

CIO Insights Global Survey, Q2 2025

Survey of Chief Information Officers (CIOs) for Leading Trends in IT and Business

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This research report provides a comprehensive summary of key insights from Futurum's global CIO audience. It spotlights the most critical trends shaping enterprise IT, with a strong emphasis on AI's transformative role and cybersecurity risks in driving innovation and strategic decision-making.

This is a summary report of the full survey details within Futurum's interactive visualization dashboard, where users can filter and drill down further into the study details - see app.futurumgroup.com.

Key Findings

- **Cloud Strategy Matures, Workload Optimization Gains Focus:** Cloud remains a core pillar of enterprise IT strategy, but the conversation has evolved. While 54% of CIOs plan to reevaluate where workloads run to better align with cost, security, and performance needs, 28% now report no further changes are planned for now, indicating greater confidence and stability in existing architectures. Most CIOs remain only somewhat confident that their current strategies will meet cost and performance targets, highlighting the need for ongoing fine-tuning rather than major overhauls.
- **AI Implementation Deepens Across Functions:** AI is now pervasive across the enterprise, with every respondent reporting active use. Sales (68%), Operations (67%), and Marketing (64%) are the most AI-enabled functions. Top priorities for AI investments include automation (69%), productivity (67%), and customer experience (63%), but security and ethical concerns persist. Data privacy (79%) and output bias (57%) lead the list of risks, prompting a shift toward structured governance, with 68% of CIOs reporting having well-formed AI policies already in place.
- **Cybersecurity and Talent Remain Top CIO Concerns:** Cyber threats (49%) and talent acquisition and retention (72%) remain the two most pressing challenges facing CIOs in 2025. This dual pressure shapes investment plans, vendor relationships, and operational decisions across the board. Strategic investment continues to prioritize

cybersecurity (81%), alongside digital transformation (66%) and emerging technologies (63%).

- **Platform Spending Reflects Strategic Realignment:** New platform-level data reveals CIOs are reallocating resources rather than simply increasing spend. Salesforce (38%), ServiceNow (41%), and Microsoft Azure (35%) are the top platforms targeted for increased investment, while AWS, Cisco, and several legacy platforms show rising consolidation and spending cuts. The results signal a move toward ecosystem simplification and a focus on platforms that deliver clear value and AI-readiness.

Recommendations

As CIOs navigate a rapidly shifting technology, geopolitical, and economic landscape in Q2 2025, they must align their strategies around high-impact investments, talent resilience, and operational risk mitigation to seize emerging opportunities and sustain competitive advantage in enterprise IT.

1. **Operationalize AI with Governance, Measurable Outcomes, and Strategic Focus:** With 100% of CIOs now reporting active AI use across departments and dual momentum in both pilot implementations and well-formed governance plans (68% each), organizations must treat AI as a formal enterprise capability. Prioritize automation, productivity, and customer experience, cited as top outcomes, while establishing clear controls to address rising concerns around data privacy (79%) and bias (57%). Invest in platforms that offer transparency, adaptability, and integration with existing systems to ensure scalability and trust.
2. **Address the Talent-Cybersecurity Nexus with Proactive Investment:** Talent and security are now inseparable strategic imperatives. With 72% of CIOs citing talent acquisition and retention as their top challenge and 81% prioritizing cybersecurity investment, organizations must build resilient teams capable of defending increasingly complex and interconnected environments. Focus on targeted upskilling, competitive retention strategies, and cross-functional collaboration to close the capability gap while implementing modern security frameworks aligned with evolving threat landscapes.
3. **Refine Cloud Workload Placement for Cost and Performance Alignment:** Over half of CIOs plan to reevaluate where workloads run, but 28% have reached a stable posture, suggesting a bifurcated cloud strategy landscape. To maintain agility, organizations should develop robust evaluation models that consider security, cost optimization (26%), compliance (23%), and performance. Avoid rigid one-size-fits-all approaches by tailoring infrastructure decisions to workload characteristics, business objectives, and regulatory constraints.
4. **Realign IT Spend Toward Strategic Platforms and Simplification:** CIOs are shifting away from indiscriminate platform expansion and toward deliberate investment in high-value systems. Salesforce, ServiceNow, and Microsoft Azure are clear

beneficiaries, while consolidation is underway across AWS, Cisco, and legacy platforms such as VMware. Use platform-level spend data to guide rationalization efforts, focusing on systems that support automation, AI, and seamless integration. Simplification not only reduces cost but also accelerates agility.

5. **Anchor Strategic Initiatives Around Cybersecurity, AI, and Transformation:** As CIOs prioritize cybersecurity (81%), digital transformation (66%), and emerging technologies (63%), IT investments should support initiatives that deliver resilience, innovation, and measurable ROI. Lower-tier priorities such as remote work infrastructure and process simplification remain important but should be considered enablers rather than strategic drivers. Embed analytics, governance, and platform adaptability into every transformation effort to future-proof outcomes.

TABLE OF CONTENTS

Key Findings	1
Recommendations	2
Executive Summary	5
Key Issues Driving IT Buying Decisions in Q2 2025	6
The Emerging Technologies Prioritized by CIOs	7
The Legacy Systems Moving to the Cloud	8
The Departments Currently Leveraging AI the Most	9
The AI Models Most Encountered by CIOs	10
The AI Outcomes Most Sought by CIOs	11
The Leading Concerns About AI	12
Rethinking Where Cloud Workloads Should Run	14
Reasons for Shifting Location of Cloud Workloads	15
CIOs' Confidence in Current Cloud Strategy	15
Anticipated IT Budget Changes by Platform in 2025	16
Winners in Spend Momentum	16
Pressure to Consolidate or Cut	17
The Takeaway	17
Updates to the Biggest IT Challenges in 2025	19
Strategic Investment Priorities in 2025	20
Conclusion and Key Takeaways	21
Key Takeaways	23
Demographics	23
Definitions and Terminology	26
Objectives and Methodology	26
About Us	28
About the Authors	28
About The Futurum Group	28
Copyright & Use License	28
Copyright Notice	28
License Notice	28
Limitation of Liability Notice	28

Executive Summary

The Q2 2025 Global CIO Survey reveals a critical turning point in enterprise IT: Experimentation is giving way to execution. CIOs are moving past pilots and proofs of concept, instead scaling AI, refining cloud strategies, and realigning platform investments around business value. This shift signals a more mature and focused approach to transformation. And one where every dollar, workload, and initiative must earn its place in a rapidly evolving digital architecture.

AI is no longer optional or isolated. Every CIO surveyed reports active use, with Sales, Operations, and Marketing leading adoption. Microsoft Copilot and ChatGPT remain widely used, but Gemini, Claude 3, and homegrown large language models (LLMs) are gaining traction, showing that CIOs are no longer tied to a single model or provider. The focus is shifting to tangible outcomes—automation (69%), productivity (67%), and customer experience (63%), while concerns around privacy, bias, and cost are fueling a rise in structured governance. AI is no longer a tool. It is becoming a core system of engagement.

Meanwhile, cloud strategy is settling into a more deliberate phase. While 54% of CIOs will reassess workload placement in 2025, 28% now report stability, marking a shift from wholesale migration to intelligent optimization. This reflects a broader theme: IT leaders are no longer just transforming infrastructure, but fine-tuning it for control, performance, and cost alignment. Confidence in current strategies remains cautious, with only 7% expressing full certainty in meeting performance and cost goals.

Cybersecurity and talent acquisition continue to define the strategic ceiling for CIOs. With 81% prioritizing cybersecurity investments and 72% citing talent as their biggest challenge, organizations are increasingly constrained not by ambition but by capability. The CIO's mandate is clear: Secure the enterprise while building teams capable of sustaining innovation.

Strategic investments cluster around three pillars: cybersecurity, digital transformation, and emerging technologies such as AI and ML. Other priorities, such as data analytics, customer experience, and legacy system upgrades, play supporting roles. At the platform level, a dramatic shift is underway: Salesforce, ServiceNow, and Azure are gaining investment, while AWS, Cisco, and older platforms are facing consolidation. Simplification, more manageability, and strategic alignment, not expansion, are now the dominant logic of IT spending.

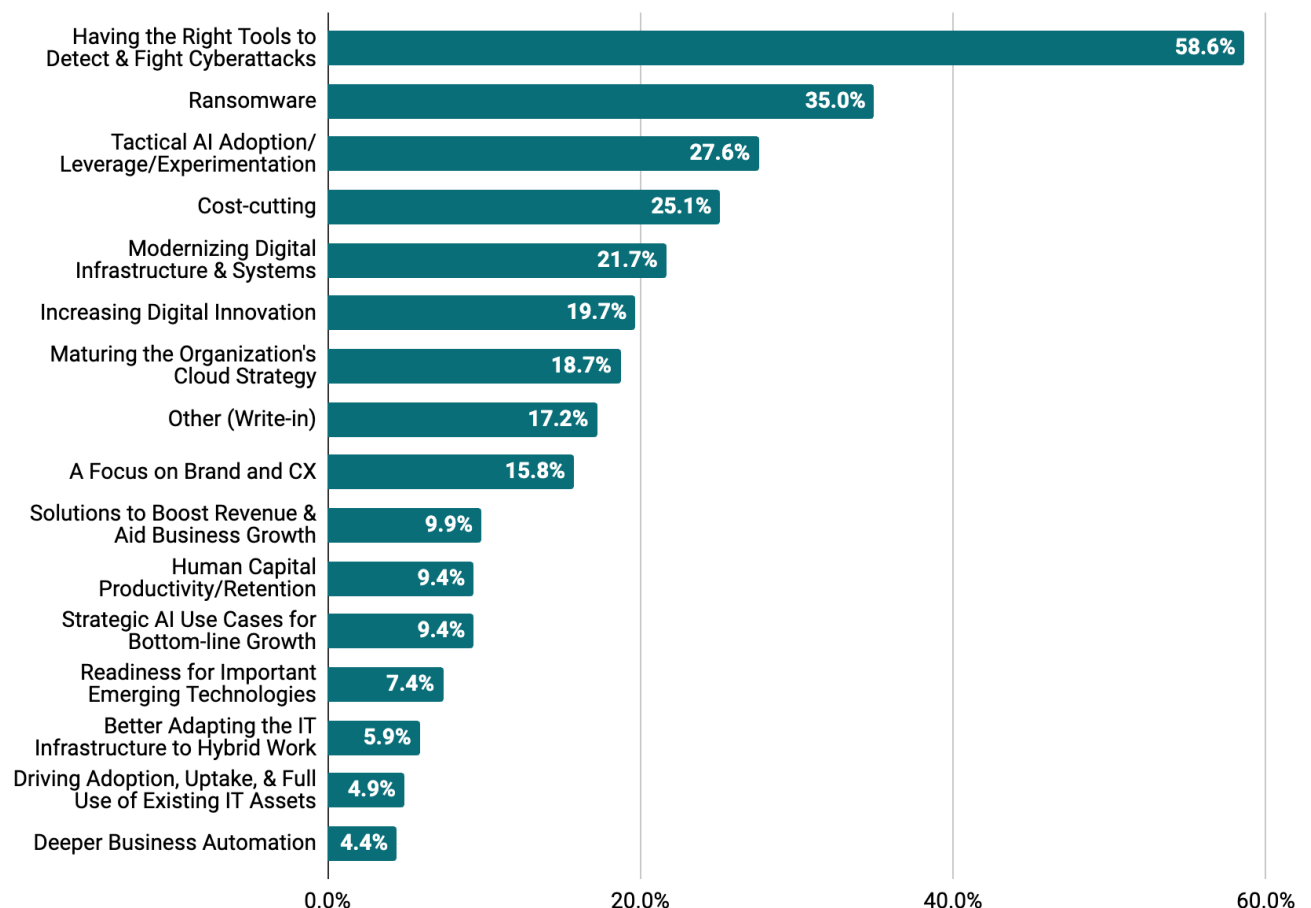
Ultimately, this quarter's survey reveals a new posture in enterprise IT: More focused, more governed, and more accountable to outcomes. CIOs are no longer just reacting to change; they are beginning to architect it. The challenge ahead is to convert this discipline into a sustained digital advantage.

