

# 2021 Digital Innovation Benchmark

## Innovate Fast or Fail Even Faster

**62%** of technology leaders fear they are at risk of being displaced by competitors who innovate more quickly



**51%** believe their organization would be out of business in fewer than 3 years if they failed to keep pace with digital innovation – up from **37%** in 2020

## COVID-19 Accelerates Digital Transformation

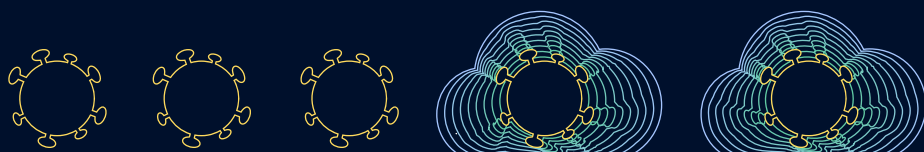


**89%** of technology leaders believe creating new digital experiences to address COVID-19 business challenges is critical to their businesses

**63%** will continue multi-year digital transformation initiatives

**75%** expect to see an increase in IT/developer budgets over the next 12 months

**7%** are significantly delaying or canceling digital transformation initiatives due to the pandemic

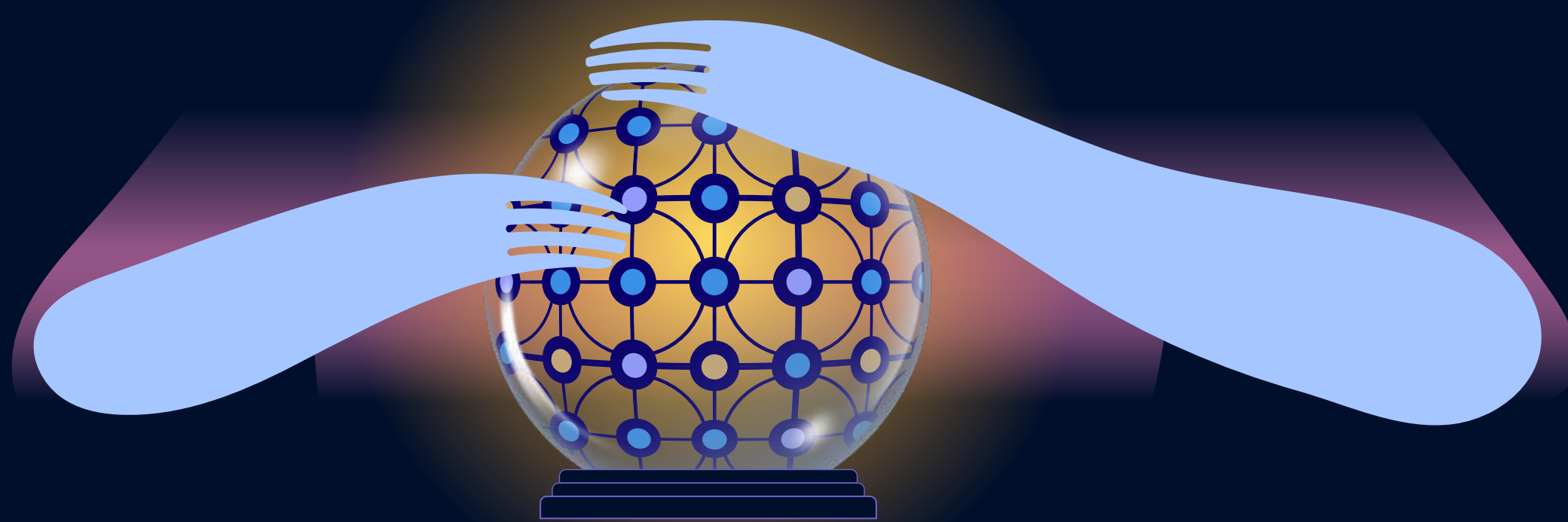


**2 in 5**

say that COVID-19 has accelerated their transition to the cloud or accelerated their adoption of microservices and cloud native architectures

## Enabling Innovation With Microservices & Open Source

**87%** of technology leaders believe microservices-based applications are the future and companies must support distributed applications in order to stay competitive



**33%** of organizations have already transitioned entirely to distributed architectures (microservices, serverless, etc.)

**91%** of organizations use open source software

**102** Average number of microservices in production

**86%** have Kubernetes in production, deployment or plan to deploy it in the next 12 months

## Complexity & Challenges Slow Digital Innovation Efforts

### Top Challenges Microservices Deployment

1. Security issues
2. Complexity of managing services across clouds and platforms
3. Connecting all services to create an end-to-end digital experience

### Top Challenges Service Mesh

1. Complexity deploying, managing and scaling up
2. Ensuring performance at scale
3. Meeting security and compliance policies

### Mixed Deployment Environments Add Complexity

**46%** use hybrid deployments  
**41%** use multi-cloud environments

### Preferred Public Clouds

Amazon Web Services **43%**  
Microsoft Azure **42%**  
Google Cloud **35%**

How does your organization stack up?

<https://konghq.com/resources/digital-innovation-benchmark-2021>