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ANALYSIS OF MEGATRENDS FOR THE PURPOSE OF STRATEGIC FORECASTING OF COMPANIES IN SERBIA

Analiza megatrendova u cilju strategijskog predviđanja preduzeća u Srbiji

Abstract

Megatrends represent a group of trends or phenomena of social, economic, and technological nature that develop gradually, ultimately making their elimination impossible. At a global level, companies are confronted with increasingly shorter business longevity, largely caused by the impact of megatrends. Considering that the influence of megatrends is omnipresent, and that their effects cannot be completely eliminated, the only option remaining is for management to provide an adequate response to their emergence, which simultaneously requires awareness of current and future megatrend developments. A specific focus of this study is examining the prevalence of strategic foresight and analysis of megatrends within a sample of companies with the highest revenues according to the Serbian Business Registers Agency (SBRA). The research was conducted through questionnaires. Furthermore, the subject of analysis is determining the extent to which companies in Serbia are exposed to megatrends based on relevant indicators. By weighing the defined indicators, final indicators for key megatrends have been established, through which the strength of megatrend impact in Serbia has been interpreted. If there is a desire for long-term sustainable business operations, there is a need to also be aware of future opportunities and potential threats posed by megatrends. The goal of conducting research in this domain is to raise awareness about the challenges that companies will face in the foreseeable future and thereby gain insights into the areas of business where adaptations are necessary.

Keywords: *strategic foresight, megatrend analysis method, impact of megatrends in Serbia*

Sažetak

Megatrendovi predstavljaju grupu trendova ili fenomena društvene, ekonomske i tehnološke prirode koji se obrazuju postepeno, da bi u krajnjoj instanci njihov nastanak bilo nemoguće eliminisati. Preduzeća su na globalnom nivou suočena sa sve kraćom postojanošću biznisa, što je upravo u velikoj meri prouzrokovano dejstvom megatrendova. Uzimajući u obzir da je uticaj megatrendova sveprisutan i da je njihovo dejstvo nemoguće u potpunosti eliminisati, preostaje jedino da menadžment pruži adekvatan odgovor na njihovu pojavu, što istovremeno podrazumeva informisanost o trenutnom i budućem razvoju megatrendova. Poseban fokus u ovom radu je ispitivanje zastupljenosti strategijskog predviđanja i analize megatrendova na uzorku preduzeća sa najvećim prihodima prema APR-u u Srbiji. Istraživanje je vršeno putem upitnika. Pored toga, predmet analize je i utvrđivanje koliko su preduzeća izložena megatrendovima na teritoriji Srbije na bazi odgovarajućih pokazatelja. Ponderisanjem definisanih pokazatelja utvrđeni su konačni indikatori za ključne megatrendove putem kojih je protumačena jačina uticaja megatrendova u Srbiji. Ukoliko postoji težnja za dugoročno održivim poslovanjem, onda se nameće i potreba upoznavanja sa budućim prilikama i potencijalnim pretnjama prouzrokovanim od strane megatrendova. Cilj vršenja istraživanja u ovom domenu je razvijanje svesti o izazovima sa kojima će se preduzeća suočiti u doglednoj budućnosti i time sticanje uvida u to na kojim područjima u poslovanju preduzeća su neophodna prilagođavanja.

Ključne reči: *strategijsko predviđanje, metoda analize megatrendova, uticaj megatrendova u Srbiji*

Introduction

Companies today operate in a turbulent and complex environment where it is difficult to predict the impact and probability of various types of risks. The field of strategic forecasting is tasked with helping managers navigate their companies in such complex business conditions. More precisely, strategic forecasting can be defined as a field of business economics that deals with the study and practical application of methods, theories, and techniques for the long-term analysis of a company's environment to predict strategic changes [6]. According to Capon and Hulbert [3], strategic forecasting should meet certain conditions, namely:

- Be oriented towards strategic, long-term thinking and understanding of future changes;
- Be oriented towards “what-if” analysis that allows for scenario variability;
- Incorporate both qualitative and quantitative tools;
- Enable employees throughout the company to receive information and participate in the process of analyzing future changes to support innovative company actions.

