

Dawn of the DX Economy

New Rules, Roles and Requirements

IDC European ICT FutureScape for 2017

March 10th 2017

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Key Dimensions of Digital Transformation (DX)

 IDC Predictions 2017

Leadership



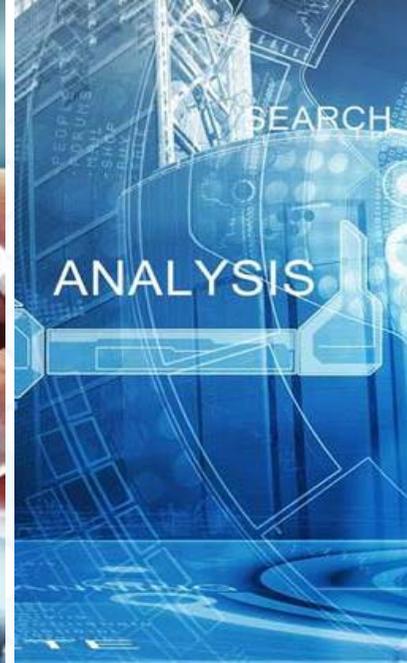
Omni-Experience



Information



Operating Model

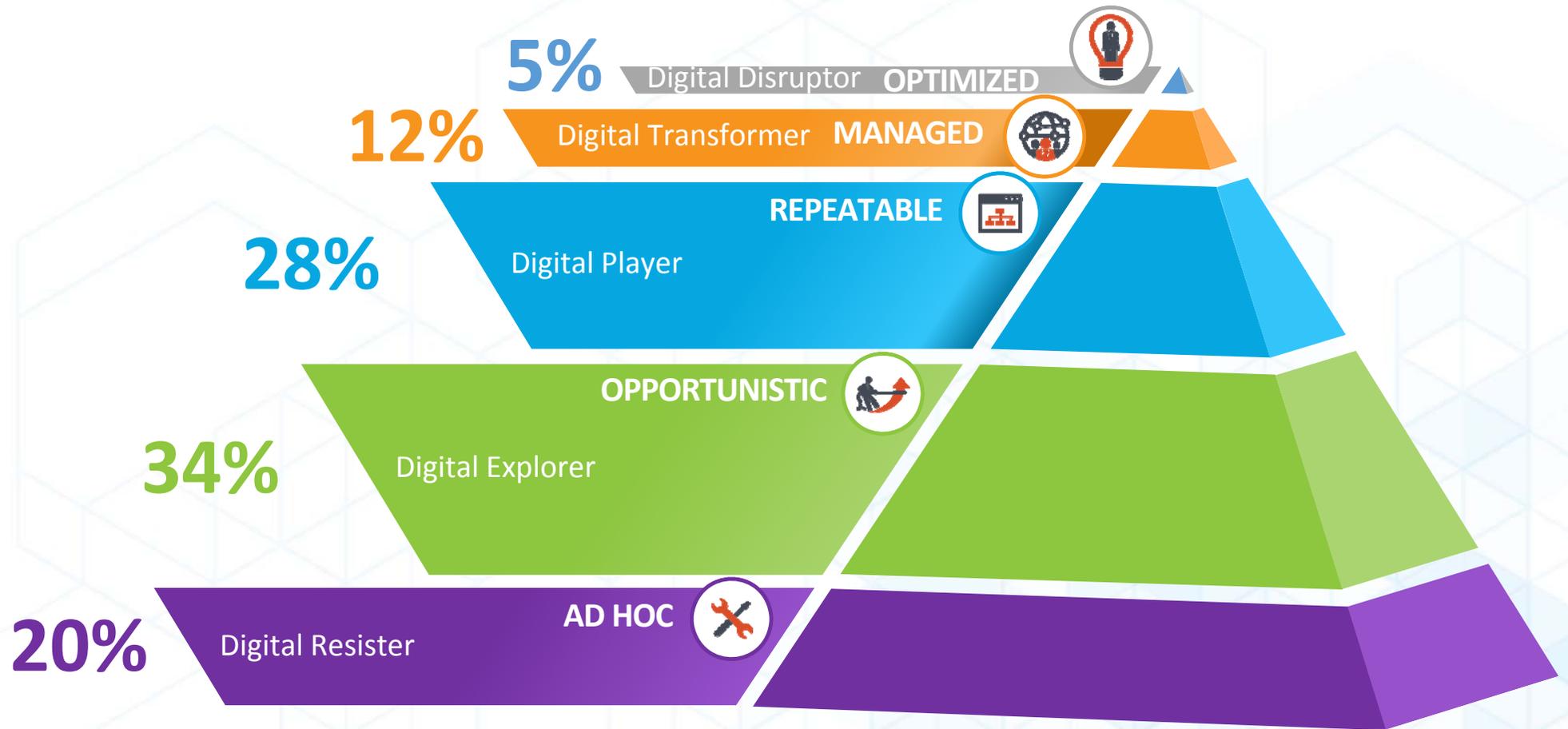


WorkSource



Digital Transformation is the approach by which enterprises drive changes in their business models and ecosystems by leveraging digital competencies

The Digital Divide is Developing



Source: IDC, Digital Transformation MaturityScape Benchmark, 2016. n=413
Showing the % of organizations in the world at each stage of Digital Transformation

Digital Transformation is a CEO Priority

