



DATA SNAPSHOT

Global Study: IT Executives and XM

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Executive Summary

KEY FINDINGS IN THIS REPORT

To understand the current state of experience management (XM) in IT, Qualtrics XM Institute surveyed 663 senior leaders in IT at companies with 1,000 or more employees about their companies' XM efforts. Highlights from the research include:

- + **IT leaders plan to increase organizational agility.** Eighty-nine percent of IT leaders say that it's 'extremely' or 'very important' for their organization to improve its ability to respond to unexpected events, ranging from 97% of Mexican IT leaders to 83% of IT leaders in Japan.
- + **High-performing companies see the need for significant adjustments.** IT leaders from organizations with above-average growth are at least 12 percentage points more likely to say that they need to 'significantly' or 'moderately' make changes to their brand messaging, products and services, employee interactions, and customer interactions compared to leaders from organizations with at or below average growth.
- + **IT leaders see improving data management as a key area of focus.** Half of respondents cited 'improving data quality and management' as a critical area of focus. It's a top three area of focus for Brazilian, French, German, UK, and US IT leadership. The only other area of focus cited more frequently is 'improving operational efficiency within IT' at 60%.
- + **Data quality and privacy are at risk in current data storage systems.** Over half of IT leaders think that data quality and data privacy are potential risks of disconnected experience data. Meanwhile, 71% of organizations store their experience data in disparate spreadsheets and databases 'a lot' or 'all of the time', and just 10% of organizations manage their experience data in a single repository.

STUDY KEY FACTS

- 663 senior leaders in IT
- Companies with 1,000 or more employees
- Q2 2022 study
- 10 countries

Global Study: IT Executives and XM

STUDY OVERVIEW

The data for this report comes from a study of senior leaders in IT that Qualtrics XM Institute conducted in the second quarter of 2022. Using an online survey, XM Institute collected data from 663 senior leaders in IT working at companies with more than 1,000 employees headquartered in Australia, Brazil, Canada, France, Germany, Japan, Mexico, Singapore, the United Kingdom, and the United States.

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Methodology

Study Demographics

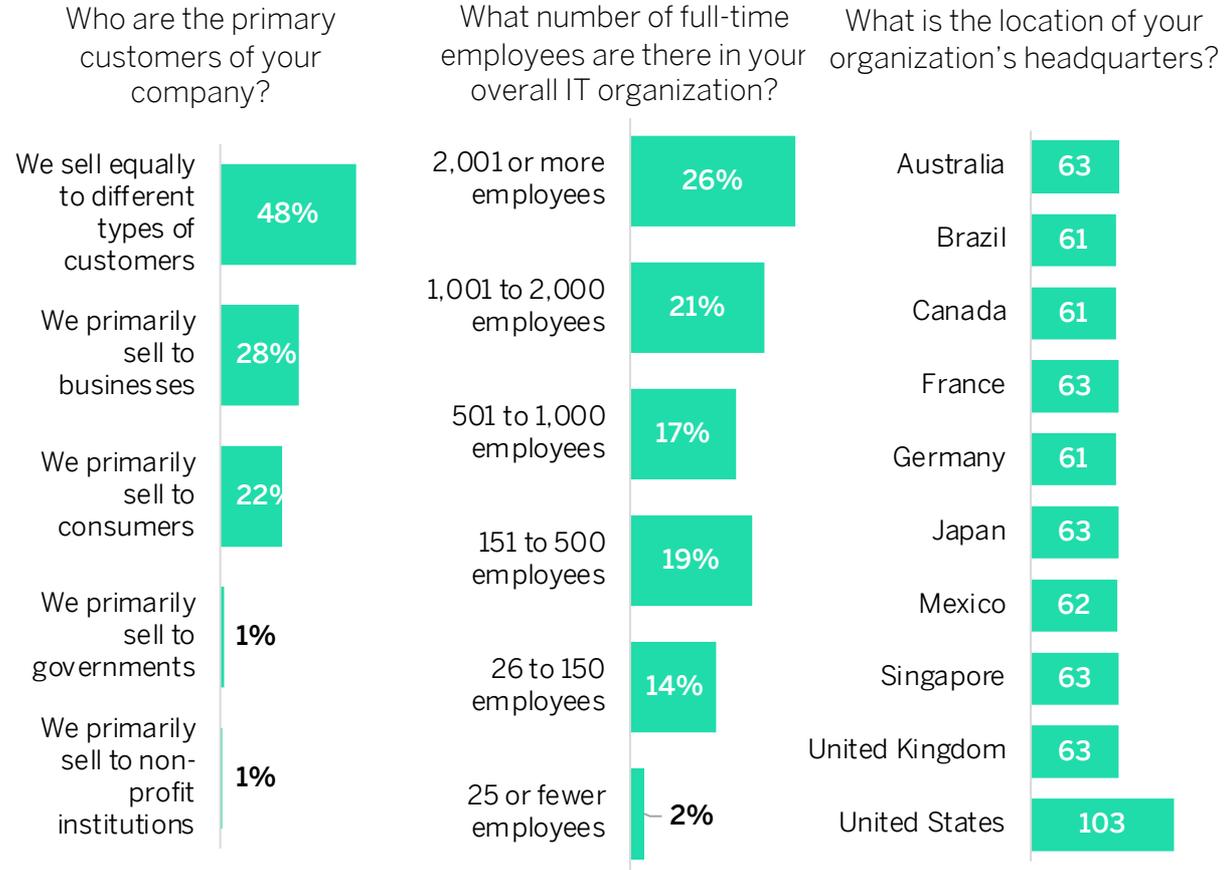
KEY TAKEAWAYS

- + About half of senior IT leaders that we surveyed sell equally to different types of customers.
- + Over 40% of senior IT leaders we surveyed have more than 1,000 employees in their IT organization.

ABOUT

These charts show respondents' primary customers, the number of full-time employees in their IT organization, and the country within which their organization is headquartered.

Details About Respondents



The Need to Increase Agility

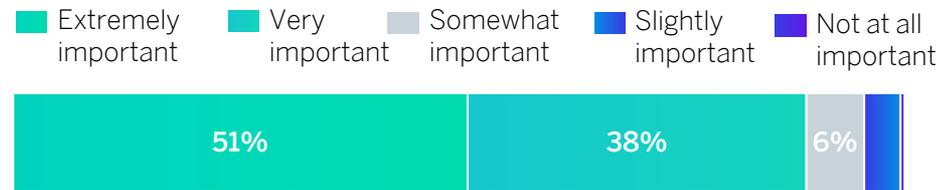
KEY TAKEAWAYS

- + Over half of respondents say that it is 'extremely important' for their company to improve its ability to respond to unexpected events.
- + Over 70% of respondents say that their organization needs to 'significantly' or 'moderately' make changes to their products and services, customer interactions, brand messages, and employee interactions.

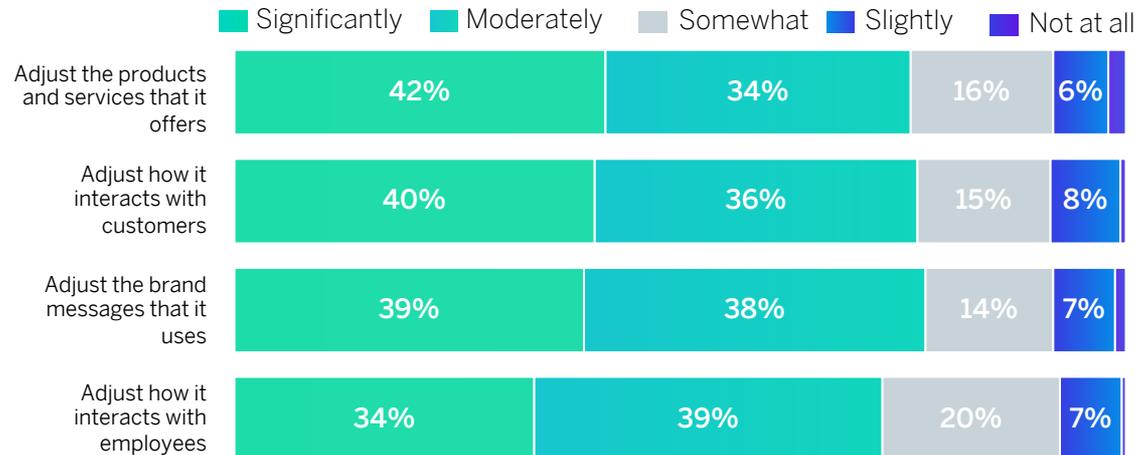
ABOUT

These charts show to what degree respondents feel that their company will need to make changes, thinking of the environment over the next few years.

Thinking ahead to the environment over the next few years, how important is it for your overall company to improve its ability to respond to unexpected events?



Thinking ahead to the environment over the next few years, to what degree do you feel that your overall company will need to make the following changes?