There is a strong link between strategic forecasting and the analysis of megatrends, as it is one of the methods through which this activity can be performed. According to Slaughter [22, pp. 5-8], there are four methods of strategic forecasting: input methods, analytical methods, paradigmatic methods, and finally, research-iterative methods. The analysis of megatrends falls into the second group that can be applied for strategic forecasting according to this classification. The motivation for the topic in the field of strategic forecasting and megatrend analysis was the fact that there is very little available literature in Serbia regarding future trends and the overall state based on the impact of current megatrends. Therefore, since every company aims to initially establish a position in the market when starting a business, and later attempts to reach a leadership position, it is necessary to observe long-term environmental changes. Consequently, a requirement is imposed on the company to monitor the development of global megatrends. However, in order to determine the impact of a megatrend on a company,

it is necessary to consider its influence in the context of the market in which the company operates. At the same time, I wanted to conduct research that would answer the following questions:

- What is the state of the impact of megatrends in Serbia on business operations?
- How widespread are the strategic forecasting and megatrend analysis among companies with the highest generated revenues in Serbia?

To answer these research questions, two studies were conducted. The first aimed to identify indicators that would indicate the extent of the impact of megatrends, while the second focused on collecting data through surveys from managers of companies that achieved the highest revenues for the year 2021/22.

The benefits a company can derive from strategic forecasting vary case by case, i.e. they differ between industries and companies. In practice, it has been observed that companies have very different opinions regarding the application of strategic forecasting [5, p. 1011]. Some consider strategic forecasting to be entirely useless, while others see it as important but do not invest enough effort in developing this concept. A third group believes that its application is necessary and that experts should seriously address the issue of forecasting within the company. If companies were to invest adequate effort in studying and implementing strategic forecasting, they could expect a return on investment that would far exceed their initial investments.

It is important to mention the reasons for the limitations that prevent many companies from engaging in the process of strategic forecasting. Three types of barriers are identified: emotional, cultural, and institutional barriers [8, pp. 7-8]. Emotional barriers involve the fear of facing the future and the high level of uncertainty. These must be overcome at the individual level by employees and company owners. Cultural barriers involve an organizational focus on short-term goals and a lack of motivation and incentives for employees who are dedicated to understanding future-oriented business trends. Institutional barriers are characterized by a lack of capacity for strategic thinking and time delays between forecasting and making practical decisions.

Previous research in the field of megatrends

Research using the method of megatrend analysis can be conducted at different levels: national, regional, and global. Consequently, the application of the method becomes more complex as the analysis progresses from the micro to the macro level. More often, megatrend analysis is carried out specifically for the segment of the industry in which the company operates, examining changes that could occur in the foreseeable future. However, by analyzing megatrends at the global level, a broader insight into future changes is obtained, thereby expanding the range of opportunities for concrete actions by companies.

There is a large number of studies conducted in the field of megatrend analysis. One extensive analysis was conducted by John Naisbitt [16]. He conducted a 12-year study describing ten key megatrends in the United States during the 1980s. According to him, to understand the future, we must understand the present and continuously monitor the developmental trends of megatrends.

Naisbitt continued to explore megatrends, including his research in the books “Megatrends 2000” [18]. During this period, Naisbitt defined the growing importance of the IT domain in the world, highlighting that one of the main problems would be the lack of a trained workforce to fill new job positions. After five years, his focus shifted to Asia in the book “Megatrends Asia” [17], defining that countries in the Asian region would have a dominant influence on the global economy.

In the book “Megatrends 2010: the rise of conscious capitalism” [1], Aburdene investigated corporate social responsibility and reported data showing that socially responsible practices actually help increase profits. Additionally, she researched the prevalence of current trends that redefine the way individuals live.

Research in the supply chain domain, conducted by Bowersox, Closs & Stank [2] as part of the analysis of ten megatrends affecting logistics activities, led to the conclusion that successful supply chain logistics change requires long-term leadership and planning. Moreover, it requires the alignment of operations that are not only under direct control but also those that are beyond the direct control of managers.

Proactive companies conduct analyses of global megatrends to utilize future market opportunities. Singh, Bartikowski & Dwivedi [21] defined three key megatrends – globalization, technological innovations, and the strengthening and improvement of the internet network, which lead to changes in consumer behavior.

