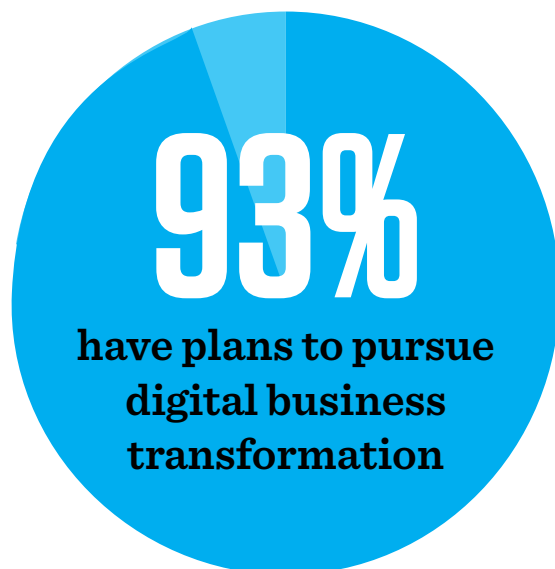


DIGITAL TRANSFORMATION OPENS NEW PATHS TO THE SHORT LIST

IDG research finds buyers more open than ever to considering new suppliers for strategic and emerging technologies.



DIGITAL TRANSFORMATION HAS been the hottest topic of 2017 in the tech world, and the 2017 IDG Role & Influence of the Technology Decision-Maker Survey shows that organizations are doing more than just paying lip service to that concept. An overwhelming 93% of the 752 IT and business decision-makers we surveyed said digital business transformation is on the agenda at their companies, with more than one-quarter already having adopted a “digital first” approach within their organization. 📈



The surging popularity of digital initiatives is motivated by a confluence of business and technology factors. Cloud computing has democratized access to state-of-the-art infrastructure, applications and data sources that were once the domain of only the wealthiest organizations. Open source software has made it possible for even companies of modest means to build world-class infrastructure.

Big data tools, many of which are open source, make it possible for organizations to gain insights about their markets that were impractical or impossible to glean just a few years ago. Big data has also given birth to machine

28%


have an active digital
first approach

learning and other types of artificial intelligence tools that enable organizations to envision automating tasks that used to require expensive human labor. Finally, the nascent Internet of Things promises to give companies the ability to collect data and use data that was previously tied up inside machines. Digital-first companies are unlocking value in this data that ranges from improved operational efficiency to new revenue streams.

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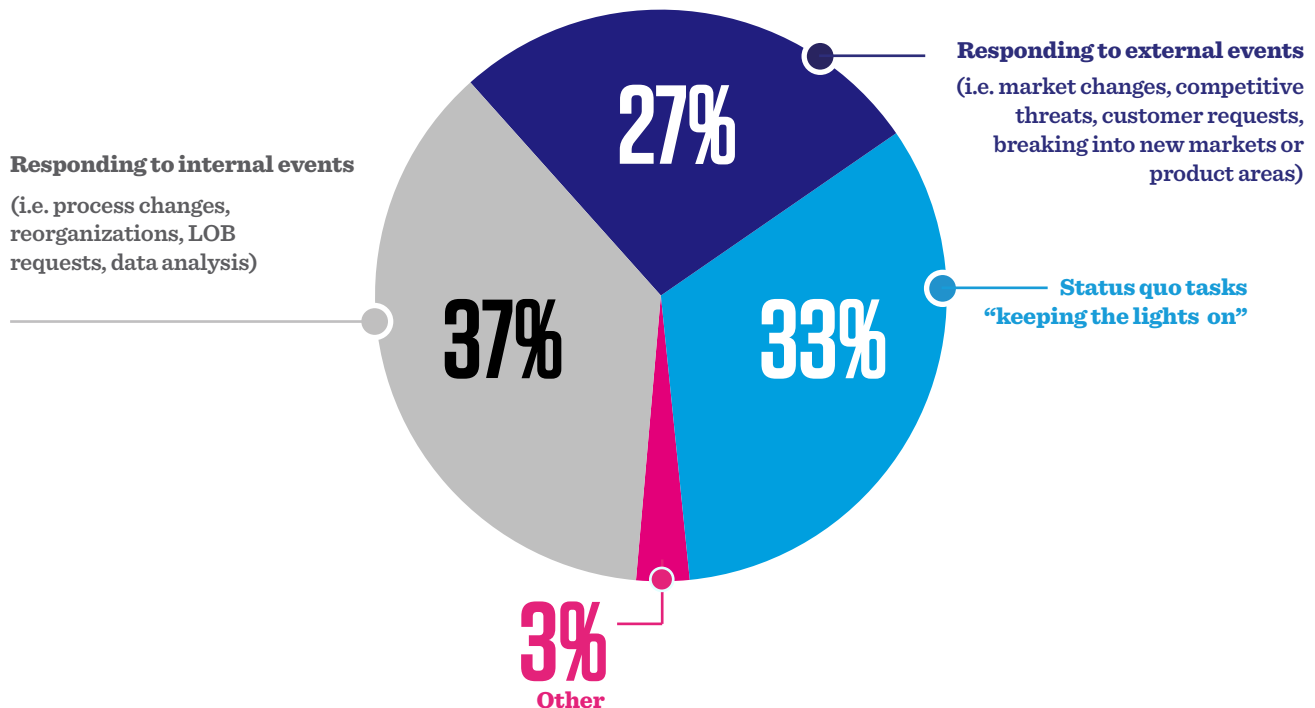
The IT decision-makers (ITDMs) and business decision-makers (BDMs) we surveyed indicated that they are heavily involved in the digital transformation process. Around 60% said they are actively identifying the need for a digital strategy, determining requirements and evaluating products and services. Nearly as many recommend products, services and vendors for purchase.

