
# MACH Alliance Annual Survey of Global IT Decision Makers

Developed in February 2024, commissioned by the MACH Alliance, Executed by **M·E·L Research**

MACH ALLIANCE

Developed in February 2024, commissioned by the MACH Alliance

Executed by **M·E·L Research**

m·e·l research

# Agenda

- ➔ **Background and Objectives**
- ➔ **Methodology**
- ➔ **Sample and Demographics**
- ➔ **Pressure to innovate in 2024**
- ➔ **Implementation of MACH technologies**
- ➔ **The impact of legacy debt**
- ➔ **MACH as a driver to competitive change**
- ➔ **Conclusions**

MACH ALLIANCE

# Background & Objectives

# Background and objectives

The MACH Alliance presents and advocates for composable, truly open and future-proof best-of-need architecture - microservices-based, API-first, cloud-native SaaS, and headless. This is the fourth iteration of the annual report, which aims to understand the current situation and to:

- Measure and monitor progress in transitioning to composable and MACH architectures
- Identify drivers behind decision making
- Identify barriers to MACH architecture uptake
- Understand experiences from companies in transition
- Identify key stakeholders in the decision making process
- Understand the impact of external pressures upon innovation efforts

MACH ALLIANCE

# Methodology

# Methodology

- We spoke to a range of Technology Decision Makers (CIO/CTOs, VP/SVP, Senior Managers) across the UK, Germany, France and USA.
- All organizations had at least 5,000 employees and had a revenue of at least $500m annually.
- Screening questions ensured all respondents are decision makers.
- Respondents were provided with a definition for MACH at the outset.
- 'Don't know' responses have not been reported.
- Where year-on-year stats have been reported, due to differences in countries included each year, these have only been reported at the country level.
- Compared to the previous years, the 2023 report asks about "Customer facing" and "Back-end" rather than "Front-end" and "Back-end" infrastructure as was asked in 2023, and "Front-office" and "Back office" until 2022. This difference should be caveated when looking at year on year trends.

## A quantitative online survey:

- Was drafted collaboratively between the MACH Alliance and MEL Research.
- Was 10 minutes in length.
- Was programmed in-house by MEL Research.
- Was distributed via a leading online access panel partner.
- Data cleaning, processing and tabulation was undertaken internally by MEL Research.
- Results were then analyzed by MEL Research, and findings are outlined in this report.
- Comparisons have been conducted with the 2023 wave of the report. In 2023, the survey was also conducted in Australia. These results have been excluded from the 2023 data displayed in this report, to ensure comparability across waves.

MACH ALLIANCE

# Sample and Demographics

# Sample & Demographics

**Total number of completes: 551**

## COUNTRY

- USA: 45%
- UK: 18%
- Germany: 18%
- France: 18%

## ROLE

- C-Suite: 37%
- VP/SVP: 11%
- DIRECTOR: 52%

## EMPLOYEES

- 5,000 – 9,999: 44%
- 10,000 – 24,999: 24%
- 25,000+: 33%

## JOB ROLE

- CX: 10%
- IT / Information: 78%
- Tech / Innovation 12%

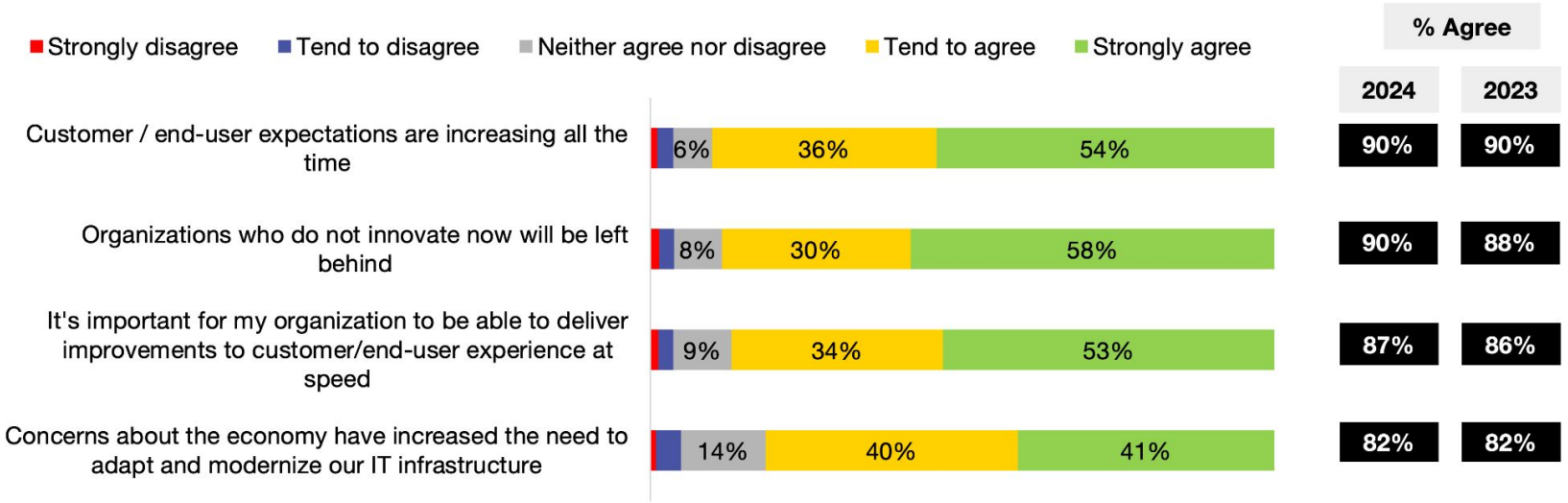
MACH ALLIANCE

# Pressure to innovate in 2024

# Pressure to innovate in 2024

**Organizations face high pressure to innovate, driven by customer expectations and economic concerns.**

- Given these concerns, organizations that fail to innovate their technology, keep pace with competitors and meet customer demands, face the risk of both declining income and a damaged reputation.
- These concerns are greatest for those who lag behind in the development of their IT infrastructure. Organizations heavily reliant on legacy IT systems are notably more inclined to perceive heightened economic concerns as a catalyst for the imperative to adapt and modernize their IT infrastructure. 97% of decision makers from organizations whose IT infrastructure is over three quarters legacy are more likely to believe this, compared to 82% of organizations generally.

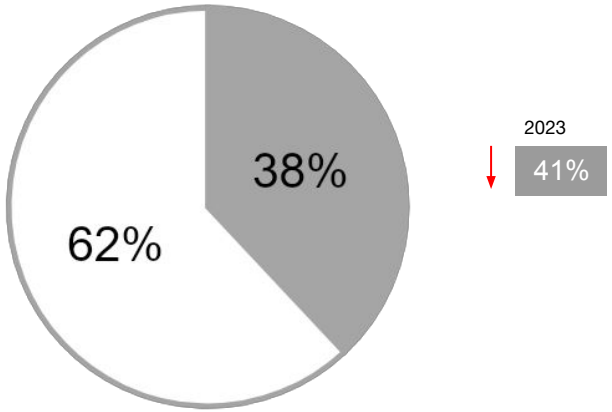


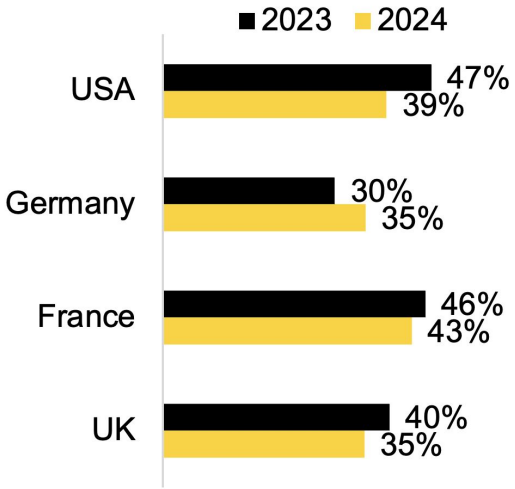
# Pressure to innovate in 2024

**Efforts to innovate and upgrade technologies are progressing, but legacy technologies continue to make up a significant proportion of IT ecosystems**

- While the proportion of organizations' IT infrastructure which is legacy has fallen from 41% to 38% since 2023, it is evident that efforts to replace legacy tech are still not moving at a fast pace.
- Legacy tech is more common among larger organizations (41% of IT ecosystems are legacy among organizations with 25,000+ employees) and those with greatest turnover (44% of IT ecosystems are legacy among organizations with $25bn+ turnover, 44%).
- The technology (39%) and financial services (41%) industries tend to have the highest proportion of legacy technology in their IT ecosyste

**Average proportion of organizations' IT ecosystem which is legacy**



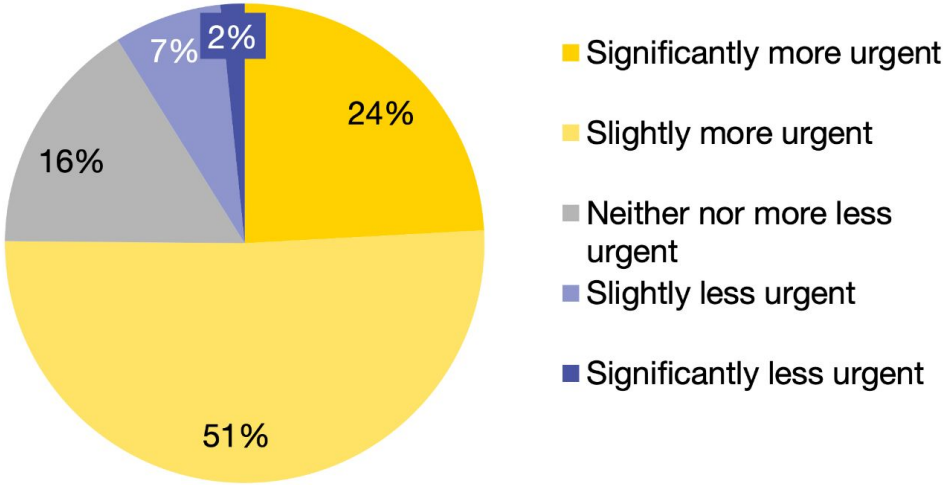



# Pressure to innovate in 2024

**Organizations face high pressure to innovate, driven by customer expectations and economic concerns.**

- Three quarters of decision makers feel that it is more urgent for their company to innovate in 2024, than it has been in the past five years. It is therefore clear that the pressure to innovate is a key concern for organizations.
- Decision makers in Germany (82%), and those from organizations with a high turnover are most likely to state that it is more urgent for them to innovate in 2024. 82% of those with a turnover of $25bn+ and 79% of those with a turnover of $10-25bn believe it is more urgent to innovate in 2024 than it has been in the past five years, compared to 68% of those with a turnover of $500-750m.
- Organizations with the greatest proportion of legacy tech in their IT ecosystem are facing the greatest pressure to innovate. 94% of decision makers from organizations where over three quarters of their ecosystem is legacy believe that it will be more urgent to innovate.
- The urgency to innovate is highest in the manufacturing industry, where 81% believe it is more urgent to innovate in 2024 than it has been in the past 5 years.

