

Compromised by Design:

2023 State of Innovation Adoption



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Introduction and Key Findings



Introduction & Methodology

Today's C-suite is facing a rapidly changing cloud reality. When it comes to the innovation adoption process, new players, categories and solutions are introduced almost daily, creating a true "age of abundance".

These CIOs, CTOs and CISOs are charged with keeping up with emerging innovative cloud technologies, and are under huge pressure to deliver ROI to other business units across the org. However, they have a number of challenges. They don't have enough time to lift their heads from the trenches and do the requisite research, they are overwhelmed with manual tasks and alert fatigue from existing tools, and they are tired of managing too many apps, long and complex deployment cycles, and skills shortages, all without a reliable source of truth.

As a direct consequence of these challenges, and the mounting pressure to deliver, decision makers are forced to accept sub-optimal solutions, which only add to their challenges. Less capable of adopting best-of-breed cloud innovation – the C-suite is seeing increased deployment and run-time complexity, decreased performance, and lost time and money. Altogether, they are losing their competitive edge.

It's time to call it. The innovation adoption process is a compromise by design.

GlobalDots, Cloud Innovation Hunters, are constantly on the lookout for the most cutting-edge and impactful solutions to the most pressing IT, security, web, and cloud challenges of the day. We created this survey to ask: In the age of innovation abundance, how should CIOs and other tech leaders find true value through all the noise?

This report is a powerful tool for today's tech leaders, those who are afraid of compromise by design, and are under extreme pressure to deliver best-of-breed solutions both quickly and impactfully. Dive into the results of our survey on the current state of innovation, and benchmark yourself against your peers, understand and analyze the challenges there are in buying innovative solutions for cloud, web and security today, and uncover what you can do to raise the bar and minimize the consumption gap of your organization's tech stack.

Methodology

We commissioned a survey of 200 Director to C-level employees in DevOps, IT, Security and Engineering departments. Respondents are split across the UK (24%), Italy (15.5%), France (13%), Germany (10.5%), Spain (10.5%), Austria (5.5%), Czech Republic (5.5%), Switzerland (5.5%), and the United States (10%). The survey was completed by Global Surveyz, an independent survey company, and took place during August 2022.

Respondents are 32% from cloud-native Software and Gaming industries, with the remaining participants a wide mix of employees who work in Health, Pharma, Telecom, Insurance, Banking, Retail, Travel and more, in companies of between 500 and 10k+ employees. We also specifically wanted to speak with those who participate in evaluating and acquiring innovative technology in the cloud/web/security space, as influencers, buyers, or decision makers.

The respondents were recruited through a global B2B research panel, and invited via email to complete the survey. The average amount of time spent on the survey was 8 minutes and 25 seconds. The answers to the majority of the non-numerical questions were randomized, in order to prevent order bias in the answers.



Key Findings

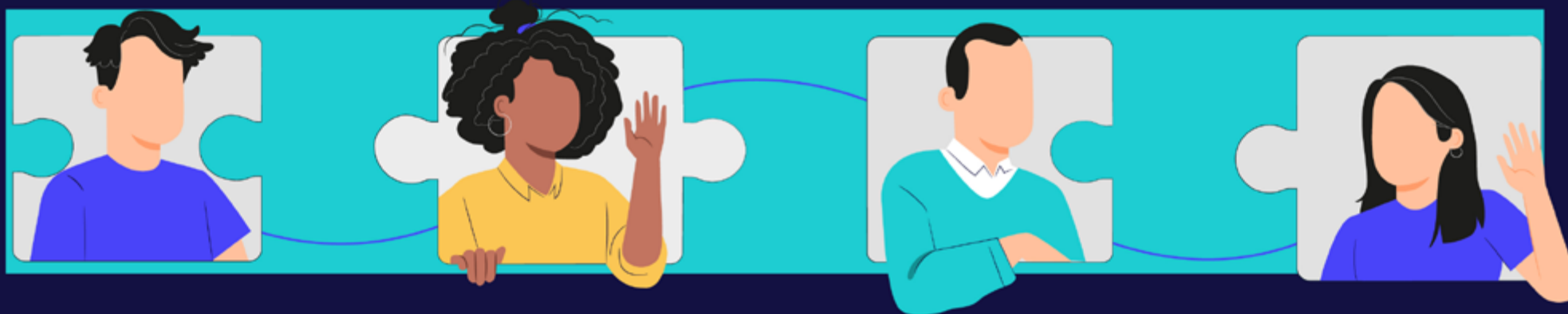
1 A broken innovation adoption process results in a compromised tech stack

38% of respondents feel that their current IT stack is average or below average, another way of saying they don't feel competitive in their industries, and that they fail to recognize and adopt cutting-edge solutions. The problem starts at the research stage, as 73% of companies do not feel comfortable in evaluating and acquiring technology, and 82% agree that their adoption process could be improved. This leads to deployment of average or lacking solutions, shown by the 92% of respondents who call out the consumption gap, and the 50% who admit that their latest purchases did not meet their expectations.

2 There is a huge amount of complexity in the adoption process demonstrated by the fact that 95% are using or considering third-party support

What makes buying tech so difficult? 34% say they have too many technologies to choose between, while 33% said they don't have time to do the research necessary. Even when they try to research effectively, 39% of businesses say they lack reliable sources of information. Top of the list is deployment complexity, another challenge exacerbated by the age of abundance. With so many tools and tech – making them integrate to work in synergy is a huge struggle. Even after organizations make their choice, deployment is complex and a top challenge, with 47% of the audience supporting this claim.





3 Third-party support is valued and needed in the innovation adoption process, but carry inherent problems

With so much pressure on IT leaders to make quick, smart decisions, partnering with expert third parties isn't a luxury – it's a necessity. It's no surprise therefore that more than half of respondents are already using consultants, integrators or Value-Added Resellers (VARs) to support buying activity. However, that doesn't mean there are no challenges involved. The top inhibitors for respondents are finding third parties who are trustworthy and work for more than just one vendor (42%) so that they can be advised on the right solution for their business needs, the added costs related to adding a middleman (38%), and a lack of customer-focus, where the third party is too focused on its own needs (33%).

4 Tech leaders are looking for a new partner. Top trusted third parties can help to move the needle, showing transformational benefits

Respondents recognize the essential differentiators for third parties who can help them to move the needle when adopting innovation solutions. Top trusted partners are proactive in offering opportunities (46%), they can provide advice and guidance on their existing IT stack (34%), and they have deep familiarity with the most impactful and innovative new technologies (32%). The best choices have a multi-vendor offering which adds trust and legitimacy to the way they work, and also have experience across multiple IT fields, rather than being a one-trick (or one vendor) pony.