This study took a slightly different tack from the prior year's study. We wanted to focus on key technologies that are driving enterprise business - including cloud computing, big data, enterprise software, security, networking and infrastructure - to see how the buyer's journey varies by factors like depth of research, who's involved, what information is desired, and other facets of the purchase process. Not surprisingly, we found that technology purchasing decisions that are closely tied to business outcomes tend to involve business decision-makers more directly, while

decisions about infrastructure and day-to-day operations are usually the domain of the IT organization. 

Although adoption of a digital-first strategy is often touted as a way to drive new revenue streams, we found that a large number of companies are more focused on internal issues. A plurality (37%) of respondents said their IT strategy is driven by factors such as process change and reorganization. One-third said IT is focused on simply keeping the lights on. Only a little more than one-quarter (27%) said IT strategy is driven by external events like changes in the market or competition. While digital transformation can happen internally, most experts agree that the greatest leverage comes from strategies aimed at customers or competitive differentiation. However, the lowest hanging fruit may come from internal process change.

WHAT'S DRIVING IT STRATEGY?



Regardless of strategic factors and technology change, the purchase process has remained largely unchanged over the past several years. CIOs, line-of-business managers and top executives determine need, and CIOs and CFOs are most closely involved in approving purchases. Because we know that the purchase process doesn't conclude at the point of sale, this year we also looked at who's involved in post-sales engagement. Not surprisingly, IT staff take the lead there, followed closely by IT management and CIOs.

Changes in IT organizational structures that we have documented for several years are continuing, with a gradual increase in companies opting for a centralized IT structure over a federated model with shared decision-making. The percentage of companies that use a federated model has continued to rise from 2013, reaching 36% in this study, up from 34% last year. The federated model is particularly popular among large companies, 46% of which have adopted it, compared to 47% that choose the centralized

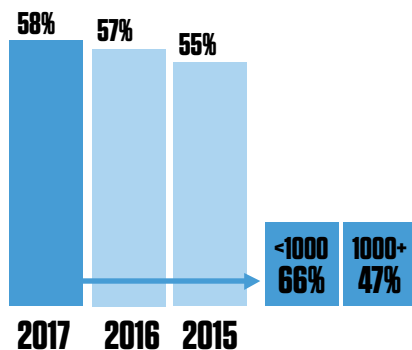
model. Smaller companies (SMBs – organizations with <1,000 employees), unsurprisingly, preferred the efficiency of the centralized approach by a significant margin over enterprises (organizations with 1,000+ employees)

The percentage of companies that use a federated model has continued to rise from 2013, reaching 36% in this study, up from 34% last year.

IT MODELS CREATE DIFFERENT ENVIRONMENTS FOR DECISION-MAKERS & INFLUENCERS

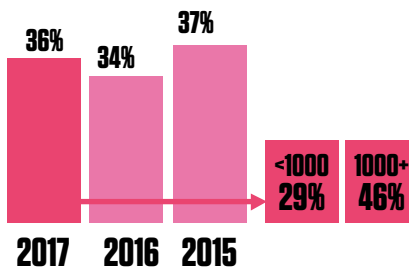
CENTRALIZED

The CIO controls centralized IT assets/budgets



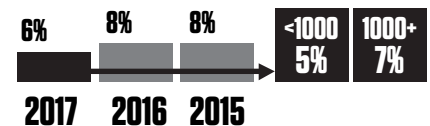
FEDERATED/DISTRIBUTED

Some decisions and budget are centralized, but other choices and assets are distributed



DECENTRALIZED

Each IT business unit is fully independent when it comes to IT projects and budgets



Vendor Relations

Our research has consistently reinforced the value that buyers place upon relationships with a small number of strategic vendors. Most – particularly in the enterprise – like to think of their partner alliances as strategic partners, as evidenced by the high value they place on customer service.

64%

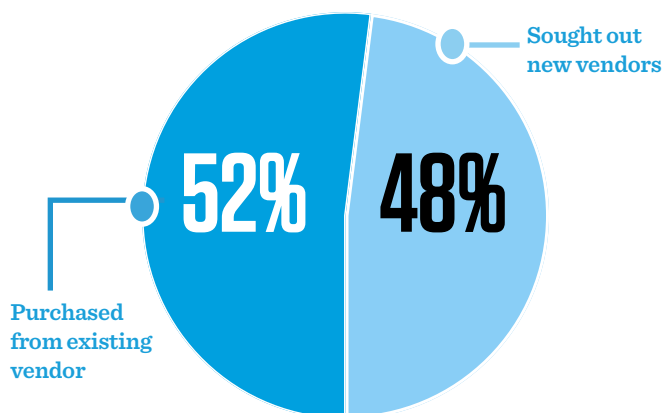
value customer service/response time when considering vendors as strategic partners

This applies both to how they spend their dollars and where they choose to seek information. Buyers tell us that they find value in vendor websites and collateral, but a different kind of value than what they get from independent sources. The value of vendor-provided content also shifts according to the buyer's stage in the decision-making process, as we will explore below.

