

# Doubt — delay and — regret

How global disruptors are impacting enterprise networks

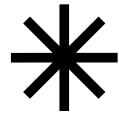
It is often said of business that 'the only constant is change'. This report provides insights into the extraordinary change – and specifically, the key disruptive forces that enterprise leaders have seen impacting their organizations' networks over the last two years.

The report is based on our research survey of senior decision-makers across a range of industry verticals, including IT services, banking, manufacturing and financial services.

The respondents have a decision-making role in companies with over 2,000 employees in four of the world's biggest markets – the US, the UK, Germany and France.

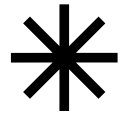


# Executive summary



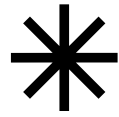
# Tech innovation still has the biggest impact

- Technological change is the most disruptive force impacting on networking decisions, according to 44% of enterprise network decision-makers. The next largest disruptors are rising costs and climate change.
- There are significant regional and industry variations. In particular, rising costs are having a major impact in the US and are also highly disruptive in the banking and financial services sectors.
- Because of macroeconomic disruption, the vast majority of respondents (87%) admit to being less confident in the network investment decisions they make, particularly in the US and in the banking sector. They frequently delay such decisions and often regret them.



# Economic disruption causes sustainability slowdown

- When it comes to specific sabotage threats to the global network infrastructure, decision-makers are most concerned about data center and DDoS attacks – particularly state-sponsored cyber threats.
- Almost one in five respondents admit to having no documented contingency plans to deal with network infrastructure impacted by geopolitical events – rising to an alarming one in four manufacturing sector leaders.
- 81% of leaders say that macroeconomic disruption has slowed down their investment in sustainability in the last two years. Despite this, a similar number remain confident that sustainable networking (with net zero emissions) is realistic.



# Artificial Intelligence keeps gaining ground

- 67% of respondents say that the rate at which network technology is advancing is making it harder for them to make decisions about the hardware and services to deploy in the network. Almost half of them – across regions and industries – also struggle to get suitably skilled staff.
- Despite these challenges, an eye-catching 92% of participants say they will be using artificial Intelligence (AI)-based tools and/or systems to support their network management within the next 18 months, with half doing so within just six months.
- The highest number of AI early adopters can be found in the US and in the financial services industry. This could be due to a more bullish business culture in the US market and the fact that the financial services sector has pioneered the use of AI from its earliest days.

# Survey findings



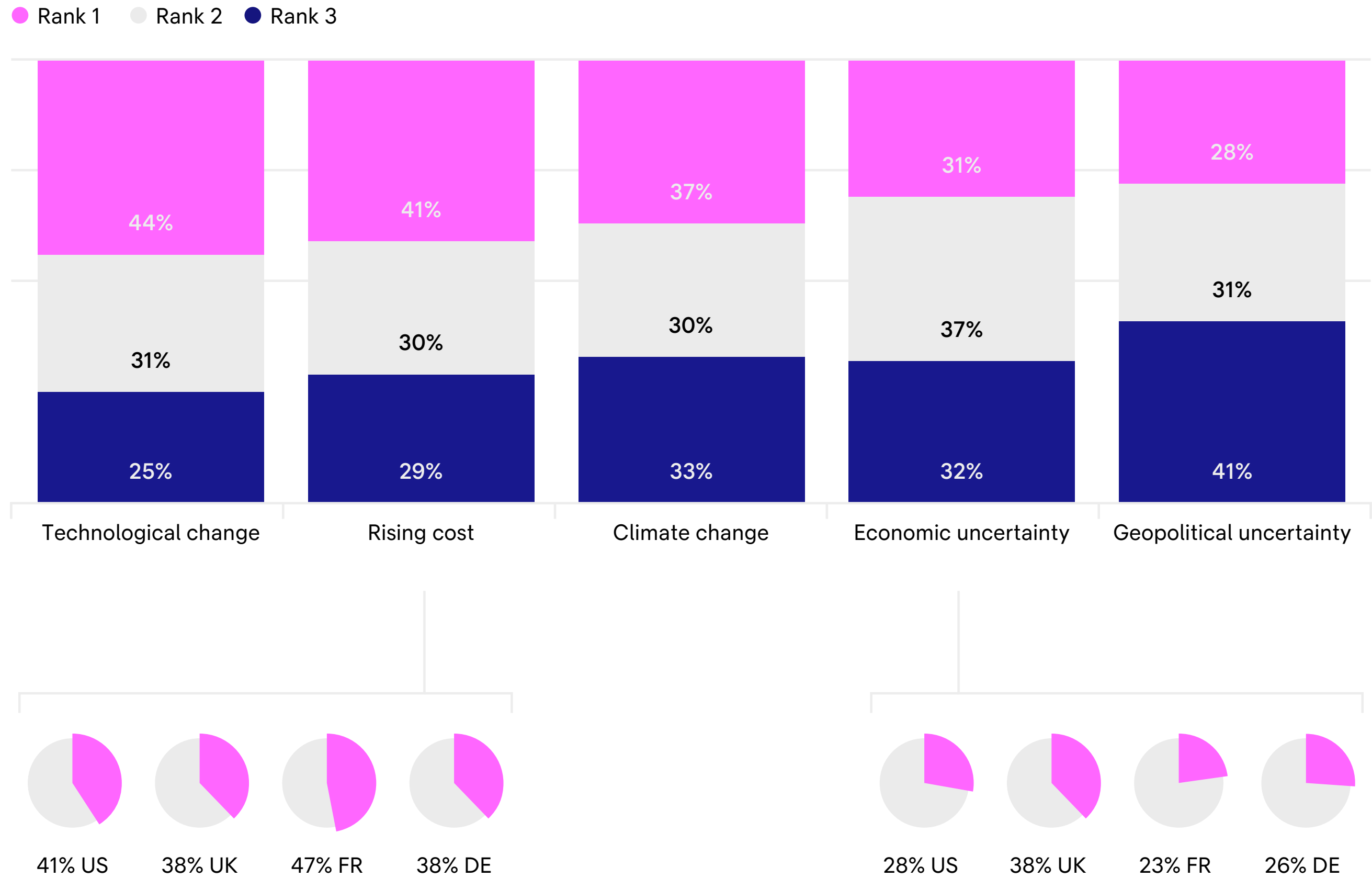
# Macroeconomic disruption is impacting enterprise networks