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Innovation Adoption Challenges



Current Innovation Level of IT Stack

Cloud & Web technology is evolving rapidly, and staying at the forefront of innovation is crucial to remain competitive. However, this takes both time and resources, which not all companies can afford.

We wanted to first understand, where do today's IT leaders sit in terms of the innovation level of their IT stack?

Currently, 38% of respondents feel the innovation level of their IT stack is average or below, indicating that something is broken in the adoption process. These businesses feel that their tech stack is not competitive in their industries.

Considering that only 20% of IT leaders feel their tech stack is cutting-edge, we can extrapolate that the remaining 80% are struggling to at least some extent keeping up with emerging cloud, security, and web technologies.

*Percentages do not add up to 100% due to rounding up of numbers

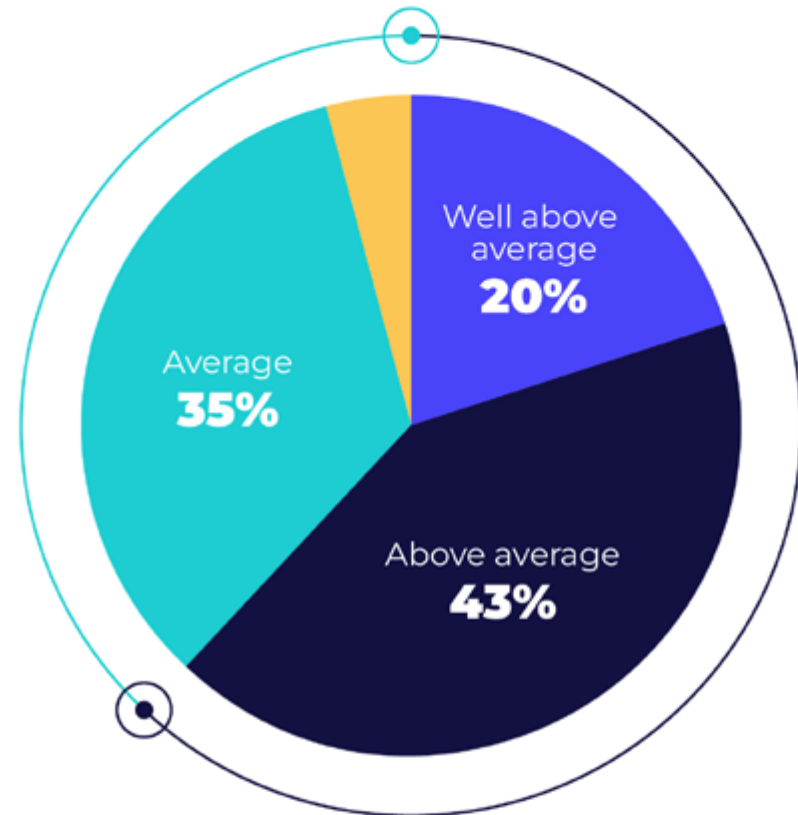


Figure 1:
Current Innovation Level of IT Stack

- Below average 4%
- Average or below 38%
- Above average 62%

Comfort Level in Evaluating and Acquiring Innovative Technologies

73% of companies do not feel fully comfortable in handling the process of evaluating and acquiring innovative cloud, web, and security technologies.

Only 27% feel very comfortable with this process.

According to a recent Workday/Deloitte report, [49% of CIOs](#) say they need to spend less time on IT day-to-day tasks in order to focus on business growth tasks and ROIs. In addition, 2022's State of the CIO report comments that [76% of CIOs say it's challenging to find the right balance](#) between operational excellence and business innovation.

The comfort level is low in the process of acquiring innovative technologies for a number of reasons, (many of which we can see in Figure 7). IT leaders are lacking the time to educate themselves, as well as deployment complexities, and a lack of reliable sources to support decision-making.

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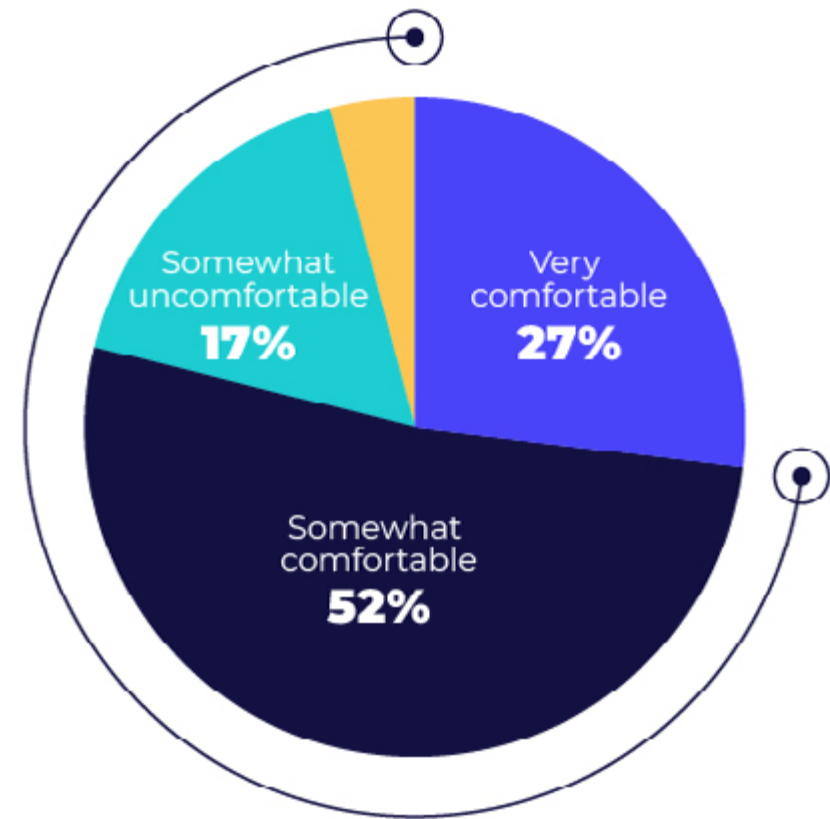


Figure 2:
Comfort Level in Evaluating/Acquiring Innovative Technologies

- Very uncomfortable 5%
- Average or below 74%

Can the Innovation Adoption Process Improve?

Innovation adoption is a complicated process, it has a major influence on many different business units, and a direct impact on a wide range of KPIs. Strengthening the innovation posture of a company is therefore critical.

