



# 2023 US Technology Survey

Key findings

# Research methodology

## Methodology in brief

Sample size

400

Company size

\$100m and over

### Sectors



Energy



Government



Retail and consumer packaged goods



Industrial manufacturing



Tech



Financial services



Education



Healthcare



Life sciences

Timing

April to June 2023

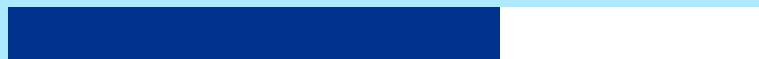
# Killer stats: Headlines

51%



of US respondents on average have **not increased performance or profitability** from digital transformation investments

65%



say in comparison to last year, they are **expected to do more with less budget**

56%



of US respondents on average say the returns from digital transformation investments had **exceeded their expectations**.

ROI is defined by improving efficiency and cost cutting, increasing employee productivity, and enhancing customer engagement

#1

Technology functions lacking coordination is the top hurdle for transformation progress

## Leadership rushes to embrace emerging tech

The number of businesses with leadership buy-in for emerging tech has **more than tripled, from 10% to 32%**

## Businesses lean into the AI boom

AI is seen as **the most important technology** for achieving short-term ambitions



## Emerging technologies

are systems that considered as those which are still considered as in-development and are yet to reach their full potential, but when they do they are expected to significantly disrupt how society functions and operates in general.

# Research findings

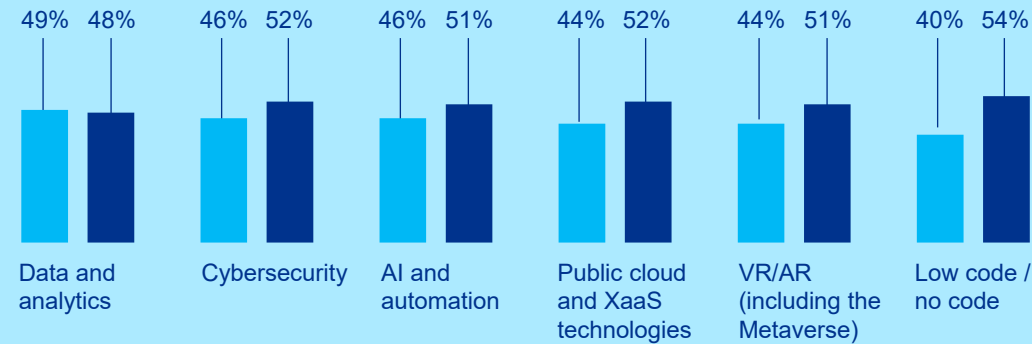


# 51% say on average they haven't seen an increase of performance or profitability from digital transformation in the last 24 months

Have digital transformation efforts with the following tech improved your profitability or performance over the last two years?

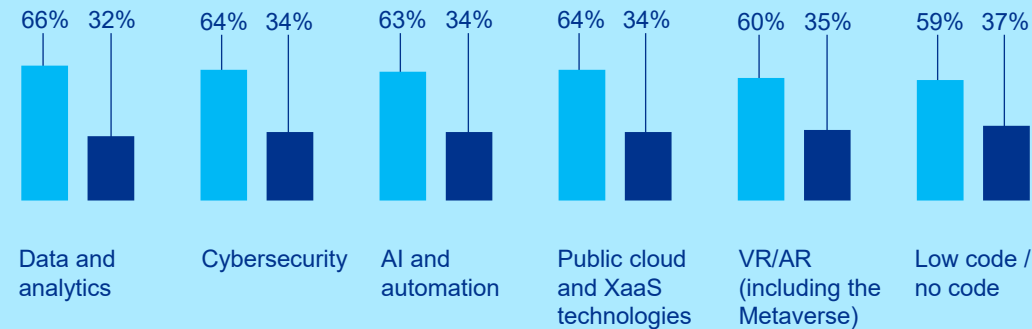
US

Yes  
No

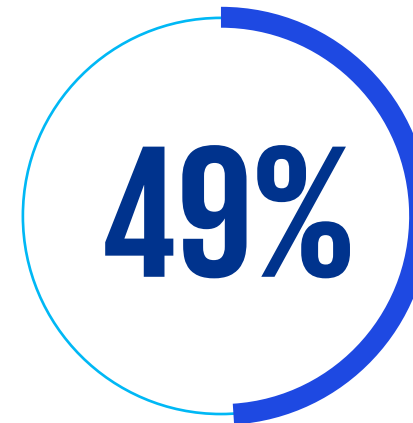


Global

Yes  
No



While a significant portion of US businesses have achieved increases in profitability or performance through digital transformation, the majority in the region admit they are yet to notice an uplift. This is in contrast to the global consensus which saw the majority achieve some form of increase in profitability or performance from implementing various technologies.



of US businesses achieved increases in profitability or performance from data analytics investments over the last 24 months.