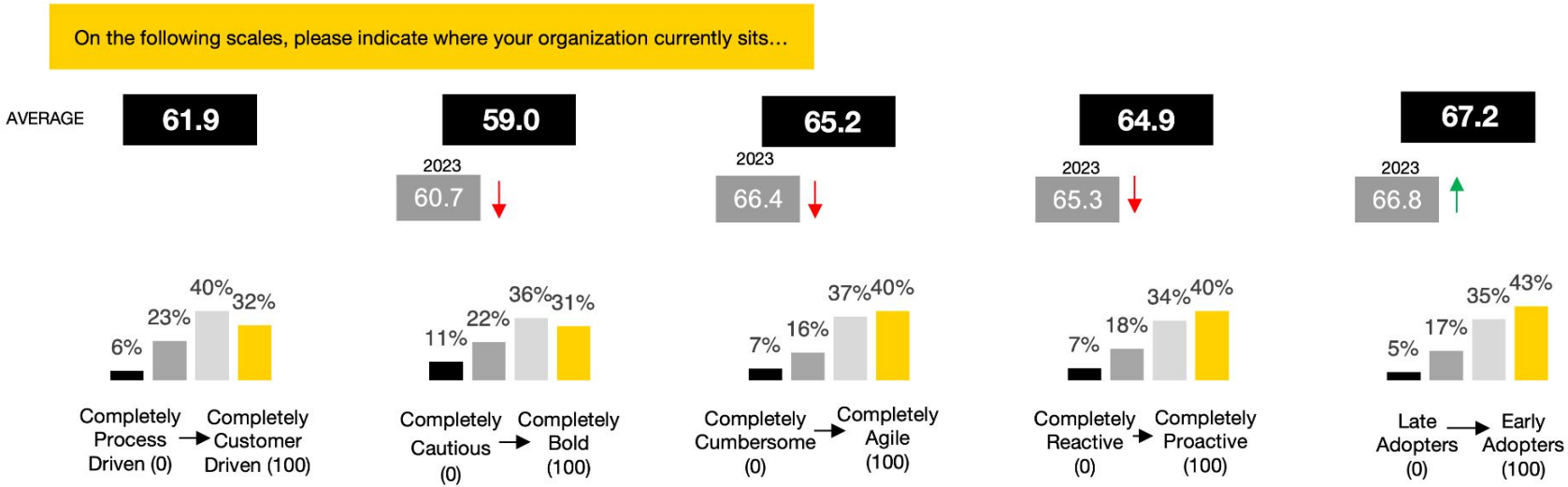
**Do you feel that the current urgency for your company to innovate in 2024 is greater, the same or less than it has been in the past five years?**



# Pressure to innovate in 2024

**However, organizations are struggling to embody the values which may help them to push their innovation efforts forwards**

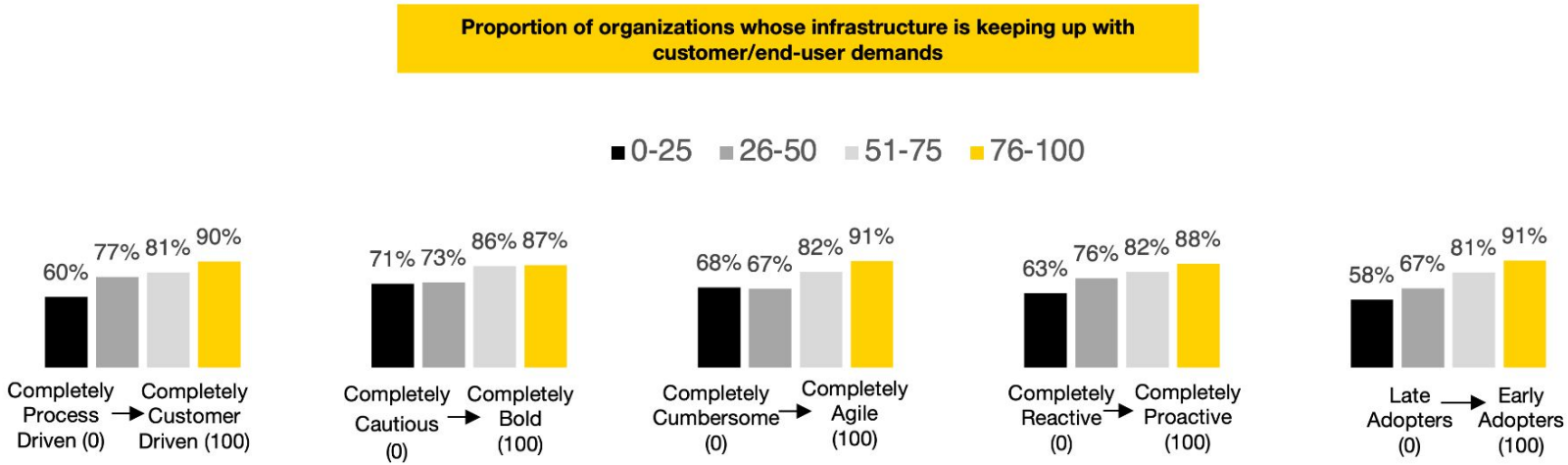
Organizations see themselves as slightly less bold, agile and proactive than they have been in previous years. This may mean that they are struggling to embed these values in how they operate.



# Pressure to innovate in 2024

**Organizations which do embody these values are better able to keep up with their customer/end user demands**

Fully embracing these values could help organizations to sustain innovation efforts which could help them to success in the challenging circumstances they currently find themselves (slide 9).

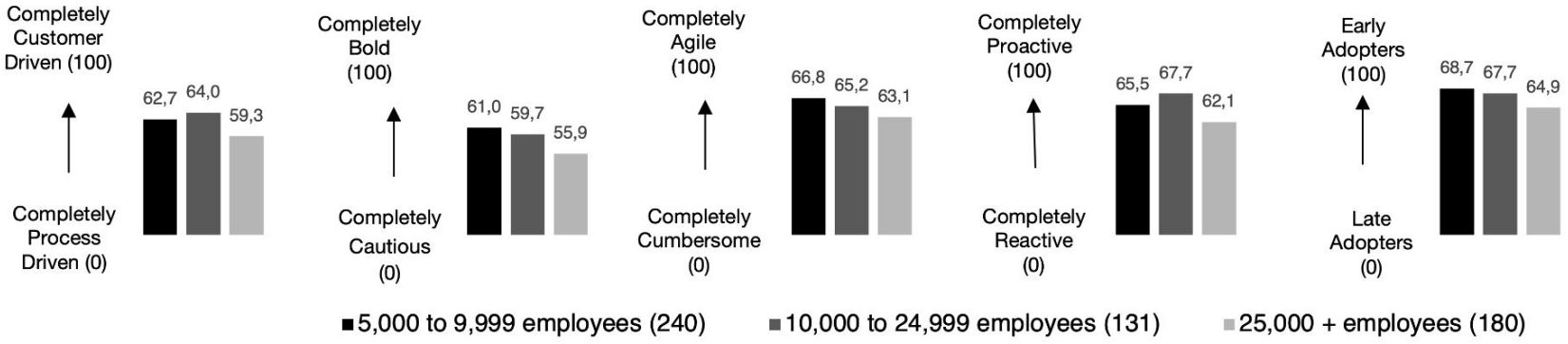


# Pressure to innovate in 2024

**Larger organizations in particular struggle to live these values**

- Organizations with 25,000 or more employees are less likely than those with between 5,000 and 24,999 to be customer driven, bold, agile, proactive and early adopters.
- This may mean that these organizations in particular struggle to adopt new technologies and to keep up with customer demands.

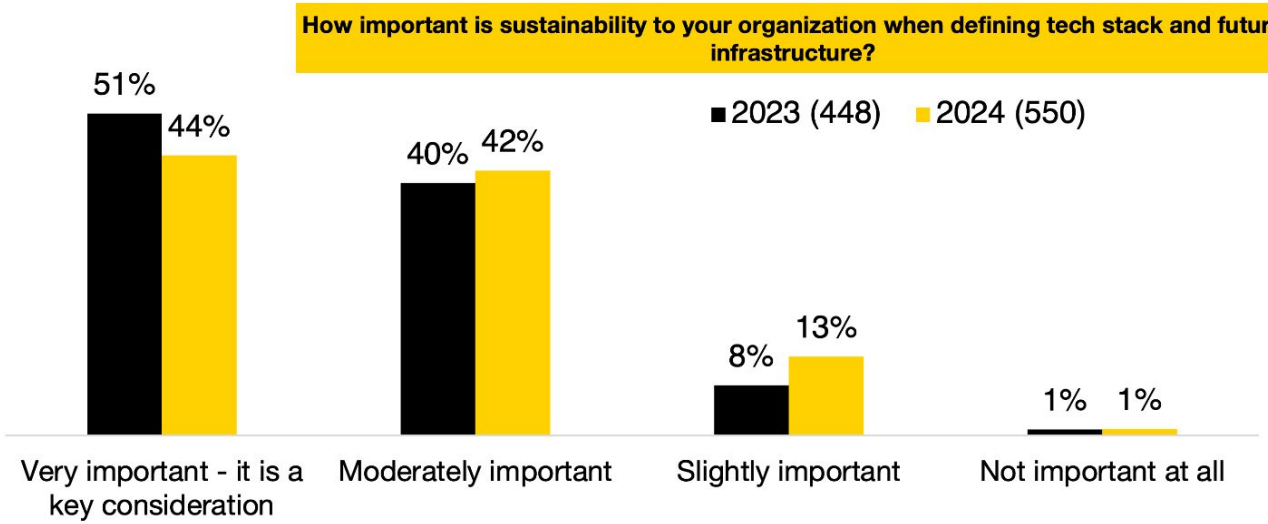
Average score by organization size.



# Pressure to innovate in 2024

**Sustainability is still a key concern for organizations, but is falling as a priority**

- 86% say sustainability is very or moderately important when defining tech stack and future infrastructure, down from 91% in 2023. This may be because of the other pressures that are driving infrastructure and tech stack decisions, which push sustainability concerns down the priority order
- However, sustainability is still a key concern for some. Decision makers from 'bold' organizations are more likely to state that sustainability is important (94%) than 'cautious' organizations (81%), and those from 'proactive' are more likely to say it is important (93%) than those from 'reactive' (82%)
- It is also most likely to be very important to those in the UK (55%) and USA (48%) than Germany (35%) or France (35%).
- Sustainability is most key for those in the manufacturing industry (91%).



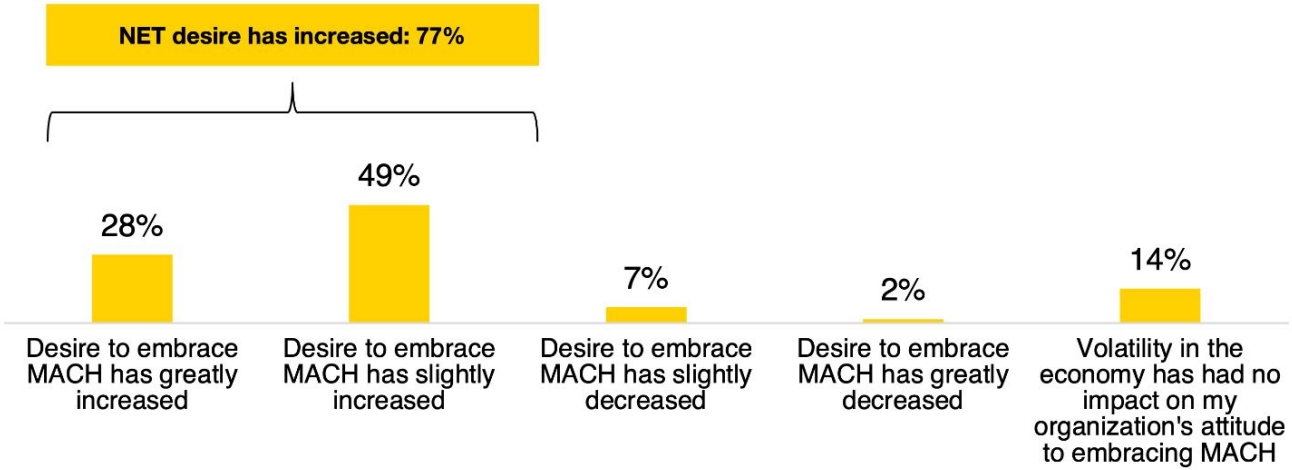

| %Sustainability is very important | |
|---|---|
| USA | 48% |
| Germany | 35% |
| France | 35% |
| UK | 55% |


# Implementation of MACH technologies

# Implementation of MACH technologies

**For many, volatility in the market has led to an embracing of composable and MACH technologies**

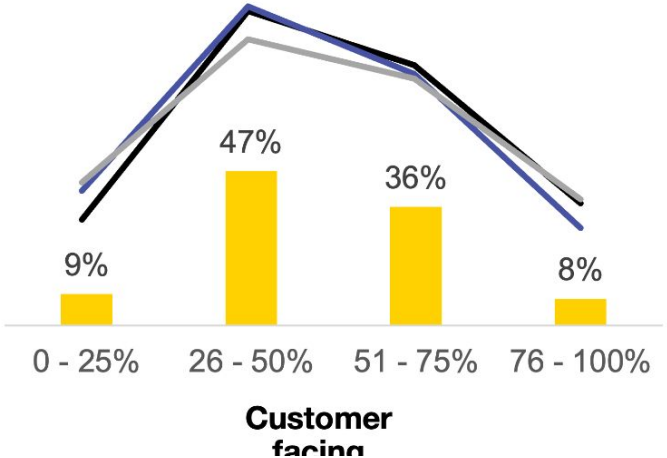
- This suggests that MACH is seen as a key part of organizations' approach to sustaining and growing their business in the face of market pressures.
- However it is less the case in the UK, where only 64% state that desire to embrace MACH has increased as a result of volatility in the economy (77%).
- Organizations with 5,000 to 9,999 employees are more likely to say that their organization has increased desire to embrace MACH as a result of economic volatility (83%) than those with 25,000+ employees (76%).