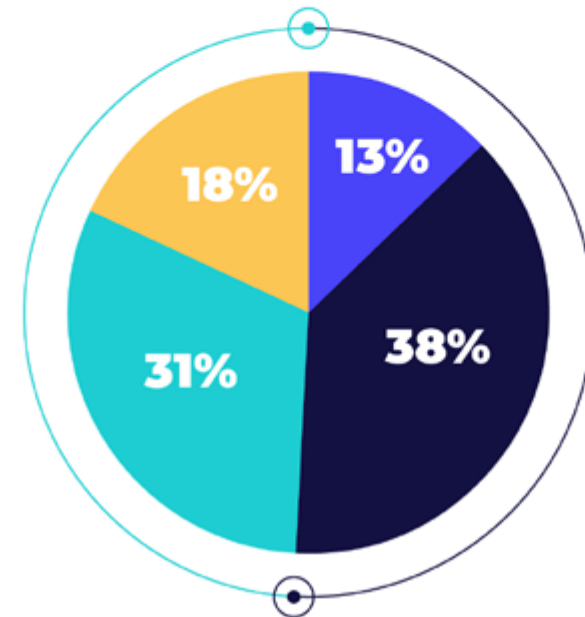
Despite the importance of this area of the business, 82% of respondents say that their innovation adoption processes do need to improve at least somewhat, with only 18% saying they don't see an opportunity for improvement.

Here is unarguable proof that something is broken in the adoption process, but a strong sign of potential that IT leaders recognize room for change.

When we looked at the responses by company size, companies of all sizes claim their innovation adoption process is far from optimized. The number is even high for large enterprises with the most resources available to them, those with 5,000+ employees (figure 4).

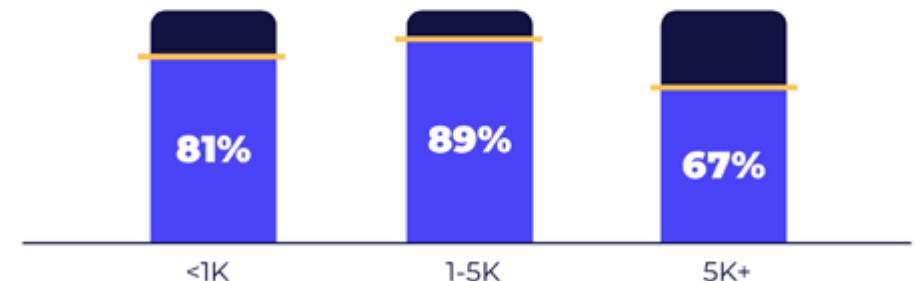
*Percentages do not add up to 100% due to rounding up of numbers

Figure 3
Can the Innovation Adoption Process Improve?



- Totally agree
- Somewhat disagree
- Agree 51%
- Somewhat agree
- Totally disagree
- Disagree 49%

Figure 4:
All excluding "Totally Disagree", by Company Size



Are Innovative Technologies Meeting Expectations?

Betting on a solution is a big risk, from which it is usually complicated and costly to return. With today's high level of pressure on IT leaders to perform better, faster, and more cost-effectively, there is huge friction involved in making a bad call.

We asked respondents to consider a recent innovation technology purchase, and how they feel these technologies meet their expectations. Only 8% feel their purchases of recent cloud, web, and security solutions fully meet their expectations.

In huge contrast, 92% said there's room for improvement.

We then compared those who called out room for improvement by the answers around the level of innovation in their current IT stack. The most innovative organizations are faring better, but even within this cohort, 77% of companies say there is room for improvement.

*Percentages do not add up to 100% due to rounding up of numbers

Figure 5:
Did Your Latest Innovative Technology Meet Expectations?

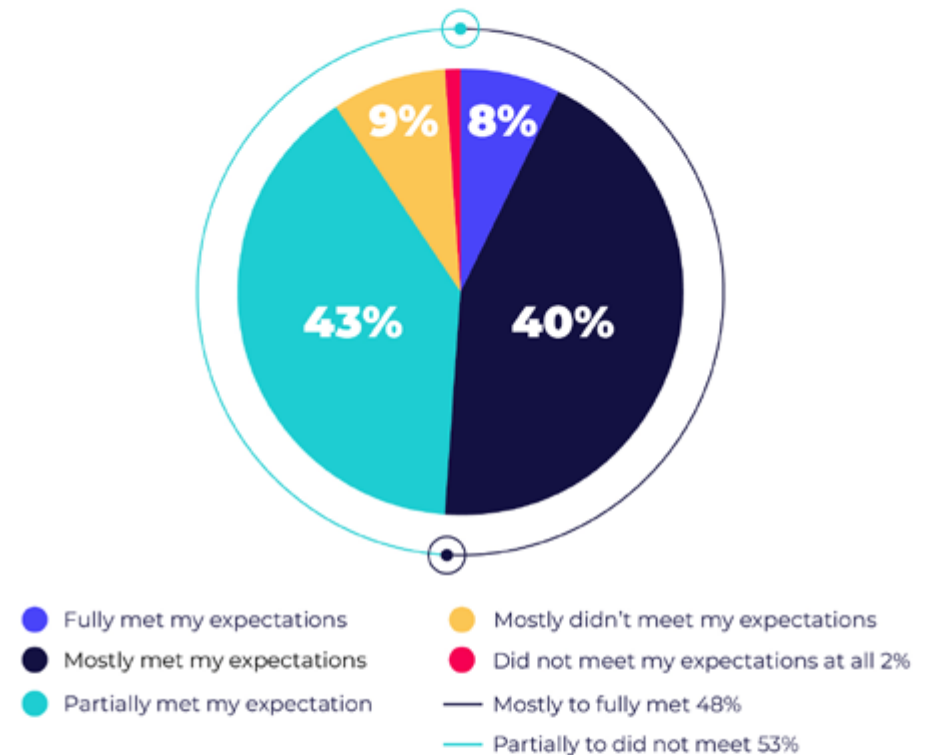


Figure 6:
All excluding "Fully met", by Innovation Level of Current IT Stack



Challenges in the Buying Decision of Cloud, Security and Web Solutions

We are in the age of abundance, where there are so many tools and technologies, and without the right level of expertise and support, the sheer number of solutions can create consumption gaps, or even cause POC failures. At each aspect of the journey, there is risk.