Q11: Over the past 24 months, have your digital transformation efforts with the following technologies positively impacted profitability or performance over the past 24 months?

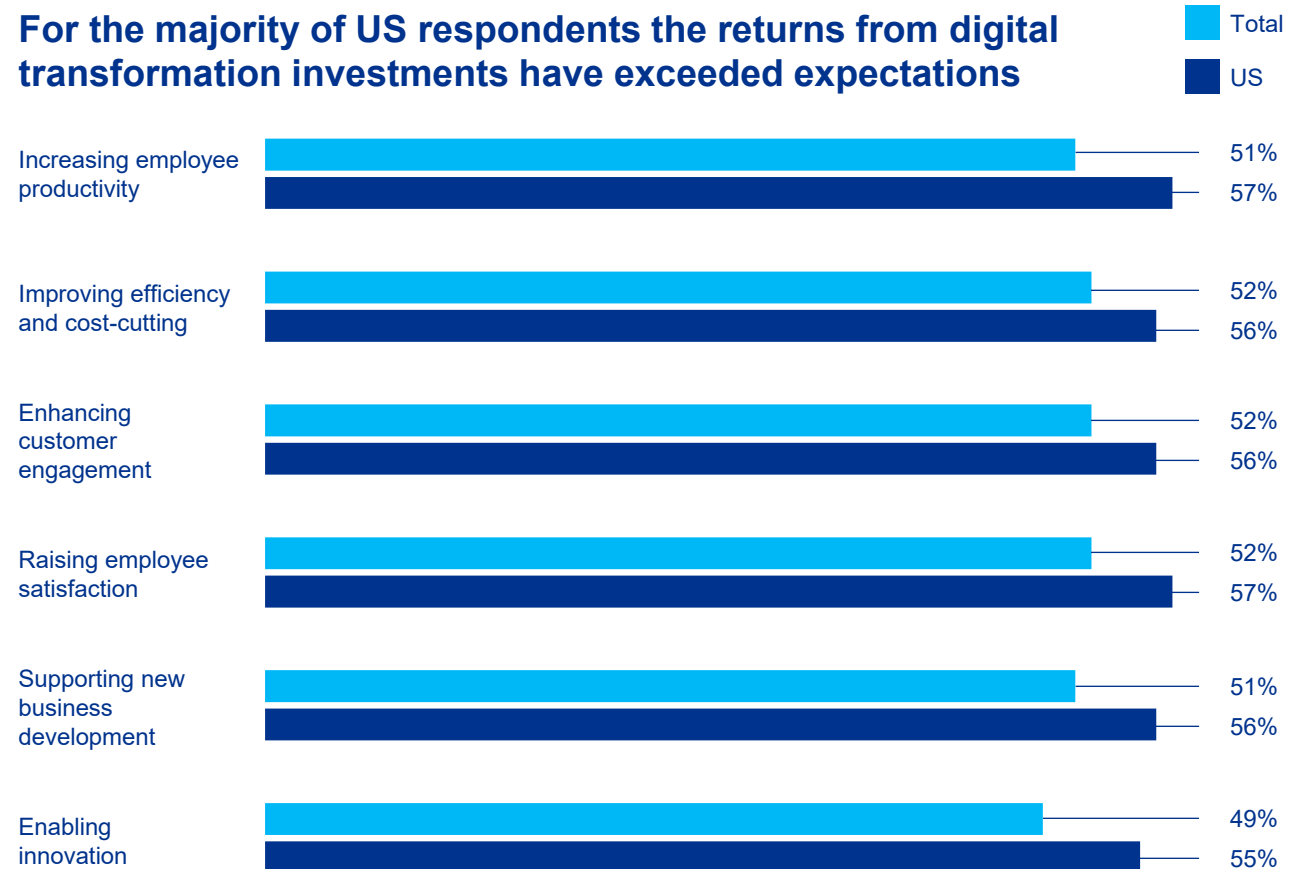


# ...but on some metrics, 56% say ROI for digital transformation have exceeded expectations

Globally last year digital effectiveness saw a leap forward, with 66% of US respondents saying their business was very or extremely effective at advancing their business with tech.

