

Developed in January 2021, commissioned by the MACH Alliance

# — Enterprise MACHified

Baseline report



Created by DJS Research

# — Background & Objectives

# Background & Objectives

**MACH Alliance aims to support companies to take advantage of the most innovative and flexible enterprise technologies available and to break the release cycle. As part of this, MACH Alliance wanted to understand the current situation and commissioned research to:**

- Measure and monitor readiness to transition to best-of breed
- 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

# — Methodology

# Methodology

- We spoke to a range of Technology Decision Makers (CIO/CTOs, VP/SVP, Senior Manager) across the UK, Germany and North America – with the majority of organisations having at least 5,000 employees.
  - Screening questions ensured all respondents are decision makers.
  - Respondents were provided with a definition for MACH at the outset.
  - Throughout this report, where percentages do not sum this is due to rounding.
  - Unless explicitly shown, don't know responses have been removed.
- **A qualitative online survey that:**
    - Was drafted collaboratively between the MACH alliance and DJS Research Ltd.
    - Was 10 minutes in length (9min, 42 seconds avg.).
    - Was programmed in-house by DJS Research Ltd.
    - Was distributed to leading online access panel partners, and to a group of MACH Alliance contacts via a separate link.
    - Data cleaning, processing and tabulation was undertaken internally by DJS Research Ltd.
    - Results were then analysed by DJS Research Ltd, and findings are outlined in this report.

# — Sample & Demographics

## Sample & Demographics

Total number of completes: 95

### COUNTRY

USA: 46%

UK: 28%

GERMANY: 23%

CANADA: 2%

### EMPLOYEES

<4,999: 9%

5,000 – 9,999: 19%

10,000 – 24,999: 36%

25,000+: 35%

### JOB ROLE

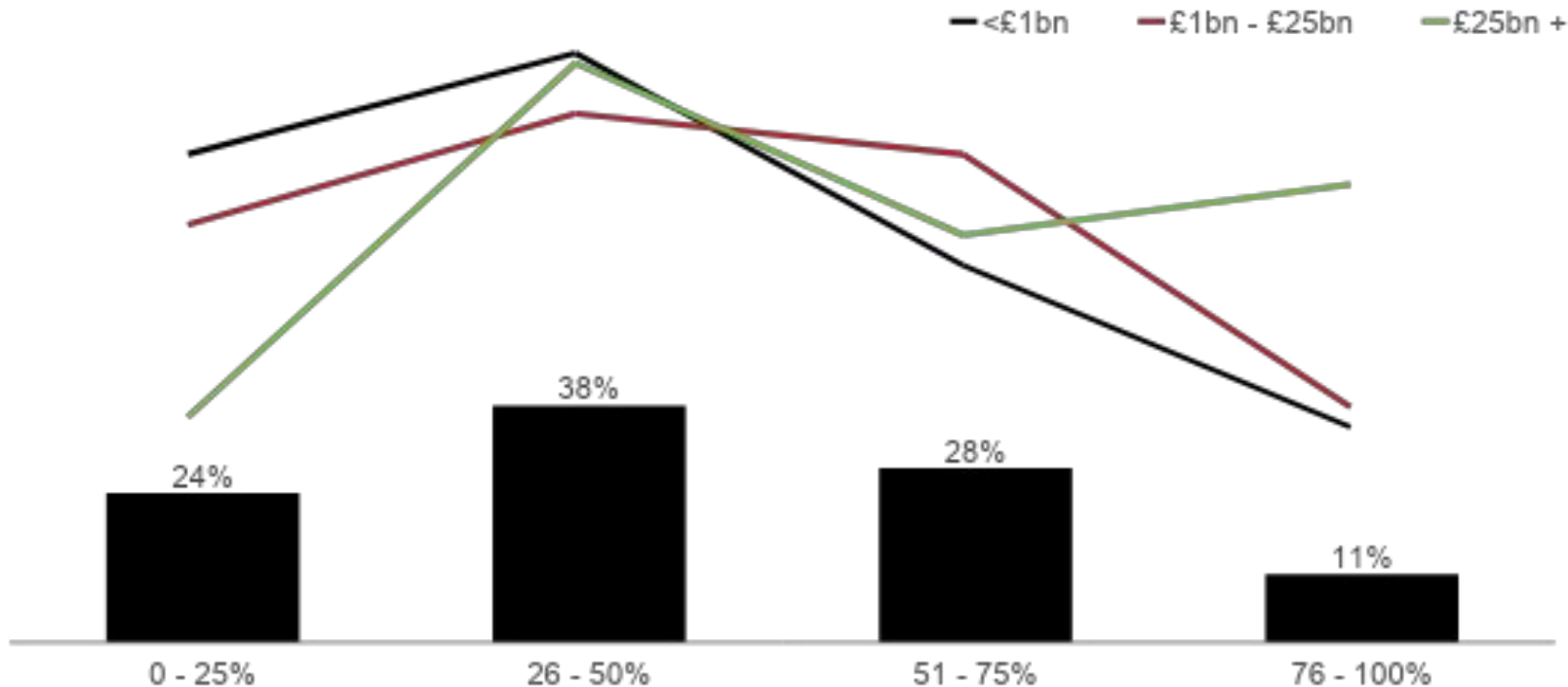
NB: Due to the low base size of those from Canada, direct comparisons cannot be drawn from their results.

# — MACH infrastructure



# Predominantly, MACH usage accounts for 26-50% of front-office infrastructure

- Just over a third of respondents stated that their front-office infrastructure consisted of 26-50% MACH architecture, with those from the USA significantly more likely to say 76-100% than those from both the UK and Germany.



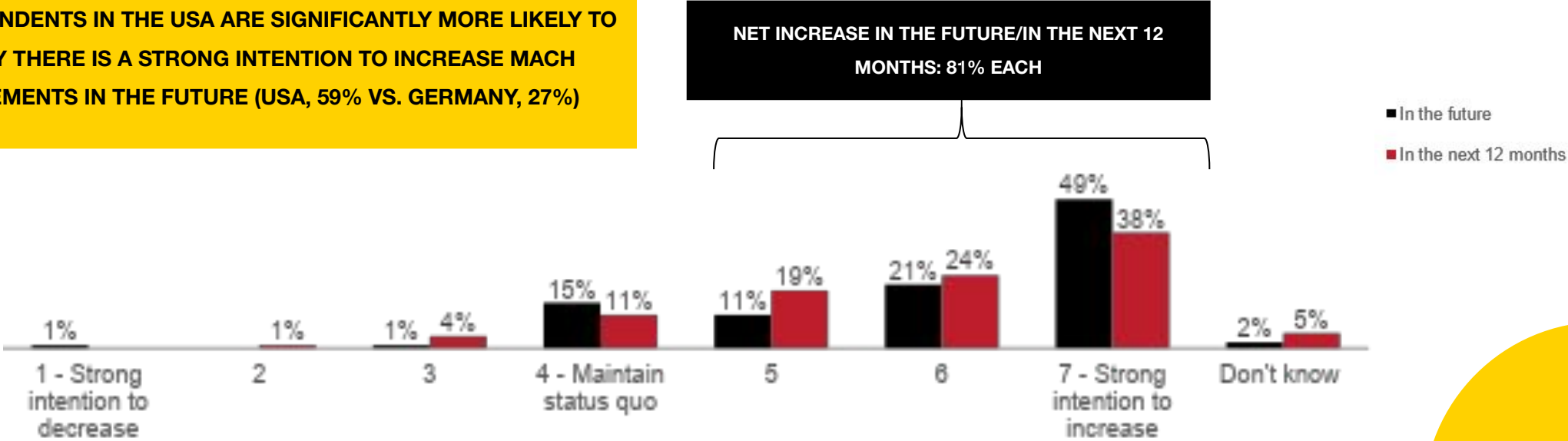
COMPANIES WITH A HIGHER TURNOVER UTILISE A HIGHER PERCENTAGE OF MACH IN THEIR FRONT OFFICE