The application of a developed methodology for megatrend analysis in North America is described by Guenes Castrona [11]. The methodology for megatrend analysis is defined through seven steps, and its implementation leads to the development of various economic sectors, which in turn reflects progress in the country. The method is applied using data from the social, economic, and political spheres, with the incorporation of experts being necessary throughout the entire process.

The impact of global megatrends on the European packaging industry was examined in the study by Olsmats & Kaivo [19]. It was concluded that industries should focus entirely on recyclable packaging types, recognizing it as an important element for waste prevention and resource conservation while protecting products.

The implications of megatrends over the next 20 years and the corresponding development pathways that businesses should follow were defined by Hajkowicz [12] based on research from 2015. He highlighted seven key megatrends: resource scarcity, the challenge of biodiversity protection, an aging population, transforming digital technology, urbanization growth, increased demand for experiential products/services, and innovation growth.

According to a more recent study conducted by Lithorst & De Waal [13], based on 162 articles, the impact of 13 megatrends and one disruption (the pandemic) was determined. However, the researchers note that there is a limitation in terms of the amount of literature covered. They point out that companies will face exponential changes in business in the foreseeable future.

Research results and considerations presented in the article by Gajdzik, Grabowska & Saniuk [9] confirm that Industry 4.0 is a megatrend that requires radical changes at both strategic and operational levels. Key trends highlighted include the digitization of the economy and ICT development, the knowledge economy, virtual organizations, smart business, and customer orientation

and product personalization. In the current research, technological trends dominate over others.

It is important to emphasize that a very small number of articles addressing megatrends and their impact in Serbia are available. I would like to highlight two studies that inspired me to conduct a deeper analysis of the situation regarding megatrends in Serbia.

The first study was conducted by Schwarz & Rohrbeck [20], focusing on activities aimed at realizing a strategic vision through the process of strategic foresight in 77 multinational companies in Europe. The study concluded that companies that implement formalized activities to achieve a strategic vision simultaneously have a greater ability to perceive changes in their environment and provide adequate responses. This study motivated me to explore how widely strategic foresight is adopted by the most successful companies in Serbia.

The second study was conducted by Malik & Janowska, who examined the impact of megatrends in the territory of Poland [15]. Based on a literature review, seven leading megatrends were identified as most frequently mentioned [14]. These include: digitization and ICT development, resource scarcity, climate change, global population growth, population aging, and urbanization growth. The seventh megatrend, which is relevant, represents geopolitical changes, but it was omitted from the analysis as the research conducted was socio-economic in nature. This study found that the strongest impact was from the megatrend of population aging, while the weakest impact was from population growth. Therefore, the idea of the second study was to determine the state of affairs regarding the impact of megatrends in Serbia.

Research methodology

The analysis conducted aims to provide answers to two research questions:

- Question 1: What is the impact of megatrends on Serbia, and which of them has the strongest effect?
- Question 2: How common is it for companies in Serbia to make use of strategic foresight, and to what extent is megatrend analysis employed?

Answering the first research question will be explained through Research A, while addressing the second research question is elaborated in Research B.

Research A

Building on the methodological framework developed in the study related to the application of megatrends to predict the development trends of the Polish economy [15], the idea is to conduct an analysis for the Serbian economy. To assess the impact of megatrends (outlined in [14, p. 216]), appropriate metrics will be used for each megatrend individually. Weighted averages of these metrics will be used to arrive at the final exposure indicator.

The process of arriving at the final indicator for each megatrend is as follows:

- The first step involves defining two metrics that best represent each megatrend. Where possible, synthetic indices are used, combining various impact factors. However, for certain megatrends, due to the unavailability of index information or the absence of Serbia's ranked position among other countries, alternative forms of metrics such as rates and other indicators are used.
- In the second step, a comparison is made between Serbia and other countries (observed on a global level). A scale from 1 to 10 is used, depending on the decile in which the economy is ranked based on Serbia's position relative to the total number of countries in the analysis.
- Based on the determined deciles, an inverted scale is used where appropriate. This scale is employed to establish a connection between the exposure of the Serbian economy to a specific megatrend on one hand and the content of the applied index on the other hand. For example, regarding the expected population growth, Serbia is positioned in the lower decile using the inverted scale, which simultaneously implies that it is the least susceptible to rapid population growth.
- The fourth step pertains to obtaining the final indicator, based on which the exposure of the Serbian economy to the mentioned megatrends is assessed

in comparison to other countries. By comparing the indicators for all megatrends (in our case six), it is determined how susceptible Serbia is to the influence of changes caused by megatrends. This creates a picture of how important megatrends are for the country and to which future changes the most attention should be directed.

