

Business Model, Ecosystem and Globalisation Shift Dynamic Briefing

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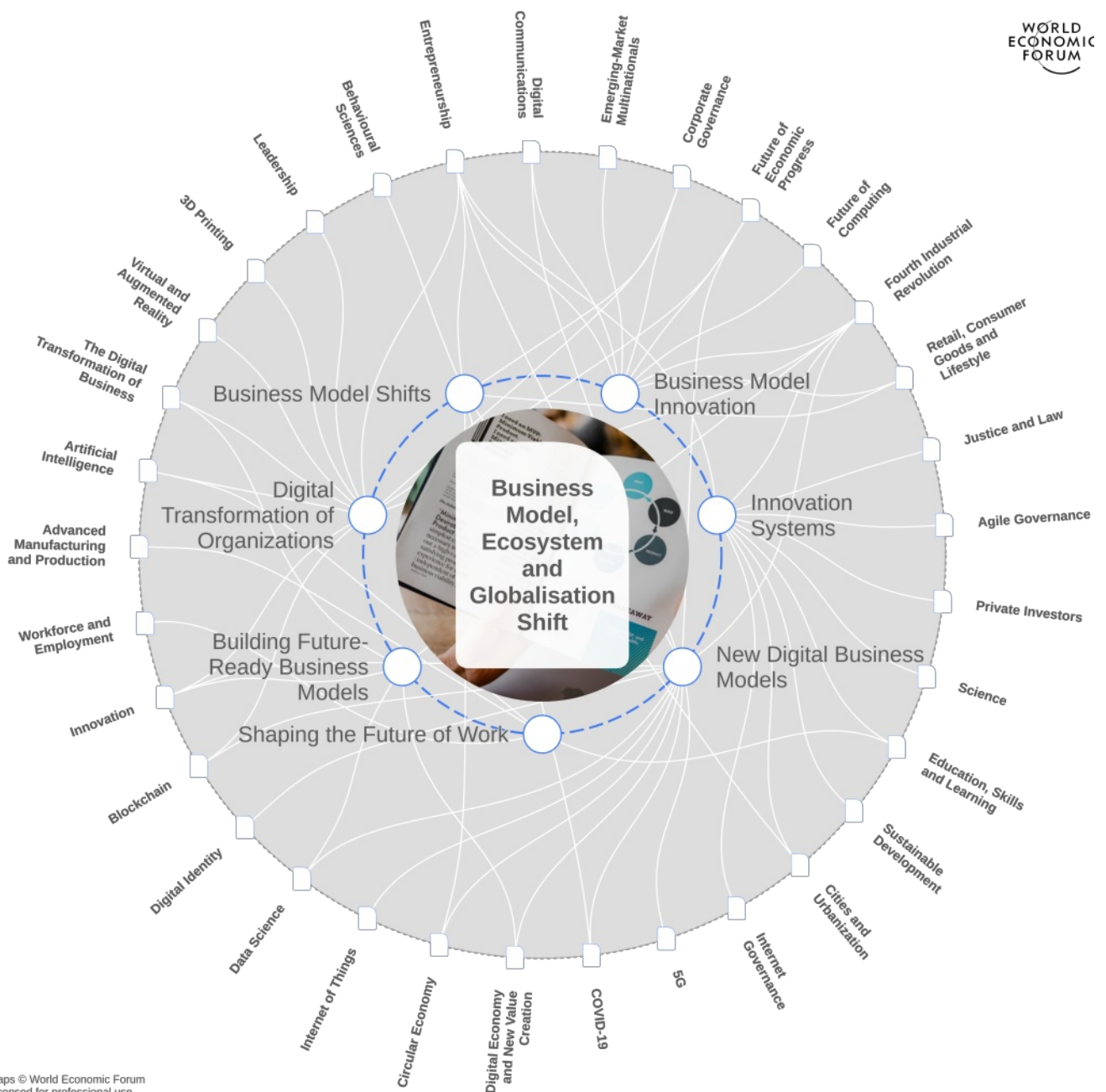


Business Model, Ecosystem and Globalisation Shift

Last review on Sat 01 January 2022

About

This dynamic briefing draws on the collective intelligence of the Forum network to explore the key trends, interconnections and interdependencies between industry, regional and global issues. In the briefing, you will find a visual representation of this topic (Transformation Map – interactive version available online via intelligence.weforum.org), an overview and the key trends affecting it, along with summaries and links to the latest research and analysis on each of the trends. Briefings for countries also include the relevant data from the Forum’s benchmarking indices. The content is continuously updated with the latest thinking of leaders and experts from across the Forum network, and with insights from Forum meetings, projects communities and activities.



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Executive summary

Business Model, Ecosystem and Globalisation Shift Intelligence Map - insights and perspectives curated by Digoshen via World Economic Forum Strategic insights and contextual intelligence.

1. Business Model Innovation

The internet has given us Netflix, freemium models and the rapid disappearance of physical shops.

2. Innovation Systems

Innovation does not occur in isolation, and requires a diverse cast of characters.

3. New Digital Business Models

Technology-enabled models can help companies provide value and build resilience.

4. Shaping the Future of Work

Companies are taking new approaches to shaping the workforce and workplaces.

5. Building Future-Ready Business Models

Business model choices and strategies will shape long-term growth and success-being.

6. Digital Transformation of Organizations

The average lifespan for traditional companies is declining, while the revenue share for 'digital ecosystems' is expanding.

