NTT DATA

2024 ServiceNow Insight and Vision Report

2024 global survey results

Contents

Summary

Summary

Omdia view

Digital transformation can be difficult. The scope and execution of any digital investment requires careful planning and investment across technology, people practices and processes. Digital transformation is proving to be a challenging process for many businesses, as evidenced by the 2024 *NTT DATA Insights and Vision survey*, which found that 73% of businesses have achieved less than 50% of their digital transformation goals in the last two years. In response to these challenges, many businesses are turning to ServiceNow as a platform to help them achieve their goals and overcome the hurdles experienced. Businesses are also moving into a more mature stage of their ServiceNow adoption, with 59% of organizations indicating they have been using ServiceNow for three years or more. Unsurprisingly, IT service management (ITSM) and IT operations management (ITOM) are the most widely adopted ServiceNow capabilities. These capabilities are the common foundation of any ServiceNow adoption, but businesses are increasingly broadening their adoption of other platform capabilities. This extension of ServiceNow into the broader business is validation that the solution's position as an enterprise-wide platform is having an impact in supporting strategic initiatives beyond just the IT department. The key strategic benefits of ServiceNow, as indicated by businesses, are the platform's ability to improve business operations, digital experiences, security, and environmental, social and governance (ESG) initiatives.

The interest in generative AI (GenAI) capabilities over the past 18 months has led organizations to consider how the technology can enhance service management practices. When it comes to the application of GenAI in service management, businesses Omdia surveyed are looking at the capabilities to enhance workplace efficiency and customer satisfaction. The GenAI ServiceNow opportunity is substantial, given the myriad workflows spanning the entirety of enterprise operations that stand to significantly benefit from AI augmentation. This scope certainly presents challenges around acceptance, governance and security, but the applications for GenAI and the opportunities that can be realized are vast. Service management practices and technologies will be key enablers of a broader business GenAI strategy. The domain-specific GenAI offerings delivered by ServiceNow will be important in helping businesses understand the impact and potential value of the technology, in addition to helping alleviate security and governance concerns.

The 2024 responses also demonstrate that many businesses have been able to reduce their investment in other enterprise technologies by using ServiceNow. Businesses are simplifying their digital ecosystems while expanding ServiceNow adoption, achieving technology consolidation and reducing costs. When choosing a ServiceNow partner, businesses are looking at those that provide the expertise and capabilities they are lacking in-house. Responses to the 2024 survey suggest that businesses seek partners who can assist them in innovating, delivering better customer experiences and supporting their ESG initiatives while also providing strong security and service capabilities.

Overall, the 2024 study highlights the important role that ServiceNow can play in helping businesses achieve their digital aspirations and the value the platform can bring in improving business operations, enhancing customer and employee experiences, and supporting ESG initiatives.

Summary

Key findings

Digital success is stagnating

According to the 2024 survey, 73% of businesses have achieved less than 50% of their digital transformation goals in the last two years. Improving progress against digital initiatives is imperative. ServiceNow offers capabilities that support businesses in overcoming significant digital challenges, including improving IT governance, reducing digital spend and simplifying/rationalizing across the IT estate.

ServiceNow adoption is maturing

Businesses are maturing in terms of ServiceNow adoption and utilization, with 59% of organizations advising they have used ServiceNow for more than three years. ITSM and ITOM are the most widely adopted ServiceNow capabilities.

Generative AI (GenAI) and security are becoming vital service management capabilities

The 2024 results indicate that most businesses plan to adopt GenAI to enhance their workplace efficiency and customer satisfaction and that they also regard security improvement as a critical measure of ServiceNow success. ServiceNow delivers AI capabilities that can help organizations improve both internal employee and external customer experiences. Supporting businesses on the path to adoption will be an important partner characteristic.

Technology consolidation and simplification are important value indicators of ServiceNow adoption

In adopting ServiceNow, many businesses have been able to reduce their investment in other enterprise technologies. Businesses also aim to consolidate their technology landscape and further expand ServiceNow adoption into other business units.

ServiceNow partners must deliver strong security capabilities and professional services

Businesses are eager to work with ServiceNow partners who can assist them in innovating, delivering better customer experiences and supporting their ESG initiatives while also providing strong security and service capabilities.

Strengthening security is now viewed as the most important ServiceNow success indicator

ServiceNow customers are looking to improve security practices with the help of the platform and their ServiceNow implementation partners. This will be an important strategic aspiration that NTT should look to support.

Summary

Introducing the 2024 ServiceNow Insight and Vision Report

Originally launched in 2018, the annual *NTT DATA ServiceNow Insight and Vision* survey provides a detailed view of the service management challenges and opportunities that organizations are experiencing as they use the platform. The report is developed based on data and insights gathered from real-world business decision-makers who utilize the ServiceNow platform.

The 2024 iteration of the program is the largest in scope yet, with more countries surveyed and the sample increasing to over 1,000 respondents. Omdia, on behalf of NTT DATA, developed, programmed and fielded a custom online survey that explored the adoption trends, current state and aspirations, partner dynamics, and characteristics relating to ServiceNow adoption and utilization.

Omdia deployed a "double-blind" survey approach: The respondent did not know who was sponsoring the study, and Omdia did not receive any personally identifiable information about the respondent.

This report summarizes the results of our 2024 survey. Eight countries were surveyed in total, with the highest percentage of respondents from the United States, followed by the United Kingdom, Germany and Japan.

Most respondents came from organizations with 5,000 to 9,999 employees, followed closely by organizations with 1,000 to 4,999 employees.

Most of the organizations surveyed reported revenue of $1–$4.99 billion (38.9%). Of the organizations surveyed, 27% reported revenue of $5–$9.99 billion. All survey respondents had a level of influence over ServiceNow adoption and utilization within their organization.

Table 1: Countries with the highest percentage of respondents

Country	Percentage of respondents
United States	Highest (20%)
United Kingdom, Germany and Japan	Second highest (15%)

Source: Omdia

Table 2: Percentage of respondents by business size

Business size	Percentage of respondents
1,000 to 4,999 employees	28%
5,000 to 9,999 employees	29%
10,000 to 19,999 employees	24%
20,000 or more employees	19%

Source: Omdia

Digital progress is at a standstill

Digital progress is at a standstill

73% of businesses report that less than half of their digital initiatives have been successful over the past two years

For many businesses, digital progress is at a standstill. According to the survey results, 73% of businesses reported that less than half of the digital initiatives their organization has embarked on over the past two years have been successful (see Figure 1). However, only a small percentage of these initiatives delivered the optimal business outcomes. This highlights the need for better planning and execution of digital initiatives to ensure success in supporting organizational objectives. By doing so, they can increase the likelihood of success and maximize the benefits of their digital initiatives.

Figure 1: Of the digital initiatives your organization has embarked on over the past two years, what percentage have successfully delivered the desired business outcomes?

Less than 5% have been successful	5%
5–24% have been successful	23%
25–49% have been successful	45%
50–74% have been successful	20%
75% and above have been successful	7%

STAGNATION → SUCCESS

Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia

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Digital progress is at a standstill

Delegation hurdles and manual tasks are dragging down employee productivity

Technology is important when it comes to service management, but people should be at the core of any transformation initiative. Optimizing employee productivity is vital to improving business and customer outcomes, but it is an area that requires attention. Business focus on employee productivity is intensifying as organizations look to overcome the challenges and realize the benefits associated with more diverse workstyles and workplace disruptions. Our 2024 survey results highlight the factors negatively affecting employee productivity (see Figure 2).

Beyond the top four areas shown, other areas of concern include difficulties in collaborating and communicating between employees, hierarchical organization structures slowing decision-making and a lack of capable technologies. While commonly associated as just an IT tool, ServiceNow offers capabilities that can help businesses address these productivity concerns. Educating new and existing customers on the value of the platform in improving employee productivity is important going forward.

