

Research Report

Abstract:

2017 IT Spending Intentions Survey

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Introduction

Research Objectives

In order to assess IT spending priorities over the next 12-18 months, ESG recently surveyed 641 IT professionals representing midmarket (100 to 999 employees) and enterprise-class (1,000 employees or more) organizations in North America and Western Europe. All respondents were personally responsible for or familiar with their organizations' 2016 IT spending as well as their 2017 IT budget and spending plans at either an entire organization level or at a business unit/division/branch level.

The survey was designed to answer the following questions:

- What are organizations' general spending plans for IT products and services in 2017?
- How do 2017 spending plans compare with previous years and how do they vary by geographic region, and industry?
- What is driving the changes between 2016 spending and 2017 planned spending?
- What *business* initiatives are currently having the greatest impact on IT spending?
- What do organizations rank as their *single most important IT priority* for 2017?
- Within specific technology segments—such as cloud computing, cybersecurity, big data analytics, and virtualization—which initiatives and technologies will sustain investment over the next 12 months?
- What measures—if any—are organizations taking in 2017 to control or reduce IT costs? How do these tactics vary according to purchase patterns for IT products and services, as well as 2016 financial success based on surpassed revenue targets?
- What factors will be most important in justifying IT investments to the business over the next 12 months?
- How widespread is the adoption of public cloud computing services? How has this changed over the last five years?
- What is the specific usage breakdown of the three public cloud computing service models, software-as-a-service (SaaS), infrastructure-as-a-service (IaaS), and platform-as-a-service (PaaS)?
- What types of applications are being delivered via the SaaS model?
- What are the most common cloud infrastructure service use cases for current IaaS users?

Survey participants represented a wide range of industries including manufacturing, financial services, health care, communications and media, retail, government, and business services. For more details, please see the *Research Methodology* and *Respondent Demographics* sections of this report.



Research Methodology

To gather data for this report, ESG conducted a comprehensive online survey of IT professionals from private- and public-sector organizations in North America (United States and Canada) and Western Europe (United Kingdom, France, and Germany) between November 28, 2016 and January 3, 2017. To qualify for this survey, respondents were required to be IT managers personally responsible for or familiar with their organizations' overall 2017 IT budget and spending plans, either at an entire organization level or at a business unit/division/branch level. Respondents who were only responsible for IT spending at a departmental or workgroup level were disqualified. All respondents were provided an incentive to complete the survey in the form of cash awards and/or cash equivalents.

After filtering out unqualified respondents, removing duplicate responses, and screening the remaining completed responses (on a number of criteria) for data integrity, we were left with a final total sample of 641 IT managers.

Please see the *Respondent Demographics* section of this report for more information on these respondents.

Note: Totals in figures and tables throughout this report may not add up to 100% due to rounding.

