



Top 20 Vendors for Managing IT Performance in 2022

Derivative report from the market study

Analysis of vendors' alignment with key user requirements and challenges as identified in the market study – *"24 Key Areas Shaping IT Performance Markets in 2022"*

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Context

DEJ surveyed more than 3,300 organizations around a variety of topics about managing IT performance. The key findings and analysis of this research are published in a market study titled "24 Key Areas Shaping IT Performance Markets in 2022".

However, the study is vendor agnostic and this report provides additional analysis of how technology vendors align with key user requirements for managing IT performance..

The research shows that this is a fast changing market and in order to address their key challenges organizations need to look beyond traditional technology "buckets" and a "one-size-fits-all" approach when evaluating solutions for managing IT performance.

The key goal of this report is to help end-user organizations understand what solution is the best fit for their specific needs.

[Click here to access the full study](#)

24 Key Areas Shaping IT Performance Markets in 2022	
Impact on business outcomes	Data management and analytics at scale
Enabling unique customer experiences	Enabling cloud native journey
War for talent	Managing innovation
Employee experience	Automation as a key enabler
Balance between speed and reliability	Maximizing the value of open source
Changing the importance and definition of "Visibility"	Everything in a business context
Impact of change	Focus on high value work
Modernizing IT service organization	Optimization and visibility into efficiencies
Managing complexity	Modernizing IT Operations
Observability – value, potential and confusion	Vendor selection
Teams, tools and processes	Addressing performance incidents
Key use cases	Growing business impact

Key market requirements

Technology as a business advantage is not optional

The study shows a 41% increase in “enabling new and unique customer experiences” as the key driver for investing in IT performance technologies over the last 18 months. Additionally, organizations reported 7.63 million, on average, annual loss due to the inability to align software delivery initiatives to business outcomes.

Organizations are understanding the benefits of digital transformation, many of them didn't have a sense of urgency for putting technology in the core of business strategies. The study shows that organizations that fall behind their competitors when it comes to modernization and using technology to create a business value are experiencing rapid declines of their competitive position. The business pressures are causing organizations to understand that using technology to create differentiating customer experiences is no longer optional and that it requires changes to their mindset, strategies, technology capabilities and processes.

Importance of managing cloud native and hybrid cloud environments

The study identified a number of use cases whose importance increased over the last 2 years. As organizations are increasingly realizing the importance of continuously innovating and being able to respond to changing business needs faster, the research shows a 76% increase in the importance of Kubernetes management and a 59% increase in the importance of enabling cloud native journey.

So what?

3.7x

increase in the number of organizations that are forced to innovate to stay competitive, over the last three years

Recruiting and retaining the right talent, aligning people resources with business goals, reducing time spent on addressing performance incidents and visibility into technology adoption by employees are some of the key focus areas, reported organizations. That also impacts requirements for technology adoption as 57% organizations see automation as the key enabler for closing the modernization skills gap in managing IT Operations.

The #1 capability needed – correlating IT performance to business outcomes

DEJ used our unique distributed survey data collection approach to identify the importance of hundred of technology capabilities. Staggering 84% of organizations selected "correlating IT performance to business outcomes" as a capability they are looking to deploy. It should be noted that there is a number of solutions in the market that provide some business context when it comes to managing IT performance. What organizations are really looking for is a capability that connects the dots between operational improvements and business outcomes in a clear and measurable way. Therefore, the study shows a 32% increase in the number of organizations that are using "ability to quantify the business impact" as the key selection criteria over the last 18 months.

