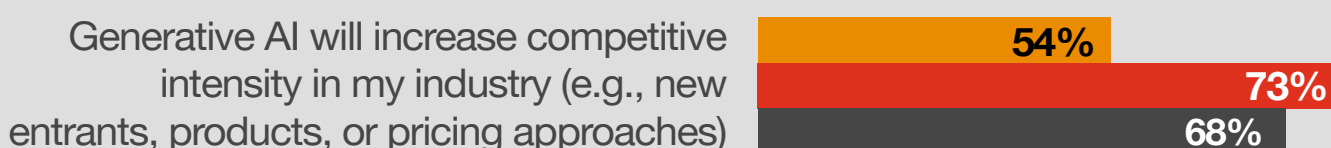
In the last 12 months



In the next 12 months



In the next 3 years





CEOs foresee several positive impacts of generative AI in 12 months



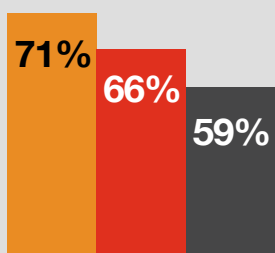
Agribusiness (BR)



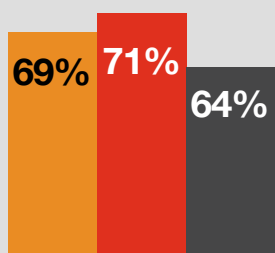
Brazil



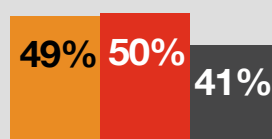
Global



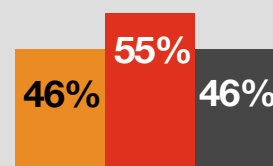
Efficiencies in my own time at work



Efficiencies in my employees' time at work



Revenue



Profitability

CEOs in the agribusiness sector generally express greater concern than the Brazilian average over risks associated with generative AI. Cybersecurity emerges as the top concern, highlighted by 80% of them. The spread of misinformation ranks second, aligning with the national average level.



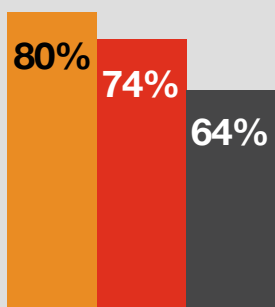
Agribusiness (BR)