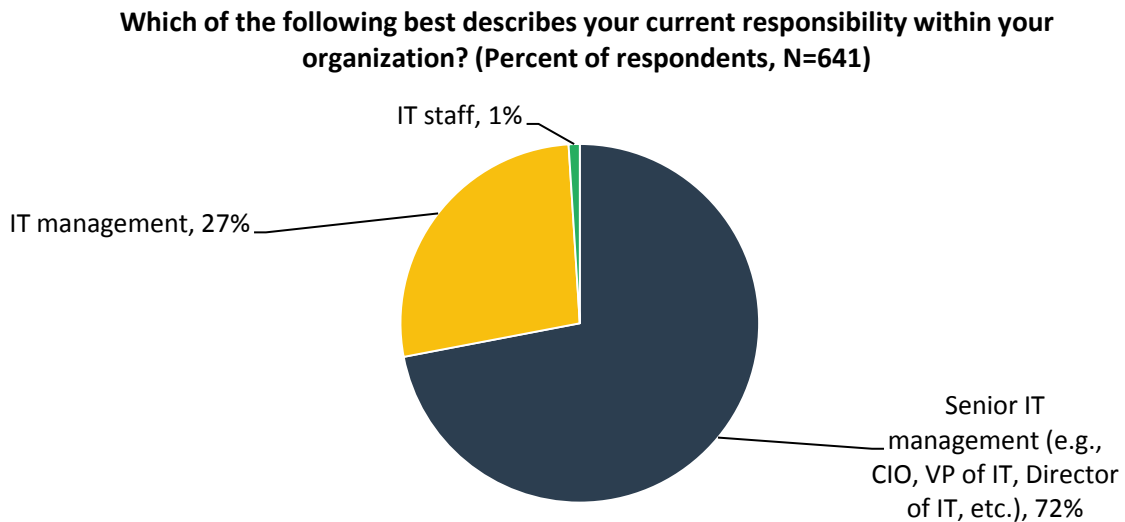
Respondent Demographics

The data presented in this report is based on a survey of 641 qualified respondents. Figure 1 through Figure 9 detail the demographics of the respondent base, including individual respondents' current job responsibilities, as well as respondent organizations' total number of employees, primary industry, annual revenue, and IT budget.

Respondents by Job Responsibility

Respondents' current job responsibility is shown in Figure 1.

Figure 1. Survey Respondents, by Job Responsibility

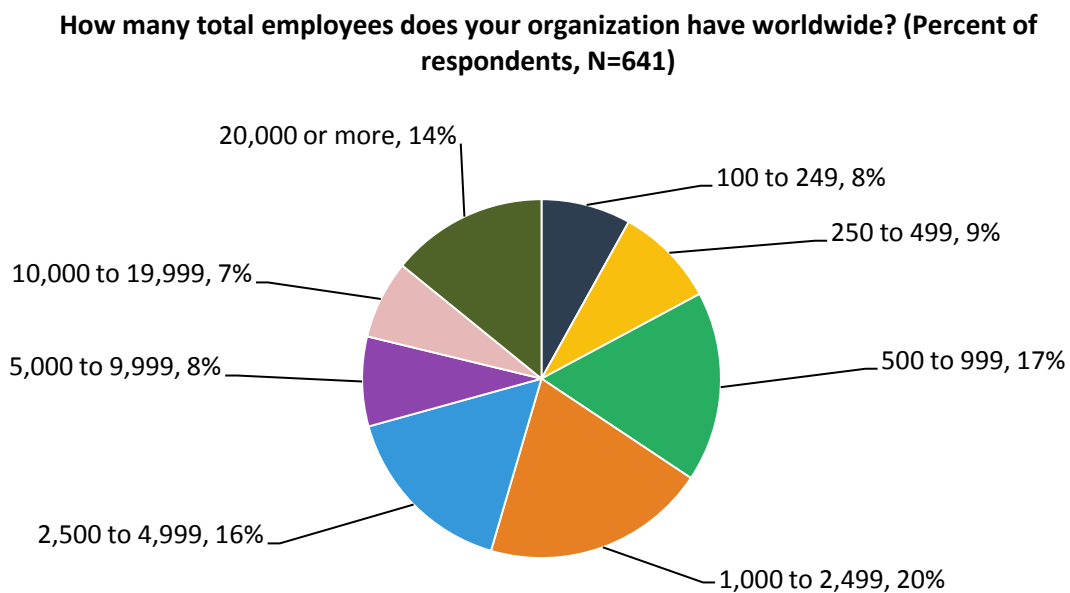


Source: Enterprise Strategy Group, 2017

Respondents by Number of Employees

The number of employees in respondents' organizations is shown in Figure 2.

