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VANTAGE POINT 2021

What's next for data analytics,
the cloud, and business?



IN 2020, WE FOUND OURSELVES WONDERING

What will tomorrow bring?

IN 2021, BUSINESSES WILL INVEST IN

Data transformation. Cloud-first strategies. Accelerated AI adoption.

In 2021, nothing will be as it was for business, data analytics, or the cloud.

The impact of COVID-19 on life, industry, and the economy has created a new business imperative: innovate or risk the future of your business. How we shop, interact, and connect have all changed forever.

This year, businesses must continue to invest in transformation, agility, and responsiveness.

Here's our forecast for what's next in data analytics, the cloud, and business in 2021.

2020 was defined by the changes driven by COVID-19, and the adjustments aren't over.

DATA IS ESSENTIAL

90%

of leaders have prioritized data in the decision-making process since the onset of COVID-19.¹

SUPPLY CHAIN CHAOS

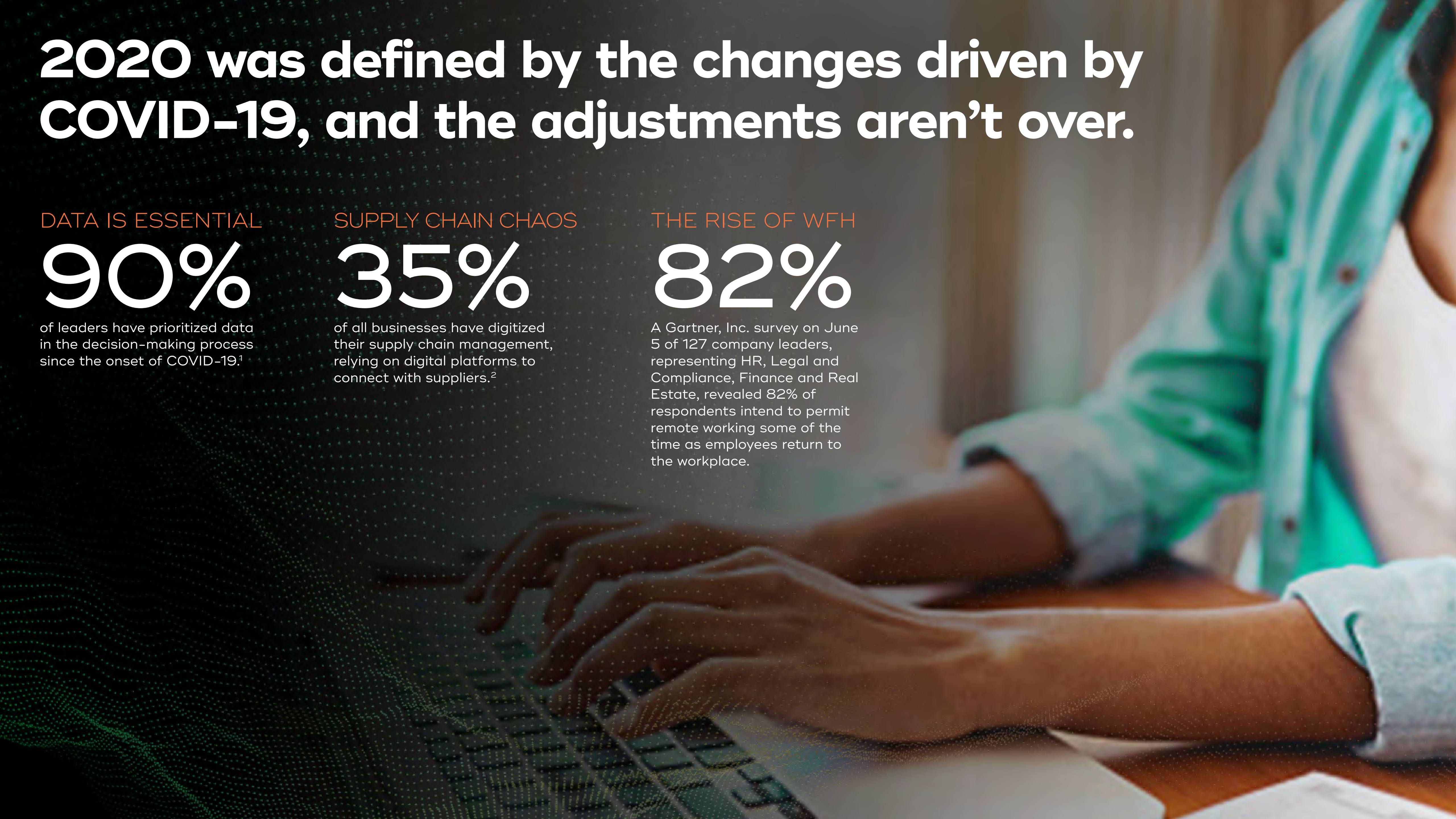
35%

of all businesses have digitized their supply chain management, relying on digital platforms to connect with suppliers.²

