Hyper Globalization: powering a global marketplace

Globalization arguably began 2000 years ago with the 6,000km Silk Road that connected Eurasia. However, no one can argue that a truly dramatic "flattening" of the world happened when the Internet was created. And today it's not just data that's freely flowing between countries—it's capital, products, services, and people. For example, how and where we design, sell and manufacture products will become both hyper-global and hyper-local thanks to us now living in a globally connected world with a diverse set of local requirements.

Amplifying this globalization is the internet, which has enabled the growth of a vast digital marketplace from companies we've never heard of, from cities we've never been to, and working on digital platforms that are changing the competitive landscape. Anyone with an idea can become a global business overnight.

It's easier now than ever before for start-ups to scale globally and for emerging market companies to challenge established multinationals. According to McKinsey Global Institute, by 2025, nearly half the Fortune 500 will be headquartered in today's emerging markets.

Market disruption has become the new norm. Gone are the days when 75-year-old companies were commonplace. The average tenure of companies on the S&P 500 dropped from 35 years in 1980 to 18 years in 2012. By 2027, 75 percent of current S&P 500 companies will be removed from the index.

Disruption is now happening everywhere to everyone, even to those companies who were themselves doing the disrupting just a few short years ago. Companies around the globe must constantly reinvent themselves to stay competitive.

For those companies that succeed they will also have to be ready to handle new forms of payment, as for how consumers buy and pay for products and services, is also being digitized. Gradually money has gone through a digital transformation with credit cards and debit cards being the physical manifestation of the transition. Recently a new transition is taking place; to eliminate the analog aspect of a card and completely digitize the entire card system.

Enabling this transition will not be an easy task, considering that even today 85% of global consumer transactions annually are done with paper bills and coins – especially in

developing countries. But changes are already underway making it easier for people across the globe to transfer data instead of cash. That agent of this change—is the smartphone.

Online and mobile payments will lead to mostly cashless societies in Norway, Denmark, and Sweden within 5 years. A trend that is supported by Millennials around the world, 52% of whom use a smartphone as a mobile payment device.

The emergence of new technologies such as digital wallets, near-field communications (NFC), crypto-currencies—including Bitcoin—mobile peer-to-peer payments, and the use of biometrics for authentication will tip the balance farther and farther in favor of digital currency.

However, with the speed of global technology adoption also comes an increase in the supply and demand for cyber-attacks. Information is power and cyber-attacks are hard to attribute as witnessed by the recent Democratic National Convention email hack during the U.S. election. There will be an increased emphasis on technology companies to innovate and achieve much higher degrees of trust and resilience. HP's Security Lab has several initiatives underway to tackle the growing landscape of cybersecurity threats and how HP is designing for cyber-resilience in a Blended Reality future.

Companies will need to help customers navigate constant disruption, smart and securely in an increasingly globalized world.   While at the same time, embarking on supplier and government partnerships that enable them to move manufacturing closer their customers. Enabling them to provide on-demand products customized based on geography and personal preference.

A widely-connected world will reward companies willing to embrace change and disruption.

The possibilities are endless.