'One of the 2020 targets] is to grow the number of users in our digital ecosystem to over 250 million'.



Kasper Rorsted,
CEO Adidas

'We will lead the digital revolution sweeping through the world'



Jes Stanley,
CEO Barclays

'We recognize that the world has changed and we need to change with it'



Stuart Gulliver,
CEO HSBC

We have hired Mike Bracken, (former digital director of the Cabinet Office) as our chief digital officer.



Richard Pennycook
CEO The Coop



**Kasper Rorsted,
Newly appointed CEO of Adidas**



Emerging Digital Leadership

 IDC Predictions 2017

By 2020, one third of CEOs and COOs of European FT500 companies will have spent at least **5 years** in a **tech leadership role**



Business Industry Environment

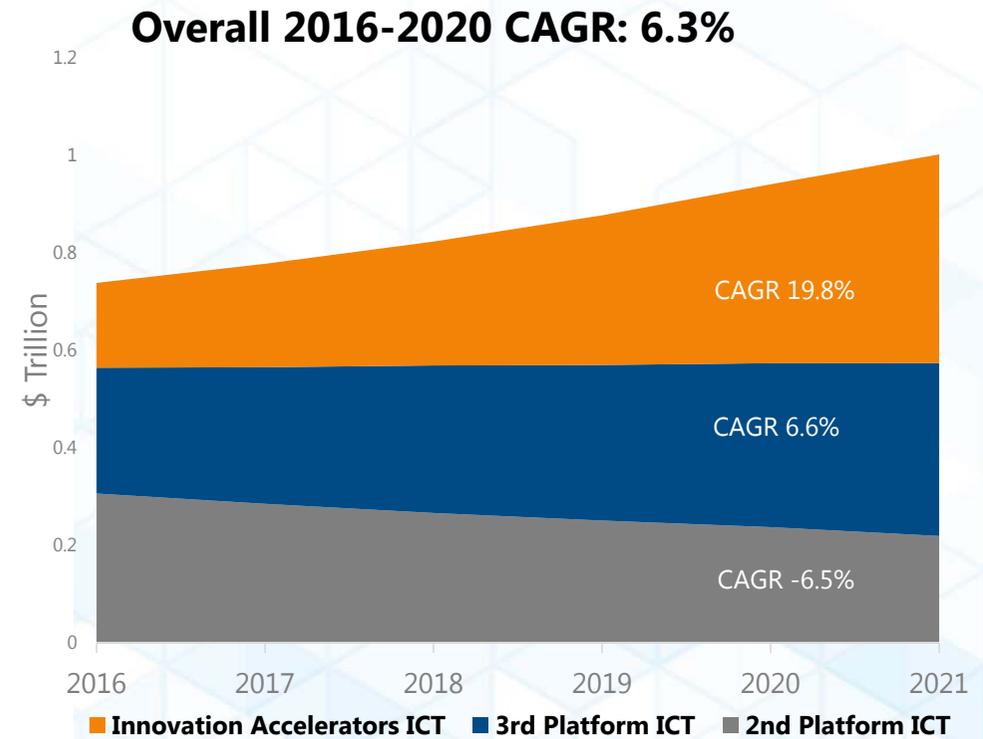
Why it's different this time.

