

WAKEFIELD

EXPLORING THE STATE OF DIGITAL TRANSFORMATION AND DATA ACTIVATION AMONG LARGE COMPANIES

QUANTITATIVE RESEARCH REPORT OF FINDINGS

APRIL 2022



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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Companies face obstacles to unlocking their data's value and accelerating their company's digital transformation. Specifically, they are leaving value on the table as the result of inefficient data movement to the cloud, all while accruing data faster than they can handle.

- Data isn't getting where it needs to go to activate its full value. Significant barriers include data taking too long to get to the cloud, analysts taking too long to analyze it, disruption moving data to the cloud, and data being too distributed.
- In addition, data is being missed, as data grows faster than it can be analyzed.
- These barriers are thwarting the big plans that data leaders have, encompassing nearly every department in the organization, including: optimizing products and services, increasing operational efficiency, improving customer service, informing product roadmaps, predictive analytics, and most importantly, monetizing their data in the cloud to create new revenue streams.
- 2 in 3 (69%) data leaders admit that the inability to extract value from data—fueled by the barriers above—is holding back their company's digital transformation.

EXECUTIVE SUMMARY

Even with data in the cloud, and more investment planned, data is lying dormant and trapped in silos. Investment in the cloud isn't enough; effective data movement and management technology is necessary to fully activate data.

- 4 in 5 (80%) say data at their company goes unused. Data leaders whose company has unused data report a sizable 33% of their data goes unused on average.
- Too many get data to the cloud and say “job done”. However, obstacles such as a lack of technical skills from employees (43%) prevent data from being used to its full potential.
- 3 in 4 data leaders (75%) say half or more of their data is siloed—in fact, 98% admit there are data silos at their company. Among those, more than 2 in 5 (43%) cite these data silos as a moderate or great frustration.
- 2 in 3 (69%) agree much of their data gets trapped and is unable to be used to derive value. The main culprits for trapped data are the length of time required to move, risk of disruption, and cost.

EXECUTIVE SUMMARY

Effective data activation solutions position companies to benefit from their data and digital transformation.

- More than 2 in 5 data leaders (41%) cite identifying new revenue streams as an objective for getting value from their unstructured data.
- Even though a majority say much of their data goes wasted and unused for deriving value, 96% still say they've been able to utilize their data to create new revenue streams, including 56% who say they've created several, demonstrating the vast potential of untapped data as a revenue driver.
- Nearly half (45%) say data is the primary driver for most or all business decisions. And those at companies where data isn't the de facto decision maker say it's only a matter of time: the vast majority (84%) say data will become the primary driver of decision-making within 5 years, including 40% who predict within just 2 years.
- As data continues to grow in importance and value, organizations must invest in next generation technologies that effectively leverage that value or risk falling behind competition.

DETAILED RESEARCH FINDINGS

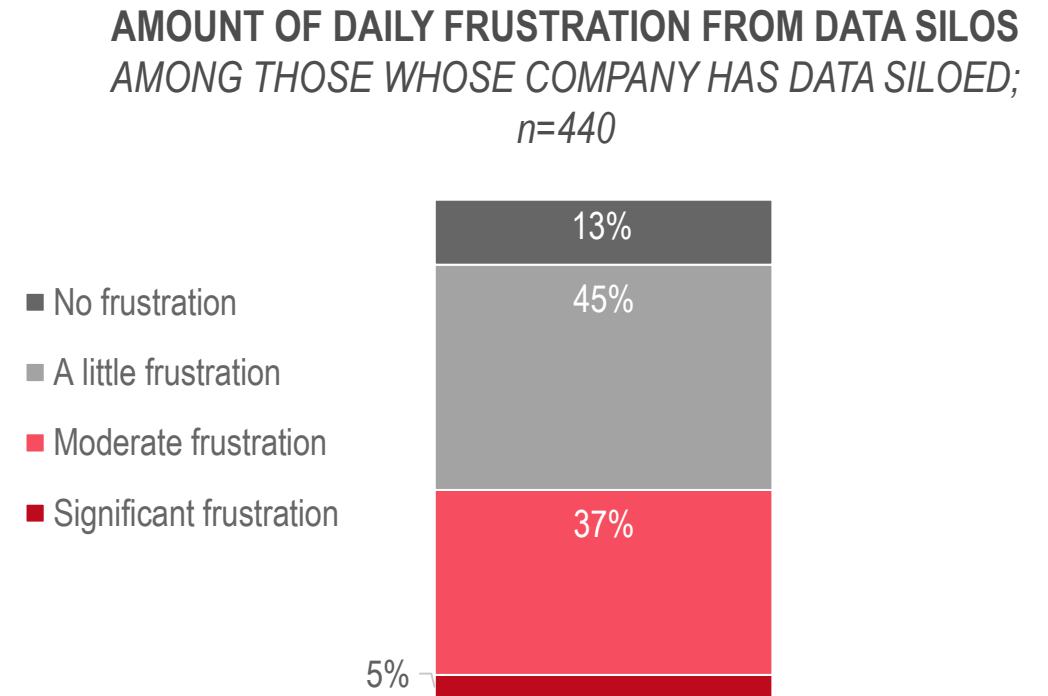
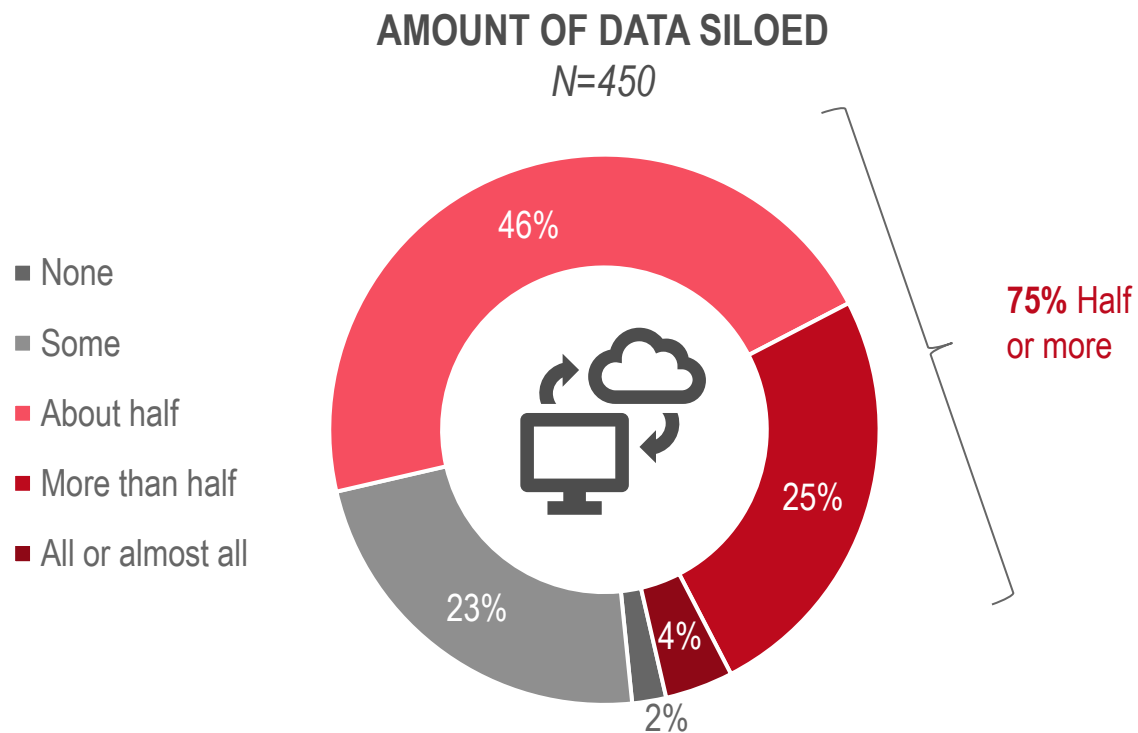


