



TOMORROW'S CONNECTED ENTERPRISE

12 PREDICTIONS FOR
WHERE WE'RE HEADED

Telia Insight & Foresight-report 2021



FOREWORD

AT THE START OF A GREAT ACCELERATION

It has been said that we tend to overestimate the effects of technology in the short term and underestimate them in the long term. Looking at enterprises and technology in the early 2020's, we might find ourselves at the inflection point.

Up until now, digitalization and connectivity have transformed enterprises without really altering their core. The next decade will see technology profoundly change the nature of organizations, in everything from ways of working and organizing to business models and partner ecosystems. Beyond improved ways of doing the same thing as always, technology will become a means for doing things in whole new ways.

As a provider working with many of the largest enterprises in the Nordics, we can see the shift happening before our eyes. Over the past years, it's becoming increasingly clear that fundamental technologies of cloud, telco and IT are converging to the point where, often times, thinking of them as separate trends no longer makes sense. Instead, we find it is often better to

use the simple term *tomorrow's connected enterprises* to sum up the vision of where we're headed.

And where precisely is that? In this short outlook, we at the Telia foresight division have synthesized desk research and internal thinking at Telia stemming from ongoing discussions with clients to put together **twelve bite-sized predictions for what the future will have in store for tomorrow's connected enterprises**. Think of them as provocative thought-starters whose primary job is not to settle discussions but to get them started. Because with foresight, often times that is where the magic happens.

With hopes for a lively discussion,

Emelie Aidehag, Magnus Fahlgren
Telia Brand & Insights



PREDICTIONS ON THE FUTURE OF ENTERPRISE...



p.5 – p.9

...EFFICIENCY

#1 THE FUTURE IS HYPER-AUTOMATED

#2 EVERY POINT OF CONNECTIVITY
WILL BE BUSINESS-CRITICAL

1. Prepare for live-data fueled decision machines
2. Demand robust and reliable infrastructures
3. Dare to think big



p.10 – p.14

...BUSINESS MODELS

#3 PLATFORMS AND ECOSYSTEMS WILL
REPLACE INDUSTRIES AND VALUE CHAINS

#4 PLUG-N-PLAYABILITY WILL BE A KEY ADVANTAGE

1. Think global by default
2. Prioritize ecosystem compatibility
3. Be prepared to re-evaluate the business you're in



p.15 – p.19

...SECURITY

#5 PUBLIC SCRUTINY IS COMING

#6 YOU WILL ONLY BE AS STRONG AS
YOUR WEAKEST LINK

1. Forget quick fixes and magic bullets
2. Get the board onboard
3. Make partner networks a key priority



p.20 – p.24

...AGILITY

#7 SCALE ON TAP WILL CHANGE THE GAME

#8 DEFINING THE SECRET SAUCE
WILL BE CRITICAL

1. Approach "as-a-service" as default
2. Re-assess skill sets for a post-legacy world
3. Prepare for a war of talents on steroids



p.25 – p.29

...EXPERIENCES

#9 MOST EXPERIENCES WILL BE ELIMINATED

#10 MILLISECONDS WILL BE DEAL-BREAKING

1. Make seamlessness and convenience a top priority
2. Decide what to automate and what to elevate
3. Use the best as benchmark



p.30 – p.34

...SUSTAINABILITY

#11 NET ZERO WILL REQUIRE SMARTNESS

#12 SUCCESS WILL HINGE ON PARTNERS

1. Embrace smart technology as an opportunity
2. Prepare for full transparency
3. Select partners that meet the demands of tomorrow





ENTERPRISE: TWO PREDICTIONS ON THE

FUTURE OF EFFICIENCY

FROM

React
Things
Automation
Regular monitoring

TO

Predict
Connected things
Intelligent Automation
Real-time monitoring



ENTERPRISE EFFICIENCY

PREDICTION #1

THE FUTURE IS HYPER-AUTOMATED

As intelligent automation comes for everything from factory robots and data networks to marketing and business process systems, optimization will increasingly become "self-driving"

As a leading Asian CTO phrased it, the key to winning the future will be to enable as many operating decisions as possible to be made by machines fuelled by live data. Whether this was meant as a hyperbole or not, the prediction is now quickly coming true.

