



IHS Markit®

Digital Orbit

Tracking the development, impact, and disruption caused by transformative technologies across key industries

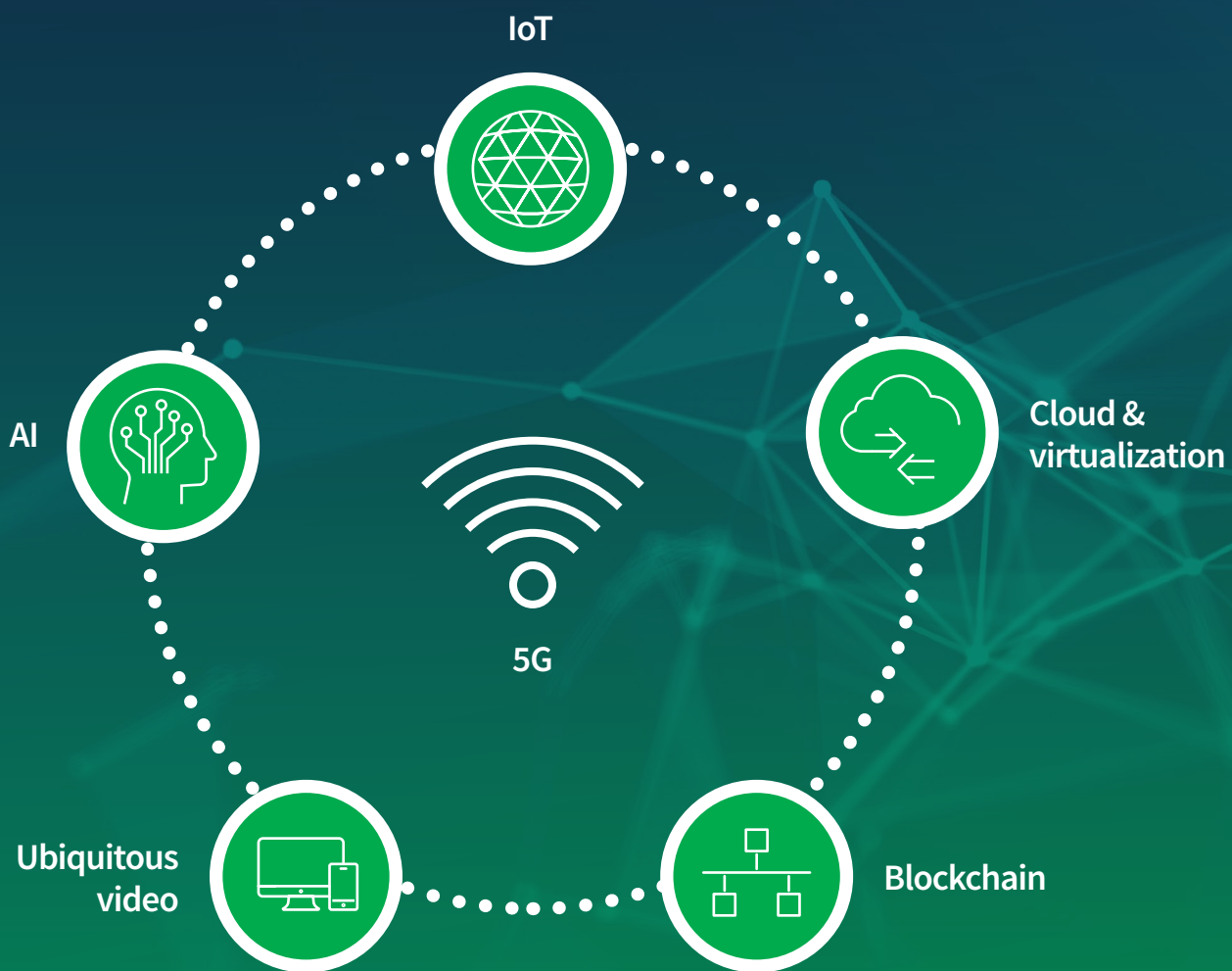


The pace and scale of technological transformation are increasing exponentially

Change isn't coming. It's here.

We're now in a world where technology convergence is erasing the boundaries between formerly separate and distinct markets.

From artificial intelligence (AI) and the Internet of Things (IoT) to the Cloud, 5G, and more, new **transformative technologies** are coming together to drive innovation, disrupt industries, and fundamentally change businesses.



