riverbed®

Global AI & Digital Experience Survey 2024

1,200 leaders share their views on AI, including its adoption curve, business potential, challenges, and relevance to IT services and digital experience.

Executive Summary

Businesses around the world are set to transform as they adopt AI. In 2024, organizations recognize that the technology's potential is impressive.

However, the challenge is to move beyond the early stages of adoption and implement effective AI at scale, including for IT departments that are striving to deliver on the digital experience for employees and customers, and improve IT operations.

To understand how AI is helping enterprises and IT leaders flourish, and the challenges involved in deploying the technology, Riverbed commissioned a global survey. Our research found that while many organizations perceive themselves to be ahead of the AI curve, the reality may be somewhat different. In fact, the majority anticipate a three-year journey before they see the full rewards and benefits of AI adoption. Furthermore, many are experiencing challenges around data quality, implementation, and security in relation to AI.

Leaders are questioning how they can make AI work for them, and are looking for practical AI approaches and solutions to support their AI strategy and goals.

However, some organizations are doing better than others. High performers (growth companies) are more likely to foresee and overcome these obstacles. These more successful organizations are also deploying AI to improve user experience and IT services, aiming to increase efficiency and employee satisfaction.

The Riverbed Global AI & Digital Experience Survey was conducted by Coleman Parkes Research in June 2024. It polled 1,200 IT, business, and public sector decision-makers across sever countries (Australia, France, Germany, Saudi Arabia, Spain, UK and the U.S.), all with over $250 million in annual revenue (over $500 million in the U.S., UK, and France). Their industries include manufacturing, financial services, retail, government and public sector, healthcare providers, energy and utilities, and transport and airlines.

Key Findings

Organizations recognize the benefits offered by AI adoption.
Organizations understand that there is a link between high business performance and the strategic adoption of AI. Ninety-four percent say that AI is a key focus for the C-suite, with adoption led by those at the very top. Additionally, AI is being used by almost all IT departments and the majority of leaders are using it to deliver a better digital experience for end users.

Optimism about AI is high, especially for younger employees.
Six in 10 organizations across the globe (59%) feel positive about AI, while only 4% are skeptical. Younger generations are perceived by decision-makers to have a high comfort level with AI utilization. When leaders were asked which generation was most comfortable with AI, Gen Z topped the list at 52% followed by Millennials (39%). In the US, Millennials are more often seen as AI natives (47% vs. 40% Gen Z).

Leaders can be overconfident when it comes to AI.
Respondents are confident about their AI implementation: the majority (82%) believe that they are ahead of their industry peers. This gap between perception and reality for many suggests that organizations should focus on their AI strategy and implementation, while keeping a closer eye on what their peers are actually doing.

Most organizations are still in the early stages of their AI journey.
While AI is viewed as critical to business and government, only 37% of organizations say they are fully prepared to implement AI projects now. However, 86% expect to be fully prepared in three years' time. Currently, 54% of leaders say the primary reason their organization is using AI is to drive operational efficiencies, and 46% say to drive growth. When respondents are asked to predict AI usage in 2027, those numbers flip: 42% say the primary reason they will be using AI is to drive operational efficiencies and 58% to drive growth.

Decision-makers are concerned data issues are impacting AI success.
Nearly one in four AI projects (23%) are underperforming in relation to company goals, perhaps due to data issues. And while nearly all leaders (85%) say great data is critical for great AI, 42% mention that lack of high-quality internal data on which to train AI systems will prevent them from investing more in AI. 76% of IT, business, and public sector decision-makers are concerned about using synthetic data (rather than real data) for AI. Security is also an anxiety. Many (76%) are worried about AI accessing their proprietary data in the public domain due to their organization using AI.

High performers are using AI to improve digital experience and deliver IT services.
High performers[1] are more likely than low performers (67% vs. 45%) to already be using AI and automation to improve the Digital Employee Experience (DEX). They're also more likely to have implemented AI extremely successfully in their IT services (49% vs. 30% low performers). Increasingly, business and IT decision-makers trust AI to drive major automation projects. Respondents are more likely to trust automating a major IT upgrade (61%) than in sitting in the back seat of a driverless car in a city (39%).

[1] We grouped our survey respondents according to their average increase or decrease in revenue over the past three years. High performers are those with an average change of 10.5% or more. Moderate performers are those with an average change of 0.5% to 10.5%. Low performers are those with an average change in revenue over the three years of -12% up to 0.5%.

AI Offers a Major Competitive Advantage

Across the globe, organizations recognize that AI is a game changing technology, offering significant performance benefits to almost everyone, if properly implemented. In our study, respondents said their organizations on average spent $14.7 million on AI initiatives as a whole, and $8.5 million on IT services specifically, in the last financial year. Nearly every leader surveyed said that AI was either a key strategic priority (66%) or at least moderately important (33%). Additionally, 94% of organizations say AI is a key focus for the C-Suite.

Our research shows a link between AI adoption and business success. We grouped our survey respondents according to their average increase or decrease in revenue over the past three years. High performers are those with an average increase of 10.5% or more. Moderate performers are those with an average increase of 0.5% to 10.5%. Low performers are those with an average change in revenue over the three years of -12% up to 0.5%.

