



**UNLOCKING  
GROWTH**

**IN THE AGE OF**

**INTELLIGENCE**

**EFFICIENCY**  
EFFICIENCY

EFFICIENCY  
EFFICIENCY  
EFFICIENCY

SUSTAINABILITY  
SUSTAINABILITY  
SUSTAINABILITY  
**SUSTAINABILITY**

TECH  
TECH  
**TECH**  
TECH  
TECH

**INTEGRATION**  
INTEGRATION  
INTEGRATION  
SECURITY  
DATA SECURITY  
**DATA SECURITY**

**HITACHI**  
Inspire the Next



# The world is on the cusp of transformational change in every area of society, business and the environment.

**Fuelled by rapid advancements in artificial intelligence (AI), quantum computing and blockchain, we are now entering the Age of Intelligence.**

The transformation it promises unlocks seismic potential for growth. But are global business leaders ready to seize the opportunity to reimagine growth for their organizations and convert the promise of digital transformation into reality?

We asked 250 C-suite leaders what the Age of Intelligence means for the future of their businesses and how their industries are being redefined.

As one might expect, most leaders see the growth opportunities new technologies can offer their organizations. Not just that, but many are using new technological tools to achieve their sustainability

goals. Even so, leaders' expectations of how much growth there is to be realized in the Age of Intelligence does not match up to the predictions of the experts.

Why is this? We found leaders to be focused on the advantages technology can bring to their existing operations rather than using it to implement new revenue streams for growth. Leaders also reported that the pace of change, legacy systems, skills shortages and a need for global collaboration and clarity on regulation and standards are hampering their confidence and ability to embrace the growth potential of the coming era.

While technology is advancing at pace, the message from global business leaders is clear – organizations need greater support, integration and collaboration if they are to reap the growth rewards the Age of Intelligence offers.

The opportunity is there to be seized.

Here's the detail.

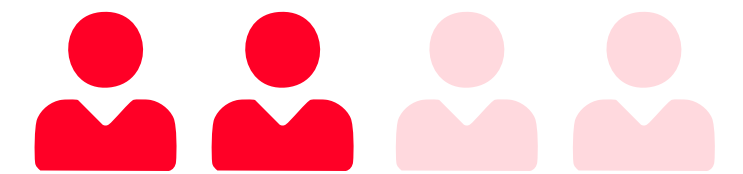


# The Age of Intelligence will ignite the next decade of digital growth... but projections vary.

**Almost half (45%) of business leaders predict growth of up to 15% and a quarter (26%) anticipate up to 25% growth in their organizations.**

However, despite the seemingly positive forecast, these projections actually underestimate the potential impact according to expert forecasts. Already, the digital economy accounts for nearly 16 percent of global GDP and experts predict it could form the basis for up to 70 percent of all new value created in the global economy over the next decade. Our figures therefore indicate a substantial gap in growth expectations.

Leaders know there's potential for their organizations to grow in the Age of Intelligence. But with their focus on improving their existing systems, they're also underestimating what could be possible. Through our work with organizations of all sizes, at Hitachi we have seen that when businesses benefit from support through the digital transition, they gain greater confidence to become more imaginative and optimistic about the possibilities technology offers for business growth.



Almost half of business leaders believe the digital economy will grow their business by

**up to 15%**

over the next decade.



# The majority of business leaders see the digital economy as a door to new revenue streams – but their expectations could be higher.

**Only ten percent of business leaders believe the biggest single impact of technology on their business will be the creation of new revenue streams over the next ten years.**

Instead, business leaders are more focused on the advantages of technology for their existing operations with 35 percent seeing it leading to more data-led decision-making and another 35 percent seeing its potential to increase productivity.

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We’ve seen this movie before, right? This is not the first time a concept or a technology has been the next shiny thing. It’s not to discount the importance of it, but, having been down this road before, we’ve seen where questions weren’t really asked about **efficacy or relevance**.