The examples are everywhere. Content paywalls that continuously optimize content to increase the likelihood of conversion, smart buildings that optimize energy usage or machine learning software that continuously seeks out improvements to machine learning chips. The merging of robotics, data, and artificial intelligence is ushering in a new era of intelligent automation, and in this era the quest for greater efficiency will increasingly become self-optimizing.

Ultimately, as the idea of intelligent automation is applied to a wider range of use cases, we will see more software companies offer what today's tech entrepreneurs refer to as "cognitive technologies for the self-driving enterprise".

That is enterprise-wide solutions for intelligent business automation and optimization that span everything from IT and network optimization to legal, finance, and HR. In fact the wheels are already well in motion, with the world-wide market for hyper-automation-enabling software predicted to reach nearly \$600 billion as early as 2022.

As the landscape of intelligent machines and bots continues to expand and evolve, a new set of ethical questions and concerns need to be addressed. How can we ensure that artificially intelligent systems are using relevant codes of conduct and able to respond to situations in an ethical way? This is a key interest for networking and telecommunications company Ericsson, whose vision of future management and operations means using a minimum of human intervention and replacing it with trustworthy AI technologies.





Automation enables us to reach greater efficiency while eliminating monotonous and tiring work tasks. A key challenge lies in aligning processes to allow for data exchange both within the organization and with our partners.

THOMAS WULKAN,
EXECUTIVE VP **MUNKSJÖ**



ENTERPRISE EFFICIENCY

PREDICTION #2

EVERY POINT OF CONNECTIVITY WILL BE BUSINESS-CRITICAL

In a world where complex and interdependent day-to-day operations are optimized in real-time, no cog in the data-generating machinery can afford to stand still

Sensor-equipped hard hats, RFID-tagged materials, autonomous machinery and self-replenishing spare part procurement. For tomorrow's remotely located construction site manager, digitalization and hyper automation will bring far greater project efficiency, at the cost of far greater dependency on the availability of real-time data and the 5G or 6G connectivity that enables it.

The fictive construction site manager of tomorrow will not alone in navigating this shift. As by 2025, an estimated 50 billion devices will be connected to the industrial internet of things. As industries from finance and retail to healthcare, construction and transportation put data-driven predictive abilities at the core of day-to-day operations, business leaders will increasingly grow accustomed to viewing connectivity as fundamental risk exposure. Because in a world where enterprise-wide orchestration takes place

in clouds and edges - whether autonomous vehicle fleets or tele-medicine equipment - those clouds and edges can't be allowed to go down.

For tomorrow's connected enterprises, this will bring about a shift in connectivity priorities. Whereas speed and bandwidth might have formerly been key focal points, **in a world of interconnectedness and hyper-automation, robustness, reliability and data integrity will inevitably move up in the list of priorities**. Possibly to the point where risk-sharing agreements between connectivity providers and connectivity users become commonplace as a means of mitigating the extensive financial damages associated with even the slightest downtime of critical connectivity.



**ENTERPRISE EFFICIENCY****THREE TIPS FOR
FUTURE-PROOFING****#1****Prepare for a world of live-data
fueled decision machines**

Whether referred to as intelligent automation, hyper-automation, robotic process automation, Industry 4.0 or Industrial internet of things; the core message is the same: in order to stay competitive in the future, enterprises regardless of industry will need to learn to successively delegate more and more daily operating decisions to "machines fueled by live data". In the same way that no enterprise can function without electricity, none of tomorrow's successful connected enterprises will be able to do without automation and AI.

#2**Demand robust and
reliable infrastructures**

In parallel with delegating more and more of operational decisions to intelligent automation, tomorrow's successful enterprises should become comfortable in outlining service-level agreements with connectivity providers that put robustness and reliability of the digital infrastructure front and centre in the list of demands. Because in a future where all connectivity will be business-critical connectivity, even minor downtimes or glitches will end up having far-reaching negative consequences for operations, finance and reputation.