- 
- Euro Crisis
 - Migration
 - Elections
 - Populism

The Relentless March of Technology

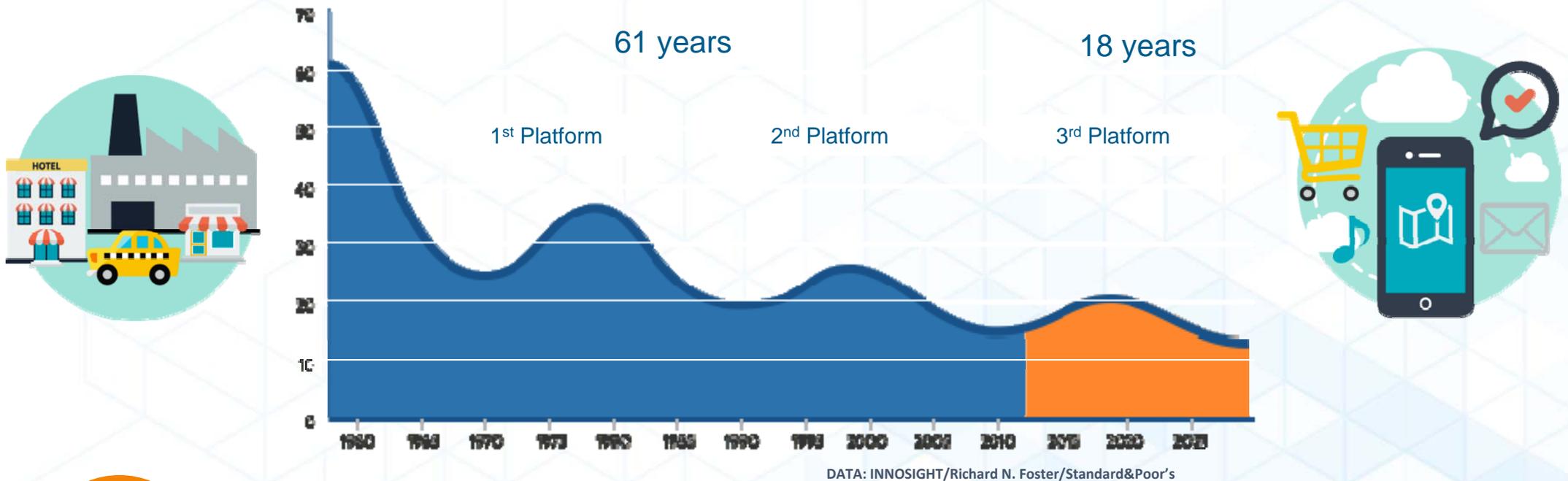


Source: IDC



Massive Digital Disruption

Average company lifespan on S&P Index (in years)



75%

of S&P 500 will be replaced by 2027

Dawn of the DX Economy

By 2020, 40% of the European FT500 will see the majority of their business depend on their ability to create digitally-enhanced products, services and experiences