Figure 2: Within your organization, which top four factors have the most negative impact on employees' productivity?

45% Lack of skills makes delegation difficult

42% Too many manual / legacy processes

39% Lack of training in how to best use existing tools

34% Fragmented and disconnected workflows between teams

ServiceNow supports businesses in strengthening all these areas

Source: Omdia | **Notes:** N=1,040. Showing areas identified as rank 1 by respondents; showing top 4 from a total of 12 responses | **Copyright:** ©2024 Omdia

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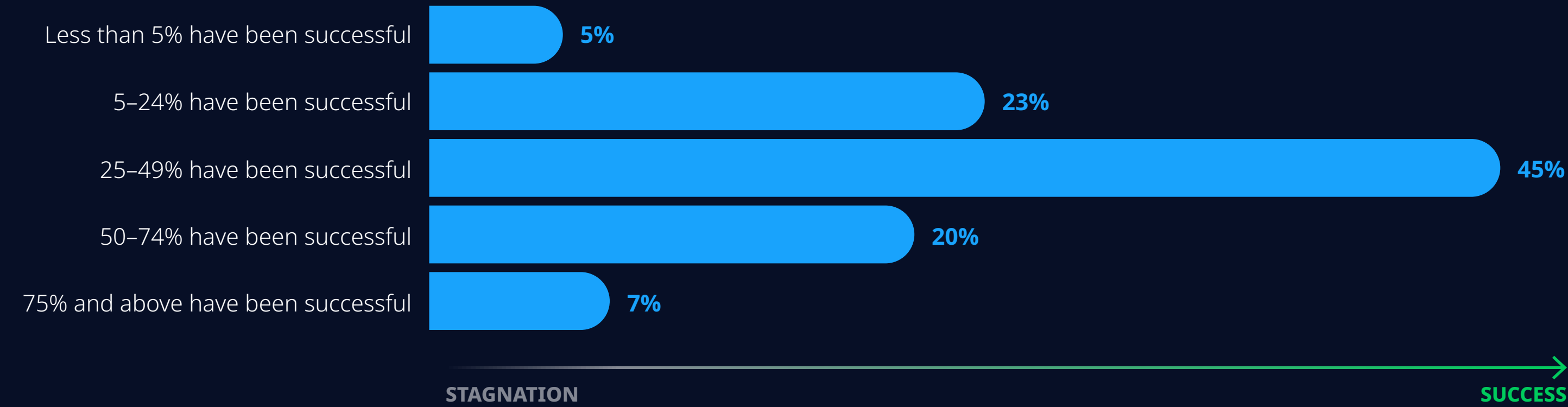
Digital progress is at a standstill

Navigating tech and governance complexities is crucial for digital transformation success

Successful digital transformation requires businesses to focus on and invest in improvement across multiple areas. Improving IT governance, cloud migration, tech ecosystem simplification, ESG enablement, and improving operations with data and insights are all areas of focus for businesses (see Figure 3).

Among respondents, 39% of businesses also highlighted the adoption of GenAI as a priority 1 or 2 digital challenge. It is across these areas that businesses will be looking to support with new technology investments.

Figure 3: What are the most significant digital challenges your business will face over the next 18 months?

Challenge	Percentage
Improving IT governance	53%
Supporting our organization's environmental, social and corporate governance goals	45%
Adoption/migration of apps/workloads to the cloud	44%
Improving operations through data and insights	40%
Simplification of complex tech ecosystem	40%

Source: Omdia | **Notes:** N=1,040. Showing areas ranked 1 and 2 combined by respondents; showing top 4 from a total of 17 responses | **Copyright:** ©2024 Omdia

Digital progress is at a standstill

New business challenges are driving strategic digital changes

Business challenges around AI, security and improving digital experiences are supporting the strategic digital agenda. Enhancing security, improving customer experiences, and leveraging AI and automation capabilities are the four areas businesses deem most strategically important (see Figure 4).

Service management technologies and practices that address these needs will be invaluable. The factors deemed slightly less important by respondents this year include outsourcing business units and advancing DEI.

Figure 4: How has the importance of the following strategic initiatives changed in your organization over the past 12 months?

Initiative	%
Reducing risk/enhancing security	73%
Improving customer experiences	69%
Leveraging automation capabilities	58%
Leveraging AI capabilities	52%

Source: Omdia | **Notes:** N=1,040. Showing areas identified as rank 1 by respondents; showing top 4 from a total of 10 responses | **Copyright:** ©2024 Omdia
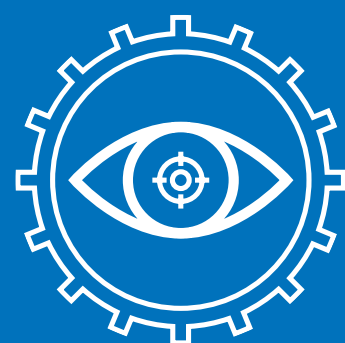
Businesses should look to optimize people, processes, partners and platforms to avoid digital stagnation

ServiceNow emerges as a solution to break the digital deadlock

ServiceNow emerges as a solution to break the digital deadlock

Improving operations and digital experiences are important service management priorities

Businesses are prioritizing a variety of service management objectives. Improving employee and customer experiences is key for many organizations, while others are focused on reducing expenditures and improving operations (see Figure 5).

Improving customer and employee experiences has emerged as an important strategic service management objective. This is a notable indicator of the broader understanding businesses are beginning to develop around the enterprise-wide value that service management supports. Investment in service management capabilities has become not just an investment in the IT department, but an investment in the digital enterprise, including areas such as employee support, customer service, infrastructure and operations, and people management.

Figure 5: What are your organization's most important service management priorities?

Priority	Percentage
Improve service operational efficiencies	75%
Enhance customer experiences	73%
Improve employee experiences	71%
Reduce business and operational expenditures	67%
Integrate workflows and teams from across the business	67%

Source: Omdia | **Notes:** N=1,040. Showing areas ranked 1 and 2 combined by respondents; showing top 5 from a total of 11 responses | **Copyright:** ©2024 Omdia

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Reporting on the broader value delivered by ServiceNow will be important in demonstrating ROI, especially as platform use extends beyond the IT department. As ITSM remains the most widely adopted ServiceNow capability, it is unsurprising that it is the technology investment that businesses feel has delivered the most measurable ROI over the past 12 months (see Figure 6).

It is also encouraging to see measurable success indicators associated with ServiceNow capabilities that have a broader enterprise-wide impact, including the platform's self-service and automation functionality. Interestingly, the larger the organization, the more measurable value it seems to realize from automation capabilities. For example, businesses with revenue of $20 billion or more advised that automation technologies have delivered the best measurable ROI. As processes and workflows become more fragmented and siloed as an organization grows, this heightened value of automation to larger businesses makes sense. Conversely, smaller businesses with revenue between $500–999 million have found that user self-service solutions have delivered the best ROI.

Figure 6: Which IT management technology investments have delivered the best measurable ROI within your organization over the past 12 months?

1
IT service management (service desk, ITAM, project management)

2
User self-service solutions

3
Automation

Source: Omdia | **Notes:** N=1,040. Showing areas identified as rank 1 by respondents; showing top 3 from a total of 12 responses | **Copyright:** ©2024 Omdia

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ServiceNow emerges as a solution to break the digital deadlock

A strategic approach to ServiceNow adoption and utilization is vital to long-term success

Among the businesses Omdia surveyed, 82% advised they had a strategic ServiceNow roadmap (see Figure 7), which embodied a comprehensive strategy that offers a vision for overall ServiceNow platform use in their organization.