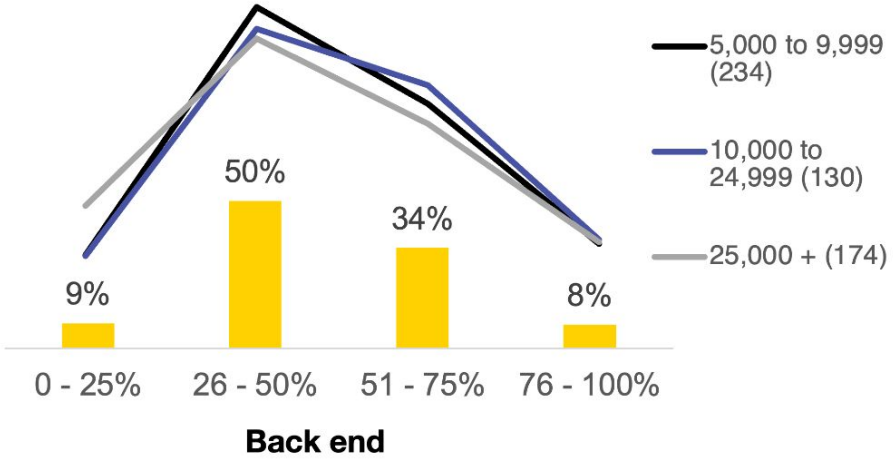


# Implementation of MACH technologies

**At present, just under half of organizations' IT infrastructure is MACH**

- On average, 49.35% of customer facing and 49.62% of back-end infrastructures are MACH. This marks a small increase from 48.9% and 47.36% in 2024.
- MACH was defined for respondents as follows:
- The acronym stands for Microservices based, API first, Cloud native SaaS and Headless and is used to describe modern (composable) business software. This is in comparison to the old-style of monolithic software that has versions, needs upgrading and runs on premise or is hosted.
- These results may be influenced by a changing awareness or understanding of MACH technologies and their usage.
- Organizations with 25,000 or more employees have the lowest level of adoption of MACH, with it comprising only 48.3% of customer facing infrastructures, and 46.7% of back end.



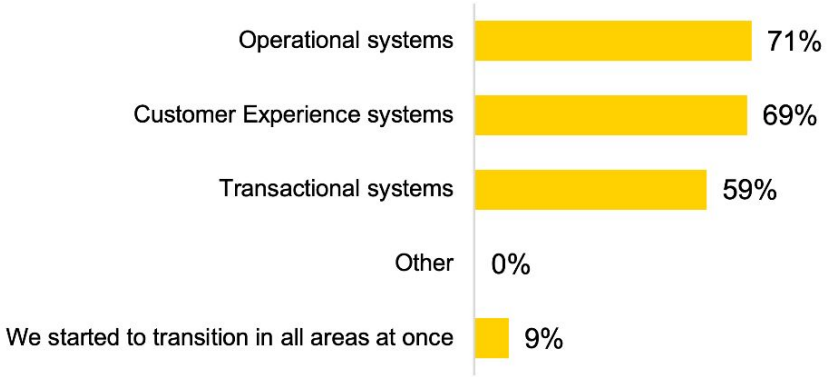



# Implementation of MACH technologies

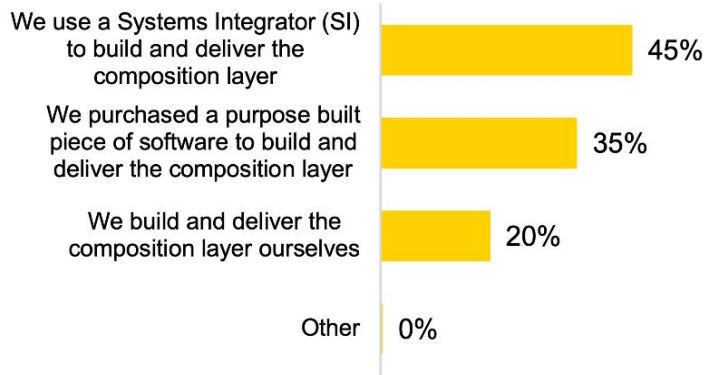
**Organizations which are adopting MACH most commonly start their implementation with their operational and CX systems**

Meanwhile, when it comes to managing the orchestration of their MACH architecture, only a fifth (20%) are building and delivering the composition layer themselves, while over twice this proportion (45%) are using a Systems Integrator (SI).

**Thinking about when your organization first started to implement MACH elements into its architecture, in which of the following areas did you first start this journey?**

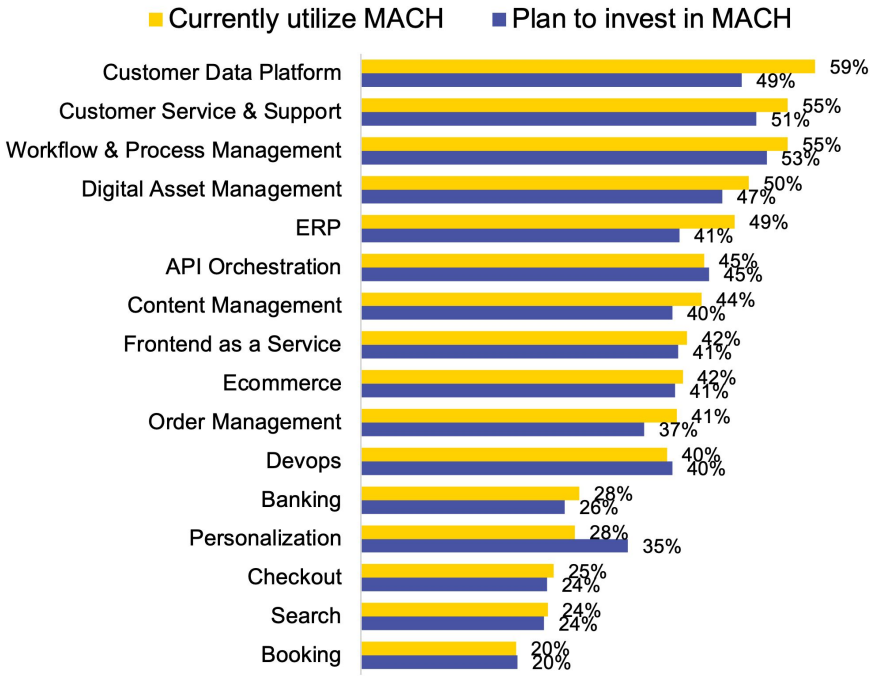



**How do you manage the orchestration of your MACH architecture?**



# Implementation of MACH technologies

**Organizations are most commonly utilizing MACH solutions in their Customer Data Platform, Customer Service and Support, and Workflow and Process Management**



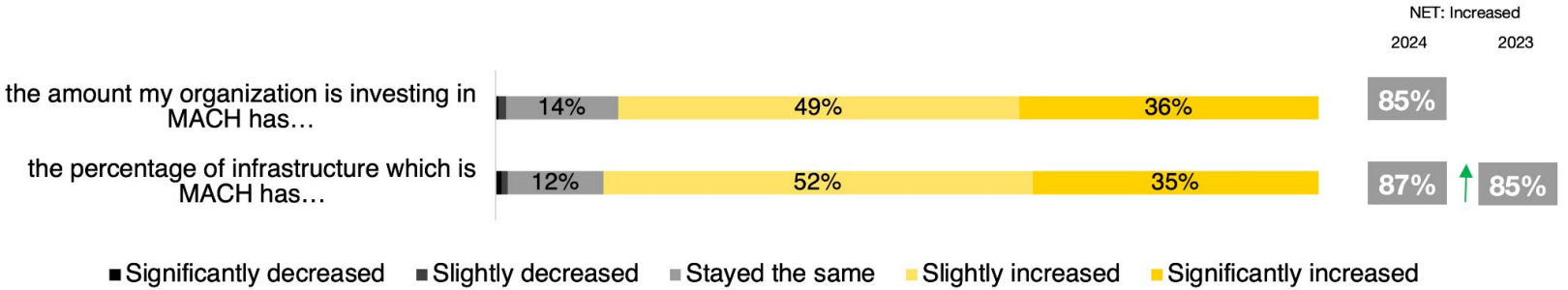

- These are also the areas in which they are most likely to plan to invest in MACH. This may suggest organizations aren't yet embracing the full range of solutions available to them.
- Organizations with 25,000+ employees are more likely to be currently utilizing a MACH solution for Workflow and process management (61%), while those with 5,000 to 9,999 employees are more likely than others to be utilizing a MACH solution for Digital Asset Management (57%).

MACH ALLIANCE

# Implementation of MACH technologies

**Organizations have increased their investment in MACH and the proportion of their IT infrastructure which is MACH in the past 12 months**

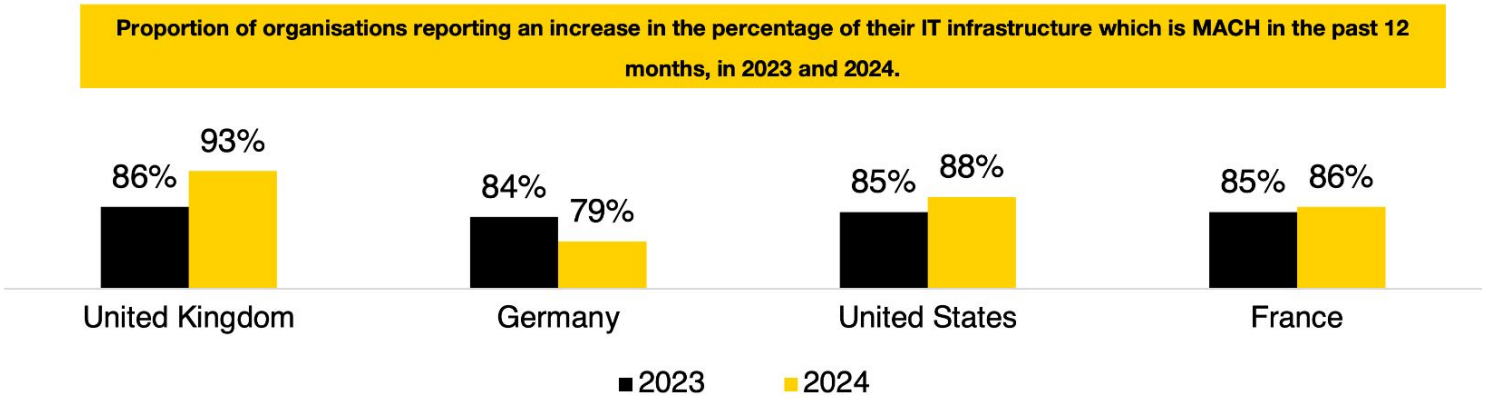
- The more legacy IT in the organization's ecosystem, the more likely they are to have increased their MACH infrastructure and investment suggesting that it is seen as a key way to develop IT infrastructures. Of organizations whose IT ecosystem is over 75% legacy, 94% have increased investment in MACH, and 90% have increased the percentage of their infrastructure which is MACH.
- Organizations which are customer driven (94%), bold (87%), agile (91%), proactive (89%) and/or early adopters (89%) are more likely than others to have increased the amount their organizations is investing in MACH, highlighting that it is an approach which has been adopted by the most innovative companies.
- The extent to which investment in MACH has increased is fairly similar in all markets, but the proportion of infrastructure which is MACH has most commonly increased in the UK (93%), and least commonly increased in Germany (79%).
- The industries in which organizations are most likely to have increased the proportion of the budget they are investing in MACH are the professional services (92%) and retail (89%) industries. These industries are also most likely to have increased the percentage of their infrastructure which is MACH (retail: 95%, professional services: 89%)



# Implementation of MACH technologies

**Organizations in the US and UK have increased their rate of adoption compared to 2023**

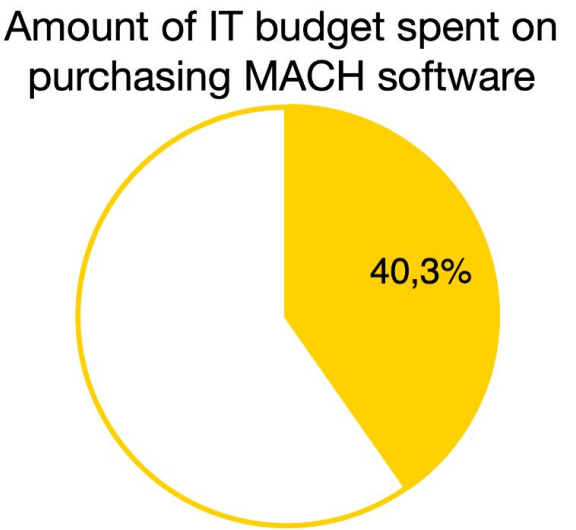
- This compares to those in Germany, where the proportion who has increased the percentage of their IT infrastructure which is MACH in the past 12 months has declined from 84% in 2023, to 79% in 2024.
- Generally adoption is increasing at a greater rate in the US than Europe. The proportion stating that the percentage of their IT infrastructure which is MACH has increased in the past 12 months has grown from 85% to 88% in the US, but only from 85% to 86% in the UK.