This year, across all metrics surveyed, the majority of US respondents said the returns from digital transformation investments had exceeded their expectations.

## For the majority of US respondents the returns from digital transformation investments have exceeded expectations

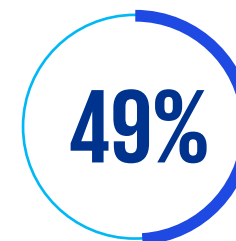


**Q10:** To what extent would you say that your digital transformation investments in recent years have contributed to the following outcomes? (those answering 'exceeded expectations')

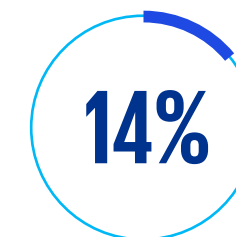
# Many US businesses have earned returns from data and analytics investments



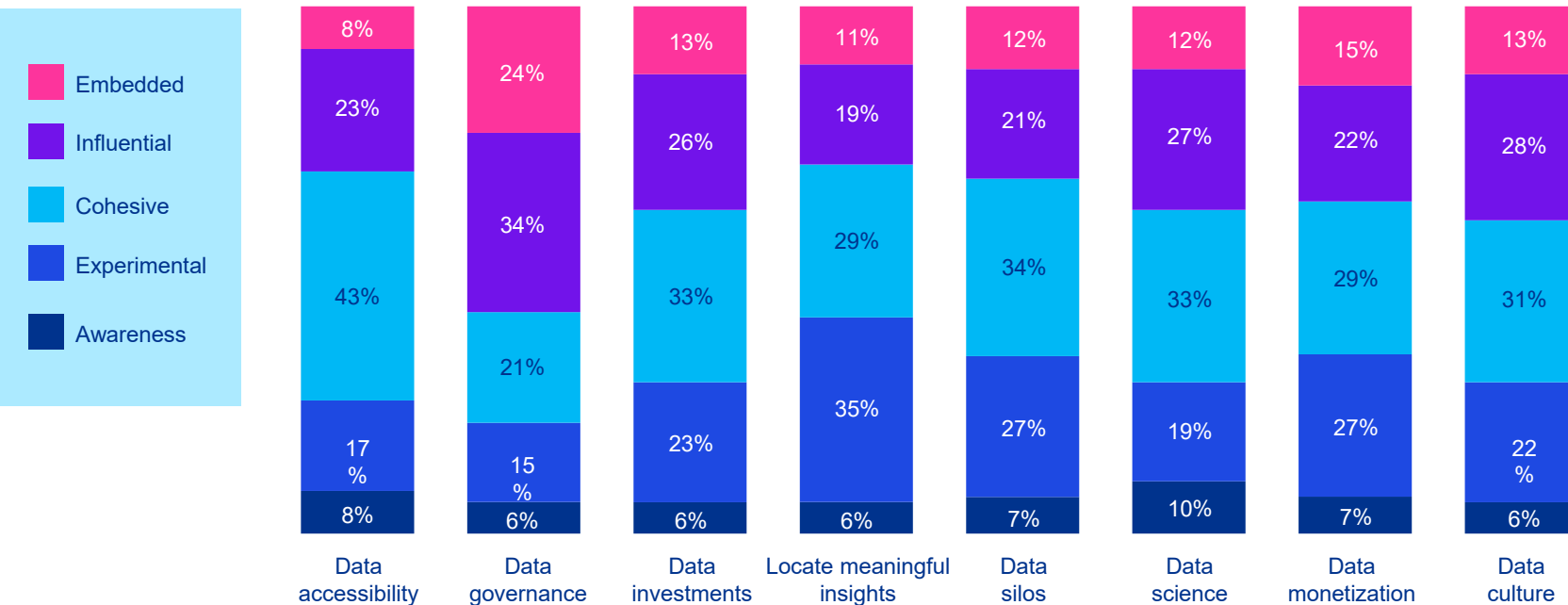
Across all data management factors measured, the majority of US businesses have structured processes. The area of the most maturity being data governance and the area of the least maturity being locating meaningful data insights.



of US respondents have seen data analytics investments positively impact profitability or performance over the last 12 months. This is 17% lower than the global average.



of US respondents are able to frequently generate returns from the data management factors measured.