7. Business Model Shifts

Shared and integrated mobility models are challenging the traditional car industry.

Business Model Innovation

The internet has given us Netflix, freemium models and the rapid disappearance of physical shops

Many successful innovators are said to have re-written the rules of their industry - which usually means that they managed to change accepted practices, and to disrupt established relationships. Although not all business model innovation involves new technology, a lot of it has been driven by information and communications technologies that both enable the rapid reconfiguration of value networks and give rise to new forms of value creation. The internet has altered distribution channels (compare Netflix's online content distribution with now-antiquated video rental stores), and enabled supply chain disintermediation; Dell and Amazon can now bypass traditional retail space and sell directly to consumers (according to a report published by Deloitte, a record annual total of 6,885 physical stores had already closed in the US during 2017 by December 1 of that year). The internet has also given rise to the "freemium" model for services and software; Dropbox, for example, makes basic file storage free but charges for additional capacity. Offshoring has also been a result, as things like basic IT functions move to relatively low-cost places like Bangalore. Another result: a proliferation of businesses, like Facebook, trafficking in personal data and advertising.

Business model innovation often flows from a unique take on customer needs, and on the best ways to satisfy them. The idea of software-as-a-service, for example, represented by offerings like Salesforce tools for businesses or Gmail, was driven by firms that realized customers do not necessarily care about owning software outright. Customer needs, however, are multi-faceted and often poorly articulated, making it a challenge for firms to judge whether or not a business model innovation has delivered what people actually want. As Clayton Christensen wrote in his 1997 book *The Innovator's Dilemma*, disruptive innovation of any sort will often first gain traction with a customer base that is difficult to identify (which is why many firms fatally ignore the threat of disruptive innovation until it is too late). There is some evidence that business model innovation may provide greater competitive advantage, and shareholder returns, than product or service innovation. However, successful business model innovation often requires simultaneous change in multiple parts of an organization, the development of all new competencies, and, potentially, the cannibalization of existing products or services.

Related insight areas: [Future of Computing](#), [Emerging-Market Multinationals](#), [Corporate Governance](#), [Fourth Industrial Revolution](#), [Digital Communications](#), [Future of Economic Progress](#), [Entrepreneurship](#), [Retail](#), [Consumer Goods and Lifestyle](#)



ETH Zürich
Freedom to fail
 17 December 2021

The Student Project House offers a model of what learning might look like in the future. With no course credits on offer, students are encouraged to develop critical thinking skills and to venture into unknown territory.



VoxEU
The impact of lean inventories
 17 December 2021

Just-in-time production has contributed to the decline in inventory holdings over the last several decades. Using US firm-level data, this column argues that just-in-time production creates a trade-off between firm profitability and vulnerability to large unexpected shocks. The theoretical analysis indicates that just-in-time production raises firm value by 1.3%. At the same time, amid a widespread supply disruption, a leaner economy experiences a deeper output contraction.



Frontiers
Editorial: Multi-Omics Technologies for Optimizing Synthetic Biomanufacturing
 15 December 2021

Industrial manufacturing endures as an essential human activity yielding a variety of useful products; it plays a significant role in the global economy with huge impacts in everyday life. However, the manufacturing process requires consumption of various raw materials (especially petroleum derivatives), generates a variety of harmful waste products, causes pollution, and is energetically inefficient. Biological manufacturing from sustainable, affordable, and scalable feedstocks potentially enables the displacement of the entire portfolio of currently available products produced by industrial processes, enabling the manufacturing of renewable and ecofriendly products (Clomburg et al., 2017).



MIT Sloan Management Review
Break Out to Open Innovation
 07 December 2021

Mercedes-Benz AG produces over 2 million passenger cars annually for a global market in the throes of transformation. Automakers are meeting new demands for electrification and connectivity, new competitors are arising, and customers have new expectations, such as the desire for sustainable mobility. All of these trends are driving the need to speed innovation in every facet of the automotive industry.



Harvard Business School Working Knowledge
The Popular Stock Metric That Can Lead Investors Astray
 06 December 2021

What if a bedrock method that investors have relied on for decades to find cheap-but-promising stocks to buy low and sell high no longer works well? The book-to-market ratio has been used since at least the Great Depression to identify undervalued stocks. It has become so detached from a modern economy driven by research and intellectual property that it no longer accurately signals so-called value stocks, suggests new research from Charles C.Y. Wang, Harvard Business School's Glenn and Mary Jane Creamer Associate Professor of Business Administration. Investors use book-to-market ratios to spot potentially underpriced stocks, and major stock indexes and institutional investors lean on the metric as well.



World Economic Forum
Innovating for Sustainability: The Entrepreneurs Who Could Save the World | Sustainable Summit 2021
 01 December 2021

With digitization helping emerging economies make up 57% of global trade by 2030, innovation and entrepreneurship remain critical in ensuring strong development action. Speakers: Allon Raiz, Kristin Hughes, Maren Hjorth Bauer, Lasse Lindqvist, Jennifer Blanke, Tom Birbeck, Job Oyebisi, Nivedha RM, Natasha Franck, William Kwende.