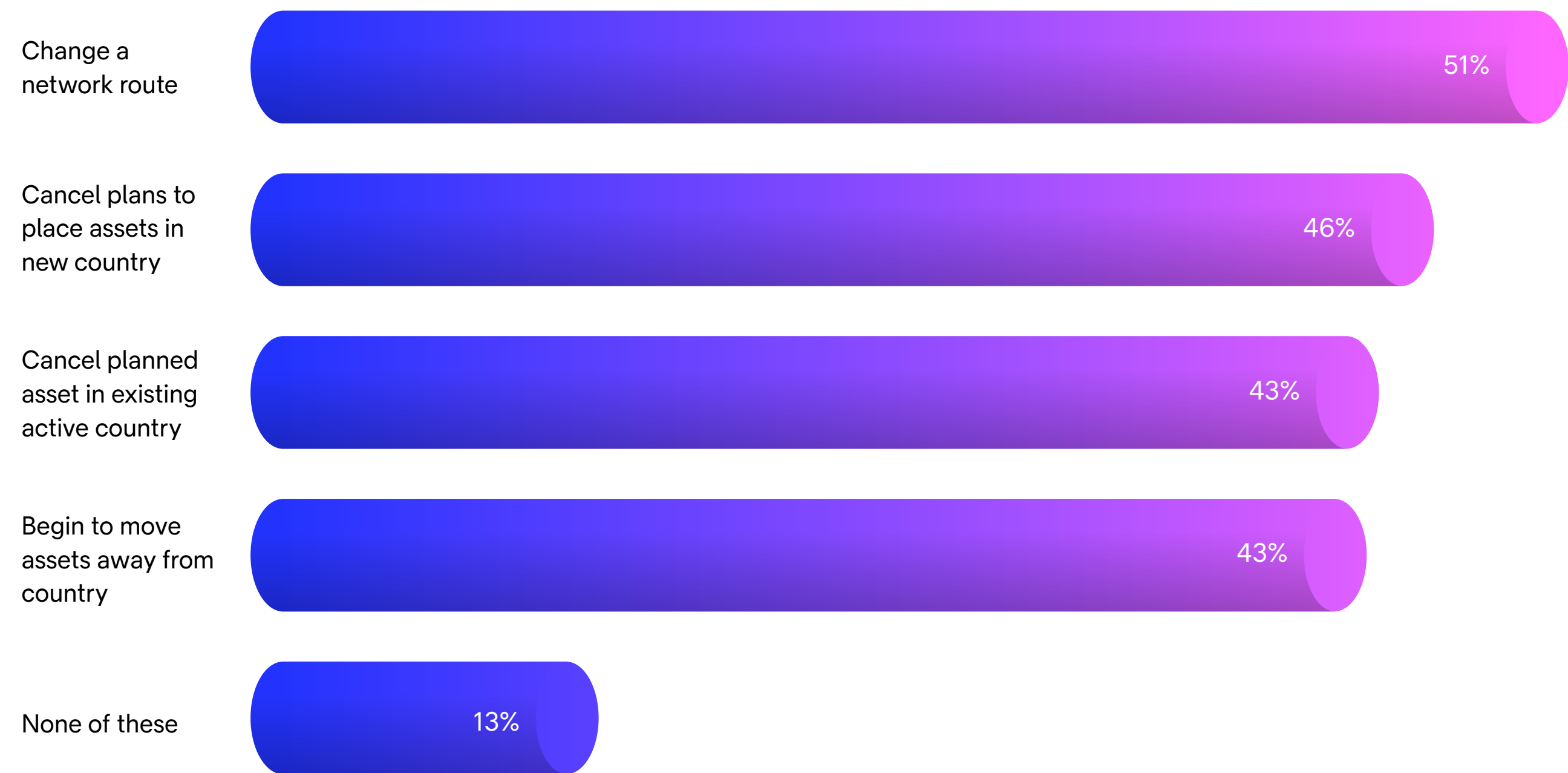
**Technological change is the most disruptive force** on networking decisions, cited by 44% of enterprise network decision-makers, followed by rising costs (41%) and climate change (37%).

There are significant regional variations, with **rising costs having a major impact** on network decision-making in France (47%) and the US (41%) and **economic uncertainty** making most impact in the UK (38%).

There are also industry variations, with rising costs particularly disruptive in financial services (51%) and banking (44%).

Macroeconomic disruption most significantly impacting networking decisions





As a result of geopolitical events, **over half (51%) of decision-makers have changed a network route in the last three years**. Strikingly, the figures for the US (64%) and the financial services sector (68%) are even higher.

Many decision-makers have also **cancelled asset expansion plans** in both new and existing regions, with those in France leading the retreat (46%).

“It has become painfully clear that the network world is more vulnerable than ever – and that certain information should not be publicly available.

Carriers have become much more restrictive about revealing details about backbone routes.”



# Leaders reveal doubt, indecision, delay and regret

Because of macroeconomic disruption, most respondents (87%) admit to being a little or a lot **less confident in the network investment decisions** that they make.

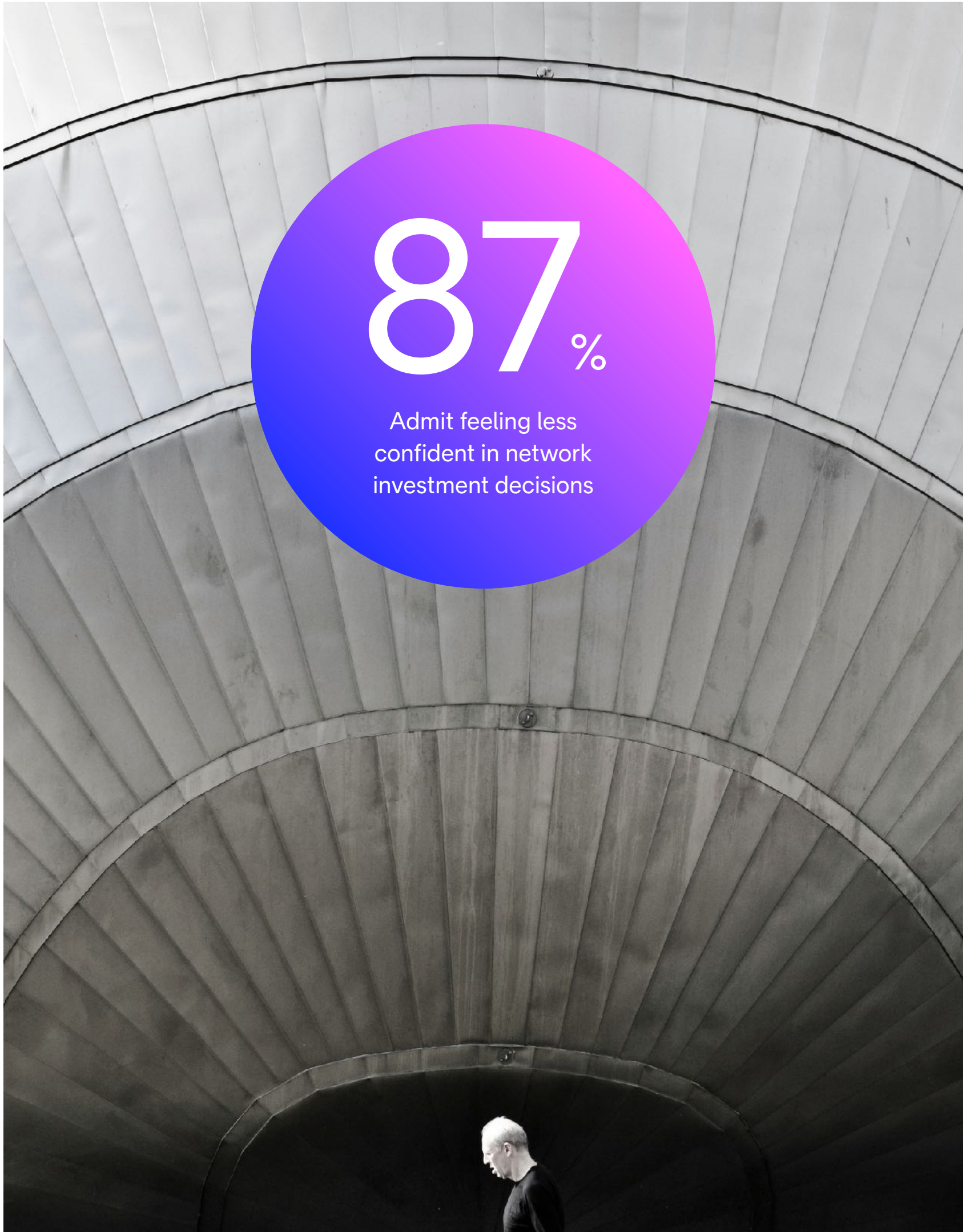
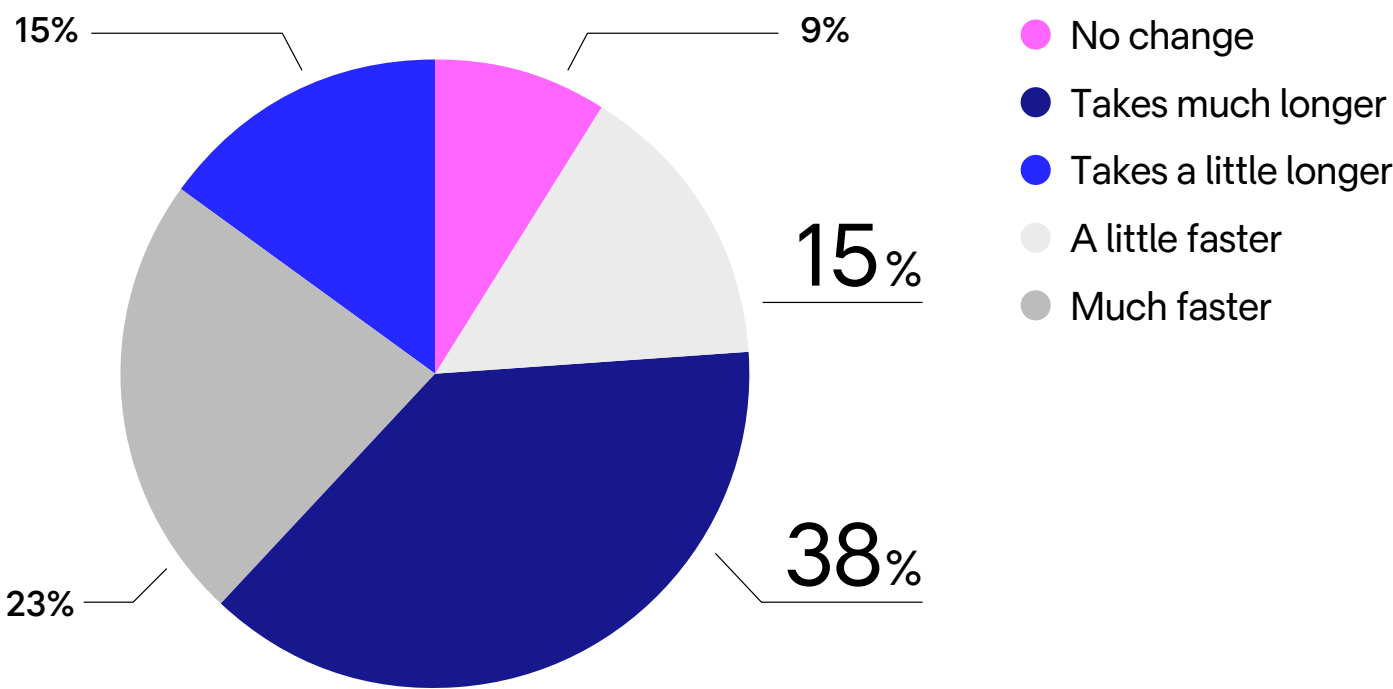
Confidence has been dented most in the US, where 40% of decision-makers are a lot less confident, and in the banking industry, where the figure is 39%.