That said, buyers also hedge their bets by working with multiple vendors – an average three for each technology they purchase. For highly fragmented applications, such as Internet of Things (IoT) technology and web/mobile apps, some organizations report using 10 or more vendors. This is probably more a function of the characteristics of those markets than a difference in priorities. [🐦](#)

This metric is consistent across most technologies, and presents an important consideration issue for vendors: In most cases, they will share the customer with at least two other competitors, meaning they cannot take customer fealty for granted. In fact, 52% of decision-makers said they

Incumbents Don't Have an Edge



Customers are aware that they have more options than ever, and the majority of organizations are willing to evaluate new vendors when making major purchasing decisions.

had recently purchased from an existing vendor while 48% sought a new vendor. There is opportunity for newcomers to break into enterprise decision-making cycles with new technology. For example, nearly two-thirds of respondents said their IoT devices are net new technology, while more than half said the same for mobile apps, cloud computing and data and analytics. These are areas in which buyers are likely to consider new suppliers. Conversely, breaking into the mature desktop and networking market is much more difficult, since most purchases are replacements.

ORGANIZATIONS SEEK NEW VENDORS FOR

71%

IoT Devices

64%

Enterprise Software (non-SaaS)

63%

Enterprise Software (SaaS)

MATURE TECHNOLOGIES PURCHASED FROM EXISTING VENDORS

80%

Desktops/Laptops

62%

Servers/Storage


62%

Networking

Senior executives show a greater willingness to consider new options, while IT professionals and business managers are more likely to stick with the suppliers they know. Vendors that win are those that are easy to do business with, provide excellent post-sales support and conform to industry standards.

The Buying Process

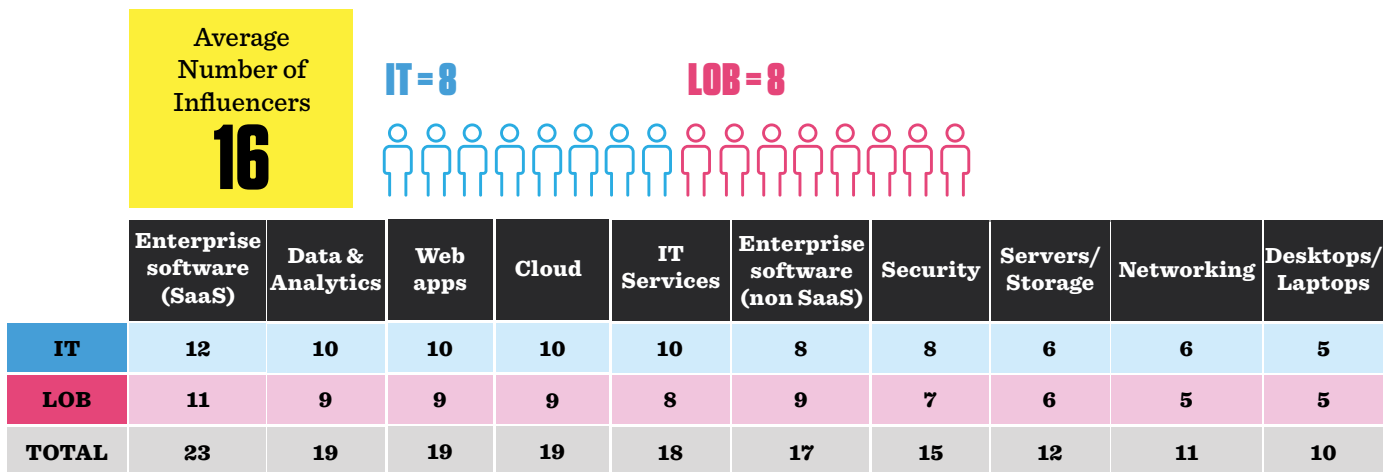
Although buyers value choices, wresting them away from entrenched vendors takes time. The time customers invest to buy from a new vendor is 6.9 months, or nearly double the 3.6 months they spend when choosing to purchase from an existing supplier. That time commitment has steadily increased from 6.2 months in the 2014 study, indicating that buyers are researching their decisions more carefully and probably reflecting the number of new companies that come into the market during the recent surge in startup activity. Buying cycle times also vary by the technology being considered. For example, customers invest significantly more time making decisions around web applications, enterprise software, IoT devices, data & analytics and cloud computing tools than they do for desktops and servers. In some cases, this is a function of the novelty of the platforms and the learning curves they require. In the case of enterprise software, the scope of the impact upon the business merits special attention. Not surprisingly, smaller companies report significantly shorter decision cycle times.