#3**Dare to
think big**

Ultimately, truly game-changing leaps in efficiency happen when companies realize that beyond improving existing processes, technology can be used to reimagine processes altogether. Similar to how visionaries 70 years ago saw that the car was not merely a means of getting from A to B faster, but also a way of getting to C (suburbs, malls) and thus skipping B altogether, tomorrow's successful connected enterprises will be the ones that dare to embrace the full disruptive potential of a hyper-automated world.





ENTERPRISE: TWO PREDICTIONS ON THE

FUTURE OF BUSINESS MODELS

FROM

Products
Some things as service
Industries & value chains
Limited collaboration

TO

Solutions
Everything as service
Ecosystems & platforms
Plug & Play API:s



ENTERPRISE BUSINESS MODELS

PREDICTION #3

PLATFORMS AND ECOSYSTEMS WILL REPLACE INDUSTRIES AND VALUE CHAINS

As every company becomes a software company, digital value creation will increasingly happen across industry borders

When an agriculture machinery manufacturer equips its latest tractor with more than 300 IoT sensors, 100+ controllers and the ability to process more than 15,000 measurements per second, it doesn't only transform the functionality of the tractor. It fundamentally alters the logic of value creation. From having been an isolated physical product, the tractor is now a data generating unit, feeding in to and communicating with an ecosystems of services, ranging from weather forecast-services, commodity pricing markets and crop yield businesses.

Or, when a smart watch manufacturer adds the ability to monitor heart rate and glucose level in real time, it similarly not only transforms the product: it also immediately generates data of value to an entire health ecosystem, including wellness companies, insurers and food manufacturers.

In both cases, the logic is the same. As every company become a software company generating proprietary data, **what previously were isolated parts in an implicit ecosystem now become interconnected parts in explicit digital ecosystems**: with far-reaching consequences for the business landscape. Are we a farming equipment manufacturer or a farming data platform? Are we selling a health data tracker or optimal health as-a-service?

Regardless of answer, platforms and ecosystems are likely to provide better guidance for tomorrow's enterprises than yesterday's industry boundaries and value chains.





Companies like Uber and Airbnb have created a whole new type of business model compared to what we were doing just a few years ago. This is only the beginning of what's to come."

JAN KARLSSON,
SENIOR VICE PRESIDENT, HEAD OF BUSINESS AREA
DIGITAL SERVICES **ERICSSON**



ENTERPRISE BUSINESS MODELS

PREDICTION #4

PLUG-N-PLAYABILITY WILL BECOME A KEY ADVANTAGE

In a platform economy, success will be driven by the ability to seamlessly connect to others

Smart homes. Smart cities. Smart transportation. Smart health. Regardless of where we look, the future of economic activity is increasingly going to revolve around layers and ecosystems of data platforms, which in turn will come together to form a top layer of connected "super platforms" that will span across industries, sectors and borders.

A smart fire alarm might form an ecosystem with other smart products in the home, which in turn might feed data and information about everything from utilities consumption and e-commerce activity into a local commercial platform, to which everyone from plumbers to local delivery workers are connected. Data aggregated from this ecosystem might then be connected to a higher-level smart city platform. Which in turn might connect to a nationwide logistics platform...

In such an economy, where data proves the underlying beating heart and connective tissue of value creation, **the ability to seamlessly integrate and extract value from data streams and ecosystems will be paramount.** Whether through open source, hyper-collaborative API:s, or cross-industry platforms, tomorrow's successful enterprises will be those that are best able to plug-and-play into these new networks of value creation. If plug and "pray" might to some extent be an option today, it most certainly will not be tomorrow.





ENTERPRISE BUSINESS MODELS

THREE TIPS FOR FUTURE-PROOFING

#1

Think global by default

More data means better insights; better insights mean better offers; better offers mean more customers. Which in turn means even more data. As more business models become subject to self-reinforcing flywheels fed by data; scale will come to matter more than ever. To stay competitive in a world increasingly dictated by go-big-or-go-home logics, tomorrow's successful connected enterprises will need to adopt the habit of thinking globally by default. Because as a rule, tomorrow's winners will be the ones that manage to reach critical global scale first.