Key Issues Driving IT Buying Decisions in Q2 2025

For the second quarter of 2025, cybersecurity remains the top driver of IT purchasing decisions. A commanding 59% of CIOs say having the right tools to detect and fight cyberattacks shapes their technology investments, followed by 35% who cite ransomware protection as a distinct priority. Cost-cutting also plays a major new role in this quarter, with a spike in respondents (25%) focused on reducing spend through more efficient IT strategies. Tactical AI experimentation and adoption now influence 28% of CIOs, indicating growing interest in scalable, low-risk applications of artificial intelligence.

Other major themes shaping the IT agenda include modernizing infrastructure (22%), advancing digital innovation (20%), and maturing cloud strategies (19%). Notably, 17% of CIOs prioritize brand and customer experience, suggesting a broader shift in IT's role in driving business impact. Strategic AI use cases (9%), human capital productivity (9%), and solutions to boost revenue (10%) appear as emerging—yet still secondary—investment rationales. These findings suggest CIOs balance immediate security and efficiency concerns with longer-term innovation and growth strategies in a rapidly evolving IT landscape.

Figure 1: Key Issues Driving IT Buying Decisions in 2025



Q: What are the key issues driving IT buying decisions as it pertains to technology? (pick up to 3)

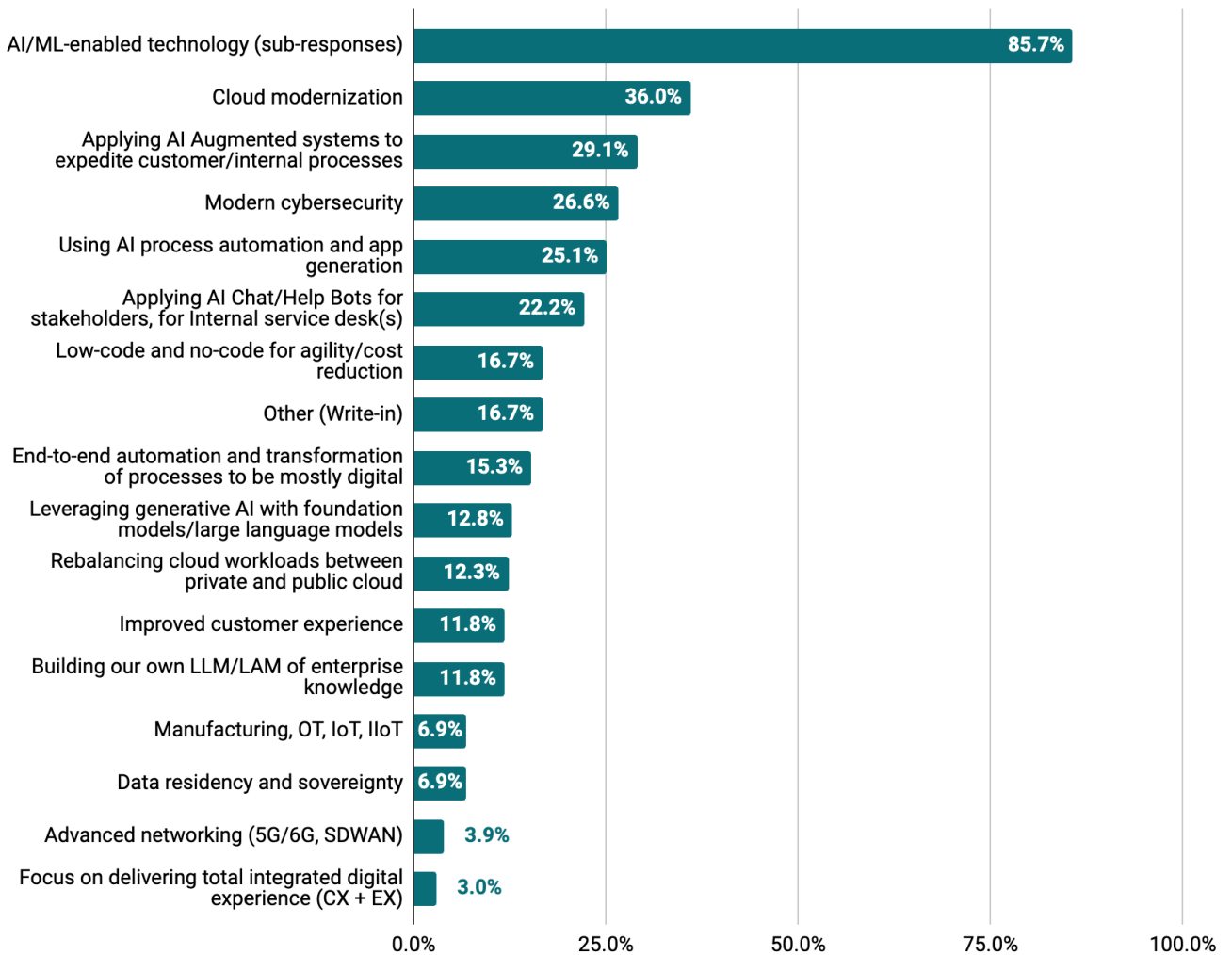
Source: Futurum Research, March 2025

The Emerging Technologies Prioritized by CIOs

AI continues to dominate the enterprise technology agenda for Q2 2025, with 86% of CIOs reporting adoption or experimentation with AI/ML-enabled technologies across multiple use cases. Among the most common applications: 29% use AI-augmented systems to streamline internal or customer-facing processes such as travel and returns, 22% have implemented AI-powered chat or help bots, and 13% are exploring building their own LLMs or knowledge frameworks internally. Meanwhile, 13% actively leverage generative AI based on foundation models, showing early movement toward bespoke AI integration.

Beyond AI, cloud modernization remains a major focus, with 36% of CIOs citing it as a key area of innovation, reflecting its foundational role in scaling digital transformation. Low-code and no-code platforms are gaining traction for agility and cost-efficiency (17%), and 27% are investing in modern cybersecurity to counter evolving threats. Other priorities include end-to-end automation (15%), improved customer experience (12%), and process transformation (15%). Advanced networking (4%) and manufacturing/IoT tech (7%) round out the list, while no respondents indicated the absence of emerging tech, confirming universal movement toward next-gen digital strategies.

Figure 2: Emerging Tech Prioritized by CIOs



Q: In which categories are you seeing the most new/emerging technologies for your organizations? (Select all that apply.)

Source: Futurum Research, March 2025

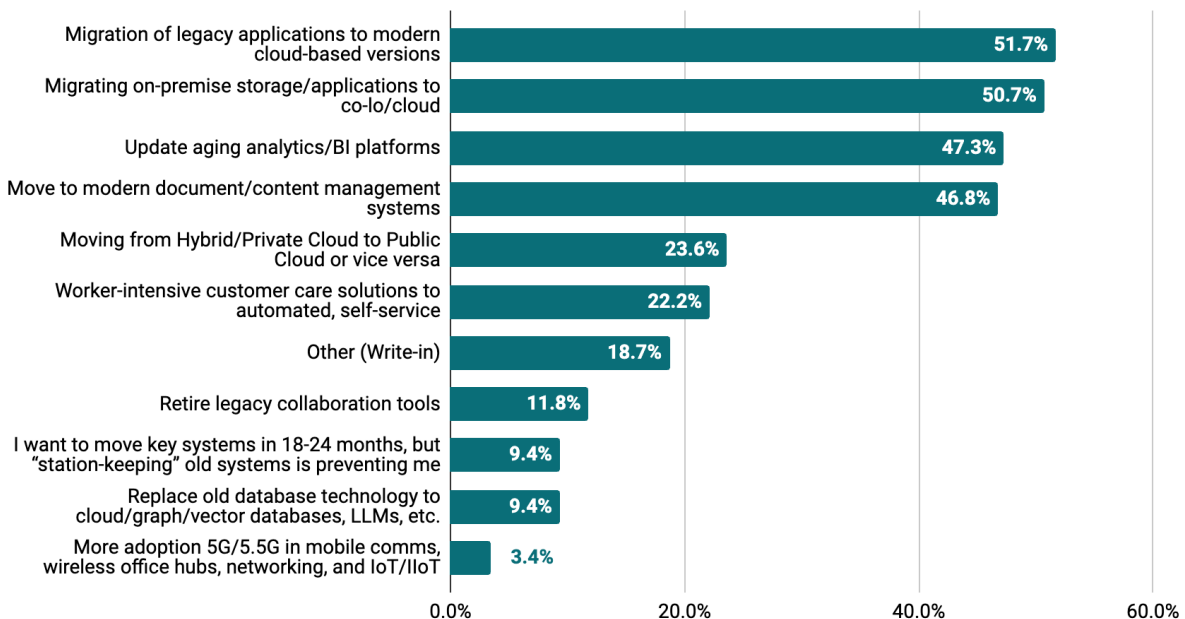
The Legacy Systems Moving to the Cloud

Migration of legacy systems remains a top CIO priority, with 52% of respondents planning to move legacy applications to modern cloud-based platforms within the next 18–24 months. Closely behind, 51% are targeting the migration of on-premise storage and applications to co-location or cloud environments. These figures represent a slight increase from the previous survey, indicating sustained—and possibly accelerating—momentum toward cloud-first strategies, particularly as organizations push for greater agility and cost control.