TRAPPED DATA AND SILOS HINDER DATA ACTIVATION



MAJORITY OF DATA LEADERS SAY AT LEAST HALF OF DATA AT THEIR COMPANY IS SILOED

3 in 4 data leaders (75%) say half or more of their data is siloed; overall, 98% admit there are data silos at their company. Among those, more than 2 in 5 (43%) cite these data silos as a moderate or great frustration.



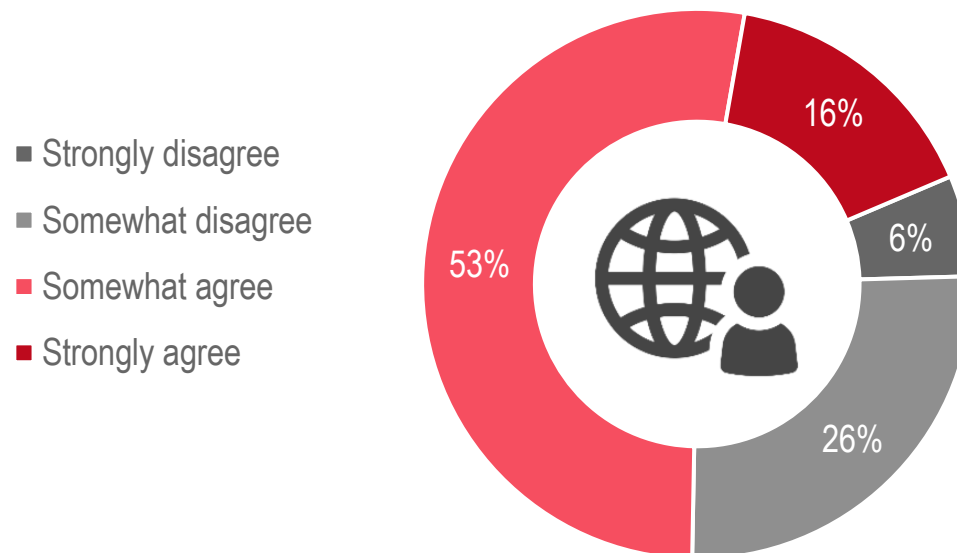
How much of your data is siloed at your company? By "siloed" we mean controlled by one department or business unit and isolated from the rest of the organization, making it hard for users in other parts of the organization to access and use the data. / Asked among those whose company has data siloed: How much of a daily frustration do data silos create at your company?

TRAPPED DATA IS IMPEDING BUSINESS VALUE CREATION AT A MAJORITY OF COMPANIES

In addition to data silos, 2 in 3 (69%) agree much of their data gets trapped and is unable to be used to derive value, validating a need for more effective data management processes and infrastructure to fully activate their data's value.

DATA ENDS UP TRAPPED AND UNABLE TO BE FULLY USED

N=450



69% agree much of their data ends up trapped and unable to be fully used to derive value.

How strongly do you agree or disagree with the following statement: Much of our data ends up trapped and unable to be fully used to derive value. All decimals are rounded to the nearest percentage point. This may result in certain numerical totals adding up to slightly more or slightly less than 100%.

WHILE IMPROVING DATA MANAGEMENT CAN ALLEVIATE TRAPPED DATA, LACK OF SKILLS ALSO PLAYS A ROLE

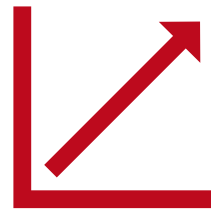
Many of the top culprits for trapped data involve process issues such as length of time to move data (46%), risk of disruption (44%), and cost (44%). However, lack of talent is also playing a role, including not being sure how to best move and unlock data (42%) as well as lacking necessary skills to do so (39%).

REASONS OPERATIONAL DATA GETS TRAPPED AMONG THOSE WITH TRAPPED DATA; n=309



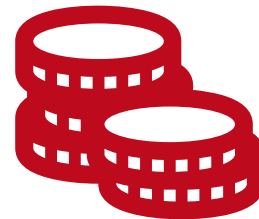
46%

Takes too long to move



44%

Risk of disruption is too high



44%

Too expensive to move



42%

Not clear how to best
move and unlock value



39%

Don't have the necessary
skills to move and unlock value

Asked among those whose company's data ends up trapped: Which of the following describes why operational data is trapped at your company?

COMPANIES ARE STRUGGLING WITH GROWING DATA AND LAGGING INFRASTRUCTURE



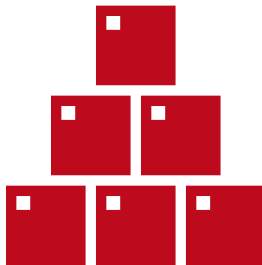
UNSTRUCTURED DATA IS AN OPPORTUNITY TO CREATE VALUE ACROSS BUSINESS FUNCTIONS

Data leaders at larger companies envision their unstructured data as a versatile resource for delivering return on investment across a variety of business functions. Top objectives for delivering return on investment from unstructured data include optimizing existing products and services (49%), increasing operational efficiency (47%), improving customer service (44%), and identifying new revenue streams (41%).

