

2023 Risk Radar: Technology Sector

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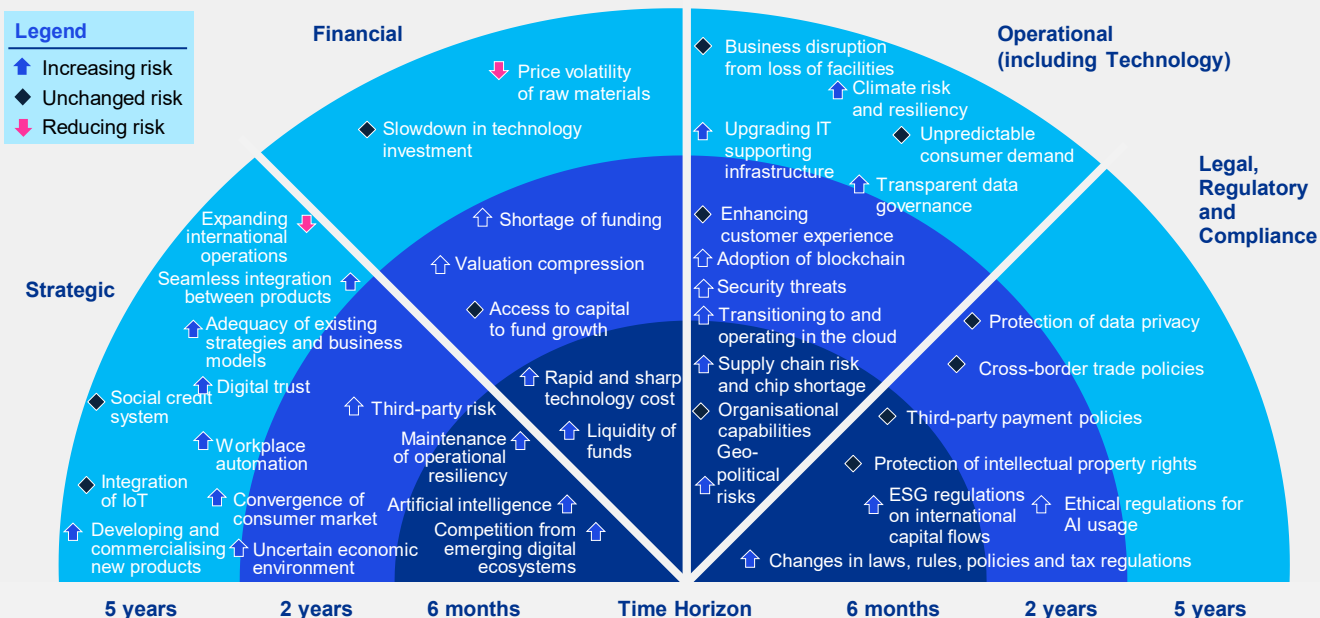


The spike in digital transformation shows no signs of slowing down. Technologies such as edge computing, digital immune system, generative AI, machine learning, Web3, non-fungible tokens (NFTs), robotics, Internet of Things (IoT), 5G & 6G, metaverse, electric vehicles and more are all advancing at an incredible speed.



Key trends observed in the market impacting the industry in the Greater China region:

- Artificial intelligence will become more prevalent in 2023 with natural language processing and machine learning advancement. Businesses will put a greater level of trust in generative AI's ability to create new content;
- Increasing need for remote data and information availability and avoidance of loss of communication and processing capability in remote working situations to ensure operational efficiency and effectiveness and business continuity;
- More adoption of IoT that will generate, share, collect and help people to make use of data in all manner of ways;
- Development of Web3 will increase users' control over their own data which opens new and unique possibilities when it comes to business models;
- Accelerating cloud adoption by enterprise businesses to lean more heavily on industry cloud platforms to manage, connect and automate their business processes;
- Increasing emphasis on transparent data governance. More users are bound to opt out of access requirements like sharing their data with third-party applications;
- Digital immune system will create a stronger digital environment for organisations by reducing system failures that impact business performance and creating a superior user experience;
- Growing investment in technologies for the adoption of workplace automation and other functions (e.g. blockchain) presents a wide range of uncertainties, potential operational disruption and supply chain risks;
- From nuclear fusion to battery technology breakthroughs, the rapid shift to new energy has brought immense opportunities to the new energy vehicles (NEVs) industry. The market penetration rate of NEVs is expected to grow with solid momentum;
- The metaverse will become more mainstream through increased adoption in marketing, events, and business operations. A combination of virtual reality (VR) and metaverse provides a more personal way of communicating with people on the internet.



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