But look closely and you'll discover that the pace of change is uneven.

Some technologies are poised to create a bigger, faster impact than others, and some industries are more ready to adopt and adapt to new technologies than others.

To become proactive rather than reactive in this powerful but chaotic environment, you need **information that moves beyond the headlines.**



Welcome to Digital Orbit



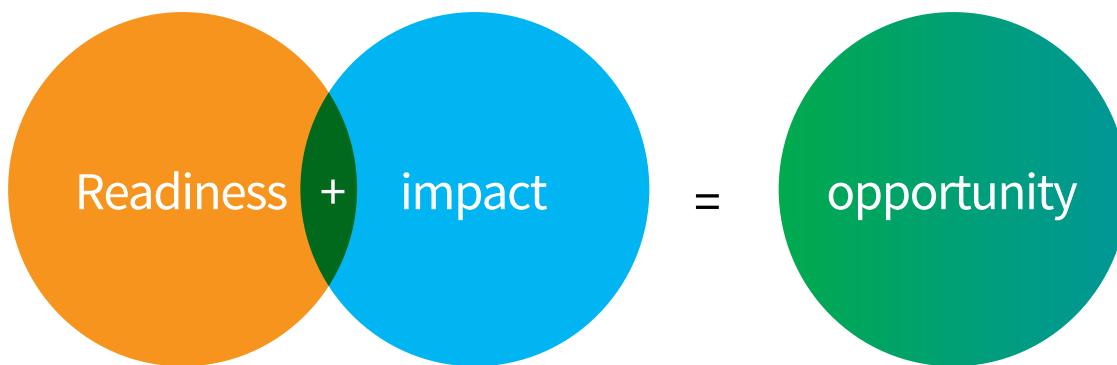
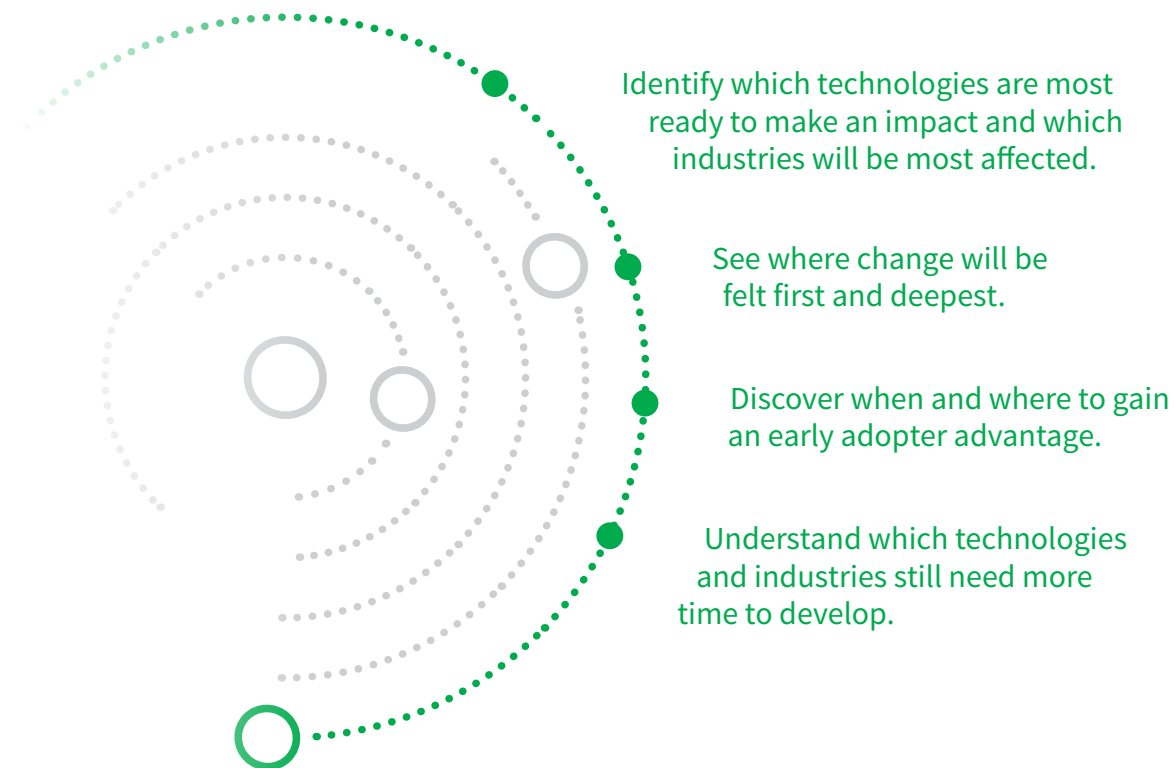
Look beyond the headlines.

