

The art of software

THE NEW ROUTE TO VALUE
CREATION ACROSS INDUSTRIES

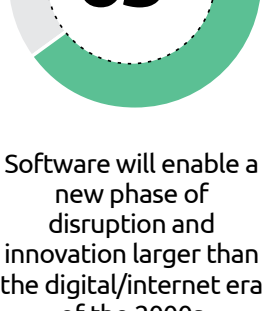
Software is redefining the future of organizations – their competitive advantage and the markets they operate in

Software is fundamentally changing the way businesses operate

% OF ORGANIZATIONS AGREEING TO THE STATEMENTS BELOW...



Software is critical to our future product/service strategy and roadmap



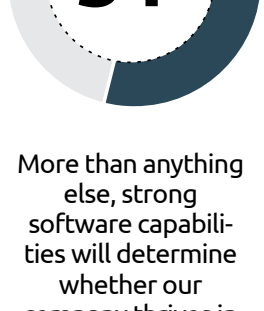
Software will enable a new phase of disruption and innovation larger than the digital/internet era of the 2000s



Software capabilities offer a greater competitive advantage in our industry than those offered by hardware



Our organization will lose market share in the next five years if we don't invest now in software skills and technology



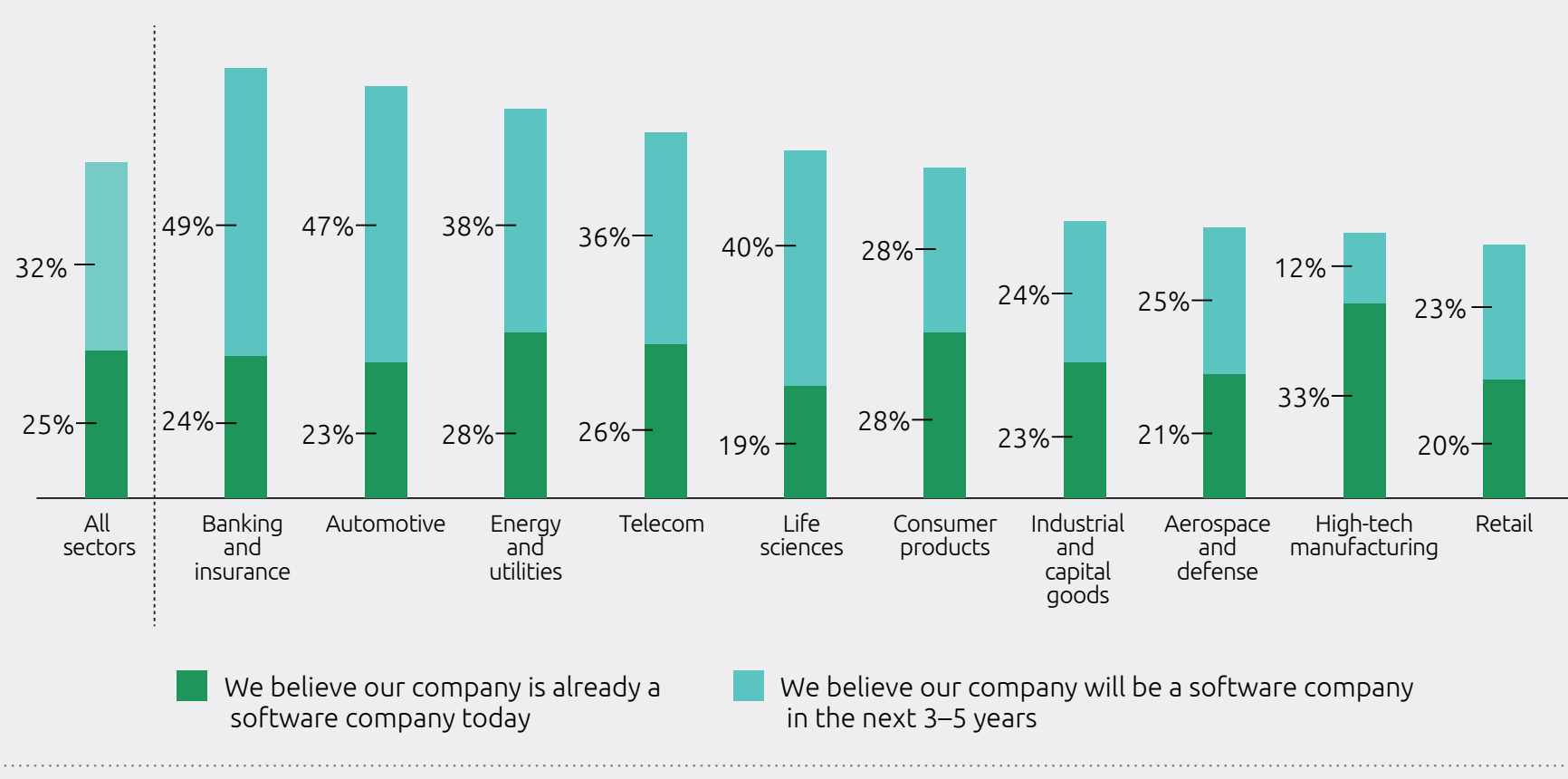
More than anything else, strong software capabilities will determine whether our company thrives in the coming years

Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,500 organizations.

The imperative of software adoption has driven organizations to transform themselves into software companies

One in four organizations from traditional sectors already considers itself to be a 'software' company*

% OF ORGANIZATIONS AGREEING TO THE STATEMENTS BELOW...

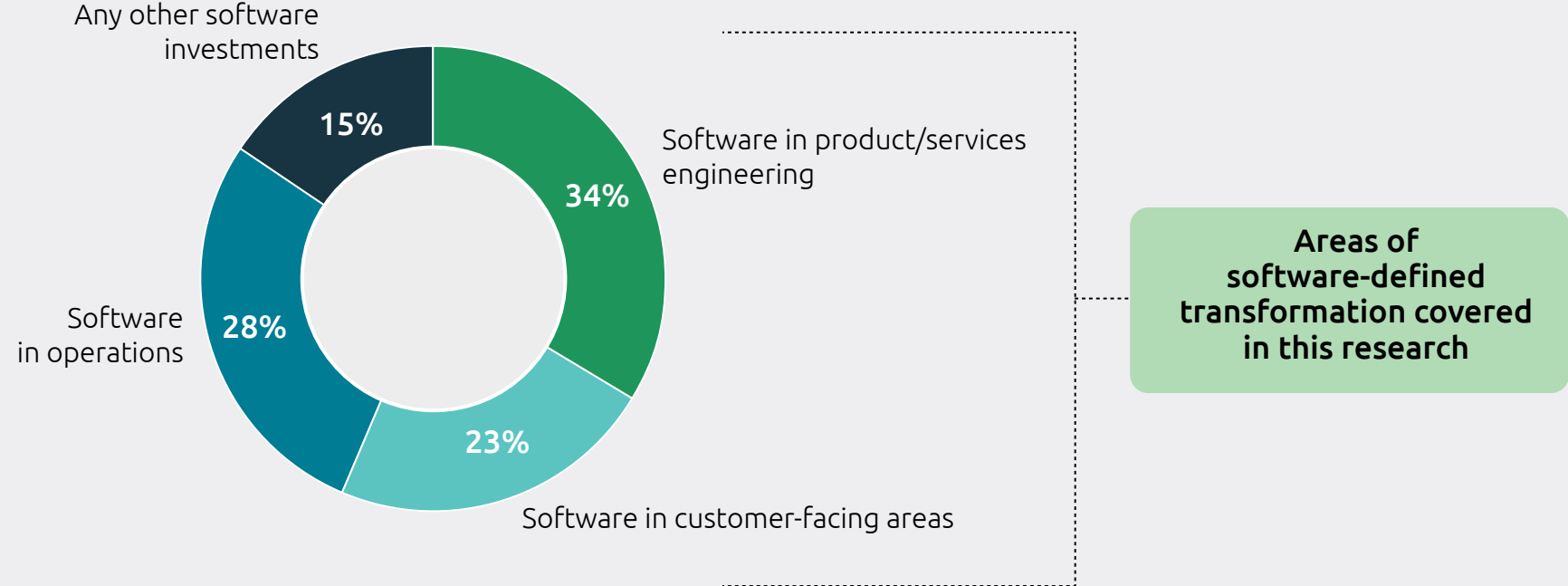


*By "being a software company," we mean that organizations are reconstructing their business models around software and, in doing so, transforming their business processes, organizational structures, and revenue models.

Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,500 organizations.

More than one-third of software investments focus on product or services engineering

SOFTWARE INVESTMENTS, SPLIT BY FUNCTIONAL AREA

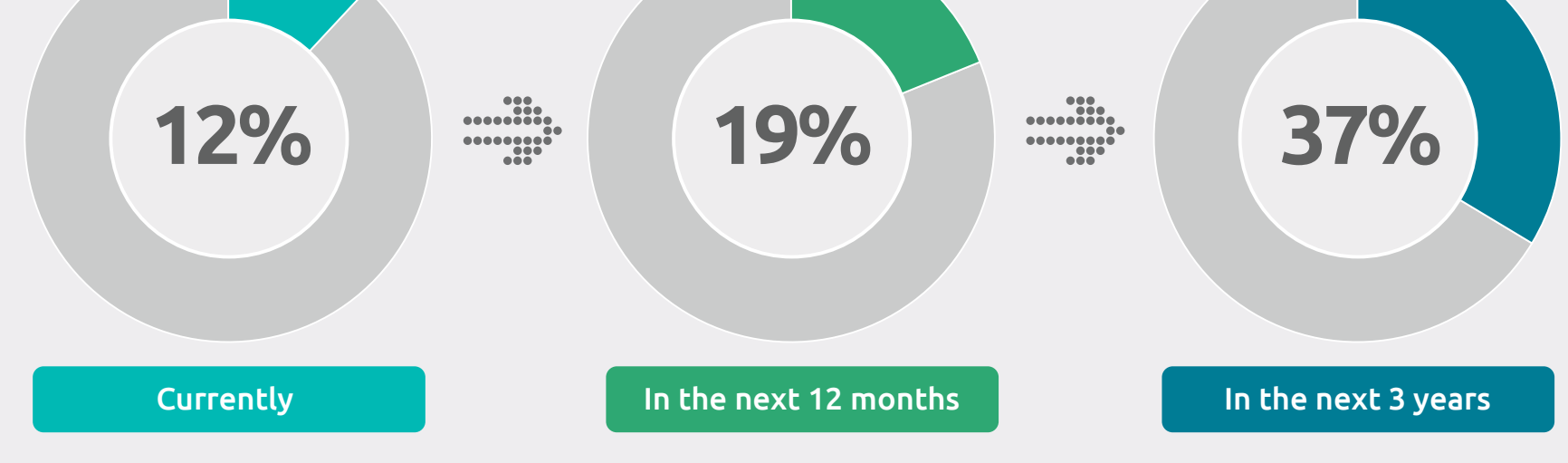


Areas of software-defined transformation covered in this research

Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,500 organizations.

In the next 12 months, organizations expect 1 in 5 lines of code to be generated with assistance from Generative AI