COMPANY'S TOP OBJECTIVES FOR DELIVERING RETURN ON INVESTMENT

N=450

Company has objectives for delivering return on investment from unstructured data: 100%



49%

Optimize existing products and services



47%

Increase operational efficiency



44%

Improve customer experience



41%

Identify new revenue streams

Which of the following are your company's top objectives for delivering ROI from unstructured data?

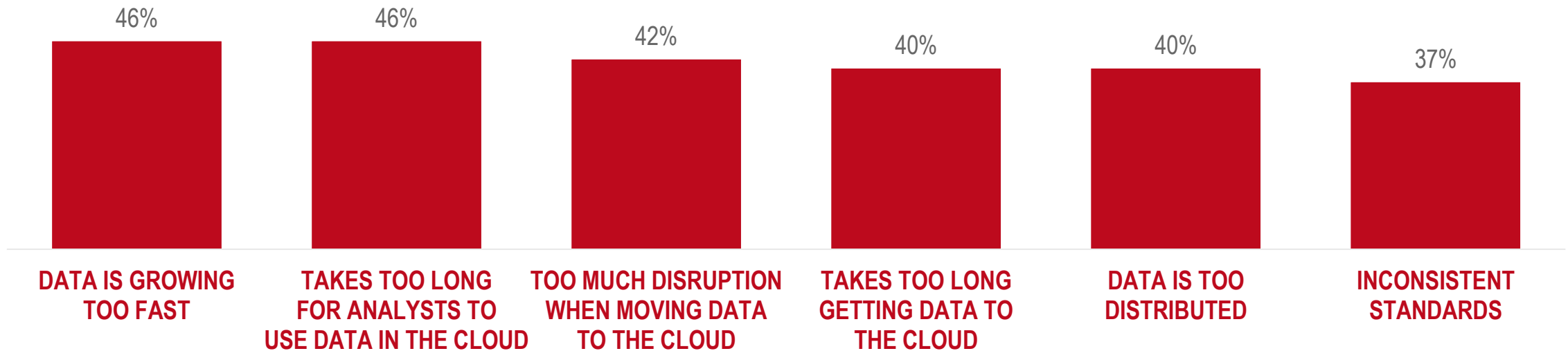
COMPANIES AREN'T GETTING VALUE FROM THEIR UNSTRUCTURED DATA

Virtually all (99%) data leaders cite barriers to meeting objectives creating return on investment from unstructured data, including data growing too fast, the length of time for analysts to use data in the cloud, and too much disruption moving data to the cloud. This all points to inefficient data processes and infrastructure holding companies back by not allowing data to get where it needs to go.

INFRASTRUCTURE CHALLENGES

N=450

99% say data infrastructure challenges have prevented them from meeting objectives.



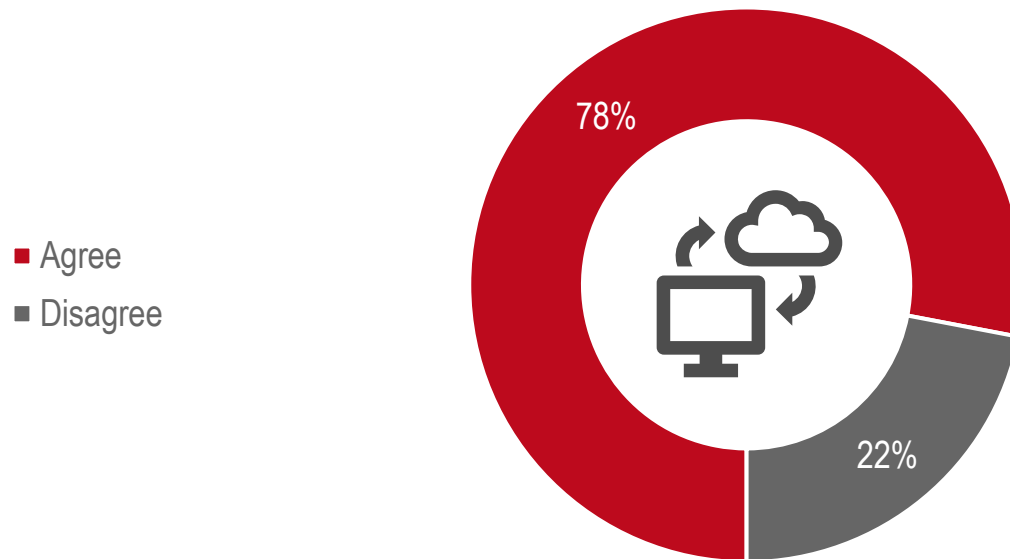
Which of the following data infrastructure challenges has prevented you from meeting those objectives?

INEFFICIENT INFRASTRUCTURE WILL BECOME AN EVEN GREATER BARRIER AS DATA CONTINUES TO GROW

Waiting to upgrade their data infrastructure will only make the problem worse. Nearly 4 in 5 data leaders (78%) say the ability to collect data is growing faster than their ability to derive value from that data.

ABILITY TO COLLECT DATA IS GROWING FASTER THAN ABILITY TO DERIVE VALUE FROM DATA

N=450



Those at companies where more than half of their data is siloed are more likely to agree, showing inefficient data processes exacerbate the issue (89%).

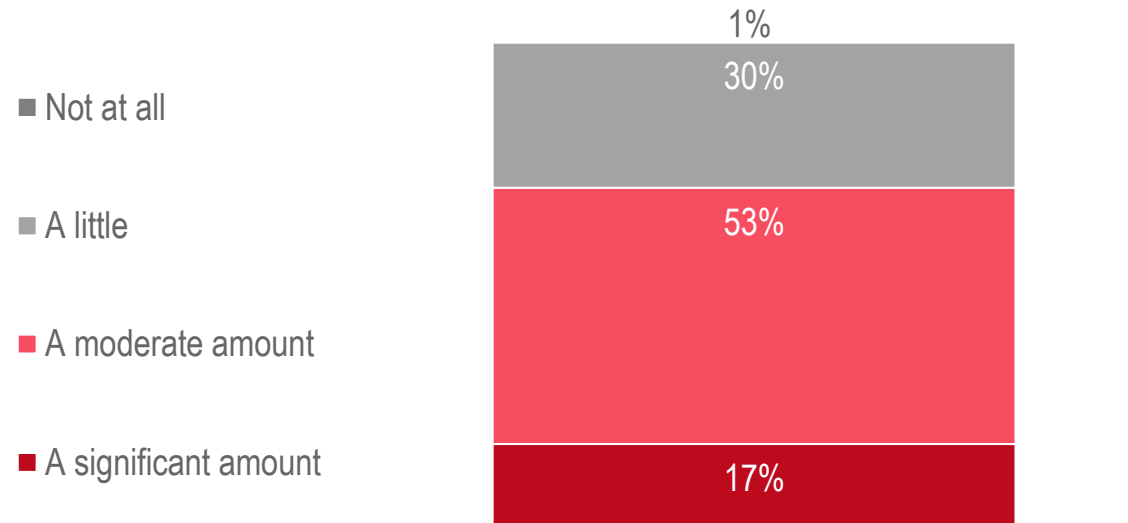
How much do you agree or disagree with the following statement: Our ability to collect data is growing faster than our ability to derive value from data.