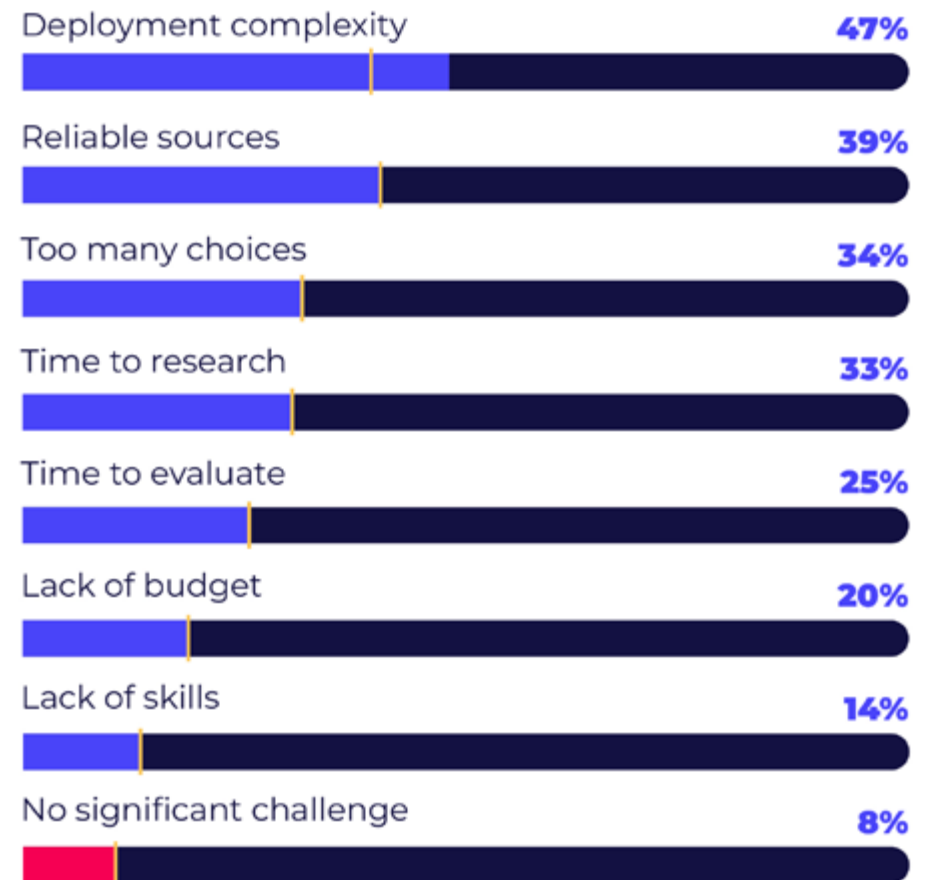
With such high stakes, it's no surprise that 92% of survey respondents admit they have challenges in the buying decisions of cloud, web, and security solutions.

Interestingly, lack of budget is not a top concern. Instead, issues in properly adopting innovation derive from three discrete steps.

First, you need the time and resources for research, and the knowledge to define your needs. 33% say that they have too little time for research. Second, 34% say there are too many options to choose from. With so many vendors all promising the same advantages, how can buyers sift through the noise?

Third, once chosen, the solution needs to integrate optimally with your already complex tech stack. Deployment complexity is the top challenge, named by 47% of respondents. If failure happens here, this wastes time and money, or forces the business to compromise.

Figure 7:
Challenges Faced in the Buying Decision of Cloud/Web/Security Solutions



*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Time it Takes to Acquire a New Solution (and Make it Fully Operative)

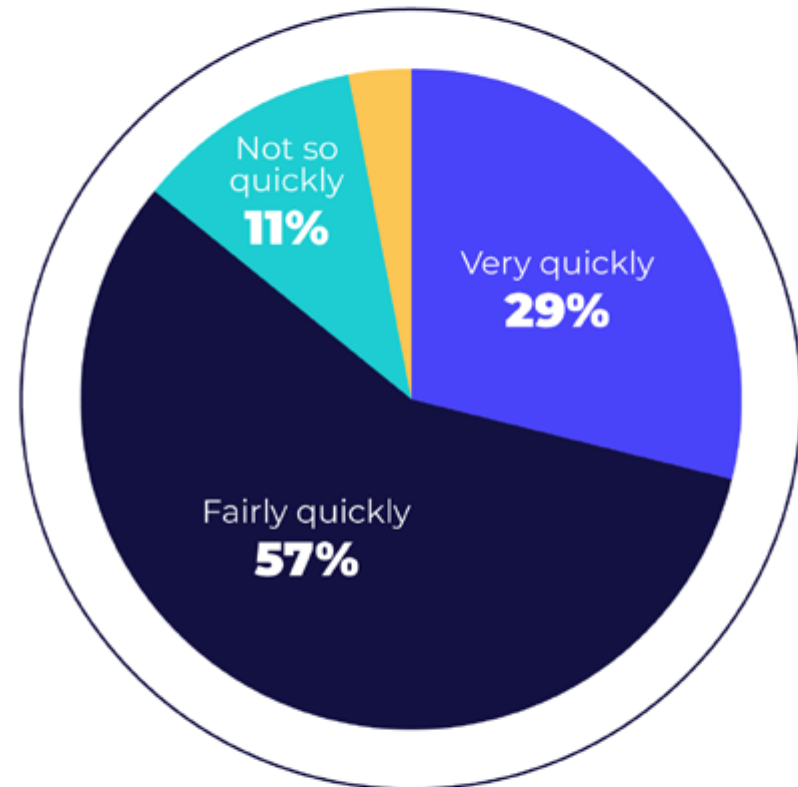
After noting that the top challenges indicate an issue with time, we asked survey respondents how long they feel it takes for their company to acquire the right solution, measured from the time they've identified a significant gap or a technical requirement that needs to be addressed, to making it fully operative in their IT environment.

Just 29% said they can make this happen very quickly, showing room for improvement.

Pace of adoption and integration is essential in today's business world, and while many platforms and technologies can be implemented quickly, that doesn't mean that they are optimized.

As technology evolves, new skill sets, expertise and knowledge areas are needed to adopt cloud and security innovation in an optimized way.

Figure 8:
Duration of Solution Adoption Process



● It takes a very long time 3%

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3rd Parties and Trusted Sources



Primary Sources for Supporting Purchasing Decisions for Cloud, Web and Security Solutions

Today's decision makers are experiencing information overload as each solution provider promises top performance and the most innovative capabilities. How can IT leaders determine who can actually deliver on that promise?

To find the most accurate, relevant, and reliable information about cloud, web and security solutions, companies need a wide range of tactics. The top sources of information are conferences and online events (52%), Integrators, VARs, and Consultancies (48%), and a vendor's own website or sales team (41%).

According to G2 research, only 4% of IT leaders trust traditional market research firms and analysts the most when making major software purchasing decisions. There is a growing need for third-party involvement in the buying process, to add expertise and support during an increasingly complex adoption and integration journey.

Figure 9:
Primary Sources for Supporting the Purchasing Decisions for Cloud/Web/Security Solutions



*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Do Companies Plan to Use 3rd Parties to Purchase, Implement or Support their Next Solution?