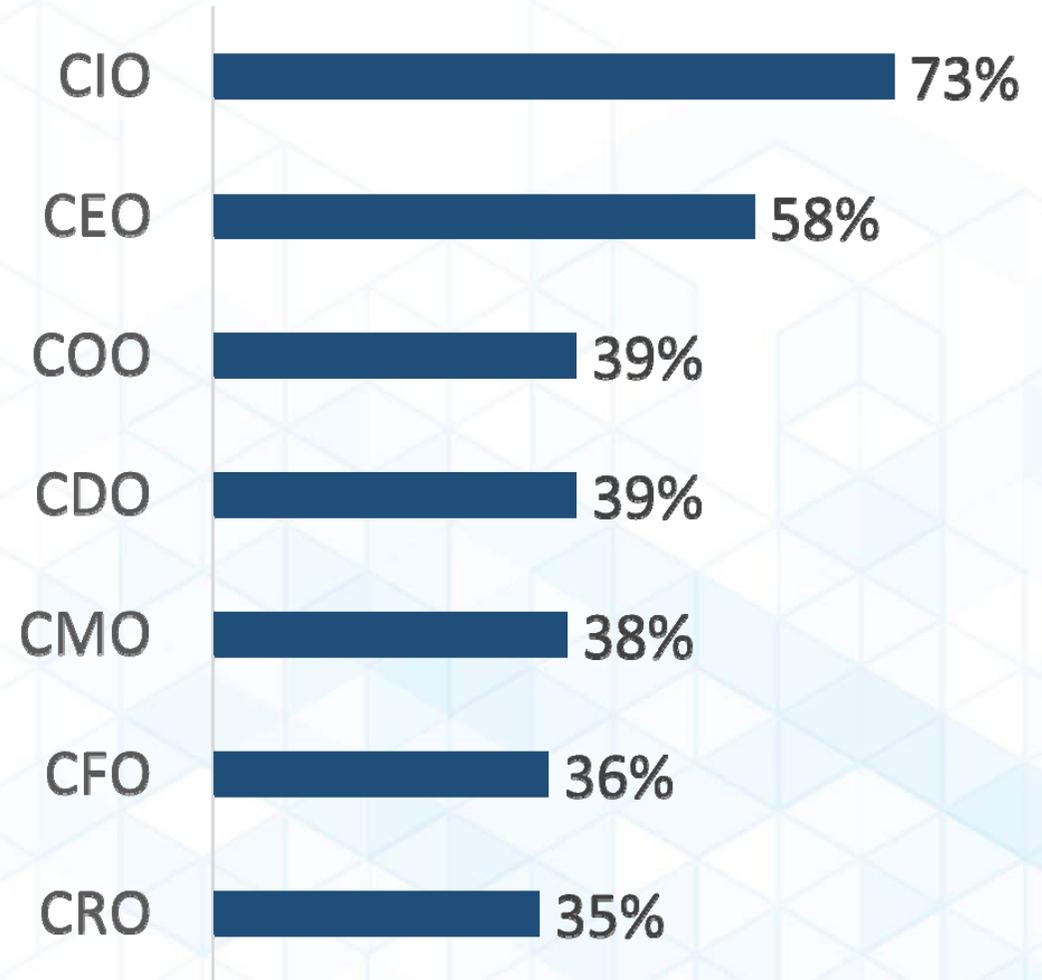
**Speed of
Change**

**Breadth &
Depth**

**Systems
Impact**

Embracing the **Digital Economy**

Who is running the DX projects?



Source: IDC European Digital Survey, 2016; n=308

Emerging Digital Leadership

 IDC Predictions 2017



By 2019, 70% of CIOs will recognize the limitations of traditional IT and embrace a leadership approach that embodies a virtuous cycle of innovation

Cloud Enters Phase 2.0 = New Architectures Required

 IDC Predictions 2017

45%

By 2020, at least 45% of the European Enterprise IT Infrastructure and Software will be Cloud-centered (delivered as Cloud services or enabling Cloud services).



Data as a Strategic Business Asset

 IDC Predictions 2017

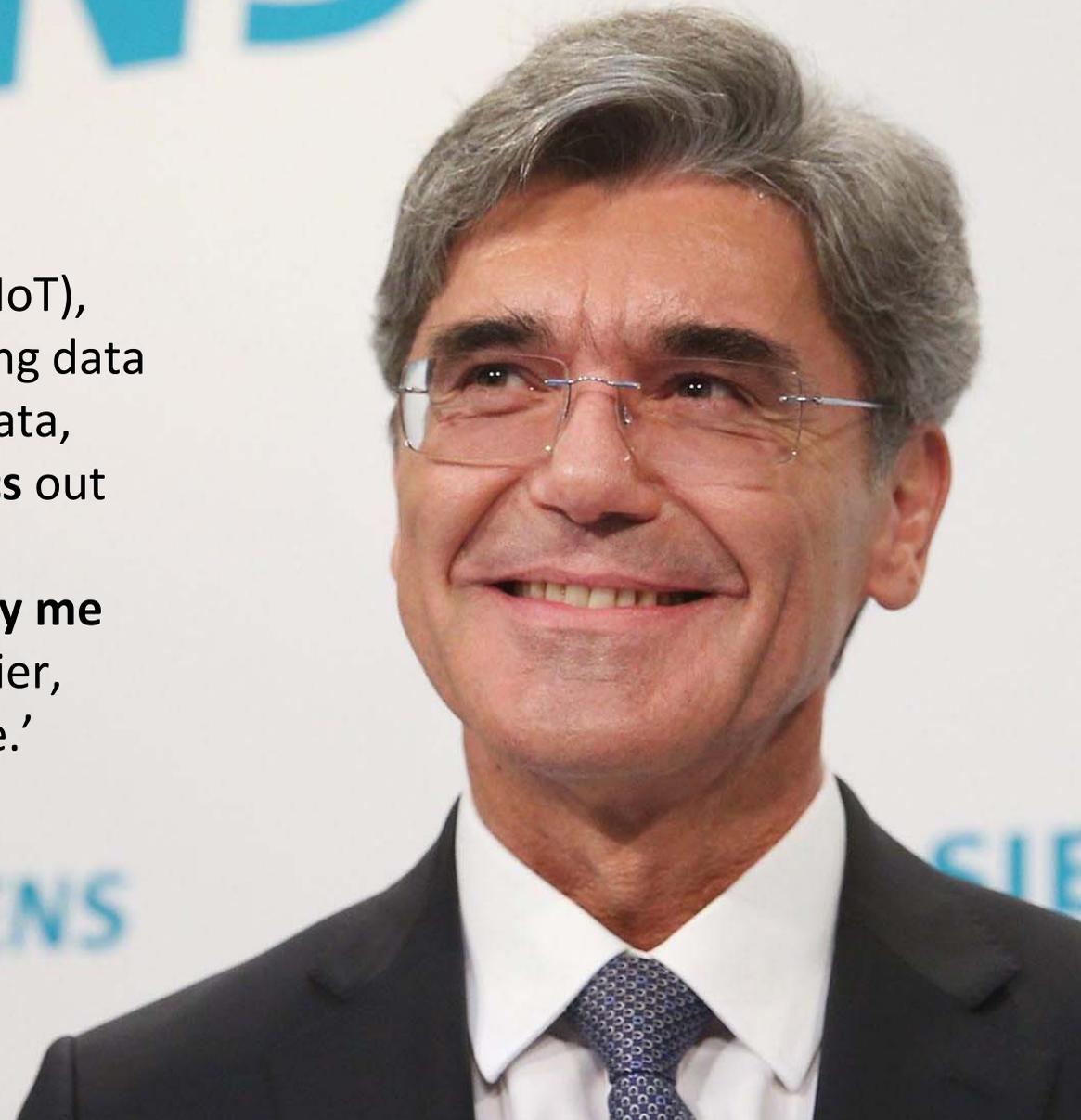
By the end of 2017, revenue growth from information-based products will be 2X that of the rest of the portfolio for 1/3 of FT500