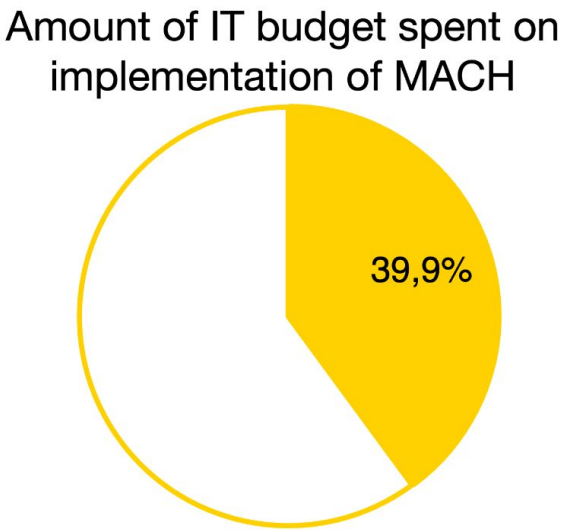


# Implementation of MACH technologies

**Commitment to implementing MACH is evidenced by the budget allocated towards purchasing and implementing MACH software**

- Organizations with 25,000+ employees are spending less of their budget on purchasing MACH software (37.9%) and on implementing it (38.4%).
- The proportion of budget spent on purchasing MACH software is highest in the UK (41.9%) and the USA (40.86%), compared to 37.7% in Germany and 39.5% in France. Organizations in the UK (44.4%) and US (40.1%) are also spending the most on implementing MACH.
- By industry, the financial services (43.3%), professional services (41.5%) and technology (40.5%) sectors are spending the greatest proportion of their IT budgets purchasing MACH software. The financial services (41.5%), manufacturing (39.4%) and technology (40.5%) sectors are also spending the most on implementing MACH, while the retail sector is spending the least (33.0%).



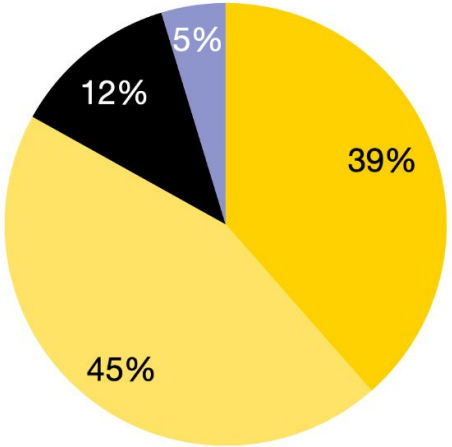



# Implementation of MACH technologies

**Most of those who are measuring the Return on Investment (ROI) from their MACH transition, are seeing clear evidence that they are achieving ROI**

- 83% of organizations which have implemented MACH are seeing a ROI, with a further 5% not measuring whether they are achieving this or not.
- Organizations in the US (43%) and UK (46%) are most likely to be seeing clear evidence of a ROI from their transition to a MACH infrastructure.
- Organizations with 5,000 to 9,999 employees are more likely to be seeing clear evidence of ROI (42%) than those with 25,000+ employees (31%)
- Those who are running updates to their UI/UX at least once a week are the most likely to be seeing clear evidence of a ROI (60%), reinforcing the benefits that MACH can provide in supporting organizations to maintain an agile ecosystem.

**Is your organization measuring the Return on Investment (ROI) that it is getting from transitioning to a MACH infrastructure?**

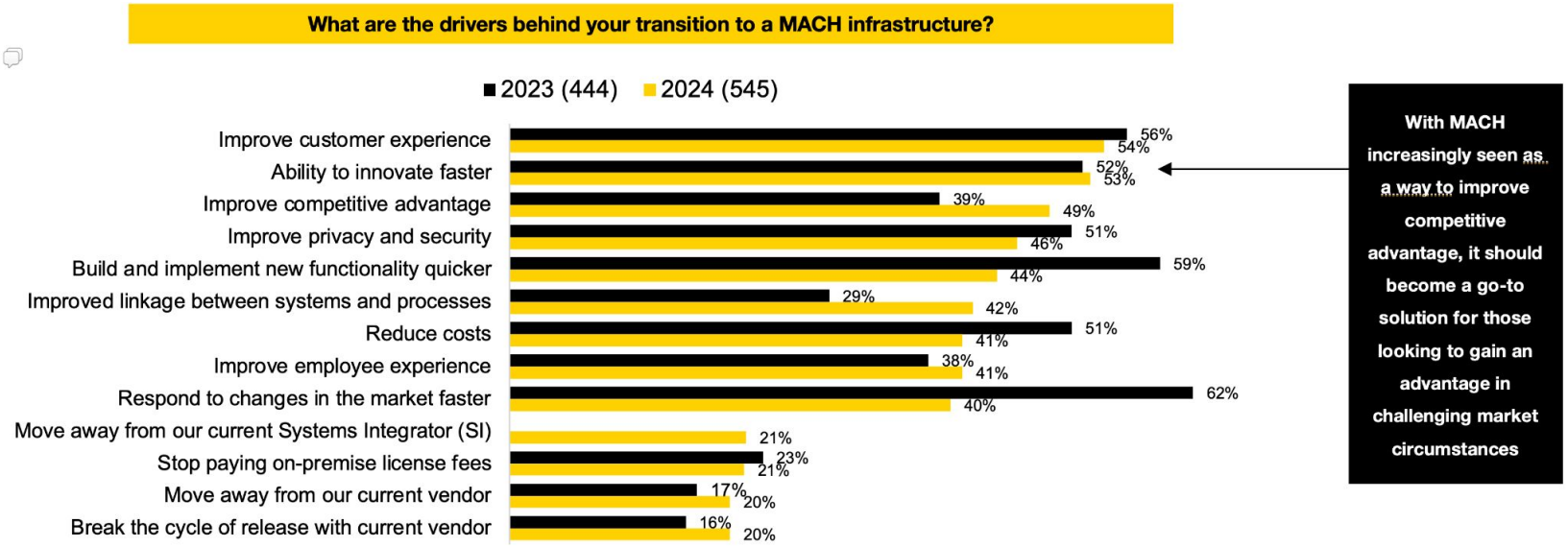



- Yes – and it has given clear evidence that we are achieving Return on Investment
- Yes – and it has given some evidence that we are achieving Return on Investment
- Yes – but we have yet to see evidence that we are achieving a Return on Investment
- No

# Implementation of MACH technologies

**Improving the customer experience, and innovating faster are key drivers for MACH adoption**

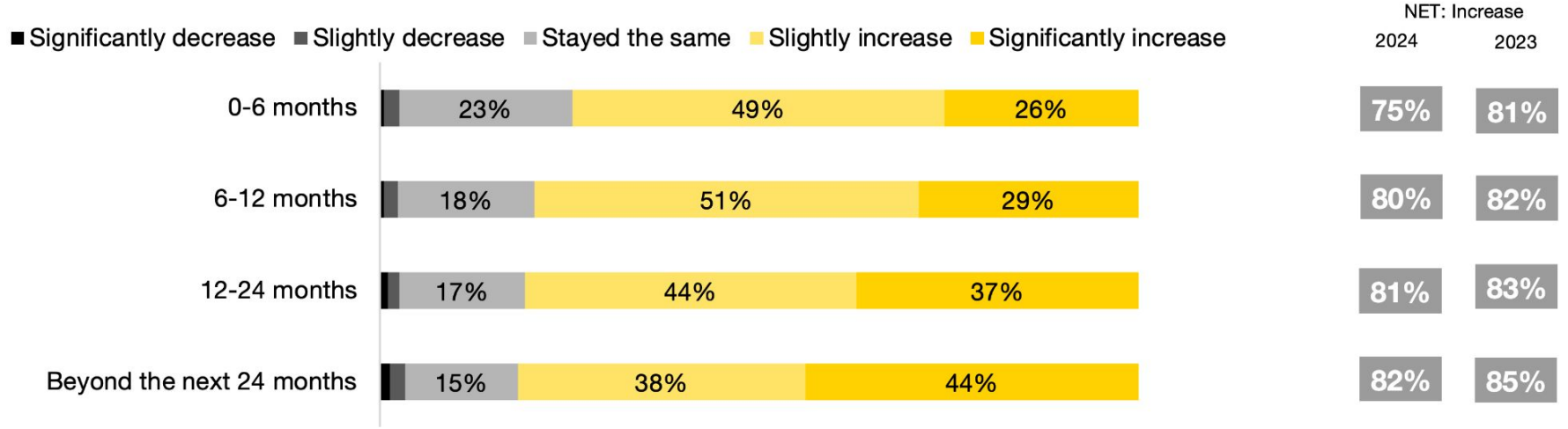
- Further, a growing proportion see MACH as a way to improve their competitive advantage (49%, compared to 39% in 2023).
- However, the proportion adopting MACH to build and implement new functionality quicker, and to respond to changes in the market faster, have declined, suggesting that there is not a full understanding of the capabilities MACH solutions provide in increasing organizations' agility.
- Improving customer experience is more likely to be a driver of the transition to a MACH infrastructure for those who have increased their investment in MACH in the past 12 months (57%), than those whose budget has stayed the same (35%), suggesting that this is particularly seen as a driver for those ramping up their investment efforts.



# Implementation of MACH technologies

**Organizations' plans to continue adopting MACH elements into their IT architectures suggest that there will be stable growth in MACH adoption going forwards**

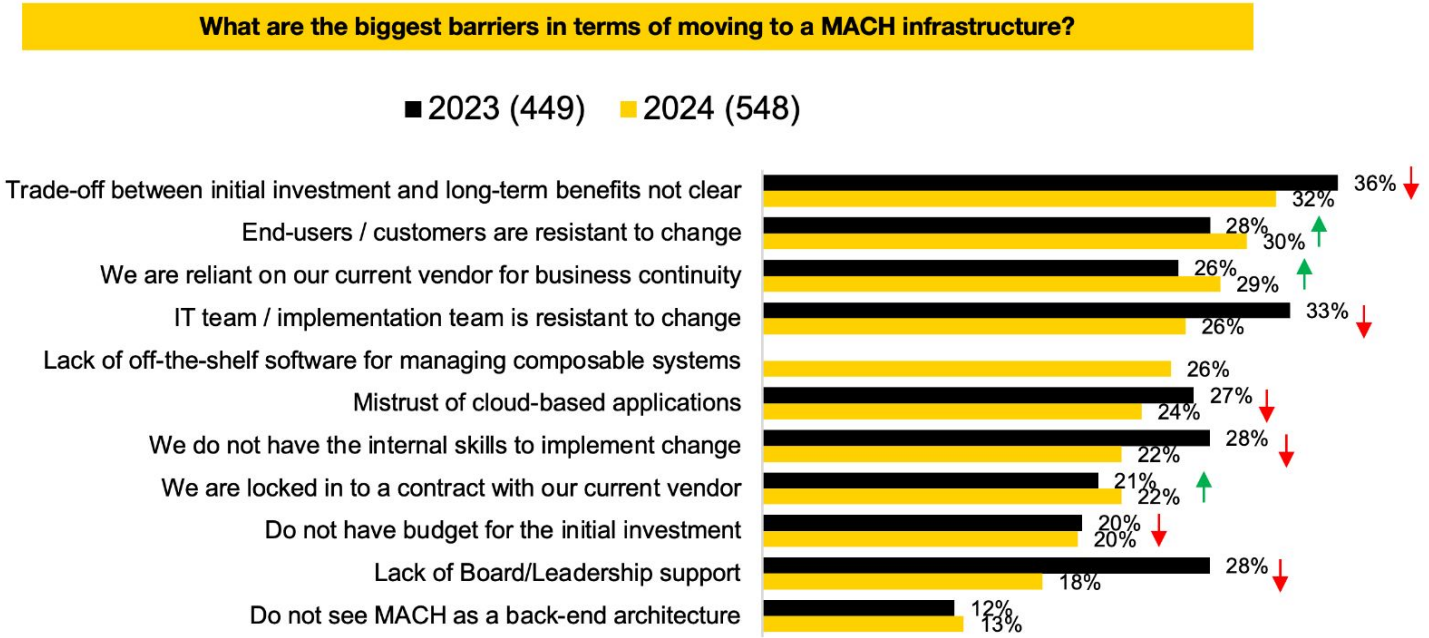
- While the majority plan to increase the MACH elements of their architectures in the next year, the proportion stating that their organization is planning to do so in the next 0-6 months has declined from 81% in 2023, to 75% this year. This could indicate that economic pressures have slowed down plans to invest in new technologies in the short term, however long term plans remain.
- Outlook is more positive in France, where 85% intend to increase MACH elements of their architecture in the next six months, compared to 74% in the UK, 73% in the USA and 69% in Germany.
- Organizations with 25,000+ employees are more likely (79%) than those with 5,000-9,999 employees to increase the MACH elements of their architecture in the next 6 months (69.6%).