The 58% of respondents who indicated they had a ServiceNow roadmap also reported that their overall ServiceNow strategy had changed in the past year. This highlights the importance of a fluid and agile approach to service management practices and technology adoption, which better positions a business to react to disruptions and new market opportunities. This year's data also highlights how businesses across government and telecoms industries are the most likely to have a strategic ServiceNow roadmap in place.

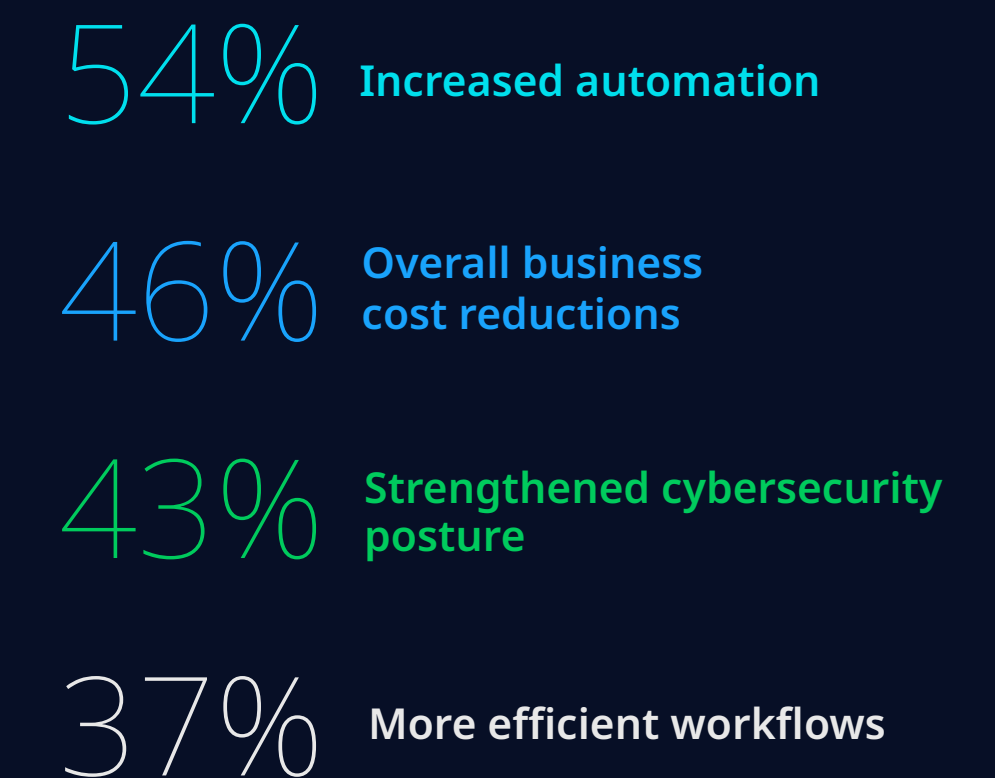**Figure 7:** Do you have a ServiceNow strategic roadmap?

18%
No

82%
Yes
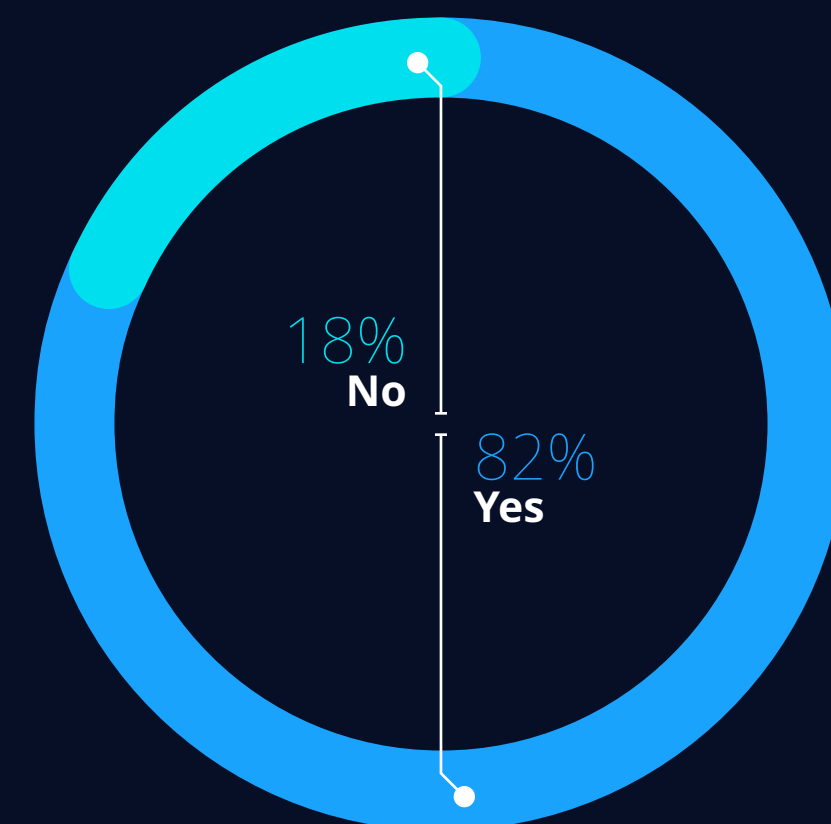
Source: Omdia | **Notes:** N=1,040
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ServiceNow supports the strategic objectives businesses view as important

ServiceNow is supporting organizations in delivering against a variety of important strategic objectives, most notably in helping enhance automation, reduce business costs, advance cybersecurity practices and make workflows more efficient (see Figure 8).

While there is some slight variance, businesses' results are consistent across different geographies and industries. Unquestionably, ServiceNow is having a real strategic impact on business and IT operations. Cost reduction and enhancing cybersecurity are of paramount importance for global enterprises — therefore, amplifying ServiceNow's value in these domains is imperative. This is especially the case with strengthening cybersecurity, as this is not an area with which ServiceNow is commonly associated.

Figure 8: What results has ServiceNow produced since it's been implemented?

54% Increased automation

46% Overall business cost reductions

43% Strengthened cybersecurity posture

37% More efficient workflows

Source: Omdia | **Notes:** N=1,040.
Showing top 4 from a total of 13 responses
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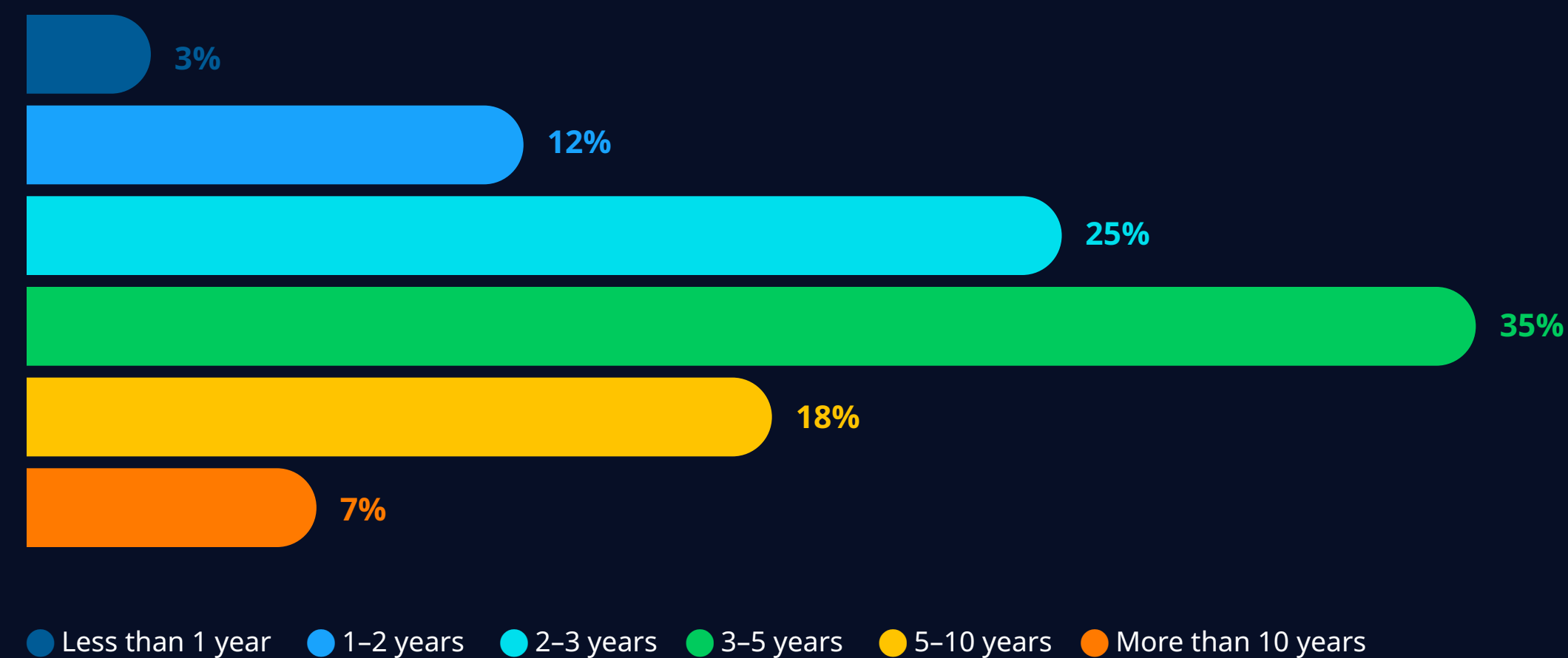
ServiceNow emerges as a solution to break the digital deadlock