% OF CODE GENERATED THROUGH ASSISTANCE FROM GENERATIVE AI



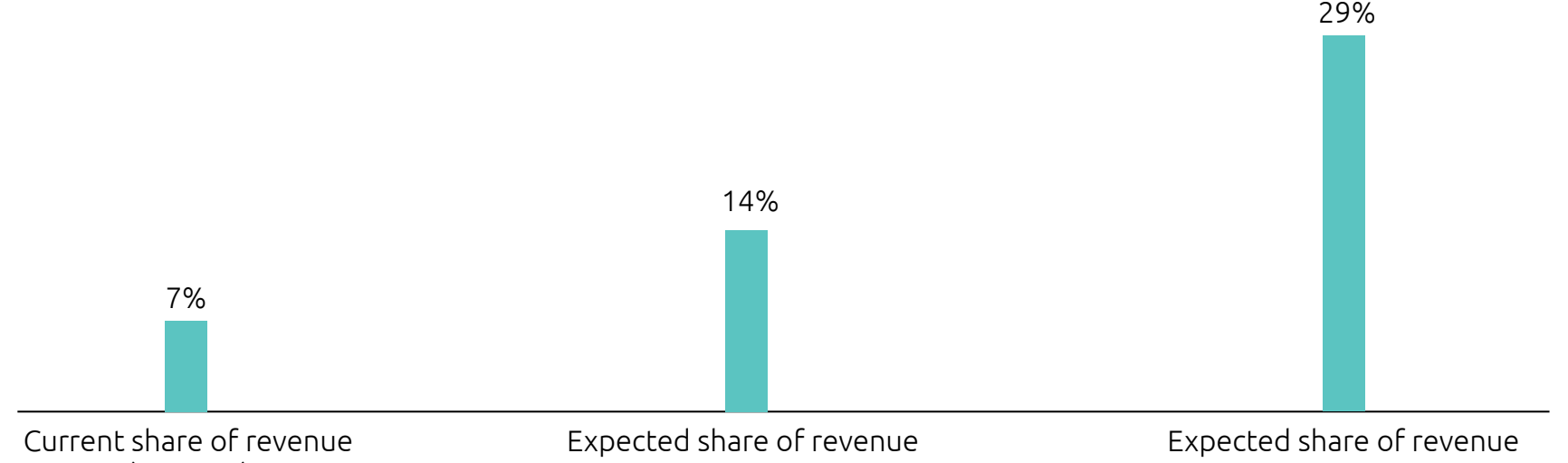
Note: "Currently" represent as of survey date, next 12 months or next 3 years are from the survey date.

Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,500 organizations.

Successful transformation has immense revenue potential – quadrupling by 2030

Organizations' software-based revenue as a share of total revenue is expected to grow to around 30 percent by 2030

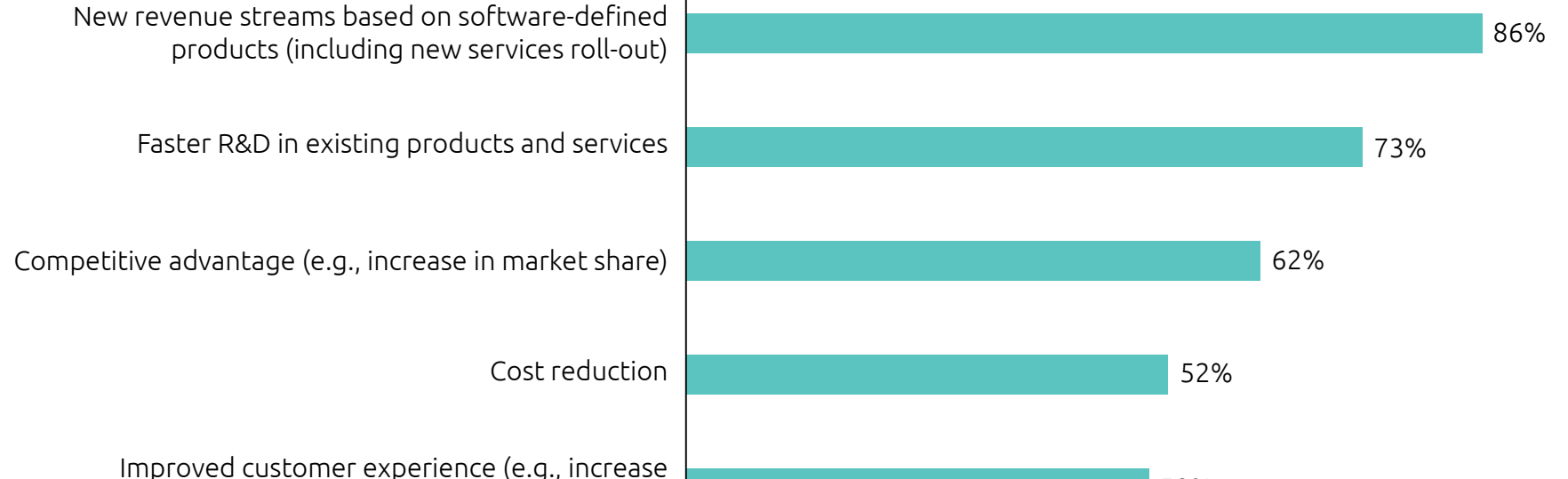
SOFTWARE AND DIGITAL SOLUTIONS REVENUE AS A % OF TOTAL ORGANIZATIONAL REVENUE



Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,350 organizations that have/are building a strategy to become a software-driven organization, with a focus on software-defined products/services.