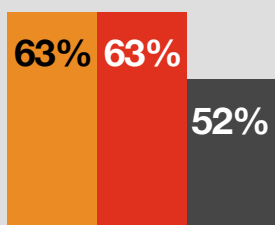
Brazil



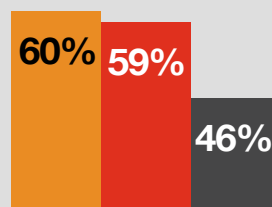
Global



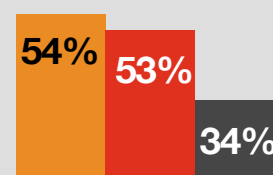
Cybersecurity risks



Spread of misinformation



Legal liabilities and reputational risks



Bias towards specific groups of customers or employees



Your reinvention playbook

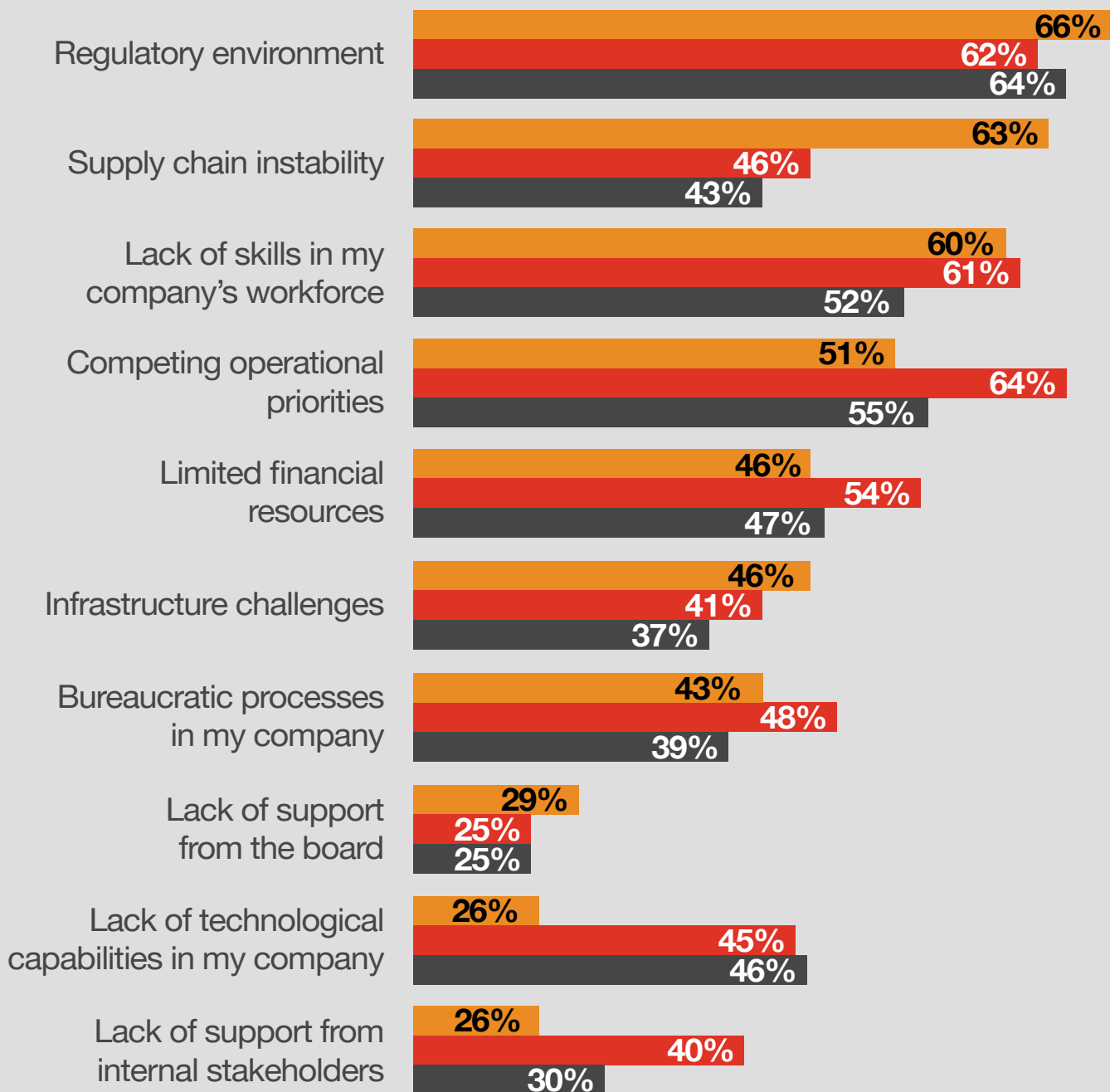
Essential actions to stimulate
continuous reinvention



We asked CEOs about obstacles they commonly face when undertaking large-scale corporate change efforts. In the Brazilian agribusiness sector, the regulatory environment is identified as the primary inhibitor of reinvention (at least to a moderate extent), slightly more so than the Brazilian average. Supply chain instability follows as the next significant challenge.

Main obstacles to corporate reinvention

(Showing only ‘to a moderate extent’, ‘to a large extent’ and ‘to a very large extent’ responses)