For the field of technology (specifically megatrends related to digitization and ICT development), two complex types of metrics will be used: the Networked Readiness Index created by the World Economic Forum and the Technological Readiness Ranking developed by the Economist Intelligence Unit. The first index was created in 2001 and assesses the readiness of countries to harness the potential of the Fourth Industrial Revolution. It aggregates 53 indicators. Whether a country is ready for networking depends on whether the factors enabling the use of digital technologies are fulfilled [4, p. 5]. On the other hand, ranking technological readiness by the Economist Intelligence Unit determines the readiness of the economy for technological changes from three aspects: internet access, digital economy infrastructure, and openness to innovation [7].

The megatrend of climate change will be analyzed through the prism of two indices: the Global Climate Risk Index and the ND GAIN Country Index. The Global Climate Risk Index analyzes the extent to which different countries have been affected by events that have caused losses due to weather-related disasters [10]. The second index incorporates data from 45 indicators. It is a tool that helps governments, communities, and businesses examine the risks arising from climate change. This index provides insight into how vulnerable a country is to climate change and, at the same time, how prepared it is to respond to it. Since both the general index and the specialized index have been combined, we are using a weighted average of 0.75 for the Global Adaptation Index and 0.25 for the Global Climate Risk Index to calculate the final score [23].

Within the megatrend of resource scarcity, the focus is on two key resources that tend to decrease – water and energy resources. The limitation of energy resources is observed through the World Energy Trilemma Index,

while the scarcity of water is taken from the ranking of water stress projections, the Aqueduct Projected Water Stress Country Rankings. The World Energy Trilemma Index is prepared annually, starting from 2010. It measures the performance of national energy systems from three perspectives: energy security (related to the efficiency of managing national and external energy sources and the resilience of the energy sector's infrastructure), energy equity (the ability of a country to provide access to energy to all households), and energy sustainability (related to a country's transition to reducing environmental damage and the impact of climate change) [24]. The ranking of water stress projections provides long-term scenarios (up to 2040) on the basis of which the level of water stress in agriculture, industry, and households can be determined [25].

Two megatrends considered in the field of demography are population aging and population growth. The population growth megatrend will be observed through two metrics: the population growth rate and the fertility rate. In this segment, there is no availability of data regarding specific indices that could be used in the analysis. A similar situation exists with the population aging megatrend. In this case, two indicators are taken into account. The first one is related to the percentage of the population above 65 years of age, while the second one represents the average life expectancy of people.

Finally, when calculating the final indicator related to the urbanization megatrend, there is a lack of data for Serbia regarding the urbanization index, so two metrics are used as a substitute: the urbanization rate and population density in urbanized areas.

Research B

The sample criterion that was planned for analysis involved the inclusion of the largest companies in Serbia. The research was conducted among 150 companies in Serbia, from various municipalities, with the highest revenues for the year 2021/2022. Other relevant elements of the research:

- Respondents were managers at low, middle, and high levels within the company.

- The survey was conducted in May, June, July, and August 2023.
- Questionnaires were used as the method of interviewing, which were sent via email.

The main drawback of the conducted research is the insufficient number of respondents who participated in the study (13%). As a result of the limited number of respondents in the research, it's important to exercise caution when interpreting the data regarding the adoption of strategic foresight and megatrend analysis methods in Serbia. On the other hand, the advantage of the research is that the obtained results can serve as a reference point for understanding this issue in the country and as a starting point for new hypotheses to be explored in future research on the topic of strategic foresight in Serbia.

The questionnaire used in the research consists of a total of 18 questions. The questions are categorized into three groups:

The first group of questions (a total of 4) includes general questions aimed at getting acquainted with the company itself. They are related to the primary activity and the territory in which the company operates, the duration of the company's business operations, and the managerial level to which the respondent belongs.