U.S. BASED RESPONDENTS ALSO NOTED THE HEAVIEST EXISTING PRESENCE OF MACH. RESPONDENTS FROM THE U.S. ARE SIGNIFICANTLY MORE LIKELY THAN THOSE FROM THE UK AND GERMANY TO SAY 76-100% OF THEIR FRONT-OFFICE INFRASTRUCTURE IS MACH (21% VS. UK, 5% AND GERMANY, 0%)

# IT leaders are hungry, and the appetite for MACH is significant

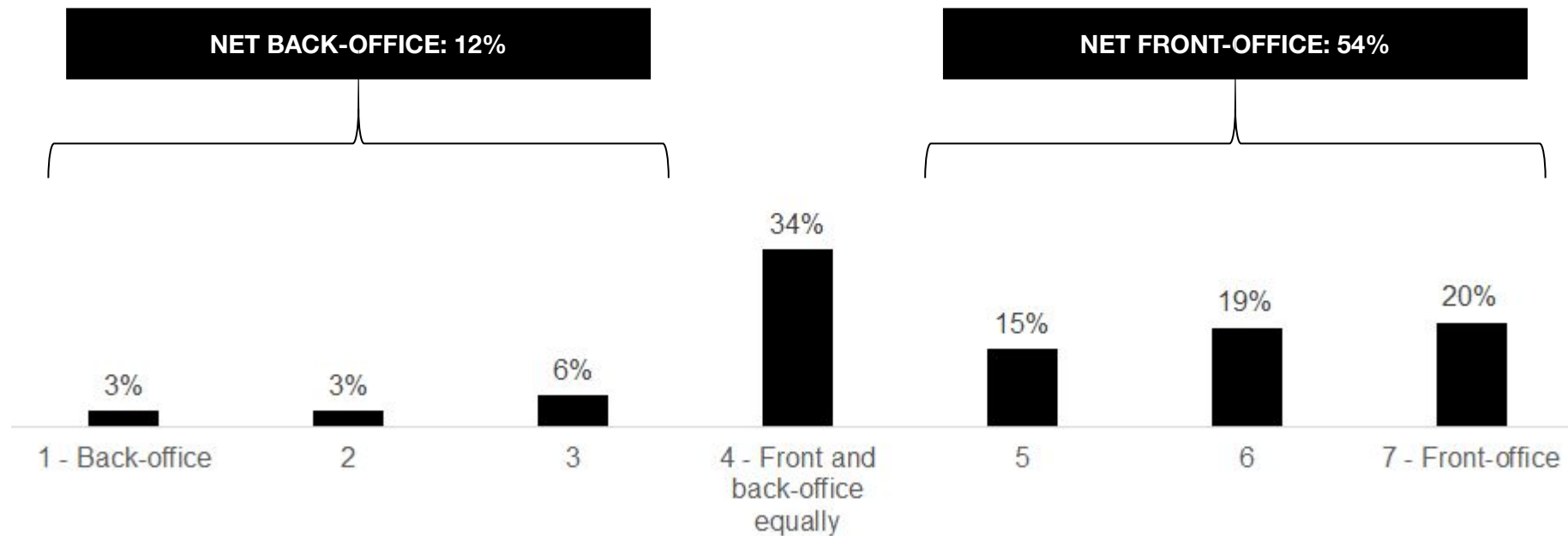
- Respondents expressed the strong intention (81%) to increase MACH elements in their front-office architecture in the future - specifically within the next 12 months and more broadly beyond that.

**RESPONDENTS IN THE USA ARE SIGNIFICANTLY MORE LIKELY TO SAY THERE IS A STRONG INTENTION TO INCREASE MACH ELEMENTS IN THE FUTURE (USA, 59% VS. GERMANY, 27%)**



# Decision makers are prioritising front-office investment

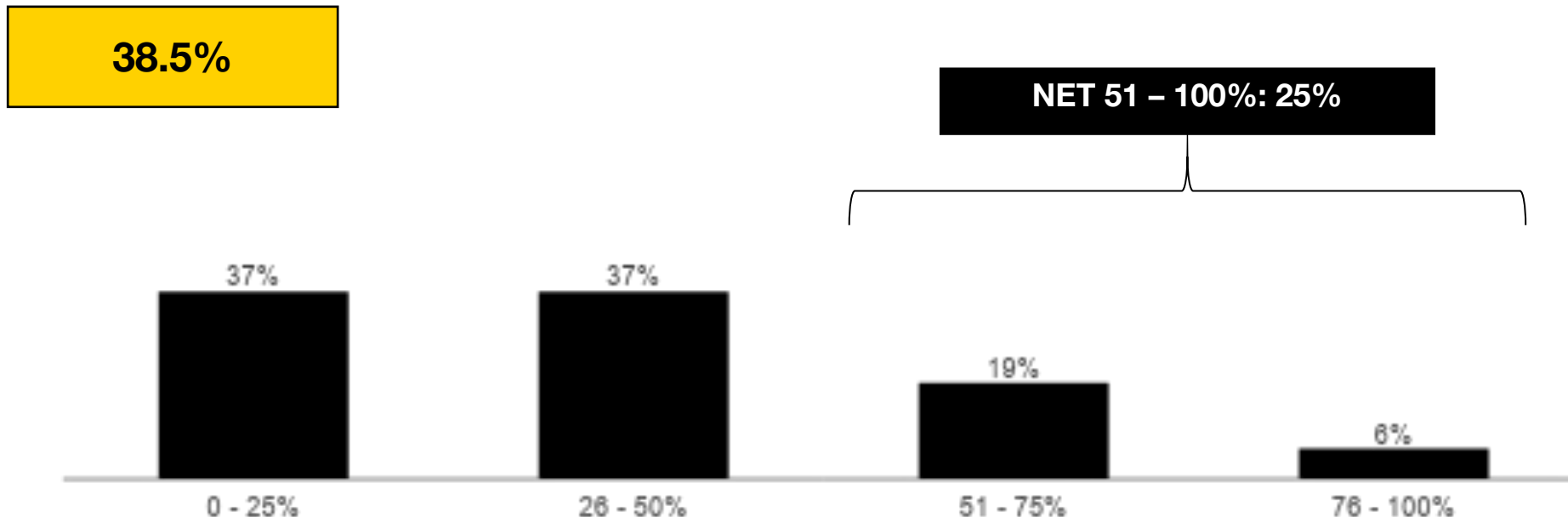
- A little over a half focus more on investing in their front-office architecture, while a third are investing equally in both the front and back-office.