Among the peers in my industry, those who are most successful are not necessarily reacting to what’s on offer, but rather starting with asking “**what could we do better?**”, and then searching for a product or technology that might help.

**Chief Investment Officer**  
Industrials, USA

# Business leaders have an eye to the future, even if they're preoccupied with the present.

This focus can be seen when leaders were asked what the top three objectives were driving their organization's technology investments over the next three years.

They named their top two priorities as enhancing operation efficiency and enabling real-time data-led decision making.

Even so, not all their focus is on the now. Accelerating innovation was also in the top three, indicating that paths to growth in the future are not being disregarded when it comes to investing in new technology.

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In our case, we see the **huge opportunities** that come with technology and that's what's driving our efforts. About two years ago, we started to build our internal AI team, which today stands at 200 employees including data scientists and experts working to develop AI tools to improve efficiency.

All our commercial data and process excellence is now supported by AI. For us, that's where we see the **biggest benefit** at the moment. So our focus is more short term, but there's also this whole idea around data products we could start to offer our customers and there's certainly more we will do on that in the future.

Chief Financial Officer  
Logistics, Germany

The **top three priorities** of business leaders investing in technology for the next three years are:

- 1

Enhancing operational efficiency
- 2

Enabling real-time data-led decision-making
- 3

Accelerating innovation



# The pace of technological change is affecting business confidence to invest in technology.

**When we asked leaders how confident they felt about the investment decisions they were making, almost two thirds (65 percent) said the speed of new and emerging technologies made it hard for them to be certain in their choices.**

**Two thirds**



of business leaders are not confident they're making good technology investment decisions, due to the pace of change.

**12%**

strongly agreed that this was the case.

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There are always going to be **new technological developments**. Just because you know you could save by waiting two years for different tech, is not really a very good rationale for inaction, in my view.

**Chief Commercial Officer**  
Mining, Australia

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Developing new technologies goes together with pilot facilities. You can put a lot of money into getting a new technology demonstrated, and then the question is, **are you able to sell it to the market?**

Would you still invest millions in a new technology if, five years from now when it's ready, people say 'Yeah, that was just hype at that time'.

That's why we're continuing with moderate improvements and not radical changes.

**CEO**  
Chemicals, Germany

# The tone of current conversation around technology is also having an impact on investment decisions.

The increasing significance often given to emerging technologies is clouding business leaders' judgment on investment priorities, often diverting their focus from practical, value-driven goals.

Two thirds (60 percent) of business leaders surveyed admit they have felt pressure to make decisions more quickly than they might have liked to regarding new technology investment so that they can stay competitive and meet customer demand.

As McKinsey reflected at the end of 2024, “**Technology is now the primary driver of**

**change and disruption across business sectors. To take full advantage of the plethora of opportunities, leaders will need a new tool kit to help themselves, and their organizations, adapt.**”

More than ever before the speed of change has businesses looking for trusted partners, such as Hitachi, to collaborate with

through the digital transition. This environment underscores the need for clearer guidance to navigate the noise. Clarity is essential if business leaders are to be certain they’re making good technological decisions which align with tangible business objectives rather than succumbing to overinflated expectations.

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The concept of inertia is dead, right? I mean, if you operate in a company that’s comfortable with stasis, **the market will punish you**, particularly if you’re a public company.

**Chief Investment Officer**  
Industrials, USA

**More than half**   
of business leaders feel pressure to make quick decisions about technology investments to stay competitive and meet demand.



# Leaders named integrating new technology into existing infrastructure as their main challenge.

**For business leaders, the way new technological solutions integrate – or don't – with their existing systems represents a significant barrier to their organization's success. This was especially the case among those who have already engaged in digital transformation projects.**

But legacy systems are not the only obstacle leaders identify as a challenge to overcome. Also in the top three barriers to success in the Age of Intelligence, almost a quarter (23 percent) named workforce skills and one in five (21 percent) cited uncertainty about ROI – unsurprising perhaps given the lack of confidence business leaders expressed about making investments in new technology.