Document and content management systems also rank high, with 47% of CIOs planning upgrades to modern cloud-based alternatives—up nearly 10 percentage points from the previous quarter. This shift suggests growing awareness that these systems, though often overlooked, are foundational to digital workflows and collaboration in hybrid work

environments. Meanwhile, 24% of respondents are reassessing cloud architecture choices, actively moving between hybrid, private, and public cloud deployments, reflecting increased flexibility in infrastructure planning. However, 9% of CIOs cite inertia, or maintaining legacy systems, as a barrier to progress. This signals that while the intent to modernize is strong, technical debt and operational dependencies still slow full migration for a subset of organizations.

Figure 3: Legacy Systems Migration Trends, Q2 2025



Q: Which legacy on-prem back-office (internal facing) solutions are prioritized for movement to the cloud in the next 18-24 months? (Select all that apply.)

Source: Futurum Research, March 2025

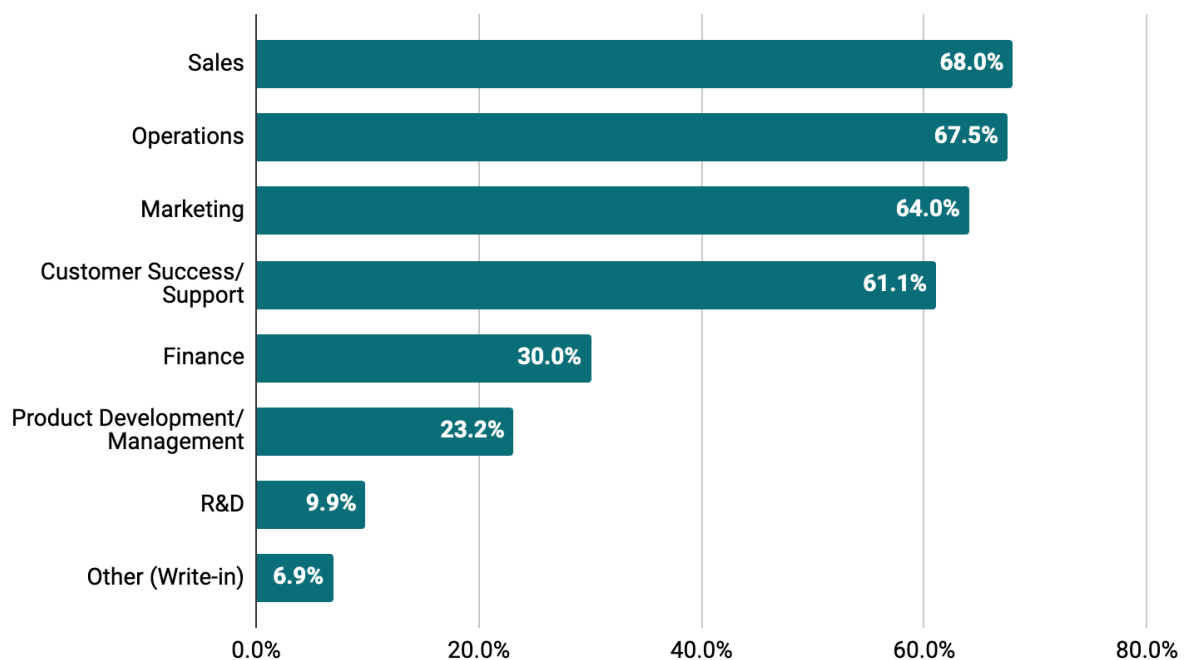
The Departments Currently Leveraging AI the Most

AI adoption has deepened across the enterprise, with every respondent in the Q3 survey reporting at least some departmental use of AI, marking a notable shift from Q2 where a small portion of organizations had not yet begun deployment. Sales (68%) and Operations (67%) now top the list as the most AI-active functions, closely followed by Marketing at 64% and Customer Support at 61%. This reflects a continued emphasis on applying AI to frontline and execution-heavy roles where process optimization and customer engagement offer quick, measurable ROI.

Compared to the prior quarter, where Customer Support led at 77% and Sales at 66%, the changes show a rebalancing, indicating that while AI in support remains critical, Sales and Operations are now the vanguard for scaled AI enablement. Finance adoption has also risen to 30%, suggesting growing confidence in AI's value in analytical and compliance-heavy domains. Meanwhile, Product Development (23%) and R&D (10%) remain comparatively under-leveraged, though modest gains hint at a slow shift toward strategic innovation functions.

This broadening adoption suggests CIOs push AI deeper into operational workflows beyond early pilots. The complete disappearance of “Not using AI yet” responses signals a new phase: universal experimentation and deployment. The challenge ahead will be not just scale, but cross-functional alignment and governance across these increasingly AI-augmented departments.

Figure 4: Departments Leveraging AI Significantly



Q: Which departments are currently leveraging AI solutions in their business functions? (Select all that apply.)

Source: Futurum Research, March 2025

The AI Models Most Encountered by CIOs

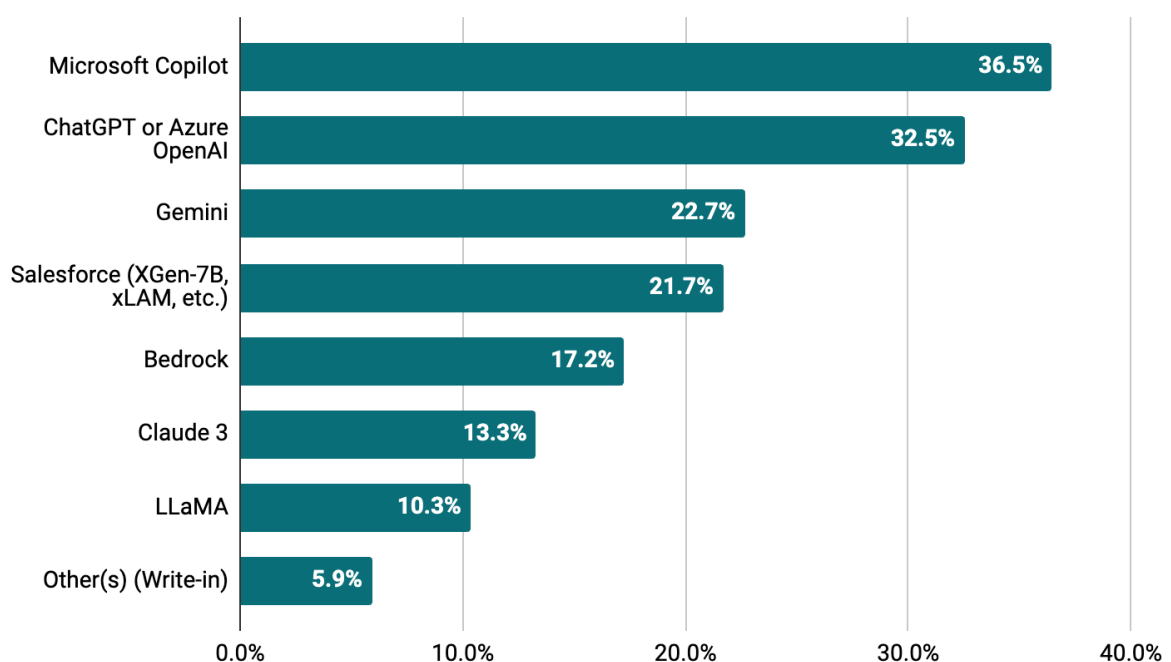
CIOs continue to actively experiment with a diverse range of generative AI platforms, though the leaderboard is shifting as newer entrants gain traction. Microsoft Copilot remains the most widely tested solution, with 36% of CIOs reporting active experimentation, up from 39% last quarter, holding its lead despite the entry of more players. ChatGPT or Azure OpenAI follows at 33%, a slight decline from 37%, suggesting early adopters may now be moving into scaling or standardization phases rather than new trials.

Notably, Google’s Gemini has surged to 23% adoption, up from 18%, positioning it as a rising contender in the enterprise AI space. Salesforce’s specialized AI models (including XGen-7B and xLAM) also hold steady at 22%, confirming their relevance for vertical-specific applications, especially in CRM-driven organizations. Meanwhile, Claude 3 by Anthropic entered at 13%, reflecting increasing interest in alternative foundation models with a stronger emphasis on safety and reasoning.

Open-source experimentation remains niche but notable: Meta’s LLaMA models are being explored by 10% of CIOs, while Jasper AI and Mistral have effectively dropped out of the enterprise radar. Amazon’s Bedrock platform registers a solid 17%, underscoring AWS’s foothold among more infrastructure-aligned organizations. The “Other” category at 6% reflects continued exploratory testing, likely with sector-specific or emerging regional models.

This quarter’s data shows that while Microsoft and OpenAI still dominate, the ecosystem is fragmenting as CIOs explore competitive, privacy-friendly, or domain-specific alternatives. The experimentation phase is clearly alive and well, but it’s becoming more strategic, nuanced, and aligned with organizational needs.

Figure 5: Enterprise AI Models Reported by Most CIOs



Q: Which AI applications are they experimenting with? (Select all that apply.)

Source: Futurum Research, March 2025

The AI Outcomes Most Sought by CIOs

CIOs remain sharply focused on AI as a lever for operational performance, with 69% identifying automation as a top desired outcome, down significantly from 96% last quarter. This suggests that while automation remains core, CIOs are increasingly diversifying their goals. Productivity now nearly matches automation in priority, cited by 67% of respondents (up from 77%), reaffirming AI’s role in enhancing throughput across functions.