The Need to Respond to Unexpected Events By Country

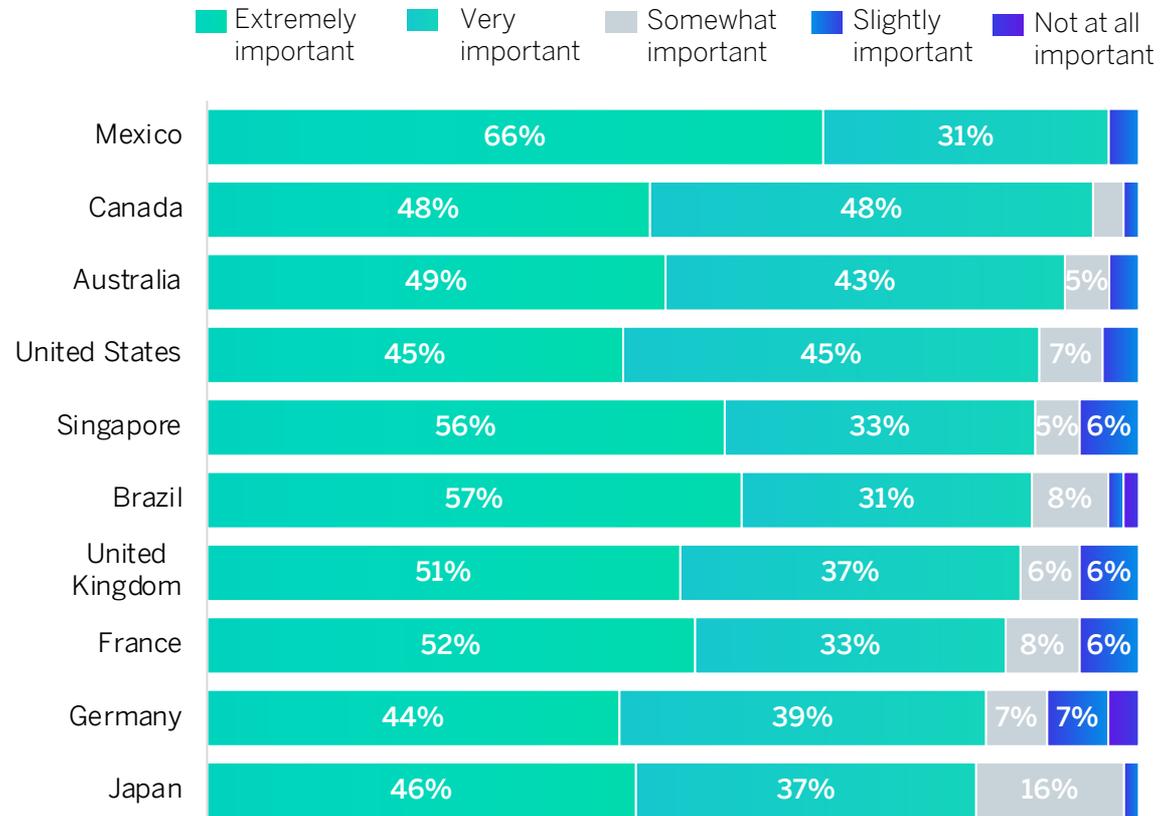
KEY TAKEAWAYS

- + Ninety-seven percent of Mexican respondents say that it is 'extremely' or 'very important' for their organization to improve its ability to respond to unexpected events.
- + More than 80% of respondents in all countries say that it is 'extremely' or 'very important' that their organization improves its ability to respond to unexpected events.

ABOUT

This chart shows the percentage of respondents from each country that think it's important for their company to improve its ability to respond to unexpected events.

Thinking ahead to the environment over the next few years, how important is it for your overall company to improve its ability to respond to unexpected events?



The Need to Increase Agility by Country

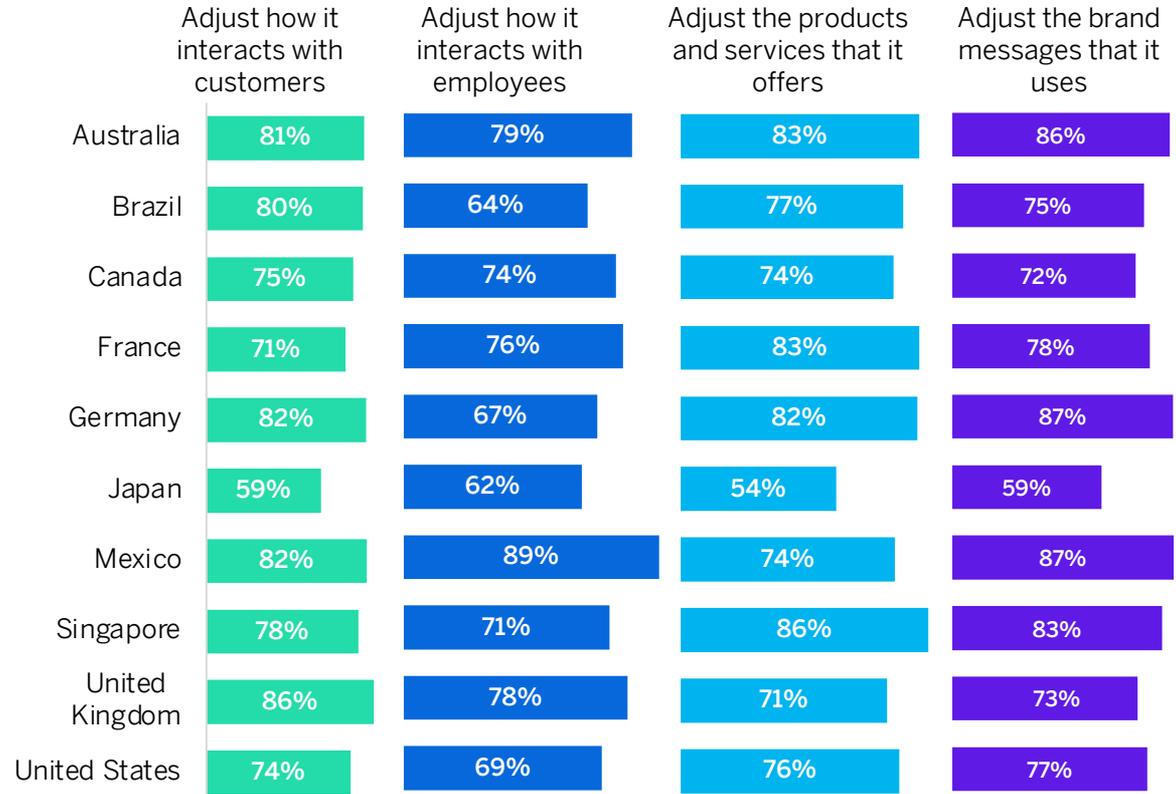
KEY TAKEAWAYS

- + Japanese respondents are least likely to say that their organization needs to make 'significant' or 'moderate' adjustments across all experience categories.
- + UK respondents are most likely to believe their organization needs to adjust customer interactions and its product and service offerings, while Mexican respondents are most likely to feel the need to adjust employee interactions.

ABOUT

These charts show the percentage of respondents from each country that feel their company will need to make 'significant' or 'moderate' changes in each area.

Thinking ahead to the environment over the next few years, to what degree do you feel that your overall company will need to make the following changes?
(Significantly or moderately)



Changes to IT Budgets and Headcount

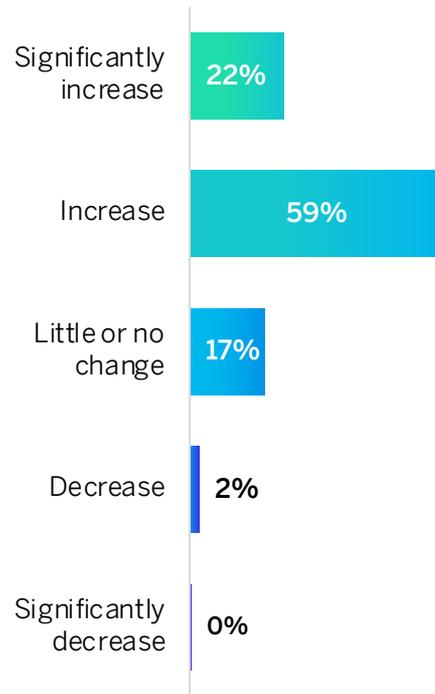
KEY TAKEAWAYS

- + Most IT leaders expect their IT budget to increase compared with the past year, and just 2% expect their budgets to decrease.
- + Sixty-five percent of respondents expect to increase their IT headcount, and just 3% expect to downsize their IT team.

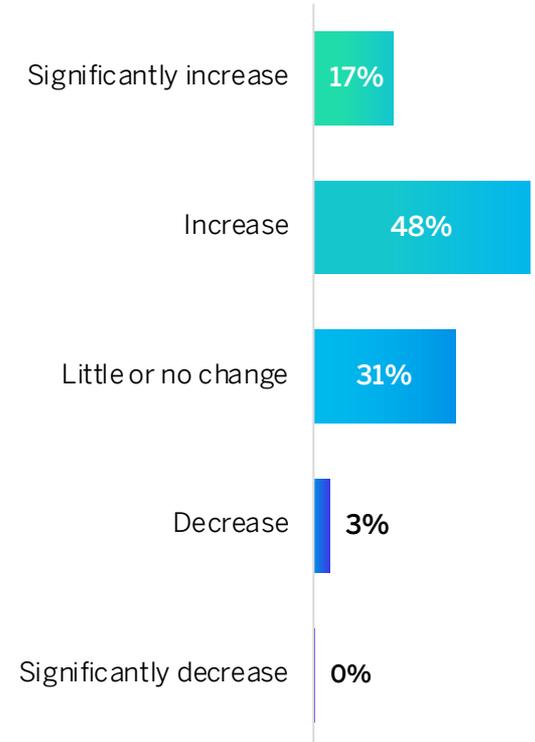
ABOUT

These charts show how respondents expect their IT budget and headcount to change in the next year compared with the previous year.

Over the next 12 months, how do you expect your IT budget to change compared with the previous 12 months?



Over the next 12 months, how do you expect your IT headcount to change compared with the previous 12 months?



Changes to IT Budgets and Headcount by Country

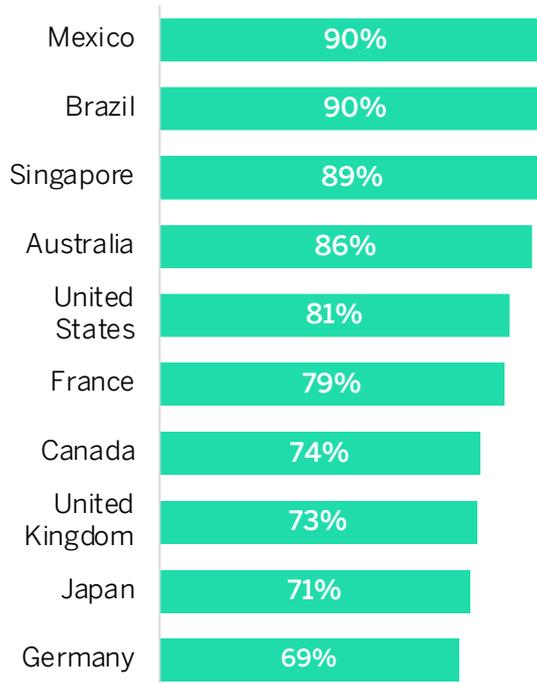
KEY TAKEAWAYS

- + German IT leaders are least likely to expect increases in IT budgets, while Mexican and Brazilian leaders are most likely to enjoy budget increases.
- + Australian companies are most likely to increase IT headcount, while French and German companies are least likely to expand their IT departments.