Understanding the importance of talent management

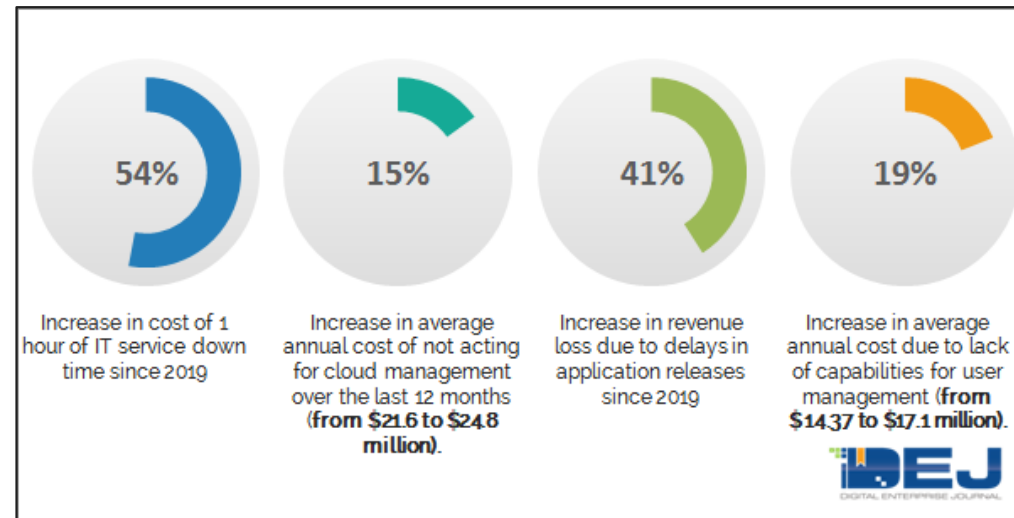
The study found that skills gap is the #1 challenge for adopting a cloud native approach. The research also shows that 68% of an IT team's time is spent on tasks that do not contribute to key business outcomes. Additionally, the study shows that organizations are losing, on average, \$2.82 million annually because of employee turnover due to lack of visibility in employee experience.

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Data capabilities as the answer to key challenges

The study shows that data management and analytics capabilities are key focus area when it comes to addressing top initiatives such as enabling unique customer experiences, managing complexity, innovation management and modernizing IT service delivery organization. Thirty-eight percent of organizations reported improving their data management and analytics capabilities as the key area for improvement when looking to create business value from technology deployments

Additionally, the study shows that forward-thinking organizations are aware that improving in this area requires a mix of different capabilities and a strategic approach. As a result, these organizations are 3.7 times more likely to improve customer engagement and experience.



Growing business impact

DEJ's comparison with the findings of 2020 study found that the business impact of IT performance is constantly growing and at a high rate. The study shows \$935,000 increase in average annual revenue loss due to engineers not focusing on business critical tasks over the last 12 months (28% increase).

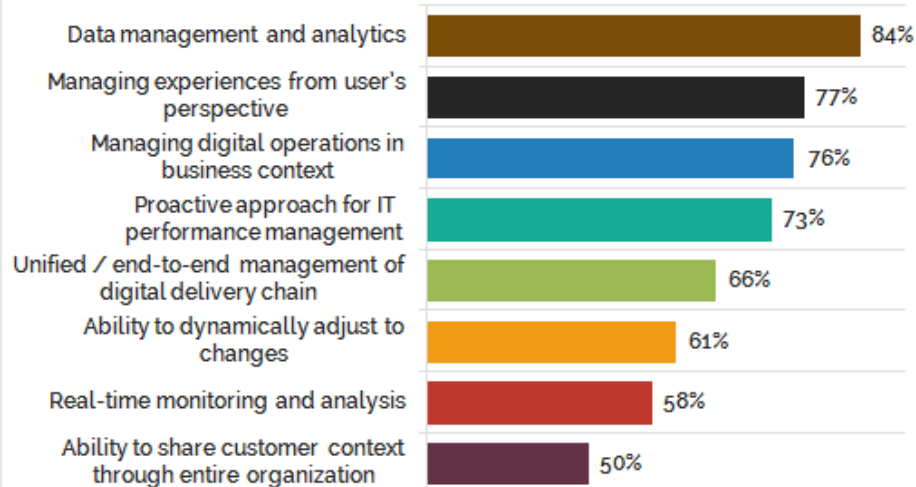
The following section of this report includes an analysis of eight key areas shaping IT performance in 2022

Enabling unique customer experiences

41%

increase in “enabling new and unique customer experiences” as the key driver for investing in IT performance technologies over the last 18 months

Key capabilities for enabling unique user experiences



Creating and managing differentiating customer experiences is the key goal for a majority of digital business. However, achieving this goal is a complex task that includes a lot of moving parts and changes in strategies, processes and capabilities deployed. This is another area where data strategies play a key role, along with visibility into the entire digital delivery chain and understanding the business context of actions that are being taken.

