

DIGITAL TRANSFORMATION TRENDS 2023



Importance of Digital Transformation

Gartner defines it as “The process of leveraging emerging technology and supporting skills to build a robust new business model.”

Digital Transformation essentially deals with the strategic adoption of technologies to give enterprises that competitive edge. Organizations use these technologies across their business to fundamentally drive change.

Benefits

- ▶ Increased efficiency
- ▶ Greater business agility
- ▶ Value add for customers, employees, and shareholders

In 2022, the market size for digital transformation was estimated to be **\$731.13 billion** and is expected to grow at a **CAGR of 26.7% until 2030.**

Future Trends

The rapid growth of Customer Data Platforms (CDP):

In a digital world, data is everywhere. How data is used to understand customer behavior is vital. CDPs are a single source of customer data, pulling out information that would be key in engaging customers.

Focus on cybersecurity: More than 445 million cyberattacks were reported in 2020. In 2023, it is expected that 33 billion accounts will be breached. The greater the digital footprint, the higher the risks. There is no one solution to mitigate all risks, it would be prudent to strike a balance between cybersecurity and an organization's people, processes, and technology.

Democratization of AI: AI has evolved to such an extent that making it available to every person within the organization will help reach business goals efficiently and quickly. The use of AI-based tools is on the rise and there will be more AI and machine learning made available to everyone in 2023.

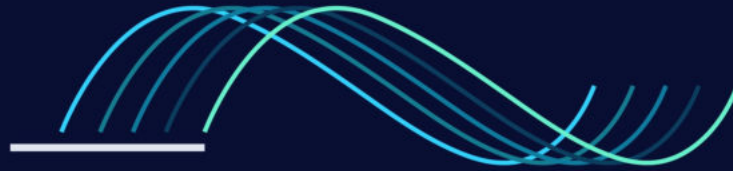
Data Analytics: Gartner predicted that by 2022, 90% of corporate strategies specifically reference information as a critical business asset and analytics as a core competency. Data analytics will help solve complex problems including customer behavior prediction, supply chain process optimization, and sales pipeline optimization.

Multi-Cloud Architecture: Global Multi-Cloud Management Market was valued at USD 6.10 Billion in 2021 and is expected to reach USD 39.77 Billion by 2028 with a CAGR of 30.7% over the forecast period. The challenge would be the increasing complexity of infrastructure management.

Automation: Digital transformation and automation coexist in the same space. Organizations will increase the adoption of automation in their digital transformation process. Key trends include hyperautomation and cloud-based automation systems.

Low-code, No-code platforms: Gartner predicts that by 2026, developers outside formal IT departments will account for at least 80% of the user base for low-code development tools, up from 60% in 2021. The integration of AI and ML, the focus on cloud deployment, and the ability to create multi-channel applications are driving the growth of the low-code and no-code markets.

Irrespective of what path an organization takes in its transformation strategy, the key takeaway would be choosing strategies aligning with business objectives and goals.



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