NTT

INSIGHTS
DRIVEN BY DATA

Key findings

2022–23 Global Network Report

Enable the connected future through smarter networks

97% of CIOs and CTOs agree that **networks are vital** for enabling outcomes related to business growth

but

of CEOs say a lack of network maturity is **negatively affecting their business delivery** **70%**

1 Network and digital transformation

Networks are the engine for enabling business growth

Most executives agree that technological investment and progress will be instrumental to the success of their organization.

97%
of CIOs/CTOs agree that networks are vital for enabling outcomes related to business growth

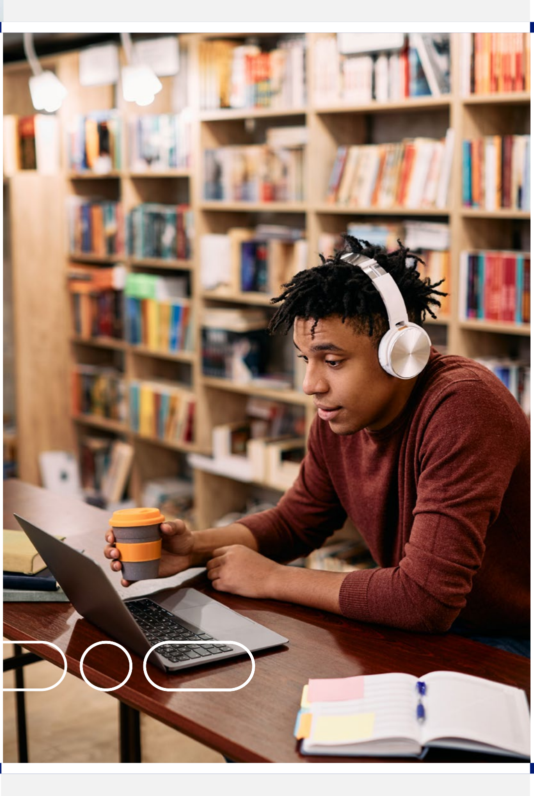
and

70%
increased their IT spend (as a % of revenue); nearly two-thirds increased their network spend (as a % of IT spend)

2 Business and network strategy

There is a deepening disconnect between business strategies and network capabilities

94% agree cloud-based workloads demand greater availability, scale and performance from the network.



Almost half
fully align their business strategy with their technology, security, network and/or managed services strategies

and

70%
cite a lack of collaboration between their IT and business functions as the key reason for this disconnect

3 Technology trends driving change

Organizations need to keep pace to stay relevant

The network landscape is changing and many solutions that are now in play for a minority of organizations will become standard.

>95%
of C-suite executives confirm they will invest in **modernizing their networks**, with around 6 in 10 already using the latest technologies*

but

94%
say business demands for increased speed, agility and innovation are driving new operating models.

* Including cloud-managed networks, private 5G, and artificial intelligence and machine learning (AI/ML).

4 Network management

Most organizations are not fully satisfied with their current network capability and prefer to outsource

Most struggle to find the right partner, and the results indicate a level of disgruntlement with current arrangements.

86%
currently **buy in silos** or **from an incumbent** and **cite budget constraints** and **restrictive vendor practices** as the main pain points

Looking ahead

88%
say they would prefer to **outsource the end-to-end network to a single partner**, with a preference for the **network-as-a-service** model, citing **flexibility** as their top motivation.

5 Future of the network

Network dependency is expected to grow and shift to new trends for smarter networks in the coming two years

Performance analytics, software automation and capacity optimization are the top three enablers that will have a big impact on network delivery by 2025 and beyond.

90%
require investment in AIOps, automation and improved analytics to further optimize their network operations

with

95%
willing to move to a centrally managed network (off- or near-shore), and >90% comfortable with platform-based services.

The likelihood and depth of outsourcing increases as digital optimization capabilities advance

72%
of top performers already **outsource more than half of their network** infrastructure

4 in 5
organizations are **outsourcing or will outsource each network technology** within the next two years

Those in an advanced state of network maturity are nearly twice as likely to outsource their entire network than those in a less mature state.

Top-performing organizations* have not only executed most of these priorities effectively but are also **ahead of the curve compared with others**

89% have **aligned their business strategy** with their network/technology goals, versus only 48% of others

>89% are accelerating their investment in **digital transformation**, versus 53% of others

Two-thirds **have implemented leading technologies** (including cloud-managed networks, private 5G and AI/ML) versus less than half of others

Almost three-quarters are outsourcing their network management and/or plan to fully outsource to a managed service provider in the next two years

*Categorized as: >10% year-on-year revenue growth (last FY); >15% operating profit margin (last FY)

The network is the platform for digital transformation that enables an organization's business and future growth

Act fast to future-proof your network

- Unite business and IT goals to achieve your desired return on investment
- Invest in a partner that moves you away from your legacy network assets and helps you stay ahead
- Move to a network-as-a-service model for greater flexibility

NTT can help you transform to reach new frontiers and build resilience for the future

We're able to adapt quickly to business demands. Our networking capabilities can complement your existing infrastructure services and technologies to help sharpen your competitive edge.

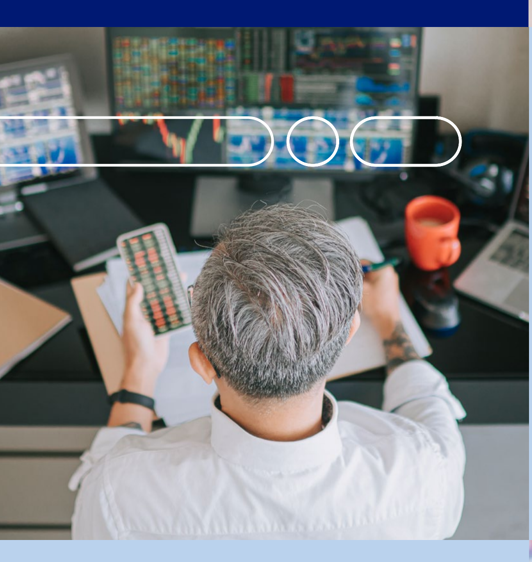
Top 5 insights

1 Network and digital transformation

93% recognize the organization's most pressing business and digital transformation challenges can be linked to and directly impacted by the network, and **9 in 10 top performers** strongly agree that they are increasing their network investment to support digital

2 Business and network strategy

94% agree cloud-based workloads demand greater availability, scale and performance from the network, yet approximately 50% are still to align their technology/network strategy to their business goals.



3 Technology trends driving change

> 80% have implemented or are planning to implement technologies such as cloud-based network management, AIOps and Private 5G, yet **7 in 10 struggle to keep up with the pace because of rising technical debt and a lack of expertise.**

4 Network management

89% of IT executives have operational concerns about running complex, intelligent networks while complying with security and regulatory requirements; **88% prefer to outsource to a single strategic partner.**

5 Future of the network

90% of senior executives believe ICT innovations like AIOps, automation and predictive analytics will have a huge impact on network delivery and **need to be invested in now for the network of 2025 and beyond.**

Join the conversation

Get the
2022–23 Global Network Report

Research based on extensive interviews (1,378 participants; 21 countries) to investigate the critical challenges faced by organizations today in preparation for a resilient future tomorrow.