Working towards achieving this goal cuts across all of the key areas – from efficiency and reliability, real-time data management to managing change, creating actionable insights and automation. The research also found that addressing this goal is becoming increasingly difficult, as organizations are reporting that user expectations for experience and performance are constantly increasing.

So what?

\$16.7 million

Average annual loss due to issues with user experience

Enabling a cloud native journey

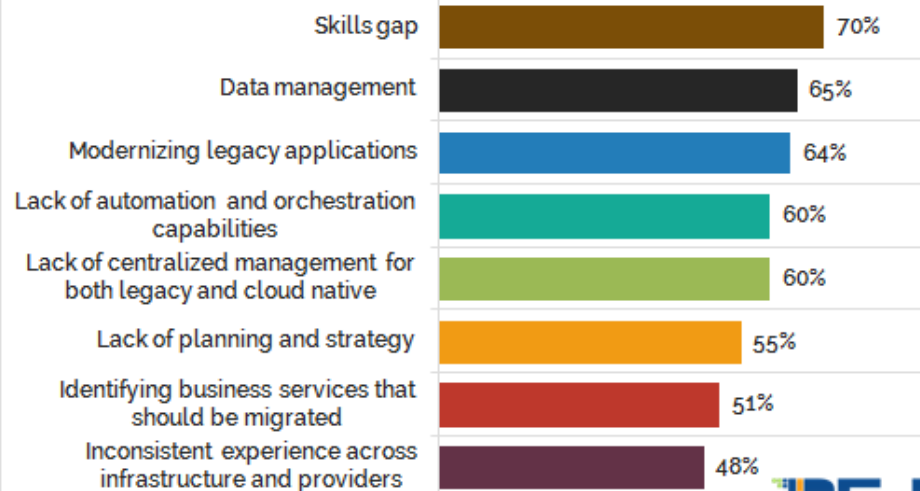
68%

Of organizations that adopted a cloud native approach improved their ability to create better customer experiences

DEJ's research shows that organizations that effectively adopted a cloud native approach are more likely to experience business improvements, such as faster releases of new digital services (74% more likely), create new technology-driven revenue sources (64%), and improve competitive position (57%). However, the journey to cloud native includes a number of challenges that range from technology capabilities and measuring the business value to talent management, lack of planning and holistic strategies and changes to organizational culture and business processes.

From a performance management perspective, adopting a cloud native approach is a brand new game. Organizations in DEJ's research reported a 12.4 times increase in the amount of IT data since adopting a cloud native approach. The research also shows a 3.7 times increase in the number of organizations that are forced to innovate to stay competitive, over the last three years. Consequently, the number of organizations that are adopting a cloud native approach increased by 3.9 times over the same period of time. This shows that organizations are realizing that modernization and adopting a cloud native approach are necessary to stay competitive.

Key challenges for adopting a cloud native approach



So what?