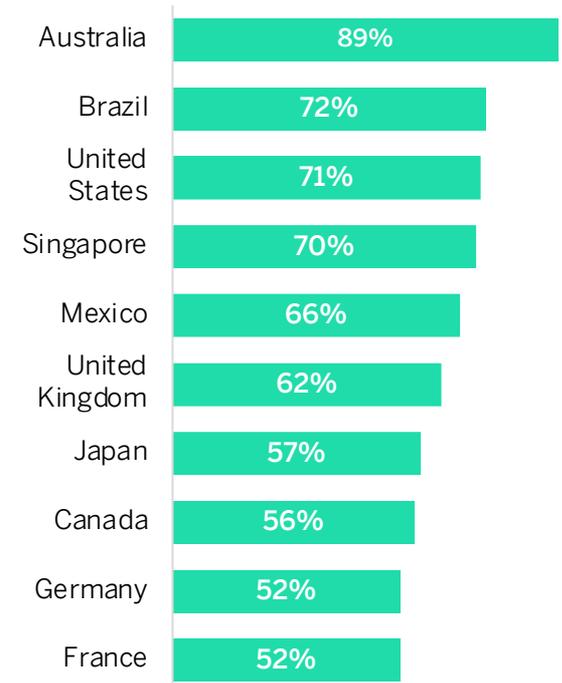
ABOUT

These charts show how respondents in each country expect their IT budget and headcount to change in the next year compared with the previous year.

Over the next 12 months, how do you expect your IT budget to change compared with the previous 12 months?
(% increase)



Over the next 12 months, how do you expect your IT headcount to change compared with the previous 12 months?
(% increase)



Critical Areas of Focus for IT Leadership

KEY TAKEAWAYS

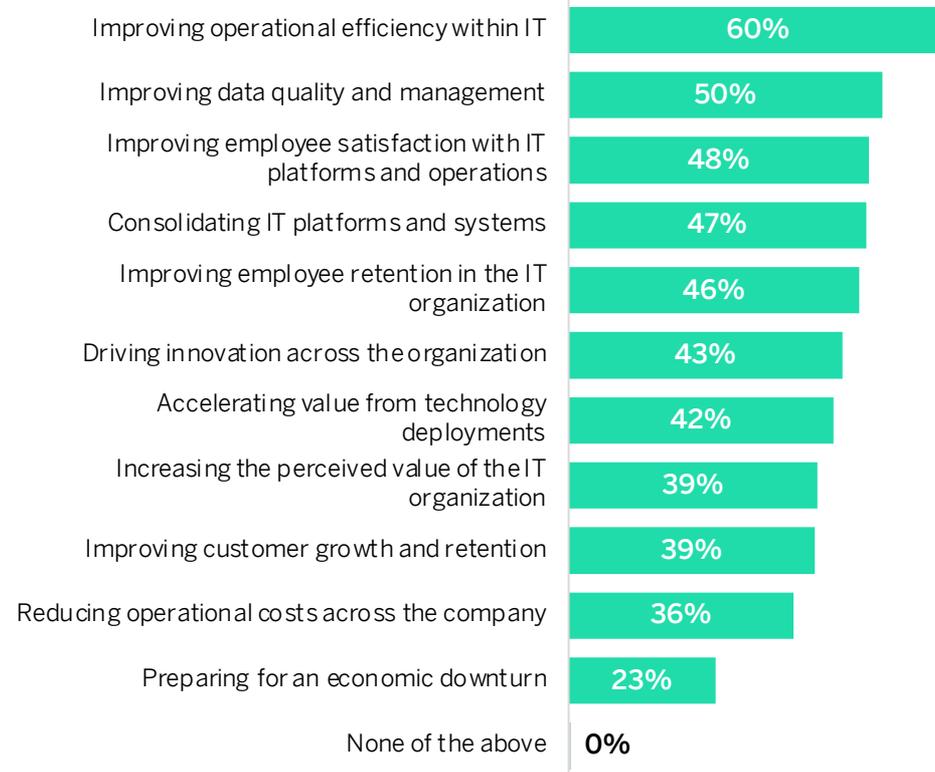
- + 'Improving operation efficiency within IT' (60%) and 'Improving data quality and management' (50%) are the most frequently cited critical areas of focus for IT leadership.
- + Just 23% of respondents say that 'preparing for an economic downturn' is a critical area of focus.

ABOUT

This chart shows the percentage of respondents that consider each item a critical area of focus for their IT leadership team.

Thinking about the next year, which of the following are critical areas of focus for your IT leadership team?

(Select all that apply)



Critical Areas of Focus for IT Leadership by Country

KEY TAKEAWAYS

- + 'Improving operational efficiency within IT' is in the top three critical areas of focus for all countries.
- + Australia, Canada, Mexico, and Singapore all say that 'consolidating IT platforms and systems' is a top three critical area of focus for IT leadership.
- + 'Improving data quality and management' is a top three critical area of focus for Brazilian, French, German, UK, and US IT leadership.

ABOUT

This chart shows the top three most critical areas of focus for IT leadership teams in each country.

Thinking about the next year, which of the following are critical areas of focus for your IT leadership team?

(Select all that apply)

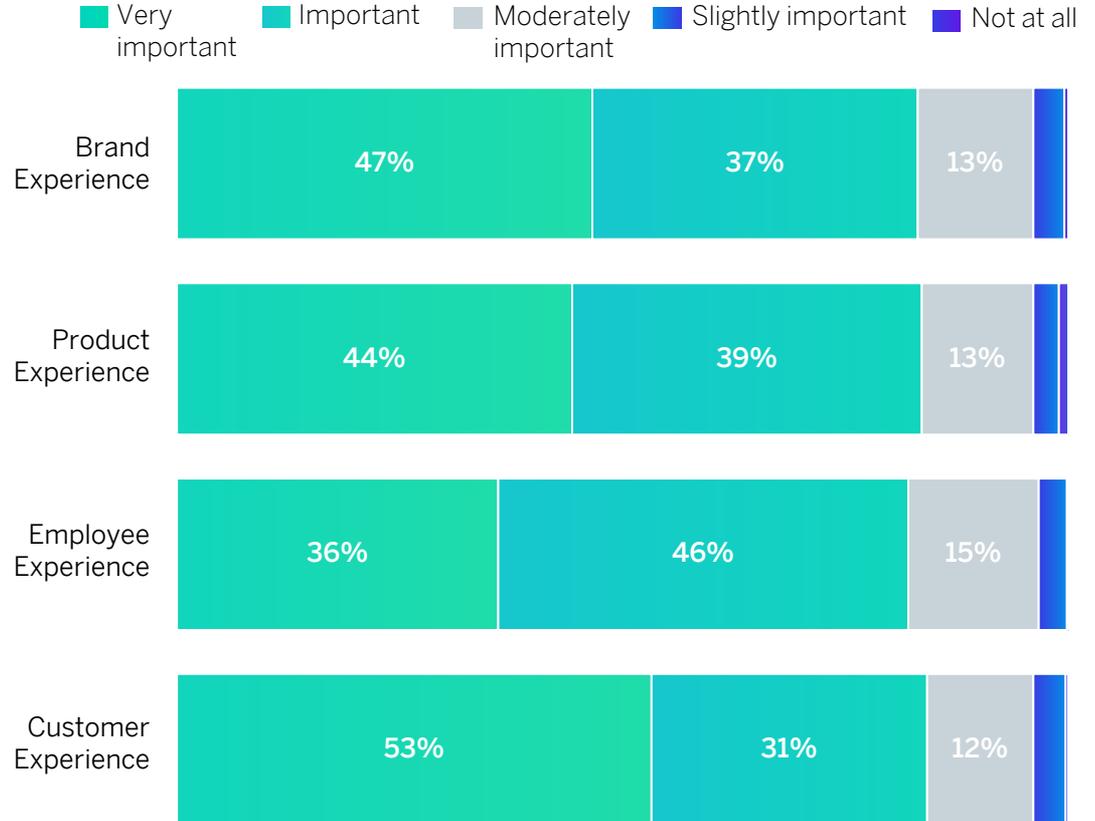
	Most Critical Area	Second Most Critical Area	Third Most Critical Area
Australia	Improving operational efficiency within IT: 60%	Improving employee retention in the IT organization: 49%	Consolidating IT platforms and systems: 48%
Brazil	Improving operational efficiency within IT: 54%	Improving data quality and management: 51%	Accelerating value from technology deployments: 46%
Canada	Improving operational efficiency within IT: 74%	Consolidating IT platforms and systems: 56%	Improving employee satisfaction with IT platforms and operations: 51%
France	Improving operational efficiency within IT: 59%	Driving innovation across the organization: 57%	Improving data quality and management: 56%
Germany	Improving operational efficiency within IT: 70%	Improving data quality and management: 54%	Accelerating value from technology deployments: 51%
Japan	Driving innovation across the organization: 56%	Reducing operational costs across the company: 52%	Improving operational efficiency within IT: 49%
Mexico	Improving employee satisfaction with IT platforms and operations: 66%	Consolidating IT platforms and systems: 61%	Improving operational efficiency within IT: 60%
Singapore	Improving operational efficiency within IT: 59%	Improving employee retention in the IT organization: 54%	Consolidating IT platforms and systems: 48%
United Kingdom	Improving operational efficiency within IT: 63%	Improving data quality and management: 52%	Improving employee retention in the IT organization: 46%
United States	Improving operational efficiency within IT: 55%	Improving data quality and management: 54%	Improving employee satisfaction with IT platforms and operations: 53%

Importance of Improving Experiences

KEY TAKEAWAYS

- + More than 80% of respondents say that it is important for their company to improve the experience they deliver for each experience area.
- + Over half of respondents say that it is very important for their organization to improve their customer experience.

Over the next three years, how important is it for your company to improve these areas of the experiences it delivers?



ABOUT

This chart shows the percentage of respondents that think it is important for their company to improve in these four experience areas.