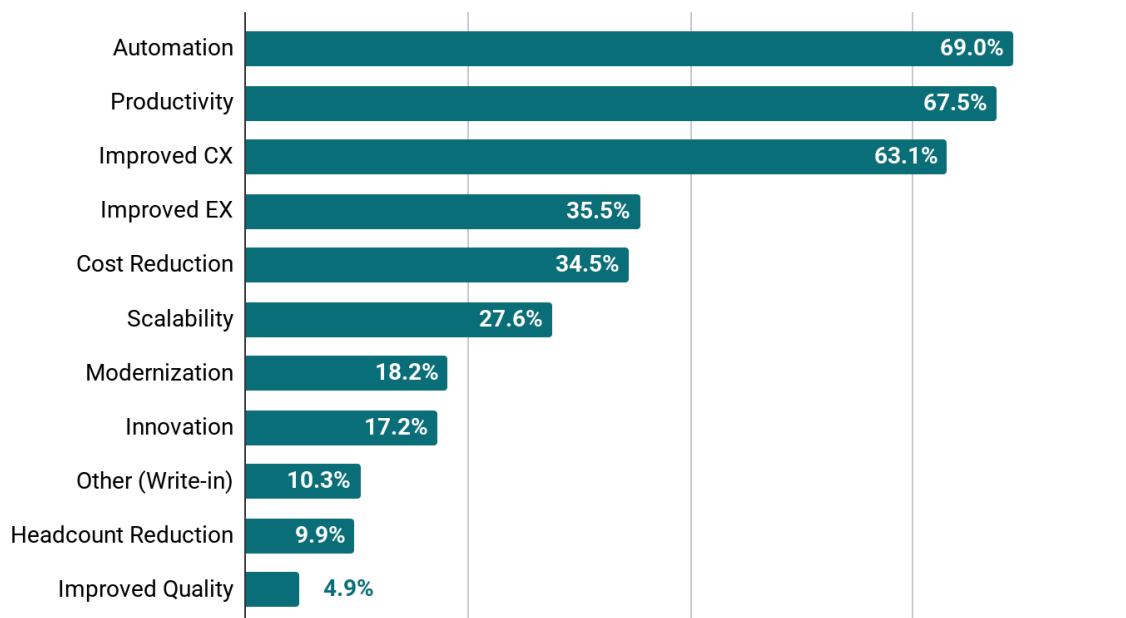
Customer experience has made a significant jump to 63%, up from 69% last quarter, holding steady as a key outcome and indicating that AI is being used to personalize and streamline external-facing interactions. Meanwhile, improving employee experience has

gained traction at 35%, nearly doubling, as organizations start to leverage AI to augment internal workflows, reduce friction, and support talent retention efforts.

Cost reduction (35%) and scalability (28%) remain important but secondary priorities. Interestingly, only 10% of CIOs explicitly seek headcount reductions through AI, reinforcing the shift in narrative from workforce replacement to workforce augmentation. Modernization (18%) and innovation (17%) are gaining ground as mid-tier outcomes, particularly as organizations move beyond experimentation and integrate AI into broader digital transformation strategies.

The low number of “Not applicable” responses confirms that AI is no longer optional. Organizations are engaging AI to drive a spectrum of results, from tactical efficiency to strategic evolution. They are beginning to place more balanced emphasis across customer, employee, and business experience outcomes.

Figure 6: Outcomes CIOs Seek Most from AI



Q: If you are planning to adopt AI, what are the desired outcomes you are seeking? (Select all that apply.)

Source: Futurum Research, March 2025

The Leading Concerns About AI

As AI adoption expands, CIOs remain acutely aware of the risks, and their priorities shift meaningfully. Data security, privacy risks, and potential information leaks top the list once again, with 79% of respondents identifying it as a primary concern, virtually unchanged from last quarter’s 80%. This confirms that trust and control over sensitive data remain foundational prerequisites for scaling AI across the enterprise.

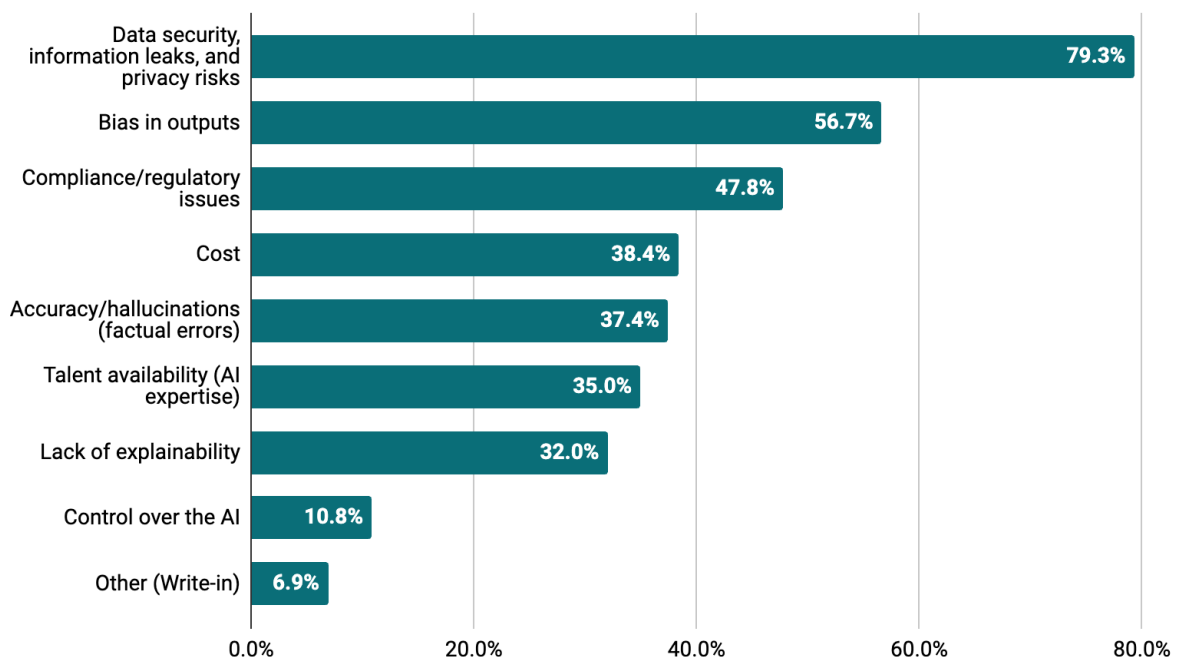
However, the most dramatic shift is the rise in concern about bias in AI outputs, now flagged by 57% of CIOs, up from 59% last quarter. This indicates heightened sensitivity to fairness, ethical AI practices, and reputational risk. Compliance and regulatory uncertainty continues to rank high at 48%, down from 77%, though still a major gating factor, especially in regulated industries and across global operations.

Cost-related concerns have grown, now cited by 38% of CIOs (up from 32%), suggesting that while AI experimentation continues, financial scrutiny increases as pilots give way to enterprise-scale deployments. Accuracy and hallucinations are a factor for 37% of respondents, reinforcing that the quality and reliability of generative outputs still require human oversight and model tuning.

32% noted that lack of explainability remains a concern as CIOs seek transparency into AI decision-making, especially in critical workflows. Interestingly, only 11% of CIOs cited control over AI systems as a concern, indicating that most operate within clearly defined boundaries or use vendor-managed platforms with safeguards in place.

The consistent absence of “Not applicable” responses underscores that no enterprise deploying AI is free from risk considerations. Instead, a maturing market is giving rise to more nuanced concerns: operational governance, cost containment, and ethical implementation.

Figure 7: Current Top Concerns About AI



Q: Where applicable, what potential concerns are you hoping to manage in your AI adoption? (Select all that apply.) Source: Futurum Research, March 2025

Rethinking Where Cloud Workloads Should Run

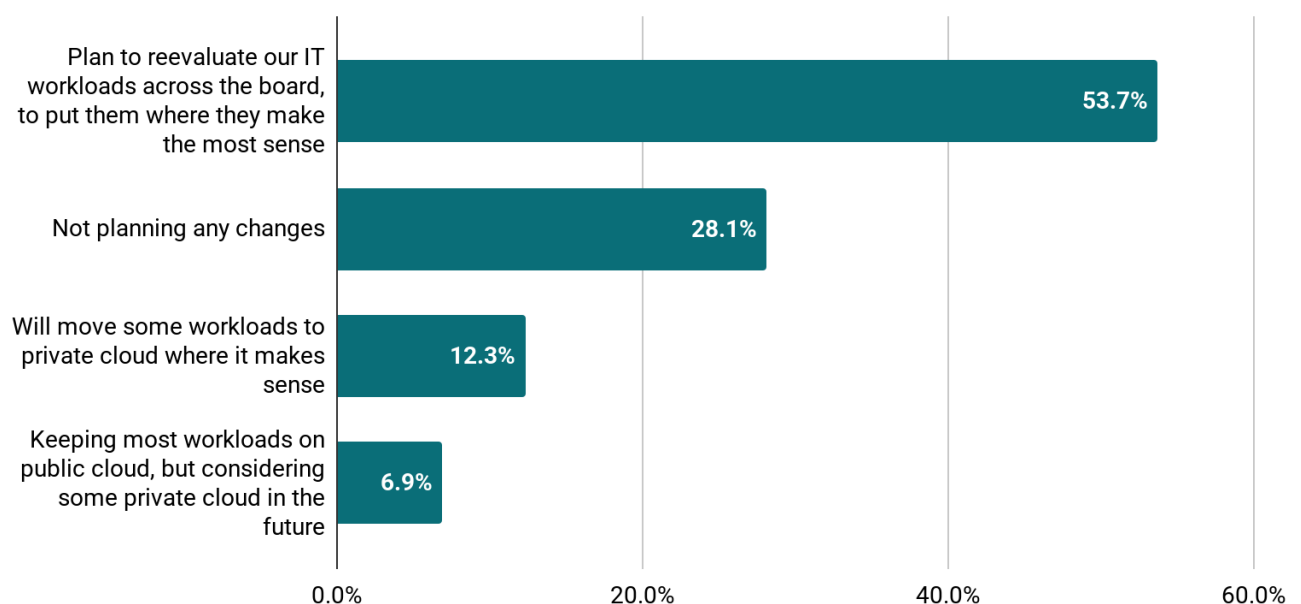
CIOs are entering 2025 with a more pragmatic approach to cloud workload placement. A majority, fully 54%, plan to comprehensively reevaluate their IT workloads to determine optimal placement across public and private cloud environments. This signals a shift from cloud-first dogma toward workload-specific strategies, with performance, compliance, and cost-efficiency driving more nuanced decisions.