Wharton School of the University of Pennsylvania - Knowledge@Wharton
High-performing and Resilient Teams: Preventing Burnout
 30 November 2021

Nano Tools for Leaders® — a collaboration between Wharton Executive Education and Wharton's Center for Leadership and Change Management — are fast, effective leadership tools that you can learn and start using in less than 15 minutes, with the potential to significantly impact your success as a leader and the engagement and productivity of the people you lead. Contributor: Paula Davis, JD, MAPP, founder and CEO of the Stress & Resilience Institute, and author of the book *Beating Burnout at Work: Why Teams Hold the Secret to Well-Being and Resilience* from Wharton School Press. Improve team resilience and performance and reduce burnout by relying on less obvious sources of support. Much has been said (and written) about the importance of individual resilience as critical to success.

Innovation Systems

Innovation does not occur in isolation, and requires a diverse cast of characters

Innovation tends to involve a lot of players; innovation systems are composed of research institutions, universities, national laboratories, hospitals, corporations, startups, venture capitalists, and patent attorneys. The public sector can play a key role, in the form of funding bodies and intermediary organizations like technology transfer offices and accelerators (programs designed to turn raw startups into young companies). The ways in which these participants interact are complex, and subject to local quirks like tax breaks, regulations, patent treaties, and competition rules. They are also influenced by factors including the availability of codified knowledge (publications and standards). A lot of innovation policy has focused on filling institutional voids, improving innovation capability, and strengthening networks; in some countries, there are dedicated innovation agencies that aim to serve as system fixers by addressing failures in markets and networks, often without preference for specific technologies or sectors. Enterprise Singapore, for example, was formed in the city state in 2018 to champion entrepreneurial innovation while overseeing standards and accreditation.

A systemic view can be useful at the local level; people working with startups often refer to "startup ecosystems," for example, to describe the networks of organizations, both private and public, from which young enterprises can draw resources. Many efforts to improve entrepreneurship have focused on enriching these ecosystems with measures designed to facilitate connections and improve density. Innovation systems also exist in a narrower sense - many collective intelligence tools, such as wikis (websites developed and overseen by communities) and prediction markets enable people to make judgments that may be better than otherwise possible. It's important to note that the notion of an "innovation system" is different from "systems innovation" - the latter refers to the challenges of innovating by re-configuring complex systems, like national health care systems or financial systems, and is often challenging because it requires coordinated action by multiple actors while creating complex feedback loops that lead to unpredictable, and sometimes unintended consequences.

Related insight areas: [Sustainable Development](#), [Science](#), [Agile Governance](#), [Internet Governance](#), [Private Investors](#), [Fourth Industrial Revolution](#), [Cities and Urbanization](#), [Entrepreneurship](#), [Education](#), [Skills and Learning](#), [Justice and Law](#)



Eco-Business

The coolest sustainability innovations of 2021

20 December 2021

In a year beset with environmental and social problems made worse by a pandemic that refused to go away, scientists, engineers and other types of clever people found solutions to the world’s most pressing problems. From lab-grown furniture to net-zero alcohol, Eco-Business highlights the sustainability innovations that gave humanity a bit of hope in another troubling year.



MIT Sloan Management Review

How Customer Connections Can Help Drive Decision-Making for Marketers

15 December 2021

Connecting With Customers in the Age of Acceleration The pandemic forced companies to speed digital transformation and adapt to a virtual world. Customers are now rewarding those that offer the best experiences and engage authentically. To succeed in the next era, businesses and marketers must meet new expectations and build new strategies and skills. No organization has escaped the pandemic’s impact, but for many companies, the experience has allowed them to learn more about their own customers.



LSE Business Review

Where are business angels from?

09 December 2021

Business angels, those who invest in entrepreneurial ventures at a very early stage, play a key role for new business development, which can help improve a country’s productivity. But where are business angels from? Fei Qin, Tomasz Mickiewicz, and Saul Estrin write that people are more likely to become investors in entrepreneurial ventures when their peers have higher levels of ... Continued.



INSEAD Knowledge

The Unexpected Role of PE Firms in Reducing Within-Firm Pay Inequality

07 December 2021

The incentives that drive PE firms have an interesting by-product: a reduction in income inequalities, such as the gender wage gap. After the global financial crisis, private equity (PE) ownership was much maligned. Among other things, it has been blamed for the demise of Toys “R” Us, Payless Shoes and RadioShack. Even pop star Taylor Swift called out “the unregulated world of private equity” when accepting Billboard’s “Woman of the Decade” award in 2019. While there is ample evidence that PE firms excel in increasing the performance and efficiency of their portfolio companies, the question is: Do the benefits that accrue to shareholders come at the expense of other stakeholders, such as the workers, especially the most vulnerable ones?.



Asian Development Bank



03 December 2021



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World Economic Forum

Why failing can help build business - Lessons from 9 entrepreneurs

30 November 2021

It is widely known that the default state of a startup is failure. 90% of startups and 75% of venture-backed startups fail . Failing doesn't mean losing: here are the lessons from 9 entrepreneurs on why failure can help build business. The reasons vary from wrong product market fit, depletion of capital, bad partnership, regulatory hurdles to bad hiring and many more. These factors often function as multipliers in the startup world.



The Science Breaker

Flowering plants outcompeted conifers

26 November 2021

It is commonly accepted that the burst in diversity of flowering plants, between 125 and 80 million years ago, had a negative impact on the diversity of other plant groups such as conifers (plants with cones). The diversity of conifers is strongly linked to the increasing diversity of flowering plants since 66 million years ago, thus attesting to the role of competition between plants.