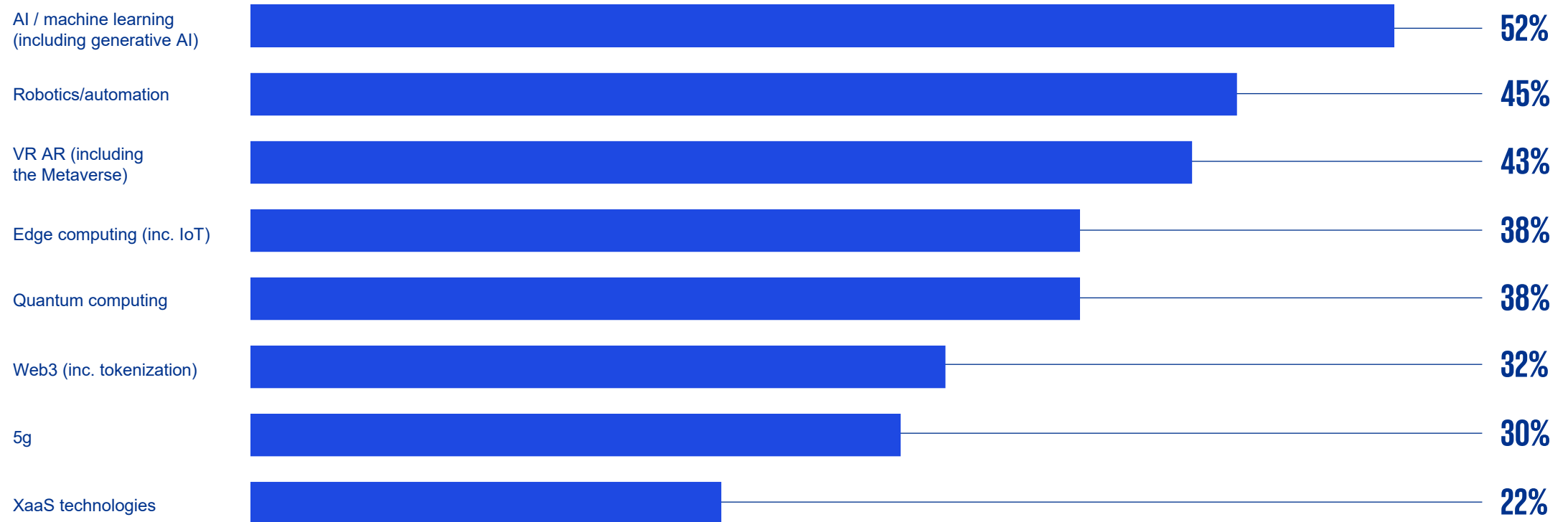


Q7: How effective is your approach to data and analytics in the following areas? (US respondents)



# AI/machine learning is seen as the most important technology for achieving short-term ambitions

## The most important technologies for US businesses achieving their short term ambitions



Q2: Of the following technologies, which do you think will be most important in helping your business achieve its short-term ambitions (over the next 0-3 years)? (US respondents only)