59% of businesses have been using ServiceNow for three years or more

Organizations are either in or approaching a mature phase of their ServiceNow deployment, with the majority being at least three years into their use of the platform (see Figure 9).

While ITSM and ITOM capabilities are the foundation of most ServiceNow deployments, there will be an increased need for more advanced ServiceNow capabilities and support beyond these core capabilities.

Figure 9: How long has your organization used ServiceNow in any capacity?

3%
12%
25%
35%
18%
7%

- ● Less than 1 year
- ● 1–2 years
- ● 2–3 years
- ● 3–5 years
- ● 5–10 years
- ● More than 10 years

Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia

The adoption of the customer service management (CSM) solution is encouraging (see Figure 10). This traction aligns with the strong need for businesses to improve customer experiences. Going forward, Virtual Agent, GRC, Procurement and Creator Workflow capabilities are attracting the most interest among organizations. Incidentally, just over a quarter of all respondents advise they have no plans to adopt Virtual Agent — more than any other capability. Across all industries, the current adoption of human resource service management (HRSM) capabilities is quite low (less than 50% but higher than 35%). However, the intent to adopt HR capabilities is strong across all industries. Partners involved in a ServiceNow implementation must be able to deliver these advanced services and support approaches.

Figure 10: Which elements of the ServiceNow platform does your company currently deploy?

Most adopted

- ITSM: 93%, 6%, 1%
- ITOM: 90%, 8%, 3%
- CSM: 75%, 19%, 7%
- Asset Management: 65%, 24%, 11%

Least adopted

- Virtual Agent: 26%, 48%, 26%
- GRC: 30%, 48%, 22%
- Procurement: 36%, 46%, 18%
- Creator Workflow: 34%, 46%, 21%

● Currently deployed ● Plan to adopt ● No plans to adopt

Source: Omdia | **Notes:** N=1,040. Showing top 4 currently adopted and top 4 with plans to adopt | **Copyright:** ©2024 Omdia

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ServiceNow emerges as a solution to break the digital deadlock

Looking forward, technology consolidation and expanding ServiceNow adoption are business priorities

Technology consolidation and the simplification of what has become a complex tech stack for many businesses is perhaps one of ServiceNow's biggest strengths. The 2024 results show how this has become an important ServiceNow objective for businesses (see Figure 11).

In addition to the cost savings businesses experience, the consolidation of different technologies and subsequent rationalization of a digital ecosystem can deliver user experience and IT efficiency benefits. The importance of bridging the skills gap highlights the need for greater and new levels of ServiceNow expertise. Therefore, for vendors and service providers, it will be crucial to deliver not only a great adoption experience but also services and expertise that help customers achieve sustained value from ServiceNow adoption. Enhancing reporting and reducing spend on ServiceNow are other important goals.

Figure 11: What are your most important ServiceNow goals for the next 18 months?

Goal	%
Retiring use of other third-party solutions and consolidating capability into ServiceNow	45%
Broadening adoption of ServiceNow into other organizational departments	40%
Addressing our ServiceNow skills shortage gap	33%
Enhancing reporting	32%
Reducing overall spend on ServiceNow	32%

Source: Omdia | **Notes:** N=1,040. Showing rank 1 responses; showing top 5 from a total of 8 responses | **Copyright:** ©2024 Omdia

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58% of businesses using ServiceNow have been able to consolidate investment in three or more technologies

The objective of consolidating technology is more than just an aspiration, with the majority of businesses reporting being able to consolidate or retire several IT tools since adopting ServiceNow (see Figure 12).

Just under half of businesses have been able to consolidate/retire three or four solutions since adopting ServiceNow, and only 5% of organizations report not being able to consolidate any solutions. Among businesses in the energy and utilities sector, 73.5% have been able to consolidate three or more tools since adopting ServiceNow. Tool consolidation within larger organizations (20,000+ employees) is significantly higher (77.7%) than in organizations with 1–5,000 employees (38.7%).

Figure 12: How many IT tools have you been able to consolidate/retire since deploying ServiceNow?

- None 6%
- 1 or 2 37%
- 3 or 4 46%
- 5 or more 12%
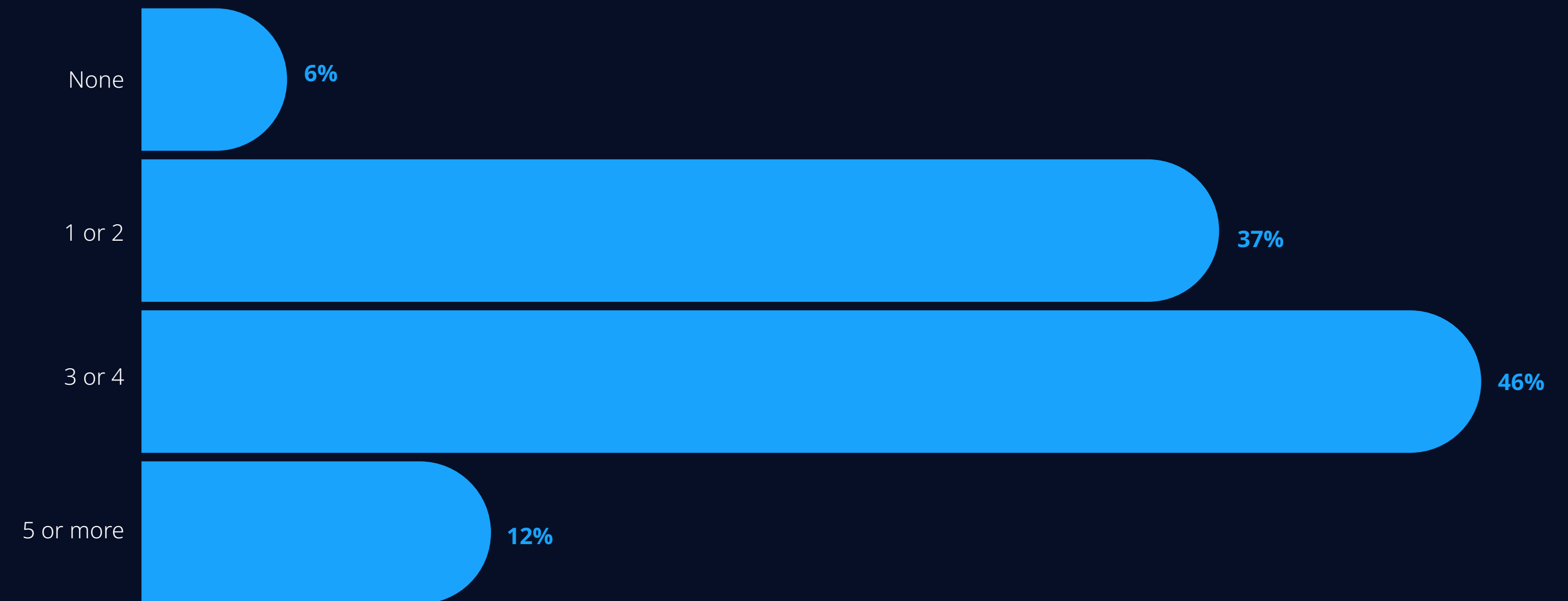
Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia
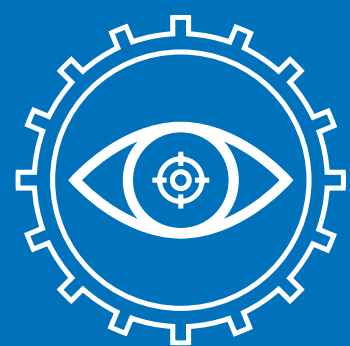
Businesses must prioritize broadening the adoption of ServiceNow beyond just the IT department to better orchestrate operations and user experiences and simplify complex digital ecosystems.

