

REDEFINE YOUR COMPETITIVE EDGE

Microsoft Study

Fact Sheet

About the Study

On Wednesday, November 18, 2015, Microsoft Canada revealed the results of a new study on Canadian businesses' use and adoption of technology with an emphasis on perceptions and behaviours of senior decision makers across Enterprise and SMB verticals. Building on the results of last year's study, many interesting insights and correlations are evident within this year's data. Among those sampled were executives representing a range of sectors, including financial and professional services, retail, oil and gas, construction and telecommunications.

Research Methodology

The study was conducted on behalf of Veritas for Microsoft by Northstar, a globally integrated insights consulting firm, and takes in results from 700 C-suite executives in Canada. The margin of error is +/- 3.7 percentage points, 19 times out of 20.

Key Facts and Figures

Topline

- 49 per cent of Canadian C-Suite executives believe technology helps their business stay competitive
- Despite an increased awareness, 85 per cent say they are not fully utilizing technology today
- Concerns about security (52 per cent), about integration with current systems (35 per cent) and cost (29 per cent) are the biggest barriers to cloud adoption

Overall Technology Use

- Only 15 per cent of respondents rate their business as a 9 or 10 out of 10 for their use of technology
- Large portions of C-suite executives agreed technology helps their business in areas such as: improving communication (56 per cent), improving customer service (47 per cent) and boosting productivity (47 per cent)

Security

- Less than half (48 per cent) of Canadian C-suite executives have an all-encompassing security plan, while 80 per cent say they have a back-up or redundancy plan to deal with data breaches/losses
- Spending on security is very low in general, with almost two-thirds (63 per cent) spending less than \$10,000 last year on security related activities; very few (20 per cent) are spending more than \$100,000
- A majority (52 per cent) say they are funding less than 20 per cent of the security investment they think is necessary to protect their corporate IT systems – indicating a market ripe for growth and expansion

Cloud Services

- A majority of C-suite executives in Canada (52 per cent) say they are discussing or implementing cloud computing technologies – a 9 per cent increase over last year
- The most common use of cloud computing technology is for email/document sharing (72 per cent), followed by content management (39 per cent), CRM (33 per cent) and finance (32 per cent)
- Many C-suite executives fail to understand the importance of the cloud, with 62 per cent giving it an importance rating of 5 out of 10 or lower
- When it comes to technology partners, executives want control of their data (59 per cent), a partner with an established reputation (48 per cent) and data centers located in Canada (41 per cent)

The Internet of Things

- Most executives are either completely unaware (53 per cent) of “The Internet of Things” or not clear on how it could impact their business (24 per cent)
- Few feel comfortable citing important features/benefits, with operational efficiency (24 per cent) and improved customer experience (21 per cent) topping the list
- A large majority (72 per cent) say it is a confusing concept

Regional Data

- 54 per cent of Eastern-based businesses are not involved in, or discussing implementing, cloud computing compared to Ontario-based (43 per cent) and Western-based (48 per cent) businesses
- Ontario businesses are using cloud services for social business and collaboration (44 per cent) at a higher rate than Eastern (14 per cent) and Western (17 per cent) businesses

- 55 per cent of Ontario-based businesses say that they don't trust that their information will be secure in the cloud, compared to 34 per cent in Eastern-based and 44 per cent in Western-based businesses
- Western-based businesses, while confused (77 per cent) by the cloud and the "Internet of Things," are interested in cloud capabilities and are more likely to want to move over to the cloud (43 per cent)
- 24 per cent of Eastern-based businesses don't know what cloud computing is
- Ontario businesses look to a cloud service for more hybrid options (37 per cent) than Eastern-based (29 per cent) and Western-based (29 per cent) businesses
- More than half of Ontario Businesses (57 per cent) are aware of the Internet of Things, yet 60 per cent of Eastern-based and 58 per cent of Western-based businesses have not heard of it
- Half (50 per cent) of Ontario-based businesses and more than half (52 per cent) of Eastern-based business have an all-encompassing security plan in place; Western-based businesses lag in adoption with only 41 per cent having a total security plan
- 69 per cent of Western-based businesses and 65 per cent of Eastern-based businesses are spending less than \$10,000 per year on security

Vertical Data

Enterprise vs SMB

- While 54 per cent of SMBs are not involved in or discussing cloud computing, 44 per cent indicated they still wanted to move to the cloud
- Operations is more of a concern for Enterprise (47 per cent) than SMB (26 per cent)
- Marketing is more of a concern for SMB (37 per cent) than Enterprise (25 per cent)
- Integration with existing systems is the greatest technology challenge and is higher for Enterprise (76 per cent) than SMB (49 per cent)
- More than half (54 per cent) of SMBs are not involved or discussing cloud computing
- 22 per cent of large businesses are either in the trial (14 per cent) or implementation (8 per cent) stage of moving to cloud computing services
- SMBs are using content management cloud services (47 per cent) to a higher degree than Enterprise (24 per cent)
- Enterprise are using cloud-based solutions for CRM (51 per cent), social business (42 per cent), HR (36 per cent) and marketing automation (22 per cent) to a higher degree than SMBs