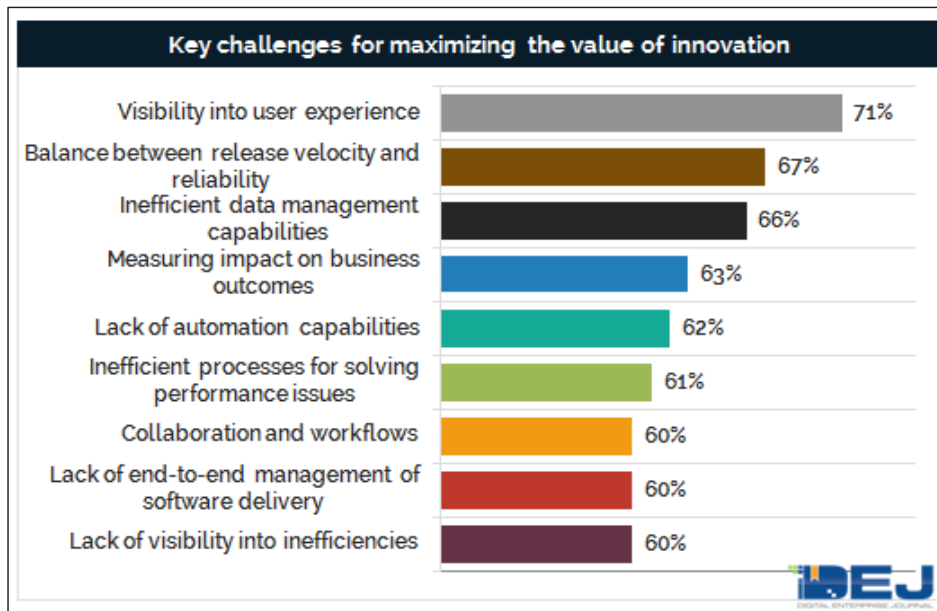
3.6x

ROI from effectively adopting a cloud native approach

Managing innovation

39%

Of organizations experienced improvements in business performance as a result of innovation



As mentioned above, the end goal of managing IT performance and innovation is driving business value by creating and managing exceptional user experiences. Ironically, the research shows that close to three quarters of organizations do not have full visibility into user experience. As a result, 51% of organizations do not know if innovation is driving business benefits. This is a very serious issue, as managing innovation is complex to begin with. The research shows that 60% of organizations, or more, reported nine different challenges for creating business value from innovation.

Managing innovation for business advantage is a process that should be managed backwards. Creating, monitoring and managing customer experience is a centerpiece and also a foundation of this process and all other capabilities deployed should be in service of enabling this area.

So what?

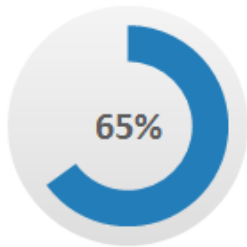
\$35.5 million

Average annual loss due to delays in application releases

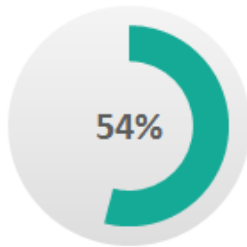
Balance between speed and reliability

73%

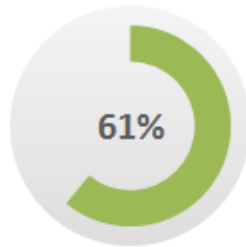
Of organizations reported that expectations for speed of releases and changes increased of the last 18 months



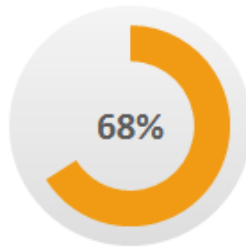
Organizations reported that finding the right balance between speed of releases and reliability of digital services as a key challenge



Increase in the number of organizations using SLOs over the last 18 months



Of releases and changes are not measured from user's perspective



Reported lack of visibility into causes of delay in release times as a key challenge

Sixty-five percent of organizations in DEJ's recent study reported finding the right balance between speed of releases and service reliability as a key goal for adopting Observability. The study also revealed a \$35.5 million average annual loss due to delays in release times. The research also shows that there are tens of millions lost due to releasing too soon. Organizations are also increasingly understanding that finding this delicate balance is not a fine art, but a process that requires the right mix of both technology and business capabilities.