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GenAI and cybersecurity are becoming essential service management capabilities
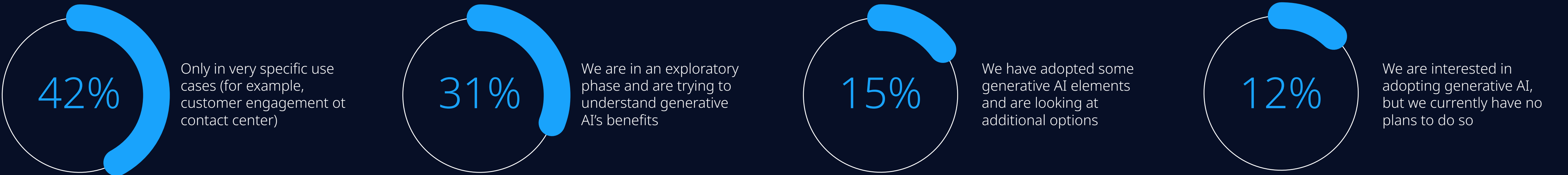
GenAI and cybersecurity are becoming essential service management capabilities

GenAI adoption is a key intention for most businesses

Businesses are increasingly interested in leveraging generative AI (GenAI) in some fashion. This is, of course, not a trend exclusive to service management. However ServiceNow's investment in the capability highlights the important role the technology will play in the platform's ongoing evolution. While the technology is still relatively nascent, our survey results show how many businesses now have a level of experience in using GenAI (see Figure 13).

Given the nascent nature of the technology and ServiceNow's commitment to domain-specific capabilities, education on the benefits of GenAI will be crucial in a service management context, especially for security and governance. From a service management perspective, enhancing customer experience and employee support practices is the low-hanging fruit. Omdia believes that GenAI will add significant value to the ServiceNow platform in its augmentation of digital workflows and human tasks, so amplifying the value and use cases will be vital for partners.

Figure 13: Has your organization implemented GenAI (ServiceNow GenAI, Microsoft 365 Copilot, Google Bard/Duet, Zoom AI companion, etc.)?

42% Only in very specific use cases (for example, customer engagement ot contact center)

31% We are in an exploratory phase and are trying to understand generative AI's benefits

15% We have adopted some generative AI elements and are looking at additional options

12% We are interested in adopting generative AI, but we currently have no plans to do so

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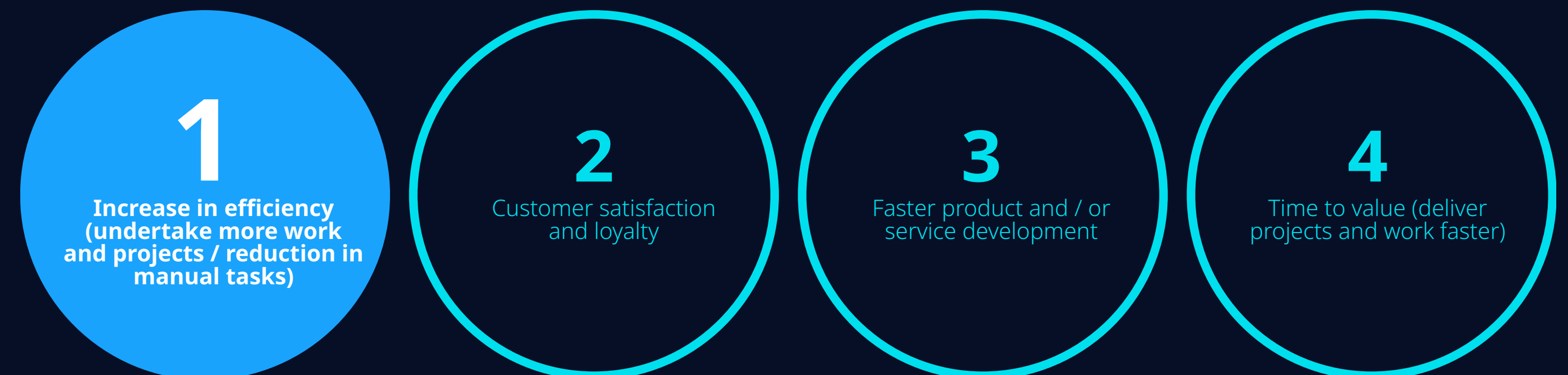
GenAI and cybersecurity are becoming essential service management capabilities

Interest in GenAI is being driven by a need to improve workplace efficiencies and customer satisfaction

Understanding the value of GenAI and where it can be applied can be challenging. Businesses have some clear ideas on what they would like to achieve through investment in GenAI capabilities (see Figure 14).

In addition to workplace efficiency improvement, businesses are looking to leverage GenAI to speed up product/service development and reduce the time takes to recognize value from business initiatives and projects. Improving customer satisfaction and loyalty is another key driver of investment in GenAI. Notably, these are all areas that ServiceNow's GenAI capabilities can help businesses achieve. Communicating the value will be important, so mapping GenAI capabilities onto objectives such as these will be crucial in helping organizations understand the value.

Figure 14: What are the most important value derivations your organization seeks from any investment in GenAI?