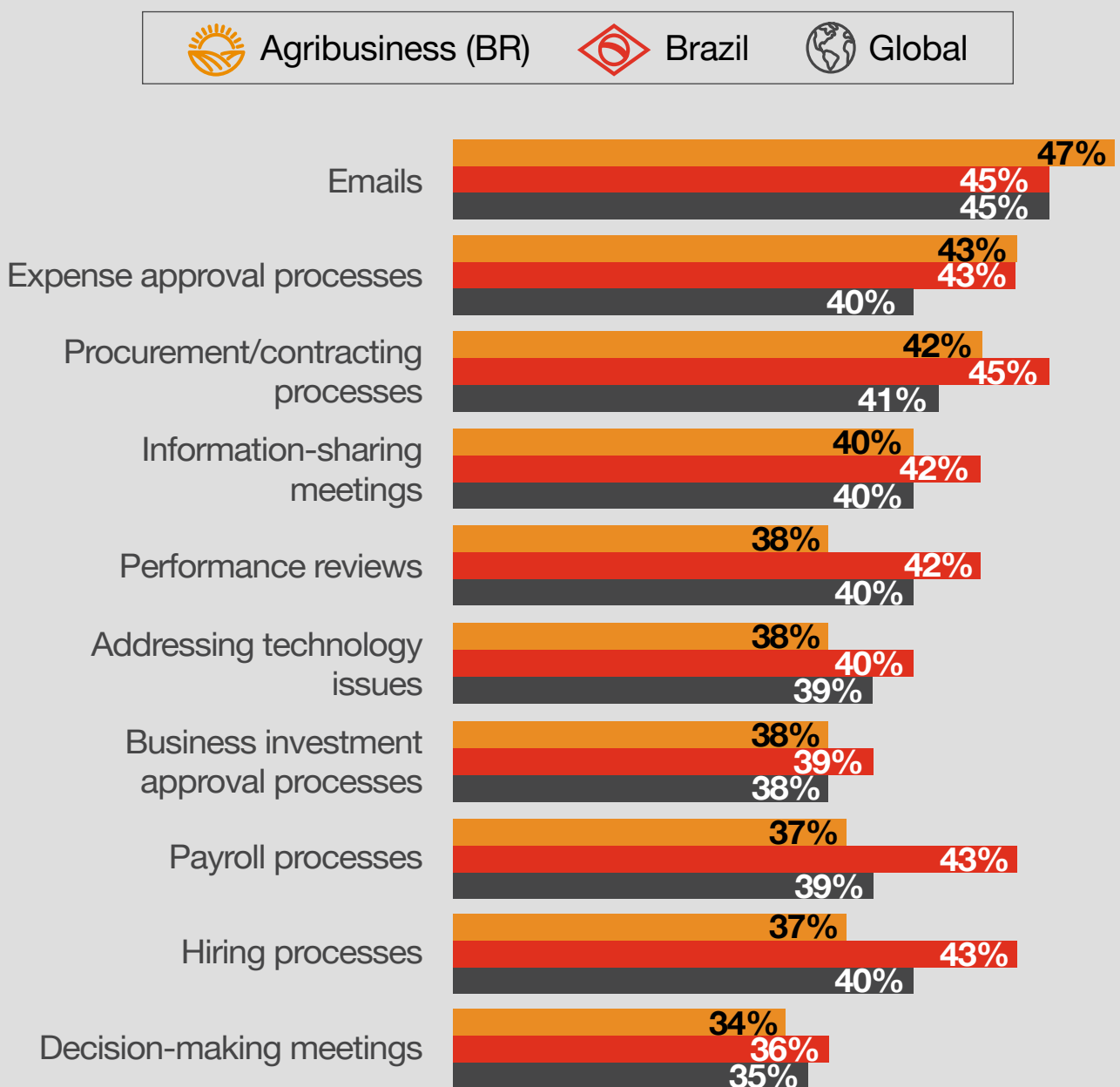




Many perceived constraints to reinvention fall directly within the CEO's sphere of influence. Bureaucratic processes, competing operational priorities, limited financial resources, workforce competencies, and technological resources are subject to some CEO intervention, as is efficiency, an area of concern for many leaders.

CEOs in the agribusiness sector report that nearly half of the time spent on emails (47%) is inefficient, a figure that is worse than the Brazilian average. In the approval processes for expenses, inefficiency also reaches 43%, aligning with the national average.

Percentage of time considered inefficient in some activities





The right moves for each company will depend on its strategy, operational model, industry context, and competitive landscape. An important issue is the agile reallocation of resources—a recognized attribute of high-performance companies that remains critical for CEO attention.

In total, 49% of leaders in the agribusiness sector (52% in Brazil) reported reallocating up to 20% of resources from one year to the next, with 23% (21% in Brazil) mentioning a reallocation of 10% or less. In the global average of the survey, higher levels of annual reallocation were associated with greater reinvention and higher profit margins.

In setting priorities, many CEOs view climate change as an industry disruptor with **various opportunities** and risks. In the agribusiness segment, 71% of CEOs expect climate change to impact how their companies will create, deliver, and capture value in the next three years – compared to just 29% in Brazil.

This might partly explain why 37% of leaders in the agribusiness segment (34% of all Brazilians) report that companies have set lower minimum return rates for low climate impact investments compared to other types of investments.





Return requirements are essential aspects of resource allocation decisions in companies. Therefore, evidence that CEOs are relaxing their return expectations to meet the climate challenge is a promising sign of progress regarding climate change. Other PwC research also reveals a shifting trend in private investors' interest towards **green technology** for sectors with a higher emission rate.