Digital Orbit from IHS Markit is a new service that combines our unmatched breadth of research and data with survey results from key industry leaders, providing an accurate and unbiased view of today's most important transformative technologies.

It's an insider's look that separates the hype from reality to help you take advantage of both near- and long-term changes.

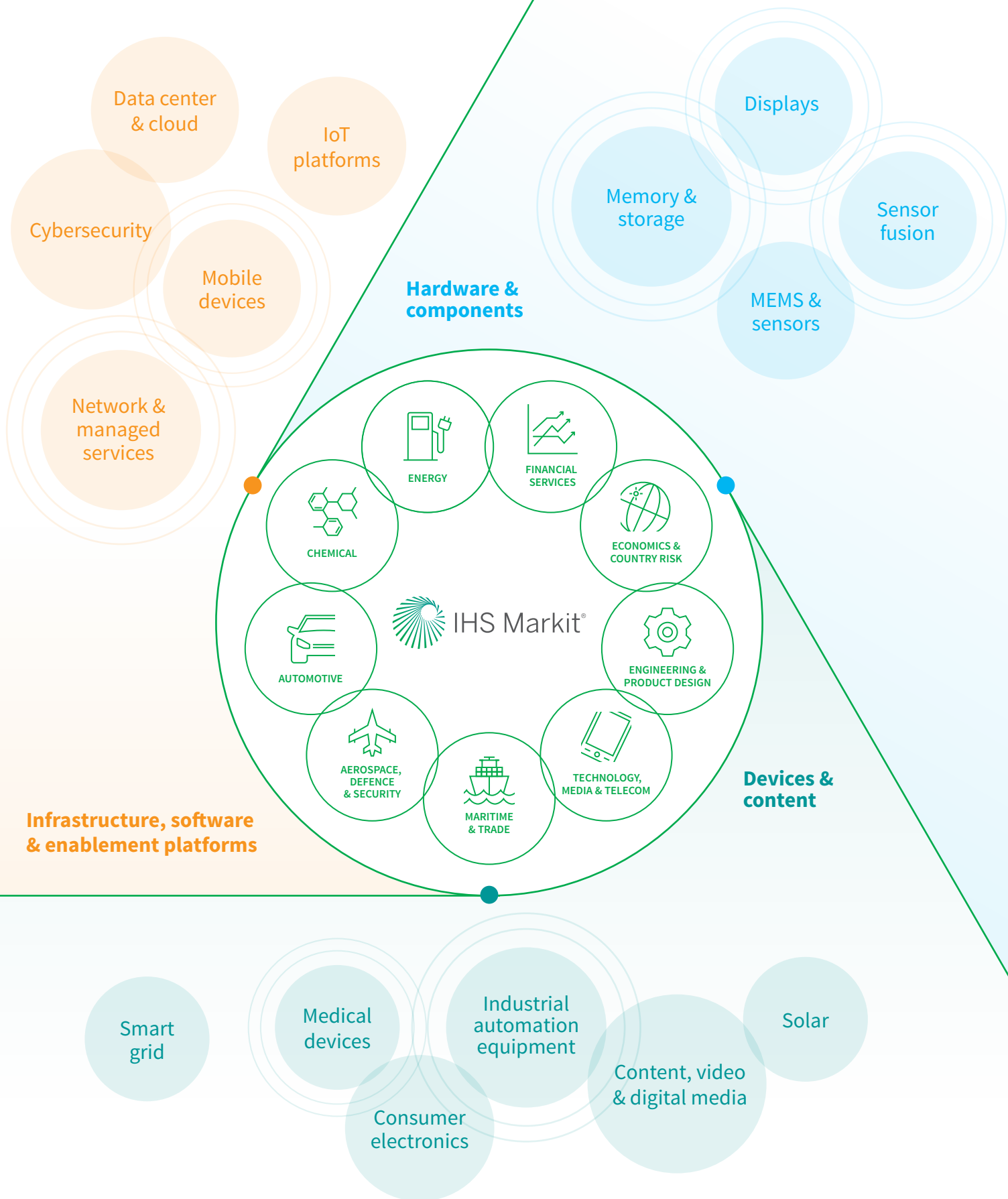
Information that enables you to be proactive.