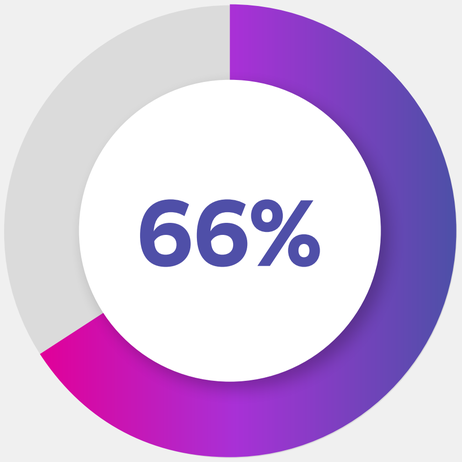
We found that high performers, or growth companies, are prioritizing AI, with significantly more reporting AI as a key strategic priority across their organization compared to low performers (74% vs. 56%).

Leaders recognize that successful AI adoption has a positive impact on performance. For this reason, AI has become a major preoccupation for organizations. And organizations are in an AI sprint, as the majority of IT, business, and public sector decision-makers (91%) are concerned (23% are extremely concerned) that their competitors will have an advantage if they are ahead of them in their AI implementation.

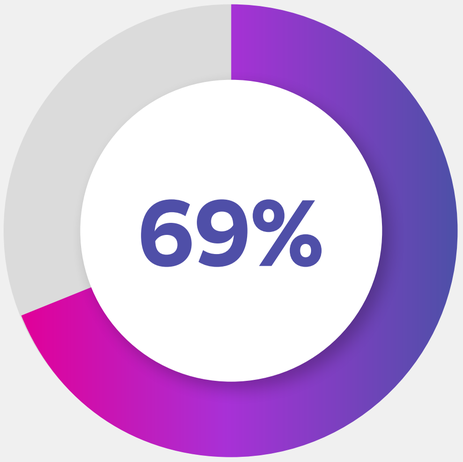
94%

AI is a key focus for the C-suite, with adoption led by those at the very top.

AI is a Key Strategic Priority



AI is considered a **key strategic priority** for their organization as a whole; an additional 33% say it's at least moderately important.



AI is considered a **key strategic priority** across their IT services; an additional 31% say it's at least moderately important.

Our research found that **IT departments** are ahead of the curve where AI is concerned. The technology is understood to be a key tool for success. Most IT, business, and public sector decision-makers say that their organization has moved past the stage of assessing and experimenting with AI. The majority, almost two-thirds (65%), say they are at the stage of **accelerating** their AI use: deploying AI in their operations, and investing in infrastructure and talent. Less than a quarter (23%) have reached the final stages of AI usage: **transforming.**

Additionally, the majority of organizations are using AI to address **user experience** specifically. (See Using AI to Improve User Experience and Deliver IT Services).

94% Of respondents agree that AI will help them deliver a better digital experience for employees and end users.

Most IT, business, and public sector decision-makers say that their organization has moved past the stage of assessing and experimenting with AI, and are in the accelerating or transforming stage.

23%
Transforming – AI is fully integrated into business processes and drives strategic decision making across the organization

65%
Accelerating – Deploying AI into broader operational use, with growing investment in infrastructure and talent

9%
Experimenting – Running pilot projects or proofs of concept to validate AI use cases

3%
Exploring – Investigating potential AI applications and assessing strategic fit

Trust in AI is High, Especially Among the Young

Global sentiment around AI has become more positive over the past few years, as early adopters demonstrate the benefits it can bring. Currently, six in 10 organizations across the globe (59%) feel positive about AI, and 37% are neutral. Only 4% feel skeptical. Among those we surveyed, there is some variation by country: positive sentiment is highest in Saudi Arabia (68%) while skepticism is highest in Spain (11%).

Around the world, the generation of employees who are perceived as being most comfortable using AI is Gen Z (52%) followed by Millennials (39%). However, in the US, Millennials are more often seen as AI natives (47% vs. 40% Gen Z).

Younger generations have a high comfort level with AI utilization. Gen Z have grown up accustomed to a wealth of digital possibilities, and Millennials have seen their lives changed by digital technologies. Many Millennials are now transforming the workplace as managers and leaders. In contrast, those with more experience in the workplace can feel more uncertainty about new ways of working.

Last year's Riverbed survey found that Gen Z and Millennials have the highest expectations of Digital Employee Experience (DEX). This is prompting organizations to invest in DEX, both to prevent reputational damage and to attract and retain this segment of their workforce. Similarly, these generations expect that businesses will deploy AI, including in relation to user experience and IT services.