#2

Prioritize ecosystem compatibility

Up until now, the primary focus of companies has been to safeguard knowledge and information from the outside world. In tomorrow's connected economy, that knee-jerk thinking will need to be turned on its head. Rather than asking "how good are we at safekeeping the unique knowledge we possess", tomorrow's successful connected enterprises should ask "how good are we at opening up our data for others to create value around". Put differently, tomorrow's winners will be those that think more in terms of API:s than NDA:s

#3

Be prepared to re-evaluate the business you're in

From the point of view of business, the difference between an analogue and digital product is often profound. Whereas a tire is a product, a connected and data-generating tire is something else entirely. It could be the basis of a service, a mobility-data platform, or a valuable source of insights for insurance companies. To make the most of a smart and connected future, tomorrow's successful enterprises should increasingly look to evolving interconnected digital ecosystems for opportunities. And be prepared to follow up on them – even when that means going after completely new business models or industries.





ENTERPRISES: TWO PREDICTIONS ON THE

FUTURE OF SECURITY

FROM

Will we be attacked
IT-department concern
Internal vetting
Internal focus
DIY

TO

When will we be attacked
Board concern
Public auditing
Ecosystem focus
Partnerships



ENTERPRISE SECURITY

PREDICTION #5 PUBLIC SCRUTINY OF SECURITY IS COMING

Disclosure of cyber risk will be as commonplace as credit ratings

In the same way that few would consider doing business with a company unwilling to disclose their financials, few will be willing to engage with a company that is not willing to disclose their cyber risk.

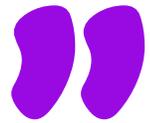
As markets, investors, business partners, insurers and customers wake up to the existential threat of cyber risks, whether in the form of financial, operational or reputational damage, the demand will grow to have this risk continuously quantified and assessed – preferably by authorized and publicly trusted third parties.

How sensitive are the most business critical systems to a cyber attack? What are the odds of confidential data being breached? What systems are in place to recover from

an attack? And on a broader governance level: to what extent does a security mindset pervade the company culture? The decision-making processes? The day-to-day operations?

With public scrutiny intensifying, the days of cyber risk assessment as technical side note are gone. Publicly audited cyber risk assessments and ratings are here to stay. And boardrooms and C-suite executives should pay attention. Because the days when it could neatly be handed over for the CIO to handle are gone.





We are combatting moving targets. As soon as new threats emerge, we have to counter with new protective measures. Things can go wrong in the blink of a moment and companies are vulnerable since they can be exposed and lose their credibility very quickly.

MICHAEL MOTHANDER,
PORTFOLIO MANAGER NETWORK AND SECURITY, **CYGATE**



ENTERPRISE SECURITY

PREDICTION #6

YOU WILL NEVER BE STRONGER THAN YOUR WEAKEST LINK

As cyber risk focus expands from on-premise to ecosystems, the focus will be on eliminating the weak(est) parts of the value chain

As cyber security specialists are fond of pointing out, questions such as "who touches your equipment?" or "how does information move through your networks, and how do you protect it?" are bound to always result in surprises. This in itself should not be too surprising, given that typical information systems are now so complex that it takes on average 200 days for a typical company to even detect that they have been breached in the first place.¹

With adoption of cloud, remote working, and globally distributed partners set to continue accelerating; enterprises are faced with a dilemma. On the one hand, tracking all the ways in which an enterprise's data moves - and might create vulnerability has never been more important. On the other, it is quickly becoming far too complex for any one actor to understand or control.

Looking ahead, the solution can increasingly be found in partnerships and the formation of trusted ecosystems. The defining characteristic of these systems will be that, while no single actor has full control, **the actors collectively will trust each other with responsibility that all the links in the chain hold up. From on-site, to cloud, to end-user and the connectivity in between.** This will build a divide and conquer approach where security, trust (and third-party vetted credentials) will be the foremost currency.