Importance of Building XM Capabilities

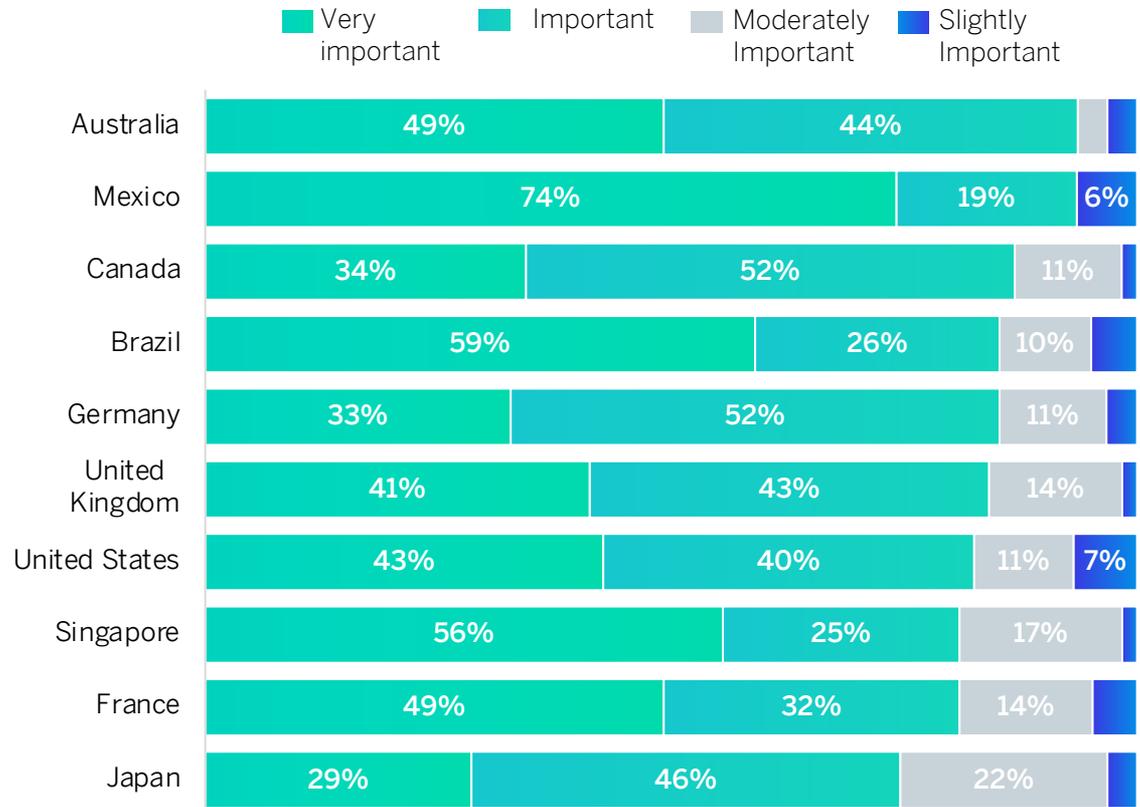
KEY TAKEAWAYS

- + Mexican and Australian respondents are the most likely to say that it is important to improve XM capabilities over the next few years, at 93%.
- + Japanese respondents are least likely to say it is important to improve XM capabilities (75%).
- + U.S. respondents say that improving XM is 'slightly important' most frequently, at 7%.

ABOUT

This chart shows how important respondents from each country think it is for their company to improve its experience management capabilities.

Thinking ahead to the environment over the next few years, how important is it for your overall company to improve its Experience Management capabilities?

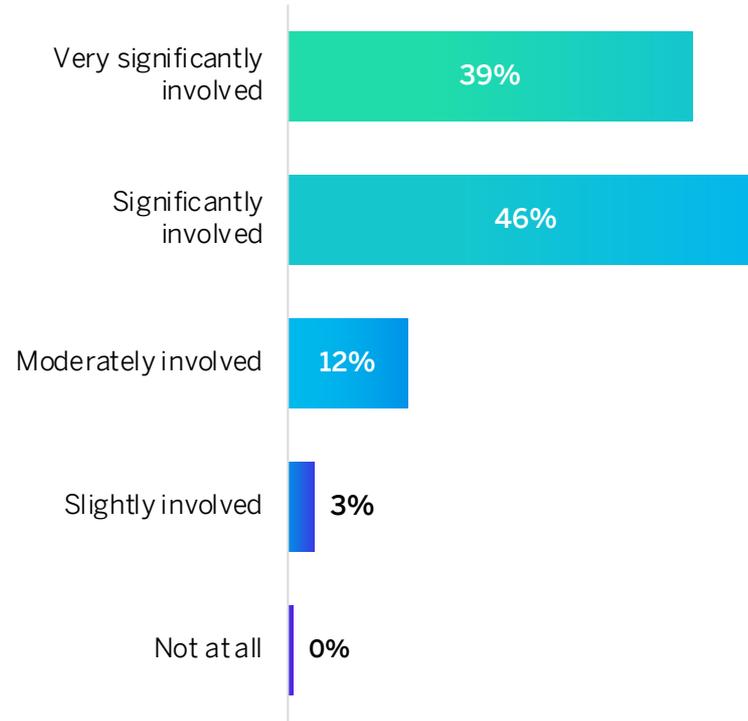


IT Involvement in XM Capabilities

KEY TAKEAWAYS

- + Eighty-five percent of respondents say their IT organization will be significantly involved in helping their company to improve its XM capabilities over the next few years.

To what degree do you think your IT organization will be involved in helping your overall company improve its Experience Management capabilities over the next few years?



ABOUT

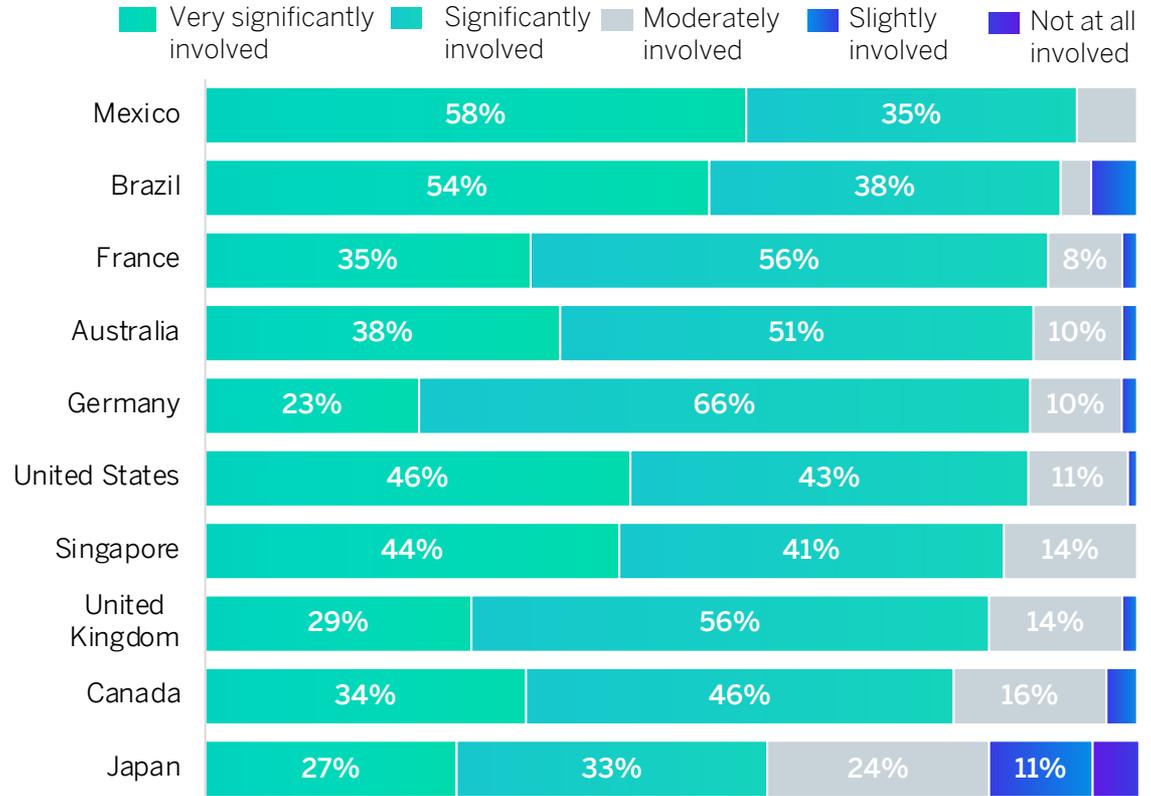
This chart shows how involved respondents think their IT organization will be in helping their company improve its experience efforts over the next few years.

IT Involvement in XM Capabilities by Country

KEY TAKEAWAYS

- + Mexican respondents are most likely to say that their IT organization will be significantly involved in improving the company's XM (93%), followed by Brazilian respondents (92%), and French respondents (91%).
- + Japanese respondents are the least likely to think their IT organization will be involved in helping the company improve its XM capabilities, at 60%.

To what degree do you think your IT organization will be involved in helping your overall company improve its Experience Management capabilities over the next few years?



ABOUT

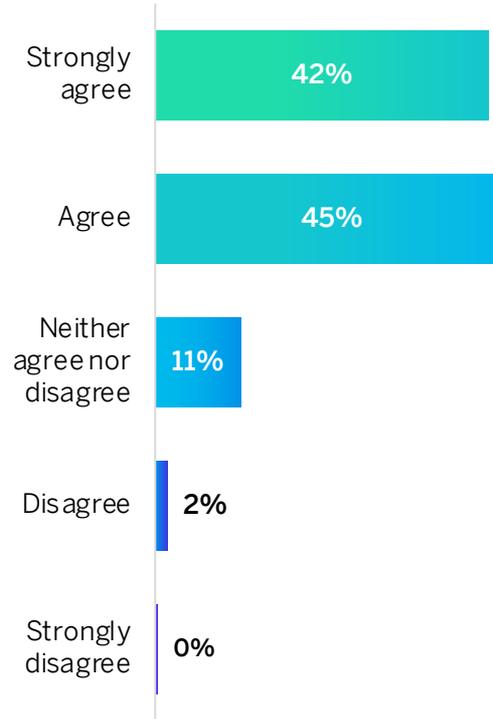
This chart shows the degree to which respondents from each country think that their IT organization will be involved in helping their overall company improve its experience management capabilities in the next few years.