The second group of questions (a total of 6) is related to the field of strategic foresight. In this part of the questionnaire, the prevalence of strategic foresight in Serbia was investigated, including its duration and methods of implementation. It was determined who conducts strategic foresight in the company and from which sources. Additionally, the survey inquired about the managers' knowledge of the sequence of activities in

the company, i.e. whether strategic planning or strategic foresight is conducted first.

The third group of questions (a total of 8) focused on determining the prevalence of the megatrend analysis method. The idea in this part of the questionnaire was to examine the respondents' knowledge of the term "megatrend" and determine whether the company implements this method. Specifically:

- For companies that indicated they use the method, it was determined how much the method has contributed to improving business results and how often they review reports based on this method.
- For companies that indicated they do not use the method of megatrend analysis, the reasons for such a decision were examined as well as their plans to change this in the near future.

All companies were asked about their opinion on which megatrends currently have the strongest impact on their business and which megatrends will have the strongest impact on their business in the future. The provided megatrends were selected from the range considered in the research, including those related to geopolitical changes.

Results of Research A

To arrive at the ultimate indicator concerning the exposure of megatrends to the Serbian economy, it is necessary to consider metrics 1 and 2, which provide the respective set of results. According to metric 1, the levels of exposure to individual megatrends can be observed in Table 1.

The relative position of the Serbian economy compared to other countries globally is shown through

Table 1: Serbia's exposure to the impact of megatrends according to metric 1

	Place of Serbia	Items in analysis	Place of Serbia (decile)	Inverted scale	Exposure (1-least,10-most)
Digitalization	55	131	5	Yes	6
Climate change	105	179	6	No	6
Resource scarcity	47	91	6	No	6
Population growth ¹	225	236	10	Yes	1
Population aging	18	196	1	Yes	10
Urbanization growth ¹	136	226	6	Yes	5

Source: own calculations based on: Portulans Institute. (2022). The Network Readiness Index 2022; Germanwatch. (2021). Global Climate Risk Index 2021; World Energy Council. (2022). The World Energy Trilemma Index; The World Factbook (2023). Population growth rate; The Global Economy. (2021). Population ages 65 and above; World Population Review. (2023). Urbanization Rate.

1 In both metrics used for the population growth megatrend, certain countries that are not yet territorially sovereign are incorporated into the ranked list of countries. This also applies to the metric for the urbanization megatrend in Table 1.

the decile position. An inverted scale has established a connection between the metric and exposure to the impact of the megatrend. Based on the obtained data, Serbia is positioned for all megatrends except population growth and aging approximately in the middle (see the last column of Table 1) in terms of considering the exposure of the economy to the impact of megatrends. In the case of the population growth megatrend, Serbia is positioned in the lower decile position, meaning it is the least exposed to the impact of this megatrend. Conversely, regarding the aging population megatrend, Serbia is ranked in the highest decile, and consequently, it is the most exposed to the impact of this megatrend.

Based on existing data for selected metric 2, for individual megatrends, a similar situation arises as with metric 1 (see Table 2). In other words, Serbia is positioned approximately in the middle by deciles for all megatrends except population growth, and consequently, the exposure to the impact of megatrends is not notably high.

The main difference compared to the previous selected metric, i.e., metric 1, is in the case of the aging population. In metric 2, for the observed megatrend of aging population, Serbia is not intensely exposed to

the impact of this megatrend, as it was the case with metric 1.

In Table 3, the results obtained based on both metrics are summarized. It further defines the value of the final indicator of exposure to the impact of megatrends, as the weighted values of exposure to the impact of megatrends (previously defined by the two metrics). Figure 1 presents the values of the final indicators based on metric 1 and metric 2.

Results of Research B

In the research conducted through questionnaires, which were sent via email to companies, a total of 19 out of 150 companies participated. The questionnaire did not require any confidential information about the businesses themselves.

In the initial part of the questionnaire aimed at getting acquainted with the companies, the results show:

- Industry Sector: 53% of the companies surveyed are predominantly associated with the manufacturing sector, while the remaining companies are primarily engaged in service-related activities.