The buying process is increasingly collaborative, with respondents reporting that there are 16 people, on average, who are involved in a technology buying decision.  The number

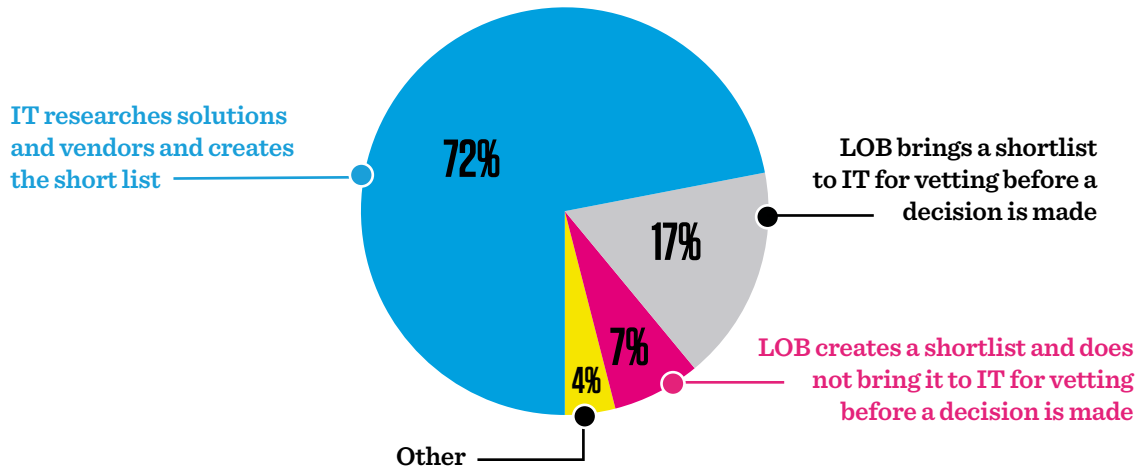
of participants varies by the technology being considered. For example, enterprise software (SaaS) technologies involve 23 people on average, 19 participate in data & analytics and 19 are involved in cloud decisions. The opposite extreme is laptop/desktop purchases, which involve 10 influencers on average. It's clear that mature technologies, as well as those with less bottom-line impact, require fewer decision-makers and are more likely to fall exclusively in the domain of the IT organization.

IT decision-makers are the most active participants in the buying process overall, with involvement in an average of four out of the seven stages of the decision. Senior IT executives are the most involved, participating in 4.3 stages on average, followed by IT management (3.9 stages). IT executives are also more involved in mapping out a digital business strategy than their peers on the business side. Nearly two-thirds say they're charged with identifying the need for a strategy as well as evaluating products and services. Forty-five percent approve purchases related to digital business, compared to 27% of business management. Clearly, companies that are adopting digital business are doing so as a partnership, with IT currently taking a lead role.

INFLUENCERS CROSS THE IT/LOB LINES



IT CONTROLS THE SHORT LIST



IT is also the business unit that's most often charged with researching solutions and vendors, with 72% of ITDMs saying IT researches solutions and vendors and creates the short list. This figure increased substantially from 61% in last year's study, which may indicate that buyers are scrutinizing technical details of their decisions more closely. Only 17% of ITDMs say business leaders create a vendor short list and vet with IT before making a final decision, and 7% say LOB creates the short list without vetting with IT.

An interesting disconnect exists between ITDMs and business management when it comes to short lists. Nearly one-quarter of line-of-business managers say their organization leaves it to people on the business side to create a short list without vetting the choices with IT prior to making a decision. Only 6% of ITDMs say the same thing. The large perception gap between these two constituencies indicates that "shadow IT" is very much an issue in some organizations, highlighting the need for greater collaboration, especially where technology decisions have ever increasingly higher stakes.

Researching the Decision

The sources that both ITDMs and BDMs consult to help them make decisions have changed little over the 11 years that the Role & Influence study has been conducted. Neither have the preferences buyers indicate at various stages of the buying funnel. In the early stages of the process, buyers rely on independent sources – such as technology content sites, peer recommendations and independent research – to help them get the lay of the land, understand their options and define questions to ask at a high level. As they narrow their