# Everything as a Service (XaaS) migration journeys continue to bear fruit ...



## Most common returns achieved from XaaS investments:

01

Enhanced customer engagement

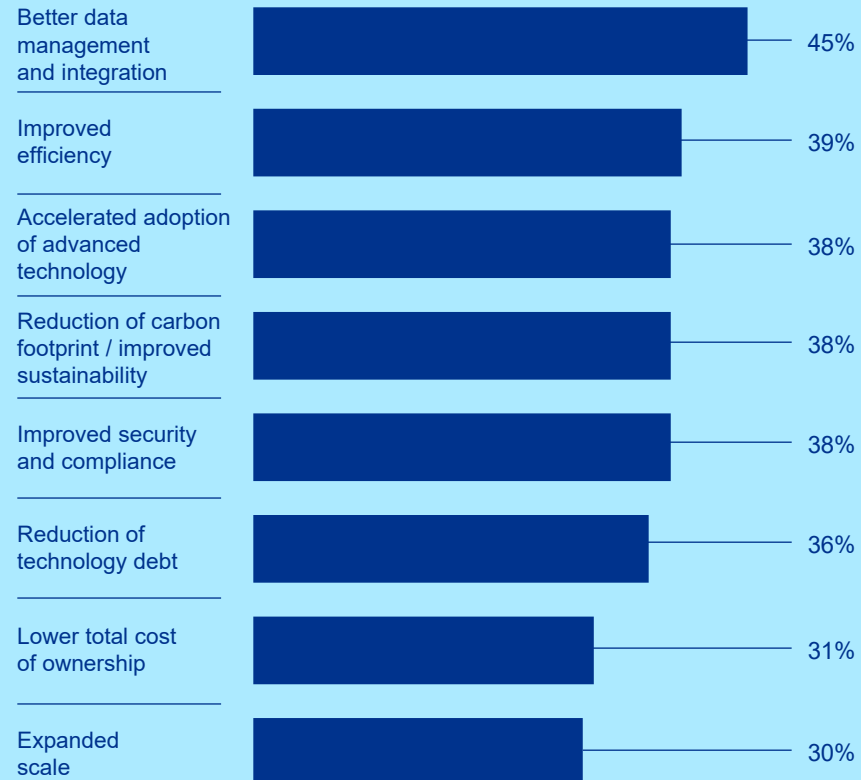
02

Increased employee productivity

03

Supported new business development

## US companies' top benefits from XaaS technologies



44%