Table 2: Serbia's exposure to the impact of megatrends according to metric 2

	Place of Serbia	Items in analysis	Place of Serbia (decile)	Inverted scale	Exposure (1-least,10-most)
Digitalization	55	82	7	Yes	4
Climate change	76	185	5	No	5
Resource scarcity	104	158	7	Yes	4
Population growth ¹	207	227	10	Yes	1
Population aging	91	192	5	Yes	6
Urbanization growth ²	493	990	5	Yes	6

Source: own calculation based on: EIU (2018). Preparing for disruption: Technological Readiness Ranking; University of Notre Dame. (2021). ND GAIN Country index; World Resources Institute (2015). Aqueduct Projected Water Stress Country Rankings; The World Factbook. (2023). Total fertility rate; The Global Economy. (2021). Life expectancy - Country rankings; Cox, W. (2022). Demographia World Urban Areas - urban areas by urban population density.

Table 3: Calculation of the final indicator for Serbia based on metric 1 and metric 2

	Metric 1		Metric 2		Exposure indicator
	Exposure (1-least, 10-most)	Weight	Exposure (1-least, 10-most)	Weight	
Digitalization	6	0.5	4	0.5	5
Climate change	6	0.25	5	0.75	5.25
Resource scarcity	6	0.5	4	0.5	5
Population growth	1	0.5	1	0.5	1
Population aging	10	0.5	6	0.5	8
Urbanization growth	5	0.5	6	0.5	5.5

Source: Own calculations¹

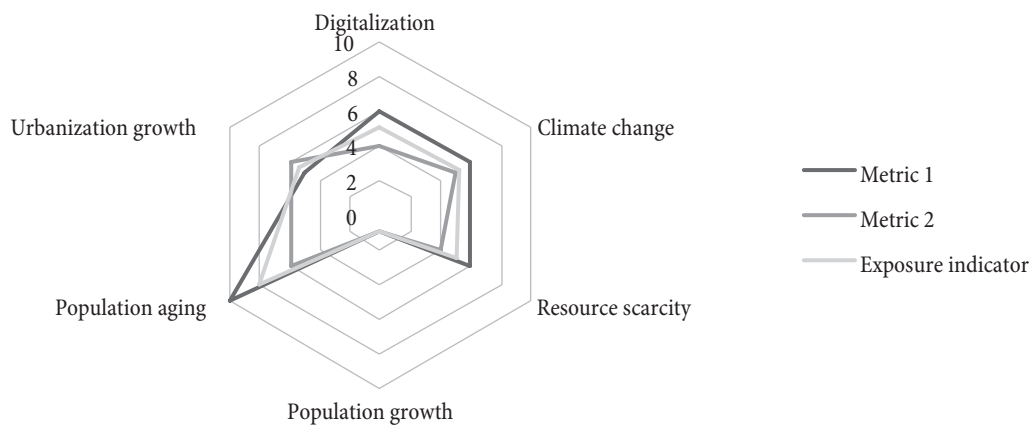
- Business Territory: 21% of the companies operate exclusively within the territory of Serbia, 32% of them operate in multiple countries in the Balkans, and 47% of the companies chose to respond with “other”.
- Company Operating Duration: None of the companies operated for less than 5 years; 5% operated for 6-10 years, while 95% have been in operation for more than 10 years.
- Respondents filling out the questionnaire: None of the respondents belonged to the low management level; 58% of them belonged to the middle management level, while 42% belonged to the high management level.

In the second part of the questionnaire, the subject of analysis was determining the prevalence of strategic forecasting in companies in Serbia. The research results show that managers are familiar with the sequence of activities within the company, as 53% of them defined that strategic forecasting precedes the process of strategic planning. 37% of the respondents believe that planning is initially done, while 10% did not recognize a difference between the mentioned activities.

The key question revolved around determining the prevalence of strategic forecasting in companies and the duration of its implementation. The results are shown in Figure 2. It can be concluded that strategic forecasting is predominantly present in the most successful companies (as observed through revenue levels). Additionally, it should be noted that companies engage in strategic forecasting activities for an extended period (more than ten years).