For those leaders who have already undertaken digital transformation projects, the number citing integration as a challenge rises. Two fifths (42 percent) said their primary challenge was a lack of integration of new technology with their existing systems.

While there is much to gain from the rapid evolution of technological solutions for businesses, business leaders cannot match the speed of change on the ground.

Again, this highlights the need for trusted partners who are able to help businesses take a holistic, whole-systems approach to implementing, and seeing the economic benefits of new technologies.

**40%**

of C-suite leaders

believe the Age of Intelligence will help their organization become more energy efficient.

**Almost half**



of all leaders engaged in digital transformation projects name lack of integration with existing systems and technologies as their primary challenge.



# Business leaders see the opportunities for sustainable growth offered by the Age of Intelligence.

**The majority of respondents (80 percent) say that sustainability is a factor considered in their tech investment decisions. One in four (24 percent) indicated that sustainability is a core business strategy and primary investment influence.**

It's clear that leaders can see both the potential and the opportunity the digital transition offers businesses as they strive to meet their sustainability goals.

Two in five (40 percent) believe the Age of Intelligence will help them to be more energy efficient, a quarter (26 percent) believe that it will give them the ability to develop more sustainable products and services and a fifth (22 percent) are optimistic it will create greater transparency in their supply chains.

As leaders explore safeguarding the planet as one of the five priorities of the Age of Intelligence at WEF, it is clear there is a move towards the understanding that the

digital transition and the green transition are mutually beneficial. Partnerships that enable businesses to invest in new climate technology will be critical to making progress on sustainability goals. As business leaders start to get beyond the overwhelm of new technology to see its opportunities, we'd expect to see a scaling up of ambition when it comes to investing in technology to achieve sustainable outcomes as well as business growth.

**80%** of business leaders

consider sustainability as a factor in their technology investments

**40%**

of C-suite leaders

see legacy systems and infrastructure as one of their main barriers to success in the Age of Intelligence.

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Take carbon emissions and technological projects that could save carbon – it became pretty clear that there were opportunities there that **effectively saved money**. We said ‘Why haven't we been doing this for years?’

**Chief Investment Officer**  
Industrials, USA



# Collaboration on key technology issues globally could boost business confidence.

**Collaboration between countries, governments and industry has been deemed to be essential to winning in the Age of Intelligence. Yet two in five business leaders (43 percent) are not yet confident that the necessary collaboration will take place to enable their future success.**

In terms of regulation, business leaders' concerns are spread fairly evenly across key policy challenges: 23 percent want stronger regulation on the ethical use of AI, 21 percent said data privacy and security rules must be strengthened, while 19 percent want stronger cybersecurity standards.

Building trust is critical if businesses and organizations are to take advantage of all technology offers. Business leaders, stakeholders, industry and government will all need to find new ways to collaborate. To achieve success in the Age of Intelligence, forward thinking collaboration on technology will be necessary to unlock growth.

**43%**

of global business leaders

do not believe the necessary collaboration between countries, governments and industry will occur to enable success in the Age of Intelligence.

Business leaders would like to see stronger regulation in three key areas:

**1**

The ethical use of AI

**2**

Data privacy and security

**3**

Cybersecurity standards

““”

I think there's a lot of concern about the proprietary nature of data. Obviously, AI benefits from having massive amounts of data available. But companies usually don't want to open up their data for the greater good. When, basically, these tools are trained to work only with in-house data, **it limits the benefit.**

**CEO**

Chemicals, Germany



# Conclusion

**Growth is the priority agenda item of every government, every industry and every business leader. The prospect of growth offered by the Age of Intelligence is tantalizing, especially at a time when post-pandemic costs, rising inflation and geopolitical shifts have led to a global economic slowdown.**

**The digital economy promises much, but business leaders still need guidance to make the most of the opportunity. Pragmatic yet cautious, they are seeking clarity over trends, assured returns on investments, and technology that is fit for purpose today as well as for the future.**



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