

# IDC FutureScapes 2021

## IDC Europe's 10 Predictions to Create a Sustainable Digital Economy in 2021 and Beyond

### Understanding the Background: The Frameworks Beneath the 2021 Predictions

#### THE "3RS" TO THE FUTURE ENTERPRISE

The 3Rs describe the different phases that European organizations are moving through on their road to recovery — from crisis **response** to **resilient** adaptation to **reignition** — for a "better normal."



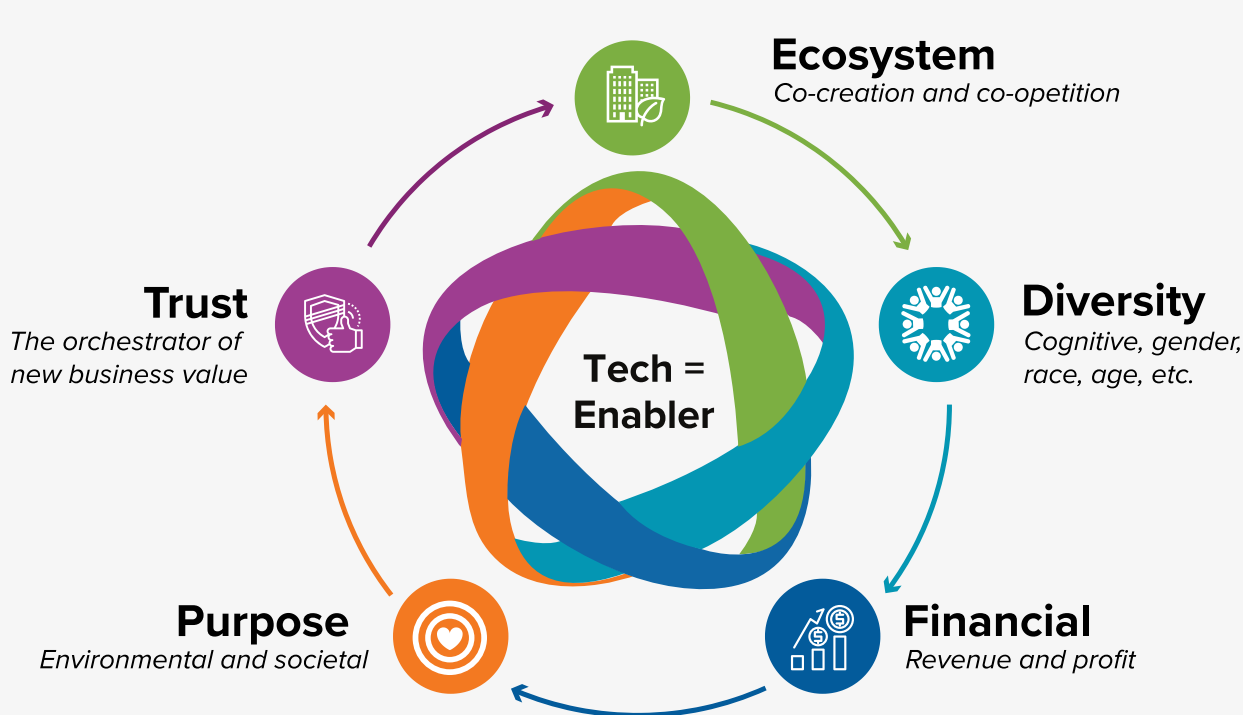
**Response**  
What have we learned?

**Resilience**  
Making the most of 2021

**Reignition**  
How do we reignite the future?

#### THE NEW DEFINITION OF BUSINESS VALUES

Business needs to consider the longer-term impacts on society through a comprehensive set of interconnected values, with each one influencing the others.



### The Future Enterprise: IDC Europe's 10 Predictions



IDC's predictions are created to embrace both the 3Rs for the future enterprise and the redefinition of business values to provide clear best next actions to become a future enterprise.

The future enterprise is the merging of nine different building blocks that when tightened together will deliver what IDC defines as an organization that underpins business processes with technology, is fueled by innovation, is platform enabled, and is ecosystem-centric.

### IDC Europe's Top Predictions

#### PREDICTION #1: ACCELERATED DIGITAL DESTINY

In 2021, growth in **digital investments** in Europe will outstrip the rebound in GDP by a **factor of three**.



Welcome to the world we envisaged for 2023 — now. Welcome to the digital era, in which technology is critical to respond, adapt, and capture new opportunities.

**Giulia Carosella**  
IDC European Digital Transformation Practice Lead

		3Rs' Fit on the Road to Recovery	Business Value Impact
<b>FUTURE OF Work</b>	<b>PREDICTION #2</b> In 2021, two-thirds of European companies will invest in human experience (HX) technologies, transforming their HR functions to attract and retain top talent.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	Financial Ecosystem <b>Purpose</b> <b>Diversity</b> Trust
<b>FUTURE OF Customers and Consumers</b>	<b>PREDICTION #3</b> In 2021, European enterprises will invest in enhanced customer service and digital engagement technologies at nearly three times the rate of the overall software market to drive customer loyalty and revenue growth.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	<b>Financial</b> Ecosystem Purpose Diversity <b>Trust</b>
<b>FUTURE OF Digital Innovation</b>	<b>PREDICTION #4</b> In 2021, software-led European organizations implementing compressed innovation tactics will take digital ideas to production four times faster than the market average.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	<b>Financial</b> Ecosystem Purpose Diversity Trust
<b>FUTURE OF Intelligence</b>	<b>PREDICTION #5</b> By 2023, driven by volatile, uncertain, complex, and ambiguous (VUCA) business environments, 20% of enterprises will invest in adaptive operations leveraging AI to improve resilience.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	<b>Financial</b> Ecosystem <b>Purpose</b> Diversity Trust
<b>FUTURE OF Industries</b>	<b>PREDICTION #6</b> In 2021, more than 40% of the global cross-industry digital ecosystem based on physical products will be orchestrated out of Europe, adding \$125 billion in regional economic output.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	Financial <b>Ecosystem</b> Purpose Diversity Trust
<b>FUTURE OF Connectedness</b>	<b>PREDICTION #7</b> In 2021, 1 in 5 European manufacturers and logistics operators will begin private 5G network deployments to better connect operations.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	<b>Financial</b> Ecosystem Purpose Diversity Trust
<b>FUTURE OF Digital Infrastructure</b>	<b>PREDICTION #8</b> By 2023, European hybrid edge infrastructure spending will almost double to nearly \$14 billion to support zero-latency use cases.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	<b>Financial</b> <b>Ecosystem</b> <b>Purpose</b> Diversity Trust
<b>FUTURE OF Operations</b>	<b>PREDICTION #9</b> By 2023, 80% of European operations-intensive organizations will invest in IT-OT, supply chain integration, and performance management technologies, helping to reduce regionwide carbon emissions by an additional 3%.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	<b>Financial</b> Ecosystem <b>Purpose</b> Diversity Trust
<b>FUTURE OF Trust</b>	<b>PREDICTION #10</b> In 2021, 40% of European CEOs will introduce trust metrics to comply with emerging ethical, diversity, responsible, and sustainable business practices.	RESPONSE ★★★★★ RESILIENCE ★★★★★ REIGNITION ★★★★★	Financial Ecosystem <b>Purpose</b> Diversity <b>Trust</b>

Source: IDC Europe's 10 Predictions to Create a Sustainable Digital Economy in 2021 and Beyond (Webinar)

For more information, visit [idc.com/uk](https://www.idc.com/uk)

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