Digital Infrastructure, Resilience and Sustainability – Insights in Nordic Digital Markets

IDC Nordic Directions 2022

IDC Nordic Digital Insights 2022

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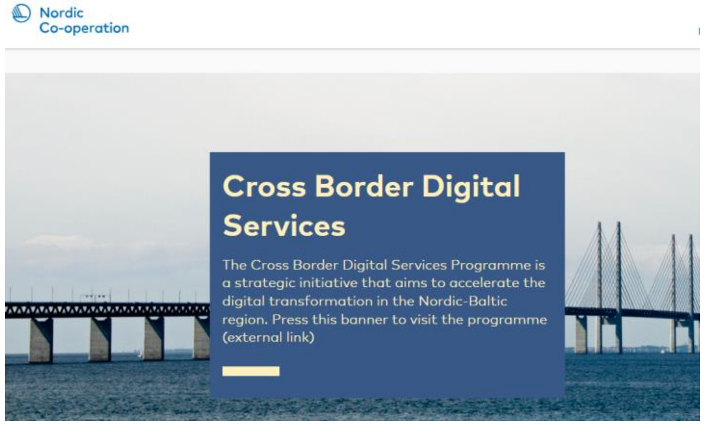
Why are the Nordic Insights 2022 on services delivered with the headline sustainability?



Sustainability is a broad term for the ability to maintain a certain rate or level and must be discussed and interpreted in a human, social, economic and environmental context.

IDC is strengthening our research in sustainability as the importance of sustainability grows in business strategies. We are currently uses [IDC's Worldwide Environmental, Social, and Governance Business Services Taxonomy.]

Beyond 2022 market changes by demands from digital first organizations will drive **further transformation** of the IT Industry. Choosing **strategies for partnering or mergers and acquisitions** are important not only for business but for **development of organizations and employees**.

IDC Nordic Trend 8:

Top 10 Nordic IT Services Vendors 2020

Based on IT services revenue 2020

Source: IDC 2022

All	Nordic based
1. TietoEVRY	1. TietoEVRY
2. IBM	2. ATEA
3. Accenture	3. eWork
4. CGI	4. NNIT
5. ATEA	5. JN Data
6. Capgemini	6. Knowit
7. eWork	7. Netcompany
8. HCL Technologies	8. Visolit
9. DXC	9. AFRY
10. Tata Consultancy Services	10. Visma

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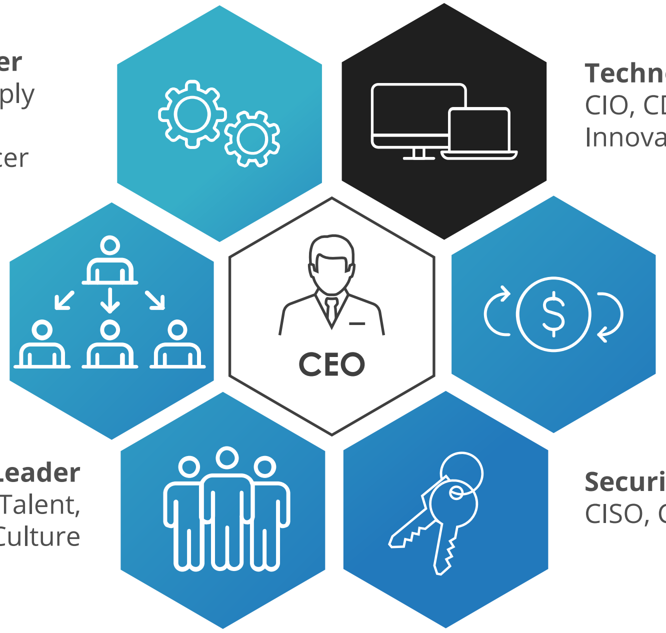
IDC Nordic Trend 8:

The Tech Leader is Increasingly Becoming a Lynchpin in the Digital Dream Team

Operations Leader
COO, Head of Supply Chain, Chief Procurement Officer

Technology Leader
CIO, CDO , CTO, Head of Innovation

CXM Leader
CMO, Head of CX, Head Sales, Head of Digital Experience & Customer Service



Finance Leader
CFO, COO

Human Capital Leader
CHRO, Head of Talent, People & Culture

Security/Risk Leader
CISO, CRO, DPO

Source: IDC 2022

Traditional M&A

advania
Visolit
IPI
DigiPlex

Nordic giants in the making

VISMA
EG

To watch

Finance	Consulting
nets	valtech_
	Radon

The digital mature **Nordic societies** will be at **forefront** of developing **Digital Sovereignty** to ensure innovation in digital public services as well as digital-first organizations. By 2023 digital services vendors must engage and integrate Digital Sovereignty in their **Digital Trust approach**.

