



IDC Predicts More than Half of the Asian 1000 Organizations Will Only Consider Partnering with Consulting Firms that Combine Strategy, Creativity and IT Services by 2023

IDC reveals the Top 10 Asia/Pacific* predictions to impact IT & Business Services Sourcing in 2019 and Beyond

SINGAPORE, January 15th, 2019 – IDC unveiled today its top 10 predictions to impact enterprises services sourcing initiatives of Asia/Pacific excluding Japan (APEJ) organizations through 2023. IDC predicts by 2023, more than half of the Asian 1000 companies looking to drive revenue growth will only consider partnering with consulting firms that combine strategy, creativity, and IT services. IDC believes that most companies will choose to engage a service firm to help fulfill their IT and business agenda and aspirations but will be seeking new ways of contracting, new types of capabilities, and new delivery models in the next three to five years.

Businesses will want a more proactive, agile, and entrepreneurial IT organization to support more aggressive demand from existing and new customers and clients. For enterprise-wide IT initiatives aimed at growing corporate revenue, IT departments will need to demonstrate a mixture of often revolutionary creativity; understanding of leading-edge technologies and their business impact; and ability to drive people, process, and technology change (e.g. change management).

"Digital transformation is about people, culture, process, and business change, organizations need advisory and implementation partners that understand the importance of their digital transformation vision, ideas, culture as well as have the technology expertise. This year our predictions on new ecosystems and vendor sourcing priorities have highlighted growing importance of business capabilities, such as product/services reimagination, experiential engagement, privacy management and ecosystem capabilities for a services partner," says [Cathy Huang](#), Senior Research Manager for Services & Security Research at IDC Asia/Pacific.

Huang continues, "Not only do providers need to be able to co-create with the customer or "plug and play", bring the right technology partners capabilities and talent to the different ecosystems they join, but clients increasingly demand an accelerated pace of innovation, which will be extremely difficult to deliver without using ecosystem partners." IDC tracks the expanding breath of ecosystems by looking not only at how many more services contracts contain multiple providers, but also at buyers' perceptions of the importance of suppliers in helping them create

their own product/service ecosystems. Moreover, IDC also tracks the year-over-year increase in the number of APIs created considering API is a good indicator to measure the breath of ecosystems.

These new ways of contract, metrics used, expectations are summarized in the following ten predictions impacting technology buyers in services sourcing in Asia/Pacific over the next 48 months. Some of these predictions are:

#1: Skills Shortage: By 2021, 90% of APEJ organizations will have adjusted project plans, delayed product/services releases, or incurred costs because of lack of IT skills, with losses totaling over \$150 billion annually in Asia/Pacific.

#2: Innovation Accelerators: By 2023, 80% of APEJ organizations carrying out IoT initiatives will partner with a services firm able to offer key skills and capabilities to strategize, plan, implement, and/or manage the IoT initiative.

#7 Architecture Change: More than 80% of APEJ organizations use waterfall as their primary development methodology today; by 2022, that will dip to 40%, with 70% of organizations opting to use DevOps or a hybrid DevOps/Waterfall approach instead.

#9 Strategy Services: By 2023, more than half of the Asian 1000 companies looking to drive revenue growth will only consider partnering with consulting firms that combine strategy, creativity, and IT services.

The rest of the predictions, along with IT and Business Impact of each prediction and guidance for technology buyers for the Asia/Pacific market are presented in full in the following report: [*IDC FutureScape: Worldwide Services 2019 Predictions – Asia/Pacific \(Excluding Japan\) Implications \(#AP43913819\)*](#).

To learn more about other IDC FutureScape reports on the latest technology and industry predictions for WW and the Asia/Pacific region, please visit our [FutureScapes Reports Library](#)

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IDC has prepared a FutureScape webinar series, which provides a crisp guidance to all executive parties on how to lead one's Digital Transformation strategy on various technology and vertical topics. To register for these webinars, click [HERE](#)

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About IDC FutureScapes

IDC FutureScapes are used to shape IT strategy and planning for the enterprise by providing a basic framework for evaluating IT initiatives in terms of their value to business strategy now and in the foreseeable future. IDC's FutureScapes are comprised of a set of decision imperatives designed to identify a range of pending issues that CIOs and senior technology professionals will confront within the typical 3-year business planning cycle.

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