This lack of confidence is reinforced by the finding that the majority of executives (53%) are **taking a little or a lot longer to make networking decisions** because of the disruption they experience.

Slower decision-making is particularly evident in Germany and in the manufacturing sector – a sign of their relative caution perhaps?

Conversely, decision-making in the US (where 49% say it is faster) and in IT Services (where 45% say it is faster) appears to be more bullish, again fitting in with their traditional business cultures.

Amount of time to make network decisions



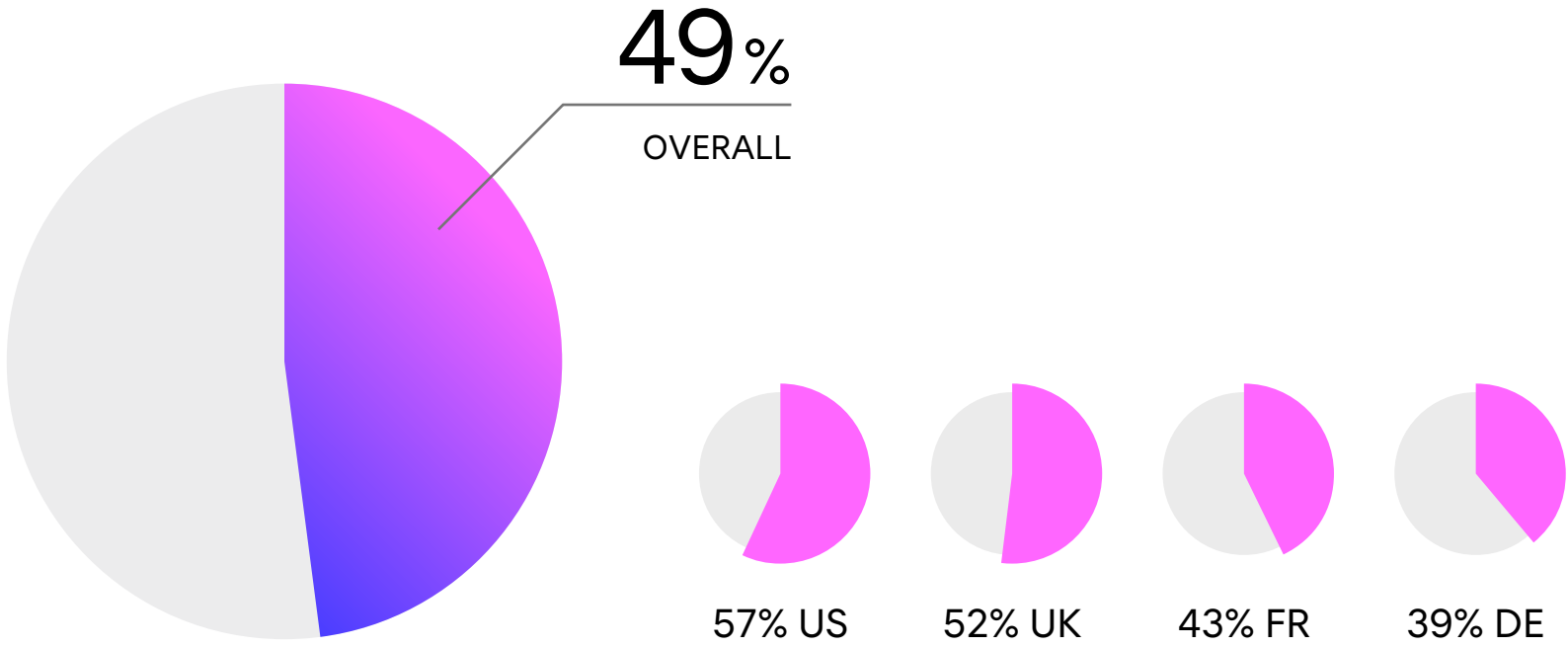


# Regrets? They've had a few!

Lack of confidence and hesitation appear to have led to some poor decisions. Overall, almost half of respondents (49%) wish they had not made the networking decisions taken as a result of geopolitical events in the past three years.