1 Increase in efficiency (undertake more work and projects / reduction in manual tasks)

2 Customer satisfaction and loyalty

3 Faster product and / or service development

4 Time to value (deliver projects and work faster)

Source: Omdia | **Notes:** N=1,040. Showing rank 1 responses; showing top 4 from a total of 12 responses | **Copyright:** ©2024 Omdia

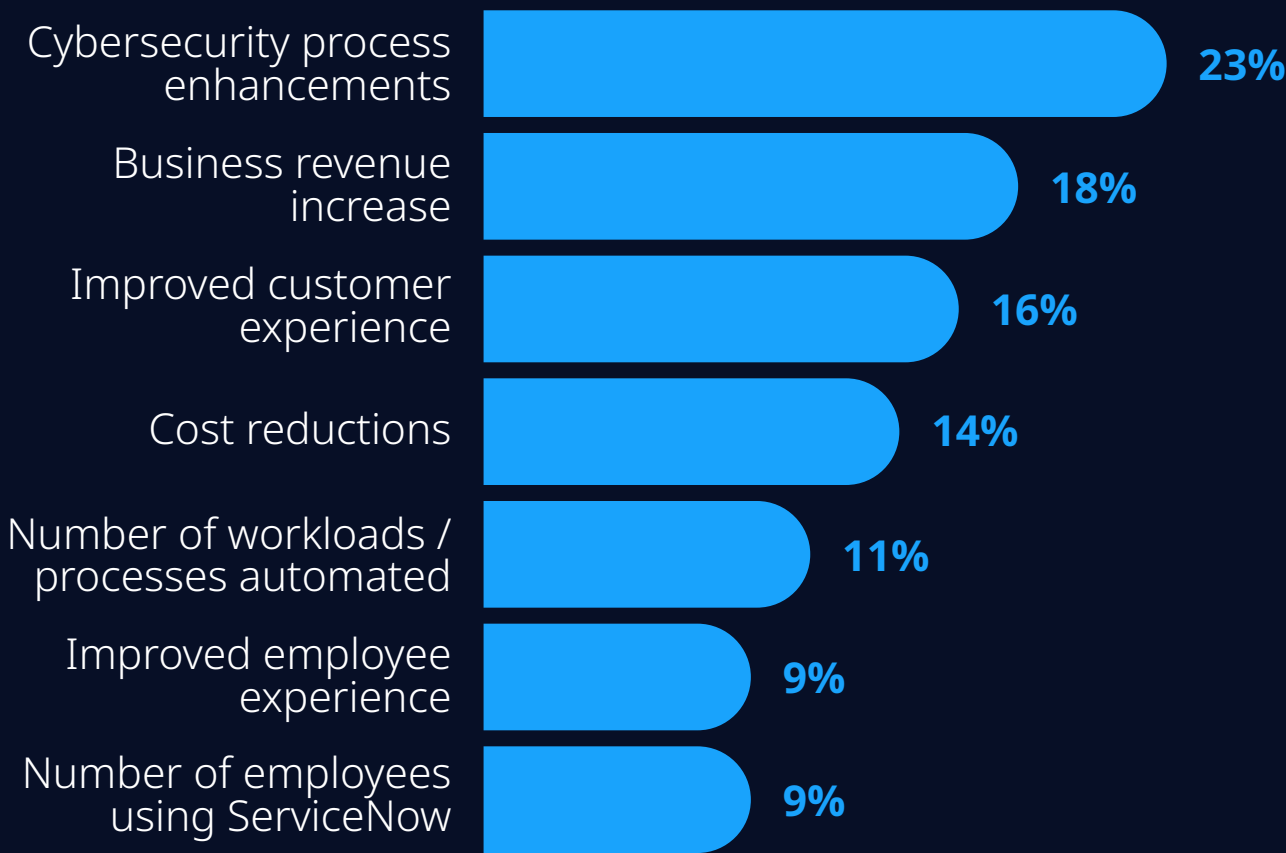GenAI and cybersecurity are becoming essential service management capabilities

Strengthening security is viewed as the most important ServiceNow success indicator

Most businesses identify enhancing cybersecurity processes as the most important factor in determining ServiceNow adoption success (see Figure 15). This is a notable finding, as ServiceNow is not commonly an enterprise technology solution strongly associated with cybersecurity. This result does highlight the importance of solutions supporting broader business security mandates and objectives, something ServiceNow delivers via its security management capabilities to help customers coordinate and manage security incidents.

In addition to security enhancements, improving business revenue and customer experiences are viewed as significant success factors. Metrics and indicators that highlight the progress businesses are making against these objectives will be important.

What businesses are looking to achieve from IT management practices and tech investment overall are also important indicators of what success with any ServiceNow deployment would look like for organizations (see Figure 16). The sentiment here further validates the importance of security and customer experience enhancements, in addition to the need for IT management tools to show how and where IT efficiency gains are being made.

Figure 15: What is the most important factor you use to determine success with your ServiceNow adoption?

- Cybersecurity process enhancements — **23%**
- Business revenue increase — **18%**
- Improved customer experience — **16%**
- Cost reductions — **14%**
- Number of workloads / processes automated — **11%**
- Improved employee experience — **9%**
- Number of employees using ServiceNow — **9%**

Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia

Figure 16: What metrics do you use to gauge the success of new IT management technology investments?

1. **IT team efficiency gains**
2. Improved security posture
3. Customer engagement and satisfaction
4. End-user satisfaction

Source: Omdia | **Notes:** N=1,040. Showing top 4 from a total of 8 response options | **Copyright:** ©2024 Omdia

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GenAI and cybersecurity are becoming essential service management capabilities

Low/no-code capabilities will democratize workflow digitization and accelerate innovation

At the core of the ServiceNow value proposition is the platform's ability to connect people, processes and technologies at a workflow level. Broader adoption of ServiceNow capabilities deeper into the enterprise provides more data and, therefore, more impactful opportunities for workflow automation and digitization. The platform's low/no-code capabilities further build on this capability by putting the power of workflow automation and development into the hands of more people, including developers and non-developers. These capabilities mean customers can benefit from the end-to-end automation and integration layer provided by the Now Platform in executing multidepartment workflows. Connecting systems of record across departments such as IT, HR, facilities, sales, finance and customer services can lead to new process efficiencies, reduced silos and more effective automation. Businesses are recognizing this need, with 67% of organizations ranking better integration of different workflows and teams across the business as a top 1 or 2 strategic service management priority.

There is also an important human element, specifically around how siloed workflows and business units are affecting employee productivity. In exploring the factors businesses identify as having the most negative impact on employees' productivity, 34% advised that fragmented and disconnected workflows between teams are a priority concern. Low/no-code capabilities can help overcome this challenge by putting more power into the hands of employees to better digitize the tasks and workflows that guide how they work. This value is beginning to be realized, evidenced by the 46% of businesses that advised they are planning to adopt ServiceNow's Creator Workflow (custom application) capabilities.
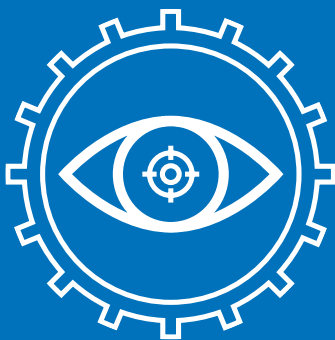
While new technologies bring uncertainties and challenges, they also present many new opportunities. Businesses must work with partners and solutions that help them navigate the challenges and realize new operational value from disruptive digital capabilities.

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ServiceNow can help businesses realize their digital potential, but ongoing support is vital

ServiceNow is well-positioned to help businesses realize their digital potential, but ongoing support will be vital

Financial and economic pressures are presenting challenges

Aside from the value ServiceNow delivers in rationalizing an existing technology estate, businesses will also need help understanding how ServiceNow can improve supply chain efficiencies and make physical workplaces more cost-efficient.

The healthy interest attached to investing in new technologies (see Figure 17) demonstrates how businesses are prepared to invest in new solutions that can help them achieve new business efficiencies and cost reductions. This also demonstrates the value of technology consolidation and rationalization that can be achieved through investment in technology platforms.

Figure 17: What is the main measure your organization will take to deal with potential financial and economic pressures?