¹ See "Internet Insecurity", A. Bochman, Harvard Business Review, May 2018





ENTERPRISE SECURITY

THREE TIPS FOR FUTURE-PROOFING

#1

Forget quick fixes and magic bullets

Tomorrow's future-proof enterprises will need to accept that there is no perfect protection against cyber threat, nor any quick fixes or magic bullets. The idea of buying "boxes", "products" or "ultimate solutions" from vendors that promise to fix all cybersecurity issues is an illusion. To stay on top of cybersecurity, enterprises will need to constantly juggle a range of different measures, accept that cybersecurity is a mindset and a culture, as well as learn to evaluate and live with a chosen level of risk.

#2

Get the board onboard

Tomorrow's future-proof enterprises will have board members and a C-suite that perceive cyber security as part of the overall risk strategy, and therefore a natural part of their responsibility. Everyone in the room - not just the CIO or CISO - need to be comfortable and have a basic literacy when it comes to assessing cyber risk. Is the current level of risk acceptable and in line with what the partners, insurers and the market expects?

#3

Make building the right network of partners a key priority

Tomorrow's future proof enterprises understand that when it comes to cyber security, partners are both a necessity and a potential source of risk. A necessity because data flows in ecosystems beyond any single enterprise's control. A risk because one careless partner is all it takes for the defense to be breached. As such, enterprises will make sure to choose partners wisely, relying on rigorous due diligence, outside expertise as well as standardized third-party ratings to ensure that potential partners always match or exceed the chosen level of security ambition.





ENTERPRISES: TWO PREDICTIONS ON THE

FUTURE OF AGILITY

FROM

Ownership
DIY scaling
Legacy systems
War for different talents

TO

Pay as you go
Scaling as a Service
Post-legacy systems
War for similar talents



ENTERPRISE AGILITY

PREDICTION #7

SCALE ON TAP WILL CHANGE THE GAME

From payments and logistics to marketing and analytics, business infrastructure will increasingly be procured as a service

Not long ago, moving into finance offerings or starting a banking business would have been a daunting and multiple year-long challenge for most organizations, startups none the least. Today, with cloud-based banking solutions offering the technical infrastructure as a service, the same feat can be accomplished within days – and scaled to global with the push of a button.

This ability to go from zero to hundred in minutes is not limited to banking services. From AWS, Shopify, Google Ad Network to Salesforce, **modern software and platform-as-service providers are bringing about a fundamental democratization of both tools and scalability**, where everything from innovative cutting-edge global retail, logistics and finance solutions to business analytics and sourcing of talent can be accessed and tapped into through the turning of a (virtual) knob.

For tomorrow's connected enterprise, the rise of global scalable business solutions as-a-service will inevitably mean that maintaining and operating proprietary infrastructure will in most cases cease to make sense. Thus, rather than a capital expense, business infrastructure will increasingly become an operating expense: something best procured and flexibly leased from others "on tap" rather than developed, operated and maintained oneself.





The most flexible players will have access to the true gold. You have to gain control over your core processes while building a platform that allows for change. Those who design the system architecture will have to prioritize flexibility before anything else. If you fail to do that, you will have a nightmare on your hands.

FLORIAN WESTERDAHL
CTO, LINDE



ENTERPRISE AGILITY

PREDICTION #8

DEFINING THE SECRET SAUCE WILL BE CRITICAL

To thrive in a world where most things can be bought, enterprises will need to double-down on the things that can't

Should we own our logistics or buy it as a service? Should we train our own AI or rely on an open-source solution? Should we staff the project with remote gig-economy consultants or keep it closer to home? As the shift to the everything-as-a-service economy accelerates, tomorrow's digital enterprises will need new maps to guide strategic make vs buy decisions.

What those maps will point towards will be **an understanding of the enterprise as a small and closely protected core, surrounded by fluid and flexible networks of interchangeable parts**. The core, which will remain a well-kept in-house secret, will be reserved for the differentiating sources of competitive advantages: the key assets – culture, CX, brand, data, physical assets, infrastructure

– that serves to truly set the business apart from competitors. The rest will increasingly be outsourced and run on the back of open global platforms and services.