Figure 2. Survey Respondents, by Number of Employees



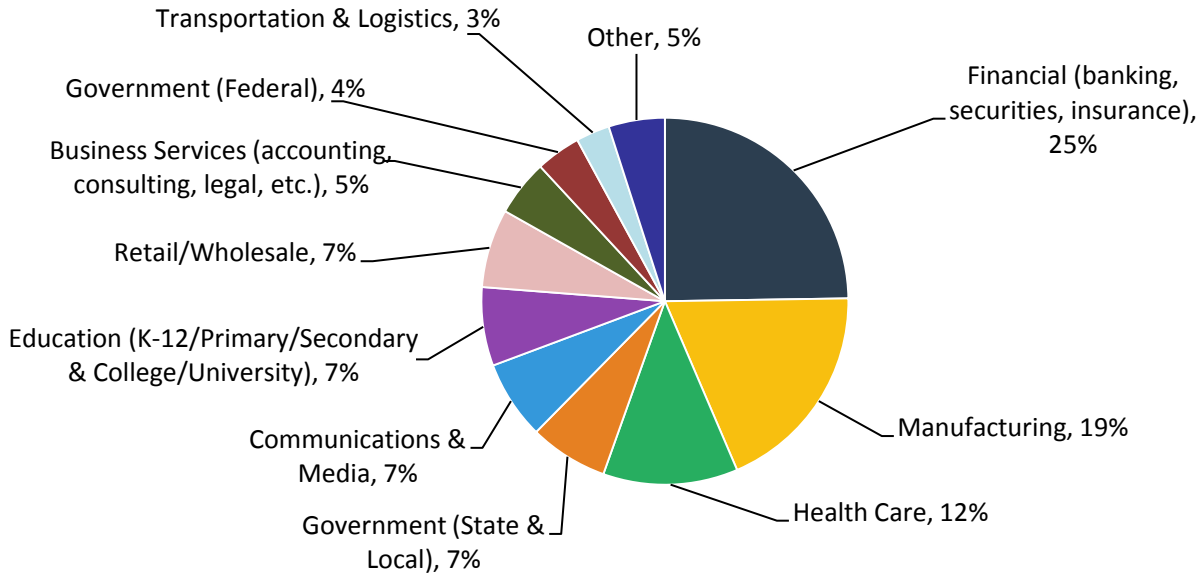
Source: Enterprise Strategy Group, 2017

Respondents by Industry

Respondents were asked to identify their organization’s primary industry. In total, ESG received completed, qualified responses from individuals in 19 distinct vertical industries, plus an “Other” category. Respondents were then grouped into the broader categories shown in Figure 9.

Figure 3. Survey Respondents, by Industry

What is your organization’s primary industry? (Percent of respondents, N=641)



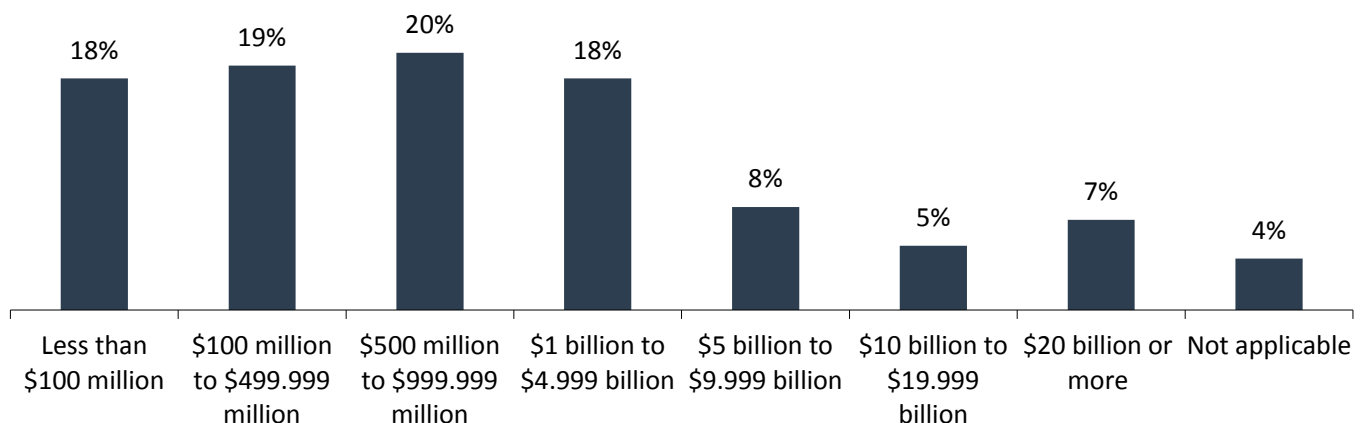
Source: Enterprise Strategy Group, 2017

Respondents by Annual Revenue

Respondent organizations’ annual revenue is shown in Figure 4.