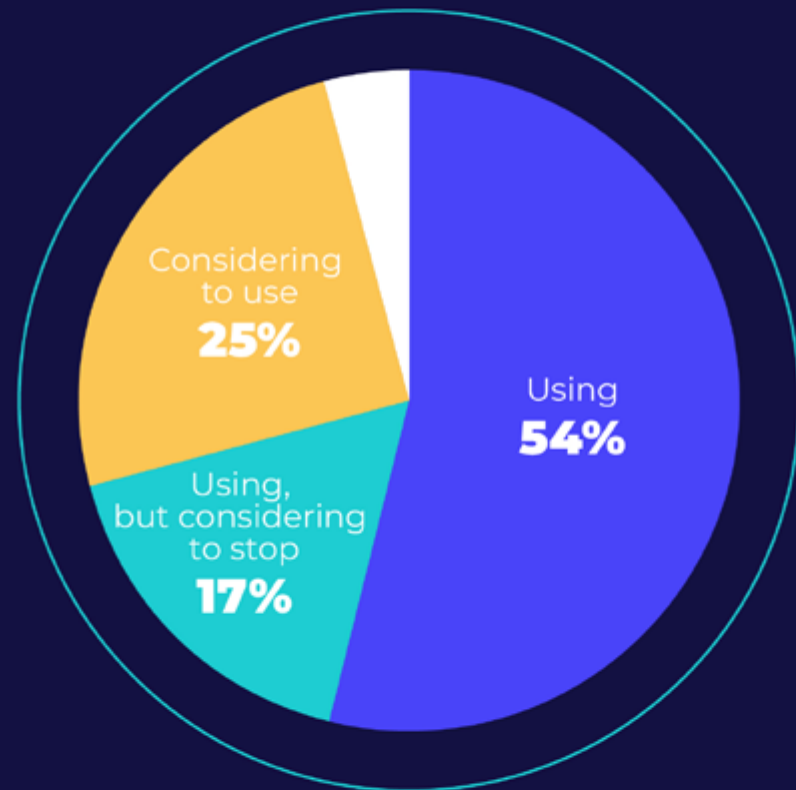
Just 5% of our respondents say that they are not using a partner and have no plans to do so. We are looking at a complex process, and IT leaders are short on time to handle it, rightly focused on their day-to-day tasks. This data suggests that the industry recognizes the need for an expert partner to bridge the gap between the companies and the innovation.

More than half of companies (54%) are using consultants, integrators or Value-added Resellers to purchase, implement or support their next solution.

It's possible that a trusted partner is needed to make complex technology decisions in the age of abundance. However, almost half are not using a partner at all.

Looking at the industry more broadly, in the [2021 State of the CIO survey](#), 88% of respondents say they increasingly need to rely on trusted advisors to help them navigate through new technologies, processes, and methodologies.

Figure 10:
Use of Consultants, Integrators and VARs to Purchase, Implement or Support the Next Solution



● Not using, no plans to 5%

Why Might Leaders Be Hesitant to Consult with 3rd Parties?

It would seem that if companies could find third parties who are trustworthy, customer-focused, and do not cost extra than buying direct – they would be quicker and happier to engage with them.

To understand why almost half of companies are not using third parties as innovation adoption partners, we can look at the named disadvantages of using consultants, integrators or Value Added Resellers (VARs).

The top disadvantage is that most third parties work with a limited number of vendors, and sometimes just one – so they're not trustworthy to be acting in the customers' best interests (42%).

Other issues are that in some cases dealing with resellers or integrators may cut into your own revenues due to paying for the solution and the reseller's margin (38%), and their focus is on their own bottom line, rather than the needs of their clients (33%).

We also looked more closely at the challenge of a third party that only works with a limited number of vendors. Does this change in importance depending on the innovation level of the company? All companies are challenged by this problem, but when innovation level is well above average, it becomes less of an issue.

*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Figure 11:
Main Disadvantages of Using Consultancies, Integrators, and VARs

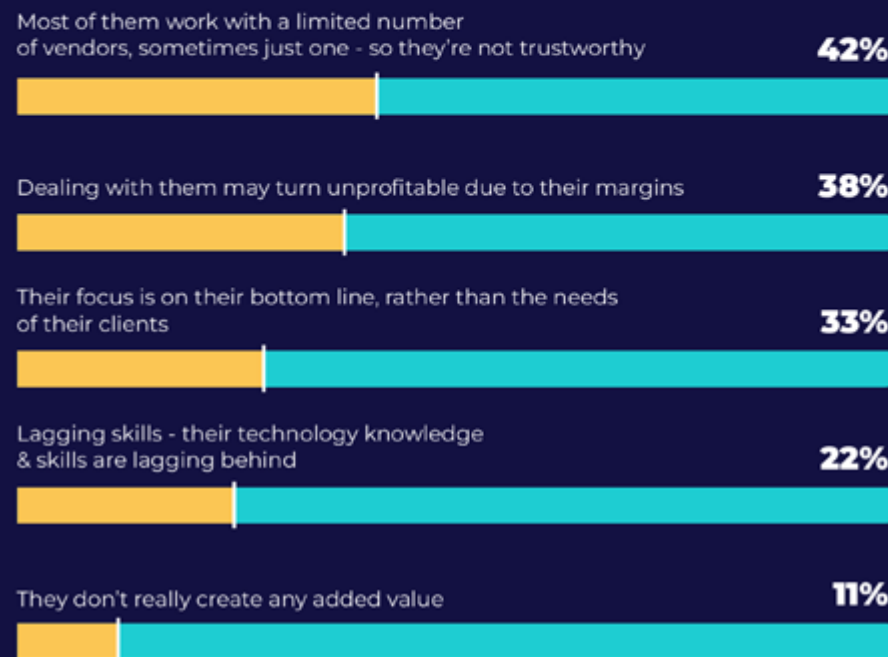


Figure 12:
Does Current Innovation Level Impact Number of Vendors?



3rd Party Wishlist: The Expected Requirements of Third Parties Today

Fundamentally, when a third party is an efficient partner, they will work proactively for you, and introduce you to innovative new technology that you can trust and rely on without adding hours of your own research.