# Upgrades are costing some companies more than half of their IT budget

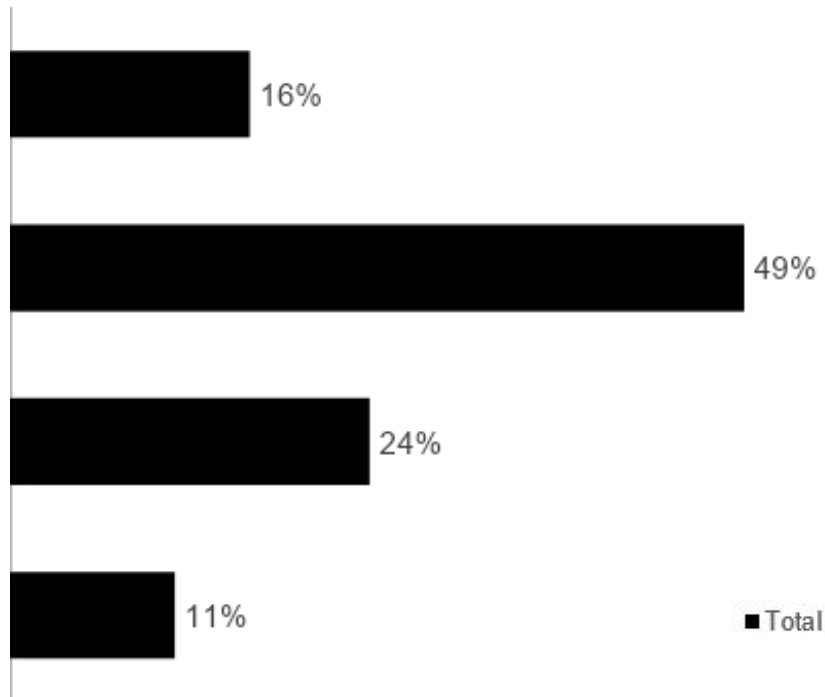
- A quarter of IT decision makers surveyed said that they spend over half of their IT budget on front-office upgrades.

AVERAGE PROPORTION OF IT BUDGET SPENT ON FRONT OFFICE UPGRADES



# Two thirds outsource a majority of the day to day management of their front-office

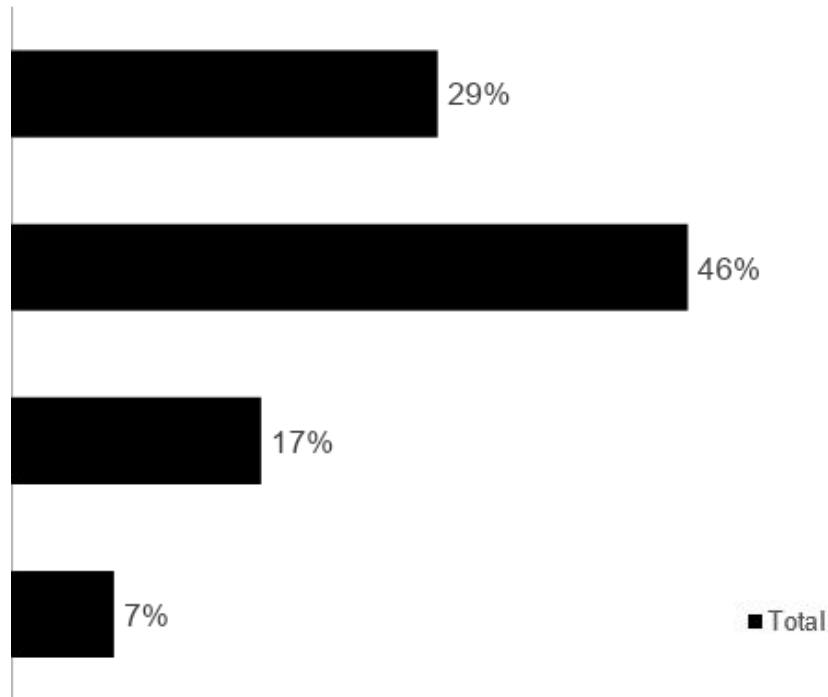
- Nearly half of all decision makers say their company outsource a majority of the day to day management and maintenance of their front-office ecosystem, while a tenth don't outsource at all



**THOSE WITH THE STRONGEST (7)  
INTENTION TO INCREASE MACH ELEMENTS  
IN THE NEXT 12 MONTHS ARE  
SIGNIFICANTLY MORE LIKELY TO  
OUTSOURCE ALL THAN THOSE RATING 1-6  
FOR INTENTION (7, 33% VS. 1-6, 5%)**

# On average IT teams spend 40% of their time delivering upgrades to the front-office

- Nearly half say that 26-50% of their IT team's time is spent on delivering front-office upgrades, with just under a quarter saying more than half of their IT team's time is spent on upgrades.