# Implementation of MACH technologies

**The greatest barriers to MACH adoption include trade off between initial investment and long term benefits, resistance of end users, and reliance on current vendors**

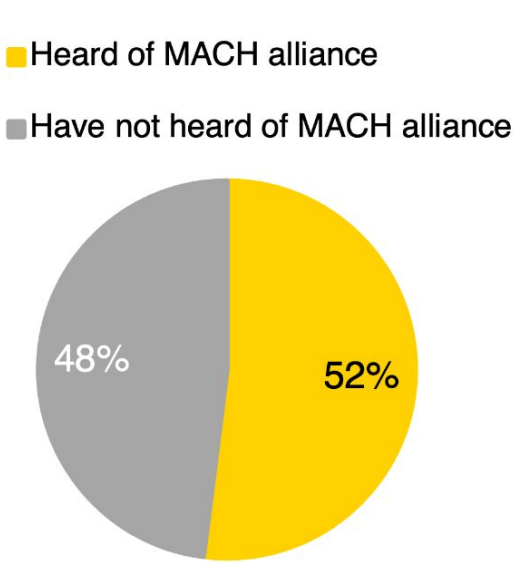
The greatest barriers to MACH adoption include trade off between initial investment and long term benefits, resistance of end users, and reliance on current vendors

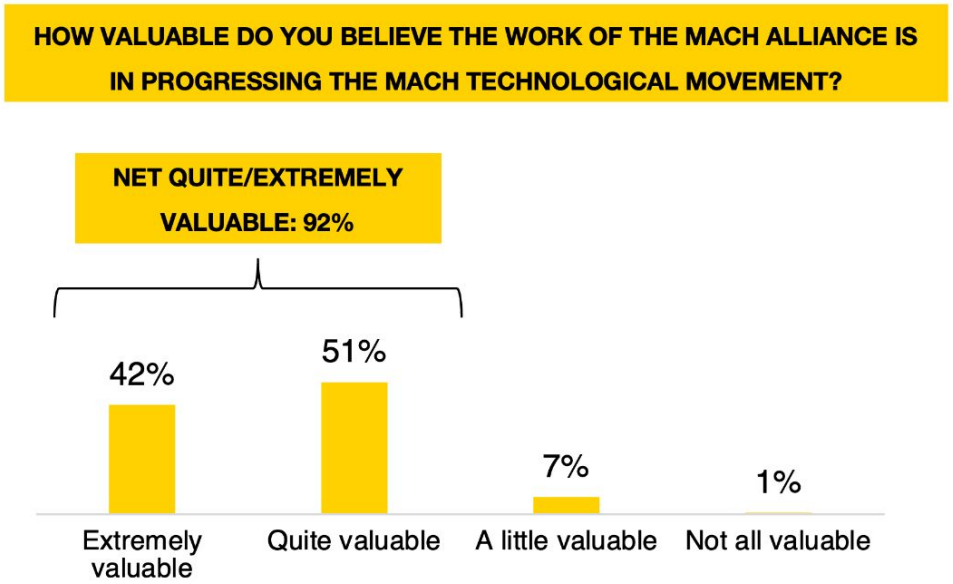


# Implementation of MACH technologies

**Awareness of the MACH Alliance is at 52%, with the majority who have heard of it believing it is valuable in progressing the MACH technological movement**

Awareness of the MACH Alliance is highest in the US (59%) and lowest in Germany (39%)



# The impact of legacy debt

# The impact of legacy debt

**Running upgrade projects is a significant burden for those with a high proportion of legacy IT in their organization**

- While the mean number of upgrade projects being undertaken has declined compared to 2023, the greater the proportion of legacy IT in the organization, the greater the number of upgrade projects (23 projects for those where 75-100% of tech is legacy, compared to 16 projects for those for whom 25% of tech is legacy). This highlights the challenges that those with a high proportion of legacy technology in their infrastructure face in maintaining their IT ecosystem.
- The average number of upgrade projects is highest in France (21), but lower in Germany (16), US (16) and UK (17). This is likely due to the larger proportion of legacy tech in IT ecosystems in France (43%) than the UK (35%) and Germany (35%).
-

MEAN NUMBER OF PROJECTS EACH YEAR

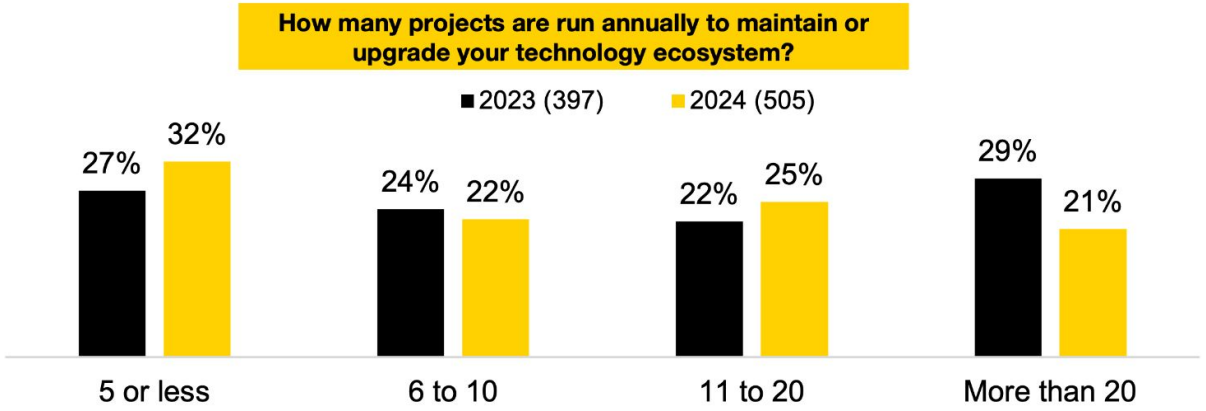
**2023: 19**

**2024: 17**

MEDIAN NUMBER OF PROJECTS EACH YEAR

**2023: 10**

**2024: 10**



# The impact of legacy debt

**Upgrading poses a challenge to organizations, with the amount of budget spent on upgrades remaining high**

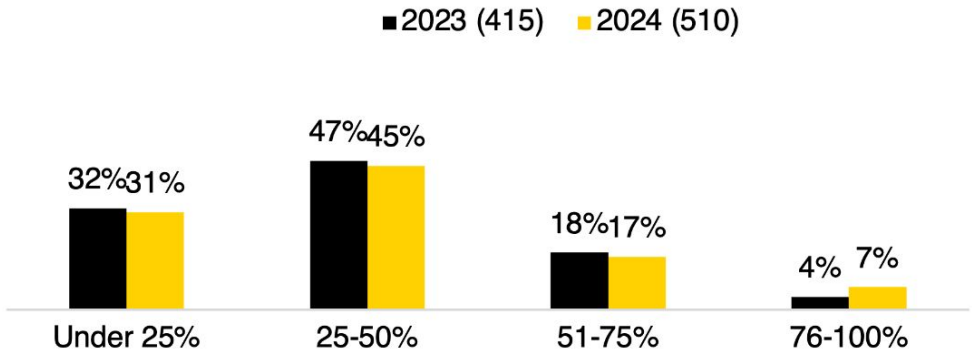
- The proportion of budget spent on upgrades is highest in US (41%) and France (39%), lowest in UK (31%) and Germany (32%). It is also highest in high turnover organizations (45% in organizations with a turnover of $25bn+)
- This proportion is highest among those with the greatest proportion of legacy IT. Organizations' whose IT ecosystem is over 75% legacy, spend 71% of their budget on upgrades. This compares to organizations where under 25% of the ecosystem is legacy, who spend 29% of their budget on upgrades. This again reinforces the burden faced by those with a greater proportion of legacy IT in their ecosystem.

**Approximately, what percentage of your organization's IT budget is currently spent on upgrades to your technology ecosystem?**

AVERAGE PROPORTION OF IT BUDGET SPENT ON FRONT OFFICE UPGRADES

**2023: 36%**

**2024: 37%**

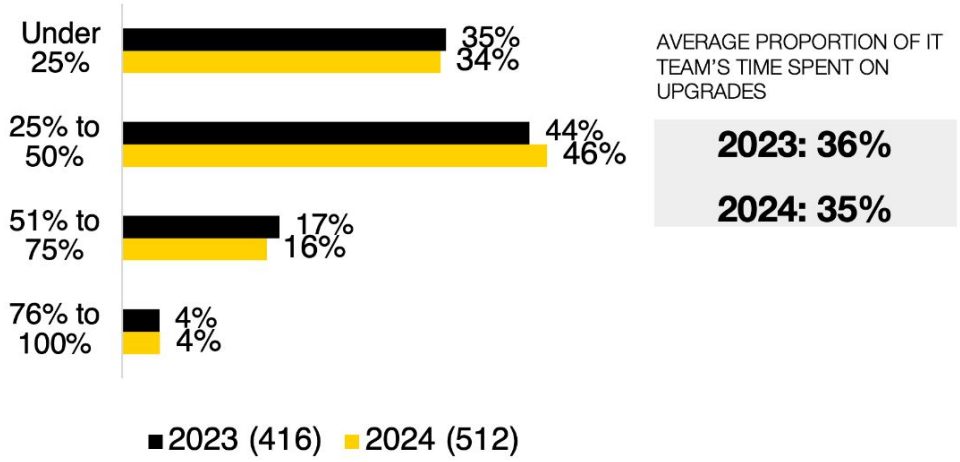


# The impact of legacy debt

**Organizations with a high proportion of legacy IT are having to dedicate time to implementing upgrades**

- Organizations in the US (39%) and France (34%) are spending the most time, as well as budget, on upgrades, as are organizations with a turnover of $25bn or more annually (41%)
- Those whose IT ecosystem is over three quarters legacy are spending the greatest proportion of their time on delivering these upgrades (68%), compared to those whose IT ecosystem is under 25% legacy, who are spending 26% of their time on this.

**To the best of your knowledge, approximately what percentage of your IT team's time is spent on delivering upgrades to your technology ecosystem?**

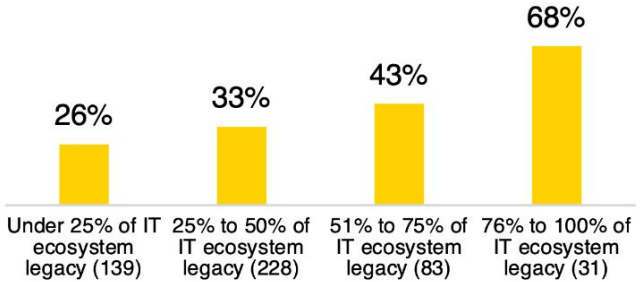



AVERAGE PROPORTION OF IT TEAM'S TIME SPENT ON UPGRADES

**2023: 36%**

**2024: 35%**

**Time spent by proportion of IT ecosystem that is legacy**

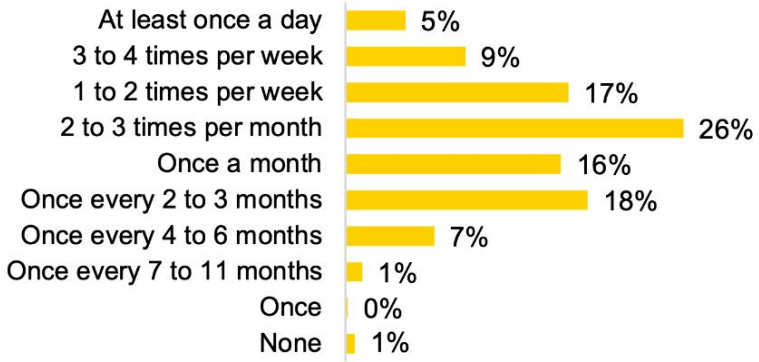


# The impact of legacy debt

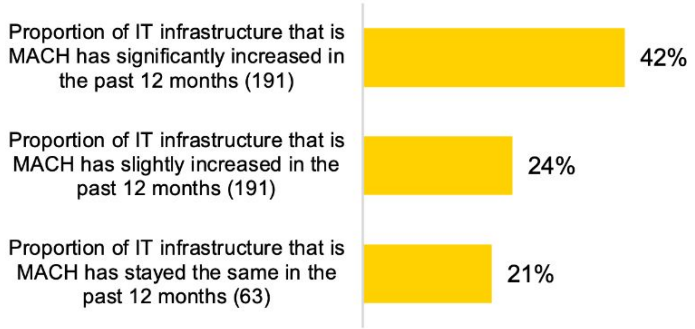
**One in three organizations are rolling out UI/UX improvements at least once a week, but those who have increased the proportion of their infrastructure that is MACH are more able to do this**

- 31% are rolling out improvements to their UI/UX at least once a week, while 27% are doing so less than once a month.
- Organizations for whom over half of their customer facing infrastructure is MACH are more likely to be rolling out improvements at least once a week (34%) than those for whom a quarter or less is MACH (22%), indicating that a MACH infrastructure may enable organizations to roll out improvements faster and more efficiently. Likewise, those who have significantly increased the proportion of their IT infrastructure which is MACH in the past 12 months (42%) are more likely than those who haven't increased it (21%) to be rolling out upgrades at least once a week.
- Organizations in the US (35%) and France (36%) are most likely to be rolling out UI/UX improvements at least once a week, compared to 20% in the UK and 24% in Germany.
- Organizations of 5,000 to 9,999 employees are most likely to be rolling out improvements at least once a week (33%), organizations with 25,000+ employees are least likely to (27%).