18% Implement new supply chain efficiencies

16% Reduce investment in large office buildings / physical workplaces

13% Invest in new technologies to try and realize new efficiencies

12% Freeze / reduce hiring

Source: Omdia | **Notes:** N=1,040. Showing top 4 from a total of 9 response options | **Copyright:** ©2024 Omdia

Summary | Digital progress is at a standstill | ServiceNow emerges as a solution to break the digital deadlock | GenAI and cybersecurity are becoming essential service management capabilities | ServiceNow can help businesses realize their digital potential, but ongoing support is vital | Conclusion | Demographics and methodology | Appendix
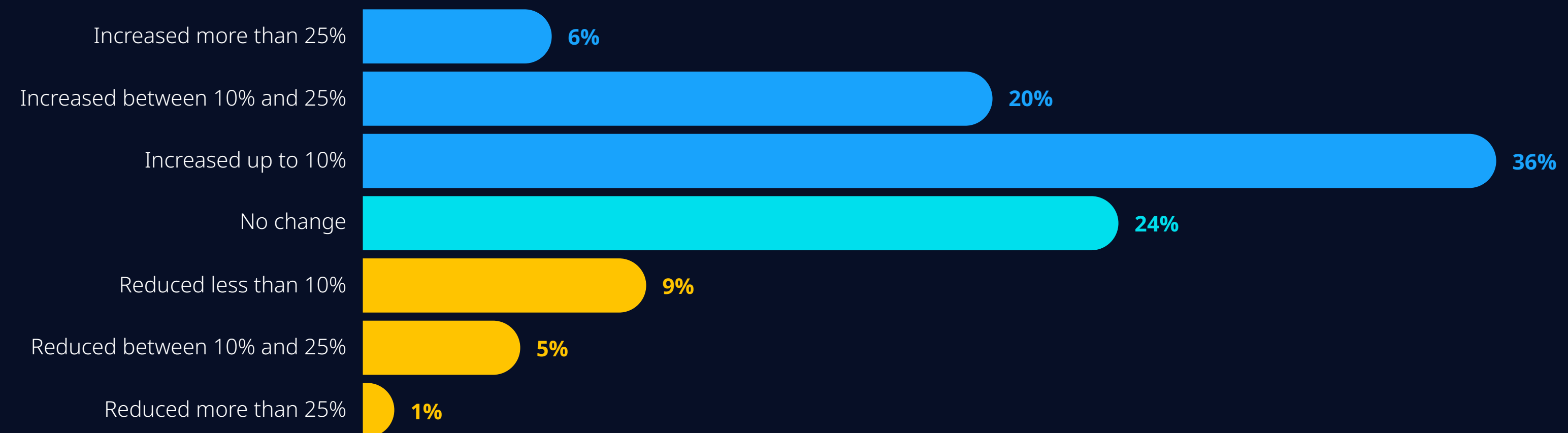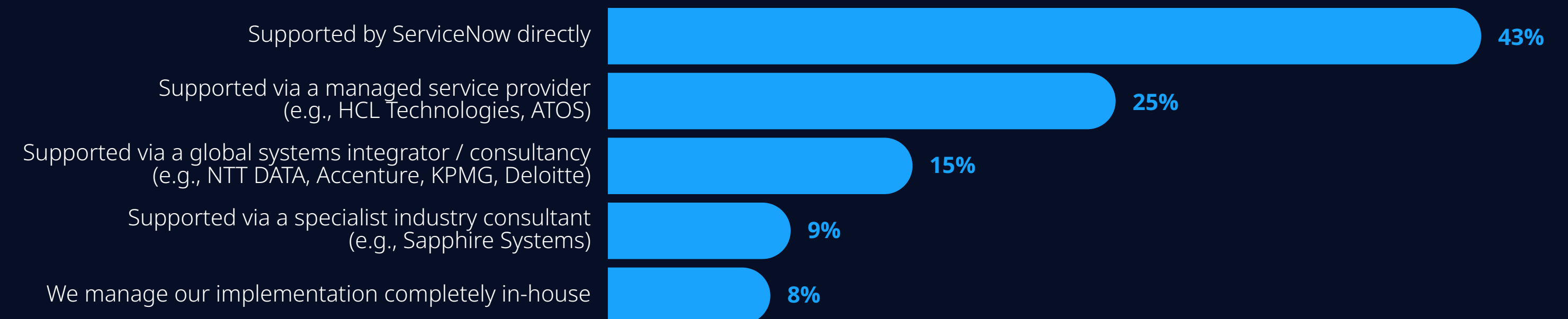
ServiceNow is well-positioned to help businesses realize their digital potential, but ongoing support will be vital

Digital budgets are increasing for 62% of businesses

Over half of businesses have the digital budget to act on the strategic service management and ServiceNow objectives explored in this report, with 62% of organizations advising these budgets are increasing (see Figure 18).

Only 15% of businesses advised that the digital budget was reduced, with 24% advising of no change. The optimism businesses are showing toward digital, signified by the increases planned, demonstrates the commitment organizations have to embracing new technologies and new ways of working.

Figure 18: How is your department's digital budget going to change for 2023/2024 compared to the previous year?

Increased more than 25%	6%
Increased between 10% and 25%	20%
Increased up to 10%	36%
No change	24%
Reduced less than 10%	9%
Reduced between 10% and 25%	5%
Reduced more than 25%	1%

Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia

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Businesses are looking for support in maximizing value from ServiceNow investment

Among businesses, 92% of businesses prefer some form of third-party implementation support for ServiceNow, with ServiceNow itself being the predominant partner of choice. However, larger organizations have a greater tendency to work with service providers or system integrators for their implementation (see Figure 19).

Only 8% of businesses manage their ServiceNow implementation internally, with the vast majority preferring to work with third-party support. ServiceNow itself is the predominant partner of choice; however, larger organizations have a greater tendency to work with service providers or systems integrators for their implementation. As ServiceNow's strategy shifts to focus on working with larger organizations, the market will open for partners to strengthen their propositions for organizations with 1–5,000 employees.

Figure 19: Which type of partner / supplier do you predominately work with to support your ServiceNow implementation?

Supported by ServiceNow directly	43%
Supported via a managed service provider (e.g., HCL Technologies, ATOS)	25%
Supported via a global systems integrator / consultancy (e.g., NTT DATA, Accenture, KPMG, Deloitte)	15%
Supported via a specialist industry consultant (e.g., Sapphire Systems)	9%
We manage our implementation completely in-house	8%

Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia

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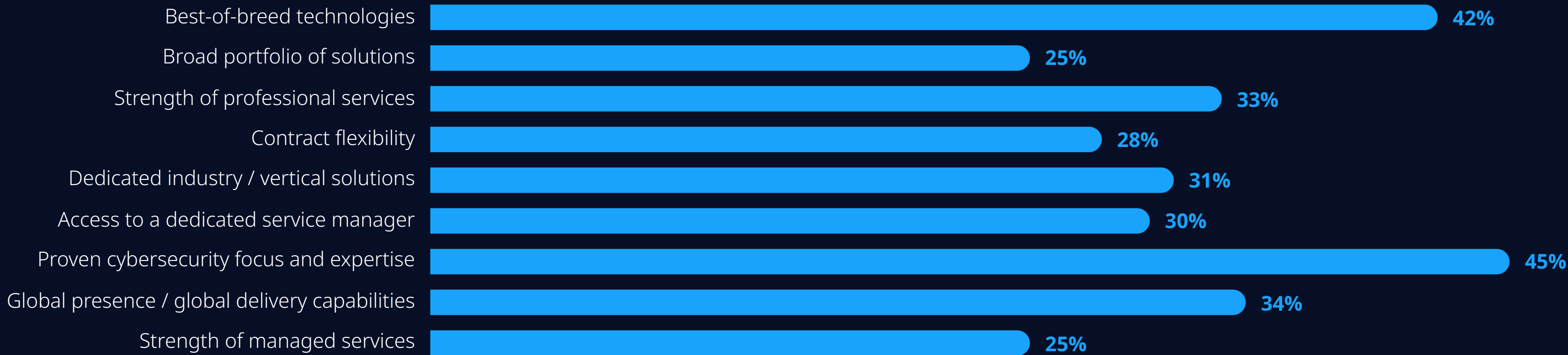
ServiceNow is well-positioned to help businesses realize their digital
potential, but ongoing support will be vital

Businesses will look to ServiceNow partners to help them innovate and deliver better customer experiences

ServiceNow partners must go beyond platform deployment to ensure success. It will be important that partners help businesses differentiate, improve the experiences they deliver to customers and employees, and develop a better understanding of the costs associated with digital transformation (see Figure 20).