On the surface then, businesses regardless of industry will come to resemble each other much more. Operationally (systems, software, service providers etc.) they will largely be the same, with the layer of secret sauce on top accounting for all of the distinct flavor. For enterprises going forward, the key will be to define the precise ingredients of that sauce, and double-down on it.





ENTERPRISE AGILITY

THREE TIPS FOR FUTURE-PROOFING

#1

Approach “as-a-service” as default

Tomorrow’s future-proof enterprises will understand that while not everything should be bought as a service, most things probably should. Unless a process, system or service is deemed as a potential competitive differentiator (secret sauce), it will typically be both more flexible and resource efficient to source a given solution from global specialized enterprise software/platform as-a-service providers rather than developing it in-house. That way, enterprises will be able to free up time and energy to focus on the levers that will truly make a difference.

#2

Re-assess skill sets for a post-legacy world

As legacy systems are replaced with a standardized toolbox of best-in-class enterprise software-as-a-service solutions, tomorrow’s future-proof enterprises will reassess their talent acquisition strategies accordingly. As tools become standardized and hyper-efficient, focus will shift towards the set of personal and intra-personal skills associated with the talent of “getting things done”. With technical bottlenecks and inefficient legacy debt removed, determination, execution, speed and vision will have far greater room to shine.

#3

Prepare for a war of talents on steroids

Traditionally, competition for talent has mostly been industry-specific in nature: agricultural enterprises desired one set of talent, automotive enterprises another. Going forward, tomorrow’s digital enterprises will realize that the old logic no longer applies. In a world increasingly driven by data, AI, cloud, and standardized software-as-a-service solutions, a data scientist up to speed with the latest AI software or a marketer up to date with the latest marketing platforms will be as valuable to a fashion-retail chain as to a bio-tech company. The future competition for the best talents will be global - and on steroids.





ENTERPRISES: TWO PREDICTIONS ON THE

FUTURE OF EXPERIENCES

FROM

Industry-specific expectations
Some tolerance for friction
Manual and attention requiring
Reactive

TO

Industry-agnostic expectations
Zero tolerance for friction
Automated and attention saving
Proactive



ENTERPRISE EXPERIENCES

PREDICTION #9

MOST EXPERIENCES WILL BE ELIMINATED

As predictive capabilities grow, the goal of CX will be to seamlessly disappear into the background

When Steve Jobs envisioned the groundbreaking iPod, he famously demanded to never be more than three clicks away from a song. As Jobs saw it, fewer interactions with the product, not more, was the key to a great customer experience.

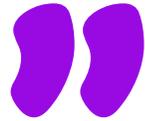
Fast-forward twenty years to a Spotify-connected smart speaker equipped with five years of listening history, and three clicks have been reduced to zero. With the help of sophisticated technology working in the background, the experience of choosing music has become seamless to the point of almost escaping notice.

And what is happening in music is increasingly happening everywhere. From cars that automatically detect when service is needed, to self-replenishing spare parts,

smart lightning or AI-powered robo-investors, **businesses regardless of industry are finding that layering data and connectivity on top of products and services fundamentally changes the nature of customer interaction.**

For tomorrow's connected enterprises, the accelerating transition to a smart and data rich world will bring about a seismic shift in CX philosophy. Rather than asking 'How can we create great experiences for our customers', the question becomes how to best use data and technology to remove the need for experiences in the first place.





For us it is absolutely crucial that the entire organization grasps what customers actually desire, and the importance of this is emphasised in our leadership model. It paves the way for more informed decisions on a local level and makes us more able to develop relevant ideas for the future.