Several organizations have already realized significant software-driven benefits

% OF ORGANIZATIONS THAT HAVE ALREADY REALIZED SOFTWARE-DRIVEN BENEFITS

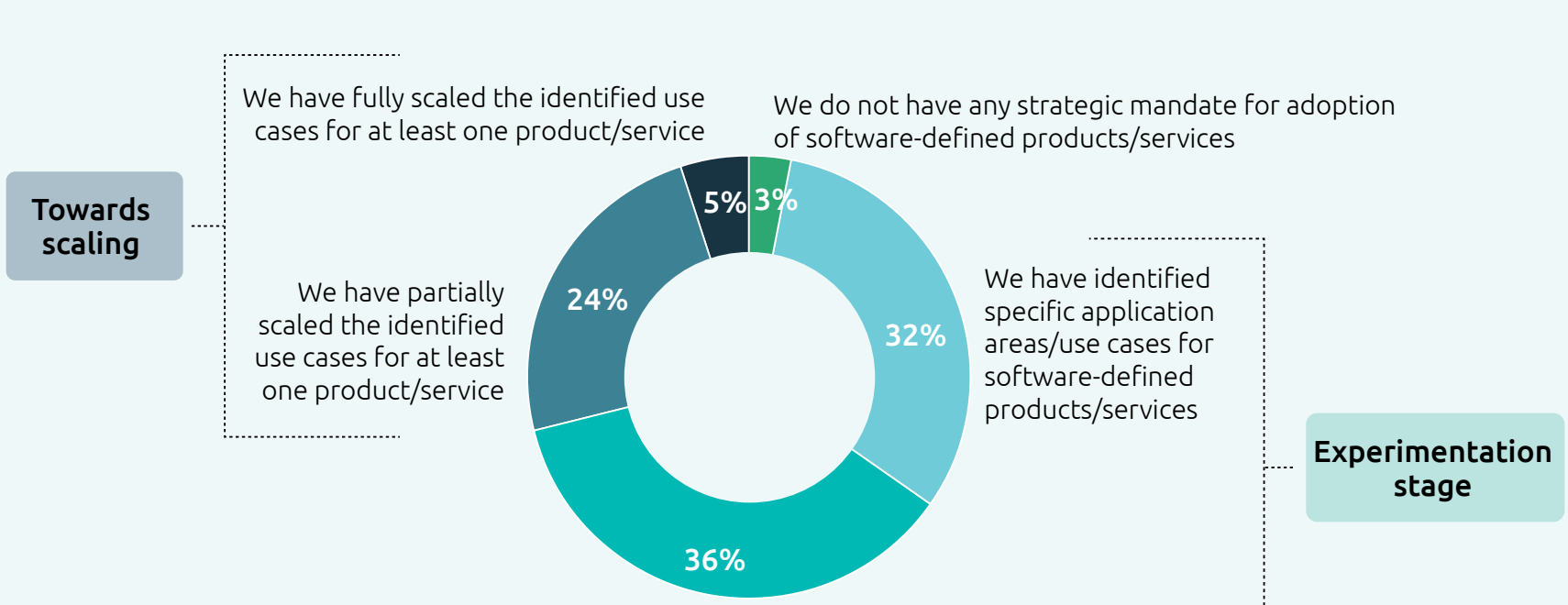


Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,350 organizations that have/are building a strategy to become a software-driven organization, focusing on software-defined products/services.