40%

of European IT projects will create new digital services and revenue streams that monetize data in a 'Privacy-by-Design' fashion by 2019

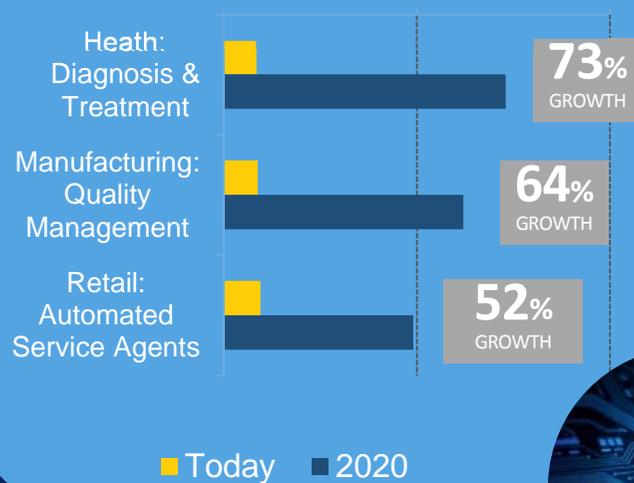
‘Relating to the Internet of Things (IoT), there’s a two-step process: collecting data and making use of it. Once I have data, how do I make **meaningful analytics** out of that data so my customer has an advantage? My customer would **pay me for information** that makes life easier, better, less costly, or more valuable.’

Joe Kaeser, CEO Siemens



Artificial Intelligence, Everywhere!

Cognitive/AI Spending: Select Use Cases



40%

of all Digital Transformation initiatives, and 100% of all effective IoT efforts, will be supported by cognitive/AI capabilities by 2019

Immersive Interfaces – Intensifying Customer Engagement IDC Predictions 2017



25%

of Consumer-facing European FT500 companies will experiment with AR/VR as part of their marketing strategies in 2017



Over 1 billion people worldwide will regularly access apps, content, and data through an AR/VR platform by 2021



Wimbledon 2016 sponsor Jaguar created a VR experience for tennis fans to “fly” into Centre Court and “be” Andy Murray walking out to the match.