THE RISE OF WFH

82%

A Gartner, Inc. survey on June 5 of 127 company leaders, representing HR, Legal and Compliance, Finance and Real Estate, revealed 82% of respondents intend to permit remote working some of the time as employees return to the workplace.





CLOUD FORECAST

Cloud will become multi-cloud.

If 2020 was the year of cloud-driven agility, then 2021 will be the year of cloud optimization.

COVID-19 made one thing clear: The cloud is the way forward for all businesses across all industries.

In 2021, businesses will look to multi-cloud architectures to manage the pressing, ongoing process of cloud migration. With this shift, cloud security will also become a top priority as leaders manage multiple cloud environments and increased risk exposure.

82%

of business leaders are now accelerating decisions to move data and key business functions to the cloud as a direct result of COVID-19.⁴

75%+

According to a recent the 2020 Gartner Cloud End-User Buying Behavior Survey, more than 75% of respondents that are using public cloud infrastructure indicate that their organizations are using a multicloud adoption model.⁵

“ The COVID-19 pandemic has heightened the need for companies to adopt digital business models – and only cloud platforms can provide the agility, scalability, and innovation required for this transition.”⁶

AS MORE BUSINESSES MOVE TOWARD MULTI-CLOUD ENVIRONMENTS,

leaders will emphasize cloud security, governance, and compliance measures to manage potential threats.

“ As we see more siloization of data into the cloud, we’re also going to see more security breaches, lack of data governance, and poor decisions made by enterprise customers who have lost **track of the balance between agility and governance, security, privacy, and corporate responsibility.**”


Hillary Ashton, EVP & Chief Product Officer, Teradata

96%

of organizations report they are concerned by their current level of cloud security, citing multi-cloud management, data loss, and detection and response as top priorities.⁷

40%

Gartner predicts that by 2024, at least 40% of enterprises will have explicit strategies to adopt SASE, up from less than 1% at the end of 2018.⁸



“ With business in the cloud, you also need to make sure your infrastructure is working within your master data management and warehouse, and that you have security protocols in place. **Because if you can spin things up fast and get them into production quickly [with the cloud], you can also create problems very quickly.**”

Bonnie Holub, Managing Data Scientist, Teradata

As the dust of accelerated cloud migration settles, conversations around the cloud will become more focused, complex, and nuanced.

Businesses will seek out more cloud providers to build bespoke, cloud-first strategies. These multi-cloud solutions will give leaders more freedom, choice, and agility as they plan for the business in 2021.

However, as more enterprises move to multiple cloud environments, they will also risk splintering and siloing the very data meant to bring information through the organization. Because of this, businesses will focus on streamlining multi-cloud workstreams, by building smarter, more holistic cloud structure that can handle priorities like critical data governance, privacy, and security issues.

Learn more here: [“De-Risking Hybrid, Multi-Cloud Analytics”](#) (Teradata, 2020)



DATA ANALYTICS FORECAST

Data needs to be two things:
Democratized and integrated.

Your greatest asset? Your data.

In 2021, businesses can no longer afford to not invest in modern data analytics. CXOs will prioritize analytics – or risk the future of their business.

95%

of IT decision makers agree that data is an essential asset and, more importantly, key to recovery and the path moving forward.⁹

88%

of IT decision makers view data as a strategic asset to their business.¹⁰

40%

of CEOs said their CIO will be the key driver of business strategy – more than the CFO, COO, and CMO combined.¹¹

“ COVID-19 has completely upended the roadmaps of businesses across every industry, forcing leaders to re-evaluate how they view, use, and maximize data to pivot and re-establish the path forward. **The companies that will survive – and ultimately thrive – will be the ones that realize data is a key asset** for recovery and a competitive advantage to drive the future of their business.”