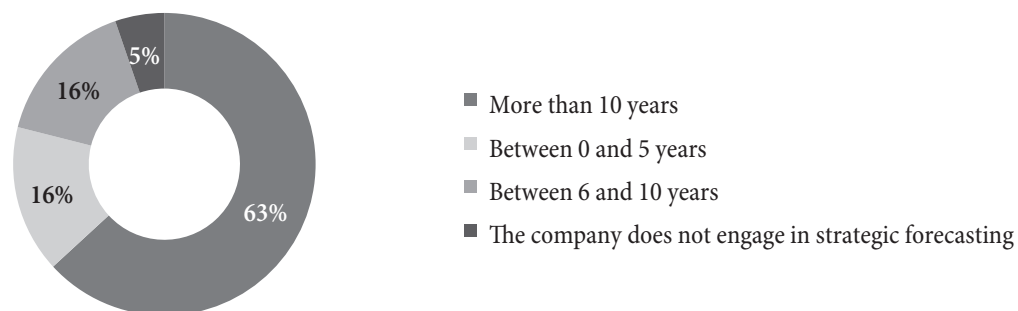
Professional literature suggests that qualitative methods are used in the process of strategic forecasting, primarily as a supplement to quantitative methods, which are expected to provide more precise data. In practice, it is shown that the majority of companies (79%) have opted for the use of combined methods of strategic forecasting, while 11% of respondents define the dominant use of qualitative methods, and 5% use quantitative methods predominantly. It should be noted that a total of 5% of surveyed companies do not engage in strategic forecasting, and this should be considered in other responses. Other relevant information:

Figure 1: Influence of megatrends based on final indicators (through metric 1 and metric 2)



Source: Own calculations

Figure 2: The duration of strategic forecasting implementation in enterprises



Source: Own calculations

- Participants conducting strategic forecasting in companies: 58% of respondents indicated that this process is carried out by employees within the company, while 37% of them simultaneously conduct this process by both internal and external employees. This is the best way to obtain accurately conducted analyses because it combines the knowledge of employees who have insight into the company’s operations with external experts who can objectively assess emerging problems.
- Dominant data sources used in the process of strategic forecasting: internal data (53%), the internet (37%), print media (5%).
- Objectives of conducting strategic forecasting, which is beneficial in the strategic planning process: 37% of respondents defined it as useful for long-term planning, while 58% believe that strategic forecasting contributes to both short-term and long-term forecasting. Companies should engage in the process of strategic forecasting primarily for the purpose of long-term planning, which is in line with the going concern approach to business. Additionally, long-term planning will provide the company with the flexibility to adapt to emerging changes, which

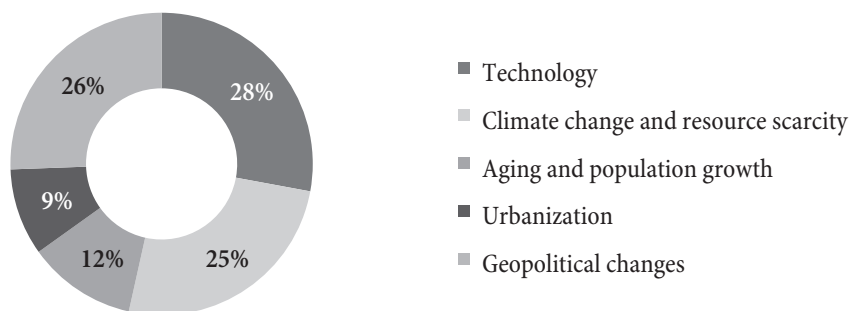
would not be possible if we exclusively focused on short-term planning.

A large percentage of respondents are not familiar with the meaning of the term “megatrend” (37%), and the same percentage of respondents (37%) correctly defines the term “megatrend” (the concept of megatrends encompasses broad and far-reaching changes that develop slowly). A total of 26% of respondents did not select the offered correct definition of the term “megatrend”.

The method of analyzing megatrends for the purpose of strategic forecasting is applied by a total of 53% of companies among the respondents, and all respondents have stated that the analysis of megatrends has contributed to improved business performance. The majority of respondents review the method annually (70%), while a smaller percentage of companies review it every 1-3 years (20%), and three or more years (10%).

