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The Post-Digital Era is upon us

ARE YOU READY FOR WHAT'S NEXT?

TECHNOLOGY VISION 2019

THE POST-DIGITAL ERA IS UPON US. ARE YOU READY FOR WHAT'S NEXT?

Companies are taking their first steps in a new world— one that tailors itself to fit every moment. It's a world where products, services, and even people's surroundings are customised, and where businesses cater to the individual in every aspect of their lives, shaping the very realities they live in.

Japan's biggest e-commerce company, Zozotown, is delivering "custom fast fashion." Its skintight spandex Zozosuits pair with the company's app to take customers' exact measurements; custom-tailored pieces from Zozotown's in-house clothing line arrive in as few as 10 days.[1]

Gillette is catering to individual preferences in health and beauty, partnering with 3D printing startup Formlabs to offer customised razor designs.[2] Consumers create their personalised product through the company's website; the digitally-personalised design is then physically printed and assembled, to be shipped directly to their door.

And customising for the individual doesn't necessarily require Zozosuits or direct design input. Sam's Club developed an app that uses machine learning and data about customers' past purchases to auto-fill their shopping lists, and plans to add a navigation feature, which will show optimised routes through the store to each

item on that list.[3,4] Virgin Hotels greets its guests with a cocktail of their choice and a minibar stocked with their favourites, thanks to a digital platform the company uses in place of a rewards program.[5]

Discovery Health's electronic health record – Health ID – provides doctors with a complete view of the patients' health history and test results. Discovery is incorporating HealthTap into the Health ID. HealthTap uses AI to transform patient symptoms into a personalised diagnosis recommended by doctors. Additionally, Discovery is using existing Vitality member data to predict the likelihood of patients developing new chronic conditions or worsening disease conditions. Discovery is also launching Smart Plan – a health plan that provides patients with a network of highly rated GPs, specialists and hospitals – into its app.[6]

MultiChoice South Africa has launched a virtual assistant, TUMI, which enables MultiChoice to provide fast responses to subscribers' questions and queries.

The chatbot has helped the call centre answer queries 20% faster than before, by providing detailed information while the agents are on the phone with the customers. TUMI, which has helped MultiChoice train new agents 60% faster than before, is also reducing operational costs and allowing the company to redistribute resources to other valuable activities.[7]

Companies like these are figuring out how they can shape the world around people and pick the right moments to offer their products and services. Looking at these companies individually, there is a story of hyper-personalisation and on-demand digital services. But the collective enterprise efforts reveal a fundamental shift in how people will experience the world for generations to come. Soon, each individual will have their own reality, and every moment will represent an opportunity for companies to play a role in shaping it.

What is enabling—and driving—this reality-shaping shift? The emergence of a post-digital world. We as a society are nearing a turning point in digital enterprise, where more businesses will have completed their digital transformations than not. Digital-era technology, which began as a differentiating advantage years ago, is now expected from every business.

But its impact is still changing the relationship between businesses and society, and the expectations of individual people.

Digital-born companies and those completing their transformations have showered consumers with digital products and services. Facebook, Twitter, Snapchat, and a constant rotation of new social media brands have become go-to destinations for finding and sharing information. Smart home devices enable contextual interactions between the digital and physical world (Hey Google, remind me to talk to the accounting staff when I get to the office), direct requests for physical products and services (Alexa, order more dish soap), and even digitally driven social interactions from wherever people choose (Siri, call Mom with FaceTime).

The digital saturation of reality has granted companies with exceptional capabilities. They can understand their customers with a new depth of granularity. They have more channels than ever to reach those consumers. And with every company finally converging on the same digital footing, there are more digital ecosystems and more potential partners to help companies create holistic experiences.