Leaders say younger generation employees are most comfortable with AI in the workplace

52%
Generation Z

39%
Millennials

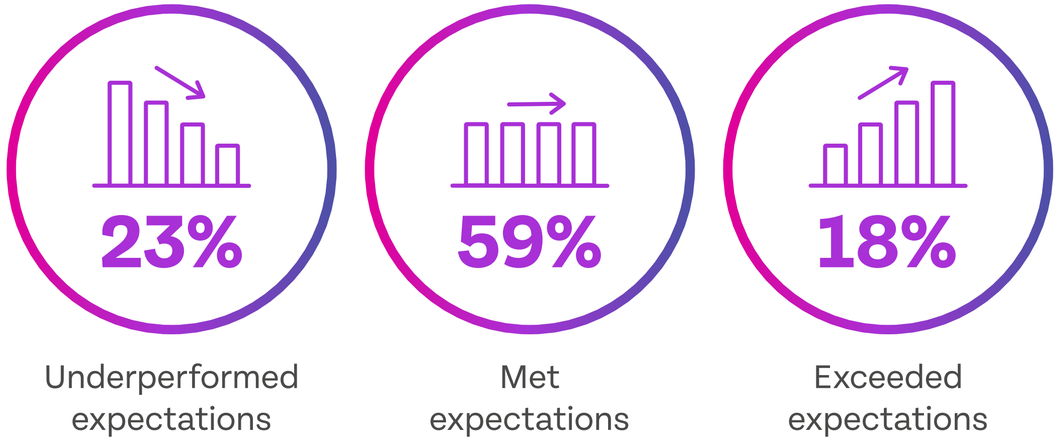
8%
Generation X

1%
Baby Boomers

Barriers to AI Success

Organizations recognize the extraordinary transformative potential of AI, including for digital experience and IT operations. But in the present moment, the majority are struggling to bridge the gap between AI hype and successful implementation of the technology in the real world. Organizations are anxious and most are often underprepared. Leaders are questioning how they can make AI work for them.

When asked how AI projects have performed in relation to their goals, business and IT decision-makers report that almost a quarter (23%) underperformed. In 59% of cases, expectations were met, and less than one in five projects (18%) exceeded expectations.



Underperformed expectations

Met expectations

Exceeded expectations

Reality Gap: majority of organizations believe they are ahead of their industry peers in AI adoption for IT operations

82%

Believe they are adopting AI either slightly or significantly ahead of their peers

Despite AI enthusiasm, our research shows three major gaps that organizations much overcome to realize the full potential of AI: a reality gap in self-perception, a readiness gap in AI implementation, and a gap in data preparedness.

We found that the majority of respondents (82%) believe that they are ahead of their industry peers when it comes to AI adoption for IT services and delivering on the digital experience. Of the 82%, 52% say their use of AI is slightly ahead of the competition and 30% say their use of AI is significantly ahead of their peers.

This gap between perception and reality indicates that many are overconfident about where their IT function is on their AI journey. It's important for organizations to be realistic about their achievements in the context of their peers by keeping an eye on what competitors are doing, and focusing on their own AI strategy and execution.

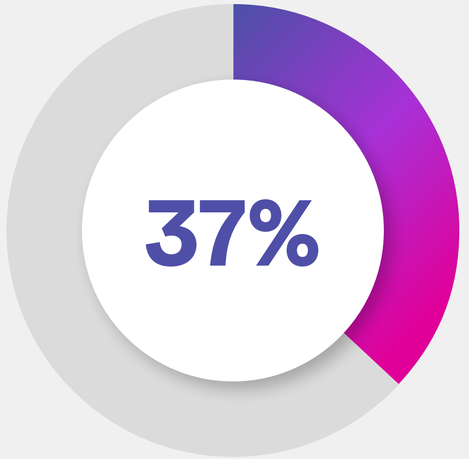
The most confident sector was the financial services sector, in which 85% believe they are ahead of their peers in the use of AI for IT operations and the digital experience, including 38% who say they are significantly ahead.

A Readiness Gap in Implementation: The 2027 Turning-point

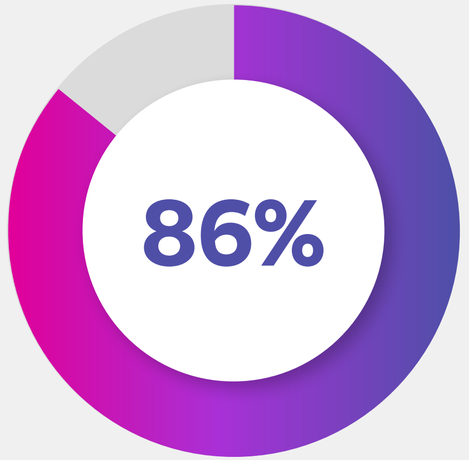
We're at a critical moment in the growth of AI. The possibilities of the technology – improved efficiency, accuracy, and decision-making – are viable and on the horizon for organizations worldwide. Nevertheless, it's important to note that most organizations are still in the early stages of their AI journey. On average, respondents report that they have used AI for about four years.

However, we're seeing a readiness gap in implementation. Right now, only 37% of leaders say their organizations are fully prepared to implement AI projects. Additionally, 72% say with AI still maturing, it's been challenging to implement AI that works and scales. Our research shows that the next three years will be a period of rapid expansion for AI, as 86% expect to be fully prepared by 2027.

Most leaders say their organizations are not fully prepared to implement AI projects currently



Consider their organization to be fully prepared implement its AI strategy currently.



Expect their organizations to be fully prepared to implement their AI strategy in 3 years' time.

To address readiness and further drive AI initiatives, organizations are currently forming dedicated teams for AI and/or observability

45% Have formed a new department or team dedicated to user experience and/or observability.