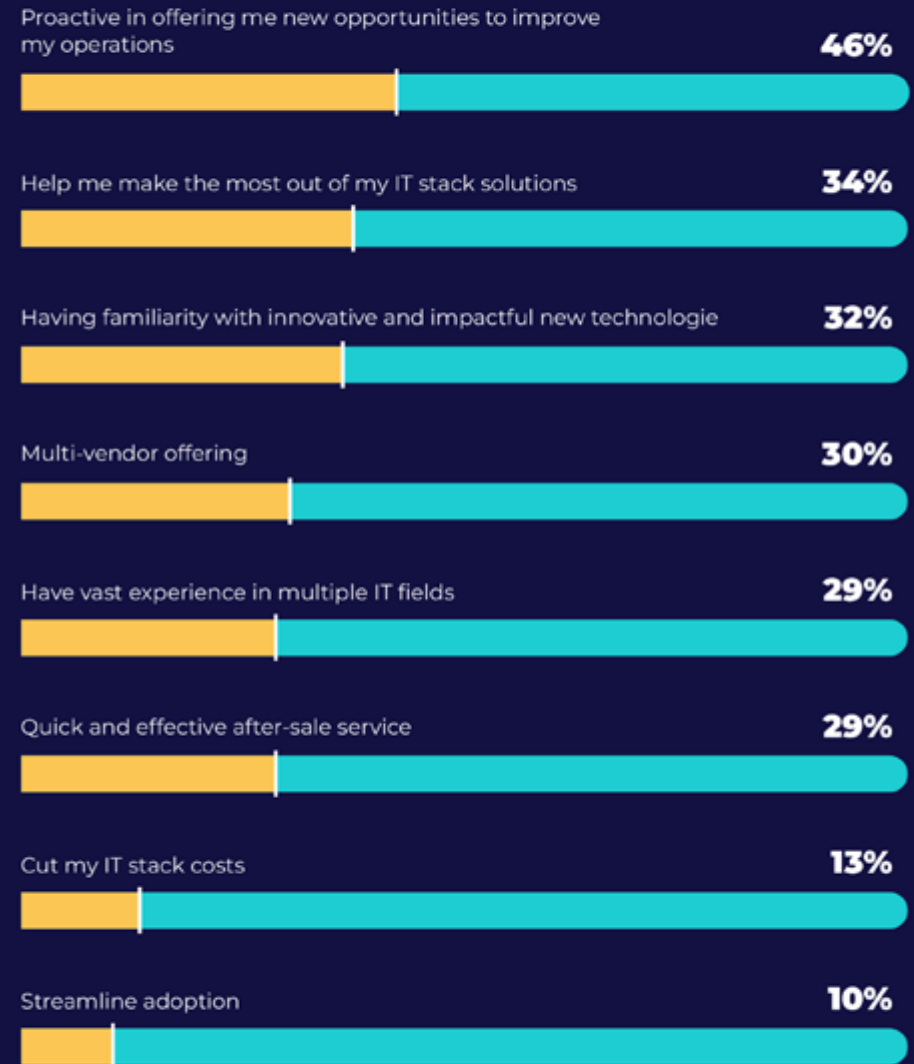
The most important benefits expected from working with consultants, integrators, and VARs are that they are proactive in offering new opportunities to improve operations (46%), they help to make the most out of existing IT stack solutions (34%), and they have familiarity with innovative and impactful new technologies (32%).

It's interesting to see that 30% call out a multi-vendor offering as a large benefit of working with a third party, directly alleviating the top challenge in figure 11 - trust.

A multi-vendor offering can allow the third party to focus on the needs of the client, rather than working on behalf of any specific big fish.

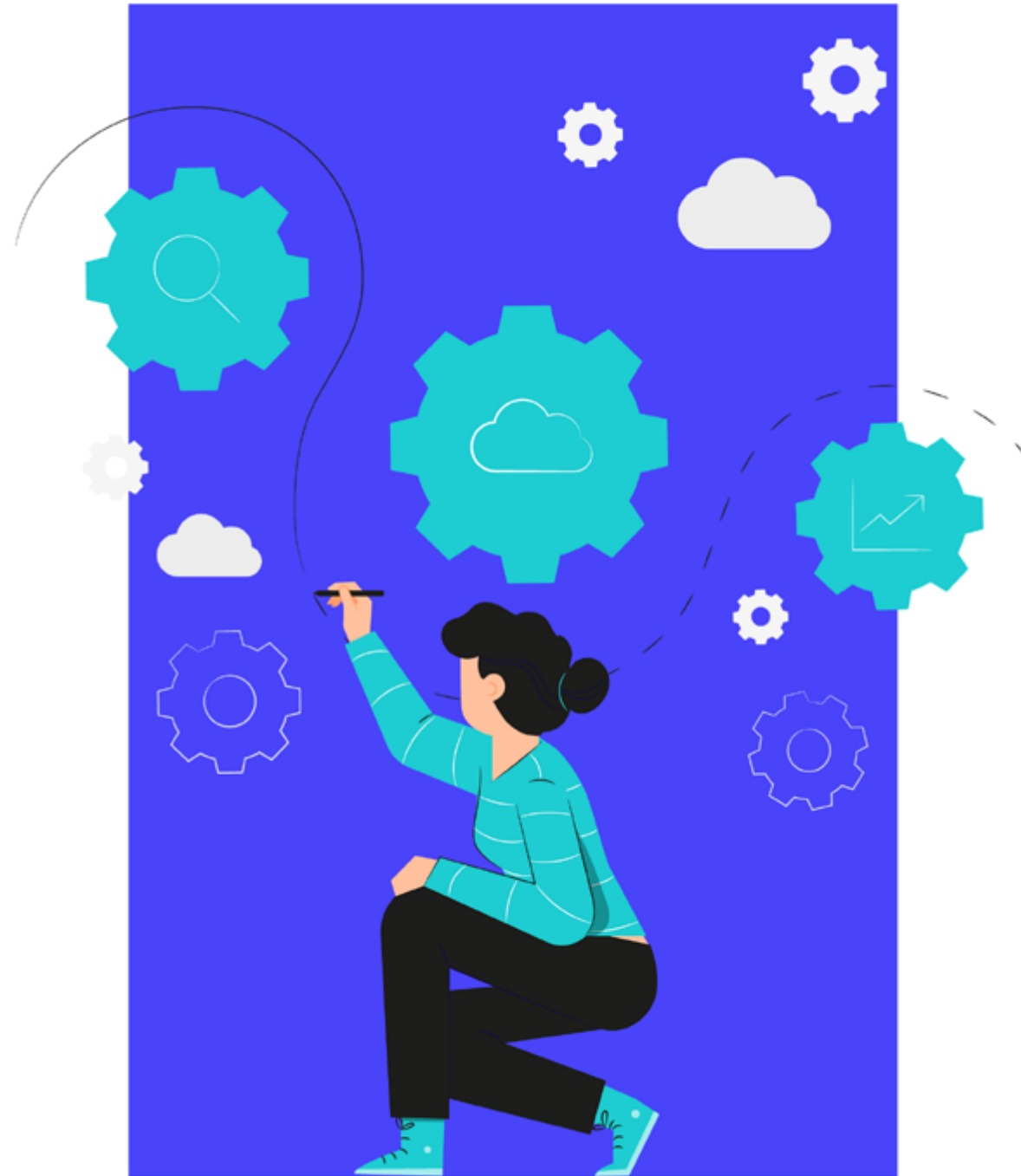
*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Figure 13:
Most Important Benefits of Working with Consultancies, Integrators, and VARs



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**2023
Innovation
Rising Stars
Forecast**