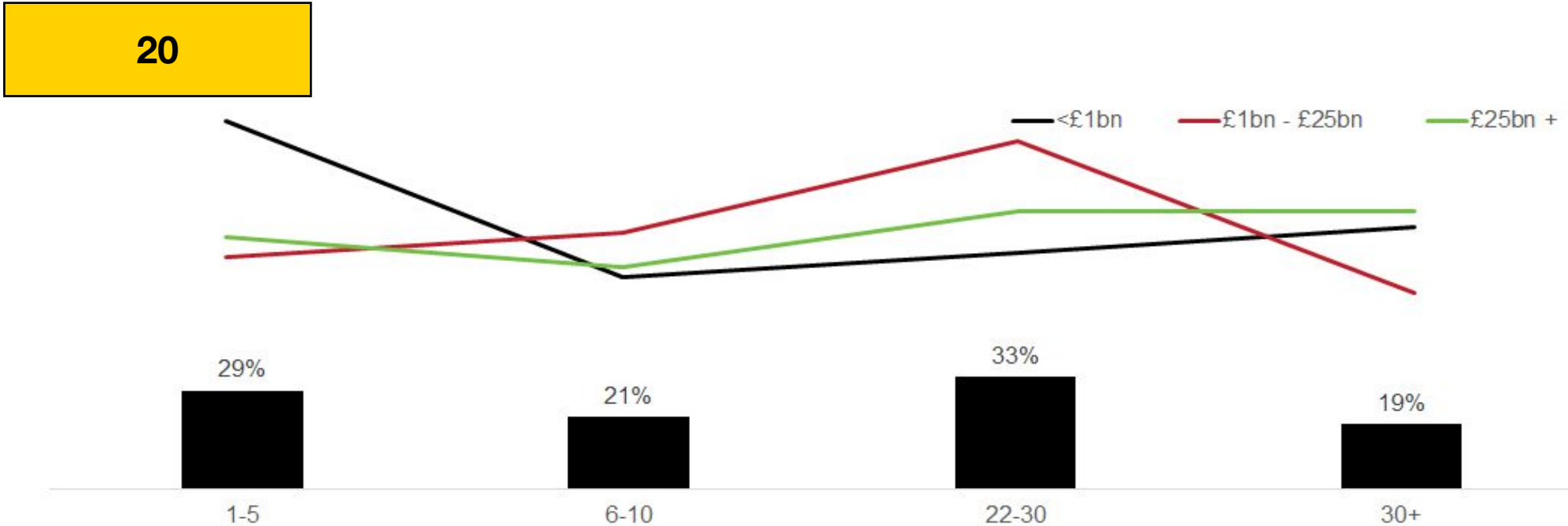
THOSE IN A **C-SUITE ROLE** ARE SIGNIFICANTLY MORE LIKELY THAN THOSE IN A NONE C-SUITE ROLE TO PERCEIVE THAT THEIR IT TEAM IS SPENDING MORE TIME ON DELIVERING UPGRADES

Intention to increase MACH infrastructure in the next 12 months	Average proportion of IT team's time
7 (strong intention)	43.1%
1-6	37.9%

# A fifth run more than 30 projects each year; composable aspirations align with shorter projects

- The largest proportion of organizations carry out 11-30 projects annually. The number of annual projects run each year increases with turnover, with organizations with a turnover of £25bn+ running more projects on an annual basis.

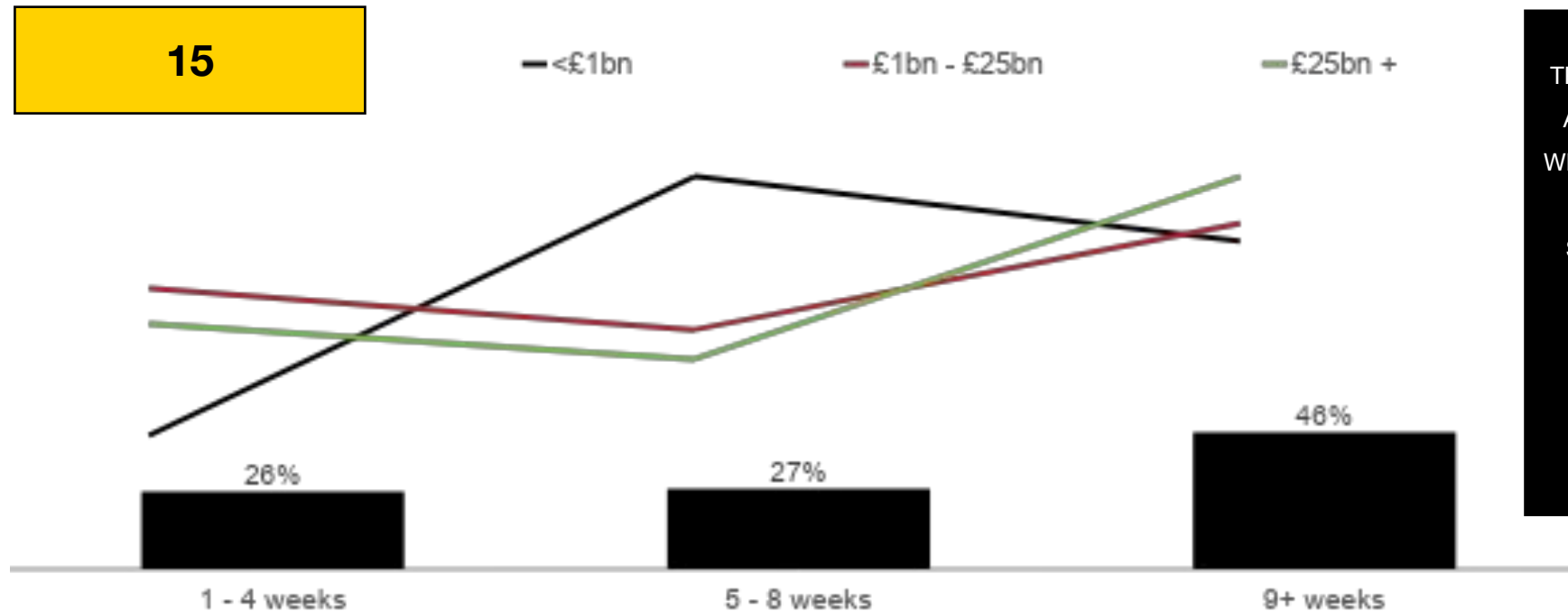
AVERAGE NUMBER OF  
PROJECTS EACH YEAR



# Nearly half of projects run for 9 weeks or more

- Most projects last longer than a month, with just under a half saying they last longer than 9 weeks. Organizations with a higher turnover have a longer project duration.

AVERAGE PROJECT LENGTH (WEEKS)