Using **Digital Orbit**, you can assess the impact, scale of disruption, and potential for growth made available by transformative technologies:



Understanding the new landscape created by the convergence of transformative technologies requires an approach that cuts across multiple areas and prevents data from being siloed.

Offering a unique combination of **depth and breadth**, IHS Markit research is powered by **3,700+ analysts**, extensive vertical market coverage of global ecosystems, and a dedicated transformative technologies team.



Digital Orbit delivers a clear view of the impact and readiness of technologies - developed by data and expertise that no other research firm can access.

Digital Orbit builds on this foundation and provides actionable insights into the disruption and opportunities that transformative technologies bring by synthesizing information from three complementary sources:



Technology intelligence

Technology experts provide evaluation of supply chain readiness and commercial reliability, including compelling use cases and cost.

Vertical market intelligence

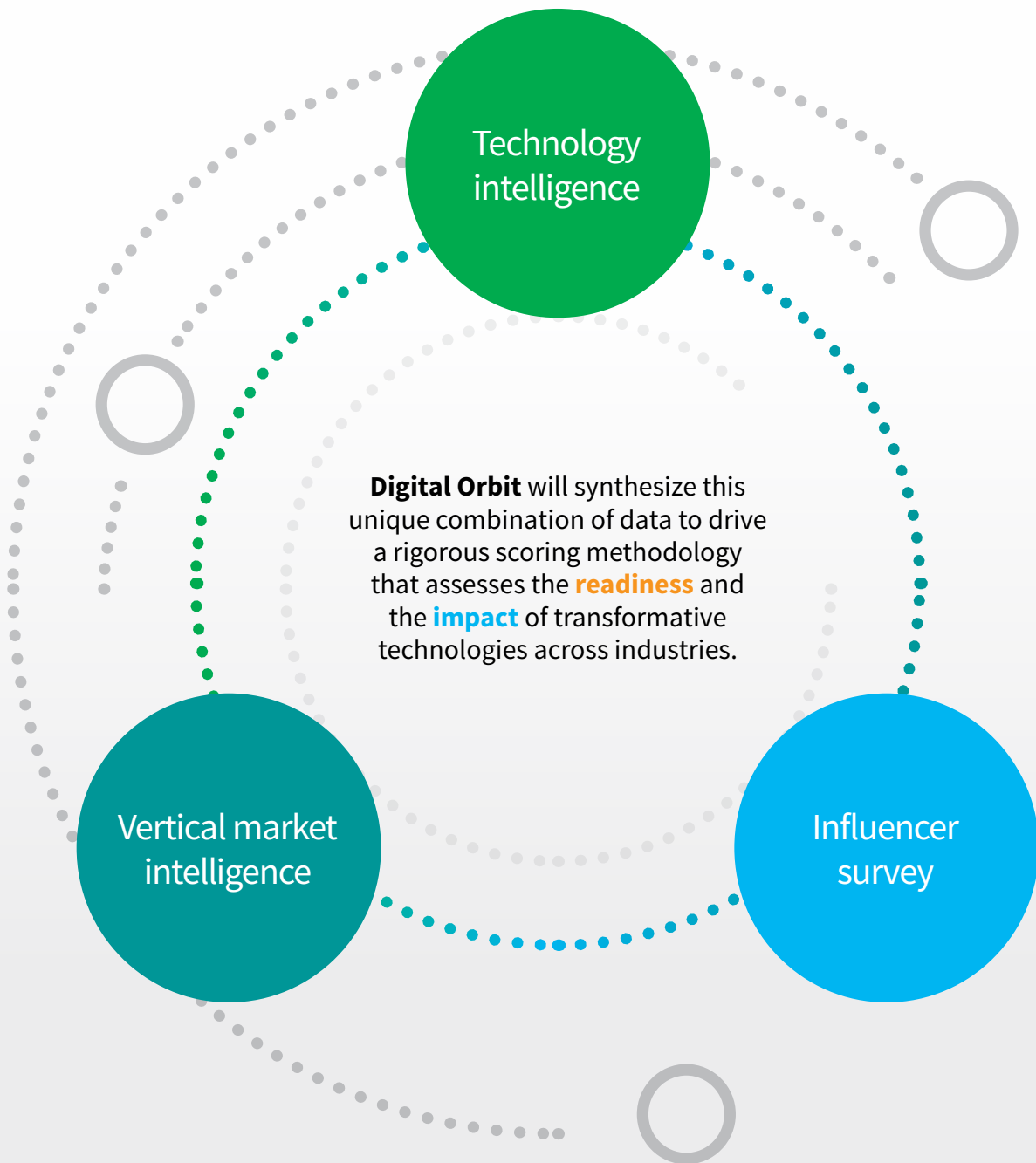
Industry experts across IHS Markit provide benchmarking of industry pulse.