Most regret is felt in the US (57%), and in financial services (54%) and IT services (53%). Perhaps their more bullish, decisive approach has proved to be misplaced in light of evolving disruptive events and forces.

Regrets a networking decision taken as a result of geopolitical events, in the past three years



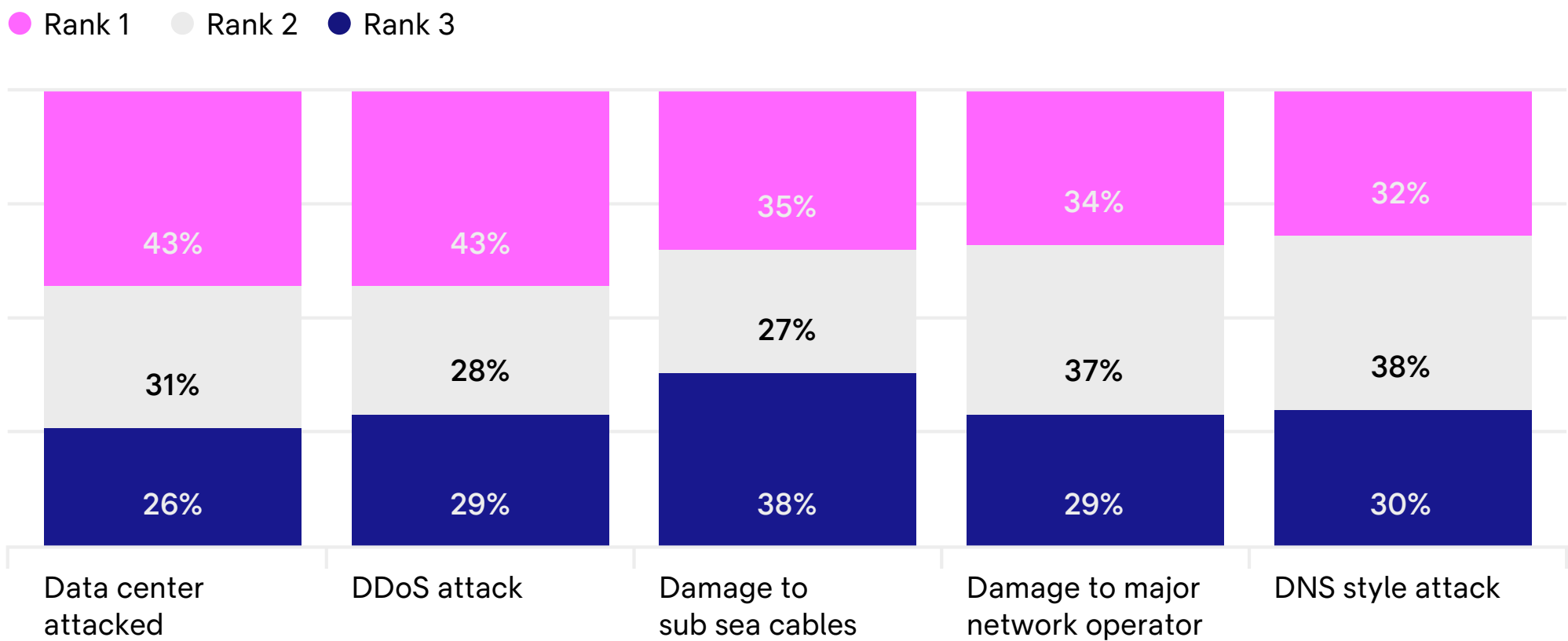


# Security concerns loom large

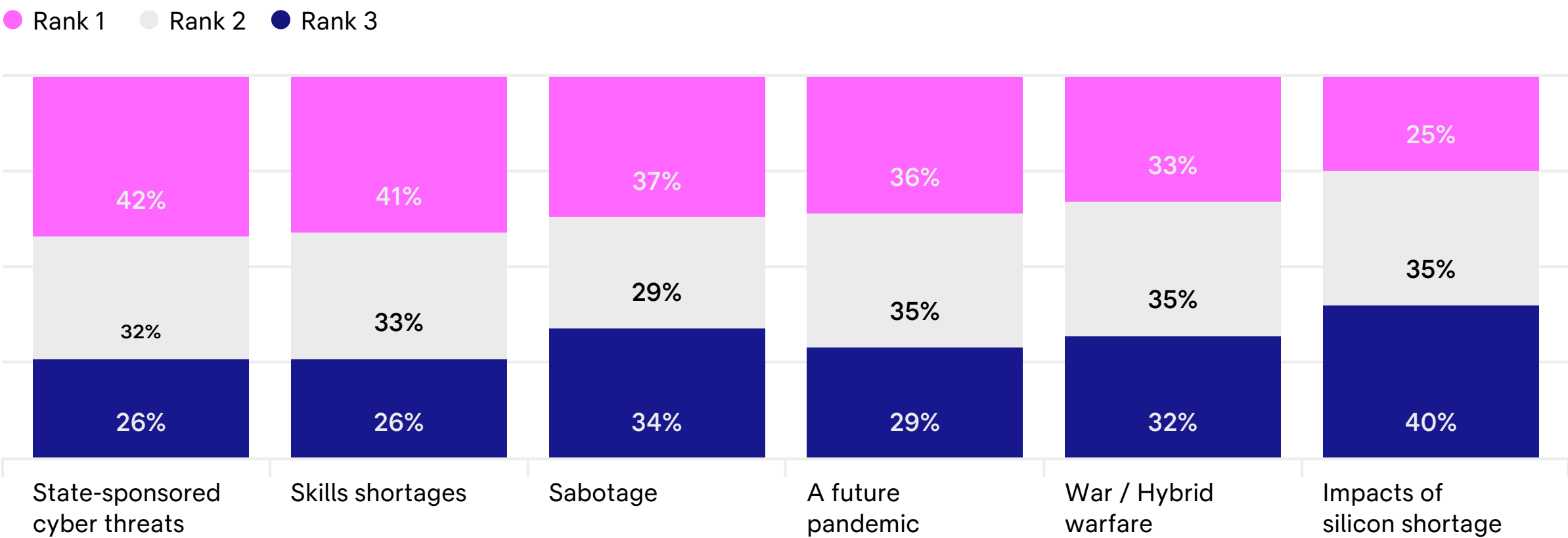
In terms of specific sabotage threats to the global network infrastructure, decision-makers are most concerned about **data center or DDoS attacks**, both of which are feared by 43% of respondents. Again, there are regional and sectoral variations, with most concern focused on damage to undersea cables in the US and in manufacturing.