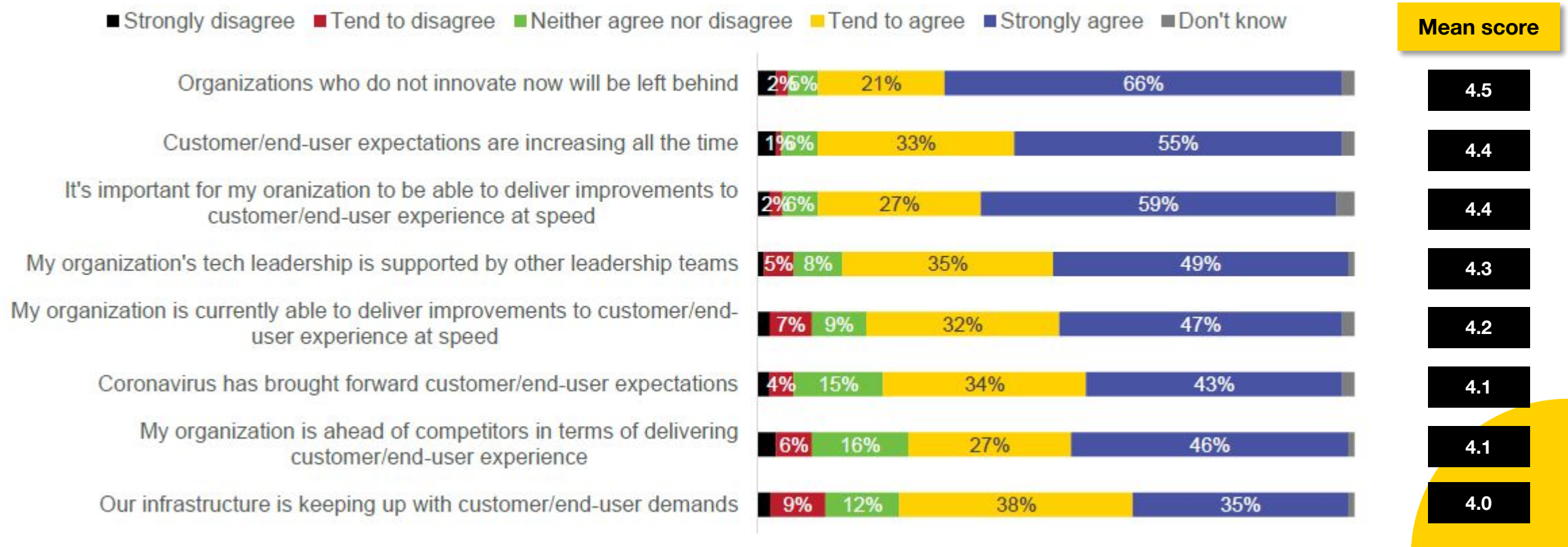


ORGANIZATIONS WITH MORE TRADITIONAL ASPIRATIONS HAVE AN AVERAGE PROJECT LENGTH OF 26 WEEKS, THIS IS DOUBLE THE LENGTH OF THOSE WHO ASPIRE MOST STRONGLY TO USE COMPOSABLE TECHNOLOGY (13 WEEKS).



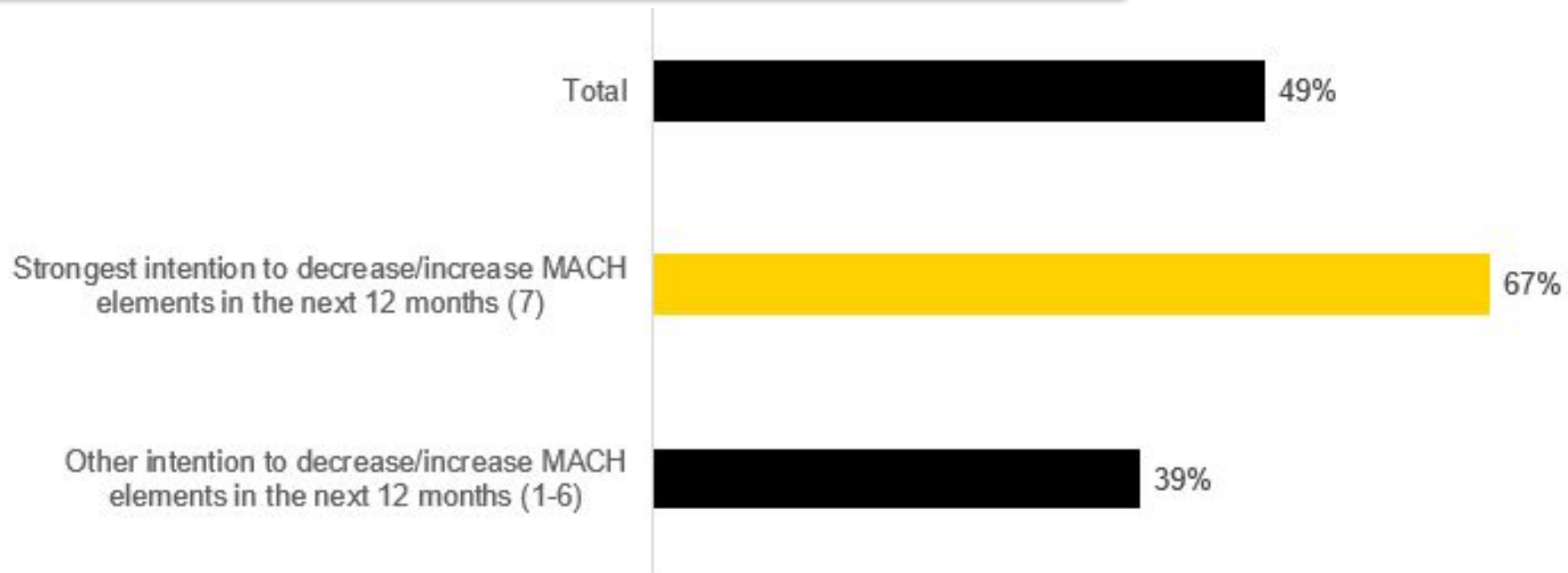
# Meeting customer expectations, emphasis on innovation and delivering improvements are important

- A large portion of respondents agree that customers' expectations are on the rise and recognise the importance of organizational innovation and delivering improvements to customers. While being ahead of the competition and keeping up with end-user demands also received high levels of agreement, they were further down the list.



# Those with a strong intention to increase MACH elements feel most supported by other leadership teams within the business

To what extent, if at all, do you agree or disagree with the following statements:  
**'My organization's tech leadership is supported by other leadership teams.'**



\*Strongly agree.

# CX, competitive advantage and innovation are driving the transition to MACH

Decision makers in the USA are even more emphatic about these elements. Concerns about vendors and on-premise license fees are tier 3 concerns, suggesting transition to MACH is a result of pull rather than push factors.