57% Have formed a new department or team dedicated to AI.

92% Have formed a new department or team dedicated to either one of these or both.

Today, 54% say the primary reason for implementing AI is to drive operational efficiencies and 46% say to drive growth. However by 2027 this flips: nearly six in 10 say the primary reason they will be using AI is to drive growth, and 42% say for operational efficiencies.

Organizations are predicting a shift from using AI to drive operational efficiencies to growth

Primary reason for implementing AI

Currently

54% Drive operational efficiencies

46% Drive growth

In 3 years' time

42% Drive operational efficiencies

58% Drive growth

Data is Critical for Great AI – But a Gap in Data-preparedness Exists

Many of the key obstacles to AI success for the organizations we surveyed relate to data issues. Organizations want to address several issues relating to data; including its accuracy and completeness, the use of real rather than synthetic data, and security concerns.

Accuracy and completeness of data

85%

Most decision-makers (85%) agree that data accuracy and completeness is critical to high-quality AI.

However, companies don't rate their own data very highly. Only four in 10 rate their data as excellent for quantity and completeness (43%) and accuracy and integrity (40%). In the financial services sector, only 36% rate their data as excellent for quantity and completeness and 34% for accuracy and integrity.

34%

Only about one-third of organizations rate their data as excellent for consistency and standardization (34%).

Additionally, 69% of leaders are concerned about the effectiveness of their organization's data for AI usage. These data quality issues are impacting strategic planning where AI is concerned. Forty-two percent of respondents mention that lack of availability of high-quality and accurate internal data to train AI systems on will hold them back from investing more in the technology.

There is a link between high performance and data quality. High performers are more likely to be fully confident in the accuracy and completeness of their data to deliver the right AI outcomes compared to low performers (53% vs. 28%).

Use of real vs. synthetic data

Additionally, business and IT decision-makers believe that using real data, rather than synthetic or sample data, is crucial to the successful deployment of AI for IT and digital services.

86%

Report using real data rather than synthetic data is critical to their efforts to deliver and improve IT services and the digital experience.

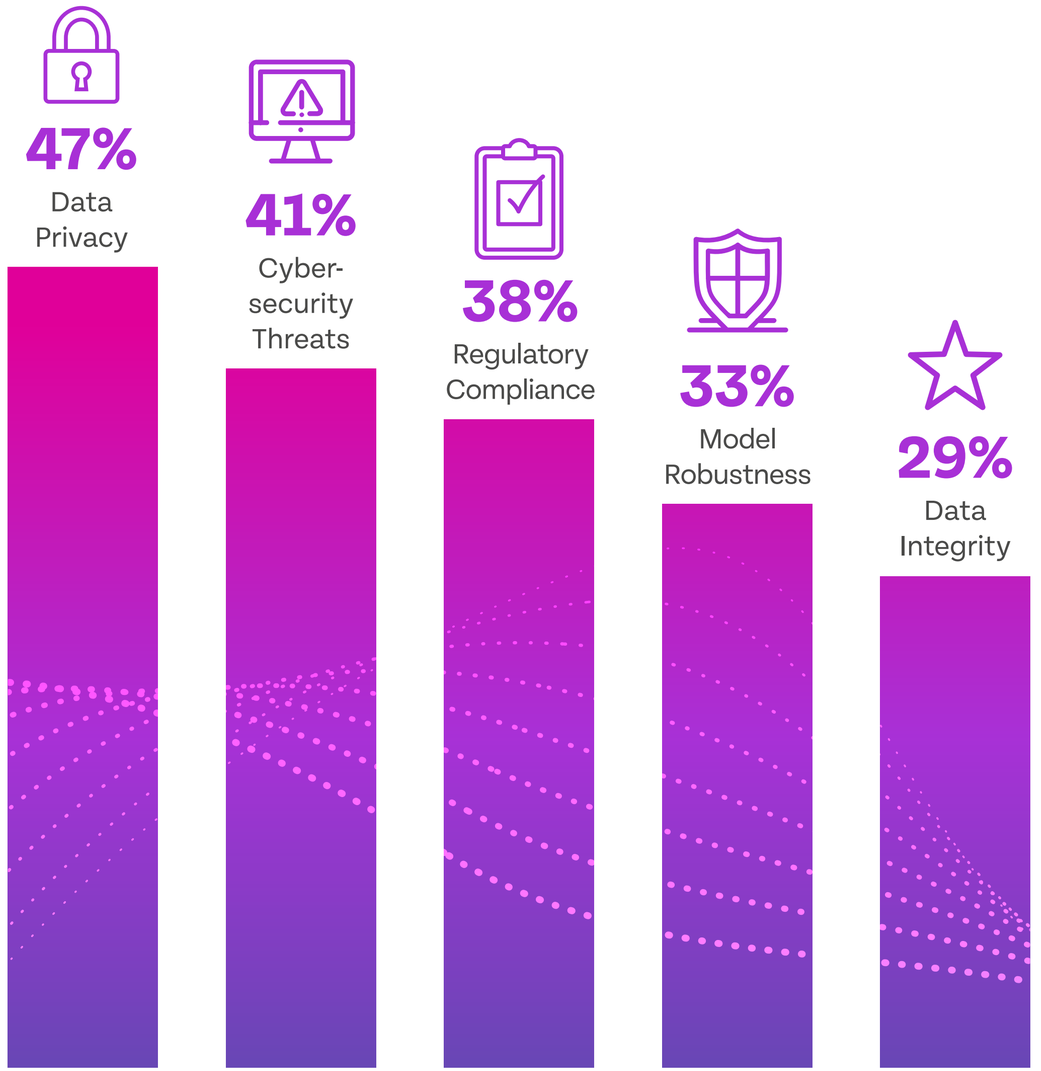
This is because synthetic data can introduce or reinforce biases in AI models and may not capture rare or critical nuances found in real-world data. Seventy-six percent of organizations say that they are concerned about the use of synthetic data (versus real data) for AI and machine learning.