New Digital Business Models

Technology-enabled models can help companies provide value and build resilience

Most executives see innovation as critical for their business. And, according to the McKinsey Global Innovation Survey, 80% think their current business models are at risk of disruption. COVID-19 has only accelerated the shift to online and touchless experiences, and spurred innovative uses of technology and data that will increasingly underpin business models. Digital subscription models, like Dollar Shave Club or Netflix, have already risen to prominence, as have on demand models like Uber or TaskRabbit - while technology has made it increasingly easy to adopt platform models upon which users and even other companies can build their own presence (examples include Facebook or YouTube). The World Economic Forum estimates that 70% of the value created over the coming decade will be based on digitally-enabled platform business models, due to the rapid digitalization of economies around the world. Collaboration can also unlock value - research shows that digital “ecosystems” are expected to account for more than 30% of global corporate revenue by 2025. One example is Project Connected Home, a joint effort led by Amazon, Apple, Google and the Zigbee Alliance to set standards for smart home technology.

“As-a-service” business models are an increasingly prevalent and effective way for companies to turn what might otherwise be one-off purchases into more predictable, longer-term, and typically larger revenue streams. Microsoft, for example, now offers its Office 365 product through software-as-a-service subscriptions, as an alternative to purchasing an entirely new version of Office every few years. Meanwhile Amazon offers its AWS product in a way that provides infrastructure as a service (IaaS) on a subscription basis. Thanks to increased digital connectivity and internet use, there has been a surge of data that can potentially provide value not just to companies but to society in general. Many companies are exploring innovative ways to unlock the value of this data in a responsible way by embedding trust, privacy, and security into their models. A company called Points Technology has for example used a confidential computing framework based on TEE (trusted execution environment) and other encryption technology to make data usable but not visible - in order to ensure privacy, security, and compliance when it comes to banking, government-led data-sharing initiatives, and marketing campaigns.

Related insight areas: [Future of Economic Progress](#), [Digital Identity](#), [Entrepreneurship](#), [Fourth Industrial Revolution](#), [COVID-19](#), [Internet of Things](#), [Data Science](#), [Blockchain](#), [Digital Communications](#), [Digital Economy and New Value Creation](#), [5G](#), [Circular Economy](#), [Innovation](#)



Asian Development Bank
Harnessing Digitalization for Sustainable Economic Development: Insights for Asia

24 December 2021

Harnessing Digitalization for Sustainable Economic Development: Insights for Asia describes digitalization's role in raising the productive capacities of economies. It examines how digital transformation can enhance trade, financial inclusion, and firm competitiveness, as well as how greater digital infrastructure investment, internet connectivity, and financial and digital education in the region can maximize digitalization's economic benefits. It also explains the importance of striking the right balance between the regulation and supervision of financial technology to enable innovation and safeguarding financial stability and consumer protection. Part I of the book seeks to build an understanding of digitalization's effects on macroeconomic performance, including through trade channels and financial inclusion.



RAND Corporation
Cognitive Behavioral Intervention for Trauma in Schools (CBITS) for American Indian Youth

22 December 2021

The Cognitive Behavioral Intervention for Trauma in Schools (CBITS) program helps students exposed to traumatic events who are experiencing emotional or behavioral problems. This tool is an adaptation of the CBITS program for American Indian youth.



Asian Development Bank
Digital Technologies for Government-Supported Health Insurance Systems in Asia and the Pacific

22 December 2021

DIGITAL TECHNOLOGIES SAMPLE OF A TWO-DECK FOR GOVERNMENT PUBLICATION TITLE SUPPORTED HEALTH PUBLICATION SUBTITLE INSURANCE SYSTEMS IN ASIA AND THE PACIFIC JUNE 2021 DECEMBER 2021 ASIAN DEVELOPMENT BANK DIGITAL TECHNOLOGIES FOR GOVERNMENT SUPPORTED HEALTH INSURANCE SYSTEMS IN ASIA AND THE PACIFIC DECEMBER 2021 ASIAN DEVELOPMENT BANK Creative Commons Attribution 3.0 IGO license (CC BY 3.0 IGO) © 2021 Asian Development Bank 6 ADB Avenue, Mandaluyong City, 1550 Metro Manila, Philippines Tel +63 2 8632 4444; Fax +63 2 8636 2444 www.adb.org Some rights reserved. Published in 2021.



Project Syndicate
Fixing Global Trade Finance

21 December 2021

The smaller the business, the more difficult it is to navigate the complexity, fragmentation, and opacity of today's trade-finance system. But more digital interconnection would greatly benefit micro, small, and medium-size enterprises and hence the global economy, too.



World Economic Forum
How 4IR is encouraging the development of people, not just machines

20 December 2021

New manufacturing opportunities are expected to create 133 million jobs in the next four years due to the Fourth Industrial Revolution (4IR), but an estimated 75 million jobs are likely to be lost to technology development at the same time. Manufacturers must prioritise their people and their technology to thrive in the 4IR age. Emerging best practice in this area involves attracting and engaging with talent, and working with third parties to develop the skills of both current and future employees, as well as third parties such as suppliers. We live in one the most exciting ages ever – the age of the Fourth Industrial Revolution (4IR).



