IDC Publishes Digital Innovation Framework to Guide Enterprises Toward Their Future as Digital Innovators and Software Producers

FRAMINGHAM, Mass., January 22, 2020 – Software is becoming a bigger piece of how every enterprise competes in the digital economy. To succeed, enterprises need to become a "digital innovation factory," creating and distributing digital products and services with digital-native speed and scale. To guide organizations through this transition, International Data Corporation (IDC) has published the Future of Digital Innovation framework.

Becoming a digital innovation factory means that while organizations will continue to consume software such as ERP, CRM, manufacturing, finance, human resources, procurement, and other enterprise applications, they will also shift their priorities toward *producing* software that is embedded in their products and services, to compete in their own industry. Most of this digital innovation will be focused on creating new value for their customers.

"We are now on the future path of digital innovation, where every company becomes a software producer," said Mickey North Rizza, program vice president, Enterprise Applications and Digital Commerce at IDC. "The organizations with digital innovation supply chains focused on delivering digital products, services, and experiences will reshape our global economy in the coming years."

The transition from software consumer to software producer, or digital innovation factory, requires a solid and carefully thought out strategy and execution plan, along with strong skills and substantial agility in the IT department. To build these capabilities, enterprises need a solid methodology. IDC's digital innovation supply chain is made up of four equally important characteristic steps: plan, source, develop, and distribute.

Figure 1

Digital Innovation Supply Chain
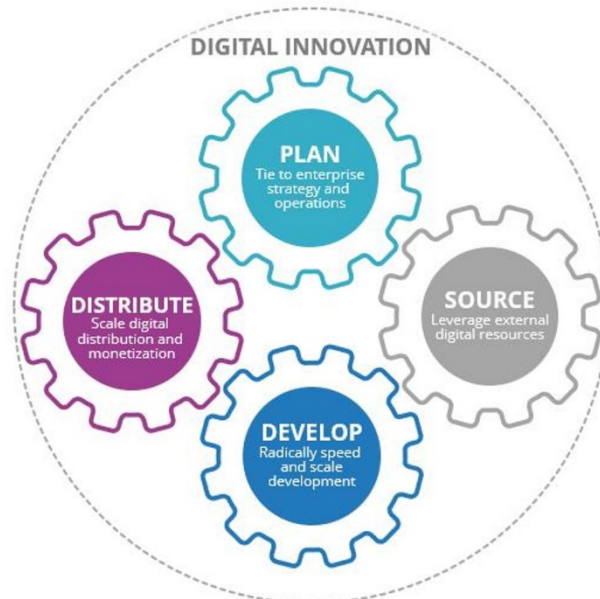
Source: IDC, The Future of Digital Innovation: Every Enterprise Must Become a High-Performance Software Producer, #US45720719

Following the digital innovation supply chain enables a very high level of business transformation digitally, as demonstrated by companies that have already begun the journey. When organizations understand they can completely change their operating model, creating more customer value and optimizing their business for success, it completely shifts the strategy and dynamics of their business plan and future vision. But reaching this level of transformation will require a substantial commitment for most organizations.

To learn more about IDC's Future of Digital Innovation framework with guidance for the technology buyer and technology vendor or service provider, please read Mickey North Rizza's new blog post at http://bit.ly/2020_IDC_FoDI_Framework.

The IDC report, *The Future of Digital Innovation: Every Enterprise Must Become a High-Performance Software Producer* (IDC #US45720719), introduces the future of digital innovation and the digital innovation supply chain. The report also provides examples of and predictions about each stage of the digital innovation supply chain as well as investment priorities for organizations seeking to accelerate their transition toward digital supremacy.

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International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and

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