IDC Nordic Trend 9:

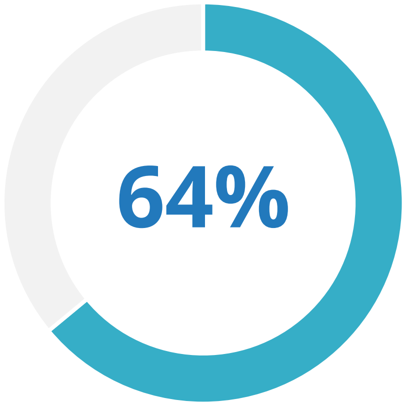
A new cloud parameter on the radar: **Digital Sovereignty**

		Legislation	Uncertainties
1	**Data**	GDPR and free flow of non-personal data	Data transfers Interoperability & portability
2	**Infrastructure/ software**	X	Ownership & protectionism Interoperability & portability
3	**Processes/ Operations**	X	Control & stability Unauthorized access

Source: IDC European FutureScape 2022

“ IDC's definition of Digital Sovereignty is 'the capacity for digital self-determination by states, companies or individuals.

“ 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



64% of Nordic organizations have initiated a Digital Trust Program.

Source: IDC Nordic Security Survey 2021

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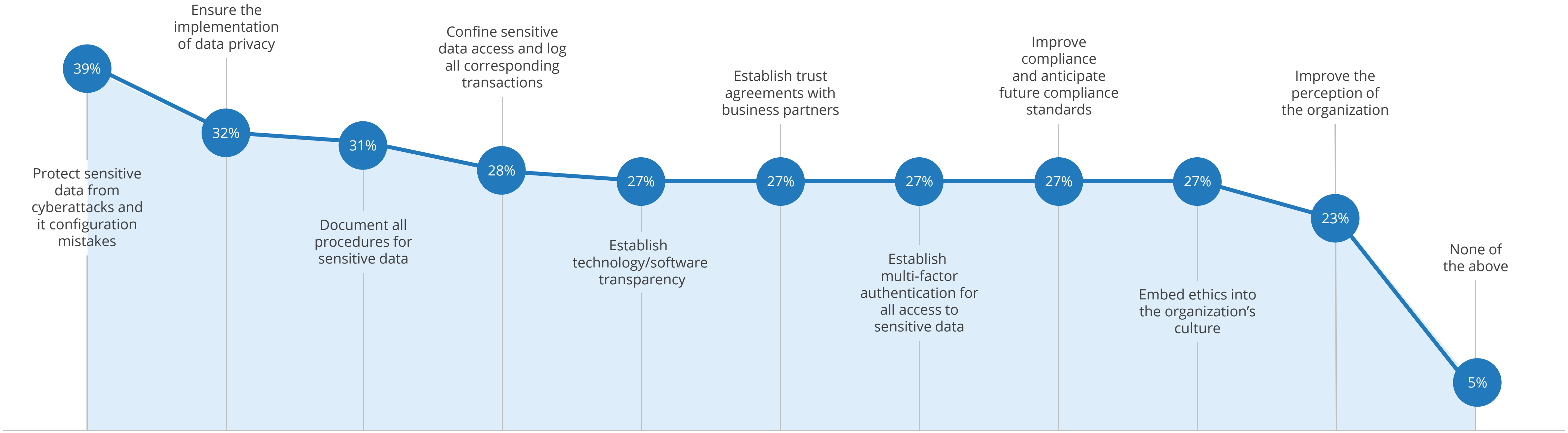
IDC Nordic Trend 9:

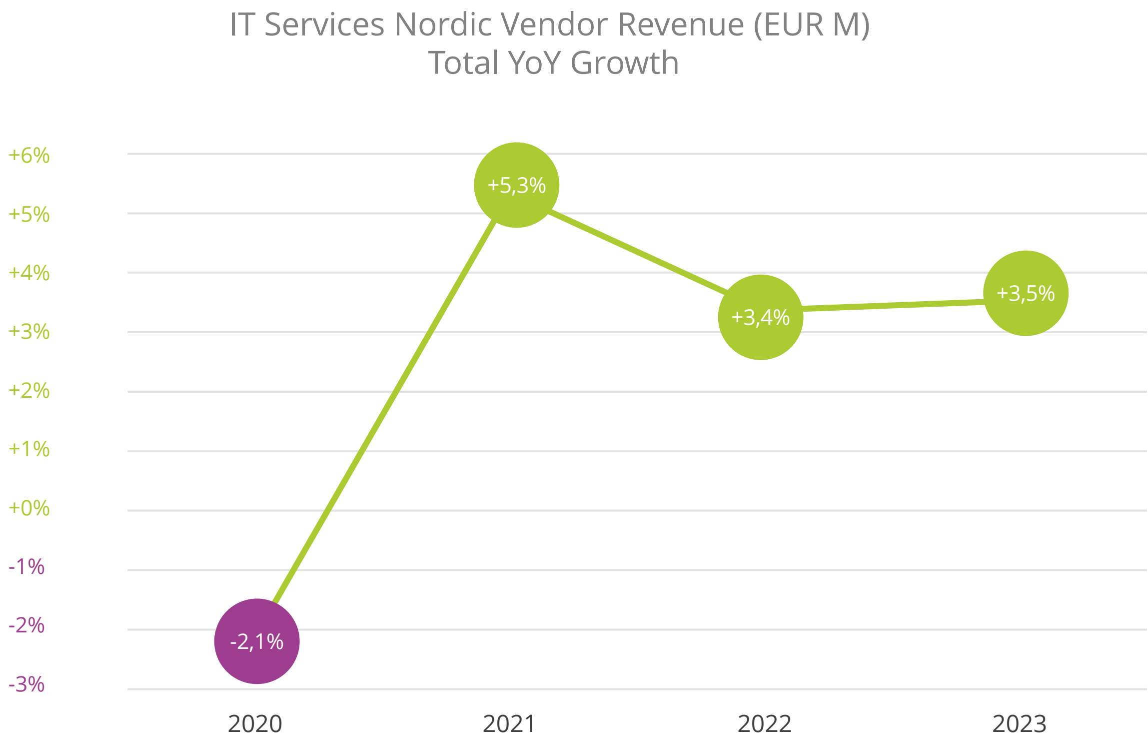
Which would you consider to be the top goals for an organisation initiating a Digital Trust Program?



Source: IDC Nordic Security Survey 2021 *n=369*

One Nordic region – Four local markets still driven by industry culture towards 2024 when **digital use cases will take center stage** in strategizing as digital maturity increases

IDC Nordic Trend 10:



Source: IDC 2021

Rank	Country	GDP change %	Inflation deviation in percentage point	Unemployment change %	Government debt in relation to GDP in percentage point
1	Denmark	2,2	0,8	4,17	5,19
2	Sweden	2,11	0,35	9,21	4,76
3	Finland	1,53	0,06	3,03	12,72
4	Norway	1,83	3,22	2,86	1,82
5	Australia	-0,19	0,86	-9,8	15,45
6	Holland	1,84	3,21	-6,9	10,63
7	Germany	-1,11	1,51	-8,57	13,26
8	France	-0,11	0,5	-2,6	18,21
9	Italy	-1,27	0	-5,15	20,19
10	Portugal	-3,24	0,34	-4,55	14,18
11	Austria	1,14	2,1	17,78	13,69
12	Poland	-0,72	4,92	0	9,91
13	Belgium	0,5	1,8	18	15,34
14	UK	-1,54	1,73	5,13	23,25
15	US	1,44	3,75	20	24,82
16	Japan	-1,94	3,84	16,67	21,41
17	Spain	-5,92	3,57	2,17	24,69

Economic Performance Index by Nordea – Data from Q4 2019 until Q3 2021

One Nordic region – Four local markets still driven by industry culture towards 2024 when **digital use cases will take center stage** in strategizing as digital maturity increases

IDC Nordic Trend 10:

IT Services Nordic Vendor Revenue (EUR M)
Primary Markets YoY Growth

Trade

Denmark	2020	2021	2022	20223
Managed Services	-0,2%	+3,4%	+3,1%	+3,0%
Project Services	-2,6%	+4,4%	+4,3%	+4,6%
Support Services	+0,8%	+2,8%	+2,9%	+3,1%

Energy

Norway	2020	2021	2022	20223
Managed Services	-7,0%	+8,0%	+2,7%	+2,5%
Project Services	-9,9%	+8,8%	+4,2%	+4,5%
Support Services	-7,1%	+7,7%	+2,9%	+2,5%

Manufacturing

Finland	2020	2021	2022	20223
Managed Services	+0,2%	+2,6%	+2,6%	+2,8%
Project Services	-3,6%	+3,5%	+4,0%	+4,4%
Support Services	-2,5%	+2,4%	+2,7%	+2,7%