Notably, 28% of CIOs say they have no plans to make changes, up quite a bit from the last quarter. This reflects a maturing phase for some organizations where current cloud architectures are stable and delivering on expectations. Meanwhile, 12% plan to move select workloads to private cloud where appropriate, and 7% intend to keep most workloads on public cloud but remain open to limited private deployments in the future. No respondents selected "Other," and no one avoided the conversation altogether, underscoring that cloud strategy remains an active and ongoing consideration for all surveyed organizations.

Compared to the last quarter, where nearly all CIOs reported planned changes, this rise in stability suggests that some early movers have reached equilibrium and are now optimizing rather than overhauling. For others, the reevaluation push reflects the complexity of hybrid architectures and the need to match each workload with the right environment based on governance, latency, data sovereignty, or cost constraints.

As 2025 approaches, the takeaway is clear: The era of blanket cloud strategy is over. CIOs are recalibrating their cloud environments with more intent and precision, favoring adaptable, fit-for-purpose infrastructure models.

Figure 8: How CIOs Are Thinking About Cloud Workloads



Q: Are you planning to rethink where cloud workloads will run in 2025, in terms of moving between private cloud and public cloud? (Select one.) Source: Futurum Research, March 2025

Reasons for Shifting Location of Cloud Workloads

As organizations continue refining their hybrid and multi-cloud strategies, security and control have emerged as the top motivators for reevaluating where workloads reside. In the latest survey, 32% of CIOs cite improved control and security as the primary reason for moving workloads between public and private cloud environments, confirming that trust and governance remain central concerns in cloud architecture decisions.

Cost optimization closely follows at 26%, highlighting the ongoing pressure to contain expenses as cloud usage scales. Compliance and regulatory requirements account for 23% of responses, reflecting persistent industry-specific mandates and regional data residency expectations reshaping infrastructure choices. Enhanced workload performance and latency management, cited by 11%, rounds out the list, indicating that while technical efficiency matters, it often takes a backseat to risk and cost management.

These results align with a broader trend: cloud infrastructure decisions are becoming more strategic and operationally grounded. Compared to the last quarter, where control and compliance also led but with a wider margin, the rising importance of cost optimization suggests that economic scrutiny is catching up to security as a dominant influence. For CIOs, this signals the need to invest in robust workload evaluation frameworks that weigh security, compliance, cost, and performance in balance, not as trade-offs, but as interlocking drivers of long-term cloud value.

CIOs' Confidence in Current Cloud Strategy

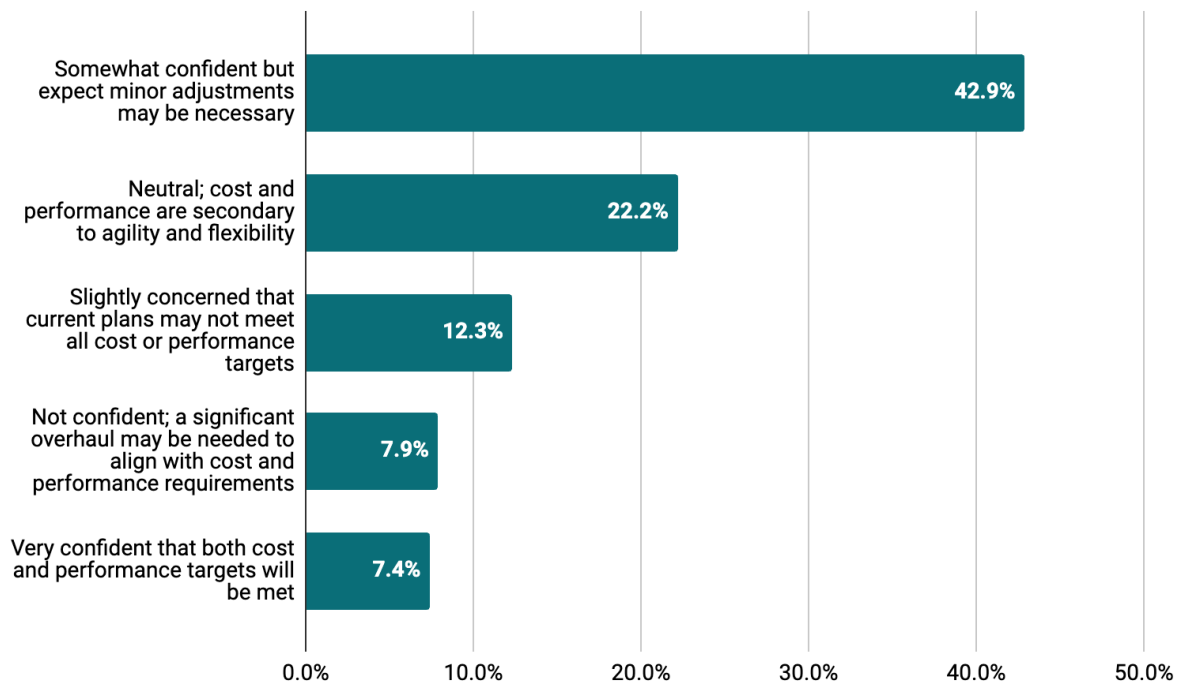
CIOs are starting Q2 2025 with cautious optimism about their cloud strategies. A plurality at 43% report being *somewhat confident*, though they expect to make minor adjustments to meet their cost and performance goals. This pragmatic stance reflects a maturing cloud posture, where iterative tuning is preferred over large-scale rework.

Another 22% are *neutral*, prioritizing agility and flexibility over rigid cost or performance metrics. This signals a shift toward valuing adaptability in hybrid cloud environments, particularly as organizations balance innovation velocity with governance. At the same time, 12% of CIOs express *slight concern* that current plans may fall short of expectations, while 8% are *not confident* at all and foresee the need for a significant overhaul. Only 7% report *complete confidence* that their strategies will meet both cost and performance objectives, down slightly from last quarter's 12%, underscoring continued volatility and complexity in managing cloud investments at scale.

These results highlight the balancing act CIOs face between long-term flexibility and near-term optimization. While confidence levels are generally stable, the dip in "very confident" responses suggests growing recognition that hybrid cloud environments require constant recalibration, not one-time planning.

The takeaway: 2025 will demand cloud strategies that are not only well-architected but also nimble enough to respond to ongoing shifts in cost models, regulatory pressures, and application performance needs.

Figure 9: CIO Confidence in Current Cloud Strategy



Q: How confident are you that your organization's cloud strategy for 2025 will meet both cost and performance goals? (Select one.)

Source: Futurum Research, March 2025

Anticipated IT Budget Changes by Platform in 2025

For the first time, this quarter's CIO survey captured detailed spending intentions at the platform level, offering a more granular look into where IT leaders are allocating resources or tightening them in the year looking forward. The results reveal a landscape of recalibration rather than runaway investment or sweeping cutbacks, with most CIOs redistributing spend based on platform maturity, performance, and strategic alignment.

Winners in Spend Momentum

Several platforms stand out as gaining investment traction. *Salesforce* leads the field, with 38% of CIOs planning to spend more, suggesting confidence in its evolving AI and customer engagement capabilities. *ServiceNow* follows closely, with 41% of respondents increasing investment, likely tied to automation and ITSM enhancements. *Microsoft Azure* also shows strong forward momentum, with 35% planning to spend more, reinforcing its place as a core strategic platform.

Other platforms showing positive spend signals include *Oracle Cloud* (34% increasing), *SAP* (27%), *Workday* (27%), *Google Cloud Platform (GCP)* (26%), and *IBM Cloud* (26%). These results reflect diversified cloud and enterprise software strategies that increasingly prioritize interoperability, security, and AI-readiness.

Pressure to Consolidate or Cut

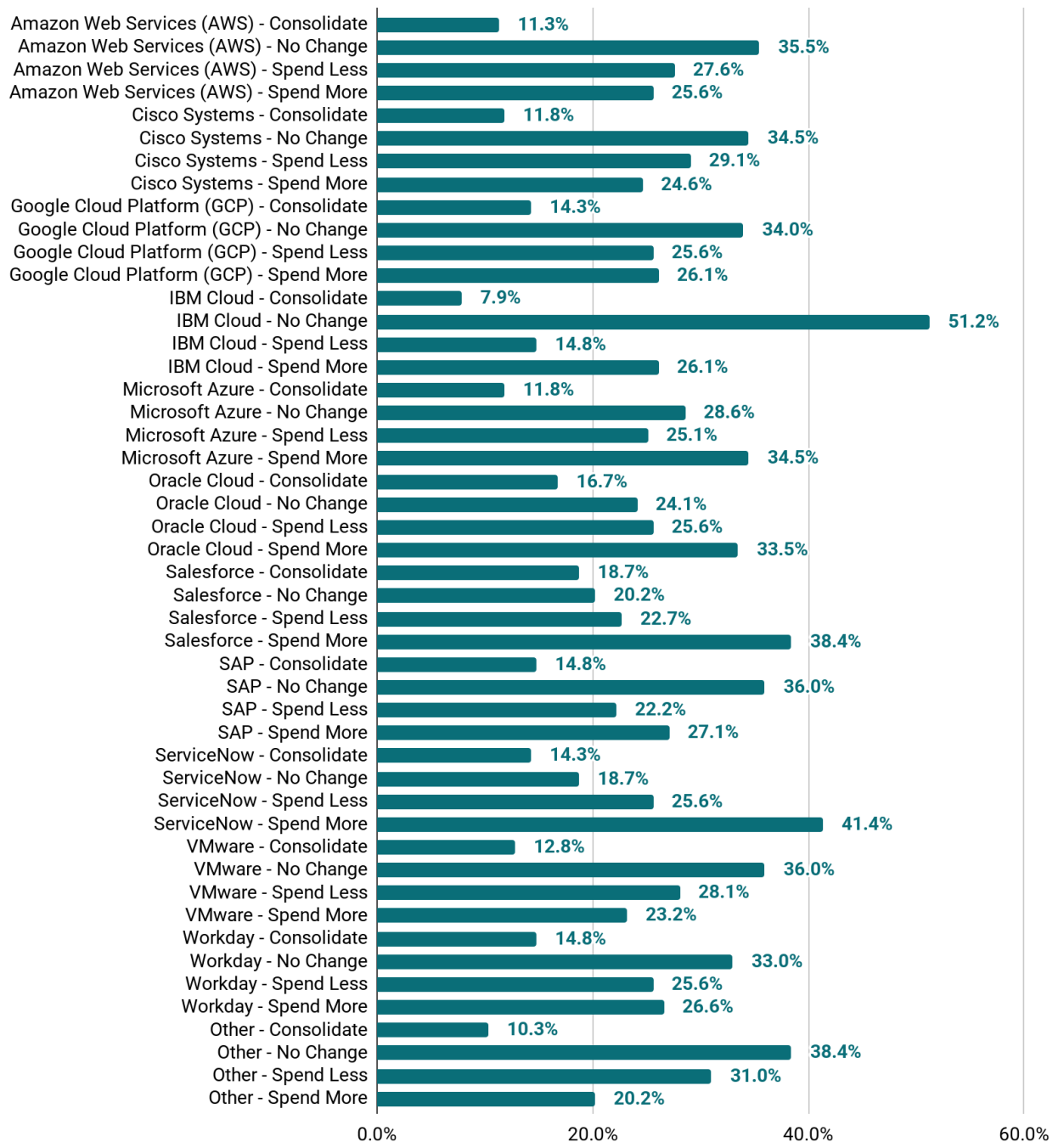
Despite strong investments in some areas, cost optimization is clearly in play. *Amazon Web Services (AWS)* shows one of the most balanced distributions: 26% plan to spend more, but 28% intend to spend less, and 11% are consolidating. *Cisco Systems* sees a similar pattern: 25% will increase investment, yet 29% plan to reduce, and 12% to consolidate. These splits suggest CIOs are reassessing vendors' cost-performance ratios and negotiating more aggressively in mature categories.