McGill University
New Normal: How the Pandemic Changed Shopping Forever with Mehmet Gumus

16 December 2021

How we shop today certainly isn't the same as it was before March 2020. The COVID-19 pandemic launched a swift if unsteady shift in shopping habits—and retailers quickly learned that adaptation was essential to survival. In episode 4 of the second season of the "New Normal" podcast series, Professor Mehmet Gumus from the Desautels Faculty of Management at McGill University joins journalist Dave Kaufman to discuss how the COVID-19 pandemic helped to speed up the shift in how people shop and consume, what the future of brick-and-mortar establishments might look like, and the increasing role of omnichannel shopping in the everyday shopping experience of the consumer.

Shaping the Future of Work

Companies are taking new approaches to shaping the workforce and workplaces

New technologies, demographic shifts, and the impact of COVID-19 on the labour market have been radically transforming the ways organizations conduct business - and the skills needed to help them thrive. Nearly 50% of companies expected that by 2020 automation would lead to some reduction in their full-time workforce, and more than half of all employees will require significant re- and upskilling, according to the World Economic Forum Future of Jobs 2020 report. The pandemic has exacerbated these trends, and increased the need for large-scale, informed, and collaborative action.

The Forum's initiative on the future of work argues for the development of more innovative, large-scale upskilling, reskilling, and redeployment initiatives. Companies have both an opportunity and a mandate to be in the driver's seat of this transformation, given that upskilling and reskilling at scale can enhance the economic dynamism of their businesses. At the same time, it can create an ecosystem that ensures all workers are employable and productive.

KEY INSIGHTS FROM THE DISCUSSIONS

According to a survey by Manpower Group, digitization appeared as the greatest indicator of job creation. Of those companies digitizing 86% intend to hire, while among those choosing not to digitize only 11% intend to hire. COVID-19 has fostered "super-employers" - in the US, the top 10% of companies represent 13% of all jobs, and 30% of all blue-collar jobs.

Companies need to focus on the reskilling pathways between jobs that are disappearing, and the new ones that are being created. Most people have more skills than they give themselves credit for, based on self-evaluation - and it is not that hard to retrain people for adjacent jobs. People also are more easily trained in areas they are passionate about.

Reskilling internally is good for profitability, as recruiting externally is 63% more expensive. Half the costs related to severance can be saved by reskilling instead of firing.

Employee well-being has to be a top priority. Microsoft surveyed 30,000 people in 31 countries and observed that 70% prefer hybrid models of work. 1 in 5 said their employers does not care about their work/life balance, while 54% feel overworked, and 39% feel exhausted.

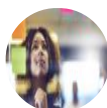
A key challenge is to address the differentiated effects of remote/hybrid

working on people of different genders and ages. For example, young people said they are struggling the most in a virtual environment, due to the loss of networking opportunities.

Defining what the best use of the office is will be key. Will this be the place for networking, meetings, and ideation? Managers working in a hybrid workplace require different skillsets. How do you ensure productivity? There is no one-size-fits-all solution for hybrid work, as it depends on culture, size of the organization, and type of work.

95% of the global population is not going to be part of this reskilling revolution - how do we address non-white collar jobs?

Related insight areas: [Workforce and Employment](#), [Education, Skills and Learning](#), [Advanced Manufacturing and Production](#), [Artificial Intelligence](#)



[MIT Sloan Management Review](#)
Management Articles for Starting the New Year

27 December 2021

As we head into a new year, leaders at all levels in the organization can benefit from reflecting on areas for improvement in the months to come. From handling leadership transitions to taking the time to learn new skills, the following five articles from MIT SMR 's library offer numerous insights from leadership experts across the globe. Get Updates on Transformative Leadership Evidence-based resources that can help you lead your team more effectively, delivered to your inbox monthly. Please enter a valid email address.



[VoxEU](#)
Inflation narratives

23 December 2021

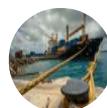
Inflation has recently surged in both the US and the EU. This column uses responses from surveys of a representative sample of the US population as well as academic economists and US firm managers to show that households and managers are more likely than experts to think that the current surge in inflation will be persistent. Since the narratives individuals use to explain movements in inflation appear central to whether inflation expectations remain anchored, communication strategies by policymakers could put emphasis on specific narratives that highlight that inflationary pressures are unlikely to persist.



[World Economic Forum](#)
How digital tracing can reduce industrial carbon emissions

15 December 2021

Decarbonizing indirect greenhouse gas emissions from industry is a big challenge. Digital tracking and tracing of materials and goods effectively, reliably and responsibly could help reduce emissions. Carbon emissions information must be detailed and easy to disclose if companies are benefit from the competitive advantage that better end-to-end traceability can offer. Despite the multiple calls for action from climate scientists and civil society, evidence reported daily suggests current pledges are not enough to stop the climate crisis. The industrial sector is failing and companies must act now if we want to limit the temperature rise to 1.5° C and meet the most recent goals set at COP26 .



[Asian Development Bank](#)
The World's Struggling Supply Chains Need Greater Transparency to Speed Recovery

14 December 2021

Current blockages in some supply chains are raising questions about the complexity and importance of these networks. Is a given supply chain robust enough to keep operating through a crisis, or even through a minor strain in the chain? Are workers throughout the chain treated fairly? Do all companies in a chain maintain proper environmental standards? In too many cases, answers to these and similar questions are often unobtainable at the moment.



[Project Syndicate](#)
The Great Labor Market Shakeup

06 December 2021

The COVID-19 pandemic has restructured entire industries and changed the way workers think about their jobs, especially in low-paid occupations and sectors. But a full recovery in employment is still possible: policymakers and employers need only offer workers the support they are demanding.