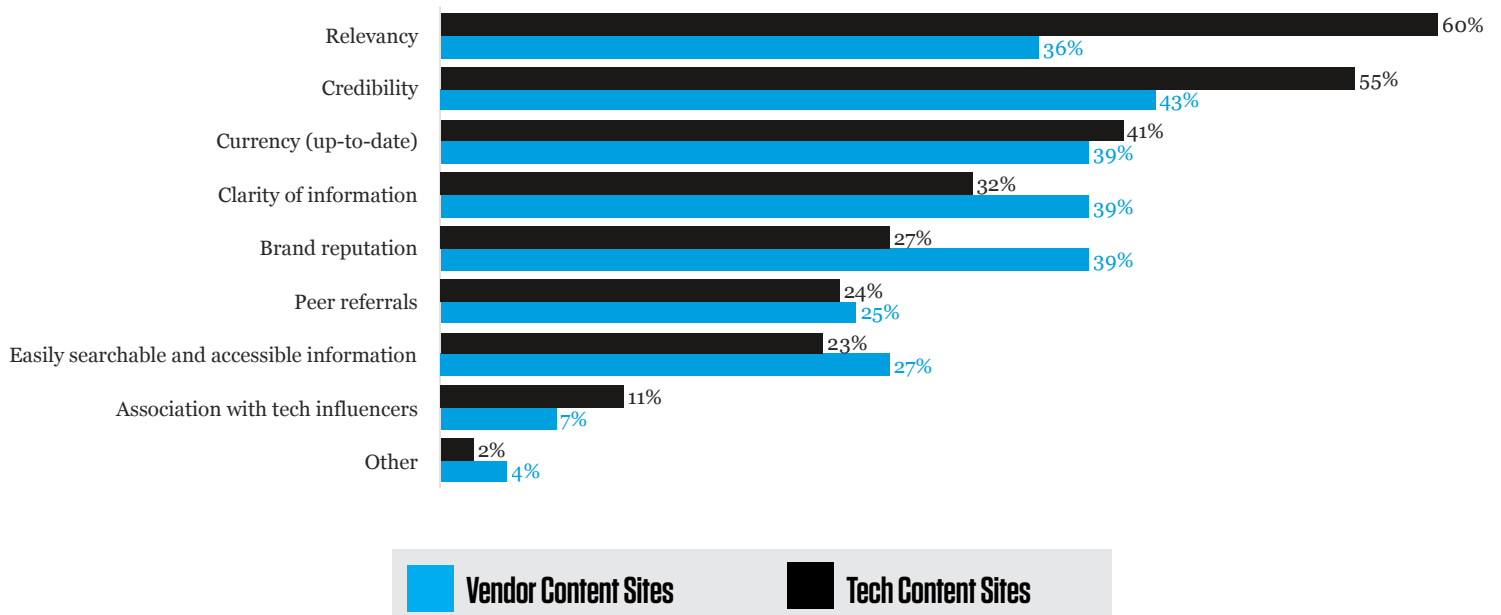
consideration lists, their information needs become deeper and more focused. This is where vendor content – such as white papers, webcasts and collateral – becomes more important.

We looked at content sources used across the **stages of the buying process**:

1	Determining business need
2	Determining technical requirements
3	Evaluating product and services
4	Selecting and recommending vendors
5	Selling the solution internally
6	Approving and authorizing purchases

Independent technology content sites are seen as highly useful when keeping up-to-date with technology overall, and with the buying stages: determining business need and determining technical requirements. As the decision moves deeper into the funnel, technology vendors are the top sources of information for product evaluation and vendor recommendation. In the final stages, peers and independent analyst firms assume primacy. White papers show strength throughout the process. Newsletters and events are strong influencers early in the funnel, while peers and vendors dominate at the buying stage.

RELEVANCY & CREDIBILITY EXPECTED FOR TECH CONTENT SITES



Buyers value both vendor sources and independent tech content sites, but not in the same way. ITDMs say relevancy (60%) and credibility (55%) are the top-two most important traits they expect from technology content sites. 🐦 When it comes to vendor sources, though, they rate both of those factors much lower (36% and 43%, respectively). The top criteria for effective vendor content are clarity of information and brand reputation, both at 39%. Interestingly, information clarity is not seen as a very important trait for technology content sites, with only 32% of respondents citing that factor as important. The message is that independent content sites are valuable for pointing buyers toward good decisions, but when the deal comes down to brass tacks, they expect vendors to define their value clearly and answer their questions thoroughly. In short, they use independent content sources for the 10,000-foot view and vendor content to drill down deep.

Content preferences vary by technology. In general, buyers seek more and deeper content when acquiring technology for the first time. While 78% of ITDMs download at least one informational asset during the purchase process, that figure jumps to 92% when cloud and IoT decisions are involved and 91% when big data and analytics tools are on the table.