Workday, *VMware*, *ServiceNow*, and *Salesforce* all show consolidation rates above 10%, with sizable segments also planning to reduce spending. This implies that platform sprawl, overlap, or licensing costs may be prompting optimization efforts. Meanwhile, the "Other" category (covering niche or homegrown systems) shows the highest rate of spending *less* (31%), a likely outcome of rationalizing long-tail systems to make room for strategic reinvestment.

The Takeaway

In contrast to previous quarters, where budget changes were viewed more broadly, this platform-level data reveals a more mature budgeting mindset. CIOs are shifting from blanket increases to selective prioritization, cutting or consolidating legacy or underperforming tools while doubling down on platforms delivering automation, AI capabilities, and integrated digital experience. Flexibility, efficiency, and alignment with transformation goals are now the core metrics guiding IT spend in 2025.

Figure 10: Planned Shifts in Intended Cloud Platform Spend



Q: Which of the following enterprise IT platforms and solutions do you plan to spend more on, spend less on, or consolidate in the next 12 months? Please select one option for each platform.

Source: Futurum Research, March 2025

Updates to the Biggest IT Challenges in 2025

CIOs are facing a complex and evolving array of challenges heading into 2025, with talent issues once again topping the list. A resounding 72% of CIOs identified *talent acquisition and retention* as their most pressing concern, reinforcing that the competition for skilled technology professionals continues to intensify amid rising demands for AI, cybersecurity, and cloud expertise.

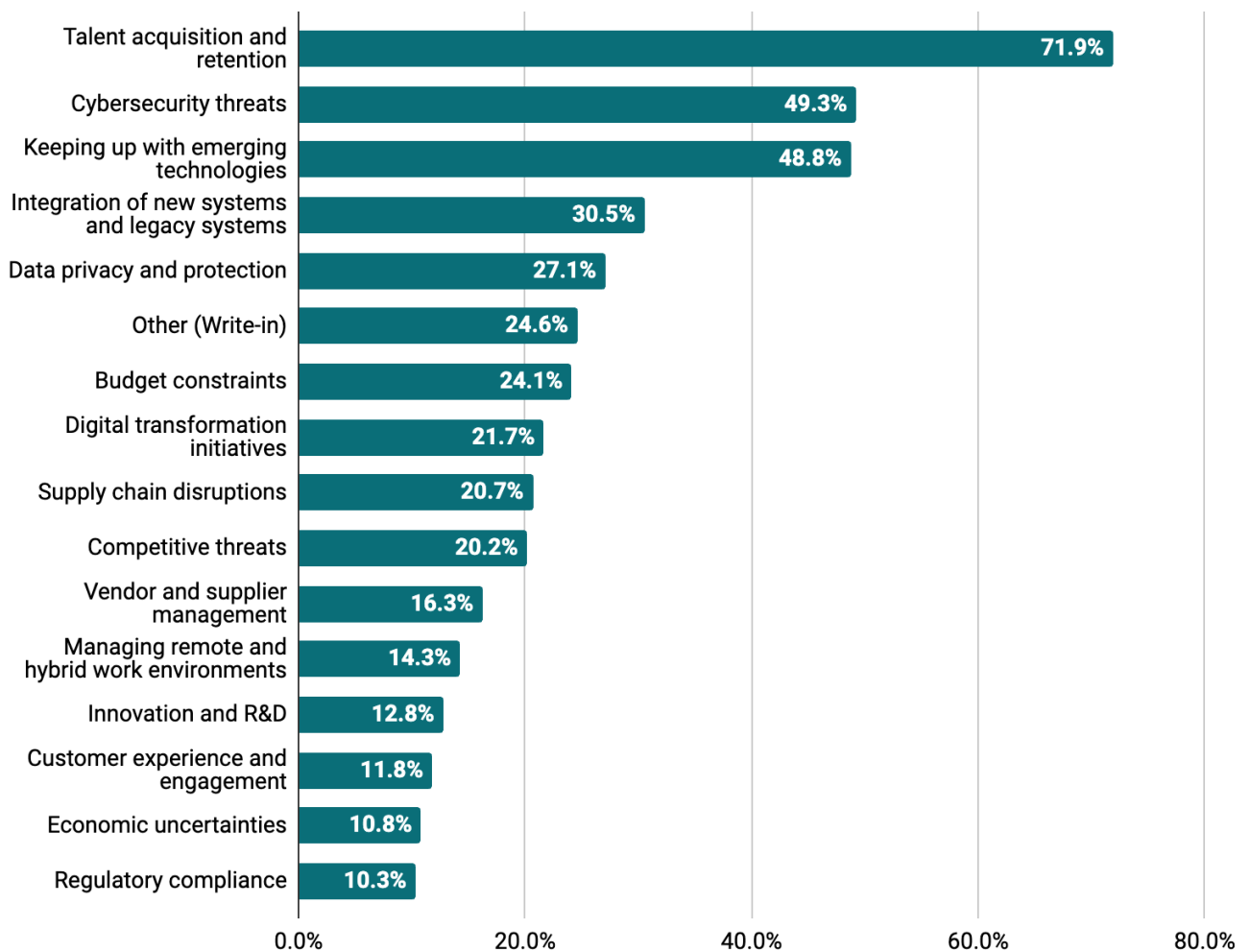
Cybersecurity threats follow closely at 49%, maintaining their status as a perennial concern in a threat landscape that is growing more sophisticated. Meanwhile, *keeping up with emerging technologies*, including generative AI, automation platforms, and data infrastructure, was cited by 49%, highlighting the struggle to remain current while making long-term platform decisions.

Integration complexity is also rising fast. *Integration of new and legacy systems* was cited by 31% of CIOs, signaling mounting technical debt and the growing challenge of stitching together fragmented ecosystems. *Data privacy and protection* (27%) and *budget constraints* (24%) also remain top of mind as CIOs work to secure operations without derailing growth plans.

Interestingly, while *digital transformation* (22%) and *supply chain disruptions* (21%) remain part of the picture, they have declined in relative urgency. *Customer experience and engagement* (12%) and *managing remote/hybrid work* (14%) are no longer the dominant pain points they were in earlier phases of the post-pandemic transition, perhaps reflecting maturing responses to these now-standard operating models.

The standout takeaway: 2025 is shaping up as a year of balancing internal capability-building (especially talent and system integration) with external risk management (security, competition, compliance). With 25% of respondents also selecting *Other*, the range of challenges CIOs face appears to be widening, making adaptability and prioritization more critical than ever.

Figure 11: CIOs' Biggest Challenges Heading into Q2 2025



Q: What do you see as your biggest challenges in 2025? Please select all that apply.

Source: Futurum Research, March 2025

Strategic Investment Priorities in 2025

CIOs are sharpening their strategic focus in Q2 2025, with *enhancing cybersecurity measures* standing out as the undisputed top investment priority. An overwhelming 81% of respondents ranked cybersecurity among their top choices, reinforcing its role as the foundation of enterprise stability amid escalating threats and expanding digital footprints.

Driving digital transformation follows as a close second priority, selected by 66% of CIOs, reflecting a continued commitment to end-to-end modernization and automation initiatives. Also high on the agenda is *investing in emerging technologies*, including AI, machine learning, and IoT, which were chosen by 63%, as organizations push to stay ahead of innovation curves and competitive pressure.