Steve McMillan, President
and CEO, Teradata

Across industries, CXOs will shift their approach to data analytics to unlock continuous, unlimited value:

DATA IN 2020

SILOED

Data is duplicated across silos

ISOLATED

Data is not combined with other data

CONSTRAINED

Data is manipulated to answer specific questions

LIMITED

Only select users have access to data

DATA IN 2021

REUSABLE

Store once, use many times

INTEGRATED

Use 100% of all available data

SCALABLE

Answer any question, any time, at scale

DEMOCRATIZED

Empower everyone to work with data

Discover more: [“Making Data Your Greatest Asset”](#) (Teradata, 2020)



“ As we enter 2021, laggards have an existential imperative to reinvent themselves digitally, and leading firms struggle to keep pace with demands. **All of these enterprises need to capitalize on 100% data integration** with predictable costs, reliable performance, and real-time visibility.”

Bonnie Holub, Managing Data Scientist, Teradata

In 2021, the modern enterprise doesn't just leverage data, it's built on data – from the ground up. All organizations must make data their greatest asset and put analytics at the center of their business strategy to drive outcomes.

This shift will drive CXOs to implement an integrated, democratized approach to data to harness the full power of their enterprise data analytics.



BUSINESS FORECAST

Welcome to the mAInstream

OK, AI. Show CXOs how they can drive outcomes.

In 2021, AI adoption will play a pivotal role in enabling all businesses to get closer to customers – and employees.

50%

of surveyed executives report that their companies already use AI in at least one business function.¹²

1/4

By the end of 2021, one out of every four remote workers will be supported by new forms of automation, either directly or indirectly.¹³

Sectors where AI adoption has increased:

% of companies that have embraced AI per sector¹⁴

44% Healthcare services and pharma

42% Automotive and assembly

28% Financial services

26% Consumer goods and retail

25% Business and professional services

24% High tech and telecoms

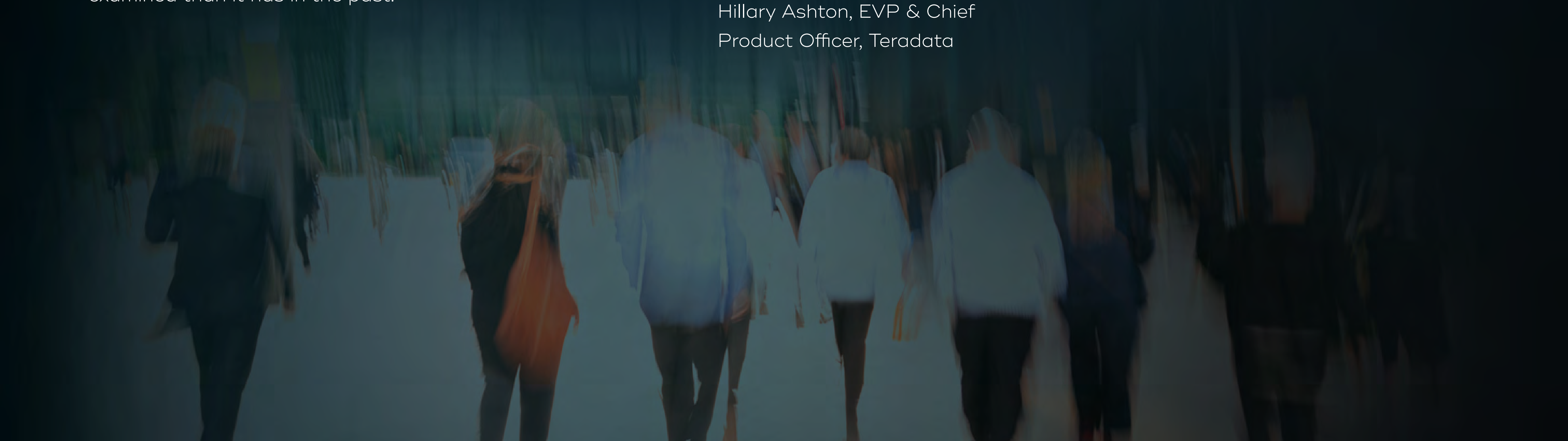
As companies return to on-site work, AI will be a critical tool to ensure COVID-19 safety and increase team productivity.

“ Organizational AI can help teams organize the **dates, times, and locations of in-office meetings to maximize the value of space and promote team interactions.** [However] the return on investment for the office of the future will likely be more carefully examined than it has in the past.”¹⁵

“ As companies recognize the unique abilities of AI to help ease corporate policy management and compliance, ensure safety, and evolve customer experience, we'll see boosted rates of AI adoption across industries.”