[Project Syndicate](#)
Omicron and What Comes Next

01 December 2021

Many governments' initial reaction to the appearance of the new COVID-19 variant – attempting to ban travel from South Africa and neighboring countries, even though it had already spread far and wide – seems a bit desperate. In fact, governments may be better prepared than they think for whatever comes next.



[London School of Economics and Political Science](#)
The US may be stuck with higher inflation in 2022, and potentially beyond

25 November 2021

As the world economy begins its recovery from the COVID-19 pandemic, year-on-year inflation rates have reached their highest levels in over three decades. Will this increased inflation be temporary or is it here to stay? To address these questions, Patricia Sanchez Juanino, Corrado Macchiarelli and Barry Naisbitt discuss US inflation scenarios for the next 18 months. They find it likely [...].

Building Future-Ready Business Models

Business model choices and strategies will shape long-term growth and success-being

Successful companies look beyond linear value chains and industry boundaries, to create dynamic value “maps.” They use technology to encourage collaboration, and create shared value in broader digital ecosystems. Instead of well-defined value pools and homogenous competitors, these companies thrive in networked, overlapping value pools with heterogeneous competitors. They invest in creating value that delivers for both the business and all of its stakeholders.

A Forum report published in 2020 highlighted the accelerating shift to “digital-at-the-core” business models - adaptive, data-led, asset-light, and based on services rather than products. Instead of extending traditional models and channels (such as brick-and-mortar stores) while enabling digital channels, companies are orchestrating entirely digitally-enabled platforms and marketplaces.

KEY INSIGHTS FROM THE DISCUSSIONS

For many firms, there has been more change over the past 12 months than over the previous decade. What has occurred is an acceleration of trends that were already underway, rather than entirely new concepts. Organizations that were already planning for the future were well positioned to quickly adapt.

Platform or ecosystem approaches to value creation require a mindset shift for most firms, which were not built to collaborate and share. At the same time, the speed of digital transformation during the pandemic has highlighted the importance of organizational cultures that foster innovation, and education on new tech and business models across organizations - especially at senior levels.

Future-ready organizations are enabling greater flexibility and upskilling across workforces. For example, Publicis launched an internal “gig marketplace” that has enabled greater mobility for the organization and cross-skilling for employees.

In order to avoid disruption, one approach is to view compliance as an opportunity for innovation. NatWest, for example, has seen complying with open banking data-sharing requirements as a strategic opportunity to rethink how products are designed and delivered.

Increasingly, countries will need to bridge the digital divide to build inclusive economies (through initiatives like the EDISON Alliance). They will also need policy and regulatory frameworks that can quickly adapt to new technologies and business realities.

Across industries there is a desire to retain cultural habits that

have emerged over the past year, such as greater collaboration and moving at speed. ESG and purpose have also come to the forefront and the hope is for them to remain there. Additionally, there is a strong sentiment that this is the time to double down on investments, not the time to withdraw, in order to properly invest in the future.

When asked about business model opportunities, more than 63% of participants selected “alignment with environmental sustainability goals,” 56% selected both “increased value from digital platforms and marketplaces” and “value from data-sharing and collaboration,” 53% selected “expanding digital ecosystem and partnerships,” and 34% chose “data/AI-driven customer insights and personalization.”

Related insight areas: [Data Science](#), [Digital Economy and New Value Creation](#), [Fourth Industrial Revolution](#), [The Digital Transformation of Business](#), [Innovation](#)



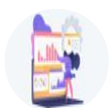
[MIT Sloan Management Review](#)
The Top MIT SMR Articles of 2021
 21 December 2021

In December 2020, the first highly anticipated doses of COVID-19 vaccines arrived, sparking hope that 2021 might bring a fresh new start less burdened by the pandemic. Since January, the world has made huge strides in managing the pandemic — but coronavirus variants have advanced as well. Thanks to the delta variant, the Great Office Return expected in September seemed to peter out before it began, landing us at the end of another year characterized by constant adjustment, reorientation, and shifting plans. In 2021, readers unsurprisingly gravitated toward articles about leading through a pandemic-changed world, understanding an unpredictable supply chain, and managing remote and hybrid teams.



[Center for Global Development](#)
Economics & Marginalia: December 17, 2021
 17 December 2021

Hi all, It feels fitting that the last links of the year (for such is this salvo of egregious geekery) should start with the crushing disappointment that the English test cricket team so reliably brings (rivalled only in its consistent mediocrity by the English political establishment, currently nursing very tender nether-regions from the kicking it took in North Shropshire, even if their assessment of the situation is essentially a slightly amended version of the Scooby-Doo villain’s refrain: “I’d have gotten away with it if it weren’t for that pesky media!”).



[MIT Sloan Management Review](#)
How Marketers Can Address Data Challenges to Drive Growth
 08 December 2021

Connecting With Customers in the Age of Acceleration The pandemic forced companies to speed digital transformation and adapt to a virtual world. Customers are now rewarding those that offer the best experiences and engage authentically. To succeed in the next era, businesses and marketers must meet new expectations and build new strategies and skills. Imagine that you have just been promoted to manager at a large food company and will be in charge of a popular candy brand primarily sold in grocery stores.