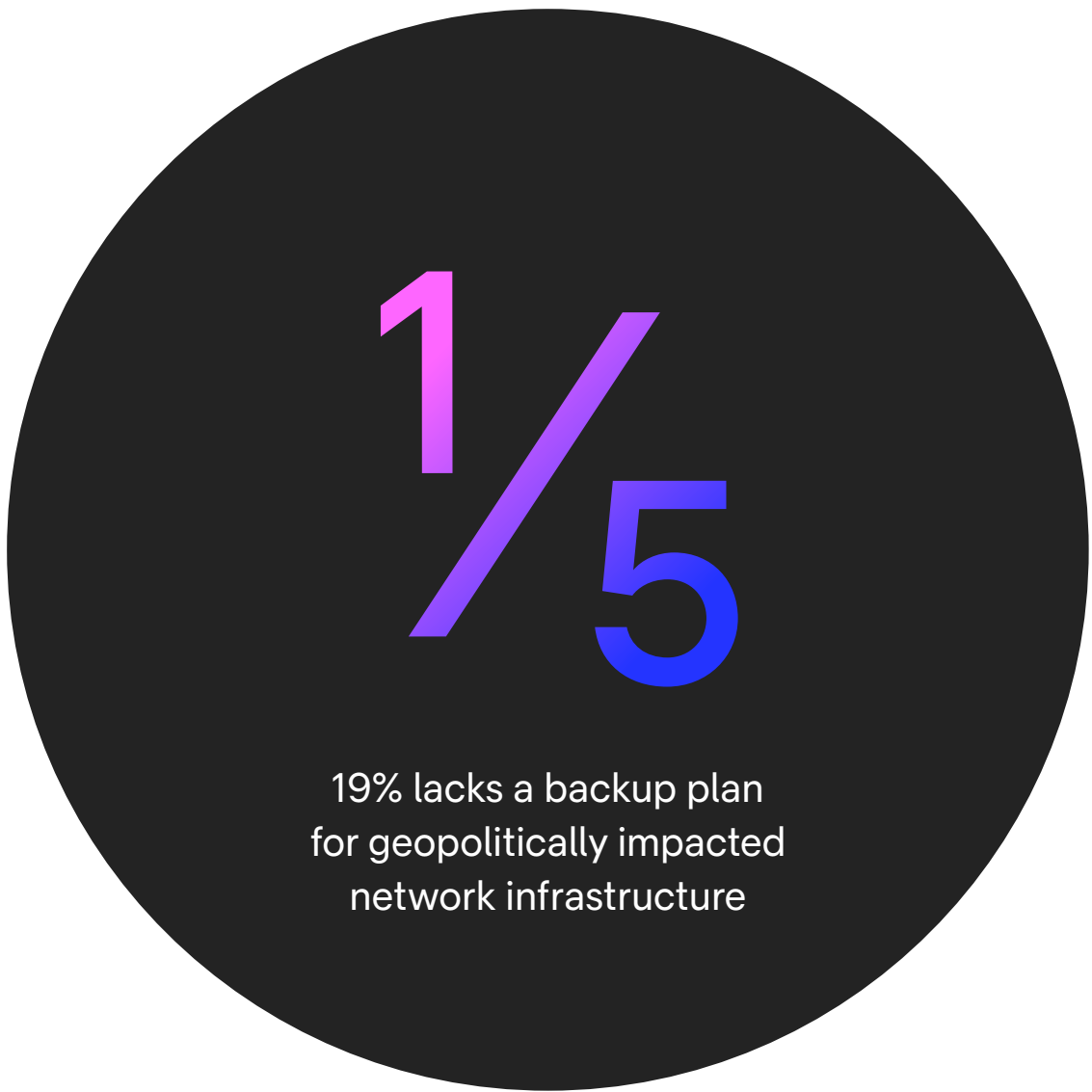
More respondents (42%) **fear state-sponsored cyber threats** than any other force that they believe could threaten their network operations.

Largest concern over global security threat



Perceived largest threat to network operations





A clear majority (79%) have documented contingency plans that address dealing with networking infrastructure impacted by geopolitical events. But it is concerning that almost **one in five (19%) have no back-up plan** – and in manufacturing, the figure is an alarming 26%.



These leaders are generally confident about their own networks' current security measures – particularly in France and in IT services – but **many (46%) worry about future threats that might evolve in the next couple of years**, and this causes stress to a significant number of them.

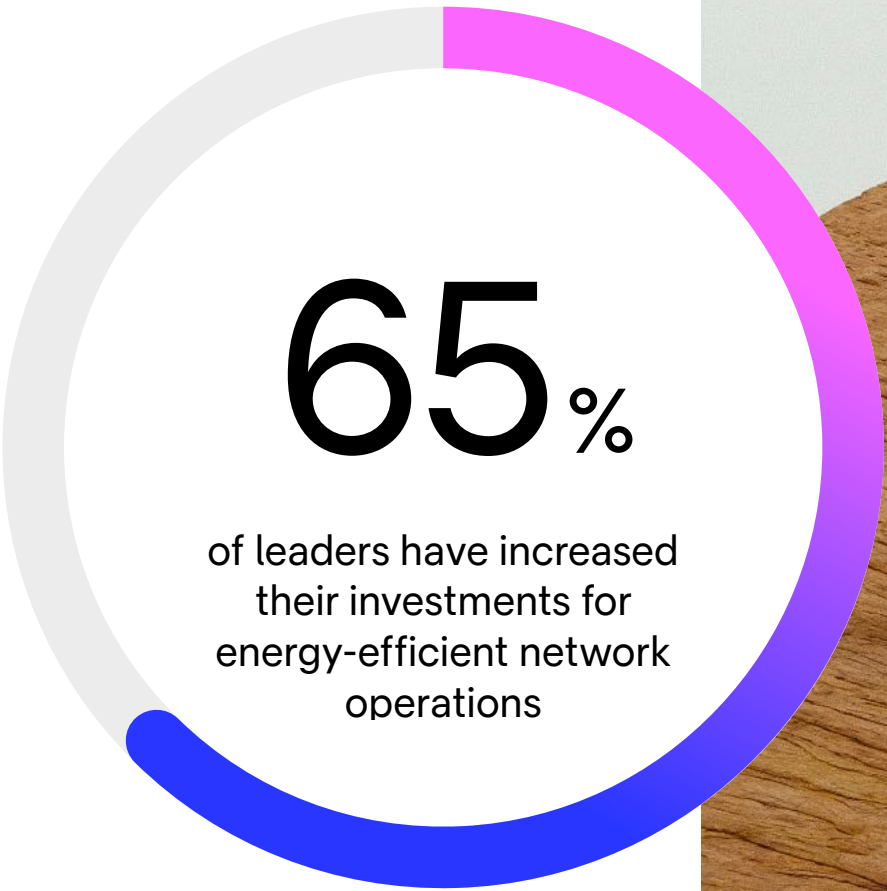
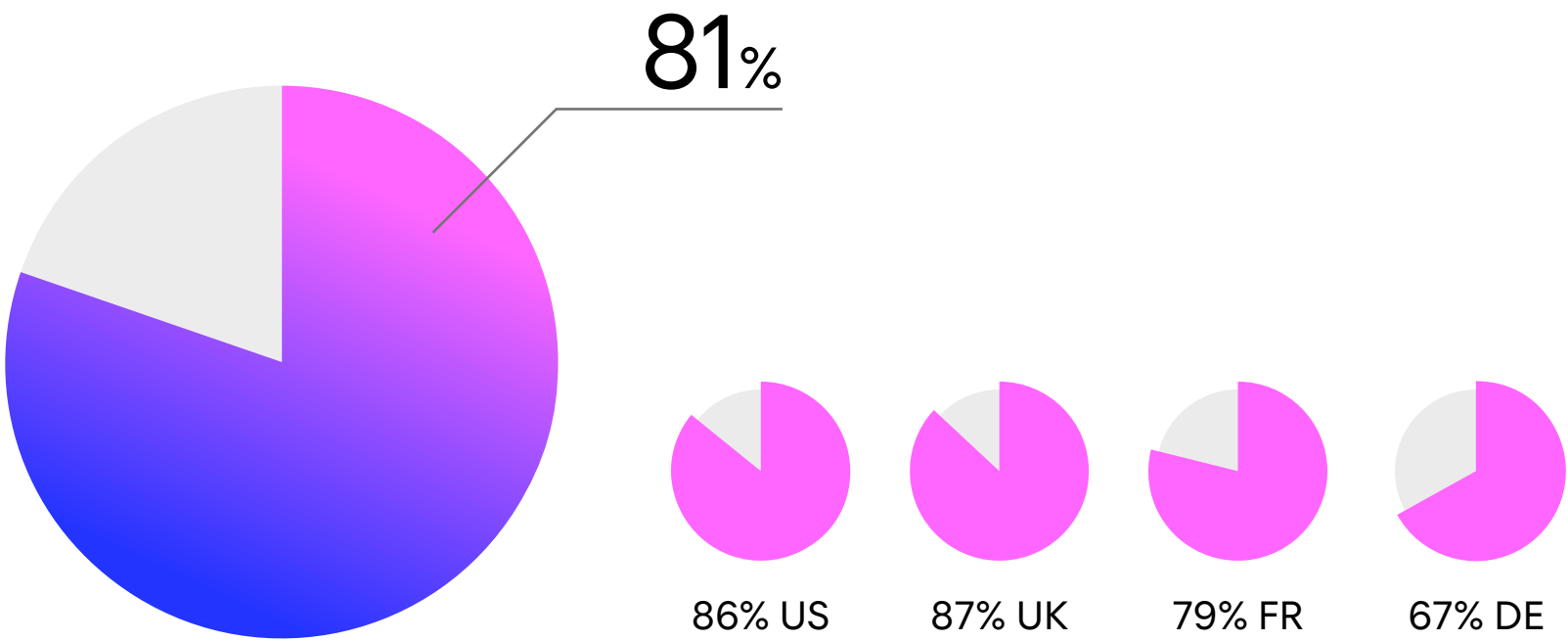


