

MINING THE BENEFITS OF A MODERN DATA STRATEGY

India is Ahead of the Curve—and Seeing Results

INDIA OFFERS A USE CASE FOR DATA-DRIVEN SUCCESS

Data's value to modern businesses is maturing on a global scale. In India, companies are heavily invested in collecting, sharing, and analyzing data. Strategic data initiatives have made a strong impression with most Indian businesses. At the same time, higher utilization also offers key insights into some of the challenges companies face as they expand their use of data within the current economic climate.

While pending legislation in India has caused some concerns with regard to privacy and transparency, other provisions—such as a strict data localization requirements—could enrich India's booming data economy. By 2024, the data center market in India is expected to generate revenue worth \$4 billion.¹ In order to handle increasing data volume from data localization, India will need to ramp up its data center capacity by at least 15 times over the next seven to eight years.²

The effects of COVID-19 on data traffic in India mirrored global patterns of increased user behavior online. For example, within a month of the imposition of a countrywide lockdown, data consumption in rural India witnessed an almost 100% jump.³ While capacity and performance issues were evident when the pandemic first began, Indian networks had made a solid recovery by the second half of the year—in many cases they were doing even better despite the changes.⁴ A majority of data-driven companies in India have also subsequently reported reaping critical business advantages during the pandemic.⁵

A recent survey on the future data landscape conducted by The Economist Intelligence Unit and sponsored by Snowflake collected input from 914 global executives across eight industries and 13 countries, including India. Responses from business leaders in India shows a strong embrace of advanced data technologies and a great deal of confidence in data's inherent value to Indian businesses and the broader economy.

DATA IS A POSITIVE FORCE IN INDIA

The relative value of data can be measured in how often companies buy, sell, share, or trade information. The survey results show that within India, businesses exchanged data at a higher frequency. The vast majority (98%) of respondents in India purchased data in the last six months (versus the global average of 93%). Indian companies were nearly 10% more likely to have sold data in the last six months as well. All survey respondents reported accepting data without payment in the last six months (versus 91%) and 94% reported providing data without payment (versus 83%).

“BYJU'S ecosystem of products, content, and students generate data which are critical to delivering the best learning outcomes for our students. Snowflake helped us democratize data securely and deliver BI, analytics use-cases with different teams across regions and business units.”

—MR. JINY THATTIL, VP - Engineering, BYJU'S

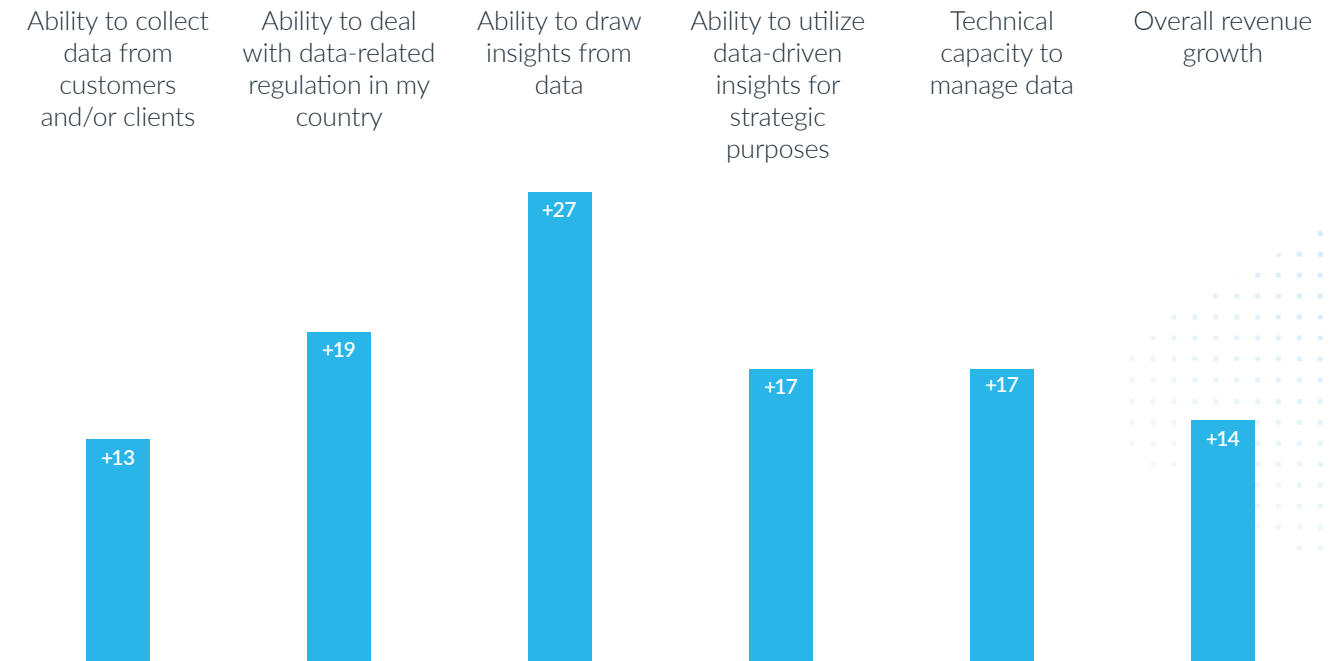
In terms of their organizations' actual performance with collecting and managing data, extrapolating analytical insights, and converting those findings into strategic actions, respondents in India showed great confidence when rating their effective use of data against that of their peers (see Figure 1).