Security concerns around data

In a world in which cyberattacks are widespread, organizations are concerned about becoming a target. A security breach could potentially halt their operations, impact their reputation, and have a disastrous effect on their bottom line. For this reason, two of the top five factors holding decision-makers back from investing more in AI relate to cybersecurity.

43% Will not invest more in AI because of cybersecurity risks. Additionally, 36% will not invest more because of regulatory and compliance concerns.

There are a variety of concerns around data security for companies implementing AI technologies and systems, with data privacy ranked top.

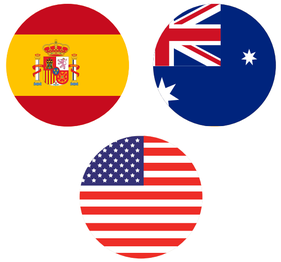


Main concerns surrounding data security
Top 5 answers

Some security concerns are more prevalent in specific regions, including data privacy in Germany (50%) and cybersecurity in Spain (48%).

76%

Are concerned about their proprietary data being accessible in the public domain (due to their organization using AI).



Decision-makers in Spain (85%), Australia (79%) and the US (78%) are especially concerned about AI leaving them vulnerable to breaches of their proprietary data.

Observability

Many companies want to address data issues across their IT infrastructure and digital services by improving observability. Improving observability allows IT teams to gain deeper insights across the entire IT landscape, helping them deliver better user experiences and optimize IT operations. Organizations are increasingly seeking observability solutions that provide comprehensive data coverage, including traditionally overlooked areas like mobility, public cloud, remote work, environments and Zero Trust architectures. By addressing data issues across their IT infrastructure and digital services, many companies are finding that enhanced visibility tools can also support advanced capabilities like AI model training.

Observability is important to an organization's AI efforts to deliver and improve IT operations and the digital experience.

We asked leaders whether various observability capabilities are either extremely or moderately important to their AIOps efforts, and for overcoming network blind spots.

- **84%** A platform for AI observability versus point products that you integrate into your own solution
- **84%** Observability across all elements of IT (infrastructure, cloud, mobile, etc.) in your AIOps strategy
- **83%** Observability/visibility into public clouds
- **83%** Observability/visibility into work environments
- **82%** Observability/visibility into enterprise-owned mobile devices
- **82%** Observability/visibility into Zero Trust architectures

Using AI to Improve User Experience and Deliver IT Services

In our 2023 survey, we found that Digital Employee Experience (DEX) is a critical focus for the modern workplace. 63% of leaders reported that failing to meet the digital experience demands of younger generations would be disruptive to their organization. In fact, 68% stated that Millennials and Gen Z employees would consider leaving the company if these needs were not met. Today, AI can play a critical role in DEX.

94% Of respondents agree that AI will help them deliver a better digital experience for end users.