THIS INABILITY TO FULLY CAPITALIZE ON COMPANY DATA IS HOLDING BACK DIGITAL TRANSFORMATION

2 in 3 (69%) agree that the inability to extract value from data, fueled by inefficient infrastructure that can't handle the data that's piling up, is holding back their company's digital transformation.

HOW MUCH INABILITY TO EXTRACT DATA'S VALUE IS HOLDING BACK COMPANY'S DIGITAL TRANSFORMATION

AMONG THOSE WHOSE DATA IS NOT BEING USED TO FULL VALUE POTENTIAL *n=445*



How much is the inability to extract value from data holding back your company's digital transformation? All decimals are rounded to the nearest percentage point. This may result in certain numerical totals adding up to slightly more or slightly less than 100%.

GETTING DATA TO THE CLOUD IS NOT ENOUGH TO ENSURE DATA ACTIVATION

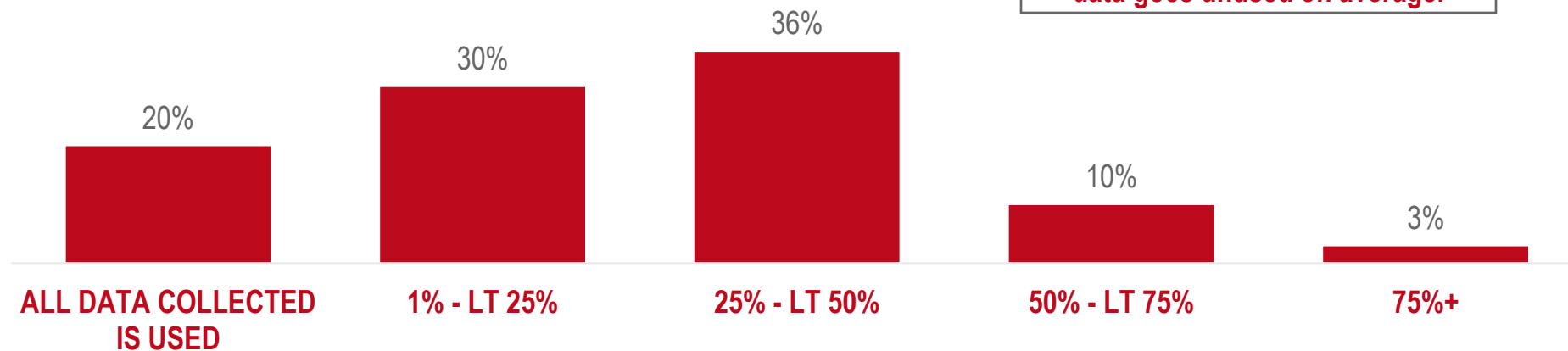


MAJORITY OF DATA LEADERS SEE DATA GOING UNUSED AT THEIR COMPANY

Data infrastructure challenges, coupled with the growing ability to collect data is leading to a sizable amount of data going completely unused. 4 in 5 (80%) data leaders say data goes unused at their company—among them, 33% of their data is going unused.

AMOUNT OF DATA GOING UNUSED

N=450



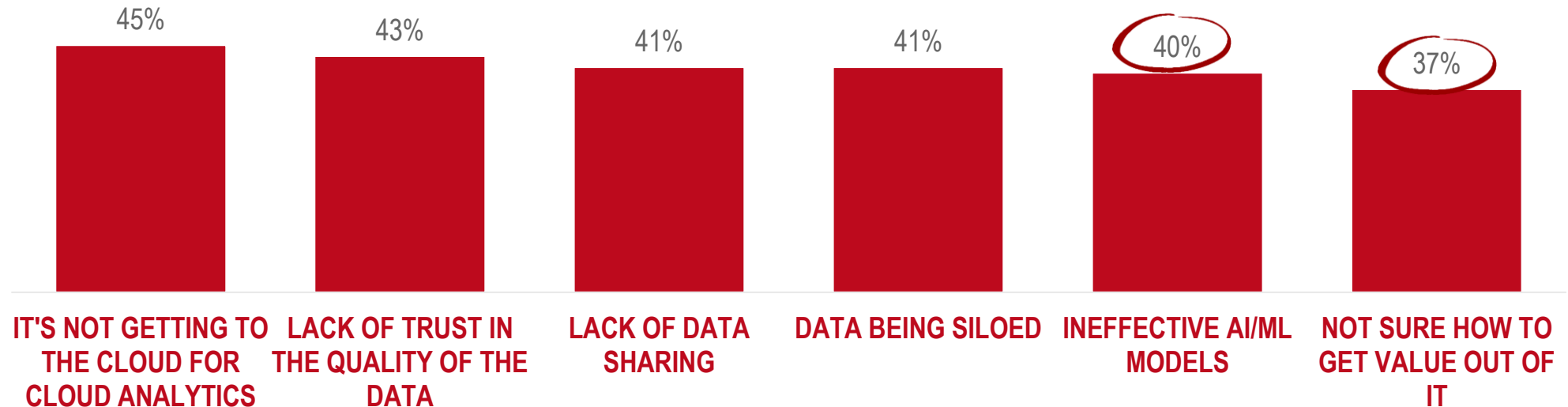
What percentage of the data that your organization collects is going unused? Meaning that it does not make its way to analysts or is used in decision-making. All decimals are rounded to the nearest percentage point. This may result in certain numerical totals adding up to slightly more or slightly less than 100%.

DATA GOES UNUSED DUE TO BOTH INEFFICIENT PROCESSES AND POTENTIAL SKILLS GAP AMONG EMPLOYEES

Data is underutilized because it is not getting to the cloud (45%), not being shared (41%), or is being siloed (41%). In addition, for 2 in 5 (40%) ineffective AI/ML models and uncertainty on how to get value out of data (37%) are barriers, pointing to a potential skills gap among employees that's hurting value creation.

