A quick view on Global Trends and IDC Predictions

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What’s a Digital-First Europe?

**Digital-first means Value-first.** Value realization grows exponentially as organizations move the needle of their strategies from an internal to external focus – **expanding to customers, the ecosystem, and society.**

### 3 Key Numbers

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<th>Society</th>
<th>Economy</th>
<th>Impact</th>
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<td>Approximately 25% of the €750 billion Next Generation EU Recovery Package focused on Digital</td>
<td>Digital spend grows at 4 times the GDP 16% vs. 4%</td>
<td>In 2021, we’ve seen a 10% increase in the number of companies delivering ROI from Digital</td>
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Source: IDC European FutureScape 2022
70% of CEOs of large European organizations will be incentivized to generate at least 40% of their revenues from digital by 2025.

Source: IDC European FutureScape 2022
FutureScape 2022 Predictions in a Nutshell

Future of Work
In 2023, $140 Billion will be invested by European enterprises in workplace transformation, with 60% of organizations achieving improved employee experience thanks to collaboration across the C-Suite.

Future of Customers and Consumers
The rise of physi-digital experiences will drive 35% of top European enterprises to establish physi-digital design innovation teams by 2024, with a focus on CX that provides strategic differentiation and customer lifetime value.

Future of Operations
In 2022, 30% of European companies will be utilizing supply chain control towers to get real-time visibility into the supply chain within their businesses and beyond, enabling them to see disruptions earlier and make better mitigation decisions.

Future of Digital Infrastructure
By 2024, 50% of European organizations will spend 10% of their ICT budget to cover additional costs to adhere to the digital sovereignty principles adopted in the EU.

Future of Trust – Security
By 2024, 60% of major European enterprises will have increased their annual spend in cyber resiliency by 20% to secure their digital first investments against cyber risk – driving an additional €5.9bn in new security spend in 2024.

Future of Intelligence
By 2024, the 50% of European organizations that use an AI ethics playbook will garner greater customer trust, reducing customer churn by up to 30% compared with their competitors.

Future of Industry Ecosystem
By 2023, €334B (the Danish GDP!) in European digital spending will be driven by ecosystem-empowered use cases.

Future of Connectedness
5G connections in Europe will grow more than 8x from 2021 to 2025, reaching 600 million; 5G monetization will depend on delivering innovative real-time, data-intensive use cases for hyper-connected ecosystems.

Future of Trust – Sustainability
In 2023 60% of European Organizations will prioritize digital investments for sustainability-related goals, driving more than $60B in spending.

Future of Digital Innovation
By 2023, 70% of European organizations will create disruptive digital value by partnering, buying, or investing in a digital-native start-up, doubling the return on investment for both parties over 3 years.

Source: IDC European FutureScape 2022
In 2023, $140 Billion will be invested by European enterprises in workplace transformation, with 60% of organizations achieving improved employee experience thanks to collaboration across the C-level.
Digital Sovereignty Driving the Next Phase of Workload Prioritization for the Cloud

By 2024, 50% of European organizations will spend 10% of their ICT budget to cover additional costs to adhere to the digital sovereignty principles adopted in the EU.

Source: IDC European FutureScape 2022
From Actionable Insights to Responsible Intelligence

By 2024, the 50% of European organizations that use an AI ethics playbook will garner greater customer trust, reducing customer churn by up to 30% compared with their competitors.

Source: IDC European FutureScape 2022
By 2023, $334B (the Danish GDP!) in European digital spending will be driven by ecosystem-empowered use cases.
Ecosystem-empowered Digital Use Cases

Top 15 largest spending Digital Use Cases in Europe

- Freight Management
- Autonomic Operations
- Predictive Grid Management
- Self-Healing Assets & Augmented Maintenance
- Robotic Manufacturing 360°
- Customer/Citizen/Patient Management
- Advanced Digital Simulation
- Root Cause
- Quality & Compliance
- Interconnected Collaborative Workspace
- Asset Performance Management
- Personalized and Contextualized Interaction Optimization
- Remote Team Enablement
- Supplier Network Management
- Asset Instrumentation
- Personalized and Contextualized Interaction Optimization

Spending Compound Annual Growth Rate 2021-2025

- 25%
- 20%
- 15%
- 10%
- 5%

2021-2022 Spending Growth Rate

- 10% 15% 20% 25%

Bubble size represents 2021 Spending in Europe

Note: Top 15 Largest Digital Use Cases in terms of European Digital Use Cases spending have been selected
Hyper-Connected Ecosystems Need Extreme Connectivity

5G connections in Europe will grow more than 8x from 2021 to 2025, reaching 600 million;

5G monetization will depend on delivering innovative real-time, data-intensive use cases for hyper-connected ecosystems

Source: IDC European FutureScape 2022
The Intersection of Digital & Sustainability

In 2023 60% of European Organizations will prioritize digital investments for sustainability-related goals, driving more than $60B in spending.

Source: IDC European FutureScape 2022
By 2022, **60%** of publicly listed European organizations will redesign business processes and operations to be able to generate value from sustainability initiatives and to achieve compliance.

By 2022, **50%** of European organizations will adopt shared data platforms to adopt industry collaborative solutions to track their environmentally-related KPIs in a trustworthy (certified and confidential) manner.

Source: IDC European FutureScape 2022
Delivering Disruptive Digital Value

By 2023, 70% of European organizations will create disruptive digital value by partnering, buying, or investing in a digital-native start-up, doubling the return on investment for both parties over 3 years.
Thank you!

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