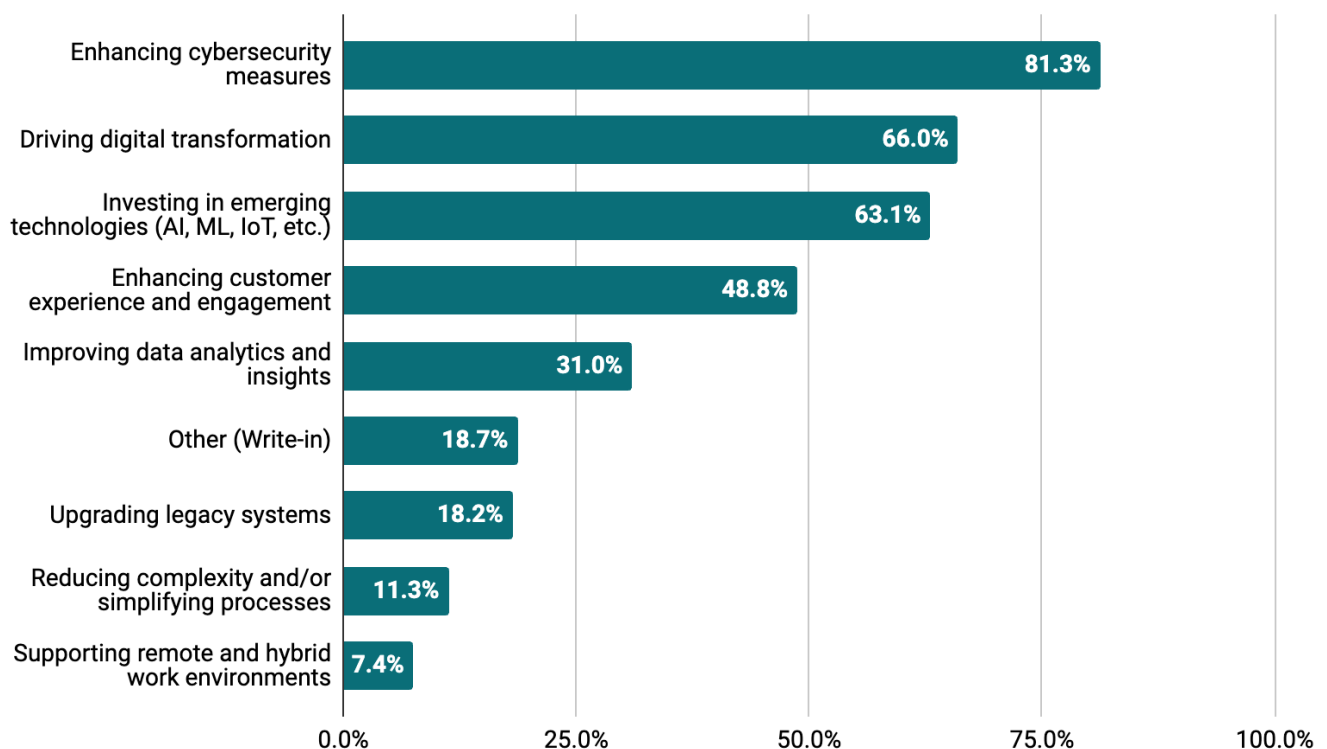
Enhancing customer experience and engagement is next, ranked by 49% of respondents as a top priority, suggesting that while customer-centricity remains important, it is increasingly

being balanced with backend modernization efforts. Similarly, *improving data analytics and insights* (31%) is seen as essential but secondary, likely due to competing budget pressures and ongoing infrastructure dependencies.

Lower on the list, *upgrading legacy systems* (18%) and *reducing complexity/simplifying processes* (11%) still register, but appear to be treated as supporting moves rather than primary strategic levers. *Supporting remote and hybrid work* has now dropped to the bottom of the list at just 7%, indicating that most organizations have settled into steady-state hybrid models and are no longer treating this area as an active investment frontier.

The strong showing of *Other* (19%) highlights the growing diversity of priorities in today's enterprise IT environment, ranging from sustainability to industry-specific initiatives, making prioritization more contextual than ever. Overall, CIOs in 2025 are now clearly prioritizing security, transformation, and emerging tech adoption as the core pillars of enterprise value creation.

Figure 12: Strategic Priorities for CIOs in 2025



Q: How do you prioritize your IT investments for strategic initiatives in 2025? Rank the following initiatives from 1 (highest priority) to 7 (lowest priority). Source: Futurum Research, March 2025

Conclusion and Key Takeaways

This quarter's CIO survey paints a detailed picture of a technology landscape in transition—one defined by strategic recalibration, deeper AI integration, heightened

cybersecurity urgency, and ongoing pressure to modernize core systems. While the drivers remain consistent—AI, cloud, and security—the emphasis has shifted: from experimentation to execution, and from broad transformation to targeted performance optimization.

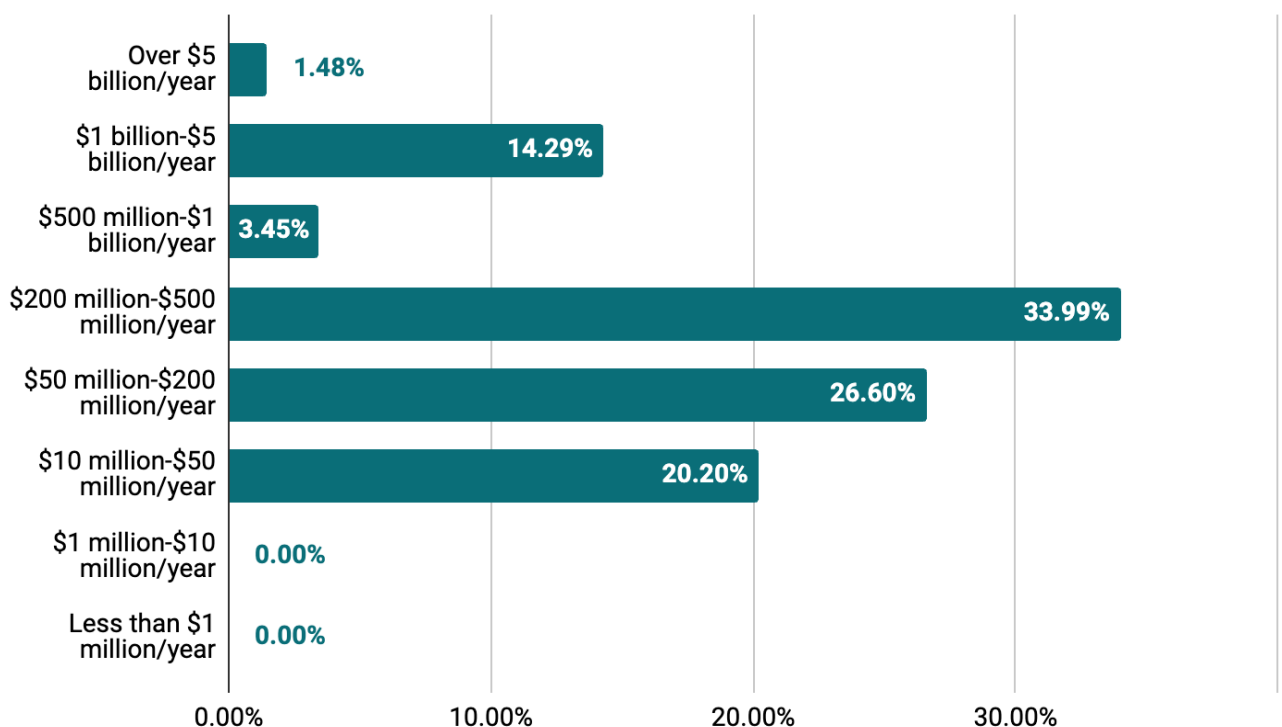
- **AI is no longer a pilot; it's a platform:** CIOs report widespread adoption of AI across business functions, with Sales, Operations, and Marketing now leading deployment efforts. Microsoft Copilot, ChatGPT, and Gemini are the most tested tools, but experimentation is diversifying. Organizations are seeking real outcomes: automation (69%), productivity (67%), and improved customer experience (63%) are the top goals. Yet, concerns about data security (79%) and bias (57%) remain high, driving increased interest in governance and explainability. The dominant implementation strategy blends structured rollout (68%) with well-formed AI governance (68%), indicating the rise of a two-speed approach: enabling innovation while enforcing oversight.
- **Cybersecurity and talent are the twin imperatives:** IT security continues to top both investment (81%) and concern (49%) rankings, underscoring its role as non-negotiable for digital operations. Meanwhile, talent challenges dominate: 72% of CIOs identify acquiring and retaining IT talent as their most urgent issue, far ahead of any other concern. These dual pressures, protect and staff, are shaping everything from vendor decisions to strategic priorities.
- **Cloud strategies are stabilizing, but becoming more nuanced:** Over half of CIOs (54%) are reevaluating their cloud workload placement to optimize cost, security, and performance. Yet 28% now say no changes are planned, a significant rise from last quarter, suggesting many organizations have achieved a new baseline cloud posture they are satisfied with. Security (32%) and cost (26%) remain the main drivers for moving workloads, and most CIOs are confident their strategies are close to meeting cost/performance goals, though only 7% express full confidence, signaling a need for ongoing refinement.
- **Enterprise platform spend is shifting from expansion to realignment:** For the first time, platform-level spend data reveals strategic balancing. Salesforce, ServiceNow, and Microsoft Azure lead in planned investment increases, while AWS, Cisco, and legacy platforms such as VMware and Workday face meaningful consolidation or budget cuts. This reflects a shift from stacking tools to streamlining them, favoring platforms with AI-readiness, automation potential, and proven ROI.
- **Strategic investment is coalescing around three pillars:** CIOs are prioritizing cybersecurity (81%), digital transformation (66%), and emerging technologies such as AI/ML (63%) as their core focus areas for 2025. Customer experience, data analytics, and legacy system upgrades remain important, but are now framed as enablers rather than drivers. Remote work support and complexity reduction have dropped to the bottom of the priority list, indicating that foundational challenges are being resolved—or deprioritized in the face of more urgent transformation goals.

Key Takeaways

Enterprise IT in 2025 is defined by strategic selectivity. CIOs are no longer chasing transformation for its own sake. Instead, they are zeroing in on platforms, outcomes, and architectures that deliver measurable value, while actively managing the risks, workforce demands, and shifting economics of digital operations. The result is a more grounded, governance-minded, and outcome-driven IT leadership class. It is also equipped to navigate both the innovation curve and the organizational complexity that comes with it.