Key influencer survey

Multi-dimensional surveys provide user perspective on transformative technology perception and adoption plans.



However, the availability of a new technology doesn't necessarily mean that an industry is positioned to make use of it. **Digital Orbit** scoring methodology evaluates the following criteria to assess both the **readiness** and **impact** of transformative technologies.

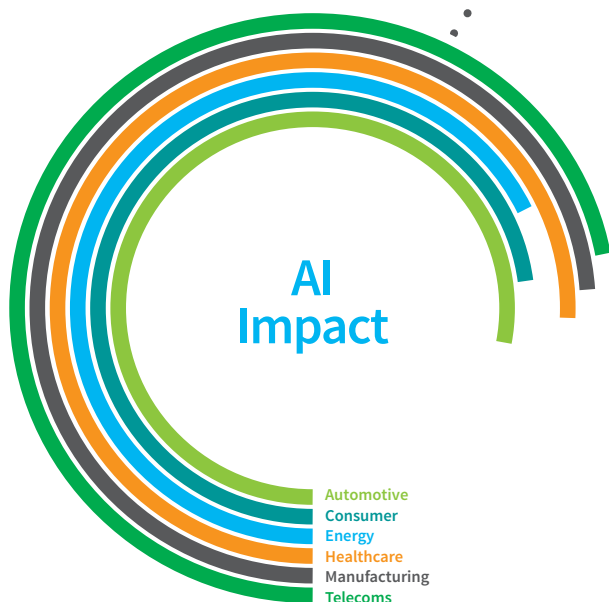
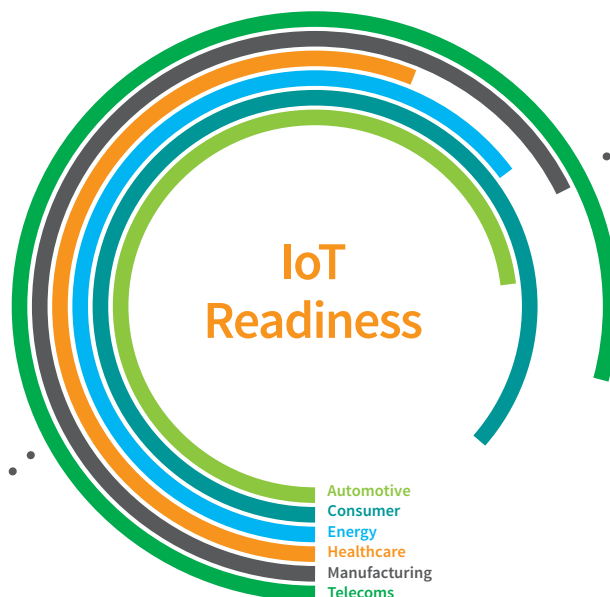


Key questions addressed

Is this technology **ready** for adoption in this industry?

Considers factors such as:

- Maturity of available technology solutions
- Business model development
- Vertical industry investment
- Vertical industry demand/interest/need
- Ecosystem/supply chain readiness
- Regulatory status
- Affordability of solutions



What will be the **impact** of the technology in each industry?