Importance of XM for IT Executives

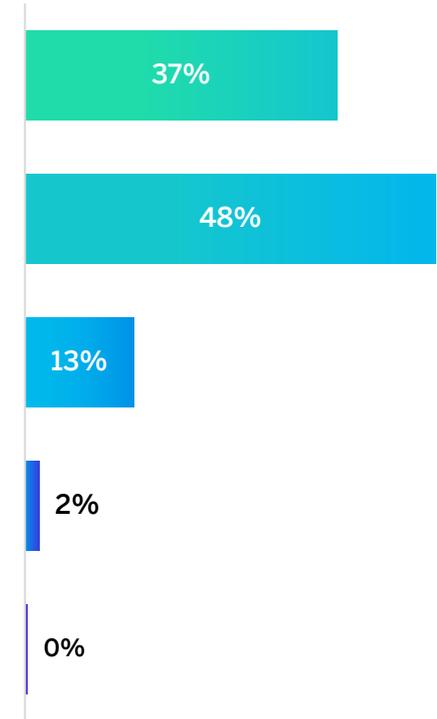
KEY TAKEAWAYS

- + Respondents are slightly more likely to agree that XM will be an important capability for IT organizations in the future than they are to say that XM will play an important role in their professional success.

Experience Management will be an important capability for IT organizations in the future



Experience Management will play an important role in my professional success



ABOUT

These charts show the percentage of respondents that agree and disagree with these statements about the importance of experience management for IT organizations and their professional success.

Obstacles to Experience Management

KEY TAKEAWAYS

+ Respondents cited 'lack of clear strategy' (32%), 'technology limitations' (30%), and 'lack of critical skills' (30%) as the most significant obstacles to the company's XM efforts.

ABOUT

This chart shows the percentage of respondents that consider each item a significant obstacle to their company's experience management efforts.

Which of these do you consider to be significant obstacles to your company's Experience Management efforts?

(Select all that apply)



Obstacles to Experience Management by Country

KEY TAKEAWAYS

- + Singapore reports the most obstacles to XM, citing 'poor integration across systems' (46%), 'lack of clear strategy' (37%), and 'lack of executive commitment' (35%).
- + Six countries: Australia, Japan, France, Germany, Mexico, and the U.S. all say that 'lack of critical skills' is a top three significant obstacle to their company's XM efforts.
- + Six countries: Brazil, Canada, Mexico, Singapore, the UK, and the US all say that 'lack of clear strategy' is a top three significant obstacle to their company's XM efforts.

ABOUT

This chart shows the top three most significant obstacles to experience management efforts for companies from each country.

Which of these do you consider to be significant obstacles to your company's Experience Management efforts?

(Select all that apply)

	Most Frequent Obstacle	Second Most Frequent Obstacle	Third Most Frequent Obstacle
Australia	Lack of critical skills: 44%	Unclear return on investment: 35%	Lack of executive commitment: 32%
Brazil	Conflict across internal organizations: 36%	Lack of clear strategy: 36%	Technology limitations: 30%
Canada	Lack of funding: 43%	Lack of clear strategy: 43%	Other competing priorities: 36%
France	Lack of critical skills: 38%	Lack of funding: 35%	Poor data management: 30%
Germany	Poor data management: 36%	Technology limitations: 36%	Lack of critical skills: 33%
Japan	Lack of critical skills: 33%	Other competing priorities: 32%	Unclear return on investment: 32%
Mexico	Lack of clear strategy: 35%	Poor data management: 32%	Lack of critical skills: 27%
Singapore	Lack of clear strategy: 46%	Conflict across internal organizations: 37%	Lack of executive commitment: 35%
United Kingdom	Poor integration across systems: 38%	Lack of clear strategy: 37%	Technology limitations: 35%
United States	Technology limitations: 38%	Lack of clear strategy: 30%	Lack of critical skills: 27%

IT Improving Use of Insights

KEY TAKEAWAYS

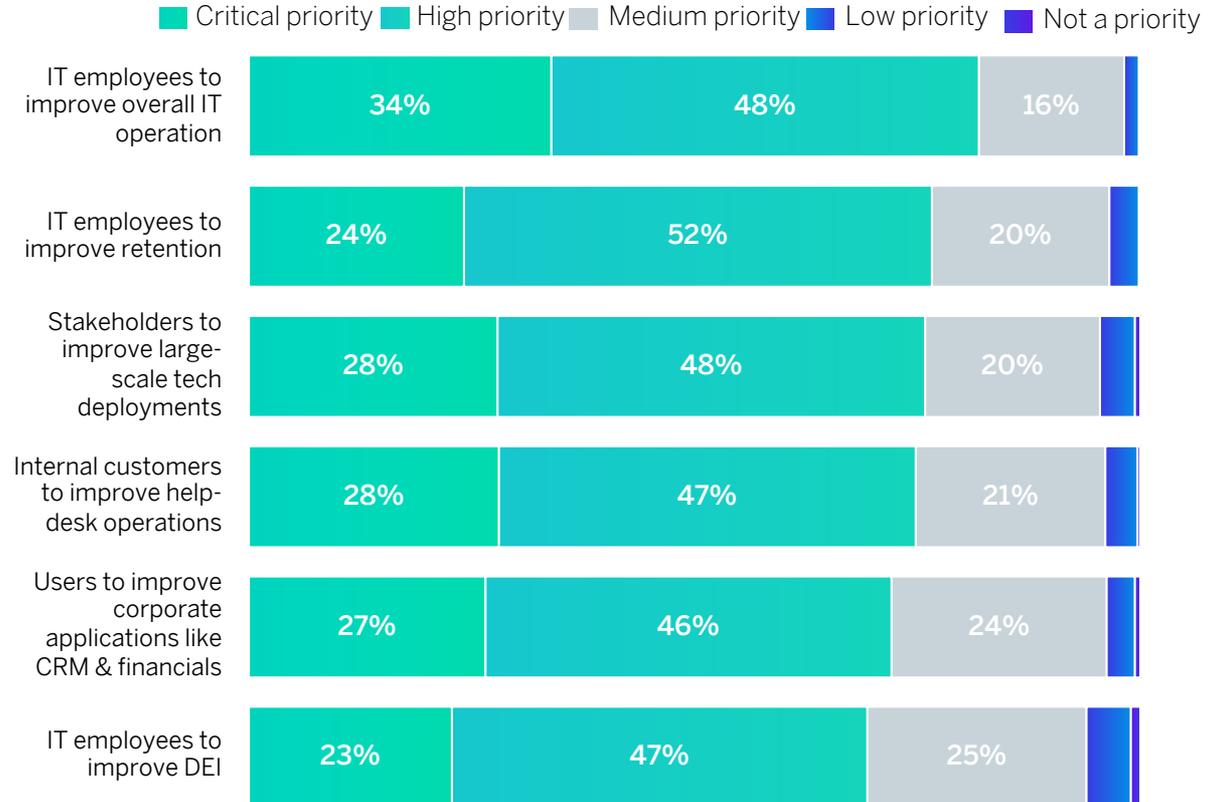
- + Respondents gave the highest priority for improving their use of feedback from 'IT employees to improve overall IT operation' (82%), and the lowest priority to 'IT employees to improve DEI' (70%).
- + Improving the use of feedback from these areas is a high priority for at least 70% of respondents.

ABOUT

This chart shows how much of a priority IT organizations place on improving how it uses ongoing feedback in each area.

How much of a priority is it for your IT organization to improve how it uses ongoing feedback in these areas?

Feedback from...



IT Improving Use of Insights by Country

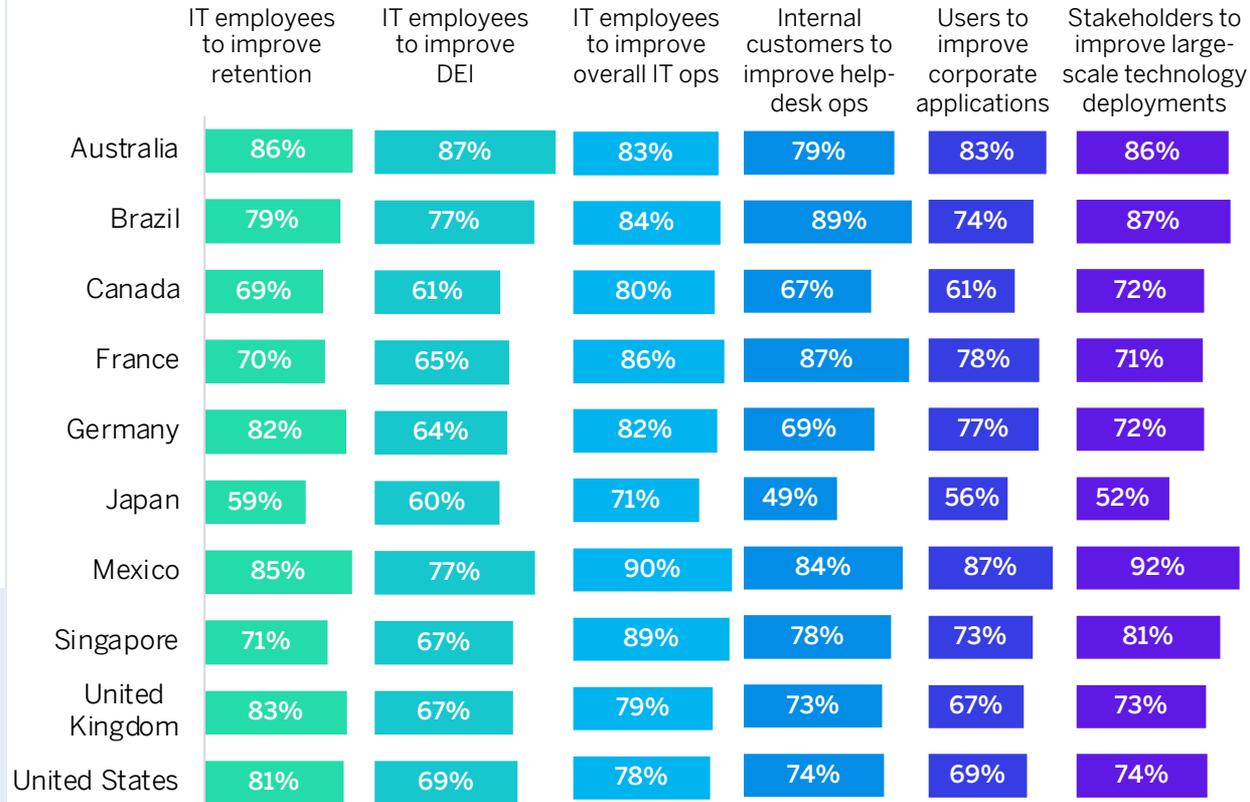
KEY TAKEAWAYS

- + Australian respondents are most likely to place a high priority on improving the use of feedback from 'IT employees to improve retention' (86%) and 'IT employees to improve DEI' (87%).
- + Improving the use of feedback from 'IT employees to improve overall IT ops', 'stakeholders to improve large-scale tech deployments', and 'users to improve corporate applications' is highly prioritized most frequently by Mexican respondents.
- + Japanese respondents are least likely to prioritize improving the use of ongoing feedback in each of these areas.