Figure 4. Survey Respondents, by Annual Revenue

What is your organization’s total annual revenue (\$US)? (Percent of respondents, N=641)



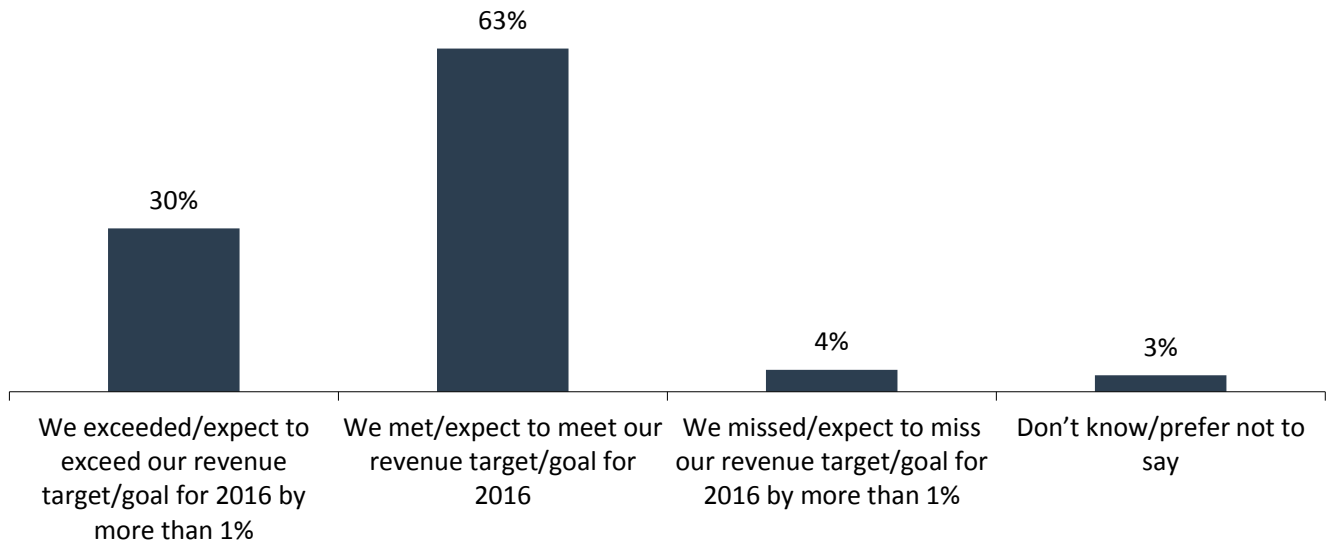
Source: Enterprise Strategy Group, 2017

Respondents by Performance Relative to 2016 Revenue Target

Respondent organizations' performance against their 2016 revenue target is shown in Figure 5.

Figure 5. Survey Respondents by Performance Relative to 2016 Revenue Target

Thinking about your organization's 2016 fiscal year, which of the following represents your organization's performance (or expected performance) relative to its 2016 revenue target/goal? (Percent of respondents, N=571)