Cloud, Web, and Security Solutions Expected Growth in 2023

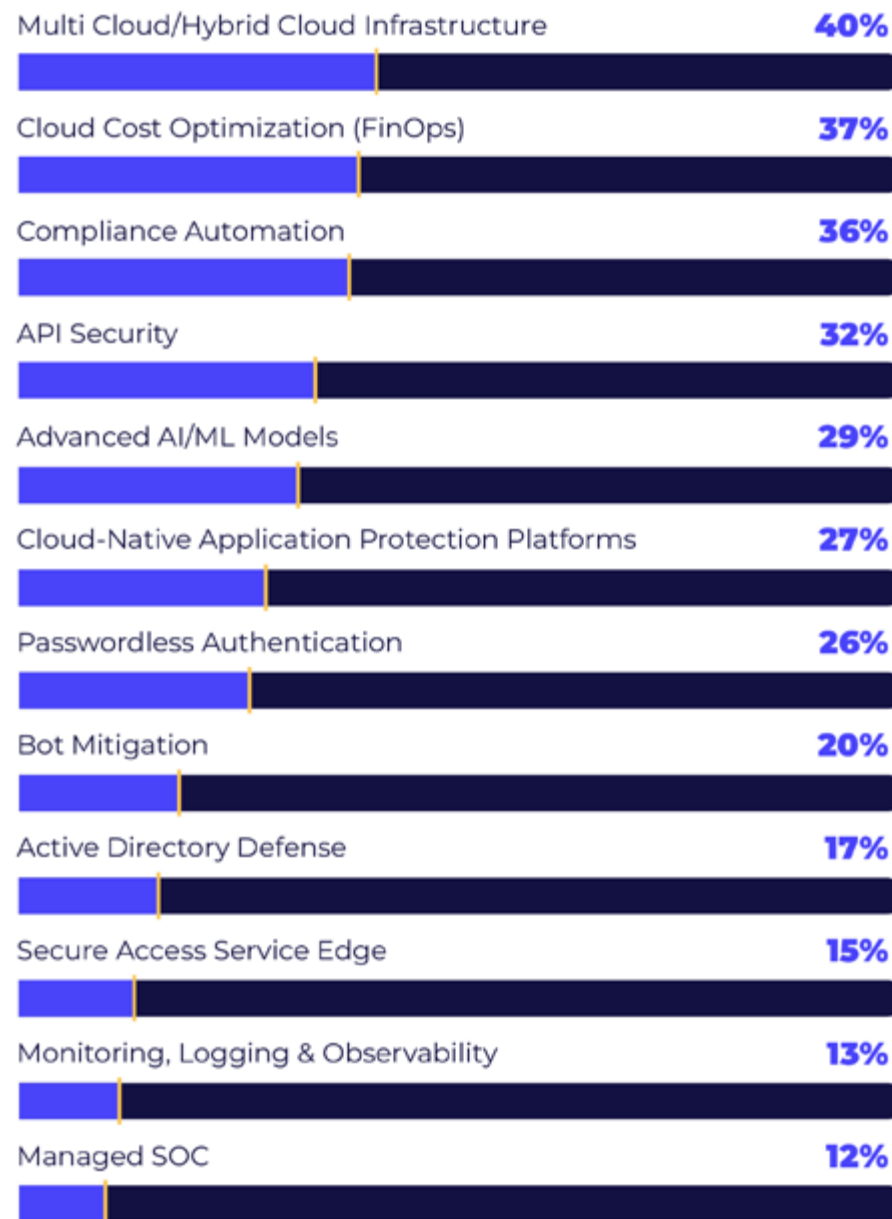
As we created a survey about innovation adoption, we also wanted to get a benchmark for where the focus will be in 2023 in terms of technical or business needs. We can learn from this data where companies are focusing their efforts and which technology is perceived to be best for the job at hand.

Altogether, we see three trends running through these responses:

1. **Better performance:** As seen by multicloud infrastructure (40%) and AI/ML models (29%)
2. **Stronger security:** As shown with the focus on API Security (32%), Application protection (27%) and authentication tools (26%).
3. **Optimized operations:** FinOps (37%) and automation in areas like compliance (36%).

*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Figure 14:
Cloud/Web/Security solutions Growth in 2023



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Demographics



Industry, Technology Solutions Managed, and Roles

*Question allowed more than one answer and as a result, percentages will add up to more than 100%

Figure 16:

Technology Solutions Managed

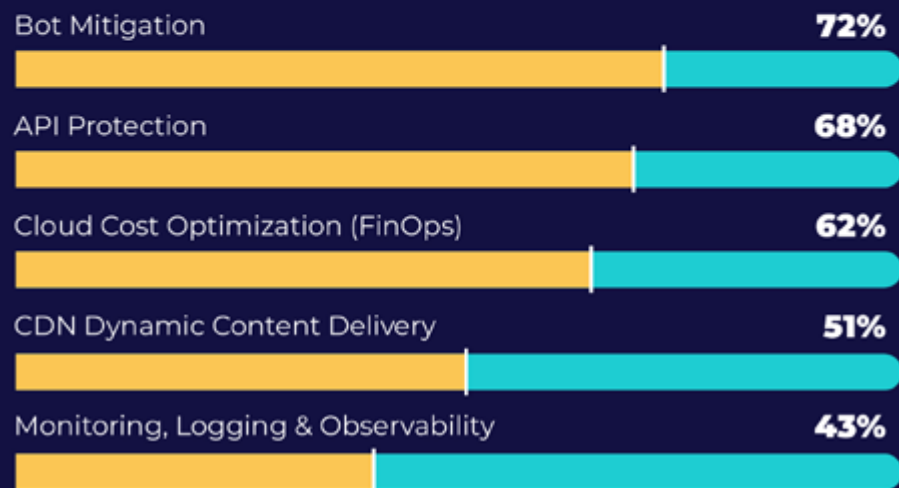


Figure 17:

