



The Right Observability Tool Improves Customer Experience, and the Bottom Line

The 451 Take

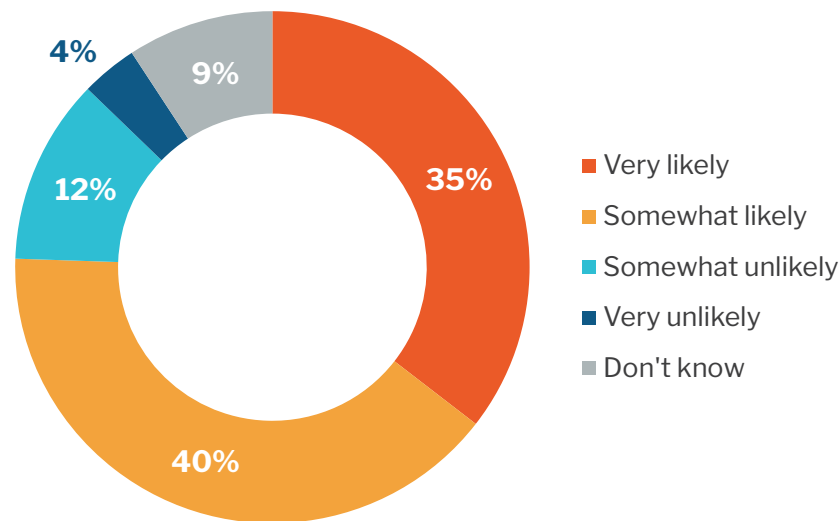
While application performance has always been important, uncertain market conditions and the acceleration of the shift to digital business have elevated performance to a top imperative for most organizations. Our research indicates that end users are remarkably sensitive to application and service performance, willing to abandon a brand if frustrated by a poor experience.

For many companies, digital properties now drive essentially all revenue potential, and as such businesses can't afford to lose customers due to poor performance. Particularly in cloud-native environments, organizations must employ APM or observability tools that collect the right operations data and deliver sophisticated analytics so that incident responders can quickly identify and resolve performance problems.

Likelihood of Switching Brands Due to Poor App or Service Performance

Source: Voice of the Connected User Landscape: Connected Customer, Consumer Population Representative Survey Q3 2019

Q. If an online app/service you use performs poorly (e.g., slow, buggy, unavailable), how likely are you to cancel or switch to a different brand/provider as a result? Sample Size = 1,271 Base: All respondents



In a recent 451 Research Voice of the Connected User Landscape survey, we asked consumers how likely they were to cancel or switch brands or providers due to poor application performance. More than 75% of respondents said they were very or somewhat likely to abandon a brand because of slow or buggy performance.

This trend underscores a stark reality: poor application performance has a direct impact on the bottom line. And yet DevOps and operations professionals responsible for dynamic, distributed applications find that ensuring the level of performance that users demand is harder than ever. To meet these challenges, they require observability tools that collect a variety of granular data and allow them to flexibly explore the data in order to discover and solve performance problems.

451 Research is a leading information technology research and advisory company focusing on technology innovation and market disruption. More than 100 analysts and consultants provide essential insight to more than 1,000 client organizations globally through a combination of syndicated research and data, advisory and go-to-market services, and live events. Founded in 2000, 451 Research is a part of S&P Global Market Intelligence.



Research®
Now a Part of

Business
Impact Brief

S&P Global Market Intelligence

Business Impact

Organizations that recognize how important application performance is to the business face new challenges, particularly if they've embraced cloud-native technologies like containers, microservices and Kubernetes. Development teams are employing these technologies for good reasons – to move quickly, building new features and capabilities to meet customer demands and competitive threats. However, these cloud-native environments are complex and dynamic, generating very large volumes of operations data. Achieving visibility into this environment requires new tools and approaches, without which incident response slows and the customer experience drops.

The implications to the business extend even beyond the potential revenue loss that can occur from poor or slow application performance. Teams that don't employ tools that can help them quickly respond to performance issues end up forcing developers to spend too much time on incident response rather than supporting mission-critical efforts that drive revenue. In a recent 451 Research Voice of the Enterprise: Digital Pulse study, we asked respondents how developers spend the bulk of their time, and 55% said their developers spend the majority of their time maintaining and managing custom applications that support existing business processes. We view this as a missed opportunity that has a negative impact on the business. Since developers are a scarce resource, their time is better spent developing important new applications and services, rather than maintaining existing apps.

To ensure that developers can spend their time supporting strategic business initiatives, while maintaining the kind of application performance that users expect, organizations require modern observability tools. Important capabilities include:

BROAD AND DEEP DATA COLLECTION: Distributed tracing in particular is increasingly embraced as a mechanism for achieving visibility into latency by span, helping incident responders quickly narrow down slow processes that contribute to a performance problem.

OPEN SOURCE SUPPORT: While open source has long had a strong presence in monitoring, distributed tracing has an inherent requirement that has driven enthusiasm for an open source approach. That's because without standard instrumentation across spans, an end user can't assemble a complete end-to-end trace, leaving visibility gaps that could ultimately mask the source of a performance problem.

ADVANCED ANALYTICS: Once teams have collected relevant operations data, they require analytics capabilities that can very quickly surface intelligence from the large and broad data set. Often, machine learning technologies can help by identifying anomalies, correlating anomalies and guiding users to the root cause of performance problems.

Looking Ahead

We anticipate that a growing understanding of the relationship between application performance and the bottom line, as well as the continued adoption of cloud-native technologies, will drive an ongoing modernization of monitoring tools and approaches at many businesses. With access to the right kinds of tools, organizations can more efficiently detect and respond to performance problems, and thus ensure that applications and services meet customer demand and drive revenue.



SignalFx Microservices APM, part of Splunk's Data-to-Everything Platform, provides a best-in-class observability solution that leverages open source data collection to ingest and analyze ALL transaction data, helping IT and DevOps teams find ALL issues and alert on them in real time. Splunk significantly simplifies investigation with AI-driven directed troubleshooting, helping organizations accelerate innovation, as well as deliver world-class end-user experiences and boardroom results.

Learn more at [Splunk.com](https://splunk.com) or join our [Weekly Live Demo](#).