Companies in the sector are more likely than the average Brazilian company to accept lower return rates for climate-friendly investments



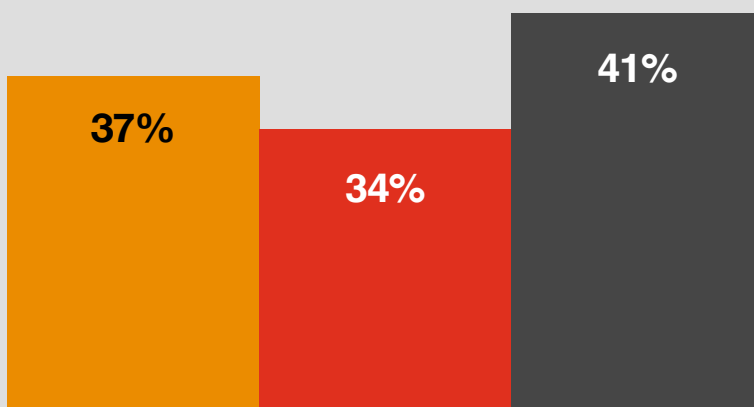
Agribusiness (BR)



Brazil



Global



Accepted lower return rates than for other investments

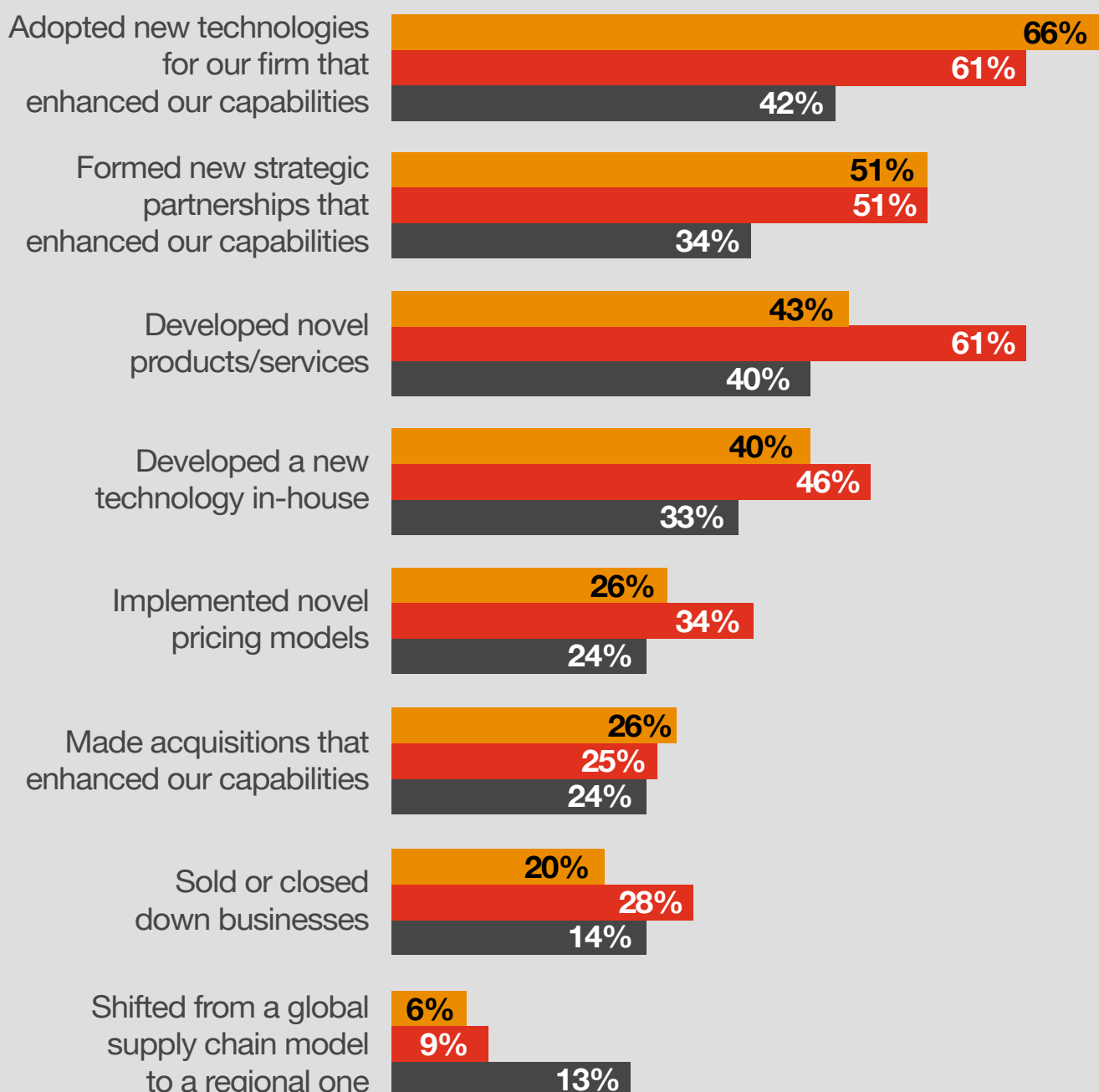
Note: Climate-friendly investments were defined as 'e.g., transitioning to energy-efficient operations, developing greener products and services, implementing emission-reducing technologies.'