WHY DATA IS UNDERUTILIZED

AMONG THOSE WITH UNUSED DATA; n=362



Asked among those with unused data: Which of the following describes why data is underutilized at your company?

THE CLOUD PROVIDES OPPORTUNITY TO ACCESS UNUSED DATA, BUT MORE MUST BE DONE TO ACTIVATE VALUE

Once data gets to the cloud, there is more to be done. A majority of those at companies with unused data say private cloud is the biggest source of that unused data (59%) and nearly half say the same about public cloud (49%). Having access to data in the cloud is a powerful resource for creating value, but only if paired with seamless data management technology to activate the data.

MOST UNDERUTILIZED DATA LOCATIONS AMONG THOSE WITH UNUSED DATA; n=362



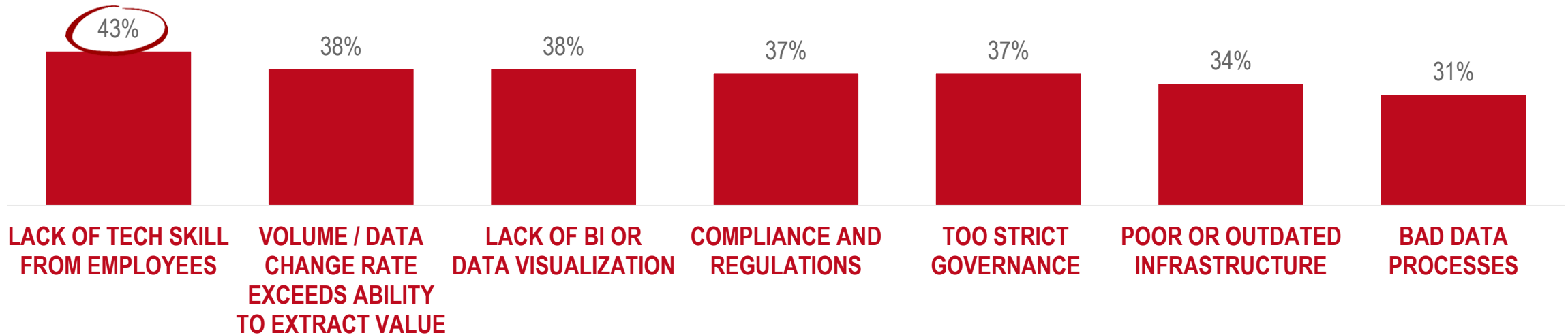
Asked among those with unused data: Which of the following data locations are most commonly underutilized for deriving business value at your company?

UNLOCKING DATA VALUE REQUIRES INVESTMENT IN EMPLOYEES, DATA MANAGEMENT, AND INFRASTRUCTURE

The leading reason preventing companies from maximizing the value from their data is a lack of technical skills from employees (43%), highlighting a skills gap. In addition, data change rate exceeding ability to extract value (38%), outdated infrastructure (34%) and bad data processes (31%) also indicate an issue with inefficient data management.

WHAT PREVENTS DATA FROM BEING USED TO FULL POTENTIAL

N=450



Generally speaking, what prevents your company's data from being used to its full potential for business value creation?

MANY COMPANIES ARE STILL IN
THE INITIAL PHASES OF THEIR
CLOUD JOURNEY

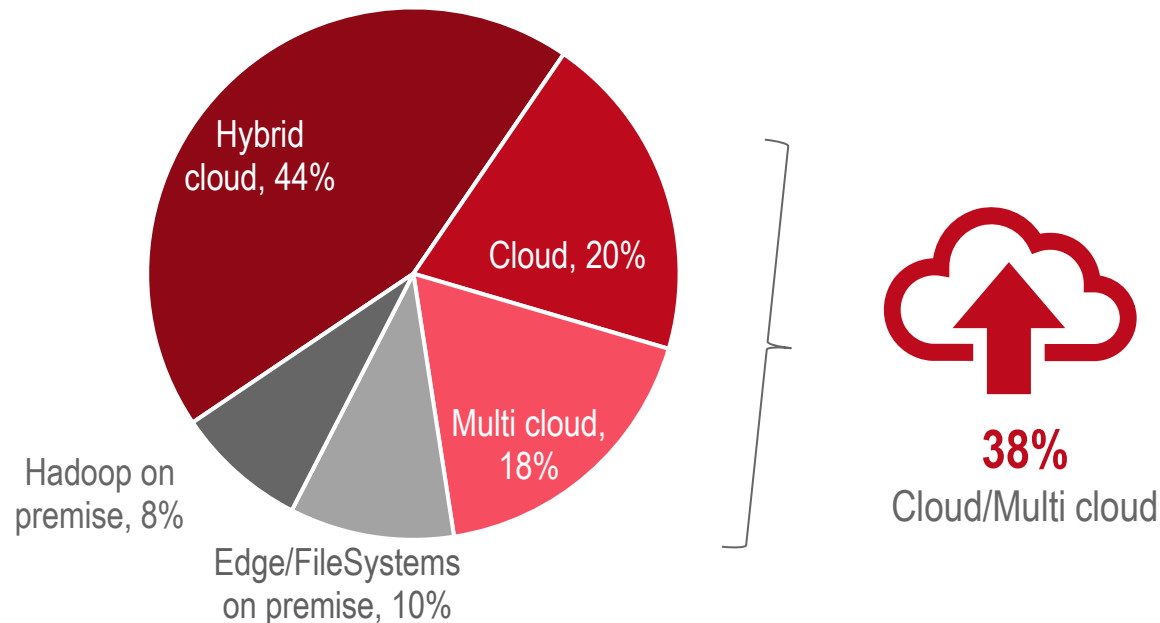


PREVALENCE OF HYBRID CLOUD INDICATES MANY ARE AT THE START OF THEIR CLOUD JOURNEY

Companies have a long way to go to fully transition to the cloud—the first step in data activation. While around 1 in 5 say their unstructured data is in a single cloud platform (20%) or multi cloud (18%), the most common solution is hybrid cloud (44%), generally considered an early phase of cloud adoption.