Considers factors such as:

- Enablement of new products/services
- Potential operational efficiencies/ cost savings
- Support for entrance of new competition
- Disruption to existing business model
- Opportunity to open new market footholds
- Impact on existing organizational structures

Digital Orbit empowers strategic leaders

An invaluable, time-saving tool that helps executives and other strategic leaders envision possibilities and anticipate pitfalls as technological change accelerates



The benefit to you

- Quickly understand new technologies and their potential value for your company
- Optimize the timing of your technology investment decisions
- Anticipate implementation challenges and integrate solutions to address them in your strategic plans
- Get early insight into market disruption

Delivering unique information

- Measures a technology's **readiness** and the readiness of industries to use these technologies
- Assess a technology's **disruptive impact** following industry implementation

Keep pace with transformative technologies using Digital Orbit



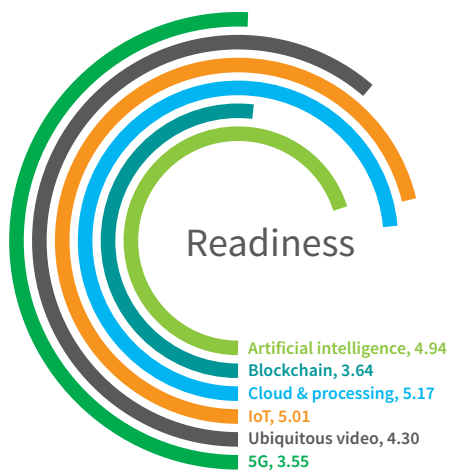
Deliverables – quarterly executive results

- Identification of impact and readiness across six technologies and six verticals:
 - IoT, blockchain, AI, Cloud, 5G, video
 - Automotive, transport and logistics; consumer goods and services; healthcare; manufacturing; telecom; power and energy
- Expert commentary on alignment across users and providers and recommendations on best short-term opportunities
- Quarterly end-user results across core sectors on adoption of six transformative technologies
- Additional customized workshop on technologies available upon request

Digital Orbit: key findings

Here, we provide excerpts of Digital Orbit, including the readiness scores for the six transformative technologies covered in the Q1 2019 report: IoT, blockchain, AI, Cloud, 5G, video. These assessments reflect the combination of IHS Markit data and expertise with an external survey **of key industry influencers**.

Readiness highlights



Source: IHS Markit

Readiness measures



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- Scoring is on a scale of 1 to 7, indicating least to most ready
- The **mean readiness score** for the six transformative technologies covered was 4.4
- **Cloud & virtualization** had the highest readiness score at 5.2
- **5G** had the lowest readiness score at 3.6

What industry leaders are saying...



of organizations are adopting at least one transformative technology



of executives are providing a great deal of support toward adopting transformative technologies