40% — Significantly Accelerated

51% — Accelerated

7% — Stayed the Same
Slowed
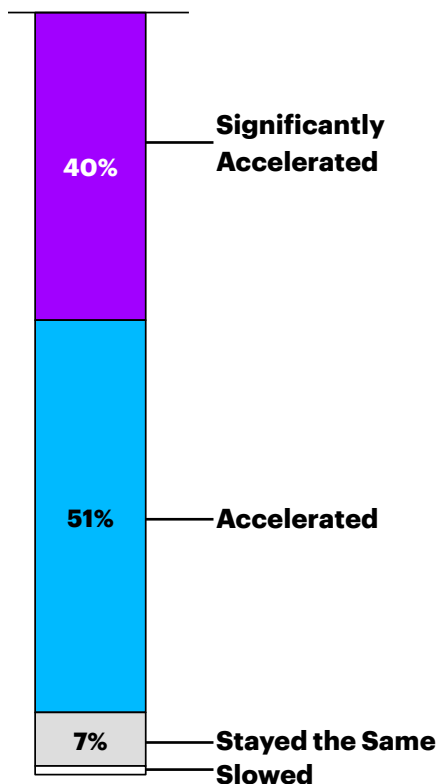
According to our Technology Vision 2019 survey of 284 business and IT executives, 40% report the pace of innovation in their organisation has significantly accelerated over the past three years.

But as we move collectively into the post-digital era, these capabilities and advantages are now available to every organisation. Digital itself is no longer differentiating. With every business heavily investing in digital technologies, how will leaders set themselves apart?

As the playing field evens out, companies will need to acknowledge a shift in their reality too—around the level of expectations they face from digitally mature customers, employees, and business partners. Businesses have used technology-driven mass customisation to get more granular with consumers through a top-down approach: selling two different options, then 10 different options, then 100 different options. Companies' success with this approach has fostered the illusion that they can meet any need, no matter how personal or custom.

Now, to meet expectations in the post-digital world, they need to turn that illusion into reality.

That means understanding people at a holistic level and recognising that their outlooks and needs change at a moment's notice.

In the post-digital world, every moment will represent a potential new market of one. It's where demand is communicated instantly and gratification is expected immediately. What's more, both are constantly changing, creating an infinite and never-ending stream of opportunities to be met through business-to-business (B2B) and business-to-consumer (B2C) engagement, as well as in the public sector. The post-digital world is one where technology is the fabric of reality, and companies can use it to meet people wherever they are, at any moment in time—if they rise to the challenge.

A Parallel Transformation

Companies have not been alone on their journey to digital transformation. People have been on a parallel path, incorporating new technologies at an increasingly rapid rate. When mobile phones were first introduced, they took 12 years to reach 50 million users; the internet took just seven to get to the same point.[8] Looking at purely digital technologies, the rates become frantic: Facebook reached 50 million users in four years; WeChat, one year. Pokémon GO, the augmented-reality gaming app from Niantic? 19 days.

People are adopting new technology both quickly and completely, and whether they're customers, employees, or even threat actors, they are beginning to outpace enterprises in their digital transformations. They are more knowledgeable about technology itself and how companies use it, and are becoming selective and demanding of what they adopt, challenging companies to work with them or adapt to them in different ways.

1   **Post-digital consumers** are enjoying the results of technology saturation. In a world of unprecedented technology choice, people have strong sentiments about which technologies they will or won't adopt to get the experiences they want. Companies must pay close attention not only to the choices themselves, but also to the powerful new insights those choices can provide about their customers—and about new market opportunities.

2   **Post-digital workers** are incorporating technology to complete tasks in new ways, in new types of jobs, but they are still being hired, trained, and managed in pre-digital ways. With the war for talent continuing to rage, companies must adapt their technology strategies to close the divide between themselves and their digitally mature workforce.

3   **Post-digital threat** actors have nearly unlimited points of entry to enterprise. With a global army of connected devices ready to be pressed into service, and an attack surface that includes not only the target company but every partner and vendor in the company's ecosystem, they have the clear advantage. Businesses must respond to this post-digital threat with a collaborative approach, recognising that they are not just potential victims, but someone else's vector.

4   **Post-digital markets** are made up of consumers, business partners, and governments alike enjoying the spoils of the digital revolution. Fully on-demand or fully customised products are now the standard in practically every industry, and sooner than later, customers will expect every organisation to achieve both.

This is not to say digital is old or over. Far from it. Companies have used the power of digital transformation to shape themselves, to shape customers and employees, and then to shape people's expectations. What's left is using their now-digital core to shape the market. Companies face a world of renewed expectations and core digital technologies are more critical than ever. But the time for pilots and experimentation is long past, and leaders must begin to strategise for what's next.