ABOUT

These charts show how much of a priority it is for IT organizations in each country to improve their use of ongoing feedback in each area.

How much of a priority is it for your IT organization to improve how it uses ongoing feedback in these areas? (Critical or High priority)



Base: 663 senior leaders in IT from companies with 1,000+ employees
Source: Qualtrics XM Institute 2022 Q2 Global IT Executives Study

The State of Experience Data Management

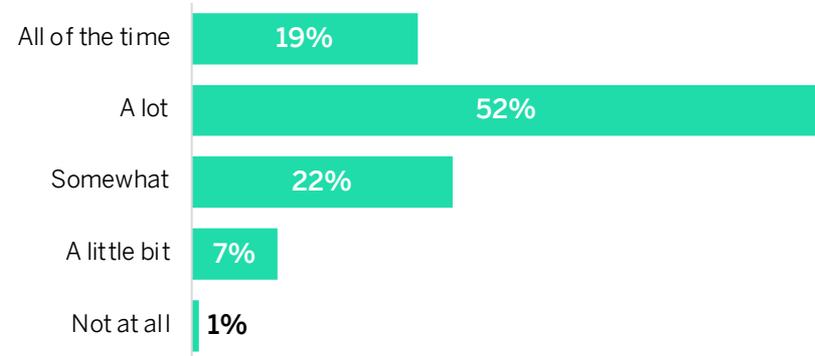
KEY TAKEAWAYS

- + Most organizations (71%) store their experience data in disparate databases 'a lot' or 'all of the time.'
- + Just 10% of organizations manage their experience data in a single repository.

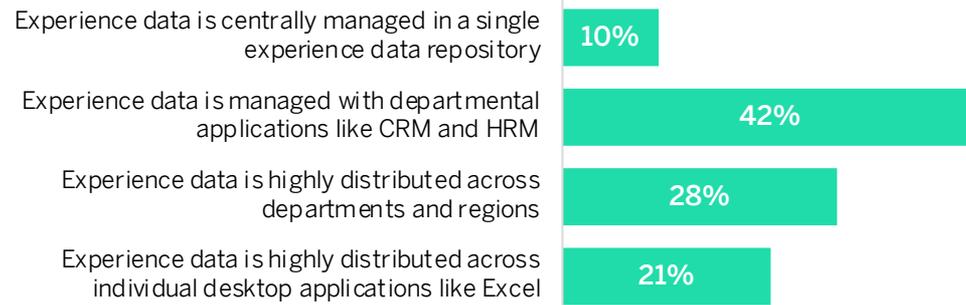
ABOUT

These charts show how the number of experience management platforms companies use, and the state of experience data storage and infrastructure.

To what degree does your organization store Experience Data in disparate spreadsheets/databases (e.g., Excel, MySQL) across the organization?



Which of the following best describes your company's infrastructure for managing Experience Data?

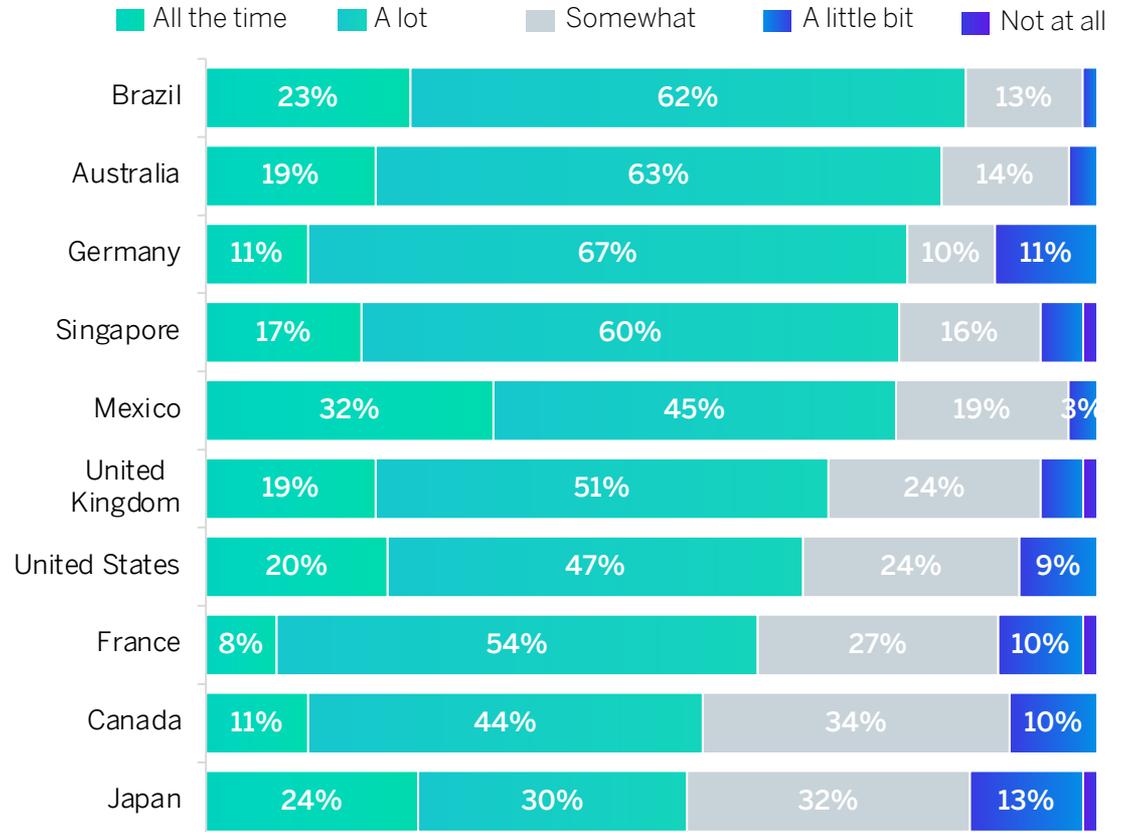


Experience Data Management by Country

KEY TAKEAWAYS

- + Brazilian, Australian, and Mexican organizations most frequently store their experience data in disparate databases across the organization.
- + Japanese and Canadian respondents say they store their experience data in disparate databases across their organization least frequently.

To what degree does your organization store Experience Data in disparate spreadsheets/databases (e.g., Excel, MySQL) across the organization?



ABOUT

This chart shows the degree to which organizations in each country store experience data in disparate databases.

Experience Data Management by Country

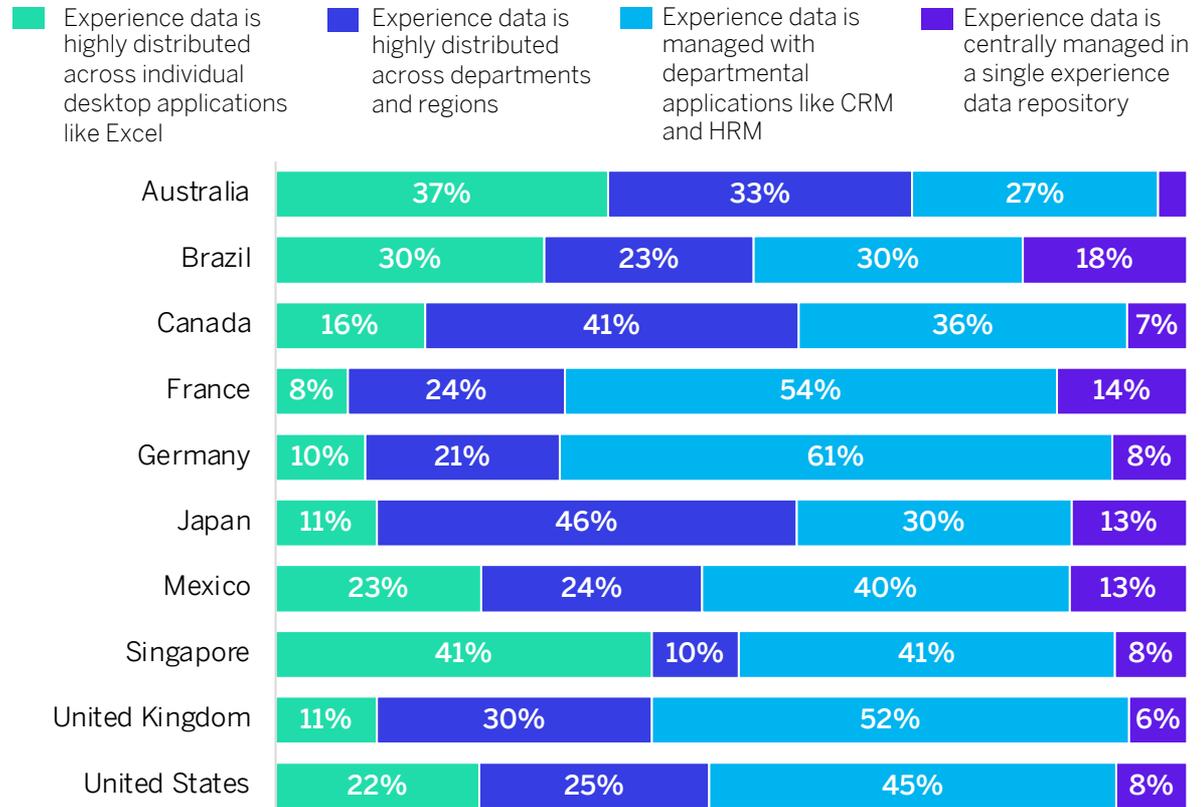
KEY TAKEAWAYS

- + Singaporean (41%) and Australian (37%) respondents are most likely to say that their experience data is highly distributed across individual desktop applications.
- + German (61%) and French (54%) respondents most frequently say their experience data is managed with departmental applications, while Brazilian and Japanese organizations are least likely to do so (30%).
- + No more than 18% of organizations from any country centrally manage their experience data in a single repository.