Some of the key capabilities include visibility into sources of delay for releases, monitoring from the end-user perspective and orchestration capabilities, as well as deploying processes for proactively preventing performance issues and leveraging SLOs as a connection between Observability insights and business outcomes. Additionally, teams need to understand that their primary job is creating business value and, therefore, measure their performance way beyond DORA metrics.

So what?

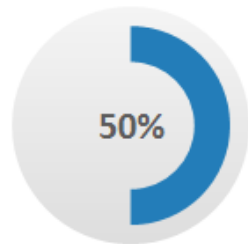
\$17.21 million

average annual cost of releasing digital services too soon

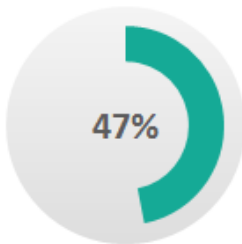
Changing the importance and definition of “Visibility”

60%

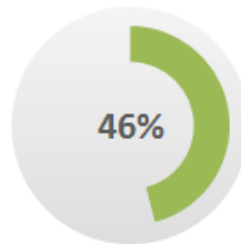
of organizations reported that the importance of having a full visibility from request to delivery increased over the last 3 years



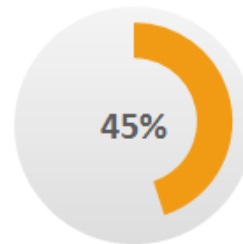
Organizations reported that their definition of having “full visibility” into their environments changed over the last 2 years



Organizations reported that effectiveness of their IT performance monitoring solutions declined over the last 2 years



Organizations reported that the business context is a key requirement for their visibility approach



Organizations reported they experienced the need to monitor and analyze new areas and domains over the last 3 years



DEJ’s recent study shows that 64% of organizations have deployed, or are looking to deploy Observability capabilities. Also, 58% of organizations reported that they lost visibility into the digital service delivery chain after conducting modernization projects. As a result, many organizations are confusing terms “observability” and “visibility” which do have some overlap, but they mean something very different.

One of the key reasons Observability has become such a “hot” term is that having a full visibility has become more important, more difficult to achieve and requires a new approach. Instead of jumping on the Observability bandwagon, organizations need to assess their environments and key needs and rethink their approach not only for monitoring, but fully understanding their workflows and ensure they eliminate “blind spots” that can deteriorate business performance.

So what?

41%

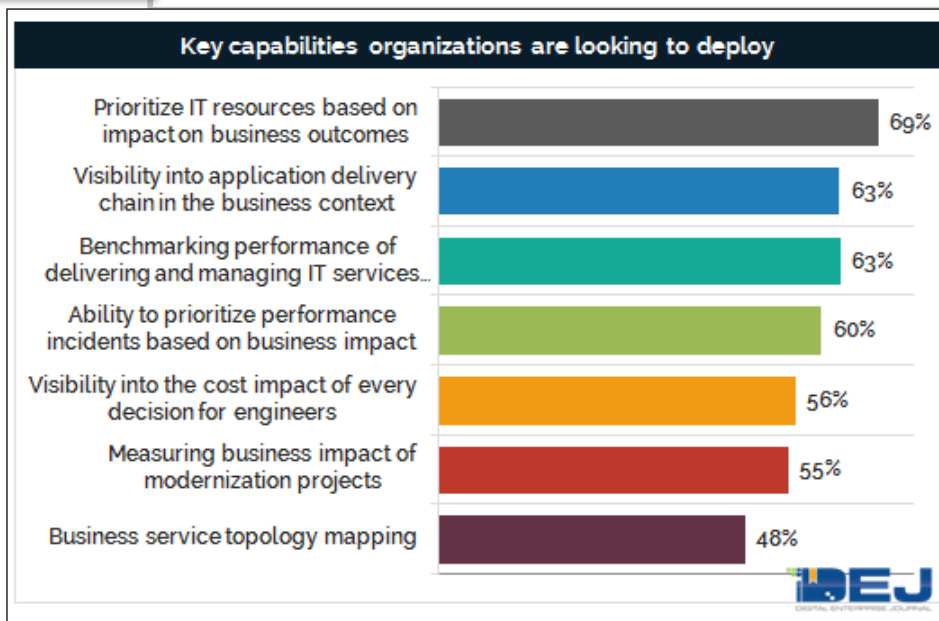
Average increase in business impact due to blind spots in digital delivery chain over the last 3 years