VICTORIA STRAND
VICE MANAGER LEADERSHIP STORA ENSO



ENTERPRISE EXPERIENCES

PREDICTION #10

SECONDS AND MILLISECONDS WILL BE DEAL-BREAKING

A slight edge in convenience and seamlessness will result in outsized rewards

At heart, delivering a great customer experience has always centred around helping customers achieve what they want in the fastest and most convenient manner. While this will not change in a hyper-connected world, **what will change is the demands placed on experiences in order to be seamless, fast and convenient.**

Driving the change is technology and customer expectations that carry over freely between industries. For a nurse used to ultra-smooth check-out experiences when shopping online, having to wait three seconds for an IT-ticket to file at work will be enormously frustrating. For a logistics manager used to granular real-time location updates when ordering a taxi, having to wait five minutes for a parcel location to update will feel like ages.

To stay competitive in a digital economy where tolerance for friction approaches zero and competing services never more than a click or swipe away; tomorrow's digital enterprises - whether consumer-facing or business-facing - will make it a priority to match the convenience and seamlessness of leading global CX-obsessed companies at every touchpoint of the customer journey.

From AI-recommendations, and delivery times to real-time inventory-updates and page-loading times, that arms race will increasingly come to revolve around responsiveness measured in seconds and milliseconds.





ENTERPRISE EXPERIENCES

THREE TIPS FOR FUTURE-PROOFING

#1

Make seamlessness and convenience a top priority

To stay competitive in a world where all daily experiences will be mediated through technology; tomorrow's successful connected enterprises will have to become experts in removing user friction. To guide the work, enterprises will constantly be asking themselves two critical questions when it comes to customer experience. Is the current solution we're offering the easiest one for our customers, and is it the fastest? Because if there's one thing that tomorrow's customers won't accept, it is having their time and attention held hostage due to poor design or lagging technology.

#2

Decide what to automate and what to elevate

As data, connectivity and artificial intelligence become indispensable enablers of almost every product or service; tomorrow's successful connected enterprises should form a clear idea of which parts of the customer journeys that users enjoy and see an intrinsic value in, and which parts they feel could ideally just go away. The former should be treated as a potential source of competitive advantage and lavished with resources, attention and design; the latter should, enabled by technology, be a prioritized area for smart automation

#3

Use the best as benchmark

Once upon a time, booking a doctor's appointment and watching a movie were two vastly different experiences. Today, the only thing separating them are a few pixels on a smartphone screen. To meet customer expectations moving forward, successful enterprises should make it a habit to always benchmark (digital) customer experiences against leading global consumer apps, whether in terms of features, convenience or ease of use. Because as users stop caring about industry boundaries, so should enterprise CX strategies.





ENTERPRISES: TWO PREDICTIONS ON THE

FUTURE OF SUSTAINABILITY

FROM

Lack of standards
Unregulated
Partially tracked
Indirect financial impact
Ambitions rewarded

TO

Shared global standards
Highly regulated
Precisely tracked
Direct financial impact
Results rewarded



ENTERPRISE SUSTAINABILITY

PREDICTION #11

NET ZERO WILL REQUIRE SMARTNESS

From smart buildings and transportation to self-optimizing manufacturing processes, the race to net zero will be a catalyst for intelligent optimization

Rebooting the global economy to reach net zero in green house gas emissions by 2050 will require the fastest transition in the history of business. In order to keep up, businesses worldwide will be forced to radically accelerate innovation when it comes to resource efficiency. As a rule, that will imply making products, processes and operations smart through the addition of data, AI and automation.

From smart sensor-equipped electricity grids that optimize capacity in real-time, to farming equipment that uses state-of-the-art computer vision to separate weeds from plants and minimize the use of pesticides, **a critical key for enterprises to stay within tomorrow's planetary boundaries and CO2-budgets will be to apply connected technology in order to learn new and smarter ways of doing more with less.**

For organizations, this will mean investing heavily in connectivity and digitalization. It will also mean being open to new ways of doing business and generating value. As a simple example, the ability to remotely monitor the condition of products is not only likely to only allow heavy-equipment manufacturers to extend the on-site life of equipment, but it can also enable a shift to services and considerably more circular business models.





In the future sustainability will be hygiene, rather than competitive edge. It is all about taking ownership of your challenges. Being honest about the fact that you are not perfect, but aiming to change. We can't offer climate neutral transportation today, but we can be clear about our ambition moving forward.