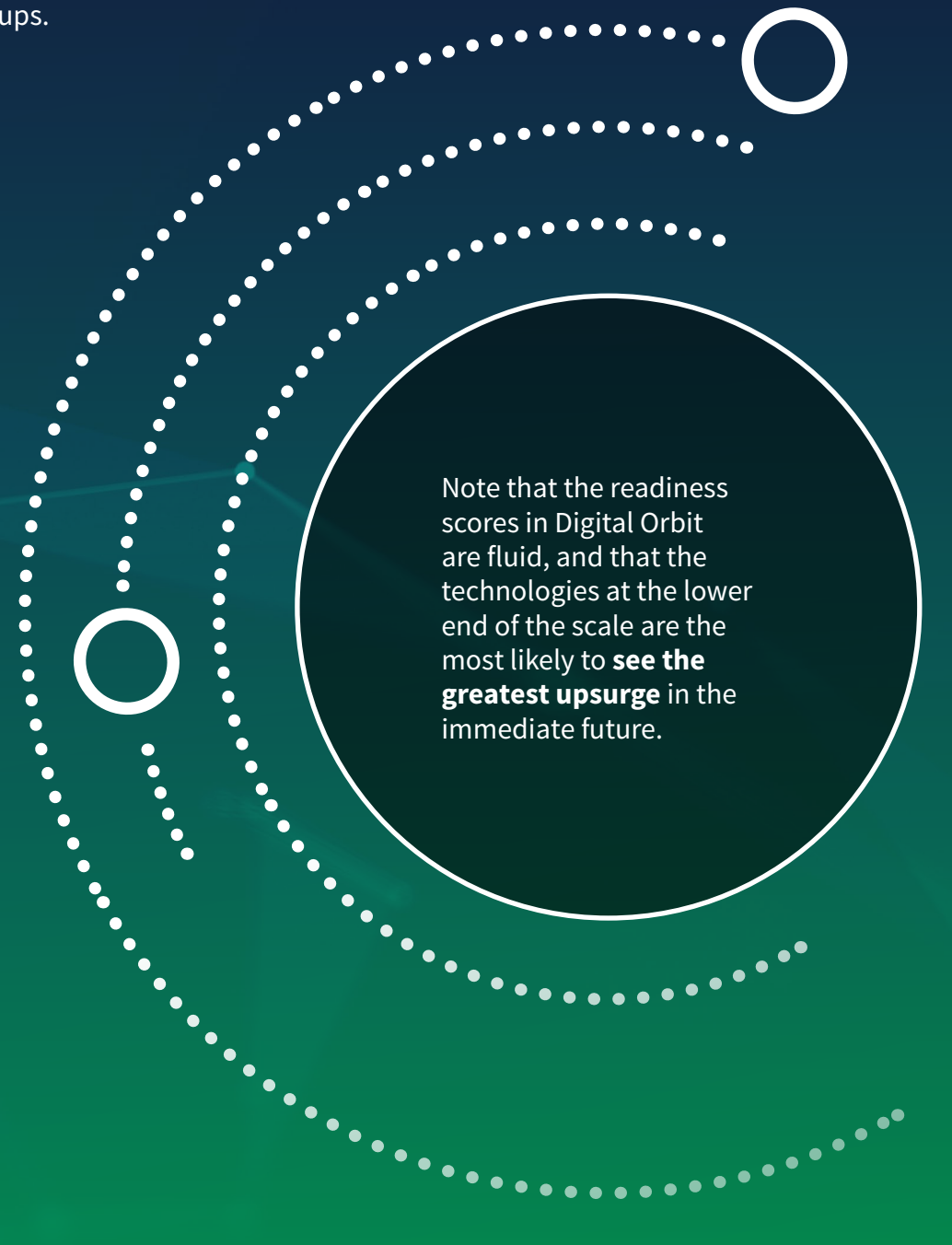
of key influencers believe appropriate business models are in place to capture full value from these technologies

Digital Orbit: key findings

The overall readiness scores from Digital Orbit indicate that the six transformative technologies fall within three broad categories. Scoring 4.9 or higher, AI, cloud & virtualization, and IoT were deemed to be the **transformative technologies most ready for adoption** by the industries covered in the report.

At the other end of the spectrum were blockchain and 5G. With scores in the mid 3.0s, they were thought to be **less ready for widescale adoption at this time**.

Ubiquitous video, with a score of 4.3, fell somewhere in between these two groups.



Note that the readiness scores in Digital Orbit are fluid, and that the technologies at the lower end of the scale are the most likely to **see the greatest upsurge** in the immediate future.

Digital Orbit: key findings

Additional insights on the readiness results

Age and maturity matter.

Three measures in particular -- Tech Maturity, Ease of Use, and Business Case -- were the key drivers that put AI, IoT, and cloud & virtualization over the top. The technologies collectively netted an average score of 5.1, compared to an average of 3.4 for blockchain, 5G and ubiquitous video.

AI: Is it hype, with initial use cases leading to inflated expectations?

The high readiness scores of AI are somewhat surprising because commercial deployments of AI technology are relatively new, and many industries are still determining how best to use the technology. Even so, AI has built considerable momentum in recent years. As reflected in the Key Influencer survey, most enterprise leadership circles believe their organization has need for AI and that they would invest to ensure its adoption.

Executive Support and Industry Investment are strong, but Organizational Alignment must follow.

Enthusiasm for high readiness scores for Industry Culture, Industry Demand, Executive Support, and Industry Investment might be partially mitigated by the low readiness mark for Organizational Alignment. Taken together, these scores suggest that while a range of enterprises are eager and willing to invest resources into adopting transformative technologies, they may not be structuring their organization properly to obtain the maximum value of the adoption.

The consumer market is leading the way in adoption.

The scores in Digital Orbit measure not only the readiness of the technologies themselves, but also the state of readiness in each industry. Based on this perspective, the Digital Orbit results indicate that the consumer industry is the best-positioned segment to adopt transformative technologies at this time.

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