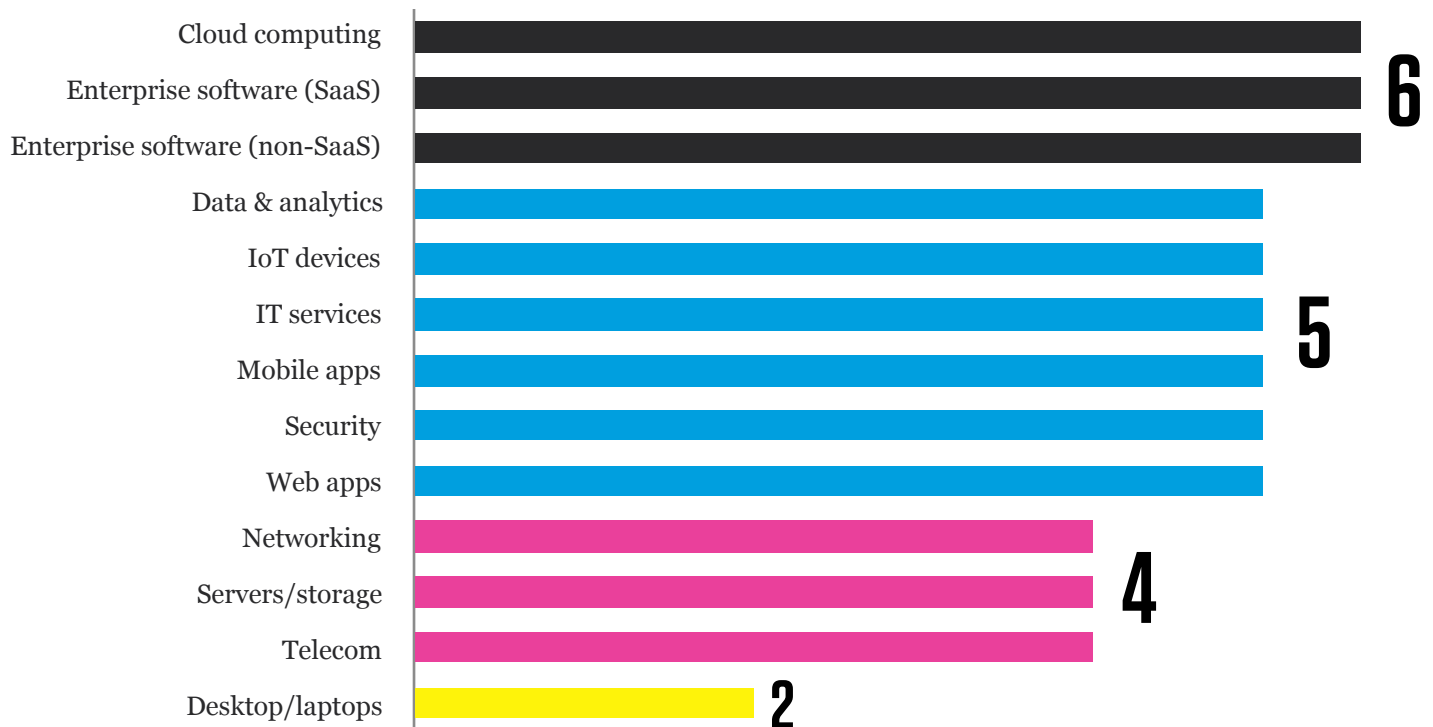
The number of assets downloaded throughout the

purchase process varies by the technology sought after – an average of six when making decisions about cloud computing and enterprise software. They downloaded an average of five assets when considering security, data & analytics tools, IT services, IoT devices, mobile apps and web apps. At the opposite extreme are desktop/laptop purchases, which merited an average of only two downloads with only half of ITDMs reporting that they download any assets related to those decisions at all. As we noted earlier in the data about the length of the buying cycle, new and mission-critical technologies demand more careful consideration than those that might be seen as commodities. Mature technologies clearly require much less rigorous research, so vendors should adapt their content strategies accordingly. The one exception to the maturity rule is security; it's the sixth most-researched technology on the list of 13 we measured. No doubt the constantly changing threat landscape is responsible for this high level of interest.

5 Average number of assets downloaded during the purchase process

EXEC IT 5 | IT MGMT 6 | IT PRO 3 | BIZ MGMT 3

CONTENT CONSUMPTION VARIES BY TECHNOLOGY



Vendor Influence

Since vendors are an important part of the buying process at nearly every stage, it's worth understanding what buyers want most from their suppliers. In most cases, it's information that helps them to make an informed decision.

Respondents told us the top five ways vendors can contribute to their decision-making are to understand their business needs, respond quickly to questions, offer free trials or demos, validate proof of concept and supply timely and relevant information.

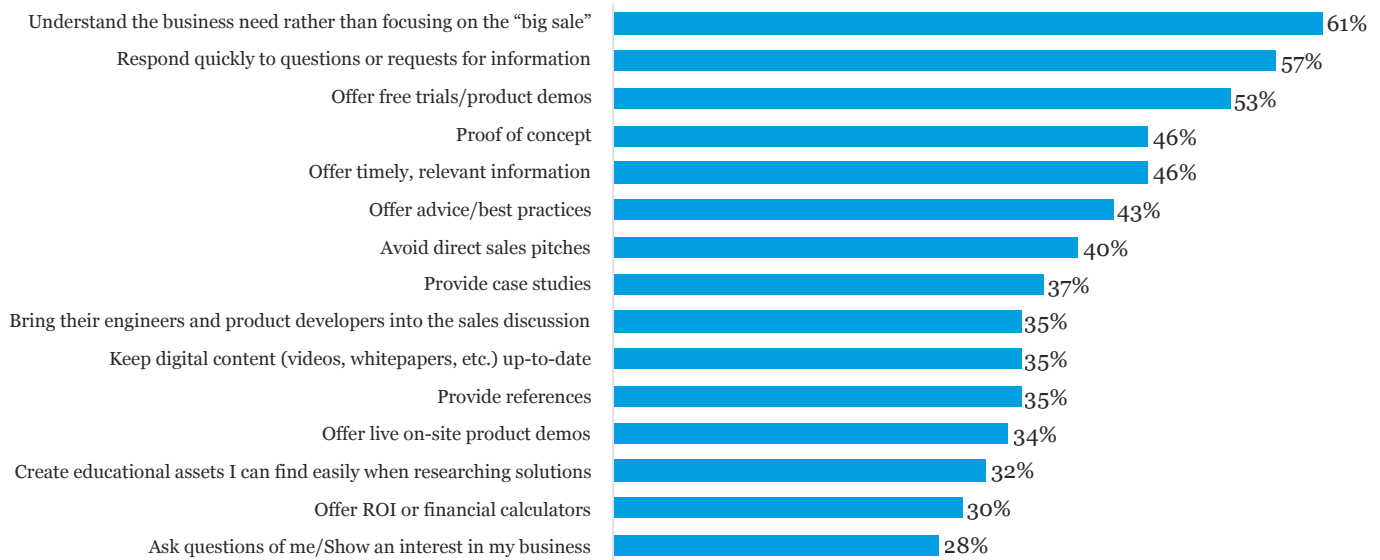
Interestingly, small businesses (SMBs) and enterprises diverge somewhat across some of these value points. SMBs place a somewhat higher value upon rapid response to requests and offers of advice or best practices. Enterprises put more weight on receiving proof-of-concept information, case studies and on-site product demos. This reflects