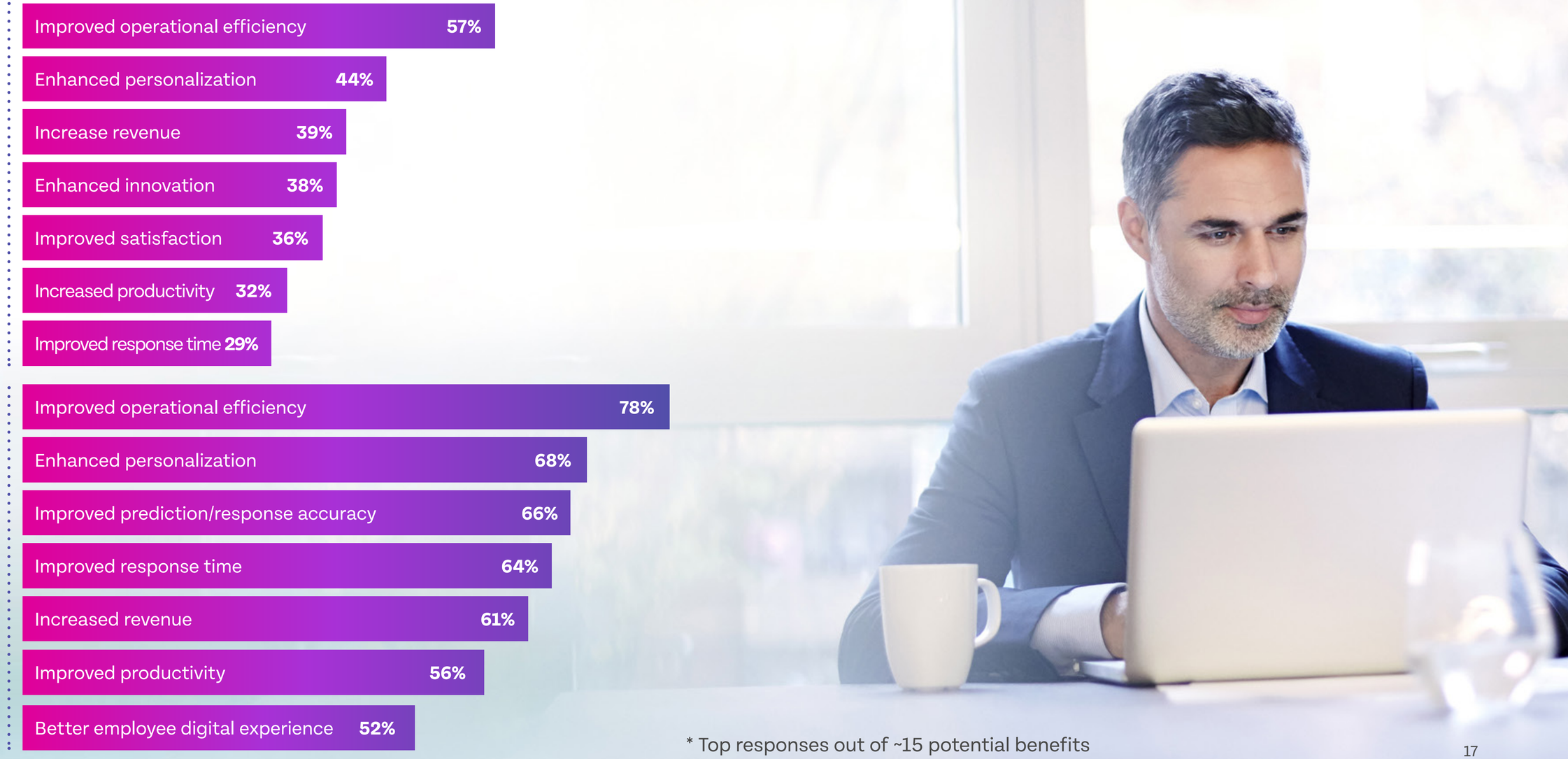
Many high-performing organizations use AI to ensure they can deliver on DEX, retain digital-savvy employees and attract new hires.

Across all our respondents, our survey shows that decision-makers are deploying different AI capabilities to improve digital user experience. 85% say AI-driven **analytics** improve user experience, while 86% say AI **automation** is important to improve IT efficiency and deliver an improved digital experience for end users.

All respondents surveyed expect to use, test or begin ideation for Generative AI (the most hyped type of AI) for IT operations within 12-18 months. Currently, 33% are in the ideation phase for generative AI use cases, working on prototypes. Another 21% have completed prototypes for use of Generative AI and plan on taking a few use cases to production.

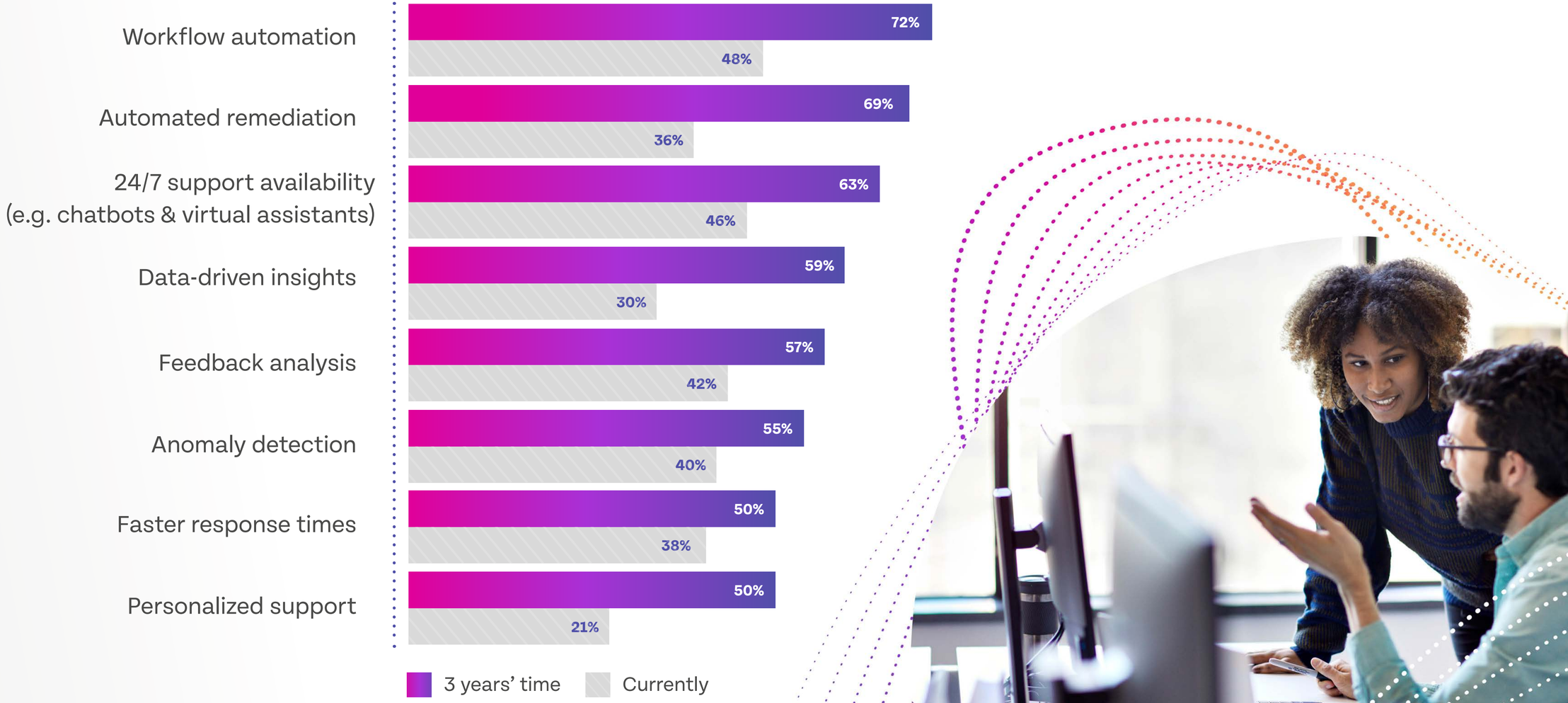
And 13% have put Generative AI use cases in production and plan on expanding usage. However, in 12-18 months, this will shift to more implementation, with 36% expecting to have use cases in production with plans to expand usage. These plans focus on enhancing user and customer experience, workflow optimization, innovation, automation, analysis, and security. And another 31% expect to have completed prototypes for use of Gen AI and plan on taking a few use cases to production.