# In search of sustainability

81% of respondents report that macroeconomic disruption of the last two years "has **slowed down our investment in sustainability**". And the strongest agreement on this is also felt in the US (48%) and in IT services (50%).

That said, **most decision-makers (65%) have managed to increase investments** to make their network operations more energy efficient since 2022, with the highest number of them in the US (75%) and IT services (78%).

Agree that macroeconomic disruption in the last 2 years has slowed down investment in sustainability





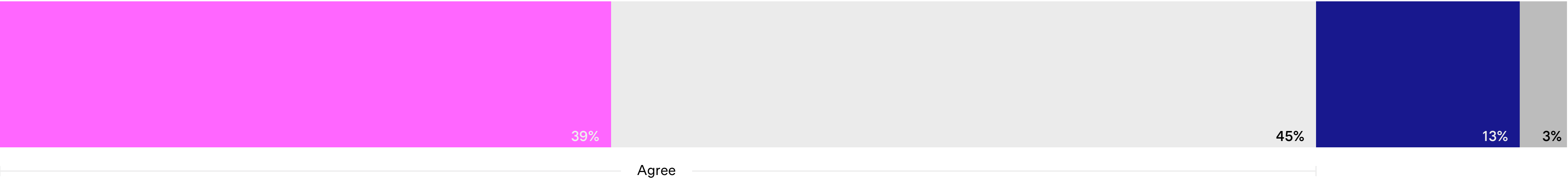
A majority of decision-makers believe truly sustainable networking is still achievable.

Reassuringly, a resounding (84%) of **decision-makers think that the quest for sustainable networking (net zero emissions) is still realistic**. Confidence is highest in the US (where 48% strongly agree) and in the IT services industry (50%).



How much do you agree with the statement:  
The quest for truly sustainable (net zero emissions) networking is realistic

● Strongly agree   ● Somewhat agree   ● Somewhat disagree   ● Strongly disagree



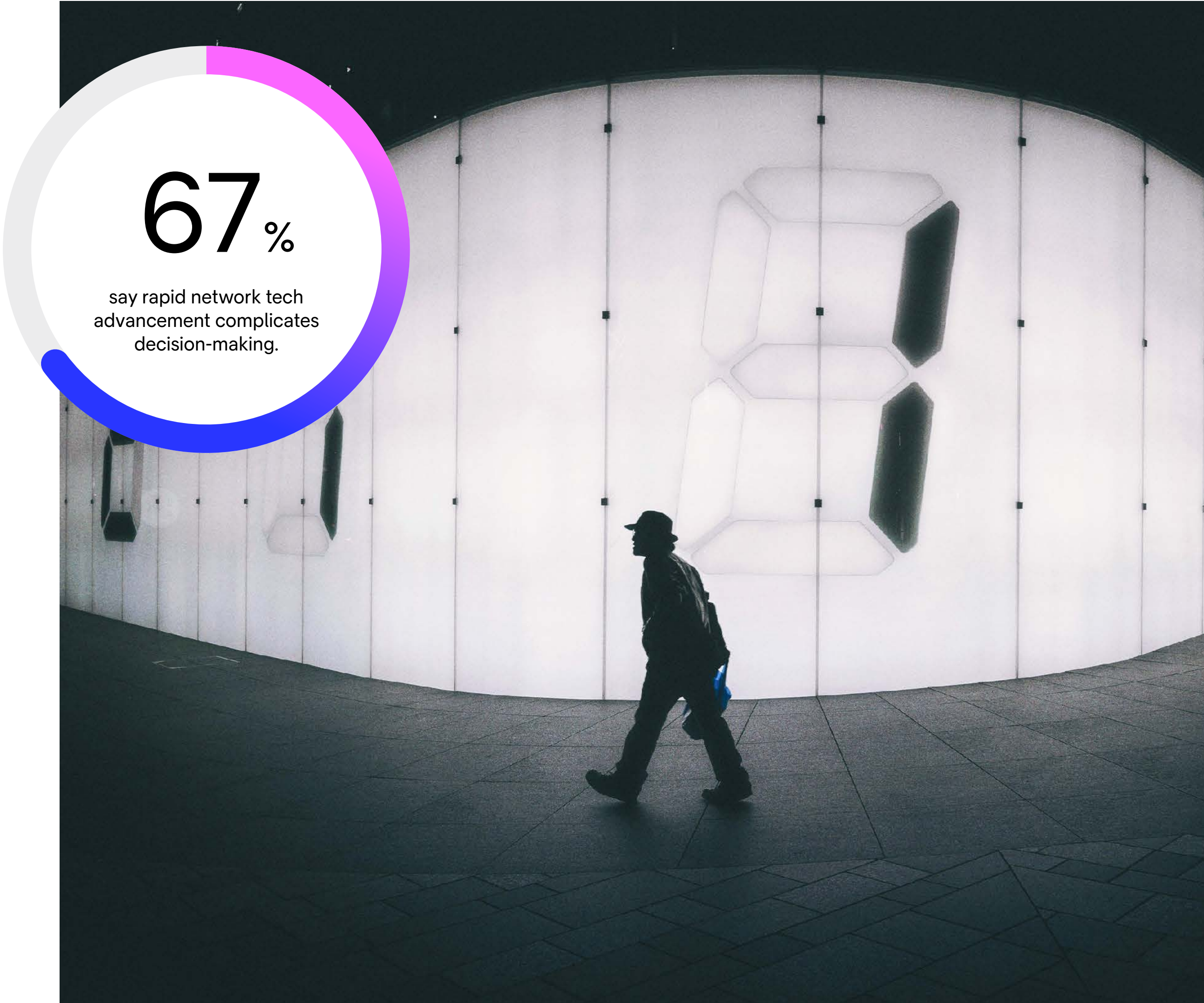
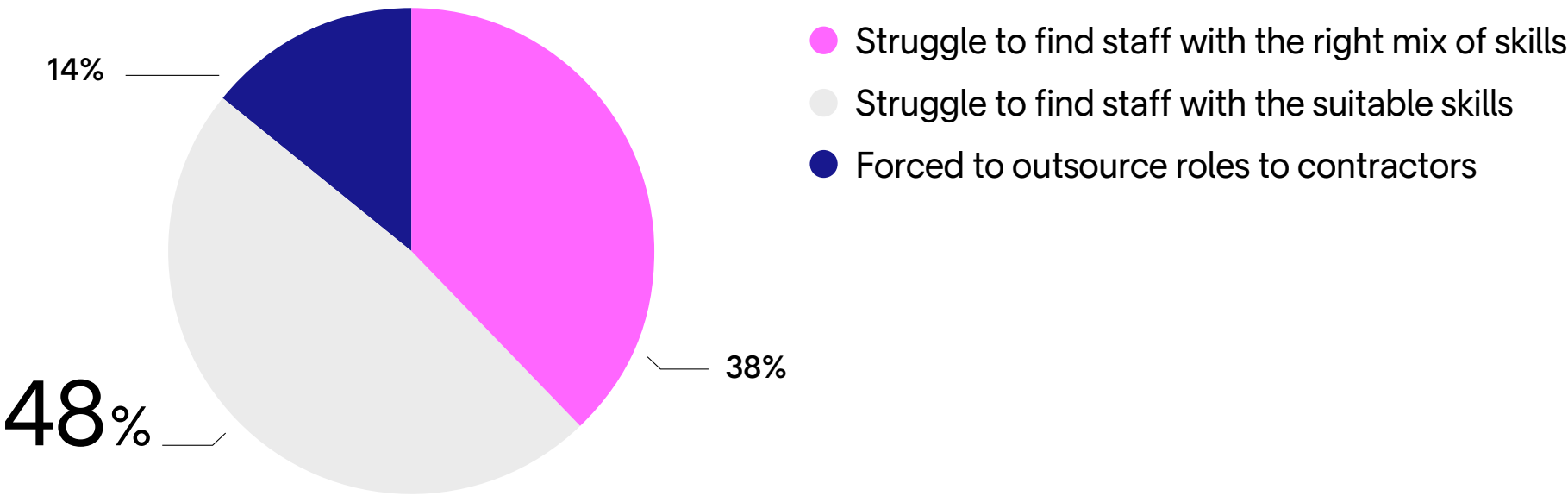