Demographics

Figure 13: Size of Surveyed Organizations

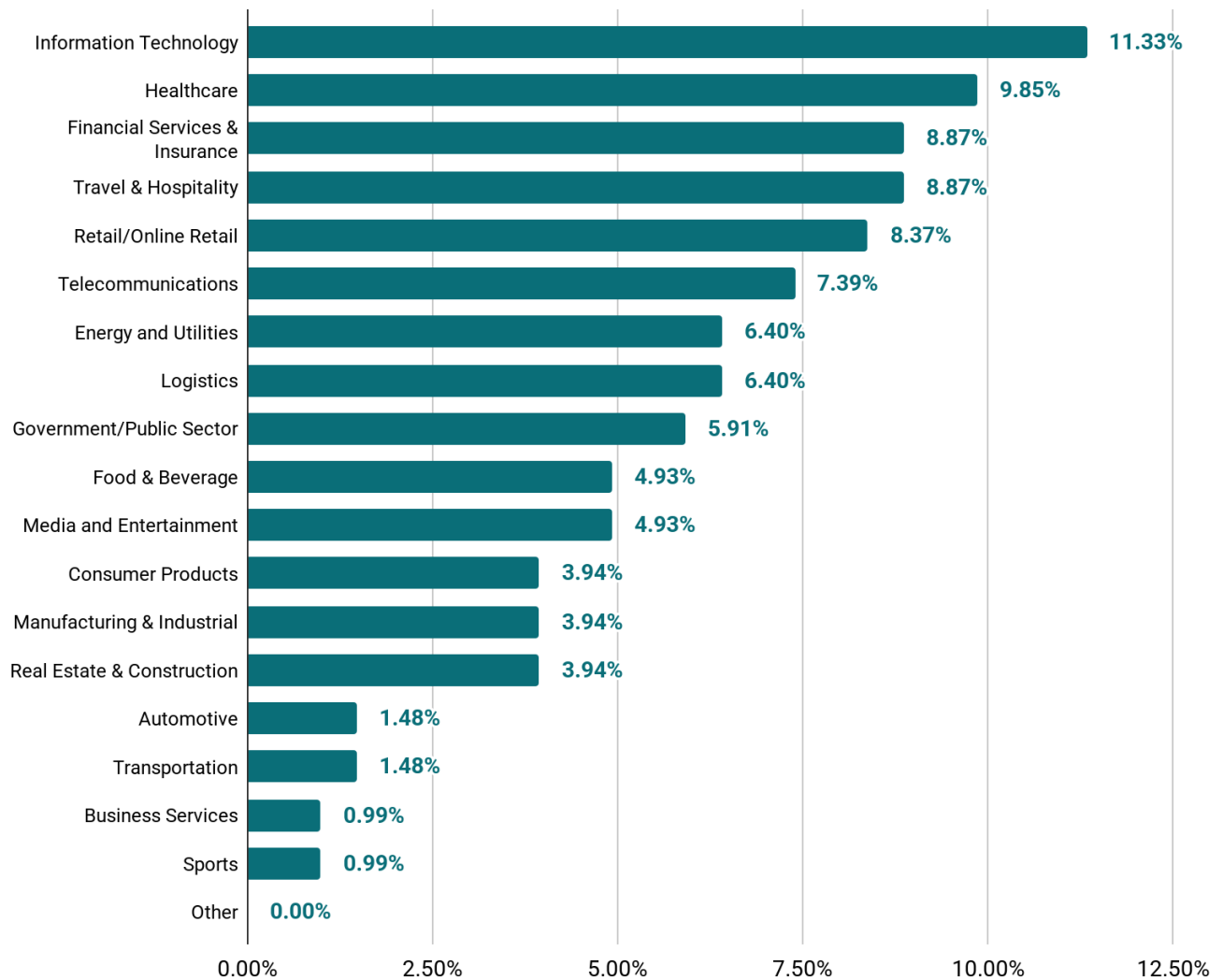


Source: Futurum Research, March 2025

The survey panel consisted of 199 full-time CIOs from various regions worldwide, including North America, Europe, the Middle East & Africa (EMEA), Asia Pacific, and Latin America. The demographic characteristics of these respondents are detailed as follows:

Respondent Vertical Markets: The survey captures insights from professionals across multiple vertical markets. **Organization Revenue:** Participants come from organizations of varying sizes, represented by different revenue brackets, but were almost entirely from the Fortune 500 and Global 2000. This variation provides a comprehensive view of how organizations with different financial scales approach cybersecurity strategies and investments.

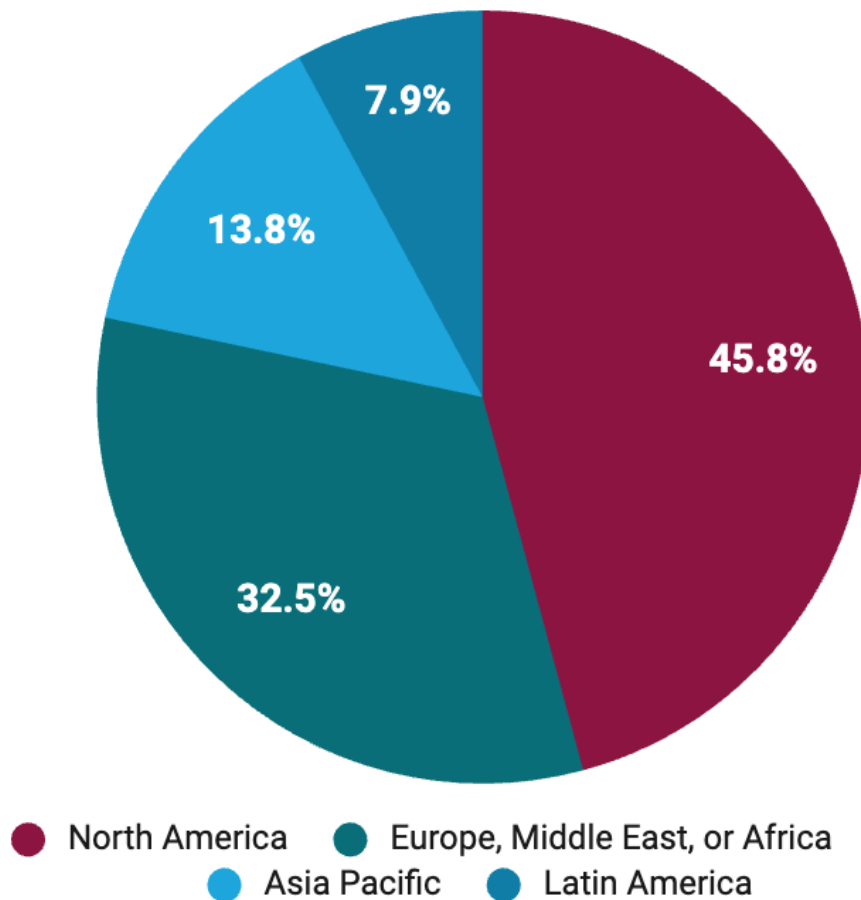
Figure 14: Industry of Surveyed Organizations



Source: Futurum Research, March 2025

Geographical Location: Respondents are distributed globally, covering key regions such as North America, EMEA, Asia Pacific, and Latin America. This global distribution helps in understanding regional differences and trends in cybersecurity practices.

Figure 15: Region of Survey Respondent Organization (n = 203)



Source: Futurum Research, March 2025

Respondent Roles: The survey includes individuals from various professional roles within their organizations. This diverse role representation includes IT security professionals, decision-makers, and executives, offering insights into how different roles influence cybersecurity decisions.

Respondent Generation: The panel comprises respondents from different generational groups. This generational diversity helps us understand varying attitudes toward technology adoption, cybersecurity risks, and investment priorities.

The survey panel's diverse demographic profile ensures a well-rounded perspective on cybersecurity trends and practices across different industries, company sizes, regions, and professional roles.

Definitions and Terminology

Hyperscaler Cloud: Massive cloud computing platforms operated by providers such as AWS, Microsoft Azure, and Google Cloud, offering scalable infrastructure and services for enterprise needs.

Enterprise AI: Artificial intelligence solutions tailored for large-scale business applications, such as process automation, customer insights, and predictive analytics.

IT Service Management (ITSM): A set of practices for delivering and managing IT services efficiently, often supported by tools such as ServiceNow or BMC Remedy.

Cybersecurity Platforms: Integrated software or hardware solutions designed to protect networks, systems, and data from cyber threats and vulnerabilities.

Data Storage and Migration Solutions: Tools and services that enable the secure storage of data and its seamless transfer between systems or environments, such as on-premises to cloud.

Customer Experience Platforms: Software systems focused on improving customer interactions across channels, leveraging data and insights to enhance satisfaction and engagement.

Infrastructure Modernization Tools: Technologies and platforms that update and optimize an organization's IT infrastructure, improving performance, scalability, and security.

Workforce Management and Talent Solutions: Platforms that help organizations manage their employees, from recruitment and onboarding to productivity tracking and skill development.

Regulatory Compliance Tools: Software designed to ensure that businesses adhere to industry standards, legal requirements, and data protection regulations.

Digital Transformation Platforms: Comprehensive platforms that enable businesses to transition from traditional processes to digital-first operations, often integrating AI, cloud, and automation technologies.

Objectives and Methodology

This survey aimed to gain insights into IT trends in large enterprises, focusing on IT spending, technology trends, challenges, and strategies.

Conducted in January through March 2025, this online survey involved 203 enterprise CIOs from various global regions, excluding Russia and China. These respondents were carefully vetted to ensure they had significant knowledge and influence over IT decisions in their organizations.

The survey explored multiple areas, including adopting and experimenting with AI technologies, strategies for managing cybersecurity threats and data protection, challenges in shifting cloud workloads and integrating legacy systems, and priorities such as talent acquisition, digital transformation, and aligning IT investments with strategic goals.

The methodology ensured the reliability of the results, with thorough screening, qualification of respondents, and the occasional use of "anti" questions to verify data integrity. The results offer valuable insights into how organizations prioritize their IT investments and challenges in an evolving digital landscape.

About Us

About the Authors

Dion Hinchcliffe is a distinguished thought leader, IT expert, and enterprise architect, celebrated for his strategic advisory with Fortune 500 and Global 2000 companies. With over 25 years of experience, Dion works with the leadership teams of top enterprises, as well as leading tech companies, in bridging the gap between business and technology, focusing on enterprise AI, IT management, cloud computing, and digital business. He is a sought-after keynote speaker, industry analyst, and author, known for his insightful and in-depth contributions to digital strategy, IT topics, and digital transformation. Dion's influence is particularly notable in the CIO community, where he engages actively with CIO roundtables and has been ranked numerous times as one of the top global influencers of Chief Information Officers. He also serves as an executive fellow at the SDA Bocconi Center for Digital Strategies. Dion can be reached at dhinchcliffe@futurumgroup.com.

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The Futurum Group's analysts, researchers, and advisors help business leaders anticipate tectonic shifts in their industries and leverage disruptive innovation. Unlike traditional analysts, The Futurum Group works in analysis and research and takes that insight and knowledge even further, engaging through the go-to-market process. Futurum Research provides in-depth research and insights on global technology markets using advisory services, custom research reports, strategic consulting engagements, digital events, go-to-market planning, and message testing. It also creates, distributes, and amplifies rich media content that all stakeholders read, watch, and listen to.

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