Through the use of AI for IT operations, many organizations are seeing various benefits today, with more expected



* Top responses out of ~15 potential benefits

Leaders say these are the top ways AI is currently or expected (3 years' time) to be leveraged in IT operations to improve the digital employee experience



In particular, AI is a key tool for success in IT departments. Companies have used AI in IT services for slightly longer than in other departments: for 3.97 years (vs. 3.69 for the organization as a whole). IT services are also slightly ahead in their AI journey: 68% report that they are at the accelerating stage and 28% say they have arrived at a stage of AI transformation.

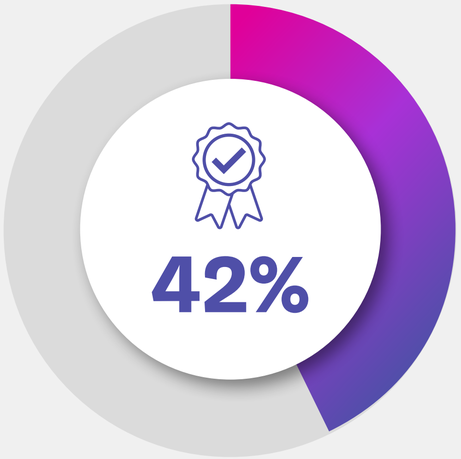
69%

Of respondents say that it is key strategic priority to leverage AI in IT services. Another 31% said AI is at least moderately important.

Even though most companies are still in transition, and have not yet completed their AI transformation, 42% report that AI implementation has been extremely successful in their organization's delivery of IT services to date. Another 54% said it's been moderately successful.

Across both digital experience and IT operations, many companies feel that their AI strategy is going well, with 52% saying they are very confident that their AI strategy is well-planned, fully comprehensive, and aligned with their business goals. Another 45% were only moderately confident in their AI strategy, with some room for improvement.

AI for the delivery of IT Services



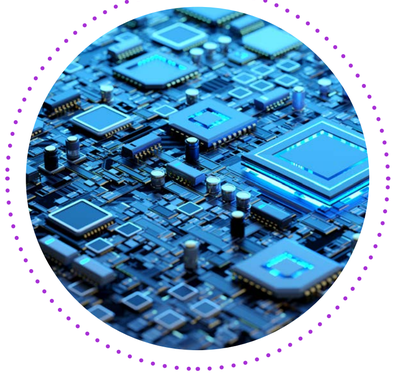
Believe their AI implementation into IT services has been **extremely successful**, and 56% say moderately successful.

In the wake of the global COVID pandemic, workplaces have gone through a major transition, with significant numbers of employees shifting to hybrid work. This change is linked to an increased reliance on the cloud. In the present moment, this has consequences for AI.

84% Of respondents report that the use of the cloud and remote work have increased the need for AI automation.

While AI is still maturing, leaders are still more likely to trust using AI to automate a major IT upgrade than sitting in the back seat of a driverless car in a city

61%



Automating a major IT upgrade

39%

Backseat of a driverless car in a city

AI Adoption in IT and Digital Experience is Linked to High Performance

As stated earlier, many organizations have formed new departments to focus on AI (57%) and user experience and observability (45%). They seem to be aware that there's a correlation between AI adoption in digital user experience and IT services and successful enterprise performance.