Enhancing customer experiences and outcomes entails optimizing workflows across the entire business, spanning from back-office to front-office operations. Tying the value of the ServiceNow platform to business outcomes and objectives will be vital in accelerating innovation and building new areas of differentiation. New technology alone will not help businesses achieve these objectives — the value and expertise of ServiceNow partners will be vital in ensuring optimal use.

Figure 20: What are the most important future-of-work priorities you feel ServiceNow will support over the next 18 months?

1 Accelerate innovation programs to differentiate from competitors

2 Improve customer experiences and outcomes

3 Better understand / measure ROI associated with digital transformation

4 Attract and retain the best talent

Source: Omdia | **Notes:** N=1,040. Showing areas ranked 1 and 2 combined by respondents; showing top 4 responses from a total of 12 response options |
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ServiceNow is well-positioned to help businesses realize their digital potential, but ongoing support will be vital

Partner capabilities must include cybersecurity expertise and a robust service portfolio

In exploring the important capabilities that will support ServiceNow partnership decisions, businesses now require a proven cybersecurity focus and expertise along with a broad portfolio of solutions and strong services (see Figure 21).

The proximity of the results shows how ServiceNow partners must deliver solutions that provide more than best-of-breed technologies. Demand for services and support mechanisms that can help businesses yield long-term value from any ServiceNow investment is important. The results provide a good blueprint for what any ServiceNow partner should deliver to meet business expectations.

Figure 21: What are the top capabilities your business looks for when selecting a ServiceNow service management partner?

Capability	%
Best-of-breed technologies	42%
Broad portfolio of solutions	25%
Strength of professional services	33%
Contract flexibility	28%
Dedicated industry / vertical solutions	31%
Access to a dedicated service manager	30%
Proven cybersecurity focus and expertise	45%
Global presence / global delivery capabilities	34%
Strength of managed services	25%

Source: Omdia | **Notes:** N=1,040 | **Copyright:** ©2024 Omdia

ServiceNow is well-positioned to help businesses realize their digital potential, but ongoing support will be vital

Industry solutions captivate business attention

Over recent years, one of the notable ServiceNow platform evolutions has been the vendor's investment in developing industry-specific solutions designed to meet business needs across different verticals. ServiceNow has built specific platforms around industries like telecoms, financial services and manufacturing. Industry-specific solutions are valuable as they help businesses better understand the value any technology can deliver in the context of their organization. These industry-specific solutions are beginning to resonate with businesses. According to the 2024 survey results, 42% of respondents are looking to adopt a ServiceNow industry-specific solution. Industry-specific expertise is also affecting decisions about the ServiceNow partnerships businesses are looking to form. Here, 31% of respondents identify dedicated industry solutions as a priority partner capability.
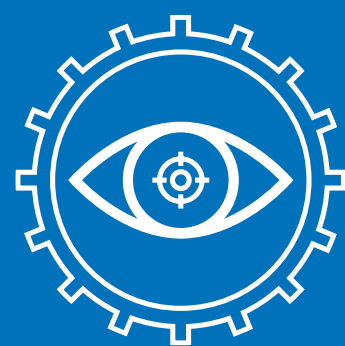
Businesses must not walk the path to digital transformation alone. Forge partnerships that deliver the solutions and expertise needed to navigate the challenges and realize the opportunities associated with digital transformation.

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Conclusion

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ServiceNow is a cornerstone for digital transformation or ServiceNow helps businesses drive digital transformation

The 2024 survey results show that digital success has been stagnating, with most businesses reporting that less than half of their digital initiatives have been successful in the past two years. The need to navigate digital complexities with new technologies and services will only increase in response, but businesses need support and expertise in addition to great technologies. ServiceNow's end-to-end automation and workflow digitization proposition is well aligned with the needs of businesses looking to transform digitally. The platform is reaching good levels of adoption maturity, with more than half of businesses having used the platform for three years or more. While ITSM and ITOM capabilities will remain the core modules adopted, utilization beyond this IT core is expanding as businesses increasingly view ServiceNow as a platform that can help improve broader business objectives, including improving operations, digital experiences, security and ESG initiatives.

The survey results also show how GenAI and security are becoming vital service management capabilities, with most businesses intending to adopt GenAI to realize new worker efficiencies and customer satisfaction. Businesses are keen to focus on use cases over capabilities, so communication and education about business outcomes delivered through investment in GenAI and security solutions will be important. Additionally, technology consolidation and simplification are important values that businesses associate with ServiceNow adoption. Many organizations have been able to consolidate their investment in other technologies by using ServiceNow, and this effort to rationalize across increasingly complex digital ecosystems has become a significant ServiceNow adoption goal for businesses.

In light of these trends, ServiceNow partners need to deliver strong security capabilities and professional services. Businesses are looking for ServiceNow partners who can help them innovate, deliver better customer experiences and support their ESG initiatives while providing robust security and service capabilities. By meeting these needs, ServiceNow partners can help businesses achieve their strategic objectives and support digital success.

Demographics and methodology

Demographics and methodology

Respondents

The *2024 ServiceNow Insights and Vision* survey was a joint research study between NTT DATA and Omdia. The responses were collated from participants across eight countries and 10 different business departments, including IT, HR, finance, marketing, facilities management and customer service. The roles of respondents engaged include directors, managers and C-level executives (see Figure 22).

Respondents all worked for organizations that used ServiceNow in some capacity and spanned industries including manufacturing, healthcare, the public sector and financial services.

Figure 22: Respondent roles and department breakdowns

Departments	
Customer Service	4%
Executive Management	8%
Facilities Management	7%
Finance	7%
HR	4%
IT	35%
Marketing	6%
Operations	16%
Procurement	9%
Security	5%

Industry	
Education	6%
Energy and Utilities	5%
Financial Services	14%
Government	5%
Healthcare	10%
Logistics	9%
Manufacturing	17%
Non-profit	6%
Retail	18%
Telco and Media	12%

Source: Omdia

Appendix

Appendix

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About NTT DATA

NTT DATA is a $30+ billion trusted global innovator of business and technology services. We serve 75% of the Fortune Global 100 and are committed to helping clients innovate, optimize and transform for long-term success. We invest over $3.6 billion each year in R&D to help organizations and society move confidently and sustainably into the digital future. As a Global Top Employer, we have diverse experts in more than 50 countries and a robust partner ecosystem of established and start-up companies. Our services include business and technology consulting, data and artificial intelligence, industry solutions, as well as the development, implementation and management of applications, infrastructure, and connectivity. We are also one of the leading providers of digital and AI infrastructure in the world. NTT DATA is part of NTT Group and headquartered in Tokyo.

Visit us at nttdata.com

Omdia consulting

Omdia is a market-leading data, research and consulting business focused on helping digital service providers, technology companies and enterprise decision-makers thrive in the connected digital economy. Through our global base of analysts, we offer expert analysis and strategic insight across the IT, telecoms and media industries.

We create business advantage for our customers by providing actionable insight to support business planning, product development and go-to-market initiatives.

Our unique combination of authoritative data, market analysis and vertical industry expertise is designed to empower decision-making, helping our clients profit from new technologies and capitalize on evolving business models.

Omdia is part of Informa Tech, a B2B information services business serving the technology, media and telecoms sector. The Informa group is listed on the London Stock Exchange.

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Omdia's consulting team may be able to help your company identify future trends and opportunities.

Appendix

Author

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Author

Adam Holtby

Principal Analyst, Workplace Transformation
askananalyst@omdia.com

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