



Digital Transformation Investment Set to Increase by 46% Over the Next 12 Months, Couchbase Research Finds

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Digital transformation projects show increasing improvements, but enterprises still wasted on average \$4.12 million on failed, delayed or scaled-back projects

SANTA CLARA, Calif., May 10, 2022 /PRNewswire/ -- [Couchbase, Inc.](#) (NASDAQ: BASE), provider of a leading modern database for enterprise applications, today released the results of its fifth annual survey on enterprise digital transformation. The global survey of 650 IT leaders¹ found that, despite the challenges of the last two years, enterprises have made significant progress. Seventy-nine percent of enterprises have made significant, transformative or even revolutionary improvements to the end user experience through digital transformation over the past year, compared to 73% in 2019 and 72% in 2020. And the outlook is optimistic – on average, enterprises plan to increase their investment in digital transformation by 46% over the next 12 months.



However, enterprises still need to be aware of digital transformation challenges. Eighty-one percent of enterprises had digital transformation projects fail, suffer delays or be scaled back in the past year, at an average cost of \$4.12 million. A further 82% were prevented from pursuing digital transformation projects that they wanted to implement due to factors such as a lack of resources or funds (reported by 26%), a lack of skills to deliver the project (24%) or the complexity of implementing technologies (23%).

The consequences of these failed or missed projects can be more than wasted funds. Fifty-five percent of enterprises that suffered issues with their digital transformation projects had to delay their strategic goals by three months or more, or reset them completely. Other potential consequences of failing to keep pace identified by respondents include losing valuable staff to more innovative competitors – whether in IT (41%) or other areas of the business (40%); struggling to secure finance or undergo a successful IPO (31%); or going out of business or being absorbed by a competitor (26%).

"The progress in organizations' digital transformation ambitions over the past 12 months is clear, and there's a bright future ahead," said Ravi Mayuram, chief technology officer at Couchbase. "Ideally we'll now begin to see enterprises putting into practice projects and ideas that weren't previously considered possible. For this to become reality, organizations need to learn the lessons of the last two years and address the challenges they face, or a large proportion of that 46% increase in investment may be wasted, too. IT teams need support from across the business, together with the resources they need, and the right skills and technology to succeed. From embracing the cloud, to making the best use of data, enterprises that can make use of new technologies will be best placed to thrive."

Lessons Learned

The past two years have had a transformative impact on IT teams. Ninety-five percent of respondents have implemented or investigated digital transformation opportunities that would not have been realistic at the end of 2019 – from hybrid working (nearly 47%) to moving to the cloud (46%), replacing legacy technology and processes (42%), changing the way the business operates (36%) and creating new business offerings (35%). Other findings included:

- **99% of enterprises say they learned lessons from the pandemic:** including the importance of supporting remote and hybrid working (45%); the need for continuous investment and research in digital transformation technologies (41%); and how to better engage the wider business in digital transformation strategy (34%).
- **Investment priorities are shifting compared to 2019:** While security is still the top priority for enterprises, and hybrid working received an understandable boost, modernizing existing technology has fallen as a priority, while adopting new technologies has grown – suggesting enterprises recognize they need completely new, modern tools in order to face the future.
- **Ways of working have changed:** 88% of respondents say their digital transformation goals have fundamentally changed over the last two years; 95% have accelerated their application modernization strategies; 90% have changed the way they budget for digital transformation; and 93% say digital transformation projects over the last two years represent permanent changes to the way their business's way of operating or working.
- **End users are the focus:** 88% of respondents said their digital transformation projects had been driven more by changes in user behavior than by creating new business opportunities.

"This is an exciting time for the IT industry. We are entering a period of extreme creativity, as organizations shift from digital transformation driven by reacting to outside events, such as the pandemic or competitors' progress, to a more proactive approach driven by ideas from within the business,"

continued Ravi Mayuram. "For this new creativity to work, it needs to be driven from the top. Digital transformation shouldn't only be aligned to strategic goals. As a transformative business asset it needs to be the responsibility of, and driven by, the whole C-suite, rather than left solely in IT's hands. If businesses can do this and put the lessons they learned from the last two years into practice, then the future looks very bright indeed."

Read the full Couchbase report [here](#).

About Couchbase

At Couchbase, we believe data is at the heart of the enterprise. We empower developers and architects to build, deploy, and run their most mission-critical applications. Couchbase delivers a high-performance, flexible and scalable modern database that runs across the data center and any cloud. Many of the world's largest enterprises rely on Couchbase to power the core applications their businesses depend on. For more information, visit www.couchbase.com.

¹ Methodology: An online survey was conducted in February - April 2022 by Vanson Bourne, an independent market research organization, of 650 heads of digital transformation, such as CIOs, CDOs and CTOs, in organizations with 1,000 employees or more in the US, UK, France, Germany, Spain, Italy, Turkey and Israel.

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