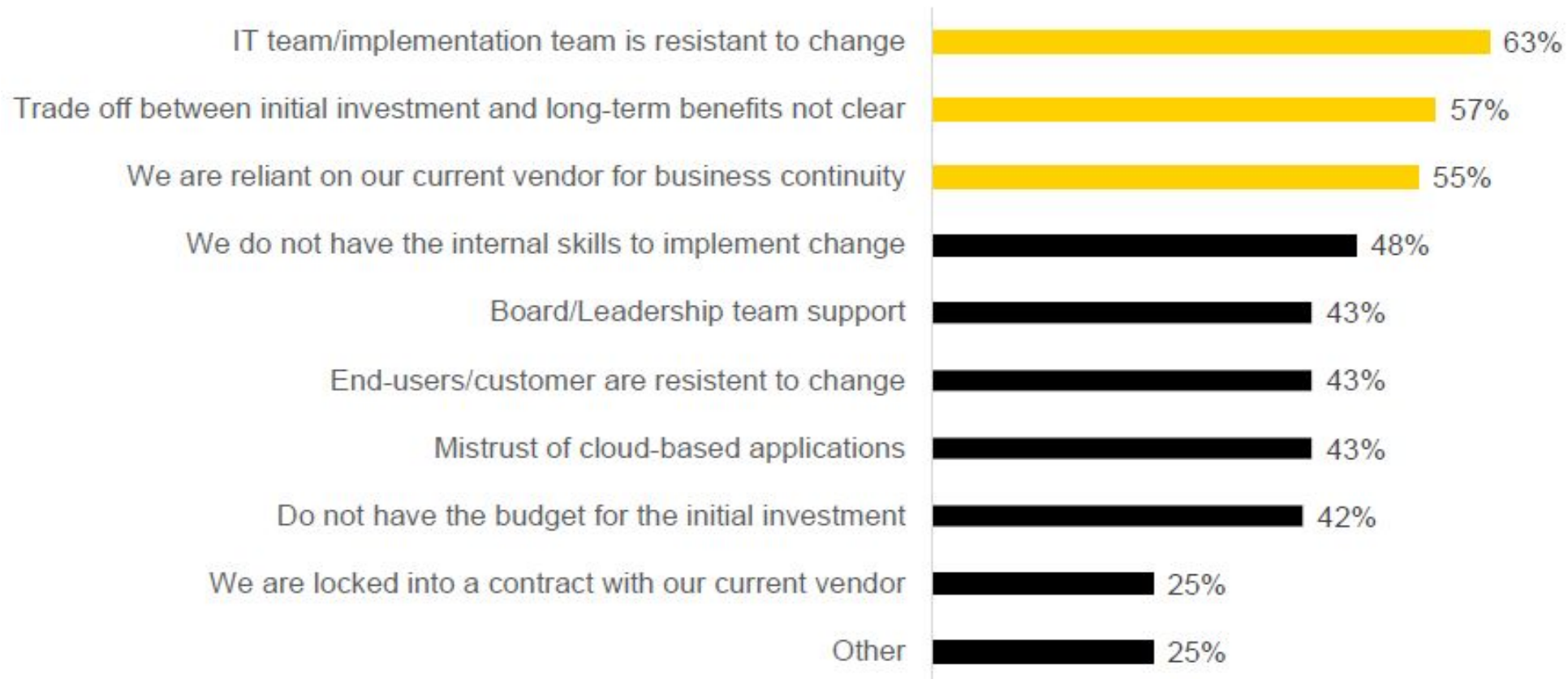
Top tier drivers are focussed on innovation and development: Decision makers see MACH as a way to deliver their primary business aims better, faster. Customer experience is the guiding star for the front-office.

Second tier drives are focussed on improvements to BAU and streamlining existing processes.

Third-party elements constitute the lowest tier of issues encouraging decision makers towards MACH architectures; this suggests MACH has an attractive 'pull factor' as opposed to traditional architecture's having a distinct 'push' factor.

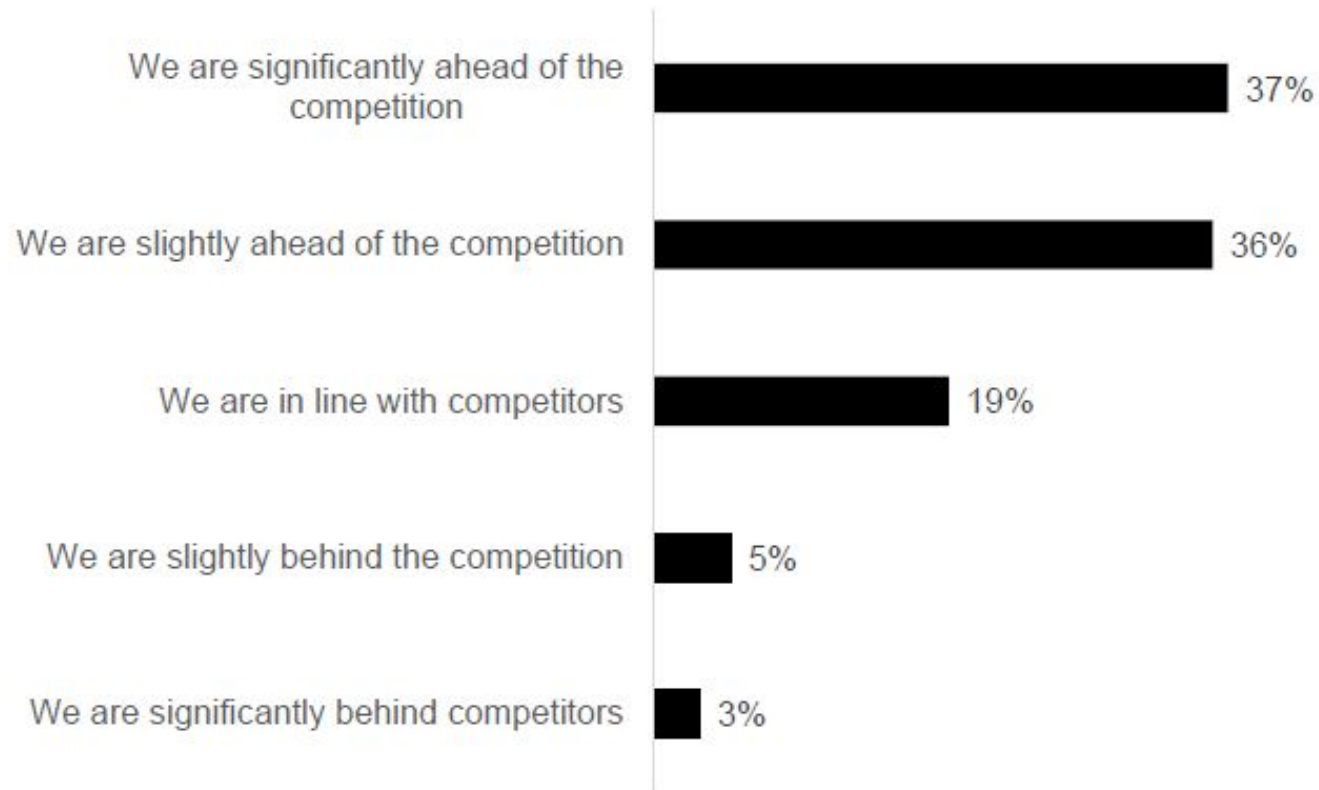
# Internal resistance, investment and reliance on existing vendors are key barriers for transition

- Two-fifths of decision makers said resistance to change from their IT/implementation team is their main barrier to moving to a MACH based front-office infrastructure, while lacking clarity in investment trade off and reliance on current vendors are joint second. Aspects such as budget and contracts with current vendors are less of a barrier.



# Four-fifths of decision makers believe their organization is ahead of the competition

- A little over a third of all respondents believe they are either significantly or slightly ahead of the competition, with nearly a fifth saying they are in line with the competitors.