In 2020, analytics functions in India earned consolidated revenues of \$36 billion—a 20% growth in revenue year-over-year.⁶ With this growth trend in mind, survey results show that specific use of artificial intelligence (AI) and machine learning (ML) for data analytics is being widely embraced across India. Respondents were nearly twice as likely to make significant use of AI or ML for drawing insights from data (64%), as compared to the global average (37%).

In India, the vast majority (98%) of survey respondents agreed that their industry would routinely be using AI to process data within five years—as compared to the global average of only 83% among all respondents.

FIGURE 1: How would you rate your organization's performance in the following areas, as compared with your industry peers?

(Much or Somewhat Stronger; India deviation from the global survey average)



DATA UTILIZATION CLARIFIES CERTAIN CHALLENGES

With broader adoption of data as a business driver comes perhaps a stronger sense of the current and future challenges. In India, the top reported challenge for an organization’s ability to collect data was data privacy regulations—as noted by nearly two-thirds (64%) of survey participants. India’s currently pending Personal Data Protection Bill (PDPB) prescribes compliance requirements for all forms of personal data, broadens the rights given to individuals, introduces a central data protection regulator, and institutes data localization requirements for certain forms of sensitive data.⁷

Another top challenge for many Indian companies is lack of sufficient investment in data systems/infrastructure (as per 40% of respondents). Indian consumers are major consumers of social media services. Proposed data localization requirements (as part of the PDPB) will necessitate storing all consumer-related data in-country—creating skyrocketing data center demand in India.⁸ “Lack of technical capacity” and “Lack of clear mandate from leadership to collect data” were also notably higher among Indian respondents than the global average response rate. A majority (73%) also believe that organizations in their industry are not transparent enough in how they use data (versus only 58% of the global average response rate).

In the face of disaster, a data-centric business culture may also help ensure greater resiliency. While COVID-19 significantly increased data traffic since March 2020, the subsequent impact on data center operations is expected to be low in India.⁹ The challenges presented by an instantaneous shift in user behavior and network demand were quickly accommodated. Almost all (98%) Indian survey participants felt that the COVID-19 pandemic has heightened the importance of strong data capabilities in their organization.

A STRATEGIC FOCUS FOR THE FUTURE

India has widely embraced data-driven business models not just for the present, but also as a path forward. More than two-thirds (69%) of respondents strongly agreed that data is the most important competitive differentiator in the business landscape today. With regard enhancing data capabilities over the next three years—more than half (54%) of respondents in India said that developing or updating their organization’s data strategy was a top priority, as opposed to only about one-third (36%) of all respondents combined. As a bellwether use case, India is well positioned to reap further rewards from advanced data exchange and analysis over time.



¹ bit.ly/3wziMTs

² bit.ly/3wziMTs

³ bit.ly/3wziMTs

⁴ bit.ly/3s28iZ3

⁵ bit.ly/31W4qye

⁶ bit.ly/2OvrGAc

⁷ bit.ly/3cWLPsn

⁸ bit.ly/3cZ26Nw

⁹ bit.ly/3cZ26Nw