ABOUT

This chart shows what percentage of companies from each country use each infrastructure type to manage their organization's experience data.

Which of the following best describes your company's infrastructure for managing Experience Data?



Risks of Disconnected Experience Data

KEY TAKEAWAYS

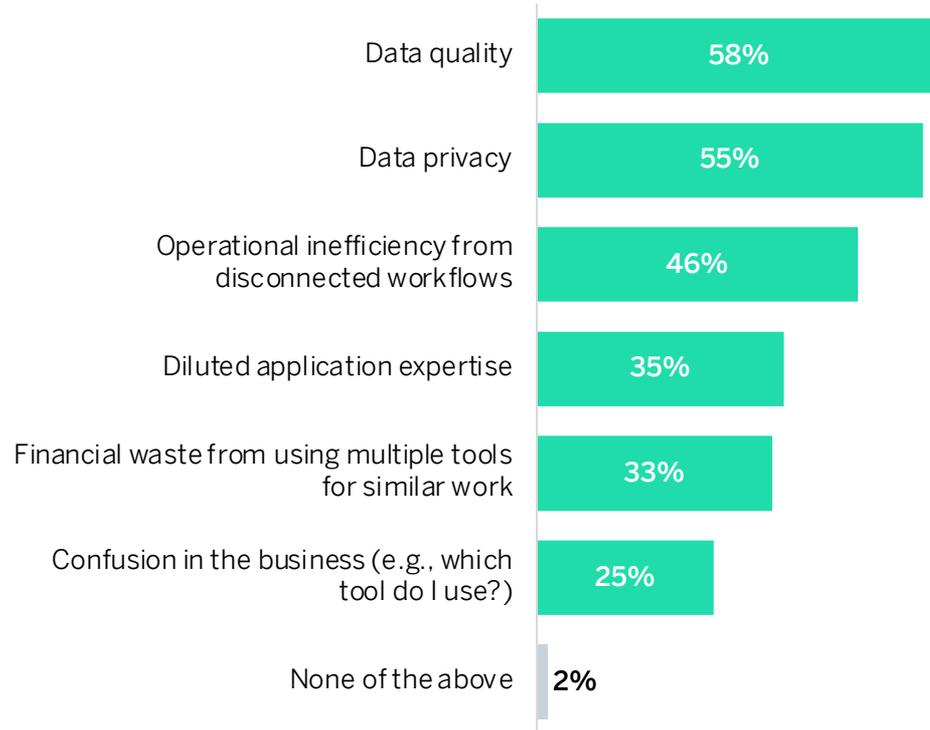
- + Over half of respondents say that data quality and data privacy are risks for having disconnected experience data.
- + Just 2% of respondents found no concerns in having disconnected experience data across multiple applications.

ABOUT

This chart shows the percentage of respondents that consider each item as a potential risk for disconnected experience data.

Which of the following do you view as potential risks for having Experience Data disconnected across multiple applications?

(Select all that apply)



Risks of Disconnected Experience Data by Country

KEY TAKEAWAYS

- + Data quality is the most frequently cited risk of disconnected experience data in 6 of 10 countries and is the second most frequently cited risk in another 3 countries.
- + Data privacy is the most frequently cited risk in 4 of 10 countries and is the second most cited risk in 3 of 10 countries.
- + IT leaders say that 'operational inefficiency from disconnected workflows' is a risk second or third most frequently in 9 of 10 countries.

ABOUT

This chart shows the top three most cited risks to for having disconnected experience data for companies from each country.

Which of the following do you view as potential risks for having Experience Data disconnected across multiple applications?

(Select all that apply)

	Most Frequent Risk	Second Most Frequent Risk	Third Most Frequent Risk
Australia	Data quality: 59%	Operational inefficiency from disconnected workflows: 51%	Data privacy: 49%
Brazil	Data privacy: 62%	Diluted application expertise: 48%	Operational inefficiency from disconnected workflows: 41%
Canada	Data privacy: 64%	Data quality: 64%	Operational inefficiency from disconnected workflows: 48%
France	Data quality: 54%	Data privacy: 48%	Financial waste from using multiple tools for similar work: 33%
Germany	Data privacy: 66%	Data quality: 51%	Operational inefficiency from disconnected workflows: 49%
Japan	Data quality : 59%	Operational inefficiency from disconnected workflows: 48%	Data privacy: 44%
Mexico	Data privacy: 50%	Data quality: 48%	Diluted application expertise/Operational inefficiency from disconnected workflows: 45%
Singapore	Data quality: 65%	Data privacy: 63%	Operational inefficiency from disconnected workflows: 49%
United Kingdom	Data quality: 67%	Operational inefficiency from disconnected workflows: 48%	Data privacy: 41%
United States	Data quality: 67%	Data privacy: 62%	Operational inefficiency from disconnected workflows: 48%

The Need For Agility by Revenue Growth

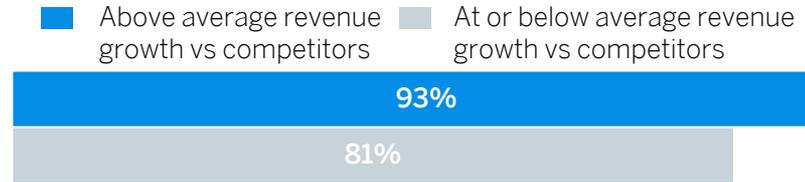
KEY TAKEAWAYS

- + Respondents with above-average revenue growth are more likely to say that their company will adjust brand messaging, offerings, and interactions with employees and customers than those with just average or below revenue growth.
- + These respondents are 16 percentage-points more likely to say that it is important for their company to improve its ability to respond to unexpected events.

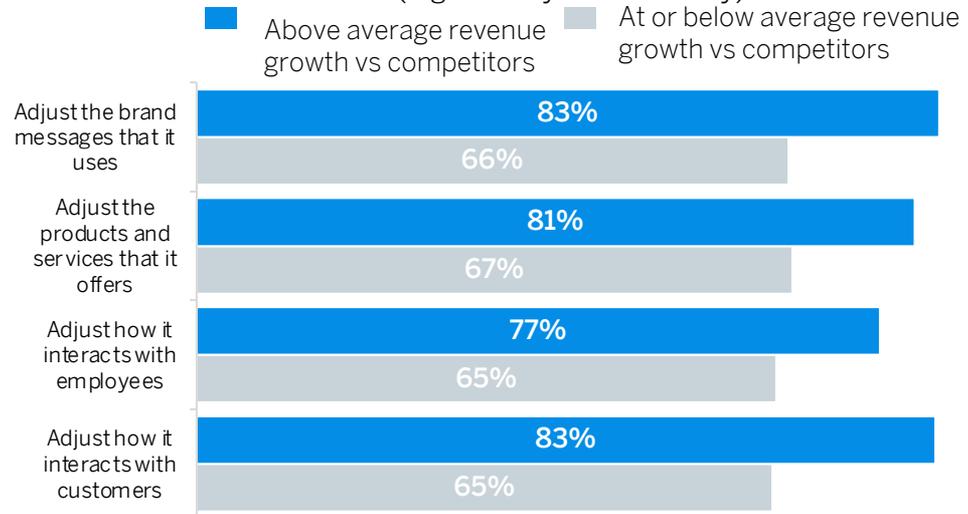
ABOUT

These charts show the percentage of organizations with above-average revenue growth compared to industry competitors versus those with at or below average revenue growth that feels that their company needs to make changes in each of these areas.

Thinking ahead to the environment over the next few years, how important is it for your overall company to improve its ability to respond to unexpected events?
(Extremely or very important)



Thinking ahead to the environment over the next few years, to what degree do you feel that your overall company will need to make the following changes?
(Significantly or Moderately)



Critical Areas of Focus for IT Leadership by Revenue Growth

KEY TAKEAWAYS

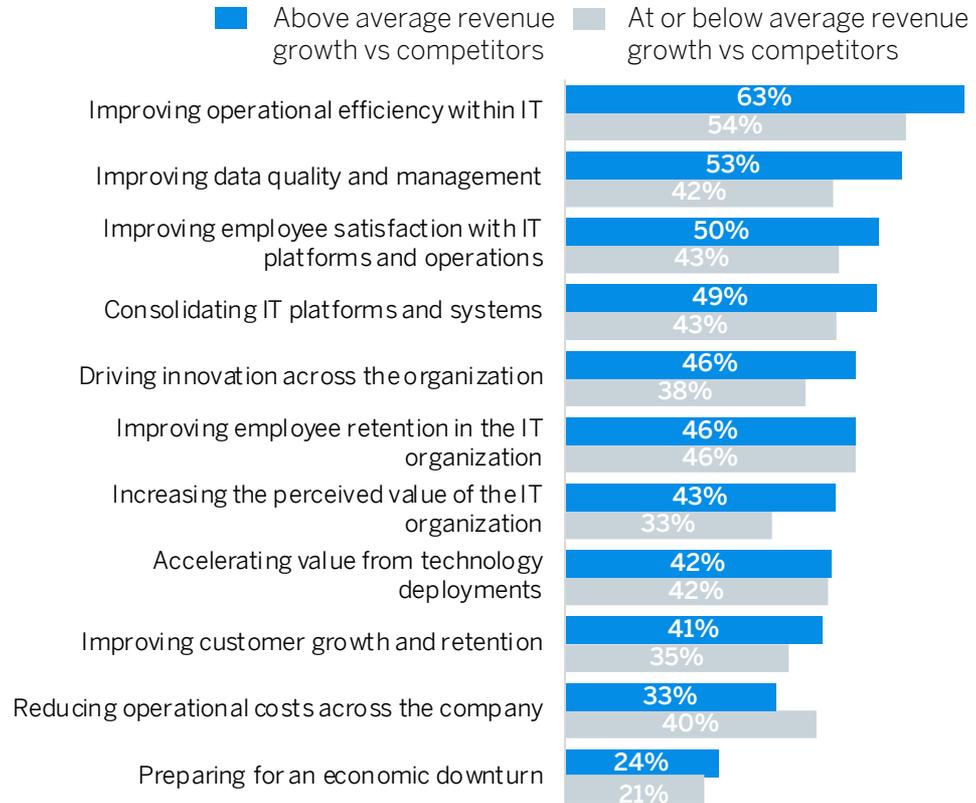
- + Organizations with at or below-average revenue growth are more likely to say that 'reducing operational costs across the company' is a critical area of focus than those with above-average revenue growth.
- + Organizations with above-average revenue growth are most likely to cite 'improving operation efficiency within IT' (63%) and 'Improving data quality and management' (53%) as critical areas of focus for IT leadership.