Everything in the business context

70%

reported a lack of business context from management solutions as a key challenge



DEJ's research shows that we are experiencing the perfect storm of changes in both the technology and business markets. Even though these changes are making it more difficult to effectively manage IT performance, they are creating an opportunity for IT to have a stronger and more visible impact on business goals.

Organizations are deploying new technologies and redefining their approach to IT performance and yet 70% of them reported that the tools they are using do not provide business context. Innovating to just innovate is obviously a losing game, but vendors are not the only ones to blame for a lack of business context when managing IT performance. The research shows that organizations are losing millions due to not aligning software initiatives to business outcomes, which is not a technology but a process issue.

In order to take advantage of the opportunity that this perfect storm has brought, IT leaders should be asking themselves the "so what?" question for every major decision they are making and define their actions based on if something is beneficial for the business.

So what?

\$7.63 million

Average annual loss due to inability to align software delivery initiatives to business outcomes

Impact of change

67%

of organizations don't have the ability to identify change(s) in their environments that caused performance issues

DEJ's research shows an 8.7x increase in the number of new software releases and updates over the last 3 years. Also, the research shows that a change is the #1 cause of performance issues. However, when managing complex environments that are changing almost every second, the key to success is to identify which change actually caused the problem. The research shows that two thirds of organizations do not have this capability.

The solution to this major problem comes from the same area that was mentioned multiple times above - data strategies, actionable insights and delivering data in the right context. DEJ's research also shows a \$36,34 million, on average, annual loss due to the inability to proactively prevent performance issues.

Also, 58% of organizations reported that their key goal is to establish more predictable operations. Achieving this goal calls for a combination of technology capabilities and a new management approach.



So what?

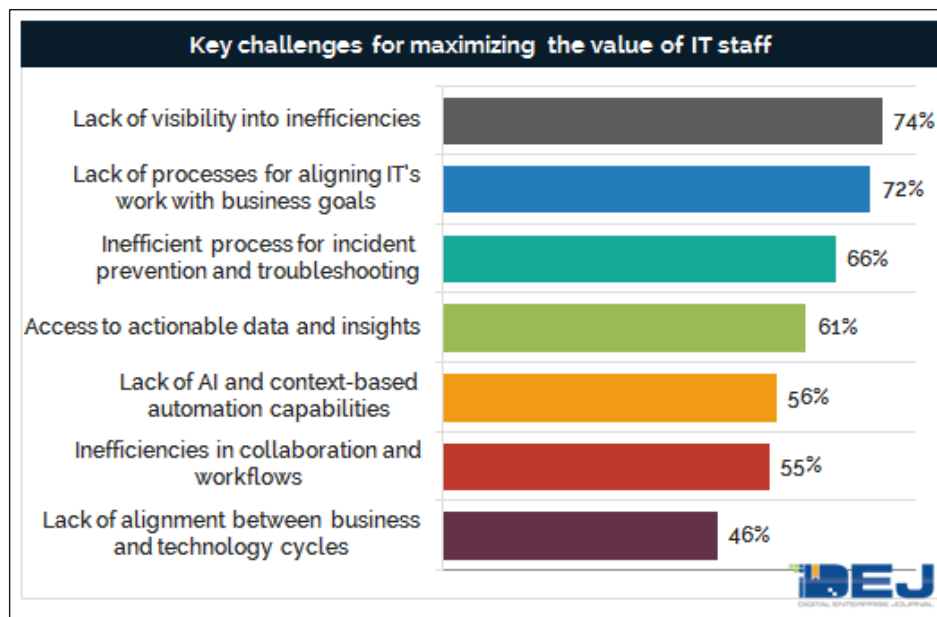
66%

of MTTR is spent on identifying change that is causing a problem

Focus on high-value work

68%

of IT team's time is spent on tasks that do not contribute to key business outcomes



Top performing organizations (top 20% of survey participants) are reporting that their engineers and developers are spending nearly 3 times more on unplanned work, as compared to all others. As a result, these organizations are generating 4.7 times more revenue from new digital services, as compared to their peers.