WHERE UNSTRUCTURED DATA IS PRIMARILY LOCATED

N=450

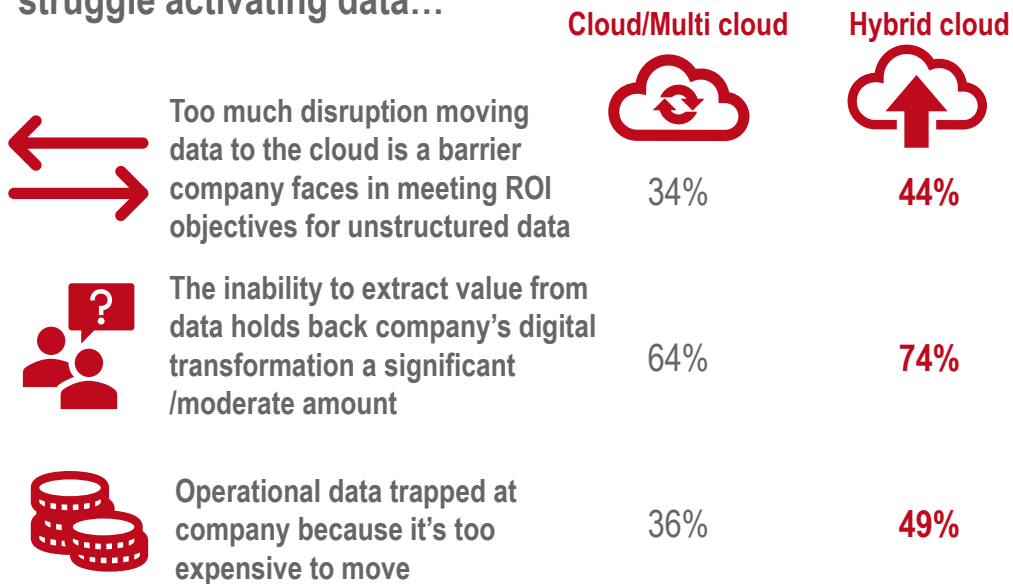


In what kind of environment is your unstructured data primarily located?

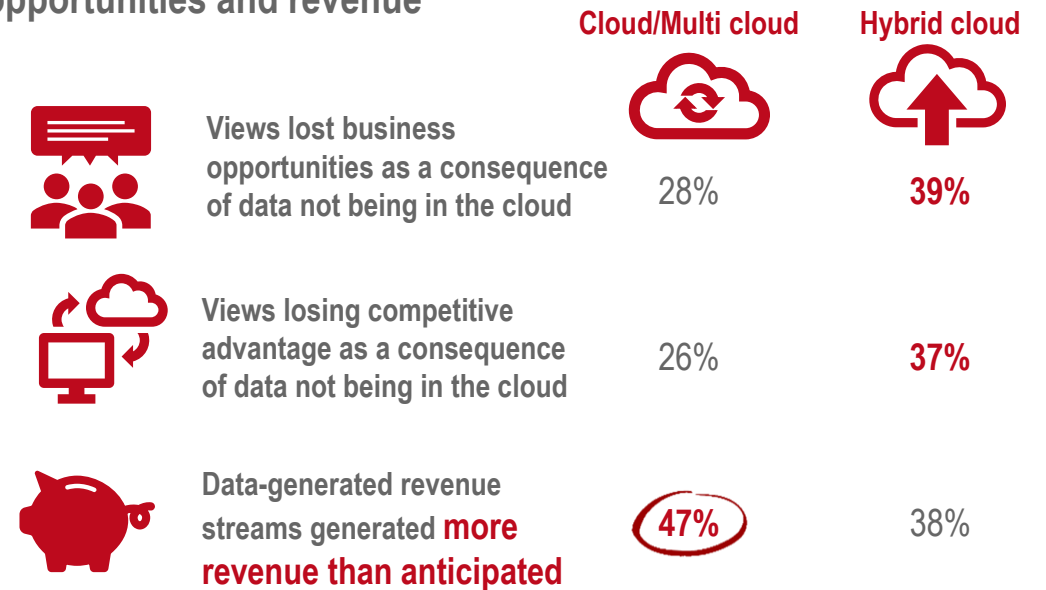
ENTERPRISES ADOPTING A HYBRID CLOUD APPROACH ARE MISSING OPPORTUNITIES FOR VALUE CREATION

Companies using hybrid cloud are more likely to cite a variety of struggles in their data activation efforts than those using cloud or multi cloud. Likely a result of these struggles, hybrid cloud companies are also more likely than cloud/multi cloud companies to see negative business consequences to data not being in the cloud. Further, cloud/multi cloud companies are more likely than hybrid cloud companies to indicate data-generated revenue streams are creating more revenue than planned.

Hybrid cloud more likely to struggle activating data...



...Causing lost business opportunities and revenue



Which of the following data infrastructure challenges has prevented you from meeting those objectives? / How much is the inability to extract value from data holding back your company's digital transformation? / What are the top negative consequences of not leveraging cloud computing benefits or data not being in the cloud? / Are the new revenue streams from data generating more or less revenue than what was originally planned or anticipated?

DATA ACTIVATION SOLUTIONS POSITION COMPANIES FOR FUTURE SUCCESS

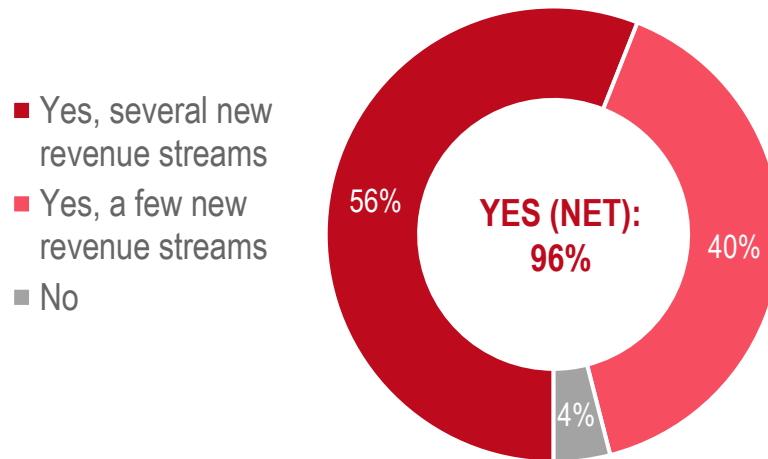


EVEN IF IT'S NOT A PRIORITY, COMPANIES ARE STILL FINDING WAYS TO CREATE REVENUE FROM THEIR DATA

More than 2 in 5 data leaders (41%) cite identifying new revenue streams as an objective for getting value from their unstructured data. Even though a majority say much of the data at their company goes wasted, 96% still say they've been able to utilize their data to identify new revenue streams, including 56% who say they've created several, demonstrating the vast untapped potential of data as a revenue driver.