Getting To The New "Moment"

Realistically, the world is not yet at the point of everything being instantaneous. But post-digital companies are already playing a different game. Companies still completing their digital transformations are looking for a specific edge, whether it's innovative service, higher efficiency, or more personalisation. Post-digital companies are looking for much more. They are out to bypass the competition by changing the way the market itself works. From one market to many custom markets—on-demand, in the moment.

Industry lines are no longer a boundary to growth, and the disruption that came in waves as technology matured in the digital era is now ever-present. Any company can compete with any other or carve out a new market. Take Amazon partnering with Berkshire Hathaway, an insurance and holding company, and JPMorgan Chase, a global financial services firm, to tackle challenges in health care spending.

The three have pooled their resources in a joint effort that has companies in entirely different industries preparing for foundational disruption.

Look at JD.com, an e-retail platform and one of the fastest-growing companies in China. JD is radically differentiating itself with its "Toplife" platform—a service that helps third parties sell through JD by setting up customised stores for unique shopping experiences.[9] Not only do these third parties benefit from the e-retail personalisation, they also have access to JD's supply chain with cutting-edge robotics and drone delivery that can reach rural areas. And through a partnership with Walmart, a physical store in Shenzhen will offer more than 8,000 products available in person or delivered from the store in under 30 minutes.[10] By offering unprecedented customisation and speed, JD is enabling other companies to capture moments, and in doing so creating a new market for itself.

Locally, Nedbank launched a humanoid robot, Pepper, created by SoftBank. Pepper can be programmed to recognise voice and human emotion, as well as chat to customers and answer questions.[11] Another company, Nielsen, has launched a SmartStore – Africa's – first virtual reality shopping technology.

The technology provides retailers and manufacturers with shopper insights and behaviours, allows them to test multiple new shop and shelf layouts and designs, trial in-store locations for new products, and/or determine the appeal of packaging options to shoppers.

SmartStore builds a live virtual environment to create multiple scenarios and collecting wide-ranging analytics of the customer's experience such as tracking their movements (head, eye, feet), 3D heat maps and more.[12]

It won't be long before the standout examples of today are the norm. Companies are already investigating the next generation of technologies such as artificial intelligence (AI), distributed ledgers like blockchain, extended reality, and quantum computing. The message is clear: "keeping up with the digitals" won't cut it for what's coming next. Business leaders looking to do more than just complete their transformations must set new goals in their sights, including:

- Move your focus to the end. As companies begin to understand instant demand and supply options expand, they will have more opportunities than they can pursue. Success will mean carefully choosing the specific opportunities companies want to target—and just as important, the ones not to target—then working backward to determine how they will get there.

- Define what it means for your business to be post-digital as the world moves into a new phase of cooperation. As companies settle on their new goals and the pathways they will take to reach them, they must also determine which ecosystem partners they need and where their own place in the ecosystem should be.

- Master SMAC as a core competency and a foundation to rotate to what's next. When it comes to enterprise-level technology strategies, companies can never stop moving. Social, mobile, analytics, and cloud (SMAC) combined to drive the biggest enterprise and market transformations since the dawn of the Industrial era. At this point, the failure to complete a mastery of SMAC will leave businesses unable to serve even the most basic demands of a post-digital world. But success will unlock boundless future opportunity. Distributed ledger technology, artificial intelligence, extended reality, and quantum computing (DARQ) are already having an impact in disparate areas of enterprise. DARQ technologies will drive the post-digital wave, but catching that wave will only be possible with the firm foundation of SMAC. Looking even further down the road? DARQ technologies will enable innovation in such core aspects of the business that they will be foundational for whatever comes after that.

As companies move to meet these goals, they must also accept a new level of responsibility. As businesses use technologies to reach further into people's lives, shaping the very fabric of reality, they must address the privacy, safety, ethics, and governance questions that come along with that level of access.

Look at drone usage, which companies are incorporating for everything from agricultural services to public safety, utility monitoring, and product delivery. They're even changing what's possible in health care, with Switzerland's postal service provider using drones to move time-sensitive lab samples between hospitals and bypass the delays of ground transport.[13] But this does raise issues of patient safety, privacy, and data protection that the involved organisations must address, as well as navigating potentially restricted airspace.

