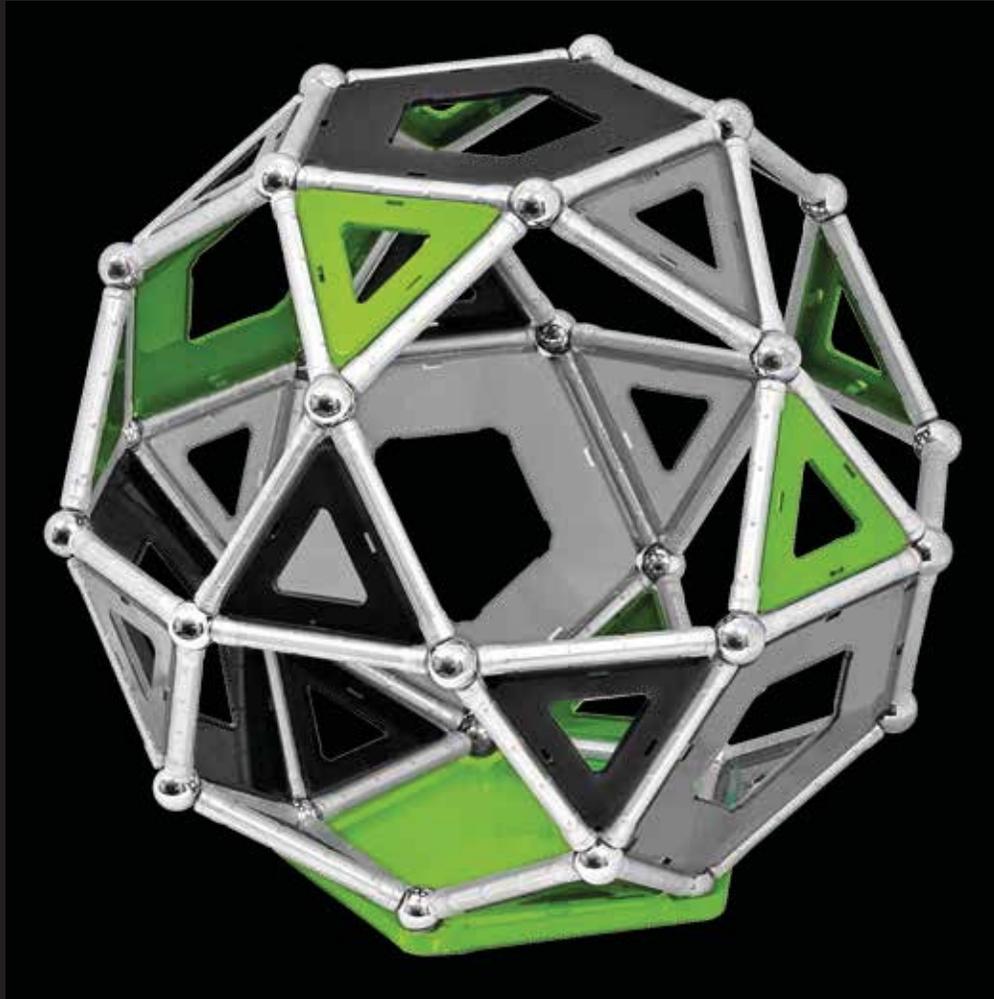


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## Specialist Think piece

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Innovation along with rapid developments across technology, media and telecommunications is creating the foundation to transform the way we work and live. The falling cost of computing power and data storage, the rise of broadband, ubiquitous connectivity and mobility have combined to create the dawn of a digital era filled with exponential technologies. The emerging ecosystems around cognitive technologies, blockchain and the Internet of Things (IoT), among others, have quickly moved from cutting-edge to being on the verge of mainstream.

Digital changes everything. New business models that once were not possible or practicable are emerging in almost every sector and industry. "Digital native" companies are leveraging these foundational tools to disrupt established enterprises and are scaling at an increasingly astounding pace.

At the same time, existing businesses are rapidly working to understand how these emerging tools can deliver value in new and exciting ways as they embark on a transformational journey to participate in the new economy. Resting on established laurels is no longer a competitive option; innovation is essential to survival and growth. Companies are challenged to deliver in the "here and now" and to develop new business models at the same time. Although this places significant demands on capital and resources, the efforts are showing measurable results as exciting new products and services are emerging worldwide with unprecedented speed.



New strategic approaches are being deployed to adjust to the new paradigm, in which agility, speed to market, “failing fast” and reinvention are increasingly important aspects of corporate planning. Current innovation in technology is also causing a historic wave of collaboration across industries. For example, automotive and technology companies have entered into joint ventures aimed at equipping cars with self-driving and self-correcting features. At the same time, traditional competitors are entering into “co-opetition” partnerships to drive the growth of technologies such as artificial intelligence.

Innovation is driving change and growth across the enterprise as well. For instance, tech sector companies are now offering products and services through a “pay-for-use,” or flexible-consumption-based, model. Such models are germane to cloud and software as a service (SAAS) providers and they are becoming increasingly common for hardware, networking and printing as a wide range of technology organizations move to adopt these delivery models. Moving to a consumption-based model can have a profound and positive effect on operations across all aspects of a business, including branding, marketing, sales-force training and compensation, revenue recognition, IT systems and taxation. As another example of how innovation is transforming

the business landscape, companies are increasingly embracing the “gig” economy that is, leveraging resource pools beyond their individual organizations—to help win the global war for talent. And the list goes on: we see growth across connectivity and connected devices that are foundational to the success of IoT, which in turn creates the need for continued innovation in security, privacy and data sovereignty.

The foundation being laid now will drive innovation for the foreseeable future, but we have a long way ahead of us to truly fulfill the promise of the digital era. Keep your eyes on technologies that are being increasingly integrated into mainstream business, including blockchain which offers an entirely new way of securely tracking transfers of assets and cognitive technologies, including speech recognition, natural language processing, pattern recognition, machine learning, robotics and computer vision.

Innovation is more than technology; it’s also a state of mind. The winners of the Deloitte EMEA Technology Fast 500 program, and our winners around the world, recognize that this new type of thinking is essential for business success, and we support and applaud your leadership. ●



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