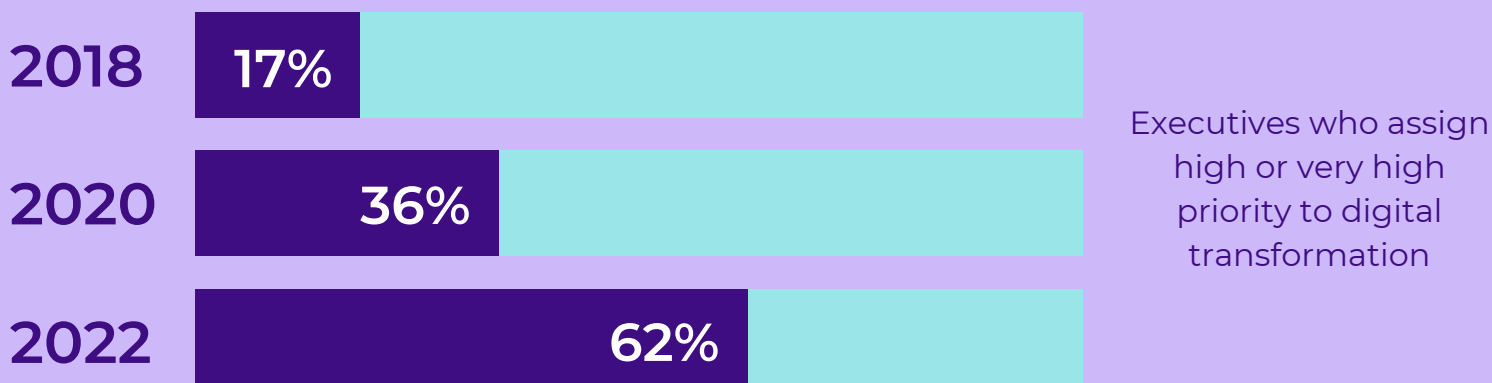


# 2021 MARKET TRENDS

The global outbreak of COVID 19 has created financial pain for businesses across several industries. At the same time, the pandemic has increased the need for additional IT investments to support remote working.

## IMMEDIATE NEED FOR DIGITAL TRANSFORMATION



Source: IBM Institute for Business Value, 2020

## SHIFTING INVESTMENTS



Digital transformation has risen by 30%



Spending in cloud increased by 80%



Spending in customer experience increased by 15%

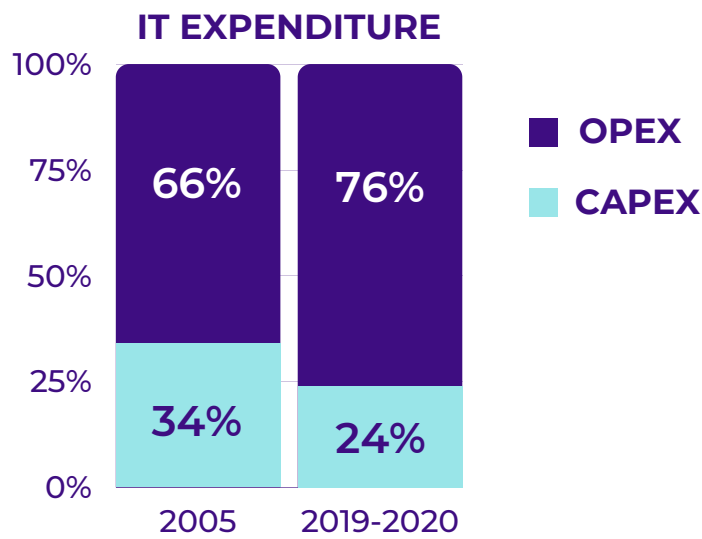
Source: Nasscom, McKinsey & Company, 2020

## MOST PRESSING C-SUITE EXECUTIVES' PRIORITIES

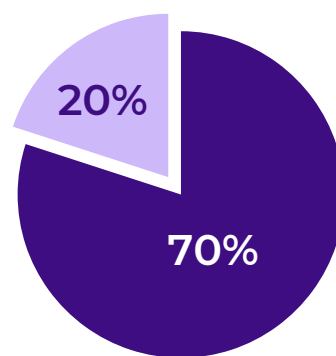


Source: IBM Institute for Business Value, 2020

## FROM CAPEX TO OPEX



Source: IBM Institute for Business Value, 2020



More than 70% of CIOs are prioritising digital spend and moving from CAPEX to OPEX

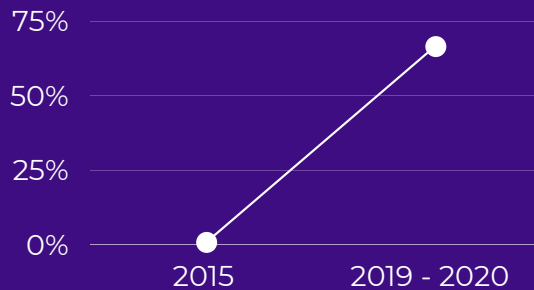
Source: Nasscom, McKinsey & Company, 2020

## THE EMERGENCE OF AS-A-SERVICE MODELS

Having a favourable cash flow is particularly important in times of economic decline, when credit is harder to obtain. In this context, the Device-as-a Service (DaaS) model of acquiring hardware by paying rental payments over time to preserve cash reserves is gaining significant traction in the technology sector.

In 2015, no major PC makers were offering DaaS options to their customers, compared to 65% now.

Source: TechRepublic, 2020



## KEY TAKEAWAYS

Most companies are now switching to OPEX models to optimise their cashflow. Shifting from CAPEX to OPEX frees up funds that organisations can allocate to core activities.

*"In the end, the customers don't care about the device itself. They just want an outcome. If it breaks, they just want it replaced. They want services. All those things are valuable to customers."*

*Kevin Dobbs, leader of Accenture's Everything-as-a-Service practice.*