of US businesses achieved **increases in profitability or performance** from **data analytics investments** over the last 24 months.

66%

agree that the **risks of XaaS technologies are worth it** for the opportunities they create.

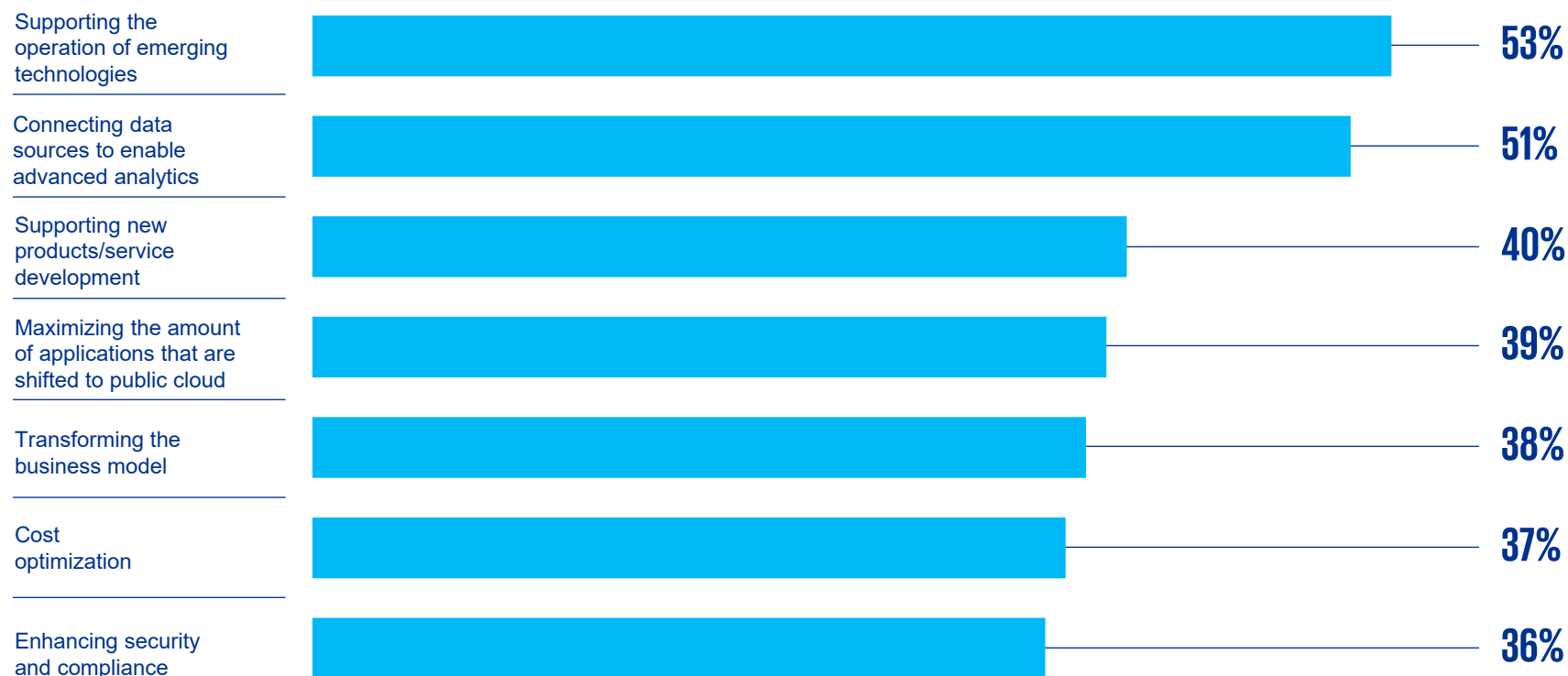
Q20: What key benefits has your organization achieved from leveraging public cloud platforms/XaaS technologies over the past 12 months? (US respondents only)