Some of the key capabilities that are enabling these leading organizations to achieve this level of performance include processes for aligning IT's work with business goals, strong collaboration capabilities and visibility into how their resources are being used.

So what?

\$4.91 million

Average annual revenue loss due to engineers not focusing on business critical tasks

Vendor Evaluation Process

The research shows that this is a fast changing market and in order to address their key challenges organizations need to look beyond traditional technology "buckets" and a "one-size-fits-all" approach when evaluating solutions for managing IT performance. However, the study is vendor agnostic and this report provides additional analysis of how technology vendors align with key user requirements for managing IT Performance

The key goal of this vendor analysis is to help end-user organizations understand what solution is the best fit for their specific needs.

58%

Listed "situational alignment" (technology environment, pain points, use cases, etc.) as the top criteria for selecting IT performance management solutions

Average increase in complexity of IT systems over last 24 months.

3.2X

\$634k

Average revenue lost per month due to application slowdowns

01

Evaluation

Vendors' are evaluated based on the alignment of key user requirements and challenges (as reported in the market study) with their core strengths and capabilities..

02

Scale

Vendors' capabilities are evaluated on a 5-point scale. 5 - "Leader", 4 - "Strong", 3 - "Average/Adequate", 2 - "Below Average", 1 - "Not offered or partially addressed".

03

Competition

Even though they are all addressing similar challenges, the majority of analyzed vendors are not direct competitors

Catchpoint's alignment with key user requirements

Catchpoint's platform enables a unique approach to Observability by bringing together visibility into user experience, network and applications. The company's global observability network allows organizations to address the key ongoing challenge for managing IT performance – proactively prevent performance issues before users are impacted.

Catchpoint's key differentiator is that it enables two key missing elements for true Observability: 1) managing digital experiences; 2) providing business context around IT performance.

In addition to the 8 areas listed, Catchpoint' capabilities are well aligned with user requirements in nearly all other 14 key areas identified in the study.

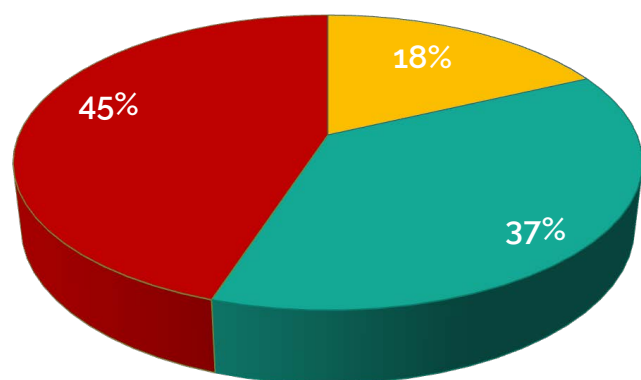
Area	Capabilities / Challenges / Requirements	% of organizations	Vendor's effectiveness
Enabling unique customer experiences	Unified management of digital delivery chain	66%	Leader
Enabling a cloud native journey	Lack of centralized management for both legacy and cloud native	60%	Leader
Managing Innovation	Lack of visibility into user experience	71%	Leader
Balance between speed and reliability	Releases and changes that are not measured from user's perspective	61%	Leader
Changing the importance and definition of "Visibility"	Need to monitor and analyze new areas and domains	45%	Leader
Everything in the business context	Visibility into application delivery chain in the business context	63%	Leader
Impact of change	Inability to measure change impact on user experience as a key challenge	77%	Leader
Focus on high-value work	Access to actionable data and insights as a key challenge	61%	Leader

