

European businesses are advancing their digital transformation, according to CenturyLink study conducted by 451 Research

Almost half of companies polled have implemented formal digital transformation strategies to reduce operational costs and improve customer experience

LONDON - [CenturyLink, Inc.](#) (NYSE: CTL) today announced the results of a commissioned study on the digital transformation of European enterprises. Conducted by 451 Research, the study provides insight into how, why and at what pace organisations are preparing for their digital future.

The survey - which polled more than 400 executives across Europe - found that more than half (52 percent) of companies are increasing IT spending levels within the next year to achieve the significant benefits of digital transformation. In addition, the majority of organisations are making progress with planning and implementing their digital transformation projects - almost half (47 percent) have a formal strategy and are actively digitising business processes, and 25 percent have started on siloed projects without an overarching strategy.

“In a global business economy dominated by disruption, innovation and cyber threats, speed to market is of the essence,” said Richard Warley, CenturyLink managing director, EMEA. “While it’s encouraging to see the majority of enterprises in Europe increasing their investment in digital transformation, the associated complexities can result in numerous roadblocks. Moving to a superior network and employing agile cloud technologies are foundational elements to simplifying the transformation process.”

“Digital transformation programs in Europe are now being viewed as strategic, long-term initiatives and typically receive the support of top-level executives,” said Nick Patience, founder & research vice president, software at 451 Research. “A critical aspect of these transformation projects is entrusting some of the fundamentals to external service providers. More than 90 percent of companies surveyed are using or expect to use a third-party transformation partner. This enables business leaders to refocus internal resources on developing new services and applications to support innovative business initiatives.”

The study also found nearly 40 percent of respondents expect digital transformation to cause ‘major disruption’ over the next three years. The top factors driving digital transformation are reducing operational costs (51 percent), improving customer experience (41 percent), and creating new services or revenue streams (37 percent).

The Pace of Transformation

Despite more companies focusing on digital transformation, they acknowledge it will take significant time to successfully complete these projects. The majority (55 percent) of respondents estimate it will take three to six years to achieve company-wide digital transformation, largely due to how long it takes to overcome business and IT complexities.

Barriers to a Successful Transformation

The primary barriers respondents identified are inflexible IT systems and lack of operational agility

(36 percent), overcoming organisational silos/outdated work practices (35 percent), and inability to migrate legacy IT and business applications to the cloud (33 percent).

The Growing Importance of Cloud

The study confirmed the increased importance of cloud, with 57 percent of respondents rating [cloud services](#) as a 'very important' enabler for digital transformation and 29 percent rating it as 'important'.

Choosing the Right Partner

In addition to long-term commitment, choosing the right partner is critical to achieving success. Forty-three percent of companies are using or expect to need an IT services (including communications services) provider in support of their digital transformation programs, and 38 percent use or expect to use a cloud service provider, the study found.

To Download the Study

Commissioned by CenturyLink, [the study](#) was conducted by 451 Research in the first quarter of 2017, including interviews with more than 400 executives at leading companies in the financial services industry, retail sectors and public sector agencies across the UK, Austria, Germany and Switzerland. In all, more than 1,400 executives were polled from global enterprises of various sizes in North America, Europe and Asia Pacific.

The study can be downloaded as part of the ["In Pursuit of Digital Transformation"](#) report.

About CenturyLink

[CenturyLink \(NYSE: CTL\)](#) is a global communications and IT services company focused on connecting its customers to the power of the digital world. CenturyLink offers network and data systems management, big data analytics, managed security services, hosting, cloud, and IT consulting services. The company provides broadband, voice, video, advanced data and managed network services over a robust 265,000-route-mile U.S. fiber network and a 360,000-route-mile international transport network. Visit [CenturyLink](#) for more information.

About 451 Research

451 Research is a preeminent information technology research and advisory company. With a core focus on technology innovation and market disruption, the company provides essential insight for leaders of the digital economy. More than 100 analysts and consultants deliver that insight via syndicated research, advisory services and live events to over 1,000 client organizations in North America, Europe and around the world. Founded in 2000 and headquartered in New York, 451 Research is a division of The 451 Group.

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