The success of AI adoption to address digital experience and deliver IT services becomes even clearer when we compare high performers and low performers. Not only are high performers further ahead than low performers with using AI for these purposes, they are also achieving more success.

Just over half of organizations are leveraging AI to its full capabilities to improve the employee's digital experience

58%
AI is being leveraged to its absolute full capabilities

39%
We could leverage AI more

3%
AI is not being leveraged enough

74%
Of **high performers** report that AI is a strategic priority (and 26% moderately important) vs. 56% for low performers (flat or declining revenue).

67%
Of **high performers** report AI is being leveraged to its absolute full capabilities to improve the user's digital experience vs. 45% of low performers.

49%
Of **high performer**s believe their AI implement for IT services has been extremely successful vs. 30% low performers; an additional 47% of high performers say AI implementation has been moderately successful.

Conclusion:
A Roadmap for AI Success

Our research highlights the transformative power of AI across industries worldwide, demonstrating the opportunities and challenges that decision-makers face. Here are several recommendations for organizations who want to optimize their use of AI to realize the full potential of the technology.

Enhance your AI strategy

Our research shows that high-performing organizations are ahead of the curve in developing their AI strategy. They are more likely to bring employees with them on their AI journey by providing extensive AI training (63% vs. 41% low performers). Companies should learn from their success by adopting best practices in AI strategy, training, and implementation.

Deploy AI to improve DEX and IT operations

Our research shows that 94% of organizations believe AI will improve the digital experience for end users. IT departments, in particular, are ahead in leveraging AI. Notably, high performers (high growth companies) are significantly ahead in using AI to improve digital employee experience and IT operations. Organizations should focus on using AI in DEX and IT operations to improve user productivity, employee morale and retention, and customer satisfaction.

Invest in data quality and observability

Data issues are a significant barrier to AI success, with only 43% rating their data quantity and completeness as excellent. We found that high performers are almost twice as likely to be fully confident in the accuracy and completeness of their data to be able to deliver the right AI outcomes. It's critical to invest in strong data foundations to enhance your AI decision-making and outcomes (including using real versus synthetic data), and to leverage observability solutions that are comprehensive and provide visibility into network blind spots.

Use AI to drive growth

We found that currently, 54% of organizations use AI primarily for operational efficiencies, but by 2027, 58% plan to use AI primarily to drive growth. As your AI use matures, it's important to innovate and expand your use of the technology.

Implement AI governance frameworks

76% of respondents are concerned about AI's impact on data security and privacy. Companies need to address these concerns by implementing robust AI governance frameworks that prioritize security and compliance.

Draw on insights from Gen Z and Millennials

We found that these younger, digitally literate generations are displaying high comfort levels with AI, as decision-makers perceive them to be more adept at using the technology. Organizations should incorporate insights from Gen Z and Millennials into AI strategy and focus on improving the digital experience to retain top talent.

Riverbed – Delivering Practical AI to Optimize Digital Experiences and IT Operations

Riverbed is helping organizations globally improve user experiences and IT operations. With extensive experience in data collection and AI and Machine Learning, Riverbed's AI is safe, secure and accurate, and supports AIOps and digital experience efforts.

The new Riverbed Platform provides open full-stack observability (using real data), enabling customers to optimize digital experiences by using AI to prevent, identify, and resolve IT issues. The Riverbed Platform consists of leading Unified Observability and Acceleration solutions.

Unified Observability: Riverbed collects the broadest range of telemetry across the modern IT landscape, with observability spanning: networks, infrastructure, digital experience, devices, apps, and with NPM+ and Aternity Mobile, visibility into blinds spots including Zero Trust architectures, public cloud, remote work and enterprise-owned mobile devices. Riverbed's SaaS-based observability solutions are available on the Riverbed Unified Agent. Riverbed IQ 2.0, an AIOps solution, utilizes AI-driven correlation and automation to rapidly identify and remediate issues fast, including without human intervention.

Application Acceleration: Riverbed offers industry-leading Acceleration solutions that provide fast, agile, secure acceleration of any app, over any network, to users anywhere. With Riverbed Acceleration solutions, customers can take action based on insights from the observability tools. Riverbed Acceleration solutions include: Riverbed SteelHead, Cloud Accelerator, Client Accelerator, and SaaS Accelerator.

About Riverbed

Riverbed, the leader in AI observability, helps organizations optimize their user's experiences by leveraging AI automation for the prevention, identification, and resolution of IT issues. With over 20 years of experience in data collection and AI and machine learning, Riverbed's open and AI-powered observability platform and solutions optimize digital experiences and greatly improves IT efficiency. Riverbed also offers industry-leading Acceleration solutions that provide fast, agile, secure acceleration of any app, over any network, to users anywhere. Together with our thousands of market-leading customers globally – including 95% of the *FORTUNE* 100 – we are empowering next-generation digital experiences. Learn more at riverbed.com

About Coleman Parkes

Coleman Parkes is a full-service B2B market research agency specializing in IT/technology studies, targeting senior decision makers in SMB to large enterprises across multiple sectors globally. For more information, contact IanBeston@coleman-parkes.co.uk

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