Research demographics

This study includes insights from 3,318 organizations

Company size

■ Small (1-100) ■ Medium (101-1,000) ■ Large (1,000+)



Geography

- ✓ 60% North America (incl. Canada and NZ)
- ✓ 26% EMEA
- ✓ 12% APAC (incl. Australia and New Zealand)
- ✓ 2% Other

Job Role

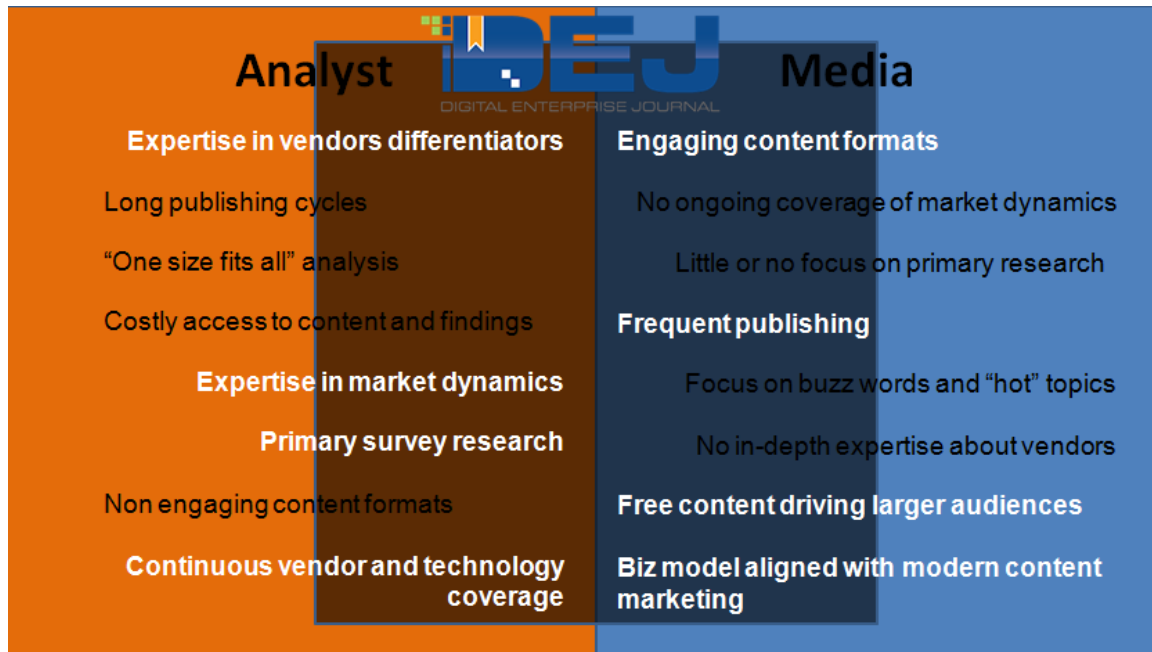
- ✓ 16% VP and Director of IT
- ✓ 13% DevOps / SRE
- ✓ 12% LoB / business management
- ✓ 12% General IT Operations
- ✓ 10% Application / software development / QA
- ✓ 7% c-Level executives
- ✓ 6% System administrator

Industry

- ✓ 14% Technology
- ✓ 12% Business services
- ✓ 12% Finance/Banking/Insurance
- ✓ 9% Healthcare
- ✓ 8% Retail/eCommerce
- ✓ 7% Telecommunications/MSP
- ✓ 6% Public sector / education / non-profit
- ✓ 34% Other

About Digital Enterprise Journal

Bringing together the most advanced concepts from analyst research and media industries



Key Differentiators

Focus on business outcomes

Methodology framework that is using a multi step approach to connect vendor's differentiators with business outcomes

User Insight Platform

Ongoing, personalized approach for research data collection and analysis

Business Model

Ability to continuously leverage up-to-date research in each stage of the buying cycle & sales funnel

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