

VANTAGE POINT 2021

A Year of Transformation.

The impacts of COVID-19 on life, industry, and the economy have created a new business imperative: innovate or risk the future of your business. How we shop, interact, and connect have all changed forever. In 2021, businesses must continue to invest in transformation, agility, and responsiveness.

“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

IN 2021, BUSINESSES WILL INVEST IN

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

THE NEW NORMAL

DATA IS ESSENTIAL

90%

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

CLOUD OR BUST

82%

of business leaders are accelerating moves to the cloud for data and key business functions as a direct result of COVID-19.²

AI IN THE CXO TOOLBOX

50%

of surveyed executives report that their companies already use AI in at least one business function.³

2021 FORECAST

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

1

See you in the cloud.

In 2020, the flurry of digitization brought on by COVID-19 had businesses scrambling for a cloud-first strategy. As organizations accelerated their migration to the cloud and developed cloud, multi-cloud, or hybrid solutions, one thing became clear: the days of 'on-prem only' were over. In 2021, organizations that aren't yet in the cloud will invest heavily in cloud-first technologies. The businesses that are already there will continue to rely on the cloud to remain agile and responsive.

76% of enterprises have multiple cloud providers and that multi-cloud/hybrid cloud is the new norm for organizations.⁴

2

Cloud-based risks on the horizon.

The mad dash to the cloud may have saved businesses in 2020, but where there's reward there's risk. With the initial buzz of accelerated cloud migration dwindling, businesses will double down on data governance, privacy, and security as their cloud-first strategies emerge in 2021. Since multi-cloud architectures can increase exposure to cybersecurity risks, there will be more conversations about responding to and managing issues relating to recent cloud migrations.

“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

3

Historical data is... history.

2020's unprecedented changes will have a long lasting impact on data, and organizations will struggle to utilize large sets of historical data. To ensure that their business has a plan for if (or when) trouble strikes, CxOs will look to alternative strategies to map out different scenarios, specifically geared around disaster and unexpected situations. New data sources and strategies, like simulation and scenario planning, will help leaders glean insights and develop inquiries.

“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

4

Data joins the team.

Gone are the days of piecemeal analytics and reporting solutions fulfilling niche business use cases. Instead, CxOs will focus on how to make data their greatest asset, by democratizing data access and cultivating citizen data scientists across the organization. More individuals will be expected to look at and glean insights from enterprise analytics, and will be encouraged to collaborate with internal data analysts and teams. Data analytics will become a part of everyone's work in 2021.

88% of IT decision makers view data as a strategic asset to their business.⁵

“Analytics [will] be implemented in a collaborative manner by a variety of interest groups with different skills sets (e.g., data science, lines of business leaders) and with a full-on focus towards operationalizing analytics insights in near real time.”

Sri Raghavan, Director of Data Science and Advanced Analytics, Teradata, 2020

5

Welcome to the mAIstream.

In 2021, AI adoption will play a pivotal role in enabling all businesses to get closer to customers – and employees. Enterprise adoption of AI will become more pervasive across all sectors, with continued heavy investment from early adopters like healthcare and auto, as well as telco and financial services.

“[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, 2020

6

Getting back to work with AI.

With the roll-out of the COVID-19 vaccine, there will be increased discussion (and excitement) about a potential return to onsite work. As a result, businesses will rely on organizational AI to enable the transition from remote work to office-based work, using artificial intelligence to design office environments that meet new safety protocols and compliance measures.

35% of companies will double down on workplace AI.⁶

1. Teradata: Global Survey, 2020

2. Teradata: Global Survey, 2020

3. McKinsey: The state of AI in 2020, 2020

4. Gartner: 6 Best Practices to Create a Cloud Management Services Offering in the World of Multicloud and Hybrid Cloud, 2020

5. Teradata: Global Survey, 2020

6. Forrester: Predictions 2021, 2020

Let's go, 2021.

Agile. Responsive. Digitally transformed.

This year, the modern enterprise will utilize multi-cloud architectures, integrated data analytics, and AI to create a flexible and agile position in the market. Recovering from the aftershocks of 2020, leaders will prioritize these tools to ensure that their business can respond to new customer demands, market shifts, and any big surprises head on. Ultimately, data analytics, the cloud, and AI will be the fuel for CxOs to drive outcomes and digital transformation initiatives in 2021. **Discover more at teradata.com/vantagepoint2021**

Teradata can help.

Only Teradata has the technology to help businesses to reap new benefits and position themselves for success now and into the future. Learn more at teradata.com.