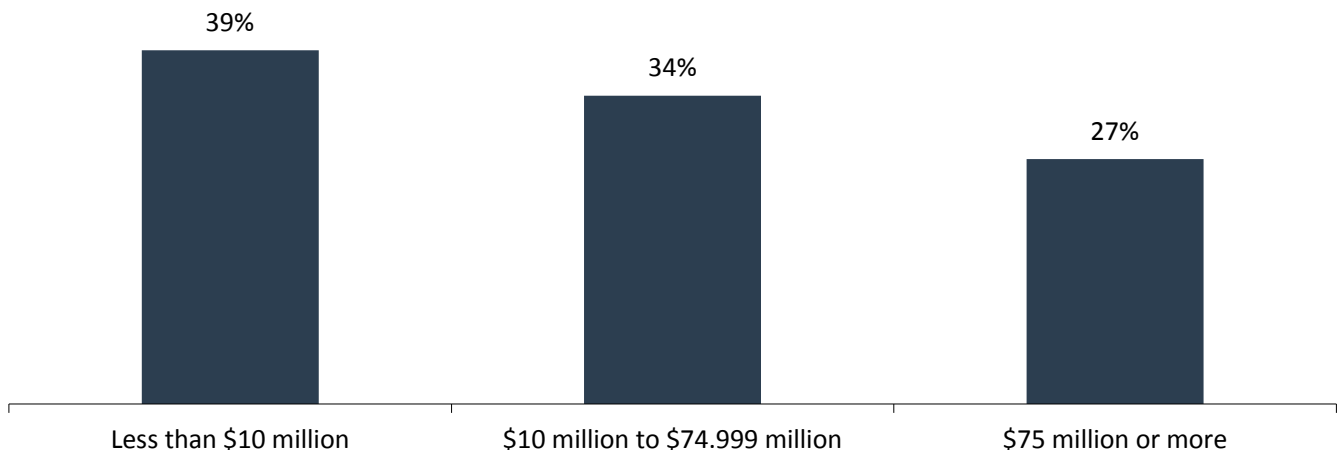
Source: Enterprise Strategy Group, 2017

Respondents by Total 2017 IT Budget

Respondent organizations' total expected 2017 IT budget is shown in Figure 6.

Figure 6. Total 2017 Budget for All IT Products, Staffing, and Services

To the best of your knowledge at this time, what is your organization's total projected 2017 budget for all IT products, staffing, and services (\$US)? (Percent of respondents, N=641)



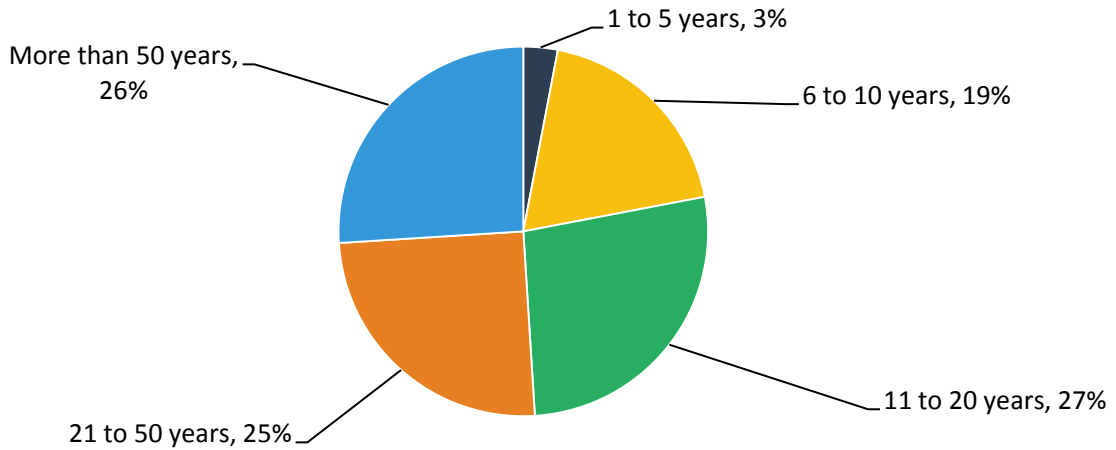
Source: Enterprise Strategy Group, 2017

Respondents by Length of Organizations' Existence

The length of time respondents' organizations have been in operation is shown in Figure 7.

Figure 7. Survey Respondents, by Length of Organizations' Existence

For approximately how long has your current employer been in existence? (Percent of respondents, N=641)



