TECHNOLOGY VISION 2017 – THE NORDIC PERSPECTIVE
Published every year, The Accenture Technology Vision looks ahead to the technology trends that will have the biggest impact on the way that we all work and live. This year, at a time when the pace of technology change is accelerating faster than ever before, we believe these trends will play out strongly across the Nordic region. Two of them, AI is the New UI and Design for Humans, recognize a defining feature of the evolving technology environment: people come first, and technology is being developed with their needs uppermost in mind.

AI is the New UI points to a world where customers and employees will increasingly interact with organizations through intelligent interfaces and machines. Whether these are chatbots, virtual assistants or analytics-powered engines for making decisions, these tools are set to transform productivity, customer satisfaction and deliver new outcomes.

Design For Humans pursues this ‘people-first’ approach, with a focus on harnessing technology and unprecedented quantities of data to build products and services that are personalized to meet people’s individual goals. This is essential, as the greater trust and reliance that consumers place in a business the more data they will be willing to provide and the more services they will want to use. It’s a virtuous circle.

We also see the third trend, Ecosystem Power Plays, as having a powerful impact in the Nordic region. This describes the dynamic through which companies seek to integrate their own core business functionalities with third parties and their platforms. By leveraging these relationships, they are staking a claim in whole new ecosystems that will create new opportunities for value creation.

The two remaining trends from this year’s Technology Vision, Workforce Marketplace and The Uncharted, also resonate in a Nordic context. The former recognizes that companies will need to adopt more flexible approaches to sourcing talent, while the latter examines how the pace of technology change is outstripping the ability of regulation to maintain pace, and asks what new responsibilities this creates for companies.

So how do we see these trends playing out? Drawing on the Nordic research for the Accenture Technology Vision 2017 and our market insights, we’ve identified some key messages that businesses in the region need to be aware of.
Today, companies across the Nordic region are further down the AI maturity curve than many of their global counterparts. For example, where challenges standing in the way of AI adoption are concerned Nordic businesses indicate more concerns about data quality (42 percent vs globally 35 percent), lack of maturity in technologies (42 percent vs 32 percent globally) and wider concerns over use of AI technologies (43 percent vs 31 percent globally).

One reason for the relative lack of AI adoption is simply its comparative presence in Nordic compared with other markets, with some common AI tools – such as Microsoft’s Cortana – not yet available in Nordic languages. However, those language barriers are falling and we are now beginning to see businesses adopt AI as a new interface. For example, financial services businesses are one example where virtual assistants and robo-advisers are becoming well-established in the front line of customer service. Swedbank¹ for example is using Nuance Nina, an intelligent virtual assistant that is able to offer customers a conversational interaction via the web. And it’s an emphasis that is reflected in our research which sees Nordic businesses more likely to identify AI’s ability to generate new streams of revenue as a principal benefit (57 percent vs 49 percent globally). At the moment, there is less clear demand from consumers. But this will inevitably change.

there, but companies need to be aware of the challenges that go with expanding the parameters of personalization. They need to pay close attention to the ethical issues arising from the custodianship of customer data. That’s essential, because securing and retaining customer trust is the foundation for any company’s licence to operate in the digital economy. Those that get this right, however, have the opportunity to evolve from operating as service-providing businesses to becoming more like partners in peoples’ lives: 85 percent of Nordic businesses agree.

Design for humans is all about putting people at the centre of what you do. Here again, technology is amplifying the human, rather than replacing or marginalising the role that people play. Nordic businesses grasp the importance of understanding the customer better. For example, games company Star.com\(^2\) uses analytics to understand how people are behaving when playing its games and then makes adjustments to improve the gaming experience. Nearly 90 percent agree that understanding customer objectives gives their organizations new insights into revenue opportunities. Yet 80 percent also say that despite an increase in data and insights, their organization struggles to fully understand what the customer really wants to achieve.

With today’s almost limitless data, companies across the Nordics have a huge opportunity to understand their customers better on a one-to-one basis. The technology to do this is already there, but companies need to be aware of the challenges that go with expanding the parameters of personalization. They need to pay close attention to the ethical issues arising from the custodianship of customer data. That’s essential, because securing and retaining customer trust is the foundation for any company’s licence to operate in the digital economy. Those that get this right, however, have the opportunity to evolve from operating as service-providing businesses to becoming more like partners in peoples’ lives: 85 percent of Nordic businesses agree.

\(^2\) http://www.kdnuggets.com/2015/03/interview-vince-dar-ley-king-analytics-gaming.html
ECOSYSTEM POWER PLAYS

Typically, Nordic businesses expect to exert control over their end-to-end operations. Anything that has potential to diminish that degree of control is seen as a potential threat. On the other hand, companies across the region are alive to the paradigm shifts that will take place as platform-based business models fuel the growth of new ecosystems. Eighty-five percent of them agree that their competitive advantage will not be determined by their organizations but also from the strength of the partners and ecosystems they choose. It’s a perception that organizations like Innovation Norway are seeking to build on, with their support for developing new ways to collaborate in order to drive innovation in areas such as cleantech, edtech, fintech and medtech. Nordic businesses are more likely than their global peers to define the benefits of ecosystem participation in terms of access to new customers and improving customer satisfaction.

While those are indeed benefits that ecosystem plays will deliver, they are by no means the only ones. Nordic businesses may be missing the broader implications of ecosystem participation, particularly when it comes to tapping into innovation and accessing scarce skills. These are advantages that their global peers tend to rank much higher. While ecosystems are enabled by technology, they are much more than solely a technology trend. The extent of disruption these new models have already generated demonstrates just how powerful they are. But there’s much more to come. Consequently, Nordic businesses need to focus on ecosystem power plays as a strategic imperative that will ultimately be critical to their long-term relevance and survival.

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The majority of Nordic businesses (87 percent in our survey) recognise that the ability to integrate more ‘liquid’ workforce models can be a significant source of competitive advantage. This comes from the innovation such a workforce can introduce to the business. But to date most use of flexible and freelance workers for Nordic businesses is focused on outsourcing to scale the business and fill skills gaps. Accelerating new approaches is not just a matter for businesses, however. This shift in workforce dynamics will have a profound impact on a societal level. Developing the right skills base will require collaboration between business, government and educators.

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The final trend, The Uncharted, examines how the pace of change is now so rapid that regulation can no longer keep up with digital’s impact. Nordic businesses agree. Over 80 percent say that the innovations their organization is working on fall into regulatory grey areas. In this environment, companies will need to take the initiative by formulating standards and codes of conduct for ethical digital operations. Recognizing that digital trust is the cornerstone of evolving consumer relationships, more businesses in the Nordics than elsewhere globally (80 percent versus 67 percent) say that they want to drive the new rules of engagement themselves. Whether that’s developing standards for how vast quantities of consumer data should be used, safeguarding privacy or operating with complete transparency the rewards are likely to accrue to first movers in this domain.
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