HAS COMPANY UTILIZED DATA TO CREATE NEW REVENUE STREAMS

N=450



41%

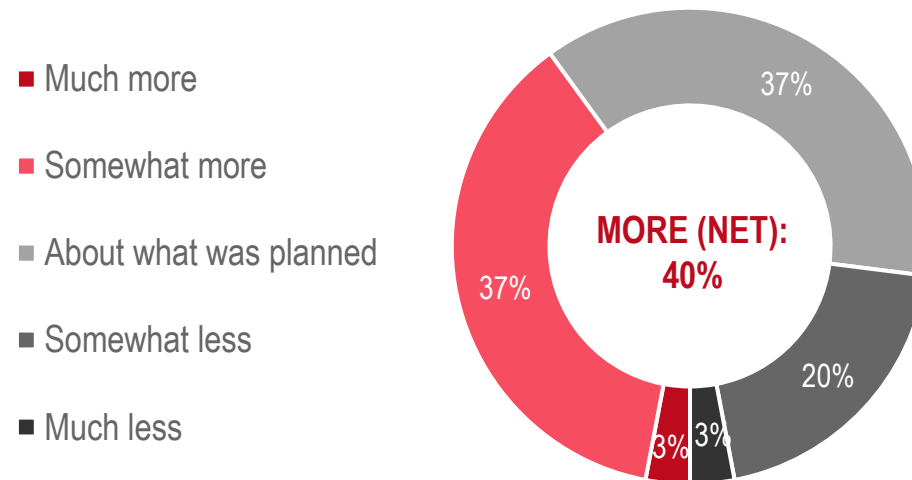
say identifying new revenue streams is a top objective for unstructured data return on investment

Has your company been able to utilize its data to create new revenue streams? / Which of the following are your company's top objectives for delivering ROI from unstructured data?

MAJORITY OF DATA LEADERS SAY REVENUE GENERATED FROM DATA MEETS OR EXCEEDS EXPECTATIONS

These new revenue streams aren't letting their companies down. Almost 4 in 5 (77%) say the revenue streams created by the data generated as much (37%) or more (40%) revenue than expected, demonstrating that investments in data activation can yield positive results that fuel business growth.

AMOUNT OF REVENUE GENERATED FROM NEW REVENUE STREAMS
AMONG THOSE WHOSE COMPANY HAS CREATED NEW REVENUE STREAMS; n=430



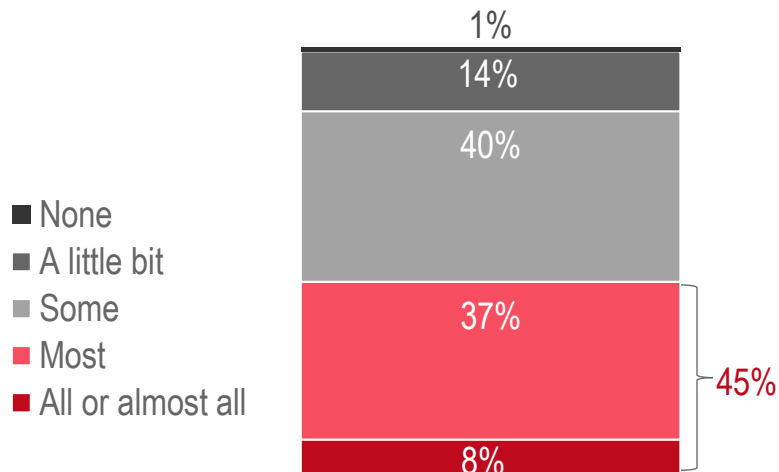
Asked among those whose company has created new revenue streams: Are the new revenue streams from data generating more or less revenue than what was originally planned or anticipated?

DATA INFORMS MAJORITY OF BUSINESS DECISIONS AT NEARLY HALF OF COMPANIES AND IS ONLY GOING TO GROW IN PREVALENCE

Nearly half (45%) say data is the primary driver for most or all business decisions. And those at companies where data isn't the de facto decision maker say it's only a matter of time: the vast majority (84%) say data will become the primary driver of decision-making within 5 years, including 40% who predict within just 2 years.

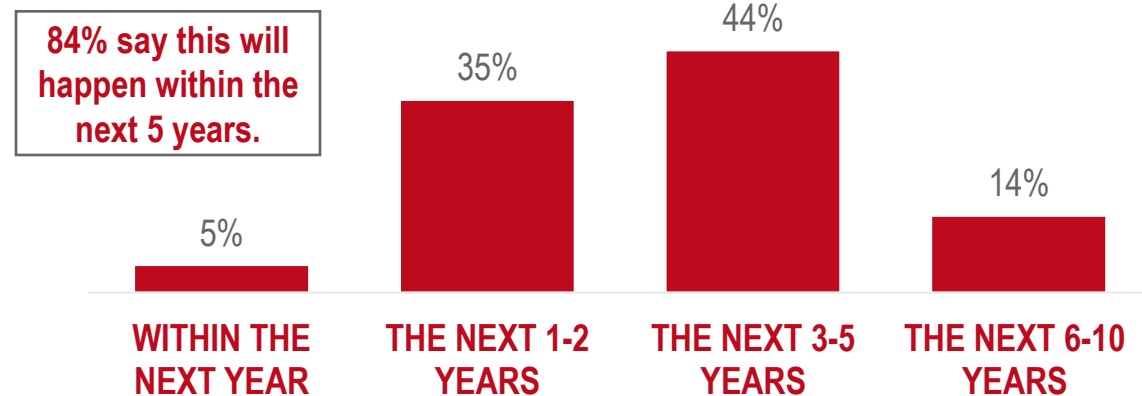
AMOUNT OF DAILY DECISION-MAKING MADE WITH DATA AS PRIMARY DRIVER

N=450



LENGTH OF TIME UNTIL DATA IS PRIMARY DRIVER OF ALL DAILY DECISION-MAKING

AMONG THOSE WHOSE COMPANY DOES NOT RELY ON DATA AS PRIMARY DECISION-MAKING DRIVER ALL THE TIME; n=413



Overall, how much of your company's daily decision-making is made with data as the primary driver? / Among those whose company does not rely on data as primary decision-making driver all the time: How long do you think it will take until data is the primary driver of all or almost all of your company's daily decision-making?