PATRIK BRÅKENHEIM
CEO: SKINCITY



ENTERPRISE SUSTAINABILITY

PREDICTION #12

SUCCESS WILL HINGE ON PARTNERS

As sustainability audits expand to include scope three emissions, businesses will only be as good as their partners

Although considerable progress has been made, current corporate sustainability and green house gas reporting practices are still suffering from lack of shared standards.

Scope three emission (emissions generated by upstream and downstream suppliers and distributors) often account for the lion share of an enterprise's CO2-footprint. However, there is no agreed standard as to whether businesses have an obligation to report on them.

Going forward, this will change. As new global standards for sustainability reporting are implemented and emerging technology such as Climate TRACE (which uses satellite data to measure global scope three emissions in real-time) become commonplace, the climate impact of businesses will not only become directly

comparable, it will also expand to include the entire product/service value chain, from sourcing to disposal.

To stay in line with tomorrow's expectations from investors, regulators and society in large; **tomorrow's connected enterprises will need to become experts at vetting the environmental, social and governance (ESG) credentials of partners**. For enterprises seeking to take the lead in the transition to a sustainable economy, that will imply going over the supplier-distributor network and continuously making sure to team up with the best. Success relies on making sure that the entire network of partners shares the same level of ambition for key issues like circularity, diversion, inclusion and corporate social responsibility.





ENTERPRISE SUSTAINABILITY

THREE TIPS FOR FUTURE-PROOFING

#1

Embrace smart technology as an opportunity

Regardless of industry, intelligent automation will enable businesses to radically improve resource efficiency by optimizing operations in real-time. In order to thrive in a net zero economy, tomorrow's successful connected enterprises should make a habit out of continuously looking for ways of using sensors, data, AI and connectivity to run operations smarter by doing more with less. A quest which for many might not only point in the direction of new partnerships, but also, as in the case of circular- and sharing economies, to whole new business models.

#2

Prepare for full transparency

Starting in 2021, companies subject to the new European-wide Non-Financial Reporting Directive will be required to report how sustainable products and services are in relation to the new EU taxonomy guidelines. To stay ahead of the curve, tomorrow's successful connected enterprises should view this as the first step towards a future where nothing short of full detailed disclosure of sustainable impact will do. By instating a "zero tolerance for fuzziness" mentality right away, enterprises will be in a better position to continuously identify and act on areas of improvement before they become a liability.

#3

Select partners that can meet the demands of tomorrow

As fully transparent reporting on scope-three emissions become the norm, businesses will wake up to the fact that they are only as green as their partners. To succeed in the transition to a net zero economy, tomorrow's successful connected enterprises will need to ensure that future partners – especially long-term strategic ones – are on board with the plan and share the ambition. Suppliers and contractors that cannot demonstrate a credible plan for how to navigate the transition should be treated with caution, as they are likely to quickly prove a hindrance to future progress.



ABOUT TELIA

Telia is the leading communications company in the Nordics & Baltics with excellent global reach. Our 20,000+ team are experts in connectivity, technology and business solutions and work to constantly re-invent better connected living and societies. With a strong sustainability agenda, thoroughly integrated in our business strategy, we take responsibility for our impacts and are committed to empower our customers – big and small – through high-quality connectivity and digital solutions

ABOUT FORESIGHT

Telia Insight and Foresight are continuously following and predicting the changing expectations of end-customers, businesses and society at large. The aim is to inspire and give businesses the tools they need to prepare for the future.

Future scenarios are defined by bringing together the expertise and our network of customers and external foresight researchers. This report was produced in collaboration with insight and foresight agency Augur (www.augur.se).





12 PREDICTIONS BASED ON COMBINED SOURCES

1. Interviews/workshops with internal experts in Telia's markets, Div-X, Strategy, Innovation and different common CPS functions
2. Extensive Desk Research - reports from ie. Gartner, Ericsson, Deloitte, Accenture, SAP, IBM
3. Interviews with Enterprise Customers on C-Level