JAGUAR

Managing Emerging Digital Risks

 IDC Predictions 2017

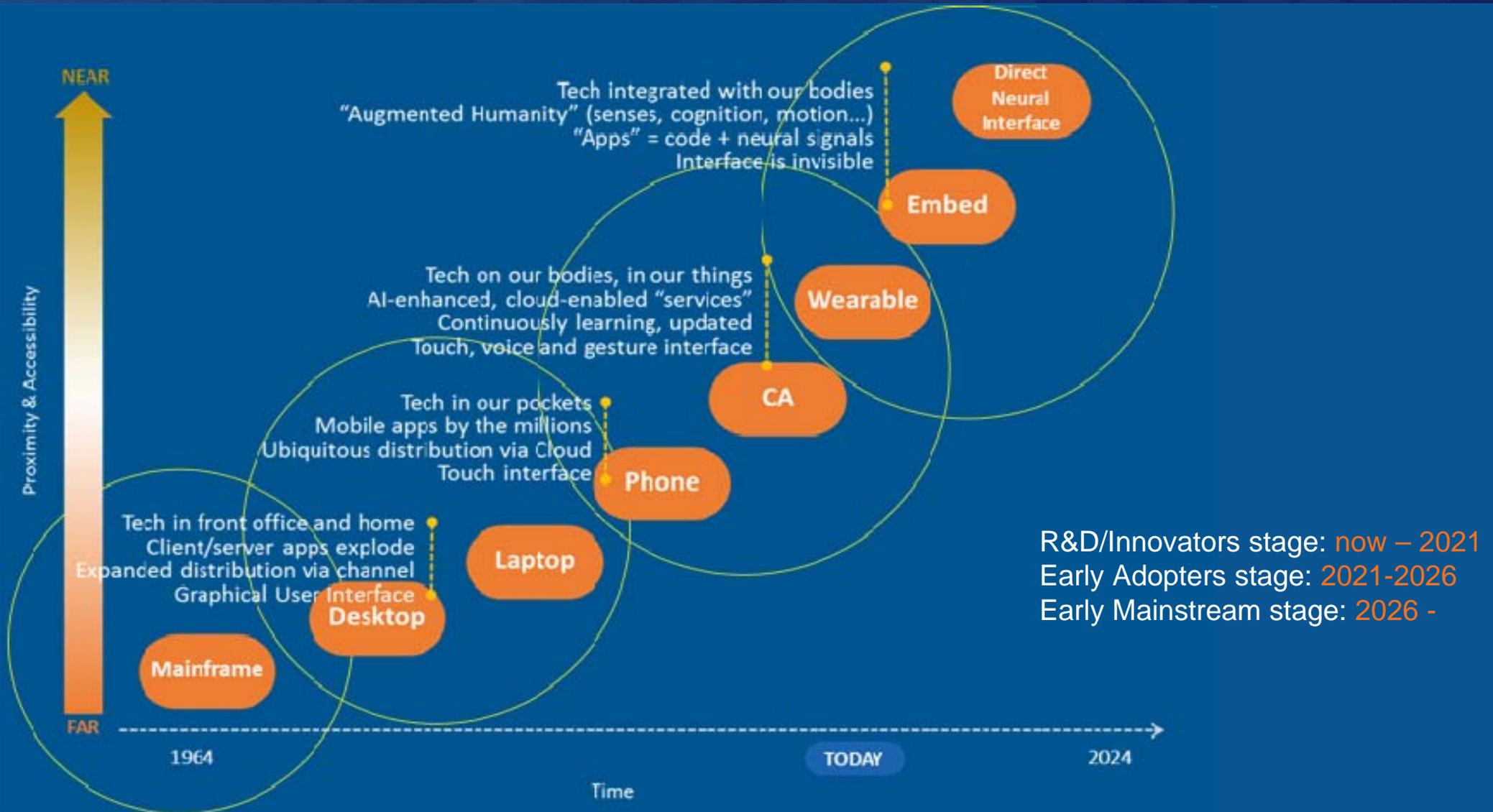


By 2018, 60% of CIOs will help drive risk portfolios that enable adaptive responses to security, compliance, business or catastrophic threats

By 2018, 34% of European security spend will be driven by EU data protection regulation and privacy

A **bright** future?

The Emergence of the 4th Platform



Augmenting Humanity



Augmented sensing

The future of our digital ser

- Inequality, Employment
- Ethics, Humanity
- Security, Privacy



Embedded/Injectable

MIT and Microsoft research made a „smart” tattoo that remotely controls your phone



Augmented Identity



Augmented memory & cognition

U.S. Military is developing brain implants to help restore memory

Augmented bio-structure

3D printed guides used for complex nerve regeneration may treat spinal injuries

Augmented mobility

This \$40,000 robotic exoskeleton lets the paralyzed walk

Contact

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