Roles in Evaluating & Acquiring Innovative Technology

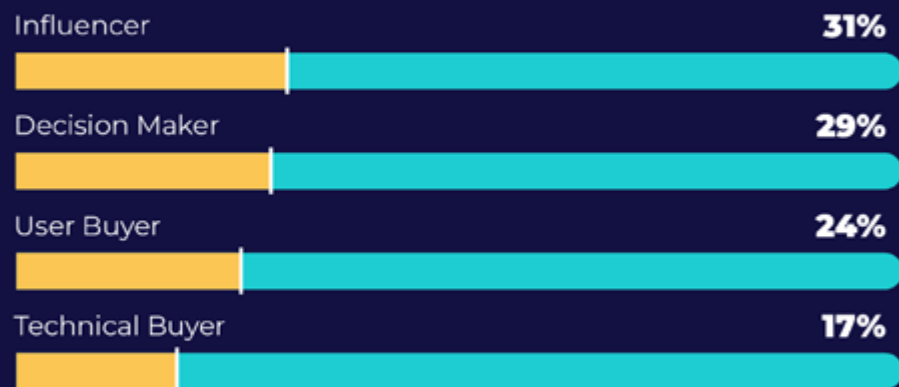
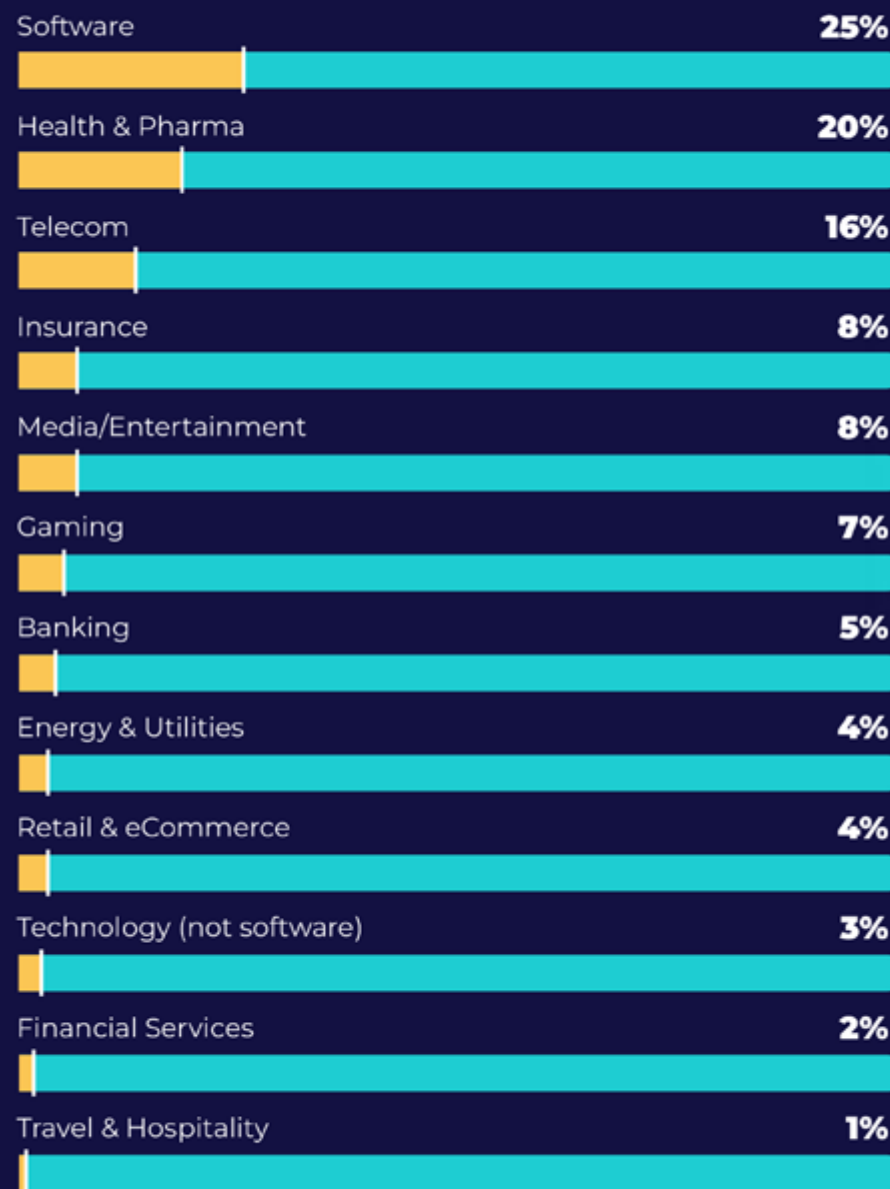


Figure 17:
Industry



Country, Department, Seniority, and Company Size

Figure 18:
Country

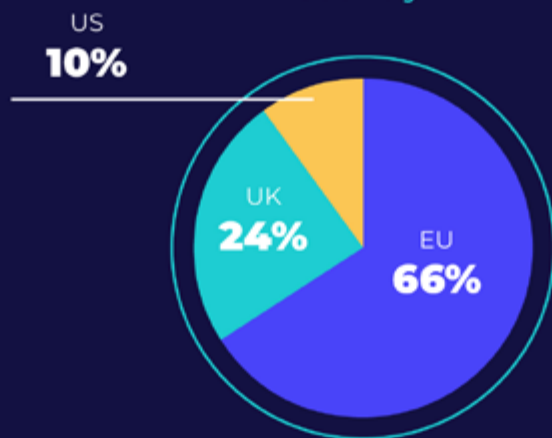


Figure 19:
Department

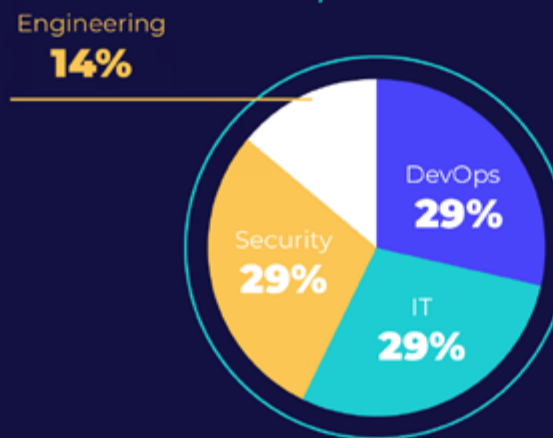


Figure 20:
Seniority

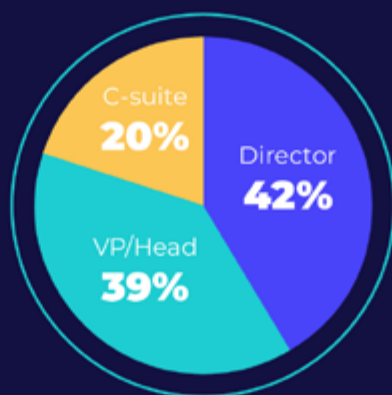


Figure 21:
Company Size



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About GlobalDots

GlobalDots is a 20-year world leader in cloud & web innovation, connecting over 1,000 global businesses with the most innovative cloud technologies. Our evergrowing solution portfolio contains over 80 innovative technologies focusing on Security, Web Performance, DevOps & Cloud Management, Corporate IT, and advanced AI/ML models.

Led by a team of innovation-driven engineers & architects, GlobalDots offers easy end-to-end technology adoption. Proactively introducing newer, better solutions, GlobalDots helps businesses maintain a scalable, up-to-date technology posture in a quickly changing world and benefit from cost-effective and highly secure infrastructures.

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