CEOs are also striving to adapt their companies to new market conditions. In the agribusiness sector, the survey indicates that adopting new technologies has had a more significant impact on business reinvention than the average across all industries in Brazil.

Actions that most impacted business reinvention

(showing only 'to a large extent' and 'to a very large extent' responses)





Your next step:

1. Understand—and embrace—continuous reinvention

As the pressure to adapt rises, more CEOs should prioritize significant changes to drive the reinvention of their business models.

To succeed, leaders must consider a broader range of initiatives—and apply them in combination (e.g., investing in service partnerships to overcome capacity shortcomings in the operational model and keep up with technological advancements).

2. Understand how megatrends interconnect

By analyzing trends affecting the region and industry in which a company operates, CEOs can begin to identify opportunities based on the company's strengths. Grouping these trends based on common characteristics helps highlight their potential impact and identify how they reinforce each other.

3. Seek inspiration in nature

Despite the need for more significant advances in climate action across all fronts, one specific area of focus might be natural climate solutions. CEOs should look for possibilities to create business models with a positive impact on nature that not only mitigate risks and strengthen financial returns but also benefit society.



4. Raise the stakes on your AI strategy

Most companies are still defining their objectives and reasons for using generative AI. Those at the forefront of this process are aligning their generative AI strategy with digital and AI strategies, investing in enhancing their employees' skills, and encouraging experimentation in their organizations, focusing on identifying use cases that can be scaled.

5. Move fast, move responsibly

In the rush to explore the potential of generative AI, don't overlook its possible pitfalls, as they can also evolve rapidly. The key is to assess all dimensions of generative AI risk, starting with strategy, and understand how they will affect each employee. Set **clear risk-based priorities** and establish strict internal controls around data privacy and AI model training.

6. Engage, empower and enable your people

It's crucial to align change priorities among leaders and followers and to foster a culture of trust so employees feel safe proposing more efficient ways of working. Be transparent and invite employees to play an active role in reinvention. Additionally, redesign career paths around skills, not job positions, so employees have more autonomy and opportunities as roles change.



7. Prioritize connections with value

CEOs and their leadership teams need a clear understanding of how deals, projects, or other investments create value—and be willing to make tough decisions, whether reallocating resources from legacy businesses or redefining the company’s industry boundaries and ecosystem partners.

8. Partner with your CFO on climate strategy

With their traditional focus on value and long-term performance, CFOs are natural and trusted partners for CEOs in dealing with issues such as resource allocation, long-term capital expenses, or mergers and acquisitions to build more sustainable business models. They also have a range of tools that can be used to integrate sustainability into the core of the strategy.

9. Challenge conventional wisdom

Staying ahead of trends as business fundamentals change requires each leader to challenge conventional wisdom. This includes rethinking notions about competitive advantages in the industry, customer relationships, and the perceived structural advantages of regulation. To thrive in this new world, it’s necessary to understand how ecosystems are crystallizing around customer needs.



Sustaining the change



This year's survey reflects CEOs' awareness that they live through pivotal moments of strategic change, demonstrating a sense of urgency and a tendency towards action. The data indicate that the effectiveness of leadership is becoming increasingly valuable in maintaining motivation, questioning the status quo, and gaining momentum.

Some of these leadership imperatives may seem familiar. They all increase the pressures on CEOs to lead the strategic discovery journey necessary to develop enduring value-creation approaches. By entering an era of continuous reinvention, CEOs have a unique opportunity to reshape their organizations and themselves to succeed in times of disruption and turn aspirations into reality.





Methodology



PwC surveyed 4,702 executives in 105 countries and territories from October 2 to November 10, 2023. The global and regional numbers in this report are weighted according to the nominal GDP of countries to ensure that CEOs' views are representative across all major regions. The industry- and country-level figures are based on unweighted data from the full sample of 4,702 CEOs, including 4,088 men, 521 women, and 93 who identified with another gender or preferred not to say. Further details by region, country and industry are available on request. All quantitative interviews were conducted on a confidential basis.



Contact us



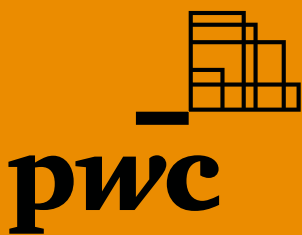
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