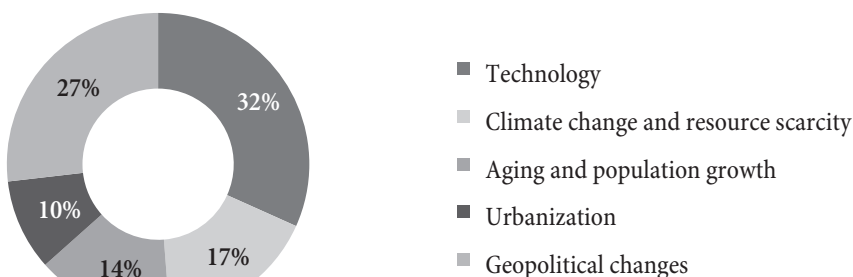
For 47% of respondents who indicated that they do not apply the mentioned method, it is worth noting that 26% of them plan to apply it in the near future, while for the remaining 21% of respondents, this is not the case (citing reasons such as the belief that such a method would not contribute to their company’s future business, and the rest opting for the “other” option).

Figure 3: Impact of megatrends in the present



Source: Own calculations

Figure 4: Impact of megatrends in the future



Source: Own calculations

In the last part of the questionnaire, the idea was to examine the impact of megatrends on companies, specifically which megatrends have the strongest influence on current (refer to Figure 3) and future (refer to Figure 4) business operations. Managers had the option to select multiple options simultaneously.

Respondents believe that the current impact of megatrends is strongest in the sphere of technology (28%), followed by geopolitical changes (26%), and climate change and resource scarcity (25%). Other megatrends have a somewhat weaker impact: aging and population growth (12%) and urbanization (9%). Regarding the future impact of megatrends, the strongest influence is expected from the domain of technology (32%), followed by geopolitics (27%), and climate change and resource scarcity (17%). The least impact is anticipated in the sphere of demographic changes (14%) and urbanization (10%). From this, it can be concluded that respondents believe that the same megatrends will have a dominant influence in the future (technology, geopolitical changes, climate change, and resource scarcity).

Discussion

The scope for further analysis in Research A would involve incorporating a larger number of metrics to generate indicators that are inherently more complex and comprehensive. If a larger number of megatrends were also included in the analysis, we would obtain a more precise understanding of the economy's exposure to the long-term effects of megatrends. This type of analysis is available for any country globally, and a comparative analysis can be performed to provide a comparative view of the impact of megatrends on a specific group of countries. This can provide additional insights for formulating future strategies.

The existing analysis has its limitations, primarily concerning the number of selected metrics and the total number of megatrends considered in the analysis. Additionally, it is not known to what extent the values of the final indicators result from internal or external factors. The goal of the conducted analysis is to provide a general overview of the state of Serbia in terms of exposure to the most common megatrends.

Possible further improvements to Research B, which would represent an enhanced version of the conducted study:

- The follow-up research should involve a larger number of respondents.
- To gain a more precise insight into whether the implementation of the megatrend analysis method depends on the revenue levels generated by the company, the research could be conducted on multiple divided groups of companies (small, medium, large).
- Due to the existence of multiple groups, a comparative presentation of the responses can be conducted to identify the areas with the greatest deviations in responses between companies.
- The survey method could be combined with another method, such as interviews. Through interviews with knowledgeable individuals regarding forecasting, we could determine which segments of business the megatrend analysis method contributes to the highest achievement.

Conclusion

Based on Research A, the results obtained for the final indicators show that Serbia is moderately exposed to megatrends such as digitalization, resource scarcity, climate change, and urbanization. Significant deviations in these data are related to the megatrends of population growth and aging, where extremes are observed. Serbia is most exposed to the influence of the megatrend of aging population, while it is minimally exposed to the impact of the population growth megatrend. Consequently, the focus should be on depopulation and an aging population.

Based on the conducted Research B, it can be concluded that companies in Serbia with the highest generated revenues implement the megatrend analysis method. The research, despite the small number of respondents, shows that companies with the highest revenues have the need to conduct strategic forecasting. Encouragingly, managers have plans to apply the megatrend analysis method in the near future. However, a drawback is that a large number of respondents did not know how to define the term "megatrend." There is a need to raise awareness about the significance of megatrends and the corresponding analysis,

which can greatly facilitate business operations. Knowledge of the consequences that megatrends can cause can serve as an additional incentive for companies to implement this method of strategic forecasting in practice.

The readiness of companies to invest in the field of strategic forecasting will be crucial for becoming a leader in their industry. Proactivity will bring an advantage, while reactivity will only ensure survival in the market by adapting to the demands of leaders.

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