**Approximately, how often have you rolled out UI/UX improvements in the past 12 months?**



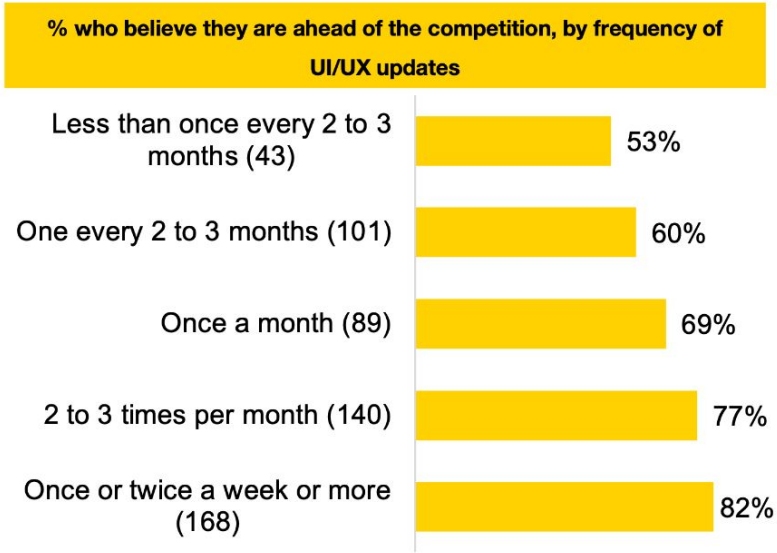

**Proportion rolling out UI/UX improvements at least once a week, by change in proportion of infrastructure that is MACH in the past 12 months**



# The impact of legacy debt

**Organizations who run improvements to their UI/UX more frequently, are more likely to believe that their front-office infrastructure is ahead of their competitors**

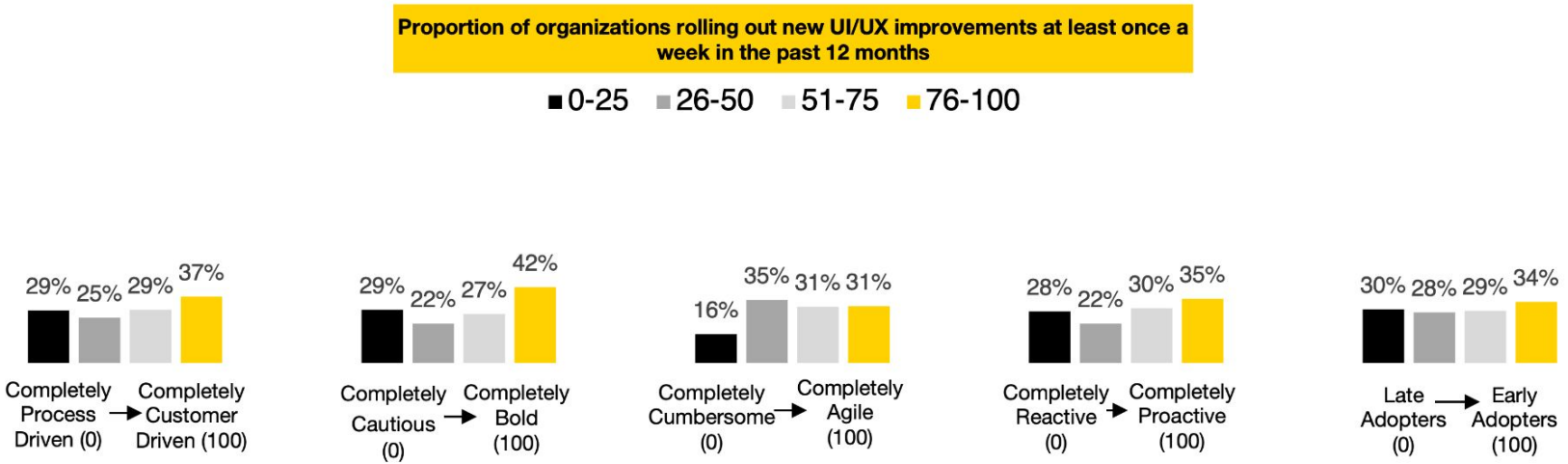
This demonstrates the importance to organizations of ensuring that they are able to roll out UI/UX improvements quickly, efficiently and frequently



# The impact of legacy debt

**Likewise, organizations which are bold, proactive and customer driven are more likely to be rolling out new UI/UX improvements at least once a week than those who are process driven, cumbersome and reactive**

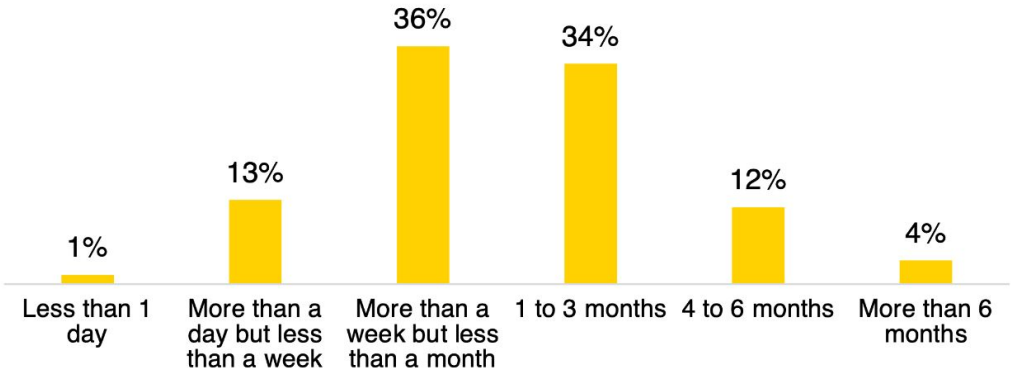
It may be that those who are able to more frequently roll out improvements are able to better display these traits, however it is also likely that by displaying these traits, organizations are able to embody the values that allow them to increase the rate at which UI/UX improvements are rolled out. While rolling out more frequent improvements may prove a challenge to organizations which are currently less bold and agile, by putting in the initial investment to do so, they are likely to begin to embed the values which allow them to roll out improvements more easily at scale in the future.



# The impact of legacy debt

**Organizations are struggling to complete projects to develop new services or business requirements at speed**

- 49% of organizations are taking over a month to develop a new service or meet a new business requirement, rising to 56% in the UK.
- 56% of organizations with 25,000+ employees and 54% of those with a turnover of $25bn+ are taking over a month on these projects.
- Organizations whose customer facing infrastructure is over 50% MACH are less likely to be taking over a month to roll out upgrades (47%) than those whose customer facing infrastructure is under 25% MACH (76%), indicating that adoption of MACH allows new services to be rolled out quickly and therefore more frequently.
- Those who are running less frequent updates to UI/UX are most likely to spend over a month developing new services/meeting new business requirements (64% of those who run a new UX/UI project less than every 3 months, and 68% of those who update their UI once every 2-3 months, compared to 29% of those who run an update once a week or more. This suggests that being able to run UX/UI projects faster and more frequently enables better responsiveness in the market.




Proportion of organizations spending over a month on average on projects developing a new service or meeting a new business requirement

**49%**

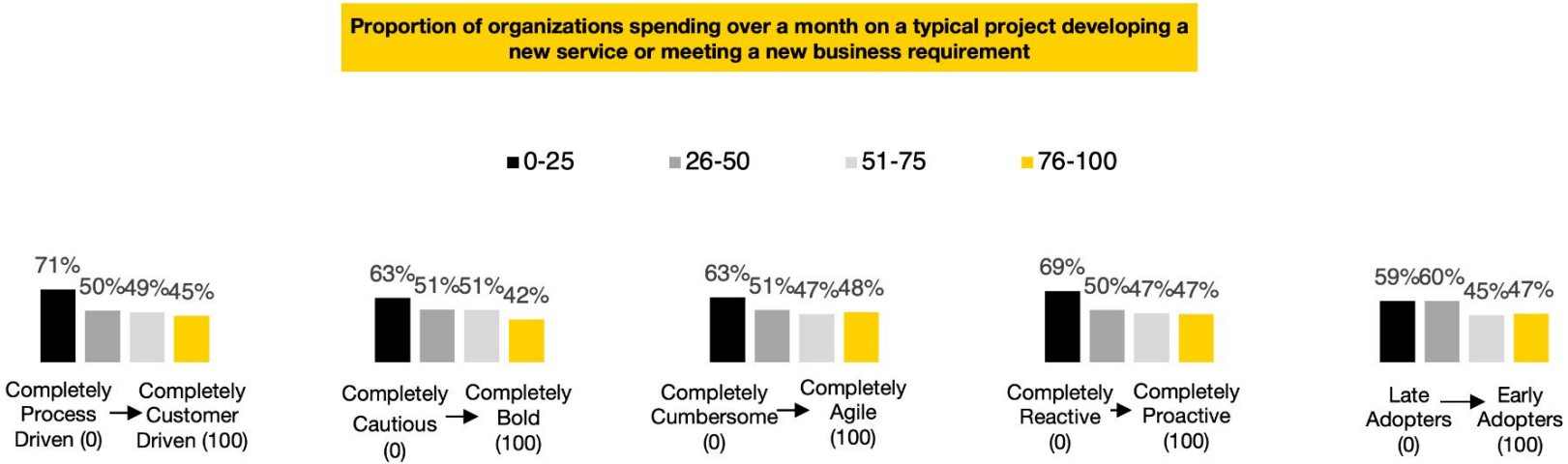
**By implementing MACH across their architecture, organizations can improve the speed, and therefore the frequency of projects which develop new services or meet new businesses requirements, likely making their organization more agile and responsive in the marketplace.**

MACH ALLIANCE

# The impact of legacy debt

**Organizations which are customer driven, bold, agile and proactive are less likely to spend over a month on projects to develop new services or meet new business requirements**

- The more customer driven (vs. process driven), bold (vs. cautious), agile (vs. cumbersome), proactive (vs. reactive) and early adopter (vs. late adopter) the organization is, the greater the ease with which they are able to implement new services and meet new business requirements
- This may be in part due to early adopters knowing how to better define small scopes for their projects.

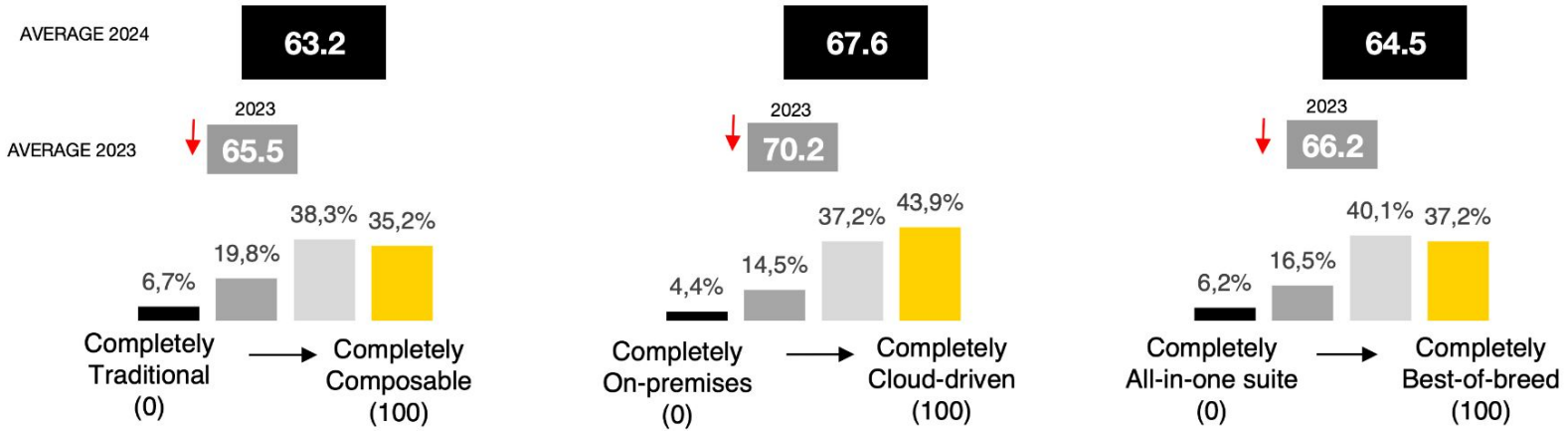


# The impact of legacy debt

**Organizations would like the technologies that they adopt to be more composable than traditional, cloud-driven than on-prem, and best of breed rather than all-in-one suite**

Organizations which are updating their UI/UX at least once a week have a stronger drive towards composable (67.8) and best-of-breed (71.1) than other organizations. This suggests that technologies that have these traits better enable faster implementation of UX/UI improvements.