# Technology marches on, led by AI

Two-thirds (67%) of respondents say that **the rate at which network technology is advancing is making it harder for them to make decisions** about the hardware and services to deploy in the network.

Across regions and industries, **almost half of the decision makers surveyed (48%) struggle to get staff with suitable skills**, including both hardware and software networking skills.

Biggest concern regarding the skills needed for evolving network technology

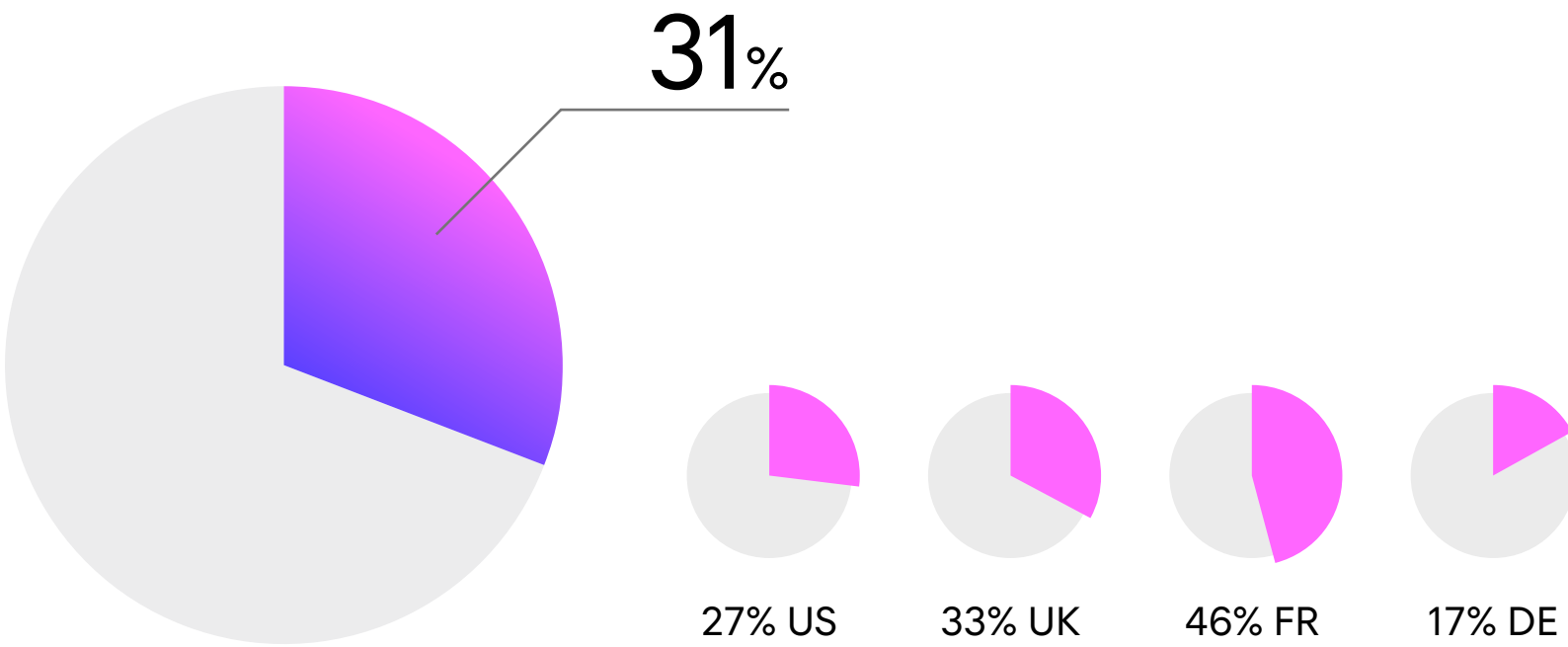




Despite these challenges, an eye-catching **92% of participants say they will be using Artificial Intelligence (AI)-based tools and/or systems** to support their network management within the next 18 months, with half of these doing so within just six months. Geographically, the US has the highest number of AI early adopters (54% in the next six months), while in terms of industry sectors, the pioneers are in financial services (67%).

**They see their chief use for AI as being to identify security threats** – such as DDoS attacks. Its main impact will be to enable them to respond more quickly to this and other problems. However, a surprisingly **significant segment of respondents does not see AI having an impact**, noticeably in France (46%) and also in the manufacturing sector (56%).

Don't see AI-based tools having an impact  
on their network operations



# Conclusions



# Disruption takes its toll

---

Our research suggests that, over the last two years, enterprise network decision-makers are reeling from the effects of excessive change and disruption.

The 'white heat' of technological change, combined with economic and geopolitical uncertainty and relentless cost pressures, have taken their toll on leaders' ability to make positive, timely decisions. Our findings reveal, for example, that many have been forced to change network routes and cancel asset expansion plans.