AirMap, which operates an airspace management system for the low altitudes at which drones fly, partnered with Microsoft Azure to create a platform that gives state and local authorities authorisation, enforcement, and restriction abilities for drone operation in their areas.[14] The platform also lets companies incorporate security and compliance checkpoints into drone-related workflows.

By positioning themselves as the curators of reality, companies already have a new level of obligation to society. But being able to deliver for specific and constantly changing moments creates challenging additional questions for businesses that are used to one market of many and long-static circumstances. With limitless opportunities, how do you measure the potential impact of products and services on society? How do you avoid crossing ethical boundaries where there are different lines for every reality and moment? And how does a company responsibly pick the opportunities to target in the first place? When you reach the point of being able to deliver nearly anything instantly, it is critical to remember that "can" doesn't always mean "should."

It's every company's responsibility to understand the impact of its moments at scale.

2019 TECH TRENDS

This year's Accenture Technology Vision highlights five emerging trends that will shape businesses over the next three to five years. In each trend, you will see how digital saturation is raising

expectations, abilities, and risk across industries, and how businesses are seeking new ways to differentiate themselves as the world moves into the post-digital era.
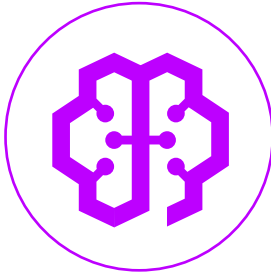
DARQ POWER

Understanding the DNA of DARQ

New technologies are catalysts for change, offering extraordinary new businesses capabilities. Distributed ledger technology, artificial intelligence, extended reality, and quantum computing will be the next set of new technologies to spark a step change, letting businesses reimagine entire industries.

TREND 2

GET TO KNOW ME

Unlock unique consumers and unique opportunities

Technology-driven interactions are creating an expanding technology identity for every consumer. This living foundation of knowledge will be key to not only understanding the next generation of consumers, but also to delivering rich, individualised, experience-based relationships in the post-digital age.

TREND 3

HUMAN+ WORKER

Change the workplace or hinder the workforce

Workforces are becoming human+: each individual worker is empowered by their skillsets and knowledge plus a new, constantly growing set of capabilities made possible through technology. Now, companies must adapt the technology strategies that successfully created this next generation workforce to support a new way of working in the post-digital age.

SECURE US TO SECURE ME
Enterprises are not victims, they're vectors

While ecosystem-driven business depends on interconnectedness, those connections increase companies' exposures to risks. Leading businesses are recognising that just as they already collaborate with entire ecosystems to deliver best-in-class products, services, and experiences, it's time security joins that effort as well.
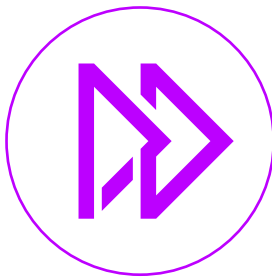
MYMARKETS
Meet consumers' needs at the speed of now

Technology is creating a world of intensely customised and on-demand experiences, and companies must reinvent their organisations to find and capture those opportunities as they come. That means viewing each opportunity as if it's an individual market—a momentary market.

The Post-Digital Future

Just as people no longer say they live in the "age of electricity," the days of calling something digital to insinuate that it is new and innovative are numbered.

The word is already passé in the consumer space. Soon, it will be the same for enterprise. There is no need to say you are a "digital business." If you're still in business, investing in digital is understood.

What does "post-digital" mean for companies? Doubling down on completing their digital transformations to get the most value from those investments—and at the same time, turning a strategic eye toward what's next.

By moving the company's focus to targets of opportunity, finding a place among the ecosystems of the post-digital era, and mastering digital investments with an eye toward the post-digital future, leaders will position for success for years to come. Your digitised organisation will be the foundation from which you drive all future innovation.

It's a tall order; thanks to the power of digital now and post-digital next, the next era will be one of massive customer, employee, and societal expectations. Fortunately, it's an era of equally tremendous possibility: to deliver for any moment in any reality.

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Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions – underpinned by the world's largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 469,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.

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