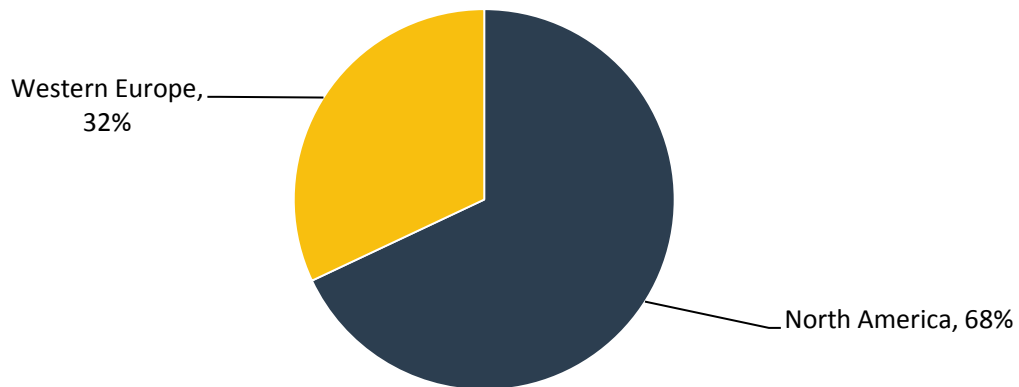
Source: Enterprise Strategy Group, 2017

Respondents by Region

Figure 8 shows the regional breakdown of the respondent base.

Figure 8. Survey Respondents, by Region

Survey respondents by region. (Percent of respondents, N=641)



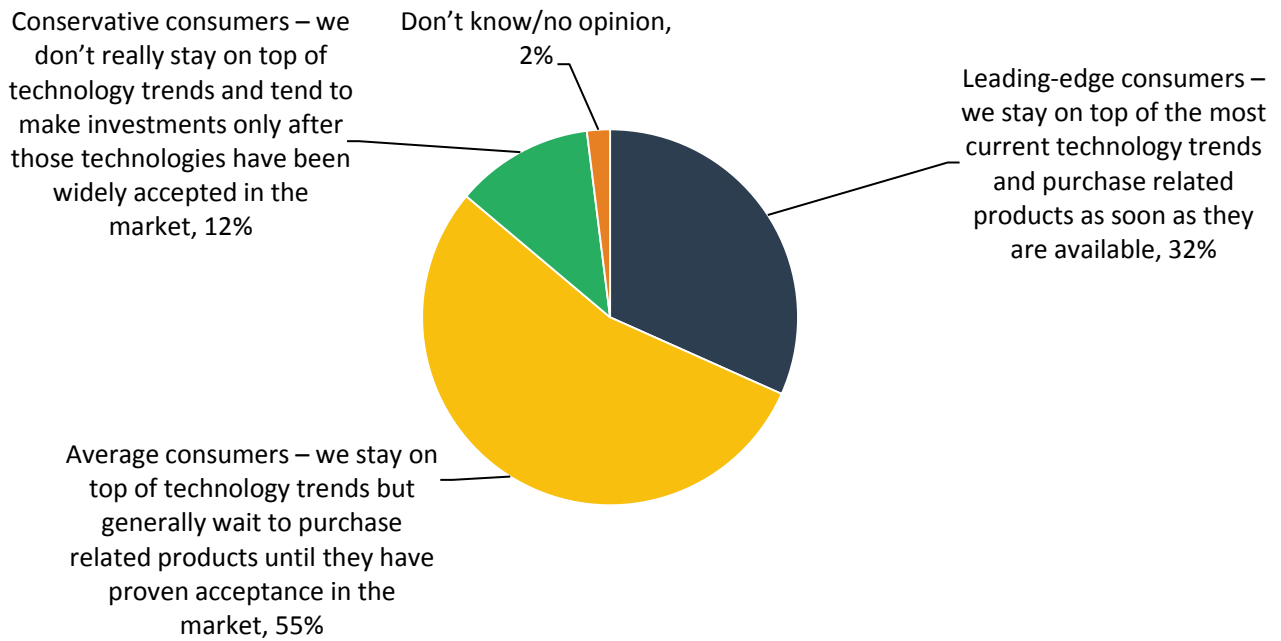
Source: Enterprise Strategy Group, 2017

Respondents by IT Purchase Pattern

Respondents' views on their organizations' purchasing patterns for IT products and services is shown in Figure 9.

Figure 9. Survey Respondents, by IT Purchase Pattern

Generally speaking, how would you describe your organization's purchasing patterns for IT products and services? (Percent of respondents, N=641)



Source: Enterprise Strategy Group, 2017



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