METHODOLOGY & APPENDIX



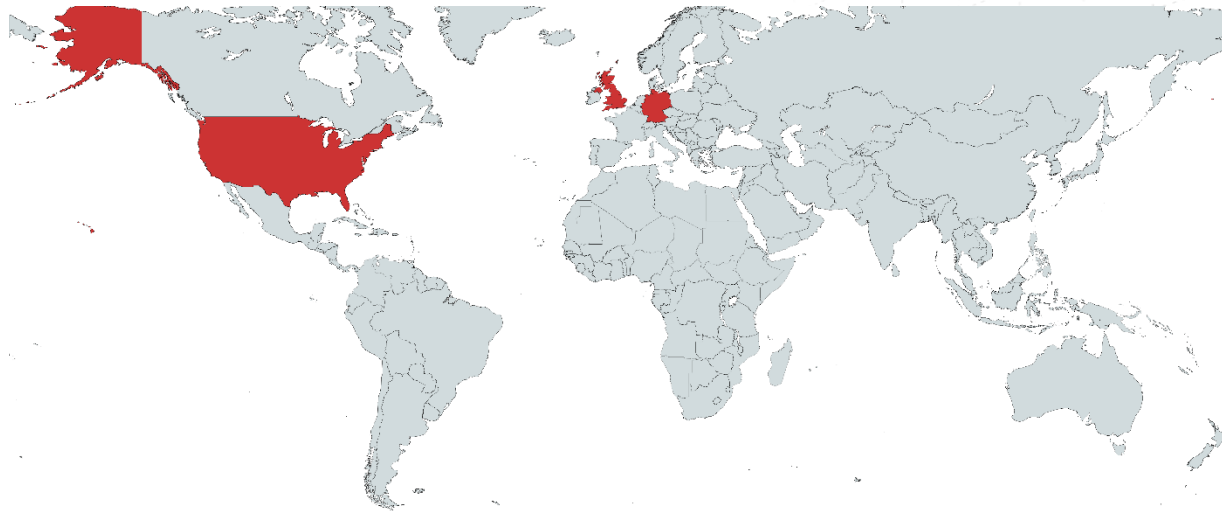
RESEARCH OBJECTIVES

Wakefield Research partnered with WANdisco on quantitative research to:

1. Demonstrate the shift to the cloud, capture the state of digital transformation, and explore the landscape of data activation across larger companies (1,000+ employees).
2. Quantify the struggles associated with that shift and data activation.
3. Highlight the benefits of the shift if done correctly.

RESEARCH METHODOLOGY

The WANdisco Survey was conducted by Wakefield Research (www.wakefieldresearch.com) among 450 Data Science and Analytics Executives, with a minimum seniority of Vice President, at companies of 1,000+ employees in the US, UK, and Germany. Quotas have been set for 250 respondents in the US, 100 in the UK, and 100 in Germany, between February 25th and March 8th, 2022, using an email invitation and an online survey.



Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 4.6 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

AGE, EMPLOYMENT STATUS, TITLE, NUMBER OF EMPLOYEES

AGE <i>N=450</i>	%
40 or younger	37%
41+	63%

EMPLOYMENT STATUS <i>N=450</i>	%
Work full-time	96%
Work part-time	4%

TITLE <i>N=450</i>	%
Chief Executive Officer	5%
Chief Financial Officer	4%
Other C-Level Executive	38%
Senior Vice President, Executive Vice President, Vice President	53%

NUMBER OF EMPLOYEES <i>N=450</i>	%
1,000 to LT 2,000 employees	55%
2,000+ employees	45%

What is your age? / What is your employment status? / How would you describe your current title or level in your company? / How many people currently work at the company?

COUNTRY, REVENUE US, REVENUE UK, REVENUE GERMANY

COUNTRY <i>N=450</i>	%
Germany	22%
United Kingdom	22%
United States	56%

REVENUE UK <i>n=100</i>	%
Less than £37 million	4%
£37 million to under £75 million	14%
£75 million to under £185 million	25%
£185 million to under £350 million	14%
£350 million to under £750 million	16%
£750 million to under £3.75 billion	19%
£3.75 billion or more	8%

REVENUE US <i>n=250</i>	%
Under \$50 million	1%
\$50 million to under \$100 million	17%
\$100 million to under \$250 million	12%
\$500 million to under \$1 billion	24%
\$1 billion to under \$5 billion	24%
\$5 billion or more	11%

REVENUE GERMANY <i>n=100</i>	%
Less than €44 million	-
€44 million to under €88 million	6%
€88 million to under €221 million	33%
€221 million to under €442 million	21%
€442 million to under €885 million	26%
€885 million to under €4,4 billion	8%
€4,4 billion or more	6%

In which of the following do you live currently? / Which of the following categories includes your company's annual sales revenue? (US, UK, GERMANY)

INDUSTRY

INDUSTRY N=450	%
Accounting	1%
Automotive	4%
Banking / finance	9%
Business and management services	2%
Communications	2%
Construction	3%
Consulting	2%
Education	4%
Entertainment	1%
Energy	4%
Government / policy	0%

Healthcare / medicine / pharmaceuticals	3%
Hospitality	-
Information technology / software	24%
Journalism / media / publishing	0%
Law	1%
Manufacturing	8%
Non-profit	1%
Real estate	1%
Restaurant	0%
Retail	13%
Wholesale	5%
Science / engineering	7%
Utilities	3%
Other	0%

Which of the following best describes the area in which your company operates?

YEARS AT COMPANY, YEARS IN BUSINESS, OFFICES, REGION US

YEARS AT COMPANY N=450

	%
LT 10 years	77%
10+ Years	23%

YEARS IN BUSINESS N=450

	%
LT 15 years	60%
15+ years	40%

OFFICES N=450

	%
1-2	30%
3-4	34%
5+	36%

REGION US n=250

	%
Northeast	19%
South	26%
Midwest	13%
West	43%

Approximately how many years have you been at your current company? / For how many years has your current company been in business? / How many offices or locations does your company have? / What state do you live in currently?

REGION GERMANY, REGION UK

REGION GERMANY <i>n=100</i>	%
Baden-Württemberg	16%
Bayern	8%
Berlin	9%
Brandenburg	4%
Bremen	3%
Hamburg	8%
Hessen	10%
Mecklenburg-Vorpommern	6%
Niedersachsen	8%
Nordrhein-Westfalen	11%
Rheinland-Pfalz	6%
Saarland	-
Sachsen	5%
Sachsen-Anhalt	4%
Schleswig-Holstein	2%
Thüringen	-

REGION UK <i>n=100</i>	%
North East	4%
North West	4%
Yorkshire and the Humber	7%
East Midlands	7%
West Midlands	9%
East of England	20%
London	23%
South East	6%
South West	2%
Wales	4%
Scotland	7%
Northern Ireland	7%

What state do you live in currently? / What region do you live in currently?



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