# But there is still lots to be achieved around managing XaaS environments

# 62%

of US companies surveyed will be focusing on reducing costs by optimizing their use of XaaS technologies in the next 12 months. This is 6% lower than the global average.

## Primary ambitions are mainly around migration rather than optimizing XaaS environments



Q21: What are your primary ambitions for cloud at the current time? (US respondents only)

# Regulatory obligations and security concerns are top triggers for digital transformation

## Customer expectations with the most influence in US digital transformation projects:

01

Stronger data privacy/cyber security

02

Speed of customer service

03

Lower price points

## How US businesses expect technology to help with service and product innovation:

01

Adding features to existing products

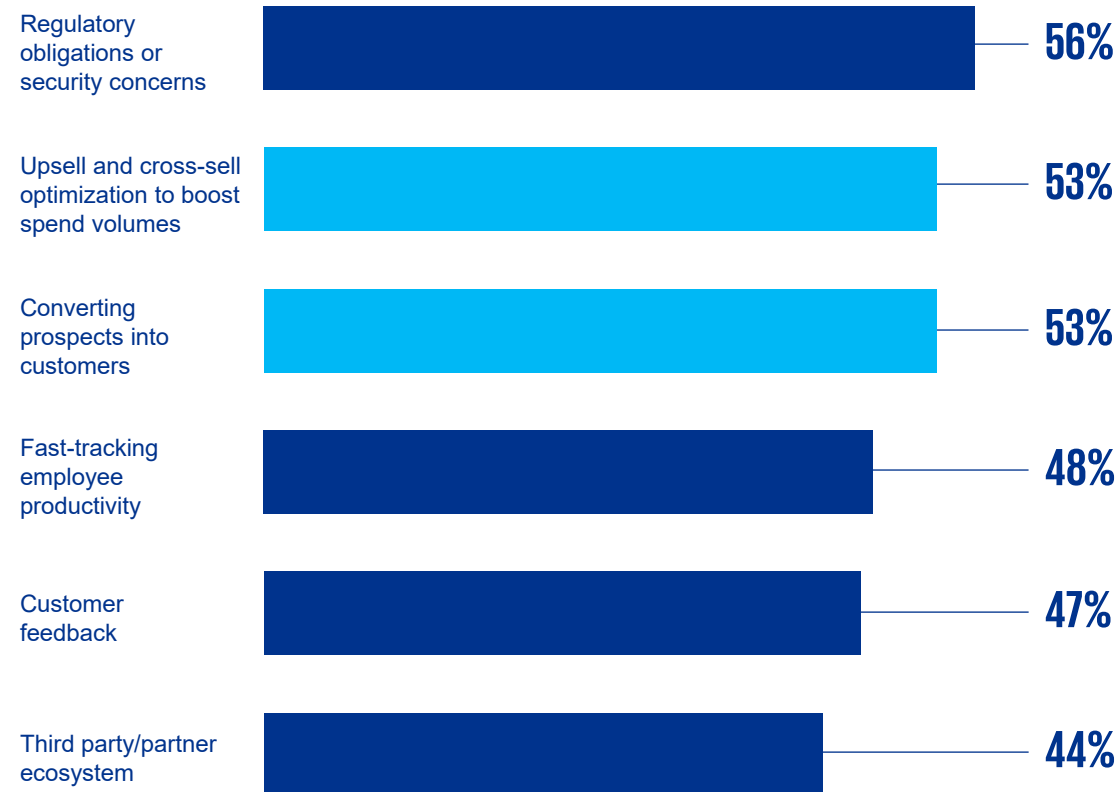
02

Providing new upsell/cross-sell opportunities

03

Designing better user experience journeys

## Main triggers of digital transformation for US businesses

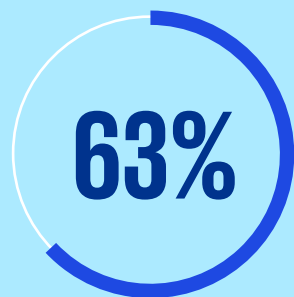


Q8: What are the main triggers of digital transformation in your business? (US respondents only)

# Keeping up with cybersecurity regulations is the top tech risk goal for US tech functions



In contrast to their global counterparts who placed embedding security as their top tech risk goal, the top risk priority for US businesses is to meet the increasingly demanding regulatory requirements for cybersecurity.



63% of US respondents agree that **managing risk at early stages** (security and control by design) **significantly increases the success rates** of transformation programs.

## US firms' cybersecurity priorities



Q16: Thinking of your cybersecurity team's focus areas over the next 24 months, please rank the following tech risk ambitions in order (Rank 1 - 3 summary, US respondents only)



**Despite the uncertain  
climate, businesses  
plan to push on with  
their digital ambitions**

Section 3

# Complex regulatory developments are knocking confidence levels

## Factors affecting US businesses' investment confidence



# 65%

say that in comparison to last year, they are expected to do more with less budget.

# 31%

say that **to a great extent** complex regulatory developments made their business less confident about investing in new technology - which is 6% higher than the global average.

Q14: To what extent, if at all, have the following factors made your business feel less confident about investing in new technology? (Those answering have 'reduced confidence', US respondents only)

# Advancing ESG progress and reaching new customers are the top innovation goals for tech functions



**72%**

are confident they can advance ESG priorities using their existing tech

**71%**

are confident they can grow their business using their existing tech stack

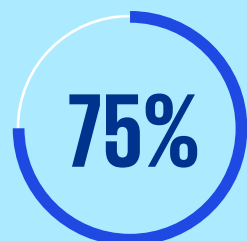
# Most businesses have faith in current tech stacks and buy-in is gaining momentum for emerging tech



US businesses demonstrate confidence in their current tech stack performance



are confident they can turn risk into opportunity grow using their existing tech stack.



are confident they can improve efficiency and cut costs with their existing tech stack.

Emerging tech buy-in has leapt forward

10%



In 2022, only **10%** of US respondents surveyed had leadership buy-in for emerging tech

32%



In 2023, **32%** have buy in from leadership for emerging tech

Q6: How would you describe your organization's position today in each of the following areas? (US respondents)