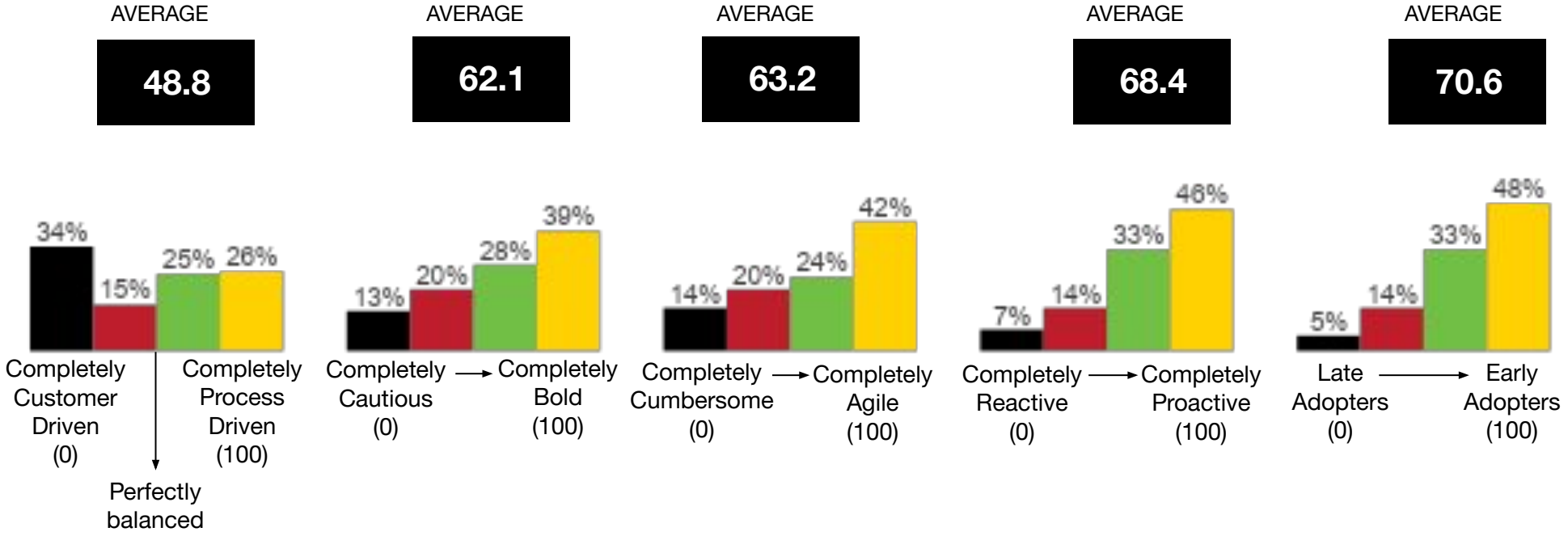


THOSE WITH THE STRONGEST INTENTION TO INCREASE (7) IN THE NEXT 12 MONTHS ARE SIGNIFICANTLY MORE LIKELY TO SAY THAT THEY ARE SIGNIFICANTLY AHEAD OF THE COMPETITION (81% VS. 1-6, 23%)

# A majority of decision makers see their organizations as early adopters, proactive and agile

- Opinions are more split around whether their organization is process- or customer-driven. A fifth of decision makers see their organizations as cumbersome or cautious – interestingly, those working in companies with more employees see the organization as bolder and more agile.

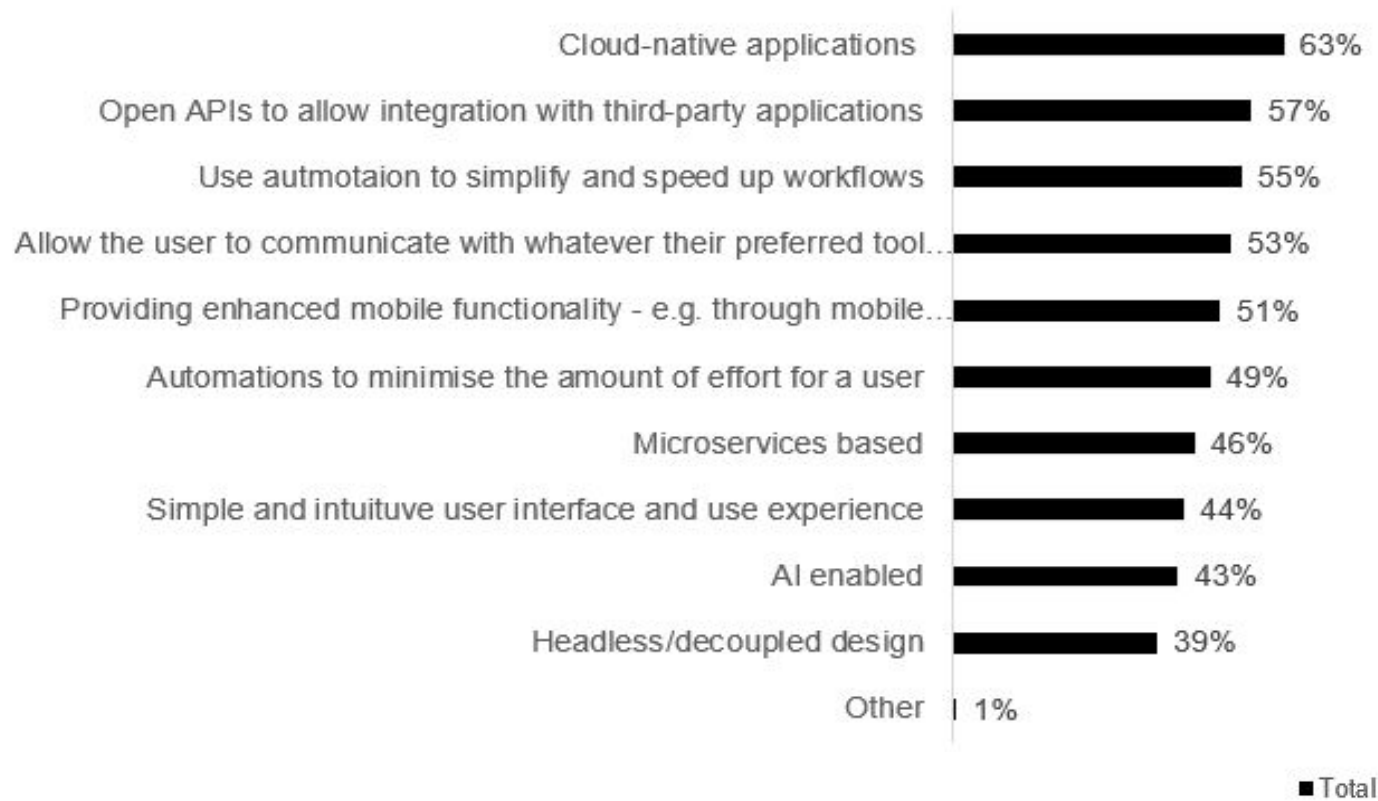
On the following scales, please indicate where your organization currently sits...