How to realize a successful software-driven transformation

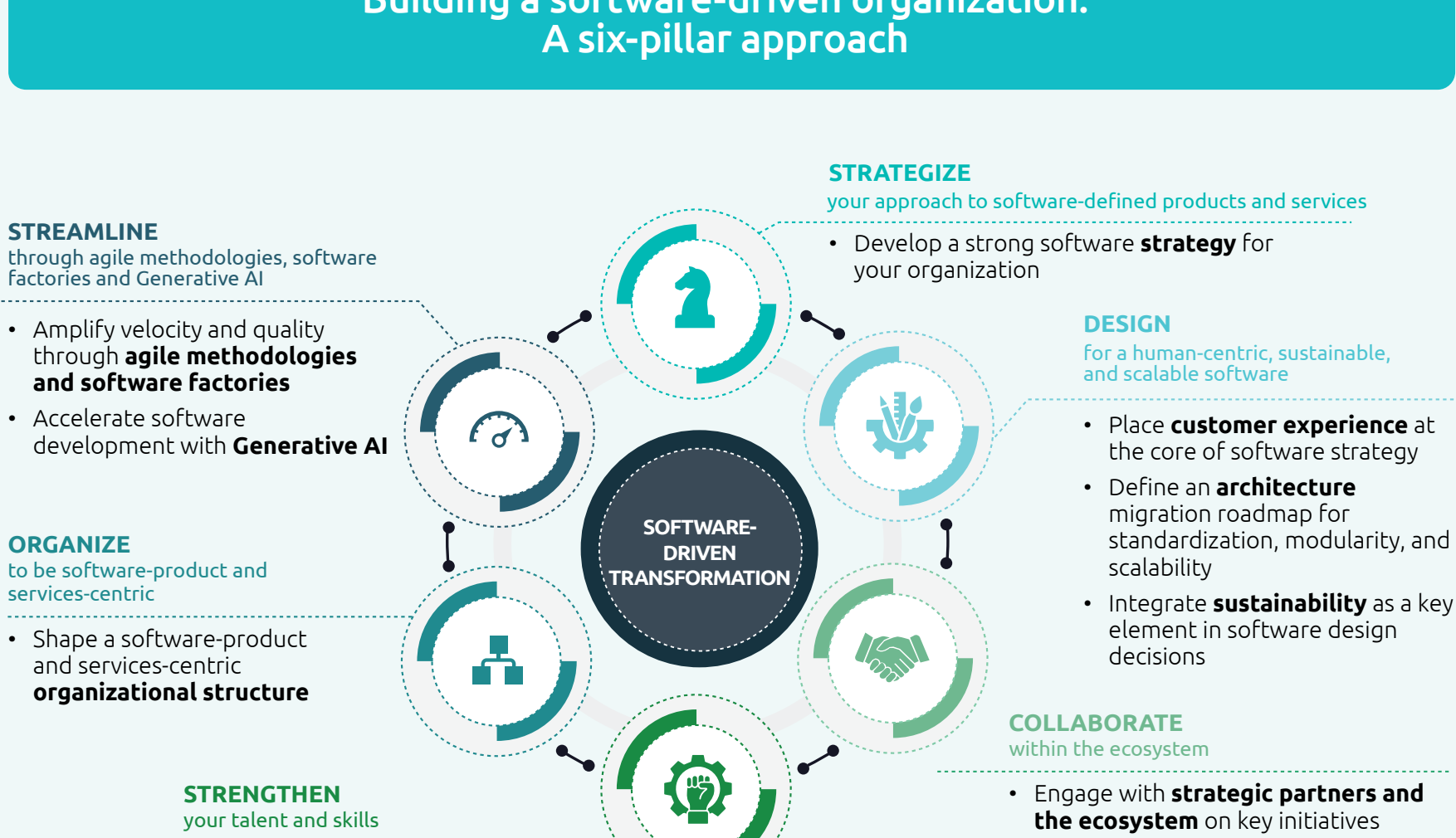
Most organizations are in the early stages of their software-driven transformations

MATURITY OF SOFTWARE-DRIVEN TRANSFORMATION IN PRODUCTS/SERVICES



Source: Capgemini Research Institute, Software-driven transformation survey, June-July 2023, N = 1,350 organizations that have/are building strategies to focus on software-defined products/services.

Building a software-driven organization: A six-pillar approach



Source: Capgemini Research Institute analysis.

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