They admit they're feeling the heat. Their decision-making confidence has been undermined, doubt and indecision has crept in, and delays have ensued. Most strikingly of all, almost half regret networking decisions they've taken.



# Security planning falls short

---

It is no surprise to find leaders showing concern about network security issues – particularly today's constant threat of data center or DDoS attacks and, not least, state-sponsored attacks.

It is only of partial comfort that the majority of respondents report having documented contingency plans to deal with such threats. But the lack of such plans among almost one in five businesses (and one in four in the manufacturing sector) is little short of alarming.



# Sustainability is still a priority

---

More reassuring is that, despite macroeconomic disruption slowing down investment in sustainability over the last two years, most enterprises have managed to increase investments to make their network operations more energy efficient.

This reinforces our 2023 research, The energy crisis: is it hurting enterprise networks?, which found a positive side-effect of the energy crisis: over half of businesses speeding up their energy efficiency measures and strengthening their network sustainability efforts.

A majority of decision-makers believe truly sustainable networking is still achievable.



# AI frenzy raises questions

---

The pace at which enterprise networks are implementing AI-based solutions borders on the frenetic. Nine out of 10 decision-makers say they will be using AI-based tools and/or systems to support their network management within the next 18 months, with half doing so within just six months.

But such haste raises questions. The first concerns the 'AI pioneers' – particularly noticeable in the US and in the financial services sector – should they be more mindful that early adopters of technology are not always the biggest beneficiaries from it?

As our survey shows, some network management decisions lead to regret. The second concerns the 'laggards' – noticeably prevalent in France and in the manufacturing sector – should they see more potential for AI? Their scepticism could prove costly. Perhaps there is a middle way?



# Implications for enterprises

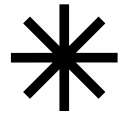




The research suggests that business leaders need to take account of the following key issues when considering their network strategy and their choice of network provider.

**Enterprise network decision-makers need their network provider to offer:**

- Independent third-party perspectives to help them identify change and react quickly and decisively to sudden or evolving disruptive forces.
- Scale, wide experience and deep expertise to help manage disruptors.
- Geographical spread and local knowledge to provide guidance and support in specific markets.
- A consultative, partnership approach to work collaboratively.



Constant change and disruption are a fact of business life. The goal for enterprise network operators must be to prepare for it. They should seek support that will enable them to make confident, timely decisions and implement effective efficient network management solutions – avoiding doubt, delay and, above all, regret.

Times and conditions change so rapidly that we must keep our aim constantly focused on the future

– Walt Disney





# Research methodology

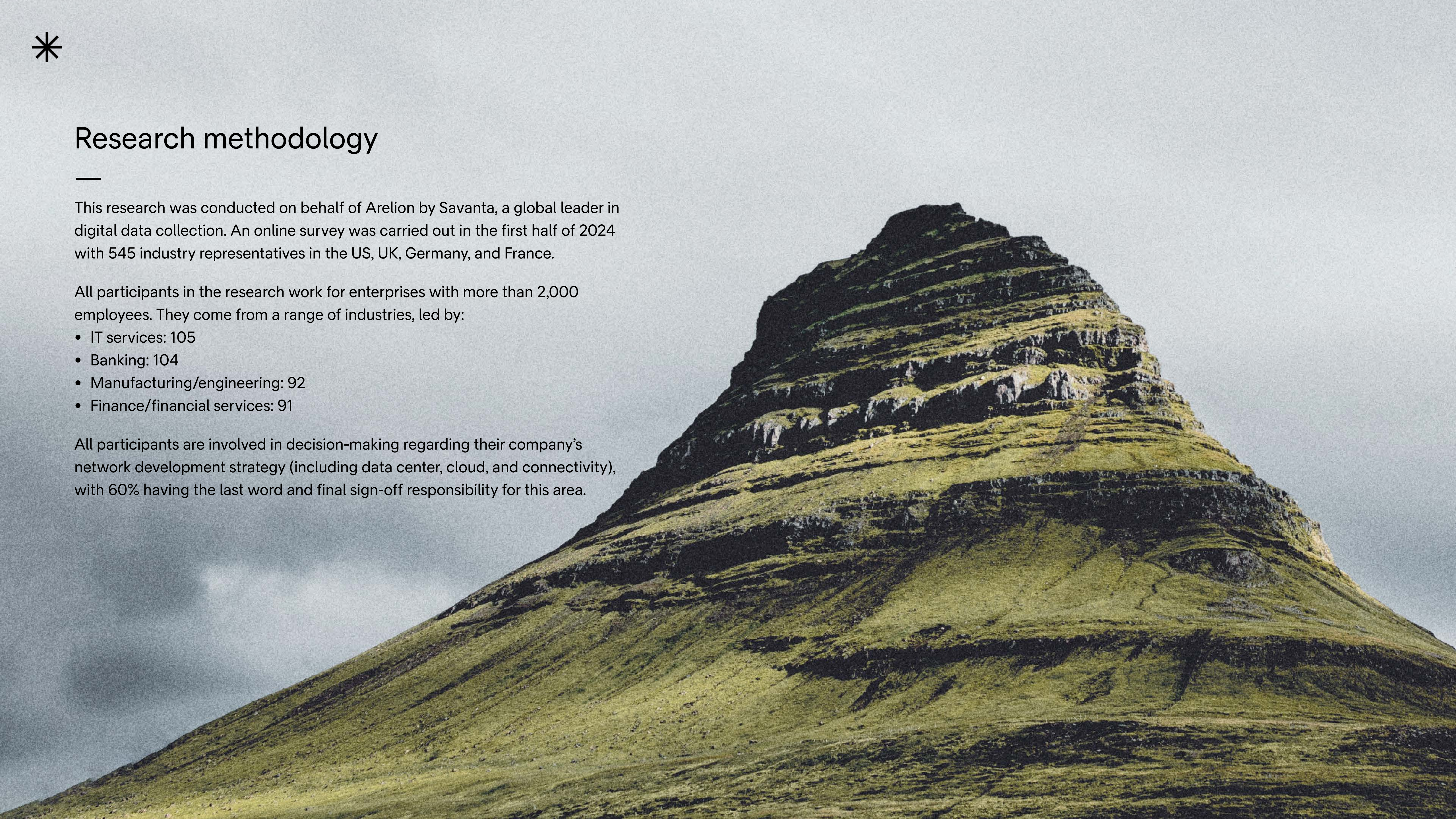
---

This research was conducted on behalf of Arelion by Savanta, a global leader in digital data collection. An online survey was carried out in the first half of 2024 with 545 industry representatives in the US, UK, Germany, and France.

All participants in the research work for enterprises with more than 2,000 employees. They come from a range of industries, led by:

- IT services: 105
- Banking: 104
- Manufacturing/engineering: 92
- Finance/financial services: 91

All participants are involved in decision-making regarding their company’s network development strategy (including data center, cloud, and connectivity), with 60% having the last word and final sign-off responsibility for this area.





## About us

---

Arelion is a leading light in global connectivity services. We've been keeping the world connected since 1993 and today our global IP backbone, AS1299, is ranked number one in the world.

Our network spans Europe, North America and Asia, with 75,000 km of optical fiber and 1,700 MPLS end points. Our award-winning customer service team supports our expansive customer base, who rely on us for their business-critical services.

Follow us on [LinkedIn](#) and [X \(formerly Twitter\)](#)  
Discover more at [www.arelion.com](http://www.arelion.com)