Hillary Ashton, EVP & Chief Product Officer, Teradata

35%
of companies will double down on workplace AI.¹⁶



“ [In 2021], AI as an application in our day-to-day lives is going to be more prolific and diverse in its application range.”

Sri Raghavan, Director of Data Science and Advanced Analytics, Teradata

“ AI is not a secret sauce. It's more of an intellectual power tool that we bring to bear on problems.”

Bonnie Holub, Managing Data Scientist, Teradata

In 2021, AI will continue to serve as a vital enabler of new data science experimentation and industry innovation.

With the rollout of the COVID-19 vaccine, we'll see increased discussion (and excitement) about a potential return to on-site work. Businesses will rely on organizational artificial intelligence to transition from remote work back to the office and to design an office environment that meets new safety protocols and compliance measures.

Simultaneously, CXOs will manage AI bias and data privacy concerns. Businesses will need to develop vetting processes for the data sets that AI models are trained on. CXOs will increasingly look to AI as a catch-all for business problems, but this widespread adoption will be matched with outside pressure to ensure ethical AI practices and data privacy.

WHAT'S NEXT?

**New year.
New market.
New outcomes.**



Game it out.

Based on the challenges of 2020, it will be critical for organizations to plan for what's next – and to expect the unexpected.

In 2021, **scenario analysis and simulation technologies** will be imperative for businesses to plan for unexpected conditions and create disaster responses.

Businesses will also continue to find new data sets to leverage in the coming year. As organizations struggle to utilize larger sets of historical data, leaders will tap into new data sources so they can glean insights and develop inquiries.

“ Nontraditional approaches will enable the next rebound of innovation and efficiency.”¹⁷

“ **Gaming engines** will be big in the realm of generating all the data behind simulated scenarios.”

Cheryl Wiebe, Practice Director,
Cross-Industry Solution Consulting

“ The inability to utilize larger data sets of historical data calls for the ability to use a **wider variation of sources of recent data** to provide the same or better results.”

Martin Tidell, Senior Industry
Consultant, Telecommunications,
EMEA, Teradata

Agile. Responsive. Digitally transformative.

In 2021, modern enterprises will utilize the cloud, integrated data analytics, and AI to create flexible, agile market positions. They will be able to respond to and meet new customer demands, market changes, and any big surprises head on.

Ultimately, these factors will fuel how businesses digitally transform, innovate, and drive outcomes in 2021.

Increased multi-cloud adoption will push businesses to invest in data governance, privacy, and security to protect against increased cybersecurity risk and threats.

Integrated data analytics will continue to be the lifeblood of the modern enterprise, but executives will become increasingly disciplined around utilizing data to enable business outcomes.

Enterprise adoption of AI will become more pervasive, enabling organizations to get closer to customers and employees. AI will play an especially critical role in the transition back to on-site work, ensuring COVID-19 safety and protocol compliance.



Are you ready for 2021?

Take these steps to transform your business this year.

1. Is your data in the cloud yet?

In 2020, the cloud became critical. For leaders who haven't made their journey to the cloud, hear this directive loud and clear: Go to the cloud – or risk not getting the insights your business needs to modernize.

2. What's your cloud security plan?

With more of the business in the cloud, leaders need to prioritize governance, privacy, and security as part of their cloud-first strategy. Leaders must make sure what lives in the cloud stays in the cloud in 2021.

3. Are you using 100% of your data? Are you sure?

For this upcoming year, CXOs must find ways to make data their greatest asset. Eliminating silos and consolidating all enterprise data will be imperative. Simply put, leaders must use 100% of their data to drive 100% of the business.

4. Can everyone at your organization access the data they need?

Leaders will need to think about how they create a new army of internal data scientists. CXOs must activate more individuals to use data analytics and collaborate with internal data analysts. This cross-departmental work will unlock insights that drive growth and provide answers to the toughest business challenges.

5. Are you using AI to help plan your return to on-site work?

With the rollout of the COVID-19 vaccine, businesses will need to design office environments that meet new safety protocols. Start making your on-site office plans and consider how to use organizational AI to meet compliance standards.

6. What new, creative data sources are you using in 2021?

2020 changed year-over-year data. As a result, CXOs can no longer rely on historical data to measure success – and need to start getting creative with data sources. Use scenario planning, gaming, and other nontraditional data approaches to get needed answers and prepare for 2021 and beyond.

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Teradata can help.

We deliver a powerful, modern cloud analytics architecture that allows businesses to reap the benefits of a data-driven and hybrid multi-cloud world.

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