[Asian Development Bank \(ADB\)](#)
ADB Insight: Global Value Chains (Full Episode)
 03 December 2021

Global value chains played a big role in lifting millions out of poverty in Asia. For the past few decades, Asia and the Pacific’s robust production of goods and services boosted the region’s growth. However, global value chains also face unprecedented challenges. The coronavirus disease (COVID-19) pandemic severely strained global value chains.



[Asian Development Bank](#)
Can Online Learning in Nepal Outlive the COVID-19 Pandemic?
 03 December 2021

When the Government of Nepal announced a nationwide lockdown on 18 March 2020 to curb the spread of the COVID-19 pandemic, teaching learning processes in the majority of Nepal’s schools (both public and private) came to a complete halt. Nepal had faced a similar situation in April 2015 when a strong earthquake struck western and central Nepal, leading to a complete closure of schools for at least five weeks in the affected areas. Nepal also faces seasonal, localized school closures in the southern plains during the monsoons (when school communities are affected by flooding and inundation) and in the northern mountains due to heavy snowfall and drop in temperatures in the winters. None of these closures have been as devastating to teaching-learning as the ongoing COVID-19 pandemic.



[Asian Development Bank \(ADB\)](#)
Launch of the Global Value Chain Development Report 2021: Beyond Production
 02 December 2021

A radical shift is underway in global value chains as they increasingly move beyond traditional manufacturing processes to services and other intangible assets. Digitization is a leading factor in this transformation, which is being accelerated by the coronavirus disease (COVID-19) pandemic. The Global Value Chain Development Report 2021, the third of a biennial series, explores this shift Beyond Production. This report shows how the rise of services value chains offers a new path to development and how protectionism and geopolitical tensions, environmental risks, and pandemics are undermining the stability of global value chains and forcing their reorganization geographically.

Digital Transformation of Organizations

The average lifespan for traditional companies is declining, while the revenue share for 'digital ecosystems' is expanding

The Fourth Industrial Revolution has reshaped entire industries - as sources of value shift across value chains and accelerate the need for greater agility, adaptability, and transformation.

According to McKinsey & Company, an emerging set of "digital ecosystems" modelled after firms like Facebook and Airbnb could account for more than \$60 trillion in revenue by 2025, or more than 30% of all global corporate revenue. Traditional organizations need to quickly reimagine ways to create and capture new business value in the face of this digital disruption. The average tenure of a company in the S&P 500 Index of large, US-traded firms is expected to decline from 24 years in 2016 to 12 years by 2027, as corporate leaders deal with an unprecedented combination of disruptive technologies, changing customer behaviour, and an impending climate crisis. However, disruptive technologies are also creating significant new value opportunities. Advanced 5G telecom networks are expected to generate more than \$600 billion in new business by 2026, for example, while the market for distributed "edge" computing is expected to more than triple between 2019 and 2024, to \$9 billion.

People increasingly expect technology to be personalized, convenient, and on-demand; and, according to the research firm Nielsen, nearly half of all consumers are now more likely to try new brands than they were five years ago. These people also expect companies to play a constructive role in society. According to a study published by Accenture, 62% of consumers say their purchasing consideration is driven by a company's ethical values and authenticity, and 74% want more transparency on companies' stances on environmental and social issues, and on how they source their products and ensure safe working conditions. In response, many business leaders have transformed their organizations to create new value. While nearly 96% of organizations are in some phase of transformation, according to research firm IDG, and 90% of enterprises have already adopted a "digital-first" business strategy, the results have so far been mixed; less than half of executives now believe they can extract and maintain the planned value from their transformation initiatives. Companies of all types now have a shared opportunity to exchange information and co-create new frameworks, tools, and partnerships to successfully transition to a new business normal.

Priorities for collaboration:

-Accelerate successful business transformation to respond to technological and social disruption.

-Identify collective learnings and strengthen collaboration across industries.

-Co-create new insights, models, decision frameworks, and tools.

Related insight areas: [3D Printing](#), [The Digital Transformation of Business](#), [Fourth Industrial Revolution](#), [Entrepreneurship](#), [Virtual and Augmented Reality](#), [Leadership](#), [Corporate Governance](#), [Innovation](#), [Blockchain](#), [Artificial Intelligence](#), [Future of Economic Progress](#)



Asian Development Bank

COVID-19, Digital Transactions, and Economic Activities: Puzzling Nexus of Wealth Enhancement, Trade, and Financial Technology

29 December 2021

ADB Working Paper Series COVID-19, DIGITAL TRANSACTIONS, AND ECONOMIC ACTIVITIES: PUZZLING NEXUS OF WEALTH ENHANCEMENT, TRADE, AND FINANCIAL TECHNOLOGY Muhammad Ayub Khan Mehar 1294 December 2021 Asian Development Bank Institute Muhammad Ayub Khan Mehar is an economic advisor at the Employers' Federation of Pakistan in Karachi. The views expressed in this paper are the views of the author and do not necessarily reflect the views or policies of ADBI, ADB, its Board of Directors, or the governments they represent. ADBI does not guarantee the accuracy of the data included in this paper and accepts no responsibility for any consequences of their use. Terminology used may not necessarily be consistent with ADB official terms. Working papers are subject to formal revision and correction before they are finalized and considered published.



Brookings

Digital health tools for pandemic preparedness

28 December 2021

Steve Davis and Pardis Sabeti discuss the uptake of participatory digital health tools for pandemic preparedness and response. Davis and Sabeti moderated Room 3 focused on Sustainable Development Goal number 3—on good health and well-being—during the 2021 17 Rooms process.