**On the following scales, please indicate where your organization would ideally sit, considering your front-office applications environment specifically…**

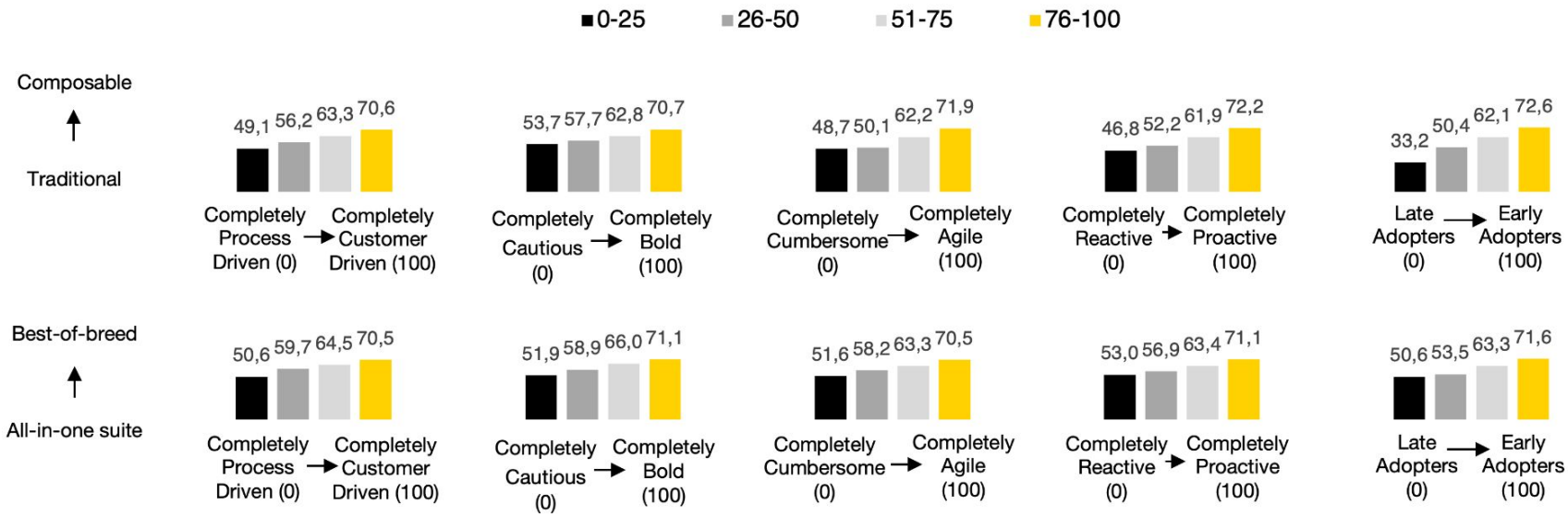


# The impact of legacy debt

**Those who display values such as being bold, agile and proactive, are more inclined towards composable and best-of-breed technologies**

This further reinforces the view that these technologies will better enable organizations to develop an agile, innovative IT infrastructure

**Where organizations sit in their preference for technologies that are composable vs traditional, or best-of-breed vs all-in-one suite, by the extent to which they demonstrate each trait**



# MACH as a driver to competitive change

# MACH as a driver to competitive change

**Reasons for embracing MACH.**

"Every component is pluggable and replaceable and can be continuously improved through agile development to meet evolving business requirements."

**IT Section Director, 10,000-24,999, Technology**

"In reducing the cost of beefy servers that need to be up and running all the time, we can deliver faster by building microservices quickly and integrating with our front end apps."

**Senior Big Data Architect, 5,000-9,999, Technology**

"MACH architecture saves us time that we can devote to other areas. We also have a cost saving. The scalability is also appreciated."

**Director of New Technologies, 25,000+, Education**

"We have seen most value in digital customer facing applications since the agility has allowed us to launch multiple projects that has driven good results for our organization."

**Senior Vice President, 25,000+, Financial Services**

MACH ALLIANCE

# MACH as a driver to competitive change

**Reasons for embracing MACH.**

"Decrease in service failure and better understanding of the components that cause failure and thus easy to patch those up."

**25,000+, Financial Services**

"Our processes have become more streamlined and efficient to the point where we are seeing higher revenue."

**10,000-24,999, Retail**

"Increasing the volume of achievement, increasing customer satisfaction, and increasing employee productivity."

**5,000-9,999, Construction**

"Developers measure benefits like improved system performance, faster development cycles, increased productivity, and reduced maintenance costs. MACH brings enhanced scalability, flexibility, and agility, resulting in better customer experience, streamlined integration, and adaptability to changing business needs. These improvements lead to cost savings, increased efficiency, and a competitive edge."

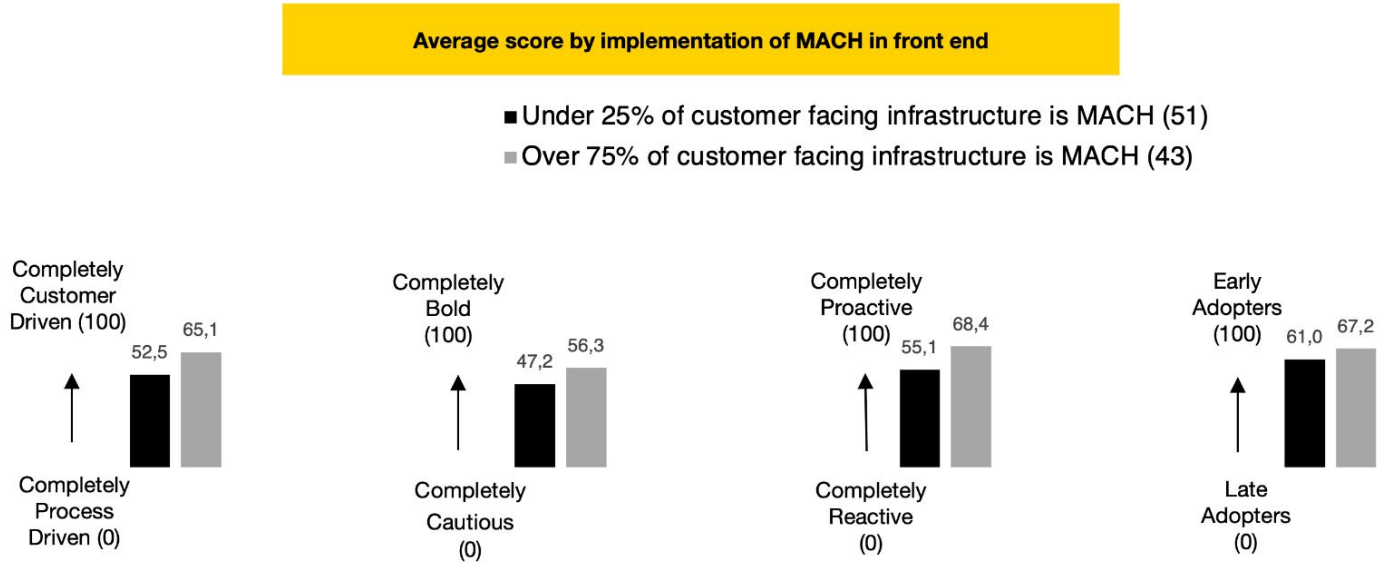
**25,000+, Technology**

MACH ALLIANCE

# MACH as a driver to competitive change

**Organizations which are further ahead in implementing MACH into their customer facing infrastructure are more customer driven, bold, agile, proactive and early adopting organizations are further than other organizations**

Further increasing the proportion of MACH technologies should therefore not be neglected as a priority, for those looking to develop these traits

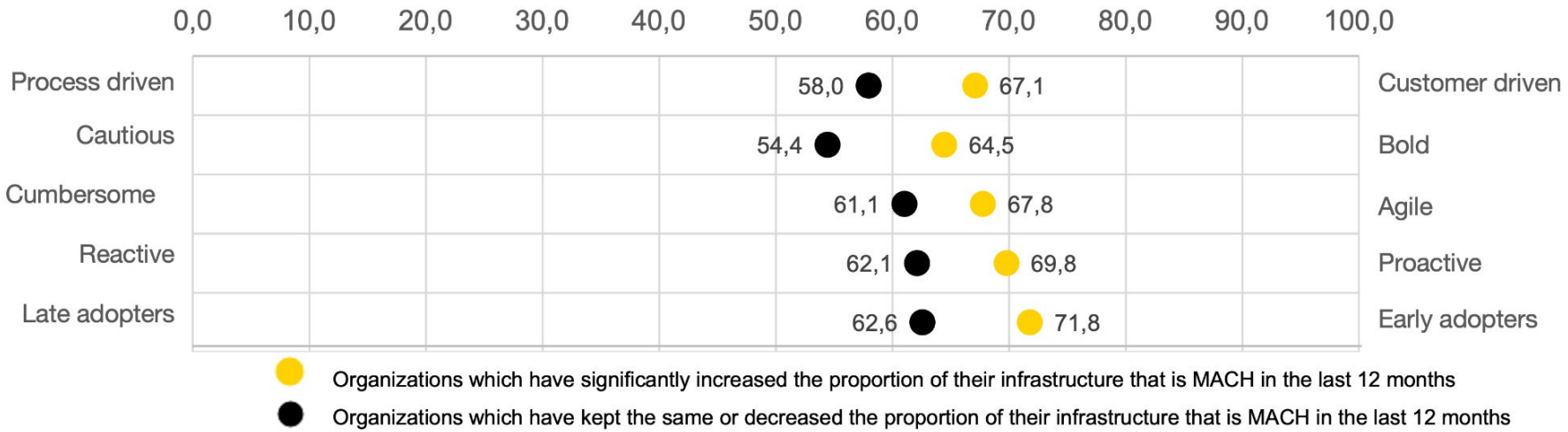


# MACH as a driver to competitive change

**Those who have increased the proportion of MACH technology in their IT infrastructure are more likely to be customer driven, bold, agile, proactive and early adopters**

Organizations which have significantly increased the proportion of their infrastructure that is MACH are more likely to display these values than those who have kept the same, or decreased the proportion of MACH infrastructure. This suggests that MACH solutions are being embraced by organizations which are forward thinking when it comes to their IT infrastructure

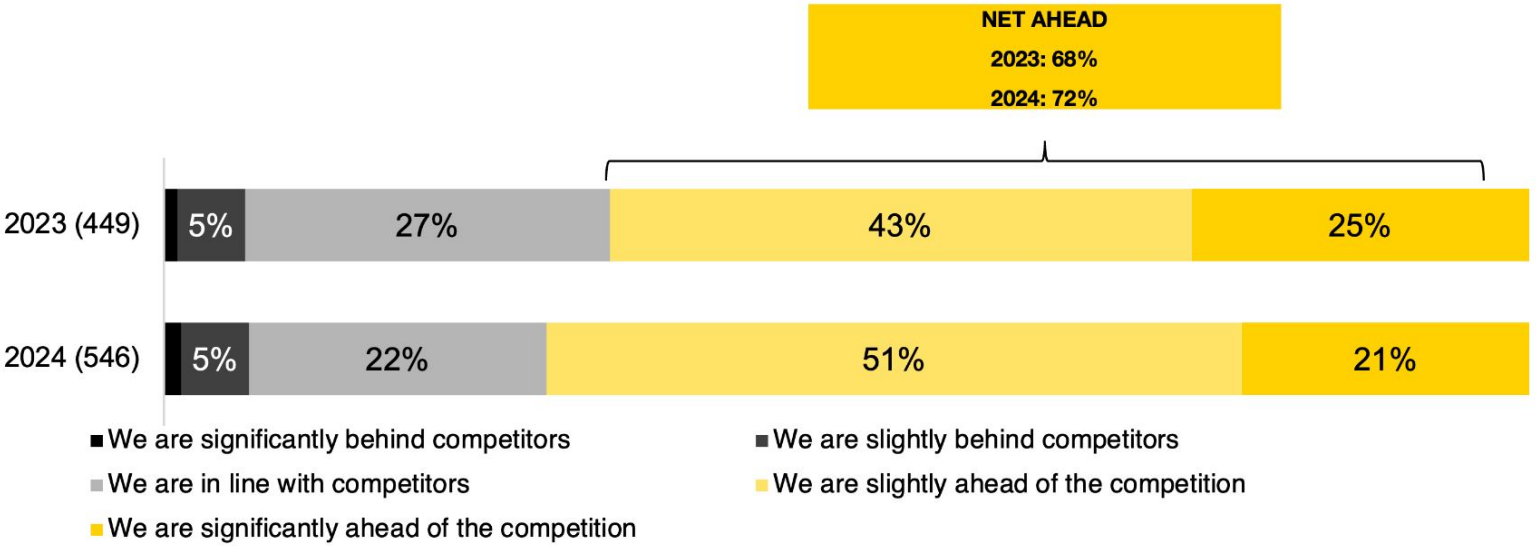
**On the following scales, please indicate where your organization currently sits…**



# MACH as a driver to competitive change

**Despite the challenges organizations are facing to keep up with market demands, a growing proportion believe that their IT infrastructure is ahead of their competitors**

This may suggest that organizations are not all aware of their competitors' capabilities.
Organizations with 5,000-9,999 employees more likely to believe their organization's customer facing infrastructure is ahead of their competitors (74%) than those with 25,000+ employees (69%).