# Cloud-native applications, integration with third party applications and automation for workflows are top front-office considerations

- Nearly two-thirds deem cloud-native applications a top priority for their organization. Open APIs to allow integration and automations to improve speed also fall into the top three, while aspects such as a simple and intuitive user experience, being AI enabled and a headless design are not crucial considerations.



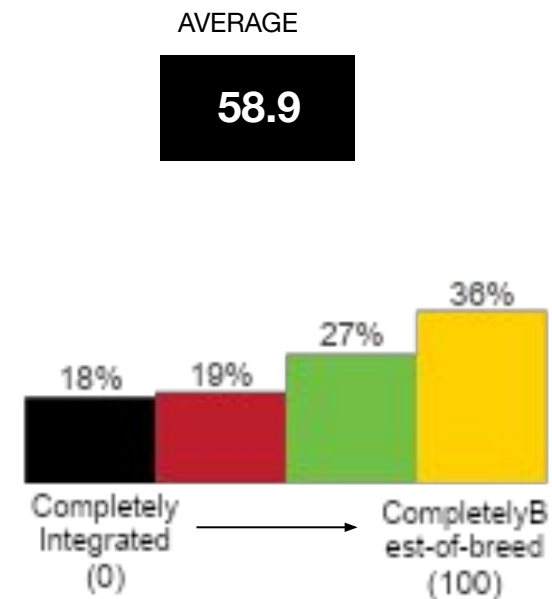
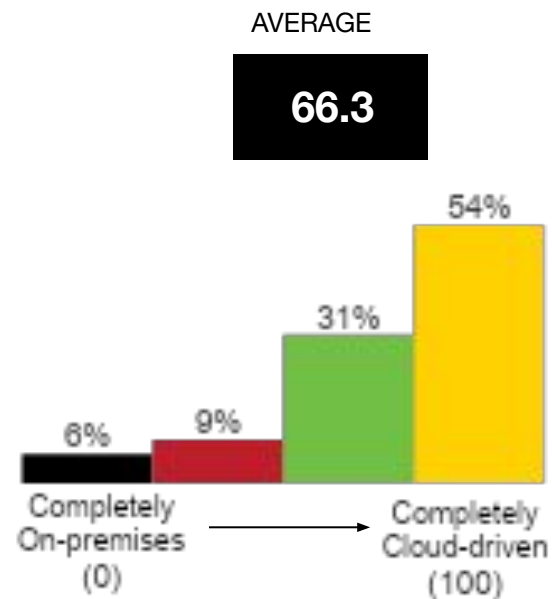
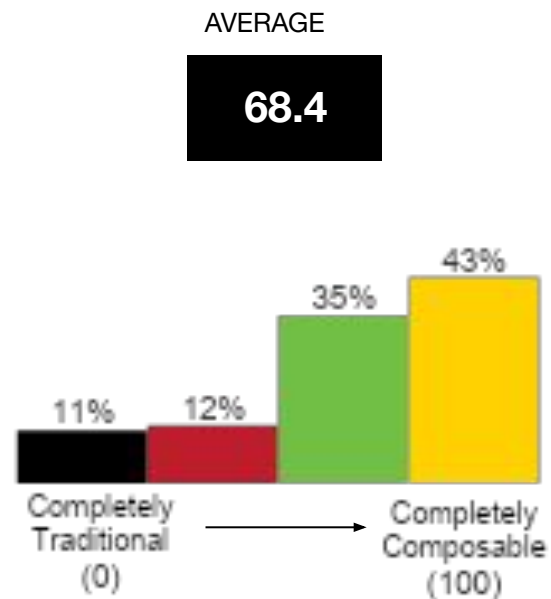
THOSE WITH A STRONG INTENTION TO INCREASE MACH ELEMENTS IN THE NEXT 12 MONTHS ARE SIGNIFICANTLY MORE LIKELY TO RATE THE FOLLOWING AS CONSIDERATIONS...

- MICROSERVICES BASED
- SIMPLE AND INTUITIVE INTERFACE AND USER EXPERIENCE
- USE AUTOMATIONS TO SIMPLIFY AND SPEED UP WORKFLOWS
- HEADLESS/DECOUPLED DESIGN

# A larger portion of organizations want environments which utilize cloud-native, composable and ‘best-of-breed’ technologies moving forward

- Just over two-thirds of decision makers say they’d prefer their organization to utilize cloud-native solutions, with 62% aspiring to be composable. More would prefer a best-of-breed solution over traditional, although this is less emphatic.

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





# The C-Suite are driving change

INTENTION TO INCREASE/ DECREASE  
MACH ELEMENTS

**THOSE IN A NONE C-SUITE ROLE ARE SIGNIFICANTLY MORE LIKELY THAN THOSE IN A C-SUITE ROLE TO SAY THAT THEY WILL MAINTAIN STATUS QUO IN THE FUTURE. (25% VS. C-SUITE, 6%)**

ORGANIZATION'S  
CURRENT SITUATION

**THOSE IN A C-SUITE ROLE ARE SIGNIFICANTLY MORE LIKELY TO BELIEVE THAT THEIR ORGANIZATION IS SIGNIFICANTLY MORE AHEAD OF THEIR COMPETITION THAN THOSE IN A NONE C-SUITE ROLE. (47% VS. NONE C-SUITE ROLE, 25%)**

KEY DRIVERS  
BEHIND TRANSITION

**THOSE IN A NONE C-SUITE ROLE ARE SIGNIFICANTLY MORE LIKELY TO DEEM IMPROVING THEIR COMPETITIVE ADVANTAGE AS A KEY DRIVER BEHIND THEIR TRANSITION TO A FRONT-OFFICE MACH INFRASTRUCTURE. (65% VS. NON C-SUITE ROLE, 43%)**

FUTURE  
CONSIDERATIONS

**THOSE IN A C-SUITE ROLE ARE SIGNIFICANTLY MORE LIKELY TO SAY AI ENABLED (55% VS. NONE C-SUITE ROLE, 30%) AND CLOUD-NATIVE (73% VS. NONE C-SUITE ROLE, 52%) AS CONSIDERATIONS FOR THEIR FRONT-OFFICE INFRASTRUCTURE MOVING FORWARD.**

# Conclusions

- Overall, there is a strong intention to move towards a more MACH-based infrastructure, with four-fifths intending to progress in this way in both the future more generally and the next 12 months specifically.
- C-level executives are key drivers of MACH adoption within their organizations
- Companies are struggling to meet evolving customer needs. Less than half of respondents said they strongly agree they can deliver improvements to the customer/end user experience at speed with their current infrastructure, with only 35% strongly agreeing that their infrastructure is keeping up with customer/end user demands.
- Top tier drivers are focused on innovation and development: Decision makers see MACH as a way to deliver their primary business aims better, faster. Customer experience is the guiding star for the front office.
- Resistance to change is holding companies back: IT team resistance to change is a key barrier as is reliance on existing vendors.