the longer enterprise buying process, as well as the need for validation among multiple stakeholders. Within enterprises, executive IT leaders show a significantly stronger preference for in-person demonstrations than their counterparts on the business side.

Vendors that take the time to answer questions and address pain points are rewarded with buyers' attention on an ongoing basis. Asked what prompts them to open an email from a vendor, 71% of decision-makers cited prior experience with that vendor. About half cited familiarity with a vendor's name, making these factors number one and two on the list. Nearly as many said a subject line that addresses a pain point plays a role, meaning that sales reps that take the time to research their prospects have a good chance of hitting home. [🐦](#)

The research shows that strong relationships matter to senior technology leaders, a point that is underscored by the fact that past experience with a vendor is the number one most important factor – by a significant margin – in influencing their decision to open an email from that vendor.

VENDOR ENGAGEMENT REQUIRES UNDERSTANDING THE BUSINESS NEED



In contrast, IT professionals and business managers said they get the most value from video or webinar demonstrations. Any vendor that is trying to reach all of these groups would do well to have a variety of demonstration media at their disposal.

When asked how they value partner alliances, 58% of organizations are likely to consider partner alliances as strategic vendors, and this increases to 65% for enterprises. Forty percent of IT decision-makers said the presence of a partner alliance makes a vendor's offerings more attractive, while only 7% said it acts as a deterrent. Among the principal value they see in those partner relationships are collaboration and availability of skills.

Conclusions and Recommendations

The media landscape has shifted considerably over the 11 years we have been conducting the Role & Influence research, but buyer behaviors and preferences haven't changed that much at all. Decision-makers seek trusted content at every stage of the buying process, but the type and source of content varies with where they are in the journey. Buyers harbor no illusions about what they expect to get from different content sources. They use independent sites to guide them toward a short list and vendors to focus their thinking. Peers are essential validators at every stage.

Both Independent and sponsored content is critical to their decision-making.

Vendors can use this research to guide them toward a comprehensive content strategy. A good practice is to model the buying process and the influencers for your market. Understand how sponsored content delivered through independent sources can guide buyers in your direction. Identify gaps in your current content portfolio and develop plans to fill them. Make sure that your people who engage with buyers in the latter stages of the buying process are equipped with rich information to answer detailed questions. Don't focus your entire content strategy on thought leadership while neglecting customers' needs for specifics. Map your content portfolio to the buyer's journey and remember that trust is the most essential ingredient of every interaction.