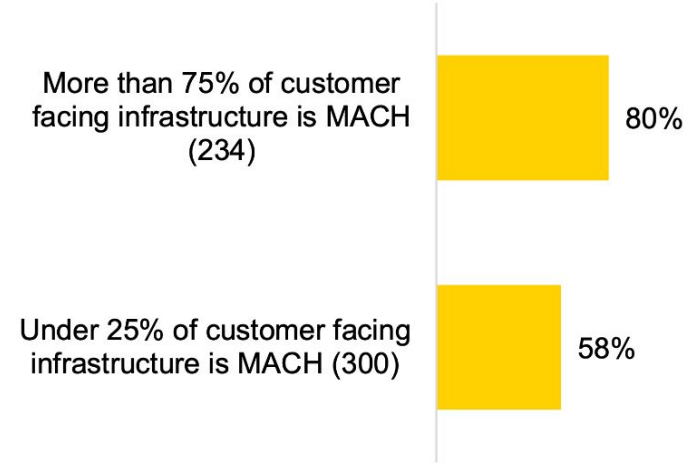


# MACH as a driver to competitive change

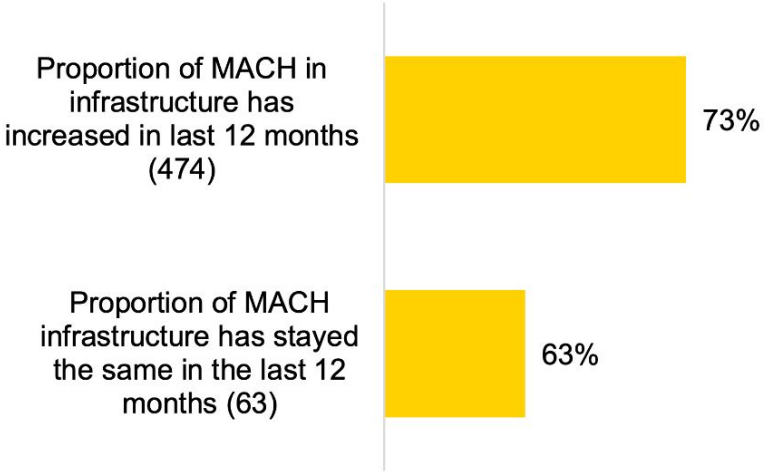
**Those who have a greater proportion of MACH in their front-end infrastructure, and who have increased the proportion of MACH infrastructure, are more likely to think they are ahead**

These results indicate that MACH solutions are an enabler of competitive advantage, as organizations would like them to be (slide 25)

**% who believe they are ahead of the competition, by proportion of customer facing infrastructure that is MACH**



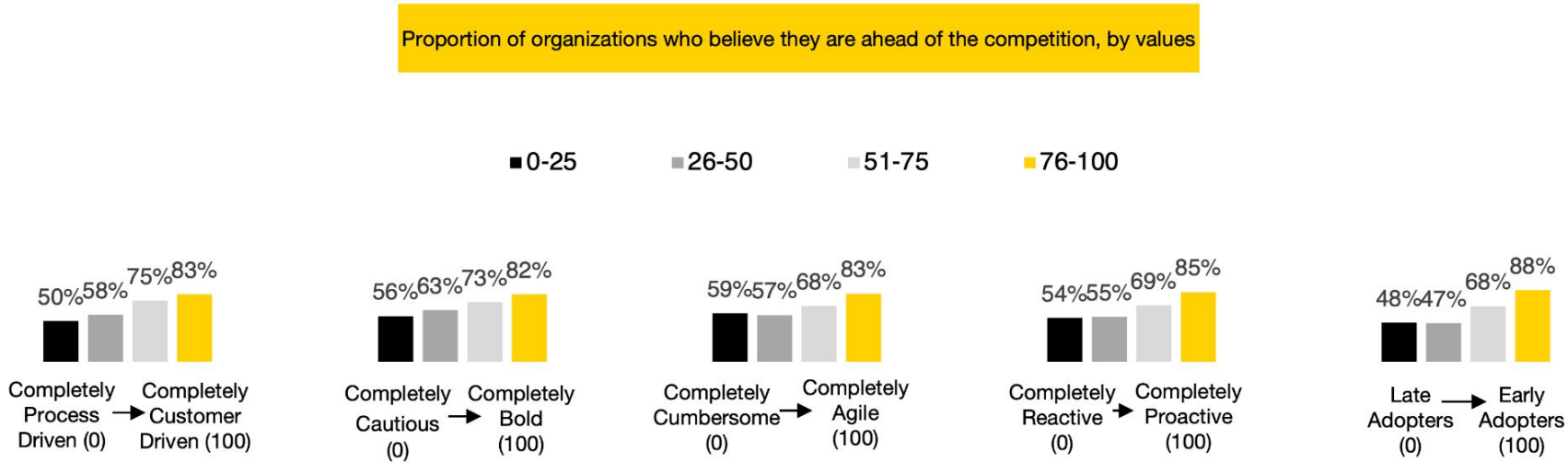

**% who believe they are ahead of the competition, by change in proportion of infrastructure that is MACH**



# MACH as a driver to competitive change

**Organizations which are customer driven, bold, agile, proactive and early adopters are also more likely than others to believe that they are ahead of their competitors**

Reaching a point where these values are embedded in how IT is managed and deployed should therefore be important to organizations looking to get ahead in the market



# MACH as a driver to competitive change

**The vast majority of those who have implemented MACH believe that it has been important in helping their organization to meet customer expectations**

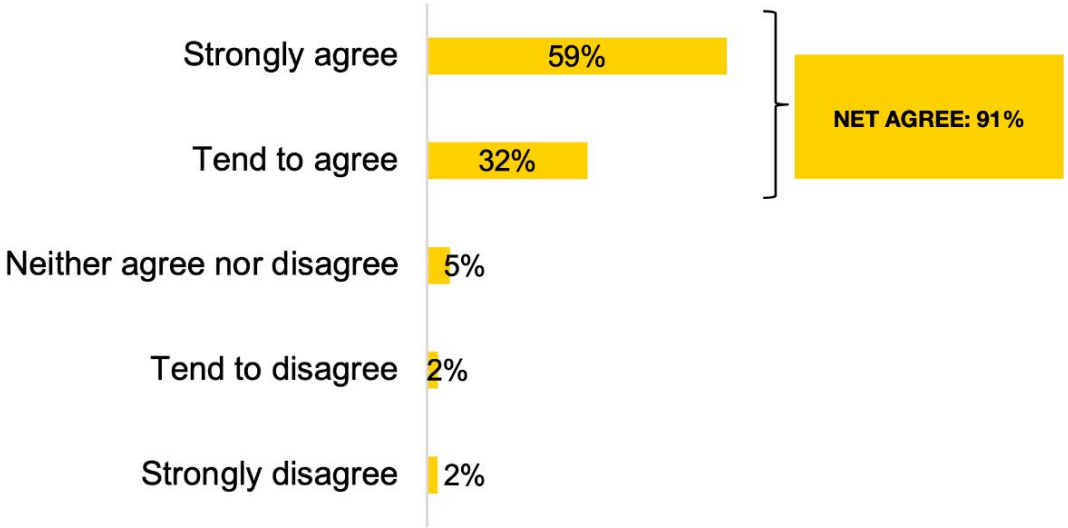
- 87% state that MACH has been very or quite important in helping their organization to meet customer expectations in recent years.
- This rises to 89% among organizations in the US, and 93% among those in France.
- The greater the proportion of their IT infrastructure that is MACH, the more likely decision makers are to believe that MACH has been important to helping them in this way. 69% of those whose front-end infrastructure is under 25% MACH believe that it has been quite or very important to helping their organization meet customer expectations, compared to 92% of those whose front-end infrastructure is over 50% MACH. This suggests that the more an organization embraces MACH, the greater the benefits that they reap as a result.

**How important do you believe that MACH technologies in your IT infrastructure have been in helping your organization to meet customer expectations in recent years?**

# MACH as a driver to competitive change

**Most decision makers believe that MACH technologies will play an important role in ensuring the long-term success of their organization in the next 5 years**

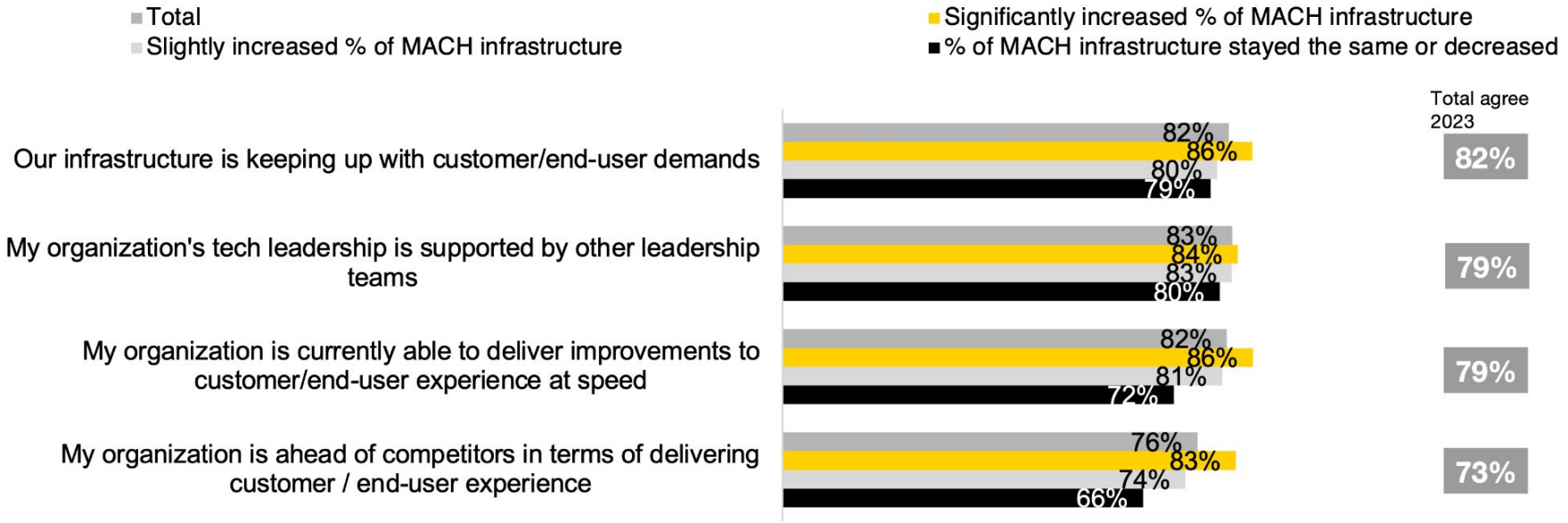
- Decision makers from organizations whose customer facing architecture is over 75% MACH are more likely to agree with this (93%) than those whose customer facing architecture is under 25% MACH (82%).
- However, it is of note that those who are managing the orchestration of their composition layer themselves are least likely to believe this (88%), while those who are using a Systems Integrator are most likely to (93%).
- Those who are customer driven (94%), bold (96%), agile (94%), proactive (93%) and early adopters (96%) are more likely to agree with this.



# MACH as a driver to competitive change

**Those who have increased the proportion of MACH infrastructure are also ahead of their competitors in their ability to deliver a strong customer experience**

Organizations that have significantly increased the proportion of their infrastructure which is MACH are more likely than others to be keeping up with customer/end-user demands (86%), to be able to deliver improvements to the customer/end-user experience at speed (86%) and to be ahead of competitors in delivering customer-end user experience (83%). They are also more likely to have a tech leadership that is supported by other leadership teams.



# Conclusions

# Conclusions

## The challenging market conditions organizations face are putting pressure on them to innovate

In an environment in which customer expectations are ever increasing, organizations recognize that those who do not innovate now will be left behind.

However, many face an uphill battle to do so, with legacy tech still prevalent, and only declining fractionally year on year.

Organizations which are customer driven, bold, agile, proactive and early adopters in their approach to modernizing their IT infrastructure are having greater success in keeping up with user demands.

However few are completely embracing these values, and larger organizations with 25,000+ employees in particular are struggling to push forward their innovation and modernization efforts.

## Adoption of MACH principles can help to drive forward IT modernization

Desire to embrace MACH principles has increased in response to market volatility, and most organizations have increased their investment in MACH in the last 12 months. Adoption of MACH principles has been driven by a desire to improve customer experience, innovate faster, and improve organization's competitive advantage – making it a solution which directly addresses key concerns organizations hold.

Organizations which have adopted MACH principles across a greater proportion of their customer facing infrastructure are better able to roll out new services and meet new business requirements

Likewise, organizations who have embraced MACH are more likely to be customer driven, bold, agile, proactive and early adopters, further supporting innovation efforts.

## Recommendations

Highlight the need to stay on top of innovation in the current market conditions, in order to meet customer needs.

Evidence the values, including being customer driven, bold, agile, proactive and early adopters, that organizations need to embrace as they innovate their IT infrastructures, in order to meet customer expectations, and how MACH principles can help meet these.

Demonstrate the impact that MACH infrastructure can have in reducing legacy debt, leading to less time and money being spent on upgrades, and the knock on benefits of being able to increase the number and speed of completing upgrade projects.

MACH ALLIANCE