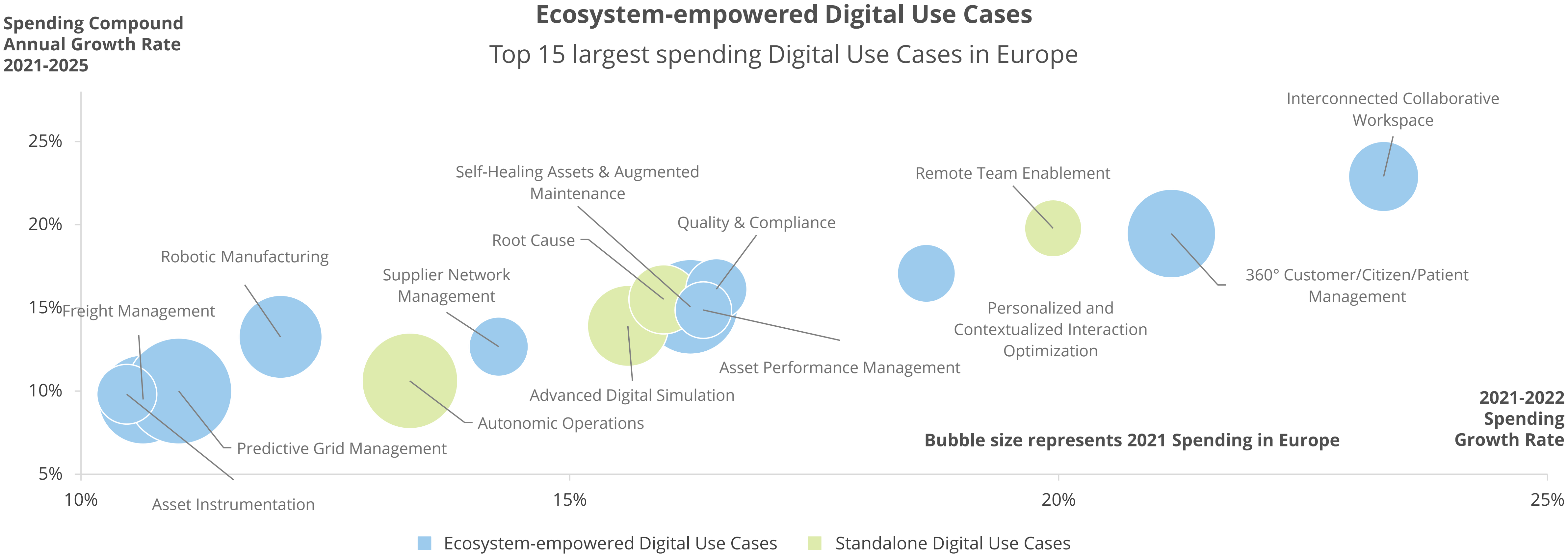
Manufacturing

Sweden	2020	2021	2022	20223
Managed Services	+1,3%	+6,5%	+3,2%	+3,4%
Project Services	-0,8%	+6,8%	+4,0%	+4,5%
Support Services	-1,7%	+5,4%	+2,8%	+2,8%

Source: IDC 2021

One Nordic Region – four local markets still driven by industry culture towards 2024 when **digital use cases will take center stage** as digital maturity increases

IDC Nordic Trend 10:



Source: IDC Worldwide Digital Transformation Spending Guide, November 2021
Note: Top 15 Largest Digital Use Cases in terms of European Digital Use Cases spending have been selected

IDC Nordic Trends in a nutshell

Nordic IT Market has shown a much stronger rebound than expected.

As the User Experience Becomes a Mix of Physical and Digital, Product and Service Design Teams Will Merge into Physi-Digital Innovation Teams.

Supply Chain Disruption Will be The New Normal – Lead Time Will Become the Differentiator.

Power Balance Has Shifted – Workplace Transformation Becomes a Necessity and An Opportunity.

Combined with Programmable Infrastructure and Multicloud, Emergence of Edge Mark a New Chapter in the Infrastructure Deployment Story.

Complexity and manual work accelerate use of advanced automation and AI in the IT infrastructure and operations.

Companies seek to lower the IT infrastructures' environmental footprint by using proven "greener" vendors and evolving workload management practices.

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The digital mature Nordic societies will be at the forefront of developing Digital Sovereignty to ensure innovation in digital public services as well as digital-first organizations. By 2023 digital services vendors must engage and integrate Digital Sovereignty in their Digital Trust approach.

One Nordic region – Four local markets still driven by traditional industry culture towards 2024 when digital use cases will take center stage in strategizing as digital maturity increases.

IDC Nordic Digital Insights 2022

Combine online access to data, research, insights, and access to local analysts

"Nordic Digital Markets – Technology, Transformation and Strategies"
is **a hub for data, research and insights** on the technology markets
in Denmark, Finland, Norway and Sweden produced for technology and
digital businesses on strategic level.

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