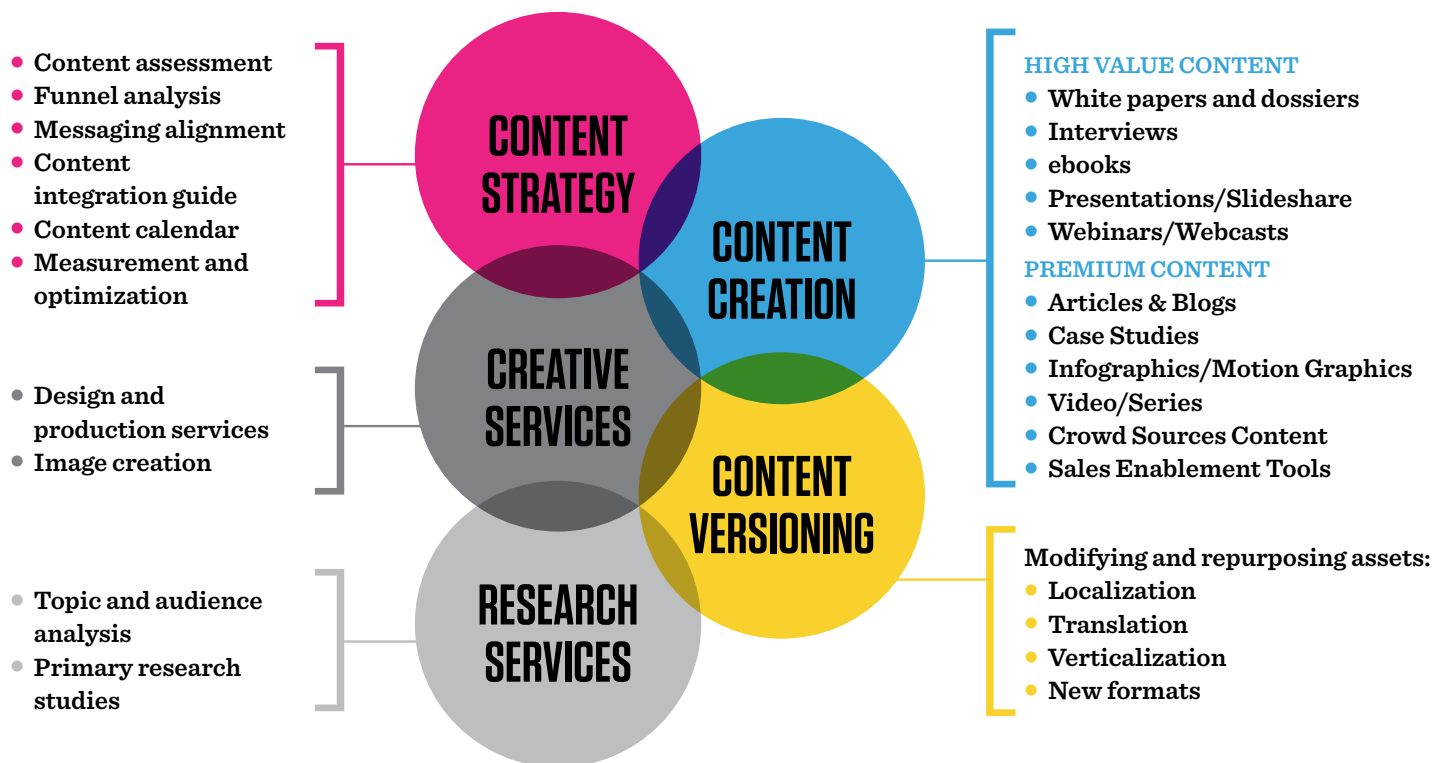
CONTENT MARKETING SOLUTIONS

Tech marketers cite lack of bandwidth to create valuable content as one of their biggest challenges. Whether it is a need for more content, help with orchestrating the distribution across the funnel, or a lack of focus on key touch points most important to your target audience that is causing missed engagement opportunities, we can help!

Our Strategic Marketing Services provide full-service global digital marketing services which leverage IDG's 50+ years of expertise in engaging and acquiring audiences through high-quality content.

We create high-quality content marketing solutions that drive technology buyers to take action. Through

the broad range of services from content strategy and development to customized integrated marketing solutions that engage audiences on social, native, mobile and desktop platforms, we combine our institutional knowledge with data intelligence to build relevance, context and impact.



We are uniquely positioned to help you create and optimize content, leveraging the multitude of tools and platforms needed to reach your goals. For more information contact your sales executive or visit us online at: www.idg.com/marketingservices

EXAMINING THE MARKETPLACE

We think research is invaluable in helping to connect marketers with customers and prospects.

Our research portfolio explores our audiences' perspectives and challenges around specific technologies, examines the changing roles within the IT purchase process, and arms IT marketers with the information they need to identify opportunities. To review the presentation of full results from any of these studies, contact your IDG sales executive or go to [idg.com/contact-us](https://www.idg.com/contact-us).

BUYING PROCESS

Each year we take a deep dive into the enterprise IT purchase process to learn more about who is involved and who influences decision-making, what sources purchasers rely on to keep up to date with technology—and throughout the purchase process—and how they feel about the vendors they're working with.

- **Role & Influence of the Technology Decision-Maker**

The annual IDG Role & Influence of the Technology Decision-Maker survey is conducted to gain insight into the evolving role and influence of IT decision-makers in today's corporations. The research examines the involvement of IT decision-makers during each stage of the IT purchase process and the primary influences and information sources they rely on throughout the purchase process.

- **Customer Engagement**

The IDG Customer Engagement survey looks at the role content consumption plays in the purchase process for major technology products and services, and provides insights to IT marketers to map their engagement touchpoints to customers information needs. The survey looks at how a wide variety of content types are used throughout the individual stages of the IT purchase process and how that content is consumed, discussed and shared.

TECHNOLOGY INSIGHTS

Each year we explore the technologies that are top of mind among our audiences to understand the business challenges, drivers, and adoption within the enterprise. Each research study is designed to help IT marketers understand what their customers are focused on and where the market is moving.

- **Role & Priority Studies**

- CIO Tech Poll: Economic Outlook
- CIO Tech Poll: Tech Priorities
- CIO/CMO Partnership
- Computerworld Forecast Study
- Cyber Security Watch Survey
- Global Information Security Survey
- State of the CIO
- Architect Persona
- Developer Persona
- State of the Network

- **Technology Specific Studies:**

- Big Data & Analytics: Insights into Initiatives & Strategies Driving Data Investments
- Cloud Computing: Key Trends and Future Effects
- Consumerization of IT in the Enterprise
- The Mobile First Enterprise
- Unified Communications & Collaboration
- Security Priorities

CUSTOMER JOURNEY POSTER

Want to know which content drives IT decision-makers and fuels their engagement during the IT purchase process? IDG's Customer Journey poster serves as your content marketing guide to strategically reach your target customers.

Request a copy of the poster at <https://www.idg.com/tools-for-marketers/connecting-content-marketing-to-sales/>

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- Visit us on LinkedIn for research, services and events announcements: **<https://www.linkedin.com/company/international-data-group-idg/>**