Asian Development Bank

Managing the Development of Digital Marketplaces in Asia

22 December 2021

This book examines the scope, potential benefits, and challenges of digital platforms in Asia and the Pacific. It proposes measures and policies to help maximize social and economic gains while alleviating adverse effects.



SpringerOpen

Measuring migration 2.0: a review of digital data sources

21 December 2021

The interest in human migration is at its all-time high, yet data to measure migration is notoriously limited. “Big data” or “digital trace data” have emerged as new sources of migration measurement complementing “traditional” census, administrative and survey data. This paper reviews the strengths and weaknesses of eight novel, digital data sources along five domains: reliability, validity, scope, access and ethics. The review highlights the opportunities for migration scholars but also stresses the ethical and empirical challenges. This review intends to be of service to researchers and policy analysts alike and help them navigate this new and increasingly complex field.



ETH Zürich

Watch out for fakes

17 December 2021

ETH alumna Leonie Flückiger is blazing a trail through the male-dominated world of tech start-ups with her company Adresta, which uses a blockchain-based certificate to authenticate luxury timepieces. She hopes to encourage other women to follow in her footsteps.



Project Syndicate

Imagining a Global Digital Order

16 December 2021

In the absence of universal basic standards and rules for how data is used and how digital markets operate, the world risks missing out on potential solutions to global problems that new technologies have to offer. The leading digital powers must recognize that more alignment is in everyone's best interest.



RAND Corporation

The global digital skills gap

15 December 2021

The overarching aim of the research was to better understand at a macro level whether and why the digital skills gap is widening, its implications for digital and social inequalities, and what various stakeholders are doing in response.

Business Model Shifts

Shared and integrated mobility models are challenging the traditional car industry

The increasing pace of life, technology innovation, and evolving customer expectations are creating demand for new business models that provide access to cars, rather than ownership - and this is already having an impact on vehicle sales volumes. Millennials, for example, have proven to be more pragmatic about car buying than previous generations, and have a relatively lower rate of car ownership. It is possible that we may have even reached peak auto sales, at least in developed markets. Sharing economy-related mobility services include e-hailing (US-based Uber, or China-based Didi), carpooling (France-based BlaBlaCar), and parking and fleet management (US-based Luxe or Netherlands-based LeasePlan). The technologies underpinning these services are empowering consumers, and challenging the traditional sales and servicing model relied upon by car dealerships.

As urban populations expand - 66% of the world's population will be living in cities by 2050, compared with 54% in 2014, according to a United Nations estimate - demand for urban transport and automobile access (if not automobile purchases) will only increase. That will present a new set of social and environmental challenges, which can be addressed with an intelligent mix of new operating models that are based on sharing and increased asset utilization. Relatively young companies are also applying technology innovation in order to revamp traditional auto industry models. The website TrueCar, for example, is bringing transparency to the new car-buying process by showing people how much others have paid for a car they are interested in purchasing. Meanwhile a new generation of automotive insurers are offering peer-to-peer products that leverage social media in order to enable group purchasing of policies, thereby reducing administrative costs and dividing up risk.

Related insight areas: [Behavioural Sciences](#), [Circular Economy](#), [Corporate Governance](#), [Cities and Urbanization](#), [COVID-19](#), [Entrepreneurship](#), [Retail](#), [Consumer Goods and Lifestyle](#)



GreenBiz

What battery swapping could mean for corporate fleets

07 December 2021

One of the biggest challenges to electrifying a fleet of vehicles — aside from adjusting to the range and limitations of the vehicles themselves — is building up the expensive charging infrastructure to support it. A California startup is making a pitch for a solution that almost negates the need for charging infrastructure entirely: battery swapping. "The idea is very, very simple, which is instead of trying to move energy in energy form ... you move energy physically," said Khaled Hassounah, co-founder and CEO of Ample.



Bocconi Knowledge

Circular Economy Will Make Electric Buses the Best Economic Choice in Four Years

16 November 2021

A study by the Bocconi GREEN center with the collaboration of ENEL Foundation revisits the cost calculations, taking into account the possible revenues from the connection of batteries to the grid and their second life.

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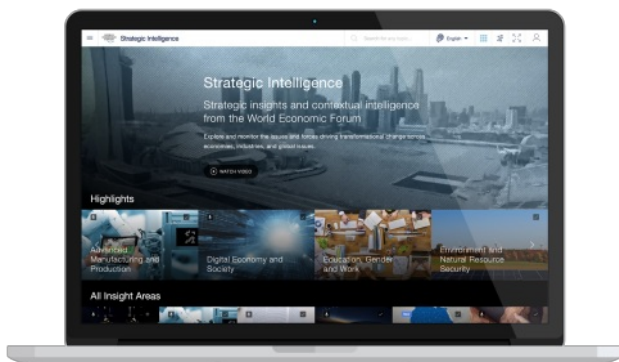
In today's world, individuals and organizations can find it difficult to keep up with the latest trends or to make sense of the countless transformations taking place around them.

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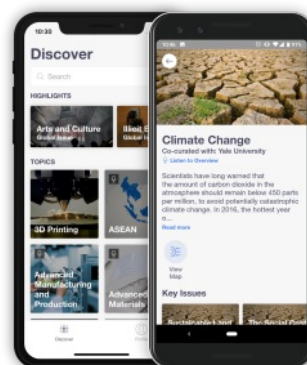
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