IT industry must embrace digitisation

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ET'S begin by considering a happy thought in the New Year. The Global Innovation Index 2016 (GII)—the rankings report released recently by Cornell University, INSEAD and World Intellectual Property Organization (WIPO)—rated India number one in the world as the primary exporter of information and communication technology services, suggesting further that the country has all the makings to become a global hub of innovation. These rankings partly confirm that India is beginning to recognise that new inventions and discoveries are as crucial as services because they can complement national development programmes such as Make in India, Smart Cities and Digital India to truly help India make its great leap forward.

The past year bears witness to the results of a slew of measures undertaken over the last two years by the government to usher in transformation in governance and accelerate socio-economic development through the optimum use of intelligent technologies and networks, including those that sit on the cloud.

Digital India, the government's flagship umbrella programme, has already triggered significant growth in the expansion of technology infrastructure in India to help address, among other things, the challenge of last mile access, provide location-specific Wi-Fi access in educational institutions and the public Wi-Fi, and finally develop applications that provide cloud-based services on-demand to citizens.

In terms of numbers, however, the IT industry had a somewhat mixed year in 2016. This appears to have put major IT vendors under pressure. But analysts at Gartner India predicted in November a somewhat optimistic forecast for software spending at 12.8% buoyed by emerging digital business

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strategies that Indian firms were quickly adopting.

Indeed, among other things, these numbers and other trends indicate that digitisation will dominate much of how we work, play and live next year. In 2017, new economic models will emerge to create the optimum conditions that public-private partnerships need to create sustainable and connected infrastructure like smart cities, among others.

India's private, public and government sectors have been making use of digital technologies like the Internet of Things (IoT) and cloud computing in traditional strategic growth sectors such as manufacturing and power, but they are now well-poised to succeed in domains such as smart cities, healthcare, water, education and agriculture, where India has the potential to be a global leader.

Cities, as history shows, are the hotspots that drive growth in an increasingly inter-connected economy. Cities matter to India because of their present stage of development, especially because future growth, which must come from industries, must be generated from India's cities and towns. In this context, the government has rightly demonstrated its intent to walk the talk on urban planning. The plan to build 100 smart cities that sit on an advanced, digital backbone mirrors the high priority that the government has attached to the role of a technology-led, city-based economy in the broad framework of India's new development paradigm.

In the truest sense of the phenomenon, in 2017, we could be witnessing the early signs of what is being called "smart life in an interconnected world", where technology will be the gateway to our lives. For instance, a fully 'intelligent' and 'networked' home in a smart city implies that electrical systems will

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now be linked with electronic gadgets such as TVs and refrigerators, while a solar-based electrical system 'knows' when to put the TV on standby mode as it maintains a log of your schedule when you are at home.

The Indian digital experiment is not a new phenomenon anymore. There already are many proof points in India's marketplace. Cloud-based email and mobile applications are helping ease healthcare delivery services, often making them much more effective, while farmers are already beginning to apply the cloud to access data literally in the middle of a harvest.

India's e-commerce and online retail sector is another good case in point. The success of e-commerce enterprises such as Makemytrip.com, Flipkart.com and Bookmyshow.com have shown how they have benefited by, for instance, the unlimited potential of the Oracle Cloud. A new forecast by Forrester Research recently said India is the fastest-growing e-commerce market in the Asia Pacific region, but adds a cautionary note about its underdeveloped logistics and challenging last-mile connectivity, including a cash-based culture that still poses a huge challenge.

At Oracle, we foresee digitisation and how it perfectly ties in with our vision for the cloud years ago. Today, it is starting to make its presence felt by allowing Indian companies and individuals to become far more agile and productive as they scale up and down with significantly higher elasticity across compute, storage and workforce environments. It is also helping India become far more competitive in the global marketplace. In 2017, as digitisation expands further, Indian companies will tweak their strategies to grow their revenues from new digital technologies to gradually offset the decline in revenues in traditional IT businesses.