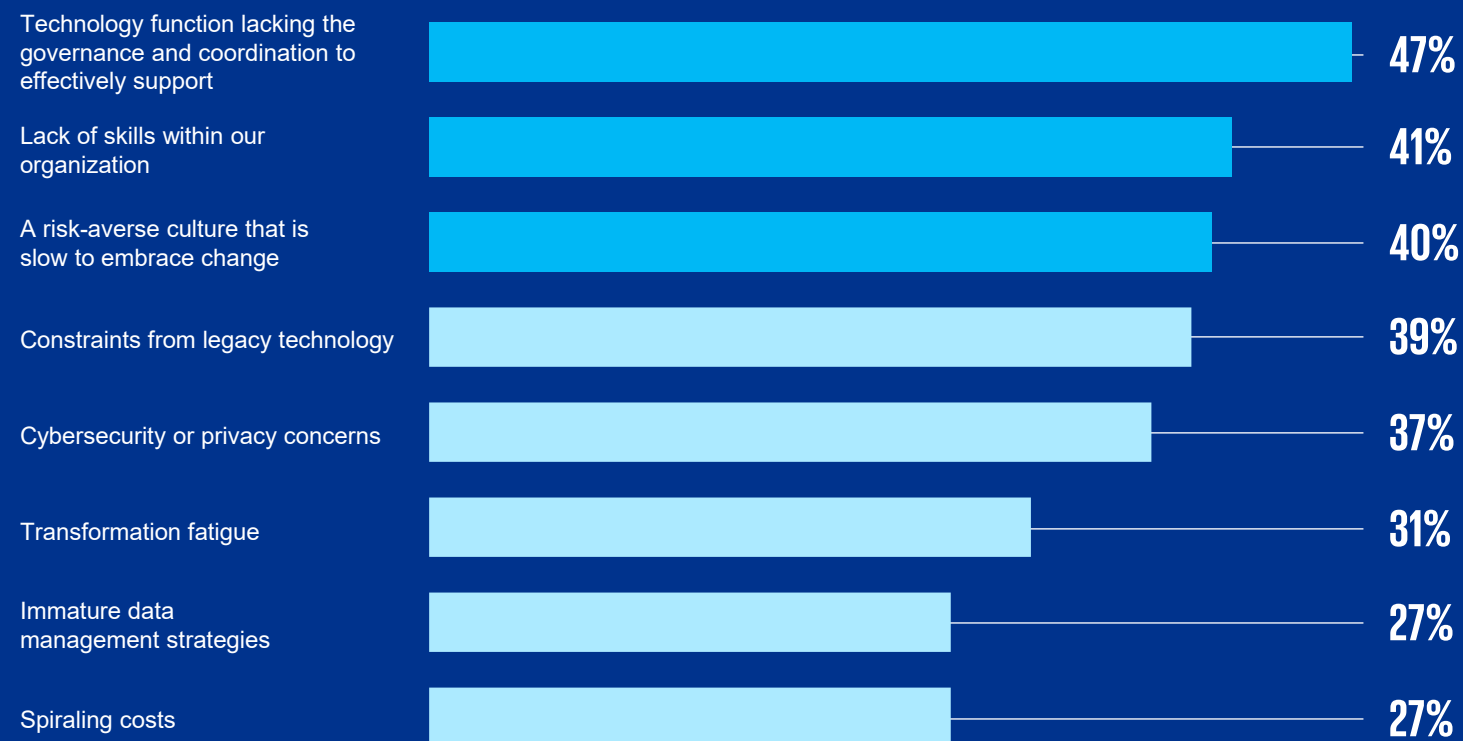




# **Momentum is threatened by poor collaboration and cultural breakdown**

Section 4

# Transformation progress is blocked by three workforce issues: collaboration breakdown, risk averse culture and skill gaps



## 61%

of US businesses think their technology function needs to get better at helping the board understand the potential of new technologies

## 57%

of US businesses say employee resistance influences their investment decisions with new technologies

Q13: Which of the following challenges are most likely to slow down your transformation? (US respondents only)



# To address these workforce issues, ability to teach others and innovate are the top skills US firms seek in their talent



To help their organizations become the technology leaders of tomorrow, US businesses are looking for employees that can educate others and innovate in a creative way



## Personality attributes that US businesses look for in their employees

65%



Creativity and innovation

62%



Ethical understanding (for working with AI, etc.)

57%



Ability to persuade



## Technical skills US businesses look for in their employees

53%



Ability to teach others

52%



Technical/digital literacy

49%



Data fluency

# Security, agility, empathetic collaboration pave the way to digital leadership

Looking at the global consensus, **only those considered as digital leaders placed agility into the top three attributes for organizations to thrive in a digital economy.** Interestingly, US businesses exactly matched the priorities of the global digital leaders, which does **signal a level of maturity in this region** around how these businesses view and approach digital transformation.

## Essential attributes that organizations look for to thrive in a digital economy:

41%

Cyber security and privacy **embedded in tech selection and staff education**

40%

Agility to **accurately respond** to market signals

38%

Increased **empathy and communication** between business functions



Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.



[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation. KPMG does not provide legal advice.

©2023 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

For more detail about the structure of the KPMG global organization please visit <https://home.kpmg/governance>.

**Document Classification: KPMG Public**