

Softcat report reveals UK&I organisations' biggest strategic and technology priorities in 2025

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[Softcat](#), a leading IT infrastructure solutions provider, has released its annual [Business Tech Report](#). Drawing on responses from 3,870 organisations across 30 sectors, both public and corporate, Softcat's report reveals how businesses are responding to technological change and opportunities for innovation, while grappling with cost pressures and regulatory demands.

In an ever-evolving digital world, businesses are prioritising resilience, efficiency, and innovation to navigate rising threats and economic pressures. Keeping up with these demands requires investment into the right IT technologies and services. According to IDC, annual global spending on digital transformation is projected to reach [\\$3.9 trillion by 2027](#), underscoring the growing significance of technology investment.

Cyber security remains the top technology priority for organisations, with 67% identifying it as their focus for the year ahead. With cyber threats evolving and diversifying, organisations are embracing advanced solutions like SecDataOps and AI to identify risks and improve response times.

AI adoption has more than doubled since last year, with 38% of organisations leveraging generative AI and automation to boost productivity, enhance data analytics, and improve customer experiences.

Hybrid cloud platforms are also gaining traction as organisations modernise their IT systems to achieve scalability, optimise costs and integrate AI securely and seamlessly into their environment. In fact, 38% and 37% of respondents selected 'technology adoption' and 'technology awareness and selection', respectively, as priorities. Legacy systems are also frequently cited as a contributing factor to

modernisation.

Innovation within networking and connectivity is firmly in the spotlight. For the first time, respondents in Softcat's annual survey named observability as a priority, with the expectation that this will climb the rankings over the next year. The rapid adoption of software-as-a-service (SaaS), cloud and hybrid working has scattered users, devices and applications across locations. This has made it increasingly challenging to monitor the full IT stack. By improving observability, organisations can view their IT environments as entire ecosystems of technologies and troubleshoot complex systems efficiently.

Investment in the digital workspace is continuing at pace, with 33% of respondents focused on streamlining the end-user experience and empowering employees with AI-powered tools like Microsoft Copilot.

Additionally, Softcat surveyed its customers about their strategic organisational goals. More than half (54%) of respondents are prioritising 'cost control and budgeting' amid increasing pressure to operate more cost-effectively and protect the bottom line. A further 44% of respondents said their organisation is prioritising 'technology sourcing and procurement', with many looking to upgrade their existing technologies to boost operational efficiency and resiliency.

The concept of a circular economy in IT is growing in importance too. Many companies are now rethinking how they retire their end-of-use or end-of-life IT equipment, opting for solutions like trade-ins or buybacks which returns value to the business, or donating their equipment for social good.

Despite the circular economy reaching 'megatrend' status and the topic almost [tripling in popularity](#) over the past five years, global circularity is in decline. The share of secondary materials consumed has decreased from 9.1% in 2018 to 7.2% in 2023 – a 2.1% drop. In the same period, the world has consumed over 500 gigatonnes of virgin materials – 28% of all the materials humanity has consumed since 1900.

Renewed efforts to drive forward a circular economy are critically important to reducing the consumption of virgin materials and the amount of e-waste generated. In Softcat's survey, 19% of organisations identified sustainability as a top strategic priority. It could be argued that this statistic should be higher, considering that measuring emissions is becoming an increasingly important part of the journey towards net zero. As an organisation, Softcat is on track to reach a 45% reduction in CO2 emissions by 2030, with the ultimate aim to reach net zero.

Finally, 40% of respondents are focusing on governance and regulatory compliance in 2025, to avoid legal penalties and to protect their reputation. With increasing reliance on external partners, managing third-party risk is essential for ensuring these relationships don't introduce vulnerabilities into their ecosystem.

Softcat's findings reflect businesses' ongoing need to balance technological innovation with operational resilience, while addressing economic challenges and evolving regulatory landscapes. Implementing, maintaining, and improving technology while ensuring proper safeguards is a balancing act that will continue in the year ahead.

Richard Wyn Griffith, Chief Commercial Officer at Softcat commented on the report's findings:

"The pace of change over the past year has been remarkable. Looking ahead, consolidating platforms, services and technologies will provide a full view of everything from assets and users to connectivity and

security. In addition, building a data-driven culture will make it easier to take advantage of ever-smarter technologies while complying with evolving regulations.

“But real change comes from understanding which technologies will best meet each organisation’s unique needs and having the agility to evolve when they do. This is what Softcat has done best for years, and we’re looking forward to continuing to support customers on the journey.”