ABOUT

These charts show the percentage of organizations with above average revenue growth compared to industry competitors versus with at or below average revenue growth that consider each item a critical area of focus for IT leadership.

Thinking about the next year, which of the following are critical areas of focus for your IT leadership team?

(Select all that apply)



IT Involvement in XM Capabilities by Revenue Growth

KEY TAKEAWAYS

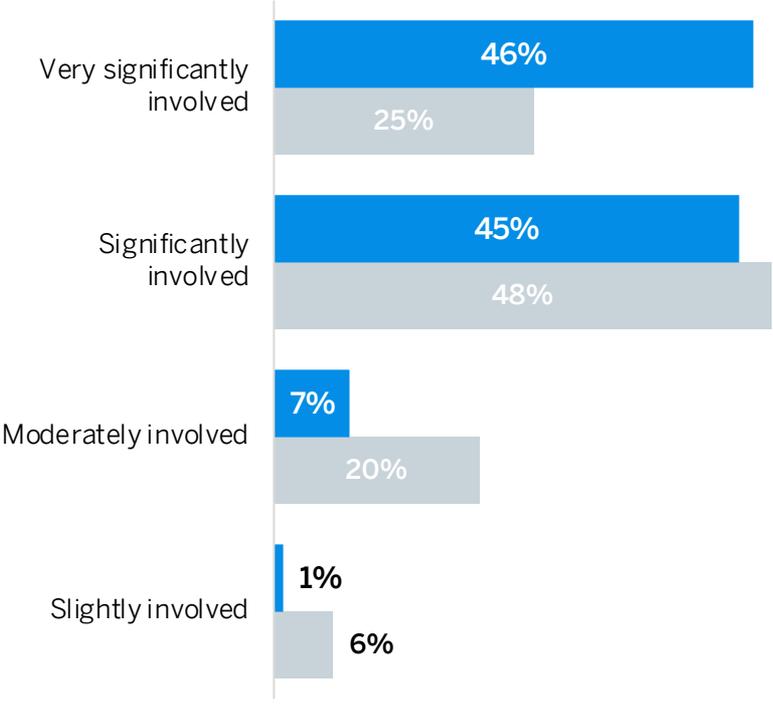
+ Companies with above-average revenue growth expect more significant IT involvement in company-wide experience management capability improvement than companies with at or below average revenue growth.

ABOUT

These charts show the percentage of organizations with above average revenue growth compared to industry competitors versus with at or below average revenue growth that expect each level of involvement for their IT organization in helping their company improve its XM capabilities.

To what degree do you think your IT organization will be involved in helping your overall company improve its Experience Management capabilities over the next few years?

■ Above average revenue growth vs competitors ■ At or below average revenue growth vs competitors



Base: 663 senior leaders in IT from companies with 1,000+ employees
 Source: Qualtrics XM Institute 2022 Q2 Global IT Executives Study

Obstacles to Experience Management by Revenue Growth

KEY TAKEAWAYS

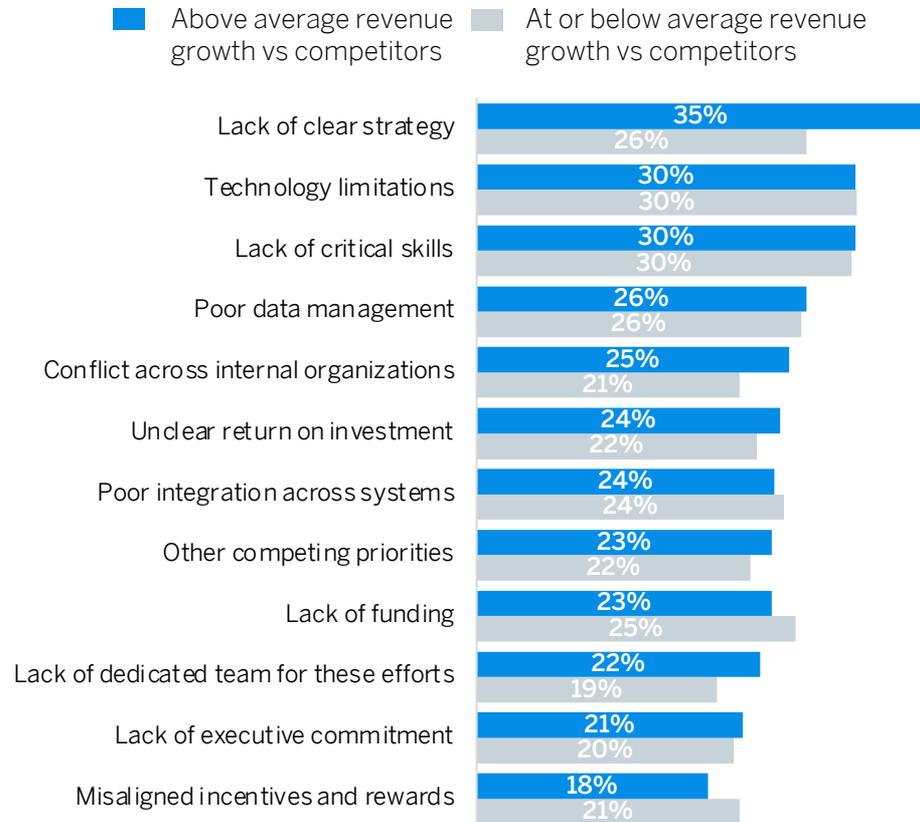
- + Companies with at or below-average revenue growth are more likely to cite 'lack of funding', 'poor integration across systems', and 'misaligned incentives and rewards' as obstacles to XM compared to companies with above-average revenue growth.
- + 'Technology limitations', 'lack of clear strategy', and 'lack of critical skills' are most frequently cited obstacles to XM efforts from companies with above-average revenue growth.

ABOUT

These charts show the percentage of organizations with above-average revenue growth compared to industry competitors versus with at or below-average revenue growth that consider each item to be a significant obstacle to their company's XM efforts.

Which of these do you consider to be significant obstacles to your company's Experience Management efforts?

(Select all that apply)



IT Improving Use of Insights by Revenue Growth

KEY TAKEAWAYS

+ Organizations with above-average revenue growth are more likely to prioritize the use of feedback from all these areas compared to organizations with at or below-average revenue growth.

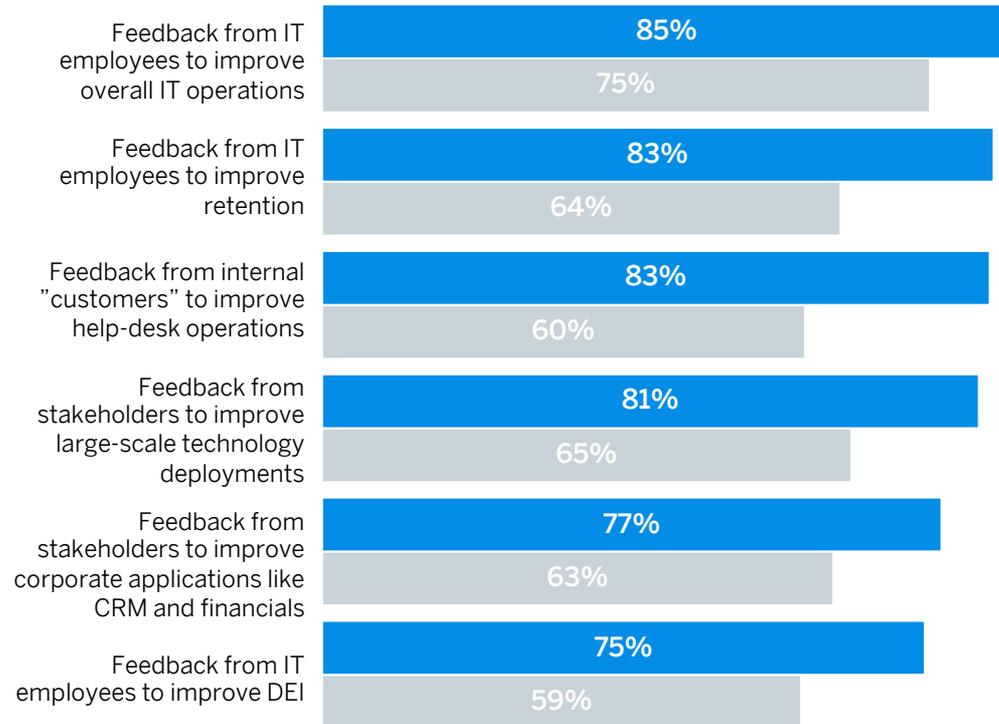
ABOUT

These charts show the percentage of organizations with above-average revenue growth compared to industry competitors versus with at or below-average revenue growth that consider improving its use of ongoing feedback in each area a 'critical' or 'high' priority.

How much of a priority is it for your IT organization to improve how it uses ongoing feedback in these areas?

(Critical or high priority)

■ Above average revenue growth vs competitors ■ At or below average revenue growth vs competitors



DATA CALCULATION

In **Figures 23 – 27**, we segmented the analysis based on respondents that identified their revenue growth as above-average or at or below-average revenue growth compared to their competitors.

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